WURTS ASSOCIATES
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May 8, 2013

Dear Ms. Gatewood:

We would first like to thank you for the opportunity to participate in the FELRA and UFCW Pension Funds search for an investment consultant. We are pleased to submit a proposal for your consideration using the questionnaire you provided. Please accept this full electronic submission on behalf of Wurts & Associates. The following executive summary of our competitive advantages has been provided for your review:

Executive Summary

- **Your Proposed Consulting Team –** Consists of Mr. Brad Ness, Senior Consultant, and Mr. Brent Nelson. These senior consultants hold extensive experience serving multiemployer jointly-trusteed benefit plans. For this engagement, Mr. Brad Ness would serve as Lead Consultant and primary contact for the Trust.
- **Breadth & Depth of Experience** - Founded in 1986, Wurts & Associates has more than a quarter-century of experience providing investment consulting services to jointly-trusteed plans.
- **Conflict-Free Business Model** - To provide you with the most objective advice, we maintain a conflict-free business model. The Firm is completely independent and Wurts & Associates is not part of a larger organization that offers other services.
- **100% Employee-Owned** - Wurts & Associates is 100% employee-owned by several key professionals. We believe employee ownership is an important differentiator of ours, as it directly aligns the interests of our key employees and the firm with yours.
- **Integrated Macroeconomic & Capital Markets Research Driven Solutions** - Our top-down macroeconomic and capital markets research capability is integrated in all of our investment solutions. As a result, you will receive proactive, thoughtful, well-reasoned, well-supported advice. We believe our abilities in this area are very strong and would argue that these efforts add tremendous value to your portfolio.
- **Enhanced Asset Allocation Methodology** - We have enhanced our asset allocation methodology by utilizing our proprietary Macroeconomic Scenario Modeling. The conventional approach to asset allocation relies almost exclusively on Mean Variance Optimization which uses historic data, historic risk premiums, historic correlations, and past returns as the drivers of inputs. As we know, future returns are not driven by past returns and risk premiums fluctuate over time. To get around the limitation of relying on past data, we have designed a model that is driven by current and prospective valuations, GDP growth, inflation, and potential valuations that could occur during various economic scenarios.

Brent and I would certainly appreciate an opportunity to appear before the Board to further discuss our experience, resources, and distinctive qualities that differentiate us from other investment consultants. In the meantime, please don't hesitate to let me know if I may answer any questions or provide additional information. You may reach me at (503) 486-5653 or by email at bness@wurts.com.

Best regards,

P. Bradley Ness
Senior Consultant