FOURTH QUARTER MEETING MATERIALS

UNITARIAN UNIVERSALIST ASSOCIATION OF CONGREGATIONS

February 8, 2018

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ADMINISTRATIVE

NEPC, LLC

Unitarian Universalist Association
Investment Committee Meeting Agenda
February 8, 2017
24 Farnsworth Street, Boston, MA 02210-1409

11:15 am	Agenda Overview/Performance Review	Gaffney and NEPC
11:30 am	Presentation by Sustainalytics	Matthew Raimondi
12:00 pm	Presentation by Rhumbline	Denise D'Entremont Alex Ryer
12:30 pm	Working Lunch - Legal opinion re: Investment Committee authority - Proposed investment in Metro IAF Community Restoration (VOICE) - Agenda items for May 22, 2018 meeting	IC & SRIC
1:30 pm	Break/Adjourn Joint Session	IC & SRIC
1:45 pm	Presentation by GMO	NEPC & IC
2:30 pm	Opportunistic Allocation Discussion	NEPC & IC
3:00 pm	Capital Markets Outlook	Jayna Cooney Catherine LeGraw
3:25 pm	Private Equity Pipeline and Canvas Distressed Fund Intro	NEPC & IC
3:30 pm	Adjournment	NEPC & IC

UUA Investment Committee – Minutes - DRAFT

24 Farnsworth Street, Room 210
Boston, MA 02210
November 9, 2017

Members present: Kathleen Gaffney, Chair, Tim Brennan, Brian Lasher, Lucia Santini and David Stewart

Members absent: John LaPann

Staff: Susan Helbert

NEPC: Scott Perry, Asher Watson

SRI Committee: Vonda Brunsting, Kristin Faust (by phone), Kathy Mulvey, Julie Skye, David Stewart

1. Minutes from August 31 and September 14, 2017 - Gaffney

Motion 1: To approve minutes from the August 31 and September 14, 2017 meetings. Moved: Santini, seconded: Stewart, approved as amended.

2. Market Update and Performance Review: NEPC

- Best performing assets classes for the quarter were emerging and international developed market equities and the S&P 500.
- The endowment returned 3.9% (net of fees) during the third quarter, ranking 13th in the peer universe, outperforming the allocation and policy indices.
- Over the trailing one-year period, the return was 13% (net of fees), ranking 16th in the peer universe and outperforming the allocation and policy indices.
- Over the ten-year timer period, performance ranked in the first quartile of the peer universe.
- The move from Pier Capital to Kennedy Capital is imminent; all paperwork has been executed and we have received notification that Kennedy is ready to take over the small cap US equity portfolio.

Action item 1: NEPC to obtain additional information on the exit of Neil Grabowski and addition of Laura Lake at Breckinridge.

Action item 2: NEPC to arrange for GMO to attend the next meeting to discuss their performance and to provide investment options should the decision to exit GMO be made.

3. Intersection of Fiduciary Duty and Socially Responsible Investing – Brennan

Legal opinion on fiduciary duty from UUA legal counsel was previously shared with the committee.

Action item 3: Brennan to ask legal counsel who has the final authority should a conflicting decision between the General Assembly and the Investment Committee, as fiduciary body, occur.

Action item 4: Brennan to ask legal counsel to determine if the Investment Committee can delegate the CDFI investment decisions to the SRIC within the established guidelines.

4. **Consistent Language defining UU Values across all documents – Lasher, Mulvey**
    - Updatign the SRI policy will require reviewing the resolutions passed at General Assembly over the previous decade and indentifying where there are gaps in the policy.
    - Once the policy has been updated, will conduct an annual review of General Assembly statements of conscious, business resolutions, and responsive resolutions to ensure, if changes are necessary, they are captured and added to the policy.

Action item 5: Brennan to distribute previous version of the Socially Responsible Investing Policy.

5. **Key questions for February presentation on screening – Lasher, Stewart**
    - Reviewed and discussed screening criteria document created with the goal of setting a standard screening review period for committees.
    - Timeline needs to have more flexibility built in. Will continue to work on document and discuss at a future meeting.

6. **Update from SRIC on Screening, Community Investing and Shareholder Advocacy – SRIC**
    - Discussed the shareholder advocacy plan for fiscal year 2018.
    - Waiting for a response from legal counsel on the appropriateness of delegating control of the community investing portfolio solely to the Socially Responsible Investing Committee.
    - The SRIC has developed clear guidelines governing the community investing program which are very conservative. Will be augmenting the guidelines to include a statement that if an investment opportunity is presented which falls outside those guidelines, it will be presented to the Investment Committee for a vote. There is a potential investment with Metro IAF Community Restoration being reviewed which would require the committees vote if approved by the SRIC.

7. **Private Equity Allocation – NEPC, IC**
    - Currently the allocation target to Private Markets is 5% to with an ultimate goal of 10%. To get to 10% would require investing in the range of $5 to $6 million per year. Therefore, it will take several years to reach a 10% allocation. Often when opportunities present themselves the window for investment is short so the Committees needs to be able to act quickly.
    - The market for impact investments has expanded with many more options available. There are enough options available to review a private equity option at every meeting.
    - NEPC recommends reducing the allocation to Hedge Funds to 5% in order to allocate more to private capital.
    - Reviewed list of impact managers and the due diligence pipeline report.
    - The committee would like to meet with recommended managers even if the investment is not open at the time of meeting. Having met previously will give the Committee the ability to make a quicker decision.
    - NEPC will prepare a list of private investment options to be presented at each meeting.

    Action item 6: NEPC to prepare market map for the committee.

8. **Reinventure Capital Discussion – NEPC**
    - Reinventure is attempting to create a fund that specifically targets investments in companies led by entrepreneurs of color.
    - Primarily will invest in equity and debit structures.

    Action item 7: NEPC to prepare due diligence report on Reinventure Capital.

    Action item 8: NEPC to circulate the presentation book to committee.

Next Meeting Date
February 8, 2018

NEPC, LLC

UUA Manager Summary

Manager: Rhumbline Custom Screened Russell 1000 Value
Benchmark: Russell 1000 Value
Asset Class: Large cap domestic equity - value
Role in Portfolio: Growth Assets
Description: The manager optimizes a portfolio of large cap value equities based on their Environmental, Social and Governance ("ESG") ratings. The fund should have relatively low tracking error or variance from the benchmark as it is a largely passive investment.

Manager: Sands Select Growth Equity
Benchmark: Russell 1000 Growth
Asset Class: Large cap domestic equity - growth
Role in Portfolio: Growth Assets
Description: The manager uses a fundamental, bottom up research approach to stock investing. Their investment process produces a concentrated portfolio, aggressively seeking equities with high growth opportunities. The manager is currently restricted from investing in certain sectors and industries, including defense, fire arms, tobacco, and nuclear weapons. Also the manager cannot invest in companies that engage in predatory lending practices, have poor environmental practices, and companies that have questionable employment practices and possible human rights offenses.

Manager: Pier Small Cap Equity Growth
Benchmark: Russell 2000 Growth
Asset Class: Small cap domestic equity - growth
Role in Portfolio: Growth Assets
Description: The strategy uses a bottom-up research process, which incorporates two quantitative screens, followed by fundamental analysis. The manager also screens out all securities that are restricted per UUA's direction. Pier looks to find companies with great products or services and identify them by the strength of their value proposition.

Manager: Wellington SMID Cap Value
Benchmark: Russell 2500 Value
Asset Class: SMID cap domestic equity - value
Role in Portfolio: Growth Assets
Description: Wellington has a bottom-up investment philosophy, believing that individual stock selection is the most predictable way to generate strong returns. The team has a contrarian value investment philosophy, seeking to buy high-quality companies at a discount. The portfolio holds 60-90 names and positions, which typically are initiated at 80 bps and range from 50 bps to 3.5%, depending on the team's conviction.

Manager: MFS International Concentrated Equity
Benchmark: MSCI EAFE
Asset Class: Developed international equity - core
Role in Portfolio: Growth Assets
Description: The manager focuses on identifying companies with sustainable above-average growth and purchasing those companies at attractive valuations. The manager is a United Nations Principles for Responsible Investment (UNPRI) signatory and integrates their evaluation of a company's key ESG risks and opportunities into their overall security analysis to the extent they believe that such factors are material to and have an economic impact on shareholder value. The manager will invest between 5-10% in emerging markets.

Manager: Boston Common International Equity
Benchmark: MSCI EAFE
Asset Class: Developed international equity - core
Role in Portfolio: Growth Assets
Description: The fund seeks to outperform broad international equity markets while employing ESG screens. The fund employs positive ESG screens rather than negative screens and looks to identify progressive companies rather than defensive companies.

Manager: SEG Baxter Street Fund
Benchmark: MSCI ACWI ex USA
Asset Class: Developed international equity (mid/small cap focus)
Role in Portfolio: Growth Assets
Description: The Baxter Street Strategy is an international long only strategy that invests in companies across the market cap spectrum. The portfolio is benchmark agnostic and highly concentrated, with roughly 45 names in the portfolio, 15 of which will comprise almost 50% of the portfolio. SEG seeks to identify businesses with steady predictable growth, high returns on capital and well established barriers to competition. SEG does have the ability to opportunistically hedge currency exposure.

Manager: RBC Emerging Market Equity
Benchmark: MSCI Emerging Markets index
Asset Class: Emerging market equity
Role in Portfolio: Growth Assets
Description: RBC utilizes top down thematic thinking to influence the stock selection process into more attractive areas of the market. The strategy seeks to identify growth themes within country, industry, or region and will invest in those companies with high cash flow and industry dominance. The process of utilizes both bottom up and top down research to lead to a competitive advantage. The strategy is focused on identifying strong company managements especially those that have delivered in the past. Attractive companies are those that have strong franchises and a real sustainable competitive edge.

Manager: Breckinridge Capital Advisors Sustainable Fixed Income & Treasury
Benchmark: Barclays Gov't/Credit Intermediate
Asset Class: Domestic Fixed Income
Role in Portfolio: Deflation hedging assets
Description: Sustainable fixed income is a high quality, intermediate term fixed income strategy that incorporates both fundamental credit analysis as well as ESG analysis into the decision making process. The strategy will invest across the corporate, taxable municipal, US gov't/agency and supranational sectors. Breckinridge will analyze ESG data in an effort to identify investments they feel are well suited to meet future obstacles. Additionally, the strategy will adhere to specific sector and security restrictions set forth by UUA in an effort to align the portfolios strategy with the mission and values of the organization.

Manager: Loomis Sayles Strategic Alpha Trust
Benchmark: Barclays Aggregate
Asset Class: Unconstrained Bonds
Role in Portfolio: Absolute Return
Description: Strategic Alpha is an opportunistic global fixed income strategy with flexible guidelines that invests across multiple fixed income sectors. The strategy seeks to take advantage of short-term tactical opportunities and longer-term structural opportunities within the broad fixed income market. The Loomis Sayles Strategic Alpha Trust strategy takes on active long/short exposures to global yield curves, credit, and currencies with extensive tail-risk hedges. The strategy also has the ability to shift duration, ranging from -2 years to +5 years.

Manager: Franklin Templeton Global Multi Sector
Benchmark: Barclays US Govt/Credit
Asset Class: Opportunistic Fixed Income
Role in Portfolio: Absolute Return
Description: The global bond team employs a bottom-up, research-driven investment process characterized by fundamental research of investment opportunities. The strategy is formulated by combining qualitative macroeconomic analysis with quantitative tools to determine the most attractive opportunities across duration, currency, and credit. The team applies an active, benchmark-agnostic style, pursuing absolute returns over a one- to three-year time horizon. While securitized bonds are included in the opportunity set, they have not been a large component of the strategy historically.

Manager: Brandywine Global Opportunistic Fixed Income
Benchmark: CITI WGBI
Asset Class: Global Multi Sector
Role in Portfolio: Growth Assets
Description: Brandywine undertakes a macro-economic analysis on a country-by-country basis in order to rank opportunities according to real interest rate levels. Inflation trends, political risks, monetary trends, business cycle, and liquidity measures are all considered. Further analysis is centered on those countries that exhibit the highest real interest rates with sustainable economic conditions. Currency valuations are then examined relative to historical averages and differentials in an effort to determine if that valuation supports an investment. The majority of investments are allocated to sovereign government debt. When credit spreads are perceived to be a compelling value, however, Brandywine may allocate to spread sectors such as mortgage-backed securities and corporate bonds. Duration is

determined at the country level, although adjustments may be made at the portfolio level according to the overall outlook.

Manager: Loomis Sayles Multi Sector Full Discretion
Benchmark: Barclays US Govt/Credit
Asset Class: Global Multi Sector
Role in Portfolio: Growth Assets
Description: The Multisector Full Discretion strategy seeks to exploit the complete range of global fixed income insights generated by the Loomis Sayles Fixed Income organization with return maximization as the primary objective. Benchmarks do not play a significant role in constructing the portfolios. Guidelines are very flexible providing the opportunity to pursue investment ideas in a wide range of global fixed income sectors. Investment flexibility authorizes significant non-dollar, emerging markets and convertible debt investments. Opportunistic investments in these non-benchmark sectors are incorporated to manage portfolio credit quality and for total return contribution.

Manager: GMO Benchmark Free Allocation Fund
Benchmark: 65% MSCI World and 35% BC Aggregate
Asset Class: Global asset allocation
Role in Portfolio: Growth assets (with some inflation & deflation hedging assets)
Description: The manager has the ability to invest in both equities and fixed income, and tactically shift allocations as opportunities present themselves. The fund is managed by a team, where quantitative forecasts identify opportunities for high real returns across capital markets. Overweight's to attractive asset classes and underweights to less attractive asset classes are driven entirely by the judgment of the asset allocation team with positions generally scaled to reflect the magnitude of mispricing.

Manager: Entrust Capital Diversified Fund
Benchmark: HFRI Fund of Funds Composite index
Asset Class: Hedge funds
Role in Portfolio: Growth assets
Description: The manager invests primarily in event-driven, directional-credit, activist, and equity long/short strategies in blue chip, brand name hedge managers while providing investors with a high amount of transparency into the underlying investments.

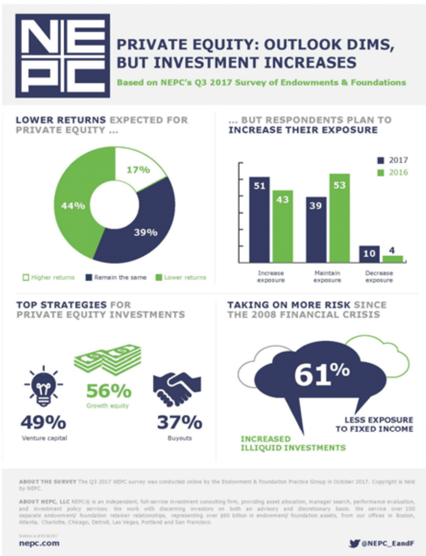
Manager: Cevian Capital II
Benchmark: HFRX Event Driven Index
Asset Class: Hedge funds
Role in Portfolio: Growth assets
Description: Cevian Capital II is a concentrated activist hedge fund that hedges currency exposure and will invests in mid to large cap companies listed in the Nordic region [Sweden, Finland, Denmark, and Norway], UK, and other western parts of Europe. Their strategy is to target undervalued companies, where the perceived undervaluation stems from mis-managed operations, inefficient capital structure, and/or poor corporate governance structure. Cevian quantifies 'value' in terms of the company's enterprise value, operating margins, corporate governance, or equity value. The fund tries to improve this value by targeting those specific areas of weaknesses.

Manager: Brockton Capital Fund III
Benchmark: NCREIF Property Index
Asset Class: Private Markets/Opportunistic
Role in Portfolio: Growth assets
Description: Brockton Capital Fund III will follow a value-add/opportunistic strategy of buying distressed or neglected assets, repositioning them and, once stabilized, selling them in the institutional market. They will invest across various asset types, including office, residential, industrial, retail, mixed use, and other specialty real estate (for example, senior housing). Brockton invests across the United Kingdom although, due to the dominant market size of the South East, has a focus on Greater London and the surrounding areas.

Manager: SJF Ventures
Benchmark: US Private Equity
Asset Class: Private Markets/Opportunistic
Role in Portfolio: Growth assets
Description: SJF will pursue a fundamental investment strategy that will look to invest in companies in the expansion stage business in the clean energy and efficiency, asset recovery and recycling, food and sustainable agriculture, education, health and wellness, and workforce development/software industries. SJF primarily focuses on companies with innovative social and environmental solutions embedded within their business models. The firm seeks values-driven entrepreneurial teams and looks for positive impact business models that can simultaneously scale impact and financial results, most often seen in impactful product and service delivery.

NEPC UPDATES

HIGHLIGHTS OF FOURTH QUARTER HAPPENINGS AT NEPC



NEPC INSIGHTS

- White Paper: Terminated-Vested Lump Sum Payouts
- White Paper: Power Up Your Pension Plans
- Taking Stock: Could ESG Analysis Have Helped Equifax Investors?
- Taking Stock: Ten Years Since The Global Financial Crisis, Part 1: Then and Now
- Taking Stock: No Lull After the Storm for Puerto Rico Bonds
- Taking Stock: Tax Reform Update
- Market Chatter: It's Always Sunny on Sand Hill Road
- Market Chatter: The E-Commerce Grinch that Stole the US Storefront?
- Market Chatter: Endowment Tax Reform Leaves Less to be Thankful for
- NEPC's 2017 Hedge Fund Operational Due Diligence Survey Results
- NEPC's 2017 Defined Benefit Trends Survey Infographic
- NEPC's 2017 Defined Benefit Plan Trends Survey – Healthcare Highlights Infographic
- Taking Stock: What Do Revised Mortality Tables Mean for Terminated-Vested Lump Sum Payouts?
- 2017 Third Quarter Market Thoughts
- 2017 Q3 Endowment & Foundation Survey Results and Infographic

WEBINAR REPLAYS

- NEPC's 2017 Defined Benefit Plan Trends Survey

To download NEPC's recent insights and webinar replays, visit: www.NEPC.com/insights

RECENT UPDATES

- Our team continues to grow: Please join us in welcoming our senior consultant and insurance specialist, Andrew Coupe.
- NEPC was featured in over 35 news articles including *Bloomberg*, *Pensions & Investments* and *FundFire*, to name a few.
- NEPC's Chris Levell, ASA, CFA, CAIA, Partner, Client Strategy, was named a finalist in *Chief Investment Officer's* Consultant of the Year list.
- NEPC's Brandon Parrish, CFA, CAIA, Private Wealth Consultant, was featured in *Private Asset Management's* Top Read Stories for 2017 for his article "An Intuitive Approach for High Net Worth Clients."

HIGHLIGHTS OF FOURTH QUARTER HAPPENINGS AT NEPC

NEPC GIVES BACK

This quarter NEPC participated in four charity events: The Greater Boston Food Bank, American Cancer Society Denim Day, the Movember Movement and our Annual United Way Campaign.

- NEPC helped sort through 12,988 pounds of donated food from local grocery store donation bins. GBFB is the largest hunger-relief organization in New England and among the largest food banks in the country.
- ACS's Denim Day is one of the largest single-day fundraisers supporting the American Cancer Society's breast cancer programs. NEPC employees showed their support and raised a total of $2,310!
- NEPC's Movember Team, "You Demand Mo!" got involved in this year's Movember movement - a charity dedicated to help change the face of men's health on a global scale – raising $4,480.
- As part of NEPC's Annual United Way Campaign, our firm donated over $28,000 and held a volunteer event to assemble Literacy Kits. Literacy kits inspire creativity among volunteers and bring books to life to deepen children's reading experience.

SAVE THE DATE!

We will be hosting our 23rd Annual Investment Conference on May 14-15, 2018. More details to come!

MARKET ENVIRONMENT & OUTLOOK

INDEX PERFORMANCE AS OF 12/31/2017

	2010	2011	2012	2013	2014	2015	2016	Q1	Q2	Q3	Oct	Nov	Dec	Q4	YTD
MSCI EM	18.9%	-18.4%	18.2%	-2.6%	-2.2%	-14.9%	11.2%	11.4%	6.3%	7.9%	3.5%	0.2%	3.6%	7.4%	37.3%
MSCI EAFE	7.8%	-12.1%	17.3%	22.8%	-4.9%	-0.8%	1.0%	7.2%	6.1%	5.4%	1.5%	1.0%	1.6%	4.2%	25.0%
MSCI ACWI	12.7%	-7.3%	16.1%	22.8%	4.2%	-2.4%	7.9%	6.9%	4.3%	5.2%	2.1%	1.9%	1.6%	5.7%	24.0%
S&P 500	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	12.0%	6.1%	3.1%	4.5%	2.3%	3.1%	1.1%	6.6%	21.8%
Russell 1000	16.1%	1.5%	16.4%	33.1%	13.2%	0.9%	12.1%	6.0%	3.1%	4.5%	2.3%	3.0%	1.1%	6.6%	21.7%
Russell 2500	26.7%	-2.5%	17.9%	36.8%	7.1%	-2.9%	17.6%	3.8%	2.1%	4.7%	1.5%	3.3%	0.3%	5.2%	16.8%
JPM GBI-EM Glob Div	15.7%	-1.8%	16.8%	-9.0%	-5.7%	-14.9%	9.9%	6.5%	3.6%	3.6%	-2.8%	1.7%	2.0%	0.8%	15.2%
Russell 2000	26.9%	-4.2%	16.3%	38.8%	4.9%	-4.4%	21.3%	2.5%	2.5%	5.7%	0.9%	2.9%	-0.4%	3.3%	14.6%
BC US STRIPS 20+ Yr	10.9%	58.5%	3.0%	-21.0%	46.4%	-3.7%	1.4%	1.8%	6.1%	0.7%	0.1%	1.5%	2.8%	4.5%	13.7%
BC US Long Credit	10.7%	17.1%	12.7%	-6.6%	16.4%	-4.6%	10.2%	1.7%	4.7%	2.2%	0.7%	0.4%	2.0%	3.2%	12.2%
BC US Govt/Cred Long	10.2%	22.5%	8.8%	-8.8%	19.3%	-3.3%	6.7%	1.6%	4.4%	1.5%	0.4%	0.5%	1.9%	2.8%	10.7%
JPM EMBI Glob Div	12.2%	7.3%	17.4%	-5.3%	7.4%	1.2%	10.2%	3.9%	2.2%	2.6%	0.4%	0.1%	0.7%	1.2%	10.3%
BC Muni High Yield	7.8%	9.2%	18.1%	-5.5%	13.8%	1.8%	3.0%	4.1%	2.0%	1.5%	0.3%	0.3%	1.3%	1.8%	9.7%
BC US Corporate HY	15.1%	5.0%	15.8%	7.4%	2.5%	-4.5%	17.1%	2.7%	2.2%	2.0%	0.4%	-0.3%	0.3%	0.5%	7.5%
BC Global Agg	-5.3%	-5.3%	-4.1%	2.7%	-0.6%	3.3%	2.1%	1.8%	2.6%	1.8%	-0.4%	1.1%	0.3%	1.1%	7.4%
CS Hedge Fund	10.9%	-2.5%	7.7%	9.7%	4.1%	-0.7%	1.2%	2.1%	0.8%	1.8%	1.3%	0.1%	-	1.4%	6.2%
BC Municipal	2.4%	10.7%	6.8%	-2.6%	9.1%	3.3%	0.2%	1.6%	2.0%	1.1%	0.2%	-0.5%	1.0%	0.7%	5.4%
FTSE NAREIT Eqy REITs	28.0%	8.3%	18.1%	2.5%	30.1%	3.2%	8.5%	1.2%	1.5%	0.9%	-1.0%	2.7%	-0.2%	1.5%	5.2%
CS Leveraged Loan	10.0%	1.8%	9.4%	6.2%	2.1%	-0.4%	9.9%	1.2%	0.8%	1.1%	0.7%	0.1%	0.4%	1.2%	4.2%
BC US Agg Bond	6.5%	7.8%	4.2%	-2.0%	6.0%	0.5%	2.6%	0.8%	1.4%	0.8%	0.1%	-0.1%	0.5%	0.4%	3.5%
BC TIPS	6.3%	13.6%	7.0%	-8.6%	3.6%	-1.4%	4.7%	1.3%	-0.4%	0.9%	0.2%	0.1%	0.9%	1.3%	3.0%
BBG Commodity	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-24.7%	11.8%	-2.3%	-3.2%	2.5%	2.1%	-0.5%	3.0%	4.7%	1.7%
BC US Govt/Cred 1-3	2.8%	1.6%	1.3%	0.6%	0.8%	0.7%	1.3%	0.4%	0.3%	0.3%	0.0%	-0.2%	0.0%	-0.2%	0.8%
Alerian MLP	35.9%	13.9%	4.8%	27.6%	4.8%	-32.6%	18.3%	3.9%	-6.4%	-3.0%	-4.1%	-1.4%	4.7%	-0.9%	-6.5%

Source: Bloomberg, Barclays, Alerian, Nareit, MSCI, JP Morgan, Credit Suisse

THEMES AND OPPORTUNITIES

Key Market Themes

Key Market Themes are factors that define global markets and can be expected to both evolve and remain relevant without a clear timeline of conclusion. At times, themes may be challenged. Disruption of a theme will likely produce significant volatility and change market dynamics. Our intent is for clients to be aware of these themes and understand their implications.

Current Opportunities

Current Opportunities are investment ideas that represent an action with the goal of improving investment outcomes relative to an investor's strategic asset allocation. It is not our intent that the full list of opportunities be implemented. Rather, we encourage a focus on the actions that offer a material benefit to each client's strategic allocation relative to their unique objectives and constraints. These investment ideas are likely to change more frequently as market dynamics and valuations shift over time.

THEMES AND OPPORTUNITIES

The outlook for developed market equities outside the US has improved

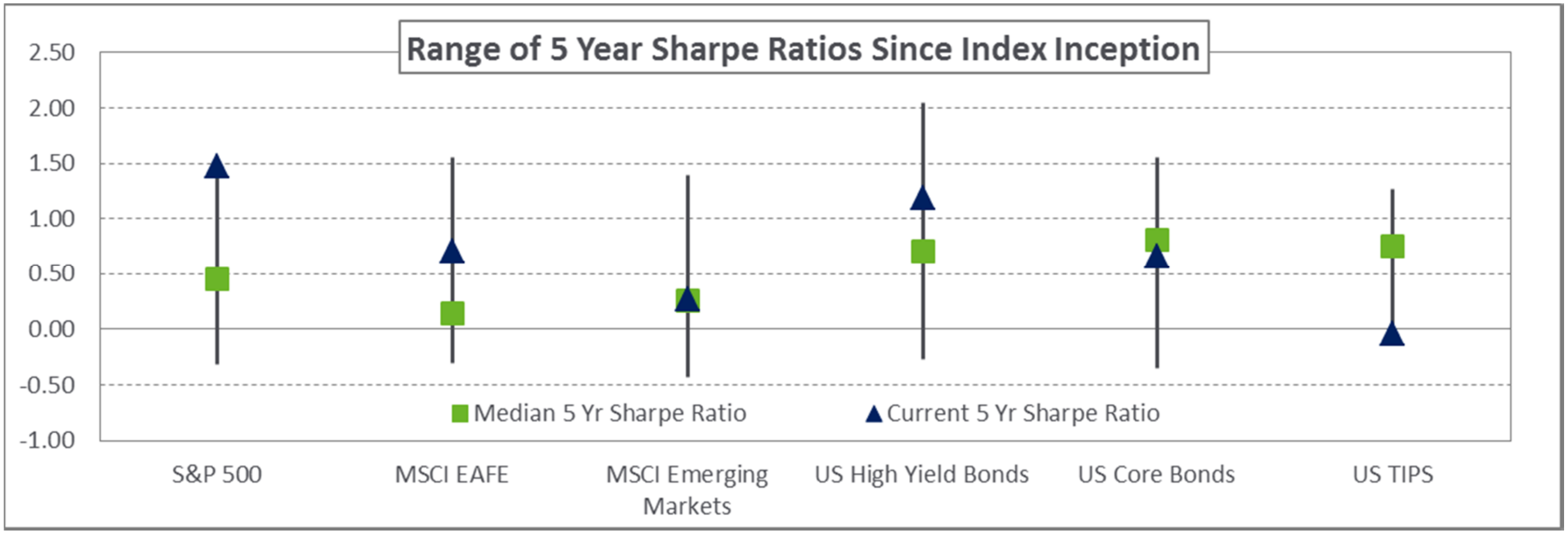
Growth conditions across the globe are on the upswing supported by easy financial conditions and an improved corporate earnings outlook

We encourage reducing exposure to assets that have outperformed expectations over a prolonged period such as US stocks and high yield

Tilt exposure to assets underperforming expectations in recent years, particularly emerging market equities, developed market equities, and US TIPS

Market stability must not elicit complacency, we encourage investors to increase exposure to strategies that mitigate market drawdowns

Look to rebalance "safe haven" fixed income exposure back to strategic targets



Index Inception: S&P 500 - 1926, MSCI EAFE – 1970, MSCI EM – 1988, US High Yield – 1983, US Core Bonds – 1976, US TIPS – 1997

Source: Ibbotson-Morningstar, eVestment, Sharpe Ratio range spans 5th to 95th percentile

2018 THEMES AND OPPORTUNITIES

Key Market Themes

- Extended US Economic Cycle
- Synchronized Economic Resurgence
- Federal Reserve Gradualism
- China Transitions
- Globalization Backlash

Current Opportunities

- Trim US Equity Gains
- Overweight Non-US Developed Market Equities
- Maintain a Market Overweight to Emerging Market Equities
- Allocate to TIPS from Core Bonds
- Reduce Return Seeking Credit Exposure
- Fund Emerging Local Debt
- Add Macro Hedge Funds
- Add Long Volatility Exposure

KEY MARKET THEMES

KEY MARKET THEMES

Extended US Economic Cycle

Synchronized Economic Resurgence

Federal Reserve Gradualism

China Transitions

Globalization Backlash

KEY MARKET THEMES

Extended US Economic Cycle

Economic cycles do not die of old age

The US economy is in an extended expansionary cycle despite being eight years removed from the last recession

Financial health of US consumers and ongoing recovery of the housing market continue to drive economic growth

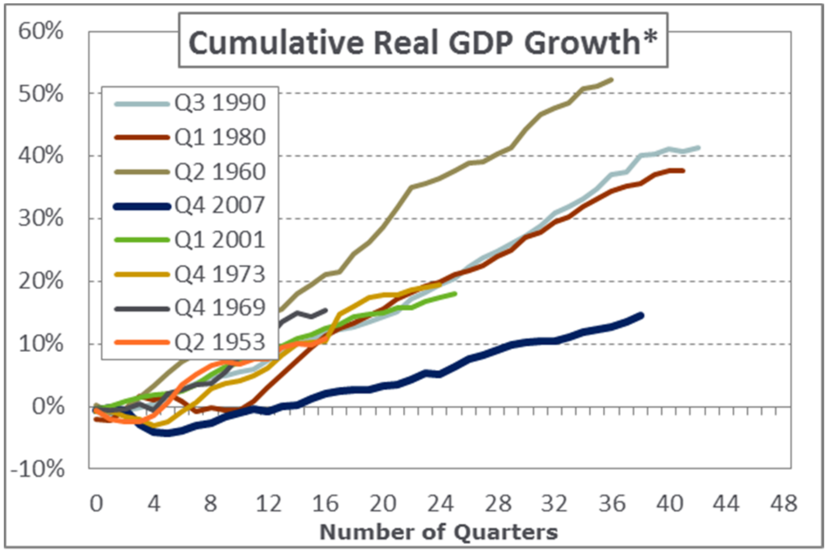
A prolonged US economic expansion can support a continued rally for US equities despite elevated valuation levels

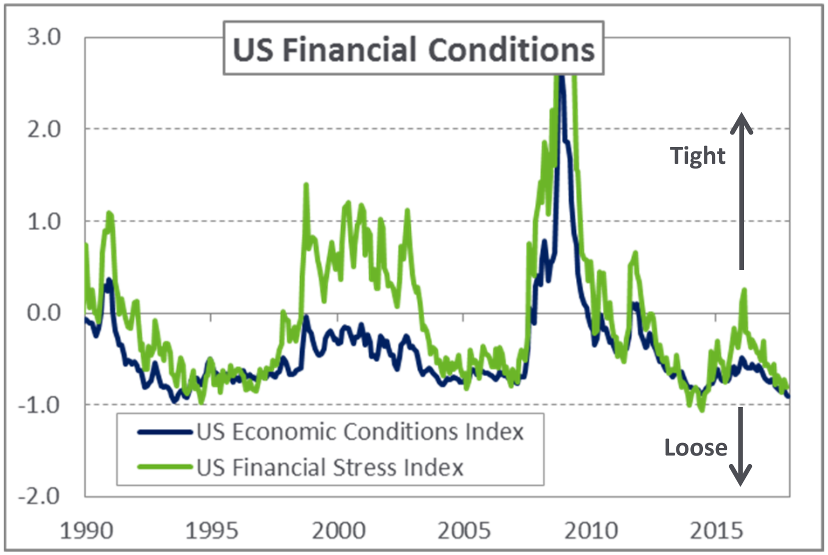
US financial conditions remain loose and support steady economic gains

Low inflation provides a foundation for positive economic conditions and reinforces the Fed's gradual monetary policy approach

Moderating US dollar strength is another form of easy financial conditions, benefiting global trade flows and credit creation

Reversal in these easy conditions may be fueled by actions outside the US, such as a misstep by global central banks and/or increased volatility in the Chinese yuan





*Source: (Top) Bloomberg,*Cumulative GDP growth from prior cycle peak*
Source: (Bottom) Federal Reserve Bank of Chicago and Kansas City

KEY MARKET THEMES

Extended US Economic Cycle

Excess capacity remains in the system and provides fuel for the expansion

Labor market gains have been robust but slack remains as many have not returned to the workforce

Muted wage gains and low inflation metrics are reflective of the excess capacity remaining in the US economy

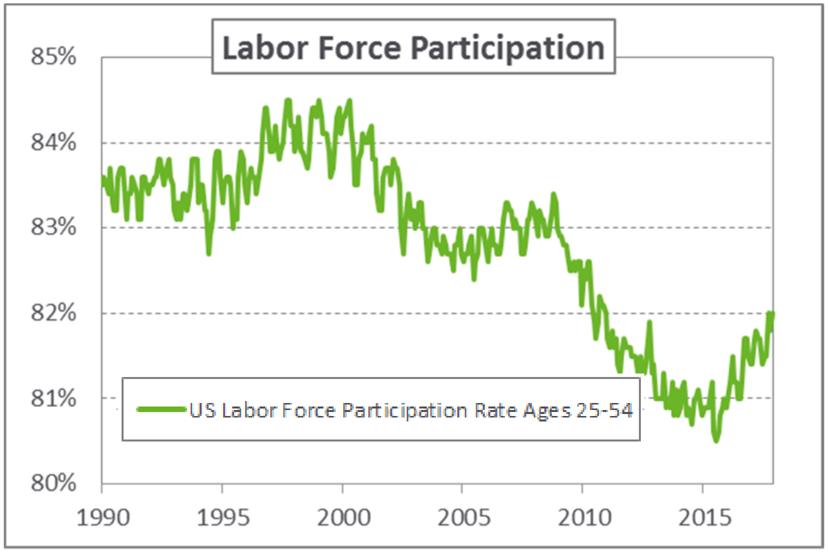
Tax cuts and fiscal stimulus can potentially remove spare economic capacity and be a catalyst for an uptick in inflation measures

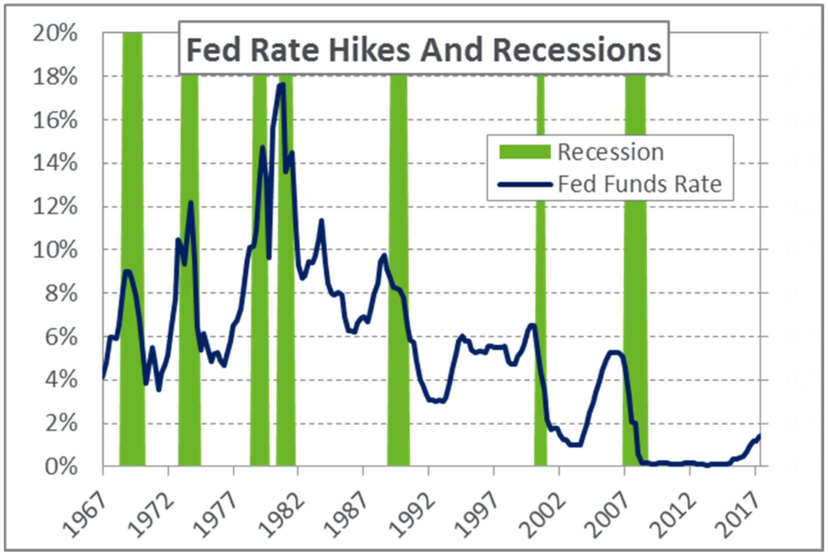
US recession concerns are muted

An acceleration in inflation leading to a tightening of financial conditions has historically been a catalyst to end economic expansions

However, improved US household balance sheets have room to expand and support further consumer spending gains

Improving global economic conditions reinforce an expansion of the US economy as global growth factors synchronize





Source: (Top) Federal Reserve Bank of St. Louis

Source: (Bottom) Federal Reserve, NEPC

KEY MARKET THEMES

Synchronized Economic Resurgence

Global economic conditions are improving in a synchronized fashion

Coordinated global growth factors reinforce economic gains across the globe and are distinct from the extension of the US economic cycle

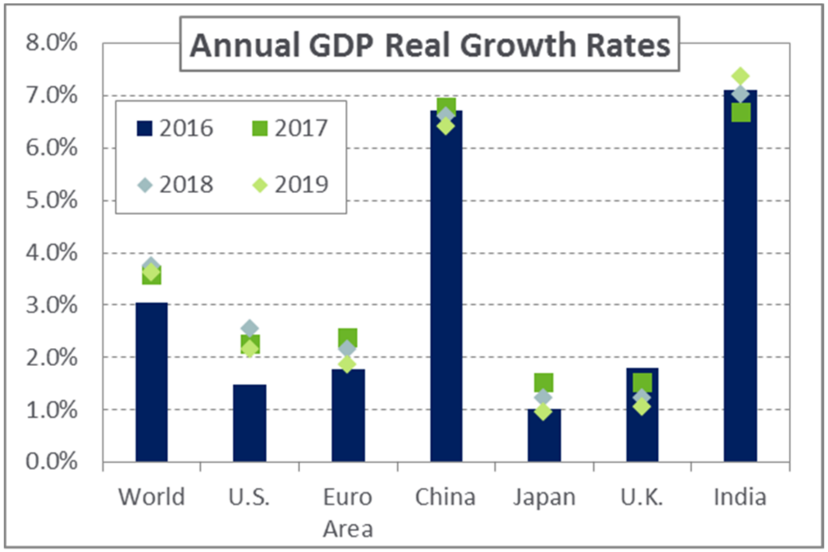
Non-US corporate revenues and equities are best positioned to benefit from a widespread boost in global economic conditions

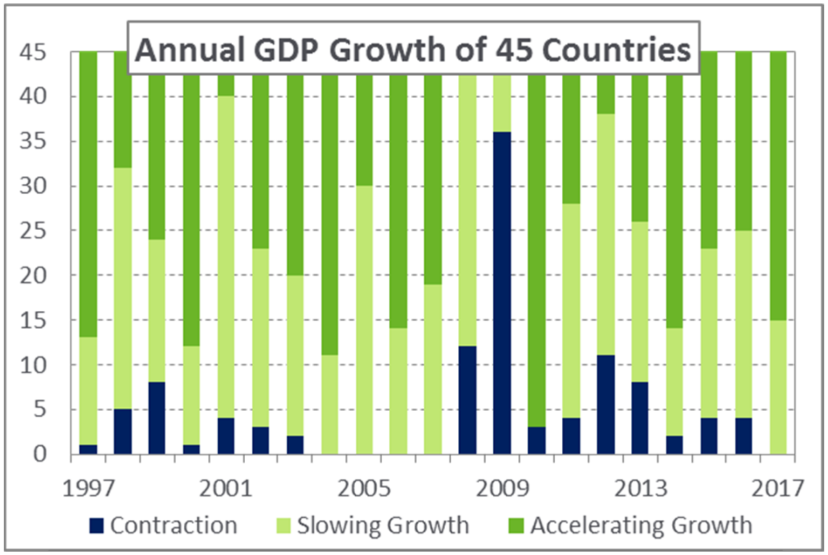
Positive growth rates harmonized across the globe are relatively rare

Conditions are the result of Europe, Japan, and large parts of the emerging world transitioning out of economic malaise

Persistence of the theme over several years would provide a substantial benefit to equity markets globally – specifically in Europe and Japan

Historically, periods of synchronized growth have been derailed by higher inflation levels and central banks tightening policy





Source: (Top) OECD
Source: (Bottom) OECD

KEY MARKET THEMES

Synchronized Economic Resurgence

Erosion of excess economic capacity is a catalyst to boost economic gains

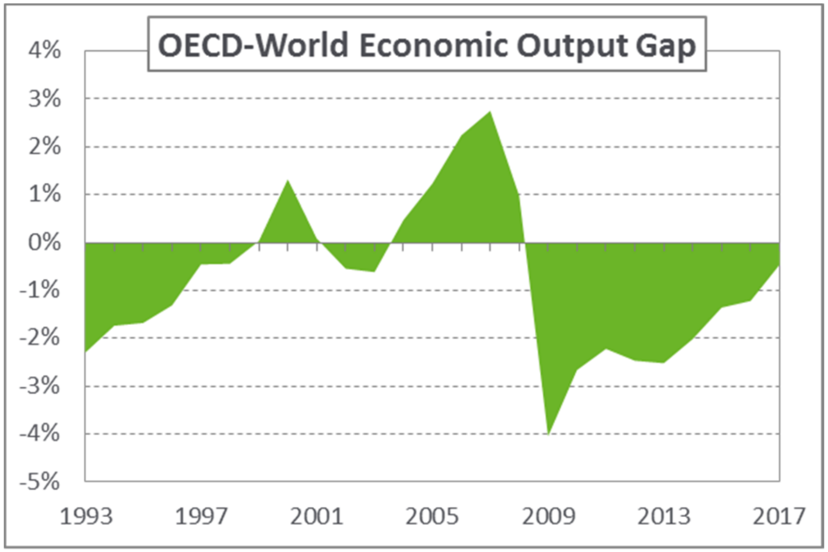
Despite recent labor market improvements, potential for labor reform in Europe and improved workforce participation in Japan offer multi-year benefits to economic growth

Material decline in emerging market inflation provides a cushion for real interest rates to fall and fuel an expansion of economic activity

Economic resurgence is delicate and can be disrupted by lingering global risk factors

US dollar strength, dislocation in China's credit expansion, and restrictive US trade policy pose the greatest threats

The foundation of synchronized economic resurgence is the continuation of positive trends associated with the other key market themes



Source: (Top) OECD
Source: (Bottom) IMF

KEY MARKET THEMES

Federal Reserve Gradualism

The Federal Reserve is expected to slowly increase interest rates

Expected path of Fed policy through 2020 matters more than timing of the next hike as the disconnect between market expectations and Fed signaling has grown

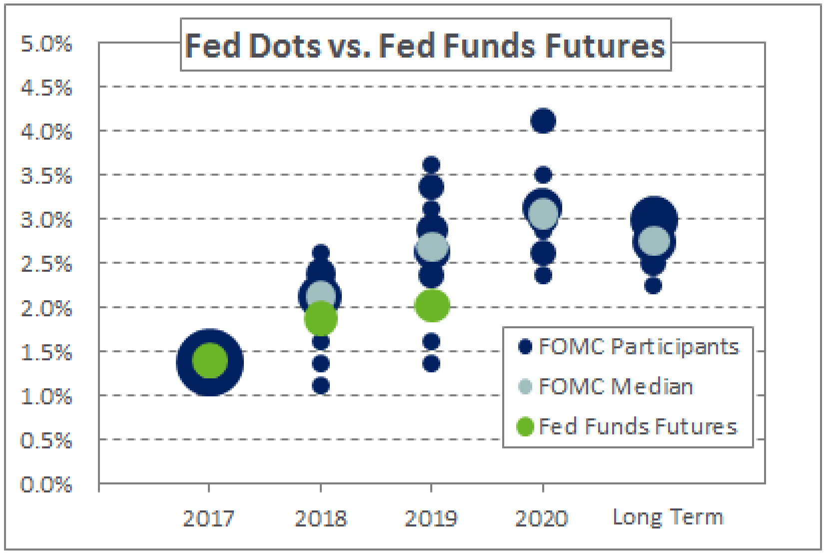
A relatively accommodative Fed is likely to continue, unless there is a dramatic acceleration in inflation

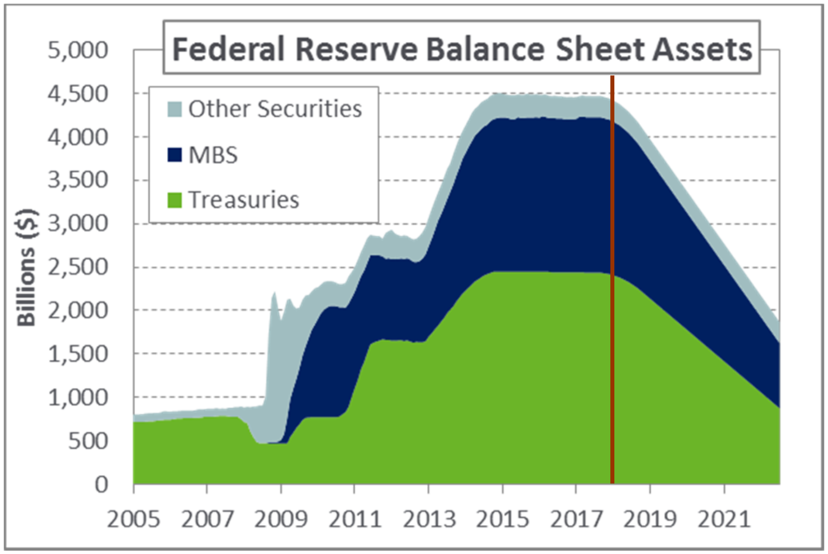
The Fed's balance sheet normalization is a low grade tightening of monetary policy but its impact is untested

Fed is expected to be careful and data dependent yet balance sheet disbursement into a strong economy will likely have tightening effects – in the same way balance sheet expansion had easing effects

The balance sheet will gradually shrink over time assuming conditions remain supportive

The gradual progression of balance sheet reduction combined with the accommodative policies of global central banks supports easy global financial conditions





Source: (Top) Bloomberg, NEPC
Source: (Bottom) Bloomberg, NEPC

KEY MARKET THEMES

Federal Reserve Gradualism

Gradualism is the policy of choice globally as the major central banks manage unprecedented initiatives

ECB's QE program is expanding but at a slower rate

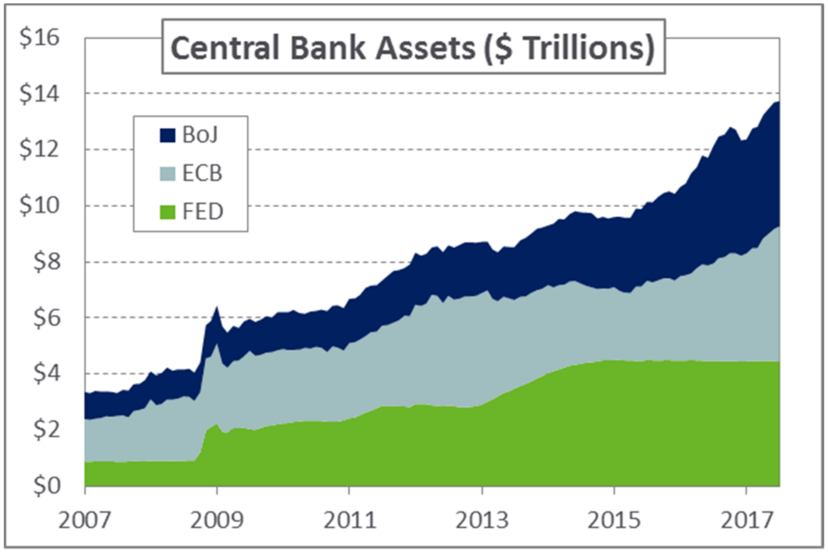
However, the reinvestment of balance sheet holdings is likely to continue for an extended period of time

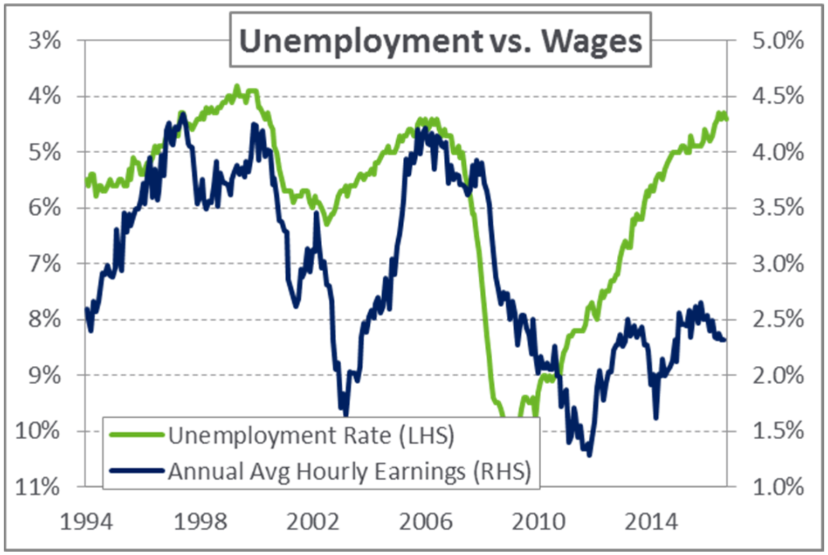
Bank of Japan's QE yield-curve control program has rapidly slowed bond purchases but solidified steepness in the yield curve

Inflation expected to shift marginally higher in the coming years

Improvements in wage growth and aggregate economic activity support modest upticks in inflation but still within the Fed's tolerance bands to gradually raise rates

Fed has stated a willingness to let the economy "run hot" and accept some inflation to repair the deflationary effects of the past decade





Source: (Top) Bloomberg, NEPC
Source: (Bottom): Bloomberg, FRED

KEY MARKET THEMES

China Transitions

China is the global growth engine but faces fundamental transitions

China's economic transition is pivoting from production and investment focused to a service and consumption based economy

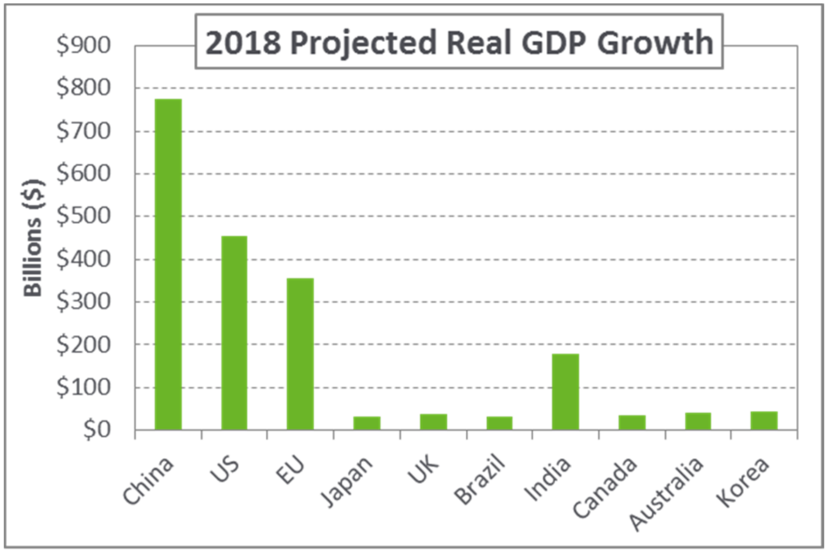
Fixed investment is required to sustain the production based economy and support employment as the rural population moves to urban centers

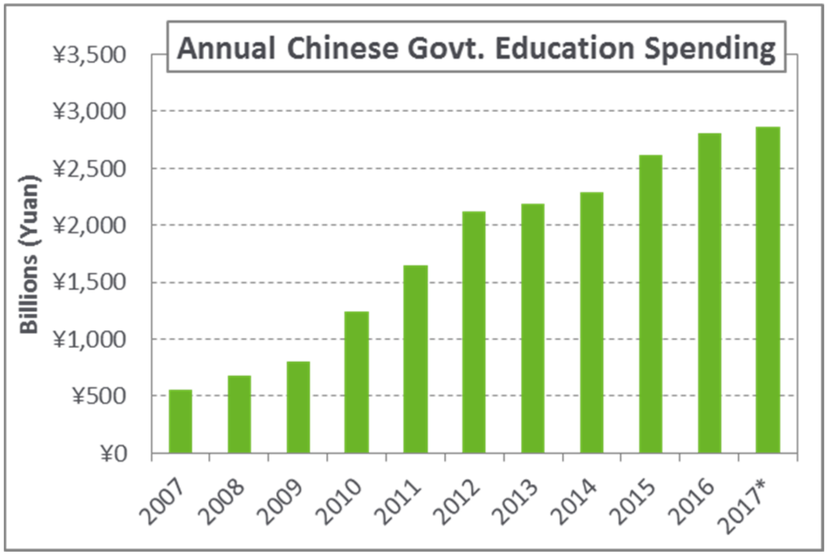
Any disruption to these transitions will have global repercussions due to China's role in the global economy

China must manage competing social goals in attempting to sustain growth

Engineering an orderly transition to a consumer-led economy requires supporting employment outside the major cities and improving quality of life metrics such as air quality in the urban centers

Future growth in a services based economy requires advancement in productivity, technology, and a more skilled labor force





Source: (Top) Bloomberg
*Source: (Bottom) Bloomberg, *Includes estimate for Nov/Dec 2017*

KEY MARKET THEMES

China Transitions

The PBOC is tasked with straddling a delicate path as the economy evolves

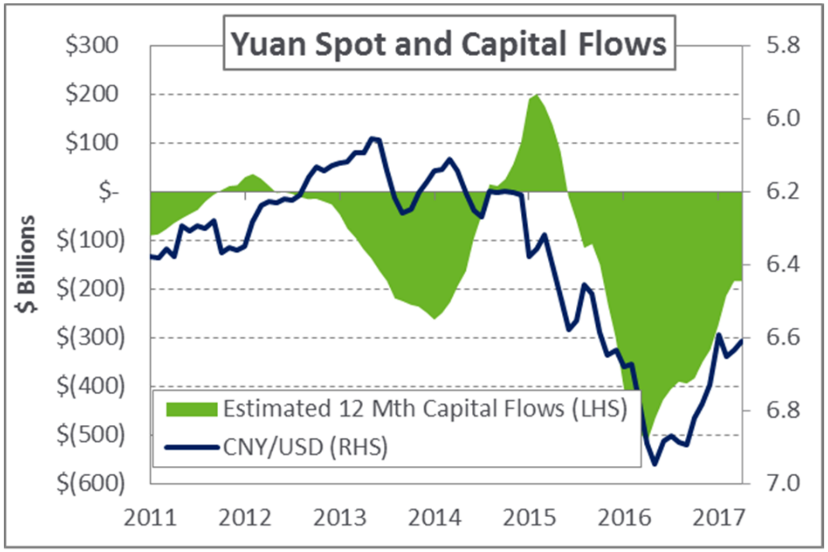
China maintains control of its currency and monetary policy but would have to make concessions to open its capital account and allow the free movement of capital in order to encourage investment

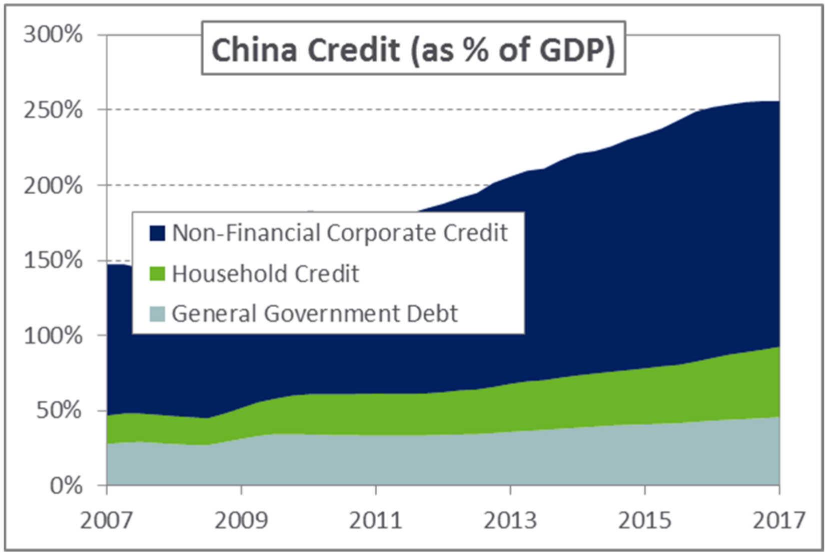
Restrictions on capital markets are slowly being eased, with an eye towards limiting social disruption

China's government is negotiating a balance of tightening credit expansion and support for economic growth

Continued credit expansion and real estate development risk inflating asset price bubbles and pose a systemic risk

Markets have responded positively to the PBOC's management of a more stable yuan as capital outflow pressure has eased but currency devaluation remains a tail risk





Source: (Top) Bloomberg, NEPC
Source: (Bottom) Bank of International Settlements

KEY MARKET THEMES

Globalization Backlash

Uneven economic growth and wage gains have fueled political discontent in the developed world

Election results in France have assuaged fears of political gridlock in the EU

Italian election in first half of 2018 is another potential flashpoint on globalization

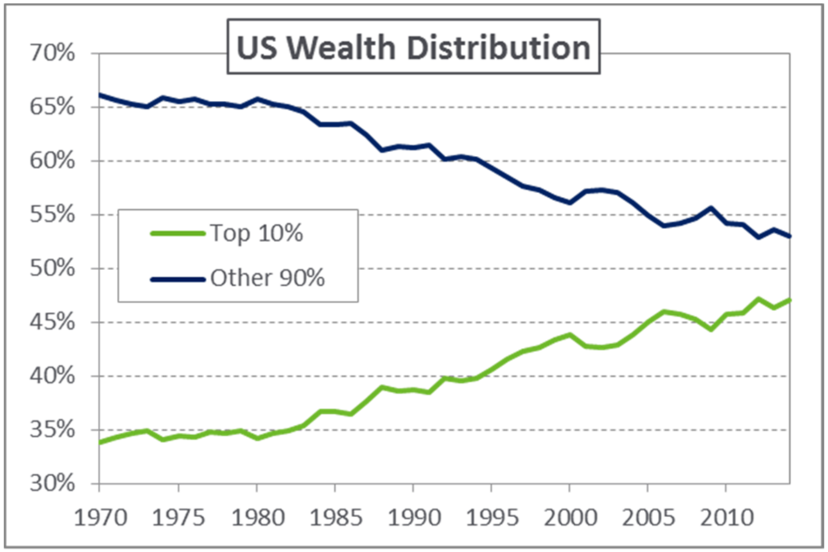
Anti-establishment political bias is likely a long term trend and potentially leads to higher levels of currency volatility over time

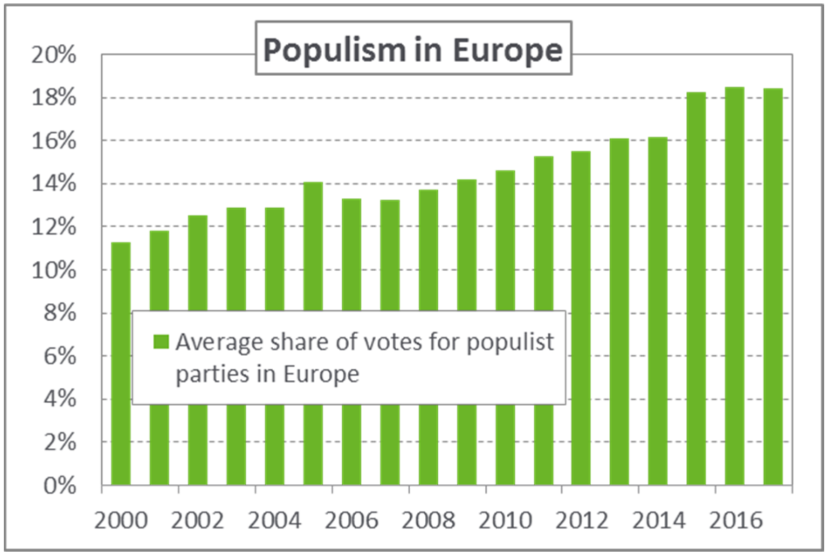
For many nations, a turn inward is associated with globalization fatigue

Often fuels greater expression of nationalism and increased geopolitical risks as multilateral relationships are reassessed

Populist movements destabilize the political order and shifts away from political orthodoxy heighten tail risks

However, equity markets often overreact to geopolitical concerns and sell-offs can be a buying opportunity for investors





Source: (Top) World Wealth & Income Database
Source: (Bottom) World Bank

KEY MARKET THEMES

Globalization Backlash

Major shifts in US trade policy did not materialize in 2017

However, a more aggressive protectionist policy would represent a material risk to global markets and the world economy

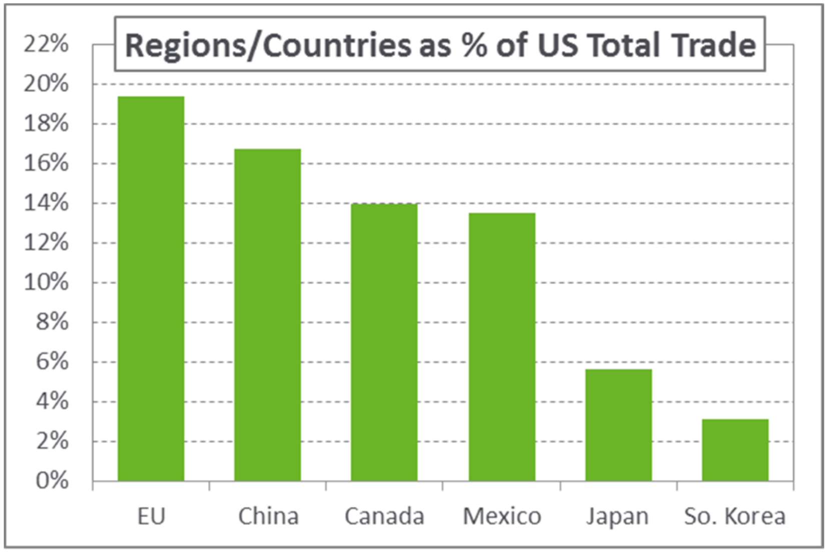
Markets have taken to interpreting the US administration's rhetoric with a grain of salt but ongoing NAFTA negotiations are a concern

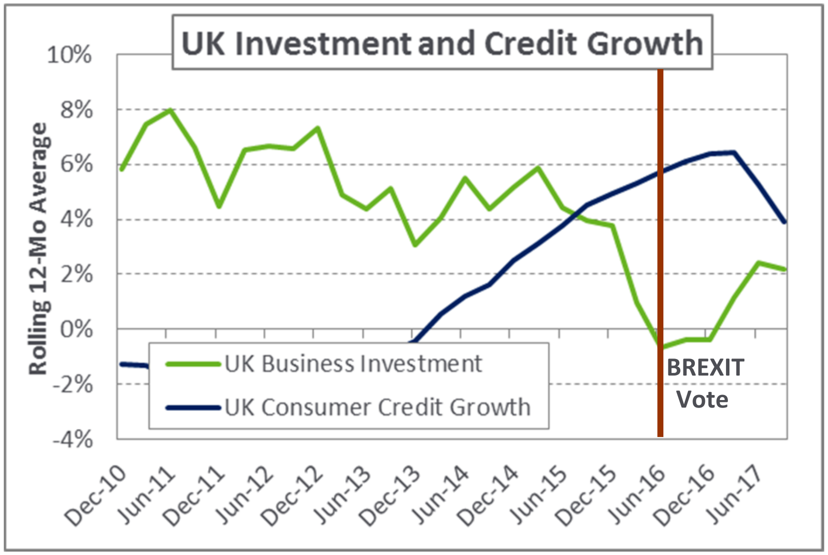
The UK serves as a live case study for the effects of globalization backlash

While it is early in the process, economic metrics across the country have turned lower in the 18 months since UK voted to leave the European Union

Expected disruption to financial regulations, customs controls, and business confidence in the UK are proving to be a cautionary tale for a turn away from globalization

However, the economic unease of voters remain and popularity of anti-establishment political parties poses a risk to the global economic order





Source: (Top) Federal Reserve Bank of St. Louis

Source: (Bottom) Bloomberg

CURRENT OPPORTUNITIES

CURRENT OPPORTUNITIES

Trim US Equity Gains

Overweight Non-US Developed Market Equities

Maintain Overweight to Emerging Market Equities

Allocate to TIPS from Core Bonds

Reduce Return Seeking Credit Exposure

Fund Emerging Local Debt

Add Macro Hedge Funds

Add Long Volatility Exposure

Not all opportunities are suitable for all investors

CURRENT OPPORTUNITIES

Trim US Equity Gains

US stocks have posted strong returns over the last 9 years

US stocks are "priced for perfection" with valuations and profit margins hovering near secular highs despite the recent earnings growth improvement

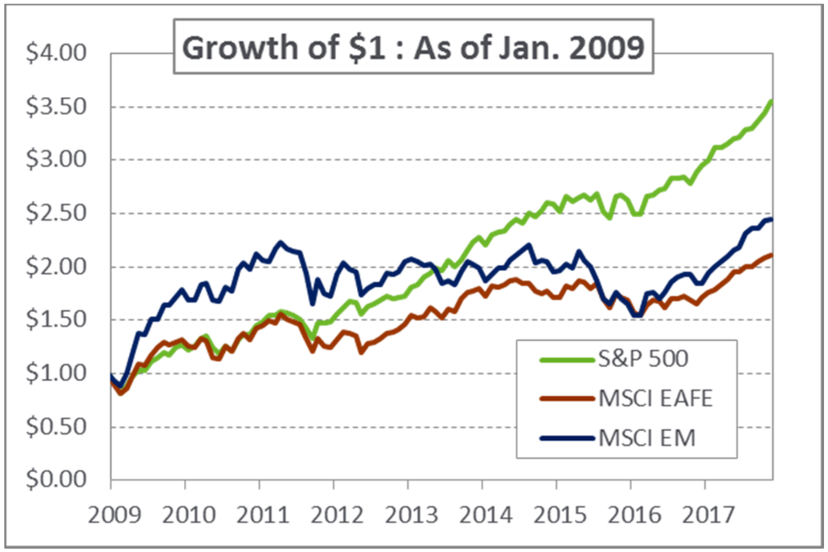
However, a prolonged US economic expansion can continue to support a rally in US equities, specifically small-cap stocks that may benefit from corporate tax cuts

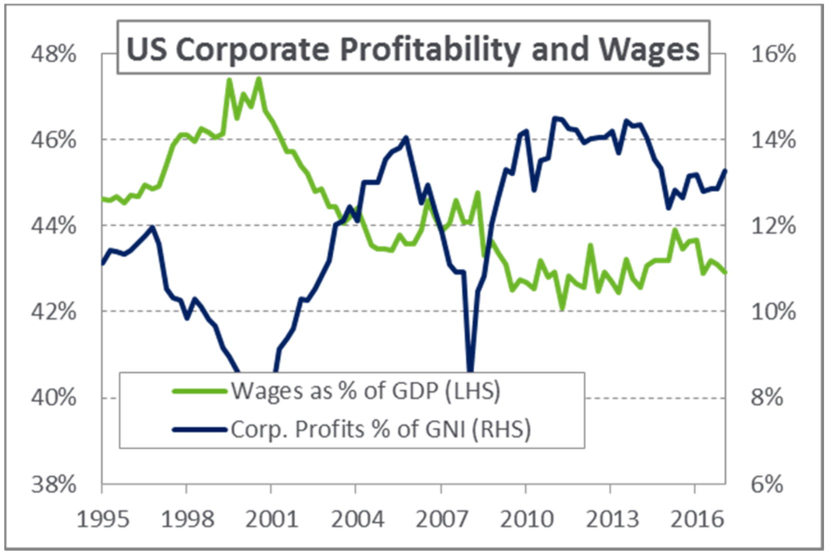
Reduce US large-cap exposure to fund global equity strategies

Opportunity for alpha generation and total return is greater outside the US

US equities are also a viable funding source for private market commitments

Should US equity markets decline materially, look to rebalance to exploit market volatility





Source: (Top) Federal Reserve Bank of St. Louis
Source: (Bottom) S&P, MSCI, Bloomberg

CURRENT OPPORTUNITIES

Overweight Non-US Developed Market Equities

A multi-year earnings recovery in EAFE markets offers the potential for an elevated return

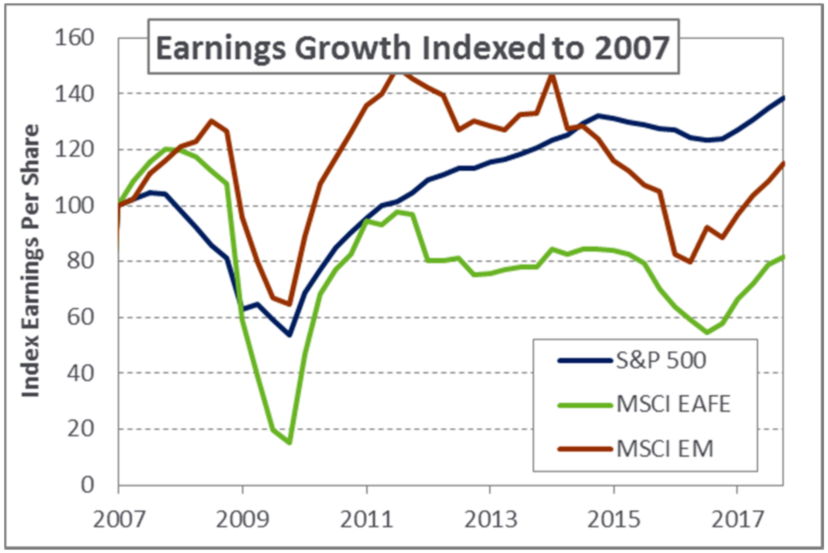
Catalysts for outperformance are present with improving economic conditions in Europe and continued corporate governance improvements in Japan

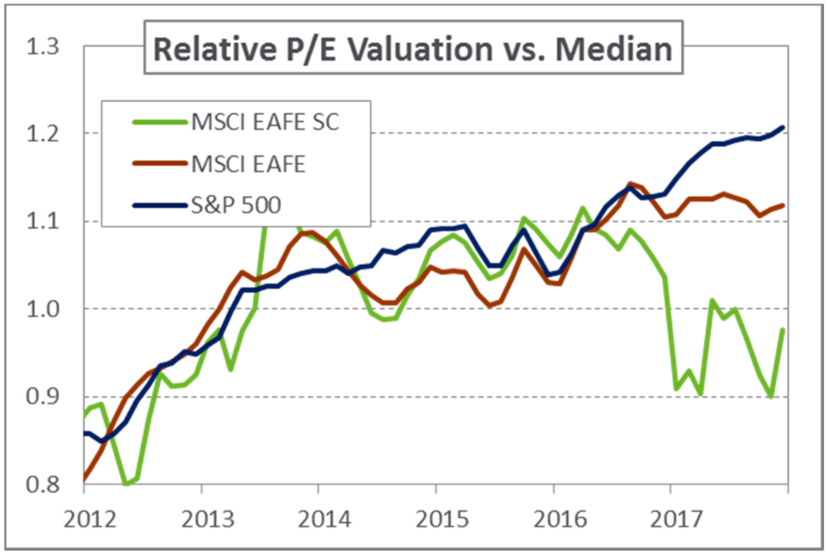
Earnings recovery appears to be taking hold in Europe where an uncertain political outlook has gained clarity

Non-US small cap and global equity are preferred for implementation

These strategies offer the best opportunity to exploit valuation discrepancies among stocks across countries and sectors

Hedging a portion of non-US developed currency exposure remains a strategic recommendation





Source: (Top) Bloomberg, NEPC
Source: (Bottom) S&P, MSCI, Bloomberg, NEPC

CURRENT OPPORTUNITIES

Maintain Overweight to Emerging Market Equities

Emerging equities offer the highest total return potential for investors

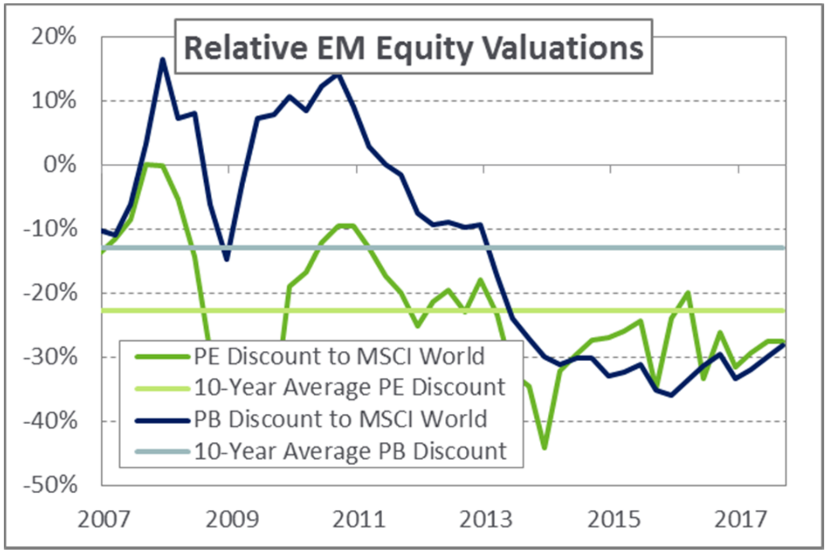
Valuation levels and fundamentals suggest an overweight relative to global equity market cap weights (e.g. 15% to 20%)

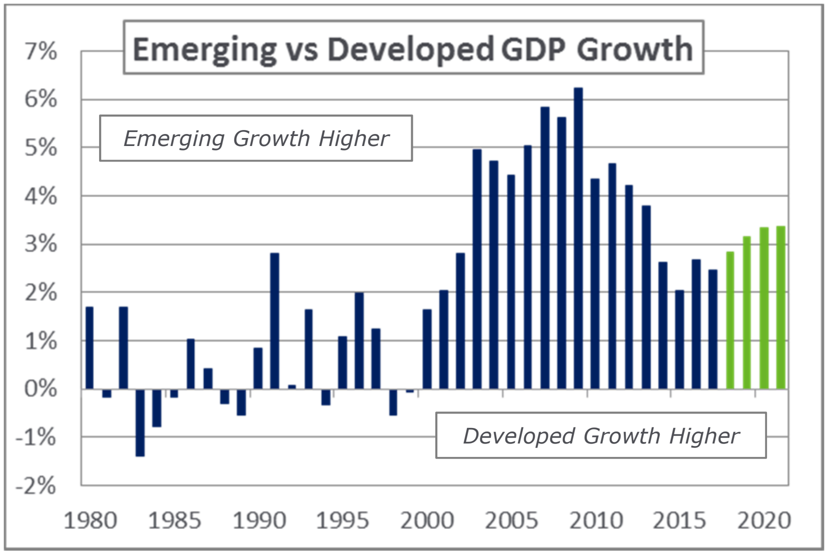
Growth premium relative to the developed world persists as economic conditions in EM improve due to synchronized global growth

High tracking error strategies offer greater flexibility to invest across emerging countries and are preferred to benchmark focused mandates

Opportunity set for excess return appears more abundant in EM versus developed markets

Strategies that invest down the market cap spectrum can offer investors more pure local growth exposure





Source: (Top) MSCI, Bloomberg
Source: (Bottom) IMF

CURRENT OPPORTUNITIES

Allocate to TIPS from Core Bonds

Duration exposure remains a key asset allocation building block for a diversified portfolio

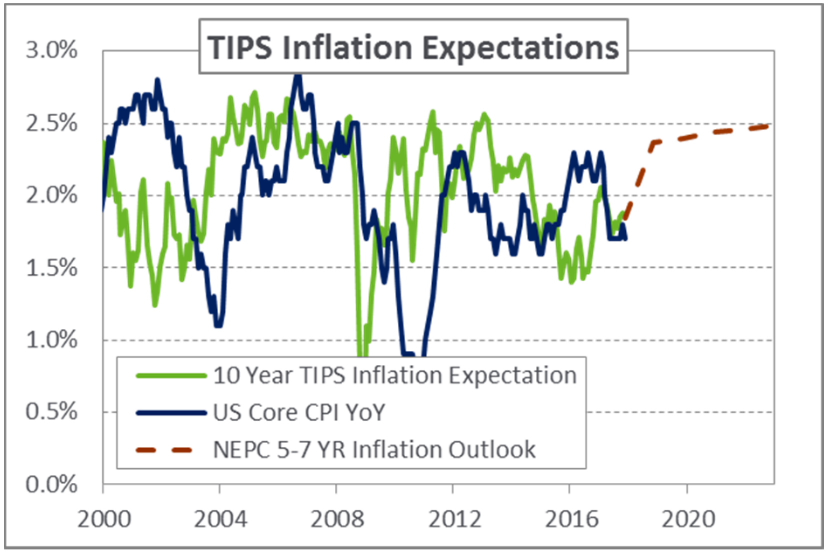
TIPS offer safe haven exposure with an explicit hedge for realized inflation and can be implemented with a low cost passive strategy

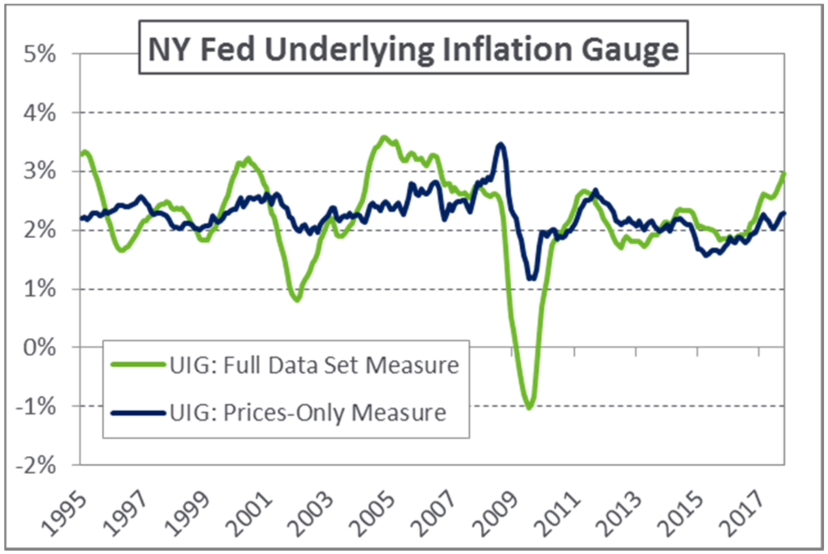
Current core bond yields offer limited cushion before taking on losses in a rising interest rate environment

Increase in inflation expectations would favor TIPS over nominal bonds

TIPS yields are priced off real rates and sensitive to Fed tightening but a gradual path of normalization should mitigate the risk of a sharp rise in real interest rates

An allocation to TIPS diversifies core bond exposure and improves risk balance across economic environments





Source: (Top) Bureau of Labor Statistics, Bloomberg, NEPC
Source: (Bottom) New York Fed

CURRENT OPPORTUNITIES

Reduce Return Seeking Credit Exposure

Over the last 18 months, high yield bonds have provided strong gains

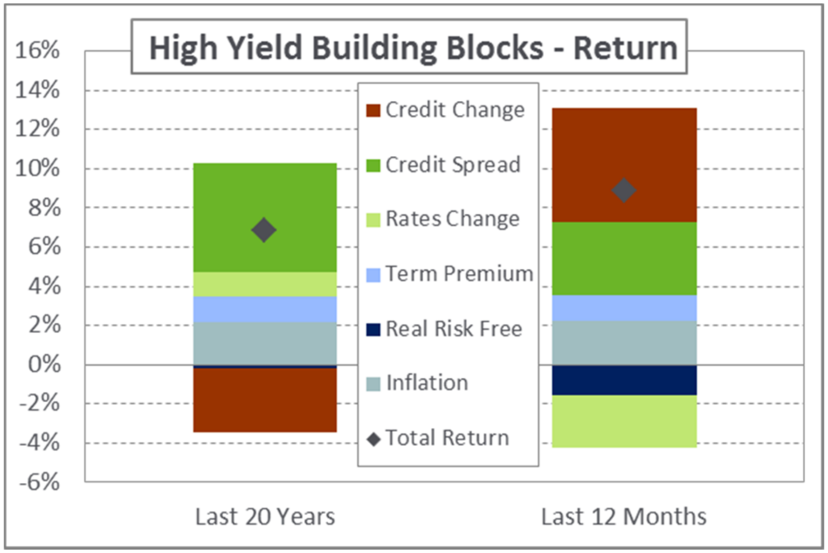
Attractive credit spreads seen in early 2016 have now fallen below historic medians and do not appear to fully compensate investors for the risk

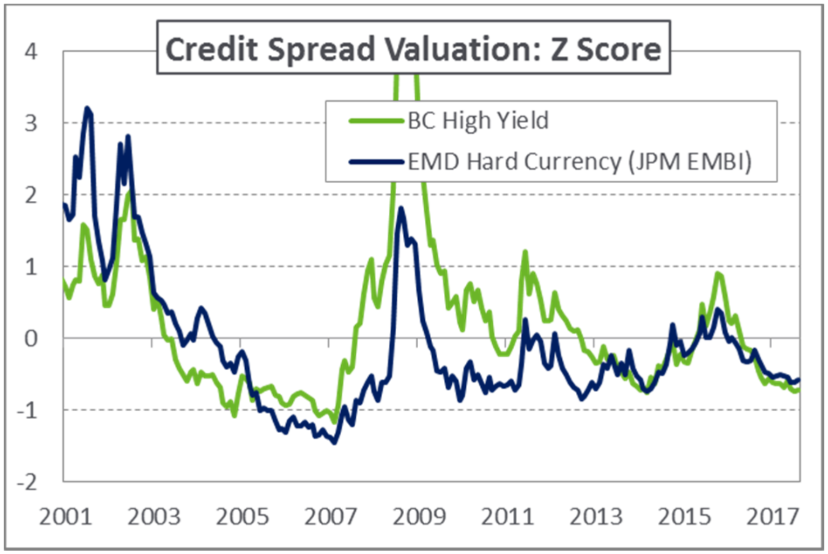
Reallocate gains from liquid credit markets to other areas of the portfolio (e.g. equity, private markets, safe haven fixed income)

Valuations of other credit sectors appear stretched with dollar based EMD also looking expensive

Recommend investors eliminate or reduce dollar-denominated emerging market debt as both sovereign and corporate spreads have tightened

We encourage reallocating the proceeds of dollar based EMD to a smaller mandate in EMD local or moving to other areas of the portfolio (e.g. equity, idiosyncratic credit opportunities)





Source: (Top) MSCI, Bloomberg
Source: (Bottom) IMF

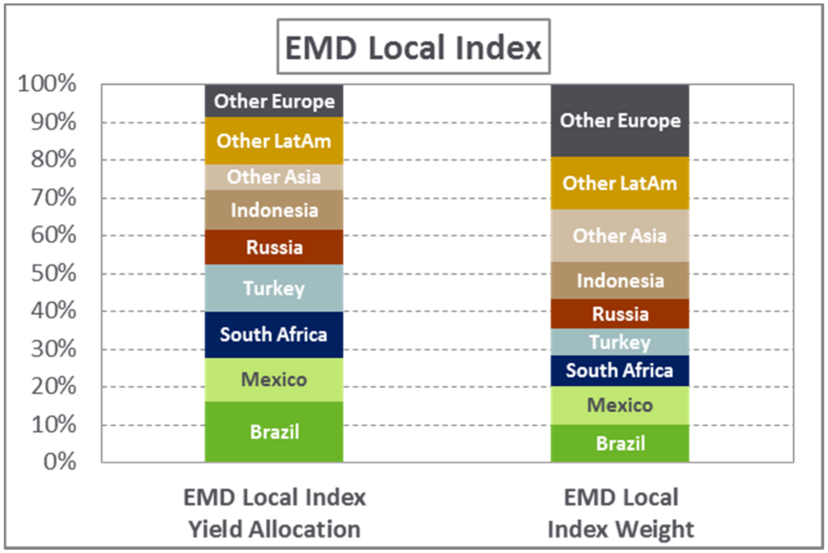
CURRENT OPPORTUNITIES

Fund Emerging Local Debt

EM local debt offers an attractive total return opportunity

Above average index yield relative to developed world provides a cushion to offset potentially high currency volatility

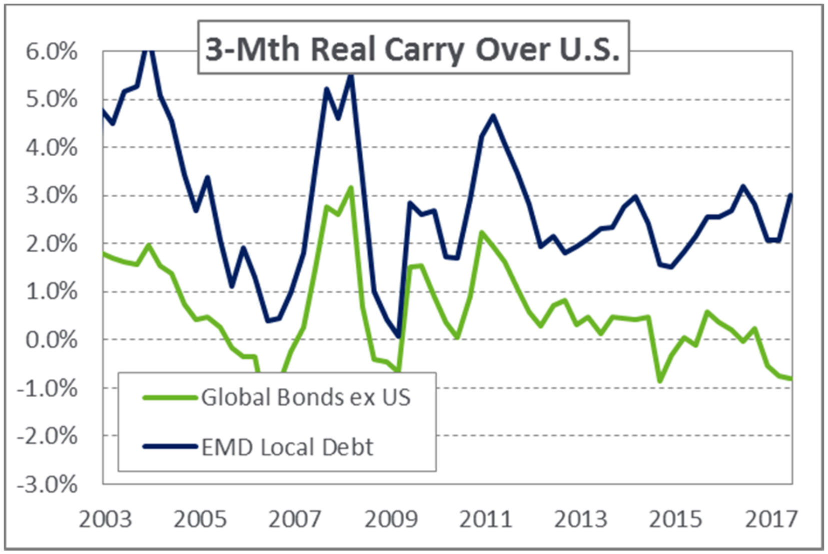
Valuations for many emerging market currencies remain attractive despite recent rally in select markets



For tactically oriented investors, look to fund emerging local debt from high yield and dollar denominated EMD

Preferred implementation is a stand alone EM local debt strategy

For investors with an existing dollar denominated EMD allocation, we encourage shifting the exposure to local currency debt but reduce the exposure size to account for the higher volatility of emerging local currency debt



Source: (Top) JP Morgan

Source: (Bottom) JP Morgan, Bloomberg, NEPC

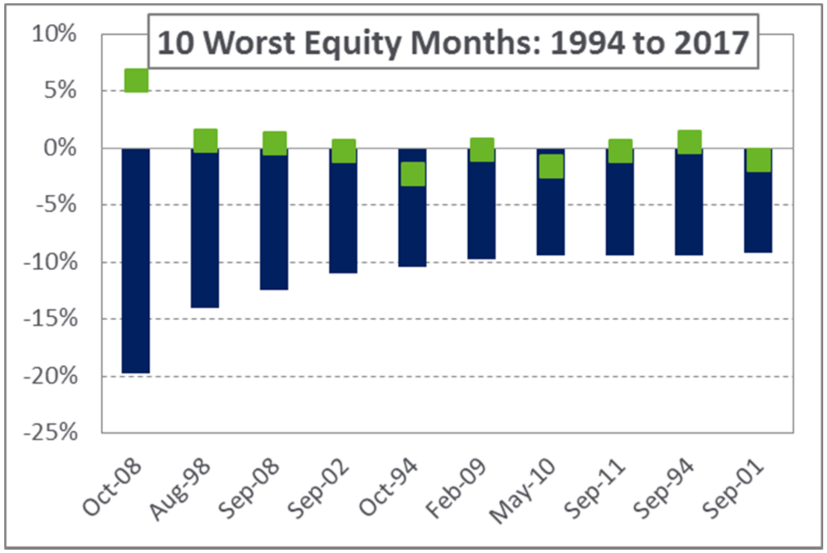
CURRENT OPPORTUNITIES

Add Macro Hedge Funds

Macro hedge fund strategies offer broad benefits to a total portfolio

Allocations of size (e.g. 5%) help to mitigate the left-tail of a portfolio return distribution

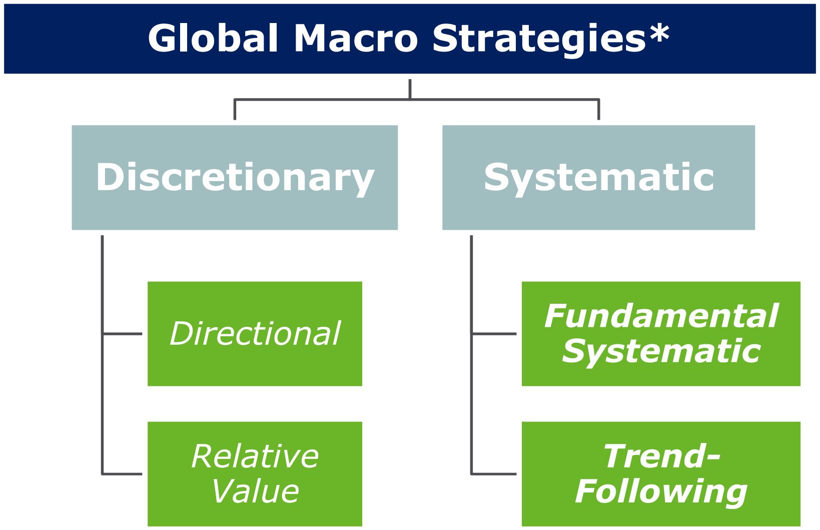
Investors should be targeted in their approach to portfolio construction as manager selection is paramount



Fund systematic global macro from broad based GAA and hedge fund of fund strategies

Systematic strategies tend to exhibit low correlation to equity markets and are strong diversifiers within a total portfolio

Many systematic macro strategies exhibit "crisis alpha" or excess performance in risk-off periods



Source: (Top) eVestment, HFRI

**Not intended to be an all inclusive Macro sub-strategy list*

CURRENT OPPORTUNITIES

Add Long Volatility Exposure

Volatility levels for global markets are near historic lows

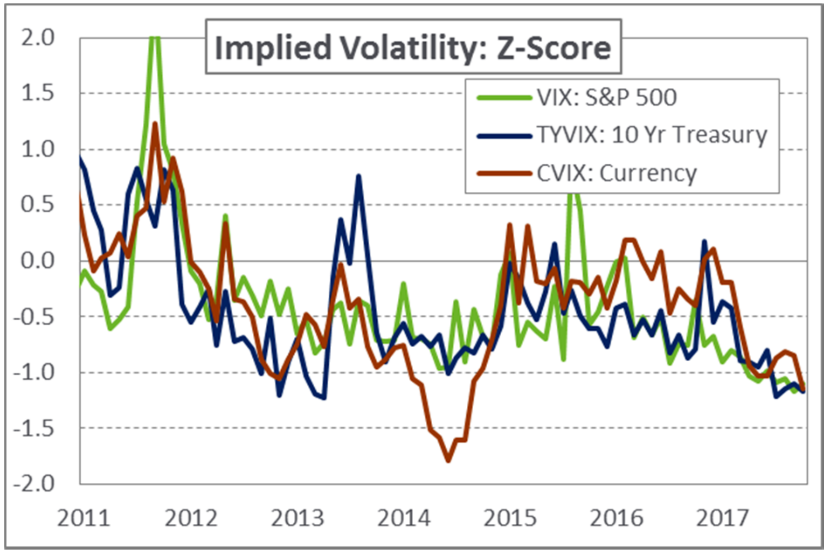
Long volatility exposure positively benefits from rising asset class volatility and an allocation of 1% to 2% can provide a significant return contribution should volatility normalize

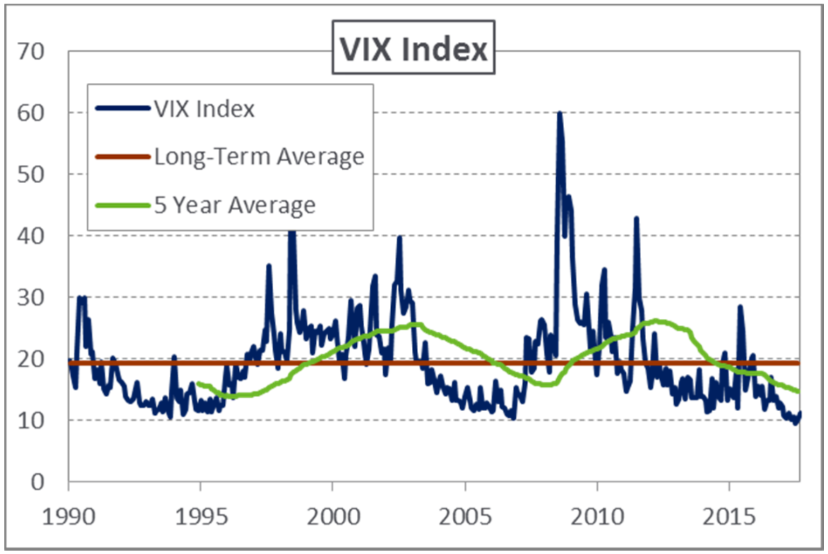
Exposure is not without risk. Losses would be expected if market volatility continues to decline. Discipline of a multi-year time horizon is required should volatility levels move slowly back to normal levels

Long volatility strategies with positive carry are the only implementation option we recommend

Purchasing S&P VIX is a costly method to implement long volatility exposure due to the negative roll yield of the VIX curve

Suited for opportunistic investors and ideally funded from traditional GAA strategies





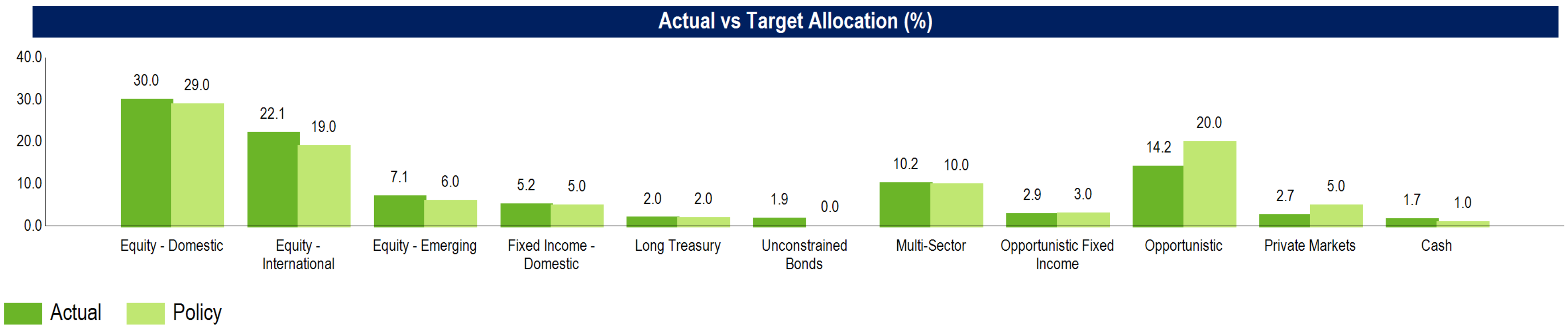
Source: (Top) Bloomberg
Source: (Bottom) Bloomberg

INVESTMENT PROGRAM REVIEW

NEPC, LLC

TOTAL FUND PERFORMANCE SUMMARY (GROSS OF FEES)

	Market Value	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank
Composite	**$188,838,726**	**3.4%**	**53**	**7.6%**	**28**	**18.6%**	**2**	**6.8%**	**58**	**7.3%**	**75**	**6.9%**	**75**	**5.9%**	**37**
Allocation Index		*3.9%*	*25*	*8.0%*	*17*	*16.8%*	*25*	*7.1%*	*47*	*7.6%*	*70*	*6.6%*	*85*	*5.4%*	*56*
Policy Index		*3.9%*	*26*	*7.9%*	*21*	*16.6%*	*30*	*7.3%*	*41*	*7.7%*	*65*	*6.9%*	*75*	*5.1%*	*70*
InvestorForce All Endowment $50mm-$250mm Gross Median		*3.5%*		*7.1%*		*15.3%*		*7.1%*		*8.3%*		*7.6%*		*5.7%*	



Goals and Objectives

- The Endowments performance objective is to provide long term returns that exceed inflation by 5% per annum, while maintaining moderate volatility.
- In addition, the UUA prefers to invest with managers that integrate ESG into their investment process

Recent Decisions & Action Items

- No actions taken at the prior meeting

Total Fund Performance

- The Endowment returned +3.4% (gross of fees) during Q4 of 2017, ranking 53rd in the universe, underperforming the allocation index and policy index
- Over the trailing one-year period, the Endowment returned +18.6% (gross of fees), ranking 2nd in the universe and outperforming both the allocation and policy index
- Over the ten-year time period, performance ranked in the second quartile of the peer universe
  - Manager selection and tactical allocations have been the primary driver of overall performance

Fiscal Year End: 6/30

DUE DILIGENCE MONITOR

The items below summarize any changes or announcements from your Plan managers/funds. A “Yes” indicates there was an announcement and a brief summary is provided separately. NEPC’s Due Diligence Committee meets every two weeks to review events as they relate to investment managers and determines if any action should be taken by NEPC and/or by our clients. They rate events: No Action, Watch, Hold, Client Review or Terminate. NEPC considers ourselves to be a fiduciary, as ERISA defines the term in Section 3(21).

Investment Manager	Manager Changes/ Announcements (Recent Quarter)	NEPC Due Diligence Committee Recommendations
Cevian Capital	Yes	No Action

A legend key to our recommendations is provided below.

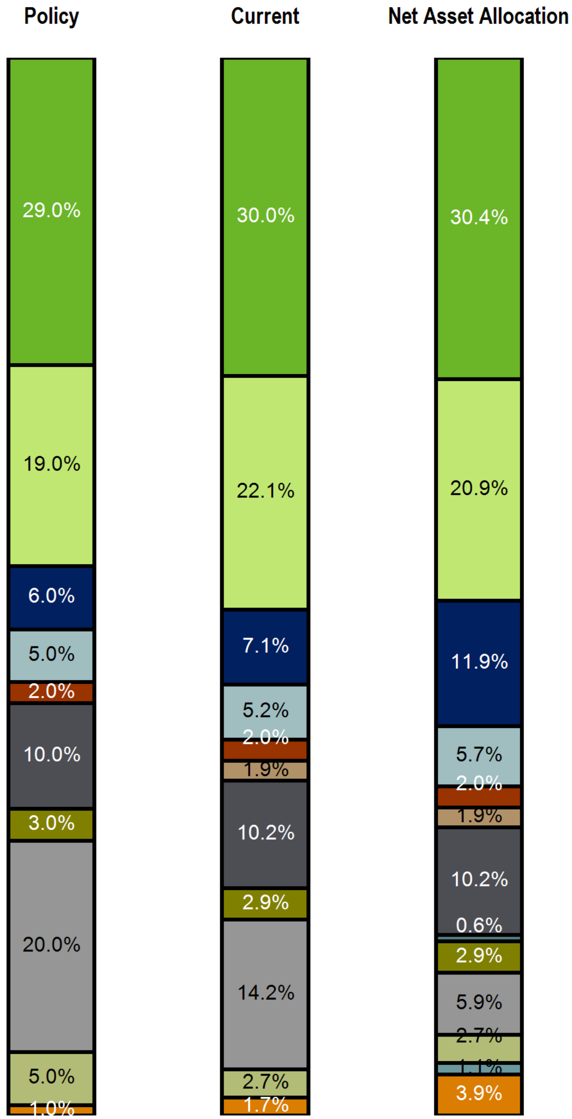
NEPC Due Diligence Committee Recommendation Key	
No Action	Informational items have surfaced; no action is recommended.
Watch	Issues have surfaced to be concerned over; manager can participate in future searches, but current and prospective clients must be made aware of the issues.
Hold	Serious issues have surfaced to be concerned over; manager cannot be in future searches unless a client specifically requests, but current and prospective clients must be made aware of the issues.
Client Review	Very serious issues have surfaced with a manager; manager cannot be in future searches unless a client specifically requests. Current clients must be advised to review the manager.
Terminate	We have lost all confidence in the product; manager would not be recommended for searches and clients would be discouraged from using. The manager cannot be in future searches unless a client specifically requests. Current clients must be advised to replace the manager.

TOTAL FUND SUMMARY

TOTAL FUND ASSET GROWTH SUMMARY BY MANAGER

	Quarter Ending December 31, 2017					
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Net Investment Change	Ending Market Value
Baxter Street	$10,185,084	$0	$0	$0	$189,938	$10,375,022
Boston Common	$14,819,466	$0	-$9,137	-$9,137	$538,648	$15,348,977
Brandywine Global Opportunistic	$9,787,985	$0	$0	$0	-$36,475	$9,751,510
Breckinridge - Corporate	$9,823,472	$0	-$584	-$584	$7,548	$9,830,436
Breckinridge-Treasury	$3,724,281	$0	-$222	-$222	$88,143	$3,812,202
Brockton Capital Fund III	$1,121,344	$0	-$7,575	-$7,575	$40,316	$1,154,086
Cash Account	$2,260,232	$3,310,788	-$3,895,675	-$584,887	$0	$1,675,345
Cevian Capital II	$6,123,810	$0	$0	$0	$243,815	$6,367,625
Community Development	$1,572,584	$0	-$1,048	-$1,048	$1,601	$1,573,138
Entrust Capital Diversified Fund Holdback	$201,577	$0	$0	$0	$0	$201,577
Entrust Class X	$590,686	$0	$0	$0	-$4,883	$585,803
FEG Private Opportuntiies Fund	$1,575,808	$0	-$40,000	-$40,000	$61,596	$1,597,404
Franklin Templeton GMS	$5,638,846	$0	$0	$0	-$74,177	$5,564,668
GMO Benchmark Free Allocation Fund	$20,051,355	$0	-$1,001,901	-$1,001,901	$535,901	$19,585,355
Kennedy Capital	--	$8,779,663	-$178	$8,779,485	$75,229	$8,854,714
Loomis Multi Sector	$9,451,697	$0	$0	$0	$73,411	$9,525,109
Loomis Sayles Strategic Alpha	$3,492,887	$0	$0	$0	$20,692	$3,513,578
MFS International Concentrated	$15,391,247	$0	$0	$0	$656,402	$16,047,649
OCP Orchard Landmark	--	$0	$0	$0	$2,082,645	$2,082,645
Pier Capital	$9,053,261	$0	-$9,480,029	-$9,480,029	$426,768	--
RBC Global Emerging Equity	$12,552,911	$0	$0	$0	$829,217	$13,382,128
Rhumbline	$19,183,988	$0	-$557,136	-$557,136	$1,230,122	$19,856,975
Sands	$19,877,058	$0	-$706,069	-$706,069	$768,244	$19,939,233
SJF Ventures	$206,170	$0	$0	$0	-$13,190	$192,980
Wellington SMID	$7,747,594	$0	$0	$0	$272,974	$8,020,568
Total	**$184,433,343**	**$12,090,450**	**-$15,699,552**	**-$3,609,102**	**$8,014,486**	**$188,838,726**

TOTAL FUND ASSET ALLOCATION VS. POLICY TARGETS



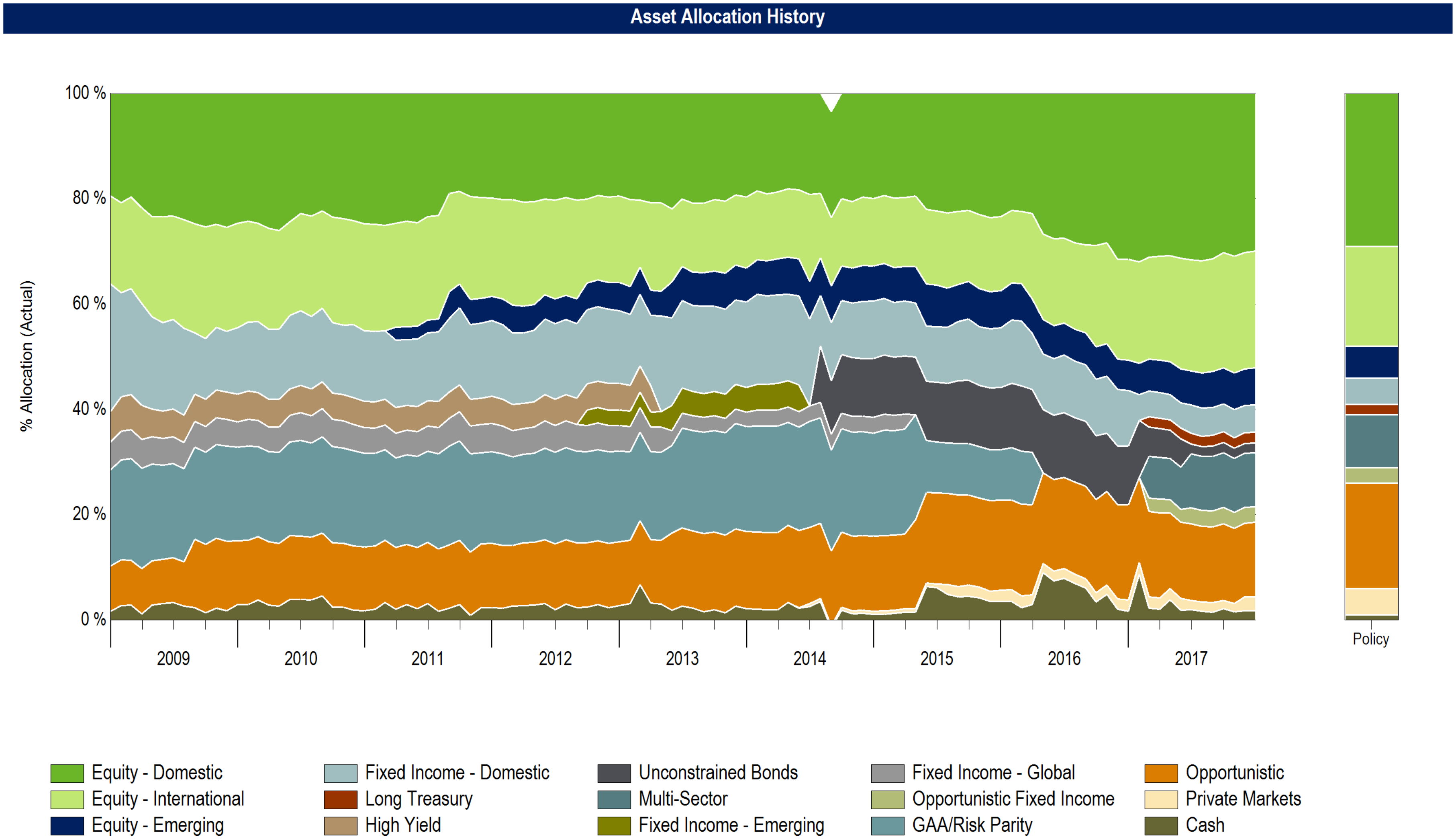
Asset Allocation vs. Target	Current	Policy	Current	Policy Range	Within Range	Net Asset Allocation
Equity - Domestic	$56,671,489	29.0%	30.0%	22.0% - 36.0%	**Yes**	30.4%
Equity - International	$41,771,648	19.0%	22.1%	14.0% - 24.0%	**Yes**	20.9%
Equity - Emerging	$13,382,128	6.0%	7.1%	3.0% - 9.0%	**Yes**	11.9%
Fixed Income - Domestic	$9,830,436	5.0%	5.2%	0.0% - 15.0%	**Yes**	5.7%
Long Treasury	$3,812,202	2.0%	2.0%	0.0% - 10.0%	**Yes**	2.0%
Unconstrained Bonds	$3,513,578	--	1.9%			1.9%
Multi-Sector	$19,276,619	10.0%	10.2%	0.0% - 15.0%	**Yes**	10.2%
Emerging Market Debt	--	--	--			0.6%
Opportunistic Fixed Income	$5,564,668	3.0%	2.9%	0.0% - 10.0%	**Yes**	2.9%
Opportunistic	$26,740,360	20.0%	14.2%	10.0% - 30.0%	**Yes**	5.9%
Private Markets	$5,027,114	5.0%	2.7%	0.0% - 10.0%	**Yes**	2.7%
Real Assets	--	--	--			1.1%
Cash	$3,248,483	1.0%	1.7%	0.0% - 10.0%	**Yes**	3.9%
Total	**$188,838,726**	**100.0%**	**100.0%**			**100.0%**

- On a look through basis, Domestic Equity is 30.4% of the fund, International Equity is 20.9% of the fund, and Emerging Market Equity is 11.9% of the fund.

- Within the Opportunistic allocation, dedicated Hedge Fund exposure is 3.8%, GMO has an Absolute Return allocation in their fund, increasing hedge fund exposure to 5.9%.

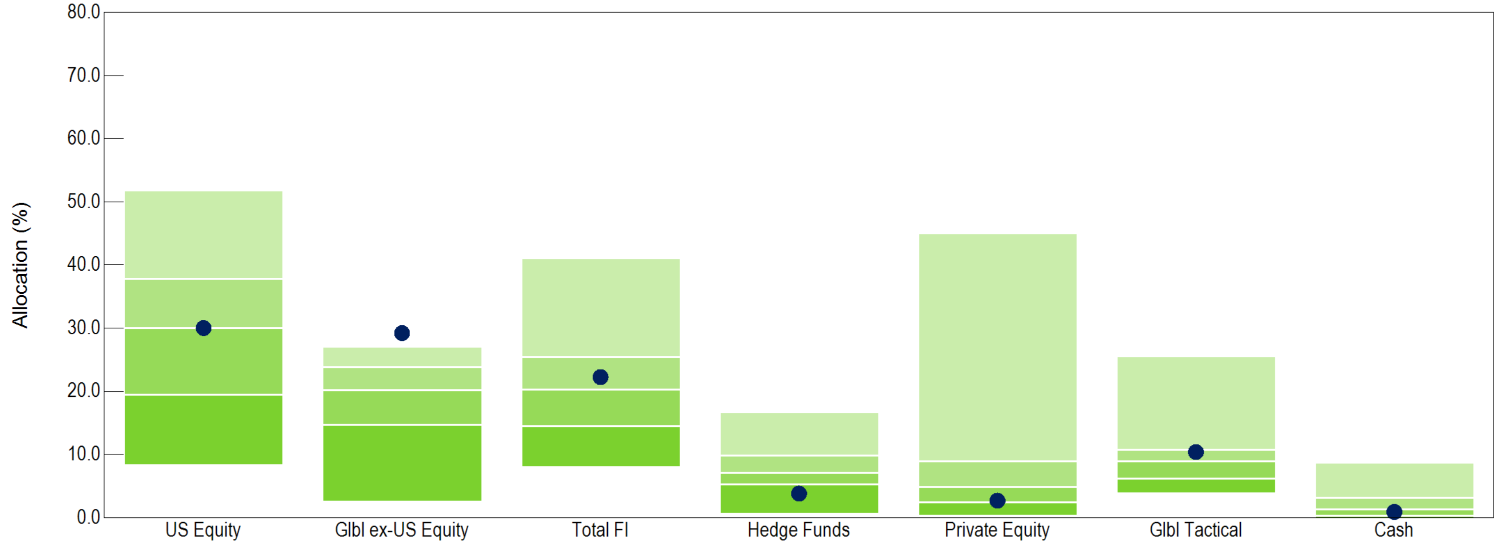
- Overall Fixed Income exposure is 23.3%, including GAA exposure.

TOTAL FUND ASSET ALLOCATION HISTORY



TOTAL FUND ALLOCATIONS VS. PEER UNIVERSE

Total Plan Allocation vs. InvestorForce All Endowment $50mm-$250mm Gross



Allocation (Rank)	US Equity		Glbl ex-US Equity		Total FI		Hedge Funds		Private Equity		Glbl Tactical		Cash	
5th Percentile	51.9		27.0		41.1		16.7		45.1		25.5		8.7	
25th Percentile	38.0		23.9		25.5		9.9		9.0		10.8		3.2	
Median	30.1		20.2		20.3		7.2		5.0		9.0		1.4	
75th Percentile	19.6		14.8		14.6		5.3		2.5		6.3		0.4	
95th Percentile	8.4		2.6		8.1		0.7		0.3		3.9		0.0	
# of Portfolios	56		60		68		37		35		23		59	
● Composite	30.0	(51)	29.2	(1)	22.2	(42)	3.8	(85)	2.7	(74)	10.4	(28)	0.9	(63)

UUA Net Asset Allocation	30.4	32.8	23.3	5.9	2.7	0.0	3.9

Above analytic does not include Community Develpment, whereas UUA Net Asset Allocation does

TOTAL FUND PERFORMANCE DETAIL (NET OF FEES)

	Market Value ($)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Return (%)	Since
Composite	**188,838,726**	**100.0**	**100.0**	**3.3**	**7.3**	**17.7**	**5.8**	**6.2**	**5.9**	**4.9**	**6.3**	**Jul-02**
Allocation Index				*3.9*	*8.0*	*16.8*	*7.1*	*7.6*	*6.6*	*5.4*	*7.1*	*Jul-02*
Policy Index				*3.9*	*7.9*	*16.6*	*7.3*	*7.7*	*6.9*	*5.1*	*--*	*Jul-02*
Domestic Equity Composite	**56,671,489**	**30.0**	**29.0**	**5.1**	**10.7**	**23.0**	**9.6**	**15.2**	**13.3**	**10.2**	**10.4**	**Jul-02**
Russell 3000				*6.3*	*11.2*	*21.1*	*11.1*	*15.6*	*13.5*	*8.6*	*9.1*	*Jul-02*
Rhumbline	19,856,975	10.5	10.5	6.5	10.5	15.9	9.8	14.7	12.4	7.4	7.6	Aug-05
Russell 1000 Value				*5.3*	*8.6*	*13.7*	*8.7*	*14.0*	*12.5*	*7.1*	*7.6*	*Aug-05*
Sands	19,939,233	10.6	10.5	3.7	10.7	36.0	9.1	15.2	14.8	11.7	11.5	Dec-03
Russell 1000 Growth				*7.9*	*14.2*	*30.2*	*13.8*	*17.3*	*14.8*	*10.0*	*9.7*	*Dec-03*
Wellington SMID	8,020,568	4.2	4.0	3.3	5.6	3.5	--	--	--	--	11.5	Apr-16
Russell 2500 Value				*4.3*	*8.2*	*10.4*	*9.3*	*13.3*	*11.5*	*8.8*	*18.1*	*Apr-16*
Kennedy Capital	8,854,714	4.7	4.0									
Russell 2000 Growth												
International Equity Composite	**55,153,776**	**29.2**	**25.0**	**4.1**	**9.7**	**28.7**	**7.0**	**5.8**	**3.9**	**0.4**	**6.4**	**Jul-02**
MSCI ACWI ex USA				*5.0*	*11.5*	*27.2*	*7.8*	*6.8*	*4.9*	*1.8*	*7.4*	*Jul-02*
MFS International Concentrated	16,047,649	8.5	7.0	4.0	8.3	28.7	9.0	--	--	--	7.5	Apr-13
MSCI EAFE				*4.2*	*9.9*	*25.0*	*7.8*	*7.9*	*6.0*	*1.9*	*7.2*	*Apr-13*
Boston Common	15,348,977	8.1	7.0	3.6	9.0	26.8	7.9	7.7	5.9	--	6.6	May-10
MSCI EAFE				*4.2*	*9.9*	*25.0*	*7.8*	*7.9*	*6.0*	*1.9*	*6.7*	*May-10*
Baxter Street	10,375,022	5.5	5.0	1.9	7.8	24.8	--	--	--	--	15.7	Apr-16
MSCI ACWI ex USA				*5.0*	*11.5*	*27.2*	*7.8*	*6.8*	*4.9*	*1.8*	*17.9*	*Apr-16*
RBC Global Emerging Equity	13,382,128	7.1	6.0	6.6	13.8	34.2	--	--	--	--	19.2	Jul-16
MSCI Emerging Markets				*7.4*	*15.9*	*37.3*	*9.1*	*4.3*	*2.6*	*1.7*	*27.2*	*Jul-16*

TOTAL FUND PERFORMANCE DETAIL (NET OF FEES)

	Market Value ($)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Return (%)	Since
Fixed Income Composite	**41,997,504**	**22.2**	**20.0**	**0.1**	**1.7**	**4.9**	**2.8**	**2.5**	**4.0**	**5.1**	**4.5**	**Jul-02**
BBgBarc US Aggregate TR				*0.4*	*1.2*	*3.5*	*2.2*	*2.1*	*3.2*	*4.0*	*4.4*	*Jul-02*
Brandywine Global Opportunistic	9,751,510	5.2	5.0	-0.5	2.7	--	--	--	--	--	8.7	Mar-17
Citi WGBI				*1.0*	*2.9*	*7.5*	*1.7*	*0.1*	*1.2*	*2.7*	*6.0*	*Mar-17*
Loomis Multi Sector	9,525,109	5.0	5.0	0.6	2.8	--	--	--	--	--	5.3	Mar-17
BBgBarc US Govt/Credit TR				*0.5*	*1.3*	*4.0*	*2.4*	*2.1*	*3.4*	*4.1*	*2.9*	*Mar-17*
Franklin Templeton GMS	5,564,668	2.9	3.0	-1.5	-0.4	--	--	--	--	--	0.9	Mar-17
BBgBarc Multiverse				*1.1*	*3.0*	*7.7*	*2.3*	*1.0*	*2.2*	*3.3*	*5.9*	*Mar-17*
Breckinridge - Corporate	9,830,436	5.2	5.0	0.1	0.6	2.4	2.0	--	--	--	2.0	Nov-14
BBgBarc US Govt/Credit Int TR				*-0.2*	*0.4*	*2.1*	*1.8*	*1.5*	*2.4*	*3.3*	*1.7*	*Nov-14*
Breckinridge-Treasury	3,812,202	2.0	2.0	2.1	2.4	--	--	--	--	--	5.7	Mar-17
BBgBarc Treasury Long Term				*2.4*	*3.0*	*8.5*	*2.8*	*3.5*	*6.9*	*6.6*	*6.4*	*Mar-17*
Loomis Sayles Strategic Alpha	3,513,578	1.9	0.0	0.4	1.9	2.9	2.3	--	--	--	2.1	Aug-14
BBgBarc US Aggregate TR				*0.4*	*1.2*	*3.5*	*2.2*	*2.1*	*3.2*	*4.0*	*2.6*	*Aug-14*
3-Month LIBOR + 3%				*1.1*	*2.2*	*4.4*	*3.8*	*3.6*	*3.5*	*3.8*	*3.7*	*Aug-14*
Opportunistic Investments	**26,740,360**	**14.2**	**20.0**	**2.9**	**4.6**	**12.0**	**3.7**	**4.0**	**4.8**	**--**	**--**	**Jan-08**
CPI + 5% (Unadjusted)				*1.1*	*3.1*	*7.2*	*6.7*	*6.5*	*6.8*	*6.7*	*6.7*	*Jan-08*
GMO Benchmark Free Allocation Fund	19,585,355	10.4	10.0	2.7	5.0	13.0	3.8	4.4	4.9	4.4	4.4	Jan-08
65% MSCI World (Net) /35% BBgBarc Aggregate				*3.7*	*7.3*	*15.5*	*6.9*	*8.3*	*7.5*	*5.0*	*5.0*	*Jan-08*
CPI + 5% (Unadjusted)				*1.1*	*3.1*	*7.2*	*6.7*	*6.5*	*6.8*	*6.7*	*6.7*	*Jan-08*
Cevian Capital II	6,367,625	3.4	3.0	4.0	4.0	15.1	--	--	--	--	5.5	Apr-15
HFRX Event Driven Index				*-0.1*	*1.8*	*6.5*	*3.3*	*3.8*	*2.8*	*1.2*	*3.0*	*Apr-15*
MSCI EAFE				*4.2*	*9.9*	*25.0*	*7.8*	*7.9*	*6.0*	*1.9*	*6.7*	*Apr-15*
Entrust Class X	585,803	0.3	2.0	-0.8	-2.4	-3.5	--	--	--	--	-3.5	Jan-17
Entrust Capital Diversified Fund Holdback	201,577	0.1	5.0									

TOTAL FUND PERFORMANCE DETAIL (NET OF FEES)

	Market Value ($)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)	Return (%)	Since
Private Markets/Opportunistic	**5,027,114**	**2.7**	**5.0**	**4.1**	**10.9**	**17.6**	**8.6**	**--**	**--**	**--**	**9.0**	**May-14**
Private Markets Custom Benchmark				*4.7*	*9.8*	*19.3*	*12.6*	*--*	*--*	*--*	*12.7*	*May-14*
FEG Private Opportuntiies Fund	1,597,404	0.8										
Private Equity Benchmark												
Brockton Capital Fund III	1,154,086	0.6										
NCREIF Property Index												
SJF Ventures	192,980	0.1										
Private Equity Benchmark												
OCP Orchard Landmark	2,082,645	1.1										
Community Development	**1,573,138**	**0.8**	**1.0**	**0.1**	**0.2**	**1.0**	**1.0**	**1.1**	**1.3**	**1.6**	**1.7**	**Jul-07**
91 Day T-Bills				*0.3*	*0.6*	*0.9*	*0.4*	*0.3*	*0.2*	*0.3*	*0.5*	*Jul-07*
Cash	**1,675,345**	**0.9**	**0.0**									

Fiscal Year End: 6/30

GMO Benchmark Free Allocation Fund from May 2013, returns are for the GMO Global Balanced Fund.

Private Markets Custom Benchmark consists of Cambridge Associates US Private Equity Index prior to 4/1/2015 and Cambridge Associates Global All Private Equity Vintage Year 2013+ 1 Qtr Lag benchmark post 4/1/2015.

Year 2013+ 1 Qtr Lag benchmark post 4/1/2015.

SJF Ventures will be benchmarked to it's own return within the allocation index from 11/1/2016 to 10/31/2018.

Cash market Value includes $463,040.63 adjustment for pending capital additions into the UUA Endowment Fund.

Pier Capital transitioned to Kennedy Capital on 12/5/2017.

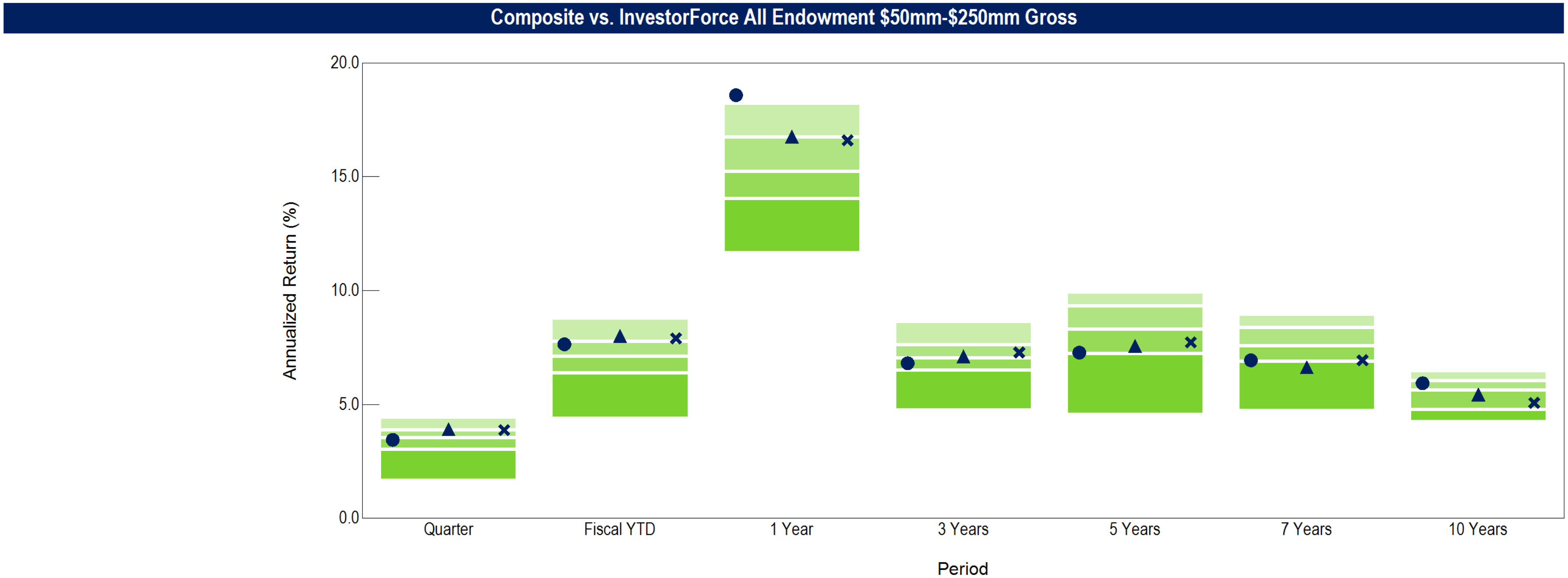
Unitarian Universalist Association of Congregations

Performance Analysis

9/30/2017

	Investment Name	Vintage Year	Commitment Amount	Paid in Capital	Capital to be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
1	Brockton Capital Fund III	2015	4,508,695	2,715,940	1,792,754	16,095	1,893,773	1,154,198	3,047,971	315,935	60%	0.69	1.12	7.96%
2	FEG Private Opportunities Fund	2012	2,000,000	1,837,000	163,000	2,707	692,647	1,637,404	2,330,051	490,344	92%	0.38	1.27	8.47%
3	SJF Ventures IV	2016	2,500,000	250,000	2,250,000	0	0	192,980	192,980	-57,020	10%	0.00	0.77	-22.81%
	Total: Unitarian Universalist Association of Congregations		**9,008,695**	**4,802,940**	**4,205,754**	**18,802**	**2,586,420**	**2,984,582**	**5,571,002**	**749,259**	**53%**	**0.54**	**1.16**	**7.57%**

TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE (GROSS OF FEES)



Return (Rank)	Quarter		Fiscal YTD		1 Year		3 Years		5 Years		7 Years		10 Years	
5th Percentile	4.4		8.8		18.2		8.6		9.9		9.0		6.5	
25th Percentile	3.9		7.8		16.7		7.6		9.3		8.4		6.1	
Median	3.5		7.1		15.3		7.1		8.3		7.6		5.7	
75th Percentile	3.0		6.4		14.1		6.5		7.2		6.9		4.8	
95th Percentile	1.7		4.4		11.7		4.8		4.6		4.8		4.3	
# of Portfolios	71		71		69		62		52		51		45	
● Composite	3.4	(53)	7.6	(28)	18.6	(2)	6.8	(58)	7.3	(75)	6.9	(75)	5.9	(37)
▲ Allocation Index	3.9	(25)	8.0	(17)	16.8	(25)	7.1	(47)	7.6	(70)	6.6	(85)	5.4	(56)
× Policy Index	3.9	(26)	7.9	(21)	16.6	(30)	7.3	(41)	7.7	(65)	6.9	(75)	5.1	(70)

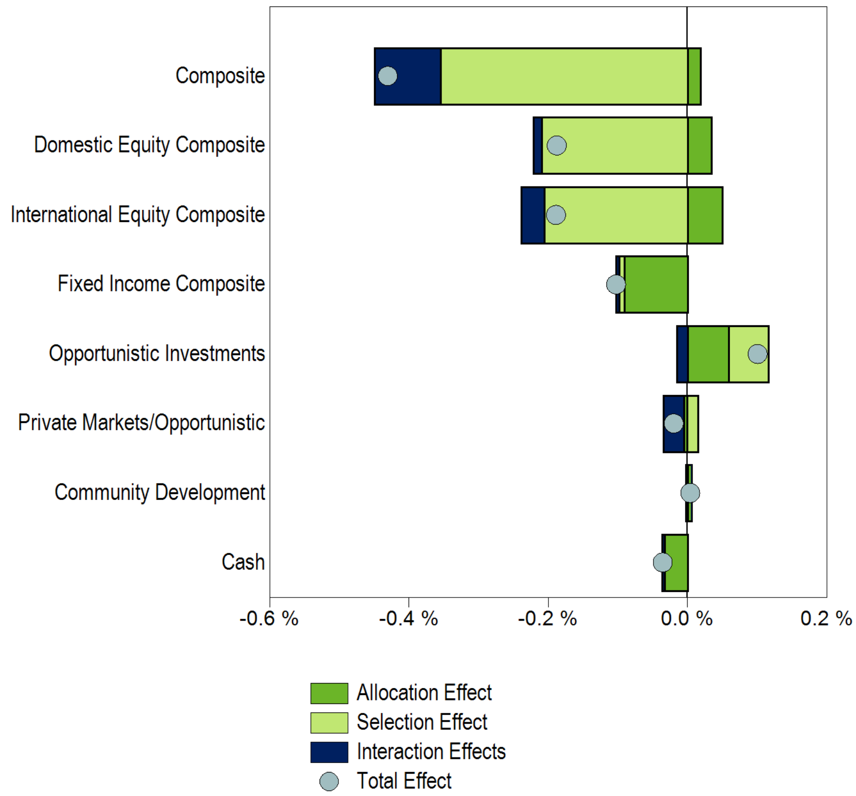
TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE (GROSS OF FEES)

Composite vs. InvestorForce All Endowment $50mm-$250mm Gross

	Return (Rank)																			
5th Percentile	18.2		10.1		0.9		7.5		19.9		14.6		3.6		14.6		27.6		-16.3	
25th Percentile	16.7		8.3		-0.3		5.5		16.9		13.4		1.3		13.7		24.1		-23.8	
Median	15.3		6.9		-1.5		4.4		15.2		12.5		-0.6		12.5		21.6		-26.7	
75th Percentile	14.1		5.7		-2.3		3.6		12.2		11.7		-1.5		11.2		17.3		-29.4	
95th Percentile	11.7		2.8		-3.9		2.0		8.4		9.4		-3.6		8.8		11.6		-33.1	
# of Portfolios	69		79		80		90		81		83		82		77		75		71	
● Composite	18.6	(2)	5.2	(83)	-2.3	(76)	3.8	(74)	12.3	(72)	14.2	(10)	-1.4	(73)	15.2	(3)	28.3	(5)	-24.7	(31)
▲ Allocation Index	16.8	(25)	6.8	(54)	-1.4	(49)	4.5	(46)	12.1	(76)	11.7	(74)	-2.6	(88)	11.8	(65)	27.9	(5)	-24.2	(27)
× Policy Index	16.6	(30)	7.0	(48)	-1.1	(41)	4.4	(52)	12.6	(70)	12.1	(66)	-1.6	(79)	11.6	(67)	23.0	(36)	-25.3	(37)

TOTAL FUND ATTRIBUTION ANALYSIS (GROSS OF FEES)

Attribution Effects Relative to Policy Index
3 Months Ending December 31, 2017



Attribution Summary
3 Months Ending December 31, 2017

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Domestic Equity Composite	5.3%	6.0%	-0.7%	-0.2%	0.0%	0.0%	-0.2%
International Equity Composite	4.3%	5.2%	-0.8%	-0.2%	0.0%	0.0%	-0.2%
Fixed Income Composite	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Opportunistic Investments	3.1%	2.9%	0.3%	0.0%	0.0%	0.0%	0.0%
Private Markets/Opportunistic	5.0%	4.7%	0.4%	0.0%	0.0%	0.0%	0.0%
Community Development	0.1%	0.3%	-0.2%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	0.3%	-0.3%	0.0%	0.0%	0.0%	0.0%
Total	**3.4%**	**3.9%**	**-0.5%**	**-0.5%**	**0.0%**	**0.0%**	**-0.5%**

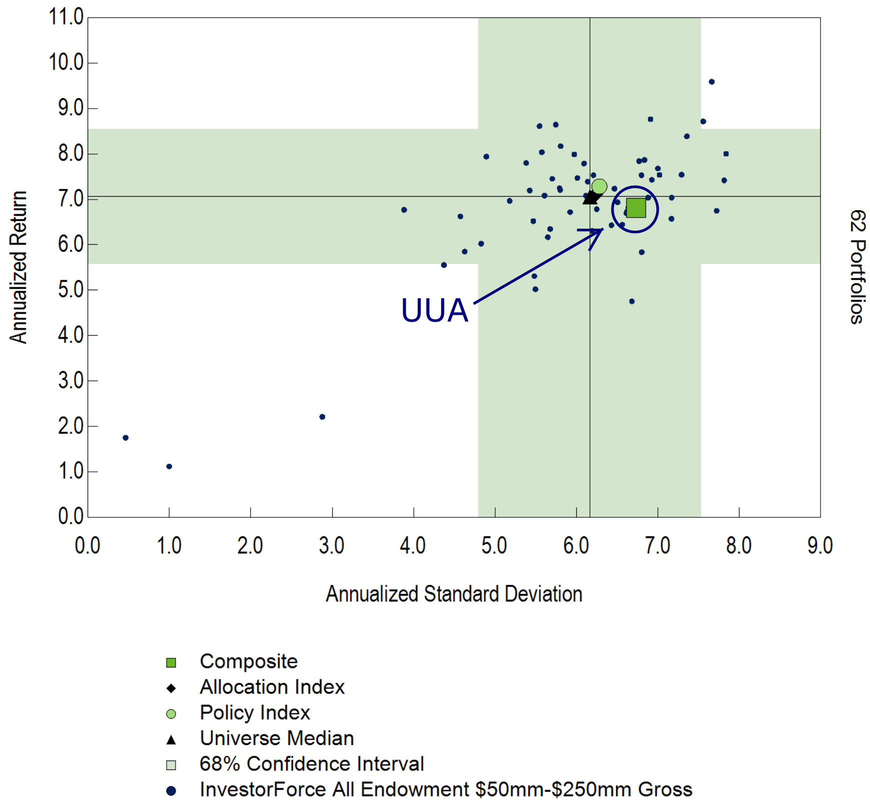
TOTAL FUND RISK STATISTICS

	3 Years Ending December 31, 2017								
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	100.00%	6.81%	58	6.73%	70	0.95	76	-0.22	86
Allocation Index	--	7.12%	47	6.24%	54	1.07	50	--	--
Domestic Equity Composite	30.01%	10.17%	59	11.53%	52	0.84	59	-0.29	68
Russell 3000	--	11.12%	43	10.23%	25	1.05	30	--	--
International Equity Composite	29.21%	7.84%	82	12.02%	63	0.62	85	0.00	82
MSCI ACWI ex USA	--	7.83%	82	12.04%	63	0.62	85	--	--
Fixed Income Composite	22.24%	3.22%	52	1.89%	6	1.48	12	0.48	39
BBgBarc US Aggregate TR	--	2.24%	74	2.81%	16	0.65	53	--	--
Opportunistic Investments	14.16%	4.50%	--	6.40%	--	0.64	--	-0.35	--

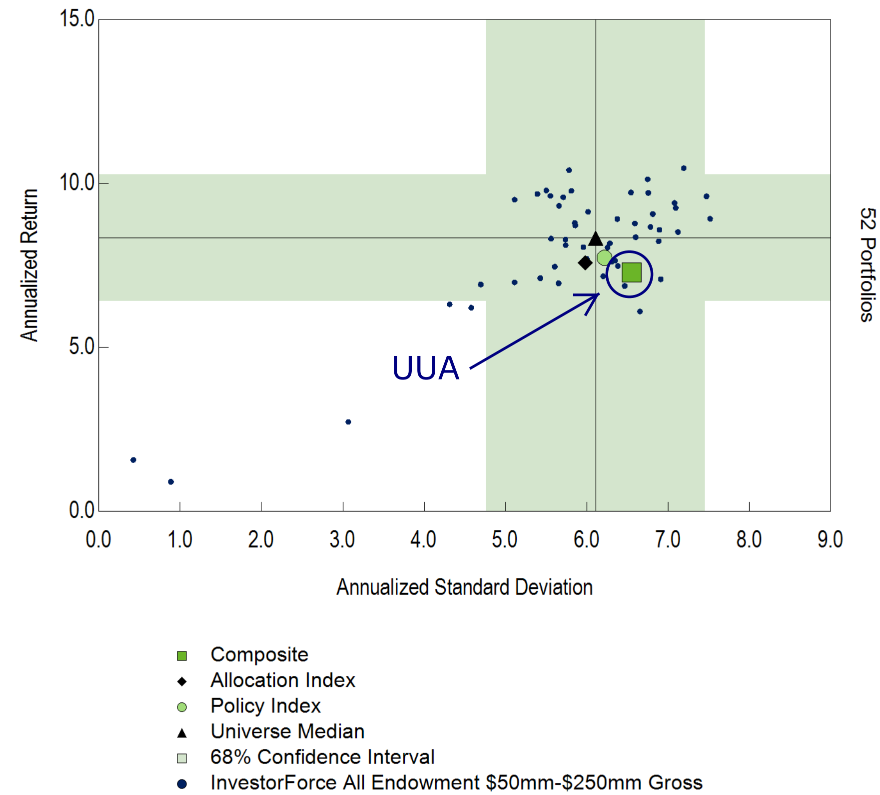
	5 Years Ending December 31, 2017								
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	100.00%	7.28%	75	6.56%	70	1.07	91	-0.24	77
Allocation Index	--	7.57%	70	5.98%	47	1.22	72	--	--
Domestic Equity Composite	30.01%	15.82%	40	11.13%	50	1.40	45	0.07	39
Russell 3000	--	15.58%	46	9.75%	19	1.57	24	--	--
International Equity Composite	29.21%	6.56%	92	11.36%	49	0.55	92	-0.11	92
MSCI ACWI ex USA	--	6.80%	89	11.50%	57	0.57	89	--	--
Fixed Income Composite	22.24%	2.92%	49	2.89%	16	0.92	37	0.38	41
BBgBarc US Aggregate TR	--	2.10%	59	2.85%	15	0.64	50	--	--
Opportunistic Investments	14.16%	4.79%	--	6.20%	--	0.73	--	-0.28	--

TOTAL FUND RISK/RETURN (GROSS OF FEES)

3 Years Ending December 31, 2017



5 Years Ending December 31, 2017



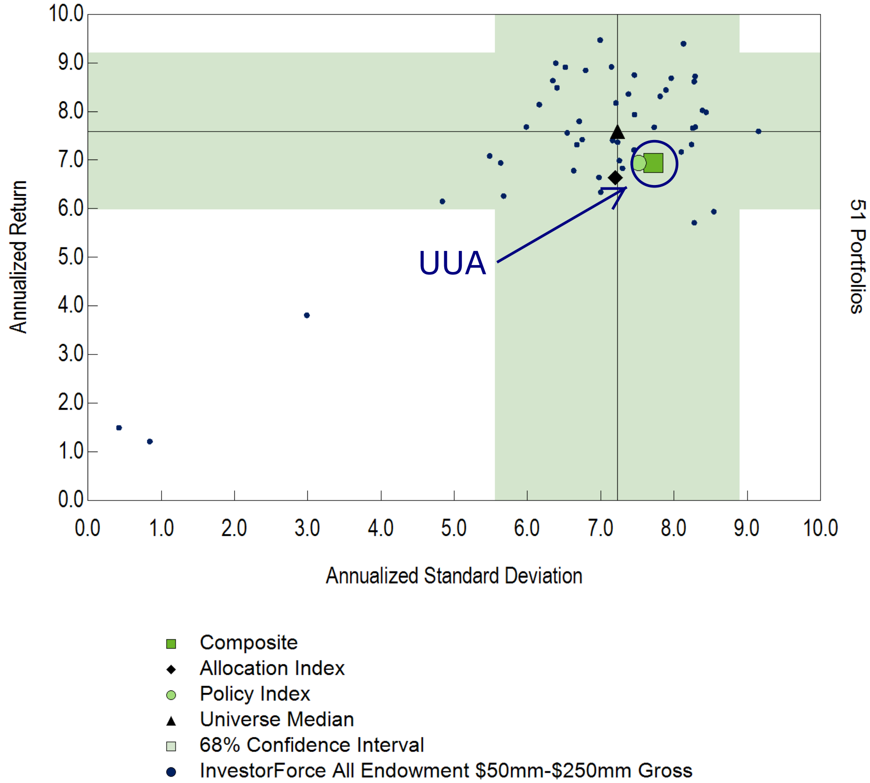
3 Years Ending December 31, 2017

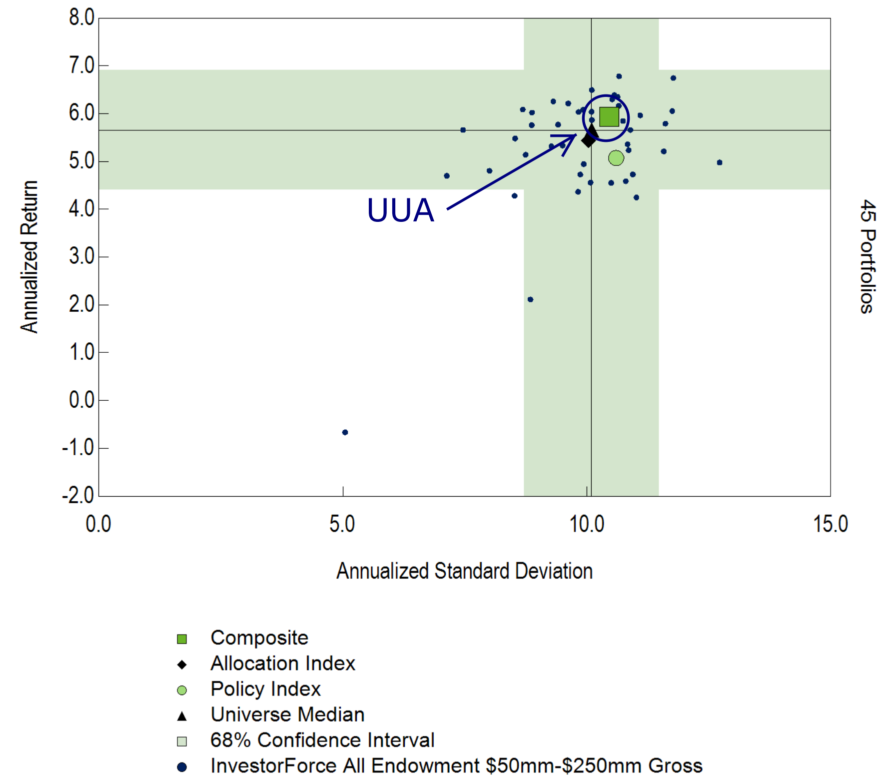
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	6.81%	58	6.73%	70	0.95	76	-0.22	86
Allocation Index	7.12%	47	6.24%	54	1.07	50	--	--
Policy Index	7.28%	41	6.28%	55	1.09	46	0.43	35

5 Years Ending December 31, 2017

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	7.28%	75	6.56%	70	1.07	91	-0.24	77
Allocation Index	7.57%	70	5.98%	47	1.22	72	--	--
Policy Index	7.73%	65	6.22%	52	1.20	74	0.32	43

TOTAL FUND RISK/RETURN (GROSS OF FEES)





7 Years Ending December 31, 2017	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	6.94%	75	7.72%	70	0.87	91	0.23	51
Allocation Index	6.64%	85	7.19%	48	0.89	84	--	--
Policy Index	6.94%	75	7.52%	66	0.90	83	0.51	27

10 Years Ending December 31, 2017	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	5.93%	37	10.46%	58	0.54	53	0.32	32
Allocation Index	5.44%	56	10.03%	47	0.51	59	--	--
Policy Index	5.07%	70	10.60%	65	0.45	77	-0.27	85

APPENDIX

GLOSSARY OF TERMS

The calculation methodology for each measure of performance is outlined below.

Measurement	Description	Equation
Policy Target	Measures policy allocation decisions.	= Target Asset Weights x Index Returns
Allocation Index	Measures actual allocation decisions. Deviations from the policy target can be derived. (Allocation Index – Policy Index)	= Actual Asset Weights x Index Returns
Composite (Total Return)	Measures actual performance and can derive active management decisions. (Composite – Allocation Index)	= Actual Asset Weights x Actual Returns

The calculation methodology for each measure of attribution is outlined below.

Measurement	Description	Equation
Allocation Effect	Measure the effects of overweighting or underweighting managers and asset classes.	= (Actual Manager Weight – Policy Target Weight) X Policy Index Return
Selection Effect	Measures the managers' ability to add excess return relative to the policy index.	= (Actual Manager Return –Index Return) x Policy Target Weight
Interaction Effect	Measures the cross correlation of both selection and allocation affects and is often referred to as an "error term".	= (Actual Manager Return x (Actual Manager Weight – Policy Target Weight)) – ((Manager Weight – Policy Target Weight) X Index Return)

GLOSSARY OF TERMS

Alpha - Measures the relationship between the fund performance and the performance of another fund or benchmark index and equals the excess return while the other fund or benchmark index is zero.

Alpha Jensen - The average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return. Also known as the abnormal return or the risk adjusted excess return.

Annualized Excess Return over Benchmark - Annualized fund return minus the annualized benchmark return for the calculated return.

Annualized Return - A statistical technique whereby returns covering periods greater than one year are converted to cover a 12 month time span.

Beta - Measures the volatility or systematic risk and is equal to the change in the fund's performance in relation to the change in the assigned index's performance.

Information Ratio - A measure of the risk adjusted return of a financial security, asset, or portfolio.

Formula:
(Annualized Return of Portfolio - Annualized Return of Benchmark)/Annualized Standard Deviation(Period Portfolio Return – Period Benchmark Return). To annualize standard deviation, multiply the deviation by the square root of the number of periods per year where monthly returns per year equals 12 and quarterly returns is four periods per year.

R-Squared – Represents the percentage of a fund's movements that can be explained by movements in an index. R-Squared values range from 0 to 100. An R-Squared of 100 denotes that all movements of a fund are completely explained by movements in the index.

Sharpe Ratio - A measure of the excess return or risk premium per unit of risk in an investment asset or trading strategy.

Sortino Ratio - A method to differentiate between good and bad volatility in the Sharpe Ratio. The differentiation of up and down volatility allows the calculation to provide a risk adjusted measure of a security or fund's performance without upward price change penalties.

Formula:
*Calculation Average (X-Y)/Downside Deviation (X-Y) * 2*
Where X=Return Series X Y = Return Series Y which is the risk free return (91 day T-bills)

Standard Deviation - The standard deviation is a statistical term that describes the distribution of results. It is a commonly used measure of volatility of returns of a portfolio, asset class, or security. The higher the standard deviation the more volatile the returns are.

Formula:
(Annualized Return of Portfolio – Annualized Return of Risk Free) / Annualized Standard Deviation (Portfolio Returns)

Tracking Error - Tracking error, also known as residual risk, is a measure of the degree to which a portfolio tracks its benchmark. It is also a measure of consistency of excess returns. Tracking error is computed as the annualized standard deviation of the difference between a portfolio's return and that of its benchmark.

Formula:
*Tracking Error = Standard Deviation (X-Y) * √(# of periods per year)*
Where X = periods portfolio return and Y = the period's benchmark return
For monthly returns, the periods per year = 12
For quarterly returns, the periods per year = 4

Treynor Ratio - A risk-adjusted measure of return based on systematic risk. Similar to the Sharpe ratio with the difference being the Treynor ratio uses beta as the measurement of volatility.

Formula:
(Portfolio Average Return - Average Return of Risk-Free Rate)/Portfolio Beta

Up/Down Capture Ratio - A measure of what percentage of a market's returns is "captured" by a portfolio. For example, if the market declines 10% over some period, and the manager declines only 9%, then his or her capture ratio is 90%. In down markets, it is advantageous for a manager to have as low a capture ratio as possible. For up markets, the higher the capture ratio the better. Looking at capture ratios can provide insight into how a manager achieves excess returns. A value manager might typically have a lower capture ratio in both up and down markets, achieving excess returns by protecting on the downside, whereas a growth manager might fall more than the overall market in down markets, but achieve above-market returns in a rising market.

UpsideCapture = TotalReturn(FundReturns)/TotalReturns(BMReturn) when Period Benchmark Return is > = 0

DownsideCapture = TotalReturn(FundReturns)/TotalReturns(BMReturn) when Benchmark <0

Data Source: InvestorForce

DISCLAIMER

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ALTERNATIVE INVESTMENT DISCLAIMER

It is important to note the following characteristics of many non-traditional investment strategies including hedge funds and private equity:

1. Performance can be volatile and investors could lose all or a substantial portion of their investment.
2. Leverage and other speculative practices may increase the risk of loss.
3. Past performance may be revised due to the revaluation of investments .
4. These investments can be illiquid, and investors may be subject to lock-ups or lengthy redemption terms.
5. A secondary market may not be available for all funds, and any sales that occur may take place at a discount to value.
6. These funds are not subject to the same regulatory requirements as registered investment vehicles.
7. Managers are not required to provide periodic pricing or valuation information to investors.
8. These funds may have complex tax structures and delays in distributing important tax information.
9. These funds often charge high fees.
10. Limited partnership agreements often give the manager authority to trade in securities, markets or currencies that are not within the manager’s realm of expertise or contemplated investment strategy.