Client Name	Contact Person and Details	Nature of Assignment	Size of Client Portfolio	Relationship Inception Date
National Elevator	Mr. Robert Betts, Jr. Executive Director 610-325-9100 x2200 rbetts@neibenefits.org	Full Discretion	$4.7 billion	1987
UAW Strike	Mr. Joseph Stackpoole Director of Investments/Administrative Assistant 313-926-5036 jstack@uaw.net	Full Discretion	$1.0 billion	2004
Care Foundation	Mr. Rick Parsons Senior Vice President 479-756-0411 rick.l.parsons@ bankofamerica.com	Full Discretion	$132 million	2003

E. Discretionary Fiduciary Investment Management Services

1. Describe your firm's background and experience serving as both a discretionary and non-discretionary investment advisor in evaluating, selecting and monitoring investments on behalf of pension fund investors – and specifically ERISA investors.

Discretionary Services

Segal Rogerscasey offers a discretionary outsourced investment service. Our outsourced investment management service model benefits from the client specific focus and inherent customization that is a hallmark of our investment consulting services, along with the fiduciary design, construction, and ongoing decision making reflective of our manager and market insights and research capabilities. This model provides a completely transparent, independent, and customized solution for meeting our client's investment goals. Importantly, this service model enables us to provide significant scale to our clients. In addition to a Client Advocacy team that serves as the day-to-day contact and ensure access and transparency to the client's portfolio management and investment operations teams, we provide two levels of investment portfolio management:

- A dedicated Client Portfolio CIO leverages the collective resources of the firm and is responsible for all investment decisions on the client's investment portfolio
- Segal Rogerscasey Pooled Fund Chief Investment Officer, is responsible for the management of value-added Segal Rogerscasey cooperative investment funds

Our outsourced solutions are highly customized and inherently unique to each client. Depending on the discretionary investment functions outsourced to Segal Rogerscasey, an outsourced solution may or may not include elements of our traditional investment consulting service offering. With these caveats in mind, our outsourced solutions generally fall within the following service lines:

- *Full-Discretion Account Management*

  Segal Rogerscasey takes on fiduciary and discretionary responsibility for the selection, monitoring, and replacement of managers and portfolio construction, as well performance monitoring and reporting. Asset allocation, short-term and long-term, rebalancing and implementation decisions are also made by Segal Rogerscasey. In addition, Segal Rogerscasey takes over operational responsibilities on behalf of clients. We provide ongoing, highly customized, highly detailed communication regarding our clients' portfolios, decision documentation, portfolio exposures and performance measurement. We work closely with any designated staff or Board/Committee member to satisfy all reporting requirements.

- *Investment Manager Selection Outsourcing*
  Some clients want to maintain the flexibility of the advisory service model that Segal Rogerscasey offers, but prefer streamline decision-making by having Segal Rogerscasey choose managers. To further assist clients in meeting account minimums and price points, Segal Rogerscasey established the MasterManagersm funds in 2007. These funds represent a series of 25 single-managed investment funds established as a cooperative for benefit of Segal Rogerscasey clients. Each fund represents a distinct investment style that forms an important building block in structuring Segal Rogerscasey' s "best ideas" portfolio. Segal Rogerscasey clients can use some or all of these portfolios in structuring their investment programs. **Segal Rogerscasey does not earn any fees directly in the funds, but rather earns a direct fee from the client. This allows all economies of scale to be passed directly to Segal Rogerscasey clients invested in the funds**. The funds are established as individual Series of a Delaware LLC and are established as 3(c)(7) entities open to Accredited Investors who are also Qualified Purchasers as defined by the SEC. MasterManager funds are utilized in advisory as well as discretionary client accounts.

- *Model Portfolio Management*
  In some cases, Segal Rogerscasey serves as a sub-advisor to investment programs maintained by clients at independent custodians and provides portfolio construction management and investment manager selection services in managing model portfolios. This management is relevant for defined contribution and private client advisor clients, who have established custodial, brokerage/trading, and reporting platforms, but wish Segal Rogerscasey to take on the day-to-day discretionary management role. Operationally, Segal Rogerscasey provides periodic weights and manager allocations, as well as rebalancing ranges.

- *Alternatives Portfolio Investment Outsourcing*
  In this service model, Segal Rogerscasey serves as an advisor to a client's dedicated alternative asset portfolio, including but not limited to hedge funds, private equity, real estate (direct), oil and gas partnerships, among others. Segal Rogerscasey recommends portfolio structures and managers for client portfolios and assists clients in manager hiring, redemption and subscription management, and cash flow management. If a client grants Segal Rogerscasey discretionary authority, we assume fiduciary and discretionary responsibility for portfolio structure and manager selection, as well as day to day investment operations.

- *Sub-Advisor to Client Funds*
  Segal Rogerscasey serves as a sub-advisor or investment manager for several client funds, where we have assumed full investment and operational authority over the funds. Segal Rogerscasey performs these services for a client's proprietary private equity portfolio as well as a series of Target Date Retirement Funds.

The above service model descriptions highlight the more than a decade long experience Segal Rogerscasey has in working with clients under various advisory and discretionary relationships. As such, Segal Rogerscasey has a significant amount of experience in the recommendation and selection of portfolio construction and investment manager selection, as well as all surrounding activities, including but not limited to portfolio cash management, redemption and subscription management, internal controls, and investment operations.

Non–Discretionary Services

Segal Rogerscasey provides independent investment consulting services designed to assist clients with the information they need to organize and implement effective investment programs including:

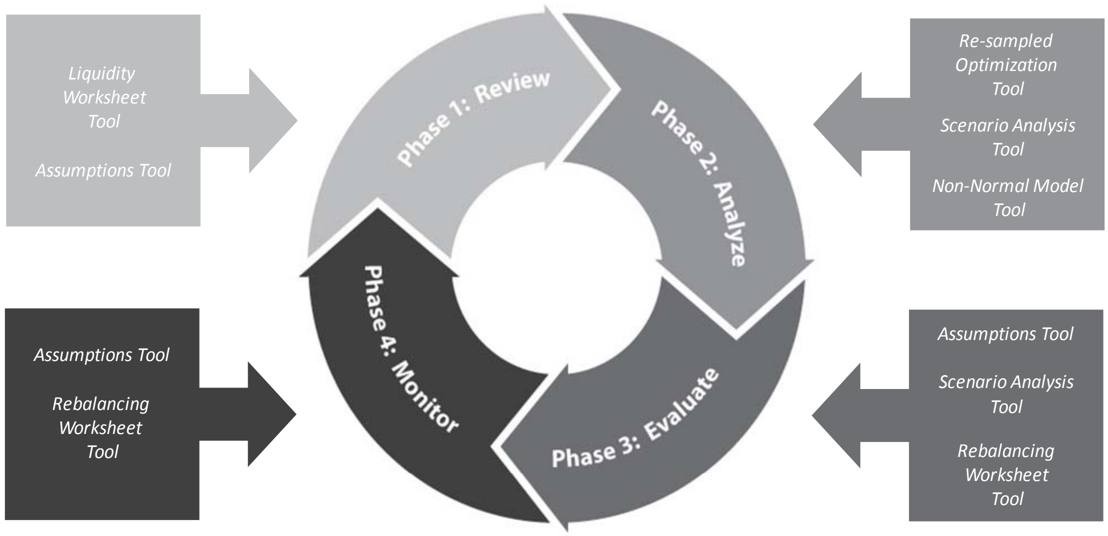
- Investment Guidelines and Objectives
- Asset Allocation Studies
- Asset/Liability Studies
- Investment Manager/Fund Searches
- Performance Evaluation
- Trustee Education and Training
- Investment Management Fee Analysis
- Defined Contribution Vendor Searches
- Defined Contribution Plan Assessment Reviews/Fee Analysis
- Special Studies

2. Describe how your firm would approach planning and implementing a discretionary investment program for the Board. How would your firm develop an appropriate asset allocation for the Fund? What unique client factors would your firm consider in establishing the Fund's asset allocation? What are the steps your firm would take to execute this plan? Explain your philosophy and methodologies for developing asset allocation for a Multi-Employer Defined Benefit Plan.

Following are the steps we undertake in formulating a portfolio construction framework:

- Identify the optimal return/income and risk targets for the portfolios along with the asset classes to be used in the portfolio construction process
- Develop a neutral asset allocation policy to match each of the portfolio target characteristics using our current capital market forecasts
- Take the universe of "selected funds", using historical data, and apply our optimization models to build a series of "optimal portfolios" which are tested to find those portfolios that best match the target asset allocation and all portfolio characteristics
- Apply constraints to match the targeted asset allocation while keeping the portfolio style neutral; experience with testing shows that several portfolios will "match" the targeted portfolio characteristics, meaning that there is no single "optimal" solution
- Refine the final portfolio selection using experience and sound judgment

Broad asset allocation and asset/liability analysis draws extensively on our Beta Research specialists. This team develops asset class definitions and assumptions for both public and private asset classes, reviews multiple time horizons, and analyzes possible outcomes in a range of economic scenarios. Our specialists explore various classifications of risk and return, determining which is most appropriate, and develop an asset allocation policy that meets the institution's objectives, maximizing return potential while minimizing the risk of falling short. Our philosophical approach is to capture cash flow characteristics in sufficient detail that we have confidence in projecting asset metrics such as nominal market values, real market values, spending dollars and purchasing power of assets. Each step of the process is interactive with the client.



Phase One: Assess/Review

Review Investment Policy Statement and establish objectives including liquidity needs for disbursements, capital calls, spending levels, expenses and buffer cash. We must confirm long-term asset class projections and consider intermediate-term investment environment implications.

Phase Two: Analyze

Utilize resampled optimization to select candidate portfolios in the context of client-specific asset allocation metrics. The candidate portfolios will be combined with current market value and cash flow projections to perform single and multiple scenario economic analyses. We will consider non-normal distribution of asset class returns if appropriate.

Phase Three: Evaluate

Summarize single and multiple-scenario analysis accounting for non-normal distribution of asset class returns and incorporate short/intermediate term outlook as appropriate. Data is considered relative to key cash flow, risk tolerance, and previously-defined objectives to ultimately select a target asset mix and establish implementation.

Phase Four: Monitor

Establish relevant rebalancing ranges considering transaction costs and target allocations. Perhaps the most important step in this phase is to incorporate frequent asset allocation discussions into the ongoing governance process allowing for intermediate-term investment considerations as appropriate. Lastly, we assist the client in establishing a bridge between ongoing monitoring and reaffirmation of objectives.

In summary, we will discuss with you which asset classes we recommend you consider. We then evaluate possible performance of the portfolios under a variety of economic scenarios based on your investment return objectives, risk tolerance, current targets and ranges, and other selected objectives. We look at portfolio returns in deterministic scenarios (e.g., where year-by-year asset class relationships are specified and the resultant portfolio performance is determined) or stochastic scenarios (e.g., the model generates 1,000 capital market scenarios that are consistent with specific asset class assumptions). Finally, we make strategic asset allocation recommendations that include recommended allocations to each asset class. We review the portfolio each quarter and recommend rebalancing when appropriate. On top of that, we will review with you shorter term outlooks for each asset class and consider the implementation options whether long/short or illiquid/liquid structure. We will also discuss with you the macroeconomic themes which we believe are important to understand.

Asset Allocation Review
We continuously monitor asset allocation throughout the year, which includes all elements of our clients' investment program – investment policy, strategy, manager guidelines, performance, and asset mix – providing proactive recommendations and insights, as appropriate. We suggest a formal review of the client's asset allocation policy every three years at a minimum. We believe that developing the appropriate mix of the various asset classes is one of the most important decisions to be made in the management of institutional assets. Choosing the proper ratio among asset classes has been proven to be much more important than which type of security is ultimately owned. Each asset allocation study is designed to meet the specific needs of the individual client.

Asset Class Assumptions
Our asset allocation model is based on the efficient frontier. An important component of our process is the development of the necessary assumptions to serve as inputs to the model. Segal Rogerscasey employs a forward looking building blocks methodology that takes into account current market and economic conditions when building expected return assumptions and risk premia. In addition, we analyze historical data when developing standard deviation assumptions for each asset class as well as the underlying correlation matrix. Furthermore, we employ stochastic modeling, generally referred to as Monte Carlo simulation, to ensure that our clients understand the range of possible outcomes, and the probability of their occurrence under various target allocation scenarios.

For modeling expected returns we primarily utilize a forward looking approach reflecting current market data such as real yields, inflation expectations, dividend yields, P/E ratios, credit spreads, etc. For risk premiums in addition to using the applicable market factors, we use a Black-Litterman equilibrium model to determine market clearing risk premium relationships. These risk premiums can then be adjusted to reflect any particular views we may have.

We try to use price discovery as much as possible in determining the 'market's' views of risk. In developing risk assumptions, we start by using implied volatility estimates found in option instruments with high liquidity and transaction volume. These estimates may be supplemented with historical and forward looking adjustments where necessary.

Our starting point for correlations is a 10-year historical data set. We may adjust reflecting our forward looking views. One recent example of this is the strong negative correlation between treasury returns and equity. We feel the recent decade of experience has been biased with deflationary shocks (bursting of the dot.com and real estate bubbles.) Forward looking we feel that inflationary shocks are just as likely as future additional deflationary shocks (if not more likely) so our correlation structure has been moved from negative toward zero overriding the recent historical data.

While considering asset classes for client portfolios, we have adopted a less granular approach to asset classes. For example, we have moved away from small / large cap and growth/value divisions. This has been driven by a focus on the larger systematic factors as well as ones, which transcend both sides of funds' balance sheets, i.e. liability factors.

We realize shortcomings of mean variance optimization models is the single period nature of the model as well as the assumption of asset return normality. We adjust risk estimates for asset classes, which are not routinely marked-to-market by focusing on the historical serial correlation in the data. Obvious examples of this would be real estate and private equity investments. Assets, which are not routinely valued, often show high persistence (or positive serial correlation) in the data. For funds with horizons beyond one quarter, this adds real risk as a poor quarterly return is more likely followed with another poor return. We use mathematical techniques to adjust upward the one period mean variance volatility to better reflect the asset's true (longer term) risk.

In a similar manner, we examine the tendency of the asset to experience larger shocks then would be probable under a Gaussian model. For those assets we adjust upward the volatility or risk to generate portfolio exposures more consistent with the investment's true risk.

An important additional consideration in recommending exposures to illiquid or 'fat-tailed' investments is the cashflow situation of the fund. Funds with large operating deficits have much less capacity for these instruments. Part of our asset liability modeling is to determine how much exposure of a fund can have without becoming (a.) highly concentrated in the illiquid investment and/or (b.) needing to liquidate in a distressed condition (with a significant haircut to NAV.) Additionally, large negative operating deficits can exposure the plan more severely to large (albeit what may be temporary) capital draw-downs.)

3. Describe your firm's experience in serving as a discretionary fiduciary on behalf of collectively bargained multi-employer defined benefit pension plans. Describe your experience in working with clients who have established either "Funding Improvement Plans" or "Rehabilitation Plans" as required by the Pension Protection Act.

In 2006 Segal Rogerscasey set up a discretionary vehicle to facilitate private equity investments for one of our large multi-employer pension plans. The vehicle owns 100% of the economic interest in the partnership and is the General Partner and sole Limited Partner. The Pension Fund (the Trustees) as the General Partner appointed Rogerscasey (now Segal Rogerscasey) as Investment Manager to invest and reinvest Partnership assets in accordance with our investment guidelines. In performing this function Rogerscasey acts as an Investment Manager with the meaning of Section 3(38) of ERISA and a fiduciary within the meaning of Section 3(21) of ERISA.

In March of 2011, our investment mandate was expanded to allow for investments in Real Estate, Infrastructure and Timber.

4. Provide at least two (2) examples of your firm's quantitative and qualitative analyses used to support decisions regarding asset allocation on behalf of ERISA defined-benefit plans. In each case, describe the client's investment objectives and how your asset allocation decisions were determined.

Segal Rogerscasey uses a variety of tools to develop our asset allocation recommendations.
For one of our ERISA clients, the primary objective is to not only satisfy the target return requirement, but also to keep funding status stable and minimize future pension contributions during periods of economic stress. This requires us to take into account not only the asset assumptions that are typically used in asset allocation models, and also interest rates to analyze

the plan's liabilities, but also factors that can potentially impact the client's ability to make contributions in difficult economic times. And we accomplish this be carefully analyzing the risk exposures within the client's asset portfolio that can potentially correlate to changes in interest rates as well as macro-economic factors that can potentially impact the company's cash flows.

For another one of our ERISA clients, which is quite sensitive to downside volatility in their pension assets, as well as having a quite high target return, we use a fairly aggressive asset allocation mix, combined with risk aggregation tools that allow us to carefully measure the aggregate beta exposures within the multi-manager portfolio so that we can be aware of potentially large "beta bets", and particularly to those betas that are historically expensive or otherwise perceived as risky. We can then use an overlay manager to help manage those beta exposures and effectively allow us to separate the beta and alpha decision. It also allows us to use more alpha driven managers, and not have to disturb underlying portfolios, and thus incurring expensive transaction costs, as part of the ongoing beta rebalancing process.

5. Describe in detail the process by which your firm would identify, evaluate and select appropriate investments within the following asset classes. What are the critical features or terms your firm looks for in evaluating the attractiveness and risks associated with prospective investment strategies and products within these asset classes?
   - US Equities
   - Non-US Equities
   - Global Equities
   - Fixed Income
   - Real Estate
   - Private Markets
   - Hedge Funds

Overview

Consistent with our philosophy, past performance is not a good indicator of future success, we do not rely on quantitative screens to narrow the universe of investment strategies; instead, we conduct bottom-up grassroots research to construct a universe of investment strategies that we recommend to our clients. Given the bottom-up nature of our manager evaluation process, we begin the research with a face-to-face meeting with asset managers. The information provided by the asset managers via EQuest forms the base of information that we rely on in our evaluation of asset managers.

Data Collection

We supplement manager-provided information with other publically available information, historical portfolio holdings (typically, we collect five years worth of monthly portfolio holdings), historical return strings, backtest data, and information provided by the manager such as SAS 70 reports, audited financial statements, GIPS compliance verification letters and recent SEC audit letters.

Interviews

An initial face-to-face meeting in our office is typically followed by an onsite due diligence meeting in the asset manager's office. It is not unusual at all for us to conduct multiple face-to-face meetings in our office before moving onto the next stage of our research process. During onsite due diligence meetings we conduct an in-depth review of the investment processes through interviews with portfolio managers, research analysts and traders; in addition, we conduct an operational review by interviewing compliance officers and middle and back office personnel; finally, we meet with chief investment officers and chief executive officers to assess the overall investment and firm culture at asset management organizations.

The research analysts are responsible for setting up the initial face-to-face meetings as well as the follow-up due diligence meetings. We have Alpha Investment Research analysts who conduct primary manager evaluations. They draw research support from four additional research analysts from the Global Portfolio Solutions Group to monitor Buy and Qualified rated managers in our client programs. It should be noted that onsite due diligence analyses are conducted only on those firms that look promising and have passed our initial qualitative review. Like the initial face-to-face meetings, we may conduct multiple onsite due diligence meetings before forming an opinion on an asset manager and his investment strategy. We do not mandate the length of time necessary to complete the manager evaluation process. We rely on the research analysts' investment experience and professional judgment to discern the appropriate level of due diligence and analysis to support a final rating on an investment strategy. Notwithstanding, research analysts cannot assign a final rating solely based on face-to-face meetings in our office. Onsite due diligence must have been conducted prior to arriving at a final rating for an investment strategy.

Process for Ensuring Consistency in Research Process

Our research analysts rely on our proprietary Manager Research & Ranking, MR^2, process in their evaluation of investment strategies. We institutionalized MR^2 ten years ago to ensure consistency in manager evaluation across asset classes and research analysts. It forms the foundation of our manager research process. MR^2 defines 50 success and risk factors within ten categories. Four of these categories relate to the firm's organization, and six to the investment process.

Each manager/fund will be evaluated and scored based on these factors:

Organizational Issues	Investment Process
Organizational	Investment Philosophy
Structure/Culture	People
Business Management	Collecting and Refining Information
Stability	Portfolio Construction
Business Risk Management	Trading
	Validation

Multiple research analysts generally participate in the manager evaluation process; however, the assignment of the final rating rests with the lead analyst who began the evaluation process. The rating does not become final until peer reviewed by the broader asset class research team. Prior to our restructuring of the research group in the Fall of 2008, the research analysts were grouped along the lines of following asset classes: U.S. Equity, non-U.S. Equity, Global Fixed Income, Hedge Funds, Private Equity, Real Estate and Hard Assets. Subsequent to the restructuring of the research group, the peer review of the asset manager ratings have been taking place at the Alpha Investment Research Group level. Not all research analysts participate in the peer review; rather, only the directors and managing directors participate in the ratings review meeting. Given his extensive knowledge of investment strategies and asset managers, the Head of Global Portfolio Solutions also participates in the ratings review meetings.

Manager Ratings and Review Process

We rely on the following four ratings to express our views on investment strategies: Buy, Qualified, Not Qualified and Sell. Buy and upper tier Qualified rated managers represent investment candidates recommended to all clients.

BUY	QUALIFIED
• A *BUY* rated strategy exhibits a sound, convincing, and stable investment philosophy and process. • An exceptional investment professional or a team of investment professionals often manages a BUY rated strategy. • A *BUY* rated strategy often resides in an organization that emphasizes investment results and places client interests ahead of business and asset growth. • We have full conviction in the BUY rated strategy's ability to generate superior investment results over a meaningful time horizon within its peer universe. • BUY rated strategies are included in manager searches. • Only a small number of strategies within a given peer universe receive BUY ratings.	• A *QUALIFIED* rated strategy exhibits many of the positive qualities of a BUY rated strategy. However, there are certain attributes that prevent it from receiving the BUY rating. • The strategy usually exhibits a sound and stable investment philosophy and process. • An above average, not exceptional, investment professional or a team of investment professionals, manages a QUALIFIED rated strategy. • We have some conviction in its ability to generate superior investment results over a meaningful time horizon within its peer universe. • Some QUALIFIED rated strategies are included in manager searches. • There are a greater number of QUALIFIED rated managers than BUY rated managers

NOT RECOMMENDED	SELL
• A *NOT RECOMMENDED* rated strategy is deemed to be below institutional standards. • The investment philosophy and process are neither convincing nor stable. • An investment professional or a team of investment professionals with questionable investment acumen and/or limited investment experience manages a NOT RECOMMENDED rated strategy. • We have low conviction in NOT RECOMMENDED rated strategy's ability to generate superior investment results over a meaningful time horizon within its peer universe. • Outperformance of a NOT RECOMMENDED strategy is attributed to chance rather than superior investment acumen. • We recommend an orderly divestiture of NOT RECOMMENDED rated strategies.	• A *SELL* rated strategy is deemed to be substantially below institutional standards. • The SELL rated strategy is commonly plagued by an unstable and/or unconvincing investment process. • An ineffective investment professional or a team of investment professionals, often beset with high investment professional turnover and/or severe organizational distress, manages a SELL rated strategy. • A material event with detrimental consequences often precedes a SELL rating. • We recommend an immediate divestiture of SELL rated strategies. • Only a small number of strategies within a given peer universe receive SELL ratings.

There is one final review of all Buy and Qualified rated managers. The Manager Review Committee reviews the appropriateness of ratings based on proper documentation of investment thesis and supporting analyses. It can, however, advise the research analysts to provide greater clarity into the investment thesis and provide further evidence to support the final rating. This committee typically meets on a quarterly basis.

<u>Alternative Investments</u>

Hedge Funds and Absolute Returns: Segal Rogerscasey has been recommending hedge funds to institutional clients for nearly 20 years. We understand the opportunity hedge funds provide to reduce risk and to add to overall portfolio returns for our clients over the long term. These non-traditional strategies may complement a portfolio of core investments in traditional asset classes, as a diversifier, risk reducer, and performance enhancer. We also understand the risks inherent in this alternative asset class and have consistently undertaken extensive due diligence in order to avoid the unique problems that have occurred over time. Segal Rogerscasey is a respected consultant in this industry and, therefore, is provided access to the necessary information to make sound, effective decisions in the hedge fund area.

Private Equity: Segal Rogercasey has been advising clients on private equity investing since the 1980's, and with a broad approach to research, has achieved longstanding institutional experience across all sub-asset class sectors, markets, and cycles. With an average manager meeting count of approximately 150-200 per year, over our history, we have had the opportunity to meet, evaluate, and track a vast number of primary and fund-of-fund offerings. Our current team of private equity research specialists bring diverse direct and fund investing experience, from both a practitioner limited partner position and as consultant advisors. We have evaluated and recommended commitments to both promising emerging managers as well as proven top quartile funds. In venture capital, we have reviewed fund offerings and recommended managers across all of the various strategies: early, late, and multi stage. In buyouts, we have met with and have prior investment experience with mega, large, and mid-cap fund managers. We have analyzed and met with a number of the leading secondary fund managers and have recommended this strategy and select offerings as an essential component of a core portfolio on behalf of numerous clients. We also have a deep understanding of both mezzanine and structured finance strategies and have previous cyclical experience with committing to distressed/turnaround funds.

Real Estate**:** Segal Rogerscasey and its predecessor firms have been tracking and recommending real estate managers and funds to clients for over 30 years. We believe that the real estate investment decision has become increasingly complex given the growth in product offerings, investment vehicles, and investment strategies. As such, we expend substantial effort to research market trends and assess managers in order to construct an optimized real estate program that meets our clients' objectives. We believe that our extensive due diligence process and broad industry relationships reduces much of the selection risk inherent in this alternative asset class. Our market coverage is comprehensive and includes on a global basis, both private and publicly traded real estate investment opportunities, as well as primary and fund-of-fund investment vehicles. Our real estate research team is comprised of senior professionals representing a diversified industry background that includes experience working for a private operator, pension fund, corporate real estate department, and real estate consulting. This combined expertise has been built over several market cycles, and as such, provides both a unique technical base and market view with which to perform a thorough assessment of managers, their strategies, and underlying portfolio properties as appropriate.

Infrastructure: Several years ago, our firm identified infrastructure as a compelling emerging investment opportunity deserving specialized coverage. Since then, we have been proactively educating our clients about the case for investing in infrastructure. This initiative has involved numerous presentations at our annual client conferences, the publication of a white paper, and direct educational presentations at client staff and investment committee/board meetings. Over this period, we have been creating an extensive database and pipeline of fund offerings and have been actively sourcing managers and conducting extensive due diligence. We have put a number of managers through our research selection and approval rating process, and this group represents a broad set of global open-end, closed-end, and publicly-listed securities infrastructure funds.

Due to its unique investment elements and emerging status as an asset class, we cover infrastructure somewhat differently than we do other asset classes and investment sectors. As such, we have established an eight person cross-functional team comprised of experts from private equity, real assets, fixed income, capital markets, and global strategy. Given that infrastructure shares some common characteristics with fixed income, private equity, and real estate, and presents opportunities across the spectrum in developed and emerging markets, we feel that utilizing a cross-functional team is the best approach when assessing managers, transactions, and investment strategies on a global basis. An example of this cross functional approach is displayed by the analytical analysis performed to derive forward-looking assumptions to model the infrastructure asset class. In addition to looking at performance history of listed infrastructure indices and managers, we also analyzed various weighted strings of private equity, global equity, TIPs, long-term fixed income, and real estate that defined infrastructure as a hybrid of other asset classes. These asset classes were selected because they are expected to share key drivers with infrastructure.

6. Describe the extent to which your firm normally uses active vs. passive management in the publicly-traded asset classes noted above.

Passive strategies are best suited for relatively efficient and easily replicated asset classes. For example, large capitalization domestic equity is highly liquid and efficient, and easily replicated through the S&P 500 or Russell 1000 benchmark indexes. High yield fixed income is considerably less liquid, and less well suited to a passive investment strategy.

Passive investment strategies can be a cost-effective means to attaining exposure in certain asset classes. Therefore, in structuring asset class exposure, the probability of attaining a positive variance from the benchmark must be considered against the cost of higher active management fees, as well as the opportunity cost of a negative variance.

7. In making rebalancing decisions, describe the extent to which your firm tactically rebalances portfolio assets to take advantage of short term market movements or makes rebalancing decisions solely focused on maintaining the long term asset allocation targets.

For traditional consulting, we will provide assistance in the rebalancing process. However, we will also review with you some new work on rebalancing in the "New Normal" where we believe linking transaction costs to rebalancing processes may be more useful. Since the 2007-08 financial meltdown, there has been much debate on the subject of rebalancing. At Segal Rogerscasey we undertook a thorough review of current methodologies during 2008-09. We found that there are different approaches to determining when to rebalance, and there are different schools of thought regarding the optimal point to which one should rebalance. Regardless of the particular rebalancing approach, an investor will realize the benefits of rebalancing by establishing a disciplined approach and sincerely following it, according to the agreed upon frequency of rebalancing set forth in the Investment Policy Statement.

While considered by most to be mechanistic and part of the asset allocation mathematics, *rebalancing* is actually a governance and risk management tool with no consistent mathematical logic underpinning this most common practice. Looking forward, better connections must be forged or reestablished between volatility and transaction costs (the mathematics) as they relate to liquidity, in order to enable the rebalancing process to complement asset allocation as it continues to evolve. Even if a liquidity plan is established or confirmed and the risk tolerance/horizon of the fund remains unchanged, rebalancing should help with both de-risking (i.e., establishing a defensive posture under certain market conditions) and re-risking (i.e., identifying the most advantageous alpha opportunities) the portfolios. The appropriate rebalancing strategy will be client-specific and very closely linked to their liquidity position, time horizon, governance structure, and risk tolerance.

8. Discuss your firm's tracking system for prospective investments. What asset classes continually evaluated? How many investment opportunities and managers are tracked? What quantitative and qualitative criteria are maintained? How many in-person meetings did the firm conduct in 2010 and 2011?

Segal Rogerscasey maintains a proprietary database of managers called MR^2. This application is the central source for manager data as it is used to apply our multi-factor qualitative and quantitative ranking system. All historical manager due diligence notes, reports, and correspondence is preserved on this platform.

In addition to MR^2, Segal Rogerscasey subscribes and has access to several manager databases for quantitative data including:

- eVestment Alliance and InvestWorks – Manager databases for traditional asset classes covering well over 1,800 firms and 6,400 products
- ThomsonONE – Private Equity manager source with over 24,000 fund profiles and more than 13,000 firm profiles
- Preqin – Real Estate and Infrastructure database with data/profile access to over 1,000 real estate and 280 infrastructure fund managers
- Morningstar Direct & Lipper – Access to over 23,000 mutual fund and institutional products

We also have a proprietary database on our Client Management System (CMS). This database maintains all internal research notes and memos, important manager communications and manager profiles.

Our manager research focuses on qualitative and quantitative factors. We believe qualitative factors are important because all quantitative factors are historical and do not provide insight into the manager's ability going forward. We utilize the face-to-face meetings as opportunities to, on-going communication, questionnaires, and third-party sources to compile qualitative information on potential and existing money managers. The following qualitative factors are part of our manager evaluation process:

Organization

- Ownership and changes in ownership
- Legal/regulatory problems
- Changes in assets and number of clients
- Employee turnover

Professional Staff

- History and stability of the investment team
- Credentials, e.g. education, experience
- Tenure with the firm and specific strategy
- Incentives aligned with clients interests.

- Retention issues

Investment process
- Clearly articulated
- Consistent
- Portfolio structure
- Buy / Sell Disciplines
- Logical and thorough
- How does process correlate with performance?

Qualitative factors are one of the primary considerations when considering a potential manager for a client and the specific issues to consider depend largely on each client's specific needs and objectives, which make it difficult to quantify or rank managers based on subjective or qualitative factors. Our objective is to find a stable organization with a compensation structure that incentivizes the investment team, a seasoned investment team that has created a process, which has been successful in the past, and is designed to be consistent and repeatable in the future.

Comparisons with information contained in our database, managers' marketing materials, information on the quality of composites submitted and actual performance on client accounts are combined to ensure the validity of the managers' performance records. In addition, we spot check the managers' actual clients to determine their similarity to reported composites.

Our Research specialists conduct approximately 1,300 manager meetings a year, both in our office and on-site at manager offices. When there are no issues with a particular firm or product, we generally meet in-person with all managers in client programs every eighteen months. When we are concerned about an organization's stability and its personnel, the investment process, or persistent or unexplained underperformance, we will meet more frequently. We will not recommend a product unless an on-site due diligence meeting was conducted.

9. Please describe your firm's approach to the investment selection/due diligence process. What are the most important criteria? Who is involved in the decision-making process? How many investment opportunities did the firm screen in 2011? How many investment opportunities did the firm perform in-depth due diligence upon in 2011?

Segal Rogerscasey's Outsourced Solutions team manages the Segal Rogerscasey Pooled Funds. In this role, Segal Rogerscasey selects, hires, and replaces one or more sub-advisors for each investment pool, monitors each portfolio on a day to day basis, and manages the operations of each investment pool. Note that Segal Rogerscasey itself does not buy or sell securities; the firm hires sub-advisors for this responsibility. Non-Segal Rogerscasey Pooled Funds that are included in the Foundation's portfolio are chosen by the Foundation's Portfolio CIO, and are vetted according to Segal Rogerscasey' s research process. The Foundation would not have title to underlying investments. Following is a description of the management of our pooled funds.

- ***Responsibilities:*** The Segal Rogerscasey Pooled Fund Chief Investment Officer has the responsibility for the investment management of the Segal Rogerscasey Pooled Funds. The Director of Operations for Outsourced Solutions has responsibility for operational oversight of the funds.

- ***Identification of Pooled Funds or "Building Blocks":*** Segal Rogerscasey established the Pooled Funds to enable clients to invest in investment styles representing the firm's best investment ideas while providing advantages of scale to investors in the funds: cost savings, investment and holdings transparency, and low minimum investment thresholds. The Pooled Fund CIO identifies required building blocks through the following process:

- Bottom-up insights from Segal Rogerscasey Alpha, Beta, and GPS teams, and where new investment styles are emerging;
- Pooled Fund CIO feedback from clients, consultants, and independent analysis;
- Influenced by the niche areas of the market where investment managers have a competitive advantage.

- ***Manager Selection for Segal Rogerscasey Pooled Funds:*** The Pooled funds CIO selects one to two managers for each portfolio based upon the following considerations:

Essential Requirements for a Sub-Advisor's Inclusion in a Pooled Fund:

- All sub-advisors must be rated Buy or Qualified by Segal Rogerscasey
- Managers rated or downgraded to Not Qualified or Sell are ineligible and must be terminated
- Generally hire one sub-advisor (maximum 2) for each building block
- Sub-advisor turnover expected to be low (~10%)

Qualitative Considerations for a Sub-Advisor's Inclusion in a Pooled Fund:

- Review of Segal Rogerscasey' s MR2 research notes (described in Section 6 below) and EQuest database
- Analysis of philosophy & process that is consistent with building block objective
- Investment strategy that is complementary to existing managers in other building blocks
- Conduct an independent review of outside and non-rated managers
- Meet with Segal Rogerscasey Alpha team to review specific areas of focus on a potential sub-advisor

Quantitative Considerations for a Sub-Advisor's Inclusion in a Pooled Fund:

- Rolling returns and risk versus index and peers, for evaluation of style consistency
- Historical portfolio holdings-based analysis via BARRA risk factor software, for evaluation of style consistency

Selection Requirements for Sub-Advisors in a Pooled Fund:

- Conduct meetings/calls with leading three to five potential sub-advisors
- Review of manager's historical quarterly analysis and commentary
- Onsite visits to meet with PMs and key personnel
- Independently verify key drivers of investment thesis
- Quarterly review test drive to ensure transparency and monitoring consistency
- Negotiate fees and business terms
- Ultimate decision is based on conviction in sub-advisor to generate superior performance and enhance the diversification of the program.

Ongoing Review and Monitoring of Sub-Advisors in a Pooled Fund:

- Daily compliance and performance review
- Monthly review of portfolio performance, holdings, and attribution
- Quarterly review with PM, preparation of written client commentary and internal notes
- Proactive in meeting talented manager outside of program.

Investment Operations Management of Segal Rogerscasey Pooled Funds: The Director of Operations of Segal Rogerscasey's Outsourced Solutions Group has responsibility for coordinating the operations management of the Segal Rogerscasey Pooled Funds. These activities include, but are not limited to the following:

- Management of all Pooled Fund custodial responsibilities with outside service provider (currently BNY Mellon);
- Fund and client accounting;
- Coordinate relationship with Independent Certified Public Accountants for Pooled Fund audits and tax work;
- Pooled Fund Subscription and Redemptions;
- Full holdings transparency and accounting for all Client accounts
- Full Client audit, tax and Sarbanes Oxley support.

NOTE: Outsourced Solutions Investment operations provide the same services to MAF for investments outside of Segal Rogerscasey Pooled Funds as well, subject to holdings availability and timing of outside providers.

Currently, there are over 1,300 traditional investment products rated as "Buy" or "Qualified" and 700 non-traditional investments. These products are considered suitable for investment by our rating system.

10. If your firm manages (or anticipates or is contemplating managing) any fund-of-funds please describe those vehicles and detail how the decision is made to invest client assets in proprietary commingled vehicles relative to separate account allocations.

Segal Rogerscasey does not have ownership interest as it relates to investment managers. However, we do sponsor a series of sub-advised commingled funds. Below is a description of the funds.

- MasterManagerSM: This comprehensive program facilitates the investment management outsourcing for institutional asset pools. This includes customized asset allocation, investment structure and implementation through a series of investment vehicles. Segal Rogerscasey combines the Strategy Modules differently in each MasterManager Portfolio in order to match it to the investor's specific needs through a fully consultative relationship. A client's MasterManager Portfolio may include many, or even all, of the 20+ Strategy Modules with weightings based on their particular investment objectives. All managers in the program will be approved for investment by the Rogerscasey investment research team and will be continuously reviewed by that team.
- Target Date Funds: Segal Rogerscasey sub-advises a platform of investment funds that offer an open architecture platform for the defined contribution marketplace. These funds are managed for investors planning to retire or beginning to withdraw portions of their investment in each Fund's stated target date. Segal Rogerscasey allocates assets across a diverse mix of asset classes, including U.S. global stocks, bonds, real estate investment trusts (REITs), stable value and cash. The Funds follow a "manager of managers" approach.

Segal Rogerscasey does not collect a placement fee when clients make an investment in these proprietary funds.

Please refer to our response to Question 9 for information regarding our pooled funds.

11. Please describe your firm's ability to educate trustees on investment matters. What experience do the individuals have conducting educational workshops? What types of research materials does your firm develop or have available for clients? Please provide samples of such research reports or white paper.

Segal Rogerscasey believes in a highly proactive communication process with our clients. We believe in frequent oral and written communication to document all expectations about the plan. We are in frequent contact with our clients using both the telephone and e-mail communication, and our clients have full access to all the resources of our firm, including direct contact with our research professionals.

Our firm provides its clients with a steady flow of quantitative and qualitative information on emerging trends and issues in all market areas, holding seminars, providing client-specific educational training sessions, and preparing research papers on subjects of current interest. We have established a continual, high quality research pipeline to our clients, which is comprised of:

- Investment Brief (Monthly) - publication highlighting newsworthy items including current macroeconomic events and relevant investment consulting issues.
- Investment Insight (Periodically) - which provides in-depth analysis of current investment and regulatory issues concerning our clients
- Investment Focus (Periodically) - in-depth discussion of a topic based on existing research
- Investment Synopsis (Quarterly) - an overview of the previous quarter market period.
- Position Paper (Annual) – detailed annual view of where markets are headed.

We have included samples in Section 6.

12. Describe any significant innovations or insightful investments your firm implemented for institutional investors over the past several years. Include the names of key staff involved in these developments.

Strategic Recommendations (Long Term)

- Global Equity Approach—Move toward equal weighting Domestic and Non-U.S. Equity.
- Meaningful allocations to Emerging Market Equity, up to 9% of total portfolio allocation.
- Hire Specialty Fixed Income Managers—Get beyond the Barclays Aggregate box!
- Diversify into asset classes with low correlations to equities and fixed income (Real Estate, Infrastructure, Hedge Funds, Commodities, Private Equity, Timber, Farmland)

Client-Specific Recommendations (Targeted)

- Clear Recommendations to terminate managers
- Create Tiered Liquidity Pools
- Tactical allocation shifts within guidelines (Corporate Bonds in 2009, EME/EMD in 2011)
- Inflation Protection through Real Asset sleeves
- Create Direct Hedge Fund Programs
- Identify Portfolio Overlay Strategies to implement asset allocation changes or reduce risk

We consider our firm as one whose distinguishing capabilities revolve around qualitatively-oriented research; global economic, capital markets and manager research, and technology. Our research capabilities, in particular, are separated into three distinct groups: Alpha, Beta and Global Portfolio Solutions. Given our structure, personnel and experience, we believe we have exceptional expertise in the following areas:

- *Liquidity Assessment:* Of late, many asset pools have experienced liquidity problems, whether related to the ability to pay benefits and adhere to spending policies. This also includes securities lending pools. For the past four years, we have helped sponsors identify current liquidity needs, current available liquidity (on demand), and establish guidelines and investment structure to support these requirements.

- *Fixed Income:* Segal Rogerscasey has developed significant resources within the fixed income research arena and has, for some years, advised on emerging market debt, global fixed income, high yield, CMBS, and other securitized issues. Both in manager research and structure reviews, we believe that fixed income asset classes are unique and that managers bring differing skill sets to the process.

- *Private Equity/Hedge Funds:* Qualitative research and practical experience are essential elements in the alternative arena. Our qualitative research process consists of a review of all aspects of the investment manager: personnel, business factors, investment strategy, operational aspects, legal aspects and the like. In addition, our research team consists of individuals with varied backgrounds, including former plan sponsors, investment managers, bankers, consultants, etc. Our research staff has extensive experience in the alternative area. Alan Kosan, who heads up our Alpha Research Group, is both a former plan sponsor and investment manager.

- *Emerging Markets:* We believe we have unique and differentiating capabilities in 'frontier markets' including investing throughout Northern Africa and the Middle East. Our Research Group researched the region significantly and developed extensive relationships with Central Banks, local investors, company management and the like. Seemingly, each "emerging market" region presents its own set of investing challenges: liquidity, investment vehicles, exchange practices, etc. Frontier markets offer extraordinary investment opportunities, yet possess specific investment challenges.

We offer our clients an excellent client service model, which can be customized to our clients' needs and objectives. We always go above and beyond to provide our best ideas and service to our clients to solve its unique needs. In addition, we develop an intimate knowledge of our clients' investment challenges and can immediately assist to accomplish its goals and objectives. More importantly, we have the ability to fill in clients' gaps in staff needs, when needed.

Thought Leadership

Many of the breakthroughs pioneered by Segal Rogerscasey professionals are now cornerstones in the practice of investment planning and management. Increasingly, we are bringing the expertise and skills we have utilized with the largest institutional entities to smaller institutional investors.

Segal Rogerscasey's MR^2 ratings database is populated with thousands of traditional and non-traditional investment products, of which almost 2,000 are rated as buy or qualified, suitable for client investment. Our Alpha research team constantly looks for new products that may not have been picked up by our screening (primarily due to lack of long-term historical data), emerging managers, and frontier markets.

13. Please provide a sample/model contract that your firm would propose for the scope of services described.

We have included a sample contract in Section 7.

14. Describe your firm's experience advising or structuring portfolios for defined benefit plans headed for insolvency, including the type of plan (corporate, multi-employer, etc.). Additionally, please detail the investment strategies you have put in place (or recommended) to address the solvency issue.

Segal Rogerscasey works for a corporate defined benefit plan sponsor (unfortunately we cannot disclose the name) that declared bankruptcy and found itself unable to make necessary pension contributions. This, combined with the market loss the client occurred at the time, significantly reduced the funding status of the plan (<40%) and greatly impaired the plan's ongoing viability. However, the plan sponsor determined that it wanted to restore the plan's financial health, and has embarked on an aggressive strategy to improve funding levels between now and 2024.

Because the plan's funding status is so low, a more typical interest rate hedged solution is not practical, given the substantially higher contributions that would be required. So a more opportunistic, total return approach was adopted, but one that takes into account the client's liabilities and sensitivity to contribution volatility.

In order to accomplish this goal, Segal Rogerscasey has carried out a "clean sheet" redesign of the pension assets to:

1. Methodically improve the plans funding status over time
2. Minimize the plan's funding status volatility
3. Minimize the pension contribution volatility
4. Reduce the degree to which the portfolio is exposed to equity beta risk
5. Introduce diversifying alpha and beta sources
6. Employ prudent levels of leverage to non-equity beta sources
7. Tactically rebalance the portfolio's aggregate underlying beta exposures using overlay managers
8. Introduce options overlay strategies to alter the distribution of returns to reduce the level of downside equity volatility
9. Capture an illiquidity premium
10. Utilize holdings and factor based risk management tools to monitor portfolio-wide beta exposures and relative valuations
11. Adopt a focus on tail-risk management techniques in order to maximize potential return while minimizing exposure to asset combinations with a high potential for significant downside loss

In the end, the portfolio is being transformed into an alpha seeking, opportunistic investment vehicle that looks significantly different from its peers. The portfolio will be able to more nimbly take advantage of investment opportunities as they present themselves, all while seeking to minimize the enterprise risk for the plan sponsor. Indeed, we've gone to great lengths to monitor and maximize exposures within the portfolio that have a negative correlation to the plan sponsor's expected profitability, so that we can rely on higher contributions when the client's business is going well, while being less dependent on contributions when the client's profitability is impaired. Similarly, we have designed the portfolio to be positively correlated to the client's underlying business costs, namely the cost of capital, commodity prices and macro-economic health of the global economy.

We believe we have substantially increased the likelihood of success for the client, despite the exceptionally dire circumstances the client is wrestling with.

15. Describe your firm's experience with frozen plans including the type of plan (corporate, multi-employer, etc.).

Segal Rogerscasey has many large, defined benefit corporate pension plans as clients, and the majority of these corporate DB plans have been frozen for some time. Indeed, they represent the norm within our corporate DB client base. Our asset liability modeling tools have been refined expressly with closed corporate DB plans in mind.

We have developed a path-dependent, dynamic liability driven investment glide path approach that helps these clients minimize their prospective downside volatility and funding status risk, while seeking to maximize a client's overall investment potential and achieve the highest possible risk-adjusted returns.

We utilize several of the approaches defined above, and take particular care to model:

1. A high frequency modeling approach for weekly asset returns and monthly liability valuations

2. A Stochastic volatility approach to model:
    a. Fat-tails
    b. Time-varying Sharpe ratios
    c. Skewed return distributions to accommodate the fact that equity volatility tends to increase when equity prices fall and vice versa, volatility clusters and its mean reversion
    d. Time varying correlations (as equity market correlations increase toward 1.0 in down markets)
    e. Volatility from option strategies (where we'll measure both the market exposure and volatility exposure)

3. Asset class rebalancing over varying time periods (weekly to annually)
    a. Rebalancing across different asset classes
    b. Varying rebalancing based on liquidity
    c. Replicating illiquid asset class capital call/distribution patterns
    d. Dynamic portfolio strategies – contingent of funded ratio, rate levels, etc.

4. Multi-factor interest rate and credit models
    a. Borrowing cost implicit in leverage strategies
    b. Replicating the liabilities' true economics

16. With respect to newly formed plans, describe your firm's experience advising or structuring portfolios, including the type of plan (corporate, multi-employer, etc.). Additionally, please detail the investment strategies you have put in place (or recommended) for brand new plans.

In question 14 above, we outlined the steps we undertook for a pension plan sponsor that had experienced significant enterprise level distress. In doing this, we effectively created a new portfolio that is to be funded by the ongoing contributions being made by the sponsor, and once it's fully operational, we'll be transitioning the assets in the existing, legacy investment program over to it. This "clean sheet" redesign allows us to implement the best possible portfolio without being encumbered by the "old way of doing things".

Segal Rogerscasey has otherwise worked only with pension plans that have already been established. But for every relationship that we have, we optimize our client's portfolios to be most effective on a forward looking basis. Whether it's a new or existing plan, we would always work to develop an investment program that takes into account a client's unique:

1. Return requirements
2. Risk tolerances
3. Time horizon
4. Liquidity needs
5. Permitted investments
6. Enterprise-level risks
7. Regulatory constraints and requirements
8. Any other unique factor which could impact the client's portfolio

The exact type of portfolio we create, therefore, is very client-specific and difficult to generalize. There are, however, several common tools employed to create these customized portfolios, including:

- Liability modeling tools
- Asset allocation optimization tools
- Best of breed traditional and alternative investment manager
- Holdings and factor based risk analytics
- "Intelligent" portfolio rebalancing techniques
- Ongoing and comparative performance measurement services

These tools are all specifically designed to maximize our client's risk-adjusted, liability-driven investment needs, and work as well for an established pension plan as they would for a brand new pension program.

F. Monitoring and Reporting and Performance Measurement

1. Please describe how your firm monitors a client's investments. What criteria are evaluated? How frequently are current client investments reviewed? How often does the firm meet with investment managers and service providers? How is compliance ensured?

We typically employ returns based style analysis to ensure that managers continue to employ a style specific to the mandate for which they were originally hired. Portfolio level holdings analysis may also be employed to confirm compliance with style mandates.

Our investment manager database information is updated on a quarterly basis. We review manager performance on a monthly basis, but more formally prepare quarterly reviews of the investment results, which include returns against market indices and peers, risk analysis and performance attribution. We regularly conduct meetings and conference calls with those firms managing assets on behalf of our clients.

Segal Rogerscasey maintains an ongoing relationship with each manager in order to monitor the changes in people, philosophy, ownership, consistency, process, style drift, poor performance, and distractions that are likely to affect the money manager's ability to accomplish its objective. Qualitative issues are important because they often are the leading indicators of future underperformance. Our qualitative evaluation is overlaid with our quantitative tools.