

FIRST QUARTER MEETING MATERIALS

UNITARIAN UNIVERSALIST ASSOCIATION OF CONGREGATIONS



May 22, 2018

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BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | PORTLAND | SAN FRANCISCO

ADMINISTRATIVE

NEPC, LLC



Unitarian Universalist Association Investment Committee Meeting Agenda

May 22, 2018

24 Farnsworth Street, Boston, MA 02210-1409

11:15 am	<ul style="list-style-type: none"> Welcome and Agenda Overview <ul style="list-style-type: none"> Approval of IC Minutes from Feb 8 and March 15 	Gaffney
11:20 am	<ul style="list-style-type: none"> Revisions to Investment Policy Statement & Compilation of GA Actions with potential SRIC Implications 	Brennan
12:00 pm	<ul style="list-style-type: none"> Working Lunch <ul style="list-style-type: none"> Report from Sub-Committee on Sustainalytics Process & UUA Screening Criteria Investment in Metro IAF Community Restoration (VOICE) NEPC ESG Ratings 	IC & SRIC & NEPC
1:00 pm	<ul style="list-style-type: none"> Break 	IC & SRIC & NEPC
1:15 pm	<ul style="list-style-type: none"> Capital Markets Outlook & Performance Review 	IC & SRIC & NEPC
1:35 pm	<ul style="list-style-type: none"> Adjourn Joint Session Private Equity Pipeline & Pacing 	IC & SRIC & NEPC
2:15 pm	<ul style="list-style-type: none"> Break 	IC & NEPC
2:30 pm	<ul style="list-style-type: none"> Opportunistic Allocation Discussion 	IC & NEPC
3:00 pm	<ul style="list-style-type: none"> Adjournment 	IC & NEPC

UUA Investment Committee – Minutes - DRAFT

24 Farnsworth Street, Room 210

Boston, MA 02210

February 8, 2018

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

Members absent: None

Staff: Susan Helbert

NEPC: Krissy Pelletier, Scott Perry, Asher Watson

GMO: Jayna Cooney, Catherine LeGraw

Rhumblin: Denise D'Entremont, Alex Ryer

Sustainalytics: Matthew Raimondi

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

1. Minutes from November 9, 2017 - Gaffney

Motion 1: To approve minutes from the November 9, 2017 meeting. Moved: Santini, seconded: Stewart, LaPann abstained. Motion passed.

2. Performance Review: NEPC

- The Endowment returned 3.4% (gross of fees) during the 4th quarter of 2017, ranking 53rd in the peer universe, underperforming the allocation and policy indices.
- Over the trailing one-year period, the Endowment returned 18.6% (gross of fees), ranking 2nd in the peer universe, outperforming the allocation and policy indices.
- Over the ten-year period, performance ranked in the 2nd quartile of the peer universe.

3. Sustainalytics Presentation – Raimondi

- Largest independent provider of ESG research with close to 400 on staff about half of whom are focused purely on research. Global organization with 14 offices around the world.
- Work with asset owners as well asset managers. Provide research on over 7,000 companies across all major stock indices.

- Flagship product is Company ESG Research, look at 60 to 80 indicators selected based on material factors for each specific industry.
- Coming out with a carbon risk monitor which provides a more comprehensive look at climate risk exposure including GHG emissions.
- For the UUA, provide two-fold service: (1) identify eligible companies in the Russell 1000 using screens based on the UUA's Socially Responsible Investing Guidelines, and (2) assess companies based on their exposure to stranded assets risk, their management of such risk, and provide an overall combined assessment.
- Main screen focus is on ESG performance, controversies, and business activities.
- The UUA sets a variety screening levels such as not investing in the bottom 5% by score within each industry sector, screening out companies with high controversy scores, which results in screening out 20% or less of the index by market cap. These criteria sets can be adjusted.
- In determining what is material for each industry, they use several sources such as FASB, GRI and guidance from organizations like Ceres.
- They provide UUCEF a report twice per year and we can request up to 20 company reports per year. Always ready to discuss their ratings and any company research.

4. Rhumblin Presentation – D'Entremont, Ryer

- Strategy has outperformed the index since inception.
- Start with semi-annual Sustainability Total ESG scores, normalize those scores, and omit the restricted companies based on the UUA policy.
- Target a 1% tracking error to the Russell 1000 Value. Minimize turnover through use of a transaction cost model.

5. Legal opinion re: Investment Committee authority – Joint committees

- According to UUA legal counsel, the investment Committee has the authority to delegate the community investment decisions to the Socially Responsible Investment Committee.
- Socially Responsible Investment Committee will obtain approval from the Investment Committee for investments of \$50,000 or more.

6. Metro Industrial Area Foundation (IAF) Community Restoration – Joint committees

- Metro IAF provides capital for real estate housing projects that improve the lives of low income people and people living in distressed neighborhoods. While outside the scope of our typical community investments, it does align with our socially responsible investing goals.
- Investment would be for 10 years with an additional term of 5 years, at the fund's discretion, at an interest rate of 2%.

- This is a startup real estate fund and UUCEF would be the initial Class A investor at \$50,000.
- Metro IAF has already made two loans from the assets currently raised and are working on a third.
- Hired The Reinvestment Fund (TRF), a CDFI, as the underwriter for the term of the fund.
- The Metro IAF Board does hold final approval for all investments regardless of TRF recommendation.

Motion 2: Subject to the satisfactory review of IAF audited financial records, approve \$50,000 investment with the condition our shares cannot be subordinated. Moved, Santini, seconded, Stewart. All approved.

Action item 1: Faust to contact Trimble requesting last 3 years of financials.

7. Principles for Responsible Investment – Joint Committees

- Discussed whether the UUCEF should become a signatory to the UN Principles for Responsible Investment (PRI).
 - Fee to join is less than \$1,000.00, with no fee for first year.
 - NECP is willing to help us with the required annual assessment report.
 - We ask all new investment managers if they are members of PRI.

Motion item 3: To make an application to the PRI on behalf of the UUCEF. Moved Gaffney, seconded LaPann, all approved.

8. Agenda items for May 22 meeting – Joint committees

- Integration of the work of the two committees
- Anti-racism training
- Discuss Sustainalytics report settings and how we use the tool.
- A potential new Investment Committee member has been recruited and the Appointments Committee is considering his application at this time. If he is approved, he will be joining us for the May meeting.

Action item 2: Brennan to contact Parisa Parsa to discuss racism training for the committees.

Action item 3: Brennan to circulate article on controversy settings.

Action item 4: Sub-committee, Tim Brennan, Kathleen Gaffney, Brian Lasher, Julie Skye and, NEPC, will review Sustainalytics tools and have a report for the joint committees in May.

9. GMO Presentation –

- At the end of 2017 the Bench-mark Free Fund was at \$22.9 billion and continues to be their flagship asset allocation product. Saw \$600 million in inflows this year and \$2 billion in outflows last year.
- Since inception the fund has returned 3.15% or 1.7% above inflation. Seek to return 5% over inflation over a full market cycle. They've fallen well short of the goal since inception.
- Reasonable to compare them to a 60/40 allocation being passive over the long-term but believe over the long haul they can outperform a 60/40 stock/bond portfolio.
- Product developed as a core component or as a total portfolio solution. Look to keep volatility between 5% and 10% over a complete market cycle.
- They have underperformed the broader benchmarks over the last few years.
- Use liquid alternatives as a way to take risk with less duration.
- Short term treasuries are used as cash equivalent.
- Full discussion by committee after presentation.

Action item 5: GMO to provide attribution analysis since inception to the committee.

10. Opportunistic Allocation – Perry, Watson

- Deferred to May meeting.

11. Capital Markets Outlook – Perry, Watson

- Deferred to may meeting.

12. Private Equity pipeline and Canvas Distressed Fund introduction – NEPC

- Deferred to a conference call.

Action item 5: NEPC to distribute materials for the Canvas Distressed Fund to the committee.

Next Meeting Date
May 22, 2018

UUA Manager Summary

Manager: Rhumblin 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: 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: Kennedy Capital Small Cap Growth

Benchmark: Russell 2000 Growth

Asset Class: Small cap domestic equity - growth

Role in Portfolio: Growth Assets

Description: Kennedy utilizes a fundamental, bottom-up research process that relies on internal sources to generate potential buy candidates. They do this through the ongoing review of news and results across the investable universe on an industry-by-industry, analyst-by-analyst basis and the continual monitoring of trends and factors that would impact company fundamentals. Kennedy's emphasis is on understanding the drivers of returns on invested capital, the opportunities available to companies to deploy additional capital at attractive rates of return, and the ability of management teams to capitalize on those opportunities.



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 invest 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.

Manager: Orchard Landmark

Benchmark: JP Morgan Corporate EMBI

Asset Class: Private Markets/Opportunistic

Role in Portfolio: Growth assets

Description: Orchard Landmark structures private credit transactions for family-owned businesses in Asia Pacific, leveraging long-standing local teams with investment and legal talent, established deal structuring track-records; and established borrower relationships. They play off the demand-supply imbalance in Asia Pacific capital markets for short-term credit to both small-to-medium enterprises and corporations looking for growth capital. As such, Asian private credit affords a potential return premium for illiquidity, higher inflation, and emerging market risk.



Manager: Canvas Distressed Fund

Benchmark: HFRI Event Driven: Distressed/Restructuring Index

Asset Class: Private Markets/Opportunistic

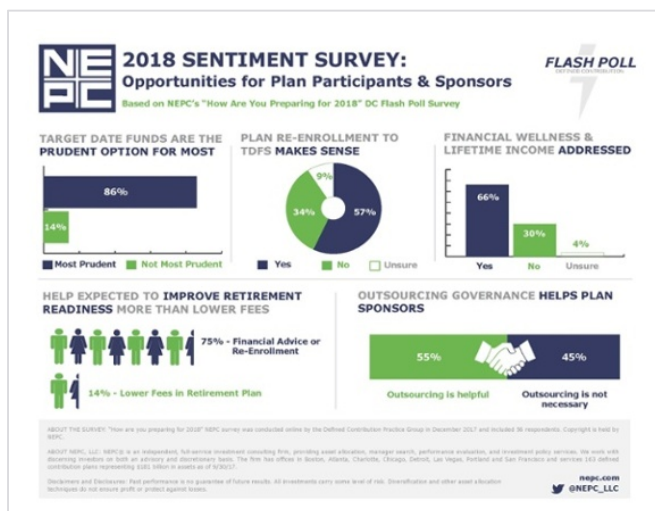
Role in Portfolio: Growth assets

Description: Canvas Distressed Fund will invest in Brazil-focused single name distressed corporate debt and judicial claims (federal claims and quasi-government claims). The Fund intends to buy single name corporate debt at steep discounts. Canvas does not attempt to restructure distressed companies; it will instead sell or auction the debt's collateral assets to recover value. The Fund will also invest in federal claims, which are referred to as Precatorio, and quasi-government and private claims against entities such as the state-owned utility companies. This strategy benefits from several key macro factors in Brazil: High interest rates, shrinking credit facilities, lack of large investment management competitors post 2008-09, a drastic increase in corporate bankruptcies, and reduced foreign direct investment following the 2015 Brazilian debt downgrade.

NEPC UPDATES

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HIGHLIGHTS OF FIRST QUARTER HAPPENINGS AT NEPC



NEPC INSIGHTS

- Taking Stock: Corporate Pension Plans: Is it Time to Play Defense?
- White Paper: The Curse of Greed
- Taking Stock: Solar Tariffs: Too Much Shade for Solar?
- 2018 Annual Asset Allocation Letter
- Fourth Quarter Market Thoughts
- Defined Contribution Infographic: How Are You Preparing for 2018?
- Taking Stock: Are CTAs Positioned to Protect Portfolios?
- Taking Stock: Last Week's Market Correction: A Short-Term Blip or a Long-Term Trend?
- Taking Stock: Corporate Pension Plans: Navigating Tax Reform and Q4 Liability Performance
- Taking Stock: Instability and Indecision Fuel Political Uncertainty
- Taking Stock: Italy's Instability and Indecision Fuel Political Uncertainty, Part Due
- March 2018 Endowment & Foundation Survey Results & Infographic
- Taking Stock: What's the Deal with the High Turnover at the Fed?
- Taking Stock: The Fed Sticks to Script; Ups 2019 Projections
- Taking Stock: Ten Years Since the Global Financial Crisis, Part 2: The Ides of March

WEBINAR REPLAYS

- 2018 Market Outlook Webinar Replay

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 back Kristen Colvin, Principal and Member of the Defined Contribution team.
- We have updated our manager rating system! NEPC clients will see these changes in 2018 materials. We transitioned from a qualitatively-named rating system to a numerically-named system.



HIGHLIGHTS OF FIRST QUARTER HAPPENINGS AT NEPC



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We are looking forward to seeing you at NEPC's 23rd Annual Investment Conference next month in Boston. For those who have yet to register for the event, we hope that you will join us as we explore this year's theme of "Disruption" through many lenses.

Our accomplished external speakers and informational breakout sessions are a great opportunity to tune up your knowledge on the latest thinking and approaches to investing across the equity spectrum.

At the end of Day One we invite you to join us for dinner at some of Boston's finer restaurants, where you will have a great opportunity to meet and mingle with other NEPC clients. Please reach out to your NEPC representative with any questions.

To register, visit:

www.NEPC.com/insights/save-the-date-nepcs-23rd-annual-investment-conference



CARBON UNDERGROUND 200 EXPOSURE

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CARBON UNDERGROUND 200 EXPOSURE

- **Total portfolio exposure to the Carbon Underground 200 was 1.8% as of March 31, 2018, down from 2.0% exposure as of March 31, 2016**

Unitarian Universalist Association					
	3/31/2018 Market Value	3/31/2018 Portfolio Weights	Carbon Underground 200 Holdings	Carbon Underground 200 % of Fund	Total Portfolio Carbon Underground 200 Exposure
Rhumbline Russell 1000 Value	\$ 19,621,044	10.3%	9	4.5%	0.5%
Sands Capital Growth Equity	\$ 21,867,421	11.5%	0	0.0%	0.0%
Wellington SMID Cap Value	\$ 7,833,205	4.1%	0	0.0%	0.0%
Kennedy Capital Small Cap Growth	\$ 9,144,463	4.8%	1	1.1%	0.1%
MFS Int'l Concentrated	\$ 15,879,170	8.4%	2	2.8%	0.2%
Boston Common Int'l Equity	\$ 15,342,649	8.1%	2	2.1%	0.2%
Baxter Street	\$ 10,473,534	5.5%	0	0.0%	0.0%
RBC Emerging Markets Equity	\$ 13,265,744	7.0%	0	0.0%	0.0%
Brandywine Global Opportunistic Fixed Income	\$ 10,135,202	5.3%	0	0.0%	0.0%
Loomis Sayles Multisector Full Discretion	\$ 9,492,991	5.0%	23	5.8%	0.3%
Franklin Templeton Global Total Return Fund	\$ 5,676,620	3.0%	0	0.0%	0.0%
Breckinridge Intermediate Sustainable Government Credit	\$ 9,734,203	5.1%	1	1.5%	0.1%
Breckinridge Government Credit	\$ 3,686,063	1.9%	0	0.0%	0.0%
Loomis Sayles Strategic Alpha	\$ 3,545,701	1.9%	16	3.6%	0.1%
GMO Benchmark Free	\$ 19,735,298	10.4%	20	3.8%	0.4%
Cevian Capital II	\$ 6,046,095	3.2%	0	0.0%	0.0%
Entrust Capital Diversified Fund	\$ 785,425	0.4%	0	0.0%	0.0%
Orchard Landmark Strategy	\$ 2,079,506	1.1%	NA	0.0%	0.0%
FEG Private Opportunities	\$ 1,567,404	0.8%	NA	0.0%	0.0%
Brockton Capital Fund III	\$ 1,141,702	0.6%	NA	0.0%	0.0%
SJF Ventures IV	\$ 429,297	0.2%	NA	0.0%	0.0%
Cash	\$ 954,916	0.5%	NA	0.0%	0.0%
Community Investment	\$ 1,576,294	0.8%	NA	0.0%	0.0%
Total Composite	\$ 190,013,947	100.0%			1.8%



OPPORTUNISTIC INVESTMENTS DISCUSSION

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OPPORTUNISTIC INVESTMENTS BACKGROUND

- **At the prior meeting NEPC and the Investment Committee began discussing the Opportunistic Investment allocation**
 - This conversation was primarily focused on reviewing the GMO Benchmark Free Allocation Fund and determining if this mandate was still suitable for the Endowment
- **While the Investment Committee elected to maintain exposure to GMO Benchmark Free Allocation Fund, we still need to discuss the Opportunistic allocation as a whole and determine its primary role in the portfolio going forward**
 - UUCEF currently has a 20% target allocation to Opportunistic Investments which consists of three investments, the actual allocation stands at 14%
 - **GMO Benchmark Free Allocation Fund (10.4%)** – Globally unconstrained approach that allows for investments across a broad opportunity set of traditional assets classes and liquid alternatives
 - **Cevian Capital II (3.2%)** – Concentrated equity strategy that will invest in mid to large cap companies listed in the Nordic region, the fund hedges currency exposure back to the USD
 - **Entrust (0.4%)** – Hedge Fund of Fund with the remaining allocation representing a holdback and a side pocket
- **The Opportunistic Investment mandate was initially created when the Global Asset Allocation and Hedge Fund mandates were combined**
 - The idea behind this combination was that strategies provided the portfolio with diversification and flexibility while not fitting neatly into traditional equity or fixed income asset classes

OPPORTUNISTIC INVESTMENT APPROACHES

- **The objective of today's conversation is to define Opportunistic Investment allocation and determine what type of strategies we want in this portion of the portfolio going forward**
 - The two active strategies that are part of the current allocation provide the portfolio with different exposure that serve different purposes
 - **GMO**: Following our conversation with GMO, the committee felt that the strategies role going forward should be downside protection, and if volatility were to persist then GMO should outperform other strategies
 - **Cevian**: The concentrated and long only equity aspect of this strategy makes the mandate more of a return seeking and aggressive mandate than GMO.
- **NEPC believes the Opportunistic Investment allocation could serve two primary purposes**
 1. Investments as part of this allocation would represent **return seeking** opportunities
 2. **Low correlation** & **downside protection** would be the focus of this allocation
 - Alternatively, the Opportunistic Investment allocation could consist of both approaches but in an organized mandate
 - i.e. 10% of the mandate is dedicated to low correlation & downside protection while 10% is focused on return seeking opportunities
- **Additionally, it is important for us to determine if liquidity is a factor in determining which bucket an investment should fall under**
 - Can strategies with lock-up periods be considered an Opportunistic Investment?
 - OCP and Cevian are both "hedge fund" vehicles with lock up periods but are allocated to different parts of the portfolio



MARKET ENVIRONMENT & OUTLOOK

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TRAILING ANNUAL INDEX PERFORMANCE

Equity						
	Mar-18	YTD	1 YR	3 YR	5 YR	10 YR
MSCI ACWI	-2.1%	-1.0%	14.8%	8.1%	9.2%	5.6%
S&P 500	-2.5%	-0.8%	14.0%	10.8%	13.3%	9.5%
Russell 1000	-2.3%	-0.7%	14.0%	10.4%	13.2%	9.6%
Russell 2000	1.3%	-0.1%	11.8%	8.4%	11.5%	9.8%
Russell 2500	1.0%	-0.2%	12.3%	8.1%	11.6%	10.3%
MSCI EAFE	-1.8%	-1.5%	14.8%	5.6%	6.5%	2.7%
MSCI Emerging Markets	-1.9%	1.4%	24.9%	8.8%	5.0%	3.0%

Rates/Credit						
	Mar-18	YTD	1 YR	3 YR	5 YR	10 YR
BC Global Aggregate	1.1%	1.4%	7.0%	3.1%	1.5%	2.6%
BC US Aggregate	0.6%	-1.5%	1.2%	1.2%	1.8%	3.6%
BC Credit	0.3%	-2.1%	2.6%	2.2%	2.8%	5.1%
BC US High Yield	-0.6%	-0.9%	3.8%	5.2%	5.0%	8.3%
BC Municipal Bond	0.4%	-1.1%	2.7%	2.3%	2.7%	4.4%
BC Municipal High Yield	1.5%	0.6%	6.0%	4.6%	4.1%	5.6%
BC TIPS	1.1%	-0.8%	0.9%	1.3%	0.0%	2.9%
BC 20+ STRIPS	4.4%	-4.6%	6.6%	0.1%	5.3%	8.2%
BC Long Treasuries	3.0%	-3.3%	3.5%	0.4%	3.3%	5.8%
BC Long Credit	0.7%	-3.8%	6.2%	3.3%	4.7%	7.5%
BC Gov/Credit 1-3 Yr	0.2%	-0.2%	0.2%	0.7%	0.8%	1.6%
CS Lev Loan	0.3%	1.6%	4.6%	4.3%	4.2%	5.4%
JPM EMBI Glob Div	0.3%	-1.7%	4.3%	5.8%	4.7%	7.0%
JPM GBI-EM Glob Div	1.0%	4.4%	13.0%	5.4%	-0.7%	3.8%

Real Assets						
	Mar-18	YTD	1 YR	3 YR	5 YR	10 YR
BBG Commodity	-0.6%	-0.4%	3.7%	-3.2%	-8.3%	-7.7%
Alerian MLP	-6.9%	-11.1%	-20.1%	-11.2%	-5.8%	5.5%
FTSE NAREIT Equity REITs	3.7%	-6.7%	-1.1%	2.9%	6.7%	6.9%

Source: Bloomberg, Barclays, S&P, Russell, MSCI, JP Morgan, Credit Suisse, Alerian, NAREIT



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.



KEY MARKET THEMES

NEPC, LLC

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

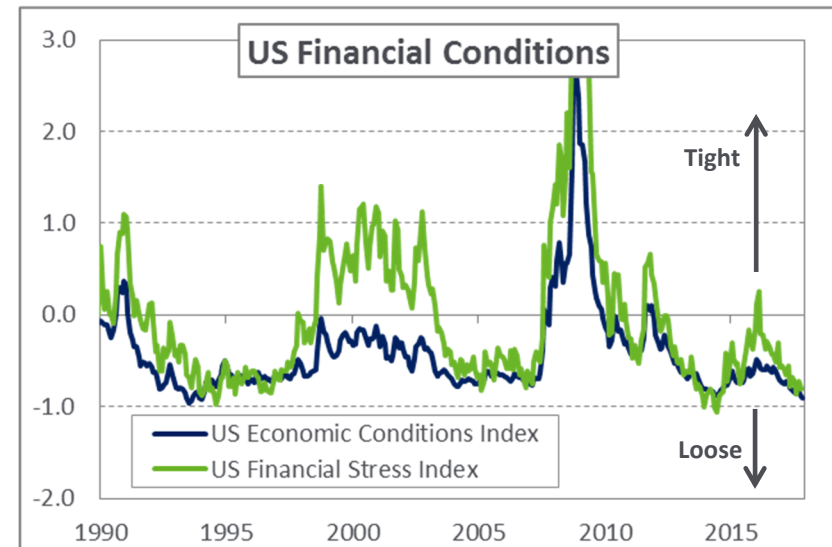
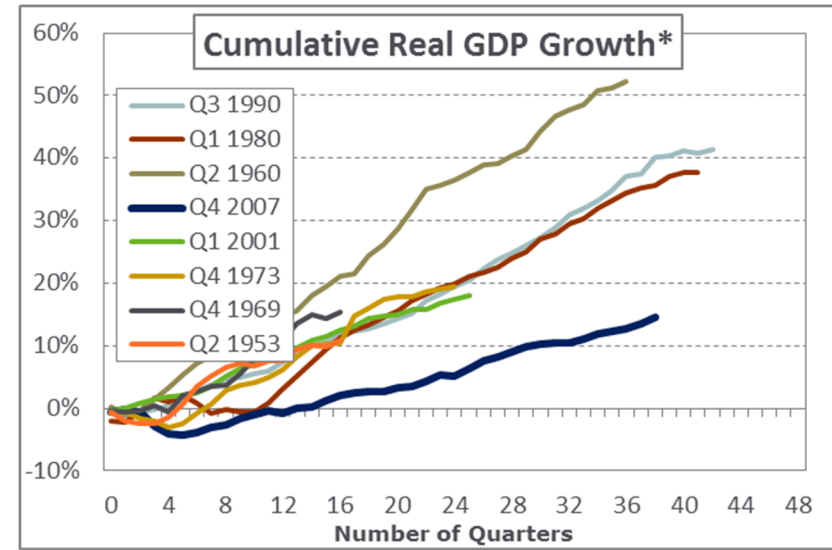
A prolonged US economic expansion can support a continued rally for US equities despite elevated valuation levels

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

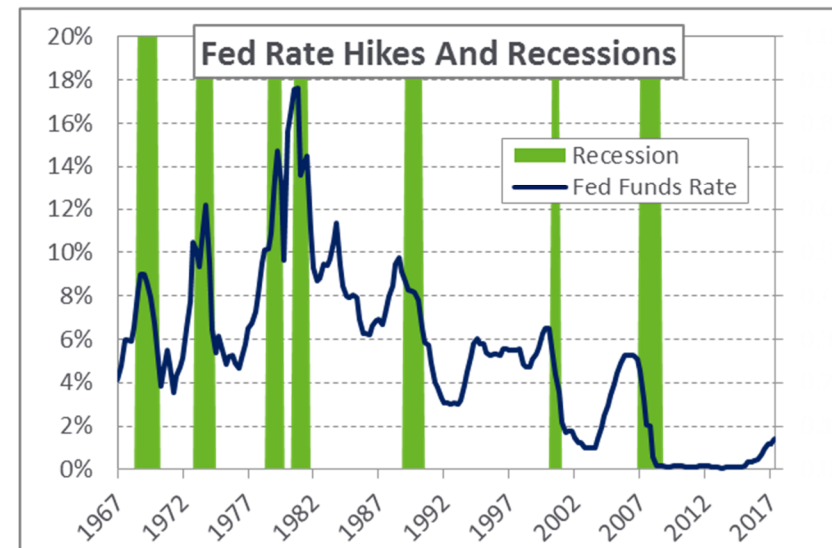
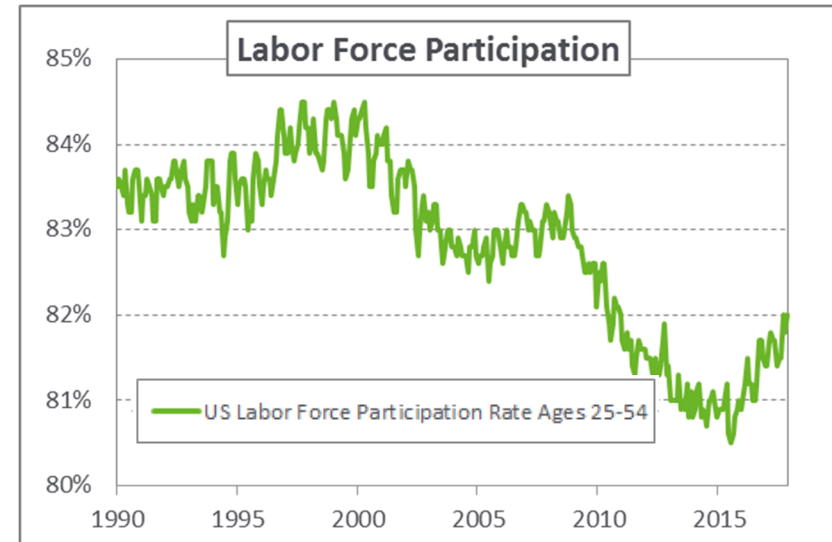
Tax cuts and fiscal stimulus can potentially remove spare economic capacity and be a catalyst for an uptick in inflation measures

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

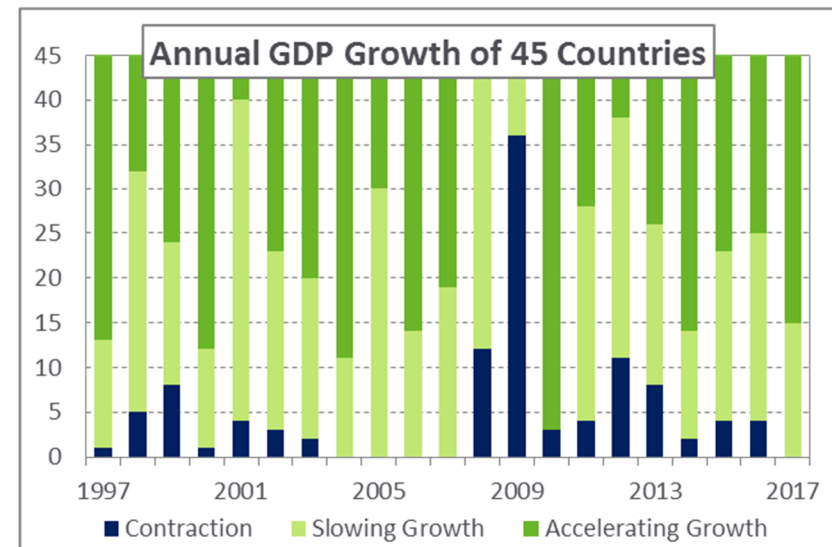
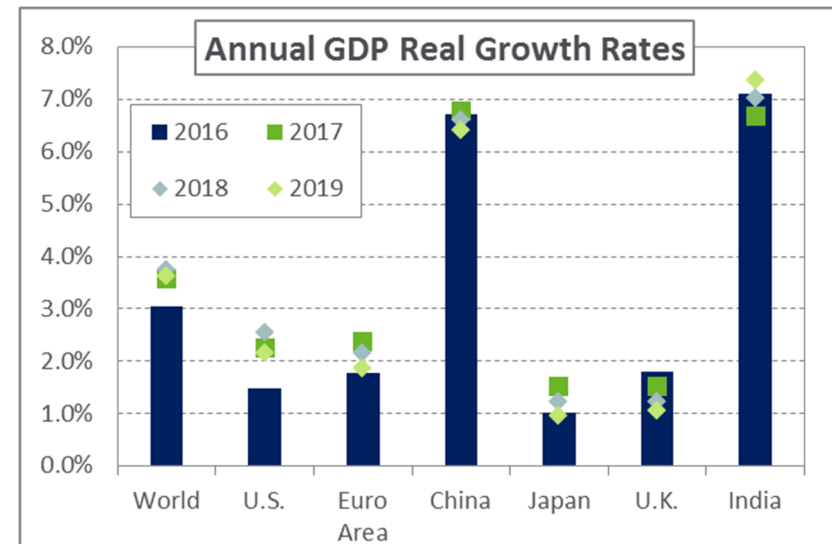
Non-US corporate revenues and equities are best positioned to benefit from a widespread boost in global economic conditions

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

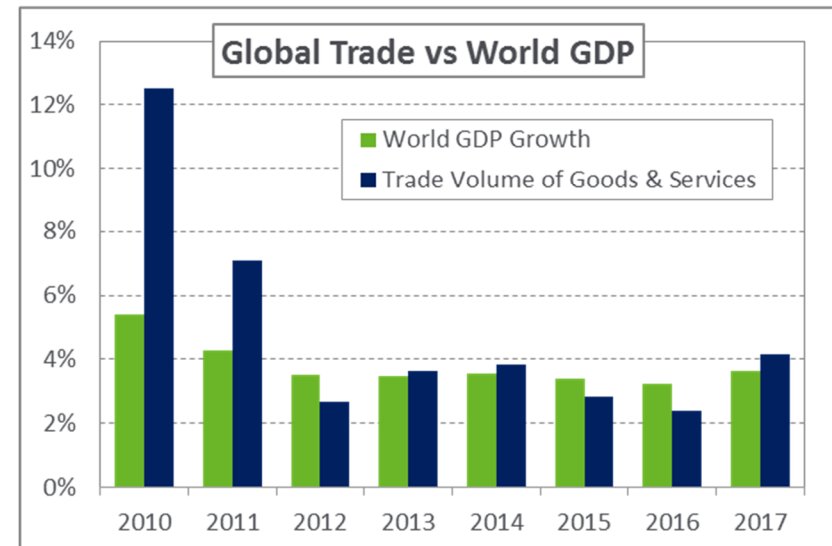
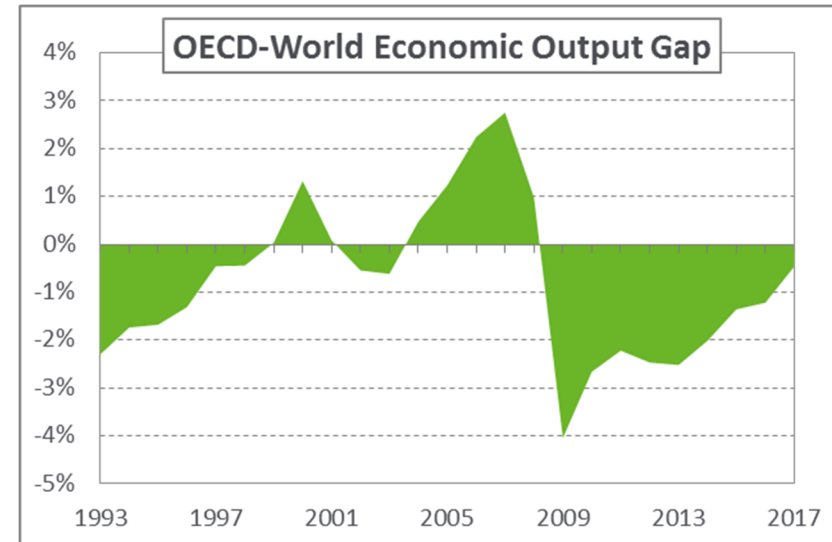
Despite recent labor market improvements, potential for labor reform in Europe and improved workforce participation in Japan offer multi-year benefits to economic growth

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

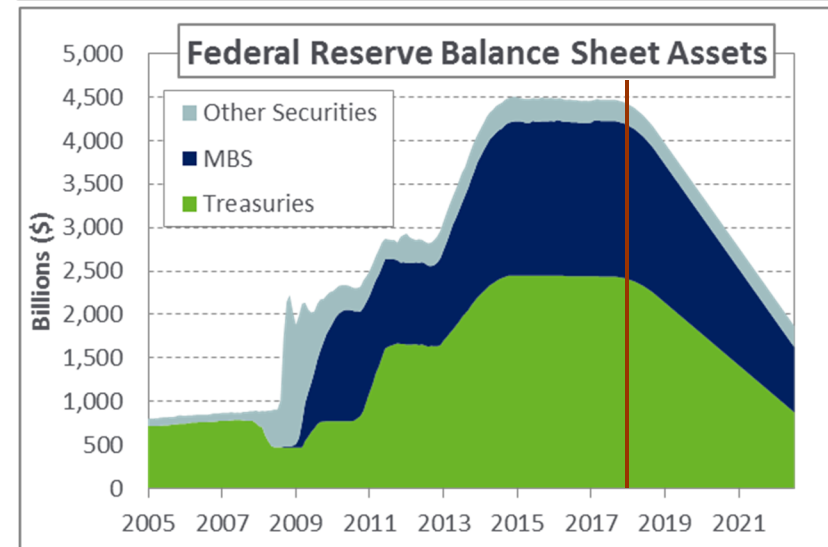
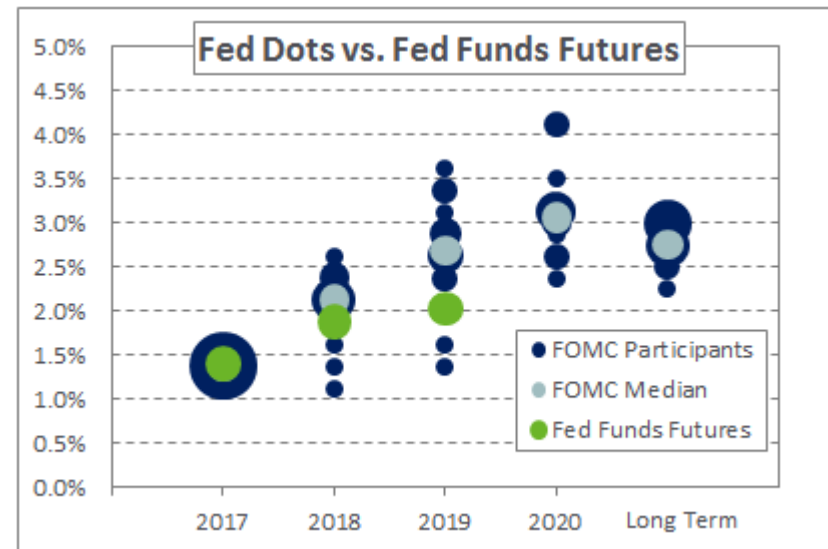
A relatively accommodative Fed is likely to continue, unless there is a dramatic acceleration in inflation

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

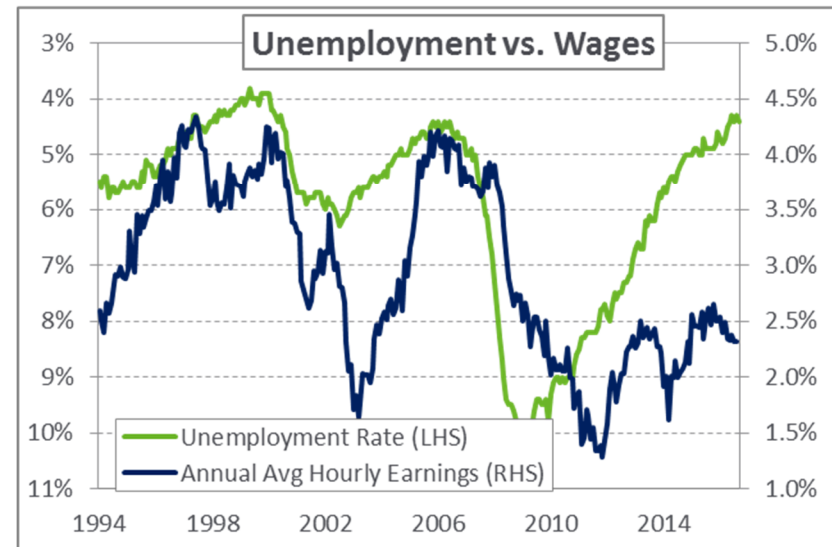
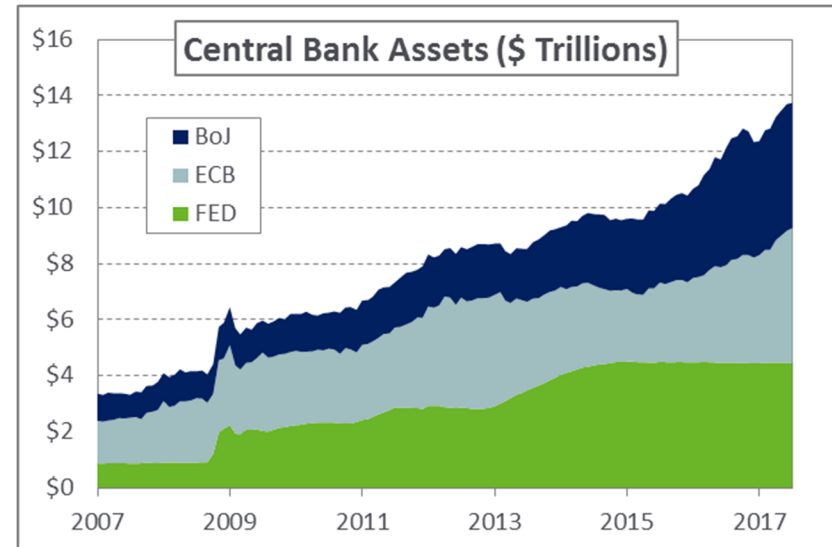
However, the reinvestment of balance sheet holdings is likely to continue for an extended period of time

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

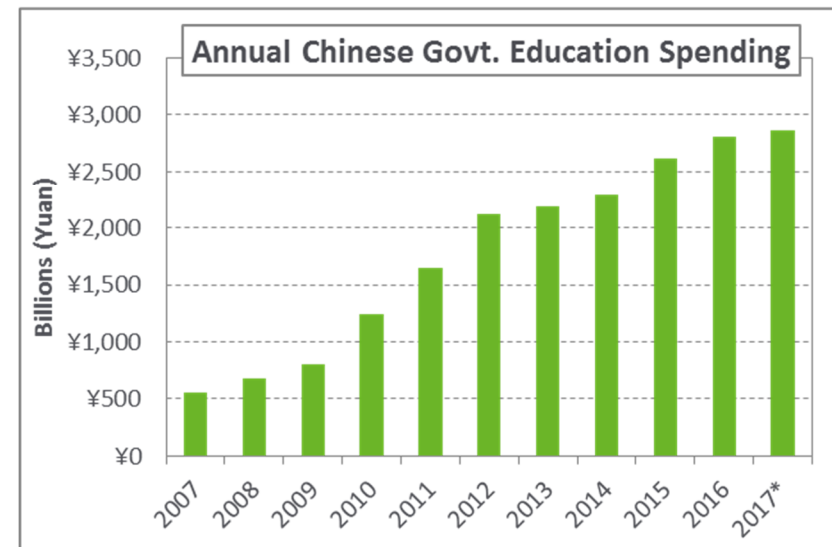
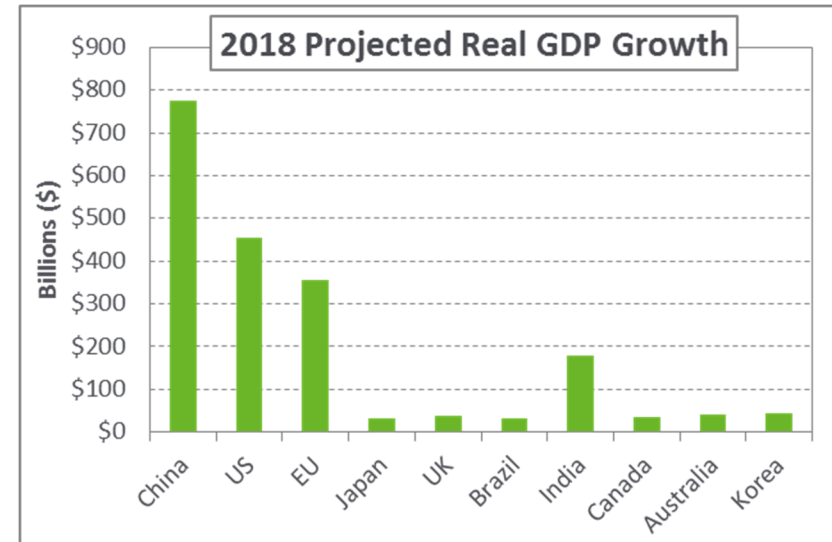
Fixed investment is required to sustain the production based economy and support employment as the rural population moves to urban centers

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

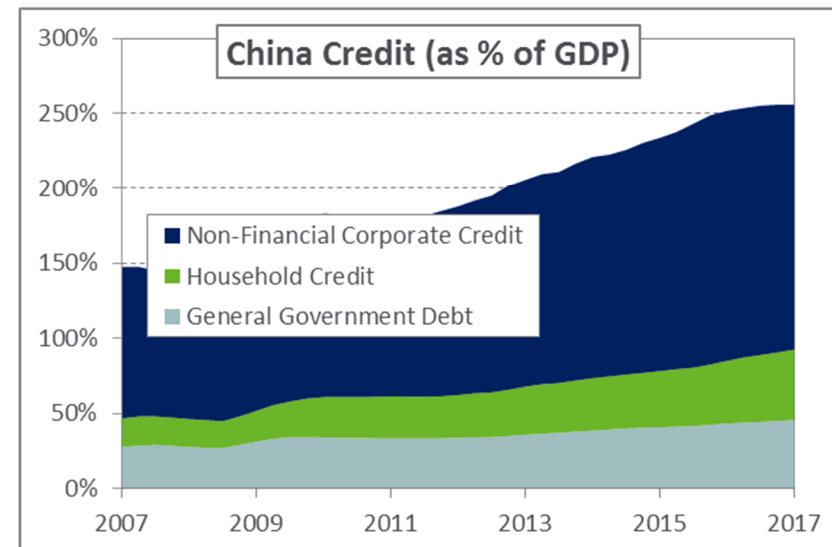
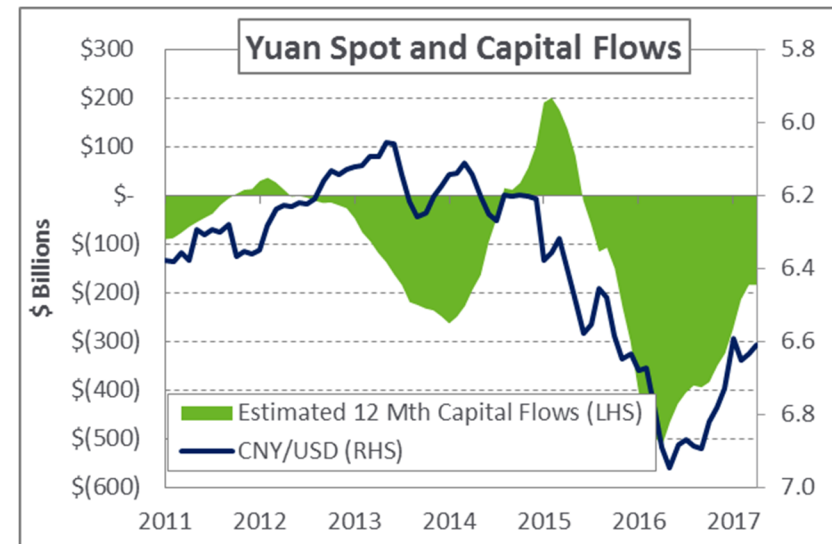
China maintains control of its currency and monetary policy but would have to make concessions to open its capital account and allow the free movement of capital in order to encourage investment

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

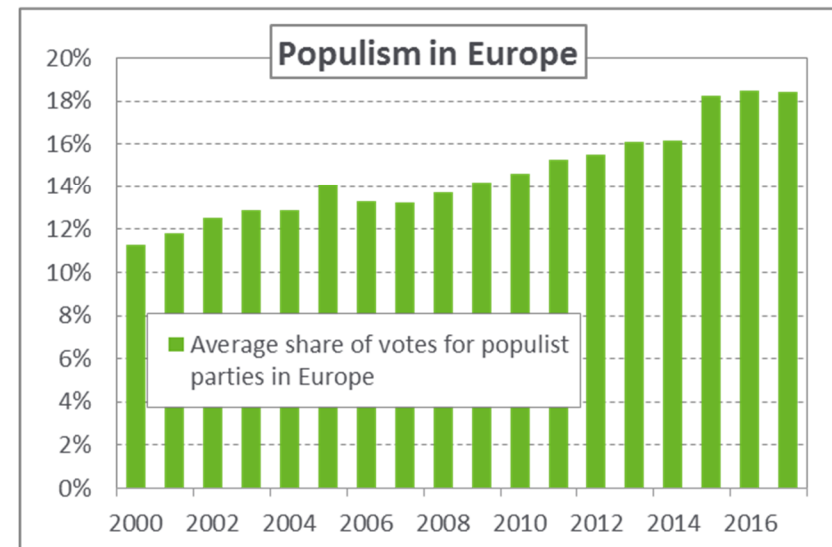
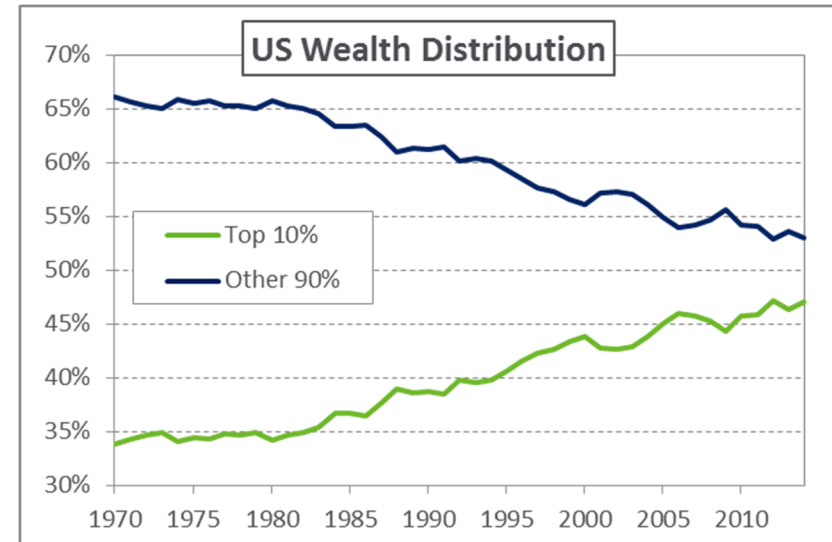
Anti-establishment political bias is likely a long term trend and potentially leads to higher levels of currency volatility over time

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

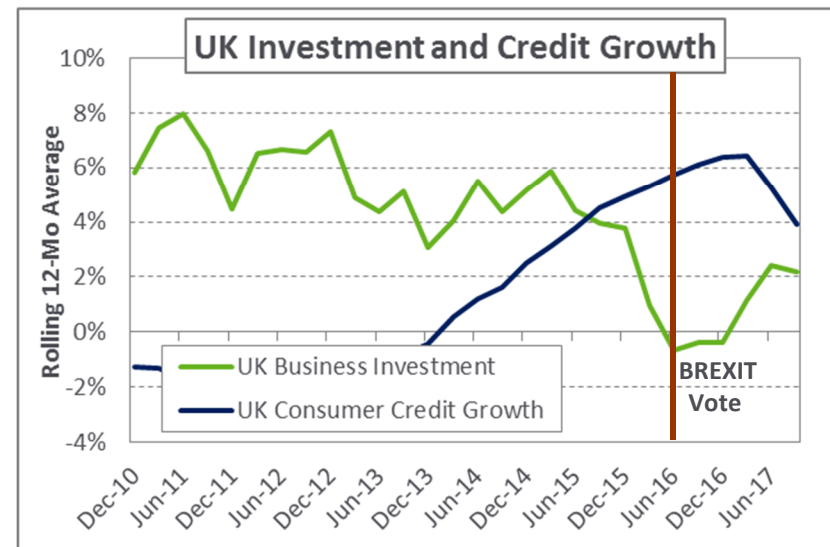
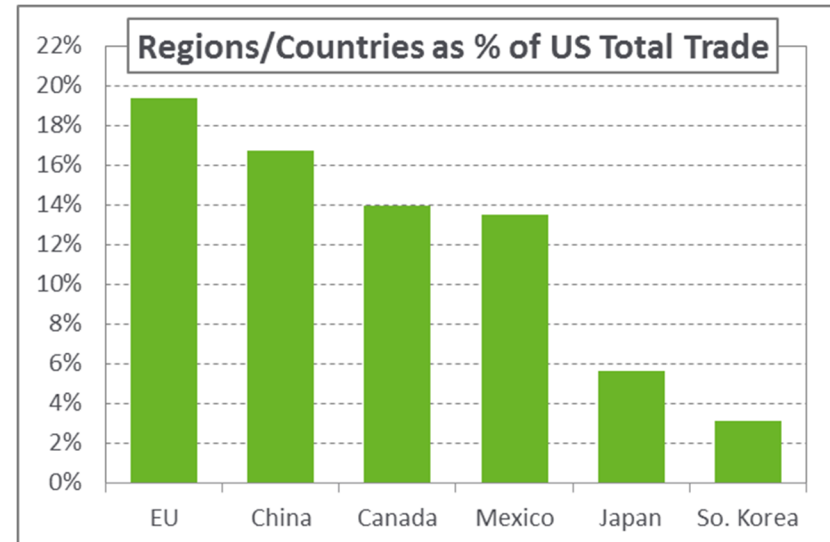
Markets have taken to interpreting the US administration's rhetoric with a grain of salt but ongoing NAFTA negotiations are a concern

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

NEPC, LLC

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

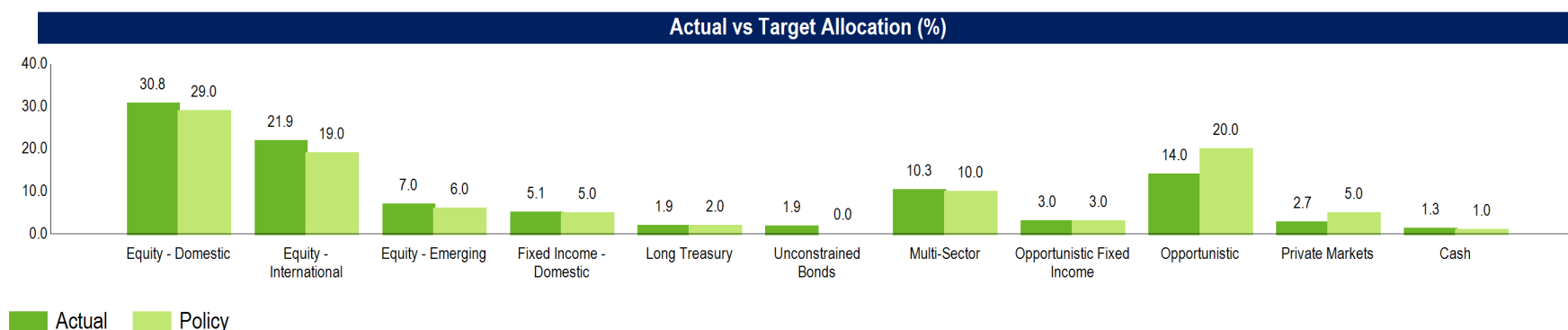
Add Long Volatility Exposure

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	\$190,013,947	1.0%	2	8.7%	7	13.4%	1	6.3%	46	6.7%	68	6.5%	71	6.4%	36
Allocation Index		-0.7%	91	7.3%	45	10.9%	35	6.2%	56	6.6%	71	6.0%	88	5.8%	62
Policy Index		-0.3%	64	7.6%	41	11.0%	33	6.4%	36	6.8%	63	6.4%	75	5.5%	72
InvestorForce All Endowment \$50mm-\$250mm Gross Median		-0.2%		7.1%		10.5%		6.3%		7.3%		6.9%		6.1%	



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 +1.0% (gross of fees) during Q1 of 2018, ranking 2nd in the universe, outperforming the allocation index and policy index
- Over the trailing one-year period, the Endowment returned +13.4% (gross of fees), ranking 1st 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 Options	Manager Changes/ Announcements (Recent Quarter)	NEPC Due Diligence Committee Recommendations
Kennedy Capital Management, Inc. <i>Small Cap Growth</i>	Other: Kennedy Capital Management - Director of Research Announcement 2/2018	No Action
Brockton Capital LLP <i>Brockton Capital Fund III</i>	Loss of Personnel: Brockton Capital Real Estate 2/2018	No Action
Grantham, Mayo, Van Otterloo & Co. LLC <i>GMO Benchmark-Free Allocation Strategy</i>	Upgrade: DD Status Upgrade for GMO Global Asset Allocation Strategies 2/2018	No Action
Kennedy Capital Management, Inc. <i>Small Cap Growth</i>	Loss of Personnel: Kennedy Capital Firm Update 2/2018	No Action
Breckinridge Capital Advisors, Inc. <i>Government Credit</i>	Loss of Personnel: Breckinridge Capital Advisors Departure 3/2018	Watch



DUE DILIGENCE MONITOR

Below is a summary of manager changes, announcements and due diligence events since the issuance of our last quarterly report.

Investment Option	Commentary	NEPC Rating
Kennedy Capital Management, Inc. <i>Small Cap Growth</i>	Kennedy Capital has announced the hiring of Jean Barnard as Director of Research, effective February 5, 2018. Richard Sinise held the role for the past three years as the firm searched for a replacement for their previous Director of Research, Doug Fisher, who held the role for seven years. Mr. Sinise, a founding member of the firm, will remain at Kennedy Capital and will continue to serve as Executive Vice President and Chief Portfolio Manager. Kennedy Capital has a deep centralized research team of 14 industry specific analysts. NO ACTION is recommended.	1
Brockton Capital LLP <i>Brockton Capital Fund III</i>	NEPC was informed that Simon Samuels an owner of the firm and member of the investment committee would be leaving Brockton Capital at the end of Q1 2018. Mr. Samuels was focused on new acquisitions, financings and asset management. His departure does not trigger a key man event. NEPC recommends NO ACTION. Brockton Capital also announced the establishment of Brockton Everlast, a joint venture with Alony Hetz Properties and Investments ("AHP"). With an initial investment from AHP Brockton Everlast will seek investment and development assets with a focus in the Greater London metropolitan area, commencing in late 2018. Brockton Everlast will acquire the equity interests in Brockton Capital but AHP will have no involvement or control in relation to the ongoing business of the Brockton Funds. Brockton Everlast will be primarily focused on investing into permanent and prime 'forever assets' in the London Office sector. Unlike the Brockton Funds, Brockton Everlast has the potential to become a public REIT more easily than the Brockton Funds.	1
Grantham, Mayo, Van Otterloo & Co. LLC <i>GMO Benchmark-Free Allocation Strategy</i>	In the summer of 2016, we placed a due diligence status of HOLD on GMO's asset allocation strategies due to several changes in the organization. These included a 10% reduction in the workforce, a majority of which was outside the investment team, the departure of GMO's fundamental stock selection team led by Dave Cowan, and the departure of Sam Wilderman, co-head of Asset Allocation. These changes followed the April 2016 announcement that CEO Brad Hilsabeck was stepping down, and a member of GMO's Board of Directors, Peg McGetrick, was named acting CEO. In January of 2017, GMO announced two hires, the new CEO of the Firm and a new position of Head of Investments. Scott Hayward, formerly the CEO of Quantitative Management Associates (QMA) was named GMO's CEO. The second hire was Andy Martin, who filled the role of Head of Investments. Mr. Martin joined GMO from Cambridge Associates where he held the role of Managing Director and Head of Global Hedge Fund Research. While we viewed these announcements favorably, we decided to delay any upgrade in due diligence status until early 2018 to see if any major changes occurred or if there was a shift in GMO's strategic goals. Over this time, we have seen no material change in GMO's focus on the asset allocation strategies and the investment personnel have remained stable. In addition, assets under management for the asset allocation strategies are mostly unchanged, declining from \$40 billion in 2016 to \$38.5 billion. The flagship Benchmark-Free Strategy's assets under management are unchanged at \$22.9 billion. We no longer have concerns regarding the overall stability of GMO and its asset allocation team. During this time, Ben Inker has remained the sole head of the asset allocation team and there have been no major changes to the AA group. We remain comfortable with the investment process and personnel on the asset allocation strategies and have upgraded the asset allocation strategies from HOLD to NO ACTION.	1



DUE DILIGENCE MONITOR

Below is a summary of manager changes, announcements and due diligence events since the issuance of our last quarterly report.

Investment Option	Commentary	NEPC Rating
Kennedy Capital Management, Inc. <i>Small Cap Growth</i>	<p>Kennedy Capital has announced that CEO Kimberly Wood has decided to pursue other opportunities and has resigned from the firm. Don Corbin has been chosen by the Board of Directors to be the new President, CEO, and Chairman of the Board of Directors. Ms. Wood joined Kennedy Capital in July 2016 from Mercer Investments, succeeding Randall Kirkland, who had retired. In the time she was at Kennedy, her vision for where she wanted to grow the firm differed from the majority of the shareholders. Ms. Wood was not involved in the managing of any of the company's strategies. Mr. Corbin is the Portfolio Manager of the Small Cap Core and SMid Cap Core strategies and plans to continue working on the products as co-PM. Chris McDonald is being elevated from Assistant Portfolio Manager to Co-Portfolio Manager, and McAfee Burke will remain Assistant Portfolio Manager for the Small Cap Core strategy. NEPC has met with Don Corbin in the past and has confidence in his ability to lead the firm. NEPC has assigned a HOLD status to the Small Cap Core strategy, but has not elevated the status on the firm level. While Mr. Corbin will be able to both lead the firm as well as continue to manage the Small Cap Core strategy, NEPC would like to watch for any disruptions to the strategy.</p>	1
Breckinridge Capital Advisors, Inc.	<p>Breckinridge has announced that CIO David Madigan will be retiring September 30, 2018. Mr. Madigan is the Head of the Investment Committee and a Portfolio Manager. Laura Lake, who joined Breckinridge from Standish in September 2017, will be assuming the role of CIO. Ms. Lake currently serves in the role of Director of Investment Strategy at Breckinridge. At Standish, she was a Senior Portfolio Manager for the Multi-Sector portfolios. Ms. Lake is currently a member of the Investment Committee, and she will remain on the committee once she assumes the role of CIO. The Investment Committee is responsible for setting the firm's macro outlook, as well as setting targets for sector allocations, yield curve positioning, duration, and credit quality across the firm's strategies. While Mr. Madigan had portfolio management responsibilities, Breckinridge has no plans for Ms. Lake to assume any portfolio management responsibilities. Breckinridge is looking externally to hire an additional senior portfolio manager. Given this is the second high profile departure from the firm in the last six months, NEPC has assigned a WATCH status. Additionally, due to Ms. Lake's short tenure at the firm, NEPC would like to monitor the transition, and will revisit the recommendation once Ms. Lake has officially assumed the role of CIO.</p>	NR



DUE DILIGENCE MONITOR

NEPC Due Diligence Status 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.

NEPC Due Diligence Rating Key

1	A high conviction investment product. Product has a clear and economically-grounded investment thesis, and is managed by an investment team that is sufficiently resourced and incented to execute on the thesis.
2	NEPC has a positive view of the strategy. Strategy has a compelling and sound investment thesis. The manager is sufficiently resourced and incented to execute on the thesis. Strengths outweigh the weaknesses, but the strategy does not meet all requirements for a 1 rating.
3	A satisfactory investment product. The strategy lacks a compelling investment thesis, however there are no significant concerns around the manager's viability.
4	The strategy may have an unclear or ambiguous investment thesis or the manager may lack the ability to execute on the stated thesis. The strategy likely has strengths and weaknesses and the weaknesses may outweigh the strengths.
5	A strategy that lacks an investment thesis or NEPC has no confidence in the manager's ability to execute on the thesis, and/or the investment firm may not be viable. Serious issues have been identified with an investment manager or product. This rating aligns with a Terminate Due Diligence status for client-owned products.
NR	Due diligence has not been sufficiently completed on the product or manager.



TOTAL FUND SUMMARY

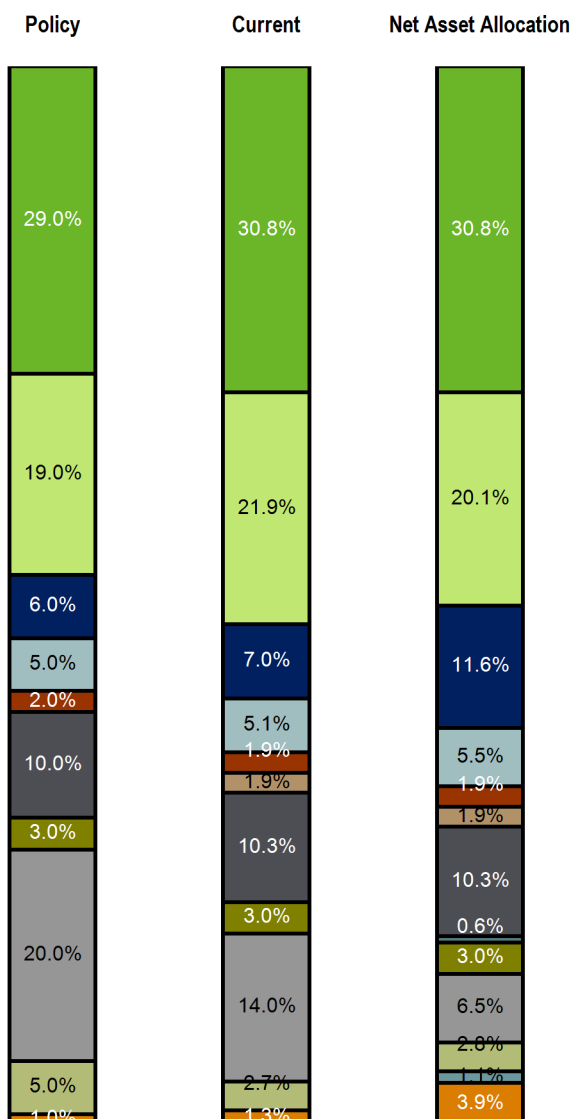
NEPC, LLC

TOTAL FUND ASSET GROWTH SUMMARY BY MANAGER

	Beginning Market Value	Quarter Ending March 31, 2018				Ending Market Value
		Contributions	Withdrawals	Net Cash Flow	Net Investment Change	
Baxter Street	\$10,375,022	\$0	\$0	\$0	\$98,513	\$10,473,534
Boston Common	\$15,348,977	\$0	-\$10,233	-\$10,233	\$3,904	\$15,342,649
Brandywine Global Opportunistic	\$9,751,510	\$0	\$0	\$0	\$383,692	\$10,135,202
Breckinridge - Corporate	\$9,830,436	\$0	-\$577	-\$577	-\$95,656	\$9,734,203
Breckinridge-Treasury	\$3,812,202	\$0	-\$218	-\$218	-\$125,921	\$3,686,063
Brockton Capital Fund III	\$1,154,086	\$0	-\$5,274	-\$5,274	-\$7,109	\$1,141,702
Cash Account	\$1,675,345	\$2,762,829	-\$3,487,190	-\$724,361	\$3,932	\$954,916
Cevian Capital II	\$6,367,625	\$0	\$0	\$0	-\$321,530	\$6,046,095
Community Development	\$1,573,138	\$0	-\$6,209	-\$6,209	\$9,365	\$1,576,294
Entrust Capital Diversified Fund Holdback	\$201,577	\$0	\$0	\$0	\$0	\$201,577
Entrust Class X	\$585,137	\$0	\$0	\$0	-\$1,289	\$583,848
FEG Private Opportunities Fund	\$1,597,404	\$0	-\$30,000	-\$30,000	\$0	\$1,567,404
Franklin Templeton GMS	\$5,564,668	\$0	\$0	\$0	\$111,952	\$5,676,620
GMO Benchmark Free Allocation Fund	\$19,585,355	\$0	\$0	\$0	\$149,943	\$19,735,298
Kennedy Capital	\$8,854,714	\$0	-\$561	-\$561	\$290,310	\$9,144,463
Loomis Multi Sector	\$9,525,109	\$0	\$0	\$0	-\$32,117	\$9,492,991
Loomis Sayles Strategic Alpha	\$3,513,578	\$0	-\$5,296	-\$5,296	\$37,418	\$3,545,701
MFS International Concentrated	\$16,047,649	\$0	\$0	\$0	-\$168,479	\$15,879,170
OCP Orchard Landmark	\$2,081,934	\$0	\$0	\$0	-\$2,428	\$2,079,506
RBC Global Emerging Equity	\$13,382,128	\$0	\$0	\$0	-\$116,384	\$13,265,744
Rhumblin	\$19,856,975	\$0	-\$1,194	-\$1,194	-\$234,737	\$19,621,044
Sands	\$19,939,233	\$0	-\$1,278	-\$1,278	\$1,929,466	\$21,867,421
SJF Ventures	\$192,980	\$250,000	\$0	\$250,000	-\$13,683	\$429,297
Wellington SMID	\$8,020,568	\$0	\$0	\$0	-\$187,363	\$7,833,205
Total	\$188,837,350	\$3,012,829	-\$3,548,029	-\$535,200	\$1,711,797	\$190,013,947



TOTAL FUND ASSET ALLOCATION VS. POLICY



	Asset Allocation vs. Target					
	Current	Policy	Current	Policy Range	Within Range	Net Asset Allocation
Equity - Domestic	\$58,466,133	29.0%	30.8%	22.0% - 36.0%	Yes	30.8%
Equity - International	\$41,695,353	19.0%	21.9%	14.0% - 24.0%	Yes	20.1%
Equity - Emerging	\$13,265,744	6.0%	7.0%	3.0% - 9.0%	Yes	11.6%
Fixed Income - Domestic	\$9,734,203	5.0%	5.1%	0.0% - 15.0%	Yes	5.5%
Long Treasury	\$3,686,063	2.0%	1.9%	0.0% - 10.0%	Yes	1.9%
Unconstrained Bonds	\$3,545,701	--	1.9%	--	No	1.9%
Multi-Sector	\$19,628,193	10.0%	10.3%	0.0% - 15.0%	Yes	10.3%
Emerging Market Debt	--	--	--	--	No	0.6%
Opportunistic Fixed Income	\$5,676,620	3.0%	3.0%	0.0% - 10.0%	Yes	3.0%
Opportunistic	\$26,566,818	20.0%	14.0%	10.0% - 30.0%	Yes	6.5%
Private Markets	\$5,217,909	5.0%	2.7%	0.0% - 10.0%	Yes	2.8%
Real Assets	--	--	--	--	No	1.1%
Cash	\$2,531,210	1.0%	1.3%	0.0% - 10.0%	Yes	3.9%
Total	\$190,013,947	100.0%	100.0%			100.0%

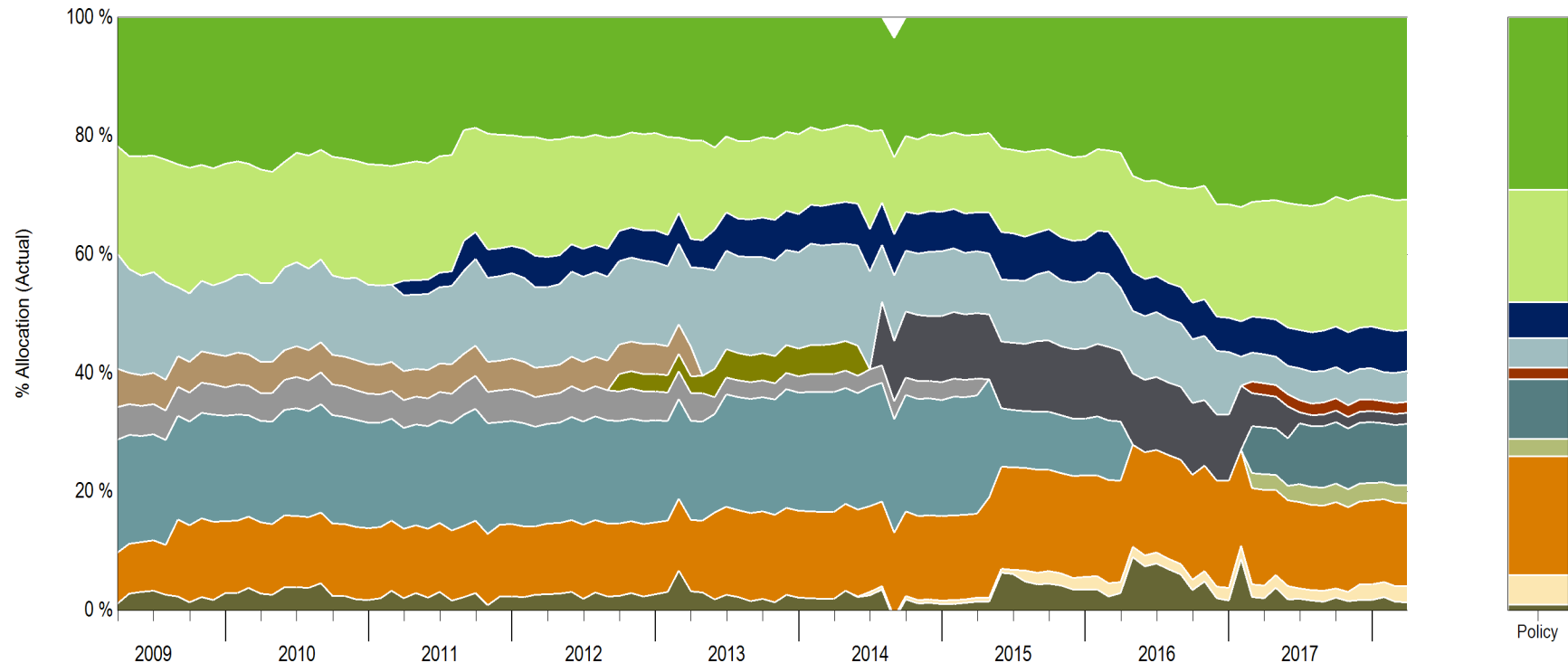
- On a look through basis, Domestic Equity is 30.8% of the fund, International Equity is 20.1% of the fund, and Emerging Market Equity is 11.6% of the fund.

- Within the Opportunistic allocation, dedicated Hedge Fund exposure is 3.6%, GMO has an Absolute Return allocation in their fund, increasing hedge fund exposure to 6.5%.

- Overall Fixed Income exposure is 23.2%, including GAA exposure.

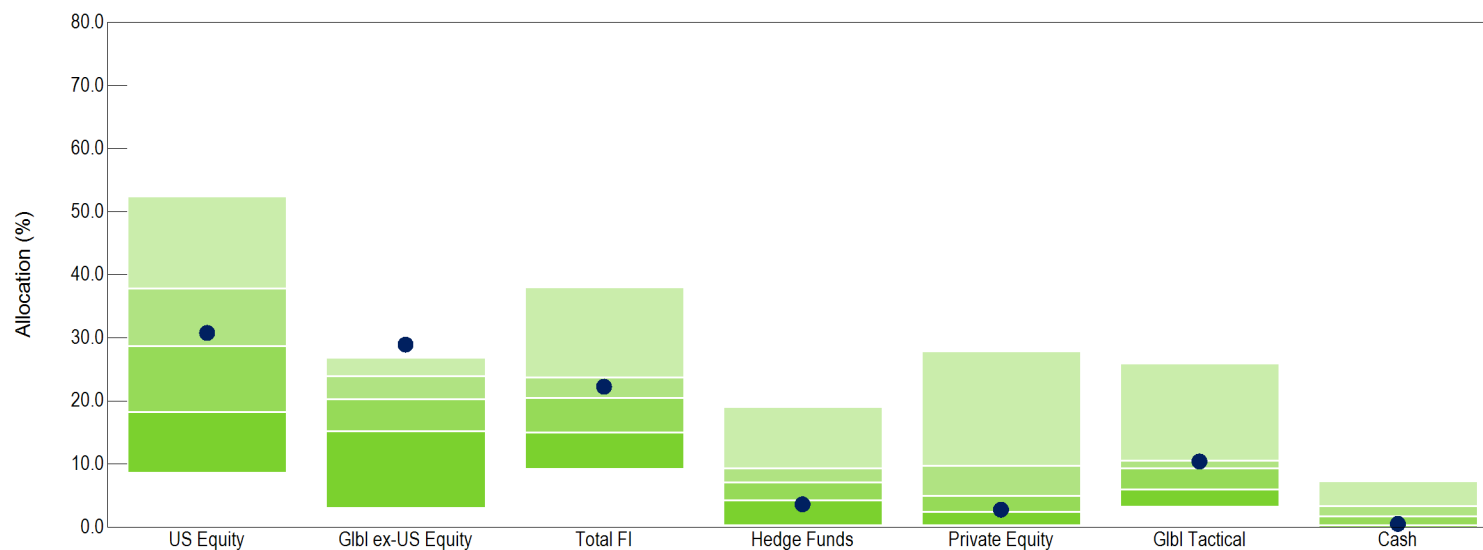
TOTAL FUND ASSET ALLOCATION HISTORY

Asset Allocation History



TOTAL FUND ALLOCATIONS VS. PEER UNIVERSE

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



	US Equity		Gbl ex-US Equity		Total FI		Hedge Funds		Private Equity		Gbl Tactical		Cash	
Allocation (Rank)	52.4		26.8		38.1		19.1		27.9		26.0		7.2	
5th Percentile	37.9		24.0		23.9		9.4		9.8		10.6		3.5	
25th Percentile	28.8		20.3		20.5		7.2		5.0		9.4		1.8	
Median	18.4		15.3		15.0		4.4		2.5		6.0		0.4	
75th Percentile	8.7		3.1		9.3		0.4		0.4		3.3		0.0	
95th Percentile	51		52		60		35		31		22		51	
# of Portfolios	30.8	(46)	28.9	(1)	22.2	(41)	3.6	(79)	2.7	(75)	10.4	(31)	0.5	(72)
Composite														

UUA Net Asset Allocation	30.8	31.1	23.2	6.5	2.8	1.1	4.5
--------------------------	------	------	------	-----	-----	-----	-----

Above analytic does not include Community Development, 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 (%)	Inception (%)	Inception Date
Composite	190,013,947	100.0	100.0	0.9	8.2	12.6	5.3	5.7	5.5	5.4	6.3	Jul-02
Allocation Index				-0.7	7.3	10.9	6.2	6.6	6.0	5.8	6.9	Jul-02
Policy Index				-0.3	7.6	11.0	6.4	6.8	6.4	5.5	--	Jul-02
Domestic Equity Composite	58,466,133	30.8	29.0	3.1	14.1	18.6	10.2	13.3	12.6	11.9	10.4	Jul-02
Russell 3000				-0.6	10.5	13.8	10.2	13.0	12.4	9.6	8.9	Jul-02
Rhumblin	19,621,044	10.3	10.5	-1.2	9.2	10.8	9.8	11.7	11.3	8.4	7.4	Aug-05
Russell 1000 Value				-2.8	5.5	6.9	7.9	10.8	11.0	7.8	7.2	Aug-05
Sands	21,867,421	11.5	10.5	9.5	21.3	30.2	12.2	15.6	15.6	14.5	12.0	Dec-03
Russell 1000 Growth				1.4	15.8	21.3	12.9	15.5	14.1	11.3	9.6	Dec-03
Wellington SMID	7,833,205	4.1	4.0	-2.6	2.9	2.1	--	--	--	--	8.6	Apr-16
Russell 2500 Value				-2.7	5.4	5.7	7.3	9.9	9.9	9.3	14.1	Apr-16
Kennedy Capital	9,144,463	4.8	4.0	3.3	--	--	--	--	--	--	3.3	Jan-18
Russell 2000 Growth				2.3	13.6	18.6	8.8	12.9	11.3	11.0	2.3	Jan-18
International Equity Composite	54,961,097	28.9	25.0	-0.4	9.2	18.0	5.6	5.2	3.3	1.4	6.3	Jul-02
MSCI ACWI ex USA				-1.2	10.2	16.5	6.2	5.9	4.3	2.7	7.2	Jul-02
MFS International Concentrated	15,879,170	8.4	7.0	-1.3	7.0	18.1	6.8	6.8	--	--	6.8	Apr-13
MSCI EAFE				-1.5	8.2	14.8	5.6	6.5	5.3	2.7	6.5	Apr-13
Boston Common	15,342,649	8.1	7.0	0.0	8.9	16.5	6.2	6.5	5.4	--	6.3	May-10
MSCI EAFE				-1.5	8.2	14.8	5.6	6.5	5.3	2.7	6.2	May-10
Baxter Street	10,473,534	5.5	5.0	0.9	8.8	17.9	--	--	--	--	14.1	Apr-16
MSCI ACWI ex USA				-1.2	10.2	16.5	6.2	5.9	4.3	2.7	14.8	Apr-16
RBC Global Emerging Equity	13,265,744	7.0	6.0	-0.9	12.8	20.0	--	--	--	--	15.7	Jul-16
MSCI Emerging Markets				1.4	17.6	24.9	8.8	5.0	2.5	3.0	23.9	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 (%)	Inception (%)	Inception Date
Fixed Income Composite	42,270,780	22.2	20.0	0.6	2.3	3.8	2.6	2.3	3.7	5.0	4.5	Jul-02
BBgBarc US Aggregate TR				-1.5	-0.2	1.2	1.2	1.8	2.9	3.6	4.2	Jul-02
Brandywine Global Opportunistic	10,135,202	5.3	5.0	3.8	6.7	11.4	--	--	--	--	11.8	Mar-17
Citi WGBI				2.5	5.4	8.5	3.5	1.2	1.5	2.0	8.0	Mar-17
Loomis Multi Sector	9,492,991	5.0	5.0	-0.5	2.3	4.3	--	--	--	--	4.4	Mar-17
BBgBarc US Govt/Credit TR				-1.6	-0.3	1.4	1.2	1.8	3.2	3.7	1.2	Mar-17
Franklin Templeton GMS	5,676,620	3.0	3.0	1.9	1.5	0.3	--	--	--	--	2.6	Mar-17
BBgBarc Multiverse				1.3	4.3	7.0	3.4	1.7	2.2	2.8	6.6	Mar-17
Breckinridge - Corporate	9,734,203	5.1	5.0	-1.0	-0.4	0.5	1.2	--	--	--	1.6	Nov-14
BBgBarc US Govt/Credit Int TR				-1.0	-0.6	0.4	0.9	1.2	2.3	2.9	1.3	Nov-14
Breckinridge-Treasury	3,686,063	1.9	2.0	-3.4	-1.1	2.7	--	--	--	--	1.9	Mar-17
BBgBarc Treasury Long Term				-3.3	-0.4	3.5	0.4	3.3	6.6	5.8	2.7	Mar-17
Loomis Sayles Strategic Alpha	3,545,701	1.9	0.0	0.9	2.8	2.8	2.1	--	--	--	2.2	Aug-14
BBgBarc US Aggregate TR				-1.5	-0.2	1.2	1.2	1.8	2.9	3.6	2.0	Aug-14
3-Month LIBOR + 3%				1.2	3.5	4.6	4.0	3.7	3.6	3.8	3.8	Aug-14
Opportunistic Investments	26,566,818	14.0	20.0	-0.6	3.9	6.6	2.5	3.5	4.5	--	--	Jan-08
CPI + 5% (Unadjusted)				2.5	5.7	7.5	6.9	6.5	6.7	6.6	6.8	Jan-08
GMO Benchmark Free Allocation Fund	19,735,298	10.4	10.0	0.8	5.8	8.8	3.6	3.9	4.6	4.5	4.4	Jan-08
65% MSCI World (Net) /35% BBgBarc Aggregate				-1.3	5.9	9.2	5.7	7.0	6.8	5.4	4.7	Jan-08
CPI + 5% (Unadjusted)				2.5	5.7	7.5	6.9	6.5	6.7	6.6	6.8	Jan-08
Cevian Capital II	6,046,095	3.2	3.0	-5.0	-1.2	1.7	3.2	--	--	--	3.2	Apr-15
HFRX Event Driven Index				-4.8	-3.1	-1.5	1.1	1.7	1.7	1.0	1.1	Apr-15
MSCI EAFE				-1.5	8.2	14.8	5.6	6.5	5.3	2.7	5.6	Apr-15
Entrust Class X	583,848	0.3	2.0	-0.2	-2.4	-3.9	--	--	--	--	-3.6	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 (%)	Inception (%)	Inception Date
Private Markets/Opportunistic	5,217,909	2.7	5.0	-0.4	10.4	13.7	8.5	--	--	--	8.3	May-14
Private Markets Custom Benchmark				6.3	16.7	20.9	13.9	--	--	--	13.7	May-14
OCP Orchard Landmark	2,079,506	1.1		-0.1	--	--	--	--	--	--	4.0	Nov-17
JP Morgan Corporate EMBI Broad TR USD				-1.1	1.9	3.6	5.3	4.0	5.2	6.5	-0.8	Nov-17
FEG Private Opportunities Fund	1,567,404	0.8										
Private Equity Benchmark												
Brockton Capital Fund III	1,141,702	0.6										
NCREIF Property Index												
SJF Ventures	429,297	0.2										
Private Equity Benchmark												
Community Development	1,576,294	0.8	1.0	0.6	0.8	1.1	1.1	1.1	1.3	1.6	1.7	Jul-07
91 Day T-Bills				0.4	0.9	1.2	0.5	0.3	0.3	0.3	0.5	Jul-07
Cash	954,916	0.5	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 \$308,803.31 adjustment for pending capital additions into the UUA Endowment Fund.



Unitarian Universalist Association of Congregations

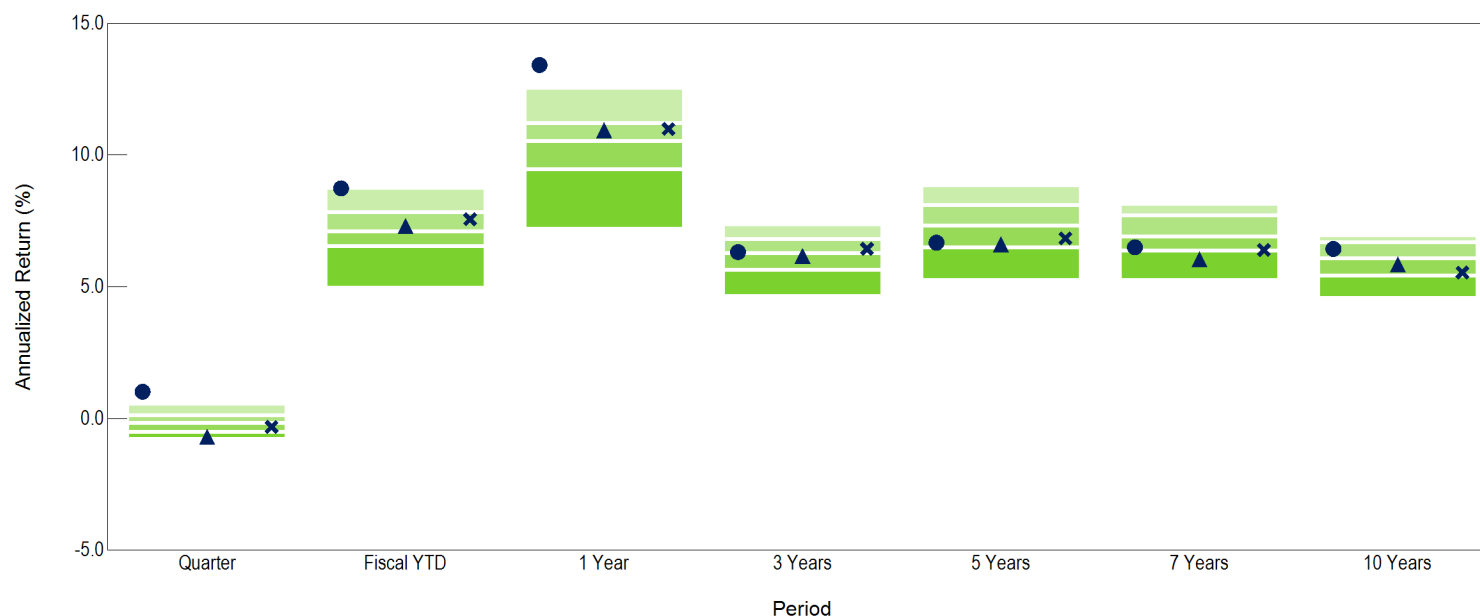
Performance Analysis

12/31/2017

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	4,522,015	2,715,940	1,806,075	16,095	1,893,773	1,140,712	3,034,485	302,449	60%	0.69	1.11	7.16%
2 FEG Private Opportunities Fund	2012	2,000,000	1,897,000	103,000	2,707	792,647	1,597,404	2,390,051	490,344	95%	0.42	1.26	7.99%
3 SJF Ventures IV	2016	2,500,000	250,000	2,250,000	0	0	179,297	179,297	-70,703	10%	0.00	0.72	-24.99%
Total: Unitarian Universalist Association of Congregations		9,022,015	4,862,940	4,159,075	18,802	2,686,420	2,917,413	5,603,833	722,090	54%	0.55	1.15	6.86%

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

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

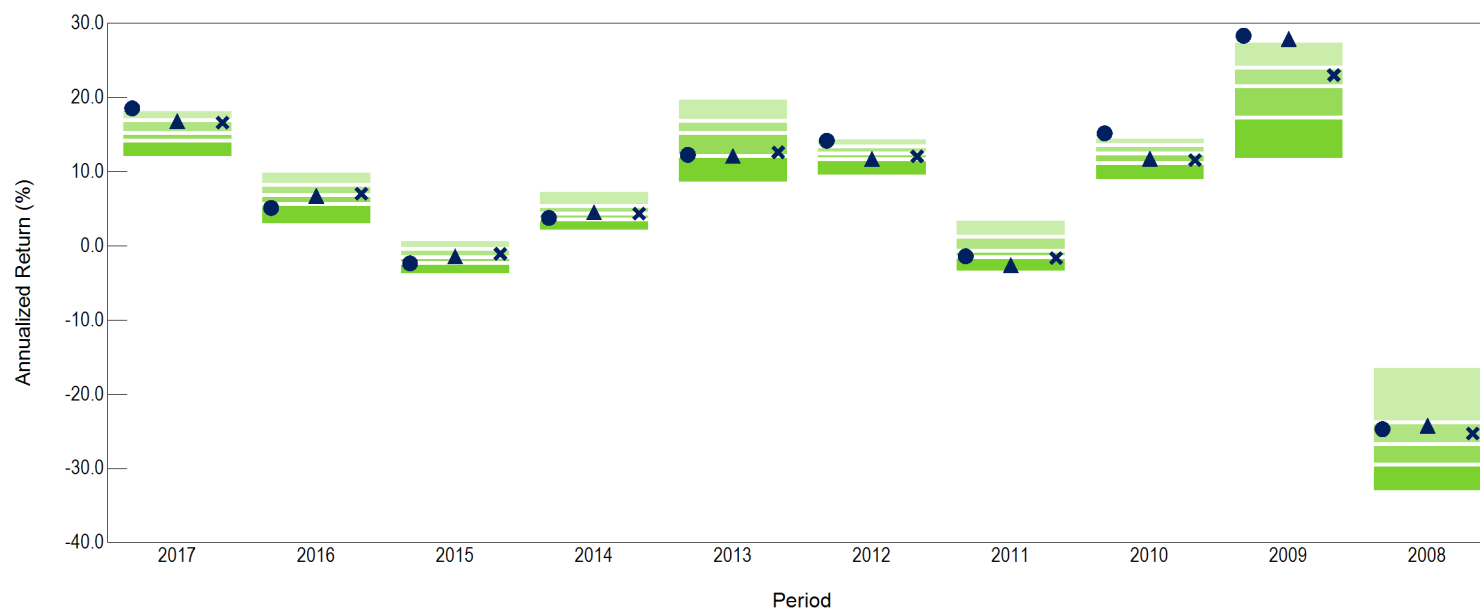


		Return (Rank)													
5th Percentile		0.6		8.7		12.5		7.4		8.8		8.1		7.0	
25th Percentile		0.1		7.8		11.2		6.8		8.1		7.7		6.7	
Median		-0.2		7.1		10.5		6.3		7.3		6.9		6.1	
75th Percentile		-0.5		6.6		9.5		5.7		6.5		6.4		5.4	
95th Percentile		-0.8		5.0		7.2		4.7		5.3		5.3		4.6	
# of Portfolios		66		66		65		63		53		52		46	
●	Composite	1.0	(2)	8.7	(7)	13.4	(1)	6.3	(46)	6.7	(68)	6.5	(71)	6.4	(36)
▲	Allocation Index	-0.7	(91)	7.3	(45)	10.9	(35)	6.2	(56)	6.6	(71)	6.0	(88)	5.8	(62)
×	Policy Index	-0.3	(64)	7.6	(41)	11.0	(33)	6.4	(36)	6.8	(63)	6.4	(75)	5.5	(72)



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

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



	Return (Rank)									
5th Percentile	18.4	10.1	0.9	7.5	19.9	14.6	3.6	14.6	27.6	-16.3
25th Percentile	17.0	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	14.2	5.7	-2.3	3.6	12.2	11.7	-1.5	11.2	17.3	-29.4
95th Percentile	11.9	2.8	-3.9	2.0	8.4	9.4	-3.6	8.8	11.6	-33.1
# of Portfolios	76	79	80	90	81	83	82	77	75	71
● Composite	18.5 (5)	5.1 (84)	-2.4 (76)	3.8 (74)	12.3 (74)	14.2 (11)	-1.4 (73)	15.2 (3)	28.3 (5)	-24.7 (31)
▲ Allocation Index	16.8 (26)	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 (32)	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 RISK STATISTICS

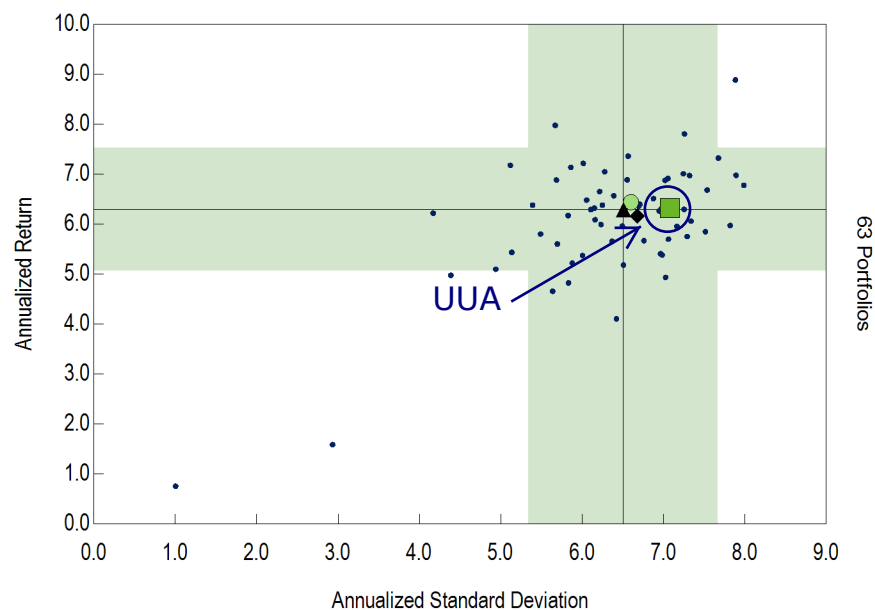
3 Years Ending March 31, 2018									
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	100.00%	6.32%	46	7.08%	78	0.82	65	0.11	53
Allocation Index	--	6.16%	56	6.68%	55	0.84	55	--	--
Domestic Equity Composite	30.77%	10.77%	30	11.50%	51	0.89	36	0.16	28
Russell 3000	--	10.22%	39	10.36%	26	0.93	31	--	--
International Equity Composite	28.92%	6.43%	78	12.37%	59	0.48	81	0.10	77
MSCI ACWI ex USA	--	6.18%	81	12.47%	63	0.45	84	--	--
Fixed Income Composite	22.25%	3.02%	71	1.95%	6	1.27	11	0.84	30
BBgBarc US Aggregate TR	--	1.20%	94	2.69%	16	0.24	93	--	--
Opportunistic Investments	13.98%	3.30%	--	6.59%	--	0.42	--	-0.56	--

5 Years Ending March 31, 2018									
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	100.00%	6.67%	68	6.81%	68	0.93	86	0.05	58
Allocation Index	--	6.61%	71	6.31%	45	0.99	67	--	--
Domestic Equity Composite	30.77%	13.88%	27	11.19%	49	1.21	35	0.23	25
Russell 3000	--	13.03%	45	10.00%	20	1.27	27	--	--
International Equity Composite	28.92%	5.98%	90	11.64%	41	0.48	89	0.04	89
MSCI ACWI ex USA	--	5.89%	90	11.88%	59	0.47	90	--	--
Fixed Income Composite	22.25%	2.79%	56	2.97%	18	0.83	40	0.43	42
BBgBarc US Aggregate TR	--	1.82%	76	2.93%	17	0.51	58	--	--
Opportunistic Investments	13.98%	4.23%	--	6.41%	--	0.61	--	-0.35	--



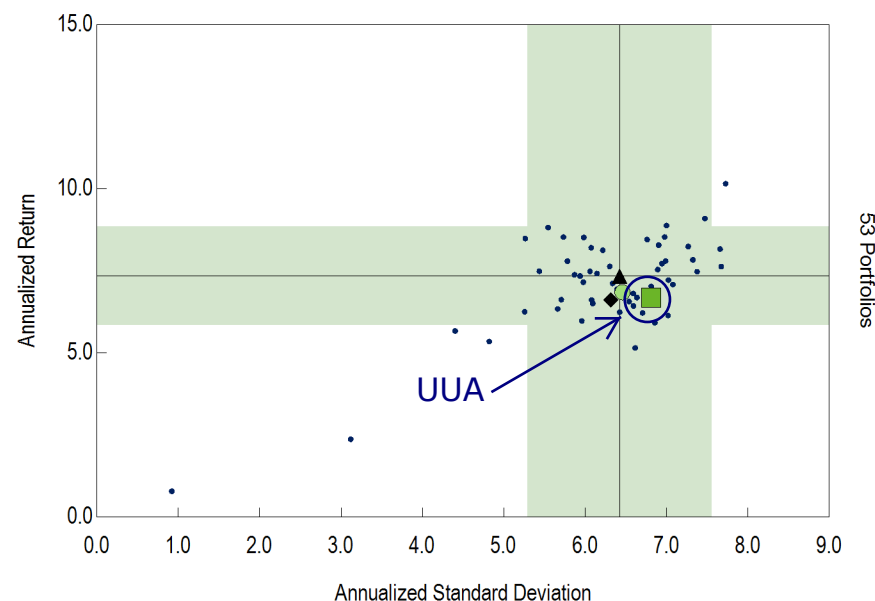
TOTAL FUND RISK/RETURN (GROSS OF FEES)

3 Years Ending March 31, 2018



- Composite
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce All Endowment \$50mm-\$250mm Gross

5 Years Ending March 31, 2018



- Composite
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce All Endowment \$50mm-\$250mm Gross

3 Years Ending March 31, 2018

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	6.32%	46	7.08%	78	0.82	65	0.11	53
Allocation Index	6.16%	56	6.68%	55	0.84	55	--	--
Policy Index	6.44%	36	6.60%	54	0.89	42	0.57	33

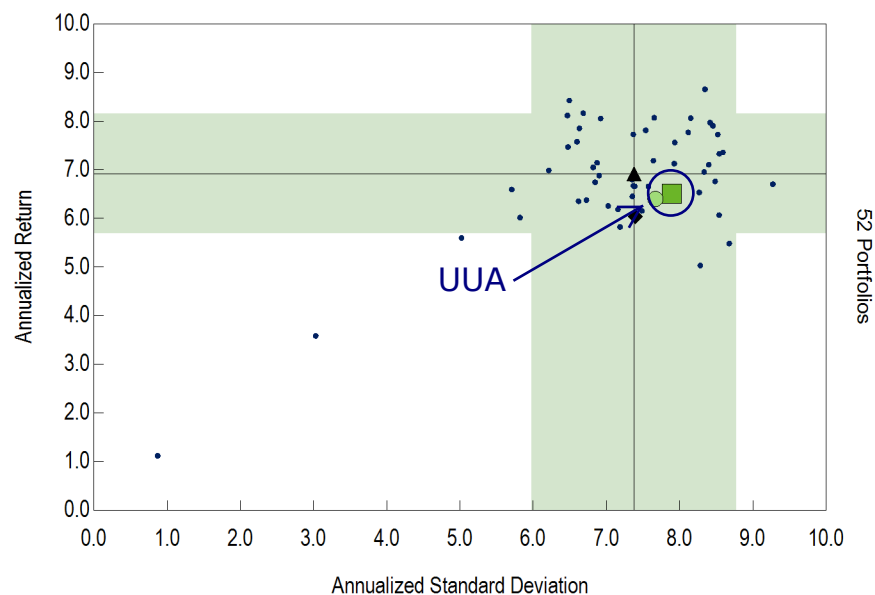
5 Years Ending March 31, 2018

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	6.67%	68	6.81%	68	0.93	86	0.05	58
Allocation Index	6.61%	71	6.31%	45	0.99	67	--	--
Policy Index	6.84%	63	6.46%	51	1.01	66	0.42	38



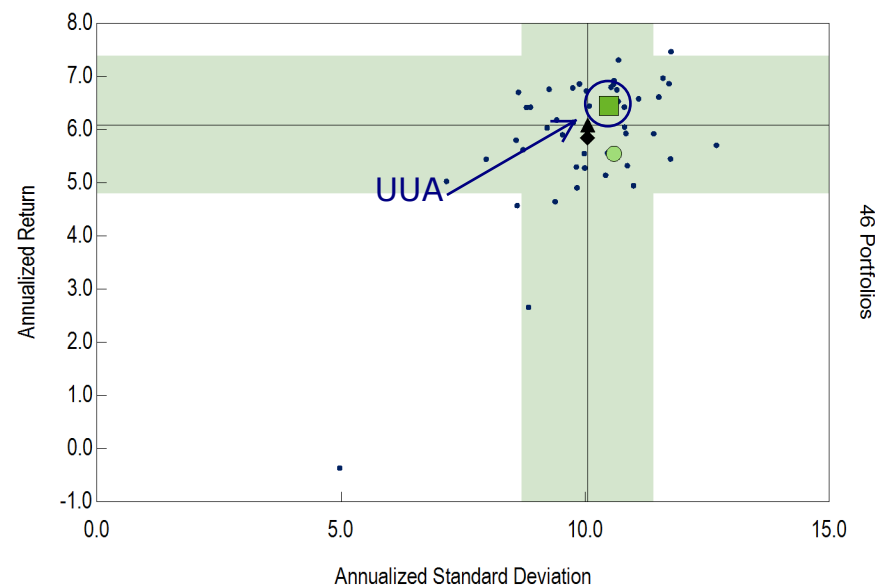
TOTAL FUND RISK/RETURN (GROSS OF FEES)

7 Years Ending March 31, 2018



- Composite
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce All Endowment \$50mm-\$250mm Gross

10 Years Ending March 31, 2018



- Composite
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce All Endowment \$50mm-\$250mm Gross

7 Years Ending March 31, 2018

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	6.50%	71	7.90%	66	0.79	86	0.35	40
Allocation Index	6.04%	88	7.39%	52	0.78	88	--	--
Policy Index	6.40%	75	7.67%	62	0.80	82	0.58	19

10 Years Ending March 31, 2018

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Info Ratio	Rank
Composite	6.44%	36	10.49%	59	0.59	50	0.39	34
Allocation Index	5.84%	62	10.05%	50	0.55	62	--	--
Policy Index	5.54%	72	10.59%	65	0.50	79	-0.22	77



March 31, 2018

APPENDIX

NEPC, LLC

DISCLAIMER

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It is important that investors understand the following characteristics of 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 may not be 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. Investment 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**

