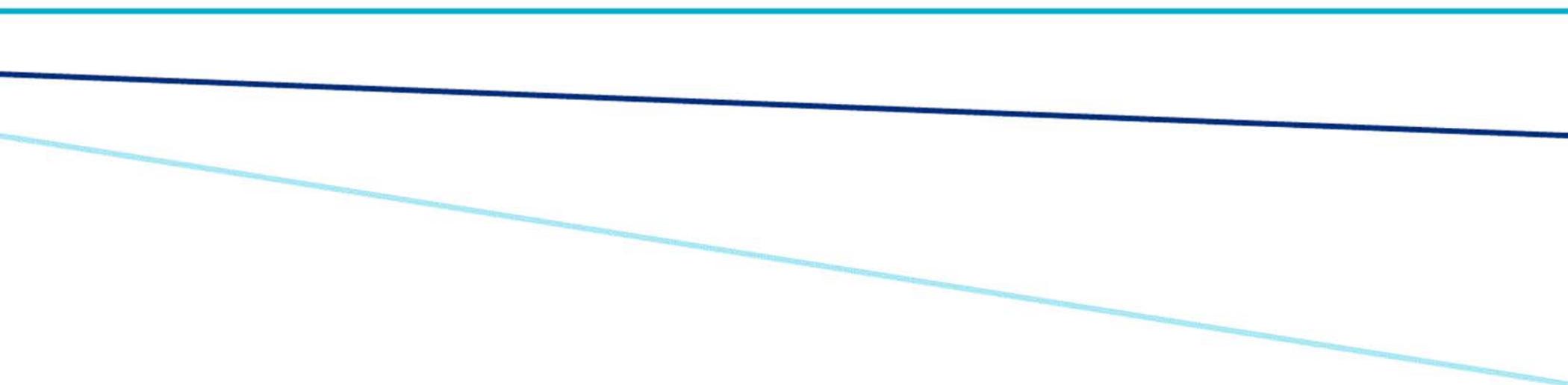


# North Carolina Supplemental Retirement Plans

## Investment Performance

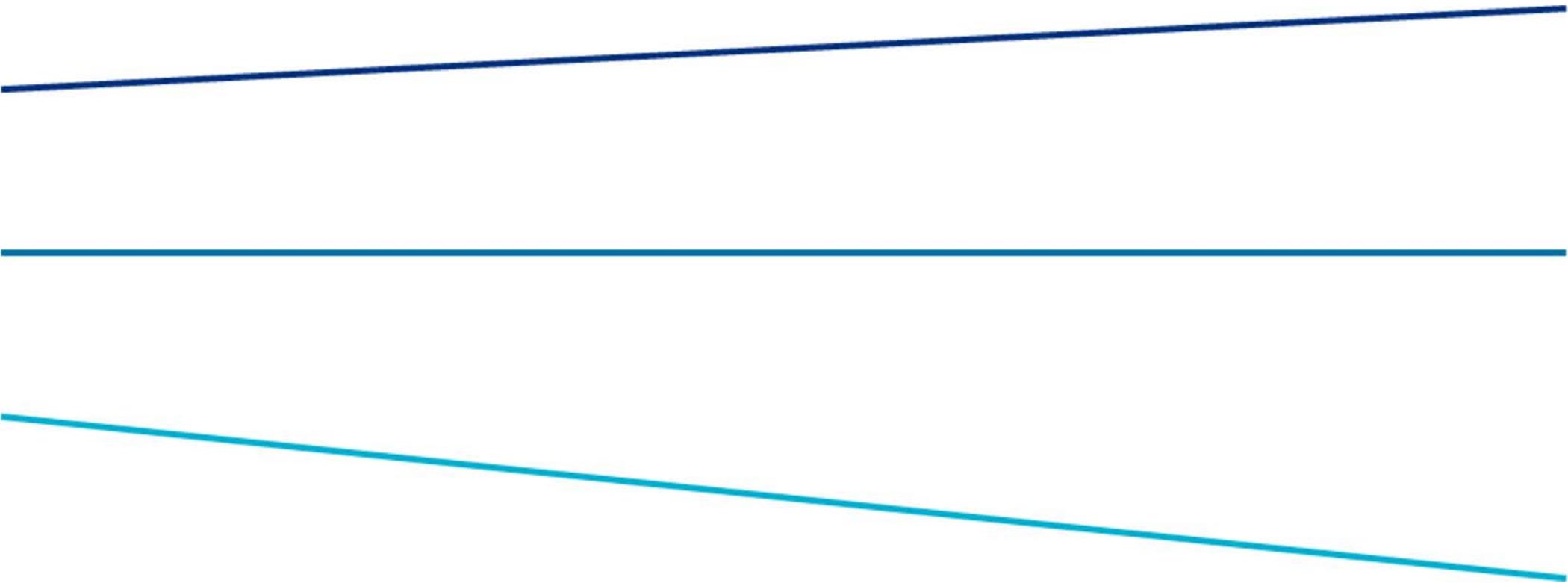
June 30, 2014



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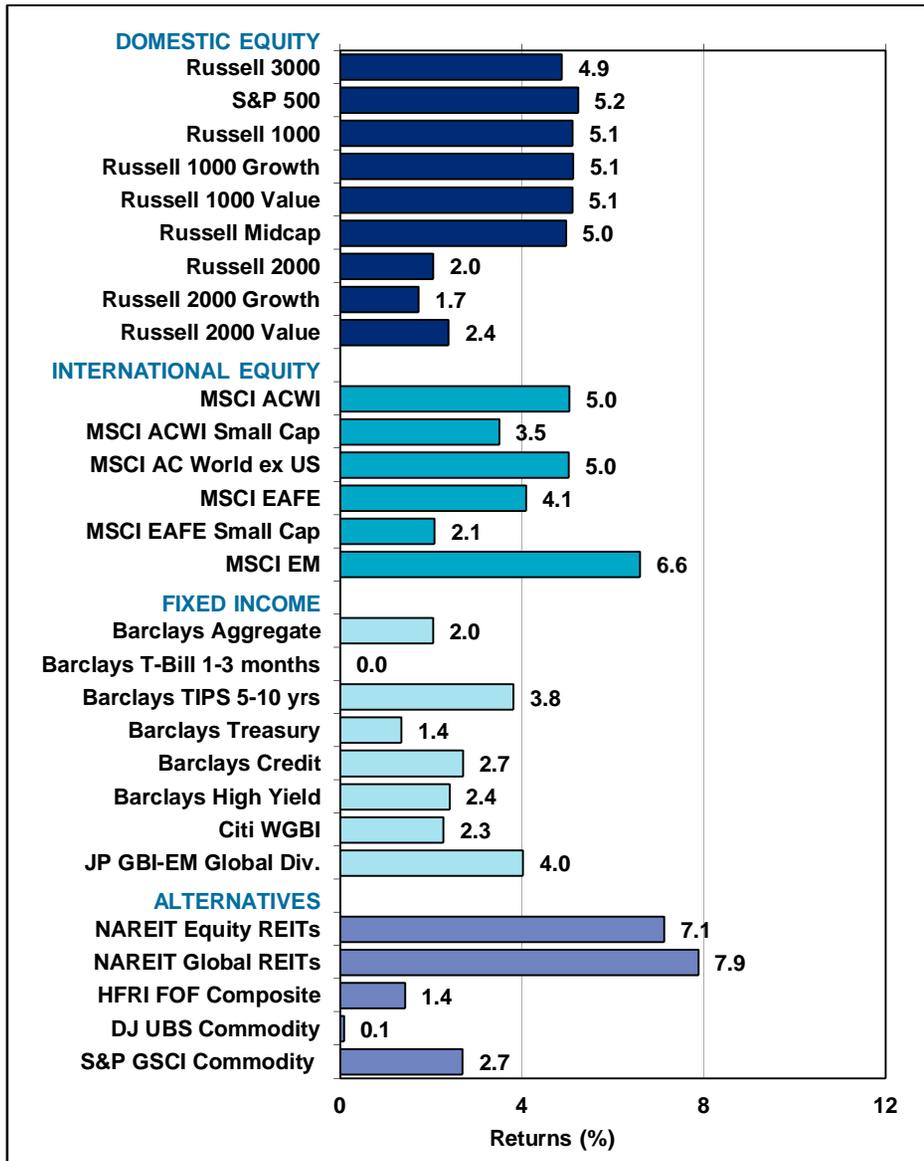
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10. GoalMaker Portfolios
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# Capital Markets Commentary



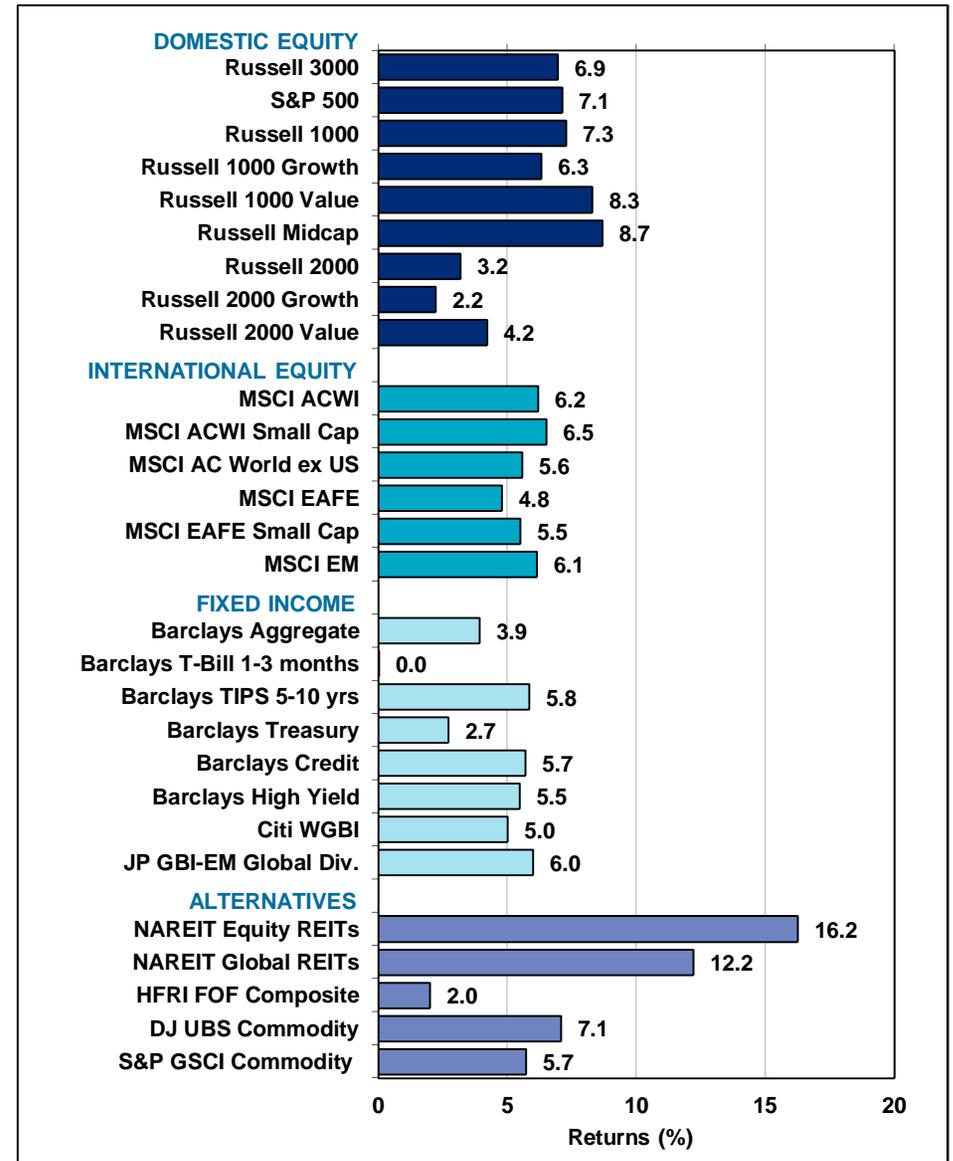
# Performance Summary: Quarter in Review

**Market Performance**  
Second Quarter 2014



Source: Standard & Poor's, Russell, MSCI Barra, NAREIT, Bloomberg

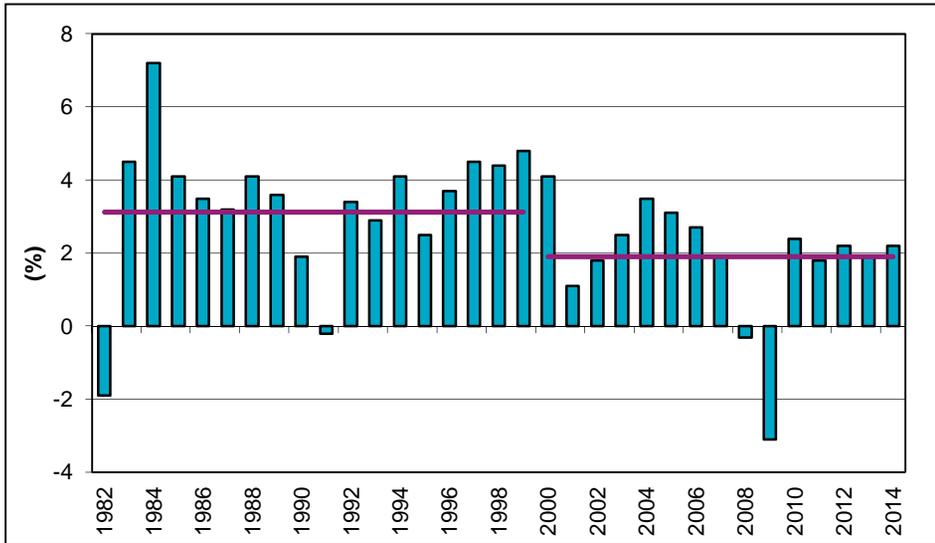
**Market Performance**  
YTD



Source: Standard & Poor's, Russell, MSCI Barra, NAREIT, Bloomberg

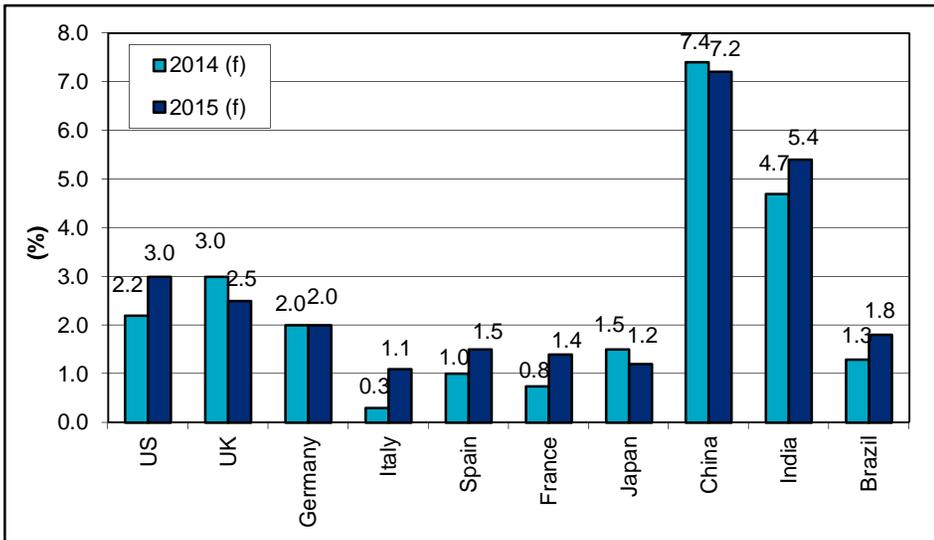
# Macro Environment: Economic Review

Annual GDP Growth



Source: Bureau of Economic Analysis

World Economic Growth  
(Projections as of June 2014)

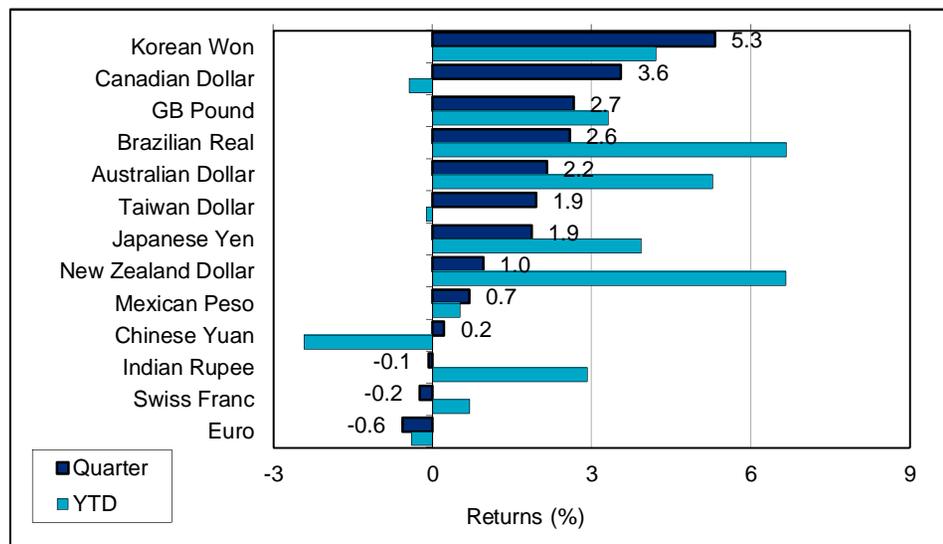


Source: Bloomberg

- After a disappointing first quarter, the global economy appeared to regain its footing in the second quarter. While hopes of a stronger recovery do not appear to be materializing, developed world growth is likely to remain moderate and downside risks appear low.
- In the US, GDP declined at an annualized rate of -2.9% in the first quarter. However, other indicators suggest a much healthier economy, and GDP growth is likely to accelerate over the rest of the year. Employers added an average of 272,000 jobs per month during the quarter and the unemployment rate fell from 6.7% to 6.1%, only slightly above the long-term average of 5.9%. However, business investment remains disappointing, and there are few signs of a pickup. The Eurozone is struggling to generate growth strong enough to reduce elevated unemployment rates. Monetary policy is likely to become more accommodative on a relative basis over the next few years, which could serve to weaken the euro, boosting exports and growth. The Japanese economy stabilized in the second quarter as the impact of fiscal tightening faded. In the near-term, the weak yen has the potential to lift exports. The longer-term outlook for Japan hinges on the ability of the government and corporate sectors to implement structural reforms.
- Financial conditions in emerging market economies appear to have stabilized after a difficult 2013 which saw countries suffer from large capital outflows, currency declines, and inflation spikes. The IMF expects emerging market economies to grow 4.9% in 2014, an improvement from the 4.7% rate in 2013, but well below pre-crisis levels. The outlook for emerging markets over the remainder of 2014 and 2015 is mixed. Stronger developed world growth and the decline in currency values has the potential to boost exports. Also, elections have ushered in new political leadership in several countries and have raised the potential that badly needed structural reforms may be implemented. However, if reforms fail to materialize, it could place further downward pressures on economies. Additionally, EM economies remain vulnerable to further Fed tightening, which could lead to renewed outflows and a further slowdown.

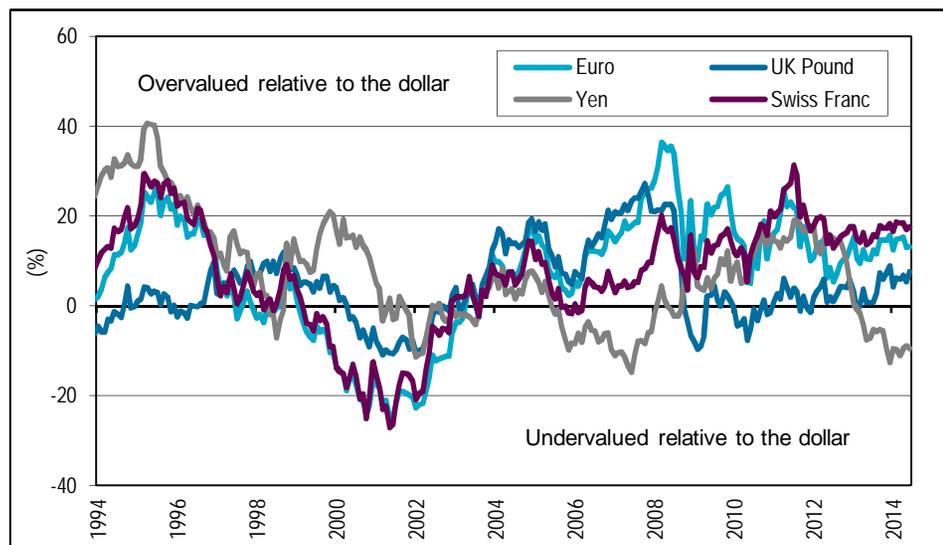
# Macro Environment: Currencies

Performance of Foreign Currencies versus the US Dollar



Source: Bloomberg

Currency Valuation versus US Dollar (Based on Relative PPP)

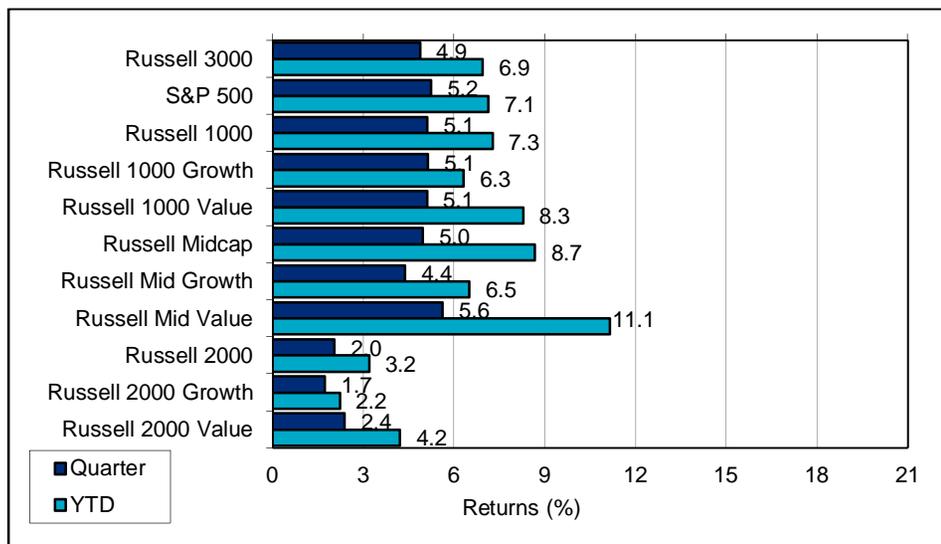


Source: Bloomberg

- On a trade-weighted basis, the US dollar depreciated 0.2% in the second quarter. Despite easier ECB monetary policies, the euro dropped only 0.6% against the dollar. The yen advanced by 1.9%, while emerging market and commodity sensitive currencies were generally higher.
- On balance, the outlook for the dollar is positive against developed currencies over the next few years. The dollar remains inexpensive against most currencies on relative purchasing power parity (PPP) and tighter relative monetary policy should support the dollar. QE3 is on track to end in fall 2014 and the Fed will likely raise its policy rates ahead of other central banks. A negative for the dollar is that the US is a low savings country and continues to run a current account deficit, although it is improving due to falling energy imports.
- While the yen trades at a discount to the dollar on relative PPP, the BoJ will likely remain aggressive in expanding its balance sheet to drive the yen lower and reach its inflation target. However, the timing of additional QE is unknown and the yen could continue range trading until then.
- The Eurozone faces low growth and a realistic risk of deflation. As such, the ECB may take more aggressive monetary actions, perhaps engaging in QE, which should weaken the euro. Additionally, the euro appears expensive on relative PPP, trading at a 13% premium to the dollar.
- While EM currencies remain vulnerable to negative investor sentiment towards specific economies, we do not expect a repeat of 2013 because currency valuations have improved and US rate increases should be more gradual. The currency declines have the potential to lift economic growth and improve trade imbalances, which should serve to improve the financial position of emerging market economies.

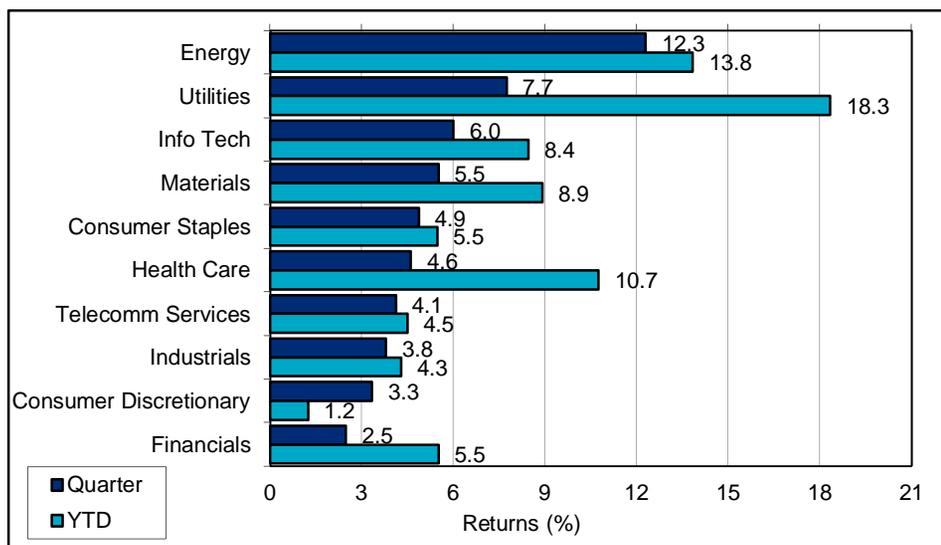
# Asset Class: US Equities – Style, Sector, Cap Performance

## Style and Capitalization Market Performance



Source: Standard & Poor's, Russell, Bloomberg

## Sector Performance



Source: Russell 1000 GICs Sector

## Broad Market

Stocks posted strong gains in the second quarter and broad indices hit new highs. Equity markets benefited from improved economic growth and accommodative monetary policy. The Russell 3000 Index increased 4.9% and is up 6.9% in 2014. US stocks outperformed international developed markets by 80 basis points in the second quarter, but lagged emerging markets by 170 basis points for the quarter.

## Market Cap

- **Large Caps:** The S&P 500 and Russell 1000 Index rose 5.2% and 5.1%, respectively, in the second quarter. For the quarter, large cap stocks outperformed small cap stocks by 310 basis points.
- **Mid Caps:** The Russell Midcap Index advanced 5.0% in the second quarter. Mid caps have outpaced large and small cap stocks year to date.
- **Small Caps:** Small cap stocks underperformed large and mid cap stocks significantly as the Russell 2000 Index rose just 2.0% in the second quarter. For the year, small cap stocks have underperformed the S&P 500 by 390 basis points.

## Style

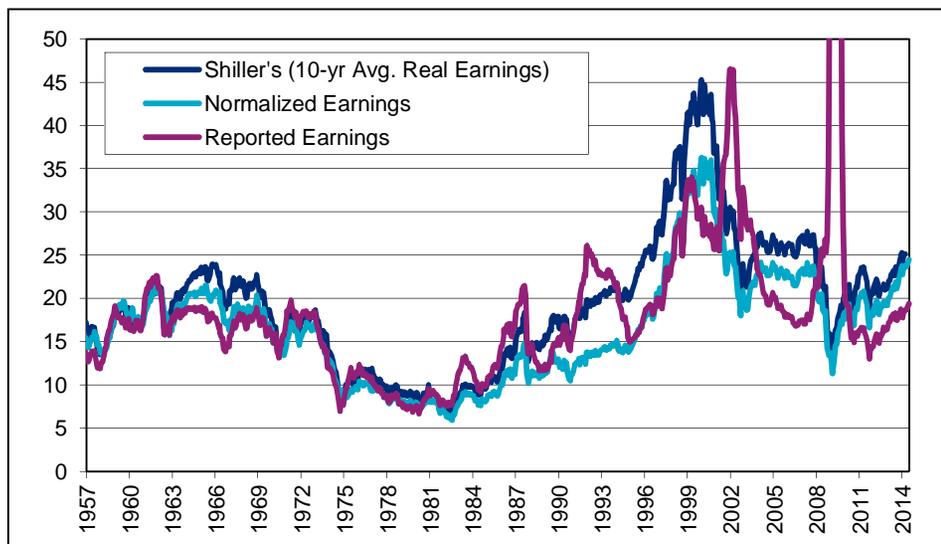
- **Value vs. Growth:** While style performance within large caps was neutral, value surpassed growth within mid and small cap stocks in the second quarter. Small cap growth stocks have struggled in 2014, returning just 2.2% and lagging the broad market by 470 basis points.

## Sector

- The energy, utilities, information technology, and materials sectors outperformed the broad market for the quarter, while financials were the biggest laggard.

# Asset Class: US Equities – Valuation Review

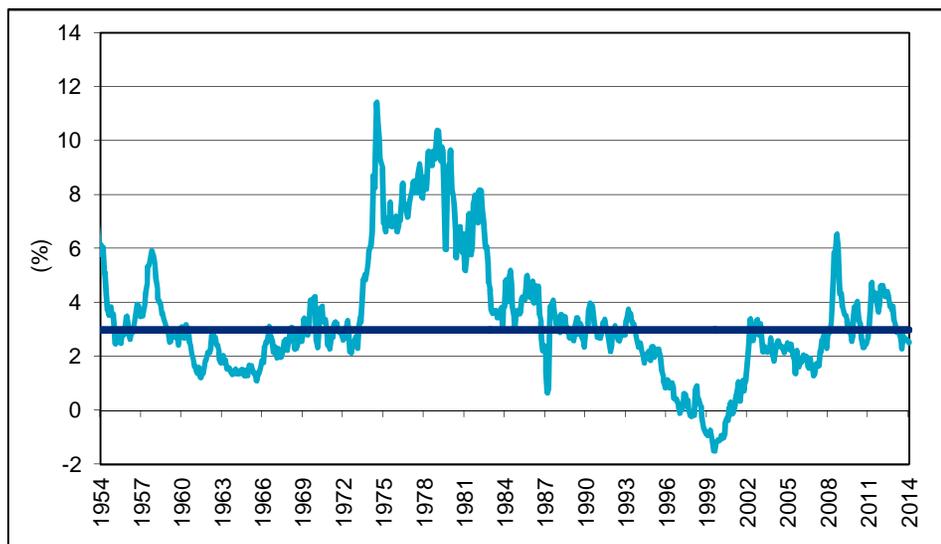
## S&P500 – P/E Ratio



Source: S&P, Bloomberg, Mercer

## S&P500 – Estimated Equity Risk Premium<sup>1</sup>

Versus Long-Term Treasuries



Source: S&P, Bloomberg, Mercer

- Valuations on the S&P 500 moved higher for the quarter as price gains exceeded profit growth. The P/E ratio on trailing earnings moved from 18.6 to 19.4, which is above the 17.2 median since 1956.
- Valuations remain very high based on measures that adjust for record high profit margins. The P/E ratio based on normalized earnings stood at 24.5, 47% above the historical median of 16.7 (since 1956), while the P/E based on average 10-year real earnings (Shiller's methodology) finished the quarter at 25.7, compared to a median of 19.0 (since 1956).
- Analysts are calling for 11.7% EPS growth over the next 12-months. These forecasts hinge on the sustainability of elevated profit margins. While margins tend to mean revert, we believe a return to "normal" could take many years as the secular and cyclical forces supporting margins will be slow to unwind. High margins are being driven in large part by a reduced share of revenue going to employees as the slack in the labor market has reduced worker bargaining power. However, we expect downward pressure on margins over the intermediate-term. Wages are increasing marginally faster than productivity growth and this trend could continue. Also, corporate capital investments have been running well below trend, which could hamper future productivity growth.
- While elevated in absolute terms, valuations look reasonable against bonds. We estimate that the equity risk premium over long-term Treasuries declined marginally from 2.6% to 2.5% during the quarter, as lower bond yields offset higher equity valuations. We expect stocks to outperform bonds, but current valuations suggest long-term returns will be below normal, especially if profit margins get squeezed as we expect.

<sup>1</sup> Definitions:

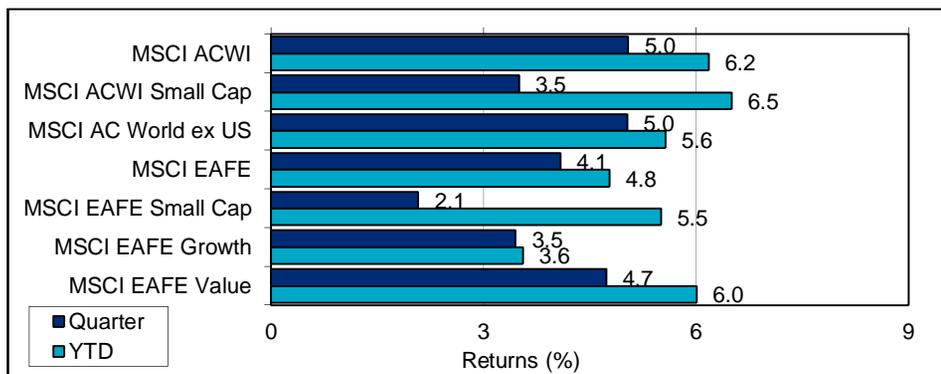
Shiller's P/E= Current S&P 500 price/average 10-year real earnings

Normalized P/E= Current S&P 500 price/(current trailing twelve month sales \* 6.6% profit margin)

Equity Risk Premium= Earnings yield (1/PE) minus the real yield on long-term Treasuries

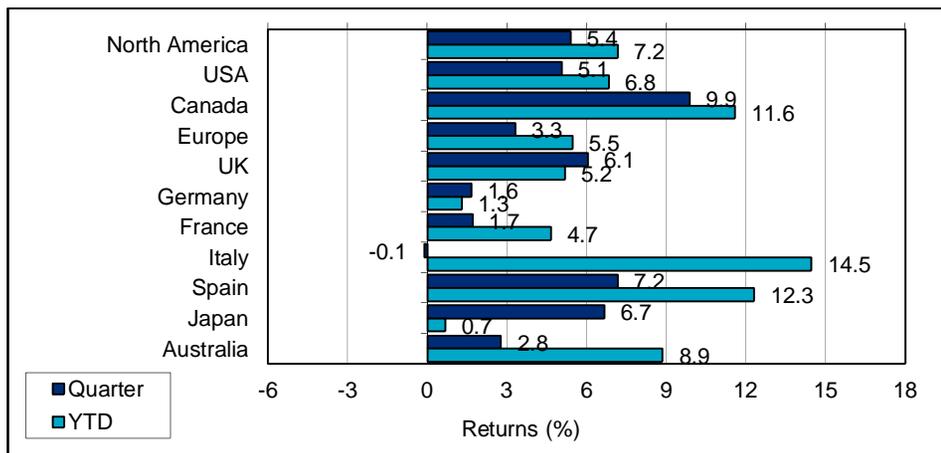
# Asset Class: International Equities – Performance Review

## International Equity Performance



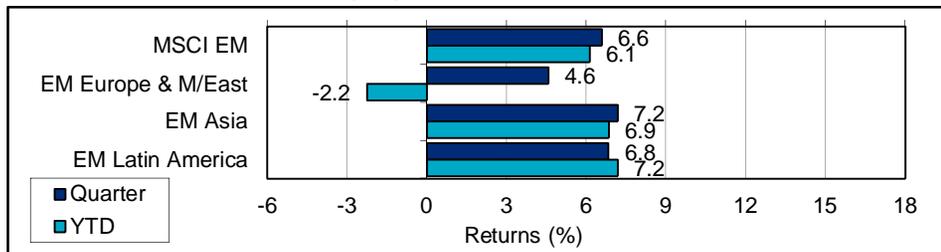
Source: MSCI, Bloomberg

## Developed Country Performance



Source: MSCI, Bloomberg

## Emerging Market Performance



Source: MSCI, Bloomberg

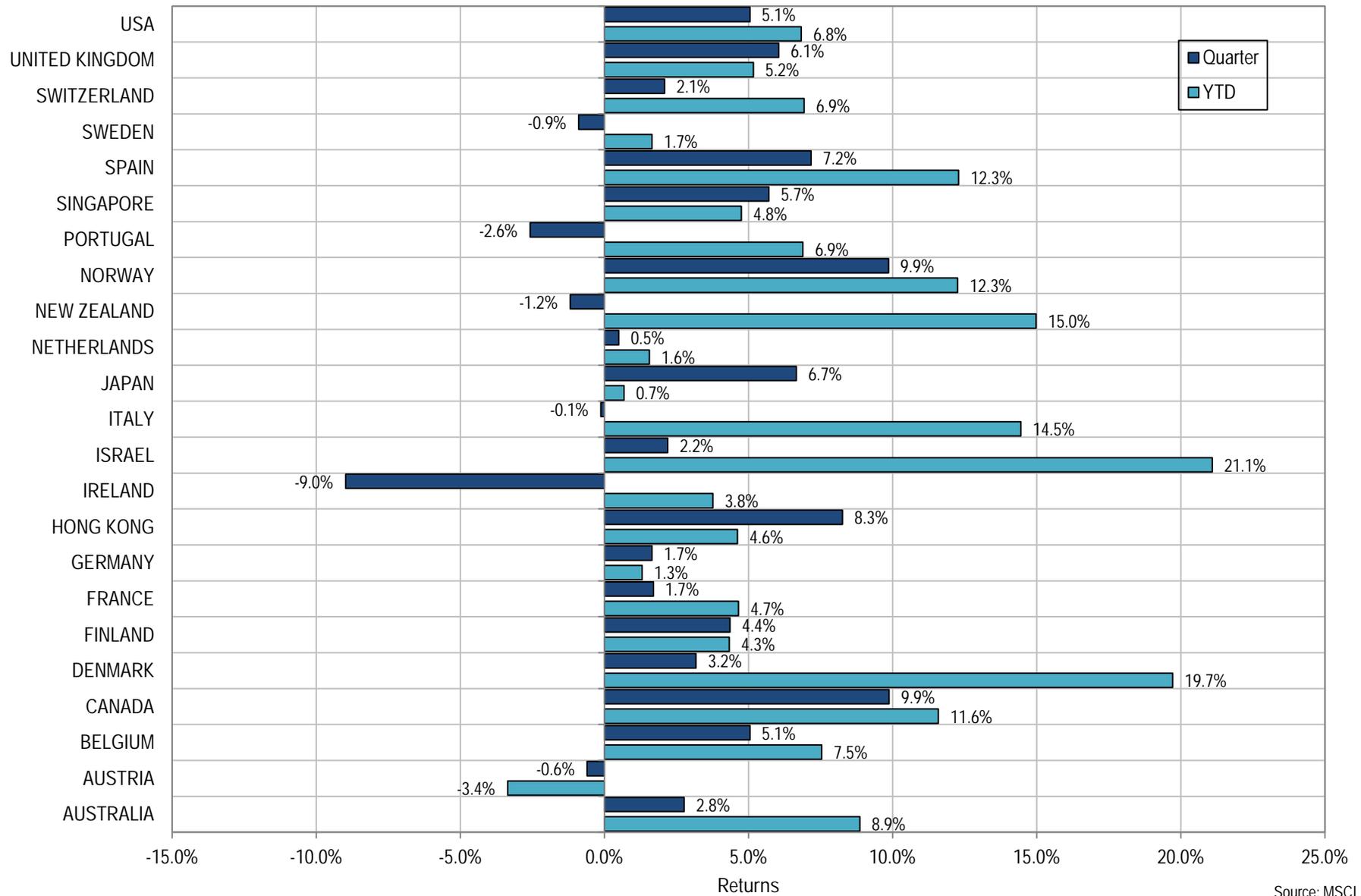
- **International equities** posted a strong quarter with the MSCI ACWI ex-US Index returning 5.0%. Emerging market equities rebounded nicely and outperformed developed equities. Within developed stocks, US equities outperformed non-US markets.

- **International developed stocks** rose 4.1% in the second quarter, but lagged the S&P 500 Index by 110 basis points. Year a, EAFE has underperformed the S&P 500 by 230 basis points. European stocks advanced only 3.3% in the second quarter, suggesting markets may be concerned about the pace of the recovery and the lack of monetary stimulus. Japanese stocks rebounded following the launch of the “third arrow” of structural reforms, returning 6.7%.

- **International developed small cap stocks** gained 2.1% during the second quarter, underperforming international large cap stocks (MSCI EAFE) by 200 basis points. However, for the year, international small caps have outperformed by 70 basis points.

- **Emerging market stocks** benefited as sentiment and outflows stabilized during the quarter, rising 6.6% and outperforming the S&P 500 by 140 basis points. Asian and Latin America stocks led markets higher in the second quarter as commodity prices rose and growth in China turned upward. For the year, political tensions have weighed on markets in eastern Europe.

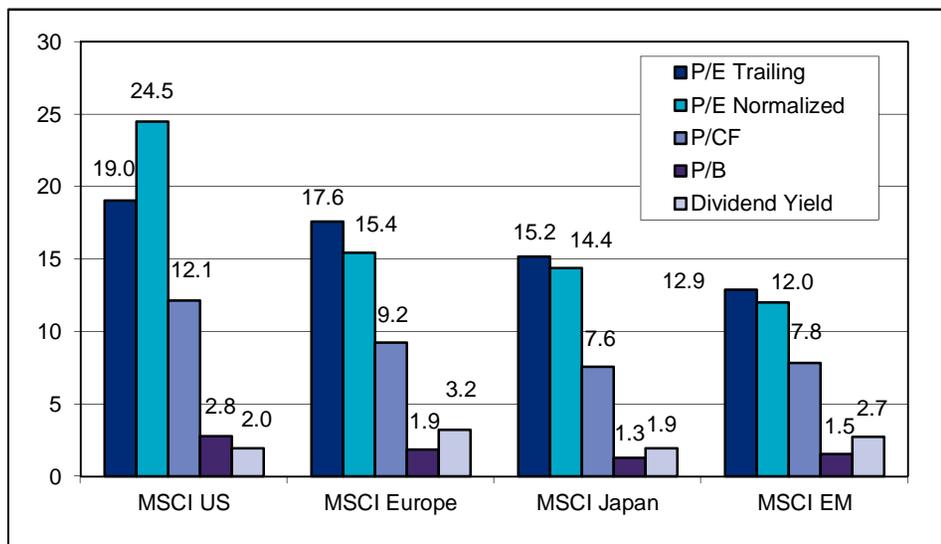
# Developed Country Performance



Source: MSCI

# Asset Class: International Equities – Valuation Review

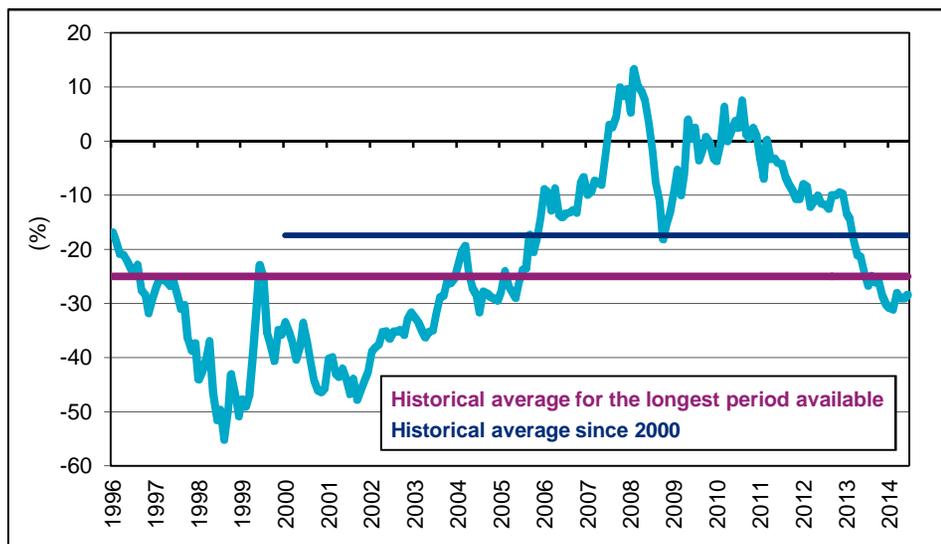
## Global Valuations



Source: MSCI, Bloomberg

## Valuation of MSCI Emerging Markets to MSCI World

(Based on Average of P/E, P/B and P/CF)

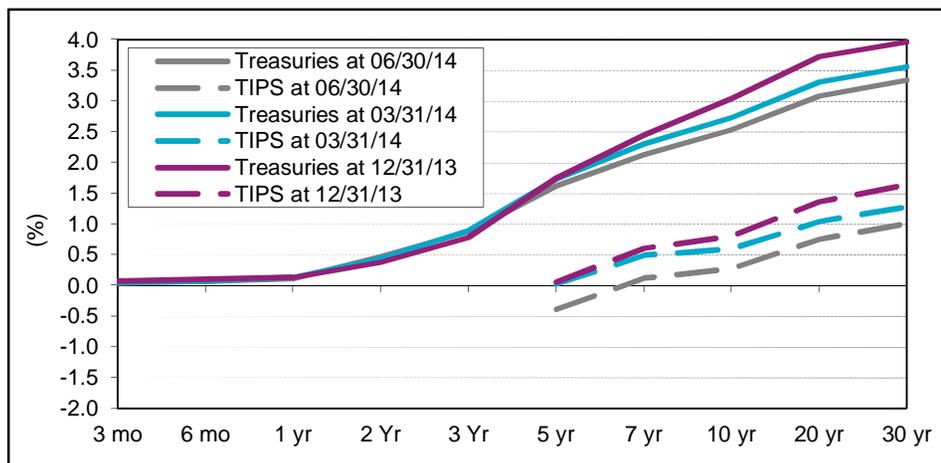


Source: MSCI, Bloomberg

- European firms have struggled as the debt crisis and the recession have weighed on profits. However, earnings are expected to spike nearly 18% in 2014. While overall economic growth remains subpar and the strong euro could crimp export growth, falling borrowing costs and limited wage pressures have the potential to boost profitability. Earnings are 32% below their pre-financial crisis peak and profit margins are 10% below historical averages. The strong returns over the last year have lifted valuations and European stocks are trading at a P/E of 17.6. However, if margins return to historical averages, valuations look more attractive with European stocks trading at a normalized P/E of only 15.4. Based on Shiller's P/E, Europe is trading at a 35% discount to the US compared to a historical average of 15%.
- EPS for Japanese firms have spiked 55% over the last year and earnings have nearly returned to their pre-financial crisis peak, although profit margins remain 20% below 2007-levels. The weak yen and stronger global growth could provide further support to earnings, although a slowdown in domestic growth may weigh on profits. From a structural standpoint, the push for corporate governance reforms has the potential to narrow the profitability gap between Japan and the rest of the world.
- EM profitability has fallen over the last year as slowing growth and higher inflation have weighed on earnings. For example, the ROE on EM equities has fallen an estimated 5% over the last year. Macro tensions appear to have stabilized and currency declines have the potential to lift exports and earnings. However, EM economies remain vulnerable to further monetary tightening and despite new political leadership there is still uncertainty surrounding the potential for structural reform. EM stocks are trading at only 12.9x trailing earnings, a 12% discount to their historical average since 1995. They are also trading at a robust 28% discount to developed stocks. However, discounts are narrowly based, and, accounting for sector differences, relative valuations are less compelling.

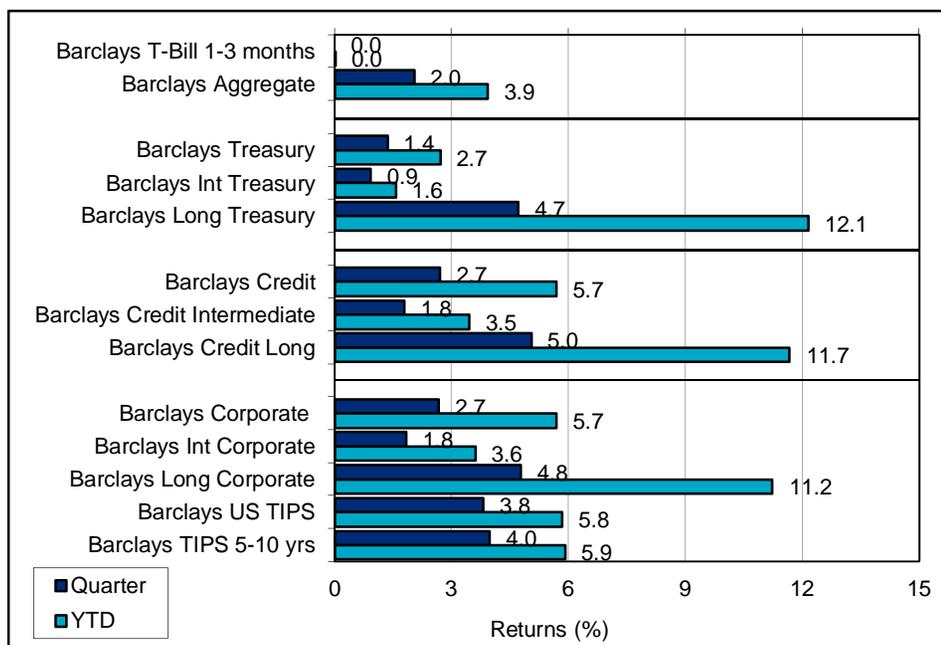
# Asset Class: Fixed Income – Interest Rates and Yield Curve

## Treasury Yield Curve



Source: Federal Reserve

## Bond Performance by Duration

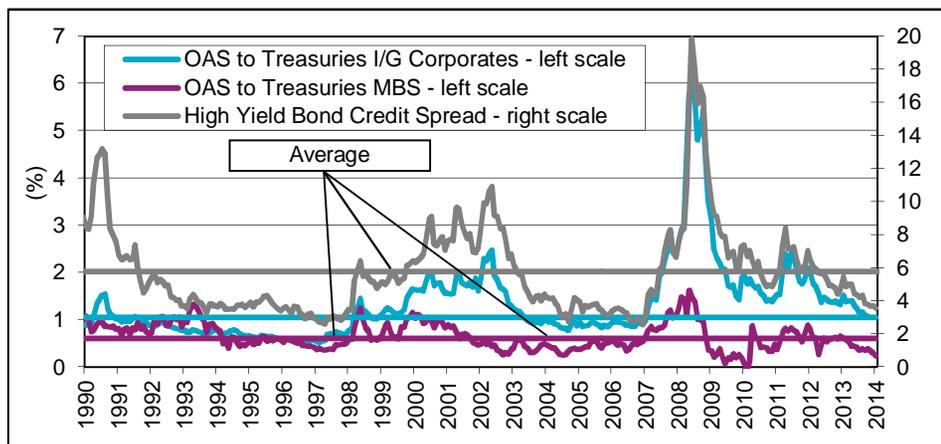


Source: Barclays, Bloomberg

- Interest rates declined in the second quarter with the yield on the 5-year Treasury falling from 1.73% to 1.62%. Treasury yield movements have been mixed in 2014, with shorter-term rates rising slightly, while intermediate-term and long-term rates have declined. As a result, the yield curve has flattened substantially. Year to date, the yield on the 3-year Treasury has risen by 10 basis points to 0.88%, while the yield on the 10-year Treasury has fallen from 3.04% to 2.53%.
- Market expectations on the timing and pace of interest rate increases as well as the ultimate endpoint for the Target Rate are the drivers of yield movements. Despite the looming end of QE3, we still view the Fed as dovish. Bond markets anticipate that the FOMC is likely to keep the Target Rate at zero percent until mid-2015 and slowly increase it afterwards. Absent a significant shift in inflation expectations, the process of interest rate normalization should be gradual.
- US Bonds** rose in the second quarter as yields declined. The Barclays Aggregate Bond Index returned 2.0% and is now up 3.9% in 2014. Credit outperformed Treasuries as spreads continued to tighten.
- Long-Duration Bonds** advanced as the yield on 30-year Treasury decreased by 22 basis points to 3.34%. The Barclays Long Treasury, Credit and Corporate Indexes increased by 4.7%, 5.0% and 4.8% in the quarter and have outperformed equity markets year to date.
- TIPS** outperformed Treasuries, advancing 3.8% in the second quarter. For the year, TIPS have returned 5.8% while Treasuries have gained 2.7%. TIPS have benefited from their longer duration relative to the Treasury index. Inflation breakeven rates have varied by maturity. For example, 10-year inflation breakeven rates are essentially unchanged in 2014, moving from 2.25% to 2.26%. However, inflation breakeven rates on 5-year TIPS have risen from 1.7% to 2.0%.

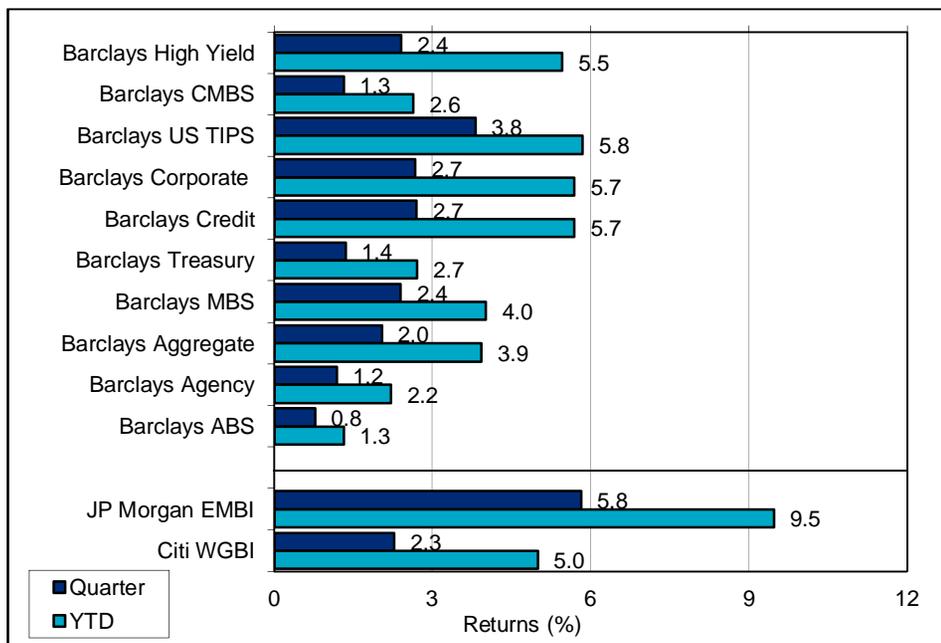
# Asset Class: Fixed Income – Credit and Non-US Bonds

## Credit Spreads



Source: Barclays

## Sector, Credit, and Global Bond Performance

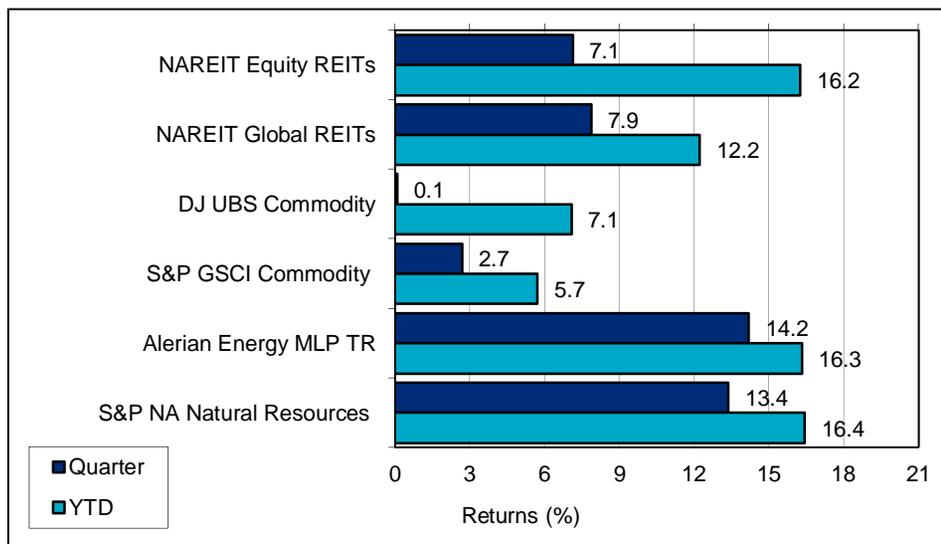


Source: Barclays, Citigroup, JP Morgan, Bloomberg

- The yield on investment grade corporate bonds dropped by 20 bps to 2.9% in the second quarter, and the option-adjusted spread to Treasuries slipped by 7 bps to 1.0%, which is slightly below long-term norms. Given the favorable economic outlook, downside risk is limited over the short-term. However, tight spreads and low yields leave limited upside from this point.
- The yield on high yield bonds declined to 4.9% in the second quarter, a record low. The credit spread fell by 20 bps to 3.4%, its lowest level since early 2007. A strengthening US economy combined with healthy corporate balance sheets should keep default rates low in the near-term. However, issuance quality has fallen and there has been a rise in issues with weaker covenants. While not a near-term concern, this could make the next recession more painful for credit investors.
- **US Treasuries** posted gains as the yield on the 10-year Treasury fell from 2.73% to 2.53% during the quarter. The Barclays Treasury Index rose 1.4% and is up 2.7% year to date.
- **US Corporate** bonds outperformed Treasuries by 130 basis points in the second quarter as spreads narrowed. For the year, I/G corporate bonds have returned 5.7%, outperforming Treasuries by 300 bps.
- **US MBS, Agency, CMBS, and ABS** bonds also benefited from falling yields. The MBS sector outperformed Treasuries, while Agency, ABS and CMBS bonds lagged.
- **High Yield** bonds advanced 2.4% in the second quarter as yields declined and credit spreads narrowed, HY bonds outperformed the Treasury index by 100 bps in the second quarter.
- **Global Bonds** benefited from falling bond yields, with the Citigroup World Government Bond index gaining 2.3% in the second quarter.
- **Local Currency Emerging Market Debt** returned 5.8% for the quarter and is now up 9.5% for the year. After a difficult 2013, local currency EM debt has benefited from a drop in yields and a rebound in currencies in 2014.

# Asset Class: Alternatives – Performance Review

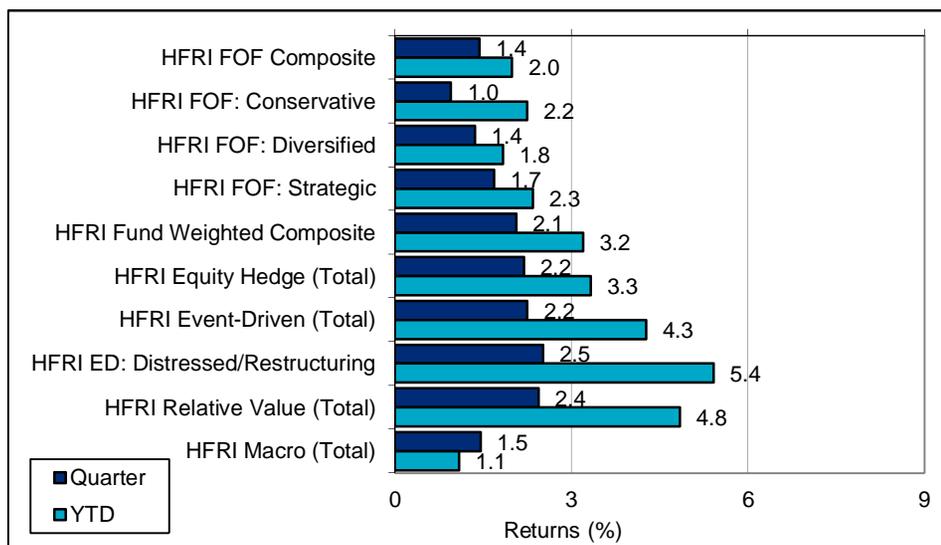
## Real Asset Performance



Source: NAREIT, Dow-Jones, UBS, Goldman Sachs

- **REITs** have benefited from falling yields in 2014. Global and US REITs jumped 7.9% and 7.1%, respectively, for the quarter and are up 12.2% and 16.2%, respectively, for the year.
- **Commodities** benefited from geopolitical tensions and improved growth in the second quarter as oil prices rose 4.8%. The S&P NA Natural Resources Index surged 13.4%, while the DJ-UBS Commodity Index eked out a 0.1% gain.

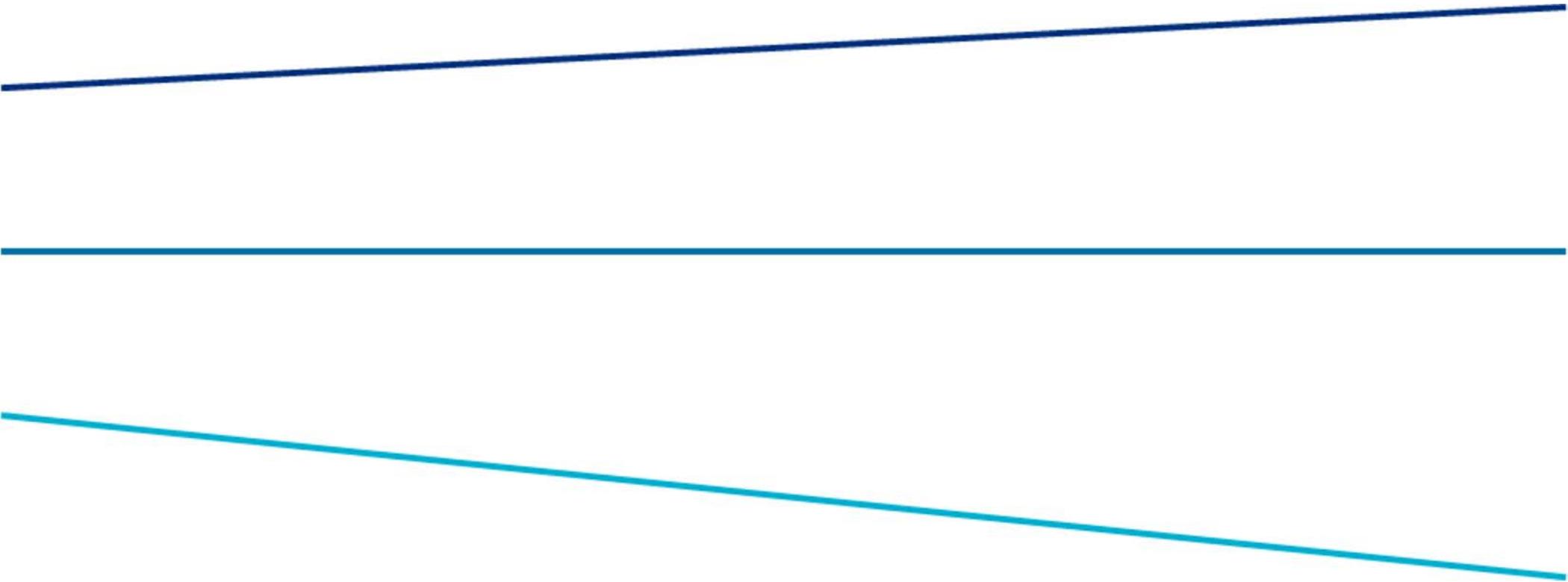
## Hedge Fund Performance



Source: HFR

- **Hedge funds** lagged global equities in the second quarter. The HFRI Fund of Funds Composite Index gained 1.4%, while the MSCI ACWI index and the Barclays Aggregate index advanced 5.0% and 2.0%, respectively. Macro strategies continued to lag, while distressed and relative value managers were the better performers.

# Executive Summary



## Executive Summary

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### Fund Performance & Manager Updates

#### **Large Cap Passive**

The NCSRP **Large Cap Passive Fund** returned 5.2% for the quarter and matched the return of the S&P 500 Index. Over the trailing twelve months, the Fund returned 24.4%, tracking the S&P 500 Index within 20 basis points. The Large Cap Passive Fund consists of the BlackRock Equity Index portfolio.

#### **Large Cap Value**

The **Large Cap Value Fund** gained 3.6% over the second quarter, which underperformed the Russell 1000 Value by 150 basis points and ranked in the bottom quartile among the peer group universe. All three underlying managers underperformed the index and ranked in the bottom half of the peer group universe during the quarter. Over the trailing three-year period, the Large Cap Value Fund beat its benchmark and ranked in the top quartile of its peer group.

*Mercer upgraded the Hotchkis and Wiley Large Cap Value rating to an “A (T)” in June 2014. Mercer continues to believe in the sector team structure at Hotchkis and feels it fosters great debate among team members. The full research note is provided under separate cover.*

*In May 2014, Mercer met with Robeco to discuss their Large Cap Value Equity strategy. We continue to believe in the investment acumen of portfolio managers Mark Donovan and David Pyle. As a result of the meeting, Mercer maintained the “A” rating. The full research note is provided under separate cover.*

*Wellington informed Mercer that it intends to convert the existing parent company, Wellington Management Company, LLP into a group holding company to be named Wellington Management Group LLP, which will own all of its operating subsidiaries and affiliates globally. Given the assertion that each partner's ownership interest will remain the same and the company will remain a global partnership, we are not proposing any rating changes. The full news item is located under separate cover.*

#### **Large Cap Growth**

The **Large Cap Growth Fund** underperformed the Russell 1000 Growth Index by 270 basis points and ranked in the bottom decile of the peer group universe. All three underlying managers underperformed the index, with aggressive growth manager Sands underperforming by the widest margin. Over the five-year trailing period, the Large Cap Growth Fund has provided strong returns against the Russell 1000 Growth Index and ranked in the top decile of the peer group universe.

*Sands recently informed Mercer that John Freeman, partner and senior analyst on its technology team, will be leaving the firm as of June 30, 2014 due to family issues. Mercer believes that Freeman was a valued team member but does not think his departure will significantly impact the investment process or portfolio management. The full news item is provided under separate cover.*

#### **Mid/Small Cap Passive**

The NCSRP **Mid/Small Cap Passive Fund** gained 3.5% over the second quarter and tracked the Russell 2500 Index return within 10 basis points. Over the trailing twelve months, the Fund was up 25.4%, tracking the Russell 2500 Index within 20 basis points. The Mid/Small Cap Passive Fund consists of the BlackRock Russell 2500 Index portfolio.

## Executive Summary

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### Mid/Small Cap Value

The **Mid/Small Cap Value Fund** returned 5.0% during the quarter and outperformed the Russell 2500 Value Index by 80 basis points and ranked in the top quartile of the peer group universe. All three underlying managers outperformed their respective benchmarks and ranked in the top half of the peer group universe. The Mid/Small Cap Value Fund outperformed its benchmark by wide margins over the trailing one- and three-year periods.

### Mid/Small Cap Growth

The **Mid/Small Cap Growth Fund** trailed the Russell 2500 Growth Index return of 2.9% by 290 basis points. A majority of the underperformance can be attributed to Brown, as they trailed the benchmark by 470 basis points and ranked in the bottom quartile of the peer group universe. The Mid/Small Cap Growth Fund's longer term results have been mixed, as it has outperformed the index and peer group median over the trailing three-year period but trailed the index over the five-year trailing period.

*Mercer met with TimesSquare to discuss their SMID Cap Growth strategy and reaffirmed the "A" rating due to the quality research and the stable, experienced staff. The full research note can be found under separate cover.*

### International Passive

The NCSRP **International Passive Fund** gained 5.1% over the second quarter and tracked the MSCI ACWI ex US within 10 basis points. Over the longer periods measured, the Fund performed within 60 basis points of the benchmark. The majority of the tracking error is due to fair value pricing issues affecting international securities. The International Passive Fund currently consists of the BlackRock ACWI ex US portfolio.

### International Equity

The **International Equity Fund** trailed the MSCI ACWI ex US by 90 basis points with a 4.3% second quarter return but ranked in the top half of the peer group universe. The underperformance was a result of the 3.1% return of Baillie Gifford, which trailed the index by 210 basis points. Over the trailing three- and five-year periods, the International Equity Fund outperformed its benchmark and peer group universe.

*Mondrian appointed Clive Gilmore, CIO for Global Equity, as the new Group CIO. Mercer was not surprised by the appointment and is not proposing any rating changes. The full news item is located under separate cover.*

### Global Equity

The **Global Equity Fund** outperformed the MSCI All Country World Index by 40 basis points and ranked in the top decile of the Mercer Mutual Fund Global Equity Universe. Both Wellington and Arrowstreet outperformed the benchmark during the quarter and ranked in the top quartile of the peer group universe. Over the trailing three- and five-year periods, the Global Equity Fund produced strong results against both the benchmark and peer universe.

*Mercer met with Arrowstreet in April 2014 to discuss their ACWI product. Mercer continues to believe in Arrowstreet's forward-thinking research and blend of academic knowledge along with pragmatic market application. As a result of the meeting, Mercer maintained the "A" rating. The full research note is provided under separate cover.*

## Executive Summary

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### **Inflation Responsive**

The **Inflation Responsive Fund** returned 4.1%, outpacing the index by 110 basis points and ranking in the top half of the peer group universe. The Inflation Responsive Fund was added to the Plan in September 2013. The Inflation Responsive Fund consists of the PIMCO Inflation Response Multi-Asset portfolio.

### **Fixed Income Passive**

The NCSRP **Fixed Income Passive Fund** returned 2.1% over the quarter, which tracked the Barclays Aggregate Index. Over the trailing twelve months, the Fund gained 4.1%, tracking the Barclays Aggregate Index within 30 basis points. The Fixed Income Passive Fund consists of the BlackRock Debt Index portfolio.

### **Fixed Income**

The **Fixed Income Fund** gained 2.1% over the quarter and outperformed the Barclays Aggregate Index by 10 basis points. The outperformance by PIMCO was balanced by the relative underperformance of JP Morgan. The Fixed Income Fund outperformed the benchmark over the trailing three-and five-year periods.

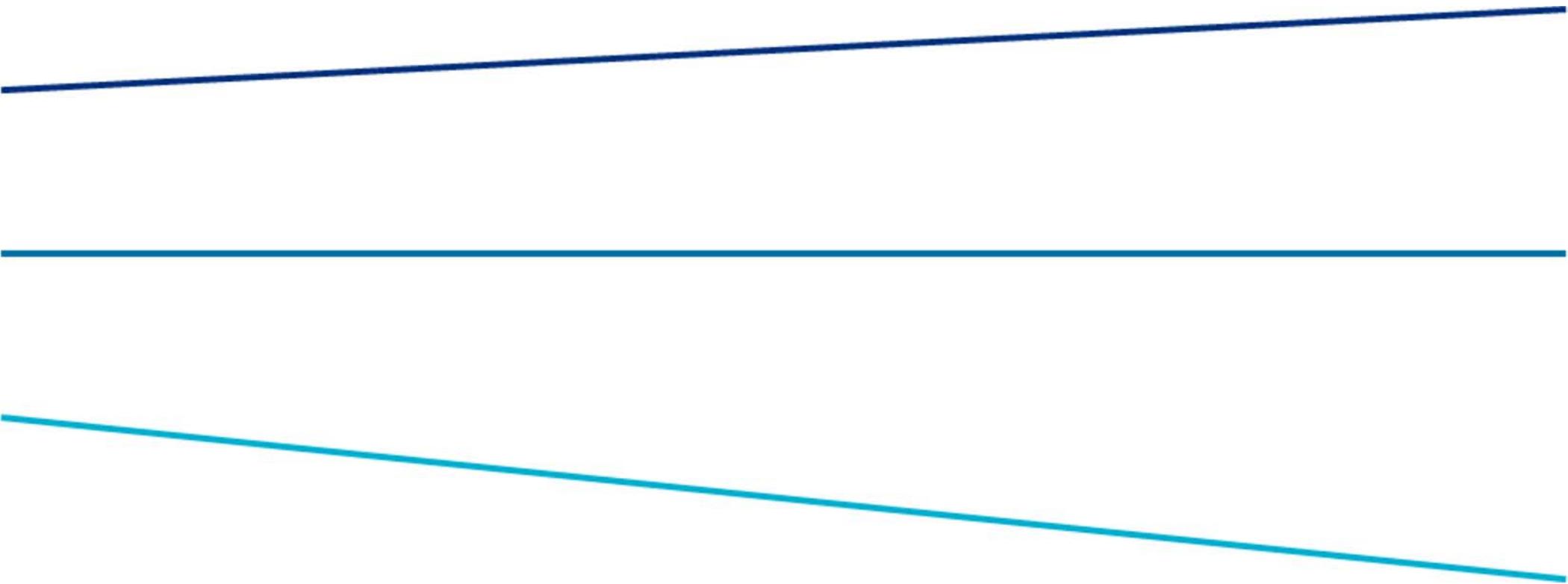
*Mercer was recently informed that Chris Wilcox, previous head of JP Morgan's Global Fixed Income & Liquidity, will be appointed to the newly created role of CEO of Global Investment Management. The full news item is provided under separate cover.*

*PIMCO recently rehired Paul McCulley, a former Managing Director, portfolio manager, and investment committee member, who retired from the firm at the end of 2010. McCulley will assume the newly created role of Chief Economist and will report to Bill Gross. Mercer is not recommending any rating changes as a result of the hiring. The full news item is located under separate cover.*

### **Stable Value**

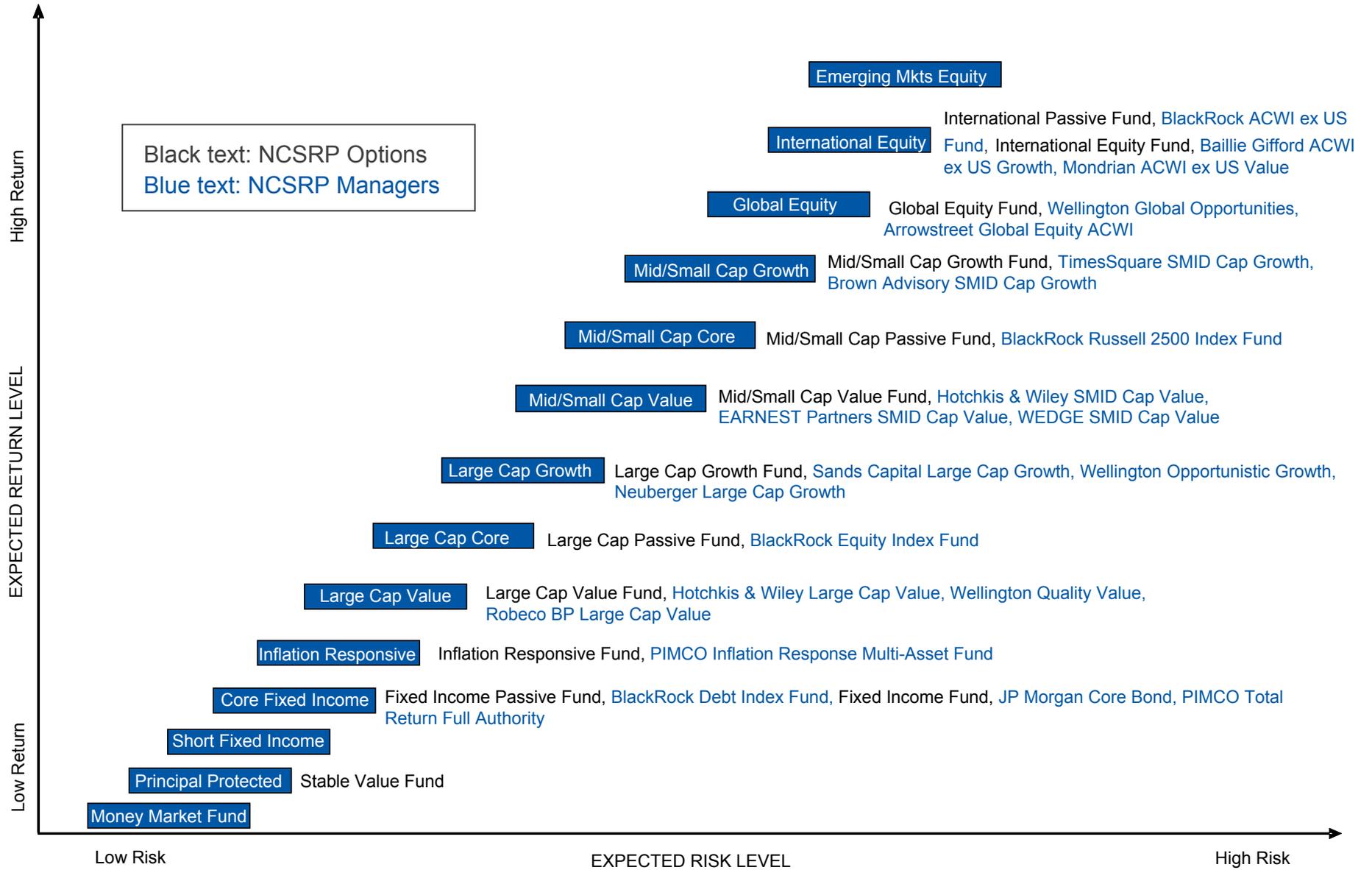
During the second quarter, the **Stable Value Fund** returned 0.5% and outperformed its benchmark by 20 basis points. As of June 30, 2014, the market-to-book ratio was 102.3% and the effective duration was 3.0 years. Over the trailing one- and three-year periods, the Fund exhibited strong performance relative to its benchmark.

# Total Plan



# Total Plan

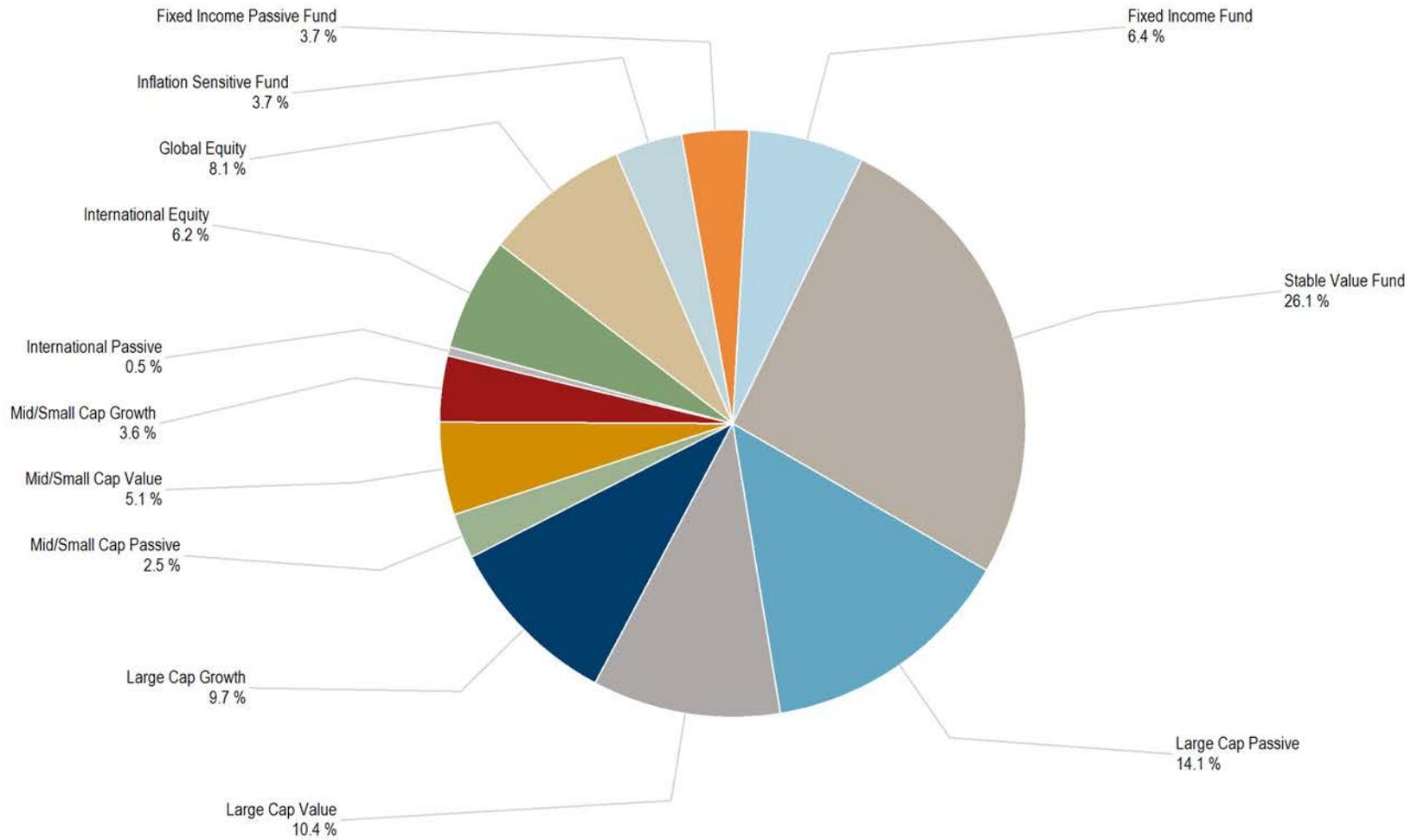
## Option Array



# Total Plan

## Asset Allocation

Current Fund Allocation



## Performance Scorecard

	Mercer Rating	Return								Risk <sup>1</sup>
		3 Years to 06/30/2014		3 Years to 03/31/2014		3 Years to 12/31/2013		3 Years to 9/30/2013		5 Years to 06/30/2014
		I	U	I	U	I	U	I	U	I
<b>Large Cap Passive Fund (tracked within 20bps)</b>		✓	NA	✓	NA	✓	NA	✓	NA	NA
BlackRock Equity Index Fund	PP	✓	NA	✓	NA	✓	NA	✓	NA	NA
<b>Large Cap Value Fund</b>		✓	✓	✓	✓	✓	✓	✓	✓	NA
Hotchkis & Wiley Large Cap Value	A (T)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Wellington Quality Value	N	✗	✗	✗	✗	✗	✗	✗	✗	✓
Robeco BP Large Cap Value	A	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Large Cap Growth Fund</b>		✗	✓	✓	✓	✓	✓	✓	✓	NA
Sands Capital Large Cap Growth	A (T)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Wellington Opportunistic Growth	A	✗	✗	✗	✗	✗	✗	✓	✓	✓
Neuberger Large Cap Growth	B+	✗	✗	✗	✗	✗	✗	✗	✗	✓

<sup>1</sup> A check mark is given if the fund's/manager's standard deviation is within 150% of the benchmark's. For the International Equity Fund, the stated threshold is within 125%.

\* A Mercer rating signifies our opinion of a strategy's prospects for outperforming a suitable benchmark over a timeframe appropriate for that particular strategy. Strategies rated A are those assessed as having "above average" prospects of outperformance. Those rated B+ are those assessed as having "above average" prospects of outperformance, but which are qualified by at least one of the following: (1) There are other strategies that Mercer believes are more likely to achieve outperformance; (2) Mercer requires more evidence to support its assessment. Strategies rated B are those assessed as having "average" prospects of outperformance. Those rated C are those assessed as having "below average" prospects of outperformance. The R rating is applied in three situations: (1) Where Mercer has carried out some research, but has not completed its full investment strategy research process; (2) In product categories where Mercer does not maintain formal ratings, but where there are other strategies in which we have a higher degree of confidence; (3) Mercer has in the past carried out its full investment strategy research process, but we are no longer maintaining full research coverage on the strategy. If the rating shown is N, or if no rating is shown at all, this signifies that the strategy is not currently rated by Mercer. Some strategy ratings may carry a supplemental indicator, such as P (Provisional), Watch (W), or High Tracking Error (T). A Preferred Provider status is assigned to high-conviction strategies within product categories for which the primary goal is not outperformance of a benchmark (for example, passive strategies).

## Performance Scorecard

	Mercer Rating	Return								Risk <sup>1</sup>
		3 Years to 06/30/2014		3 Years to 03/31/2014		3 Years to 12/31/2013		3 Years to 9/30/2013		5 Years to 06/30/2014
		I	U	I	U	I	U	I	U	I
<b>Mid/Small Cap Passive Fund (tracked within 30 bps)</b>		✓	NA	✓	NA	✓	NA	✓	NA	NA
BlackRock Russell 2500 Index Fund	PP	✓	NA	✓	NA	✓	NA	✓	NA	NA
<b>Mid/Small Cap Value Fund</b>		✓	✓	✓	✓	✓	✓	✓	✓	NA
Hotchkis & Wiley SMID Cap Value	B+ (T)	✓	✓	✓	✓	✓	✓	✓	✓	✓
EARNEST Partners SMID Cap Value	B+	✓	✓	✓	✓	✓	✗	✗	✗	✓
WEDGE SMID Cap Value	B+	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Mid/Small Cap Growth Fund</b>		✓	✓	✓	✓	✗	✓	✗	✓	NA
TimesSquare SMID Cap Growth	A	✓	✓	✓	✓	✓	✓	✓	✓	✓
Brown Advisory	R	✗	✗	✓	✗	✓	✗	✓	✓	✓

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## Performance Scorecard

	Mercer Rating	Return								Risk <sup>1</sup>
		3 Years to 06/30/2014		3 Years to 03/31/2014		3 Years to 12/31/2013		3 Years to 9/30/2013		5 Years to 06/30/2014
		I	U	I	U	I	U	I	U	I
<b>International Passive Fund (tracked within 50 bps)</b>		✓	NA	✓	NA	✓	NA	✓	NA	NA
BlackRock ACWI ex US Fund	PP	✓	NA	✓	NA	✓	NA	✓	NA	NA
<b>International Equity Fund</b>		✓	✓	✓	✗	✓	✗	✓	✗	NA
Baillie Gifford ACWI ex US Growth	A	✓	✗	✓	✗	✓	✗	✓	✓	✓
Mondrian ACWI ex US Value	B+	✓	✗	✓	✗	✓	✗	✓	✗	✓
<b>Global Equity Fund</b>		✓	✓	✓	✓	✓	✓	✓	✓	NA
Wellington Global Opportunities	B+	✓	✓	✓	✓	✓	✓	✓	✓	✓
Arrowstreet Global Equity ACWI	A	✓	✓	✓	✓	✓	✓	✓	✓	✓

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## Performance Scorecard

	Mercer Rating	Return								Risk <sup>1</sup>
		3 Years to 06/30/2014		3 Years to 03/31/2014		3 Years to 12/31/2013		3 Years to 9/30/2013		5 Years to 06/30/2014
		I	U	I	U	I	U	I	U	I
<b>Inflation Responsive Fund</b>		NA	NA	NA	NA	NA	NA	NA	NA	NA
PIMCO Inflation Response-Multi Asset	B+ (W)	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Fixed Income Passive Fund (tracked within 25 bps)</b>		✓	NA	✓	NA	✓	NA	NA	NA	NA
BlackRock Debt Index Fund	N	✓	NA	✓	NA	✓	NA	✓	NA	NA
<b>Fixed Income Fund</b>		✓	✓	✓	✓	✓	✓	✓	✗	NA
JP Morgan Core Bond	A	✓	✗	✓	✗	✓	✓	✓	✓	✓
PIMCO Total Return Full Authority	A (W)	✓	✗	✓	✓	✓	✗	✓	✗	✓
<b>Stable Value Fund</b>		✓	✓	✓	✓	✓	✓	✓	✓	NA

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## Watch List

Manager	Date Placed on Watch	Mercer Rating *	Recommendation	Comments
Wellington Quality Value	3Q13	N	Monitor	<p>Wellington has underperformed the Russell 1000 Value and the peer group median over the four most recent three-year rolling periods. The strategy continues to focus on high quality securities, which have held the portfolio back in the rising equity market.</p> <p>The Wellington Quality Value strategy slightly trailed the Russell 1000 Value Index over the second quarter but managed to rank near the top half of the peer group universe. Mercer is comfortable with Wellington's performance, as it has been consistent with its philosophy and should perform better when the market favors higher quality securities. The longer-term underperformance of the strategy warrants continued monitoring.</p>
Neuberger Large Cap Growth	4Q12	B+	Will Replace with Loomis in August, 2014	<p>The Neuberger Berman Large Cap Disciplined Growth strategy was placed on watch at the fourth quarter of 2012 meeting due to performance struggles over the recent four rolling three-year periods. Neuberger has historically produced solid results, even through the difficult market environment in calendar year 2008. However, since 2009, Neuberger has struggled.</p> <p>After continued underperformance of the strategy, even in markets that should have favored Neuberger's high quality bias, Mercer conducted a search report and identified several alternative candidates. Loomis was chosen to replace Neuberger and this change is expected to take place in August, 2014.</p> <p>Neuberger Berman underperformed the benchmark in the first quarter by 150 basis points. The fund ranked in the bottom quartile of its peer group over all time periods evaluated.</p>

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Funds and Sub-Advisors	Assets	Inv. Mgmt. Fee	Other Inv. Exp. <sup>1</sup>	R/K Fee	NC Budget <sup>2</sup>	Total Estimated Expense (%)	Total Estimated Expense (\$) <sup>3</sup>	Mercer Median Expense	Difference
<b>North Carolina Stable Value Fund</b>	<b>\$2,289,892,519</b>	<b>0.339%</b>	<b>0.000%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.443%</b>	<b>\$10,144,224</b>	0.48%	-0.04%
Galliard	\$2,289,892,519	0.339%	0.000%				\$7,762,736	0.46%	-0.12%
<b>North Carolina Fixed Income Passive Fund</b>	<b>\$324,763,874</b>	<b>0.070%</b>	<b>0.055%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.229%</b>	<b>\$743,709</b>	0.20%	0.03%
BlackRock	\$324,763,874	0.070%	0.055%				\$227,335	0.02%	0.05%
<b>North Carolina Fixed Income Fund</b>	<b>\$559,493,747</b>	<b>0.219%</b>	<b>0.077%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.399%</b>	<b>\$2,232,919</b>	0.52%	-0.12%
50% JP Morgan	\$278,066,140	0.187%	0.071%				\$520,519	0.23%	-0.04%
50% PIMCO	\$281,427,606	0.250%	0.082%				\$703,569	0.25%	0.00%
<b>North Carolina Inflation Responsive Fund</b>	<b>\$324,963,354</b>	<b>0.800%</b>	<b>0.055%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.959%</b>	<b>\$3,116,399</b>	0.84%	0.12%
PIMCO	\$324,963,354	0.800%	0.055%				\$2,599,707	0.84%	-0.04%
<b>North Carolina Large Cap Passive Fund</b>	<b>\$1,235,522,111</b>	<b>0.025%</b>	<b>0.055%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.184%</b>	<b>\$2,273,361</b>	0.20%	-0.02%
BlackRock	\$1,235,522,111	0.025%	0.055%				\$308,881	0.01%	0.02%
<b>North Carolina Large Cap Value Fund</b>	<b>\$911,368,210</b>	<b>0.377%</b>	<b>0.071%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.553%</b>	<b>\$5,036,435</b>	0.77%	-0.22%
33.3% Hotchkis & Wiley	\$311,681,157	0.500%	0.072%				\$1,558,406	0.43%	0.07%
33.3% Wellington Management Company	\$300,433,558	0.290%	0.072%				\$871,257	0.43%	-0.14%
33.3% Robeco BP	\$299,253,495	0.342%	0.071%				\$1,022,760	0.43%	-0.09%
<b>North Carolina Large Cap Growth Fund</b>	<b>\$853,394,325</b>	<b>0.378%</b>	<b>0.072%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.554%</b>	<b>\$4,726,029</b>	0.82%	-0.27%
33.3% Sands Capital Management	\$294,708,773	0.510%	0.072%				\$1,502,649	0.47%	0.04%
33.3% Wellington Management Company	\$282,645,700	0.350%	0.072%				\$989,260	0.47%	-0.12%
33.3% Neuberger Berman	\$276,039,851	0.275%	0.071%				\$759,110	0.47%	-0.20%
<b>North Carolina SMID Cap Passive Fund</b>	<b>\$217,939,258</b>	<b>0.050%</b>	<b>0.055%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.209%</b>	<b>\$455,493</b>	0.30%	-0.09%
BlackRock	\$217,939,258	0.050%	0.055%				\$108,970	0.02%	0.03%
<b>North Carolina SMID Value Fund</b>	<b>\$448,785,004</b>	<b>0.619%</b>	<b>0.071%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.794%</b>	<b>\$3,564,576</b>	1.00%	-0.21%
33.3% Hotchkis & Wiley	\$151,532,612	0.579%	0.072%				\$877,663	0.62%	-0.04%
33.3% EARNEST Partners	\$150,167,052	0.525%	0.072%				\$787,708	0.81%	-0.28%
33.3% WEDGE Capital Management	\$147,085,340	0.753%	0.071%				\$1,107,512	0.76%	0.00%
<b>North Carolina SMID Growth Fund</b>	<b>\$319,517,491</b>	<b>0.704%</b>	<b>0.071%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.879%</b>	<b>\$2,809,507</b>	1.01%	-0.13%
50% TimesSquare Capital Management	\$163,577,104	0.842%	0.072%				\$1,376,828	0.77%	0.08%
50% Brown Advisory	\$155,940,388	0.566%	0.071%				\$882,612	0.81%	-0.24%
<b>North Carolina International Passive Fund</b>	<b>\$42,609,165</b>	<b>0.140%</b>	<b>0.055%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.299%</b>	<b>\$127,401</b>	0.39%	-0.09%
BlackRock	\$42,609,165	0.140%	0.055%				\$59,653	0.06%	0.08%
<b>North Carolina International Equity Fund</b>	<b>\$546,737,350</b>	<b>0.450%</b>	<b>0.123%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.677%</b>	<b>\$3,701,459</b>	1.00%	-0.32%
50% Baillie Gifford	\$265,554,774	0.447%	0.124%				\$1,187,219	0.56%	-0.11%
50% Mondrian Investment Partners	\$281,182,576	0.453%	0.122%				\$1,274,730	0.55%	-0.10%
<b>North Carolina Global Equity Fund</b>	<b>\$709,311,391</b>	<b>0.549%</b>	<b>0.088%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.742%</b>	<b>\$5,261,271</b>	1.06%	-0.32%
50% Wellington Management Company	\$351,342,981	0.500%	0.093%				\$1,756,715	0.54%	-0.04%
50% Arrowstreet	\$357,968,411	0.599%	0.083%				\$2,143,826	0.54%	0.06%
<b>Total</b>	<b>\$8,784,297,800</b>	<b>0.345%</b>	<b>0.054%</b>	<b>0.079%</b>	<b>0.025%</b>	<b>0.503%</b>	<b>\$44,192,783</b>	<b>0.629%</b>	

<sup>1</sup>Includes the ongoing administration, legal, accounting, auditing, custody, NAV calculation, reporting, compliance, and other miscellaneous fund expenses associated with the separate account.

<sup>2</sup>The cost of the budget associated with the management of the Supplemental Retirement Plans, borne by each investment option in proportion to the pro-rate share of the applicable assets in that fund.

<sup>3</sup>Manager fee estimates reflect investment management fee only.

# Total Plan

## Performance Summary

### Total Plan Performance

	Current Market Value	Current Allocation	Ending June 30, 2014										Inception	
			3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
<b>Large Cap Passive</b>	<b>\$1,235,522,111</b>	<b>14.1%</b>	<b>5.2%</b>	<b>27</b>	<b>7.0%</b>	<b>35</b>	<b>24.4%</b>	<b>47</b>	<b>16.4%</b>	<b>27</b>	<b>18.7%</b>	<b>22</b>	<b>21.1%</b>	<b>Mar-09</b>
S&P 500			5.2%	25	7.1%	32	24.6%	45	16.6%	25	18.8%	18	21.2%	Mar-09
<i>Mercer Mutual Fund US Equity Large Cap Core Median</i>			4.8%		6.3%		24.0%		15.2%		17.3%		19.7%	Mar-09
NCSRP BlackRock Equity Index	\$1,235,522,111	14.1%	5.2%	29	7.1%	48	24.6%	49	16.6%	67	18.9%	55	21.3%	Mar-09
S&P 500			5.2%	19	7.1%	41	24.6%	47	16.6%	63	18.8%	67	21.2%	Mar-09
<i>Mercer Instl US Equity Large Cap Index Median</i>			5.2%		7.1%		24.6%		16.6%		18.9%		21.3%	Mar-09
<b>Large Cap Value</b>	<b>\$911,368,210</b>	<b>10.4%</b>	<b>3.6%</b>	<b>84</b>	<b>7.4%</b>	<b>37</b>	<b>23.5%</b>	<b>44</b>	<b>17.2%</b>	<b>15</b>	<b>17.8%</b>	<b>44</b>	<b>20.1%</b>	<b>Mar-09</b>
Russell 1000 Value			5.1%	31	8.3%	14	23.8%	40	16.9%	21	19.2%	19	21.8%	Mar-09
<i>Mercer Mutual Fund US Equity Large Cap Value Median</i>			4.5%		7.0%		22.9%		15.7%		17.7%		20.1%	Mar-09
NCSRP Hotchkis & Wiley Large Cap Value	\$311,681,157	3.5%	4.0%	83	9.5%	13	27.9%	15	20.0%	4	22.0%	3	26.2%	Mar-09
Russell 1000 Value			5.1%	40	8.3%	35	23.8%	57	16.9%	46	19.2%	42	21.8%	Mar-09
<i>Mercer Instl US Equity Large Cap Value Median</i>			4.9%		7.7%		24.5%		16.8%		18.8%		21.3%	Mar-09
NCSRP Wellington Value Composite	\$300,433,558	3.4%	4.7%	56	7.8%	45	21.6%	82	14.9%	84	14.5%	99	14.5%	Mar-09
NCSRP Wellington Quality Value			4.7%	56	7.8%	45	21.6%	82	14.9%	84	--	--	--	Mar-09
Wellington Quality Value Strategy			4.7%	57	7.8%	47	21.6%	83	14.9%	84	17.5%	83	20.1%	Mar-09
Russell 1000 Value			5.1%	40	8.3%	35	23.8%	57	16.9%	46	19.2%	42	21.8%	Mar-09
<i>Mercer Instl US Equity Large Cap Value Median</i>			4.9%		7.7%		24.5%		16.8%		18.8%		21.3%	Mar-09
NCSRP Robeco BP Large Cap Value	\$299,253,495	3.4%	2.6%	99	5.6%	91	23.0%	67	--	--	--	--	25.3%	Nov-11
Robeco BP Large Cap Value Strategy			2.6%	99	5.5%	91	22.8%	69	18.3%	17	19.7%	30	25.0%	Nov-11
Russell 1000 Value			5.1%	40	8.3%	35	23.8%	57	16.9%	46	19.2%	42	23.4%	Nov-11
<i>Mercer Instl US Equity Large Cap Value Median</i>			4.9%		7.7%		24.5%		16.8%		18.8%		--	Nov-11
<b>Large Cap Growth</b>	<b>\$853,394,325</b>	<b>9.7%</b>	<b>2.4%</b>	<b>90</b>	<b>2.9%</b>	<b>78</b>	<b>25.8%</b>	<b>59</b>	<b>14.7%</b>	<b>49</b>	<b>21.1%</b>	<b>5</b>	<b>24.0%</b>	<b>Mar-09</b>
Russell 1000 Growth			5.1%	24	6.3%	14	26.9%	42	16.3%	18	19.2%	20	21.7%	Mar-09
<i>Mercer Mutual Fund US Equity Large Cap Growth Median</i>			4.3%		4.4%		26.5%		14.6%		17.6%		20.2%	Mar-09
NCSRP Sands Capital Large Cap Growth	\$294,708,773	3.4%	1.4%	99	2.1%	95	33.8%	6	20.2%	2	26.3%	1	29.8%	Mar-09
Russell 1000 Growth			5.1%	34	6.3%	36	26.9%	61	16.3%	39	19.2%	37	21.7%	Mar-09
<i>Mercer Instl US Equity Large Cap Growth Median</i>			4.7%		5.5%		28.0%		15.3%		18.7%		20.8%	Mar-09

Mercer Investment Consulting, Inc.

# Total Plan

## Performance Summary

	Current Market Value	Current Allocation	Ending June 30, 2014										Inception	
			3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
NCSRP Wellington Opportunistic Growth	\$282,645,700	3.2%	2.8%	94	4.6%	64	26.5%	68	13.9%	78	19.4%	31	21.8%	Mar-09
<i>Russell 1000 Growth</i>			5.1%	34	6.3%	36	26.9%	61	16.3%	39	19.2%	37	21.7%	Mar-09
<i>Russell 3000 Growth</i>			4.9%	42	6.0%	40	26.8%	65	16.1%	41	19.3%	33	21.9%	Mar-09
<i>Mercer Instl US Equity Large Cap Growth Median</i>			4.7%		5.5%		28.0%		15.3%		18.7%		20.8%	Mar-09
NCSRP Neuberger Large Cap Growth	\$276,039,851	3.1%	3.6%	86	3.0%	89	18.9%	99	--	--	--	--	16.1%	Oct-11
<i>Neuberger Large Cap Growth Strategy</i>			3.6%	85	3.0%	88	19.0%	99	11.7%	97	15.1%	97	15.7%	Oct-11
<i>Russell 1000 Growth</i>			5.1%	34	6.3%	36	26.9%	61	16.3%	39	19.2%	37	20.1%	Oct-11
<i>Mercer Instl US Equity Large Cap Growth Median</i>			4.7%		5.5%		28.0%		15.3%		18.7%		--	Oct-11
<b>Mid/Small Cap Passive</b>	<b>\$217,939,258</b>	<b>2.5%</b>	<b>3.5%</b>	<b>29</b>	<b>5.9%</b>	<b>26</b>	<b>25.4%</b>	<b>35</b>	<b>15.5%</b>	<b>26</b>	<b>21.5%</b>	<b>22</b>	<b>24.7%</b>	<b>Mar-09</b>
<i>Russell 2500</i>			3.6%	29	5.9%	26	25.6%	33	15.5%	26	21.6%	21	24.8%	Mar-09
<i>Mercer Mutual Fund US Equity Small+Mid Median</i>			2.5%		3.8%		23.9%		13.9%		20.0%		23.1%	Mar-09
NCSRP BlackRock Russell 2500 Index Fund	\$217,939,258	2.5%	3.6%	37	6.0%	36	25.6%	52	15.7%	54	21.8%	50	24.9%	Mar-09
<i>Russell 2500</i>			3.6%	37	5.9%	36	25.6%	53	15.5%	55	21.6%	52	24.8%	Mar-09
<i>Mercer Instl US Equity Small + Mid Cap Median</i>			2.8%		4.6%		25.9%		15.9%		21.7%		25.1%	Mar-09
<b>Mid/Small Cap Value</b>	<b>\$448,785,004</b>	<b>5.1%</b>	<b>5.0%</b>	<b>20</b>	<b>9.2%</b>	<b>12</b>	<b>28.5%</b>	<b>13</b>	<b>19.0%</b>	<b>4</b>	<b>24.6%</b>	<b>6</b>	<b>28.4%</b>	<b>Mar-09</b>
<i>Russell 2500 Value</i>			4.2%	34	7.9%	25	24.9%	51	16.0%	32	21.6%	30	24.5%	Mar-09
<i>Mercer Mutual Fund US Equity Small+Mid Value Median</i>			3.3%		5.3%		25.0%		15.1%		20.4%		23.9%	Mar-09
NCSRP Hotchkis & Wiley	\$151,532,612	1.7%	5.8%	13	11.9%	5	29.9%	17	23.7%	1	28.5%	1	33.2%	Mar-09
<i>Hotchkis Custom SMID Value Index</i>			4.2%	49	7.9%	28	24.9%	58	16.0%	39	22.0%	38	25.3%	Mar-09
<i>Mercer Instl US Equity SMID Value Median</i>			4.1%		6.4%		26.2%		15.5%		21.2%		24.5%	Mar-09
NCSRP EARNEST Partners	\$150,167,052	1.7%	5.1%	21	9.4%	14	31.6%	8	16.3%	35	20.9%	53	24.0%	Mar-09
<i>EARNEST Custom SMID Value Index</i>			4.2%	49	7.9%	28	24.9%	58	16.0%	39	20.7%	54	23.5%	Mar-09
<i>Mercer Instl US Equity SMID Value Median</i>			4.1%		6.4%		26.2%		15.5%		21.2%		24.5%	Mar-09
NCSRP WEDGE SMID Cap Value	\$147,085,340	1.7%	4.7%	32	7.6%	37	26.9%	40	--	--	--	--	25.5%	Dec-11
<i>WEDGE SMID Cap Value Strategy</i>			4.7%	36	7.6%	38	27.0%	38	17.3%	22	22.3%	34	25.6%	Dec-11
<i>Russell 2500 Value</i>			4.2%	49	7.9%	28	24.9%	58	16.0%	39	21.6%	46	24.1%	Dec-11
<i>Mercer Instl US Equity SMID Value Median</i>			4.1%		6.4%		26.2%		15.5%		21.2%		22.7%	Dec-11

# Total Plan

## Performance Summary

	Current Market Value	Current Allocation	Ending June 30, 2014										Inception	
			3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
<b>Mid/Small Cap Growth</b>	<b>\$319,517,491</b>	<b>3.6%</b>	<b>0.0%</b>	<b>73</b>	<b>-1.1%</b>	<b>81</b>	<b>21.0%</b>	<b>70</b>	<b>15.1%</b>	<b>20</b>	<b>20.3%</b>	<b>39</b>	<b>22.8%</b>	<b>Mar-09</b>
<i>Russell 2500 Growth</i>			2.9%	25	4.0%	28	26.3%	24	14.9%	22	21.7%	18	25.1%	Mar-09
<i>Mercer Mutual Fund US Equity Small+Mid Growth Median</i>			1.3%		1.9%		23.1%		12.7%		19.7%		22.8%	Mar-09
NCSRP TimesSquare Composite	\$163,577,104	1.9%	2.2%	32	1.1%	54	24.6%	54	18.9%	3	21.9%	36	24.3%	Mar-09
<i>NCSRP TimesSquare SMID Growth</i>			2.2%	32	1.1%	54	24.6%	54	18.9%	3	--	--	--	Mar-09
<i>TimesSquare Growth Strategy</i>			2.2%	32	1.2%	51	24.7%	52	18.9%	3	24.0%	15	26.6%	Mar-09
<i>TimesSquare Custom SMID Growth Index</i>			2.9%	28	4.0%	38	26.3%	40	14.9%	40	21.4%	45	24.6%	Mar-09
<i>Mercer Instl US Equity SMID Growth Median</i>			1.2%		1.6%		24.7%		14.0%		21.2%		24.3%	Mar-09
NCSRP Brown Advisory	\$155,940,388	1.8%	-1.7%	87	-2.5%	89	19.2%	82	13.3%	59	20.9%	63	23.7%	Mar-09
<i>Brown Custom SMID Growth Index</i>			2.9%	28	4.0%	38	26.3%	40	14.9%	40	20.7%	65	24.5%	Mar-09
<i>Mercer Instl US Equity SMID Growth Median</i>			1.2%		1.6%		24.7%		14.0%		21.2%		24.3%	Mar-09
<b>International Passive</b>	<b>\$42,609,165</b>	<b>0.5%</b>	<b>5.1%</b>	<b>18</b>	<b>5.6%</b>	<b>44</b>	<b>21.7%</b>	<b>78</b>	<b>5.7%</b>	<b>77</b>	<b>11.0%</b>	<b>79</b>	<b>15.7%</b>	<b>Mar-09</b>
<i>MSCI ACWI ex USA Gross</i>			5.2%	14	5.9%	39	22.3%	74	6.2%	73	11.6%	48	16.3%	Mar-09
<i>Mercer Mutual Fund World ex US/EAFE Equity Index Median</i>			4.2%		5.4%		23.3%		7.4%		11.6%		15.9%	Mar-09
NCSRP BlackRock ACWI ex US Fund	\$42,609,165	0.5%	5.2%	11	5.8%	19	22.0%	93	5.9%	95	11.3%	92	16.0%	Mar-09
<i>MSCI ACWI ex USA Gross</i>			5.2%	1	5.9%	2	22.3%	80	6.2%	75	11.6%	78	16.3%	Mar-09
<i>Mercer Instl World ex US/EAFE Equity Passive Median</i>			4.3%		5.6%		23.7%		8.2%		12.0%		16.3%	Mar-09
<b>International Equity</b>	<b>\$546,737,350</b>	<b>6.2%</b>	<b>4.3%</b>	<b>30</b>	<b>6.1%</b>	<b>24</b>	<b>21.5%</b>	<b>53</b>	<b>7.7%</b>	<b>46</b>	<b>12.2%</b>	<b>48</b>	<b>16.1%</b>	<b>Mar-09</b>
<i>MSCI ACWI ex USA Gross</i>			5.2%	12	5.9%	27	22.3%	47	6.2%	71	11.6%	63	16.3%	Mar-09
<i>Mercer Mutual Fund World ex US/EAFE Equity Median</i>			3.6%		4.3%		21.8%		7.4%		12.1%		16.3%	Mar-09
NCSRP Baillie Gifford ACWI ex US Growth	\$265,554,774	3.0%	3.1%	77	3.5%	72	21.2%	71	8.5%	58	14.5%	25	19.0%	Mar-09
<i>MSCI ACWI ex USA Gross</i>			5.2%	19	5.9%	32	22.3%	61	6.2%	87	11.6%	84	16.3%	Mar-09
<i>MSCI AC Wid ex US Growth Gross</i>			4.6%	32	5.0%	45	19.7%	83	5.8%	90	11.7%	82	15.8%	Mar-09
<i>Mercer Instl World ex US/EAFE Equity Median</i>			4.1%		4.7%		23.6%		8.8%		13.4%		17.6%	Mar-09
NCSRP Mondrian ACWI ex US Value	\$281,182,576	3.2%	5.8%	9	9.5%	5	23.2%	54	8.4%	58	11.6%	85	15.2%	Mar-09
<i>MSCI ACWI ex USA Gross</i>			5.2%	19	5.9%	32	22.3%	61	6.2%	87	11.6%	84	16.3%	Mar-09
<i>MSCI AC Wid Ex US Value Gross</i>			5.9%	9	6.8%	21	24.8%	38	6.6%	84	11.4%	87	16.9%	Mar-09
<i>Mercer Instl World ex US/EAFE Equity Median</i>			4.1%		4.7%		23.6%		8.8%		13.4%		17.6%	Mar-09

# Total Plan

## Performance Summary

	Current Market Value	Current Allocation	Ending June 30, 2014										Inception	
			3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
<b>Global Equity</b>	<b>\$709,311,391</b>	<b>8.1%</b>	<b>5.6%</b>	<b>10</b>	<b>4.9%</b>	<b>54</b>	<b>25.6%</b>	<b>22</b>	<b>13.4%</b>	<b>14</b>	<b>15.5%</b>	<b>45</b>	<b>18.5%</b>	<b>Mar-09</b>
MSCI ACWI Gross			5.2%	15	6.5%	25	23.6%	41	10.9%	55	14.9%	54	18.6%	Mar-09
<i>Mercer Mutual Fund Global Equity Median</i>			4.0%		5.2%		22.8%		11.2%		15.0%		18.5%	Mar-09
NCSRP Wellington Global Composite	\$351,342,981	4.0%	5.7%	16	4.1%	79	25.0%	44	14.7%	9	16.6%	33	19.6%	Mar-09
<i>NCSRP Wellington Global Opportunities</i>			5.7%	16	4.1%	79	25.0%	44	14.7%	9	--	--	--	Mar-09
<i>Wellington Global Opportunities Strategy</i>			5.7%	15	4.2%	79	25.5%	37	14.8%	9	18.3%	13	21.6%	Mar-09
<i>MSCI ACWI Gross</i>			5.2%	23	6.5%	39	23.6%	57	10.9%	63	14.9%	61	18.6%	Mar-09
<i>Mercer Instl Global Equity Median</i>			4.4%		6.0%		24.2%		11.8%		15.4%		18.9%	Mar-09
NCSRP Arrowstreet Global Equity ACWI	\$357,968,411	4.1%	5.9%	11	6.6%	38	27.9%	15	--	--	--	--	18.2%	Mar-12
<i>Arrowstreet Global Equity ACWI Strategy</i>			5.8%	12	8.0%	16	30.4%	6	14.5%	12	18.3%	12	20.1%	Mar-12
<i>MSCI ACWI Gross</i>			5.2%	23	6.5%	39	23.6%	57	10.9%	63	14.9%	61	15.0%	Mar-12
<i>Mercer Instl Global Equity Median</i>			4.4%		6.0%		24.2%		11.8%		15.4%		16.1%	Mar-12
<b>Inflation Responsive Fund</b>	<b>\$324,963,354</b>	<b>3.7%</b>	<b>4.1%</b>	<b>33</b>	<b>8.2%</b>	<b>22</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>5.7%</b>	<b>Sep-13</b>
PIMCO Inflation Response Index			3.0%	55	7.2%	32	6.3%	75	1.4%	77	6.6%	45	4.8%	Sep-13
<i>Mercer Mutual Fund Diversified Inflation Hedge Median</i>			3.1%		6.4%		8.4%		2.0%		6.4%		6.5%	Sep-13
NCSRP PIMCO Inflation Response Multi-Asset	\$324,963,354	3.7%	4.4%	31	8.7%	18	--	--	--	--	--	--	6.5%	Sep-13
<i>PIMCO Inflation Response Multi-Asset Strategy</i>			5.0%	25	9.3%	13	8.9%	38	--	--	--	--	7.1%	Sep-13
<i>PIMCO Inflation Response Index</i>			3.0%	55	7.2%	32	6.3%	75	1.4%	77	6.6%	45	4.8%	Sep-13
<i>Consumer Price Index</i>			0.9%	94	2.3%	90	2.1%	99	1.8%	73	2.0%	99	1.8%	Sep-13
<i>Mercer Mutual Fund Diversified Inflation Hedge Median</i>			3.1%		6.4%		8.4%		2.0%		6.4%		6.5%	Sep-13

# Total Plan

## Performance Summary

	Current Market Value	Current Allocation	Ending June 30, 2014										Inception	
			3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
<b>Fixed Income Passive Fund</b>	<b>\$324,763,874</b>	<b>3.7%</b>	<b>2.1%</b>	<b>45</b>	<b>3.9%</b>	<b>49</b>	<b>4.1%</b>	<b>59</b>	<b>3.5%</b>	<b>63</b>	<b>--</b>	<b>--</b>	<b>3.2%</b>	<b>Sep-10</b>
<i>Barclays Aggregate</i>			2.0%	46	3.9%	49	4.4%	55	3.7%	61	4.9%	66	3.3%	Sep-10
<i>Mercer Mutual Fund US Fixed Core Median</i>			2.0%		3.9%		4.7%		4.0%		5.8%		3.7%	Sep-10
NCSRP BlackRock Debt Index Fund	\$324,763,874	3.7%	2.1%	40	4.0%	46	4.4%	55	3.7%	60	--	--	3.3%	Sep-10
<i>BlackRock Debt Index Fund Strategy</i>			2.1%	41	4.0%	46	4.4%	55	3.7%	60	4.9%	65	3.3%	Sep-10
<i>Barclays Aggregate</i>			2.0%	46	3.9%	49	4.4%	55	3.7%	61	4.9%	66	3.3%	Sep-10
<i>Mercer Mutual Fund US Fixed Core Median</i>			2.0%		3.9%		4.7%		4.0%		5.8%		3.7%	Sep-10
<b>Fixed Income Fund</b>	<b>\$559,493,747</b>	<b>6.4%</b>	<b>2.1%</b>	<b>45</b>	<b>3.5%</b>	<b>55</b>	<b>4.8%</b>	<b>49</b>	<b>4.1%</b>	<b>48</b>	<b>5.6%</b>	<b>54</b>	<b>6.0%</b>	<b>Mar-09</b>
<i>Barclays Aggregate</i>			2.0%	46	3.9%	49	4.4%	55	3.7%	61	4.9%	66	5.0%	Mar-09
<i>Mercer Mutual Fund US Fixed Core Median</i>			2.0%		3.9%		4.7%		4.0%		5.8%		6.3%	Mar-09
NCSRP JP Morgan Core Bond	\$278,066,140	3.2%	2.0%	77	3.8%	83	4.6%	78	4.3%	72	6.0%	63	5.9%	Mar-09
<i>Barclays Aggregate</i>			2.0%	74	3.9%	76	4.4%	84	3.7%	93	4.9%	94	5.0%	Mar-09
<i>Mercer Instl US Fixed Core Median</i>			2.2%		4.4%		5.4%		4.7%		6.3%		6.8%	Mar-09
NCSRP PIMCO Total Return Full Authority	\$281,427,606	3.2%	2.3%	37	3.7%	86	5.8%	38	4.7%	55	6.0%	60	6.9%	Mar-09
<i>Barclays Aggregate</i>			2.0%	74	3.9%	76	4.4%	84	3.7%	93	4.9%	94	5.0%	Mar-09
<i>Mercer Instl US Fixed Core Median</i>			2.2%		4.4%		5.4%		4.7%		6.3%		6.8%	Mar-09
<b>Stable Value Fund</b>	<b>\$2,289,892,519</b>	<b>26.1%</b>	<b>0.5%</b>	<b>43</b>	<b>0.9%</b>	<b>48</b>	<b>1.8%</b>	<b>40</b>	<b>2.4%</b>	<b>39</b>	<b>3.0%</b>	<b>43</b>	<b>3.0%</b>	<b>Jun-09</b>
<i>T-BILLS + 1%</i>			0.3%	99	0.5%	99	1.0%	99	1.0%	99	1.1%	99	1.1%	Jun-09
<i>Mercer Instl Stable Value Median</i>			0.4%		0.9%		1.8%		2.4%		2.8%		2.8%	Jun-09

Fund returns reported net of fees. Manager returns reported gross of fees

# Total Plan

## Performance Summary

	Current Market Value	Current Allocation	Ending June 30, 2014										Inception	
			3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
<b>GoalMaker Funds</b>	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Conservative 0-5 Yrs</b>	<b>\$310,642,552</b>	<b>3.5%</b>	<b>1.9%</b>	<b>93</b>	<b>3.0%</b>	<b>98</b>	<b>7.8%</b>	<b>94</b>	<b>5.6%</b>	<b>83</b>	<b>7.8%</b>	<b>97</b>	<b>7.8%</b>	<b>Jun-09</b>
<i>C01 Benchmark</i>			1.9%	93	3.1%	98	7.4%	94	4.8%	93	6.2%	99	6.2%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2015 Median</i>			3.2%		4.9%		13.5%		7.7%		11.0%		11.0%	Jun-09
<b>Conservative 6-10 Yrs</b>	<b>\$106,546,091</b>	<b>1.2%</b>	<b>2.2%</b>	<b>96</b>	<b>3.3%</b>	<b>97</b>	<b>9.8%</b>	<b>95</b>	<b>6.6%</b>	<b>91</b>	<b>9.3%</b>	<b>94</b>	<b>9.3%</b>	<b>Jun-09</b>
<i>C02 Benchmark</i>			2.3%	96	3.5%	97	9.5%	96	5.8%	95	7.6%	98	7.6%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2020 Median</i>			3.4%		5.0%		14.5%		8.4%		12.1%		12.1%	Jun-09
<b>Conservative 11-15 Yrs</b>	<b>\$71,157,190</b>	<b>0.8%</b>	<b>2.8%</b>	<b>99</b>	<b>4.1%</b>	<b>99</b>	<b>13.5%</b>	<b>93</b>	<b>8.5%</b>	<b>79</b>	<b>11.3%</b>	<b>99</b>	<b>11.3%</b>	<b>Jun-09</b>
<i>C03 Benchmark</i>			3.1%	95	4.5%	98	13.4%	94	7.9%	92	10.4%	99	10.4%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2025 Median</i>			3.8%		5.4%		16.9%		9.3%		13.3%		13.3%	Jun-09
<b>Conservative 16+ Yrs</b>	<b>\$157,308,671</b>	<b>1.8%</b>	<b>3.4%</b>	<b>93</b>	<b>4.8%</b>	<b>90</b>	<b>17.5%</b>	<b>66</b>	<b>10.3%</b>	<b>42</b>	<b>13.6%</b>	<b>64</b>	<b>13.6%</b>	<b>Jun-09</b>
<i>C04 Benchmark</i>			3.8%	71	5.3%	63	17.5%	66	9.8%	52	13.0%	79	13.0%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2030 Median</i>			3.9%		5.5%		18.4%		10.0%		14.0%		14.0%	Jun-09
<b>Moderate 0-5 Yrs</b>	<b>\$366,191,710</b>	<b>4.2%</b>	<b>2.4%</b>	<b>92</b>	<b>3.6%</b>	<b>92</b>	<b>11.0%</b>	<b>77</b>	<b>7.2%</b>	<b>64</b>	<b>9.8%</b>	<b>82</b>	<b>9.8%</b>	<b>Jun-09</b>
<i>M01 Benchmark</i>			2.5%	89	3.8%	91	10.8%	78	6.5%	79	8.5%	92	8.5%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2015 Median</i>			3.2%		4.9%		13.5%		7.7%		11.0%		11.0%	Jun-09
<b>Moderate 6-10 Yrs</b>	<b>\$316,925,067</b>	<b>3.6%</b>	<b>2.8%</b>	<b>92</b>	<b>4.1%</b>	<b>95</b>	<b>13.5%</b>	<b>67</b>	<b>8.5%</b>	<b>48</b>	<b>11.1%</b>	<b>74</b>	<b>11.1%</b>	<b>Jun-09</b>
<i>M02 Benchmark</i>			3.1%	78	4.5%	79	13.4%	68	7.9%	67	10.4%	85	10.4%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2020 Median</i>			3.4%		5.0%		14.5%		8.4%		12.1%		12.1%	Jun-09
<b>Moderate 11-15 Yrs</b>	<b>\$301,649,751</b>	<b>3.4%</b>	<b>3.2%</b>	<b>91</b>	<b>4.6%</b>	<b>96</b>	<b>16.4%</b>	<b>63</b>	<b>9.8%</b>	<b>35</b>	<b>13.0%</b>	<b>68</b>	<b>13.0%</b>	<b>Jun-09</b>
<i>M03 Benchmark</i>			3.6%	62	5.1%	70	16.4%	62	9.2%	52	12.2%	87	12.2%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2025 Median</i>			3.8%		5.4%		16.9%		9.3%		13.3%		13.3%	Jun-09
<b>Moderate 16+ Yrs</b>	<b>\$597,385,920</b>	<b>6.8%</b>	<b>3.8%</b>	<b>61</b>	<b>5.2%</b>	<b>68</b>	<b>20.6%</b>	<b>14</b>	<b>11.6%</b>	<b>8</b>	<b>15.2%</b>	<b>14</b>	<b>15.2%</b>	<b>Jun-09</b>
<i>M04 Benchmark</i>			4.3%	17	5.9%	32	20.8%	11	11.1%	16	14.9%	18	14.9%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2030 Median</i>			3.9%		5.5%		18.4%		10.0%		14.0%		14.0%	Jun-09

# Total Plan

## Performance Summary

	Current Market Value	Current Allocation	Ending June 30, 2014										Inception	
			3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Return	Since
<b>Aggressive 0-5 Yrs</b>	<b>\$159,799,256</b>	<b>1.8%</b>	<b>2.9%</b>	<b>77</b>	<b>4.2%</b>	<b>85</b>	<b>14.2%</b>	<b>28</b>	<b>8.8%</b>	<b>13</b>	<b>11.8%</b>	<b>30</b>	<b>11.8%</b>	<b>Jun-09</b>
<i>R01 Benchmark</i>			3.2%	56	4.6%	69	14.1%	31	8.2%	31	10.8%	60	10.8%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2015 Median</i>			3.2%		4.9%		13.5%		7.7%		11.0%		11.0%	Jun-09
<b>Aggressive 6-10 Yrs</b>	<b>\$198,723,702</b>	<b>2.3%</b>	<b>3.2%</b>	<b>65</b>	<b>4.6%</b>	<b>74</b>	<b>16.4%</b>	<b>18</b>	<b>9.8%</b>	<b>6</b>	<b>13.2%</b>	<b>18</b>	<b>13.2%</b>	<b>Jun-09</b>
<i>R02 Benchmark</i>			3.6%	28	5.1%	43	16.4%	15	9.2%	29	12.2%	46	12.2%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2020 Median</i>			3.4%		5.0%		14.5%		8.4%		12.1%		12.1%	Jun-09
<b>Aggressive 11-15 Yrs</b>	<b>\$232,672,398</b>	<b>2.6%</b>	<b>3.6%</b>	<b>62</b>	<b>5.0%</b>	<b>73</b>	<b>19.6%</b>	<b>9</b>	<b>11.3%</b>	<b>4</b>	<b>14.6%</b>	<b>10</b>	<b>14.6%</b>	<b>Jun-09</b>
<i>R03 Benchmark</i>			4.1%	14	5.7%	34	19.8%	8	10.7%	6	14.4%	16	14.4%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2025 Median</i>			3.8%		5.4%		16.9%		9.3%		13.3%		13.3%	Jun-09
<b>Aggressive 16+ Yrs</b>	<b>\$632,365,901</b>	<b>7.2%</b>	<b>4.2%</b>	<b>27</b>	<b>5.7%</b>	<b>37</b>	<b>23.9%</b>	<b>1</b>	<b>13.0%</b>	<b>1</b>	<b>16.9%</b>	<b>1</b>	<b>16.9%</b>	<b>Jun-09</b>
<i>R04 Benchmark</i>			4.8%	4	6.4%	6	24.2%	1	12.5%	4	17.0%	1	17.0%	Jun-09
<i>Mercer Mutual Fund Lifecycle 2030 Median</i>			3.9%		5.5%		18.4%		10.0%		14.0%		14.0%	Jun-09

# Total Plan

## Performance Summary - NET OF FFES

### Total Plan Performance

	Current Market Value	Current Allocation	Ending June 30, 2014					Inception	
			3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	Return	Since
<b>Large Cap Passive</b>	<b>\$1,235,522,111</b>	<b>14.1%</b>	<b>5.2%</b>	<b>7.0%</b>	<b>24.4%</b>	<b>16.4%</b>	<b>18.7%</b>	<b>21.1%</b>	<b>Mar-09</b>
S&P 500			5.2%	7.1%	24.6%	16.6%	18.8%	21.2%	Mar-09
NCSRP BlackRock Equity Index	\$1,235,522,111	14.1%	5.2%	7.1%	24.6%	16.5%	18.9%	21.3%	Mar-09
S&P 500			5.2%	7.1%	24.6%	16.6%	18.8%	21.2%	Mar-09
<b>Large Cap Value</b>	<b>\$911,368,210</b>	<b>10.4%</b>	<b>3.6%</b>	<b>7.4%</b>	<b>23.5%</b>	<b>17.2%</b>	<b>17.8%</b>	<b>20.1%</b>	<b>Mar-09</b>
Russell 1000 Value			5.1%	8.3%	23.8%	16.9%	19.2%	21.8%	Mar-09
NCSRP Hotchkis & Wiley Large Cap Value	\$311,681,157	3.5%	3.9%	9.3%	27.2%	19.4%	21.4%	25.5%	Mar-09
Russell 1000 Value			5.1%	8.3%	23.8%	16.9%	19.2%	21.8%	Mar-09
NCSRP Wellington Value Composite	\$300,433,558	3.4%	4.6%	7.7%	21.3%	14.6%	14.1%	14.2%	Mar-09
NCSRP Wellington Quality Value			4.6%	7.7%	21.3%	14.6%	--	--	Mar-09
Russell 1000 Value			5.1%	8.3%	23.8%	16.9%	19.2%	21.8%	Mar-09
NCSRP Robeco BP Large Cap Value	\$299,253,495	3.4%	2.5%	5.4%	22.6%	--	--	24.9%	Nov-11
Russell 1000 Value			5.1%	8.3%	23.8%	16.9%	19.2%	23.4%	Nov-11
<b>Large Cap Growth</b>	<b>\$853,394,325</b>	<b>9.7%</b>	<b>2.4%</b>	<b>2.9%</b>	<b>25.8%</b>	<b>14.7%</b>	<b>21.1%</b>	<b>24.0%</b>	<b>Mar-09</b>
Russell 1000 Growth			5.1%	6.3%	26.9%	16.3%	19.2%	21.7%	Mar-09
NCSRP Sands Capital Large Cap Growth	\$294,708,773	3.4%	1.2%	1.8%	33.1%	19.5%	25.6%	29.1%	Mar-09
Russell 1000 Growth			5.1%	6.3%	26.9%	16.3%	19.2%	21.7%	Mar-09
NCSRP Wellington Opportunistic Growth	\$282,645,700	3.2%	2.8%	4.4%	26.0%	13.5%	19.0%	21.4%	Mar-09
Russell 1000 Growth			5.1%	6.3%	26.9%	16.3%	19.2%	21.7%	Mar-09
Russell 3000 Growth			4.9%	6.0%	26.8%	16.1%	19.3%	21.9%	Mar-09

## Total Plan

### Performance Summary - NET OF FFES

	Current Market Value	Current Allocation	Ending June 30, 2014					Inception	
			3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	Return	Since
NCSRP Neuberger Large Cap Growth	\$276,039,851	3.1%	3.5%	2.8%	18.6%	--	--	15.7%	Oct-11
<i>Russell 1000 Growth</i>			5.1%	6.3%	26.9%	16.3%	19.2%	20.1%	Oct-11
<b>Mid/Small Cap Passive</b>	<b>\$217,939,258</b>	<b>2.5%</b>	<b>3.5%</b>	<b>5.9%</b>	<b>25.4%</b>	<b>15.5%</b>	<b>21.5%</b>	<b>24.7%</b>	<b>Mar-09</b>
<i>Russell 2500</i>			3.6%	5.9%	25.6%	15.5%	21.6%	24.8%	Mar-09
NCSRP BlackRock Russell 2500 Index Fund	\$217,939,258	2.5%	3.6%	6.0%	25.5%	15.6%	21.7%	24.9%	Mar-09
<i>Russell 2500</i>			3.6%	5.9%	25.6%	15.5%	21.6%	24.8%	Mar-09
<b>Mid/Small Cap Value</b>	<b>\$448,785,004</b>	<b>5.1%</b>	<b>5.0%</b>	<b>9.2%</b>	<b>28.5%</b>	<b>19.0%</b>	<b>24.6%</b>	<b>28.4%</b>	<b>Mar-09</b>
<i>Russell 2500 Value</i>			4.2%	7.9%	24.9%	16.0%	21.6%	24.5%	Mar-09
NCSRP Hotchkis & Wiley	\$151,532,612	1.7%	5.7%	11.6%	29.1%	22.9%	27.8%	32.4%	Mar-09
<i>Hotchkis Custom SMID Value Index</i>			4.2%	7.9%	24.9%	16.0%	22.0%	25.3%	Mar-09
NCSRP EARNEST Partners	\$150,167,052	1.7%	5.0%	9.1%	31.0%	15.7%	20.2%	23.3%	Mar-09
<i>EARNEST Custom SMID Value Index</i>			4.2%	7.9%	24.9%	16.0%	20.7%	23.5%	Mar-09
NCSRP WEDGE SMID Cap Value	\$147,085,340	1.7%	4.5%	7.2%	26.0%	--	--	24.7%	Dec-11
<i>Russell 2500 Value</i>			4.2%	7.9%	24.9%	16.0%	21.6%	24.1%	Dec-11
<b>Mid/Small Cap Growth</b>	<b>\$319,517,491</b>	<b>3.6%</b>	<b>0.0%</b>	<b>-1.1%</b>	<b>21.0%</b>	<b>15.1%</b>	<b>20.3%</b>	<b>22.8%</b>	<b>Mar-09</b>
<i>Russell 2500 Growth</i>			2.9%	4.0%	26.3%	14.9%	21.7%	25.1%	Mar-09
NCSRP TimesSquare Composite	\$163,577,104	1.9%	2.0%	0.7%	23.6%	17.9%	21.0%	23.4%	Mar-09
<i>NCSRP TimesSquare SMID Growth</i>			2.0%	0.7%	23.6%	17.9%	--	--	Mar-09
<i>TimesSquare Custom SMID Growth Index</i>			2.9%	4.0%	26.3%	14.9%	21.4%	24.6%	Mar-09

## Total Plan

### Performance Summary - NET OF FFES

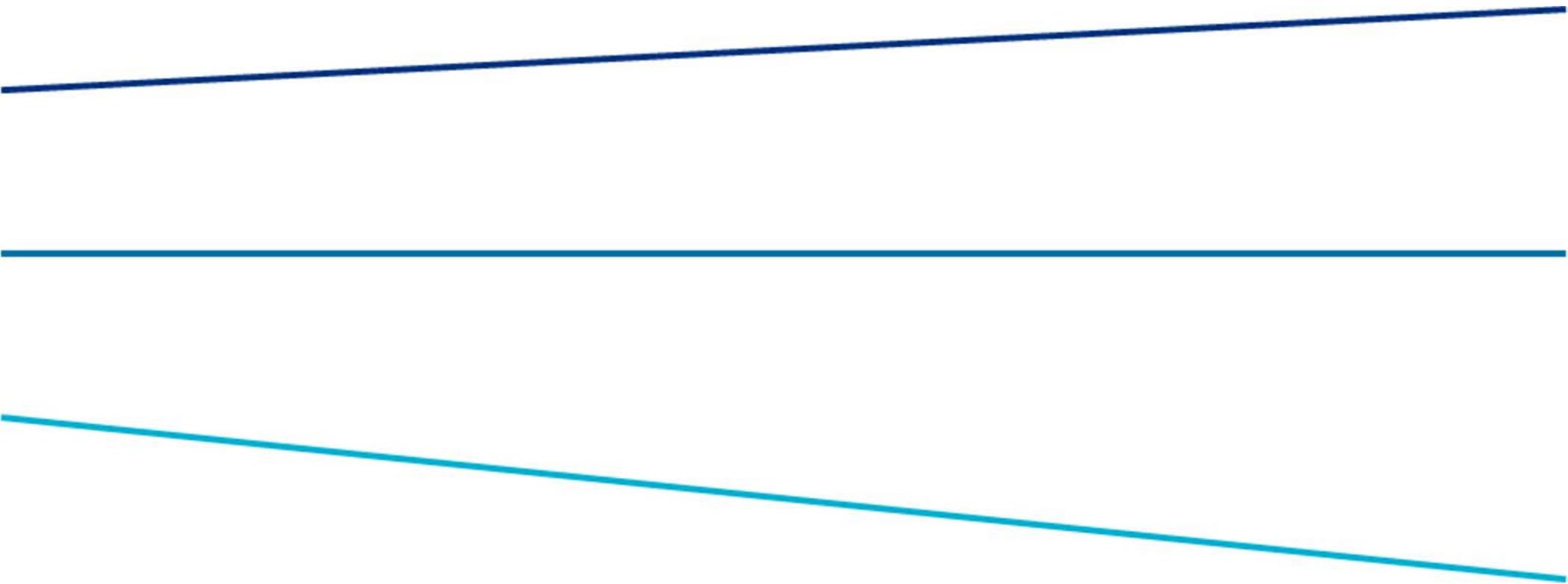
	Current Market Value	Current Allocation	Ending June 30, 2014					Inception	
			3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	Return	Since
NCSRP Brown Advisory	\$155,940,388	1.8%	-1.8%	-2.8%	18.6%	12.7%	20.2%	23.0%	Mar-09
<i>Brown Custom SMID Growth Index</i>			2.9%	4.0%	26.3%	14.9%	20.7%	24.5%	Mar-09
<b>International Passive</b>	<b>\$42,609,165</b>	<b>0.5%</b>	<b>5.1%</b>	<b>5.6%</b>	<b>21.7%</b>	<b>5.7%</b>	<b>11.0%</b>	<b>15.7%</b>	<b>Mar-09</b>
<i>MSCI ACWI ex USA Gross</i>			5.2%	5.9%	22.3%	6.2%	11.6%	16.3%	Mar-09
NCSRP BlackRock ACWI ex US Fund	\$42,609,165	0.5%	5.2%	5.7%	21.9%	5.8%	11.1%	15.9%	Mar-09
<i>MSCI ACWI ex USA Gross</i>			5.2%	5.9%	22.3%	6.2%	11.6%	16.3%	Mar-09
<b>International Equity</b>	<b>\$546,737,350</b>	<b>6.2%</b>	<b>4.3%</b>	<b>6.1%</b>	<b>21.5%</b>	<b>7.7%</b>	<b>12.2%</b>	<b>16.1%</b>	<b>Mar-09</b>
<i>MSCI ACWI ex USA Gross</i>			5.2%	5.9%	22.3%	6.2%	11.6%	16.3%	Mar-09
NCSRP Baillie Gifford ACWI ex US Growth	\$265,554,774	3.0%	2.9%	3.2%	20.6%	8.0%	14.0%	18.4%	Mar-09
<i>MSCI ACWI ex USA Gross</i>			5.2%	5.9%	22.3%	6.2%	11.6%	16.3%	Mar-09
<i>MSCI AC Wld ex US Growth Gross</i>			4.6%	5.0%	19.7%	5.8%	11.7%	15.8%	Mar-09
NCSRP Mondrian ACWI ex US Value	\$281,182,576	3.2%	5.7%	9.3%	22.7%	7.9%	11.0%	14.6%	Mar-09
<i>MSCI ACWI ex USA Gross</i>			5.2%	5.9%	22.3%	6.2%	11.6%	16.3%	Mar-09
<i>MSCI AC Wld Ex US Value Gross</i>			5.9%	6.8%	24.8%	6.6%	11.4%	16.9%	Mar-09
<b>Global Equity</b>	<b>\$709,311,391</b>	<b>8.1%</b>	<b>5.6%</b>	<b>4.9%</b>	<b>25.6%</b>	<b>13.4%</b>	<b>15.5%</b>	<b>18.5%</b>	<b>Mar-09</b>
<i>MSCI ACWI Gross</i>			5.2%	6.5%	23.6%	10.9%	14.9%	18.6%	Mar-09
NCSRP Wellington Global Composite	\$351,342,981	4.0%	5.5%	3.9%	24.4%	14.2%	16.1%	19.0%	Mar-09
<i>NCSRP Wellington Global Opportunities</i>			5.5%	3.9%	24.4%	14.2%	--	--	Mar-09
<i>MSCI ACWI Gross</i>			5.2%	6.5%	23.6%	10.9%	14.9%	18.6%	Mar-09
NCSRP Arrowstreet Global Equity ACWI	\$357,968,411	4.1%	5.7%	6.3%	27.1%	--	--	17.5%	Mar-12
<i>MSCI ACWI Gross</i>			5.2%	6.5%	23.6%	10.9%	14.9%	15.0%	Mar-12

## Total Plan

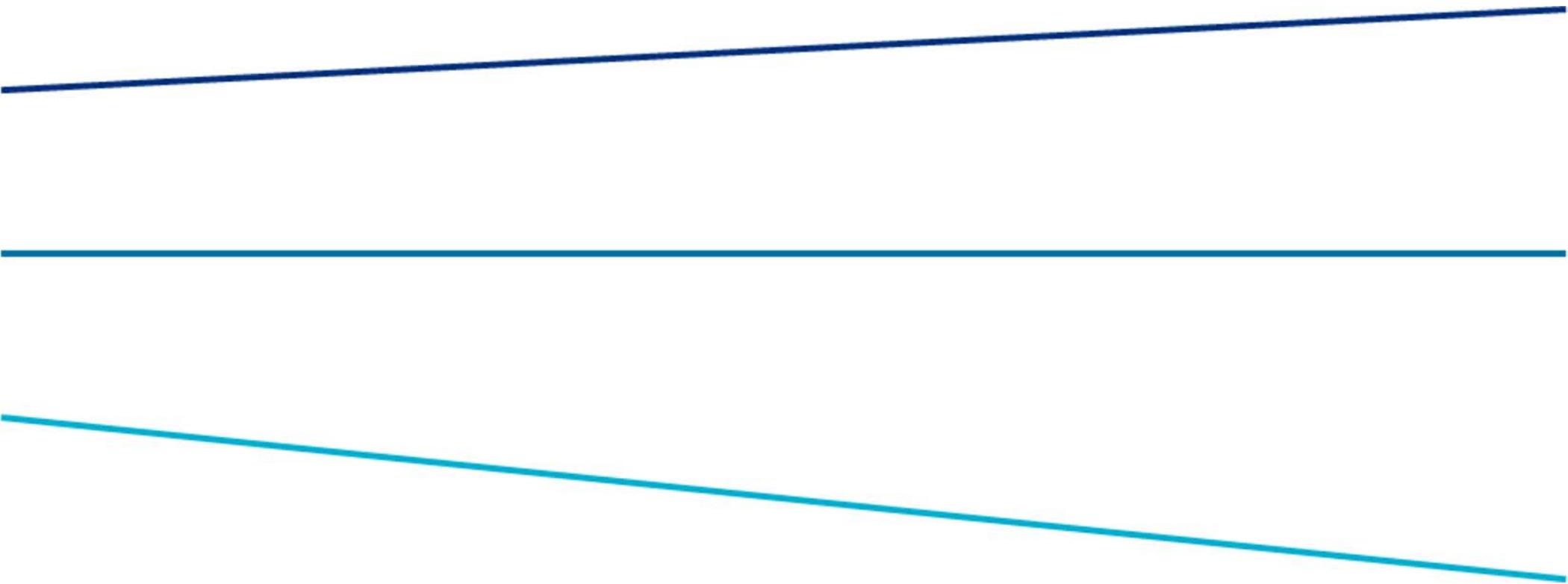
### Performance Summary - NET OF FFES

	Current Market Value	Current Allocation	Ending June 30, 2014					Inception	
			3 Mo	YTD	1 Yr	3 Yrs	5 Yrs	Return	Since
<b>Inflation Responsive Fund</b>	<b>\$324,963,354</b>	<b>3.7%</b>	<b>4.1%</b>	<b>8.2%</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>5.7%</b>	<b>Sep-13</b>
<i>PIMCO Inflation Response Index</i>			3.0%	7.2%	6.3%	1.4%	6.6%	4.8%	Sep-13
NCSRP PIMCO Inflation Response Multi-Asset	\$324,963,354	3.7%	4.2%	8.4%	--	--	--	6.1%	Sep-13
<i>PIMCO Inflation Response Index</i>			3.0%	7.2%	6.3%	1.4%	6.6%	4.8%	Sep-13
<i>Consumer Price Index</i>			0.9%	2.3%	2.1%	1.8%	2.0%	1.8%	Sep-13
<b>Fixed Income Passive Fund</b>	<b>\$324,763,874</b>	<b>3.7%</b>	<b>2.1%</b>	<b>3.9%</b>	<b>4.1%</b>	<b>3.5%</b>	<b>--</b>	<b>3.2%</b>	<b>Sep-10</b>
<i>Barclays Aggregate</i>			2.0%	3.9%	4.4%	3.7%	4.9%	3.3%	Sep-10
NCSRP BlackRock Debt Index Fund	\$324,763,874	3.7%	2.1%	4.0%	4.3%	3.6%	--	3.3%	Sep-10
<i>Barclays Aggregate</i>			2.0%	3.9%	4.4%	3.7%	4.9%	3.3%	Sep-10
<b>Fixed Income Fund</b>	<b>\$559,493,747</b>	<b>6.4%</b>	<b>2.1%</b>	<b>3.5%</b>	<b>4.8%</b>	<b>4.1%</b>	<b>5.6%</b>	<b>6.0%</b>	<b>Mar-09</b>
<i>Barclays Aggregate</i>			2.0%	3.9%	4.4%	3.7%	4.9%	5.0%	Mar-09
NCSRP JP Morgan Core Bond	\$278,066,140	3.2%	1.9%	3.7%	4.4%	4.1%	5.8%	5.7%	Mar-09
<i>Barclays Aggregate</i>			2.0%	3.9%	4.4%	3.7%	4.9%	5.0%	Mar-09
NCSRP PIMCO Total Return Full Authority	\$281,427,606	3.2%	2.3%	3.6%	5.6%	4.4%	5.8%	6.6%	Mar-09
<i>Barclays Aggregate</i>			2.0%	3.9%	4.4%	3.7%	4.9%	5.0%	Mar-09

# US Equity

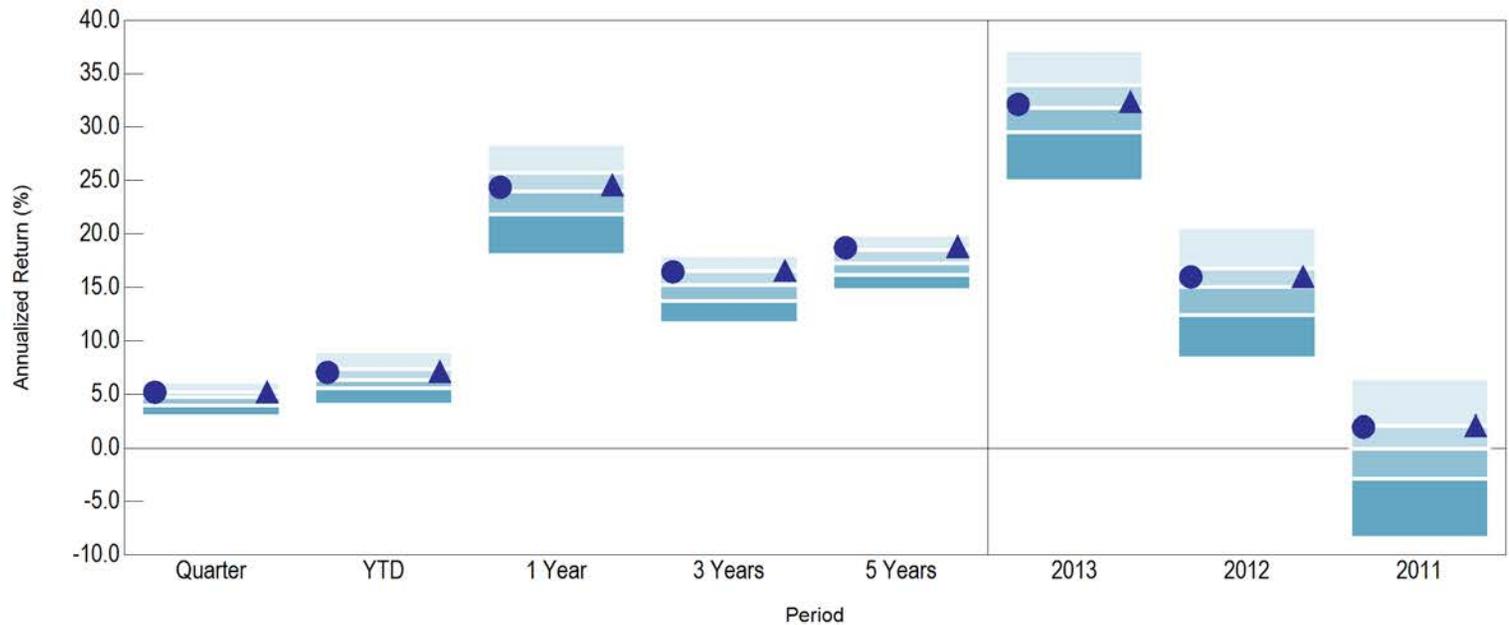


# Large Cap Passive



# Large Cap Passive Performance

Performance vs. Mercer Mutual Fund US Equity Large Cap Core  
Ending June 30, 2014



	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011	
<b>Return (Rank)</b>																
5th Percentile	6.1		9.0		28.4		18.0		19.9		37.2		20.6		6.5	
25th Percentile	5.2		7.3		25.7		16.5		18.5		33.9		16.8		2.2	
Median	4.8		6.3		24.0		15.2		17.3		31.8		15.1		0.0	
75th Percentile	4.0		5.6		21.9		13.7		16.2		29.6		12.4		-2.9	
95th Percentile	3.0		4.0		18.0		11.7		14.8		25.0		8.4		-8.4	
# of Portfolios	273		271		267		247		234		267		284		309	
● Large Cap Passive	5.2	(27)	7.0	(35)	24.4	(47)	16.4	(27)	18.7	(22)	32.1	(47)	16.0	(40)	2.0	(28)
▲ S&P 500	5.2	(25)	7.1	(32)	24.6	(45)	16.6	(25)	18.8	(18)	32.4	(42)	16.0	(40)	2.1	(26)

### Manager Philosophy and Process

The BlackRock Equity Index Fund seeks to capture the growth potential of large companies and achieve broad diversification with low costs by fully replicating the Standard & Poor's (S&P) 500 Index. To manage the fund effectively, BlackRock focuses on three objectives: minimizing transaction costs, minimizing tracking error and minimizing risk. One of the ways they do this is by fully replicating the index within a cost-effective environment. Because these stocks are highly liquid, full replication can be achieved without incurring excessive costs. BlackRock's breadth of experience allows the firm to capitalize on crossing opportunities which result in cost-savings when changes are made to the index and when clients rebalance their portfolios.

The Fund is monitored on a daily basis to ensure tracking of the Index. Trading occurs as often as necessary to reinvest dividends, tender proceeds, and accommodate changes in the composition of the Index. Typically, the fund has turnover of less than 5% annually and cash tolerances are typically below 1% of the entire portfolio. Cash balances and dividend accruals are equitized with S&P 500 Index futures to minimize tracking error. The BlackRock Equity Index Fund participates in BlackRock's high-quality, risk-controlled securities lending program to earn additional income.

### Quarterly Attribution

Top performing index sectors:

- Energy (+12.1%), utilities (+7.8%), and information technology (+6.6%)

Bottom performing index sectors:

- Financials (+2.3%), consumer discretionary (+3.5%), and telecommunications (+3.8%)

### Summary Data Points

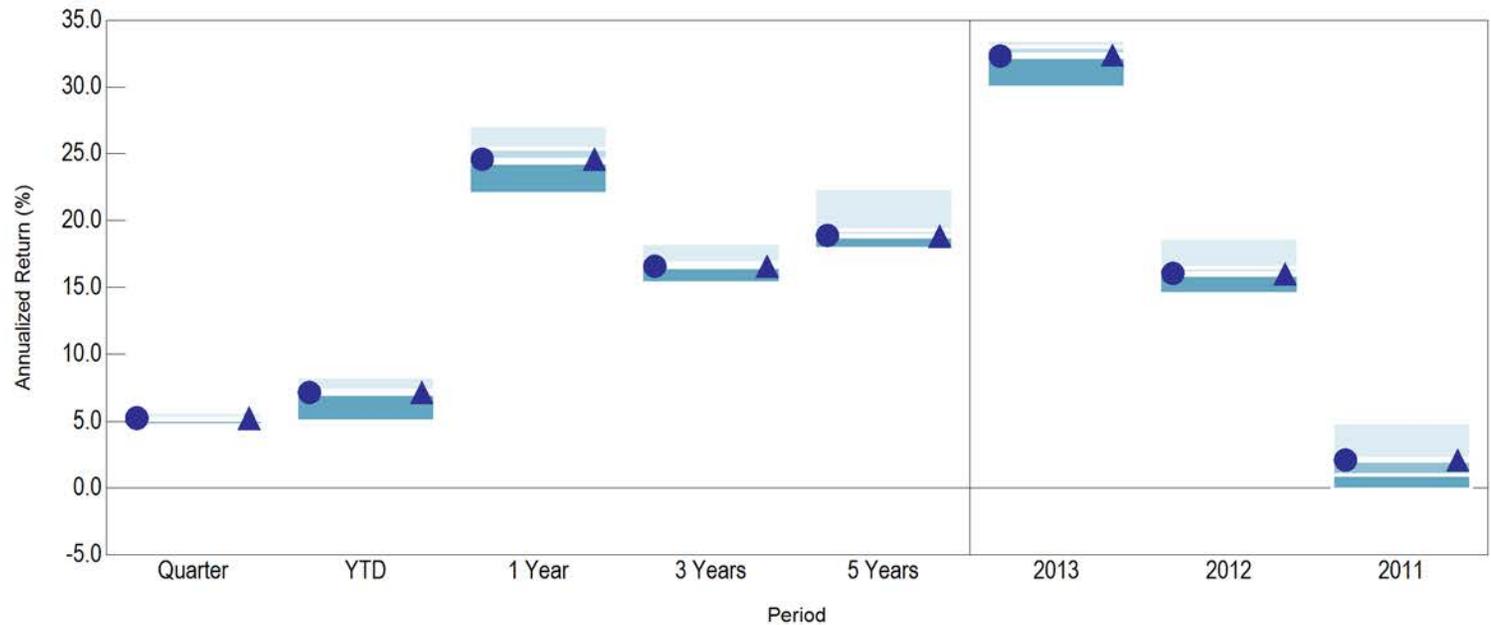
Mercer Rating: PP

Total Strategy Assets (\$B): \$285 (03/31/14)

# NCSRP BlackRock Equity Index

## Performance

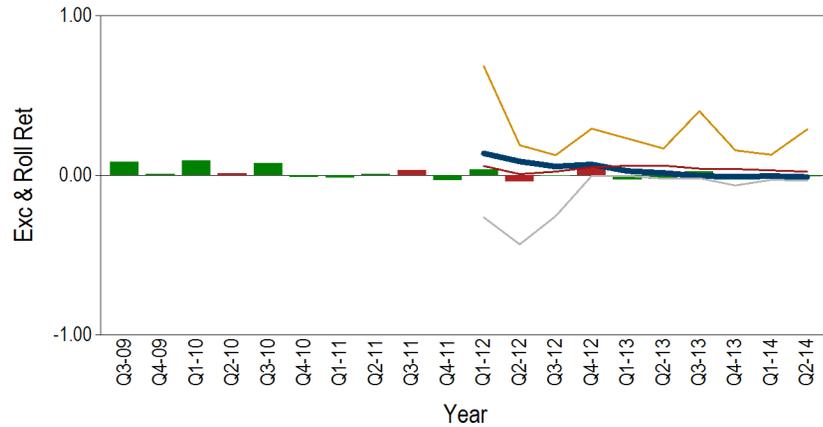
Performance vs. Mercer Instl US Equity Large Cap Index  
Ending June 30, 2014



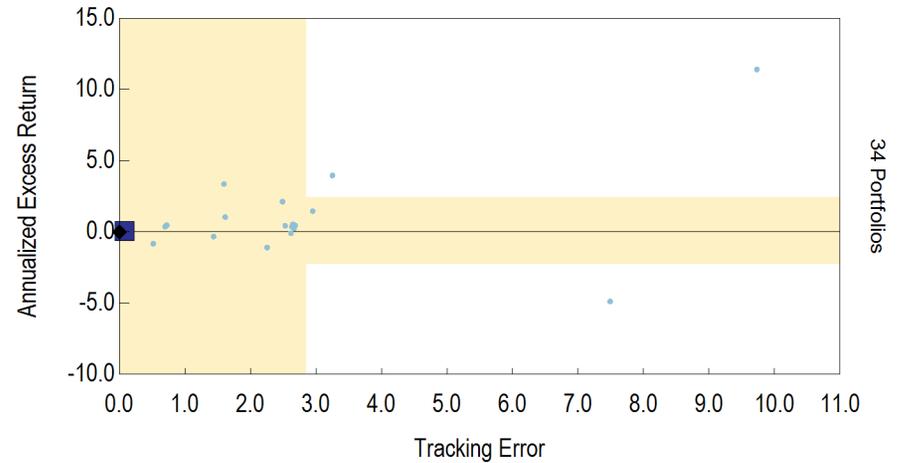
	Return (Rank)							
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011
5th Percentile	5.6	8.3	27.1	18.3	22.4	33.5	18.7	4.9
25th Percentile	5.2	7.3	25.4	16.8	19.3	33.0	16.5	2.2
Median	5.2	7.1	24.6	16.6	18.9	32.4	16.1	2.1
75th Percentile	5.1	7.0	24.3	16.5	18.8	32.3	15.9	1.0
95th Percentile	4.7	5.0	22.0	15.3	17.9	30.0	14.5	-0.1
# of Portfolios	49	48	46	38	34	67	84	91
● NCSRP BlackRock Equity Index	5.2 (29)	7.1 (48)	24.6 (49)	16.6 (67)	18.9 (55)	32.3 (71)	16.0 (56)	2.1 (44)
▲ S&P 500	5.2 (19)	7.1 (41)	24.6 (47)	16.6 (63)	18.8 (67)	32.4 (60)	16.0 (63)	2.1 (44)

# NCSRP BlackRock Equity Index

**Rolling 3 Year Excess Performance  
NCSRP BlackRock Equity Index vs. S&P 500**



**Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2014**

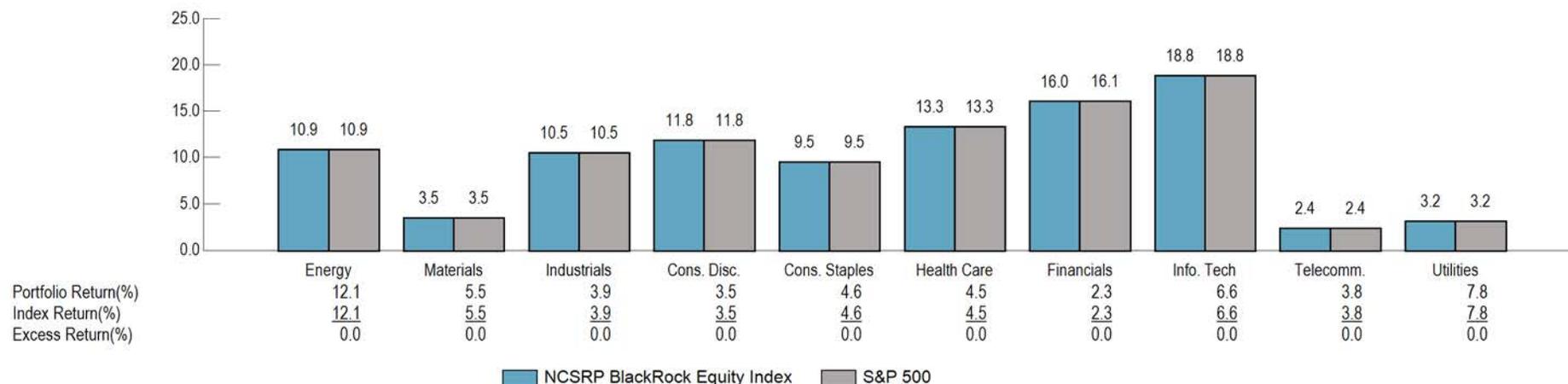


**Characteristics  
as of June 30, 2014**

	Portfolio	S&P 500
PORTFOLIO CHARACTERISTICS		
Price To Earnings	21.49	20.38
P/E Excluding Negative Earnings	21.55	20.44
P/E Median	20.80	20.80
Price To Book	4.21	3.89
Price To Book Median	3.22	3.22
Price To Cash Flow	13.42	13.12
Price To Sales	3.00	2.72
Dividend Yield (%)	2.00	2.00
Weighted Ave. Market Cap. (\$B)	118.12	118.12
Median Market Cap. (\$B)	17.46	17.46
Beta	1.00	1.00

# NCSRP BlackRock Equity Index

Sector Allocation (%) vs S&P 500  
3 Months Ending June 30, 2014



## Top Returning Stocks

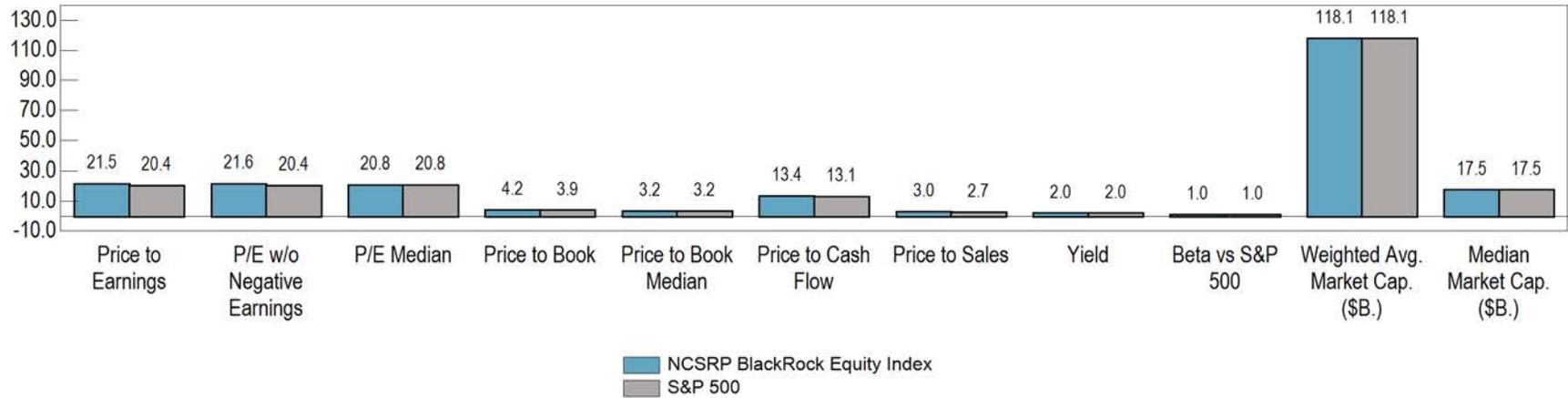
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
WILLIAMS (WMB)	0.25%	0.25%	0.00%	44.75%
NEWFIELD EXPLORATION (NFX)	0.03%	0.03%	0.00%	40.94%
MICRON TECHNOLOGY (MU)	0.20%	0.20%	0.00%	39.26%
ALLERGAN (AGN)	0.29%	0.29%	0.00%	36.40%
PEPCO HOLDINGS (POM)	0.04%	0.04%	0.00%	35.50%
VERTEX PHARMS. (VRTX)	0.13%	0.13%	0.00%	33.88%
IRON MOUNTAIN (IRM)	0.03%	0.03%	0.00%	29.73%
ANADARKO PETROLEUM (APC)	0.32%	0.32%	0.00%	29.49%
SANDISK (SNDK)	0.14%	0.14%	0.00%	28.96%
MOLSON COORS BREWING 'B' (TAP)	0.07%	0.07%	0.00%	26.72%
<b>Total</b>	<b>1.50%</b>	<b>1.50%</b>		

## Bottom Returning Stocks

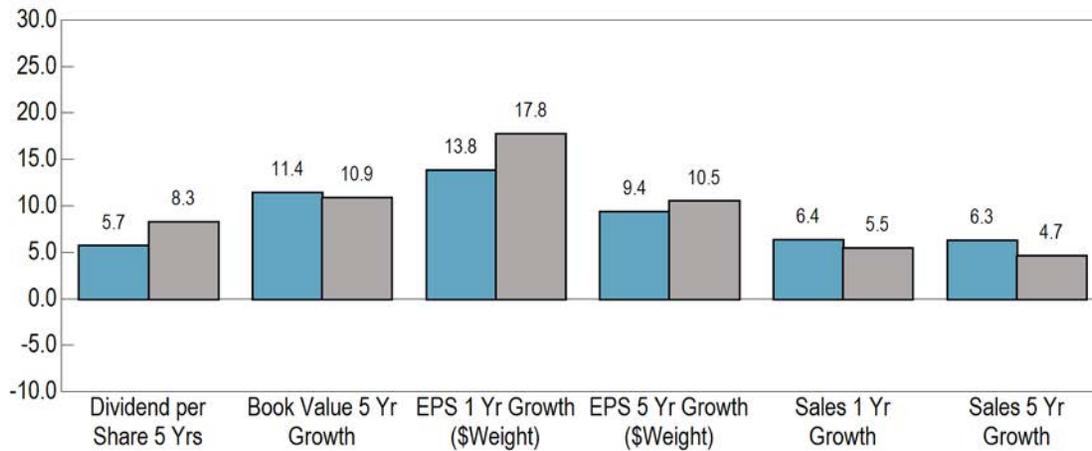
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
COACH (COH)	0.05%	0.05%	0.00%	-30.56%
CLIFFS NATURAL RESOURCES (CLF)	0.00%	0.00%	0.00%	-25.76%
WHOLE FOODS MARKET (WFM)	0.08%	0.08%	0.00%	-23.65%
TERADATA (TDC)	0.04%	0.04%	0.00%	-18.28%
BED BATH & BEYOND (BBBY)	0.07%	0.07%	0.00%	-16.60%
JACOBS ENGR. (JEC)	0.04%	0.04%	0.00%	-16.09%
TYSON FOODS 'A' (TSN)	0.06%	0.06%	0.00%	-14.54%
TRACTOR SUPPLY (TSCO)	0.05%	0.05%	0.00%	-14.27%
PETSMART (PETM)	0.03%	0.03%	0.00%	-12.97%
XILINX (XLNX)	0.07%	0.07%	0.00%	-12.29%
<b>Total</b>	<b>0.49%</b>	<b>0.49%</b>		

# NCSR BlackRock Equity Index

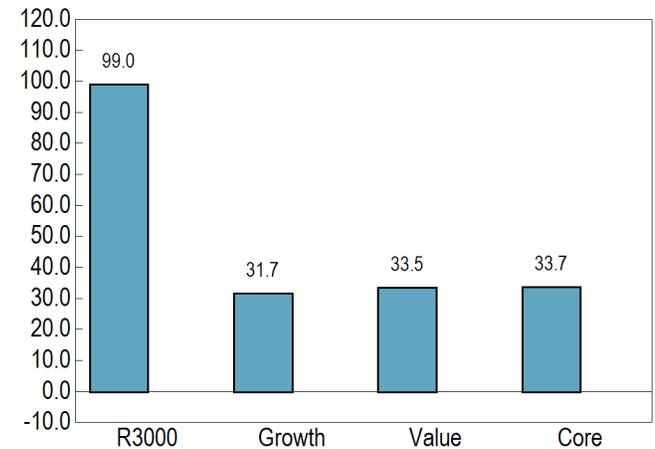
Portfolio Characteristics  
Ending June 30, 2014



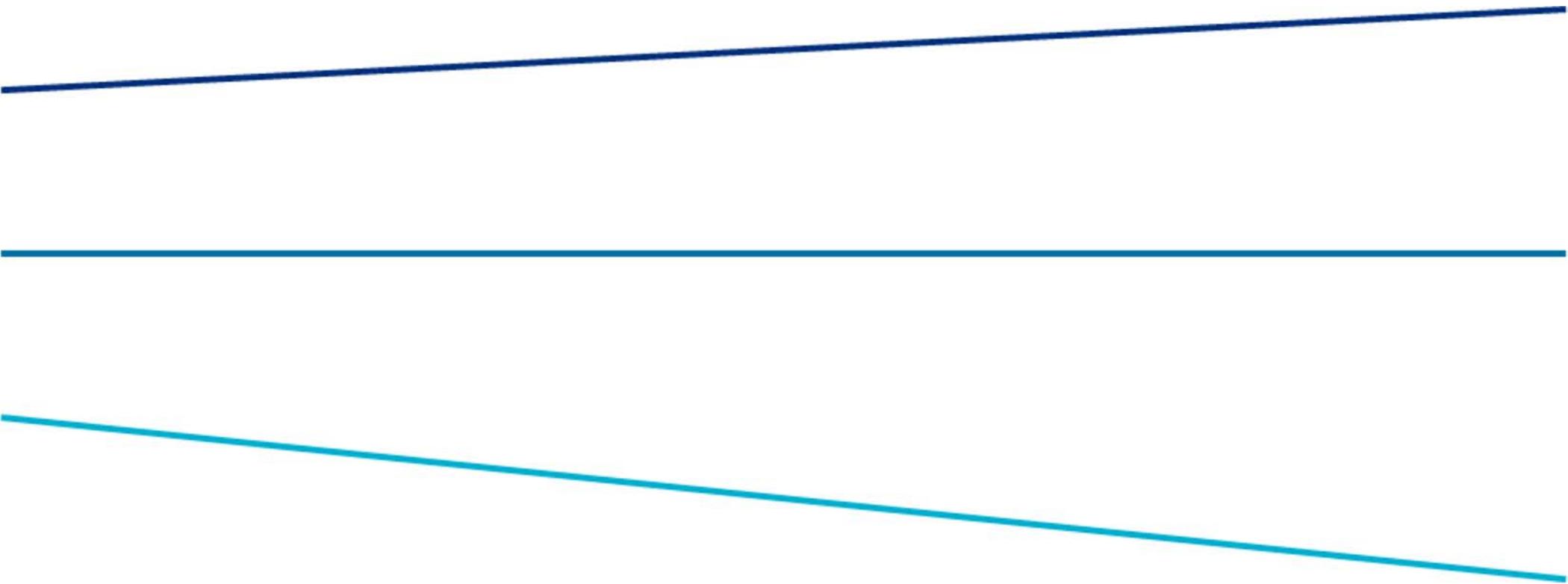
Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014



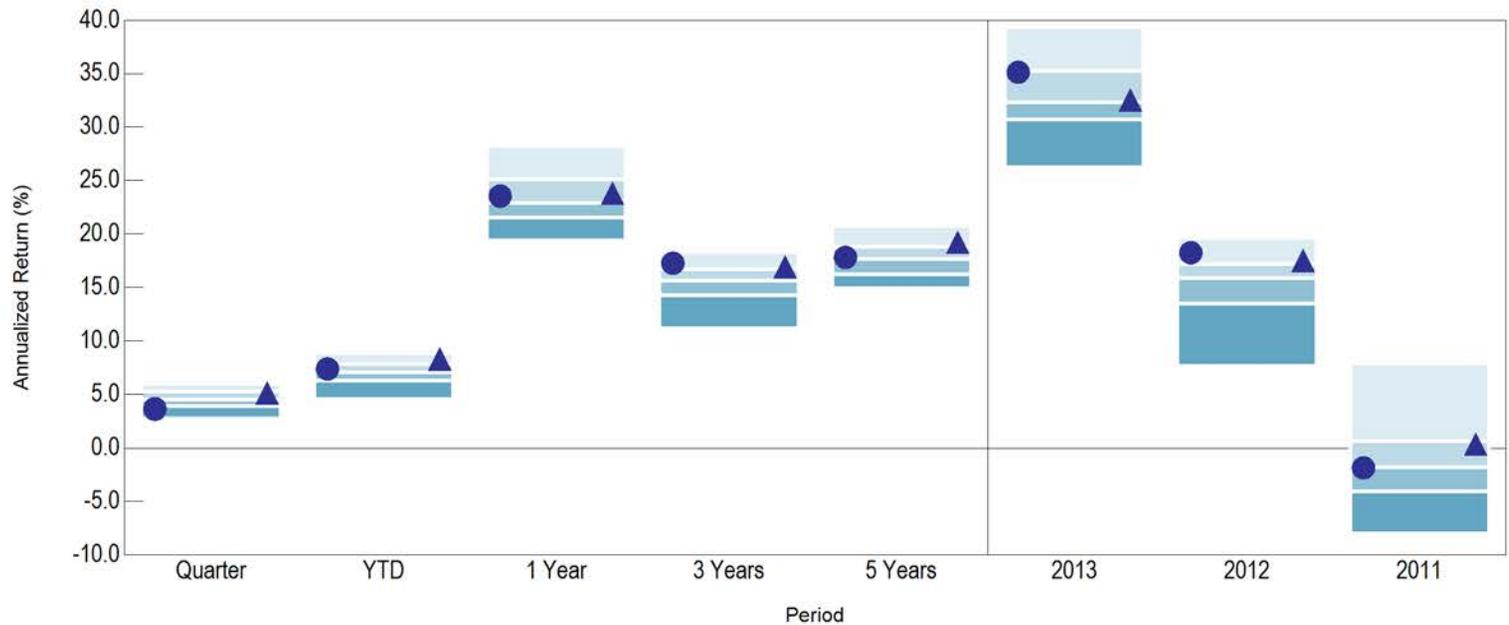
# Large Cap Value



# Large Cap Value

## Performance

Performance vs. Mercer Mutual Fund US Equity Large Cap Value  
Ending June 30, 2014

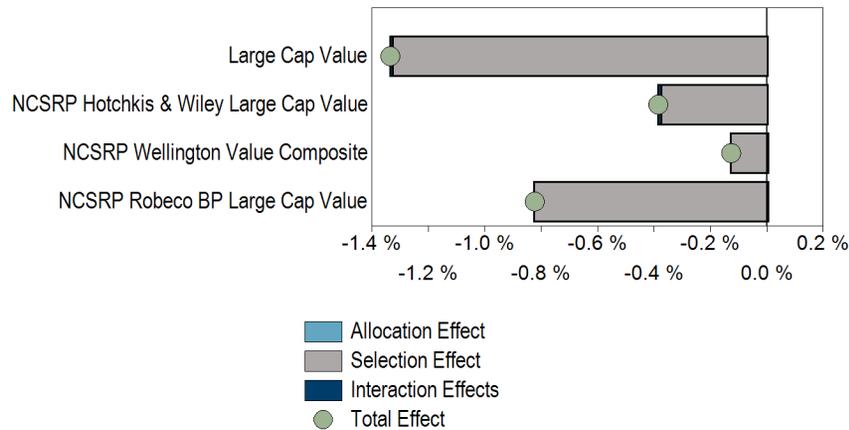


	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011	
<b>5th Percentile</b>	6.0		8.8		28.2		18.3		20.7		39.3		19.6		7.8	
<b>25th Percentile</b>	5.3		7.9		25.1		16.7		18.8		35.3		17.2		0.7	
<b>Median</b>	4.5		7.0		22.9		15.7		17.7		32.4		15.9		-1.8	
<b>75th Percentile</b>	3.9		6.3		21.5		14.3		16.2		30.7		13.5		-4.0	
<b>95th Percentile</b>	2.8		4.6		19.4		11.2		15.0		26.2		7.7		-8.0	
<b># of Portfolios</b>	131		127		123		107		99		116		117		132	
<b>● Large Cap Value</b>	3.6	(84)	7.4	(37)	23.5	(44)	17.2	(15)	17.8	(44)	35.1	(27)	18.2	(16)	-1.8	(52)
<b>▲ Russell 1000 Value</b>	5.1	(31)	8.3	(14)	23.8	(40)	16.9	(21)	19.2	(19)	32.5	(47)	17.5	(24)	0.4	(29)

# Large Cap Value

## Attribution

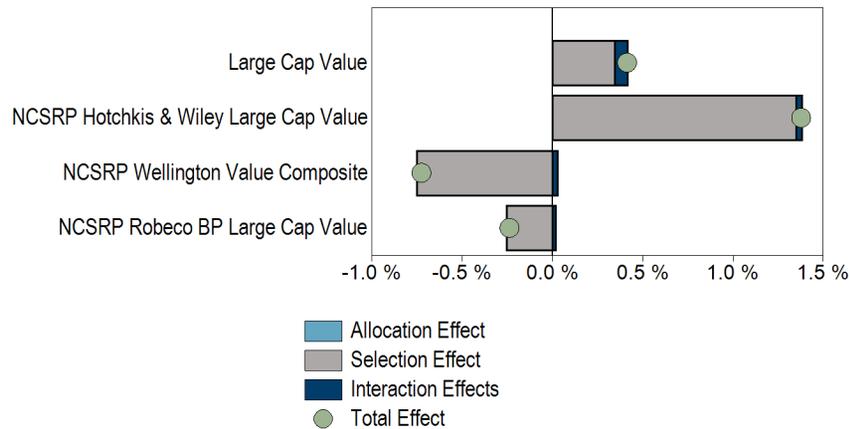
**Attribution Effects**  
3 Months Ending June 30, 2014



**Attribution Summary**  
3 Months Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRP Hotchkis & Wiley Large Cap Value	4.0%	5.1%	-1.1%	-0.4%	0.0%	0.0%	-0.4%
NCSRP Wellington Value Composite	4.7%	5.1%	-0.4%	-0.1%	0.0%	0.0%	-0.1%
NCSRP Robeco BP Large Cap Value	2.6%	5.1%	-2.5%	-0.8%	0.0%	0.0%	-0.8%
<b>Total</b>	<b>3.8%</b>	<b>5.1%</b>	<b>-1.3%</b>	<b>-1.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-1.3%</b>

**Attribution Effects**  
1 Year Ending June 30, 2014

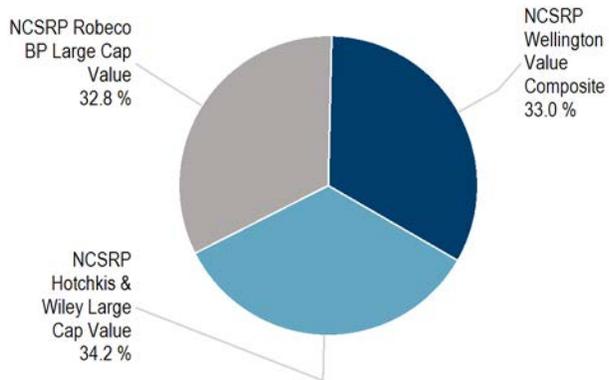


**Attribution Summary**  
1 Year Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRP Hotchkis & Wiley Large Cap Value	27.9%	23.8%	4.0%	1.3%	0.0%	0.0%	1.4%
NCSRP Wellington Value Composite	21.6%	23.8%	-2.2%	-0.7%	0.0%	0.0%	-0.7%
NCSRP Robeco BP Large Cap Value	23.0%	23.8%	-0.8%	-0.3%	0.0%	0.0%	-0.2%
<b>Total</b>	<b>24.2%</b>	<b>23.8%</b>	<b>0.4%</b>	<b>0.3%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>0.4%</b>

# Large Cap Value

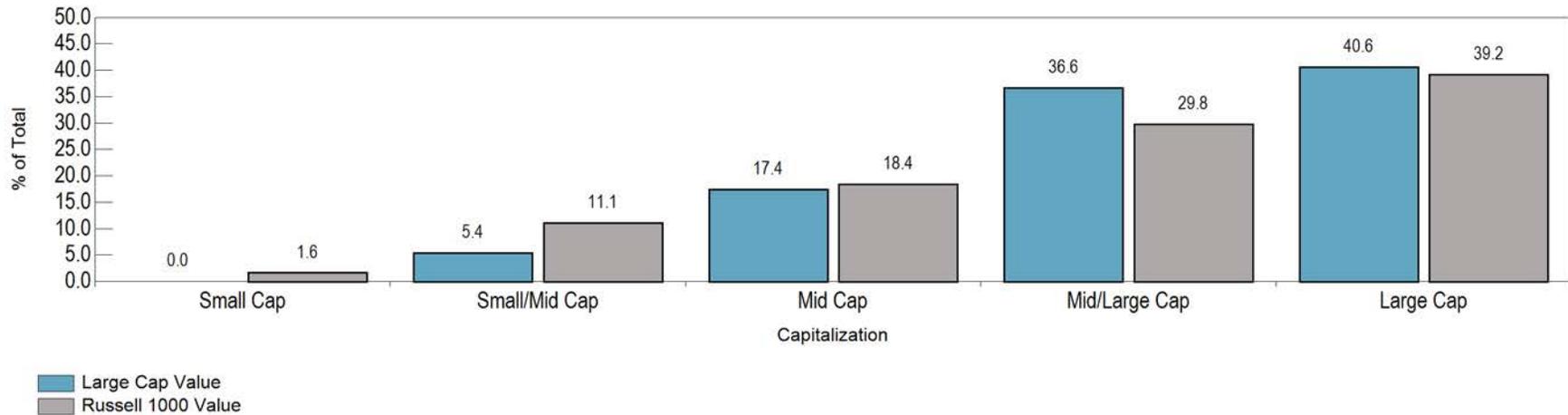
Current Allocation



Characteristics

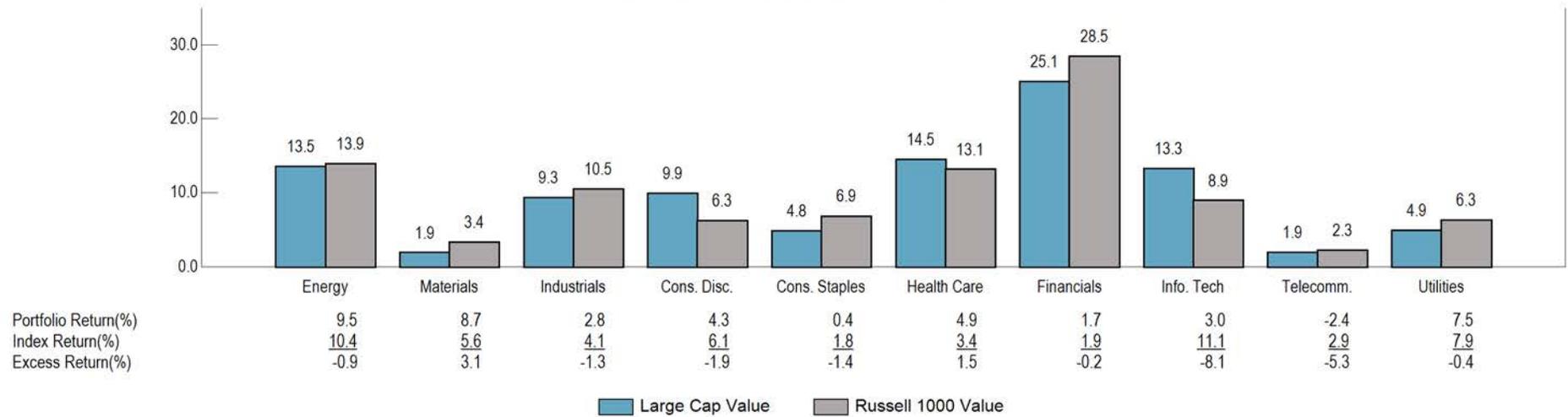
	Portfolio	Russell 1000 Value
Number of Holdings	179	685
Weighted Avg. Market Cap. (\$B)	106.46	106.07
Median Market Cap. (\$B)	40.43	7.11
Price To Earnings	18.30	18.55
Price To Book	2.81	2.26
Price To Sales	2.07	2.24
Return on Equity (%)	16.75	13.36
Yield (%)	2.22	2.28
Beta	1.01	1.00
R-Squared	0.98	1.00

Market Capitalization As Of June 30, 2014



# Large Cap Value

Sector Allocation (%) vs Russell 1000 Value



## Top Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
ANADARKO PETROLEUM (APC)	0.37%	0.51%	-0.05%	29.49%
COVIDIEN (COV)	0.65%	0.41%	0.06%	22.97%
SCHLUMBERGER (SLB)	0.71%		0.15%	21.44%
INTEL (INTC)	0.50%	1.41%	-0.20%	20.73%
EOG RES. (EOG)	0.19%		0.03%	19.29%
BROADCOM 'A' (BRCM)	0.00%		0.01%	18.40%
NRG ENERGY (NRG)	0.58%	0.13%	0.09%	17.48%
QEP RESOURCES (QEP)	0.44%	0.05%	0.04%	17.26%
BK.OF NOVA SCOTIA (C:BNS)	0.35%		0.05%	16.16%
SYMANTEC (SYMC)	0.17%	0.16%	0.02%	15.48%
<b>Total</b>	<b>3.97%</b>	<b>2.66%</b>		

## Bottom Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
BED BATH & BEYOND (BBBY)	0.00%		-0.05%	-16.60%
TYSON FOODS 'A' (TSN)	0.33%	0.09%	-0.07%	-14.54%
BROCADE COMMS.SYS. (BRCD)	0.34%	0.04%	-0.05%	-12.96%
BANK OF AMERICA (BAC)	1.81%	1.62%	-0.11%	-10.58%
APOLLO EDUCATION GP.'A' (APOL)	0.26%	0.03%	-0.02%	-8.73%
EXPRESS SCRIPTS HOLDING (ESRX)	0.77%	0.07%	-0.04%	-7.67%
PFIZER (PFE)	0.97%	1.89%	0.07%	-6.77%
PACCAR (PCAR)	0.39%	0.02%	-0.02%	-6.50%
FIFTH THIRD BANCORP (FITB)	0.37%	0.18%	-0.01%	-6.42%
RAYTHEON 'B' (RTN)	0.36%	0.29%	0.00%	-6.01%
<b>Total</b>	<b>5.61%</b>	<b>4.23%</b>		

## Large Cap Value

---

### Top Holdings Large Cap Value

	LCV Fund %	Hotchkis %	Wellington %	Robeco %	Index Weight%
EXXON MOBIL	3.16%		3.80%	5.79%	4.32%
JP MORGAN CHASE & CO.	2.76%	4.24%	2.98%	0.97%	2.18%
CITIGROUP	2.68%	4.18%	1.93%	1.84%	1.43%
WELLS FARGO & CO	2.20%	2.49%	3.64%	0.43%	2.51%
BANK OF AMERICA	1.81%	3.24%	2.10%		1.62%
MICROSOFT	1.74%	2.98%	0.96%	1.20%	1.22%
ORACLE	1.71%	2.74%	0.88%	1.46%	
JOHNSON & JOHNSON	1.63%	1.01%	2.35%	1.55%	2.49%
AMERICAN INTL GP.	1.62%	4.71%			0.79%
UNITEDHEALTH GROUP	1.58%	2.87%	1.79%		0.80%
<b>Total</b>	<b>20.89%</b>	<b>28.47%</b>	<b>20.42%</b>	<b>13.24%</b>	<b>17.36%</b>

## Manager Philosophy and Process

**Investment Style/Philosophy** HWCM takes a fundamental, bottom-up approach to value investing. The firm seeks to exploit mispriced securities by investing in undiscovered or out of favor companies. The firm focuses on stocks where its estimate of the intrinsic value of future cash flows exceeds the market price.

**Investment Process** The process begins with a screen of stocks with market capitalizations greater than \$1 billion. Next, stocks are screened for adequate liquidity and traditional value characteristics and ranked according to a three-stage dividend discount model. Companies that look attractive are subject to further in-depth analysis. Analysts, who specialize by sector, refine the dividend discount model inputs by determining a company's normalized earnings power, which is used as the basis for security valuation. At weekly meetings the sector teams and Portfolio Coordinators actively debate the merits of each recommendation in relation to the portfolio's current composition and the relative value of alternate investments. The analysis includes the incorporation of a proprietary methodology that attempts to quantify macroeconomic risks associated with each purchase candidate on a standalone basis as well as the effect on the total portfolio. Although all team members are involved in these discussions, Portfolio Coordinators are responsible for all investment decisions.

## Current Positioning

- Relative to the Russell 1000 Value Index the Fund is overweight the consumer discretionary, information technology and utilities sectors.
- The Fund is underweight the energy, materials and industrials sectors.
- Cash represented 0.7% of assets at the end of the period.

## Quarterly Attribution

### Positive Impact on Performance:

- Stock selection was most additive in the health care sector
- Overweight exposure to the utilities sector compounded by better than benchmark stock selection added value
- Overweight to information technology the top performing sector for the quarter helped
- Favorable results from positions in Royal Dutch Shell, AIG and NRG Energy Inc.

### Negative Impact on Performance:

- Disappointing stock selection in the information technology, telecommunications and financials sectors
- Underweight exposure to the strongly performing energy sector
- Disappointing returns from positions in Bank of America, JPMorgan Chase and Vodafone Group PLC

## Portfolio Characteristics

Weighted Average Market Cap: \$103.6 (US\$ B)

Median Market Cap: \$41.9 (US\$ B)

P/E: 12.3x

P/B: 1.5x

Beta: 1.2

Projected EPS Growth: 5.9%

Number of Holdings: 58

## Responsible Investment ESG Comment

ESG3 - HWCM considers ESG issues as part of its investment process in the context of their economic impact and potential effect on a company's stock price, but those factors are not explicit drivers of the investment philosophy or process. HWCM is a signatory of the UN PRI. We believe an ESG3 rating is appropriate.

## Summary Data Points

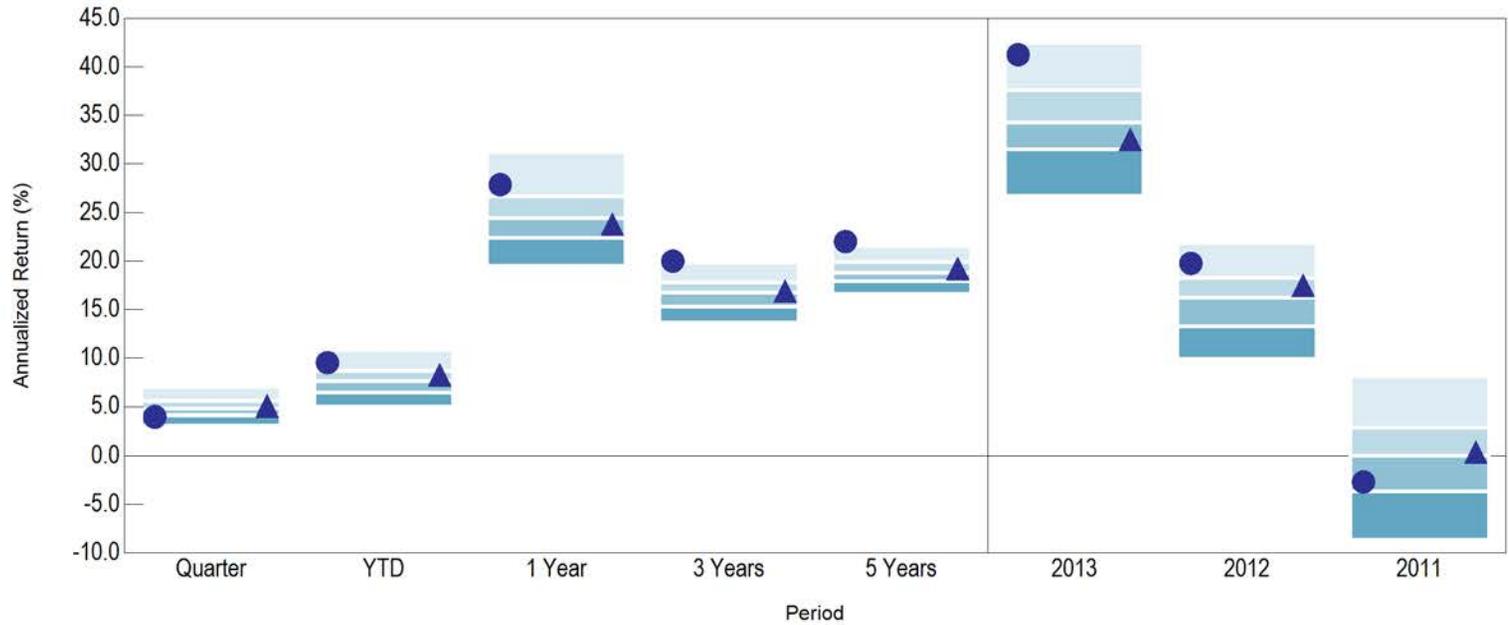
Mercer Rating: A (T)

Manager Strategy Assets: \$8.7 Billion

# NCSRP Hotchkis & Wiley Large Cap Value

## Performance

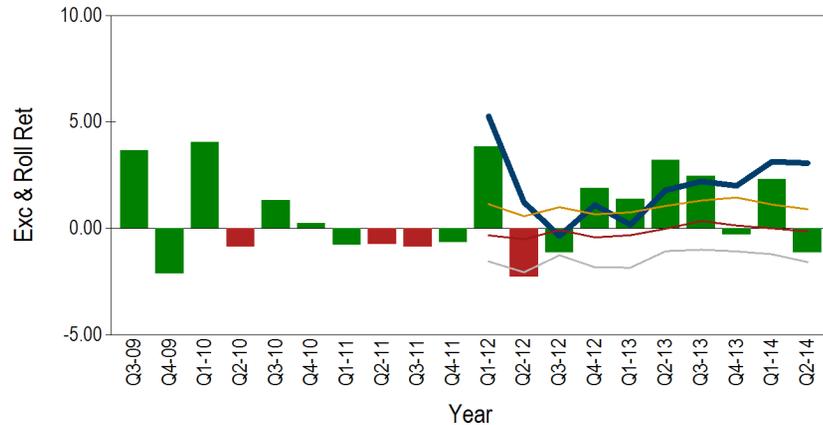
Performance vs. Mercer Instl US Equity Large Cap Value  
Ending June 30, 2014



	Return (Rank)													
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011						
5th Percentile	7.0	10.8	31.2	19.8	21.5	42.5	21.8	8.1						
25th Percentile	5.6	8.7	26.7	17.9	19.9	37.6	18.3	2.9						
Median	4.9	7.7	24.5	16.8	18.8	34.3	16.2	0.0						
75th Percentile	4.2	6.5	22.5	15.3	17.9	31.6	13.3	-3.6						
95th Percentile	3.1	5.0	19.5	13.7	16.7	26.8	10.0	-8.6						
# of Portfolios	231	229	221	199	183	271	279	286						
● NCSRP Hotchkis & Wiley Large Cap Value	4.0 (83)	9.5 (13)	27.9 (15)	20.0 (4)	22.0 (3)	41.2 (7)	19.8 (14)	-2.7 (70)						
▲ Russell 1000 Value	5.1 (40)	8.3 (35)	23.8 (57)	16.9 (46)	19.2 (42)	32.5 (65)	17.5 (32)	0.4 (49)						

# NCSRP Hotchkis & Wiley Large Cap Value

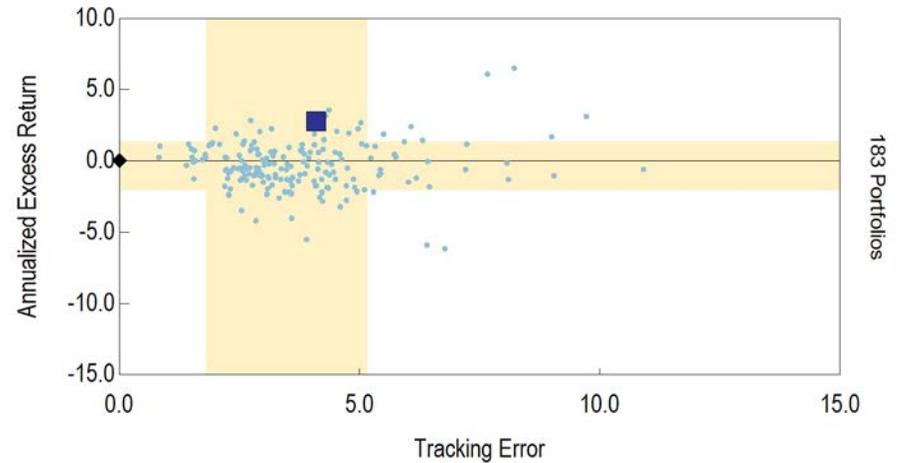
Rolling 3 Year Excess Performance  
NCSRP Hotchkis & Wiley Large Cap Value vs. Russell 1000 Value



Characteristics  
as of June 30, 2014

	Portfolio	Russell 1000 Value
PORTFOLIO CHARACTERISTICS		
Price To Earnings	15.88	18.55
P/E Excluding Negative Earnings	15.88	18.72
P/E Median	16.56	19.68
Price To Book	2.26	2.26
Price To Book Median	1.91	2.27
Price To Cash Flow	9.06	10.69
Price To Sales	1.66	2.24
Dividend Yield (%)	2.33	2.28
Weighted Ave. Market Cap. (\$B)	97.38	106.07
Median Market Cap. (\$B)	40.73	7.11
Beta	1.07	1.00

Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2014

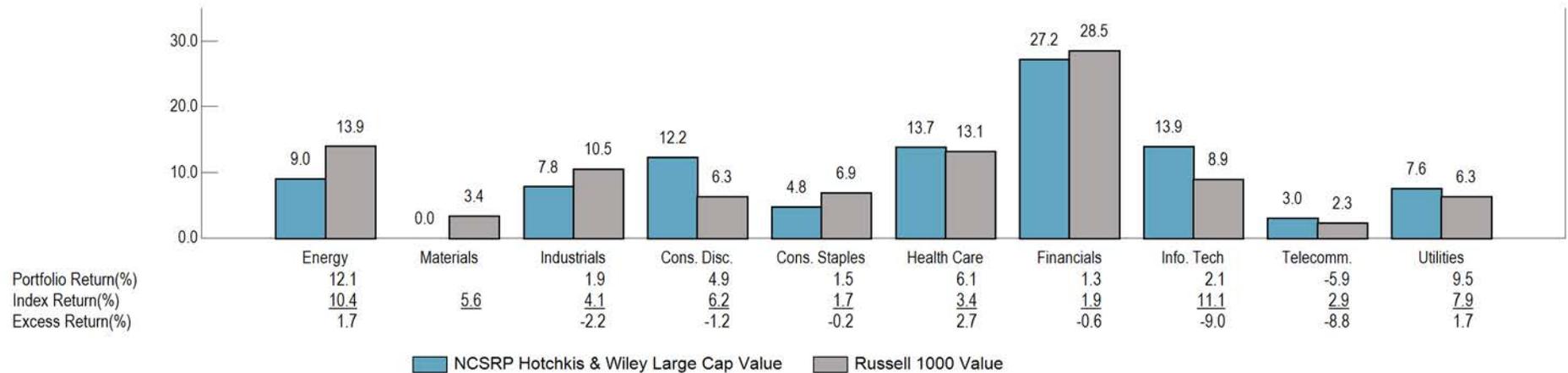


Performance Attribution vs. Russell 1000 Value  
Quarter Ending June 30, 2014

	Total Effects		Selection Effect		Allocation Effect		Interaction Effects
Energy	-0.13%	=	-0.10%	+	-0.27%	+	0.25%
Materials	-0.01%	=	--	+	-0.01%	+	--
Industrials	-0.15%	=	-0.24%	+	0.03%	+	0.05%
Cons. Disc.	-0.08%	=	-0.10%	+	0.07%	+	-0.06%
Cons. Staples	0.00%	=	-0.01%	+	0.03%	+	-0.02%
Health Care	0.36%	=	0.41%	+	0.00%	+	-0.05%
Financials	-0.11%	=	-0.19%	+	0.06%	+	0.01%
Info. Tech	-0.95%	=	-0.81%	+	0.25%	+	-0.39%
Telecomm.	-0.28%	=	0.00%	+	-0.01%	+	-0.27%
Utilities	0.23%	=	0.10%	+	0.08%	+	0.04%
Cash	-0.05%	=	0.00%	+	0.00%	+	-0.05%
Unclassified	0.00%	=	--	+	0.00%	+	--
<b>Portfolio</b>	<b>-1.18%</b>	<b>=</b>	<b>-0.92%</b>	<b>+</b>	<b>0.23%</b>	<b>+</b>	<b>-0.49%</b>

# NCSRP Hotchkis & Wiley Large Cap Value

Sector Allocation (%) vs Russell 1000 Value  
3 Months Ending June 30, 2014



## Top Returning Stocks

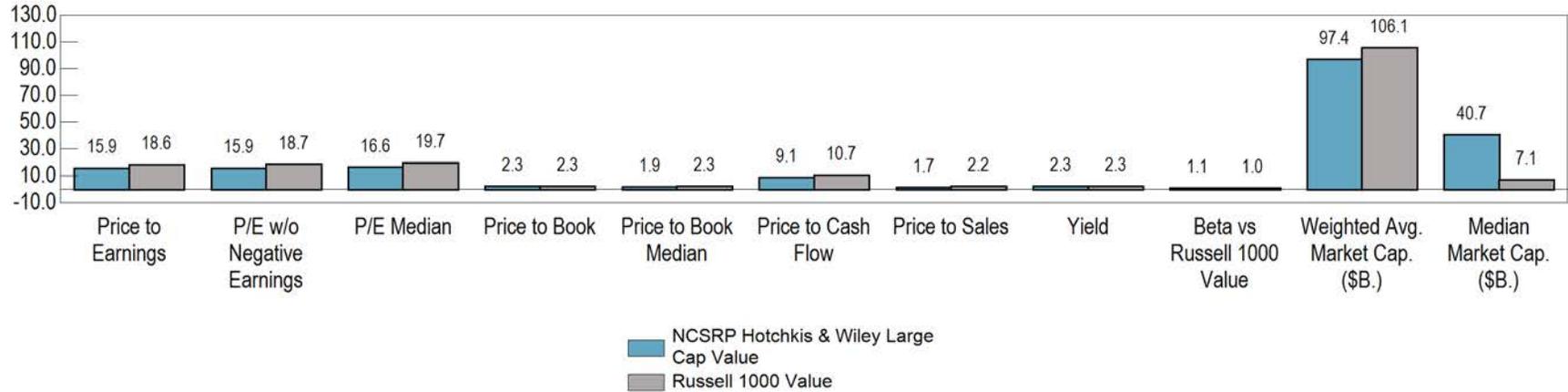
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
NRG ENERGY (NRG)	1.68%	0.13%	0.31%	17.48%
INTERPUBLIC GROUP (IPG)	0.99%		0.12%	14.39%
ROYAL DUTCH SHELL A ADR 1:2 (RDSA)	3.96%		0.56%	14.09%
HUMANA (HUM)	1.40%	0.20%	0.14%	13.56%
MARATHON OIL (MRO)	2.04%	0.27%	0.19%	12.99%
MAGNA INTL. (NYS) (MGA)	0.53%		0.10%	12.30%
TOTAL SPN.ADR 1:1 (TOT)	0.98%		0.20%	11.36%
ZIMMER HOLDINGS (ZMH)	1.10%	0.16%	0.09%	10.04%
COMCAST SPECIAL 'A' (CMCSK)	1.59%		0.10%	9.81%
EXELON (EXC)	0.50%	0.31%	0.14%	9.67%
<b>Total</b>	<b>14.77%</b>	<b>1.07%</b>		

## Bottom Returning Stocks

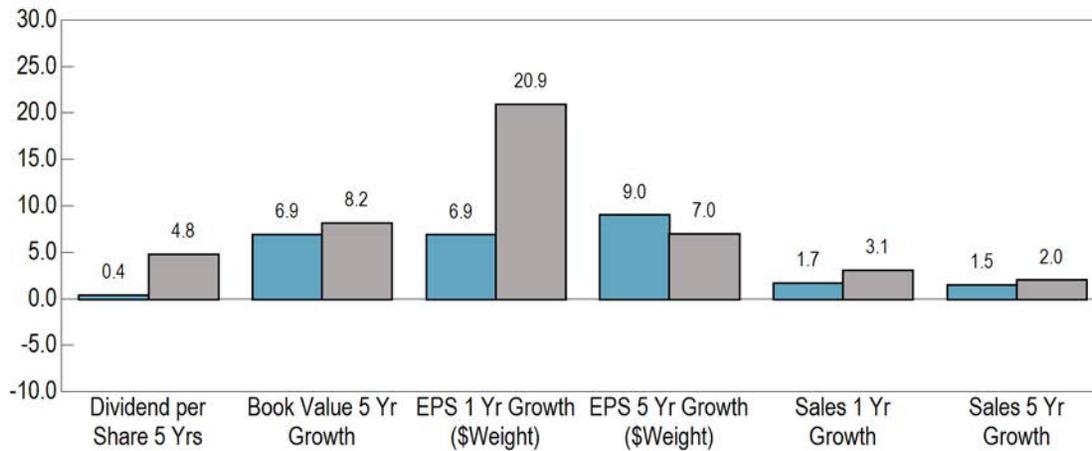
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
BANK OF AMERICA (BAC)	3.24%	1.62%	-0.15%	-10.58%
PACCAR (PCAR)	1.13%	0.02%	-0.08%	-6.50%
VODAFONE GP.SPN.ADR 1:10 (VOD)	3.00%		-0.17%	-5.87%
INTERNATIONAL BUS.MCHS. (IBM)	1.49%		-0.08%	-5.28%
JP MORGAN CHASE & CO. (JPM)	4.24%	2.18%	-0.08%	-4.49%
TARGET (TGT)	2.53%	0.33%	-0.09%	-3.52%
NORTHROP GRUMMAN (NOC)	0.47%	0.26%	-0.01%	-2.47%
BB&T (BBT)	0.50%	0.28%	0.00%	-1.21%
WAL MART STORES (WMT)	2.99%	1.07%	-0.03%	-1.17%
UNUM GROUP (UNM)	1.70%	0.09%	-0.02%	-1.13%
<b>Total</b>	<b>21.28%</b>	<b>5.85%</b>		

# NCSRП Hotchkis & Wiley Large Cap Value

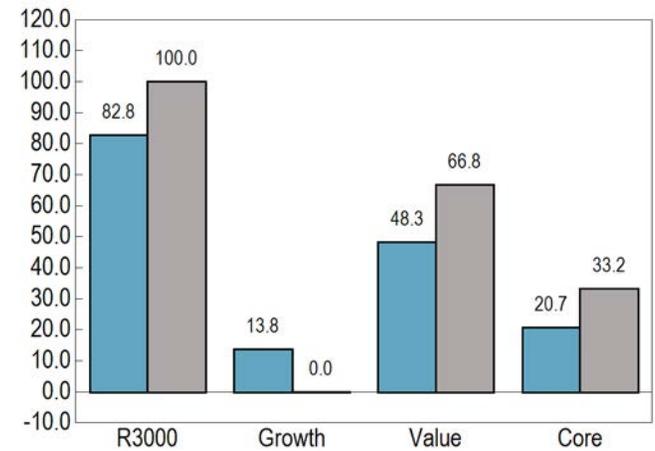
Portfolio Characteristics  
Ending June 30, 2014



Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014



## Manager Philosophy and Process

**Investment Philosophy** The Quality Value strategy seeks long-term total returns in excess of the Russell 1000 Value Index through a bottom-up stock selection process that utilizes Wellington Management Company's proprietary, fundamental research. There are three basis tenets of Wellington's philosophy which help distinguish quality. First, they believe the market underappreciates the importance of quality management teams and their ability to consistently generate value and redistribute it to shareholders. Second, they believe troughs in the capital cycle create buying opportunities for higher quality companies with lower levels of downside risk. Third, they believe a long-term view is important for investing in quality and allows management teams enough time to execute.

**Investment Process** The process begins with an evaluation of capital spending relative to sales growth in the different industries in the market. The focus is on large-cap companies (greater than US\$2 billion in market capitalization) in industries where capital spending is below the growth rate in sales. Leveraging the firm's global industry analysts, the Quality Value Team focuses on the industry market share leaders and consolidators. From a financial perspective, the team seeks to identify companies with a below-average debt/capital ratio relative to their industry, higher-than-average and improving return on capital, and market share leadership. From a qualitative perspective, the emphasis is on strength and depth of management and a sustainable cost, customer, or competitive advantage.

## Current Positioning

- The strategy is positioned to focus on high quality companies, with wide competitive moats
- The portfolio is overweight the health care, industrials, consumer staples, and consumer discretionary sectors
- The portfolio is underweight the financials sector, but Wellington expects insurance, and banking industries to perform well

## Quarterly Attribution

### Positive Impact on Performance:

- Stock selection in health care, consumer staples, and financials sectors
- An overweight allocation to the financials sector
- Individual Contributors: AstraZeneca (health care), Schlumberger (energy), Imperial Oil (energy), Bank Nova Scotia (financials), and Interpublic Group (consumer discretionary)

### Negative Impact on Performance:

- Stock selection in information technology, utilities, and energy sectors
- An underweight allocation to the energy sector
- An overweight allocation to the consumer staples and health care sectors
- Individual Detractors: Apple (information technology), ConocoPhillips (energy), JPMorgan Chase (financials), Lowe's Companies (consumer discretionary), and Micron Technology (information technology)

## Portfolio Characteristics

Number of holdings: 80  
Median Market Capitalization (\$MM): \$53,038  
Weighted Average Market Capitalization (\$MM): \$119,700  
P/E ratio (projected): 13.5x  
P/B ratio: 2.2x  
Earnings growth (3-5 years): 8.6%  
Turnover: 41%  
% cash: 1.7%  
% yield: 2.5%  
% foreign: 8.4%

## Responsible Investment ESG Comment

No Rating Provided

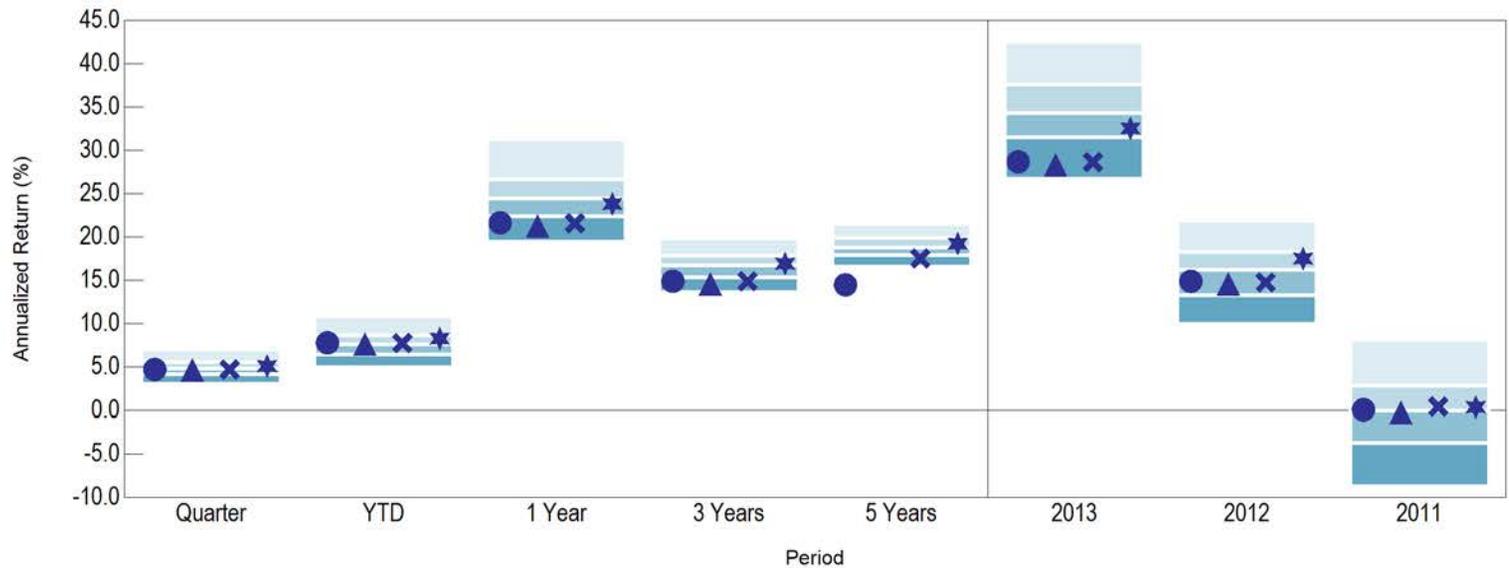
## Summary Data Points

Mercer Rating: N  
Total Manager Strategy Assets (billions): \$4.9

# NCSRP Wellington Value Composite

## Performance

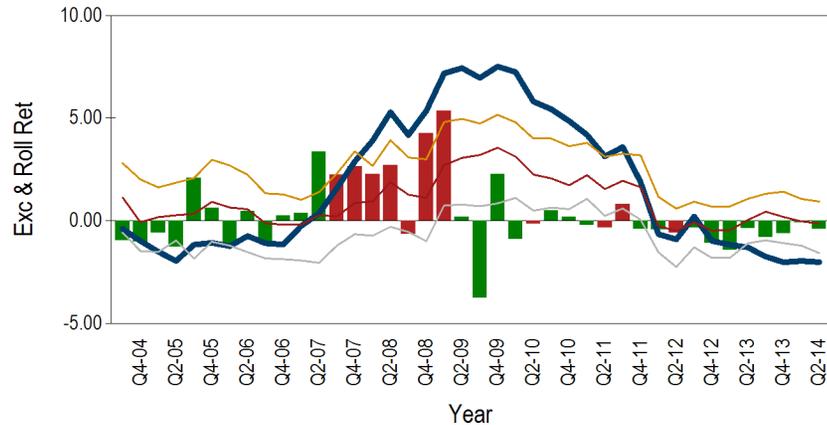
Performance vs. Mercer Instl US Equity Large Cap Value  
Ending June 30, 2014



	Return (Rank)													
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011						
5th Percentile	7.0	10.8	31.2	19.8	21.5	42.5	21.8	8.1						
25th Percentile	5.6	8.7	26.7	17.9	19.9	37.6	18.3	2.9						
Median	4.9	7.7	24.5	16.8	18.8	34.3	16.2	0.0						
75th Percentile	4.2	6.5	22.5	15.3	17.9	31.6	13.3	-3.6						
95th Percentile	3.1	5.0	19.5	13.7	16.7	26.8	10.0	-8.6						
# of Portfolios	231	229	221	199	183	271	279	286						
● NCSRP Wellington Value Composite	4.7 (56)	7.8 (45)	21.6 (82)	14.9 (84)	14.5 (99)	28.7 (90)	14.9 (64)	0.1 (50)						
▲ NCSRP Wellington Quality Value	4.6 (58)	7.7 (51)	21.3 (87)	14.6 (88)	-- (--)	28.3 (92)	14.6 (68)	-0.2 (54)						
✕ Wellington Quality Value Strategy	4.7 (57)	7.8 (47)	21.6 (83)	14.9 (84)	17.5 (83)	28.6 (90)	14.8 (66)	0.5 (49)						
★ Russell 1000 Value	5.1 (40)	8.3 (35)	23.8 (57)	16.9 (46)	19.2 (42)	32.5 (65)	17.5 (32)	0.4 (49)						

# Wellington Quality Value Strategy

Rolling 3 Year Excess Performance  
Wellington Quality Value Strategy vs. Russell 1000 Value



Characteristics  
as of June 30, 2014

	Portfolio	Russell 1000 Value
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	20.05	18.55
P/E Excluding Negative Earnings	20.17	18.72
P/E Median	17.85	19.68
Price To Book	3.04	2.26
Price To Book Median	2.81	2.27
Price To Cash Flow	11.17	10.69
Price To Sales	2.36	2.24
Dividend Yield (%)	2.49	2.28
Weighted Ave. Market Cap. (\$B)	118.12	106.07
Median Market Cap. (\$B)	51.34	7.11
Beta	0.95	1.00

Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2014

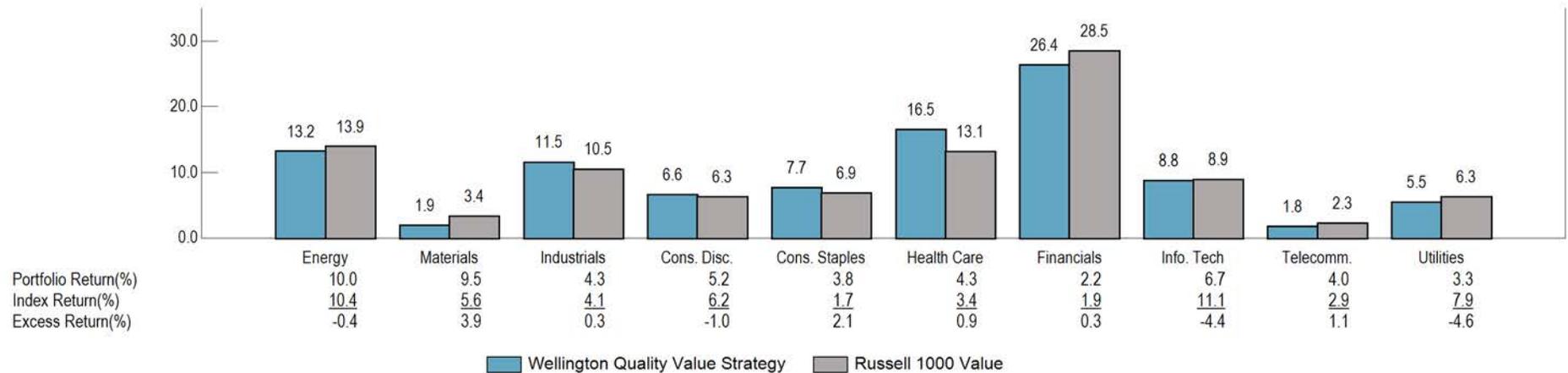


Performance Attribution vs. Russell 1000 Value  
Quarter Ending June 30, 2014

	Total		Selection	Allocation	Interaction		
	Effects		Effect	Effect	Effects		
Energy	-0.15%		-0.14%	-0.10%	0.09%		
Materials	0.06%		0.03%	0.00%	0.03%		
Industrials	0.02%		0.03%	-0.02%	0.01%		
Cons. Disc.	-0.06%		-0.06%	0.01%	0.00%		
Cons. Staples	0.09%		0.04%	-0.08%	0.13%		
Health Care	0.08%		-0.05%	-0.05%	0.19%		
Financials	0.17%		-0.07%	0.09%	0.15%		
Info. Tech	-0.39%		-0.39%	0.00%	0.00%		
Telecomm.	0.04%		0.03%	0.01%	0.00%		
Utilities	-0.18%		-0.28%	0.02%	0.08%		
Cash	-0.05%		0.00%	0.00%	-0.05%		
Unclassified	0.00%		--	0.00%	--		
<b>Portfolio</b>	<b>-0.38%</b>	<b>=</b>	<b>-0.86%</b>	<b>+</b>	<b>-0.12%</b>	<b>+</b>	<b>0.60%</b>

# Wellington Quality Value Strategy

Sector Allocation (%) vs Russell 1000 Value  
3 Months Ending June 30, 2014



## Top Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
ANADARKO PETROLEUM (APC)	1.15%	0.51%	0.10%	29.49%
COVIDIEN (COV)	1.01%	0.41%	0.11%	22.97%
SCHLUMBERGER (SLB)	1.11%		0.23%	21.44%
INTEL (INTC)	1.54%	1.41%	-0.06%	20.73%
BROADCOM 'A' (BRCM)	0.00%		0.08%	18.40%
BK.OF NOVA SCOTIA (C:BNS)	1.08%		0.16%	16.16%
SYMANTEC (SYMC)	0.51%	0.16%	0.06%	15.48%
GOLDCORP (NYS) (GG)	0.44%		0.06%	14.71%
ASTRAZENECA SPN.ADR.1:1 (AZN)	1.49%		0.26%	14.53%
INTERPUBLIC GROUP (IPG)	0.54%		0.11%	14.39%
<b>Total</b>	<b>8.87%</b>	<b>2.48%</b>		

## Bottom Returning Stocks

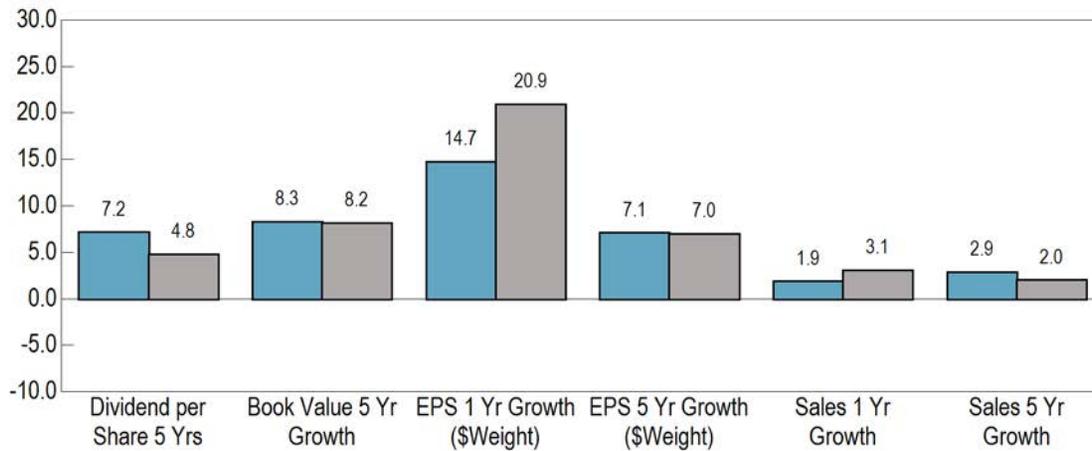
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
BANK OF AMERICA (BAC)	2.12%	1.62%	-0.04%	-10.58%
PFIZER (PFE)	1.70%	1.89%	-0.01%	-6.77%
INTERNATIONAL BUS.MCHS. (IBM)	0.00%		-0.03%	-5.28%
JP MORGAN CHASE & CO. (JPM)	3.01%	2.18%	-0.04%	-4.49%
EMC (EMC)	0.00%		-0.02%	-3.49%
TEXTRON (TXT)	0.99%	0.11%	-0.02%	-2.50%
NORTHROP GRUMMAN (NOC)	0.97%	0.26%	-0.01%	-2.47%
MATTEL (MAT)	0.97%	0.08%	-0.02%	-1.88%
PROCTER & GAMBLE (PG)	1.20%	2.00%	0.01%	-1.71%
CARDINAL HEALTH (CAH)	1.21%	0.21%	-0.01%	-1.54%
<b>Total</b>	<b>12.18%</b>	<b>8.35%</b>		

# Wellington Quality Value Strategy

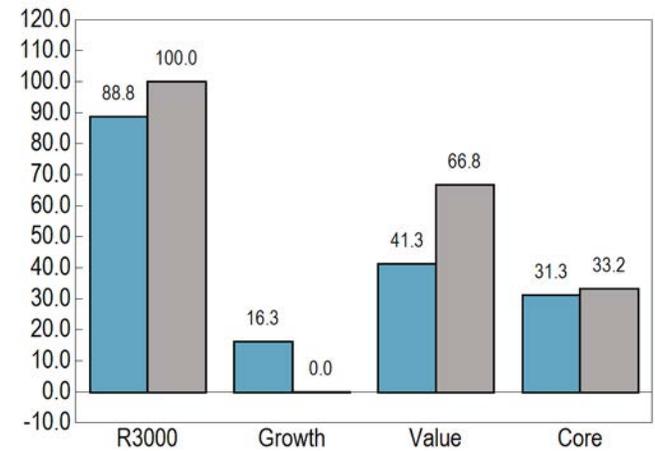
Portfolio Characteristics  
Ending June 30, 2014



Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014



## Manager Philosophy and Process

**Investment Philosophy** The three primary tenets of the firm's philosophy are a value discipline, intensive internal research, and risk aversion. The research focuses on finding stocks with attractive value characteristics, strong business fundamentals, and a catalyst for change. RBP's approach blends quantitative modeling with fundamental research in constructing equity portfolios using bottom-up, value-oriented stock selection.

**Investment Process** RBP starts with a universe of stocks with a market capitalization of \$2 billion or more. The quantitative model ranks every stock in the universe using factors in three primary groupings: valuation, momentum, and fundamentals. Valuation factors account for 40% of the composite score and contain common valuation factors such as P/E, Price to Cash Flow, EV/EBITDA, ROE, and Cash Flow Yield. Momentum accounts for 40% of the composite score and contains such factors as Earnings Estimate Revisions, Short Interest, and Price Momentum. The fundamental group accounts for the remaining 20% and has factors that look at accrual changes, earnings quality, and profitability. The model ranks each stock on the composite score of 1 (best) to 10 (worst). The analysts then focus their fundamental research on stocks in the top three deciles for investment ideas. Fundamental research tries to identify a near-term positive catalyst that will drive the stock price. The research includes discussion with management, competitors and customers, on-site visits, and a review of financial statements. RBP sells a security when the target price is attained, fundamentals deteriorate, or business momentum declines.

## Current Positioning

Robeco's positioning of the large cap value strategy changed little during the second quarter. While there were minor changes in sector allocations, the portfolio is a result of the bottom-up stock selection and not meant to express sector views.

- Relative to the Russell 1000 Value Index, the Strategy is underweight the industrials, consumer staples, financials, telecommunications, and utilities sectors.
- The Strategy is overweight the energy, consumer discretionary, information technology, and health care sectors.
- Valuation concerns have kept the strategy away from the REITs and utilities sectors.

## Quarterly Attribution

### Positive Impact on Performance

- Underweight allocation to the consumer non-durables sector
- Overweight allocation to the technology sector
- Security selection in the telecommunications sector

### Negative Impact on Performance

- Underweight allocation to the utilities sector
- Security selection specifically in the technology, energy, and health care sectors

## Portfolio Characteristics

Number of Holdings: 83

Median Market Capitalization (\$MM): \$28,000

Weighted Average Market Capitalization (\$MM): \$116,000

P/E Ratio: 13x

P/B Ratio: 2x

Earnings Growth (5 year): 17%

Turnover (1 year): 41%

% Cash: 1%

## Responsible Investment ESG Comment

ESG3 - Boston Partners' investment team does not explicitly incorporate ESG and active ownership practices into its process. It considers factors such as the of management and potential litigation risks on environmental matters as part of its fundamental research, but the evaluation is just one input into the team's risk/reward assessment of a given stock. It should be noted that RIM's parent Robeco is a signatory to UN Principles of Responsible Investment and is a major owner of Sustainable Asset Management (SAM), a firm devoted to the management of investment strategies based on sustainability research and the creation and management of specialist sustainable theme products. However, Robeco has no say in how Donovan and Pyle manage the strategy and it has not encouraged to explicitly incorporate any ESG or sustainability guidelines into the investment process.

## Summary Data Points

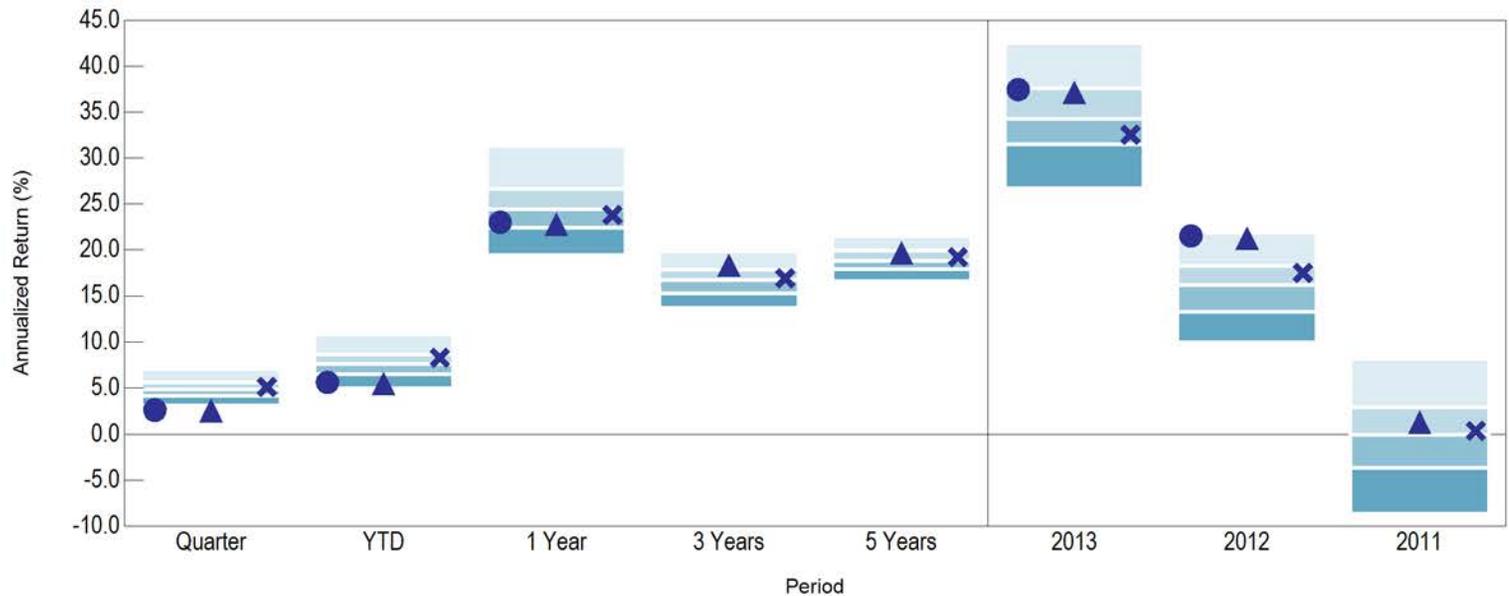
Mercer Rating: A

Manager Strategy Assets (billions): \$24.9

# NCSRP Robeco BP Large Cap Value

## Performance

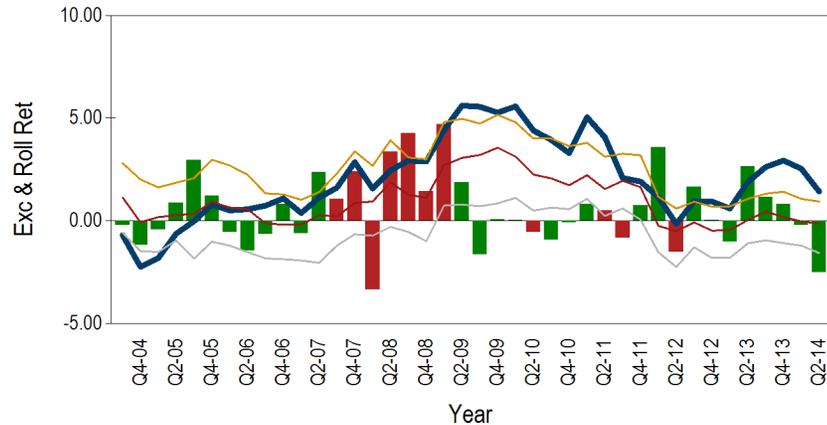
Performance vs. Mercer Instl US Equity Large Cap Value  
Ending June 30, 2014



	Return (Rank)													
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011	2010	2009	2008	2007	2006	2005
5th Percentile	7.0	10.8	31.2	19.8	21.5	42.5	21.8	8.1	1.0	1.0	1.0	1.0	1.0	1.0
25th Percentile	5.6	8.7	26.7	17.9	19.9	37.6	18.3	2.9	1.0	1.0	1.0	1.0	1.0	1.0
Median	4.9	7.7	24.5	16.8	18.8	34.3	16.2	0.0	1.0	1.0	1.0	1.0	1.0	1.0
75th Percentile	4.2	6.5	22.5	15.3	17.9	31.6	13.3	-3.6	1.0	1.0	1.0	1.0	1.0	1.0
95th Percentile	3.1	5.0	19.5	13.7	16.7	26.8	10.0	-8.6	1.0	1.0	1.0	1.0	1.0	1.0
# of Portfolios	231	229	221	199	183	271	279	286	286	286	286	286	286	286
● NCSRP Robeco BP Large Cap Value	2.6 (99)	5.6 (91)	23.0 (67)	-- (--)	-- (--)	37.5 (27)	21.5 (7)	-- (--)	2.6 (99)	2.6 (99)	2.6 (99)	2.6 (99)	2.6 (99)	2.6 (99)
▲ Robeco BP Large Cap Value Strategy	2.6 (99)	5.5 (91)	22.8 (69)	18.3 (17)	19.7 (30)	37.2 (29)	21.3 (7)	1.3 (39)	2.6 (99)	2.6 (99)	2.6 (99)	2.6 (99)	2.6 (99)	2.6 (99)
✕ Russell 1000 Value	5.1 (40)	8.3 (35)	23.8 (57)	16.9 (46)	19.2 (42)	32.5 (65)	17.5 (32)	0.4 (49)	5.1 (40)	5.1 (40)	5.1 (40)	5.1 (40)	5.1 (40)	5.1 (40)

# Robeco BP Large Cap Value Strategy

**Rolling 3 Year Excess Performance  
Robeco BP Large Cap Value Strategy vs. Russell 1000 Value**



**Characteristics  
as of June 30, 2014**

	Portfolio	Russell 1000 Value
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	19.08	18.55
P/E Excluding Negative Earnings	19.08	18.72
P/E Median	17.48	19.68
Price To Book	2.95	2.26
Price To Book Median	2.76	2.27
Price To Cash Flow	10.21	10.69
Price To Sales	2.04	2.24
Dividend Yield (%)	1.82	2.28
Weighted Ave. Market Cap. (\$B)	104.24	106.07
Median Market Cap. (\$B)	27.39	7.11
Beta	1.08	1.00

**Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2014**

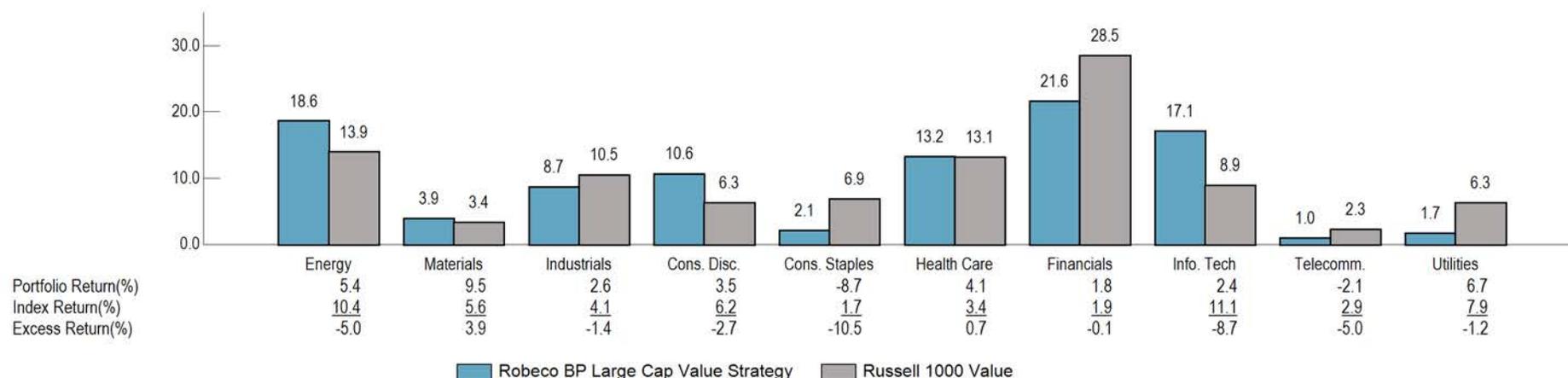


**Performance Attribution vs. Russell 1000 Value  
Quarter Ending June 30, 2014**

	Total		Selection	Allocation	Interaction		
	Effects		Effect	Effect	Effects		
Energy	-0.81%		-0.74%	0.06%	-0.13%		
Materials	0.15%		0.11%	0.01%	0.03%		
Industrials	-0.10%		-0.11%	0.02%	-0.01%		
Cons. Disc.	-0.25%		-0.17%	0.03%	-0.12%		
Cons. Staples	-0.21%		-0.62%	0.10%	0.31%		
Health Care	0.06%		0.06%	-0.04%	0.04%		
Financials	0.13%		-0.03%	0.16%	-0.01%		
Info. Tech	-0.90%		-0.78%	0.45%	-0.57%		
Telecomm.	0.01%		-0.03%	0.02%	0.02%		
Utilities	-0.12%		-0.06%	-0.08%	0.03%		
Cash	-0.09%		0.00%	0.00%	-0.09%		
Unclassified	0.00%		--	0.00%	--		
<b>Portfolio</b>	<b>-2.13%</b>	<b>=</b>	<b>-2.37%</b>	<b>+</b>	<b>0.74%</b>	<b>+</b>	<b>-0.50%</b>

# Robeco BP Large Cap Value Strategy

Sector Allocation (%) vs Russell 1000 Value  
3 Months Ending June 30, 2014



## Top Returning Stocks

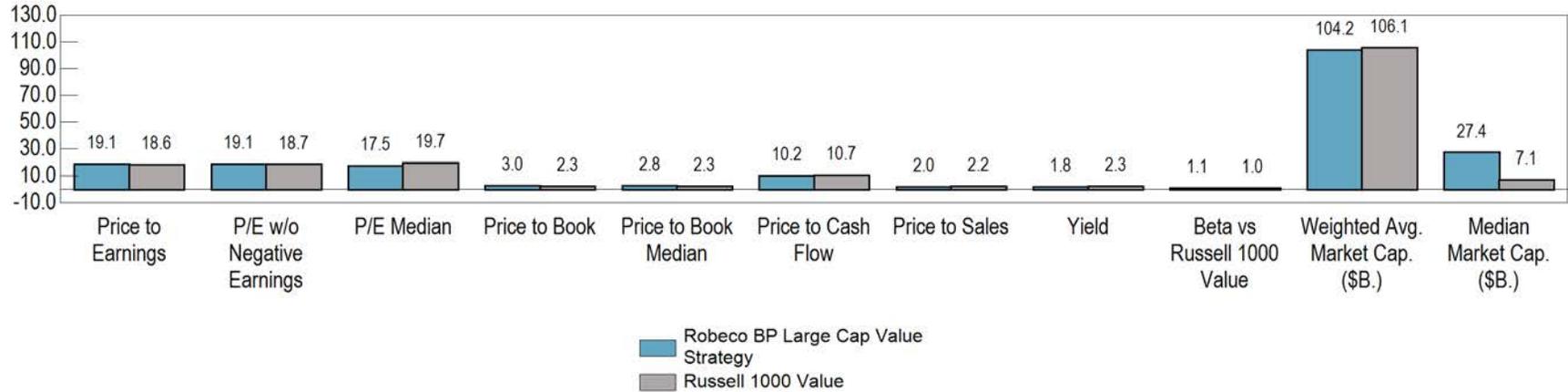
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
COVIDIEN (COV)	0.98%	0.41%	0.15%	22.97%
SCHLUMBERGER (SLB)	1.05%		0.24%	21.44%
EOG RES. (EOG)	0.58%		0.11%	19.29%
QEP RESOURCES (QEP)	1.34%	0.05%	0.13%	17.26%
GANNETT (GCI)	0.00%		0.07%	14.22%
MARATHON OIL (MRO)	0.00%		0.09%	12.99%
TIME WARNER (TWX)	1.48%	0.62%	0.12%	12.67%
AVAGO TECHNOLOGIES (AVGO)	0.00%		0.05%	12.35%
AMERICAN CAPITAL AGENCY (AGNC)	0.66%	0.08%	0.07%	11.97%
OMNICARE (OCR)	0.74%	0.07%	0.08%	11.90%
<b>Total</b>	<b>6.83%</b>	<b>1.23%</b>		

## Bottom Returning Stocks

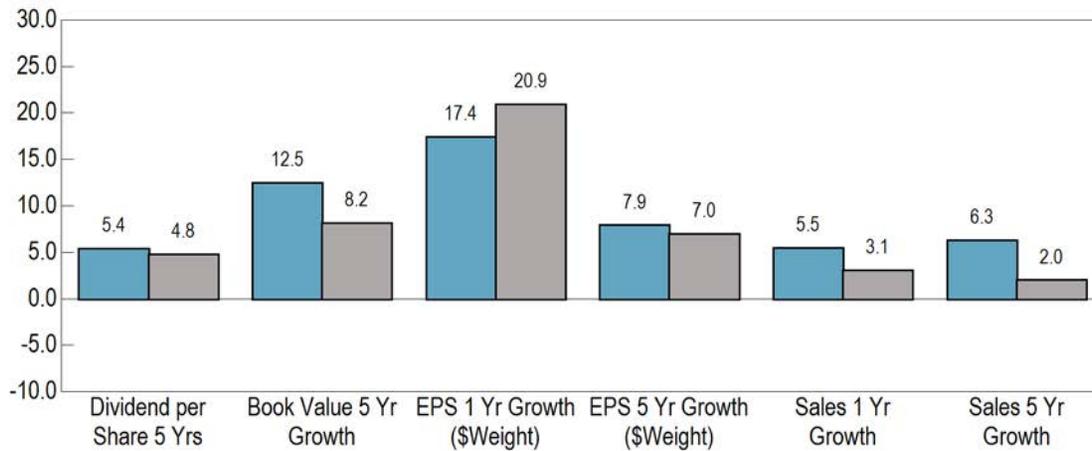
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
BED BATH & BEYOND (BBBY)	0.00%		-0.15%	-16.60%
TYSON FOODS 'A' (TSN)	1.01%	0.09%	-0.25%	-14.54%
BROCADE COMMS.SYS. (BRCD)	1.02%	0.04%	-0.17%	-12.96%
BANK OF AMERICA (BAC)	0.00%		-0.15%	-10.58%
APOLLO EDUCATION GP.'A' (APOL)	0.80%	0.03%	-0.07%	-8.73%
EXPRESS SCRIPTS HOLDING (ESRX)	2.35%	0.07%	-0.14%	-7.67%
PFIZER (PFE)	1.25%	1.89%	0.06%	-6.77%
FIFTH THIRD BANCORP (FITB)	1.14%	0.18%	-0.04%	-6.42%
RAYTHEON 'B' (RTN)	1.11%	0.29%	-0.03%	-6.01%
VALERO ENERGY (VLO)	1.05%	0.20%	-0.04%	-5.22%
<b>Total</b>	<b>9.72%</b>	<b>2.80%</b>		

# Robeco BP Large Cap Value Strategy

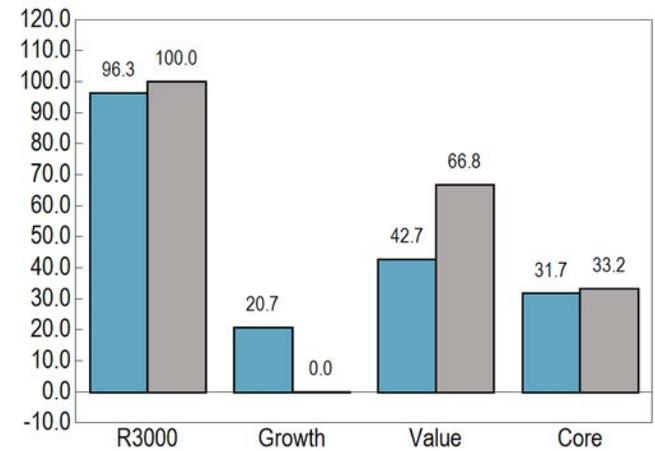
Portfolio Characteristics  
Ending June 30, 2014



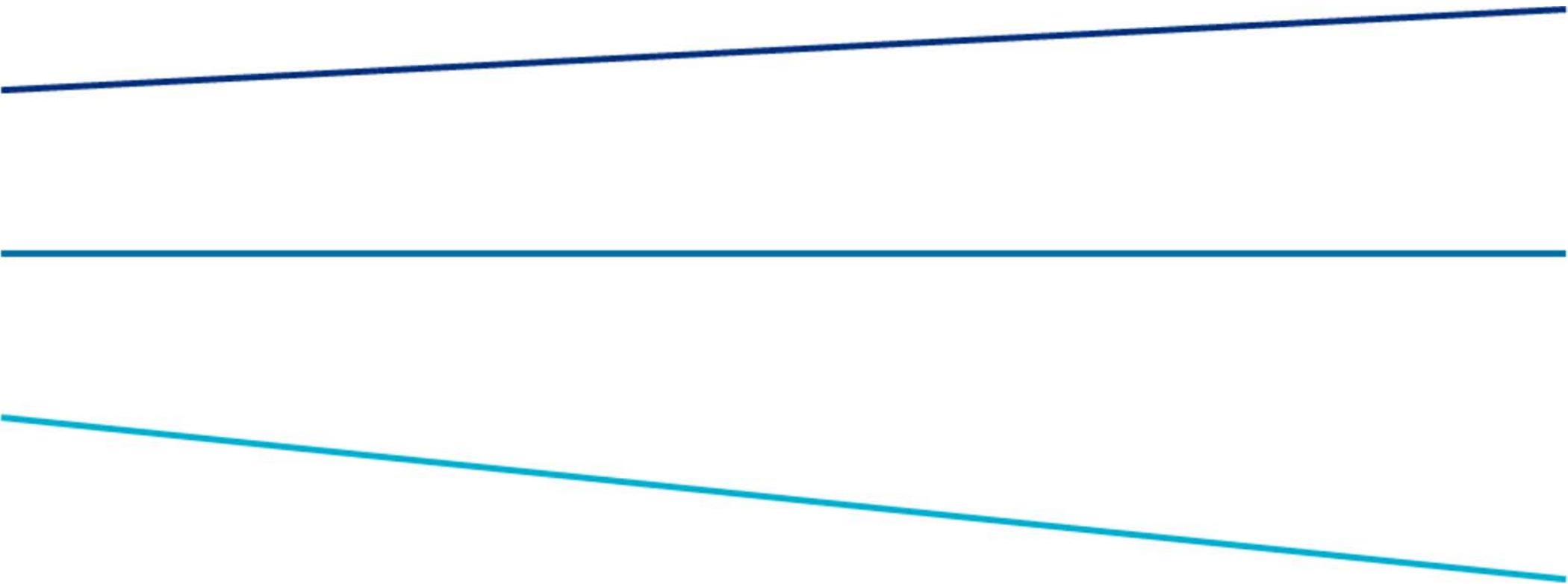
Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014

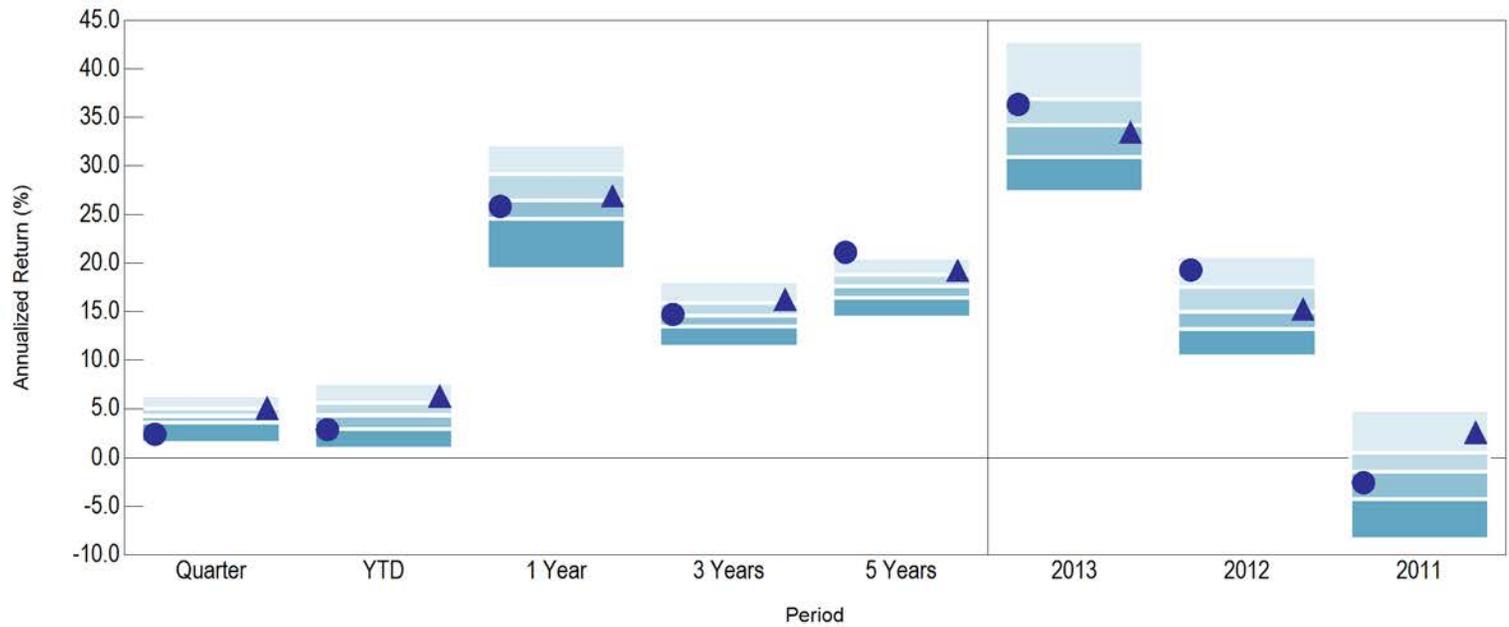


# Large Cap Growth



# Large Cap Growth Performance

Performance vs. Mercer Mutual Fund US Equity Large Cap Growth  
Ending June 30, 2014

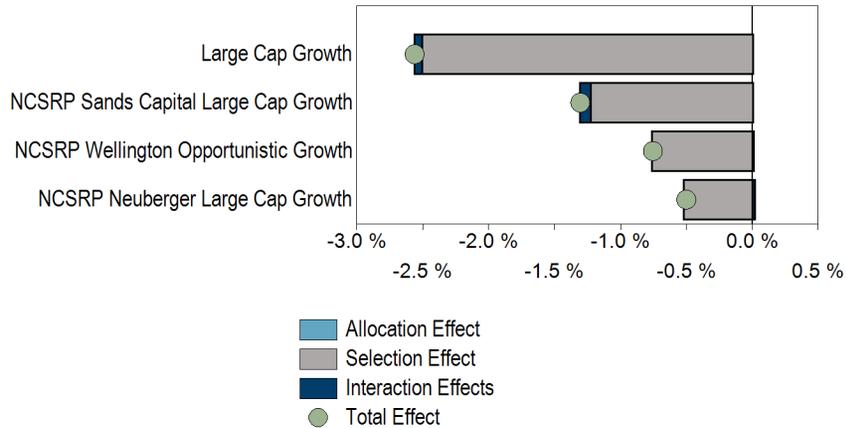


	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011					
<b>5th Percentile</b>	6.3	5.1	7.6	5.1	32.2	18.1	20.5	42.8	20.7	4.8	6.3	5.1	7.6	5.1	32.2	18.1	20.5	42.8	20.7	4.8
<b>25th Percentile</b>	5.1	3.7	5.6	3.7	29.2	15.9	18.8	36.9	17.6	0.6	5.1	3.7	5.6	3.7	29.2	15.9	18.8	36.9	17.6	0.6
<b>Median</b>	4.3	3.0	4.4	3.0	26.5	14.6	17.6	34.3	15.0	-1.4	4.3	3.0	4.4	3.0	26.5	14.6	17.6	34.3	15.0	-1.4
<b>75th Percentile</b>	3.7	1.6	3.0	1.6	24.6	13.5	16.4	30.9	13.3	-4.2	3.7	1.6	3.0	1.6	24.6	13.5	16.4	30.9	13.3	-4.2
<b>95th Percentile</b>	1.6	0.2	1.0	0.2	19.4	11.4	14.4	27.3	10.4	-8.3	1.6	0.2	1.0	0.2	19.4	11.4	14.4	27.3	10.4	-8.3
<b># of Portfolios</b>	188	185	183	165	149	183	191	200	188	185	183	165	149	183	191	200				
<b>● Large Cap Growth</b>	2.4	(90)	2.9	(78)	25.8	(59)	14.7	(49)	21.1	(5)	36.3	(31)	19.3	(12)	-2.6	(63)				
<b>▲ Russell 1000 Growth</b>	5.1	(24)	6.3	(14)	26.9	(42)	16.3	(18)	19.2	(20)	33.5	(58)	15.3	(48)	2.6	(11)				

# Large Cap Growth

## Attribution

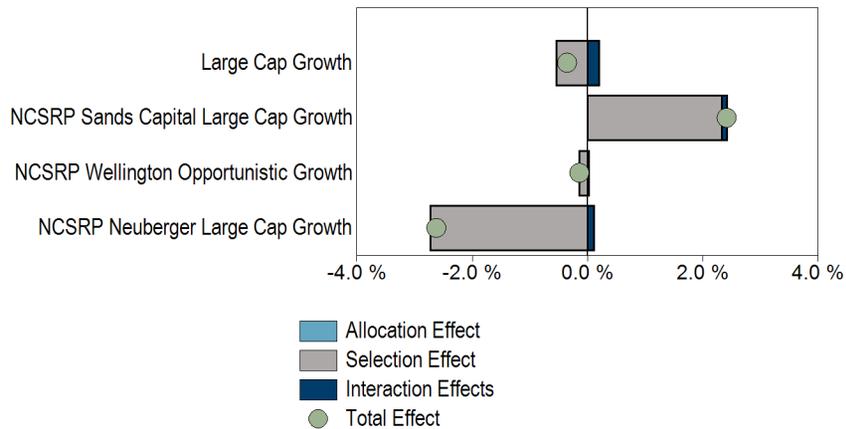
**Attribution Effects**  
3 Months Ending June 30, 2014



**Attribution Summary**  
3 Months Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRP Sands Capital Large Cap Growth	1.4%	5.1%	-3.8%	-1.2%	0.0%	-0.1%	-1.3%
NCSRP Wellington Opportunistic Growth	2.8%	5.1%	-2.3%	-0.8%	0.0%	0.0%	-0.8%
NCSRP Neuberger Large Cap Growth	3.6%	5.1%	-1.5%	-0.5%	0.0%	0.0%	-0.5%
<b>Total</b>	<b>2.6%</b>	<b>5.1%</b>	<b>-2.6%</b>	<b>-2.5%</b>	<b>0.0%</b>	<b>-0.1%</b>	<b>-2.6%</b>

**Attribution Effects**  
1 Year Ending June 30, 2014

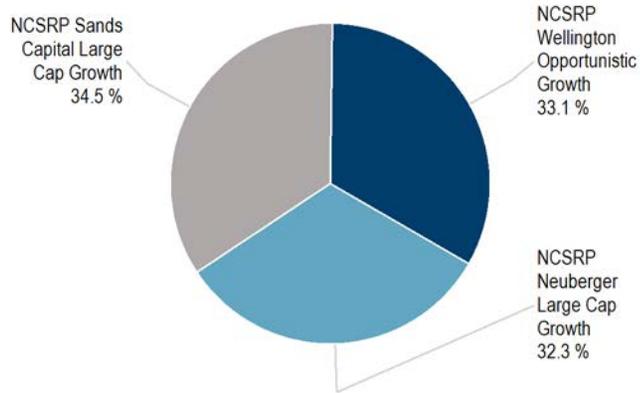


**Attribution Summary**  
1 Year Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRP Sands Capital Large Cap Growth	33.8%	26.9%	6.8%	2.3%	0.0%	0.1%	2.4%
NCSRP Wellington Opportunistic Growth	26.5%	26.9%	-0.5%	-0.1%	0.0%	0.0%	-0.1%
NCSRP Neuberger Large Cap Growth	18.9%	26.9%	-8.0%	-2.7%	0.0%	0.1%	-2.6%
<b>Total</b>	<b>26.6%</b>	<b>26.9%</b>	<b>-0.4%</b>	<b>-0.5%</b>	<b>0.0%</b>	<b>0.2%</b>	<b>-0.4%</b>

# Large Cap Growth

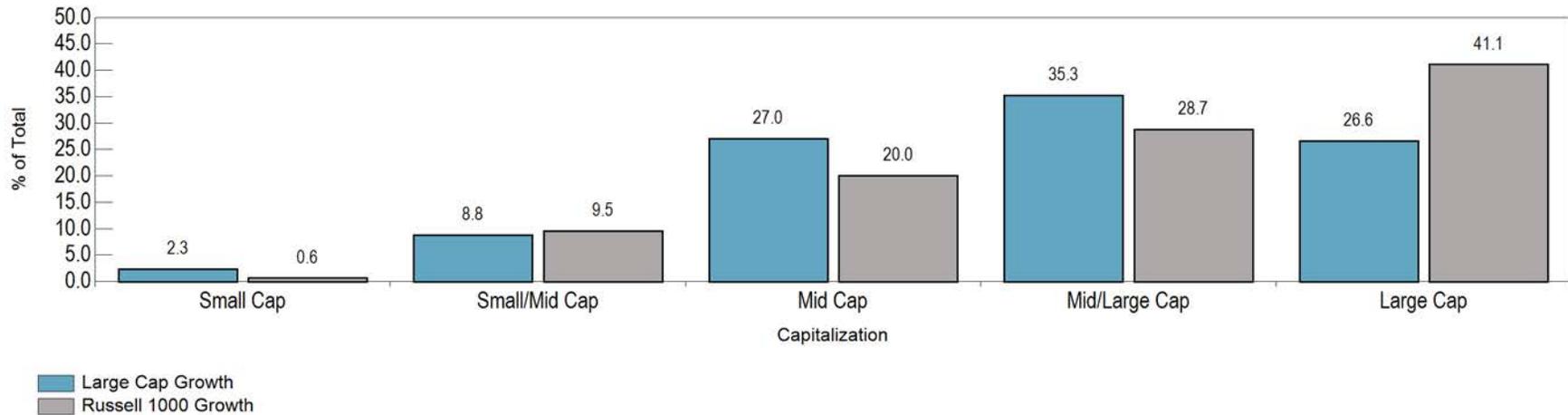
Current Allocation



Characteristics

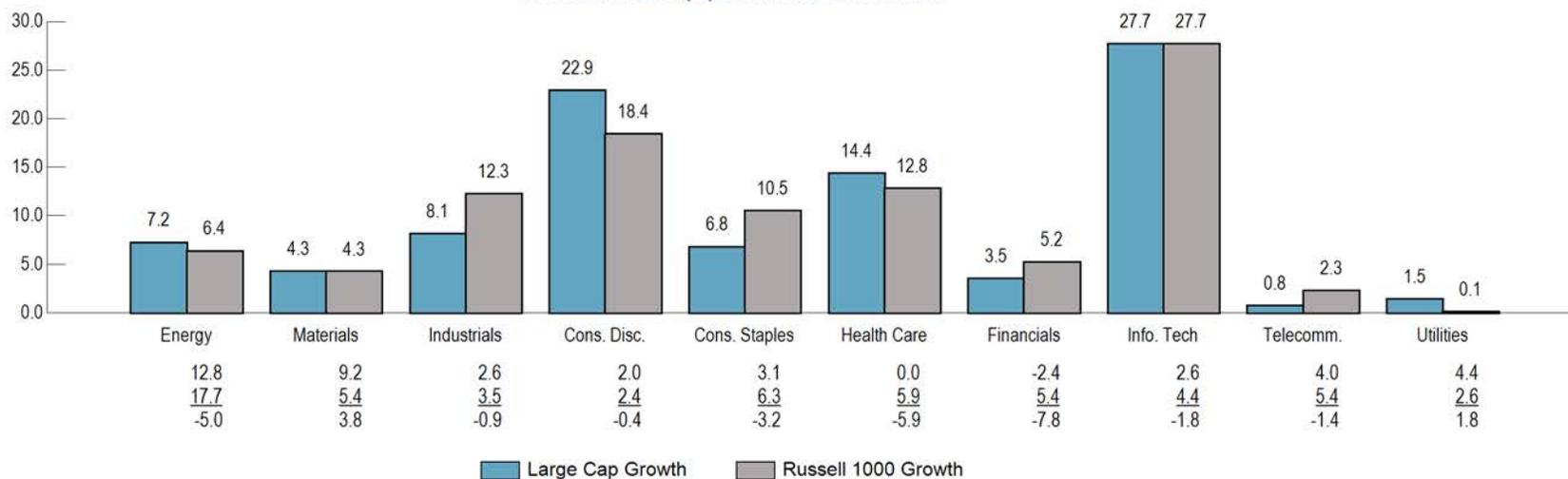
	Portfolio	Russell 1000 Growth
Number of Holdings	202	672
Weighted Avg. Market Cap. (\$B)	70.39	102.09
Median Market Cap. (\$B)	14.66	8.64
Price To Earnings	28.86	23.58
Price To Book	6.57	5.81
Price To Sales	6.07	3.68
Return on Equity (%)	21.18	23.79
Yield (%)	0.91	1.48
Beta	1.21	1.00
R-Squared	0.95	1.00

Market Capitalization As Of June 30, 2014



# Large Cap Growth

Sector Allocation (%) vs Russell 1000 Growth



Portfolio Return(%)  
Index Return(%)  
Excess Return(%)

Energy	12.8	9.2	2.6	2.0	3.1	0.0	-2.4	2.6	4.0	4.4
Materials	17.7	5.4	3.5	2.4	6.3	5.9	5.4	4.4	5.4	2.6
Industrials	-5.0	3.8	-0.9	-0.4	-3.2	-5.9	-7.8	-1.8	-1.4	1.8

Large Cap Growth Russell 1000 Growth

## Top Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
ZILLOW CLASS A (Z)	0.00%		0.05%	62.24%
ATHLON ENERGY (ATHL)	0.08%	0.02%	0.02%	34.56%
DIAMONDBACK ENERGY (FANG)	0.06%		0.02%	31.93%
CONSTANT CONTACT (CTCT)	0.07%		0.02%	31.28%
CONTINENTAL RESOURCES (CLR)	0.28%	0.07%	0.05%	27.17%
2U (TWOU)	0.00%		0.00%	23.15%
CELGENE (CELG)	0.47%	0.68%	-0.03%	23.04%
CON-WAY (CNW)	0.00%		0.00%	22.99%
COVIDIEN (COV)	0.00%		0.08%	22.97%
BAIDU 'A' ADR 10:1 (BIDU)	2.05%		0.39%	22.68%
<b>Total</b>	<b>3.00%</b>	<b>0.77%</b>		

## Bottom Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
WHOLE FOODS MARKET (WFM)	1.00%	0.06%	-0.03%	-23.65%
LULULEMON ATHLETICA (LULU)	0.00%		-0.09%	-23.03%
SPLUNK (SPLK)	0.82%	0.06%	-0.20%	-22.60%
ATHENAHEALTH (ATHN)	0.62%	0.05%	-0.15%	-21.91%
PIER 1 IMPORTS (PIR)	0.00%		-0.01%	-18.11%
COVANCE (CVD)	0.08%	0.04%	-0.01%	-17.63%
GENERAC HOLDINGS (GNRC)	0.09%		-0.02%	-17.35%
SEATTLE GENETC. (SGEN)	0.09%	0.04%	-0.01%	-16.04%
AMC NETWORKS CLA (AMCX)	0.12%	0.04%	-0.01%	-15.86%
COSTAR GP. (CSGP)	0.06%	0.04%	-0.01%	-15.30%
<b>Total</b>	<b>2.89%</b>	<b>0.34%</b>		

## Large Cap Growth

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### Top Holdings Large Cap Growth

	LCG Fund %	Sands %	Wellington %	Neuberger %	Index Weight%
GOOGLE 'A'	2.62%	3.91%	1.82%	2.06%	1.62%
VISA 'A'	2.60%	6.47%	1.09%		1.04%
FACEBOOK CLASS A	2.60%	5.16%	2.45%		1.31%
MONSANTO	2.31%	3.56%	1.84%	1.45%	0.65%
BAIDU 'A' ADR 10:1	2.05%	5.93%			
PRICELINE GROUP	1.89%	3.67%	1.88%		0.61%
AMAZON.COM	1.83%	5.30%			1.20%
GOOGLE 'C'	1.82%	2.93%	2.42%	0.01%	1.61%
APPLE	1.78%		1.58%	3.88%	5.53%
SALESFORCE.COM	1.77%	5.13%			0.35%
<b>Total</b>	<b>21.27%</b>	<b>42.06%</b>	<b>13.09%</b>	<b>7.40%</b>	<b>13.92%</b>

## Manager Philosophy and Process

### Investment Philosophy

Sands is a bottom-up, quality growth manager. The firm builds concentrated portfolios of leading companies, which are broadly diversified across a number of business lines. Sands essentially follows a buy and hold philosophy with extremely low turnover and low transaction costs. The long-term investment horizon allows the companies in the portfolio to realize long-term business opportunities that lead to shareholder wealth creation.

### Investment Process

The process is bottom-up and fundamental in nature. The team's primary goal is to identify outstanding growth companies that lead and dominate attractive growth industries. Initial research looks for companies with above-average historical sales and earnings growth. Seven qualitative success factors are then analyzed to identify the leaders within each attractive business space. Sands believes companies can lead and dominate by creating growth drivers (new products/services and entering new markets), developing and anticipating industry trends, creating competitive barriers, gaining market share, building financial muscle and a strong business model, displaying superior management ability, and applying technology to add value. Fulfilling these criteria is the most important part of the investment research process, providing a powerful filter for locating high quality companies. Companies that pass the leaders screens are added to the Company Leader List, which typically contains 60 to 80 companies in 15 to 20 growing industries. Purchase candidates are selected from the Leader List and are expected to possess dominant leadership in an attractive growth business with the potential to deliver sustainable, long-term earnings growth.

## Current Positioning

During the first half of the year, Sands increased the weight of athenahealth, BioMarin Pharmaceutical, LinkedIn, Regeneron Pharmaceuticals, and Splunk. During the quarter, Sands made new purchases in Twenty-First Century Fox and Whole Foods Market and sold out of Ulta Salon, Cosmetics & Fragrance.

- Relative to the Russell 1000 Growth Index the Composite is overweight the technology, energy, and health care sectors.
- The Composite is underweight the producer durables and consumer staples sectors.

## Quarterly Attribution

Positive Impact on Performance:

- Positions in Baidu, Schlumberger, and Facebook
- Overweight allocation to the energy sector

Negative Impact on Performance:

- Positions in Splunk, athenahealth, and ARM Holdings
- Underweight to the consumer staples sector

## Portfolio Characteristics

Number of holdings: 30  
Median Market Capitalization (billions): \$35.4  
Weighted Average Market Capitalization (billions): \$84.9  
P/E ratio: 27.4X  
P/B ratio: 6.0X  
Earnings growth: 20%  
% cash: 0.6%

## Responsible Investment ESG Comment

ESG3 - Sands considers environmental, social, and, in particular, governance (ESG) issues in the context of their potential financial effect on a company's stock price, but the factors are not explicit drivers of the investment philosophy and process. A rating of ESG3 is appropriate.

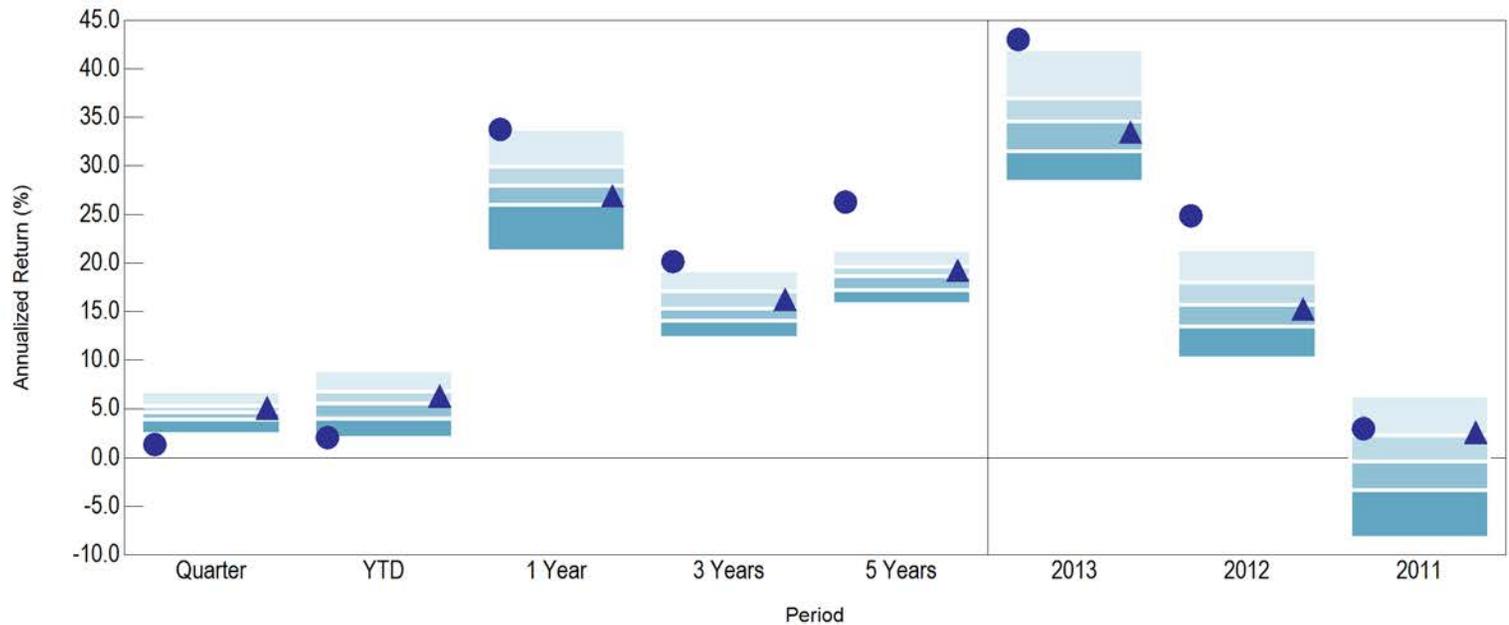
## Summary Data Points

Mercer Rating: A(T)  
Manager Strategy Assets: \$32.1 Billion

# NCSRP Sands Capital Large Cap Growth

## Performance

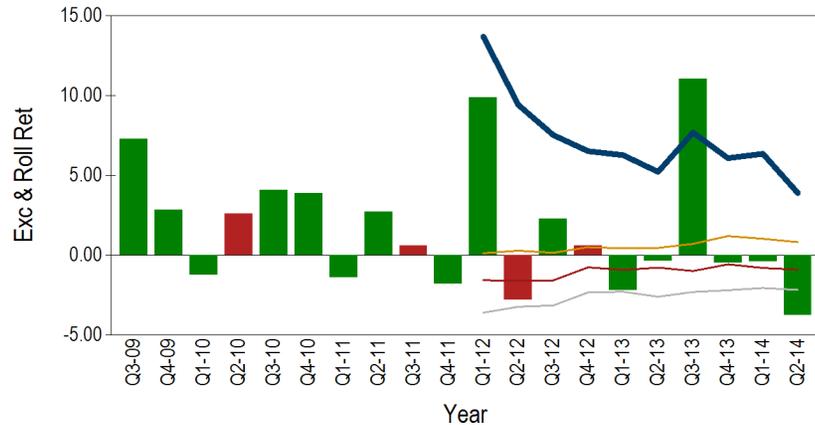
Performance vs. Mercer Instl US Equity Large Cap Growth  
Ending June 30, 2014



	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011	
<b>5th Percentile</b>	6.7		8.9		33.8		19.2		21.3		41.9		21.4		6.4	
<b>25th Percentile</b>	5.3		6.8		30.0		17.1		19.7		37.0		18.0		2.4	
<b>Median</b>	4.7		5.5		28.0		15.3		18.7		34.6		15.7		-0.3	
<b>75th Percentile</b>	4.0		4.1		26.0		14.1		17.3		31.5		13.5		-3.3	
<b>95th Percentile</b>	2.5		2.1		21.2		12.3		15.8		28.4		10.2		-8.2	
<b># of Portfolios</b>	206		205		198		167		157		243		249		251	
<b>● NCSRP Sands Capital Large Cap Growth</b>	1.4	(99)	2.1	(95)	33.8	(6)	20.2	(2)	26.3	(1)	43.0	(4)	24.9	(2)	3.0	(21)
<b>▲ Russell 1000 Growth</b>	5.1	(34)	6.3	(36)	26.9	(61)	16.3	(39)	19.2	(37)	33.5	(61)	15.3	(57)	2.6	(24)

# NCSRP Sands Capital Large Cap Growth

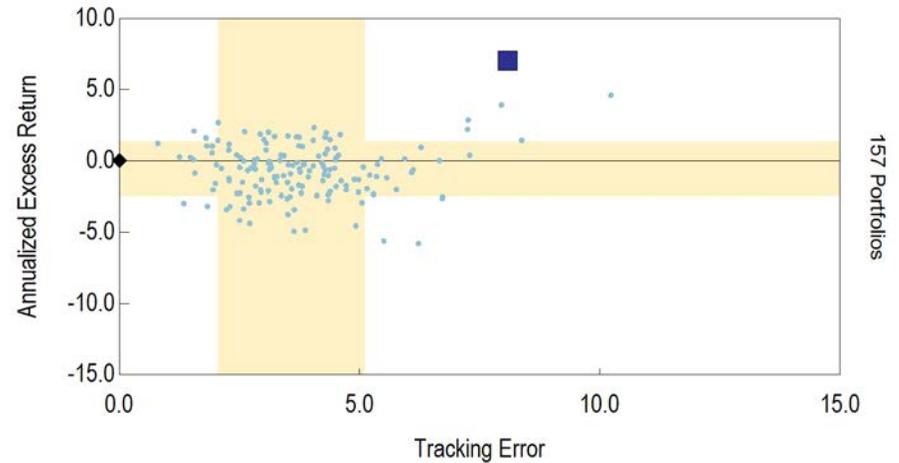
**Rolling 3 Year Excess Performance**  
NCSRP Sands Capital Large Cap Growth vs. Russell 1000 Growth



**Characteristics**  
as of June 30, 2014

	Portfolio	Russell 1000 Growth
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	35.07	23.58
P/E Excluding Negative Earnings	35.07	23.71
P/E Median	27.28	23.69
Price To Book	8.24	5.81
Price To Book Median	6.66	4.17
Price To Cash Flow	28.57	15.88
Price To Sales	8.98	3.68
Dividend Yield (%)	0.44	1.48
Weighted Ave. Market Cap. (\$B)	65.76	102.09
Median Market Cap. (\$B)	35.66	8.64
Beta	1.21	1.00

**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014

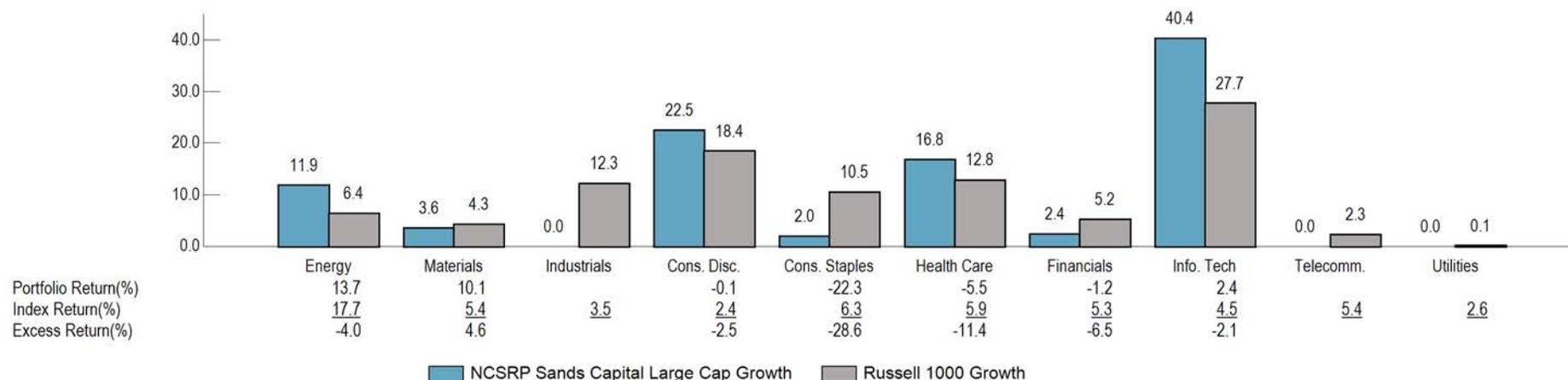


**Performance Attribution vs. Russell 1000 Growth**  
Quarter Ending June 30, 2014

	Total Effects	Selection Effect	Allocation Effect	Interaction Effects
Energy	0.40%	-0.18%	0.85%	-0.27%
Materials	0.16%	0.22%	-0.01%	-0.05%
Industrials	0.19%	--	0.19%	--
Cons. Disc.	-0.70%	-0.47%	-0.12%	-0.12%
Cons. Staples	-0.34%	-3.08%	-0.17%	2.91%
Health Care	-1.94%	-1.43%	0.04%	-0.55%
Financials	-0.17%	-0.35%	-0.01%	0.19%
Info. Tech	-0.83%	-1.05%	-0.08%	0.29%
Telecomm.	-0.01%	--	-0.01%	--
Utilities	0.00%	--	0.00%	--
Cash	-0.10%	0.00%	0.00%	-0.10%
Unclassified	0.00%	--	0.00%	--
<b>Portfolio</b>	<b>-3.35%</b>	<b>= -6.35%</b>	<b>+ 0.70%</b>	<b>+ 2.30%</b>

# NCSRP Sands Capital Large Cap Growth

Sector Allocation (%) vs Russell 1000 Growth  
3 Months Ending June 30, 2014



## Top Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
BAIDU 'A' ADR 10:1 (BIDU)	5.93%		1.11%	22.68%
SCHLUMBERGER (SLB)	3.70%	1.51%	0.48%	21.44%
NATIONAL OILWELL VARCO (NOV)	2.66%	0.03%	0.46%	18.05%
FMC TECHNOLOGIES (FTI)	2.53%	0.14%	0.35%	16.79%
FACEBOOK CLASS A (FB)	5.16%	1.31%	0.42%	11.70%
MONSANTO (MON)	3.56%	0.65%	0.27%	10.05%
STARBUCKS (SBUX)	1.67%	0.58%	0.06%	5.85%
NIKE 'B' (NKE)	3.00%	0.53%	0.13%	5.33%
GOOGLE 'A' (GOOGL)	3.91%	1.62%	0.22%	4.82%
CHIPOTLE MEXN.GRILL (CMG)	4.16%	0.18%	0.17%	4.31%
<b>Total</b>	<b>36.27%</b>	<b>6.55%</b>		

## Bottom Returning Stocks

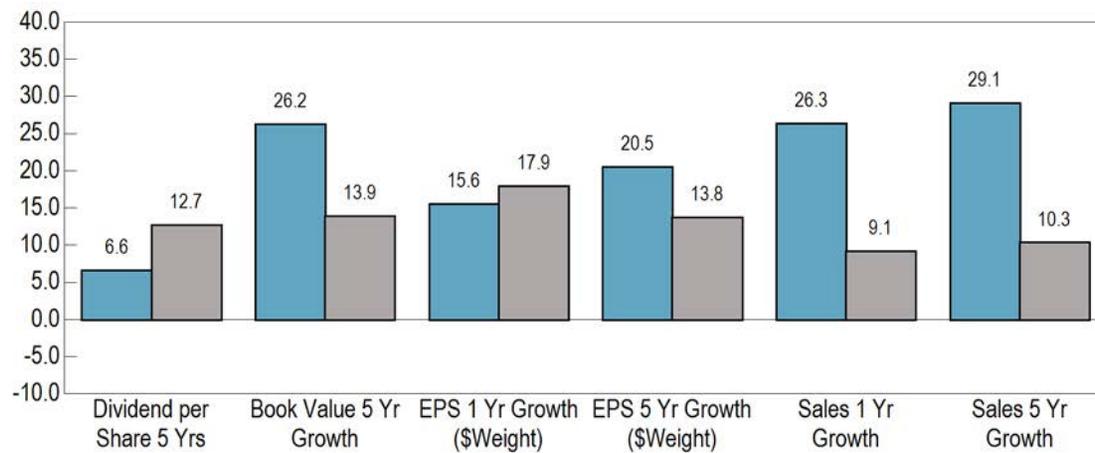
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
SPLUNK (SPLK)	2.38%	0.06%	-0.48%	-22.60%
ATHENAHEALTH (ATHN)	1.78%	0.05%	-0.43%	-21.91%
ARM HDG.SPN.ADR 1:3 (ARMH)	2.60%		-0.32%	-10.92%
BIOMARIN PHARM. (BMRN)	1.65%	0.09%	-0.11%	-8.80%
CERNER (CERN)	2.17%	0.15%	-0.18%	-8.30%
LINKEDIN CLASS A (LNKD)	3.78%	0.18%	-0.20%	-7.28%
ULTA SALON CO&FRA. (ULTA)	0.00%		-0.10%	-6.19%
INTUITIVE SURGICAL (ISRG)	1.84%	0.14%	-0.13%	-5.98%
REGENERON PHARMS. (REGN)	3.37%	0.22%	-0.15%	-5.93%
LAS VEGAS SANDS (LVS)	2.74%	0.28%	-0.13%	-5.01%
<b>Total</b>	<b>22.33%</b>	<b>1.18%</b>		

# NCSRP Sands Capital Large Cap Growth

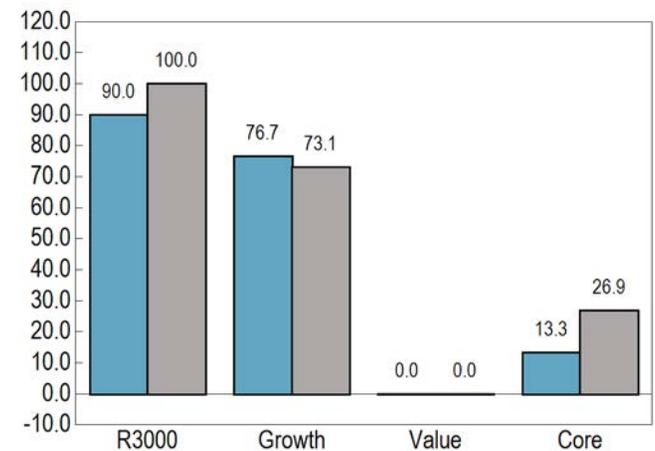
Portfolio Characteristics  
Ending June 30, 2014



Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014



## Manager Philosophy and Process

### Investment Style/Philosophy

The investment objective of the Opportunistic Growth portfolio is to provide long-term, total returns above the growth indices by investing in the stocks of successful, growing companies across the U.S. market capitalization spectrum. Over the long-term, Wellington believes that companies that can sustain above average growth in earnings will outperform the growth indices and the market overall.

### Investment Process

The investment process first screens all securities in the market for companies that have demonstrated above average revenue, cash flow, and EPS growth. Further research is then conducted to determine whether a sustainable growth advantage exists that will enable these companies to continue to grow faster than the Russell 1000 Growth Index. For each of these companies with a sustainable growth advantage, an in-depth fundamental review of the company's business model is conducted. Three primary factors are evaluated: high returns on capital, superior business management, and balance sheet quality. The team focuses on companies that generate strong free cash flow, require minimal capital to support the business, and have fully funded business models. The team requires the companies have management teams that have demonstrated an ability to execute a business plan coupled with incentive systems that are aligned with shareholders.

## Current Positioning

- Relative to the Russell 1000 Growth Index, the Fund is most overweight to the consumer discretionary sector
- The Fund is most underweight to the information technology, energy and financials sectors
- The Fund has no exposure to the telecommunication services or utilities sectors

## Quarterly Attribution

### Positive Impact on Performance:

- Security selection within the materials, consumer staples and consumer discretionary sectors
- Overweight allocation to the health care sector; underweight allocation to the information technology sector

### Negative Impact on Performance:

- Security selection within the information technology, industrials, health care, and financials sectors
- Overweight allocation to the consumer discretionary sector; underweight allocation to the energy and consumer staples sectors

## Portfolio Characteristics

Weighted Average Market Capitalization (\$MM): \$66.9

Median Market Capitalization (\$MM): \$6.1

P/E ratio: 17.3x

P/B ratio: 4.7x

Yield: 0.89%

Projected Earnings Growth (5 year): 16.3%

% Foreign: 6.7%

Number of Securities: 145

Beta (3 yr): 1.3

## Responsible Investment ESG Comment

ESG3 - The strategies have an investment style that expects to own companies for the long-term, rather than buy stocks for the short-term. Wellington believes that this style requires it to take seriously environmental, social, and governance standards in those investments to the extent that these factors influence intrinsic value. That influence is neither uniform nor static. At the same time, it is counterproductive to have hard rules about what constitutes those ESG aspects. The team applies a common sense approach to judge whether a company's standards are appropriate for inclusion in the portfolio, given its business valuation.

## Summary Data Points

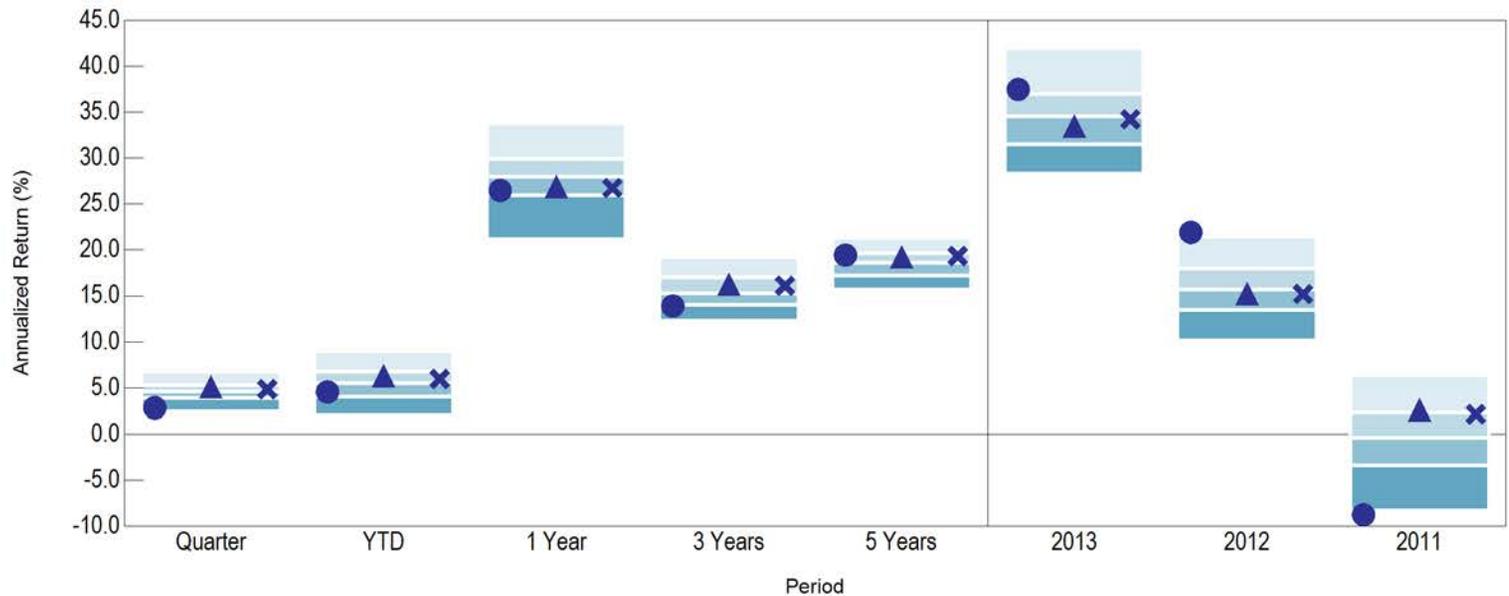
Mercer Rating: A

Manager Strategy Assets (billions): \$4.1

# NCSRP Wellington Opportunistic Growth

## Performance

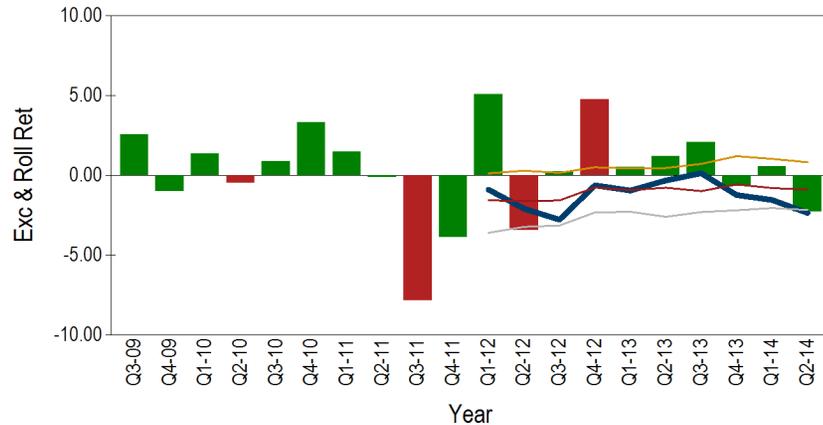
Performance vs. Mercer Instl US Equity Large Cap Growth  
Ending June 30, 2014



	Return (Rank)															
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011
5th Percentile	6.7	8.9	33.8	19.2	21.3	41.9	21.4	6.4	6.7	8.9	33.8	19.2	21.3	41.9	21.4	6.4
25th Percentile	5.3	6.8	30.0	17.1	19.7	37.0	18.0	2.4	5.3	6.8	30.0	17.1	19.7	37.0	18.0	2.4
Median	4.7	5.5	28.0	15.3	18.7	34.6	15.7	-0.3	4.7	5.5	28.0	15.3	18.7	34.6	15.7	-0.3
75th Percentile	4.0	4.1	26.0	14.1	17.3	31.5	13.5	-3.3	4.0	4.1	26.0	14.1	17.3	31.5	13.5	-3.3
95th Percentile	2.5	2.1	21.2	12.3	15.8	28.4	10.2	-8.2	2.5	2.1	21.2	12.3	15.8	28.4	10.2	-8.2
# of Portfolios	206	205	198	167	157	243	249	251	206	205	198	167	157	243	249	251
● NCSRP Wellington Opportunistic Growth	2.8 (94)	4.6 (64)	26.5 (68)	13.9 (78)	19.4 (31)	37.5 (22)	21.9 (4)	-8.7 (97)	2.8 (94)	4.6 (64)	26.5 (68)	13.9 (78)	19.4 (31)	37.5 (22)	21.9 (4)	-8.7 (97)
▲ Russell 1000 Growth	5.1 (34)	6.3 (36)	26.9 (61)	16.3 (39)	19.2 (37)	33.5 (61)	15.3 (57)	2.6 (24)	5.1 (34)	6.3 (36)	26.9 (61)	16.3 (39)	19.2 (37)	33.5 (61)	15.3 (57)	2.6 (24)
✕ Russell 3000 Growth	4.9 (42)	6.0 (40)	26.8 (65)	16.1 (41)	19.3 (33)	34.2 (56)	15.2 (57)	2.2 (28)	4.9 (42)	6.0 (40)	26.8 (65)	16.1 (41)	19.3 (33)	34.2 (56)	15.2 (57)	2.2 (28)

# NCSRP Wellington Opportunistic Growth

**Rolling 3 Year Excess Performance**  
NCSRP Wellington Opportunistic Growth vs. Russell 1000 Growth



**Characteristics**  
as of June 30, 2014

	Portfolio	Russell 1000 Growth
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	28.07	23.58
P/E Excluding Negative Earnings	28.41	23.71
P/E Median	26.05	23.69
Price To Book	6.18	5.81
Price To Book Median	4.84	4.17
Price To Cash Flow	19.25	15.88
Price To Sales	4.71	3.68
Dividend Yield (%)	0.84	1.48
Weighted Ave. Market Cap. (\$B)	55.59	102.09
Median Market Cap. (\$B)	5.80	8.64
Beta	1.26	1.00

**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014

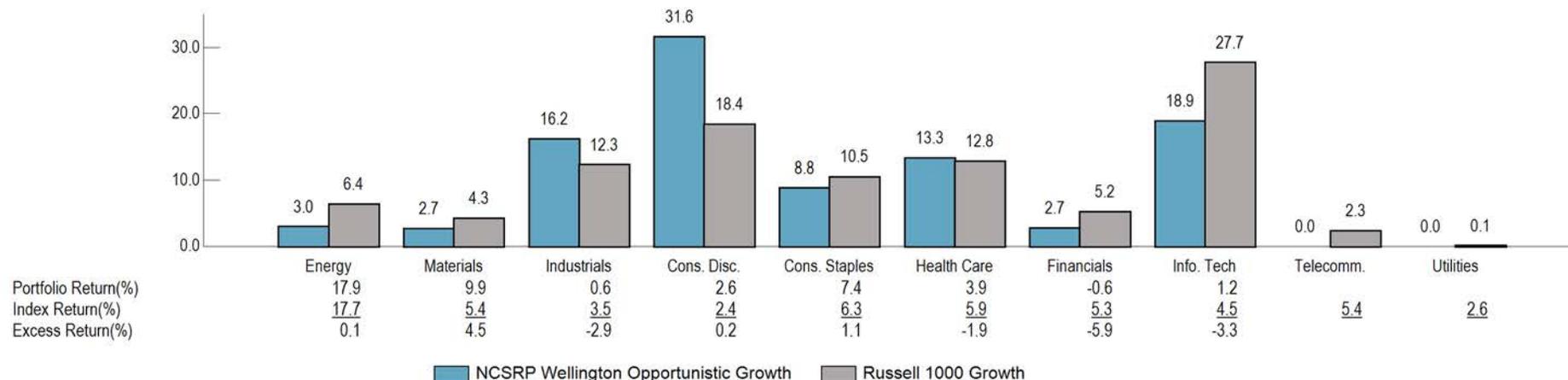


**Performance Attribution vs. Russell 1000 Growth**  
Quarter Ending June 30, 2014

	Total Effects		Selection Effect		Allocation Effect		Interaction Effects
Energy	-0.35%		0.00%		-0.35%		0.00%
Materials	0.10%		0.22%		-0.01%		-0.11%
Industrials	-0.48%		-0.31%		-0.04%		-0.14%
Cons. Disc.	-0.32%		0.01%		-0.41%		0.08%
Cons. Staples	0.07%		0.13%		-0.06%		0.00%
Health Care	-0.26%		-0.24%		0.02%		-0.04%
Financials	-0.16%		-0.31%		-0.01%		0.16%
Info. Tech	-0.72%		-0.91%		0.03%		0.16%
Telecomm.	-0.01%		--		-0.01%		--
Utilities	0.00%		--		0.00%		--
Cash	-0.07%		0.00%		0.00%		-0.07%
Unclassified	0.00%		--		0.00%		--
<b>Portfolio</b>	<b>-2.19%</b>	<b>=</b>	<b>-1.42%</b>	<b>+</b>	<b>-0.83%</b>	<b>+</b>	<b>0.06%</b>

# NCSRP Wellington Opportunistic Growth

Sector Allocation (%) vs Russell 1000 Growth  
3 Months Ending June 30, 2014



## Top Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
ZILLOW CLASS A (Z)	0.00%		0.15%	62.24%
ATHLON ENERGY (ATHL)	0.23%	0.02%	0.07%	34.56%
DIAMONDBACK ENERGY (FANG)	0.19%		0.07%	31.93%
CONSTANT CONTACT (CTCT)	0.20%		0.06%	31.28%
CONTINENTAL RESOURCES (CLR)	0.84%	0.07%	0.17%	27.17%
2U (TWOU)	0.00%		0.00%	23.15%
CON-WAY (CNW)	0.00%		0.02%	22.99%
COVIDIEN (COV)	0.00%		0.23%	22.97%
PALO ALTO NETWORKS (PANW)	0.15%	0.04%	0.04%	22.23%
TRIPADVISOR 'A' (TRIP)	1.18%	0.12%	0.12%	19.95%
<b>Total</b>	<b>2.80%</b>	<b>0.25%</b>		

## Bottom Returning Stocks

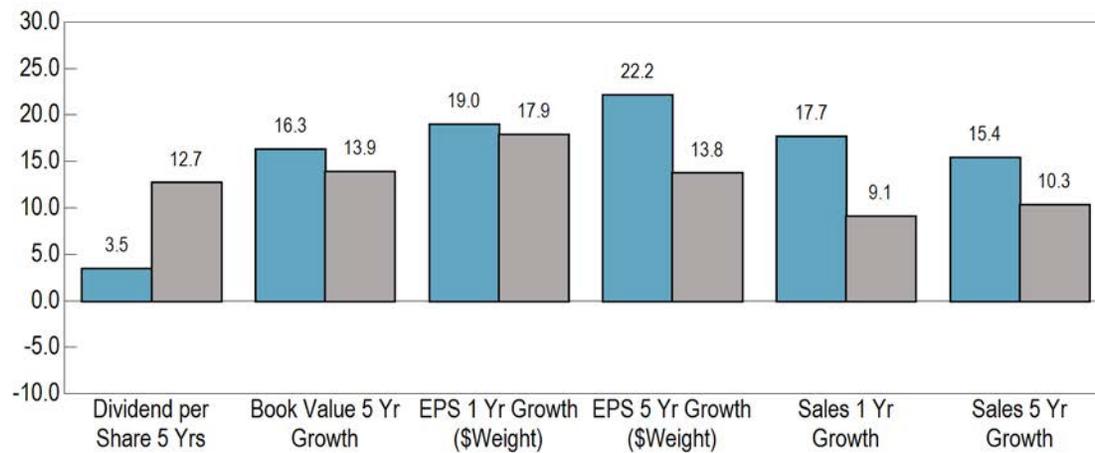
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
LULULEMON ATHLETICA (LULU)	0.00%		-0.28%	-23.03%
SPLUNK (SPLK)	0.00%		-0.11%	-22.60%
PIER 1 IMPORTS (PIR)	0.00%		-0.03%	-18.11%
COVANCE (CVD)	0.26%	0.04%	-0.04%	-17.63%
GENERAC HOLDINGS (GNRC)	0.27%		-0.06%	-17.35%
SEATTLE GENETC. (SGEN)	0.28%	0.04%	-0.04%	-16.04%
AMC NETWORKS CL.A (AMCX)	0.36%	0.04%	-0.05%	-15.86%
COSTAR GP. (CSGP)	0.19%	0.04%	-0.04%	-15.30%
WEB.COM GROUP (WWWV)	0.27%		-0.06%	-15.16%
PANERA BREAD 'A' (PNRA)	0.16%	0.04%	-0.02%	-15.10%
<b>Total</b>	<b>1.78%</b>	<b>0.20%</b>		

# NCSRP Wellington Opportunistic Growth

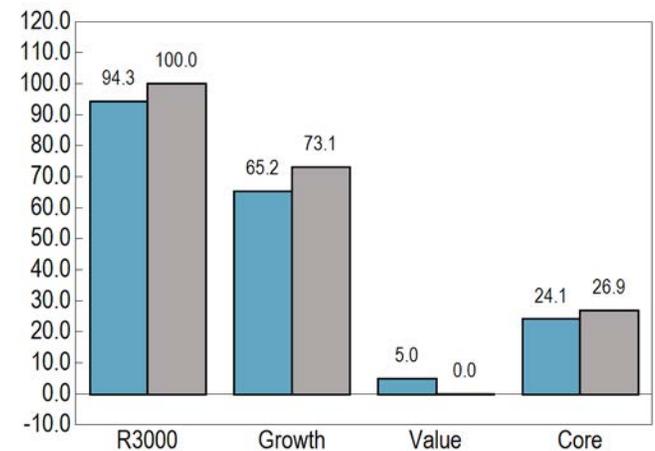
Portfolio Characteristics  
Ending June 30, 2014



Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014



## Manager Philosophy and Process

**Investment Philosophy** The Large Cap Disciplined Growth team invests in companies with prospective accelerating growth metrics (earnings per share, cash flow, or number of subscribers) driven by an identifiable catalyst. The team seeks companies that have an experienced and accessible management team, ample liquidity, manageable leverage, and/or the ability to generate both free cash flow and operating income growth over time. The team believes companies with these qualities have the potential for price appreciation through earnings growth and an expanding valuation brought about by improved investor perception.

**Investment Process** The initial step in the investment process is a simple quantitative screen to identify stocks with market-capitalizations above \$3 billion and daily dollar trading volume greater than \$100 million. Additionally, debt as a percent of total capitalization and price-to-earnings ratios for each respective industry group is considered. These screens typically yield approximately 400 companies. Fundamental analysis is then performed to identify potential catalysts that could accelerate growth at particular companies. This typically reduces the field to approximately 150 names. As a final step, the team will often meet with company management. The investment process typically produces five or six companies at any given time that meet the team's criteria. The portfolio consists of 50 to 70 holdings with no one single position exceeding the maximum of 5% or 1.5x the index weight at cost. Sector weights are restricted to fall between 50% and 150% relative to the benchmark sector (up to +/- 10% for smaller sectors). Cash is limited to 5%, ADRs are capped at 15%, and portfolio turnover averages 80%-100%.

## Current Positioning

- Relative to the Russell 1000 Growth index, the portfolio's largest underweights are in the industrials and consumer discretionary sectors
- The portfolio is overweight in materials and utilities
- The portfolio is neutral weight in telecommunication services, information technology and energy.

## Quarterly Attribution

### Positive Impact on Performance:

- Top Contributors (Securities) - Dominion Resources, Union Pacific and Comerica
- An underweight to the consumer discretionary sector and overweight to the utilities sector contributed modestly, as did security selection within the financial sector

### Negative Impact on Performance:

- Top Detractors (Securities) - General Motors, Kinder Morgan and Precision Castparts.
- An overweight to the consumer staples sector detracted modestly over the quarter
- The portfolio's relative performance was most negatively impacted by security selection in the consumer discretionary, healthcare and energy sectors, but also within the consumer staples and industrials sectors

## Portfolio Characteristics

Number of holdings: 57  
Median Market Capitalization (billions): \$43  
Weighted Average Market Capitalization (billions): \$121  
P/E ratio: 22x  
P/B ratio: 5x  
Earnings growth (5 year): 20.8%  
% foreign: 5.0%  
Turnover: 10.7% (2Q); 62.9% (1YR)  
% cash: 4.6%

## Responsible Investment ESG Comment

ESG4 - Neuberger does not explicitly apply Environmental, Social, or Governance factors in its investment decision making process.

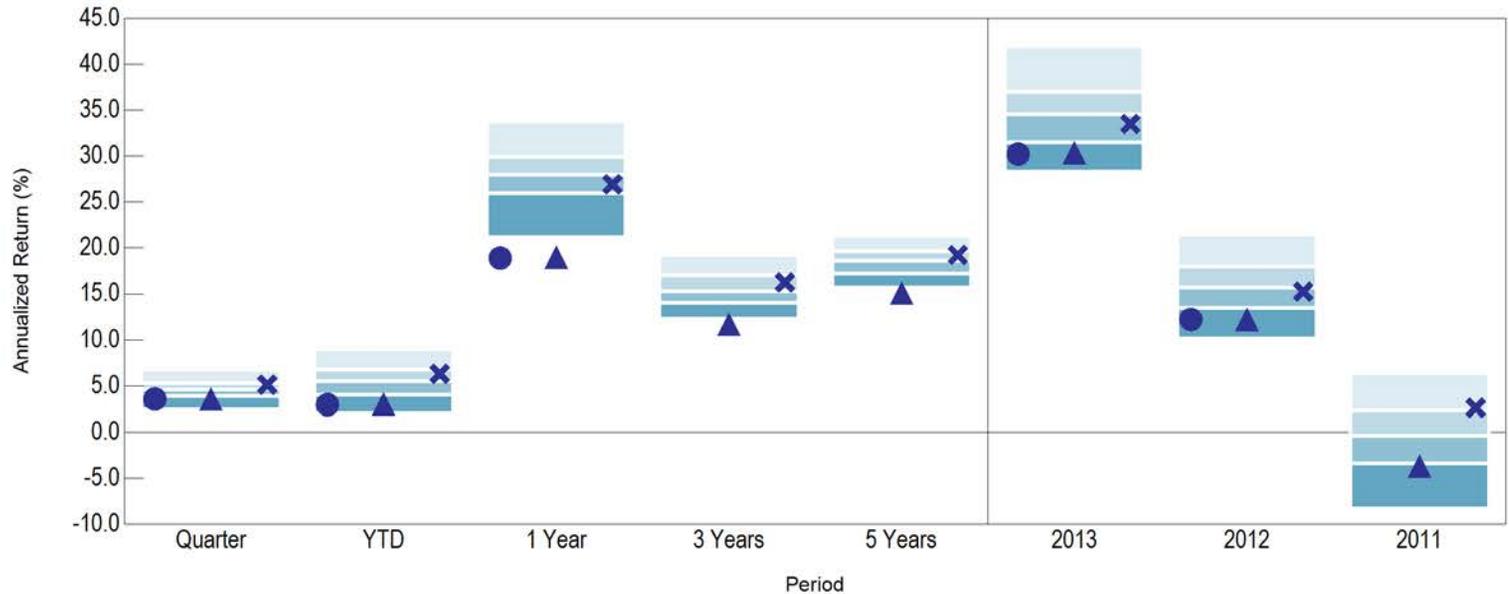
## Summary Data Points

Mercer Rating: B+  
Manager Strategy Assets (\$B): \$6.2

# NCSRP Neuberger Large Cap Growth

## Performance

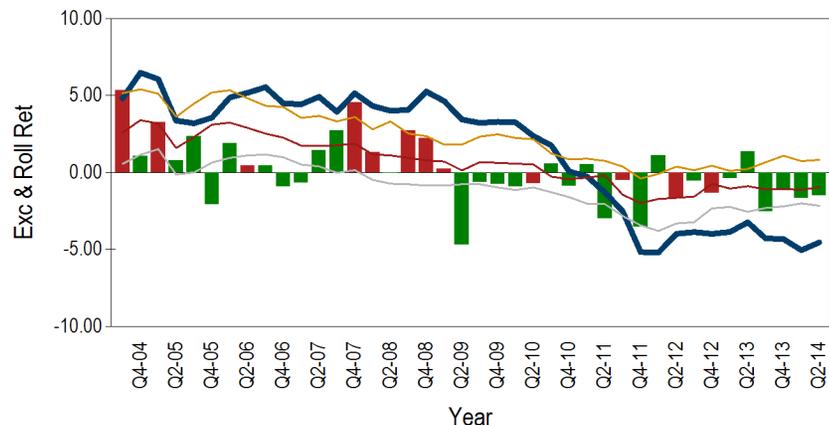
Performance vs. Mercer Instl US Equity Large Cap Growth  
Ending June 30, 2014



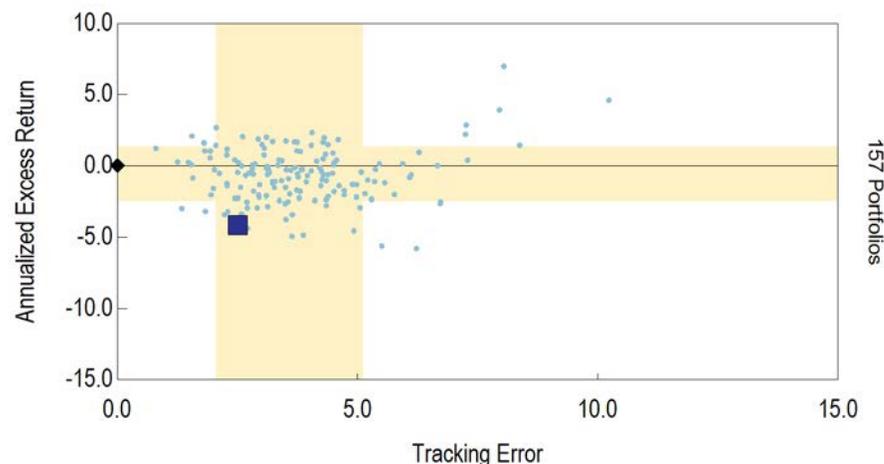
	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011	
<b>5th Percentile</b>	6.7	8.9	33.8	19.2	21.3	41.9	21.4	6.4								
<b>25th Percentile</b>	5.3	6.8	30.0	17.1	19.7	37.0	18.0	2.4								
<b>Median</b>	4.7	5.5	28.0	15.3	18.7	34.6	15.7	-0.3								
<b>75th Percentile</b>	4.0	4.1	26.0	14.1	17.3	31.5	13.5	-3.3								
<b>95th Percentile</b>	2.5	2.1	21.2	12.3	15.8	28.4	10.2	-8.2								
<b># of Portfolios</b>	206	205	198	167	157	243	249	251								
<b>● NCSRP Neuberger Large Cap Growth</b>	3.6 (86)	3.0 (89)	18.9 (99)	-- (--)	-- (--)	30.2 (86)	12.2 (88)	-- (--)								
<b>▲ Neuberger Large Cap Growth Strategy</b>	3.6 (85)	3.0 (88)	19.0 (99)	11.7 (97)	15.1 (97)	30.4 (85)	12.2 (88)	-3.7 (79)								
<b>✕ Russell 1000 Growth</b>	5.1 (34)	6.3 (36)	26.9 (61)	16.3 (39)	19.2 (37)	33.5 (61)	15.3 (57)	2.6 (24)								

# Neuberger Large Cap Growth Strategy

Rolling 3 Year Excess Performance  
Neuberger Large Cap Growth Strategy vs. Russell 1000 Growth



Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2014



Characteristics  
as of June 30, 2014

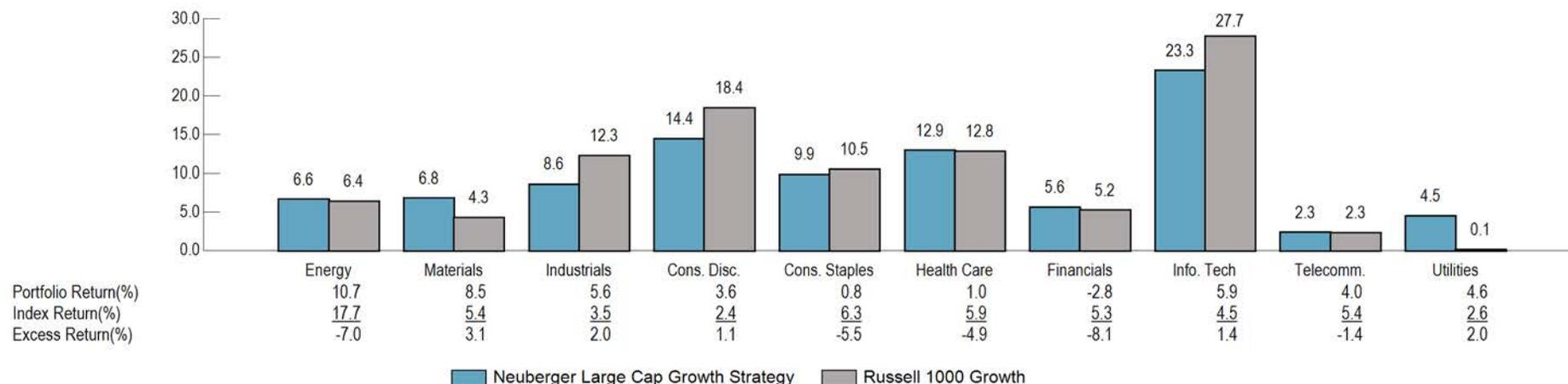
	Portfolio	Russell 1000 Growth
PORTFOLIO CHARACTERISTICS		
Price To Earnings	24.37	23.58
P/E Excluding Negative Earnings	24.37	23.71
P/E Median	21.29	23.69
Price To Book	4.96	5.81
Price To Book Median	4.32	4.17
Price To Cash Flow	14.83	15.88
Price To Sales	3.85	3.68
Dividend Yield (%)	1.52	1.48
Weighted Ave. Market Cap. (\$B)	91.06	102.09
Median Market Cap. (\$B)	43.18	8.64
Beta	1.00	1.00

Performance Attribution vs. Russell 1000 Growth  
Quarter Ending June 30, 2014

	Total Effects		Selection Effect		Allocation Effect		Interaction Effects
Energy	-0.28%	=	-0.34%	+	0.20%	+	-0.14%
Materials	0.20%		0.14%		0.00%		0.05%
Industrials	0.26%		0.26%		0.05%		-0.05%
Cons. Disc.	0.24%		0.22%		0.05%		-0.03%
Cons. Staples	-0.68%		-0.78%		0.01%		0.09%
Health Care	-0.61%		-0.59%		0.01%		-0.03%
Financials	-0.45%		-0.44%		0.00%		-0.01%
Info. Tech	0.41%		0.47%		0.06%		-0.12%
Telecomm.	-0.03%		-0.03%		0.00%		0.00%
Utilities	-0.02%		0.00%		-0.11%		0.09%
Cash	-0.17%		0.00%		0.00%		-0.17%
Unclassified	0.00%		--		0.00%		--
<b>Portfolio</b>	<b>-1.13%</b>	<b>=</b>	<b>-1.10%</b>	<b>+</b>	<b>0.27%</b>	<b>+</b>	<b>-0.31%</b>

# Neuberger Large Cap Growth Strategy

Sector Allocation (%) vs Russell 1000 Growth  
3 Months Ending June 30, 2014



## Top Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
CELGENE (CELG)	1.44%	0.68%	0.20%	23.04%
APPLE (AAPL)	3.88%	5.53%	-0.20%	21.87%
FAMILY DOLLAR STORES (FDO)	0.00%		0.16%	14.55%
KINDER MORGAN (KMI)	0.00%		0.24%	13.05%
DELTA AIR LINES (DAL)	1.32%	0.02%	0.14%	11.92%
LYONDELLBASELL INDS.CL.A (LYB)	1.77%	0.43%	0.09%	10.63%
MONSANTO (MON)	1.45%	0.65%	0.08%	10.05%
TWENTY-FIRST CENTURY FOX CL.A (FOXA)	1.09%	0.49%	0.06%	9.95%
NOBLE ENERGY (NBL)	1.35%	0.20%	0.12%	9.31%
NIELSEN (NLSN)	1.47%	0.10%	0.13%	9.05%
<b>Total</b>	<b>13.76%</b>	<b>8.08%</b>		

## Bottom Returning Stocks

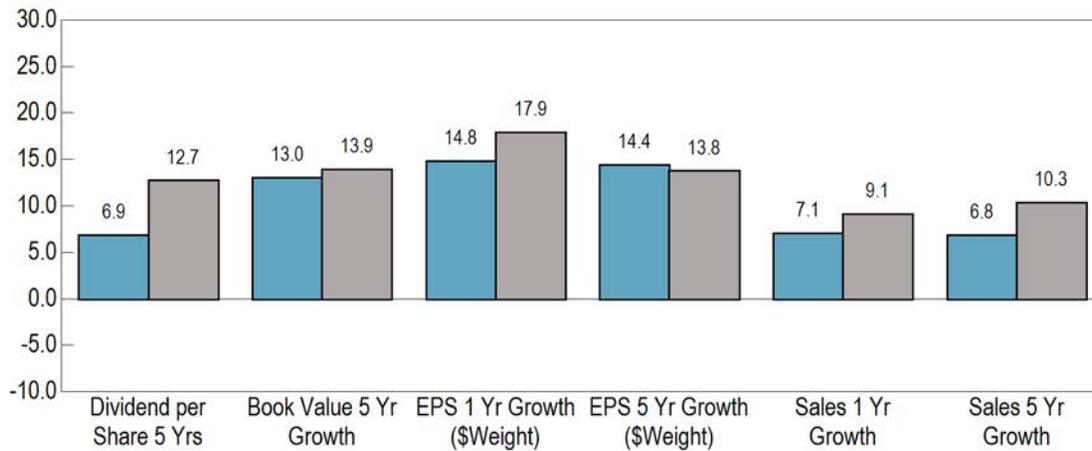
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
WHOLE FOODS MARKET (WFM)	1.02%	0.06%	-0.20%	-23.65%
VMWARE (VMW)	1.74%	0.08%	-0.11%	-10.38%
BIOMARIN PHARM. (BMRN)	1.34%	0.09%	-0.18%	-8.80%
PFIZER (PFE)	0.93%		-0.06%	-6.77%
CIT GROUP (CIT)	1.77%		-0.12%	-6.43%
BRISTOL MYERS SQUIBB (BMY)	1.67%	0.28%	-0.06%	-5.97%
PERRIGO (PRGO)	1.51%	0.04%	-0.08%	-5.68%
MICHAEL KORS HOLDINGS (KORS)	0.00%		-0.03%	-4.95%
AMAZON.COM (AMZN)	0.00%		0.01%	-3.44%
COMERICA (CMA)	2.36%		-0.07%	-2.78%
<b>Total</b>	<b>12.33%</b>	<b>0.56%</b>		

# Neuberger Large Cap Growth Strategy

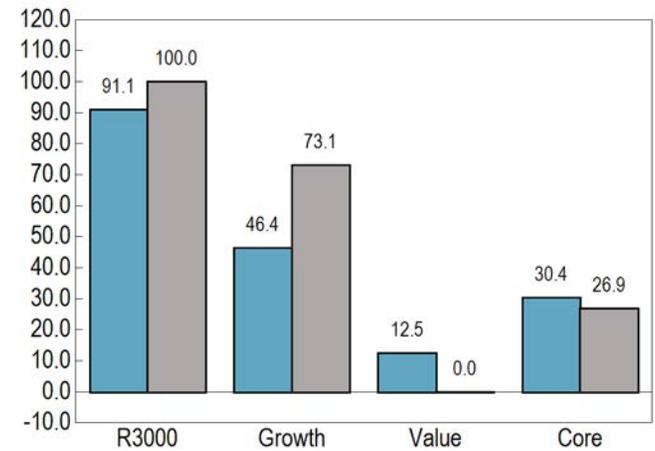
Portfolio Characteristics  
Ending June 30, 2014



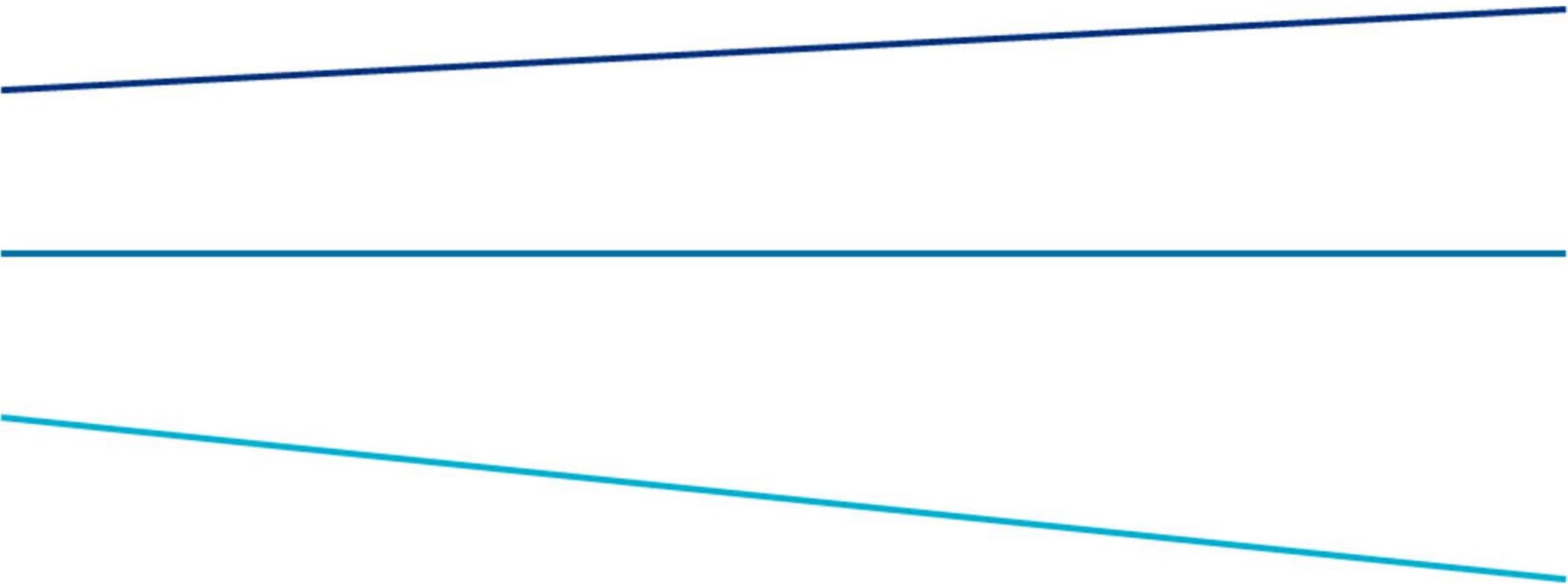
Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014



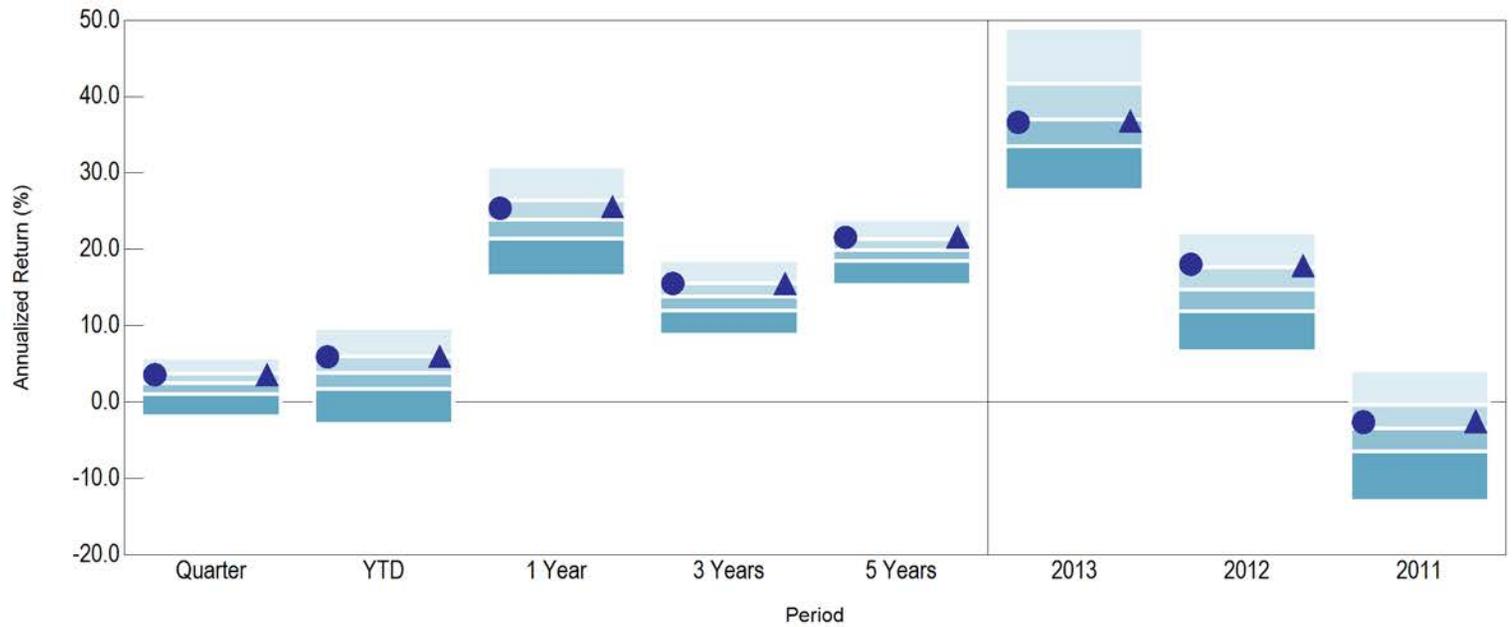
# Mid/Small Cap Passive



# Mid/Small Cap Passive

## Performance

Performance vs. Mercer Mutual Fund US Equity Small + Mid  
Ending June 30, 2014



	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011
<b>5th Percentile</b>	5.7	9.6	30.8	18.5	23.8	49.0	22.2	4.1
<b>25th Percentile</b>	3.7	6.0	26.4	15.6	21.4	41.7	17.7	-0.3
<b>Median</b>	2.5	3.8	23.9	13.9	20.0	37.0	14.8	-3.4
<b>75th Percentile</b>	1.1	1.7	21.4	12.0	18.5	33.5	11.9	-6.4
<b>95th Percentile</b>	-1.9	-2.8	16.5	8.8	15.3	27.7	6.7	-12.9
<b># of Portfolios</b>	786	776	744	686	634	724	750	729
<b>● Mid/Small Cap Passive</b>	3.5 (29)	5.9 (26)	25.4 (35)	15.5 (26)	21.5 (22)	36.6 (54)	18.0 (23)	-2.6 (45)
<b>▲ Russell 2500</b>	3.6 (29)	5.9 (26)	25.6 (33)	15.5 (26)	21.6 (21)	36.8 (52)	17.9 (24)	-2.5 (44)

### Manager Philosophy and Process

BlackRock utilizes a three-pronged philosophy across all of its index strategies. The investment philosophy of passive products at BlackRock is to replicate the index returns while minimizing transaction costs and tracking error of the product. Due to the illiquid nature and high transaction costs involved in trading the smallest securities in the Russell 2500 Index, the Russell 2500 Index Fund is managed using an optimization technique. The optimization is based upon a risk model, and its goal is to create a fund that statistically reflects the respective index's characteristics. The optimization approach enables BlackRock to decrease transaction costs, and therefore to minimize negative tracking error. Futures are used in the Russell 2500 Index Fund only to equitize dividends and other cash flows associated with the issuers that comprise the index. Most of BlackRock's passive equity strategies engage in securities lending, though non-lending funds are also available in some cases.

### Quarterly Attribution

Top performing index sectors:

- Energy (12.8%), utilities (9.1%) and telecommunication services (8.7%)

Bottom performing index sectors:

- Consumer discretionary (1.8%), information technology (2.0%) and financials (2.5%)

### Summary Data Points

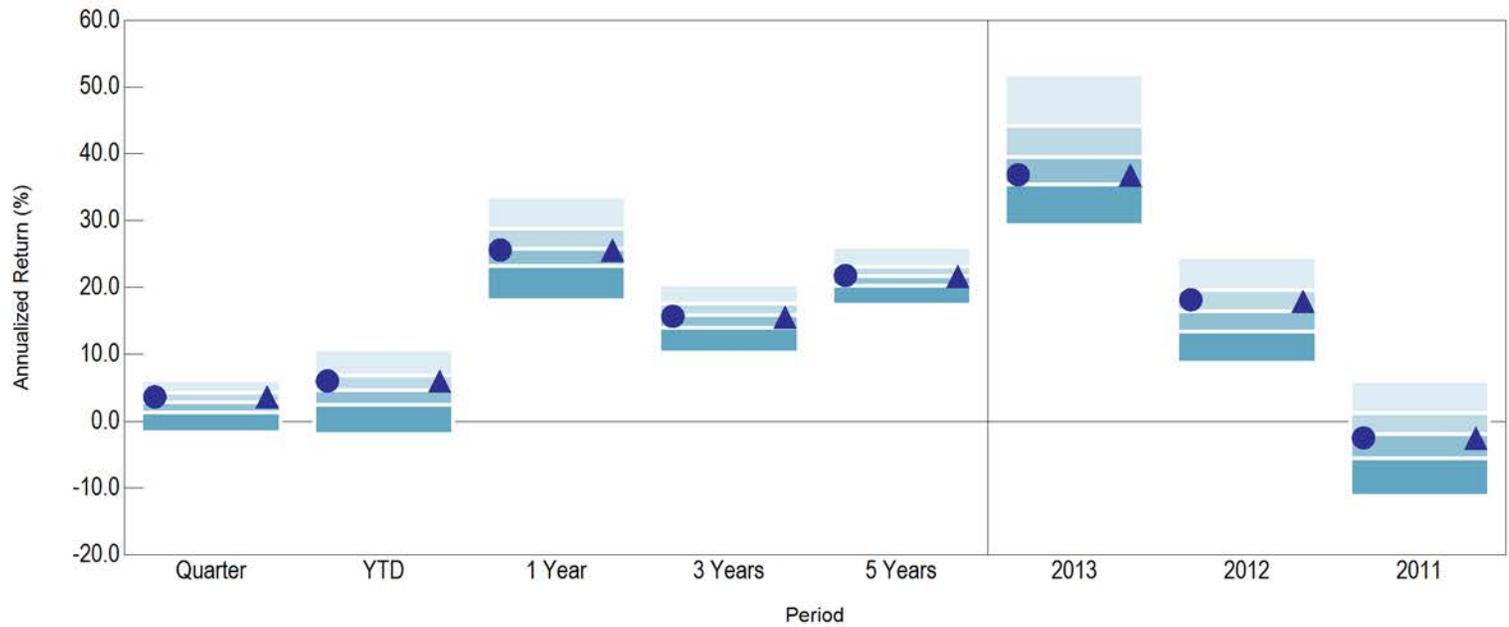
Mercer Rating: Preferred Provider

Manager Strategy Assets (billions): \$4.0 (as of 3/31/2014)

# NCSRP BlackRock Russell 2500 Index Fund

## Performance

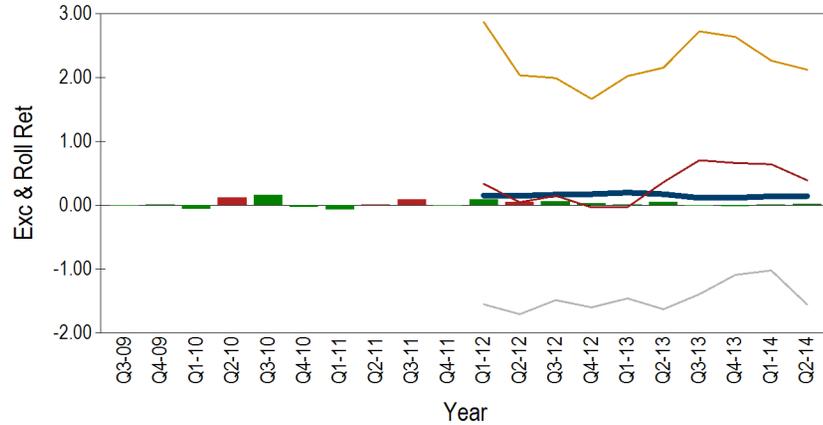
Performance vs. Mercer Instl US Equity Small + Mid Cap  
Ending June 30, 2014



	Return (Rank)													
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011						
5th Percentile	6.1	10.6	33.6	20.4	26.0	51.9	24.5	5.9						
25th Percentile	4.2	6.8	28.9	17.6	23.2	44.2	19.6	1.3						
Median	2.8	4.6	25.9	15.9	21.7	39.6	16.4	-1.8						
75th Percentile	1.3	2.5	23.3	14.0	20.3	35.5	13.4	-5.5						
95th Percentile	-1.6	-1.9	18.1	10.3	17.5	29.4	8.8	-11.1						
# of Portfolios	599	590	574	500	471	704	701	706						
● NCSRP BlackRock Russell 2500 Index Fund	3.6 (37)	6.0 (36)	25.6 (52)	15.7 (54)	21.8 (50)	36.9 (67)	18.1 (36)	-2.5 (55)						
▲ Russell 2500	3.6 (37)	5.9 (36)	25.6 (53)	15.5 (55)	21.6 (52)	36.8 (67)	17.9 (38)	-2.5 (55)						

# NCSR BlackRock Russell 2500 Index Fund

**Rolling 3 Year Excess Performance**  
NCSR BlackRock Russell 2500 Index Fund vs. Russell 2500



**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014

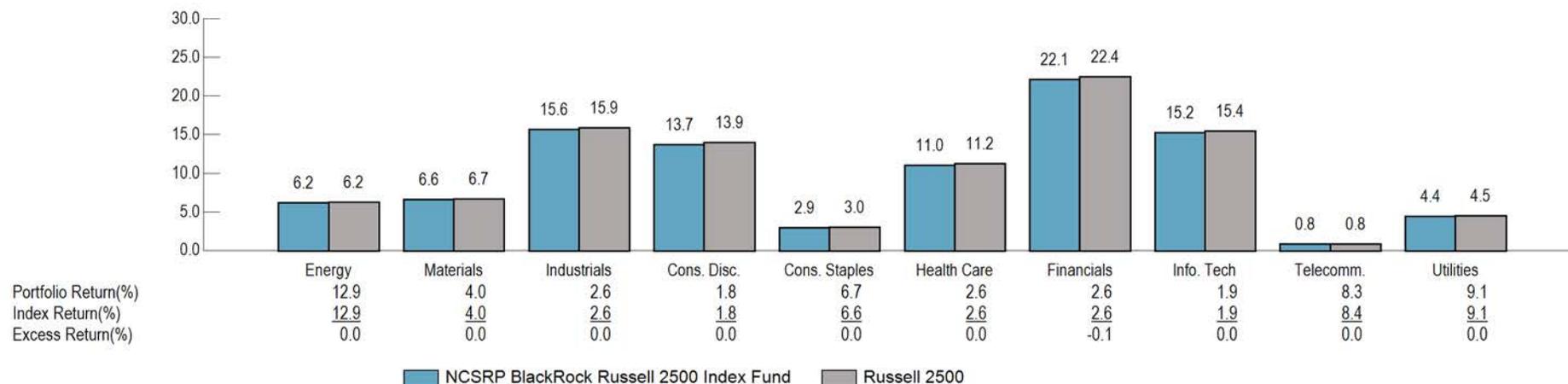


**Characteristics**  
as of June 30, 2014

	Portfolio	Russell 2500
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	25.48	23.81
P/E Excluding Negative Earnings	26.81	25.08
P/E Median	20.44	19.30
Price To Book	3.92	3.22
Price To Book Median	2.32	2.24
Price To Cash Flow	14.66	13.65
Price To Sales	3.49	2.70
Dividend Yield (%)	1.31	1.21
Weighted Ave. Market Cap. (\$B)	3.90	3.90
Median Market Cap. (\$B)	1.06	0.96
Beta	1.00	1.00

# NCSRP BlackRock Russell 2500 Index Fund

Sector Allocation (%) vs Russell 2500  
3 Months Ending June 30, 2014



## Top Returning Stocks

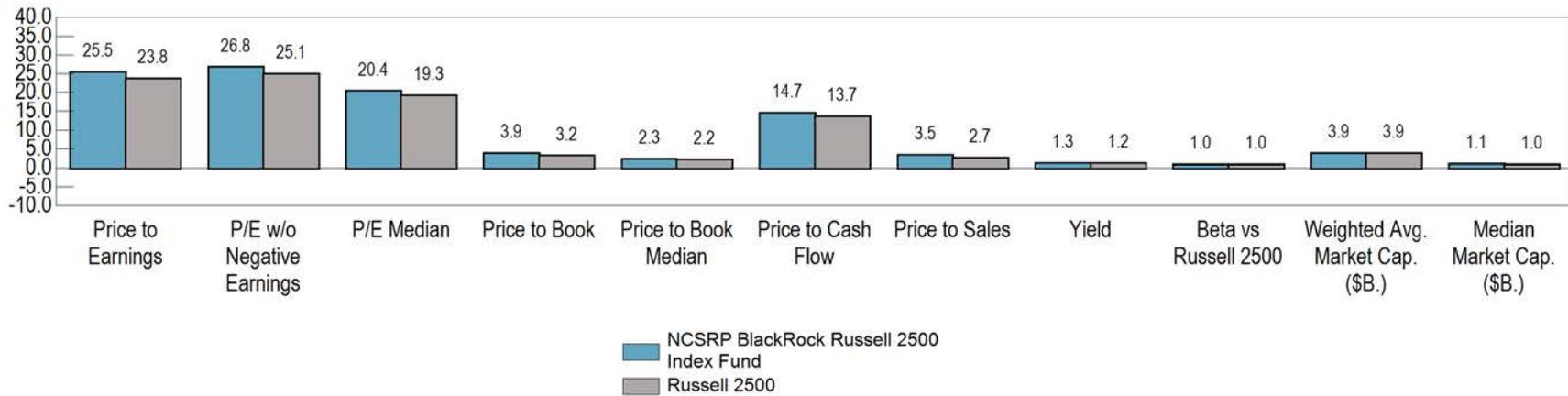
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
IDENIX PHARMACEUTICALS (IDIX)	0.07%	0.07%	0.00%	299.67%
MANNKIND (MNKD)	0.06%	0.06%	0.00%	172.64%
ACHILLION PHARMS. (ACHN)	0.02%	0.02%	0.00%	130.09%
MEDICAL ACTION INDS. (MDCI)	0.00%	0.00%	0.00%	96.99%
AMERICAN APPAREL (APP)	0.00%	0.00%	0.00%	79.64%
REPLIGEN (RGEN)	0.02%	0.02%	0.00%	77.22%
GOODRICH PTL. (GDP)	0.02%	0.02%	0.00%	74.46%
BLUEBIRD BIO (BLUE)	0.02%	0.02%	0.00%	69.61%
HALCON RESOURCES (HK)	0.05%	0.05%	0.00%	68.36%
PERNIX THERP.HDG. (PTX)	0.01%	0.01%	0.00%	67.85%
<b>Total</b>	<b>0.26%</b>	<b>0.26%</b>		

## Bottom Returning Stocks

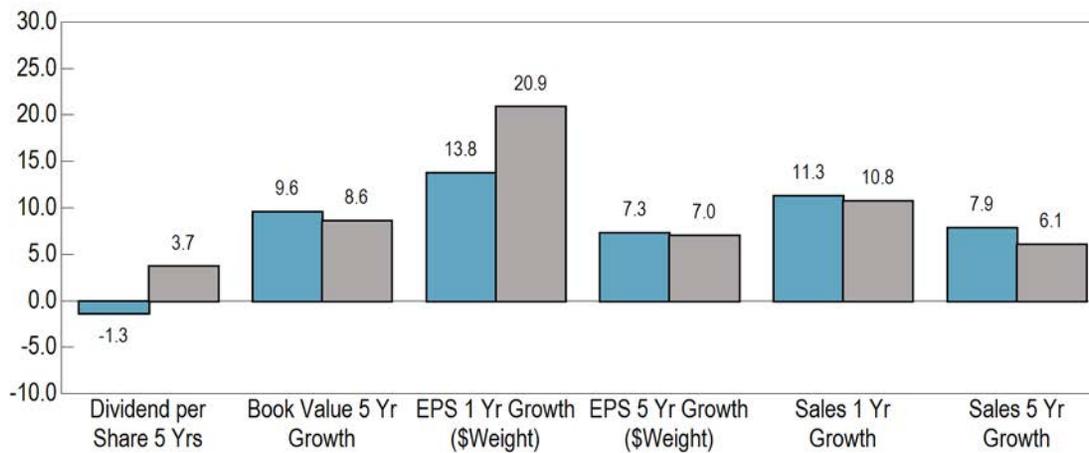
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
L&L ENERGY (LLEN)	0.00%	0.00%	0.00%	-79.17%
CORINTHIAN COLLEGES (COCO)	0.00%	0.00%	0.00%	-78.57%
ENDOCYTE (ECYT)	0.01%	0.01%	0.00%	-72.32%
EVERYWARE GLOBAL (EVRY)	0.00%	0.00%	0.00%	-71.49%
PARKERVISION (PRKR)	0.00%	0.00%	0.00%	-69.17%
ONCOGENEX PHARMS. (OGXI)	0.00%	0.00%	0.00%	-68.28%
EDUCATION MANAGEMENT (EDMC)	0.00%	0.00%	0.00%	-65.30%
POWERSECURE INTL. (POWR)	0.01%	0.01%	0.00%	-58.45%
WORLD WRESTLING ENTM.'A' (WWE)	0.01%	0.01%	0.00%	-58.25%
ENDEAVOUR INTL. (END)	0.00%	0.00%	0.00%	-57.85%
<b>Total</b>	<b>0.02%</b>	<b>0.02%</b>		

# NCSRP BlackRock Russell 2500 Index Fund

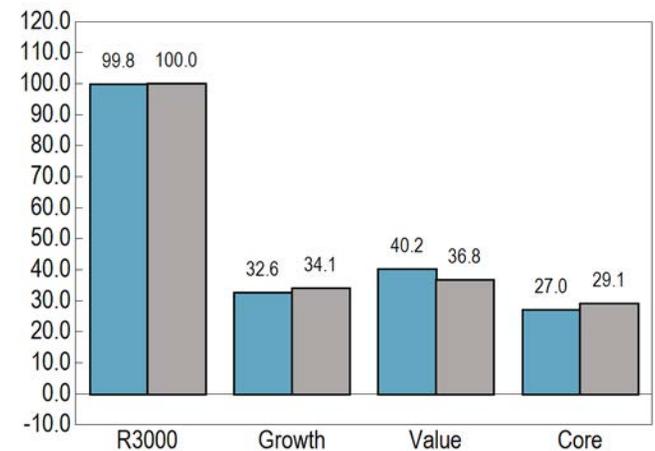
Portfolio Characteristics  
Ending June 30, 2014



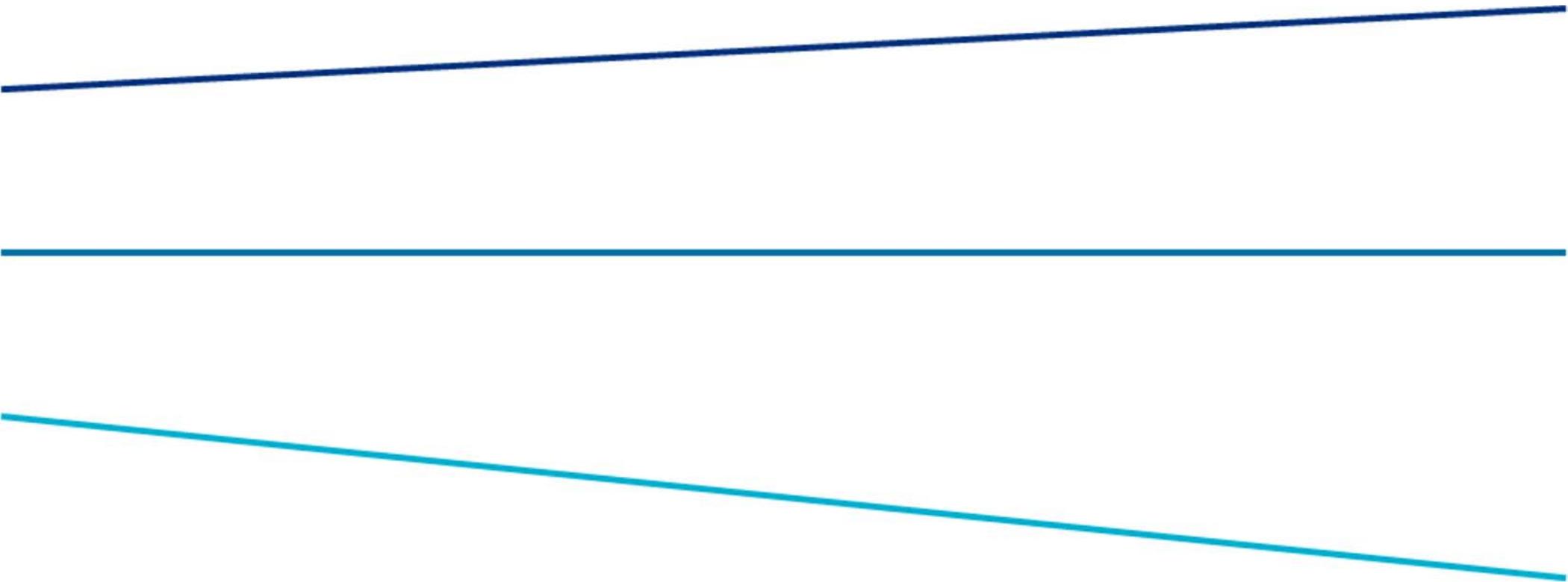
Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014



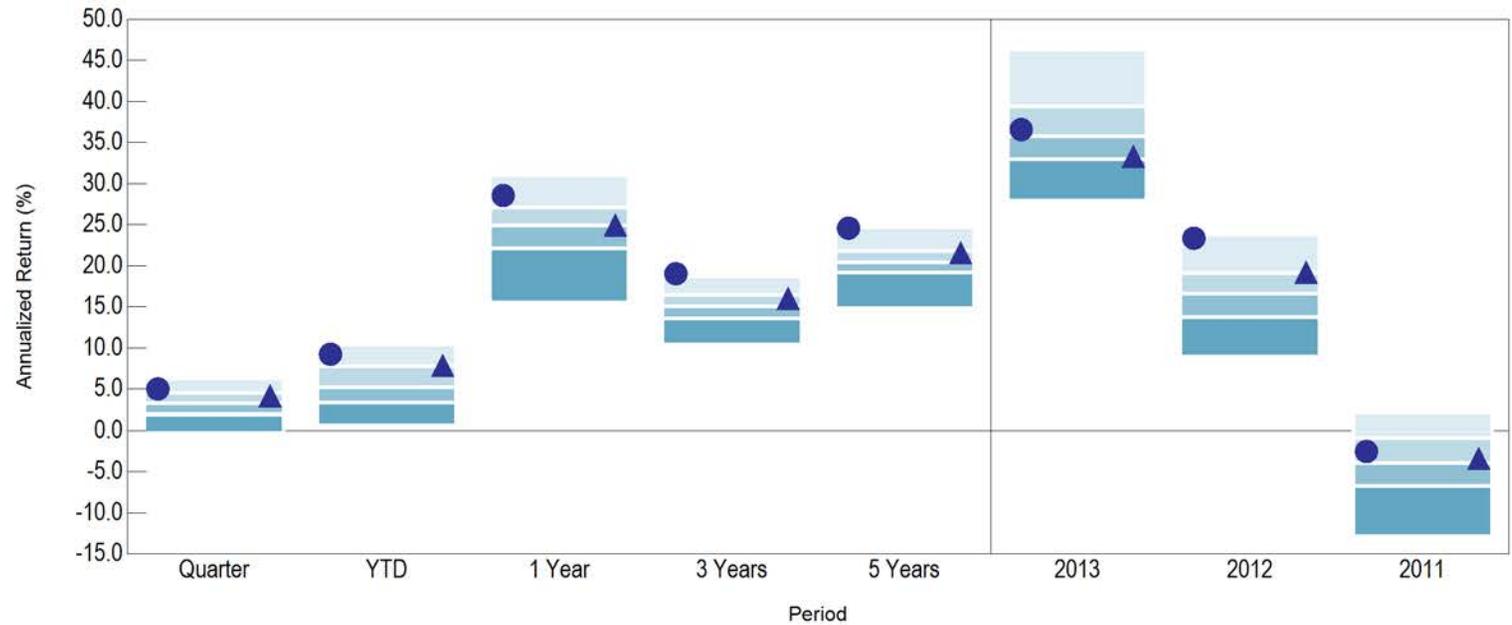
# Mid/Small Cap Value



# Mid/Small Cap Value

## Performance

Performance vs. Mercer Mutual Fund US Equity Small + Mid Value  
Ending June 30, 2014

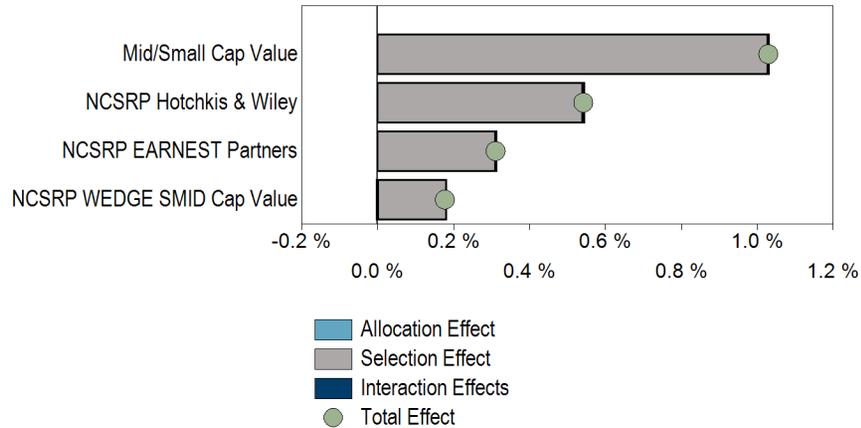


	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011	
<b>5th Percentile</b>	6.2	10.4	31.0	18.7	24.6	46.3	23.7	2.1								
<b>25th Percentile</b>	4.5	7.8	27.1	16.5	21.9	39.4	19.1	-0.9								
<b>Median</b>	3.3	5.3	25.0	15.1	20.4	35.8	16.7	-3.9								
<b>75th Percentile</b>	2.0	3.4	22.2	13.7	19.2	33.0	13.8	-6.7								
<b>95th Percentile</b>	-0.2	0.7	15.6	10.5	14.9	27.9	9.0	-12.8								
<b># of Portfolios</b>	149	144	137	116	106	139	138	156								
<b>● Mid/Small Cap Value</b>	5.0 (20)	9.2 (12)	28.5 (13)	19.0 (4)	24.6 (6)	36.6 (42)	23.3 (7)	-2.5 (39)								
<b>▲ Russell 2500 Value</b>	4.2 (34)	7.9 (25)	24.9 (51)	16.0 (32)	21.6 (30)	33.3 (75)	19.2 (24)	-3.4 (44)								

# Mid/Small Cap Value

## Attribution

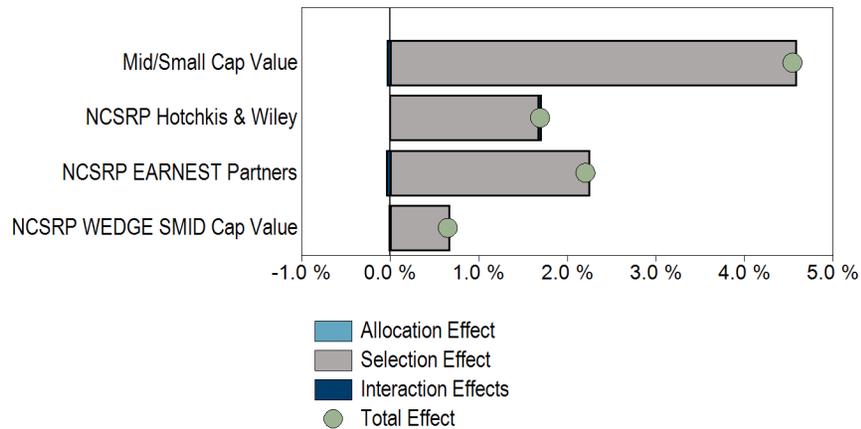
**Attribution Effects**  
3 Months Ending June 30, 2014



**Attribution Summary**  
3 Months Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRP Hotchkis & Wiley	5.8%	4.2%	1.6%	0.5%	0.0%	0.0%	0.5%
NCSRP EARNEST Partners	5.1%	4.2%	0.9%	0.3%	0.0%	0.0%	0.3%
NCSRP WEDGE SMID Cap Value	4.7%	4.2%	0.5%	0.2%	0.0%	0.0%	0.2%
<b>Total</b>	<b>5.2%</b>	<b>4.2%</b>	<b>1.0%</b>	<b>1.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>1.0%</b>

**Attribution Effects**  
1 Year Ending June 30, 2014

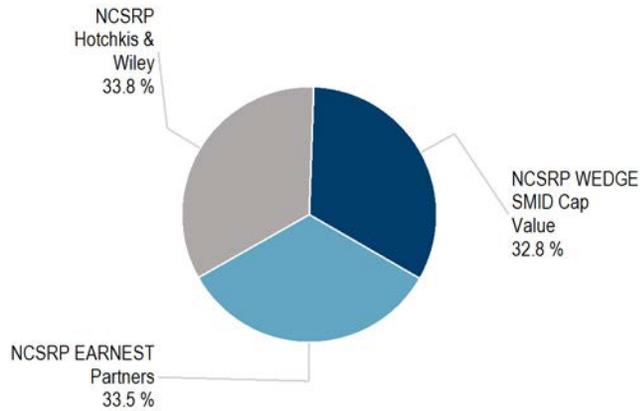


**Attribution Summary**  
1 Year Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRP Hotchkis & Wiley	29.9%	24.9%	5.0%	1.7%	0.0%	0.0%	1.7%
NCSRP EARNEST Partners	31.6%	24.9%	6.7%	2.2%	0.0%	0.0%	2.2%
NCSRP WEDGE SMID Cap Value	26.9%	24.9%	2.0%	0.7%	0.0%	0.0%	0.6%
<b>Total</b>	<b>29.5%</b>	<b>24.9%</b>	<b>4.5%</b>	<b>4.6%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>4.5%</b>

# Mid/Small Cap Value

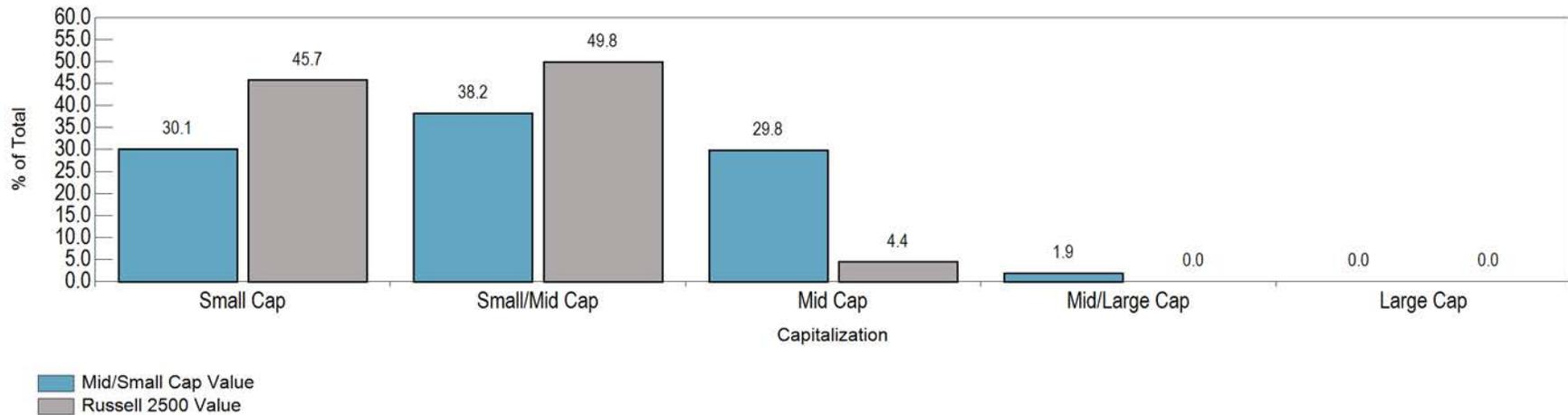
**Current Allocation**



**Characteristics**

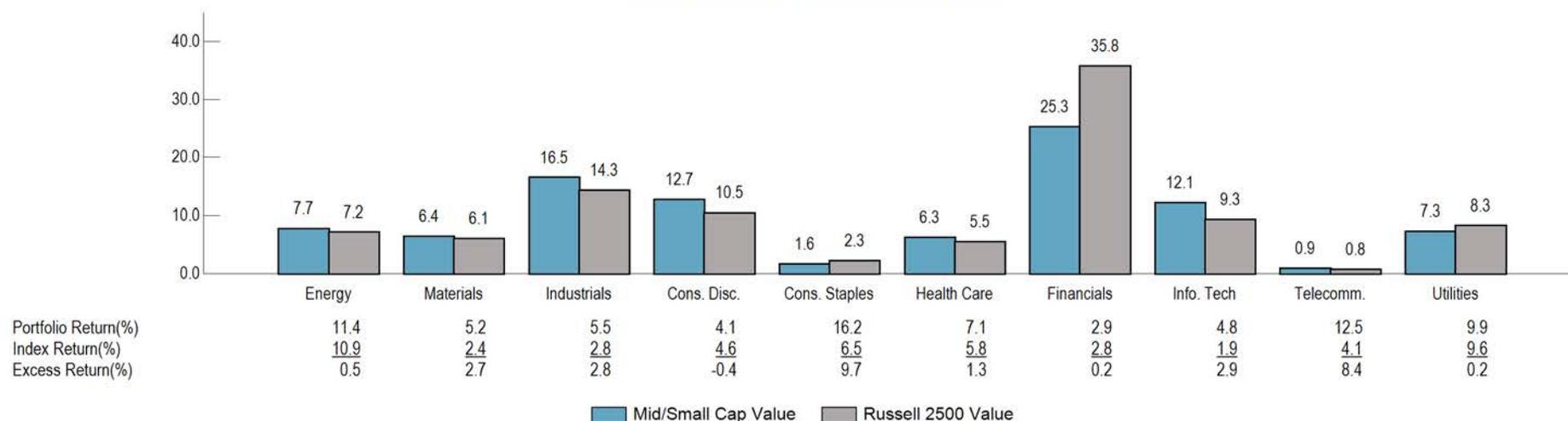
	Portfolio	Russell 2500 Value
Number of Holdings	247	1,686
Weighted Avg. Market Cap. (\$B)	7.28	3.77
Median Market Cap. (\$B)	3.45	0.97
Price To Earnings	21.29	20.44
Price To Book	2.52	1.95
Price To Sales	1.81	2.38
Return on Equity (%)	13.00	9.19
Yield (%)	1.64	1.72
Beta	1.14	1.00
R-Squared	0.96	1.00

**Market Capitalization As Of June 30, 2014**



## Mid/Small Cap Value

Sector Allocation (%) vs Russell 2500 Value



### Top Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
HILLSHIRE BRANDS (HSH)	0.00%		0.24%	67.76%
NEWFIELD EXPLORATION (NFX)	0.65%	0.28%	0.11%	40.94%
STANDEX (SXI)	0.16%	0.01%	0.05%	39.19%
PEPCO HOLDINGS (POM)	0.39%	0.33%	0.03%	35.50%
RUBY TUESDAY (RT)	0.14%	0.02%	0.05%	35.29%
PROTECTIVE LIFE (PL)	0.71%	0.26%	0.12%	32.45%
ENSIGN GROUP (ENSG)	0.12%	0.00%	0.04%	30.84%
PROVIDENCE SERVICE (PRSC)	0.23%		0.07%	29.38%
COMSTOCK RES. (CRK)	0.47%	0.07%	0.13%	26.82%
MOLSON COORS BREWING 'B' (TAP)	0.00%		0.25%	26.72%
<b>Total</b>	<b>2.87%</b>	<b>0.97%</b>		

### Bottom Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
COMVERSE (CNSI)	0.04%		-0.01%	-22.85%
CALLAWAY GOLF (ELY)	0.00%		-0.01%	-18.49%
HARTE-HANKS (HHS)	0.04%	0.02%	0.00%	-17.79%
COVANCE (CVD)	0.55%	0.02%	-0.12%	-17.63%
EBIX (EBIX)	0.00%		-0.01%	-15.78%
WADDELL & REED FINL.'A' (WDR)	0.13%		-0.02%	-14.56%
HERCULES OFFSHORE (HERO)	0.16%	0.03%	-0.01%	-12.42%
XILINX (XLNX)	0.50%		-0.07%	-12.29%
MB FINANCIAL (MBFI)	0.06%	0.07%	0.00%	-12.25%
PHH (PHH)	0.70%	0.06%	-0.08%	-11.07%
<b>Total</b>	<b>2.18%</b>	<b>0.20%</b>		

## Mid/Small Cap Value

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### Top Holdings Mid/Small Cap Value

	SMIDV Fund %	Hotchkis %	EARNEST %	WEDGE %	Index Weight%
GREAT PLAINS EN.	1.44%	3.35%		0.94%	0.20%
SUNTRUST BANKS	1.31%	3.88%			
CUMMINS	1.30%		3.90%		
BORGWARNER	1.28%		3.84%		
URS	1.27%			3.87%	0.15%
KEYCORP	1.22%	1.31%	2.31%		
ARRIS GROUP	1.13%	3.34%			
GOODYEAR TIRE & RUB.	1.12%	3.31%			
WILLIS GROUP HOLDINGS	1.10%	3.27%			
COBALT INTL.ENERGY	1.10%	3.26%			
<b>Total</b>	<b>12.27%</b>	<b>21.72%</b>	<b>10.05%</b>	<b>4.82%</b>	<b>0.35%</b>

## Manager Philosophy and Process

**Investment Philosophy** HWCM takes a fundamental, bottom-up approach to value investing. The firm seeks to exploit mispriced securities by investing in undiscovered or out of favor companies. The firm focuses on stocks where its estimate of the intrinsic value of future cash flows exceeds the market price.

**Investment Process** The investment process employed is team-based utilizing primarily in-house, fundamental research. The investment research staff is organized by industry and sector and supports all of the accounts managed in each of HWCM's investment strategies. Portfolio coordinators for each strategy ensure that the best thinking of the investment team is reflected in the "target portfolios." Investment ideas for the portfolio are generated by the investment team.

## Current Positioning

- Relative to the Russell Midcap Value the Fund is overweight information technology, consumer discretionary and energy
- The Fund is underweight financials, industrials and materials
- The top industries include allocations to commercial banks and insurance companies

## Quarterly Attribution

Positive Impact on Performance:

- Stock selection was the largest contributor, especially within information technology and utilities
- Overweight to information technology
- Underweight to materials

Negative Impact on Performance:

- Stock selection in consumer staples and energy
- Underweight to health care and overweight to consumer discretionary

## Portfolio Characteristics

Portfolio vs. Russell Midcap Value

Price/Normalized Earnings: 10.0

Price/Book: 1.5X

Price/Sales: 0.7X

Projected EPS Growth: 6.2%

Median Market Cap (millions): \$7,111

## Responsible Investment ESG Comment

ESG3 - HWCW does not explicitly incorporate ESG and active ownership practices into its investment process. The team does consider certain factors as the quality of management and potential litigation risks on environmental matters as part of the fundamental research, but the evaluation is just one input into the team's risk/reward assessment of a given stock.

## Summary Data Points

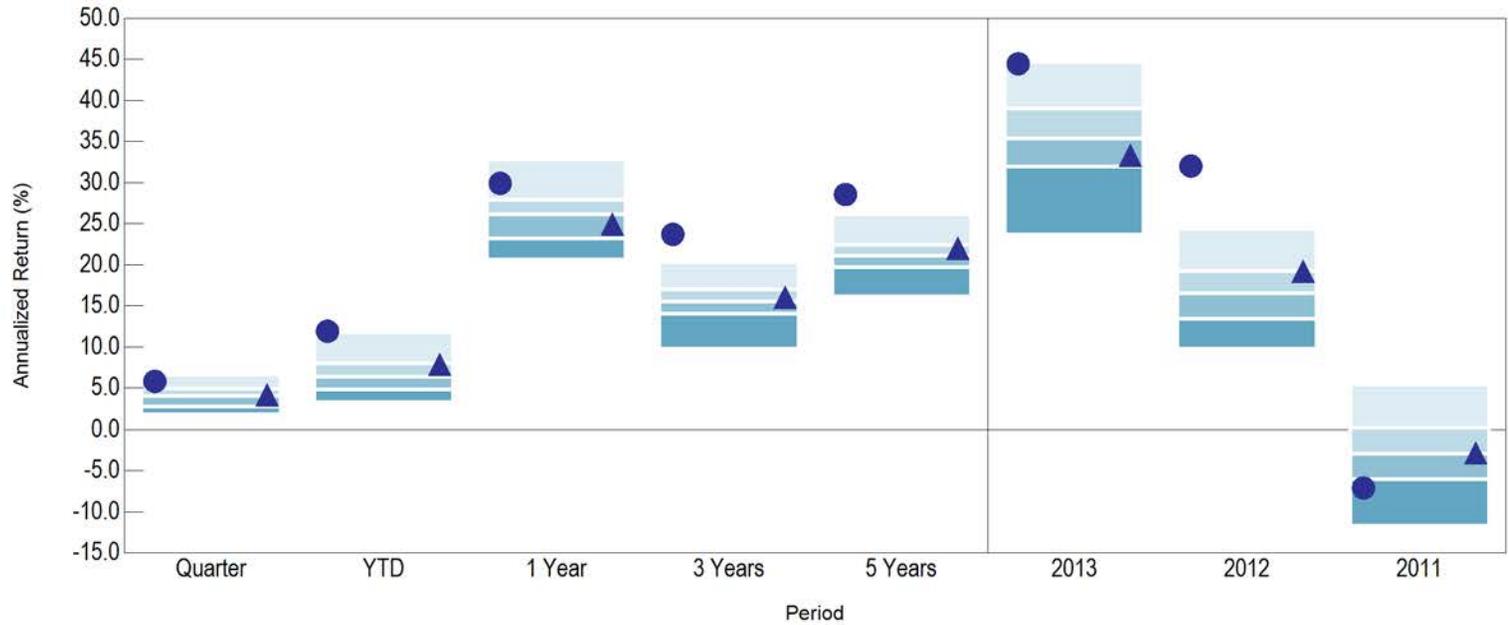
Mercer Rating: B+(T)

Manager Strategy Assets: \$3.6 billion

# NCSRP Hotchkis & Wiley

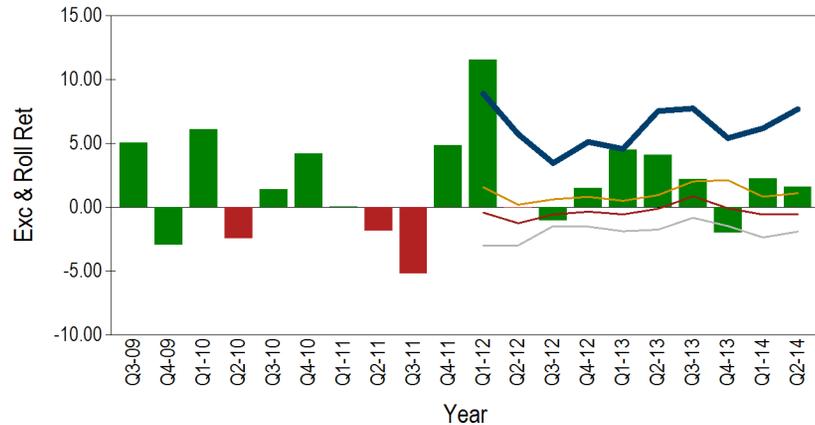
## Performance

Performance vs. Mercer Instl US Equity SMID Value  
Ending June 30, 2014



	Return (Rank)															
	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011	
5th Percentile	6.6	11.8	32.8	20.3	26.1	44.6	24.3	5.4								
25th Percentile	4.9	8.0	28.0	17.0	22.5	39.0	19.3	0.3								
Median	4.1	6.4	26.2	15.5	21.2	35.4	16.6	-2.9								
75th Percentile	2.8	4.9	23.2	14.1	19.7	32.0	13.4	-6.0								
95th Percentile	1.8	3.3	20.7	9.8	16.2	23.7	9.8	-11.6								
# of Portfolios	63	63	62	58	49	70	75	66								
● NCSRP Hotchkis & Wiley	5.8	(13)	11.9	(5)	29.9	(17)	23.7	(1)	28.5	(1)	44.5	(6)	32.0	(1)	-7.1	(77)
▲ Hotchkis Custom SMID Value Index	4.2	(49)	7.9	(28)	24.9	(58)	16.0	(39)	22.0	(38)	33.3	(70)	19.2	(26)	-2.8	(50)

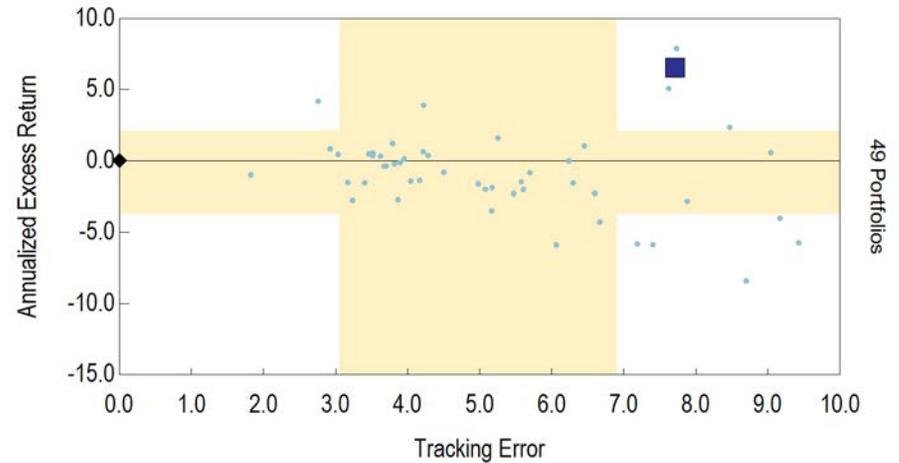
**Rolling 3 Year Excess Performance**  
NCSRP Hotchkis & Wiley vs. Hotchkis Custom SMID Value Index



**Characteristics**  
as of June 30, 2014

	Portfolio	Russell 2500 Value
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	17.82	20.44
P/E Excluding Negative Earnings	18.12	21.74
P/E Median	16.00	18.08
Price To Book	2.31	1.95
Price To Book Median	1.54	1.73
Price To Cash Flow	8.69	11.36
Price To Sales	1.27	2.38
Dividend Yield (%)	1.58	1.72
Weighted Ave. Market Cap. (\$B)	8.72	3.77
Median Market Cap. (\$B)	6.96	0.97
Beta	1.29	1.00

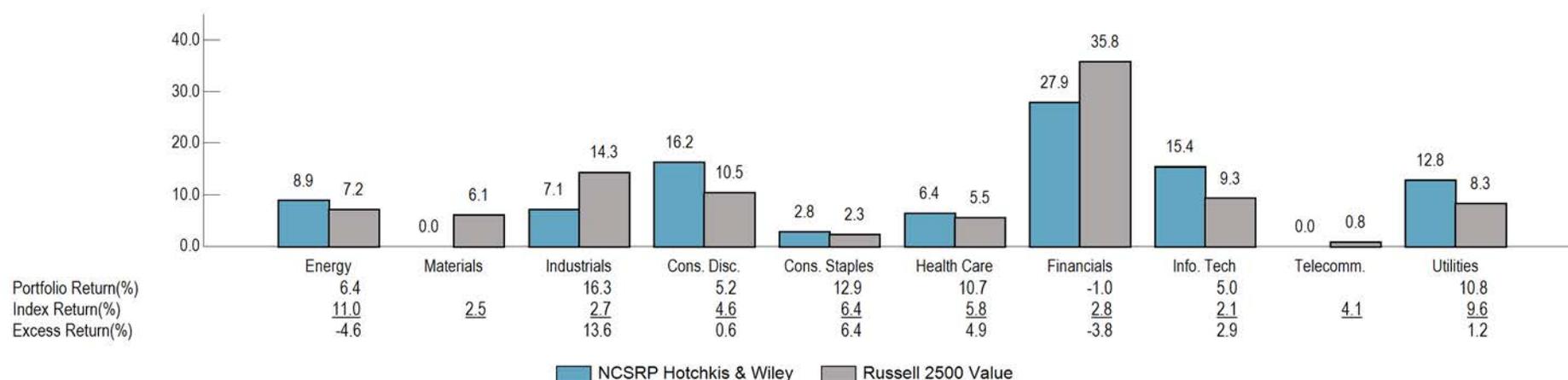
**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014



**Performance Attribution vs. Russell 2500 Value**  
Quarter Ending June 30, 2014

	Total			
	Effects	Selection	Allocation	Interaction
		Effect	Effect	Effects
Energy	-0.32%	-0.49%	0.08%	0.09%
Materials	0.10%	--	0.10%	--
Industrials	1.02%	2.10%	0.10%	-1.19%
Cons. Disc.	0.05%	0.05%	0.04%	-0.03%
Cons. Staples	0.34%	0.11%	0.10%	0.12%
Health Care	0.38%	0.24%	0.04%	0.10%
Financials	-0.84%	-1.45%	0.16%	0.45%
Info. Tech	0.36%	0.29%	-0.13%	0.19%
Telecomm.	0.00%	--	0.00%	--
Utilities	0.58%	0.09%	0.38%	0.11%
Cash	-0.14%	0.00%	0.00%	-0.14%
Unclassified	0.00%	--	0.00%	--
<b>Portfolio</b>	<b>1.53%</b>	<b>=</b>	<b>0.94%</b>	<b>+</b>
			<b>0.89%</b>	<b>+</b>
				<b>-0.30%</b>

Sector Allocation (%) vs Russell 2500 Value  
3 Months Ending June 30, 2014



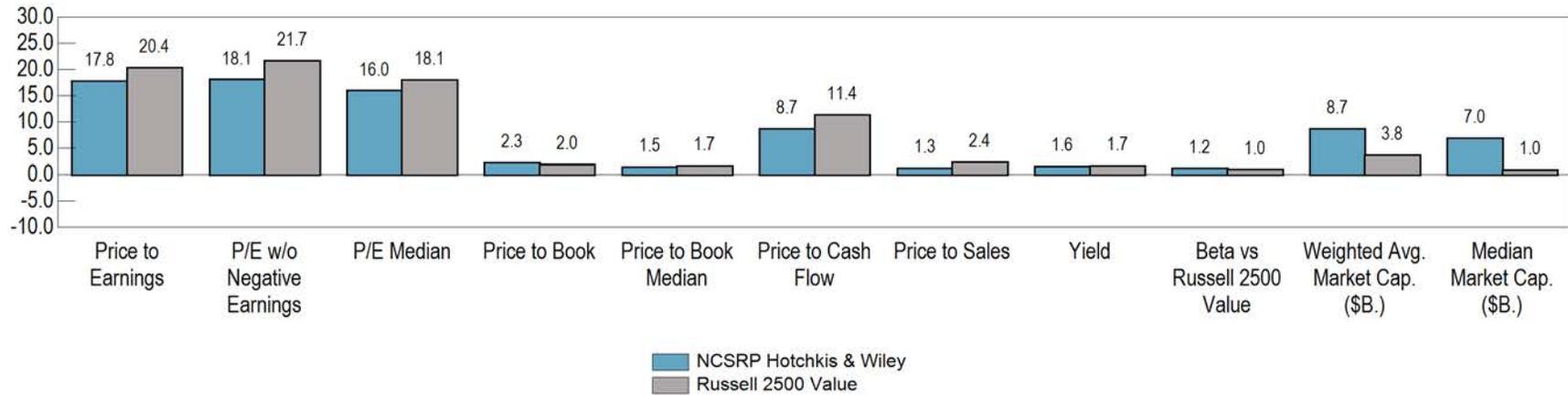
Top Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
PEPCO HOLDINGS (POM)	1.16%	0.33%	0.26%	35.50%
COMSTOCK RES. (CRK)	0.85%	0.07%	0.28%	26.82%
MOLSON COORS BREWING 'B' (TAP)	0.00%		0.73%	26.72%
JETBLUE AIRWAYS (JBLU)	1.06%	0.11%	0.16%	24.86%
CON-WAY (CNW)	2.99%	0.14%	0.62%	22.99%
CAIRN EN.UNSP.ADR 1:2 (CRNCY)	1.09%		0.20%	19.82%
BEST BUY (BBY)	0.62%		0.05%	18.09%
WELLCARE HEALTH PLANS (WCG)	0.88%	0.14%	0.12%	17.54%
NRG ENERGY (NRG)	2.24%		0.76%	17.48%
CDW (CDW)	2.03%		0.33%	16.36%
<b>Total</b>	<b>12.94%</b>	<b>0.78%</b>		

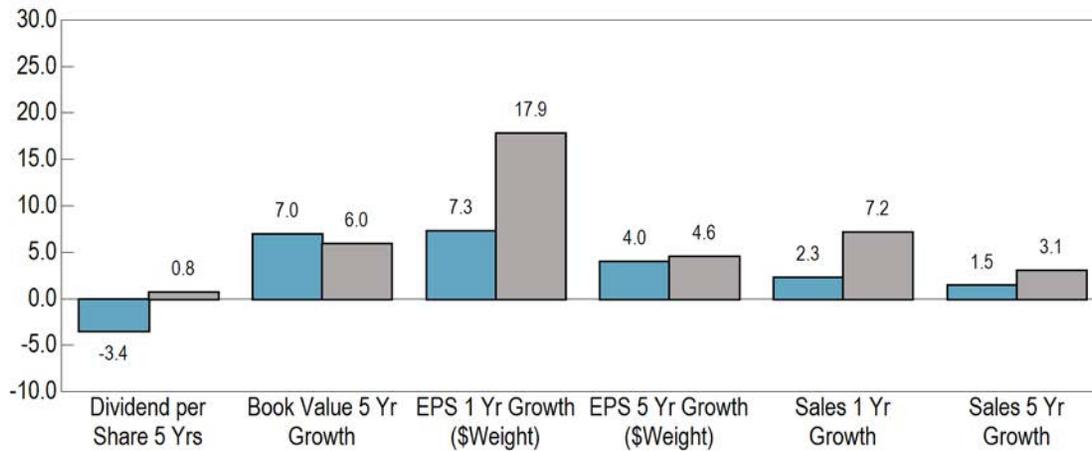
Bottom Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
COMVERSE (CNSI)	0.13%		-0.04%	-22.85%
PHH (PHH)	2.08%	0.06%	-0.26%	-11.07%
MARVELL TECH.GROUP (MRVL)	0.42%		-0.07%	-8.65%
KOHL'S (KSS)	2.99%		-0.19%	-6.58%
CA (CA)	1.03%		-0.06%	-6.44%
ZIONS BANCORP. (ZION)	1.81%	0.26%	-0.07%	-4.74%
BUNGE (BG)	2.04%		-0.06%	-4.50%
AVNET (AVT)	3.08%	0.23%	-0.13%	-4.44%
REGIONS FINL.NEW (RF)	3.03%		-0.11%	-3.97%
FIRST HORIZON NATIONAL (FHN)	1.79%	0.13%	-0.06%	-3.49%
<b>Total</b>	<b>18.38%</b>	<b>0.68%</b>		

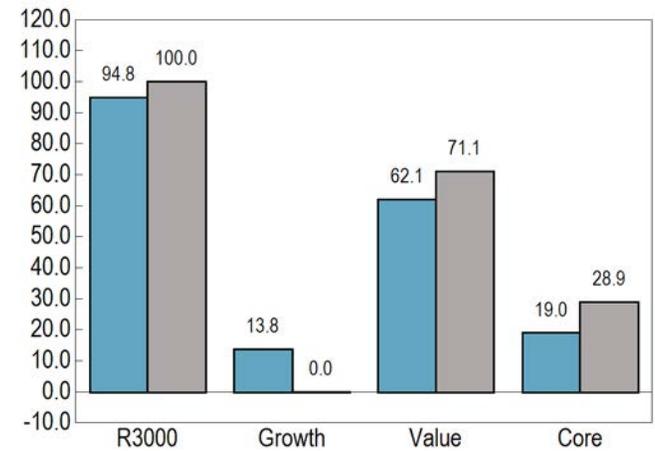
Portfolio Characteristics  
Ending June 30, 2014



Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014



## Manager Philosophy and Process

**Investment Philosophy** EARNEST Partners is a fundamental, bottom-up investment manager. The firm employs a disciplined investment philosophy that is rooted in the premise that stock price returns follow identifiable patterns. Its approach seeks to identify what factors drive each stock's returns. EARNEST does not subscribe to a deep value dogma, but rather ends up with a value-based portfolio as an outcome of the process.

**Investment Process** The investment process begins with an analysis of price return patterns of the universe of stocks within the Russell 2000 Value Index. EARNEST believes six drivers are the source of returns: valuation measures, operating trends, market trends, growth measures, profitability measures and macroeconomics. The Return Pattern Recognition (RPR) model seeks to identify what combination of factors (approximately 24 of them) is most predictive of return patterns for stocks across more than 30 industry clusters. The model serves as an idea generation tool and is not a driving element of the investment process. Attractive stocks that rank in the top quartile of the universe (approximately 150 names) are then subject to risk analysis to determine their contribution to overall portfolio risk. If the portfolio risk is acceptable, the team then conducts in-depth fundamental research, which incorporates assessing a company's competitive framework, evaluating management, scrutinizing financials, and analyzing the business environment to develop an investment thesis. The portfolio targets 60 names and turnover is approximately 30% per year. While there are no formal sector constraints, sector exposures are typically limited to twice the benchmark weight for larger sectors. Individual positions are limited to 5% of the portfolio.

## Current Positioning

The portfolio's sector positioning is a result of bottom-up stock selection. There were no major structural changes from the prior quarter.

As of June 30, 2014 and relative to the Russell 2000 Value Index:

- The portfolio held overweight allocations to the industrials, health care and information technology sectors
- The portfolio held underweight allocations to the consumer discretionary, financials and utilities sectors

## Quarterly Attribution

### Positive Impact on Performance:

- Overweight allocation to the energy sector and an underweight allocation to the financials sector
- Stock selection in the financials and information technology sectors

### Negative Impact on Performance:

- Significant overweight allocation to the industrials sector and an underweight allocation to the utilities sector
- Stock selection in the materials sector

## Characteristics

Number of holdings: 61  
Median Market Capitalization (millions): \$2,065  
Weighted Average Market Capitalization (millions): \$3,637  
P/E ratio: 19.3x (trailing 12-month)  
P/B ratio: 2.0x  
Earnings growth (5-year): 14.1  
Dividend Yield: 1.2%

## Responsible Investment ESG Comment

ESG4 - EARNEST does not explicitly incorporate ESG principles into its investment process. Each proxy vote is reviewed by both Institutional Investor Services on behalf of EARNEST Partners and by EARNEST Partners' proxy committee and cast by ISS consistent with best interests of client and plan participants

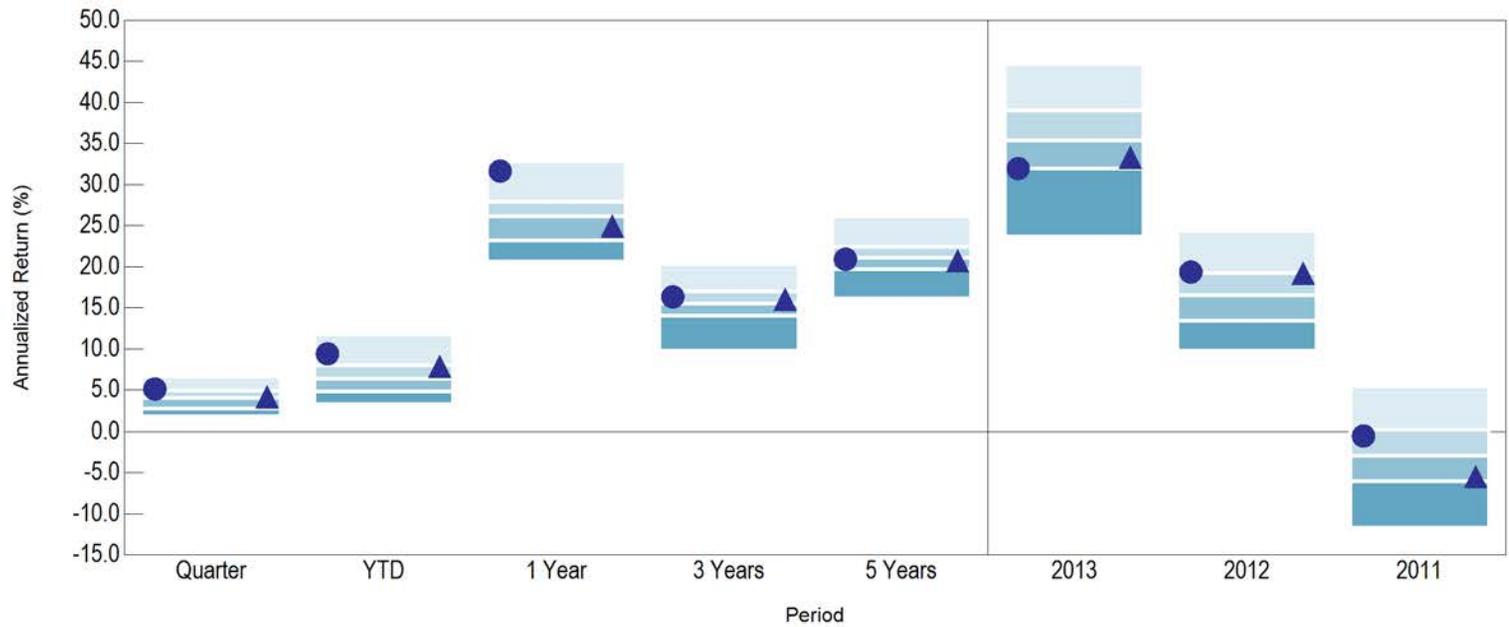
## Summary Data Points

Mercer Rating: B+  
Total Strategy AUM: \$3.4 Billion

# NCSRP EARNEST Partners

## Performance

Performance vs. Mercer Instl US Equity SMID Value  
Ending June 30, 2014

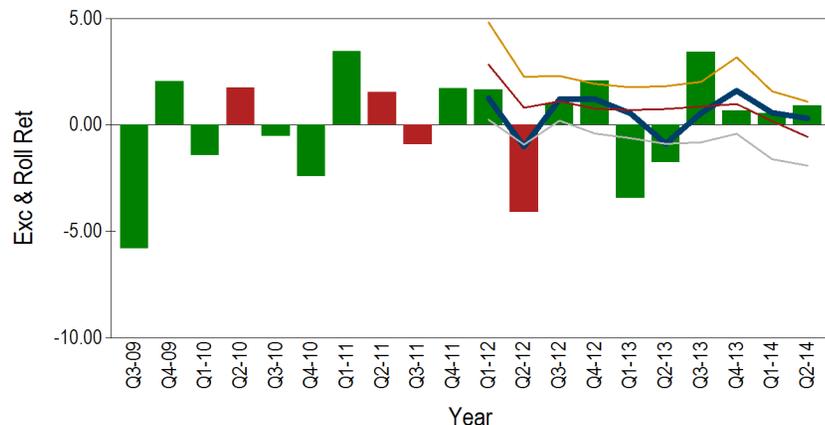


Return (Rank)

5th Percentile	6.6	11.8	32.8	20.3	26.1	44.6	24.3	5.4
25th Percentile	4.9	8.0	28.0	17.0	22.5	39.0	19.3	0.3
Median	4.1	6.4	26.2	15.5	21.2	35.4	16.6	-2.9
75th Percentile	2.8	4.9	23.2	14.1	19.7	32.0	13.4	-6.0
95th Percentile	1.8	3.3	20.7	9.8	16.2	23.7	9.8	-11.6
# of Portfolios	63	63	62	58	49	70	75	66
● NCSRP EARNEST Partners	5.1 (21)	9.4 (14)	31.6 (8)	16.3 (35)	20.9 (53)	31.9 (76)	19.3 (24)	-0.5 (31)
▲ EARNEST Custom SMID Value Index	4.2 (49)	7.9 (28)	24.9 (58)	16.0 (39)	20.7 (54)	33.3 (70)	19.2 (26)	-5.5 (71)

# NCSRP EARNEST Partners

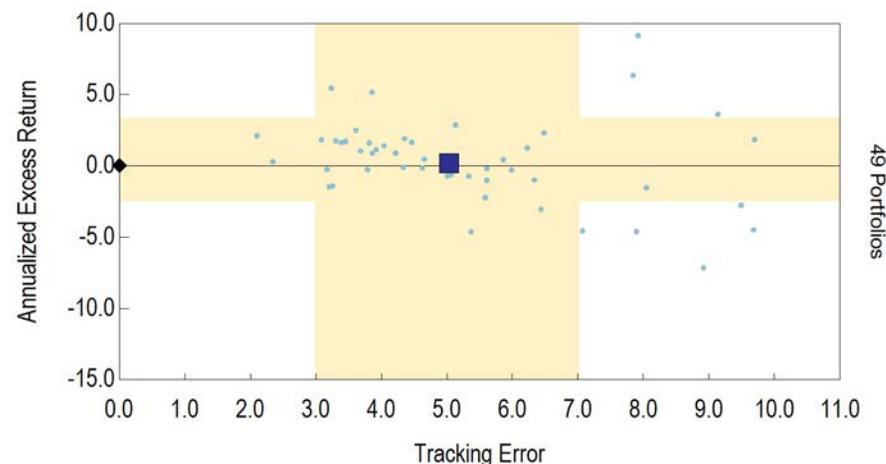
**Rolling 3 Year Excess Performance**  
NCSRP EARNEST Partners vs. EARNEST Custom SMID Value Index



**Characteristics**  
as of June 30, 2014

	Portfolio	Russell 2500 Value
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	23.38	20.44
P/E Excluding Negative Earnings	23.38	21.74
P/E Median	20.36	18.08
Price To Book	3.10	1.95
Price To Book Median	2.40	1.73
Price To Cash Flow	11.40	11.36
Price To Sales	1.96	2.38
Dividend Yield (%)	1.22	1.72
Weighted Ave. Market Cap. (\$B)	7.63	3.77
Median Market Cap. (\$B)	4.92	0.97
Beta	1.07	1.00

**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014

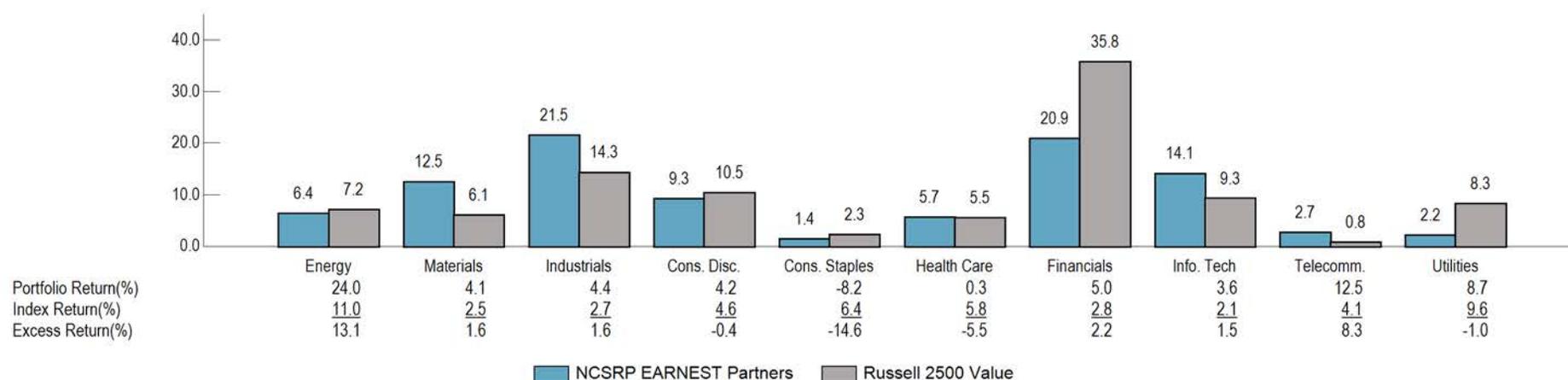


**Performance Attribution vs. Russell 2500 Value**  
Quarter Ending June 30, 2014

	Total	Selection	Allocation	Interaction
	Effects	Effect	Effect	Effects
Energy	0.58%	0.97%	-0.13%	-0.25%
Materials	0.09%	0.09%	-0.13%	0.13%
Industrials	0.23%	0.22%	-0.14%	0.14%
Cons. Disc.	-0.05%	-0.05%	0.00%	0.01%
Cons. Staples	-0.24%	-0.27%	0.00%	0.02%
Health Care	-0.32%	-0.28%	0.01%	-0.05%
Financials	0.72%	0.87%	0.25%	-0.40%
Info. Tech	0.12%	0.15%	-0.09%	0.06%
Telecomm.	0.21%	0.09%	-0.01%	0.14%
Utilities	-0.32%	-0.07%	-0.30%	0.05%
Cash	-0.15%	0.00%	0.00%	-0.15%
Unclassified	0.00%	--	0.00%	--
<b>Portfolio</b>	<b>0.87%</b>	<b>= 1.71%</b>	<b>+ -0.54%</b>	<b>+ -0.30%</b>

# NCSRP EARNEST Partners

Sector Allocation (%) vs Russell 2500 Value  
3 Months Ending June 30, 2014



## Top Returning Stocks

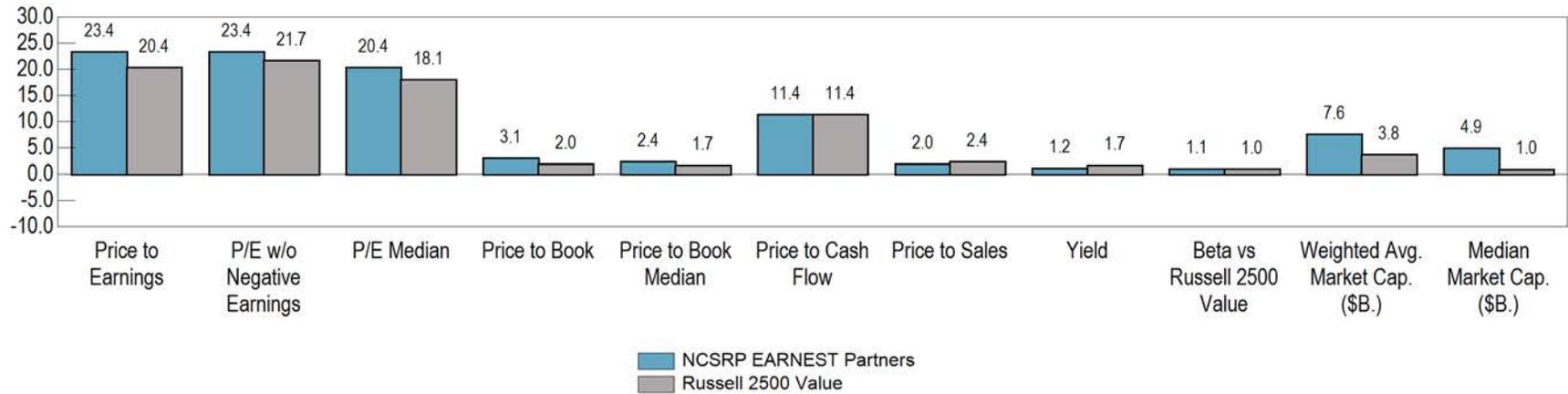
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
NEWFIELD EXPLORATION (NFX)	1.94%	0.28%	0.50%	40.94%
PROTECTIVE LIFE (PL)	2.13%	0.26%	0.48%	32.45%
CENTENE (CNC)	2.61%		0.48%	21.46%
SWIFT ENERGY (SFY)	0.54%	0.03%	0.09%	20.63%
ALLEGHENY TECHS. (ATI)	1.52%	0.23%	0.23%	20.23%
FLEXTRONICS INTL. (FLEX)	1.37%		0.24%	19.81%
NABORS INDUSTRIES (NBR)	2.11%	0.37%	0.29%	19.33%
CBRE GROUP CLASS A (CBG)	1.67%		0.25%	16.81%
TIMKEN (TKR)	2.23%	0.24%	0.28%	15.87%
WHITING PETROLEUM (WLL)	1.87%		0.27%	15.65%
<b>Total</b>	<b>17.96%</b>	<b>1.42%</b>		

## Bottom Returning Stocks

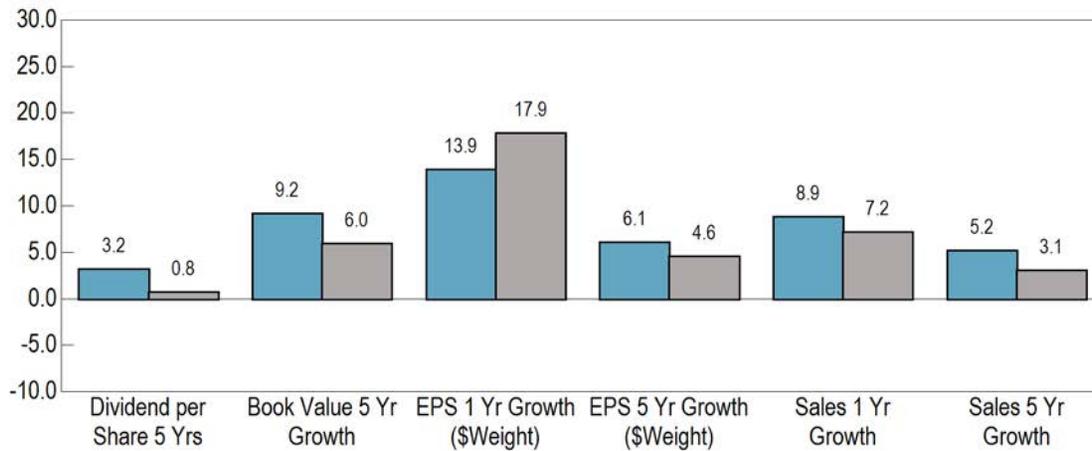
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
COVANCE (CVD)	1.63%	0.02%	-0.37%	-17.63%
XILINX (XLNX)	1.51%		-0.22%	-12.29%
CAI INTERNATIONAL (CAP)	0.85%	0.02%	-0.11%	-10.78%
RAYMOND JAMES FINL. (RJF)	1.54%	0.30%	-0.13%	-9.01%
UNITED NATURAL FOODS (UNFI)	1.44%		-0.14%	-8.21%
DARDEN RESTAURANTS (DRI)	1.02%		-0.09%	-7.84%
HNTGTN.INGALLS INDS. (HII)	1.76%	0.03%	-0.15%	-7.32%
SCOTT'S MIRACLE-GRO (SMG)	1.35%		-0.10%	-6.53%
MEDNAX (MD)	1.44%	0.09%	-0.09%	-6.18%
HEXCEL (HXL)	1.61%		-0.11%	-6.06%
<b>Total</b>	<b>14.14%</b>	<b>0.47%</b>		

# NCSRP EARNEST Partners

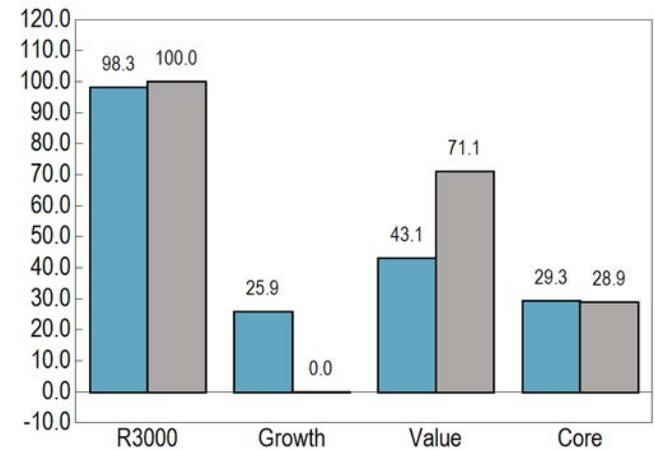
Portfolio Characteristics  
Ending June 30, 2014



Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014



## Manager Philosophy and Process

### Investment Style/Philosophy

The firm's philosophy is based on the premise that value investing produces superior investment returns over time and that quantitative analysis can increase the probability of investment success. Through fundamental and quantitative processes, the team seeks stocks that meet its value and quality criteria.

### Investment Process

The process begins with a universe of stocks within specific market cap guidelines (from \$1 billion to \$15 billion for Mid Cap Value, from \$250 million to \$2.5 billion for Small Cap Value, and from \$250 million to \$15 billion for Small/Mid Cap Value). WEDGE applies two proprietary models to narrow the initial universe of stocks. The fundamental value model sorts the eligible universe of stocks based on relative value, considering factors such as price/earnings ratios and dividend yield. The second model screens stocks based on relative financial quality, which includes factors such as profitability, leverage, and liquidity. Companies ranked in the top four deciles in the fundamental value model and in the top seven deciles of the financial quality model are candidates for fundamental research.

## Current Positioning

- Relative to the Russell 2500 Value Index, the Fund is overweight to the capital goods, transportation, and health care sectors
- The Fund is underweight to the financials, utilities, and energy sectors

## Quarterly Attribution

### Positive impact on performance:

- Underweight allocation to the financials sector
- Stock selection within the financials, information technology, and materials sectors

### Negative impact on performance:

- Stock selection within the consumer durables, health care, and transportation sectors

## Portfolio Characteristics

Median market capitalization (\$MM): \$2,228  
Weighted market capitalization (\$MM): \$5,920  
P/E Ratio: 15.6x  
P/B Ratio: 1.8x  
Earnings growth (5 year avg): 10.5%  
% turnover: 30%  
% cash: 2.4%  
Number of holdings: 148

## Responsible Investment ESG Comment

ESG2 - ESG2 (RI) - The ESG rating on WEDGE's Small Cap Value strategy was upgraded following a January 2011 meeting. In our opinion, this upgrade should also apply to the related Mid Cap Value and Small/Mid Cap Value strategies. The Small Cap Value upgrade was based on the following notions: \* The team has a keen understanding of how ESG factors can impact share prices, particularly governance \* ESG factors are integrated into the investment process for the purposes of risk management and identifying key growth opportunities. \* ESG factors have played into idea generation and portfolio construction. \* WEDGE encourages its analysts to consider each proxy vote carefully in the context of building shareholder value. \* Although WEDGE does not take an activist approach with company management, it will raise issues if necessary, particularly in terms of improving corporate governance.

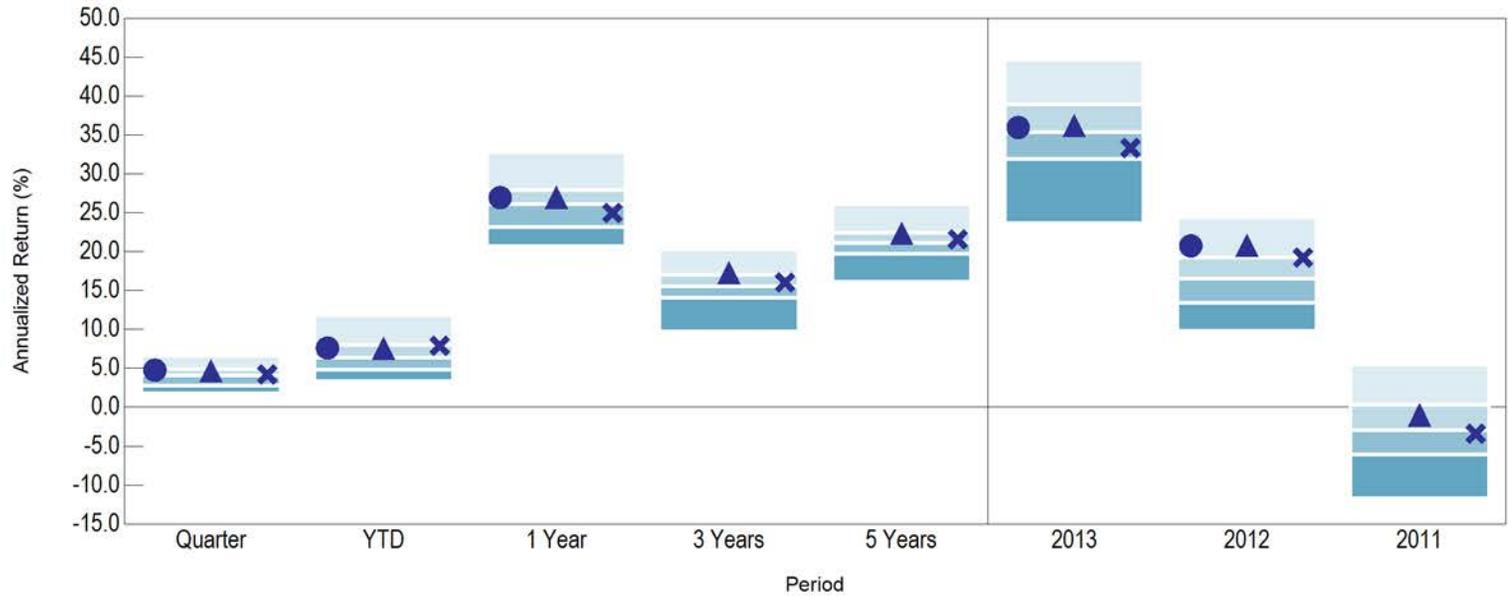
## Summary Data Points

Mercer Rating: B+  
Strategy AUM: \$583 million (as of March 31, 2014)

# NCSRP WEDGE SMID Cap Value

## Performance

Performance vs. Mercer Instl US Equity SMID Value  
Ending June 30, 2014

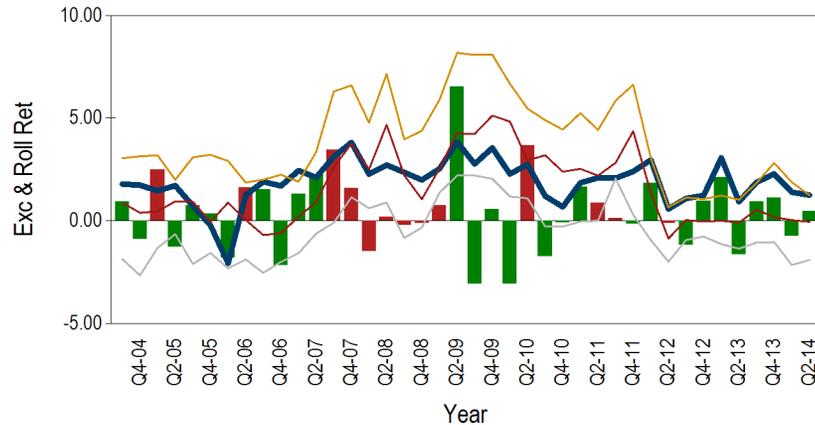


### Return (Rank)

5th Percentile	6.6	11.8	32.8	20.3	26.1	44.6	24.3	5.4
25th Percentile	4.9	8.0	28.0	17.0	22.5	39.0	19.3	0.3
Median	4.1	6.4	26.2	15.5	21.2	35.4	16.6	-2.9
75th Percentile	2.8	4.9	23.2	14.1	19.7	32.0	13.4	-6.0
95th Percentile	1.8	3.3	20.7	9.8	16.2	23.7	9.8	-11.6
# of Portfolios	63	63	62	58	49	70	75	66
● NCSRP WEDGE SMID Cap Value	4.7 (32)	7.6 (37)	26.9 (40)	-- (--)	-- (--)	36.0 (46)	20.7 (17)	-- (--)
▲ WEDGE SMID Cap Value Strategy	4.7 (36)	7.6 (38)	27.0 (38)	17.3 (22)	22.3 (34)	36.2 (45)	20.8 (17)	-1.0 (33)
✕ Russell 2500 Value	4.2 (49)	7.9 (28)	24.9 (58)	16.0 (39)	21.6 (46)	33.3 (70)	19.2 (26)	-3.4 (57)

# WEDGE SMID Cap Value Strategy

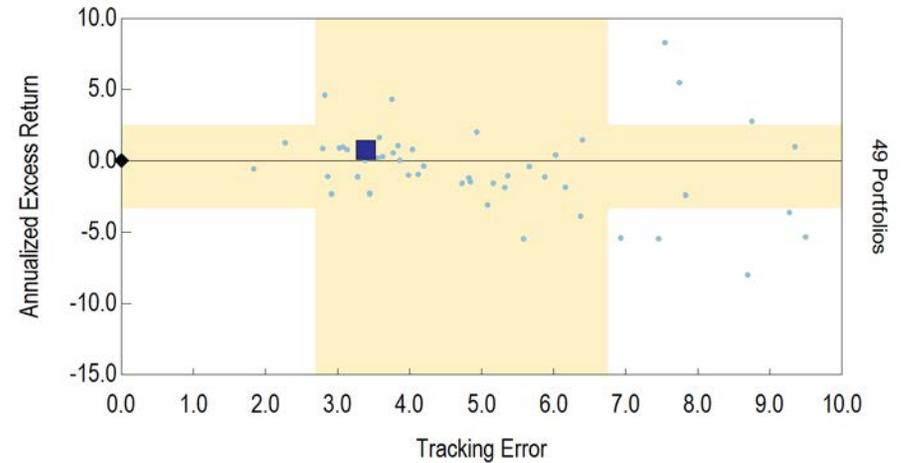
Rolling 3 Year Excess Performance  
WEDGE SMID Cap Value Strategy vs. Earnest Custom SMID Value Index



Characteristics  
as of June 30, 2014

	Portfolio	Russell 2500 Value
PORTFOLIO CHARACTERISTICS		
Price To Earnings	22.21	20.44
P/E Excluding Negative Earnings	23.52	21.74
P/E Median	18.33	18.08
Price To Book	2.16	1.95
Price To Book Median	1.84	1.73
Price To Cash Flow	10.58	11.36
Price To Sales	1.93	2.38
Dividend Yield (%)	2.14	1.72
Weighted Ave. Market Cap. (\$B)	5.44	3.77
Median Market Cap. (\$B)	2.22	0.97
Beta	1.04	1.00

Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2014

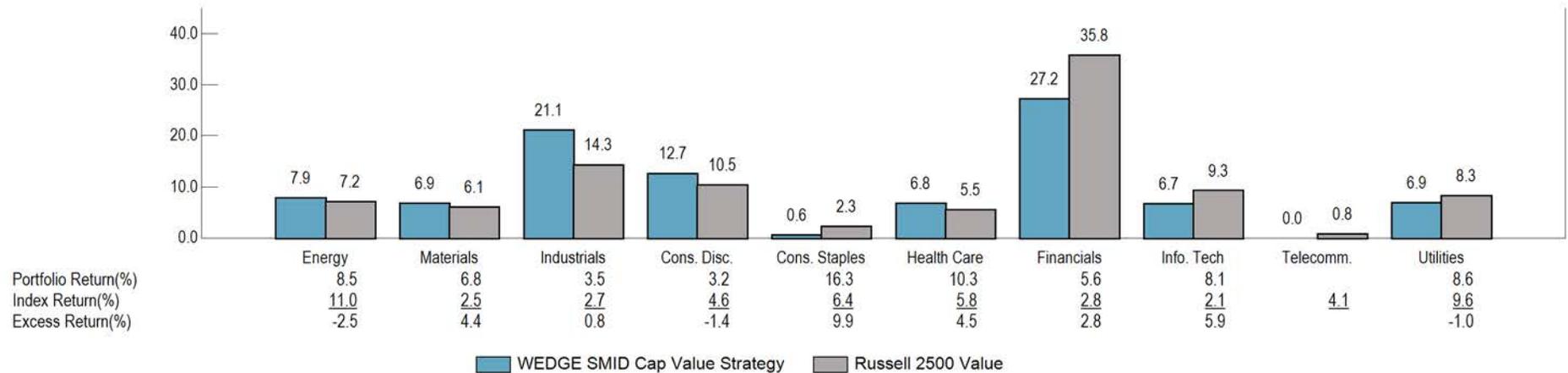


Performance Attribution vs. Russell 2500 Value  
Quarter Ending June 30, 2014

	Total Effects	Selection Effect	Attribution Effects Allocation Effect	Interaction Effects
Energy	-0.17%	-0.20%	0.02%	0.00%
Materials	0.30%	0.26%	-0.03%	0.08%
Industrials	0.03%	0.11%	-0.11%	0.04%
Cons. Disc.	-0.16%	-0.14%	0.01%	-0.03%
Cons. Staples	0.42%	0.28%	0.04%	0.11%
Health Care	0.33%	0.22%	0.04%	0.08%
Financials	0.88%	1.05%	0.16%	-0.33%
Info. Tech	0.48%	0.57%	0.06%	-0.14%
Telecomm.	0.00%	--	0.00%	--
Utilities	-0.11%	-0.08%	-0.04%	0.01%
Cash	-0.16%	0.00%	0.00%	-0.16%
Unclassified	0.00%	--	0.00%	--
<b>Portfolio</b>	<b>1.86%</b>	<b>= 2.06%</b>	<b>+ 0.14%</b>	<b>+ -0.34%</b>

# WEDGE SMID Cap Value Strategy

Sector Allocation (%) vs Russell 2500 Value  
3 Months Ending June 30, 2014



## Top Returning Stocks

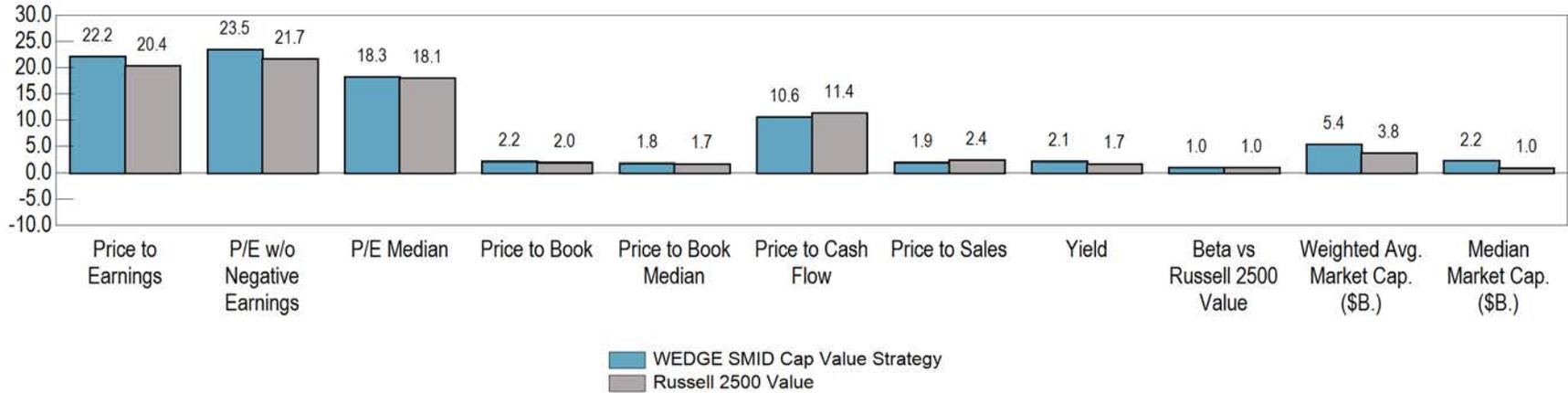
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
HILLSHIRE BRANDS (HSH)	0.00%		0.73%	67.76%
STANDEX (SXI)	0.48%	0.01%	0.18%	39.19%
RUBY TUESDAY (RT)	0.44%	0.02%	0.15%	35.29%
ENSIGN GROUP (ENSG)	0.35%	0.00%	0.11%	30.84%
PROVIDENCE SERVICE (PRSC)	0.71%		0.22%	29.38%
COMSTOCK RES. (CRK)	0.55%	0.07%	0.14%	26.82%
INTEGRATED DEVICE TECH. (IDTI)	0.75%	0.03%	0.19%	26.41%
INSIGHT ENTS. (NSIT)	0.25%	0.06%	0.04%	22.42%
BIG LOTS (BIG)	0.38%	0.09%	0.06%	20.68%
SWIFT ENERGY (SFY)	0.45%	0.03%	0.09%	20.63%
<b>Total</b>	<b>4.36%</b>	<b>0.30%</b>		

## Bottom Returning Stocks

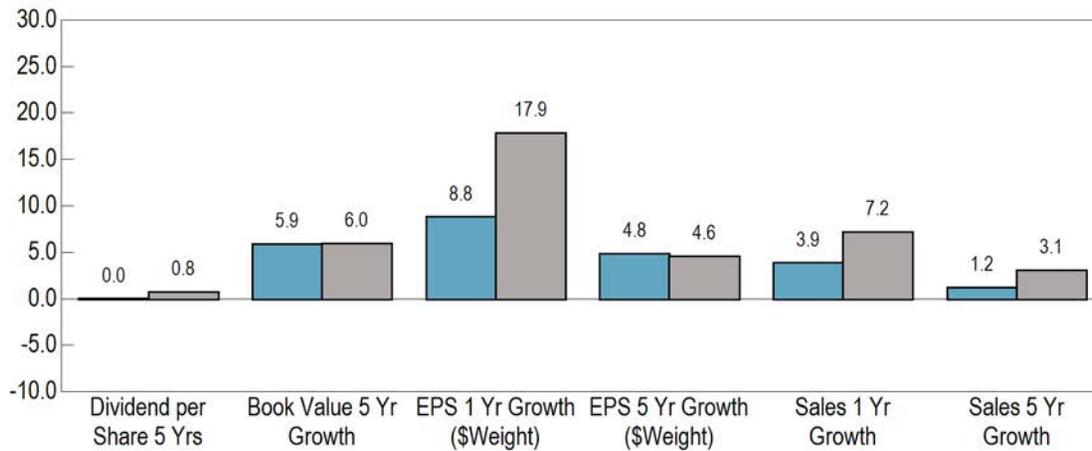
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
CALLAWAY GOLF (ELY)	0.00%		-0.05%	-18.49%
HARTE-HANKS (HHS)	0.13%	0.02%	-0.02%	-17.79%
EBIX (EBIX)	0.00%		-0.05%	-15.78%
WADDELL & REED FINL.'A' (WDR)	0.39%		-0.06%	-14.56%
HERCULES OFFSHORE (HERO)	0.48%	0.03%	-0.05%	-12.42%
MB FINANCIAL (MBFI)	0.18%	0.07%	-0.01%	-12.25%
PHH (PHH)	0.00%		0.01%	-11.07%
PEP BOYS MANNY MOE&JACK (PBY)	0.31%	0.03%	-0.03%	-9.91%
BERKSHIRE HILLS BANCORP (BHLB)	0.12%	0.03%	-0.01%	-9.58%
SPARTANNASH (SPTN)	0.43%	0.04%	-0.04%	-8.98%
<b>Total</b>	<b>2.03%</b>	<b>0.21%</b>		

# WEDGE SMID Cap Value Strategy

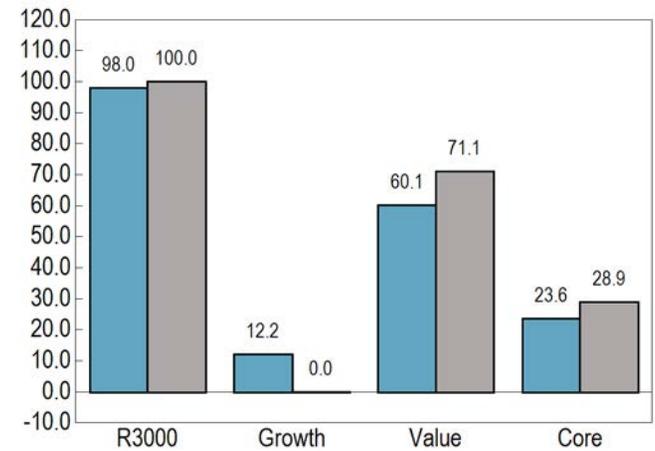
Portfolio Characteristics  
Ending June 30, 2014



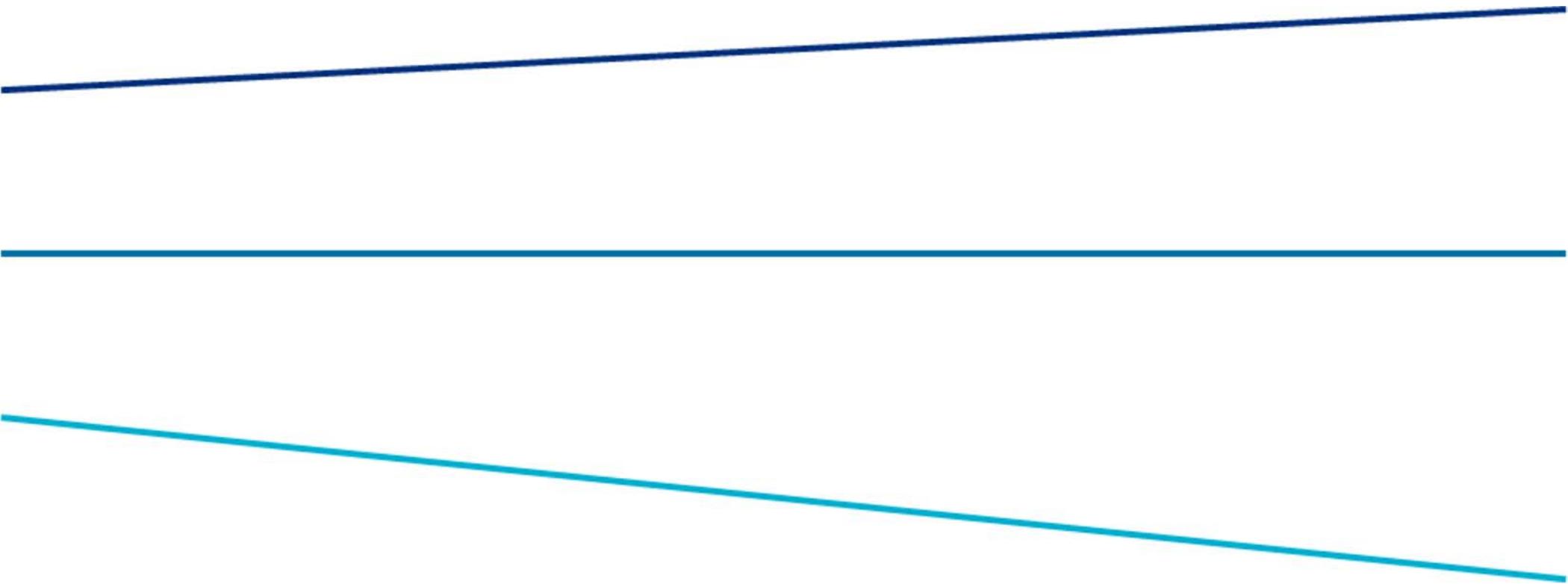
Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014



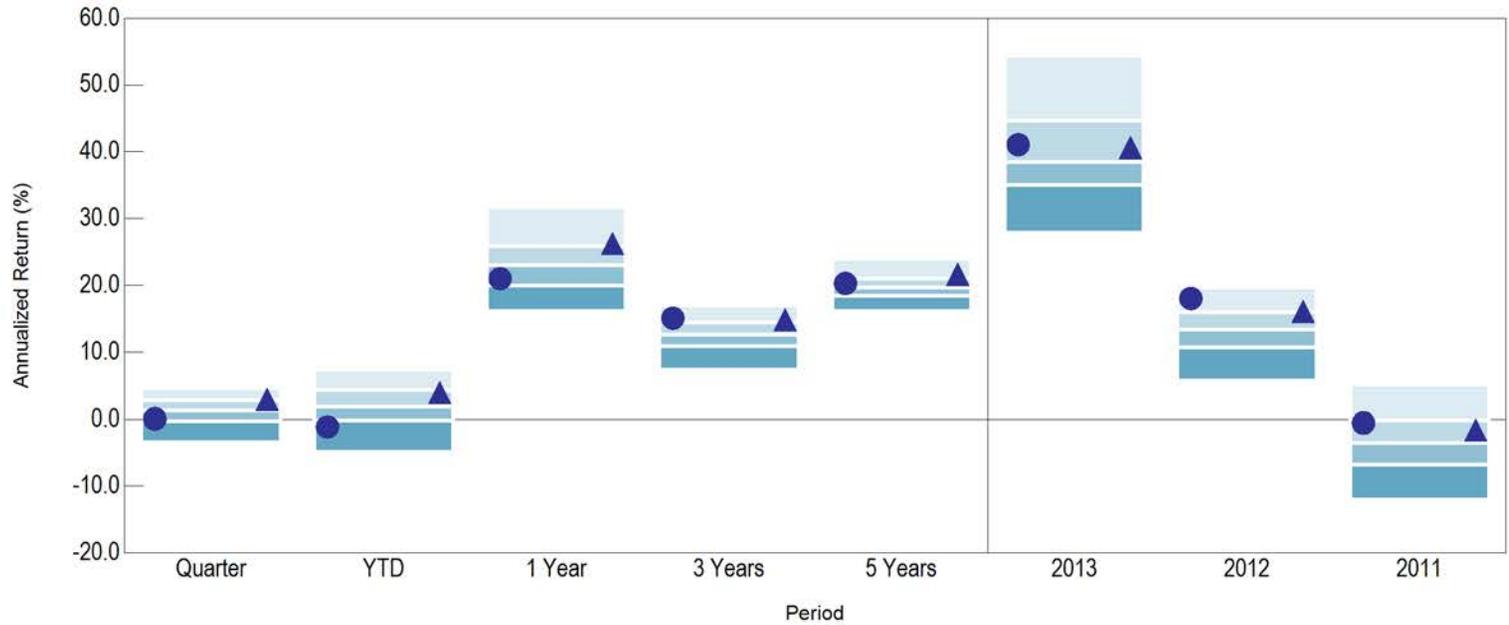
# Mid/Small Cap Growth



# Mid/Small Cap Growth

## Performance

Performance vs. Mercer Mutual Fund US Equity Small + Mid Growth  
Ending June 30, 2014



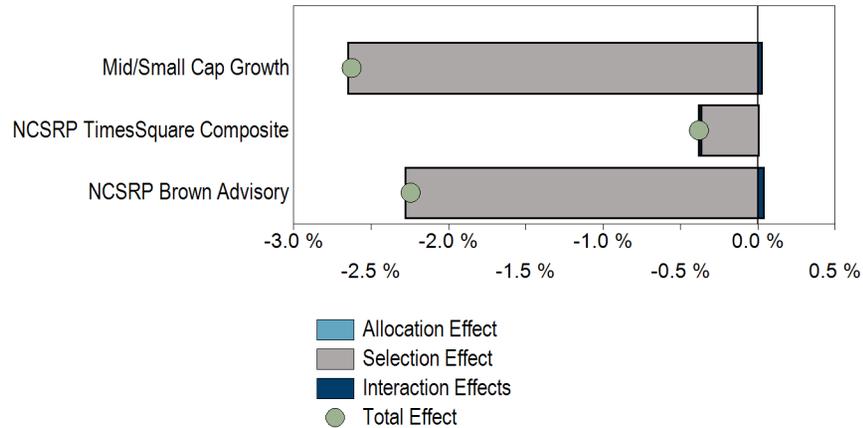
**Return (Rank)**

5th Percentile	4.5	7.3	31.6	16.9	23.9	54.4	19.7	5.2
25th Percentile	2.8	4.4	25.9	14.5	21.1	44.7	16.0	-0.1
Median	1.3	1.9	23.1	12.7	19.7	38.5	13.4	-3.5
75th Percentile	-0.2	-0.1	20.0	11.0	18.4	35.1	10.8	-6.7
95th Percentile	-3.3	-4.8	16.2	7.4	16.1	28.0	5.8	-12.0
# of Portfolios	290	288	274	257	241	261	276	261
● Mid/Small Cap Growth	0.0 (73)	-1.1 (81)	21.0 (70)	15.1 (20)	20.3 (39)	41.1 (41)	18.0 (11)	-0.6 (28)
▲ Russell 2500 Growth	2.9 (25)	4.0 (28)	26.3 (24)	14.9 (22)	21.7 (18)	40.7 (44)	16.1 (24)	-1.6 (36)

# Mid/Small Cap Growth

## Attribution

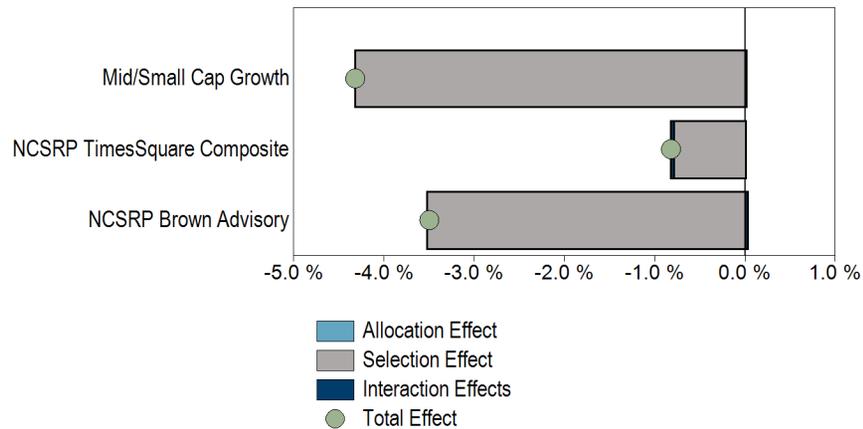
**Attribution Effects**  
3 Months Ending June 30, 2014



**Attribution Summary**  
3 Months Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRPTimesSquare Composite	2.2%	2.9%	-0.7%	-0.4%	0.0%	0.0%	-0.4%
NCSRPTBrown Advisory	-1.7%	2.9%	-4.6%	-2.3%	0.0%	0.0%	-2.2%
<b>Total</b>	<b>0.3%</b>	<b>2.9%</b>	<b>-2.6%</b>	<b>-2.6%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-2.6%</b>

**Attribution Effects**  
1 Year Ending June 30, 2014

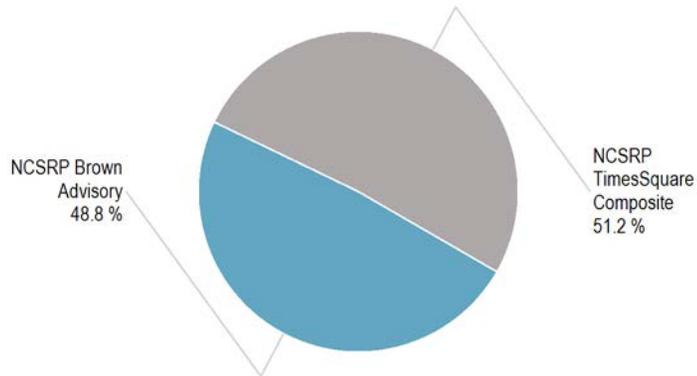


**Attribution Summary**  
1 Year Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRPTimesSquare Composite	24.6%	26.3%	-1.6%	-0.8%	0.0%	0.0%	-0.8%
NCSRPTBrown Advisory	19.2%	26.3%	-7.0%	-3.5%	0.0%	0.0%	-3.5%
<b>Total</b>	<b>21.9%</b>	<b>26.3%</b>	<b>-4.3%</b>	<b>-4.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-4.3%</b>

# Mid/Small Cap Growth

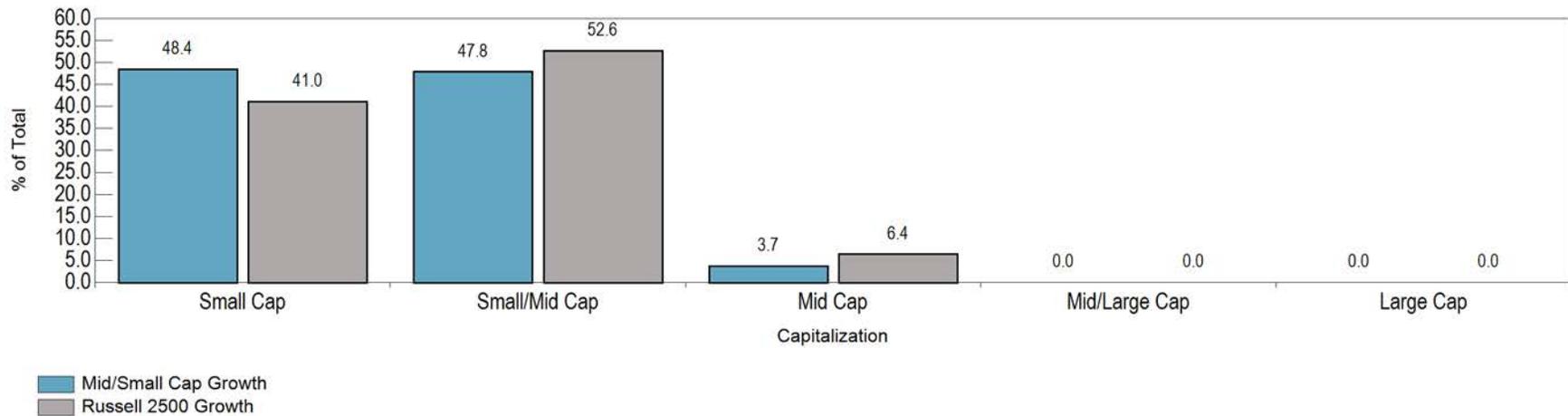
Current Allocation



Characteristics

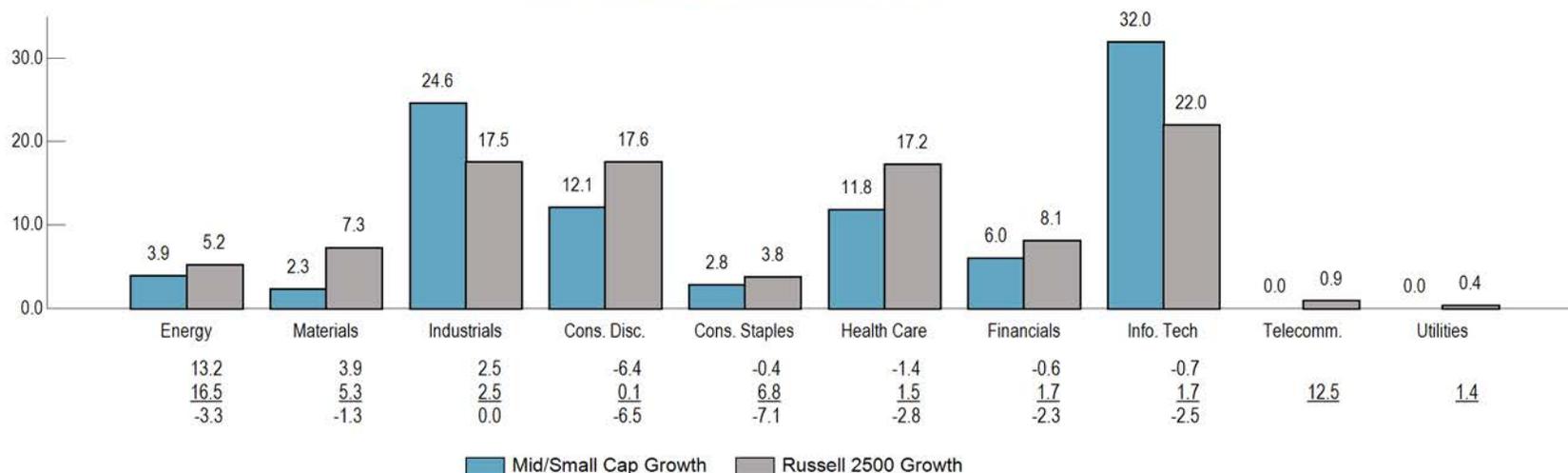
	Portfolio	Russell 2500 Growth
Number of Holdings	154	1,491
Weighted Avg. Market Cap. (\$B)	3.69	4.03
Median Market Cap. (\$B)	2.90	1.19
Price To Earnings	31.25	27.64
Price To Book	5.53	5.19
Price To Sales	3.87	3.10
Return on Equity (%)	15.07	17.54
Yield (%)	0.56	0.63
Beta	0.91	1.00
R-Squared	0.97	1.00

Market Capitalization As Of June 30, 2014



## Mid/Small Cap Growth

Sector Allocation (%) vs Russell 2500 Growth



Portfolio Return(%)  
Index Return(%)  
Excess Return(%)

Portfolio Return(%)	13.2	3.9	2.5	-6.4	-0.4	-1.4	-0.6	-0.7		
Index Return(%)	<u>16.5</u>	<u>5.3</u>	<u>2.5</u>	<u>0.1</u>	<u>6.8</u>	<u>1.5</u>	<u>1.7</u>	<u>1.7</u>	<u>12.5</u>	<u>1.4</u>
Excess Return(%)	-3.3	-1.3	0.0	-6.5	-7.1	-2.8	-2.3	-2.5		

Mid/Small Cap Growth Russell 2500 Growth

### Top Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
SUSSER HOLDINGS (SUSS)	0.87%	0.08%	0.18%	29.21%
HANESBRANDS (HBI)	0.48%	0.50%	0.01%	29.18%
ASBURY AUTOMOTIVE GP. (ABG)	0.48%	0.11%	0.08%	24.28%
AVIS BUDGET GROUP (CAR)	0.74%	0.32%	0.15%	22.57%
PEGASYSTEMS (PEGA)	1.34%	0.04%	0.20%	19.86%
LAREDO PETROLEUM (LPI)	0.61%	0.11%	0.09%	19.80%
SALIX PHARMS. (SLXP)	0.55%	0.40%	0.04%	19.05%
ENDOLOGIX (ELGX)	0.49%	0.05%	0.06%	18.18%
ROSETTA RESOURCES (ROSE)	0.54%	0.02%	0.06%	17.75%
FORUM ENERGY TECHS. (FET)	0.51%	0.04%	0.06%	17.59%
<b>Total</b>	<b>6.61%</b>	<b>1.65%</b>		

### Bottom Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
QUKSILVER (ZQK)	0.20%	0.02%	-0.57%	-52.33%
COMMVAULT SYSTEMS (CVLT)	0.53%	0.12%	-0.19%	-24.30%
STAGE STORES (SSI)	0.29%		-0.08%	-23.04%
INTACT.INTELLIGENCE GP. (ININ)	1.52%	0.05%	-0.41%	-22.58%
GNC HOLDINGS CL.A (GNC)	0.27%	0.16%	-0.10%	-22.20%
NEUSTAR 'A' (NSR)	0.30%	0.08%	-0.06%	-19.96%
CVNT (CVT)	0.08%	0.03%	-0.02%	-19.53%
ADVISORY BOARD (ABCO)	1.27%	0.10%	-0.27%	-19.30%
COVANCE (CVD)	1.07%	0.23%	-0.21%	-17.63%
SEATTLE GENETC. (SGEN)	0.41%	0.20%	-0.04%	-16.04%
<b>Total</b>	<b>5.93%</b>	<b>0.96%</b>		

## Mid/Small Cap Growth

---

### Top Holdings Mid/Small Cap Growth

	SMIDG Fund %	TimesSquare %	Brown %	Index Weight%
BROADRIDGE FINL.SLTN.	2.41%	1.53%	3.34%	0.25%
CORELOGIC	2.10%	1.49%	2.74%	
ULTIMATE SOFTWARE GP.	1.92%	2.03%	1.81%	0.20%
CORPORATE EXEC.BOARD	1.80%	1.55%	2.06%	0.12%
WASTE CONNECTIONS	1.73%		3.55%	0.18%
COSTAR GP.	1.67%	1.99%	1.34%	0.23%
HOMEAWAY	1.59%		3.26%	0.15%
INTACT.INTELLIGENCE GP.	1.52%		3.12%	0.05%
INFORMATICA	1.51%	0.67%	2.39%	0.18%
GLOBAL PAYMENTS	1.49%	1.26%	1.72%	0.26%
<b>Total</b>	<b>17.74%</b>	<b>10.51%</b>	<b>25.33%</b>	<b>1.62%</b>

## Manager Philosophy and Process

### Investment Philosophy

TimesSquare Capital Management (TSCM) believes in detailed fundamental research and attempts to identify companies with exceptional management teams, superior business models, and consistent growth rates. Buy and sell decisions emphasize valuation, which distinguishes TSCM from growth managers that simply seek out companies with high expected growth rates.

### Investment Process

TSCM's investable small-mid cap universe is defined by companies with market capitalizations between \$300 million and \$5 billion. The research process seeks to identify companies that have experienced, properly motivated management teams; distinct, sustainable competitive advantages within industry segments; and consistent top- and bottom-line growth rates. The working universe of small-mid cap stocks that meet those criteria is approximately 400 names. TSCM looks to purchase companies that have the potential to appreciate 25% to 50% over an 18-month period. The analysts primarily use PEG ratio analysis to evaluate the opportunity for appreciation relative to the current price. TSCM typically holds 90 to 120 names in the portfolio. Due to the high number of names, individual weights tend to be low. The team may over- or underweight sectors based on the fundamental research or outlook for the particular sector, but may not be more than twice the index weighting for major sectors. Turnover has historically averaged approximately

## Current Positioning

- The portfolio maintained its overweight positioning within the information technology sector and increased its overweight to the industrials sector
- The portfolio also maintained its underweight position in the consumer discretionary, health care, and materials sectors
- The portfolio's top three holdings are Ultimate Software Group, Solera Holdings, and Jack Henry and Associates; combined these account for 6.4% of the Fund.

## Quarterly Attribution

### Positive Contributors to Performance:

- An overweight allocation to the consumer staples and financials sectors
- Stock selection within the consumer discretionary sector

### Negative Contributors to Performance:

- Stock selection drove underperformance for the second consecutive quarter
- Selection within the consumer staples, energy, producer durables, and technology sectors

## Characteristics

Number of holdings: 96  
Median Market Cap: \$3,391 MM  
Weighted Avg Market Cap: \$3,941 MM  
P/E ratio: 20.0x  
P/B: 3.3x  
Yield: 0.9%  
Earnings Growth: 16.2%  
% Foreign: 2.7%

## Summary Data Points

ESG4 - TSCM has an investment style where it expects to own companies for the long-term. The firm believes that this style requires it to take seriously environmental, social, and governance standards in those investments to the extent that these factors influence intrinsic value. That influence is neither uniform nor static. At the same time, it is counterproductive to have hard rules about what constitutes those ESG aspects. TSCM applies a common sense approach to judge whether a company's standards are appropriate for inclusion in the portfolio, given its business valuation.

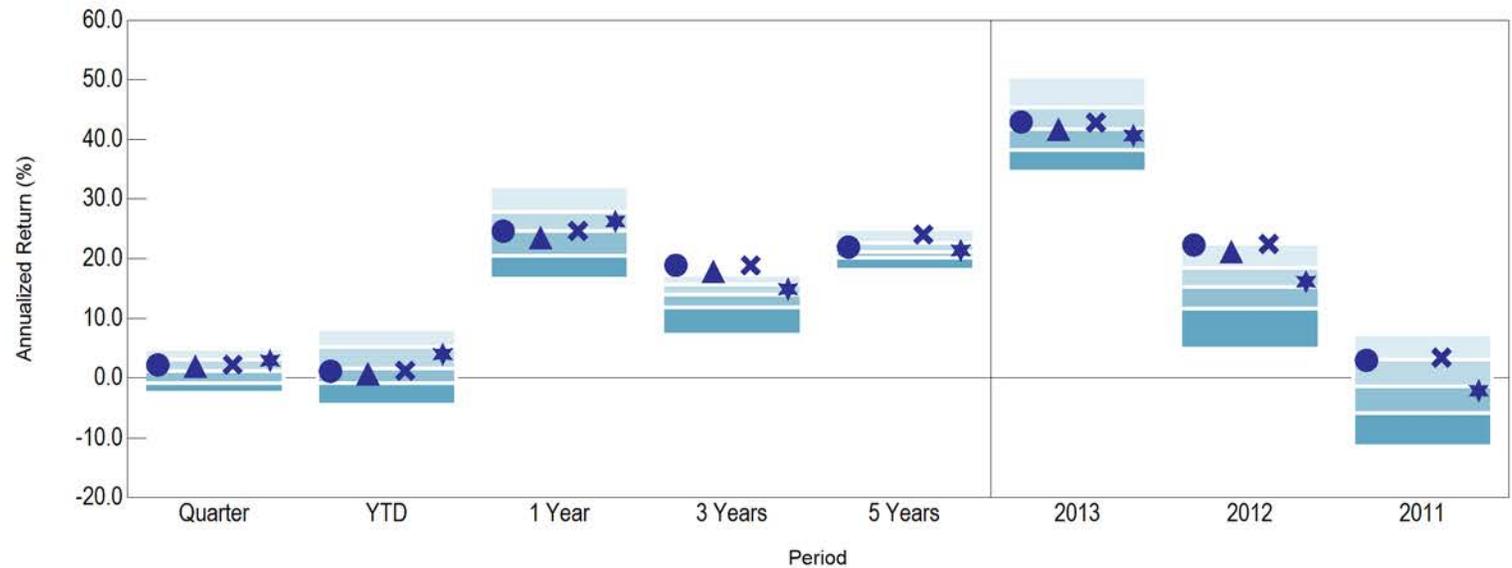
## Summary Data Points

Mercer Rating: A  
Manager Strategy Assets (billions): \$5.5

# NCSRP TimesSquare Composite

## Performance

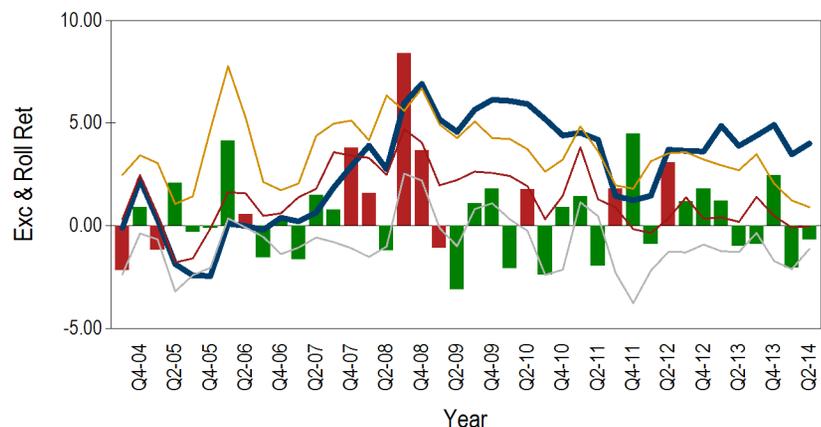
Performance vs. Mercer Instl US Equity SMID Growth  
Ending June 30, 2014



	Return (Rank)													
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011						
5th Percentile	4.9	8.2	32.1	17.2	24.9	50.4	22.5	7.3						
25th Percentile	3.2	5.3	27.9	15.7	22.6	45.5	18.5	3.1						
Median	1.2	1.6	24.7	14.0	21.2	41.8	15.3	-1.4						
75th Percentile	-0.8	-0.8	20.5	11.9	20.2	38.3	11.7	-5.9						
95th Percentile	-2.5	-4.5	16.7	7.3	18.2	34.6	4.9	-11.3						
# of Portfolios	52	52	52	48	48	64	65	78						
● NCSRP TimesSquare Composite	2.2 (32)	1.1 (54)	24.6 (54)	18.9 (3)	21.9 (36)	42.9 (42)	22.3 (8)	2.9 (26)						
▲ NCSRP TimesSquare SMID Growth	2.0 (37)	0.7 (60)	23.6 (60)	17.9 (4)	-- (--)	41.7 (51)	21.2 (11)	-- (--)						
✕ TimesSquare Growth Strategy	2.2 (32)	1.2 (51)	24.7 (52)	18.9 (3)	24.0 (15)	42.8 (43)	22.4 (7)	3.4 (23)						
★ TimesSquare Custom SMID Growth Index	2.9 (28)	4.0 (38)	26.3 (40)	14.9 (40)	21.4 (45)	40.6 (55)	16.1 (42)	-2.2 (59)						

# TimesSquare Growth Strategy

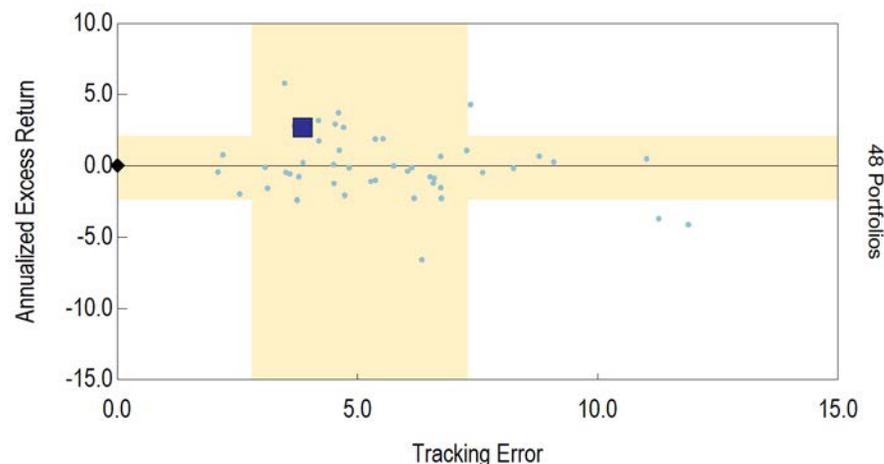
**Rolling 3 Year Excess Performance**  
TimesSquare Growth Strategy vs. TimesSquare Custom SMID Growth Index



**Characteristics**  
as of June 30, 2014

	Portfolio	Russell 2500 Growth
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	31.50	27.64
P/E Excluding Negative Earnings	31.51	29.00
P/E Median	25.64	22.98
Price To Book	5.67	5.19
Price To Book Median	3.92	3.58
Price To Cash Flow	18.11	16.34
Price To Sales	3.68	3.10
Dividend Yield (%)	0.71	0.63
Weighted Ave. Market Cap. (\$B)	3.89	4.03
Median Market Cap. (\$B)	3.35	1.19
Beta	0.98	1.00

**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014

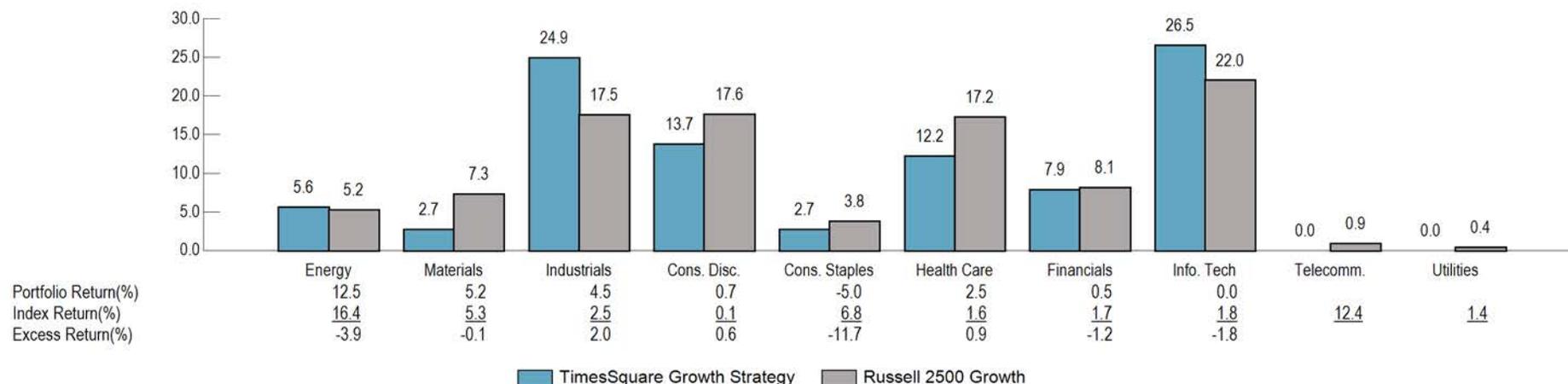


**Performance Attribution vs. Russell 2500 Growth**  
Quarter Ending June 30, 2014

	Total Effects	Selection Effect	Allocation Effect	Interaction Effects
Energy	-0.10%	-0.16%	0.07%	-0.01%
Materials	-0.12%	0.00%	-0.12%	0.00%
Industrials	0.54%	0.38%	0.00%	0.15%
Cons. Disc.	0.20%	0.13%	0.11%	-0.04%
Cons. Staples	-0.43%	-0.43%	0.03%	-0.03%
Health Care	0.16%	0.15%	0.07%	-0.06%
Financials	-0.08%	-0.09%	0.00%	0.01%
Info. Tech	-0.56%	-0.41%	-0.06%	-0.09%
Telecomm.	-0.10%	--	-0.10%	--
Utilities	0.01%	--	0.01%	--
Cash	-0.12%	0.00%	0.00%	-0.12%
Unclassified	0.00%	--	0.00%	--
<b>Portfolio</b>	<b>-0.61%</b>	<b>= -0.44%</b>	<b>+ 0.01%</b>	<b>+ -0.18%</b>

# TimesSquare Growth Strategy

Sector Allocation (%) vs Russell 2500 Growth  
3 Months Ending June 30, 2014



## Top Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
HANESBRANDS (HBI)	0.93%	0.50%	0.13%	29.18%
ASBURY AUTOMOTIVE GP. (ABG)	0.94%	0.11%	0.17%	24.28%
AVIS BUDGET GROUP (CAR)	1.44%	0.32%	0.37%	22.57%
LAREDO PETROLEUM (LPI)	1.19%	0.11%	0.20%	19.80%
SALIX PHARMS. (SLXP)	1.08%	0.40%	0.14%	19.05%
ROSETTA RESOURCES (ROSE)	1.06%	0.02%	0.15%	17.75%
FORUM ENERGY TECHS. (FET)	1.00%	0.04%	0.13%	17.59%
TIMKEN (TKR)	0.78%	0.02%	0.14%	15.87%
WHITING PETROLEUM (WLL)	0.00%		0.02%	15.65%
FLEETCOR TECHNOLOGIES (FLT)	0.00%		0.04%	14.51%
<b>Total</b>	<b>8.42%</b>	<b>1.50%</b>		

## Bottom Returning Stocks

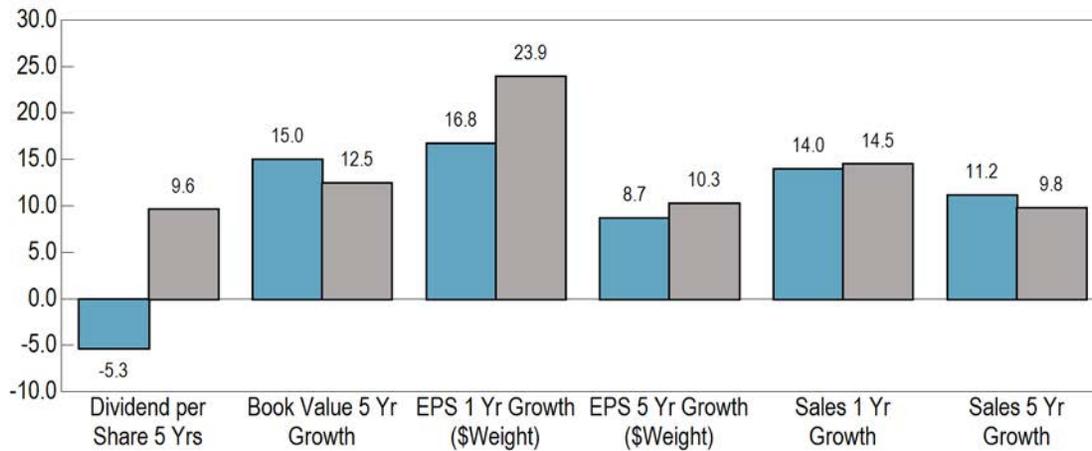
	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
COMMVAULT SYSTEMS (CVLT)	0.62%	0.12%	-0.16%	-24.30%
GNC HOLDINGS CL.A (GNC)	0.52%	0.16%	-0.25%	-22.20%
NEUSTAR 'A' (NSR)	0.58%	0.08%	-0.15%	-19.96%
ADVISORY BOARD (ABCO)	1.09%	0.10%	-0.22%	-19.30%
ANNIE'S (BNNY)	0.53%	0.03%	-0.09%	-15.85%
COSTAR GP. (CSGP)	1.99%	0.23%	-0.30%	-15.30%
QLIK TECHNOLOGIES (QLIK)	0.89%	0.10%	-0.14%	-14.93%
BEACON ROOFING SUPPLY (BECN)	0.72%	0.02%	-0.11%	-14.33%
WAGWORKS (WAGE)	0.84%	0.09%	-0.09%	-14.08%
ALSP.HLTHCR.SLTN. (MDRX)	1.01%	0.05%	-0.13%	-10.98%
<b>Total</b>	<b>8.77%</b>	<b>0.97%</b>		

# TimesSquare Growth Strategy

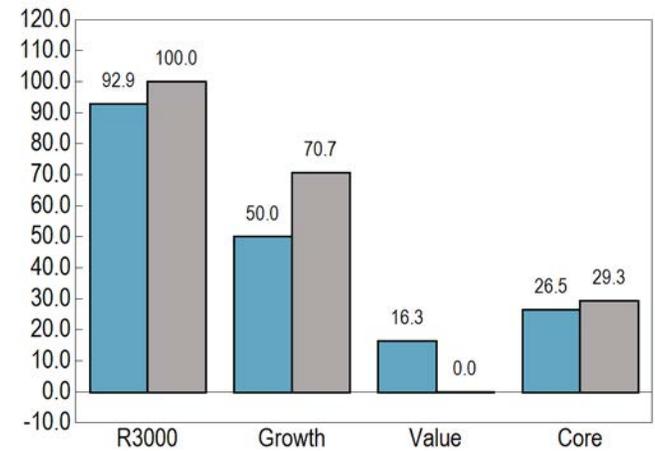
Portfolio Characteristics  
Ending June 30, 2014



Historical Growth Measures  
Ending June 30, 2014



Russell Index Membership (% Equity)  
Ending June 30, 2014



## Manager Philosophy and Process

**Investment Philosophy** The strategy seeks to produce superior risk-adjusted returns through a concentrated portfolio of diversified, small-capitalization equity securities of above average growth, sound management, and favorable competitive positioning. The strategy invests primarily in the common stock of small domestic growth companies, those whose market capitalizations are generally less than \$4 billion at the time of purchase. The manager employs a long-term investment philosophy and is focused on business fundamentals.

**Investment Process** When a potential new idea has been targeted, a small team of one to three people begin an intensive due diligence process that includes a number of investment meetings to discuss and debate the suitability of the idea for the portfolio. The team typically visit the company's headquarters to assess management and the organization's culture. Armed with this information, the team identify the primary value drivers for the organization and construct a detailed financial model. Then scenario based valuation analysis is conducted that places probabilities on potential future outcomes and assesses firm value accordingly.

The final step in introducing a new company into the portfolio is a formal investment team review. During these meetings, the small group that performed the primary due diligence on the company presents their findings to the firm's entire investment organization. Finally, a concise investment thesis is articulated, summarizing why a substantial increase in shareholder value should be achieved. The portfolio manager, Chris Berrier, determines the initial position weight based on a probabilistic assessment of risk versus reward, other investment alternatives, and numerous qualitative factors. The team maintains a simple, three factor sell discipline. A position is sold when the investment thesis is violated, when all present and future good news is discounted in the share price, or when a better investment opportunity presents itself.

## Current Positioning

- There were no significant structural changes to the portfolio during the quarter
- The strategy seeks to invest in companies that have strong growth and sustainability characteristics
- The portfolio has a large overweight to the information technology and industrials sectors

## Quarterly Attribution

### Positive Impact on Performance:

- Underweight to the consumer discretionary sector
- Underweight to the financials sector

### Negative Impact on Performance:

- Security selection in the consumer discretionary, health care and industrials sectors
- Underweight allocation to the energy sector
- Individual detractor: Interactive Intelligence Group

## Portfolio Characteristics

Number of holdings: 67

Median Market Capitalization (\$MM): \$2,606

Weighted Average Market Capitalization (\$MM): \$3,487

P/E ratio: 31.4x

P/B ratio: 3.5x

Earnings growth (5 year): 14.9%

Turnover: 26.8%

% cash: 4.7%

## Responsible Investment ESG Comment

ESG4 - No Comment Provided

## Summary Data Points

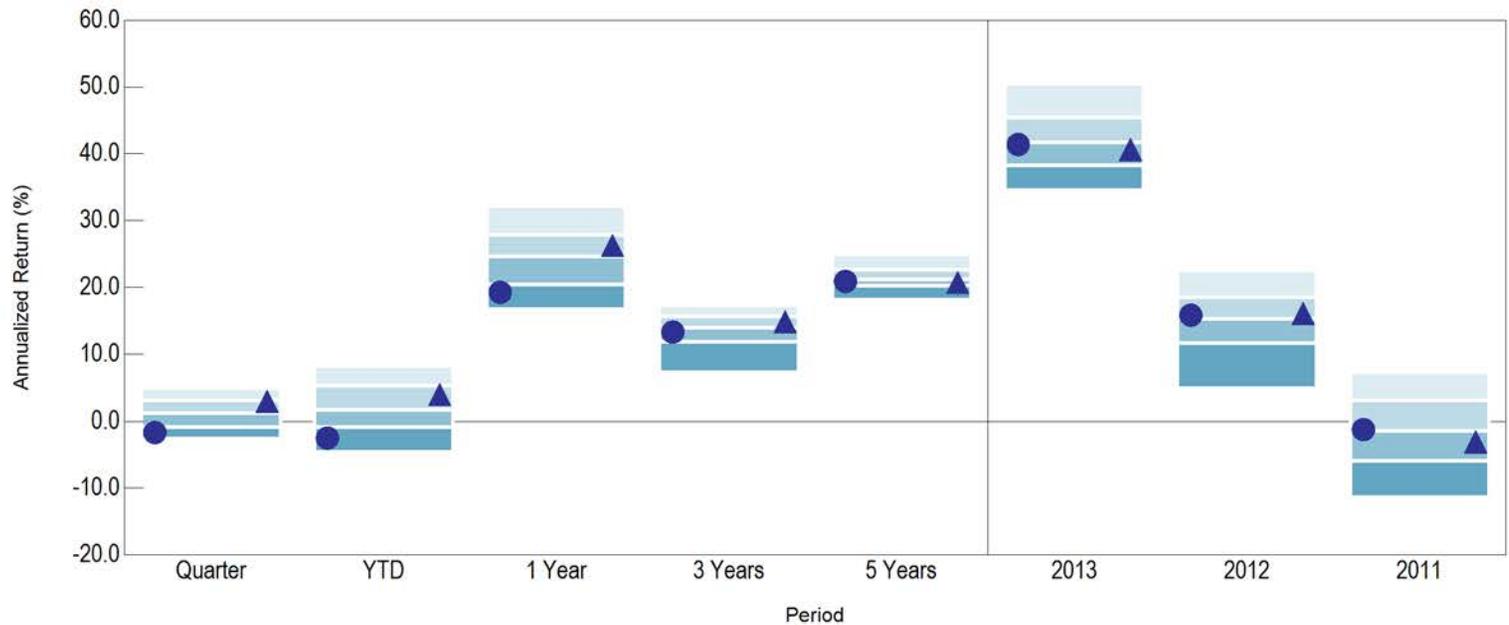
Mercer Rating: R

Strategy Assets (\$B): \$1.8 (as of March 31, 2014)

# NCSRP Brown Advisory

## Performance

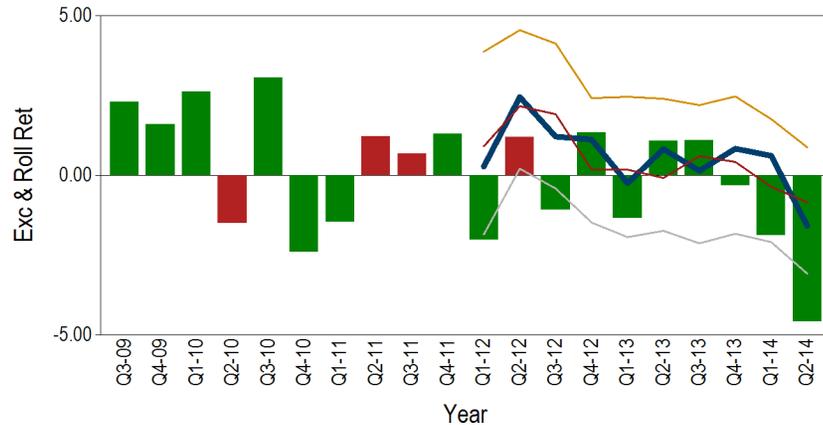
Performance vs. Mercer Instl US Equity SMID Growth  
Ending June 30, 2014



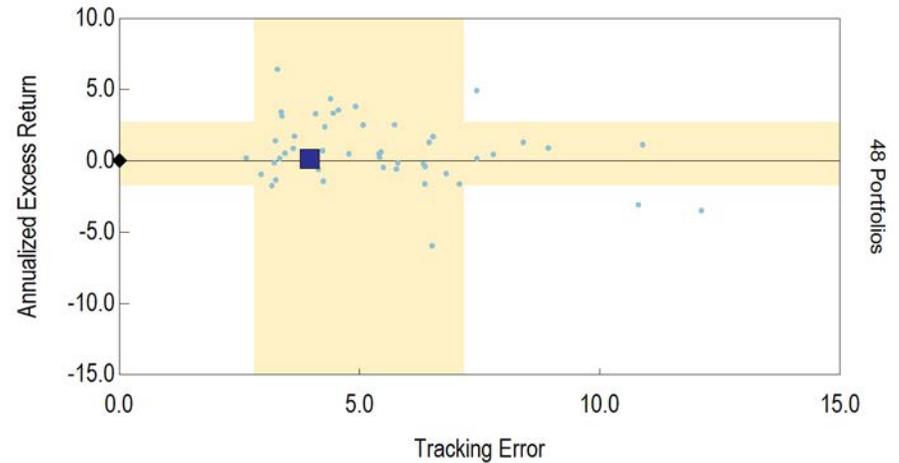
	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011	
<b>5th Percentile</b>	4.9	8.2	32.1	17.2	24.9	50.4	22.5	7.3								
<b>25th Percentile</b>	3.2	5.3	27.9	15.7	22.6	45.5	18.5	3.1								
<b>Median</b>	1.2	1.6	24.7	14.0	21.2	41.8	15.3	-1.4								
<b>75th Percentile</b>	-0.8	-0.8	20.5	11.9	20.2	38.3	11.7	-5.9								
<b>95th Percentile</b>	-2.5	-4.5	16.7	7.3	18.2	34.6	4.9	-11.3								
<b># of Portfolios</b>	52	52	52	48	48	64	65	78								
<b>● NCSRP Brown Advisory</b>	-1.7 (87)	-2.5 (89)	19.2 (82)	13.3 (59)	20.9 (63)	41.4 (52)	15.8 (44)	-1.2 (49)								
<b>▲ Brown Custom SMID Growth Index</b>	2.9 (28)	4.0 (38)	26.3 (40)	14.9 (40)	20.7 (65)	40.6 (55)	16.1 (42)	-3.1 (62)								

# NCSRP Brown Advisory

**Rolling 3 Year Excess Performance**  
NCSRP Brown Advisory vs. Brown Custom SMID Growth Index



**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014



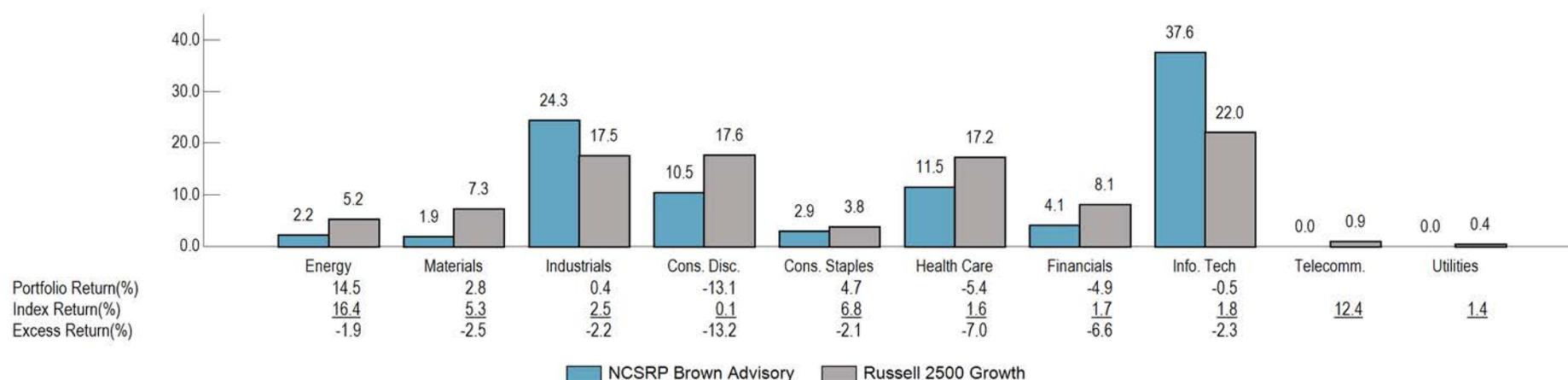
**Characteristics**  
as of June 30, 2014

	Portfolio	Russell 2500 Growth
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	30.93	27.64
P/E Excluding Negative Earnings	31.17	29.00
P/E Median	26.37	22.98
Price To Book	4.98	5.19
Price To Book Median	3.98	3.58
Price To Cash Flow	19.48	16.34
Price To Sales	4.01	3.10
Dividend Yield (%)	0.41	0.63
Weighted Ave. Market Cap. (\$B)	3.48	4.03
Median Market Cap. (\$B)	2.47	1.19
Beta	0.97	1.00

**Performance Attribution vs. Russell 2500 Growth**  
Quarter Ending June 30, 2014

	Total Effects		Selection Effect		Allocation Effect		Interaction Effects
Energy	-0.37%		-0.06%		-0.33%		0.03%
Materials	-0.18%		-0.16%		-0.13%		0.12%
Industrials	-0.57%		-0.41%		-0.02%		-0.14%
Cons. Disc.	-1.52%		-2.48%		0.15%		0.81%
Cons. Staples	-0.11%		-0.08%		-0.01%		-0.02%
Health Care	-0.78%		-1.17%		0.04%		0.34%
Financials	-0.12%		-0.48%		0.05%		0.31%
Info. Tech	-0.91%		-0.49%		-0.08%		-0.34%
Telecomm.	-0.09%		--		-0.09%		--
Utilities	0.01%		--		0.01%		--
Cash	-0.18%		0.00%		0.00%		-0.18%
Unclassified	0.00%		--		0.00%		--
<b>Portfolio</b>	<b>-4.82%</b>	<b>=</b>	<b>-5.32%</b>	<b>+</b>	<b>-0.42%</b>	<b>+</b>	<b>0.92%</b>

Sector Allocation (%) vs Russell 2500 Growth  
3 Months Ending June 30, 2014



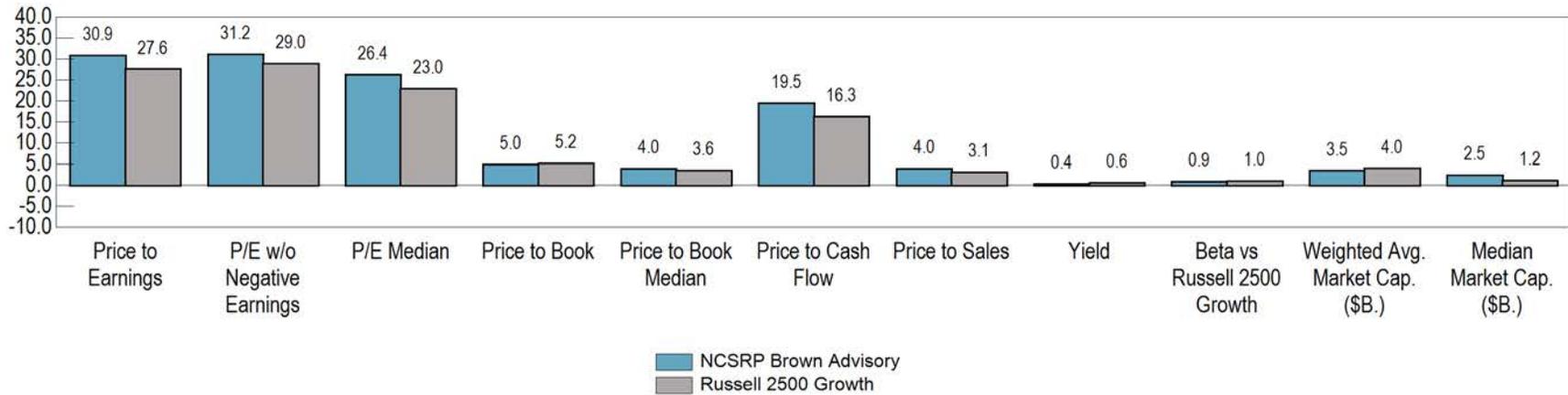
Top Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
SUSSER HOLDINGS (SUSS)	1.78%	0.08%	0.38%	29.21%
PEGASYSTEMS (PEGA)	2.75%	0.04%	0.40%	19.86%
ENDOLOGIX (ELGX)	1.01%	0.05%	0.13%	18.18%
FAIR ISAAC (FICO)	2.01%	0.11%	0.23%	15.30%
HELIX ENERGY SLTN.GP. (HLX)	2.24%		0.27%	14.49%
CAVIUM (CAVM)	1.08%	0.13%	0.11%	13.56%
BROADRIDGE FINL.SLTN. (BR)	3.34%	0.25%	0.34%	12.69%
ROADRUNNER TRSP.SYSTEMS (RRTS)	1.32%	0.01%	0.14%	11.33%
IDEX (IEX)	2.44%	0.30%	0.21%	11.20%
WASTE CONNECTIONS (WCN)	3.55%	0.18%	0.31%	10.98%
<b>Total</b>	<b>21.51%</b>	<b>1.16%</b>		

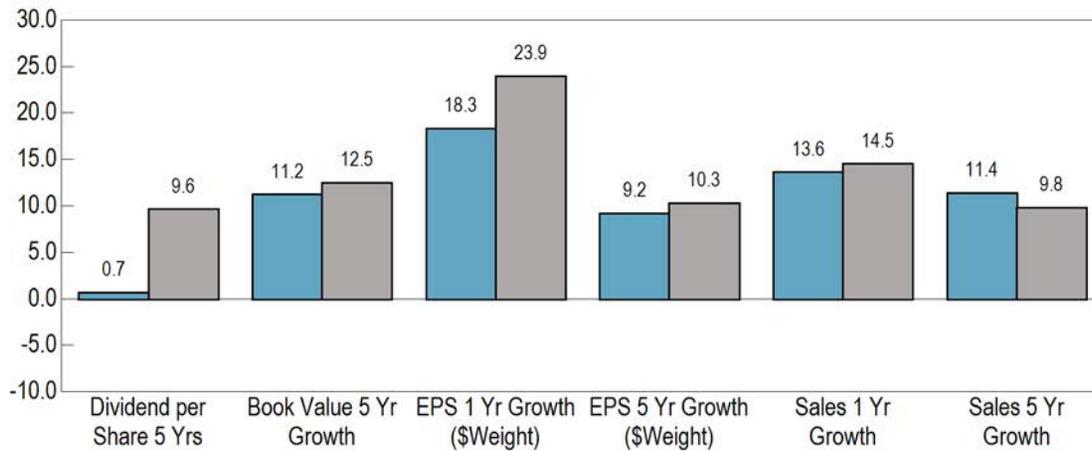
Bottom Returning Stocks

	Portfolio Weight %	Index Weight %	Relative Contribution %	Return %
QUIKSILVER (ZQK)	0.40%	0.02%	-1.17%	-52.33%
COMMVAULT SYSTEMS (CVLT)	0.43%	0.12%	-0.21%	-24.30%
STAGE STORES (SSI)	0.59%		-0.17%	-23.04%
INTACT.INTELLIGENCE GP. (ININ)	3.12%	0.05%	-0.84%	-22.58%
CVENT (CVT)	0.17%	0.03%	-0.04%	-19.53%
ADVISORY BOARD (ABCO)	1.46%	0.10%	-0.32%	-19.30%
COVANCE (CVD)	2.19%	0.23%	-0.48%	-17.63%
SEATTLE GENETC. (SGEN)	0.85%	0.20%	-0.12%	-16.04%
COSTAR GP. (CSGP)	1.34%	0.23%	-0.20%	-15.30%
PRICESMART (PSMT)	1.19%	0.08%	-0.24%	-13.76%
<b>Total</b>	<b>11.73%</b>	<b>1.04%</b>		

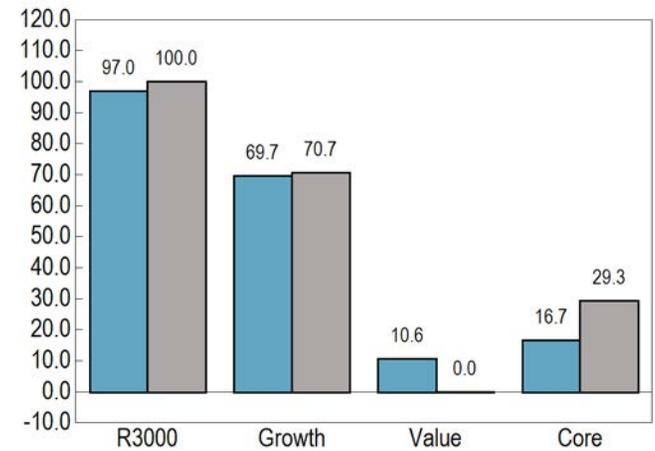
Portfolio Characteristics  
Ending June 30, 2014



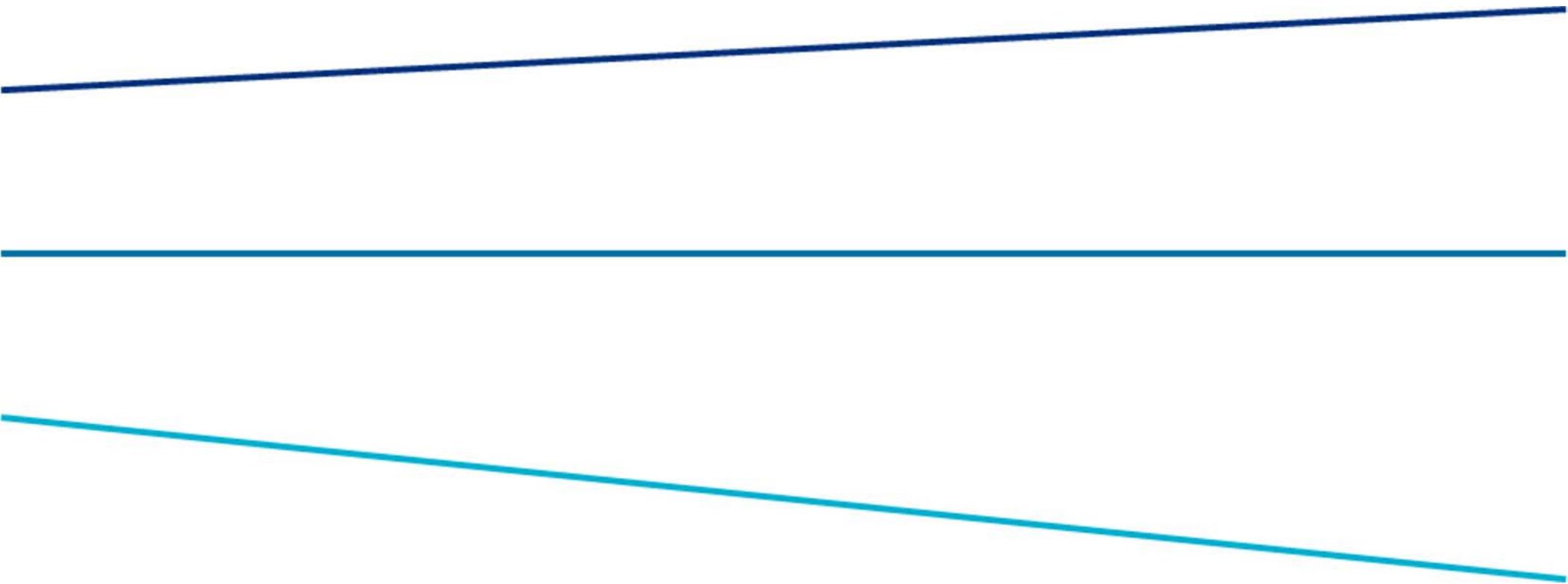
Historical Growth Measures  
Ending June 30, 2014



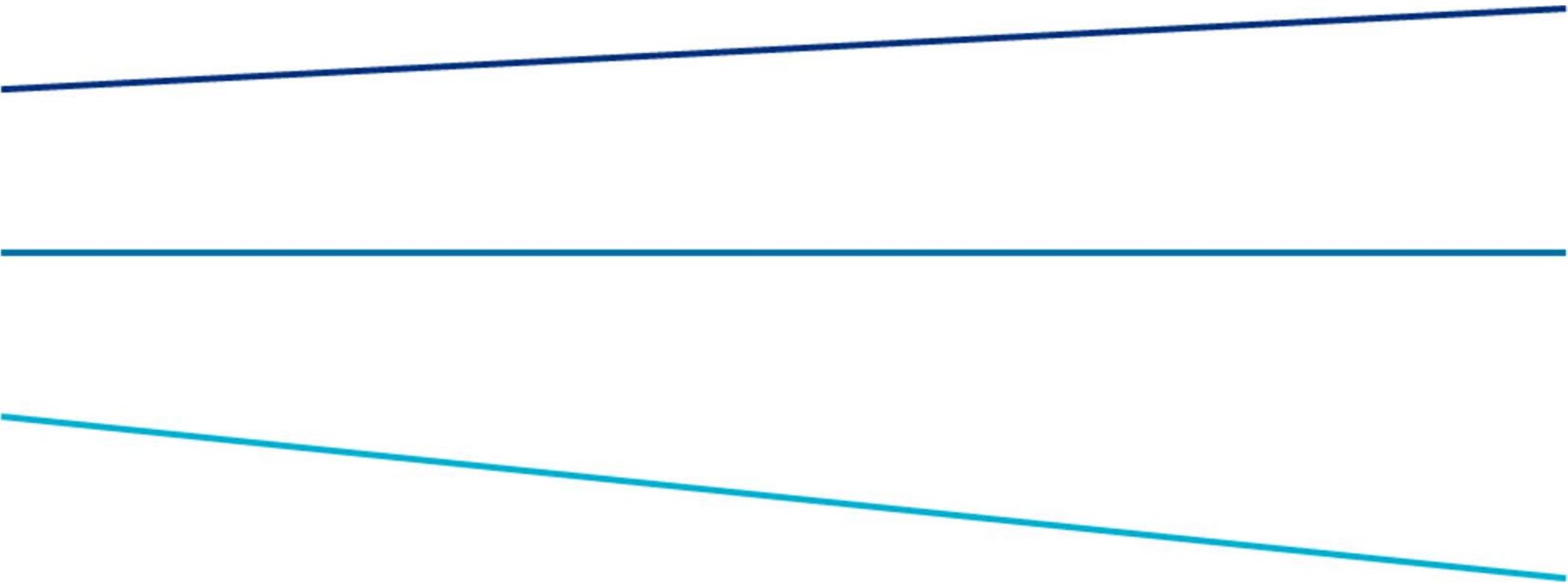
Russell Index Membership (% Equity)  
Ending June 30, 2014



# International Equity

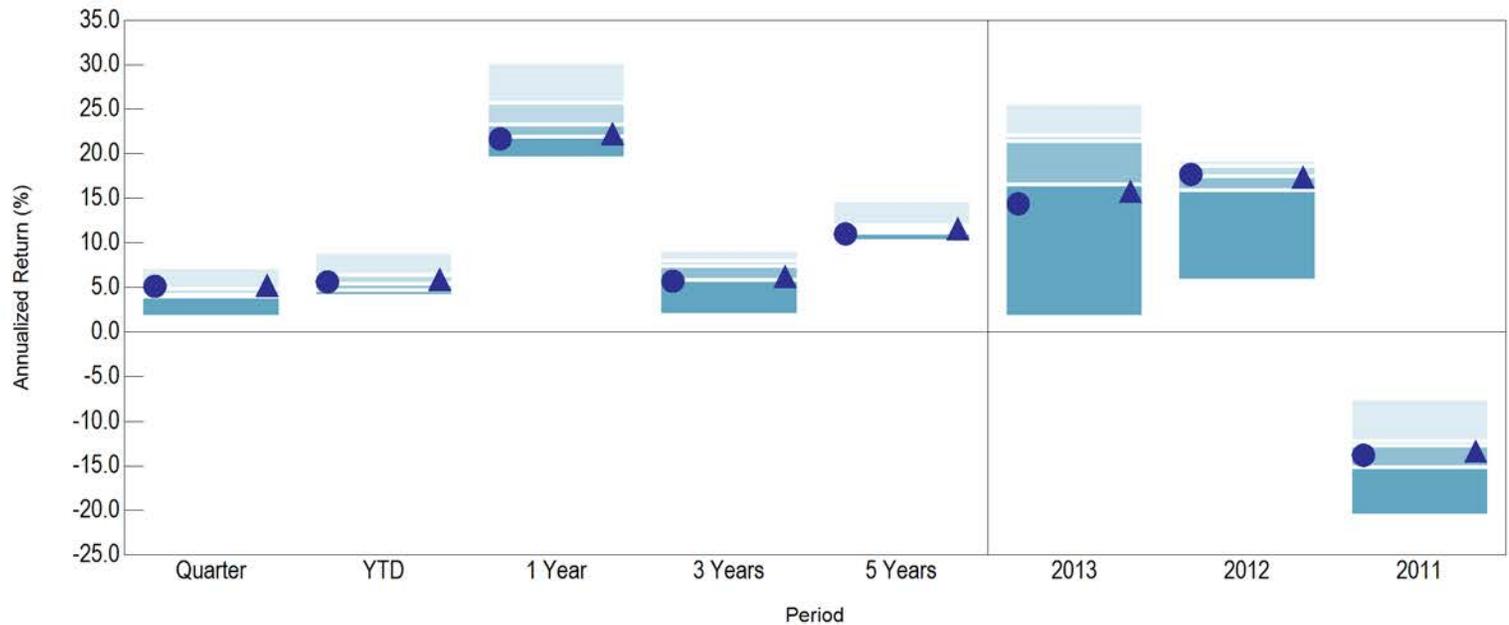


# International Passive



# International Passive Performance

Performance vs. Mercer Mutual Fund World ex US/EAFE Equity Index  
Ending June 30, 2014



	Return (Rank)													
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011						
5th Percentile	7.2	8.9	30.2	9.2	14.8	25.7	19.3	-7.5						
25th Percentile	4.9	6.4	25.8	8.0	12.0	22.1	18.7	-12.2						
Median	4.2	5.4	23.3	7.4	11.6	21.4	17.5	-12.7						
75th Percentile	4.0	4.7	22.0	5.8	11.1	16.6	16.0	-15.1						
95th Percentile	1.7	4.1	19.5	1.9	10.2	1.7	5.8	-20.6						
# of Portfolios	70	65	62	49	38	66	54	55						
● International Passive	5.1 (18)	5.6 (44)	21.7 (78)	5.7 (77)	11.0 (79)	14.4 (89)	17.7 (46)	-13.8 (61)						
▲ MSCI ACWI ex USA Gross	5.2 (14)	5.9 (39)	22.3 (74)	6.2 (73)	11.6 (48)	15.8 (80)	17.4 (54)	-13.3 (58)						

### Manager Philosophy and Process

The ACWI ex-US Fund is designed to replicate the total return of the Morgan Stanley Capital International (MSCI) All Country World ex-US Index (ACWI ex-US Index). The objective in managing the fund is to deliver a high quality and cost-effective index-based portfolio available to institutional investors.

To manage the fund effectively, BlackRock focuses on three objectives: minimizing transaction costs, minimizing tracking error, and minimizing risk. The ACWI ex-US Index defines the global equity asset class and covers 23 developed markets and 21 emerging markets. The index is constructed with a single, consistent methodology that eliminates the problem of double-counting countries often experienced by investors when they combine emerging and developed global strategies. BlackRock's modular country fund structure provides a flexible and straightforward means of implementing ACWI ex-US-based strategies that fit clients' specific weighting requirements. BlackRock considers a capitalization-weighted strategy as the starting point in implementing a global equity strategy.

### Quarterly Attribution

Top performing index sectors:

- Energy (+11.7%), utilities (+7.4%), information technology (+6.2%)

Bottom performing index sectors:

- Financials (+3.2%), utilities (+3.3%), consumer discretionary (+3.4%)

### Summary Data Points

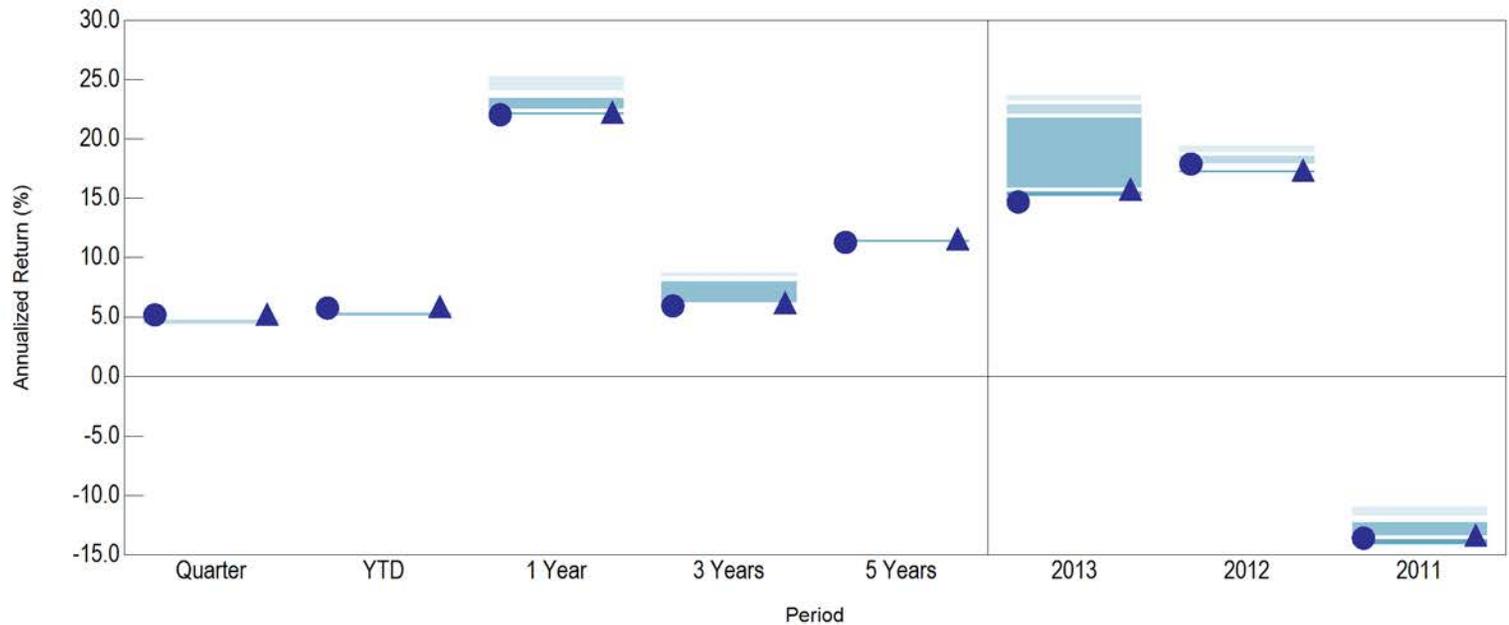
Mercer Rating: PP

Manager Strategy Assets (\$B): \$44.8 (as of December 31, 2013)

# NCSRP BlackRock ACWI ex US Fund

## Performance

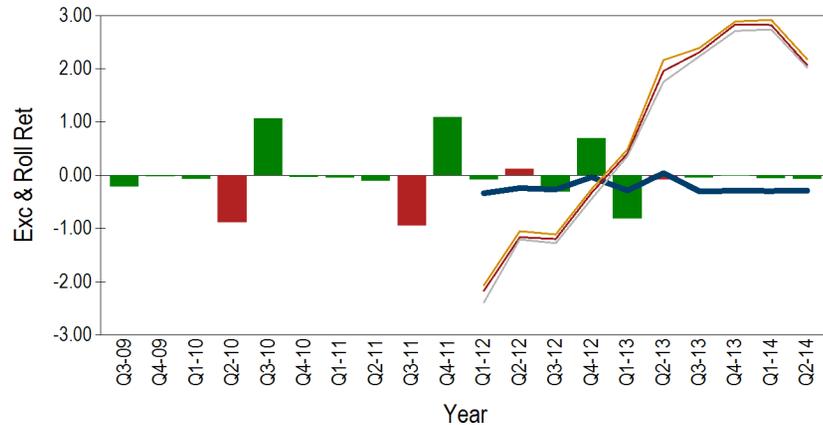
Performance vs. Mercer Instl World ex US/EAFE Equity Passive  
Ending June 30, 2014



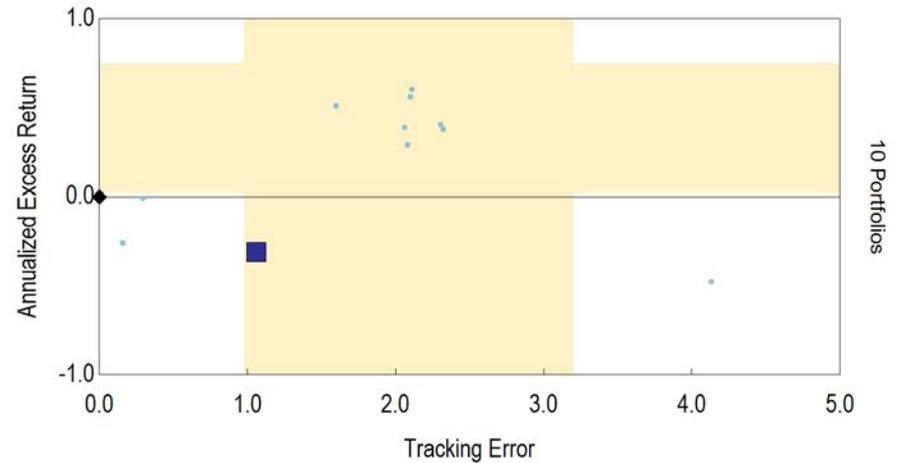
	Return (Rank)							
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011
5th Percentile	5.2	5.8	25.4	8.9	12.2	23.8	19.6	-10.8
25th Percentile	5.0	5.7	23.9	8.3	12.1	23.1	18.7	-11.8
Median	4.3	5.6	23.7	8.2	12.0	22.0	17.8	-12.0
75th Percentile	4.2	5.0	22.4	6.1	11.7	15.8	17.5	-13.5
95th Percentile	4.0	4.9	21.9	5.9	11.2	15.1	17.0	-14.2
# of Portfolios	13	13	13	13	10	18	18	18
● NCSRP BlackRock ACWI ex US Fund	5.2 (11)	5.8 (19)	22.0 (93)	5.9 (95)	11.3 (92)	14.7 (98)	17.9 (40)	-13.6 (83)
▲ MSCI ACWI ex USA Gross	5.2 (1)	5.9 (2)	22.3 (80)	6.2 (75)	11.6 (78)	15.8 (75)	17.4 (79)	-13.3 (64)

# NCSR BlackRock ACWI ex US Fund

**Rolling 3 Year Excess Performance**  
NCSR BlackRock ACWI ex US Fund vs. MSCI ACWI ex USA Gross



**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014

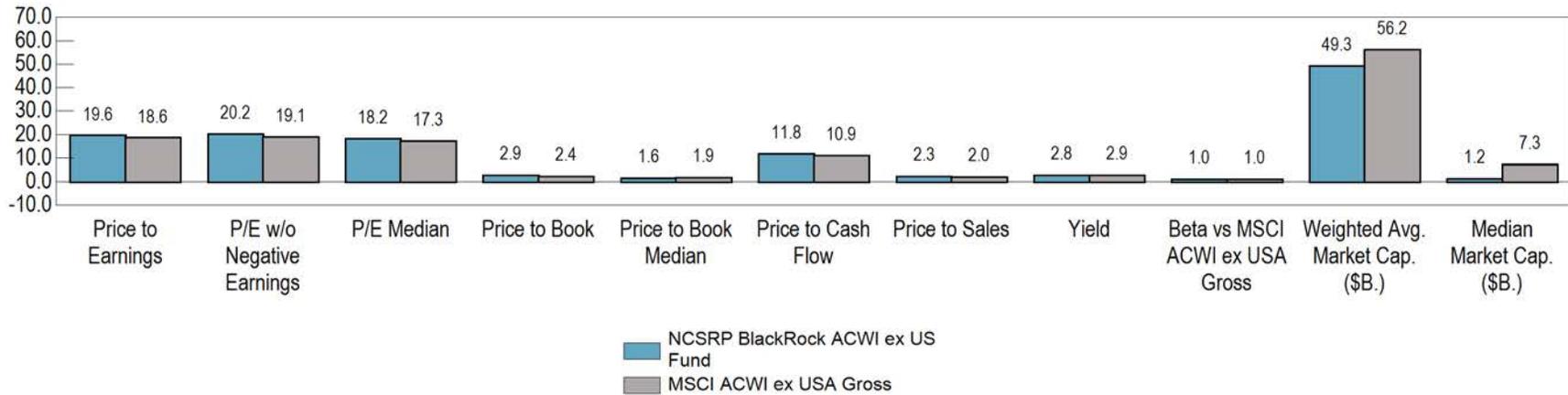


**Characteristics**  
as of June 30, 2014

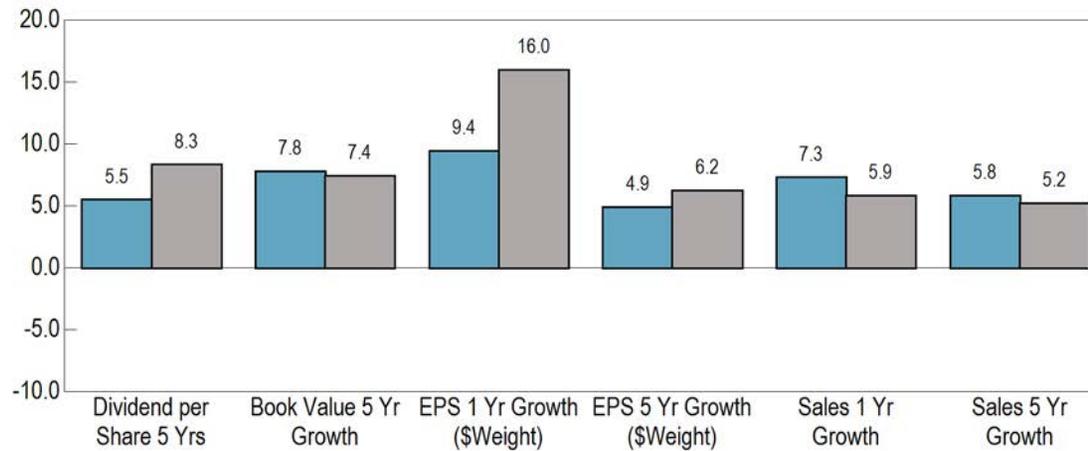
	Portfolio	MSCI ACWI ex USA Gross
<b>PORTFOLIO CHARACTERISTICS</b>		
Price To Earnings	19.58	18.58
P/E Excluding Negative Earnings	20.16	19.06
P/E Median	18.24	17.27
Price To Book	2.91	2.38
Price To Book Median	1.61	1.87
Price To Cash Flow	11.81	10.93
Price To Sales	2.31	1.97
Dividend Yield (%)	2.84	2.90
Weighted Ave. Market Cap. (\$B)	49.31	56.23
Median Market Cap. (\$B)	1.24	7.33
Beta	1.03	1.00

# NCSR BlackRock ACWI ex US Fund

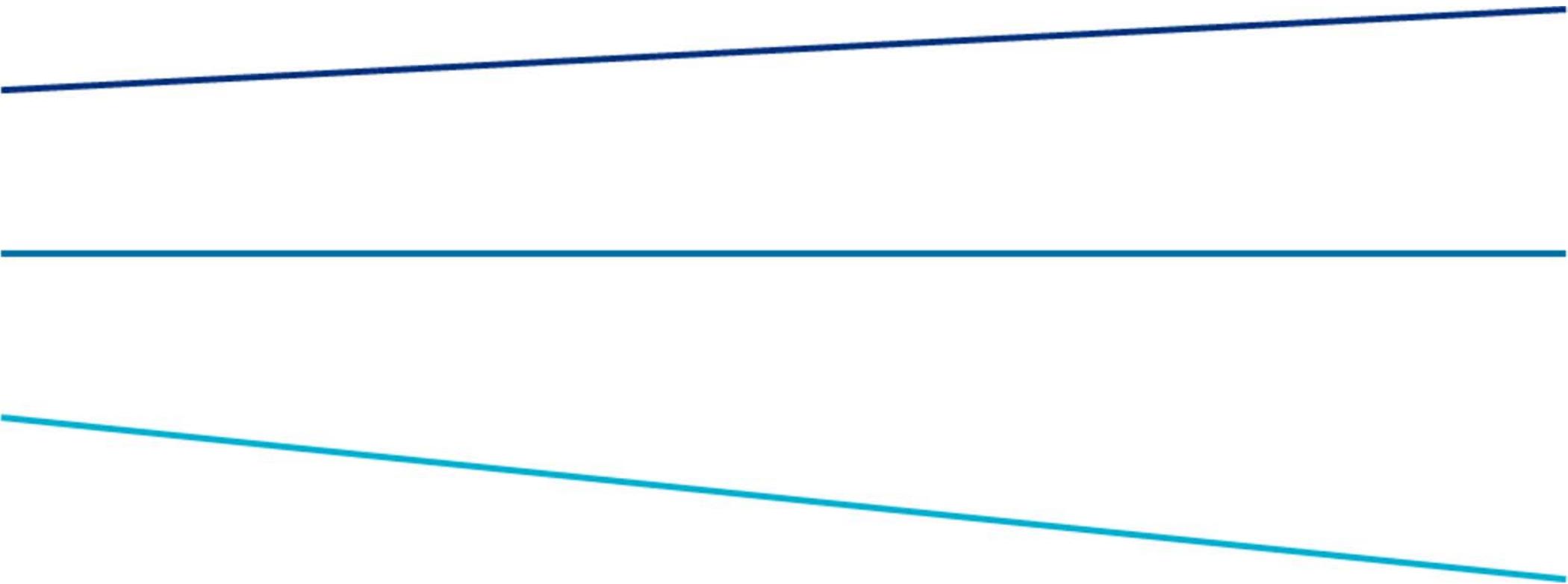
Portfolio Characteristics  
Ending June 30, 2014



Historical Growth Measures  
Ending June 30, 2014



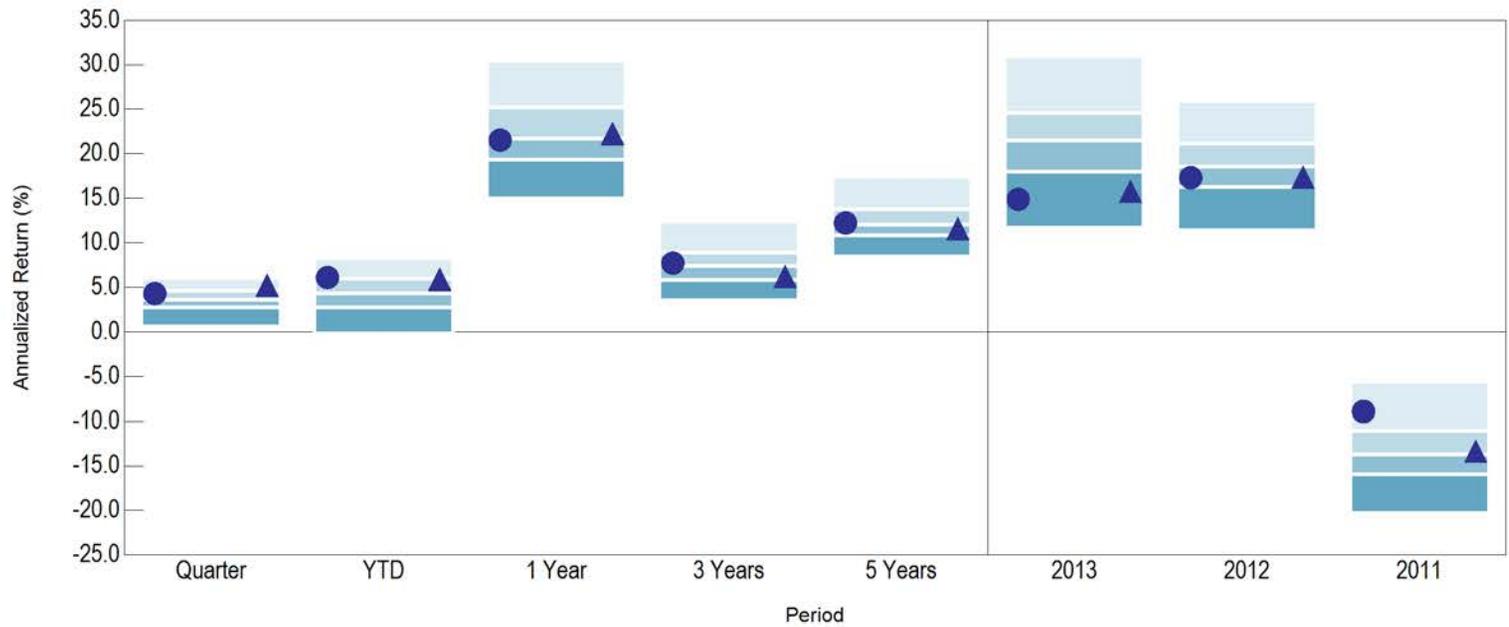
# International Equity



# International Equity

## Performance

Performance vs. Mercer Mutual Fund World ex US/EAFE Equity  
Ending June 30, 2014

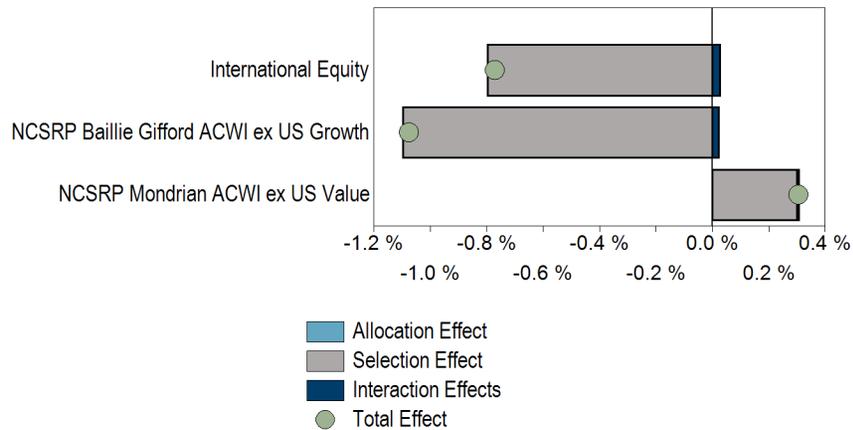


	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011	
<b>5th Percentile</b>	6.0		8.2		30.4		12.3		17.4		30.9		25.9		-5.6	
<b>25th Percentile</b>	4.6		6.0		25.2		8.9		13.8		24.6		21.2		-11.1	
<b>Median</b>	3.6		4.3		21.8		7.4		12.1		21.6		18.6		-13.7	
<b>75th Percentile</b>	2.8		2.8		19.4		5.9		10.9		18.0		16.3		-15.9	
<b>95th Percentile</b>	0.6		-0.2		15.0		3.6		8.5		11.7		11.4		-20.3	
<b># of Portfolios</b>	422		416		411		367		328		405		400		404	
<b>● International Equity</b>	4.3	(30)	6.1	(24)	21.5	(53)	7.7	(46)	12.2	(48)	14.9	(86)	17.3	(67)	-8.9	(13)
<b>▲ MSCI ACWI ex USA Gross</b>	5.2	(12)	5.9	(27)	22.3	(47)	6.2	(71)	11.6	(63)	15.8	(84)	17.4	(66)	-13.3	(46)

# International Equity

## Attribution

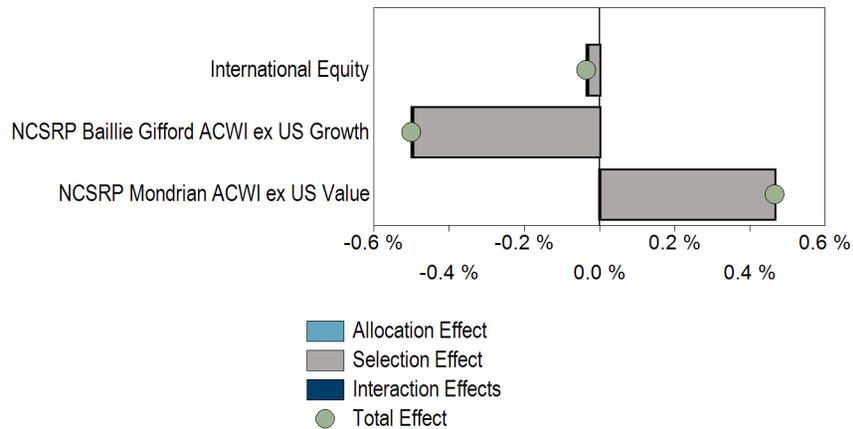
**Attribution Effects**  
3 Months Ending June 30, 2014



**Attribution Summary**  
3 Months Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSR Baillie Gifford ACWI ex US Growth	3.1%	5.2%	-2.2%	-1.1%	0.0%	0.0%	-1.1%
NCSR Mondrian ACWI ex US Value	5.8%	5.2%	0.6%	0.3%	0.0%	0.0%	0.3%
<b>Total</b>	<b>4.5%</b>	<b>5.2%</b>	<b>-0.8%</b>	<b>-0.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-0.8%</b>

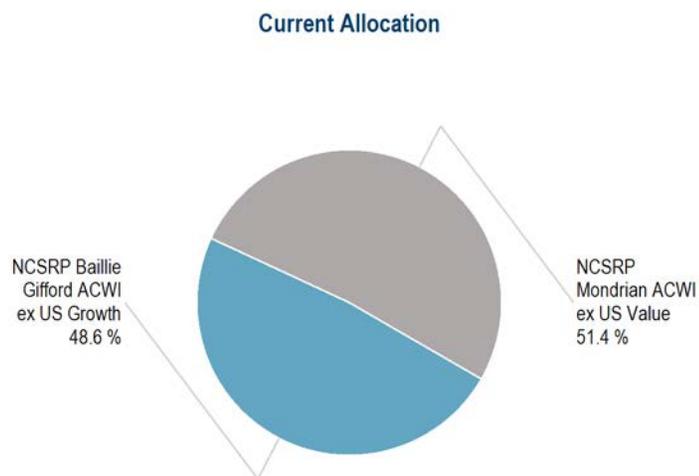
**Attribution Effects**  
1 Year Ending June 30, 2014



**Attribution Summary**  
1 Year Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSR Baillie Gifford ACWI ex US Growth	21.2%	22.3%	-1.1%	-0.5%	0.0%	0.0%	-0.5%
NCSR Mondrian ACWI ex US Value	23.2%	22.3%	1.0%	0.5%	0.0%	0.0%	0.5%
<b>Total</b>	<b>22.2%</b>	<b>22.3%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

## International Equity



### Characteristics

	Portfolio	MSCI ACWI ex USA Gross
Number of Holdings	165	1,829
Weighted Avg. Market Cap. (\$B)	57.50	56.23
Median Market Cap. (\$B)	21.41	7.33
Price To Earnings	21.11	18.58
Price To Book	3.80	2.38
Price To Sales	2.62	1.97
Return on Equity (%)	19.84	14.44
Yield (%)	3.01	2.90
Beta	0.91	1.00
R-Squared	0.97	1.00

### International Equity Performance Attribution Versus MSCI ACWI ex USA Gross - Quarter Ending June 30, 2014

	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>Totals</b>										
Americas	7.4%	9.0%	7.8%	11.6%	-0.1%	-0.3%	-0.2%	0.3%	-0.3%	
Europe	4.2%	3.8%	55.7%	49.6%	0.2%	-0.1%	0.0%	0.0%	0.1%	
Asia/Pacific	6.4%	6.3%	30.9%	36.4%	0.0%	0.1%	-0.1%	0.0%	0.0%	
Other	5.2%	5.7%	4.9%	2.5%	0.0%	0.1%	0.0%	-0.1%	0.0%	
Cash	0.0%	--	0.7%	--	0.0%	0.0%	0.0%	0.0%	0.0%	
<b>Total</b>	<b>5.1%</b>	<b>5.3%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.1%</b>	<b>-0.2%</b>	<b>-0.4%</b>	<b>0.3%</b>	<b>-0.2%</b>	

## International Equity

## Performance Attribution

	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>Europe</b>										
Austria	--	-0.3%	0.0%	0.2%	--	0.0%	--	--	0.0%	
Belgium	--	5.0%	0.0%	0.9%	--	0.0%	--	--	0.0%	
Czech Republic*	--	1.8%	0.0%	0.1%	--	0.0%	--	--	0.0%	
Denmark	4.8%	3.9%	1.8%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	
Finland	0.6%	5.6%	1.6%	0.6%	0.0%	0.0%	0.0%	0.0%	-0.1%	
France	6.2%	2.4%	6.7%	7.2%	0.3%	0.0%	0.0%	0.0%	0.3%	
Germany	3.5%	2.1%	7.1%	6.6%	0.1%	0.0%	0.0%	0.0%	0.1%	
Greece*	--	-9.0%	0.0%	0.2%	--	0.0%	--	--	0.0%	
Hungary*	--	4.8%	0.0%	0.0%	--	0.0%	--	--	0.0%	
Ireland	-5.1%	-8.9%	1.2%	0.2%	0.0%	-0.1%	0.0%	0.0%	0.0%	
Italy	12.3%	1.1%	1.3%	1.9%	0.2%	0.0%	0.0%	-0.1%	0.2%	
Luxembourg	4.1%	1.8%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Netherlands	6.1%	0.7%	5.1%	1.9%	0.1%	-0.1%	0.0%	0.2%	0.1%	
Norway	19.1%	10.9%	0.3%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	
Poland*	--	-0.8%	0.0%	0.4%	--	0.0%	--	--	0.0%	
Portugal	7.2%	-2.3%	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	
Russia*	9.1%	11.0%	1.4%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	
Spain	8.7%	7.2%	3.6%	2.6%	0.0%	0.0%	0.0%	0.0%	0.1%	
Sweden	-2.6%	-0.3%	2.4%	2.2%	-0.1%	0.0%	0.0%	0.0%	-0.1%	
Switzerland	3.2%	2.4%	6.7%	6.4%	0.1%	0.0%	0.0%	0.0%	0.0%	
United Kingdom	2.5%	6.1%	15.0%	15.3%	-0.6%	0.1%	0.0%	-0.1%	-0.5%	
<b>Americas</b>										
Argentina**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Brazil*	8.6%	7.8%	2.0%	2.3%	0.0%	0.0%	0.0%	0.0%	0.0%	
Canada	7.9%	10.0%	1.9%	7.6%	-0.2%	-0.3%	-0.2%	0.3%	-0.3%	
Chile*	11.8%	2.8%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	
Colombia*	--	7.9%	0.0%	0.2%	--	0.0%	--	--	0.0%	
Mexico*	7.8%	6.5%	0.8%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	
Peru*	14.2%	8.5%	0.6%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	
United States	2.6%	5.1%	2.1%	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.1%	

	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>Totals</b>										
Developed	4.4%	4.9%	78.4%	78.8%	0.0%	-0.4%	-0.3%	0.3%	-0.4%	
Emerging*	8.0%	7.1%	20.8%	21.2%	0.1%	0.1%	-0.1%	0.0%	0.2%	
Frontier**	31.0%	--	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Cash	0.0%	--	0.7%	--	0.0%	0.0%	0.0%	0.0%	0.0%	

	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>AsiaPacific</b>										
Australia	2.4%	2.8%	3.1%	5.5%	0.0%	0.1%	0.0%	0.1%	0.1%	
Bangladesh**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
China*	7.7%	5.7%	3.3%	3.9%	0.1%	0.0%	0.0%	0.0%	0.1%	
Hong Kong	16.1%	8.3%	1.2%	2.0%	0.2%	0.0%	0.0%	-0.1%	0.1%	
India*	17.2%	12.7%	1.3%	1.5%	0.1%	0.0%	0.0%	0.0%	0.1%	
Indonesia*	4.1%	0.8%	0.4%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	
Japan	4.9%	6.6%	11.7%	14.4%	-0.2%	0.0%	0.0%	0.1%	-0.2%	
Korea*	4.7%	6.4%	3.5%	3.3%	-0.1%	0.0%	0.0%	0.0%	-0.1%	
Malaysia*	1.4%	3.8%	0.5%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	
New Zealand	--	2.5%	0.0%	0.1%	--	0.0%	--	--	0.0%	
Pakistan**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Philippines*	10.4%	9.5%	0.3%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	
Singapore	7.2%	5.8%	2.5%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Sri Lanka**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Taiwan*	9.7%	10.2%	2.6%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%	
Thailand*	5.7%	7.8%	0.3%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	
Vietnam**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
<b>Other</b>										
Bahrain**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Bulgaria**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Croatia**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Egypt*	--	1.1%	0.0%	0.0%	--	0.0%	--	--	0.0%	
Estonia**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Israel	-0.1%	2.5%	1.3%	0.4%	0.0%	0.0%	0.0%	0.0%	-0.1%	
Jordan**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Kazakhstan**	31.0%	28.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Kenya**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Kuwait**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Lebanon**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Lithuania**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Mauritius**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Morocco**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Nigeria**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Oman**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Qatar*	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Romania**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Serbia**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Slovenia**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
South Africa*	4.5%	4.7%	2.5%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%	
Tunisia**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Turkey*	8.1%	15.3%	0.9%	0.4%	0.0%	0.1%	0.0%	-0.1%	0.0%	
Ukraine**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
United Arab Emirates*	--	--	0.0%	0.1%	--	--	--	--	0.0%	
Other Countries*		0.0%	0.8%	0.0%						

## International Equity

---

### Top Holdings International Equity

	Intl Fund %	Mondrian %	Baillie %	Index Weight%
NESTLE 'R'	2.62%	2.58%	2.67%	1.30%
TAIWAN SEMICON.MNFG.	1.85%	0.84%	2.91%	0.54%
UNITED OVERSEAS BANK	1.68%	1.73%	1.63%	0.12%
SAMSUNG ELECTRONICS	1.65%	0.79%	2.57%	0.75%
ROYAL DUTCH SHELL A	1.49%	2.91%		
NOVARTIS 'R'	1.49%	2.90%		1.08%
<b>TOTAL</b>	<b>1.45%</b>	<b>2.81%</b>		<b>0.80%</b>
IBERDROLA	1.45%	2.81%		0.20%
UNILEVER (UK)	1.44%	2.80%		0.30%
BP	1.43%	2.78%		0.84%
<b>Total</b>	<b>16.55%</b>	<b>22.95%</b>	<b>9.77%</b>	<b>5.93%</b>

## Manager Philosophy and Process

**Investment Process** A Portfolio Construction Group (PCG) steers the funds' overall strategy and oversees the stock selection process. The PCG comprises investors from each geographic investment department and an experienced client service director. The group takes full responsibility for the performance of the portfolio.

**Investment Philosophy** The PCG meets regularly to discuss the buy and sell ideas of its members from the regional teams, as well as their level of conviction in their continuing holdings. The process encourages portfolio integration and widens its focus to take account of more than regional concerns. The PCG ensures that good ideas are fully implemented, insights shared and problems addressed. By concentrating the important decisions in a small group it produces portfolios which are more concentrated and less index aware.

## Current Positioning

- Relative to the MSCI ACWI ex-US, the Fund is overweight industrials, information technology and consumer staples
- The Fund is underweight financials, energy and health care
- On a regional basis, the Fund is slightly overweight emerging markets and the United Kingdom while being underweight developed Asia and Canada

## Quarterly Attribution

Positive Impact on Performance:

- Overweight to United Kingdom
- Underweight to financials and overweight to information technology

Negative Impact on Performance:

- Stock selection in United Kingdom and Europe
- Underweight to energy
- Stock selection in consumer discretionary and industrials

## Portfolio Characteristics

Number of holdings: 86  
Weighted Average Market Capitalization (\$MM): \$46,976  
P/E ratio (trailing 12 mos.): 15.8  
P/B ratio: 2.9  
Earnings growth (5 year): 7.8%  
Turnover (12 mos.): 9.0%  
% cash: 1.5%

## Summary Data Points

ESG3 - Baillie Gifford has a long history of regarding governance as an important factor in the investment process. The firm scores highly in various surveys ranking fund managers in terms of being responsible investors. There is a separate ESG team who do considerable work on behalf of the fund managers and alert the various teams to any issues that arise and provide fund managers with input/advice on voting. They do subscribe to ISS. The fund managers/analysts can and do seek input from this team and will commission research on environmental and social issues where they deem it relevant. The extent to which this is done varies by team. We note their research note templates do contain ESG sections. The firm is a signatory to the UK Principles of Responsible Investment.

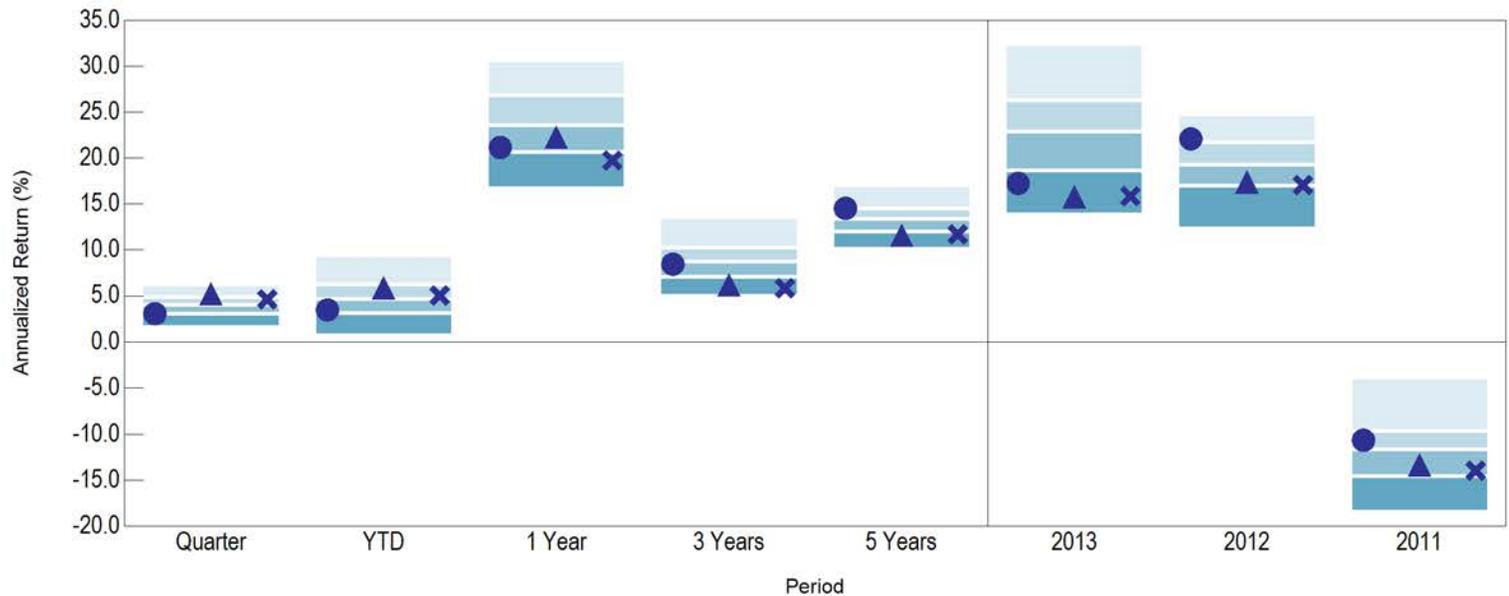
## Summary Data Points

Mercer Rating: A  
Manager Strategy Assets (billions): \$18.3

# NCSRP Baillie Gifford ACWI ex US Growth

## Performance

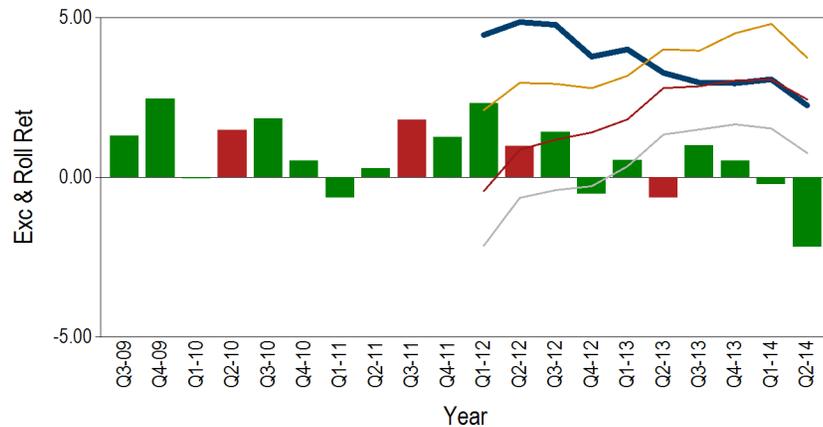
Performance vs. Mercer Instl World ex US/EAFE Equity  
Ending June 30, 2014



	Return (Rank)							
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011
5th Percentile	6.3	9.4	30.6	13.5	17.0	32.4	24.7	-3.9
25th Percentile	4.9	6.3	26.8	10.3	14.5	26.3	21.7	-9.6
Median	4.1	4.7	23.6	8.8	13.4	22.9	19.3	-11.6
75th Percentile	3.1	3.2	20.7	7.1	12.1	18.7	17.0	-14.5
95th Percentile	1.6	0.7	16.7	5.1	10.1	13.9	12.4	-18.4
# of Portfolios	313	312	306	261	239	374	366	357
● NCSRP Baillie Gifford ACWI ex US Growth	3.1 (77)	3.5 (72)	21.2 (71)	8.5 (58)	14.5 (25)	17.3 (83)	22.1 (22)	-10.6 (39)
▲ MSCI ACWI ex USA Gross	5.2 (19)	5.9 (32)	22.3 (61)	6.2 (87)	11.6 (84)	15.8 (90)	17.4 (70)	-13.3 (66)
✕ MSCI AC Wld ex US Growth Gross	4.6 (32)	5.0 (45)	19.7 (83)	5.8 (90)	11.7 (82)	15.9 (89)	17.1 (75)	-13.9 (71)

# NCSRP Baillie Gifford ACWI ex US Growth

**Rolling 3 Year Excess Performance**  
NCSRP Baillie Gifford ACWI ex US Growth vs. MSCI ACWI ex USA Gross



**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014



**International Equity Performance Attribution**  
Versus MSCI ACWI ex USA Gross - Quarter Ending June 30, 2014

	Returns and Ending Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
<b>Totals</b>									
Americas	5.1%	9.0%	9.1%	11.6%	-0.2%	-0.2%	-0.2%	0.2%	-0.4%
Europe	2.0%	3.8%	52.7%	49.6%	-0.5%	0.1%	-0.1%	-0.7%	-1.1%
Asia/Pacific	6.7%	6.3%	31.5%	36.4%	-0.1%	0.1%	0.0%	0.1%	0.1%
Other	6.7%	5.7%	5.3%	2.5%	0.0%	0.1%	0.0%	0.0%	0.0%
Cash	0.0%	--	1.4%	--	0.0%	0.0%	0.0%	-0.1%	-0.1%
<b>Total</b>	<b>3.9%</b>	<b>5.3%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.7%</b>	<b>0.0%</b>	<b>-0.3%</b>	<b>-0.5%</b>	<b>-1.4%</b>

# NCSRP Baillie Gifford ACWI ex US Growth

# International Equity Performance Attribution

	Returns and Ending Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
<b>Europe</b>									
Austria	--	-0.3%	0.0%	0.2%	--	0.0%	--	--	0.0%
Belgium	--	5.0%	0.0%	0.9%	--	0.0%	--	--	0.0%
Czech Republic*	--	1.8%	0.0%	0.1%	--	0.0%	--	--	0.0%
Denmark	4.8%	3.9%	3.6%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Finland	0.6%	5.6%	3.4%	0.6%	0.0%	0.0%	0.0%	-0.1%	-0.2%
France	6.8%	2.4%	3.4%	7.2%	0.4%	0.1%	0.0%	-0.2%	0.2%
Germany	0.1%	2.1%	7.0%	6.6%	-0.1%	0.0%	0.0%	0.0%	-0.1%
Greece*	--	-9.0%	0.0%	0.2%	--	0.0%	--	--	0.0%
Hungary*	--	4.8%	0.0%	0.0%	--	0.0%	--	--	0.0%
Ireland	-5.1%	-8.9%	2.4%	0.2%	0.0%	-0.2%	0.0%	0.1%	-0.1%
Italy	--	1.1%	0.0%	1.9%	--	0.1%	--	--	0.1%
Luxembourg	4.1%	1.8%	2.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
Netherlands	5.2%	0.7%	2.7%	1.9%	0.1%	0.0%	0.0%	0.0%	0.1%
Norway	19.1%	10.9%	0.6%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Poland*	--	-0.8%	0.0%	0.4%	--	0.0%	--	--	0.0%
Portugal	7.2%	-2.3%	0.4%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Russia*	8.4%	11.0%	1.8%	1.2%	0.0%	0.1%	0.0%	0.0%	0.0%
Spain	3.4%	7.2%	1.5%	2.6%	-0.1%	0.0%	0.0%	0.0%	-0.1%
Sweden	-2.6%	-0.3%	5.0%	2.2%	-0.1%	-0.2%	-0.1%	0.0%	-0.3%
Switzerland	6.1%	2.4%	2.7%	6.4%	0.3%	0.1%	0.0%	-0.2%	0.2%
United Kingdom	0.1%	6.1%	15.3%	15.3%	-0.9%	0.2%	0.1%	-0.4%	-1.0%
<b>Americas</b>									
Argentina**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Brazil*	4.1%	7.8%	1.6%	2.3%	-0.1%	0.0%	-0.1%	0.1%	-0.1%
Canada	8.5%	10.0%	2.7%	7.6%	-0.1%	-0.2%	-0.2%	0.2%	-0.3%
Chile*	--	2.8%	0.0%	0.3%	--	0.0%	--	--	0.0%
Colombia*	--	7.9%	0.0%	0.2%	--	0.0%	--	--	0.0%
Mexico*	--	6.5%	0.0%	1.1%	--	0.0%	--	--	0.0%
Peru*	14.2%	8.5%	0.8%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%
United States	-3.9%	5.1%	3.9%	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.1%
<b>Totals</b>									
Developed	2.8%	4.9%	75.9%	78.8%	-0.8%	-0.2%	-0.3%	-0.3%	-1.6%
Emerging*	7.8%	7.1%	22.7%	21.2%	0.0%	0.2%	0.0%	-0.1%	0.2%
Frontier**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Cash	0.0%	--	1.4%	--	0.0%	0.0%	0.0%	-0.1%	-0.1%

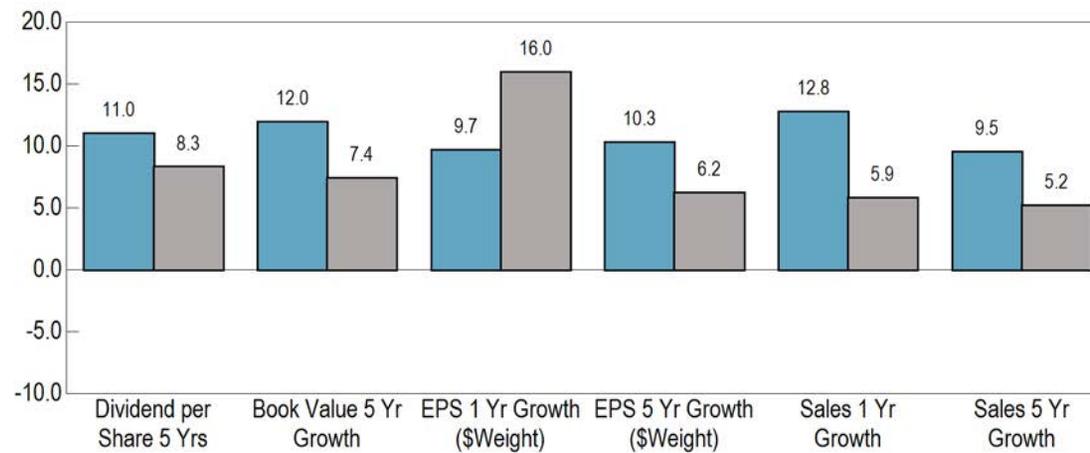
	Returns and Ending Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
<b>AsiaPacific</b>									
Australia	6.8%	2.8%	4.3%	5.5%	0.2%	0.0%	0.0%	0.0%	0.2%
Bangladesh**	--	--	0.0%	0.0%	--	--	--	--	0.0%
China*	9.4%	5.7%	3.1%	3.9%	0.1%	0.0%	0.0%	0.0%	0.1%
Hong Kong	16.1%	8.3%	2.5%	2.0%	0.2%	0.0%	0.0%	0.0%	0.2%
India*	9.7%	12.7%	0.6%	1.5%	0.0%	-0.1%	0.0%	0.0%	-0.1%
Indonesia*	--	0.8%	0.0%	0.5%	--	0.0%	--	--	0.0%
Japan	2.1%	6.6%	9.7%	14.4%	-0.6%	0.0%	-0.1%	0.3%	-0.4%
Korea*	6.5%	6.4%	5.5%	3.3%	0.0%	0.0%	0.1%	-0.1%	0.0%
Malaysia*	--	3.8%	0.0%	0.8%	--	0.0%	--	--	0.0%
New Zealand	--	2.5%	0.0%	0.1%	--	0.0%	--	--	0.0%
Pakistan**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Philippines*	--	9.5%	0.0%	0.2%	--	0.0%	--	--	0.0%
Singapore	7.7%	5.8%	1.6%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sri Lanka**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Taiwan*	10.4%	10.2%	3.7%	2.6%	0.0%	0.1%	0.0%	0.0%	0.1%
Thailand*	--	7.8%	0.0%	0.5%	--	0.0%	--	--	0.0%
Vietnam**	--	--	0.0%	0.0%	--	--	--	--	0.0%
<b>Other</b>									
Bahrain**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Bulgaria**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Croatia**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Egypt*	--	1.1%	0.0%	0.0%	--	0.0%	--	--	0.0%
Estonia**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Israel	--	2.5%	0.0%	0.4%	--	0.0%	--	--	0.0%
Jordan**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Kazakhstan**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Kenya**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Kuwait**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Lebanon**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Lithuania**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Mauritius**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Morocco**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Nigeria**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Oman**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Qatar*	--	--	0.0%	0.0%	--	--	--	--	0.0%
Romania**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Serbia**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Slovenia**	--	--	0.0%	0.0%	--	--	--	--	0.0%
South Africa*	4.8%	4.7%	4.4%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Tunisia**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Turkey*	5.2%	15.3%	0.8%	0.4%	0.0%	0.1%	0.0%	-0.1%	0.0%
Ukraine**	--	--	0.0%	0.0%	--	--	--	--	0.0%
United Arab Emirates*	--	--	0.0%	0.1%	--	--	--	--	0.0%
Other Countries*		0.0%	1.7%	0.0%					

# NCSRP Baillie Gifford ACWI ex US Growth

Portfolio Characteristics  
Ending June 30, 2014



Historical Growth Measures  
Ending June 30, 2014



## Manager Philosophy and Process

**Investment Philosophy** Mondrian is a long-term, value-oriented manager. Mondrian aims to add value through both top-down country allocation and bottom-up stock selection decisions. Over the long term, the manager expects stock selection to account for most of the excess return relative to the index. Mondrian favors countries, and securities within countries, offering the most attractive forecast real returns. These estimates are based on long-term forecasts of dividend payments discounted to present value (i.e. a dividend discount model approach).

**Investment Process** Country level forecasts are derived from estimates of growth in output, earnings and cash earnings. Output forecasts are based primarily on long-term estimates of employment and productivity growth. Earnings growth is linked to forecast economic growth. Cash earnings are derived from corporate earnings on the basis that dividend payout ratios tend to revert to the mean over the long-run, subject to adjustments for anomalies, such as changes in fiscal policy. Finally, estimated cash earnings are adjusted to account for domestic inflation. These forecasts are coupled with currency analysis. This is based mainly on studies of long-term purchasing power parity. Return and currency forecasts are translated into a range of possible country allocations with the help of a proprietary optimization program. The final allocation decisions are taken by the Equity Strategy Committee (ESC). These decisions are not forced, in the sense that the ability to implement the allocation depends on the ability of the stock research teams to identify appropriate investment opportunities in their regions. At the stock level, Mondrian carries out database screening on basic value criteria such as price/book, price/earnings, price/cash flow and dividend yield as well as liquidity factors, so that the research effort is focused on a small number of ideas which can add the greatest value. The Focused International strategy has a minimum market cap cut off of \$6.5bn. This is adjusted regularly to take into account a universe which accounts for 75%-80% of the capitalization of each country.

## Current Positioning

- The strategy holds overweight positions in selected European markets and an underweight position in Canada
- From a sector standpoint, the portfolio is overweight telecommunication services, energy, and health care, while being underweight materials and financials
- Mondrian has a defensive currency hedge out of the Australian dollar

## Quarterly Attribution

### Positive Impact on Performance:

- An underweight position in the weak Australian equity market contributed to relative returns
- Stock selection in France, Germany, and Italy
- Stock selection within the telecommunication services and energy sectors

### Negative Impact on Performance:

- An underweight position in the strong Canadian equity market
- Stock selection in the health care and industrials sectors
- Individual detractors included QBE, ABB, and Vodafone

## Portfolio Characteristics

Number of holdings: 85  
Median Market Capitalization (\$MM): \$28,731  
Weighted Average Market Capitalization (\$MM): \$73,684  
P/E ratio: 14.7x  
P/B ratio: 1.8x  
Earnings growth (5 year): N/A  
Turnover: 16.5%  
% cash: 1.1%

## Responsible Investment ESG Comment

ESG3

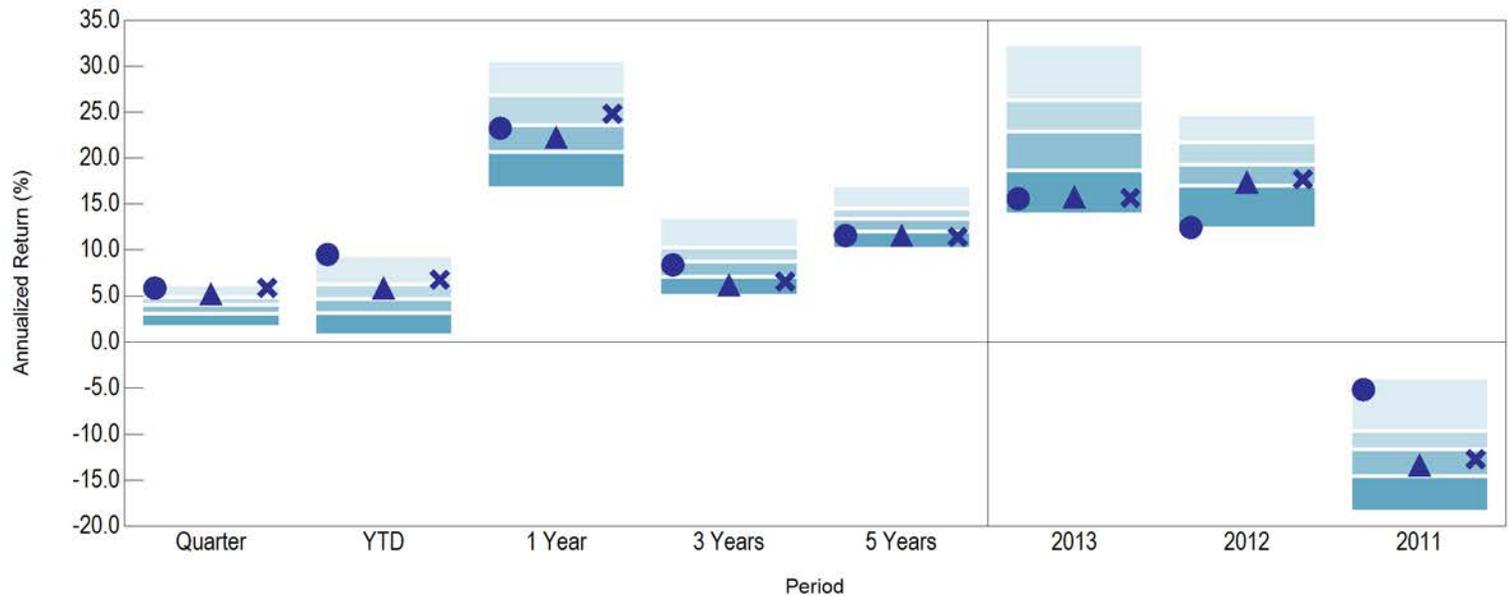
## Summary Data Points

Mercer Rating: B+  
Manager Strategy Assets (billions): \$1.6

# NCSRP Mondrian ACWI ex US Value

## Performance

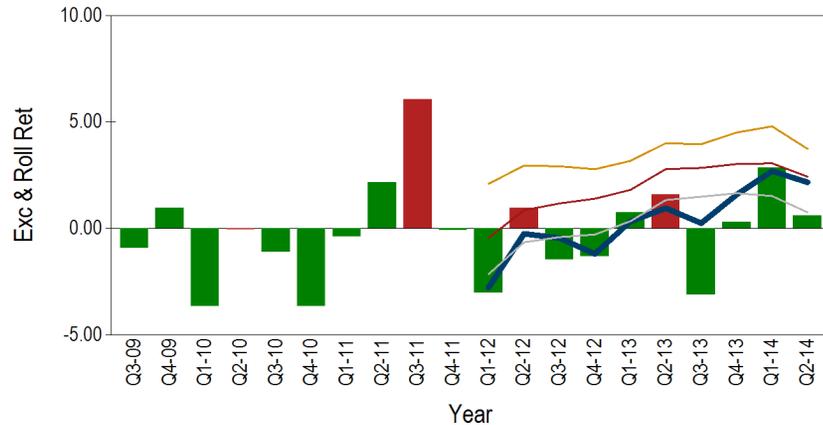
Performance vs. Mercer Instl World ex US/EAFE Equity  
Ending June 30, 2014



	Return (Rank)																
	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011		
5th Percentile	6.3	9.4	30.6	13.5	17.0	32.4	24.7	-3.9									
25th Percentile	4.9	6.3	26.8	10.3	14.5	26.3	21.7	-9.6									
Median	4.1	4.7	23.6	8.8	13.4	22.9	19.3	-11.6									
75th Percentile	3.1	3.2	20.7	7.1	12.1	18.7	17.0	-14.5									
95th Percentile	1.6	0.7	16.7	5.1	10.1	13.9	12.4	-18.4									
# of Portfolios	313	312	306	261	239	374	366	357									
● NCSRP Mondrian ACWI ex US Value	5.8	(9)	9.5	(5)	23.2	(54)	8.4	(58)	11.6	(85)	15.6	(91)	12.4	(95)	-5.2	(8)	
▲ MSCI ACWI ex USA Gross	5.2	(19)	5.9	(32)	22.3	(61)	6.2	(87)	11.6	(84)	15.8	(90)	17.4	(70)	-13.3	(66)	
✕ MSCI AC Wld Ex US Value Gross	5.9	(9)	6.8	(21)	24.8	(38)	6.6	(84)	11.4	(87)	15.7	(90)	17.7	(68)	-12.7	(61)	

# NCSRP Mondrian ACWI ex US Value

**Rolling 3 Year Excess Performance**  
NCSRP Mondrian ACWI ex US Value vs. MSCI ACWI ex USA Gross



**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014



**International Equity Performance Attribution**  
Versus MSCI ACWI ex USA Gross - Quarter Ending June 30, 2014

	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>Totals</b>										
Americas	9.4%	9.0%	6.6%	11.6%	-0.1%	-0.3%	-0.3%	0.5%	-0.1%	
Europe	6.1%	3.8%	58.5%	49.6%	0.9%	-0.2%	-0.2%	0.7%	1.3%	
Asia/Pacific	6.1%	6.3%	30.4%	36.4%	-0.6%	0.0%	-0.2%	0.7%	-0.1%	
Other	4.3%	5.7%	4.5%	2.5%	0.0%	0.1%	0.0%	-0.1%	-0.1%	
Cash	--	--	--	0.0%	--	--	--	--	--	
<b>Total</b>	<b>6.3%</b>	<b>5.3%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.1%</b>	<b>-0.4%</b>	<b>-0.6%</b>	<b>1.8%</b>	<b>0.9%</b>	

# NCSRP Mondrian ACWI ex US Value

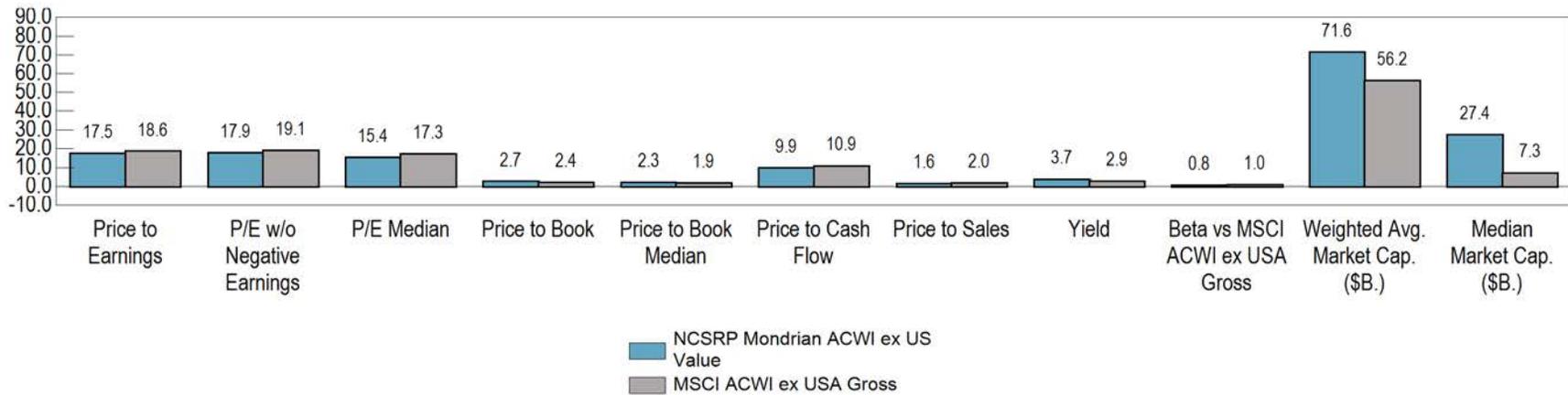
# International Equity Performance Attribution

	Returns and Ending Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
<b>Europe</b>									
Austria	--	-0.3%	0.0%	0.2%	--	0.0%	--	--	0.0%
Belgium	--	5.0%	0.0%	0.9%	--	0.0%	--	--	0.0%
Czech Republic*	--	1.8%	0.0%	0.1%	--	0.0%	--	--	0.0%
Denmark	--	3.9%	0.0%	1.1%	--	0.0%	--	--	0.0%
Finland	--	5.6%	0.0%	0.6%	--	0.0%	--	--	0.0%
France	6.0%	2.4%	9.8%	7.2%	0.3%	-0.1%	0.0%	0.1%	0.3%
Germany	7.1%	2.1%	7.2%	6.6%	0.3%	0.0%	0.0%	0.0%	0.3%
Greece*	--	-9.0%	0.0%	0.2%	--	0.0%	--	--	0.0%
Hungary*	--	4.8%	0.0%	0.0%	--	0.0%	--	--	0.0%
Ireland	--	-8.9%	0.0%	0.2%	--	0.0%	--	--	0.0%
Italy	12.3%	1.1%	2.6%	1.9%	0.2%	0.0%	0.0%	0.1%	0.3%
Luxembourg	--	--	0.0%	0.0%	--	--	--	--	0.0%
Netherlands	6.4%	0.7%	7.3%	1.9%	0.1%	-0.2%	0.0%	0.3%	0.2%
Norway	--	10.9%	0.0%	0.6%	--	0.0%	--	--	0.0%
Poland*	--	-0.8%	0.0%	0.4%	--	0.0%	--	--	0.0%
Portugal	--	-2.3%	0.0%	0.1%	--	0.0%	--	--	0.0%
Russia*	10.2%	11.0%	1.0%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Spain	10.2%	7.2%	5.4%	2.6%	0.1%	0.1%	0.0%	0.1%	0.2%
Sweden	--	-0.3%	0.0%	2.2%	--	0.1%	--	--	0.1%
Switzerland	2.4%	2.4%	10.5%	6.4%	0.0%	-0.1%	0.0%	0.0%	-0.1%
United Kingdom	5.5%	6.1%	14.7%	15.3%	-0.1%	0.0%	0.0%	0.0%	-0.1%
<b>Americas</b>									
Argentina**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Brazil*	11.4%	7.8%	2.4%	2.3%	0.1%	0.0%	0.0%	0.0%	0.1%
Canada	6.6%	10.0%	1.2%	7.6%	-0.2%	-0.3%	-0.2%	0.4%	-0.3%
Chile*	11.8%	2.8%	0.5%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Colombia*	--	7.9%	0.0%	0.2%	--	0.0%	--	--	0.0%
Mexico*	7.8%	6.5%	1.6%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Peru*	14.2%	8.5%	0.4%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
United States	8.1%	5.1%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Returns and Ending Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
<b>Totals</b>									
Developed	5.7%	4.9%	80.7%	78.8%	0.2%	-0.5%	-0.4%	1.5%	0.7%
Emerging*	8.3%	7.1%	19.0%	21.2%	-0.1%	0.1%	-0.2%	0.4%	0.2%
Frontier**	31.0%	--	0.3%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%
Cash	--	--	--	0.0%	--	--	--	--	--

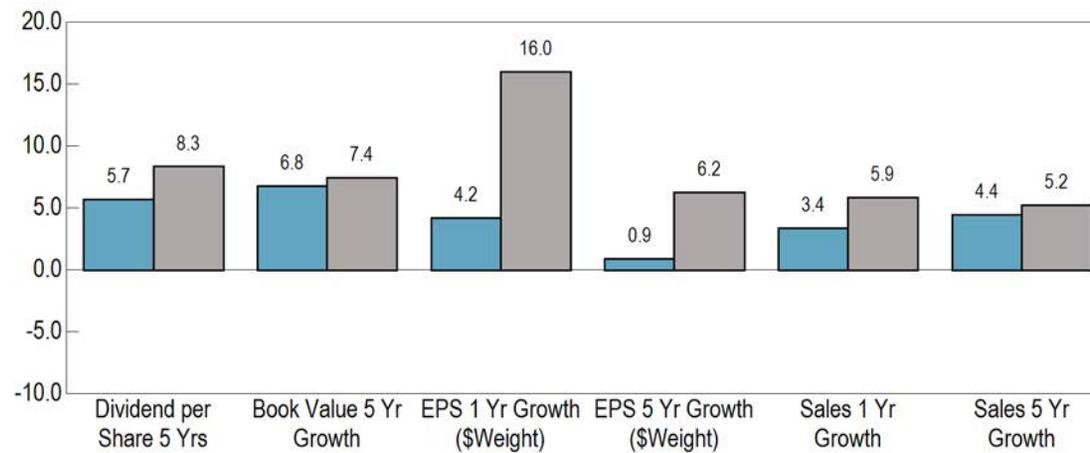
	Returns and Ending Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
<b>AsiaPacific</b>									
Australia	-5.7%	2.8%	2.0%	5.5%	-0.5%	0.1%	-0.1%	0.4%	-0.1%
Bangladesh**	--	--	0.0%	0.0%	--	--	--	--	0.0%
China*	6.3%	5.7%	3.4%	3.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Hong Kong	--	8.3%	0.0%	2.0%	--	-0.1%	--	--	-0.1%
India*	19.3%	12.7%	2.0%	1.5%	0.1%	0.0%	0.0%	0.0%	0.2%
Indonesia*	4.1%	0.8%	0.9%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Japan	6.9%	6.6%	13.6%	14.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Korea*	-0.9%	6.4%	1.5%	3.3%	-0.2%	0.0%	-0.1%	0.2%	-0.1%
Malaysia*	1.4%	3.8%	1.0%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%
New Zealand	--	2.5%	0.0%	0.1%	--	0.0%	--	--	0.0%
Pakistan**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Philippines*	10.4%	9.5%	0.6%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Singapore	7.0%	5.8%	3.3%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sri Lanka**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Taiwan*	8.0%	10.2%	1.5%	2.6%	-0.1%	0.0%	0.0%	0.0%	-0.1%
Thailand*	5.7%	7.8%	0.6%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Vietnam**	--	--	0.0%	0.0%	--	--	--	--	0.0%
<b>Other</b>									
Bahrain**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Bulgaria**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Croatia**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Egypt*	--	1.1%	0.0%	0.0%	--	0.0%	--	--	0.0%
Estonia**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Israel	-0.1%	2.5%	2.6%	0.4%	0.0%	-0.1%	0.0%	-0.1%	-0.1%
Jordan**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Kazakhstan**	31.0%	28.0%	0.3%	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%
Kenya**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Kuwait**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Lebanon**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Lithuania**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Mauritius**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Morocco**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Nigeria**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Oman**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Qatar*	--	--	0.0%	0.0%	--	--	--	--	0.0%
Romania**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Serbia**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Slovenia**	--	--	0.0%	0.0%	--	--	--	--	0.0%
South Africa*	3.1%	4.7%	0.6%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Tunisia**	--	--	0.0%	0.0%	--	--	--	--	0.0%
Turkey*	11.2%	15.3%	1.0%	0.4%	0.0%	0.1%	0.0%	0.0%	0.0%
Ukraine**	--	--	0.0%	0.0%	--	--	--	--	0.0%
United Arab Emirates*	--	--	0.0%	0.1%	--	--	--	--	0.0%
Other Countries*		0.0%	0.0%	0.0%					

# NCSRP Mondrian ACWI ex US Value

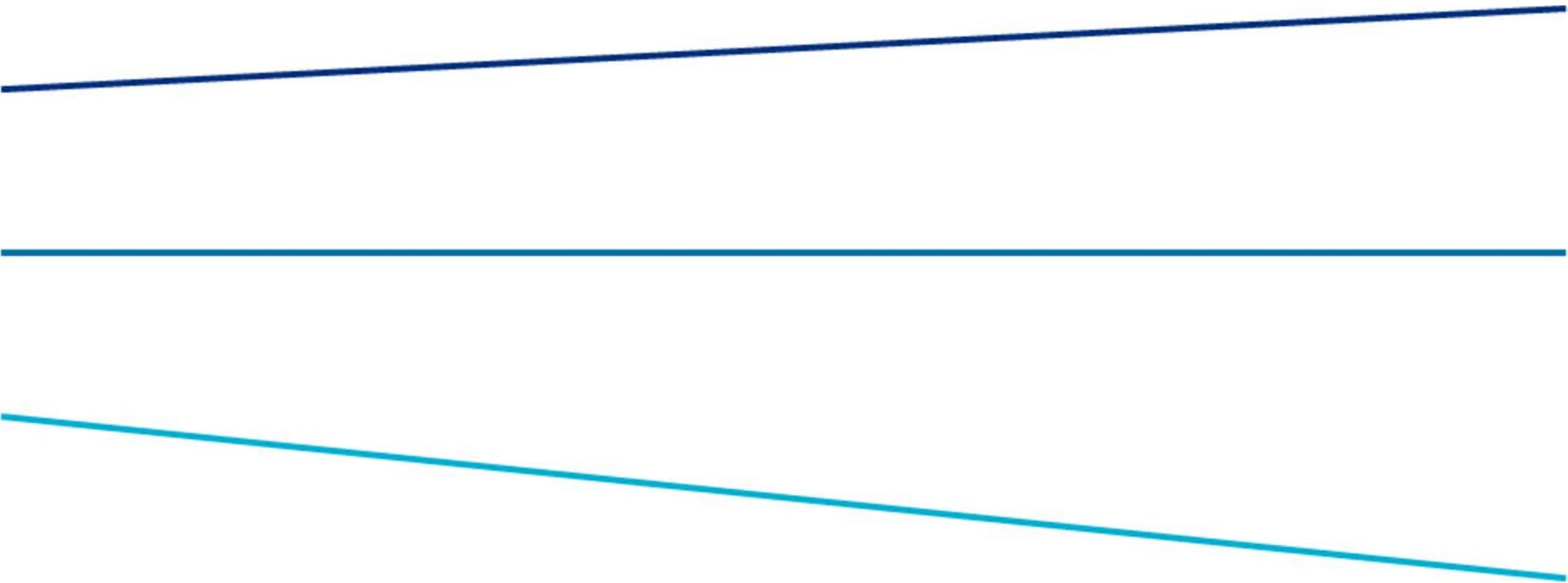
**Portfolio Characteristics**  
Ending June 30, 2014



**Historical Growth Measures**  
Ending June 30, 2014



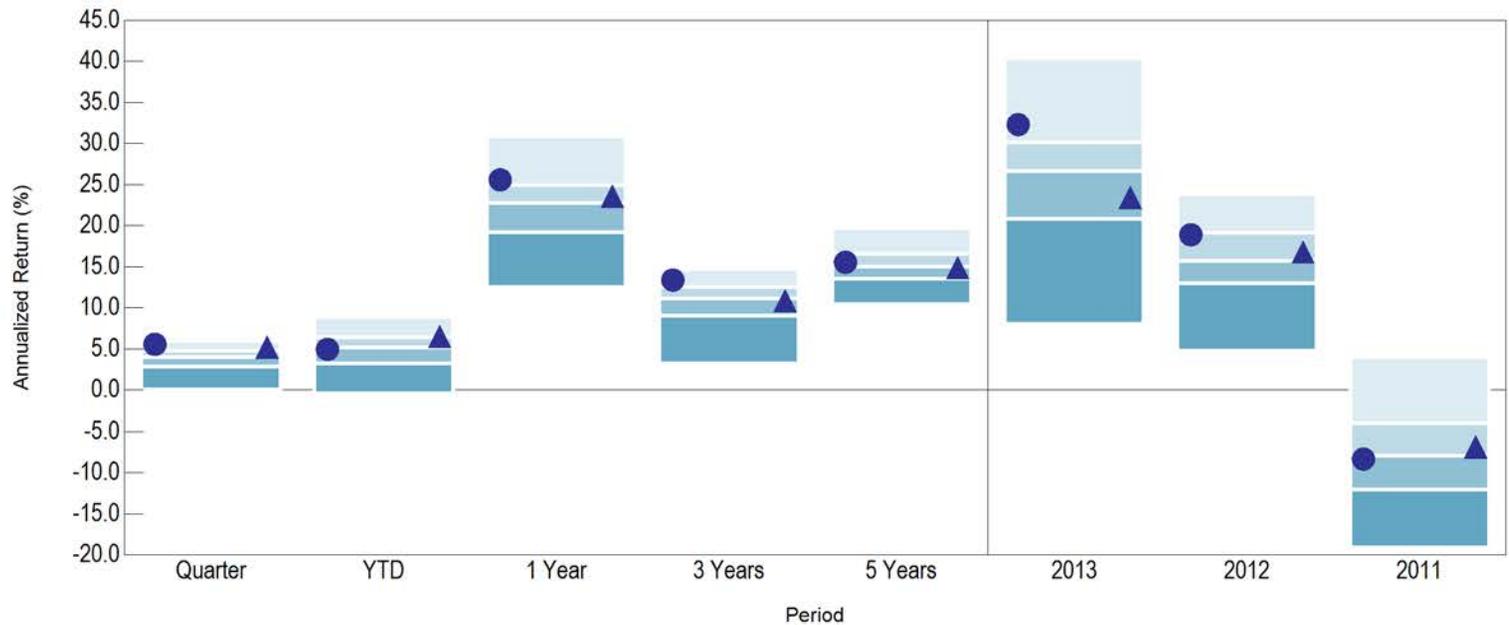
# Global Equity



# Global Equity

## Performance

Performance vs. Mercer Mutual Fund Global Equity  
Ending June 30, 2014

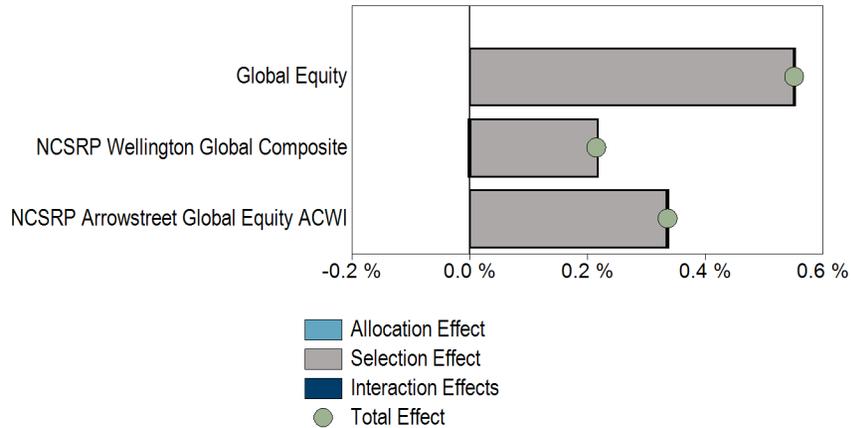


	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011	
<b>5th Percentile</b>	5.9		8.9		30.8		14.7		19.6		40.3		23.8		3.9	
<b>25th Percentile</b>	4.8		6.5		25.0		12.6		16.6		30.2		19.1		-3.9	
<b>Median</b>	4.0		5.2		22.8		11.2		15.0		26.7		15.7		-7.9	
<b>75th Percentile</b>	2.9		3.3		19.2		9.1		13.6		20.9		13.1		-12.0	
<b>95th Percentile</b>	0.1		-0.3		12.5		3.3		10.5		8.1		4.8		-19.0	
<b># of Portfolios</b>	282		279		262		194		156		244		232		223	
<b>● Global Equity</b>	5.6	(10)	4.9	(54)	25.6	(22)	13.4	(14)	15.5	(45)	32.3	(19)	18.9	(27)	-8.3	(54)
<b>▲ MSCI ACWI Gross</b>	5.2	(15)	6.5	(25)	23.6	(41)	10.9	(55)	14.9	(54)	23.4	(68)	16.8	(42)	-6.9	(43)

# Global Equity

## Attribution

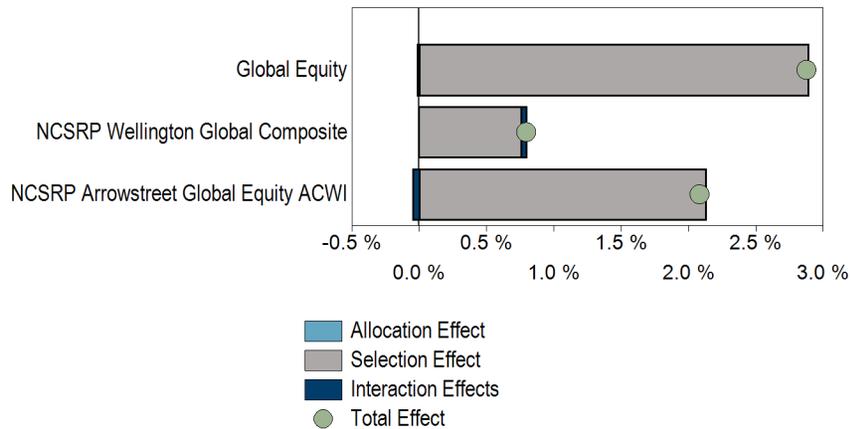
**Attribution Effects**  
3 Months Ending June 30, 2014



**Attribution Summary**  
3 Months Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRP Wellington Global Composite	5.7%	5.2%	0.4%	0.2%	0.0%	0.0%	0.2%
NCSRP Arrowstreet Global Equity ACWI	5.9%	5.2%	0.7%	0.3%	0.0%	0.0%	0.3%
<b>Total</b>	<b>5.8%</b>	<b>5.2%</b>	<b>0.6%</b>	<b>0.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.6%</b>

**Attribution Effects**  
1 Year Ending June 30, 2014

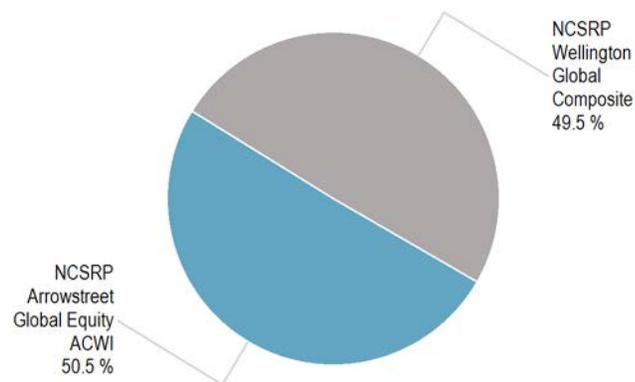


**Attribution Summary**  
1 Year Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRP Wellington Global Composite	25.0%	23.6%	1.4%	0.8%	0.0%	0.0%	0.8%
NCSRP Arrowstreet Global Equity ACWI	27.9%	23.6%	4.3%	2.1%	0.0%	0.0%	2.1%
<b>Total</b>	<b>26.5%</b>	<b>23.6%</b>	<b>2.9%</b>	<b>2.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>2.9%</b>

# Global Equity

## Current Allocation



## Characteristics

	Portfolio	MSCI ACWI Gross
Number of Holdings	397	2,446
Weighted Avg. Market Cap. (\$B)	59.43	84.04
Median Market Cap. (\$B)	18.35	9.07
Price To Earnings	22.91	19.66
Price To Book	3.60	3.04
Price To Sales	2.95	2.36
Return on Equity (%)	17.21	16.40
Yield (%)	2.06	2.43
Beta	0.99	1.00
R-Squared	0.96	1.00

## International Equity Performance Attribution Versus MSCI ACWI Gross - Quarter Ending June 30, 2014

	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>Totals</b>										
Americas	6.5%	5.6%	58.3%	54.8%	0.7%	-0.1%	-0.1%	0.0%	0.6%	
Europe	3.9%	3.8%	27.2%	25.3%	0.0%	0.0%	-0.1%	0.1%	0.0%	
Asia/Pacific	9.1%	6.3%	13.4%	18.6%	0.3%	-0.1%	0.0%	0.1%	0.3%	
Other	34.0%	5.7%	0.5%	1.3%	0.1%	0.0%	0.0%	0.0%	0.1%	
Cash	0.0%	--	0.6%	--	0.0%	0.0%	0.0%	-0.1%	-0.1%	
<b>Total</b>	<b>6.2%</b>	<b>5.3%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.0%</b>	<b>0.0%</b>	<b>-0.2%</b>	<b>0.1%</b>	<b>0.9%</b>	

# Global Equity

# Performance Attribution

	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>Europe</b>										
Austria	4.0%	-0.3%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Belgium	10.6%	5.0%	1.4%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Czech Republic*	--	1.8%	0.0%	0.0%	--	0.0%	--	--	--	0.0%
Denmark	5.9%	3.9%	0.9%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Finland	4.1%	5.6%	0.8%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
France	-0.8%	2.4%	4.4%	3.7%	-0.1%	0.0%	0.0%	0.0%	0.0%	-0.2%
Germany	3.7%	2.1%	1.9%	3.4%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%
Greece*	-7.5%	-9.0%	0.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Hungary*	--	4.8%	0.0%	0.0%	--	0.0%	--	--	--	0.0%
Ireland	--	-8.9%	0.0%	0.1%	--	0.0%	--	--	--	0.0%
Italy	-3.1%	1.1%	3.5%	0.9%	0.0%	-0.1%	0.0%	-0.1%	-0.1%	-0.2%
Luxembourg	7.3%	4.2%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Netherlands	-2.4%	0.7%	1.1%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Norway	1.1%	10.9%	0.2%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Poland*	14.0%	-0.8%	0.3%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Portugal	10.9%	-2.3%	0.3%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Russia*	9.1%	11.0%	2.1%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Spain	5.4%	7.2%	3.0%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sweden	-2.2%	-0.3%	0.4%	1.1%	0.0%	0.0%	0.0%	-0.1%	0.0%	0.0%
Switzerland	-4.4%	2.4%	0.6%	3.3%	-0.2%	0.1%	0.0%	0.2%	0.0%	0.0%
United Kingdom	11.2%	6.1%	5.3%	7.8%	0.4%	0.0%	-0.1%	0.0%	0.0%	0.3%
<b>Americas</b>										
Argentina**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Brazil*	19.6%	7.8%	0.5%	1.2%	0.2%	0.0%	0.0%	-0.1%	0.0%	0.0%
Canada	10.2%	10.0%	3.4%	3.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Chile*	--	2.8%	0.0%	0.2%	--	0.0%	--	--	--	0.0%
Colombia*	--	7.9%	0.0%	0.1%	--	0.0%	--	--	--	0.0%
Mexico*	0.9%	6.5%	0.0%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Peru*	--	8.5%	0.0%	0.0%	--	0.0%	--	--	--	0.0%
United States	6.3%	5.2%	54.4%	48.9%	0.5%	0.0%	0.0%	0.1%	0.0%	0.6%
<b>Totals</b>										
Developed	5.9%	5.0%	92.2%	89.2%	0.4%	0.1%	-0.1%	0.5%	0.8%	0.8%
Emerging*	14.5%	7.1%	7.1%	10.8%	0.7%	-0.1%	-0.1%	-0.3%	0.2%	0.2%
Frontier**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Cash	0.0%	--	0.6%	--	0.0%	0.0%	0.0%	-0.1%	-0.1%	-0.1%

	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>AsiaPacific</b>										
Australia	-4.8%	2.8%	0.0%	2.8%	-0.2%	0.1%	-0.1%	0.3%	0.1%	0.1%
Bangladesh**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
China*	11.5%	5.7%	0.6%	2.0%	0.1%	0.0%	0.0%	-0.1%	0.0%	0.0%
Hong Kong	1.5%	8.3%	0.1%	1.0%	-0.1%	0.0%	0.0%	0.0%	0.0%	-0.1%
India*	1.2%	12.7%	0.6%	0.7%	-0.1%	0.0%	0.0%	0.1%	0.0%	-0.1%
Indonesia*	--	0.8%	0.0%	0.3%	--	0.0%	--	--	--	0.0%
Japan	8.2%	6.6%	9.9%	7.4%	0.1%	0.0%	0.1%	0.0%	0.1%	0.1%
Korea*	33.1%	6.4%	0.4%	1.7%	0.4%	0.0%	0.0%	-0.2%	0.0%	0.2%
Malaysia*	--	3.8%	0.0%	0.4%	--	0.0%	--	--	--	0.0%
New Zealand	6.0%	2.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pakistan**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Philippines*	--	9.5%	0.0%	0.1%	--	0.0%	--	--	--	0.0%
Singapore	--	5.8%	0.0%	0.5%	--	0.0%	--	--	--	0.0%
Sri Lanka**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Taiwan*	9.9%	10.2%	1.7%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Thailand*	--	7.8%	0.0%	0.2%	--	0.0%	--	--	--	0.0%
Vietnam**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
<b>Other</b>										
Bahrain**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Bulgaria**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Croatia**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Egypt*	--	1.1%	0.0%	0.0%	--	0.0%	--	--	--	0.0%
Estonia**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Israel	--	2.5%	0.0%	0.2%	--	0.0%	--	--	--	0.0%
Jordan**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Kazakhstan**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Kenya**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Kuwait**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Lebanon**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Lithuania**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Mauritius**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Morocco**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Nigeria**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Oman**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Qatar*	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Romania**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Serbia**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Slovenia**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
South Africa*	5.7%	4.7%	0.3%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Tunisia**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Turkey*	37.3%	15.3%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Ukraine**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
United Arab Emirates*	--	--	0.0%	0.1%	--	--	--	--	--	0.0%
Other Countries*		0.0%	0.0%	0.0%						

## Global Equity

---

### Top Holdings Global Equity

	Global Fund %	Wellington %	Arrowstreet %	Index Weight%
MERCK & COMPANY	1.72%	1.49%	1.94%	0.45%
APPLE	1.55%		3.06%	1.54%
QUALCOMM	1.53%	1.52%	1.54%	0.36%
ANADARKO PETROLEUM	1.46%	1.71%	1.22%	0.15%
ASTRAZENECA	1.42%	2.58%	0.29%	0.25%
BRISTOL MYERS SQUIBB	1.34%	1.99%	0.71%	0.21%
GOOGLE 'A'	1.31%	2.65%		0.44%
PHILIP MORRIS INTL.	1.28%		2.54%	0.35%
AMERICAN INTL.GP.	1.24%	1.75%	0.74%	0.20%
ANHEUSER-BUSCH INBEV	1.17%	2.36%		0.24%
<b>Total</b>	<b>14.02%</b>	<b>16.05%</b>	<b>12.03%</b>	<b>4.19%</b>

## Manager Philosophy and Process

**Investment Philosophy** The team applies a bottom-up, fundamental process to find companies with unique assets where opportunities to improve returns are misunderstood by the market place. Stock selection emphasizes cash flows and return on invested capital; it is often and most efficiently expressed through pure play companies, which exhibit high exposure to a specific investment insight. The approach is opportunistic, embracing ideas across the style spectrum; the strategy does not have a consistent style bias and holdings typically include growth and value ideas; hence, the strategy is most appropriately classified as a core approach. The strategy is broadly diversified and benchmark sensitive.

**Investment Process** The team's universe of securities includes mid to large cap securities in the developed and emerging market economies with a minimum market capitalization of \$1 billion. Stocks with a market capitalization between \$10 billion and \$35 billion constitute prime hunting ground. The team sources ideas from various places. Many ideas stem from the team's own research activities: reading, attending conferences and company meetings with management / competitors / suppliers, etc. In addition, the team leverages ideas from Wellington's global industry analysts. In the search for new ideas, the team thinks in terms of the global supply chain rather than by sector or industry. In addition, Choumenkovitch - with support from Wellington's quantitative team - built and utilizes a rudimentary quantitative screen that identifies companies exhibiting characteristics that are of interest. The screens include cash flow statistics such as enterprise-value-to-free-cash-flows and other metrics. Screens are run on a monthly basis and the universe of names is generally stable; they may be run more often when markets are volatile. All these activities focus on the identification of companies with underappreciated return on capital, with superior management that has demonstrated focus on creating shareholder value through effective generation and deployment of capital.

## Current Positioning

- The portfolio is overweight Japan, as Wellington believes the market was too concerned about the value added tax implemented earlier this quarter
- Wellington continues to be overweight the health care sector, as they see unrecognized value in companies focusing on immuno-oncology treatments
- The portfolio is overweight the industrials sector, as Wellington targets companies whose returns may benefit from regulatory tailwinds

## Quarterly Attribution

### Positive Impact on Performance

- Overweight allocation to and security selection within Japan
- Security selection within the emerging markets
- Security selection within the information technology and consumer staples sectors

### Negative Impact on Performance

- Underweight to the strong performing emerging markets
- Security selection in the energy and utilities sectors

## Characteristics

Number of holdings: 113

Median Market Capitalization (\$MM): \$19,375

Weighted Average Market Capitalization (\$MM): \$52,690

P/E ratio: 14.8x

P/B ratio: 2.5x

Earnings growth (5 year): 16.6%

Turnover: 98.1%

% cash: 1.78%

## Responsible Investment ESG Comment

ESG4 - The team does not appear to integrate ESG considerations or active ownership into the investment process. Wellington maintains proxy voting guidelines and subscribes to ISS. Wellington's proxy voting group contacts the portfolio managers whose portfolios hold any shares to be voted and makes a voting recommendation based on Wellington's proxy voting guidelines and ISS recommendations. The portfolio manager bases his vote on this input and on his investment perspective on the stock.

## Summary Data Points

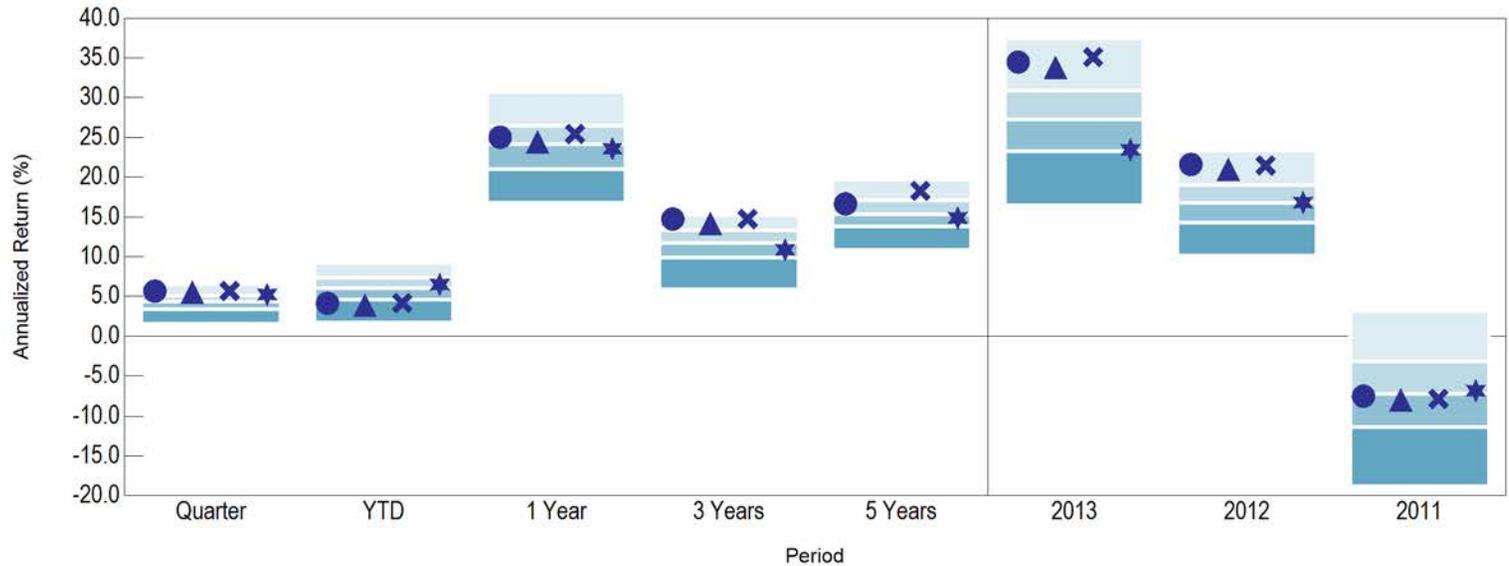
Mercer Rating: B+

Manager Strategy Assets (\$B): \$6.8 (as of March 31, 2014)

# NCSRP Wellington Global Composite

## Performance

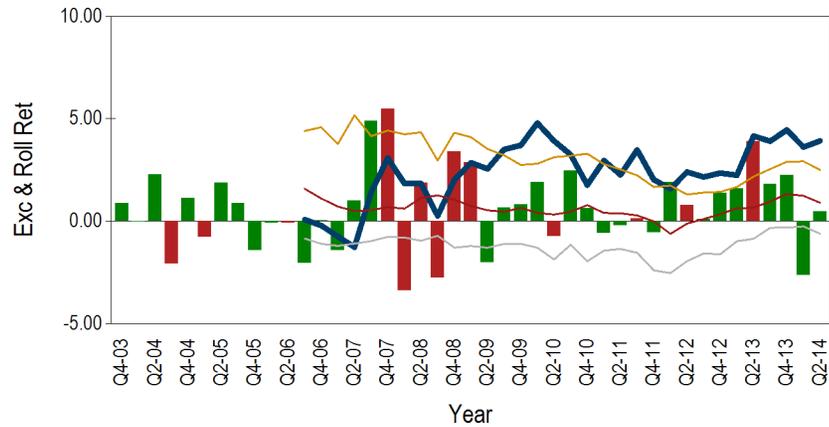
Performance vs. Mercer Instl Global Equity  
Ending June 30, 2014



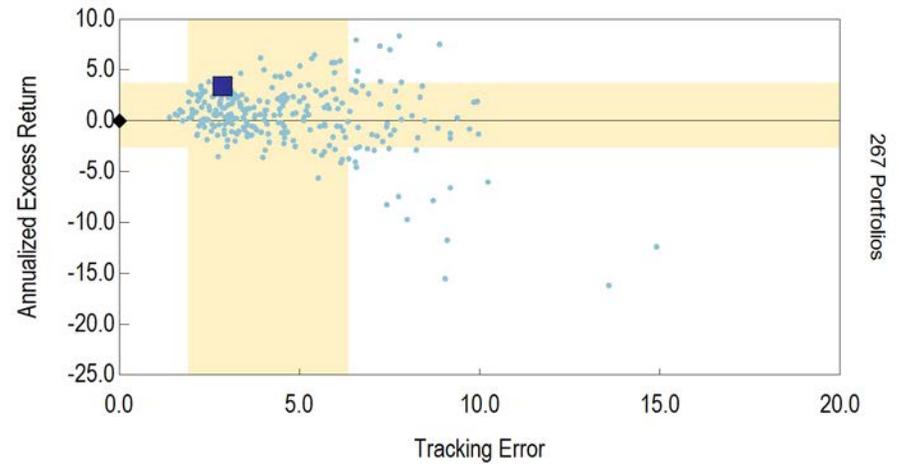
	Return (Rank)													
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011						
5th Percentile	6.5	9.2	30.6	15.2	19.7	37.4	23.3	3.1						
25th Percentile	5.1	7.3	26.5	13.4	17.1	30.9	19.1	-3.2						
Median	4.4	6.0	24.2	11.8	15.4	27.3	16.8	-7.3						
75th Percentile	3.4	4.7	21.0	10.0	13.9	23.3	14.3	-11.3						
95th Percentile	1.6	1.8	16.8	5.9	10.9	16.5	10.2	-18.8						
# of Portfolios	431	416	394	308	267	506	476	439						
● NCSRP Wellington Global Composite	5.7 (16)	4.1 (79)	25.0 (44)	14.7 (9)	16.6 (33)	34.5 (10)	21.6 (11)	-7.6 (53)						
▲ NCSRP Wellington Global Opportunities	5.5 (17)	3.9 (82)	24.4 (47)	14.2 (15)	-- (--)	33.8 (12)	21.0 (14)	-8.0 (57)						
✕ Wellington Global Opportunities Strategy	5.7 (15)	4.2 (79)	25.5 (37)	14.8 (9)	18.3 (13)	35.1 (9)	21.5 (11)	-7.9 (56)						
★ MSCI ACWI Gross	5.2 (23)	6.5 (39)	23.6 (57)	10.9 (63)	14.9 (61)	23.4 (75)	16.8 (50)	-6.9 (48)						

# Wellington Global Opportunities Strategy

**Rolling 3 Year Excess Performance**  
Wellington Global Opportunities Strategy vs. MSCI AC World GD IX



**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014



**International Equity Performance Attribution**  
Versus MSCI ACWI Gross - Quarter Ending June 30, 2014

	Returns and Ending Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
<b>Totals</b>									
Americas	6.1%	5.6%	61.3%	54.8%	0.4%	-0.1%	-0.1%	0.1%	0.3%
Europe	1.7%	3.8%	22.1%	25.3%	-0.6%	-0.1%	-0.1%	0.4%	-0.4%
Asia/Pacific	12.8%	6.3%	15.4%	18.6%	0.9%	0.0%	0.1%	-0.1%	0.8%
Other	--	5.7%	0.0%	1.3%	--	0.0%	--	--	0.0%
Cash	0.0%	--	1.3%	--	0.0%	0.0%	0.0%	-0.2%	-0.2%
<b>Total</b>	<b>5.8%</b>	<b>5.3%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.7%</b>	<b>-0.2%</b>	<b>-0.1%</b>	<b>0.2%</b>	<b>0.6%</b>

# Wellington Global Opportunities Strategy

# International Equity Performance Attribution

	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>Europe</b>										
Austria	--	-0.3%	0.0%	0.1%	--	0.0%	--	--	0.0%	
Belgium	10.6%	5.0%	2.6%	0.4%	0.0%	0.0%	0.0%	0.1%	0.1%	
Czech Republic*	--	1.8%	0.0%	0.0%	--	0.0%	--	--	0.0%	
Denmark	--	3.9%	0.0%	0.5%	--	0.0%	--	--	0.0%	
Finland	--	5.6%	0.0%	0.3%	--	0.0%	--	--	0.0%	
France	0.6%	2.4%	6.7%	3.7%	-0.1%	-0.1%	0.0%	0.0%	-0.2%	
Germany	-2.8%	2.1%	0.5%	3.4%	-0.2%	0.1%	0.0%	0.1%	0.0%	
Greece*	-5.5%	-9.0%	0.6%	0.1%	0.0%	-0.1%	0.0%	0.0%	0.0%	
Hungary*	--	4.8%	0.0%	0.0%	--	0.0%	--	--	0.0%	
Ireland	-7.8%	-8.9%	0.6%	0.1%	0.0%	-0.1%	0.0%	0.0%	-0.1%	
Italy	-2.9%	1.1%	2.7%	0.9%	0.0%	-0.1%	0.0%	0.0%	-0.2%	
Luxembourg	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Netherlands	-1.0%	0.7%	1.4%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Norway	-13.8%	10.9%	0.1%	0.3%	-0.1%	0.0%	0.0%	0.0%	0.0%	
Poland*	--	-0.8%	0.0%	0.2%	--	0.0%	--	--	0.0%	
Portugal	--	-2.3%	0.0%	0.1%	--	0.0%	--	--	0.0%	
Russia*	--	11.0%	0.0%	0.6%	--	0.0%	--	--	0.0%	
Spain	--	7.2%	0.0%	1.3%	--	0.0%	--	--	0.0%	
Sweden	-2.7%	-0.3%	0.8%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	
Switzerland	-5.8%	2.4%	1.0%	3.3%	-0.3%	0.1%	0.0%	0.2%	0.0%	
United Kingdom	6.7%	6.1%	5.1%	7.8%	0.1%	0.0%	-0.1%	0.1%	0.1%	
<b>Americas</b>										
Argentina**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Brazil*	--	7.8%	0.0%	1.2%	--	0.0%	--	--	0.0%	
Canada	11.7%	10.0%	2.1%	3.9%	0.1%	-0.1%	-0.1%	0.1%	-0.1%	
Chile*	--	2.8%	0.0%	0.2%	--	0.0%	--	--	0.0%	
Colombia*	--	7.9%	0.0%	0.1%	--	0.0%	--	--	0.0%	
Mexico*	0.9%	6.5%	0.0%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	
Peru*	--	8.5%	0.0%	0.0%	--	0.0%	--	--	0.0%	
United States	5.9%	5.2%	59.1%	48.9%	0.3%	0.0%	0.0%	0.1%	0.4%	
<b>Totals</b>										
Developed	5.7%	5.0%	96.5%	89.2%	0.0%	0.0%	-0.1%	0.7%	0.6%	
Emerging*	24.5%	7.1%	2.3%	10.8%	0.7%	-0.2%	0.0%	-0.3%	0.2%	
Frontier**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Cash	0.0%	--	1.3%	--	0.0%	0.0%	0.0%	-0.2%	-0.2%	

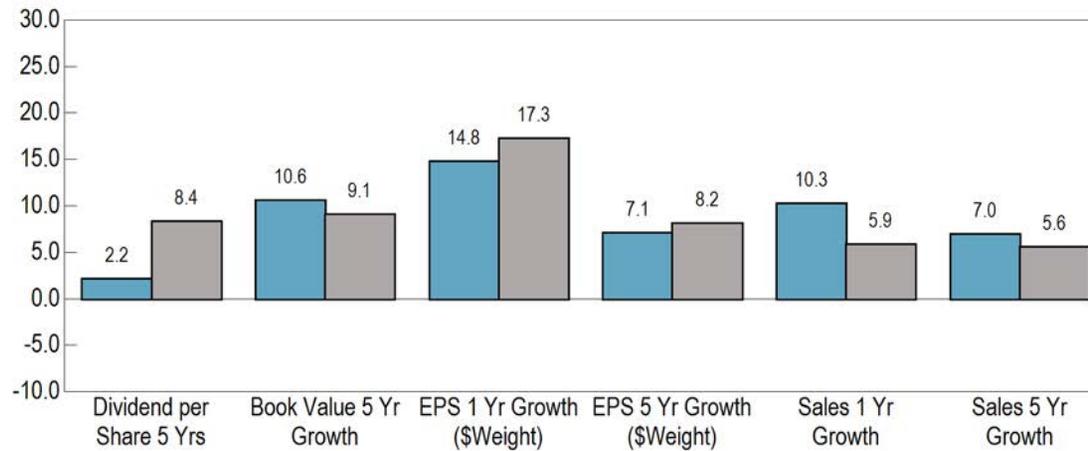
	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>AsiaPacific</b>										
Australia	--	2.8%	0.0%	2.8%	--	0.1%	--	--	0.1%	
Bangladesh**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
China*	22.7%	5.7%	0.5%	2.0%	0.3%	0.0%	0.0%	-0.2%	0.1%	
Hong Kong	-0.6%	8.3%	0.2%	1.0%	-0.1%	0.0%	0.0%	0.1%	0.0%	
India*	-10.1%	12.7%	0.4%	0.7%	-0.2%	-0.1%	0.0%	0.1%	-0.1%	
Indonesia*	--	0.8%	0.0%	0.3%	--	0.0%	--	--	0.0%	
Japan	10.5%	6.6%	13.5%	7.4%	0.3%	0.1%	0.1%	0.1%	0.5%	
Korea*	41.9%	6.4%	0.7%	1.7%	0.5%	0.0%	0.0%	-0.2%	0.3%	
Malaysia*	--	3.8%	0.0%	0.4%	--	0.0%	--	--	0.0%	
New Zealand	--	2.5%	0.0%	0.0%	--	0.0%	--	--	0.0%	
Pakistan**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Philippines*	--	9.5%	0.0%	0.1%	--	0.0%	--	--	0.0%	
Singapore	--	5.8%	0.0%	0.5%	--	0.0%	--	--	0.0%	
Sri Lanka**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Taiwan*	--	10.2%	0.0%	1.3%	--	-0.1%	--	--	-0.1%	
Thailand*	--	7.8%	0.0%	0.2%	--	0.0%	--	--	0.0%	
Vietnam**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
<b>Other</b>										
Bahrain**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Bulgaria**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Croatia**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Egypt*	--	1.1%	0.0%	0.0%	--	0.0%	--	--	0.0%	
Estonia**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Israel	--	2.5%	0.0%	0.2%	--	0.0%	--	--	0.0%	
Jordan**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Kazakhstan**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Kenya**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Kuwait**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Lebanon**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Lithuania**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Mauritius**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Morocco**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Nigeria**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Oman**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Qatar*	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Romania**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Serbia**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Slovenia**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
South Africa*	--	4.7%	0.0%	0.8%	--	0.0%	--	--	0.0%	
Tunisia**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
Turkey*	--	15.3%	0.0%	0.2%	--	0.0%	--	--	0.0%	
Ukraine**	--	--	0.0%	0.0%	--	--	--	--	0.0%	
United Arab Emirates*	--	--	0.0%	0.1%	--	--	--	--	0.0%	
Other Countries*		0.0%	0.0%	0.0%						

# Wellington Global Opportunities Strategy

Portfolio Characteristics  
Ending June 30, 2014



Historical Growth Measures  
Ending June 30, 2014



## Manager Philosophy and Process

**Investment Style/Philosophy** Arrowstreet applies a quantitative process to build a portfolio with risk characteristics similar to the index. The firm believes it can profit by exploiting both behavioral and informational opportunities. Behavioral opportunities are created by the mistakes made by investors, including the tendency for investors to overreact, to herd, and to avoid regret. Informational opportunities stem from investors not fully exploiting information that is relevant to prices on a timely basis. Arrowstreet views this process as a core approach. We note that Arrowstreet's process often displays value characteristics although its performance does not behave in line with the value cycle.

**Investment Process** Arrowstreet's investable universe consists of stocks in the reference index. For large cap strategies, stocks must have a minimum market capitalization of \$300 million. Arrowstreet's research quantitatively establishes a stock's return forecast. These derive from a diverse set of predictive signals (e.g., book yield, earnings yield, etc.) measured across two types of factor categories: (a) A stock's own direct (idiosyncratic) characteristics; (b) Indirect characteristics, which comprise various types of inter-company relationships. Most notably, securities operating in the same country, or the same sector, or the same country/sector basket are analyzed. Arrowstreet has also developed some indirect characteristics, also referred to as "expanded linkages", whereby it analyzes the relationship between companies that are not necessarily related on a country and/or sector basis. Factors used to exploit opportunities include value, momentum, earnings revisions, and high frequency (i.e., factors based on short-term liquidity considerations). The portfolio attempts to avoid systematic biases towards any country or sector. Instead, Arrowstreet builds the portfolio to maximize the trade-off between a stock's expected return, its contribution to risk, and trading costs.

## Current Positioning

- Arrowstreet shifted from being overweight Japan to underweight due to indirect momentum signals in its quantitative process
- Arrowstreet increased its energy allocation and is now overweight relative to the benchmark due to price momentum signals
- The portfolio decreased its position in the United States

## Quarterly Attribution

### Positive Impact on Performance

- The catalysts signal groups was the top performer for the quantitative strategy
- Allocation to the strong performing emerging markets
- Security selection in the developed markets

### Negative Impact on Performance

- Allocation to the developed markets
- Indirect momentum signals
- Individual Detractors: Vodafone Group and Banco Popolare Societa

## Portfolio Characteristics

Number of holdings: 2,105  
Median Market Capitalization (\$MM): \$9,000  
Weighted Average Market Capitalization (\$MM): \$72,000  
P/E ratio: 20.6x  
P/B ratio: 2.1x  
Earnings growth (5 year):10.9%  
% cash: 2.0%

## Responsible Investment ESG Comment

ESG4 - No Comment Provided

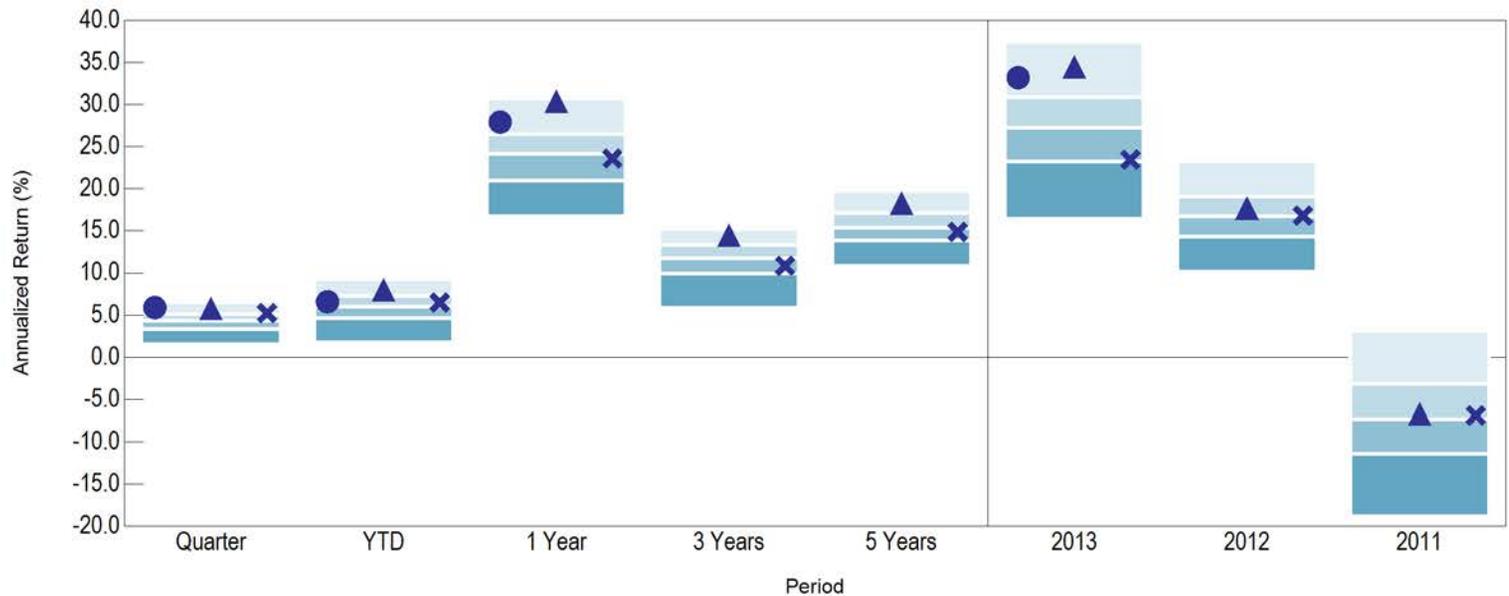
## Summary Data Points

Mercer Rating: A  
Manager Strategy Assets (\$B): \$10.6 (As of March 31, 2014)

# NCSRP Arrowstreet Global Equity ACWI

## Performance

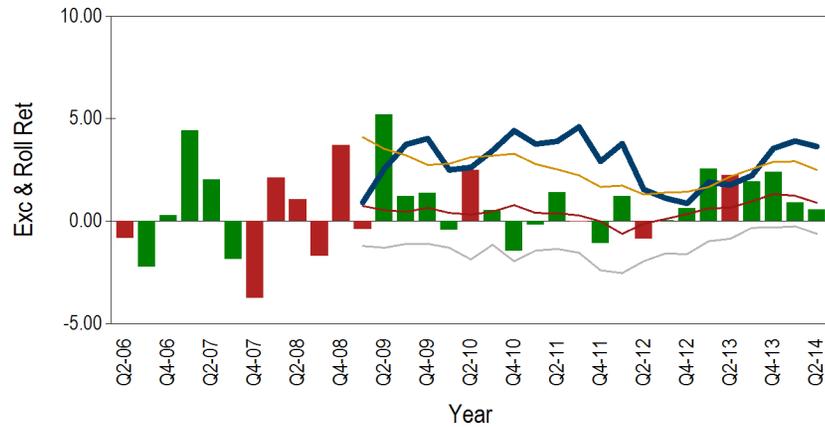
Performance vs. Mercer Instl Global Equity  
Ending June 30, 2014



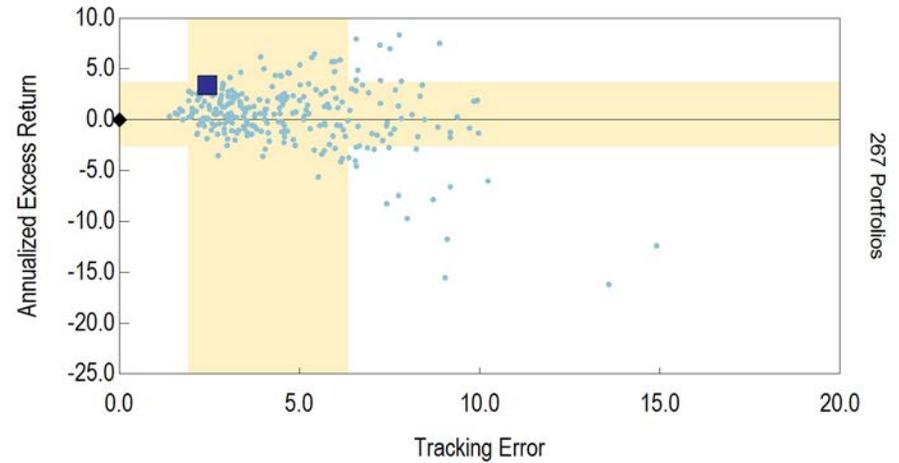
	Return (Rank)															
	6.5	9.2	30.6	15.2	19.7	37.4	23.3	3.1								
5th Percentile	6.5	9.2	30.6	15.2	19.7	37.4	23.3	3.1								
25th Percentile	5.1	7.3	26.5	13.4	17.1	30.9	19.1	-3.2								
Median	4.4	6.0	24.2	11.8	15.4	27.3	16.8	-7.3								
75th Percentile	3.4	4.7	21.0	10.0	13.9	23.3	14.3	-11.3								
95th Percentile	1.6	1.8	16.8	5.9	10.9	16.5	10.2	-18.8								
# of Portfolios	431	416	394	308	267	506	476	439								
● NCSRP Arrowstreet Global Equity ACWI	5.9	(11)	6.6	(38)	27.9	(15)	--	(--)	--	(--)	33.2	(14)	--	(--)	--	(--)
▲ Arrowstreet Global Equity ACWI Strategy	5.8	(12)	8.0	(16)	30.4	(6)	14.5	(12)	18.3	(12)	34.5	(11)	17.7	(42)	-6.7	(47)
✕ MSCI ACWI Gross	5.2	(23)	6.5	(39)	23.6	(57)	10.9	(63)	14.9	(61)	23.4	(75)	16.8	(50)	-6.9	(48)

# Arrowstreet Global Equity ACWI Strategy

**Rolling 3 Year Excess Performance**  
Arrowstreet Global Equity ACWI Strategy vs. MSCI AC World GD IX



**Annualized Excess Return vs. Tracking Error**  
5 Years Ending June 30, 2014



**International Equity Performance Attribution**  
Versus MSCI ACWI Gross - Quarter Ending June 30, 2014

	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>Totals</b>										
Americas	7.0%	5.6%	55.5%	54.8%	0.8%	0.0%	0.0%	0.0%	0.8%	
Europe	5.5%	3.8%	32.2%	25.3%	1.0%	0.1%	-0.1%	-0.5%	0.5%	
Asia/Pacific	6.1%	6.3%	11.4%	18.6%	-0.4%	-0.1%	-0.1%	0.4%	-0.3%	
Other	34.0%	5.7%	0.9%	1.3%	0.1%	0.1%	0.0%	0.0%	0.2%	
Cash	--	--	--	0.0%	--	--	--	--	--	
<b>Total</b>	<b>6.5%</b>	<b>5.3%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.4%</b>	<b>0.1%</b>	<b>-0.2%</b>	<b>-0.1%</b>	<b>1.2%</b>	

# Arrowstreet Global Equity ACWI Strategy

# International Equity Performance Attribution

	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>Europe</b>										
Austria	4.0%	-0.3%	0.2%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Belgium	--	5.0%	0.2%	0.4%	--	0.0%	--	--	--	0.0%
Czech Republic*	--	1.8%	0.0%	0.0%	--	0.0%	--	--	--	0.0%
Denmark	5.9%	3.9%	1.7%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Finland	4.1%	5.6%	1.5%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
France	-5.3%	2.4%	2.2%	3.7%	-0.3%	0.0%	0.0%	0.1%	-0.1%	0.0%
Germany	4.9%	2.1%	3.3%	3.4%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%
Greece*	-18.3%	-9.0%	0.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Hungary*	--	4.8%	0.0%	0.0%	--	0.0%	--	--	--	0.0%
Ireland	--	-8.9%	0.0%	0.1%	--	0.0%	--	--	--	0.0%
Italy	-1.9%	1.1%	4.8%	0.9%	0.0%	-0.2%	0.0%	-0.1%	-0.3%	0.0%
Luxembourg	8.5%	4.2%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Netherlands	-3.2%	0.7%	0.8%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Norway	6.7%	10.9%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Poland*	14.0%	-0.8%	0.7%	0.2%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%
Portugal	10.9%	-2.3%	0.5%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%
Russia*	9.1%	11.0%	4.1%	0.6%	0.0%	0.1%	0.0%	0.0%	0.1%	0.0%
Spain	5.4%	7.2%	5.9%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sweden	-3.4%	-0.3%	0.0%	1.1%	0.0%	0.0%	0.0%	-0.1%	-0.1%	0.0%
Switzerland	15.4%	2.4%	0.2%	3.3%	0.4%	0.1%	0.0%	-0.5%	0.1%	0.0%
United Kingdom	16.8%	6.1%	4.9%	7.8%	0.8%	0.0%	-0.1%	0.0%	0.7%	0.0%
<b>Americas</b>										
Argentina**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Brazil*	19.6%	7.8%	1.1%	1.2%	0.2%	0.0%	0.0%	-0.1%	0.0%	0.0%
Canada	8.4%	10.0%	4.6%	3.9%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Chile*	--	2.8%	0.0%	0.2%	--	0.0%	--	--	--	0.0%
Colombia*	--	7.9%	0.0%	0.1%	--	0.0%	--	--	--	0.0%
Mexico*	--	6.5%	0.0%	0.6%	--	0.0%	--	--	--	0.0%
Peru*	--	8.5%	0.0%	0.0%	--	0.0%	--	--	--	0.0%
United States	6.7%	5.2%	49.8%	48.9%	0.7%	0.0%	0.0%	0.1%	0.8%	0.0%
<b>Totals</b>										
Developed	6.1%	5.0%	88.1%	89.2%	1.3%	0.0%	-0.1%	-0.2%	1.0%	0.0%
Emerging*	11.7%	7.1%	11.9%	10.8%	0.1%	0.1%	-0.1%	0.2%	0.3%	0.0%
Frontier**	--	--	0.0%	0.0%	--	--	--	--	0.0%	0.0%
Cash	--	--	--	0.0%	--	--	--	--	--	0.0%

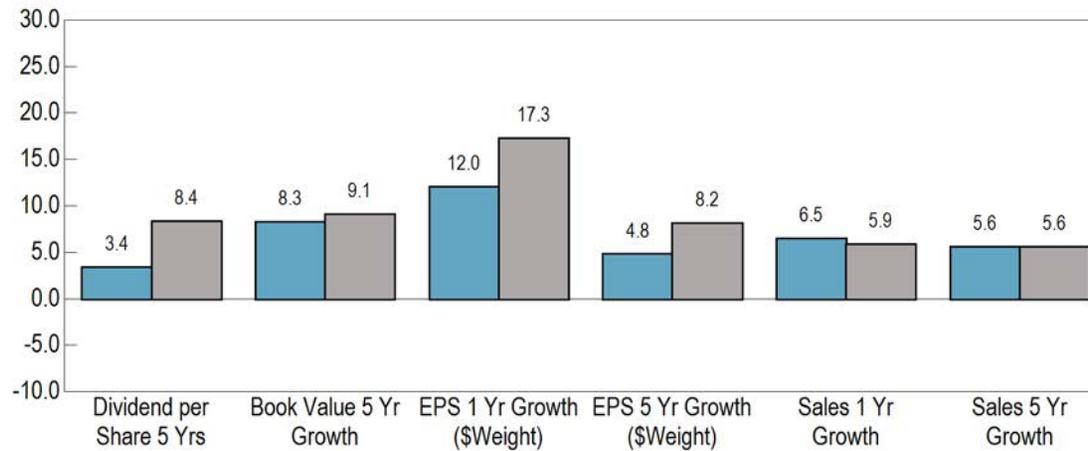
	Returns and Ending Weights				Attribution Effects					Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect		
<b>AsiaPacific</b>										
Australia	-4.8%	2.8%	0.0%	2.8%	-0.2%	0.1%	-0.1%	0.3%	0.1%	0.0%
Bangladesh**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
China*	5.5%	5.7%	0.7%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Hong Kong	2.0%	8.3%	0.0%	1.0%	-0.1%	0.0%	0.0%	0.0%	-0.1%	0.0%
India*	1.4%	12.7%	0.7%	0.7%	-0.1%	0.0%	0.0%	0.1%	-0.1%	0.0%
Indonesia*	--	0.8%	0.0%	0.3%	--	0.0%	--	--	--	0.0%
Japan	6.1%	6.6%	6.5%	7.4%	0.0%	-0.2%	0.1%	-0.1%	-0.3%	0.0%
Korea*	2.3%	6.4%	0.0%	1.7%	-0.1%	0.0%	-0.1%	0.1%	0.0%	0.0%
Malaysia*	--	3.8%	0.0%	0.4%	--	0.0%	--	--	--	0.0%
New Zealand	6.0%	2.5%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Pakistan**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Philippines*	--	9.5%	0.0%	0.1%	--	0.0%	--	--	--	0.0%
Singapore	--	5.8%	0.0%	0.5%	--	0.0%	--	--	--	0.0%
Sri Lanka**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Taiwan*	9.9%	10.2%	3.3%	1.3%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
Thailand*	--	7.8%	0.0%	0.2%	--	0.0%	--	--	--	0.0%
Vietnam**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
<b>Other</b>										
Bahrain**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Bulgaria**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Croatia**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Egypt*	--	1.1%	0.0%	0.0%	--	0.0%	--	--	--	0.0%
Estonia**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Israel	--	2.5%	0.0%	0.2%	--	0.0%	--	--	--	0.0%
Jordan**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Kazakhstan**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Kenya**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Kuwait**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Lebanon**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Lithuania**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Mauritius**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Morocco**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Nigeria**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Oman**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Qatar*	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Romania**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Serbia**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Slovenia**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
South Africa*	5.7%	4.7%	0.6%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Tunisia**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
Turkey*	37.3%	15.3%	0.4%	0.2%	0.0%	0.1%	0.0%	0.0%	0.2%	0.0%
Ukraine**	--	--	0.0%	0.0%	--	--	--	--	--	0.0%
United Arab Emirates*	--	--	0.0%	0.1%	--	--	--	--	--	0.0%
Other Countries*		0.0%	0.0%	0.0%						0.0%

# Arrowstreet Global Equity ACWI Strategy

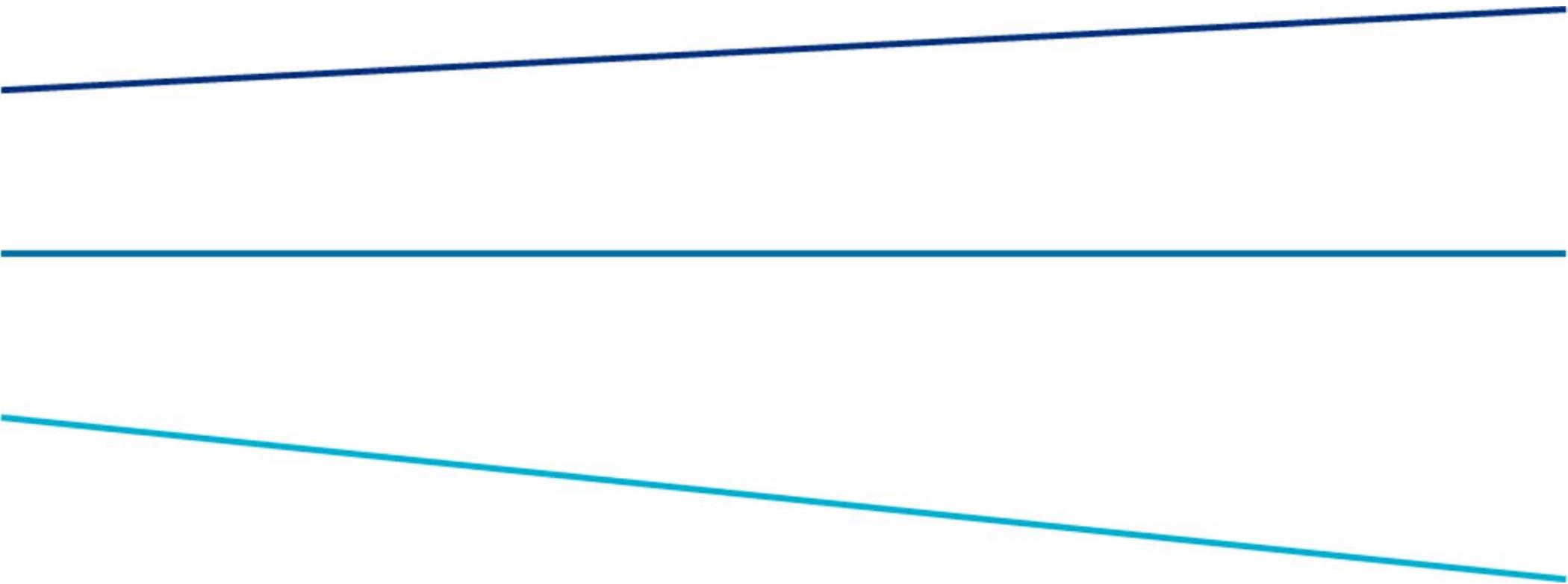
Portfolio Characteristics  
Ending June 30, 2014



Historical Growth Measures  
Ending June 30, 2014



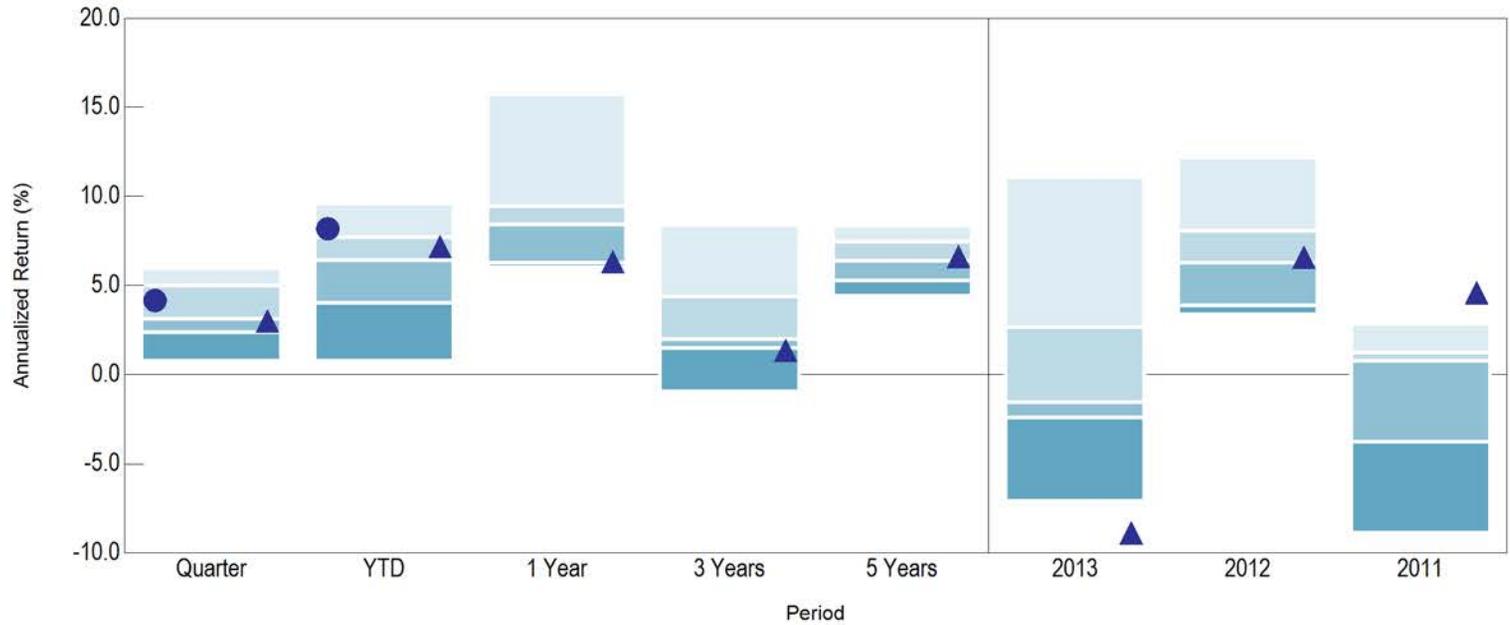
# Inflation Responsive



# Inflation Responsive Fund

## Performance

Performance vs. Mercer Mutual Fund Diversified Inflation Hedge  
Ending June 30, 2014

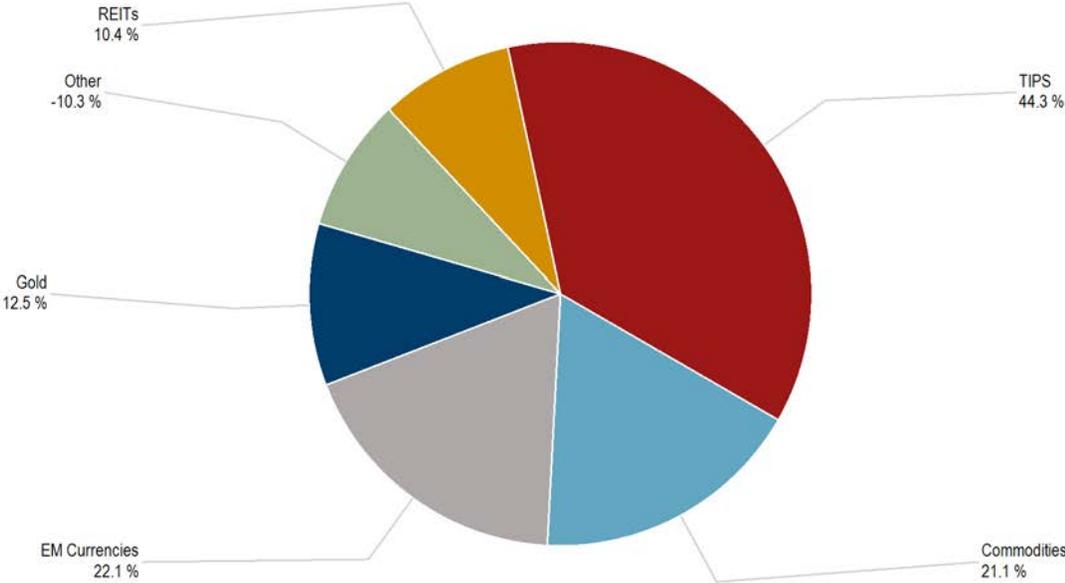


	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011	
<b>5th Percentile</b>	5.9	9.6	15.7	8.3	8.3	11.0	12.2	2.8								
<b>25th Percentile</b>	5.0	7.7	9.5	4.4	7.5	2.7	8.1	1.3								
<b>Median</b>	3.1	6.4	8.4	2.0	6.4	-1.5	6.3	0.8								
<b>75th Percentile</b>	2.4	4.0	6.3	1.5	5.3	-2.4	3.9	-3.7								
<b>95th Percentile</b>	0.8	0.8	6.0	-0.9	4.4	-7.1	3.4	-8.8								
<b># of Portfolios</b>	9	9	9	8	2	9	10	7								
<b>● Inflation Sensitive Fund</b>	4.1 (33)	8.2 (22)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)								
<b>▲ PIMCO Inflation Response Index</b>	3.0 (55)	7.2 (32)	6.3 (75)	1.4 (77)	6.6 (45)	-8.9 (99)	6.6 (49)	4.6 (1)								

# Inflation Responsive Fund

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Current Allocation



## Manager Philosophy and Process

### Investment Style/Philosophy

IRMAF is a comprehensive real return asset allocation strategy designed to hedge global inflation risks while targeting enhanced return opportunities that inflation dynamics may present. IRMAF seeks to achieve this objective by providing diversified exposure to a broad opportunity set of inflation-related assets, including Treasury Inflation-Protected Securities (TIPS), commodities, emerging market (EM) currencies, real estate and gold. In addition, tail risk hedging strategies are used to limit the impact of periodic market stresses that may affect inflation-related assets.

### Investment Process

The investment process for the IRMAF builds off of the forward-looking views produced by PIMCO's secular (long-term focused) and cyclical (near-term focus) investment process. PIMCO's Investment Committee combines top-down macro views with bottom-up inputs from the firm's sector and regional specialist portfolio management teams. The result is a series of forward-looking investment views regarding the attractiveness of key global risk factors. PIMCO's Asset Allocation Committee distills these views into risk factor weightings, which can be expressed across the full spectrum of asset classes, including TIPS, commodities, currencies, real estate and gold.

## Current Positioning

- The Fund TIPS exposure dropped approximately 5% during April and May before settling at an allocation of 44.3% at quarter end. TIPS remain to be the Fund's largest exposure
- The Fund decreased its allocations to commodities marginally while increasing its allocation to EM Currencies and Gold. The allocation to REITS ended the quarter relatively unchanged
- The portfolio nearly doubled its non-index from short 5.4% to being short 10.3% at quarter end

### Positioning:

TIPS: 44.3%

Commodities: 21.1%

EM Currencies: 22.1%

REITS: 10.4%

Gold: 12.5%

Non-Index Exposures: -10.3%

Global ILBs: 1.6%

Other: -11.9%

## Quarterly Attribution

### Positive Impact on Performance:

- Focus on intermediate maturity TIPs as real yields rose
- Overweight allocation to Gold and REITs
- Active commodity strategies and management of EM currency exposure
- Exposure to US inflation swaps

### Negative Impact on Performance:

- Tail risk hedges

## Characteristics

Effective Duration (yrs): 3.47

Effective Maturity (yrs): 8.83

SEC 30-day Yield (%): 1.71

Unsubsidized SEC 30-day Yield (%): 1.58

## Responsible Investment ESG Comment

No Rating Provided

## Summary Data Points

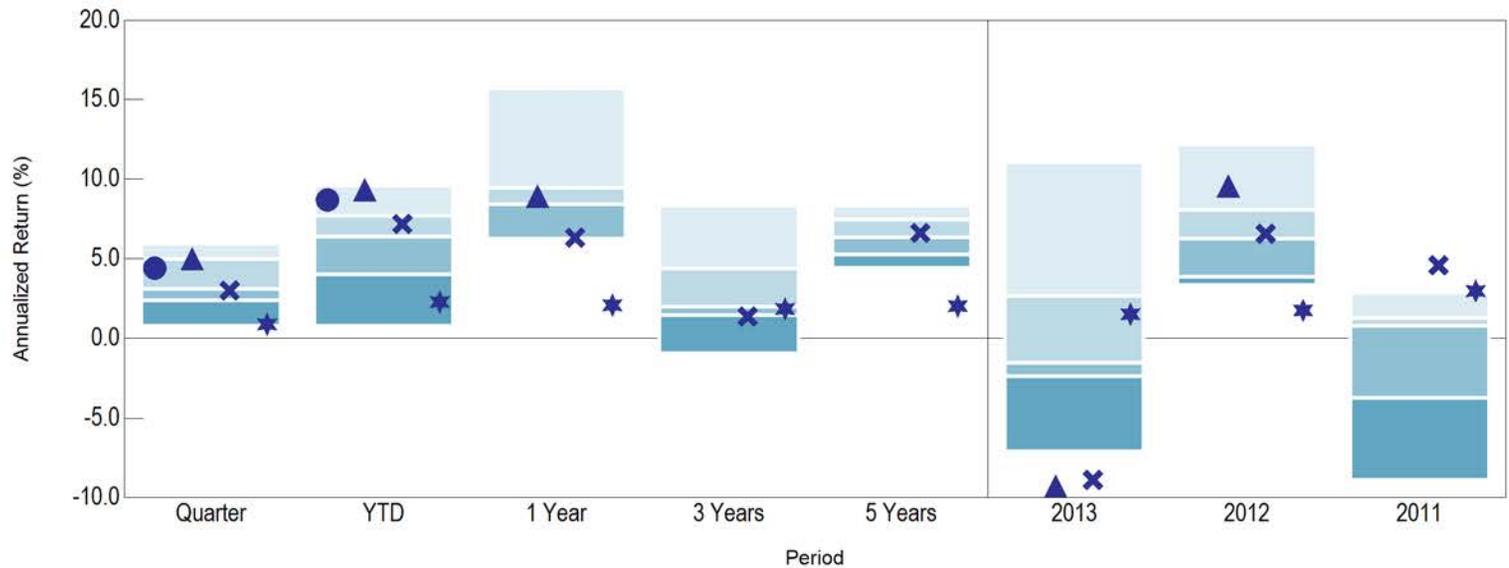
Rating: B+ (W)

Total Strategy Assets (billions): \$1.1 Billion

# NCSRP PIMCO Inflation Response Multi-Asset

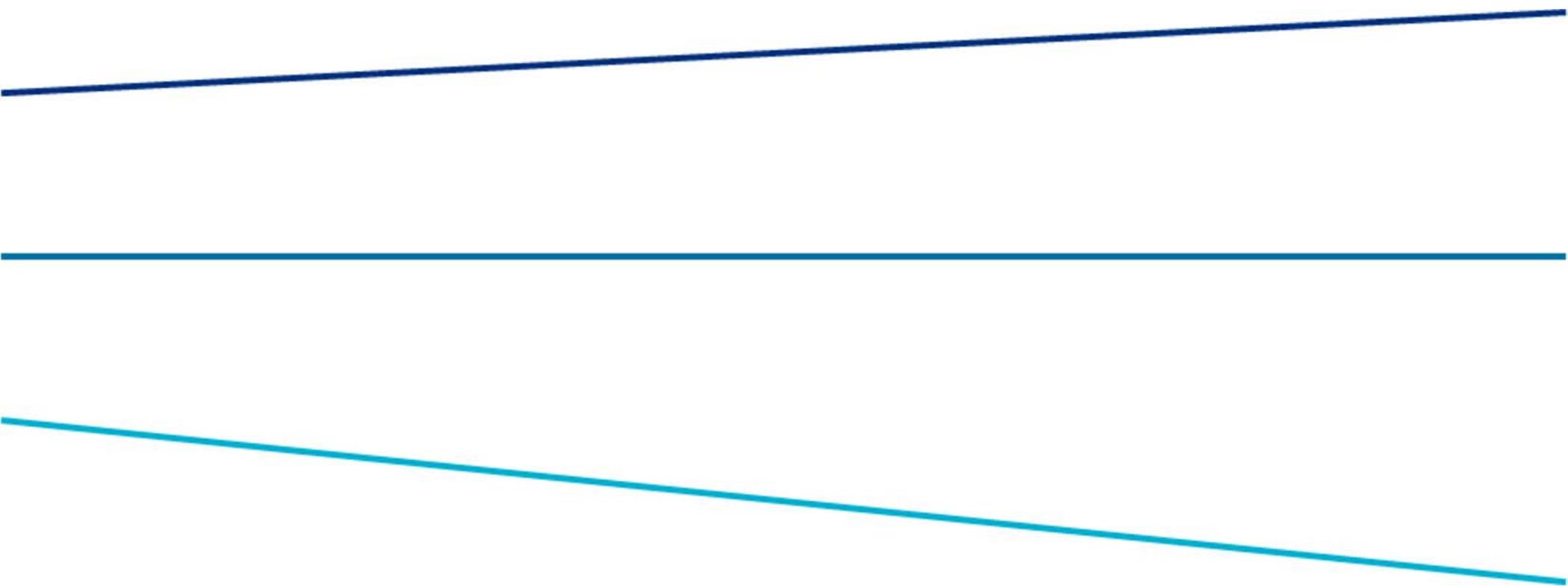
## Performance

Performance vs. Mercer Mutual Fund Diversified Inflation Hedge  
Ending June 30, 2014

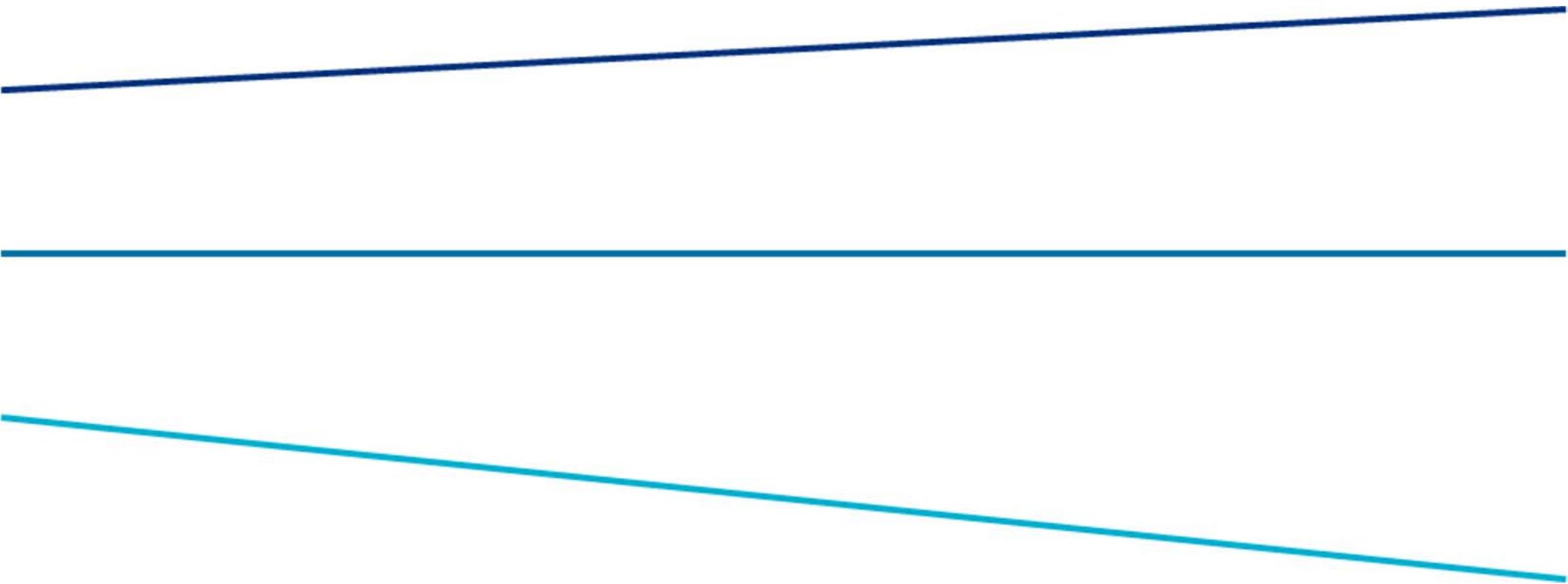


	Return (Rank)															
	Quarter		YTD		1 Year		3 Years		5 Years		2013		2012		2011	
5th Percentile	5.9	9.6	15.7	8.3	8.3	11.0	12.2	2.8	5.0	7.7	9.5	4.4	7.5	2.7	8.1	1.3
25th Percentile	3.1	6.4	8.4	2.0	6.4	-1.5	6.3	0.8	2.4	4.0	6.3	1.5	5.3	-2.4	3.9	-3.7
Median	0.8	0.8	6.0	-0.9	4.4	-7.1	3.4	-8.8	0.8	0.8	6.0	-0.9	4.4	-7.1	3.4	-8.8
75th Percentile	9	9	9	8	2	9	10	7	9	9	9	8	2	9	10	7
95th Percentile	9	9	9	8	2	9	10	7	9	9	9	8	2	9	10	7
# of Portfolios	9	9	9	8	2	9	10	7	9	9	9	8	2	9	10	7
● NCSRP PIMCO Inflation Response Multi-Asse	4.4	(31)	8.7	(18)	--	(--)	--	(--)	--	(--)	--	(--)	--	(--)	--	(--)
▲ PIMCO Inflation Response Multi-Asset Strate	5.0	(25)	9.3	(13)	8.9	(38)	--	(--)	--	(--)	-9.3	(99)	9.6	(12)	--	(--)
✕ PIMCO Inflation Response Index	3.0	(55)	7.2	(32)	6.3	(75)	1.4	(77)	6.6	(45)	-8.9	(99)	6.6	(49)	4.6	(1)
★ Consumer Price Index	0.9	(94)	2.3	(90)	2.1	(99)	1.8	(73)	2.0	(99)	1.5	(32)	1.7	(99)	3.0	(4)

# US Fixed Income



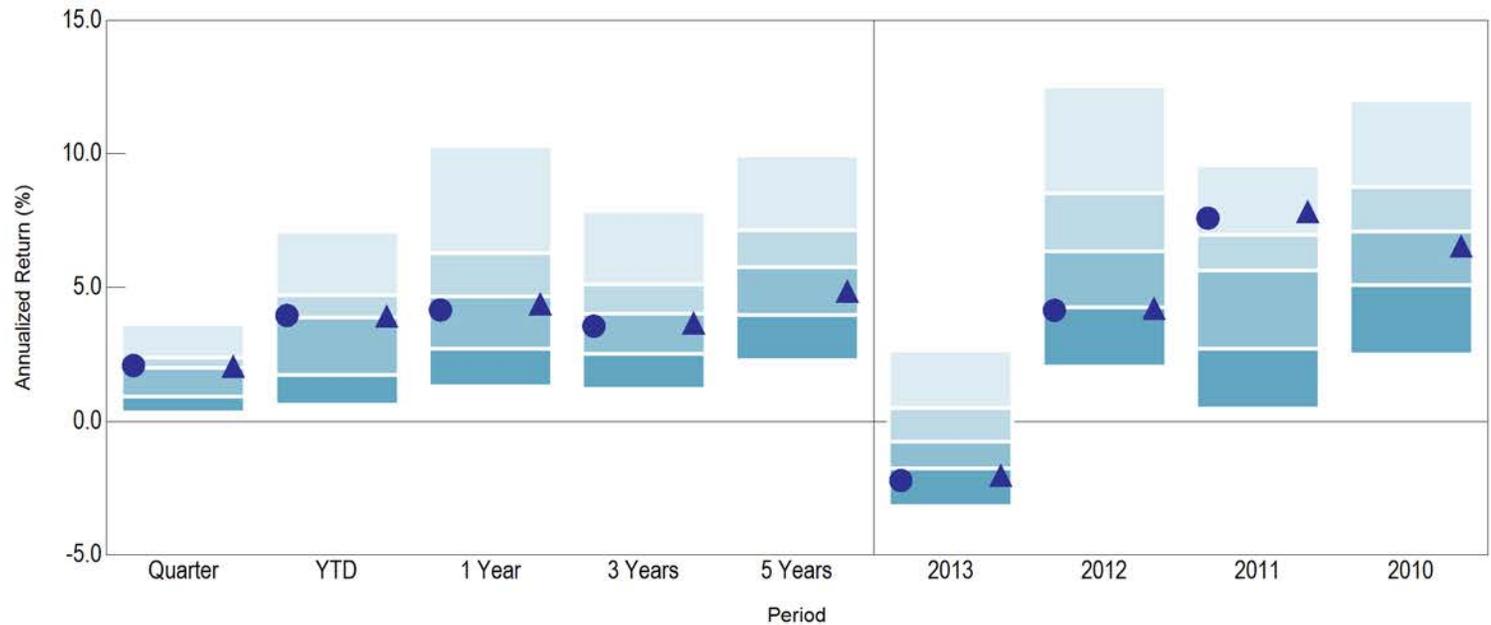
# US Fixed Income Passive



# Fixed Income Passive Fund

## Performance

Performance vs. Mercer Mutual Fund US Fixed Core  
Ending June 30, 2014



	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011	2010
<b>Return (Rank)</b>									
5th Percentile	3.6	7.1	10.3	7.8	9.9	2.6	12.5	9.6	12.0
25th Percentile	2.4	4.7	6.3	5.1	7.1	0.5	8.5	7.0	8.8
Median	2.0	3.9	4.7	4.0	5.8	-0.7	6.4	5.6	7.1
75th Percentile	0.9	1.7	2.7	2.5	4.0	-1.8	4.3	2.7	5.1
95th Percentile	0.3	0.6	1.3	1.2	2.3	-3.2	2.0	0.5	2.5
# of Portfolios	412	403	392	363	332	379	383	395	400
● Fixed Income Passive Fund	2.1 (45)	3.9 (49)	4.1 (59)	3.5 (63)	-- (--)	-2.2 (85)	4.1 (77)	7.6 (16)	-- (--)
▲ Barclays Aggregate	2.0 (46)	3.9 (49)	4.4 (55)	3.7 (61)	4.9 (66)	-2.0 (81)	4.2 (76)	7.8 (12)	6.5 (58)

## Manager Philosophy and Process

### Investment Process

The strategy seeks to track the return and risk characteristics of the Barclays US Aggregate Bond Index. The product is actually a superfund constructed of units of the following modular funds that each track a segment (subindex) of the Barclays US Aggregate Index: Intermediate Government, Long Government, Intermediate Credit, Long Credit, Mortgage-Backed, Asset-Backed, and Commercial Mortgage-Backed. Each modular fund employs a portfolio construction technique appropriate to the size, diversity, and liquidity of its benchmark. Each sector has unique liquidity and risk parameters. Some method of replicating the return and risk characteristics of each market segment is applied to the respective fund. Government bond and mortgage-backed funds employ nearly full replication, while the other funds utilize a stratified sampling approach.

## Quarterly Attribution

### Top Contributing Sectors:

- Sovereign (+4.5%), local authority (+4.1%), utilities(+3.4%)

### Top Detracting Sectors:

- Asset Backed Securities (+0.8%), supranational (+1.0%), CMBS (+1.3%).

## Summary Data Points

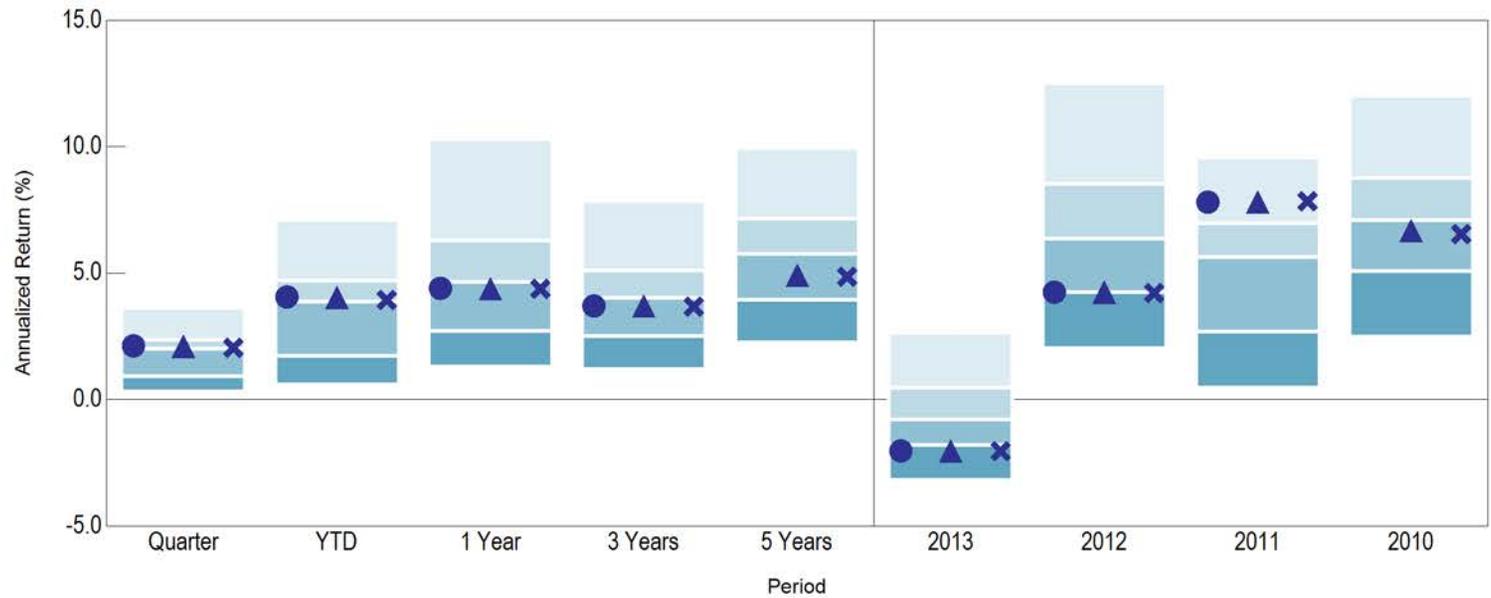
Mercer Rating: N

Total Strategy Assets: \$56.8 Billion (03/31/14)

# NCSRP BlackRock Debt Index Fund

## Performance

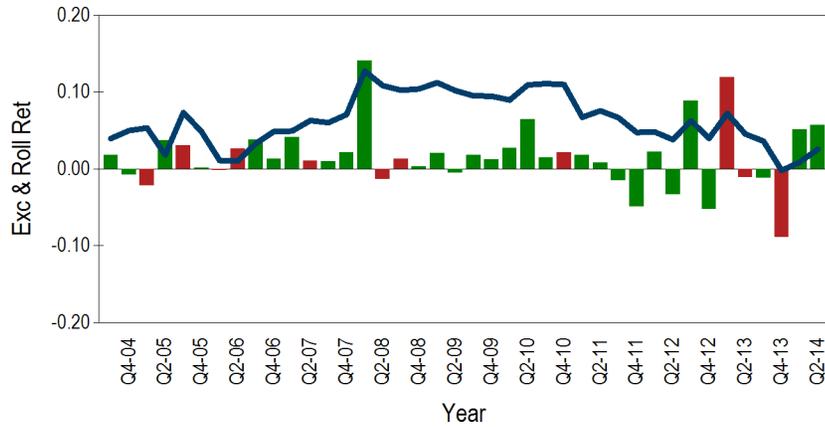
Performance vs. Mercer Mutual Fund US Fixed Core  
Ending June 30, 2014



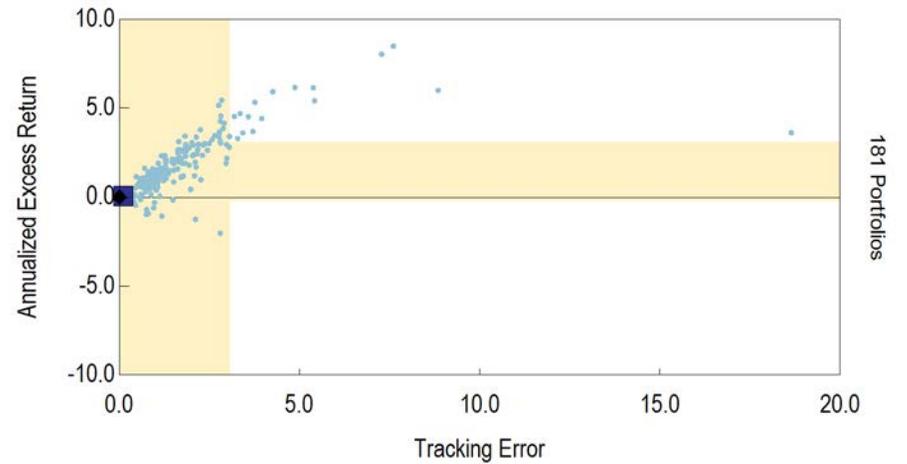
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011	2010
<b>5th Percentile</b>	3.6	7.1	10.3	7.8	9.9	2.6	12.5	9.6	12.0
<b>25th Percentile</b>	2.4	4.7	6.3	5.1	7.1	0.5	8.5	7.0	8.8
<b>Median</b>	2.0	3.9	4.7	4.0	5.8	-0.7	6.4	5.6	7.1
<b>75th Percentile</b>	0.9	1.7	2.7	2.5	4.0	-1.8	4.3	2.7	5.1
<b>95th Percentile</b>	0.3	0.6	1.3	1.2	2.3	-3.2	2.0	0.5	2.5
<b># of Portfolios</b>	412	403	392	363	332	379	383	395	400
<b>● NCSRP BlackRock Debt Index Fund</b>	2.1 (40)	4.0 (46)	4.4 (55)	3.7 (60)	-- (--)	-2.0 (81)	4.2 (76)	7.8 (13)	-- (--)
<b>▲ BlackRock Debt Index Fund Strategy</b>	2.1 (41)	4.0 (46)	4.4 (55)	3.7 (60)	4.9 (65)	-2.0 (81)	4.2 (76)	7.8 (13)	6.7 (56)
<b>✕ Barclays Aggregate</b>	2.0 (46)	3.9 (49)	4.4 (55)	3.7 (61)	4.9 (66)	-2.0 (81)	4.2 (76)	7.8 (12)	6.5 (58)

# BlackRock Debt Index Fund Strategy

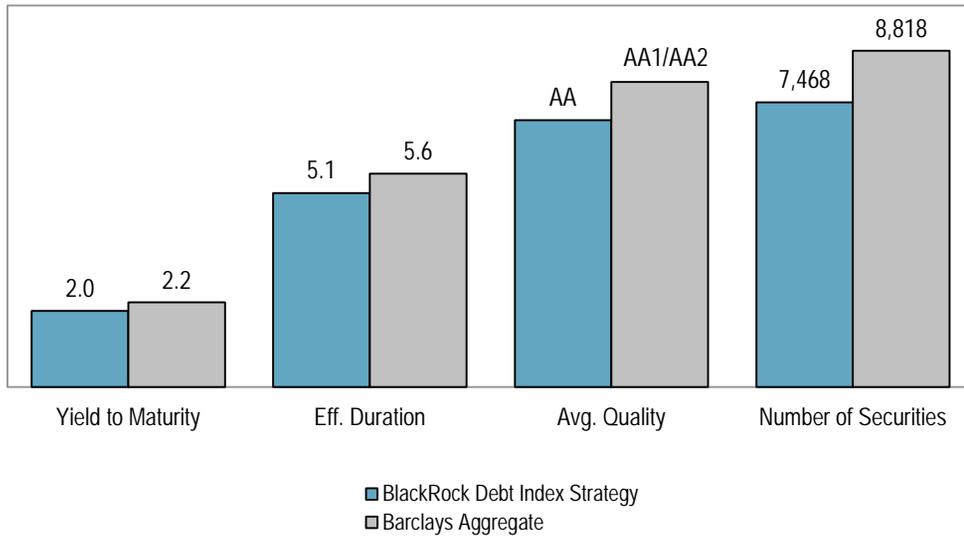
Rolling 3 Year Excess Performance  
BlackRock Debt Index Fund Strategy vs. Barclays Capital Aggregate



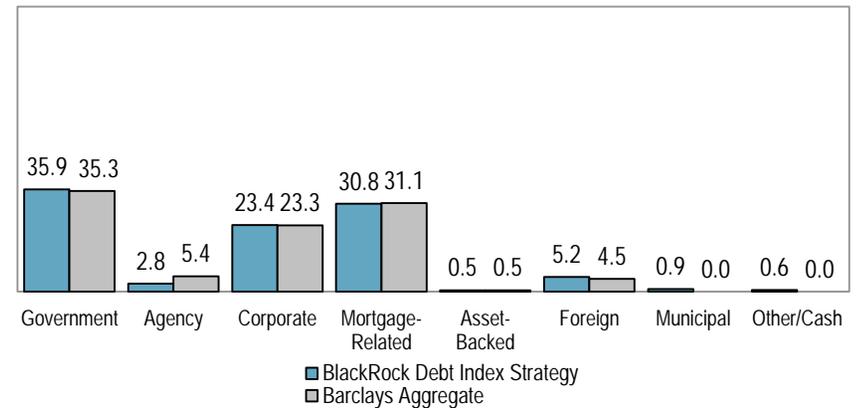
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2014



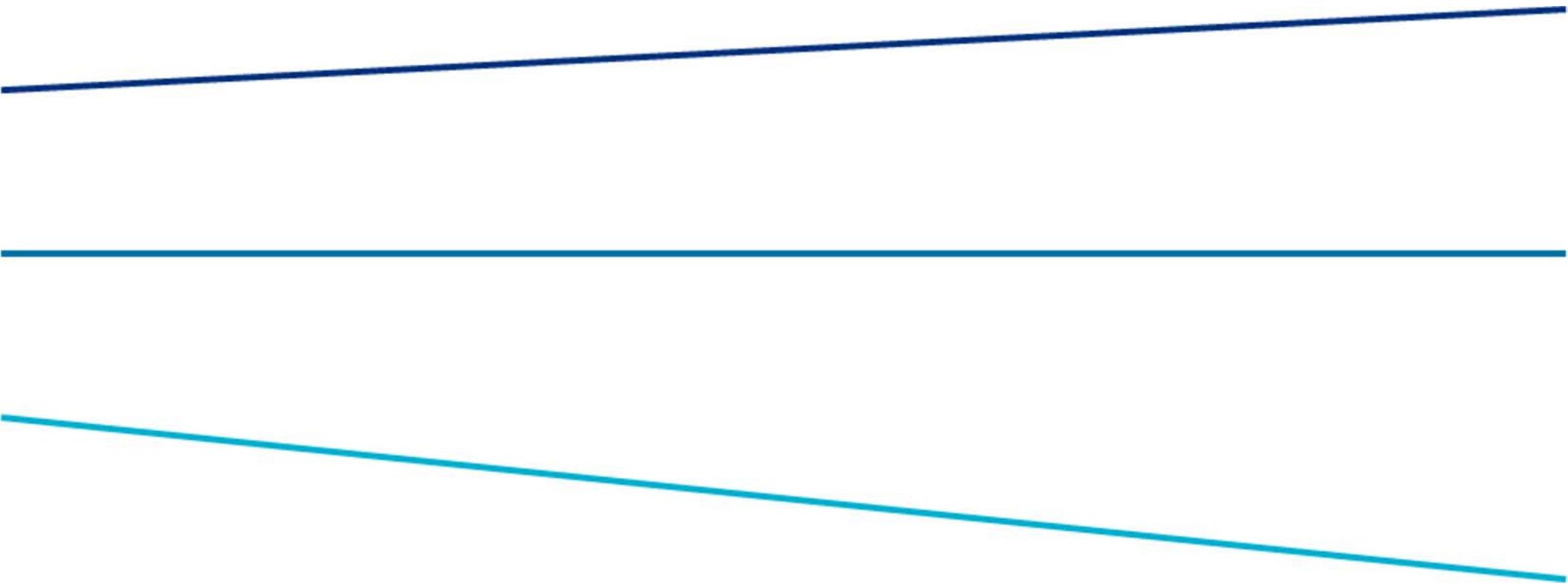
Characteristics  
as of June 30, 2014



Sectors  
as of June 30, 2014



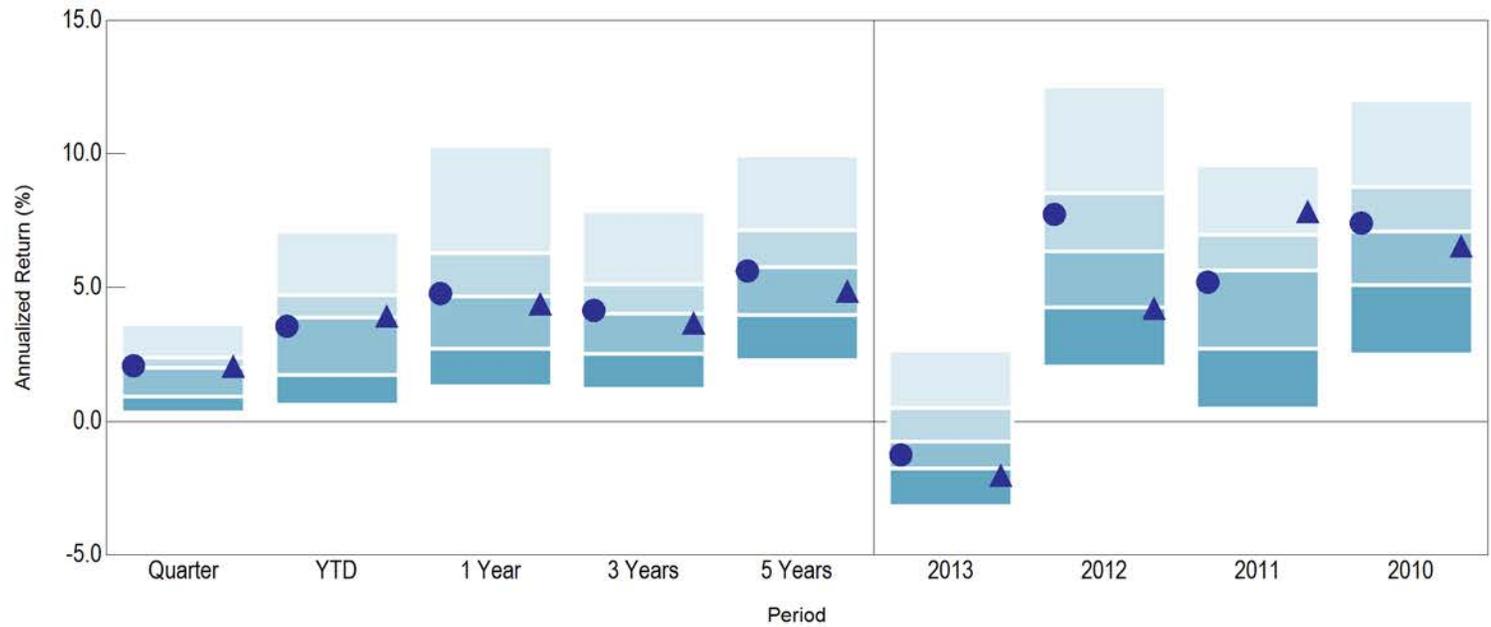
# US Fixed Income



# Fixed Income Fund

## Performance

Performance vs. Mercer Mutual Fund US Fixed Core  
Ending June 30, 2014

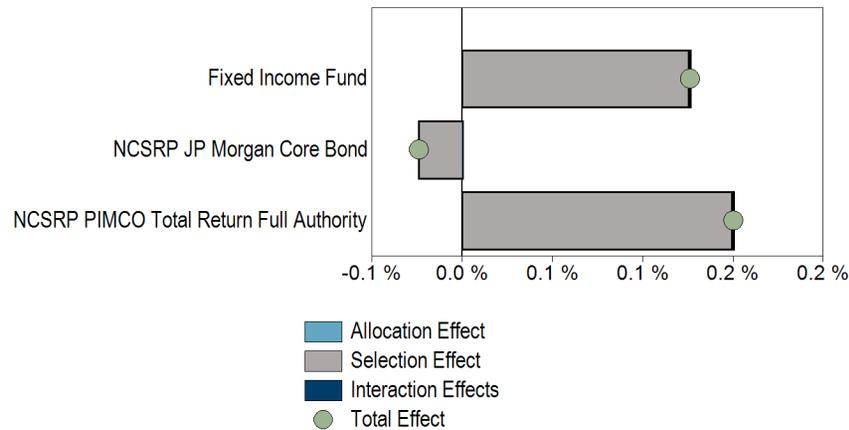


	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011	2010
<b>Return (Rank)</b>									
5th Percentile	3.6	7.1	10.3	7.8	9.9	2.6	12.5	9.6	12.0
25th Percentile	2.4	4.7	6.3	5.1	7.1	0.5	8.5	7.0	8.8
Median	2.0	3.9	4.7	4.0	5.8	-0.7	6.4	5.6	7.1
75th Percentile	0.9	1.7	2.7	2.5	4.0	-1.8	4.3	2.7	5.1
95th Percentile	0.3	0.6	1.3	1.2	2.3	-3.2	2.0	0.5	2.5
# of Portfolios	412	403	392	363	332	379	383	395	400
● Fixed Income Fund	2.1 (45)	3.5 (55)	4.8 (49)	4.1 (48)	5.6 (54)	-1.3 (63)	7.7 (34)	5.2 (57)	7.4 (45)
▲ Barclays Aggregate	2.0 (46)	3.9 (49)	4.4 (55)	3.7 (61)	4.9 (66)	-2.0 (81)	4.2 (76)	7.8 (12)	6.5 (58)

# Fixed Income Fund

## Attribution

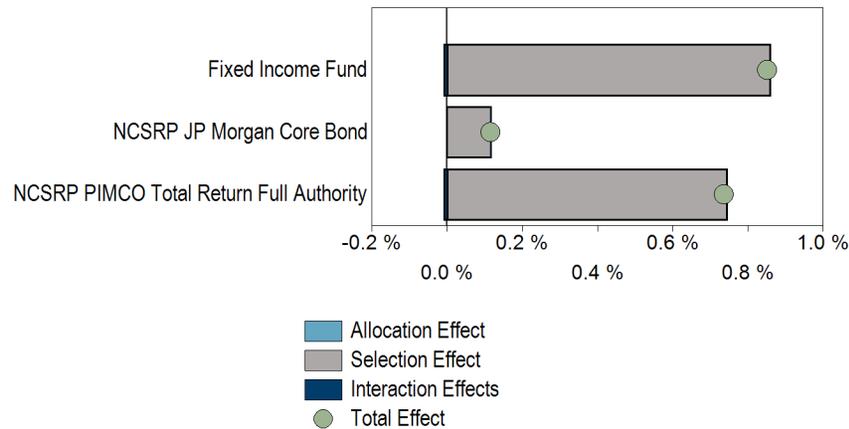
**Attribution Effects**  
3 Months Ending June 30, 2014



**Attribution Summary**  
3 Months Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRJP JP Morgan Core Bond	2.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%
NCSRJP PIMCO Total Return Full Authority	2.3%	2.0%	0.3%	0.1%	0.0%	0.0%	0.2%
<b>Total</b>	<b>2.2%</b>	<b>2.0%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>

**Attribution Effects**  
1 Year Ending June 30, 2014

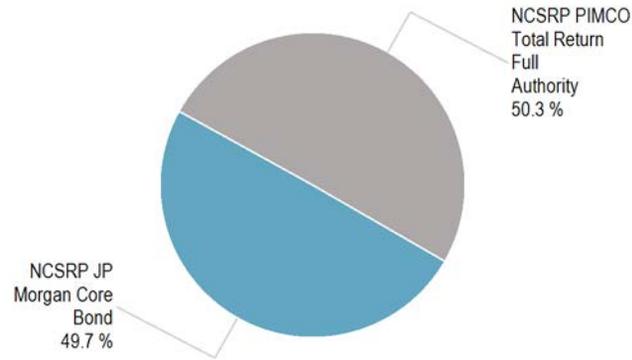


**Attribution Summary**  
1 Year Ending June 30, 2014

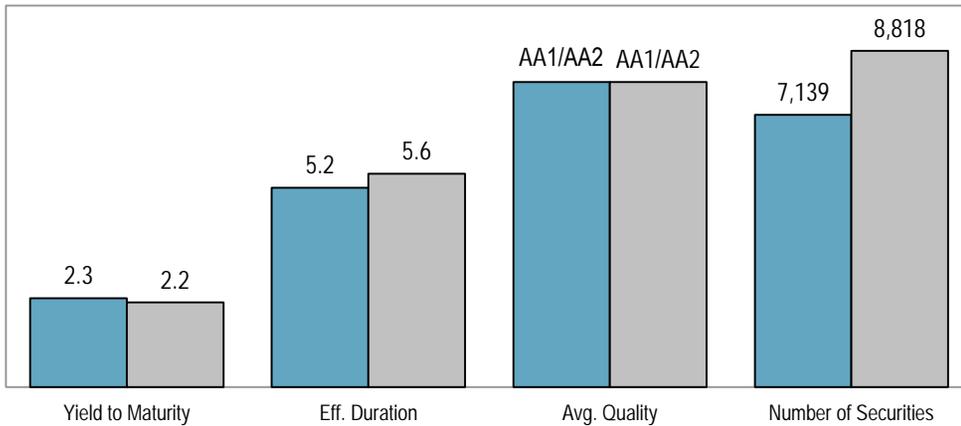
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
NCSRJP JP Morgan Core Bond	4.6%	4.4%	0.2%	0.1%	0.0%	0.0%	0.1%
NCSRJP PIMCO Total Return Full Authority	5.8%	4.4%	1.5%	0.7%	0.0%	0.0%	0.7%
<b>Total</b>	<b>5.2%</b>	<b>4.4%</b>	<b>0.9%</b>	<b>0.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.9%</b>

# Fixed Income Fund

Current Allocation



Characteristics as of June 30, 2014



■ Fixed Income Fund  
 ■ Barclays Aggregate

Sectors as of June 30, 2014



■ Fixed Income Fund  
 ■ Barclays Aggregate

## Manager Philosophy and Process

**Investment Process** JPMAM employs a value-oriented approach to fixed income management. Through its bottom-up process, the fixed income team identifies inefficiently priced securities. Yield curve management, with an emphasis on evaluating relative risk/reward relationships along the yield curve, is another important element of the firm's approach. JPMAM uses duration management as a risk control tool. Its policy is to manage duration within 10% of the benchmark. Consistent with its value-oriented approach, JPMAM evaluates risk and reward relationships to identify value along the yield curve.

**Investment Philosophy** JPMAM's portfolio construction process is dictated by its bottom-up approach. However, portfolio managers maintain a consistent overweight to mortgage products and an underweight to the credit sector. The degree of the mortgage overweight strategy will vary with the firm's assessment of economic and industry factors as well as market supply/demand dynamics.

## Current Positioning

- The fund is heavily underweight treasuries and overweight mortgage backed securities.
- To a lesser extent, the fund is overweight asset backed securities and underweight corporates and non-credit corporates.
- The fund has a lower duration than its benchmark (4.8 vs. 5.6).

## Quarterly Attribution

Positive Impact on Performance:

- Underweight treasury sector
- Industrial security selection
- Asset-backed and commercial mortgage-backed security selection

Negative Impact on Performance:

- Underweight credit sector
- Security selection among agency mortgages
- Duration and yield curve positioning

## Portfolio Characteristics

Current Yield: 2.89%  
Average coupon: 2.90%  
Average Quality: AA  
Effective Duration: 4.75  
Effective Maturity: 6.18  
% Non-Investment Grade: 5.7%  
% Foreign: 5.10% (All USD-denominated)  
Number of Securities: 5,886

## Responsible Investment ESG Comment

ESG3 - The team performs proprietary credit research, but ESG factors cannot be considered an explicit driver of the investment philosophy and process.

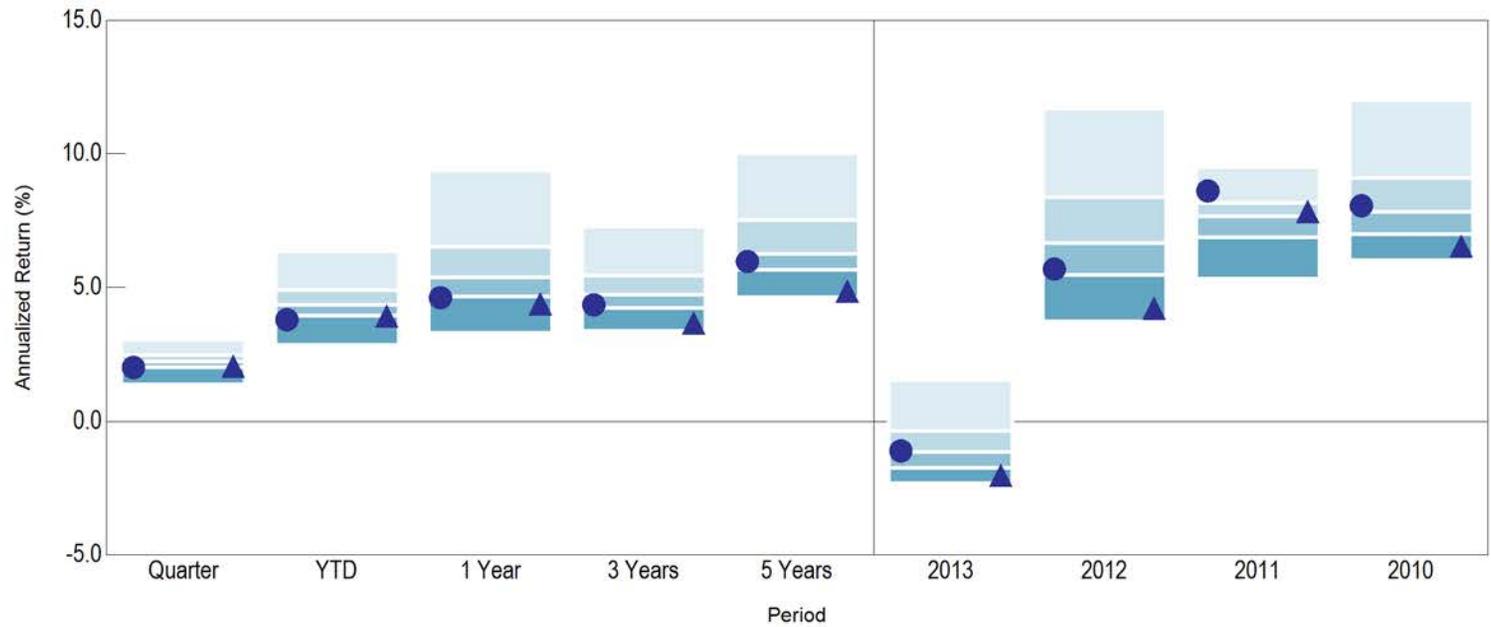
## Summary Data Points

Mercer Rating: A  
Manager Strategy Assets: \$61.1 billion

# NCSRP JP Morgan Core Bond

## Performance

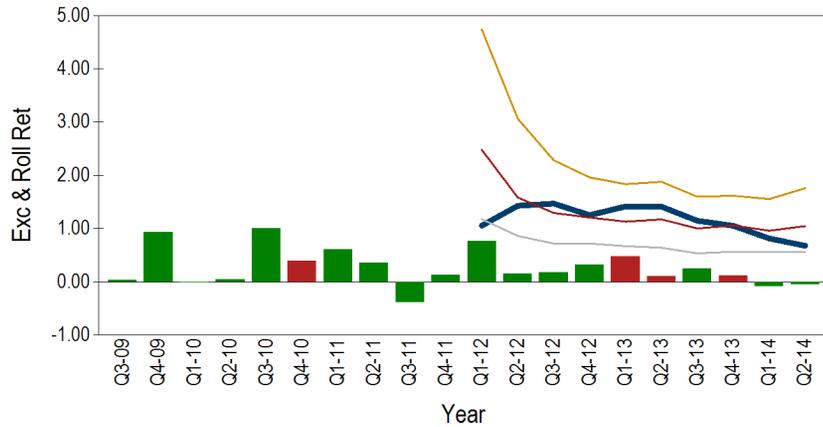
Performance vs. Mercer Instl US Fixed Core  
Ending June 30, 2014



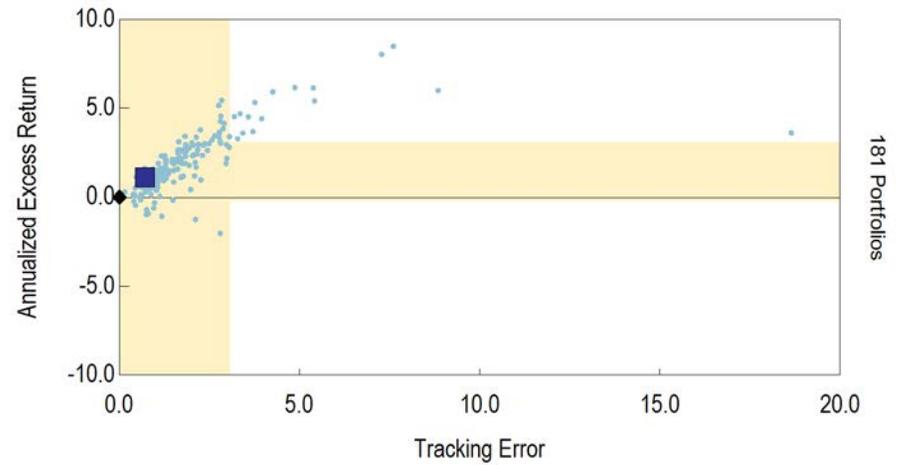
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011	2010
<b>Return (Rank)</b>									
5th Percentile	3.0	6.3	9.4	7.3	10.0	1.5	11.7	9.5	12.0
25th Percentile	2.5	4.9	6.5	5.5	7.5	-0.3	8.4	8.2	9.1
Median	2.2	4.4	5.4	4.7	6.3	-1.1	6.7	7.7	7.8
75th Percentile	2.0	3.9	4.7	4.2	5.7	-1.7	5.5	6.9	7.0
95th Percentile	1.4	2.8	3.3	3.4	4.6	-2.3	3.7	5.3	6.0
# of Portfolios	237	235	226	194	181	275	284	272	303
● NCSRP JP Morgan Core Bond	2.0 (77)	3.8 (83)	4.6 (78)	4.3 (72)	6.0 (63)	-1.1 (50)	5.7 (71)	8.6 (15)	8.1 (46)
▲ Barclays Aggregate	2.0 (74)	3.9 (76)	4.4 (84)	3.7 (93)	4.9 (94)	-2.0 (87)	4.2 (94)	7.8 (44)	6.5 (88)

# NCSR JP Morgan Core Bond

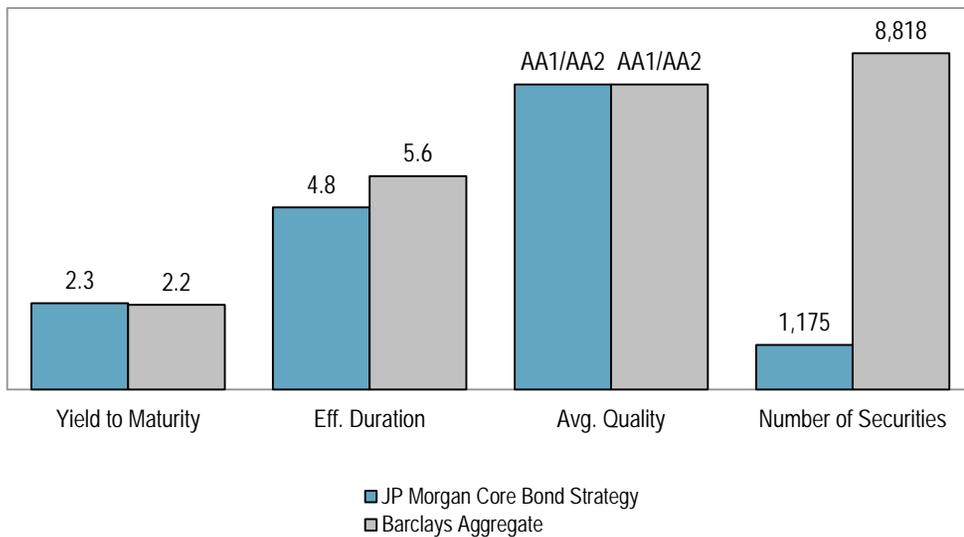
Rolling 3 Year Excess Performance  
NCSR JP Morgan Core Bond vs. Barclays Aggregate



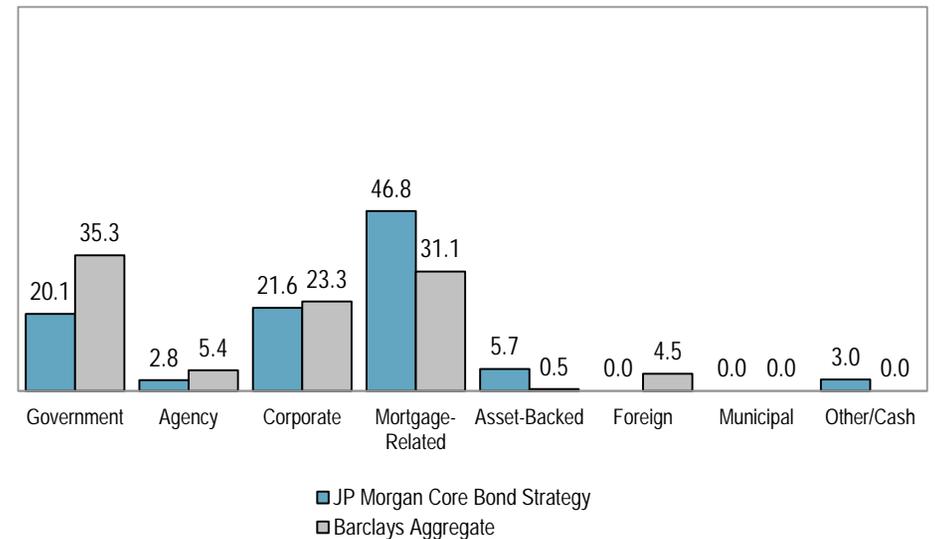
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2014



Characteristics  
as of June 30, 2014



Sectors  
as of June 30, 2014



## Manager Philosophy and Process

**Investment Philosophy** PIMCO's philosophy emphasizes diversity through multiple strategies, an emphasis on structuring for a long investment horizon and an opportunity set that includes both traditional and non-traditional sectors.

**Investment Process** PIMCO's investment process starts with an annual Secular Forum at which the firm's investment professionals from around the globe gather to analyze longer-term economic, political and demographic trends. Leading external analysts and scholars are invited to the Forum to augment the firm's internal research. The goal is to look beyond the current business cycle and determine how secular forces will influence the global economy and financial markets over the next three to five years. Quarterly, PIMCO holds Economic Forums to forecast shorter-term economic performance in individual economies. Following PIMCO's Secular and Economic Forums, the PIMCO Investment Committee (IC), establishes the key themes that anchor many of the firm's investment decisions. PIMCO consider both the "top-down" conclusions from PIMCO's Forums, as well as the "bottom-up" market intelligence provided by the firm's teams of sector specialist portfolio managers. Through an iterative series of meetings, the IC defines a set of consistent strategies that are then implemented across the firm's account base, after being tailored to reflect individual client requirements. A team of seasoned investment professionals, including a portfolio manager and account manager, is assigned to each portfolio.

## Current Positioning

- The strategy targets a duration close to the benchmark with expected variation throughout the quarter with a focus on short-to-intermediate maturities over long-end maturities
- The TIPS exposure remains focused on the intermediate segment of the real yield curve, as they believe inflation protection is attractively priced at these maturities
- The strategy will look to gradually add exposure to short-dated credit with a focus on issuers within housing, finance and energy
- Continue to hold non-Agency MBS positions, as PIMCO believes they offer attractive value relative to other spread sectors, and concurrently maintain an underweight to Agency MBS
- Within emerging markets, focus on Mexico and Brazil, which have stronger fundamentals and high real interest rates
- The fund maintains its overall neutral currency stance with short positions in the Japanese yen and euro while favoring the Mexican peso
- The team is retaining exposure to high quality municipal bonds that offer attractive yields

## Quarterly Attribution

### Positive Impact on Performance:

- Tactical exposures to Italian and Spanish debt, which rallied on continued monetary accommodation
- Non-Agency MBS allocation which benefited from limited supply and a recovery in the housing sector
- Exposure to Build America municipal bonds as spreads tightened
- Exposure to Mexican and Brazilian local interest rates as rated declined in these regions
- Holdings of TIPS as inflation expectations rose

### Negative Impact on Performance:

- Underweight to the long-end of the US yield curve, as longer maturity yields declined
- An underweight allocation to Agency MBS, which outperformed like duration treasuries

## Characteristics

Yield to Maturity: 3.3%

Average Coupon: 3.2%

Average Quality: A

Effective Duration: 5.7 Years

Average Maturity: 8.4 Years

% non Investment Grade: 12%

Number of Securities: 5,964

## Summary Data Points

ESG3 - ESG3 - PIMCO has dedicated internal resources to researching climate change and has dedicated time and resources to finding an ESG data provider. Currently, ESG factors can contribute to a decision not to buy an issue and the climate change analysis is used primarily for evaluation of specific sectors (utilities, autos, etc.). Compared to other similar strategies we have reviewed PIMCO displays a strong depth of knowledge of some ESG issues, however, this is not surprising given their size and bottom up depth. In the future, team members envision that ESG data will be used for top-down risk analysis and industry risk assessments. The firm has used its market recognition to speak out against poor corporate practice and has a publically available proxy voting policy. Given the current level of firm-wide commitment, we can expect that PIMCO's approach to integrating ESG factors into the credit analysis process may become more robust over time as analysts become more comfortable with the ESG data that PIMCO is making available.

## Summary Data Points

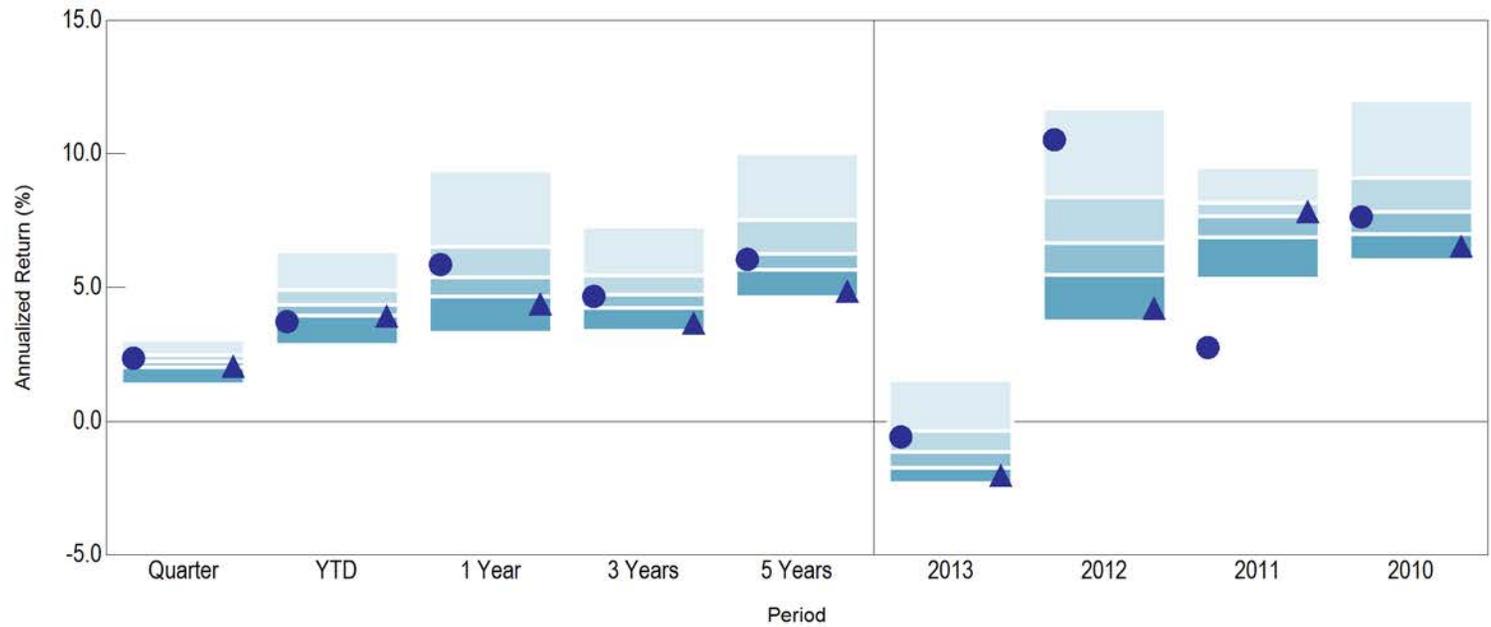
Mercer Rating: A (W)

Manager Strategy Assets (\$B):\$ 397.8

# NCSRP PIMCO Total Return Full Authority

## Performance

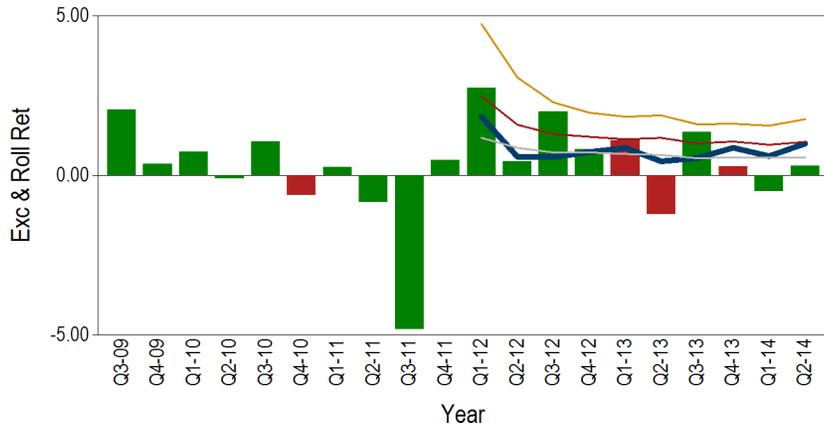
Performance vs. Mercer Instl US Fixed Core  
Ending June 30, 2014



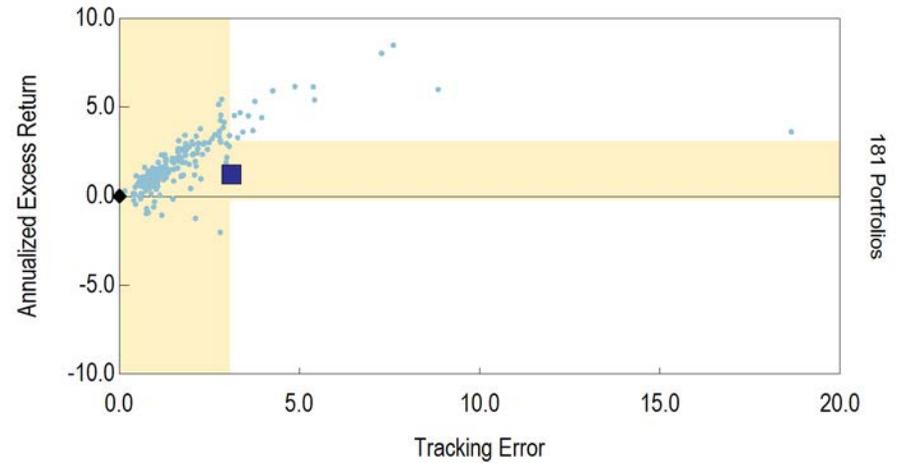
	Return (Rank)								
	Quarter	YTD	1 Year	3 Years	5 Years	2013	2012	2011	2010
5th Percentile	3.0	6.3	9.4	7.3	10.0	1.5	11.7	9.5	12.0
25th Percentile	2.5	4.9	6.5	5.5	7.5	-0.3	8.4	8.2	9.1
Median	2.2	4.4	5.4	4.7	6.3	-1.1	6.7	7.7	7.8
75th Percentile	2.0	3.9	4.7	4.2	5.7	-1.7	5.5	6.9	7.0
95th Percentile	1.4	2.8	3.3	3.4	4.6	-2.3	3.7	5.3	6.0
# of Portfolios	237	235	226	194	181	275	284	272	303
● NCSRP PIMCO Total Return Full Authority	2.3 (37)	3.7 (86)	5.8 (38)	4.7 (55)	6.0 (60)	-0.6 (31)	10.5 (10)	2.7 (99)	7.6 (57)
▲ Barclays Aggregate	2.0 (74)	3.9 (76)	4.4 (84)	3.7 (93)	4.9 (94)	-2.0 (87)	4.2 (94)	7.8 (44)	6.5 (88)

# NCSRP PIMCO Total Return Full Authority

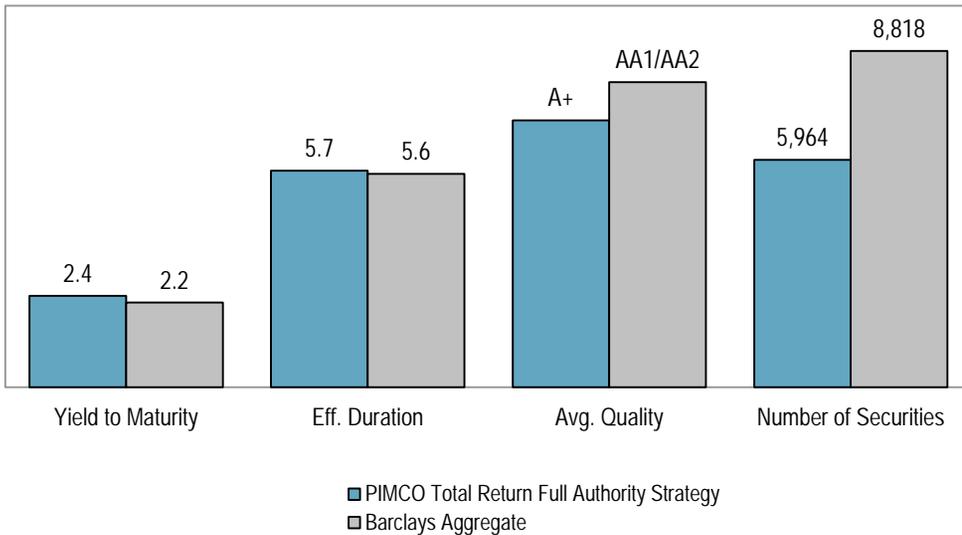
Rolling 3 Year Excess Performance  
NCSRP PIMCO Total Return Full Authority vs. Barclays Aggregate



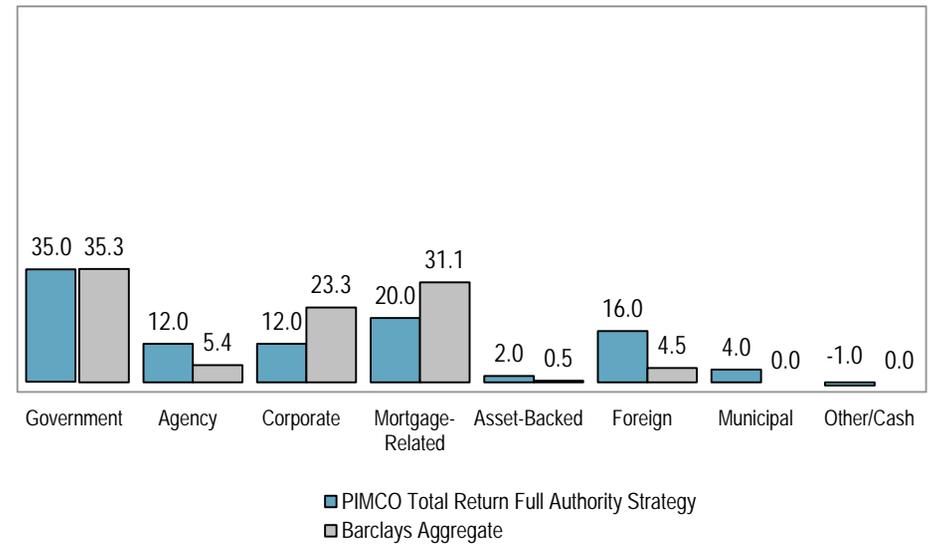
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2014



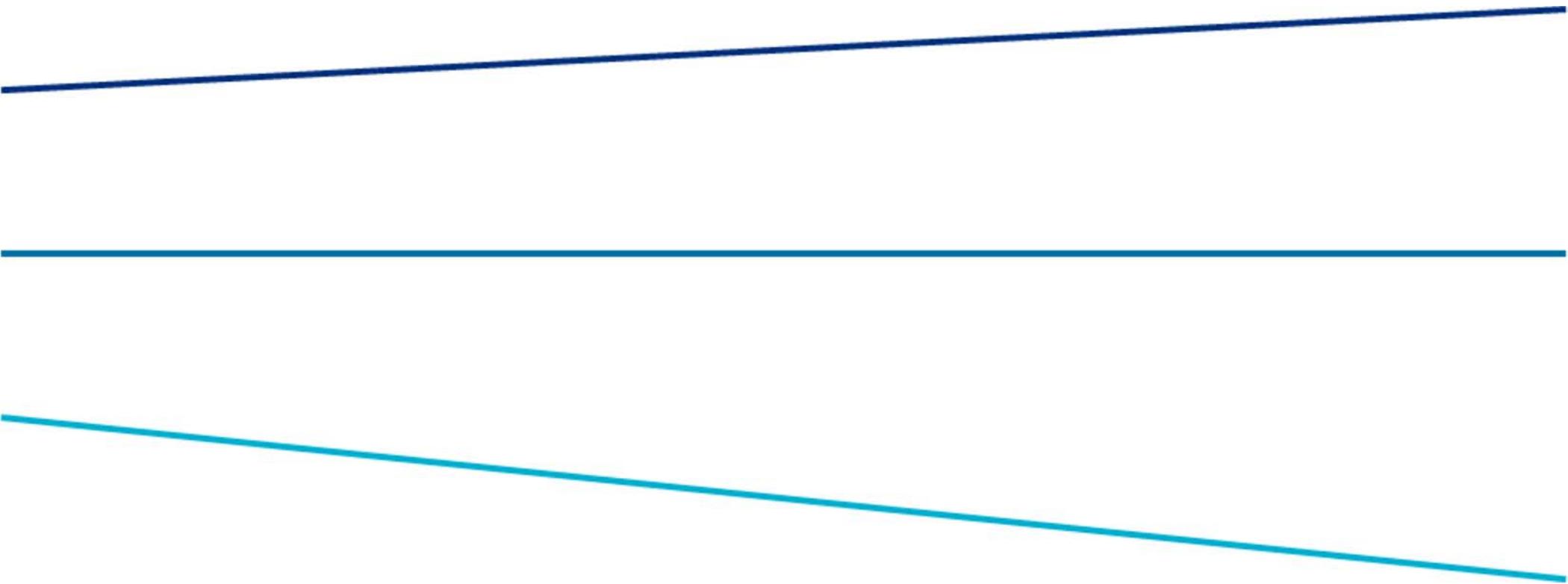
Characteristics  
as of June 30, 2014



Sectors  
as of June 30, 2014



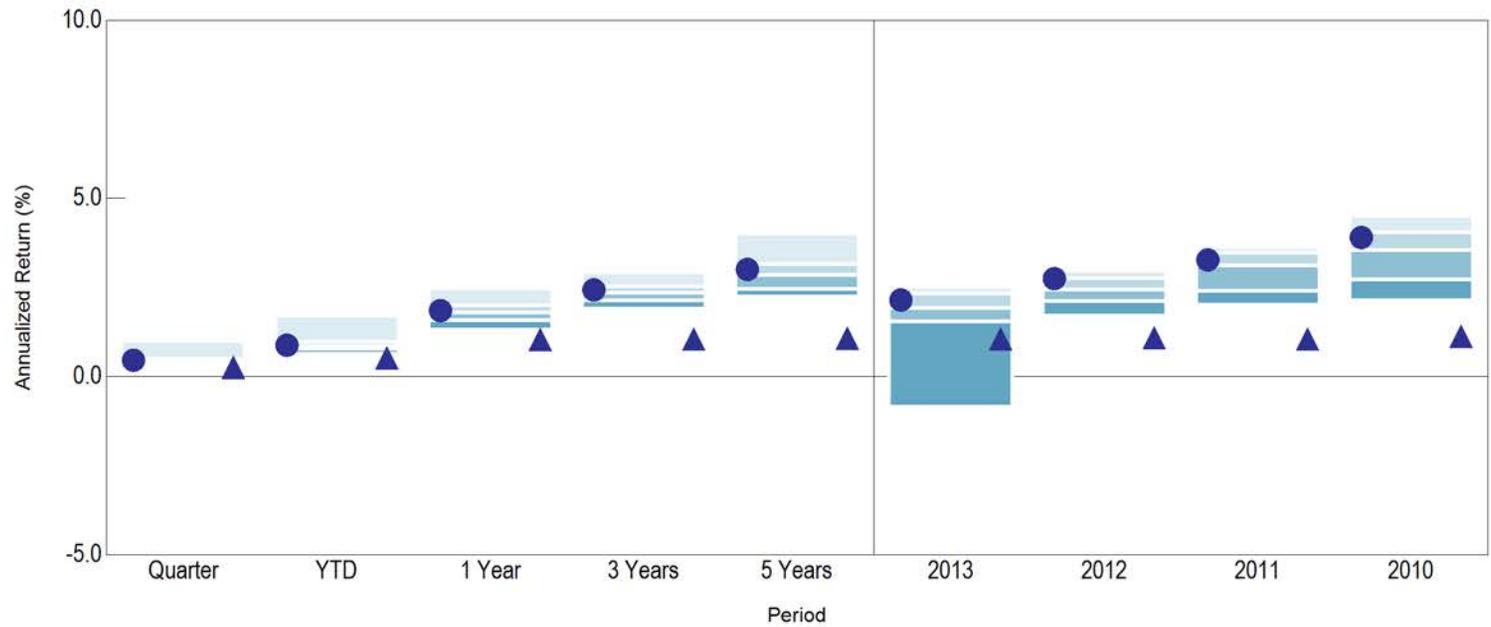
# Stable Value



# Stable Value Fund

## Performance

Performance vs. Mercer Instl Stable Value  
Ending June 30, 2014



Return (Rank)

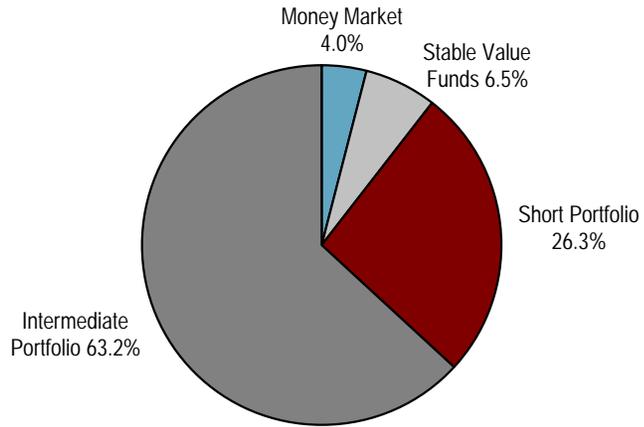
5th Percentile	1.0	1.7	2.5	2.9	4.0	2.5	3.0	3.6	4.5
25th Percentile	0.5	1.0	2.0	2.5	3.2	2.3	2.8	3.5	4.1
Median	0.4	0.9	1.8	2.4	2.8	1.9	2.4	3.1	3.6
75th Percentile	0.4	0.8	1.6	2.1	2.5	1.6	2.1	2.4	2.7
95th Percentile	0.3	0.6	1.3	1.9	2.2	-0.8	1.7	2.0	2.1
# of Portfolios	15	15	15	11	11	21	22	14	25
● Stable Value Fund	0.5 (43)	0.9 (48)	1.8 (40)	2.4 (39)	3.0 (43)	2.1 (35)	2.7 (27)	3.3 (43)	3.9 (36)
▲ T-BILLS + 1%	0.3 (99)	0.5 (99)	1.0 (99)	1.0 (99)	1.1 (99)	1.0 (91)	1.1 (99)	1.0 (99)	1.1 (99)

Mercer Investment Consulting, Inc.

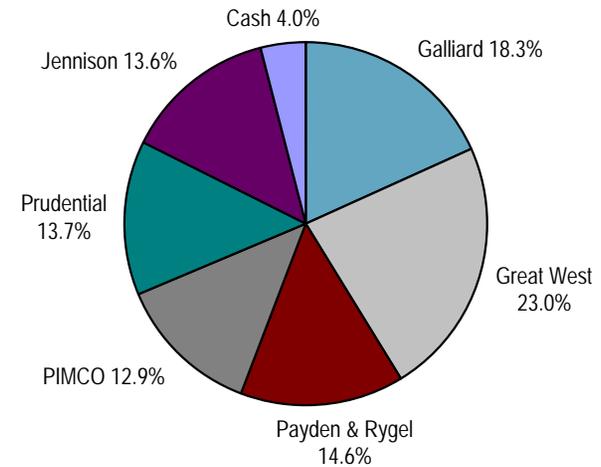
# Stable Value Fund

## Characteristics

Current Allocation by Strategy



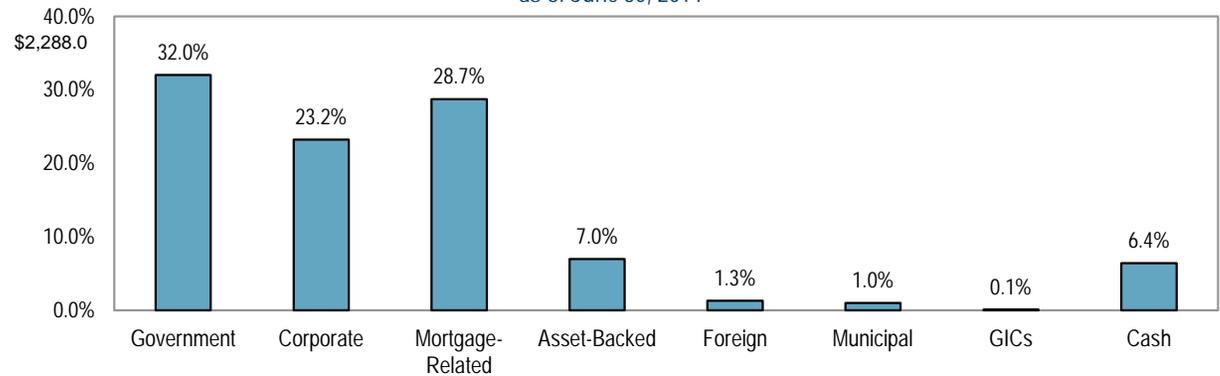
Current Allocation by Manager



Characteristics  
as of June 30, 2014

	Stable Value Fund
Market Value	\$2,288 Million
Average Quality	AA+
Blended Yield	1.8%
Effective Duration (Yrs)	3.0
MV/BV	102.34%

Sectors  
as of June 30, 2014



## Stable Value Fund

### Performance

Stable Value - 401(k)	QTR	YTD	1 Yr	3 Yrs	5 Yrs	Since Inception
<b>Payden &amp; Rygel</b>	<b>0.5</b>	<b>0.8</b>	<b>1.7</b>	<b>1.7</b>	<b>2.5</b>	<b>2.5</b>
Barclays 1-3 Year Government/Credit	0.3	0.6	1.1	1.0	1.7	1.7
<b>Galliard Short High Quality Core</b>	<b>0.7</b>	<b>1.2</b>	<b>1.9</b>	<b>1.7</b>	<b>3.3</b>	<b>3.2</b>
Barclays 1-3 Year Government	0.3	0.4	0.8	0.7	1.2	2.7
<b>Wells Fargo Fixed Income</b>	<b>1.7</b>	<b>3.0</b>	<b>3.7</b>	<b>3.0</b>	<b>--</b>	<b>3.1</b>
Barclays Intermediate Aggregate	1.6	2.9	3.5	2.9	4.2	2.9
<b>PIMCO Intermediate Fixed Income</b>	<b>1.6</b>	<b>2.8</b>	<b>3.0</b>	<b>3.1</b>	<b>--</b>	<b>3.3</b>
Barclays Intermediate Aggregate	1.6	2.9	3.5	2.9	4.2	3.2
<b>Great West</b>	<b>1.7</b>	<b>2.8</b>	<b>3.6</b>	<b>3.0</b>	<b>--</b>	<b>2.5</b>
Barclays Intermediate Aggregate ex-Baa	1.6	2.7	3.2	2.6	3.9	2.0
<b>Stable Value - 457</b>	<b>QTR</b>	<b>YTD</b>	<b>1 Yr</b>	<b>3 Yrs</b>	<b>5 Yrs</b>	<b>Since Inception</b>
<b>Payden &amp; Rygel</b>	<b>0.4</b>	<b>0.8</b>	<b>1.7</b>	<b>1.7</b>	<b>--</b>	<b>2.2</b>
Barclays 1-3 Year Government/Credit	0.3	0.6	1.1	1.0	1.7	1.7
<b>Galliard Short High Quality Core</b>	<b>0.7</b>	<b>1.2</b>	<b>1.9</b>	<b>1.7</b>	<b>3.3</b>	<b>3.2</b>
Barclays 1-3 Year Government	0.3	0.4	0.8	0.7	1.2	2.7
<b>Wells Fargo Fixed Income</b>	<b>1.7</b>	<b>3.0</b>	<b>3.7</b>	<b>3.0</b>	<b>--</b>	<b>3.1</b>
Barclays Intermediate Aggregate	1.6	2.9	3.5	2.9	4.2	2.9
<b>PIMCO Intermediate Fixed Income</b>	<b>1.6</b>	<b>2.8</b>	<b>3.0</b>	<b>3.1</b>	<b>--</b>	<b>3.3</b>
Barclays Intermediate Aggregate	1.6	2.9	3.5	2.9	4.2	3.2
<b>Great West</b>	<b>1.7</b>	<b>2.9</b>	<b>3.8</b>	<b>2.8</b>	<b>--</b>	<b>2.5</b>
Barclays Intermediate Aggregate ex-Baa	1.6	2.7	3.2	2.6	3.9	2.0

## Stable Value Fund

### Fees

<b>North Carolina 401K Stable Value Total Annual Fund Operating Expenses</b>	<b>Expense Ratio</b>	<b>Per \$1000</b>
Investment Management fee paid to Galliard	0.073%	\$0.73
Investment Management fees paid to Non-Affiliated Investment Advisors	0.057%	\$0.57
Investment Contract Fees*	0.170%	\$1.70
Acquired Fund Fees**	0.047%	\$0.47
Investment Contract Fees	0.012%	\$0.12
Other Acquired Fund Fees and Non-Affiliated Investment Management Fees paid to Non-Affiliated Investment Advisors***	0.035%	\$0.35
12b-1 Distribution Fee	None	None
Other Expenses	0.104%	\$1.04
<b>Total Annual Fund Operating Expenses****</b>	<b>0.451%</b>	<b>\$4.51</b>

<b>North Carolina 457 Stable Value Total Annual Fund Operating Expenses</b>	<b>Expense Ratio</b>	<b>Per \$1000</b>
Investment Management fee paid to Galliard	0.073%	\$0.73
Investment Management fees paid to Non-Affiliated Investment Advisors	0.058%	\$0.58
Investment Contract Fees*	0.171%	\$1.71
Acquired Fund Fees**	0.045%	\$0.45
Investment Contract Fees	0.012%	\$0.12
Other Acquired Fund Fees and Non-Affiliated Investment Management Fees paid to Non-Affiliated Investment Advisors***	0.033%	\$0.33
12b-1 Distribution Fee	None	None
Other Expenses	0.104%	\$1.04
<b>Total Annual Fund Operating Expenses****</b>	<b>0.451%</b>	<b>\$4.51</b>

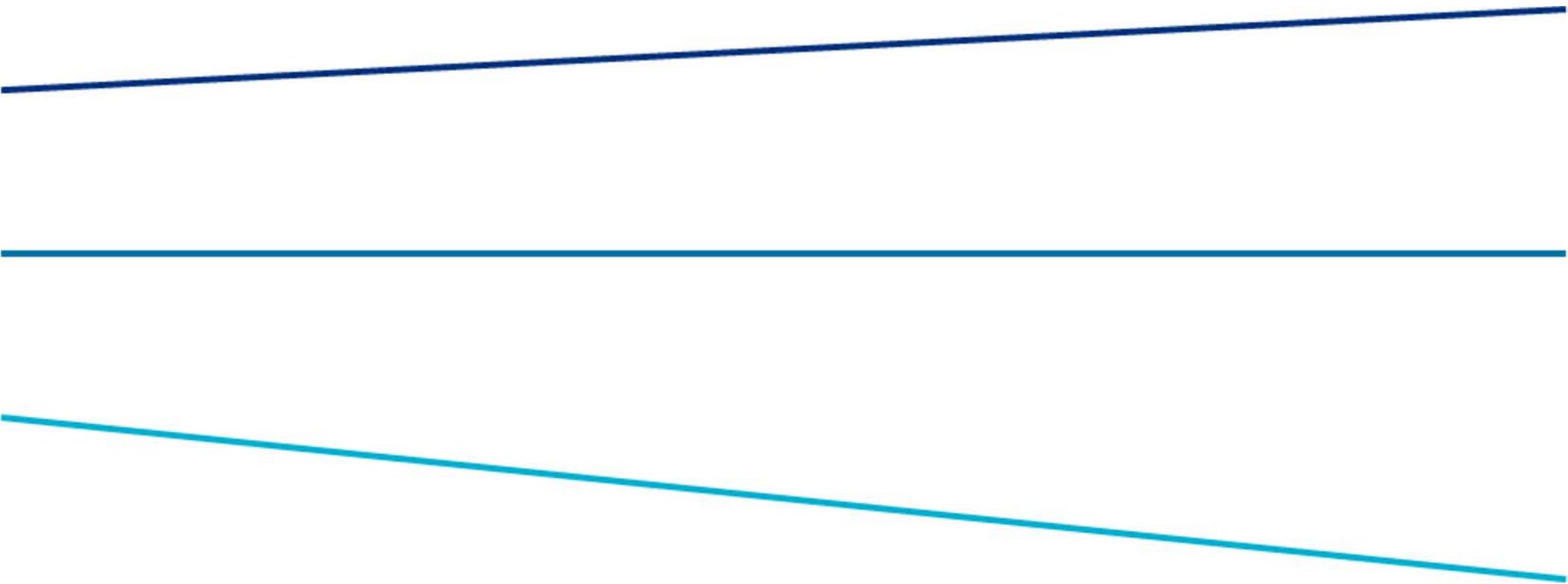
<sup>1</sup> Fees paid to create and maintain the investments used by a stable value fund

<sup>2</sup> Fees borne indirectly by the Fund when it acquires an interest in another fund which pays its own separate fees

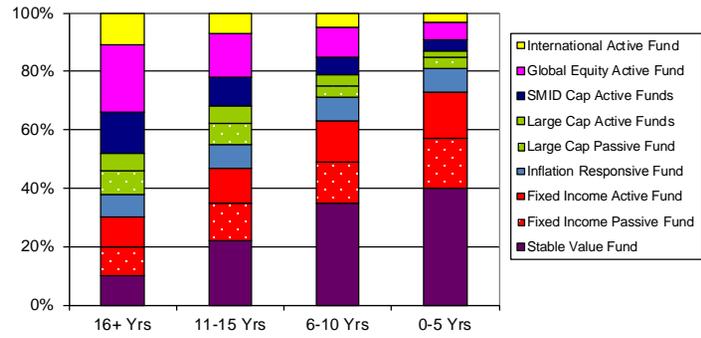
<sup>3</sup> Includes audit fees for the cost of producing a report by a qualified auditor

<sup>4</sup> Total Annual Fund Operating Expenses are reflected daily in the Fund's net asset value

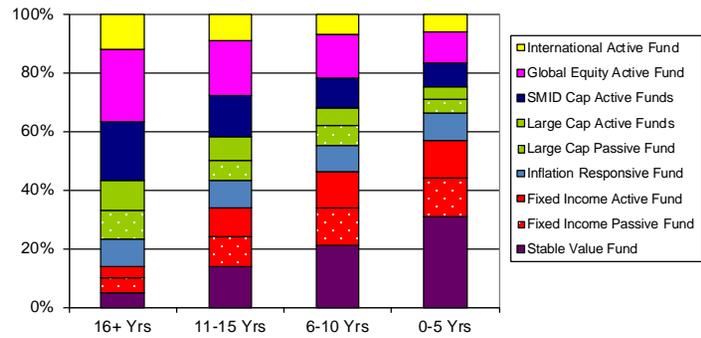
# GoalMaker Portfolios



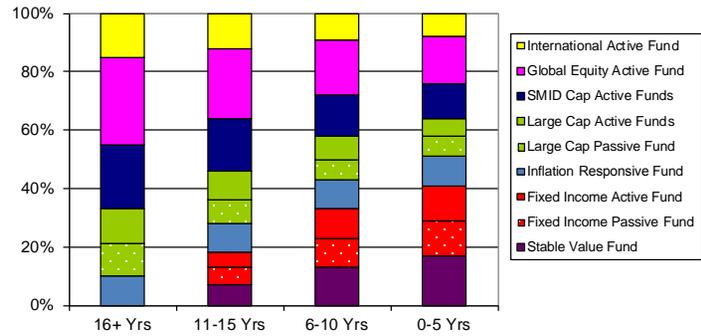
**Conservative**



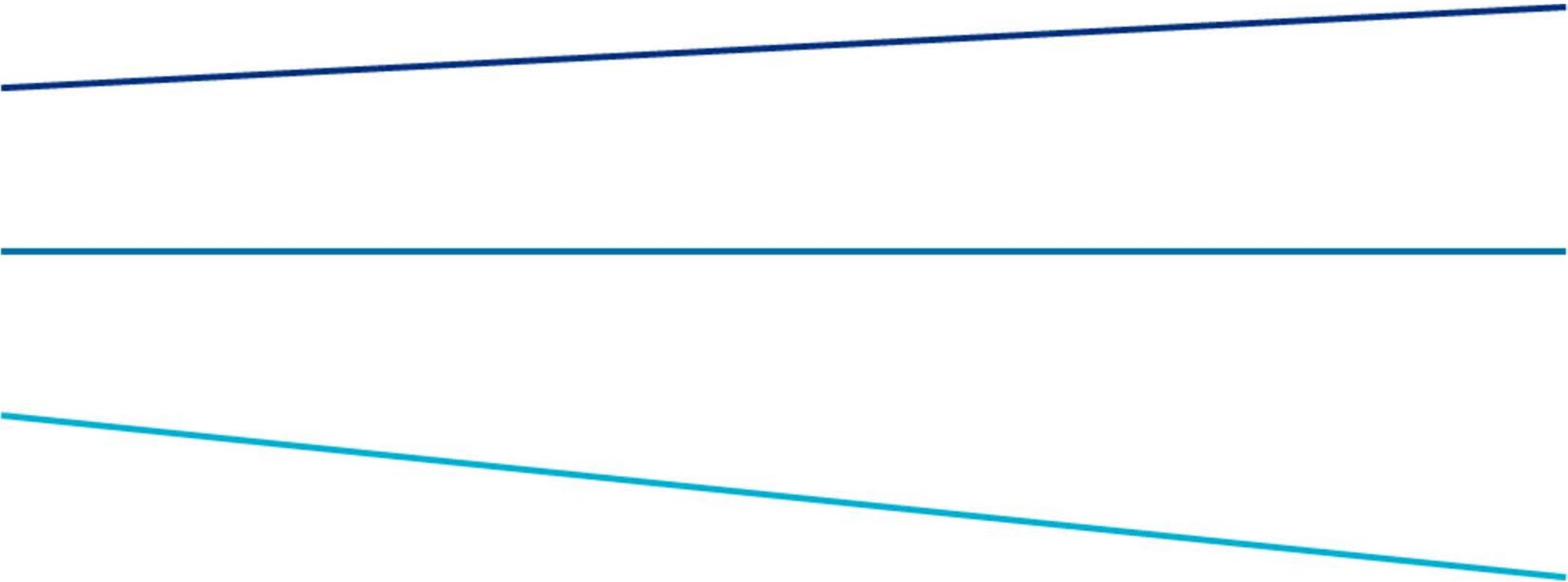
**Moderate**



**Aggressive**



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