INVESTMENT PERFORMANCE SERVICES, LLC

Plumbers & Steamfitters Local 486 Pension Fund

Master Consulting Services Report

Period Ended
December 31, 2016

TABLE OF CONTENTS

This page left blank intentionally.

Market Discussion Points 4Q | 2016

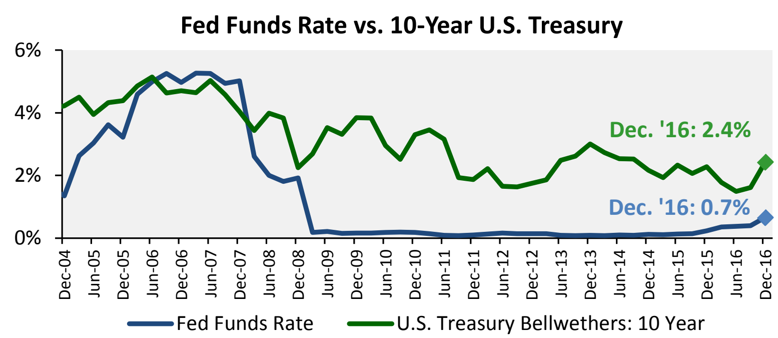
Financial Market Performance

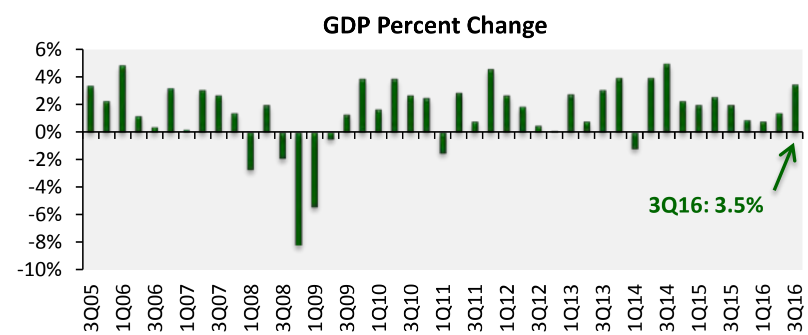
Periods Ending December 31, 2016

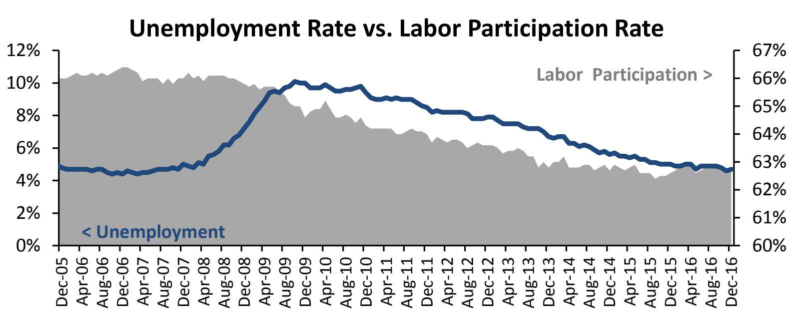
Strategy	Sector	Index	QTR	YTD	2015	2014	2013	2012	2011	1-Yr	3-Yr	5-Yr	10-Yr	20-Yr
Stocks	**US Large Cap**	S&P 500	3.8	12.0	1.4	13.7	32.4	16.0	2.1	12.0	8.9	14.7	7.0	7.7
	US Small Cap	Russell 2000	8.8	21.3	-4.4	4.9	38.8	16.4	-4.2	21.3	6.7	14.5	7.1	8.2
	All Country	MSCI All Country World (net)	1.2	7.9	-2.4	4.2	22.8	16.1	-7.4	7.9	3.1	9.4	3.6	-
	Non-US Developed	MSCI EAFE (net)	-0.7	1.0	-0.8	-4.9	22.8	17.3	-12.1	1.0	-1.6	6.5	0.8	4.2
	Emerging Markets	MSCI EM (net)	-4.2	11.2	-14.9	-2.2	-2.6	18.2	-18.4	11.2	-2.6	1.3	1.8	-
Bonds	**Treasury**	Bloomberg Barclays US Govt	-3.7	1.1	0.9	4.9	-2.6	2.0	9.0	1.1	2.3	1.2	3.9	4.9
	Broad Market	Bloomberg Barclays Aggregate	-3.0	2.7	0.6	6.0	-2.0	4.2	7.8	2.7	3.0	2.2	4.4	5.3
	High Yield	Bloomberg Barclays HY BaB 2% IC	1.1	14.1	-2.7	3.5	6.2	15.0	6.0	14.1	4.7	7.0	7.1	-
	Global Bonds	Citigroup WGBI	-8.5	1.6	-3.6	-0.5	-4.0	1.7	6.4	1.6	-0.8	-1.0	3.0	4.1
Global Tactical Asset		65% MSCI World /35% Citi WGBI	-1.9	5.6	-1.6	3.1	15.1	10.9	-1.2	5.6	2.3	6.5	3.9	5.5
Real Estate	**Core**	NCREIF ODCE Equal Weighted	2.2	9.3	15.1	12.4	13.3	11.0	16.0	9.3	12.2	12.2	5.6	8.9
Hedge Funds	**Diversified FOFs**	HFRI HFOF Composite	1.1	0.7	-0.3	3.4	9.0	4.8	-5.7	0.7	1.3	3.5	1.3	4.6
	Equity Long-Short	HFRI Equity Hedge	1.3	5.5	-1.0	1.8	14.3	7.4	-8.4	5.5	2.1	5.5	2.9	7.9
Commodities	**Commodities**	Goldman Sachs Commodity	5.8	11.4	-32.9	-33.1	-1.2	0.1	-1.2	11.4	-20.6	-13.1	-8.1	-1.9

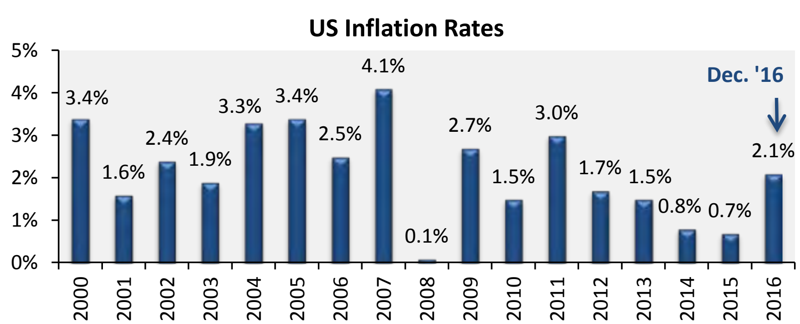
U.S. Economy

We have noted previously that consumer consumption represents the majority of US Gross Domestic Product (GDP) at 69%, with corporate investment at 12%, housing at 4%, government spending at 18% and net exports at a negative 3%. The consumer segment has shown steady and marked improvements across the board; consumer confidence jumped 4.7 points to 98.2, which is the highest level since December of 2007. Employment grew at an average of 200,000 jobs per month during 2016. The official unemployment rate continues to decline slowly and is hovering around 4.5%, which is considered “full employment.” Car sales in 2016 reached the same record in 2015 at 18 million units with light-duty trucks leading sales. Wage growth was about 3% for 2016, with inflation hovering near 2%, so there is real wage growth. The number of people moving from part-time to full-time employment also continues to rise. Household debt service is at all-time lows. Household net worth and the average 401K balance are at all-time highs, up almost 50% from the 2007 prior highs. On the housing front, new home sales are up over 12% for the year, the average price for a single family home hit new highs and the housing affordability index is still very low at 12.4% of household income. The average 30-year fixed rate mortgage moved to 4.2% in December, up from 3.5% earlier this year, but interest rates are still very low by historical standards. The corporate sector of the economy has finally shown a rebound after five quarters of earnings declines. Corporate earnings are projected to increase by 9-10% in 2017. Energy sector earnings, which have been a drag on the S&P 500 since June 2015, turned positive as oil prices have risen and stabilized at the $45-$65 per barrel level. The world has a good level of oil reserves, but supply now equals demand with OPEC and other producers agreeing to limit production. The U.S. government is still providing economic fiscal stimulus with deficit spending, but at only a 3.2% deficit for 2016. Despite two small rate hikes by the Federal Reserve over the past twelve months, interest rates are still very low and still clearly in the “stimulus” range.



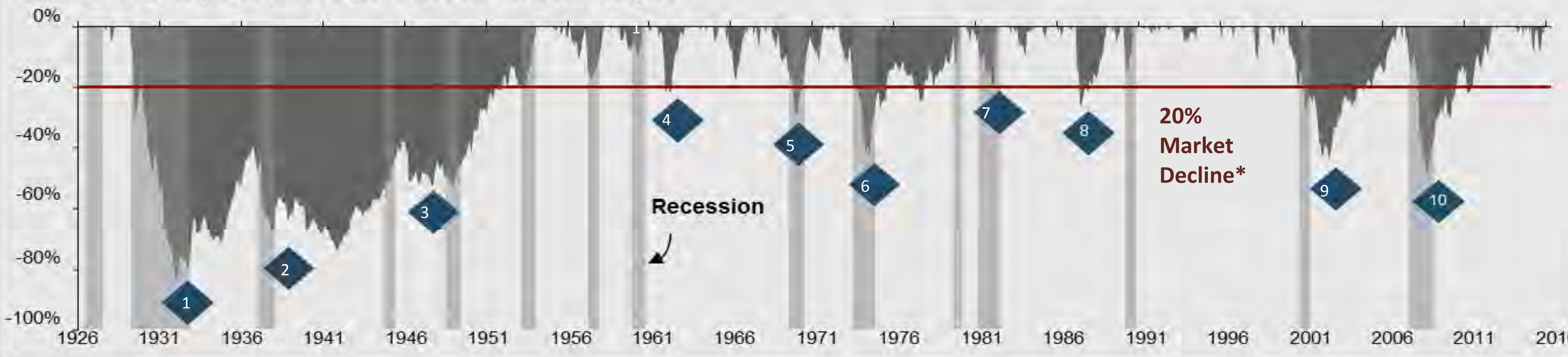






Current Bull Market: Historical Context

S&P 500 composite declines from all-time highs



Characteristics of bull and bear markets

	Market Corrections	Bear markets: Market peak	Bear markets: Bear return*	Bear markets: Duration (months)*	Macro environment: Recession	Macro environment: Commodity spike	Macro environment: Aggressive Fed	Macro environment: Extreme valuations	Bull markets: Bull begin date	Bull markets: Bull return	Bull markets: Duration (months)
1	Crash of 1929 - Excessive leverage, irrational exuberance	Sep 1929	-86%	33	◆			◆	Jul 1926	152%	38
2	1937 Fed Tightening - Premature policy tightening	Mar 1937	-60%	63	◆		◆		Mar 1935	129%	24
3	Post WWII Crash - Post-war demobilization, recession fears	May 1946	-30%	37	◆			◆	Apr 1942	158%	50
4	Flash Crash of 1962 - Flash crash, Cuban Missile Crisis	Dec 1961	-28%	7				◆	Oct 1960	39%	14
5	Tech Crash of 1970 - Economic overheating, civil unrest	Nov 1968	-36%	18	◆	◆	◆		Oct 1962	103%	74
6	Stagflation - OPEC oil embargo	Jan 1973	-48%	21	◆	◆			May 1970	74%	32
7	Volcker Tightening - Whip Inflation Now	Nov 1980	-27%	21	◆	◆	◆		Mar 1978	62%	33
8	1987 Crash - Program trading, overheating markets	Aug 1987	-34%	3				◆	Aug 1982	229%	61
9	Tech Bubble - Extreme valuations, .com boom/bust	Mar 2000	-49%	31	◆			◆	Oct 1990	417%	115
10	Global Financial Crisis - Leverage/housing, Lehman collapse	Oct 2007	-57%	17	◆	◆	◆		Oct 2002	101%	61
	Current Cycle								Mar 2009	231%	95
	Averages	-	**-45%**	**25**					-	**154%**	**54**

Source: FactSet, NBER, Robert Shiller, Standard & Poor's, J.P. Morgan Asset Management.
*A bear market is defined as a 20% or more decline from the previous market high. The bear return is the peak to trough return over the cycle. Periods of "Recession" are defined using NBER business cycle dates. "Commodity spikes" are defined as significant rapid upward moves in oil prices. Periods of "Extreme valuations" are those where S&P 500 last 12 months' P/E levels were approximately two standard deviations above long-run averages, or time periods where equity market valuations appeared expensive given the broader macroeconomic environment. "Aggressive Fed Tightening" is defined as Federal Reserve monetary tightening that was unexpected and/or significant in magnitude.
Guide to the Markets – U.S. Data are as of December 31, 2016.

Asset Class Performance "Quilt"

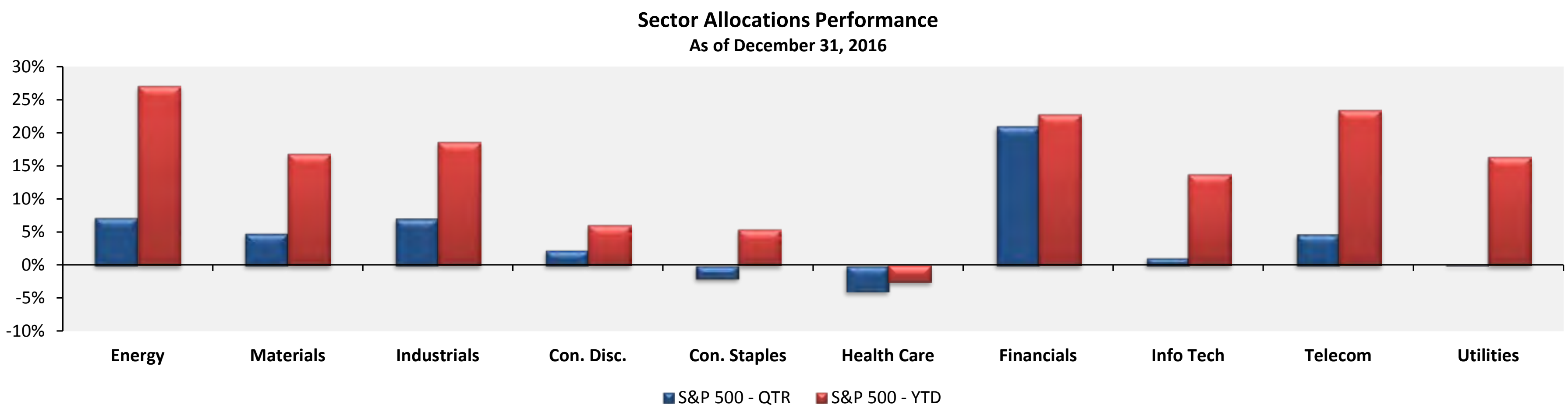
2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
RE 13.5%	Fx Inc 8.4%	Fx Inc 10.3%	EM Equity 55.8%	EM Equity 25.6%	EM Equity 34.0%	EM Equity 32.2%	EM Equity 39.4%	Fx Inc 5.2%	EM Equity 78.5%	Small Cap 26.9%	RE 16.0%	EM Equity 18.2%	Small Cap 38.8%	Large Cap 13.7%	RE 15.1%	Small Cap 21.3%
Fx Inc 11.6%	RE 5.7%	RE 5.3%	Small Cap 47.3%	Mid Cap 20.2%	RE 20.2%	Int'l 26.3%	RE 16.1%	RE -10.4%	HY 57.5%	Mid Cap 25.5%	Fx Inc 7.8%	Int'l 17.3%	Mid Cap 34.8%	Mid Cap 13.2%	Large Cap 1.4%	HY 17.5%
Mid Cap 8.3%	HY 4.5%	HFoF 1.0%	Mid Cap 40.1%	Int'l 20.2%	Int'l 13.5%	Small Cap 18.4%	Int'l 11.2%	SD HY -14.0%	Mid Cap 40.5%	EM Equity 18.9%	HY 4.4%	Mid Cap 17.3%	Large Cap 32.4%	RE 12.4%	SD HY 1.2%	Mid Cap 13.8%
HFoF 4.1%	HFoF 2.8%	HY -1.9%	Int'l 38.6%	Small Cap 18.3%	Mid Cap 12.6%	RE 16.2%	HFoF 10.3%	HFoF -21.4%	SD HY 36.1%	RE 16.1%	SD HY 4.4%	Small Cap 16.3%	Int'l 22.8%	Fx Inc 6.0%	Fx Inc 0.6%	Large Cap 12.0%
Small Cap -3.0%	Small Cap 2.5%	EM Equity -6.2%	Large Cap 28.7%	GTAA 13.2%	HFoF 7.5%	Large Cap 15.8%	GTAA 9.9%	GTAA -25.4%	Int'l 31.8%	HY 15.2%	Large Cap 2.1%	Large Cap 16.1%	GTAA 15.3%	Small Cap 4.9%	HFoF -0.3%	EM 11.2%
HY -5.2%	EM Equity -2.6%	GTAA -7.2%	HY 28.1%	RE 12.6%	Large Cap 4.9%	Mid Cap 15.3%	Fx Inc 7.0%	HY -26.4%	Small Cap 27.2%	Large Cap 15.1%	GTAA -0.9%	HY 15.6%	RE 13.3%	HFoF 3.4%	Int'l -0.8%	RE 9.3%
GTAA -8.1%	Mid Cap -5.6%	Int'l -15.9%	GTAA 26.7%	Large Cap 10.9%	Small Cap 4.6%	GTAA 15.1%	Mid Cap 5.6%	Small Cap -33.8%	Large Cap 26.5%	SD HY 11.7%	Mid Cap -1.6%	RE 11.0%	HFoF 9.0%	GTAA 3.0%	GTAA -1.6%	SD HY 8.5%
Large Cap -9.1%	GTAA -10.8%	Mid Cap -16.2%	HFoF 11.6%	HY 10.8%	GTAA 3.6%	HY 11.7%	Large Cap 5.5%	Large Cap -37.0%	GTAA 20.1%	GTAA 9.8%	Small Cap -4.2%	GTAA 10.9%	HY 7.4%	HY 2.5%	Mid Cap -2.4%	GTAA 5.6%
Int'l -14.2%	Large Cap -11.9%	Small Cap -20.5%	RE 9.1%	HFoF 6.9%	HY 2.7%	HFoF 10.4%	SD HY 3.9%	Mid Cap -41.5%	HFoF 11.5%	Int'l 7.8%	HFoF -5.7%	SD HY 10.2%	SD HY 5.6%	SD HY 1.9%	Small Cap -4.4%	Fx Inc 2.7%
EM Equity -30.8%	Int'l -21.5%	Large Cap -22.1%	Fx Inc 4.1%	Fx Inc 4.3%	Fx Inc 2.4%	SD HY 9.9%	HY 2.2%	Int'l -43.4%	Fx Inc 5.9%	Fx Inc 6.5%	Int'l -12.1%	HFoF 4.8%	Fx Inc -2.0%	EM Equity -2.2%	HY -4.6%	Int'l 1.0%
					SD HY 2.4%	Fx Inc 4.3%	Small Cap -1.6%	EM Equity -53.3%	RE -30.7	HFoF 5.7%	EM Equity -18.4%	Fx Inc 4.2%	EM Equity -2.6%	Int'l -4.9%	EM Equity -14.9%	HFoF 0.7%

Source: NCREIF, Wilshire. Large Cap Equity: S&P 500 Index, Mid Cap Equity: Russell Midcap Index, Small Cap Equity: Russell 2000 Index, International Equity: MSCI EAFE Index, Emerging Markets: MSCI EM Index, Fixed Income: Barclays Aggregate Index, High Yield Fixed Income: Merrill Lynch High Yield Master II Index, Short Duration High Yield Fixed Income: ML High Yield Cash Pay 1-3 Yr BB Index, Real Estate: NCREIF ODCE Equal Weighted Index, Hedge Fund of Funds: HFRI FOF Index, Global Tactical Asset Allocation: 65%MSCI World Equity/35% Citi World Gov't Bond Index. Inception date for the ML High Yield Cash Pay 1-3 Yr BB Index was January 1, 2005. Past performance is not indicative of future returns.

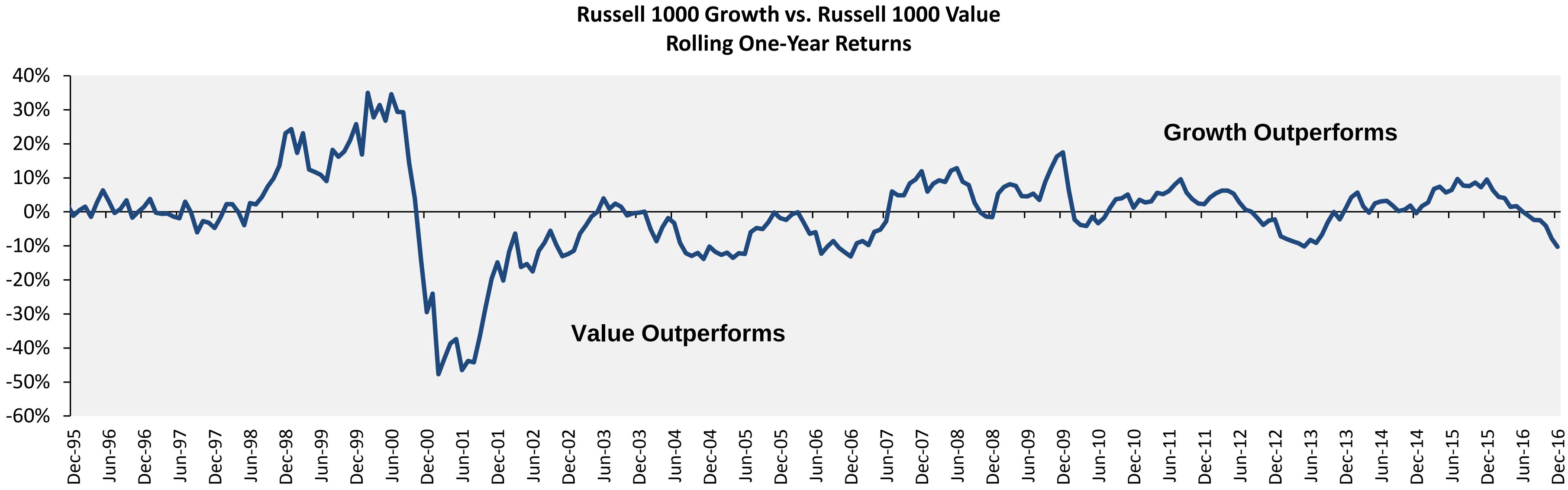
U.S. Equity Market

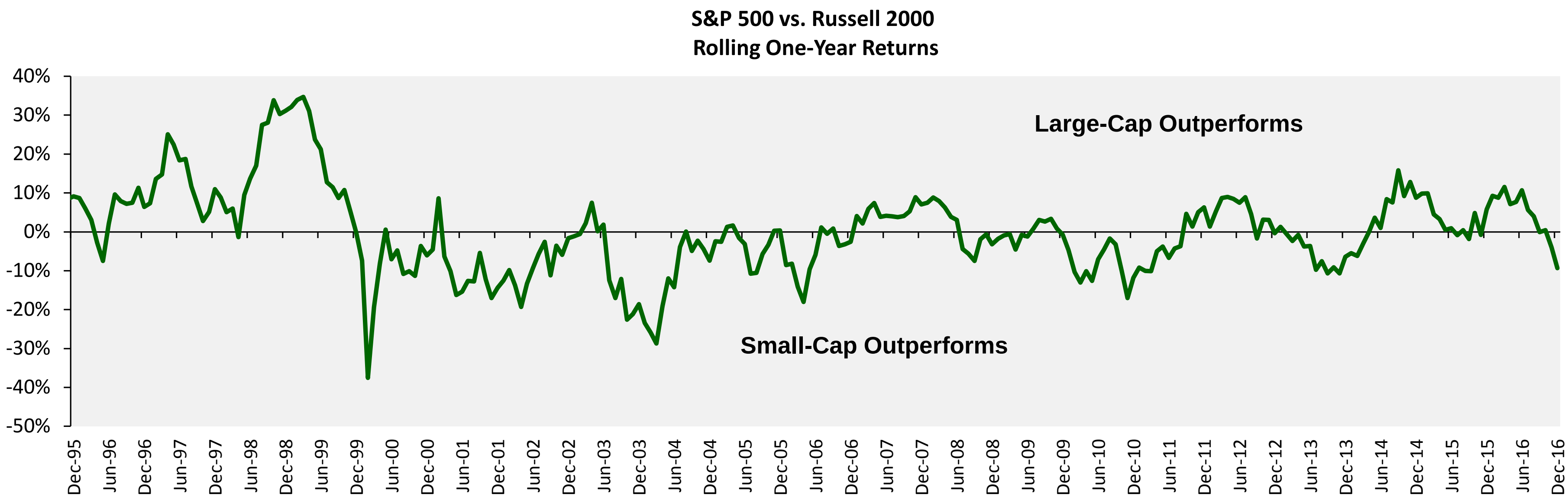
The surprise Trump victory in the Presidential election also created a surprise rally in the US stock market. The S&P 500 returned 2.0% in December, pushing the 4th quarter return to 3.8% and the calendar year return to 12%. Strong market rallies are usually led by growth stocks, but this year value stocks clearly dominated with the Russell 1000 Value index returning 17.3% vs. the Russell 1000 Growth up 7.1%. Small cap stocks had the same style tilt, but small cap also dominated large cap with the Russell 2000 Value index up 31.7% for the year vs. the Russell 2000 Growth index up 11.3%. The value rally was driven by three sectors all traditionally considered value-oriented: financials, up 22.8% for the year, benefited from the December interest rate hike; energy rose 27.4% for the year due to the rising price of crude oil; and materials rose 16.7% due to a rebound in most commodity prices. The improved earnings forecast for stocks overall supported gains in most sectors. Healthcare was the exception and was down 2.7% for the year. Healthcare stocks were hurt by the uncertainty of what a repeal of the Affordable Care Act under the Trump administration will mean for the healthcare market. The estimated forward P/E ratio of the S&P 500 at year-end was 16.9 times compared to the 25-year average of 15.9 times, so the market does not appear materially overvalued. The current market rally is now 95 months long (starting in March 2009) and is the second longest and second strongest, exceeded only by the Tech bubble from 1990-2000.

Sector	Index	4Q 16	YTD	2015	2014	2013	2012	2011	1-Year	3-Year	5-Year	10-Year
Large Cap	S&P 500	3.8	12.0	1.4	13.7	32.4	16.0	2.1	12.0	8.9	14.7	7.0
	Russell 1000	3.8	12.1	0.9	13.3	33.1	16.4	1.5	12.1	8.6	14.7	7.1
	Russell 1000 Value	6.7	17.3	-3.8	13.5	32.5	17.5	0.4	17.3	8.6	14.8	5.7
	Russell 1000 Growth	1.0	7.1	5.7	13.1	33.5	15.3	2.6	7.1	8.6	14.5	8.3
Mid Cap	Russell Mid-Cap	3.2	13.8	-2.4	13.2	34.8	17.3	-1.6	13.8	7.9	14.7	7.9
	Russell Mid-Cap Value	5.5	20.0	-4.8	14.7	33.5	18.5	-1.4	20.0	9.5	15.7	7.6
	Russell Mid-Cap Growth	0.5	7.3	-0.2	11.9	35.8	15.8	-1.7	7.3	6.2	13.5	7.8
Small Cap	Russell 2000	8.8	21.3	-4.4	4.9	38.8	16.4	-4.2	21.3	6.7	14.5	7.1
	Russell 2000 Value	14.1	31.7	-7.5	4.2	34.5	18.1	-5.5	31.7	8.3	15.1	6.3
	Russell 2000 Growth	3.6	11.3	-1.4	5.6	43.3	14.6	-2.9	11.3	5.1	13.7	7.8
Total Market	Wilshire 5000	4.5	13.4	0.7	12.7	33.1	16.1	1.0	13.4	8.8	14.7	7.2
	Russell 3000	4.2	12.7	0.5	12.6	33.6	16.4	1.0	12.7	8.4	14.7	7.1



U.S. Equity Market

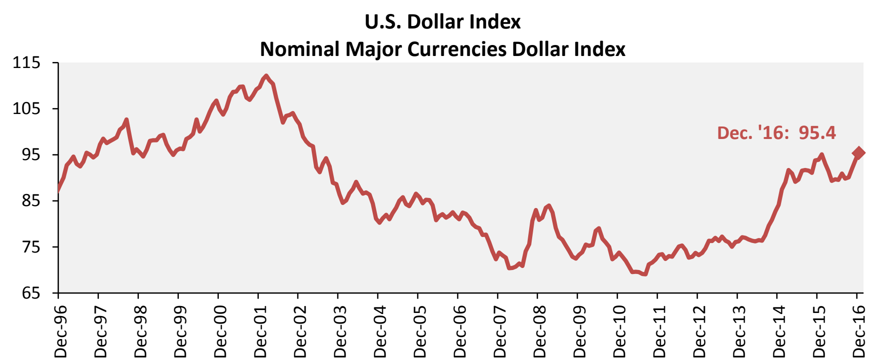


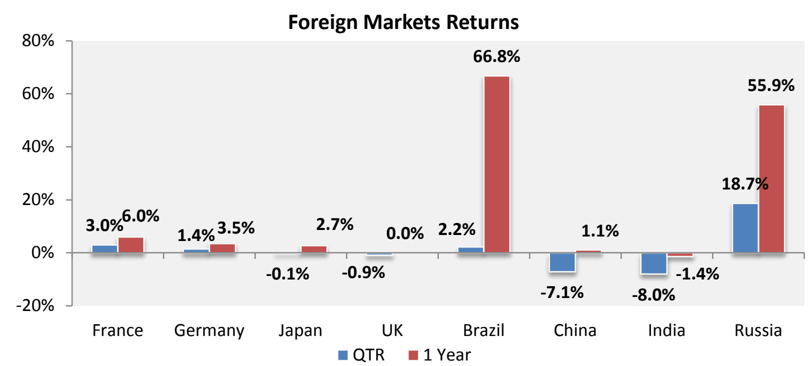


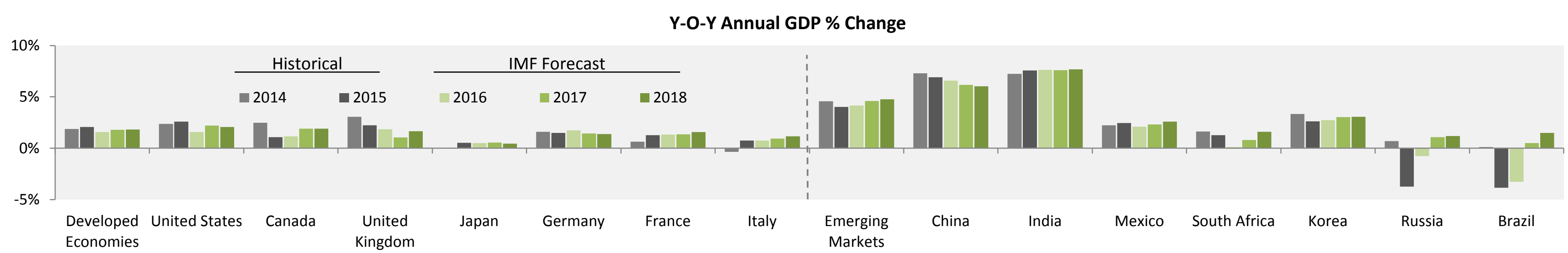
International Equity Market

Developed non-U.S. markets, in particular the Eurozone, are experiencing a slow recovery, reminiscent of where the U.S. was in late 2009 and 2010. In the Eurozone, loan demand is up, GDP is sluggish at 1.4% and unemployment is high but steadily declining. The European central bank is keeping interest rates low and providing additional stimulus through bond buying. Concerns about immigration, political upheaval with Brexit in the UK, Italy's rejection of Prime Minister Renzi's constitutional reforms, OPEC oil production cuts and rising oil prices, and the strong US dollar negatively impacted nearly all of Europe. On a broad scale the MSCI EAFE index was up 1.0% for the year, but there were wide disparities at the country level. The UK market was down 0.1% for the year and the British pound fell 16% against the U.S. Dollar since the Brexit announcement. Developed Europe overall was down 0.6%. Germany showed a bit more resilience and was up 2.8%. Other areas of the world were also mixed, with local politics and local economic activity driving returns. The MSCI Emerging Market Index was up 9.7% but again there were wide disparities in returns by country. In the western hemisphere, Brazil and Chile were up 66% and 22% respectively, but Mexico was down 9% on concerns about the trading relationship with the U.S. post the Trump election. Canada was up 24.6%. Asia was mixed, with China flat at 0.9% for the year, India down 1.4%, Korea up 8.7%, Indonesia up 17% and Thailand up 26.6% for the year.

Sector	Index	4Q 16	YTD	2015	2014	2013	2012	2011	1-Year	3-Year	5-Year	10-Year
Global	MSCI AC World Index (net)	1.2	7.9	-2.4	4.2	22.8	16.1	-7.4	7.9	3.1	9.4	3.6
	MSCI World Small Cap (net)	1.8	11.6	-1.0	1.8	28.7	18.1	-11.3	11.6	4.0	11.3	5.6
	MSCI World ex US (net)	-1.3	4.5	-5.7	-3.9	15.3	16.8	-13.7	4.5	-1.8	5.0	1.0
	MSCI World ex US Small Cap (net)	-3.5	3.9	2.6	-4.0	19.7	18.5	-18.5	3.9	0.8	7.7	2.9
Developed ex US	MSCI EAFE (net)	-0.7	1.0	-0.8	-4.9	22.8	17.3	-12.1	1.0	-1.6	6.5	0.8
	MSCI EAFE Value (net)	4.2	5.0	-5.7	-5.4	23.0	17.7	-12.2	5.0	-2.1	6.3	-0.2
	MSCI EAFE Growth (net)	-5.5	-3.0	4.1	-4.4	22.6	16.9	-12.1	-3.0	-1.2	6.7	1.6
	MSCI EAFE Small Cap (net)	-2.9	2.2	9.6	-5.0	29.3	20.0	-15.9	2.2	2.1	10.6	3.0
Emerging Markets	MSCI Emerging Markets (net)	-4.2	11.2	-14.9	-2.2	-2.6	18.2	-18.4	11.2	-2.6	1.3	1.8







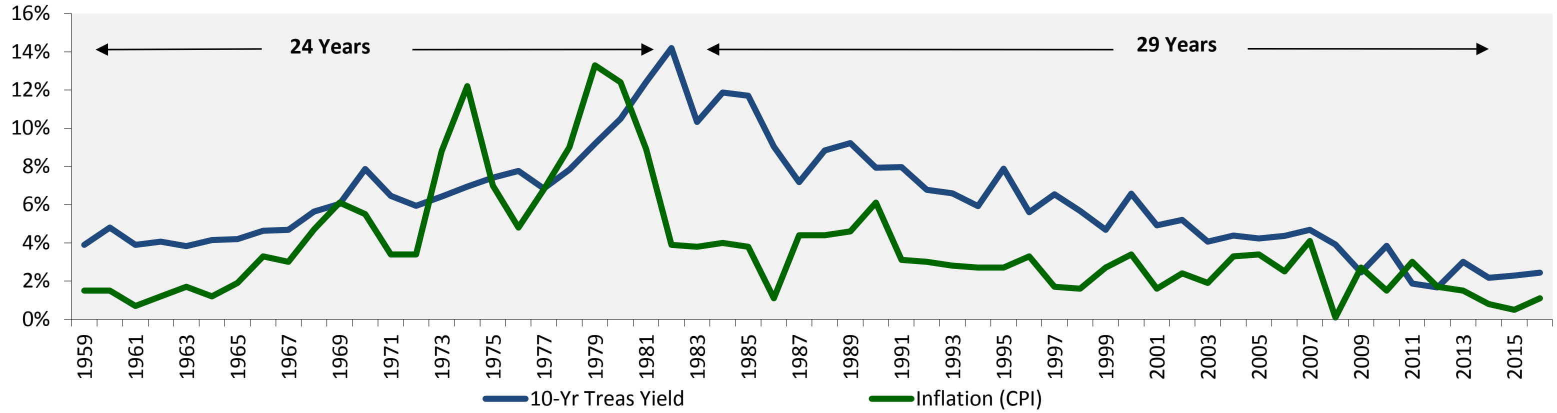
Top left chart: The major currencies index is a weighted average of the foreign exchange values of the U.S. dollar against a subset of currencies in the broad index that circulate widely outside the country of issue. The weights are derived from those in the broad index. **Top right chart:** Data as of December 31, 2016. **Bottom chart:** Annual percentages of constant price GDP are year-on-year changes; the base year is country-specific. **Source:** International Monetary Fund, World Economic Outlook Database, October 2016.

U.S. Bond Market

In the first nine months of 2016, a flattening yield curve rallied bond prices across the board. That trend reversed in the 4th quarter with the 5-year Treasury yield moving from 1.15% to 1.93% and the 10-year Treasury yield moving from 1.60% to 2.44%. With yields moving up, the value of bonds declined and the Bloomberg Barclays Aggregate Bond index posted a 3% loss in the 4th quarter to return 2.7% for the year. The Bloomberg Barclays Aggregate Bond index also continues to extend its duration, moving from 5.68 years at the end of 2015 to 5.89 years at the end of 2016. Duration is a measure of sensitivity to interest rate moves and a longer duration indicates higher volatility relative to interest rate moves. High Yield bonds benefited from the interest rate spreads between high yield bonds and Treasuries narrowing, and prices rallied. The broad Bloomberg Barclays Corporate High Yield index returned 17.1% for the year and the higher quality Bloomberg Barclays High Yield Ba/B 2% Issuer Capped index was up 14.1%. The shorter duration Merrill Lynch BofA High Yield 1-3 year Cash Pay BB index was up 8.5% for the year.

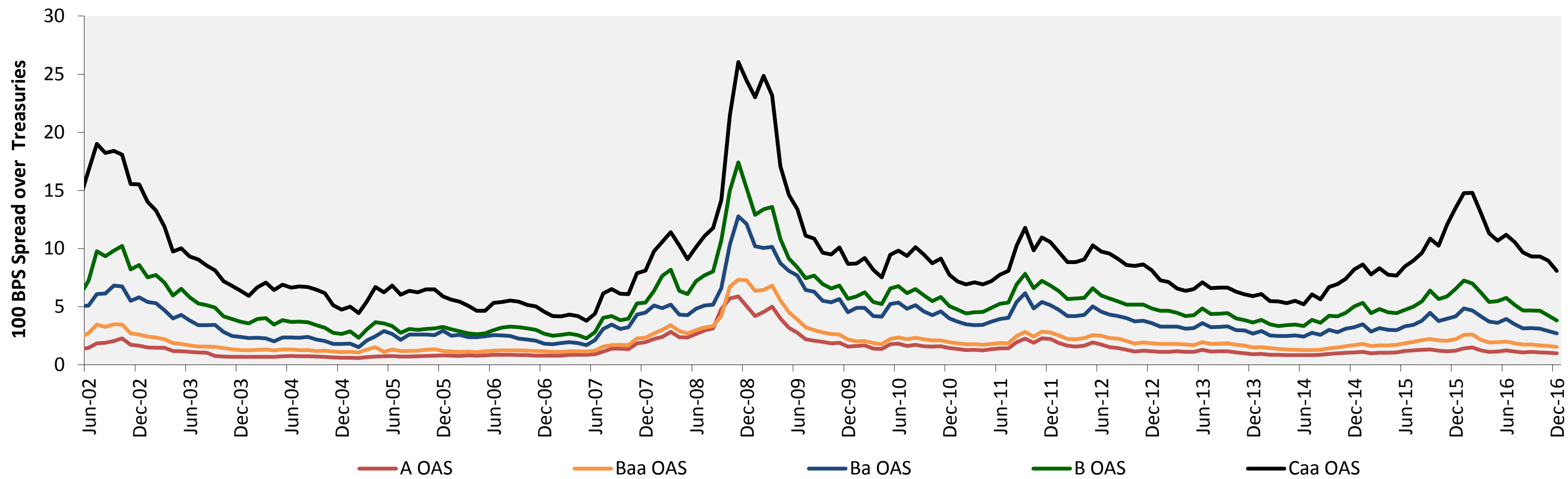
Index	Yield	Duration	4Q 16	YTD	2015	2014	2013	2012	2011	1-Year	3-Year	5-Year	10-Year
Bloomberg Barclays Aggregate	2.61	5.9	-3.0	2.7	0.6	6.0	-2.0	4.2	7.8	2.7	3.0	2.2	4.4
Bloomberg Barclays Govt/Credit	2.51	6.4	-3.4	3.1	0.2	6.0	-2.4	4.8	8.7	3.1	3.0	2.3	4.4
Bloomberg Barclays Int Agg	2.37	4.3	-2.1	2.0	1.2	4.1	-1.0	3.6	6.0	2.0	2.4	2.0	4.0
Bloomberg Barclays Int Govt/Credit	2.11	4.1	-2.1	2.1	1.1	3.1	-0.9	3.9	5.8	2.1	2.1	1.9	3.8
Bloomberg Barclays HY Ba/B 2% IC	5.23	4.3	1.1	14.1	-2.7	3.5	6.2	15.0	6.0	14.1	4.7	7.0	7.1
BofA ML HY Cash Pay BB 1-3 Yr.	4.24	1.7	0.9	8.5	1.2	1.9	5.6	10.2	4.4	8.5	3.8	5.4	6.3
Bloomberg Barclays Mortgage	2.85	4.6	-2.0	1.7	1.5	6.1	-1.4	2.6	6.2	1.7	3.1	2.1	4.3
Bloomberg Barclays Treasury	1.89	6.1	-3.8	1.0	0.8	5.1	-2.8	2.0	9.8	1.0	2.3	1.2	4.0
Bloomberg Barclays US TIPS	2.20	4.9	-2.4	4.7	-1.4	3.6	-8.6	7.0	13.6	4.7	2.3	0.9	4.4
BofA ML 91 day T-Bills	0.50	0.2	0.1	0.3	0.1	0.0	0.1	0.1	0.1	0.3	0.1	0.1	0.8

The Last Full Interest Rate Cycle 1958 - 2011
10-Yr Treasury Rate vs. Inflation (CPI)
(Annual Rates as of Jan 1 Each Year)

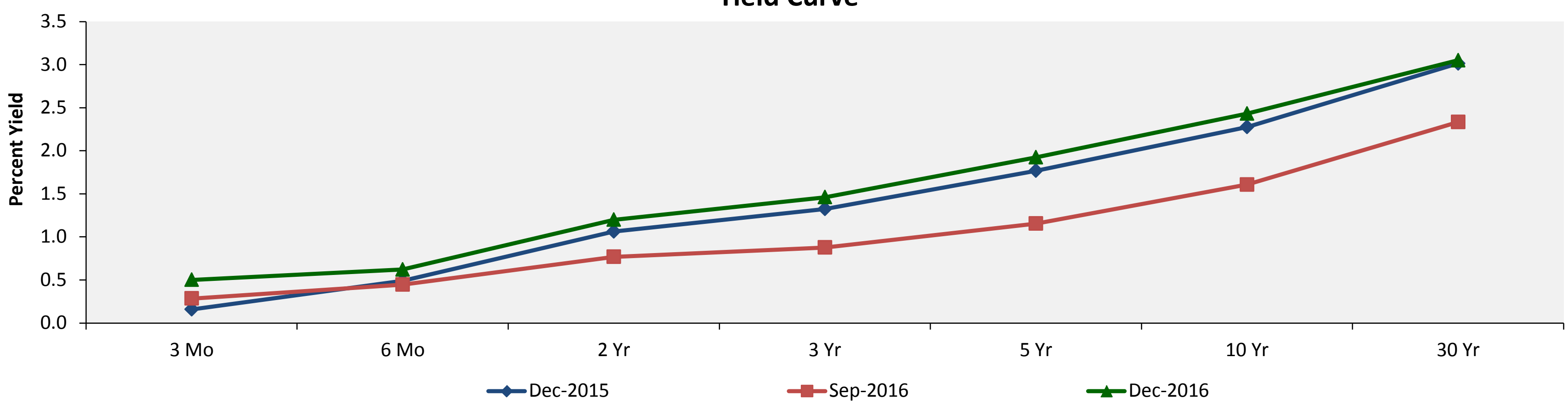


Bond Market

OAS Credit Spread



Yield Curve



Interest Rate Sensitivity

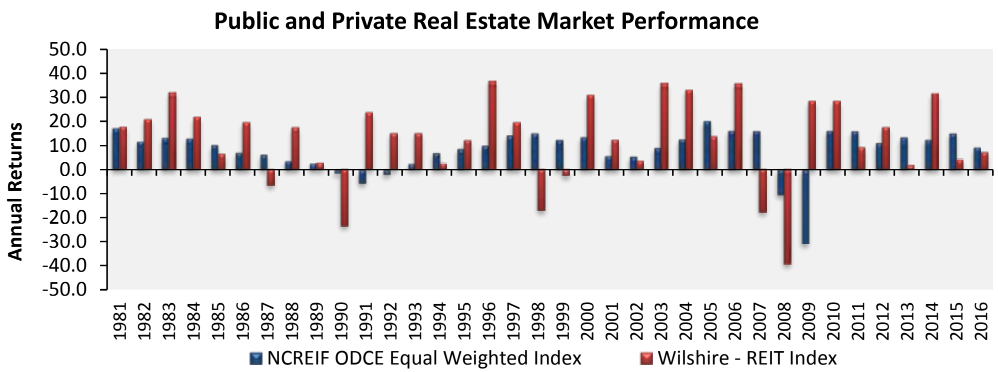
12 Month Holding Period - Annualized Returns as of 12/31/2016							
Yield Change (bps)	10 Year Treasury	Bloomberg Barclays Aggregate US Aggregate	Bloomberg Barclays Int Govt/Credit US Int Govt/Credit	ML Gov/Corp Master	ML 1-3 yr Gov/Corp	Defensive ML US HY BB/B ND	Short Duration ML US HY BB/B 1-3 yr
-150	15.71	11.72	8.19	11.93	4.28	11.37	6.76
-100	11.28	8.68	6.16	8.78	3.33	9.31	5.92
-50	6.86	5.65	4.14	5.64	2.39	7.26	5.08
-25	4.64	4.13	3.12	4.06	1.91	6.23	4.66
0	2.43	2.61	2.11	2.49	1.44	5.20	4.24
25	0.22	1.09	1.10	0.92	0.97	4.17	3.82
50	-2.00	-0.43	0.09	-0.66	0.50	3.15	3.40
100	-6.42	-3.46	-1.94	-3.80	-0.45	1.09	2.56
150	-10.85	-6.50	-3.97	-6.95	-1.40	-0.97	1.72
200	-15.27	-9.53	-5.99	-10.09	-2.34	-3.02	0.88
250	-19.70	-12.57	-8.02	-13.24	-3.29	-5.08	0.04
300	-24.12	-15.60	-10.04	-16.38	-4.23	-7.13	-0.80
350	-28.55	-18.64	-12.07	-19.53	-5.18	-9.19	-1.64
400	-32.97	-21.67	-14.09	-22.67	-6.12	-11.24	-2.48
450	-37.40	-24.71	-16.12	-25.82	-7.07	-13.30	-3.32
500	-41.82	-27.74	-18.14	-28.96	-8.01	-15.35	-4.16
Duration	8.85	6.07	4.05	6.29	1.89	4.11	1.68

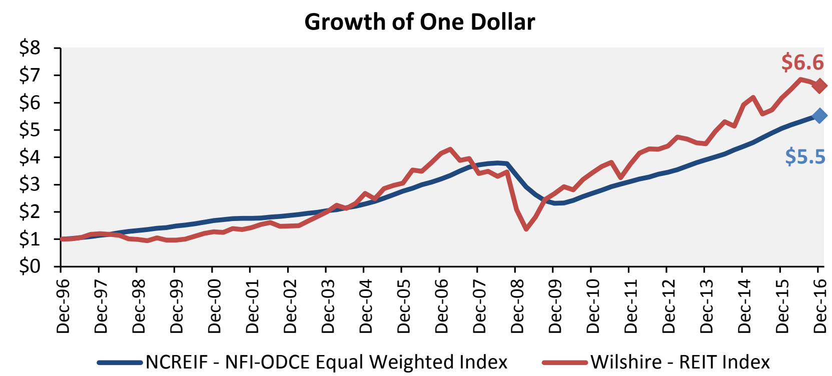
FOR ILLUSTRATIVE PURPOSES ONLY: For each index the current yield to worst as of 12/31/2016 was used as the base case annualized return. The annualized return sensitivity to a uniform increase or decrease in the yield curve was calculated by taking the index's Macaulay's (Modified) Duration to Worst as of 12/31/2016 multiplied by the percentage point change in the yield curve (basis point change divided by 100) and then appropriately adding or subtracting this implied percentage change in the value of the index (due to the shift in the yield curve) to the base case annualized return. This is a rough approximation of the annual return sensitivity to parallel shifts in the yield curve. **SOURCE:** PENN Capital Internal Research.

Real Estate Market

The NCREIF ODCE Equal-Weighted index, which is comprised of 33 "core" open-ended real estate funds, posted a 2.2% return for the 4th quarter and was up 9.3% for the year. The return from income was 1.1% for the quarter. Apartment rents were up 3.2% year over year on average, and vacancy rates dropped to 4.0%. The industrial and office sectors also are seeing increased demand as the economy improves, with little speculative supply coming into the market and that is dominated by "build to suit" for company specific needs. Retail seems to be an area of modest concern, especially for shopping centers anchored by large retailers that are impacted adversely by a shift to internet purchases at the expense of their in-store sales. Capitalization rates (the inverse of a “Price to Earnings” ratio) have continued to remain low. With interest rates now in a rising trend, future performance will rely heavily on income and income growth as opposed to lower cap rates. Therefore, future performance may be lower than recent years.

Sector	Index	4Q 16	YTD	2015	2014	2013	2012	2011	1-Year	3-Year	5-Year	10-Year
US Private	NCREIF ODCE Equal Weighted	2.2	9.3	15.1	12.4	13.3	11.0	16.0	9.3	12.2	12.2	5.6
US Public	Wilshire REIT	-2.3	7.2	4.2	31.8	1.9	17.6	9.2	7.2	13.8	12.0	4.8





	Total return (incl. income) 2016	Total return (incl. income) 2017	Total return (incl. income) 2018	Total return (incl. income) 2016 to 2020 (per year)
National, All Property Types (NPI)	8.3	6.9	5.7	6.4
Office	7.1	6.6	5.5	5.9
Retail	9.4	7.0	5.8	6.9
Industrial	10.9	7.8	6.4	7.3
Apartment	7.6	6.7	5.6	6.1

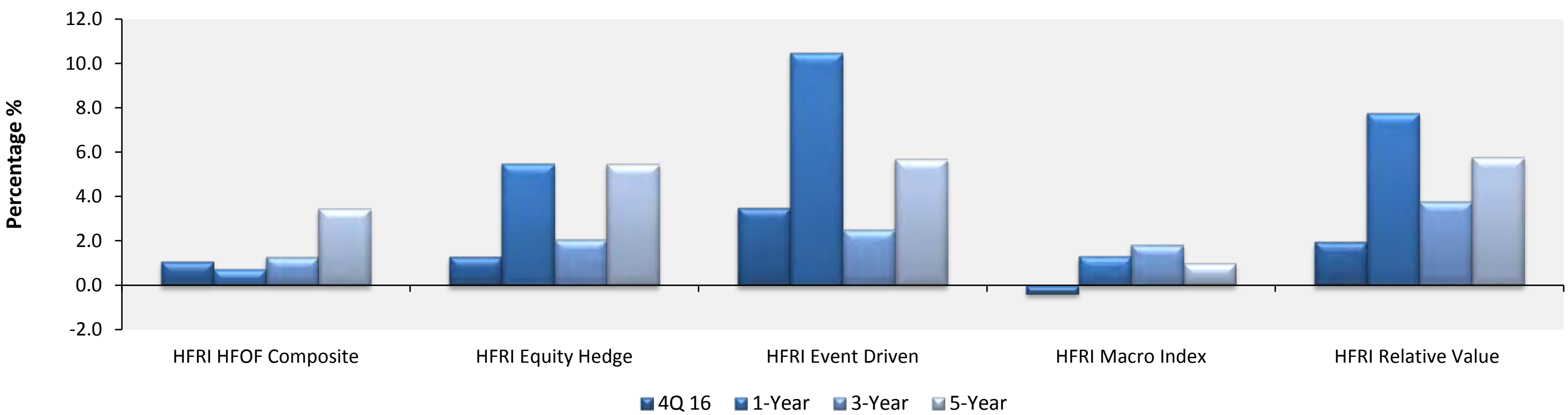
Bottom chart: Average of respondents’ forecasts of the NCREIF Property Index (NPI) and sub-indices by property type. **Source:** Pension Real Estate Association Consensus Forecast Survey of the NCREIF Property Index Q4 2016.

Hedge Fund of Funds Market

Hedge funds generated mostly positive returns during a divergent fourth quarter across several asset classes, as U.S. equities and high yield bonds continued to gain while non-U.S. equities and investment grade bonds largely sold off. The HFRI Fund of Funds Composite rose 1.06% for the quarter, pushing the index into positive territory for the calendar year but up only 71 basis points for 2016. As was the case with traditional active managers, much of the disappointing performance among funds of hedge funds occurred during the first half of 2016. The environment for hedge fund managers appeared to improve in the latter half of the year as equity volatility increased, correlations among sectors and stocks fell, and Treasury yields began to rise, causing losses in the bond market. During the last six months of the year, the HFRI Fund of Funds Composite was up 3.4%, while the Bloomberg Barclays US Aggregate declined 2.5%. Though this is a short-term period, hedge funds have shown long-term negative correlation with bonds, which should be additive to investor portfolios in a rising interest rate environment. The market over the last six months was especially beneficial for long/short equity and event driven strategies; the HFRI Equity Hedge was up 5.9% from July-December and the HFRI Event Driven was up 8.1% over the same period.

Strategy	Index	4Q 16	YTD	2015	2014	2013	2012	2011	1-Year	3-Year	5-Year	10-Year
Fund of Funds	HFRI HFOF Composite	1.1	0.7	-0.3	3.4	9.0	4.8	-5.7	0.7	1.3	3.5	1.3
Equity Long-Short	HFRI Equity Hedge	1.3	5.5	-1.0	1.8	14.3	7.4	-8.4	5.5	2.1	5.5	2.9
Event Driven	HFRI Event Driven	3.5	10.5	-3.6	1.1	12.5	8.9	-3.3	10.5	2.5	5.7	4.1
Global Macro	HFRI Macro Index	-0.4	1.3	-1.3	5.6	-0.4	-0.1	-4.2	1.3	1.8	1.0	2.8
Relative Value	HFRI Relative Value	2.0	7.8	-0.3	4.0	7.1	10.6	0.2	7.8	3.8	5.8	5.2

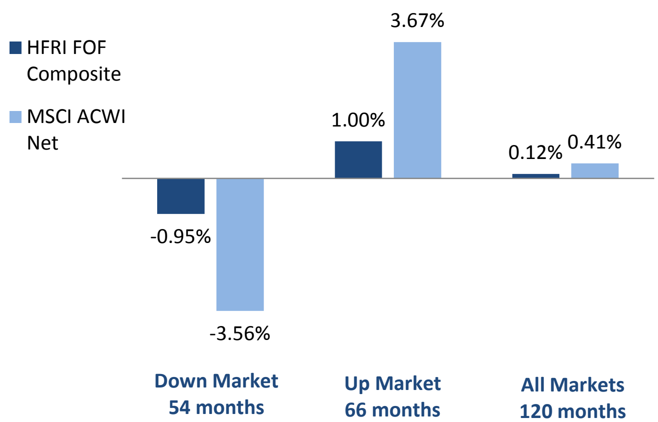
Hedge Fund Strategy Performance



Hedge Fund of Funds Market

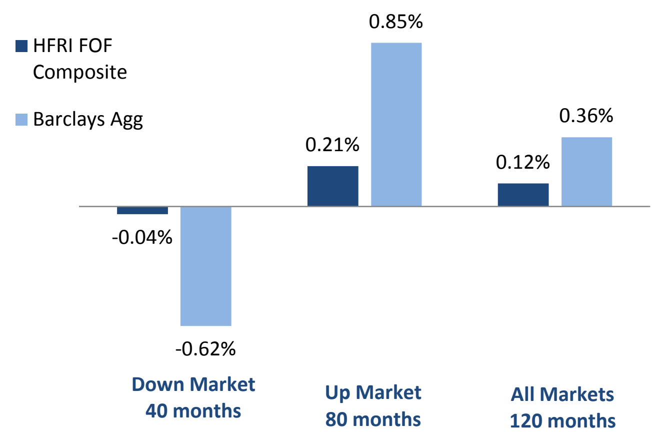
Up/Down Capture vs. Equity

Average Returns
January 2007 - December 2016



Up/Down Capture vs. Bonds

Average Returns
January 2007 - December 2016



Comparison of Long-Term vs. Post Financial Crisis Asset Class Performance

*Represents asset class performance from Jan 1991 - Dec 2015 vs. Jan 2009 - Dec 2015

Source: Corbin Capital Partners

Plumbers and Steamfitters Local 486 Pension Fund

Master Consulting Services Report

Period Ended

December 31, 2016

This page left blank intentionally.

Total Plan Growth of Assets

Summary of Cash Flows

	Fourth Quarter	One Year	Three Years	Five Years	Seven Years	Ten Years	Inception 4/1/96
Beginning Market Value	$215,952,171	$193,370,000	$179,703,296	$138,982,317	$126,470,752	$138,320,730	$70,508,382
Net Cash Flow	-$546,557	$11,334,957	$5,515,128	$2,447,750	-$2,009,048	$1,425,387	-$12,515,778
Net Investment Change	$3,826,871	$14,527,528	$34,014,061	$77,802,419	$94,770,781	$79,486,368	$161,239,882
Ending Market Value	$219,232,486	$219,232,486	$219,232,486	$219,232,486	$219,232,486	$219,232,486	$219,232,486

- The present assumed actuarial rate as determined by the plan actuary is 7.5%.
- The Fund's fiscal year end is 12/31.

Total Plan Performance (Gross of Fees)

	Market Value	% of Portfolio	Ending December 31, 2016					
			2016 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund	**$219,232,486**	**100.0%**	**1.9%**	**7.5%**	**6.2%**	**9.8%**	**9.0%**	**5.0%**
Benchmark			*2.7%*	*9.7%*	*5.8%*	*9.6%*	*8.7%*	*4.9%*
Total Domestic Equity	**$79,690,477**	**36.3%**	**3.6%**	**10.1%**	**7.7%**	**14.8%**	**13.2%**	**7.0%**
S&P 500			*3.8%*	*12.0%*	*8.9%*	*14.7%*	*12.8%*	*6.9%*
Russell 2000			*8.8%*	*21.3%*	*6.7%*	*14.5%*	*13.2%*	*7.1%*
Total International Equity	**$12,207,901**	**5.6%**	**-3.3%**	**5.9%**	**3.0%**	**4.7%**	**2.8%**	**--**
MSCI EAFE Value			*4.2%*	*5.0%*	*-2.1%*	*6.3%*	*3.0%*	*-0.2%*
Total Investment Grade Fixed Income	**$12,122,123**	**5.5%**	**-1.8%**	**2.1%**	**2.1%**	**1.8%**	**2.9%**	**--**
BBgBarc US Govt/Credit Int TR			*-2.1%*	*2.1%*	*2.1%*	*1.8%*	*3.0%*	*3.8%*
Total Fixed High Yield	**$17,085,797**	**7.8%**	**2.1%**	**11.7%**	**3.6%**	**5.9%**	**7.2%**	**--**
Citi BB/B Ex Split B/CCC Index			*0.9%*	*13.1%*	*3.8%*	*6.1%*	*7.2%*	*5.8%*
Total Mortgages	**$2,364,208**	**1.1%**	**0.5%**	**3.6%**	**3.8%**	**3.9%**	**3.4%**	**2.6%**
BBgBarc US Aggregate TR			*-3.0%*	*2.6%*	*3.0%*	*2.2%*	*3.6%*	*4.3%*
Total Real Estate	**$43,346,318**	**19.8%**	**1.4%**	**8.0%**	**11.5%**	**11.0%**	**11.8%**	**5.0%**
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*	*13.3%*	*5.6%*
Total Private Equity	**$1,051,913**	**0.5%**	**0.0%**	**--**	**--**	**--**	**--**	**--**
Total Hedge Fund of Funds-Multi-Strategy	**$10,276,180**	**4.7%**	**2.7%**	**3.4%**	**2.8%**	**6.7%**	**5.2%**	**--**
HFRI Fund of Funds Composite Index			*0.9%*	*0.5%*	*1.2%*	*3.4%*	*2.4%*	*1.3%*
Total Opportunistic Investments	**$12,623,782**	**5.8%**	**5.9%**	**13.6%**	**7.0%**	**--**	**--**	**--**
HFRX Event Driven Index			*3.7%*	*11.1%*	*-0.3%*	*3.7%*	*2.1%*	*1.0%*
Total Global Tactical Asset Allocation	**$18,227,057**	**8.3%**	**0.3%**	**5.5%**	**2.7%**	**6.2%**	**--**	**--**
65% MSCI World Index/35% CitigroupWGBI			*-1.9%*	*5.6%*	*2.3%*	*6.5%*	*5.8%*	*--*
Total GICs	**$2,885,313**	**1.3%**	**0.4%**	**2.6%**	**2.8%**	**3.1%**	**3.2%**	**3.5%**
Total Cash	**$2,936,208**	**1.3%**	**0.1%**	**0.1%**	**0.2%**	**0.2%**	**0.2%**	**0.6%**
Total Other	**$4,415,209**	**2.0%**						

Total Plan Performance (Gross of Fees)

	Fiscal Year Ends December 31											
	Fiscal YTD	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
Total Fund	**7.5%**	**7.5%**	**3.8%**	**7.4%**	**20.3%**	**10.5%**	**1.8%**	**12.5%**	**8.5%**	**-23.6%**	**7.1%**	**11.5%**
Benchmark	*9.7%*	*9.7%*	*1.3%*	*6.5%*	*18.7%*	*12.3%*	*1.3%*	*12.0%*	*14.0%*	*-26.7%*	*7.3%*	*12.6%*

Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
U.S. Large Cap Equity	$55,590,601	25.4%	25.0%	20.0% - 30.0%	0.4%	$782,480
U.S. Small / Mid Cap Equity	$24,099,876	11.0%	10.0%	5.0% - 15.0%	1.0%	$2,176,627
International Equity	$12,207,901	5.6%	7.5%	2.5% - 12.5%	-1.9%	-$4,234,536
Investment Grade Fixed Income	$14,486,330	6.6%	10.0%	5.0% - 15.0%	-3.4%	-$7,436,918
High Yield Fixed Income	$17,085,797	7.8%	5.0%	0.0% - 10.0%	2.8%	$6,124,173
Real Estate	$43,346,318	19.8%	20.0%	15.0% - 25.0%	-0.2%	-$500,179
Private Equity	$1,051,913	0.5%	2.5%	0.0% - 7.5%	-2.0%	-$4,428,900
Multi-Strategy Hedge Fund of Funds	$10,276,180	4.7%	5.0%	0.0% - 10.0%	-0.3%	-$685,444
Opportunistic Investments	$12,623,782	5.8%	5.0%	0.0% - 10.0%	0.8%	$1,662,158
Global Tactical Asset Allocation	$18,227,057	8.3%	7.5%	2.5% - 12.5%	0.8%	$1,784,621
Cash Equivalents	$10,236,731	4.7%	2.5%	0.0% - 5.0%	2.2%	$4,755,918
Total	**$219,232,486**	**100.0%**	**100.0%**			

- Investment grade fixed income allocation includes Ullico J for Jobs (mortgages).
- Cash allocation includes Ullico Accumulation Account, Benefit Payment Account, SBH - Transition, Cash in Transit and Prudential.

Asset Allocation

- Asset allocation reviews were presented at the March 27, 2007, November 1, 2007, April 15, 2009, May 28, 2009, August 27, 2009, February 29, 2010, May 21, 2010, March 29, 2012, February 28, 2013, March 27, 2014, February 26, 2015, January 29, 2016 BOT meetings.
- An asset allocation review was presented at the February 26, 2015 meeting. In order to maintain and possibly increase the allocation to the Opportunistic Investments segment, subject to approval of the documents, IPS recommended the Fund make an investment in Grosvenor Opportunistic Credit Fund IV. IPS due diligence memo was included in the quarterly report. The Trustees elected to make a $7.5M investment in Grosvenor OCF Fund IV. The following capital calls were issued: (May 2015) $1,527,546, (June 2015) $1,398,734, (July 2015) $603,991, (August 2015) $622,410, (September 2015) $312,931, (November 2015) $382,121, (January 2016) $335,003, (March 2016) $430,680, (April 2016) $102,543, (May 2016) $164,069, (June 2016) 497,085, (July 2016) $393,525, (August 2016) $166,147, (September 2016) $563,215. The commitment is fully funded.
- On January 1, 2016, UA 782 Pension Fund merged into the Fund. UA 782 assets of approximately $13M were liquidated in January 2016 and will be used as a funding source for existing managers and new capital calls.
- An asset allocation review was presented at the January 29, 2016 meeting. The Trustees adopted asset allocation targets of 25% large cap equities, 10% smid cap equities, 7.5% international, 10% investment grade fixed income, 5% high yield, 20% real estate, 2.5% private equity, 5% HFoF multi-strategy, 5% HFoF opportunistic, 7.5% GTAA, and 2.5% cash. New targets were effective July 31, 2016.
- Columbia Partners attended the January 29, 2016 meeting to discuss their private equity fund. The IPS due diligence memo on Columbia Partners was presented. The Trustees elected to commit $5M to Columbia Partners private equity fund. Funding source will be UA 782 cash. The cumulative net capital contribution is $1.2M. The remaining commitment is $3.8M.
- At the January 29, 2016 meeting, the Trustees elected to allocate an additional $5M to MEPT (real estate) to rebalance closer to targets. Funding source will be UA 782 cash. Transfer to MEPT occurred on March 31, 2016.
- At the September 29, 2016 meeting, the Trustees elected to allocate $5.0M to Grosvenor OCF Fund V to maintain their opportunistic allocation. The IPS due diligence memo on OCF Fund V was presented and discussed. First capital call for $320,878 was funded from OCF III distribution.
- On February 7, 2017, IPS recommended $3.0M be transferred from cash to Columbia Partners (investment grade fixed income) for rebalancing. The recommendation was approved by the Fund's Investment Committee. The transfer occurred on February 9, 2017.

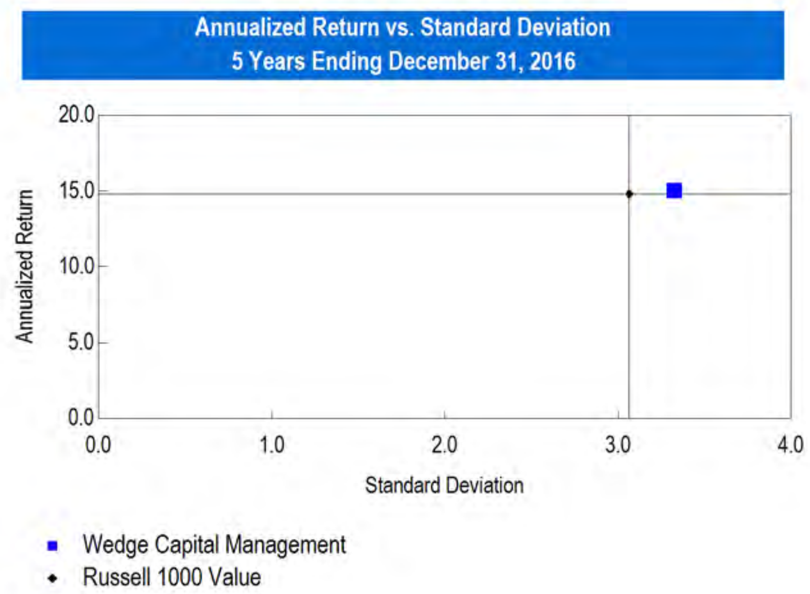
Recommendations: None.

Account Information

Account Name	**Wedge Capital Management**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**4/01/05**
Account Type	**US Stock Large Cap Value**
Benchmark	**Russell 1000 Value**
Universe	**eA US Large Cap Value Equity Gross**

Wedge Capital Management
Ending December 31, 2016

	Fourth Quarter	**Inception 4/1/05**
Beginning Market Value	$27,784,595	$8,864,036
Net Cash Flow	-$225,000	$4,464,872
Net Investment Change	$1,474,192	$15,704,879
Ending Market Value	$29,033,787	$29,033,787



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	8.8%	11.8%	100.8%	99.4%
Russell 1000 Value	8.6%	10.9%	100.0%	100.0%

5 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	15.0%	11.5%	102.3%	101.1%
Russell 1000 Value	14.8%	10.6%	100.0%	100.0%

									Ending December 31, 2016										**Inception**	
	2016 Q4	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	2012	Rank	Return	Since
Wedge Capital Management	5.3%	62	14.2%	58	8.8%	29	15.0%	35	14.2%	58	0.1%	18	12.7%	44	35.6%	36	15.2%	55	8.3%	Apr-05
Russell 1000 Value	*6.7%*	*45*	*17.3%*	*26*	*8.6%*	*34*	*14.8%*	*38*	*17.3%*	*26*	*-3.8%*	*64*	*13.5%*	*33*	*32.5%*	*60*	*17.5%*	*30*	*7.3%*	*Apr-05*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - Wedge Capital Management

Correspondence/Transfer Summary

- Manager utilized as partial funding source for Grosvenor Opportunistic Credit Fund III capital calls as follows: 6/25/13 - $570,100, 7/25/13 - $563,950, 8/29/13 - $446,916, 9/26/13 - $192,763.
- On January 2, 2014, $1,125,000 was used to partially fund an American Realty Advisors capital call.

Manager Summary

- IPS conducted due diligence meetings with Wedge Capital on November 24, 2015 and October 26, 2016.

Recommendation: None.

Compliance Summary

Exceptions: None.

Action to be taken: None.

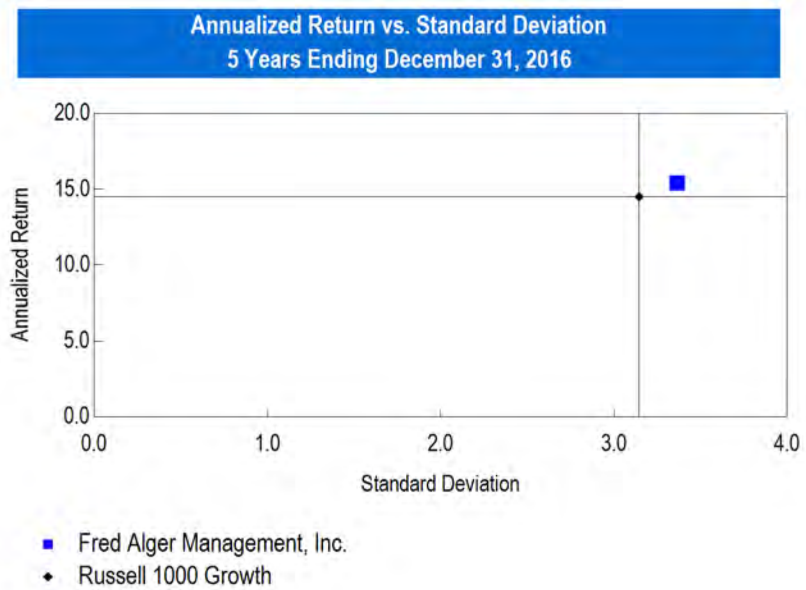
Items of Interest: **Personnel Addition -** Brandon Smith was added as an Equity Analyst on the mid cap value team. **Proxy Voting -** Manager stated Wedge does not vote the proxies for this account.

Account Information	
Account Name	**Fred Alger Management, Inc.**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**6/01/10**
Account Type	**US Stock Large Cap Growth**
Benchmark	**Russell 1000 Growth**
Universe	**eA US Large Cap Growth Equity Gross**

Fred Alger Management, Inc

Ending December 31, 2016

	Fourth Quarter	**Inception 6/1/10**
Beginning Market Value	$27,179,246	$0
Net Cash Flow	-$225,000	$6,974,748
Net Investment Change	-$397,432	$19,582,066
Ending Market Value	$26,556,814	$26,556,814



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Fred Alger Management, Inc.	8.1%	12.0%	101.2%	104.5%
Russell 1000 Growth	8.6%	11.3%	100.0%	100.0%

5 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Fred Alger Management, Inc.	15.4%	11.7%	106.6%	100.7%
Russell 1000 Growth	14.5%	10.9%	100.0%	100.0%

									Calendar Years										**Inception**	
	2016 Q4	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	2012	Rank	Return	Since
Fred Alger Management, Inc.	-1.5%	78	2.2%	71	8.1%	32	15.4%	20	2.2%	71	7.5%	27	15.0%	15	35.4%	40	19.6%	16	14.3%	Jun-10
Russell 1000 Growth	*1.0%*	*39*	*7.1%*	*26*	*8.6%*	*26*	*14.5%*	*37*	*7.1%*	*26*	*5.7%*	*42*	*13.0%*	*38*	*33.5%*	*56*	*15.3%*	*55*	*14.3%*	*Jun-10*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - Fred Alger Management

Correspondence/Transfer Summary

- On June 1, 2010, manager was funded with $17,309,289 from termination of INTECH.
- On January 2, 2014, $1,125,000 was used to partially fund an American Realty Advisors capital call.

Manager Summary

- IPS conducted due diligence meetings with Fred Alger Management on May 19, 2016 and January 4, 2017.
- IPS conducted an on-site due diligence meeting with Fred Alger Management on September 21, 2016.

Recommendation: None.

Compliance Summary

Exceptions : None.

Action to be taken: None.

Items of Interest: Acquisition - In a letter dated January 17, 2017, manager stated Alger Associates, Inc. (Alger), the parent company of Fred Alger Management, Inc., has agreed to acquire Weatherbie Capital, LLC (and related companies, collectively “Weatherbie Capital”), a specialized growth equity manager. The firms hope to close the transaction in early March 2017. **Personnel Departure -** Manager stated Jill Greenwald, Executive Vice President and Portfolio Manager of the Alger SMid Cap Growth and the Alger Small Cap Growth Strategies retired on December 1, 2016. Manager noted Dan Chung, Chief Executive Officer, Chief Investment Officer, and Portfolio Manager, will continue to manage the Alger SMid Cap Growth Strategy, and co-manage the Alger Small Cap Growth strategy with portfolio manager Amy Zhang. **Proxy Voting -** Manager stated the Fund has instructed Fred Alger Management, Inc., not to vote proxies for the account.

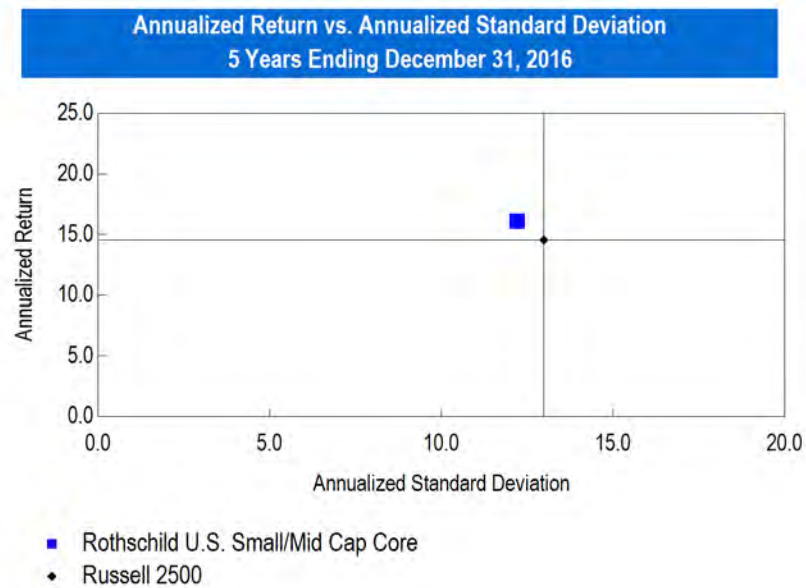
Account Information

Account Name	**Rothschild U.S. Small/Mid Cap Core**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**4/01/05**
Account Type	**US Stock Small/Mid**
Benchmark	**Russell 2500**
Universe	**eA US Small-Mid Cap Core Equity Gross**

Rothschild Small/Mid - Cap Fund, L.L.C.

Ending December 31, 2016

	Fourth Quarter	Inception 4/1/05
Beginning Market Value	$22,416,635	$0
Net Cash Flow	$0	$12,357,554
Net Investment Change	$1,678,286	$11,737,367
Ending Market Value	$24,094,921	$24,094,921



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Rothschild U.S. Small/Mid Cap Core	9.5%	13.2%	99.2%	87.1%
Russell 2500	6.9%	13.9%	100.0%	100.0%

5 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Rothschild U.S. Small/Mid Cap Core	16.1%	12.2%	95.3%	87.3%
Russell 2500	14.5%	13.0%	100.0%	100.0%

									Calendar Years										Inception	
	2016 Q4	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	2012	Rank	Return	Since
Rothschild U.S. Small/Mid Cap Core	7.5%	27	17.1%	44	9.5%	20	16.1%	31	17.1%	44	1.6%	23	10.4%	18	39.7%	40	15.0%	63	9.9%	Apr-05
Russell 2500	*6.1%*	*42*	*17.6%*	*31*	*6.9%*	*62*	*14.5%*	*62*	*17.6%*	*31*	*-2.9%*	*78*	*7.1%*	*56*	*36.8%*	*58*	*17.9%*	*44*	*8.9%*	*Apr-05*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - Rothschild Small/Mid - Cap Fund

Correspondence/Transfer Summary

- On February 4, 2016, IPS recommended the Fund switch the investment vehicle from the commingled fund to a separate account for annual fee savings of approximately $28,000. The recommendation was approved on February 8, 2016. The Pension Fund's shares of the SMID Fund were redeemed effective July 31, 2016 with the separate account funded on August 3, 2016.
- On August 31, 2016, manager received $7.1M from the termination of Columbia Partners.

Manager Summary

- IPS conducted a due diligence meeting with Rothschild on March 31, 2015.
- IPS conducted an on-site due diligence meeting with Rothschild on May 28, 2015.
- During the first quarter of 2015, Michael Woods joined Rothschild Asset Management as Chief Executive Officer. Daniel Oshinskie will continue to oversee the firm's investment endeavors as Chief Investment Officer. Michael Tamasco, current Co-Head of the US business and Global Co-Head of Distribution has decided to leave the firm.

Recommendation: None.

Compliance Summary

The manager verified the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or prospectus governing the management of the investment. With respect to the portfolio(s) under management, the manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment and/or prospectus guidelines.

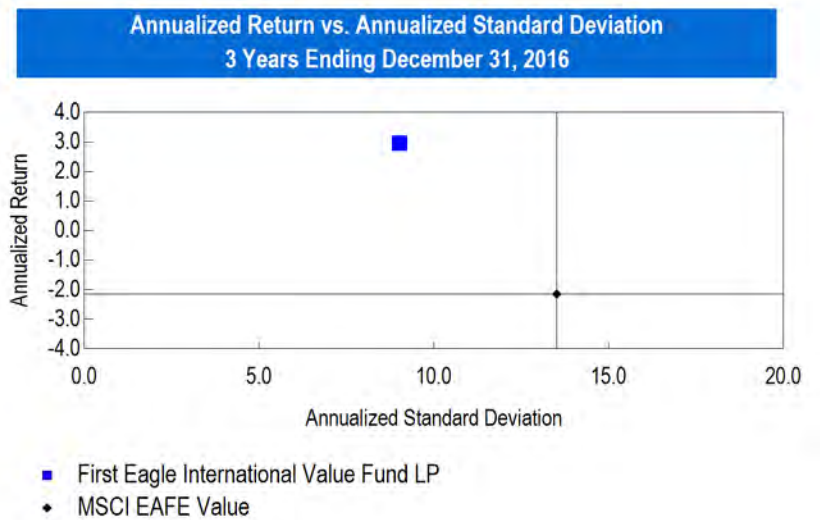
Items of Interest: Personnel Changes - Manager is giving clients advance notice that by the middle of next year, Mark Tavel, Managing Director and lead Portfolio Manager for the Large Cap Core Strategy will be moving from making investment decisions to a client advisory role. Luis Ferreira, Managing Director and co-Portfolio manager of the Large Cap Core Strategy will assume the primary Portfolio Manager duties for Large Cap Core client portfolios.

Account Information	
Account Name	**First Eagle International Value Fund LP**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**8/01/12**
Account Type	**International**
Benchmark	**MSCI EAFE Value**
Universe	**eA EAFE Value Equity Gross**

First Eagle International Value Fund LP

Ending December 31, 2016

	Fourth Quarter	Inception 8/1/12
Beginning Market Value	$12,651,244	$0
Net Cash Flow	$0	$9,361,533
Net Investment Change	-$443,344	$2,846,368
Ending Market Value	$12,207,901	$12,207,901



3 Years Ending December 31, 2016	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
First Eagle International Value Fund LP	3.0%	9.0%	55.2%	47.1%
MSCI EAFE Value	-2.1%	13.5%	100.0%	100.0%

									Calendar Years										Inception	
	2016 Q4	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	2012	Rank	Return	Since
First Eagle International Value Fund LP	-3.3%	89	5.9%	35	3.0%	13	--	--	5.9%	35	2.7%	34	0.3%	8	13.0%	97	--	--	7.0%	Aug-12
MSCI EAFE Value	*4.2%*	*10*	*5.0%*	*38*	*-2.1%*	*86*	*6.3%*	*85*	*5.0%*	*38*	*-5.7%*	*91*	*-5.4%*	*69*	*23.0%*	*66*	*17.7%*	*65*	*6.5%*	*Aug-12*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - First Eagle International Value Fund

Correspondence/Transfer Summary

- Manager was funded on August 1, 2012 with $9.4 million from terminated manager, Tradewinds.

Manager Summary

- IPS conducted due diligence meetings with First Eagle on October 21, 2014 and February 6, 2015.
- IPS conducted an on-site due diligence meeting with First Eagle on September 9, 2015.
- On January 12, 2016, the Fund received communication from First Eagle Investment Management, LLC regarding a subpoena from the Employee Benefits Security Administration (EBSA), U.S. Department of Labor (DOL). According to the manager, the requests in the subpoena are broad in nature and the EBSA indicated, "this inquiry should not be construed as an indication that any violations of law have occurred or as a reflection upon any person involved in the matter."
- On January 22, 2016, IPS sent a memo to the Fund regarding the subpoena received by First Eagle. IPS has reviewed the notice and has communicated with the manager. IPS will continue to monitor the situation and receive updates from the manager. No action is recommended at this time.

Recommendation: None.

Plumbers and Steamfitters Local #486 Pension Fund - First Eagle International Value Fund

Compliance Summary

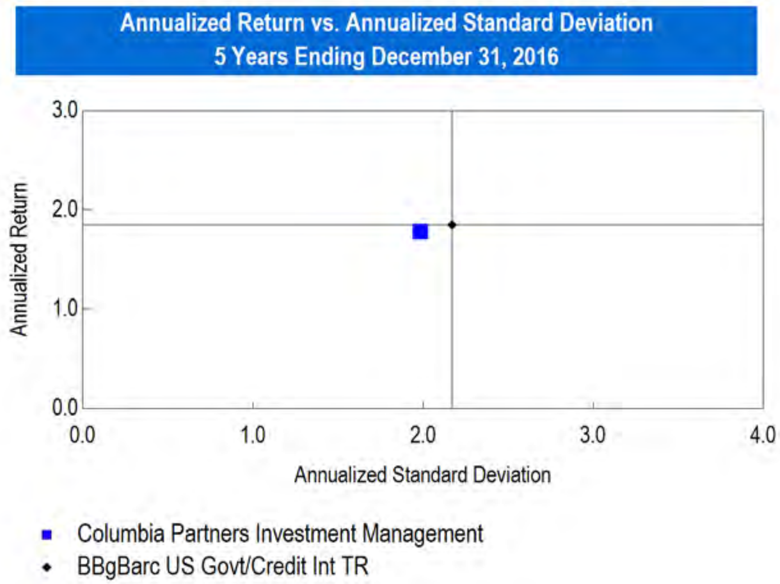
Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or prospectus governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or prospectus guidelines.

Items of Interest: Personnel Addition - Manager stated David P. O'Connor joined the Firm as General Counsel and Head of Legal and Compliance effective January 4, 2017. **Personnel Departures -** Manager stated Mark Goldstein, General Counsel and Head of Legal and Compliance, left the Firm on December 31, 2016. Two analysts left the firm, Giorgio Caputo and Robert Hordon. **Legal -** Manager stated FEIM and its affiliates are subject to periodic examinations and investigations by various regulatory authorities. In December 2015, the Employee Benefits Security Administration of the Department of Labor required FEIM to provide documents and records relating to a broad range of requests. As previously noted, a shareholder suit has been filed against FEIM alleging that the investment advisory fees charged breached its fiduciary duty to the First Eagle Global Fund and the First Eagle Overseas Fund. FEIM believes the case to be absolutely without merit; that the allegations are factually incorrect; and is contesting the suit strongly. FEIM is listed as one of 32,000+ Shareholder Defendants in a complaint filed in connection with The Official Committee of Unsecured Creditors of Tribune Company v. FitzSimons. This matter relates to the Tribune bankruptcy and they believe virtually all persons who were shareholders of Tribune Company in 2007 and tendered or exchanged shares of Tribune stock are named as defendants. **E&O Insurance -** Manager stated First Eagle Investment Management, LLC carries $60 million of Directors and Officers errors and omissions coverage. Their E&O insurance policies are as follows: $10,000,000 Everest National Ins.; $10mil (in excess of $10mil) Nationwide; $10mil (in excess of $20mil) C.N.A.; $10mil (in excess of $30mil) AXIS Insurance Company; $10mil (in excess of $40mil) Berkley; $10mil (in excess of $50mil) Endurance. Manager noted the Firm has an additional $20 million in coverage through a fidelity bond with Great American Insurance Co. The Firm has ERISA Bond insurance with the Federal Insurance Company.

Account Information	
Account Name	**Columbia Partners Investment Management**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**4/01/09**
Account Type	**US Fixed Income**
Benchmark	**BBgBarc US Govt/Credit Int TR**
Universe	

Columbia Partners
Ending December 31, 2016

	Fourth Quarter	Inception 4/1/09
Beginning Market Value	$12,005,976	$9,841,276
Net Cash Flow	$333,597	-$921,932
Net Investment Change	-$217,450	$3,202,778
Ending Market Value	$12,122,123	$12,122,123



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Columbia Partners Investment Management	2.1%	2.0%	89.4%	80.3%
BBgBarc US Govt/Credit Int TR	2.1%	2.3%	100.0%	100.0%

5 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Columbia Partners Investment Management	1.8%	2.0%	91.6%	89.4%
BBgBarc US Govt/Credit Int TR	1.8%	2.2%	100.0%	100.0%

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Columbia Partners Investment Management	-1.8%	2.1%	2.1%	1.8%	2.1%	1.2%	3.0%	-0.9%	3.6%	3.1%	Apr-09
BBgBarc US Govt/Credit Int TR	*-2.1%*	*2.1%*	*2.1%*	*1.8%*	*2.1%*	*1.1%*	*3.1%*	*-0.9%*	*3.9%*	*3.4%*	*Apr-09*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - Columbia Partners Investment Management

Correspondence/Transfer Summary

- On July 1, 2014, manager was funding source for an American Realty Advisors capital call for $1,875,000.
- On February 9, 2017, $3.0M was received from the cash account for rebalancing.

Manager Summary

- IPS conducted a due diligence meeting with Columbia Partners on February 4, 2016.
- IPS conducted an on-site due diligence meeting with Columbia Partners on August 25, 2016.

Recommendation: None.

Compliance Summary

Exceptions: None.

Action to be taken: None.

Items of Interest: None.

Account Information

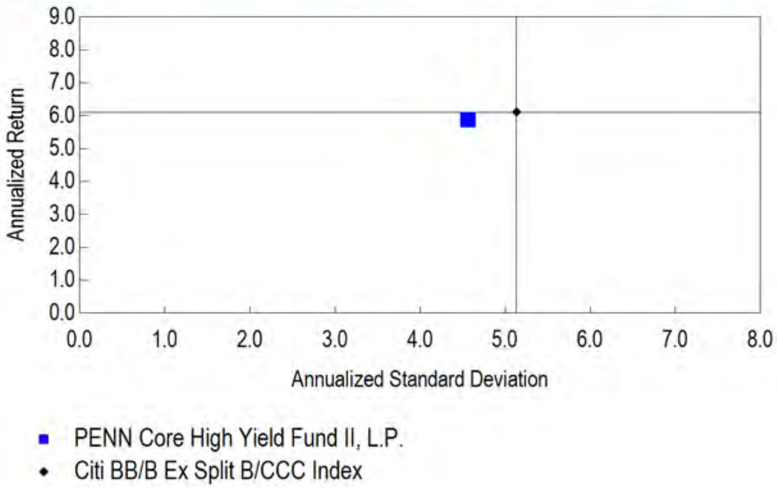
Account Name	PENN Core High Yield Fund II, L.P.
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	7/01/08
Account Type	US Fixed Income High Yield
Benchmark	Citi BB/B Ex Split B/CCC Index
Universe	

PENN Core High Yield Fund II, L.P.

Ending December 31, 2016

	Fourth Quarter	Inception 7/1/08
Beginning Market Value	$14,817,841	$5,931,039
Net Cash Flow	$1,938,364	$3,463,685
Net Investment Change	$329,593	$7,691,072
Ending Market Value	$17,085,797	$17,085,797

Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2016



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
PENN Core High Yield Fund II, L.P.	3.6%	4.8%	85.6%	84.9%
Citi BB/B Ex Split B/CCC Index	3.8%	5.6%	100.0%	100.0%

5 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
PENN Core High Yield Fund II, L.P.	5.9%	4.6%	89.4%	87.6%
Citi BB/B Ex Split B/CCC Index	6.1%	5.1%	100.0%	100.0%

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
PENN Core High Yield Fund II, L.P.	2.1%	11.7%	3.6%	5.9%	11.7%	-1.5%	0.9%	6.1%	12.9%	7.4%	Jul-08
Citi BB/B Ex Split B/CCC Index	*0.9%*	*13.1%*	*3.8%*	*6.1%*	*13.1%*	*-3.8%*	*2.8%*	*5.5%*	*14.0%*	*6.7%*	*Jul-08*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - PENN Core High Yield Fund, L.P.

Correspondence/Transfer Summary

- PENN Capital was funded on June 27, 2008 with $5.9 million from termination of Seix Advisors.
- On July 25, 2016, the manager recommended the investment be switched from their High Yield Core LP to High Yield Core II LP to maintain exposure to 144a securities and bank loans. Due to large withdrawals from two clients, the High Yield Core LP became a Non-QIB. PENN will transfer assets in-kind. There will be a fee savings of approximately 3 – 4 bps. A new subscription agreement will be required. IPS agrees with the manager's recommendation. On September 1, 2016, investment transitioned to PENN Core High Yield Fund II. On October 1, 2016, true up transfer of $1,938,364 was received.

Manager Summary

- IPS conducted an on-site due diligence meeting with PENN Capital on February 11, 2015.
- IPS conducted due diligence meetings with PENN Capital on March 10, 2016, May 23, 2016, and December 5, 2016.

Recommendation: None.

Compliance Summary

Manager verified the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or prospectus governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle guidelines and/or prospectus.

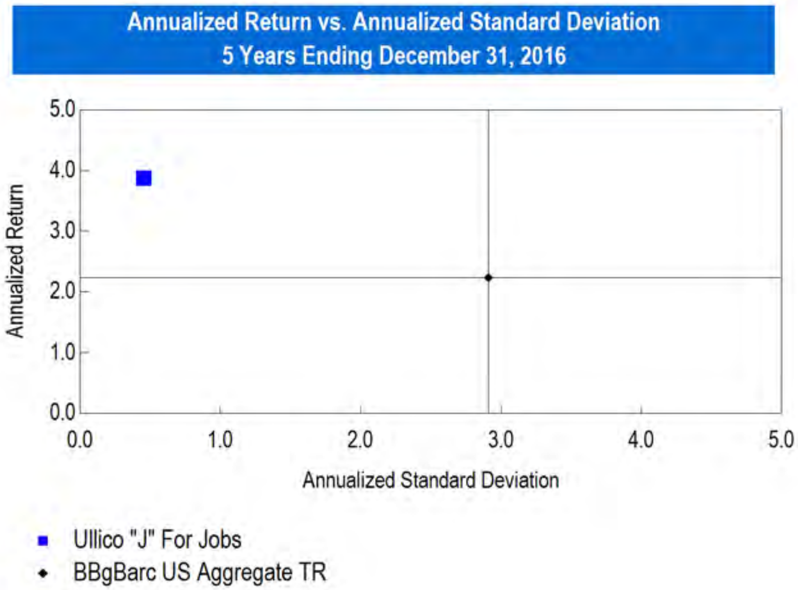
Items of Interest: Personnel Departure – Sean Monaghan, Research Analyst, departed Penn Capital to pursue other opportunities.

Account Information

Account Name	**Ullico "J" For Jobs**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**4/01/96**
Account Type	**US Fixed Income**
Benchmark	**BBgBarc US Aggregate TR**
Universe	

Ullico "J" For Jobs
Ending December 31, 2016

	Fourth Quarter	Inception 4/1/96
Beginning Market Value	$2,355,496	$422,394
Net Cash Flow	$0	$819,649
Net Investment Change	$8,712	$1,122,164
Ending Market Value	$2,364,208	$2,364,208



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Ullico "J" For Jobs	3.8%	0.5%	49.1%	-35.1%
BBgBarc US Aggregate TR	3.0%	3.0%	100.0%	100.0%

5 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Ullico "J" For Jobs	3.9%	0.5%	52.1%	-40.6%
BBgBarc US Aggregate TR	2.2%	2.9%	100.0%	100.0%

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Ullico "J" For Jobs	0.5%	3.6%	3.8%	3.9%	3.6%	3.5%	4.4%	3.5%	4.5%	5.0%	Apr-96
BBgBarc US Aggregate TR	*-3.0%*	*2.6%*	*3.0%*	*2.2%*	*2.6%*	*0.5%*	*6.0%*	*-2.0%*	*4.2%*	*5.4%*	*Apr-96*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - Ullico - J for Jobs

Manager Summary

- IPS conducted a due diligence meeting with ULLICO J for Jobs on September 23, 2015.

Recommendation: None.

Compliance Summary

Separate Account J was not in compliance with all of the Account's investment guidelines during the 4th quarter of 2016. See manager's Investment guideline update in the compliance report. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or offering document guidelines.

Items of Interest: Form ADV - Manager stated The Union Labor Life Insurance Company is not registered as an investment adviser under the Investment Advisers Act of 1940.

Plumbers and Steamfitters Local #486 Pension Fund - Ullico - J for Jobs con't

Items of Interest: Legal - ***Presidential Club, LLLP, Borrower -*** in 2005, Union Labor Life, on behalf of Separate Account J, provided a loan in the amount of $17.2 million to Presidential Club, LLLP (the "borrower"), to purchase certain real estate in Miami-Dade County, Florida for the purpose of developing a portion of the property. The loan was secured by a first mortgage on the property. After approval by County zoning officials of certain development plans, the homeowners association for nearby homeowners (the "Association") appealed the approval. The borrower filed suit in state court to obtain declaratory relief relating to its development rights, to contest the authority of the Association to pursue the zoning appeal, and to assert related claims, including claims for damages. The Association filed a counterclaim that, among other things, contested the borrower's development rights under certain covenants and other documents related to the property. in May 2009, County zoning officials determined that zoning approval of the borrower's development plans should not have been granted; the borrower filed a petition seeking judicial review of that decision and that proceeding has not concluded. Later in 2009, the borrower defaulted on the loan. In October 2009, Union Labor Life assigned the loan, the mortgage interest and related rights to 19650 NE 18th Ave. LLC, a single purpose entity formed by Union Labor Life. 19650 NE 18th Ave. LLC commenced foreclosure proceedings and in August 2011, 19650 NE 18th Ave. LLC obtained title to the property through foreclosure. The Association amended its counterclaims in the development rights lawsuit with the borrower to add Union Labor Life and 19650 NE 18th Ave. LLC as parties to the litigation. The Association sought an injunction precluding development on the property, a declaration of the development rights relating to the property, recovery of its attorney's fees, and other relief. In May 2010, the borrower dismissed its claims for relief, but the Association's counterclaim against the borrower, Union Labor Life and 19650 NE 18th Ave. LLC remained pending. In September 2011, the court entered summary judgment for the Association on its contention that there are no development rights associated with the property. Union Labor Life and 19650 NE 18th Ave. LLC filed an appeal of that judgment. In September 2012, the appellate court reversed the trial judge's ruling and remanded the case to the trial court, which has entered judgment in favor of 19650 NE 18th Ave, LLC on that claim. There remains pending in the trial court the Association's motion asking the trial court to require Union Labor Life to reimburse the Association for certain attorney's fees, and the Association's second amended complaint, which alleges other challenges to development rights. No trial date is scheduled. All the litigation matters are currently inactive or stayed. Union Labor Life and 19650 NE 18th Ave. LLC have entered into a contract to sell the property. ***Kleman Plaza LLLP, Borrower -*** In 2006, Union Labor Life, on behalf of Separate Account J, provided a loan in the amount of $39.8 million to Kleman Plaza, LLLP (the "borrower"), for the purpose of constructing a residential condominium building in Tallahassee, Florida. The loan was secured by a first mortgage on the property. In 2009, the borrower defaulted on the loan. In November 2009, Union Labor Life assigned the loan, the mortgage interest and related rights to 300 South Duval Associates, LLC, a single purpose entity formed by Union Labor Life. 300 South Duval Associates, LLC, commenced foreclosure proceedings. The loan default and filing of foreclosure proceedings generated other litigation, most of which was consolidated before the foreclosure court, and ultimately involved mechanic's lienors, former unit purchasers, the escrow agent for closings, the borrower, 300 South Duval Associates, LLC, and Union Labor Life. Union Labor Life and 300 South Duval Associates, LLC, reached settlements with almost all of the parties in the cases and the court entered a foreclosure judgment in favor of 300 South Duval Associates, LLC, in December 2012. At a sheriff's sale in February 2013, 300 South Duval Associates, LLC, acquired the property. The few remaining suits that existed against Union Labor Life and 300 South Duval Associates, LLC have all been settled and various transactions called for by the settlements have been consummated. In April 2014, a real estate brokerage firm, which had previously sued the borrower for alleged commissions due on sale contracts for units in the condominium building, amended its complaint to assert claims against Union Labor Life and 300 South Duval Associates, LLC, for such commissions. Union Labor Life and 300 South Duval Associates, LLC, filed a motion to dismiss the claims. In September 2014, the court dismissed all but one count against Union Labor Life and 300 South Duval Associates, LLC, and transferred the case to Miami-Dade County. In Miami-Dade County, the broker filed an amended complaint to state certain new claims, and Union Labor Life and 300 South Duval Associates, LLC filed a motion to dismiss the new claims, which was denied. On April 8, 2016, the Court granted Union Labor Life's Motion for summary judgment and denied the broker's competing motion for summary judgment. The broker has appealed the trial court's judgment and the appeal is pending.

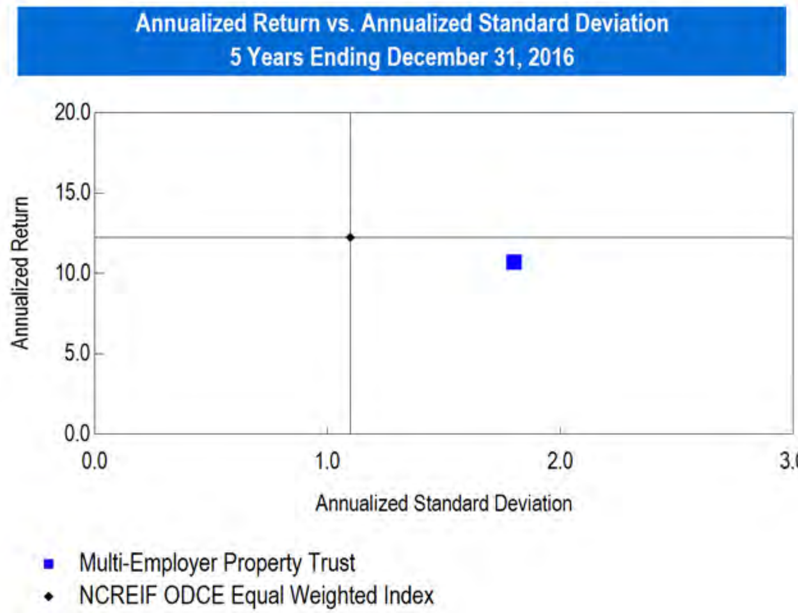
Compliance Summary (cont.)

Items of Interest: ***Gior G.P., Inc. v. Piers 36-39 North Management Reef, Inc., et al. -*** Union Labor Life on behalf of Separate Account J funded the construction of the Waterfront Square condominium development in Philadelphia, PA. The borrower defaulted on the loan and Union Labor Life foreclosed on the project. In a complaint filed in October 2013, Gior, G.P., Inc., alleges that it is the owner of 179 parking leases in the condominium development, and further claims that the parking leases were not subject to the foreclosure orders obtained by Union Labor Life after the borrower's default on the pertinent mortgage loan, and therefore may not be conveyed by the receiver for the development. The complaint seeks declaratory and monetary relief. As a result of a summary judgment order entered in 2015 and an April 2016 order voiding certain attempted transfers by the borrower of parking leases, Union Labor Life has prevailed on its arguments that the borrower has no ownership claim to any of the leases. Plaintiffs have filed an appeal, which remains pending. ***The Union Labor Life Insurance Company v. J. Brian O'Neill -*** Union Labor Life has filed a lawsuit against J. Brian O'Neill, a guarantor on a March 20, 2012 amended and restated loan agreement between Union Labor Life and Carnegie Tower Development Company, Inc. and Carnegie Holdings, LLC, in connection with the development of a property in Portsmouth, Rhode Island. The borrowers defaulted on the loan agreement in October 2013 and on January 7, 2014 Union Labor issued a demand letter to the borrowers for the full payment of the loan. Union Labor Life entered into a forbearance agreement with O'Neil in April 2014. In January 2015, Union Labor Life exercised its rights to take title to the property after O'Neil defaulted on the terms of the forbearance agreement. Union Labor Life is suing O'Neil to enforce the guaranty and for breach of the forbearance agreement. Union Labor Life is seeking a judgment in the form of compensatory damages, as well as attorney fees and costs. Discovery is underway and no trial date has been set. On May 31, 2016, Union Labor Life filed a motion for partial summary judgment on liability. On January 3, 2017, the Court granted Union Labor Life's motion for partial summary judgment on liability. Proceedings relating to Union Labor Life's damages claim remain pending. ***The Union Labor Life Insurance Company v. Carnegie Heights Condominium Association, et al. -*** Union Labor life, on behalf of Separate Account J, funded the construction of the Carnegie Tower At Carnegie Abbey in Portsmouth, Rhode Island. The borrower defaulted on the loan and Union Labor Life foreclosed on the Carnegie Tower At Carnegie Abbey. Union Labor Life assigned the loan, the mortgage interest and related rights to Carnegie at One Tower at Carnegie Abbey LLC ("Carnegie Tower"). Carnegie Tower and Carnegie Abbey Club ("Carnegie Abbey"), a golf club, are units of the master condominium. Carnegie Tower received 43 prepaid golf memberships to the Carnegie Abbey Club once it took title to the property. The golf memberships were subject to an October 9, 2009 agreement ("2009 Agreement") between the owner of the golf club, the condominium associations at the development and several developers. The 2009 Agreement required certain initial owners and subsequent owners of the townhouses near the master condominium to be members of the golf club. On January 20, 2015, two of the condominium associations at the development sent a letter to Carnegie Tower requesting its compliance with the 2009 Agreement. The condominium associations allege that Carnegie Tower is contractually obligated to "require new buyers of any Tower unit" to purchase a membership in the Carnegie Abbey Club. Carnegie Tower asserts that it is not a party to 2009 Agreement and does not have any obligations under the 2009 Agreement. On June 17, 2016, Carnegie Tower served a Complaint for Declaratory Judgment on the condominium associations and the golf club owner requesting an order from the court declaring that as a non-party to the 2009 Agreement, it is not required to ensure that a purchaser of a unit at the Tower purchases a membership in the Carnegie Abbey Club as a condition of purchasing the unit. No trial date has been set. Defendants, Carnegie Heights Condominium Association, Carnegie Harbor Residence Condominium Association, and The Cottages at Carnegie Abbey Condominium Association have filed counterclaims in response to Carnegie Tower's complaint. Carnegie Tower has filed an answer to Defendants' counterclaims. A stipulated Rule 16 schedule is being prepared. Discovery is underway.

Account Information	
Account Name	Multi-Employer Property Trust
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	1/01/96
Account Type	Real Estate
Benchmark	NCREIF ODCE Equal Weighted Index
Universe	

Multi-Employer Property Trust
Ending December 31, 2016

	Fourth Quarter	Since 4/1/96
Beginning Market Value	$20,124,959	$1,752,476
Net Cash Flow	-$167,212	$8,829,087
Net Investment Change	$280,377	$9,656,561
Ending Market Value	$20,238,124	$20,238,124



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Multi-Employer Property Trust	11.7%	1.2%	94.9%	--
NCREIF ODCE Equal Weighted Index	12.3%	1.3%	100.0%	--

5 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Multi-Employer Property Trust	10.7%	1.8%	84.7%	--
NCREIF ODCE Equal Weighted Index	12.2%	1.1%	100.0%	--

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Multi-Employer Property Trust	1.6%	9.0%	11.7%	10.7%	9.0%	13.0%	13.2%	12.8%	5.6%	8.5%	Jan-96
NCREIF ODCE Equal Weighted Index	*2.2%*	*9.3%*	*12.3%*	*12.2%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*	*9.0%*	*Jan-96*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - Multi-Employer Property Trust

Correspondence/Transfer Summary

- A partial redemption for $1.5 million was submitted on February 5, 2013. Proceeds from MEPT were received on April 15, 2013 and were used to fund ARA capital calls.
- Effective December 31, 2013, quarterly income is being distributed.
- At the January 29, 2016 meeting, the Trustees elected to allocate an additional $5M to MEPT (real estate) to rebalance closer to targets. Funding source will be UA 782 cash. The additional $5M was funded on March 31, 2016 from UA 782 cash.

Manager Summary

- On April 28, 2015, Bentall Kennedy announced they will acquire Landon Butler & Company, LP and NewTower, subject to regulatory approval. The transaction closed during the second quarter of 2015. The three firms consolidated under the Bentall Kennedy platform. NewTower remained Trustee of MEPT and continued to provide governance and fiduciary services including fund administration, valuation, compliance, trust custody, financial reporting, and risk management. NewTower retained a dedicated and majority-independent Board of Directors responsible for providing governance and fiduciary oversight. Landon Butler & Company's senior team and staff continues to provide client service to MEPT as members of Bentall Kennedy's expanded client service team. Bentall Kennedy's real estate investment team will not change.
- On June 15, 2015, Sun Life Financial and Bentall Kennedy Group announced an agreement whereby Sun Life will acquire Bentall Kennedy. The transaction closed on September 1, 2015. The two firms combined their real estate teams and Bentall Kennedy is a unit of Sun Life Investment Management. Bentall Kennedy retained its brand name and is Sun Life's exclusive real estate investment management platform. Following the completion of the transaction, Bentall Kennedy continues to be managed by its current team, led by Group Chief Executive Officer, Gary Whitelaw, who reports to Steve Peacher, President, Sun Life Investment Management. IPS conducted a due diligence meeting with MEPT on August 5, 2015 to discuss these changes.
- IPS conducted due diligence meetings with MEPT on March 18, 2016 and October 18, 2016.

Recommendation: None.

Compliance Summary

The manager verified the portfolio is currently, and has been during the past quarter, in compliance with the commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or offering document guidelines.

Items of Interest: Personnel Changes - During this quarter Paul Nelson retired as SVP Compliance Officer. The Board of Directors appointed Matt Campbell SVP and Chief Compliance Officer. He has assumed this role as of December 8, 2016. Mr. Campbell is currently a Group Chief Compliance Officer of Bentall Kennedy and was previously Chief Compliance Officer of IA Clarington Investments, a Canadian investment fund manager. **Form ADV -** Manager noted that as a bank, NewTower does not file a Form ADV.

Account Information

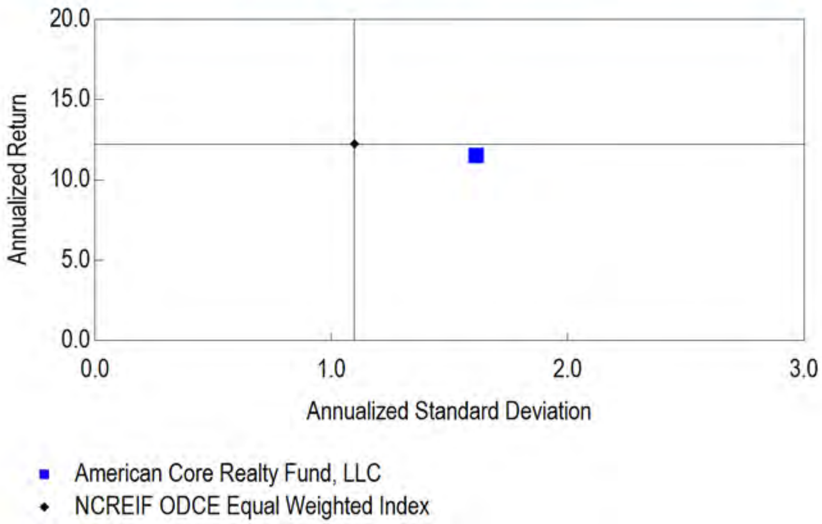
Account Name	**American Core Realty Fund, LLC**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**7/01/04**
Account Type	**Real Estate**
Benchmark	**NCREIF ODCE Equal Weighted Index**
Universe	

American Core Realty Fund, LLC

Ending December 31, 2016

	Fourth Quarter	Inception 7/1/04
Beginning Market Value	$22,897,550	$0
Net Cash Flow	$0	$14,962,472
Net Investment Change	$210,644	$8,145,722
Ending Market Value	$23,108,194	$23,108,194

Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2016



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
American Core Realty Fund, LLC	11.3%	2.0%	91.3%	--
NCREIF ODCE Equal Weighted Index	12.3%	1.3%	100.0%	--

5 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
American Core Realty Fund, LLC	11.5%	1.6%	92.8%	--
NCREIF ODCE Equal Weighted Index	12.2%	1.1%	100.0%	--

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
American Core Realty Fund, LLC	1.2%	7.1%	11.3%	11.5%	7.1%	15.4%	11.6%	12.4%	11.3%	7.1%	Jul-04
NCREIF ODCE Equal Weighted Index	*2.2%*	*9.3%*	*12.3%*	*12.2%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*	*7.9%*	*Jul-04*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - American Core Realty Fund, LLC

Correspondence/Transfer Summary

- Total additional commitment is $7.5M; fully funded after July 1, 2014 capital call for $1.875M.

Manager Summary

- On September 25, 2014, American Realty Advisors (ARA) contacted investors in the American Core Realty Fund ("ACRF") regarding a potential change to the Fund's structure. ARA proposed a change in the Fund's structure from a Delaware Limited Liability Company (LLC) to a Delaware Limited Partnership (LP). ARA stated that this conversion will not affect the rights of any of the existing investors in ACRF, and no changes to the management or performance of the fund are anticipated. A sufficient number of the Fund's Members (66.7%) approved these changes during the fourth quarter of 2014. Effective January 1, 2015, the Core Fund was converted to a limited partnership named American Core Realty Fund, LP, and ACRF Management, LLC, a wholly-owned subsidiary of American, became the Core Fund's General Partner.
- IPS conducted due diligence meetings with American Realty Advisors on October 20, 2015 and July 27, 2016.

Recommendation: None.

Compliance Summary

Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle investment guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or offering document guidelines.

Items of Interest: None.

Account Information	
Account Name	**Columbia Partners Private Equity**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**7/01/16**
Account Type	**Private Equity**
Benchmark	
Universe	

Columbia Partners Private Equity
Ending December 31, 2016

	Fourth Quarter	**Inception 7/1/16**
Beginning Market Value	$809,976	$0
Net Cash Flow	$241,937	$1,129,353
Net Investment Change	$0	-$77,440
Ending Market Value	$1,051,913	$1,051,913

Total fund return includes gains and losses of Columbia Partners Private Capital Holdings, LP. All values, contributions, and distributions are provided by Columbia Partners Private Capital Holdings, LP and cannot be verified by IPS. The internal rates of return, as reported by Columbia Partners, from inception through 9/30/16 were 6.8% (gross) and 0.4% (net). The 4th quarter 2016 statement was unavailable at the time of this report.

Plumbers and Steamfitters Local #486 Pension Fund - Columbia Partners Private Equity

Correspondence/Transfer Summary

- Total commitment is $5.0M; unfunded commitment is $3.8M.
- The following capital calls were funded: August 2016, $898,328, October 2016 - $89,572, December 2016 - $162,632.

Manager Summary

- IPS conducted a due diligence meeting with Columbia Partners on June 25, 2015.
- IPS conducted an on-site due diligence meeting with Columbia Partners on August 25, 2016.

The investment is "locked up" for an extended period of time.

Compliance Summary

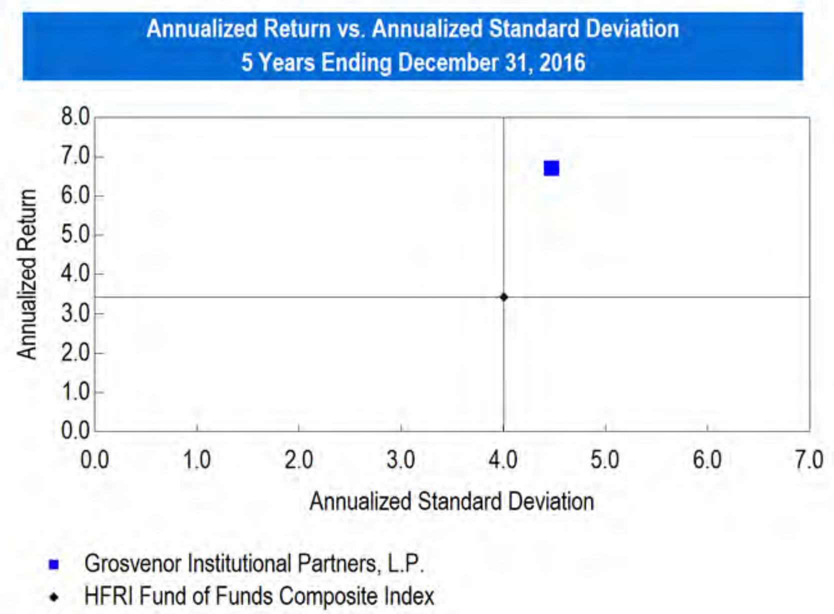
The manager verified the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, the manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document.

Items of Interest: Personnel Addition - Saul Waller has been added as a member of the private equity team.

Account Information	
Account Name	Grosvenor Institutional Partners, L.P.
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	10/01/09
Account Type	Hedge Fund
Benchmark	HFRI Fund of Funds Composite Index
Universe	

Grosvenor Institutional Partners, L.P.
Ending December 31, 2016

	Fourth Quarter	Inception 10/1/09
Beginning Market Value	$9,990,928	$4,400,854
Net Cash Flow	$0	$3,041,884
Net Investment Change	$205,657	$2,753,847
Ending Market Value	$10,196,585	$10,196,585



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Grosvenor Institutional Partners, L.P.	2.7%	3.5%	112.4%	80.1%
HFRI Fund of Funds Composite Index	1.2%	3.5%	100.0%	100.0%

5 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Grosvenor Institutional Partners, L.P.	6.7%	3.5%	131.9%	63.2%
HFRI Fund of Funds Composite Index	3.4%	3.5%	100.0%	100.0%

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Grosvenor Institutional Partners, L.P.	2.4%	3.2%	2.7%	6.7%	3.2%	0.9%	4.1%	16.3%	9.8%	5.7%	Oct-09
HFRI Fund of Funds Composite Index	*0.9%*	*0.5%*	*1.2%*	*3.4%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*2.5%*	*Oct-09*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - Grosvenor Institutional Partners, L.P.

Manager Summary

- On August 11, 2011, Grosvenor notified clients that their management fees were reduced to 1.25% per annum for amounts up to $25 million effective July 1, 2011. The previous fee schedule was 1.40% on the first $10m, 1.20% on the next $15m, and 1.00% on the next $25m.
- Effective April 1, 2013, Grosvenor lowered their tiered management fee schedule for GIP for first $25M from 1.25% to 1.15%.
- IPS conducted due diligence meetings with Grosvenor on July 28, 2015, January 26, 2016, and October 27, 2016.

Recommendation: None.

Compliance Summary

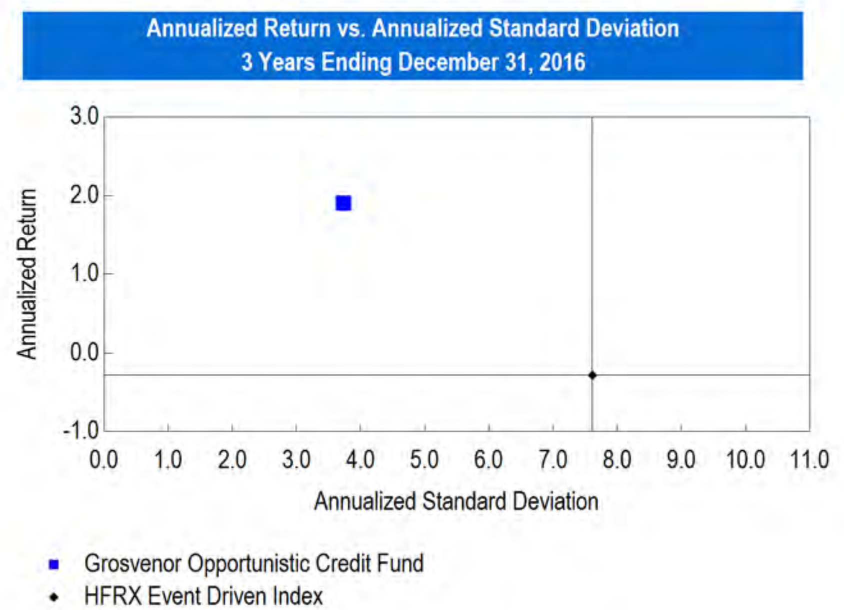
Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or offering document guidelines.

Items of Interest: Personnel Changes - Manager stated Eric Felton, GCM Grosvenor's current Chief Financial Officer ("CFO"), will be retiring from the firm in the first quarter of 2017. At the Vice President level and higher, there was one addition and no departures from the Investment Department. **Communication -** The manager stated the Fund is invested in GIP, a multi-investor investment fund. As the general partner and a fiduciary to GIP and its investors, the firm cannot be bound by the terms and conditions of the Fund's investment policy statement. However, manager stated they believe the Fund is receiving all reporting it requires or has requested. **Form ADV -** Manager stated GCMLP's Form ADV Part 1 can be found online at www.adviserinfo.sec.gov; Part 2A can be accessed via their Client Web Portal. In an email dated July 27, 2016, manager stated they believe the document is largely similar to last year's, except that they have enhanced disclosures around the following: Expenses (pp. 8-9); Other Investment Management and Advisory Services (pp. 40-43); Additional, Private Markets Strategies (pp. 48-50); Conflicts of interest (pp. 24-43); Voting client securities (pp. 51-52).

Account Information	
Account Name	**Grosvenor Opportunistic Credit Fund**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**7/31/12**
Account Type	**Hedge Fund**
Benchmark	**HFRX Event Driven Index**
Universe	

Grosvenor Opportunistic Credit Fund
Ending December 31, 2016

	Fourth Quarter	**Inception 7/31/12**
Beginning Market Value	$35,508	$0
Net Cash Flow	$0	-$1,255,053
Net Investment Change	-$107	$1,290,454
Ending Market Value	$35,401	$35,401



3 Years Ending December 31, 2016	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Grosvenor Opportunistic Credit Fund	1.9%	3.2%	45.9%	30.3%
HFRX Event Driven Index	-0.3%	6.8%	100.0%	100.0%

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Grosvenor Opportunistic Credit Fund	0.0%	0.7%	1.9%	--	0.7%	-1.7%	6.9%	17.6%	--	7.2%	Jul-12
HFRX Event Driven Index	*3.7%*	*11.1%*	*-0.3%*	*3.7%*	*11.1%*	*-6.9%*	*-4.1%*	*13.9%*	*6.0%*	*3.4%*	*Jul-12*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - Grosvenor Opportunistic Credit Fund

Correspondence/Transfer Summary

- At the recommendation of IPS, the Trustees elected to invest $5.0 million in Grosvenor Opportunistic Credit Fund.
- The following distributions were made: July 2013 ($256,882), November 2013 ($266,924), February 2014 ($356,092), March 2014 ($266,808), May 2014 ($611,687), July 2014 ($335,661), August 2014 ($275,854), September 2014 ($312,595), November 2014 ($567,589), February 2015 ($326,183), March 2015 ($266,425), May 2015 ($394,946), July 2015 ($144,166), (August 2015) $234,126, September 2015 ($199,207), November 2015 ($119,310), February 2016 ($284,438), March 2016 ($265,539), May 2016 ($277,824), August 2016 ($492,496). Total distributions to date are $6,255,053.

Manager Summary

- IPS conducted due diligence meetings with Grosvenor on July 28, 2015, January 26, 2016, and October 27, 2016.

Recommendation: None.

Compliance Summary

Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or offering document guidelines.

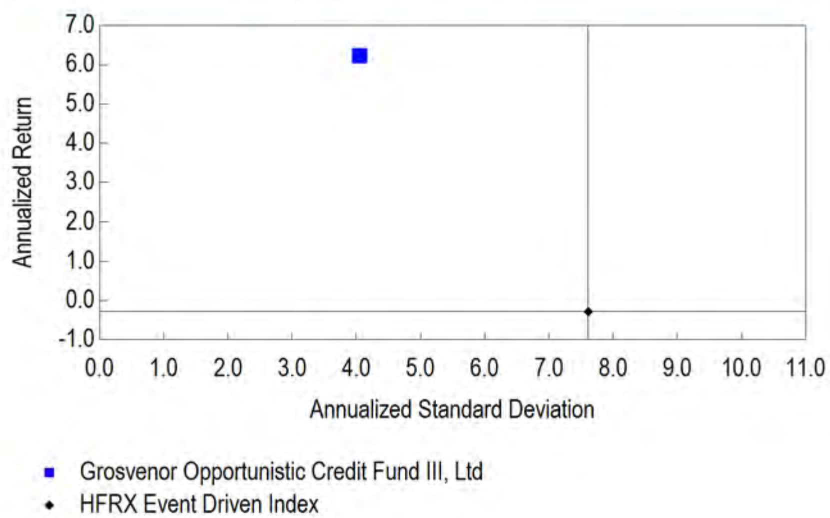
Items of Interest: Personnel Changes - Manager stated Eric Felton, GCM Grosvenor's current Chief Financial Officer ("CFO"), will be retiring from the firm in the first quarter of 2017. At the Vice President level and higher, there was one addition and no departures from the Investment Department. **Compliance -** The manager stated OPCRED is self-liquidating and is currently distributing assets to investors. **Communication -** The Manager stated the Fund is invested in OPCRED, a multi-investor investment fund. As general partner for OPCRED and a fiduciary to OPCRED and its investors, the firm cannot be bound by the terms and conditions of the Fund's investment policy statement. However, manager stated they believe the Fund is receiving all reporting it requires or has requested. **Form ADV -** Manager stated GCMLP's Form ADV Part 1 can be found online at www.adviserinfo.sec.gov; Part 2A can be accessed via their Client Web Portal. In an email dated July 27, 2016, manager stated they believe the document is largely similar to last year's, except that they have enhanced disclosures around the following: Expenses (pp. 8-9); Other Investment Management and Advisory Services (pp. 40-43); Additional, Private Markets Strategies (pp. 48-50); Conflicts of interest (pp. 24-43); Voting client securities (pp. 51-52).

Account Information	
Account Name	**Grosvenor Opportunistic Credit Fund III, Ltd**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**7/01/13**
Account Type	**Hedge Fund**
Benchmark	**HFRX Event Driven Index**
Universe	

Grosvenor Opportunistic Credit Fund III, Ltd
Ending December 31, 2016

	Fourth Quarter	Inception 7/1/13
Beginning Market Value	$4,596,643	$0
Net Cash Flow	-$558,597	$3,277,197
Net Investment Change	$174,428	$935,277
Ending Market Value	$4,212,474	$4,212,474

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2016



3 Years Ending December 31, 2016

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Grosvenor Opportunistic Credit Fund III, Ltd	6.2%	3.7%	73.4%	10.0%
HFRX Event Driven Index	-0.3%	6.8%	100.0%	100.0%

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Grosvenor Opportunistic Credit Fund III, Ltd	4.4%	11.2%	6.2%	--	11.2%	2.2%	5.5%	--	--	7.2%	Jul-13
HFRX Event Driven Index	*3.7%*	*11.1%*	*-0.3%*	*3.7%*	*11.1%*	*-6.9%*	*-4.1%*	*13.9%*	*6.0%*	*1.4%*	*Jul-13*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - Grosvenor Opportunistic Credit Fund III

Correspondence/Transfer Summary

- At the recommendation of IPS, the Trustees elected to invest $5.0 million in Grosvenor Opportunistic Credit Fund III. Capital calls were issued on the following dates: July 2013 ($1,140,201), August 2013 ($1,384,780), September 2013 ($893,831), October 2013 ($385,505), November 2013 ($243,689), December 2013 ($415,663), January 2014 ($106,703), February 2014 ($119,215), March 2014 ($35,765), May 2014 ($103,002), June 2014 ($31,950), July 2014 ($29,804), August 2014 ($19,074), November 2014 ($41,726), September 2015 ($49,091). Commitment is fully funded.

- The following distributions were made: February 2015 ($259,447), May 2015 ($130,252), October 2015 ($143,933), February 2016 ($154,750), April 2016 ($159,885), August 2016 ($315,941), October 2016 ($346,989), November 2016 ($211,607), February 2017 ($320,878) Total distributions to date are $2,043,682.

Manager Summary

- IPS conducted due diligence meetings with Grosvenor on July 28, 2015, January 26, 2016, and October 27, 2016.

Recommendation: None.

Compliance Summary

Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines.

Items of Interest: Personnel Changes - Manager stated Eric Felton, GCM Grosvenor's current Chief Financial Officer ("CFO"), will be retiring from the firm in the first quarter of 2017. At the Vice President level and higher, there was one addition and no departures from the Investment Department. **Compliance -** The manager stated OCF III is self-liquidating and is currently distributing assets to investors. **Communication -** The Manager stated the Fund is invested in OCF III, a multi-investor investment fund. As general partner for OCF III and a fiduciary to OCF III and its investors, the firm cannot be bound by the terms and conditions of the Fund's investment policy statement. However, manager stated they believe the Fund is receiving all reporting it requires or has requested. **Form ADV -** Manager stated GCMLP's Form ADV Part 1 can be found online at www.adviserinfo.sec.gov; Part 2A can be accessed via their Client Web Portal. In an email dated July 27, 2016, manager stated they believe the document is largely similar to last year's, except that they have enhanced disclosures around the following: Expenses (pp. 8-9); Other Investment Management and Advisory Services (pp. 40-43); Additional, Private Markets Strategies (pp. 48-50); Conflicts of interest (pp. 24-43); Voting client securities (pp. 51-52).

Account Information	
Account Name	**Grosvenor Opportunistic Credit Fund IV**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**5/01/15**
Account Type	**Hedge Fund**
Benchmark	**HFRX Event Driven Index**
Universe	

Grosvenor Opportunistic Credit Fund IV, Ltd

Ending December 31, 2016

	Fourth Quarter	Inception 5/1/15
Beginning Market Value	$7,952,301	$0
Net Cash Flow	$0	$7,500,000
Net Investment Change	$423,606	$875,907
Ending Market Value	$8,375,907	$8,375,907

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Grosvenor Opportunistic Credit Fund IV	6.7%	15.6%	--	--	15.6%	--	--	--	--	8.9%	May-15
HFRX Event Driven Index	*3.7%*	*11.1%*	*-0.3%*	*3.7%*	*11.1%*	*-6.9%*	*-4.1%*	*13.9%*	*6.0%*	*0.8%*	*May-15*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - Grosvenor Opportunistic Credit Fund IV

Correspondence/Transfer Summary

- At the recommendation of IPS, the Trustees elected to invest $7.5 million in Grosvenor Opportunistic Credit Fund IV. Capital calls were issued on the following dates: (May 2015) $1,527,546, (June 2015) $1,398,734, (July 2015) $603,991, (August 2015) $622,410, (September 2015) $312,931, (November 2015) $382,121, (January 2016) $335,003, (March 2016) $430,680, (April 2016) $102,543, (May 2016) $164,069, (June 2016) $497,085, (July 2016) $393,525, (August 2016) $166,147, (September 2016) $563,215 . The commitment is fully funded.

Manager Summary

- IPS conducted due diligence meetings with Grosvenor on July 28, 2015, January 26, 2016, and October 27, 2016.

Recommendation: None.

Compliance Summary

Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines.

Items of Interest: Personnel Changes - Manager stated Eric Felton, GCM Grosvenor's current Chief Financial Officer ("CFO"), will be retiring from the firm in the first quarter of 2017. At the Vice President level and higher, there was one addition and no departures from the Investment Department. **Communication -** The manager stated the Fund is invested in OCF IV, a multi-investor investment fund. As general partner for OCF IV and a fiduciary to OCF IV and its investors, the firm cannot be bound by the terms and conditions of the Fund's investment policy statement. However, manager stated they believe the Fund is receiving all reporting it requires or has requested. **Form ADV -** Manager stated GCMLP's Form ADV Part 1 can be found online at www.adviserinfo.sec.gov; Part 2A can be accessed via their Client Web Portal. In an email dated July 27, 2016, manager stated they believe the document is largely similar to last year's, except that they have enhanced disclosures around the following: Expenses (pp. 8-9); Other Investment Management and Advisory Services (pp. 40-43); Additional, Private Markets Strategies (pp. 48-50); Conflicts of interest (pp. 24-43); Voting client securities (pp. 51-52).

Account Information	
Account Name	MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	9/01/11
Account Type	Hedge Fund
Benchmark	ZZHFRI Fund of Funds
Universe	

MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11
Ending December 31, 2016

	Fourth Quarter	Inception 9/1/11
Beginning Market Value	$80,769	$0
Net Cash Flow	$0	$55,972
Net Investment Change	-$1,174	$23,623
Ending Market Value	$79,595	$79,595

- Market Value as of 9/30/16 plus or minus any flows.

Plumbers and Steamfitters Local #486 Pension Fund - Meridian Capital Partners - MDEF June 2011 - Pool 12/11 Segregated Portfolio

Correspondence/Transfer Summary

- On September 13, 2011, Meridian made an in-kind transfer of assets valued at $326,400 they deemed illiquid from Diversified ERISA Fund to a segregated account - MDF Special Investments Fund.
- On December 9, 2011, Meridian made a cash distribution of $21,585 on December 9, 2011.
- On March 19, 2012, Meridian made an in-kind transfer of assets from the Diversified ERISA Fund valued at $71,723 they deemed illiquid to the segregated account, MDF Special Investments SPC, Ltd/MDEF June 2011.
- On May 8, 2012, Meridian made a cash distribution of $16,176.
- The balance of $103,069 held for the audit hold-back of Meridian Diversified ERISA Fund was paid out on July 26, 2012.
- On November 14, 2012, Meridian made a cash distribution of $28,843.
- On November 20, 2012, Meridian made a cash distribution of $24,237.
- On May 3, 2013, Meridian made a cash distribution of $86,507.
- On August 3, 2013, Meridian made a cash distribution of $6,634.
- On November 8, 2013, Meridian made a cash distribution of $37,359.
- On May 6, 2014, Meridian made a cash distribution of $34,430.
- On August 4, 2014, Meridian made a cash distribution of $13,081.
- On November 10, 2014, Meridian made a cash distribution of $16,349.
- On May 7, 2015, Meridian made a cash distribution of $11,941.
- On August 14, 2015, Meridian made a cash distribution of $2,315.
- On November 5, 2015, Meridian made a cash distribution of $18,853.
- On February 12, 2016, Meridian made a cash distribution of $2,313.
- On May 2, 2016, Meridian made a cash distribution of $7,220.
- On August 15, 2016, Meridian made a cash distribution of $13,586.

Manager Summary

Recommendation: A full redemption request for Meridian Diversified ERISA Fund was submitted. Liquidity of the MDF Special Investments is at the discretion of the manager.

Plumbers and Steamfitters Local #486 Pension Fund - Meridian Capital Partners - MDEF June 2011 - Pool 12/11 Segregated Portfolio

Compliance Summary

Items of Interest: In an email dated 12/12/16 manager stated the do not complete these checklists. IPS investors no longer own shares of Meridian Diversified ERISA Fund. They have fully redeemed from that fund and as a result they own shares of MDF Special Investments, which are side pocket liquidating funds that are in wind down mode. As the managers are able to liquidate their holdings, cash distributions will be made to the shareholders until the entire position is realized in full. Manager noted that due to this they have not completed these checklists in several years.

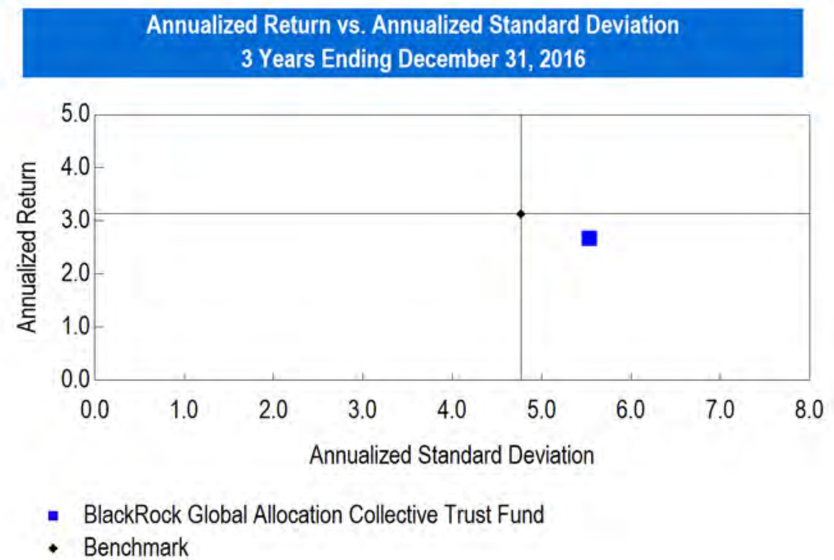
Account Information

Account Name	**BlackRock Global Allocation Collective Trust Fund**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**12/31/13**
Account Type	**Other**
Benchmark	**Benchmark**
Universe	

BlackRock Global Allocation Collective Trust Fund

Ending December 31, 2016

	Fourth Quarter	Inception 12/31/13
Beginning Market Value	$18,174,084	$0
Net Cash Flow	$0	$16,404,653
Net Investment Change	$52,974	$1,822,405
Ending Market Value	$18,227,057	$18,227,057



3 Years Ending December 31, 2016	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
BlackRock Global Allocation Collective Trust Fund	2.7%	6.9%	85.8%	89.7%
Benchmark	3.1%	6.8%	100.0%	100.0%

	2016 Q4	1 Yr	3 Yrs	5 Yrs	Calendar Years 2016	2015	2014	2013	2012	Inception Return	Since
BlackRock Global Allocation Collective Trust Fund	0.3%	5.5%	2.7%	--	5.5%	-0.4%	3.0%	--	--	2.7%	Dec-13
Benchmark	*-1.4%*	*6.1%*	*3.1%*	*6.7%*	*6.1%*	*-0.8%*	*4.2%*	*13.7%*	*10.8%*	*3.1%*	*Dec-13*
65% MSCI World Index/35% CitigroupWGBI	*-1.9%*	*5.6%*	*2.3%*	*6.5%*	*5.6%*	*-1.6%*	*3.1%*	*15.1%*	*10.9%*	*2.3%*	*Dec-13*

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - BlackRock Global Allocation Collective Trust Fund

Correspondence/Transfer Summary

- Manager was funded with $16.4 million on December 18, 2013 from termination of Windhaven.

Manager Summary

- IPS conducted an on-site due diligence meeting with BlackRock on April 28, 2015.
- IPS conducted a due diligence meeting with BlackRock on July 25, 2016.

Recommendation: None.

Compliance Summary

The manager verified the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or offering document guidelines. The manager stated with respect to the Global Allocation Collective Fund, BlackRock acts as an Investment Manager within the meaning of Section 3(38) of ERISA.

Items of Interest: Notes: The manager noted that the relevant BlackRock contracting entity for the BlackRock Global Allocation Collective Fund is BlackRock Institutional Trust Company, N.A. ("BTC"). The investment advisor of the BlackRock Global Allocation Fund, Inc. is BlackRock Advisors, LLC ("BAL"). Personnel Changes/Additions - The manager stated there have not been any changes to the investment team in the past quarter ending December 31, 2016. The manager noted that it was announced this quarter that the Global Allocation Team will expand its portfolio management team effective January 1, 2017. Three senior members of the Team will be joining Dennis Stattman, Managing Director, and Dan Chamby, Managing Director, as portfolio managers for the fund as Aldo Roldan, Managing Director, relinquishes his role as portfolio manager and becomes a senior investor on the Team. Russ Koesterich, Managing Director; David Clayton, Managing Director; and Kent Hogshire, Managing Director, will be named portfolio managers for BlackRock Global Allocation CTF and BlackRock Global Allocation Fund along with Dennis Stattman and Dan Chamby. The Fund's investment objective and process remains the same and there are no other changes to the Fund. Global Allocation has long had a team approach to managing the portfolio, and the Team of over 50 professionals remains one of the most experienced global multi-asset teams in the industry. In 2010, BlackRock created the Global Executive Committee ("GEC") to provide oversight of operations and business performance, strategy and planning, talent development and retention, risk management, and external affairs. There have not been any additions to nor departures from the GEC in the past quarter ending December 31, 2016. **Ownership Changes -** The manager stated there have been no material changes to the ownership of the firm during 4Q 2016. **Form ADV BlackRock Advisors, LLC –** Please see "Item 2 Material Changes" in BAL's Form ADV Part II A for material changes as of March 30, 2016 since the prior annual update on March 27, 2015. The manager has provided a link to BAL's Form ADV Part II A for your reference in the compliance checklist. **BlackRock Institutional Trust Company, N.A.** As a limited purpose national banking association, BTC is exempt from registration with the SEC as an investment adviser under Section 202 of the Investment Advisers Act of 1940 and therefore is not required to file a form ADV. BTC's primary disclosure document is "16 Things You Should Know – Information about BTC". It is distributed to clients annually and is available upon request. BTC is registered with the SEC as a municipal adviser and its Form MA is available via the EDGAR system. BTC's Form MA can be provided by BlackRock to clients upon request. BTC is primarily regulated by the OCC and received its charter from teh OCC on April 2, 1990. BTC is also registered as a Municipal Advisors with both the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. Other BlackRock advisory subsidiaries are regsitered with the SEC and have Forms ADV. **Legal -** As a global investment manager, BlackRock Inc., and its various subsidiaries including BlackRock Institutional Trust Company, N.A. ("BTC"), may be subject to regulatory oversight in numerous jurisdictions, including examinations and various requests for information. BTC's and BAL's regulators routinely provide it with comment letters at the conclusion of these examinations in which they request that BTC or BAL correct or modify certain of its practices. In all such instances, BTC and BAL have addressed, or is working to address, these requests to ensure that it continues to operate in compliance with applicable laws, statutes and regulations. BTC and BAL also receives subpoenas or requests for information in connection with regulatory inquiries and/or investigations by its various regulators, some of which are ongoing. None of these matters has had or is expected to have any adverse impact on BTC's or BAL's ability to manage its clients' assets. Please refer to BlackRock's Form ADV and SEC disclosures for additional information on regulatory matters concerning BTC, BAL, or BlackRock as a whole. BlackRock, Inc. and its various subsidiaries, including BTC and BAL, also have been subject to certain business litigation that has arisen in the normal course of their business. The manager's litigation has included a variety of claims, some of which are investment-related. None of BlackRock's prior litigation has been, and none of its pending litigation currently is expected to be, material to BlackRock's business. In past years, BlackRock has acquired organizations that provide investment-related services, including, but not limited to, State Street Research & Management Company, Merrill Lynch Investment Managers, the fund of funds business of Quellos Group, LLC, and Barclays Global Investors. This response does not address any litigation or regulatory matters that arose out of conduct within the acquired organizations prior to their acquisition by BlackRock. It also does not address any litigation or regulatory matters unrelated to BlackRock or BTC's investment management responsibilities.

Account Information	
Account Name	**Ullico Accumulation Account**
Account Structure	**Other**
Investment Style	**Active**
Inception Date	**4/01/96**
Account Type	**Cash**
Benchmark	
Universe	

Ullico Accumulation Account
Ending December 31, 2016

	Fourth Quarter	Inception 4/1/96
Beginning Market Value	$2,749,816	$1,855,926
Net Cash Flow	$10,101	-$827,366
Net Investment Change	$13,750	$1,745,107
Ending Market Value	$2,773,667	$2,773,667

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Ullico Accumulation Account	0.5%	2.7%	2.9%	3.1%	2.7%	3.0%	3.0%	3.4%	3.5%	4.0%	Apr-96

Note: Returns are gross of fees.

Plumbers and Steamfitters Local #486 Pension Fund - ULLICO Accumulation Account

Compliance Summary

ULLICO Accumulation Account is not monitored for compliance by Investment Performance Services.

Account Information	
Account Name	**Prudential**
Account Structure	**Other**
Investment Style	**Active**
Inception Date	**1/01/99**
Account Type	**Other**
Benchmark	
Universe	

Prudential
Ending December 31, 2016

	Fourth Quarter	**Inception 1/1/99**
Beginning Market Value	$113,302	$88,950
Net Cash Flow	$0	-$21,745
Net Investment Change	-$1,656	$44,440
Ending Market Value	$111,646	$111,646

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Prudential	-1.5%	-0.2%	-0.2%	2.8%	-0.2%	-1.7%	1.2%	9.8%	5.1%	2.5%	Jan-99

- Returns are based on the manager provided estimated value.

Plumbers and Steamfitters Local #486 Pension Fund - Prudential

Compliance Summary

Prudential is not monitored for compliance by Investment Performance Services.

Account Information	
Account Name	**Benefit Payment Account**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**10/01/04**
Account Type	**Cash**
Benchmark	
Universe	

Benefit Payment Account
Ending December 31, 2016

	Fourth Quarter	**Inception 10/1/04**
Beginning Market Value	$2,617,854	$2,032,302
Net Cash Flow	$316,779	$94,867
Net Investment Change	$1,575	$809,039
Ending Market Value	$2,936,208	$2,936,208

					Calendar Years					Inception	
	2016 Q4	1 Yr	3 Yrs	5 Yrs	2016	2015	2014	2013	2012	Return	Since
Benefit Payment Account	0.1%	0.1%	0.2%	0.3%	0.1%	0.0%	0.5%	0.6%	0.0%	1.1%	Oct-04

Plumbers and Steamfitters Local #486 Pension Fund - Benefit Payment Account

Compliance Summary

Benefit Payment Account is not monitored for compliance by Investment Performance Services.

Commission Recapture Provider

- The current provider is ConvergEx Group.

Custody Bank

- The current custodian is PNC Bank.

Investment Policy Statement

- The current investment policy statement was adopted and signed on August 26, 2010.
- An amendment to the investment policy with new targets and ranges was signed on March 27, 2014.

Commingled Funds

- Commingled Fund: Due to the commingled fund structure, IPS does not monitor the holdings within the commingled fund for compliance with the client's investment policy statement. The commingled fund is governed by its own investment policy.

Plumbers and Steamfitters Local 486 Pension Fund
Appendix

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2016 2016 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception Return	Since
Total Fund	**$219,232,486**	**100.0%**	**1.9%**	**7.5%**	**6.2%**	**9.8%**	**9.0%**	**5.0%**	**6.4%**	**Apr-96**
Benchmark			*2.7%*	*9.7%*	*5.8%*	*9.6%*	*8.7%*	*4.9%*	*6.9%*	*Apr-96*
Total Domestic Equity	**$79,690,477**	**36.3%**	**3.6%**	**10.1%**	**7.7%**	**14.8%**	**13.2%**	**7.0%**	**7.8%**	**Apr-96**
S&P 500			*3.8%*	*12.0%*	*8.9%*	*14.7%*	*12.8%*	*6.9%*	*8.2%*	*Apr-96*
Russell 2000			*8.8%*	*21.3%*	*6.7%*	*14.5%*	*13.2%*	*7.1%*	*8.5%*	*Apr-96*
Wedge Capital Management	$29,033,787	13.2%	5.3%	14.2%	8.8%	15.0%	13.4%	6.7%	8.3%	Apr-05
Russell 1000 Value			*6.7%*	*17.3%*	*8.6%*	*14.8%*	*12.7%*	*5.7%*	*7.3%*	*Apr-05*
Fred Alger Management, Inc.	$26,556,814	12.1%	-1.5%	2.2%	8.1%	15.4%	--	--	14.3%	Jun-10
Russell 1000 Growth			*1.0%*	*7.1%*	*8.6%*	*14.5%*	*--*	*--*	*14.3%*	*Jun-10*
Rothschild U.S. Small/Mid Cap Core	$24,094,921	11.0%	7.5%	17.1%	9.5%	16.1%	15.9%	8.5%	9.9%	Apr-05
Russell 2500			*6.1%*	*17.6%*	*6.9%*	*14.5%*	*13.6%*	*7.7%*	*8.9%*	*Apr-05*
Columbia Partners Investment Management	$4,955	0.0%								
Total International Equity	**$12,207,901**	**5.6%**	**-3.3%**	**5.9%**	**3.0%**	**4.7%**	**2.8%**	**--**	**1.1%**	**Jul-07**
MSCI EAFE Value			*4.2%*	*5.0%*	*-2.1%*	*6.3%*	*3.0%*	*--*	*-1.2%*	*Jul-07*
First Eagle International Value Fund LP	$12,207,901	5.6%	-3.3%	5.9%	3.0%	--	--	--	7.0%	Aug-12
MSCI EAFE Value			*4.2%*	*5.0%*	*-2.1%*	*--*	*--*	*--*	*6.5%*	*Aug-12*
Total Investment Grade Fixed Income	**$12,122,123**	**5.5%**	**-1.8%**	**2.1%**	**2.1%**	**1.8%**	**2.9%**	**--**	**0.3%**	**Oct-07**
BBgBarc US Govt/Credit Int TR			*-2.1%*	*2.1%*	*2.1%*	*1.8%*	*3.0%*	*--*	*3.7%*	*Oct-07*
Columbia Partners Investment Management	$12,122,123	5.5%	-1.8%	2.1%	2.1%	1.8%	2.9%	--	3.1%	Apr-09
BBgBarc US Govt/Credit Int TR			*-2.1%*	*2.1%*	*2.1%*	*1.8%*	*3.0%*	*--*	*3.4%*	*Apr-09*

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2016						Inception	
			2016 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Fixed High Yield	**$17,085,797**	**7.8%**	**2.1%**	**11.7%**	**3.6%**	**5.9%**	**7.2%**	**--**	**6.9%**	**Sep-07**
Citi BB/B Ex Split B/CCC Index			*0.9%*	*13.1%*	*3.8%*	*6.1%*	*7.2%*	*--*	*6.1%*	*Sep-07*
PENN Core High Yield Fund II, L.P.	$17,085,797	7.8%	2.1%	11.7%	3.6%	5.9%	7.2%	--	7.4%	Jul-08
Citi BB/B Ex Split B/CCC Index			*0.9%*	*13.1%*	*3.8%*	*6.1%*	*7.2%*	*--*	*6.7%*	*Jul-08*
Total Mortgages	**$2,364,208**	**1.1%**	**0.5%**	**3.6%**	**3.8%**	**3.9%**	**3.4%**	**2.6%**	**5.0%**	**Apr-96**
BBgBarc US Aggregate TR			*-3.0%*	*2.6%*	*3.0%*	*2.2%*	*3.6%*	*4.3%*	*5.4%*	*Apr-96*
Ullico "J" For Jobs	$2,364,208	1.1%	0.5%	3.6%	3.8%	3.9%	3.4%	2.6%	5.0%	Apr-96
BBgBarc US Aggregate TR			*-3.0%*	*2.6%*	*3.0%*	*2.2%*	*3.6%*	*4.3%*	*5.4%*	*Apr-96*
Total Real Estate	**$43,346,318**	**19.8%**	**1.4%**	**8.0%**	**11.5%**	**11.0%**	**11.8%**	**5.0%**	**7.6%**	**Jan-96**
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*	*13.3%*	*5.6%*	*9.0%*	*Jan-96*
Multi-Employer Property Trust	$20,238,124	9.2%	1.6%	9.0%	11.7%	10.7%	11.8%	5.1%	8.5%	Jan-96
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*	*13.3%*	*5.6%*	*9.0%*	*Jan-96*
American Core Realty Fund, LLC	$23,108,194	10.5%	1.2%	7.1%	11.3%	11.5%	12.0%	5.5%	7.1%	Jul-04
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*	*13.3%*	*5.6%*	*7.9%*	*Jul-04*
Total Private Equity	**$1,051,913**	**0.5%**	**0.0%**	**--**	**--**	**--**	**--**	**--**	**-8.7%**	**Jul-16**
Columbia Partners Private Equity	$1,051,913	0.5%	0.0%	--	--	--	--	--	-8.7%	Jul-16
Total Hedge Fund of Funds-Multi-Strategy	**$10,276,180**	**4.7%**	**2.7%**	**3.4%**	**2.8%**	**6.7%**	**5.2%**	**--**	**2.9%**	**Oct-07**
HFRI Fund of Funds Composite Index			*0.9%*	*0.5%*	*1.2%*	*3.4%*	*2.4%*	*--*	*0.6%*	*Oct-07*
Grosvenor Institutional Partners, L.P.	$10,196,585	4.7%	2.4%	3.2%	2.7%	6.7%	5.5%	--	5.7%	Oct-09
HFRI Fund of Funds Composite Index			*0.9%*	*0.5%*	*1.2%*	*3.4%*	*2.4%*	*--*	*2.5%*	*Oct-09*
MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11	$79,595	0.0%								

Performance Summary (Gross of Fees) - Annualized

			Ending December 31, 2016						Inception	
	Market Value	% of Portfolio	2016 Q4	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Opportunistic Investments	**$12,623,782**	**5.8%**	**5.9%**	**13.6%**	**7.0%**	**--**	**--**	**--**	**10.7%**	**Jul-12**
HFRX Event Driven Index			*3.7%*	*11.1%*	*-0.3%*	--	--	--	*3.4%*	*Jul-12*
Grosvenor Opportunistic Credit Fund	$35,401	0.0%	0.0%	0.7%	1.9%	--	--	--	7.2%	Jul-12
HFRX Event Driven Index			*3.7%*	*11.1%*	*-0.3%*	--	--	--	*3.4%*	*Jul-12*
Grosvenor Opportunistic Credit Fund III, Ltd	$4,212,474	1.9%	4.4%	11.2%	6.2%	--	--	--	7.2%	Jul-13
HFRX Event Driven Index			*3.7%*	*11.1%*	*-0.3%*	--	--	--	*1.4%*	*Jul-13*
Grosvenor Opportunistic Credit Fund IV	$8,375,907	3.8%	6.7%	15.6%	--	--	--	--	8.9%	May-15
HFRX Event Driven Index			*3.7%*	*11.1%*	--	--	--	--	*0.8%*	*May-15*
Total Global Tactical Asset Allocation	**$18,227,057**	**8.3%**	**0.3%**	**5.5%**	**2.7%**	**6.2%**	**--**	**--**	**5.5%**	**Oct-10**
65% MSCI World Index/35% CitigroupWGBI			*-1.9%*	*5.6%*	*2.3%*	*6.5%*	--	--	*5.4%*	*Oct-10*
BlackRock Global Allocation Collective Trust Fund	$18,227,057	8.3%	0.3%	5.5%	2.7%	--	--	--	2.7%	Dec-13
Benchmark			*-1.4%*	*6.1%*	*3.1%*	--	--	--	*3.1%*	*Dec-13*
65% MSCI World Index/35% CitigroupWGBI			*-1.9%*	*5.6%*	*2.3%*	--	--	--	*2.3%*	*Dec-13*
Total GICs	**$2,885,313**	**1.3%**	**0.4%**	**2.6%**	**2.8%**	**3.1%**	**3.2%**	**3.5%**	**3.9%**	**Apr-96**
Ullico Accumulation Account	$2,773,667	1.3%	0.5%	2.7%	2.9%	3.1%	3.2%	3.5%	4.0%	Apr-96
Prudential	$111,646	0.1%	-1.5%	-0.2%	-0.2%	2.8%	3.5%	3.0%	2.5%	Jan-99
Total Cash	**$2,936,208**	**1.3%**	**0.1%**	**0.1%**	**0.2%**	**0.2%**	**0.2%**	**0.6%**	**8.0%**	**Jan-96**
Benefit Payment Account	$2,936,208	1.3%	0.1%	0.1%	0.2%	0.3%	0.2%	0.7%	1.1%	Oct-04
Total Other	**$4,415,209**	**2.0%**								
SBH - Transition	$4,415,209	2.0%								

Performance Summary (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2016				
			2016 Q4	1 Yr	3 Yrs	5 Yrs	7/1/09 - 12/31/16
Total Fund	**$219,232,486**	**100.0%**	**1.7%**	**6.8%**	**5.5%**	**9.0%**	**9.1%**
Benchmark			*2.7%*	*9.7%*	*5.8%*	*9.6%*	*9.7%*
Total Domestic Equity	**$79,690,477**	**36.3%**	**3.4%**	**9.3%**	**7.0%**	**14.1%**	**14.5%**
S&P 500			*3.8%*	*12.0%*	*8.9%*	*14.7%*	*15.0%*
Russell 2000			*8.8%*	*21.3%*	*6.7%*	*14.5%*	*15.6%*
Wedge Capital Management	$29,033,787	13.2%	5.2%	13.6%	8.3%	14.4%	14.9%
Russell 1000 Value			*6.7%*	*17.3%*	*8.6%*	*14.8%*	*15.0%*
Fred Alger Management, Inc.	$26,556,814	12.1%	-1.6%	1.5%	7.4%	14.7%	--
Russell 1000 Growth			*1.0%*	*7.1%*	*8.6%*	*14.5%*	--
Rothschild U.S. Small/Mid Cap Core	$24,094,921	11.0%	7.3%	15.9%	8.4%	14.9%	16.2%
Russell 2500			*6.1%*	*17.6%*	*6.9%*	*14.5%*	*16.1%*
Columbia Partners Investment Management	$4,955	0.0%					
Total International Equity	**$12,207,901**	**5.6%**	**-3.5%**	**5.2%**	**2.2%**	**3.9%**	**3.8%**
MSCI EAFE Value			*4.2%*	*5.0%*	*-2.1%*	*6.3%*	*5.6%*
First Eagle International Value Fund LP	$12,207,901	5.6%	-3.5%	5.2%	2.2%	--	--
MSCI EAFE Value			*4.2%*	*5.0%*	*-2.1%*	--	--
Total Investment Grade Fixed Income	**$12,122,123**	**5.5%**	**-1.8%**	**1.9%**	**1.9%**	**1.6%**	**2.9%**
BBgBarc US Govt/Credit Int TR			*-2.1%*	*2.1%*	*2.1%*	*1.8%*	*3.3%*
Columbia Partners Investment Management	$12,122,123	5.5%	-1.8%	1.9%	1.9%	1.6%	2.9%
BBgBarc US Govt/Credit Int TR			*-2.1%*	*2.1%*	*2.1%*	*1.8%*	*3.3%*

Performance Summary (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2016				
			2016 Q4	1 Yr	3 Yrs	5 Yrs	7/1/09 - 12/31/16
Total Fixed High Yield	**$17,085,797**	**7.8%**	**2.0%**	**11.4%**	**3.2%**	**5.5%**	**8.4%**
Citi BB/B Ex Split B/CCC Index			*0.9%*	*13.1%*	*3.8%*	*6.1%*	*8.6%*
PENN Core High Yield Fund II, L.P.	$17,085,797	7.8%	2.0%	11.4%	3.2%	5.5%	8.3%
Citi BB/B Ex Split B/CCC Index			*0.9%*	*13.1%*	*3.8%*	*6.1%*	*8.6%*
Total Mortgages	**$2,364,208**	**1.1%**	**0.4%**	**2.9%**	**3.1%**	**3.2%**	**1.7%**
BBgBarc US Aggregate TR			*-3.0%*	*2.6%*	*3.0%*	*2.2%*	*3.9%*
Ullico "J" For Jobs	$2,364,208	1.1%	0.4%	2.9%	3.1%	3.2%	1.6%
BBgBarc US Aggregate TR			*-3.0%*	*2.6%*	*3.0%*	*2.2%*	*3.9%*
Total Real Estate	**$43,346,318**	**19.8%**	**1.1%**	**6.9%**	**10.4%**	**9.9%**	**8.1%**
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*	*10.5%*
Multi-Employer Property Trust	$20,238,124	9.2%	1.4%	8.0%	10.7%	9.7%	8.5%
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*	*10.5%*
American Core Realty Fund, LLC	$23,108,194	10.5%	0.9%	5.9%	10.1%	10.3%	7.8%
NCREIF ODCE Equal Weighted Index			*2.2%*	*9.3%*	*12.3%*	*12.2%*	*10.5%*
Total Private Equity	**$1,051,913**	**0.5%**	**0.0%**	**--**	**--**	**--**	**--**
Columbia Partners Private Equity	$1,051,913	0.5%	0.0%	--	--	--	--
Total Hedge Fund of Funds-Multi-Strategy	**$10,276,180**	**4.7%**	**2.4%**	**2.5%**	**1.8%**	**5.6%**	**5.0%**
HFRI Fund of Funds Composite Index			*0.9%*	*0.5%*	*1.2%*	*3.4%*	*3.0%*
Grosvenor Institutional Partners, L.P.	$10,196,585	4.7%	2.1%	2.3%	1.7%	5.7%	--
HFRI Fund of Funds Composite Index			*0.9%*	*0.5%*	*1.2%*	*3.4%*	--
MDF Special Investments SPC, Ltd. / MDEF June 2011 / Pool 12/11	$79,595	0.0%					

Performance Summary (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending December 31, 2016				
			2016 Q4	1 Yr	3 Yrs	5 Yrs	7/1/09 - 12/31/16
Total Opportunistic Investments	**$12,623,782**	**5.8%**	**4.8%**	**11.9%**	**6.1%**	**--**	**--**
HFRX Event Driven Index			*3.7%*	*11.1%*	*-0.3%*	--	--
Grosvenor Opportunistic Credit Fund	$35,401	0.0%	-0.1%	-0.7%	1.0%	--	--
HFRX Event Driven Index			*3.7%*	*11.1%*	*-0.3%*	--	--
Grosvenor Opportunistic Credit Fund III, Ltd	$4,212,474	1.9%	4.5%	10.9%	5.8%	--	--
HFRX Event Driven Index			*3.7%*	*11.1%*	*-0.3%*	--	--
Grosvenor Opportunistic Credit Fund IV	$8,375,907	3.8%	4.9%	13.1%	--	--	--
HFRX Event Driven Index			*3.7%*	*11.1%*	--	--	--
Total Global Tactical Asset Allocation	**$18,227,057**	**8.3%**	**0.1%**	**4.9%**	**2.1%**	**5.5%**	**--**
65% MSCI World Index/35% CitigroupWGBI			*-1.9%*	*5.6%*	*2.3%*	*6.5%*	--
BlackRock Global Allocation Collective Trust Fund	$18,227,057	8.3%	0.1%	4.9%	2.1%	--	--
Benchmark			*-1.4%*	*6.1%*	*3.1%*	--	--
65% MSCI World Index/35% CitigroupWGBI			*-1.9%*	*5.6%*	*2.3%*	--	--
Total GICs	**$2,885,313**	**1.3%**	**0.4%**	**2.6%**	**2.6%**	**2.8%**	**3.0%**
Ullico Accumulation Account	$2,773,667	1.3%	0.5%	2.7%	2.7%	2.8%	2.9%
Prudential	$111,646	0.1%	-1.5%	-0.2%	-0.2%	2.8%	3.4%
Total Cash	**$2,936,208**	**1.3%**	**0.1%**	**0.1%**	**0.2%**	**0.2%**	**0.2%**
Benefit Payment Account	$2,936,208	1.3%	0.1%	0.1%	0.2%	0.3%	0.2%
Total Other	**$4,415,209**	**2.0%**					
SBH - Transition	$4,415,209	2.0%					

Benchmark

Benchmark History
As of December 31, 2016

Total Fund		
7/1/2016	Present	S&P 500 27.5% / Russell 2000 10% / BBgBarc US Govt/Credit Int TR 10% / NCREIF ODCE Equal Weighted Index 20% / Citi BB/B Ex Split B/CCC Index 5% / MSCI EAFE Value 7.5% / HFRI Fund of Funds Composite Index 5% / Benchmark 7.5% / 91 Day T-Bills 2.5% / HFRX Event Driven Index 5%
3/1/2014	6/30/2016	S&P 500 27.5% / Russell 2000 10% / BBgBarc US Govt/Credit Int TR 10% / NCREIF ODCE Equal Weighted Index 15% / Citi BB/B Ex Split B/CCC Index 7.5% / MSCI EAFE Value 7.5% / HFRI Fund of Funds Composite Index 5% / Benchmark 10% / 91 Day T-Bills 2.5% / HFRX Event Driven Index 5%
7/1/2013	2/28/2014	S&P 500 27.5% / Russell 2000 10% / BBgBarc US Govt/Credit Int TR 10% / NCREIF ODCE Equal Weighted Index 17.5% / Citi BB/B Ex Split B/CCC Index 7.5% / MSCI EAFE Value 7.5% / HFRI Fund of Funds Composite Index 7.5% / 65% MSCI World Index/35% CitigroupWGBI 10% / 91 Day T-Bills 2.5%
10/1/2012	6/30/2013	S&P 500 27.5% / Russell 2000 10% / BBgBarc US Govt/Credit Int TR 10% / NCREIF ODCE Equal Weighted Index 15% / Citi BB/B Ex Split B/CCC Index 10% / MSCI EAFE Value 7.5% / HFRI Fund of Funds Composite Index 7.5% / 65% MSCI World Index/35% CitigroupWGBI 10% / 91 Day T-Bills 2.5%
4/1/2012	9/30/2012	S&P 500 27.5% / Russell 2000 10% / BBgBarc US Govt/Credit Int TR 12.5% / NCREIF ODCE Equal Weighted Index 15% / Citi BB/B Ex Split B/CCC Index 10% / MSCI EAFE Value 7.5% / HFRI Fund of Funds Composite Index 7.5% / 65% MSCI World Index/35% CitigroupWGBI 10%
10/1/2010	3/31/2012	S&P 500 25% / Russell 2000 10% / BBgBarc US Govt/Credit Int TR 15.5% / NCREIF ODCE Equal Weighted Index 10% / Citi BB/B Ex Split B/CCC Index 7.5% / MSCI EAFE Value 10% / HFRI Fund of Funds Composite Index 11% / 65% MSCI World Index/35% CitigroupWGBI 11%
7/1/2008	9/30/2010	S&P 500 45% / BBgBarc US Govt/Credit Int TR 12.5% / NCREIF ODCE Equal Weighted Index 15% / Citi BB/B Ex Split B/CCC Index 7.5% / MSCI EAFE Value 10% / HFRI Fund of Funds Composite Index 10%
10/1/2007	6/30/2008	S&P 500 45% / BBgBarc US Govt/Credit Int TR 15% / NCREIF ODCE Equal Weighted Index 15% / BofA Merrill Lynch High Yield Master 5% / MSCI EAFE Value 10% / HFRI Fund of Funds Composite Index 10%
4/1/2007	9/30/2007	S&P 500 50% / BBgBarc US Aggregate TR 20% / NCREIF ODCE Equal Weighted Index 15% / BofA Merrill Lynch High Yield Master 5% / MSCI EAFE Value 10%
7/1/2006	3/31/2007	S&P 500 60% / BBgBarc US Aggregate TR 20% / NCREIF ODCE Equal Weighted Index 15% / BofA Merrill Lynch High Yield Master 5%
10/1/2005	6/30/2006	S&P 500 60% / BBgBarc US Aggregate TR 30% / NCREIF ODCE Equal Weighted Index 10%
10/1/2004	9/30/2005	S&P 500 60% / BBgBarc US Aggregate TR 30% / NCREIF ODCE Equal Weighted Index 10%
4/1/2000	9/30/2004	S&P 500 70% / BBgBarc US Aggregate TR 25% / NCREIF ODCE Equal Weighted Index 5%
4/1/1996	3/31/2000	S&P 500 70% / BBgBarc US Aggregate TR 30%

Footnotes

- Columbia Partners' inception date is May 8, 2000.

- The Bernstein Fixed Bond Fund was liquidated on March 29, 2001. The proceeds of approximately $7.2 million were transferred to the Mercantile Fixed portfolio.

- MFS was replaced by INTECH on January 26, 2004 with a transfer of $11,539,006.35.

- Delaware Investment Advisers replaced Mercantile Trust and Depository (Fixed) with a transfer of $25,450,408.78 on April 13, 2004.

- Seix Advisors was funded on April 13, 2004 with $5 million from Mercantile Trust and Depository (Equity).

- Voyageur Asset Management was funded on May 17, 2004 with $3 million from Mercantile Trust and Depository (Equity) and $2 million from AllianceBernstein Strategic Equity.

- The Connecticut General value is provided by the fund office.

- Voyageur was terminated in 8/07 and all assets were transferred to fund Columbia Partners.

- On 12/20/16 Tremont Recovery amount of $31,226 was transferred to the Benefit Payment Account. The Tremont Recovery payment is reflected as a gain in the Hedge Fund of Funds group.

- Grosvenor OCF III – the net of fee returns include the accrual of the incentive fee. The difference between the gross and net returns may vary widely due to this accounting. The information reported by IPS is provided by the manager and subject to change.

- Hedge Fund of Funds returns are based on the manager provided estimated value.

- Net of fee returns are net of investment manager fees and are estimated. NOF calculations began 7/1/2009. NOF calculations cannot be calculated for prior time periods.

- Values, flows and returns for all commingled funds, mutual funds and partnerships are provided by the firm managing the assets and cannot be independently verified. Separately managed account returns are calculated by IPS using custodian data.

Index Disclosure

NCREIF ODCE Equal Weighted Index –

- During 2nd Quarter 2014 IPS changed the NCREIF ODCE index to the NCREIF ODCE Equal Weighted Index. The NCREIF ODCE equal weighted index is a better benchmark for comparison in client reports and more representative of the investment opportunities in the real estate class. The cap weighted index is biased and returns are influenced by several large contributors.

ERISA Pension Investment Conference

April 19 – 22, 2016

- **The following investment managers and providers attended and helped to defray the cost of IPS' annual ERISA Pension Investment Conference ("EPIC"). EPIC is an educational conference addressing various issues related to employee benefit plans. IPS does not give preferential treatment to investment managers or any other provider who may pay to attend EPIC.**

Amalgamated Bank of Chicago	Fred Alger Management	Patriot Financial Partners
American Realty Advisors	Great Lakes Advisors	PENN Capital Management
ASB Capital Management	Grosvenor Capital Management	PIMCO
Atlanta Capital Management	Hamilton Lane Advisors	Post Advisory Group
Baird Advisors / Baird Inv. Mgmt.	HGK Asset Management	Principal Global Investors
BlackRock Financial Mgmt.	Intercontinental Real Estate Corp.	Rainier Investment Management
Boyd Watterson	Invesco	Rothschild Asset Management
Brown Advisory	Janus Capital	Ryan Labs Asset Management
Chartwell Investment Partners	Johnston Asset Management	Segall Bryant & Hamill
Christenson Investment Partners	JP Morgan Asset Management	Sierra Investment Partners
Columbia Partners	Kearney Capital Management	The Bank of New York Mellon
Corbin Capital Partners	Loomis, Sayles & Company	The Boston Company
Earnest Partners	Lord Abbett	The Yucaipa Companies
Eaton Vance Management	LSV Asset Management	Ullico Investment Company
EnTrust Capital	MacKay Shields	Victory Capital Mgmt.
Evanston Capital Management	MEPT/Bentall Kennedy	Washington Capital Management
Federated Investors	National Investment Services	WEDGE Capital Management
First Eagle Investment Mgmt.	Nikko Asset Management	Westfield Capital Management
Foundry Partners	Nuveen Asset Management	William Blair & Company

This page left blank intentionally.

Expanded Master Consulting Services
Communication Report
Plumbers & Steamfitters Local 486 Pension Fund

Period Ending: October 31, 2016

Prepared On: November 21, 2016

SECTION 1 –ASSET ALLOCATION

Current Recommendation(s):

☑ None ❑ Rebalance ☐ Modify Targets ❑ New Asset Class

- **On January 1, 2016, UA 782 Pension Fund merged into the Plumbers & Steamfitters Local 486 Pension Fund. UA 782 Pension assets of approximately $13M transferred in-kind from Huntington Trust (UA 782 custodian) to PNC on 12/30/2015.** The approved transition manager, Abel Noser, liquidated all assets formerly held by the UA Local 782 Pension Plan by the close of business on January 29, 2016 (totaling approximately $12.4 million).
- At the Board of Trustees' meeting on January 29, 2016, new asset allocation targets were adopted (decreasing allocations to US large cap equities, high yield bonds and global tactical asset classes while increasing allocations to real estate equity and adding an allocation to the private equity asset class). As a result, the following decisions were also approved:
  - Increase allocation to MEPT by an additional $5M (funded by UA 782 proceeds) – this occurred on March 31, 2016
  - Invest $5M with Columbia Partners (new private equity investment) upon completion and approval of contract and related documents by counsel). Fund from UA 782 proceeds. Cumulative net capital contribution of $1.0M was called through October 2016. The remaining commitment is $4.0M.
  - The balance of UA 782 proceeds ($2.4M) will be utilized as a source of funding: capital calls with Grosvenor OCF IV; cash/benefit needs; or potential rebalancing to other asset classes (based on updated market values in 2016)

Recommendation: None. Proceed with allocation plan as outlined above.

Prior Month Recommendation(s):

At the September 29, 2016 meeting, the Trustees elected to invest $5.0M in the Grosvenor Opportunistic Credit Fund V to maintain the opportunistic allocation. The IPS due diligence memo was presented and discussed. The current allocations to Grosvenor's other funds were reviewed in detail. Decision: The Trustees agreed with the recommendation.

Based on current month's allocation, other sources will be utilized if OCF II and III distributions are not sufficient to cover OCF V capital calls.

In order to maintain exposure to the Opportunistic Investments asset class, utilize a portion of the proceeds received from the Grosvenor Opportunistic Credit Funds (II & III) to fund the new Opportunistic Credit Fund V investment ($5.0 million commitment). A portion of OCF II and III distribution proceeds may be allocated to Columbia Partners (investment grade bonds), as per the existing operating procedure, based on the timing of cash flows and anticipated capital calls of unfunded commitments.

☐ None ☐ Pending Approval ☐ In Progress ☑ Complete ☐ Further Action Required

Complete: $5.0M committed to Grosvenor OCF V. See Section 5 for further information.

SECTION 2 –INVESTMENT POLICY

Current Recommendation(s):

☑ None ☐ Amendment(s) ☐ Manager Request

Recommendation: None.

Prior Month Recommendation(s):

☑ None ☐ Pending Approval ☐ In Progress ☐ Complete ☐ Further Action Required

---

SECTION 3 –INVESTMENT MANAGERS

Current Recommendation(s):

☑ None ☐ Add to Watch List ☐ Termination/Hire ☐ Remove from Watch List ☐ Other

Recommendation: None.

Prior Month Recommendation(s):

☐ None ☐Pending Approval ☐ In Progress ☑ Complete ☐ Further Action Required

PENN Capital – On July 25, 2016, the manager recommended the investment be switched from their High Yield Core LP to High Yield Core II LP to maintain exposure to 144a securities and bank loans. Due to large withdrawals from two clients, the High Yield Core LP lost its Qualified Institutional Buyer Status (making the Fund ineligible to purchase 144a securities). PENN will transfer assets in-kind. There will be a fee savings of approximately 3 – 4 bps. A new subscription agreement will be required. The investment converted to the PENN High Yield Core II LP Fund effective August 31, 2016.

❑ None ☐Pending Approval ❑ In Progress ☑ Complete ☐ Further Action Required

Columbia Partners
Recommendation: Terminate (small cap core). Consolidate assets with current smid cap manager, Rothschild upon establishment of separate account (in process). Decision: Approved. The consolidation occurred on August 31, 2016.

Rothschild SMID Cap Fund
Recommendation: Switch the investment vehicle from the commingled fund to a separate account for fee savings. The annual fee savings would be approximately $28,000. Decision: Approved. Contract has been fully executed. The Pension Fund's shares of the SMID Fund were redeemed effective July 31, 2016 with the separate account funded on August 3, 2016.

<u>Managers currently on watch list</u>
None

<u>Redemption in process</u>
Meridian

SECTION 4 –ACTIONABLE DAILY COMPLIANCE MONITORING (manager purchases in separate accounts)

Current Exception(s):

☑ None

☐ Manager Issue – Exception

Current Recommendation(s): None.

Prior Month Exceptions and/or Recommendation(s):

☑ None ☐Pending Approval ❑ In Progress ❑ Complete ☐ Further Action Required

ExMCS Communication Report summarizes issues, recommendations, and subsequent actions taken between formal Board of Trustees' meetings. Daily Compliance Monitoring only relates to purchases in separate account portfolios. All managers and subsequent issues revealed via quarterly checklists are summarized and presented in the quarterly MCS report.

SECTION 5 –ASSET TRANSFER SUMMARY

In Progress:

Grosvenor – Opportunistic Credit Fund V - $5.0M Commitment

- First capital call - TBD

Grosvenor – Opportunistic Credit Fund IV - $7.5M Commitment

- Commitment is fully funded
- Last capital call = $563,215 for investment in September 2016

Grosvenor – Opportunistic Credit Fund III - $5.0M Commitment

- Commitment is fully funded
- Distributions Received to Date = $1,722,804

Grosvenor – Opportunistic Credit Fund - $5.0M Commitment

- Commitment is fully funded
- Distributions Received to Date = $6,255,053

Expanded Master Consulting Services
Communication Report
Plumbers & Steamfitters Local 486 Pension Fund

Period Ending: November 30, 2016

Prepared On: January 10, 2017

SECTION 1 –ASSET ALLOCATION

Current Recommendation(s):

☑ None ☐ Rebalance ☐ Modify Targets ☐ New Asset Class

- **On January 1, 2016, UA 782 Pension Fund merged into the Plumbers & Steamfitters Local 486 Pension Fund. UA 782 Pension assets of approximately $13M transferred in-kind from Huntington Trust (UA 782 custodian) to PNC on 12/30/2015.** The approved transition manager, Abel Noser, liquidated all assets formerly held by the UA Local 782 Pension Plan by the close of business on January 29, 2016 (totaling approximately $12.4 million).
- At the Board of Trustees' meeting on January 29, 2016, new asset allocation targets were adopted (decreasing allocations to US large cap equities, high yield bonds and global tactical asset classes while increasing allocations to real estate equity and adding an allocation to the private equity asset class). As a result, the following decisions were also approved:
    - Increase allocation to MEPT by an additional $5M (funded by UA 782 proceeds) – this occurred on March 31, 2016
    - Invest $5M with Columbia Partners (new private equity investment) upon completion and approval of contract and related documents by counsel). Fund from UA 782 proceeds. Cumulative net capital contribution of $1.0M was called through October 2016. The remaining commitment is $4.0M.
    - The balance of UA 782 proceeds ($2.4M) will be utilized as a source of funding: capital calls with Grosvenor OCF IV; cash/benefit needs; or potential rebalancing to other asset classes (based on updated market values in 2016)

Recommendation: None. Proceed with allocation plan as outlined above.

Prior Month Recommendation(s):

At the September 29, 2016 meeting, the Trustees elected to invest $5.0M in the Grosvenor Opportunistic Credit Fund V to maintain the opportunistic allocation. The IPS due diligence memo was presented and discussed. The current allocations to Grosvenor's other funds were reviewed in detail. Decision: The Trustees agreed with the recommendation.

Based on current month's allocation, other sources will be utilized if OCF II and III distributions are not sufficient to cover OCF V capital calls.

In order to maintain exposure to the Opportunistic Investments asset class, utilize a portion of the proceeds received from the Grosvenor Opportunistic Credit Funds (II & III) to fund the new Opportunistic Credit Fund V investment ($5.0 million commitment). A portion of OCF II and III distribution proceeds may be allocated to Columbia Partners (investment grade bonds), as per the existing operating procedure, based on the timing of cash flows and anticipated capital calls of unfunded commitments.

❑ None ☐ Pending Approval ❑ In Progress ☑ Complete ☐ Further Action Required

Complete: $5.0M committed to Grosvenor OCF V. See Section 5 for further information.

SECTION 2 –INVESTMENT POLICY

Current Recommendation(s):

☑ None ❑ Amendment(s) ❑ Manager Request

Recommendation: None.

Prior Month Recommendation(s):

☑ None ☐ Pending Approval ❑ In Progress ☐ Complete ☐ Further Action Required

---

SECTION 3 –INVESTMENT MANAGERS

Current Recommendation(s):

☑ None ☐ Add to Watch List ☐ Termination/Hire ☐ Remove from Watch List ☐ Other

Recommendation: None.

Prior Month Recommendation(s):

❑ None ☐Pending Approval ❑ In Progress ☑ Complete ☐ Further Action Required

PENN Capital – On July 25, 2016, the manager recommended the investment be switched from their High Yield Core LP to High Yield Core II LP to maintain exposure to 144a securities and bank loans. Due to large withdrawals from two clients, the High Yield Core LP lost its Qualified Institutional Buyer Status (making the Fund ineligible to purchase 144a securities). PENN will transfer assets in-kind. There will be a fee savings of approximately 3 – 4 bps. A new subscription agreement will be required. The investment converted to the PENN High Yield Core II LP Fund effective August 31, 2016.

❑ None ☐Pending Approval ❑ In Progress ☑ Complete ☐ Further Action Required

Columbia Partners
Recommendation: Terminate (small cap core). Consolidate assets with current smid cap manager, Rothschild upon establishment of separate account (in process). Decision: Approved. The consolidation occurred on August 31, 2016.

Rothschild SMID Cap Fund
Recommendation: Switch the investment vehicle from the commingled fund to a separate account for fee savings. The annual fee savings would be approximately $28,000. Decision: Approved. Contract has been fully executed. The Pension Fund's shares of the SMID Fund were redeemed effective July 31, 2016 with the separate account funded on August 3, 2016.

<u>Managers currently on watch list</u>
None

<u>Redemption in process</u>
Meridian

SECTION 4 –ACTIONABLE DAILY COMPLIANCE MONITORING (manager purchases in separate accounts)

Current Exception(s):

☑ None

☐ Manager Issue – Exception

Current Recommendation(s): None.

Prior Month Exceptions and/or Recommendation(s):

☑ None ☐Pending Approval ❑ In Progress ❑ Complete ☐ Further Action Required

ExMCS Communication Report summarizes issues, recommendations, and subsequent actions taken between formal Board of Trustees' meetings. Daily Compliance Monitoring only relates to purchases in separate account portfolios. All managers and subsequent issues revealed via quarterly checklists are summarized and presented in the quarterly MCS report.

SECTION 5 –ASSET TRANSFER SUMMARY

In Progress:

Grosvenor – Opportunistic Credit Fund V - $5.0M Commitment

- First capital call - TBD

Grosvenor – Opportunistic Credit Fund IV - $7.5M Commitment

- Commitment is fully funded
- Last capital call = $563,215 for investment in September 2016

Grosvenor – Opportunistic Credit Fund III - $5.0M Commitment

- Commitment is fully funded
- Distributions Received to Date = $1,722,804

Grosvenor – Opportunistic Credit Fund - $5.0M Commitment

- Commitment is fully funded
- Distributions Received to Date = $6,255,053

Expanded Master Consulting Services
Communication Report
Plumbers & Steamfitters Local 486 Pension Fund

Period Ending: December 31, 2016

Prepared On: February 7, 2017

SECTION 1 –ASSET ALLOCATION

Current Recommendation(s):

☐ None ☑ Rebalance ☐ Modify Targets ❑ New Asset Class

- **On January 1, 2016, UA 782 Pension Fund merged into the Plumbers & Steamfitters Local 486 Pension Fund. UA 782 Pension assets of approximately $13M transferred in-kind from Huntington Trust (UA 782 custodian) to PNC on 12/30/2015.** The approved transition manager, Abel Noser, liquidated all assets formerly held by the UA Local 782 Pension Plan by the close of business on January 29, 2016 (totaling approximately $12.4 million).
- At the Board of Trustees' meeting on January 29, 2016, new asset allocation targets were adopted (decreasing allocations to US large cap equities, high yield bonds and global tactical asset classes while increasing allocations to real estate equity and adding an allocation to the private equity asset class). As a result, the following decisions were also approved:
  - Increase allocation to MEPT by an additional $5M (funded by UA 782 proceeds) – this occurred on March 31, 2016.
  - Invest $5M with Columbia Partners (new private equity investment) upon completion and approval of contract and related documents by counsel). Fund from UA 782 proceeds. Cumulative net capital contribution of $1.0M was called through October 2016. The remaining commitment is $3.8M including recallable distributions.
  - The balance of UA 782 proceeds will be utilized as a source of funding: capital calls with Grosvenor OCF IV; cash/benefit needs; or potential rebalancing to other asset classes (based on updated market values in 2016).

Recommendation: Allocate $3M to Columbia Partners Investment Grade Fixed income.

Prior Month Recommendation(s):

At the September 29, 2016 meeting, the Trustees elected to invest $5.0M in the Grosvenor Opportunistic Credit Fund V to maintain the opportunistic allocation. The IPS due diligence memo was presented and discussed. The current allocations to Grosvenor's other funds were reviewed in detail. Decision: The Trustees agreed with the recommendation.

☑ None ☐ Pending Approval ❑ In Progress ☑ Complete ☐ Further Action Required

Complete: $5.0M committed to Grosvenor OCF V. See Section 5 for further information.

SECTION 2 –INVESTMENT POLICY

Current Recommendation(s):

☑ None ❑ Amendment(s) ❑ Manager Request

Recommendation: None.

Prior Month Recommendation(s):

☑ None ☐ Pending Approval ❑ In Progress ☐ Complete ☐ Further Action Required

---

SECTION 3 –INVESTMENT MANAGERS

Current Recommendation(s):

☑ None ☐ Add to Watch List ☐ Termination/Hire ☐ Remove from Watch List ☐ Other

Recommendation: None.

Prior Month Recommendation(s):

❑ None ☐Pending Approval ❑ In Progress ☑ Complete ☐ Further Action Required

PENN Capital – On July 25, 2016, the manager recommended the investment be switched from their High Yield Core LP to High Yield Core II LP to maintain exposure to 144a securities and bank loans. Due to large withdrawals from two clients, the High Yield Core LP lost its Qualified Institutional Buyer Status (making the Fund ineligible to purchase 144a securities). PENN will transfer assets in-kind. There will be a fee savings of approximately 3 – 4 bps. A new subscription agreement will be required. The investment converted to the PENN High Yield Core II LP Fund effective August 31, 2016.

☑ None ☐Pending Approval ❑ In Progress ❑Complete ☐ Further Action Required

<u>Managers currently on watch list</u>
None

<u>Redemption in process</u>
Meridian

On 12/20/16 Tremont Recovery amount of $31,226 was transferred to the Benefit Payment Account. The Tremont Recovery payment is reflected as a gain in the Hedge Fund of Funds group.

SECTION 4 –ACTIONABLE DAILY COMPLIANCE MONITORING (manager purchases in separate accounts)

Current Exception(s):

☑ None

☐ Manager Issue – Exception

Current Recommendation(s): None.

Prior Month Exceptions and/or Recommendation(s):

☑ None ☐Pending Approval ❑ In Progress ❑ Complete ☐ Further Action Required

ExMCS Communication Report summarizes issues, recommendations, and subsequent actions taken between formal Board of Trustees' meetings. Daily Compliance Monitoring only relates to purchases in separate account portfolios. All managers and subsequent issues revealed via quarterly checklists are summarized and presented in the quarterly MCS report.

SECTION 5 –ASSET TRANSFER SUMMARY

In Progress:

Grosvenor – Opportunistic Credit Fund V - $5.0M Commitment
- First capital call – Feb, 2017
- Remaining unfunded commitment $4.7M

Grosvenor – Opportunistic Credit Fund IV - $7.5M Commitment
- Commitment is fully funded

Grosvenor – Opportunistic Credit Fund III - $5.0M Commitment
- Commitment is fully funded
- Distributions Received to Date = $1,722,804

Grosvenor – Opportunistic Credit Fund - $5.0M Commitment
- Commitment is fully funded
- Distributions Received to Date = $6,255,053

This page left blank intentionally.

Glossary of Investment Terminology

Total Return	The annual return on an investment including appreciation, depreciation and income (interest, dividends, net operating income).
Alpha	The excess return (positive or negative) generated by active portfolio management and security selection, relative to a benchmark.
Beta	A historical measure of an investment's volatility relative to the market. The beta of the market is 1.0 (as represented by a benchmark such as the S&P 500 Index). A beta of greater than 1.0 indicates an investment with greater volatility than the benchmark. A beta of less than 1.0 indicates less volatility than the benchmark.
Standard Deviation	Standard deviation is a statistical measurement of the dispersion of a set of data from its mean. The more spread apart the data are, the greater the standard deviation.
Risk	For an investment portfolio, risk is typically defined as the volatility of the returns, as measured by calculating the standard deviation. The risk does not necessarily indicate the risk of loss, but does indicate the risk of inconsistent returns.
Capture Ratio	Calculates how well a manager performs in a rising or falling market as a percentage of a benchmark. In a rising market, a percentage of 100 or better is preferred, and indicates the manager exceeded the benchmark (upside capture ratio). In a falling market, a percentage of less than 100 is preferred, indicating that the manager lost less than the benchmark (downside capture ratio).
Correlation	A statistical measure of how two asset classes perform in relation to each other. Asset classes with a correlation of 1.0 have perfect positive correlation (exactly the same). Assets with perfect negative correlation of -1.0 will perform equally but in opposite directions.
Efficient Frontier	A series of portfolios with the maximum expected return for any level of risk, which is calculated based on assumptions of risk, return and correlation. These portfolios are shown graphically on a risk and return chart, and represent the most efficient tradeoff between risk and return.
Market Cap	The dollar value of a corporation, which is calculated by multiplying the share price and the number of outstanding shares.
Large Cap	Stocks which typically have a market capitalization of $10 billion or higher.
Mid Cap	Stocks which typically have a market capitalization of $2 to $10 billion.
Small Cap	Stocks which typically have a market capitalization of $2 billion or less.
Geometric Calculation	Geometric Calculations are used when determining an annualized investment return and tends to dampen the effect of very high or very low values. The result is a number that is smaller than (or equal to) the arithmetic average of the values.
Compound Annual Returns	Compound annual returns show the annual investment return, assuming the investment grew at a constant rate, and reflects the impact of the time in the calculation of an investment return.
Return/Risk Ratio	The return/risk ratio is the expected return of an investment divided by the expected standard deviation (risk). When comparing return/risk ratios a higher value is presumed to be better than a lower value