FUND EVALUATION REPORT

UNITE HERE Local 25 and Hotel Association of Washington, D.C. Pension Fund

Meeting Materials
December 13, 2012

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Meketa Investment Group has prepared this report on the basis of sources believed to be reliable. The data are based on matters as they are known as of the date of preparation of the report, and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available.

Agenda

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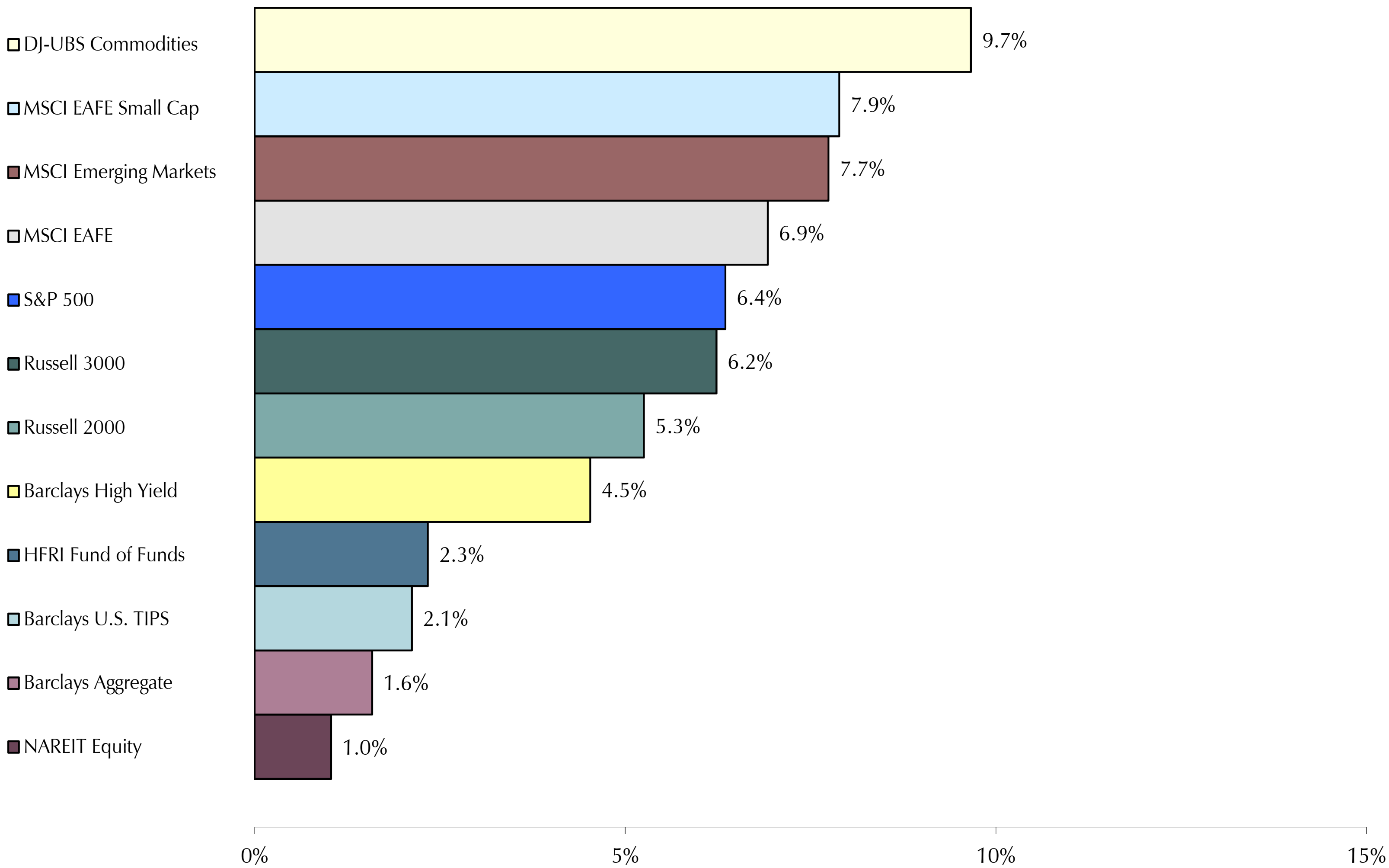
The World Markets
Third Quarter of 2012

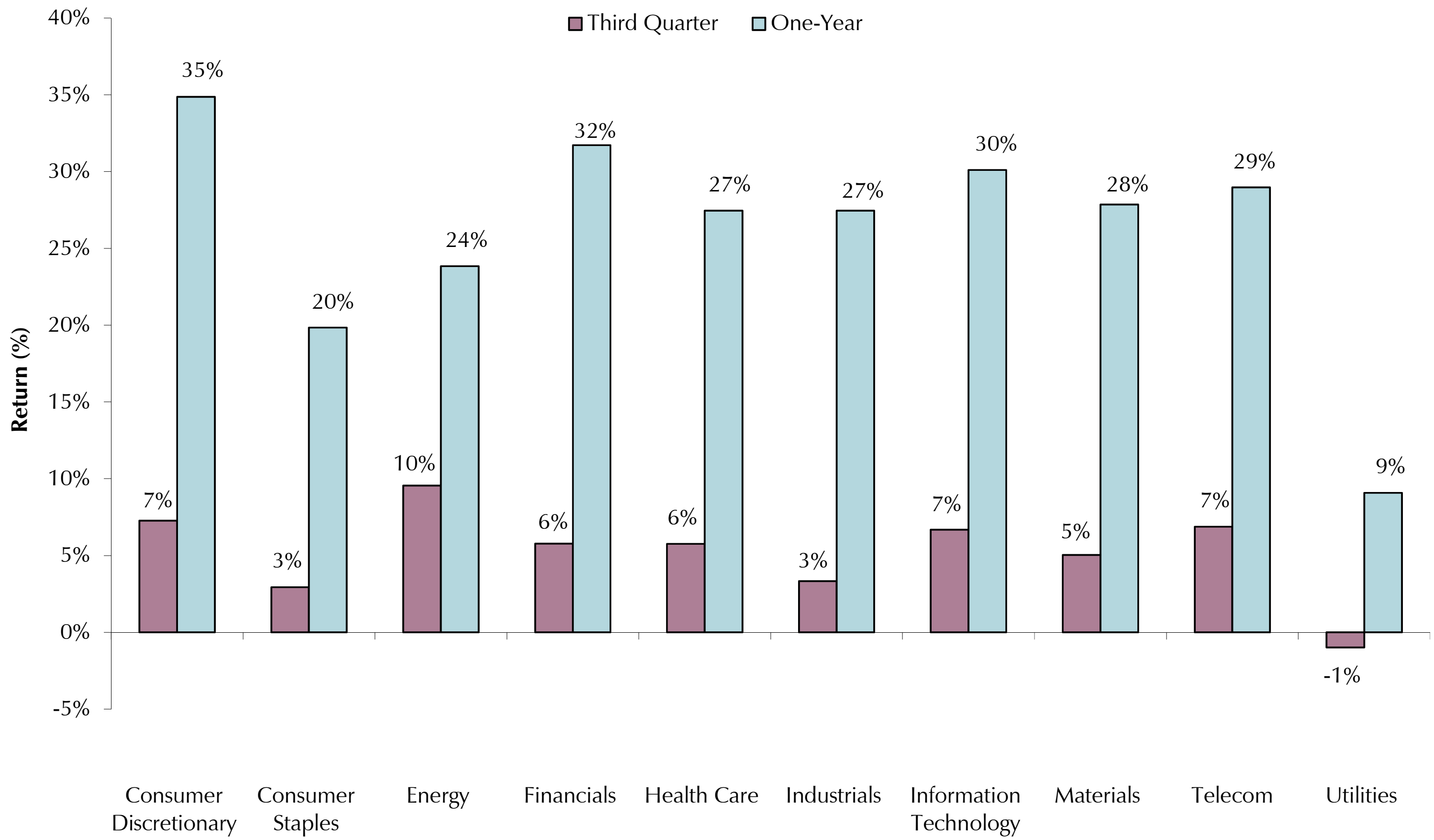
The World Markets
Third Quarter of 2012



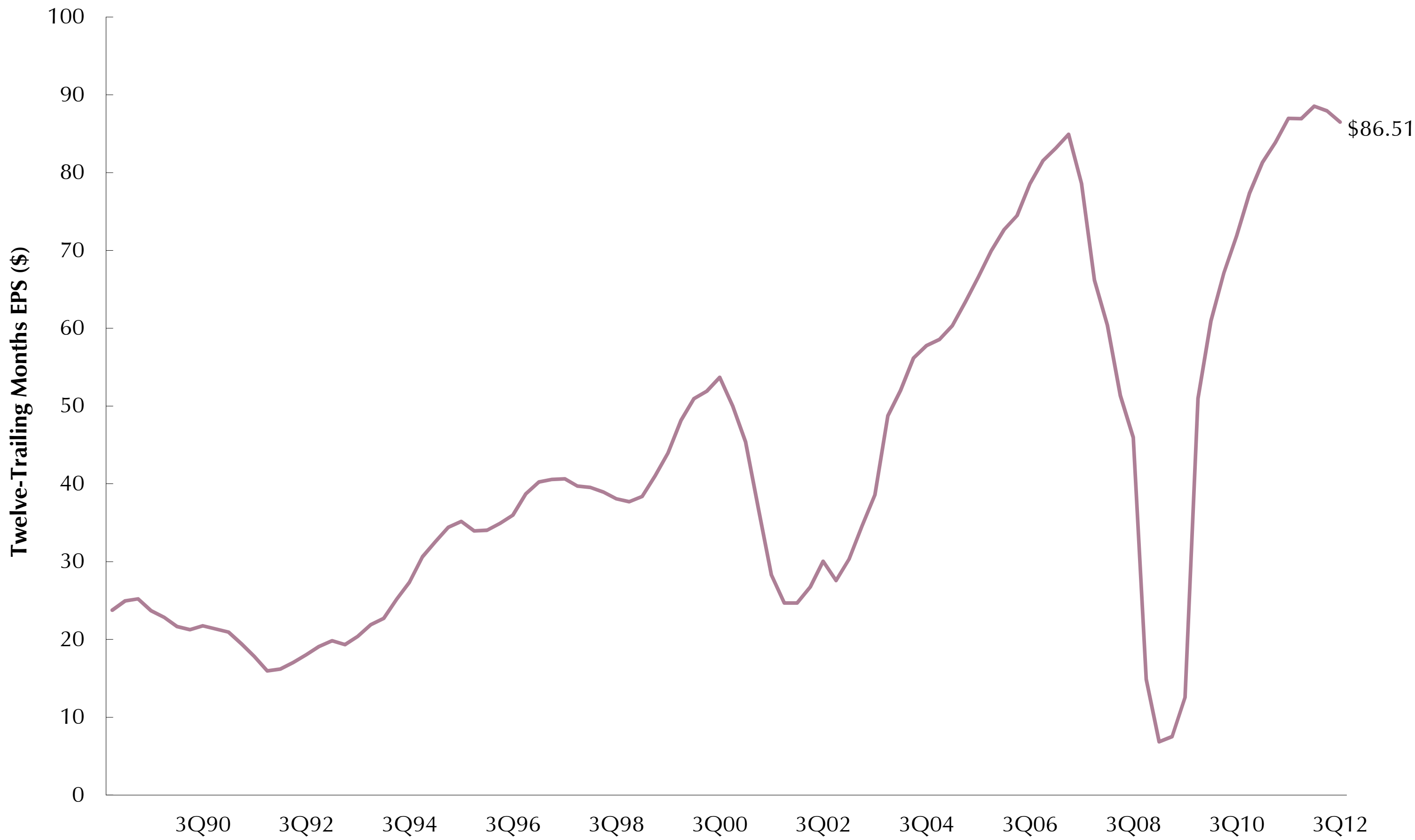
Index Returns

	3Q12 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Domestic Equity						
Russell 3000	6.2	16.1	30.2	13.3	1.3	8.5
Russell 1000	6.3	16.3	30.1	13.3	1.2	8.4
Russell 1000 Growth	6.1	16.8	29.2	14.7	3.2	8.4
Russell 1000 Value	6.5	15.7	30.9	11.8	-0.9	8.2
Russell MidCap	5.6	14.0	28.0	14.3	2.2	11.2
Russell MidCap Growth	5.3	13.9	26.7	14.7	2.5	11.1
Russell MidCap Value	5.8	14.0	29.3	13.9	1.7	11.0
Russell 2000	5.3	14.2	31.9	13.0	2.2	10.2
Russell 2000 Growth	4.8	14.1	31.2	14.2	3.0	10.5
Russell 2000 Value	5.7	14.4	32.6	11.7	1.3	9.7
Foreign Equity						
MSCI ACWI (ex. U.S.)	7.4	10.4	14.5	3.2	-4.1	9.8
MSCI EAFE	6.9	10.1	13.8	2.1	-5.2	8.2
MSCI EAFE (local currency)	4.7	9.1	13.5	1.3	-6.2	4.9
MSCI EAFE Small Cap	7.9	13.2	12.6	4.7	-3.0	11.2
MSCI Emerging Markets	7.7	12.0	16.9	5.6	-1.3	17.0
MSCI Emerging Markets (local currency)	5.9	11.1	16.4	5.8	0.0	14.9
Fixed Income						
Barclays Universal	2.0	4.9	6.4	6.7	6.6	5.7
Barclays Aggregate	1.6	4.0	5.2	6.2	6.5	5.3
Barclays U.S. TIPS	2.1	6.2	9.1	9.3	7.9	6.6
Barclays High Yield	4.5	12.1	19.4	12.9	9.3	11.0
JPMorgan GBI-EM Global Diversified	4.8	12.1	12.7	9.4	8.7	NA
Other						
NAREIT Equity	1.0	16.1	33.8	20.7	2.3	11.5
DJ-UBS Commodities	9.7	5.6	5.9	5.2	-3.6	4.0
HFRI Fund of Funds	2.3	3.3	2.9	1.5	-1.6	3.6

S&P Sector Returns

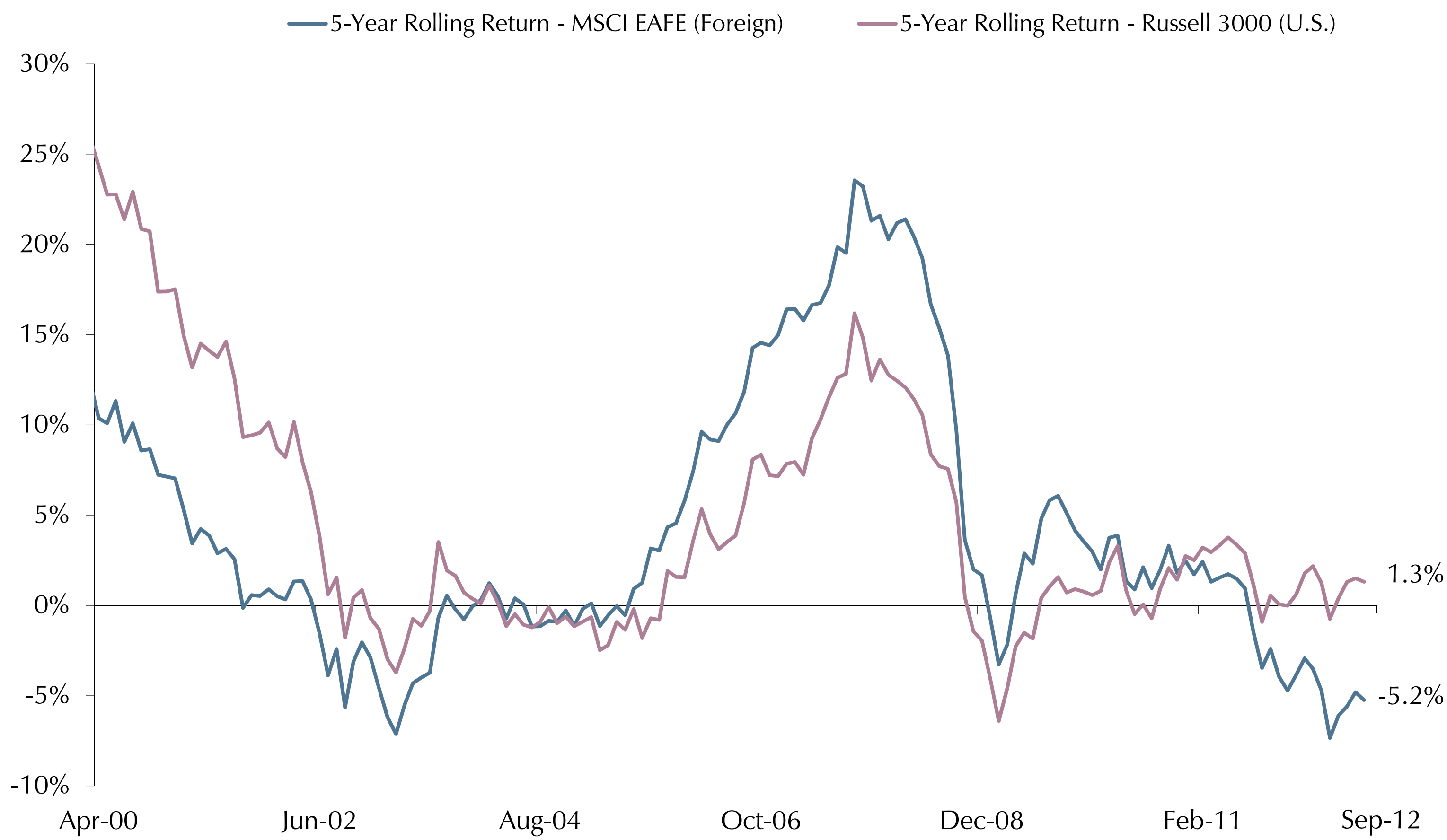


S&P 500 Earnings Per Share[1]

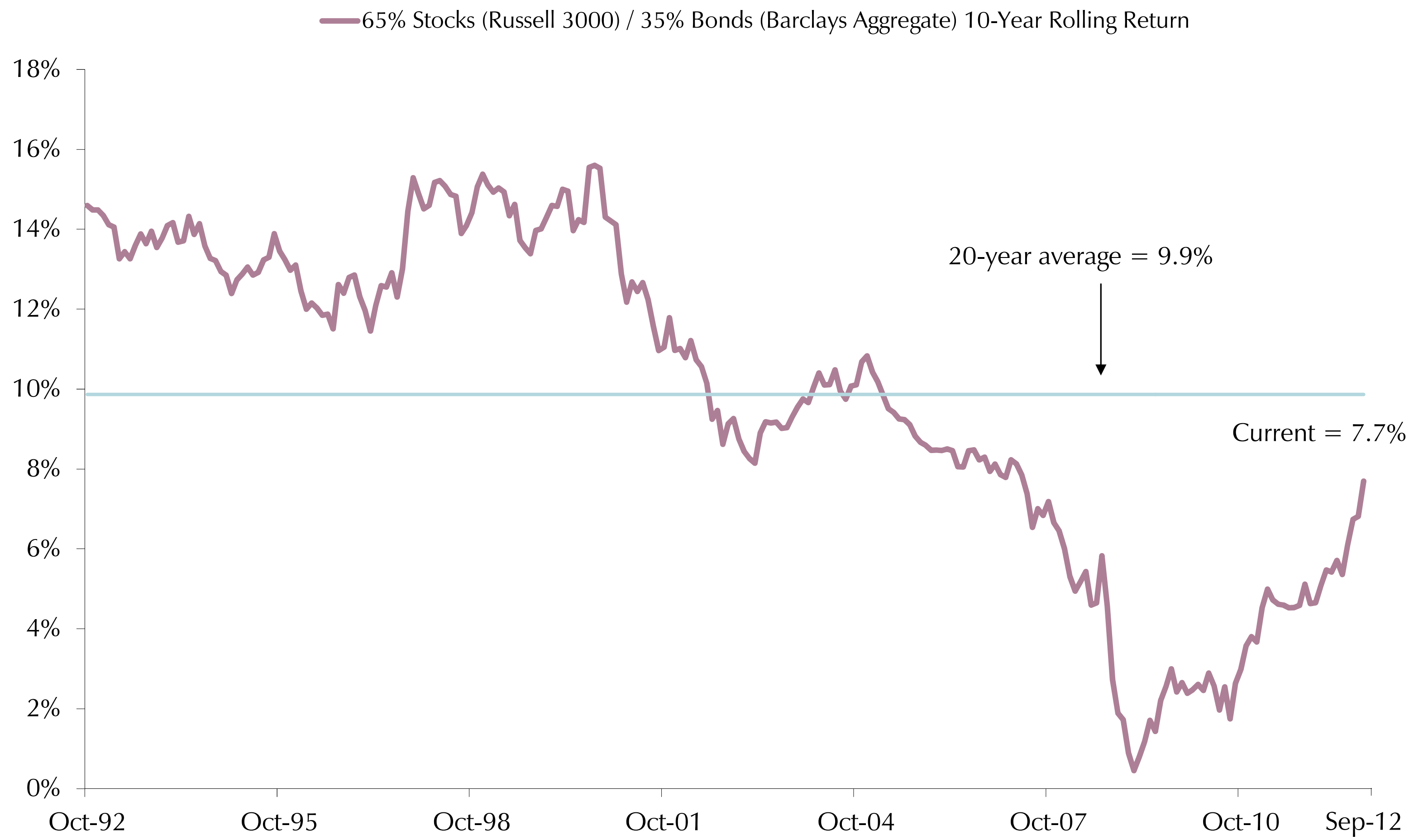


[1] The September 30, 2012 number is based on the approximately 98% of S&P 500 companies that reported earnings to date.

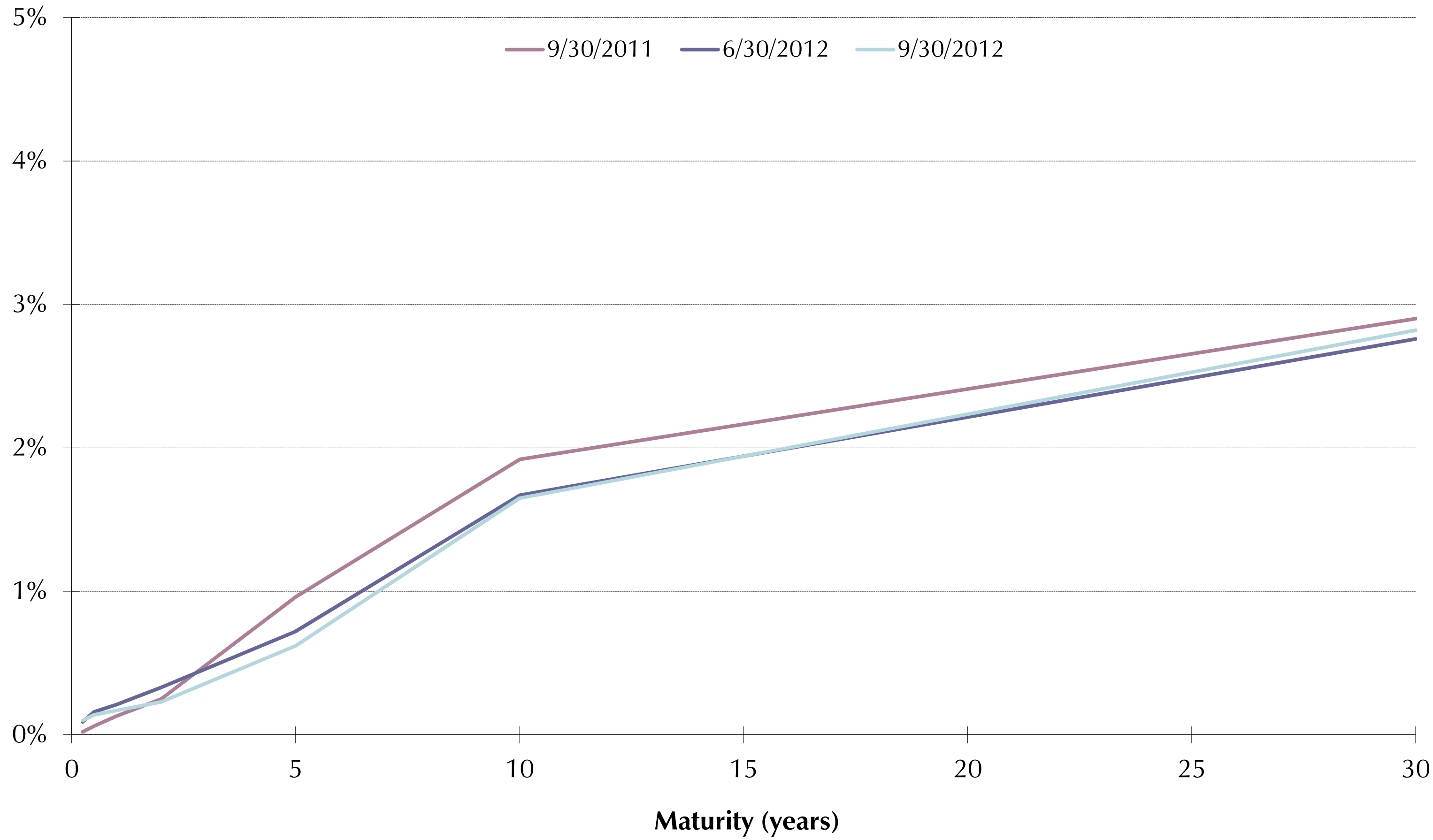
Equity Markets



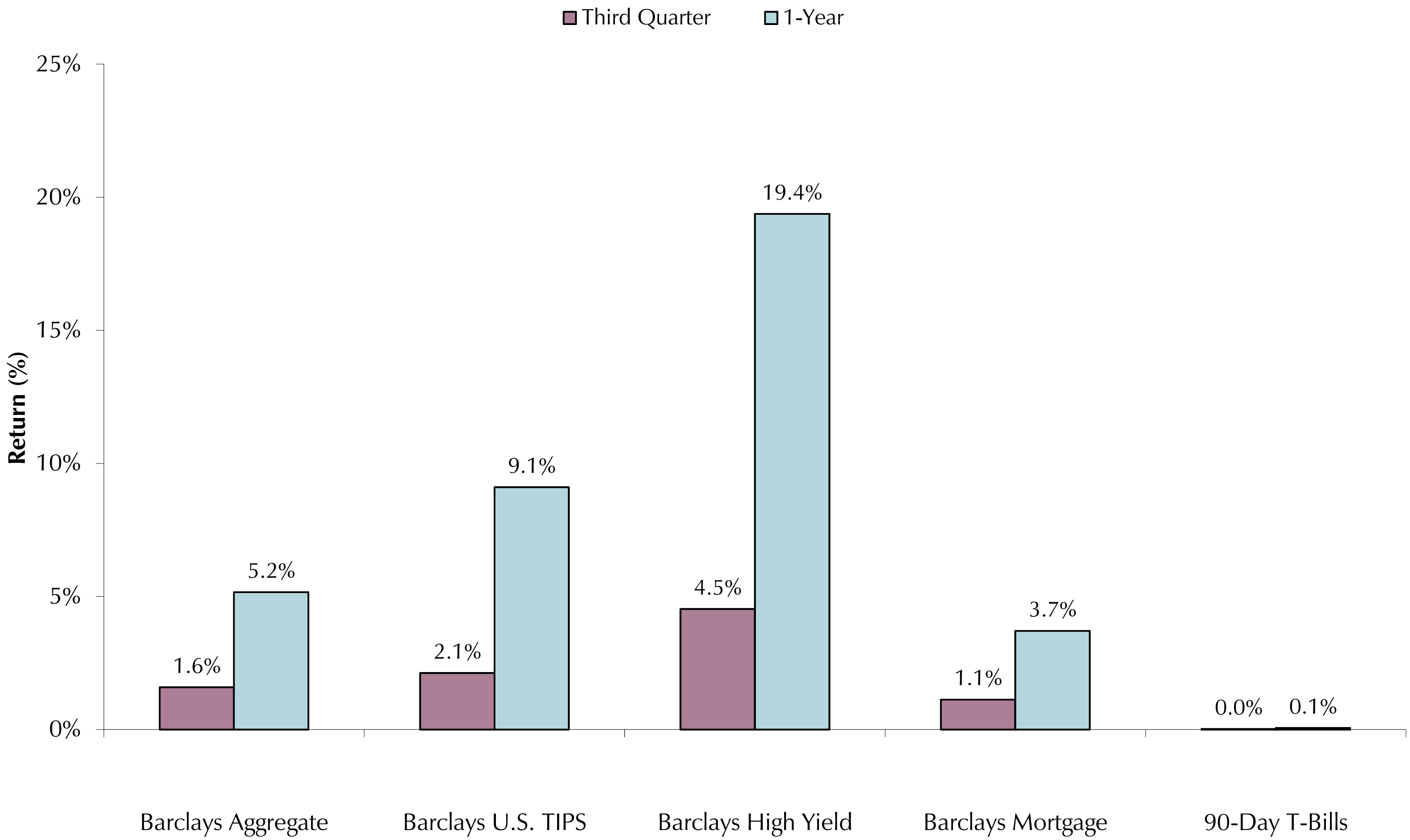
Rolling Ten-Year Returns: 65% Stocks and 35% Bonds



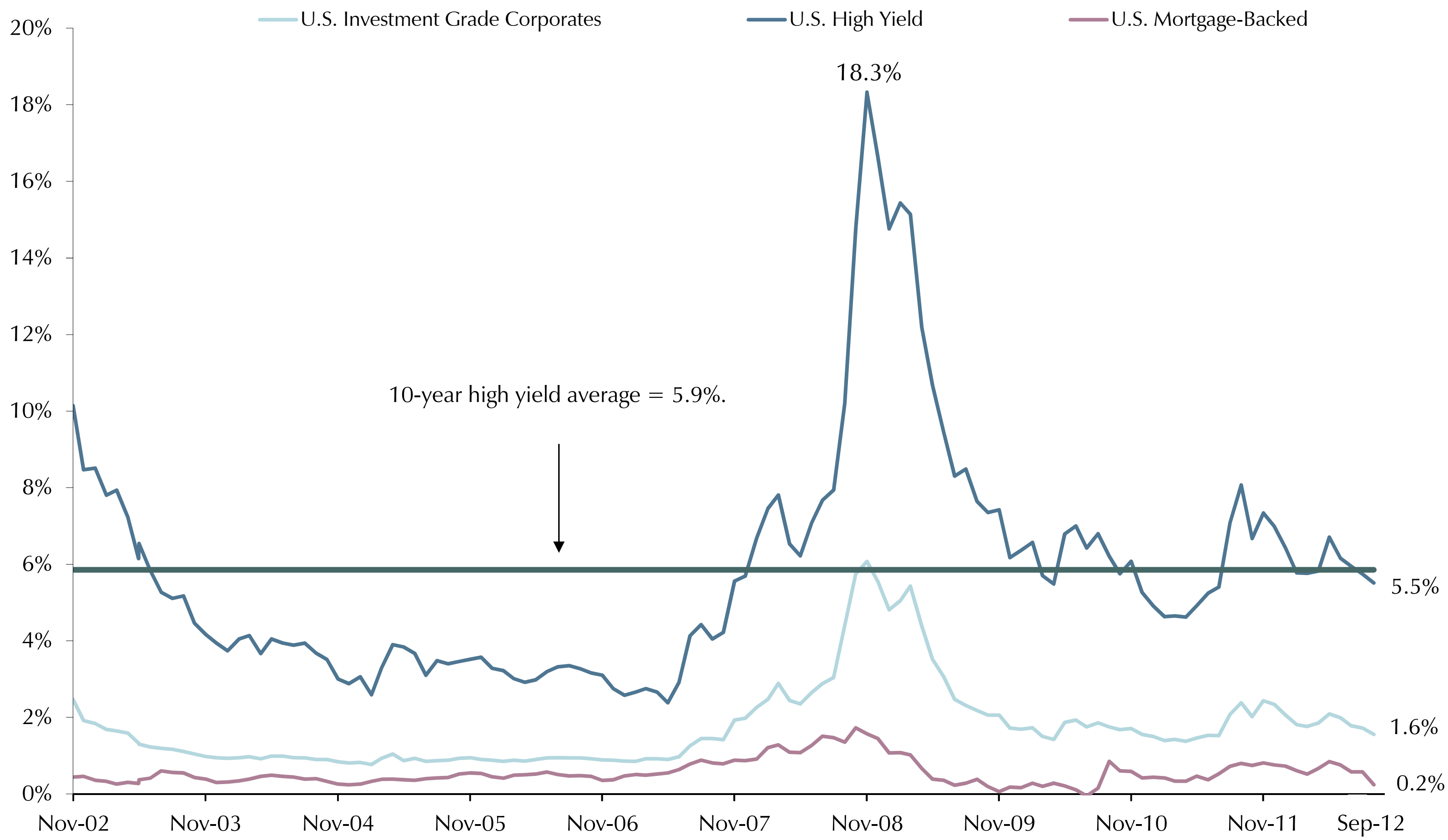
Treasury Yields



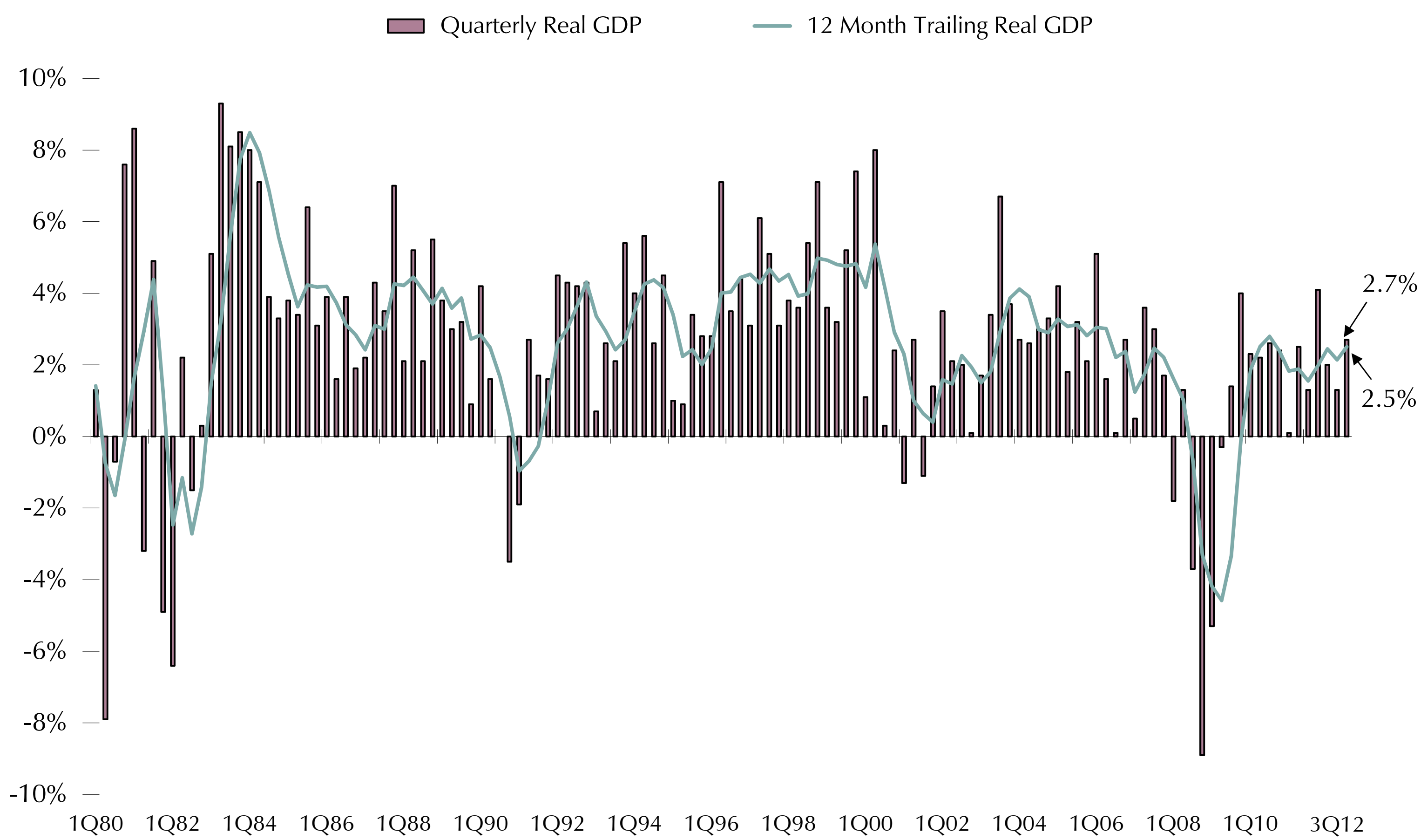
U.S. Fixed Income Markets



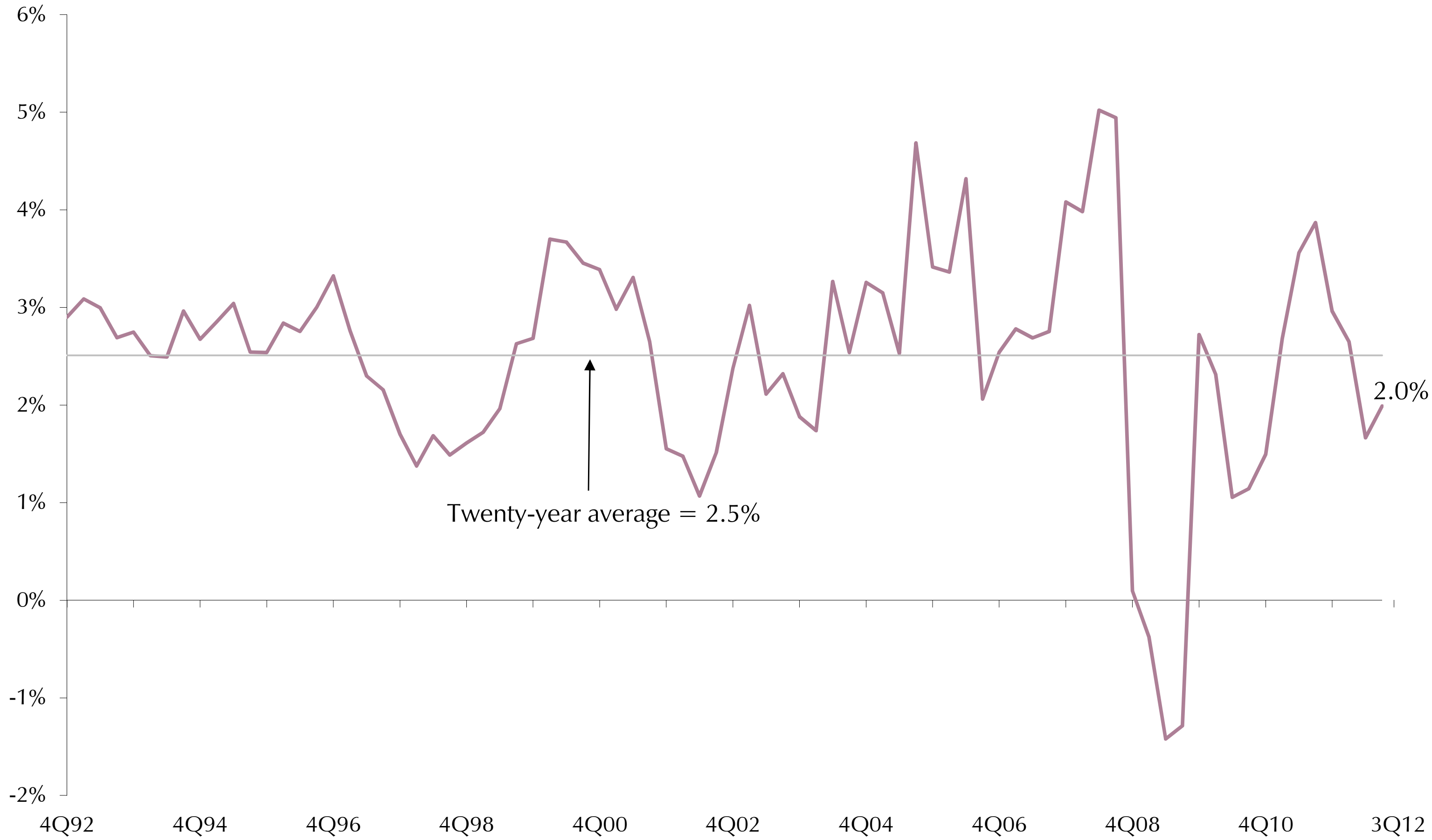
Credit Spreads vs. U.S. Treasury Bonds



Real Gross Domestic Product (GDP) Growth

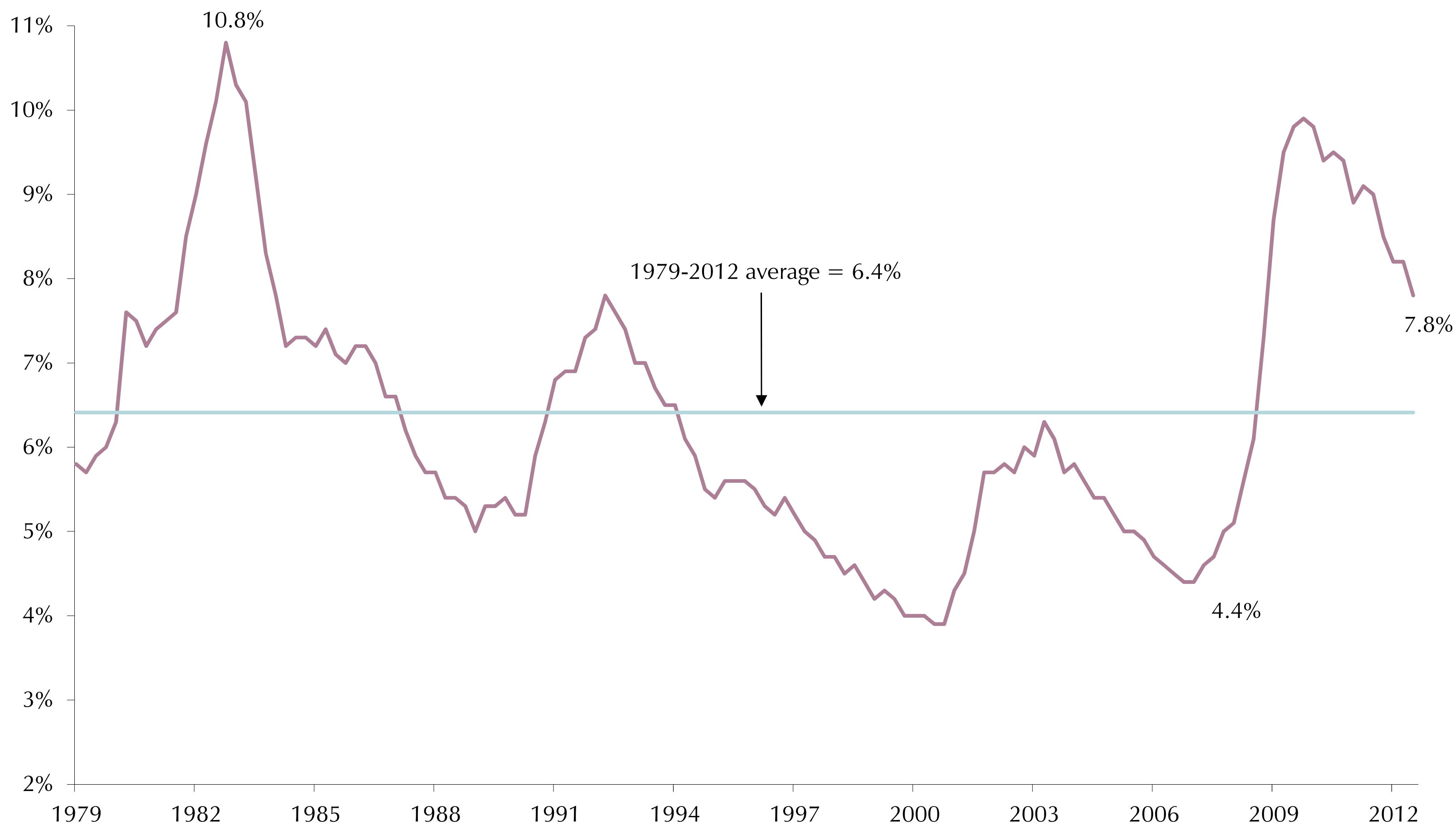


U.S. Inflation (CPI)
Trailing Twelve Months[1]



[1] Data is non-seasonally adjusted CPI, which may be volatile in the short-term.

U.S. Unemployment



Global Macroeconomic Outlook
September 2012

Current Global Conditions

Economic Growth	Economic growth continues to slow globally, due to elevated unemployment levels across developed economies, harsh austerity measures in Europe, and waning export demand in emerging economies. U.S. third quarter GDP growth was 2.7%, up from the 1.3% level of the prior quarter but below the 4.1% level at the end of 2011. In the Euro-zone, GDP declined by 0.1% in the third quarter, after declining 0.2% in the second quarter. Although emerging economies continue to experience higher growth than developed economies, their growth continues to slow too. In China, third quarter growth was 7.4%, well below the close to 10% level in early 2011.
Employment	At the end of September, the U.S. unemployment rate was 7.8%, a 0.4% decline from the end of the prior quarter and the first reading below 8.0% since January 2009. Despite the recent decline in the unemployment rate, 12.1 million people remain unemployed in the U.S. and the labor force participation rate (the percentage of the population that is employed or looking for employment) remains at levels not seen since the early 1980s. Unemployment in the Euro-zone continues to make new highs, reaching 11.6% at the end of September. Spain and Greece continue to have the highest unemployment rates at close to 25%, with rates of over 50% for youth.
Inflation	The trailing twelve-month U.S. inflation rate was 2.0% at the end of September, a level close to half the recent high of 3.9% in September 2011. After declining in the four previous months, energy prices rose in August and September, driven by gasoline prices. Euro-zone twelve-month inflation through September was 2.7%, up 0.3% from the end of the second quarter due primarily to higher energy prices. The trailing twelve-month inflation rate in China fell to 1.9% in September, a level less than a third of the recent 6.5% peak.
Interest Rates	Central banks globally continue to keep interest rates extremely low as a means to stimulate growth. The U.S. and Japan continued to maintain short-term rates near zero, while the Bank of England kept rates at 0.5%. Due to the on-going economic turmoil in Europe, the ECB cut short-term rates in July by 0.25% to 0.75%, a record low. The yield on 10-year Treasuries finished the third quarter at 1.7%, the same level as the end of the prior quarter. Of note, the yield fell to 1.4% during the quarter, establishing a new record low. Due to slowing inflation and weakening economic data, emerging economies continue to loosen monetary policy as well. In China, policymakers cut interest rates in July by 0.31% to 6.0%, the second cut this year. China's recent interest rate cuts are the first since 2008.

Global Economic Outlook

We believe economic growth will remain subdued globally for the remainder of 2012 and into 2013.

- GDP growth is likely to remain subdued into 2013 in the emerging economies due to lower demand for exports from the developed economies.
- Thus far in 2012, GDP growth levels have come in below consensus projections. In the European Union growth was forecasted to be slow, but positive, in 2012, but has actually declined. In China, actual growth has been over 2% below what was projected.

	IMF 2012 Real GDP Forecast (%)	2012 Actual Real GDP (%)
U.S.	1.8%	1.7%
European Union	1.4	-0.3
China	9.0	6.7

Source: "IMF 2012 Real GDP Forecast" represents the IMF's September 2011 projections. The source for the"2012 Actual Real GDP" is FactSet and Thomson Reuters and is through June 30, 2012.

- Slow growth globally should keep inflation at moderate levels. The possibility of inflationary pressures returning in emerging economies exists as policymakers move to more stimulative regimes. Deflation continues to be a risk in the developed world.

Global Economic Outlook, Continued

Europe, the emerging markets, and the U.S. have pursued additional monetary stimulus.

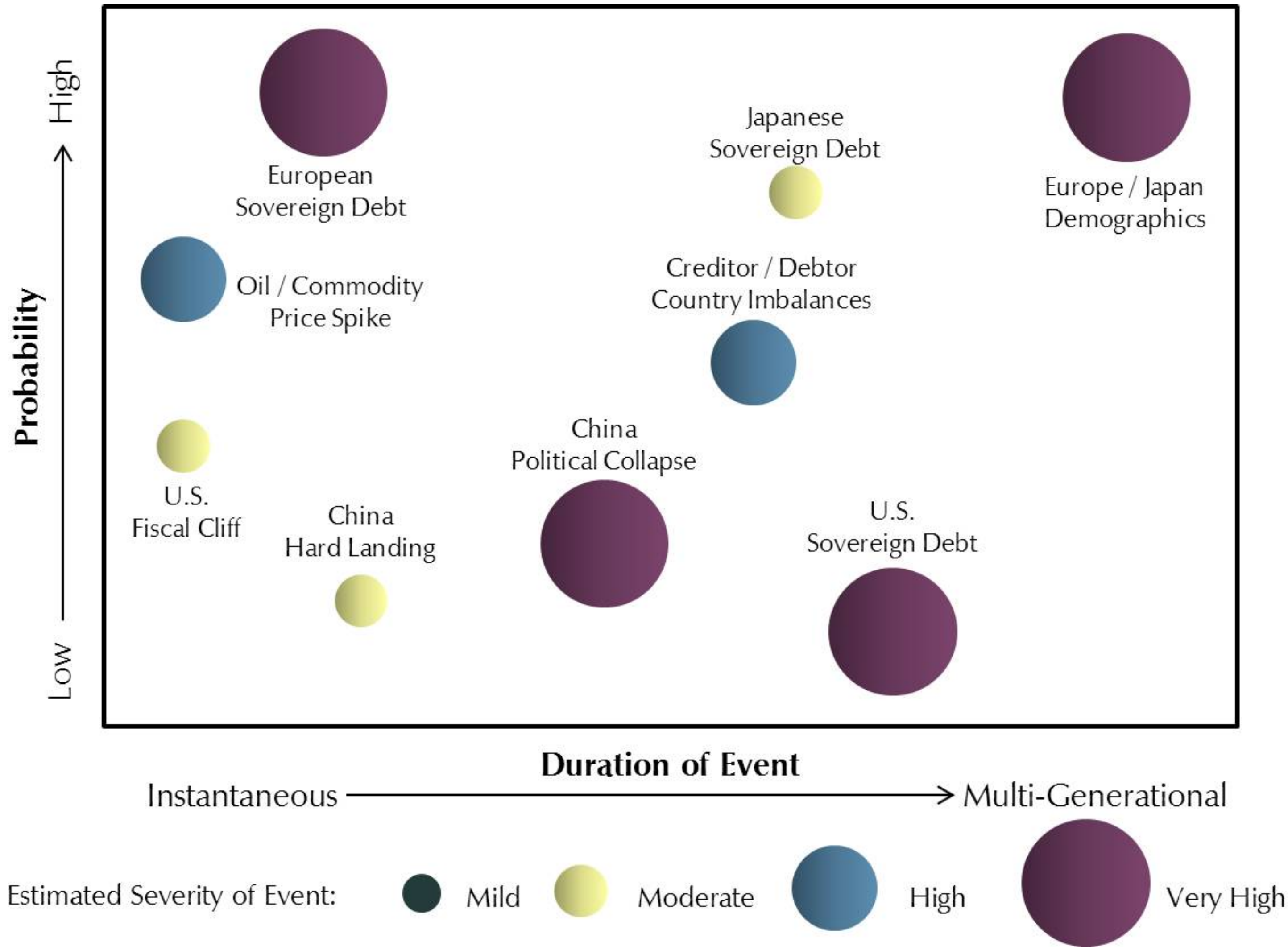
- Due to sluggish growth rates and a stalling employment recovery in the U.S., the Federal Reserve announced its third round of quantitative easing ("QE3") in September, as well as extended its pledge to keep interest rates low until the middle of 2015.
- The European Central Bank (ECB) continues to provide further monetary support, in an effort to prevent the on-going sovereign debt crisis in the region from unraveling. In the third quarter, the ECB cut interest rates to a record low level and announced its potentially unlimited bond-buying program.
- In China, it is likely policymakers will continue to cut interest rates and reduce bank reserve requirements, due to diminished exports and a credit contraction from European banks.

Additional fiscal stimulus looks unlikely for the remainder of 2012.

- Tax increases and spending cuts scheduled to take place in early 2013 create a "fiscal cliff" that could weigh substantially on the U.S. economy and potentially lead to another recession. This issue is likely to come more into focus after the election.
- It is likely that a short-term resolution will be reached, though it may not come until close to the year-end deadline.
- In September, Spain announced its austerity budget for 2013, which focuses primarily on spending cuts. The likelihood of Spain requiring a bailout is growing as the country continues to struggle with slow growth and one of the highest unemployment rates in the Euro-zone.

Three issues remain of primary concern: 1) the solvency of sovereign governments and banks in Europe, 2) slowing growth in China, and 3) a slow growing U.S. economy that is susceptible to recession.

Macroeconomic Risk Matrix



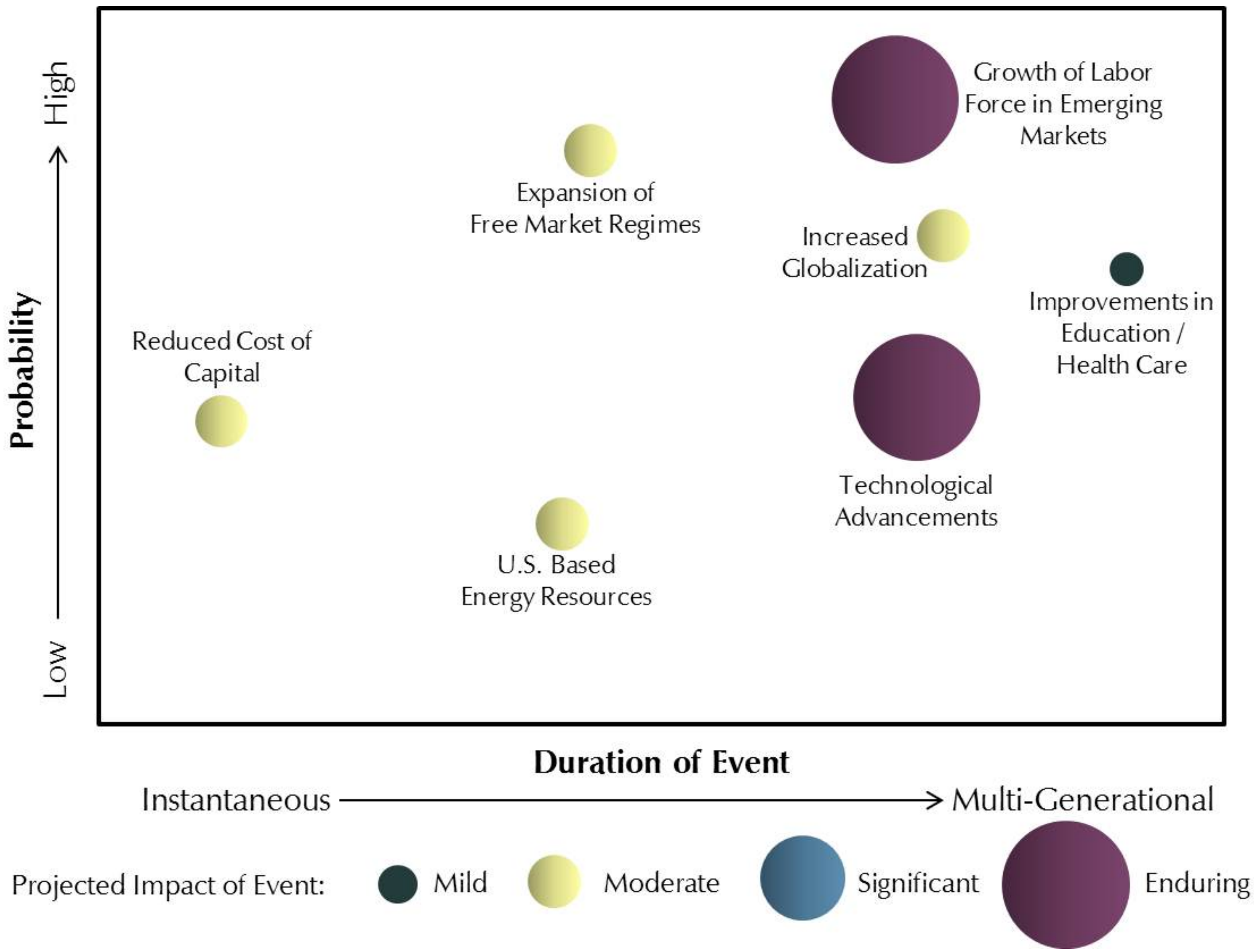
Macroeconomic Risk Overviews

European Sovereign Debt	The crisis is rooted in structural issues in the Euro-zone related to the combination of a single currency (euro) combined with 17 fiscal authorities. Several negative outcomes are possible from the sovereign debt crisis, including sequential sovereign default, a break-up of the euro, bank failures, political regime change, and rapid de-leveraging/deflation.
U.S./Japan Sovereign Debt	Similar to the sovereign debt crisis in Europe, the potential crises in Japan and the U.S. are founded on very large and growing fiscal debt burdens, combined with slow growth. However, unlike Europe, Japan and the U.S. both have single fiscal and monetary authorities. Thus, central banks can (and did) print money to avoid the risk of default.
Europe/Japan Demographics	In Japan and Europe birth rates have declined, resulting in populations becoming older and smaller relative to the rest of the world. These demographic trends will have a negative long-term impact on GDP growth and fiscal budgets, amplifying debt problems.
Oil/Commodity Price Spike	A sharp rise in commodity prices (particularly oil) could weigh on global growth. As key inputs to the manufacturing process and transportation, commodity price increases can destroy real incomes and wealth and result in less consumption of other goods.
China Hard Landing	In 2011, to cool off the real estate market "asset bubble" that resulted from the large government stimulus after the GFC, the Chinese government increased bank reserve requirements and interest rates to rein in liquidity. However, monetary policy is not an exact science, particularly in an economy as large as China, so it is possible they will overshoot their mark. A hard landing for China would likely result in slower growth for the global economy and softer prices for commodities for which China is a major consumer. We consider China missing its GDP target by 2% a hard landing. Going into the year China was targeting an 8% growth rate equating to a 6% growth rate qualifying as a hard landing.
U.S. Fiscal Cliff	To stimulate the economy after the GFC, the Federal Reserve decreased interest rates to historic lows and initiated a massive asset purchase program. The Federal government ran annual deficits of 7% to 9% of GDP. These monetary and fiscal stimulus efforts have kept GDP growth positive in the face of significant private sector deleveraging. The U.S. Fiscal Cliff represents the expiration of significant fiscal stimulus ($600 billion) at the end of 2012. If not continued, the removal of this stimulus may push the economy into recession.

Macroeconomic Risk Overviews, Continued

China Political Collapse	The longer-term structural issues in China largely relate to the move from a centralized, state-controlled, closed economy to an open, liberal, capitalistic economy. The structural concerns with the China model are numerous: wealth distribution, inflation, unemployment, social safety nets, pollution, demographics, etc. Reduced control from the state (e.g., foreign exchange, export subsidies, banking) will limit the state's ability to manage economic performance.
Creditor/Debtor Country Imbalances	The acceleration of global trade created increasing imbalances among countries that are net exporters (e.g., China, Japan, Germany, major oil producers) and those that are net importers (e.g., U.S., U.K, and periphery Europe). These imbalances appear to reflect market manipulation (e.g., subsidies, central bank influence) more than differences in global competitiveness. Unwinding global trade imbalances would be painful for all involved, especially if done quickly.

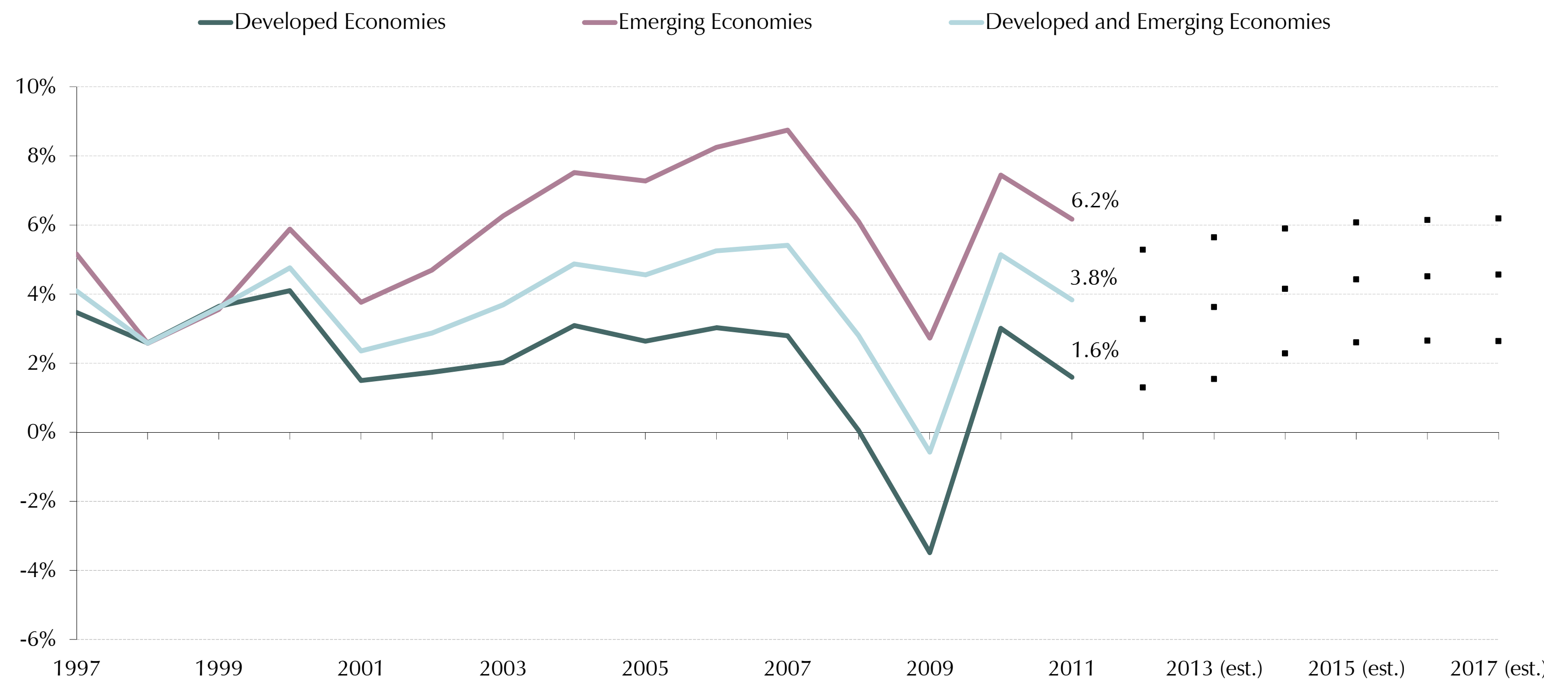
Positive Macroeconomic Trends Matrix



Positive Macroeconomic Trends Overviews

Reduced Cost of Capital	Central banks globally have reduced interest rates to historic lows to stimulate growth. Although this has had a muted impact thus far in light of global de-leveraging and restrictive bank lending, it should become increasingly stimulative as the de-leveraging process progresses.
Expansion of Free Market Regimes	The "Arab Spring" saw multiple regimes overturned in the Middle East and North Africa, sparked by civil unrest over high poverty levels, rising unemployment, and soaring food costs. Although several of these countries are struggling with the transition from the old regime (e.g., Egypt), it is likely that increased social and economic freedoms will be beneficial for long-term growth.
Growth of Labor Force in Emerging Markets	In emerging economies, the labor force and the labor force participation rate have been steadily growing. The growing labor force in the emerging economies should increase consumption globally, which in turn will drive GDP growth and create jobs.
Increased Globalization	The pace of globalization has accelerated, particularly in emerging economies. Increased trade and investment, as well as access to foreign capital and export markets for corporations, should lead to lower costs, higher efficiencies, and higher global growth.
Improvements in Education/Healthcare	Literacy rates and average life spans have increased globally, particularly in the emerging economies. Higher literacy rates will likely be a driver of future growth, as the ability to read helps people learn new skills and improve existing skills. When people live longer it increases incentives to make long-term investments in human capital (i.e., education and training), resulting in a more productive work force and ultimately more growth.
Technological Advancements / Process Enhancements	Technological advancement, particularly in computers and software, as well as in crop harvesting, should support global growth. Increases in technology lead to higher output with the same resources. The benefits of advancements in technology can take the form of decreasing the cost of existing products or of developing new or improved items.
U.S. Based Energy Resources	Fracking technologies have allowed the U.S. to extract large new supplies of natural gas and oil from rocks. The large new supply of natural gas has decreased U.S. prices to levels considerably below the rest of the world. For oil, production is projected to continue to grow over time. This, coupled with declining consumption, should reduce the country's reliance on foreign oil imports going forward.

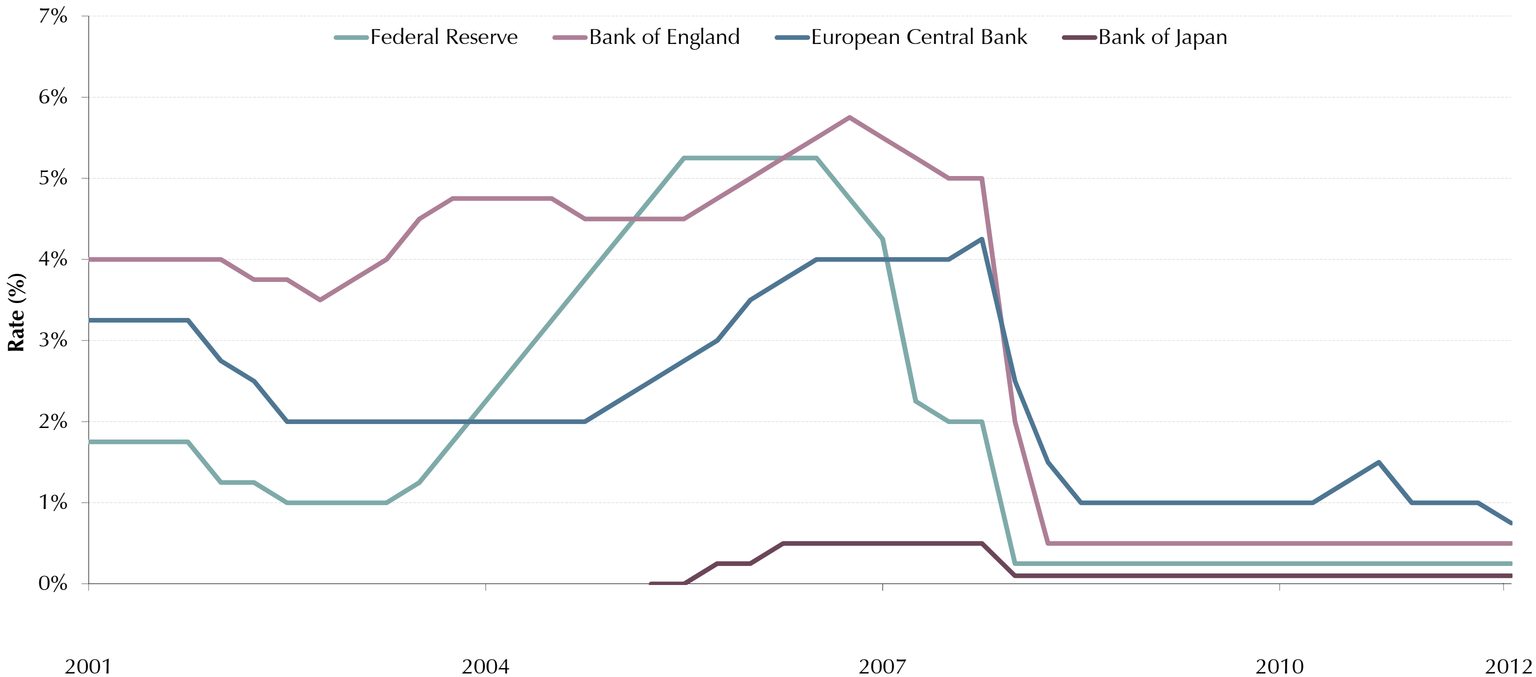
Global Gross Domestic Product (Real GDP) Growth



Source: IMF. Estimates for 2012-2017 are from the IMF.

- Real GDP growth continues to slow globally, a trend that is likely to continue in the short-term.
- The International Monetary Fund (IMF) recently lowered its 2012 (3.3%) and 2013 (3.6%) forecasts for world real GDP growth by 26 basis points and 45 basis points, respectively.
- Emerging economies continue to grow at close to four times the rate of developed economies, but they, too, have slowed recently.

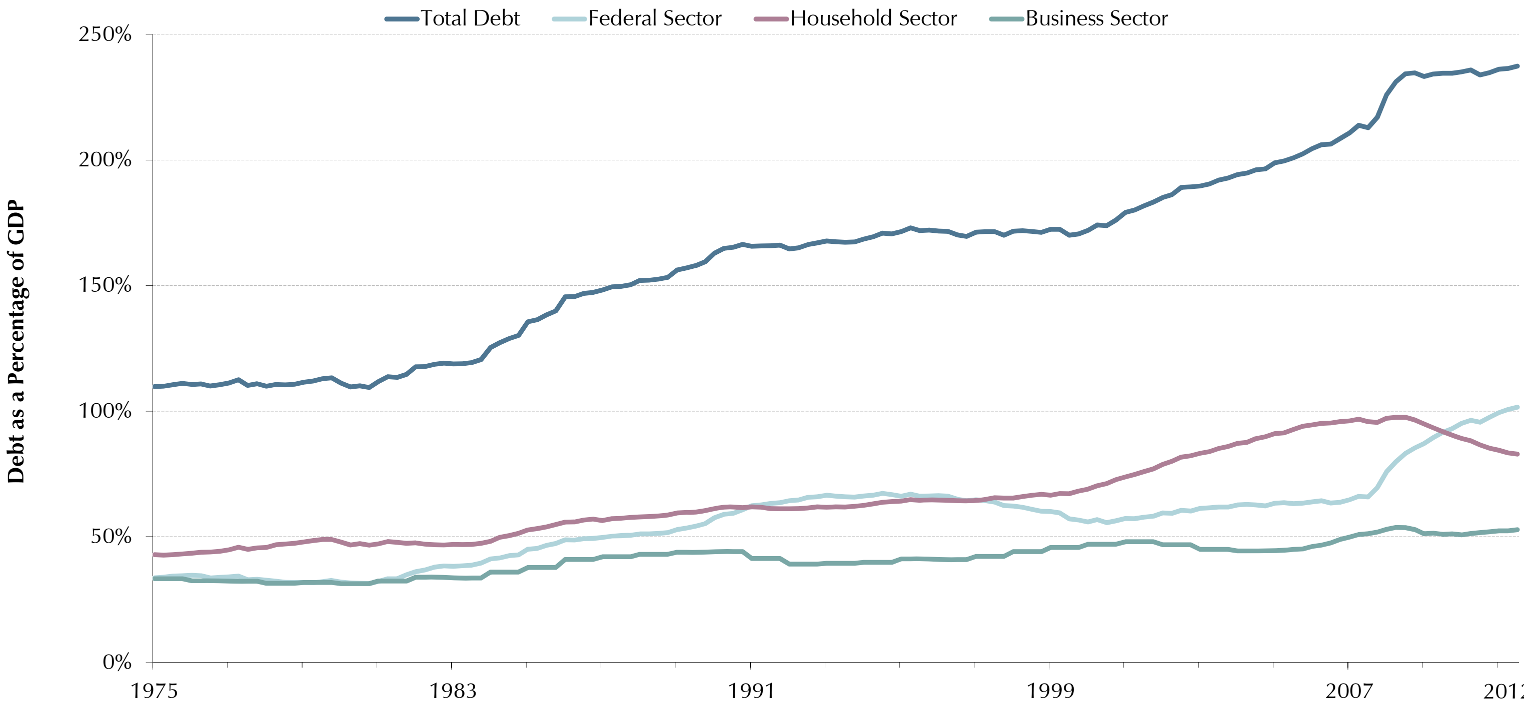
Central Bank Target Interest Rates



Source: Bloomberg. Data is as of September 30, 2012.

- In an attempt to stimulate growth, and fight deflationary pressures, central banks worldwide continue to maintain interest rates at historic low levels.
- In September, the U.S. Federal Reserve announced that it would extend its pledge to keep interest rates at close to zero to the middle of 2015.
- The European Central Bank (ECB) cut interest rates in July by 0.25% to 0.75%, a record low, in light of the continuing sovereign debt issues in the region.

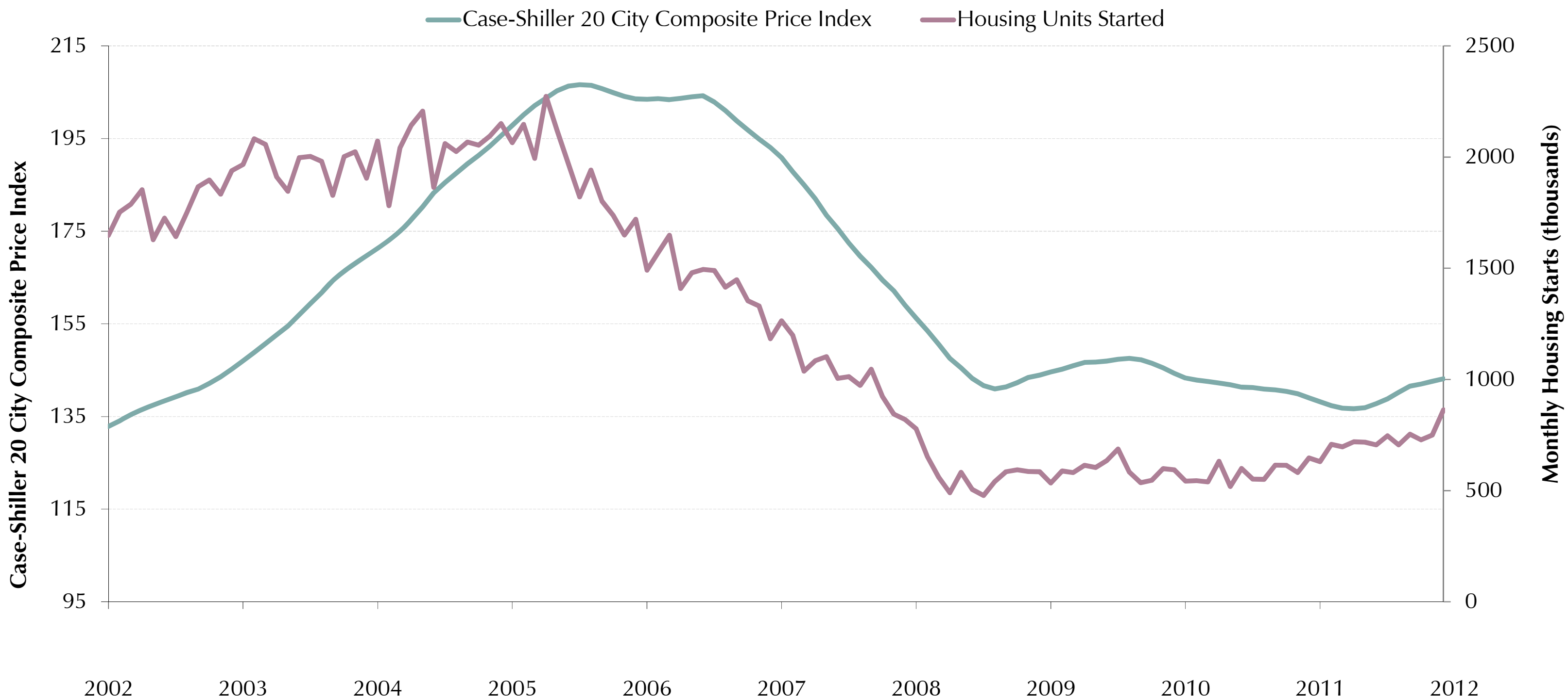
U.S. Debt as a Percentage of GDP



Source: Federal Reserve and Treasury Direct. Data is as of June 30, 2012.

- Aggregate debt levels in the U.S. continue to grow, driven by the increase of government debt, which is now over 100% of GDP.
- The household sector debt level declined over the last few years from close to 100% of GDP to 83% of GDP, but remains well above its historical average.

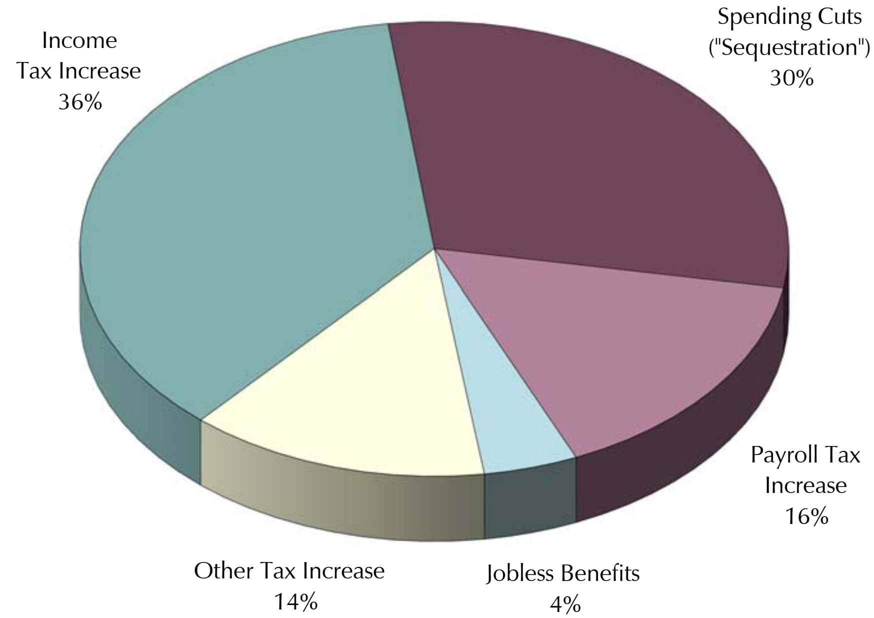
U.S. Housing Market



Source: S&P, FactSet. Data is as of September 30, 2012

- The U.S. housing market is showing signs of stabilizing.
- Historically low mortgage rates and increasing rents have made purchasing homes an attractive option for many, but bank lending standards remain strict in the aftermath of the Global Financial Crisis.

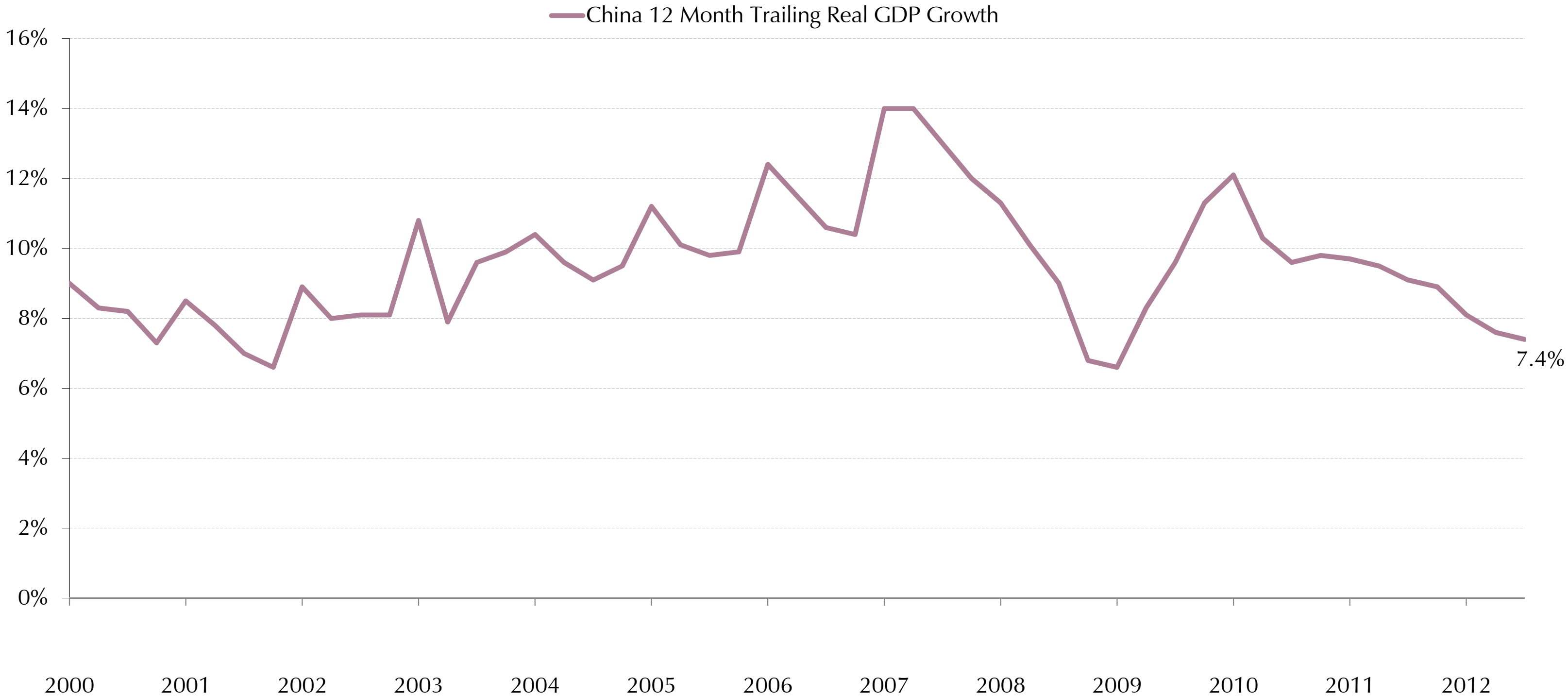
U.S. Fiscal Cliff Components
$606 billion



Source: Congressional budget Office, "Economic Effects of Reducing the Fiscal Restraint Scheduled to Occur in 2013," May 2012.

- In early 2013, tax increases and spending cuts totaling over $600 billion are scheduled to take place.
- The largest component (36%) of the $600 billion "fiscal cliff" is the expiration of the Bush-era tax cuts.
- If allowed to take place, these measures could weigh heavily on the U.S. economy and possibly result in another recession.

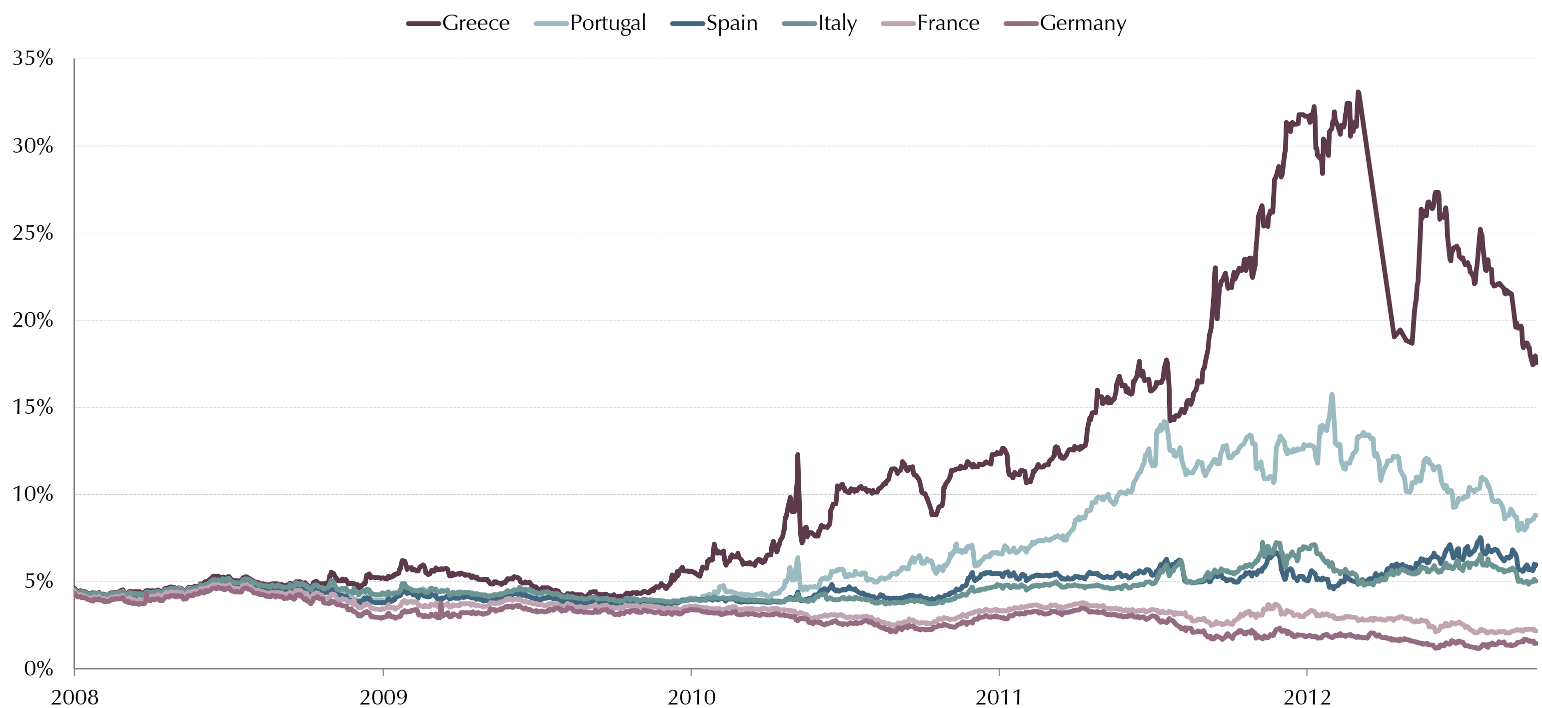
China Real Gross Domestic Product (GDP) Growth



Source: FactSet. Data is as of September 30, 2012.

- Real GDP growth in China continues to decline from its close to 10% level in early 2011, in the face of slowing export demand from the U.S. and Europe and the expiration of prior stimulus.
- In response to the slowing growth, and in light of waning inflationary pressures, the Chinese government has recently transitioned to a more stimulative regime, cutting interest rates and reducing bank reserve requirements.
- Monetary policy is not an exact science and the possibility of China experiencing a "hard landing" still remains.

European Bond Yields



Source: FactSet. Data is as of September 30, 2012.

- The yield differential between government bonds in peripheral European countries and governments bonds in the core was relatively small prior to 2010.
- Subsequently, yield spreads began to expand, particularly in Greece, as the sovereign debt crisis in the region unfolded.
- In September, yield spreads compressed for peripheral countries in response to the ECB's announcement of a new, and potentially unlimited, bond buying program designed to bring down borrowing costs.

Summary

The global economy is facing three primary concerns: the solvency of sovereign governments and banks in Europe, slow growth in the U.S., and slowing growth in China.

- We expect GDP growth to remain subdued for the balance of 2012 and into 2013 due to continued deleveraging and austerity measures in the developed economies as well as lower demand for exports in the emerging economies.
- Slow growth globally should keep inflation subdued in the near-term. In developed economies the risk of deflation remains, while the potential for the return of inflationary pressures exists in emerging economies as monetary policy is loosened.
- Continued monetary stimulus in Europe, the emerging economies, and the U.S. is likely, as the political will for additional fiscal stimulus wanes with time and higher government debt levels.

Executive Summary
December 2012

- The Pension Fund was valued at $118.3 million as of October 31, 2012, a decrease of $0.1 from September 30, 2012.
  - All asset class aggregates have positive returns year-to-date through October 31, 2012.
  - All portfolios have positive returns year-to-date through October 31, 2012.
- The Pension Fund returned 9.7% year-to-date through October 31 2012, outperforming the Policy Benchmark by 0.3%.
- The Pension Fund also returned 9.7% over the 12 months ending October 31, 2012, outperforming the Policy Benchmark by 1.4%.

Fund Highlights

- The following factors have contributed to the Pension Fund's performance year-to-date:
  - An overweight to large cap U.S. equities has helped performance as this asset class outperformed developed and emerging market equities.
  - Emerging markets debt and TIPS helped as they outperformed U.S. investment grade fixed income, as proxied by the Barclays Aggregate Index.
    - Investment grade bond managers PIMCO and Western have significantly outperformed the Barclay's Aggregate Index.
- The following factors have detracted from the Pension Fund's performance year-to-date:
  - The emerging markets equity managers, in aggregate, had a negative absolute return since inception on April 1, 2012, however, they have outperformed the MSCI Emerging Markets Index.
  - MEPT, while posting positive absolute returns, has underperformed its relevant benchmarks.

Recent Activity

- On November 30, Meketa Investment Group completed a full redemption of the Western Asset Core Plus Fund ($5.1 million).
  - The proceeds ($5.0 million) were invested in TIPS, to bring the allocation close to the asset class target, while $0.1 million remained in cash.
- On November 30, Meketa Investment Group sold $5.0 million of the PIMCO Total Return fund and used the proceeds to fund a low-cost intermediate corporate bond fund index fund from Vanguard.
- Meketa Investment Group reduced the overweight to the dollar-based Stone Harbor emerging markets debt fund and positioned the emerging markets debt aggregate to a neutral currency position.
- Meketa Investment Group liquidated the Artio International portfolio ($6.4 million) and used the proceeds to invest in a low-cost Vanguard developed markets index fund ($4.3 million) and to the DFA emerging markets fund ($2.0 million).
  - We will transfer $1.0 million from the Vanguard developed markets fund to Vontobel in early 2013.
- Meketa Investment Group requested a full withdrawal from MEPT.
  - Approximately $5.5 million will be distributed on January 16, 2013.
- Meketa Investment Group completed the subscription documents to a private, value-added real estate partnership, TA Realty Associates Fund X.
  - A total of $2.5 million was committed to this investment.

Next Steps

- The two areas of focus remain; domestic equity and real estate.
  - Meketa Investment Group will consider adding a midcap index fund and rebalance domestic equity to a more market cap neutral position, reducing the large cap exposure.
  - Meketa Investment Group will consider a defensive, high quality, domestic equity strategy to complement the S&P 500 Index fund.
- Meketa Investment Group will use $1.0 million from the MEPT proceeds and invest in a low-cost REIT Index fund and search for an additional value-add real estate fund to complement TA Realty.

Interim Update
October 31, 2012

Aggregate Assets
Asset Summary as of 10/31/12

	Market Value 10/31/12 ($ mm)	% of Pension Fund	Target Allocation (%)	Target Range (%)	Market Value 9/30/12 ($ mm)
Total Pension Fund	**118.3**	**100**	**NA**	**NA**	**118.4**
Domestic Equity Assets	35.0	30	25	15-35	35.6
International Developed Market Equity Assets	12.8	11	10	5-20	12.7
Intenational Emerging Market Equity Assets	6.8	6	7	0-20	6.8
Investment Grade Bond Assets	23.5	20	14	8-25	23.4
TIPS Assets	5.3	5	10	0-20	5.3
Emerging Market Debt Assets	7.4	6	7	0-15	7.3
High Yield Bond Assets	5.5	5	5	0-15	5.4
Real Estate Assets	11.7	10	12	0-15	11.7
Natural Resources Assets	5.7	5	5	0-10	5.7
Private Equity Assets[1]	2.0	2	5	0-10	2.0
Cash	2.7	2	0	0	2.4

[1] ULLICO asset value based on 2011 pricing.

Aggregate Assets
Portfolio Roster as of 10/31/12

	Market Value 10/31/12 ($ mm)	% of Asset Class	% of Pension Fund	Target Allocation (%)	Target Range (%)	Market Value 9/30/12 ($ mm)
Total Pension Fund	**118.3**	**NA**	**100**	**NA**	**NA**	**118.4**
Domestic Equity Assets	**35.0**	**100**	**30**	**25**	**15-35**	**35.6**
Amalgamated LongView Large Cap 500 Index	30.9	88	26			31.5
Amalgamated LongView Small Cap 600 Index	4.1	12	3			4.1
International Developed Market Equity Assets	**12.8**	**100**	**11**	**10**	**5-20**	**12.7**
Manning & Napier International Equity	6.6	52	6			6.5
Artio International Equity	6.2	48	5			6.1
International Emerging Market Equity Assets	**6.8**	**100**	**6**	**7**	**0-20**	**6.8**
Vontobel Emerging Markets Equity	3.6	53	3			3.6
Dimensional Emerging Markets Value	3.2	47	3			3.2
Investment Grade Bond Assets	**23.5**	**100**	**20**	**14**	**8-25**	**23.4**
PIMCO Total Return	14.8	63	13			14.8
Western Asset U.S. Core Plus, LLC	5.1	22	4			5.1
AFL-CIO Housing Investment Trust	3.5	15	3			3.5

Aggregate Assets
Portfolio Roster as of 10/31/12

	Market Value 10/31/12 ($ mm)	% of Asset Class	% of Pension Fund	Target Allocation (%)	Target Range (%)	Market Value 9/30/12 ($ mm)
TIPS Assets	**5.3**	**100**	**5**	**10**	**0-20**	**5.3**
Vanguard Inflation-Protected Securities	5.3	100	5			5.3
Emerging Market Debt Assets	**7.4**	**100**	**6**	**7**	**0-15**	**7.3**
Stone Harbor Emerging Markets Debt	4.5	62	4			4.5
Stone Harbor Emerging Markets Local Currency Debt	2.8	38	2			2.8
High Yield Bond Assets	**5.5**	**100**	**5**	**5**	**0-15**	**5.4**
SKY Harbor High Yield	5.5	100	5			5.4
Real Estate Assets	**11.7**	**100**	**10**	**12**	**0-15**	**11.7**
AFL-CIO Building Investment Trust	6.3	54	5			6.3
Multi-Employer Property Trust	5.4	46	5			5.4
Natural Resources Assets	**5.7**	**100**	**5**	**5**	**0-10**	**5.7**
SSgA S&P Global LargeMidCap Natural Resources Index	5.7	100	5			5.7
Private Equity Assets[1]	**2.0**	**100**	**2**	**5**	**0-10**	**2.0**
ULLICO Class A	2.0	100	2			2.0
Cash	**2.7**	**100**	**2**			**2.4**

[1] ULLICO asset value based on 2011 pricing.

Aggregate Assets
Performance as of 10/31/12

	October (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
Total Pension Fund	**-0.4**	**9.7**	**9.7**	**9.0**	**1.6**	**5.6**	**7.0**	**1/1/88**	**7.7**
CPI (inflation)	*0.0*	*2.5*	*2.2*	*2.3*	*2.1*	*2.5*	*2.5*		*2.8*
Policy Benchmark[1]	*-0.2*	*9.4*	*8.3*	*8.2*	*1.2*	*7.3*	*NA*		*NA*
Domestic Equity[2]	-1.9	13.9	15.0	NA	NA	NA	NA	6/1/11	5.3
Russell 3000	*-1.7*	*14.1*	*14.7*	*13.6*	*0.6*	*7.5*	*8.5*		*4.5*
International Developed Market Equity	0.7	11.4	3.4	NA	NA	NA	NA	6/1/11	-10.2
MSCI ACWI (ex. U.S.) IMI	*0.3*	*11.1*	*4.1*	*4.0*	*-4.8*	*9.8*	*NA*		*-6.8*
Emerging Market Equity Assets	-0.8	NA	NA	NA	NA	NA	NA	4/1/12	-1.3
MSCI Emerging Markets	*-0.6*	*11.3*	*2.6*	*5.4*	*-3.5*	*16.2*	*8.4*		*-2.4*
Investment Grade Bonds[2]	0.3	8.3	9.1	NA	NA	NA	NA	6/1/11	7.2
Barclays Aggregate	*0.2*	*4.2*	*5.3*	*6.1*	*6.4*	*5.4*	*6.4*		*6.3*
TIPS	0.7	7.0	NA	NA	NA	NA	NA	12/1/11	7.2
Barclays U.S. TIPS	*0.9*	*7.2*	*8.0*	*9.2*	*7.9*	*7.0*	*NA*		*7.2*
Emerging Market Debt	0.5	NA	NA	NA	NA	NA	NA	3/1/12	5.5
JP Morgan GBI Global	*-0.7*	*2.5*	*2.4*	*4.7*	*6.4*	*6.8*	*6.4*		*2.3*
High Yield Bonds	0.7	NA	NA	NA	NA	NA	NA	9/1/12	1.9
Barclays High Yield	*0.9*	*13.1*	*13.6*	*12.6*	*9.4*	*11.2*	*8.2*		*2.3*

[1] Policy Benchmark: 52% MSCI ACWI, 36% Barclays Universal, 12% ODCE Equal Weighted.
[2] Historical asset class aggregates not available from Marco.

	October (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
Pension Fund (continued)	**-0.4**	**9.7**	**9.7**	**9.0**	**1.6**	**5.6**	**7.0**	**1/1/88**	**7.7**
Real Estate	0.0	6.8	10.0	NA	NA	NA	NA	6/1/11	12.0
NCREIF ODCE Equal Weighted	*0.0*	*8.5*	*11.8*	*11.9*	*-1.5*	*6.3*	*7.7*		*14.4*
Natural Resources	-1.0	NA	NA	NA	NA	NA	NA	9/1/12	4.5
S&P Global LargeMid Cap Commodities and Resources	*-1.0*	*5.8*	*-1.7*	*7.0*	*-0.8*	*NA*	*NA*		*4.7*

Aggregate Assets Performance as of 10/31/12

	October (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
Total Pension Fund	**-0.4**	**9.7**	**9.7**	**9.0**	**1.6**	**5.6**	**7.0**	**1/1/88**	**7.7**
CPI (inflation)	*0.0*	*2.5*	*2.2*	*2.3*	*2.1*	*2.5*	*2.5*		*2.8*
Policy Benchmark[1]	*-0.2*	*9.4*	*8.3*	*8.2*	*1.2*	*7.3*	*NA*		*NA*
Domestic Equity[2]	**-1.9**	**13.9**	**15.0**	**NA**	**NA**	**NA**	**NA**	**6/1/11**	**5.3**
Amalgamated LongView Large Cap 500 Index	-1.8	14.3	15.2	13.2	0.4	6.9	NA	1/1/96	7.0
S&P 500	*-1.8*	*14.3*	*15.2*	*13.2*	*0.4*	*6.9*	*8.4*		*7.0*
Amalgamated LongView Small Cap 600 Index	-2.0	11.5	13.6	16.6	2.5	NA	NA	1/1/03	10.1
S&P Small Cap	*-2.0*	*11.5*	*13.6*	*16.6*	*2.5*	*10.2*	*10.5*		*10.2*
International Developed Market Equity	**0.7**	**11.4**	**3.4**	**NA**	**NA**	**NA**	**NA**	**6/1/11**	**-10.2**
Manning & Napier International Equity	0.4	13.1	4.6	NA	NA	NA	NA	1/1/10	1.6
MSCI ACWI (ex. U.S.)	*0.4*	*10.8*	*4.0*	*3.7*	*-5.1*	*9.3*	*6.7*		*2.2*
Artio International Equity (GTII)	0.9	9.7	2.0	0.4	-8.0	NA	NA	7/1/06	-0.6
MSCI ACWI (ex. U.S.)	*0.4*	*10.8*	*4.0*	*3.7*	*-5.1*	*9.3*	*6.7*		*1.6*

[1] Policy Benchmark: 52% MSCI ACWI, 36% Barclays Universal, 12% ODCE Equal Weighted.
[2] Historical asset class aggregates not available from Marco.

	October (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
Emerging Market Equity Assets	**-0.8**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**4/1/12**	**-1.3**
Vontobel Emerging Markets Equity	-0.5	NA	NA	NA	NA	NA	NA	4/1/12	1.8
MSCI Emerging Markets	*-0.6*	*11.3*	*2.6*	*5.4*	*-3.5*	*16.2*	*8.4*		*-2.4*
Dimensional Emerging Markets Value	-1.3	NA	NA	NA	NA	NA	NA	4/1/12	-4.8
MSCI Emerging Markets	*-0.6*	*11.3*	*2.6*	*5.4*	*-3.5*	*16.2*	*8.4*		*-2.4*
Investment Grade Bonds[1]	**0.3**	**8.3**	**9.1**	**NA**	**NA**	**NA**	**NA**	**6/1/11**	**7.2**
PIMCO Total Return	0.4	9.5	10.4	NA	NA	NA	NA	1/1/10	7.9
Barclays Universal	*0.3*	*5.3*	*6.2*	*6.6*	*6.5*	*5.8*	*6.6*		*7.0*
Western Asset U.S. Core Plus, LLC	0.5	8.1	8.7	9.6	8.0	NA	NA	8/1/06	7.6
Barclays Universal	*0.3*	*5.3*	*6.2*	*6.6*	*6.5*	*5.8*	*6.6*		*6.6*
AFL-CIO Housing Investment Trust	0.0	4.2	5.6	6.2	6.7	5.7	NA	6/1/02	6.0
Barclays Aggregate	*0.2*	*4.2*	*5.3*	*6.1*	*6.4*	*5.4*	*6.4*		*5.7*
Barclays Mortgage	*-0.2*	*2.6*	*3.5*	*4.7*	*6.1*	*5.2*	*6.3*		*5.4*
TIPS	**0.7**	**7.0**	**NA**	**NA**	**NA**	**NA**	**NA**	**12/1/11**	**7.2**
Vanguard Inflation-Protected Securities	0.7	7.0	NA	NA	NA	NA	NA	12/1/11	7.2
Barclays U.S. TIPS	*0.9*	*7.2*	*8.0*	*9.2*	*7.9*	*7.0*	*NA*		*7.2*
High Yield Bonds	**0.7**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**9/1/12**	**1.9**
SKY Harbor High Yield	0.7	NA	NA	NA	NA	NA	NA	9/1/12	1.9
Barclays High Yield	*0.9*	*13.1*	*13.6*	*12.6*	*9.4*	*11.2*	*8.2*		*2.3*

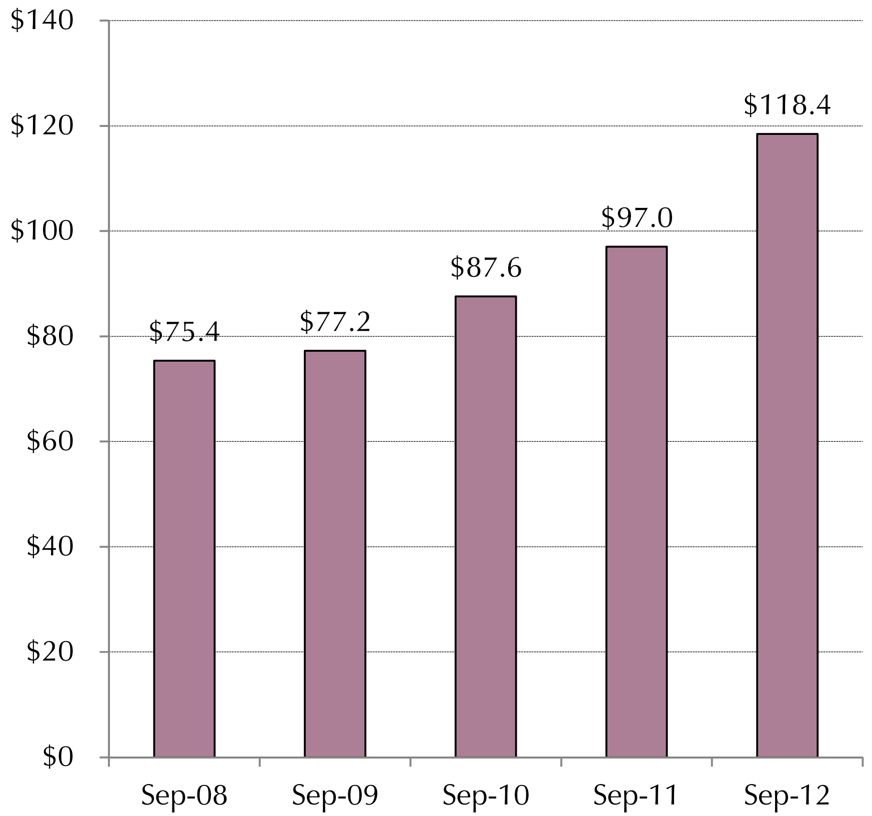
[1] Historical asset class aggregates not available from Marco.

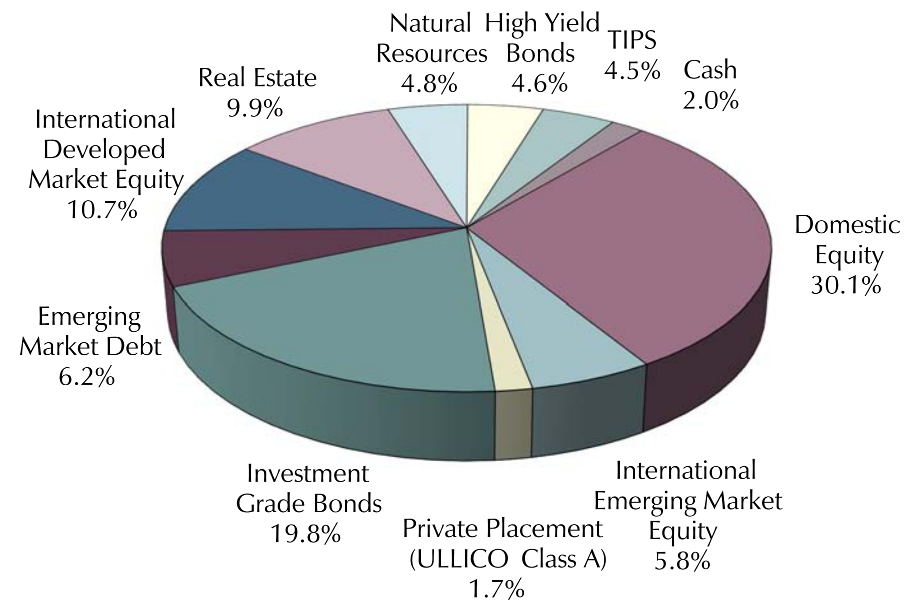
	October (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
Emerging Market Debt	**0.5**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**3/1/12**	**5.5**
Stone Harbor Emerging Markets Debt	0.7	NA	NA	NA	NA	NA	NA	3/1/12	8.6
JPMorgan EMBI Global Diversified	*0.9*	*15.3*	*15.5*	*12.1*	*9.7*	*11.3*	*NA*		*10.8*
Stone Harbor Emerging Markets Local Currency Debt	0.2	NA	NA	NA	NA	NA	NA	3/1/12	1.0
JPM GBI-EM Global Diversified	*0.5*	*12.7*	*7.3*	*9.3*	*7.9*	*NA*	*NA*		*2.0*
Real Estate[1]	**NA**	**6.8**	**10.0**	**NA**	**NA**	**NA**	**NA**	**6/1/11**	**12.0**
AFL-CIO Building Investment Trust	NA	8.5	12.3	10.3	-0.3	5.7	NA	7/1/02	5.7
NCREIF ODCE Equal Weighted	*NA*	*8.5*	*11.8*	*11.9*	*-1.5*	*6.3*	*7.7*		*6.2*
NCREIF Property	*NA*	*7.8*	*11.0*	*10.9*	*2.3*	*8.3*	*8.6*		*8.3*
Multi-Employer Property Trust	NA	4.8	7.5	9.0	-2.6	5.1	6.2	1/1/92	5.8
NCREIF ODCE Equal Weighted	*NA*	*8.5*	*11.8*	*11.9*	*-1.5*	*6.3*	*7.7*		*7.3*
NCREIF Property	*NA*	*7.8*	*11.0*	*10.9*	*2.3*	*8.3*	*8.6*		*8.1*
NCREIF ODCE	*NA*	*8.4*	*11.6*	*12.2*	*-1.2*	*6.6*	*7.9*		*7.3*
Natural Resources	**-1.0**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**9/1/12**	**4.5**
SSgA S&P Global LargeMidCap Natural Resources Index	-1.0	NA	NA	NA	NA	NA	NA	9/1/12	4.5
S&P Global LargeMid Cap Commodities and Resources	*-1.0*	*5.8*	*-1.7*	*7.0*	*-0.8*	*NA*	*NA*		*4.7*

[1] Performance is calculated on a quarterly basis. Performance is as of 9/30/12.

Fund Summary
As of September 30, 2012

Aggregate Assets as of 9/30/12





Aggregate Assets
Asset Summary as of 9/30/12

	Market Value 9/30/12 ($ mm)	% of Pension Fund	Target Allocation (%)	Target Range (%)	Market Value 6/30/12 ($ mm)
Total Pension Fund	**118.4**	**100**	**NA**	**NA**	**112.0**
Domestic Equity Assets	35.6	30	25	15-35	38.9
International Developed Market Equity Assets	12.7	11	10	5-20	12.0
Emerging Market Equity Assets	6.8	6	7	0-20	6.4
Investment Grade Bond Assets	23.4	20	14	8-25	25.8
TIPS Assets	5.3	4	10	0-20	5.2
High Yield Bond Assets	5.4	5	5	0-15	0.0
Emerging Market Debt Assets	7.3	6	7	0-15	6.9
Real Estate Assets	11.7	10	12	0-15	11.5
Natural Resources Assets	5.7	5	5	0-10	0.0
Private Equity Assets[1]	2.0	2	5	0-10	2.0
Cash	2.4	2	0	0	3.3

[1] ULLICO asset value based on 2011 pricing.

Aggregate Assets
Portfolio Roster as of 9/30/12

	Market Value 9/30/12 ($ mm)	% of Asset Class	% of Pension Fund	Target Allocation (%)	Target Range (%)	Market Value 6/30/12 ($ mm)
Total Pension Fund	**118.4**	**NA**	**100**	**NA**	**NA**	**112.0**
Domestic Equity Assets	**35.6**	**100**	**30**	**25**	**15-35**	**38.9**
Amalgamated LongView Large Cap 500 Index	31.5	88	27			34.0
Amalgamated LongView Small Cap 600 Index	4.1	12	3			4.9
International Developed Market Equity Assets	**12.7**	**100**	**11**	**10**	**5-20**	**12.0**
Manning & Napier International Equity	6.5	52	6			6.1
Artio International Equity	6.1	48	5			5.8
Emerging Market Equity Assets	**6.8**	**100**	**6**	**7**	**0-20**	**6.4**
Vontobel Emerging Markets Equity	3.6	52	3			3.4
Dimensional Emerging Markets Value	3.2	48	3			3.0
Investment Grade Bond Assets	**23.4**	**100**	**20**	**14**	**8-25**	**25.8**
PIMCO Total Return	14.8	63	12			14.3
Western Asset U.S. Core Plus, LLC	5.1	22	4			7.9
AFL-CIO Housing Investment Trust	3.5	15	3			3.5

Aggregate Assets
Portfolio Roster as of 9/30/12

	Market Value 9/30/12 ($ mm)	% of Asset Class	% of Pension Fund	Target Allocation (%)	Target Range (%)	Market Value 6/30/12 ($ mm)
TIPS Assets	**5.3**	**100**	**4**	**10**	**0-20**	**5.2**
Vanguard Inflation-Protected Securities	5.3	100	4			5.2
Emerging Market Debt Assets	**7.3**	**100**	**6**	**7**	**0-15**	**6.9**
Stone Harbor Emerging Markets Debt	4.5	62	4			4.2
Stone Harbor Emerging Markets Local Currency Debt	2.8	38	2			2.7
High Yield Bond Assets	**5.4**	**100**	**5**	**5**	**0-15**	**0.0**
SKY Harbor High Yield	5.4	100	5			0.0
Real Estate Assets	**11.7**	**100**	**10**	**12**	**0-15**	**11.5**
AFL-CIO Building Investment Trust	6.3	54	5			6.2
Multi-Employer Property Trust	5.4	46	5			5.3
Natural Resources Assets	**5.7**	**100**	**5**	**5**	**0-10**	**0.0**
SSgA S&P Global LargeMid Cap Natural Resources	5.7	100	5			0.0
Private Equity Assets[1]	**2.0**	**100**	**2**	**5**	**0-10**	**2.0**
ULLICO Class A	2.0	100	2			2.0
Cash	**2.4**	**100**	**2**			**3.3**

[1] ULLICO asset value based on 2011 pricing.

Aggregate Assets
Performance as of 9/30/12

	3Q12 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
Total Pension Fund	**4.5**	**10.2**	**16.6**	**9.0**	**2.0**	**5.9**	**7.0**	**1/1/88**	**7.8**
CPI (inflation)	*0.8*	*2.5*	*2.0*	*2.3*	*2.1*	*2.5*	*2.5*		*2.9*
Policy Benchmark[1]	*4.6*	*9.7*	*14.9*	*8.0*	*1.7*	*7.7*	*NA*		*NA*
Domestic Equity[2]	6.2	16.1	30.5	NA	NA	NA	NA	6/1/11	7.1
Russell 3000	*6.2*	*16.1*	*30.2*	*13.3*	*1.3*	*8.5*	*8.7*		*6.2*
International Developed Market Equity	5.9	10.7	14.4	NA	NA	NA	NA	6/1/11	-11.2
MSCI ACWI (ex. U.S.) IMI	*7.5*	*10.7*	*14.4*	*3.5*	*-3.8*	*10.2*	*NA*		*-7.4*
Emerging Market Equity Assets	6.5	NA	NA	NA	NA	NA	NA	4/1/12	-0.5
MSCI Emerging Markets	*7.7*	*12.0*	*16.9*	*5.6*	*-1.3*	*17.0*	*8.7*		*-1.8*
Investment Grade Bonds[2]	2.9	8.0	10.0	NA	NA	NA	NA	6/1/11	7.5
Barclays Aggregate	*1.6*	*4.0*	*5.2*	*6.2*	*6.5*	*5.3*	*6.3*		*6.6*
TIPS	2.2	6.3	NA	NA	NA	NA	NA	12/1/11	6.5
Barclays U.S. TIPS	*2.1*	*6.2*	*9.1*	*9.3*	*7.9*	*6.6*	*NA*		*6.3*
Emerging Market Debt	5.8	NA	NA	NA	NA	NA	NA	3/1/12	5.0
JP Morgan GBI Global	*2.8*	*3.2*	*3.3*	*4.9*	*6.9*	*6.9*	*6.3*		*3.0*

[1] Policy Benchmark: 52% MSCI ACWI, 36% Barclays Universal, 12% ODCE Equal Weighted.
[2] Historical asset class aggregates not available from Marco.

	3Q12 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
Pension Fund (continued)	**4.5**	**10.2**	**16.6**	**9.0**	**2.0**	**5.9**	**7.0**	**1/1/88**	**7.8**
High Yield Bonds	NA	NA	NA	NA	NA	NA	NA	9/1/12	1.2
Barclays High Yield	*4.5*	*12.1*	*19.4*	*12.9*	*9.3*	*11.0*	*8.1*		*1.4*
Real Estate	1.7	6.8	10.0	NA	NA	NA	NA	6/1/11	12.8
NCREIF ODCE Equal Weighted	*2.8*	*8.5*	*11.8*	*11.9*	*-1.5*	*6.3*	*7.7*		*15.3*
Natural Resources	NA	NA	NA	NA	NA	NA	NA	9/1/12	5.6
S&P Global LargeMid Cap Commodities and Resources	*8.6*	*7.2*	*15.3*	*7.8*	*1.2*	*NA*	*NA*		*5.8*

	3Q12 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
Domestic Equity[1]	**6.2**	**16.1**	**30.5**	**NA**	**NA**	**NA**	**NA**	**6/1/11**	**7.1**
Amalgamated LongView Large Cap 500 Index	6.3	16.5	30.2	13.2	1.1	8.0	NA	1/1/96	7.2
S&P 500	*6.4*	*16.4*	*30.2*	*13.2*	*1.1*	*8.0*	*8.5*		*7.1*
Amalgamated LongView Small Cap 600 Index	5.4	13.8	33.3	15.1	3.3	NA	NA	1/1/03	10.5
S&P Small Cap	*5.4*	*13.8*	*33.4*	*15.1*	*3.3*	*10.7*	*10.8*		*10.5*
International Developed Market Equity	**5.9**	**10.7**	**14.4**	**NA**	**NA**	**NA**	**NA**	**6/1/11**	**-11.2**
Manning & Napier International Equity	6.9	12.6	16.0	NA	NA	NA	NA	1/1/10	1.5
MSCI ACWI (ex. U.S.)	*7.4*	*10.4*	*14.5*	*3.2*	*-4.1*	*9.8*	*6.4*		*2.1*
Artio International Equity (GTII)	4.9	8.7	12.8	-1.0	-7.1	NA	NA	7/1/06	-0.7
MSCI ACWI (ex. U.S.)	*7.4*	*10.4*	*14.5*	*3.2*	*-4.1*	*9.8*	*6.4*		*1.5*
Emerging Market Equity Assets	**6.5**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**4/1/12**	**-0.5**
Vontobel Emerging Markets Equity	5.8	NA	NA	NA	NA	NA	NA	4/1/12	2.4
MSCI Emerging Markets	*7.7*	*12.0*	*16.9*	*5.6*	*-1.3*	*17.0*	*8.7*		*-1.8*
Dimensional Emerging Markets Value	7.2	NA	NA	NA	NA	NA	NA	4/1/12	-3.6
MSCI Emerging Markets	*7.7*	*12.0*	*16.9*	*5.6*	*-1.3*	*17.0*	*8.7*		*-1.8*

[1] Historical asset class aggregates not available from Marco.

	3Q12 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
Investment Grade Bonds[1]	**2.9**	**8.0**	**10.0**	**NA**	**NA**	**NA**	**NA**	**6/1/11**	**7.5**
PIMCO Total Return	3.2	9.1	11.5	NA	NA	NA	NA	1/1/10	8.0
Barclays Universal	*2.0*	*4.9*	*6.4*	*6.7*	*6.6*	*5.7*	*6.5*		*7.1*
Western Asset U.S. Core Plus, LLC	2.9	7.6	9.3	10.0	8.0	NA	NA	8/1/06	7.6
Barclays Universal	*2.0*	*4.9*	*6.4*	*6.7*	*6.6*	*5.7*	*6.5*		*6.7*
AFL-CIO Housing Investment Trust	1.5	4.2	5.7	6.4	6.9	5.7	NA	6/1/02	6.1
Barclays Aggregate	*1.6*	*4.0*	*5.2*	*6.2*	*6.5*	*5.3*	*6.3*		*5.7*
Barclays Mortgage	*1.1*	*2.8*	*3.7*	*5.0*	*6.4*	*5.2*	*6.2*		*5.4*
TIPS	**2.2**	**6.3**	**NA**	**NA**	**NA**	**NA**	**NA**	**12/1/11**	**6.5**
Vanguard Inflation-Protected Securities	2.2	6.3	NA	NA	NA	NA	NA	12/1/11	6.5
Barclays U.S. TIPS	*2.1*	*6.2*	*9.1*	*9.3*	*7.9*	*6.6*	*NA*		*6.3*
Emerging Market Debt	**5.8**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**3/1/12**	**5.0**
Stone Harbor Emerging Markets Debt	6.7	NA	NA	NA	NA	NA	NA	3/1/12	7.9
JPMorgan EMBI Global Diversified	*6.6*	*14.2*	*19.6*	*11.8*	*10.1*	*11.7*	*NA*		*9.8*
Stone Harbor Emerging Markets Local Currency Debt	4.4	NA	NA	NA	NA	NA	NA	3/1/12	0.8
JPM GBI-EM Global Diversified	*4.8*	*12.1*	*12.7*	*9.4*	*8.7*	*NA*	*NA*		*1.5*

1 Historical asset class aggregates not available from Marco.

	3Q12 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
High Yield Bonds	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**9/1/12**	**1.2**
SKY Harbor High Yield	NA	NA	NA	NA	NA	NA	NA	9/1/12	1.2
Barclays High Yield	*4.5*	*12.1*	*19.4*	*12.9*	*9.3*	*11.0*	*8.1*		*1.4*
Real Estate	**1.7**	**6.8**	**10.0**	**NA**	**NA**	**NA**	**NA**	**6/1/11**	**12.8**
AFL-CIO Building Investment Trust	2.2	8.5	12.3	10.3	-0.3	5.7	NA	7/1/02	5.7
NCREIF ODCE Equal Weighted	*2.8*	*8.5*	*11.8*	*11.9*	*-1.5*	*6.3*	*7.7*		*6.3*
NCREIF Property	*2.3*	*7.8*	*11.0*	*10.9*	*2.3*	*8.3*	*8.6*		*8.3*
Multi-Employer Property Trust	1.1	4.8	7.5	9.0	-2.6	5.1	6.2	1/1/92	5.8
NCREIF ODCE Equal Weighted	*2.8*	*8.5*	*11.8*	*11.9*	*-1.5*	*6.3*	*7.7*		*7.3*
NCREIF Property	*2.3*	*7.8*	*11.0*	*10.9*	*2.3*	*8.3*	*8.6*		*8.2*
NCREIF ODCE	*2.8*	*8.4*	*11.6*	*12.2*	*-1.2*	*6.6*	*7.9*		*7.3*
Natural Resources	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**9/1/12**	**5.6**
SSgA S&P Global LargeMid Cap Natural Resources Index	NA	NA	NA	NA	NA	NA	NA	9/1/12	5.6
S&P Global LargeMid Cap Commodities and Resources	*8.6*	*7.2*	*15.3*	*7.8*	*1.2*	*NA*	*NA*		*5.8*

UNITE HERE Local 25 and Hotel Association of Washington, D.C. Pension Fund

Aggregate Assets Calendar Year Performance

	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)	2004 (%)	2003 (%)	2002 (%)
Total Pension Fund	**1.3**	**12.1**	**17.0**	**-23.8**	**6.9**	**12.3**	**5.5**	**6.3**	**14.0**	**-9.6**
Domestic Equity	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Amalgamated LongView Large Cap 500 Index	2.1	15.1	26.5	-37.0	5.7	15.7	4.9	10.9	28.7	-22.1
S&P 500	*2.1*	*15.1*	*26.5*	*-37.0*	*5.5*	*15.8*	*4.9*	*10.9*	*28.7*	*-22.1*
Amalgamated LongView Small Cap 600 Index	0.9	26.3	25.7	-31.1	-0.3	15.0	7.7	22.6	38.5	NA
S&P Small Cap	*1.0*	*26.3*	*25.6*	*-31.1*	*-0.3*	*15.1*	*7.7*	*22.6*	*38.8*	*-14.6*
International Developed Market Equity	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Manning & Napier International Equity	-15.6	9.5	NA	NA	NA	NA	NA	NA	NA	NA
MSCI ACWI (ex. U.S.)	*-13.7*	*11.2*	*41.4*	*-45.5*	*16.7*	*26.7*	*16.6*	*20.9*	*40.8*	*-14.9*
Artio International Equity (GTII)	-20.0	8.4	23.8	-41.6	18.3	NA	NA	NA	NA	NA
MSCI ACWI (ex. U.S.)	*-13.7*	*11.2*	*41.4*	*-45.5*	*16.7*	*26.7*	*16.6*	*20.9*	*40.8*	*-14.9*
Investment Grade Bonds	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
PIMCO Total Return	4.2	8.8	NA	NA	NA	NA	NA	NA	NA	NA
Barclays Universal	*7.4*	*7.2*	*8.6*	*2.4*	*6.5*	*5.0*	*2.7*	*5.0*	*5.8*	*9.8*
Western Asset U.S. Core Plus, LLC	6.7	12.0	25.9	-9.6	2.6	NA	NA	NA	NA	NA
Barclays Universal	*7.4*	*7.2*	*8.6*	*2.4*	*6.5*	*5.0*	*2.7*	*5.0*	*5.8*	*9.8*
AFL-CIO Housing Investment Trust	8.1	6.6	6.7	5.7	7.1	5.1	3.0	4.6	4.2	NA
Barclays Aggregate	*7.8*	*6.5*	*5.9*	*5.2*	*7.0*	*4.3*	*2.4*	*4.3*	*4.1*	*10.3*
Barclays Mortgage	*6.2*	*5.4*	*5.9*	*8.3*	*6.9*	*5.2*	*2.6*	*4.7*	*3.1*	*8.7*

	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)	2004 (%)	2003 (%)	2002 (%)
Emerging Market Equity Assets	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Vontobel Emerging Markets Equity	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
MSCI Emerging Markets	*-18.4*	*18.9*	*78.5*	*-53.3*	*39.4*	*32.2*	*34.0*	*25.6*	*55.8*	*-6.2*
Dimensional Emerging Markets Value	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
MSCI Emerging Markets	*-18.4*	*18.9*	*78.5*	*-53.3*	*39.4*	*32.2*	*34.0*	*25.6*	*55.8*	*-6.2*
Emerging Market Debt	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Stone Harbor Emerging Markets Debt	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
JPMorgan EMBI Global Diversified	*7.3*	*12.2*	*29.8*	*-12.0*	*6.2*	*9.9*	*10.2*	*11.6*	*22.2*	*13.7*
Stone Harbor Emerging Markets Local Currency Debt	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
JPM GBI-EM Global Diversified	*-1.8*	*15.7*	*22.0*	*-5.2*	*-9.6*	*21.7*	*1.7*	*6.2*	*53.0*	*-34.0*
TIPS	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Vanguard Inflation-Protected Securities	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Barclays U.S. TIPS	*13.6*	*6.3*	*11.4*	*-2.4*	*11.6*	*0.4*	*2.8*	*8.5*	*8.4*	*16.6*

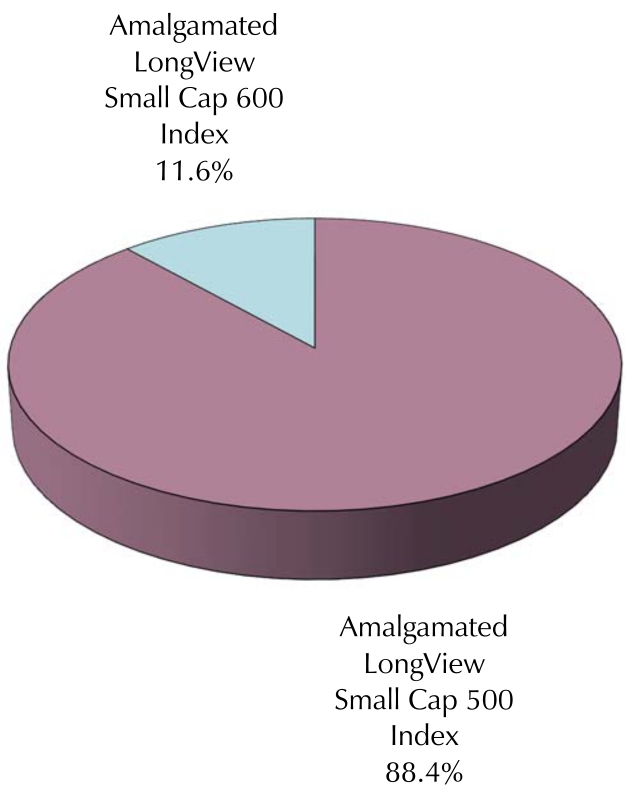
Aggregate Assets
Calendar Year Performance

	2011 (%)	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)	2004 (%)	2003 (%)	2002 (%)
Real Estate	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
AFL-CIO Building Investment Trust	13.0	14.2	-24.8	-9.3	14.3	16.6	18.3	8.2	5.9	NA
NCREIF ODCE Equal Weighted	*16.0*	*16.1*	*-30.7*	*-10.4*	*16.1*	*16.1*	*20.2*	*12.6*	*9.1*	*5.3*
NCREIF Property	*14.3*	*13.1*	*-16.9*	*-6.5*	*15.8*	*16.6*	*20.1*	*14.5*	*9.0*	*6.7*
Multi-Employer Property Trust	13.0	13.9	-28.9	-10.4	15.2	14.6	18.5	11.2	8.6	1.6
NCREIF ODCE Equal Weighted	*16.0*	*16.1*	*-30.7*	*-10.4*	*16.1*	*16.1*	*20.2*	*12.6*	*9.1*	*5.3*
NCREIF Property	*14.3*	*13.1*	*-16.9*	*-6.5*	*15.8*	*16.6*	*20.1*	*14.5*	*9.0*	*6.7*
NCREIF ODCE	*16.0*	*16.4*	*-29.9*	*-10.0*	*16.0*	*16.3*	*21.4*	*13.1*	*9.3*	*5.5*

Fund Detail
As of September 30, 2012

Domestic Equity Assets
As of September 30, 2012

Domestic Equity Assets
as of 9/30/12



Domestic Equity Assets
Style as of 9/30/12

Domestic Equity Assets Characteristics as of 9/30/12

Capitalization Structure:	Aggregate Domestic Equity 9/30/12	Russell 3000 9/30/12	Aggregate Domestic Equity 6/30/12
Weighted Average Market Cap. (US$ billion)	108.1	99.9	97.2
Median Market Cap. (US$ billion)	1.8	1.0	1.7
Large (% over US$10 billion)	81	75	79
Medium (% US$2 billion to US$10 billion)	10	18	10
Small (% under US$2 billion)	10	7	11

Fundamental Structure:	Aggregate Domestic Equity 9/30/12	Russell 3000 9/30/12	Aggregate Domestic Equity 6/30/12
Price-Earnings Ratio	21	21	20
Price-Book Value Ratio	3.4	3.4	3.4
Dividend Yield (%)	2.0	1.8	1.9
Historical Earnings Growth Rate (%)	9	9	8
Projected Earnings Growth Rate (%)	11	11	11

Domestic Equity Assets Diversification as of 9/30/12

Diversification:	Aggregate Domestic Equity 9/30/12	Russell 3000 9/30/12	Aggregate Domestic Equity 6/30/12
Number of Holdings	1,101	2,961	1,099
% in 5 largest holdings	12	11	12
% in 10 largest holdings	19	17	18

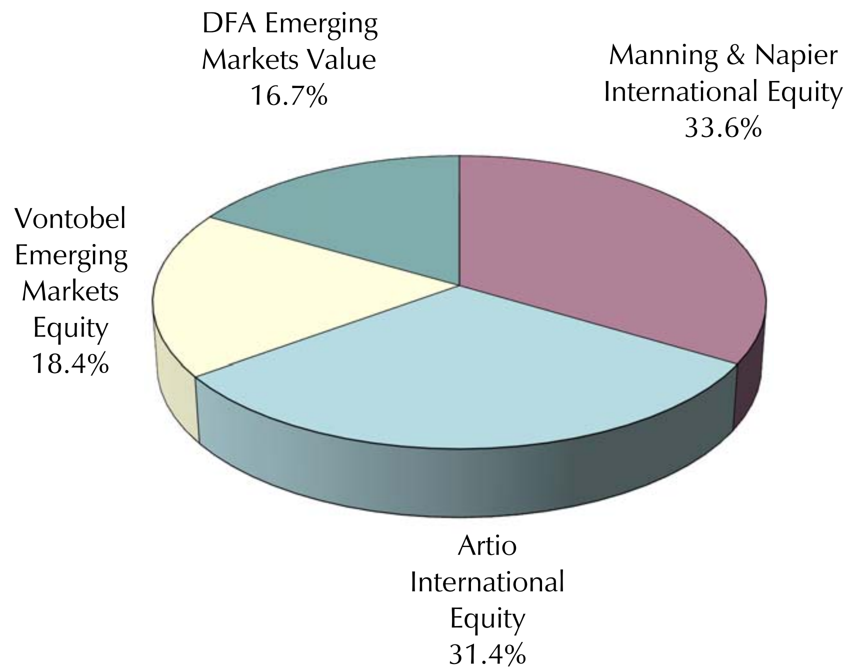
Largest Five Holdings:	% of Portfolio	Economic Sector
Apple Computer	4.3	Technology Hardware
ExxonMobil	2.9	Energy
General Electric	1.6	Capital Goods
Chevron	1.6	Energy
Microsoft	1.5	Software & Services

Domestic Equity Assets
Sector Allocation as of 9/30/12

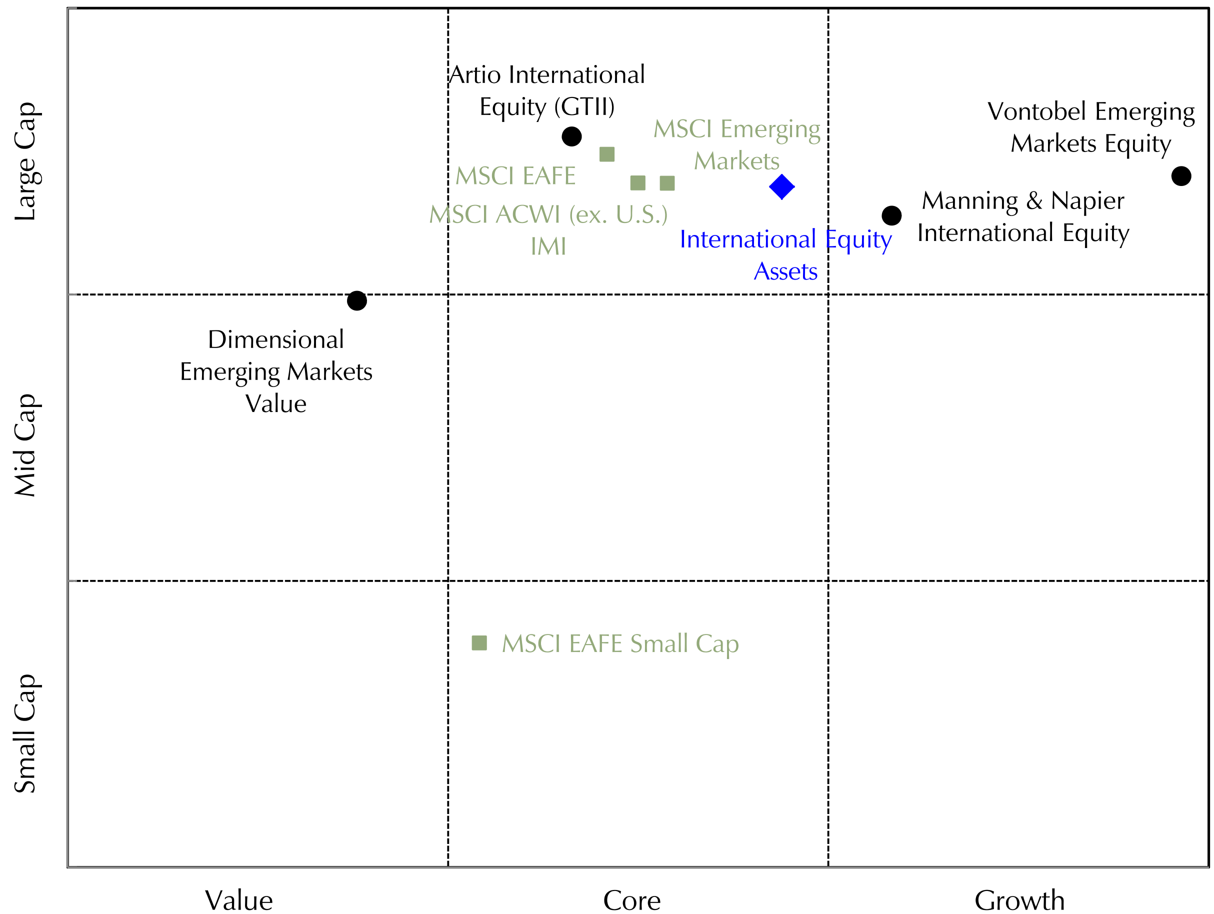
Sector Allocation (%):	Aggregate Domestic Equity 9/30/12	Russell 3000 9/30/12	Aggregate Domestic Equity 6/30/12
Information Technology	20	19	20
Consumer Staples	10	9	10
Energy	10	10	10
Telecom	3	3	3
Utilities	4	4	4
Health Care	12	12	12
Materials	4	4	4
Industrials	10	11	11
Consumer Discretionary	12	12	12
Financials	15	16	15

International Equity Assets
As of September 30, 2012

International Equity Assets as of 9/30/12



International Equity Assets Style as of 9/30/12



International Equity Assets Characteristics as of 9/30/12

Capitalization Structure:	Aggregate International Equity 9/30/12	MSCI ACWI (ex. U.S.) IMI 9/30/12	Aggregate International Equity 6/30/12
Weighted Average Market Cap. (US$ billion)	43.5	44.7	40.8
Median Market Cap. (US$ million)	460	887	412
Large (% over US$10 billion)	68	67	66
Medium (% US$2 billion to US$10 billion)	25	23	27
Small (% under US$2 billion)	6	10	7

Fundamental Structure:	Aggregate International Equity 9/30/12	MSCI ACWI (ex. U.S.) IMI 9/30/12	Aggregate International Equity 6/30/12
Price-Earnings Ratio	19	17	18
Price-Book Value Ratio	3.0	2.5	3.0
Dividend Yield (%)	3.1	3.4	3.2
Historical Earnings Growth Rate (%)	8	6	9
Projected Earnings Growth Rate (%)	13	13	12

International Equity Assets Diversification as of 9/30/12

Diversification:	Aggregate International Equity 9/30/12	MSCI ACWI (ex. U.S.) IMI 9/30/12	Aggregate International Equity 6/30/12
Number of Holdings	2,533	6,134	2,490
% in 5 largest holdings	7	5	6
% in 10 largest holdings	12	8	12

Largest Five Holdings:	% of Portfolio	Economic Sector
Schlumberger	1.5	Energy
Nestle	1.5	Food Beverage & Tobacco
British American Tobacco	1.4	Food Beverage & Tobacco
Sabmiller	1.3	Food Beverage & Tobacco
Toyota Motor Corporation	1.2	Automobiles & Components

International Equity Assets
Sector Allocation as of 9/30/12

Sector Allocation (%):	Aggregate International Equity 9/30/12	MSCI ACWI (ex. U.S.) IMI 9/30/12	Aggregate International Equity 6/30/12
Consumer Staples	19	10	19
Consumer Discretionary	12	10	12
Energy	11	10	11
Materials	11	11	11
Health Care	7	7	8
Information Technology	6	7	8
Utilities	3	4	3
Telecom	4	5	4
Industrials	9	11	11
Financials	17	24	14

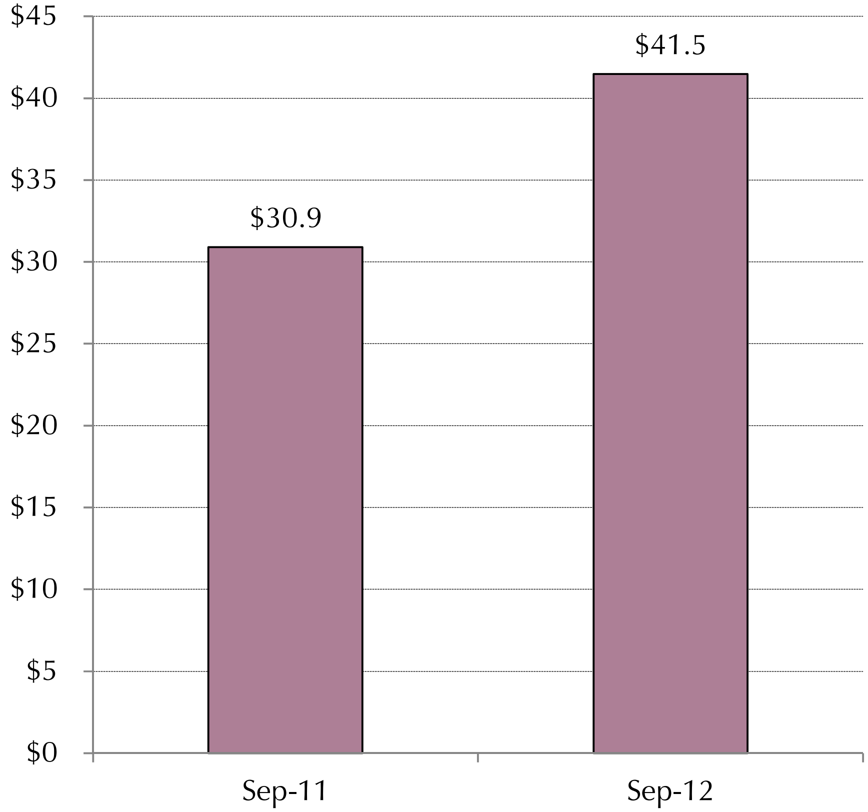
International Equity Assets
Country & Region Breakdown as of 9/30/12

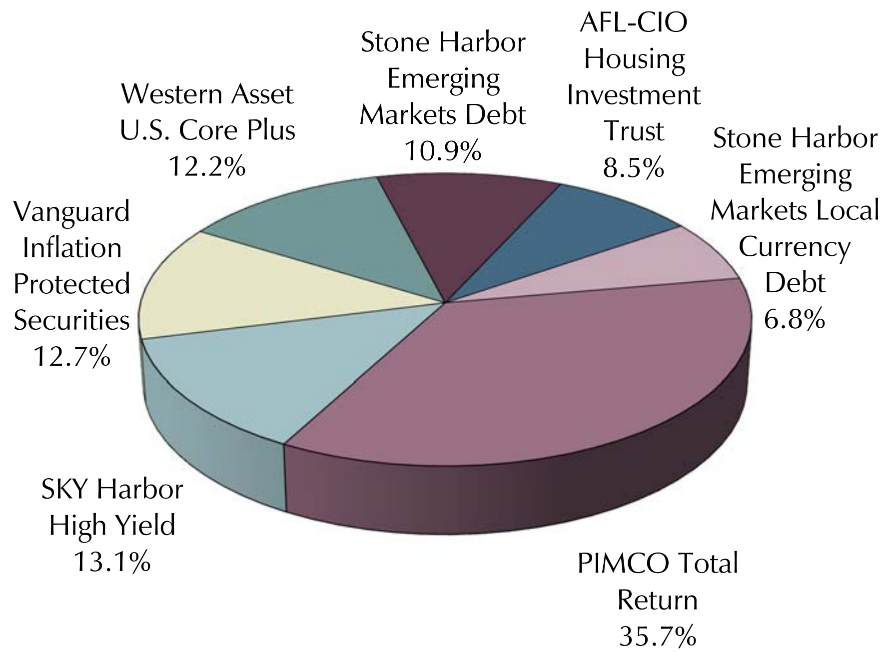
	Aggregate International Equity 9/30/12 (%)	MSCI ACWI (ex. U.S.) IMI 9/30/12 (%)
Europe/North America	**52.2**	**52.0**
United States	3.1	0.0
France	8.7	5.8
Ireland	1.8	0.3
Switzerland	6.6	5.4
Norway	1.5	0.8
Denmark	1.4	0.9
Belgium	1.0	0.8
Germany	5.6	5.6
Netherlands	1.3	1.6
Italy	1.2	1.5
Spain	1.1	1.8
United Kingdom	13.1	15.6
Canada	4.9	8.6
Pacific Rim/Asia	**12.3**	**24.3**
Hong Kong	3.5	2.1
Australia	1.3	6.1
Japan	6.8	14.2

	Aggregate International Equity 9/30/12 (%)	MSCI ACWI (ex. U.S.) IMI 9/30/12 (%)
Asia (emerging)	**18.1**	**14.7**
China	5.8	4.0
Malaysia	1.9	0.9
Indonesia	1.2	0.7
India	1.7	1.7
South Korea	3.7	3.7
Taiwan	2.6	2.9
Latin America (emerging)	**11.7**	**4.8**
Brazil	6.2	2.8
Mexico	4.2	1.1
Europe/MidEast/Africa (emerging)	**5.7**	**4.2**
South Africa	3.7	1.9
Russia	1.1	1.3

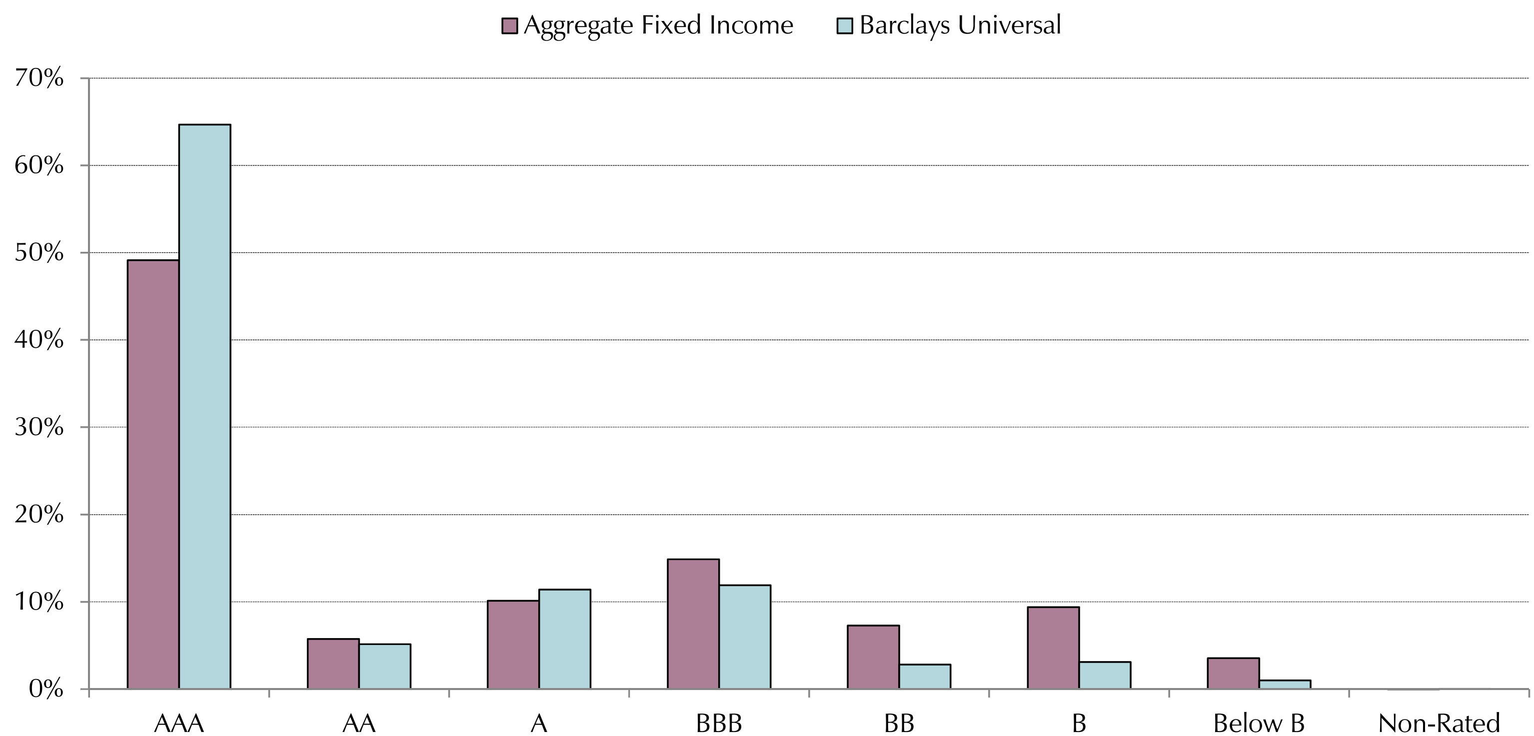
Fixed Income Assets
As of September 30, 2012

Fixed Income Assets as of 9/30/12





Duration & Yield:	Aggregate Fixed Income 9/30/12	Barclays Universal 9/30/12	Aggregate Fixed Income 6/30/12
Average Effective Duration (years)	4.5	4.8	5.0
Yield to Maturity (%)	3.4	2.0	3.5



Fixed Income Assets Diversification as of 9/30/12

Market Allocation (%):	Aggregate Fixed Income 9/30/12	Barclays Universal 9/30/12	Aggregate Fixed Income 6/30/12
United States	77	84	76
Foreign (developed markets)	4	10	4
Foreign (emerging markets)	19	6	20
Currency Allocation (%):			
Non-U.S. Dollar Exposure	8	0	7
Sector Allocation (%):			
U.S. Treasury-Nominal	4	31	11
U.S. Treasury-TIPS	17	0	18
U.S. Agency	1	8	2
Mortgage Backed	23	26	29
Corporate	23	28	15
Bank Loans	1	0	0
Local & Provincial Government	1	1	4
Sovereign & Supranational	17	4	16
Commercial Mortgage Backed	6	2	7
Asset Backed	1	0	1
Cash Equivalent	-1	0	-7
Other	7	0	5

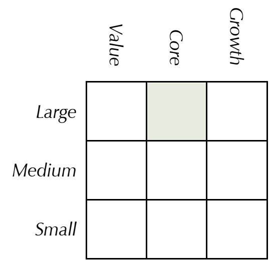
Portfolio Reviews
As of September 30, 2012

Domestic Equity Portfolio Reviews
As of September 30, 2012

UNITE HERE Local 25 and Hotel Association of Washington, D.C. Pension Fund

Amalgamated LongView Large Cap 500 Index Portfolio Detail as of 9/30/12

Mandate: Domestic Equities
Active/Passive: Passive
Market Value: $31.5 million
Portfolio Manager: Thomas B. O'Donnell
Location: New York, New York
Inception Date: 1/1/1996
Account Type: Commingled Fund



Fee Schedule:
0.05% on all assets or $10,000 minimum

Liquidity Constraints:
Daily

Strategy:
The Amalgamated LongView Large Cap 500 Index portfolio invests in all of the stocks that comprise the S&P 500 index in approximately the same proportions, thus fully replicating the index.

Performance (%):	3Q12	YTD	1 YR	3 YR	5 YR	Since 1/1/96
Amalgamated LongView Large Cap 500 Index	**6.3**	**16.5**	**30.2**	**13.2**	**1.1**	**7.2**
S&P 500	6.4	16.4	30.2	13.2	1.1	7.1
Peer Large Cap Core	6.4	15.9	29.7	12.8	1.4	7.9
Peer Ranking (percentile)	*51*	*37*	*42*	*43*	*59*	*70*

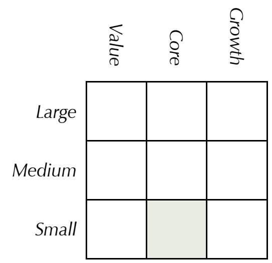
Risk: (sixty months)	Standard Deviation	Beta	Sharpe Measure	Info. Ratio	Correlation to Index
Amalgamated LongView Large Cap 500 Index	**19.8%**	**1.00**	**0.02**	**NA**	**1.00**
S&P 500	19.8	1.00	0.02	NA	1.00

	9/30/12		6/30/12	
Capitalization Structure:	**Amalgamated LongView Large Cap 500 Index**	**S&P 500**	**Amalgamated LongView Large Cap 500 Index**	**S&P 500**
Weighted Average Market Cap. (US$ billion)	121.8	122.0	110.6	110.4
Median Market Cap. (US$ billion)	12.5	12.4	12.0	12.0
Large (% over US$10 billion)	91	91	90	90
Medium (% US$2 billion to US$10 billion)	9	9	10	10
Small (% under US$2 billion)	0	0	0	0
Fundamental Structure:				
Price-Earnings Ratio	20	20	19	19
Price-Book Value Ratio	3.5	3.5	3.5	3.5
Dividend Yield (%)	2.1	1.9	2.0	1.9
Historical Earnings Growth Rate (%)	9	9	9	9
Projected Earnings Growth Rate (%)	11	11	11	11
Sector Allocation (%):				
Consumer Staples	11	11	11	11
Materials	4	4	3	3
Telecom	3	3	3	3
Utilities	4	4	4	4
Industrials	10	10	10	10
Consumer Discretionary	11	11	11	11
Health Care	12	12	12	12
Energy	11	11	11	11
Information Technology	20	20	20	20
Financials	15	15	14	14
Diversification:				
Number of Holdings	500	500	500	500
% in 5 largest holdings	14	14	13	13
% in 10 largest holdings	21	21	21	21

Largest Ten Holdings:		**Industry**
Apple	4.9	Technology Hardware
ExxonMobil	3.3	Energy
General Electric	1.9	Capital Goods
Chevron	1.8	Energy
Microsoft	1.7	Software & Services
IBM	1.7	Software & Services
AT&T	1.7	Telecommunication Services
Google	1.6	Software & Services
Procter & Gamble	1.5	Household/Personal Products
Johnson & Johnson	1.5	Pharmaceuticals & Biotech

Amalgamated LongView Small Cap 600 Index
Portfolio Detail as of 9/30/12

Mandate: Domestic Equities
Active/Passive: Passive
Market Value: $4.1 million
Portfolio Manager: Thomas B. O'Donnell
Location: New York, New York
Inception Date: 1/1/2003
Account Type: Commingled Fund



Fee Schedule:
0.05% on all assets or $10,000 minimum

Liquidity Constraints:
Daily

Strategy:
The Amalgamated Longview Small Cap S&P 600 Index portfolio invests in all of the stocks that comprise the S&P 600 index in approximately the same proportions, thus fully replicating the index.

Performance (%):	3Q12	YTD	1 YR	3 YR	5 YR	Since 1/1/03
Amalgamated LongView Small Cap 600 Index	**5.4**	**13.8**	**33.3**	**15.1**	**3.3**	**10.5**
S&P Small Cap	5.4	13.8	33.4	15.1	3.3	10.5
Peer Small Cap Core	5.7	13.6	32.4	14.4	3.2	10.8
Peer Ranking (percentile)	*60*	*48*	*37*	*34*	*48*	*61*

Risk: (sixty months)	Standard Deviation	Beta	Sharpe Measure	Info. Ratio	Correlation to Index
Amalgamated LongView Small Cap 600 Index	**25.9%**	**1.00**	**0.10**	**NA**	**1.00**
S&P Small Cap	25.9	1.00	0.10	NA	1.00

Capitalization Structure:	9/30/12 Amalgamated LongView Small Cap 600 Index	9/30/12 S&P SC	6/30/12 Amalgamated LongView Small Cap 600 Index	6/30/12 S&P SC
Weighted Average Market Cap. (US$ billion)	1.3	1.3	1.3	1.3
Median Market Cap. (US$ million)	755.1	755.9	712.0	717.7
Large (% over US$10 billion)	0	0	0	0
Medium (% US$2 billion to US$10 billion)	16	16	13	13
Small (% under US$2 billion)	84	84	87	87
Fundamental Structure:				
Price-Earnings Ratio	27	27	26	27
Price-Book Value Ratio	2.7	2.6	2.6	2.6
Dividend Yield (%)	1.3	1.1	1.2	1.2
Historical Earnings Growth Rate (%)	7	6	6	6
Projected Earnings Growth Rate (%)	13	13	13	13
Sector Allocation (%):				
Consumer Discretionary	16	16	15	15
Industrials	16	16	15	15
Utilities	4	4	4	4
Health Care	11	11	11	11
Materials	6	6	6	6
Consumer Staples	5	5	5	5
Telecom	1	1	1	1
Financials	20	20	20	20
Energy	4	4	4	4
Information Technology	18	18	18	19
Diversification:				
Number of Holdings	600	600	600	600
% in 5 largest holdings	5	3	6	3
% in 10 largest holdings	8	6	9	6

Largest Ten Holdings:		Industry
iShares S&P Small Cap 600 Index	3.0	ETF
Kilroy Realty	0.6	Real Estate
Extra Space Storage	0.6	Real Estate
Cubist Pharmaceuticals	0.6	Pharmaceuticals & Biotech
Tanger Factory Outlet	0.6	Real Estate
United Natural Foods	0.5	Food & Staples Retailing
Hain Celestial Group	0.5	Food Beverage & Tobacco
Proassurance	0.5	Insurance
Mid-America Apt Communities	0.5	Real Estate
Align Technology	0.5	Health Equipment & Services

International Equity Portfolio Reviews
As of September 30, 2012

Manning & Napier International Equity Portfolio Detail as of 9/30/12

Mandate: International Equities Developed Markets
Active/Passive: Active
Market Value: $6.5 million
Portfolio Manager: Josh Samilow
Location: Fairport, New York
Inception Date: 1/1/2010
Account Type: Mutual Fund (EXOSX)

	Value	Core	Growth
Large		■	
Medium		■	
Small			

Fee Schedule:
0.75% on all assets

Liquidity Constraints:
Daily

Strategy:
The Manning & Napier investment approach combines both bottom-up and top-down analysis to identify companies that fit into one of their three investment "strategies": Strategic Profile, Hurdle Rate and Bankable Deal. Strategic Profile companies are positioned for strong future growth but their valuations do not reflect their future potential. Hurdle Rate companies are in depressed sectors, but are strong enough to survive the hard times, and are likely to lead the rebound of their industry when supply/demand conditions improve. Lastly, Bankable Deal companies are more traditional value investments where the assets and cash flows of a company are not reflected in the stock's price and a catalyst to unlock this value can be identified. Manning & Napier will build a portfolio of 70-90 stocks, diversified across these three strategies.

Performance (%):	3Q12	YTD	1 YR	Since 1/1/10
Manning & Napier International Equity	**6.9**	**12.6**	**16.0**	**1.5**
MSCI ACWI (ex. U.S.)	7.4	10.4	14.5	2.1
Peer International Core	6.9	11.3	16.8	2.2
Peer Ranking (percentile)	*46*	*34*	*57*	*66*

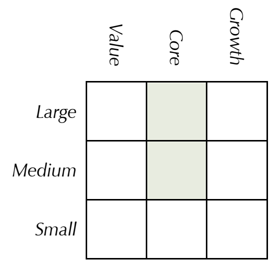
	9/30/12		6/30/12	
Capitalization Structure:	**Manning & Napier International Equity**	**MSCI ACWI (ex. U.S.)**	**Manning & Napier International Equity**	**MSCI ACWI (ex. U.S.)**
Weighted Average Market Cap. (US$ billion)	35.2	50.6	31.3	47.6
Median Market Cap. (US$ billion)	8.0	6.2	7.6	5.9
Large (% over US$10 billion)	54	76	50	74
Medium (% US$2 billion to US$10 billion)	40	23	42	25
Small (% under US$2 billion)	6	1	8	1
Fundamental Structure:				
Price-Earnings Ratio	24	17	22	16
Price-Book Value Ratio	2.8	2.5	2.6	2.3
Dividend Yield (%)	3.0	3.5	3.1	3.7
Historical Earnings Growth Rate (%)	2	6	3	6
Projected Earnings Growth Rate (%)	13	12	12	11
Sector Allocation (%):				
Consumer Staples	21	10	22	10
Consumer Discretionary	14	9	12	9
Energy	15	11	12	11
Health Care	10	7	11	7
Industrials	13	10	14	11
Information Technology	8	6	9	6
Materials	12	11	12	11
Telecom	2	6	2	6
Utilities	0	4	0	4
Financials	5	25	5	24
Diversification:				
Number of Holdings	78	1,837	79	1,840
% in 5 largest holdings	16	5	16	5
% in 10 largest holdings	29	9	29	9
Region Allocation (%):				
Americas	18	8	16	8
Europe	61	44	64	44
Pacific Rim	13	24	11	25
Other[1]	8	24	8	24

Largest Five Holdings:		Industry
Schlumberger	4.4	Energy
Ryanair	3.4	Transportation
DANONE	3.0	Food Beverage & Tobacco
Talisman Energy	2.8	Energy
Amdocs	2.7	Software & Services

[1] Includes emerging markets.

Artio International Equity
Portfolio Detail as of 9/30/12

Mandate: International Equities Developed Markets
Active/Passive: Active
Market Value: $6.1 million
Portfolio Manager: Team
Location: New York, New York
Inception Date: 7/1/2006
Account Type: Commingled Fund



Fee Schedule:
0.85% on first $20 mm; 0.65% on next $20 mm; 0.55% on next $60 mm; 0.45% thereafter

Liquidity Constraints:
Daily

Strategy:
Artio (formerly Julius Baer) manages an international portfolio that invests in both developed and emerging markets, with a focus on developed markets. Artio applies different evaluation strategies to different regions: a bottom-up approach to most developed markets, a top-down approach to emerging markets, and a combination of the two to Japan.

Performance (%):	3Q12	YTD	1 YR	3 YR	5 YR	Since 7/1/06
Artio International Equity (GTII)	**4.9**	**8.7**	**12.8**	**-1.0**	**-7.1**	**-0.7**
MSCI ACWI (ex. U.S.)	7.4	10.4	14.5	3.2	-4.1	1.5
Peer International Core	7.1	12.2	18.1	4.0	-3.8	1.6
Peer Ranking (percentile)	*98*	*93*	*94*	*98*	*93*	*89*

Risk: (sixty months)	Standard Deviation	Beta	Sharpe Measure[1]	Info. Ratio	Correlation to Index
Artio International Equity (GTII)	**22.5%**	**0.93**	**Neg.**	**Neg.**	**0.98**
MSCI ACWI (ex. U.S.)	24.5	1.00	Neg.	NA	1.00

	9/30/12		6/30/12	
Capitalization Structure:	**Artio International Equity**	**MSCI ACWI (ex. U.S.)**	**Artio International Equity**	**MSCI ACWI (ex. U.S.)**
Weighted Average Market Cap. (US$ billion)	62.5	50.6	62.4	47.6
Median Market Cap. (US$ billion)	25.8	6.2	26.3	5.9
Large (% over US$10 billion)	91	76	89	74
Medium (% US$2 billion to US$10 billion)	9	23	10	25
Small (% under US$2 billion)	0	1	0	1
Fundamental Structure:				
Price-Earnings Ratio	16	17	15	16
Price-Book Value Ratio	2.6	2.5	2.6	2.3
Dividend Yield (%)	3.4	3.5	3.3	3.7
Historical Earnings Growth Rate (%)	6	6	9	6
Projected Earnings Growth Rate (%)	12	12	11	11
Sector Allocation (%):				
Consumer Discretionary	14	9	17	9
Health Care	11	7	13	7
Telecom	8	6	6	6
Utilities	5	4	4	4
Materials	11	11	11	11
Industrials	10	10	12	11
Consumer Staples	9	10	9	10
Energy	9	11	11	11
Information Technology	4	6	5	6
Financials	20	25	12	24
Diversification:				
Number of Holdings	225	1,837	184	1,840
% in 5 largest holdings	9	5	10	5
% in 10 largest holdings	17	9	19	9
Region Allocation (%):				
Americas	6	8	7	8
Europe	71	44	58	44
Pacific Rim	16	24	20	25
Other[2]	8	24	15	24

Largest Five Holdings:		**Industry**
Novartis	1.9	Pharmaceuticals & Biotech
Vodafone	1.9	Telecommunication Services
Nestle	1.9	Food Beverage & Tobacco
Potash Corporation	1.7	Materials
Diageo	1.6	Food Beverage & Tobacco

[1] A negative Sharpe ratio indicates that the portfolio underperformed the risk-free rate during the sample period.

[2] Includes emerging markets.

UNITE HERE Local 25 and Hotel Association of Washington, D.C. Pension Fund

Vontobel Emerging Markets Equity Portfolio Detail as of 9/30/12

Mandate: International Equities Emerging Markets
Active/Passive: Active
Market Value: $3.6 million
Portfolio Manager: Rajiv Jain
Location: New York, New York
Inception Date: 4/1/2012
Account Type: Commingled Fund

	Value	*Core*	*Growth*
Large			
Medium			
Small			

Fee Schedule:
0.86% on all assets

Liquidity Constraints:
Monthly

Strategy:
Vontobel believes that long-term, stable, and superior earnings growth drives investment returns and risk-adjusted outperformance. Thus they seek to invest in businesses that are predictable (strong franchise, low capital intensity, shareholder oriented management, etc.), sustainable (ability to replicate or exceed past success in terms of growth, operating margins, ROE, ROA etc.), and are trading at an attractive margin of safety (at least a 25% discount to their assessment of intrinsic value). They believe in building concentrated portfolios (50-90 stocks) of high conviction positions with little attention paid to the benchmark.

Performance (%):	**3Q12**	**YTD**	**Since 4/1/12**
Vontobel Emerging Markets Equity	**5.8**	**NA**	**2.4**
MSCI Emerging Markets	7.7	12.0	-1.8
Peer Emerging Markets	6.9	12.2	-2.0
Peer Ranking (percentile)	*82*	*NA*	*10*

	9/30/12		6/30/12	
Capitalization Structure:	**Vontobel Emerging Markets Equity**	**MSCI Emerging Markets**	**Vontobel Emerging Markets Equity**	**MSCI Emerging Markets**
Weighted Average Market Cap. (US$ billion)	47.0	44.6	41.6	41.7
Median Market Cap. (US$ billion)	14.8	4.9	13.4	4.6
Large (% over US$10 billion)	83	66	82	64
Medium (% US$2 billion to US$10 billion)	17	31	18	32
Small (% under US$2 billion)	0	3	0	4
Fundamental Structure:				
Price-Earnings Ratio	21	17	20	15
Price-Book Value Ratio	5.4	2.8	5.5	2.6
Dividend Yield (%)	2.9	3.0	3.0	3.2
Historical Earnings Growth Rate (%)	19	15	20	15
Projected Earnings Growth Rate (%)	14	12	14	13
Sector Allocation (%):				
Consumer Staples	45	8	44	8
Utilities	7	4	11	4
Consumer Discretionary	10	8	8	8
Health Care	0	1	0	1
Telecom	3	8	4	8
Industrials	1	7	2	7
Financials	19	25	14	25
Materials	6	12	5	12
Information Technology	7	14	9	14
Energy	3	13	2	13
Diversification:				
Number of Holdings	47	817	51	819
% in 5 largest holdings	29	11	27	10
% in 10 largest holdings	49	16	46	16
Region Allocation (%):				
Asia	28	61	27	60
Latin America	37	21	41	22
Europe, Middle East and Africa	12	18	12	18
Other	24	0	21	0

Largest Five Holdings:		**Industry**
British American Tobacco	7.6	Food Beverage & Tobacco
SABMiller	7.0	Food Beverage & Tobacco
HSBC	5.1	Banks
Cia De Bebidas Das Americas	4.8	Food Beverage & Tobacco
Power Assets	4.5	Utilities

Dimensional Emerging Markets Value Portfolio Detail as of 9/30/12

Mandate: International Equities
Emerging Markets

Active/Passive: Active

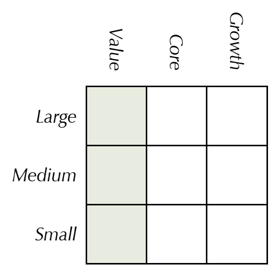
Market Value: $3.2 million

Portfolio Manager: Team

Location: Santa Monica, California

Inception Date: 4/1/2012

Account Type: Mutual Fund (DFEVX)



Fee Schedule:
0.60% on all assets

Liquidity Constraints:
Daily

Strategy:
Dimensional Fund Advisors' ("DFA") investment approach combines both top-down and bottom-up elements. The top-down analysis involves drawing the boundaries for qualifying countries and company characteristics. It does not include macro-economic forecasting or tactical country allocation decisions. In its bottom-up work, DFA analyzes the attributes of individual securities for portfolio suitability. DFA limits its sector and industry weightings to 25% of the portfolio's market value. Country weights have a maximum target of 15% per country at the time of purchase, to mitigate country risk. Risk is controlled by investing across a broad group of emerging markets companies and countries.

Performance (%):	3Q12	YTD	Since 4/1/12
Dimensional Emerging Markets Value	**7.2**	**NA**	**-3.6**
MSCI Emerging Markets	7.7	12.0	-1.8
Peer Emerging Markets	6.9	12.2	-2.0
Peer Ranking (percentile)	*28*	*NA*	*71*

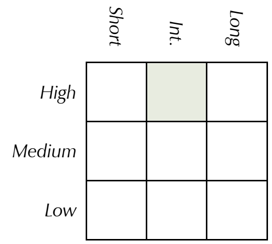
	9/30/12		6/30/12	
Capitalization Structure:	**DFA**	**MSCI Emerging Markets**	**DFA**	**MSCI Emerging Markets**
Weighted Average Market Cap. (US$ billion)	19.1	44.6	16.0	41.7
Median Market Cap. (US$ million)	343.8	4,928.0	312.7	4,612.0
Large (% over US$10 billion)	38	66	32	64
Medium (% US$2 billion to US$10 billion)	36	31	39	32
Small (% under US$2 billion)	27	3	29	4
Fundamental Structure:				
Price-Earnings Ratio	15	17	13	15
Price-Book Value Ratio	1.4	2.8	1.5	2.6
Dividend Yield (%)	3.0	3.0	3.1	3.2
Historical Earnings Growth Rate (%)	8	15	8	15
Projected Earnings Growth Rate (%)	12	12	13	13
Sector Allocation (%):				
Financials	33	25	33	25
Industrials	11	7	11	7
Materials	16	12	16	12
Energy	17	13	16	13
Health Care	1	1	1	1
Consumer Discretionary	7	8	7	8
Utilities	2	4	2	4
Consumer Staples	6	8	7	8
Telecom	2	8	2	8
Information Technology	6	14	7	14
Diversification:				
Number of Holdings	2,223	817	2,219	819
% in 5 largest holdings	12	11	11	10
% in 10 largest holdings	18	16	17	16
Region Allocation (%):				
Asia	61	61	61	60
Latin America	20	21	20	22
Europe, Middle East and Africa	18	18	18	18
Other	1	0	1	0

Largest Five Holdings:		**Industry**
Gazprom	4.1	Energy
Bank of China	2.2	Banks
Petrobras-Petroleo Brasilier	2.1	Energy
Petroleo Brasiliero	2.1	Energy
Reliance Industries	1.8	Energy

Fixed Income Portfolio Reviews
As of September 30, 2012

PIMCO Total Return
Portfolio Detail as of 9/30/12

Mandate: Fixed Income
Active/Passive: Active
Market Value: $14.8 million
Portfolio Manager: Bill Gross
Location: Stamford, Connecticut
Inception Date: 1/1/2010
Account Type: Mutual Fund (PTTRX)



Fee Schedule:
0.46% on all assets

Liquidity Constraints:
Daily

Strategy:
PIMCO Total Return is a core portfolio that typically invests in intermediate term, investment grade bonds and seeks to maximize total return using both top-down and bottom-up analysis to construct portfolios. PIMCO couples their three-to-five year secular outlook for interest rates and the global economy with their bottom-up fundamental credit research to construct the portfolios.

Performance (%):	3Q12	YTD	1 YR	Since 1/1/10
PIMCO Total Return	**3.2**	**9.1**	**11.5**	**8.0**
Barclays Universal	2.0	4.9	6.4	7.1
Peer Core Plus	2.4	5.8	7.1	7.4
Peer Ranking (percentile)	*16*	*5*	*4*	*24*

	9/30/12		6/30/12	
Duration & Yield:	**PIMCO Total Return**	**Barclays Universal**	**PIMCO Total Return**	**Barclays Universal**
Average Effective Duration (years)	4.0	4.8	4.8	5.0
Yield to Maturity (%)	1.8	2.0	2.6	2.4
Quality Structure (%):				
Average Quality	AA	AA+	AA	AA+
AAA (includes Treasuries and Agencies)	57	65	63	66
AA	12	5	11	5
A	9	11	10	12
BBB	14	12	9	11
BB	4	3	3	3
B	2	3	2	3
Below B	2	1	2	1
Non-Rated	0	0	0	0
Sector Allocation (%):				
U.S. Treasury-Nominal	4	31	20	31
U.S. Treasury-TIPS	11	0	12	0
U.S. Agency	3	8	3	8
Mortgage Backed	46	26	50	26
Corporate	14	28	16	27
Bank Loans	1	0	0	0
Local & Provincial Government	0	1	9	1
Sovereign & Supranational	7	4	0	4
Commercial Mortgage Backed	2	2	2	2
Asset Backed	1	0	0	0
Cash Equivalent	-6	0	-21	0
Other	17	0	9	0
Market Allocation (%):				
United States	86	84	90	85
Foreign (developed markets)	9	10	7	11
Foreign (emerging markets)	4	6	4	4
Currency Allocation (%):				
Non-U.S. Dollar Exposure	1	0	0	0

SKY Harbor High Yield Portfolio Detail as of 9/30/12

Mandate: High Yield
Active/Passive: Active
Market Value: $5.4 million
Portfolio Manager: Hannah Strasser
Location: Greenwich, Connecticut
Inception Date: 9/1/2012
Account Type: Separately Managed

	Short	*Int.*	*Long*
High			
Medium			
Low			

Fee Schedule:
0.36% up to $50 million (includes discount)

Liquidity Constraints:
Daily

Strategy:
Sky Harbor's strategy is income oriented and is based on the understanding that the largest component of high yield bond returns comes from coupon return. At the same time, the strategy seeks to minimize defaults through credit analysis and a top-down assessment of the economic and credit cycle. SKY Harbor segments the universe not only by industry but also by yield. They believe that credits trading with higher yields have more equity-like risk and those trading at lower yields are more exposed to bond-like risk (e.g. interest rate risk). Their exposure to these segments of the high yield market will be driven by credit analysis and their assessment of the economic and credit cycle.

Performance (%):	**3Q12**	**YTD**	**Since 9/1/12**
SKY Harbor High Yield	**NA**	**NA**	**1.2**
Barclays High Yield	4.5	12.1	1.4
Peer High Yield	4.5	12.2	1.4
Peer Ranking (percentile)	*NA*	*NA*	*79*

Duration & Yield:	**9/30/12 SKY Harbor High Yield**	**9/30/12 Barclays High Yield**
Average Effective Duration (years)	4.2	4.0
Yield to Maturity (%)	6.9	6.5
Quality Structure (%):		
Average Quality	B	B+
AAA (includes Treasuries and Agencies)	1	0
AA	0	0
A	0	0
BBB	2	0
BB	24	39
B	53	44
Below B	20	17
Non-Rated	1	0
Sector Allocation (%):		
U.S. Treasury-Nominal	0	0
U.S. Treasury-TIPS	0	0
U.S. Agency	0	0
Mortgage Backed	0	0
Corporate	99	100
Bank Loans	0	0
Local & Provincial Government	0	0
Sovereign & Supranational	0	0
Commercial Mortgage Backed	0	0
Asset Backed	0	0
Cash Equivalent	1	0
Other	0	0
Market Allocation (%):		
United States	96	86
Foreign (developed markets)	4	12
Foreign (emerging markets)	0	3
Currency Allocation (%):		
Non-U.S. Dollar Exposure	0	0

Vanguard Inflation-Protected Securities Portfolio Detail as of 9/30/12

Mandate: TIPS

Active/Passive: Passive

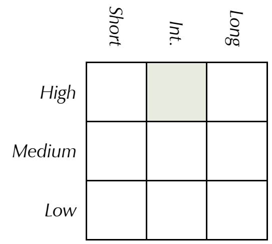
Market Value: $5.3 million

Portfolio Manager: John Hollyer, CFA
Gemma Wright-Casparius

Location: Valley Forge, Pennsylvania

Inception Date: 12/1/2011

Account Type: Mutual Fund (VIPIX)



Fee Schedule:
0.07% on all assets

Liquidity Constraints:
Daily

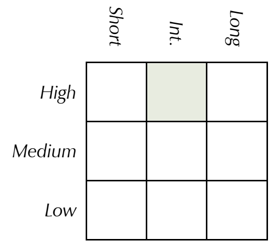
Strategy:
The Vanguard Inflation-Protected Securities strategy seeks long-term returns that exceed inflation by investing at least 80% of its assets in high-quality inflation-indexed bonds. These securities, primarily issued by the U.S. Treasury, government agencies, and domestic corporations, automatically adjust their principal and interest payments over time in response to changes in inflation.

Performance (%):	**3Q12**	**YTD**	**Since 12/1/11**
Vanguard Inflation-Protected Securities	**2.2**	**6.3**	**6.5**
Barclays U.S. TIPS	2.1	6.2	6.3
Peer TIPS	2.0	5.9	6.0
Peer Ranking (percentile)	*32*	*24*	*24*

	9/30/12		**6/30/12**	
Quality Structure (%):	**Vanguard TIPS**	**Barclays TIPS**	**Vanguard TIPS**	**Barclays TIPS**
Average Quality	AAA	AAA	AAA	AAA
AAA (includes Treasuries and Agencies)	100	100	100	100
AA	0	0	0	0
A	0	0	0	0
BBB	0	0	0	0
BB	0	0	0	0
B	0	0	0	0
Below B	0	0	0	0
Non-Rated	0	0	0	0
Sector Allocation (%):				
U.S. Treasury-Nominal	0	0	0	0
U.S. Treasury-TIPS	100	100	100	100
U.S. Agency	0	0	0	0
Mortgage Backed	0	0	0	0
Corporate	0	0	0	0
Bank Loans	0	0	0	0
Local & Provincial Government	0	0	0	0
Sovereign & Supranational	0	0	0	0
Commercial Mortgage Backed	0	0	0	0
Asset Backed	0	0	0	0
Cash Equivalent	0	0	0	0
Other	0	0	0	0
Market Allocation (%):				
United States	100	100	100	100
Foreign (developed markets)	0	0	0	0
Foreign (emerging markets)	0	0	0	0
Currency Allocation (%):				
Non-U.S. Dollar Exposure	0	0	0	0

Western Asset U.S. Core Plus, LLC
Portfolio Detail as of 9/30/12

Mandate: Fixed Income
Active/Passive: Active
Market Value: $5.1 million
Portfolio Manager: Team
Location: Baltimore, Maryland
Inception Date: 8/1/2006
Account Type: Mutual Fund (WACPX)



Fee Schedule:
0.45% on all assets

Liquidity Constraints:
Daily

Strategy:
The Western Asset U.S. Core Plus strategy invests primarily in U.S. corporate bonds, U.S. government and agency securities, mortgage-backed securities, and money market instruments. Western Asset may invest up to 20% of their assets in foreign fixed income instruments.

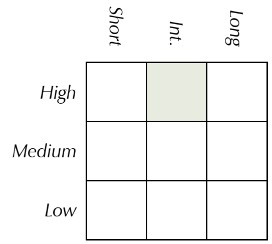
Performance (%):	3Q12	YTD	1 YR	3 YR	5 YR	Since 8/1/06
Western Asset U.S. Core Plus, LLC	**2.9**	**7.6**	**9.3**	**10.0**	**8.0**	**7.6**
Barclays Universal	2.0	4.9	6.4	6.7	6.6	6.7
Peer Core Plus	2.4	5.8	7.1	7.0	6.7	6.6
Peer Ranking (percentile)	*26*	*17*	*18*	*1*	*9*	*13*

Risk: (sixty months)	Standard Deviation	Beta	Sharpe Measure	Info. Ratio	Correlation to Index
Western Asset U.S. Core Plus, LLC	**7.9%**	**1.44**	**0.93**	**0.26**	**0.71**
Barclays Universal	4.0	1.00	1.50	NA	1.00

	9/30/12		6/30/12	
Duration & Yield:	**Western Asset U.S. Core Plus**	**Barclays Universal**	**Western Asset U.S. Core Plus**	**Barclays Universal**
Average Effective Duration (years)	4.5	4.8	4.8	5.0
Yield to Maturity (%)	2.6	2.0	3.4	2.4
Quality Structure (%):				
Average Quality	AA	AA+	AA+	AA+
AAA (includes Treasuries and Agencies)	62	65	63	66
AA	6	5	6	5
A	16	11	17	12
BBB	12	12	12	11
BB	5	3	6	3
B	3	3	3	3
Below B	2	1	2	1
Non-Rated	-5	0	-9	0
Sector Allocation (%):				
U.S. Treasury-Nominal	15	31	12	31
U.S. Treasury-TIPS	2	0	2	0
U.S. Agency	3	8	2	8
Mortgage Backed	37	26	38	26
Corporate	31	28	32	27
Bank Loans	2	0	2	0
Local & Provincial Government	0	1	1	1
Sovereign & Supranational	0	4	0	4
Commercial Mortgage Backed	2	2	2	2
Asset Backed	2	0	3	0
Cash Equivalent	1	0	2	0
Other	5	0	5	0
Market Allocation (%):				
United States	93	84	87	85
Foreign (developed markets)	5	10	8	11
Foreign (emerging markets)	3	6	5	4
Currency Allocation (%):				
Non-U.S. Dollar Exposure	0	0	0	0

AFL-CIO Housing Investment Trust Portfolio Detail as of 9/30/12

Mandate: Fixed Income
Active/Passive: Active
Market Value: $3.5 million
Portfolio Manager: Chang Suh
Location: Washington, District of Columbia
Inception Date: 6/1/2002
Account Type: Commingled Fund



Fee Schedule:
0.44% on all assets

Liquidity Constraints:
Monthly

Strategy:
The AFL-CIO Housing Investment Trust (HIT) is a fixed income investment program comprised of high grade, public- and private-market mortgage bonds. The HIT portfolio combines long-duration, agency-insured multifamily mortgage-backed securities (MBS) with short-duration, single-family MBS and intermediate-term agency securities. The structure of the HIT portfolio means that it will not possess credit risk. Unlike most mortgage investments, the HIT portfolio invests mainly in issues with limited prepayment risk.

Performance (%):	3Q12	YTD	1 YR	3 YR	5 YR	Since 6/1/02
AFL-CIO Housing Investment Trust	**1.5**	**4.2**	**5.7**	**6.4**	**6.9**	**6.1**
Barclays Aggregate	1.6	4.0	5.2	6.2	6.5	5.7
Barclays Mortgage	1.1	2.8	3.7	5.0	6.4	5.4
Peer Core Fixed Income	1.7	4.1	5.2	6.0	6.4	5.4
Peer Ranking (percentile)	*80*	*47*	*41*	*31*	*24*	*4*

Risk: (sixty months)	Standard Deviation	Beta	Sharpe Measure	Info. Ratio	Correlation to Index
AFL-CIO Housing Investment Trust	**3.3%**	**0.80**	**1.90**	**0.28**	**0.93**
Barclays Aggregate	3.8	1.00	1.54	NA	1.00

	9/30/12		6/30/12	
Duration & Yield:	AFL-CIO Housing Investment Trust	Barclays Aggregate	AFL-CIO Housing Investment Trust	Barclays Aggregate
Average Effective Duration (years)	4.2	4.9	4.3	5.1
Yield to Maturity (%)	2.2	1.6	2.4	2.0
Quality Structure (%):				
Average Quality	AAA	AA+	AAA	AA+
AAA (includes Treasuries and Agencies)	94	74	92	74
AA	4	5	5	4
A	2	11	3	11
BBB	0	10	0	10
BB	0	0	0	0
B	0	0	0	0
Below B	0	0	0	0
Non-Rated	0	0	0	0
Sector Allocation (%):				
U.S. Treasury-Nominal	8	36	9	36
U.S. Treasury-TIPS	0	0	0	0
U.S. Agency	0	6	0	7
Mortgage Backed	26	30	25	31
Corporate	0	21	0	21
Bank Loans	0	0	0	0
Local & Provincial Government	0	1	0	1
Sovereign & Supranational	0	3	0	3
Commercial Mortgage Backed	63	2	64	2
Asset Backed	0	0	0	0
Cash Equivalent	3	0	2	0
Other	0	0	0	0
Market Allocation (%):				
United States	100	92	100	92
Foreign (developed markets)	0	6	0	6
Foreign (emerging markets)	0	2	0	2
Currency Allocation (%):				
Non-U.S. Dollar Exposure	0	0	0	0

Stone Harbor Emerging Markets Debt Portfolio Detail as of 9/30/12

Mandate: Fixed Income
Active/Passive: Active
Market Value: $4.5 million
Portfolio Manager: Team
Location: New York, New York
Inception Date: 3/1/2012
Account Type: Mutual Fund (SHMDX)

	Short	*Int.*	*Long*
High			
Medium			
Low			

Fee Schedule:
0.72% on all assets

Liquidity Constraints:
Daily

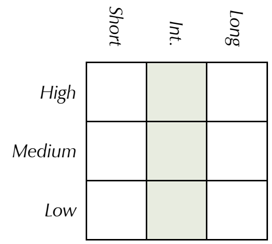
Strategy:
The Account managed by the manager will invest in a combination of hard currency and local currency Emerging Markets Fixed Income markets. The performance objective will be to outperform net of fees the blended benchmark of 50% JP Morgan GBI-EM Global Diversified, 40% JP Morgan EMBI Global Diversified and 10% JPMorgan CEMBI Broad Diversified. The Manager will seek to achieve the Investment Objective through investing in Shares of sub-funds of Stone Harbor Investment Funds, specifically Stone Harbor Emerging Local Markets Fund, Stone Harbor Emerging Markets Debt Fund and Stone Harbor Emerging Markets Corporate Debt Fund.

Performance (%):	**3Q12**	**YTD**	**Since 3/1/12**
Stone Harbor Emerging Markets Debt	**6.7**	**NA**	**7.9**
JPMorgan EMBI Global Diversified	6.6	14.2	9.8
Peer Emerging Market Debt	6.7	15.3	7.4
Peer Ranking (percentile)	*49*	*NA*	*44*

	9/30/12		**6/30/12**	
Duration & Yield:	**Stone Harbor EMD**	**JPMorgan EMBI Global Diversified**	**Stone Harbor EMD**	**JPMorgan EMBI Global Diversified**
Average Effective Duration (years)	7.1	7.4	6.9	7.2
Yield to Maturity (%)	4.9	4.3	5.9	4.9
Quality Structure (%):				
Average Quality	BBB-	BB+	BB+	BB+
AAA (includes Treasuries and Agencies)	3	0	3	0
AA	2	1	3	1
A	14	10	13	10
BBB	46	45	46	45
BB	17	25	15	25
B	13	17	15	16
Below B	0	0	1	0
Non-Rated	4	2	5	2
Sector Allocation (%):				
U.S. Treasury-Nominal	0	0	0	0
U.S. Treasury-TIPS	0	0	0	0
U.S. Agency	0	0	0	0
Mortgage Backed	0	0	0	0
Corporate	15	0	15	0
Bank Loans	0	0	0	0
Local & Provincial Government	8	0	5	0
Sovereign & Supranational	74	100	77	100
Commercial Mortgage Backed	0	0	0	0
Asset Backed	0	0	0	0
Cash Equivalent	3	0	3	0
Other	0	0	0	0
Market Allocation (%):				
United States	5	0	3	0
Foreign (developed markets)	0	0	0	0
Foreign (emerging markets)	95	100	97	100
Currency Allocation (%):				
Non-U.S. Dollar Exposure	8	0	4	0

Stone Harbor Emerging Markets Local Currency Debt Portfolio Detail as of 9/30/12

Mandate: Fixed Income
Active/Passive: Active
Market Value: $2.8 million
Portfolio Manager: Team
Location: New York, New York
Inception Date: 3/1/2012
Account Type: Mutual Fund (SHLMX)



Fee Schedule:
0.89% on all assets

Liquidity Constraints:
Daily

Strategy:
Stone Harbor believes that investing in a diversified portfolio of emerging markets local currency instruments will result in strong, long-term performance. The investment team monitors the emerging markets universe for improving credit quality opportunities and undervalued currencies with high real return potential. The active investment management approach is characterized by fundamental credit analysis. The investment process emphasizes country selection based on intensive economic and political analysis as well as a rigorous analytical approach to currency, sector, and security selection.

Performance (%):	**3Q12**	**YTD**	**Since 3/1/12**
Stone Harbor Emerging Markets Local Currency Debt	**4.4**	**NA**	**0.8**
JPM GBI-EM Global Diversified	4.8	12.1	1.5
Peer Emerging Market Debt	6.7	15.3	7.4
Peer Ranking (percentile)	*95*	*NA*	*99*

	9/30/12		**6/30/12**	
Duration & Yield:	**Stone Harbor EMLC**	**JPM GBI-EM Global Div**	**Stone Harbor EMLC**	**JPM GBI-EM Global Div**
Average Effective Duration (years)	3.9	4.8	4.2	4.7
Yield to Maturity (%)	5.3	6.7	5.6	6.3
Quality Structure (%):				
Average Quality	BBB+	BBB	A	BBB
AAA (includes Treasuries and Agencies)[1]	0	0	12	0
AA	3	0	0	0
A	47	55	48	47
BBB	46	44	37	43
BB	4	1	3	1
B	0	0	0	0
Below B	0	0	0	0
Non-Rated	0	0	0	9
Sector Allocation (%):				
U.S. Treasury-Nominal	0	0	0	0
U.S. Treasury-TIPS	0	0	0	0
U.S. Agency	0	0	0	0
Mortgage Backed	0	0	0	0
Corporate	0	0	0	0
Bank Loans	0	0	0	0
Local & Provincial Government	0	0	0	0
Sovereign & Supranational	100	100	98	100
Commercial Mortgage Backed	0	0	0	0
Asset Backed	0	0	0	0
Cash Equivalent	0	0	2	0
Other	0	0	0	0
Market Allocation (%):				
United States	0	0	2	0
Foreign (developed markets)	0	0	0	0
Foreign (emerging markets)	100	100	98	100
Currency Allocation (%):				
Non-U.S. Dollar Exposure	100	100	97	100

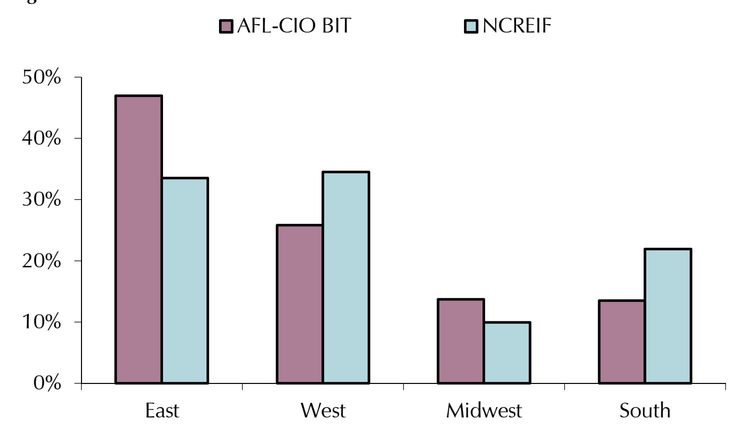
[1] Stone Harbor revised its rating methodology during the third quarter. As of September 2012 month-end, active currency forward positions in emerging markets currencies are assigned the S&P, Moody's & Fitch long-term debt ratings of the corresponding local currency emerging markets sovereign debt. Cash, developed markets forwards and non-active currency forward positions in emerging markets currencies are assigned the AAA/Aaa rating.

Real Estate Portfolio Reviews
As of September 30, 2012

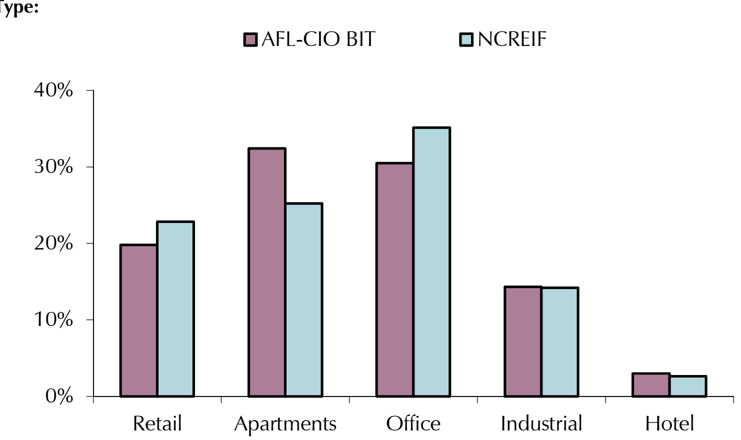
AFL-CIO Building Investment Trust Portfolio Detail as of 9/30/12

Strategy:	Real Estate Private Market Diversified Core
Market Value:	$6.3 million
Senior Professionals:	Rinse A. Brink
Location:	Washington, District of Columbia
Inception Date:	7/1/2002
Account Type:	Commingled Fund
# of Investments:	59
Liquidity Constraints:	Quarterly
Fee Schedule:	1.00% on first $2,000 mm; 0.85% on next $1,000 mm; 0.80% thereafter; 0.10% on cash

Geographic Region:



Property Type:



Performance (%):	**3Q12**	**YTD**	**1 YR**	**3 YR**	**5 YR**	**Since 7/1/02**
AFL-CIO Building Investment Trust	**2.2**	**8.5**	**12.3**	**10.3**	**-0.3**	**5.7**
NCREIF ODCE Equal Weighted	2.8	8.5	11.8	11.9	-1.5	6.3
NCREIF Property	2.3	7.8	11.0	10.9	2.3	8.3

Investment Strategy:

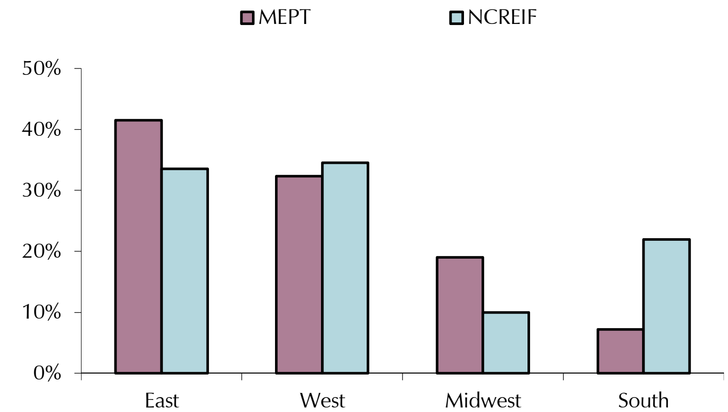
The mission of the Trust is to provide competitive risk-adjusted returns for shareholders through investments in institutional-quality commercial real estate while promoting economic development and creating union jobs. The BIT's principal objective in making investments is to seek income and capital appreciation while protecting the shareholders' capital. Mercantile, as the trustee of the BIT, employs an investment strategy that seeks to create value through investment in the development and acquisition of income -producing real estate.

Multi-Employer Property Trust
Portfolio Detail as of 9/30/12

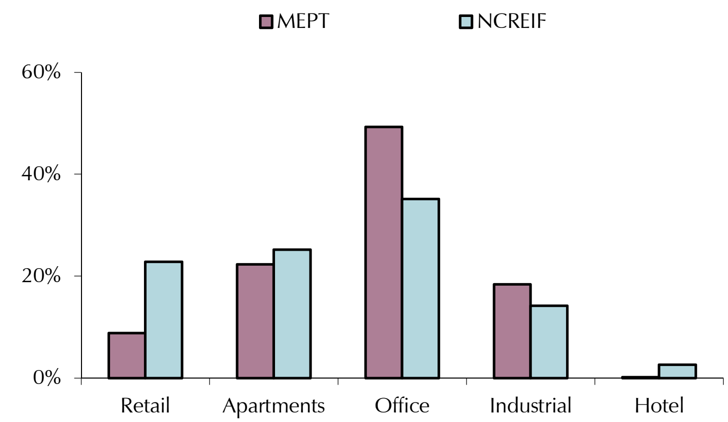
Strategy:	Real Estate Private Market Diversified Core
Market Value:	$5.4 million
Senior Professionals:	David Antonelli
Location:	Washington, District of Columbia
Inception Date:	1/1/1992
Account Type:	Commingled Fund
# of Investments:	142
Liquidity Constraints:	Quarterly
Fee Schedule:	1.25% on first $1000 mm; 1.00% on next $1000 mm; 0.75% thereafter

Performance (%):	**3Q12**	**YTD**	**1 YR**	**3 YR**	**5 YR**	**Since 1/1/92**
Multi-Employer Property Trust	**1.1**	**4.8**	**7.5**	**9.0**	**-2.6**	**5.8**
NCREIF ODCE Equal Weighted	2.8	8.5	11.8	11.9	-1.5	7.3
NCREIF Property	2.3	7.8	11.0	10.9	2.3	8.2

Geographic Region:



Property Type:



Investment Strategy:

MEPT's primary investment strategy is to create top-quality, core, income-producing assets through development, rehabilitation, or acquisition and reposition of undervalued assets. The Trust invests in office buildings, warehouses, flex-research and development facilities, retail centers, apartments, and hotels in an attempt to maintain a diversified, institutional-grade core portfolio that produces strong and stable current income.

Natural Resources Portfolio Review
As of September 30, 2012

UNITE HERE Local 25 and Hotel Association of Washington, D.C. Pension Fund

SSgA S&P Global LargeMid Cap Natural Resources Index Portfolio Detail as of 9/30/12

Mandate: Natural Resources
Active/Passive: Passive
Market Value: $5.7 million
Portfolio Manager: Team
Location: Boston, Massachusetts
Inception Date: 9/1/2012
Account Type: Commingled Fund

Fee Schedule:
0.15% on all assets

Liquidity Constraints:
Daily

Strategy:
This passive index fund seeks an investment return that approximates the performance of the S&P Global Large/Mid Cap Commodity and Resources Index. The index has equal exposure to three major natural resources industries: energy, materials, and agriculture. It generally holds over 75% in large capitalization companies and the balance in mid capitalization stocks, typically holding 220-260 securities. While the index invests in over thirty countries, the most exposure is in the United States, Canada, and the United Kingdom.

Performance (%):	3Q12	YTD	Since 9/1/12
SSgA S&P Global LargeMid Cap Natural Resources Index	**NA**	**NA**	**5.6**
S&P Global LargeMid Cap Commodities and Resources	8.4	6.9	5.8

Capitalization Structure:	9/30/12 SSgA Global Natural Resources	9/30/12 S&P Global LargeMid Cap Comm & Resources
Weighted Average Market Cap. (US$ billion)	79.6	79.0
Median Market Cap. (US$ billion)	10.0	9.9
Large (% over US$10 billion)	85	84
Medium (% US$2 billion to US$10 billion)	15	16
Small (% under US$2 billion)	0	0
Fundamental Structure:		
Price-Earnings Ratio	16	16
Price-Book Value Ratio	2.3	2.4
Dividend Yield (%)	2.5	2.4
Historical Earnings Growth Rate (%)	12	13
Projected Earnings Growth Rate (%)	10	10
Sector Allocation (%):		
Materials	59	59
Consumer Staples	8	8
Energy	33	33
Diversification:		
Number of Holdings	227	228
% in 5 largest holdings	25	25
% in 10 largest holdings	37	37

Largest Five Holdings:		Industry
Monsanto	6.0	Materials
ExxonMobil	5.4	Energy
Potash Corporation	4.6	Materials
BHP Billiton	4.4	Materials
Syngenta	4.3	Materials

Appendices

Capital Markets Outlook

Conditions as of September 30, 2012[1]

Earnings	⟷	Domestic earnings remain close to historic highs, but revenue growth has recently shown signs of slowing. At the end of 2011 sales for the S&P 500 grew at a rate of close to 8% from one year prior, while September 2012 sales are estimated to have grown only 1.6% from the same quarter one year ago. If this trend continues going forward it could weigh on domestic equities. Earnings for companies in the EAFE index and emerging markets have declined year-to-date, with the decline being more prominent in the EAFE index.
Credit Spreads	↓	In a reversal of the prior quarter trend, credit spreads compressed in the third quarter as investors moved back into "riskier" fixed income securities. Year-to-date, domestic high yield and investment grade corporate bond spreads fell 150 and 80 basis points, respectively. Spreads for developed international and emerging market bonds fell as well, though the decline was larger in emerging markets.
Commodities	↑	Commodities rebounded broadly from their difficult second quarter. Energy commodities led the way, with gasoline up close to 30%. Precious metals rallied as additional easing by the Federal Reserve was beneficial to the sector. Gold and silver rose 10.6% and 25.2%, respectively, during the quarter. Industrial metals increased as well, based on signs of a stabilizing global economy and the additional monetary stimulus.
Currencies	↓	The U.S. dollar weakened against most major currencies due in part to the Federal Reserve's decision to launch its third round of quantitative easing (QE3). The euro strengthened during the quarter (+1.6%) as the European Central Bank (ECB) announced further supportive measures. Several "riskier" currencies had the strongest performance relative to the dollar during the quarter, particularly the Indian rupee and Russian ruble.

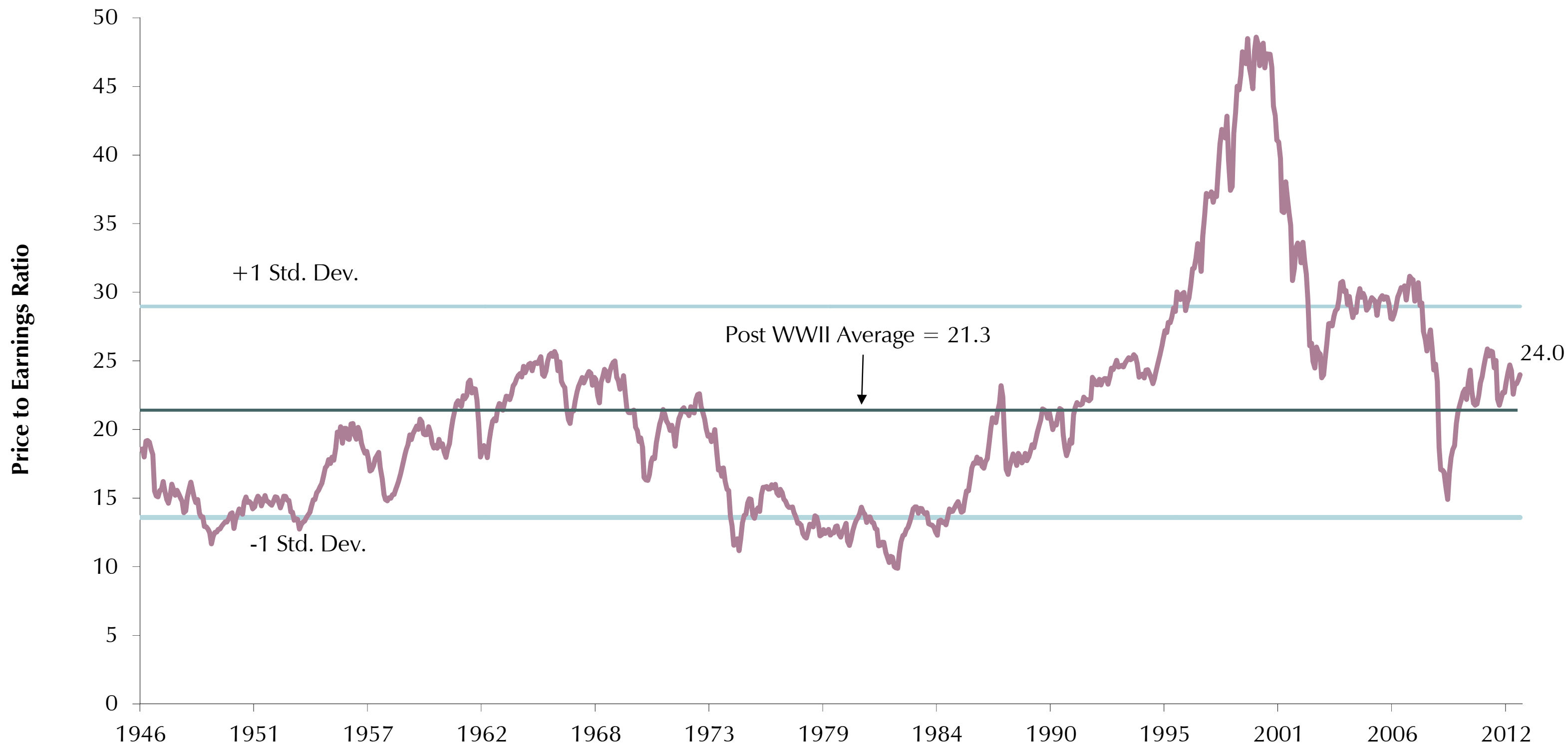
[1] Sources: FactSet, Bloomberg, U.S. Treasury. Standard & Poor's. Data is as of September 30, 2012.

Capital Markets Outlook[1]

- Investors are faced with two primary issues in the near-term: 1) historically low bond yields, and 2) the potential for deteriorating earnings, particularly in the U.S. and Europe.
  - The price of the U.S. stock market relative to ten-year average earnings increased during the quarter, remaining above its historical average (24x versus 21x).
  - The relative richness of small cap domestic stocks compared to large cap domestic stocks recently declined from its 2011 high, but remains 12% above its long-term average.
  - Developed international and emerging market stocks are trading at lower valuations than U.S. stocks and more than one standard deviation below their respective historical averages. It is likely that sovereign debt issues in Europe and slowing growth in emerging economies due to lower export demand are weighing down valuations.
  - Uncertainties around global demand (particularly from emerging markets) and geopolitical tensions (e.g., Iran) could cause heightened volatility in commodity prices in the near-term.
    - Gold increased $170/ounce (+10.6%) to $1,774/ounce during the third quarter.
    - Crude oil prices rebounded during the quarter from its close to 20% fall in the prior quarter. Crude oil finished the quarter at $92.19/barrel (+8.5%), but reached close to $100/barrel in September.
  - The yield spread on corporate bonds relative to Treasuries finished the quarter at the long-term average for investment grade bonds (1.6%) and below the long-term average for high yield bonds (5.5% versus 5.7%).
  - The yield on the ten-year Treasury was virtually unchanged during the quarter at 1.7%. In July, the yield did make a new record low of 1.4%.

[1] Sources: FactSet, U.S. Treasury, Standard & Poor's. Data is as of September 30, 2012, unless otherwise noted.

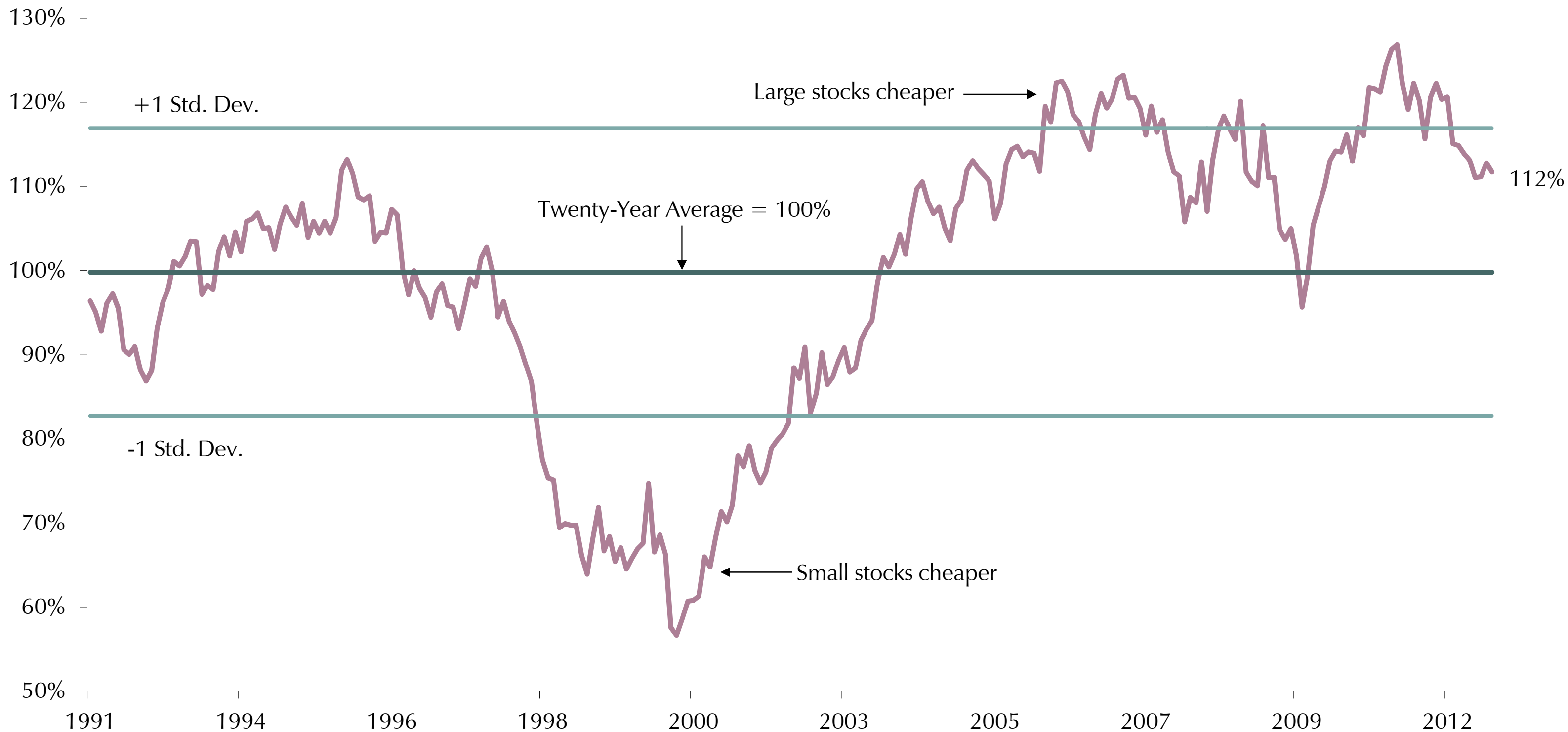
Domestic Equity Cyclically Adjusted P/E (S&P 500)[1]



- Valuations increased during the third quarter due in part to the anticipation, and subsequent announcement, of the Federal Reserve's third round of quantitative easing (QE3).
- At quarter-end, the cyclically adjusted P/E ratio was 24.0x, a level above its post-WWII average of 21.3x.

[1] Source: Standard & Poor's. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of September 30, 2012.

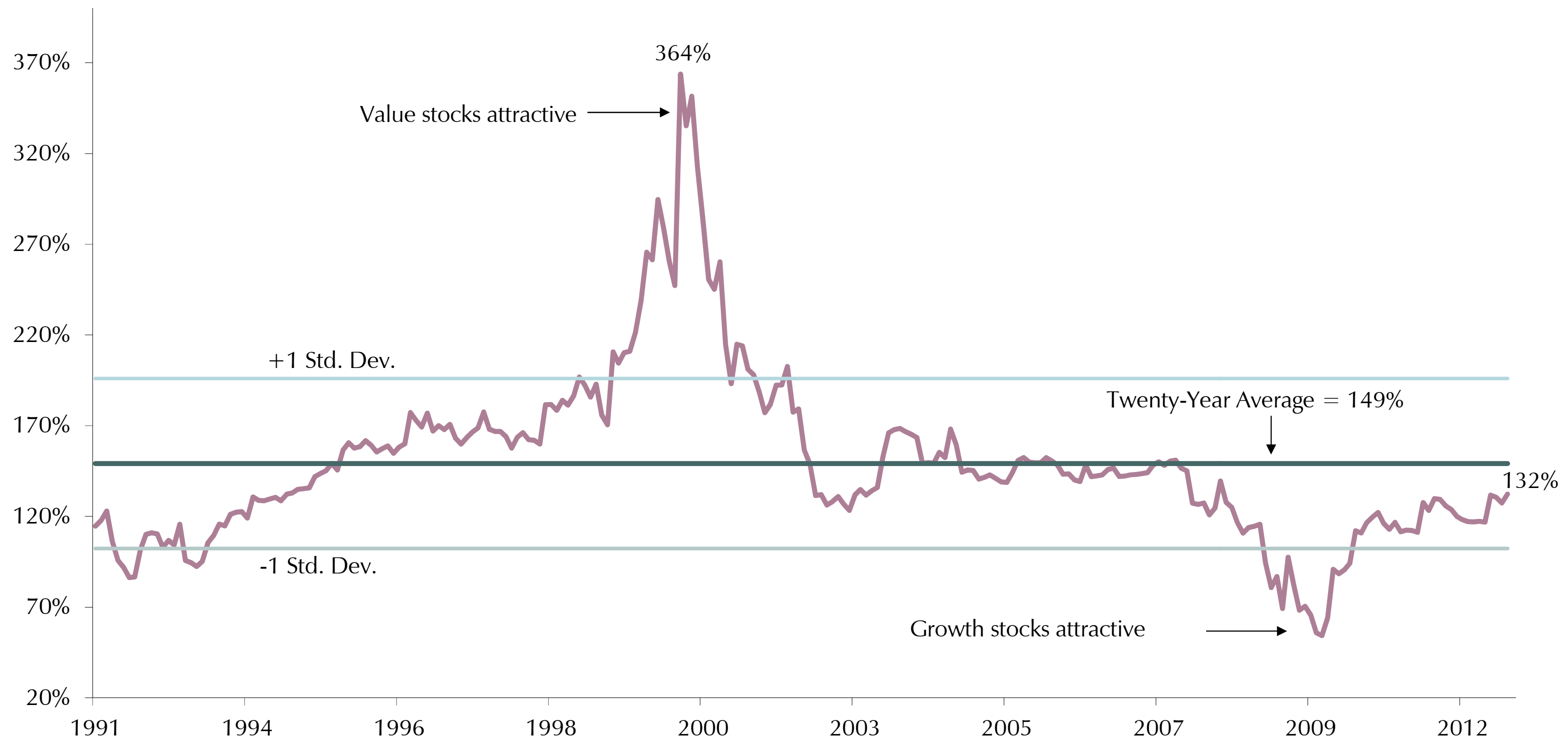
Russell 2000 P/E (small cap) vs. Russell 1000 P/E (large cap)[1]



- The ratio of small cap (Russell 2000) P/Es to large cap (Russell 1000) P/Es increased slightly during the third quarter.
- Although the ratio has gradually declined over the past year, it remains above its long-term average (112% vs. 100%), signaling potential underperformance of small cap stocks relative to large cap stocks.

[1] Source: FactSet. Earnings figures represent 12-month "as reported" earnings. Data is as of September 30, 2012.

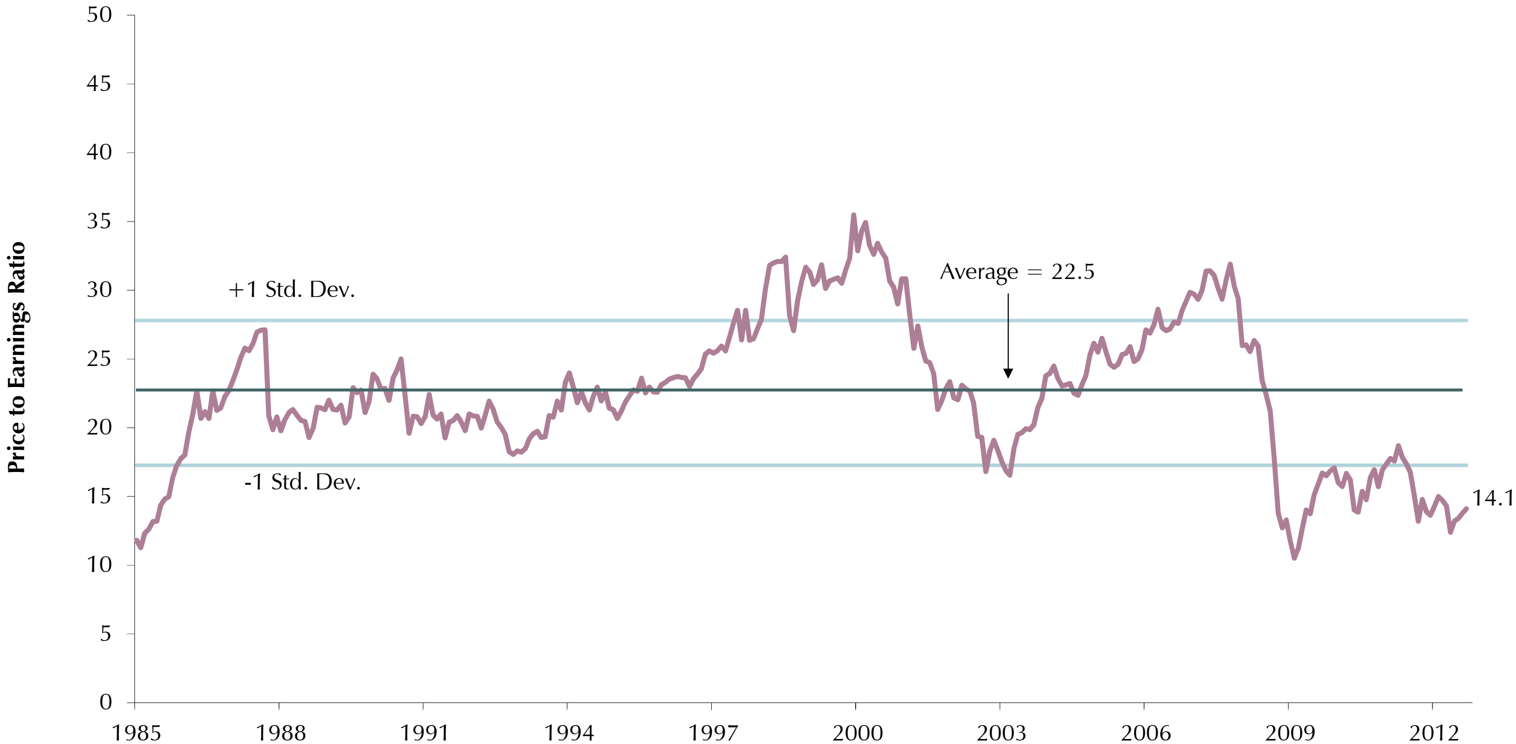
Russell 3000 Growth P/E vs. Russell 3000 Value P/E[1]



- Over the three-year period ending September 30, growth stocks have outpaced value stocks by close to 3% per year.
- Since the lows of late 2009, the ratio of growth stock P/Es to value stock P/Es has more than doubled, but remains below its twenty-year average.

[1] Source: FactSet. Earnings figures represent 12-month "as reported" earnings. Data is as of September 30, 2012.

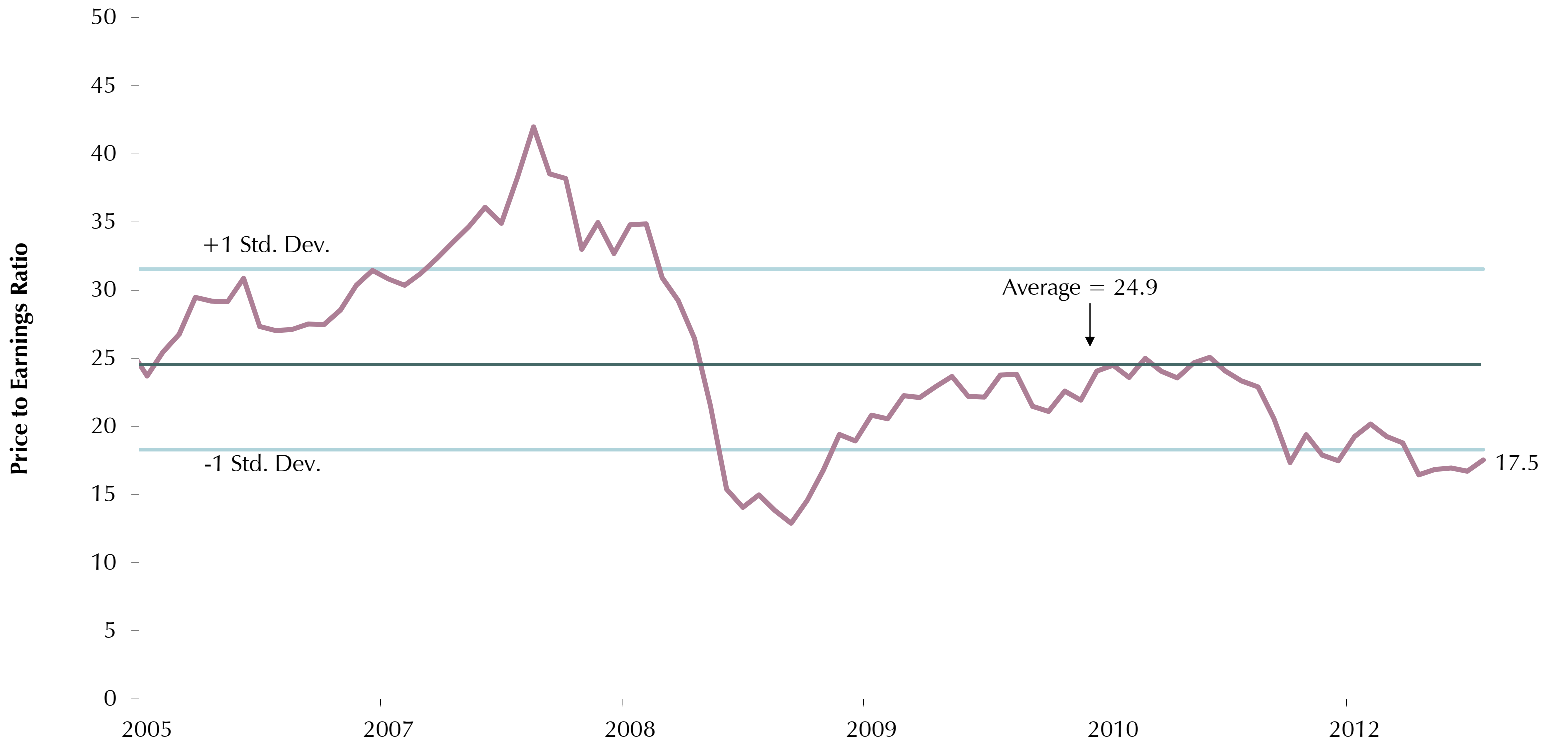
Developed International Equity Cyclically Adjusted P/E (MSCI EAFE ex. Japan)[1]



- The European Central Bank's announcement of a potentially unlimited bond buying program, as well as their pledge to support the Euro, helped developed foreign market valuations during the quarter.
- Despite the quarterly increase, valuations remain more than one standard deviation below their historical average.
- Sovereign debt concerns in Europe and the slowing pace of economic growth likely account for the low valuation levels.

[1] Source: MSCI and FactSet. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of September 30, 2012.

Emerging Market Equity Cyclically Adjusted P/E (MSCI Emerging Markets)[1]



- Valuations for emerging market equities increased during the quarter, but remained more than one standard deviation below their (relatively brief) historical average, as growth continued to slow, most notably in China.
- Emerging market equities are trading at lower valuations than U.S. equities but at higher valuations than other developed market equities.

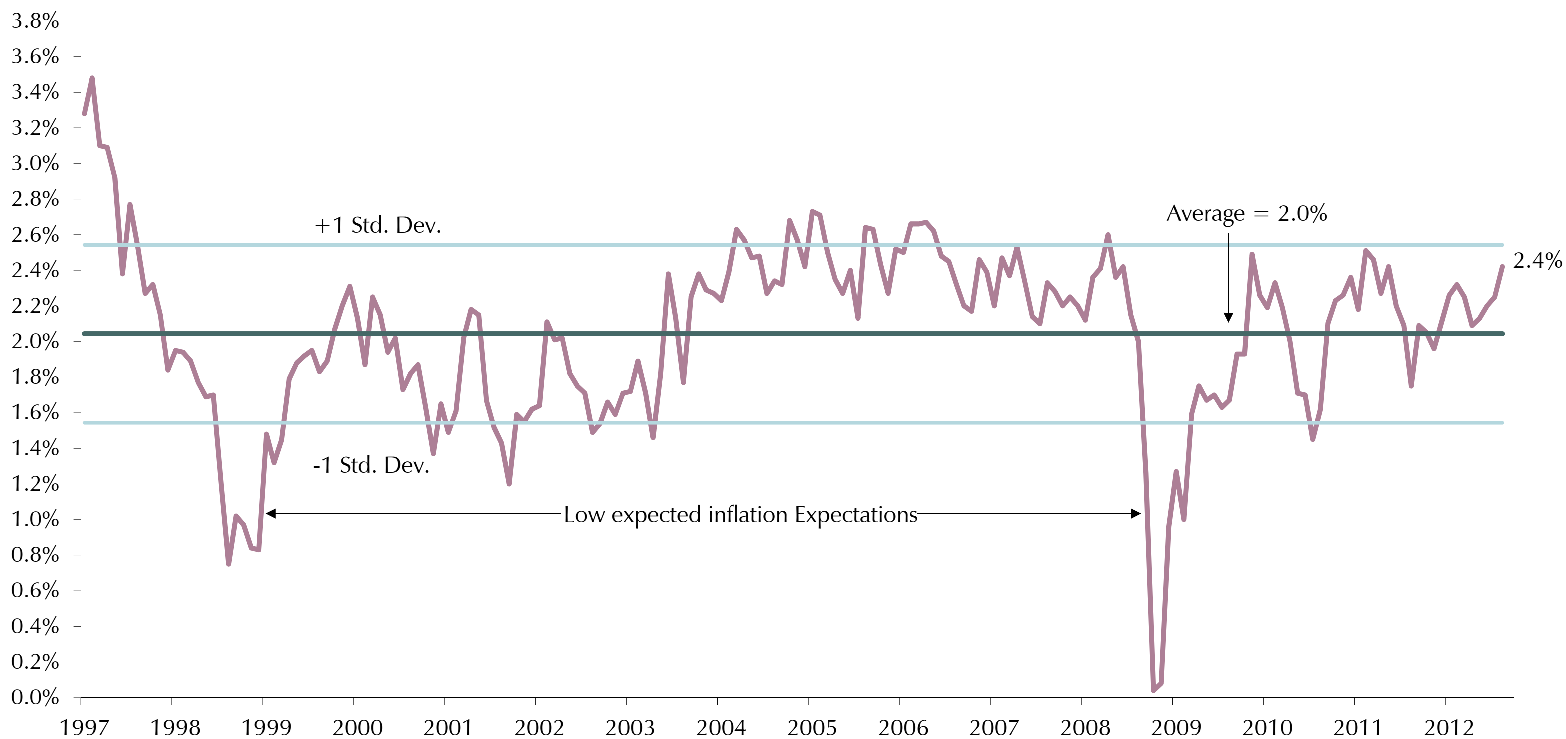
[1] Source: MSCI and FactSet. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of September 30, 2012.

Ten-Year Treasury Yields[1]

- At quarter-end, ten-year Treasury yields were 1.7%, virtually unchanged from the prior quarter. Of note, the yield fell as low as 1.4% during July, establishing a new record low.
- Despite their low yields, U.S. Treasuries may continue to be perceived as a safe haven in light of the myriad of uncertainties facing the global economy.

[1] Source: U.S. Treasury. Data is as of September 30, 2012.

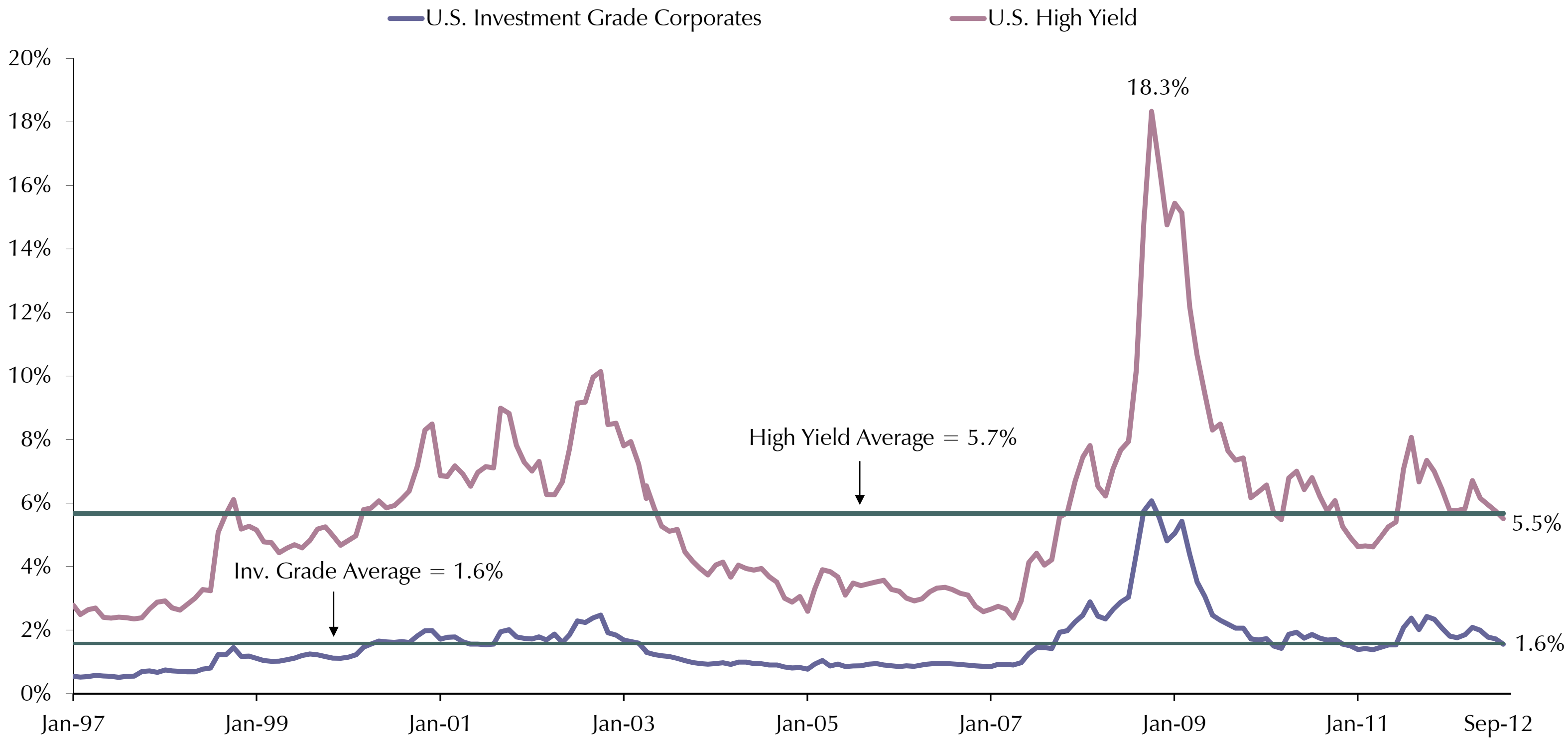
Ten-Year Breakeven Inflation (TIPS vs. Treasuries)[1]



- Breakeven (or expected) inflation, the difference between the nominal yield on a ten-year Treasury and the real yield on a ten-year TIPS, increased during the third quarter to a level 0.4% above its long-term average, as the real yield on TIPS declined 0.3% to -0.8%.
- The actual one-year inflation rate was 2.0% at quarter-end, as measured by the Consumer Price Index (CPI), 40 basis points below the ten year breakeven inflation rate.

1 Source: U.S. Treasury and Federal Reserve. Data is as of September 30, 2012.

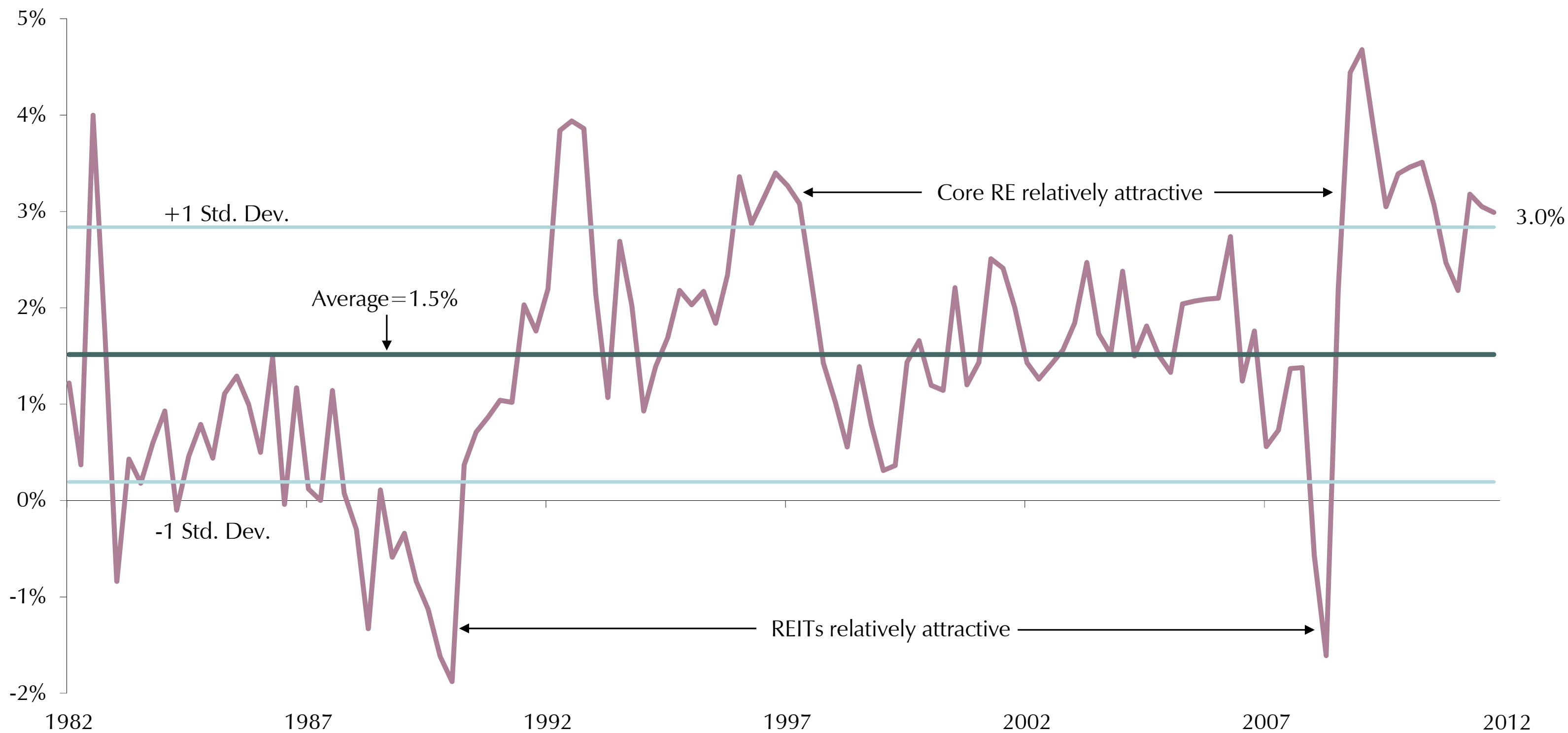
Credit Spreads vs. U.S. Treasury Bonds[1]



- Credit spreads compressed in the third quarter for both high yield and investment grade corporate bonds. High yield spreads decreased the most, down approximately 40 basis points to 5.5%, a level below the historic average.

[1] Source: Barclays Capital. High Yield is proxied by the Barclays High Yield index and Investment Grade Corporates is proxied by the Barclays U.S. Corporate Investment Grade index. Data is as of September 30, 2012.

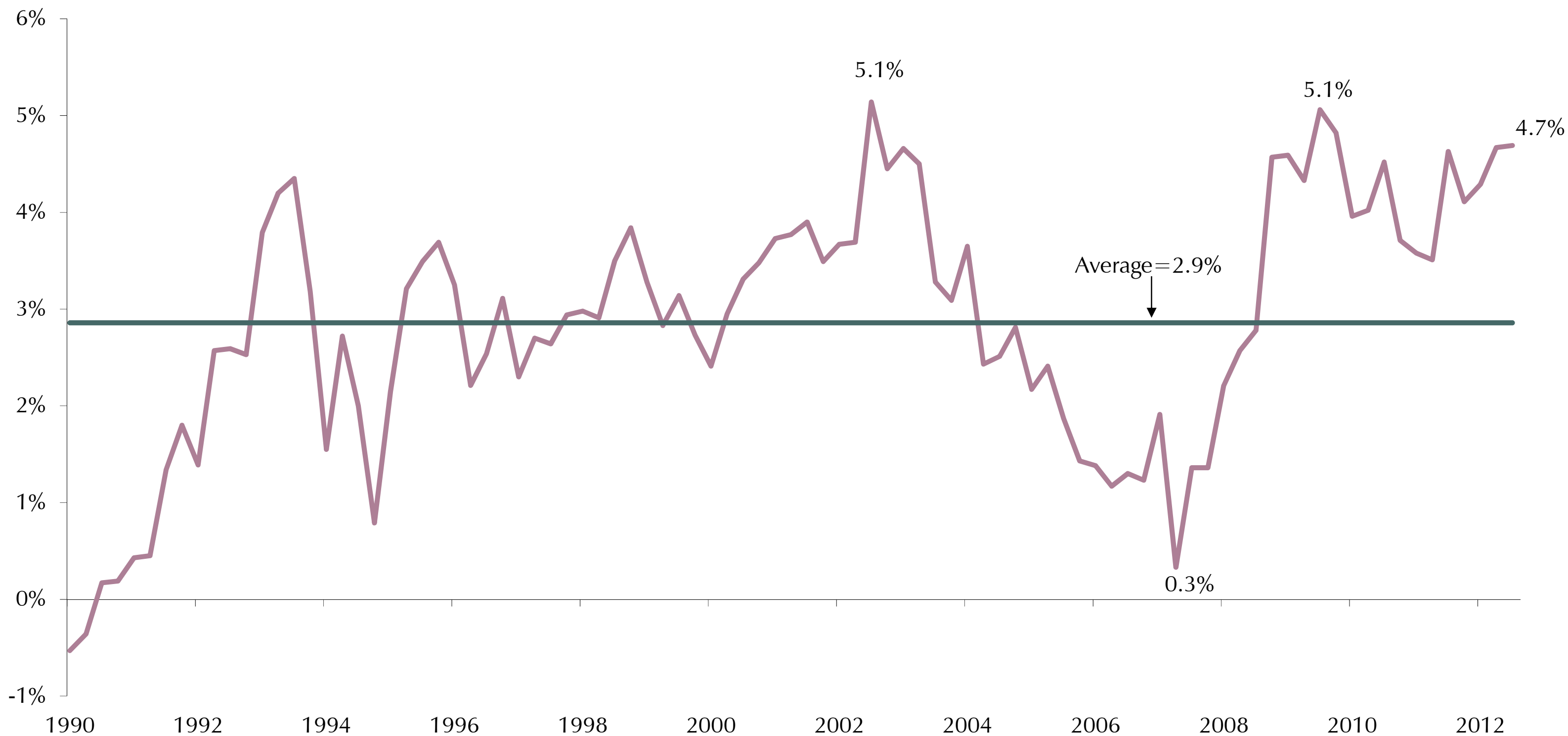
Core Real Estate vs. REITs[1]



- The spread between core real estate cap rates and REIT yields was 3.0% at the end of the third quarter, a level more than one standard deviation above its long-term average.

[1] Sources: FactSet and NCREIF. Core Real Estate is proxied by the transaction-based cap rate for the NCREIF NPI index and REITs are proxied by the yield for the NAREIT Equity index. NPI transactional capitalization rates are calculated on a quarterly basis. September 30, 2012 data is not yet available for the NCREIF NPI. Data is as of June 30, 2012, for the NCREIF NPI and September 30, 2012, for the NAREIT Equity index.

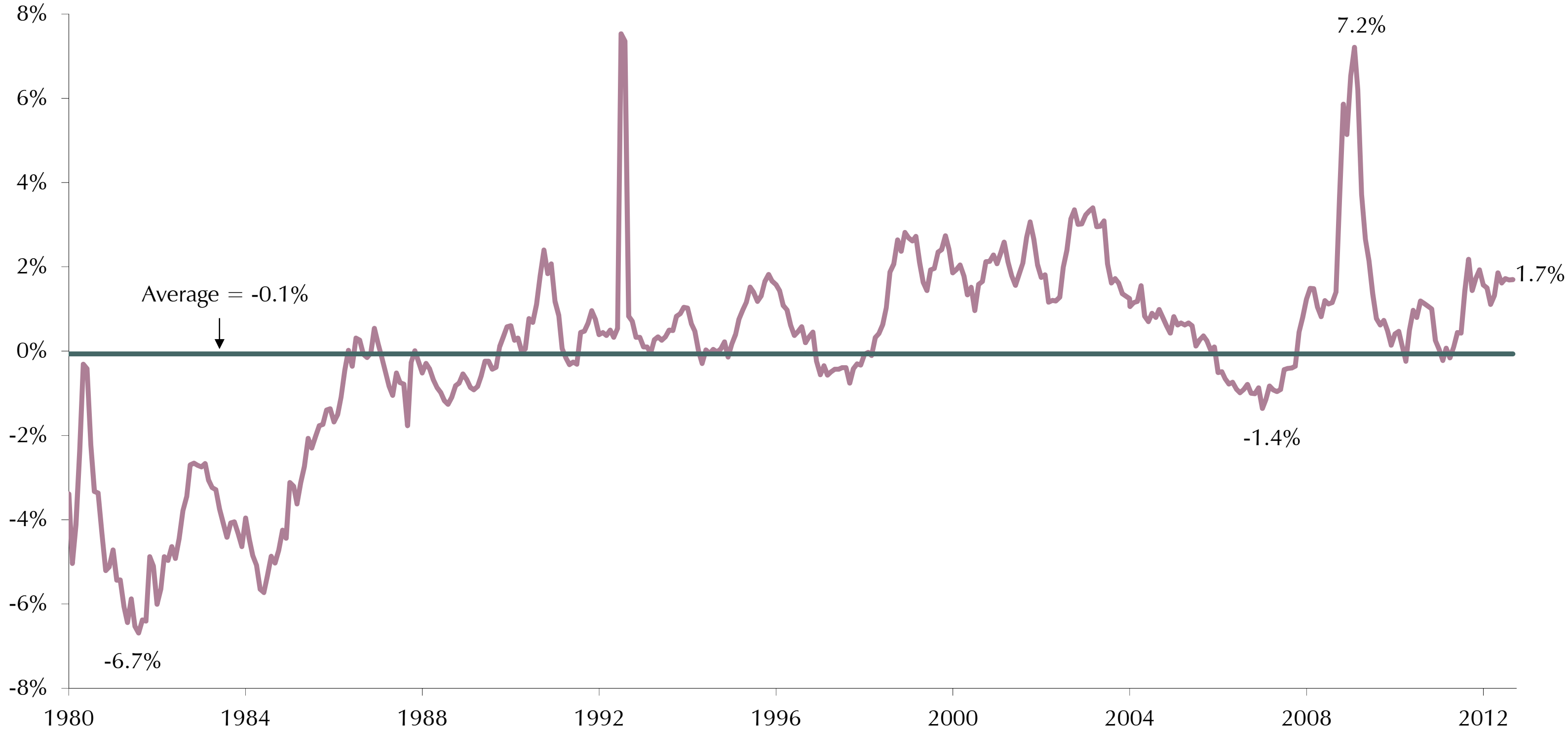
Core Real Estate Spread vs. Ten-Year Treasury[1]



- Core real estate spreads finished the quarter at 4.7%, close to the highs of September 2009 and 1.8% above their historical average.

[1] Source: NCREIF, U.S. Treasury. NPI transactional capitalization rates are calculated on a quarterly basis. September 30, 2012 data is not yet available for the NCREIF NPI. Data is as of June 30, 2012, for the NCREIF NPI and September 30, 2012, for the ten-year Treasury.

REITs Dividend Yield Spread vs. Ten-Year Treasury[1]



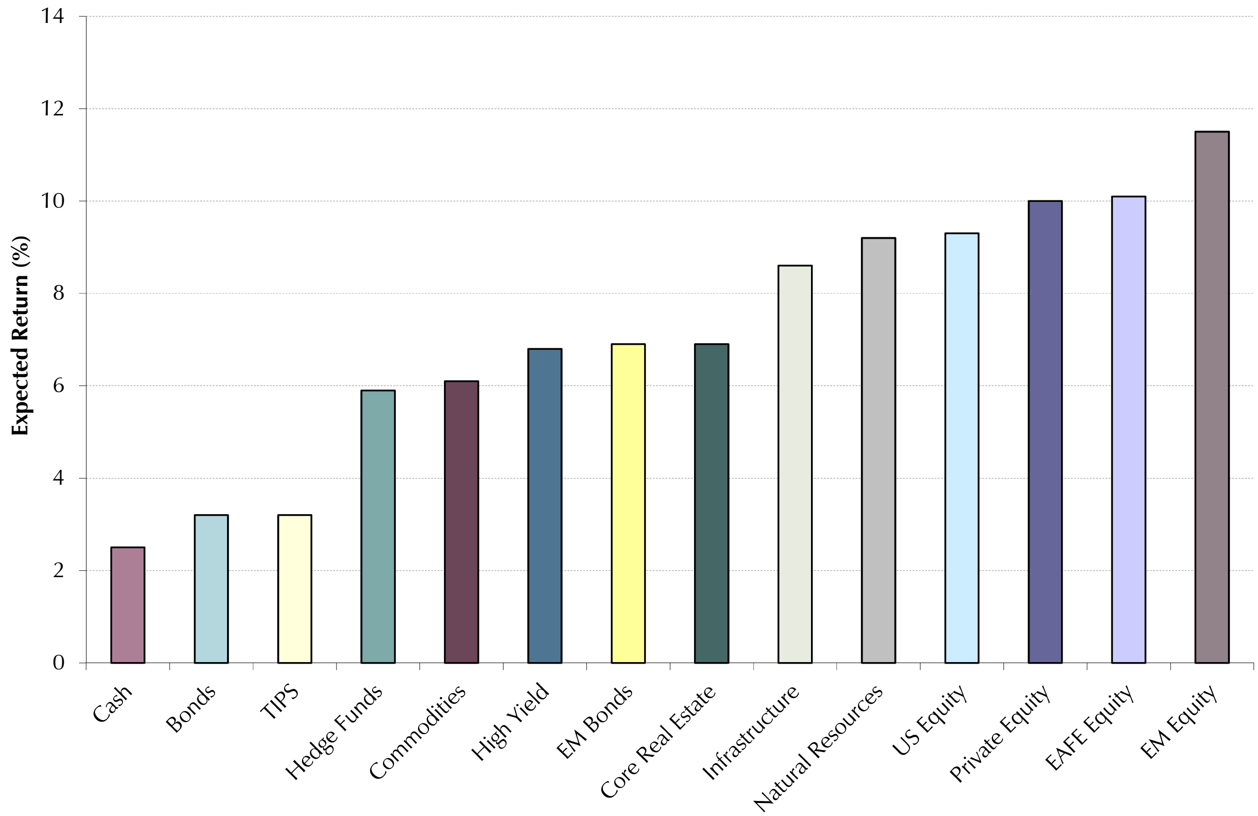
- For the quarter, REIT yield spreads increased 10 basis points to 1.7%, as REIT yields increased slightly and Treasury yields remained virtually unchanged.

[1] Source: NAREIT, U.S. Treasury. REITs are proxied by the yield for the NAREIT Equity index. Data is as of September 30, 2012.

Summary and Conclusions

- Current valuations reflect an environment of unusually high economic risk and uncertainty.
  - Continued uncertainty portends considerable volatility in the capital markets.
- We are currently recommending that clients position their portfolios defensively:
  - Maintain U.S. and EAFE equity exposure near the lower end of allocation ranges.
    - Favor higher quality stocks within the U.S.
    - Reduce or eliminate overweight position in U.S. small cap stocks.
    - Maintain a neutral position on U.S. growth versus value stocks.
  - Allocate the offsetting excess broadly across fixed income markets.
    - This may include TIPS, core bonds, emerging market debt, high yield bonds, and bank loans.
  - Maintain or increase emerging market equities near target.
    - Emerging market equities can be more volatile than U.S. stocks.
    - However, they currently offer lower valuations and more attractive growth prospects.

Long-Term Outlook[1]

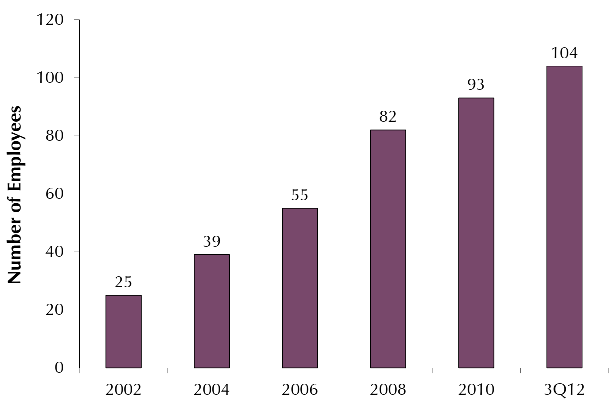


[1] Twenty-year expected returns based upon Meketa Investment Group's 2012 Annual Asset Study.

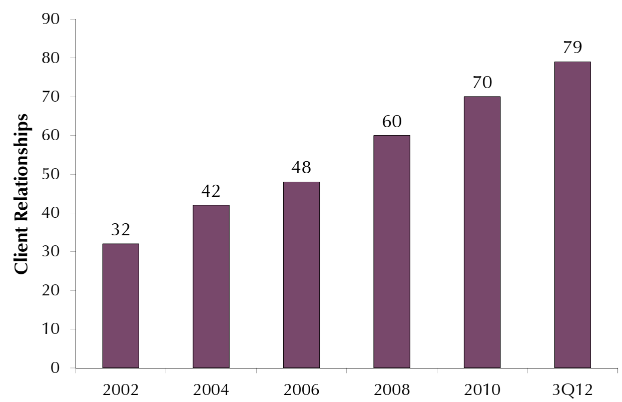
Meketa Investment Group
Corporate Update

- Staff of 104, including 61 investment professionals and 19 CFA charterholders
- 79 clients, with over 160 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Miami, and San Diego
- Clients have aggregate assets of approximately $470 billion
  - Over $20 billion in assets committed to alternative investments
    - Private Equity
    - Infrastructure
    - Natural Resources
    - Real Estate
    - Hedge Funds
    - Commodities

Employee Growth



Client Growth



Meketa Investment Group is proud to work for 3.2 million American families everyday

Asset Classes Followed Intensively by Meketa Investment Group

Domestic Equities	International Equities	Private Equity	Real Assets	Fixed Income	Hedge Funds
- Passive	- Large Cap Developed	- Buyouts	- Public REITs	- Short-Term	- Long/Short Equity
- Enhanced Index	- Small Cap Developed	- Venture Capital	- Core Real Estate	- Core	- Event Driven
- Large Cap	- Emerging Markets	- Private Debt	- Value Added Real Estate	- Core Plus	- Relative Value
- Midcap	- Frontier Markets	- Special Situations	- Opportunistic Real Estate	- TIPS	- Fixed Income Arbitrage
- Small Cap		- Secondaries	- Infrastructure	- High Yield	- Multi Strategy
- Microcap		- Fund of Funds	- Timber	- Bank Loans	- Market Neutral
- 130/30			- Natural Resources	- Distressed	- Global Macro
			- Commodities	- Global	- Fund of Funds
				- Emerging Markets	- Portable Alpha

Disclaimer, Glossary, and Notes

Disclaimer

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Meketa Investment Group has prepared this report on the basis of sources believed to be reliable. The data are based on matters as they are known as of the date of preparation of the report, and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available.

In general, the valuation numbers presented in this report are prepared by the custodian bank for listed securities, and by the fund manager or appropriate General Partner in the case of unlisted securities. The data used in the market comparison sections of this report are sourced from various databases. These data are continuously updated and are subject to change.

This report does not contain all the information necessary to fully evaluate the potential risks of any of the investments described herein. Because of inherent uncertainties involved in the valuations of investments that are not publicly traded, any estimated fair values shown in this report may differ significantly from the values that would have been used had a ready market for the underlying securities existed, and the differences could be material. Note that for unlisted securities the valuations may be lagged by one or more calendar quarters, or may reflect original cost.

This document may contain certain forward-looking statements, forecasts, estimates, projections, and opinions ("Forward Statements"). No representation is made or will be made that any Forward Statements will be achieved or will prove to be correct. A number of factors, in addition to any risk factors stated in this material, could cause actual future results to vary materially from the Forward Statements. No representation is given that the assumptions disclosed in this document upon which Forward Statements may be based are reasonable. There can be no assurance that the investment strategy or objective of any fund or investment will be achieved, or that the Fund will receive a return of the amount invested.

In some cases Meketa Investment Group assists the Trustees in handling capital calls or asset transfers among investment managers. In these cases we do not make any representations as to the managers' use of the funds, but do confirm that the capital called or transferred is within the amounts authorized by the Trustees.

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about is future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a "basis book." For example, a 5% bond pays $5 a year interest on each $100 par value. To figure its current yield, divide $5 by $95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay $100 for the bond that can be bought now for $95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\%\ \text{(discount)}}{5\ \text{(yrs. to maturity)}} = \begin{matrix}1\%\ \text{pro rata, plus}\\ 5.26\%\ \text{(current yield)}\end{matrix} = 6.26\%\ \text{(yield to maturity)}$$

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991.

Notes

The Russell Indices®, TM, SM are trademarks/service marks of the Frank Russell Company.

Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.