INVESTMENT
PERFORMANCE
SERVICES, LLC

642 Newtown Yardley Road
Suite 205
Newtown, PA 18940
Telephone (215) 867-2330
Fax (215) 867-2337

May 9, 2013

VIA EMAIL

Mr. William Jensen
FELRA and UFCW Pension Fund
4301 Garden City Drive, Suite 201
Landover, MD 20785

Re: FELRA and UFCW Pension Fund

Dear Bill,

On behalf of Investment Performance Services, LLC ("IPS"), I am pleased to provide a response to the Request for Proposal for investment consulting services for the FELRA and UFCW Pension Fund.

The IPS organization has specialized in delivering quality investment evaluation services to Taft-Hartley benefit plans for over 27 years. The cornerstone of our reputation is based on understanding the unique needs of each client and providing proactive investment advice. Our process adds material value to the investment success of a Fund through a combination of personalized service, disciplined procedures, and regular attendance at client meetings.

We are independently owned and operated. We think that is important and so do our clients. Our expertise and resources focus solely on our principal business, investment consulting, and all of our revenues are derived from hard dollar consulting fees. We recognize the assets under our advisement impact the lives of union members and we take our responsibility very seriously.

As a national firm providing personalized regional service, IPS currently works with over 125 union benefit plans throughout the United States representing local, regional, and international funds. The relationships include 16 United Food and Commercial Workers funds. One of the longest standing UFCW relationships is the FELRA and UFCW Pension Fund, which remains a very important relationship to me and IPS since its inception in February, 1986.

Due to the proprietary and confidential nature of the information contained in the response, IPS requests that the written response, supplemental documents, and sample materials not be distributed to individuals not affiliated with the above named entity. If you have any questions or require additional information, please feel welcome to contact me directly at (215) 867-2330 or rsichel@ips-net.com.

Thank you for your consideration of IPS.

Sincerely,

Richard Sichel

Richard I. Sichel, Jr.
President

Enclosure

Response to Request for Proposal

FELRA AND UFCW PENSION FUND

Investment Performance Services, LLC
Richard Sichel, Jr. – President; Senior Consultant
642 Newtown Yardley Road
Suite 205
Newtown, PA 18940
Telephone: 215-867-2330
May 9, 2013

INVESTMENT PERFORMANCE SERVICES, LLC

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INVESTMENT
PERFORMANCE
SERVICES, LLC

A. Organization Background

1. Please provide the following information regarding your firm:

   a. Firm Name

   Investment Performance Services, LLC

   b. Contact's Name and Title

   Richard Sichel, Jr.
   President; Senior Consultant

   c. Contact's Mailing Address

   642 Newtown Yardley Road
   Suite 205
   Newtown, PA 18940

   d. Contact's E-mail Address

   rsichel@ips-net.com

   e. Contact's Phone and Fax Numbers

   Telephone: 215-867-2330
   Fax: 215-867-2337

   f. Firm's Internet Address (if any).

   www.ips-net.com

2. Please provide a brief history of the firm, including its year of organization and the ownership structure of the firm, including any parent, affiliated companies or joint ventures.

   Investment Performance Services, LLC ("IPS") was founded in January of 1986 and began providing investment consulting services at that time.

   IPS is headquartered in Savannah, Georgia with a regional office in the Mid-Atlantic. IPS serves 128 clients throughout the country and advises to approximately $28 billion in assets.

IPS is independently owned and operated by the principal consultants and key personnel. We have no parent organization, affiliated or subsidiary companies, business partners, or joint ventures.

3. List all owners of the firm including applicable ownership percentage, and include short biographical descriptions of the owners.

IPS has five Principal owners comprised of investment consultants and key personnel currently working at the firm. The division of equity ownership is as follows:

Mitch Green, Chief Executive Officer = > 25%
Rich Sichel, President = > 25%
Stephen Lange, Managing Principal = > 25%
Jennifer Mink, Principal; Senior Consultant = < 5%
Susan Tuttle, Principal; Executive Director of Client Operations = < 5%

Biographies are located behind Tab "D" for your review.

4. Describe any ownership changes that have occurred within the last five (5) years, as well as any anticipated changes in ownership, organizational structure, or professional staffing.

In 2010, one of the principal owners was bought out by the existing owners as he left IPS to explore other interests outside the investment consulting industry. Today, IPS has 5 principal owners and additional ownership opportunities may be offered to other key employees over time. We do not anticipate any significant changes in our organization.

5. Please provide the following information related to your firm:

a. Number of years providing investment consulting services.

IPS has been providing investment consulting services for 27 years.

b. Number of years providing consulting services to jointly-trusteed benefit funds.

IPS has been providing investment consulting services to jointly-trusteed benefit plans for 27 years.

c. General categories of services available to clients.

The consulting services we offer are as follows:

1. **<u>General Consulting</u>**
   IPS reports on performance of Fund/managers and makes suggestions regarding asset allocation, rebalancing, and investment managers. Decisions are driven by the trustees.

2. **<u>Master Consulting ("MCS")</u>**
   IPS reports on performance of Fund/managers, makes proactive recommendations regarding asset allocation, rebalancing, and investment managers. IPS monitors separate account investment manager compliance with investment policy quarterly and all recommendations are provided in writing. Decisions are driven by IPS and approved by the trustees.

3. **<u>Expanded Master Consulting ("ExMCS")</u>**
   All Master Consulting Services including investment policy work, performance reporting, negotiation of fees, custodial bank and CRP searches, and active asset allocation reviews. In addition, IPS would identify investment managers for hire and all separate account portfolios would be monitored daily for compliance with the investment policy. All recommendations are provided in writing. Decisions are driven by IPS on a frequent basis and approved by a trustee committee.

4. **<u>Discretionary Consulting</u>**
   IPS reports on performance of Fund/managers and makes all investment decisions including the addition or removal of investment managers, tactical asset allocation, and rebalancing of assets without prior approval by the trustees. IPS monitors separate account investment manager compliance with investment policy daily and all actions taken by IPS are provided in writing. Decisions are driven and implemented by IPS.

5. **<u>Fiduciary Monitoring Services</u>**
   Oversight and monitoring of an OCIO or discretionary fiduciary consultant.

d. Asset classes that the firm is currently monitoring for clients.

- **US Large Capitalization stocks – growth, value and core**
- **US Mid Capitalization stocks – growth, value and core**
- **US Small Capitalization stocks – growth, value and core**
- **US "SMid" Capitalization stocks (Small and Mid)**
- **All Cap – value and core**
- **Fixed Income – core, intermediate, high yield and stable value; opportunistic**
- **Global Fixed Income**
- **International Equity – growth, value and core**
- **Emerging Markets**
- **Mortgages**
- **Real Estate – core, value-added**
- **Hedge Fund of Funds -Multi-Strategy; Equity Long-Short; opportunistic**
- **Global Tactical Asset Allocation**
- **Private Equity Fund of Funds**
- **Infrastructure**

e. Total firm revenue.

One hundred percent (100%) of our revenue is attributable to providing investment consulting services.

f. Percentage of firm's revenue from services to jointly-trusteed benefit funds.

Ninety eight percent (98%) of our revenue is attributable to providing investment consulting services to jointly-trusteed or union sponsored benefit funds.

6. Please provide the following information related to your firm's current clients:

a. Total number of clients, including total assets of all clients.

IPS currently provides consulting services to 128 benefit fund clients with assets of approximately $28 billion.

b. Number of jointly-trusteed benefit fund clients, including the size (in assets) of each jointly-trusteed benefit fund client.

All of our Taft-Hartley fund clients are jointly-trusteed benefit funds encompassing 125 clients with assets of approximately $27.7 billion.

c. Percentage breakdown of clients by category (e.g. public pension funds, endowments, etc.).

Ninety seven percent (97%) of our clients are Taft-Hartley or union sponsored benefit plans, with three percent (3%) in the public fund sector.

d. Distribution of all clients by asset size within the following ranges: (1) less than $250 million, (2) $1 billion, (3) above $1 billion.

IPS Client Accounts	
Assets as of June 2012	# Clients
Greater than $1 billion	**8**
$250- $1 billion	**16**
less than $250 million	**104**

e. List of your firm's five (5) largest clients, including name, address, contact name, telephone number and asset size, for use by the Board as references.

The following are our firm's five largest clients:

Carpenters Regional Council Pension and Annuity Fund of Philadelphia and Vicinity
Mr. Edward Coryell
Executive Secretary – Treasurer; Labor Trustee
1811 Spring Garden Street
Philadelphia, PA 19130
(215) 569-1634
Asset Value – $1.5 billion
Years with IPS – 27

Bricklayers & Trowel Trades International
Mr. James Boland
General President; Labor Trustee
620 F. Street
Washington, DC 20004
(202) 783-3788
Asset Value – $1.3 Billion
Years with IPS – 6

<u>New Jersey Carpenters Benefit Funds</u>
Mr. George Laufenberg
Plan Administrator
Raritan Plaza II, 2nd Floor
Edison, NJ 08818
(732) 417-3900

Asset Value – $2.0 Billion
Years with IPS – 27

<u>Pension Trust Fund for Operating Engineers</u>
Mr. Tom Hendricks
Executive Director
1640 South Loop Road
Alameda, CA 94502
(510) 337-3338
Asset Value – $3.1 Billion
Years with IPS – 5

<u>Northern California Carpenters Benefit Funds</u>
Mr. Robert Alvarado
Labor Trustee
265 Hegenberger Road
Suite 200
Oakland, CA 94621
(510) 568-4788
Asset Value – $3.8 Billion
Years with IPS – 18

7. Please provide details on the number, name and asset values of any terminated client relationships within the past five years, including reasons for the termination. Please provide the name and position of the applicable contact person and telephone number for each such client.

   Respecting these funds' privacy and due to the competitive nature of our business, our policy is not to publicly disclose the names, contact information, or circumstances leading to our discontinuing service to these funds. However, the primary reason for terminations was due to fund mergers and we parted on good terms with each client.

The 19 clients lost by IPS during the last five (5) years resulted primarily from fund mergers and very specific Trustee related reasons, unrelated to investment performance and client service.

Following are a few examples:

1. **Several years ago, we were retained by a Fund in New York to serve as a second investment consultant. The Fund had an investment consultant, but that consultant would not provide recommendations outside of investments on their platform; therefore, IPS was retained to provide such services. After approximately three years, the other consultant determined they could now provide recommendations on all investments and we were terminated. We were contacted by the client and informed that our termination was not the result of our services but rather the need for IPS was eliminated.**

2. **Approximately a year ago, we were terminated by a fund located in Pennsylvania. The last employer pulled out of the Fund; therefore, the Fund has no new contributions and is considered to be "terminating". Following modifications to the asset allocation and manager lineup to reflect terminating status, it was decided that our services were no longer needed as cost savings was now the priority. The client was pleased with the services provided by IPS.**

3. **Approximately three years ago, we were terminated by a small building trades fund in Delaware. Similar to #2 above, there were no longer any contributing employers. It was determined that cost savings was the priority. The client was pleased with the services provided by IPS.**

8. Please provide details on the number, name and asset values of any new client relationships gained in the past five years, including names and positions of contact persons and applicable telephone numbers.

Respecting the privacy of our clients, we cannot disclose the name of the funds and detailed contact information.

	Market Value
Client 1	$262,906,679
Client 2	$143,543,759
Client 3	$5,716,217
Client 4	$21,902,496
Client 5	$890,699
Client 6	$70,853,175
Client 7	$476,617,000
Client 8	$4,640,119
Client 9	$826,829
Client 10	$22,787,323
Client 11	$9,673,595
Client 12	$150,382,221
Client 13	$542,645,016
Client 14	$54,082,935
Client 15	$12,618,540
Client 16	$68,590,533
Client 17	$294,044,336
Client 18	$12,632,794
Client 19	$109,994,127
Client 20	$2,188,286,000

9. Please provide a current annual report.

As a privately held company, we do not have an annual report.

B. Professional Staff

10. Provide an organization chart showing functions, positions and names of all professionals within your firm. Include the total number of professional employees and total support staff. :

An organizational chart is located behind Tab "E" for your review.

11. Please provide the names of all professionals who will be assigned the Fund's account, including designated primary and secondary consultants, as well as detailed biographical data on all such individuals. At a minimum include, the following information for each:

a. Length of experience in investment consulting services and with your firm

Richard I. Sichel, Jr.
President; Senior Consultant
22 Years Industry Experience/ 14 years with IPS
Newtown, PA

Mr. Sichel is the President of Investment Performance Services, LLC and is responsible for overseeing the investment consultant process. In addition, Mr. Sichel is responsible for client relationships and marketing efforts in the Mid Atlantic region. Mr. Sichel serves on the Firm's Executive Committee and Investment Committee helping to formulate strategic policy for the firm. Mr. Sichel works on all aspects of client funds including investment policy formulation, asset allocation strategies, performance monitoring, and manager searches. He is a frequent speaker at industry conferences.

Mr. Sichel joined IPS in 1999 as a Senior Consultant. During the prior eight years he was a director of another investment consulting firm, Hamilton & Company, where he was actively involved in all aspects of consulting services with particular emphasis on providing comprehensive support to defined contribution and defined benefit plans.

Mr. Sichel earned a B.S. in 1991 and M.B.A. in 1996 from Rider University.

Jennifer Mink
Principal; Senior Consultant
15 Years Industry Experience/ 10 years with IPS
Newtown, PA

Ms. Mink is a Principal and Senior Consultant of Investment Performance Services, LLC and is responsible for client relationships and marketing efforts throughout the country. Ms. Mink works on all aspects of client funds including investment policy formulation, asset allocation strategies, performance monitoring, and manager searches. In addition, Ms. Mink serves on the Investment Committee helping to formulate strategic policy for the firm. Ms. Mink specializes in fund of hedge funds research, manager due diligence, and education at IPS and was a contributing author regarding hedge fund investing to the <u>Investment Policy Guidebook for Trustees</u> (Fifth Edition) published by the International Foundation of Employee Benefit Plans, Inc. She is a frequent speaker at industry conferences.

Ms. Mink joined IPS in 2003 as a Senior Consultant. Prior to joining IPS, Ms. Mink worked with the consulting division of Wachovia Securities in

Philadelphia, PA where she worked exclusively with Taft-Hartley benefit funds. Prior to consulting, Ms. Mink started her career at AXA Advisors, LLC providing a broad range of investment services to individuals, businesses, and unions. In addition, she conducted comprehensive retirement planning seminars specifically tailored to the Taft-Hartley marketplace.

Ms. Mink earned her B.S. from North Carolina State University and an MBA from Rider University.

David A. Russell, CFA
Senior Portfolio Strategist; Senior Consultant
37 Years Industry Experience/ 3 Years with IPS

Mr. Russell is the Senior Portfolio Strategist overseeing the Manager Research Department and Discretionary Services Committee of Investment Performance Services, LLC. In addition, Mr. Russell is a Senior Consultant and is responsible for client relationships in the Mid Atlantic region. Mr. Russell also serves on the Investment Committee helping to formulate strategic policy for the firm. Mr. Russell works on all aspects of client funds including investment policy formulation, asset allocation strategies, and evaluation of investment managers. His manager research responsibilities focus on fixed income and alternative investments. He is a frequent speaker at industry conferences.

Mr. Russell has over 35 years of investment and consulting experience. Mr. Russell joined IPS from Attalus Capital, a fund of hedge funds firm, where he was a Managing Director and Portfolio Strategist. Prior to that Mr. Russell was a principal and shareholder at Ennis Knupp and Associates, an institutional investment consulting firm, were he was actively involved in all aspects of consulting services with particular emphasis on alternative investments. Mr. Russell also was a senior consultant at Capital Resource Advisors and was vice-president and manager of Institutional Consulting Services for Prudential's Investment Management Consulting and Research Division.

Mr. Russell earned a B.A. in Political Science and M.B.A. in Finance from Kutztown University. Mr. Russell is a Chartered Financial Analyst (CFA) and a member of the Institute of Chartered Financial Analysts and the

Financial Analysts Society of Philadelphia. Mr. Russell serves as a member of the Investment Committee of Good Shepherd Rehabilitation Network in Allentown, PA and is on the Board and Executive Committee of Lutheran Theological Seminary at Gettysburg (PA) where he is also the Chairman of Investment Committee of Lutheran Theological Seminary at Gettysburg Foundation.

b. Names of currently assigned accounts, including total assets of each client

Rich and Jennifer both have extensive experience working with Taft-Hartley Funds. Rich currently handles 18 client relationships and Jennifer 18. Asset size of their clients ranges from $15 million to $3.1 billion. Dave Russell currently handles 5 client relationships.

c. The highest educational degree and/or professional designation attained

Richard Sichel – MBA
Jennifer Mink – MBA
David Russell – MBA, CFA

12. Please explain how the team dedicated to the Fund's account would function, and the procedures for addressing the Fund's account when the primary or secondary consultant(s) are traveling or otherwise unavailable.

Richard Sichel, President, would be the primary consultant with Jennifer Mink and David Russell as the secondary consultants on the team. The consulting team is located in our Mid-Atlantic office. Analytical personnel and compliance staff are also assigned to each client account. In addition, the Mid-Atlantic office is supported by Jenn Carroll who handles all asset transfer, investment policy work and client communication. Jenn is an "in-house" consultant and currently handles all of the Fund's asset transfers working with Bill Jensen and Mike Herwig.

Quality control is provided by Susan Tuttle, Principal and Executive Director of Client Operations who monitors all client relationships, oversees a team that monitors all client programs, recommendations, and investment manager compliance.

13. Please indicate the turnover of professional staff (senior management, consultants and personnel dedicated to consulting services) in the past five years, including the name and position of each departing employee, the date and reason each employee left the firm, and the name of any replacement employee.

Name and Title	Date Departed	Reason
1. Philip J. Dellocono, Senior Vice President	August 2009 (14 Years with IPS)	Pursue other interests outside of investment consulting
2. Herbert C. Skinner III, Managing Partner	May 2010 (20 Years with IPS)	Pursue other interests outside of investment consulting
3. Tim Walters, Vice President	March 2011 (4 Years with IPS)	Pursue other interests

During the same time period, IPS has added three consultants.

14. Within your firm, what is the average number of clients per consultant?

The average number of accounts per consultant is 12.

15. Please provide a brief description of your firm's compensation arrangement for professional staff, including any incentive bonuses and how such bonuses are awarded. Please indicate if any professional staff has an ownership stake in the firm or otherwise shares in the firm's profits, and if so, please provide details.

All of our consultants are paid a competitive salary, plus bonus based upon the gross revenue of their client relationships.

IPS has five Principal owners comprised of investment consultants and key personnel currently working at the firm. The division of equity ownership is as follows:

Mitch Green, Chief Executive Officer = > 25%
Rich Sichel, President = > 25%
Stephen Lange, Managing Principal = > 25%
Jennifer Mink, Principal; Senior Consultant = < 5%
Susan Tuttle, Principal; Executive Director of Client Operations = < 5%

16. Please discuss your firm's plans for future growth in the benefit consulting area.

IPS continues to seek slow steady growth with a focus on client retention. Each year we anticipate adding 3-5 new clients. New consultants and support staff are hired as needed to accommodate growth and maintain an ideal client-to-consultant ratio. There are no plans to merge with another organization or acquire an organization, at this time.

C. Services and Capabilities

17. Describe the range of consulting and other financial services that your firm offers.

The consulting services we offer are as follows:

<u>General Consulting</u>
IPS reports on performance of Fund/managers and makes suggestions regarding asset allocation, rebalancing, and investment managers. Decisions are driven by the trustees.

- **Historical study of the Funds' performance and the Funds' investment managers**
- **Review and revision of investment policy and guidelines**
- **Quarterly investment performance evaluation and reporting**
- **Periodic asset allocation review**
- **Investment manager searches, as needed**
- **Commission recapture provider search, if needed**
- **Custody bank searches, as needed**
- **Attend Board of Trustees' meetings**

<u>Master Consulting ("MCS")</u>
IPS reports on performance of Fund/managers, makes proactive recommendations regarding asset allocation, rebalancing, and investment managers. IPS monitors separate account investment manager compliance with investment policy quarterly and all recommendations are provided in writing. Decisions are driven by IPS and approved by the trustees.

- **Historical study of the Funds' performance and the Funds' investment managers**
- **Review and revision of investment policy and guidelines**
- **Active asset allocation strategy recommendations**

- **Quarterly investment performance evaluation and reporting**
- **Quarterly portfolio compliance monitoring**
- **Investment manager searches, as needed**
- **Commission recapture provider search, if needed**
- **Custody bank searches, as needed**
- **Negotiation of investment manager fees**
- **Written recommendations to Board of Trustees**
- **Attend Board of Trustees' meetings**

Expanded Master Consulting ("ExMCS")

All Master Consulting Services including investment policy work, performance reporting, negotiation of fees, custodial bank and CRP searches, and active asset allocation reviews. In addition, IPS would identify investment managers for hire and all separate account portfolios would be monitored daily for compliance with the investment policy . All recommendations are provided in writing. Decisions are driven by IPS on a frequent basis and approved by a trustee committee.

- **On an ongoing basis, the consultant will recommend the rebalancing of assets, allocations to new asset classes, and identify specific managers to replace underperforming managers and/or hire for asset categories to an investment "Committee" to immediately act upon.**
- **The composition of the Committee would be determined by the Board of Trustees. A process will be determined by the Committee and IPS to allow for the timely flow of recommendations.**
- **The Committee will approve/reject the recommendations and decisions will be implemented in a manner similar to the MCS.**
- **Quarterly performance reporting**
- **Daily compliance monitoring of separate account portfolios**
- **Written recommendations and executive summary of decisions made to Trustees**
- **IPS will not have discretion over the assets.**

Discretionary Consulting

IPS reports on performance of Fund/managers and makes all investment decisions including the addition or removal of investment managers, tactical asset allocation, and rebalancing of assets without prior approval by the trustees. IPS monitors separate account investment manager compliance with investment policy daily and all actions taken by IPS are provided in writing. Decisions are driven and implemented by IPS.

- **Historical study of the Funds' performance and the Funds' investment managers**
- **Review and revision of investment policy and guidelines**
- **Tactical asset allocation implementation/rebalancing**
- **Quarterly investment performance evaluation and reporting**
- **Daily portfolio compliance monitoring**
- **Investment manager selection (hiring/terminations)**
- **Commission recapture provider selection**
- **Custody bank searches, as needed**
- **Negotiation of investment manager fees**
- **Written executive summary of actions taken by IPS to Board of Trustees**
- **Attend Board of Trustees' meetings**

Fiduciary Monitoring Services

Performance Reports – On a quarterly basis, IPS will provide ongoing quarterly performance evaluation reports, to include: rates of return and risk over various time periods; comparisons to appropriate market indices and databases; and, analysis of individual investment manager's performance against established benchmarks. In addition, IPS will monitor the Fund's asset allocation compared to the established target and ranges. The analysis will be for each discretionary fiduciary and in total. IPS will rely on information provided by the custodians and discretionary fiduciaries.

Investment Managers – On a quarterly basis, IPS will notify the Trustees of any significant ownership, organization, and personnel changes that have occurred in any of the investment manager organizations who manage assets for the Funds. This includes any investment products of the discretionary consultants. In addition, IPS will report any investment manager guideline violations. IPS will rely on information it receives directly from the manager, including the quarterly compliance checklist, and use its experience resulting from other client relationships to learn of any such changes.

Cover Letter – A detailed letter will accompany all reports explaining the performance results of the Funds. The letter will also include summary information regarding any significant issues or developments relating to the Funds and/or investment managers.

Meeting Attendance – Attendance at Board of Trustee's meetings to thoroughly review the investment results.

18. List your firm's lines of business and the appropriate contribution of each business to your firm's total revenue and profits. If the firm is an affiliate or subsidiary of an organization, what percentage of the parent firm's total revenue and profits does the subsidiary or affiliate generate?

One hundred percent (100%) of our total revenue is generated from investment consulting services. We have no parent organization, affiliated or subsidiary companies, business partners, or joint ventures. Our only source of compensation is hard dollar consulting fees paid by our clients. We do not receive or accept any form of indirect compensation.

19. Describe the internal structure, organization, and capabilities of your firm's research department (if no separate department exists, describe how this function is performed).

The IPS Manager Research Department is led by David Russell, Senior Investment Strategist. Dave is a CFA with over 35 years of industry experience. Dave is supported by Dan Melloh, the Director of Manager Research (dedicated full-time manager research position) and 5 manager research analysts which includes 3 senior consultants. IPS believes the involvement of the consultants in the search process adds vast industry experience to the analysis of each asset class. The Manager Research Department is located in the Philadelphia office. Dave and Dan are located in that office along with 2 of the research analysts. The Savannah office has 4 manager research professionals, two of whom are dedicated full-time to manager research personnel.

The Manager Research Department includes both top down and bottom up analysis and idea generation. Dave and Dan identify and discuss investment opportunities for asset class analysts to research, analyze, and review. Analysts, in turn, through their research and ongoing due diligence on managers/products, make recommendations to Dave and Dan for consideration. After a thorough review and analysis, the Manager Search Department makes a recommendation to the IPS Investment Committee for consideration on client accounts.

20. Describe the manner in which internal and external resources and sources of information are used in the research process. How does your firm integrate internal and external research?

IPS uses multiple sources for external research including:

- **Manager generated newsletters and white papers;**
- **Public Websites: Google Finance, Bing, Yahoo! Finance, Bloomberg, Investment Advisor, Wall Street Journal Online, Schwab Research, and numerous others;**
- **Subscription Websites: HFRI, Morningstar (Premium and Principia), CFA Institute (academic research);**
- **Other subscription services: Bloomberg (Data Terminal), InvestorForce, eVestment Alliance, Wilshire Compass, Charles Schwab Research, JPMorgan Research, Capital Economics.**

Information is distributed widely internally and reviewed by our Investment Committee. Each calendar quarter we produce a written 9-10 page "Quarterly Commentary" that summarizes key economic and market statistics and comments on trends and developments in the capital markets.

Specific research topics are assigned to specific staff members and they produce summary reports or educational presentations for client use. Memos regarding specific client issues or areas of interest are also researched, produced, reviewed by the Investment Committee, and distributed to clients.

21. Has your firm conducted an asset/liability study for a jointly-trusteed benefit fund? If so, how many has it conducted within the last three (3) years, and provide a written sample of a recent study performed by your firm for a client with a similar profile as the Board.

We have not conducted any full asset and liability studies in the last three years for our Taft-Hartley clients, although we have the capability to do so. We use the Wilshire Compass system, which has fully integrated liability modeling capabilities. Compass can produce Monte Carlo simulations, measure down-side risk, probability of a specific return or asset level, produce both stochastic and deterministic modeling of funding status and required minimum contribution projections, probability of achieving a certain funded level, etc. for up to 30 years in the future.

The reason we have not done any Taft-Hartley A&L studies is that due to recent PPA regulations regarding plan funded status, participant notifications, and the development of written recovery and remediation plans, the task of liability modeling, funded status forecasts, and the calculation of minimum required contribution rates, has been conducted repeatedly by our clients' actuaries. Our clients have not seen the need to bear the cost of IPS duplicating the actuaries liability assumptions and calculations, thus our role in the last few years has been limited to modeling the asset side of the equation. Over the past three years we have conducted 466 asset allocation studies. We have also undertaken several client studies to stress test the plan liquidity and cash flow needs, based on the liquidity crisis some plans had in late 2008 and early 2009.

22. Describe your firm's process for determining the appropriate asset allocation for a jointly trusteed benefit fund. At a minimum, include the criteria on which you base your assumptions. Also describe your process for determining and analyzing a client's investment structure. Describe your process for recommending modifications to the portfolio structure as warranted by changes in the market place or benefit obligations/assumptions.

There is no simple formula to determine the optimal asset allocation; rather it is based on a close evaluation of a number of factors including:

- **The fund's financial condition and funding objective,**
- **Duration of the fund liabilities and liquidity needs,**
- **The outlook for the financial markets, and**
- **Time horizon and risk tolerance of the Trustees.**

The first step in this process is to consult with the Plan's actuary to understand the liability stream, the current assumptions impacting the calculation of the liabilities, the trends in those assumptions, and the cash flows of the plan (timing and magnitude of plan contributions, benefit payments and expenses) and participant demographics.

The second step is to determine those asset classes and investment strategies that are to be included in the evaluation. The process includes the identification of the pertinent inputs (i.e. expected return, risk, and

correlation). Some subjective inputs are also developed at this point; particularly the risk tolerance of the fund's trustees.

The third step is to review capital markets risk, return, and correlation assumptions with the clients. Our asset class risk/return assumptions are developed by the Investment Committee of IPS as outlined above. Our Investment Committee considers the historical performance of certain asset classes, the long-term market trends and cycles pertaining to that asset class, current interest rates, anticipated changes in interest rates, and the current market environment. We also consult with a wide range of economists and investment managers to get their views of the current environment as well as their expectations for specific asset classes and strategies. Our assumptions are not historical returns but rather forward projections of the returns we might expect for the next 10 years.

In conjunction with the above, we develop asset allocation constraints on certain asset classes. These constraints are applied in order to minimize utilization/over allocation to certain asset classes and to assure appropriate plan liquidity. As an example, a fund with only enough assets available to cover current liabilities should not invest in a less liquid asset class such as real estate or private equity. Yet, due to the risk/return characteristics of real estate, most asset allocation software programs will overweight this asset class. As a result, applying proper asset class constraints is critical to the process.

The fourth step is to enter the plan's data into our Asset Allocation system. In preparing our asset allocation analysis we utilize sophisticated optimization modeling software developed by Wilshire Associates. This model integrates three different methodologies: Traditional "Efficient Frontier" optimization," "Down-side Risk," and "Monte Carlo Simulations" With the traditional "Efficient Frontier" model we use historical return and risk statistics to optimal investment mix options. The model is very dynamic and provides for customization of the analysis, if needed. Virtually any asset class can be included in the modeling process.

Modifications to the asset allocation are made if the investments of the Fund or risk tolerance changes, a new investment idea is recommended, the liquidity needs of the fund change, or if changes are made in the asset class risk/return assumptions.

23. Describe your firm's process for developing, recommending, and maintaining a client's investment policy, strategy and asset mix, including re-balancing.

A statement of investment policy and investment objectives is one of the basic working documents between a fund and its investment managers. It should be a concise statement of a fund's objectives and policies, providing investment managers with the information they need to know and clearly establishing the rules of the relationship with the fund. We look at investment policy from several different viewpoints to reflect actuarial, liquidity, and funding requirements. We then meet with the Board of Trustees and the Fund's professionals to develop investment policies and guidelines reflecting the sensitivities of the trustees and objectives of the fund.

On at least an annual basis, we feel investment assumptions need to be reviewed as they relate to the overall strategic asset allocation of Fund assets and the investment guidelines communicated to the investment managers. Should the Trustees, in conjunction with other Fund professionals, desire to change Fund assumptions, IPS would assist in the process and help select investment managers who will perform the duties as directed by the Trustees.

Each year our Investment Committee reviews our investment policy boilerplate to assure that policy language is current with the trends in the securities market. Policy additions/changes can be made, as needed, via an addendum.

We employ various rebalancing strategies for clients, the most common being a quarterly determination as to whether or not the magnitude of any imbalance warrants correction. This review typically is part of the quarterly review process and the specific actions taken are based on consideration of a number of factors such as cash flows and relative manager performance. As a general rule, variations in excess of five percent from the target allocation would be recommended for rebalancing.

24. Describe how benchmarks are chosen or developed and how performance is compared to similar portfolios. Can your firm provide custom benchmarks? Please indicate whether the firm has ever developed benchmarks for a jointly-trusteed benefit fund and if so, provide a description of the benchmarks developed and the method used in developing the benchmarks.

IPS offers comprehensive performance comparisons for a fair, objective review of the performance of your Fund and its investment managers. As outlined below, IPS utilizes index and universe comparisons to compare the return the Fund's investments have earned over different trailing time periods, individual time periods, and on a risk adjusted basis. With this analysis, the Trustees are able to judge the job the Fund's investment managers are doing.

The indices and universes chosen for your fund's comparisons would be customized to be reflective of the investment guidelines and strategies of each portfolio after full discussion with both the Trustees and each manager. With respect to individual portfolio benchmarks we work with the investment manager at the onset of a relationship to determine the most appropriate measure for the portfolio. We want to make sure everyone understands the performance standards to which the investment manager will be held. IPS has specific style universes available to it and can provide any number of custom benchmarks for fair, unbiased performance comparisons.

IPS primarily uses the InvestorForce platform for peer group comparisons. This database is a comprehensive tool that houses data covering over 1400 market indexes and over 50 different universes. IPS utilizes InvestorForce to populate Total Fund universes for performance reports. The Taft-Hartley universe is comprised of actual Fund returns reported by several different consulting firms. The universe is available gross or net of fees with over 100 Funds in the universe.

In addition to the InvestorForce database, IPS also has access to Wilshire Compass, eVestment Alliance, Russell/Mellon and the Morningstar universes.

Investment manager/style specific universes are comprised of composite returns reported by managers.

25. Does your firm maintain internally or otherwise have access to a jointly-trusteed benefit fund database for peer group comparison purpose? If so, please describe such database in detail, including (1) the composition of the database (especially in terms of its representation of the jointly-trusteed pension fund universe), (2) how the database is maintained and updated, and (3) how the database can be

used to compare and rank the Funds in terms of risk, returns, asset allocations, and portfolio structure?

Yes, we subscribe to InvestorForce which gives us the ability to compare and rank our client returns in a jointly-trusteed universe of peers. The database is comprised of approximately 300 jointly-trusteed funds of various sizes. The universe of funds can be broken down by asset size range and asset allocation target range. On a quarterly basis, the universe of funds is updated (not by name) based on the fund data contributed by the 28 consulting firms who subscribe to InvestorForce. This feature gives IPS the ability to compare funds to peers based on several factors, including return, risk, and asset allocation

26. Describe in detail the experience and expertise of your firm, and the primary consultant in particular, in alternative investments, including valuing hard-to-value assets.

The IPS consultants and research staff have experience and expertise with non-traditional or alternative investments. While we understand the complexities of alternative investments, we insist, as part of product approval process, that the manager provide independent valuation of assets and that all regulatory reporting requirements can be met. We insist that prospective managers speak with the fund accountant/auditor to assure that those professionals receive the information they require.

27. Describe your firm's process for the evaluation and recommendation of investment managers for a client, including a sample due diligence matrix if applicable. Include how the firm evaluates a manager's performance, personnel and organization, investment philosophy, investment style(s) and products, research and/or modeling capabilities, financial condition, client service and fees. How is the accuracy of performance numbers determined?

IPS utilizes several data sources to screen manager candidates. Managers/firms who meet our criteria and are approved by our Investment Committee are added to the IPS search list. The IPS search process is rigorously implemented and reviewed quarterly.

The following requirements must be met by the manager in order to be considered for screening:

- **Depending upon the investment style, the management firm must have at least $250 million under total management.**

- **The management firm should have experience in the institutional marketplace;**
- **Unless otherwise specified, the 3-, 5-, and, if available, 7-year returns should be greater than the appropriate universe median.**
- **No single annual return for the last 5 years should be below the 75th percentile average.**

Managers that pass the minimum screen are then asked to complete an IPS questionnaire regarding the following:

- **Qualification under ERISA as an investment manager.**
- **Business structure and affiliations.**
- **Financial condition & capitalization of the candidate.**
- **Candidate's investment style and process.**
- **The identity, experience & qualifications of the professional(s) assigned to the account, including performance record for managing similar accounts.**
- **Relevant litigation/enforcement within a relevantly reasonable time against the candidate, the candidate's officers/directors, or its investment professionals.**
- **Candidate's procedures to comply with ERISA's prohibited transaction restrictions (includes candidate's qualification as a professional asset manager).**
- **Candidate's bonding, fiduciary liability, and errors and omissions coverage.**
- **The proposed fee schedule, identification of client references, and total assets under control.**

Verification of the above information is made from reliable, independent sources, and from site visits. Manager selection is based on the information provided by the candidate, internal research, and any other outside sources.

Managers who fulfill the criteria above and demonstrate superior characteristics may be added to our "Approved" search list after thorough review by asset class specialists and approval by the IPS investment committee.

The Manager Search and Selection department coordinates our internal due diligence process. A key part of the process described above includes visits by IPS consultants to the offices of investment management professionals as necessary. In the case of those managers who are on the search list, an effort

is made to conduct interviews with all new firms to the search list and have a follow-up meeting with longer standing search list firms as needed. Visits are also made, as required, with firms currently managing client accounts, regardless of their status on the search list. At these regular meetings, we interview key professionals and review their process, performance, business practices, and ownership structure.

28. How many manager searches has your firm conducted in the last three (3) years, broken down by asset class? Of these searches, have any recommended managers that were hired by clients been subsequently terminated? If so, how many and why?

In the last three (3) years, IPS has conducted a total of 504 manager searches as indicated in the chart below. We do not track the data with regard to the number of manager hired and subsequently fired.

ANNUAL SEARCH LIST BY STYLE			
	2010	2011	2012
Large Cap Growth	45	23	15
Large Cap Value	4	2	3
Large Core	9	8	2
All Core	3		
All Cap Value	4	1	
All Cap Growth			
GTAA (a/o 2010)	51	44	14
MC Growth	1		1
MC Value			
MC Core			
SMID Core	19		1
SMID Growth		1	
Small Core		8	1
SC Growth	1		
SC Value	1	1	1
International	31	11	21
Emerging Markets		1	
Index Funds Equity		1	4
Hedge Funds	26	8	9
Real Estate Core	14	5	
Real Estate VL Added	1	1	7
Mortgages			
Fx Core	13	6	6
Fx Intermediate	7		3
Fx High Yield	12	8	9
Fx ShortTerm High Yield		3	27
Fx International			1
Index Funds Fixed	1	1	
Fixed Stable Value			
Bank Loan		1	
TOTAL:	243	134	125

29. Describe your firm's manager database and how your firm gathers, verifies, updates, maintains and analyzes the data collected on managers for the database. How many managers are contained in the database? Describe the screening variables and capabilities of the database. Describe the capability of providing custom client reports.

IPS utilizes multiple databases to identify potential investment managers including InvestorForce, Wilshire Compass, eVestment Alliance, Russell/Mellon and Morningstar. This provides us with profiles on over 9,000 products:

- **In excess of 1600 U.S. equity products;**
- **More than 700 non-U.S. equity products;**
- **Approximately 2000 fixed income products; and**
- **Over 11,000 mutual funds.**

Our internal database includes the following asset classes:

- **US, Non-US, Global, Emerging and Frontier Markets Equity**
- **US and Global Fixed Income – Sovereign, core+, short-duration, high yield, stable value and sector specific (mortgages, preferred, convertibles), opportunistic**
- **Real Estate – core, value-added, development, and strategy focused.**
- **Hedge Fund of Funds - diversified; equity long/short, credit focused, CTAs, opportunistic**
- **Global Tactical Asset Allocation**
- **Private Equity – diversified, targeted, or focused**
- **Infrastructure, Energy, Commodities, Sustainable or "Green" initiatives.**

Our Manager Research team conducts rigorous due diligence on all managers that are recommended to clients or are currently managing assets for our clients. IPS has 169 active manager products on our "Approved" list. Our Manager Research team conducts multiple meetings, including on-site meetings with the managers to determine:

- **Adequate levels of due diligence are performed on all current and potential investment managers:**
- **All relevant facts are disclosed and accurate:**
- **Firms and products met the highest institutional standards and best industry practices.**

Further we formalize and memorialize our research in the form of memos and "Manager Profiles" to be sure recommended manager exhibit adequate and consistent "success" characteristics, including, but not limited to:

Organizational Structure – as defined by

- **Ownership, alignment of interests**
- **Adequacy, education, experience, and stability of employees**
- **Organizational structure**
- **Legal and regulatory compliance**
- **Assets under management and institutional experience**
- **Business longevity and continuity**

Results – as defined by

- **Alpha vs. benchmark**
- **Peer group rankings over time**
- **Consistency and persistence of value-added**
- **Appropriate risk controls**
- **Policy compliance**

Style – as defined by

- **Investment process**
- **Portfolio holdings**
- **Appropriate statistical portfolio metrics**

Compliance and Accountability – as defined by

- **A "culture of compliance" in regards to regulatory, legal, accounting, and pricing policies, and in keeping with best industry practices**
- **Accepts fiduciary liability**
- **Provides full disclosure of relevant issues and developments**
- **Complies with GIPS standards**

30. Describe the experience and capabilities of your firm, and the primary consultant in particular, in analyzing and monitoring managers. Specifically, include the monitoring of performance, risk style integrity, contract compliance, account restrictions, activities creating potential conflicts of interest, reporting requirements, and trading costs (including foreign exchange).

With 27 years of experience providing investment consulting services to Taft-Hartley funds, we believe the depth of our experience in this space as well as

our understanding of the sensitivities of jointly-trusteed plans is a defining characteristic of our firm. We do not view ourselves simply as purveyors of numbers, but instead seek to add material value to the investment success of our clients. We believe our ownership structure aligns our interests with our clients' interests. We specialize in offering a high degree of personal service to every single client and our consultants are able to develop long-term relationships with our clients allowing our organization to become a trusted member of the professional service team.

- **Experience – IPS has extensive industry experience working with benefit funds. We currently have 128 clients throughout the US comprising 206 different pension, health & welfare, and other benefit funds.**

- **Discipline – We are a process-oriented firm with disciplined procedures regarding how our company operates and handles the consulting practice. We have policies in place regarding investment manager performance evaluation and reporting, compliance monitoring, and client communication.**

- **Attention to detail – Our compliance monitoring service provides additional oversight of investment manager activity with regard to a Fund's investment policy statement. We require all investment managers to sign the Fund's investment policy statement. IPS then independently compares individual holdings in separately managed portfolios to the Fund's investment policy and provides a written report to the trustees regarding any variance.**

- **Proactive communication –All client recommendations are provided in writing.**

- **Independence – IPS is privately owned by the principal consultants and key personnel. The owners of the firm are actively involved in all aspects of the firm and have direct interaction with clients. We have no affiliation with investment managers or broker-dealers. Our interests are aligned with our clients –we work for them.**

- **Transparency – 100% of our revenues are derived from hard dollar fees charged for investment consulting services. We do not receive or accept any form of indirect compensation.**

- **Commitment to our clients – IPS is an ERISA Fiduciary**

In addition to the assets contributed through our firm, Rich Sichel brings 22 years industry experience to client relationships. He is the President of the firm and a senior decision maker in the firm's consulting process.

31. Describe the experience and capabilities of your firm, and the primary consultant in particular, in analyzing and monitoring minority management firms and brokerage firms.

IPS has a list of all qualified and registered Minority-, Women-, Veteran-Owned Business Enterprises (MBE, WBE, and VBE) that are investment management firms is the US. We currently utilize approximately four such firms in client mandates. We also research and support economic or geographically targeted funds.

During 2012, Rich Sichel and Jennifer Mink assisted a client with a search for a minority manager of manager assignment.

32. Discuss in detail your performance attribution analysis. How does it handle alternative investment portfolios?

Investment performance should be evaluated at multiple levels to fully understand all of the factors that have contributed or detracted from outcomes. Those factors include:

- **The performance of each asset class**
- **The allocation impact (actual vs. target allocations)**
- **Cash flows into and out of the plan**
- **Manager structure (Manager coverage of the entire asset class)**
- **The performance of each manager relative to the asset class and specific style or capitalization benchmark.**

These interrelationships are commonly referred to as "attribution analysis."

At the individual manager level one needs to examine both the absolute and relative performance versus an appropriate benchmark. Here again investment returns may not reflect the entire story of what is happening with an investment portfolio at any given time. Therefore, in addition to investment performance comparisons, IPS also evaluates and reports on both quantitative and qualitative factors.

IPS can create custom reporting formats for alternative portfolios. For example we can show segment or strategy contribution to performance, IRR calculations, multiples, schedules for committed capital, called capital, invested capital, holdings values, and realized returns schedules.

33. Please provide a sample quarterly performance report. How soon after quarter-end is the report available? What is included in the standard reporting package to your clients?

FELRA and UFCW Pension Fund 4th quarter MCS report is located behind Tab "H" for your review.

Quarterly and annual performance reports are typically available within 45 days after the quarter end. Preliminary monthly "flash" updates are typically available on the 20th business day of the following month.

34. Please discuss the use of performance based fees, asset based fees, flat fees and any other fee structures you may recommend for use with external managers.

IPS prefers to negotiate asset based fees with manager's dependent upon the size of the mandate and investment approach. Due to the significant amount of assets that we oversee, we are typically able to negotiate competitive rates and/or improved fee schedule breakpoints for our clients. If structured properly, performance or incentive based fees can be a valid option as long as the client's best interests are maintained.

35. Describe your firm's criteria for recommending a manager be placed on probation, removed from probation, or replaced.

There are a number of factors involved when deciding whether or not an investment manager should be placed on "monitor" or replaced. Certain criteria must be considered:

- **Personnel: Has there been any change in ownership or movement of key personnel within an organization? If so, how will this affect the investment process and investment success of the company?**

- **Investment Philosophy: Has the firm communicated a change in philosophy or do changes in the portfolio show a modification in investment policy?**

- **Investment Performance: Has the firm demonstrated poor performance over longer periods of time (2-3 years), not only on a relative basis but also within its peer universe? Is the manager exhibiting style drift?**

- **Consistency of Results: Is the firm achieving superior results? If so, are they taking additional risks in attaining those results?**

- **Investment Policy: Has the investment manager seriously violated the guidelines stated in the investment policy?**

- **Length of time managing portfolio: How long has the manager been managing the portfolio? If there are no changes in personnel or investment style, it is prudent to evaluate an investment manager's performance over a market cycle (3-5 years). A market cycle helps account for fundamental shifts in the market (i.e. low quality vs. high quality securities). However, if a manager stumbles "out of the gate", it may be difficult for them to achieve their goal over longer periods of time and perhaps the evaluation period should be shortened.**

All of the above factors play an important role in deciding whether a manager should be placed on "monitor" or replaced.

The IPS Manager Research Department monitors all investment managers who currently manage money for clients on an ongoing basis. This includes not only the absolute and relative returns generated by the manager but also stability of the firm, process, and compliance with guidelines. If there is an issue that warrants a manager to be placed on "monitor" or watch list", the Director of Manager Research will make a recommendation to the IPS Investment Committee regarding the manager. The IPS Investment Committee will rely on the due diligence of the research department which includes discussions with the manager, on-site meetings, and analysis of the issue(s) to determine removal of watch list status or termination.

36. Describe your firm's experience and capability for implementing a manager transition plan. What factors are considered in developing a transition plan?

We monitor manager trading costs as a part of our manager evaluation process including evaluating any soft dollar commission recapture programs they might participate in. For all manager transitions, we seek out

competitive bids for transition services from leading vendors. When manager transitions occur, IPS works closely with your custodian during the transition process to assure it is done at the lowest possible cost and as quickly as possible.

37. What do you consider is the most significant recommendations your firm has made to a large sophisticated benefit fund? Specifically, what value was added and how does this recommendation demonstrate a "unique" insight or value that your firm would bring to the Board's relationship, such as in the area of valuing hard-to-value assets.

For several large sophisticated funds we analyzed the inclusion of larger allocations to less liquid investments such as private equity, infrastructure and other alternative investments. The benefit funds are primarily mature, meaning a high ratio of retirees to actives and in some cases reduced expected active participant hours. Due to the significant demands on the liquid assets to cover the ongoing cash needs, we recommended opportunistic credit investing rather than other investments that were significantly less liquid. The improved liquidity of opportunistic credit investing relative to other types of investments was more desirable with also the ability to provide relatively high expected returns.

In addition, a number of clients elected to change the IPS consulting service from Master Consulting to Expanded Master Consulting to help expedite the rebalancing and manager hire/fire process.

We have identified some outstanding and unique "niche" managers and strategies that have added significant value and diversification benefits to client portfolios.

38. Please identify the most challenging or difficult problem that your firm has encountered regarding a jointly-trusteed benefit fund issue and explain how the firm's recommendations were either successful in resolving the problem or not. Do you believe that the recommendations demonstrated the firm's ability to succeed where others may not have been as successful? If so, why?

<u>Cash Flows</u> - A common problem that we encounter, due to the mature status of a number of funds, is the significant net cash outflow each year. To help manage the cash needs of these funds, and the FELRA Pension Fund in particular, we have assigned Jenn Carroll to work with the fund administrator and the custody bank to proactively address those needs. On a

regular basis, IPS will review the Fund's asset allocation compared to the target asset allocation and make strategic recommendations regarding the raising of cash to meet the fund's obligations.

Dealing with Unrealistic Expectations – From the passage of ERISA in 1974 until the year 2000, pension plans averaged 14% returns. In the 13 years since 2000 equities have returned about 2%, real estate has not yet recovered from 2008-2009 declines and the 10 year return for core real estate is under 6%, the 10-year return for bonds is about 5%. Plans are underfunded because of poor market returns for a decade and a half. The financial industry in a form of gallows humor has twisted the term "riskless return" into "return-less risk" to describe the capital markets.

There is no magic bullet strategy or superior asset allocation that is expected to solve a plan's current underfunding situation, except time. There are no high-return low-risk strategies that will produce consistent, sustainable, exceptional returns. Time, patience and prudence are the only solution. The PPA's focus on annual "plans" is well intentioned, but has produced the unexpected consequence of short-term thinking and is counter productive to good long-term outcomes.

Fixed Income – We are currently in an unprecedented interest rate environment. For the past 30 years, which is the investment experience timeframe for the majority of trustees and fixed income managers, interest rates have been in a cyclical decline that has produced an unusually high and consistently positive return for bonds. When interest rates begin to rise, the typical benchmark-centric institutional bond portfolio may suffer significant and permanent losses. We have worked diligently with clients to reduce fixed income allocations, reduce duration, embrace credit risk over duration risk (high quality, short-duration, high yield), embrace global bond mandates, and use managers and strategies that are agnostic to benchmarks.

Unique Niche Strategies – We have recommended a shift from traditional long-only stocks and bond allocations to alternative and unique niche funds that seek returns in the 10-14% range and also provide returns that are uncorrelated to traditional stocks, bonds or real estate. These strategies include longer-dated credit funds, unique commodities strategies, focused private equity, global tactical asset allocation, and global bonds.

<u>Mistake Avoidance</u> - Just as importantly, we have recommended our clients <u>not</u> use certain strategies that we believe will not be successful or are not suitable for their fund. Generically, that would include strategies like portable alpha, 130/30, life settlements, patent acquisition, reinsurance, litigation and movie finance, systematic CTAs, MLPs, and direct loan funds. In addition, there are many product specific examples.

39. Please describe your firm's experience and capability in providing education and training to benefit fund trustees.

At IPS, we believe one of our key responsibilities is education. Our clients rely on us to provide an understanding of their investment options.

We have developed several educational presentations that are used to assist our clients with an understanding of certain asset classes such as hedge fund of funds, high yield bonds, and international investing. We also encourage trustees to hear educational presentations from investment managers to further their understanding of a specific topic, if necessary. IPS consultants are also frequent public speakers at various educational conferences. In addition, we develop special communication pieces that analyze market anomalies (i.e. "the credit-crunch") and educate trustees on the impact of such events. We produce regular quarterly commentary on the markets and periodic 'White Papers" on topical issues or strategies of interest for our clients. We produce customized educational material for use with our client's in discussing investment products or strategies. Our consultants are also frequent speakers at industry conferences.

40. Please include an example of a special project you performed in the past for a jointly-trusteed benefit fund client, for example, in the area of evaluating alternative investments.

During 2012, we worked with two large sophisticated clients with the transition from a hedge fund of funds commingled fund structure to a separate account. In the two situations it was determined that each allocation was of an appropriate size to properly diversify in a separate account structure. The tradeoff was somewhat less liquidity with significant fee savings and a higher expected return.

D. Legal Issues and Potential Conflicts

41. Is the firm, and/or its parent or affiliate, a registered investment advisor with the SEC under the Investment Advisers Act of 1940? If not, what are its fiduciary classifications? Please state whether the firm is or is not a fiduciary or QPAM (as those terms are defined by the Employee Retirement Income Security Act of 1974 (ERISA).

Yes. IPS has been registered as an investment advisor under the Investment Advisors Act of 1940 since 1986.

IPS agrees and acknowledges that in performing its duties under this agreement, it is a plan fiduciary with respect to the assets of the Fund within the meaning of the Employee Retirement Income Security Act of 1974, as amended.

42. Please provide a copy of the firm's most recently filed Form ADV, Parts I and II, with all schedules.

A copy of our Forms ADV, Parts I and II as well as schedules is located behind Tab "F" for your review.

43. Has the firm, the primary or secondary consultants, or another officer or principal been involved in any litigation, arbitration, mediation, or other legal proceedings, or government investigation, or regulatory proceedings, involving allegations of fraud, negligence, criminal activity or breach of fiduciary duty relating to benefit consulting activities? If so, identify and provide an explanation for each and indicate the current status.

The firm and its employees have never been the subject of investigation, litigation, complaints or disciplinary action from the SEC or any supervisory authority in our history.

IPS has been subject to the following business litigation proceedings:

1.) In November of 2000, several members of a former client's Pension Fund filed suit against the Trustees, IPS and an Investment Manager. Another suit was also filed and dismissed as moot. In April of 2003 the suit was settled with no finding of wrong doing on the part of IPS.

2.) In March of 2004, IPS was named as a defendant, along with a growth equity investment manager, in a lawsuit related to investment losses sustained between April of 2000 and June of 2002. IPS and the former client settled the suit in May of 2009 under confidential terms.

3.) On June 1, 2012 a former client of IPS filed a complaint against us and other professionals. The complaint was filed due to losses incurred in 2008 from an investment made by their investment manager, J.P. Jeanneret Associates, who invested with Madoff. IPS did not recommend the manager to the former client nor was the manager ever an approved IPS manager. We believe the allegations are without merit and we are defending ourselves accordingly.

44. Please describe the levels of coverage for errors and omissions insurance and any other fiduciary or professional liability insurance your firm carries, including a list of insurance carriers supplying the coverage.

IPS carries errors and omissions insurance, that includes fiduciary coverage, in the face amount of $5,000,000 through Federal Insurance Company. Our coverage is applied to the firm as a whole. IPS carries a fidelity bond in the amount of $500,000 with Federal Insurance Company as well.

45. Explain in detail any potential for conflict of interest that would be created by your firm's consultancy for the Board.

IPS does not foresee any potential for conflict of interest in providing investment consulting services to the FELRA and UFCW Pension Fund.

46. Describe any relationship the firm or an affiliate of the firm enjoys with the Fund and/or any employee organization that represents the Fund or its employees and/or any employer that contributes to the Fund on behalf of its employees.

None.

47. Does your firm or its parent or affiliate, manage money for clients or manage a fund-of fund for clients? How does your firm prevent conflicts of interest or appearance of conflicts?

No.

48. Is your firm, or its parent or affiliate, a broker/dealer? If so, does your firm trade for client accounts through this broker/dealer? How does your firm prevent conflicts of interests or the appearance of conflicts?

    No.

49. Does your firm charge direct or indirect fees for investment managers to be included in your firm's database or in any manager searches that you conduct on behalf of your clients or for attendance or participation in any conferences that your firm may conduct? If so, what are the fees? How does your firm prevent conflicts of interests or the appearance of conflict?

    No.

50. Does your firm sell database information and/or performance analytics to investment managers? Does your firm receive compensation directly or indirectly for such information? How does your firm prevent .conflicts of interest or the appearance of conflict with the current investment managers of your clients?

    No.

51. In addition to the above, please describe any other circumstances under which the firm receives fees or other compensation from investment managers.

    None.

52. Please attach your firm's written policies and procedures related to conflicts of interest, if any.

    IPS policies pertaining to Conflict of Interest can be found in our Code of Ethics Policy. Our entire firm operates under this policy under the guidance of our Chief Compliance Officer, John Whitmore. A copy of our Code of Ethics is located behind Tab "G" for your review.

E. Fees

53. Please indicate your fee schedule.

A service and fee proposal is located behind Tab "B" for your review. The FELRA and UFCW Pension Fund current contract with IPS encompasses Master Consulting Services at $120,000 annually with quarterly compliance monitoring being billed as a separate service at $18,500 annually. Our proposed fee is inclusive of all services currently provided to the fund for a total of $150,000 annually; however, we would maintain the current fee for an additional two year period.

54. Would you charge separately for travel expenses? If so, explain in detail your policy.

No.

55. What other costs or expenses might we incur with your firm?

Our service and fee proposal is inclusive of all requested services as well as travel expenses.

INVESTMENT
PERFORMANCE
SERVICES, LLC

FELRA AND UFCW PENSION FUND

Master Consulting Services

- Development Investment Policy, Objectives and Guidelines
- Asset Allocation Studies
- Investment Manager Search
- Development of Investment Manager Performance Standards/Guidelines
- General Consulting Services
- Performance Measurement & Monitoring
- Assist in Fund Diversification
- Valuation of Assets
- Written recommendations to Board of Trustees
- Attendance at four (4) Board of Trustees' meetings

Proposed Annual Fee*

$150,000

(Note: The current annual service fee with the Fund and IPS is $138,500. We would guarantee the current fee for an additional two (2) years.)

•Fees are inclusive of all travel and expenses.

INVESTMENT
PERFORMANCE
SERVICES, LLC

IPS Client List

ALLIED NOVELTY AND PRODUCTION WORKERS
- Central States Joint Board & Allied Organization Staff Pension Plan
- Central State Joint Board Health & Welfare Trust Fund
- International Union of Allied , Novelty and Production Workers AFL-CIO Pension Plan
- Mid-West Pension Plan

AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES
- District Council, Local 95 Head Start Employees Welfare Fund

ASBESTOS WORKERS
- Asbestos Workers Local No. 42 Benefit Funds
- Insulators Local 96 Pension Fund

BRICKLAYERS
- BAC Local 1 of MD, VA & D.C. Pension Fund
- BAC Local 1 of MD, VA & D.C. Health & Welfare Fund
- BAC Local 3 Pension Trust Fund - California
- BAC Local 3 Health and Welfare Fund - California
- BAC Local 5 Benefit Funds- New Jersey
- BAC Local 16 Pension Trust– California
- Bricklayers & Trowel Trades International Master Trust
- Bricklayers & Trowel Trades International Pension Fund
- BAC Local Union #3 Pension Plan – Ohio
- Marble, Tile & Terrazzo Workers Pension, Annuity and Health & Welfare Fund
- Northern California Tile Industry Benefit Funds
- San Francisco Bricklayers Local 7 Pension Fund
- Stone & Marble Masons of Metropolitan Washington, D.C. Health & Welfare Fund
- Stone & Marble Masons of Metropolitan Washington, D.C. Pension Fund
- Tile Marble & Terrazzo Workers Local No. 18 California

BUILDING AND CONSTRUCTION TRADES
- AF of L-AGC Benefit Funds

CARPENTERS
- Carpenters Funds Administrative Office of Northern California Pension Fund
- Carpenters Health & Welfare Trust Fund for California
- Carpenters Local 345 Pension Plan
- Carpenters Regional Council Pension and Annuity Fund of Philadelphia and Vicinity
- Florida UBC Health Fund
- Florida UBC Supplemental Pension Plan
- Hollow Metal Door Benefit Funds
- Industrial Carpenters & Precast Pension Fund
- Mid Atlantic Regional Council of Carpenters Benefit Funds
- Mid-South Carpenters Regional Council Health & Welfare Fund
- Northern California Carpenters Benefit Funds
- New Jersey Carpenters Benefit Funds
- Northeast Regional Council of Carpenters General Fund
- Tri-State Carpenters Pension Fund

CEMENT MASONS
- Cement Masons Local 592 Benefit Funds
- Operative Plasterers' & Cement Masons' International Association Benefit Funds
- Operative Plasterers' & Cement Masons' Local Union Officers and Employees Pension Fund ("Officers")

COMMUNICATIONS WORKERS
- Communications Workers of America
- Newspaper Guild of New York-The New York Times Benefits Fund

It is not known whether the listed clients endorse the investment consulting services of Investment Performance Services, LLC.

IPS Client List

ELECTRICAL WORKERS

- Carolina Electrical Workers Retirement Fund
- IBEW Local 508 Eastern Division Georgia Chapter NECA Pension Fund
- IBEW Local 613 Defined Contribution Pension Plan
- IBEW Local 995 Electricians Pension Trust Plan
- San Diego Electrical Benefit Funds

HOTEL EMPLOYEES AND RESTAURANT EMPLOYEES

- Unite HERE Local 54 Severance Fund

INTERNATIONAL UNION OF PAINTERS AND ALLIED TRADES

- Glaziers Local 387 Pension Fund

IRON WORKERS

- Atlanta Iron Workers Local 387 Pension Fund
- Iron Workers Local 16 Health & Welfare Fund
- Iron Workers Local 16 Pension Fund
- Southeastern Iron Workers Annuity Fund
- Southern Iron Workers Pension Fund

INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES

- IATSE Local 16 Benefit Plans

LABORERS

- Laborers' D/C Heavy & Highway Construction Health & Welfare Fund
- Laborers' D/C of Philadelphia Building & Construction Health & Welfare Fund
- Laborers' D/C of Philadelphia Constructions Industry Pension Fund
- Laborers' D/C Plasterer Tenders and Laborers Health & Welfare Fund
- Laborers Local 57 Industrial Pension Funds of Philadelphia, PA
- Laborers Local 158 Health & Welfare Fund
- Laborers Local 158 Pension Fund
- Laborers Local 754 Joint Benefit Funds
- Philadelphia Laborers' Education, Training and Apprentice Fund
- Sports Arena Employees #137 Retirement Fund

LONGSHOREMEN

- ILA (AFL-CIO) Southeast FL Ports Employers Benefit Funds
- Maritime Association-ILA Benefit Funds
- New Orleans Employers - ILA Benefit Funds
- STA-ILA of Baltimore - ILA Benefit Funds
- Waterfront Employers - ILA Benefit Funds

OPERATING ENGINEERS

- International Union Operating Engineers Local 77 Annuity Fund
- International Union Operating Engineers Local 825 Benefit Funds
- IUOE Eastern PA and DE Annuity Fund
- IUOE Eastern PA and DE Health & Welfare Fund
- IUOE Eastern PA and DE Supplemental Fund
- IUOE Pension Fund of Eastern PA and DE
- Operating Engineers and Participating Employers Pre-Apprentice, Apprentice and Journeymen AAT Fund
- Operating Engineers Health & Welfare Public Employees Trust Fund
- Operating Engineers Health & Welfare Trust
- Operating Engineers Local 37 Benefit Funds
- Operating Engineers of Washington D.C. Pension and Health & Welfare Trust
- Pension Trust for Operating Engineers Local 3 – California
- Pension Trust Fund for Operating Engineers (Annuity Plan)
- Pensioned Operating Engineers Health & Welfare Trust Fund

PUBLIC FUNDS

- Clark County Fire Fighters Union Local 1908 Security Fund – Nevada
- Oak Brook Firefighters' Pension Fund – Illinois
- Pennsylvania Turnpike Commission Retiree Medical Trust

SERVICE EMPLOYEES INTERNATIONAL UNION

- Apartment Employees Benefit Funds

SHEET METAL WORKERS INTERNATIONAL ASSOCIATION

- Sheet Metal Workers Local 32 Benefit Funds

It is not known whether the listed clients endorse the investment consulting services of Investment Performance Services, LLC.

IPS Client List

TEAMSTERS

- Eastern Shore Teamsters Pension Fund
- Milk Drivers Local Union 246 Pension Fund
- Teamsters Allied Pension Fund
- Teamsters Local 469 Benefit Funds
- Teamsters Local 639 Employers Health Trust
- Teamsters Local 639 Employers Pension Trust
- Teamsters Local 639 401H
- Teamsters Local 830 Pension Fund
- Teamsters Local 830 Severance Fund
- Teamsters Local 945 Pension and Health & Welfare Funds
- Warehouse Employees Local 730 Health & Welfare Fund
- Warehouse Employees Local 730 Legal Fund
- Warehouse Employees Local 730 Pension Fund

TRANSIT WORKERS

- Transport Workers Union Westchester Private Bus Lines Pension Trust

UNITED ASSOCIATION OF PLUMBERS & PIPEFITTERS

- Journeymen & Apprentices Local Union 188 Benefit Funds
- National Automatic Sprinkler Industry Pension Fund
- Plumbers & Pipefitters Local 421 Benefit Funds
- Plumbers & Steamfitters Local 486 Medical Fund
- Plumbers & Steamfitters Local 486 Pension Fund
- Plumbers & Steamfitters Local 60 Benefit Funds
- Plumbers Local 519 Benefit Funds
- Plumbers Local 690 Industry Funds

UNITED FOOD AND COMMERCIAL WORKERS

- FELRA & UFCW Pension Fund
- Leather Goods, Plastics, Handbags, & Novelty Workers Local 1 Joint Retirement Fund
- Maryland Race Track Employees Pension Fund
- Retail Clerks Union Local 1500 Benefit Funds
- UFCW Local 1 Pension and Health & Welfare Funds
- UFCW 174 Pension Fund
- UFCW 174 Retail Pension Fund
- UFCW 174 Commercial Pension Fund
- UFCW 1262 Pension Fund
- UFCW 1262 Retail Non Food Industry Pension Fund
- UFCW 1262 Employers Health & Welfare Fund
- UFCW 1262 Employers Legal Service Fund
- UFCW 1262 Employers Welfare Fund
- UFCW Unions & Participating Employers Pension Fund
- Union Mutual Pension Fund
- Washington Wholesalers Health and Welfare Fund

UNITED UNIONS OF ROOFERS, WATERPROOFERS AND ALLIED WORKERS

- Roofers Local 195 Benefit Funds

It is not known whether the listed clients endorse the investment consulting services of Investment Performance Services, LLC.

INVESTMENT
PERFORMANCE
SERVICES, LLC

IPS – Consultant Biography

Richard I. Sichel, Jr.

President; Senior Consultant

22 Years Industry Experience

Mr. Sichel is the President of Investment Performance Services, LLC and is responsible for overseeing the firm's investment consulting process. In addition, Mr. Sichel is responsible for client relationships and marketing efforts in the Mid Atlantic region. Mr. Sichel serves on the firm's Executive Committee and Investment Committee helping to formulate strategic policy for the firm. Mr. Sichel works on all aspects of client funds including investment policy formulation, asset allocation strategies, performance monitoring, and manager searches. He is a frequent speaker at industry conferences.

Mr. Sichel joined IPS in 1999 as a Senior Consultant. During the prior eight years he was a director of another investment consulting firm, Hamilton & Company, where he was actively involved in all aspects of consulting services with particular emphasis on providing comprehensive support to defined contribution and defined benefit plans.

Mr. Sichel earned a B.S. in 1991 and M.B.A. in 1996 from Rider University.

IPS – Consultant Biography

Jennifer Mink

Principal; Senior Consultant

15 Years Industry Experience

Ms. Mink is a Principal and Senior Consultant of Investment Performance Services, LLC and is responsible for client relationships and marketing efforts throughout the country. Ms. Mink works on all aspects of client funds including investment policy formulation, asset allocation strategies, performance monitoring, and manager searches. In addition, Ms. Mink serves on the Investment Committee helping to formulate strategic policy for the firm. Ms. Mink specializes in fund of hedge funds research , manager due diligence, and education at IPS and was a contributing author regarding hedge fund investing to the Investment Policy Guidebook for Trustees (Fifth Edition) published by the International Foundation of Employee Benefit Plans, Inc. She is a frequent speaker at industry conferences.

Ms. Mink joined IPS in 2003 as a Senior Consultant. Prior to joining IPS, Ms. Mink worked with the consulting division of Wachovia Securities in Philadelphia, PA where she worked exclusively with Taft-Hartley benefit funds. Prior to consulting, Ms. Mink started her career at AXA Advisors, LLC providing a broad range of investment services to individuals, businesses, and unions. In addition, she conducted comprehensive retirement planning seminars specifically tailored to the Taft-Hartley marketplace.

Ms. Mink earned a B.S. in 1994 from North Carolina State University and an MBA in 1998 from Rider University.

IPS – Consultant Biography

David A. Russell, CFA

Senior Portfolio Strategist; Senior Consultant
37 Years Industry Experience

Mr. Russell is the Senior Portfolio Strategist overseeing the Manager Research Department and Discretionary Services Committee of Investment Performance Services, LLC. In addition, Mr. Russell is a Senior Consultant and is responsible for client relationships in the Mid Atlantic region. Mr. Russell also serves on the Investment Committee helping to formulate strategic policy for the firm. Mr. Russell works on all aspects of client funds including investment policy formulation, asset allocation strategies, and evaluation of investment managers. His manager research responsibilities focus on fixed income and alternative investments. He is a frequent speaker at industry conferences.

Mr. Russell has over 35 years of investment and consulting experience. Mr. Russell joined IPS from Attalus Capital, a fund of hedge funds firm, where he was a Managing Director and Portfolio Strategist. Prior to that Mr. Russell was a principal and shareholder at Ennis Knupp and Associates, an institutional investment consulting firm, were he was actively involved in all aspects of consulting services with particular emphasis on alternative investments. Mr. Russell also was a senior consultant at Capital Resource Advisors and was vice-president and manager of Institutional Consulting Services for Prudential's Investment Management Consulting and Research Division.

Mr. Russell earned a B.A. in Political Science and M.B.A. in Finance from Kutztown University. Mr. Russell is a Chartered Financial Analyst (CFA) and a member of the Institute of Chartered Financial Analysts and the Financial Analysts Society of Philadelphia. Mr. Russell serves as a member of the Investment Committee of Good Shepherd Rehabilitation Network in Allentown, PA and is on the Board and Executive Committee of Lutheran Theological Seminary at Gettysburg (PA) where he is also the Chairman of Investment Committee of Lutheran Theological Seminary at Gettysburg Foundation.

Biographies of IPS Consultants

John F. Statts

Chief Investment Officer; Senior Consultant
Chairman of IPS Investment Committee
39 Years Industry Experience

Mr. Statts is the Chief Investment Officer of Investment Performance Services, LLC. Mr. Statts serves as Chairman of the Investment Committee helping to formulate strategic policy for the firm. His manager research responsibilities focus on real estate managers.

Mr. Statts joined IPS in 1986 as Senior Vice President and participated in the formation of the firm. During the prior 12 years, Mr. Statts was an officer and partner of Wall, Patterson, Hamilton & Allen, Inc., an investment counseling firm in Atlanta. Mr. Statts was responsible for the development and application of the computer-to-stock selection and the management of institutional portfolios. He became a portfolio manager and also a member of the firm's Investment Policy Committee.

Mr. Statts graduated Magna Cum Laude in 1973 with a degree in Finance from Georgia State University, where he has also done graduate studies in business.

Mitchell J. Green

Chief Executive Officer; Senior Consultant
28 Years Industry Experience

Mr. Green is the Chief Executive Officer of Investment Performance Services, LLC and is responsible for the day to day management of the firm. In addition, Mr. Green is responsible for client relationships and marketing efforts in the Southeast and serves on the Executive Committee helping to formulate strategic policy for the firm. Mr. Green works on all aspects of client funds including investment policy formulation, asset allocation strategies, performance monitoring, and manager searches.

Mr. Green joined IPS in 1991 as Director of Marketing and a Senior Consultant. For the prior six years he was a Vice President and Trust Officer of First Union National Bank's Capital Management Group. Mr. Green was a Business Development Officer for the Trust and Investment Services Division and was responsible for marketing fiduciary services in the areas of personal trust, employee benefits, endowments, foundations, corporate trust, and institutional services. Mr. Green serves on the Investment
Management Committee of the International Foundation of Employee Benefit Plans.

Mr. Green is a graduate of the University of Georgia, where he received his B.B.A. in Finance in 1984. He also graduated from the Southern Trust School at Birmingham Southern College in 1989.

Biographies of IPS Consultants

Stephen J. Lange

Managing Principal; Senior Consultant
23 Years Industry Experience

Mr. Lange is a Managing Principal of Investment Performance Services, LLC and is responsible for client relationships and marketing efforts in the Southeast. In addition, Mr. Lange serves on the Executive Committee and Investment Committee helping to formulate strategic policy for the firm. Mr. Lange works on all aspects of client funds including investment policy formulation, asset allocation strategies, performance monitoring, and manager searches.

Mr. Lange joined IPS in 2000 as a Senior Consultant. Prior to joining IPS, Mr. Lange was affiliated with The Savannah Bank, N.A. as a Senior Vice President. His responsibilities encompassed management of the bank's retail division, management of the bank's mortgage and construction divisions, and business development of the bank's commercial and trust services.

Mr. Lange graduated from the University of Texas at Austin with a B.A. in Economics and from the Graduate School of Banking at Louisiana State University.

Brian Hicks

Senior Consultant
10 Years Industry Experience

Mr. Hicks is a Senior Consultant for Investment Performance Services, LLC and is responsible for client relationships and marketing efforts throughout the country. Mr. Hicks works on all aspects of client funds including investment policy formulation, asset allocation strategies, performance monitoring, and manager searches. His manager research responsibilities focus on growth equity managers.

Mr. Hicks joined IPS in 2009 as a Consultant. Before joining IPS, Mr. Hicks was Vice President of Ambassador Partners, LLC, a financial services company. His responsibilities included marketing and client service duties in their asset management division, as well as a sales role in their broker/dealer division. Prior to Ambassador, Mr. Hicks served as Vice President of PENN Capital Management, Inc., an asset management company. His responsibilities included marketing/client service efforts in the Mid Atlantic and Southeast regions. In addition, Mr. Hicks served on the compliance and operations committees.

Mr. Hicks earned a B.S. in 2003 from Syracuse University.

Biographies of IPS Consultants

Susan C. Tuttle

Principal; Executive Director of Client Operations; Consultant
24 Years Analytical Experience

Ms. Tuttle is a Principal and Consultant with Investment Performance Services, LLC and serves as the Executive Director of Client Operations. All department heads within the firm report directly to Ms. Tuttle. In addition, Ms. Tuttle serves on the Investment Committee helping to formulate strategic policy for the firm.

Ms. Tuttle joined IPS in 1989. Prior to joining IPS, Ms. Tuttle worked in the finance/accounting department of a real estate development firm. Ms. Tuttle is a graduate of Eastern Kentucky University with a B.A. in Business Administration.

Jennifer L. Carroll

Consultant
Mid-Atlantic Client Relations
12 Years Industry Experience

Ms. Carroll is a Consultant for Investment Performance Services, LLC and is responsible for client relations in the Mid-Atlantic Region. Ms. Carroll works on many aspects of client funds including meeting support, investment policy work, asset transfers, and manager search coordination.

Prior to joining IPS in 2006, Ms. Carroll was an Assistant Vice President in the Taft-Hartley Group of Alliance Bernstein, L.P. During her five years with Alliance Bernstein, Ms. Carroll was actively involved in all facets of client service and worked exclusively with multi-employer benefit funds.

Ms. Carroll earned a B.S. in finance in 2000 from the University of Massachusetts – Amherst.

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Gregory White

Consultant

5 Years Industry Experience

Mr. White is a Consultant for Investment Performance Services, LLC and is responsible for client relationships and marketing in the Midwest and Southeast. His manager research responsibilities focus on domestic value and core equity managers. Mr. White works on all aspects of client funds, including investment policy formulation, asset allocation strategies and performance monitoring.

Mr. White joined IPS in 2008 as an Analyst, responsible for quarterly compliance and daily trade monitoring, manager, custodial and defined contribution provider searches and asset allocation analysis.

Mr. White earned a B.B.A. in Finance in 2008 from Georgia Southern University.

Biographies of IPS Key Professionals

James Catington

Senior Vice President
33 Years Industry Experience

Mr. Catington serves on the Investment Committee. Mr. Catington's association with Investment Performance Services, LLC began in May 1995 as the firm's Chief Operating Officer. Over the prior three years, he was with Govett and Co., LTD (London, UK) and served as Chairman of the Board and CEO of the North American Trust Company and President and CEO of London Pacific Life and Annuity Company.

Mr. Catington brings over 14 years of experience from executive positions with First American Corporation, First American National Bank, First American Trust Co., N.A., and Ameristar Securities, Inc. Mr. Catington received his Bachelor of Science in 1973 and earned his Masters of Business Administration in 1974 from Florida State University.

Daniel Melloh

Director of Manager Research
9Years Industry Experience

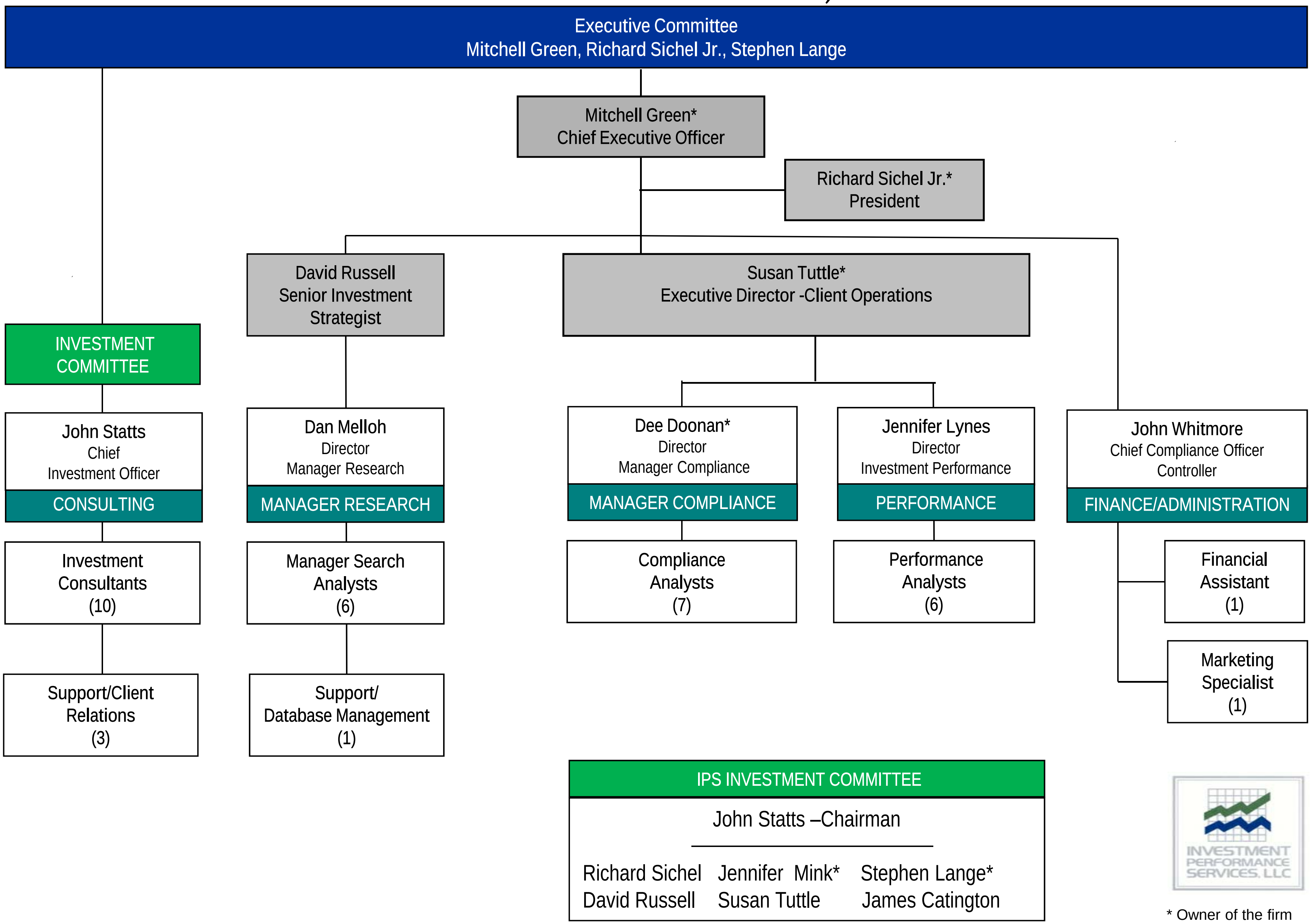
Mr. Melloh is the Director of Manager Research with Investment Performance Services, LLC and is responsible for overseeing the firm's research process and research analysts. His manager research responsibilities focus on alternative investments.

Mr. Melloh joined IPS in 2013. Mr. Melloh spent over eight years, prior to IPS, as a Partner and Manager of Investor Relations of a fund of hedge funds firm. His responsibilities included consultant relations, marketing and client service for a broad range of institutional investors and advisors. He has significant experience working with multi-employer benefit funds.

Mr. Melloh earned a B.S. in Business Administration in 2004 from Villanova University. He is a holder of the Chartered Alternative Investment Analyst (CAIA) designation.

INVESTMENT
PERFORMANCE
SERVICES, LLC

Investment Performance Services, LLC



* Owner of the firm

INVESTMENT
PERFORMANCE
SERVICES, LLC

FORM ADV

OMB: 3235-0049

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION

Primary Business Name: INVESTMENT PERFORMANCE SERVICES LLC	IARD/CRD Number: 105527
	Rev. 11/2010

WARNING: Complete this form truthfully. False statements or omissions may result in denial of your application, revocation of your registration, or criminal prosecution. You must keep this form updated by filing periodic amendments. See Form ADV General Instruction 3.

Item 1 Identifying Information

Responses to this Item tell us who you are, where you are doing business, and how we can contact you.

A. Your full legal name (if you are a sole proprietor, your last, first, and middle names):
INVESTMENT PERFORMANCE SERVICES LLC

B. Name under which you primarily conduct your advisory business, if different from Item 1.A.
INVESTMENT PERFORMANCE SERVICES LLC
List on Section 1.B. of Schedule D any additional names under which you conduct your advisory business.

C. If this filing is reporting a change in your legal name (Item 1.A.) or primary business name (Item 1.B.), enter the new name and specify whether the name change is of
☐ your legal name or ☐ your primary business name:

D. If you are registered with the SEC as an investment adviser, your SEC file number:
801- 33204

E. If you have a number ("*CRD* Number") assigned by *FINRA's CRD* system or by the IARD system, your *CRD* number: 105527
If your firm does not have a CRD number, skip this Item 1.E. Do not provide the CRD number of one of your officers, employees, or affiliates.

F. *Principal Office and Place of Business*

(1) Address (do not use a P.O. Box):

Number and Street 1:		Number and Street 2:	
7402 HODGSON MEMORIAL DRIVE, STE 100			
City:	State:	Country:	ZIP+4/Postal Code:
SAVANNAH	GA	USA	31406

If this address is a private residence, check this box: ☐
List on Section 1.F. of Schedule D any office, other than your principal office and place of business, at which you conduct investment advisory business. If you are applying for registration, or are registered, with one or more state securities authorities, you must list all of your offices in the state or states to which you are applying for registration or with whom you are registered. If you are applying for registration, or are registered only, with the SEC, list the largest five offices in terms of numbers of employees.

(2) Days of week that you normally conduct business at your *principal office and place of business*:

● Monday-Friday ○ Other:

Normal business hours at this location:
9:00 A.M. TO 5:00 P.M.

(3) Telephone number at this location:
912-352-2862

(4) Facsimile number at this location:
912-355-6866

G. Mailing address, if different from your *principal office and place of business* address:

Number and Street 1: Number and Street 2:

City: State: Country: ZIP+4/Postal Code:

If this address is a private residence, check this box: ☐

H. If you are a sole proprietor, state your full residence address, if different from your *principal office and place of business* address in Item 1.F.:

Number and Street 1: Number and Street 2:

City: State: Country: ZIP+4/Postal Code:

YES NO

I. Do you have World Wide Web site addresses? ● ○

If "yes," list these addresses on Section 1.I. of Schedule D. If a web address serves as a portal through which to access other information you have published on the World Wide Web, you may list the portal without listing addresses for all of the other information. Some advisers may need to list more than one portal address. Do not provide individual electronic mail addresses in response to this Item.

J. Contact *Employee*:

Name: Title:

Telephone Number: Facsimile Number:

Number and Street 1: Number and Street 2:

City: State: Country: ZIP+4/Postal Code:

Electronic mail (e-mail) address, if contact *employee* has one:

The contact employee should be an employee whom you have authorized to receive information and respond to questions about this Form ADV.

YES NO

K. Do you maintain some or all of the books and records you are required to keep under Section 204 of the Advisers Act, or similar state law, somewhere other than your *principal office and place of business*? ○ ●

If "yes," complete Section 1.K. of Schedule D.

YES NO

L. Are you registered with a *foreign financial regulatory authority*? ○ ●

Answer "no" if you are not registered with a foreign financial regulatory authority, even if you have an affiliate that is registered with a foreign financial regulatory authority. If "yes", complete Section 1.L. of Schedule D.

FORM ADV

OMB: 3235-0049

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION

Primary Business Name: INVESTMENT PERFORMANCE SERVICES LLC	IARD/CRD Number: 105527
	Rev. 11/2010

Form ADV, DRPs

CRIMINAL DISCLOSURE REPORTING PAGE (ADV)
No Information Filed

REGULATORY ACTION DISCLOSURE REPORTING PAGE (ADV)
No Information Filed

CIVIL JUDICIAL ACTION DISCLOSURE REPORTING PAGE (ADV)
No Information Filed

FORM ADV

OMB: 3235-0049

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION

Primary Business Name: INVESTMENT PERFORMANCE SERVICES LLC	IARD/CRD Number: 105527
	Rev. 11/2010

Item 2 SEC Registration

Responses to this Item help us (and you) determine whether you are eligible to register with the SEC. Complete this Item 2 only if you are applying for SEC registration or submitting an *annual updating amendment* to your SEC registration.

A. To register (or remain registered) with the SEC, you must check at least one of the Items 2.A (1) through 2.A(11), below. If you are submitting an *annual updating amendment* to your SEC registration and you are no longer eligible to register with the SEC, check Item 2.A(12). You:

☐ (1)have *assets under management* of $25 million (in U.S. dollars) or more;

See Part 1A Instruction 2.a. to determine whether you should check this box.

☐ (2)have your *principal office and place of business* in Wyoming;

☐ (3)have your *principal office and place of business* outside the United States;

☐ (4)are an investment adviser (or sub-adviser) to an investment company registered under the Investment Company Act of 1940;

See Part 1A Instruction 2.b. to determine whether you should check this box.

☐ (5)have been designated as a nationally recognized statistical rating organization;

See Part 1A Instruction 2.c. to determine whether you should check this box.

☑ (6)are a pension consultant that qualifies for the exemption in rule 203A-2(b);

See Part 1A Instruction 2.d. to determine whether you should check this box.

☐ (7)are relying on rule 203A-2(c) because you are an investment adviser that *controls*, is *controlled* by, or is under common *control* with, an investment adviser that is registered with the SEC, and your *principal office and place of business* is the same as the registered adviser;

See Part 1A Instruction 2.e. to determine whether you should check this box. If you check this box, complete Section 2.A(7) of Schedule D.

☐ (8)are a newly formed adviser relying on rule 203A-2(d) because you expect to be eligible for SEC registration within 120 days;

See Part 1A Instruction 2.f. to determine whether you should check this box. If you check this box, complete Section 2.A(8) of Schedule D.

☐ (9) are a multi-state adviser relying on rule 203A-2(e);

See Part 1A Instruction 2.g. to determine whether you should check this box. If you check this box, complete Section 2.A(9) of Schedule D.

☐ (10) are an Internet investment adviser relying on rule 203A-2(f);

See Part 1A Instructions 2.h. to determine whether you should check this box.

☐ (11) have received an SEC *order* exempting you from the prohibition against registration with the SEC;

If you checked this box, complete Section 2.A(11) of Schedule D.

☐ (12) are no longer eligible to remain registered with the SEC.

See Part 1A Instructions 2.i. to determine whether you should check this box.

B. Under state laws, SEC-registered advisers may be required to provide to *state securities authorities* a copy of the Form ADV and any amendments they file with the SEC. These are called *notice filings*. If this is an initial application, check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings you submit to the SEC. If this is an amendment to direct your *notice filings* to additional state(s), check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings you submit to the SEC. If this is an amendment to your registration to stop your *notice filings* from going to state(s) that currently receive them, uncheck the box(es) next to those state(s).

☐ AL	☐ ID	☐ MO	☐ PA
☐ AK	☐ IL	☐ MT	☐ PR
☐ AZ	☐ IN	☐ NE	☐ RI
☐ AR	☐ IA	☐ NV	☐ SC
☐ CA	☐ KS	☐ NH	☐ SD
☐ CO	☐ KY	☐ NJ	☐ TN
☐ CT	☐ LA	☐ NM	☐ TX
☐ DE	☐ ME	☐ NY	☐ UT
☐ DC	☐ MD	☐ NC	☐ VT
☐ FL	☐ MA	☐ ND	☐ VI
☐ GA	☐ MI	☐ OH	☐ VA
☐ GU	☐ MN	☐ OK	☐ WA
☐ HI	☐ MS	☐ OR	☐ WV
			☐ WI

If you are amending your registration to stop your notice filings from going to a state that currently receives them and you do not want to pay that state's notice filing fee for the coming year, your amendment must filed before the end of the year (December 31).

FORM ADV

OMB: 3235-0049

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION

Primary Business Name: INVESTMENT PERFORMANCE SERVICES LLC	IARD/CRD Number: 105527
	Rev. 11/2010

Item 3 Form Of Organization

A. How are you organized?

- ○ Corporation
- ○ Sole Proprietorship
- ○ Limited Liability Partnership (LLP)
- ○ Partnership
- ● Limited Liability Company (LLC)
- ○ Other (specify):

If you are changing your response to this Item, see Part 1A Instruction 4.

B. In what month does your fiscal year end each year?
December

C. Under the laws of what state or country are you organized?
State: Country:
Georgia UNITED STATES

FORM ADV

OMB: 3235-0049

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION

Primary Business Name: INVESTMENT PERFORMANCE SERVICES LLC	IARD/CRD Number: 105527

Rev. 11/2010

Item 4 Successions

	YES	NO
A. Are you, at the time of this filing, succeeding to the business of a registered investment adviser?	○	●

If "yes," complete Item 4.B. and Section 4 of Schedule D.

B. Date of Succession: (MM/DD/YYYY)

If you have already reported this succession on a previous Form ADV filing, do not report the succession again. Instead, check "No." See Part 1A Instruction 4.

FORM ADV

OMB: 3235-0049

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION

Primary Business Name: INVESTMENT PERFORMANCE SERVICES LLC	**IARD/CRD Number: 105527**
	Rev. 11/2010

Item 5 Information About Your Advisory Business

Responses to this Item help us understand your business, assist us in preparing for on-site examinations, and provide us with data we use when making regulatory policy. Part 1A Instruction 5.a. provides additional guidance to newly-formed advisers for completing this Item 5.

Employees

A. Approximately how many *employees* do you have? Include full and part-time *employees* but do not include any clerical workers.

- ○ 1- 5
- ● 6-10
- ○ 11-50
- ○ 51-250
- ○ 251-500
- ○ 501-1,000
- ○ More than 1,000

If more than 1,000, how many? (round to the nearest 1,000)

B.

(1) Approximately how many of these *employees* perform investment advisory functions (including research)?

- ○ 0
- ○ 1-5
- ● 6-10
- ○ 11-50
- ○ 51-250
- ○ 251-500
- ○ 501-1,000
- ○ More than 1,000

If more than 1,000, how many? (round to the nearest 1,000)

(2) Approximately how many of these *employees* are registered representatives of a broker-dealer?

- ● 0
- ○ 1-5
- ○ 6-10
- ○ 11-50
- ○ 51-250
- ○ 251-500
- ○ 501-1,000
- ○ More than 1,000

If more than 1,000, how many? (round to the nearest 1,000)

If you are organized as a sole proprietorship, include yourself as an employee in your responses to Items 5.A(1) and 5.B(2). If an employee performs more than one function, you should count that employee in each of your responses to Item 5.B(1) and 5.B(2).

(3) Approximately how many firms or other *persons* solicit advisory *clients* on your behalf?

- ● 0
- ○ 1-5
- ○ 6-10
- ○ 11-50
- ○ 51-250
- ○ 251-500
- ○ 501-1,000
- ○ More than 1,000

If more than 1,000, how many? (round to the nearest 1,000)

In your response to Item 5.B(3), do not count any of your employees and count a firm only once -- do not count each of the firm's employees that solicit on your behalf.

Clients

C. To approximately how many *clients* did you provide investment advisory services during your most-recently completed fiscal year?

○ 0 ○ 1-10 ○ 11-25 ○ 26-100 ● 101-250

○ 251-500 ○ More than 500 If more than 500, how many?
(round to the nearest 500)

D. What types of *clients* do you have? Indicate the approximate percentage that each type of *client* comprises of your total number of *clients.*

	None	Up to 10%	11-25%	26-50%	51-75%	More Than 75%
(1) Individuals (other than *high net worth individuals*)	●	○	○	○	○	○
(2) *High net worth individuals*	●	○	○	○	○	○
(3) Banking or thrift institutions	●	○	○	○	○	○
(4) Investment companies (including mutual funds)	●	○	○	○	○	○
(5) Pension and profit sharing plans (other than plan participants)	○	○	○	○	○	●
(6) Other pooled investment vehicles (e.g., hedge funds)	●	○	○	○	○	○
(7) Charitable organizations	●	○	○	○	○	○
(8) Corporations or other businesses not listed above	●	○	○	○	○	○
(9) State or municipal *government entities*	○	●	○	○	○	○
(10) Other:	●	○	○	○	○	○

The category "individuals" includes trusts, estates, 401(k) plans and IRAs of individuals and their family members, but does not include businesses organized as sole proprietorships.

Unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, check "None" in response to Item 5.D(4).

Compensation Arrangements

E. You are compensated for your investment advisory services by (check all that apply):

☐ (1) A percentage of assets under your management
☐ (2) Hourly charges
☐ (3) Subscription fees (for a newsletter or periodical)
☑ (4) Fixed fees (other than subscription fees)
☐ (5) Commissions
☐ (6) *Performance-based fees*
☑ (7) Other (specify): PERCENTAGE OF ASSETS AS TO WHICH IPS PROVIDES INVESTMENT ADVICE

Assets Under Management

	YES	NO
F. (1) Do you provide continuous and regular supervisory or management services to securities portfolios?	○	●

(2) If yes, what is the amount of your assets under management and total number of accounts?

U.S. Dollar Amount Total Number of Accounts

Discretionary:	(a) $ .00	(d)
Non-Discretionary:	(b) $ .00	(e)
Total:	(c) $ .00	(f)

Part 1A Instruction 5.b. explains how to calculate your assets under management. You must follow these instructions carefully when completing this Item.

Advisory Activities

G. What type(s) of advisory services do you provide? Check all that apply.

- ☐ (1) Financial planning services
- ☐ (2) Portfolio management for individuals and/or small businesses
- ☐ (3) Portfolio management for investment companies
- ☐ (4) Portfolio management for businesses or institutional *clients* (other than investment companies)
- ☑ (5) Pension consulting services
- ☑ (6) Selection of other advisers
- ☐ (7) Publication of periodicals or newsletters
- ☐ (8) Security ratings or pricing services
- ☐ (9) Market timing services
- ☐ (10) Other (specify):

Do not check Item 5.G(3) unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940.

H. If you provide financial planning services, to how many *clients* did you provide these services during your last fiscal year?

○ 0 ○ 1-10 ○ 11-25 ○ 26-50 ○ 51-100
○ 101-250 ○ 251-500 ○ More than 500 If more than 500, how many? (round to the nearest 500)

I. If you participate in a *wrap fee program*, do you (check all that apply):

☐ (1) *sponsor* the *wrap fee program* ?
☐ (2) act as a portfolio manager for the *wrap fee program*?

If you are a portfolio manager for a wrap fee program, list the names of the programs and their sponsors in Section 5.I(2) of Schedule D.

If your involvement in a wrap fee program is limited to recommending wrap fee programs to your clients , or you advise a mutual fund that is offered through a wrap fee program, do not check either Item 5.I(1) or 5.I(2).

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Item 6 Other Business Activities

In this Item, we request information about your other business activities.

A. You are actively engaged in business as a (check all that apply):

☐ (1) Broker-dealer

☐ (2) Registered representative of a broker-dealer

☐ (3) Futures commission merchant, commodity pool operator, or commodity trading advisor

☐ (4) Real estate broker, dealer, or agent

☐ (5) Insurance broker or agent

☐ (6) Bank (including a separately identifiable department or division of a bank)

☐ (7) Other financial product salesperson (specify):

	YES	NO
B. (1) Are you actively engaged in any other business not listed in Item 6.A. (other than giving investment advice)?	○	●
(2) If yes, is this other business your primary business?	○	○

If "yes," describe this other business on Section 6.B. of Schedule D.

	YES	NO
(3) Do you sell products or provide services other than investment advice to your advisory *clients*?	○	●

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Item 7 Financial Industry Affiliations

In this Item, we request information about your financial industry affiliations and activities. This information identifies areas in which conflicts of interest may occur between you and your *clients*.

Item 7 requires you to provide information about you and your *related persons*. Your *related persons* are all of your *advisory affiliates* and any *related person* that is under common *control* with you.

A. You have a *related person* that is a (check all that apply):

- ☐ (1) broker-dealer, municipal securities dealer, or government securities broker or dealer
- ☐ (2) investment company (including mutual funds)
- ☐ (3) other investment adviser (including financial planners)
- ☐ (4) futures commission merchant, commodity pool operator, or commodity trading advisor
- ☐ (5) banking or thrift institution
- ☐ (6) accountant or accounting firm
- ☐ (7) lawyer or law firm
- ☐ (8) insurance company or agency
- ☐ (9) pension consultant
- ☐ (10) real estate broker or dealer
- ☐ (11) sponsor or syndicator of limited partnerships

If you checked Items 7.A.(1) or (3), you must list on Section 7.A. of Schedule D *all your related persons that are investment advisers, broker-dealers, municipal securities dealers, or government securities broker or dealers.*

	Yes	No
B. Are you or any *related person* a general partner in an *investment-related* limited partnership or manager of an *investment-related* limited liability company, or do you advise any other "private fund" as defined under SEC rule 203(b)(3)-1?	○	●

If "yes," for each limited partnership or limited liability company, or (if applicable) private fund, complete Section 7.B. of Schedule D . *If, however, you are an SEC-registered adviser <u>and</u> you have related persons that are <u>SEC-registered advisers</u> who are the general partners of limited partnerships or the managers of limited liability companies, you do not have to complete* Section 7.B. of Schedule D *with respect to those related advisers' limited partnerships or limited liability companies.*

To use this alternative procedure, you must state in the Miscellaneous Section of Schedule D *:(1) that you have related SEC-registered investment advisers that manage limited partnerships or limited liability companies that are not listed in* Section 7.B. of Schedule D *; (2) that complete and accurate information about those limited partnerships or limited liability companies is available in* Section 7.B. of Schedule D *of the Form ADVs of your related SEC-registered advisers; and (3) whether your clients are solicited to invest in any of those limited partnerships or limited liability companies.*

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Item 8 Participation or Interest in *Client* Transactions

In this Item, we request information about your participation and interest in your *clients'* transactions. Like Item 7, this information identifies areas in which conflicts of interest may occur between you and your *clients*.

Like Item 7, Item 8 requires you to provide information about you and your *related persons*.

Proprietary Interest in *Client* Transactions

A. Do you or any *related person*: — Yes No

(1) buy securities for yourself from advisory *clients*, or sell securities you own to advisory *clients* (principal transactions)? — ○ ●

(2) buy or sell for yourself securities (other than shares of mutual funds) that you also recommend to advisory *clients*? — ○ ●

(3) recommend securities (or other investment products) to advisory *clients* in which you or any *related person* has some other proprietary (ownership) interest (other than those mentioned in Items 8.A(1) or (2))? — ○ ●

Sales Interest in *Client* Transactions

B. Do you or any *related person*: — Yes No

(1) as a broker-dealer or registered representative of a broker-dealer, execute securities trades for brokerage customers in which advisory *client* securities are sold to or bought from the brokerage customer (agency cross transactions)? — ○ ●

(2) recommend purchase of securities to advisory *clients* for which you or any *related person* serves as underwriter, general or managing partner, or purchaser representative? — ○ ●

(3) recommend purchase or sale of securities to advisory *clients* for which you or any *related person* has any other sales interest (other than the receipt of sales commissions as a broker or registered representative of a broker-dealer)? — ○ ●

Investment or Brokerage Discretion

C. Do you or any *related person* have *discretionary authority* to determine the: — Yes No

(1) securities to be bought or sold for a *client's* account? — ○ ●

(2) amount of securities to be bought or sold for a *client's* account? — ○ ●

(3) broker or dealer to be used for a purchase or sale of securities for a *client's* account? — ○ ●

(4) commission rates to be paid to a broker or dealer for a *client's* securities transactions? — ○ ●

D. Do you or any *related person* recommend brokers or dealers to *clients*? — ● ○

E. Do you or any *related person* receive research or other products or services other than execution from a broker-dealer or a third party in connection with *client* securities transactions? — ○ ●

F. Do you or any *related person*, directly or indirectly, compensate any *person* for *client* referrals?

In responding to this Item 8.F., consider in your response all cash and non-cash compensation that you or a related person gave any person in exchange for client referrals, including any bonus that is based, at least in part, on the number or amount of client referrals.

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Item 9 *Custody*

In this Item, we ask you whether you or a *related person* has *custody* of *client* assets and about your custodial practices.

A. (1) Do you have *custody* of any advisory *clients'*:

	Yes	No
(a) cash or bank accounts?	○	●
(b) securities?	○	●

If you are registering or registered with the SEC, answer "No" to Item 9.A.(1)(a) and (b) if you have *custody* solely because (i) you deduct your advisory fees directly from your *clients'* accounts, or (ii) a *related person* maintains *client* funds or securities as a qualified custodian but you have overcome the presumption that you are not operationally independent (pursuant to Advisers Act rule 206(4)(2)-(d)(5)) from the *related person*.

(2) If you checked "yes" to Item 9.A(1)(a) or (b), what is the amount of *client* funds and securities and total number of *clients* for which you have *custody*:

U.S. Dollar Amount	Total Number of Clients
(a)$	(b)

If your related person serves as qualified custodian of client assets, do not include the amount of those assets and the number of those clients in your response to Item 9.A.(2). Instead, include that information in your response to Item 9.B.(2).

B. (1) Do any of your *related persons* have *custody* of any of your advisory *clients'*:

	Yes	No
(a) cash or bank accounts?	○	●
(b) securities?	○	●

You are required to answer this item regardless of how you answered Item 9.A.(1)(a) or (b).

(2) If you checked "yes" to Item 9.B.(1)(a) or (b), what is the amount of *client* funds and securities and total number of *clients* for which your related persons have *custody*:

U.S. Dollar Amount	Total Number of Clients
(a)$	(b)

C. If you or your *related persons* have *custody* of *client* funds or securities, check all the following that apply:

(1) A qualified custodian(s) sends account statements at least quarterly to the investors in the pooled investment vehicle(s) you manage. ☐

(2) An independent public accountant audits annually the pooled investment vehicle(s) that you manage and the audited financial statements are distributed to the investors in the pools. ☐

(3) An independent public accountant conducts an annual surprise examination of *client* funds and securities. ☐

(4) An independent public accountant prepares an internal control report with respect to custodial services when you or your *related persons* are qualified custodians for *client* funds and securities. ☐

If you checked Item 9.C.(2), C.(3) or C.(4), list in Section 9.C. of Schedule D the accountants that are engaged to perform the audit or examination or prepare an internal control report.

D. Do you or your *related persons* act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*? **Yes No**

(1) you act as a qualified custodian ○ ●

(2) your *related persons* act as qualified custodians ○ ●

If you checked "yes" to Item 9.D.(2), list in Section 9.D. of Schedule D all your *related persons* that act as qualified custodians for your *clients* in connection with advisory services you provide to *clients* (you do not have to list broker-dealers already identified as qualified custodians in Section 7.A. of Schedule D).

E. If you are filing your annual updating amendment and you were subject to a surprise examination by an independent public accountant during your last fiscal year, provide the date (MM/YYYY) the examination commenced:

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Item 10 Control Persons

In this Item, we ask you to identify every *person* that, directly or indirectly, *controls* you.

If you are submitting an initial application, you must complete Schedule A and Schedule B. Schedule A asks for information about your direct owners and executive officers. Schedule B asks for information about your indirect owners. If this is an amendment and you are updating information you reported on either Schedule A or Schedule B (or both) that you filed with your initial application, you must complete Schedule C.

	YES	NO
Does any *person* not named in Item 1.A. or Schedules A, B, or C, directly or indirectly, *control* your management or policies?	○	●

If yes, complete Section 10 of Schedule D.

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Item 11 Disclosure Information

In this Item, we ask for information about your disciplinary history and the disciplinary history of all your *advisory affiliates*. We use this information to determine whether to grant your application for registration, to decide whether to revoke your registration or to place limitations on your activities as an investment adviser, and to identify potential problem areas to focus on during our on-site examinations. One event may result in "yes" answers to more than one of the questions below.

Your *advisory affiliates* are: (1) all of your current *employees* (other than *employees* performing only clerical, administrative, support or similar functions); (2) all of your officers, partners, or directors (or any *person* performing similar functions); and (3) all *persons* directly or indirectly *controlling* you or *controlled* by you. If you are a "separately identifiable department or division" (SID) of a bank, see the Glossary of Terms to determine who your *advisory affiliates* are.

If you are registered or registering with the SEC, you may limit your disclosure of any event listed in Item 11 to ten years following the date of the event. If you are registered or registering with a state, you must respond to the questions as posed; you may, therefore, limit your disclosure to ten years following the date of an event only in responding to Items 11.A(1), 11.A(2), 11.B(1), 11.B(2), 11.D(4), and 11.H(1)(a). For purposes of calculating this ten-year period, the date of an event is the date the final order, judgment, or decree was entered, or the date any rights of appeal from preliminary orders, judgments, or decrees lapsed.

You must complete the appropriate Disclosure Reporting Page ("DRP") for "yes" answers to the questions in this Item 11.

For "yes" answers to the following questions, complete a Criminal Action DRP:

A. In the past ten years, have you or any *advisory affiliate*:

	YES	NO
(1) been convicted of or plead guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any *felony*?	○	●
(2) been *charged* with any *felony*?	○	●

If you are registered or registering with the SEC, you may limit your response to Item 11.A(2) to charges that are currently pending.

B. In the past ten years, have you or any *advisory affiliate*:

	YES	NO
(1) been convicted of or plead guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to a *misdemeanor* involving: investments or an *investment-related* business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?	○	●

(2) been *charged* with a *misdemeanor* listed in 11.B(1)? ○ ●

If you are registered or registering with the SEC, you may limit your response to Item 11.B(2) to charges that are currently pending.

For "yes" answers to the following questions, complete a Regulatory Action DRP:

C. Has the SEC or the Commodity Futures Trading Commission (CFTC) ever: **YES NO**

(1) *found* you or any *advisory affiliate* to have made a false statement or omission? ○ ●

(2) *found* you or any *advisory affiliate* to have been *involved* in a violation of SEC or CFTC regulations or statutes? ○ ●

(3) *found* you or any *advisory affiliate* to have been a cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted? ○ ●

(4) entered an *order* against you or any *advisory affiliate* in connection with *investment-related* activity? ○ ●

(5) imposed a civil money penalty on you or any *advisory affiliate*, or *ordered* you or any *advisory affiliate* to cease and desist from any activity? ○ ●

D. Has any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority*:

(1) ever *found* you or any *advisory affiliate* to have made a false statement or omission, or been dishonest, unfair, or unethical? ○ ●

(2) ever *found* you or any *advisory affiliate* to have been *involved* in a violation of *investment-related* regulations or statutes? ○ ●

(3) ever *found* you or any *advisory affiliate* to have been a cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted? ○ ●

(4) in the past ten years, entered an *order* against you or any *advisory affiliate* in connection with an *investment-related* activity? ○ ●

(5) ever denied, suspended, or revoked your or any *advisory affiliate's* registration or license, or otherwise prevented you or any *advisory affiliate*, by *order*, from associating with an *investment-related* business or restricted your or any *advisory affiliate's* activity? ○ ●

E. Has any *self-regulatory organization* or commodities exchange ever:

(1) *found* you or any *advisory affiliate* to have made a false statement or omission? ○ ●

(2) *found* you or any *advisory affiliate* to have been *involved* in a violation of its rules (other than a violation designated as a *"minor rule violation"* under a plan approved by the SEC)? ○ ●

(3) *found* you or any *advisory affiliate* to have been the cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted? ○ ●

(4) disciplined you or any *advisory affiliate* by expelling or suspending you or the *advisory affiliate* from membership, barring or suspending you or the *advisory affiliate* from association with other members, or otherwise restricting your or the *advisory affiliate's* activities? ○ ●

F. Has an authorization to act as an attorney, accountant, or federal contractor granted to you or any *advisory affiliate* ever been revoked or suspended?

G. Are you or any *advisory affiliate* now the subject of any regulatory *proceeding* that could result in a "yes" answer to any part of Item 11.C., 11.D., or 11.E.?

For "yes" answers to the following questions, complete a Civil Judicial Action DRP:

H. (1) Has any domestic or foreign court:

	YES	NO
(a) in the past ten years, *enjoined* you or any *advisory affiliate* in connection with any *investment-related* activity?	○	●
(b) ever *found* that you or any *advisory affiliate* were *involved* in a violation of *investment-related* statutes or regulations?	○	●
(c) ever dismissed, pursuant to a settlement agreement, an *investment-related* civil action brought against you or any *advisory affiliate* by a state or *foreign financial regulatory authority*?	○	●

(2) Are you or any *advisory affiliate* now the subject of any civil *proceeding* that could result in a "yes" answer to any part of Item 11.H(1)?

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Item 12 Small Business

The SEC is required by the Regulatory Flexibility Act to consider the effect of its regulations on small entities. In order to do this, we need to determine whether you meet the definition of "small business" or "small organization" under rule 0-7.

Answer this Item 12 only if you are registered or registering with the SEC and you indicated in response to Item 5.F(2)(c) that you have assets under management of less than $25 million. You are not required to answer this Item 12 if you are filing for initial registration as a state adviser, amending a current state registration, or switching from SEC to state registration.

For purposes of this Item 12 only:

- Total Assets refers to the total assets of a firm, rather than the assets managed on behalf of *clients*. In determining your or another *person's* total assets, you may use the total assets shown on a current balance sheet (but use total assets reported on a consolidated balance sheet with subsidiaries included, if that amount is larger).
- Control means the power to direct or cause the direction of the management or policies of a *person*, whether through ownership of securities, by contract, or otherwise. Any *person* that directly or indirectly has the right to vote 25 percent or more of the voting securities, or is entitled to 25 percent or more of the profits, of another *person* is presumed to control the other *person*.

	YES	NO
A. Did you have total assets of $5 million or more on the last day of your most recent fiscal year?	○	●
If "yes," you do not need to answer Items 12.B. and 12.C.		
B. Do you:		
(1) *control* another investment adviser that had assets under management of $25 million or more on the last day of its most recent fiscal year?	○	●
(2) *control* another *person* (other than a natural person) that had total assets of $5 million or more on the last day of its most recent fiscal year?	○	●
C. Are you:		
(1) *controlled* by or under common *control* with another investment adviser that had assets under management of $25 million or more on the last day of its most recent fiscal year?	○	●
(2) *controlled* by or under common *control* with another *person* (other than a natural person) that had total assets of $5 million or more on the last day of its most recent fiscal year?	○	●

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This brochure provides information about the qualifications and business practices of Investment Performance Services, LLC ("IPS"). If you have any questions about the contents of this brochure, please contact our Chief Compliance Officer, John Whitmore, at the phone number listed above or at jwhitmore@ips-net.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. IPS is registered with the SEC as an investment adviser; however, please note that such registration does not imply a certain level of skill or training.

Additional information about IPS is available on the SEC's website at www.adviserinfo.sec.gov.

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* A NOTE ABOUT THE FORMAT OF THIS BROCHURE: The SEC requires all investment advisers to organize their disclosure documents according to specific categories, some of which may not pertain to a particular adviser's business. Where a required category is not relevant to our business, we list the category and state that it does not apply.

A. ADVISORY BUSINESS

1. Background

Founded in 1986, IPS is an independent, employee-owned, investment consulting firm, providing advice to institutional clients, including jointly trusteed benefit plans, public plans, endowments and foundations throughout the United States. Headquartered in Savannah, Georgia, with a regional office in metropolitan Philadelphia, Pennsylvania, IPS is principally owned by three of its consultants: Mitchell Green, Stephen Lange and Richard Sichel, Jr.

2. Services Provided

IPS offers various levels of consulting service, as requested by our clients. These services address certain core aspects of the investment process, including, but not limited to: (i) assistance in establishing fund investment objectives, guidelines and policies; (ii) asset allocation; (iii) conducting searches for investment managers and custodians; (iv) conducting searches for other third-party providers of services such as commission recapture, transition management, proxy voting and socially responsible investing; (v) investment manager monitoring and evaluation; and (vi) performance reporting. Higher levels of service may also include portfolio compliance monitoring and serving in a co-consulting capacity with other firms.

IPS also provides clients with educational information on investment topics ranging from generic asset classes to specific investment strategies and products.

For more information about our services, please refer to Sections E and J below.

3. Assets Managed

While IPS does not directly manage client assets, it provides the consulting services described above to institutional clients whose assets exceed $24 billion.

B. FEES AND COMPENSATION

IPS' pension consulting fees are negotiated based on the specific services provided and the characteristics of the fund advised. These fees, for which IPS bills quarterly, in arrears, either are fixed in nature, or are calculated as a percentage of the assets with regard to which IPS consults. The annual cost of our services generally ranges from $50,000-$400,000. However, higher or lower fees may be charged where the circumstances warrant. Although IPS is confident that its fees are reasonable in light of the level of services it offers, it is possible that lower fees for comparable services may be available from other sources.

Please note that IPS' fees do not cover the costs of portfolio management. In addition to such costs, clients will also incur custodian fees, brokerage fees and other transaction and investment expenses.

C. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

IPS neither charges performance-based fees nor manages clients' assets.

D. TYPES OF CLIENTS

IPS offers its services primarily to institutional funds such as jointly trusteed (Taft-Hartley) benefit plans, public plans, endowments and foundations. However, we may, in our sole discretion, accept other types of clients as well.

E. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

As explained in Section A above, while IPS does not manage client portfolios, it does provide advice about the following aspects of the investment process:

1. *Investment Guidelines and Policy Development*

A statement of investment policy and investment objectives is one of the basic working documents between a fund and its investment managers. IPS utilizes an established process in the review and development of the current policies and guidelines reflecting the client's actuarial, liquidity and funding requirements. IPS' thorough analysis and presentation of findings allows the trustees and fund professionals to develop investment policies that reflect their sensitivities and to document suitable alternatives for their fund.

2. *Asset Allocation Analysis*

This process begins with the development of alternative portfolios based upon different risk and return assumptions, taking into consideration the actuarial and financial condition of the fund. IPS employs dynamic optimization software which uses historical return and risk statistics to calculate what is referred to as the "efficient frontier" of investment mix options. This analytical tool allows risk to be modified under various conditions. IPS' asset allocation analysis gives fund trustees insight into the steps required to achieve the fund's minimum objectives and requirements.

3. *Investment Manager Search*

IPS extensively uses the Wilshire Compass databases to track current manager performance and to identify new managers to add to our search list. IPS categorizes manager products by style and capitalization ranges and then undertakes specific searches for managers meeting our own criteria.

4. *Custodian Searches*

IPS may be engaged to review the services and capabilities of custodian banks. In this regard, we conduct searches for qualified candidates that closely mirror the due diligence process we undertake for screening investment managers. Our in-house analytical staff typically has daily or weekly contact with many nationally or regionally known custodians as part of the performance measurement services described below. This extensive contact enables us to assess the accuracy and competence of the custodians' products and client services.

5. *Searches for Other Third-Party Service Providers*

IPS may be engaged to provide reviews of commission recapture and transition management providers. The key to these special services is finding the best possible providers and negotiating the lowest possible fee for the service provided. IPS has developed a Request for Proposal (RFP) to be used in this process, and employs both subjective and quantitative criteria in evaluating these firms.

6. *Performance Evaluation and Reporting*

This part of our service provides clients with an objective review of their investment position and results. The IPS approach is designed to assist fund trustees in fulfilling their fiduciary duties and to present the results in a manner that facilitates the trustees' decision-making process. Our performance evaluation report follows a logical sequence of analysis, moving from total fund to investment managers to asset classes.

7. *Compliance Monitoring*

IPS offers a transaction monitoring service. Through this service, IPS reviews the investment purchase transactions of the fund’s investment managers on either a quarterly or daily basis to confirm that these transactions are consistent with the investment guidelines the investment managers agreed to in their contracts. As IPS receives the confirmations, any deviations from the managers' investment policy guidelines are communicated to the person designated by the trustees and to the affected investment managers themselves for corrective action. On a quarterly basis, IPS provides a summary report of transactions that were found not to be in compliance with applicable investment policy guidelines. This report details the specifics of each non-compliant transaction, as well as the manager's final disposition.

Please note that investing in securities involves risk of loss that clients should understand and be prepared to bear. IPS does not guarantee that the advice it provides will lead to any particular return in or performance of a client's account.

F. DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our services.

G. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither IPS nor its management is engaged in any business activities other than investment consulting. We do not provide services to, nor do we receive any compensation or benefit from, any investment managers, custodians, broker-dealers or other parties who provide services to our clients. Furthermore, IPS is not affiliated with any other business enterprise.

H. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

1. Code of Ethics

In accordance with Investment Advisers Act Rule 204A-1, IPS has adopted a Code of Ethics that describes the standards of conduct that the company's employees must follow. Among other things, the Code of Ethics acknowledges that IPS may have a fiduciary relationship with its clients and thus is obligated to carry out its duties solely in the clients' best interests.

Our Code of Ethics pays special attention to compliance with the obligations that ERISA imposes on it as a pension consultant. Among other things, the Code prohibits employees from performing services for or receiving cash compensation from money managers whom IPS might recommend to clients. As noted above, IPS does not sell research to or perform other services for investment managers, custodians or broker-dealers. Our Code of Ethics also imposes limits on the giving or receipt of gifts and business entertainment.

A copy of our Code of Ethics is available upon written request.

2. Participation or Interest in Client Transactions

This item does not apply to our business.

3. Personal Trading

The IPS Code of Ethics also addresses personal trading by our officers, managing principals and employees and their related accounts. In this regard, the Code of Ethics obligates these parties to report their trading activity to the company's Chief Compliance Officer on a periodic basis. In addition, they must receive the Compliance Officer's permission before investing in IPOs, private placements or other limited offerings. The Code of Ethics also contains provisions designed to prevent IPS employees from improperly trading on inside information and it emphasizes the importance of maintaining the confidentiality of sensitive information learned about clients.

I. BROKERAGE PRACTICES

IPS does not execute or direct any trades on behalf of clients.

J. REVIEW OF ACCOUNTS

IPS reviews all client accounts at least quarterly, in order to evaluate portfolio performance. Depending on the level of service the client selects, these reviews are conducted by or under the supervision of the CEO and/or the Investment Committee. As a result of these reviews, all clients receive quarterly written performance evaluation reports.

As explained in Section E. 7 above, IPS also undertakes reviews and supplies reports as part of its Compliance Monitoring Service.

K. CLIENT REFERRALS AND OTHER COMPENSATION

IPS does not provide compensation or any other benefit to any third parties for client referrals. Nor do we receive any form of revenue, remuneration or benefit from any entities of individuals other than the fees we receive directly from our clients under the terms of our written contracts.

L. CUSTODY

IPS does not have custody of any client assets.

M. INVESTMENT DISCRETION

This item does not apply to our business

N. VOTING CLIENT SECURITIES

This item does not apply to our business.

O. FINANCIAL INFORMATION

This item does not apply to our business.

7402 Hodgson Memorial Drive, # 100
Savannah, GA 31406
Tel. (912) 352-2862
Fax (912) 355-6866
www.ips-net.com

BROCHURE SUPPLEMENTS

These Brochure Supplements provide biographical information about James D. Catington, Mitchell J. Green, Jennifer Mink Holmes, Stephen J. Lange, David A. Russell, Richard I. Sichel Jr., John F. Statts and Susan Tuttle, all of whom provide investment advice to clients on behalf of Investment Performance Services, LLC (IPS). This information supplements the information in the IPS brochure you should have received earlier. If you did not receive a copy of that brochure, or if you have questions about this supplement, please contact our Chief Compliance Officer, John Whitmore, at the number listed above or at or at jwhitmore@ips-net.com.

This document was created on July 20, 2011

JAMES D. CATINGTON

Educational Background and Business Experience

Mr. Catington has been a Senior Vice President and member of IPS's Investment Committee since 1995. From 1992 to 1994, he was President, London Pacific, Govett & Co; and from 1978-1991, he was President, Gen Banking GP-First American.

Mr. Catington graduated with a BS degree from Florida State University in 1972 and with a MBA degree in 1974. He was born in 1947.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

Mr. Catington's investment management activities are supervised by IPS's Chief Compliance Officer, John Whitmore, in accordance with the firm's compliance procedures and Code of Ethics. You can reach Mr. Whitmore, at (912) 352-2862 or at jwhitmore@ips-net.com.

MITCHELL J. GREEN

Educational Background and Business Experience

Mr. Green has been the Chief Executive Officer and a Managing Principal of IPS since 2008, and has been a member of the Executive Committee since 1999. From 2005 to 2008, he was a Managing Principal and the Chief Operations Officer of IPS. He was a Vice President of the firm from 1991-1999.

Mr. Green graduated from the University of Georgia in 1984 with a BBA in Finance, and from the Southern Trust School in 1989**.**

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

Mr. Green's investment management activities are supervised by IPS's Chief Compliance Officer, John Whitmore, in accordance with the firm's compliance procedures and Code of Ethics. You can reach Mr. Whitmore, at (912) 352-2862 or at jwhitmore@ips-net.com.

JENNIFER MINK HOLMES

Educational Background and Business Experience

Ms. Holmes has been a Senior Vice President and member of the Investment Committee at IPS since 2005. In 2006, she was made a Principal of the firm. From 2003 to 2005, she was a Vice President of IPS. From 2001 to 2003, she was an Investment Consultant at Wachovia Securities, and from 1998 to 2001, she was a Licensed Stockbroker at AXA Advisors, LLC.

Ms. Holmes received a BS from North Carolina State University in 1994, and an MBA from Rider University in 1998. She was born in 1971.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

Ms. Holmes' investment management activities are supervised by IPS's Chief Compliance Officer, John Whitmore, in accordance with the firm's compliance procedures and Code of Ethics. You can reach Mr. Whitmore, at (912) 352-2862 or at jwhitmore@ips-net.com.

STEPHEN J. LANGE

Educational Background and Business Experience

Mr. Lange has been a member of the Executive Committee of IPS since 2003; a member of the firm's Investment Committee since 2004; and a Managing Principal of the firm since 2005. From 2000 to 2003, he was a Vice President at IPS, and from 1990 to 2000, he was a Vice President at The Savannah Bank, NA.

Mr. Lange received a BA in Economics from the University of Texas in 1992. He was born in 1967.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

Mr. Lange's investment management activities are supervised by IPS's Chief Compliance Officer, John Whitmore, in accordance with the firm's compliance procedures and Code of Ethics. You can reach Mr. Whitmore, at (912) 352-2862 or at jwhitmore@ips-net.com.

David A. Russell, CFA

Educational Background and Business Experience

Mr. Russell has been a member of IPS's Investment Committee since 2010 and a Senior Vice President of the firm since 2010. From (Mar) 2006 – (Feb) 2010, he was a Managing Director at Attalus Capital.

Mr. Russell graduated from Kutztown University with a degree in Political Science in 1972 and a MBA in Finance in 1992. He was born in 1949.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

Mr. Russell's investment management activities are supervised by IPS's Chief Compliance Officer, John Whitmore, in accordance with the firm's compliance procedures and Code of Ethics. You can reach Mr. Whitmore, at (912) 352-2862 or at jwhitmore@ips-net.com.

RICHARD I. SICHEL, JR.

Educational Background and Business Experience

Mr. Sichel has been Managing Principal since 2005. In 2008 he was named President of the firm. In addition he has been a member of the Executive Committee since 2003, and a member of the Investment Committee since 1999. From 1999 to 2003, he was a Senior Vice President at the firm.

Mr. Sichel graduated from Rider University with a BS in 1991 and an MBA in 1996. He was born in 1969.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

Mr. Sichel's investment management activities are supervised by IPS's Chief Compliance Officer, John Whitmore, in accordance with the firm's compliance procedures and Code of Ethics. You can reach Mr. Whitmore, at (912) 352-2862 or at jwhitmore@ips-net.com.

JOHN F. STATTS

Educational Background and Business Experience

Mr. Statts has been IPS' Chief Investment Officer since 2005, and the Chairman of the firm's Investment Committee since 1999. Since 1999, he has also been a member of the IPS Executive Committee. He was a Senior Vice President of IPS from 1986-1999. From 1973 to 1986, he was a Vice President at Wall, Patterson, Hamilton & Allen.

Mr. Statts graduated from Georgia State University in 1972 with a degree in Finance. He was born in 1948.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None

Supervision

Mr. Statts' investment management activities are supervised by IPS's Chief Compliance Officer, John Whitmore, in accordance with the firm's compliance procedures and Code of Ethics. You can reach Mr. Whitmore, at (912) 352-2862 or at jwhitmore@ips-net.com.

SUSAN C. TUTTLE

Educational Background and Business Experience

Ms. Tuttle has been a member of IPS's Investment Committee since 2005 and a Senior Vice President and Principal of the firm since 2002. She was a Vice President from 1999-2002. From 1989 to 1999, she was the Manager of the firm's Performance Department.

Ms. Tuttle graduated from Eastern Kentucky University in 1984 with a degree in Business Administration. She was born in 1962.

Disciplinary Information

None

Other Business Activities

None

Additional Compensation

None.

Supervision

Ms. Tuttle's investment management activities are supervised by IPS's Chief Compliance Officer, John Whitmore, in accordance with the firm's compliance procedures and Code of Ethics. You can reach Mr. Whitmore, at (912) 352-2862 or at jwhitmore@ips-net.com.

INVESTMENT
PERFORMANCE
SERVICES, LLC

INVESTMENT PERFORMANCE SERVICES, LLC

CODE OF ETHICS

Investment Performance Services, LLC ("IPS" or the "Company") seeks to foster a reputation for integrity and professionalism. That reputation is a vital business asset. The confidence and trust placed in us by our clients is something we value and endeavor to protect. To further that goal, IPS has adopted this Code of Ethics, which applies to all of the Company's officers, directors and employees, as well as anyone else who provides investment advice on IPS' behalf and is subject to IPS' supervision and control. (These people are referred to herein as "Supervised Persons.") This Code of Ethics deals with a range of issues, including the Company's fiduciary duties toward clients; the need to maintain the confidentiality of information regarding our clients and the advice we render to them; the prohibition on insider trading; and other aspects of Supervised Persons' trading for their personal accounts. IPS will take any violation of this Code of Ethics seriously. Such violations constitute grounds for disciplinary sanctions, including dismissal. If you have any questions about this Code of Ethics, please contact IPS' Chief Compliance Officer ("CCO"), John Whitmore, for assistance and advice.

A. GENERAL STANDARDS OF CONDUCT

1. IPS' operations are governed by the Investment Advisers Act of 1940 ("Advisers Act") and the rules and regulations that the SEC has promulgated thereunder. Because we serve a Taft-Hartley plan clientele, our operations also are governed by the Employee Retirement Income Security Act of 1974 ("ERISA"). All Supervised Persons shall comply with these laws and other applicable federal securities laws and rules.

2. As a registered investment adviser and pension consultant, IPS may have a fiduciary relationship with its clients. Therefore, all Supervised Persons must carry out

their duties solely in the best interests of clients and free from all compromising influences and loyalties.

3. In particular, Supervised Persons must discharge their duties with respect to the Company's clients solely in the interest of the plans' participants and beneficiaries. In other words, keep in mind that our ultimate duty is not to plan sponsors or administrators, but rather to the people who depend on the assets of the plans we consult with.

4. Supervised Persons also must act with the care, skill prudence and diligence under the circumstances that a prudent person would use in the same situation.

5. Supervised Persons must act in accordance with the instruments governing the plan, so long as those instruments are consistent with the requirements of ERISA.

6. In addition to these affirmative duties, Supervised Persons are absolutely prohibited from dealing with the assets of any client in their own interest or for their own account.

7. Supervised Persons also may not act in any transaction involving a client on behalf of a party whose interests are adverse to the interests of that client or its plan participants.

8. Nor may a Supervised Person receive any consideration for his or her personal account from any party dealing with a client in connection with a transaction involving plan assets.

9. No Supervised Person shall directly or indirectly make any political contribution to officials of any government entity with whom IPS does business or seeks to do business, unless the Supervised Person first obtains permission from the CCO. This prohibition shall not apply to contributions made to officials for whom the Supervised Person is entitled to vote, so long as the total amount of such contributions does not exceed $100 per election. This paragraph does not restrict a Supervised Person's right to

make political contributions to officials of a government entity with whom IPS does not do or seek to do business.

10. In order to avoid even the appearance of an inappropriate "pay-to-play" situation, the Company will not perform services for money managers, nor will it take cash compensation from money managers. However, from time to time IPS may, subject to the provisions set out below, co-host with a money manager ordinary and usual business entertainment of a Taft-Hartley client or prospective client. If possible, IPS will split the cost of such events at the time of payment. If this is not possible, IPS may either pay to or receive from the money manager a portion of the total cost of the client entertainment. All such payments or receipts shall be appropriately documented.

11. Under no circumstances may a Supervised Person use confidential information about a client for the Supervised Person's own benefit. Nor may he or she divulge information about clients to any person except in the course of performing his or her duties on behalf of the Company. Supervised Persons are expected to be knowledgeable about the Company's privacy policy and to adhere to same.

12. Neither IPS nor its Supervised Persons shall favor the interests of one client over another. Although it may not be possible to treat each client identically in every single circumstance, on the whole, no client or group of clients will be disadvantaged to benefit any other client or group of clients.

13. No Supervised Person shall warrant or guarantee the success or profitability of any investment guidelines, assets allocation, manager selection or other advice the Company renders to clients.

14. No Supervised Person shall lend or borrow money, securities or commodities to or from a client, or agree to share in any profits earned or losses incurred in any client's account.

B. GIFTS, MEALS, BUSINESS ENTERTAINMENT AND EXPENSE REIMBURSEMENT

1. No Supervised Person shall give a gift or gratuity or provide meals, entertainment or the reimbursement of educational conference expenses to an ERISA fiduciary (or to his or her relatives) without receiving prior approval from the CCO. The Department of Labor generally forbids fiduciaries from accepting such items from any one entity -- including its employees, affiliates and other related parties -- if the aggregate annual value of the items is $250 or more, or if the receipt of the item violates any plan policy or provision. In order to avoid problems in this area, it is important that IPS coördinate the provision of such items to ERISA fiduciaries.

2. Supervised Persons also may not provide gifts, gratuities, meals or entertainment valued in the aggregate at $250 or more per year to any person other than an ERISA plan fiduciary, if the provision of the item relates to the business of the recipient's employer. Although payments for such items do not require pre-approval, they must be reported to the CCO for tracking purposes.

3. No Supervised Person (or his or her relatives) shall receive any items, services or educational conference expense reimbursements, whose aggregate value is $250 or more per year, from any one individual or entity (other than from IPS) where the item, service or reimbursement relates in any way to the business of IPS. The receipt of all such items and services must be reported to the CCO for tracking purposes.

4. The prohibitions described in paragraphs 1, 2 and 3 above do not apply to gifts, gratuities, meals, entertainment and the like given to or received from persons with whom the Supervised Person has a family or other personal relationship that exists apart from his or her association with the Company. Exemptions from the prohibition in paragraph 1 must be pre-approved by the CCO.

5. Any question about the application of these provisions should be directed to the CCO. Note that special rules apply to the reimbursement to a plan of expenses associated with a plan representative's attendance at an educational conference. Questions in this area also should be directed to the CCO.

C. IPS' COMPLIANCE PROGRAM

1. The Company shall provide each Supervised Person with a copy of this Code of Ethics and any amendments thereto, as well as a copy of the Company's Compliance Procedures Manual.

2. Each Supervised Person shall be required annually to deliver an information statement to the CCO. This statement includes information regarding the Supervised Person's disciplinary history, outside business activities and personal securities holdings. Supervised Persons will also be asked to acknowledge their receipt of and compliance with the Code of Ethics, including the requirements relating to the payment and receipt of gifts, gratuities and entertainment. Acknowledgement of the receipt of any future amendments to the Code of Ethics will be required as well.

3. Supervised Persons must promptly report any existing or threatened violations of this Code of Ethics (by themselves or others) to the CCO. Such reports may be oral or in writing, but if in writing, should not be sent via e-mail. Reports need not be signed; anonymous reports will be accepted. The CCO will promptly investigate any alleged violation and if a violation is found to have occurred, will create and retain a report of such violation and of any action the Company takes in response thereto. The Company may be required to turn such records over to the SEC.

4. The Company will distribute compliance-related information and/or hold mandatory compliance education sessions as circumstances warrant. The purpose of these efforts is to ensure that Supervised Persons are familiar with the often-changing and not always intuitive regulatory requirements that apply to our business.

D. PERSONAL TRADING ISSUES

1. <u>Preventing Insider Trading Abuses</u>

Stiff criminal and civil penalties are imposed upon persons who trade while in possession of "inside information" or who communicate such information to others in connection with a securities transaction. "Inside information" is defined as material nonpublic information about an issuer or security. Such information typically originates from an "insider" of the issuer, such as an officer, director, or controlling shareholder. However, under some circumstances, insider trading prohibitions also extend to trading while in possession of certain "market information." "Market information" is material nonpublic information which affects the market for an issuer's securities but which comes from sources outside the issuer. A typical example of market information is knowledge of an impending tender offer, which may arise from someone other than an insider. In order to assess whether a particular situation runs afoul of the prohibition against insider trading, consider the following:

- Information is deemed "material" if there is a substantial likelihood that a reasonable investor would consider it important in making his or her investment decisions.
- Information is considered "nonpublic" if it has not been released through appropriate public media in such a way as to achieve a broad dissemination to the investing public generally, without favoring any special or group. Unfortunately, the question of publicity is very fact-

specific; there are no hard and fast rules. In the past, information has been deemed to be publicly disclosed if it was given to the Dow Jones Broad Tape, Reuters Financial Report, the Associated Press, United Press International, or one or more newspapers of general circulation in the New York City area. On the other hand, public dissemination is not accomplished by disclosure to a select group of analysts, broker-dealers and market makers, or via a telephone call-in service for investors. Note that there also is authority that disclosure to Standard and Poor's and Moody's alone may not suffice.

- By virtue of SEC Rule 10b5-1, a person will be presumed to have traded "on the basis of" inside information if he was aware of such information when he made the purchase or sale. Notwithstanding this presumption, a trader will not be deemed to have traded on inside information if he can show that: (a) before becoming aware of the information, he had (i) entered into a binding contract to buy or sell the security, which contract adequately specified the terms of the trade or did not permit the trader to exercise subsequent influence over the trade details; (ii) provided instructions to another person to execute the trade or (iii) adopted a written plan for trading the securities, and (b) the purchase or sale that occurred was pursuant to the contract, instruction or plan.

An entity other than a natural person may also escape the presumption of trading on the basis of inside information if the entity can show that the person who made the investment decision on behalf of the entity was not aware of the information, and if the entity had implemented reasonable policies and procedures to ensure against insider trading violations.

- SEC Rule 10b5-2 addresses the question of when insider trading liability arises from the misappropriation of confidential information in the context of a family or other personal relationship. Under this rule, a person receiving confidential information could be liable for insider trading where: (a) the person agreed to keep the information confidential; (b) a reasonable expectation of confidentiality can be implied from the fact that the parties to the communication have a history or practice of sharing confidences; or (c) the person supplying the information is a spouse, partner, child or sibling of the person who receives the information, unless there is an affirmative showing based on the particular circumstances of the family relationship that there was no reasonable expectation of confidentiality.
- The selective disclosure of material nonpublic information by corporate insiders may lead to insider trading violations by an outsider -- IPS, for example -- under the following conditions:

i. the insider intentionally breached a duty of confidentially owed to the issuer's shareholders;

ii. the insider received some personal benefit from this breach, either by way of monetary gain or a reputational benefit that could translate into future earnings:

iii. the outsider knew or should have known that the insider breached a duty by disclosing the information; and

iv. the outsider acts with a mental state showing an intent to deceive, manipulate or defraud.

- An outsider might also run afoul of the prohibition against insider trading under a "misappropriation" theory. This theory applies to those who trade on information they have taken in breach of some fiduciary duty, even though that may not be a duty to the issuer's shareholders. An example of this would be an employee of an investment adviser who trades while in possession of material, nonpublic information she learns in the course of her advisory duties.

2. Other Personal Trading Concerns

Even where there is no misuse of material, nonpublic information, the purchase or sale of securities by an investment adviser or its employees may be problematic. Because IPS is compensated to consult with pension plans regarding their investments, concerns may arise where Supervised Persons also trade for their own accounts. This is so even though IPS does not actually manage plan assets or obtain information about plan transactions until they have been executed. Supervised Persons must always conduct their own personal securities trading in a manner which avoids not only actual improprieties but even the appearance of impropriety.

3. Restrictions and Required Conduct to Prevent Personal Trading Abuses

In order to prevent even inadvertent violations of the ban on insider trading, or even the appearance of impropriety regarding other forms of personal trading, the following standards of conduct must be observed:

a. All information about IPS' clients, including but not limited to their investment policies and guidelines; the value of their accounts; their portfolio holdings and transactions *etc.* must be kept in strictest confidence.

b. When obtaining material information about an issuer from the sponsor or administrator of a plan related to that issuer, determine whether that information has already been disseminated through public channels.

c. The same requirement applies where a Supervised Person learns material information about a money manager who is or is related to a public company, if that information was learned from an insider or someone else with a duty of confidence to that company.

d. If you suspect that you or the Company has learned material, nonpublic information about an issuer, you must take the following steps:

i. Report the information and any proposed trade in that security to the CCO.

ii. Do not buy or sell the securities for your own account or cause anyone else to trade in the securities.

iii. After reviewing the issue, the CCO will make a determination as to whether the information constitutes "inside" information. If the CCO concludes that it does, he will so inform all Supervised Persons, and no one at the Company may trade or cause anyone else to trade in the stock until the CCO determines that the information has been made public. At that time, the CCO shall notify the Company's Supervised Persons in writing that the ban on trading has been lifted.

e. Under no circumstances may a Supervised Person render any advice to a client in order to benefit the Supervised Person's personal investment account or that of her immediate family members. For purposes of this Code of Ethics, "immediate family" means the spouse, minor children and any other close relation who shares the same house as the Supervised Person. This presumption may be rebutted under such circumstances as the CCO, in his sole discretion, may allow.

f. Supervised Persons may not purchase securities in an IPO,[6] private placement or other limited offering without first receiving written permission from the CCO.

4. Duty to Report Information on Personal Trades

a. Holdings Reports

Within 10 days after a Supervised Person joins the Company and once a year thereafter, he or she will be required to supply the CCO with a list of all his or her securities holdings. The information in the Holdings Report must be current as of a date not more than 45 days prior to the individual's becoming a Supervised Person or -- for annual reports -- the date the report is submitted. Holdings Reports must contain the following information:

i. for each security in which the Supervised Person or his or her immediate family has any direct or indirect beneficial ownership:

(1) the title and type of security;

(2) the security's ticker symbol or CUSIP number;

(3) number of shares;

(4) principal amount; and

ii. the name of any broker-dealer or bank with which the Supervised Person (or any member of his or her immediate family) maintains an account in which securities are held for the Supervised Person's direct or indirect benefit.

[6] For purposes of this Code of Ethics, "IPO" means an offering of securities registered under the Securities Act of 1933, the issuer of which, immediately before the registration, was not subject to the reporting requirements of sections 13 or 15(d) of the Securities Exchange Act of 1934.

Instead of creating a separate document, a Supervised Person can satisfy the initial or annual Holdings Report requirement by timely signing and dating a copy of a securities account statement listing all of his or her securities holdings, **so long as** that statement provides all the information described above. Where the Supervised Person and his or her immediate family members maintain more than one securities account, a statement from each account showing all of the holdings in that account may be combined into one composite document so long as the Supervised Person confirms in writing that the composite contains the required information about all covered securities holdings.

b. Transaction Reports

In addition to the Holdings Reports, Supervised Persons are also required to report their securities transactions to the CCO on a quarterly basis. In order to satisfy this obligation, all Supervised Persons must direct each of their broker-dealers and banks[7] to send copies of confirmations and monthly or quarterly account statements directly to the CCO. In the event that a Supervised Person engages in a securities transaction that does not appear on his or her account statement, he or she will be required to file a Transaction Report regarding the trade, within 30 days after the end of the calendar quarter in which the trade took place. Consult the CCO for further information.

c. Exceptions to the Reporting Requirements

Personal trading reports need not be maintained in the following circumstances:

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[7] Information is required with regard to securities accounts only. Regular bank account statements need not be supplied.

(1) Transaction Reports are not required as to direct obligations of the U.S. Government, bankers' acceptances, bank certificates of deposit, commercial paper, high-quality short-term debt instruments (including repurchase agreements), shares issued by registered open-end investment companies[8] (including money market funds), and shares issued by unit investment trusts that are invested exclusively in one or more open-end funds. Information about these types of securities also does not need to be included in Holdings Reports. However, a Supervised Person must report the names of all brokers, dealers or banks with which the Supervised Person maintains an account in which ANY securities are held for the Supervised Person's direct or indirect benefit, even if the only securities in those accounts are nonreportable securities described in this paragraph.

(2) Neither Holdings nor Transaction Reports are required as to securities held in accounts over which the Supervised Person has no direct or indirect influence or control.

(3) Transaction Reports are not required as to transactions effected pursuant to an automatic investment plan, except where such a plan has been overridden. An "automatic investment plan" means a program in which regular, periodic purchases or withdrawals are made automatically in or from investment accounts in accordance with a predetermined schedule and allocation.

(4) Transaction Reports need not be filed to the extent that the required information is contained in trade confirms or account statements that are automatically supplied to the Company.

(5) A Supervised Person need not file a Transaction Report for any quarter in which the Supervised Person has no transactions to report.

♦ **If you are unsure of or have any concerns about the matters addressed in this Code of Ethics, please bring those questions or concerns to the CCO's attention.**

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[8] IPS does not act as investment adviser to any registered investment company; nor is it affiliated with an adviser or principal underwriter of such an entity.

INVESTMENT
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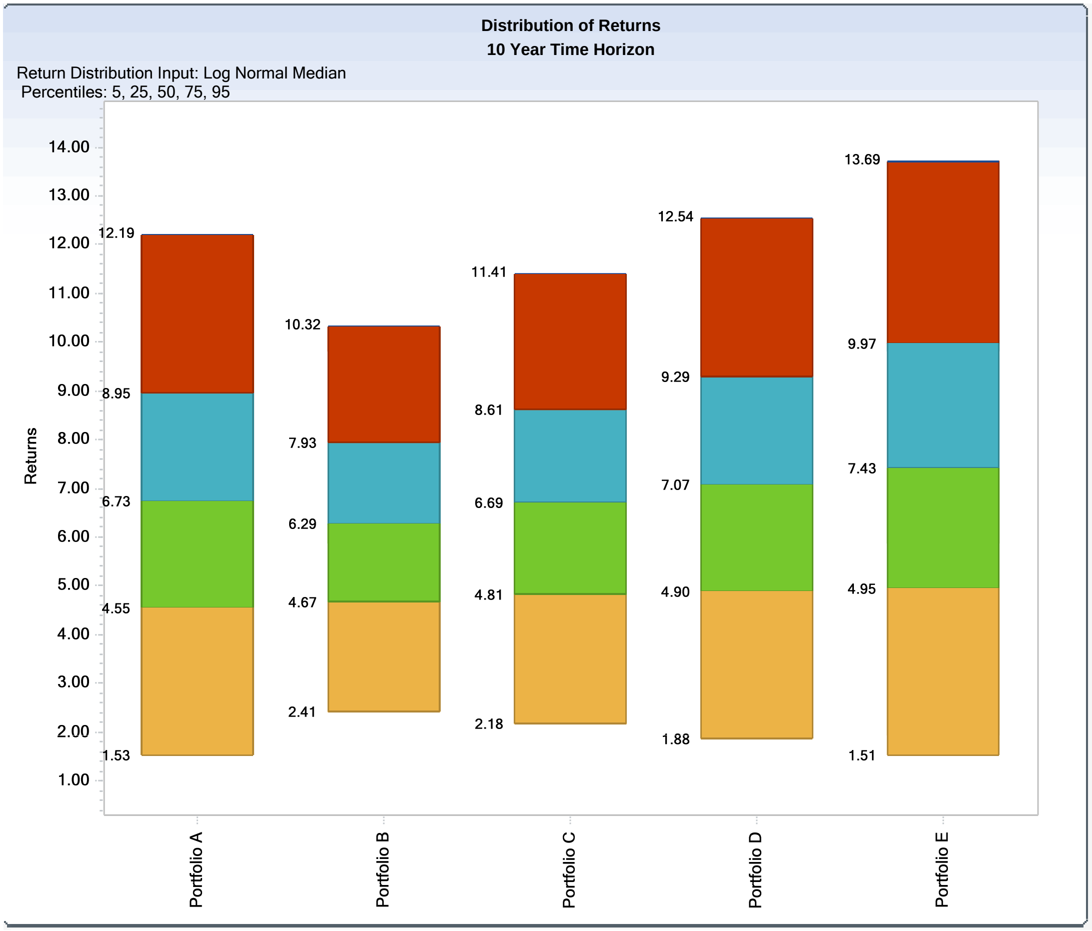
SERVICES, LLC

Asset and Liability Study
Defined Benefit Plan

Sample of Available Exhibits
produced by the Compass software system

Probability Distribution of Returns – 10 Years



	Return Distribution				
	Portfolio A	Portfolio B	Portfolio C	Portfolio D	Portfolio E
	Year1-10	Year1-10	Year1-10	Year1-10	Year1-10
5th Percentile	12.19	10.32	11.41	12.54	13.69
25th Percentile	8.95	7.93	8.61	9.29	9.97
50th Percentile	6.73	6.29	6.69	7.07	7.43
75th Percentile	4.55	4.67	4.81	4.90	4.95
95th Percentile	1.53	2.41	2.18	1.88	1.51
Distribution of Returns					
10 Year Time Horizon					
Parametric Method					

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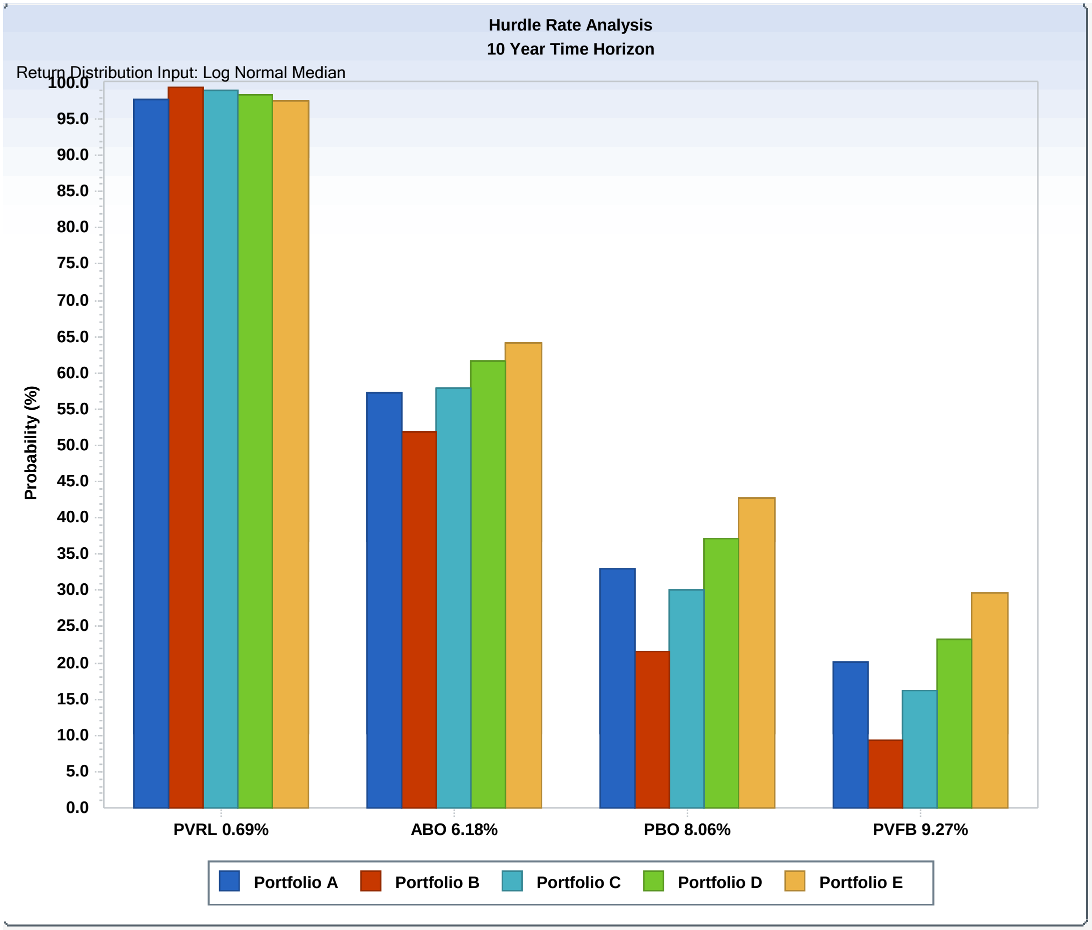
Probability of Achieving Hurdle Rates



	Hurdle Rate Analysis			
Portfolio	PVRL (%)	ABO (%)	PBO (%)	PVFB (%)
	0.69	6.18	8.06	9.27
Portfolio A	97.70	57.17	32.98	20.04
Portfolio B	99.35	51.95	21.61	9.30
Portfolio C	98.91	57.79	30.10	16.27
Portfolio D	98.28	61.65	37.19	23.33
Portfolio E	97.51	64.20	42.71	29.60
Hurdle Rate Analysis				
10 Year Time Horizon				
Parametric Method				

- The results depict the probability that a portfolio achieves a return at or above each hurdle rate
- For example, all 5 portfolios have greater than a 50% chance of achieving the ABO hurdle rate of 6.18%, and less than a 50% chance of achieving the PBO hurdle rate of 8.06%

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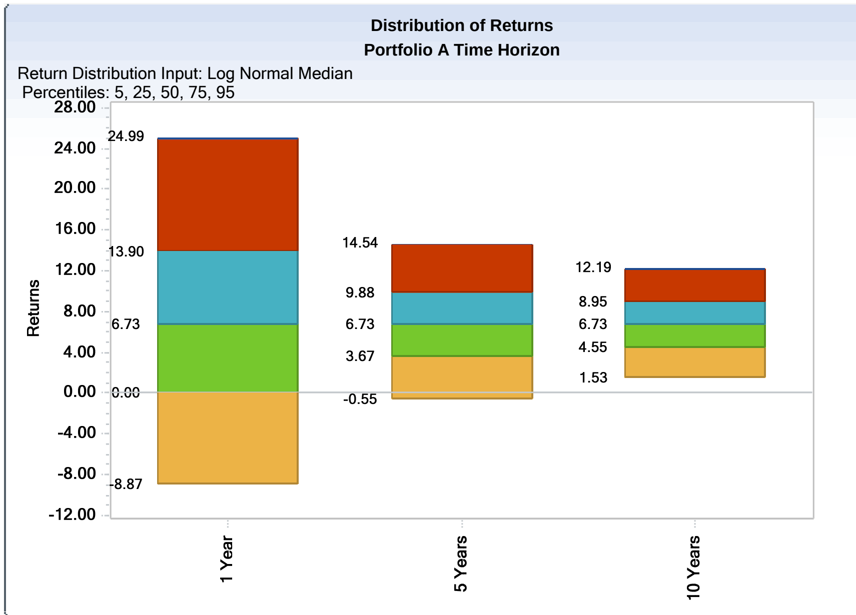
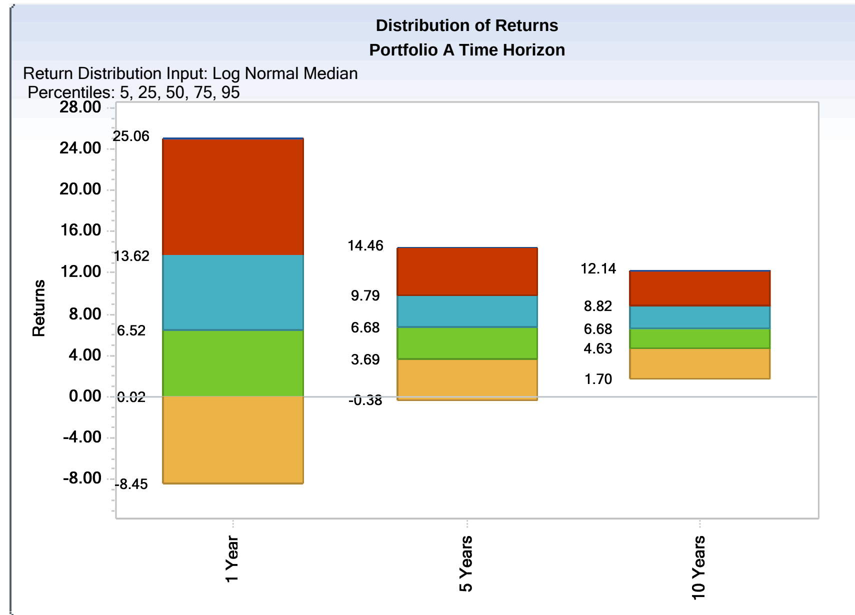
Monte Carlo Vs. Parametric – Current Mix Comparison

Parametric Method



Monte Carlo Method[1]



- Notice the slight difference in return distributions between the two simulation methods. What is the cause?
  - Estimation error from simulation process
  - Lognormal "slippage"
    - The linear combination of lognormal distributions, does not result in a lognormal distribution

[1] Simulation run parameters:
Trials = 10,000, Sobol Sequences = Yes

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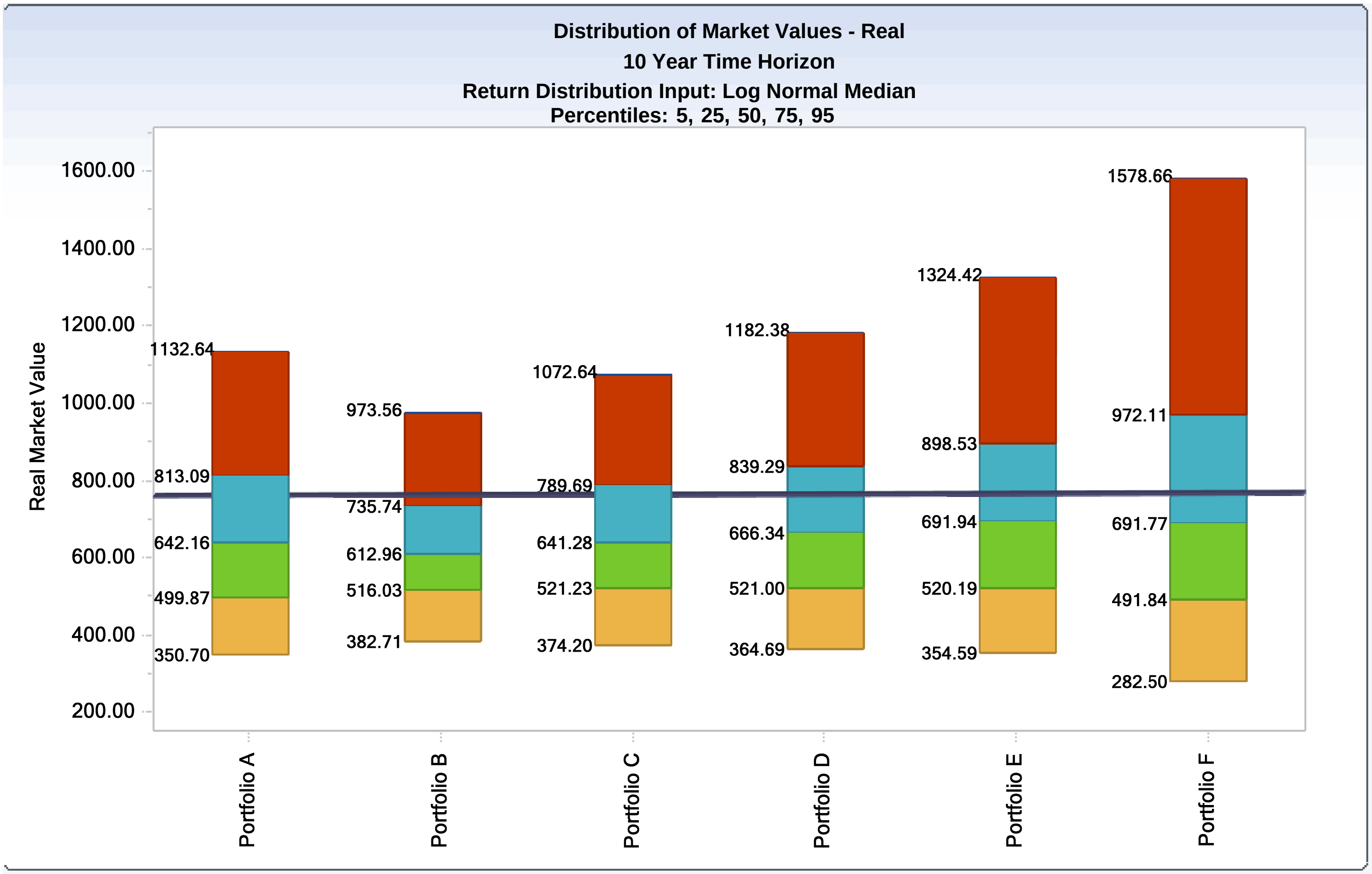
Probability Distribution of Real Market Value – 10 Years



- December 2009 market value = $768
- All portfolios have less that 50% chance of maintaining real market value

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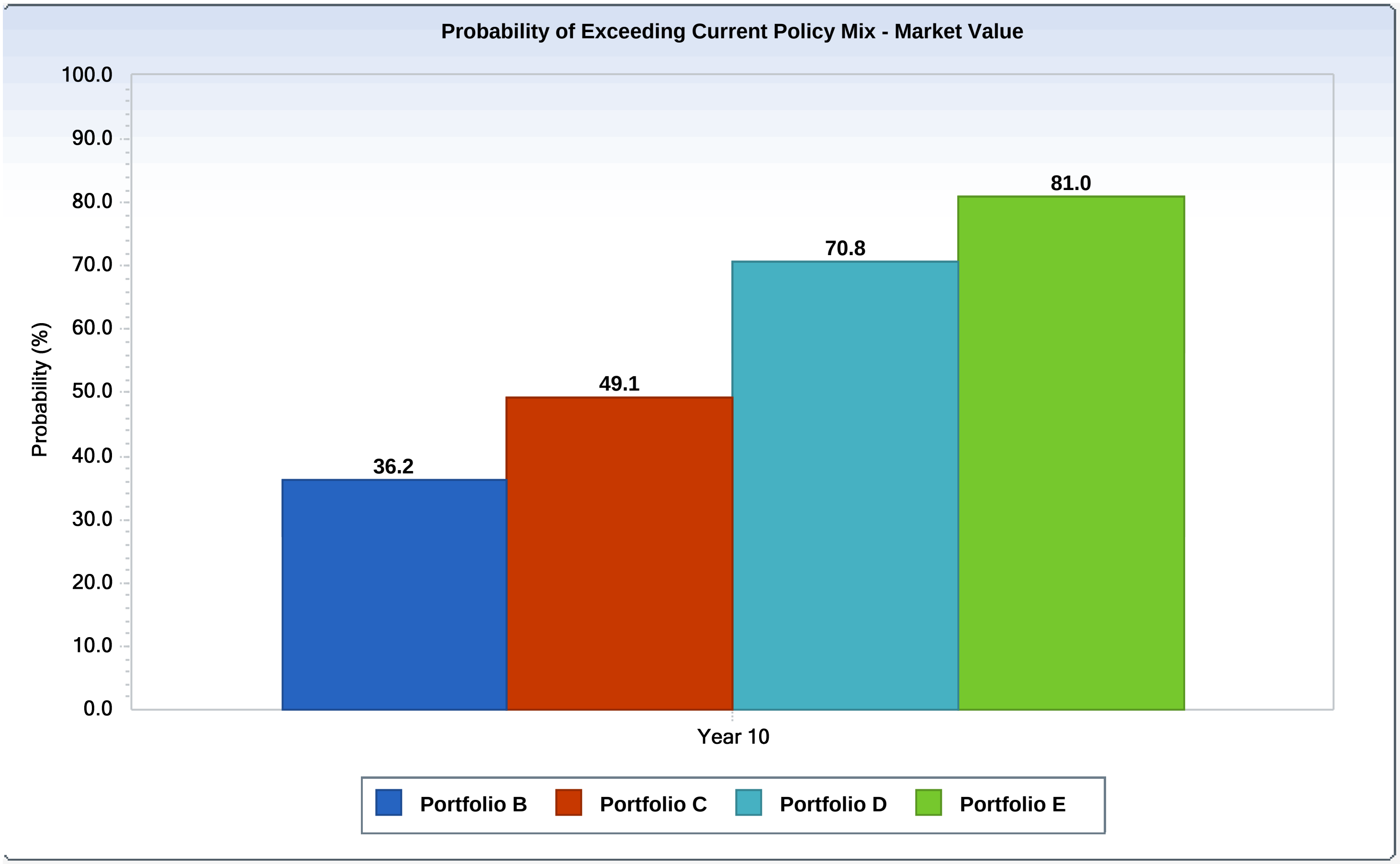
Probability of Alternative Mixes Exceeding Current Mix



- Direct comparisons between portfolio outcomes provides more granular insight
- Over 10 year horizon portfolio D & E have a high probability of outperforming the current mix