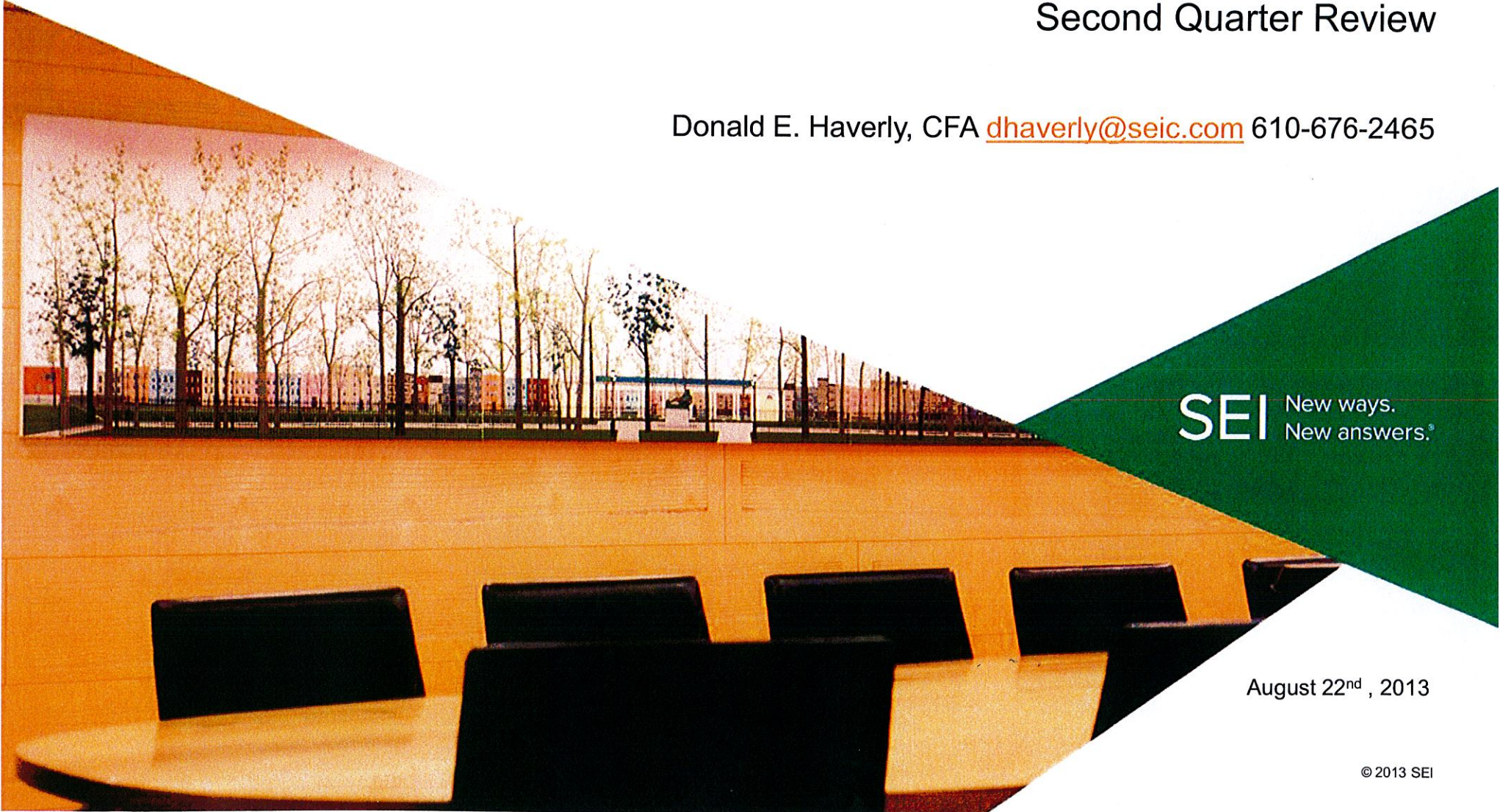


International Union of Operating Engineers Local #487

Second Quarter Review

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SEI New ways.
New answers.®

August 22nd, 2013

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Agenda

- Capital Markets Review
- Plans Assets and Metrics
- Asset Allocation Review
- Auction Rate Securities
- Appendix

Capital Markets Review



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Global market review: Markets pause on Fed concern

Market review

- The Federal Reserve provided guidance that they could begin “tapering” QE in the second half, impacting fragile investor confidence
 - The Fed pointed to diminished downside risks to the economy from improved consumer outlook
- Bonds sold off sharply as real yields spiked
- U.S. equities led all asset classes and geographies
 - Interest rate sensitivity determined relative performance
- Concerns of moderating growth within the emerging markets pressured EM equities, debt and commodities

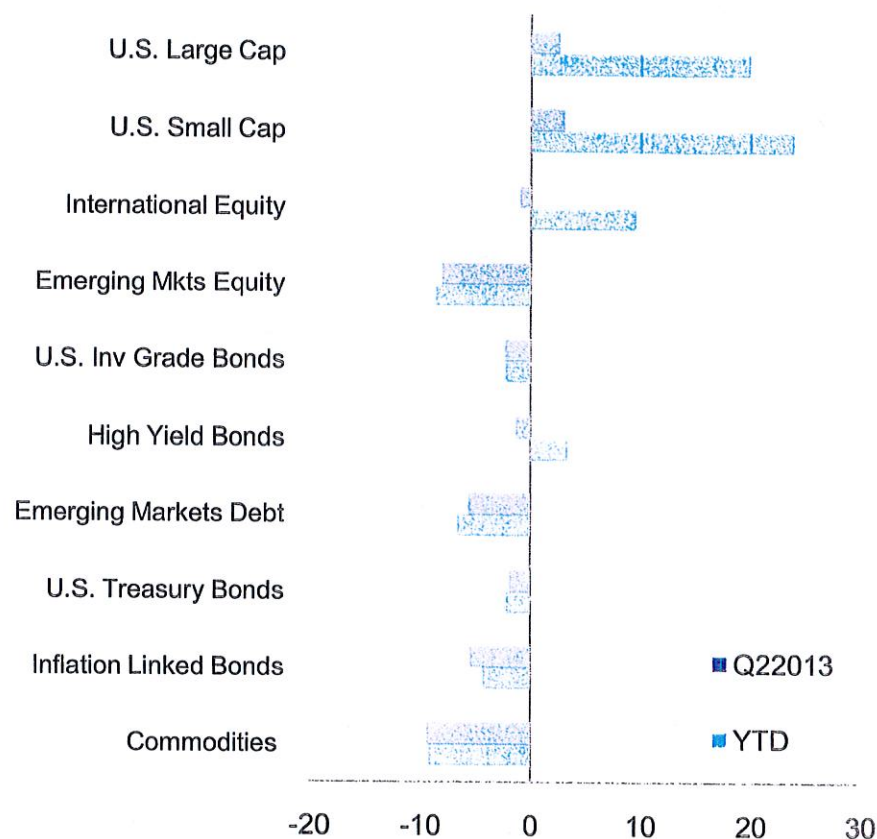
Strategy positioning

- Client portfolios are generally well positioned for increased volatility amidst rising rates
- Bond market volatility provided opportunity for managers to add attractively valued credit exposure

SEI's market and economic outlook

- Investors overreacted to Fed comments
 - Slow growth and U.S. fiscal austerity may give the Fed pause in speed of tapering
- Interest rates are likely to be range bound at these higher levels
- Slowing corporate earnings growth may lead to volatility as investors' attention turns to fundamentals
- Select emerging market equity valuations have become attractive

Financial Markets Performance as of 7/31/13
Selected Markets Q2 2013 and YTD (%)



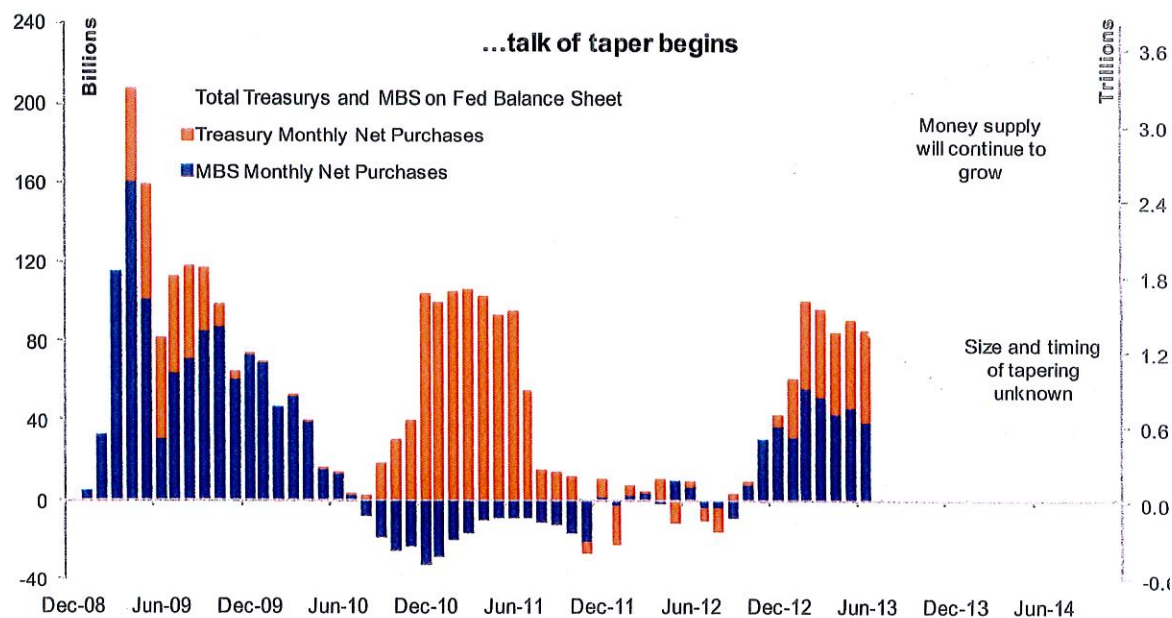
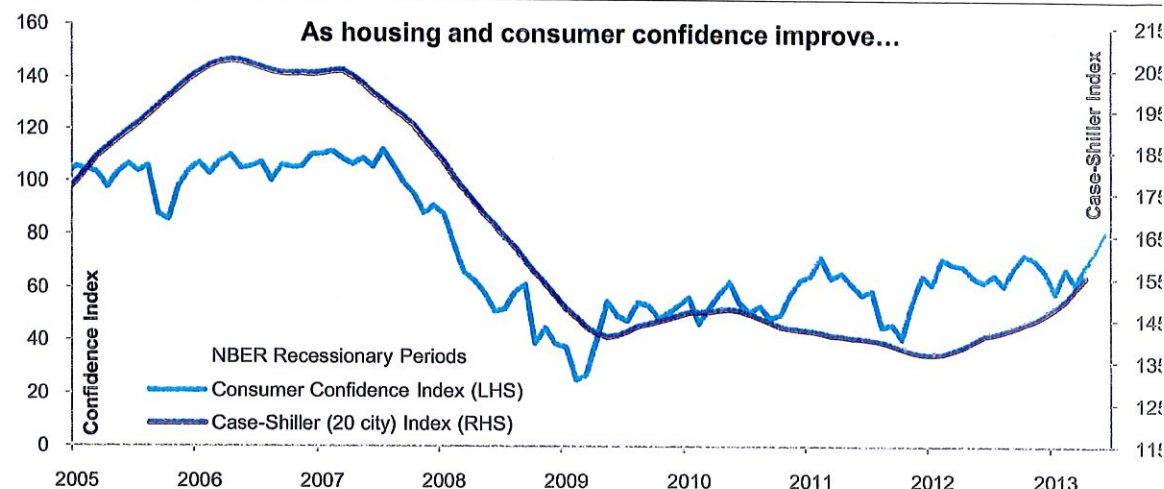
U.S. Large Cap = Russell 1000, U.S. Small Cap = Russell 2000, International Equity = MSCI EAFE, Emerging Markets Equity = MSCI EME, U.S. Investment Grade Bonds = Barclays U.S. Aggregate, High Yield = BofA ML Master II HY Constrained, Emerging Markets Debt = JP Morgan EMBI Global Diversified, Treasury = Treasury component of the Barclays U.S. Aggregate, Inflation Linked = Barclays 1-10 Year TIPS, Commodities = DJ UBS Commodity Index. Source: SEI, FactSet

Enough economic improvement for taper talk

- An improving housing market and rising consumer confidence underpin the Fed's view that downside risks are diminishing
- Tapering implies that the Fed will **slow** the rate of growth in its balance sheet rather than **withdrawing** monetary stimulus from the economy
- SEI believes that the markets overreacted to the Fed's announcement
 - We expect interest rates to be rangebound for the rest of the year
 - We expect investors to focus on identifying fundamentally attractive individual securities
- The Fed emphasized that the rate of tapering will be dependent on economic conditions
- We believe tapering will be slower than many expect
- We will continue to emphasize attractive bond yield and equity earnings opportunities across our portfolios

Source: Top Chart: Conference Board, Standard and Poor's

Bottom Chart: Federal Reserve, SEI



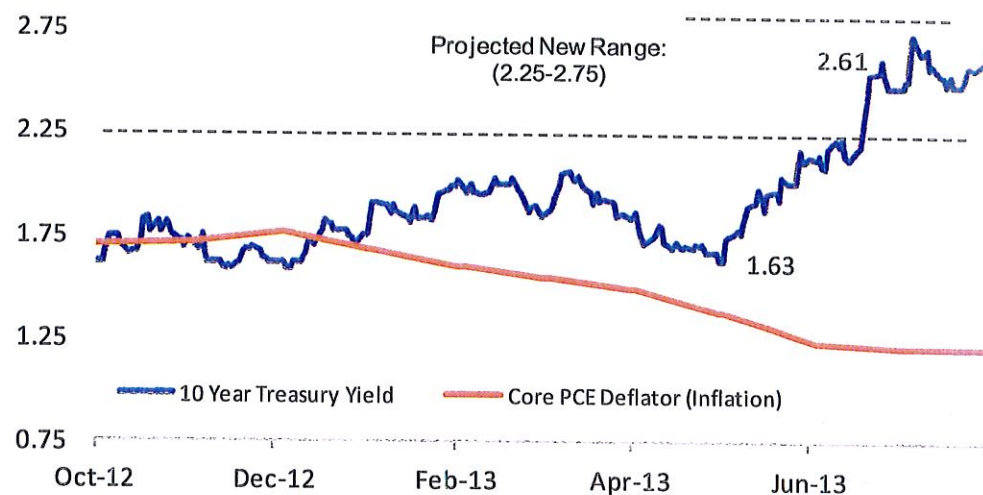
Fixed income: Bond markets react strongly to the Fed

- Interest rates broke sharply higher amidst falling inflation
 - The 10-year nominal rate rose approximately 100 basis points in 38 trading days
- Real rates spiked more than nominal rates as inflation hit record lows
 - The 10-year real rate moved from -0.64% to +0.53% in Q2
- Heavy outflows from both foreign and domestic investors
- Low liquidity contributed to spread widening

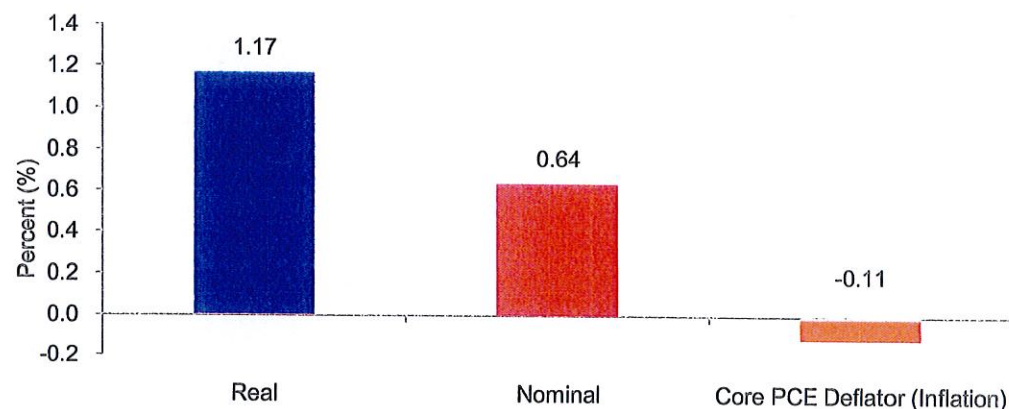
Portfolio Impact

- Allocations to shorter duration and floating rate bonds afforded protection against rate rise
- SEI's view of allocating capital to shorter duration assets and preferring spread versus interest rate sensitivity was beneficial
- TIP's allocations hurt disproportionately by spike in real yields, as investors spurned inflation protection

Rates spike despite falling inflation



Real rates surge higher than nominals in Q2

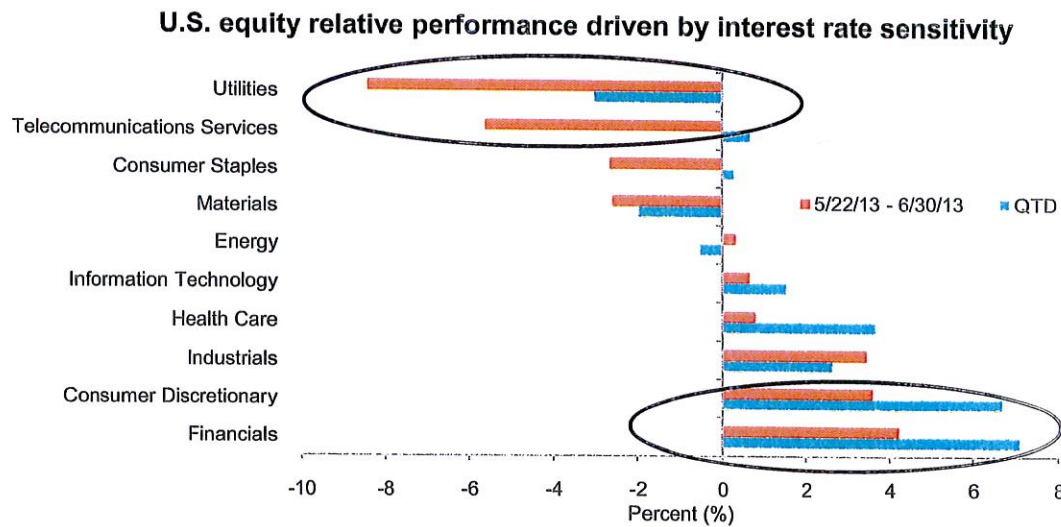
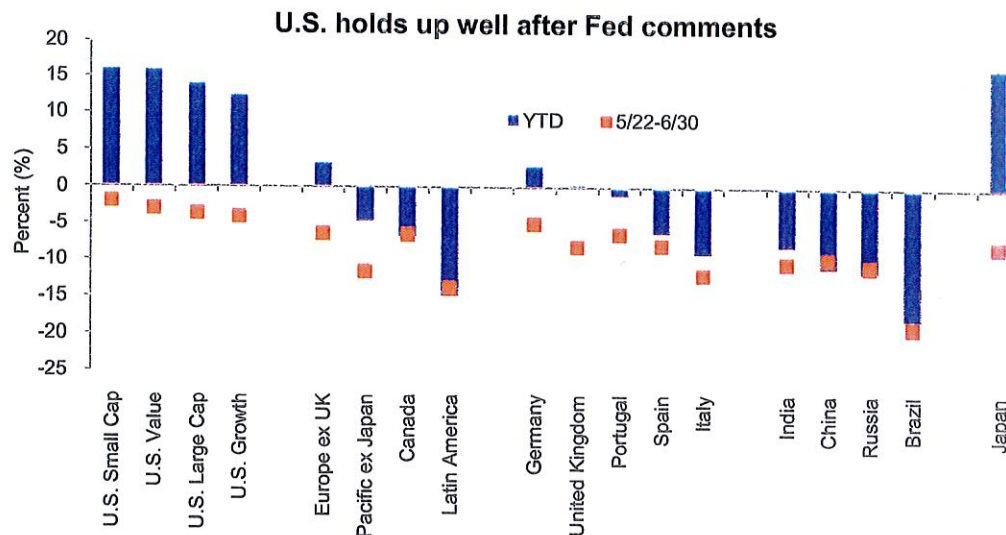


Equity markets: U.S. leadership continues

- The enduring appetite for U.S. equities persisted despite a brief sell-off initiated by Bernanke's tapering comments on May 22
- Outside of the U.S., slowing growth challenged equity markets
- Within U.S. equities, interest rate sensitive sectors drove performance
 - Dividend yield investments, such as Utilities and Telecom, led the weakness
 - Consumer Discretionary and Financials benefited from a steeper yield curve

Portfolio Impact

- Client equity portfolios were helped by a broad underweight to Utilities
- Modestly pro-cyclical positioning added to relative performance
- Fundamental managers who focus on long term earnings growth generally outperformed after struggling last year
 - We expect stock selection to be the primary driver of returns going forward
- Emerging market strategy continued strong relative gains on good manager positioning



Plan Assets and Performance



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Fund Performance

Fund	FYTD, 7/31/2013			1 Year, 7/31/2013		
	SEI (%)	Index (%)	Difference	SEI (%)	Index (%)	Difference
Large Cap	8.63	8.14	0.49	29.25	26.23	3.02
Small Cap	11.93	10.30	1.63	35.50	34.76	0.74
World Equity ex-US	1.60	1.13	0.47	20.37	16.96	3.42
Emerging Markets Equity	-5.88	-7.12	1.24	6.33	2.87	3.47
US Managed Volatility	6.48	8.31	-1.83	19.77	21.46	-1.69
Global Managed Volatility	2.28	1.38	0.90	19.32	21.22	-1.90
Core Fixed Income	-2.13	-2.19	0.06	-0.43	-1.90	1.47
High Yield Bond	0.86	0.46	0.40	11.23	9.48	1.74
Emerging Markets Debt	-6.60	-6.03	-0.57	-0.62	-1.36	0.74
Opportunistic Income	0.19	0.10	-0.09	4.15	0.36	3.79
Ultra Short Bond	0.08	0.10	-0.02	1.80	0.29	1.51
Short Duration Government	-0.68	0.05	-0.63	-0.35	0.25	-0.60
Core Property*	4.25	2.87	1.38	12.93	10.72	2.21

Benchmarks for the funds are as follows: S&P 500 Index (Disciplined Equity), Russell 2500 Index (Small/Mid Cap Equity), MSCI World Equity ex-US (World Equity ex-US), MSCI Emerging Markets Equity Index (Emerging Markets Equity), Russell 3000 Index (US Managed Volatility), MSCI World Equity Index (Global Managed Volatility), Barclays US Aggregate (Core Fixed Income), ML US Master II Constrained Index (High Yield Bond), JPM EMBI Global Diversified Index (Emerging Markets Debt), B of A ML 3M Con-Mat Libor Index (Opportunistic Income), Barclays 9-12 Month Treasury Index (Ultra Short Bond), ML 1-3 Year Treasuries Index (Short Duration Government), NCREIF (Core Property)

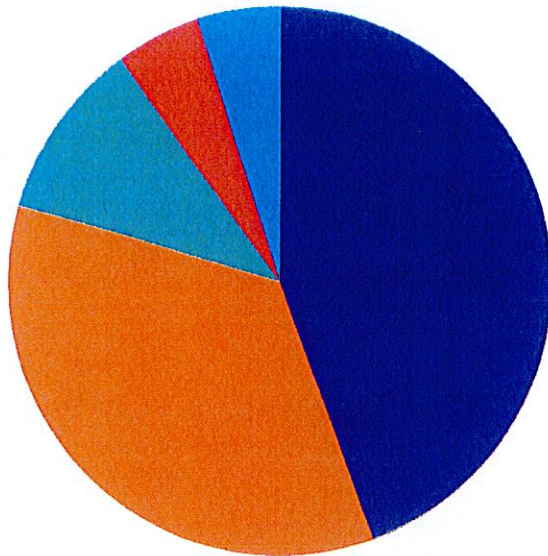
* Core Property returns as of 6/30/13.

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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 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 Total Portfolio 7/31/13

Current portfolio allocation



Asset Class	Total Market Value	% Allocation
US Equity	\$ 23,448,060	43.9%
Fixed Income	\$ 18,486,284	34.6%
World Equity x-US	\$ 5,580,634	10.4%
Real Estate	\$ 5,338,234	10.1%
Other	\$ 583,500	1.1%
TOTAL	\$ 53,436,712	100%

Manager/Asset	Style	Total Market Value	% Allocation
SEI LARGE CAP FUND	US Equity	\$ 21,520,594	40.3%
SEI CORE FIXED INCOME FUND	Core Fixed Income	\$ 8,188,575	15.3%
SEI OPPORTUNISTIC INCOME FD-A	Other Fixed Income	\$ 5,088,823	9.5%
SEI WORLD EQUITY EX-US FUND	World Equity x-US	\$ 4,535,793	8.5%
SEI CORE PROPERTY COLLECTIVE INVEST TR	Real Estate / Property	\$ 5,338,234	10.1%
SEI HIGH YIELD BOND FUND	High Yield Fixed Income	\$ 2,620,392	4.9%
SEI EMERGING MARKETS DEBT FUND	Emerging Markets Fixed Income	\$ 2,588,494	4.8%
SEI SMALL CAP FUND	US Equity	\$ 1,927,466	3.6%
SEI EMERGING MARKETS EQUITY FUND	World Equity x-US	\$ 1,044,841	2.0%
AUCTION RATE SECURITIES	Other	\$ 583,500	1.1%
	TOTALS	\$ 53,436,712	100%

Portfolio Performance – Pension Total Portfolio 7/31/13

Total Portfolio Returns

	1 Month	3 Month	YTD	1 Year	3 Year	FYTD	ITD*
TOTAL PORTFOLIO RETURNS (Gross)	3.21%	1.91%	8.91%	14.48%	10.37%	3.44%	9.84%
TOTAL PORTFOLIO RETURNS (Net)	3.15%	1.75%	8.54%	13.84%	9.73%	3.22%	9.20%
TOTAL INDEX	3.10%	1.75%	8.17%	12.25%	9.62%	3.32%	9.94%

* Inception Date: 5/31/10

Current Blended Benchmark (Total Index)

05/01/13 - 07/31/13

40.00% RUSSELL 1000 TR
 31.00% BARCLAY US AGG TRIX
 10.00% BOFAML USD LIBOR 3M CON MAT TR
 8.50% MSCI AC WRLD X US NR USD
 5.00% NCRIEF
 3.50% RUSSELL 2000 TR
 2.00% MSCI EM (EMG MKT) NR USD

Portfolio Note

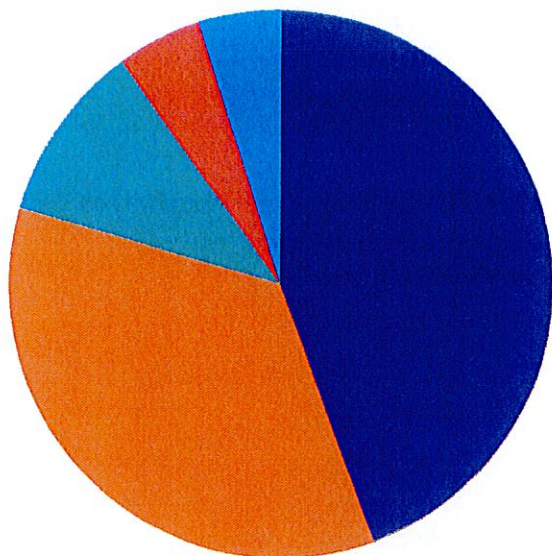
\$2.6 million purchase of Core Property
 occurred on 7/26 bringing target
 allocation up to 10%

Asset Growth

	1 Month	3 Month	YTD	Fiscal YTD (03/31)	Since Inception (05/31/10)
Beginning Market Value	\$51,960,275	\$53,087,995	\$50,335,333	\$52,466,716	\$27,182,868
Net Cash Flows	(\$180,000)	(\$621,248)	(\$1,268,804)	(\$771,248)	\$19,520,986
Net Funds for Investment	\$51,780,275	\$52,466,747	\$49,066,529	\$51,695,468	\$40,533,761
Investment Gain/Loss	\$1,656,437	\$969,965	\$4,370,183	\$1,741,244	\$12,902,951
Ending Market Value	\$53,436,712	\$53,436,712	\$53,436,712	\$53,436,712	\$53,436,712

Asset allocation – Pension SEI Only 7/31/13

Current portfolio allocation



Asset Class	Total Market Value	% Allocation
US Equity	\$ 23,448,060	44.4%
Fixed Income	\$ 18,486,284	35.0%
World Equity x-US	\$ 5,580,634	10.6%
Real Estate	\$ 5,338,234	10.1%
TOTAL	\$ 52,853,212	100%

Manager/Asset	Style	Total Market Value	% Allocation
SEI LARGE CAP FUND	US Equity	\$ 21,520,594	40.7%
SEI CORE FIXED INCOME FUND	Core Fixed Income	\$ 8,188,575	15.5%
SEI OPPORTUNISTIC INCOME FD-A	Other Fixed Income	\$ 5,088,823	9.6%
SEI WORLD EQUITY EX-US FUND	World Equity x-US	\$ 4,535,793	8.6%
SEI CORE PROPERTY COLLECTIVE INVEST TR	Real Estate / Property	\$ 5,338,234	10.1%
SEI HIGH YIELD BOND FUND	High Yield Fixed Income	\$ 2,620,392	5.0%
SEI EMERGING MARKETS DEBT FUND	Emerging Markets Fixed Income	\$ 2,588,494	4.9%
SEI SMALL CAP FUND	US Equity	\$ 1,927,466	3.7%
SEI EMERGING MARKETS EQUITY FUND	World Equity x-US	\$ 1,044,841	2.0%
	TOTALS	\$ 52,853,212	100%

Portfolio Performance – Pension SEI Only 7/31/13

Total Portfolio Returns

	1 Month	3 Month	YTD	1 Year	3 Year	FYTD	ITD*
TOTAL PORTFOLIO RETURNS (Gross)	3.24%	1.93%	9.01%	14.64%	11.22%	3.47%	11.62%
TOTAL PORTFOLIO RETURNS (Net)	3.19%	1.77%	8.63%	14.00%	10.58%	3.26%	10.98%
<i>TOTAL INDEX</i>	3.10%	1.75%	8.17%	12.25%	9.97%	3.32%	10.28%

* Inception Date: 5/31/10

Current Blended Benchmark (Total Index)

05/01/13 - 07/31/13

40.00% RUSSELL 1000 TR
31.00% BARCLAY US AGG TRIX
10.00% BOFAML USD LIBOR 3M CON MAT TR
8.50% MSCI AC WRLD X US NR USD
5.00% NCRIEF
3.50% RUSSELL 2000 TR
2.00% MSCI EM (EMG MKT) NR USD

Portfolio Note

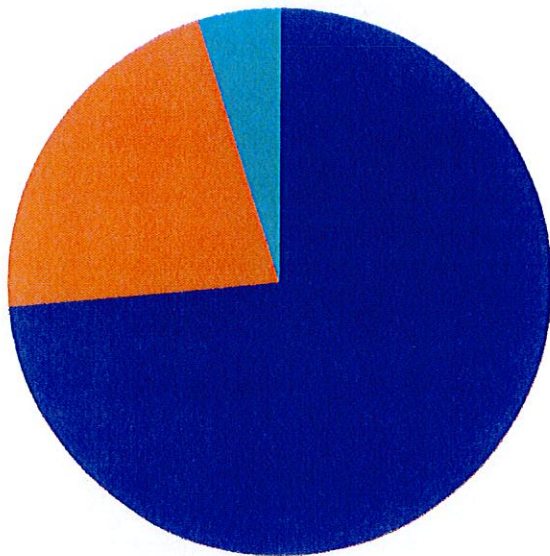
Market Value 7/31/13 - \$52,853,212
Net Cash Flows – (\$58,399)
Net Funds for Investment - \$52,794,813
Market Value 8/9/13 - \$53,074,533
Gain of \$279,720 – approx. +0.53%

Asset Growth

	1 Month	3 Month	YTD	Fiscal YTD (03/31)	Since Inception (05/31/10)
Beginning Market Value	\$51,376,775	\$52,504,495	\$49,751,833	\$51,883,216	\$18,296,533
Net Cash Flows	(\$180,000)	(\$621,248)	(\$1,268,804)	(\$771,248)	\$19,520,986
Net Funds for Investment	\$51,196,775	\$51,883,247	\$48,483,028	\$51,111,968	\$37,817,518
Investment Gain/Loss	\$1,656,437	\$969,965	\$4,370,184	\$1,741,244	\$15,035,694
Ending Market Value	\$52,853,212	\$52,853,212	\$52,853,212	\$52,853,212	\$52,853,212

Asset allocation – Health & Welfare Total Portfolio 7/31/13

Current portfolio allocation



Asset Class	Total Market Value	% Allocation
Fixed Income	\$ 1,975,967	68.9%
US Equity	\$ 578,878	20.2%
World Equity x-US	\$ 132,670	4.6%
Other	\$ 182,500	6.4%
TOTAL	\$ 2,870,015	100%

Manager/Asset	Style	Total Market Value	% Allocation
SEI CORE FIXED INCOME FUND	Core Fixed Income	\$ 834,880	29.1%
SEI OPPORTUNISTIC INCOME FD-A	Other Fixed Income	\$ 615,902	21.5%
SEI LARGE CAP FUND	US Equity	\$ 407,583	14.2%
SEI ULTRA SHORT DURATION, CLASS A	Short Duration Fixed Income	\$ 268,349	9.4%
SEI HIGH YIELD BOND FUND	High Yield Fixed Income	\$ 134,322	4.7%
SEI U.S. MANAGED VOLATILITY FUND (SIIT)	US Equity	\$ 125,669	4.4%
SEI EMERGING MARKETS DEBT FUND	Emerging Markets Fixed Income	\$ 122,513	4.3%
SEI WORLD EQUITY EX-US FUND	World Equity x-US	\$ 68,174	2.4%
SEI SMALL CAP FUND	US Equity	\$ 45,626	1.6%
SEI GLOBAL MANAGED VOLATILITY FUND	World Equity x-US	\$ 39,707	1.4%
SEI EMERGING MARKETS EQUITY FUND	World Equity x-US	\$ 24,789	0.9%
AUCTION RATE SECURITIES	Other	\$ 182,500	6.4%
TOTALS		\$ 2,870,015	100%

Portfolio Performance – H&W Total Portfolio 7/31/13

Total Portfolio Returns

	1 Month	3 Month	YTD	1 Year	3 Year	FYTD	ITD*
TOTAL PORTFOLIO RETURNS (Gross)	1.43%	-0.34%	3.13%	6.41%	7.04%	0.79%	5.21%
TOTAL PORTFOLIO RETURNS (Net)	1.40%	-0.44%	2.90%	6.01%	6.64%	0.66%	4.81%
TOTAL INDEX	1.24%	-0.45%	3.05%	4.95%	6.13%	0.56%	6.14%

Current Blended Benchmark (Total Index)

* Inception Date: 5/31/10

05/01/13 - 07/31/13

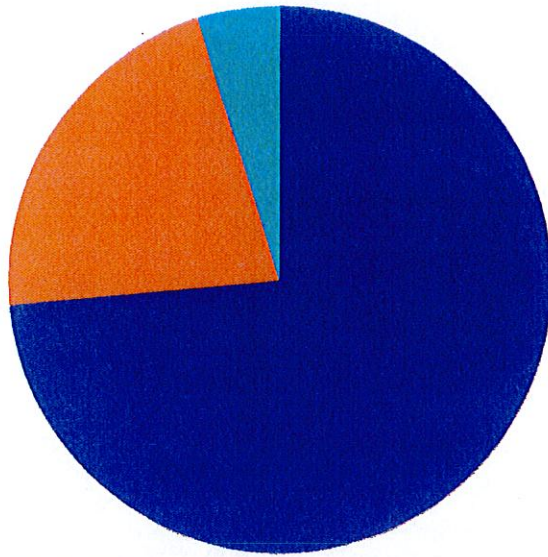
45.50% BARCLAY US AGG TRIX
 21.60% BOFAML USD LIBOR 3M CON MAT TR
 13.20% RUSSELL 1000 TR
 9.40% BARCLAY SH TR 9-12M TRIX
 4.20% US MANAGED VOLATILITY IX
 2.40% MSCI AC WRLD X US NR USD
 1.40% GLOBAL MANAGED VOL IX
 1.40% RUSSELL 2000 TR
 0.90% MSCI EM (EMG MKT) NR USD

Asset Growth

	1 Month	3 Month	YTD	Fiscal YTD (03/31)	Since Inception (05/31/10)
Beginning Market Value	\$2,830,200	\$2,882,727	\$2,785,827	\$2,850,765	\$2,942,818
Net Cash Flows	\$0	(\$1,493)	(\$2,178)	(\$1,493)	(\$483,976)
Net Funds for Investment	\$2,830,200	\$2,881,234	\$2,783,649	\$2,849,272	\$2,458,842
Investment Gain/Loss	\$39,815	(\$11,219)	\$86,366	\$20,743	\$411,173
Ending Market Value	\$2,870,015	\$2,870,015	\$2,870,015	\$2,870,015	\$2,870,015

Asset allocation – Health & Welfare SEI Only 7/31/13

Current portfolio allocation



Asset Class	Total Market Value	% Allocation
Fixed Income	\$ 1,975,967	73.5%
US Equity	\$ 578,878	21.5%
World Equity x-US	\$ 132,670	4.9%
TOTAL	\$ 2,687,515	100%

Manager/Asset	Style	Total Market Value	% Allocation
SEI CORE FIXED INCOME FUND	Core Fixed Income	\$ 834,880	31.1%
SEI OPPORTUNISTIC INCOME FD-A	Other Fixed Income	\$ 615,902	22.9%
SEI LARGE CAP FUND	US Equity	\$ 407,583	15.2%
SEI ULTRA SHORT DURATION, CLASS A	Short Duration Fixed Income	\$ 268,349	10.0%
SEI HIGH YIELD BOND FUND	High Yield Fixed Income	\$ 134,322	5.0%
SEI U.S. MANAGED VOLATILITY FUND (SIIT)	US Equity	\$ 125,669	4.7%
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SEI GLOBAL MANAGED VOLATILITY FUND	World Equity x-US	\$ 39,707	1.5%
SEI EMERGING MARKETS EQUITY FUND	World Equity x-US	\$ 24,789	0.9%
CASH & ACCRUED INCOME		\$ 0	0.0%
TOTALS		\$ 2,687,515	100%

Portfolio Performance – H&W SEI Only 7/31/13

Total Portfolio Returns

	1 Month	3 Month	YTD	1 Year	3 Year	FYTD	ITD*
TOTAL PORTFOLIO RETURNS (Gross)	1.52%	-0.36%	3.37%	6.97%	7.85%	0.84%	7.98%
TOTAL PORTFOLIO RETURNS (Net)	1.49%	-0.46%	3.14%	6.57%	7.45%	0.71%	7.58%
TOTAL INDEX	1.31%	-0.28%	2.78%	4.65%	6.26%	0.76%	6.15%

* Inception Date: 5/31/10

Current Blended Benchmark (Total Index)

05/01/13 - 07/31/13

42.00% BARCLAY US AGG TRIX
 23.00% BOFAML USD LIBOR 3M CON MAT TR
 14.00% RUSSELL 1000 TR
 10.00% BARCLAY SH TR 9-12M TRIX
 4.50% US MANAGED VOLATILITY IX
 2.50% MSCI AC WRLD X US NR USD
 1.50% GLOBAL MANAGED VOL IX
 1.50% RUSSELL 2000 TR
 1.00% MSCI EM (EMG MKT) NR USD

Portfolio Note

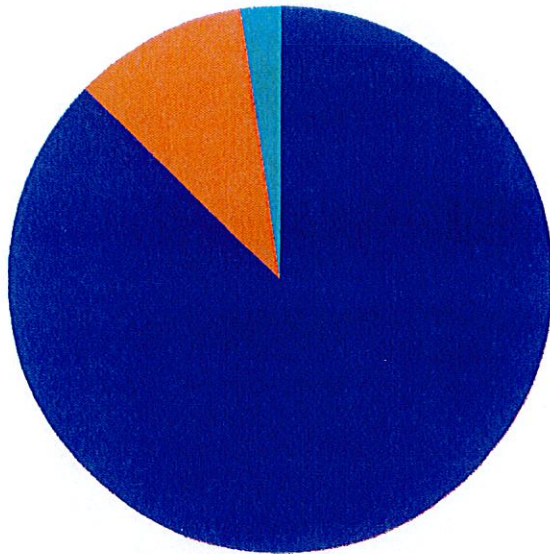
Market Value 7/31/13 - \$2,687,515
 Net Cash Flows – (\$1,306)
 Net Funds for Investment - \$2,686,209
 Market Value 8/9/13 - \$2,692,565
 Gain of \$6,356 – approx. +0.24%

Asset Growth

	1 Month	3 Month	YTD	Fiscal YTD (03/31)	Since Inception (05/31/10)
Beginning Market Value	\$2,647,700	\$2,700,227	\$2,603,327	\$2,668,265	\$2,311,721
Net Cash Flows	\$0	(\$1,493)	(\$2,178)	(\$1,493)	(\$191,346)
Net Funds for Investment	\$2,647,700	\$2,698,734	\$2,601,148	\$2,666,772	\$2,120,375
Investment Gain/Loss	\$39,816	(\$11,219)	\$86,367	\$20,743	\$567,141
Ending Market Value	\$2,687,515	\$2,687,515	\$2,687,515	\$2,687,515	\$2,687,515

Asset allocation – Apprentice & Training 7/31/13

Current portfolio allocation



Asset Class	Total Market Value	% Allocation
Fixed Income	\$ 519,339	87.1%
US Equity	\$ 62,382	10.5%
World Equity x-US	\$ 14,213	2.4%
TOTAL	\$ 595,935	100%

Manager/Asset	Style	Total Market Value	% Allocation
SEI CORE FIXED INCOME FUND	Core Fixed Income	\$ 186,975	31.4%
SEI OPPORTUNISTIC INCOME FD-A	Other Fixed Income	\$ 108,052	18.1%
SEI SHORT-DURATION GOVERNMENT FUND	Municipal Fixed Income	\$ 89,424	15.0%
SEI ULTRA SHORT DURATION, CLASS A	Short Duration Fixed Income	\$ 60,160	10.1%
SEI LARGE CAP FUND	US Equity	\$ 43,795	7.4%
SEI HIGH YIELD BOND FUND	High Yield Fixed Income	\$ 39,139	6.6%
SEI EMERGING MARKETS DEBT FUND	Emerging Markets Fixed Income	\$ 35,589	6.0%
SEI U.S. MANAGED VOLATILITY FUND (SIIT)	US Equity	\$ 13,774	2.3%
SEI WORLD EQUITY EX-US FUND	World Equity x-US	\$ 7,296	1.2%
SEI SMALL CAP FUND	US Equity	\$ 4,813	0.8%
SEI GLOBAL MANAGED VOLATILITY FUND	World Equity x-US	\$ 4,149	0.7%
SEI EMERGING MARKETS EQUITY FUND	World Equity x-US	\$ 2,769	0.5%
CASH & ACCRUED INCOME		\$ 0	0.0%
TOTALS		\$ 595,935	100%

Portfolio Performance – A&T Total 7/31/13

Total Portfolio Returns

	1 Month	3 Month	YTD	1 Year	3 Year	FYTD	ITD*
TOTAL PORTFOLIO RETURNS (Gross)	0.87%	-1.29%	1.02%	3.77%	6.04%	-0.22%	5.81%
TOTAL PORTFOLIO RETURNS (Net)	0.84%	-1.39%	0.79%	3.37%	5.64%	-0.35%	5.41%
<i>TOTAL INDEX</i>	0.69%	-0.93%	0.67%	1.54%	4.17%	-0.13%	3.81%

* Inception Date: 5/31/10

Current Blended Benchmark (Total Index)

05/01/13 - 07/31/13

45.00% BARCLAY US AGG TRIX
 18.00% BOFAML USD LIBOR 3M CON MAT TR
 15.00% 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
 0.50% MSCI EM (EMG MKT) NR USD
 0.70% GLOBAL MANAGED VOL IX
 0.70% RUSSELL 2000 TR
 1.20% MSCI AC WRLD X US NR USD

Portfolio Note

Market Value 7/31/13 - \$595,935
 Net Cash Flows – (\$258)
 Net Funds for Investment - \$595,677
 Market Value 8/9/13 - \$596,683

Gain of \$1,006 – approx.+0.17%

Asset Growth

	1 Month	3 Month	YTD	Fiscal YTD (03/31)	Since Inception (05/31/10)
Beginning Market Value	\$600,820	\$624,783	\$610,951	\$618,249	\$502,056
Net Cash Flows	(\$10,000)	(\$20,291)	(\$20,585)	(\$20,291)	(\$4,472)
Net Funds for Investment	\$590,820	\$604,492	\$590,366	\$597,959	\$497,584
Investment Gain/Loss	\$5,115	(\$8,557)	\$5,569	(\$2,024)	\$98,351
Ending Market Value	\$595,935	\$595,935	\$595,935	\$595,935	\$595,935

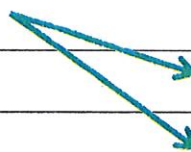
Asset Allocation Review



SEI New ways.
New answers.®

Portfolio Changes for IUOE Local #487 H&W

Asset Class	Current	Recommended
Large Cap Equity	14	14
US Managed Volatility	4.5	4.5
Small Cap Equity	1.5	1.5
World Equity ex-US	2.5	2.5
Global Managed Volatility	1.5	1.5
Emerging Markets Equity	1	1
US High Yield	5	5
Emerging Markets Debt	5	5
Core Fixed Income	32	15
Short Duration Government	-	8.5
Opportunistic Income	23	31.5
Ultra Short Bond	10	10
TOTAL	100	100
Expected Return	7.5%	7.3%
Standard Deviation	7.6%	7.3%
Sharpe Ratio	0.46	0.45



Portfolio Changes for IUOE Local #487 A&T

Asset Class	Current	Recommended
Large Cap Equity	6.7	6.7
US Managed Volatility	2.2	2.2
Small Cap Equity	0.7	0.7
World Equity ex-US	1.2	1.2
Global Managed Volatility	0.7	0.7
Emerging Markets Equity	0.5	0.5
US High Yield	6.5	6.5
Emerging Markets Debt	6.5	6.5
Core Fixed Income	32	15
Short Duration Govt	15	23.5
Opportunistic Income	18	26.5
Ultra Short Bond	10	10
TOTAL	100	100
Expected Return	6.9%	6.7%
Standard Deviation	6.0%	5.7%
Sharpe Ratio	0.49	0.48

Auction Rate Securities Review

A large green triangle pointing to the left, containing the SEI logo and tagline.

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New answers.®

Auction Rate Securities - Remaining

Plan	Name	Acquired	Units	Cost Basis	MV as of 5/31/10	7/31/2013		"Cost"
				Karpus	Karpus	Bid	Estimated Principal	Bank
H&W	ALLIANCEBERNSTEIN NATL	6/18/2008	8	\$ 187,000.00	\$ 187,000.00	74	\$ 148,000.00	\$ (39,000.00)
H&W	AGIC CONV & INC PFD	8/5/2008	2	\$ 46,000.00	\$ 30,000.00	69	\$ 34,500.00	\$ (11,500.00)
Pension	WESTERN ASSET MANAGED MU	6/17/2008	7	\$ 163,625.00	\$ 163,625.00	75	\$ 131,250.00	\$ (32,375.00)
Pension	WESTERN ASSET MANAGED MU	6/17/2008	10	\$ 233,750.00	\$ 233,750.00	75	\$ 187,500.00	\$ (46,250.00)
Pension	AGIC CVT & INC II PFD SER D	8/5/2008	7	\$ 161,000.00	\$ 161,000.00	69	\$ 120,750.00	\$ (40,250.00)
Pension	PUTNAM MUNICIPAL OPPORTU	3/17/2010	8	\$ 181,125.00	\$ 178,000.00	72	\$ 144,000.00	\$ (37,125.00)
TOTAL				\$ 972,500.00	\$ 953,375.00		\$ 766,000.00	\$(206,500.00)

- Issuer redemptions are not on the current horizon
- The recent rise in interest rates have reduced values further
- SEI recommends selling the securities at the current bid/ask price which on average are approximately 70% of par
- Proceeds will be allocated based on the SEI Only target allocation

Auction Rate Securities - Sold

Plan	Name	Units	Cost Basis	Sold			Redeemed	Gain/Loss
				Principal	Commission	NET	NET	
Pension	BLACKROCK FL MUNI INC TR	17	\$ 361,250.00	\$ 340,000.00	\$ 408.00	\$ 339,592.00		\$ (21,658.00)
Pension	BLACKROCK MUNI BOND TRUS	7	\$ 148,750.00	\$ 140,000.00	\$ 168.00	\$ 139,832.00		\$ (8,918.00)
H&W	BLACKROCK VA MUNI BOND	1	\$ 21,250.00	\$ 20,000.00	\$ 24.00	\$ 19,976.00		\$ (1,274.00)
Pension	BLACKROCK VA MUNI BOND	9	\$ 191,250.00	\$ 180,000.00	\$ 216.00	\$ 179,784.00		\$ (11,466.00)
Pension	BLACKROCK NJ MUNI BOND	7	\$ 148,750.00	\$ 140,000.00	\$ 168.00	\$ 139,832.00		\$ (8,918.00)
H&W	BLACKROCK CRED ALLOC IV	2	\$ 42,500.00	\$ 44,000.00	\$ 52.80	\$ 43,947.20		\$ 1,447.20
H&W	BLACKROCK MUNI NY INSUR	1	\$ 21,250.00	\$ 20,000.00	\$ 24.00	\$ 19,976.00		\$ (1,274.00)
Pension	BLACKROCK MUNI NY INSUR	8	\$ 150,000.00	\$ 160,000.00	\$ 192.00	\$ 159,808.00	-	\$ 9,808.00
Pension	BLACKROCK MUNI NY INSUR	17	\$ 361,250.00	\$ 340,000.00	\$ 408.00	\$ 339,592.00		\$ (21,658.00)
Pension	WESTERN ASSET VARIABLE RATE	11,032	\$ 184,730.84			\$ 171,105.63		\$ (13,625.21)
H&W	WESTERN ASSET VARIABLE RATE	1,435	\$ 24,053.27			\$ 22,199.00		\$ (1,854.27)
Training	WESTERN ASSET VARIABLE RATE	307	\$ 5,026.20			\$ 5,001.83		\$ (24.37)
Pension	BLACKROCK MUNI INTER DUR	5	\$ 106,250.00	\$ 100,000.00	\$ 120.00	\$ 99,880.00		\$ (6,370.00)
H&W	NUVEEN ARIZONA DVD ADV	4	\$ 67,000.00	\$ 83,000.00	\$ 99.60	\$ 82,900.40	-	\$ 15,900.40
Training	NUVEEN INSURED OPPORTUNT	1	\$ 23,000.00	\$ 21,750.00	\$ 26.10	\$ 21,723.90		\$ (1,276.10)
Training	NUVEEN INSURED OPPORTUN	1	\$ 22,000.00	\$ 21,750.00	\$ 26.10	\$ 21,723.90	-	\$ (276.10)
Pension	NUVEEN INSD QUAL	14	\$ 234,500.00	\$ 290,500.00	\$ 348.60	\$ 290,151.40	-	\$ 55,651.40
Training	NUVEEN SELECT QUALITY	1	\$ 22,000.00	\$ 21,750.00	\$ 26.10	\$ 21,723.90	-	\$ (276.10)
H&W	NUVEEN SELECT QUALITY	3	\$ 66,000.00	\$ 65,250.00	\$ 78.30	\$ 65,171.70		\$ (828.30)
Pension	NUVEEN QUAL INCM	22	\$ 484,000.00	\$ 473,000.00	\$ 567.60	\$ 472,432.40		\$ (11,567.60)
Pension	NUVEEN CA DIV ADV MUNI 3	1	\$ 22,000.00	\$ 21,500.00	\$ 25.80	\$ 21,474.20	-	\$ (525.80)
Pension	PIMCO MUNI INCOME FD II	4	\$ 75,000.00	\$ 72,000.00	\$ 86.40	\$ 71,913.60		\$ (3,086.40)
Pension	PUTNAM MUNICIPAL OPPORTU	1	\$ 22,500.00	\$ 20,000.00	\$ 24.00	\$ 19,976.00		\$ (2,524.00)
H&W	ING PRIME RATE TRUST	4	\$ 83,000.00	\$ 83,250.00	\$ 99.90	\$ 83,150.10	-	\$ 150.10
Pension	ING PRIME RATE TRUST	3	\$ 62,250.00		-		\$75,000.00	\$ 12,750.00
Pension	ING PRIME RATE TRUST	15	\$ 311,250.00	\$ 312,187.50	\$ 374.63	\$ 311,812.87	-	\$ 562.87
Training	BLACKROCK MUNI BOND TRUS	1.00	\$ 23,375.00	\$ 22,000.00	\$ 26.40	\$ 21,973.60	-	\$ (1,401.40)
	TOTAL		\$3,284,185.31	\$2,991,937.50		\$3,186,653.63	\$75,000.00	\$ (22,531.68)

Appendix



SEI New ways.
New answers.™

SIIT Large Cap Fund

Performance review

Overview

- The Fund returned 2.83% during the quarter, while the Russell 1000 Index returned 2.65%.

Manager performance

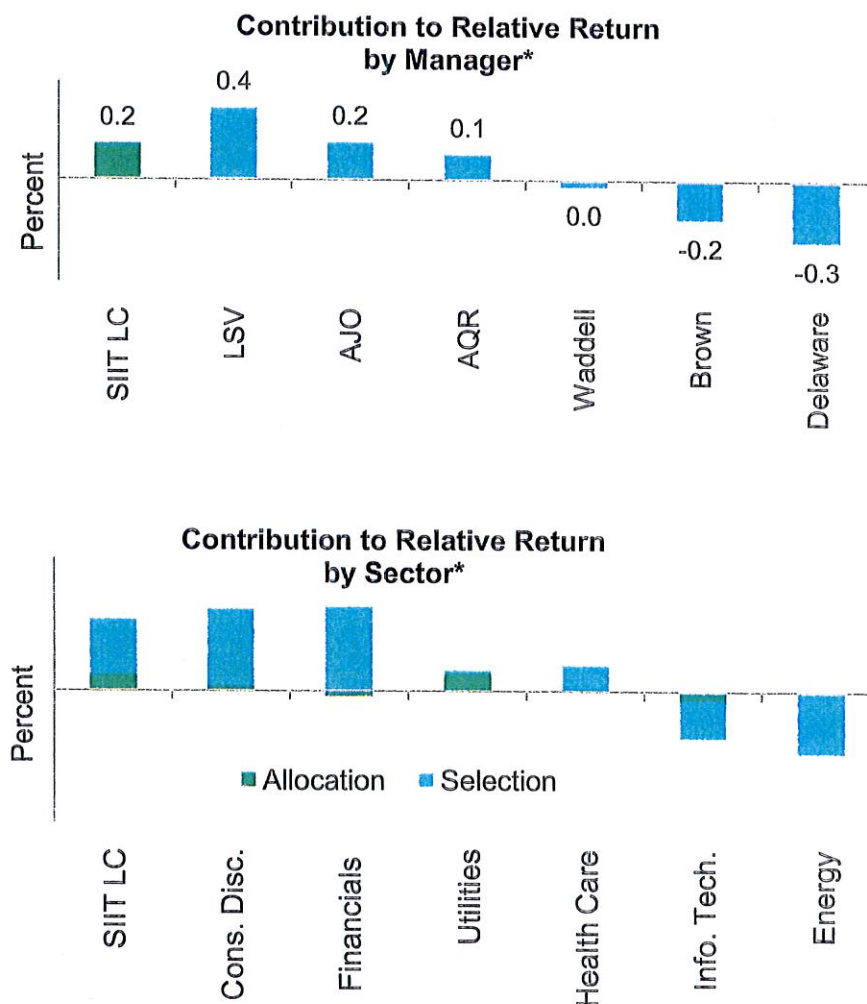
- Similar to the first quarter, relative performance was split along quantitative/fundamental and value/growth lines.
- For LSV and AJO, strength was sourced from security selection in Information Technology (IT) and Financials.
- Delaware's Health Care and IT names drove underperformance.
- Brown's IT names were challenged, although the underperformance was partially offset by picks within Consumer Staples.

Sector performance

- Within Consumer Discretionary, retailing and consumer services were positive.
- In Financials, selection within diversified financials and an underweight to real estate buoyed results.
- Weakness in Energy stemmed from the refiners, which reversed course from a strong first quarter.

* Versus Fund benchmark; top 3/bottom 3 only. In Base Currency, Gross of Fees. Past Performance is Not a Guarantee of Future Performance. Index = Russell 1000 Index.

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. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.



SIIT Large Cap Fund

Outlook and positioning

Outlook

- Speculation around the eventual tapering of the Federal Reserve's quantitative easing could cause volatility in the coming months.
- The Russell 1000 was up 14% year to date through June 30. Despite positive news regarding housing and domestic energy, we think the market will be challenged to move materially higher for the balance of the year.

Manager positioning

- We mildly raised our allocation to Delaware on weakness in mid-May, sourcing funds from outperforming manager AQR.
- In general, managers remain positioned for a low-growth environment. However, we are relying on them to capitalize on opportunities that volatility may present.

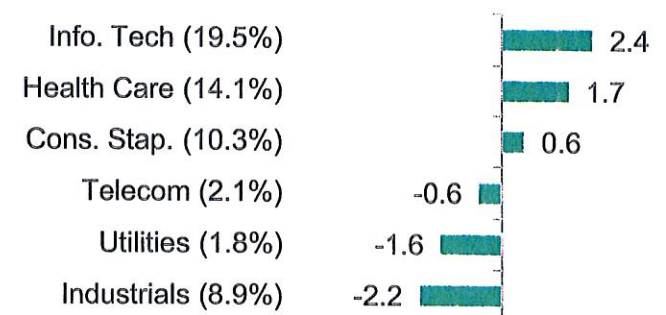
Sector positioning

- We continue to prefer areas of the market that are not levered to positive or negative surprises in the U.S. or global economies.
- We are holding 1% of the Fund's assets in unequitized cash as a means to reign in exposure to volatility, given our belief that equity markets are unlikely to move materially higher from current levels.
- Although defensive equities, most notably Utilities, corrected during the quarter, we believe there is room for further correction.

Manager Allocations (%)

LSV	17.9
AJO	17.3
Waddell & Reed	15.4
AQR	12.4
Delaware Management Company	13.1
WestEnd Advisors	10.9
Brown Advisory	10.6

Active Sector Allocation *



*Figures in parenthesis are actual fund weights as of June 30, 2013; top 3/bottom 3 only. Cash represented 2.4% of Fund assets. In Base Currency, Gross of Fees.

Past Performance is Not a Guarantee of Future Performance. Index = Russell 1000 Index

SIIT Small Cap Fund

Performance review

Overview

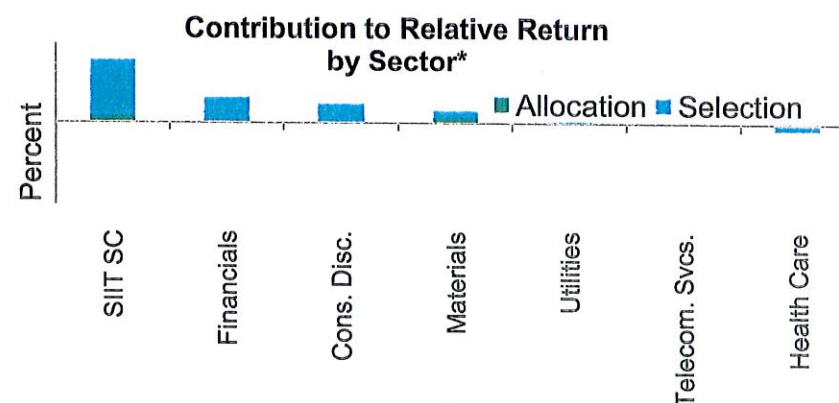
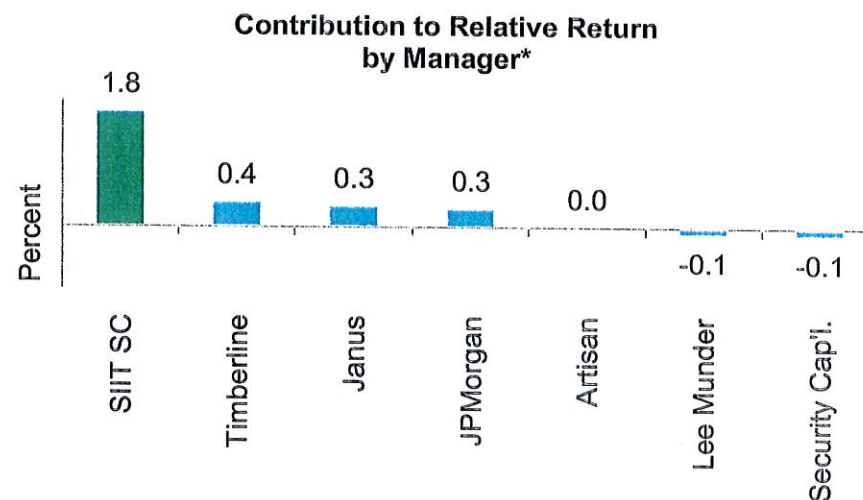
- The SIIT Small Cap Fund advanced 4.87%, exceeding the Russell 2000 benchmark return of 3.08%.
- Small-cap stocks outperformed large caps. Small-cap growth beat value as economic prospects improved.

Manager performance

- Manager breadth was solid, with eight of 11 managers contributing to outperformance.
- The Fund's growth managers benefited from increasing investor preference for longer-duration growth.
- Weakness in real-estate investment trusts (REIT) relative to the broader benchmark caused dedicated REIT manager Security Capital to underperform.

Sector performance

- In Financials, an underweight and strong individual picks in REITs contributed. Selection in capital markets and insurance was also solid, as was Consumer Discretionary. In Materials, the Fund benefited from an underweight position and selectivity around individual holdings.
- There were no significant sector detractors.



* Versus Fund benchmark; top 3/bottom 3 only

In Base Currency, Gross of Fees Index = Russell 2000 Index

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SIIT Small Cap Fund

Outlook and positioning

Outlook

- We expect modest domestic economic growth in 2013, perhaps gaining more consistency and breadth as the year progresses.
- Small-cap valuations are on the high side relative to historical norms, so further index gains may depend on earnings acceleration and/or capital inflows.
- Corporate fundamentals are returning to center stage after several years of macro-driven markets.

Manager positioning

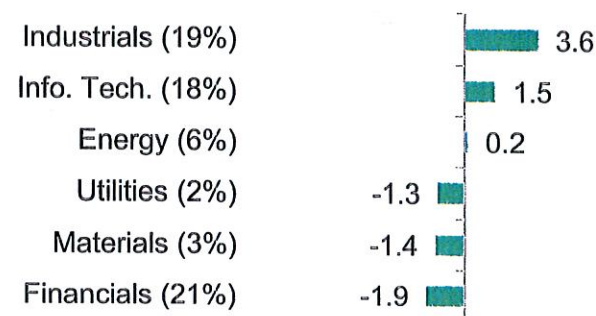
- Our allocations to growth and value remain balanced, with some incremental bias to growth given the improving economic climate.
- We added some momentum and stock-specific risk to the portfolio through marginal allocation adjustments.

Sector positioning

- The Industrials sector, particularly capital goods, should benefit from a resurgence in capital spending.
- In Information Technology, software companies offer stable demand along with solid balance sheets and cash flows.
- Within Financials, the Fund is overweight insurance but underweight both banks and real-estate investment trusts.
- Utilities remain expensive and offer little growth potential.

Manager Allocations (%)	
AQR	15
Timberline	11
Janus	10
Robeco WP&G	10
AllianceBernstein	10
JPMorgan	10
Lee Munder	9
Artisan	8
LSV	6
William Blair	6
Security	3

Active Sector Allocation *



*Figures in parenthesis are actual fund weights as of June 30, 2013; top 3/bottom 3 only. Cash represented 1.9% of Fund assets. In Base Currency, Gross of Fees
Past Performance is Not a Guarantee of Future Performance
Index = Russell 2000 Index

SIIT World Equity ex-U.S. Fund Performance review

Overview

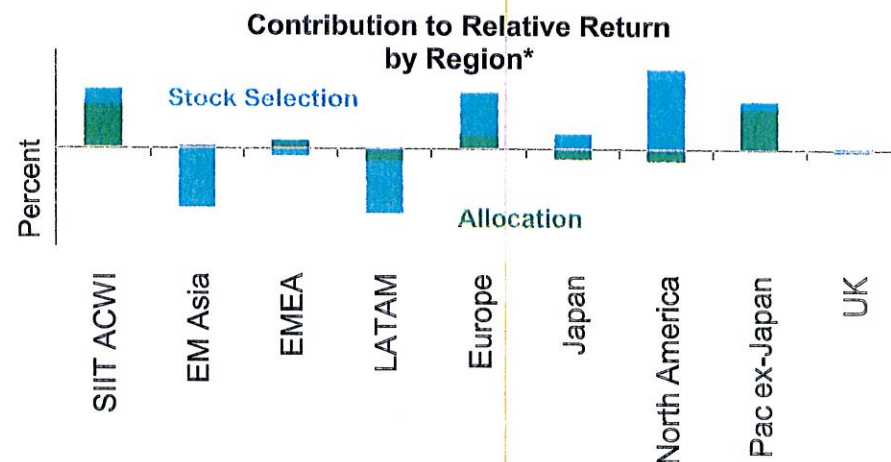
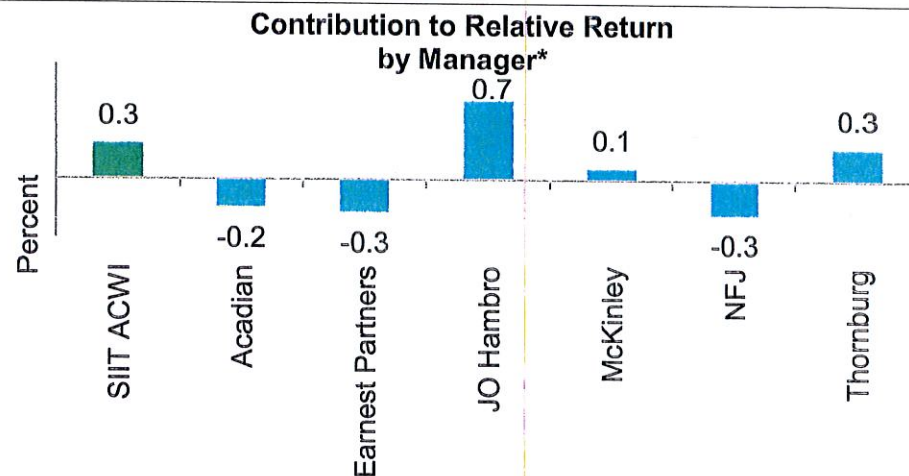
- The Fund outperformed the benchmark, returning -2.82% versus -3.11% for the MSCI ACWI ex-US Index.
- Manager-level performance was mixed for the quarter.
- JO Hambro's growth/momentum portfolio had outsized positive performance, with beneficial selection in Materials and Health Care.
- NFJ's value strategy struggled due to weak stock selection in Utilities.

Regional performance

- Strong selection in Europe and Canada and an underweight to Financials in Australia aided performance, while selection in emerging markets, particularly Brazil, detracted.

Sector performance

- The Fund's overweight to Consumer Discretionary boosted results for the quarter, reflecting the managers' collective view of increasingly consumer-driven economies in emerging markets.
- Stock selection was mixed; strong selection in Materials, Industrials and Telecommunications was offset by weak results in Utilities and Financials.



* Versus Fund benchmark. In Base Currency, Gross of Fees. Index = MSCI ACWI ex US Index. 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. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

SIIT World Equity ex-U.S. Fund

Outlook and positioning

Outlook

- European issues remain far from resolved, with stubbornly high unemployment a key issue—particularly among young workers in the periphery countries. We expect our managers to continue emphasizing stronger countries (such as Germany and Norway) while avoiding struggling countries (such as Spain).
- Japanese equities experienced a rally in anticipation of a change in monetary and fiscal policies, but cooled later in the quarter. Many of our fundamentally-oriented managers remained skeptical, looking for confirmation that the structural challenges of corporate Japan will also be addressed.

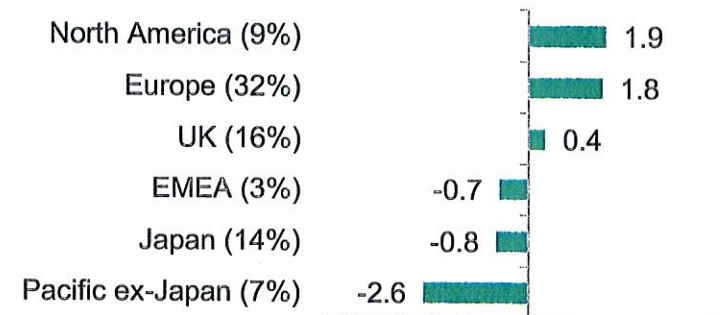
Regional positioning

- As a group, our managers remain underweight peripheral Europe and France and are selectively positioned in emerging markets, with an overweight to Brazil and underweights to Taiwan and Russia. The underweight to Pacific ex-Japan is primarily due to lack of exposure to Financials in Australia.

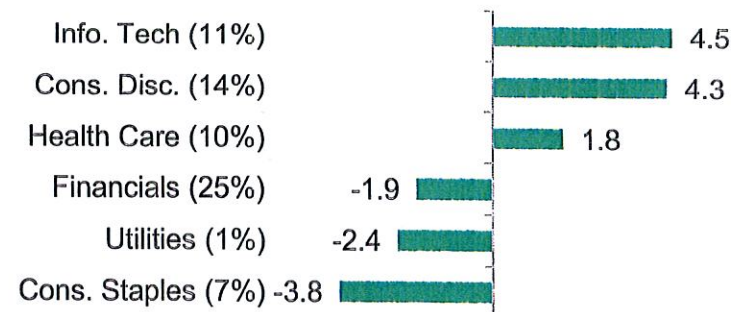
Sector positioning

- In the aggregate, our managers continue to prefer expansion-themed sectors such as Information Technology, Consumer Discretionary and Health Care.
- Managers are avoiding low-growth areas such as Telecommunications and Utilities and the potentially-overvalued Consumer Staples sector.

Active Region Allocation *



Active Sector Allocation *



*Figures in parenthesis are actual Fund weights as of June 30, 2013; top 3/bottom 3 only. Cash represented 2.0% of Fund assets.
In Base Currency, Gross of Fees
Past Performance is Not a Guarantee of Future Performance
Index = MSCI ACWI ex US Index

SIT Emerging Markets Equity Fund

Performance review

Overview

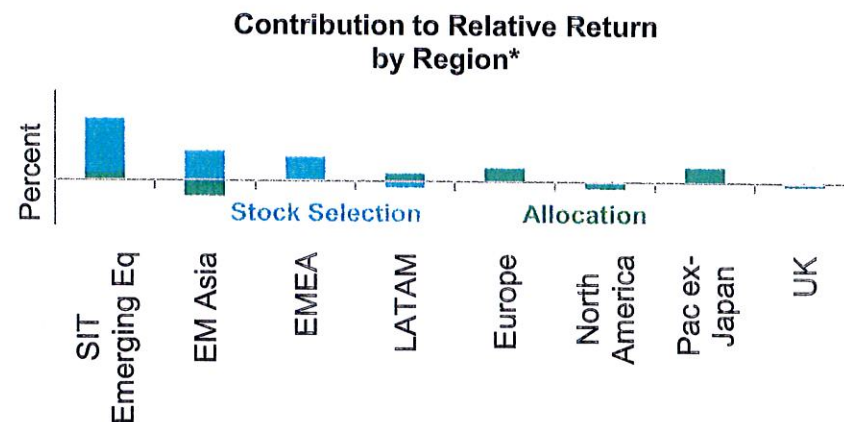
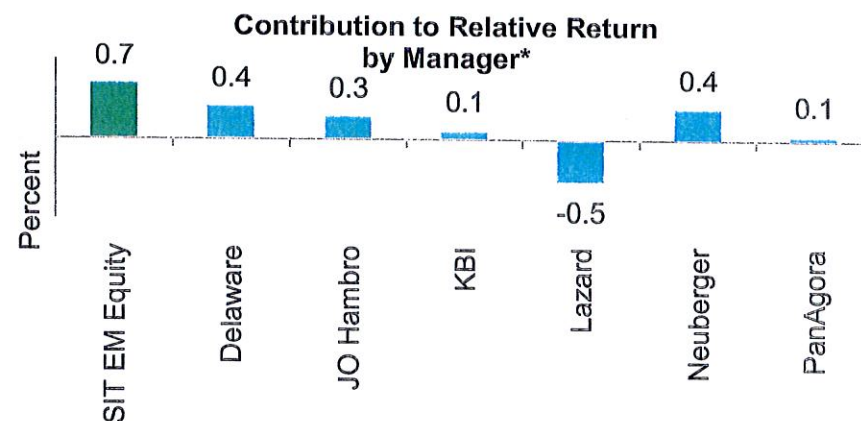
- The Fund outperformed its benchmark, returning -7.42% versus -8.08% for the MSCI Emerging Markets Index.
- Nearly all managers outperformed for the quarter. Neuberger and Delaware performed especially well, with strong results in Industrials and Information Technology (IT), respectively.
- Lazard's quality-growth portfolio lagged this quarter, struggling mainly with selection in Industrials.

Regional performance

- Strong selection in China and Korea eclipsed the drawdown caused by an underweight to Taiwan and weak selection in Mexico.
- Strong selection in Russia also bolstered results.

Sector performance

- The underweight to Materials and overweights to Consumer Discretionary and Health Care all contributed positively.
- Stock selection was mixed but positive overall. Strong selection in Energy, Consumer Staples and IT was offset by weak results in Financials.



* Versus Fund benchmark. In Base Currency, Gross of Fees.
Index = MSCI Emerging Markets Index. 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. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

SIT Emerging Markets Equity Fund

Outlook and positioning

Outlook

- Despite a challenging quarter in emerging markets and prospects for slower growth rates, we believe the long-term capacity for emerging-market growth outshines that of developed markets.
- With valuations in developed markets becoming even more extended in the wake of their recent rally, we believe emerging-market equities have become even more attractive.

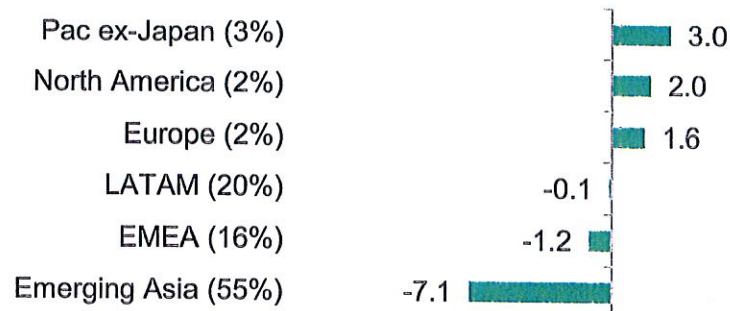
Regional positioning

- The Fund's largest underweight is in the Asian region, mainly in more-developed countries such as Taiwan and Korea. Hong Kong-listed Chinese holdings partially offset this regional underweight.
- We believe most nations navigated the general slowdown very well and that policymakers will remain accommodative in order to foster growth, while still maintaining disciplined levels of inflation.

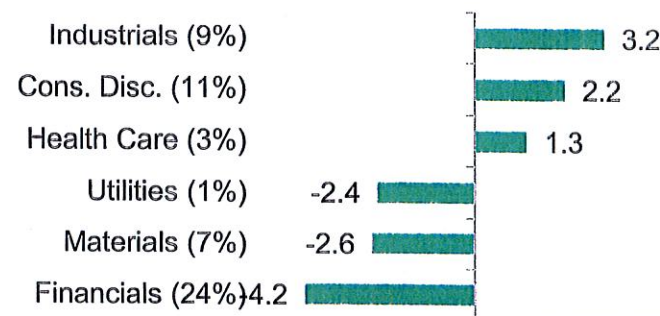
Sector positioning

- Our managers emphasize Consumer Discretionary stocks (which should benefit from a growing middle class in emerging markets) and specific Industrials stocks (which they believe are positioned to benefit from infrastructure bottlenecks).
- The underweight to Utilities is somewhat a result of the typical regulatory environment in emerging-market nations, which tend to limit profitability in that sector.

Active Region Allocation *



Active Sector Allocation *



*Figures in parenthesis are actual fund weights as of June 30, 2013; top 3/bottom 3 only. Cash represented 2.0% of Fund assets.
In Base Currency, Gross of Fees
Past Performance is Not a Guarantee of Future Performance; Index = MSCI Emerging Markets Index

SIIT Core Fixed Income Fund

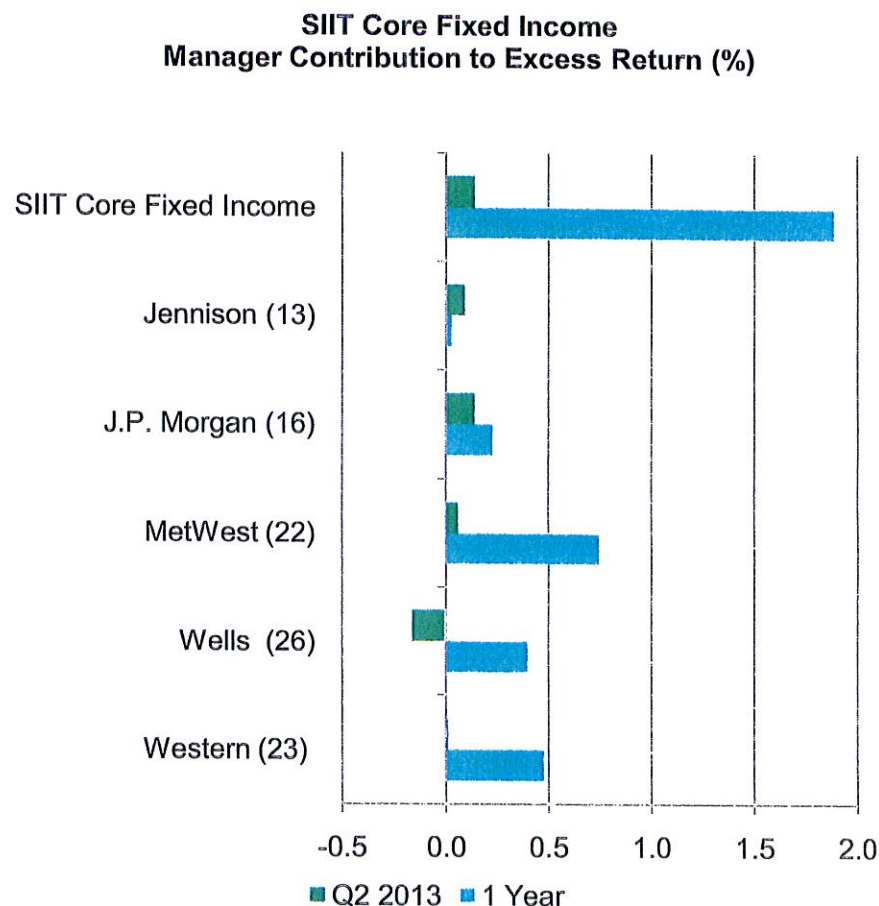
Performance review

Contributors

- The Fund's short-duration posture contributed to performance.
- Its underweight to industrials added to performance.

Detractors

- MetWest, Western and Jennison's overweights to financials detracted.
- MetWest, Western and J.P. Morgan's overweights to non-agency mortgage-backed securities (MBS) underperformed in sympathy with the broader market.
- Wells and MetWest's overweights to commercial MBS detracted.
- An Fund-level overweight to agency MBS detracted from performance.



In Base Currency, Gross of Fees. Past Performance is Not a Guarantee of Future Performance. (#) indicates the percent allocation in the Fund.
Index = Barclays Capital US Aggregate Index

SIIT Core Fixed Income Fund

Positioning and actions

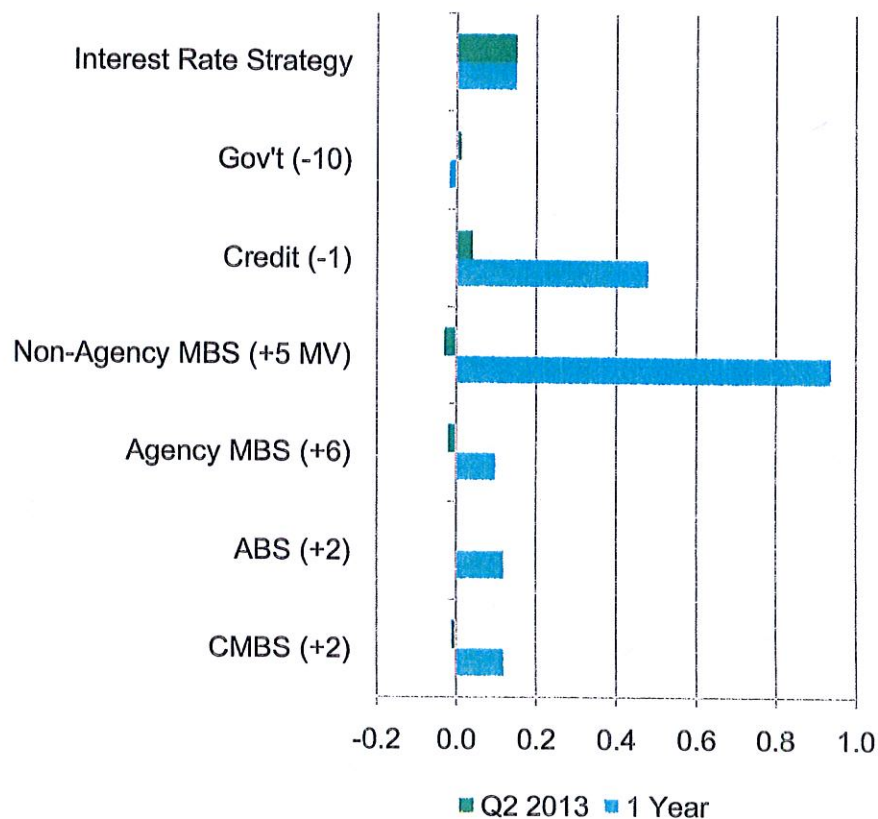
Positioning

- Managers continue to emphasize overweight positions in non-agency mortgage-backed securities (MBS), financials, and lower-beta commercial MBS.
- The overweight to agency MBS was modestly increased, given the dislocation that occurred during the quarter.
- The underweight to industrials was reduced and the overweight to financials was increased, as spreads widened in both sectors.
- The Fund is underweight the government sector (Treasuries and agency debt), as risk premiums in other sectors are still more attractive.

Actions

- Allocations to opportunistic, higher-tracking-error managers (Western and MetWest) are currently being maintained.

SIIT Core Fixed Income
Sector Contribution to Excess Return (%)



(#) indicates the relative CTD % weight to the benchmark In Base Currency, Gross of Fees.

Sources: SEI. Index = Barclays Capital US Aggregate Index.

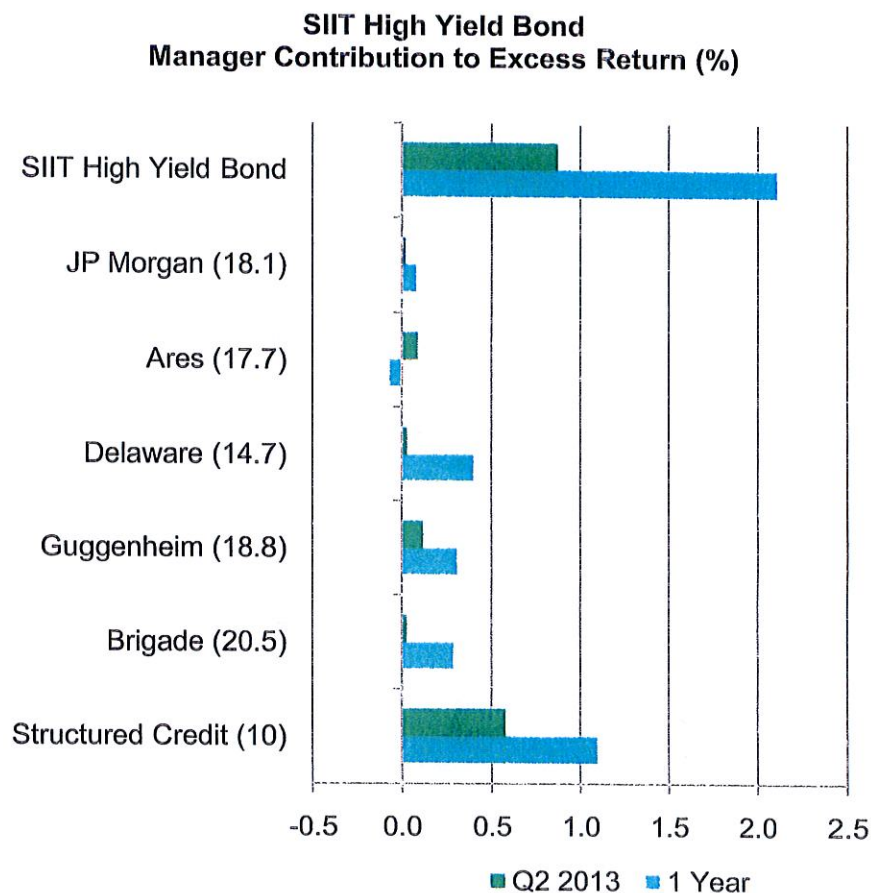
SIIT High Yield Bond Performance review

Contributors

- Collateralized loan obligations outperformed bonds on improving credit metrics and strong demand. Additionally, the manager's allocation to institutional loans helped, as loans generated positive returns.
- Selection in the services sector helped, especially among transportation and gaming companies where operations improved along with the economy.
- An overweight to and selection in the outperforming consumer cyclical sector contributed to returns—particularly within retail and restaurants, as they benefited from increased consumer spending.

Detractors

- Security selection in the basic-industry sector subtracted, especially in metals and mining companies.
- An underweight to and selection in the outperforming media sector hurt, particularly within broadcast firms.
- An allocation to municipal tobacco bonds weighed on returns, as municipals underperformed high yield.



In Base Currency, Gross of Fees. Past Performance is Not a Guarantee of Future Performance. (#) indicates the percent allocation in the Fund .
Index = ML US High Yield Master II Constrained

SIIT High Yield Bond Positioning and actions

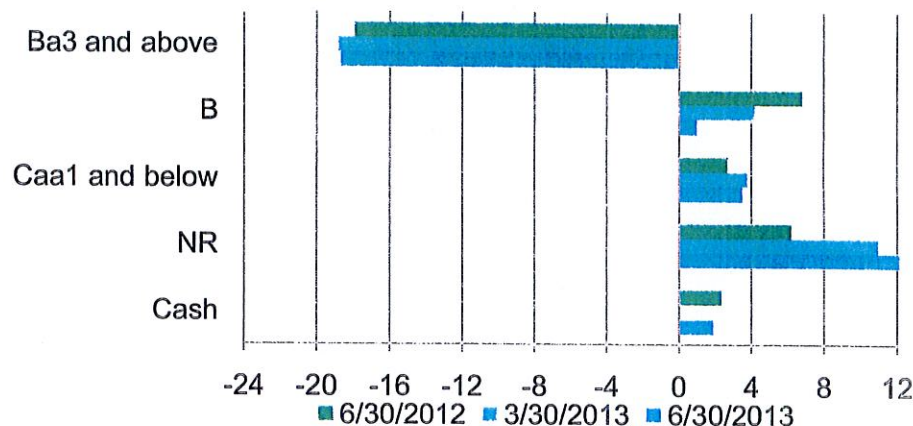
Positioning

- We maintained a slightly more defensive posture through an increased allocation to loans, a reduction in CCC rated bonds and a short in high-yield credit default swaps.
- We are underweight the energy, utility and banking sectors based on regulatory, operational and valuation concerns. We are overweight consumer cyclicals on rebounding demand and individual company opportunities.
- BB rated securities were underweighted, due to higher interest-rate sensitivity and lower yield.

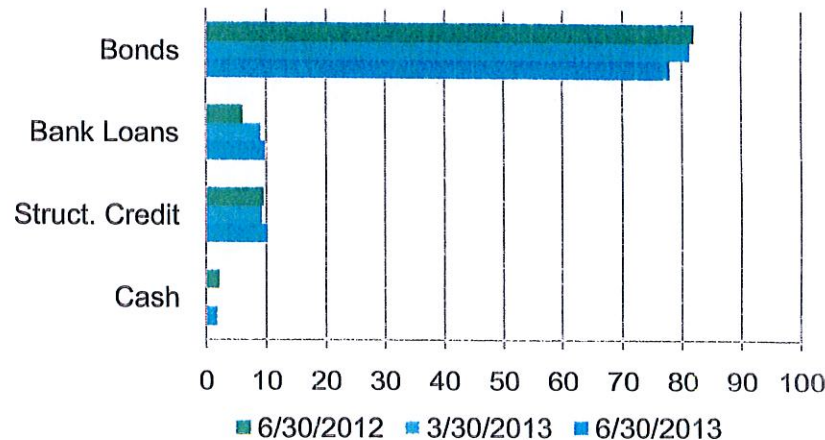
Actions

- The market selloff was in reaction to Federal Reserve comments, yet fundamentals for high-yield remain solid. Valuations now are more in line with fundamentals; Fund managers will look to add to companies with competitive advantages.
- Economic growth looks more durable, with housing and auto sales improving. Therefore, the risk profile of the Fund is likely to be increased appropriately.

SIIT High Yield Bond
Credit Quality Relative Weights - Moody's (%)



SIIT High Yield Bond
Asset Type Weights (%)



Sources: SEI, Factset . Index = ML US High Yield Master II Constrained.

SIIT Emerging Markets Debt Performance review

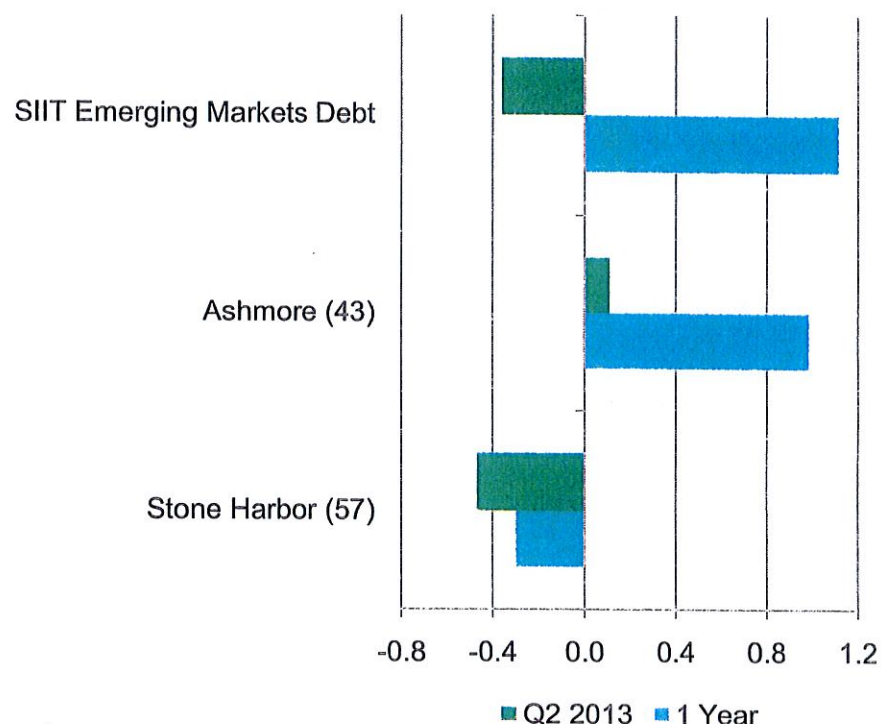
Contributors

- Ashmore contributed significantly to returns thanks to an allocation to corporate debt—especially in China, Russia and the United Arab Emirates. Within local-currency debt, an overweight to Hungary and an underweight to Peru contributed to returns. Hedging emerging-market-currency exposures back to the U.S. dollar added to relative returns.
- Stone Harbor contributed on security selection in Venezuela and underweights to Indonesia and Peru within local-currency debt. A small allocation to corporate credit marginally benefited returns.

Detractors

- Ashmore suffered from poor security selection in local currency debt within Brazil, Malaysia, Mexico and Turkey. An underweight to external debt in Hungary and Lebanon also hurt relative returns.
- Stone Harbor underperformed due to security selection in local-currency debt within Brazil, Mexico, and Poland, and due to an underweight to Hungary. Underweights to external debt in Argentina and Lebanon also detracted.

SIIT Emerging Market Debt
Manager Contribution to Excess Return (%)



In Base Currency, Gross of Fees. Past Performance is Not a Guarantee of Future Performance. (#) indicates the percent allocation in the Fund.
Index = 50% JPM EMBI Global Diversified / 50% JPM GBI-EM Global Diversified. Prior to 6/30/12 the index is 100% JPM EMBI Global Diversified.

SIIT Emerging Markets Debt Positioning and actions

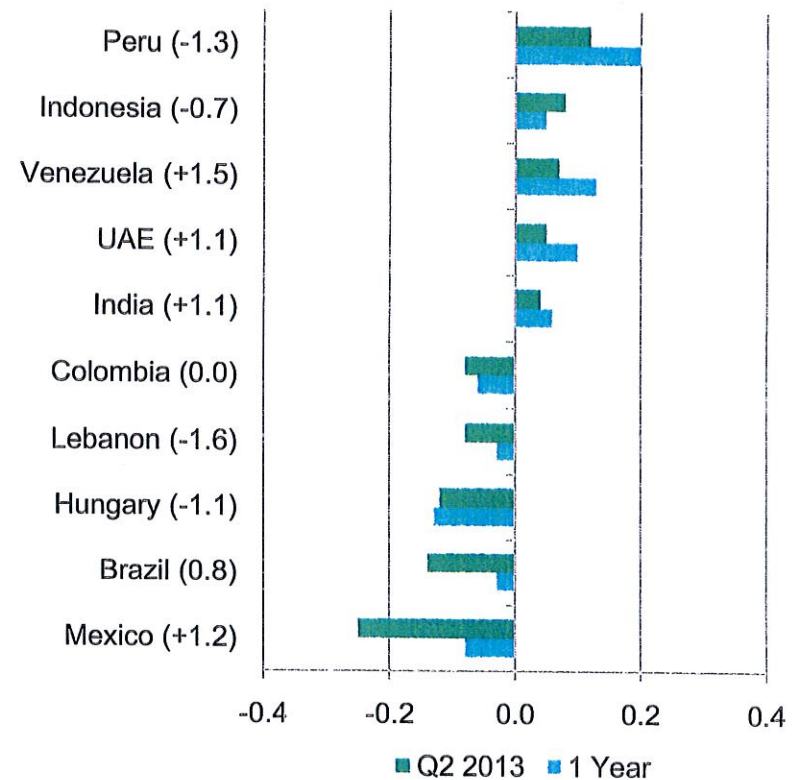
Positioning

- The Fund is currently underweight external and local debt, and overweight corporate debt.
- Managers remain overweight high-yield credits and have increased exposure to investment-grade credits that have underperformed U.S. Treasuries.
- The Fund remains short duration in external debt but has extended duration in local currency debt, as we believe the rise in yields is beginning to overstate the underlying risks.

Actions

- The reduction to emerging-markets currency was partially executed with the use of forwards to hedge back to the U.S. dollar, helping offset some of the negative returns attributed to currency depreciation.
- Corporate debt was modestly reduced as it is not currently as attractive as external debt.
- Fund managers are seeking to incrementally add risk after the selloff, particularly high-yield sovereigns and local markets, although liquidity remains challenging.

SIIT Emerging Market Debt
Country Contribution to Excess Return (%)



(#) indicates the relative weight to the benchmark. Sources: SEI, Factset

Index = 50% JPM EMBI Global Diversified / 50% JPM GBI-EM Global Diversified. Prior to 6/30/12 the index is 100% JPM EMBI Global Diversified.

SIIT Opportunistic Income Fund

Performance review

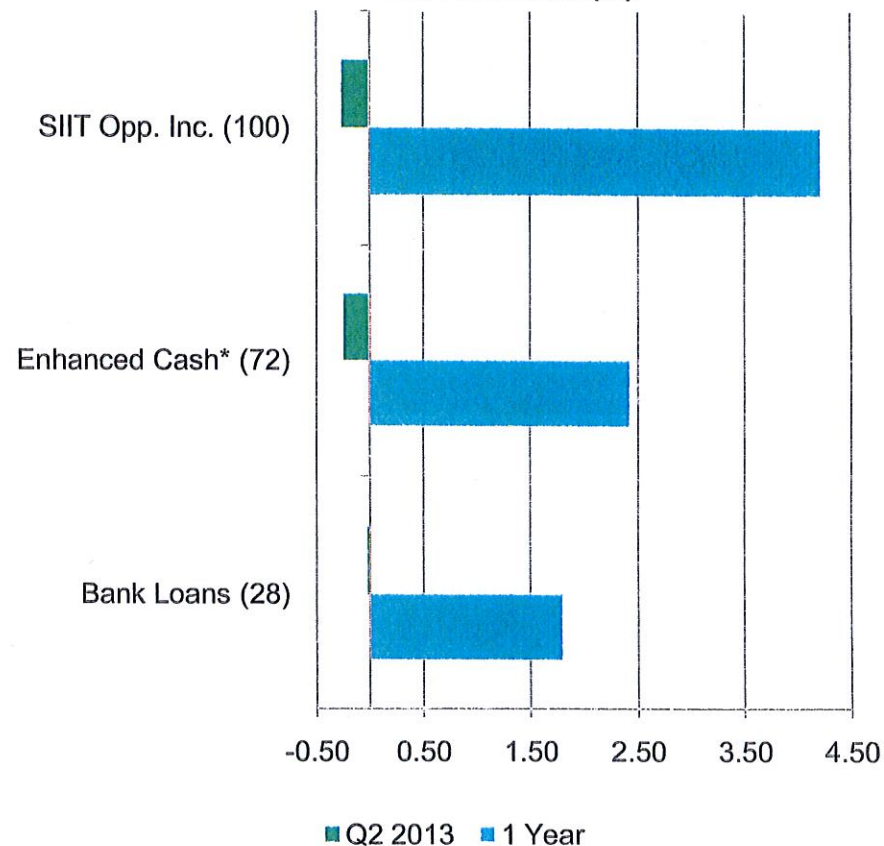
Contributors

- The bank-loan allocation contributed to relative performance, as leveraged loans returned 0.43%.
- Security selection in corporates was additive.

Detractors

- An allocation to non-agency residential mortgage-backed securities (26% of Fund market value) hurt relative performance due to the broad-market selloff and increasing supply from European banks and government-sponsored enterprises.
- An allocation to asset-backed securities detracted from relative returns, as that sector experienced heavy new issuance (particularly autos) and the broader-market selloff pushed spreads wider.
- The Fund's allocation to senior and short-weighted-average-life commercial mortgage-backed securities detracted, as spreads widened due in part to a significant increase in new issuance during the second quarter of 2013.

SIIT Opportunistic Income Contribution to Excess Return (%)



In Base Currency, Gross of Fees

Past Performance is No Guarantee of Future Performance

(#) indicates the percent allocation in the Fund

Index = Merrill Lynch Three-Month Constant Maturity LIBOR * Enhanced Cash includes Wellington, Declaration, Brookfield

SIIT Opportunistic Income Fund

Positioning and actions

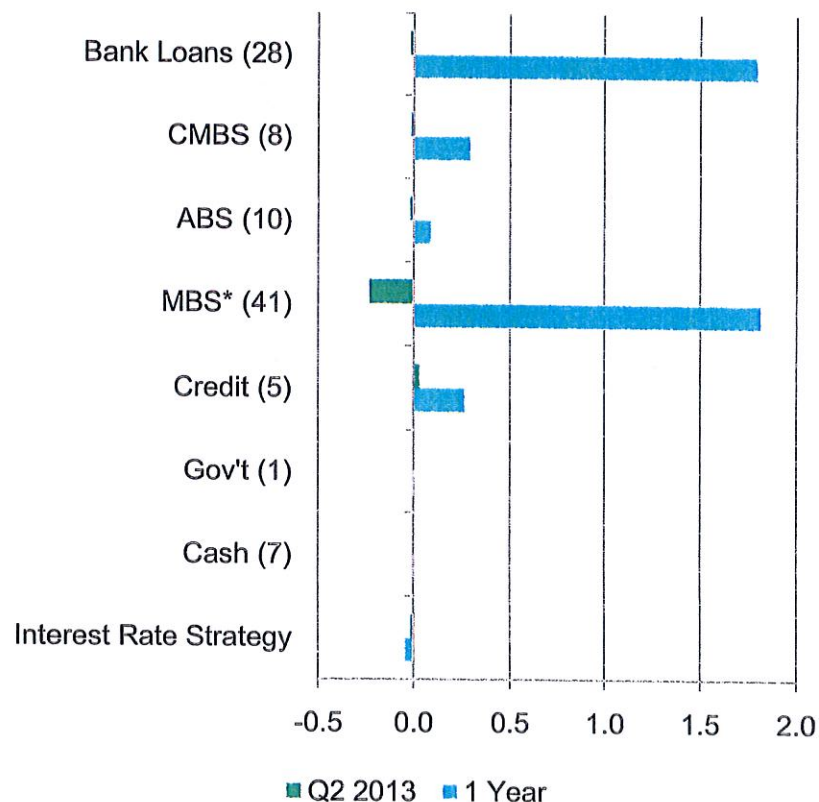
Positioning

- The Fund continues to provide a yield advantage over its benchmark.**
- Our enhanced-cash managers are focusing on seasoned, short-average-life securities at the top of the capital structure that provide attractive yields and favorable positioning in the event of default.
- We expect future returns to be driven less by price appreciation and more by the yield advantage of these securities over the benchmark.

Actions

- The Fund increased its allocation to enhanced-cash managers and decreased the allocation to bank loans, as opportunities in the non-agency residential mortgage-backed securities (RMBS) space remain attractive.
- As spreads have widened and volatility has increased, enhanced-cash managers have been opportunistically buying on weakness within non-agency RMBS and commercial mortgage-backed securities markets, and adding more floating-rate debt instruments at the margin.
- The Fund has been using the new-issue bank-loan market to source deals with good covenants, and the secondary market for lower-priced securities.

SIIT Opportunistic Income
Sector Contribution to Excess Return (%)



Source: SEI, BondEdge. (#) indicates the relative weight to the benchmark.

**Index = ML 3M Constant Maturity LIBOR

* MBS includes Non-Agency RMBS (26%) and Agency MBS (15%)

SIIT Ultra Short Duration Bond Fund

Performance review

Contributors

- There were no significant contributors in a challenging market.

Detractors

- The Fund's modestly long-duration and barbelled yield-curve position detracted, as the Treasury yield curve significantly steepened during the quarter.
- An allocation to non-Treasury sectors was negative. Agency mortgage-backed securities (MBS) were hit hard, as the sharp rise in Treasury yields resulted in significant extension risk, while concerns over an end to quantitative-easing caused investors to sell.
- The non-agency MBS market also weakened later in the quarter, due to the broad-market selloff and increasing supply from European banks and government-sponsored enterprises.
- With the rising rates, corporate primary issuance slowed considerably. Uneasiness surrounding the Chinese shadow banking system put further pressure on the secondary market.

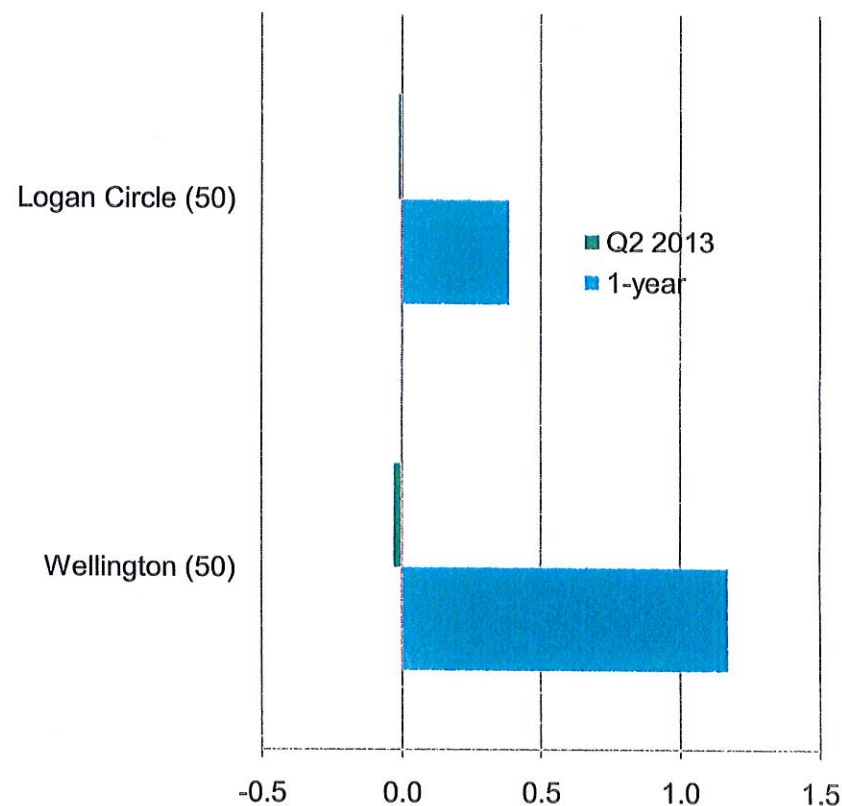
*In Base Currency, Gross of Fees

Past Performance is Not a Guarantee of Future Performance

(#) indicates the percent allocation in the Fund

Index = Barclays U.S. Treasury 9-12 Month

SIIT Ultra Short Bond Fund*
Manager Contribution to Excess Return (%)



SIIT Ultra Short Duration Bond Fund

Positioning and actions

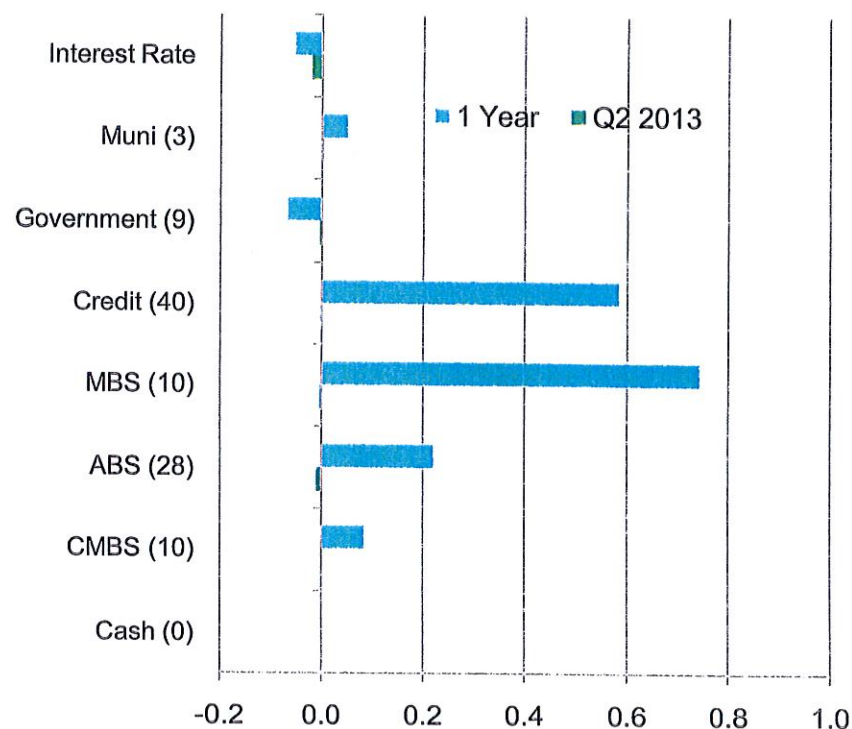
Positioning

- The Fund maintains allocations to the non-Treasury sectors (the benchmark is composed of 100% Treasuries), especially consumer asset-backed securities (ABS), corporate securities, agency mortgage-backed securities (MBS), commercial mortgage-backed securities (CMBS), and non-agency MBS.
- The Fund is focused on well-seasoned, short-average-life securities at the top of the capital structure, which should provide attractive yields and lower risk.

Actions

- As credit spreads backed up, our managers have been adding non-Treasury securities to take advantage of attractive valuations. They have added short, new-issue CMBS, short ABS, and new-issue corporate securities. In addition, they are building up the floating-rate debt allocation and maintaining the barbelled yield curve position.

SIIT Ultra Short Bond Fund
Sector Contribution to Excess Return (%)



Sources: SEI, BlackRock Solutions

Index = Barclays U.S. Treasury 9-12 Month

(#) indicates the relative weight to the benchmark

Past Performance is Not a Guarantee of Future Performance

SDIT Short Duration Government Fund

Performance review

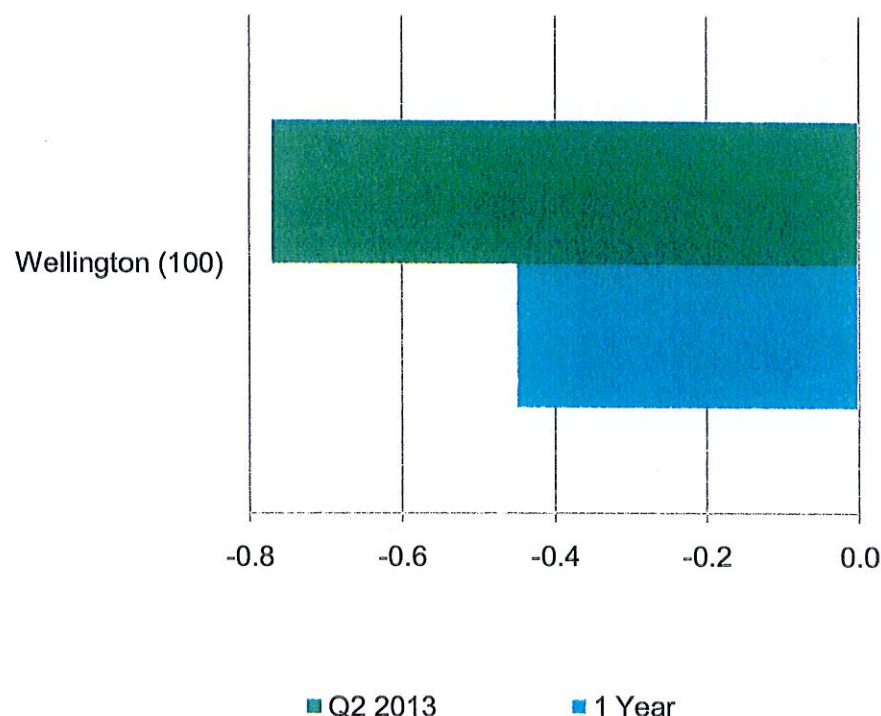
Contributors

- None

Detractors

- The Fund's curve and duration positioning detracted as mortgages extended resulting in a longer duration posture versus the benchmark.
- Allocation to mortgages relative to the Treasury benchmark hurt performance as MBS spreads widened to pre-QE3 levels as volatility increased, market liquidity decreased, and convexity selling concerns emerged.
- Security selection within MBS, particularly 30-year GNMA and 15-year FNMA, hurt performance as the Fed reduced its GNMA purchases and anticipated demand from Japanese investors and insurance companies did not materialized.

SDIT Short Duration Government
Manager Contribution to Excess Return (%)



Sources: SEI, Fund sub-advisors. In Base Currency, Gross of Fees
(#) indicates the percent allocation in the Fund.
Index = ML 1-3 Year US Treasuries

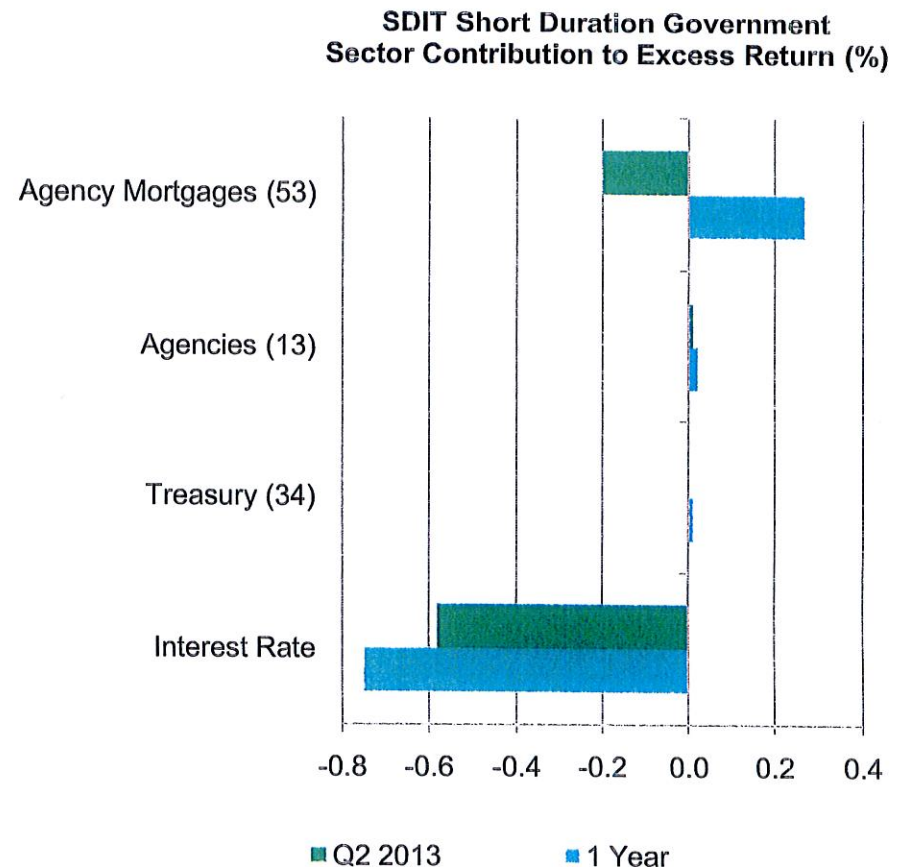
The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost, and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please call 1-800-DIAL-SEI.

SDIT Short Duration Government Fund

Positioning and actions

Positioning and Actions

- The Fund maintains a yield advantage over the Treasury benchmark. We expect the yield advantage, not price appreciation, to drive future returns.
- The Fund continues to hold agency mortgage-backed securities (MBS), intermediate agency debentures and agency multi-family bonds.
- As the MBS market experienced more volatility in Q2, the Fund reduced its MBS allocation and traded opportunistically.



(#) indicates absolute MV weight

Sources: SEI, BlackRock Solutions. Index = ML 1-3 Year US Treasuries

The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost, and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please call 1-800-DIAL-SEI.

A large green triangle pointing to the left, containing the SEI logo and tagline.

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Appendix: Managed Volatility Funds

SIIT U.S. Managed Volatility Performance review

Fund-level contributors/detractors

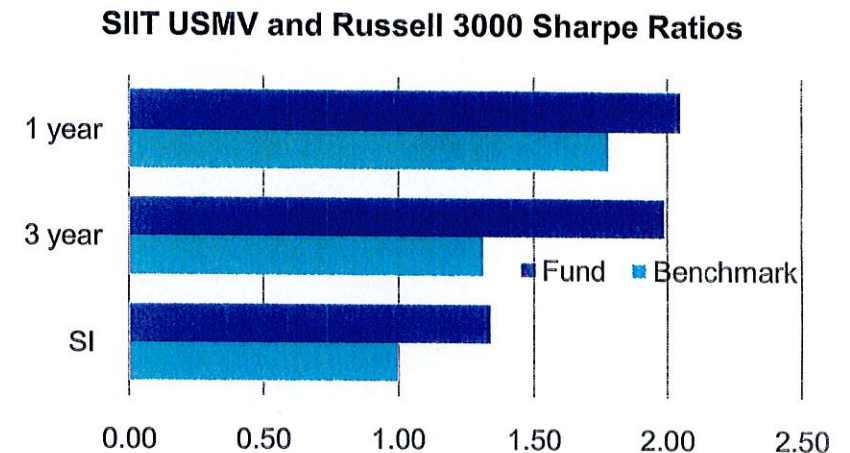
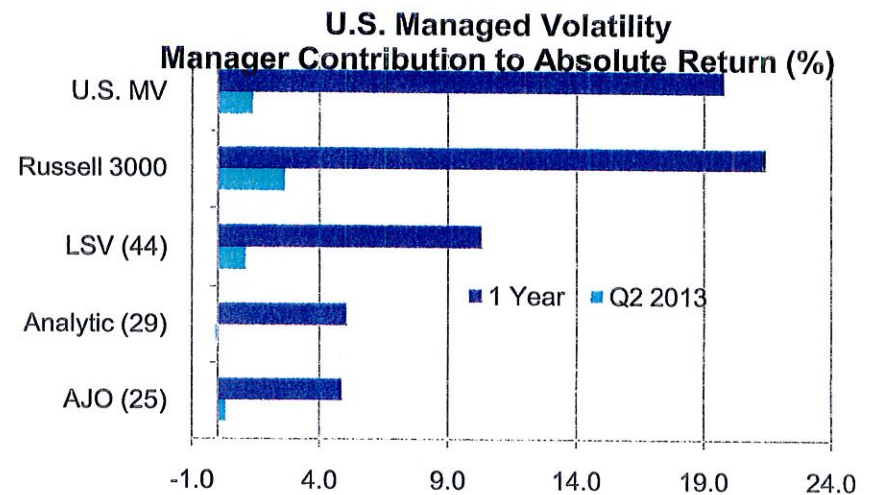
- Strong market returns drove results for the quarter and the year. Volatility was reduced, but avoidance of higher-risk stocks hurt returns in the quarter.
- Income-like stocks were hit by talk of the Federal Reserve tapering its quantitative-easing program.

Manager level contributors/detractors

- All managers delivered risk-reduction objectives, but suffered the headwinds of its low-volatility profile.
- LSV's value-biased alpha model helped offset most of its low-volatility drag for the quarter, and fully overcame it for the year.
- Analytic's momentum-biased alpha model was a detractor, as was its more aggressive low-beta stance.
- Our overweight to LSV mitigated the drag over the quarter and the year.

Actions

- There were no manager changes.



Annualized volatilities for the 1-year period are calculated using daily returns data. Annualized volatilities for 3- and 5-year periods are calculated using monthly returns data. Citigroup US T-bill return Index is used as a risk-free rate for sharpe ratio calculation. Past performance is not a guarantee of future results. Source: SEI, FactSet

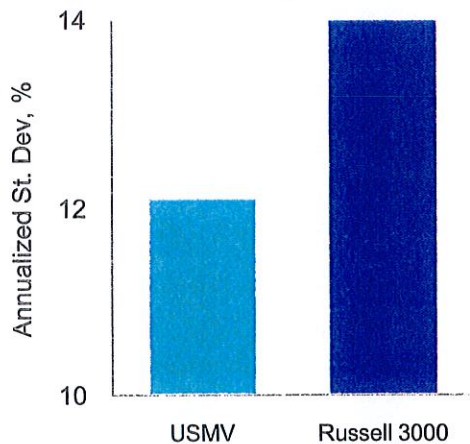
SIIT U.S. Managed Volatility

Risk reduction

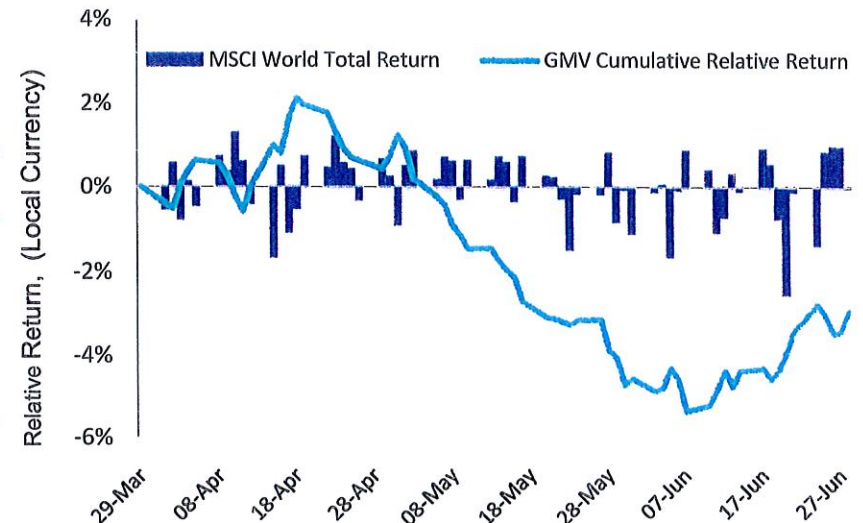
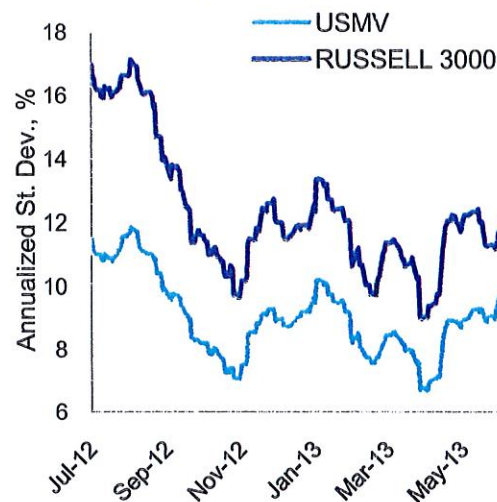
The Fund was successful in reducing risk

- There was a 16% reduction of risk from the overall market (as measured by the Russell 3000) over the quarter. This was lower than the targeted 21% reduction.
- There has been consistent risk reduction over the last year.

Realized Intra-quarter Volatility



60-Day Rolling Volatility



Cumulative returns are rebased to 0% (or \$1.00 in local currency terms) from 3/31/13. This performance does not represent actual cumulative returns for the life of the Fund. Data as at 6/30/13. Past performance is not a guarantee of future results. Source: SEI, FactSet

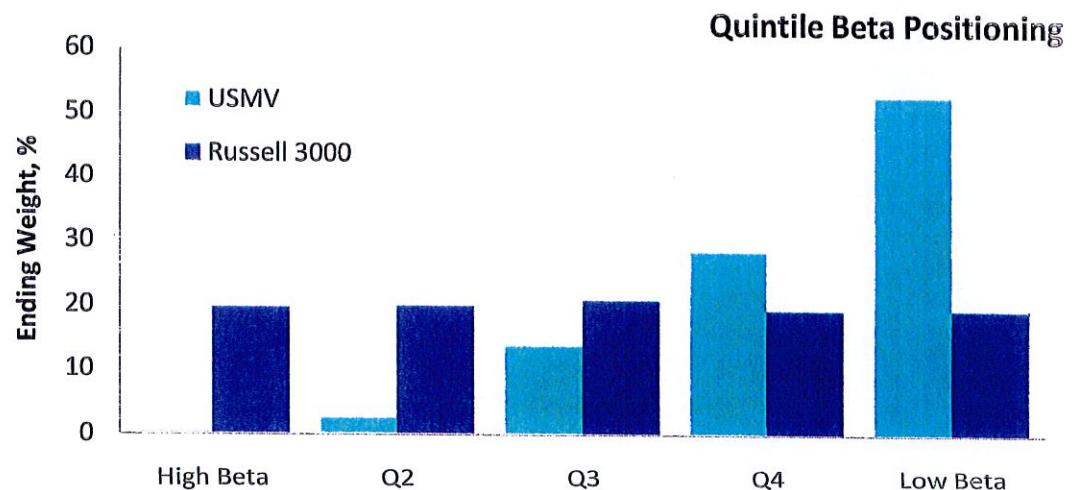
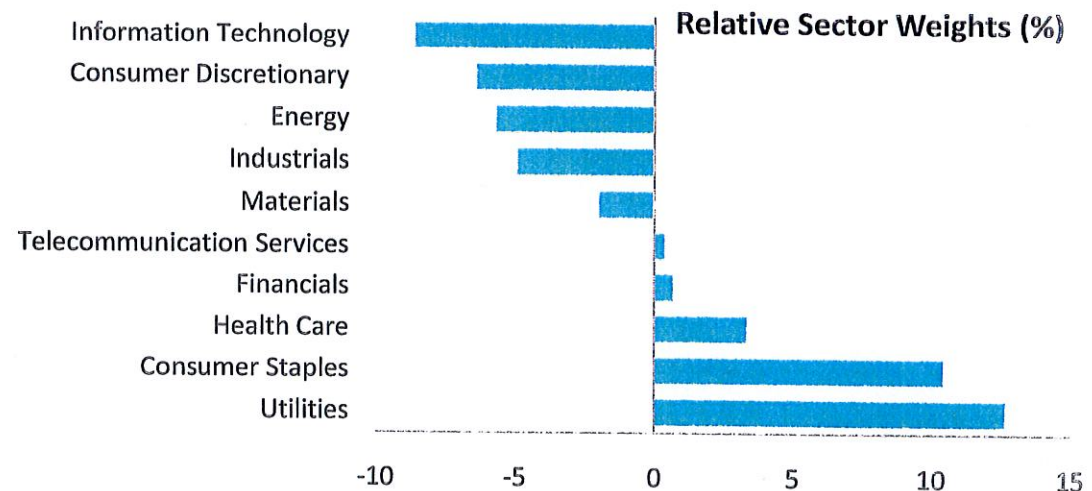
SIIT U.S. Managed Volatility Positioning

Overweight low-beta sectors

- By design, the strategy is attracted to low-volatility companies with stable operating performance.
- In the current market environment, the Fund's managers find more stability among Consumer Staples, Utilities and Health Care, while avoiding the volatile Information Technology, Consumer Discretionary and Energy sectors.

Defensive positioning maintained

- It avoids high-volatility/high-beta names.
- It maintains an overweight to value due to its emphasis on manager LSV.



Source: SEI, Factset, Axioma.
 Benchmark: Russell 3000 Index
 Data as at 6/30/13.

SIMT Global Managed Volatility Performance and positioning

Fund-level contributors/detractors

- The Fund had strong absolute returns due to an overall positive backdrop for equities. Risk reduction was successful in terms of risk-adjusted returns.
- Talk of the Federal Reserve potentially tapering its quantitative-easing program hurt relative returns, particularly in Utilities and Telecommunications. Underweighting Materials and Energy mitigated the drag.

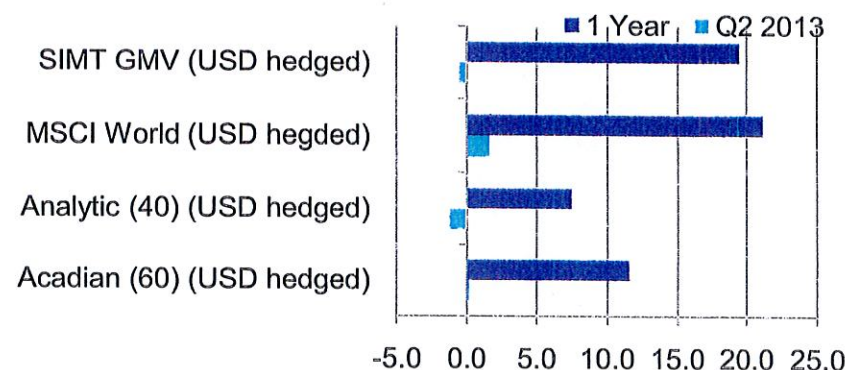
Manager-level contributors/detractors

- Analytic struggled the most, as its low-volatility stance was further compounded by a lagging momentum-alpha model and an overweight to the correcting Japanese market.
- Tilting toward Acadian mitigated Analytic's drag on relative returns.

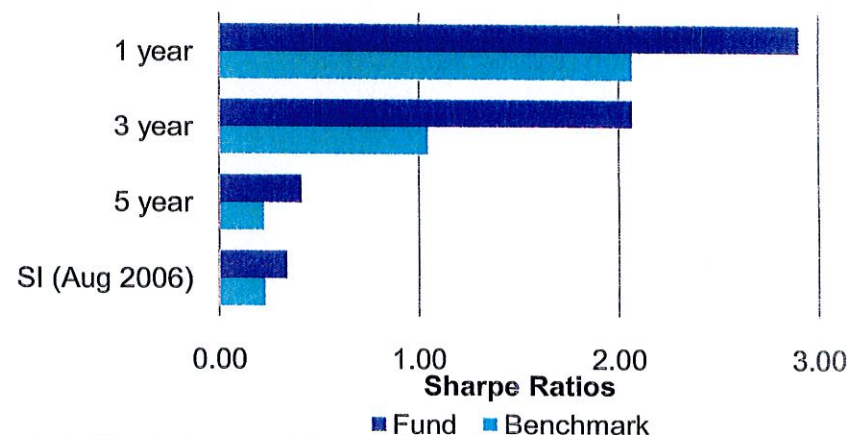
Actions

- There were no manager changes during the quarter.
- We are maintaining our tilt toward Acadian.
- We are maintaining full equitization (versus the policy of 70% equitization of Fund's cash buffer).

**SIMT Global Managed Volatility
Manager contribution to absolute return (%)**



SIMT GMV and MSCI World (100% USD hedged) Sharpe Ratios- 6/30/13



Source: SEI, USD, gross of fees.

Benchmark: MSCI World Index . (#) indicates manager target asset allocation.

Data as at 6/30/13. Annualized volatilities for 1-year period sare calculated using daily returns data. Annualized volatilities for 3-year periods are calculated using monthly returns data. Citigroup US T-bill rate is used as risk-free rate for Sharpe Ratio calculation. Past performance is not a guarantee of future results.

SIMT Global Managed Volatility

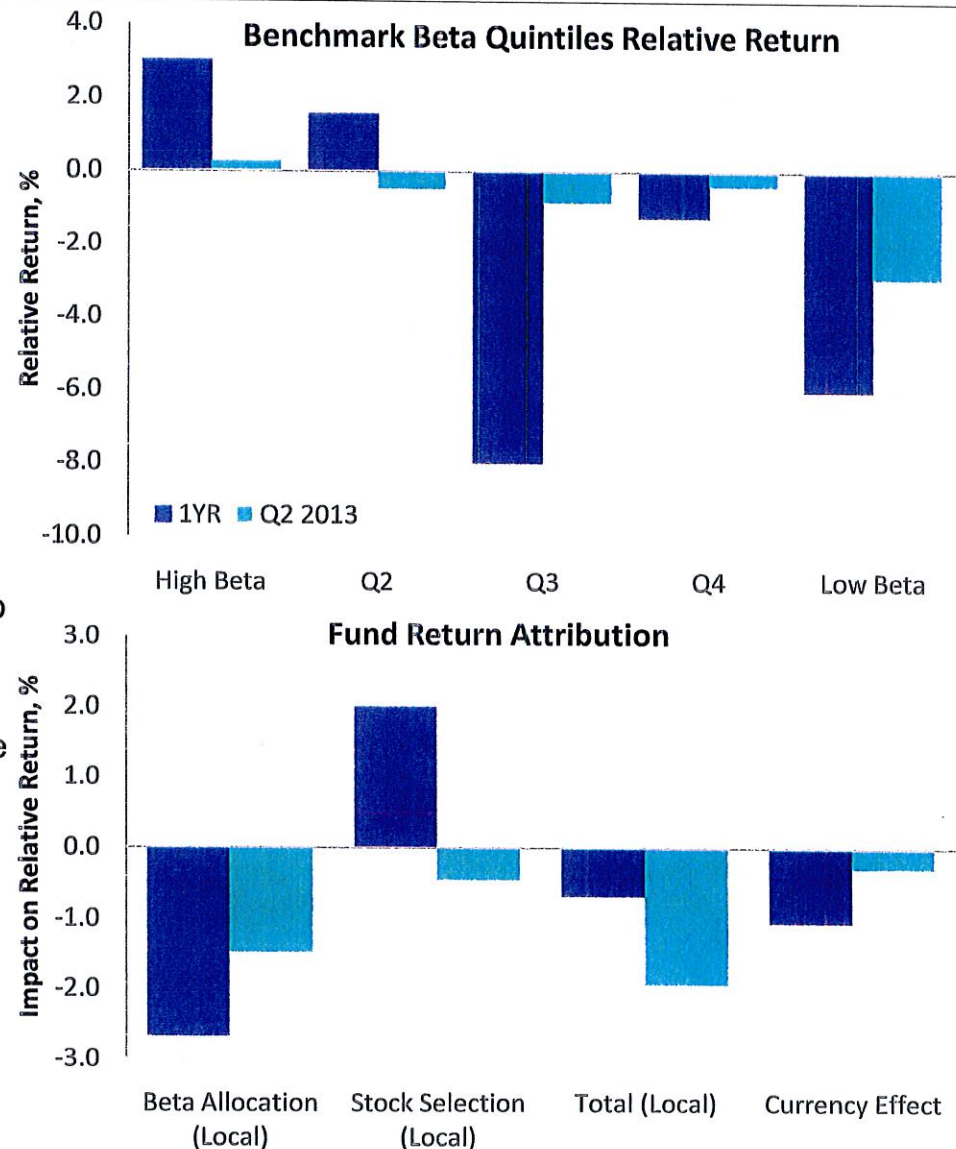
Low risk helped in a volatile year, but hurt over the quarter

Market dynamics

- An improving economy in the U.S. and a stabilizing Europe helped cyclical stocks over the quarter and the year.
- Traditional defensives suffered from interest-rate sensitivity in recent months.

Fund attribution

- A focus on low risk hurt performance over the quarter and the year.
- Good stock selection due to a focus on value by tilting to Acadian has mostly mitigated the drag.
- Foreign currencies (mostly the Japanese yen) lagged the U.S. dollar. Investors in the hedged share class were protected from the losses.



Past performance is not a guarantee of future results. Source: SEI, FactSet

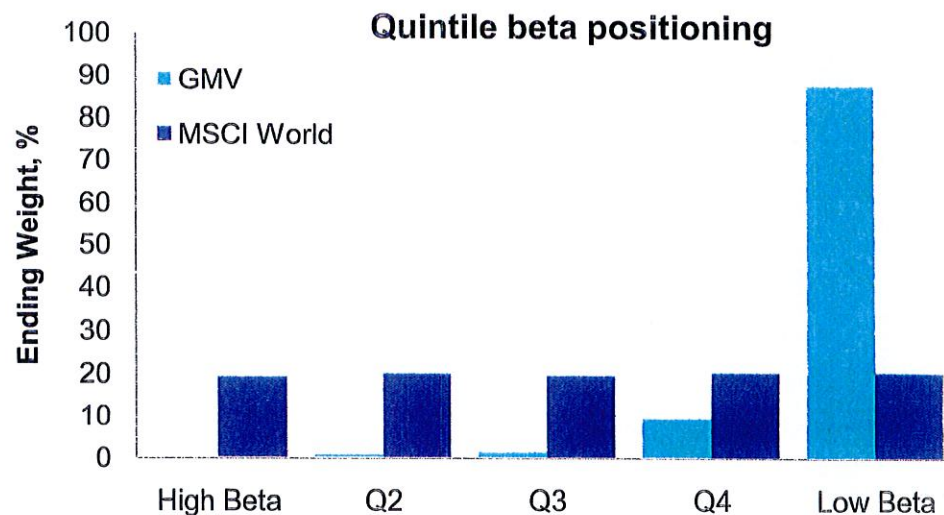
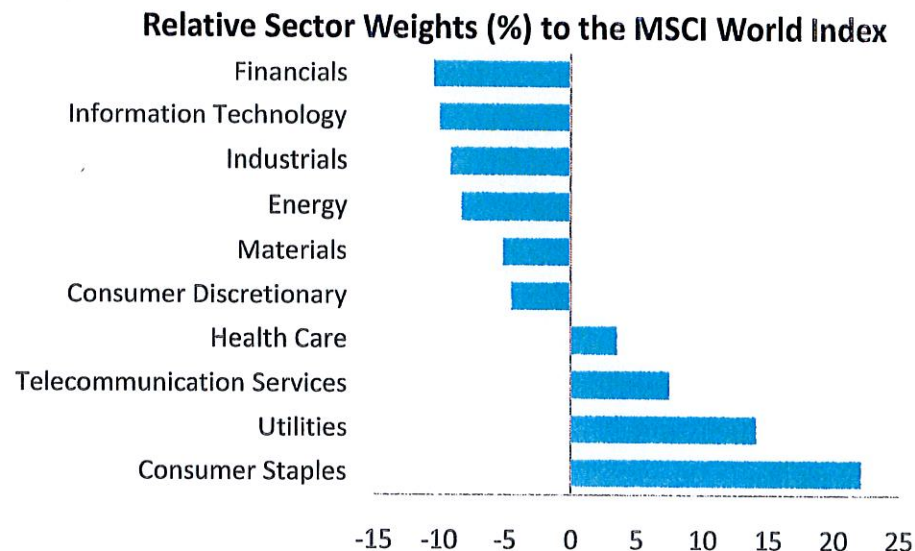
SIMT Global Managed Volatility Positioning

Overweight low-beta sectors

- By design, the strategy is attracted to low-volatility companies with stable operating performance.
- In the current market environment, the Fund's managers find more stability among Consumer Staples, Utilities and Telecommunications, while avoiding the volatile Information Technology, Financials and Energy sectors.
- An underweight to Financials has continued to moderate on valuation grounds.

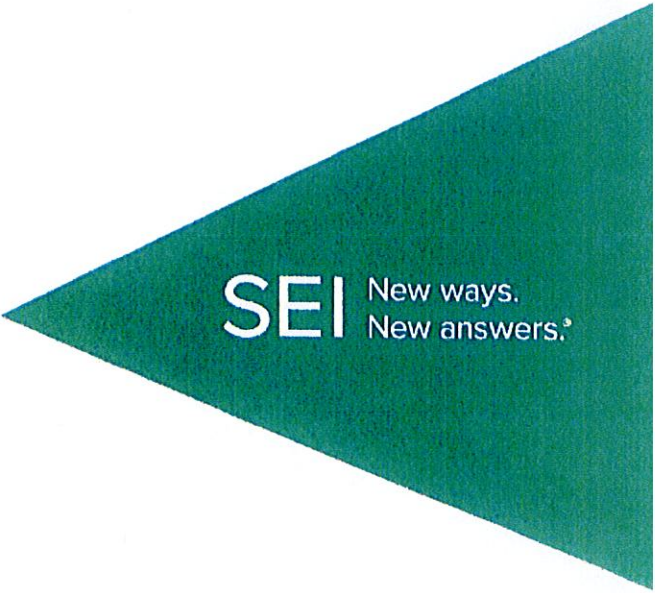
Defensive positioning maintained

- The Fund avoids high-volatility/high-beta names.
- It avoids the most expensive low-beta stocks thanks to value-aware LSV.



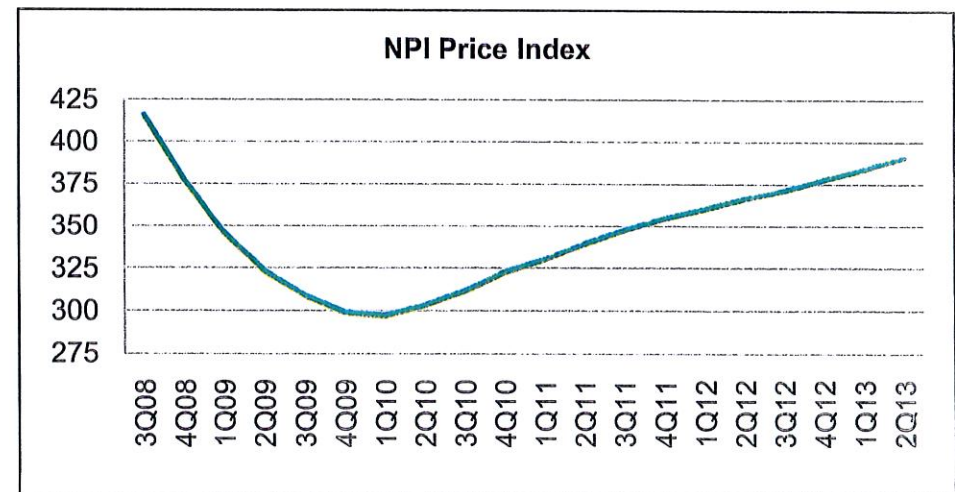
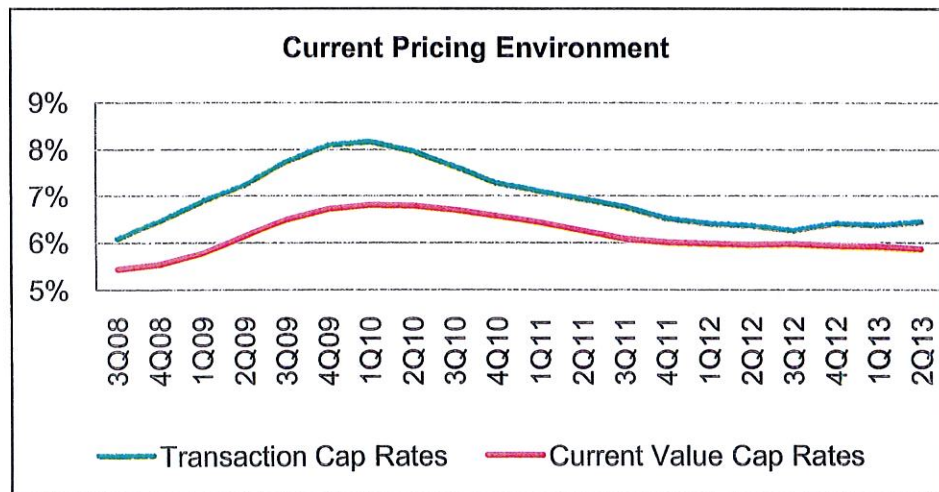
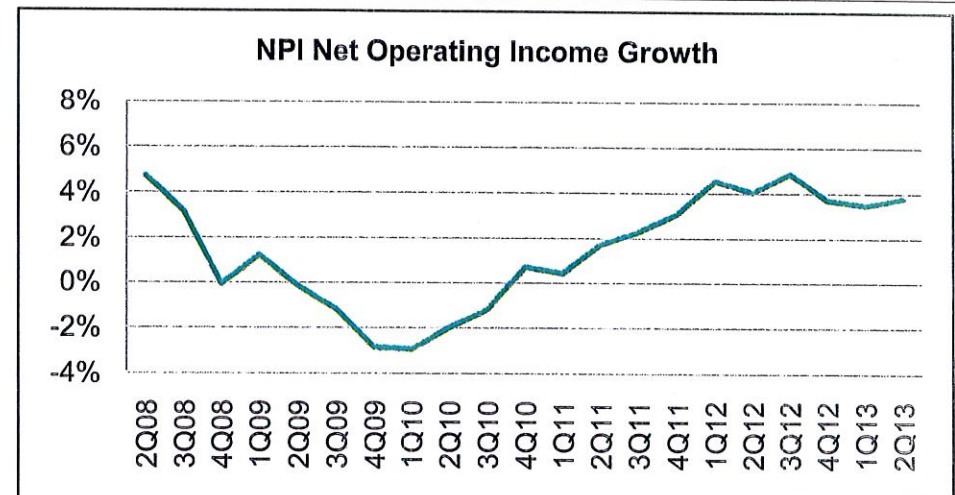
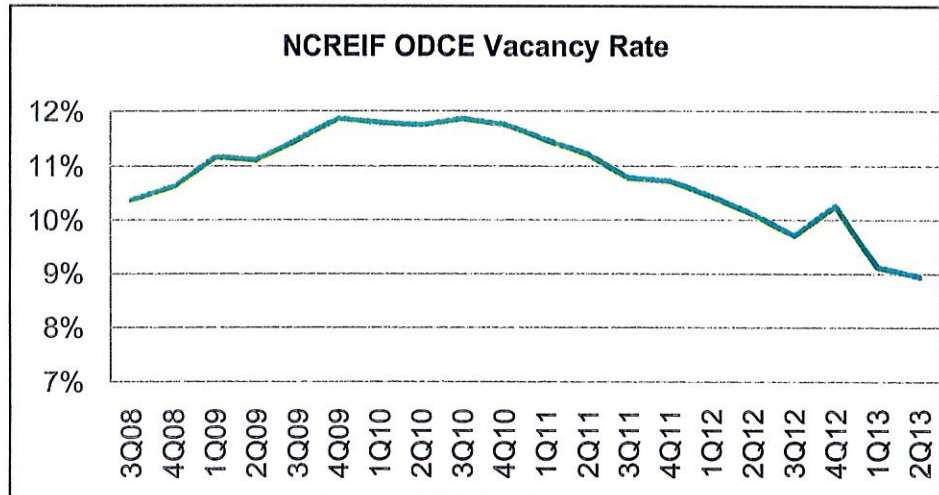
Data as at 6/30/13. Source: SEI, FactSet

Appendix: Core Property Fund



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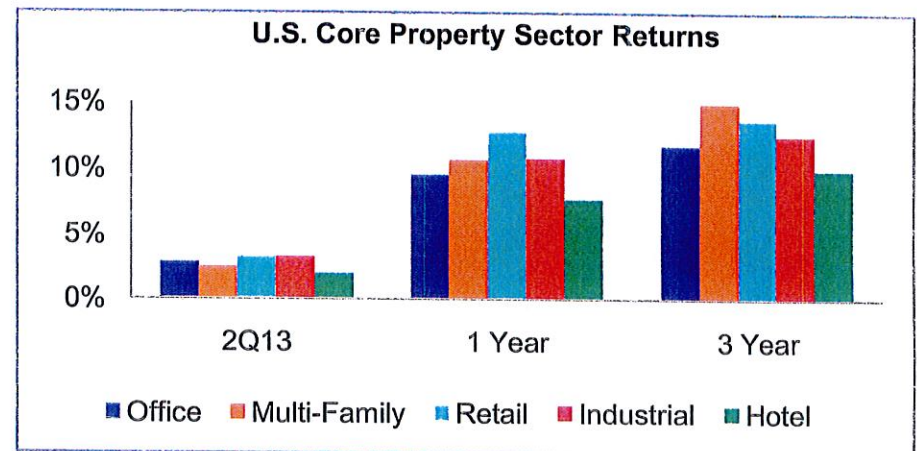
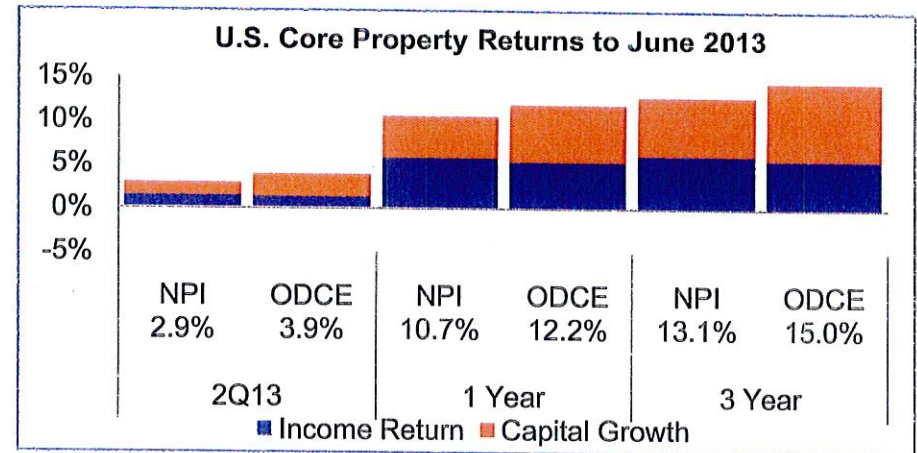
U.S. property market landscape



Sources: NCREIF ODCE Vacancy Rate is from the NCREIF ODCE Details spreadsheet and is calculated as 1 minus the Occupancy rate; NPI Net Operating Income Growth, Transaction Cap Rates, Current Value cap Rates, and NPI Price Index are from the NCREIF Trends Report and but the Index figures are 4-quarter rolling averages

U.S. property market returns

- It was another positive quarter for the U.S. property market, with both income and capital growth contributing to returns.
- Continued investor interest in core properties once again drove demand for assets and pushed prices up, with appreciation contributing 1.3% of the ODCE's 3.9% total return.
- While all five groups had gains, industrial and retail led the way, with increases of 3.2%, followed by office and multi-family at 2.8% and 2.5%, respectively. Hotels once again lagged.
- Rounding out the real estate marketplace, the west and south regions had the strongest performance (both rising 3.1%), the occupancy rate increased slightly, and the same-store net-operating-income growth rate was over 3.0%.



Source: NCREIF; NPI is a quarterly time series composite total rate of return measure of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only on an unlevered basis. The ODCE (Open-End Diversified Core Equity) is a Fund-level capitalization weighted, time-weighted return index and includes property investments at ownership share, cash balances and leverage. Past performance does not guarantee future results.

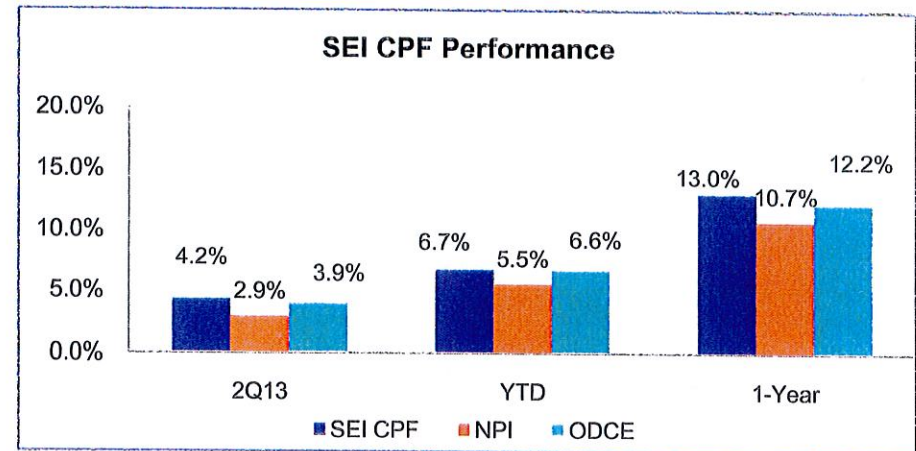
Core Property Fund: Performance review

Contributors

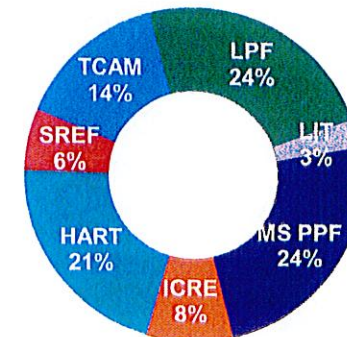
- Four of the five managers matched or exceeded both the NPI benchmark and the ODCE peer group, with gains of at least 4.4%.
- Gains were broad based, as all four primary sectors posted strong, positive returns. The new multi-family manager contributed significantly to the Fund's income return.
- The Fund's non-core exposures to self storage, trophy office and regional malls all contributed on a relative basis.

Detractors

- Detractors for the quarter were limited, as most areas saw considerable gains in value and improving operating metrics.
- Smaller managers unable to hold trophy-office or regional-mall assets due to concentration limits lagged. Those that maintain 100% core portfolios with minimal to no development or non-core sector exposures also tended to lag on a relative basis.



**SEI CPF Manager Allocation
(Based on NAV as of 7/1/13)**

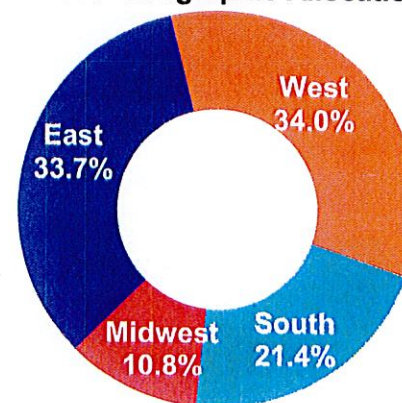


Core Property Fund: Positioning and actions

Positioning

- The Fund was heavily overweight the multi-family and other sectors at the expense of office and retail. Its industrial exposure is just slightly higher than the Index.
- Fund-level leverage is at 24.4%, and occupancy is at 92.8% for the quarter, both higher than the corresponding ODCE figures by 190 and 170 basis points, respectively.
- The Fund remains well diversified through its seven managers, which in total provide exposure to more than 600 individual properties.

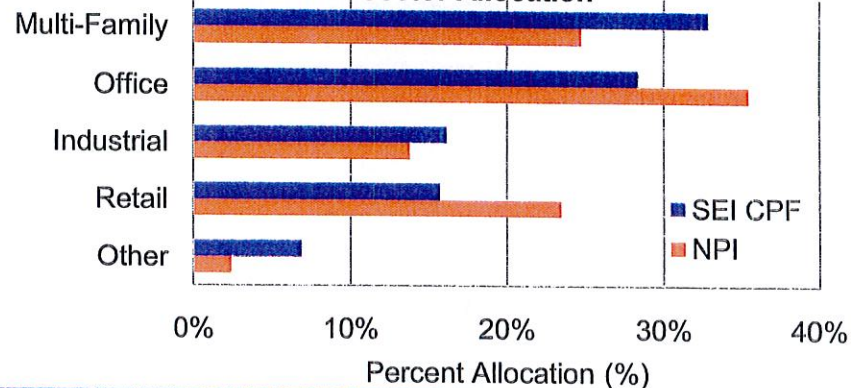
SEI CPF Geographic Allocation



Actions

- The Fund received additional commitments of over \$101 million for July 1 and accepted a total of \$147.5 million. This cleared all prior-quarter queues and \$23 million of the \$101 million in new subscriptions. The current queue is \$78 million and is expected to be drawn on October 1. Current assets under management, including the queue, are just over \$1.0 billion.
- To assist with the queue and continue building the Fund, one additional diversified manager and two specialist sector managers were added during the quarter.

SEI CPF Sector Allocation



Sources: SEI, NPI. Based on actual invested position of money drawn by managers and excluding cash; "Other" includes predominantly self-storage, hotel and land. As of 7/1/13.

Disclosures

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SEI Investments Management Corporation (SIMC) is the adviser to the Fund and has the ultimate responsibility for the investment performance of the Fund due to its responsibility to oversee the sub-advisers and recommend their hiring, termination, and replacement.

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South Florida Operating Engineers Apprentice & Training Fund

INVESTMENT POLICY STATEMENT

2/5/13

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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 terms of the 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	12%	+/- 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 monthly basis for the registered investment companies (i.e., mutual funds) and quarterly for 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 Depository Receipts, European Depository 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 2/5/13, prepared with the assistance of SEI Investments Management Corporation.

Signature

Mark [unclear] [unclear]

Date

5/23/13

International Union of Operating
Engineers Local 487
Pension Trust Fund

INVESTMENT POLICY STATEMENT
2/5/13

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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 terms of the 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 monthly basis for the registered investment companies (i.e., mutual funds) and quarterly for 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 Depository Receipts, European Depository 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-U.S. 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

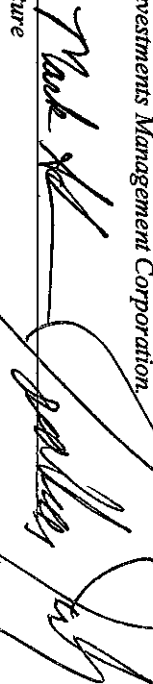
The most important performance expectation is the achievement of long-term investment results that are consistent with the Plan's Investment Policy. Implementation of the policy will be directed toward achieving this return and not toward maximizing return without regard to risk.

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 2/5/2013, prepared with the assistance of SEI Investments Management Corporation.

Signature

 Mark W. Gallen

Date

5/23/13

**International Union of Operating
Engineers Local 487
Health & Welfare Plan**

INVESTMENT POLICY STATEMENT
2/5/13

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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 terms of the 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 monthly basis for the registered investment companies (i.e., mutual funds) and quarterly for 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 in 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 Depository Receipts, European Depository 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 2/5/2013, prepared with the assistance of SEI Investments Management Corporation.

Signature

Mark Xd

Shelley

Date

5/23/13