

International Union of Operating Engineers Local #487

First Quarter Review

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SEI New ways.
New answers.®

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Agenda

- Capital Markets Review
- Plans Assets and Metrics
- Appendix

Capital Markets Review

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Global market review

Market review

- Equity markets have become more volatile this year in response to disruptive weather, the invasion of the Crimean peninsula and other emerging-market concerns
- Even so, following a brief dip in the latter part of January, stocks moved higher with the U.S. leading global equity markets during the first quarter
- The Fed officially changed leadership during the quarter, causing investors to reevaluate the timeline toward possible rate hikes
- Overall fixed income performance has been positive across all disciplines, with high-yield and emerging-market debt producing the strongest results

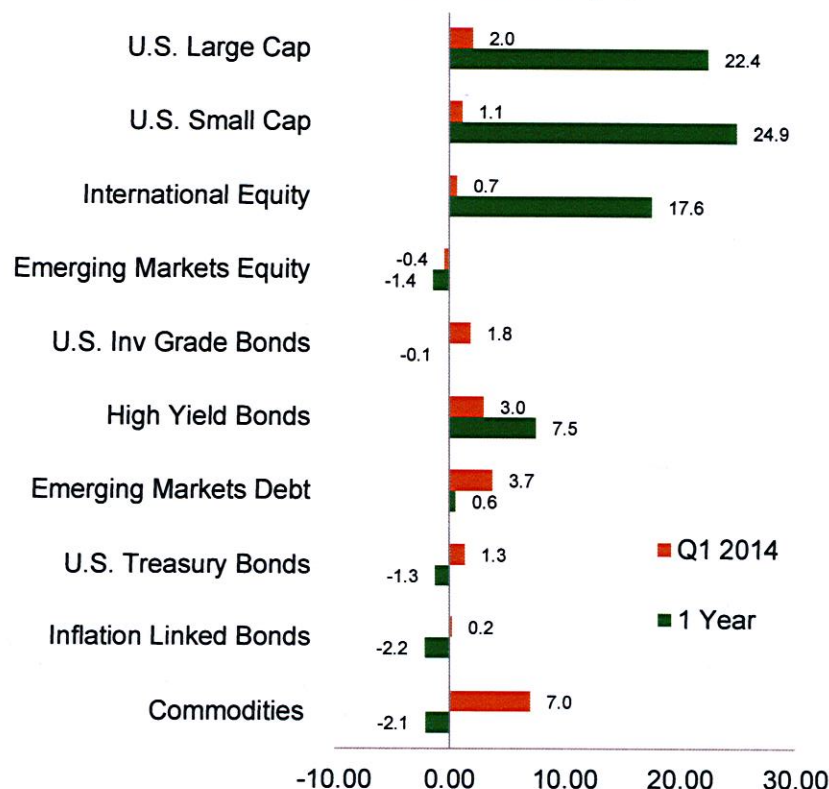
Strategy positioning

- Primary equity and fixed income strategies produced positive results, while relative returns were broadly mixed on stock price volatility and rate movement during the period

Market and economic outlook

- The U.S. economy is poised to accelerate moderately, shaking off weather-related setbacks during the first quarter
- We continue to expect a normalization in real rates, with the 10-year Treasury rising to 3.25-3.50% in 2014

Financial Markets Performance as of 3/31/14 (%)



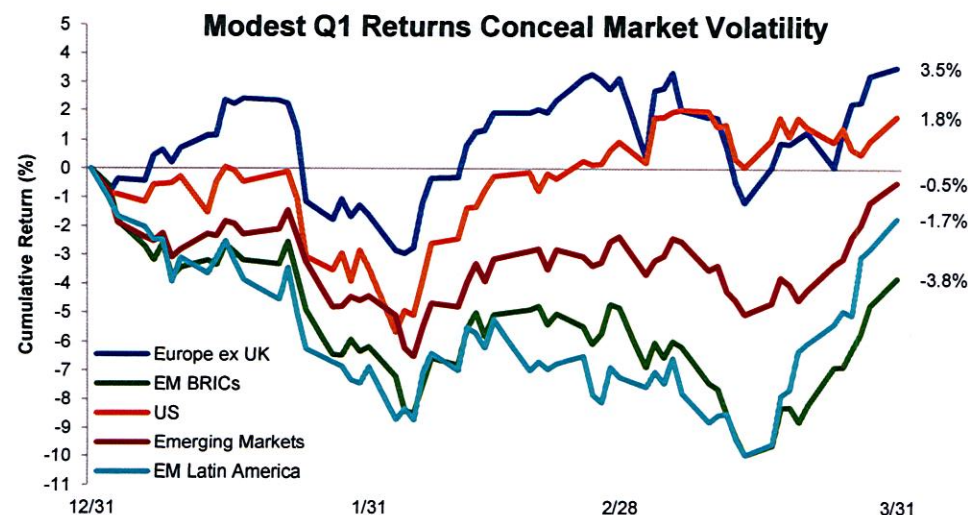
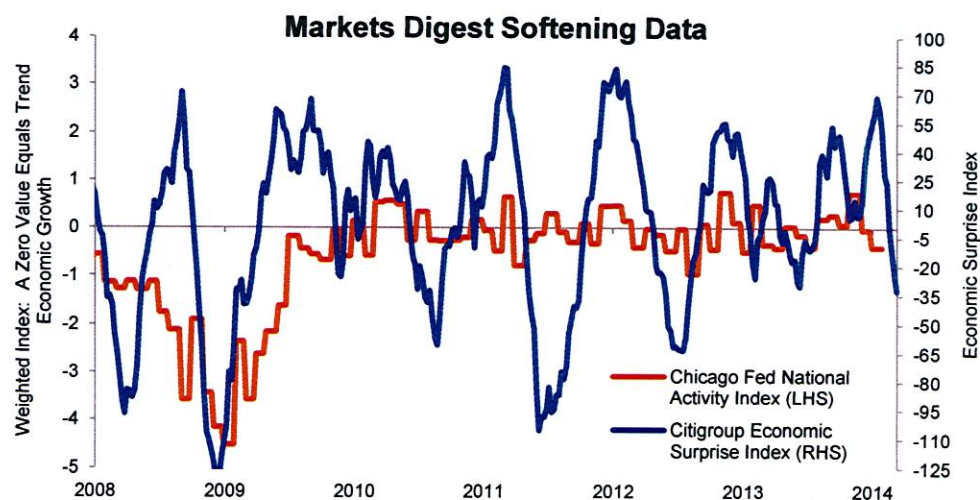
U.S. Large Cap = Russell 1000, U.S. Small Cap = Russell 2000, International Equity = MSCI EAFE, Emerging Markets Equity = MSCI EME, U.S. Investment Grade Bonds = Barclays U.S. Aggregate, High Yield = BofA ML Master II HY Constrained, Emerging Markets Debt = JP Morgan EMBI Global Diversified, Treasury = Treasury component of the Barclays U.S. Aggregate, Inflation Linked = Barclays 1-5 Year TIPS, Commodities = DJ UBS Commodity Index. Source: SEI, FactSet

Equity markets review

- Markets were faced with a variety of potential threats to continued economic improvements and investor confidence.
 - A variety of economic indicators in the U.S. turned lower or dropped below trend levels.
- Internationally, equities experienced elevated volatility as markets reacted to economic and political events.
 - China's growth prospects were questioned as their PMI fell in March to one of the lowest readings recorded since the 2008 financial crisis.
 - Political turmoil between Russia and Ukraine amplified volatility within emerging markets.
- Within equities, factors such as momentum, which were driving markets higher through 2013, reversed course and struggled during the period. Value outperformed growth, particularly toward the end of the quarter.

Portfolio impact

- Pro-cyclical positioning and quality growth exposures acted as headwinds for relative return during the period.
- Positive security selection within equity portfolios created an offset and was beneficial in 2014.



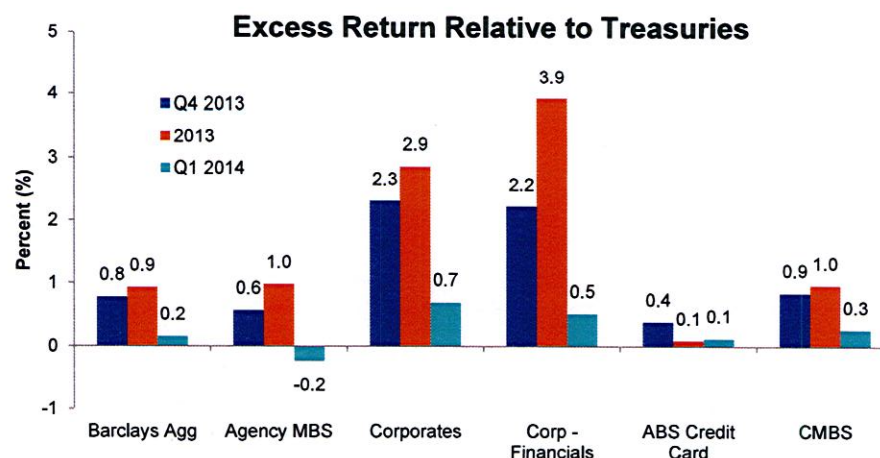
Source: Top Chart – Citigroup, Federal Reserve System, SEI
Bottom Chart: MSCI, SEI

Fixed income review

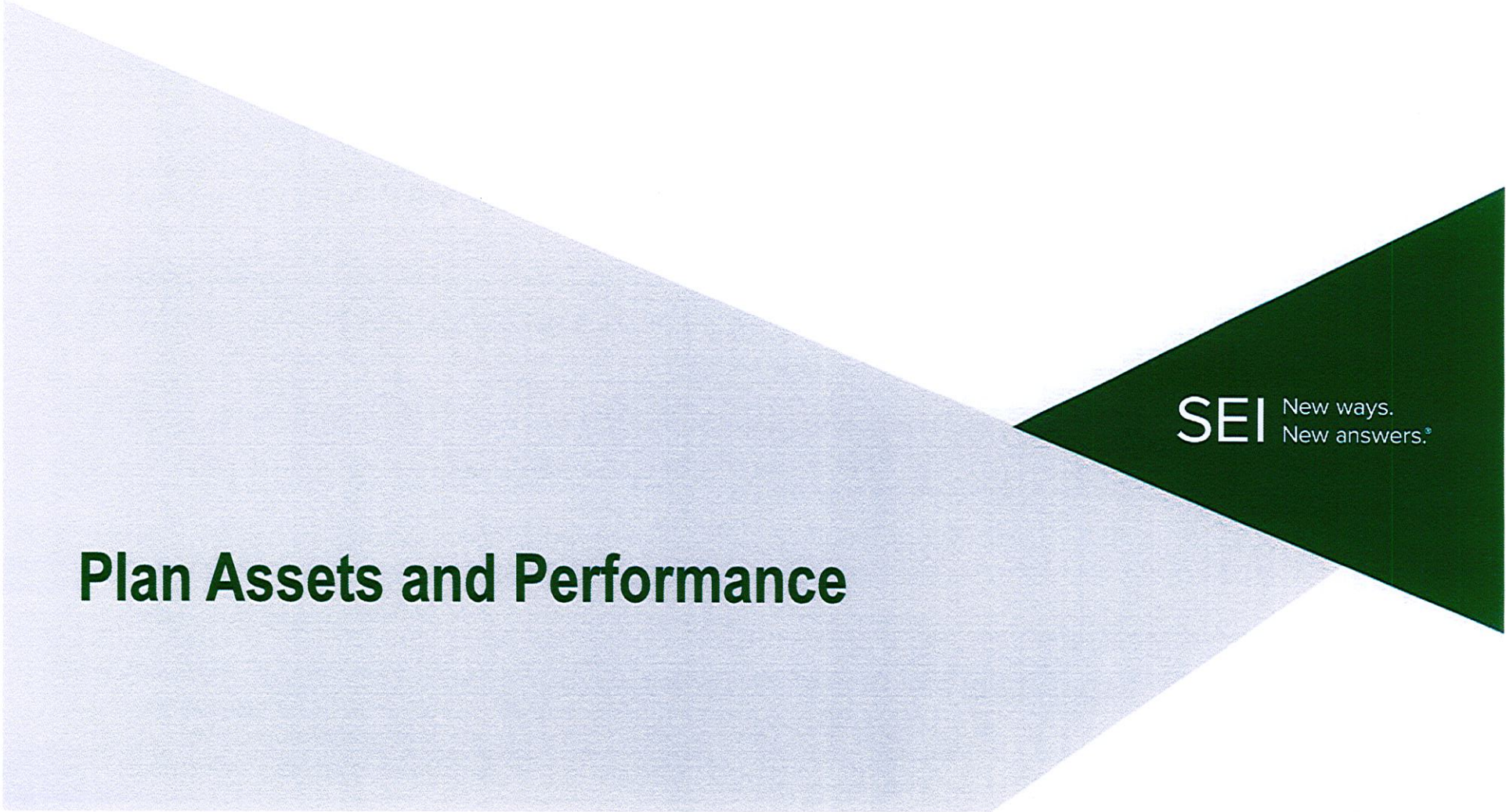
- U.S. and global economic and political uncertainty drove interest rates lower in January, and they remained range bound for the rest of the quarter.
 - This marks the first drop in rates in five quarters, however SEI expects continued gradual movement higher in 2014.
- Broadly, credit spreads continued to tighten during the quarter and supported modest excess returns over treasuries.
- Globally, spread compression was particularly strong in European sovereigns as we saw systematic risk in the region continue to abate.
- Emerging market debt rebounded during the quarter. Inflows have been strong in the asset class with deals oversubscribed, underscoring strong asset-class demand.

Portfolio impact

- Our short duration posturing was a detractor during the quarter, however a curve flattening bias contributed favorably within core fixed income.
- Exposures to credit strategies such as high yield and opportunistic income continued to provide outsized gains given the overall environment.
- Strategic exposure to emerging markets debt was a tailwind to overall performance, as this asset class outperformed all other markets during the period.



Source: Top Chart: FactSet. Bottom Chart: Barclays, SEI



Plan Assets and Performance

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New answers.®

Relative-return oriented strategies

Relative Return Strategies	Q1 2014	2013	2012	2011	2010	2009
SIIT Large Cap Fund	1.59	35.54	17.34	0.98	14.29	29.94
Russell 1000 Index	2.05	33.11	16.42	1.50	16.10	28.43
SIIT Small Cap Fund	1.09	41.89	14.37	-4.90	24.68	38.05
Russell 2000 Index	1.12	38.82	16.35	-4.18	26.85	27.17
SIIT U.S. Managed Volatility Fund	4.44	30.03	13.39	10.78	16.09	15.64
Russell 3000 Index	1.97	33.55	16.42	1.03	16.93	28.34
SIMT Global Managed Volatility Fund	3.40	20.53	12.96	5.65	8.27	4.98
MSCI World Index (Hedged)	1.04	28.69	15.77	-5.46	10.46	26.28
SIIT World Equity Ex-US Fund	0.08	18.32	18.70	-12.75	13.40	35.30
MSCI All Country World ex US Index	0.51	15.29	16.83	-13.71	11.15	41.45
SIT Emerging Markets Equity Fund	-1.22	1.60	19.23	-21.88	19.86	78.22
MSCI Emerging Markets Index	-0.43	-2.60	18.22	-18.42	18.88	78.51

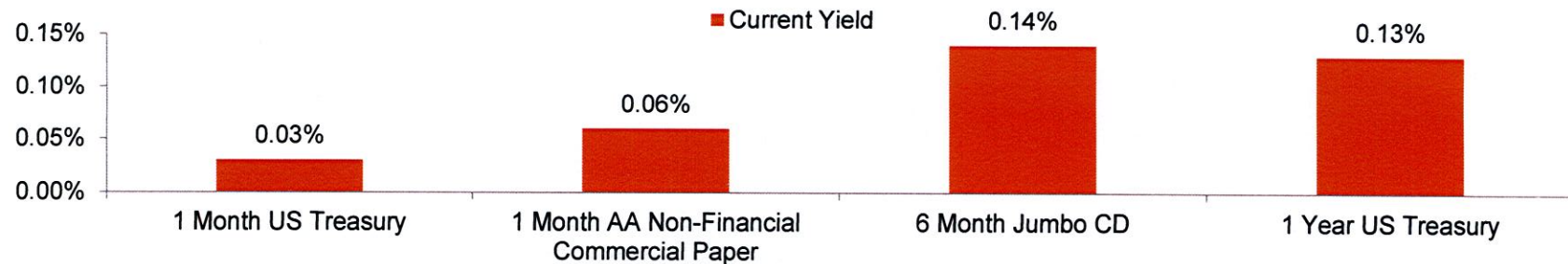
Data as of 3/31/2014. Source: SEI. Gross fund performance reflects the effective performance of the underlying mutual funds that are selected or recommended by SIMC to implement an institutional client's investment strategy. Gross fund performance does not reflect the impact of fund level management fees, fund administration or shareholder servicing fees, all of which, if applicable are used to offset the account level investment management fees the client pays to SIMC. Gross fund performance does reflect certain operational expenses charged by the funds and the reinvestment of dividends and other earnings. The inclusion of the fund level expenses that the client incurs but that are offset against the client's account level investment management fees would reduce the gross fund performance of the mutual funds. Alternative, Property and Private Assets performance may be reported on a monthly or quarterly lag. Performance data quoted is past performance. Past performance is no guarantee of future results. The principal value and investment return of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original value. Current performance may be higher or lower. For performance data current to the most recent month end, please call 1-800-DIAL-SEI.

Relative-return oriented strategies

Relative Return Strategies	Q1 2014	2013	2012	2011	2010	2009
SIIT Core Fixed Income	2.11	-1.10	7.23	8.12	9.96	15.55
Barclays US Aggregate Bond Index	1.84	-2.02	4.21	7.84	6.54	5.93
SIIT High Yield Bond	2.95	8.32	17.24	5.58	17.97	58.84
BofA ML US High Yield Constrained Index	2.99	7.41	15.55	4.37	15.07	58.10
SIIT Opportunistic Income Fund	0.94	2.77	7.50	1.60	7.38	15.93
BofA ML 3Mo Deposit Offered Rate Constant Maturity Index	0.06	0.24	0.51	0.27	0.33	0.99
SIIT Emerging Markets Debt	2.80	-8.42	19.15	5.96	15.82	43.08
50% JPM EMBI GD / 50% GBI- EM GD Index*	2.84	-7.10	17.18	7.35	12.24	29.82
JPM EMBI Global Diversified Index	3.73	-5.25	17.44	7.35	12.24	29.82

Data as of 3/31/2014, Source: SEI. * Prior to 6/30/2012, benchmark is 100% JPM EMBI Global Diversified. Gross fund performance reflects the effective performance of the underlying mutual funds that are selected or recommended by SIMC to implement an institutional client's investment strategy. Gross fund performance does not reflect the impact of fund level management fees, fund administration or shareholder servicing fees, all of which, if applicable are used to offset the account level investment management fees the client pays to SIMC. Gross fund performance does reflect certain operational expenses charged by the funds and the reinvestment of dividends and other earnings. The inclusion of the fund level expenses that the client incurs but that are offset against the client's account level investment management fees would reduce the gross fund performance of the mutual funds. Alternative, Property and Private Assets performance may be reported on a monthly or quarterly lag. Performance data quoted is past performance. Past performance is no guarantee of future results. The principal value and investment return of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original value. Current performance may be higher or lower. For performance data current to the most recent month end, please call 1-800-DIAL-SEI.

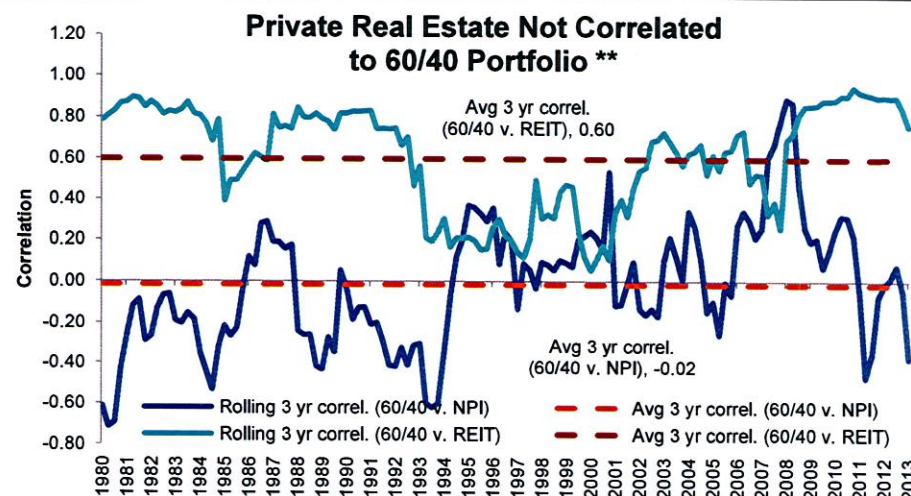
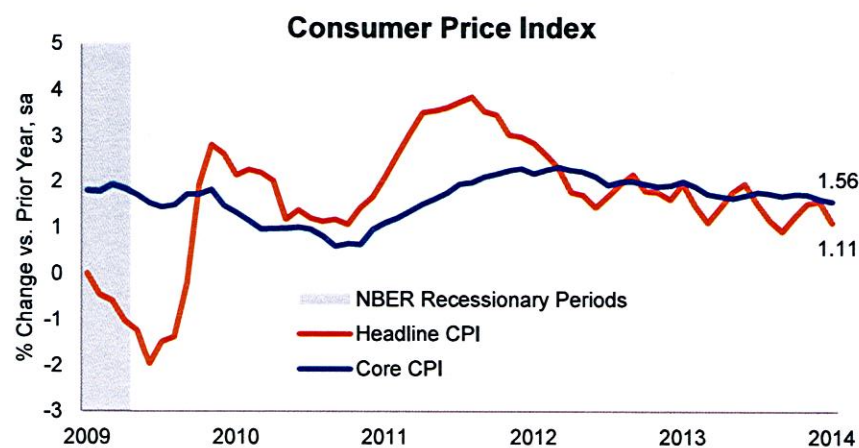
Goals-based strategies: Liquidity-management strategies



Strategy	Q1 2014	2013	2012	2011	2010	2009	Duration	Current Yield	SEC 30-Day Yield
SIIT Ultra Short Duration Fund	0.37	1.03	2.93				0.69	1.55	0.88
Barclays Short US Treasury 9-12 Month Index	0.08	0.25	0.23				0.85	1.37	n/a
SDIT Short Duration Government Fund	0.15	0.05	1.93	2.72	3.73	4.84	1.95	2.73	1.19
BofA ML 1-3 Year US Treasury Index	0.14	0.36	0.43	1.55	2.35	0.78	1.92	1.57	n/a

Please Note: The information for the Fund should only be shared with investors who are qualified and accredited to invest in this Fund. Performance as of 3/31/2014. Characteristics as of 3/31/2014, Source: Bloomberg, Federal Reserve Bank of St. Louis, Bankrate.com. Source: SEI. Data as of 3/31/2014, Source: SEI. Gross fund performance reflects the effective performance of the underlying mutual funds that are selected or recommended by SIMC to implement an institutional client's investment strategy. Gross fund performance does not reflect the impact of fund level management fees, fund administration or shareholder servicing fees, all of which, if applicable are used to offset the account level investment management fees the client pays to SIMC. Gross fund performance does reflect certain operational expenses charged by the funds and the reinvestment of dividends and other earnings. The inclusion of the fund level expenses that the client incurs but that are offset against the client's account level investment management fees would reduce the gross fund performance of the mutual funds. Alternative, Property and Private Assets performance may be reported on a monthly or quarterly lag. Performance data quoted is past performance. Past performance is no guarantee of future results. The principal value and investment return of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original value. Current performance may be higher or lower. For performance data current to the most recent month end, please call 1-800-DIAL-SEI.

Goals-based strategies: Diversification, yield and inflation management - Real estate

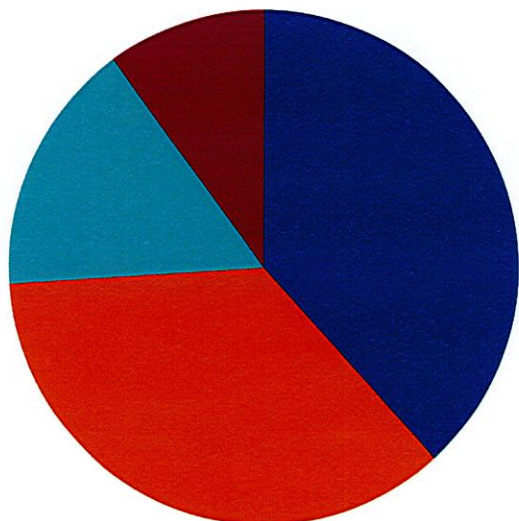


Strategy	Q1 2014	2013	2012	2011	2010	2009	Yield
Core Property Fund (Net)		13.82	11.48	11.79†	n/a	n/a	
NCREIF Property Index (NPI)		10.98	10.54	14.30	13.10	-16.8	
NFI – ODCE		13.94	10.94	16.0	16.4	-29.8	
Consumer Price Index (CPI)	0.74*	1.50	1.74	2.96	1.50	2.72	n/a
Barclays US Aggregate Bond Index	1.84	-2.02	4.21	7.84	6.54	5.93	2.53

* CPI as of February 2014. Source: SEI, DataStream. All data as of 3/31/2014. Net Return is gross return less admin fee †The 2011 return for the SEI Core Property Fund includes a cash-drag, as the fund initially held significant cash prior to becoming more fully invested during the first year of operation. ** 60/40 Portfolio is composed of 60% S&P 500 Index and 40% Barclays Aggregate U.S. Bond Index. Avg REIT correlation uses Dow Jones U.S. Select REIT Index (float adjusted). Please Note: The information for the Fund should only be shared with investors who are qualified and accredited to invest in this Fund. Performance data quoted is past performance. Past performance is no guarantee of future results. The principal value and investment return of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original value. Current performance may be higher or lower. For performance data current to the most recent month end, please call 1-800-DIAL-SEI.

Asset Allocation – Pension 3/31/14

Current portfolio allocation



Asset Class	Total Market Value	% Allocation
US Equity	\$ 21,493,851	38.3%
Fixed Income	\$ 20,021,792	35.7%
World Equity x-US	\$ 8,937,144	15.9%
Real Estate / Property	\$ 5,693,975	10.1%
TOTAL	\$ 56,146,761	100%

Manager/Asset	Style	Total Market Value	% Allocation
SEI LARGE CAP FUND	US Equity	\$ 18,657,515	33.2%
SEI WORLD EQUITY EX-US FUND	World Equity x-US	\$ 6,695,833	11.9%
SEI CORE PROPERTY COLLECTIVE INVEST TR	Real Estate / Property	\$ 5,693,975	10.1%
SEI OPPORTUNISTIC INCOME FD - A	Other Fixed Income	\$ 5,548,983	9.9%
SEI ULTRA SHORT DURATION, CLASS A	Short Duration Fixed Income	\$ 4,447,963	7.9%
SEI CORE FIXED INCOME FUND	Core Fixed Income	\$ 4,444,052	7.9%
SEI EMERGING MARKETS DEBT FUND	Emerging Markets Fixed Income	\$ 3,371,274	6.0%
SEI SMALL CAP FUND	US Equity	\$ 2,836,336	5.1%
SEI EMERGING MARKETS EQUITY FUND	World Equity x-US	\$ 2,241,311	4.0%
SEI HIGH YIELD BOND FUND	High Yield Fixed Income	\$ 2,209,521	3.9%
CASH & ACCRUED INCOME		\$ 0	0.0%
TOTALS		\$ 56,146,761	100%

Alternative, Property and Private Assets valuations may be reported on a monthly or quarterly lag.

Portfolio Performance – Pension 3/31/14

Total Portfolio Returns

	1 Month	3 Month	YTD	1 Year	3 Year	FYTD	ITD
TOTAL PORTFOLIO RETURNS w/ ARS (Gross)	0.29%	1.67%	1.67%	12.66%	9.48%	12.66%	10.49%
SEI ONLY PORTFOLIO RETURNS (Gross)	0.29%	1.67%	1.67%	12.68%	9.58%	12.68%	12.08%
SEI ONLY PORTFOLIO RETURNS (Net)	0.24%	1.51%	1.51%	12.04%	8.94%	12.04%	11.44%
TOTAL INDEX	0.33%	1.67%	1.67%	11.37%	8.41%	11.37%	10.56%

Total Index

11/01/13 - 03/31/14

40.00% RUSSELL 1000 TR
 26.00% BARCLAY US AGG TRIX
 10.00% BOFAML USD LIBOR 3M CON MAT TR
 10.00% HIST BLND: CORE PROPERTY IDX
 6.50% MSCI AC WRLD X US NR USD
 3.50% RUSSELL 2000 TR
 4.00% MSCI EM (EMG MKT) NR USD

Portfolio Note

Market Value as of 4/30: \$56,005,330
 1 Month Return as of 4/30: +0.22%

Asset Growth

	1 Month	3 Month	YTD	Fiscal YTD (03/31)	Since Inception (05/31/10)
Beginning Market Value	\$56,188,157	\$55,887,137	\$55,887,137	\$51,883,216	\$18,296,533
Net Cash Flows	(\$190,000)	(\$622,183)	(\$622,183)	(\$2,057,048)	\$18,235,185
Net Funds for Investment	\$55,998,157	\$55,264,954	\$55,264,954	\$49,826,168	\$36,531,718
Investment Gain/Loss	\$148,605	\$881,807	\$881,807	\$6,320,593	\$19,615,043
Ending Market Value	\$56,146,761	\$56,146,761	\$56,146,761	\$56,146,761	\$56,146,761

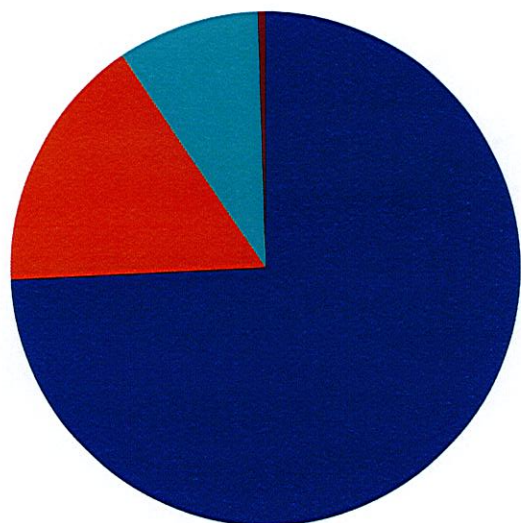
Inception date 5/31/10 Historical Total Index can be accessed in your monthly performance report.

The Portfolio Return numbers are calculated using gross fund performance numbers, and also reflect the impact of any cash flows in the portfolio during the periods. Gross fund performance reflects the effective performance of the underlying mutual funds that are selected or recommended by SIMC to implement an institutional client's investment strategy. Gross fund performance does not reflect the impact of fund level management fees, fund administration or shareholder servicing fees, all of which, if applicable are used to offset the account level investment management fees the client pays to SIMC. Gross fund performance does reflect certain operational expenses charged by the funds and the reinvestment of dividends and other earnings. The inclusion of the fund level expenses that the client incurs but that are offset against the client's account level investment management fees would reduce the gross fund performance of the mutual funds. Alternative, Property and Private Assets performance may be reported on a monthly or quarterly lag.

Net Portfolio Returns deduct a 0.64% annual fee for all periods to demonstrate the impact that SIMC's investment management fee had on the portfolio performance. However, this is a hypothetical calculation, as it does not reflect the actual fees paid by the client during the period. Please see your client invoice for actual fees paid.

Asset Allocation – Health & Welfare 3/31/14

Current portfolio allocation



Asset Class	Total Market Value	% Allocation
Fixed Income	\$ 2,230,366	74.3%
US Equity	\$ 487,277	16.2%
World Equity x-US	\$ 271,026	9.0%
Cash & Equivalents	\$ 14,336	0.5%
TOTAL	\$ 3,003,005	100%

Manager/Asset	Style	Total Market Value	% Allocation
SEI OPPORTUNISTIC INCOME FD - A	Other Fixed Income	\$ 747,624	24.9%
SEI CORE FIXED INCOME FUND	Core Fixed Income	\$ 597,690	19.9%
SEI ULTRA SHORT DURATION, CLASS A	Short Duration Fixed Income	\$ 584,124	19.5%
SEI WORLD EQUITY EX-US FUND	World Equity x-US	\$ 210,079	7.0%
SEI LARGE CAP FUND	US Equity	\$ 185,358	6.2%
SEI U.S. MANAGED VOLATILITY FUND (SIIT)	US Equity	\$ 181,470	6.0%
SEI EMERGING MARKETS DEBT FUND	Emerging Markets Fixed Income	\$ 180,599	6.0%
SEI SMALL CAP FUND	US Equity	\$ 120,449	4.0%
SEI HIGH YIELD BOND FUND	High Yield Fixed Income	\$ 120,136	4.0%
SEI EMERGING MARKETS EQUITY FUND	World Equity x-US	\$ 60,947	2.0%
CASH & ACCRUED INCOME		\$ 14,336	0.5%
SEI SHORT-DURATION GOVERNMENT FUND	Municipal Fixed Income	\$ 195	0.0%
SEI GLOBAL MANAGED VOLATILITY FUND	World Equity x-US	\$ 0	0.0%
TOTALS		\$ 3,003,005	100%

Portfolio Performance – Health & Welfare 3/31/14

Total Portfolio Returns	1 Month	3 Month	YTD	1 Year	3 Year	FYTD	ITD
TOTAL PORTFOLIO RETURNS w/ ARS (Gross)	0.38%	1.40%	1.40%	5.59%	6.16%	5.59%	5.56%
SEI Only PORTFOLIO RETURNS (Gross)	0.38%	1.40%	1.40%	5.78%	6.71%	5.78%	7.92%
TOTAL PORTFOLIO RETURNS (Net)	0.35%	1.30%	1.30%	5.38%	6.31%	5.38%	7.52%
TOTAL INDEX	0.23%	1.07%	1.07%	4.29%	5.10%	4.29%	6.00%

Total Index

11/01/13 - 03/31/14

31.50% BOFAML USD LIBOR 3M CON MAT TR
 25.00% BARCLAY US AGG TRIX
 14.00% RUSSELL 1000 TR
 10.00% BARCLAY SH TR 9-12M TRIX
 8.50% BOFAML 1-3Y US TRS TRIX
 4.50% US MANAGED VOLATILITY IX
 1.50% RUSSELL 2000 TR
 2.00% MSCI AC WRLD X US NR USD
 2.00% MSCI EM (EMG MKT) NR USD
 1.00% GLOBAL MANAGED VOL IX

Portfolio Note

Market Value as of 4/30: \$3,011,660
 1 Month Return as of 4/30: +0.31%

Asset Growth

	1 Month	3 Month	YTD	Fiscal YTD (03/31)	Since Inception (05/31/10)
Beginning Market Value	\$2,992,302	\$2,964,534	\$2,964,534	\$2,668,265	\$2,311,721
Net Cash Flows	\$0	(\$972)	(\$972)	\$177,519	(\$12,334)
Net Funds for Investment	\$2,992,302	\$2,963,562	\$2,963,562	\$2,845,784	\$2,299,387
Investment Gain/Loss	\$10,703	\$39,443	\$39,443	\$157,221	\$703,619
Ending Market Value	\$3,003,005	\$3,003,005	\$3,003,005	\$3,003,005	\$3,003,005

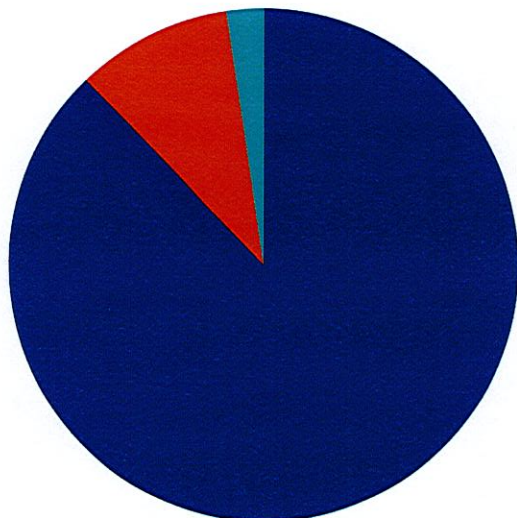
Inception date 5/31/10 Historical Total Index can be accessed in your monthly performance report.

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Net Portfolio Returns deduct a 0.40% annual fee for all periods to demonstrate the impact that SIMC's investment management fee had on the portfolio performance. However, this is a hypothetical calculation, as it does not reflect the actual fees paid by the client during the period. Please see your client invoice for actual fees paid.

Asset Allocation – Apprentice & Training 3/31/14

Current portfolio allocation



Asset Class	Total Market Value	% Allocation
Fixed Income	\$ 480,898	87.7%
US Equity	\$ 54,429	9.9%
World Equity x-US	\$ 13,089	2.4%
TOTAL	\$ 548,417	100%

Manager/Asset	Style	Total Market Value	% Allocation
SEI OPPORTUNISTIC INCOME FD - A	Other Fixed Income	\$ 144,733	26.4%
SEI SHORT-DURATION GOVERNMENT FUND	Municipal Fixed Income	\$ 127,091	23.2%
SEI CORE FIXED INCOME FUND	Core Fixed Income	\$ 82,580	15.1%
SEI ULTRA SHORT DURATION, CLASS A	Short Duration Fixed Income	\$ 54,292	9.9%
SEI EMERGING MARKETS DEBT FUND	Emerging Markets Fixed Income	\$ 46,820	8.5%
SEI LARGE CAP FUND	US Equity	\$ 37,855	6.9%
SEI HIGH YIELD BOND FUND	High Yield Fixed Income	\$ 25,382	4.6%
SEI U.S. MANAGED VOLATILITY FUND (SIIT)	US Equity	\$ 12,590	2.3%
SEI WORLD EQUITY EX-US FUND	World Equity x-US	\$ 5,519	1.0%
SEI EMERGING MARKETS EQUITY FUND	World Equity x-US	\$ 5,326	1.0%
SEI SMALL CAP FUND	US Equity	\$ 3,984	0.7%
SEI GLOBAL MANAGED VOLATILITY FUND	World Equity x-US	\$ 2,244	0.4%
CASH & ACCRUED INCOME		\$ 0	0.0%
TOTALS		\$ 548,417	100%

Portfolio Performance – Apprentice & Training 3/31/14

Total Portfolio Returns	1 Month	3 Month	YTD	1 Year	3 Year	FYTD	ITD
TOTAL PORTFOLIO RETURNS (Gross)	0.28%	1.22%	1.22%	3.20%	5.73%	3.20%	5.74%
TOTAL PORTFOLIO RETURNS (Net)	0.25%	1.12%	1.12%	2.80%	5.33%	2.80%	5.34%
TOTAL INDEX	0.07%	0.85%	0.85%	1.93%	3.92%	1.93%	3.68%

Total Index

11/01/13 - 03/31/14

28.00% BARCLAY US AGG TRIX
 26.50% BOFAML USD LIBOR 3M CON MAT TR
 23.50% BOFAML 1-3Y US TRS TRIX
 10.00% BARCLAY SH TR 9-12M TRIX
 6.70% RUSSELL 1000 TR
 2.20% US MANAGED VOLATILITY IX
 0.70% RUSSELL 2000 TR
 1.00% MSCI AC WRLD X US NR USD
 1.00% MSCI EM (EMG MKT) NR USD
 0.40% GLOBAL MANAGED VOL IX

Portfolio Note

Market Value as of 4/30: \$550,375
 1 Month Return as of 4/30: +0.38%

Equity increased to 25% on 5/1/14

Asset Growth

	1 Month	3 Month	YTD	Fiscal YTD (03/31)	Since Inception (05/31/10)
Beginning Market Value	\$547,010	\$562,280	\$562,280	\$618,249	\$502,056
Net Cash Flows	\$0	(\$20,164)	(\$20,164)	(\$85,933)	(\$70,114)
Net Funds for Investment	\$547,010	\$542,116	\$542,116	\$532,316	\$431,942
Investment Gain/Loss	\$1,407	\$6,301	\$6,301	\$16,100	\$116,475
Ending Market Value	\$548,417	\$548,417	\$548,417	\$548,417	\$548,417

Inception date 5/31/10 Historical Total Index can be accessed in your monthly performance report.

The Portfolio Return numbers are calculated using gross fund performance numbers, and also reflect the impact of any cash flows in the portfolio during the periods. Gross fund performance reflects the effective performance of the underlying mutual funds that are selected or recommended by SIMC to implement an institutional client's investment strategy. Gross fund performance does not reflect the impact of fund level management fees, fund administration or shareholder servicing fees, all of which, if applicable are used to offset the account level investment management fees the client pays to SIMC. Gross fund performance does reflect certain operational expenses charged by the funds and the reinvestment of dividends and other earnings. The inclusion of the fund level expenses that the client incurs but that are offset against the client's account level investment management fees would reduce the gross fund performance of the mutual funds. Alternative, Property and Private Assets performance may be reported on a monthly or quarterly lag.

Net Portfolio Returns deduct a 0.40% annual fee for all periods to demonstrate the impact that SIMC's investment management fee had on the portfolio performance. However, this is a hypothetical calculation, as it does not reflect the actual fees paid by the client during the period. Please see your client invoice for actual fees paid.

Appendix

SEI New ways.
New answers.®

Manager changes: First quarter 2014

Fund	Manager Addition and Rationale	Manager Termination and Rationale
High Yield	<u>Benefit Street Partners</u> Benefit Street Partners is a fundamental, bottom-up security selector with a strong background in credit analysis. The team's breadth and depth provide it with a unique investment perspective when compared to the universe. The firm has shown the ability to use its industry network and knowledge to identify mispriced value	<u>Guggenheim</u> Our view of Guggenheim and their credit team remains favorable and the firm continues to manage other mandates for SEI. However, due to their success and growth, we believe the firm's expertise has evolved from a niche high-yield bond specialist to a much broader multi-asset manager.
Large Cap Fund		<u>West End</u> With a concentrated portfolio, an original concern of ours was the stock-selection risk inherent in their strategy, which could lead to short-term performance struggles, but we anticipated this to be offset over time from the manager's sector-rotation abilities. We have been disappointed that the prolonged struggles with stock selection have eroded any potential benefits of sector positioning, a violation of our original investment thesis.

Manager changes continued: First quarter 2014

Fund	Manager Addition and Rationale	Manager Termination and Rationale
World Equity ex US Fund	<u>Baillie Gifford</u> Baillie Gifford is a fundamental research shop whose efforts seek long-term investments in well-managed businesses which enjoy sustainable and competitive advantages. The team aims to select stocks that can sustain above average growth in earnings and cash flow. The investment horizon is longer term in nature as analysts assess a company's prospects for sustainable growth rather than attempting to predict short-term share-price movement.	

IUOE 487 Apprentice & Training Fund Portfolios

Asset Class	Prior	5/1/14
US Large Cap Fundamental Equity	6.7%	6.0%
US Small Cap Equity	0.7%	4.0%
World Equity ex-US	1.0%	7.0%
Emerging Markets Equity	1.0%	2.0%
US Managed Volatility Equity	2.2%	6.0%
Global Managed Volatility Equity	0.4%	-
Total Equity	12.0%	25.0%
U.S. High Yield	4.5%	4.0%
Emerging Markets Debt	8.5%	6.0%
Diversified Short Term Fixed Income	26.5%	25.0%
Short Term Corporate Fixed Income	10.0%	20.0%
Short-Duration Government	23.5%	-
Core Fixed Income	15.0%	20.0%
Total Fixed Income	88.0%	75.0%
Portfolio Metrics (% - net of fees)		
Expected Return (Short Term)	4.3%	5.2%
Standard Deviation	5.7%	7.6%
Sharpe Ratio	0.40	0.41
Risk of Loss (5 th Percentile)	-4.7%	-6.6%

Annualized returns: Through March 31, 2014

Fund (Inception Date) Benchmark Index	1-Year		3-Year		5-Year		10-Year		Since Inception	
	SEI	Benchmark	SEI	Benchmark	SEI	Benchmark	SEI	Benchmark	SEI	Benchmark
SIIT Large Cap (6/14/96) Russell 1000 Index	23.86	22.41	15.49	14.73	21.81	21.72	8.10	7.79	8.19	8.14
SIIT U.S. Managed Volatility (12/30/08) Russell 3000 Index	19.75	22.61	16.79	14.60	20.94	21.92			17.10	18.18
SIMT Global Managed Volatility (7/27/06) MSCI World Index (USD Hedged)	9.84	18.48	13.16	11.18	13.71	17.08			4.45	5.37

Data as of 3/31/2014, Source: SEI. Data as of 3/31/2014, Source: SEI. Gross fund performance reflects the effective performance of the underlying mutual funds that are selected or recommended by SIMC to implement an institutional client's investment strategy. Gross fund performance does not reflect the impact of fund level management fees, fund administration or shareholder servicing fees, all of which, if applicable are used to offset the account level investment management fees the client pays to SIMC. Gross fund performance does reflect certain operational expenses charged by the funds and the reinvestment of dividends and other earnings. The inclusion of the fund level expenses that the client incurs but that are offset against the client's account level investment management fees would reduce the gross fund performance of the mutual funds. Alternative, Property and Private Assets performance may be reported on a monthly or quarterly lag. Performance data quoted is past performance. Past performance is no guarantee of future results. The principal value and investment return of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original value. Current performance may be higher or lower. For performance data current to the most recent month end, please call 1-800-DIAL-SEI.

Annualized returns: Through March 31, 2014

Fund (Inception Date) Benchmark Index	1-Year		3-Year		5-Year		10-Year		Since Inception	
	SEI	Benchmark	SEI	Benchmark	SEI	Benchmark	SEI	Benchmark	SEI	Benchmark
SIIT Small Cap (6/14/96) Russell 2000 Index	27.77	24.90	13.12	13.17	25.12	24.30	8.22	8.53	9.29	8.24
SIIT World Equity ex-US (3/28/05) MSCI All Country World ex-US Index	12.82	12.31	5.70	4.15	16.48	15.51			5.86	6.20
SIT Emerging Market Equity (1/17/95) MSCI Emerging Markets Index	0.00	-1.43	-2.42	-2.86	14.91	14.47	9.84	10.10	6.49	6.94

Data as of 3/31/2014, Source: SEI. Data as of 3/31/2014, Source: SEI. Gross fund performance reflects the effective performance of the underlying mutual funds that are selected or recommended by SIMC to implement an institutional client's investment strategy. Gross fund performance does not reflect the impact of fund level management fees, fund administration or shareholder servicing fees, all of which, if applicable are used to offset the account level investment management fees the client pays to SIMC. Gross fund performance does reflect certain operational expenses charged by the funds and the reinvestment of dividends and other earnings. The inclusion of the fund level expenses that the client incurs but that are offset against the client's account level investment management fees would reduce the gross fund performance of the mutual funds. Alternative, Property and Private Assets performance may be reported on a monthly or quarterly lag. Performance data quoted is past performance. Past performance is no guarantee of future results. The principal value and investment return of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original value. Current performance may be higher or lower. For performance data current to the most recent month end, please call 1-800-DIAL-SEI.

Annualized returns: Through March 31, 2014

Fund (Inception Date) Benchmark Index	1-Year		3-Year		5-Year		10-Year		Since Inception	
	SEI	Benchmark	SEI	Benchmark	SEI	Benchmark	SEI	Benchmark	SEI	Benchmark
SIIT Core Fixed Income (6/14/96) Barclays US Aggregate Bond Index	0.75	-0.10	5.03	3.74	7.98	4.80	5.42	4.46	6.51	5.88
SIIT Opportunistic Income (12/14/06) BofA ML USD 3-Mo LIBOR Constant Mat. Index	2.68	0.23	3.75	0.34	6.94	0.41			0.25	1.66
SIIT High Yield Bond (12/5/05) BofA ML U.S. High Yield Constrained Index	7.82	7.52	9.77	8.68	20.30	18.12			9.54	9.03
SIIT Emerging Market Debt (12/5/05) 50% JPM EMBI GD / 50% GBI- EM GD*	-5.17	-3.32	5.18	6.00	13.41	11.01			8.67	7.49
SIIT Ultra Short Bond (2/28/11) Barclays Short US Treasury 9-12 Mo Index	1.12	0.25	1.49	0.31					1.47	0.31
SDIT Short Duration Government (2/17/1987) BofA ML 1-3 Yr US Treasury Index	0.25	0.38	1.44	0.81	2.22	1.10	3.23	2.48	5.32	5.03

* Prior to 6/30/2012, benchmark is 100% JPM EMBI Global Diversified.

Data as of 3/31/2014, Source: SEI. * Inception-to-date performance is cumulative for this Funds as it has been in operation for less than one year.

** Benchmark was 50% S&P 500/50% 10 Year US Treasury Bond from inception to April 2012, from May 2012 to January 2013 the benchmark was 80% S&P 500, 10% High Yield Fixed Income and 10% Emerging Market Debt. Since February 2013 the benchmark is 100% S&P 500 Index.

Data as of 3/31/2014, Source: SEI. Data as of 3/31/2014, Source: SEI. Gross fund performance reflects the effective performance of the underlying mutual funds that are selected or recommended by SIMC to implement an institutional client's investment strategy. Gross fund performance does not reflect the impact of fund level management fees, fund administration or shareholder servicing fees, all of which, if applicable are used to offset the account level investment management fees the client pays to SIMC. Gross fund performance does reflect certain operational expenses charged by the funds and the reinvestment of dividends and other earnings. The inclusion of the fund level expenses that the client incurs but that are offset against the client's account level investment management fees would reduce the gross fund performance of the mutual funds. Alternative, Property and Private Assets performance may be reported on a monthly or quarterly lag. Performance data quoted is past performance. Past performance is no guarantee of future results. The principal value and investment return of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original value. Current performance may be higher or lower. For performance data current to the most recent month end, please call 1-800-DIAL-SEI.

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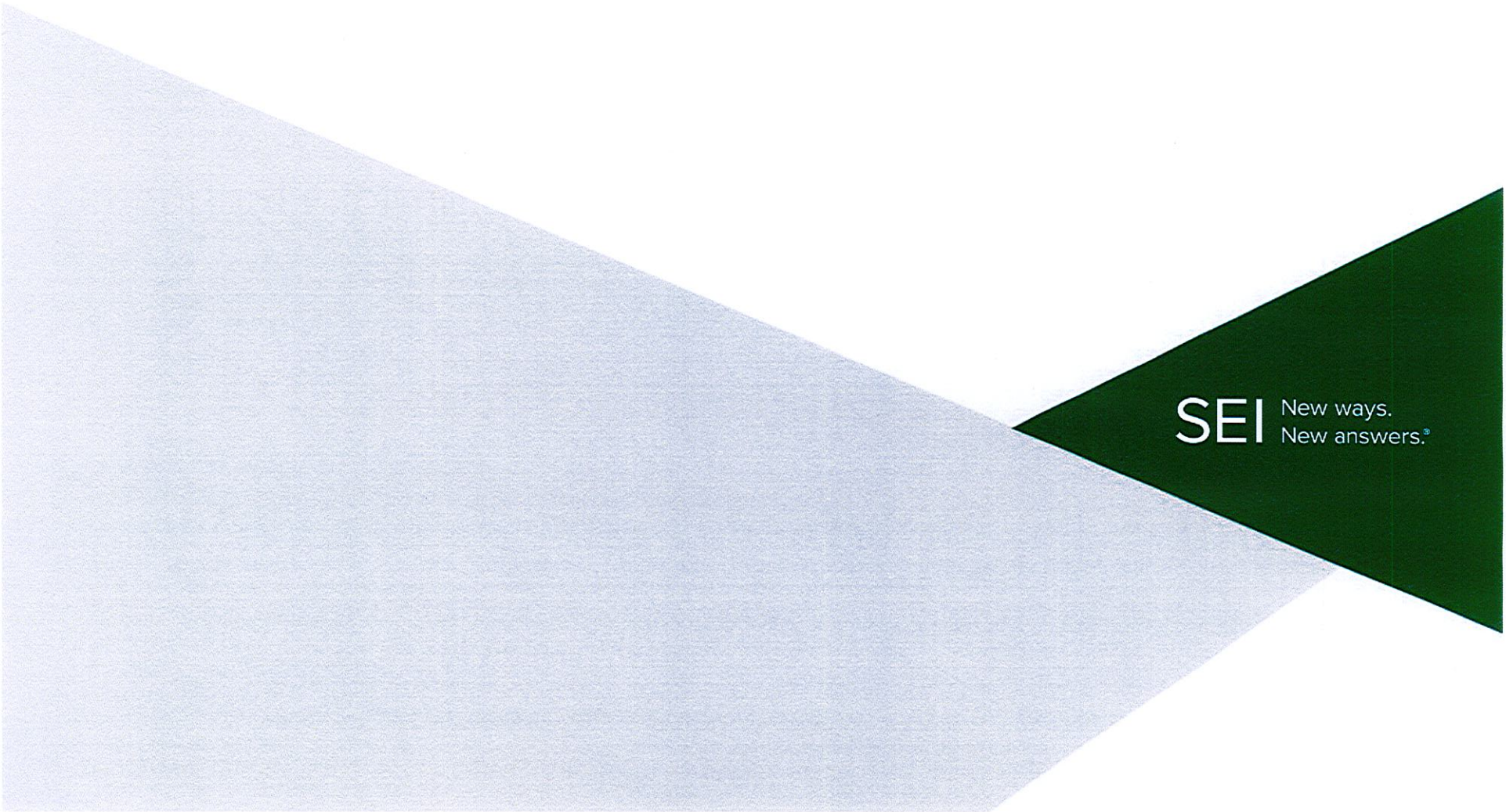
Any presentation of gross mutual fund performance of underlying mutual fund investments or gross account level performance is only intended for one-on-one presentations with clients and may not be duplicated in any form by any means or redistributed without SIMC’s prior written consent.

Annual performance is calculated based on monthly return streams, geometrically linked as of the end of the specified month end.

Performance results do not reflect the effect of certain account level advisory fees. The inclusion of such fees would reduce account level performance, particularly when compounded over a period of years. The following hypothetical illustration shows the compound effect fees have on investment return: For an account charged 1% with a stated annual return of 10%, the net total return before taxes would be reduced from 10% to 9%. A ten year investment of \$100,000 at 10% would grow to \$259,374, and at 9%, to \$236,736 before taxes. For a complete description of all fees and expenses, please refer to SIMC’s Form ADV Part 2A, the investment management agreement between SIMC and each client, and quarterly client invoices.

Certain economic and market information contained herein has been obtained from published sources prepared by other parties, which in certain cases have not been updated through the date hereof. While such sources are believed to be reliable, neither SEI nor its affiliates assumes any responsibility for the accuracy or completeness of such information and such information has not been independently verified by SEI.

Index returns are for illustrative purposes only and do not represent actual fund performance. Index performance returns do not reflect any management fees, transaction costs, or expenses, which would reduce returns. Indexes are unmanaged and one cannot invest directly in an index. Any presentation of gross mutual fund performance of underlying mutual fund investments or gross account level performance is only intended for one-on-one presentations with clients and may not be duplicated in any form by any means or redistributed without SIMC’s prior written consent.

The graphic consists of two overlapping triangles. A large, light blue triangle points towards the right. A smaller, dark green triangle is positioned to the right of the blue triangle, pointing towards the left. The two triangles overlap in the center, creating a white space where the logo text is located.

SEI New ways.
New answers.®

International Union of Operating
Engineers Local 487
Pension Trust Fund

INVESTMENT POLICY STATEMENT
11/12/13

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INTRODUCTION

This document establishes the Investment Policy Statement ("Investment Policy") for the International Union of Operating Engineers Local 487 Pension Trust Fund (the "Plan"). The Board of Trustees of the Pension Trust Fund ("Board of Trustees") is responsible for managing the investment process of the Plan in a prudent manner with regard to preserving principal while providing reasonable returns.

The Board of Trustees has arrived at this Investment Policy through careful study of the returns and risks associated with alternative investment strategies in relation to the current and projected liabilities of the Plan, after consulting with such outside Investment Manager (as defined below) as is deemed appropriate. This Investment Policy has been chosen as the most appropriate policy for achieving the financial objectives of the Plan which are described in the "Statement of Objectives" section of this document; however, the Board of Trustees shall be free to deviate from this Investment Policy when it concludes that it is prudent and in the interest of the Plan to do so and may amend the Investment Policy at any time.

The Board of Trustees has adopted a long-term investment horizon such that the chances and duration of investment losses are carefully weighed against the long term potential for appreciation of assets.

In addition to the Investment Policy defined herein, the management of the Plan will be in compliance with all provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the Investment Advisers Act of 1940 and other applicable laws.

DUTIES AND RESPONSIBILITIES

The Board of Trustees is responsible for managing the investment process in a prudent manner with regard to preserving principal while providing reasonable returns. In carrying out these duties, the Board of Trustees has retained an Investment Manager, SEI Investments Management Corporation (the "Investment Manager"), to assist in managing the assets of the Plan. The Investment Manager's role is to provide guidance to the Board of Trustees on matters pertaining to the investment of Plan assets including Investment Policy, investment selection, monitoring the Plan's performance and compliance with the Investment Policy. All decisions pertaining to the Investment Policy and guidelines for the Investment Policy's implementation will be made by the Board of Trustees. The Investment Manager, in carrying out the Investment Policy defined in this document, has authority and responsibility to select appropriate investments in the specific asset classes mandated by this Investment Policy, in accordance with (and subject to) the terms of an investment management agreement dated 5/27/2010 executed between the Investment Manager and the Plan (the "Investment Management Agreement").

Duties and responsibilities are described in detail below.

Board of Trustees

The Board of Trustees will retain a qualified Investment Manager to assist in the development and implementation of the Investment Policy and guidelines.

The Board of Trustees will establish the Investment Policy of the Plan. This includes, but is not limited to, allocation between equity and fixed income assets, selection of acceptable asset classes and investment performance expectations. The Board of Trustees periodically will review the Investment Policy.

The Board of Trustees will regularly review the investment performance of the Plan including the performance of the Investment Manager to assure the Investment Policy is being followed and progress is being made toward achieving the objectives.

Investment Manager

The Investment Manager retained by the Board of Trustees will assist the Board of Trustees in establishing the Investment Policy and guidelines contained in this Investment Policy.

In accordance with the terms of the Investment Management Agreement, the Investment Manager will be responsible for managing the asset allocation, determining investment strategy and implementing security selection decisions through the investment sub-advisors for the mutual funds managed by the Investment Manager, within the

Investment Policy and as otherwise provided by the Board of Trustees. The Investment Manager will monitor asset allocation across and among asset classes.

The Investment Manager will monitor investment performance of the Plan. Performance reports will be provided to the Board of Trustees quarterly. The Investment Manager will report in a timely manner any substantive developments that may affect the management of Plan assets.

STATEMENT OF OBJECTIVES

ERISA Compliance

The assets of the Plan will be invested in accordance with all applicable laws in a manner consistent with fiduciary standards including ERISA (if applicable). Specifically:

1. The safeguards and diversity that a prudent investor would adhere to must be present in the investment program.
2. All transactions undertaken on behalf of the Plan must be in the best interest of plan participants and their beneficiaries.

Primary Plan Objective

The primary objective of the Plan is to provide a source of retirement income for its participants and beneficiaries. The financial objectives of the Plan have been established in conjunction with a comprehensive review of the current and projected financial requirements.

Plan Financial Objectives

The primary financial objective of the Plan is to improve the funded status of the Plan. A secondary financial objective is, where possible, to minimize pension expense volatility. The objective is based on a long-term investment horizon, so that interim fluctuations should be viewed with appropriate perspective. It should be recognized that this is a union sensitive plan. If an opportunity for investment exists in a company that favors union practices that the Investment Manager is aware of, then that security should be considered more advantageous to the plan, as long as the following requirements are met: 1) the union sensitive security has an expected rate of return that is commensurate to rates of return of alternative investments with similar risk characteristics that are available to the plan; 2) the union sensitive security is otherwise a prudent investment for the plan in terms of diversification; liquidity, and risk/return objectives of the plan and the requirements of these investment guidelines, and 3) the investment otherwise satisfies the requirements of DOL Interpretive Bulletin 94-1 to the extent that such interpretive bulletin is valid relating to economically targeted investments.

There can be no assurance that these objectives will be met.

The desired investment objective is a long-term expected rate above the actuarial assumption rate. The target rate of return for the Plan has been based upon an analysis of historical returns supplemented with an economic and structural review for each asset class. The Board of Trustees realizes that market performance varies and that long term expected rates of return may not be meaningful during some periods. The Board of Trustees also realizes and agrees that historical performance is no guarantee of future performance.

STATEMENT OF INVESTMENT POLICY

Asset Allocation Targets

It will be the policy of the Plan to invest assets with an allocation as shown below.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Permitted Variance</u>
Equity	54%	+/- 10%
Fixed Income	36%	+/- 10%
Real Estate	10%	+/- 5%

Any equity or fixed income holding resulting in a 20% loss from cost must be documented in writing to the Trustees as to your initial reasons for purchase as well as your reasons for continued retention.

Within each asset class, assets will be invested in accordance with the Guidelines set out below. The investments selected by the Investment Manager in accordance with this Investment Policy may include a small portion of total assets in cash reserves when deemed appropriate. However, the investments will be evaluated against their appropriate benchmarks on the performance of the total funds under management.

In accordance with the terms of the Investment Management Agreement, Manager will retain discretion with respect to the SEI mutual funds utilized by Manager to implement the Strategy. Additionally, Investment Manager will retain discretion with respect to modifications required to the asset allocation identified above. In the event the Investment Manager exercises its discretion as noted in this paragraph, Investment Manager will develop and adopt a revised draft Investment Policy Statement on behalf of the Fund. Investment Manager shall notify the Board as soon as practicable after implementing any change to the asset allocation or the SEI Funds used to implement the asset allocation as soon as practicable.

Adherence to Policy Targets and Rebalancing

The asset allocation established by this Investment Policy represents a long-term perspective. As such, rapid unanticipated market shifts or changes in economic conditions may cause the asset mix to fall outside of the policy range. Generally, these divergences should be of a short-term nature.

To ensure that divergence from the target policy is within acceptable limits, rebalancing of assets may be necessary. Rebalancing procedures are authorized by the Committee for the portion of Fund assets managed by the Investment Manager in accordance with the Investment Management Agreement.

Generally, rebalancing among funds may occur on a quarterly basis for the registered investment companies (i.e., mutual funds), hedge funds and private equity (as applicable, if required) to ensure that the target asset allocation specified in this Investment Policy is maintained within acceptable ranges as determined by the Investment Manager. The Investment Manager will identify the amount of assets that must be reallocated in order to bring the Plan back into compliance with this Investment Policy and will issue the necessary instructions for the transfer of funds.

Notwithstanding the foregoing, under certain circumstances, the Investment Manager may (i) make tactical investment decisions for the Fund in accordance with the terms of the target variance noted above, (ii) modify the target variance(s) applicable to the strategy, (iii) modify its standard rebalancing operating procedures, and/or (iv) suspend some or all of the rebalancing procedures affecting the strategy. Investment Manager shall only modify or suspend its rebalancing procedures as outlined in this paragraph if it has prudently determined that such suspension is in the best interest of the Plan, its participants and beneficiaries in its reasonable sole discretion. If the Investment Manager has suspended its rebalancing procedures applicable to the Plan, the Investment Manager shall seek to notify the Board of Trustees as promptly as possible of such decision.

Investment Securities and Diversification

As described in the Investment Management Agreement, the Investment Manager implements this Investment Policy through investments in mutual funds and other pooled asset portfolios. It is the responsibility of the Manager to provide a prospectus (or other offering documents) for each investment and the responsibility of the Board of Trustees to read and understand the information contained in the prospectus.

Mutual funds may use shorting strategies as outlined in the prospectus. Further, certain mutual funds may participate in securities lending as determined by the prospectus (or other offering documents). Such investments are acceptable investments provided they conform to the diversification restrictions set forth below.

Investments will be diversified within asset classes with the intent to minimize the risk of large losses to the Plan. The portfolio includes mutual funds that are managed in accordance with the diversification and industry concentration restrictions set forth in the Investment Company Act of 1940, as amended (the "1940 Act"). Pursuant to the provisions of the 1940 Act, a mutual fund may not, with respect to 75% of its assets, (i) purchase securities of

any issuer (except securities issued or guaranteed by the United States Government, its agencies or instrumentalities) if, as a result, more than 5% of its total assets would be invested in the securities of such issuer; or (ii) acquire more than 10% of the outstanding voting securities of any one issuer. This restriction does not apply to the International Fixed Income Fund or the Emerging Markets Debt Fund.

In addition, no mutual fund may purchase any securities which would cause more than 25% of its total assets to be invested in the securities of one or more issuers conducting their principal business activities in the same industry, provided that this limitation does not apply to investments in securities issued or guaranteed by the United States Government, its agencies or instrumentalities.

Guidelines for Portfolio Holdings

Domestic Equity:

The Domestic Equity portion of the portfolio will consist primarily of equity securities of companies that are listed on registered exchanges or actively traded in the over the counter market. The equity portion may also be invested in securities that are not readily marketable (illiquid and restricted securities), receipts, securities issued by investment companies, warrants, repurchase agreements, convertible securities and US dollar denominated securities of foreign issuers that are traded on registered exchanges or listed on NASDAQ. A portion of the equity portfolio may also be invested in fixed income securities that are rated investment grade or better, i.e., rated in one of the four highest rating categories by a nationally recognized statistical rating organization ("NRSRO"), or, if not rated, determined to be of comparable quality by the Investment Adviser or a mutual fund sub-adviser. The Investment Advisor will equitize cash to remain as fully invested as possible.

Non-U.S. Equity:

The non-U.S. equity portion of the portfolio will consist primarily of equity securities (common stocks, securities that are convertible into common stocks, preferred stocks, warrants and rights to subscribe to common stocks) of non-U.S. issuers purchased in foreign markets, on U.S. or foreign registered exchanges, or the over-the-counter markets. The issuers of the securities are located in countries other than the United States, including emerging market countries. Additionally, the portfolio may seek to enhance returns by active management of currency exposure. This strategy may involve taking long and short positions using futures, foreign currency forward contracts, foreign currencies and other derivatives. The portfolio may also engage in currency transactions in an attempt to take advantage of certain inefficiencies in the currency exchange market, to increase the exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one currency to another. Any remaining assets may be invested in fixed income securities of emerging market governments and companies. Certain securities issued by governments of emerging market countries are, or may be, eligible for conversion into investments in emerging market companies under debt conversion programs sponsored by such governments.

A portion of the portfolio's assets may be invested in securities that are rated below investment grade, U.S. or non-U.S. cash reserves and money market instruments, repurchase agreements, securities that are not readily marketable, obligations of supranational entities, American Depositary Receipts, European Depositary Receipts and investment company securities including securities issued by foreign investment companies.

Domestic Fixed Income:

The investment grade portion of the domestic fixed income portfolio will consist primarily of fixed income securities that are rated investment grade or better, i.e., rated in one of the four highest rating categories by an NRSRO at the time of purchase, or, if not rated are determined to be of comparable quality by the Investment Adviser or a mutual fund sub-adviser. The portfolio may invest in traditional fixed income securities, such as bonds and debentures, issued by domestic and foreign private and governmental issuers, including mortgage-backed and asset-backed securities. In addition, the portfolio may also contain structured securities that make interest and principal payments based upon the performance of specified assets or indices. Structured securities include mortgage-backed securities such as pass-through certificates, collateralized mortgage obligations and interest and principal only components of mortgage-backed securities. Other investments include mortgage dollar roll transactions, Yankee obligations and obligations of supranational entities.

The high yield portion of the domestic fixed income portfolio will consist primarily of fixed income securities that are rated below investment grade, i.e., rated below the top four rating categories by a NRSRO at the time of purchase, or, if not rated, determined to be of comparable quality by the Investment Adviser or a mutual fund sub-adviser. There is no bottom limit on the ratings of high yield securities that may be purchased and held in the portfolio. Any remaining assets may be invested in equity, investment grade fixed income and money market securities.

Non U.S. Fixed Income:

The non-U.S. investment grade portion of the fixed income portfolio will consist primarily of securities of non-U.S. issuers located in at least three countries other than the United States. Any remaining assets may be invested in obligations issued or guaranteed as to principal and interest by the U.S. Government, its agencies or instrumentalities and preferred stocks. The non-U.S. investment grade portion will concentrate its investments in developed countries.

Non-U.S. investment grade fixed income securities will be traditional fixed income securities, such as bonds and debentures, and will be issued by foreign private and governmental issuers and may include mortgage-backed and asset-backed securities. The portfolio may also contain structured securities that derive interest and principal payments from specified assets or indices. The portfolio will be comprised primarily of investment grade securities denominated in various currencies, including the European Currency Unit. Investment grade securities are rated in one of the highest four rating categories by an NRSRO, or, if not rated, determined to be of comparable quality as determined by the Investment Adviser or a mutual fund sub-adviser.

The emerging debt portion of the portfolio will consist primarily of debt securities of government, government - related and corporate issuers in emerging market countries and of entities organized to restructure outstanding debt of such issuers. Investments will be made in emerging debt securities which are primarily rated below investment grade by internationally recognized credit rating organizations, or, if not rated, determined to be of comparable quality as determined by the Investment Adviser or a mutual fund sub-adviser. While there is no limit on the percentage invested in non-US dollar denominated assets, it is expected that the majority of the emerging debt assets will be denominated in U.S. dollars or hedged back to the U.S. dollar.

Core Property:

The Property strategy will pursue its investment objective by utilizing a "fund of funds" approach, which includes investments in various investment funds that invest directly in commercial real estate properties, such as real estate investment trusts ("REITS"), hedge funds, private equity funds, hybrid funds and any other "alternative" investment funds (collectively, "Underlying Funds"). The primary investments will be in domestic, open-end funds focused on core real estate properties. Core real estate properties are high-quality, income-generating office and industrial properties, leased or pre-leased to creditworthy companies and governmental entities. The strategy is also permitted to invest in less liquid strategies and properties focused on value-added and opportunistic real estate opportunities. Value-added and opportunistic investment strategies offer the potential for higher returns, often entail some amount of illiquidity, and are typically perceived as having a higher risk profile than core investment strategies.

Cash Equivalent Reserves

The investments selected by the Investment Adviser in accordance with this Investment Policy Statement may include a small portion of total assets in cash reserves when deemed appropriate.

Cash equivalent reserves will consist of money market securities such as high quality, short-term debt instruments. They include: (i) bankers' acceptances, certificates of deposits, notes and time deposits of highly-rated U.S. and foreign banks; (ii) U.S. Treasury obligations and obligations issued or guaranteed by the agencies and instrumentalities of the U.S. Government; (iii) high-quality commercial paper issued by U.S. and foreign corporations; (iv) debt obligations with a maturity of one year or less issued by corporations with outstanding high-quality commercial paper; (v) repurchase agreements involving any of the foregoing obligations entered into with highly-rated banks and broker-dealers; and (vi) foreign government obligations.

Volatility

Consistent with the desire for adequate diversification, the investment policy is based on the assumption that the volatility of the combined equity investment will be similar to that of the market opportunity available to institutional

investors with similar return objectives. The volatility of fixed income portfolios may be greater than the market during periods when the portfolio duration exceeds that of the market.

Proxy Statements

Proxies, tender offers and the like will be voted in accordance with the terms of the Investment Management Agreement.

Execution of Security Trades

The Plan expects the purchase and sale of its securities to be made in a manner designed to receive the combination of best price and execution. The Board of Trustees recognizes that mutual fund shares are purchased and sold at the net asset value next determined after receipt of the order and that accordingly, best price and execution may not be applicable to such transactions.

CONTROL PROCEDURES

Review of Liabilities

All major liability assumptions regarding number of participants, compensation, benefit levels and actuarial assumptions will be subject to an annual review by the Board of Trustees. This review will focus on an analysis of major differences between the Plan's assumptions and actual experience.

Review of Investment Objectives

Investment performance will be reviewed annually to determine the continued feasibility of achieving the investment objectives and the appropriateness of the Investment Policy for achieving these objectives. In addition, the validity of the stated objective will be reviewed annually.

It is not expected that the Investment Policy will change frequently. In particular, short-term changes in the financial markets should not require an adjustment to the Investment Policy.

Review of Investment Manager and Investments

The Investment Manager will report on a quarterly basis to review the total Plan investment performance.

The Investment Manager will be responsible for keeping the Board of Trustees advised of any material change in its personnel, the investment strategy, or other pertinent information potentially affecting performance of all investments.

Performance reviews will focus on:

- Comparison of investment results to appropriate benchmarks, as well as market index returns in both equity and debt markets.
- Investment adherence to this Investment Policy and guidelines.
- Material changes in the investment organizations, such as in investment philosophy and personnel, etc.

Performance Expectations

The most important performance expectation is the achievement of long-term investment results that are consistent with the Plan's Investment Policy. Implementation of the policy will be directed toward achieving this return and not toward maximizing return without regard to risk.

The Board of Trustees recognizes that this real return objective may not be meaningful during some time periods. In order to ensure that investment opportunities available over a specific time period are fairly evaluated, comparative performance statistics (including benchmark indices) will be used to evaluate investment results.

ADOPTION OF INVESTMENT POLICY STATEMENT

The Board of Trustees or the International Union of Operating Engineers Local 487 Pension Trust Fund has reviewed, approved and adopted this Investment Policy Statement, dated 11/12/13, prepared with the assistance of SEI Investments Management Corporation.



Signature

11-23-13
Date

International Union of Operating
Engineers Local 487
Health & Welfare Plan

INVESTMENT POLICY STATEMENT

11/12/13

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INTRODUCTION

This document establishes the Investment Policy Statement ("Investment Policy") for the International Union of Operating Engineers Local 487 Health and Welfare Plan (the "Plan"). The Board of Trustees of the Health and Welfare Plan ("Board of Trustees") is responsible for managing the investment process of the Plan in a prudent manner with regard to preserving principal while providing reasonable returns.

The Board of Trustees has arrived at this Investment Policy through careful study of the returns and risks associated with alternative investment strategies in relation to the current and projected liabilities of the Plan, after consulting with such outside Investment Manager (as defined below) as is deemed appropriate. This Investment Policy has been chosen as the most appropriate policy for achieving the financial objectives of the Plan which are described in the "Statement of Objectives" section of this document; however, the Board of Trustees shall be free to deviate from this Investment Policy when it concludes that it is prudent and in the interest of the Plan to do so and may amend the Investment Policy at any time.

The Board of Trustees has adopted a long-term investment horizon such that the chances and duration of investment losses are carefully weighed against the long term potential for appreciation of assets.

In addition to the Investment Policy defined herein, the management of the Plan will be in compliance with all provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the Investment Advisers Act of 1940 and other applicable laws.

DUTIES AND RESPONSIBILITIES

The Board of Trustees is responsible for managing the investment process in a prudent manner with regard to preserving principal while providing reasonable returns. In carrying out these duties, the Board of Trustees has retained an Investment Manager, SEI Investments Management Corporation (the "Investment Manager"), to assist in managing the assets of the Plan. The Investment Manager's role is to provide guidance to the Board of Trustees on matters pertaining to the investment of Plan assets including Investment Policy, investment selection, monitoring the Plan's performance and compliance with the Investment Policy. All decisions pertaining to the Investment Policy and guidelines for the Investment Policy's implementation will be made by the Board of Trustees. The Investment Manager, in carrying out the Investment Policy defined in this document, has authority and responsibility to select appropriate investments in the specific asset classes mandated by this Investment Policy, in accordance with (and subject to) the terms of an investment management agreement dated 5/27/2010 executed between the Investment Manager and the Plan (the "Investment Management Agreement").

Duties and responsibilities are described in detail below.

Board of Trustees

The Board of Trustees will retain a qualified Investment Manager to assist in the development and implementation of the Investment Policy and guidelines.

The Board of Trustees will establish the Investment Policy of the Plan. This includes, but is not limited to, allocation between equity and fixed income assets, selection of acceptable asset classes and investment performance expectations. The Board of Trustees periodically will review the Investment Policy.

The Board of Trustees will regularly review the investment performance of the Plan including the performance of the Investment Manager to assure the Investment Policy is being followed and progress is being made toward achieving the objectives.

Investment Manager

The Investment Manager retained by the Board of Trustees will assist the Board of Trustees in establishing the Investment Policy and guidelines contained in this Investment Policy.

In accordance with the terms of the Investment Management Agreement, the Investment Manager will be responsible for managing the asset allocation, determining investment strategy and implementing security selection decisions through the investment sub-advisors for the mutual funds managed by the Investment Manager, within the

Investment Policy and as otherwise provided by the Board of Trustees. The Investment Manager will monitor asset allocation across and among asset classes.

The Investment Manager will monitor investment performance of the Plan. Performance reports will be provided to the Board of Trustees quarterly. The Investment Manager will report in a timely manner any substantive developments that may affect the management of Plan assets.

STATEMENT OF OBJECTIVES

ERISA Compliance

The assets of the Plan will be invested in accordance with all applicable laws in a manner consistent with fiduciary standards including ERISA (if applicable). Specifically:

1. The safeguards and diversity that a prudent investor would adhere to must be present in the investment program.
2. All transactions undertaken on behalf of the Plan must be in the best interest of plan participants and their beneficiaries.

Primary Plan Objective

The primary objective of the Plan is preservation of capital and long term growth. The financial objectives of the Plan have been established in conjunction with a comprehensive review of the current and projected financial requirements.

Plan Financial Objectives

The primary financial objective of the Plan is preservation of capital and long term growth. The objective is based on a long-term investment horizon, so that interim fluctuations should be viewed with appropriate perspective. It should be recognized that this is a union sensitive plan. If an opportunity for investment exists in a company that favors union practices that the Investment Manager is aware of, then that security should be considered more advantageous to the plan, as long as the following requirements are met: 1) the union sensitive security has an expected rate of return that is commensurate to rates of return of alternative investments with similar risk characteristics that are available to the plan; 2) the union sensitive security is otherwise a prudent investment for the plan in terms of diversification; liquidity, and risk/return objectives of the plan and the requirements of these investment guidelines, and 3) the investment otherwise satisfies the requirements of DOL Interpretive Bulletin 94-1 to the extent that such interpretive bulletin is valid relating to economically targeted investments.

There can be no assurance that these objectives will be met.

The desired investment objective is a long-term expected rate above the actuarial assumption rate. The target rate of return for the Plan has been based upon an analysis of historical returns supplemented with an economic and structural review for each asset class. The Board of Trustees realizes that market performance varies and that long term expected rates of return may not be meaningful during some periods. The Board of Trustees also realizes and agrees that historical performance is no guarantee of future performance.

STATEMENT OF INVESTMENT POLICY

Asset Allocation Targets

It will be the policy of the Plan to invest assets with an allocation as shown below.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Permitted Variance</u>
Equity	25%	+/- 10%
Fixed Income	75%	+/- 10%

Any equity or fixed income holding resulting in a 20% loss from cost must be documented in writing to the Trustees as to your initial reasons for purchase as well as your reasons for continued retention.

Within each asset class, assets will be invested in accordance with the Guidelines set out below. The investments selected by the Investment Manager in accordance with this Investment Policy may include a small portion of total

assets in cash reserves when deemed appropriate. However, the investments will be evaluated against their appropriate benchmarks on the performance of the total funds under management.

In accordance with the terms of the Investment Management Agreement, Manager will retain discretion with respect to the SEI mutual funds utilized by Manager to implement the Strategy. Additionally, Investment Manager will retain discretion with respect to modifications required to the asset allocation identified above. In the event the Investment Manager exercises its discretion as noted in this paragraph, Investment Manager will develop and adopt a revised draft Investment Policy Statement on behalf of the Fund. Investment Manager shall notify the Board as soon as practicable after implementing any change to the asset allocation or the SEI Funds used to implement the asset allocation as soon as practicable.

Adherence to Policy Targets and Rebalancing

The asset allocation established by this Investment Policy represents a long-term perspective. As such, rapid unanticipated market shifts or changes in economic conditions may cause the asset mix to fall outside of the policy range. Generally, these divergences should be of a short-term nature.

To ensure that divergence from the target policy is within acceptable limits, rebalancing of assets may be necessary. Rebalancing procedures are authorized by the Committee for the portion of Fund assets managed by the Investment Manager in accordance with the Investment Management Agreement.

Generally, rebalancing among funds may occur on a quarterly basis for the registered investment companies (i.e., mutual funds), hedge funds, and private equity (as applicable, if required) to ensure that the target asset allocation specified in this Investment Policy is maintained within acceptable ranges as determined by the Investment Manager. The Investment Manager will identify the amount of assets that must be reallocated in order to bring the Plan back into compliance with this Investment Policy and will issue the necessary instructions for the transfer of funds.

Notwithstanding the foregoing, under certain circumstances, the Investment Manager may (i) make tactical investment decisions for the Fund in accordance with the terms of the target variance noted above, (ii) modify the target variance(s) applicable to the strategy, (iii) modify its standard rebalancing operating procedures, and/or (iv) suspend some or all of the rebalancing procedures affecting the strategy. Investment Manager shall only modify or suspend its rebalancing procedures as outlined in this paragraph if it has prudently determined that such suspension is in the best interest of the Plan, its participants and beneficiaries in its reasonable sole discretion. If the Investment Manager has suspended its rebalancing procedures applicable to the Plan, the Investment Manager shall seek to notify the Board of Trustees as promptly as possible of such decision.

Investment Securities and Diversification

As described in the Investment Management Agreement, the Investment Manager implements this Investment Policy through investments in mutual funds and other pooled asset portfolios. It is the responsibility of the Manager to provide a prospectus (or other offering documents) for each investment and the responsibility of the Board of Trustees to read and understand the information contained in the prospectus.

Mutual funds may use shorting strategies as outlined in the prospectus. Further, certain mutual funds may participate in securities lending as determined by the prospectus (or other offering documents). Such investments are acceptable investments provided they conform to the diversification restrictions set forth below.

Investments will be diversified within asset classes with the intent to minimize the risk of large losses to the Plan. The portfolio includes mutual funds that are managed in accordance with the diversification and industry concentration restrictions set forth in the Investment Company Act of 1940, as amended (the "1940 Act"). Pursuant to the provisions of the 1940 Act, a mutual fund may not, with respect to 75% of its assets, (i) purchase securities of any issuer (except securities issued or guaranteed by the United States Government, its agencies or instrumentalities) if, as a result, more than 5% of its total assets would be invested in the securities of such issuer; or (ii) acquire more than 10% of the outstanding voting securities of any one issuer. This restriction does not apply to the International Fixed Income Fund or the Emerging Markets Debt Fund.

In addition, no mutual fund may purchase any securities which would cause more than 25% of its total assets to be invested in the securities of one or more issuers conducting their principal business activities in the same industry, provided that this limitation does not apply to investments in securities issued or guaranteed by the United States Government, its agencies or instrumentalities.

Guidelines for Portfolio Holdings

Domestic Equity:

The Domestic Equity portion of the portfolio will consist primarily of equity securities of companies that are listed on registered exchanges or actively traded in the over the counter market. The equity portion may also be invested in securities that are not readily marketable (illiquid and restricted securities), receipts, securities issued by investment companies, warrants, repurchase agreements, convertible securities and US dollar denominated securities of foreign issuers that are traded on registered exchanges or listed on NASDAQ. A portion of the equity portfolio may also be invested in fixed income securities that are rated investment grade or better, i.e., rated in one of the four highest rating categories by a nationally recognized statistical rating organization ("NRSRO"), or, if not rated, determined to be of comparable quality by the Investment Adviser or a mutual fund sub-adviser. The Investment Advisor will equitize cash to remain as fully invested as possible.

Non-U.S. Equity:

The non-U.S. equity portion of the portfolio will consist primarily of equity securities (common stocks, securities that are convertible into common stocks, preferred stocks, warrants and rights to subscribe to common stocks) of non-U.S. issuers purchased in foreign markets, on U.S. or foreign registered exchanges, or the over-the-counter markets. The issuers of the securities are located in countries other than the United States, including emerging market countries. Additionally, the portfolio may seek to enhance returns by active management of currency exposure. This strategy may involve taking long and short positions using futures, foreign currency forward contracts, foreign currencies and other derivatives. The portfolio may also engage in currency transactions in an attempt to take advantage of certain inefficiencies in the currency exchange market, to increase the exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one currency to another. Any remaining assets may be invested in fixed income securities of emerging market governments and companies. Certain securities issued by governments of emerging market countries are, or may be, eligible for conversion into investments in emerging market companies under debt conversion programs sponsored by such governments.

A portion of the portfolio's assets may be invested in securities that are rated below investment grade, U.S. or non-U.S. cash reserves and money market instruments, repurchase agreements, securities that are not readily marketable, obligations of supranational entities, American Depositary Receipts, European Depositary Receipts and investment company securities including securities issued by foreign investment companies.

Domestic Fixed Income:

The investment grade portion of the domestic fixed income portfolio will consist primarily of fixed income securities that are rated investment grade or better, i.e., rated in one of the four highest rating categories by an NRSRO at the time of purchase, or, if not rated are determined to be of comparable quality by the Investment Adviser or a mutual fund sub-adviser. The portfolio may invest in traditional fixed income securities, such as bonds and debentures, issued by domestic and foreign private and governmental issuers, including mortgage-backed and asset-backed securities. In addition, the portfolio may also contain structured securities that make interest and principal payments based upon the performance of specified assets or indices. Structured securities include mortgage-backed securities such as pass-through certificates, collateralized mortgage obligations and interest and principal only components of mortgage-backed securities. Other investments include mortgage dollar roll transactions, Yankee obligations and obligations of supranational entities.

Non U.S. Fixed Income:

The emerging debt portion of the portfolio will consist primarily of debt securities of government, government - related and corporate issuers in emerging market countries and of entities organized to restructure outstanding debt of such issuers. Investments will be made in emerging debt securities which are primarily rated below investment grade by internationally recognized credit rating organizations, or, if not rated, determined to be of comparable

quality as determined by the Investment Adviser or a mutual fund sub-adviser. While there is no limit on the percentage invested in non-US dollar denominated assets, it is expected that the majority of the emerging debt assets will be denominated in U.S. dollars or hedged back to the U.S. dollar.

Cash Equivalent Reserves

The investments selected by the Investment Adviser in accordance with this Investment Policy Statement may include a small portion of total assets in cash reserves when deemed appropriate.

Cash equivalent reserves will consist of money market securities such as high quality, short-term debt instruments. They include: (i) bankers' acceptances, certificates of deposits, notes and time deposits of highly-rated U.S. and foreign banks; (ii) U.S. Treasury obligations and obligations issued or guaranteed by the agencies and instrumentalities of the U.S. Government; (iii) high-quality commercial paper issued by U.S. and foreign corporations; (iv) debt obligations with a maturity of one year or less issued by corporations with outstanding high-quality commercial paper; (v) repurchase agreements involving any of the foregoing obligations entered into with highly-rated banks and broker-dealers; and (vi) foreign government obligations.

Volatility

Consistent with the desire for adequate diversification, the investment policy is based on the assumption that the volatility of the combined equity investment will be similar to that of the market opportunity available to institutional investors with similar return objectives. The volatility of fixed income portfolios may be greater than the market during periods when the portfolio duration exceeds that of the market.

Proxy Statements

Proxies, tender offers and the like will be voted in accordance with the terms of the Investment Management Agreement.

Execution of Security Trades

The Plan expects the purchase and sale of its securities to be made in a manner designed to receive the combination of best price and execution. The Board of Trustees recognizes that mutual fund shares are purchased and sold at the net asset value next determined after receipt of the order and that accordingly, best price and execution may not be applicable to such transactions.

CONTROL PROCEDURES

Review of Liabilities

All major liability assumptions regarding number of participants, compensation, benefit levels and actuarial assumptions will be subject to an annual review by the Board of Trustees. This review will focus on an analysis of major differences between the Plan's assumptions and actual experience.

Review of Investment Objectives

Investment performance will be reviewed annually to determine the continued feasibility of achieving the investment objectives and the appropriateness of the Investment Policy for achieving these objectives. In addition, the validity of the stated objective will be reviewed annually.

It is not expected that the Investment Policy will change frequently. In particular, short-term changes in the financial markets should not require an adjustment to the Investment Policy.

Review of Investment Manager and Investments

The Investment Manager will report on a quarterly basis to review the total Plan investment performance.

The Investment Manager will be responsible for keeping the Board of Trustees advised of any material change in its personnel, the investment strategy, or other pertinent information potentially affecting performance of all investments.

Performance reviews will focus on:

- Comparison of investment results to appropriate benchmarks, as well as market index returns in both equity and debt markets.
- Investment adherence to this Investment Policy and guidelines.
- Material changes in the investment organizations, such as in investment philosophy and personnel, etc.

Performance Expectations

The most important performance expectation is the achievement of long-term investment results that are consistent with the Plan's Investment Policy. Implementation of the policy will be directed toward achieving this return and not toward maximizing return without regard to risk.

The Board of Trustees recognizes that this real return objective may not be meaningful during some time periods. In order to ensure that investment opportunities available over a specific time period are fairly evaluated, comparative performance statistics (including benchmark indices) will be used to evaluate investment results.

ADOPTION OF INVESTMENT POLICY STATEMENT

The Board of Trustees or the International Union of Operating Engineers Local 487 Health and Welfare Plan has reviewed, approved and adopted this Investment Policy Statement, dated 11/12/13, prepared with the assistance of SEI Investments Management Corporation.


Signature

11-20-13
Date

South Florida Operating Engineers Apprentice & Training Fund

INVESTMENT POLICY STATEMENT

4/2/14

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INTRODUCTION

This document establishes the Investment Policy Statement (“Investment Policy”) for the South Florida Operating Engineers Apprentice and Training Plan (the “Plan”). The Board of Trustees of the Apprentice and Training Plan (“Board of Trustees”) is responsible for managing the investment process of the Plan in a prudent manner with regard to preserving principal while providing reasonable returns.

The Board of Trustees has arrived at this Investment Policy through careful study of the returns and risks associated with alternative investment strategies in relation to the current and projected liabilities of the Plan, after consulting with such outside Investment Manager (as defined below) as is deemed appropriate. This Investment Policy has been chosen as the most appropriate policy for achieving the financial objectives of the Plan which are described in the “Statement of Objectives” section of this document; however, the Board of Trustees shall be free to deviate from this Investment Policy when it concludes that it is prudent and in the interest of the Plan to do so and may amend the Investment Policy at any time.

The Board of Trustees has adopted a long-term investment horizon such that the chances and duration of investment losses are carefully weighed against the long term potential for appreciation of assets.

In addition to the Investment Policy defined herein, the management of the Plan will be in compliance with all provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), the Investment Advisers Act of 1940 and other applicable laws.

DUTIES AND RESPONSIBILITIES

The Board of Trustees is responsible for managing the investment process in a prudent manner with regard to preserving principal while providing reasonable returns. In carrying out these duties, the Board of Trustees has retained an Investment Manager, SEI Investments Management Corporation (the “Investment Manager”), to assist in managing the assets of the Plan. The Investment Manager’s role is to provide guidance to the Board of Trustees on matters pertaining to the investment of Plan assets including Investment Policy, investment selection, monitoring the Plan’s performance and compliance with the Investment Policy. All decisions pertaining to the Investment Policy and guidelines for the Investment Policy’s implementation will be made by the Board of Trustees. The Investment Manager, in carrying out the Investment Policy defined in this document, has authority and responsibility to select appropriate investments in the specific asset classes mandated by this Investment Policy, in accordance with (and subject to) the terms of an investment management agreement dated 5/27/2010 executed between the Investment Manager and the Plan (the “Investment Management Agreement”).

Duties and responsibilities are described in detail below.

Board of Trustees

The Board of Trustees will retain a qualified Investment Manager to assist in the development and implementation of the Investment Policy and guidelines.

The Board of Trustees will establish the Investment Policy of the Plan. This includes, but is not limited to, allocation between equity and fixed income assets, selection of acceptable asset classes and investment performance expectations. The Board of Trustees periodically will review the Investment Policy.

The Board of Trustees will regularly review the investment performance of the Plan including the performance of the Investment Manager to assure the Investment Policy is being followed and progress is being made toward achieving the objectives.

Investment Manager

The Investment Manager retained by the Board of Trustees will assist the Board of Trustees in establishing the Investment Policy and guidelines contained in this Investment Policy.

In accordance with the terms of the Investment Management Agreement, the Investment Manager will be responsible for managing the asset allocation, determining investment strategy and implementing security selection decisions through the investment sub-advisors for the mutual funds managed by the Investment Manager, within the

Investment Policy and as otherwise provided by the Board of Trustees. The Investment Manager will monitor asset allocation across and among asset classes.

The Investment Manager will monitor investment performance of the Plan. Performance reports will be provided to the Board of Trustees quarterly. The Investment Manager will report in a timely manner any substantive developments that may affect the management of Plan assets.

STATEMENT OF OBJECTIVES

ERISA Compliance

The assets of the Plan will be invested in accordance with all applicable laws in a manner consistent with fiduciary standards including ERISA (if applicable). Specifically:

1. The safeguards and diversity that a prudent investor would adhere to must be present in the investment program.
2. All transactions undertaken on behalf of the Plan must be in the best interest of plan participants and their beneficiaries.

Primary Plan Objective

The primary objective of the Plan is preservation of capital and long term growth. The financial objectives of the Plan have been established in conjunction with a comprehensive review of the current and projected financial requirements.

Plan Financial Objectives

The primary financial objective of the Plan is preservation of capital and long term growth. The objective is based on a long-term investment horizon, so that interim fluctuations should be viewed with appropriate perspective. It should be recognized that this is a union sensitive plan. If an opportunity for investment exists in a company that favors union practices that the Investment Manager is aware of, then that security should be considered more advantageous to the plan, as long as the following requirements are met: 1) the union sensitive security has an expected rate of return that is commensurate to rates of return of alternative investments with similar risk characteristics that are available to the plan; 2) the union sensitive security is otherwise a prudent investment for the plan in terms of diversification; liquidity, and risk/return objectives of the plan and the requirements of these investment guidelines, and 3) the investment otherwise satisfies the requirements of DOL Interpretive Bulletin 94-1 to the extent that such interpretive bulletin is valid relating to economically targeted investments.

There can be no assurance that these objectives will be met.

The desired investment objective is a long-term expected rate above the actuarial assumption rate. The target rate of return for the Plan has been based upon an analysis of historical returns supplemented with an economic and structural review for each asset class. The Board of Trustees realizes that market performance varies and that long term expected rates of return may not be meaningful during some periods. The Board of Trustees also realizes and agrees that historical performance is no guarantee of future performance.

STATEMENT OF INVESTMENT POLICY

Asset Allocation Targets

It will be the policy of the Plan to invest assets with an allocation as shown below.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Permitted Variance</u>
Equity	30%	+/- 10%
Fixed Income	70%	+/- 10%

Any equity or fixed income holding resulting in a 20% loss from cost must be documented in writing to the Trustees as to your initial reasons for purchase as well as your reasons for continued retention.

Within each asset class, assets will be invested in accordance with the Guidelines set out below. The investments selected by the Investment Manager in accordance with this Investment Policy may include a small portion of total

assets in cash reserves when deemed appropriate. However, the investments will be evaluated against their appropriate benchmarks on the performance of the total funds under management.

In accordance with the terms of the Investment Management Agreement, Manager will retain discretion with respect to the SEI mutual funds utilized by Manager to implement the Strategy. Additionally, Investment Manager will retain discretion with respect to modifications required to the asset allocation identified above. In the event the Investment Manager exercises its discretion as noted in this paragraph, Investment Manager will develop and adopt a revised draft Investment Policy Statement on behalf of the Fund. Investment Manager shall notify the Board as soon as practicable after implementing any change to the asset allocation or the SEI Funds used to implement the asset allocation as soon as practicable.

Adherence to Policy Targets and Rebalancing

The asset allocation established by this Investment Policy represents a long-term perspective. As such, rapid unanticipated market shifts or changes in economic conditions may cause the asset mix to fall outside of the policy range. Generally, these divergences should be of a short-term nature.

To ensure that divergence from the target policy is within acceptable limits, rebalancing of assets may be necessary. Rebalancing procedures are authorized by the Committee for the portion of Fund assets managed by the Investment Manager in accordance with the Investment Management Agreement.

Generally, rebalancing among funds may occur on a quarterly basis for the registered investment companies (i.e., mutual funds), hedge funds, and private equity (as applicable, if required) to ensure that the target asset allocation specified in this Investment Policy is maintained within acceptable ranges as determined by the Investment Manager. The Investment Manager will identify the amount of assets that must be reallocated in order to bring the Plan back into compliance with this Investment Policy and will issue the necessary instructions for the transfer of funds.

Notwithstanding the foregoing, under certain circumstances, the Investment Manager may (i) make tactical investment decisions for the Fund in accordance with the terms of the target variance noted above, (ii) modify the target variance(s) applicable to the strategy, (iii) modify its standard rebalancing operating procedures, and/or (iv) suspend some or all of the rebalancing procedures affecting the strategy. Investment Manager shall only modify or suspend its rebalancing procedures as outlined in this paragraph if it has prudently determined that such suspension is in the best interest of the Plan, its participants and beneficiaries in its reasonable sole discretion. If the Investment Manager has suspended its rebalancing procedures applicable to the Plan, the Investment Manager shall seek to notify the Board of Trustees as promptly as possible of such decision.

Investment Securities and Diversification

As described in the Investment Management Agreement, the Investment Manager implements this Investment Policy through investments in mutual funds and other pooled asset portfolios. It is the responsibility of the Manager to provide a prospectus (or other offering documents) for each investment and the responsibility of the Board of Trustees to read and understand the information contained in the prospectus.

Mutual funds may use shorting strategies as outlined in the prospectus. Further, certain mutual funds may participate in securities lending as determined by the prospectus (or other offering documents). Such investments are acceptable investments provided they conform to the diversification restrictions set forth below.

Investments will be diversified within asset classes with the intent to minimize the risk of large losses to the Plan. The portfolio includes mutual funds that are managed in accordance with the diversification and industry concentration restrictions set forth in the Investment Company Act of 1940, as amended (the "1940 Act"). Pursuant to the provisions of the 1940 Act, a mutual fund may not, with respect to 75% of its assets, (i) purchase securities of any issuer (except securities issued or guaranteed by the United States Government, its agencies or instrumentalities) if, as a result, more than 5% of its total assets would be invested in the securities of such issuer; or (ii) acquire more than 10% of the outstanding voting securities of any one issuer. This restriction does not apply to the International Fixed Income Fund or the Emerging Markets Debt Fund.

In addition, no mutual fund may purchase any securities which would cause more than 25% of its total assets to be invested in the securities of one or more issuers conducting their principal business activities in the same industry, provided that this limitation does not apply to investments in securities issued or guaranteed by the United States Government, its agencies or instrumentalities.

Guidelines for Portfolio Holdings

Domestic Equity:

The Domestic Equity portion of the portfolio will consist primarily of equity securities of companies that are listed on registered exchanges or actively traded in the over the counter market. The equity portion may also be invested in securities that are not readily marketable (illiquid and restricted securities), receipts, securities issued by investment companies, warrants, repurchase agreements, convertible securities and US dollar denominated securities of foreign issuers that are traded on registered exchanges or listed on NASDAQ. A portion of the equity portfolio may also be invested in fixed income securities that are rated investment grade or better, i.e., rated in one of the four highest rating categories by a nationally recognized statistical rating organization ("NRSRO"), or, if not rated, determined to be of comparable quality by the Investment Adviser or a mutual fund sub-adviser. The Investment Advisor will equitize cash to remain as fully invested as possible.

Non-U.S. Equity:

The non-U.S. equity portion of the portfolio will consist primarily of equity securities (common stocks, securities that are convertible into common stocks, preferred stocks, warrants and rights to subscribe to common stocks) of non-U.S. issuers purchased in foreign markets, on U.S. or foreign registered exchanges, or the over-the-counter markets. The issuers of the securities are located in countries other than the United States, including emerging market countries. Additionally, the portfolio may seek to enhance returns by active management of currency exposure. This strategy may involve taking long and short positions using futures, foreign currency forward contracts, foreign currencies and other derivatives. The portfolio may also engage in currency transactions in an attempt to take advantage of certain inefficiencies in the currency exchange market, to increase the exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one currency to another. Any remaining assets may be invested in fixed income securities of emerging market governments and companies. Certain securities issued by governments of emerging market countries are, or may be, eligible for conversion into investments in emerging market companies under debt conversion programs sponsored by such governments.

A portion of the portfolio's assets may be invested in securities that are rated below investment grade, U.S. or non-U.S. cash reserves and money market instruments, repurchase agreements, securities that are not readily marketable, obligations of supranational entities, American Depositary Receipts, European Depositary Receipts and investment company securities including securities issued by foreign investment companies.

Domestic Fixed Income:

The investment grade portion of the domestic fixed income portfolio will consist primarily of fixed income securities that are rated investment grade or better, i.e., rated in one of the four highest rating categories by an NRSRO at the time of purchase, or, if not rated are determined to be of comparable quality by the Investment Adviser or a mutual fund sub-adviser. The portfolio may invest in traditional fixed income securities, such as bonds and debentures, issued by domestic and foreign private and governmental issuers, including mortgage-backed and asset-backed securities. In addition, the portfolio may also contain structured securities that make interest and principal payments based upon the performance of specified assets or indices. Structured securities include mortgage-backed securities such as pass-through certificates, collateralized mortgage obligations and interest and principal only components of mortgage-backed securities. Other investments include mortgage dollar roll transactions, Yankee obligations and obligations of supranational entities.

The high yield portion of the domestic fixed income portfolio will consist primarily of fixed income securities that are rated below investment grade, i.e., rated below the top four rating categories by a NRSRO at the time of purchase, or, if not rated, determined to be of comparable quality by the Investment Adviser or a mutual fund sub-adviser. There is no bottom limit on the ratings of high yield securities that may be purchased and held in the

portfolio. Any remaining assets may be invested in equity, investment grade fixed income and money market securities.

Short Duration Government Fund

The Short-Duration Government Fund invests substantially all of its net assets in U.S. Treasury obligations and obligations issued or guaranteed as to principal and interest by agencies or instrumentalities of the U.S. Government, including mortgage-backed securities, and repurchase agreements collateralized by such obligations. The Fund may invest in securities issued by various entities sponsored by the U.S. government, such as the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac). These issuers are chartered or sponsored by acts of Congress; however their securities are neither issued nor guaranteed by the U.S. Treasury and are not backed by the full faith and credit of the United States government. In addition, the Fund may invest in futures contracts, options, swaps and other similar instruments.

Non U.S. Fixed Income:

The non-U.S. investment grade portion of the fixed income portfolio will consist primarily of securities of non-U.S. issuers located in at least three countries other than the United States. Any remaining assets may be invested in obligations issued or guaranteed as to principal and interest by the U.S. Government, its agencies or instrumentalities and preferred stocks. The non-U.S. investment grade portion will concentrate its investments in developed countries.

Non-U.S. investment grade fixed income securities will be traditional fixed income securities, such as bonds and debentures, and will be issued by foreign private and governmental issuers and may include mortgage-backed and asset-backed securities. The portfolio may also contain structured securities that derive interest and principal payments from specified assets or indices. The portfolio will be comprised primarily of investment grade securities denominated in various currencies, including the European Currency Unit. Investment grade securities are rated in one of the highest four rating categories by an NRSRO, or, if not rated, determined to be of comparable quality as determined by the Investment Adviser or a mutual fund sub-adviser.

The emerging debt portion of the portfolio will consist primarily of debt securities of government, government - related and corporate issuers in emerging market countries and of entities organized to restructure outstanding debt of such issuers. Investments will be made in emerging debt securities which are primarily rated below investment grade by internationally recognized credit rating organizations, or, if not rated, determined to be of comparable quality as determined by the Investment Adviser or a mutual fund sub-adviser. While there is no limit on the percentage invested in non-US dollar denominated assets, it is expected that the majority of the emerging debt assets will be denominated in U.S. dollars or hedged back to the U.S. dollar.

Cash Equivalent Reserves

The investments selected by the Investment Adviser in accordance with this Investment Policy Statement may include a small portion of total assets in cash reserves when deemed appropriate.

Cash equivalent reserves will consist of money market securities such as high quality, short-term debt instruments. They include: (i) bankers' acceptances, certificates of deposits, notes and time deposits of highly-rated U.S. and foreign banks; (ii) U.S. Treasury obligations and obligations issued or guaranteed by the agencies and instrumentalities of the U.S. Government; (iii) high-quality commercial paper issued by U.S. and foreign corporations; (iv) debt obligations with a maturity of one year or less issued by corporations with outstanding high-quality commercial paper; (v) repurchase agreements involving any of the foregoing obligations entered into with highly-rated banks and broker-dealers; and (vi) foreign government obligations.

Volatility

Consistent with the desire for adequate diversification, the investment policy is based on the assumption that the volatility of the combined equity investment will be similar to that of the market opportunity available to institutional investors with similar return objectives. The volatility of fixed income portfolios may be greater than the market during periods when the portfolio duration exceeds that of the market.

Proxy Statements

Proxies, tender offers and the like will be voted in accordance with the terms of the Investment Management Agreement.

Execution of Security Trades

The Plan expects the purchase and sale of its securities to be made in a manner designed to receive the combination of best price and execution. The Board of Trustees recognizes that mutual fund shares are purchased and sold at the net asset value next determined after receipt of the order and that accordingly, best price and execution may not be applicable to such transactions.

CONTROL PROCEDURES**Review of Liabilities**

All major liability assumptions regarding number of participants, compensation, benefit levels and actuarial assumptions will be subject to an annual review by the Board of Trustees. This review will focus on an analysis of major differences between the Plan's assumptions and actual experience.

Review of Investment Objectives

Investment performance will be reviewed annually to determine the continued feasibility of achieving the investment objectives and the appropriateness of the Investment Policy for achieving these objectives. In addition, the validity of the stated objective will be reviewed annually.

It is not expected that the Investment Policy will change frequently. In particular, short-term changes in the financial markets should not require an adjustment to the Investment Policy.

Review of Investment Manager and Investments

The Investment Manager will report on a quarterly basis to review the total Plan investment performance.

The Investment Manager will be responsible for keeping the Board of Trustees advised of any material change in its personnel, the investment strategy, or other pertinent information potentially affecting performance of all investments.

Performance reviews will focus on:

- Comparison of investment results to appropriate benchmarks, as well as market index returns in both equity and debt markets.
- Investment adherence to this Investment Policy and guidelines.
- Material changes in the investment organizations, such as in investment philosophy and personnel, etc.

Performance Expectations

The most important performance expectation is the achievement of long-term investment results that are consistent with the Plan's Investment Policy. Implementation of the policy will be directed toward achieving this return and not toward maximizing return without regard to risk.

The Board of Trustees recognizes that this real return objective may not be meaningful during some time periods. In order to ensure that investment opportunities available over a specific time period are fairly evaluated, comparative performance statistics (including benchmark indices) will be used to evaluate investment results.

ADOPTION OF INVESTMENT POLICY STATEMENT

The Board of Trustees of the South Florida Operating Engineers Apprentice and Training Fund has reviewed, approved and adopted this Investment Policy Statement, dated 4/2/14, prepared with the assistance of SEI Investments Management Corporation.

Signature

Date