# Warehouse Employees Local #730 Pension Fund

## Master Consulting Services Report

## Period Ended
## June 30, 2018

# TABLE OF CONTENTS

# Market Discussion Points 2Q | 2018

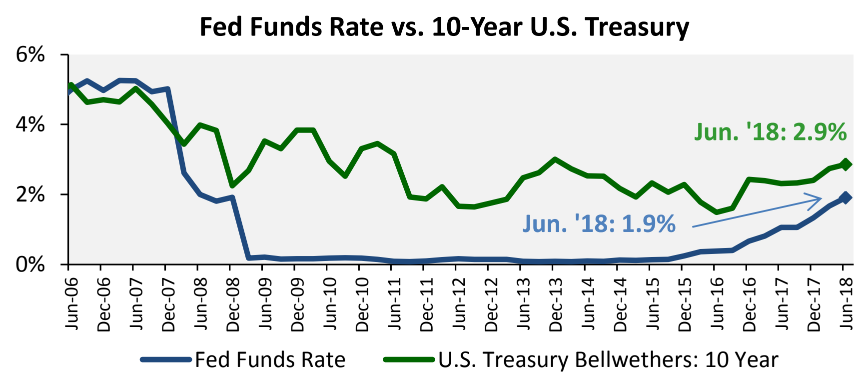
# Financial Market Performance

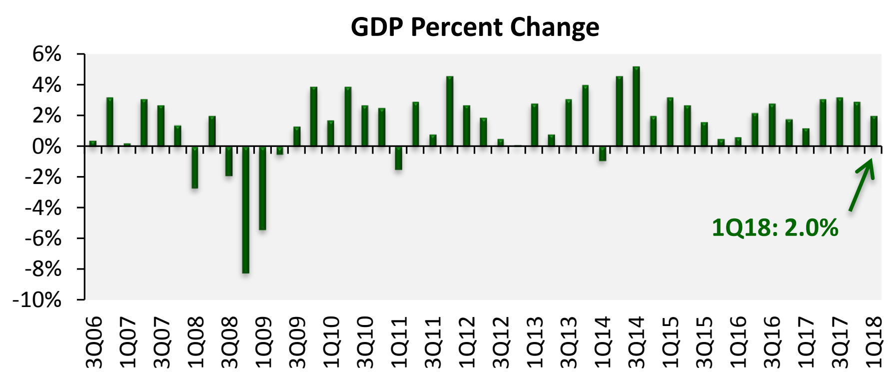
Periods Ending June 30, 2018

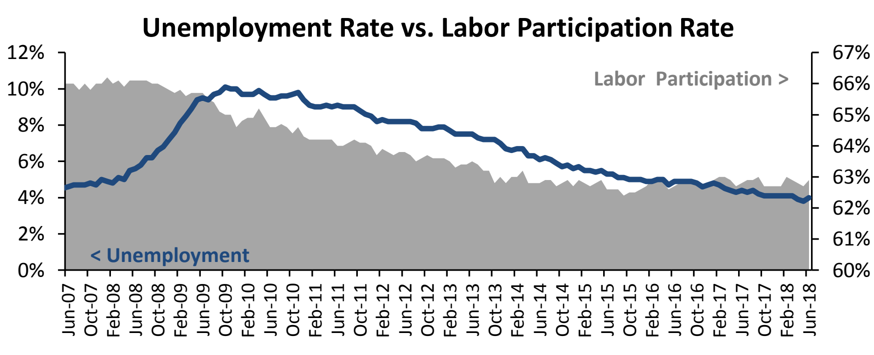
| Strategy | Sector | Index | QTR | YTD | 2017 | 2016 | 2015 | 2014 | 2013 | 1-Yr | 3-Yr | 5-Yr | 10-Yr | 20-Yr |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Stocks | **US Large Cap** | S&P 500 | 3.4 | 2.7 | 21.8 | 12.0 | 1.4 | 13.7 | 32.4 | 14.4 | 11.9 | 13.4 | 10.2 | 6.5 |
| | **US Small Cap** | Russell 2000 | 7.8 | 7.7 | 14.7 | 21.3 | -4.4 | 4.9 | 38.8 | 17.6 | 11.0 | 12.5 | 10.6 | 8.0 |
| | **All Country** | MSCI All Country World (net) | 0.5 | -0.4 | 24.0 | 7.9 | -2.4 | 4.2 | 22.8 | 10.7 | 8.2 | 9.4 | 5.8 | - |
| | **Non-US Developed** | MSCI EAFE (net) | -1.2 | -2.8 | 25.0 | 1.0 | -0.8 | -4.9 | 22.8 | 6.8 | 4.9 | 6.4 | 2.8 | 4.3 |
| | **Emerging Markets** | MSCI EM (net) | -8.0 | -6.7 | 37.3 | 11.2 | -14.9 | -2.2 | -2.6 | 8.2 | 5.6 | 5.0 | 2.3 | - |
| | **Int'l Small Cap** | MSCI EAFE Small Cap (net) | -1.6 | -1.3 | 33.0 | 2.2 | 9.6 | -5.0 | 29.3 | 12.4 | 10.1 | 11.3 | 6.8 | - |
| Bonds | **Treasury** | Bloomberg Barclays US Govt | 0.1 | -1.1 | 2.3 | 1.1 | 0.9 | 4.9 | -2.6 | -0.6 | 1.0 | 1.5 | 2.9 | 4.3 |
| | **Broad Market** | Bloomberg Barclays Aggregate | -0.2 | -1.6 | 3.5 | 2.7 | 0.6 | 6.0 | -2.0 | -0.4 | 1.7 | 2.3 | 3.7 | 4.7 |
| | **Intermediate** | Bloomberg Barclays Gov/Credit Int. | 0.0 | -1.0 | 2.1 | 2.1 | 1.1 | 3.1 | -0.9 | -0.6 | 1.2 | 1.6 | 3.1 | 4.3 |
| | **High Yield** | Bloomberg Barclays HY BaB 2% IC | 0.6 | -0.5 | 6.9 | 14.1 | -2.7 | 3.5 | 6.2 | 1.8 | 4.8 | 5.2 | 7.5 | - |
| | **Short Duration HY** | BofA ML HY Cash Pay BB 1-3 YR | 0.8 | 0.6 | 3.6 | 8.5 | 1.2 | 1.9 | 5.6 | 1.7 | 3.8 | 4.1 | 6.2 | - |
| | **Global Bonds** | Citigroup WGBI | -3.4 | -0.9 | 7.5 | 1.6 | -3.6 | -0.5 | -4.0 | 1.9 | 2.8 | 1.1 | 2.1 | 4.3 |
| GTAA | **Unconstrained** | 65% MSCI World /35% Citi WGBI | -0.1 | 0.0 | 17.0 | 5.6 | -1.6 | 3.0 | 15.3 | 7.9 | 6.6 | 6.9 | 5.2 | 5.3 |
| Real Estate | **Core** | NCREIF ODCE Equal Weighted | 2.1 | 4.3 | 7.7 | 9.3 | 15.2 | 12.4 | 13.3 | 8.5 | 9.6 | 11.1 | 5.1 | 8.4 |
| Hedge Fund of Funds | **Diversified FOFs** | HFRI HFOF Composite | 0.8 | 1.0 | 7.8 | 0.5 | -0.3 | 3.4 | 9.0 | 5.5 | 2.1 | 3.5 | 1.4 | 4.0 |
| | **Equity Long-Short** | HFRI Equity Hedge | 0.9 | 1.2 | 13.3 | 5.5 | -1.0 | 1.8 | 14.3 | 8.2 | 4.9 | 5.8 | 3.7 | 7.1 |
| Commodities | **Commodities** | Goldman Sachs Commodity | 8.0 | 10.4 | 5.8 | 11.4 | -32.9 | -33.1 | -1.2 | 30.0 | -4.4 | -9.4 | -12.4 | 0.6 |

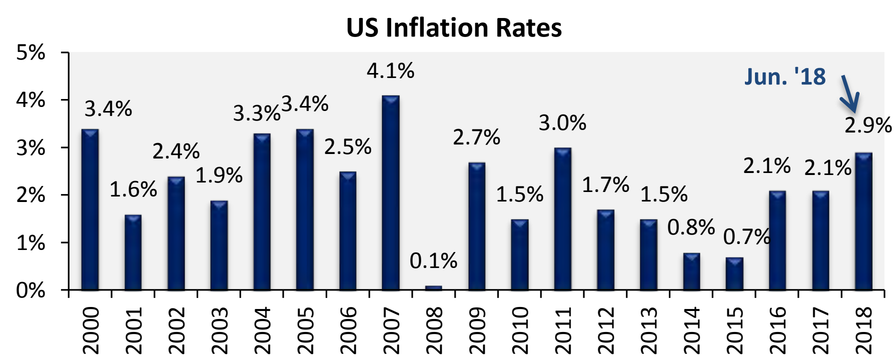
# U.S. Economy

The U.S. economy continues to enjoy steady growth, with consumer confidence indicators hovering at historical highs. Employment and job creation remains strong despite the unemployment rate creeping up to 4.0% from 3.8%. Hourly wage growth rose to 2.7% over the last 12 months. Consumer spending lagged a bit in the 1st quarter of 2018, but rebounded in the 2nd quarter. Housing starts and permits continue to trend stronger, despite slightly higher mortgage rates. GDP for the 2nd quarter is estimated to be 2.9% and the Federal Reserve Banks are forecasting between 3.1% and 4.0% GDP growth for the second half of the year. CPI inflation is estimated to be 2.4% for the 2nd quarter. The business sector of the U.S. economy is also experiencing solid growth, with profits forecasted to be up an annualized 20% in the 2nd quarter of 2018 following a 23.2% annualized growth rate in the 1st quarter. Healthy corporate earnings growth has been bolstered, in great part, by the recent tax cuts. 2019 should see a reversion to a lower, but still healthy rate of growth. As of the end of March, 79% of company's earnings reports exceeded expectations. Sales revenues are estimated to be growing at 6.4% on an annualized basis. A modest detractor from GDP growth is the price of oil, as crude prices increased to about $70 per barrel at the end of the second quarter. A 10% increase in oil prices detracts about 0.2% from GDP growth. The growing worry about protective tariffs and a global trade war has not had any measurable impact on economic indicators yet, but investors are concerned.



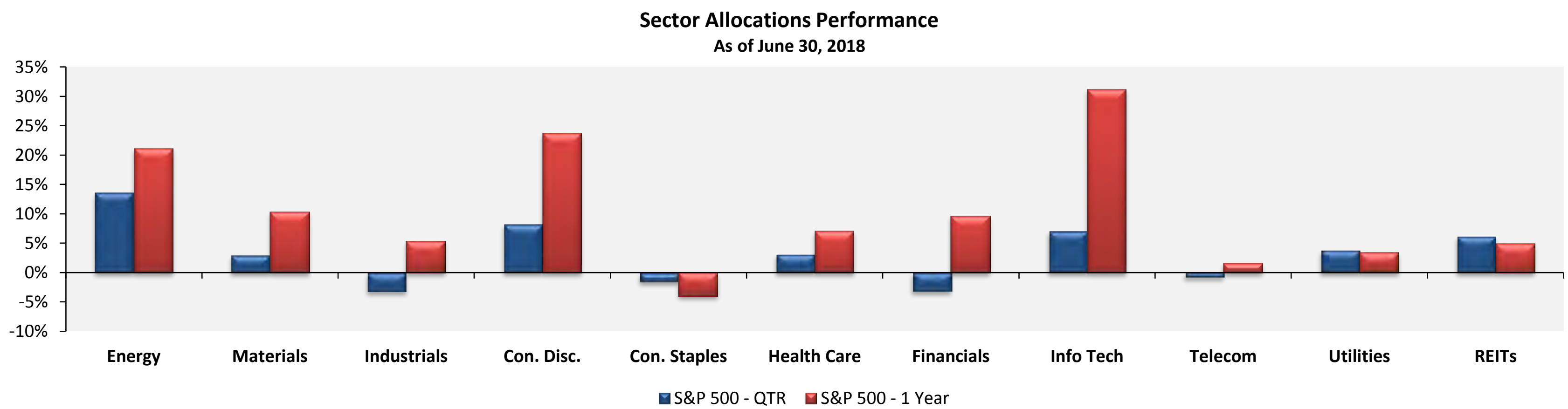




**Source:** Top Left - The Federal Reserve; Top Right - Bureau of Economics, U.S. Department of Commerce; Bottom Left and Right: Bureau of Labor Statistics

# U.S. Equity Market

Stock market volatility, which spiked in the first quarter of the year, moderated significantly in the second quarter. Nonetheless, equity volatility has been significantly higher thus far in 2018 compared to the historically low levels reached in 2017. The S&P 500 had 36 trading days in the first half of this year with a 1% (up or down) move; there were only eight such days in all of 2017. Stock market valuations, as measured by the price/earnings ratio, do not appear to be overvalued. At the end of 2017, the P/E ratio of the S&P 500 Index was slightly rich at about 18x, compared to the long-term average P/E of 16x. The market volatility in the 1st quarter of 2018 lowered the S&P 500's P/E ratio to about 16.4x. During the 2nd quarter, with the combination of significant increases in corporate earnings (the "E" in the P/E ratio) and a 3.4% increase in prices, the P/E ratio hovered at about 17x as of June 30, 2018. This would suggest that the US stock market is not overvalued and continued earnings growth can drive stock prices higher with the need for market P/E multiple expansion. Strong consumer demand and increased corporate capital expenditures also support this thesis. The S&P 500 index was up 3.4% during the 2nd quarter and is up 2.7% for the first six months of 2018. The growth vs. value style of investing continues to matter as the Russell 1000 Growth Index was up 5.8% in Q2 and 7.3% year to date. In comparison, the Russell 1000 Value Index was up only 1.2% in Q2 and is down 1.7% year to date. Just as we saw in 2015, growth indices are being driven by a few stocks (notably the "FAANG" stocks – Facebook, Apple, Amazon, Netflix and Google, as well as Microsoft), which are responsible for much of the S&P 500's YTD return. Without the FAANGs, the rest of the stocks in the S&P 500 have actually detracted from the index's YTD return. Small cap stocks, which generally are less sensitive to exports and tariffs, rallied significantly, as the Russell 2000 rose 7.8% during Q2, bringing the index into positive territory YTD.

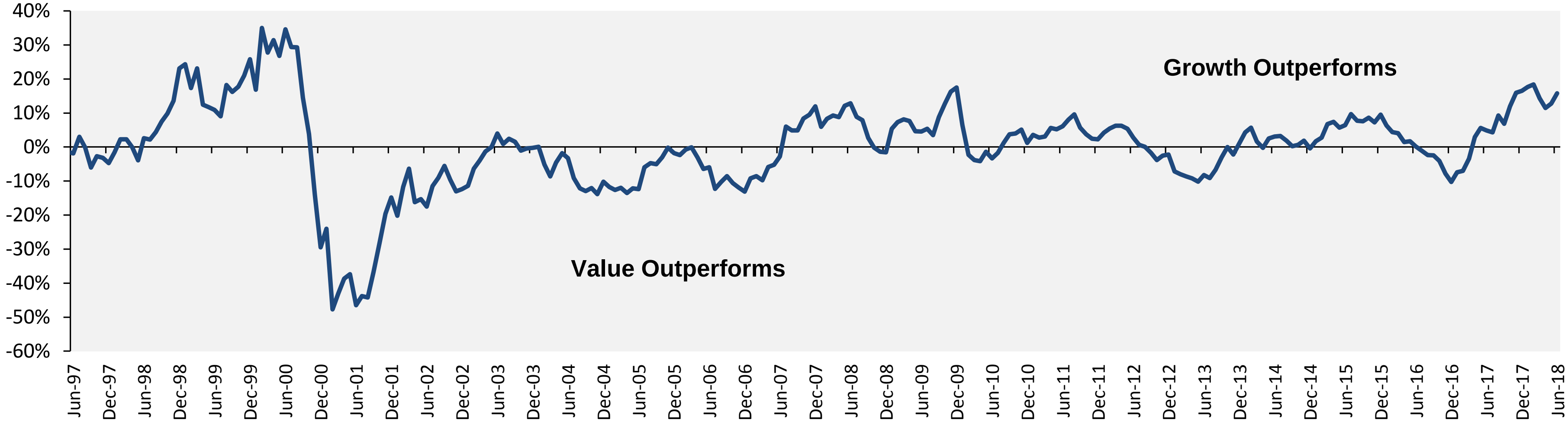
| Sector | Index | 2Q 18 | YTD | 2017 | 2016 | 2015 | 2014 | 2013 | 1-Year | 3-Year | 5-Year | 10-Year |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Large Cap** | S&P 500 | 3.4 | 2.7 | 21.8 | 12.0 | 1.4 | 13.7 | 32.4 | 14.4 | 11.9 | 13.4 | 10.2 |
| | Russell 1000 | 3.6 | 2.9 | 21.7 | 12.1 | 0.9 | 13.3 | 33.1 | 14.5 | 11.6 | 13.4 | 10.2 |
| | Russell 1000 Value | 1.2 | -1.7 | 13.7 | 17.3 | -3.8 | 13.5 | 32.5 | 6.8 | 8.3 | 10.4 | 8.5 |
| | Russell 1000 Growth | 5.8 | 7.3 | 30.2 | 7.1 | 5.7 | 13.1 | 33.5 | 22.5 | 15.0 | 16.4 | 11.8 |
| **Mid Cap** | Russell Mid-Cap | 2.8 | 2.4 | 18.5 | 13.8 | -2.4 | 13.2 | 34.8 | 12.3 | 9.6 | 12.2 | 10.2 |
| | Russell Mid-Cap Value | 2.4 | -0.2 | 13.3 | 20.0 | -4.8 | 14.7 | 33.5 | 7.6 | 8.8 | 11.3 | 10.1 |
| | Russell Mid-Cap Growth | 3.2 | 5.4 | 25.3 | 7.3 | -0.2 | 11.9 | 35.8 | 18.5 | 10.7 | 13.4 | 10.5 |
| **Small Cap** | Russell 2000 | 7.8 | 7.7 | 14.7 | 21.3 | -4.4 | 4.9 | 38.8 | 17.6 | 11.0 | 12.5 | 10.6 |
| | Russell 2000 Value | 8.3 | 5.4 | 7.8 | 31.7 | -7.5 | 4.2 | 34.5 | 13.1 | 11.2 | 11.2 | 9.9 |
| | Russell 2000 Growth | 7.2 | 9.7 | 22.2 | 11.3 | -1.4 | 5.6 | 43.3 | 21.9 | 10.6 | 13.7 | 11.2 |
| **Total Market** | Wilshire 5000 | 3.8 | 3.0 | 21.0 | 13.4 | 0.7 | 12.7 | 33.1 | 14.7 | 11.9 | 13.4 | 10.2 |
| | Russell 3000 | 3.9 | 3.2 | 21.1 | 12.7 | 0.5 | 12.6 | 33.6 | 14.8 | 11.6 | 13.3 | 10.2 |



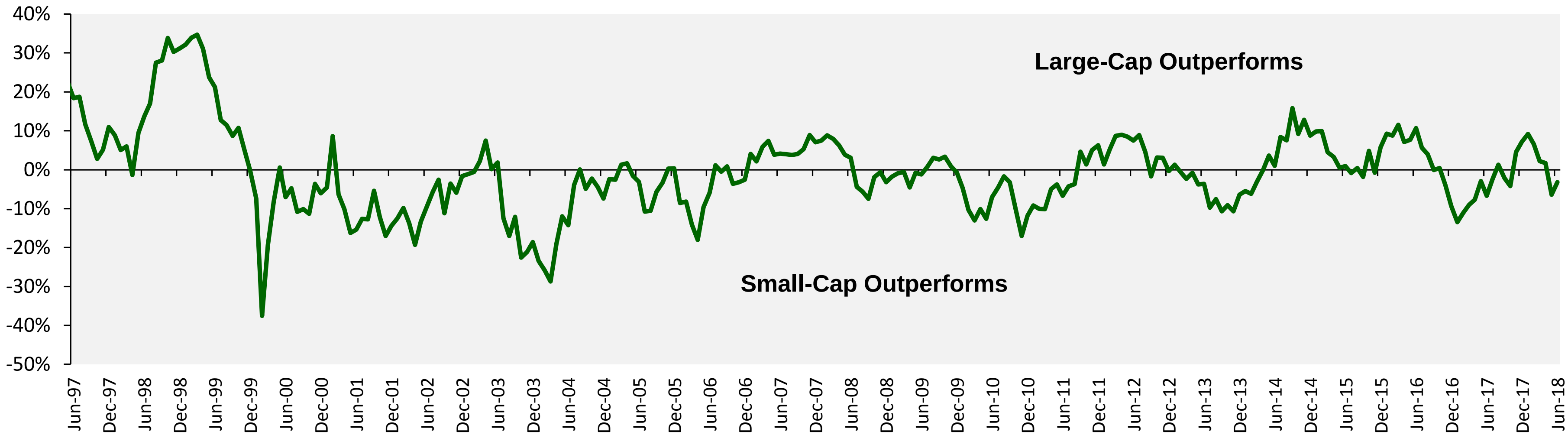

*S&P 500 (GICS Real Estate) Index performance began August 2016.

# U.S. Equity Market

**Russell 1000 Growth vs. Russell 1000 Value**
**Rolling One-Year Returns**




**S&P 500 vs. Russell 2000**
**Rolling One-Year Returns**



# U.S. Equity Market

**Exhibit 3: 10 stocks have contributed more than 100% of S&P 500's YTD return**

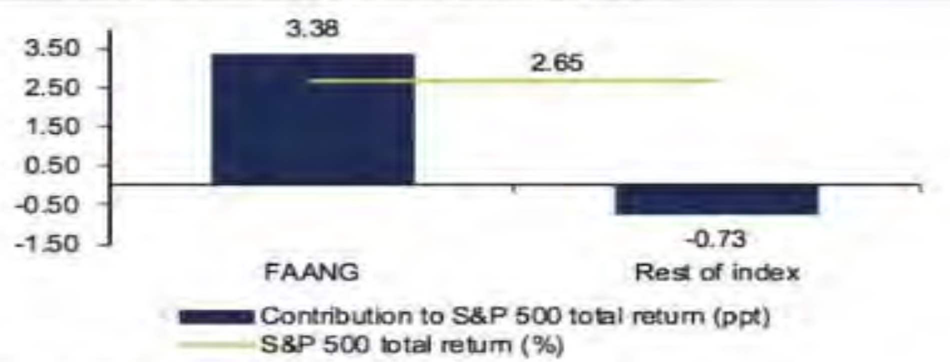
as of June 28, 2018

| Ticker | Company | Cons. 2019E sales growth | Total return | Mkt cap weight | % of SPX Return |
|---|---|---|---|---|---|
| AMZN | Amazon.com Inc. | 23 % | 45 % | 2.1 % | **36 %** |
| MSFT | Microsoft Corp. | 10 | 16 | 2.9 | **18** |
| AAPL | Apple Inc. | 4 | 10 | 3.8 | **15** |
| NFLX | Netflix Inc. | 24 | 106 | 0.4 | **15** |
| FB | Facebook Inc. | 27 | 11 | 1.9 | **8** |
| GOOGL | Alphabet Inc. | 18 | 7 | 2.8 | **7** |
| MA | Mastercard Inc. | 12 | 31 | 0.6 | **7** |
| V | Visa Inc. | 11 | 17 | 0.9 | **6** |
| ADBE | Adobe Systems Inc. | 19 | 37 | 0.4 | **5** |
| NVDA | NVIDIA Corp. | 14 | 25 | 0.5 | **5** |
| **Top 10 contributors** | | **16 %** | **20 %** | **16 %** | **122 %** |
| **S&P 500** | | **5** | **3** | **100** | **100** |

Source: FactSet, Goldman Sachs Global Investment Research

**Chart 5: Excluding FAANG stocks, index returns would have been negative**

FAANG stocks' contribution to the S&P 500 1H18 total return



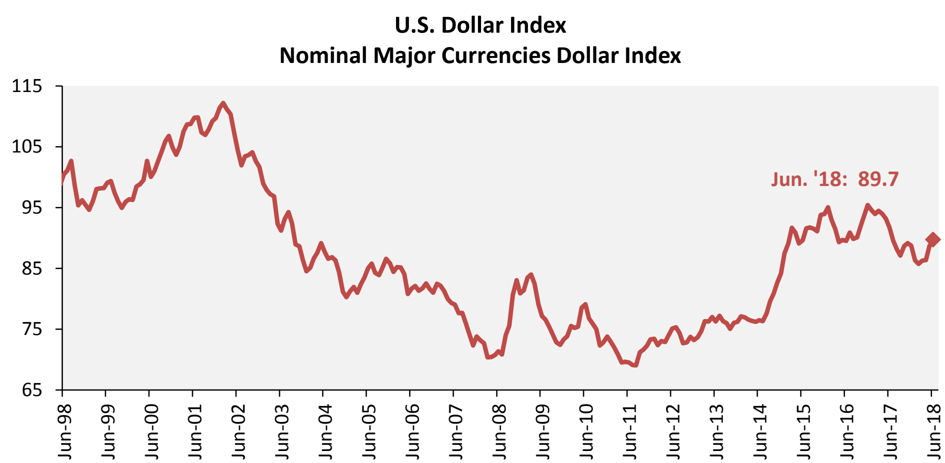

Note: FAANG = FB, AAPL, AMZN, NFLX, GOOG/GOOGL

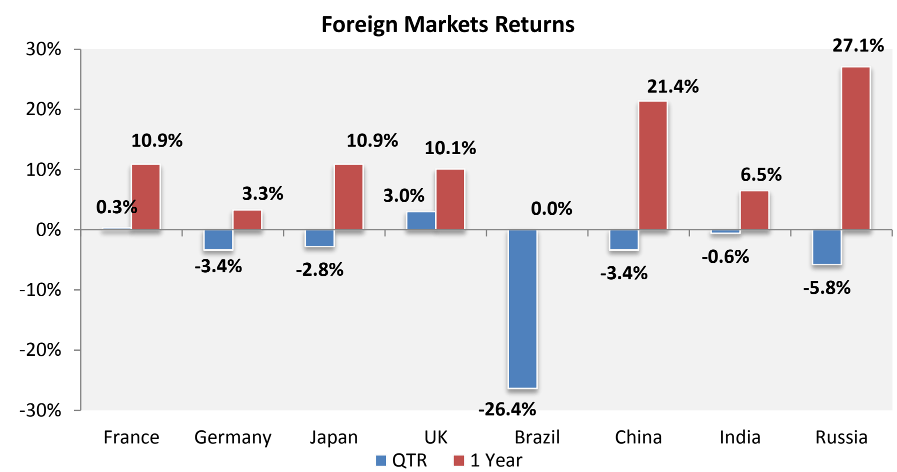
Source: S&P, BofA Merrill Lynch US Equity & US Quant Strategy

# International Equity Market

The U.S. imposition of tariffs on steel, aluminum and the fear of a global trade war dampened global investors' appetite for equities outside the U.S. in Q2. Europe also is contending with the uncertainty regarding multiple events, including the Italian banking crisis, the UK's "Brexit" strategy, immigration, and a slow economic recovery. The MSCI EAFE Index was down 1.2% in Q2 bringing its YTD return down to -2.75%. Many small cap companies outside the US conduct operations primarily in their own domestic markets and may be less export-sensitive, thereby making many of them less sensitive to trade issues. International small cap indices fared a bit better than their large-cap counterparts during the quarter, with the MSCI ex US Small Cap Index down 0.9% in Q2 and down 1.4% year to date. Emerging markets struggled with a strong US Dollar and sold off significantly during the quarter, with the MSCI Emerging Markets index declining 8%.

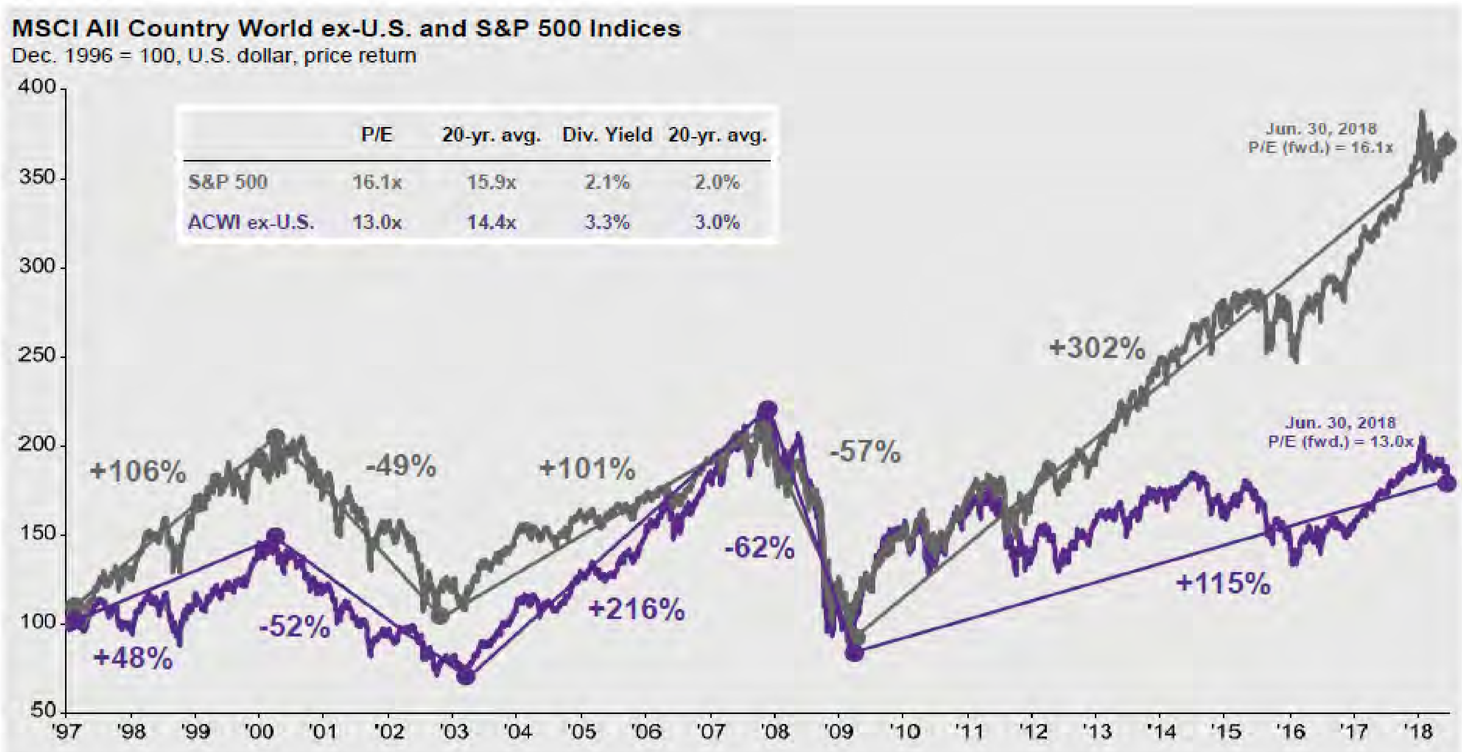
| Sector | Index | 2Q 18 | YTD | 2017 | 2016 | 2015 | 2014 | 2013 | 1-Year | 3-Year | 5-Year | 10-Year |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Global** | MSCI AC World Index (net) | 0.5 | -0.4 | 24.0 | 7.9 | -2.4 | 4.2 | 22.8 | 10.7 | 8.2 | 9.4 | 5.8 |
| | MSCI World Small Cap (net) | 1.9 | 1.5 | 23.8 | 11.6 | -1.0 | 1.8 | 28.7 | 13.8 | 9.3 | 10.8 | 8.5 |
| | MSCI World ex US (net) | -0.9 | -3.8 | 27.2 | 4.5 | -5.7 | -3.9 | 15.3 | 7.3 | 5.1 | 6.0 | 2.5 |
| | MSCI World ex US Small Cap (net) | -2.6 | -1.4 | 31.6 | 3.9 | 2.6 | -4.0 | 19.7 | 10.6 | 7.9 | 9.0 | 5.8 |
| **Developed ex US** | MSCI EAFE (net) | -1.2 | -2.8 | 25.0 | 1.0 | -0.8 | -4.9 | 22.8 | 6.8 | 4.9 | 6.4 | 2.8 |
| | MSCI EAFE Value (net) | -2.6 | -4.6 | 21.4 | 5.0 | -5.7 | -5.4 | 23.0 | 4.3 | 3.3 | 5.4 | 2.2 |
| | MSCI EAFE Growth (net) | 0.1 | -0.9 | 28.9 | -3.0 | 4.1 | -4.4 | 22.6 | 9.4 | 6.4 | 7.4 | 3.5 |
| | MSCI EAFE Small Cap (net) | -1.6 | -1.3 | 33.0 | 2.2 | 9.6 | -5.0 | 29.3 | 12.4 | 10.1 | 11.3 | 6.8 |
| **Emerging Markets** | MSCI Emerging Markets (net) | -8.0 | -6.7 | 37.3 | 11.2 | -14.9 | -2.2 | -2.6 | 8.2 | 5.6 | 5.0 | 2.3 |

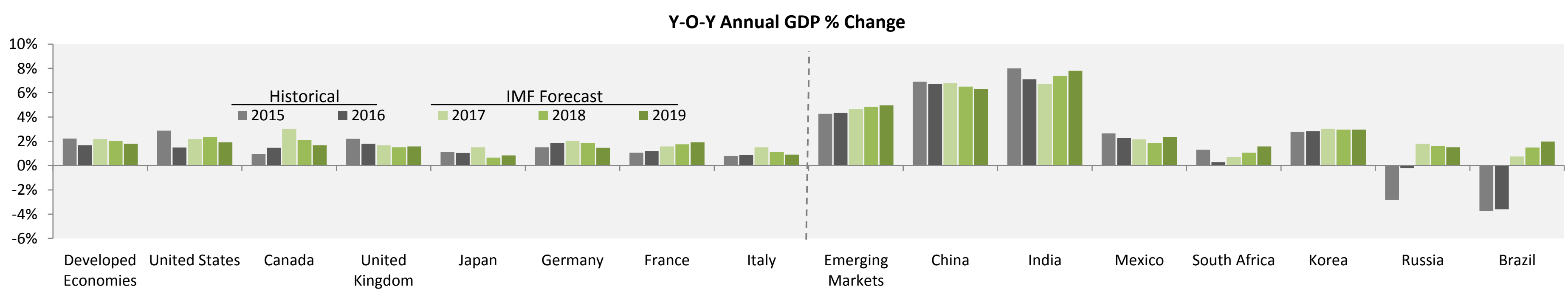



**Left chart:** The major currencies index is a weighted average of the foreign exchange values of the U.S. dollar against a subset of currencies in the broad index that circulate widely outside the country of issue. The weights are derived from those in the broad index. Source: The Federal Reserve. **Right chart:** Data as of June 30, 2018.

# International Equity Market



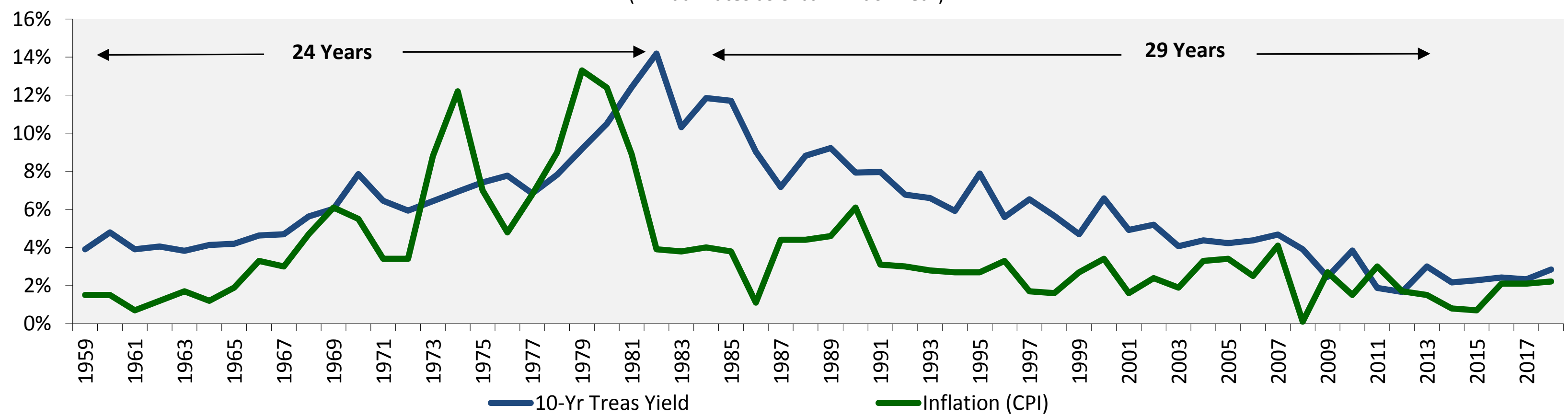

**Top chart:** Source - MSCI, Standard & Poor's, FactSet, J.P. Morgan Asset Management. **Bottom chart:** Annual percentages of constant price GDP are year-on-year changes; the base year is country-specific. Source: International Monetary Fund, World Economic Outlook Database, October 2017.

# U.S. Bond Market

Rising rates both by actions of the Federal Reserve in short-term rates and by market forces in the longer part of the yield curve created a stiff headwind for bonds. The yield curve moved up broadly with two-year maturities moving up 0.64% year-to-date to 2.52%, five-year maturities up 0.52% to 2.73% and 10-year maturities up 0.44% to 2.85%. The 10-year briefly moved above 3.0% during the quarter. Longer duration benchmarks are all negative year-to-date, but short duration high yield fared better. The spread between US Treasuries and investment grade corporate bonds also widened by about 0.14% during the quarter to +1.23%. The Bloomberg Barclays U.S. Intermediate Gov't/Credit index was flat in the 2nd quarter at 0.01%, but is down 0.97% year-to-date. The US Aggregate Index was down 0.16% in the 2nd quarter and is down 1.62% year-to-date. U.S. High Yield Corporate bonds fared much better due to higher coupons and were up 1.03% in the 2nd quarter and are up 0.16% year-to-date.

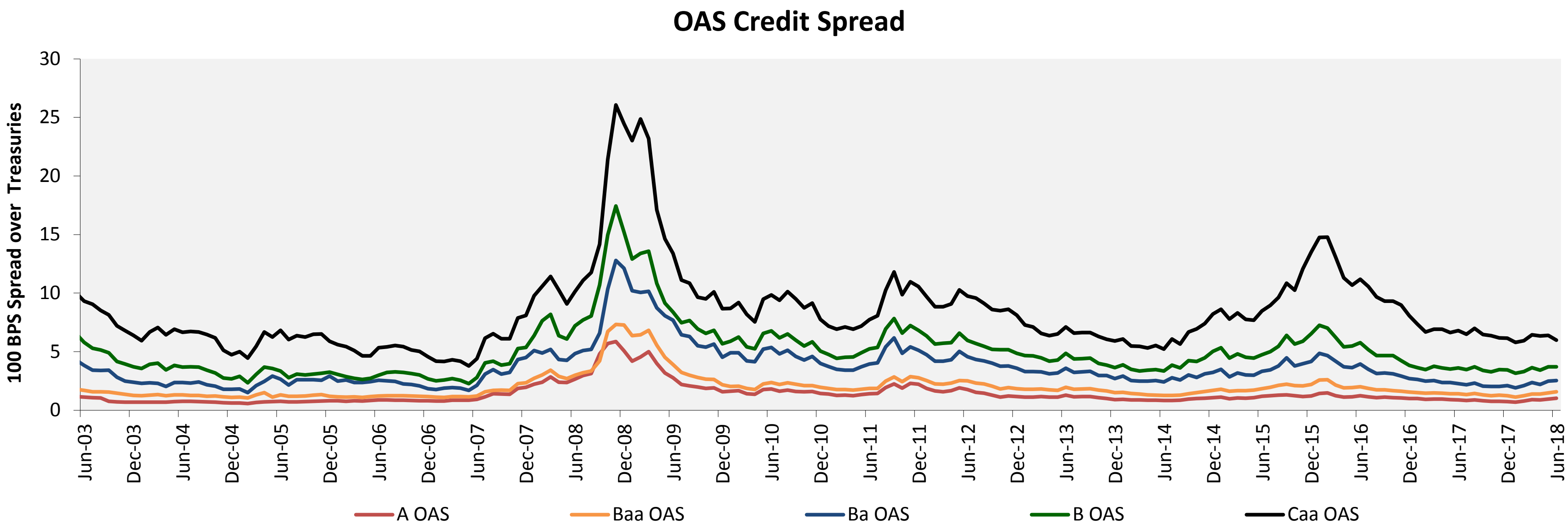
| Index | Yield | Duration | 2Q 18 | YTD | 2017 | 2016 | 2015 | 2014 | 2013 | 1-Year | 3-Year | 5-Year | 10-Year |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Bloomberg Barclays Aggregate | 3.29 | 6.3 | -0.2 | -1.6 | 3.5 | 2.7 | 0.6 | 6.0 | -2.0 | -0.4 | 1.7 | 2.3 | 3.7 |
| Bloomberg Barclays Govt/Credit | 3.24 | 6.5 | -0.3 | -1.9 | 4.0 | 3.1 | 0.2 | 6.0 | -2.4 | -0.6 | 1.8 | 2.3 | 3.8 |
| Bloomberg Barclays Int Agg | 3.16 | 4.7 | 0.1 | -1.0 | 2.3 | 2.0 | 1.2 | 4.1 | -1.0 | -0.3 | 1.3 | 1.8 | 3.3 |
| Bloomberg Barclays Int Govt/Credit | 3.02 | 4.0 | 0.0 | -1.0 | 2.1 | 2.1 | 1.1 | 3.1 | -0.9 | -0.6 | 1.2 | 1.6 | 3.1 |
| Bloomberg Barclays HY Ba/B 2% IC | 5.99 | 4.4 | 0.6 | -0.5 | 6.9 | 14.1 | -2.7 | 3.5 | 6.2 | 1.8 | 4.8 | 5.2 | 7.5 |
| BofA ML HY Cash Pay BB 1-3 Yr. | 4.35 | 1.7 | 0.8 | 0.6 | 3.6 | 8.5 | 1.2 | 1.9 | 5.6 | 1.7 | 3.8 | 4.1 | 6.2 |
| Bloomberg Barclays Mortgage | 3.41 | 6.0 | 0.2 | -1.0 | 2.5 | 1.7 | 1.5 | 6.1 | -1.4 | 0.2 | 1.5 | 2.3 | 3.5 |
| Bloomberg Barclays Treasury | 2.71 | 6.1 | 0.1 | -1.1 | 2.3 | 1.0 | 0.8 | 5.1 | -2.8 | -0.7 | 1.0 | 1.5 | 3.0 |
| Bloomberg Barclays US TIPS | 2.95 | 7.8 | 0.8 | 0.0 | 3.0 | 4.7 | -1.4 | 3.6 | -8.6 | 2.1 | 1.9 | 1.7 | 3.0 |
| BofA ML 91 day T-Bills | 1.78 | 0.2 | 0.5 | 0.8 | 0.9 | 0.3 | 0.1 | 0.0 | 0.1 | 1.4 | 0.7 | 0.4 | 0.4 |

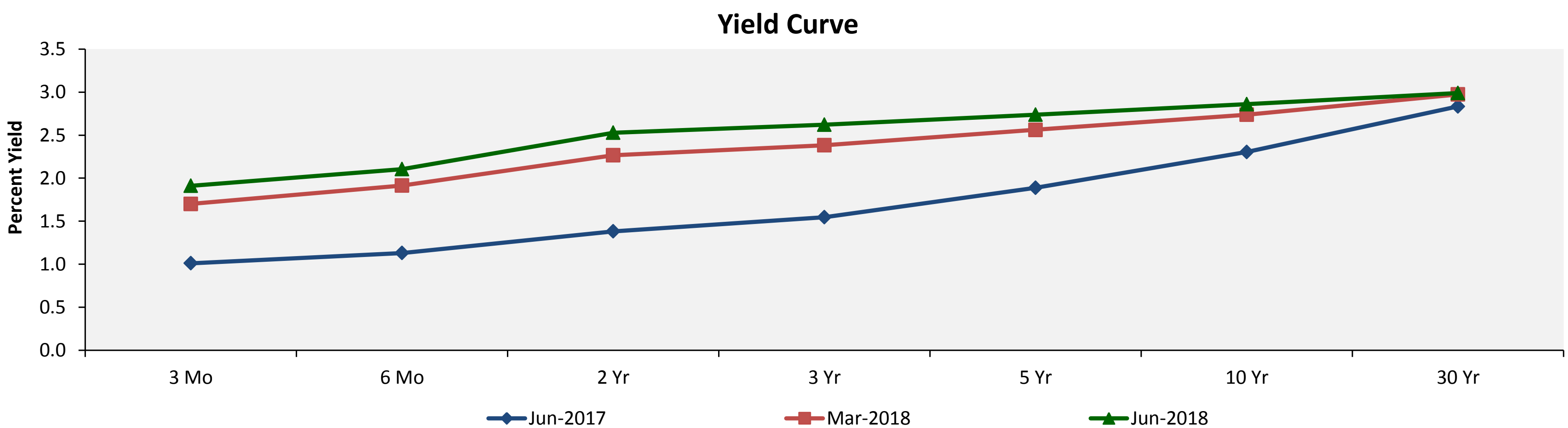
**The Last Full Interest Rate Cycle 1958 - 2011**
**10-Yr Treasury Rate vs. Inflation (CPI)**
(Annual Rates as of Jan 1 Each Year)




**Source:** Bloomberg Barclays

# Bond Market




**Source:** Bloomberg Barclays

# Interest Rate Sensitivity

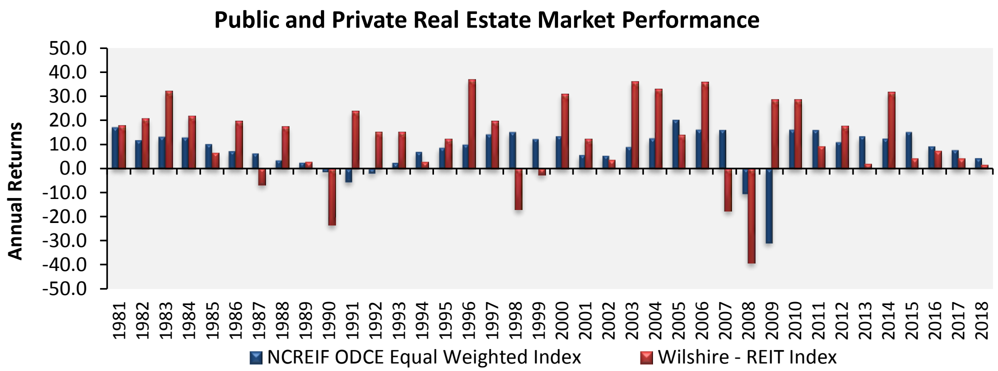
| 12 Month Holding Period - Annualized Returns as of 6/30/2018 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Yield Change (bps) | 10 Year Treasury | Bloomberg Barclays Aggregate US Aggregate | Bloomberg Barclays Int Govt/Credit US Int Govt/Credit | ML Gov/Corp Master | ML 1-3 yr Gov/Corp | Defensive ML US HY BB/B ND | Short Duration ML US HY BB/B 1-3 yr |
| -150 | 15.62 | 12.77 | 9.01 | 12.92 | 5.58 | 12.44 | 7.48 |
| -100 | 11.36 | 9.61 | 7.01 | 9.70 | 4.63 | 10.27 | 6.64 |
| -50 | 7.11 | 6.45 | 5.02 | 6.49 | 3.69 | 8.11 | 5.81 |
| -25 | 4.98 | 4.87 | 4.02 | 4.88 | 3.21 | 7.02 | 5.39 |
| 0 | 2.85 | 3.29 | 3.02 | 3.27 | 2.74 | 5.94 | 4.97 |
| 25 | 0.72 | 1.71 | 2.02 | 1.66 | 2.27 | 4.86 | 4.55 |
| 50 | -1.41 | 0.13 | 1.03 | 0.06 | 1.80 | 3.78 | 4.14 |
| 100 | -5.66 | -3.03 | -0.97 | -3.16 | 0.85 | 1.61 | 3.30 |
| 150 | -9.92 | -6.19 | -2.97 | -6.38 | -0.09 | -0.56 | 2.47 |
| 200 | -14.17 | -9.35 | -4.96 | -9.59 | -1.04 | -2.72 | 1.63 |
| 250 | -18.43 | -12.51 | -6.96 | -12.81 | -1.99 | -4.89 | 0.80 |
| 300 | -22.68 | -15.67 | -8.95 | -16.02 | -2.93 | -7.05 | -0.04 |
| 350 | -26.94 | -18.83 | -10.95 | -19.24 | -3.88 | -9.22 | -0.88 |
| 400 | -31.19 | -21.99 | -12.94 | -22.45 | -4.82 | -11.38 | -1.71 |
| 450 | -35.45 | -25.15 | -14.94 | -25.67 | -5.77 | -13.55 | -2.55 |
| 500 | -39.70 | -28.31 | -16.93 | -28.88 | -6.71 | -15.71 | -3.38 |
| Duration | 8.51 | 6.32 | 3.99 | 6.43 | 1.89 | 4.33 | 1.67 |

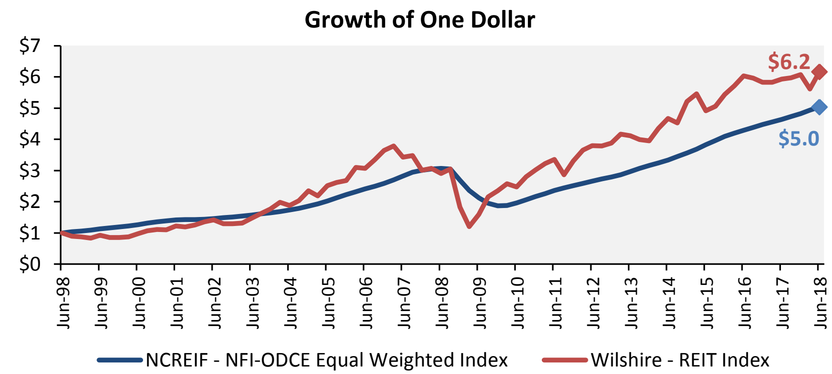
**FOR ILLUSTRATIVE PURPOSES ONLY:** For each index the current yield to worst as of 6/30/2018 was used as the base case annualized return. The annualized return sensitivity to a uniform increase or decrease in the yield curve was calculated by taking the index's Macaulay's (Modified) Duration to Worst as of 6/30/2018 multiplied by the percentage point change in the yield curve (basis point change divided by 100) and then appropriately adding or subtracting this implied percentage change in the value of the index (due to the shift in the yield curve) to the base case annualized return. This is a rough approximation of the annual return sensitivity to parallel shifts in the yield curve. **SOURCE:** PENN Capital Internal Research.

# Real Estate Market

Real estate, as an asset class, recovered strongly since 2009 and achieved new highs in market value since before the crisis. Coupled with attractive income, total returns from income have been very strong, both absolutely and in comparison to other asset classes. However, one of the major components of return from this cycle, cap rate compression, has probably run its course. While cap rates could go modestly lower, real estate returns will now depend on income for the majority of total return. Income returns of approximately 5% and appreciation of 1-3%, indicate an expected total return of 6-8% for the longer term. The income return of 5% is relatively attractive when compared against other asset classes. Unless interest rates rise substantially, the income component of real estate will continue to be appealing to investors, especially foreign investors, and keep valuations at high levels. PREA forecast returns show moderation from that of recent years but are still desirable.

| Sector | Index | 2Q 18 | YTD | 2017 | 2016 | 2015 | 2014 | 2013 | 1-Year | 3-Year | 5-Year | 10-Year |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **US Private** | NCREIF ODCE Equal Weighted | 2.1 | 4.3 | 7.7 | 9.3 | 15.2 | 12.4 | 13.3 | 8.5 | 9.6 | 11.1 | 5.1 |
| **US Public** | Wilshire REIT | 9.7 | 1.5 | 4.2 | 7.2 | 4.2 | 31.8 | 1.9 | 3.9 | 7.8 | 8.4 | 7.8 |




| | Total return (incl. income) 2018 | Total return (incl. income) 2019 | Total return (incl. income) 2020 | Total return (incl. income) 2018 to 2022 (per year) |
|---|---|---|---|---|
| **National, All Property Types (NPI)** | 6.2 | 5.0 | 4.4 | 5.2 |
| **Office** | 5.8 | 4.3 | 3.3 | 4.5 |
| **Retail** | 4.6 | 4.2 | 3.8 | 4.5 |
| **Industrial** | 9.5 | 6.6 | 5.4 | 6.6 |
| **Apartment** | 5.8 | 4.9 | 4.4 | 5.2 |

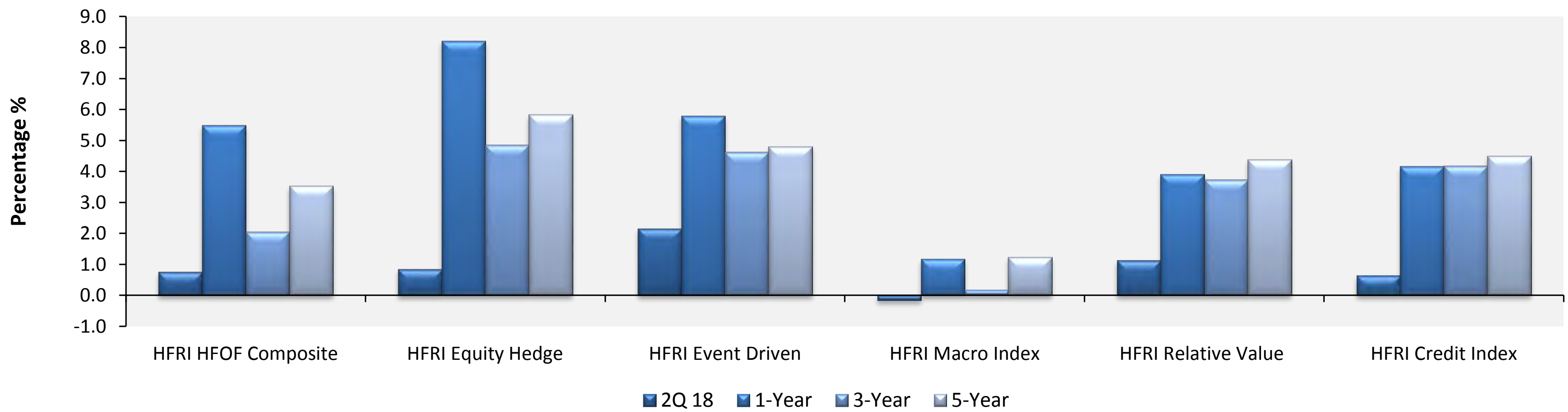
**Bottom chart:** Average of respondents' forecasts of the NCREIF Property Index (NPI) and sub-indices by property type. **Source:** Pension Real Estate Association Consensus Forecast Survey of the NCREIF Property Index Q2 2018.

# Hedge Fund of Funds Market

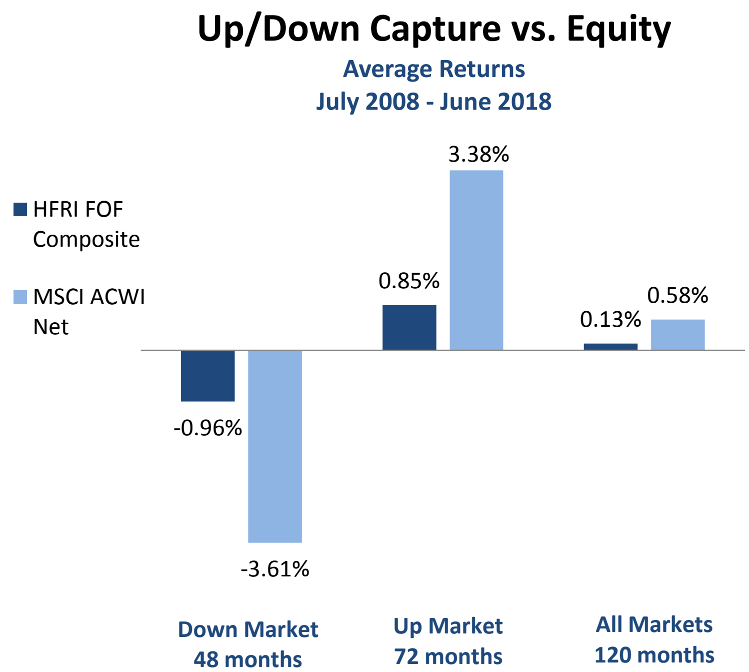
During the second quarter and first half of 2018, hedge fund strategies were broadly positive, though somewhat lackluster. The HFRI Fund of Funds Composite has risen 1% YTD through June, providing a diversification benefit to investment grade fixed income portfolios, which are broadly negative this year. Event driven strategies were the best performer in Q2 and the first half of 2018, driven by record-high global M&A activity. Gains were broad based among activist, merger arbitrage and distressed sub-strategies. Q2 saw a slowdown in market volatility following a spike in February, and US equity markets churned higher while their counterparts abroad were broadly negative. This led to mixed results for long/short equity strategies, which remain positive (+1.2%) YTD through June. Global macro is the lone negatively-performing strategy YTD shown in the table below. Macro strategies vary widely by manager, but generally the strategy has been hurt by macro uncertainties from the developing trade wars and broadly declining commodity prices (ex-energy) this year.

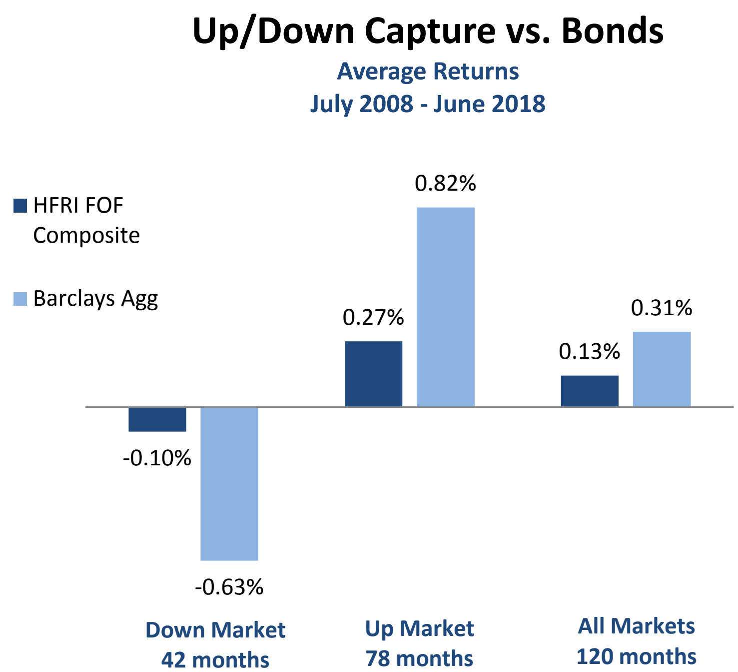
| Strategy | Index | 2Q 18 | YTD | 2017 | 2016 | 2015 | 2014 | 2013 | 1-Year | 3-Year | 5-Year | 10-Year |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Fund of Funds** | HFRI HFOF Composite | 0.8 | 1.0 | 7.8 | 0.5 | -0.3 | 3.4 | 9.0 | 5.5 | 2.1 | 3.5 | 1.4 |
| **Equity Long-Short** | HFRI Equity Hedge | 0.9 | 1.2 | 13.3 | 5.5 | -1.0 | 1.8 | 14.3 | 8.2 | 4.9 | 5.8 | 3.7 |
| **Event Driven** | HFRI Event Driven | 2.2 | 2.3 | 7.6 | 10.6 | -3.6 | 1.1 | 12.5 | 5.8 | 4.6 | 4.8 | 4.7 |
| **Global Macro** | HFRI Macro Index | -0.2 | -1.8 | 2.2 | 1.0 | -1.3 | 5.6 | -0.4 | 1.2 | 0.2 | 1.2 | 1.1 |
| **Relative Value** | HFRI Relative Value | 1.1 | 1.5 | 5.1 | 7.7 | -0.3 | 4.0 | 7.1 | 3.9 | 3.7 | 4.4 | 5.1 |
| **Credit** | HFRI Credit Index | 0.6 | 1.5 | 6.0 | 8.6 | -1.0 | 3.0 | 9.0 | 4.2 | 4.2 | 4.5 | 5.4 |

## Hedge Fund Strategy Performance



# Hedge Fund of Funds Market



# Warehouse Employees Local #730 Pension Fund

Master Consulting Services Report

Period Ended

June 30, 2018

## Total Plan Growth of Assets

### Summary of Cash Flows

| | Second Quarter | Year-To-Date | One Year | Three Years | Five Years | Seven Years | Ten Years |
|---|---|---|---|---|---|---|---|
| Beginning Market Value | $163,479,804 | $165,423,661 | $161,347,311 | $164,891,795 | $154,855,028 | $157,248,749 | $186,337,470 |
| Net Cash Flow | -$3,990,388 | -$7,479,249 | -$15,958,321 | -$45,238,933 | -$73,256,101 | -$99,177,055 | -$121,572,658 |
| Net Investment Change | $2,819,050 | $4,364,055 | $16,919,476 | $42,655,604 | $80,709,539 | $104,236,772 | $97,543,655 |
| Ending Market Value | $162,308,466 | $162,308,466 | $162,308,466 | $162,308,466 | $162,308,466 | $162,308,466 | $162,308,466 |

- The present assumed actuarial rate as determined by the plan actuary is 8.0%.
- The Fund's fiscal year end is December 31.

## Total Plan Performance (Gross of Fees)

| | Market Value | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 7 Yrs | 10 Yrs | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Ending June 30, 2018 | | | | | | | | |
| **Composite** | **$162,308,466** | **1.9%** | **2.9%** | **11.4%** | **9.6%** | **10.8%** | **10.1%** | **6.9%** | **8.4%** | **Jan-85** |

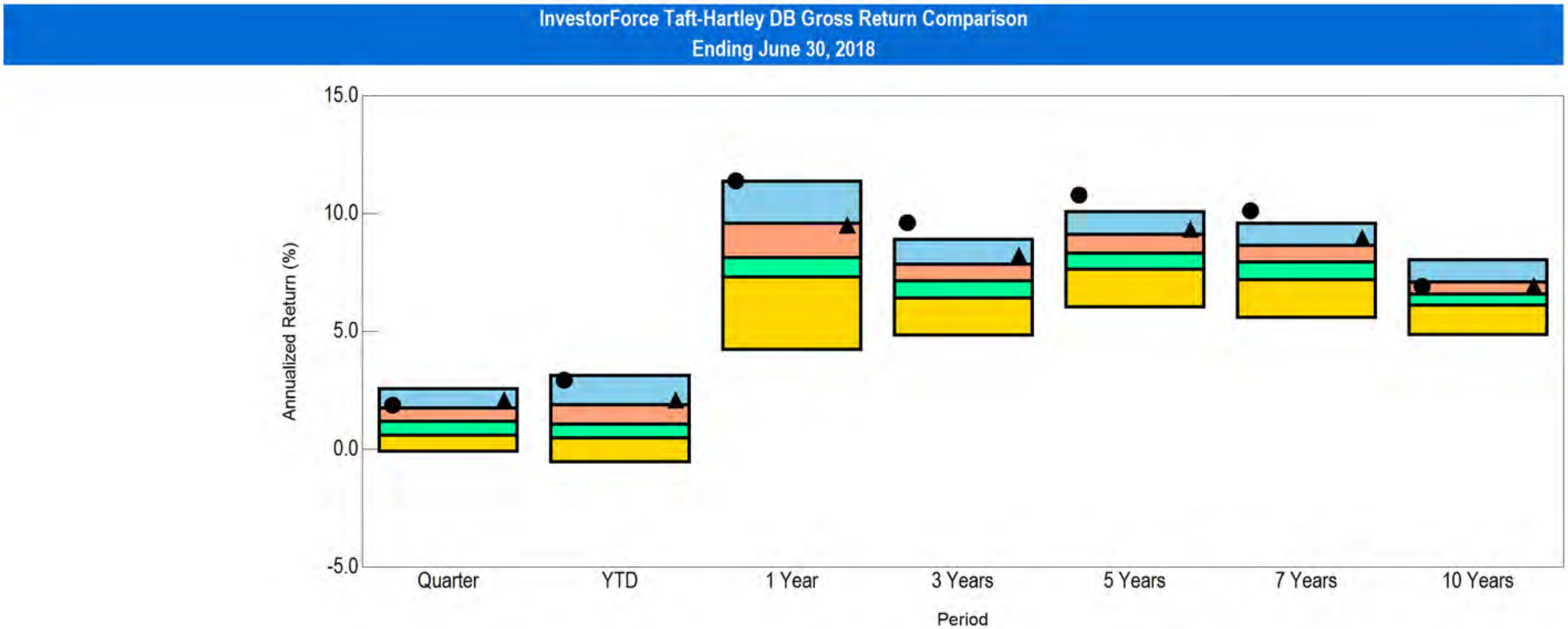
| | YTD 2018 | Rank | 2017 | Rank | 2016 | Rank | 2015 | Rank | 2014 | Rank | 2013 | Rank | 2012 | Rank | 2011 | Rank | 2010 | Rank | 2009 | Rank | 2008 | Rank | 2007 | Rank | 2006 | Rank | 2005 | Rank | 2004 | Rank | 2003 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Composite Returns | 2.9 | 6 | 17.2 | 6 | 8.4 | 38 | 5.4 | 1 | 8.6% | 11 | 20.0% | 20 | 12.7% | 21 | 2.5% | 36 | 13.9% | 21 | 10.3% | 61 | -29.1% | 94 | 7.4% | 46 | 13.4% | 18 | 9.6% | 10 | 11.9% | 15 | 21.9% |
| Benchmark | *2.1* | -- | *14.4* | -- | *9.1* | -- | *2.7* | -- | *7.4%* | -- | 19.0% | -- | 12.6% | -- | 1.7% | -- | 13.8% | -- | 13.9% | -- | -25.7% | -- | 8.3% | -- | 13.8% | -- | 6.7% | -- | 9.8% | -- | 19.7% |

- Year to Date Rank = 6th Percentile
- Fifteen Year Average Annual Rank = 28th Percentile
- Total Fund Return exceeds benchmark 12 of 17 years (2001 - 2017)

## Total Plan Performance (Gross of Fees)

| | Market Value | % of Portfolio | Ending June 30, 2018 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 7 Yrs | 10 Yrs |
| **Composite** | **$162,308,466** | **100.0%** | **1.9%** | **2.9%** | **11.4%** | **9.6%** | **10.8%** | **10.1%** | **6.9%** |
| *Benchmark* | | | *2.1%* | *2.1%* | *9.5%* | *8.2%* | *9.3%* | *9.0%* | *7.0%* |
| **Total Domestic Equity** | **$59,319,425** | **36.5%** | **3.6%** | **3.9%** | **16.3%** | **12.3%** | **14.2%** | **13.5%** | **10.4%** |
| *S&P 500* | | | *3.4%* | *2.6%* | *14.4%* | *11.9%* | *13.4%* | *13.2%* | *10.2%* |
| *Russell 2000* | | | *7.8%* | *7.7%* | *17.6%* | *11.0%* | *12.5%* | *11.8%* | *10.6%* |
| **Total International Equity** | **$17,336,276** | **10.7%** | **-1.8%** | **-0.9%** | **13.7%** | **9.6%** | **9.1%** | **7.5%** | **3.6%** |
| *MSCI EAFE* | | | *-1.2%* | *-2.7%* | *6.8%* | *4.9%* | *6.4%* | *4.9%* | *2.8%* |
| *MSCI ACWI ex USA* | | | *-2.6%* | *-3.8%* | *7.3%* | *5.1%* | *6.0%* | *3.8%* | *2.5%* |
| **Total Investment Grade Fixed Income** | **$4,118,793** | **2.5%** | **0.1%** | **-0.9%** | **-0.1%** | **1.5%** | **1.9%** | **2.5%** | **4.0%** |
| *Blended Fixed Benchmark* | | | *0.0%* | *-1.0%* | *-0.6%* | *1.2%* | *1.6%* | *2.1%* | *3.4%* |
| **Total High Yield Fixed Income** | **$11,412,228** | **7.0%** | **0.8%** | **0.9%** | **3.1%** | **4.8%** | **4.8%** | **5.4%** | **7.2%** |
| *Citi BB/B Ex Split B/CCC Index* | | | *0.6%* | *-0.5%* | *1.7%* | *3.9%* | *4.5%* | *5.5%* | *6.2%* |
| **Total Real Estate** | **$42,822,081** | **26.4%** | **2.2%** | **4.5%** | **9.9%** | **12.8%** | **14.5%** | **14.6%** | **4.7%** |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *11.4%* | *5.1%* |
| **Total Real Estate Core** | **$12,483,215** | **7.7%** | **2.1%** | **4.4%** | **8.2%** | **8.8%** | **10.5%** | **--** | **--** |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *--* | *--* |
| **Total Real Estate Value - Add** | **$30,338,866** | **18.7%** | **2.2%** | **4.5%** | **10.7%** | **14.7%** | **16.3%** | **16.9%** | **5.1%** |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *11.4%* | *5.1%* |
| **Total Hedge Fund of Funds** | **$3,812,567** | **2.3%** | **0.5%** | **1.0%** | **3.1%** | **0.9%** | **3.5%** | **3.3%** | **1.4%** |
| *HFRI Fund of Funds Composite Index* | | | *0.4%* | *0.7%* | *5.1%* | *1.9%* | *3.5%* | *2.8%* | *1.4%* |
| **Total Opportunistic Investments** | **$8,813,423** | **5.4%** | **2.1%** | **3.9%** | **9.0%** | **--** | **--** | **--** | **--** |
| *HFRX Event Driven Index* | | | *0.3%* | *-4.5%* | *-2.8%* | *--* | *--* | *--* | *--* |
| **Total Global Tactical Asset Allocation** | **$9,279,412** | **5.7%** | **-0.7%** | **-1.2%** | **5.0%** | **5.0%** | **6.3%** | **5.8%** | **--** |
| *65% MSCI World Index/35% CitigroupWGBI* | | | *-0.1%* | *0.0%* | *7.9%* | *6.6%* | *6.9%* | *6.0%* | *--* |
| **Total Private Equity** | **$4,011,547** | **2.5%** | | | | | | | |
| **Total Cash** | **$1,283,002** | **0.8%** | **0.4%** | **0.6%** | **1.0%** | **0.5%** | **0.3%** | **0.2%** | **--** |
| *91 Day T-Bills* | | | *0.5%* | *0.8%* | *1.4%* | *0.7%* | *0.4%* | *0.3%* | *--* |
| **Total Other** | **$99,713** | **0.1%** | | | | | | | |

## Total Plan Performance (Gross of Fees)




| Return (Rank) | Quarter | | YTD | | 1 Year | | 3 Years | | 5 Years | | 7 Years | | 10 Years | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 5th Percentile | 2.6 | | 3.1 | | 11.4 | | 8.9 | | 10.1 | | 9.6 | | 8.0 | |
| 25th Percentile | 1.8 | | 1.9 | | 9.6 | | 7.9 | | 9.1 | | 8.7 | | 7.1 | |
| Median | 1.2 | | 1.1 | | 8.1 | | 7.2 | | 8.3 | | 8.0 | | 6.6 | |
| 75th Percentile | 0.6 | | 0.5 | | 7.3 | | 6.4 | | 7.7 | | 7.2 | | 6.1 | |
| 95th Percentile | -0.1 | | -0.5 | | 4.3 | | 4.9 | | 6.1 | | 5.6 | | 4.9 | |
| # of Portfolios | 266 | | 266 | | 265 | | 255 | | 241 | | 235 | | 222 | |
| ● Composite | 1.9 | (20) | 2.9 | (6) | 11.4 | (5) | 9.6 | (1) | 10.8 | (2) | 10.1 | (3) | 6.9 | (33) |
| ▲ Benchmark | 2.1 | (14) | 2.1 | (22) | 9.5 | (27) | 8.2 | (15) | 9.3 | (18) | 9.0 | (15) | 7.0 | (32) |

## Current vs. Policy
### As of June 30, 2018

| | Current | Current | Policy | Policy Range | Difference | Difference |
|---|---|---|---|---|---|---|
| U.S. Large Cap Equity | $42,957,849 | 26.5% | 30.0% | 25.0% - 35.0% | -3.5% | -$5,734,690 |
| U.S. Small/Mid Cap | $16,361,576 | 10.1% | 10.0% | 5.0% - 15.0% | 0.1% | $130,729 |
| International Equity | $17,336,276 | 10.7% | 7.5% | 2.5% - 12.5% | 3.2% | $5,163,141 |
| Investment Grade Fixed Income | $4,118,793 | 2.5% | 5.0% | 0.0% - 10.0% | -2.5% | -$3,996,631 |
| High Yield Fixed Income | $11,412,228 | 7.0% | 7.5% | 2.5% - 12.5% | -0.5% | -$760,907 |
| Real Estate - Core | $12,483,215 | 7.7% | 5.0% | 0.0% - 10.0% | 2.7% | $4,367,792 |
| Real Estate - Value Add | $30,338,866 | 18.7% | 17.5% | 12.5% - 22.5% | 1.2% | $1,934,884 |
| Hedge Fund of Funds-Multi-Strategy | $3,912,280 | 2.4% | 2.5% | 0.0% - 7.5% | -0.1% | -$145,431 |
| Opportunistic Investments | $8,813,423 | 5.4% | 5.0% | 0.0% - 10.0% | 0.4% | $698,000 |
| Global Tactical Asset Allocation | $9,279,412 | 5.7% | 5.0% | 0.0% - 10.0% | 0.7% | $1,163,989 |
| Private Equity | $4,011,547 | 2.5% | 5.0% | 0.0% - 10.0% | -2.5% | -$4,103,876 |
| Cash Equivalents | $1,283,002 | 0.8% | -- | -- | 0.8% | $1,283,002 |
| **Total** | **$162,308,466** | **100.0%** | **100.0%** | | | |

* Policy was adopted at the December 14, 2016 meeting, effective date is TBD.

# Asset Allocation

- Asset allocation reviews were presented and discussed with the Board of Trustees at the December 5, 2007, July 22, 2008, April 1, 2009, March 11, 2010, April 27, 2010, April 13, 2012, May 2, 2013, March 14, 2014, March 19, 2015, April 25, 2016, July 7, 2016, October 6, 2016, December 14, 2016, March 27, 2017, and March 5, 2018 meetings.
- An asset allocation review, private equity educational materials, IPS due diligence memos on Corbin Capital, Grosvenor OCF Fund V and Hamilton Lane Secondary Fund IV were presented at the December 14, 2016 meeting. Corbin Capital, Grosvenor, and Hamilton Lane attended the meeting for educational presentations. The Trustees adopted Policy of 30% large cap equity, 10% smid cap equity, 7.5% international equity, 7.5% investment grade fixed income, 7.5% high yield, 5% core real estate, 15% value-add real estate, 2.5% multi-strategy HFoF, 5% opportunistic investments, 5% GTAA, and 5% private equity. Effective date of new Policy to be determined. The Trustees elected to retain Corbin Capital for a 5% opportunistic allocation ($8.0M) to be funded from BlackRock (GTAA) and Hamilton Lane for a 5% private equity allocation ($10.0M) to be funded from BlackRock (GTAA) and Mesirow (HFoF). On April 3, 2017, Corbin Capital received $8.0M from BlackRock (GTAA). A redemption request for $8.0M was submitted to Mesirow (HFoF) effective June 30, 2017. Mesirow proceeds were received and will be the funding source for Hamilton Lane capital calls.
- On November 7, 2017, C.S. McKee received $2.0M from cash and Rothschild received $2.0M from cash for rebalancing.
- An asset allocation review was presented at the March 5, 2018 meeting. Trustees approved changing the intermediate fixed income Policy to 5% (currently 7.5%) and the real estate value add allocation to 17.5% (currently 15%). No rebalancing was necessary.

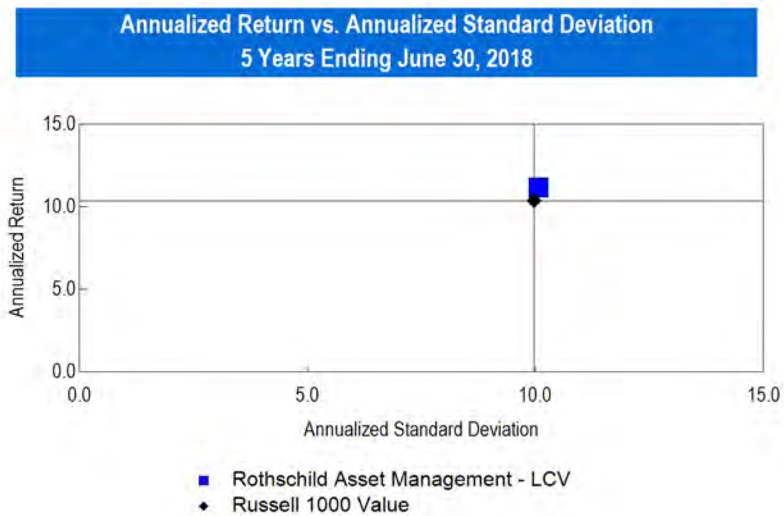
**Recommendation: None.**

## Account Information

| | |
|---|---|
| Account Name | **Rothschild Asset Management - LCV** |
| Account Structure | **Separate Account** |
| Investment Style | **Active** |
| Inception Date | **4/01/09** |
| Account Type | **US Stock Large Cap Value** |
| Benchmark | **Russell 1000 Value** |
| Universe | **eV US Large Cap Value Equity Gross** |

## Rothschild Asset Management - LCV
Ending June 30, 2018

| | Second Quarter | Inception 4/1/09 |
|---|---|---|
| Beginning Market Value | $13,744,903 | $10,981,252 |
| Net Cash Flow | -$827,227 | -$16,072,930 |
| Net Investment Change | $1,400 | $18,010,755 |
| Ending Market Value | $12,919,076 | $12,919,076 |




### 3 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Rothschild Asset Management - LCV | 8.1% | 10.2% | 96.2% | 96.8% |
| Russell 1000 Value | 8.3% | 10.3% | 100.0% | 100.0% |

### 5 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Rothschild Asset Management - LCV | 11.1% | 10.1% | 102.6% | 96.7% |
| Russell 1000 Value | 10.3% | 10.0% | 100.0% | 100.0% |

### Gross of Fee Performance

| | 2018 Q2 | Rank | YTD | Rank | 1 Yr | Rank | 3 Yrs | Rank | 5 Yrs | Rank | 2017 | Rank | 2016 | Rank | 2015 | Rank | 2014 | Rank | 2013 | Rank | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Rothschild Asset Management - LCV | 0.0% | 89 | -1.9% | 75 | 9.7% | 55 | 8.1% | 77 | 11.1% | 54 | 16.5% | 62 | 12.2% | 73 | -1.2% | 33 | 14.4% | 20 | 37.3% | 24 | 15.6% | Apr-09 |
| *Russell 1000 Value* | *1.2%* | *66* | *-1.7%* | *71* | *6.8%* | *86* | *8.3%* | *73* | *10.3%* | *72* | *13.7%* | *87* | *17.3%* | *26* | *-3.8%* | *64* | *13.5%* | *33* | *32.5%* | *60* | *15.2%* | *Apr-09* |

### Net of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Rothschild Asset Management - LCV | -0.1% | -2.1% | 9.1% | 7.5% | 10.6% | 15.9% | 11.7% | -1.6% | 13.8% | 36.6% | 15.0% | Apr-09 |
| *Russell 1000 Value* | *1.2%* | *-1.7%* | *6.8%* | *8.3%* | *10.3%* | *13.7%* | *17.3%* | *-3.8%* | *13.5%* | *32.5%* | *15.2%* | *Apr-09* |

# Warehouse Employees Local #730 Pension Fund - Rothschild Asset Management - LCV

## Correspondence/Transfer Summary

- On January 14, 2009, $12,609,368 was received from the termination of NWQ.
- On November 17, 2017, $2,000,000 was received from Cash to rebalance closer to Policy.

## Manager Summary

- IPS conducted a due diligence meeting with Rothschild on March 28, 2018.

**Recommendation: None.**

## Compliance Summary

**Exceptions : None.**

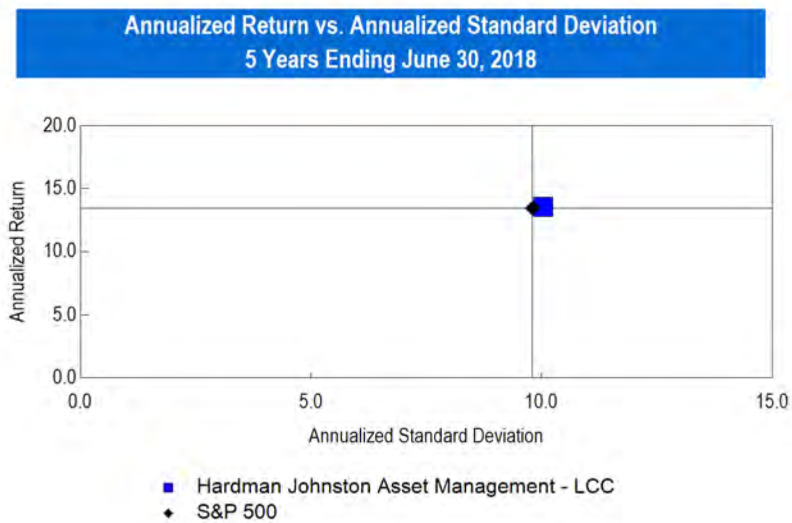
**Action to be taken: None.**

**Items of Interest: E&O Coverage -** Manager noted they now maintain Investment Liability (D&O E&O) Insurance with an aggregate limit of liability of $15,000,000.

| Account Information | |
|---|---|
| Account Name | **Hardman Johnston Asset Management - LCC** |
| Account Structure | **Separate Account** |
| Investment Style | **Active** |
| Inception Date | **4/01/05** |
| Account Type | **US Stock Large Neutral** |
| Benchmark | **S&P 500** |
| Universe | **eV US Large Cap Core Equity Gross** |

**Hardman Johnston Asset Management - LCC**
Ending June 30, 2018

| | Second Quarter | Inception 4/1/05 |
|---|---|---|
| Beginning Market Value | $15,267,386 | $23,699,018 |
| Net Cash Flow | -$810,095 | -$29,305,265 |
| Net Investment Change | $652,789 | $20,716,327 |
| Ending Market Value | $15,110,080 | $15,110,080 |




**3 Years Ending June 30, 2018**

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Hardman Johnston Asset Management - LCC | 11.7% | 10.1% | 100.3% | 102.8% |
| S&P 500 | 11.9% | 10.2% | 100.0% | 100.0% |

**5 Years Ending June 30, 2018**

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Hardman Johnston Asset Management - LCC | 13.5% | 10.0% | 101.4% | 100.9% |
| S&P 500 | 13.4% | 9.8% | 100.0% | 100.0% |

**Gross of Fee Performance**

| | 2018 Q2 | Rank | YTD | Rank | 1 Yr | Rank | 3 Yrs | Rank | 5 Yrs | Rank | 2017 | Rank | 2016 | Rank | 2015 | Rank | 2014 | Rank | 2013 | Rank | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hardman Johnston Asset Management - LCC | 4.4% | 10 | 4.3% | 14 | 13.1% | 61 | 11.7% | 33 | 13.5% | 37 | 21.2% | 61 | 11.6% | 35 | 1.5% | 40 | 11.6% | 72 | 29.9% | 82 | 9.7% | Apr-05 |
| *S&P 500* | *3.4%* | *33* | *2.6%* | *37* | *14.4%* | *44* | *11.9%* | *28* | *13.4%* | *40* | *21.8%* | *53* | *12.0%* | *31* | *1.4%* | *42* | *13.7%* | *42* | *32.4%* | *58* | *8.7%* | *Apr-05* |

**Net of Fee Performance**

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hardman Johnston Asset Management - LCC | 4.2% | 4.0% | 12.4% | 11.0% | 12.8% | 20.5% | 10.9% | 0.9% | 10.9% | 29.2% | 9.1% | Apr-05 |
| *S&P 500* | *3.4%* | *2.6%* | *14.4%* | *11.9%* | *13.4%* | *21.8%* | *12.0%* | *1.4%* | *13.7%* | *32.4%* | *8.7%* | *Apr-05* |

# Warehouse Employees Local #730 Pension Fund - Hardman Johnston Asset Management - LCC

## Manager Summary

- Johnston Asset Management has changed the name of the firm to Hardman Johnston Global Advisors, LLC, effective September 27, 2017. The name change is intended to reflect Cassandra Hardman's contributions to the firm. No changes to the firm's investment philosophy, process, or investment team are anticipated.
- IPS conducted a due diligence meeting with Hardman Johnston on August 30, 2017.

**Recommendation: None.**

## Compliance Summary

**Exception: None.**

**Action to be taken: None.**

**Items of Interest: None.**

| Account Information | |
|---|---|
| Account Name | **Northern Trust Russell 1000 Growth Index Fund** |
| Account Structure | **Commingled Fund** |
| Investment Style | **Passive** |
| Inception Date | **7/01/17** |
| Account Type | **Equity** |
| Benchmark | **Russell 1000 Growth** |
| Universe | |

## Northern Trust Russell 1000 Growth Index Fund

Ending June 30, 2018

| | Second Quarter | Inception 7/1/17 |
|---|---|---|
| Beginning Market Value | $14,845,292 | $0 |
| Net Cash Flow | -$750,000 | $12,127,716 |
| Net Investment Change | $833,401 | $2,800,977 |
| Ending Market Value | $14,928,693 | $14,928,693 |

### Net of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Northern Trust Russell 1000 Growth Index Fund | 5.8% | 7.3% | 22.6% | -- | -- | -- | -- | -- | -- | -- | 22.6% | Jul-17 |
| *Russell 1000 Growth* | *5.8%* | *7.3%* | *22.5%* | *15.0%* | *16.4%* | *30.2%* | *7.1%* | *5.7%* | *13.0%* | *33.5%* | *22.5%* | *Jul-17* |

Note: Returns are net of fees.

# Warehouse Employees Local #730 Pension Fund - Northern Trust Russell 1000 Growth Index Fund

## Correspondence/Transfer Summary

- Manager funded on 7/14/17 with $13,877,717, proceeds from Westfield termination.

## Manager Summary

**Recommendation: None.**

## Compliance Summary

**Manager verified the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the commingled investment vehicle guidelines and/or prospectus governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or prospectus guidelines.**

**Items of Interest: Firm Personnel Changes -** The most recent and anticipated changes to senior personnel are the following: Effective July 3, 2018, Alice Fang accepted the newly created position of President and CEO of Northern Trust Global Advisors, Inc. In this role, Alice will lead the client-facing sales, relationship, and operations team in Canada as well as provide local oversight of the Canada-based Portfolio Construction team and manager research staff. April 2018, Sabrina Bailey accepted the position of Digital Investment Advice Practice Lead for Asset Management reporting directly to Chris Carlson, Chief Administration Officer. **Legal –** Manager stated Northern Trust Investments, Inc. (NTI) is occasionally named as a defendant in asset management-related litigation. NTI is not currently party to any litigation that has had (or will have) a material effect on its ability to perform services for its clients. At this time, there are no significant pending cases. Northern Trust and its subsidiaries occasionally receive requests for information from government and regulatory agencies. Northern Trust frequently does not know if such requests are related to a formal government or regulatory investigations or, assuming an investigation is underway, whether Northern Trust is a target of such investigation or simply thought to be in possession of information pertinent to such investigation. Manager stated Northern Trust is not currently involved in any government or regulatory investigation or proceeding that would have a material impact on its ability to provide advisory services to its clients. Manager stated that to the best of their knowledge, none of the personnel that are assigned to IPS client relationships have been named in litigation, regulatory enforcement proceedings, or investigations related to investment activities.

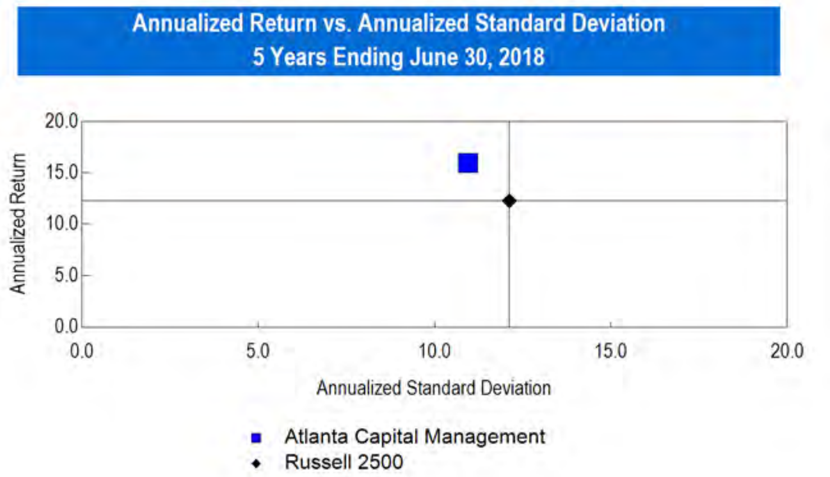
## Account Information

| | |
|---|---|
| Account Name | **Atlanta Capital Management** |
| Account Structure | **Separate Account** |
| Investment Style | **Active** |
| Inception Date | **7/31/10** |
| Account Type | **US Stock Small/Mid** |
| Benchmark | **Russell 2500** |
| Universe | **eV US Small-Mid Cap Equity Gross** |

## Atlanta Capital Management

Ending June 30, 2018

| | Second Quarter | Inception 7/31/10 |
|---|---|---|
| Beginning Market Value | $16,499,149 | $0 |
| Net Cash Flow | -$782,308 | -$7,176,658 |
| Net Investment Change | $644,734 | $23,538,233 |
| Ending Market Value | $16,361,576 | $16,361,576 |




### 3 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Atlanta Capital Management | 15.0% | 11.1% | 104.3% | 72.5% |
| Russell 2500 | 10.3% | 12.3% | 100.0% | 100.0% |

### 5 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Atlanta Capital Management | 16.0% | 10.9% | 96.9% | 73.8% |
| Russell 2500 | 12.3% | 12.1% | 100.0% | 100.0% |

### Gross of Fee Performance

| | 2018 Q2 | Rank | YTD | Rank | 1 Yr | Rank | 3 Yrs | Rank | 5 Yrs | Rank | 2017 | Rank | 2016 | Rank | 2015 | Rank | 2014 | Rank | 2013 | Rank | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Atlanta Capital Management | 4.0% | 63 | 5.6% | 44 | 20.2% | 27 | 15.0% | 7 | 16.0% | 7 | 26.9% | 15 | 12.8% | 62 | 10.2% | 1 | 6.3% | 51 | 38.4% | 50 | 17.8% | Jul-10 |
| *Russell 2500* | *5.7%* | *35* | *5.5%* | *45* | *16.2%* | *47* | *10.3%* | *51* | *12.3%* | *58* | *16.8%* | *61* | *17.6%* | *38* | *-2.9%* | *64* | *7.1%* | *46* | *36.8%* | *58* | *14.1%* | *Jul-10* |

### Net of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Atlanta Capital Management | 3.8% | 5.2% | 19.4% | 14.2% | 15.2% | 26.1% | 12.1% | 9.4% | 5.6% | 37.4% | 17.0% | Jul-10 |
| *Russell 2500* | *5.7%* | *5.5%* | *16.2%* | *10.3%* | *12.3%* | *16.8%* | *17.6%* | *-2.9%* | *7.1%* | *36.8%* | *14.1%* | *Jul-10* |

# Warehouse Employees Local #730 Pension Fund - Atlanta Capital Management

## Correspondence/Transfer Summary

- On July 7, 2010, Atlanta Capital was funded with $14.8M from termination of Rothschild SMID.

## Manager Summary

- IPS conducted due diligence meetings with Atlanta Capital on March 4, 2016 and January 22, 2018.

**Recommendation: None.**

## Compliance Summary

**Exceptions: None.**

**Action to be taken: None.**

**Items of Interest: Management Fee –** The manager stated the investment management fee charged by the firm to the Fund is consistent with the fee schedule in the contract. The fee is consistent with the fee charged by our firm to other funds of a similar size and is the most favorable fee schedule for a client of a similar size, mandate, and servicing requirements. **Personnel changes –** The manager stated Dallas L. Lundy, Head Equity Trader, retired from Atlanta Capital at the end of second quarter 2018 after a 45-year career with the firm. Joseph M. Roman, CFA has assumed the duties of Mr. Lundy and continues to work directly with Earl A. Brown to coordinate the equity trading activities of the firm. **Brokerage & Research –** The manager stated the commission report for the current quarter is behind the checklist. The manager continuously reviews all directives from the SEC concerning brokerage and research services and are in compliance with all disclosure requirements. They would like to remind the Board that Atlanta Capital does not accept the responsibility of determining that the benefits of a commission recapture program are in the best interests of the Fund's beneficiaries where the Board has instructed the firm to direct brokerage to such program. The Fund may pay higher commissions and receive less favorable executions by being excluded from aggregated orders. They encourage the Board to monitor and evaluate recaptured commissions in an effort to maximize the recaptured commissions for the Fund. **Cross-Trading –** The manager stated Atlanta Capital has not changed its policy on cross-trading for ERISA plans in light of the final ruling. They do not engage in cross-trading of securities for ERISA plans. **Transactions –** The manager stated while they cannot certify that they "are achieving" best execution, they do certify that Atlanta Capital seeks to attain best overall execution for all portfolio transactions effected for the Fund. Atlanta Capital has established policies and procedures to oversee (1) the performance and service capability of its brokers, (2) trading performance and strategy, and (3) the efficacy and efficiency of the trading department. Best execution is a statistical and qualitative concept that may be measured and analyzed over time and cannot be determined with certainty on a pre-trade basis. The manager's traders seek to obtain the most favorable terms reasonably available when executing trades for the client. Atlanta Capital's goal is to maximize the value of the client's assets within the client's investment objectives and constraints. Client-directed brokerage arrangements may impact the achievement of best execution through higher commissions and/or less favorable executions and exclusions from aggregated orders; however, the current level of directed trading is such that the manager feels best execution has not been compromised for the Fund. **Proxy Voting –** The manager stated Atlanta Capital provides a quarterly report to the Fund on proxy voting activities. The manager has voted all proxies submitted by the custodian to the manager's proxy voting service. The manager has used their best efforts to ensure that proxies are voted for all securities managed for the Fund but do not assume responsibility for the actions of other service providers.

## Account Information

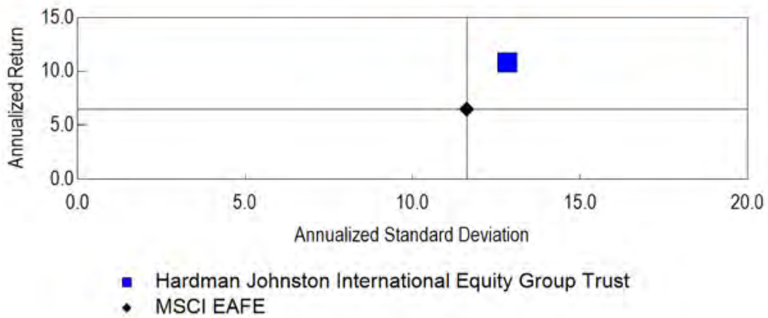
| | |
|---|---|
| Account Name | Hardman Johnston International Equity Group Trust |
| Account Structure | Commingled Fund |
| Investment Style | Active |
| Inception Date | 2/28/10 |
| Account Type | International |
| Benchmark | MSCI EAFE |
| Universe | eV EAFE Equity Unhedged Gross |

## Hardman Johnston International Equity Group Trust

Ending June 30, 2018

| | Second Quarter | Inception 2/28/10 |
|---|---|---|
| Beginning Market Value | $8,138,691 | $0 |
| Net Cash Flow | $0 | $3,847,501 |
| Net Investment Change | -$34,450 | $4,256,740 |
| Ending Market Value | $8,104,241 | $8,104,241 |

### Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2018




### 3 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Hardman Johnston International Equity Group Trust | 10.2% | 14.2% | 117.5% | 86.0% |
| MSCI EAFE | 4.9% | 12.1% | 100.0% | 100.0% |

### 5 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Hardman Johnston International Equity Group Trust | 10.8% | 12.8% | 111.8% | 85.0% |
| MSCI EAFE | 6.4% | 11.6% | 100.0% | 100.0% |

### Gross of Fee Performance

| | 2018 Q2 | Rank | YTD | Rank | 1 Yr | Rank | 3 Yrs | Rank | 5 Yrs | Rank | 2017 | Rank | 2016 | Rank | 2015 | Rank | 2014 | Rank | 2013 | Rank | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hardman Johnston International Equity Group Trust | -0.2% | 24 | 1.0% | 11 | 15.0% | 12 | 10.2% | 17 | 10.8% | 19 | 38.4% | 8 | 1.7% | 42 | 0.3% | 62 | 0.9% | 9 | 18.2% | 87 | 8.5% | Feb-10 |
| *MSCI EAFE* | *-1.2%* | *48* | *-2.7%* | *61* | *6.8%* | *70* | *4.9%* | *81* | *6.4%* | *88* | *25.0%* | *73* | *1.0%* | *54* | *-0.8%* | *76* | *-4.9%* | *71* | *22.8%* | *66* | *6.3%* | *Feb-10* |
| *MSCI EAFE Growth* | *0.1%* | *20* | *-0.9%* | *32* | *9.4%* | *42* | *6.4%* | *52* | *7.4%* | *65* | *28.9%* | *41* | *-3.0%* | *89* | *4.1%* | *32* | *-4.4%* | *58* | *22.5%* | *67* | *7.4%* | *Feb-10* |
| *MSCI ACWI ex USA* | *-2.6%* | *78* | *-3.8%* | *77* | *7.3%* | *62* | *5.1%* | *78* | *6.0%* | *93* | *27.2%* | *54* | *4.5%* | *17* | *-5.7%* | *95* | *-3.9%* | *51* | *15.3%* | *92* | *5.6%* | *Feb-10* |

### Net of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hardman Johnston International Equity Group Trust | -0.4% | 0.6% | 14.1% | 9.4% | 10.0% | 37.5% | 0.9% | -0.4% | 0.2% | 17.2% | 7.7% | Feb-10 |
| *MSCI EAFE* | *-1.2%* | *-2.7%* | *6.8%* | *4.9%* | *6.4%* | *25.0%* | *1.0%* | *-0.8%* | *-4.9%* | *22.8%* | *6.3%* | *Feb-10* |
| *MSCI EAFE Growth* | *0.1%* | *-0.9%* | *9.4%* | *6.4%* | *7.4%* | *28.9%* | *-3.0%* | *4.1%* | *-4.4%* | *22.5%* | *7.4%* | *Feb-10* |
| *MSCI ACWI ex USA* | *-2.6%* | *-3.8%* | *7.3%* | *5.1%* | *6.0%* | *27.2%* | *4.5%* | *-5.7%* | *-3.9%* | *15.3%* | *5.6%* | *Feb-10* |

# Warehouse Employees Local #730 Pension Fund - Hardman Johnston International Equity Group Trust

## Correspondence/Transfer Summary

- On February 18, 2010, $7 million was transferred from AllianceBernstein to cash account. On March 1, 2010, Johnston Asset Management received $7 million for investment.

## Manager Summary

- Johnston Asset Management has changed the name of the firm to Hardman Johnston Global Advisors, LLC, effective September 27, 2017. The name change is intended to reflect Cassandra Hardman's contributions to the firm. No changes to the firm's investment philosophy, process, or investment team are anticipated.
- IPS conducted due diligence meetings with Hardman Johnston on September 1, 2016, August 30, 2017 and April 2, 2018.

**Recommendation: None.**

## Compliance Summary

**Manager verified that the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the firm's commingled investment vehicle investment guidelines and/or prospectus governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or prospectus guidelines.**

Items of Interest: None.

## Account Information

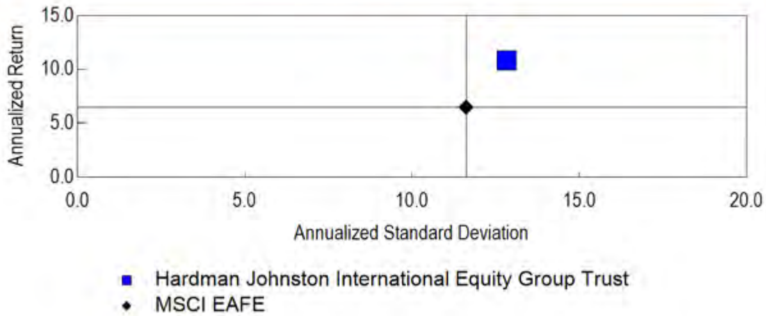
| | |
|---|---|
| Account Name | **Acadian Non-US Concentrated Fund** |
| Account Structure | **Commingled Fund** |
| Investment Style | **Active** |
| Inception Date | **2/28/10** |
| Account Type | **International** |
| Benchmark | **MSCI EAFE** |
| Universe | **eV EAFE Equity Unhedged Gross** |

## Acadian Non-US Concentrated Fund

Ending June 30, 2018

| | Second Quarter | Inception 2/28/10 |
|---|---|---|
| Beginning Market Value | $9,522,350 | $0 |
| Net Cash Flow | $0 | $3,890,957 |
| Net Investment Change | -$290,315 | $5,341,078 |
| Ending Market Value | $9,232,035 | $9,232,035 |

### Annualized Return vs. Annualized Standard Deviation
### 5 Years Ending June 30, 2018




### 3 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Acadian Non-US Concentrated Fund | 9.1% | 9.9% | 70.0% | 45.8% |
| MSCI EAFE | 4.9% | 12.1% | 100.0% | 100.0% |

### 5 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Acadian Non-US Concentrated Fund | 7.6% | 10.2% | 61.5% | 58.1% |
| MSCI EAFE | 6.4% | 11.6% | 100.0% | 100.0% |

### Gross of Fee Performance

| | 2018 Q2 | Rank | YTD | Rank | 1 Yr | Rank | 3 Yrs | Rank | 5 Yrs | Rank | 2017 | Rank | 2016 | Rank | 2015 | Rank | 2014 | Rank | 2013 | Rank | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Acadian Non-US Concentrated Fund | -3.0% | 85 | -2.4% | 53 | 12.5% | 20 | 9.1% | 25 | 7.6% | 61 | 35.2% | 14 | 0.5% | 62 | -1.7% | 80 | 5.9% | 1 | 9.0% | 97 | 8.7% | Feb-10 |
| *MSCI EAFE* | *-1.2%* | *48* | *-2.7%* | *61* | *6.8%* | *70* | *4.9%* | *81* | *6.4%* | *88* | *25.0%* | *73* | *1.0%* | *54* | *-0.8%* | *76* | *-4.9%* | *71* | *22.8%* | *66* | *6.3%* | *Feb-10* |
| *MSCI EAFE Value* | *-2.6%* | *78* | *-4.6%* | *87* | *4.3%* | *91* | *3.3%* | *96* | *5.4%* | *99* | *21.4%* | *95* | *5.0%* | *15* | *-5.7%* | *95* | *-5.4%* | *75* | *23.0%* | *65* | *5.1%* | *Feb-10* |
| *MSCI ACWI ex USA* | *-2.6%* | *78* | *-3.8%* | *77* | *7.3%* | *62* | *5.1%* | *78* | *6.0%* | *93* | *27.2%* | *54* | *4.5%* | *17* | *-5.7%* | *95* | *-3.9%* | *51* | *15.3%* | *92* | *5.6%* | *Feb-10* |

### Net of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Acadian Non-US Concentrated Fund | -3.2% | -2.8% | 11.6% | 8.2% | 6.7% | 34.0% | -0.4% | -2.6% | 5.0% | 8.0% | 7.8% | Feb-10 |
| *MSCI EAFE* | *-1.2%* | *-2.7%* | *6.8%* | *4.9%* | *6.4%* | *25.0%* | *1.0%* | *-0.8%* | *-4.9%* | *22.8%* | *6.3%* | *Feb-10* |
| *MSCI EAFE Value* | *-2.6%* | *-4.6%* | *4.3%* | *3.3%* | *5.4%* | *21.4%* | *5.0%* | *-5.7%* | *-5.4%* | *23.0%* | *5.1%* | *Feb-10* |
| *MSCI ACWI ex USA* | *-2.6%* | *-3.8%* | *7.3%* | *5.1%* | *6.0%* | *27.2%* | *4.5%* | *-5.7%* | *-3.9%* | *15.3%* | *5.6%* | *Feb-10* |

# Warehouse Employees Local #730 Pension Fund - Acadian Non - US Concentrated Fund

## Correspondence/Transfer Summary

- Acadian was funded from termination of AllianceBernstein in three installments: $2.3 million on March 3, 2010, $2.3 million on April 6, 2010 and the balance of the account (approximately $1.7 million) on May 5, 2010.

## Manager Summary

- IPS conducted due diligence meetings with Acadian on August 3, 2016, May 19, 2017 and June 15, 2018.

**Recommendation: Monitor due to personnel departures.**

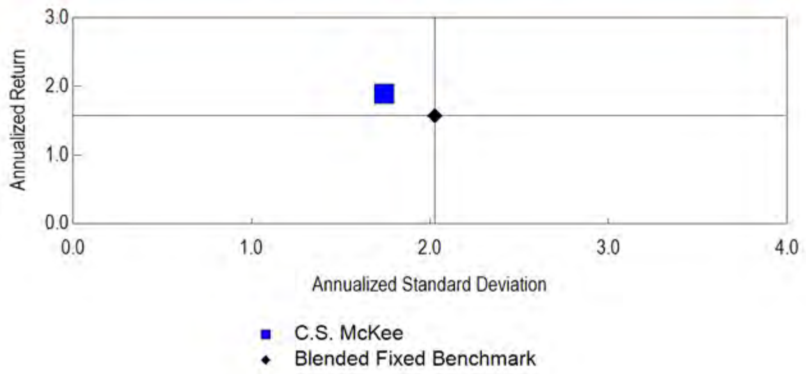
## Compliance Summary

**Manager verified the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the commingled investment vehicle guidelines and/or prospectus governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or prospectus guidelines.**

**Items of Interest: Personnel Changes –** The manager stated Joel Feinberg joined the firm as Head of Trading, and Joanna Nash joined as a portfolio manager for their Australian affiliates.

| Account Information | |
|---|---|
| Account Name | **C.S. McKee** |
| Account Structure | **Separate Account** |
| Investment Style | **Active** |
| Inception Date | **7/31/10** |
| Account Type | **US Fixed Income** |
| Benchmark | **Blended Fixed Benchmark** |
| Universe | |

**Annualized Return vs. Annualized Standard Deviation**
**5 Years Ending June 30, 2018**




**C.S. McKee**
Ending June 30, 2018

| | Second Quarter | Inception 7/31/10 |
|---|---|---|
| Beginning Market Value | $4,895,055 | $0 |
| Net Cash Flow | -$778,136 | $597,838 |
| Net Investment Change | $1,873 | $3,520,954 |
| Ending Market Value | $4,118,793 | $4,118,793 |

**3 Years Ending June 30, 2018**

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| C.S. McKee | 1.5% | 1.8% | 91.3% | 71.6% |
| Blended Fixed Benchmark | 1.2% | 2.0% | 100.0% | 100.0% |

**5 Years Ending June 30, 2018**

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| C.S. McKee | 1.9% | 1.7% | 89.9% | 69.0% |
| Blended Fixed Benchmark | 1.6% | 2.0% | 100.0% | 100.0% |

**Gross of Fee Performance**

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| C.S. McKee | 0.1% | -0.9% | -0.1% | 1.5% | 1.9% | 2.5% | 2.1% | 1.9% | 3.2% | -1.6% | 2.9% | Jul-10 |
| *Blended Fixed Benchmark* | *0.0%* | *-1.0%* | *-0.6%* | *1.2%* | *1.6%* | *2.1%* | *2.1%* | *1.1%* | *3.1%* | *-2.0%* | *2.2%* | *Jul-10* |

**Net of Fee Performance**

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| C.S. McKee | 0.0% | -1.0% | -0.3% | 1.2% | 1.6% | 2.3% | 1.9% | 1.7% | 3.0% | -1.9% | 2.6% | Jul-10 |
| *Blended Fixed Benchmark* | *0.0%* | *-1.0%* | *-0.6%* | *1.2%* | *1.6%* | *2.1%* | *2.1%* | *1.1%* | *3.1%* | *-2.0%* | *2.2%* | *Jul-10* |

Blended Fixed Income Benchmark: Barclays U.S. Aggregate until 7/31/2013; Barclays Intermediate Govt/Credit thereafter.

# Warehouse Employees Local #730 Pension Fund - C.S. McKee

## Correspondence/Transfer Summary

- On July 7, 2010, manager was funded with $25.2M from termination of Wells Capital.
- On November 17, 2017, $2,000,000 was received from Cash to rebalance closer to Policy.

## Manager Summary

- IPS conducted a due diligence meeting with CS McKee on February 20, 2018.

**Recommendation: None.**

## Compliance Summary

**Exceptions : None.**

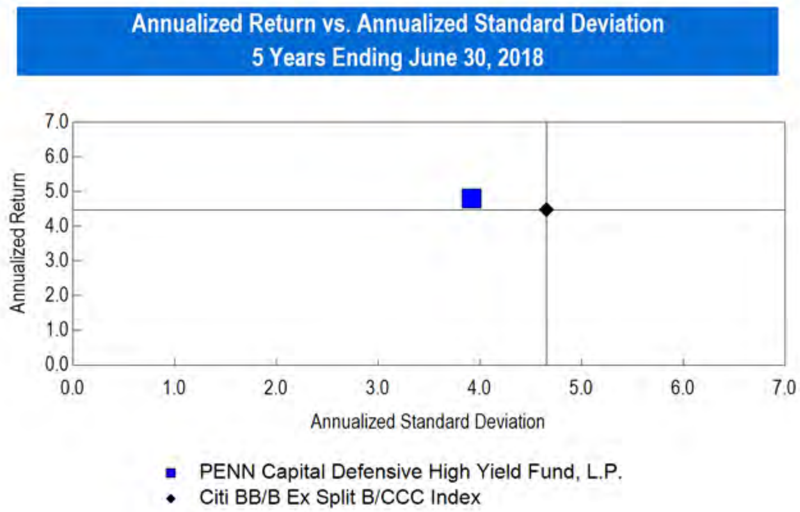
**Action to be taken: None.**

**Items of Interest: Personnel changes -** Manager stated Andrew Faderewski was promoted to Vice President and Portfolio Manager, and Zachary Hubert, was promoted to Senior Fixed Income Analyst. **Compliance -** In an email dated July 12, 2018, manager stated all CD's are in compliance.

| Account Information | |
|---|---|
| Account Name | PENN Capital Defensive High Yield Fund, L.P. |
| Account Structure | Commingled Fund |
| Investment Style | Active |
| Inception Date | 7/01/08 |
| Account Type | US Fixed Income High Yield |
| Benchmark | Citi BB/B Ex Split B/CCC Index |
| Universe | eV US High Yield Fixed Inc Gross |

## PENN Core High Yield Bond Fund II, L.P.
Ending June 30, 2018

| | Second Quarter | Inception 7/1/08 |
|---|---|---|
| Beginning Market Value | $11,519,514 | $11,899,902 |
| Net Cash Flow | -$189,722 | -$8,623,033 |
| Net Investment Change | $82,435 | $8,135,358 |
| Ending Market Value | $11,412,228 | $11,412,228 |




### 3 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| PENN Capital Defensive High Yield Fund, L.P. | 4.8% | 3.8% | 94.9% | 73.7% |
| Citi BB/B Ex Split B/CCC Index | 3.9% | 4.9% | 100.0% | 100.0% |

### 5 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| PENN Capital Defensive High Yield Fund, L.P. | 4.8% | 3.9% | 92.7% | 82.6% |
| Citi BB/B Ex Split B/CCC Index | 4.5% | 4.7% | 100.0% | 100.0% |

### Gross of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PENN Capital Defensive High Yield Fund, L.P. | 0.8% | 0.9% | 3.1% | 4.8% | 4.8% | 6.6% | 11.7% | -1.5% | 0.8% | 6.6% | 7.2% | Jul-08 |
| *Citi BB/B Ex Split B/CCC Index* | *0.6%* | *-0.5%* | *1.7%* | *3.9%* | *4.5%* | *6.4%* | *13.1%* | *-3.8%* | *2.8%* | *5.5%* | *6.2%* | *Jul-08* |

### Net of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PENN Capital Defensive High Yield Fund, L.P. | 0.7% | 0.7% | 2.8% | 4.5% | 4.4% | 6.2% | 11.4% | -1.8% | 0.5% | 6.2% | 6.8% | Jul-08 |
| *Citi BB/B Ex Split B/CCC Index* | *0.6%* | *-0.5%* | *1.7%* | *3.9%* | *4.5%* | *6.4%* | *13.1%* | *-3.8%* | *2.8%* | *5.5%* | *6.2%* | *Jul-08* |

# Warehouse Employees Local #730 Pension Fund - PENN Capital Defensive High Yield Fund, L.P.

## Correspondence/Transfer Summary

- The Fund changed its name to PENN Capital Defensive High Yield Fund, L.P. effective December 18, 2017.

## Manager Summary

- IPS conducted due diligence meetings with PENN Capital on March 10, 2016, May 23, 2016, December 5, 2016, February 14, 2018 and May 7, 2018.
- IPS conducted on-site due diligence meetings with PENN Capital on March 23, 2017 and September 6, 2017.
- On June 30, 2017, PENN communicated the personnel departure of Kevin Roche, Senior Portfolio Manager. David Jackson, CFA/Partner, will assume a leadership role on the PENN Senior Floating Rate Loan Strategy. IPS conducted an on-site due diligence meeting on September 6, 2017 to discuss this change.

**Recommendation: Monitor due to personnel changes.**

## Compliance Summary

**Manager verified the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or prospectus governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle guidelines and/or prospectus.**

**Items of Interest: None.**

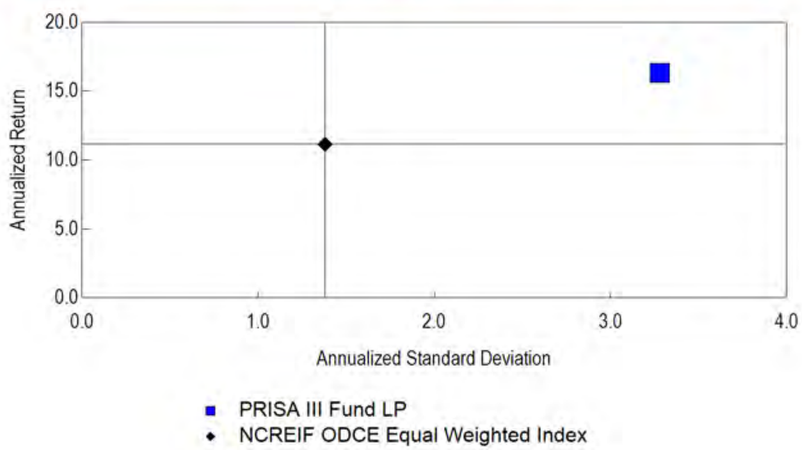
## Account Information

| | |
|---|---|
| Account Name | PRISA III Fund LP |
| Account Structure | Commingled Fund |
| Investment Style | Active |
| Inception Date | 7/01/04 |
| Account Type | Real Estate |
| Benchmark | NCREIF ODCE Equal Weighted Index |
| Universe | |

## PRISA III Fund LP
Ending June 30, 2018

| | Second Quarter | Inception 7/1/04 |
|---|---|---|
| Beginning Market Value | $29,945,834 | $816,000 |
| Net Cash Flow | -$173,608 | $9,197,871 |
| Net Investment Change | $566,640 | $20,324,995 |
| Ending Market Value | $30,338,866 | $30,338,866 |

### Annualized Return vs. Annualized Standard Deviation
### 5 Years Ending June 30, 2018




### 3 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| PRISA III Fund LP | 14.7% | 3.1% | 160.4% | -- |
| NCREIF ODCE Equal Weighted Index | 9.6% | 1.2% | 100.0% | -- |

### 5 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| PRISA III Fund LP | 16.3% | 3.3% | 162.6% | -- |
| NCREIF ODCE Equal Weighted Index | 11.1% | 1.4% | 100.0% | -- |

### Gross of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PRISA III Fund LP | 2.2% | 4.5% | 10.7% | 14.7% | 16.3% | 12.0% | 15.0% | 24.9% | 18.9% | 16.9% | 10.5% | Jul-04 |
| *NCREIF ODCE Equal Weighted Index* | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *7.8%* | *9.3%* | *15.2%* | *12.4%* | *13.3%* | *7.9%* | *Jul-04* |

### Net of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PRISA III Fund LP | 1.9% | 3.8% | 9.0% | 12.9% | 14.4% | 10.2% | 13.1% | 22.6% | 16.9% | 14.8% | 8.8% | Jul-04 |
| *NCREIF ODCE Equal Weighted Index* | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *7.8%* | *9.3%* | *15.2%* | *12.4%* | *13.3%* | *7.9%* | *Jul-04* |

# Warehouse Employees Local #730 Pension Fund - PRISA III Fund LP

## Correspondence/Transfer Summary

- Total commitment is $15 million, which is fully funded.
- Income is distributed.
- PRISA III correspondence regarding new fee structure was included in the 4Q16 meeting materials. At the March 27, 2107 meeting IPS recommended the Trustees select the PRISA III the incentive fee option. No action is required as there is negative consent. Decision: Approved.

## Manager Summary

- IPS conducted due diligence meetings with PRISA III on March 3, 2016 and December 11, 2017.
- On February 15, 2017, Prudential notified investors they are restructuring the management fees to incorporate a lower base asset management fee and an incentive fee that aligns the manager's compensation with the Fund's performance.

**Recommendation: None.**

## Compliance Summary

**The manager verified the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines.**

**Items of Interest: Personnel Changes -** Following the untimely passing of Bob Jeans, Portfolio manager, the following personnel changes were made. Scott Dalrymple, managing director, has been named a portfolio manager for PRISA III. Clarke Michalak, executive director, will continue to serve as assistant portfolio manager, with his responsibilities gradually expanding from the West Coast to a national focus over time. In addition, Chris Lackett, vice president and most recently a PRISA III asset manager, has been named as an assistant portfolio manager, with an initial focus on transactions and day-to-day asset management. Other Personnel Changes - PGIM announced they are enhancing the alignment between PGIM Real Estate and PGIM Real Estate Finance. Effective July 1, 2018, Eric Adler will assume the new role of Chairman of PGIM's real estate business in addition to being chief executive officer of PGIM Real Estate. David Durning will continue to serve as chief executive officer of PGIM Real Estate Finance, and also have an expanded role as Chairman of the Global Debt businesses, including activities in Asia and Europe. As part of this alignment, Mark Chamieh, head of Global Business Development, will oversee the Business Development efforts for PGIM Real Estate and PGIM Real Estate Finance. Peter Hayes, global head of Investment Research, will oversee the research function across PGIM Real Estate and PGIM Real Estate Finance. Andrew Radkiewicz will be named global head of Private Debt Strategy and Investor Solutions, and will partner with PGIM's real estate debt groups to establish and implement a comprehensive product architecture across the risk spectrum, encompassing both funds and strategic solutions for global investors. He will continue to have oversight over PGIM Real Estate borrowing activities and banking relationships. Andrew Macland, who was most recently head of PGIM Real Estate's UK business, will become head of European Debt, continuing to report to Raimondo Amabile, head of Europe. He will retain his portfolio management responsibilities for the PRECap funds. Raimondo Amabile, in his capacity as head of Europe for PGIM Real Estate, will assume the role as head of UK on an interim basis.

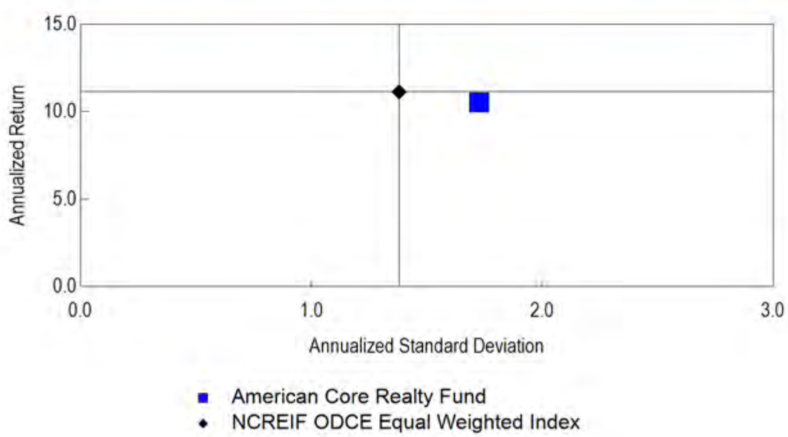
## Account Information

| | |
|---|---|
| Account Name | **American Core Realty Fund** |
| Account Structure | **Commingled Fund** |
| Investment Style | **Active** |
| Inception Date | **7/01/13** |
| Account Type | **Real Estate** |
| Benchmark | **NCREIF ODCE Equal Weighted Index** |
| Universe | |

## American Core Realty Fund
Ending June 30, 2018

| | Second Quarter | Inception 7/1/13 |
|---|---|---|
| Beginning Market Value | $12,410,013 | $0 |
| Net Cash Flow | -$151,309 | $8,107,457 |
| Net Investment Change | $224,512 | $4,375,758 |
| Ending Market Value | $12,483,215 | $12,483,215 |

### Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2018




### 3 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| American Core Realty Fund | 8.8% | 1.3% | 90.5% | -- |
| NCREIF ODCE Equal Weighted Index | 9.6% | 1.2% | 100.0% | -- |

### 5 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| American Core Realty Fund | 10.5% | 1.7% | 93.6% | -- |
| NCREIF ODCE Equal Weighted Index | 11.1% | 1.4% | 100.0% | -- |

### Gross of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| American Core Realty Fund | 2.1% | 4.4% | 8.2% | 8.8% | 10.5% | 8.1% | 7.1% | 15.4% | 11.6% | -- | 10.5% | Jul-13 |
| *NCREIF ODCE Equal Weighted Index* | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *7.8%* | *9.3%* | *15.2%* | *12.4%* | -- | *11.1%* | *Jul-13* |

### Net of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| American Core Realty Fund | 1.8% | 3.8% | 7.0% | 7.6% | 9.3% | 6.9% | 5.9% | 14.1% | 10.4% | -- | 9.3% | Jul-13 |
| *NCREIF ODCE Equal Weighted Index* | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *7.8%* | *9.3%* | *15.2%* | *12.4%* | -- | *11.1%* | *Jul-13* |

# Warehouse Employees Local #730 Pension Fund - American Core Realty Fund

## Correspondence/Transfer Summary

- Total commitment is $9.3 million, which is fully funded.
- Income is distributed.

## Manager Summary

- IPS conducted due diligence meetings with American Realty Advisors on July 27, 2016, June 21, 2017 (on-site) and June 4, 2018.

**Recommendation: None.**

## Compliance Summary

**Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle investment guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or offering document guidelines.**

**Items of Interest: Investment Policy Statement –** The manager stated they do not see a need for a change in the Fund's current investment policy statement. However, minor edits were made to update the Core Fund's investment policy statement for 2018. **Derivative Securities –** The manager stated question 5 is not applicable as no derivative securities were held in the portfolio during Second Quarter 2018.

## Account Information

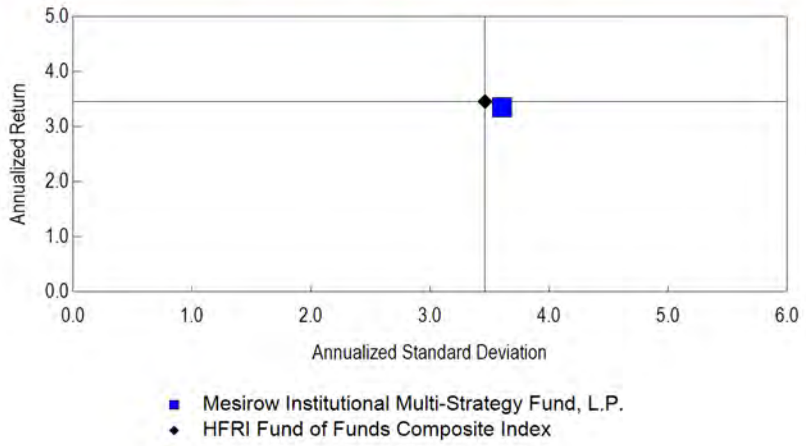
| | |
|---|---|
| Account Name | Mesirow Institutional Multi-Strategy Fund, L.P. |
| Account Structure | Commingled Fund |
| Investment Style | Active |
| Inception Date | 7/31/11 |
| Account Type | Hedge Fund |
| Benchmark | HFRI Fund of Funds Composite Index |
| Universe | |

## Mesirow Institutional Multi-Strategy Fund, L.P.

Ending June 30, 2018

| | Second Quarter | Inception 7/31/11 |
|---|---|---|
| Beginning Market Value | $3,805,365 | $0 |
| Net Cash Flow | $0 | $2,087,635 |
| Net Investment Change | $7,202 | $1,724,932 |
| Ending Market Value | $3,812,567 | $3,812,567 |

### Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2018




### 3 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Mesirow Institutional Multi-Strategy Fund, L.P. | 0.6% | 3.6% | 69.7% | 102.4% |
| HFRI Fund of Funds Composite Index | 1.9% | 3.9% | 100.0% | 100.0% |

### 5 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| Mesirow Institutional Multi-Strategy Fund, L.P. | 3.3% | 3.6% | 98.4% | 102.4% |
| HFRI Fund of Funds Composite Index | 3.5% | 3.5% | 100.0% | 100.0% |

### Gross of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Mesirow Institutional Multi-Strategy Fund, L.P. | 0.5% | 1.0% | 3.1% | 0.6% | 3.3% | 3.8% | 1.5% | -1.4% | 6.0% | 10.9% | 3.4% | Jul-11 |
| *HFRI Fund of Funds Composite Index* | *0.4%* | *0.7%* | *5.1%* | *1.9%* | *3.5%* | *7.8%* | *0.5%* | *-0.3%* | *3.4%* | *9.0%* | *2.8%* | *Jul-11* |

### Net of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Mesirow Institutional Multi-Strategy Fund, L.P. | 0.2% | 0.4% | 1.9% | -0.5% | 2.2% | 2.7% | 0.4% | -2.5% | 4.8% | 9.6% | 2.3% | Jul-11 |
| *HFRI Fund of Funds Composite Index* | *0.4%* | *0.7%* | *5.1%* | *1.9%* | *3.5%* | *7.8%* | *0.5%* | *-0.3%* | *3.4%* | *9.0%* | *2.8%* | *Jul-11* |

## Warehouse Employees Local #730 Pension Fund - Mesirow Institutional Multi-Strategy Fund

### Correspondence/Transfer Summary

- Manager was funded with $11.3 million on September 1, 2011 from Attalus ($10.35M) and Meridian ($930,183).
- A partial redemption request was submitted for $8.0M effective June 30, 2017. Proceeds were received and will be used to fund Hamilton Lane Secondary Fund IV as capital is called.

### Manager Summary

- IPS conducted on-site due diligence meetings with Mesirow on August 22, 2017 and August 28, 2018.
- On March 2, 2018, Mesirow Financial announced that Mesirow Advanced Strategies, the hedge fund division of Mesirow, will be acquired by Lighthouse Partners. The transaction closed effective July 1, 2018. A consent to assignment was required on the part of Mesirow Advanced Strategies' clients.

**Recommendation: Monitor due to transaction with Lighthouse.**

### Compliance Summary

**Manager verified the portfolio is currently, and has been during the past quarter, in compliance with Mesirow's commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, the manager acknowledges fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines.**

**Items of Interest: Investment Management Process Change -** With respect to certain Mesirow Advanced Strategies, Inc. ("MAS") funds acquired by Lighthouse Investments Partners, LLC ("Lighthouse") in July 2018, such portfolios are managed by an Investment Committee primarily comprised of former senior MAS investment professionals who are now Lighthouse employees. Steve Vogt, Chief Market Strategist, and Tom Macina, Chief Executive Officer, no longer hold positions with Lighthouse as of July 1, 2018. After the close of the transaction, Clark Prickett, Lighthouse Partners Managing Director, joined the Investment Committee as a voting member and Sean McGould, Lighthouse Partners President and Co-Chief Investment Officer, joined as an advisory member. **Personnel Additions -** Don Breslauer, Head of Trading and Risk Technology, Kevin Mann, Risk Developer, and Joe Aurilio, Managing Director, Platform Services. Personnel Departures - Stephen Vogt, Chief Market Strategist, Thomas Macina, Chief Executive Officer, Anthony Caruso, Sonia De Zordo, and William Morgan, Managing Directors and Peter Xilas, Senior Vice President. **Ownership Changes -** Navigator Global Investments Limited ('Navigator' or 'the Company') announced it is pleased to confirm that its United States subsidiary, Lighthouse Investment Partners, LLC ('Lighthouse') completed its acquisition of the assets of Mesirow Advanced Strategies ('MAS'), the multi-manager hedge fund division of Mesirow Financial, on July 1, 2018 (the 'Closing'). As previously advised, and as is common with transactions of this nature, the Company expects to experience some level of investor redemption activity in relation to the transitioned assets over the first 12 months after Closing. This should be taken into consideration when assessing the longer term impact on revenue from the transitioned assets. Manger stated they are pleased to confirm that as of the Closing, a significant portion of the existing MAS team joined Lighthouse. **Form ADV –** Manager noted a significant change to the ADV due to ownership changes. Lighthouse Partners Investor Letter and Form ADV Part 2A and 2B are included behind the compliance checklist. **Legal -** Manager noted there are pending matters regarding an employee that is a member of the NFA's business conduct committee and Lighthouse's subsequent transferee matter. 1) In June 2017, the National Futures Association ("NFA") was sued by a non-NFA member (the "Plaintiff"). The lawsuit was brought in response to a regulatory action taken by the NFA in February 2017 involving a retail foreign exchange dealer. The Plaintiff alleged, among other things, that the NFA made false and defamatory statements about it in the materials published concerning the regulatory action. In July 2017, the Plaintiff amended its complaint to add additional defendants, including a current Lighthouse employee who serves on the NFA's Business Conduct Committee. Manager stated that neither Lighthouse, nor its funds, were involved in this lawsuit or the aforementioned regulatory action. The NFA believes that this lawsuit is without merit and it has filed a motion to dismiss. The NFA will also provide legal representation for the employee. Lighthouse does not believe the matter will have any material impact on the employee, firm or funds. 2) Certain Lighthouse funds had limited exposure to Fairfield Sentry Limited ("Fairfield") over a decade ago, having been fully redeemed since early 2003. Fairfield invested its assets with Madoff. A complaint was filed in October 2011 by the Madoff SIPC trustee (the "Trustee") against Lighthouse, Lighthouse Super Cash Fund Limited (later known as the Lighthouse Low Volatility Fund Limited) and Lighthouse Diversified Fund Limited. The Trustee's complaint, which is based on the subsequent transferee rules under U.S. Bankruptcy Code and New York state law, seeks to claw back alleged false profits and the principal invested by the Lighthouse funds. Manager stated in their view, Lighthouse should not have been named as a party in this matter given that Lighthouse was never an investor in Fairfield. In addition, in early 2017, the District Court in New York recently granted manager's motion to dismiss this matter. The Trustee has filed an appeal. **E&O Insurance –** Manager stated while there have not been any changes during the second quarter of 2018, Lighthouse added an additional $5 million in coverage ($25 million in aggregate) to match MAS' existing coverage level as a result of the Closing.

| Account Information | |
|---|---|
| Account Name | **Corbin ERISA Opportunity Fund** |
| Account Structure | **Commingled Fund** |
| Investment Style | **Active** |
| Inception Date | **4/01/17** |
| Account Type | **Fund of Funds** |
| Benchmark | |
| Universe | |

## Corbin ERISA Opportunity Fund

Ending June 30, 2018

| | **Second Quarter** | **Inception 4/1/17** |
|---|---|---|
| Beginning Market Value | $8,651,297 | $0 |
| Net Cash Flow | $0 | $8,000,000 |
| Net Investment Change | $162,126 | $813,423 |
| Ending Market Value | $8,813,423 | $8,813,423 |

**Gross of Fee Performance**

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Corbin ERISA Opportunity Fund | 2.1% | 3.9% | 9.0% | -- | -- | -- | -- | -- | -- | -- | 8.9% | Apr-17 |
| *Target Return Objective* | *1.9%* | *3.9%* | *8.0%* | -- | -- | -- | -- | -- | -- | -- | *8.0%* | *Apr-17* |
| *ICE BofAML US High Yield TR* | *1.0%* | *0.1%* | *2.5%* | -- | -- | -- | -- | -- | -- | -- | *3.8%* | *Apr-17* |

**Net of Fee Performance**

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Corbin ERISA Opportunity Fund | 1.9% | 3.6% | 8.2% | -- | -- | -- | -- | -- | -- | -- | 8.1% | Apr-17 |
| *Target Return Objective* | *1.9%* | *3.9%* | *8.0%* | -- | -- | -- | -- | -- | -- | -- | *8.0%* | *Apr-17* |
| *ICE BofAML US High Yield TR* | *1.0%* | *0.1%* | *2.5%* | -- | -- | -- | -- | -- | -- | -- | *3.8%* | *Apr-17* |

Note: The investment manager's long-term net target return objective is 8-10%.  An 8% objective is shown for comparison purposes.

## Warehouse Employees Local #730 Pension Fund - Corbin ERISA Opportunity Fund

### Correspondence/Transfer Summary

- On March 31, 2017, $8.0M was transferred to Corbin Capital (opportunistic strategy manager) for investment on April 3, 2017.

### Manager Summary

- IPS conducted due diligence meetings with Corbin Capital on January 6, 2016, November 17, 2016, October 19, 2017 and April 17, 2018 (on-site) and August 9, 2018.

**Recommendation: None.**

### Compliance Summary

**The manager verified the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, the manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines.**

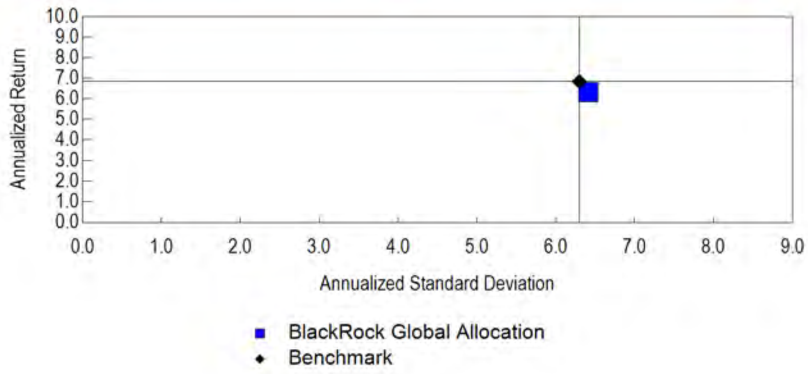
**Items of Interest: Personnel Changes –** The manager stated Zachary Badar, Credit Analyst, joined the firm in April 2018, and Shryan Appalaraju, Quantitative Investment Analyst, joined the firm in June 2018.

| Account Information | |
|---|---|
| Account Name | BlackRock Global Allocation |
| Account Structure | Commingled Fund |
| Investment Style | Active |
| Inception Date | 11/01/10 |
| Account Type | Global Allocations |
| Benchmark | Benchmark |
| Universe | |

## BlackRock Global Allocation
Ending June 30, 2018

| | Second Quarter | Inception 11/1/10 |
|---|---|---|
| Beginning Market Value | $10,345,012 | $0 |
| Net Cash Flow | -$1,000,000 | $2,800,000 |
| Net Investment Change | -$65,600 | $6,479,412 |
| Ending Market Value | $9,279,412 | $9,279,412 |

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2018




### 3 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| BlackRock Global Allocation | 5.0% | 6.8% | 90.0% | 103.9% |
| Benchmark | 6.4% | 6.4% | 100.0% | 100.0% |

### 5 Years Ending June 30, 2018

| | Anlzd Return | Anlzd Standard Deviation | Up Mkt Capture Ratio | Down Mkt Capture Ratio |
|---|---|---|---|---|
| BlackRock Global Allocation | 6.3% | 6.4% | 91.3% | 94.7% |
| Benchmark | 6.8% | 6.3% | 100.0% | 100.0% |

### Gross of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BlackRock Global Allocation | -0.7% | -1.2% | 5.0% | 5.0% | 6.3% | 15.0% | 5.5% | -0.4% | 3.1% | 15.7% | 6.3% | Nov-10 |
| *Benchmark* | *-0.2%* | *-0.2%* | *7.0%* | *6.4%* | *6.8%* | *15.7%* | *6.1%* | *-0.8%* | *4.2%* | *13.7%* | *6.7%* | *Nov-10* |
| *65% MSCI World Index/35% CitigroupWGBI* | *-0.1%* | *0.0%* | *7.9%* | *6.6%* | *6.9%* | *17.0%* | *5.6%* | *-1.6%* | *3.1%* | *15.1%* | *6.4%* | *Nov-10* |

### Net of Fee Performance

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BlackRock Global Allocation | -0.8% | -1.5% | 4.4% | 4.4% | 5.6% | 14.3% | 4.9% | -1.0% | 2.4% | 14.7% | 5.5% | Nov-10 |
| *Benchmark* | *-0.2%* | *-0.2%* | *7.0%* | *6.4%* | *6.8%* | *15.7%* | *6.1%* | *-0.8%* | *4.2%* | *13.7%* | *6.7%* | *Nov-10* |
| *65% MSCI World Index/35% CitigroupWGBI* | *-0.1%* | *0.0%* | *7.9%* | *6.6%* | *6.9%* | *17.0%* | *5.6%* | *-1.6%* | *3.1%* | *15.1%* | *6.4%* | *Nov-10* |

# Warehouse Employees Local #730 Pension Fund - BlackRock Global Allocation

## Correspondence/Transfer Summary

- Manager was funded on November 1, 2010 with $13.75 million from C.S. McKee ($10M), Westfield ($1.875M), and Rothschild ($1.875M).
- At the August 29, 2013, BOT approved switching the investment to the collective trust fund. Trust documents were sent to BlackRock to review the Fund's eligibility to invest in the new vehicle. BlackRock is offering a discounted fee for IPS clients transitioning to the new collective trust. The current total expense paid by the Pension Fund is 0.79%, and the discounted fee offered to IPS clients is 0.59%. In March 2014, investment switched to the collective trust.
- On March 31, 2017, $8.0M was transferred to Corbin Capital (opportunistic strategy manager) for investment on April 3, 2017.
- On June 21, 2018, $1.0M was transferred to cash account for Hamilton Lane capital call.

## Manager Summary

- IPS conducted due diligence meetings with BlackRock on July 25, 2016, March 3, 2017, January 25, 2018 and August 3, 2018 (on-site).
- Effective August 1, 2017, Dennis Stattman, portfolio manager of Global Allocation Fund, retired. There was no change to Global Allocation's investment approach. The Global Allocation fund will continue to be managed by Dan Chamby, Russ Koesterich, David Clayton, and Kent Hogshire. All four PMs worked together to manage Global Allocation.

**Recommendation: Monitor due to personnel departure.**

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# Warehouse Employees Local #730 Pension Fund - BlackRock Global Allocation (cont)

## Compliance Summary

**The manager verified the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or offering document guidelines.**

**Items of Interest: Notes: The manager noted that the relevant BlackRock contracting entity is BlackRock Institutional Trust Company, N.A. ("BTC"). Personnel Changes –** The manager stated Aldo Roldan, Ph.D, Senior Investor has retired. His research coverage will be assumed by several investors on the Global Allocation Team and will continue to be driven by the portfolio managers. Reid Ross and Chris Strayer, Analysts, have departed from BlackRock. Primary responsibility for coverage have been transitioned to analysts on the Global Allocation Team. **Ownership –** The manager stated the firm has not experienced any material ownership changes during 2Q 2018. **Form ADV –** The manager stated as a limited purpose national banking association, BTC is exempt from registration with the SEC as an investment adviser under Section 202 of the Investment Advisers Act of 1940 and therefore is not required to file a form ADV. BTC's primary disclosure document is "16 Things You Should Know – Information about BTC." It is distributed to clients annually and is available upon request. BTC is registered with the SEC as a municipal adviser and its From MA is available via the EDGAR system. BTC's Form MA can be provided upon request. BTC is primarily regulated by the OCC and must follow the OCC's rules and regulations including 12 CFR 9 (Fiduciary Activities of National Banks). The results, reports and recommendations by the OCC, internal and external audits and other regulatory examinations are, by regulation, confidential in nature. Other BlackRock advisory subsidiaries are registered with the SEC and have Forms ADV. **Legal –** As a global investment manager, BlackRock Inc., and its various subsidiaries including BTC may be subject to regulatory oversight in numerous jurisdictions including examinations and various requests for information. BTC's regulators routinely provide it with comment letters at the conclusion of these examinations in which they request that BTC correct or modify certain of its practices. In all such instances, BTC has addressed, or is working to address, these requests to ensure that it continues to operate in compliance with applicable laws, statues and regulations. BTC also receives subpoenas or requests for information in connection with regulatory inquiries and/or investigations by its various regulators, some of which are ongoing. None of these matters has had or is expected to have any adverse impact on BTC's ability to manage its clients' assets. Please refer to BlackRock's Form ADV and SEC disclosures for additional information on regulatory matters concerning BTC or BlackRock as a whole. As a limited purpose national banking association, BTC is exempt from registration with the US Securities and Exchange Commission (SEC) as an investment adviser under Section 202 of the Investment Advisers Act of 1940. BTC is primarily regulated by the Office of the Comptroller of Currency (OCC) and was registered on April 2, 1990. The OCC maintains a "close and continuous" relationship with the BTC, which involves, among other engagements, several routine examinations of BTC each year. The most recently completed routine examination of BTC, conducted by the OCC, concluded in Q4 2017, and there were no material deficiencies noted. By the OCC's own regulation, any results, reports, and recommendations issued by the OCC to the entities and firms it regulates are confidential, and any dissemination or publication of findings or reports would constitute a violation of the OCC's regulatory program. As such, BTC is not permitted to share with clients, prospects or consultants any results of its recent regulatory examinations. BlackRock, Inc. and its various subsidiaries, including BTC, also have been subject to certain business litigation that has arisen in the normal course of their business. Litigation has included a variety of claims, some of which are investment-related. None of BlackRock's prior litigation has had, and none of its pending litigation currently is expected to have, an adverse impact on BlackRock's ability to manage client accounts. In past years, BlackRock has acquired organizations that provide investment-related services, including, but not limited to, State Street Research & Management Company, Merrill Lynch Investment Managers, the fund of funds business of Quellos Group, LLC, and Barclays Global Investors. This response does not address any litigation or regulatory matters that arose out of conduct within the acquired organizations prior to their acquisition by BlackRock. It also does not address litigation or regulatory matters unrelated to BalckRock's or BTC's investment management responsibilities.

## Account Information

| | |
|---|---|
| Account Name | **Hamilton Lane Secondary Fund IV-A, LP** |
| Account Structure | **Commingled Fund** |
| Investment Style | **Active** |
| Inception Date | **7/01/17** |
| Account Type | **Private Equity** |
| Benchmark | |
| Universe | |

## Hamilton Lane Secondary Fund IV-A, LP

Ending June 30, 2018

| | **Second Quarter** | **Inception 7/1/17** |
|---|---|---|
| Beginning Market Value | $2,855,687 | $0 |
| Net Cash Flow | $1,126,543 | $3,330,970 |
| Net Investment Change | $29,317 | $680,577 |
| Ending Market Value | $4,011,547 | $4,011,547 |

Note: Hamilton Lane Secondary Fund IV LP market value is as of 6/30/2018. Total fund return includes gains and losses of Hamilton Lane Secondary Fund IV LP. All returns, values, contributions, and distributions are provided by Hamilton Lane and cannot be verified by IPS. Hamilton Lane-Carpenters Secondary Fund IV reported since inception of the fund through 6/30/18 Net Internal Rate of Return is 45% and Gross Internal Rate of Return is 34%. Returns are net of fees.

**Gross of Fee Performance**

| | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 2017 | 2016 | 2015 | 2014 | 2013 | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hamilton Lane Secondary Fund IV-A, LP | 1.7% | 12.8% | 78.7% | -- | -- | -- | -- | -- | -- | -- | 78.7% | Jul-17 |

# Warehouse Employees Local #730 Pension Fund - Hamilton Lane Secondary Fund IV-A, L.P.

## Correspondence/Transfer Summary

- Total commitment is $10M. Remaining unfunded commitment is $6.1MM.
- Manager had the following capital calls: July 2017 - $725,805, December 2017 - $800,222, March 2018 - $1,227,114, June 2018 - $1,126,543

## Manager Summary

- IPS conducted due diligence meetings with Hamilton Lane on November 13, 2017 and May 24, 2018.
- On February 1, 2017, Hamilton Lane announced they filed a registration statement with the SEC to become a public company traded on the NASDAQ stock exchange. On March 1, 2017, Hamilton Lane began trading on the Nasdaq Stock Exchange.

**The investment is illiquid.**

## Compliance Summary

**Manager stated with regard to Hamilton Lane Secondary Fund IV, L.P., the investment in the fund is governed by the Limited Partnership Agreement of the fund; the fund is currently, and has been during the past quarter, in compliance in all material respects with such agreement. With respect to the portfolio(s) under management, the manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines.**

**Items of Interest: Personnel Changes –** Brian Gildea was named Head of Investments in April 2018. In this capacity, Brian will oversee all of the managers' investment areas. **Ownership Changes -** Prior to 2003, Hamilton Lane was majority owned by its founders, and over time transitioned to broad employee equity ownership. The manager recently conducted their initial public offering and their Class A common stock is listed on NASDAQ. The management team, senior employees, and outside investors who owned the company prior to the IPO, continue to own approximately 75% of the Company as of March 1, 2017. Through the corporate structure, they control all decisions made going forward. Following the IPO, substantially all of the employees hold equity interests in the company. **Compliance -** In the March 31, 2018 checklist the manager responded N/A to the following questions and referenced Schedule I, Number 1 which states the Fund is governed by the Limited Partnership Agreement of the fund (see above for statement from Schedule 1): Part A Question 4. Do you see a need for a change in the Fund's current investment policy statement under which you are working? Part B Question 7. Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement? Part B Question 8. Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement? **Form ADV –** The manager filed their annual Form ADV on June 28, 2018 and it was sent to Clients on July 3, 2018.

## Account Information

| | |
|---|---|
| Account Name | **MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11** |
| Account Structure | **Commingled Fund** |
| Investment Style | **Active** |
| Inception Date | **9/30/11** |
| Account Type | **Hedge Fund** |
| Benchmark | |
| Universe | |

## MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11

Ending June 30, 2018

| | Second Quarter | Inception 9/30/11 |
|---|---|---|
| Beginning Market Value | $101,069 | $0 |
| Net Cash Flow | $0 | $32,131 |
| Net Investment Change | -$1,356 | $67,582 |
| Ending Market Value | $99,713 | $99,713 |

Market Value is as of 3/31/2018.

## Warehouse Employees Local #730 Pension Fund - MDF Special Investments SPC, Ltd - MDEF June 2011/ Pool 12/11

### Correspondence/Transfer Summary

- On September 13, 2011, Meridian made an in-kind transfer of assets valued at $773,136 they deemed illiquid from Diversified ERISA Fund to a segregated account.
- On September 16, 2011, Meridian sent correspondence regarding an in-kind distribution of redemption proceeds. This is consistent with the notice that Meridian sent out on June 9th explaining that only two distributions remained for investors who fully redeemed (June 30 and Dec 31 2011), and based on the nature of the underlying investments, some securities in the Diversified ERISA Fund remain illiquid. The June notice outlined the establishment of a Special Purpose Vehicle or Segregated Portfolio that Meridian established for the purpose of receiving the pro-rata portion of illiquid securities of all investors who are fully redeeming . The Sept 16 notice is confirmation of that action. As per Meridian, the shares will be held until such time that they can be sold and converted to cash for investors holding those shares. The shares are not redeemable.
- On December 9, 2011, Meridian notified clients that a portion of the "less liquid assets" segregated into the MDF Special Investments Funds has been realized. Meridian made a cash distribution of $51,127 on December 9, 2011.
- On March 19, 2012, Meridian made an in-kind transfer of assets from the Diversified ERISA Fund valued at $169,888 they deemed illiquid to the segregated account, MDF Special Investments SPC, Ltd/MDEF June 2011.
- Total 2012 cash distributions: $164,048.
- Total 2013 cash distributions: $308,962.
- Total 2014 cash distributions: $152,886.
- Total 2015 cash distributions: $78,380.
- Total 2016 cash distributions: $54,734.
- Total 2017 cash distributions: $66,251.
- Total 2018 cash distributions: $34,512.

### Manager Summary

- On February 20, 2018, the manager communicated that effective January 1, 2018, in connection with the manager's efforts to streamline operations, Meridian Capital Partners Inc. became the segregated portfolios' new investment manager, replacing Meridian Diversified Fund Management, LLC. The firm made a decision to manage one entity going forward instead of two separate entities as a matter of efficiency. The manager stated there is no change to the underlying investor. The operations of MDF Special Investments SPC, Ltd. will remain the same under Meridian Capital Partners ,Inc. Meridian Capital Partners, Inc. and Meridian Diversified Fund Management, LLC are wholly owned by the same employees in the same percentages and are registered as an investment adviser with the U.S. Securities and Exchange Commission under the same Form ADV.

**Recommendation: A full redemption request for Meridian Diversified ERISA Fund was submitted. Liquidity of the MDF Special Investments is at the discretion of the manager. (Status : In process)**

### Compliance Summary

**Items of Interest:** In an email dated June 27, 2018 manager stated as previously explained, IPS clients no longer own shares of Meridian Diversified ERISA Fund. They have all fully redeemed from that fund and as a result they own shares of MDF Special Investments, which are side pocket liquidating funds that are in wind down mode. As the managers are able to liquidate their holdings, cash distributions will be made to the shareholders until the entire position is realized in full. Manager noted that due to this they do not complete checklists.

# Recommendation Summary

| Manager | Recommended Action | Duration (since) | Implementation |
|---|---|---|---|
| Meridian | Terminated | 4Q2008 | In Process |
| PENN Capital | Monitor due to personnel changes. | 2Q2017 | – |
| BlackRock | Monitor due to personnel departure. | 2Q2017 | – |
| Mesirow | Monitor due to impending transaction with Lighthouse. | 1Q2018 | – |
| Acadian | Monitor due to personnel departures. | 2Q2018 | – |

## Commission Recapture Provider

- Cowen Execution Services, LLC.
- On April 3, 2017, Cowen Group announced the signing of a definitive agreement to acquire ConvergEx Group. IPS contacted John Seyler at ConvergEx to discuss the transaction. Per ConvergEx, there will be no impact to existing ConvergEx clients and a consent to assignment is not required. The transaction closed on June 1, 2017. Following the acquisition, the name changed to Cowen Execution Services, LLC.
- Your Fund's commission recapture provider, ConvergEx Group, was recently purchased by Cowen, Inc. As a result of the this transaction, CovergEx's Plan Sponsor Division, renamed Cowen Execution Services, LLC, will be moved into Cowen and Company, LLC. You may have received correspondence from Cowen regarding "assignment" of your current agreement with Cowen Execution Services to Cowen and Company . IPS has been in contact with Cowen and recommends that you agree to the assignment. The notice sent by Cowen is structured as a negative consent; therefore, agreeing to the assignment requires no action.
- IPS has evaluated the benefits of ongoing participation in a commission recapture program and suggests Funds continue to participate in them. The IPS investment committee is currently working on a process to potentially enhance the managers' utilization of these programs. When the work is complete, additional information will be communicated to clients.

## Custody Bank

- PNC Bank

## Investment Policy Statement

- Adopted and signed on September 21, 2006.

## Commingled Funds

- Commingled Fund: Due to the commingled fund structure, IPS does not monitor the holdings within the commingled fund for compliance with the client's investment policy statement. The commingled fund is governed by its own investment policy. However, all investment managers have verified that the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment with the exception of Meridian Capital Partners who does not return a checklist for MDF Special Investments.

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# Warehouse Employees Local #730 Pension Fund

# Appendix

## Performance Summary (Gross of Fees) - Annualized

| | Market Value | % of Portfolio | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 7 Yrs | 10 Yrs | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Ending June 30, 2018 | | | | | | | | |
| **Composite** | **$162,308,466** | **100.0%** | **1.9%** | **2.9%** | **11.4%** | **9.6%** | **10.8%** | **10.1%** | **6.9%** | **8.4%** | **Jan-85** |
| *Benchmark* | | | *2.1%* | *2.1%* | *9.5%* | *8.2%* | *9.3%* | *9.0%* | *7.0%* | *--* | *Jan-85* |
| **Total Domestic Equity** | **$59,319,425** | **36.5%** | **3.6%** | **3.9%** | **16.3%** | **12.3%** | **14.2%** | **13.5%** | **10.4%** | **8.9%** | **Jul-95** |
| *S&P 500* | | | *3.4%* | *2.6%* | *14.4%* | *11.9%* | *13.4%* | *13.2%* | *10.2%* | *9.3%* | *Jul-95* |
| *Russell 2000* | | | *7.8%* | *7.7%* | *17.6%* | *11.0%* | *12.5%* | *11.8%* | *10.6%* | *9.4%* | *Jul-95* |
| Rothschild Asset Management - LCV | $12,919,076 | 8.0% | 0.0% | -1.9% | 9.7% | 8.1% | 11.1% | 12.3% | -- | 15.6% | Apr-09 |
| *Russell 1000 Value* | | | *1.2%* | *-1.7%* | *6.8%* | *8.3%* | *10.3%* | *11.3%* | *--* | *15.2%* | *Apr-09* |
| Northern Trust Russell 1000 Growth Index Fund | $14,928,693 | 9.2% | 5.8% | 7.3% | 22.6% | -- | -- | -- | -- | 22.6% | Jul-17 |
| *Russell 1000 Growth* | | | *5.8%* | *7.3%* | *22.5%* | *--* | *--* | *--* | *--* | *22.5%* | *Jul-17* |
| Hardman Johnston Asset Management - LCC | $15,110,080 | 9.3% | 4.4% | 4.3% | 13.1% | 11.7% | 13.5% | 11.9% | 10.7% | 9.7% | Apr-05 |
| *S&P 500* | | | *3.4%* | *2.6%* | *14.4%* | *11.9%* | *13.4%* | *13.2%* | *10.2%* | *8.7%* | *Apr-05* |
| Atlanta Capital Management | $16,361,576 | 10.1% | 4.0% | 5.6% | 20.2% | 15.0% | 16.0% | 15.5% | -- | 17.8% | Jul-10 |
| *Russell 2500* | | | *5.7%* | *5.5%* | *16.2%* | *10.3%* | *12.3%* | *11.9%* | *--* | *14.1%* | *Jul-10* |
| **Total International Equity** | **$17,336,276** | **10.7%** | **-1.8%** | **-0.9%** | **13.7%** | **9.6%** | **9.1%** | **7.5%** | **3.6%** | **4.4%** | **Jan-01** |
| *MSCI EAFE* | | | *-1.2%* | *-2.7%* | *6.8%* | *4.9%* | *6.4%* | *4.9%* | *2.8%* | *4.2%* | *Jan-01* |
| *MSCI ACWI ex USA* | | | *-2.6%* | *-3.8%* | *7.3%* | *5.1%* | *6.0%* | *3.8%* | *2.5%* | *4.9%* | *Jan-01* |
| Hardman Johnston International Equity Group Trust | $8,104,241 | 5.0% | -0.2% | 1.0% | 15.0% | 10.2% | 10.8% | 8.3% | -- | 8.5% | Feb-10 |
| *MSCI EAFE* | | | *-1.2%* | *-2.7%* | *6.8%* | *4.9%* | *6.4%* | *4.9%* | *--* | *6.3%* | *Feb-10* |
| *MSCI EAFE Growth* | | | *0.1%* | *-0.9%* | *9.4%* | *6.4%* | *7.4%* | *5.8%* | *--* | *7.4%* | *Feb-10* |
| *MSCI ACWI ex USA* | | | *-2.6%* | *-3.8%* | *7.3%* | *5.1%* | *6.0%* | *3.8%* | *--* | *5.6%* | *Feb-10* |
| Acadian Non-US Concentrated Fund | $9,232,035 | 5.7% | -3.0% | -2.4% | 12.5% | 9.1% | 7.6% | 7.0% | -- | 8.7% | Feb-10 |
| *MSCI EAFE* | | | *-1.2%* | *-2.7%* | *6.8%* | *4.9%* | *6.4%* | *4.9%* | *--* | *6.3%* | *Feb-10* |
| *MSCI EAFE Value* | | | *-2.6%* | *-4.6%* | *4.3%* | *3.3%* | *5.4%* | *3.9%* | *--* | *5.1%* | *Feb-10* |
| *MSCI ACWI ex USA* | | | *-2.6%* | *-3.8%* | *7.3%* | *5.1%* | *6.0%* | *3.8%* | *--* | *5.6%* | *Feb-10* |

## Performance Summary (Gross of Fees) - Annualized

| | | | Ending June 30, 2018 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Market Value | % of Portfolio | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 7 Yrs | 10 Yrs | Inception | Inception Date |
| **Total Investment Grade Fixed Income** | **$4,118,793** | **2.5%** | **0.1%** | **-0.9%** | **-0.1%** | **1.5%** | **1.9%** | **2.5%** | **4.0%** | **4.6%** | **Jan-02** |
| *Blended Fixed Benchmark* | | | *0.0%* | *-1.0%* | *-0.6%* | *1.2%* | *1.6%* | *2.1%* | *3.4%* | *4.1%* | *Jan-02* |
| C.S. McKee | $4,118,793 | 2.5% | 0.1% | -0.9% | -0.1% | 1.5% | 1.9% | 2.6% | -- | 2.9% | Jul-10 |
| *Blended Fixed Benchmark* | | | *0.0%* | *-1.0%* | *-0.6%* | *1.2%* | *1.6%* | *2.1%* | -- | *2.2%* | *Jul-10* |
| **Total High Yield Fixed Income** | **$11,412,228** | **7.0%** | **0.8%** | **0.9%** | **3.1%** | **4.8%** | **4.8%** | **5.4%** | **7.2%** | **6.5%** | **Jul-04** |
| *Citi BB/B Ex Split B/CCC Index* | | | *0.6%* | *-0.5%* | *1.7%* | *3.9%* | *4.5%* | *5.5%* | *6.2%* | *6.1%* | *Jul-04* |
| PENN Capital Defensive High Yield Fund, L.P. | $11,412,228 | 7.0% | 0.8% | 0.9% | 3.1% | 4.8% | 4.8% | 5.4% | 7.2% | 7.2% | Jul-08 |
| *Citi BB/B Ex Split B/CCC Index* | | | *0.6%* | *-0.5%* | *1.7%* | *3.9%* | *4.5%* | *5.5%* | *6.2%* | *6.2%* | *Jul-08* |
| **Total Real Estate** | **$42,822,081** | **26.4%** | **2.2%** | **4.5%** | **9.9%** | **12.8%** | **14.5%** | **14.6%** | **4.7%** | **9.5%** | **Jul-04** |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *11.4%* | *5.1%* | *7.9%* | *Jul-04* |
| **Total Real Estate Core** | **$12,483,215** | **7.7%** | **2.1%** | **4.4%** | **8.2%** | **8.8%** | **10.5%** | **--** | **--** | **10.5%** | **Jul-13** |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | -- | -- | *11.1%* | *Jul-13* |
| American Core Realty Fund | $12,483,215 | 7.7% | 2.1% | 4.4% | 8.2% | 8.8% | 10.5% | -- | -- | 10.5% | Jul-13 |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | -- | -- | *11.1%* | *Jul-13* |
| **Total Real Estate Value - Add** | **$30,338,866** | **18.7%** | **2.2%** | **4.5%** | **10.7%** | **14.7%** | **16.3%** | **16.9%** | **5.1%** | **10.5%** | **Jul-04** |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *11.4%* | *5.1%* | *7.9%* | *Jul-04* |
| PRISA III Fund LP | $30,338,866 | 18.7% | 2.2% | 4.5% | 10.7% | 14.7% | 16.3% | 16.9% | 5.1% | 10.5% | Jul-04 |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *11.4%* | *5.1%* | *7.9%* | *Jul-04* |
| **Total Hedge Fund of Funds** | **$3,812,567** | **2.3%** | **0.5%** | **1.0%** | **3.1%** | **0.9%** | **3.5%** | **3.3%** | **1.4%** | **2.0%** | **Apr-06** |
| *HFRI Fund of Funds Composite Index* | | | *0.4%* | *0.7%* | *5.1%* | *1.9%* | *3.5%* | *2.8%* | *1.4%* | *2.2%* | *Apr-06* |
| Mesirow Institutional Multi-Strategy Fund, L.P. | $3,812,567 | 2.3% | 0.5% | 1.0% | 3.1% | 0.6% | 3.3% | -- | -- | 3.4% | Jul-11 |
| *HFRI Fund of Funds Composite Index* | | | *0.4%* | *0.7%* | *5.1%* | *1.9%* | *3.5%* | -- | -- | *2.8%* | *Jul-11* |

## Performance Summary (Gross of Fees) - Annualized

| | Market Value | % of Portfolio | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 7 Yrs | 10 Yrs | Inception | Inception Date |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Ending June 30, 2018 | | | | | | | | |
| **Total Opportunistic Investments** | **$8,813,423** | **5.4%** | **2.1%** | **3.9%** | **9.0%** | **--** | **--** | **--** | **--** | **8.9%** | **Apr-17** |
| *HFRX Event Driven Index* | | | *0.3%* | *-4.5%* | *-2.8%* | -- | -- | -- | -- | *-1.0%* | *Apr-17* |
| Corbin ERISA Opportunity Fund | $8,813,423 | 5.4% | 2.1% | 3.9% | 9.0% | -- | -- | -- | -- | 8.9% | Apr-17 |
| *Target Return Objective* | | | *1.9%* | *3.9%* | *8.0%* | -- | -- | -- | -- | *8.0%* | *Apr-17* |
| *ICE BofAML US High Yield TR* | | | *1.0%* | *0.1%* | *2.5%* | -- | -- | -- | -- | *3.8%* | *Apr-17* |
| **Total Global Tactical Asset Allocation** | **$9,279,412** | **5.7%** | **-0.7%** | **-1.2%** | **5.0%** | **5.0%** | **6.3%** | **5.8%** | **--** | **6.3%** | **Nov-10** |
| *65% MSCI World Index/35% CitigroupWGBI* | | | *-0.1%* | *0.0%* | *7.9%* | *6.6%* | *6.9%* | *6.0%* | -- | *6.4%* | *Nov-10* |
| BlackRock Global Allocation | $9,279,412 | 5.7% | -0.7% | -1.2% | 5.0% | 5.0% | 6.3% | 5.8% | -- | 6.3% | Nov-10 |
| *Benchmark* | | | *-0.2%* | *-0.2%* | *7.0%* | *6.4%* | *6.8%* | *6.3%* | -- | *6.7%* | *Nov-10* |
| *65% MSCI World Index/35% CitigroupWGBI* | | | *-0.1%* | *0.0%* | *7.9%* | *6.6%* | *6.9%* | *6.0%* | -- | *6.4%* | *Nov-10* |
| **Total Private Equity** | **$4,011,547** | **2.5%** | | | | | | | | | |
| Hamilton Lane Secondary Fund IV-A, LP | $4,011,547 | 2.5% | | | | | | | | | |
| **Total Cash** | **$1,283,002** | **0.8%** | **0.4%** | **0.6%** | **1.0%** | **0.5%** | **0.3%** | **0.2%** | **--** | **0.2%** | **Jul-09** |
| *91 Day T-Bills* | | | *0.5%* | *0.8%* | *1.4%* | *0.7%* | *0.4%* | *0.3%* | -- | *0.3%* | *Jul-09* |
| Cash Account | $1,131,692 | 0.7% | 0.4% | 0.7% | 1.1% | 0.6% | 0.4% | 0.3% | -- | 0.3% | Jul-09 |
| *91 Day T-Bills* | | | *0.5%* | *0.8%* | *1.4%* | *0.7%* | *0.4%* | *0.3%* | -- | *0.3%* | *Jul-09* |
| **Total Other** | **$99,713** | **0.1%** | | | | | | | | | |
| MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11 | $99,713 | 0.1% | | | | | | | | | |

## Performance Summary (Net of Fees) - Annualized

| | Market Value | % of Portfolio | Ending June 30, 2018 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 7 Yrs | 10 Yrs |
| **Composite** | **$162,308,466** | **100.0%** | **1.7%** | **2.5%** | **10.5%** | **8.7%** | **9.9%** | **9.2%** | **6.1%** |
| *Benchmark* | | | *2.1%* | *2.1%* | *9.5%* | *8.2%* | *9.3%* | *9.0%* | *7.0%* |
| **Total Domestic Equity** | **$59,319,425** | **36.5%** | **3.5%** | **3.7%** | **15.8%** | **11.7%** | **13.6%** | **12.8%** | **9.8%** |
| *S&P 500* | | | *3.4%* | *2.6%* | *14.4%* | *11.9%* | *13.4%* | *13.2%* | *10.2%* |
| *Russell 2000* | | | *7.8%* | *7.7%* | *17.6%* | *11.0%* | *12.5%* | *11.8%* | *10.6%* |
| Rothschild Asset Management - LCV | $12,919,076 | 8.0% | -0.1% | -2.1% | 9.1% | 7.5% | 10.6% | 11.7% | -- |
| *Russell 1000 Value* | | | *1.2%* | *-1.7%* | *6.8%* | *8.3%* | *10.3%* | *11.3%* | -- |
| Northern Trust Russell 1000 Growth Index Fund | $14,928,693 | 9.2% | 5.8% | 7.3% | 22.6% | -- | -- | -- | -- |
| *Russell 1000 Growth* | | | *5.8%* | *7.3%* | *22.5%* | -- | -- | -- | -- |
| Hardman Johnston Asset Management - LCC | $15,110,080 | 9.3% | 4.2% | 4.0% | 12.4% | 11.0% | 12.8% | 11.2% | 10.1% |
| *S&P 500* | | | *3.4%* | *2.6%* | *14.4%* | *11.9%* | *13.4%* | *13.2%* | *10.2%* |
| Atlanta Capital Management | $16,361,576 | 10.1% | 3.8% | 5.2% | 19.4% | 14.2% | 15.2% | 14.7% | -- |
| *Russell 2500* | | | *5.7%* | *5.5%* | *16.2%* | *10.3%* | *12.3%* | *11.9%* | -- |
| **Total International Equity** | **$17,336,276** | **10.7%** | **-1.9%** | **-1.2%** | **12.8%** | **8.7%** | **8.2%** | **6.6%** | **2.8%** |
| *MSCI EAFE* | | | *-1.2%* | *-2.7%* | *6.8%* | *4.9%* | *6.4%* | *4.9%* | *2.8%* |
| *MSCI ACWI ex USA* | | | *-2.6%* | *-3.8%* | *7.3%* | *5.1%* | *6.0%* | *3.8%* | *2.5%* |
| Hardman Johnston International Equity Group Trust | $8,104,241 | 5.0% | -0.4% | 0.6% | 14.1% | 9.4% | 10.0% | 7.5% | -- |
| *MSCI EAFE* | | | *-1.2%* | *-2.7%* | *6.8%* | *4.9%* | *6.4%* | *4.9%* | -- |
| *MSCI EAFE Growth* | | | *0.1%* | *-0.9%* | *9.4%* | *6.4%* | *7.4%* | *5.8%* | -- |
| *MSCI ACWI ex USA* | | | *-2.6%* | *-3.8%* | *7.3%* | *5.1%* | *6.0%* | *3.8%* | -- |
| Acadian Non-US Concentrated Fund | $9,232,035 | 5.7% | -3.2% | -2.8% | 11.6% | 8.2% | 6.7% | 6.1% | -- |
| *MSCI EAFE* | | | *-1.2%* | *-2.7%* | *6.8%* | *4.9%* | *6.4%* | *4.9%* | -- |
| *MSCI EAFE Value* | | | *-2.6%* | *-4.6%* | *4.3%* | *3.3%* | *5.4%* | *3.9%* | -- |
| *MSCI ACWI ex USA* | | | *-2.6%* | *-3.8%* | *7.3%* | *5.1%* | *6.0%* | *3.8%* | -- |

### Performance Summary (Net of Fees) - Annualized

| | | | Ending June 30, 2018 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Market Value | % of Portfolio | 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 7 Yrs | 10 Yrs |
| **Total Investment Grade Fixed Income** | **$4,118,793** | **2.5%** | **0.0%** | **-1.0%** | **-0.3%** | **1.2%** | **1.6%** | **2.2%** | **3.7%** |
| *Blended Fixed Benchmark* | | | *0.0%* | *-1.0%* | *-0.6%* | *1.2%* | *1.6%* | *2.1%* | *3.4%* |
| C.S. McKee | $4,118,793 | 2.5% | 0.0% | -1.0% | -0.3% | 1.2% | 1.6% | 2.3% | -- |
| *Blended Fixed Benchmark* | | | *0.0%* | *-1.0%* | *-0.6%* | *1.2%* | *1.6%* | *2.1%* | -- |
| **Total High Yield Fixed Income** | **$11,412,228** | **7.0%** | **0.7%** | **0.7%** | **2.8%** | **4.5%** | **4.4%** | **5.0%** | **6.8%** |
| *Citi BB/B Ex Split B/CCC Index* | | | *0.6%* | *-0.5%* | *1.7%* | *3.9%* | *4.5%* | *5.5%* | *6.2%* |
| PENN Capital Defensive High Yield Fund, L.P. | $11,412,228 | 7.0% | 0.7% | 0.7% | 2.8% | 4.5% | 4.4% | 5.0% | 6.8% |
| *Citi BB/B Ex Split B/CCC Index* | | | *0.6%* | *-0.5%* | *1.7%* | *3.9%* | *4.5%* | *5.5%* | *6.2%* |
| **Total Real Estate** | **$42,822,081** | **26.4%** | **1.9%** | **3.8%** | **8.4%** | **11.3%** | **12.8%** | **12.9%** | **3.2%** |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *11.4%* | *5.1%* |
| **Total Real Estate Core** | **$12,483,215** | **7.7%** | **1.8%** | **3.8%** | **7.0%** | **7.6%** | **9.3%** | **--** | **--** |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | -- | -- |
| American Core Realty Fund | $12,483,215 | 7.7% | 1.8% | 3.8% | 7.0% | 7.6% | 9.3% | -- | -- |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | -- | -- |
| **Total Real Estate Value - Add** | **$30,338,866** | **18.7%** | **1.9%** | **3.8%** | **9.0%** | **13.0%** | **14.5%** | **15.0%** | **3.3%** |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *11.4%* | *5.1%* |
| PRISA III Fund LP | $30,338,866 | 18.7% | 1.9% | 3.8% | 9.0% | 12.9% | 14.4% | 15.0% | 3.2% |
| *NCREIF ODCE Equal Weighted Index* | | | *2.1%* | *4.3%* | *8.5%* | *9.6%* | *11.1%* | *11.4%* | *5.1%* |
| **Total Hedge Fund of Funds** | **$3,812,567** | **2.3%** | **0.2%** | **0.4%** | **1.9%** | **-0.3%** | **2.3%** | **2.1%** | **0.6%** |
| *HFRI Fund of Funds Composite Index* | | | *0.4%* | *0.7%* | *5.1%* | *1.9%* | *3.5%* | *2.8%* | *1.4%* |
| Mesirow Institutional Multi-Strategy Fund, L.P. | $3,812,567 | 2.3% | 0.2% | 0.4% | 1.9% | -0.5% | 2.2% | -- | -- |
| *HFRI Fund of Funds Composite Index* | | | *0.4%* | *0.7%* | *5.1%* | *1.9%* | *3.5%* | -- | -- |

## Performance Summary (Net of Fees) - Annualized

| | Market Value | % of Portfolio | Ending June 30, 2018 2018 Q2 | YTD | 1 Yr | 3 Yrs | 5 Yrs | 7 Yrs | 10 Yrs |
|---|---|---|---|---|---|---|---|---|---|
| **Total Opportunistic Investments** | **$8,813,423** | **5.4%** | **1.9%** | **3.6%** | **8.2%** | **--** | **--** | **--** | **--** |
| *HFRX Event Driven Index* | | | *0.3%* | *-4.5%* | *-2.8%* | -- | -- | -- | -- |
| Corbin ERISA Opportunity Fund | $8,813,423 | 5.4% | 1.9% | 3.6% | 8.2% | -- | -- | -- | -- |
| *Target Return Objective* | | | *1.9%* | *3.9%* | *8.0%* | -- | -- | -- | -- |
| *ICE BofAML US High Yield TR* | | | *1.0%* | *0.1%* | *2.5%* | -- | -- | -- | -- |
| **Total Global Tactical Asset Allocation** | **$9,279,412** | **5.7%** | **-0.8%** | **-1.5%** | **4.4%** | **4.4%** | **5.6%** | **5.1%** | **--** |
| *65% MSCI World Index/35% CitigroupWGBI* | | | *-0.1%* | *0.0%* | *7.9%* | *6.6%* | *6.9%* | *6.0%* | -- |
| BlackRock Global Allocation | $9,279,412 | 5.7% | -0.8% | -1.5% | 4.4% | 4.4% | 5.6% | 5.1% | -- |
| *Benchmark* | | | *-0.2%* | *-0.2%* | *7.0%* | *6.4%* | *6.8%* | *6.3%* | -- |
| *65% MSCI World Index/35% CitigroupWGBI* | | | *-0.1%* | *0.0%* | *7.9%* | *6.6%* | *6.9%* | *6.0%* | -- |
| **Total Private Equity** | **$4,011,547** | **2.5%** | | | | | | | |
| Hamilton Lane Secondary Fund IV-A, LP | $4,011,547 | 2.5% | | | | | | | |
| **Total Cash** | **$1,283,002** | **0.8%** | **0.4%** | **0.6%** | **1.0%** | **0.5%** | **0.3%** | **0.2%** | **--** |
| *91 Day T-Bills* | | | *0.5%* | *0.8%* | *1.4%* | *0.7%* | *0.4%* | *0.3%* | -- |
| Cash Account | $1,131,692 | 0.7% | 0.4% | 0.7% | 1.1% | 0.6% | 0.4% | 0.3% | -- |
| *91 Day T-Bills* | | | *0.5%* | *0.8%* | *1.4%* | *0.7%* | *0.4%* | *0.3%* | -- |
| **Total Other** | **$99,713** | **0.1%** | | | | | | | |
| MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11 | $99,713 | 0.1% | | | | | | | |

## Benchmark History
## As of June 30, 2018

| | | |
|---|---|---|
| Composite | | |
| 6/1/2018 | Present | S&P 500 30% / Russell 2500 10% / MSCI EAFE 7.5% / BBgBarc US Govt/Credit Int TR 5% / Citi BB/B Ex Split B/CCC Index 7.5% / NCREIF ODCE Equal Weighted Index 22.5% / HFRI Fund of Funds Composite Index 2.5% / 65% MSCI World Index/35% CitigroupWGBI 5% / HFRX Event Driven Index 5% / Russell 2000 5% |
| 4/1/2015 | 5/31/2018 | S&P 500 30% / Russell 2500 10% / MSCI EAFE 7.5% / BBgBarc US Govt/Credit Int TR 7.5% / Citi BB/B Ex Split B/CCC Index 7.5% / NCREIF ODCE Equal Weighted Index 20% / HFRI Fund of Funds Composite Index 7.5% / 65% MSCI World Index/35% CitigroupWGBI 10% |
| 8/1/2013 | 3/31/2015 | S&P 500 30% / Russell 2500 10% / MSCI EAFE 7.5% / BBgBarc US Govt/Credit Int TR 10% / Citi BB/B Ex Split B/CCC Index 10% / NCREIF ODCE Equal Weighted Index 15% / HFRI Fund of Funds Composite Index 7.5% / 65% MSCI World Index/35% CitigroupWGBI 10% |
| 6/1/2012 | 7/31/2013 | S&P 500 30% / Russell 2500 10% / MSCI EAFE 7.5% / BBgBarc US Aggregate TR 10% / Citi BB/B Ex Split B/CCC Index 10% / NCREIF ODCE Equal Weighted Index 15% / HFRI Fund of Funds Composite Index 7.5% / 65% MSCI World Index/35% CitigroupWGBI 10% |
| 11/1/2010 | 5/31/2012 | S&P 500 30% / Russell 2500 10% / MSCI EAFE 10% / BBgBarc US Aggregate TR 10% / Citi BB/B Ex Split B/CCC Index 7.5% / NCREIF ODCE Equal Weighted Index 12.5% / HFRI Fund of Funds Composite Index 10% / 65% MSCI World Index/35% CitigroupWGBI 10% |
| 4/1/2009 | 10/31/2010 | S&P 500 30% / Russell 2500 10% / MSCI EAFE 10% / BBgBarc US Aggregate TR 17.5% / Citi BB/B Ex Split B/CCC Index 7.5% / NCREIF ODCE Equal Weighted Index 15% / HFRI Fund of Funds Composite Index 10% |
| 4/1/2008 | 3/31/2009 | S&P 500 40% / MSCI EAFE 10% / BBgBarc US Aggregate TR 12.5% / Citi BB/B Ex Split B/CCC Index 7.5% / NCREIF ODCE Equal Weighted Index 15% / HFRI Fund of Funds Composite Index 15% |
| 1/1/2008 | 3/31/2008 | S&P 500 40% / MSCI EAFE 10% / BBgBarc US Aggregate TR 15% / Citi BB/B Ex Split B/CCC Index 5% / NCREIF ODCE Equal Weighted Index 15% / HFRI Fund of Funds Composite Index 15% |
| 7/1/2006 | 12/31/2007 | S&P 500 45% / MSCI EAFE 10% / BBgBarc US Aggregate TR 15% / Citi BB/B Ex Split B/CCC Index 5% / NCREIF ODCE Equal Weighted Index 15% / HFRI Fund of Funds Composite Index 10% |
| 4/1/2006 | 6/30/2006 | S&P 500 45% / MSCI EAFE 10% / BBgBarc US Aggregate TR 20% / Citi BB/B Ex Split B/CCC Index 5% / NCREIF ODCE Equal Weighted Index 10% / HFRI Fund of Funds Composite Index 10% |
| 10/1/2005 | 3/31/2006 | S&P 500 55% / MSCI EAFE 10% / BBgBarc US Aggregate TR 20% / Citi BB/B Ex Split B/CCC Index 5% / NCREIF ODCE Equal Weighted Index 10% |
| 10/1/2004 | 9/30/2005 | S&P 500 55% / MSCI EAFE 10% / BBgBarc US Aggregate TR 20% / Citi BB/B Ex Split B/CCC Index 5% / NCREIF Property Index 10% |
| 7/1/1996 | 9/30/2004 | S&P 500 65% / BBgBarc US Aggregate TR 35% |
| 4/1/1992 | 6/30/1996 | S&P 500 60% / BBgBarc US Govt/Credit TR 40% |

## Benchmark History
## As of June 30, 2018

| | | |
|---|---|---|
| Total Investment Grade Fixed Income | | |
| 8/1/2013 | Present | BBgBarc US Govt/Credit Int TR |
| 1/1/2002 | 7/31/2013 | BBgBarc US Aggregate TR |

## INDEX DISCLOSURE

- MSCI EAFE Value – Index listed to illustrate investment style.
- MSCI EAFE Growth – Index listed to illustrate investment style.
- MSCI ACWI ex USA – Index listed for illustration purposes.
- HFRI FOF – Index listed to illustrate investment style.
- BofA Merrill Lynch US High Yield Master II TR listed to illustrate investment style.
- ICE BofAML US High Yield TR index listed to illustrate investment style.
- T-Bills + 5% - Non-investable index illustrating long-term performance goal.
- BlackRock Benchmark -
    - 36% S&P 500 Index
    - 24% FTSE World (ex-US) Index
    - 24% BofA Merrill Lynch 5-year US Treasury Bond Index
    - 16% Citigroup Non-US Dollar World Government Bond Index
- 65% MSCI World Index/35% Citigroup WGBI – Index listed for illustration purposes.
- Blended Fixed Benchmark: Barclays U.S. Aggregate until 7/31/2013; Barclays Intermediate Govt/Credit thereafter.
- NCREIF ODCE Equal Weighted Index - During 2nd Quarter 2014 IPS changed the NCREIF ODCE index to the NCREIF ODCE Equal Weighted Index. The NCREIF ODCE equal weighted index is a better benchmark for comparison in client reports and more representative of the investment opportunities in the real estate class. The cap weighted index is biased and returns are influenced by several large contributors.

# Warehouse Employees Local #730 Pension Fund

## FOOTNOTES

- Lazard's initial purchase of the International Equity Fund was on 10/20/00.
- Lazard's returns through 12/31/01 included the Small Cap Fund; the Small Cap Fund was liquidated on 1/4/02.
- The Net of Fees returns in this report are estimated. Fees do not include: the investment consulting fee paid to IPS, investment manager incentive fees, custodian fees, or other administrative costs.
- Net of fee calculations began quarter ending 3/31/2002 for managers and 9/30/2004 for composite. Net of fee calculations cannot be calculated for prior time periods.
- On 12/20/16 the Tremont Recovery payment in the amount of $76,877 was distributed to the Cash Account. The Tremont Recovery payment is reflected as a gain in the Multi-Strategy Hedge Fund of Funds group.
- On 12/20/16 the Tremont Recovery payment in the amount of $76,877 was distributed to the Cash Account. The Tremont Recovery payment is reflected as a gain in the Multi-Strategy Hedge Fund of Funds group.
- Hedge Fund of Funds returns are based on the manager provided estimated value.
- Values, flows and returns for all commingled funds, mutual funds and partnerships are provided by the firm managing the assets and cannot be independently verified. Separately managed account returns are calculated by IPS using custodian data.

## ERISA Pension Investment Conference

**April 24 – 27, 2018**

- The following investment managers and providers attended and helped to defray the cost of IPS' annual ERISA Pension Investment Conference ("EPIC"). EPIC is an educational conference addressing various issues related to employee benefit plans. IPS does not give preferential treatment to investment managers or any other provider who may pay to attend EPIC.

Aberdeen Asset Management
Amalgamated Bank of Chicago
American Realty Advisors
ASB Capital Management
Atlanta Capital Management
BlackRock
Boyd Watterson
Brown Advisory
Chartwell Investment Partners
Christenson Investment Partners
Corbin Capital Partners
Corry Capital Advisors
Earnest Partners
Eaton Vance Management
EnTrustPermal
First Eagle Investment Mgmt.
Foundry Partners
Fred Alger Management
GAMCO Asset Management
GCM Grosvenor
Glouston Capital Partners
GoldenTree Asset Management
Great Lakes Advisors
Hach Rose Schirripa & Cheverie
Hamilton Lane Advisors
Hardman Johnston Global Advisors
HPS Investment Partners
Intercontinental Real Estate Corp.
Invesco Advisers, Inc.
Janus Henderson Investors
JP Morgan Asset Management
Kearney Capital LLC
Lord Abbett & Co.
LSV Asset Management
MacKay Shields
McMorgan & Company
MEPT/Bentall Kennedy
National Investment Services
Neuberger Berman
Patriot Financial Partners
PENN Capital Management
PNC Capital Advisors
Post Advisory Group
Principal Global Investors
Quantitative Management Associates
Rothschild Asset Management
Ryan Labs Asset Management
Schroders Investment Management
Segall Bryant & Hamill
Sierra Investment Partners
Smith Graham & Co.
The Boston Company
BNY Mellon Asset Management
Ullico Investment Company
Vista Underwriting Partners
Victory Capital Management
Washington Capital Management
WEDGE Capital Management
Wellington Management Company
Westfield Capital Management
William Blair & Company

# Warehouse Employees Local #730 Pension Fund

Preliminary Monthly Performance Analysis

Period Ending

July 31, 2018

## Summary of Cash Flows

| | Last Month | Year-To-Date |
|---|---|---|
| Beginning Market Value | $162,279,149 | $165,423,661 |
| Net Cash Flow | $464,197 | -$7,015,052 |
| Net Investment Change | $2,639,710 | $6,974,448 |
| Ending Market Value | $165,383,056 | $165,383,056 |

## Current vs. Policy
## As of July 31, 2018

| | Current | Current | Policy | Policy Range | Difference | Difference |
|---|---|---|---|---|---|---|
| U.S. Large Cap Equity | $43,597,455 | 26.4% | 30.0% | 25.0% - 35.0% | -3.6% | -$6,017,462 |
| U.S. Small/Mid Cap | $16,721,789 | 10.1% | 10.0% | 5.0% - 15.0% | 0.1% | $183,484 |
| International Equity | $17,534,320 | 10.6% | 7.5% | 2.5% - 12.5% | 3.1% | $5,130,591 |
| Investment Grade Fixed Income | $3,860,659 | 2.3% | 5.0% | 0.0% - 10.0% | -2.7% | -$4,408,494 |
| High Yield Fixed Income | $11,475,443 | 6.9% | 7.5% | 2.5% - 12.5% | -0.6% | -$928,287 |
| Real Estate - Core | $12,483,215 | 7.5% | 5.0% | 0.0% - 10.0% | 2.5% | $4,214,062 |
| Real Estate - Value Add | $30,338,866 | 18.3% | 17.5% | 12.5% - 22.5% | 0.8% | $1,396,831 |
| Hedge Fund of Funds-Multi-Strategy | $3,923,833 | 2.4% | 2.5% | 0.0% - 7.5% | -0.1% | -$210,743 |
| Opportunistic Investments | $8,839,863 | 5.3% | 5.0% | 0.0% - 10.0% | 0.3% | $570,710 |
| Global Tactical Asset Allocation | $9,456,703 | 5.7% | 5.0% | 0.0% - 10.0% | 0.7% | $1,187,550 |
| Private Equity | $3,982,230 | 2.4% | 5.0% | 0.0% - 10.0% | -2.6% | -$4,286,923 |
| Cash Equivalents | $3,168,680 | 1.9% | -- | -- | 1.9% | $3,168,680 |
| **Total** | **$165,383,056** | **100.0%** | **100.0%** | | | |

*New Policy effective date is TBD. PE in process of being funded.  Adopted December 4, 2016.

18 - $1,227,114, and June 21, 2018 - $1,126,543.

## Performance Summary (Gross of Fees)

| | Market Value | % of Portfolio | Ending July 31, 2018 | |
|---|---|---|---|---|
| | | | 1 Mo | YTD |
| **Composite** | **$165,383,056** | **100.0%** | **1.6%** | **4.6%** |
| **Total Domestic Equity** | **$60,319,244** | **36.5%** | **3.5%** | **7.6%** |
| *S&P 500* | | | *3.7%* | *6.5%* |
| *Russell 2000* | | | *1.7%* | *9.5%* |
| Rothschild Asset Management - LCV | $13,159,246 | 8.0% | 4.1% | 2.2% |
| *Russell 1000 Value* | | | *4.0%* | *2.2%* |
| Northern Trust Russell 1000 Growth Index Fund | $15,120,869 | 9.1% | 3.0% | 10.4% |
| *Russell 1000 Growth* | | | *2.9%* | *10.4%* |
| Hardman Johnston Asset Management - LCC | $15,317,340 | 9.3% | 3.3% | 7.8% |
| *S&P 500* | | | *3.7%* | *6.5%* |
| Atlanta Capital Management | $16,721,789 | 10.1% | 3.8% | 9.7% |
| *Russell 2500* | | | *1.9%* | *7.5%* |
| **Total International Equity** | **$17,534,320** | **10.6%** | **1.1%** | **0.3%** |
| *MSCI EAFE* | | | *2.5%* | *-0.4%* |
| *MSCI ACWI ex USA* | | | *2.4%* | *-1.5%* |
| Hardman Johnston International Equity Group Trust | $8,078,402 | 4.9% | -0.3% | 0.7% |
| *MSCI EAFE* | | | *2.5%* | *-0.4%* |
| *MSCI EAFE Growth* | | | *2.1%* | *1.1%* |
| *MSCI ACWI ex USA* | | | *2.4%* | *-1.5%* |
| Acadian Non-US Concentrated Fund | $9,455,918 | 5.7% | 2.4% | -0.1% |
| *MSCI EAFE* | | | *2.5%* | *-0.4%* |
| *MSCI EAFE Value* | | | *2.9%* | *-1.9%* |
| *MSCI ACWI ex USA* | | | *2.4%* | *-1.5%* |

## Performance Summary (Gross of Fees)

| | Market Value | % of Portfolio | Ending July 31, 2018 1 Mo | Ending July 31, 2018 YTD |
|---|---|---|---|---|
| **Total Investment Grade Fixed Income** | **$3,860,659** | **2.3%** | **0.1%** | **-0.8%** |
| *Blended Fixed Benchmark* | | | *0.0%* | *-0.9%* |
| C.S. McKee | $3,860,659 | 2.3% | 0.1% | -0.8% |
| *Blended Fixed Benchmark* | | | *0.0%* | *-0.9%* |
| **Total High Yield Fixed Income** | **$11,475,443** | **6.9%** | **1.1%** | **2.0%** |
| *Citi BB/B Ex Split B/CCC Index* | | | *1.0%* | *0.5%* |
| PENN Capital Defensive High Yield Fund, L.P. | $11,475,443 | 6.9% | 1.1% | 2.0% |
| *Citi BB/B Ex Split B/CCC Index* | | | *1.0%* | *0.5%* |
| **Total Real Estate** | **$42,822,081** | **25.9%** | | |
| **Total Real Estate Core** | **$12,483,215** | **7.5%** | | |
| American Core Realty Fund | $12,483,215 | 7.5% | | |
| **Total Real Estate Value - Add** | **$30,338,866** | **18.3%** | | |
| PRISA III Fund LP | $30,338,866 | 18.3% | | |
| **Total Hedge Fund of Funds** | **$3,824,120** | **2.3%** | **0.4%** | **1.4%** |
| *HFRI Fund of Funds Composite Index* | | | *0.2%* | *0.9%* |
| Mesirow Institutional Multi-Strategy Fund, L.P. | $3,824,120 | 2.3% | 0.4% | 1.4% |
| *HFRI Fund of Funds Composite Index* | | | *0.2%* | *0.9%* |
| **Total Opportunistic Investments** | **$8,839,863** | **5.3%** | **0.4%** | **4.3%** |
| *HFRX Event Driven Index* | | | *-0.5%* | *-5.0%* |
| Corbin ERISA Opportunity Fund | $8,839,863 | 5.3% | 0.4% | 4.3% |
| *ICE BofAML US High Yield TR* | | | *1.1%* | *1.2%* |

# Warehouse Employees Local #730 Pension Fund

## Preliminary Monthly Report as of July 31, 2018

### Performance Summary (Gross of Fees)

| | Market Value | % of Portfolio | Ending July 31, 2018 1 Mo | Ending July 31, 2018 YTD |
|---|---|---|---|---|
| **Total Global Tactical Asset Allocation** | **$9,456,703** | **5.7%** | **1.9%** | **0.7%** |
| *65% MSCI World Index/35% CitigroupWGBI* | | | *1.9%* | *1.9%* |
| BlackRock Global Allocation | $9,456,703 | 5.7% | 1.9% | 0.7% |
| *Benchmark* | | | *1.9%* | *1.6%* |
| *65% MSCI World Index/35% CitigroupWGBI* | | | *1.9%* | *1.9%* |
| **Total Private Equity** | **$3,982,230** | **2.4%** | | |
| Hamilton Lane Secondary Fund IV-A, LP | $3,982,230 | 2.4% | | |
| **Total Cash** | **$3,168,680** | **1.9%** | **0.1%** | **0.8%** |
| *91 Day T-Bills* | | | *0.2%* | *1.0%* |
| Cash Account | $3,168,680 | 1.9% | 0.1% | 0.8% |
| *91 Day T-Bills* | | | *0.2%* | *1.0%* |
| **Total Other** | **$99,713** | **0.1%** | | |
| MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11 | $99,713 | 0.1% | | |

**Notes:**

- Meridian market values is as of 3/31/18 adjusted for flows.
- Hamilton Lane market value is as of 6/30/18 adjusted for flows.
- American Realty and PRISA III market values are as of 6/30/18 adjusted for flows.
- Corbin market value is manager estimated 7/31/18 market value.

# Glossary of Investment Terminology

| | |
|---|---|
| Total Return | The annual return on an investment including appreciation, depreciation and income (interest, dividends, net operating income). |
| Alpha | The excess return (positive or negative) generated by active portfolio management and security selection, relative to a benchmark. |
| Beta | A historical measure of an investment's volatility relative to the market. The beta of the market is 1.0 (as represented by a benchmark such as the S&P 500 Index). A beta of greater than 1.0 indicates an investment with greater volatility than the benchmark. A beta of less than 1.0 indicates less volatility than the benchmark. |
| Standard Deviation | Standard deviation is a statistical measurement of the dispersion of a set of data from its mean. The more spread apart the data are, the greater the standard deviation. |
| Risk | For an investment portfolio, risk is typically defined as the volatility of the returns, as measured by calculating the standard deviation. The risk does not necessarily indicate the risk of loss, but does indicate the risk of inconsistent returns. |
| Capture Ratio | Calculates how well a manager performs in a rising or falling market as a percentage of a benchmark. In a rising market, a percentage of 100 or better is preferred, and indicates the manager exceeded the benchmark (upside capture ratio). In a falling market, a percentage of less than 100 is preferred, indicating that the manager lost less than the benchmark (downside capture ratio). |
| Correlation | A statistical measure of how two asset classes perform in relation to each other. Asset classes with a correlation of 1.0 have perfect positive correlation (exactly the same). Assets with perfect negative correlation of -1.0 will perform equally but in opposite directions. |
| Efficient Frontier | A series of portfolios with the maximum expected return for any level of risk, which is calculated based on assumptions of risk, return and correlation. These portfolios are shown graphically on a risk and return chart, and represent the most efficient tradeoff between risk and return. |
| Market Cap | The dollar value of a corporation, which is calculated by multiplying the share price and the number of outstanding shares. |
| Large Cap | Stocks which typically have a market capitalization of $10 billion or higher. |
| Mid Cap | Stocks which typically have a market capitalization of $2 to $10 billion. |
| Small Cap | Stocks which typically have a market capitalization of $2 billion or less. |
| Geometric Calculation | Geometric Calculations are used when determining an annualized investment return and tends to dampen the effect of very high or very low values. The result is a number that is smaller than (or equal to) the arithmetic average of the values. |
| Compound Annual Returns | Compound annual returns show the annual investment return, assuming the investment grew at a constant rate, and reflects the impact of the time in the calculation of an investment return. |
| Return/Risk Ratio | The return/risk ratio is the expected return of an investment divided by the expected standard deviation (risk). When comparing return/risk ratios a higher value is presumed to be better than a lower value |