UFCW Union & Participating Employers Pension Fund

Master Consulting Services Report

Period Ended
June 30, 2018

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Market Discussion Points 2Q | 2018

Financial Market Performance

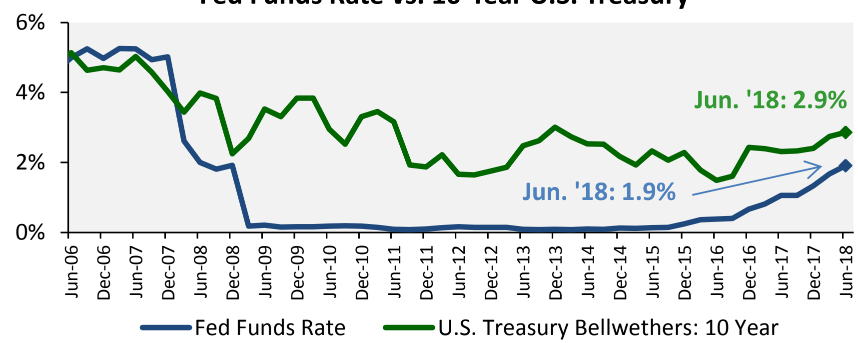
Periods Ending June 30, 2018

Strategy	Sector	Index	QTR	YTD	2017	2016	2015	2014	2013	1-Yr	3-Yr	5-Yr	10-Yr	20-Yr
Stocks	**US Large Cap**	S&P 500	3.4	2.7	21.8	12.0	1.4	13.7	32.4	14.4	11.9	13.4	10.2	6.5
	US Small Cap	Russell 2000	7.8	7.7	14.7	21.3	-4.4	4.9	38.8	17.6	11.0	12.5	10.6	8.0
	All Country	MSCI All Country World (net)	0.5	-0.4	24.0	7.9	-2.4	4.2	22.8	10.7	8.2	9.4	5.8	-
	Non-US Developed	MSCI EAFE (net)	-1.2	-2.8	25.0	1.0	-0.8	-4.9	22.8	6.8	4.9	6.4	2.8	4.3
	Emerging Markets	MSCI EM (net)	-8.0	-6.7	37.3	11.2	-14.9	-2.2	-2.6	8.2	5.6	5.0	2.3	-
	Int'l Small Cap	MSCI EAFE Small Cap (net)	-1.6	-1.3	33.0	2.2	9.6	-5.0	29.3	12.4	10.1	11.3	6.8	-
Bonds	**Treasury**	Bloomberg Barclays US Govt	0.1	-1.1	2.3	1.1	0.9	4.9	-2.6	-0.6	1.0	1.5	2.9	4.3
	Broad Market	Bloomberg Barclays Aggregate	-0.2	-1.6	3.5	2.7	0.6	6.0	-2.0	-0.4	1.7	2.3	3.7	4.7
	Intermediate	Bloomberg Barclays Gov/Credit Int.	0.0	-1.0	2.1	2.1	1.1	3.1	-0.9	-0.6	1.2	1.6	3.1	4.3
	High Yield	Bloomberg Barclays HY BaB 2% IC	0.6	-0.5	6.9	14.1	-2.7	3.5	6.2	1.8	4.8	5.2	7.5	-
	Short Duration HY	BofA ML HY Cash Pay BB 1-3 YR	0.8	0.6	3.6	8.5	1.2	1.9	5.6	1.7	3.8	4.1	6.2	-
	Global Bonds	Citigroup WGBI	-3.4	-0.9	7.5	1.6	-3.6	-0.5	-4.0	1.9	2.8	1.1	2.1	4.3
GTAA	**Unconstrained**	65% MSCI World /35% Citi WGBI	-0.1	0.0	17.0	5.6	-1.6	3.0	15.3	7.9	6.6	6.9	5.2	5.3
Real Estate	**Core**	NCREIF ODCE Equal Weighted	2.1	4.3	7.7	9.3	15.2	12.4	13.3	8.5	9.6	11.1	5.1	8.4
Hedge Fund of Funds	**Diversified FOFs**	HFRI HFOF Composite	0.8	1.0	7.8	0.5	-0.3	3.4	9.0	5.5	2.1	3.5	1.4	4.0
	Equity Long-Short	HFRI Equity Hedge	0.9	1.2	13.3	5.5	-1.0	1.8	14.3	8.2	4.9	5.8	3.7	7.1
Commodities	**Commodities**	Goldman Sachs Commodity	8.0	10.4	5.8	11.4	-32.9	-33.1	-1.2	30.0	-4.4	-9.4	-12.4	0.6

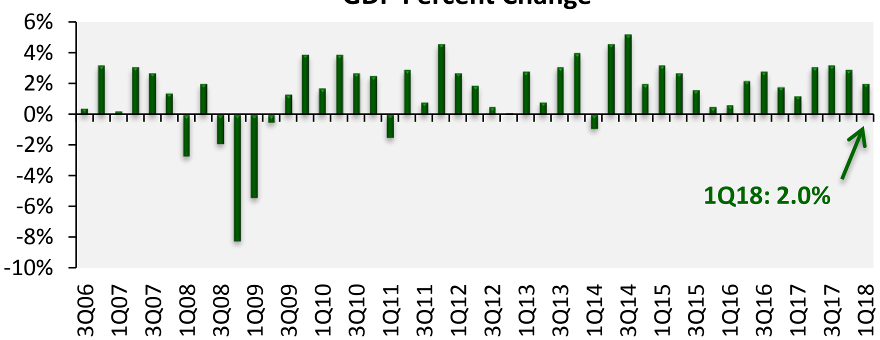
U.S. Economy

The U.S. economy continues to enjoy steady growth, with consumer confidence indicators hovering at historical highs. Employment and job creation remains strong despite the unemployment rate creeping up to 4.0% from 3.8%. Hourly wage growth rose to 2.7% over the last 12 months. Consumer spending lagged a bit in the 1st quarter of 2018, but rebounded in the 2nd quarter. Housing starts and permits continue to trend stronger, despite slightly higher mortgage rates. GDP for the 2nd quarter is estimated to be 2.9% and the Federal Reserve Banks are forecasting between 3.1% and 4.0% GDP growth for the second half of the year. CPI inflation is estimated to be 2.4% for the 2nd quarter. The business sector of the U.S. economy is also experiencing solid growth, with profits forecasted to be up an annualized 20% in the 2nd quarter of 2018 following a 23.2% annualized growth rate in the 1st quarter. Healthy corporate earnings growth has been bolstered, in great part, by the recent tax cuts. 2019 should see a reversion to a lower, but still healthy rate of growth. As of the end of March, 79% of company's earnings reports exceeded expectations. Sales revenues are estimated to be growing at 6.4% on an annualized basis. A modest detractor from GDP growth is the price of oil, as crude prices increased to about $70 per barrel at the end of the second quarter. A 10% increase in oil prices detracts about 0.2% from GDP growth. The growing worry about protective tariffs and a global trade war has not had any measurable impact on economic indicators yet, but investors are concerned.

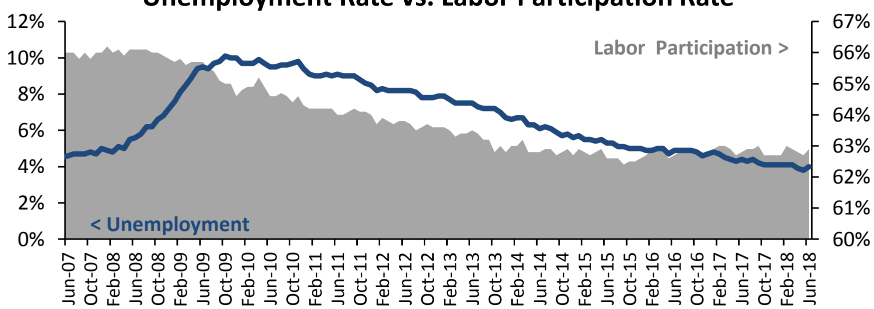
Fed Funds Rate vs. 10-Year U.S. Treasury



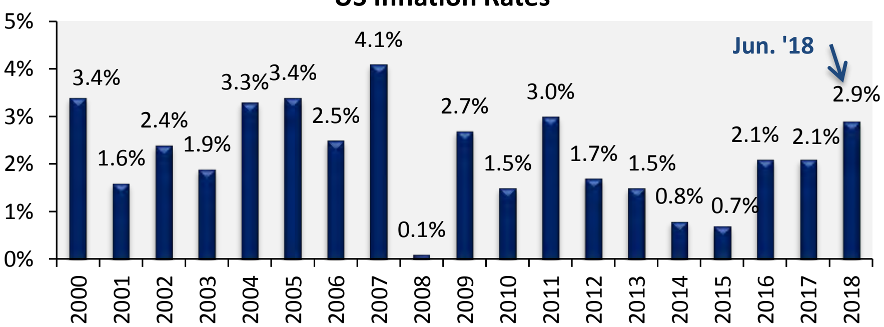
GDP Percent Change



Unemployment Rate vs. Labor Participation Rate



US Inflation Rates

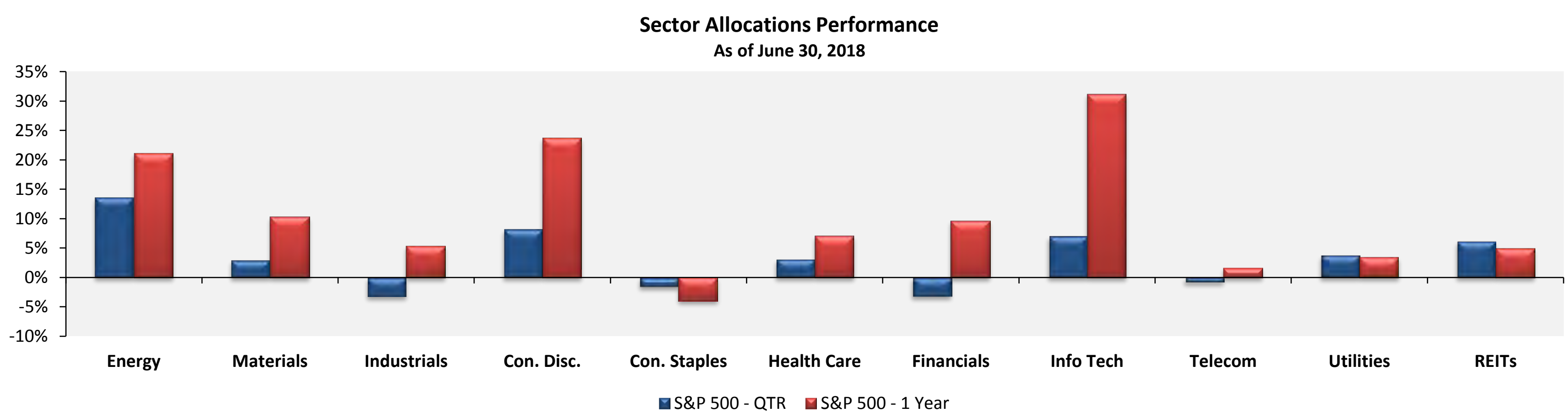


Source: Top Left - The Federal Reserve; Top Right - Bureau of Economics, U.S. Department of Commerce; Bottom Left and Right: Bureau of Labor Statistics

U.S. Equity Market

Stock market volatility, which spiked in the first quarter of the year, moderated significantly in the second quarter. Nonetheless, equity volatility has been significantly higher thus far in 2018 compared to the historically low levels reached in 2017. The S&P 500 had 36 trading days in the first half of this year with a 1% (up or down) move; there were only eight such days in all of 2017. Stock market valuations, as measured by the price/earnings ratio, do not appear to be overvalued. At the end of 2017, the P/E ratio of the S&P 500 Index was slightly rich at about 18x, compared to the long-term average P/E of 16x. The market volatility in the 1st quarter of 2018 lowered the S&P 500's P/E ratio to about 16.4x. During the 2nd quarter, with the combination of significant increases in corporate earnings (the "E" in the P/E ratio) and a 3.4% increase in prices, the P/E ratio hovered at about 17x as of June 30, 2018. This would suggest that the US stock market is not overvalued and continued earnings growth can drive stock prices higher with the need for market P/E multiple expansion. Strong consumer demand and increased corporate capital expenditures also support this thesis. The S&P 500 index was up 3.4% during the 2nd quarter and is up 2.7% for the first six months of 2018. The growth vs. value style of investing continues to matter as the Russell 1000 Growth Index was up 5.8% in Q2 and 7.3% year to date. In comparison, the Russell 1000 Value Index was up only 1.2% in Q2 and is down 1.7% year to date. Just as we saw in 2015, growth indices are being driven by a few stocks (notably the "FAANG" stocks – Facebook, Apple, Amazon, Netflix and Google, as well as Microsoft), which are responsible for much of the S&P 500's YTD return. Without the FAANGs, the rest of the stocks in the S&P 500 have actually detracted from the index's YTD return. Small cap stocks, which generally are less sensitive to exports and tariffs, rallied significantly, as the Russell 2000 rose 7.8% during Q2, bringing the index into positive territory YTD.

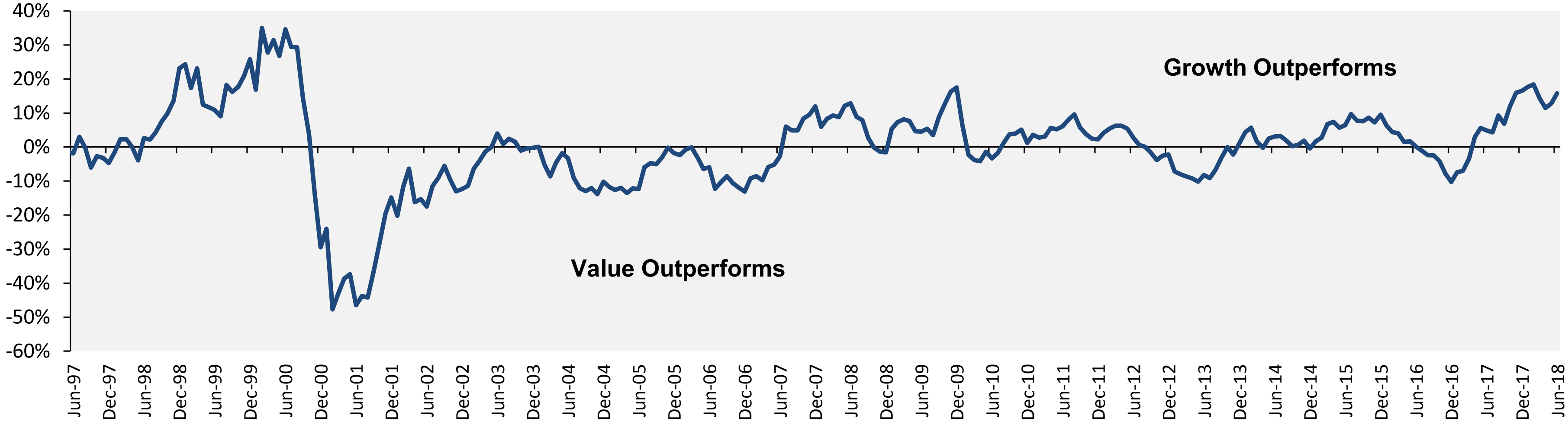
Sector	Index	2Q 18	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Large Cap	S&P 500	3.4	2.7	21.8	12.0	1.4	13.7	32.4	14.4	11.9	13.4	10.2
	Russell 1000	3.6	2.9	21.7	12.1	0.9	13.3	33.1	14.5	11.6	13.4	10.2
	Russell 1000 Value	1.2	-1.7	13.7	17.3	-3.8	13.5	32.5	6.8	8.3	10.4	8.5
	Russell 1000 Growth	5.8	7.3	30.2	7.1	5.7	13.1	33.5	22.5	15.0	16.4	11.8
Mid Cap	Russell Mid-Cap	2.8	2.4	18.5	13.8	-2.4	13.2	34.8	12.3	9.6	12.2	10.2
	Russell Mid-Cap Value	2.4	-0.2	13.3	20.0	-4.8	14.7	33.5	7.6	8.8	11.3	10.1
	Russell Mid-Cap Growth	3.2	5.4	25.3	7.3	-0.2	11.9	35.8	18.5	10.7	13.4	10.5
Small Cap	Russell 2000	7.8	7.7	14.7	21.3	-4.4	4.9	38.8	17.6	11.0	12.5	10.6
	Russell 2000 Value	8.3	5.4	7.8	31.7	-7.5	4.2	34.5	13.1	11.2	11.2	9.9
	Russell 2000 Growth	7.2	9.7	22.2	11.3	-1.4	5.6	43.3	21.9	10.6	13.7	11.2
Total Market	Wilshire 5000	3.8	3.0	21.0	13.4	0.7	12.7	33.1	14.7	11.9	13.4	10.2
	Russell 3000	3.9	3.2	21.1	12.7	0.5	12.6	33.6	14.8	11.6	13.3	10.2



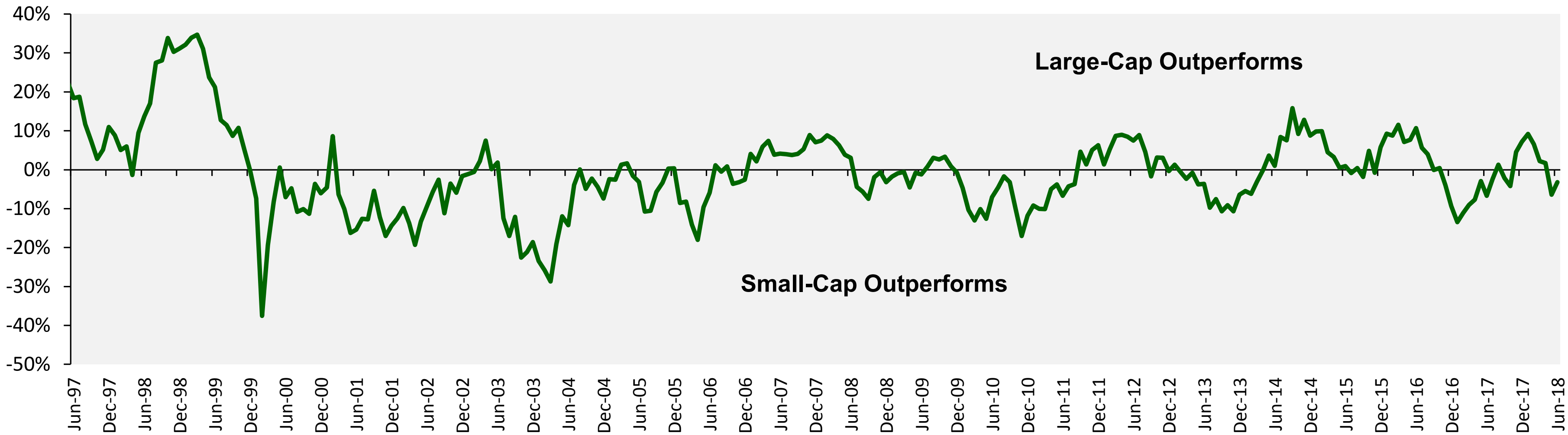
*S&P 500 (GICS Real Estate) Index performance began August 2016.

U.S. Equity Market

Russell 1000 Growth vs. Russell 1000 Value
Rolling One-Year Returns



S&P 500 vs. Russell 2000
Rolling One-Year Returns



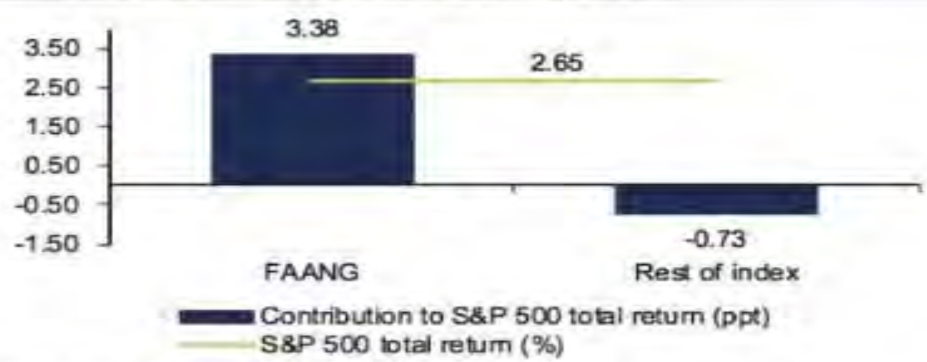
U.S. Equity Market

Exhibit 3: 10 stocks have contributed more than 100% of S&P 500's YTD return
as of June 28, 2018

Ticker	Company	Cons. 2019E sales growth	Total return	Mkt cap weight	% of SPX Return
AMZN	Amazon.com Inc.	23 %	45 %	2.1 %	**36 %**
MSFT	Microsoft Corp.	10	16	2.9	**18**
AAPL	Apple Inc.	4	10	3.8	**15**
NFLX	Netflix Inc.	24	106	0.4	**15**
FB	Facebook Inc.	27	11	1.9	**8**
GOOGL	Alphabet Inc.	18	7	2.8	**7**
MA	Mastercard Inc.	12	31	0.6	**7**
V	Visa Inc.	11	17	0.9	**6**
ADBE	Adobe Systems Inc.	19	37	0.4	**5**
NVDA	NVIDIA Corp.	14	25	0.5	**5**
Top 10 contributors		**16 %**	**20 %**	**16 %**	**122 %**
S&P 500		**5**	**3**	**100**	**100**

Source: FactSet, Goldman Sachs Global Investment Research

Chart 5: Excluding FAANG stocks, index returns would have been negative
FAANG stocks' contribution to the S&P 500 1H18 total return

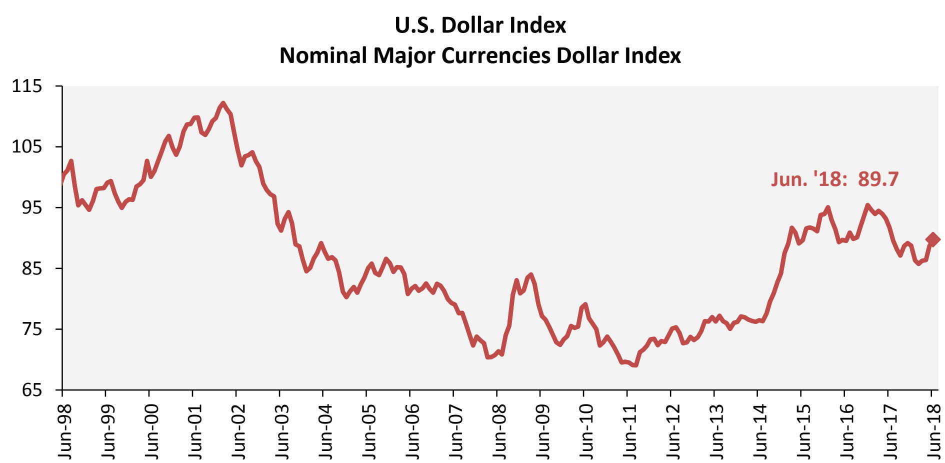


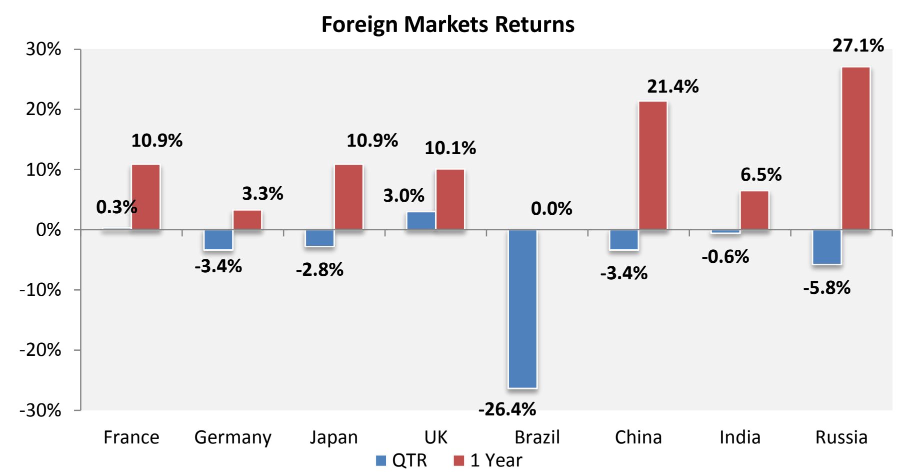
Note: FAANG = FB, AAPL, AMZN, NFLX, GOOG/GOOGL
Source: S&P, BofA Merrill Lynch US Equity & US Quant Strategy

International Equity Market

The U.S. imposition of tariffs on steel, aluminum and the fear of a global trade war dampened global investors' appetite for equities outside the U.S. in Q2. Europe also is contending with the uncertainty regarding multiple events, including the Italian banking crisis, the UK's "Brexit" strategy, immigration, and a slow economic recovery. The MSCI EAFE Index was down 1.2% in Q2 bringing its YTD return down to -2.75%. Many small cap companies outside the US conduct operations primarily in their own domestic markets and may be less export-sensitive, thereby making many of them less sensitive to trade issues. International small cap indices fared a bit better than their large-cap counterparts during the quarter, with the MSCI ex US Small Cap Index down 0.9% in Q2 and down 1.4% year to date. Emerging markets struggled with a strong US Dollar and sold off significantly during the quarter, with the MSCI Emerging Markets index declining 8%.

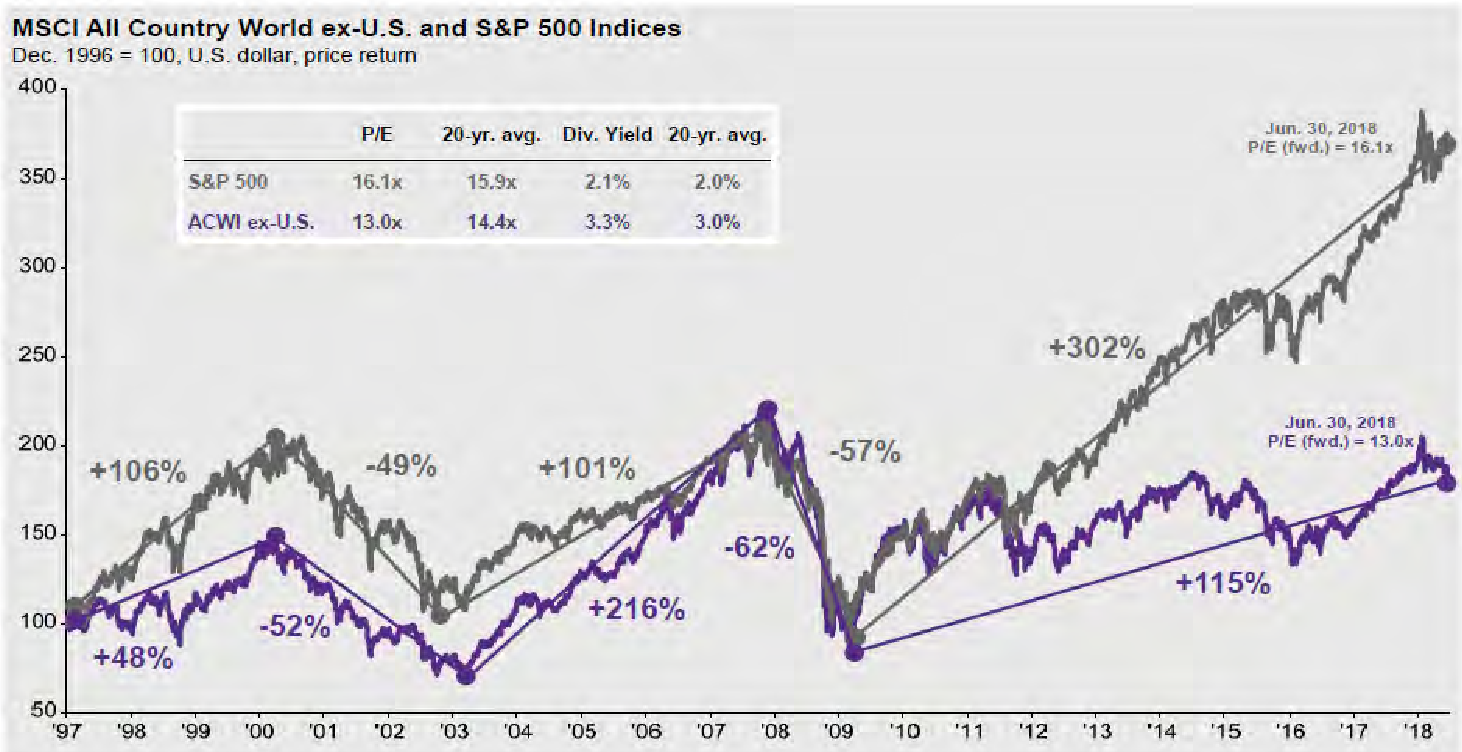
Sector	Index	2Q 18	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Global	MSCI AC World Index (net)	0.5	-0.4	24.0	7.9	-2.4	4.2	22.8	10.7	8.2	9.4	5.8
	MSCI World Small Cap (net)	1.9	1.5	23.8	11.6	-1.0	1.8	28.7	13.8	9.3	10.8	8.5
	MSCI World ex US (net)	-0.9	-3.8	27.2	4.5	-5.7	-3.9	15.3	7.3	5.1	6.0	2.5
	MSCI World ex US Small Cap (net)	-2.6	-1.4	31.6	3.9	2.6	-4.0	19.7	10.6	7.9	9.0	5.8
Developed ex US	MSCI EAFE (net)	-1.2	-2.8	25.0	1.0	-0.8	-4.9	22.8	6.8	4.9	6.4	2.8
	MSCI EAFE Value (net)	-2.6	-4.6	21.4	5.0	-5.7	-5.4	23.0	4.3	3.3	5.4	2.2
	MSCI EAFE Growth (net)	0.1	-0.9	28.9	-3.0	4.1	-4.4	22.6	9.4	6.4	7.4	3.5
	MSCI EAFE Small Cap (net)	-1.6	-1.3	33.0	2.2	9.6	-5.0	29.3	12.4	10.1	11.3	6.8
Emerging Markets	MSCI Emerging Markets (net)	-8.0	-6.7	37.3	11.2	-14.9	-2.2	-2.6	8.2	5.6	5.0	2.3

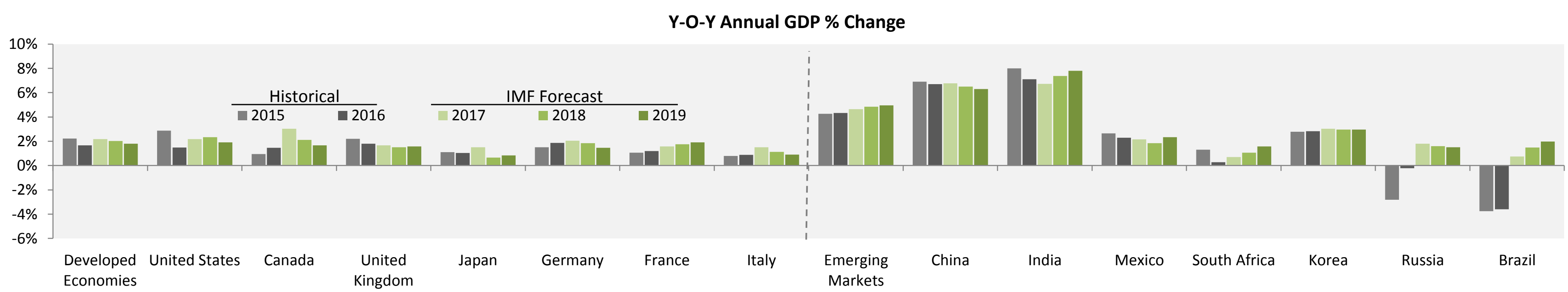




Left chart: The major currencies index is a weighted average of the foreign exchange values of the U.S. dollar against a subset of currencies in the broad index that circulate widely outside the country of issue. The weights are derived from those in the broad index. Source: The Federal Reserve. **Right chart:** Data as of June 30, 2018.

International Equity Market





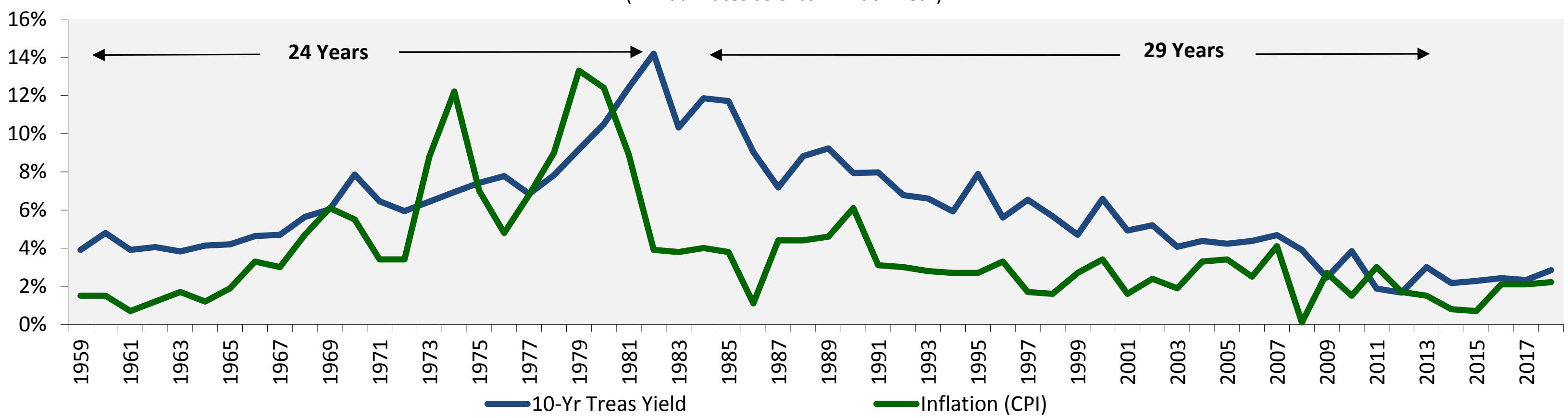
Top chart: Source - MSCI, Standard & Poor's, FactSet, J.P. Morgan Asset Management. **Bottom chart:** Annual percentages of constant price GDP are year-on-year changes; the base year is country-specific. Source: International Monetary Fund, World Economic Outlook Database, October 2017.

U.S. Bond Market

Rising rates both by actions of the Federal Reserve in short-term rates and by market forces in the longer part of the yield curve created a stiff headwind for bonds. The yield curve moved up broadly with two-year maturities moving up 0.64% year-to-date to 2.52%, five-year maturities up 0.52% to 2.73% and 10-year maturities up 0.44% to 2.85%. The 10-year briefly moved above 3.0% during the quarter. Longer duration benchmarks are all negative year-to-date, but short duration high yield fared better. The spread between US Treasuries and investment grade corporate bonds also widened by about 0.14% during the quarter to +1.23%. The Bloomberg Barclays U.S. Intermediate Gov't/Credit index was flat in the 2nd quarter at 0.01%, but is down 0.97% year-to-date. The US Aggregate Index was down 0.16% in the 2nd quarter and is down 1.62% year-to-date. U.S. High Yield Corporate bonds fared much better due to higher coupons and were up 1.03% in the 2nd quarter and are up 0.16% year-to-date.

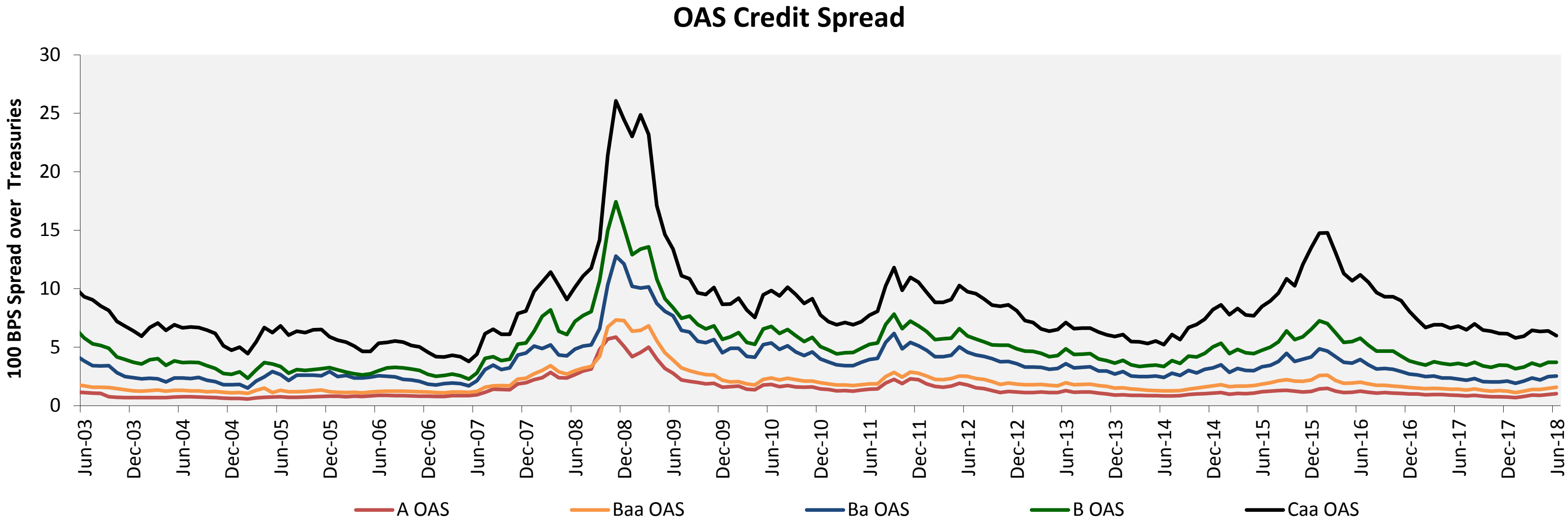
Index	Yield	Duration	2Q 18	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Bloomberg Barclays Aggregate	3.29	6.3	-0.2	-1.6	3.5	2.7	0.6	6.0	-2.0	-0.4	1.7	2.3	3.7
Bloomberg Barclays Govt/Credit	3.24	6.5	-0.3	-1.9	4.0	3.1	0.2	6.0	-2.4	-0.6	1.8	2.3	3.8
Bloomberg Barclays Int Agg	3.16	4.7	0.1	-1.0	2.3	2.0	1.2	4.1	-1.0	-0.3	1.3	1.8	3.3
Bloomberg Barclays Int Govt/Credit	3.02	4.0	0.0	-1.0	2.1	2.1	1.1	3.1	-0.9	-0.6	1.2	1.6	3.1
Bloomberg Barclays HY Ba/B 2% IC	5.99	4.4	0.6	-0.5	6.9	14.1	-2.7	3.5	6.2	1.8	4.8	5.2	7.5
BofA ML HY Cash Pay BB 1-3 Yr.	4.35	1.7	0.8	0.6	3.6	8.5	1.2	1.9	5.6	1.7	3.8	4.1	6.2
Bloomberg Barclays Mortgage	3.41	6.0	0.2	-1.0	2.5	1.7	1.5	6.1	-1.4	0.2	1.5	2.3	3.5
Bloomberg Barclays Treasury	2.71	6.1	0.1	-1.1	2.3	1.0	0.8	5.1	-2.8	-0.7	1.0	1.5	3.0
Bloomberg Barclays US TIPS	2.95	7.8	0.8	0.0	3.0	4.7	-1.4	3.6	-8.6	2.1	1.9	1.7	3.0
BofA ML 91 day T-Bills	1.78	0.2	0.5	0.8	0.9	0.3	0.1	0.0	0.1	1.4	0.7	0.4	0.4

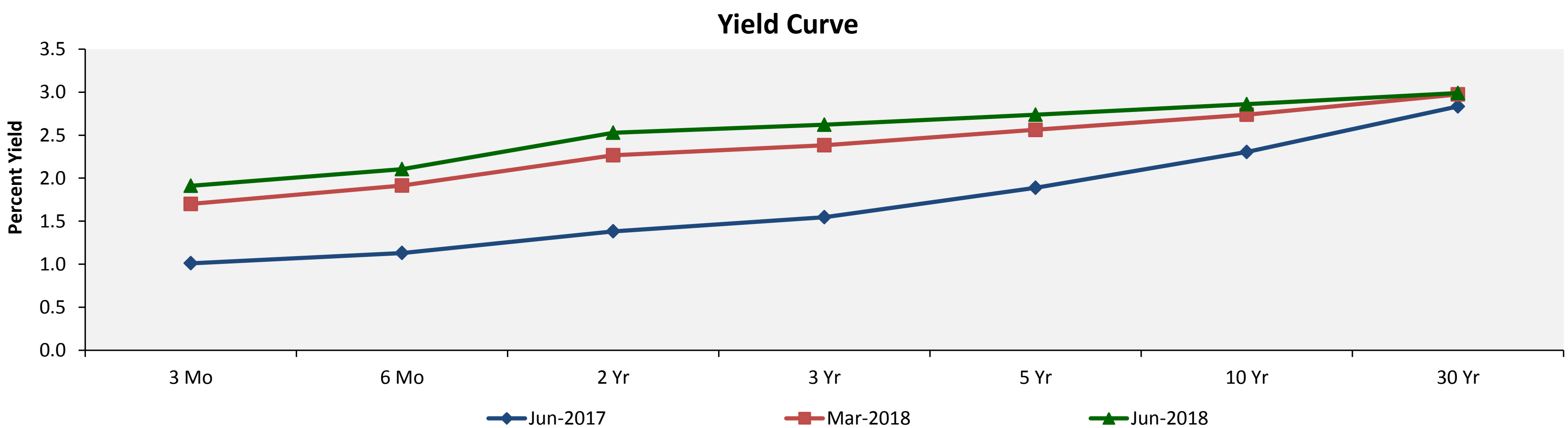
The Last Full Interest Rate Cycle 1958 - 2011
10-Yr Treasury Rate vs. Inflation (CPI)
(Annual Rates as of Jan 1 Each Year)



Source: Bloomberg Barclays

Bond Market





Source: Bloomberg Barclays

Interest Rate Sensitivity

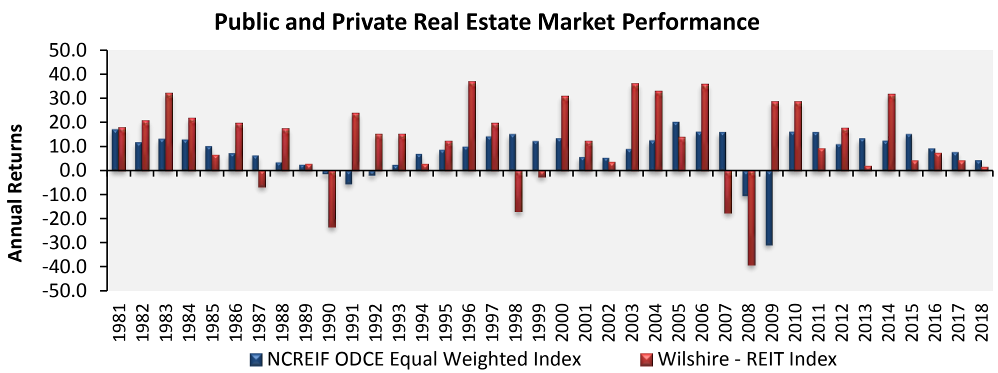
12 Month Holding Period - Annualized Returns as of 6/30/2018							
Yield Change (bps)	10 Year Treasury	Bloomberg Barclays Aggregate US Aggregate	Bloomberg Barclays Int Govt/Credit US Int Govt/Credit	ML Gov/Corp Master	ML 1-3 yr Gov/Corp	Defensive ML US HY BB/B ND	Short Duration ML US HY BB/B 1-3 yr
-150	15.62	12.77	9.01	12.92	5.58	12.44	7.48
-100	11.36	9.61	7.01	9.70	4.63	10.27	6.64
-50	7.11	6.45	5.02	6.49	3.69	8.11	5.81
-25	4.98	4.87	4.02	4.88	3.21	7.02	5.39
0	2.85	3.29	3.02	3.27	2.74	5.94	4.97
25	0.72	1.71	2.02	1.66	2.27	4.86	4.55
50	-1.41	0.13	1.03	0.06	1.80	3.78	4.14
100	-5.66	-3.03	-0.97	-3.16	0.85	1.61	3.30
150	-9.92	-6.19	-2.97	-6.38	-0.09	-0.56	2.47
200	-14.17	-9.35	-4.96	-9.59	-1.04	-2.72	1.63
250	-18.43	-12.51	-6.96	-12.81	-1.99	-4.89	0.80
300	-22.68	-15.67	-8.95	-16.02	-2.93	-7.05	-0.04
350	-26.94	-18.83	-10.95	-19.24	-3.88	-9.22	-0.88
400	-31.19	-21.99	-12.94	-22.45	-4.82	-11.38	-1.71
450	-35.45	-25.15	-14.94	-25.67	-5.77	-13.55	-2.55
500	-39.70	-28.31	-16.93	-28.88	-6.71	-15.71	-3.38
Duration	8.51	6.32	3.99	6.43	1.89	4.33	1.67

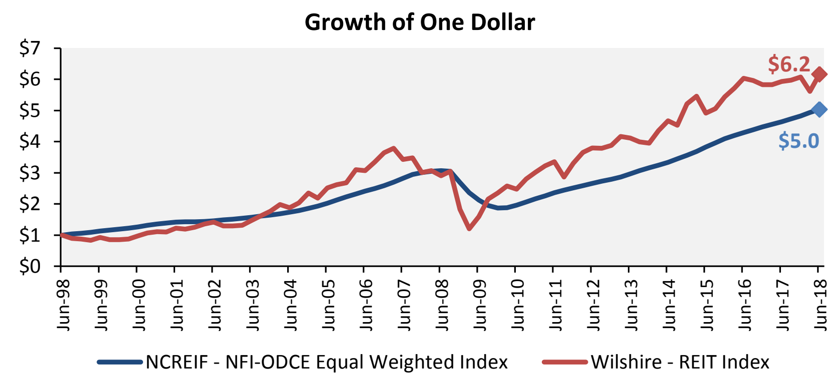
FOR ILLUSTRATIVE PURPOSES ONLY: For each index the current yield to worst as of 6/30/2018 was used as the base case annualized return. The annualized return sensitivity to a uniform increase or decrease in the yield curve was calculated by taking the index's Macaulay's (Modified) Duration to Worst as of 6/30/2018 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

Real estate, as an asset class, recovered strongly since 2009 and achieved new highs in market value since before the crisis. Coupled with attractive income, total returns from income have been very strong, both absolutely and in comparison to other asset classes. However, one of the major components of return from this cycle, cap rate compression, has probably run its course. While cap rates could go modestly lower, real estate returns will now depend on income for the majority of total return. Income returns of approximately 5% and appreciation of 1-3%, indicate an expected total return of 6-8% for the longer term. The income return of 5% is relatively attractive when compared against other asset classes. Unless interest rates rise substantially, the income component of real estate will continue to be appealing to investors, especially foreign investors, and keep valuations at high levels. PREA forecast returns show moderation from that of recent years but are still desirable.

Sector	Index	2Q 18	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
US Private	NCREIF ODCE Equal Weighted	2.1	4.3	7.7	9.3	15.2	12.4	13.3	8.5	9.6	11.1	5.1
US Public	Wilshire REIT	9.7	1.5	4.2	7.2	4.2	31.8	1.9	3.9	7.8	8.4	7.8





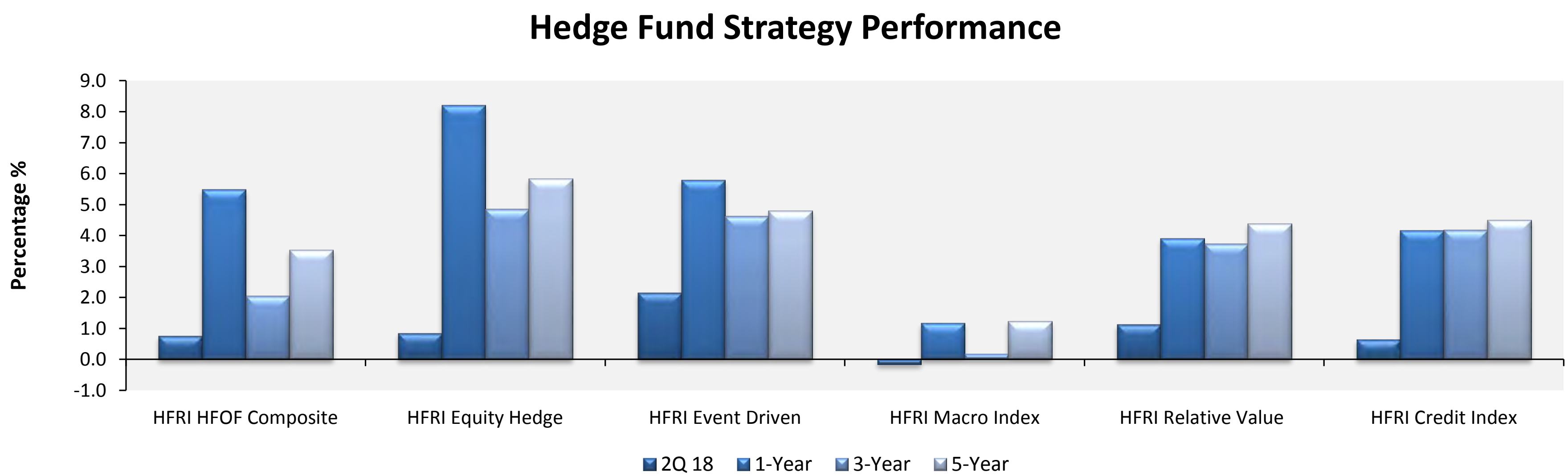
	Total return (incl. income) 2018	Total return (incl. income) 2019	Total return (incl. income) 2020	Total return (incl. income) 2018 to 2022 (per year)
National, All Property Types (NPI)	6.2	5.0	4.4	5.2
Office	5.8	4.3	3.3	4.5
Retail	4.6	4.2	3.8	4.5
Industrial	9.5	6.6	5.4	6.6
Apartment	5.8	4.9	4.4	5.2

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 Q2 2018.

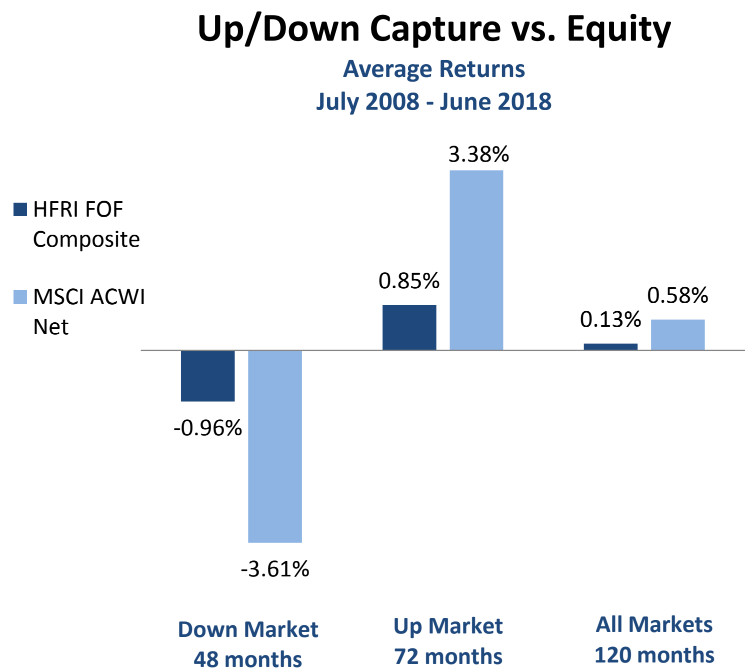
Hedge Fund of Funds Market

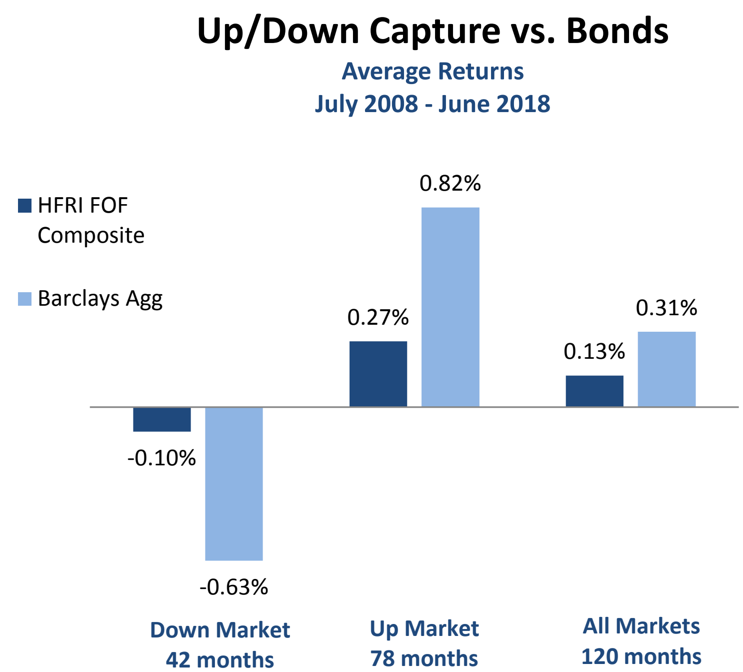
During the second quarter and first half of 2018, hedge fund strategies were broadly positive, though somewhat lackluster. The HFRI Fund of Funds Composite has risen 1% YTD through June, providing a diversification benefit to investment grade fixed income portfolios, which are broadly negative this year. Event driven strategies were the best performer in Q2 and the first half of 2018, driven by record-high global M&A activity. Gains were broad based among activist, merger arbitrage and distressed sub-strategies. Q2 saw a slowdown in market volatility following a spike in February, and US equity markets churned higher while their counterparts abroad were broadly negative. This led to mixed results for long/short equity strategies, which remain positive (+1.2%) YTD through June. Global macro is the lone negatively-performing strategy YTD shown in the table below. Macro strategies vary widely by manager, but generally the strategy has been hurt by macro uncertainties from the developing trade wars and broadly declining commodity prices (ex-energy) this year.

Strategy	Index	2Q 18	YTD	2017	2016	2015	2014	2013	1-Year	3-Year	5-Year	10-Year
Fund of Funds	HFRI HFOF Composite	0.8	1.0	7.8	0.5	-0.3	3.4	9.0	5.5	2.1	3.5	1.4
Equity Long-Short	HFRI Equity Hedge	0.9	1.2	13.3	5.5	-1.0	1.8	14.3	8.2	4.9	5.8	3.7
Event Driven	HFRI Event Driven	2.2	2.3	7.6	10.6	-3.6	1.1	12.5	5.8	4.6	4.8	4.7
Global Macro	HFRI Macro Index	-0.2	-1.8	2.2	1.0	-1.3	5.6	-0.4	1.2	0.2	1.2	1.1
Relative Value	HFRI Relative Value	1.1	1.5	5.1	7.7	-0.3	4.0	7.1	3.9	3.7	4.4	5.1
Credit	HFRI Credit Index	0.6	1.5	6.0	8.6	-1.0	3.0	9.0	4.2	4.2	4.5	5.4



Hedge Fund of Funds Market





UFCW Unions and Participating Employers Pension Fund

Master Consulting Services Report

Period Ended

June 30, 2018

Total Plan Growth of Assets

Summary of Cash Flows

	Second Quarter	Year-To-Date	One Year	Three Years	Five Years	Seven Years	Ten Years
Beginning Market Value	$118,461,015	$119,010,518	$113,762,078	$105,389,079	$90,548,578	$89,648,399	$89,524,248
Net Cash Flow	-$1,120,994	-$2,419,051	-$5,179,139	-$8,970,318	-$15,745,863	-$26,093,001	-$34,260,264
Net Investment Change	$1,948,342	$2,696,896	$10,705,425	$22,869,603	$44,485,648	$55,732,965	$64,024,379
Ending Market Value	$119,288,363	$119,288,363	$119,288,363	$119,288,363	$119,288,363	$119,288,363	$119,288,363

- The present assumed actuarial rate as determined by the plan actuary is 7.75%.
- The Fund's fiscal year end is December 31.

Note: Assets from the UFCW 400 Meat & Poultry Pension Fund are included as of January 1, 2007. Assets at the time of the merger were approximately $10.8 million.

Total Plan Performance (Gross of Fees)

	Market Value	% of Portfolio	Ending June 30, 2018 2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Composite	**$119,288,363**	**100.0%**	**1.8%**	**2.5%**	**10.0%**	**7.5%**	**9.3%**	**8.7%**	**7.3%**
Benchmark			*2.2%*	*1.5%*	*8.2%*	*7.4%*	*8.7%*	*8.4%*	*6.5%*
Total Domestic Equity	**$39,569,364**	**33.2%**	**2.9%**	**2.9%**	**15.1%**	**10.4%**	**13.3%**	**12.4%**	**9.1%**
S&P 500			*3.4%*	*2.6%*	*14.4%*	*11.9%*	*13.4%*	*13.2%*	*10.2%*
Total International Equity	**$10,857,516**	**9.1%**	**-0.2%**	**1.0%**	**15.0%**	**10.2%**	**10.8%**	**8.3%**	**3.9%**
MSCI EAFE			*-1.2%*	*-2.7%*	*6.8%*	*4.9%*	*6.4%*	*4.9%*	*2.8%*
Total Investment Grade Fixed Income	**$4,929,675**	**4.1%**	**0.2%**	**-0.9%**	**-0.3%**	**1.4%**	**1.8%**	**2.2%**	**3.1%**
BBgBarc US Govt/Credit Int TR			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.6%*	*1.9%*	*3.1%*
Total Short Duration High Yield	**$5,098,050**	**4.3%**	**0.5%**	**0.5%**	**2.0%**	**3.1%**	**--**	**--**	**--**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*4.1%*	*4.5%*	*6.2%*
Total High Yield Fixed Income	**$5,728,675**	**4.8%**	**0.1%**	**-0.3%**	**2.6%**	**4.5%**	**5.5%**	**5.9%**	**--**
Citi BB/B Ex Split B/CCC Index			*0.6%*	*-0.5%*	*1.7%*	*3.9%*	*4.5%*	*5.5%*	*6.2%*
Total Real Estate	**$24,585,694**	**20.6%**	**2.4%**	**4.6%**	**9.0%**	**10.0%**	**11.4%**	**11.8%**	**5.4%**
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*11.4%*	*5.1%*
Total Hedge Fund of Funds	**$6,317,804**	**5.3%**	**1.4%**	**0.5%**	**1.2%**	**-1.4%**	**1.5%**	**2.2%**	**4.3%**
HFRI Fund of Funds Composite Index			*0.4%*	*0.7%*	*5.1%*	*1.9%*	*3.5%*	*2.8%*	*1.4%*
Total Fund Opportunistic	**$18,719,099**	**15.7%**	**1.4%**	**2.1%**	**6.3%**	**10.3%**	**--**	**--**	**--**
HFRX Event Driven Index			*0.3%*	*-4.5%*	*-2.8%*	*1.2%*	*1.4%*	*1.9%*	*1.1%*
Total Private Equity	**$2,986,674**	**2.5%**	**0.0%**	**9.8%**	**67.8%**	**--**	**--**	**--**	**--**
Russell 2000			*7.8%*	*7.7%*	*17.6%*	*11.0%*	*12.5%*	*11.8%*	*10.6%*
Total Cash	**$495,813**	**0.4%**	**1.1%**	**1.3%**	**3.5%**	**1.6%**	**1.0%**	**0.7%**	**0.7%**
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*0.3%*	*0.3%*

	Fiscal Year Ends December 31 YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Composite	**2.5%**	**15.7%**	**7.0%**	**2.2%**	**7.2%**	**19.7%**	**14.1%**	**-0.4%**	**14.4%**	**17.4%**	**-24.5%**	**8.7%**
Benchmark	*1.5%*	*13.4%*	*8.9%*	*2.2%*	*7.1%*	*18.1%*	*12.4%*	*1.2%*	*13.0%*	*13.6%*	*-25.4%*	*8.1%*

Current vs. Policy

	Current	Current	Policy	Policy Range	Difference	Difference
U.S. Large Cap Equity	$27,354,694	22.9%	22.5%	17.5% - 27.5%	0.4%	$514,813
U.S. Small/Mid Cap Equity	$12,214,669	10.2%	10.0%	5.0% - 15.0%	0.2%	$285,833
International Equity	$10,857,516	9.1%	7.5%	2.5% - 12.5%	1.6%	$1,910,889
Investment Grade Fixed Income	$4,929,675	4.1%	5.0%	0.0% - 10.0%	-0.9%	-$1,034,743
Short Duration High Yield Fixed Income	$5,098,050	4.3%	5.0%	0.0% - 10.0%	-0.7%	-$866,368
High Yield Fixed Income	$5,728,675	4.8%	5.0%	0.0% - 10.0%	-0.2%	-$235,743
Real Estate	$24,585,694	20.6%	20.0%	10.0% - 27.5%	0.6%	$728,021
Hedge Fund of Funds - Multi-Strategy	$6,317,804	5.3%	5.0%	0.0% - 10.0%	0.3%	$353,386
Opportunistic Investments	$18,719,099	15.7%	15.0%	10.0% - 20.0%	0.7%	$825,845
Private Equity	$2,986,674	2.5%	5.0%	0.0% - 10.0%	-2.5%	-$2,977,744
Cash Equivalents	$495,813	0.4%	--	--	0.4%	$495,813
Total	**$119,288,363**	**100.0%**	**100.0%**			

Asset Allocation

- Asset allocation reviews were presented at the April 7, 2010, July 20, 2010, April 24, 2012, September 18, 2013, January 24, 2014, March 21, 2014, March 26, 2015, June 10, 2015, September 24, 2015, April 26, 2016, August 8, 2016, September 27, 2016, and December 15, 2016 meetings.

- An asset allocation review was presented at the September 27, 2016 meeting. An opportunistic strategies manager search was presented. Due diligence memo on Corbin Capital Opportunity Fund was included in the meeting materials. Corbin Capital made a presentation regarding their Corbin ERISA Opportunity Fund. The Trustees approved initial funding of $8.5M commitment to Corbin ERISA Opportunity Fund, pending contract review. On February 1, 2017, Corbin Capital was funded with $8.5M from EnTrust Capital Diversified proceeds (HFoF - $5.4M), ARA (real estate - $2.5M), and cash reserves ($621,244).

- At the December 15, 2016 meeting, a private equity manager presentation and asset allocation review were discussed. Trustees elected to adopt Policy: 22.5% large cap equity, 10% smid cap equity, 7.5% Int'l equity, 5% intermediate fixed income, 5% short duration high yield, 5% high yield, 20% real estate, 5% multi-strategy HFOF, 15% opportunistic HFOF, and 5% private equity. Trustees elected to hire private equity manager Hamilton Lane (Secondaries Fund IV) for a $7.5M mandate. GTAA will be the primary funding source for private equity. Trustees also elected to rebalance $1.0M from real estate manager Principal based on cash needs. On April 25, 2017, Principal proceeds of $1.0M were received and used for cash needs. On July 7,2017, Hamilton Lane IV - A LP made a capital call of $544,351. Funding came from the cash reserve account.

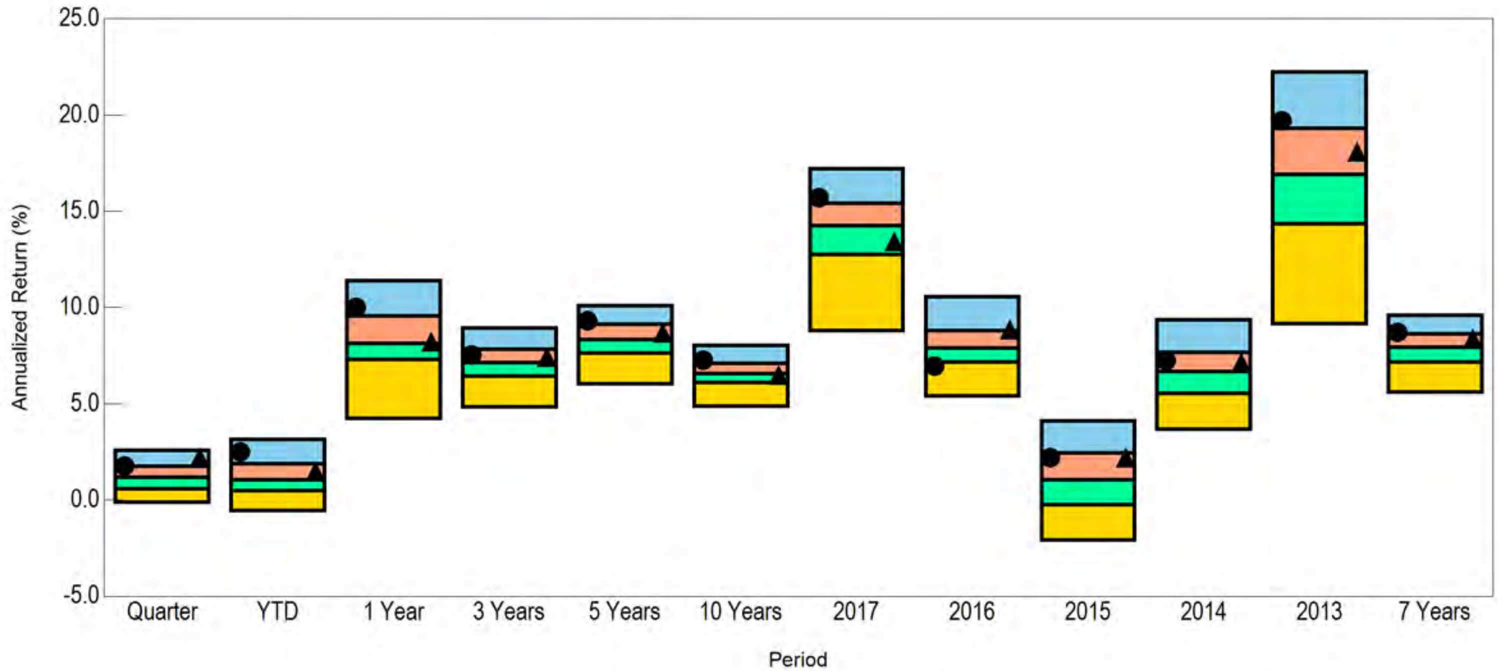
- At the April 19, 2017 meeting, the Trustees elected to rebalance closer Policy by transferring $2.5M from large cap equity managers Wedge ($1.0M) and Winslow ($1.5M) to opportunistic strategy Corbin Capital. The transfers occurred on April 30, 2017 and May 1, 2017.

- At the October 10, 2017 meeting, Trustees elected to allocate $5.0M to EnTrust SOF IV to maintain opportunistic allocation. On March 27, 2018, an initial capital call of $302,500 was made.

- An asset allocation review and value-added real estate educational materials will be presented at today's meeting.

Recommendation: Consider diversification of real estate to include value-added.

InvestorForce Taft-Hartley DB Gross Return Comparison
Ending June 30, 2018



Return (Rank)	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	2017	2016	2015	2014	2013	7 Years
5th Percentile	2.6	3.1	11.4	8.9	10.1	8.0	17.2	10.5	4.1	9.4	22.2	9.6
25th Percentile	1.8	1.9	9.6	7.9	9.1	7.1	15.4	8.8	2.5	7.7	19.3	8.7
Median	1.2	1.1	8.1	7.2	8.3	6.6	14.3	7.9	1.1	6.7	16.9	8.0
75th Percentile	0.6	0.5	7.3	6.4	7.7	6.1	12.8	7.2	-0.2	5.6	14.4	7.2
95th Percentile	-0.1	-0.5	4.3	4.9	6.1	4.9	8.8	5.4	-2.0	3.7	9.2	5.6
# of Portfolios	266	266	265	255	241	222	260	271	283	238	250	235
● Composite	1.8 (25)	2.5 (13)	10.0 (18)	7.5 (36)	9.3 (19)	7.3 (20)	15.7 (22)	7.0 (81)	2.2 (30)	7.2 (40)	19.7 (21)	8.7 (24)
▲ Benchmark	2.2 (10)	1.5 (38)	8.2 (49)	7.4 (40)	8.7 (38)	6.5 (58)	13.4 (65)	8.9 (24)	2.2 (29)	7.1 (42)	18.1 (37)	8.4 (32)

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending June 30, 2018							Inception	Inception Date
			2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs		
Composite	**$119,288,363**	**100.0%**	**1.8%**	**2.5%**	**10.0%**	**7.5%**	**9.3%**	**8.7%**	**7.3%**	**8.3%**	**Oct-87**
Benchmark			*2.2%*	*1.5%*	*8.2%*	*7.4%*	*8.7%*	*8.4%*	*6.5%*	*8.5%*	*Oct-87*
Total Domestic Equity	**$39,569,364**	**33.2%**	**2.9%**	**2.9%**	**15.1%**	**10.4%**	**13.3%**	**12.4%**	**9.1%**	**8.5%**	**Jan-96**
S&P 500			*3.4%*	*2.6%*	*14.4%*	*11.9%*	*13.4%*	*13.2%*	*10.2%*	*8.9%*	*Jan-96*
Westfield Capital Management	$6,940,439	5.8%	5.5%	8.7%	22.2%	14.4%	16.3%	14.1%	--	16.7%	Jun-10
Russell 1000 Growth			*5.8%*	*7.3%*	*22.5%*	*15.0%*	*16.4%*	*14.9%*	*--*	*17.2%*	*Jun-10*
Wedge Capital Management	$13,850,389	11.6%	0.2%	-1.2%	12.6%	9.6%	12.7%	11.9%	9.6%	8.6%	Jul-05
Russell 1000 Value			*1.2%*	*-1.7%*	*6.8%*	*8.3%*	*10.3%*	*11.3%*	*8.5%*	*7.3%*	*Jul-05*
Loomis Sayles CIT Small Mid-Cap Core	$12,214,669	10.2%	2.7%	1.7%	11.2%	7.4%	10.7%	11.3%	--	11.1%	Apr-11
Russell 2500			*5.7%*	*5.5%*	*16.2%*	*10.3%*	*12.3%*	*11.9%*	*--*	*11.3%*	*Apr-11*
Northern Trust Collective Russell 1000 Growth Index Fund	$6,563,866	5.5%	5.8%	7.2%	--	--	--	--	--	7.2%	Dec-17
Russell 1000 Growth			*5.8%*	*7.3%*	*--*	*--*	*--*	*--*	*--*	*7.3%*	*Dec-17*
Total International Equity	**$10,857,516**	**9.1%**	**-0.2%**	**1.0%**	**15.0%**	**10.2%**	**10.8%**	**8.3%**	**3.9%**	**4.9%**	**Jan-99**
MSCI EAFE			*-1.2%*	*-2.7%*	*6.8%*	*4.9%*	*6.4%*	*4.9%*	*2.8%*	*4.3%*	*Jan-99*
Hardman Johnston International Equity Group Trust	$10,857,516	9.1%	-0.2%	1.0%	15.0%	10.2%	10.8%	8.3%	--	8.3%	May-10
MSCI EAFE			*-1.2%*	*-2.7%*	*6.8%*	*4.9%*	*6.4%*	*4.9%*	*--*	*5.9%*	*May-10*
Total Investment Grade Fixed Income	**$4,929,675**	**4.1%**	**0.2%**	**-0.9%**	**-0.3%**	**1.4%**	**1.8%**	**2.2%**	**3.1%**	**3.1%**	**Jan-08**
BBgBarc US Govt/Credit Int TR			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.6%*	*1.9%*	*3.1%*	*3.1%*	*Jan-08*
Segall Bryant & Hamill	$4,929,675	4.1%	0.2%	-0.9%	-0.3%	1.4%	1.8%	2.2%	3.0%	3.5%	Jan-07
BBgBarc US Govt/Credit Int TR			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.6%*	*1.9%*	*3.1%*	*3.4%*	*Jan-07*

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception	Inception Date
			Ending June 30, 2018								
Total Short Duration High Yield	**$5,098,050**	**4.3%**	**0.5%**	**0.5%**	**2.0%**	**3.1%**	**--**	**--**	**--**	**2.6%**	**May-14**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*--*	*--*	*--*	*3.4%*	*May-14*
Chartwell Investment Partners Short Duration High Yield	$5,098,050	4.3%	0.5%	0.5%	2.0%	3.1%	--	--	--	2.6%	May-14
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*--*	*--*	*--*	*3.4%*	*May-14*
Total High Yield Fixed Income	**$5,728,675**	**4.8%**	**0.1%**	**-0.3%**	**2.6%**	**4.5%**	**5.5%**	**5.9%**	**--**	**10.1%**	**Oct-08**
Citi BB/B Ex Split B/CCC Index			*0.6%*	*-0.5%*	*1.7%*	*3.9%*	*4.5%*	*5.5%*	*--*	*7.3%*	*Oct-08*
Loomis Sayles CIT High Yield Conservative	$5,728,675	4.8%	0.1%	-0.3%	2.6%	4.5%	5.5%	5.9%	--	10.1%	Oct-08
Citi BB/B Ex Split B/CCC Index			*0.6%*	*-0.5%*	*1.7%*	*3.9%*	*4.5%*	*5.5%*	*--*	*7.3%*	*Oct-08*
Total Real Estate	**$24,585,694**	**20.6%**	**2.4%**	**4.6%**	**9.0%**	**10.0%**	**11.4%**	**11.8%**	**5.4%**	**7.5%**	**Jul-04**
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*11.4%*	*5.1%*	*7.9%*	*Jul-04*
Principal RE Inv US Property	$11,419,529	9.6%	2.5%	4.7%	9.4%	10.6%	11.8%	12.4%	5.8%	6.3%	Jan-07
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*11.4%*	*5.1%*	*6.0%*	*Jan-07*
Boyd Watterson GSA Fund LP	$3,070,833	2.6%	2.6%	5.0%	9.7%	--	--	--	--	10.2%	Feb-16
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*--*	*--*	*--*	*--*	*8.9%*	*Feb-16*
American Core Realty Fund, LLC	$7,014,730	5.9%	2.1%	4.4%	8.2%	8.8%	10.5%	10.9%	4.9%	7.5%	Jul-04
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*11.4%*	*5.1%*	*7.9%*	*Jul-04*
Sentinel Real Estate Corp	$3,080,601	2.6%	2.4%	4.5%	8.4%	--	--	--	--	8.4%	Dec-15
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*--*	*--*	*--*	*--*	*8.6%*	*Dec-15*

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending June 30, 2018								
			2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception	Inception Date
Total Hedge Fund of Funds	**$6,317,804**	**5.3%**	**1.4%**	**0.5%**	**1.2%**	**-1.4%**	**1.5%**	**2.2%**	**4.3%**	**4.0%**	**Jul-06**
HFRI Fund of Funds Composite Index			*0.4%*	*0.7%*	*5.1%*	*1.9%*	*3.5%*	*2.8%*	*1.4%*	*2.3%*	*Jul-06*
EnTrust Capital Diversified Fund QP Ltd.	$5,845,968	4.9%	1.6%	0.6%	1.5%	-1.2%	1.6%	2.3%	--	4.7%	Oct-08
HFRI Fund of Funds Composite Index			*0.4%*	*0.7%*	*5.1%*	*1.9%*	*3.5%*	*2.8%*	*--*	*2.6%*	*Oct-08*
EnTrust Captial Diversified Fund QP LTD Class X	$471,836	0.4%									
Total Fund Opportunistic	**$18,719,099**	**15.7%**	**1.4%**	**2.1%**	**6.3%**	**10.3%**	**--**	**--**	**--**	**8.9%**	**Feb-15**
HFRX Event Driven Index			*0.3%*	*-4.5%*	*-2.8%*	*1.2%*	*--*	*--*	*--*	*1.9%*	*Feb-15*
EnTrust Special Opportunities Fund III, Ltd	$5,500,422	4.6%	0.0%	-3.0%	-1.4%	7.4%	--	--	--	6.4%	Feb-15
HFRX Event Driven Index			*0.3%*	*-4.5%*	*-2.8%*	*1.2%*	*--*	*--*	*--*	*1.9%*	*Feb-15*
EnTrust Special Opportunities Fund IV, Ltd Class A	$1,022,446	0.9%	0.0%	--	--	--	--	--	--	-0.1%	Mar-18
HFRX Event Driven Index			*0.3%*	*--*	*--*	*--*	*--*	*--*	*--*	*-1.8%*	*Mar-18*
Corbin ERISA Opportunity Fund, L.P.	$12,196,231	10.2%	2.1%	4.0%	9.1%	--	--	--	--	8.6%	Feb-17
Total Private Equity	**$2,986,674**	**2.5%**	**0.0%**	**9.8%**	**67.8%**	**--**	**--**	**--**	**--**	**67.8%**	**Jul-17**
Russell 2000			*7.8%*	*7.7%*	*17.6%*	*--*	*--*	*--*	*--*	*17.6%*	*Jul-17*
Hamilton Lane Secondary Feeder Fund IV-A LP	$2,986,674	2.5%	0.0%	9.8%	67.8%	--	--	--	--	67.8%	Jul-17
Total Cash	**$495,813**	**0.4%**	**1.1%**	**1.3%**	**3.5%**	**1.6%**	**1.0%**	**0.7%**	**0.7%**	**0.8%**	**Mar-08**
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*0.3%*	*0.3%*	*0.3%*	*Mar-08*
Cash Reserves Account	$495,813	0.4%	1.1%	1.3%	3.5%	1.6%	1.0%	0.7%	0.7%	0.8%	Apr-08
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*0.3%*	*0.3%*	*0.3%*	*Apr-08*

Account Information	
Account Name	**Northern Trust Collective Russell 1000 Growth Index Fund**
Account Structure	**Commingled Fund**
Investment Style	**Passive**
Inception Date	**12/31/17**
Account Type	**Equity**
Benchmark	**Russell 1000 Growth**
Universe	**eV US Large Cap Growth Equity Gross**

Northern Trust Collective Russell 1000 Growth Index Fund

Ending June 30, 2018

	Second Quarter	**Since 12/31/17**
Beginning Market Value	$6,207,730	$0
Net Cash Flow	$0	$6,000,000
Net Investment Change	$356,136	$563,866
Ending Market Value	$6,563,866	$6,563,866

											Calendar Years											
	2018 Q2	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2017	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	Inception	Inception Date
Northern Trust Collective Russell 1000 Growth Index Fund	5.8%	43	7.2%	55	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	7.2%	Dec-17
Russell 1000 Growth	*5.8%*	*43*	*7.3%*	*55*	*22.5%*	*46*	*15.0%*	*29*	*16.4%*	*44*	*30.2%*	*42*	*7.1%*	*26*	*5.7%*	*42*	*13.0%*	*38*	*33.5%*	*56*	*7.3%*	*Dec-17*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - Northern Trust Collective Russell 1000 Growth Index Fund

Correspondence/Transfer Summary

- Manager was funded on December 5, 2017 with $6.0 million from terminated manager Winslow Large Cap Growth.

Manager Summary

Recommendation: None.

Compliance Summary

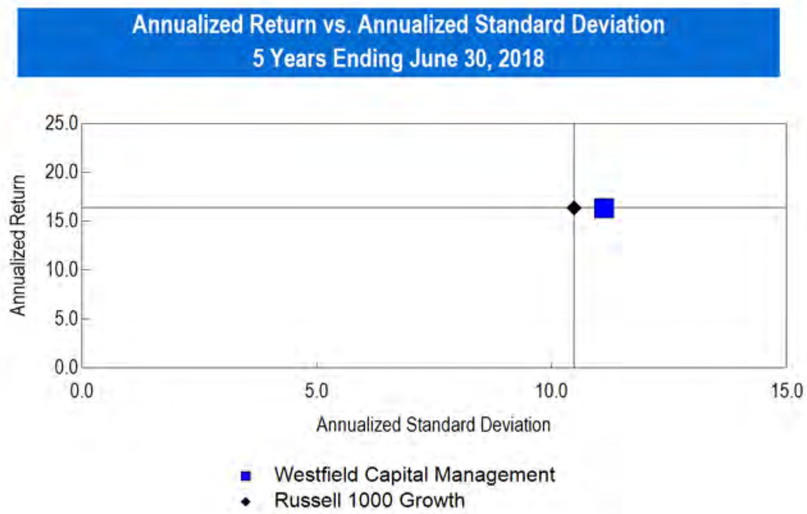
Manager verified the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the commingled investment vehicle guidelines and/or prospectus governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges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

Items of Interest: Firm Personnel Changes - The most recent and anticipated changes to senior personnel are the following: Effective July 3, 2018, Alice Fang accepted the newly created position of President and CEO of Northern Trust Global Advisors, Inc. In this role, Alice will lead the client-facing sales, relationship, and operations team in Canada as well as provide local oversight of the Canada-based Portfolio Construction team and manager research staff. April 2018, Sabrina Bailey accepted the position of Digital Investment Advice Practice Lead for Asset Management reporting directly to Chris Carlson, Chief Administration Officer. **Legal –** Manager stated Northern Trust Investments, Inc. (NTI) is occasionally named as a defendant in asset management-related litigation. NTI is not currently party to any litigation that has had (or will have) a material effect on its ability to perform services for its clients. At this time, there are no significant pending cases. Northern Trust and its subsidiaries occasionally receive requests for information from government and regulatory agencies. Northern Trust frequently does not know if such requests are related to a formal government or regulatory investigations or, assuming an investigation is underway, whether Northern Trust is a target of such investigation or simply thought to be in possession of information pertinent to such investigation. Manager stated Northern Trust is not currently involved in any government or regulatory investigation or proceeding that would have a material impact on its ability to provide advisory services to its clients. Manager stated that to the best of their knowledge, none of the personnel that are assigned to IPS client relationships have been named in litigation, regulatory enforcement proceedings, or investigations related to investment activities.

Account Information	
Account Name	Westfield Capital Management
Account Structure	Separate Account
Investment Style	Active
Inception Date	6/30/10
Account Type	US Stock Large Cap Growth
Benchmark	Russell 1000 Growth
Universe	eV US Large Cap Growth Equity Gross

Westfield Capital Management
Ending June 30, 2018

	Second Quarter	Inception 6/30/10
Beginning Market Value	$7,998,803	$0
Net Cash Flow	-$1,500,000	-$453,473
Net Investment Change	$441,636	$7,393,912
Ending Market Value	$6,940,439	$6,940,439



3 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Westfield Capital Management	14.4%	11.8%	102.1%	108.6%
Russell 1000 Growth	15.0%	11.1%	100.0%	100.0%

5 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Westfield Capital Management	16.3%	11.1%	103.0%	104.7%
Russell 1000 Growth	16.4%	10.5%	100.0%	100.0%

Calendar Years

	2018 Q2	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2017	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	Inception	Inception Date
Westfield Capital Management	5.5%	48	8.7%	42	22.2%	49	14.4%	41	16.3%	46	31.7%	32	3.9%	56	3.5%	62	12.5%	45	38.3%	18	16.7%	Jun-10
Russell 1000 Growth	*5.8%*	*43*	*7.3%*	*55*	*22.5%*	*46*	*15.0%*	*29*	*16.4%*	*44*	*30.2%*	*42*	*7.1%*	*26*	*5.7%*	*42*	*13.0%*	*38*	*33.5%*	*56*	*17.2%*	*Jun-10*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - Westfield Capital Management

Correspondence/Transfer Summary

- On June 15, 2010, manager was funded with $6.0 million from INTECH.
- At the April 19, 2017 meeting, Trustees elected to terminate Westfield and transfer all proceeds to Northern Trust Collective Russell 1000 Growth Index Fund. At the October 10, 2017 meeting, Trustees elected to resend their termination due to the market recovery and retention will provide balance between active and passive allocation.
- On December 14, 2017, $260,381 was transferred to EnTrust SOF III to satisfy a capital call.

Manager Summary

- IPS conducted a due diligence meeting with Westfield Capital on March 21, 2016.
- IPS conducted on-site due diligence meetings with Westfield Capital on May 16, 2016 and December 15, 2017.

Recommendation: None.

Compliance Summary

Exceptions: None.

Action to be taken: None.

Items of Interest: Personnel Additions - Manager stated that in April, Nate Cunningham joined the firm as a Research Analyst supporting their investment efforts within Information Technology.

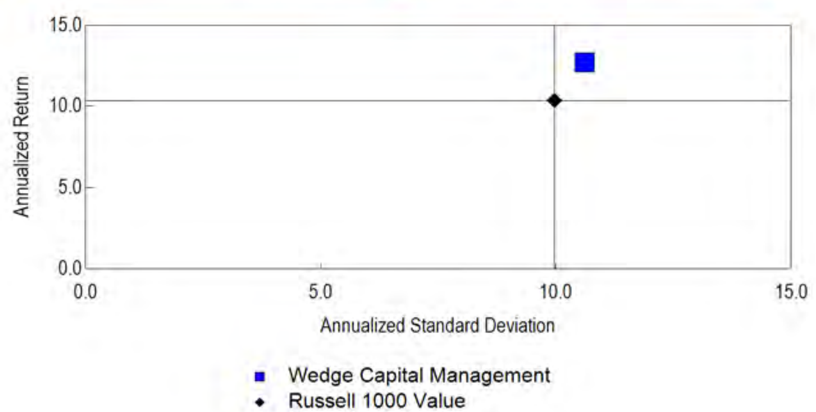
Account Information	
Account Name	**Wedge Capital Management**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**7/01/05**
Account Type	**US Stock Large Cap Value**
Benchmark	**Russell 1000 Value**
Universe	**eV US Large Cap Value Equity Gross**

Wedge Capital Management

Ending June 30, 2018

	Second Quarter	Inception 7/1/05
Beginning Market Value	$14,127,531	$11,847,761
Net Cash Flow	-$300,000	-$11,863,339
Net Investment Change	$22,858	$13,865,967
Ending Market Value	$13,850,389	$13,850,389

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2018



3 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	9.6%	11.1%	105.7%	95.3%
Russell 1000 Value	8.3%	10.3%	100.0%	100.0%

5 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	12.7%	10.6%	109.9%	91.9%
Russell 1000 Value	10.3%	10.0%	100.0%	100.0%

											Calendar Years											
	2018 Q2	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2017	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	Inception	Inception Date
Wedge Capital Management	0.2%	86	-1.2%	63	12.6%	20	9.6%	44	12.7%	17	21.7%	12	13.9%	60	0.0%	22	12.5%	46	35.5%	37	8.6%	Jul-05
Russell 1000 Value	*1.2%*	*66*	*-1.7%*	*71*	*6.8%*	*86*	*8.3%*	*73*	*10.3%*	*72*	*13.7%*	*87*	*17.3%*	*26*	*-3.8%*	*64*	*13.5%*	*33*	*32.5%*	*60*	*7.3%*	*Jul-05*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - Wedge Capital Management

Correspondence/Transfer Summary

- On May 1, 2017, $1.0 million was transferred to Corbin Capital (opportunistic strategy) for rebalancing.
- On December 8, 2017, $600,166 was transferred to Hamilton Lane IV-A (real estate) to satisfy a capital call.

Manager Summary

- IPS conducted due diligence meetings with Wedge Capital on October 26, 2016 and August 11, 2017 (on-site).

Recommendation: None.

Compliance Summary

Exceptions: None.

Action to be taken: None.

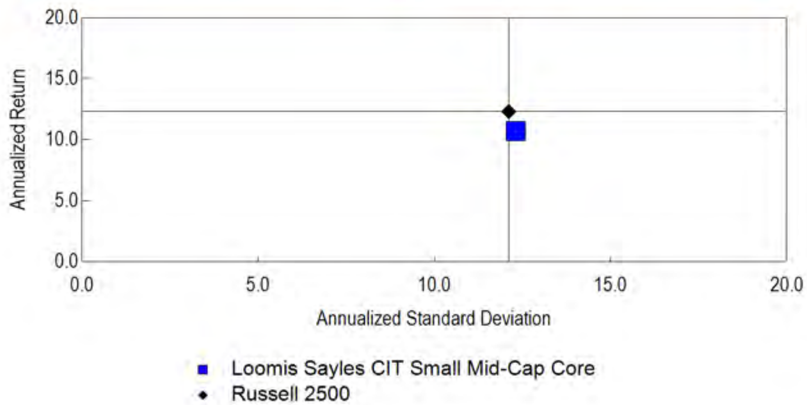
Items of Interest: None.

Account Information	
Account Name	**Loomis Sayles CIT Small Mid-Cap Core**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**4/01/11**
Account Type	**US Stock Small/Mid**
Benchmark	**Russell 2500**
Universe	**eV US Small-Mid Cap Core Equity Gross**

Loomis Sayles CIT Small Mid-Cap Core
Ending June 30, 2018

	Second Quarter	Inception 4/1/11
Beginning Market Value	$12,287,348	$0
Net Cash Flow	-$400,000	$4,337,680
Net Investment Change	$327,321	$7,876,989
Ending Market Value	$12,214,669	$12,214,669

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2018



3 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Loomis Sayles CIT Small Mid-Cap Core	7.4%	12.2%	84.3%	100.8%
Russell 2500	10.3%	12.3%	100.0%	100.0%

5 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Loomis Sayles CIT Small Mid-Cap Core	10.7%	12.3%	90.8%	100.9%
Russell 2500	12.3%	12.1%	100.0%	100.0%

Calendar Years

	2018 Q2	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2017	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	Inception	Inception Date
Loomis Sayles CIT Small Mid-Cap Core	2.7%	87	1.7%	89	11.2%	89	7.4%	89	10.7%	89	18.1%	55	12.6%	78	-3.5%	80	7.7%	47	36.1%	62	11.1%	Apr-11
Russell 2500	*5.7%*	*25*	*5.5%*	*39*	*16.2%*	*46*	*10.3%*	*61*	*12.3%*	*77*	*16.8%*	*71*	*17.6%*	*31*	*-2.9%*	*78*	*7.1%*	*56*	*36.8%*	*58*	*11.3%*	*Apr-11*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - Loomis Sayles CIT Small Mid-Cap Core

Correspondence/Transfer Summary

- On April 1, 2011, $7.8 million in proceeds were received from termination of Friess.

Manager Summary

- IPS conducted a due diligence meeting with Loomis Sayles on June 28, 2018.

Recommendation: None.

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UFCW Union & Participating Employers Pension Fund - Loomis Sayles CIT Small Mid-Cap Core

Compliance Summary

Manager certified that 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 and/or prospectus guidelines.

Items of Interest: Form ADV – The manager stated that they have updated their ADV since the last annual amendment dated March 31, 2018 to provide clarification to the description of Loomis Sayles' Wrap/Model Delivery Program. A copy of the Form ADV is included in the Compliance Report. **Ongoing Litigation- Firm Level:** In July 2011, the Loomis Sayles Credit Alpha Fund was named as a defendant along with all former shareholders of the Tribune Corporation (the "Company") that received cash in exchange for shares of the Company in a public-to-private leveraged buyout in 2007 (the "LBO"). The Fund received $1,190,000 for the shares it owned at the time of the LBO. Within one year of the LBO, the company filed for Chapter 11 bankruptcy. Pre-bankruptcy bondholders and unsecured creditors seek to recover all amounts paid to the shareholder defendants ("Defendants") in connection with the LBO, with pre-bankruptcy interest, alleging that the LBO constituted a fraudulent conveyance by the Company. The entirety of this litigation has been consolidated in federal district court in New York. A settlement offer, which would have involved Defendants agreeing to repay 57.2% of the proceeds received, was rejected on the advice of counsel as premature, at the high end of the range of reasonableness, and not in the best interests of the Fund. In May 2014, Ropes & Gray, on behalf of shareholder defendants (including Loomis) filed a Global Motion to Dismiss in the federal district court. In March 2016, the United States Court of Appeals for the Second Circuit upheld the federal district court's dismissal of the plaintiffs' claim of constructive fraudulent conveyance. The plaintiffs have appealed this decision to the Supreme Court of the United States, which has not yet decided whether it will hear the case. In January 2017, the federal district court dismissed the plaintiffs' second claim, for intentional fraudulent conveyance. This decision is subject to appeal. In February 2018 the U.S. Supreme Court issued a decision on the constructive fraudulent conveyance issue in a case from another circuit, which may lead to remand of the Second Circuit decision in the Tribune case. In June 2018, the federal district court judge required all parties in the various litigations that are part of Tribune to consider ways to pursue a global mediation process and to submit a joint letter indication how the parties wish to proceed. **Ongoing Litigation- Firm Level:** Loomis, Sayles & Company, L.P. is defendant in a civil complaint initially filed in April 2014. The complaint alleges that Loomis Sayles misclassified a software engineer as an independent contractor, when he should have been an employee of Loomis Sayles under applicable Massachusetts statute. The complaint purports to represent a class of unnamed technology contractors the plaintiff claims were misclassified as contractors. In its answer, Loomis denied all the allegations. Loomis believes the plaintiffs case has no merit and intends to defend its position in this matter. The plaintiff represented and certified that he was an employee in fact of a sub vendor, and his employer represented and certified to Loomis Sayles that it complied with all state and federal tax and employment laws applicable to the employment of this individual. Depositions began in January 2015. Discovery ended in late May 2015 and dispositive motions, including a motion for class certification by the plaintiff and a motion for summary judgment by Loomis Sayles, were filed at the end of June 2015. A hearing on various motions was held in September 2016. The judge denied plaintiff's motion for class certification and Loomis Sayles' motion for summary judgment. In April 2081, the trial judge issues a directed verdict in Loomis Sayles' favor, and the plaintiff appealed the verdict in May 2018. **Ongoing Litigation- Firm Level:** In March 2018, a former operations analyst filed a complaint with the Massachusetts Commission Against Discrimination alleging discrimination on religious grounds. Loomis has responded to the complaint and plans to defend the claim.

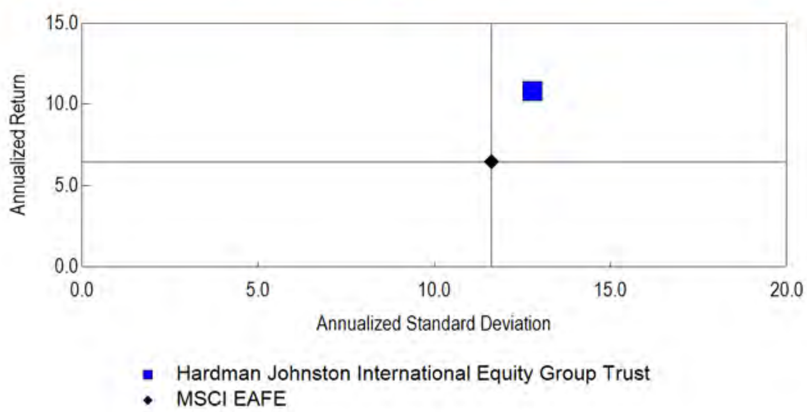
Account Information

Account Name	**Hardman Johnston International Equity Group Trust**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**5/01/10**
Account Type	**International**
Benchmark	**MSCI EAFE**
Universe	**eV EAFE Equity Unhedged Gross**

Hardman Johnston International Equity Group Trust
Ending June 30, 2018

	Second Quarter	Inception 5/1/10
Beginning Market Value	$10,903,670	$0
Net Cash Flow	$0	$5,811,546
Net Investment Change	-$46,154	$5,045,970
Ending Market Value	$10,857,516	$10,857,516

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2018



3 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Hardman Johnston International Equity Group Trust	10.2%	14.2%	117.5%	86.0%
MSCI EAFE	4.9%	12.1%	100.0%	100.0%

5 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Hardman Johnston International Equity Group Trust	10.8%	12.8%	111.1%	84.5%
MSCI EAFE	6.4%	11.6%	100.0%	100.0%

											Calendar Years											
	2018 Q2	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	2017	Rank	2016	Rank	2015	Rank	2014	Rank	2013	Rank	Inception	Inception Date
Hardman Johnston International Equity Group Trust	-0.2%	24	1.0%	11	15.0%	12	10.2%	17	10.8%	19	38.4%	8	1.7%	42	0.3%	62	0.9%	9	18.0%	87	8.3%	May-10
MSCI EAFE	*-1.2%*	*48*	*-2.7%*	*61*	*6.8%*	*70*	*4.9%*	*81*	*6.4%*	*88*	*25.0%*	*73*	*1.0%*	*54*	*-0.8%*	*76*	*-4.9%*	*71*	*22.8%*	*66*	*5.9%*	*May-10*
MSCI ACWI ex USA	*-2.6%*	*78*	*-3.8%*	*77*	*7.3%*	*62*	*5.1%*	*78*	*6.0%*	*93*	*27.2%*	*54*	*4.5%*	*17*	*-5.7%*	*95*	*-3.9%*	*51*	*15.3%*	*92*	*5.0%*	*May-10*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - Hardman Johnston International Equity Group Trust

Correspondence/Transfer Summary

- On May 3, 2010, Johnston Asset Management was funded with $6.9 million from termination of AllianceBernstein.

Manager Summary

- Johnston Asset Management has changed the name of the firm to Hardman Johnston Global Advisors, LLC, effective September 27, 2017. The name change is intended to reflect Cassandra Hardman's contributions to the firm. No changes to the firm's investment philosophy, process, or investment team are anticipated.
- IPS conducted due diligence meetings with Hardman Johnston on September 1, 2016, August 30, 2017 and April 2, 2018.

Recommendation: None.

Compliance Summary

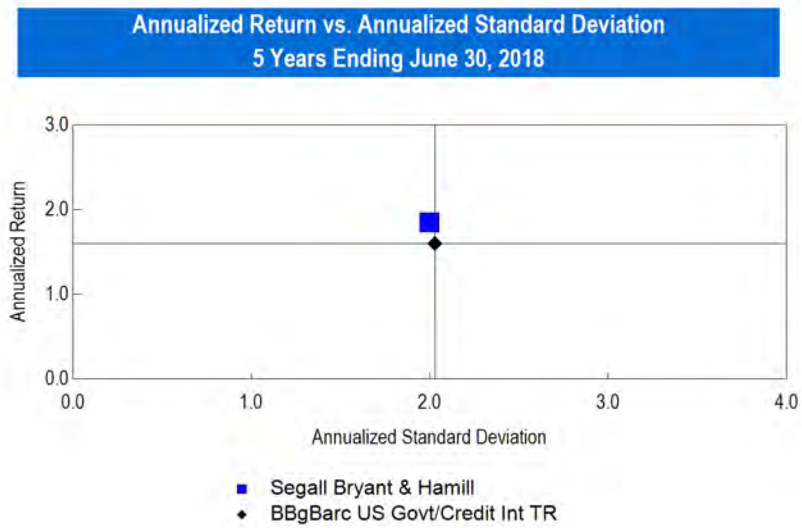
Manager verified that the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the firm's commingled investment vehicle investment guidelines and/or prospectus governing the management of the investment. With respect to the portfolio(s) under management,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

Items of Interest: None.

Account Information	
Account Name	**Segall Bryant & Hamill**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**1/01/07**
Account Type	**US Fixed Income Investment Grade**
Benchmark	**BBgBarc US Govt/Credit Int TR**
Universe	

Segall Bryant & Hamill
Ending June 30, 2018

	Second Quarter	Since 2/1/07
Beginning Market Value	$4,922,233	$2,373,161
Net Cash Flow	$0	-$384,238
Net Investment Change	$7,442	$2,940,751
Ending Market Value	$4,929,675	$4,929,675



3 Years Ending June 30, 2018	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Segall Bryant & Hamill	1.4%	2.0%	102.9%	93.0%
BBgBarc US Govt/Credit Int TR	1.2%	2.0%	100.0%	100.0%

5 Years Ending June 30, 2018	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Segall Bryant & Hamill	1.8%	2.0%	101.3%	90.5%
BBgBarc US Govt/Credit Int TR	1.6%	2.0%	100.0%	100.0%

						Calendar Years						
	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Inception	Inception Date
Segall Bryant & Hamill	0.2%	-0.9%	-0.3%	1.4%	1.8%	2.3%	2.1%	1.4%	3.5%	-1.1%	3.5%	Jan-07
BBgBarc US Govt/Credit Int TR	*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.6%*	*2.1%*	*2.1%*	*1.1%*	*3.1%*	*-0.9%*	*3.4%*	*Jan-07*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - Segall Bryant & Hamill

Correspondence/Transfer Summary

- In October 2008, $ 10.6 million was received from terminated manager Lord Abbett.

Manager Summary

- IPS conducted due diligence meetings with Segall Bryant and Hamill on January 19, 2016 and June 7, 2017.
- IPS conducted an on-site due diligence meeting with Segall Bryant and Hamill on June 20, 2017.

Recommendation: None.

Compliance Summary

Exceptions: None.

Action to be taken: None.

Items of Interest: Personnel Changes – As a result of the acquisition of Denver Investments, the Manager's team has combined with the Denver Fixed Income team to expand their research efforts. The responsibilities of the team members will not change. **Ownership Changes** – As a result of the Manager's acquisition of Denver Investments, the ownership structure changed to 53% ownership by partners (previously 45%) and 47% by Thomas Bravo (previously 55%). The Manager has also increased the number of employee partners from 21 to 39. **Form ADV** – 1) On January 10, 2018, the Manager entered into a definitive agreement to acquire Denver Investments. Denver Investments is an independent, employee-owned investment firm based in Denver, Colorado. The transaction is expected to close in the second quarter of 2018, subject to customary closing conditions. 2) The Manager implemented the Advent Suite of products in 2017 in order to enhance their trading, portfolio accounting, operations and compliance systems. The Advent Suite replaced several legacy systems and aims to provide firm-wide uniformity across key investment management functions.

Account Information

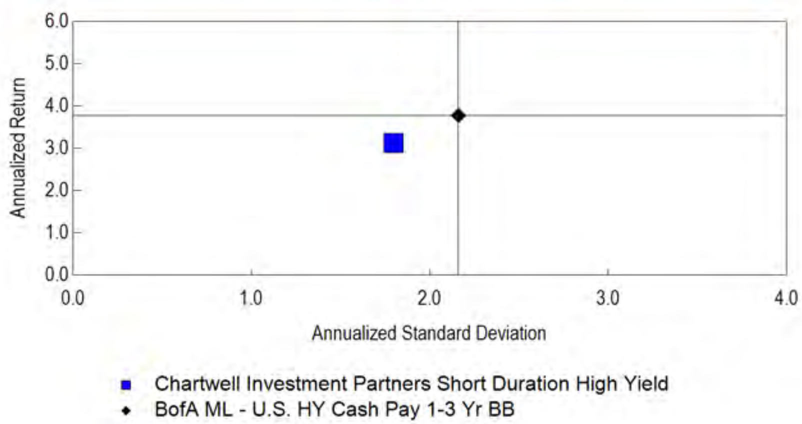
Account Name	**Chartwell Investment Partners Short Duration High Yield**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**5/31/14**
Account Type	**US Fixed Income High Yield**
Benchmark	**BofA ML - U.S. HY Cash Pay 1-3 Yr BB**
Universe	

Chartwell Investment Partners Short Duration High Yield

Ending June 30, 2018

	Second Quarter	Inception 5/31/14
Beginning Market Value	$5,071,203	$0
Net Cash Flow	$0	$4,575,000
Net Investment Change	$26,847	$523,050
Ending Market Value	$5,098,050	$5,098,050

Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2018



3 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Chartwell Investment Partners Short Duration High Yield	3.1%	1.8%	82.4%	85.0%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	3.8%	2.2%	100.0%	100.0%

						Calendar Years						
	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Inception	Inception Date
Chartwell Investment Partners Short Duration High Yield	0.5%	0.5%	2.0%	3.1%	--	3.9%	6.9%	0.1%	--	--	2.6%	May-14
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	*0.8%*	*0.6%*	*1.7%*	*3.8%*	*4.1%*	*3.6%*	*8.5%*	*1.2%*	*1.9%*	*5.5%*	*3.4%*	*May-14*
BBgBarc 1-3 Yr BB U.S. Constrained Index	*0.8%*	*0.7%*	*2.0%*	*4.0%*	*3.9%*	*3.9%*	*8.8%*	*1.1%*	*1.5%*	*4.3%*	*3.5%*	*May-14*
BBgBarc US Govt/Credit Int TR	*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.6%*	*2.1%*	*2.1%*	*1.1%*	*3.1%*	*-0.9%*	*1.2%*	*May-14*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - Chartwell Investment Partners Short Duration High Yield

Correspondence/Transfer Summary

- Manager was funded on May 1, 2014 with $3.5 million from SBH ($1.0M), Loomis SMID ($1.0M), and Johnston ($1.5M). An additional $1.5 million was received on June 2, 2014 from Wellington.

Manager Summary

- IPS conducted a due diligence meeting with Chartwell on March 22, 2017.
- On January 25, 2018, Chartwell announced their planned acquisition of the public equity and fixed income businesses of Columbia Partners, an investment management firm based in Chevy Chase, MD. While a consent to assignment was required on the part of Columbia Partners' clients, no action is required on the part of Chartwell clients. The transaction closed on April 9, 2018.

Recommendation: None.

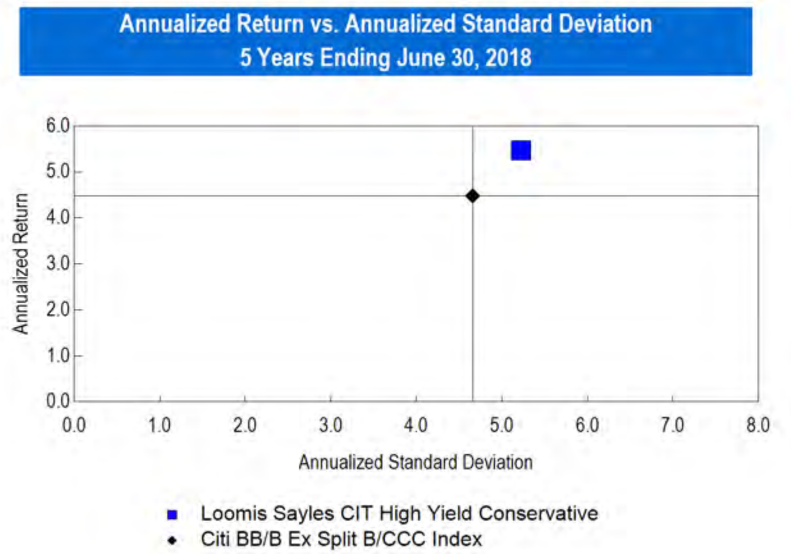
Compliance Summary

Exceptions: None.

Action to be taken: None.

Items of Interest: Personnel Changes – The manager stated during the second quarter of 2018, Mark Tindall, Mark Long, and Steven Binder joined Chartwell as a result of the acquisition of Columbia Partners. Mark Tindall is the Portfolio Manager for the Large Cap Growth strategy. Mark long is the Senior Portfolio Analyst for the Large Cap Growth strategy. Steven Binder is the Director of Taft Hartley Services.

Account Information	
Account Name	**Loomis Sayles CIT High Yield Conservative**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**10/01/08**
Account Type	**US Fixed Income High Yield**
Benchmark	**Citi BB/B Ex Split B/CCC Index**
Universe	



Loomis Sayles CIT High Yield Conservative
Ending June 30, 2018

	Second Quarter	Since 11/1/08
Beginning Market Value	$5,723,643	$8,058,693
Net Cash Flow	$0	-$10,975,000
Net Investment Change	$5,032	$8,644,982
Ending Market Value	$5,728,675	$5,728,675

3 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Loomis Sayles CIT High Yield Conservative	4.5%	5.5%	113.4%	109.2%
Citi BB/B Ex Split B/CCC Index	3.9%	4.9%	100.0%	100.0%

5 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Loomis Sayles CIT High Yield Conservative	5.5%	5.2%	118.3%	106.4%
Citi BB/B Ex Split B/CCC Index	4.5%	4.7%	100.0%	100.0%

						Calendar Years						
	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Inception	Inception Date
Loomis Sayles CIT High Yield Conservative	0.1%	-0.3%	2.6%	4.5%	5.5%	9.0%	13.1%	-4.1%	4.8%	6.3%	10.1%	Oct-08
Citi BB/B Ex Split B/CCC Index	*0.6%*	*-0.5%*	*1.7%*	*3.9%*	*4.5%*	*6.4%*	*13.1%*	*-3.8%*	*2.8%*	*5.5%*	*7.3%*	*Oct-08*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - Loomis Sayles CIT High Yield Conservative

Correspondence/Transfer Summary

- On October 1, 2008, manager was funded with $9.0 million from cash reserves.
- On February 19, 2016, manager notified the Fund the fee schedule applicable to the account was changed effective January 1, 2016. The schedule changed from 0.65% on first $5M and 0.50% on the balance to 0.50% on the total value. This estimated annual fee savings is $5,833.

Manager Summary

- IPS conducted a due diligence meeting with Loomis Sayles on March 1, 2018.

Recommendation: None.

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UFCW Union & Participating Employers Pension Fund - Loomis Sayles CIT High Yield Conservative

Compliance Summary

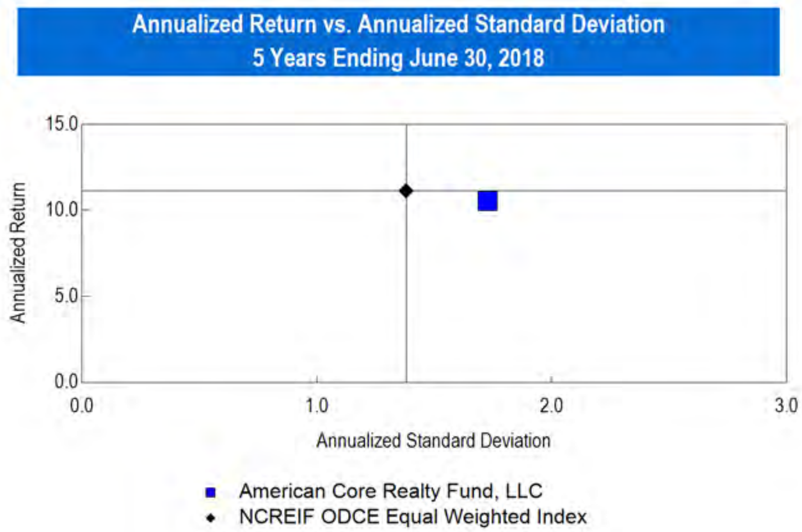
Manager verified that the portfolio and individual holdings are currently and have been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or prospectus governing the management of the investment. With respect to the portfolio (s) under management, manager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

Items of Interest: Form ADV – The manager stated that they have updated their ADV since the last annual amendment dated March 31, 2018 to provide clarification to the description of Loomis Sayles' Wrap/Model Delivery Program. A copy of the Form ADV is included in the Compliance Report. **Ongoing Litigation- Firm Level:** In July 2011, the Loomis Sayles Credit Alpha Fund was named as a defendant along with all former shareholders of the Tribune Corporation (the "Company") that received cash in exchange for shares of the Company in a public-to-private leveraged buyout in 2007 (the "LBO"). The Fund received $1,190,000 for the shares it owned at the time of the LBO. Within one year of the LBO, the company filed for Chapter 11 bankruptcy. Pre-bankruptcy bondholders and unsecured creditors seek to recover all amounts paid to the shareholder defendants ("Defendants") in connection with the LBO, with pre-bankruptcy interest, alleging that the LBO constituted a fraudulent conveyance by the Company. The entirety of this litigation has been consolidated in federal district court in New York. A settlement offer, which would have involved Defendants agreeing to repay 57.2% of the proceeds received, was rejected on the advice of counsel as premature, at the high end of the range of reasonableness, and not in the best interests of the Fund. In May 2014, Ropes & Gray, on behalf of shareholder defendants (including Loomis) filed a Global Motion to Dismiss in the federal district court. In March 2016, the United States Court of Appeals for the Second Circuit upheld the federal district court's dismissal of the plaintiffs' claim of constructive fraudulent conveyance. The plaintiffs have appealed this decision to the Supreme Court of the United States, which has not yet decided whether it will hear the case. In January 2017, the federal district court dismissed the plaintiffs' second claim, for intentional fraudulent conveyance. This decision is subject to appeal. In February 2018 the U.S. Supreme Court issued a decision on the constructive fraudulent conveyance issue in a case from another circuit, which may lead to remand of the Second Circuit decision in the Tribune case. In June 2018, the federal district court judge required all parties in the various litigations that are part of Tribune to consider ways to pursue a global mediation process and to submit a joint letter indication how the parties wish to proceed. **Ongoing Litigation- Firm Level:** Loomis, Sayles & Company, L.P. is defendant in a civil complaint initially filed in April 2014. The complaint alleges that Loomis Sayles misclassified a software engineer as an independent contractor, when he should have been an employee of Loomis Sayles under applicable Massachusetts statute. The complaint purports to represent a class of unnamed technology contractors the plaintiff claims were misclassified as contractors. In its answer, Loomis denied all the allegations. Loomis believes the plaintiffs case has no merit and intends to defend its position in this matter. The plaintiff represented and certified that he was an employee in fact of a sub vendor, and his employer represented and certified to Loomis Sayles that it complied with all state and federal tax and employment laws applicable to the employment of this individual. Depositions began in January 2015. Discovery ended in late May 2015 and dispositive motions, including a motion for class certification by the plaintiff and a motion for summary judgment by Loomis Sayles, were filed at the end of June 2015. A hearing on various motions was held in September 2016. The judge denied plaintiff's motion for class certification and Loomis Sayles' motion for summary judgment. In April 2081, the trial judge issues a directed verdict in Loomis Sayles' favor, and the plaintiff appealed the verdict in May 2018. **Ongoing Litigation- Firm Level:** In March 2018, a former operations analyst filed a complaint with the Massachusetts Commission Against Discrimination alleging discrimination on religious grounds. Loomis has responded to the complaint and plans to defend the claim.

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 June 30, 2018

	Second Quarter	Since 8/1/04
Beginning Market Value	$6,890,080	$709,000
Net Cash Flow	$0	$809,778
Net Investment Change	$124,650	$5,495,953
Ending Market Value	$7,014,730	$7,014,730



3 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
American Core Realty Fund, LLC	8.8%	1.3%	90.4%	--
NCREIF ODCE Equal Weighted Index	9.6%	1.2%	100.0%	--

5 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
American Core Realty Fund, LLC	10.5%	1.7%	93.5%	--
NCREIF ODCE Equal Weighted Index	11.1%	1.4%	100.0%	--

						Calendar Years						
	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Inception	Inception Date
American Core Realty Fund, LLC	2.1%	4.4%	8.2%	8.8%	10.5%	8.1%	7.1%	15.4%	11.6%	12.4%	7.5%	Jul-04
NCREIF ODCE Equal Weighted Index	*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*7.9%*	*Jul-04*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - American Core Realty Fund, LLC

Correspondence/Transfer Summary

- Total commitment was $9.5 million and is fully funded.
- Quarterly income distributions are reinvested.
- On December 31, 2016, a redemption request for $2.5 million was transferred to the cash account on January 3, 2017 and invested with Corbin Capital on February 1, 2017.

Manager Summary

- IPS conducted due diligence meetings with American Realty Advisors on July 27, 2016, June 21, 2017 (on-site) and June 4, 2018.

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: Investment Policy Statement – The manager stated they do not see a need for a change in the Fund's current investment policy statement. However, minor edits were made to update the Core Fund's investment policy statement for 2018. **Derivative Securities –** The manager stated question 5 is not applicable as no derivative securities were held in the portfolio during Second Quarter 2018.

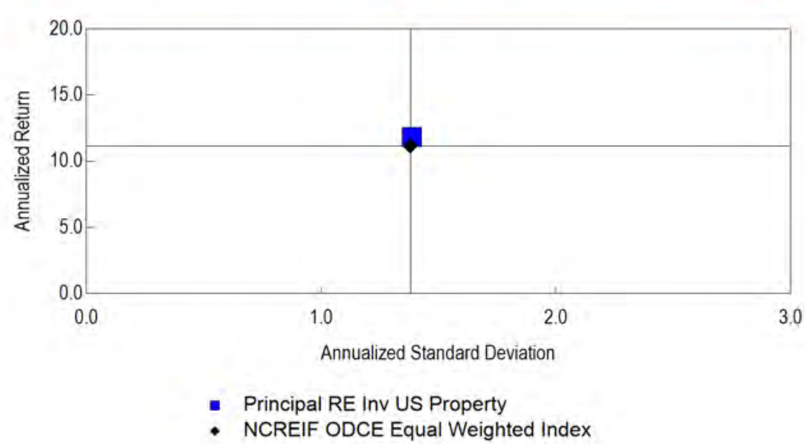
Account Information

Account Name	**Principal RE Inv US Property**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**1/01/07**
Account Type	**Real Estate**
Benchmark	**NCREIF ODCE Equal Weighted Index**
Universe	

Principal RE Inv US Property
Ending June 30, 2018

	Second Quarter	Since 2/1/07
Beginning Market Value	$11,172,333	$1,726,966
Net Cash Flow	$0	$3,165,255
Net Investment Change	$247,196	$6,527,308
Ending Market Value	$11,419,529	$11,419,529

Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2018



3 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Principal RE Inv US Property	10.6%	1.2%	111.3%	--
NCREIF ODCE Equal Weighted Index	9.6%	1.2%	100.0%	--

5 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Principal RE Inv US Property	11.8%	1.4%	107.8%	--
NCREIF ODCE Equal Weighted Index	11.1%	1.4%	100.0%	--

	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	Calendar Years 2017	2016	2015	2014	2013	Inception	Inception Date
Principal RE Inv US Property	2.5%	4.7%	9.4%	10.6%	11.8%	9.2%	10.1%	14.7%	13.9%	14.6%	6.3%	Jan-07
NCREIF ODCE Equal Weighted Index	*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*6.0%*	*Jan-07*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - Principal U.S. Property Account

Correspondence/Transfer Summary

- Quarterly income distributions are reinvested.
- On October 8, 2015, Principal sent notification that as a result of UFCW Unions and Participating Employers Pension Fund value exceeding the $10 million break point, the plan is now eligible for the reduced management fee of 1.00%. This new fee will be effective October 15, 2015.
- On April 25, 2017, $1.0M was withdrawn for benefit payments.

Manager Summary

- IPS conducted due diligence meetings with Principal on March 1, 2016, May 25, 2016, August 29, 2016 and November 15, 2017.

Recommendation: None.

Compliance Summary

The manager stated as of 6/30/18, the U.S. Property Account (Account) was outside of its property sector guideline for the Hotel Sector per section 4.a. of the Investment Policy Statement (IPS). With respect to the portfolio(s) under management, Principal Life (as an investment manager and as stated in its group annuity contract) acknowledges it is a fiduciary with regard to the selection, monitoring and retention of the portfolio managers for the Separate Accounts. Services by PrinREI are provided to the client as an investor in a commingled investment vehicle.

Items of Interest: Personnel Changes - Manager responded that Principal Real Estate Investors has experienced limited turnover of its senior management and staff. A listing of employee additions to and departures from the real estate group during the 2nd quarter of 2018 is included in the Compliance Report. **Form ADV –** Manager stated there were no material changes during the quarter. **Legal -** Manager stated given the size and scope of their operations they are occasionally involved in litigation, both as a defendant and as a plaintiff. However, management does not believe that any pending litigation will have a material adverse effect on their business, financial position or net income. Manager referred to their public filings for details. Also, regulatory bodies, such as the SEC, the Financial Industry Regulatory Authority, the Department of Labor and other regulatory bodies regularly make routine inquiries and conduct examinations or investigations concerning compliance with, among other things, securities laws, ERISA and laws governing the activities of investment advisers. Manager stated that while the outcome of any regulatory matter cannot be predicted, management does not believe that any regulatory matter will have a material adverse effect on their business, financial position or their ability to fully perform their duties to clients. **Compliance -** As of 6/30/18 the Principal U.S. Property Account (Account) was outside of its property sector guideline for the Hotel Sector per section 4.a. of the Investment Policy Statement (IPS). The NCREIF Property Index (NPI) weighting to the Hotel sector (as of 3/31/18, most recent available) was 0.71%, resulting in an exposure guideline of .35%-1.06%. The Account's weighting as of 6/30/18 was 1.99%. Manager stated the Account has not purchased additional hotel properties, however, hotel exposure in the Index has decreased steadily over the past several years.

Account Information	
Account Name	**Sentinel Real Estate Corp**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**12/31/15**
Account Type	**Real Estate**
Benchmark	**NCREIF ODCE Equal Weighted Index**
Universe	

Sentinel Real Estate Corp

Ending June 30, 2018

	Second Quarter	**Inception 12/31/15**
Beginning Market Value	$3,016,506	$0
Net Cash Flow	$0	$2,500,000
Net Investment Change	$64,095	$580,601
Ending Market Value	$3,080,601	$3,080,601

	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	Calendar Years 2017	2016	2015	2014	2013	Inception	Inception Date
Sentinel Real Estate Corp	2.4%	4.5%	8.4%	--	--	7.6%	8.9%	--	--	--	8.4%	Dec-15
NCREIF ODCE Equal Weighted Index	*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*8.6%*	*Dec-15*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - Sentinel Real Estate Corp

Correspondence/Transfer Summary

- Total commitment is $2.5 million and is fully funded.
- Quarterly income distributions are reinvested.
- On December 30, 2015, manager was funded with $2.5 million from cash reserve ($325,000), Wedge ($625,000), Westfield ($300,000), Loomis ($1.25M).

Manager Summary

- IPS conducted a due diligence meeting with Sentinel on May 1, 2017.

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 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: Note - Manager answered N/A to the following question: 4) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? The Manager states Sentinel is exempt from registration under the Investment Advisors Act of 1940, as they do not advise with respect to securities and their private real estate investment activities are not subject to the Act. With respect to the Fund, the General Partner intends to use reasonable best efforts to structure investments of the Fund and operate the Fund in such a manner so as to qualify the Fund as a "real estate operating company" ("REOC") pursuant to applicable regulations under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), so that the underlying assets of the Fund will not constitute "plan assets" of plans subject to Title I of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended, that invest in the Fund. Notwithstanding the status of the Fund as an REOC, the General Partner and the Manager have agreed to carry out their respective duties and exercise their respective powers under the Partnership Agreement and the Management Agreement, as applicable, in a manner consistent with the fiduciary responsibility standards of ERISA. Sentinel obtains an opinion of counsel each year with respect to the Fund's qualification as a REOC, which can be made available to clients as needed.

Account Information	
Account Name	**Boyd Watterson GSA Fund LP**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**2/01/16**
Account Type	**Real Estate**
Benchmark	**NCREIF ODCE Equal Weighted Index**
Universe	

Boyd Watterson GSA Fund LP

Ending June 30, 2018

	Second Quarter	**Inception 2/1/16**
Beginning Market Value	$3,001,312	$0
Net Cash Flow	$0	$2,500,000
Net Investment Change	$69,521	$570,833
Ending Market Value	$3,070,833	$3,070,833

						Calendar Years						
	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Inception	Inception Date
Boyd Watterson GSA Fund LP	2.6%	5.0%	9.7%	--	--	8.9%	--	--	--	--	10.2%	Feb-16
NCREIF ODCE Equal Weighted Index	*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*8.9%*	*Feb-16*
Income Objective Return	*1.9%*	*3.9%*	*8.0%*	*8.0%*	--	*8.0%*	*8.0%*	*8.0%*	--	--	*8.0%*	*Feb-16*

Note: Returns are gross of fees.

The manager’s stated objective of an 8% net income return is listed for illustrative purposes.

UFCW Union & Participating Employers Pension Fund - Boyd Watterson GSA Fund LP

Correspondence/Transfer Summary

- Total commitment is $2.5 million and is fully funded.
- Quarterly income distributions are reinvested.
- On February 1, 2016, manager was funded with $2.5 million from Wellington (GTAA).

Manager Summary

- IPS conducted due diligence meetings with Boyd Watterson GSA Fund on March 29, 2016, February 8, 2017 and November 30, 2017.
- On June 8, 2018, Boyd Watterson notified IPS that the GSA Fund will be "soft-closed" now that it has reached $1.5 billion in net assets. Additional capacity will be limited to the clients of investment consulting firms (including IPS) that have clients already invested in the Fund. Boyd Watterson expects to further limit capacity only to existing investors once the net assets of the Fund reach $2.5 billion (subject to change).

Recommendation: None.

Compliance Summary

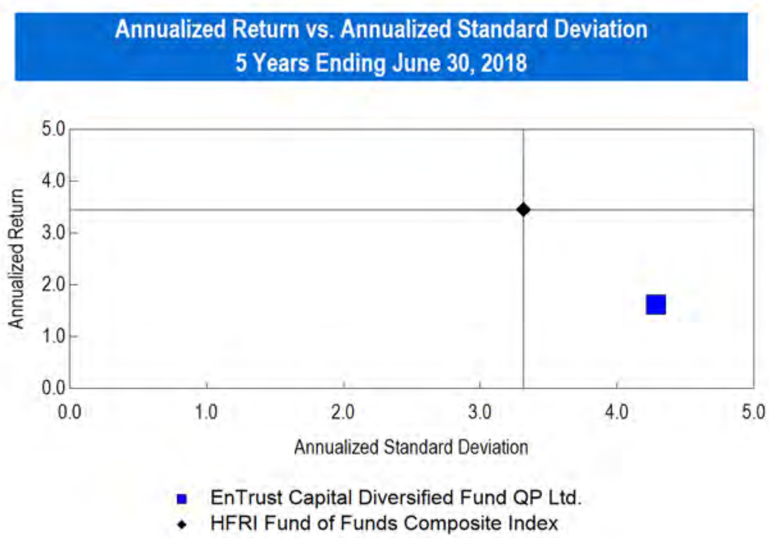
Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole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

Items of Interest: Derivatives – The manager stated the Fund does not utilize derivatives as an investment vehicle. The Fund does not utilize interest rate swaps to hedge risk related to variable rate loans. **Personnel Changes –** The manager stated the following departures occurred: J. Deeds Keinker, Portfolio Management, David Hollins, Portfolio Management, Amanda Jacobson, Real Estate, and Robert Strnad, Portfolio management. The manager stated the following additions have occurred: Stephen Berhalter, Real Estate, Mara Georgouses, Marketing, Michael Andrews, Accounting, Larry Murphy, Real Estate, Sean Glazier, Marketing, Patrick McGarry, Real Estate, and Daniel Tadder, Real Estate.

Account Information	
Account Name	**EnTrust Capital Diversified Fund QP Ltd.**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**10/01/08**
Account Type	**Hedge Fund**
Benchmark	**HFRI Fund of Funds Composite Index**
Universe	

EnTrust Capital Diversified Fund QP Ltd.
Ending June 30, 2018

	Second Quarter	Inception 10/1/08
Beginning Market Value	$5,771,340	$9,000,000
Net Cash Flow	$0	-$7,000,008
Net Investment Change	$74,628	$3,845,976
Ending Market Value	$5,845,968	$5,845,968



3 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
EnTrust Capital Diversified Fund QP Ltd.	-1.2%	4.4%	77.8%	145.5%
HFRI Fund of Funds Composite Index	1.9%	3.5%	100.0%	100.0%

5 Years Ending June 30, 2018

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
EnTrust Capital Diversified Fund QP Ltd.	1.6%	4.3%	87.3%	129.3%
HFRI Fund of Funds Composite Index	3.5%	3.3%	100.0%	100.0%

						Calendar Years						
	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Inception	Inception Date
EnTrust Capital Diversified Fund QP Ltd.	1.6%	0.6%	1.5%	-1.2%	1.6%	3.3%	0.1%	-6.2%	3.2%	12.4%	4.7%	Oct-08
HFRI Fund of Funds Composite Index	*0.4%*	*0.7%*	*5.1%*	*1.9%*	*3.5%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*2.6%*	*Oct-08*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - EnTrust Capital Diversified Fund QP Ltd.

Correspondence/Transfer Summary

- On September 29, 2008, $9.0 million was invested.
- EnTrust (multi-strategy HFOF) was reduced by $3M on 3/31/15 and used as partial funding source for Special Opportunities Fund III as capital is called.
- On April 1, 2016, IPS sent a memo to the Fund regarding the consent to assignment for the combination of EnTrust Capital and The Permal Group. IPS recommended that investors sign and return the consent form, subject to review by counsel.
- On September 27, 2016 a redemption request for $6.0 million was submitted. On February 1, 2017, EnTrust Diversified redeemed $5,378,756 of the $6.0M redemption to partially fund Corbin Capital. Per EnTrust, $485,019 was withheld and segregated into a separate share class EnTrust Capital Diversified Fund, Ltd Class X pending further information on the Peruvian bond holdback. On April 1, 2017, $10,963 was transferred to EnTrust Capital Diversified Fund, Ltd Class X. On April 28, 2017, $125,270 was redeemed and transferred to the cash account.

Manager Summary

- IPS conducted due diligence meetings with EnTrustPermal on January 21, 2016, June 23, 2016 (on-site), February 21, 2017 (on-site), November 16, 2017, May 2, 2018 and May 8, 2018.
- Following the May 2018 due diligence meetings, IPS sent a memo to clients recommending termination of their investment in EnTrust Diversified Fund. The memo provided details on a new share class of the Diversified Fund being offered by EnTrustPermal to IPS clients at a reducement management fee of 90 basis points.

Recommendation: Terminate. Transfer to new share class to benefit from the reduced management fee of 90 basis points as the investment is liquidated.

Compliance Summary

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, the manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines.

Items of Interest: Form ADV – The Manager stated that Form ADVs were amended as part of their annual update. **Legal** - The Manager stated that there has been no investment-related or other material litigation or legal proceedings involving EnTrustPermal ("EP") or any of its employees, although from time to time employees may be involved in litigation in their personal capacity and EP may be involved in lawsuits of a commercial nature involving vendors, employees, or otherwise. As a large asset management firm, EnTrustPermal ("EP"), from time to time, provides information to various government agencies and regulators in response to information requests, document requests, subpoenas, or requests for interviews. On June 4, 2018, Legg Mason announced it had entered into a settlement with the U.S. Department of Justice resolving a Foreign Corrupt Practices Act matter relating to Legg Mason's former Permal business. Legg Mason has also publicly disclosed that it expects to enter into a settlement of the same matter with the U.S. Securities and Exchange Commission within the next month or so. The aggregate resolutions will, as Legg Mason has previously disclosed, be no more than approximately $71 Million. Legg Mason has already accrued those matters. The resolution does not relate to any ongoing business activities of EnTrustPermal.

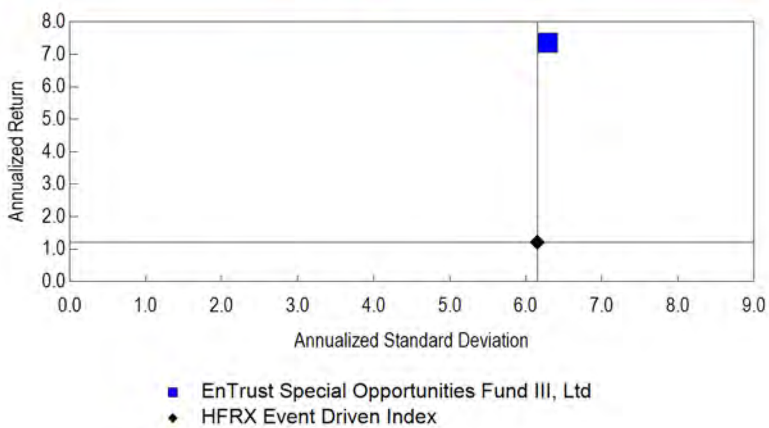
Account Information	
Account Name	**EnTrust Special Opportunities Fund III, Ltd**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**2/01/15**
Account Type	**Fund of Funds**
Benchmark	**HFRX Event Driven Index**
Universe	

EnTrust Special Opportunities Fund III, Ltd
Ending June 30, 2018

	Second Quarter	**Inception 2/1/15**
Beginning Market Value	$5,500,422	$0
Net Cash Flow	$0	$5,000,000
Net Investment Change	$0	$500,422
Ending Market Value	$5,500,422	$5,500,422

Market value is as of 3/31/18.

Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2018



	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
EnTrust Special Opportunities Fund III, Ltd	7.4%	6.3%	108.4%	32.1%
HFRX Event Driven Index	1.2%	6.2%	100.0%	100.0%

	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	Calendar Years 2017	2016	2015	2014	2013	Inception	Inception Date
EnTrust Special Opportunities Fund III, Ltd	0.0%	-3.0%	-1.4%	7.4%	--	5.9%	16.3%	--	--	--	6.4%	Feb-15
HFRX Event Driven Index	*0.3%*	*-4.5%*	*-2.8%*	*1.2%*	*1.4%*	*6.5%*	*11.1%*	*-6.9%*	*-4.1%*	*13.9%*	*1.9%*	*Feb-15*

NOTE: Returns are gross of fees.

UFCW Union & Participating Employers Pension Fund - EnTrust Special Opportunities Fund III, Ltd.

Correspondence/Transfer Summary

- Manager was hired for a $5.0 million mandate. Commitment is fully funded.
- Capital calls were satisfied from the cash reserve account on: 2/11/15 ($114,412), 2/20/15 ($175,717), 3/18/15 ($175,000), 4/10/15 ($99,994), 7/1/15 ($204,762), 8/03/15 ($299,039), 11/03/15 ($255,199), 12/17/15 ($151,134), 2/5/16 ($200,667), 3/17/16 ($392,779), 7/1/16 ($421,992), 10/7/16 ($183,558), 2/22/17 ($293,337), 4/21/17 ($523,943), 7/14/17 ($189,701), 8/4/17 ($333,167), 8/25/17 ($173,568) 9/25/17 ($301,044), 11/17/17 ($202,830), 12/14/17 ($260,381) and 2/21/18 ($47,776).

Manager Summary

- IPS conducted due diligence meetings with EnTrustPermal on January 21, 2016, June 23, 2016 (on-site), February 21, 2017 (on-site) and May 31, 2018.

Recommendation: None.

Compliance Summary

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, the manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines.

Items of Interest: Form ADV – The Manager stated that Form ADVs were amended as part of their annual update. **Legal** - The Manager stated that there has been no investment-related or other material litigation or legal proceedings involving EnTrustPermal ("EP") or any of its employees, although from time to time employees may be involved in litigation in their personal capacity and EP may be involved in lawsuits of a commercial nature involving vendors, employees, or otherwise. As a large asset management firm, EnTrustPermal ("EP"), from time to time, provides information to various government agencies and regulators in response to information requests, document requests, subpoenas, or requests for interviews. On June 4, 2018, Legg Mason announced it had entered into a settlement with the U.S. Department of Justice resolving a Foreign Corrupt Practices Act matter relating to Legg Mason's former Permal business. Legg Mason has also publicly disclosed that it expects to enter into a settlement of the same matter with the U.S. Securities and Exchange Commission within the next month or so. The aggregate resolutions will, as Legg Mason has previously disclosed, be no more than approximately $71 Million. Legg Mason has already accrued those matters. The resolution does not relate to any ongoing business activities of EnTrustPermal.

Account Information	
Account Name	**EnTrust Special Opportunities Fund IV, Ltd Class A**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**3/01/18**
Account Type	**Fund of Funds**
Benchmark	**HFRX Event Driven Index**
Universe	

EnTrust Special Opportunities Fund IV, Ltd Class A

Ending June 30, 2018

	Second Quarter	**Inception 3/1/18**
Beginning Market Value	$302,443	$0
Net Cash Flow	$720,003	$1,022,503
Net Investment Change	$0	-$57
Ending Market Value	$1,022,446	$1,022,446

Market value is as of 3/31/18.

	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	Calendar Years 2017	2016	2015	2014	2013	Inception	Inception Date
EnTrust Special Opportunities Fund IV, Ltd Class A	0.0%	--	--	--	--	--	--	--	--	--	-0.1%	Mar-18
HFRX Event Driven Index	*0.3%*	*-4.5%*	*-2.8%*	*1.2%*	*1.4%*	*6.5%*	*11.1%*	*-6.9%*	*-4.1%*	*13.9%*	*-1.8%*	*Mar-18*

UFCW Union & Participating Employers Pension Fund - EnTrust Special Opportunities Fund IV, Ltd.

Correspondence/Transfer Summary

- Manager was hired for a $5.0 million mandate. Unfunded commitment is $3,665,655 as of 8/9/18.
- On the following dates capital calls were satisfied from the cash account: 3/27/18 ($302,500), 4/13/18 ($350,000), 6/14/18 ($138,160), 6/21/18 ($231,843), 8/9/18 ($311,842).

Manager Summary

- IPS conducted due diligence meetings with EnTrustPermal on January 21, 2016, June 23, 2016 (on-site), February 21, 2017 (on-site) and May 31, 2018.

Recommendation: None.

Compliance Summary

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, the manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines.

Items of Interest: Form ADV – The Manager stated that Form ADVs were amended as part of their annual update. **Legal** - The Manager stated that there has been no investment-related or other material litigation or legal proceedings involving EnTrustPermal ("EP") or any of its employees, although from time to time employees may be involved in litigation in their personal capacity and EP may be involved in lawsuits of a commercial nature involving vendors, employees, or otherwise. As a large asset management firm, EnTrustPermal ("EP"), from time to time, provides information to various government agencies and regulators in response to information requests, document requests, subpoenas, or requests for interviews. On June 4, 2018, Legg Mason announced it had entered into a settlement with the U.S. Department of Justice resolving a Foreign Corrupt Practices Act matter relating to Legg Mason's former Permal business. Legg Mason has also publicly disclosed that it expects to enter into a settlement of the same matter with the U.S. Securities and Exchange Commission within the next month or so. The aggregate resolutions will, as Legg Mason has previously disclosed, be no more than approximately $71 Million. Legg Mason has already accrued those matters. The resolution does not relate to any ongoing business activities of EnTrustPermal.

Account Information	
Account Name	**Corbin ERISA Opportunity Fund, L.P.**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**2/01/17**
Account Type	**Other**
Benchmark	
Universe	

Corbin ERISA Opportunity Fund, L.P.

Ending June 30, 2018

	Second Quarter	**Inception 2/1/17**
Beginning Market Value	$11,967,381	$0
Net Cash Flow	$0	$11,000,000
Net Investment Change	$228,850	$1,196,231
Ending Market Value	$12,196,231	$12,196,231

	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	Calendar Years 2017	2016	2015	2014	2013	Inception	Inception Date
Corbin ERISA Opportunity Fund, L.P.	2.1%	4.0%	9.1%	--	--	--	--	--	--	--	8.6%	Feb-17
ICE BofAML US High Yield TR	*1.0%*	*0.1%*	*2.5%*	*5.5%*	*5.5%*	*7.5%*	*17.5%*	*-4.6%*	*2.5%*	*7.4%*	*4.3%*	*Feb-17*
Target Return Objective	*1.9%*	*3.9%*	*8.0%*	--	--	*8.0%*	*8.0%*	--	--	--	*8.0%*	*Feb-17*

*The investment manager's long-term net target return objective is 8-10%. An 8% objective is shown for comparison purposes.

UFCW Union & Participating Employers Pension Fund - Corbin ERISA Opportunity Fund, L.P.

Correspondence/Transfer Summary

- Manager was hired for a $8.5 million mandate.
- On February 1, 2017, manager was funded with $8.5 million from EnTrust Diversified ($5,378,756), American Realty ($2.5M), and the cash account ($621,244).
- On May 1, 2017, an additional subscription amount of $2.5M was satisfied from Wedge ($1.0M) and Winslow ($1.5M).

Manager Summary

- IPS conducted due diligence meetings with Corbin Capital on January 6, 2016, November 17, 2016, October 19, 2017 and April 17, 2018 (on-site).

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 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 guidelines.

Items of Interest: Personnel Changes – The manager stated Zachary Badar, Credit Analyst, joined the firm in April 2018, and Shryan Appalaraju, Quantitative Investment Analyst, joined the firm in June 2018.

Account Information	
Account Name	**Hamilton Lane Secondary Feeder Fund IV-A LP**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**7/01/17**
Account Type	**Private Equity**
Benchmark	
Universe	

Hamilton Lane Secondary Feeder Fund IV-A LP

Ending June 30, 2018

	Second Quarter	Inception 7/1/17
Beginning Market Value	$2,141,767	$0
Net Cash Flow	$844,907	$2,467,446
Net Investment Change	$0	$519,228
Ending Market Value	$2,986,674	$2,986,674

Note: Hamilton Lane Secondary Fund IV LP market value is as of 3/31/2018. Total fund return includes gains and losses of Hamilton Lane Secondary Fund IV LP. All returns, values, contributions, and distributions are provided by Hamilton Lane and cannot be verified by IPS. Hamilton Lane-Carpenters Secondary Fund IV reported since inception of the fund through 3/31/18 Net Internal Rate of Return is 69% and Gross Internal Rate of Return is 40%. Returns are net of fees.

						Calendar Years						
	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	2017	2016	2015	2014	2013	Inception	Inception Date
Hamilton Lane Secondary Feeder Fund IV-A LP	0.0%	9.8%	67.8%	--	--	--	--	--	--	--	67.8%	Jul-17

UFCW Union & Participating Employers Pension Fund - Hamilton Lane Secondary Feeder Fund IV-A LP

Correspondence/Transfer Summary

- Manager was hired for a $7.5 million mandate. Unfunded commitment is $4,602,002 as of 6/30/18.
- On July 7, 2017, a capital call for $532,510 was satisfied from the cash reserve account.
- On December 8, 2017, a capital call for $600,166 was satisfied from Wedge Capital (large cap equity).
- On March 8, 2018, a capital call for $920,336 was satisfied from the cash account.
- In March 2018, $430,473 was distributed to the cash account.
- On June 21, 2018, a capital call for $844,907 was satisfied from the cash account.

Manager Summary

- IPS conducted due diligence meetings with Hamilton Lane on November 13, 2017 and May 24, 2018.
- On February 1, 2017, Hamilton Lane announced they filed a registration statement with the SEC to become a public company traded on the NASDAQ stock exchange. On March 1, 2017, Hamilton Lane began trading on the Nasdaq Stock Exchange.

The investment is illiquid.

Compliance Summary

Manager stated with regard to Hamilton Lane Secondary Fund IV, L.P., the investment in the fund is governed by the Limited Partnership Agreement of the fund; the fund is currently, and has been during the past quarter, in compliance in all material respects with such agreement. 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 guidelines.

Items of Interest: Personnel Changes – Brian Gildea was named Head of Investments in April 2018. In this capacity, Brian will oversee all of the managers' investment areas. **Ownership Changes -** Prior to 2003, Hamilton Lane was majority owned by its founders, and over time transitioned to broad employee equity ownership. The manager recently conducted their initial public offering and their Class A common stock is listed on NASDAQ. The management team, senior employees, and outside investors who owned the company prior to the IPO, continue to own approximately 75% of the Company as of March 1, 2017. Through the corporate structure, they control all decisions made going forward. Following the IPO, substantially all of the employees hold equity interests in the company. **Compliance -** In the March 31, 2018 checklist the manager responded N/A to the following questions and referenced Schedule I, Number 1 which states the Fund is governed by the Limited Partnership Agreement of the fund (see above for statement from Schedule 1): Part A Question 4. Do you see a need for a change in the Fund's current investment policy statement under which you are working? Part B Question 7. Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement? Part B Question 8. Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement? **Form ADV –** The manager filed their annual Form ADV on June 28, 2018 and it was sent to Clients on July 3, 2018.

Account Information	
Account Name	**Cash Reserves Account**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**4/01/08**
Account Type	**Cash**
Benchmark	**91 Day T-Bills**
Universe	

Cash Reserves Account

Ending June 30, 2018

	Second Quarter	**Inception 4/1/08**
Beginning Market Value	$979,710	$78,021
Net Cash Flow	-$485,904	$276,910
Net Investment Change	$2,008	$140,882
Ending Market Value	$495,813	$495,813

	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	Calendar Years 2017	2016	2015	2014	2013	Inception	Inception Date
Cash Reserves Account	1.1%	1.3%	3.5%	1.6%	1.0%	2.5%	1.0%	0.0%	0.1%	0.0%	0.8%	Apr-08
91 Day T-Bills	*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*0.9%*	*0.3%*	*0.0%*	*0.0%*	*0.0%*	*0.3%*	*Apr-08*

Compliance Summary

This is a money market account and is not monitored for compliance by IPS.

Commission Recapture Provider

- Cowen Execution Services, LLC.
- On April 3, 2017, Cowen Group announced the signing of a definitive agreement to acquire ConvergEx Group. IPS contacted John Seyler at ConvergEx to discuss the transaction. Per ConvergEx, there will be no impact to existing ConvergEx clients and a consent to assignment is not required. The transaction closed on June 1, 2017. Following the acquisition, the name changed to Cowen Execution Services, LLC.
- Your Fund's commission recapture provider, ConvergEx Group, was recently purchased by Cowen, Inc. As a result of the this transaction, CovergEx's Plan Sponsor Division, renamed Cowen Execution Services, LLC, will be moved into Cowen and Company, LLC. You may have received correspondence from Cowen regarding "assignment" of your current agreement with Cowen Execution Services to Cowen and Company . IPS has been in contact with Cowen and recommends that you agree to the assignment. The notice sent by Cowen is structured as a negative consent; therefore, agreeing to the assignment requires no action.
- IPS has evaluated the benefits of ongoing participation in a commission recapture program and suggests Funds continue to participate in them. The IPS investment committee is currently working on a process to potentially enhance the managers' utilization of these programs. When the work is complete, additional information will be communicated to clients.

Custody Bank

- PNC Bank.

Investment Policy Statement

- Investment policy statement was adopted and signed on August 14, 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.

UFCW Unions and Participating Employers Pension Fund

Appendix

Performance Summary (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending June 30, 2018 2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Composite	**$119,288,363**	**100.0%**	**1.6%**	**2.1%**	**9.2%**	**6.7%**	**8.5%**	**7.9%**
Benchmark			*2.2%*	*1.5%*	*8.2%*	*7.4%*	*8.7%*	*8.4%*
Total Domestic Equity	**$39,569,364**	**33.2%**	**2.7%**	**2.6%**	**14.5%**	**9.7%**	**12.6%**	**11.8%**
S&P 500			*3.4%*	*2.6%*	*14.4%*	*11.9%*	*13.4%*	*13.2%*
Westfield Capital Management	$6,940,439	5.8%	5.4%	8.4%	21.4%	13.6%	15.5%	13.4%
Russell 1000 Growth			*5.8%*	*7.3%*	*22.5%*	*15.0%*	*16.4%*	*14.9%*
Wedge Capital Management	$13,850,389	11.6%	0.0%	-1.4%	12.0%	9.1%	12.1%	11.4%
Russell 1000 Value			*1.2%*	*-1.7%*	*6.8%*	*8.3%*	*10.3%*	*11.3%*
Loomis Sayles CIT Small Mid-Cap Core	$12,214,669	10.2%	2.5%	1.3%	10.4%	6.6%	9.9%	10.5%
Russell 2500			*5.7%*	*5.5%*	*16.2%*	*10.3%*	*12.3%*	*11.9%*
Northern Trust Collective Russell 1000 Growth Index Fund	$6,563,866	5.5%	5.7%	7.2%	--	--	--	--
Russell 1000 Growth			*5.8%*	*7.3%*	--	--	--	--
Total International Equity	**$10,857,516**	**9.1%**	**-0.4%**	**0.6%**	**14.1%**	**9.4%**	**10.0%**	**7.4%**
MSCI EAFE			*-1.2%*	*-2.7%*	*6.8%*	*4.9%*	*6.4%*	*4.9%*
Hardman Johnston International Equity Group Trust	$10,857,516	9.1%	-0.4%	0.6%	14.1%	9.4%	10.0%	7.4%
MSCI EAFE			*-1.2%*	*-2.7%*	*6.8%*	*4.9%*	*6.4%*	*4.9%*
Total Investment Grade Fixed Income	**$4,929,675**	**4.1%**	**0.1%**	**-1.0%**	**-0.5%**	**1.2%**	**1.6%**	**2.0%**
BBgBarc US Govt/Credit Int TR			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.6%*	*1.9%*
Segall Bryant & Hamill	$4,929,675	4.1%	0.1%	-1.0%	-0.5%	1.2%	1.6%	2.0%
BBgBarc US Govt/Credit Int TR			*0.0%*	*-1.0%*	*-0.6%*	*1.2%*	*1.6%*	*1.9%*

Performance Summary (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending June 30, 2018					
			2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Total Short Duration High Yield	**$5,098,050**	**4.3%**	**0.4%**	**0.2%**	**1.6%**	**2.7%**	**--**	**--**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*--*	*--*
Chartwell Investment Partners Short Duration High Yield	$5,098,050	4.3%	0.4%	0.2%	1.6%	2.7%	--	--
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.8%*	*0.6%*	*1.7%*	*3.8%*	*--*	*--*
Total High Yield Fixed Income	**$5,728,675**	**4.8%**	**-0.1%**	**-0.6%**	**2.0%**	**3.8%**	**4.8%**	**5.3%**
Citi BB/B Ex Split B/CCC Index			*0.6%*	*-0.5%*	*1.7%*	*3.9%*	*4.5%*	*5.5%*
Loomis Sayles CIT High Yield Conservative	$5,728,675	4.8%	-0.1%	-0.6%	2.0%	3.8%	4.8%	5.3%
Citi BB/B Ex Split B/CCC Index			*0.6%*	*-0.5%*	*1.7%*	*3.9%*	*4.5%*	*5.5%*
Total Real Estate	**$24,585,694**	**20.6%**	**2.1%**	**4.1%**	**7.8%**	**8.8%**	**10.2%**	**10.6%**
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*11.4%*
Principal RE Inv US Property	$11,419,529	9.6%	2.2%	4.1%	8.2%	9.4%	10.6%	11.2%
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*11.4%*
Boyd Watterson GSA Fund LP	$3,070,833	2.6%	2.3%	4.3%	8.3%	--	--	--
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*--*	*--*	*--*
American Core Realty Fund, LLC	$7,014,730	5.9%	1.8%	3.8%	7.0%	7.6%	9.3%	9.7%
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*9.6%*	*11.1%*	*11.4%*
Sentinel Real Estate Corp	$3,080,601	2.6%	2.1%	4.0%	7.4%	--	--	--
NCREIF ODCE Equal Weighted Index			*2.1%*	*4.3%*	*8.5%*	*--*	*--*	*--*

Performance Summary (Net of Fees) - Annualized

			Ending June 30, 2018					
	Market Value	% of Portfolio	2018 Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Total Hedge Fund of Funds	**$6,317,804**	**5.3%**	**1.1%**	**-0.1%**	**-0.1%**	**-2.6%**	**0.2%**	**0.9%**
HFRI Fund of Funds Composite Index			*0.4%*	*0.7%*	*5.1%*	*1.9%*	*3.5%*	*2.8%*
EnTrust Capital Diversified Fund QP Ltd.	$5,845,968	4.9%	1.3%	0.0%	0.2%	-2.5%	0.3%	1.0%
HFRI Fund of Funds Composite Index			*0.4%*	*0.7%*	*5.1%*	*1.9%*	*3.5%*	*2.8%*
EnTrust Captial Diversified Fund QP LTD Class X	$471,836	0.4%						
Total Fund Opportunistic	**$18,719,099**	**15.7%**	**1.3%**	**1.8%**	**5.4%**	**9.2%**	**--**	**--**
HFRX Event Driven Index			*0.3%*	*-4.5%*	*-2.8%*	*1.2%*	*--*	*--*
EnTrust Special Opportunities Fund III, Ltd	$5,500,422	4.6%	0.0%	-1.8%	-0.5%	6.9%	--	--
HFRX Event Driven Index			*0.3%*	*-4.5%*	*-2.8%*	*1.2%*	*--*	*--*
EnTrust Special Opportunities Fund IV, Ltd Class A	$1,022,446	0.9%	0.0%	--	--	--	--	--
HFRX Event Driven Index			*0.3%*	*--*	*--*	*--*	*--*	*--*
Corbin ERISA Opportunity Fund, L.P.	$12,196,231	10.2%	1.9%	3.5%	8.2%	--	--	--
Total Private Equity	**$2,986,674**	**2.5%**	**0.0%**	**9.8%**	**67.8%**	**--**	**--**	**--**
Russell 2000			*7.8%*	*7.7%*	*17.6%*	*--*	*--*	*--*
Hamilton Lane Secondary Feeder Fund IV-A LP	$2,986,674	2.5%	0.0%	9.8%	67.8%	--	--	--
Total Cash	**$495,813**	**0.4%**	**1.1%**	**1.3%**	**3.5%**	**1.6%**	**1.0%**	**0.7%**
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*0.3%*
Cash Reserves Account	$495,813	0.4%	1.1%	1.3%	3.5%	1.6%	1.0%	0.7%
91 Day T-Bills			*0.5%*	*0.8%*	*1.4%*	*0.7%*	*0.4%*	*0.3%*

Performance Summary (Net of Fees) - Fiscal Year

	Fiscal Year Ends December 31									
	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
Composite	**2.1%**	**14.8%**	**6.1%**	**1.4%**	**6.4%**	**18.7%**	**13.2%**	**-1.2%**	**13.6%**	**16.9%**
Benchmark	*1.5%*	*13.4%*	*8.9%*	*2.2%*	*7.1%*	*18.1%*	*12.4%*	*1.2%*	*13.0%*	*13.6%*
Total Domestic Equity	**2.6%**	**23.5%**	**8.1%**	**0.3%**	**10.2%**	**35.6%**	**16.7%**	**-2.2%**	**17.7%**	**23.1%**
S&P 500	*2.6%*	*21.8%*	*12.0%*	*1.4%*	*13.7%*	*32.4%*	*16.0%*	*2.1%*	*15.1%*	*26.5%*
Westfield Capital Management	8.4%	30.8%	3.3%	2.8%	11.8%	37.4%	17.3%	-8.2%	--	--
Russell 1000 Growth	*7.3%*	*30.2%*	*7.1%*	*5.7%*	*13.0%*	*33.5%*	*15.3%*	*2.6%*	--	--
Wedge Capital Management	-1.4%	21.1%	13.3%	-0.5%	11.9%	34.8%	14.5%	1.1%	17.2%	25.2%
Russell 1000 Value	*-1.7%*	*13.7%*	*17.3%*	*-3.8%*	*13.5%*	*32.5%*	*17.5%*	*0.4%*	*15.5%*	*19.7%*
Loomis Sayles CIT Small Mid-Cap Core	1.3%	17.2%	11.8%	-4.2%	6.9%	35.1%	21.7%	--	--	--
Russell 2500	*5.5%*	*16.8%*	*17.6%*	*-2.9%*	*7.1%*	*36.8%*	*17.9%*	--	--	--
Northern Trust Collective Russell 1000 Growth Index Fund	7.2%	--	--	--	--	--	--	--	--	--
Russell 1000 Growth	*7.3%*	--	--	--	--	--	--	--	--	--
Total International Equity	**0.6%**	**37.5%**	**1.0%**	**-0.4%**	**0.1%**	**17.0%**	**15.5%**	**-8.5%**	**2.0%**	**25.4%**
MSCI EAFE	*-2.7%*	*25.0%*	*1.0%*	*-0.8%*	*-4.9%*	*22.8%*	*17.3%*	*-12.1%*	*7.8%*	*31.8%*
Hardman Johnston International Equity Group Trust	0.6%	37.5%	1.0%	-0.4%	0.1%	17.0%	15.5%	-8.5%	--	--
MSCI EAFE	*-2.7%*	*25.0%*	*1.0%*	*-0.8%*	*-4.9%*	*22.8%*	*17.3%*	*-12.1%*	--	--
Total Investment Grade Fixed Income	**-1.0%**	**2.1%**	**1.9%**	**1.2%**	**3.3%**	**-1.2%**	**4.1%**	**6.6%**	**5.9%**	**6.9%**
BBgBarc US Govt/Credit Int TR	*-1.0%*	*2.1%*	*2.1%*	*1.1%*	*3.1%*	*-0.9%*	*3.9%*	*5.8%*	*5.9%*	*5.2%*
Segall Bryant & Hamill	-1.0%	2.1%	1.9%	1.2%	3.3%	-1.2%	4.1%	6.6%	5.9%	6.9%
BBgBarc US Govt/Credit Int TR	*-1.0%*	*2.1%*	*2.1%*	*1.1%*	*3.1%*	*-0.9%*	*3.9%*	*5.8%*	*5.9%*	*5.2%*

Performance Summary (Net of Fees) - Fiscal Year

	Fiscal Year Ends December 31									
	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Short Duration High Yield	**0.2%**	**3.4%**	**6.4%**	**-0.4%**	**--**	**--**	**--**	**--**	**--**	**--**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	*0.6%*	*3.6%*	*8.5%*	*1.2%*	*--*	*--*	*--*	*--*	*--*	*--*
Chartwell Investment Partners Short Duration High Yield	0.2%	3.4%	6.4%	-0.4%	--	--	--	--	--	--
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	*0.6%*	*3.6%*	*8.5%*	*1.2%*	*--*	*--*	*--*	*--*	*--*	*--*
Total High Yield Fixed Income	**-0.6%**	**8.3%**	**12.4%**	**-4.7%**	**4.2%**	**5.6%**	**21.1%**	**-1.0%**	**16.4%**	**52.2%**
Citi BB/B Ex Split B/CCC Index	*-0.5%*	*6.4%*	*13.1%*	*-3.8%*	*2.8%*	*5.5%*	*14.0%*	*6.8%*	*13.4%*	*36.4%*
Loomis Sayles CIT High Yield Conservative	-0.6%	8.3%	12.4%	-4.7%	4.2%	5.6%	21.1%	-1.0%	16.4%	52.2%
Citi BB/B Ex Split B/CCC Index	*-0.5%*	*6.4%*	*13.1%*	*-3.8%*	*2.8%*	*5.5%*	*14.0%*	*6.8%*	*13.4%*	*36.4%*
Total Real Estate	**4.1%**	**7.5%**	**7.9%**	**14.2%**	**11.7%**	**12.4%**	**10.9%**	**14.7%**	**12.3%**	**-30.9%**
NCREIF ODCE Equal Weighted Index	*4.3%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*	*16.0%*	*16.1%*	*-30.7%*
Principal RE Inv US Property	4.1%	8.0%	8.9%	13.4%	12.6%	13.4%	11.5%	15.4%	16.0%	-31.6%
NCREIF ODCE Equal Weighted Index	*4.3%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*	*16.0%*	*16.1%*	*-30.7%*
Boyd Watterson GSA Fund LP	4.3%	7.5%	--	--	--	--	--	--	--	--
NCREIF ODCE Equal Weighted Index	*4.3%*	*7.8%*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
American Core Realty Fund, LLC	3.8%	6.9%	5.9%	14.1%	10.4%	11.1%	10.1%	13.8%	10.1%	-30.8%
NCREIF ODCE Equal Weighted Index	*4.3%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*	*16.0%*	*16.1%*	*-30.7%*
Sentinel Real Estate Corp	4.0%	6.5%	7.9%	--	--	--	--	--	--	--
NCREIF ODCE Equal Weighted Index	*4.3%*	*7.8%*	*9.3%*	*--*	*--*	*--*	*--*	*--*	*--*	*--*

Performance Summary (Net of Fees) - Fiscal Year

	Fiscal Year Ends December 31									
	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Hedge Fund of Funds	**-0.1%**	**1.6%**	**-1.2%**	**-7.4%**	**1.8%**	**10.9%**	**7.4%**	**-4.8%**	**10.9%**	**33.6%**
HFRI Fund of Funds Composite Index	*0.7%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*	*11.5%*
EnTrust Capital Diversified Fund QP Ltd.	0.0%	2.0%	-1.2%	-7.4%	1.8%	10.9%	7.4%	-4.8%	10.9%	34.5%
HFRI Fund of Funds Composite Index	*0.7%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*	*11.5%*
EnTrust Captial Diversified Fund QP LTD Class X										
Total Fund Opportunistic	**1.8%**	**8.1%**	**14.4%**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
HFRX Event Driven Index	*-4.5%*	*6.5%*	*11.1%*	--	--	--	--	--	--	--
EnTrust Special Opportunities Fund III, Ltd	-1.8%	5.2%	14.4%	--	--	--	--	--	--	--
HFRX Event Driven Index	*-4.5%*	*6.5%*	*11.1%*	--	--	--	--	--	--	--
EnTrust Special Opportunities Fund IV, Ltd Class A	--	--	--	--	--	--	--	--	--	--
HFRX Event Driven Index	--	--	--	--	--	--	--	--	--	--
Corbin ERISA Opportunity Fund, L.P.	3.5%	--	--	--	--	--	--	--	--	--
Total Private Equity	**9.8%**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Russell 2000	*7.7%*	--	--	--	--	--	--	--	--	--
Hamilton Lane Secondary Feeder Fund IV-A LP	9.8%	--	--	--	--	--	--	--	--	--
Total Cash	**1.3%**	**2.5%**	**1.0%**	**0.0%**	**0.1%**	**0.0%**	**0.1%**	**0.3%**	**0.1%**	**0.5%**
91 Day T-Bills	*0.8%*	*0.9%*	*0.3%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*0.0%*	*0.1%*	*0.1%*
Cash Reserves Account	1.3%	2.5%	1.0%	0.0%	0.1%	0.0%	0.1%	0.3%	0.1%	0.5%
91 Day T-Bills	*0.8%*	*0.9%*	*0.3%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*0.0%*	*0.1%*	*0.1%*

Performance Summary (Gross of Fees) - Fiscal Year

	Fiscal Years Ends December 31													
	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	Inception	Inception Date
Composite	**2.5%**	**15.7%**	**7.0%**	**2.2%**	**7.2%**	**19.7%**	**14.1%**	**-0.4%**	**14.4%**	**17.4%**	**-24.5%**	**8.7%**	**8.3%**	**Oct-87**
Benchmark	*1.5%*	*13.4%*	*8.9%*	*2.2%*	*7.1%*	*18.1%*	*12.4%*	*1.2%*	*13.0%*	*13.6%*	*-25.4%*	*8.1%*	*8.5%*	*Oct-87*
Total Domestic Equity	**2.9%**	**24.3%**	**8.8%**	**0.9%**	**10.9%**	**36.5%**	**17.4%**	**-1.6%**	**18.5%**	**23.4%**	**-38.7%**	**10.2%**	**8.5%**	**Jan-96**
S&P 500	*2.6%*	*21.8%*	*12.0%*	*1.4%*	*13.7%*	*32.4%*	*16.0%*	*2.1%*	*15.1%*	*26.5%*	*-37.0%*	*5.5%*	*8.9%*	*Jan-96*
Westfield Capital Management	8.7%	31.7%	3.9%	3.5%	12.5%	38.3%	18.0%	-7.6%	--	--	--	--	16.7%	Jun-10
Russell 1000 Growth	*7.3%*	*30.2%*	*7.1%*	*5.7%*	*13.0%*	*33.5%*	*15.3%*	*2.6%*	*16.7%*	*37.2%*	*-38.4%*	*11.8%*	*17.2%*	*Jun-10*
Wedge Capital Management	-1.2%	21.7%	13.9%	0.0%	12.5%	35.5%	15.1%	1.6%	17.7%	25.8%	-39.6%	5.2%	8.6%	Jul-05
Russell 1000 Value	*-1.7%*	*13.7%*	*17.3%*	*-3.8%*	*13.5%*	*32.5%*	*17.5%*	*0.4%*	*15.5%*	*19.7%*	*-36.8%*	*-0.2%*	*7.3%*	*Jul-05*
Loomis Sayles CIT Small Mid-Cap Core	1.7%	18.1%	12.6%	-3.5%	7.7%	36.1%	22.6%	--	--	--	--	--	11.1%	Apr-11
Russell 2500	*5.5%*	*16.8%*	*17.6%*	*-2.9%*	*7.1%*	*36.8%*	*17.9%*	*-2.5%*	*26.7%*	*34.4%*	*-36.8%*	*1.4%*	*11.3%*	*Apr-11*
Northern Trust Collective Russell 1000 Growth Index Fund	7.2%	--	--	--	--	--	--	--	--	--	--	--	7.2%	Dec-17
Russell 1000 Growth	*7.3%*	*30.2%*	*7.1%*	*5.7%*	*13.0%*	*33.5%*	*15.3%*	*2.6%*	*16.7%*	*37.2%*	*-38.4%*	*11.8%*	*7.3%*	*Dec-17*
Total International Equity	**1.0%**	**38.4%**	**1.7%**	**0.3%**	**0.9%**	**18.0%**	**16.3%**	**-7.9%**	**2.6%**	**26.0%**	**-46.3%**	**3.7%**	**4.9%**	**Jan-99**
MSCI EAFE	*-2.7%*	*25.0%*	*1.0%*	*-0.8%*	*-4.9%*	*22.8%*	*17.3%*	*-12.1%*	*7.8%*	*31.8%*	*-43.4%*	*11.2%*	*4.3%*	*Jan-99*
Hardman Johnston International Equity Group Trust	1.0%	38.4%	1.7%	0.3%	0.9%	18.0%	16.3%	-7.9%	--	--	--	--	8.3%	May-10
MSCI EAFE	*-2.7%*	*25.0%*	*1.0%*	*-0.8%*	*-4.9%*	*22.8%*	*17.3%*	*-12.1%*	*7.8%*	*31.8%*	*-43.4%*	*11.2%*	*5.9%*	*May-10*
Total Investment Grade Fixed Income	**-0.9%**	**2.3%**	**2.1%**	**1.4%**	**3.5%**	**-1.1%**	**4.3%**	**6.9%**	**6.1%**	**7.2%**	**0.8%**	**--**	**3.1%**	**Jan-08**
BBgBarc US Govt/Credit Int TR	*-1.0%*	*2.1%*	*2.1%*	*1.1%*	*3.1%*	*-0.9%*	*3.9%*	*5.8%*	*5.9%*	*5.2%*	*5.1%*	*7.4%*	*3.1%*	*Jan-08*
Segall Bryant & Hamill	-0.9%	2.3%	2.1%	1.4%	3.5%	-1.1%	4.3%	6.9%	6.1%	7.2%	0.6%	7.8%	3.5%	Jan-07
BBgBarc US Govt/Credit Int TR	*-1.0%*	*2.1%*	*2.1%*	*1.1%*	*3.1%*	*-0.9%*	*3.9%*	*5.8%*	*5.9%*	*5.2%*	*5.1%*	*7.4%*	*3.4%*	*Jan-07*

Performance Summary (Gross of Fees) - Fiscal Year

	Fiscal Years Ends December 31													
	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	Inception	Inception Date
Total Short Duration High Yield	**0.5%**	**3.9%**	**6.9%**	**0.1%**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**2.6%**	**May-14**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	*0.6%*	*3.6%*	*8.5%*	*1.2%*	*1.9%*	*5.5%*	*10.2%*	*4.4%*	*11.7%*	*36.1%*	*-14.0%*	*3.9%*	*3.4%*	*May-14*
Chartwell Investment Partners Short Duration High Yield	0.5%	3.9%	6.9%	0.1%	--	--	--	--	--	--	--	--	2.6%	May-14
BofA ML - U.S. HY Cash Pay 1-3 Yr BB	*0.6%*	*3.6%*	*8.5%*	*1.2%*	*1.9%*	*5.5%*	*10.2%*	*4.4%*	*11.7%*	*36.1%*	*-14.0%*	*3.9%*	*3.4%*	*May-14*
Total High Yield Fixed Income	**-0.3%**	**9.0%**	**13.1%**	**-4.1%**	**4.8%**	**6.3%**	**21.8%**	**-0.4%**	**17.0%**	**53.1%**	**--**	**--**	**10.1%**	**Oct-08**
Citi BB/B Ex Split B/CCC Index	*-0.5%*	*6.4%*	*13.1%*	*-3.8%*	*2.8%*	*5.5%*	*14.0%*	*6.8%*	*13.4%*	*36.4%*	*-23.0%*	*2.6%*	*7.3%*	*Oct-08*
Loomis Sayles CIT High Yield Conservative	-0.3%	9.0%	13.1%	-4.1%	4.8%	6.3%	21.8%	-0.4%	17.0%	53.1%	--	--	10.1%	Oct-08
Citi BB/B Ex Split B/CCC Index	*-0.5%*	*6.4%*	*13.1%*	*-3.8%*	*2.8%*	*5.5%*	*14.0%*	*6.8%*	*13.4%*	*36.4%*	*-23.0%*	*2.6%*	*7.3%*	*Oct-08*
Total Real Estate	**4.6%**	**8.6%**	**9.0%**	**15.4%**	**12.9%**	**13.7%**	**12.1%**	**16.0%**	**13.5%**	**-30.5%**	**-8.5%**	**15.4%**	**7.5%**	**Jul-04**
NCREIF ODCE Equal Weighted Index	*4.3%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*	*16.0%*	*16.1%*	*-30.7%*	*-10.4%*	*16.1%*	*7.9%*	*Jul-04*
Principal RE Inv US Property	4.7%	9.2%	10.1%	14.7%	13.9%	14.6%	12.8%	16.7%	17.3%	-30.8%	-12.2%	14.7%	6.3%	Jan-07
NCREIF ODCE Equal Weighted Index	*4.3%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*	*16.0%*	*16.1%*	*-30.7%*	*-10.4%*	*16.1%*	*6.0%*	*Jan-07*
Boyd Watterson GSA Fund LP	5.0%	8.9%	--	--	--	--	--	--	--	--	--	--	10.2%	Feb-16
NCREIF ODCE Equal Weighted Index	*4.3%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*	*16.0%*	*16.1%*	*-30.7%*	*-10.4%*	*16.1%*	*8.9%*	*Feb-16*
American Core Realty Fund, LLC	4.4%	8.1%	7.1%	15.4%	11.6%	12.4%	11.3%	15.1%	11.2%	-30.0%	-5.3%	17.3%	7.5%	Jul-04
NCREIF ODCE Equal Weighted Index	*4.3%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*	*16.0%*	*16.1%*	*-30.7%*	*-10.4%*	*16.1%*	*7.9%*	*Jul-04*
Sentinel Real Estate Corp	4.5%	7.6%	8.9%	--	--	--	--	--	--	--	--	--	8.4%	Dec-15
NCREIF ODCE Equal Weighted Index	*4.3%*	*7.8%*	*9.3%*	*15.2%*	*12.4%*	*13.3%*	*11.0%*	*16.0%*	*16.1%*	*-30.7%*	*-10.4%*	*16.1%*	*8.6%*	*Dec-15*

Performance Summary (Gross of Fees) - Fiscal Year

	Fiscal Years Ends December 31													
	YTD	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	Inception	Inception Date
Total Hedge Fund of Funds	**0.5%**	**2.8%**	**0.1%**	**-6.2%**	**3.2%**	**12.4%**	**8.7%**	**-3.5%**	**12.5%**	**34.5%**	**-16.5%**	**1.7%**	**4.0%**	**Jul-06**
HFRI Fund of Funds Composite Index	*0.7%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*	*11.5%*	*-21.4%*	*10.3%*	*2.3%*	*Jul-06*
EnTrust Capital Diversified Fund QP Ltd.	0.6%	3.3%	0.1%	-6.2%	3.2%	12.4%	8.7%	-3.5%	12.5%	36.9%	--	--	4.7%	Oct-08
HFRI Fund of Funds Composite Index	*0.7%*	*7.8%*	*0.5%*	*-0.3%*	*3.4%*	*9.0%*	*4.8%*	*-5.7%*	*5.7%*	*11.5%*	*-21.4%*	*10.3%*	*2.6%*	*Oct-08*
EnTrust Captial Diversified Fund QP LTD Class X														
Total Fund Opportunistic	**2.1%**	**9.2%**	**16.3%**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**8.9%**	**Feb-15**
HFRX Event Driven Index	*-4.5%*	*6.5%*	*11.1%*	*-6.9%*	*-4.1%*	*13.9%*	*6.0%*	*-4.9%*	*2.0%*	*16.6%*	*-22.1%*	*4.9%*	*1.9%*	*Feb-15*
EnTrust Special Opportunities Fund III, Ltd	-3.0%	5.9%	16.3%	--	--	--	--	--	--	--	--	--	6.4%	Feb-15
HFRX Event Driven Index	*-4.5%*	*6.5%*	*11.1%*	*-6.9%*	*-4.1%*	*13.9%*	*6.0%*	*-4.9%*	*2.0%*	*16.6%*	*-22.1%*	*4.9%*	*1.9%*	*Feb-15*
EnTrust Special Opportunities Fund IV, Ltd Class A	--	--	--	--	--	--	--	--	--	--	--	--	-0.1%	Mar-18
HFRX Event Driven Index	*-4.5%*	*6.5%*	*11.1%*	*-6.9%*	*-4.1%*	*13.9%*	*6.0%*	*-4.9%*	*2.0%*	*16.6%*	*-22.1%*	*4.9%*	*-1.8%*	*Mar-18*
Corbin ERISA Opportunity Fund, L.P.	4.0%	--	--	--	--	--	--	--	--	--	--	--	8.6%	Feb-17
Total Private Equity	**9.8%**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**67.8%**	**Jul-17**
Russell 2000	*7.7%*	*14.6%*	*21.3%*	*-4.4%*	*4.9%*	*38.8%*	*16.3%*	*-4.2%*	*26.9%*	*27.2%*	*-33.8%*	*-1.6%*	*17.6%*	*Jul-17*
Hamilton Lane Secondary Feeder Fund IV-A LP	9.8%	--	--	--	--	--	--	--	--	--	--	--	67.8%	Jul-17
Total Cash	**1.3%**	**2.5%**	**1.0%**	**0.0%**	**0.1%**	**0.0%**	**0.1%**	**0.3%**	**0.1%**	**1.0%**	**--**	**--**	**0.8%**	**Mar-08**
91 Day T-Bills	*0.8%*	*0.9%*	*0.3%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*0.0%*	*0.1%*	*0.1%*	*1.3%*	*4.4%*	*0.3%*	*Mar-08*
Cash Reserves Account	1.3%	2.5%	1.0%	0.0%	0.1%	0.0%	0.1%	0.3%	0.1%	0.5%	--	--	0.8%	Apr-08
91 Day T-Bills	*0.8%*	*0.9%*	*0.3%*	*0.0%*	*0.0%*	*0.0%*	*0.1%*	*0.0%*	*0.1%*	*0.1%*	*1.3%*	*4.4%*	*0.3%*	*Apr-08*

Benchmark History
As of June 30, 2018

Composite		
1/1/2017	Present	S&P 500 22.5% / Russell 2500 10% / MSCI EAFE 7.5% / BBgBarc US Govt/Credit Int TR 5% / BofA ML - U.S. HY Cash Pay 1-3 Yr BB 5% / Citi BB/B Ex Split B/CCC Index 5% / NCREIF ODCE Equal Weighted Index 20% / HFRI Fund of Funds Composite Index 5% / 65%MSCI AC World Index/35%Barclays Aggregate 5% / HFRX Event Driven Index 15% / Russell 2000 5%
1/1/2016	12/31/2016	S&P 500 25% / Russell 2500 10% / MSCI EAFE 7.5% / BBgBarc US Govt/Credit Int TR 5% / BofA ML - U.S. HY Cash Pay 1-3 Yr BB 5% / Citi BB/B Ex Split B/CCC Index 5% / NCREIF ODCE Equal Weighted Index 20% / HFRI Fund of Funds Composite Index 12.5% / 65%MSCI AC World Index/35%Barclays Aggregate 5% / HFRX Event Driven Index 5%
10/1/2015	12/31/2015	S&P 500 25% / Russell 2500 10% / MSCI EAFE 7.5% / BBgBarc US Govt/Credit Int TR 5% / BofA ML - U.S. HY Cash Pay 1-3 Yr BB 5% / Citi BB/B Ex Split B/CCC Index 5% / NCREIF ODCE Equal Weighted Index 20% / HFRI Fund of Funds Composite Index 17.5% / 65%MSCI AC World Index/35%Barclays Aggregate 5%
5/1/2014	9/30/2015	S&P 500 25% / Russell 2500 10% / MSCI EAFE 7.5% / BBgBarc US Govt/Credit Int TR 5% / BofA ML - U.S. HY Cash Pay 1-3 Yr BB 5% / Citi BB/B Ex Split B/CCC Index 7.5% / NCREIF ODCE Equal Weighted Index 15% / HFRI Fund of Funds Composite Index 17.5% / 65%MSCI AC World Index/35%Barclays Aggregate 7.5%
5/1/2012	4/30/2014	S&P 500 25% / Russell 2500 10% / MSCI EAFE 7.5% / BBgBarc US Govt/Credit Int TR 10% / Citi BB/B Ex Split B/CCC Index 7.5% / NCREIF ODCE Equal Weighted Index 15% / HFRI Fund of Funds Composite Index 15% / 65%MSCI AC World Index/35%Barclays Aggregate 10%
4/1/2011	4/30/2012	S&P 500 25% / Russell 2500 10% / MSCI EAFE 10% / BBgBarc US Govt/Credit Int TR 10% / Citi BB/B Ex Split B/CCC Index 7.5% / NCREIF ODCE Equal Weighted Index 12.5% / HFRI Fund of Funds Composite Index 15% / 65%MSCI AC World Index/35%Barclays Aggregate 10%
1/1/2011	3/31/2011	S&P 500 25% / Russell 2000 10% / MSCI EAFE 10% / BBgBarc US Govt/Credit Int TR 10% / Citi BB/B Ex Split B/CCC Index 7.5% / NCREIF ODCE Equal Weighted Index 12.5% / HFRI Fund of Funds Composite Index 15% / 65%MSCI AC World Index/35%Barclays Aggregate 10%
4/1/2010	12/31/2010	S&P 500 30% / Russell 2000 10% / MSCI EAFE 10% / BBgBarc US Govt/Credit Int TR 15% / Citi BB/B Ex Split B/CCC Index 10% / NCREIF ODCE Equal Weighted Index 10% / HFRI Fund of Funds Composite Index 15%
10/1/2008	3/31/2010	S&P 500 30% / Russell 2000 10% / MSCI EAFE 10% / BBgBarc US Govt/Credit Int TR 15% / Citi BB/B Ex Split B/CCC Index 10% / NCREIF ODCE Equal Weighted Index 15% / HFRI Fund of Funds Composite Index 10%
4/1/2006	9/30/2008	S&P 500 30% / Russell 2000 10% / MSCI EAFE 15% / BBgBarc US Aggregate TR 20% / NCREIF ODCE Equal Weighted Index 15% / HFRI Fund of Funds Composite Index 10%
10/1/2005	3/31/2006	S&P 500 35% / Russell 2000 15% / MSCI EAFE 15% / BBgBarc US Aggregate TR 15% / BBgBarc US High Yield TR 10% / NCREIF ODCE Equal Weighted Index 10%
7/1/2005	9/30/2005	S&P 500 35% / Russell 2000 15% / MSCI EAFE 15% / BBgBarc US Aggregate TR 15% / BBgBarc US High Yield TR 10% / NCREIF Property Index 10%
1/1/1999	6/30/2005	S&P 500 35% / Russell 2000 15% / MSCI EAFE 15% / Citi Broad Investment Grade 35%
10/1/1987	12/31/1998	S&P 500 50% / Citi Broad Investment Grade 50%

Index Disclosure

- HFRI FOF – Index listed to illustrate investment style.
- HFRX Event Driven – Index listed to illustrate investment style.
- BofA Merrill Lynch US High Yield Master II TR – Index listed to illustrate investment style.
- T-Bills + 5% - Non-investable index illustrating long-term performance goal.
- Barclays Int Govt/Credit - Index listed for illustration purposes.
- Barclays 1-3 Yr BB U.S. Constrained Index- Index listed for illustration purposes.
- 60% MSCI World Index/40% Citigroup WGBI – Index listed for illustration purposes.
- MSCI ACWI ex USA – Index listed for illustration purposes.
- Income Objective Return - Index is used for illustrative purposes.
- 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.

UFCW Unions and Participating Employers Pension Fund

FOOTNOTES

- Prior to the 4th quarter 2011 report, returns for Principal were reported net of fees.
- Hedge Fund of Funds returns are based on the manager provided estimated value.
- The following composite returns prior to 1st quarter 2010 do not include cash in the calculation of returns.

  Total Domestic Equity
  Total International Equity
  Total Real Estate
  Total Hedge Fund of Funds

- The Net of Fees returns in this report are estimated. Fees do not include: the investment consulting fee paid to IPS, investment manager incentive fees, custodian fees, or other administrative costs. Net of fee calculations began 1st quarter 2003 and 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.

ERISA Pension Investment Conference

April 24 – 27, 2018

- 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.

Aberdeen Asset Management
Amalgamated Bank of Chicago
American Realty Advisors
ASB Capital Management
Atlanta Capital Management
BlackRock
Boyd Watterson
Brown Advisory
Chartwell Investment Partners
Christenson Investment Partners
Corbin Capital Partners
Corry Capital Advisors
Earnest Partners
Eaton Vance Management
EnTrustPermal
First Eagle Investment Mgmt.
Foundry Partners
Fred Alger Management
GAMCO Asset Management
GCM Grosvenor
Glouston Capital Partners
GoldenTree Asset Management
Great Lakes Advisors
Hach Rose Schirripa & Cheverie
Hamilton Lane Advisors
Hardman Johnston Global Advisors
HPS Investment Partners
Intercontinental Real Estate Corp.
Invesco Advisers, Inc.
Janus Henderson Investors
JP Morgan Asset Management
Kearney Capital LLC
Lord Abbett & Co.
LSV Asset Management
MacKay Shields
McMorgan & Company
MEPT/Bentall Kennedy
National Investment Services
Neuberger Berman
Patriot Financial Partners
PENN Capital Management
PNC Capital Advisors
Post Advisory Group
Principal Global Investors
Quantitative Management Associates
Rothschild Asset Management
Ryan Labs Asset Management
Schroders Investment Management
Segall Bryant & Hamill
Sierra Investment Partners
Smith Graham & Co.
The Boston Company
BNY Mellon Asset Management
Ullico Investment Company
Vista Underwriting Partners
Victory Capital Management
Washington Capital Management
WEDGE Capital Management
Wellington Management Company
Westfield Capital Management
William Blair & Company

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ASSET ALLOCATION
AND FUND STRUCTURE REVIEW

UFCW Unions and Participating Employers Pension Fund

August 30, 2018

INVESTMENT PERFORMANCE SERVICES, LLC

Jennifer Mink - Principal

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10 – 20 Years Annualized Expectations

Equity Asset Class	Return	Risk
U.S. Large Cap	7.00%	16.00
U.S. Mid Cap	7.25%	18.00
U.S. Smid Cap	7.38%	21.00
U.S. Small Cap	7.50%	24.00
International Large Cap	7.50%	18.00
International Small Cap	8.00%	22.00
Emerging Markets	9.50%	25.00
Global Equity	7.25%	17.50

Fixed Income Asset Class	Return	Risk
Cash Equivalents	2.00%	0.50
Short-term Gov /Credit	2.50%	2.50
Intermediate Investment Grade	3.00%	4.00
Core Investment Grade	3.25%	5.00
Mortgages	4.00%	4.00
Short Duration High Quality High Yield	5.50%	6.00
High Quality High Yield	6.00%	9.00
Multi-Sector Fixed Income	4.50%	6.00
Short Duration Global Bonds	3.50%	5.50
Core Plus Bonds	3.75%	5.80

Alternatives Asset Class	Return	Risk
Multi-Strategy Hedge Fund of Funds	4.50%	6.00
Opportunistic Strategies	8.00%	8.50
Long Short Equity Hedge Fund of Funds	5.75%	10.00
Global Tactical Asset Allocation	6.75%	12.50
Core Real Estate	7.50%	7.50
Value -Add Real Estate	8.75%	9.50
REITS	7.50%	21.00
Private Equity FOF	10.00%	16.00
Private Equity Secondaries	10.00%	14.00
Infrastructure	7.00%	13.50
Risk Parity	6.25%	16.00
Commodities	3.75%	18.50

- IPS Investment Committee May 2018.
- Inflation expectation 2.50%.
- The above chart represents an annualized return forecast for different asset classes using index returns (net of fees). These forecasts are forward-looking assumptions based on reasonable beliefs of the IPS Investment Committee, but are not a guarantee of future performance. Actual results may differ from the forecast above.
-

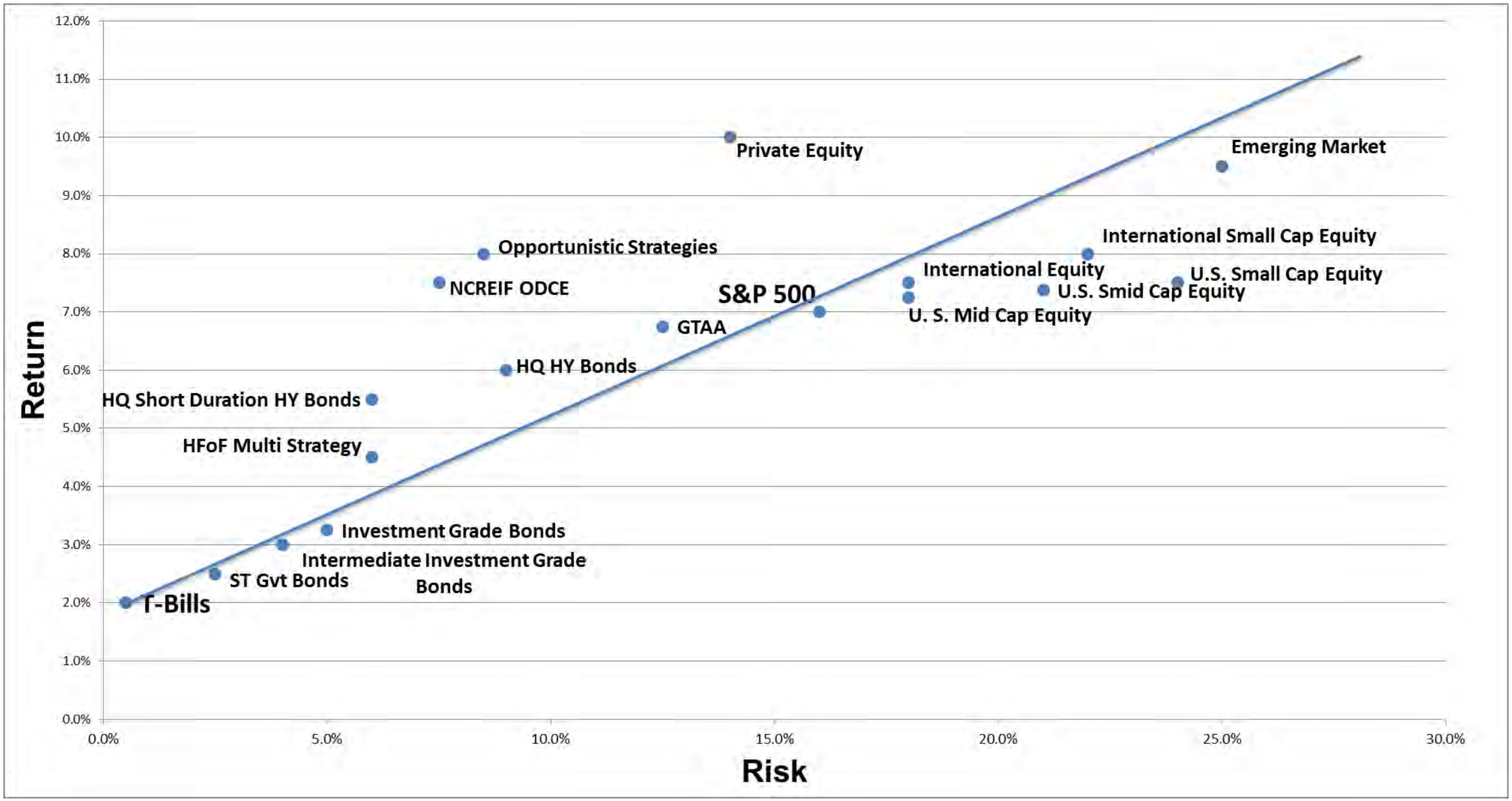
Investment Performance Services, LLC
Model Asset Class Constraints

Total Domestic Equity	60%	Max
Domestic Large Cap Equity	25%	Min
Small, Mid and Smid Cap Equity	20%	Max
International Equity Large Cap	15%	Max
International Small Cap Equity	5%	Max
Fixed Investment Grade (Includes Short Term & Intermediate)	10%	Min
High Quality High Yield Bonds (Includes Short Duration)	20%	Max
Real Estate - Core	15%	Max
Real Estate – Value Add	5%	Max
Hedge Fund of Funds – Multi Strategy	5%	Max
Opportunistic Strategies	10%	Max
Global Tactical Asset Allocation	15%	Max
Private Equity Secondaries	2.5%	Max

The Asset Allocation modeling requires the mathematical construction of an efficient frontier of various portfolios with distinct asset allocations and risk and return characteristics. The modeling process also requires the imposition of constraints, so that the efficient frontier represents a prudently diversified portfolio with adequate consideration of the liquidity needs and investment time horizon. Unconstrained optimization frequently generates allocations that have superior risk/reward characteristics, but the resulting allocations may not be adequately diversified and/or may have high allocations to illiquid investments.

The constraints shown are used for modeling purposes only. They should not be construed as suggested or recommended allocations, or limits on allocations, to any asset class or investment strategy. Each client fund has different facts, circumstances, time horizon, risk tolerance levels, return objectives, investment preferences, cash flows, and liquidity requirements. As such, each client's investment policy may differ materially from the constraints shown above.

IPS 2018 Capital Market Assumptions



Investment Performance Services, LLC
Asset Class Correlations

Assumption table:	Large Stock	Mid Stocks	Smid Stocks	Small Stocks	Internat'l Stocks	Internat'l Small Stocks	T-BILL	ST Gvt/Credit	Interm Core Inv Grade	Core Inv Grade	SD HY Bonds	HQ HY Bonds	RE Core	RE Value Add	PE	HFRI Multi	Opp	GTAA
Return	7.00	7.25	7.38	7.50	7.50	8.00	2.00	2.50	3.00	3.25	5.50	6.00	7.50	8.75	10.00	4.50	8.00	6.75
Risk	16.00	18.00	21.00	24.00	18.00	22.00	0.50	2.50	4.00	5.00	6.00	9.00	7.50	9.50	14.00	6.00	8.50	12.50
Correlations																		
US Large Cap Stocks	1.00																	
US Mid Cap Stocks	0.96	1.00																
US Smid Cap Stocks	0.94	0.97	1.00															
US Small Cap Stocks	0.91	0.95	0.98	1.00														
International Equity	0.89	0.88	0.83	0.79	1.00													
International Small Cap	0.85	0.86	0.82	0.77	0.96	1.00												
Cash	-0.29	-0.31	-0.25	-0.22	-0.30	-0.31	1.00											
Short Term Gvt/Credit	-0.05	-0.04	-0.07	-0.10	0.08	0.10	0.28	1.00										
Intermd Investment Grade Bonds	0.06	0.07	0.01	-0.04	0.16	0.18	0.04	0.80	1.00									
Core Investment Grade Bonds	0.04	0.05	-0.01	-0.06	0.14	0.16	0.01	0.73	0.97	1.00								
Short Duration HY Bonds	0.60	0.68	0.62	0.56	0.65	0.70	-0.28	0.25	0.35	0.31	1.00							
High Quality High Yield Bonds	0.68	0.75	0.70	0.65	0.74	0.75	-0.29	0.15	0.30	0.27	0.93	1.00						
Real Estate - Core	0.13	0.09	0.09	0.10	0.04	0.02	-0.13	-0.33	-0.18	-0.14	-0.16	-0.08	1.00					
Real Estate - Value Add	0.14	0.10	0.10	0.12	0.06	0.04	-0.13	-0.32	-0.17	-0.13	-0.17	-0.08	0.99	1.00				
Private Equity	0.91	0.95	0.98	0.99	0.79	0.77	-0.22	-0.10	-0.04	-0.06	0.56	0.65	0.10	0.12	1.00			
HF of F - Multi Strategy	0.74	0.76	0.71	0.65	0.79	0.82	-0.44	-0.06	0.01	0.00	0.66	0.69	0.10	0.11	0.65	1.00		
Opportunistic Strategies	0.72	0.78	0.74	0.69	0.77	0.78	-0.30	0.15	0.28	0.25	0.92	0.98	-0.10	-0.09	0.69	0.70	1.00	
GTAA	0.94	0.91	0.87	0.82	0.96	0.94	-0.25	0.15	0.25	0.23	0.65	0.73	0.06	0.08	0.82	0.74	0.76	1.00

A Correlation of 1.00 indicates two series move perfectly together
while a -1.00 shows they move perfectly opposite one another.

Investment Performance Services, LLC
Asset Allocation Review

Efficient Frontier Report										
Asset	Portfolio 1	Portfolio 2	Portfolio 3	Portfolio 4	Portfolio 5	Portfolio 6	Portfolio 7	Portfolio 8	Portfolio 9	Portfolio 10
US Large Cap Stocks	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	32.50
US Mid Cap Stocks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
US Smid Cap Stocks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
US Small Cap Stocks	0.00	0.00	0.00	0.00	0.00	0.91	2.67	6.36	12.18	20.00
International Equity	0.00	0.00	0.00	0.00	2.85	10.65	14.76	15.00	15.00	15.00
International Small Cap	0.00	0.00	0.00	0.00	5.00	5.00	5.00	5.00	5.00	5.00
Cash	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Short Term Gvt/Credit	1.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Intermd Investment Grade Bond	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investment Grade Bonds	22.67	21.24	16.07	10.89	10.00	10.00	10.00	10.00	10.00	10.00
Short Duration HY Bonds	20.00	20.00	20.00	20.00	20.00	15.94	10.06	0.00	0.00	0.00
High Quality High Yield Bonds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.14	0.32	0.00
Real Estate - Core	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	0.00
Real Estate - Value Add	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Private Equity	0.56	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
HF of F - Multi Strategy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Opportunistic Strategies	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
GTAA	0.00	1.26	6.43	11.61	4.65	0.00	0.00	0.00	0.00	0.00
Return	6.33	6.52	6.70	6.87	7.04	7.19	7.33	7.47	7.59	7.49
Risk	6.11	6.46	7.00	7.56	8.18	8.95	9.77	10.61	11.49	14.23
Return/Risk	1.03	1.01	0.96	0.91	0.86	0.80	0.75	0.70	0.66	0.53

*Compound annual return.
*Returns based on a geometric calculation.

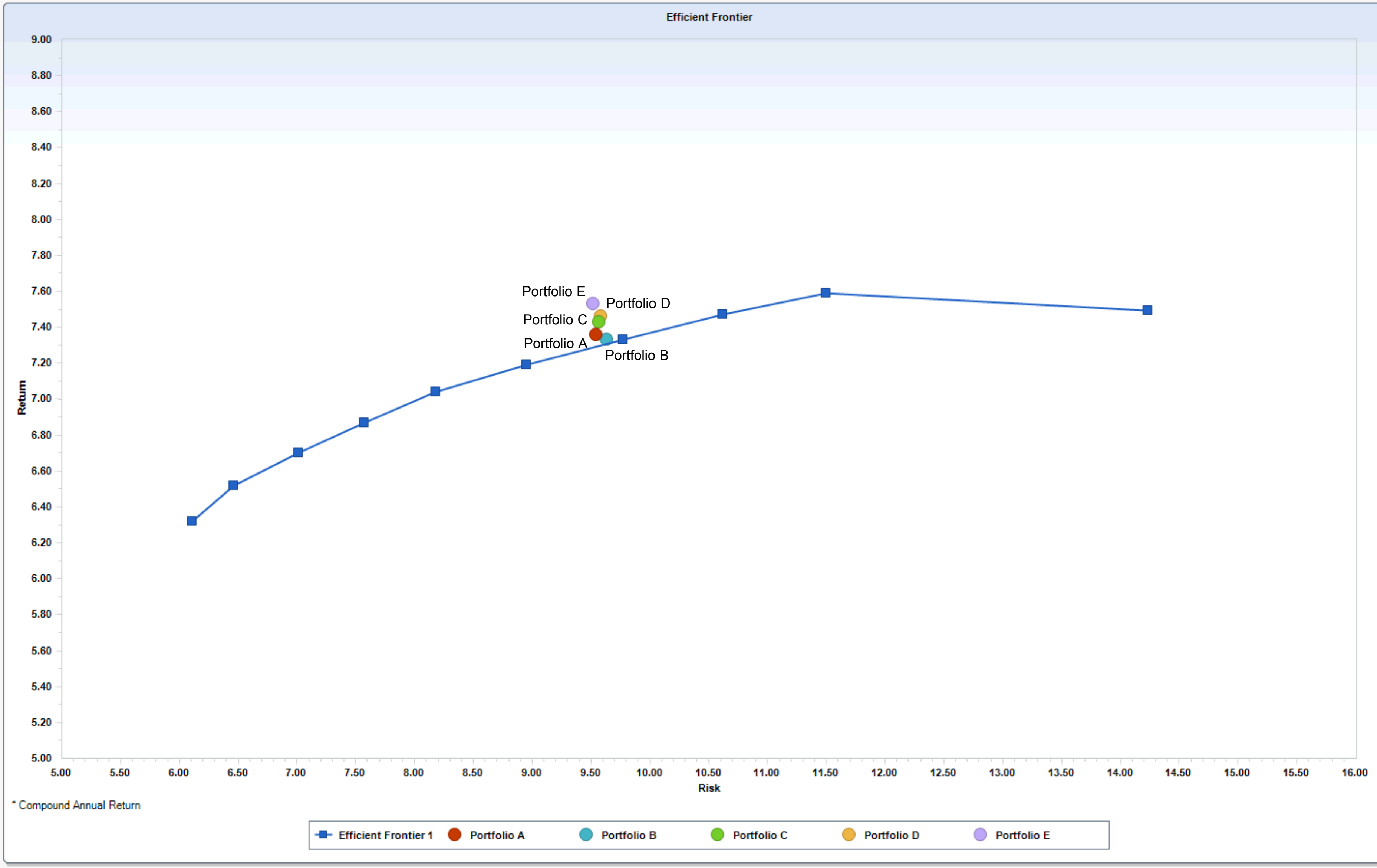
	% Asset Class Target														
	US LC Equity	SMID Cap Equity	Int'l Equity	Fixed Income Int	SDHY	High Yield	Real Estate Core	Real Estate Value Add	HFoF Multi-Strategy	Opp	Private Equity	Cash	Expected Return	Risk	Comments
UFCW Unions and Participating Employers Pension Fund Portfolio A	22.5	10.0	7.5	5.0	5.0	5.0	20.0	0.0	5.0	15.0	5.0	0.0	7.36%	9.54	Policy
Actual Portfolio B	23.0	10.2	9.1	4.1	4.3	4.8	20.6	0.0	5.3	15.7	2.5	0.4	7.33%	9.63	Allocation as of June 30, 2018
Scenario 1 Portfolio C	22.5	10.0	7.5	5.0	5.0	5.0	15.0	5.0	5.0	15.0	5.0	0.0	7.43%	9.57	Decrease core RE; increase value add RE
Scenario 2 Portfolio D	22.5	10.0	7.5	5.0	5.0	5.0	12.5	7.5	5.0	15.0	5.0	0.0	7.46%	9.58	Decrease core RE; increase value add RE
Scenario 3 Portfolio E	20.0	10.0	7.5	5.0	5.0	5.0	12.5	7.5	5.0	15.0	7.5	0.0	7.53%	9.52	Decrease US LC equity and core RE; increase value add RE and private equity

Scenarios are shown for illustrative purposes.

The Fund's assumption rate as determined by the plan actuary is 7.75%.

Key	
Green	Increase allocation
Red	Decrease allocation
Blue	New asset class allocation

UFCW Unions and Participating Employers Pension Fund



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

Memo

To: **Board of Trustees – UFCW Participating Employees**

From: **Jennifer Mink**

CC: **Fund Administrator; Fund Counsel**

Date: **June 6, 2018**

Re: **Boyd Watterson – State Government Fund, L.P.**

Meeting Date:	Location	Attending – IPS
Nov. 30, 2017	Boyd Watterson Headquarters – Cleveland, OH	David Russell, CFA

Attendance

Brian L. Gevry, CFA—Chief Executive Officer/Chief Investment Officer
Steve Perry, Executive VP
Jim Walker, Chief Technology Office
Bob Law, Exec VP CIO of Real Estate
Al Ludicello, Chief Strategy Officer, Director of Sales and Marketing
Brian Convery, Exec VP Portfolio Manager – Head of Research for State Fund
Hugh Nisbet, VP of Acquisitions – State Fund
Masood Aini, Acquisitions Officer – State Fund
Taylor Gevry, Assoc. General Counsel, Real Estate
Richard A. Reisert—Senior Vice President, Christenson Investment Partners

Firm and GSA Fund Update

IPS has previously conducted extensive due diligence on Boyd Watterson and their current GSA Fund. The GSA Fund has approximately $1.8 billion in assets and will close to new investors as it approaches $4 billion. They currently have an approximate $150 million queue, much of which should be cleared by mid-2018. Boyd Waterson is merging the Michigan Carpenter's $250 separately managed account into the GSA fund, and they are in negotiations to purchase $500-$600 million in GSA assets from another real estate fund manager. This would result in the GSA Fund approaching a $3 billion fund size by mid-2018, making them the largest GSA asset owner.

Firm-wide, Boyd Watterson has 74 employees of which 20 are on the real estate team. They have $7.7 billion in total firm assets; $2.1 billion is in real estate, of which $1.8 billion (gross) is the GSA Fund.

Boyd Watterson has been expanding its real estate investment team, hiring eight new employees in the past year:

Name	Title	Product	Date Hired
Masood Aini	Acquisitions Officer	Real Estate	6/19/2017
Patrick Nadeau	Quantitative Analyst	Real Estate, Fixed Income	2/21/2017

Ken Kilpatrick	Research Analyst	Real Estate	2/21/2017
Ryan Howard	Analyst, Asset Management	Real Estate	2/13/2017
Nikola Tatic	Analyst, Acquisitions	Real Estate	1/23/2017
Al Iudicello	Chief Strategy Officer, Real Estate	Real Estate	1/23/2017
Hugh Nisbet	Vice President, Acquisitions	Real Estate	1/23/2017
Jerry Sweeney	Vice President, Labor Relations	Real Estate	10/1/2017

Boyd Watterson's former Head of Acquisitions, Kris Jankowski, left the firm in December 2016. He was originally hired in September of 2011.

Brian Convery, Hugh Nisbet and Masood Aini have been working exclusively on the State Fund for over a year, so as not to dilute the rest of the investment staff's time on the GSA Fund.

Stephen Perry is Boyd Watterson's Executive Vice President on the real estate team. Prior to joining the management team in 2014, Stephen was the Administrator of the GSA. Prior to heading the GSA, Stephen was appointed the head of the Ohio Department of Administrative Services and served in the Governors Cabinet. Stephen has extensive direct experience with both state and federal property leasing. Al Iudicello, Chief Strategy Officer, was also a member of the GSA senior management team and worked with Stephen at the GSA.

Boyd Watterson has a strong commitment to using union labor. Bill Sweeney, the former Administrator of the National Plumbers and Pipefitters Pension, has just joined the firm to assist in contracting negotiations for building improvements.

Boyd Watterson has obtained a firm credit rating of AA+ and a GSA Fund rating of BBB- from Standard and Poor's. They are undergoing a rating evaluation by Fitch and will likely get a higher credit rating from them. The combination of two ratings and a $3 billion fund size should reduce the cost of their leverage by approximately 85 basis points to 110 basis points over LIBOR. This provides dramatically increased access to the loan market at low cost to apply leverage to their real estate funds and for lines of credit to facilitate acquisitions.

State Government Fund, LP

The Boyd Watterson State Government Fund's investment objective is to provide a high level of income, stable capital values and modest appreciation in excess of CPI rates. Boyd Watterson's State Government Fund is modeled after its GSA Fund. The firm regards state government properties as an attractive alternative to their federal counterparts due to increased diversification and greater annual rent increases. Federal agency leases are generally fixed price leases for the term of the lease with only CPI and tax base increases. Many state agencies sign leases with annual rent increases in excess of CPI. Additionally, state agencies lack the "full faith and credit" of the US Government present in the GSA Fund, thus the rents reflect the state's credit rating and the base rents are higher than US Government rents.

Boyd Watterson has developed multi-factor evaluation criteria to identify favorable states for investment and has assembled an initial list of 24 stages that are deemed acceptable with a sub-set of 12 priority states. The firm anticipates that acquisition of state properties will more typically be in state capitals, which are often considered secondary and tertiary markets, (e.g., Harrisburg, Tallahassee, Helena, Albany, Austin, Olympia, Sacramento, etc.). The top 12 priority states collectively have more potential rentable space than the US Government, so the fund could easily accommodate $4 billion in assets.

Key members of Boyd Watterson leadership team formerly worked for Duff and Phelps and while at that firm developed a real estate portfolio management system including asset characteristics and history, property level and fund cash flows and expenses. It is integrated with the CoStar Real Estate Property Database and also has compliance and client service reporting modules. When they left Duff and Phelps to form Boyd Watterson, they were allowed to take this system with them and over the years hired process engineers to continue its development. The software development team is led by Jim Walker. Boyd Watterson believes this system to be a significant competitive information advantage and the Townsend Real Estate Group has commented on its robustness and complete integration of information.

This system has made the identification and evaluation of all GSA properties possible and rather than waiting for properties to come the market and bidding on them, they contact current owners and solicit their interest in selling. They have taken the same approach with state-owned properties and currently have leasing terms, values and ownership data on virtually every property in the US that is leased by state governments.

To protect Boyd Watterson's substantial investment in this software, property data, competitor data and their investment process, they have implemented a multilayer process to protect their intellectual property, including:

- Limited access to the software and data by non-essential users,
- No research leaves the premises
- No disk or flash drives on computers
- All emails are monitored
- Strict confidentiality clauses in the employee handbook which references specific state and federal statutes regarding theft of intellectual property,
- Employee training
- Employment agreements with confidentiality clauses for all shareholders

They have used this data to research and conduct analysis of every state's leases and have the ability to sort them by key factors to identify potential acquisitions. As noted above, their approach the State Fund property acquisition is to identify specific attractive properties and to contact the current owners and make them offers. They then become either the only buyer offer or the preferred buyer. Due to their credit rating and availability of credit, they can also make offers with no financing contingencies, giving them an additional competitive advantage in the acquisition process.

The criteria Boyd Watterson uses in the individual property screening process for their top 12 priority states are:

- <u>Credit quality</u>; underlying credit rating of Aa3 or higher from Moody's or AA- or higher from S&P or Fitch
- <u>Outlook</u> by the credit rating agencies: trends in population growth, wages, jobs, business earnings, new business starts, debt per capital, educational levels, number of colleges and universities, etc.
- <u>Budget and fiscal factors</u>; public pension funding levels[1] and contributions, spending on infrastructure, education, healthcare, etc. Boyd Watterson's large staff in municipal fixed income management has been a significant competitive advantage in the evaluation of state finances and forecasted future trends listed above.
- <u>Local inventory</u> of properties. They consider only states with over 150 million square feet of leased space.
- <u>Lease contract terms</u> and state laws regarding priority of lease payments and termination clauses.
- <u>Current lease rates</u>, term of lease and price escalation rates.

[1] Boyd Watterson has taken each state's pension liabilities and recalculated them using the same standard actuarial assumptions so that realistic liability comparisons can be made.

To minimize risk, the portfolio will stagger leases in geographically diverse properties and invest in states with landlord friendly statutes and lower potential for privatization of services. Critical service agencies, which have a history of increasing funding, will be targeted. Specifically, Boyd Watterson has identified justice, law enforcement, health & human services, legally required services and mission critical services, as particular areas of interest. As an example, the fund's most recent acquisition was the PA Lottery headquarters in Harrisburg, PA.

There are no national competitors in this space. Boyd Watterson is currently the third largest owner of state assets within their GSA fund. Currently the four largest owners of state assets are Vine Street with 30 state assets, Fall Capital with 25 assets, Government REIT which owns 20 assets, and Hellman which owns 12 assets. The rest of the market is high net worth investors and public/private single-state funds that target specific locations, such as the greater San Francisco Bay area, Olympia, Washington, or Austin, Texas, as examples.

Current acquisition capitalization rates are above 6.5%, well above current capitalization rates being paid for the average commercial real estate property fund. This is due to state property transactions being driven exclusively by brokers retained by sellers to find buyers, not by investors looking for assets.

State Fund Characteristics and Investment Guidelines:

- Portfolio Leverage – The State Fund has a credit line to facilitate the acquisition of properties. Property specific leverage cannot exceed a loan-to-value of 75%, while aggregate (total) leverage is targeted at 50% of fund assets with a range of 40% to 60%. Aggregate leverage is permitted to temporarily exceed 50% (up to a maximum of 60%) for a period of no longer than six months to accommodate new investment contributions so as not to impair the fund's returns.
- Properties will initially be valued at the cost of acquisition and subsequently by a qualified independent appraiser with the MAI designation. Appraisals will take place at least once annually from the date of acquisition.
- No more than 20% of the fund will be invested in any one state, with the exception of California which has a 30% maximum due to the size of the California market compared to other states.
- The Fund's standard fee is 1.25% of AUM with no incentive fee. IPS clients are eligible to receive a discounted fee of 90 bps through 12/31/2019. On 1/1/2020 all clients will pay the standard 1.25% fee.
- CBRE will serve as property manager. They are also the property manager for the GSA Fund.
- A maximum of 15% of annualized rental revenue may be generated by non-state government tenants

Initial Funding and Return Expectations.

The Fund's initial investors are the Pennsylvania Grand Lodge, Amalgamated Transit Union and the Pennsylvania Teamsters, which collectively have committed $50 million.

Boyd Watterson expectations are for higher cash flow and total return than their GSA Fund based on:

- Higher capitalization rates (driven by higher rental income and annual increases),
- Higher net operating income
- Modestly higher fund leverage (50% average vs 40% average for the GSA Fund)

ProForma Projected Returns:

Boyd Watterson's expectations for cash flow and total return are shown below.

	State Government Fund*	GSA Fund*	Levered Core Fund
Net Operating Income	7.4%	7.2%	4.9%[1]
Fund Leverage	2.00 x (at 50%)	1.67 x (at 40%)	1.33 x (at 25%)
Levered Cap Rate	14.8%	12.0%	6.5%
Less Interest Cost[2]	-4.25%	-2.3%	-1.2%
Less Management Fees	-1.25%	-1.25%[3]	-1.0%
Less Administrative Fees[3]	-0.2%	-0.15%	-0.15%
Net Income Return	**9.1%**	**8.3%**	**4.2%**
Plus Principal Return	+2.0% (1.0%[4] x 2.00)	+0.8% (0.5%[5] x 1.67)	+0.5% (0.4%[1] x 1.33)
Total Expected Return (net)	11.1%	9.1%	4.7%

Risks:
In addition to the typical risks of investing in real estate, there are several important differences between Boyd Watterson's US Government GSA Fund and their State Fund.

Tenant renewal rates for state government offices are currently 84%, which is lower than federal agency occupied buildings which is about 95%. Boyd Waterson indicates that renewal rate can be maintained at a higher than average rate by selecting agencies that are required services or mission critical and not at risk for budget cuts or downsizing. Active asset selection is effective as Vine Street has had a 95% renewal rate over 25 years and Fall Capital has had a 99% renewal rate over 20 years.

The US Government GSA Fund lease payments are a "full faith and credit" obligation of the U.S. Government and are not subject to budget reductions or sequester limitations. The lease payments made by individual states are subject to budget constraints. Most state lease terms specifically condition lease payment on budget passage and funding authorizations. On several occasions, individual states have withheld lease payments due to budget or funding delays. For example, the Commonwealth of Pennsylvania has done this twice in the last three fiscal years. However, once a state's budget has passed, revenue has been immediately released and all rent payment arrearages have been cleared in every case.

Moody's bond rating service formally addresses the lease payment issue in their "Outlook" rating of individual states, noting that if a state ever defaults on a lease (and none ever has) then upon renewal, or the issuance of other new leases, investors would factor the default risk in to lease pricing. This could be devastating to the state's credit rating and to the future leasing cost for that state. As a practical matter, Moody's believes that state leases should be considered as fully guaranteed by the state.

Political risk is also greater at the state level. Regime change, shifting budget priorities, population shifts, job creation/ unemployment, and commodity prices can all impact an individual state's finances much more severely than at the national level.

Liquidity, defined as the existence of a large number of ready buyers, may be lower for the State Fund than the GSA Fund or other commercial property funds. Boyd Watterson is already the 3rd largest owner of state assets and will quickly be the largest. There are no other national firms with significant assets in this space. Most owners of state assets are high net worth individuals or small, local, state-specific funds. While this unique investment strategy may be a “first mover” strategic advantage, it also creates higher liquidity risk if several large investors decide to withdraw from the fund.

Leverage, at 50%, will be slightly higher in the State Fund than their GSA Fund, but is in line with many other value-added real estate funds.

Summary:
The Boyd Watterson State Fund is a unique investment strategy with several very attractive qualities similar to their GSA Fund. The State Fund offers better cash flow and overall a total return that should approximate a 2% premium above the GSA Fund. They have several competitive advantages, such as better information, the availability of credit, active solicitation of sellers and no national competition. The risks are a bit higher with the State Fund than the GSA Fund: slightly higher leverage, lack of state vs. federal guarantees, and potentially less liquidity; however, the stability and reliability of the lease income is still significantly more attractive than a typical commercial real estate fund.

Recommendation:
I recommend the Investment Committee approve the Boyd Watterson State Fund as a value added real estate fund for client use where appropriate (**Approved by the IPS Investment Committee on January 18, 2018**). Board of Trustees should interview the manager and have Fund counsel review offering documents.

ERISA Pension Investment Conference
April 25 – 28, 2017

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It is important to note that no fees are paid to IPS by any investment manager to be included in a search or database. The only requirement placed upon the manager is their willingness to submit and maintain data concerning their firm, its investment products, and performance results.

Boyd Watterson attended and helped defray the cost of IPS' annual ERISA Pension Investment Conference ("EPIC").