

Clackamas County Deferred Compensation Plans



Quarterly Report - December 31, 2014



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Quarterly Market Commentary and Outlook, Dec. 31, 2014

Quarter In Review and Glance Ahead.

Last year was a turbulent one, though that is easy to forget. Equities did indeed enjoy a 'Santa Claus' rally to end the year on a positive note, and we are among those who prefer not to look the gift horse in the mouth. As we enter 2015, the seventh year of this market/economic cycle, we think it prudent to look back briefly on last year, assess where we are now relative to market fundamentals and sentiment, and look ahead, to the extent possible, in an attempt to identify potential areas of opportunity and concern.

Where have we come from?

Let's begin with indexes not making the headlines last year: the Russell 2000 Index produced a total return of 4.9%. The S&P Midcap 400 index returned 9.8%. Outside the U.S., developed markets represented by the MSCI EAFE index fell -4.9%, with the emerging markets MSCI index, EME, down -1.8%. The Bloomberg Commodity Index (broad index with energy, agricultural, and metals exposure) was down a painful -17.0%.

Oh, and yes, the S&P 500 index total did indeed grow by +13.7%, with 11.4% from price appreciation and 2.3% from dividends. The top 50 stocks in the index provided 50% of the total return, and Apple (AAPL) was its largest single influence (3.5% of the index weight), up +40.0% for the year.

As for bonds, the U.S. Core Aggregate Index, composed primarily of U.S. Treasury, U.S. Agency and Investment-Grade Corporate bonds, rose +6.0% in total return terms. However, the bulk of that return came from intermediate and long-term Treasuries, rather than the short end

of the yield curve, a result of the positive surprise from the Fed not raising its benchmark Fed Funds rate. For example, the 20+ Year Treasury Bond ETF (TLT) rose +25.4% during 2014, while the 1-3 Year Treasury ETF (SHY) rose just +0.3%. The Barclays U.S. Mortgage-Backed Securities (MBS) Index was up +5.6%.

In terms of currency, the U.S. Dollar Index (primarily vs. the Euro, Yen and Pound) rose +11.4%, as global investors shunned riskier assets and currencies, and took advantage of the large yield advantage of our government bonds.

In summary, it was a 'flight to safety' year, with investor interest focused very narrowly on a few market segments.

Where are we now?

During years like 2014, when a diversified portfolio of high-quality assets underperforms a leading index, it is easy to become disheartened and question the long-term strategy. However, with the Dollar, Long-Term Treasuries and selected Mega-Cap stocks leading last year's charge, many other indexes and asset classes look quite undervalued. We have to remember that Emerging Markets (MSCI EME), REITs, and small-cap stocks (Russell 2000) have all outperformed the S&P 500 index over the past ten years. So, while 2014 may have been a slightly underwhelming year vs. the S&P 500 index, one benefit of asset allocation is that it affords an opportunity to outperform in other areas.

As it stands today, we're still tracking for economic expansion and earnings growth. The U.S. economy grew 5.0% in the third quarter and

the consensus view of economists is +2.3% in 2014. That compares to 2014 forecasts of +7.3% growth in China, and +0.8% in the Eurozone. For 2015, those forecasts are +3.1%, +7.0% and +1.1%, respectively (The Economist). On the earnings front, S&P 500 EPS is expected to rise +10% in 2014, followed by +7% this year. We're now trading at about 17.0x and 16.2x those consensus estimates.

Looking ahead.

Unless we experience a Black Swan market shock, we would expect asset prices to generally track economic expansion this year. As before, we remain wary about the extended nature of U.S. stocks, given that we have not experienced a 10% or greater correction since 2011, and that is unusual relative to historic equity return cycles. Four other areas we are watching more closely in 2015 are global economic growth, interest rates, currency fluctuations, and energy prices.

With regard to growth, the U.S. looks strong compared to other developed nations like those in Europe. Also, China appears to be decelerating, though with both these areas, central bank stimulus and other government intervention appear probable.

Interest rates have not risen markedly yet, though many have expected a significant move since 2010. One common, related fear is that stock prices could fall as interest rates rise, capital costs increase and consumer activity slows down in parallel. According to the WSJ, however, stocks have actually risen by an average of +10% over the past 14 rising-rate cycles, primarily due to a coincident improvement in economic growth. Since 1957, there have only been two periods of negative equity returns when rates rose, and both of these occurred during the early-to-mid 1970's, marked by the OPEC oil embargo and rampant inflation (CPI >10%).

The U.S. Dollar has been the fiat currency of choice, but it has risen so much against the Euro, Yen and many emerging-market currencies, it may just be a matter of time before a 'reversion to the mean' cycle occurs.

Oil prices have been influenced by ample production, a strong dollar, and a market share war by OPEC. The U.S. is only a decade or so away from being completely oil independent, and OPEC, with 30% of global market share, is loath to let that happen as quickly as we intend. However, OPEC nation budgets are themselves at risk after a -55% drop in price since last June, so we expect some movement in that regard this year. Also, as crude is priced in dollar terms, some greenback exchange relief should benefit nominal spot pricing.

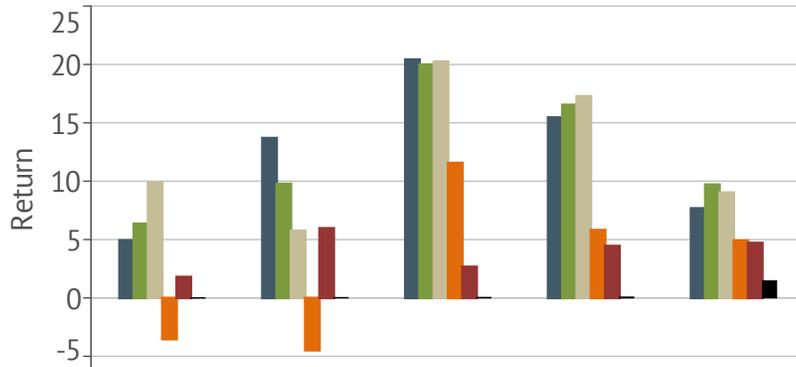
Final thoughts.

Overall, we hope to convey our conviction that staying with quality among a diverse set of asset classes remains the best way to achieve long-term investment goals.

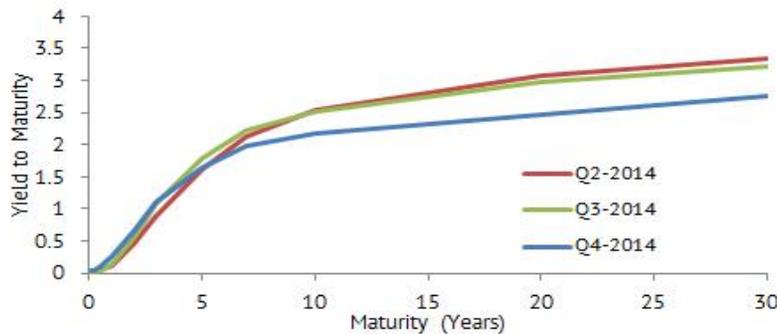
Thank you for the opportunity to be of service,
Heintzberger | Payne Advisors
December 31, 2014

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Trailing Returns



Index	QTR	YTD	1 year	3 years	5 years	10 years
S&P 500	4.93	13.69	13.69	20.41	15.45	7.67
S&P MidCap 400	6.35	9.77	9.77	19.99	16.54	9.71
S&P SmallCap 600	9.85	5.76	5.76	20.24	17.27	9.02
MSCI EAFE Index	-3.57	-4.90	-4.90	11.06	5.33	4.43
Barclays U.S. Aggregate	1.79	5.97	5.97	2.66	4.45	4.71
Citigroup 3-month T-bill	0.00	0.03	0.03	0.05	0.07	1.46



Date	3 month	1 year	5 year	10 year	30 year
Q2 2014	0.04	0.11	1.62	2.53	3.34
Q3 2014	0.02	0.13	1.78	2.52	3.21
Q4 2014	0.04	0.25	1.65	2.17	2.75

Data: US Department of the Treasury

Market Overview

Trailing Quarter

US equities posted overall gains, with US large cap stocks returning +4.9% and US mid cap stocks returning +6.4%. US small cap stocks picked up significantly with a +9.9% return. Foreign stocks, as represented by the MSCI EAFE Index, underperformed their US counterparts substantially, with a -3.6% return for the quarter. Bonds saw moderate gains with a return of +1.8% over the same period, while cash continued to post a negligible yield.

Fixed Income Insights

Bonds, as measured by the Barclays US Aggregate Bond Index, were up +1.8% in the fourth quarter and +6.0% in 2014. Short-term US treasuries were up 0.2% for Q4, while Intermediate and Long-Term maturity treasuries returned +2.3% and +8.6%, respectively. YTD, Intermediate and Long-Term maturity treasuries were up +6.4% and +25.1%, respectively. High-yield bonds declined -0.9% for the quarter and were up +2.7% for 2014.

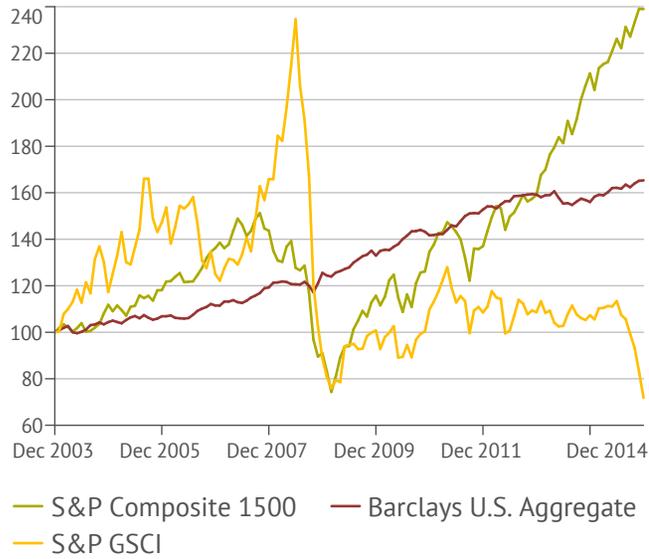
Contributors/Detractors: The long end of the yield curve was the place to be (again), with long bond prices pushed higher by lower inflation data and a more dovish tone from the Federal Reserve. Treasuries were also beneficiaries of the U.S.-based flight to safety in currencies.

Going forward: QE3 is over. However, global economic growth has become more circumspect since last quarter, pushing the timetable for higher policy rates out by at least a year, if not more. With negligible inflation concerns around the world, central banks have ample room to remain accommodative and buy more federal government debt - whether their own or other investment-grade nations. We expect the low yield environment to continue through 2015.

Capital Market Review

10 year trailing data ending 12/31/2014

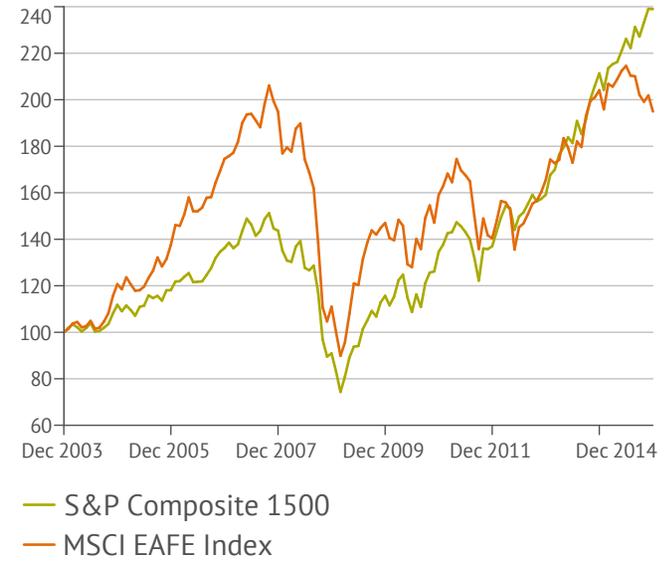
Stocks vs. Bonds vs. Commodities



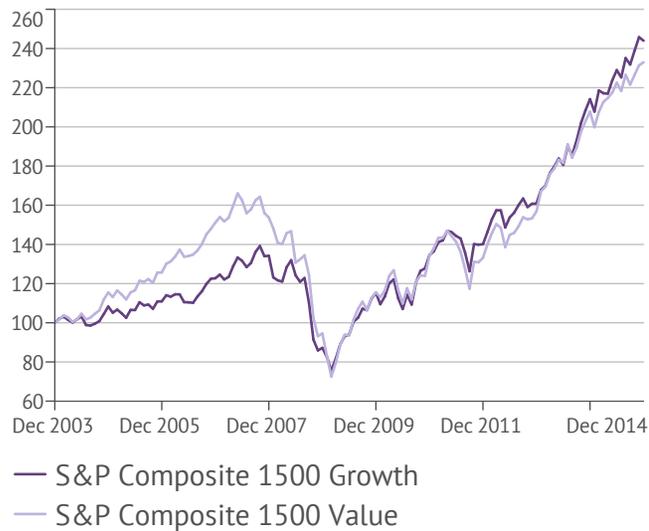
Large Cap vs. Small Cap



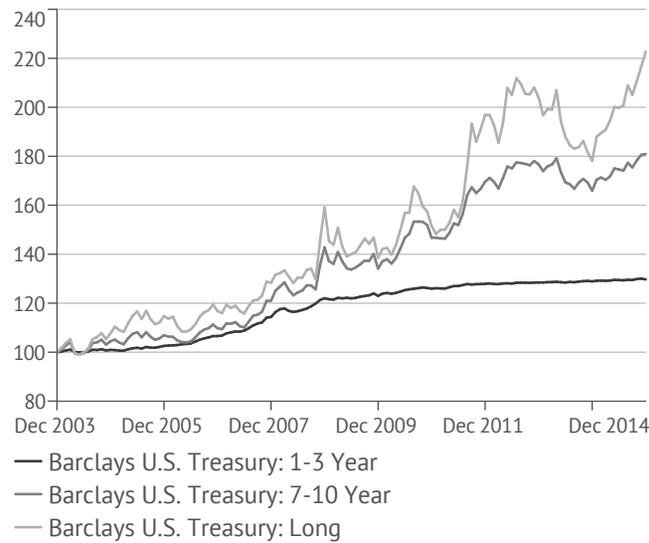
Domestic vs. International



Growth vs. Value



Fixed Income: Long vs. Short Duration



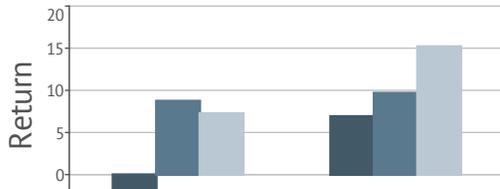
Developed vs. Emerging



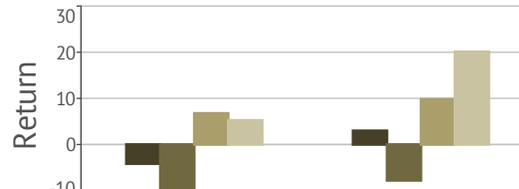
Sector Performance Summary

As of 12/31/2014

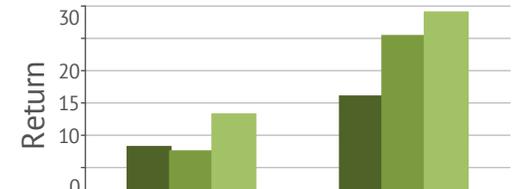
S&P 500 Sectors



Large - Cyclical	QTR	YTD	1 year
Materials	-1.80	6.91	6.91
Consumer Discr.	8.74	9.68	9.68
Financials	7.25	15.20	15.20

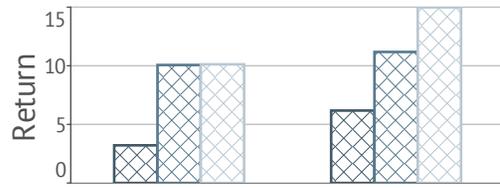


Large - Sensitive	QTR	YTD	1 year
Telecom	-4.16	2.99	2.99
Energy	-10.68	-7.78	-7.78
Industrials	6.76	9.83	9.83
Technology	5.24	20.12	20.12

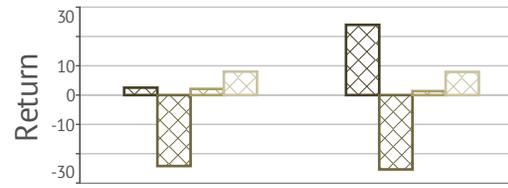


Large - Defensive	QTR	YTD	1 year
Consumer Staples	8.15	15.98	15.98
Health Care	7.48	25.34	25.34
Utilities	13.19	28.98	28.98

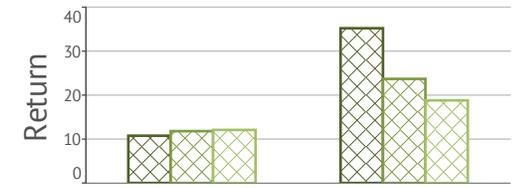
S&P 400 Sectors



Mid - Cyclical	QTR	YTD	1 year
Materials	3.22	6.18	6.18
Consumer Discr.	10.07	11.18	11.18
Financials	10.12	14.98	14.98

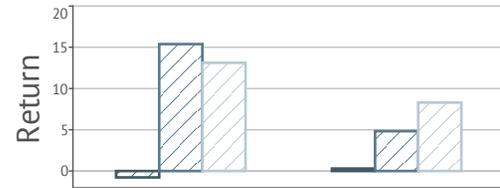


Mid - Sensitive	QTR	YTD	1 year
Telecom	2.52	23.97	23.97
Energy	-24.19	-25.35	-25.35
Industrials	2.09	1.36	1.36
Technology	8.01	7.91	7.91

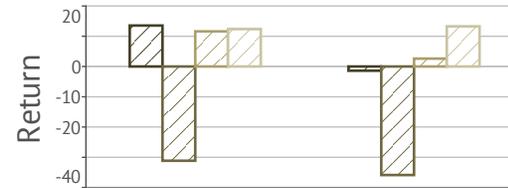


Mid - Defensive	QTR	YTD	1 year
Consumer Staples	10.76	35.21	35.21
Health Care	11.81	23.68	23.68
Utilities	12.08	18.80	18.80

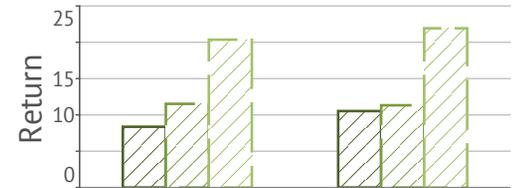
S&P 600 Sectors



Small - Cyclical	QTR	YTD	1 year
Materials	-0.78	0.30	0.30
Consumer Discr.	15.39	4.83	4.83
Financials	13.12	8.30	8.30



Small - Sensitive	QTR	YTD	1 year
Telecom	13.55	-1.38	-1.38
Energy	-31.13	-35.86	-35.86
Industrials	11.62	2.63	2.63
Technology	8.01	7.91	7.91

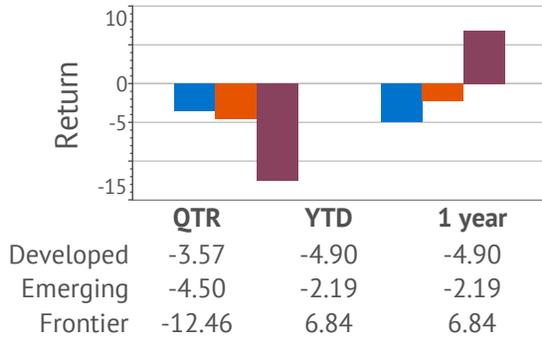


Small - Defensive	QTR	YTD	1 year
Consumer Staples	8.36	10.54	10.54
Health Care	11.53	11.33	11.33
Utilities	20.37	21.93	21.93

Regional Performance Summary

As of 12/31/2014

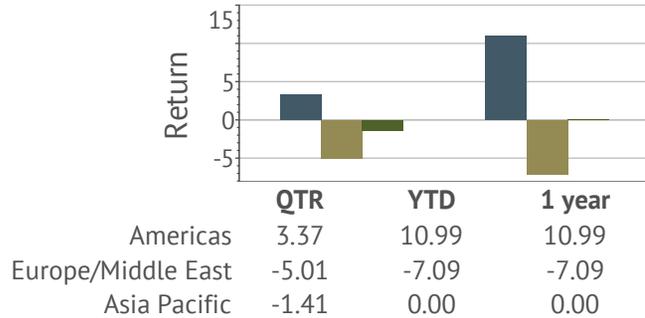
Developed, Emerging and Frontier Markets



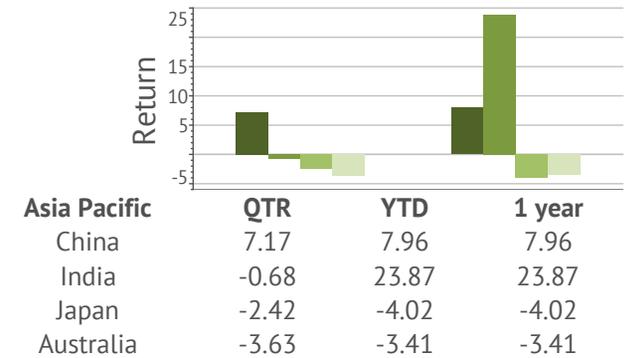
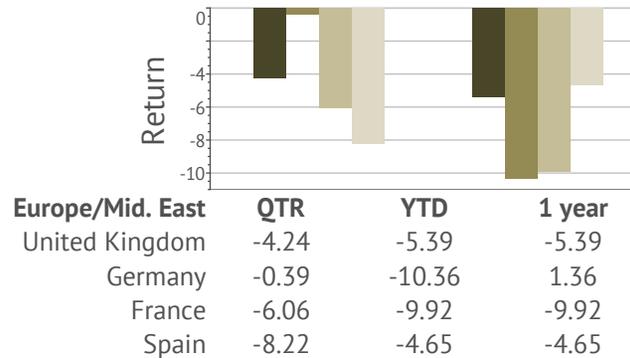
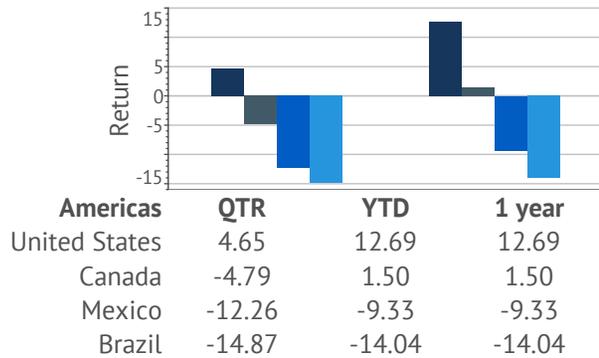
Longer Term Performance (note: the frontier market index was established in March 2008)



Regional Comparison



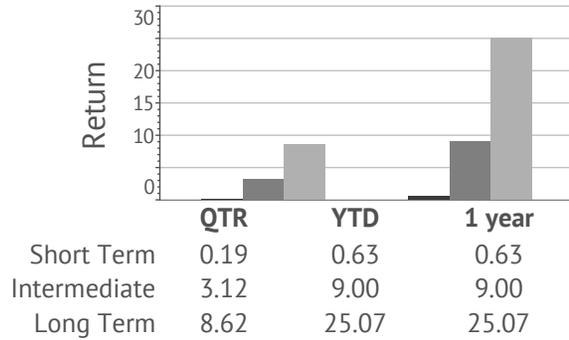
Selected Countries



Fixed Income Performance Summary

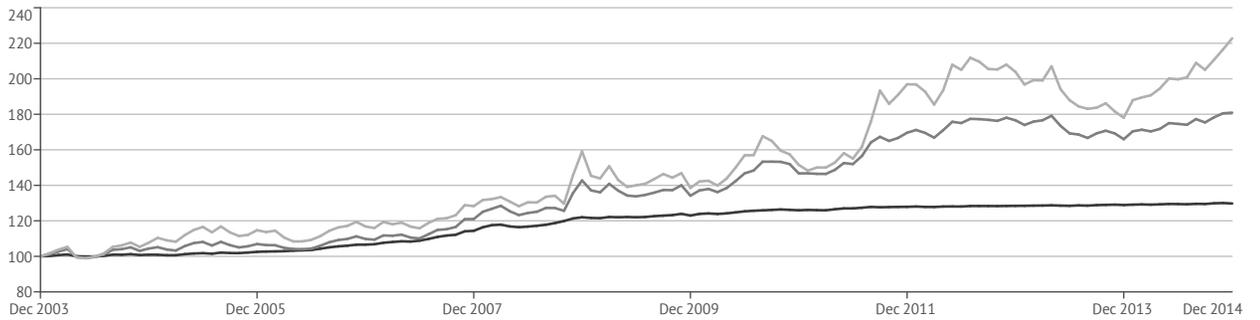
As of 12/31/2014

US Treasuries

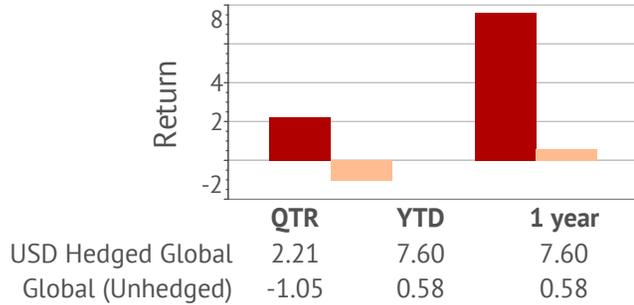


Longer Term Performance

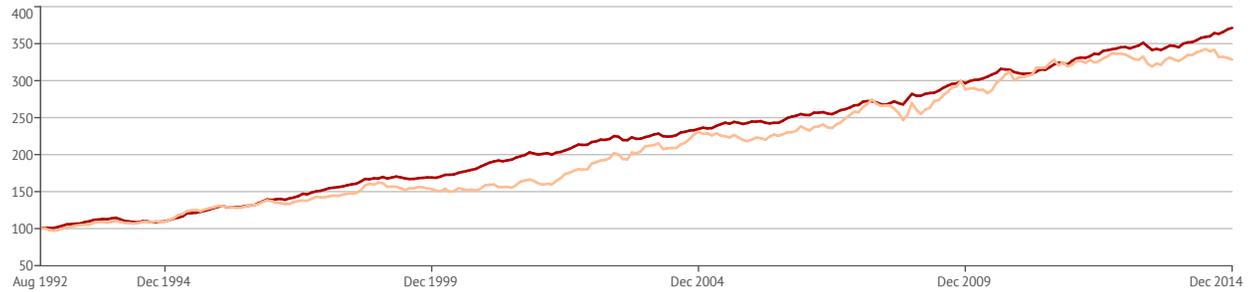
January 2004 - December 2014 (Single Computation)



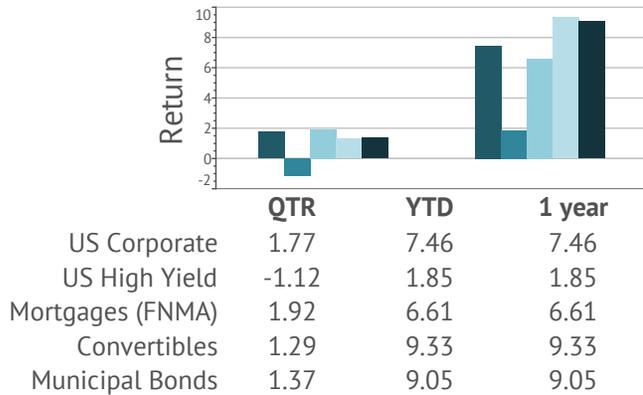
Global Hedged vs. Unhedged



September 1992 - December 2014 (Single Computation)

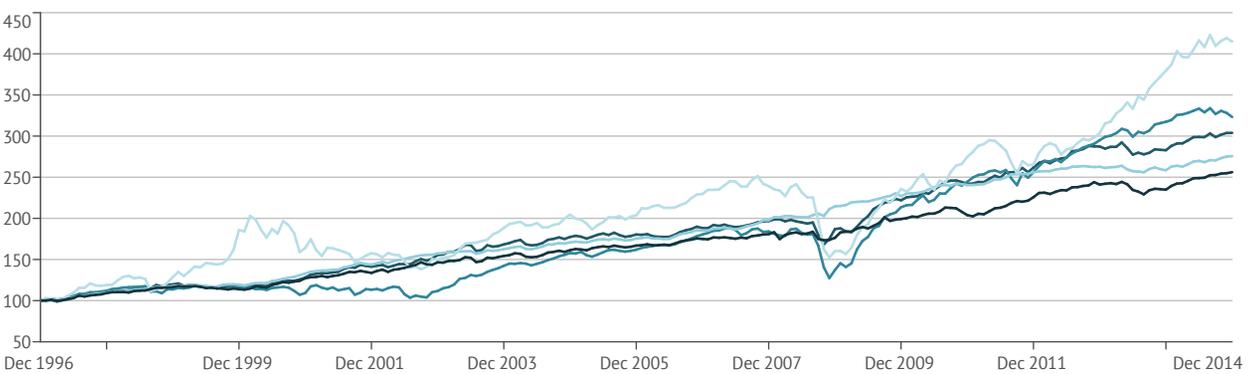


Selected Fixed Income Sectors



Longer Term Performance

January 1997 - December 2014 (Single Computation)



Clackamas County 457(b) Deferred Compensation Plan

Executive Summary

Legislative Updates

The DOL released new guidance via a field assistance piece for participant searches (Bulletin No. 2014-01)

- Replaces Field Assistance Bulletin 2004-02 (FAB 2004-02)
- Required search steps
 - Use certified mail
 - Check related plan and employer records
 - Check with the designated plan beneficiary
 - Use free electronic search tools, obituaries, and social media
- Plan fiduciaries may charge a missing participants' accounts reasonable expenses for efforts to locate them
- Plan fiduciaries must make reasonable efforts to locate missing participants or beneficiaries, so that they can implement directions on plan distributions
- Located in section 4

Deferral Limits for 2015

	2014	2015
Employee Deferral	\$ 17,500.00	\$ 18,000.00
Catch-up Contribution	\$ 5,500.00	\$ 6,000.00
Annual Contribution	\$ 52,000.00	\$ 53,000.00

Pending Action Items

Voya Financial

- Discuss extension of contract
- NAV vs. Annuity Platform

Mutual Fund Share Class Review

- Voya completed this review
 - Neuberger Berman Socially Responsive
 - Investor to R6 Share Class.
 - Reduce expenses by 25bps but would need to change the Daily Asset Change to add 15bps to meet required revenue
 - Vanguard 500 Index
 - Admiral Shares to Institutional Shares
 - Reduce expenses by 1bps

Request for Information

Annual Revenue Reimbursement

Completed Action Items

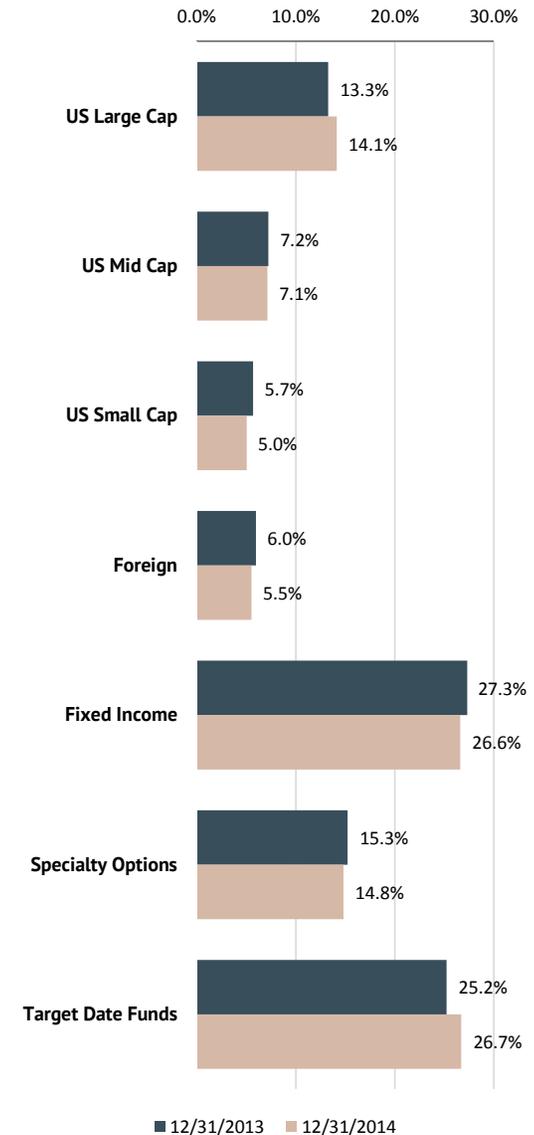
Fund Changes

- Vanguard converted their funds from Signal to Admiral share classes

Clackamas County Deferred Compensation Plans - Trailing Year

Data as of 12/31/2014

Asset Class	Ticker	%	12/31/2013	Net Increases/Decreases	12/31/2014	%
US Large Cap		13.3%	\$14,258,548	2,337,555	\$16,596,103	14.1%
Vanguard 500 Index Signal	VIFSX	7.2%	7,693,713	(7,693,713)	0	0.0%
Vanguard 500 Index Admiral	VFIAX	0.0%	0	9,029,501	9,029,501	7.7%
Columbia Dividend Opportunity Z	CDOZX	6.1%	6,564,835	1,001,768	7,566,602	6.5%
US Mid Cap		7.2%	\$7,775,589	602,659	\$8,378,248	7.1%
T. Rowe Price Mid-Cap Growth	RPMGX	2.9%	3,065,228	484,094	3,549,322	3.0%
Columbia Mid Cap Index Z	NMPAX	3.0%	3,192,509	380,765	3,573,274	3.0%
Artisan Mid Cap Value Investor	ARTQX	1.4%	1,517,851	(262,200)	1,255,652	1.1%
US Small Cap		5.7%	\$6,106,433	(214,120)	\$5,892,314	5.0%
JPMorgan Small Cap Growth Inst	JISGX	1.3%	1,370,541	(92,556)	1,277,985	1.1%
Columbia Small Cap Index Z	NMSCX	3.9%	4,158,078	(29,134)	4,128,944	3.5%
Keeley Small Cap Value I	KSCIX	0.5%	577,814	(92,430)	485,385	0.4%
Foreign		6.0%	\$6,389,164	81,185	\$6,470,349	5.5%
American Funds EuroPacific Gr R6	RERGX	3.2%	3,446,957	(80,145)	3,366,813	2.9%
Oppenheimer Developing Markets Y	ODVYX	0.9%	929,710	46,667	976,377	0.8%
Columbia Acorn International Z	ACINX	0.3%	271,723	66,425	338,149	0.3%
Dodge & Cox International Stock	DODFX	1.6%	1,740,773	48,238	1,789,011	1.5%
Fixed Income		27.3%	\$29,335,031	1,890,546	\$31,225,577	26.6%
Templeton Global Bond Adv	TGBAX	1.0%	1,079,669	(880)	1,078,789	0.9%
Loomis Sayles Investment Grade Bond Y	LSIIX	1.2%	1,330,282	253,022	1,583,305	1.3%
BlackRock Liquidity Federal Tr Instl	TFFXX	5.7%	6,120,561	(1,114,902)	5,005,659	4.3%
Goldman Sachs Short Dur Govt Instl	GSTGX	0.3%	339,154	(30,242)	308,912	0.3%
Calvert Bond I	CBDIX	0.1%	118,050	298,942	416,992	0.4%
ING Stable Value Fund 50	INGSV	18.4%	19,704,627	2,422,971	22,127,598	18.9%
Hotchkis and Wiley High Yield I	HWHIX	0.6%	642,688	61,635	704,322	0.6%
Specialty Options		15.3%	\$16,380,158	1,002,844	\$17,383,002	14.8%
ING Clarion Global Real Estate I	IRGIX	0.4%	388,733	119,966	508,698	0.4%
Neuberger Berman Socially Resp Inv	NBSRX	12.4%	13,332,395	1,003,976	14,336,371	12.2%
Portfolio 21 Instl	PORIX	2.5%	2,659,031	(121,097)	2,537,933	2.2%
Target Date Funds		25.2%	\$27,101,217	4,261,159	\$31,362,376	26.7%
Clackamas TimeFrame 1995	1995	0.3%	317,681	(54,027)	263,654	0.2%
Clackamas TimeFrame 2005	2005	0.1%	73,410	77,737	151,146	0.1%
Clackamas TimeFrame 2010	2010	1.0%	1,031,491	176,407	1,207,898	1.0%
Clackamas TimeFrame 2015	2015	10.7%	11,476,961	448,226	11,925,187	10.2%
Clackamas TimeFrame 2020	2020	6.0%	6,484,165	417,347	6,901,513	5.9%
Clackamas TimeFrame 2025	2025	2.7%	2,847,302	1,002,649	3,849,951	3.3%
Clackamas TimeFrame 2035	2035	4.0%	4,301,121	1,830,153	6,131,274	5.2%
Clackamas TimeFrame 2050	2050	0.5%	569,085	362,668	931,753	0.8%
Total		100%	\$107,346,139	\$9,961,829	\$117,307,968	100%



Clackamas County 457(b) Deferred Compensation Plan

Investment Summary

For the Period Ending 12/31/2014

Passively-Managed and Cash Funds

Investment	Ticker	EQUITY				FIXED INCOME			Trailing Returns								
		US Stocks				Bnd	Csh	Oth	Exp	1 Qtr	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	10 Yrs
		Lrg	Mid	Sml	Fgn												
Vanguard 500 Index Adm	VFIAX	100							0.05	4.92	13.64	13.64	22.63	20.37	15.51	15.42	7.66
Columbia MdCp Index Z	NMPAX		100						0.21	6.28	9.52	9.52	20.82	19.72	13.91	16.31	9.57
Columbia SmCp Index Z	NMSCX			100					0.25	9.78	5.48	5.48	21.94	19.99	14.88	17.03	8.89
ING Stable Value Fund 50	INGSV50					100			0.50	0.30	1.14	1.14	1.29	1.46	1.67	1.96	
BlkRk Lq Fed Trust Instl	TFFXX					6	94		0.20	0.01	0.01	0.01	0.01	0.01	0.01	0.02	1.54

Actively-Managed Funds

Style	Investment	Ticker	Lrg	Mid	Sml	Fgn	Bnd	Csh	Oth	Exp	1 Qtr	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	10 Yrs
Equity Income	Columbia Div Oppty Z	CDOZX	65	10	4	18		2	1	0.76	1.54	9.99	9.99	17.79	16.29	13.89	14.51	8.64
Multi-Cap Core	Neuberger Soc Resp Inv	NBSRX	58	26	2	12		2		0.87	5.30	10.50	10.50	23.58	19.21	13.25	15.10	7.89
Mid-Cap Growth	T Rowe Price MC Gr	RPMGX	14	70	6	5		4	1	0.78	8.60	13.16	13.16	24.46	20.84	14.90	17.42	10.94
Mid-Cap Value	Artisan Mid Cap V Inv	ARTQX	25	59	4	5		7		1.20	1.52	1.52	1.52	17.41	15.37	13.07	13.32	9.71
Small-Cap Value	KEELEY Small Cap Value I	KSCIX		30	69	1				1.12	6.01	0.32	0.32	16.35	18.89	11.79	14.56	7.94
Small-Cap Growth	JPMorgan SmCp Gro Inst	JISGX		28	67	3		2		1.03	9.57	0.19	0.19	21.95	18.78	12.87	16.88	9.26
Intl Sm/Mid-Cap Growth	Columbia Acom Intl Z	ACINX	1	2	1	95			1	0.94	-2.60	-4.28	-4.28	8.21	12.50	5.18	8.47	8.95
Emerging Markets	Oppenheimer Dev Mkts Y	ODVYX				94		5	1	1.07	-6.69	-4.55	-4.55	1.85	7.95	0.83	5.66	11.49
Intl Large-Cap Core	Dodge & Cox Intl Stock	DODFX	6			92		1	1	0.64	-4.66	0.08	0.08	12.43	15.23	6.48	7.89	6.73
Intl Large-Cap Growth	American Funds EuPc R-6	RERGX	1			89		8	2	0.49	-1.63	-2.29	-2.29	8.54	12.12	5.14	6.05	7.08
Glb Real Estate	Voya Clarion Global Real Estate Port I	IRGIX	21	16	2	59		1	1	0.89	14.52	21.52	21.52	12.39	16.78	10.86	11.94	7.73
Global Multi-Cap Growth	Portfolio 21 Gl Eq Inst	PORIX	34	9	3	51		3		1.12	0.92	-0.17	-0.17	10.60	12.21	6.84	7.40	5.96
High Yield	Hotchkis High Yield I	HWHIX	4			1	92	3		0.70	-1.83	1.10	1.10	5.07	9.20	7.43	9.67	
Corp Debt BBB Rtd	Natixis LS Inv Gd Bd Y	LSIIX	2				87	9	2	0.58	0.46	5.14	5.14	3.23	6.16	5.89	6.99	6.75
High Yield	American Funds HI R-6	RITGX	2	1	1		86	5	5	0.34	-1.46	0.81	0.81	3.70	7.30	6.03	7.82	6.52
Corp Debt A Rated	Calvert Soc Inv Bond I	CBDIX					84	15	1	0.51	1.67	6.73	6.73	2.29	4.24	4.74	5.15	4.94
Short US Govt	Goldman Sh Dur Gvt I	GSTGX					83	17		0.47	-0.22	0.42	0.42	0.38	0.58	0.70	1.02	3.02
Intl Income	Templeton Gl Bond Adv	TGBAX					52	47	1	0.63	-1.63	1.84	1.84	2.12	6.60	4.33	6.00	7.64

Market Exposure Legend

Lrg:	US Large Cap	Mid:	US Mid Cap	Sml:	US Small Cap	Fgn:	Foreign
Bnd:	Bonds	Csh:	Cash	Oth:	Other		

CALCULATION METHODOLOGY OF OVERALL FUND SCORE 1 (Worst) — 10 (Best)

Factor	Weight	Explanation	Score Calculation
<p>RETURNS</p> <p>Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance)</p>	 <p>40% Overall</p>	<p>Absolute Returns</p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p>Proportional Score Ranks in the top 75% of Peer Group</p> <p>No Score Ranks in the bottom 25% of Peer Group</p>
<p>RISK ADJUSTED RETURNS</p> <p>Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance)</p>	 <p>20% Overall</p>	<p>Sharpe Ratio</p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p>Proportional Score Ranks in top 75% of Peer Group</p> <p>No Score Ranks in bottom 25% of Peer Group</p>
<p>RISK</p> <p>Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance)</p>	 <p>30% Overall</p>	 <p>10% Overall</p> <p>Standard Deviation</p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p>Proportional Score Ranks in top 75% of Peer Group</p> <p>No Score Ranks in bottom 25% of Peer Group</p>
		 <p>20% Overall</p> <p>Upside/Downside Capture</p> <p>Peer Group Percentile Rankings: 3,5,10 Year Periods</p>	<p>Proportional Score Ranks in top 75% of Peer Group</p> <p>No Score Ranks in bottom 25% of Peer Group</p>
<p>OTHER</p> <p>Fund expense quartile rank</p> <p>Manager tenure is greater than 3 years</p>	 <p>10% Overall</p>	 <p>5% Overall</p> <p>Expense Ratio</p> <p>For current period</p>	<p>Proportional Score Ranks in top 75% of Peer Group</p> <p>No Score Ranks in bottom 25% of Peer Group</p>
		 <p>5% Overall</p> <p>Average Tenure</p> <p>Number of years</p>	<p>Full Score Manager Tenure more than 3 years</p> <p>No Score Manager Tenure less than 3 years</p>

For peer group rankings, a rank of 1-50 indicates the manager performed favorably and ranked in the top half of its peer group for that metric. For example: when measuring risk, a rank of 1 would mean the manager had a very low standard deviation compared to its peer group, whereas when measuring return, a rank of 1 would mean the manager had a very high return compared to its peer group.

Clackamas County Plans

Summary of Fund Compliance

For the Period Ending 12/31/2014

Passively-Managed and Cash Funds

Type		Fund Name	Ticker
LC Index	n/a	Vanguard 500 Index Adm	VFIAX
MC Index	n/a	Columbia MdCp Index Z	NMPAX
SC Index	n/a	Columbia SmCp Index Z	NMSCX
Stable Value	n/a	ING Stable Value Fund 50	ingsv50
MMkt	n/a	BlkRk Lq Fed Trust Instl	TFEXX

Actively-Managed Funds

Underperforming ◀ ● ○ ● ▶ Outperforming

Status		Fund Name	Ticker	Return (40%)	Risk Adjusted Return (20%)	Risk (30%)	Expense (5%)	Tenure (5%)
Pass	n/a	Columbia Div Oppty Z	CDOZX	●	●	●	●	●
Pass	n/a	Neuberger Soc Resp Inv	NBSRX	●	●	●	●	●
Pass	n/a	T Rowe Price MC Gr	RPMGX	●	●	●	●	●
Watch	n/a	Artisan Mid Cap V Inv	ARTQX	○	○	○	●	●
Watch	n/a	KEELEY Small Cap Value I	KSCIX	●	○	○	●	●
Pass	n/a	JPMorgan SmCp Gro Inst	JISGX	●	●	○	●	●
Pass	n/a	Columbia Acorn Intl Z	ACINX	●	●	●	●	●
Pass	n/a	Oppenheimer Dev Mkts Y	ODVYX	●	●	●	●	●
Pass	n/a	Dodge & Cox Intl Stock	DODFX	●	●	○	●	●
Pass	n/a	American Funds EuPc R-6	RERGX	●	●	●	●	●
Pass	n/a	Voya Clarion Global Real Estate Port I	IRGIX	●	●	●	●	●
Pass	n/a	Portfolio 21 Gl Eq Inst	PORIX	○	○	●	●	●
Pass	n/a	Hotchkis High Yield I	HWHIX	●	●	●	●	●
Pass	n/a	Natixis LS Inv Gd Bd Y	LSIIX	●	○	○	●	●
Pass	n/a	American Funds HI R-6	RITGX	○	○	○	●	●
Pass	n/a	Calvert Soc Inv Bond I	CBDIX	●	●	●	●	●
Pass	n/a	Goldman Sh Dur Gvt I	GSTGX	●	●	●	●	●
Pass	n/a	Templeton Gl Bond Adv	TGBAX	●	●	●	●	●

Clackamas County Plans

Fund Compliance Report

For the Periods Ending 12/31/2014

Passively-Managed and Cash Funds

Type of Fund	Ticker	Fund Name	Return vs Peer Group (40%)			Risk Adjusted Return Sharpe (20%)			Risk (30%)									Other (10%)		
									Standard Deviation			Up Capture			Down Capture			Expense	Tenure	
			3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Yrs	
LC Index	n/a	VFIAX	Vanguard 500 Index Adm	24	17	22	11	14	24	26	42	40	31	31	38	24	25	34	1	23
MC Index	n/a	NMPAX	Columbia MdCp Index Z	39	16	8	40	20	11	62	57	54	25	19	18	65	47	48	6	4
SC Index	n/a	NMSCX	Columbia SmCp Index Z	22	11	19	20	10	23	44	58	53	29	32	22	36	37	52	3	4
able Valu	n/a	ingsv50	ING Stable Value Fund 50	1	1		1	1		99			1	1		n/a	n/a		55	6
MMkt	n/a	TFFXX	BlkRk Lq Fed Trust Instl	28	35	26	39	37	25	66	67	79	28	35	25	n/a	n/a	n/a	18	8

Actively-Managed Funds

Overall Fund Score	Ticker	Fund Name	Return vs Peer Group (40%)			Risk Adjusted Return Sharpe (20%)			Risk (30%)									Other (10%)		
									Standard Deviation			Up Capture			Down Capture			Expense	Tenure	
			3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	3Y	5Y	10Y	Peer Rank %	Avg Yrs	
7	n/a	CDOZX	Columbia Div Oppty Z	59	18	14	36	27	22	21	57	51	71	64	36	22	25	40	15	7
6	n/a	NBSRX	Neuberger Soc Resp Inv	55	33	34	54	25	29	56	29	42	51	45	63	59	35	25	23	10
9	n/a	RPMGX	T Rowe Price MC Gr	14	9	3	5	5	2	12	20	17	44	48	44	8	16	9	10	22
4	n/a	ARTQX	Artisan Mid Cap V Inv	96	82	9	98	55	7	53	10	30	95	95	75	77	16	11	45	9
5	n/a	KSCIX	KEELEY Small Cap Value I	40	47	38	50	70	54	71	79	87	28	21	11	65	87	81	29	9
6	n/a	JISGX	JPMorgan SmCp Gro Inst	38	32	16	60	58	29	80	89	89	28	7	3	68	77	78	20	10
6	n/a	ACINX	Columbia Acorn Intl Z	62	64	13	55	48	7	33	35	33	59	79	41	55	42	27	8	11
9	n/a	ODVYX	Oppenheimer Dev Mkts Y	14	7	3	17	10	5	41	33	25	20	16	36	28	21	20	13	7
8	n/a	DODFX	Dodge & Cox Intl Stock	1	1	13	2	2	16	99	99	99	1	1	1	48	55	93	18	10
8	n/a	REGGX	American Funds EuPc R-6	11	37	9	10	36	8	51	40	44	23	39	20	20	39	28	3	11
8	n/a	IRGIX	Voya Clarion Global Real Estate Port I	11	11	1	31	23	1	98	82	29	40	31	21	14	31	11	5	8
5	n/a	PORIX	Portfolio 21 Gl Eq Inst	79	75	36	71	70	25	20	15	6	82	91	92	46	36	7	20	15
9	n/a	HWHIX	Hotchkis High Yield I	10	4		6	19		30			25	6		13	38		16	3
6	n/a	LSIIX	Natixis LS Inv Gd Bd Y	25	30	11	57	68	40	90	87	88	34	38	21	22	17	42	20	9
5	n/a	RITGX	American Funds HI R-6	58	53	42	56	52	50	52	52	60	63	61	37	38	42	58	1	16
6	n/a	CBDIX	Calvert Soc Inv Bond I	31	48	27	38	48	17	71	74	56	19	29	42	57	42	16	17	3
7	n/a	GSTGX	Goldman Sh Dur Gvt I	40	45	10	13	22	4	10	8	72	70	67	10	5	14	29	23	12
8	n/a	TGBAX	Templeton Gl Bond Adv	9	12	1	15	14	17	91	79	33	17	66	62	14	16	26	9	8

All data except for 'Tenure - Average Years' are listed as a peer rank percentage

All Funds remain in compliance with Investment Policy and no action need be taken other than indicated in the Fund Compliance Commentary section of this report.

This report, along with more detailed performance data on Plan Investment Options, was reviewed by the Plan's Trustee and/or Investment Committee.

Heintzberger | Payne Advisors Date

Trustee / Committee Member Date

Clackamas County Plans

Fund Comments

Data as of: 12/31/2014

Vanguard 500 Index Adm (VFIAX)

US Large Cap

Fund Type: LC Index

The Fund seeks to track the performance of its benchmark index, the S&P 500. The Fund employs an indexing investment approach. The Fund attempts to replicate the target index by investing all of its assets in the stocks that make up the Index with the same approximate weightings as the Index.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Vanguard 500 Index Adm (VFIAX)	4.92%	13.64%	20.37%	15.42%	7.66%
S&P 500 (1936) TR IX	4.93%	13.69%	20.42%	15.46%	7.67%
Out/(Under) Performing	-0.01%	-0.05%	-0.05%	-0.04%	-0.01%
Peer Group Ranking	28	16	24	17	22

Columbia MdCp Index Z (NMPAX)

US Mid Cap

Fund Type: MC Index

The fund seeks to track the performance of the S&P 400 Index by holding the same common stocks in the same weightings as the Index.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Columbia MdCp Index Z (NMPAX)	6.28%	9.52%	19.72%	16.31%	9.57%
S&P 400 TR IX	6.34%	9.77%	19.99%	16.54%	9.71%
Out/(Under) Performing	-0.06%	-0.25%	-0.27%	-0.23%	-0.13%
Peer Group Ranking	29	36	39	16	8

Columbia SmCp Index Z (NMSCX)

US Small Cap

Fund Type: SC Index

The fund seeks to track the S&P Small Cap 600 Index by investing in the same common stocks in the same weightings as the Index.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Columbia SmCp Index Z (NMSCX)	9.78%	5.48%	19.99%	17.03%	8.89%
Russell 2000 TR IX	9.73%	4.89%	19.21%	15.54%	7.76%
Out/(Under) Performing	0.05%	0.59%	0.79%	1.49%	1.13%
Peer Group Ranking	17	34	22	11	19

ING Stable Value Fund 50 (ingsv50)

Bonds

Fund Type: Stable Value

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
ING Stable Value Fund 50 (ingsv50)	0.30%	1.14%	1.46%	1.96%	
Citi US T-Bill 3 M TR IX	0.00%	0.00%	0.04%	0.07%	1.46%
Out/(Under) Performing	0.30%	1.14%	1.41%	1.89%	
Peer Group Ranking	1	1	1	1	

BlkRk Lq Fed Trust Instl (TFFXX)

Bonds

Fund Type: MMkt

The Fund seeks as high a level of current income as is consistent with liquidity and stability of principal. The Fund seeks to invest at least 80% of its net assets in U.S. Treasury bills, notes, trust receipts and direct obligations of the U.S. Treasury and repurchase agreements secured by direct Treasury obligations.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
BlkRk Lq Fed Trust Instl (TFFXX)	0.01%	0.01%	0.01%	0.02%	1.54%
Citi US T-Bill 3 M TR IX	0.00%	0.00%	0.04%	0.07%	1.46%
Out/(Under) Performing	0.01%	0.01%	-0.03%	-0.05%	0.08%
Peer Group Ranking	20	25	28	35	26

Columbia Div Oppty Z (CDOZX)

US Large Cap

Fund Score: 7 (Status: Pass)

The Columbia Dividend Opportunity Fund invests primarily in large, US companies that fall into one of three categories: consistent dividend payers, high yield/deep value, or emerging dividend payers. The fund seeks to provide investors with a diversified, equity-oriented approach to achieving a high current yield, income growth, capital growth, and downside protection.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Columbia Div Oppty Z (CDOZX)	1.54%	9.99%	16.29%	14.51%	8.64%
S&P 500 Value TR IX	4.77%	12.33%	20.39%	14.86%	6.74%
Out/(Under) Performing	-3.22%	-2.34%	-4.10%	-0.35%	1.91%
Peer Group Ranking	82	50	59	18	14

Columbia Dividend Opportunity underperformed its large-cap value benchmark in the fourth quarter. The fund suffered from poor stock selection in the Information Technology, Energy, Consumer Staples, Healthcare and Utilities sectors in the quarter. Additionally the fund was underweight the Information Technology and Consumer Staples sectors, both of which performed well for the benchmark. Heading into 2015, fund managers have a cautiously optimistic view of the equity markets. They believe that market volatility is expected to increase given falling oil prices which may in turn lead to investment opportunities in the Energy sector. The fund score has dropped to a 7 from an 8 on our scoring methodology. The fund still ranks in the top quartile on a 5- and 10-year risk adjusted basis versus its peer group. On a 3-year basis the fund has slipped and now ranks in the top third of its peer group.

Neuberger Soc Resp Inv (NBSRX)

Specialty Options

Fund Score: 6 (Status: Pass)

The Neuberger Berman Socially Responsive Fund seeks to invest in domestic and foreign companies in the mid- to large-capitalization range that meet the fund's financial screens and social policies. The social component includes both exclusionary screens (such as no alcohol or tobacco) and inclusionary screens (considering positive environmental, social and governance factors). The strategy is team-managed.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Neuberger Soc Resp Inv (NBSRX)	5.30%	10.50%	19.21%	15.10%	7.89%
Russell 3000 TR IX	5.24%	12.56%	20.52%	15.64%	7.95%
Out/(Under) Performing	0.07%	-2.06%	-1.30%	-0.54%	-0.05%
Peer Group Ranking	31	51	55	33	34

T Rowe Price MC Gr (RPMGX)

US Mid Cap

Fund Score: 9 (Status: Pass)

The fund seeks to invest in mid-sized companies whose earnings grow faster than inflation and the economy in general, believing that the market will eventually reward the growth with a higher stock price. Fund management seeks to build a broadly diversified portfolio of companies with proven business models at reasonable valuations in order to mitigate volatility.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
T Rowe Price MC Gr (RPMGX)	8.60%	13.16%	20.84%	17.42%	10.94%
S&P MC 400 Gr TR IX	5.84%	7.56%	18.75%	16.72%	10.03%
Out/(Under) Performing	2.77%	5.59%	2.09%	0.71%	0.92%
Peer Group Ranking	5	3	14	9	3

Mid-cap stocks underperformed large-cap last year, but despite this RPMGX generated a return in line with the S&P 500 index. What's more, the fund bested its category peers (mid-cap growth) by a 700bp margin. It did this primarily through a focus on larger market cap bias (only 9% small-cap exposure vs. 17% for its peers), as well as on certain sectors - namely Health Care and service/technology driven Industrials. In other words, it has succeeded by being a truer mid-cap fund than many alternatives, and identifying solid investment opportunities within each sector. RPMGX remains one of our 'go to' funds for exceptional management which has produced this consistent outperformance.

Artisan Mid Cap V Inv (ARTQX)

US Mid Cap

Fund Score: 4 (Status: Watch)

The Artisan Mid Cap Value fund invests primarily in mid-sized US companies and focuses on business that are in good financial condition, have attractive business economics, and can be acquired at attractive valuations. The fund seeks to be a lower volatility option in the mid-cap space and though it may lag to the upside, it also tends to outperform to the downside.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Artisan Mid Cap V Inv (ARTQX)	1.52%	1.52%	15.37%	13.32%	9.71%
S&P 400 Value TR IX	6.88%	12.11%	21.29%	16.41%	9.34%
Out/(Under) Performing	-5.36%	-10.59%	-5.92%	-3.08%	0.38%
Peer Group Ranking	94	94	96	82	9

The fund underperformed the S&P Midcap 400 Value index by ~440 bps in Q4'14. Fund managers specifically cited underperformance due to their Energy positions. The fund was overweight Energy and that coupled with poor stock selection lead to this being the largest detractor in performance. The fund managers continue to believe that valuations of the fund's Energy holdings are undemanding on a normalized basis and have the ability to withstand a prolonged weakness in oil prices. Thus, they feel comfortable with their holdings and present them with attractive risk/reward proposition for their typical 3-5 year investment horizon. Fund managers note that 2014 was a challenging year for its investment process. The fund underperformed every quarter in 2014. The managers blame some of their overall challenges on being underweight REITs and Utilities as well as being overweight Energy. Nevertheless, the managers believe that the markets have recently rewarded companies with weaker balance sheets versus the fund's approach towards anti-momentum and stocks that are out of favor. The fund's score has now dropped to a 4 from a 7 earlier in 2014. We have had this fund on our Watch List for the past two quarters and it will remain there. While we appreciate the fund's strategy, we believe the managers have made several mistakes this past year that hopefully will be corrected soon.

KEELEY Small Cap Value I (KSCIX)

US Small Cap

Fund Score: 5 (Status: Watch)

The investment seeks capital appreciation through investing in common stocks and other equity type securities (including preferred stock, convertible debt securities and warrants) of small market capitalization. The fund's portfolio differs substantially from benchmark allocations at times and may have substantial tracking error.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
KEELEY Small Cap Value I (KSCIX)	6.01%	0.32%	18.89%	14.56%	7.94%
Russell 2000 Value TR IX	9.41%	4.22%	18.28%	14.25%	6.89%
Out/(Under) Performing	-3.39%	-3.90%	0.61%	0.30%	1.06%
Peer Group Ranking	68	84	40	47	38

Keeley underperformed its benchmark over the trailing quarter, and currently scores a 4. Healthcare continues to be a weak point of the fund. The fund is only slightly underweight Healthcare, but stock selection has led it to underperform the benchmark significantly. Healthcare was also a leading detractor for all of 2014 due to poor stock selection. The Energy sector also led to a significant decline due to the fall in oil prices, which also placed pressure on natural gas by sapping demand. The fund was slightly overweight Energy, but stock selection allowed it to suffer less losses in this sector than its benchmark did. Real Estate was also a major detractor due to a drastic underweighting as well as poor stock selection. The dip in Energy is likely to provide an opportunity going forward in the strongest names that the fund has continued to hold. Stocks that did not decline as much have far less ground to make up before generating positive returns. At the end of the prior quarter, the fund was focused on limiting volatility from Energy and finding spin-offs and consolidation events. The fund managed to avoid taking the full hit from the decline in Energy, but still lagged its benchmark significantly. It remains on Watch.

JPMorgan SmCp Gro Inst (JISGX)

US Small Cap

Fund Score: 6 (Status: Pass)

The investment seeks long-term capital growth primarily by investing in a portfolio of equity securities of small-capitalization and emerging growth companies with market capitalizations equal to those within the universe of the Russell 2000 Growth Index stocks at the time of purchase.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
JPMorgan SmCp Gro Inst (JISGX)	9.57%	0.19%	18.78%	16.88%	9.26%
Russell 2000 Gro TR IX	10.06%	5.62%	20.14%	16.80%	8.54%
Out/(Under) Performing	-0.50%	-5.43%	-1.36%	0.08%	0.71%
Peer Group Ranking	26	71	38	32	16

Over the past quarter JPMorgan Small Cap Growth kept up with its benchmark and trailed only a small amount. However, the fund has had significant underperformance over the past year. The single largest detractor was the Consumer Cyclical sector, and is attributed entirely to stock selection. The second cause of underperformance is the energy sector, with positions losing almost 45% over the year. Focus on major growth names would lead the fund to bear the brunt of the decline in crude oil as well as the damage cheap oil has done to natural gas demand. The fund tends to be volatile in general so this would not be unexpected. The only substantial positive contributor has been in the Industrials sector, and while this helped significantly over the quarter it was not enough to help the fund keep up with the benchmark over the year. The fund remains concerned about weakness in Europe, though they are likely to position the fund to benefit from any potential European quantitative easing if it comes to fruition. Additionally, the fund remains positive about growth in the US, but will keep an eye on interest rates. In light of recent market events, volatility in a fund such as this is not unexpected. The fund currently scores a 6. Over time, the manager has performed well and we maintain our conviction in the manager.

Columbia Acorn Intl Z (ACINX)

Foreign

Fund Score: 6 (Status: Pass)

The Columbia Acorn International Fund generally invests in common stock of small-and mid-sized foreign companies with market capitalizations under \$5 billion in developed and emerging markets. Management seeks companies that offer growth potential, a competitive advantage, and reasonable valuations relative to assets and earning power.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Columbia Acorn Intl Z (ACINX)	-2.60%	-4.28%	12.50%	8.47%	8.95%
MSCI AC W X-US Gr ND IX	-2.31%	-2.64%	9.47%	5.20%	5.43%
Out/(Under) Performing	-0.29%	-1.63%	3.03%	3.27%	3.53%
Peer Group Ranking	50	33	62	64	13

Oppenheimer Dev Mkts Y (ODVYX)

Foreign

Fund Score: 9 (Status: Pass)

The fund primarily invests in companies with high growth potential located in developing economies. The fund mainly invests in common stocks of issuers whose principal activities are in at least three developing markets. Investors purchasing securities located in emerging market economies should expect a higher level of volatility.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Oppenheimer Dev Mkts Y (ODVYX)	-6.69%	-4.55%	7.95%	5.66%	11.49%
MSCI Emerging Mkt ND IX	-4.51%	-2.19%	4.03%	1.77%	8.43%
Out/(Under) Performing	-2.18%	-2.36%	3.92%	3.88%	3.06%
Peer Group Ranking	80	69	14	7	3

The fund significantly underperformed the benchmark over the trailing quarter, which also caused 2014 calendar performance to lag. Emerging Markets (EM), as a whole, underperformed developed markets by -2.7% over the trailing quarter, but outpaced the broader foreign benchmark by 1.7% in 2014. During Q4 2014 the fund's ~6% overweight to Latin America and ~3% overweight to Emerging Europe detracted from performance as these were the worst performing regions returning -13.3% and -19.2% respectively. The fund has a ~7% allocation to Russia (5 individual holdings) which was a drag on performance, but these have been in the portfolio for several years and remain viable opportunities. The strategy remains unchanged as management's outlook over the long-term remains positive for EM given reasonable valuations and relatively low debt levels. The fund has a bias against cyclical industries and companies with high financial/operating leverage as defensive positions. In a continued effort to protect shareholder value, Oppenheimer initiated a soft close in Q2 2013, only allowing existing clientele to continue investment. The fund remains open to the plan.

Dodge & Cox Intl Stock (DODFX)

Foreign

Fund Score: 8 (Status: Pass)

The investment seeks long-term growth of principal and income. The manager implements a deep value stock selection approach primarily investing in a diversified portfolio of equity securities issued by non-U.S. companies from at least three different countries, including emerging markets.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Dodge & Cox Intl Stock (DODFX)	-4.66%	0.08%	15.23%	7.89%	6.73%
MSCI AC Wrld Ex US ND IX	-3.88%	-3.87%	8.99%	4.43%	5.13%
Out/(Under) Performing	-0.79%	3.95%	6.23%	3.46%	1.60%
Peer Group Ranking	82	12	1	1	13

The fund slightly underperformed its benchmark over the trailing quarter, but continues to fair well on the trailing one-year period with significant outperformance. Key detractors over the quarter included poor stock selection within Energy as this sector underperformed others and an overweight to healthcare, which also negatively impacted returns. From a regional standpoint, a ~5% overweight to Emerging Markets caused the fund to lag with this region underperforming the broader index by -2.7%. An ~11% overweight to Information Technology as well as stock selection within the sector helped contribute to absolute performance. Fund management believes there are still opportunities in the marketplace pointing to strong company balance sheets and strong cash flows as drivers, but management has changed its tone on valuations from “favorable” to “reasonable”. Despite the fund’s discounted value approach, which can cause volatility, the strategy has proven to add value over full market cycles. The fund remains in good standing.

American Funds EuPc R-6 (RERGX)

Foreign

Fund Score: 8 (Status: Pass)

American Funds EuroPacific Growth invests primarily in common stocks of issuers in Europe, the Pacific Basin, and developing economies that the investment adviser believes have the potential for growth. The fund implements a multi-counselor management approach that utilizes best-idea allocation practices and diversifies manager risk.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
American Funds EuPc R-6 (RERGX)	-1.63%	-2.29%	12.12%	6.05%	7.08%
MSCI AC W X-US Gr ND IX	-2.31%	-2.64%	9.47%	5.20%	5.43%
Out/(Under) Performing	0.68%	0.35%	2.65%	0.85%	1.65%
Peer Group Ranking	43	27	11	37	9

The fund outperformed the trailing quarter, but underperformed the benchmark for calendar year 2014. A 10% cash position (consistent with last quarter) helped performance as markets pulled back late in the fourth quarter. Key contributors during 2014 were underweight Energy and Materials minimizing the impact from an oil selloff and overweighting Information Technology and Cash. There are no major regional exposure differences between the fund and its benchmarks, but EuroPacific’s largest contributor on a regional basis was attributed to underweighting Canada. Although the fund has a roughly 52% allocation to Europe, most of these holdings are exporters, so only roughly 16% of revenues are domicile to this region. Both a slowdown in Europe and Emerging markets will be a headwind moving forward for the fund. Management is finding investment opportunities in India as growth continues with further demand for infrastructure build out. Additionally, a strong dollar has helped the export industry abroad and management expects these markets to become more favorable.

Voya Clarion Global Real Estate Port I (IRGIX)

Specialty Options

Fund Score: 8 (Status: Pass)

The Voya Clarion Global Real Estate Portfolio Fund principally invests in a portfolio of equity securities of companies that are predominantly engaged in the real estate industry worldwide including the United States and countries with emerging markets. The Sub-Adviser employs a combination of top-down region and sector allocation with bottom-up individual stock selection.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Voya Clarion Global Real Estate Port I (IRGIX)	14.52%	21.52%	16.78%	11.94%	7.73%
MSCI World R/E ND IX	6.91%	14.16%	14.68%	11.01%	5.82%
Out/(Under) Performing	7.61%	7.36%	2.10%	0.92%	1.90%
Peer Group Ranking	1	3	11	11	1

Portfolio 21 Gl Eq Inst (PORIX)

Specialty Options

Fund Score: 5 (Status: Pass)

The Portfolio 21 Fund seeks to provide investors access to a global portfolio of companies that are integrating environmental sustainability into their business planning, practices and investments. Fund management employs a “bottom-up” approach to stock selection, examining both financial and environmental qualities of the individual companies. The fund typically invests about 60% in companies located in foreign developed and emerging markets. Two of the five original managers currently run the strategy.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Portfolio 21 Gl Eq Inst (PORIX)	0.92%	-0.17%	12.21%	7.40%	5.96%
MSCI World Growth ND IX	2.30%	6.14%	16.03%	11.07%	6.73%
Out/(Under) Performing	-1.37%	-6.31%	-3.82%	-3.67%	-0.76%
Peer Group Ranking	57	80	79	75	36

Hotchkis High Yield I (HWHIX)

Bonds

Fund Score: 9 (Status: Pass)

The Fund seeks to maximize total return, consistent with preservation of capital and prudent investment management. The Fund normally invests at least 80% of its net assets in a diversified portfolio of high yield securities.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Hotchkis High Yield I (HWHIX)	-1.83%	1.10%	9.20%	9.67%	
BOFAML US HY Cash TR IX	-1.04%	2.46%	8.30%	8.87%	7.54%
Out/(Under) Performing	-0.79%	-1.37%	0.90%	0.80%	
Peer Group Ranking	67	58	10	4	

Natixis LS Inv Gd Bd Y (LSIIX)

Bonds

Fund Score: 6 (Status: Pass)

Loomis Sayles Investment Grade Bond is a benchmark-averse bond fund that invests heavily in US Investment Grade Corporate bonds, but also has a 20% maximum in foreign bonds, 20% maximum to non US and non-Canadian currencies, and a 5% maximum to high yield bonds. The benchmark-averse approach allows its management team, including Dan Fuss and Kathleen Gaffney, to purchase what it terms “bonds that look like stocks, and stocks that look like bonds,” that may become overlooked by other fixed income managers.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Natixis LS Inv Gd Bd Y (LSIIX)	0.46%	5.14%	6.16%	6.99%	6.75%
Barclays US Gvt/Cr TRIX	1.81%	5.99%	2.76%	4.69%	4.70%
Out/(Under) Performing	-1.35%	-0.85%	3.40%	2.30%	2.05%
Peer Group Ranking	80	67	25	30	11

American Funds HI R-6 (RITGX)

Specialty Options

Fund Score: 5 (Status: Pass)

The fund mainly invests in higher yielding and generally lower quality debt securities known as “junk bonds” and loan obligations. The fund invests in securities both in and out of the United States. The basic investment philosophy of the fund’s advisor is to invest in attractively priced securities that represent good, long-term investment opportunities where each portfolio counselor decides how their respective segments will be invested.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
American Funds HI R-6 (RITGX)	-1.46%	0.81%	7.30%	7.82%	6.52%
BOFAML US HY Cash TR IX	-1.04%	2.46%	8.30%	8.87%	7.54%
Out/(Under) Performing	-0.42%	-1.66%	-1.00%	-1.05%	-1.02%
Peer Group Ranking	55	63	58	53	42

Calvert Soc Inv Bond I (CBDIX)

Bonds

Fund Score: 6 (Status: Pass)

The Calvert Bond Portfolio Fund invests at least 80% of its portfolio in fixed income securities, including at least 65% in investment grade debt, up to 35% in below-investment grade high-yield securities, and up to 25% in foreign debt securities. The fund uses a hedging technique to manage duration. Investments are first selected for financial soundness and then evaluated according to the fund's sustainable and socially responsible investment criteria.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Calvert Soc Inv Bond I (CBDIX)	1.67%	6.73%	4.24%	5.15%	4.94%
Barclays US Gvt/Cr TRIX	1.81%	5.99%	2.76%	4.69%	4.70%
Out/(Under) Performing	-0.14%	0.73%	1.48%	0.46%	0.24%
Peer Group Ranking	19	18	31	48	27

Goldman Sh Dur Gvt I (GSTGX)

Bonds

Fund Score: 7 (Status: Pass)

The Goldman Sachs Short Duration Government Fund generally invests in securities issued or guaranteed by the U.S. Government, its agencies, instrumentalities or sponsored enterprises and in repurchase agreements collateralized by such securities. Its target duration is that of the Two-Year U.S. Treasury Note Index, plus or minus 1 year.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Goldman Sh Dur Gvt I (GSTGX)	-0.22%	0.42%	0.58%	1.02%	3.02%
Barclays 1-3Y US Gv TRIX	0.20%	0.64%	0.51%	1.09%	2.62%
Out/(Under) Performing	-0.42%	-0.22%	0.08%	-0.07%	0.40%
Peer Group Ranking	88	50	40	45	10

Templeton Gl Bond Adv (TGBAX)

Bonds

Fund Score: 8 (Status: Pass)

Templeton Global Bond invests in bonds issued by foreign governments, but may also invest in US Government bonds to a lesser extent. The fund holds bonds in a composition without regard to a benchmark, and provides exposure to foreign currencies.

Trailing Returns	1 Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Templeton Gl Bond Adv (TGBAX)	-1.63%	1.84%	6.60%	6.00%	7.64%
Barclays Gl Aggreg TRIX	-1.05%	0.58%	0.73%	2.65%	3.60%
Out/(Under) Performing	-0.59%	1.26%	5.87%	3.36%	4.05%
Peer Group Ranking	49	37	9	12	1

Templeton Global Bond delivered a negative return for the quarter primarily driven by its currency positions and underperformed its benchmark, the Barclays Global Aggregate Bond Index. The fund did have a positive overall return for the year however, and outperformed the index with particularly strong absolute returns in the second quarter. The primary driver of the fund's relative underperformance for the quarter was its interest rate strategies. The fund continues to remain very defensive regarding interest rates in both developed and emerging markets with an overall effective duration of under two years. In particular, underweight duration exposures in Europe and Asia as well as in the United States were a detractor, as interest rates declined. The fund's strategy remains consistent with management looking for opportunities that can offer positive real yields, without taking unnecessary interest rate risk, favoring countries with solid fundamentals. These positions are then augmented with select opportunities in emerging markets and numerous currency strategies.

Clackamas County 457(b) Deferred Compensation Plan

Model Performance Report

For the Period Ending 12/31/2014

Portfolio	Exp Ratio	Equity	Fixed Income	Asset Class Exposure		Trailing Returns								Tracking Date	Return Since Tracking	Standard Deviation 3 Yr	
						1 Qtr	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	10 Yr			Model	Bmark
TimeFrame™ 2050	0.59	91.8%	8.2%		Model	2.33	6.34	6.34	16.46	17.12	10.96	12.57	8.44	Jan - 2011	11.14	Model	8.73
						Delta	-1.25	0.09	0.09	0.22	0.91	0.11	0.29			0.95	Bmark
TimeFrame™ 2035	0.58	82.1%	17.9%		Model	1.69	6.02	6.02	14.85	15.81	10.22	11.59	8.14	Jan - 2011	10.32	Model	8.00
						Delta	-1.39	-0.10	-0.10	0.14	1.00	0.05	0.07			0.96	Bmark
TimeFrame™ 2025	0.55	71.6%	28.5%		Model	1.15	5.70	5.70	13.05	14.35	9.38	10.58	7.77	Jan - 2011	9.40	Model	7.19
						Delta	-1.56	-0.19	-0.19	0.23	1.24	0.11	0.06			0.91	Bmark
TimeFrame™ 2020	0.54	61.7%	38.3%		Model	0.85	5.37	5.37	11.69	13.19	8.62	9.60	7.34	Jan - 2011	8.61	Model	6.53
						Delta	-1.45	-0.19	-0.19	0.35	1.45	0.10	-0.11			0.76	Bmark
TimeFrame™ 2015	0.49	51.1%	48.9%		Model	0.53	4.83	4.83	9.93	11.47	7.57	8.38	6.73	Jan - 2011	7.56	Model	5.70
						Delta	-1.53	-0.41	-0.41	0.33	1.40	-0.04	-0.34			0.50	Bmark
TimeFrame™ 2010	0.48	46.2%	53.8%		Model	0.47	4.38	4.38	8.63	10.05	6.78	7.12	6.11	Mar - 2010	7.54	Model	5.00
						Delta	-1.32	-0.54	-0.54	0.52	1.43	0.05	-0.58			0.29	Bmark

Comparative Indices

S&P 500 (1936) TR IX	4.93	13.69	13.69	22.69	20.42	15.55	15.46	7.67
S&P Midcap 400 TR IX	6.34	9.77	9.77	21.05	19.99	14.15	16.54	9.71
Russell 2000 TR IX	9.73	4.89	4.89	20.67	19.21	12.88	15.54	7.76
MSCI AC Wrlld Ex US ND IX	-3.88	-3.87	-3.87	5.27	8.99	2.81	4.43	5.13
Barclays Int USG/Cr TRIX	0.89	3.12	3.12	1.11	2.03	2.96	3.54	4.10
Citi US T-Bill 3 M TR IX	0.00	0.00	0.00	0.02	0.04	0.05	0.07	1.46

1) Performance for periods one year or more are expressed on an annually compounded basis. 2) "Delta" is the difference between the Model Portfolio's return and its Policy Benchmark. A positive/green number indicates the Portfolio has out-performed its Benchmark. 3) Trailing Returns for periods that are grayed-out include hypothetical, back-tested performance. 4) A lower Standard Deviation indicates lower volatility.

Market Exposure Legend

Lrg	US Large Cap	Mid	US Mid Cap	Sml	US Small Cap	Fgn	Foreign
Bnd	Bonds	Spc	Specialty Options	Oth	Other	Csh	Cash

Clackamas County 457(b) Deferred Compensation Plan

Model Portfolio Fund Allocation

As of 12/31/2014

Passively-Managed and Cash Funds

Style	Investment	Ticker	TimeFrame ™ 1995	TimeFrame ™ 2005	TimeFrame ™ 2010	TimeFrame ™ 2015	TimeFrame ™ 2020	TimeFrame ™ 2025	TimeFrame ™ 2035	TimeFrame ™ 2050
Large-Cap Core	Vanguard 500 Index Adm	VFIAX	10%	11%	11%	12%	13%	15%	15%	15%
Mid-Cap Core	Columbia MdCp Index Z	NMPAX	3%	4%	4%	5%	5%	7%	8%	9%
Small-Cap Core	Columbia SmCp Index Z	NMSCX	2%	1%	2%	3%	2%	4%	5%	8%
Money Market	ING Stable Value Fund 30	ingsv50								
Money Market	BkRk Lq Fed Trust Instl	TFFXX	22%	15%	13%	9%	3%			

Actively-Managed Funds

Equity Income	Columbia Div Oppty Z	CDOZX	8%	9%	9%	9%	10%	10%	10%	9%
Multi-Cap Core	Neuberger Soc Resp Inv	NBSRX	2%	2%	3%	3%	4%	4%	6%	7%
Mid-Cap Growth	T Rowe Price MC Gr	RPMGX					1%	2%	3%	5%
Mid-Cap Value	Artisan Mid Cap V Inv	ARTQX	2%	3%	3%	4%	5%	5%	6%	6%
Small-Cap Value	KEELEY Small Cap Value I	KSCIX		2%	2%	2%	3%	4%	5%	5%
Small-Cap Growth	JPMorgan SmCp Gro Inst	JISGX					2%	2%	3%	5%
Intl Sm/Mid-Cap Growth	Columbia Acorn Intl Z	ACINX								
Emerging Markets	Oppenheimer Dev Mkts Y	ODVYX						2%	3%	4%
Intl Large-Cap Core	Dodge & Cox Intl Stock	DODFX	4%	6%	6%	7%	9%	9%	10%	10%
Intl Large-Cap Growth	American Funds EuPc R-6	RERGX	5%	6%	7%	7%	9%	9%	10%	11%
Glb Real Estate	Voya Clarion Global Real Estate Port I	IRGIX								
Global Multi-Cap Growth	Portfolio 21 Gl Eq Inst	PORIX								
High Yield	Hotchkis High Yield I	HWHIX								
Corp Debt BBB Rtd	Natixis LS Inv Gd Bd Y	LSIIX	4%	4%	4%	4%	3%	3%		
High Yield	American Funds HI R-6	RITGX								
Corp Debt A Rated	Calvert Soc Inv Bond I	CBDIX								
Short US Govt	Goldman Sh Dur Gvt I	GSTGX	29%	25%	24%	23%	19%	15%	9%	3%
Intl Income	Templeton Gl Bond Adv	TGBAX	9%	12%	12%	12%	12%	9%	7%	3%

Asset Class Breakdown

US Large Cap	17%	19%	20%	21%	24%	26%	28%	28%
US Mid Cap	6%	8%	8%	10%	12%	15%	19%	22%
US Small Cap	2%	3%	4%	5%	6%	9%	11%	16%
Foreign	10%	13%	14%	15%	19%	21%	24%	26%
Bonds	34%	31%	30%	29%	25%	20%	11%	4%
Cash	31%	25%	23%	20%	13%	9%	7%	4%
Other	0%	0%	0%	1%	1%	1%	1%	1%

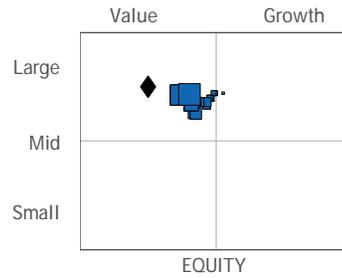
Risk Breakdown

Total Equities	35%	43%	46%	51%	62%	72%	82%	92%
Total Fixed Income	65%	57%	54%	49%	38%	28%	18%	8%

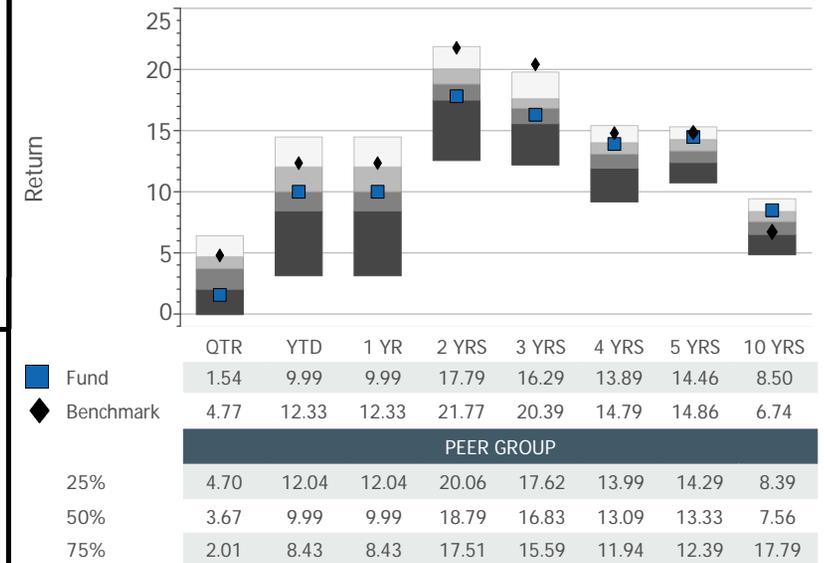
Facts

HPA Benchmark:	S&P 500 Value TR IX
Return Data Inception:	9/27/10
Net Strategy Assets (\$M):	\$6,213
Turnover Ratio:	73%
Total Holdings:	95
Percent of Assets in Top 10:	33.34%
Expense Ratio:	0.76%
5 Year Morningstar Rating:	4 stars
Manager:	Steven Schroll
Manager Started:	2/19/04
Mgmt Company:	Columbia Funds Series Trust II
Phone Number:	800-345-6611

Style Matrix



Trailing Period Returns



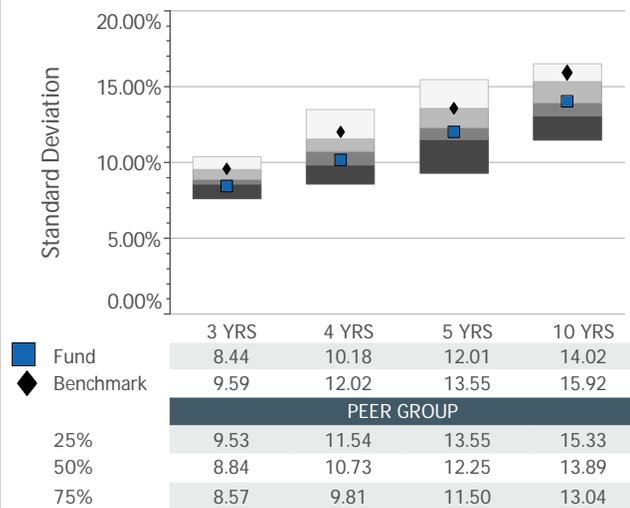
Strategy

The investment seeks a high level of current income with a secondary objective of growth of income and capital. The fund's assets primarily are invested in equity securities. Under normal market conditions, it will invest at least 80% of its net assets (including the amount of any borrowings for investment purposes) in dividend-paying common and preferred stocks. The fund may invest in companies that have market capitalizations of any size. It may invest up to 25% of its net assets in foreign investments.

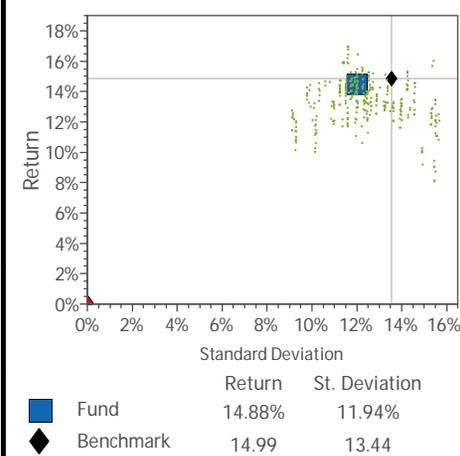
Legend

- Columbia Dividend Opportunity Z
- ◆ S&P 500 Value TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Equity Income
- ◆ Cash Equivalent

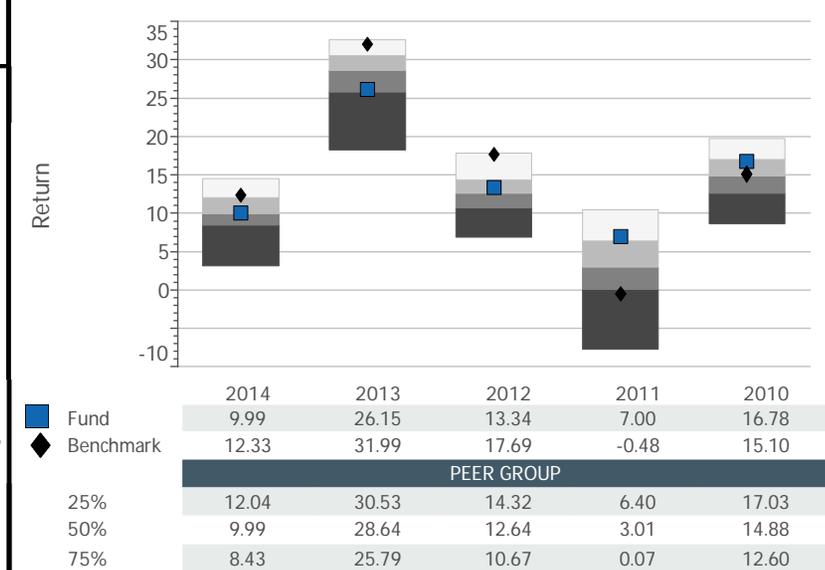
Standard Deviation



Risk vs. Return



Calendar Year Returns



Columbia Dividend Opportunity Z (CDOZX)

Fund Information

Morningstar Category	Large Value
Prospectus Objective	Equity-Income
Net Assets All Shares	\$6,212.61 million
NAV Price	\$9.51
Primary Index	S&P 500 TR USD

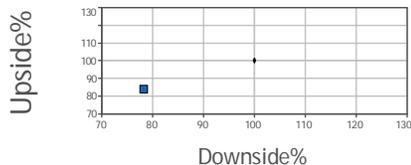
Sector Allocation (%)

CYCLICAL SECTORS TOTAL	7.47%
Basic Materials	1.32
Consumer Cyclical	2.05
Financial Services	4.10
Real Estate	0.00
SENSITIVE SECTORS TOTAL	38.12
Communication Services	9.11
Energy	10.42
Industrials	5.68
Technology	12.91
DEFENSIVE SECTORS TOTAL	41.83
Consumer Defensive	17.63
Healthcare	15.56
Utilities	8.64

Top 10 Holdings

Altria Group Inc	4.39%
Johnson & Johnson	4.30
Procter & Gamble Co	4.08
Microsoft Corp	3.83
Cisco Systems Inc	3.72
Pfizer Inc	3.32
Goldman Sachs Grp	2.87
Chevron Corp	2.53
Intel Corp	2.16
ConocoPhillips	2.15
Top 10 Holding Weighting	33.34%

Upside Downside



Portfolio Characteristics

Inception Date	September 27, 2010
Portfolio Date	November 30, 2014
Distribution Yield	2.91%
Number Of Holdings	95
Turnover Ratio	73%

Asset Allocation (%)

Domestic Stock	77.70%
Foreign Stock	17.13
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	1.56
Other	3.62

Market Allocation (%)

Developed Country	94.83%
Emerging Market	0.00
Not Classified	0.00

Regional Allocation (%)

Americas	80.40%
Greater Europe	12.62
Greater Asia	1.81

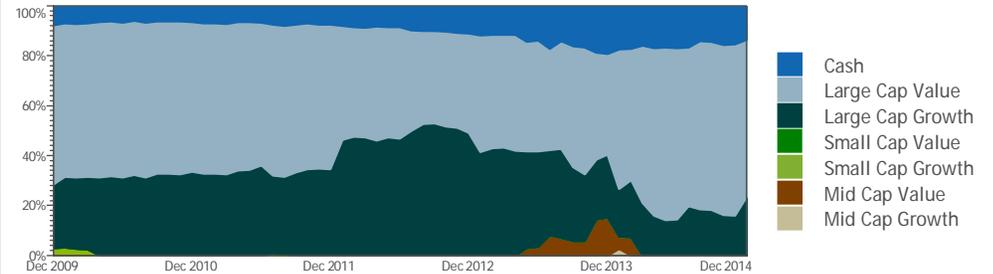
Capitalization

Market Capitalization	\$86,877.47
Giant Cap	60.72%
Large Cap	17.77
Medium Cap	4.86
Small Cap	2.00
Micro Cap	0.71

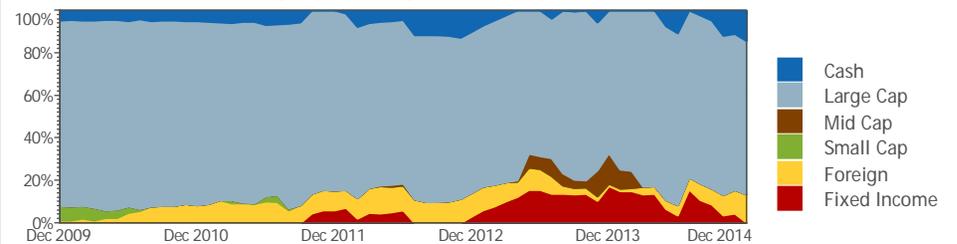
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 51.37% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 26 months by April 2011.

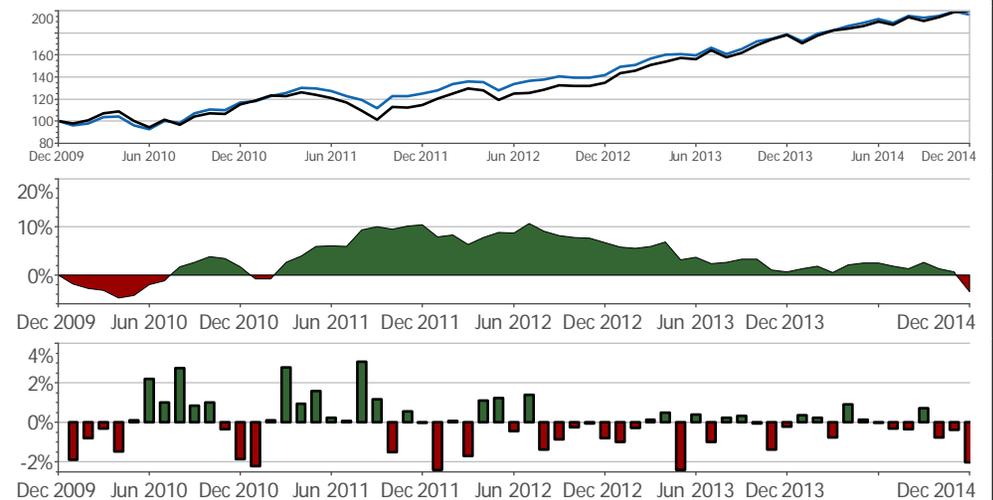
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

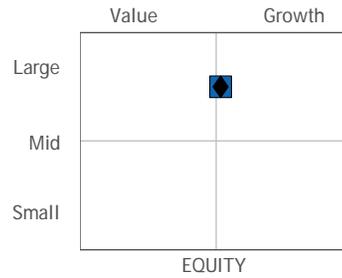


This document shows the historical returns and volatility of the return of this Investment Alternative, assuming that an investor may have invested in the Alternative on the first day of any calendar month since its inception date. Returns are presented here primarily as an indication of the potential volatility of this investment and not an indication of future, positive returns. Historical performance clearly indicates there is the potential for loss, particularly over shorter periods of time. Calculations assume that all dividends and interest have been reinvested. Whereas returns have been reduced by actual mutual fund management fees and expenses, no deduction has been made for such expenses as advisory fees, custodial charges, and if applicable, third party administrator fees and other retirement plan expenses. Your investment returns will be reduced by those charges if assessed against your account. Your returns can vary from these given the timing of your purchases in this Investment alternative (c) 2011 Heintzberger | Payne Advisors, Inc.

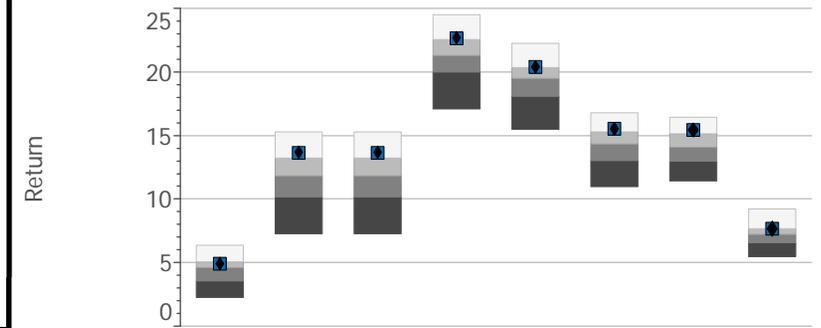
Facts

HPA Benchmark:	S&P 500 (1936) TR IX
Return Data Inception:	11/13/00
Net Strategy Assets (\$M):	\$198,712
Turnover Ratio:	3%
Total Holdings:	511
Percent of Assets in Top 10:	17.58%
Expense Ratio:	0.05%
5 Year Morningstar Rating:	4 stars
Manager:	Michael Buek
Manager Started:	12/31/91
Mgmt Company:	Vanguard Index Funds
Phone Number:	800-662-7447

Style Matrix



Trailing Period Returns



	QTR	YTD	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	10 YRS
■ Fund	4.92	13.64	13.64	22.63	20.37	15.51	15.42	7.66
◆ Benchmark	4.93	13.69	13.69	22.69	20.42	15.55	15.46	7.67
PEER GROUP								
25%	5.07	13.24	13.24	22.53	20.36	15.27	15.11	7.68
50%	4.62	11.81	11.81	21.32	19.47	14.31	14.06	7.19
75%	3.56	10.20	10.20	19.97	18.10	13.05	13.00	22.63

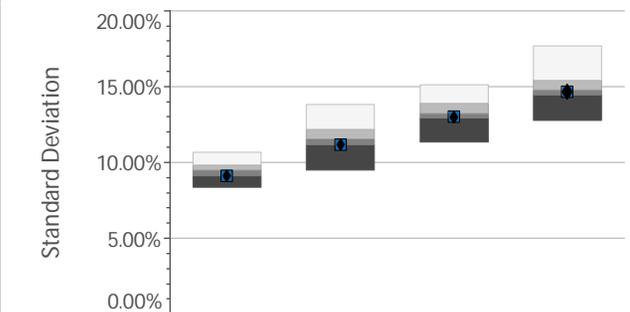
Strategy

The investment seeks to track the performance of a benchmark index that measures the investment return of large-capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the Standard & Poor's 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

Legend

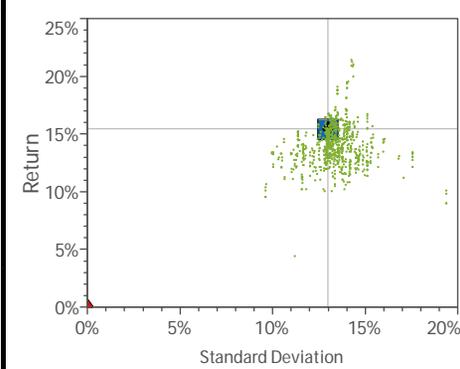
- Vanguard 500 Index Admiral
- ◆ S&P 500 (1936) TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Large-Cap Core
- ◆ Cash Equivalent

Standard Deviation



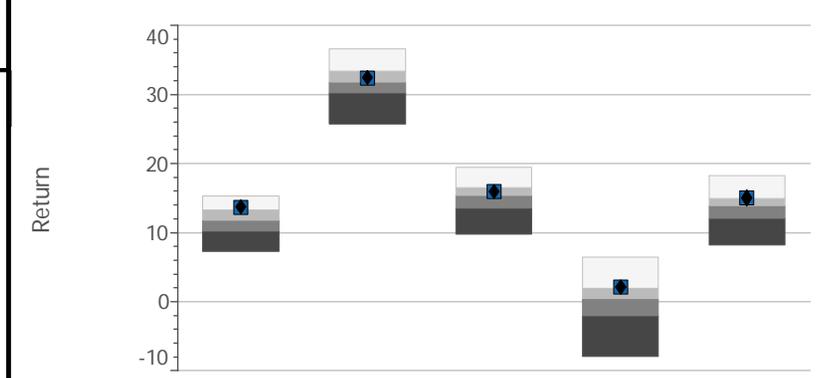
	3 YRS	4 YRS	5 YRS	10 YRS
■ Fund	9.10	11.19	13.00	14.67
◆ Benchmark	9.10	11.19	13.00	14.67
PEER GROUP				
25%	9.83	12.17	13.88	15.40
50%	9.50	11.57	13.23	14.80
75%	9.10	11.18	12.95	14.44

Risk vs. Return



	Return	St. Deviation
■ Fund	15.59%	12.89%
◆ Benchmark	15.62	12.89

Calendar Year Returns



	2014	2013	2012	2011	2010
■ Fund	13.64	32.33	15.96	2.08	15.05
◆ Benchmark	13.69	32.41	15.99	2.11	15.06
PEER GROUP					
25%	13.24	33.40	16.54	1.97	14.93
50%	11.81	31.80	15.41	0.49	13.87
75%	10.20	30.23	13.58	-2.00	12.11

Vanguard 500 Index Admiral (VFIAX)

Fund Information

Morningstar Category	Large Blend
Prospectus Objective	Growth and Income
Net Assets All Shares	\$198,712.19 million
NAV Price	\$189.89
Primary Index	S&P 500 TR USD

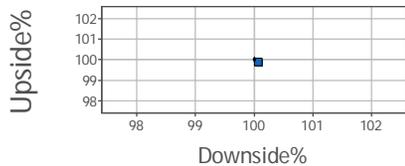
Sector Allocation (%)

CYCLICAL SECTORS TOTAL	30.37%
Basic Materials	3.04
Consumer Cyclical	10.41
Financial Services	14.86
Real Estate	2.06
SENSITIVE SECTORS TOTAL	41.50
Communication Services	3.95
Energy	8.29
Industrials	11.14
Technology	18.12
DEFENSIVE SECTORS TOTAL	27.62
Consumer Defensive	9.80
Healthcare	14.73
Utilities	3.09

Top 10 Holdings

Apple Inc	3.85%
Microsoft Corp	2.13
Exxon Mobil Corporation	2.09
Johnson & Johnson	1.65
General Electric Co	1.44
Wells Fargo & Co	1.40
Berkshire Hathaway Inc Class B	1.35
Procter & Gamble Co	1.32
JPMorgan Chase & Co	1.22
Verizon Communications Inc	1.13
Top 10 Holding Weighting	17.58%

Upside Downside



Portfolio Characteristics

Inception Date	November 13, 2000
Portfolio Date	November 30, 2014
Distribution Yield	1.85%
Number Of Holdings	511
Turnover Ratio	3%

Asset Allocation (%)

Domestic Stock	98.44%
Foreign Stock	1.02
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	0.54
Other	0.00

Market Allocation (%)

Developed Country	99.33%
Emerging Market	0.13
Not Classified	0.00

Regional Allocation (%)

Americas	98.44%
Greater Europe	0.78
Greater Asia	0.25

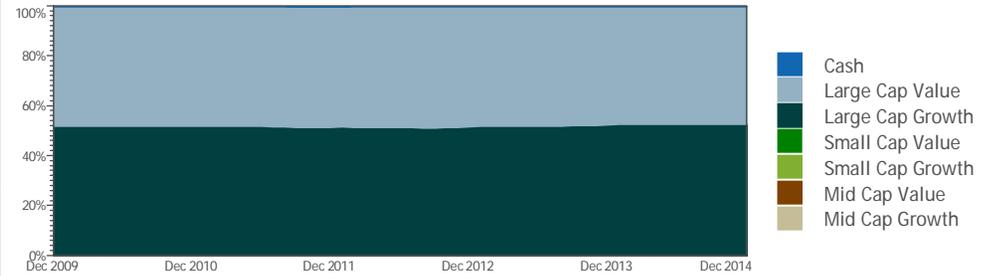
Capitalization

Market Capitalization	\$73,127.32
Giant Cap	50.68%
Large Cap	35.60
Medium Cap	12.25
Small Cap	0.07
Micro Cap	0.00

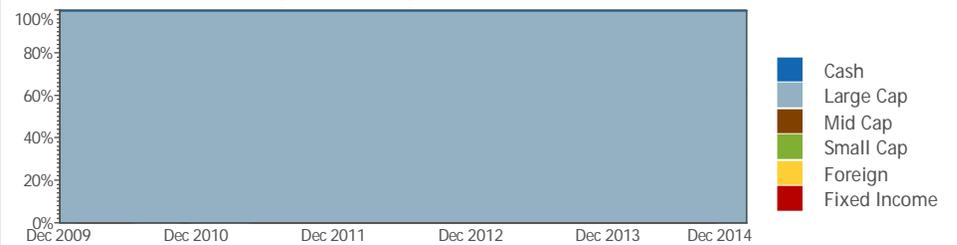
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 50.92% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 37 months by March 2012.

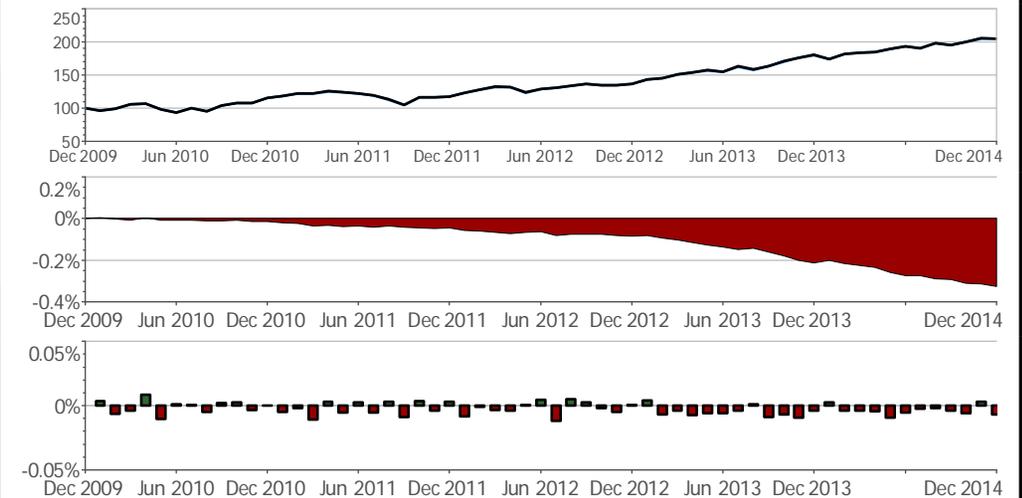
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

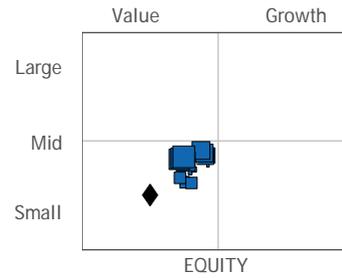


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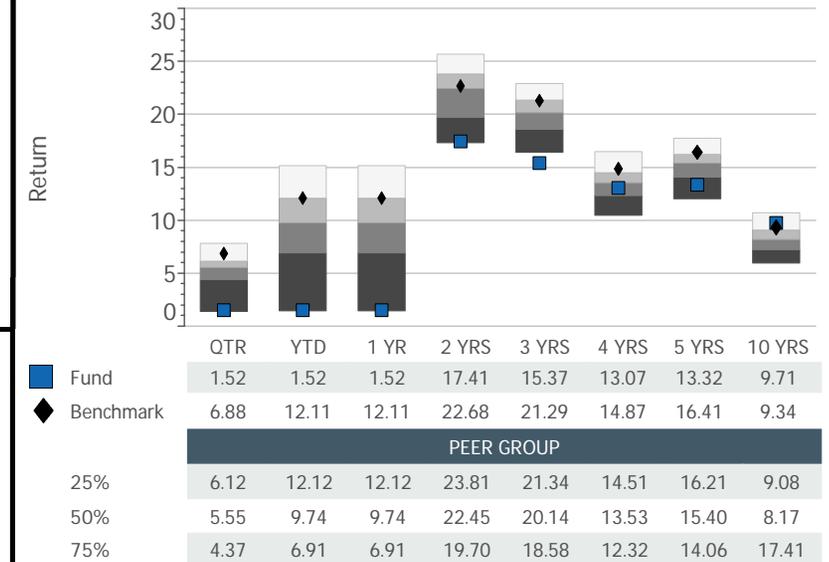
Facts

HPA Benchmark:	S&P 400 Value TR IX
Return Data Inception:	3/28/01
Net Strategy Assets (\$M):	\$10,510
Turnover Ratio:	26%
Total Holdings:	59
Percent of Assets in Top 10:	26.32%
Expense Ratio:	1.19%
5 Year Morningstar Rating:	2 stars
Manager:	James Kieffer
Manager Started:	11/22/01
Mgmt Company:	Artisan Partners Funds, Inc.
Phone Number:	800-344-1770

Style Matrix



Trailing Period Returns



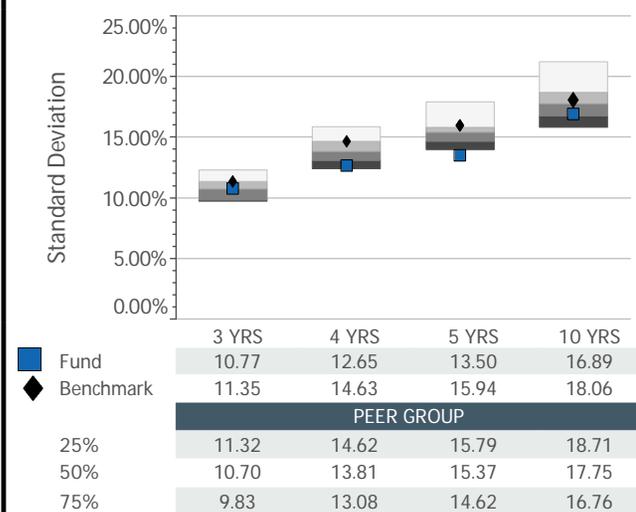
Strategy

The investment seeks maximum long-term capital growth. The fund normally invests no less than 80% of its net assets plus any borrowings for investment purposes at market value at the time of purchase in the common stocks of medium-sized companies. It defines a medium-sized company as one with a market capitalization greater than the market capitalization of the smallest company in the Russell Midcap® Index and less than three times the weighted average market capitalization of companies in that index.

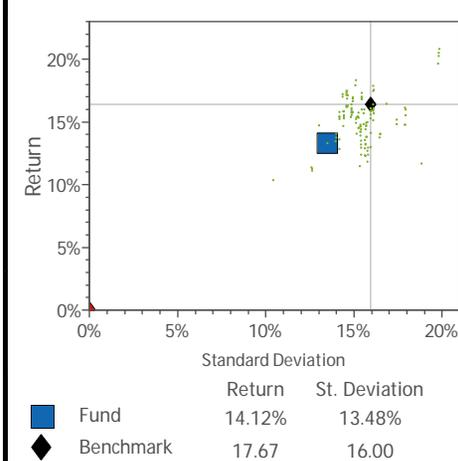
Legend

- Fund
- ◆ S&P 400 Value TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Mid-Cap Value
- ◆ Cash Equivalent

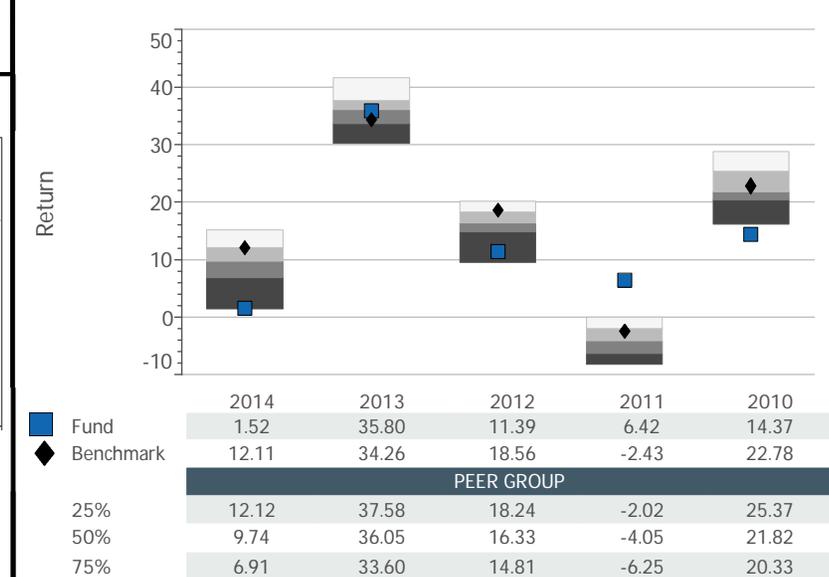
Standard Deviation



Risk vs. Return



Calendar Year Returns



Artisan Mid Cap Value Investor (ARTOQ)

Fund Information

Morningstar Category	Mid-Cap Value
Prospectus Objective	Growth
Net Assets All Shares	\$10,510.22 million
NAV Price	\$24.64
Primary Index	S&P 500 TR USD

Portfolio Characteristics

Inception Date	March 28, 2001
Portfolio Date	September 30, 2014
Distribution Yield	0.62%
Number Of Holdings	59
Turnover Ratio	26%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	37.44%
Basic Materials	1.03
Consumer Cyclical	13.41
Financial Services	20.36
Real Estate	2.64
SENSITIVE SECTORS TOTAL	43.42
Communication Services	0.80
Energy	10.44
Industrials	12.69
Technology	19.49
DEFENSIVE SECTORS TOTAL	11.27
Consumer Defensive	3.22
Healthcare	3.15
Utilities	4.90

Asset Allocation (%)

Domestic Stock	91.10%
Foreign Stock	1.03
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	7.87
Other	0.00

Market Allocation (%)

Developed Country	92.13%
Emerging Market	0.00
Not Classified	0.00

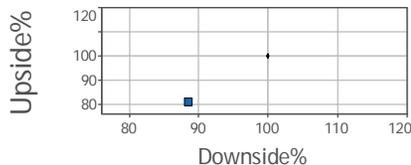
Regional Allocation (%)

Americas	92.13%
Greater Europe	0.00
Greater Asia	0.00

Capitalization

Market Capitalization	\$9,387.49
Giant Cap	0.00%
Large Cap	17.45
Medium Cap	69.24
Small Cap	5.44
Micro Cap	0.00

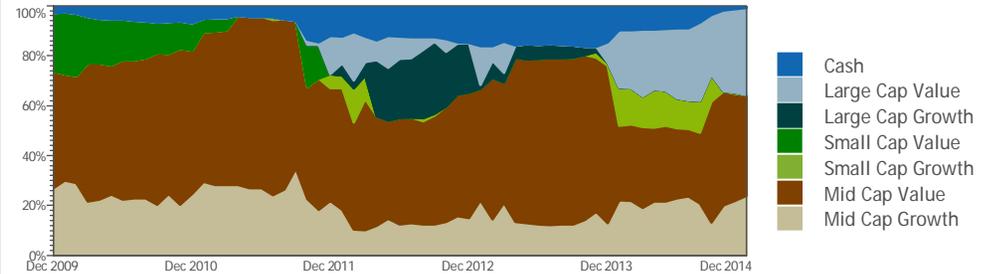
Upside Downside



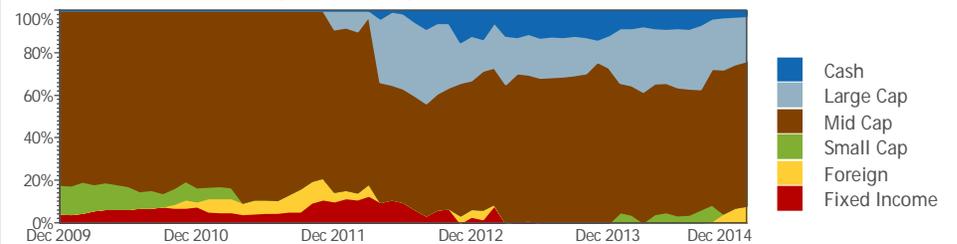
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 45.17% and occurred over a 21 month period of time starting June 2007. The fund recouped this loss over 22 months by December 2010.

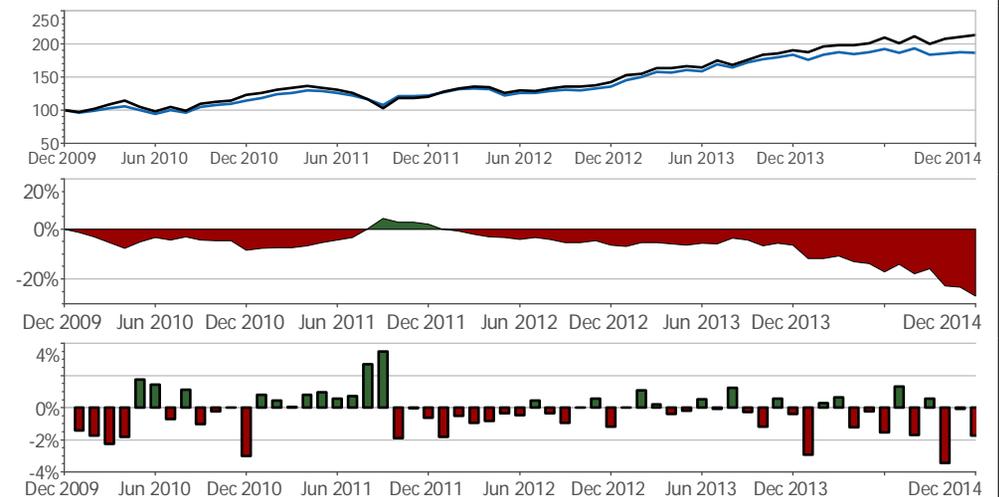
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

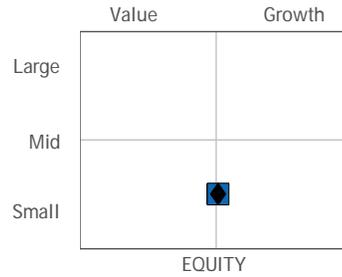


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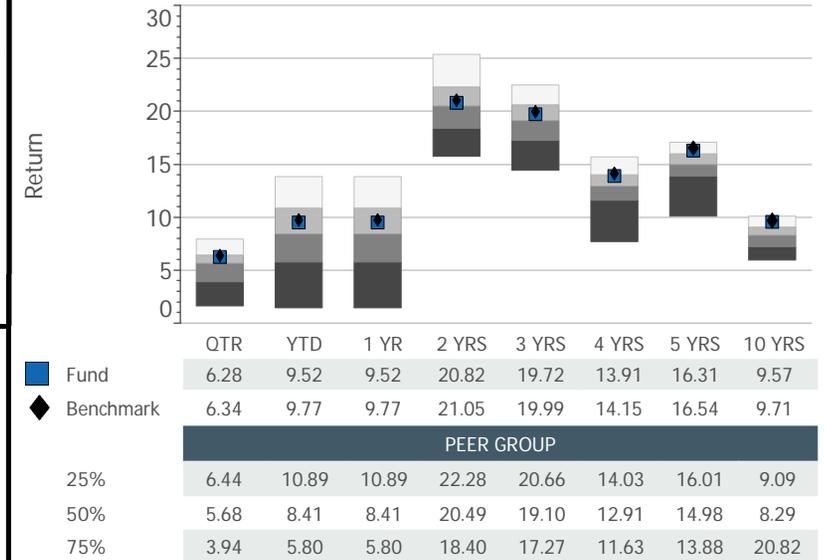
Facts

HPA Benchmark:	S&P 400 TR IX
Return Data Inception:	3/31/00
Net Strategy Assets (\$M):	\$3,867
Turnover Ratio:	14%
Total Holdings:	402
Percent of Assets in Top 10:	8.03%
Expense Ratio:	0.20%
5 Year Morningstar Rating:	4 stars
Manager:	Vadim Shteyn
Manager Started:	8/1/11
Mgmt Company:	Columbia Funds Series Trust
Phone Number:	800-345-6611

Style Matrix



Trailing Period Returns



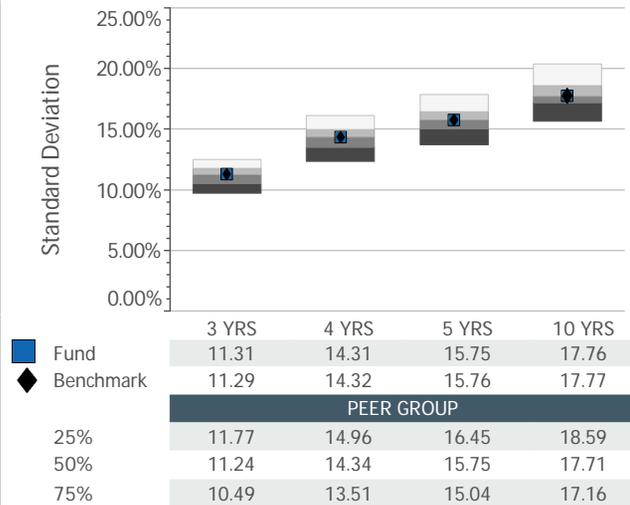
Strategy

The investment seeks total return before fees and expenses that corresponds to the total return of the Standard & Poor's (S&P) MidCap 400® Index. The fund invests at least 80% of its net assets (including the amount of any borrowings for investment purposes) in common stocks that comprise the S&P MidCap 400 Index. In seeking to match the performance of the index, the Investment Manager attempts to allocate the fund's assets among common stocks in approximately the same weightings as the index. It attempts to achieve at least a 95% correlation between the performance of the index and the fund's investment results, before fees and expenses.

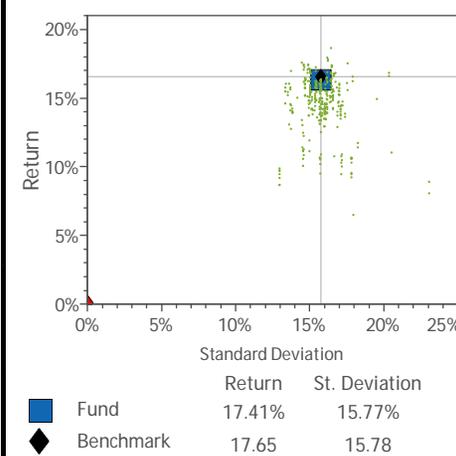
Legend

- Columbia Mid Cap Index Z
- ◆ S&P 400 TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Mid-Cap Core
- ◆ Cash Equivalent

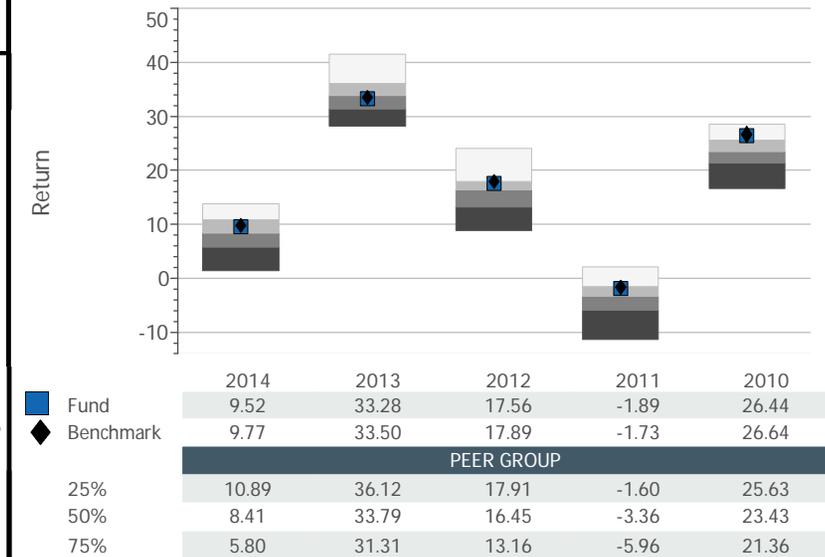
Standard Deviation



Risk vs. Return



Calendar Year Returns



Columbia Mid Cap Index Z (NMPAX)

Fund Information

Morningstar Category	Mid-Cap Blend
Prospectus Objective	Growth and Income
Net Assets All Shares	\$3,866.7 million
NAV Price	\$15.48
Primary Index	S&P 500 TR USD

Portfolio Characteristics

Inception Date	March 31, 2000
Portfolio Date	November 30, 2014
Distribution Yield	1.12%
Number Of Holdings	402
Turnover Ratio	14%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	43.39%
Basic Materials	5.82
Consumer Cyclical	15.29
Financial Services	12.29
Real Estate	9.99
SENSITIVE SECTORS TOTAL	37.06
Communication Services	0.36
Energy	4.51
Industrials	16.66
Technology	15.53
DEFENSIVE SECTORS TOTAL	17.80
Consumer Defensive	3.89
Healthcare	9.62
Utilities	4.29

Asset Allocation (%)

Domestic Stock	98.15%
Foreign Stock	0.09
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	1.76
Other	0.00

Market Allocation (%)

Developed Country	98.15%
Emerging Market	0.09
Not Classified	0.00

Regional Allocation (%)

Americas	98.24%
Greater Europe	0.00
Greater Asia	0.00

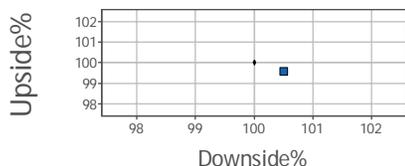
Capitalization

Market Capitalization	\$4,783.19
Giant Cap	0.00%
Large Cap	0.00
Medium Cap	68.67
Small Cap	29.39
Micro Cap	0.17

Top 10 Holdings

E-mini S&P MidCap 400 Index Future	1.96%
Skyworks Solutions Inc	0.76
Equinix Inc	0.74
Henry Schein Inc	0.69
Hanesbrands Inc	0.68
Endo International PLC	0.67
SL Green Realty Corp	0.66
Advance Auto Parts Inc	0.64
Signet Jewelers Ltd	0.62
Realty Income Corp	0.61
Top 10 Holding Weighting	8.03%

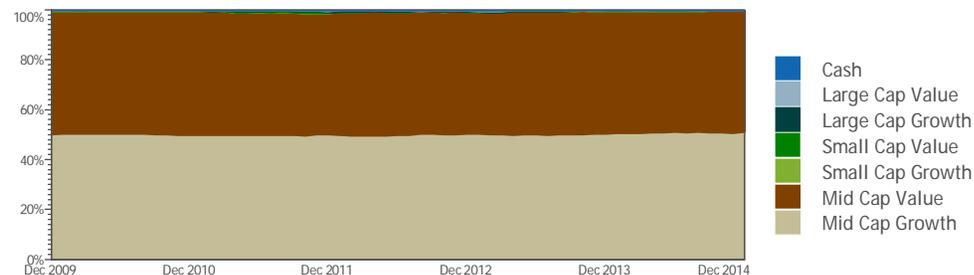
Upside Downside



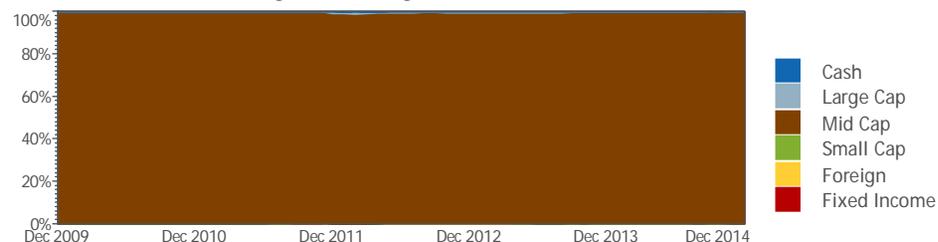
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 49.56% and occurred over a 21 month period of time starting June 2007. The fund recouped this loss over 22 months by December 2010.

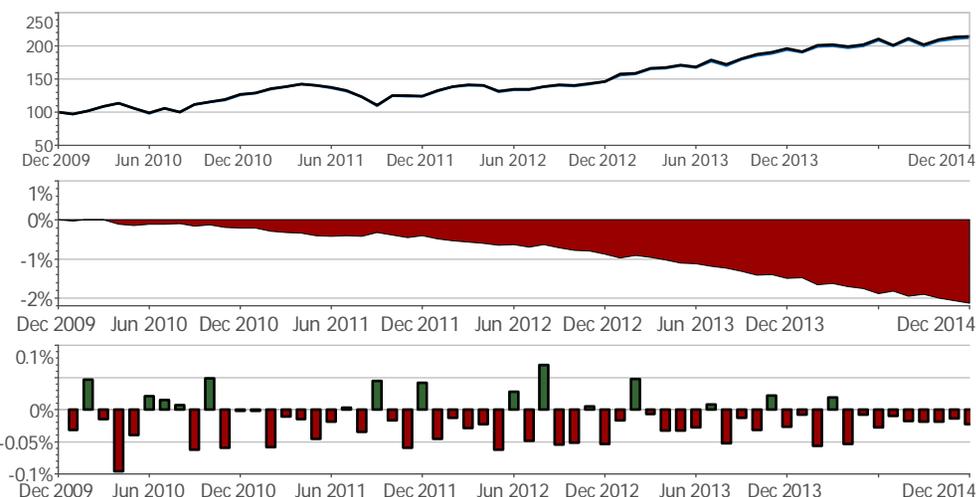
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

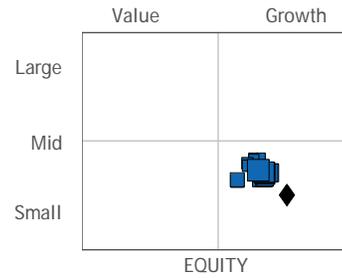


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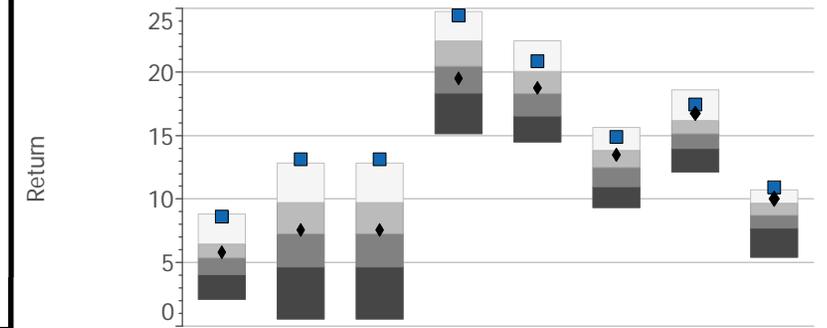
Facts

HPA Benchmark:	S&P MC 400 Gr TR IX
Return Data Inception:	6/30/92
Net Strategy Assets (\$M):	\$24,667
Turnover Ratio:	26%
Total Holdings:	144
Percent of Assets in Top 10:	15.39%
Expense Ratio:	0.78%
5 Year Morningstar Rating:	5 stars
Manager:	Brian Berghuis
Manager Started:	6/30/92
Mgmt Company:	T. Rowe Price Mid-cap Growth Fund, Inc.
Phone Number:	800-638-5660

Style Matrix



Trailing Period Returns



	QTR	YTD	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	10 YRS
PEER GROUP								
25%	6.48	9.74	9.74	22.43	20.03	13.83	16.17	9.69
50%	5.36	7.28	7.28	20.42	18.28	12.46	15.14	8.70
75%	4.08	4.65	4.65	18.35	16.51	10.96	13.99	24.46

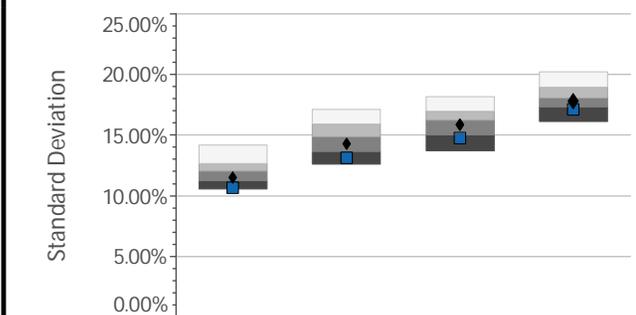
Strategy

The investment seeks long-term capital appreciation. The fund normally invests at least 80% of net assets (including any borrowings for investment purposes) in a diversified portfolio of common stocks of mid-cap companies whose earnings T. Rowe Price expects to grow at a faster rate than the average company. It defines mid-cap companies as those whose market capitalization falls within the range of either the S&P MidCap 400 Index or the Russell Midcap Growth Index. While most assets will typically be invested in U.S. common stocks, the fund may invest in foreign stocks in keeping with the fund's objectives.

Legend

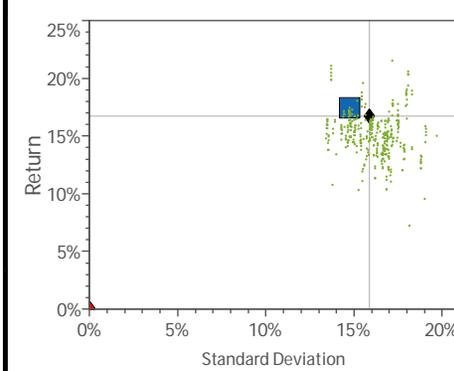
- T. Rowe Price Mid-Cap Growth
- ◆ S&P MC 400 Gr TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Mid-Cap Growth
- ◆ Cash Equivalent

Standard Deviation



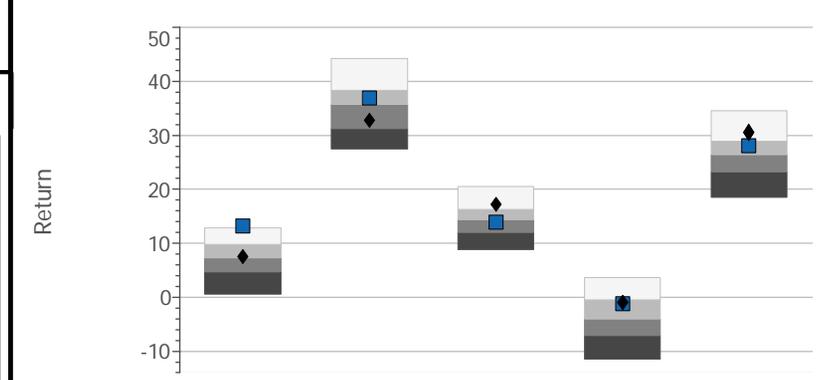
	3 YRS	4 YRS	5 YRS	10 YRS
Fund	10.65	13.14	14.76	17.09
Benchmark	11.50	14.27	15.86	17.79
PEER GROUP				
25%	12.67	15.92	16.97	18.94
50%	12.04	14.87	16.22	18.03
75%	11.25	13.67	15.04	17.32

Risk vs. Return



	Return	St. Deviation
Fund	18.29%	14.73%
Benchmark	17.66	15.83

Calendar Year Returns



	2014	2013	2012	2011	2010
Fund	13.16	36.89	13.91	-1.21	28.06
Benchmark	7.56	32.77	17.27	-0.94	30.57
PEER GROUP					
25%	9.74	38.27	16.26	-0.45	28.90
50%	7.28	35.72	14.39	-3.99	26.41
75%	4.65	31.25	11.97	-7.09	23.21

T. Rowe Price Mid-Cap Growth (RPMGX)

Fund Information

Morningstar Category	Mid-Cap Growth
Prospectus Objective	Growth
Net Assets All Shares	\$24,666.54 million
NAV Price	\$75.44
Primary Index	S&P 500 TR USD

Portfolio Characteristics

Inception Date	June 30, 1992
Portfolio Date	September 30, 2014
Distribution Yield	0.00%
Number Of Holdings	144
Turnover Ratio	26%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	21.67%
Basic Materials	2.60
Consumer Cyclical	11.47
Financial Services	6.65
Real Estate	0.95
SENSITIVE SECTORS TOTAL	48.09
Communication Services	0.99
Energy	6.41
Industrials	25.08
Technology	15.61
DEFENSIVE SECTORS TOTAL	23.75
Consumer Defensive	3.84
Healthcare	19.25
Utilities	0.66

Asset Allocation (%)

Domestic Stock	90.69%
Foreign Stock	2.82
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	5.94
Other	0.55

Market Allocation (%)

Developed Country	93.52%
Emerging Market	0.00
Not Classified	0.00

Regional Allocation (%)

Americas	91.99%
Greater Europe	1.53
Greater Asia	0.00

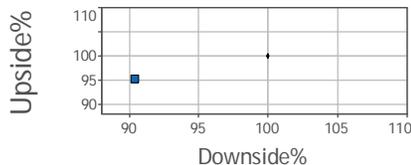
Capitalization

Market Capitalization	\$8,375.35
Giant Cap	0.00%
Large Cap	12.74
Medium Cap	72.16
Small Cap	8.45
Micro Cap	0.17

Top 10 Holdings

Fiserv Inc	1.97%
IHS Inc Class A	1.75
Textron Inc	1.57
Altera Corp	1.56
CarMax Inc	1.52
Pall Corporation	1.46
Idex Corp	1.42
EQT Corp	1.40
DENTSPLY International Inc	1.38
Agilent Technologies Inc	1.37
Top 10 Holding Weighting	15.39%

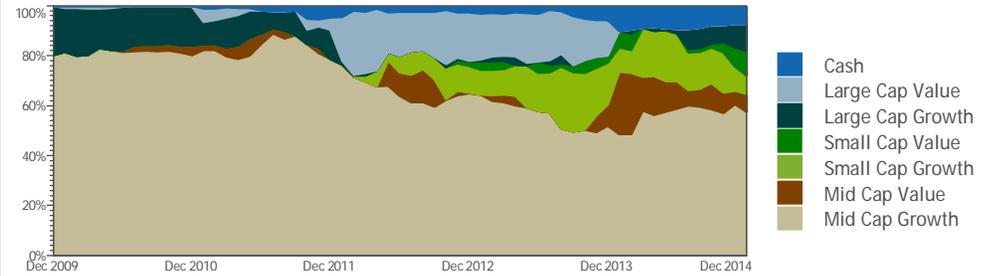
Upside Downside



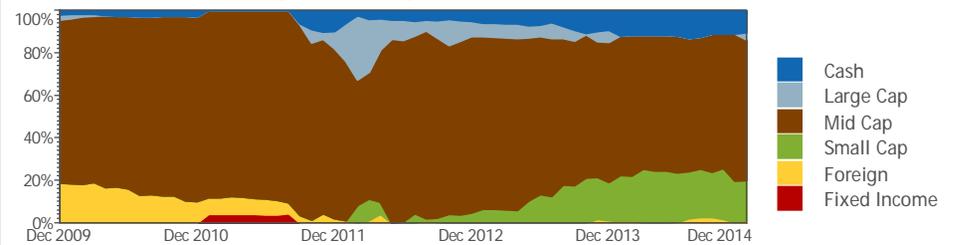
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 48.23% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 21 months by November 2010.

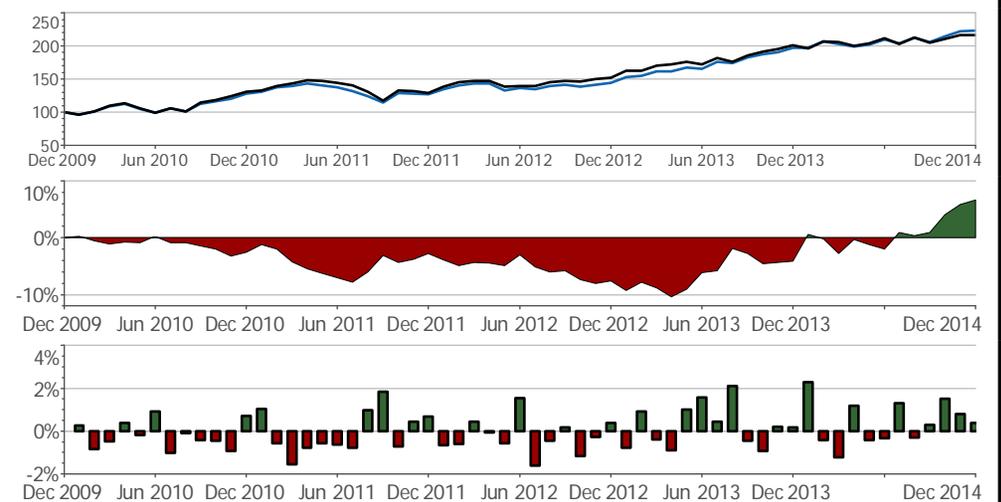
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

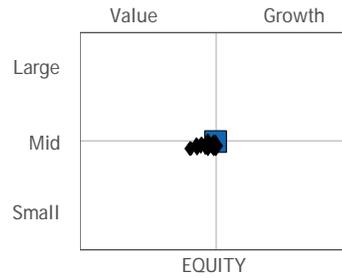


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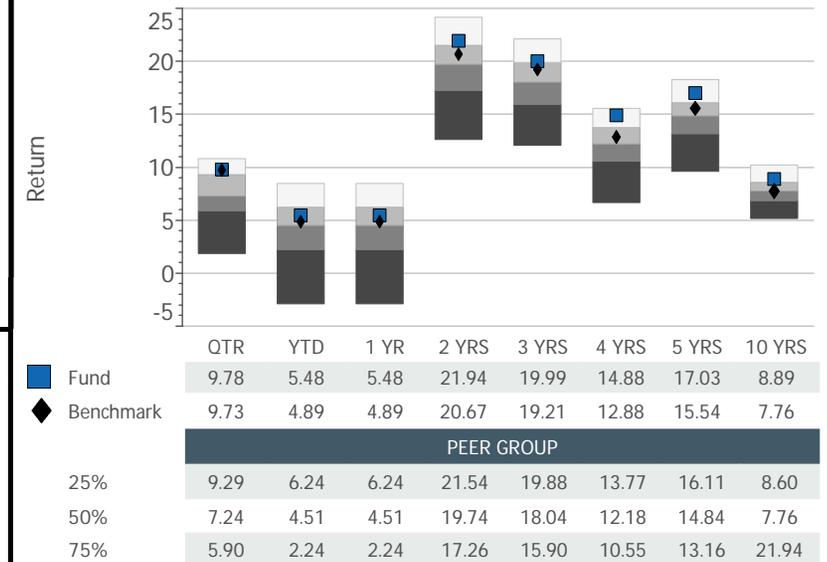
Facts

HPA Benchmark:	Russell 2000 TR IX
Return Data Inception:	10/15/96
Net Strategy Assets (\$M):	\$3,141
Turnover Ratio:	15%
Total Holdings:	603
Percent of Assets in Top 10:	6.81%
Expense Ratio:	0.20%
5 Year Morningstar Rating:	4 stars
Manager:	Christopher Lo
Manager Started:	12/3/14
Mgmt Company:	Columbia Funds Series Trust
Phone Number:	800-345-6611

Style Matrix



Trailing Period Returns



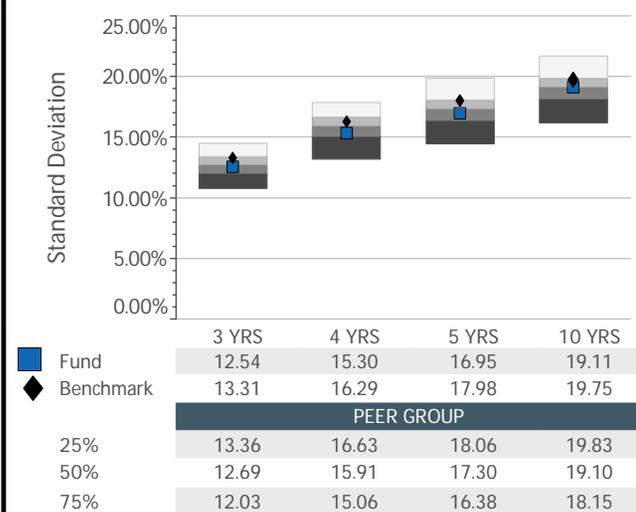
Strategy

The investment seeks total return before fees and expenses that corresponds to the total return of the Standard & Poor's (S&P) SmallCap 600® Index. Under normal circumstances, the fund invests at least 80% of its net assets (including the amount of any borrowings for investment purposes) in common stocks that comprise the S&P SmallCap 600 Index. It attempts to achieve at least a 95% correlation between the performance of the index and the fund's investment results, before fees and expenses. The fund may invest in derivatives, consisting of relevant stock index futures, to gain exposure to the small cap equity market pending direct investments in securities.

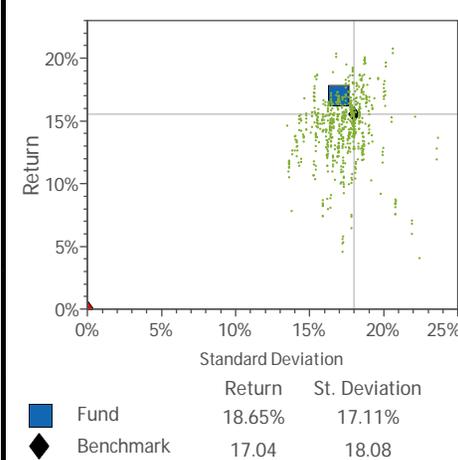
Legend

- Columbia Small Cap Index Z
- ◆ Russell 2000 TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Small-Cap Core
- ◆ Cash Equivalent

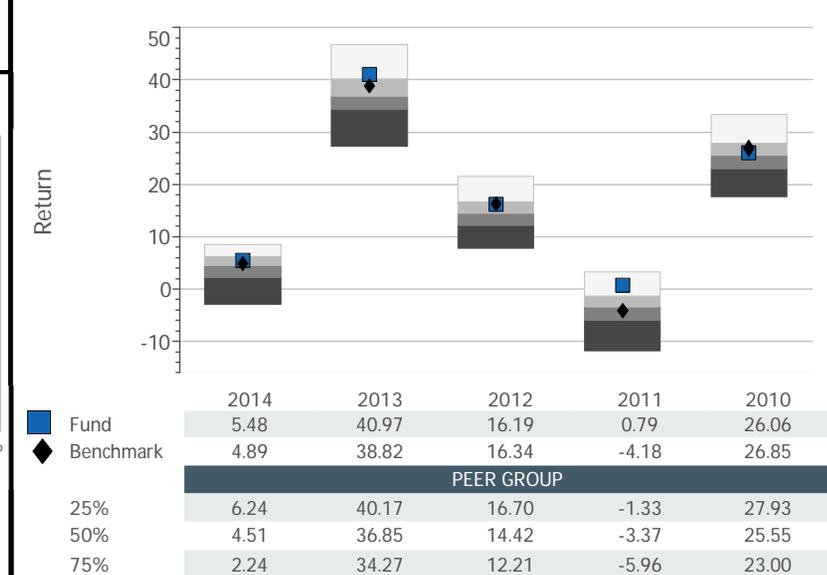
Standard Deviation



Risk vs. Return



Calendar Year Returns



Columbia Small Cap Index Z (NMSCX)

Fund Information

Morningstar Category	Small Blend
Prospectus Objective	Small Company
Net Assets All Shares	\$3,141.4 million
NAV Price	\$22.86
Primary Index	S&P 500 TR USD

Portfolio Characteristics

Inception Date	October 15, 1996
Portfolio Date	November 30, 2014
Distribution Yield	0.96%
Number Of Holdings	603
Turnover Ratio	15%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	42.91%
Basic Materials	6.18
Consumer Cyclical	14.68
Financial Services	13.67
Real Estate	8.38
SENSITIVE SECTORS TOTAL	37.58
Communication Services	0.66
Energy	3.07
Industrials	16.47
Technology	17.38
DEFENSIVE SECTORS TOTAL	17.41
Consumer Defensive	4.17
Healthcare	9.66
Utilities	3.58

Asset Allocation (%)

Domestic Stock	97.58%
Foreign Stock	0.32
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	2.10
Other	0.00

Market Allocation (%)

Developed Country	97.75%
Emerging Market	0.15
Not Classified	0.00

Regional Allocation (%)

Americas	97.74%
Greater Europe	0.01
Greater Asia	0.15

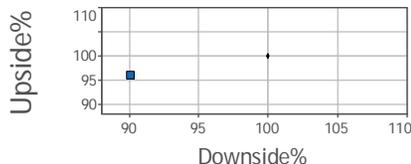
Capitalization

Market Capitalization	\$1,497.55
Giant Cap	0.00%
Large Cap	0.00
Medium Cap	1.85
Small Cap	62.66
Micro Cap	33.38

Top 10 Holdings

Russell 2000 Index Mini TIC	2.23%
Triquint Semiconductor	0.60
Teledyne Technologies Inc	0.56
West Pharmaceutical Services Inc	0.51
Toro Co	0.51
Tyler Technologies Inc	0.50
Maximus Inc	0.49
Curtiss-Wright Corp	0.48
Treehouse Foods Inc	0.48
Buffalo Wild Wings Inc	0.45
Top 10 Holding Weighting	6.81%

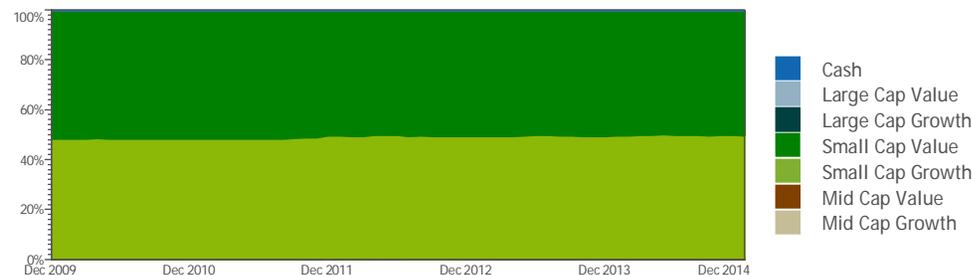
Upside Downside



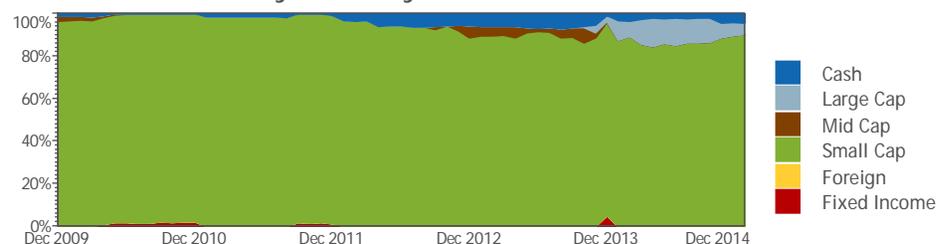
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 51.96% and occurred over a 21 month period of time starting June 2007. The fund recouped this loss over 24 months by February 2011.

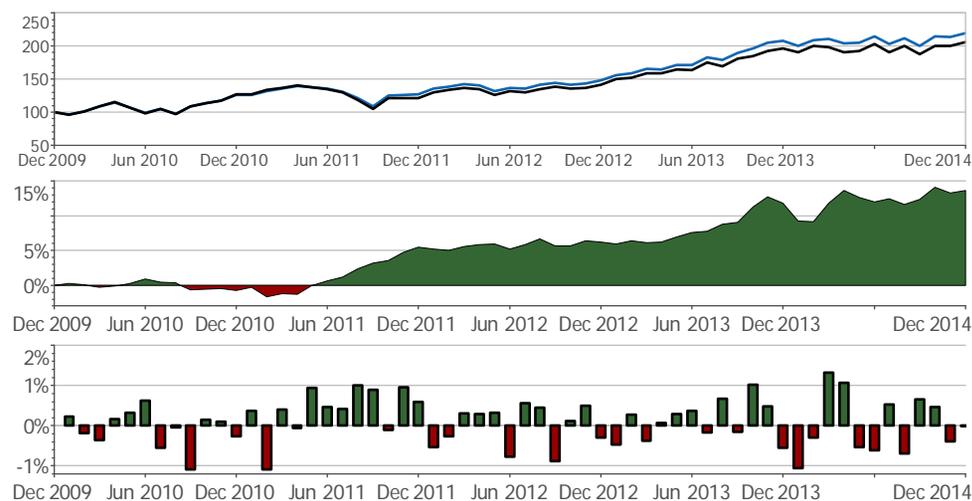
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

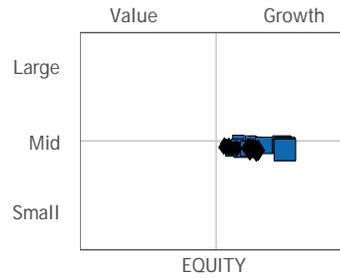


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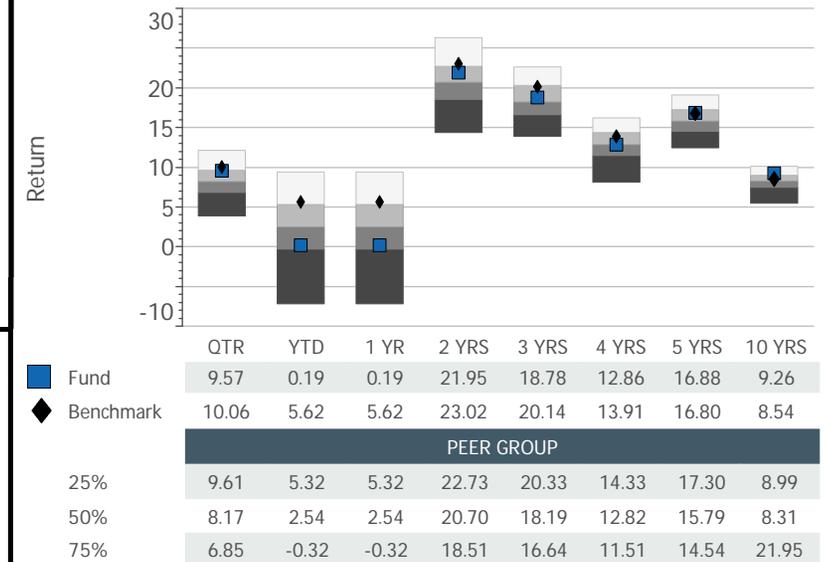
Facts

HPA Benchmark:	Russell 2000 Gro TR IX
Return Data Inception:	2/18/05
Net Strategy Assets (\$M):	\$1,162
Turnover Ratio:	58%
Total Holdings:	119
Percent of Assets in Top 10:	17.11%
Expense Ratio:	1.00%
5 Year Morningstar Rating:	4 stars
Manager:	Eytan Shapiro
Manager Started:	9/1/04
Mgmt Company:	JP Morgan Trust II
Phone Number:	800-480-4111

Style Matrix



Trailing Period Returns



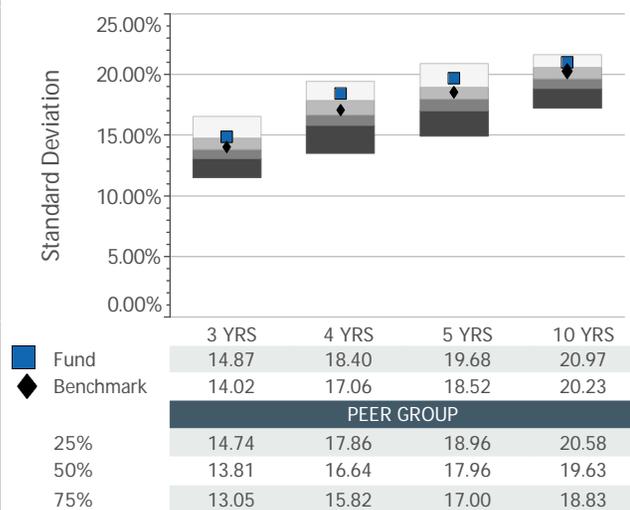
Strategy

The investment seeks long-term capital growth primarily by investing in a portfolio of equity securities of small-capitalization and emerging growth companies. Under normal circumstances, at least 80% of the fund's Assets will be invested in the securities of small capitalization companies. "Assets" means net assets, plus the amount of borrowings for investment purposes. Small cap companies are companies with market capitalizations equal to those within the universe of the Russell 2000® Growth Index stocks and/or with market capitalizations of less than \$4 billion at the time of purchase.

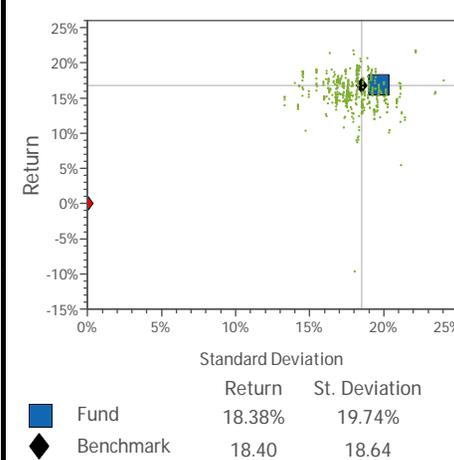
Legend

- JPMorgan Small Cap Growth Inst
- ◆ Russell 2000 Gro TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Small-Cap Growth
- ◆ Cash Equivalent

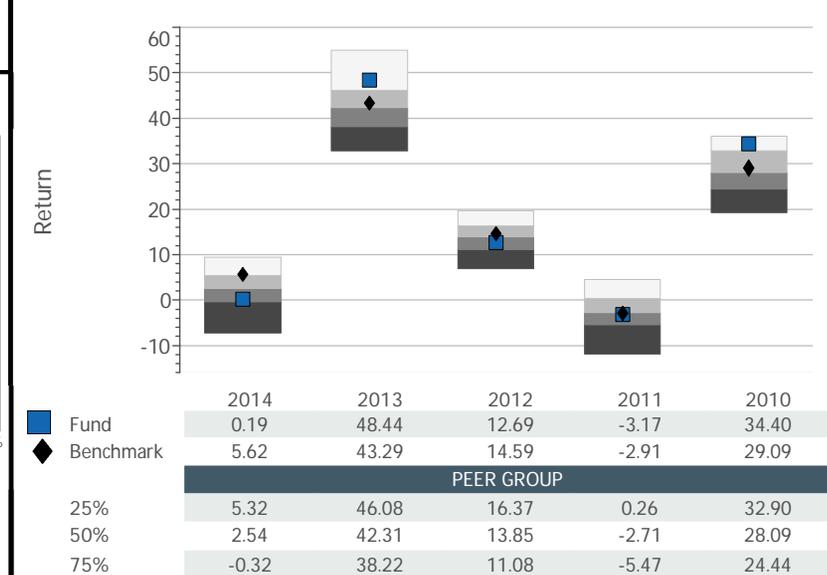
Standard Deviation



Risk vs. Return



Calendar Year Returns



JPMorgan Small Cap Growth Inst (JISGX)

Fund Information

Morningstar Category	Small Growth
Prospectus Objective	Small Company
Net Assets All Shares	\$1,162.49 million
NAV Price	\$14.51
Primary Index	S&P 500 TR USD

Portfolio Characteristics

Inception Date	February 18, 2005
Portfolio Date	November 30, 2014
Distribution Yield	0.00%
Number Of Holdings	119
Turnover Ratio	58%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	28.68%
Basic Materials	2.74
Consumer Cyclical	16.28
Financial Services	6.35
Real Estate	3.31
SENSITIVE SECTORS TOTAL	44.74
Communication Services	0.44
Energy	3.42
Industrials	12.13
Technology	28.75
DEFENSIVE SECTORS TOTAL	25.51
Consumer Defensive	0.94
Healthcare	24.57
Utilities	0.00

Asset Allocation (%)

Domestic Stock	96.18%
Foreign Stock	2.75
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	1.07
Other	0.00

Market Allocation (%)

Developed Country	98.93%
Emerging Market	0.00
Not Classified	0.00

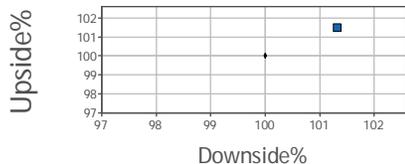
Regional Allocation (%)

Americas	97.35%
Greater Europe	1.59
Greater Asia	0.00

Capitalization

Market Capitalization	\$2,061.34
Giant Cap	0.00%
Large Cap	0.00
Medium Cap	24.48
Small Cap	51.18
Micro Cap	23.27

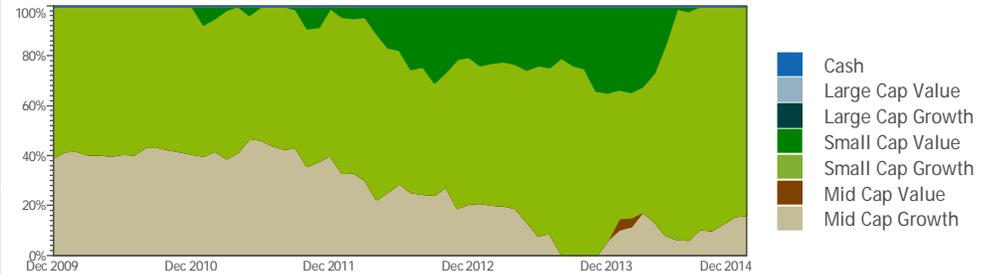
Upside Downside



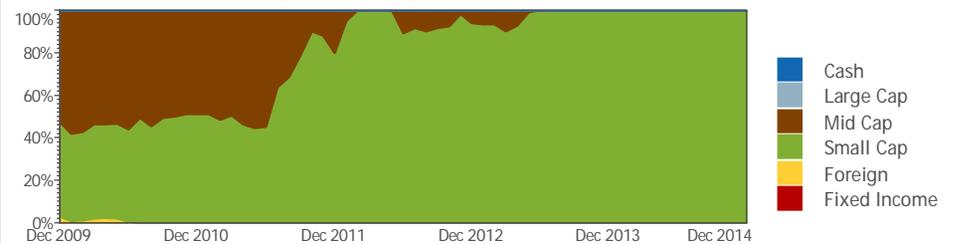
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 55.51% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 24 months by February 2011.

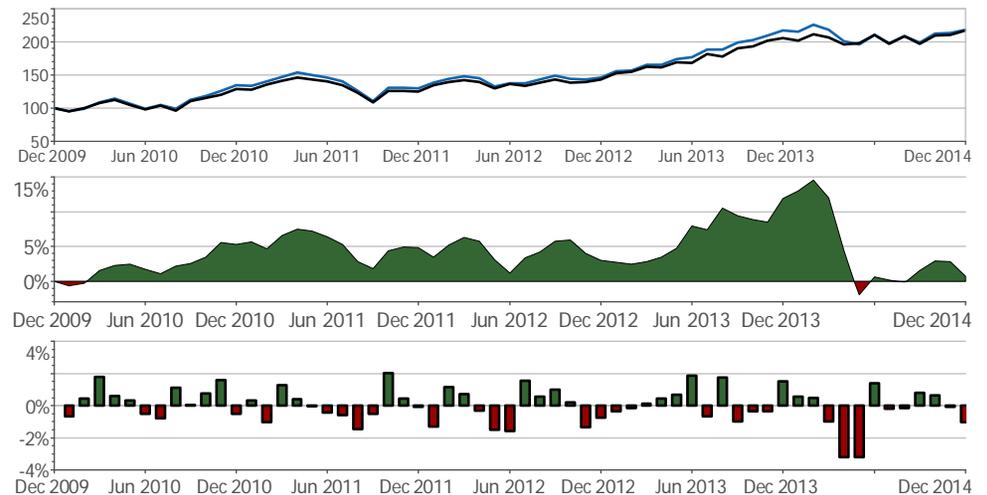
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

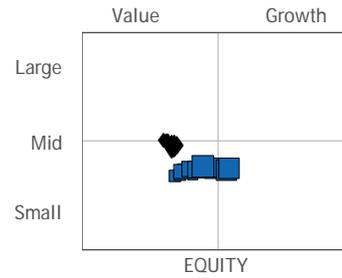


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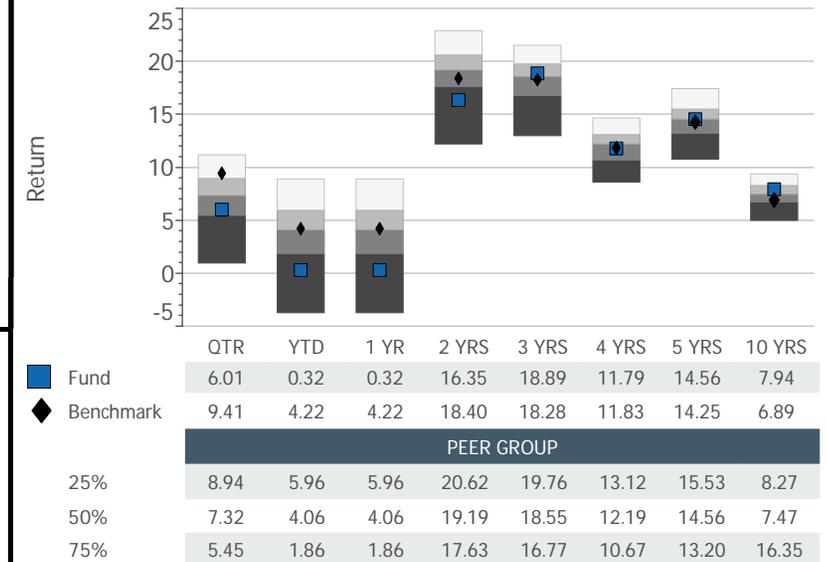
Facts

HPA Benchmark:	Russell 2000 Value TR IX
Return Data Inception:	12/31/07
Net Strategy Assets (\$M):	\$2,588
Turnover Ratio:	43%
Total Holdings:	97
Percent of Assets in Top 10:	12.86%
Expense Ratio:	1.10%
5 Year Morningstar Rating:	3 stars
Manager:	John Keeley Jr.
Manager Started:	10/1/93
Mgmt Company:	Keeley Funds, Inc.
Phone Number:	888-933-5391

Style Matrix



Trailing Period Returns



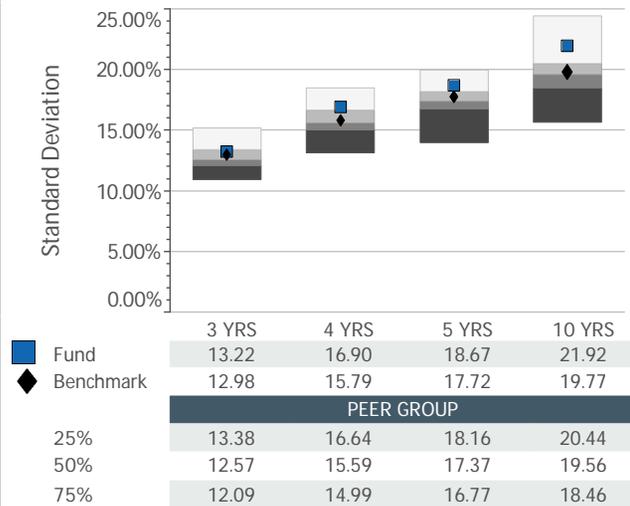
Strategy

The investment seeks capital appreciation. The fund intends to pursue its investment objective by investing in companies with a small market capitalization, which the Adviser currently defines as \$3.5 billion or less at the time of investment. It will invest no less than 80% of its net assets (plus the amount of any borrowings for investment purposes) in common stocks and other equity type securities (including preferred stock, convertible debt securities and warrants) of companies of small market capitalization. The Adviser focuses its attention on particular kinds of undervalued stocks and concentrates on identifying companies going through major changes.

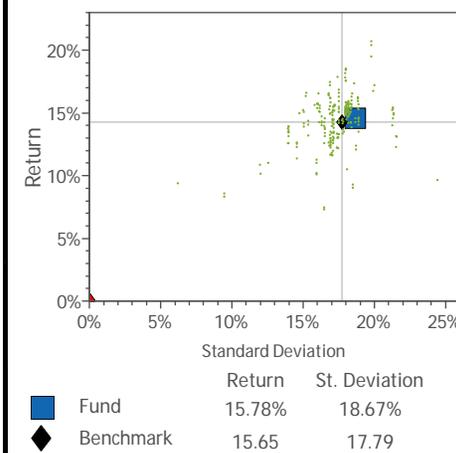
Legend

- Keeley Small Cap Value I
- ◆ Russell 2000 Value TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Small-Cap Value
- ◆ Cash Equivalent

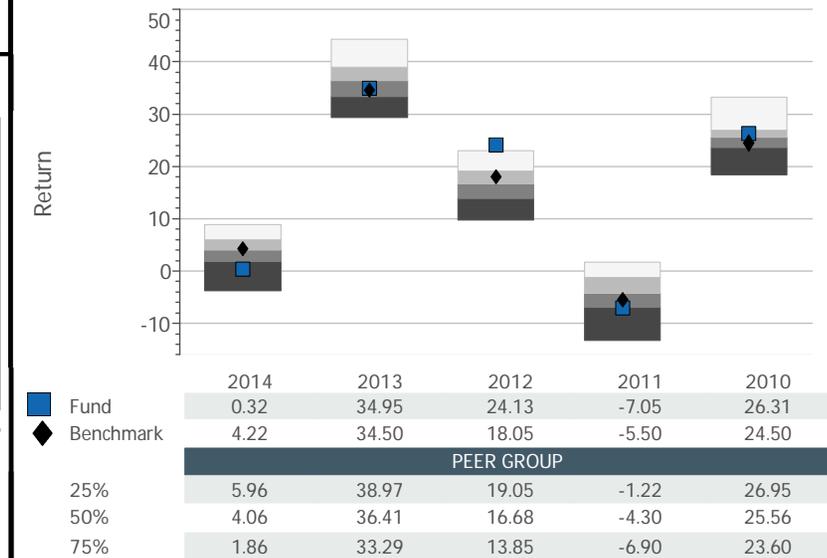
Standard Deviation



Risk vs. Return



Calendar Year Returns



Keeley Small Cap Value I (KSCIX)

Fund Information

Morningstar Category	Small Blend
Prospectus Objective	Small Company
Net Assets All Shares	\$2,587.62 million
NAV Price	\$38.64
Primary Index	S&P 500 TR USD

Portfolio Characteristics

Inception Date	December 31, 2007
Portfolio Date	October 31, 2014
Distribution Yield	0.23%
Number Of Holdings	97
Turnover Ratio	43%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	52.95%
Basic Materials	9.61
Consumer Cyclical	22.25
Financial Services	15.54
Real Estate	5.55
SENSITIVE SECTORS TOTAL	36.28
Communication Services	0.00
Energy	6.68
Industrials	22.08
Technology	7.52
DEFENSIVE SECTORS TOTAL	9.50
Consumer Defensive	2.94
Healthcare	3.56
Utilities	3.00

Asset Allocation (%)

Domestic Stock	95.20%
Foreign Stock	3.53
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	1.27
Other	0.00

Market Allocation (%)

Developed Country	98.73%
Emerging Market	0.00
Not Classified	0.00

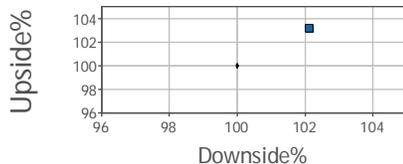
Regional Allocation (%)

Americas	98.73%
Greater Europe	0.00
Greater Asia	0.00

Capitalization

Market Capitalization	\$1,927.68
Giant Cap	0.00%
Large Cap	0.00
Medium Cap	15.41
Small Cap	62.10
Micro Cap	21.22

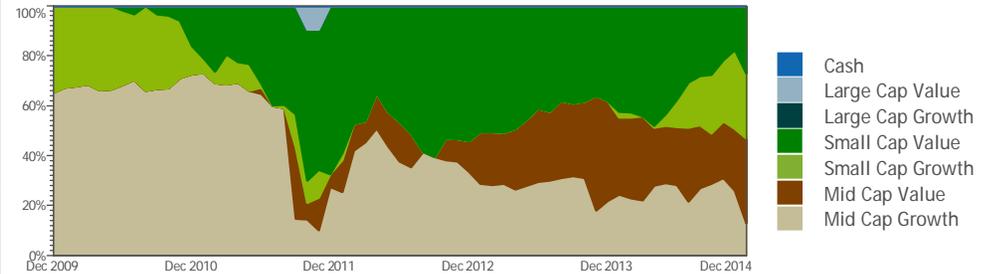
Upside Downside



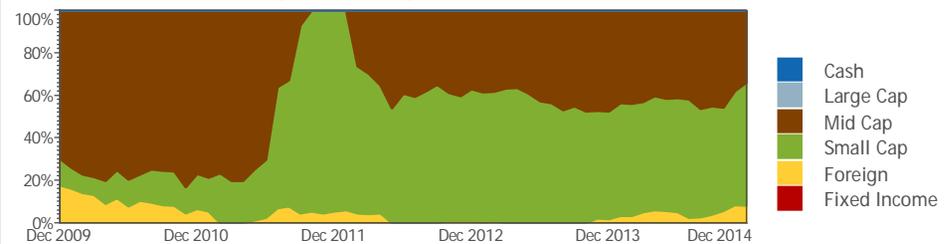
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 59.99% and occurred over a 9 month period of time starting June 2008. The fund recouped this loss over 47 months by January 2013.

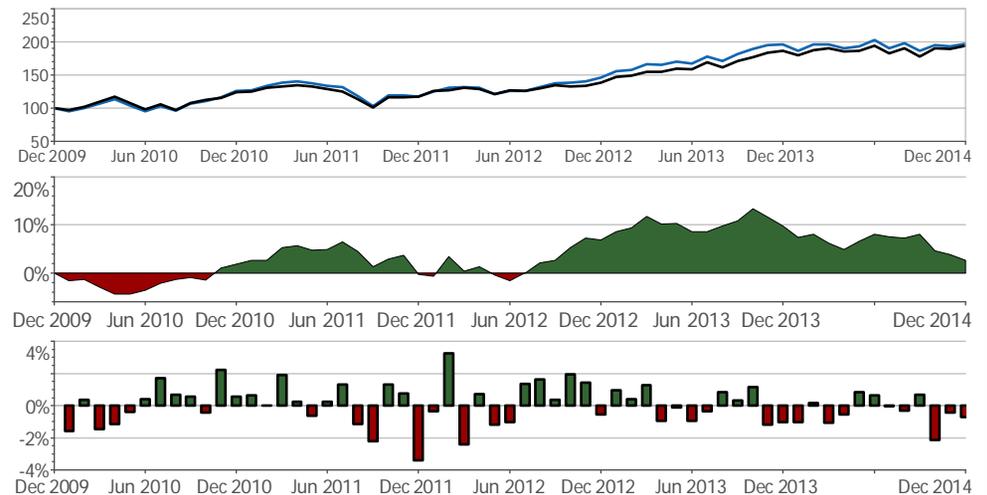
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

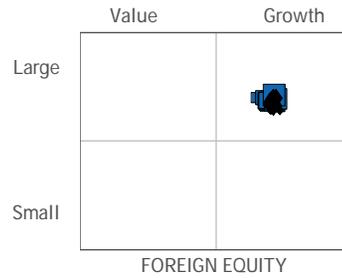


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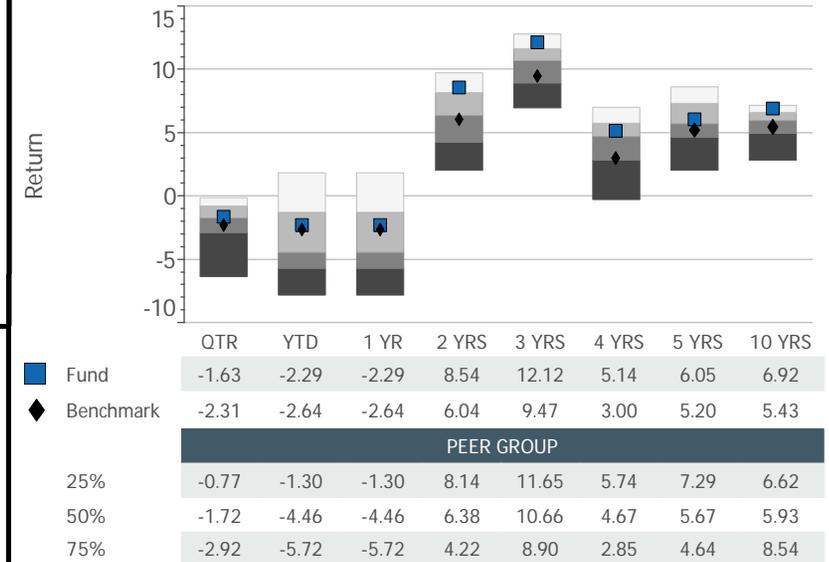
Facts

HPA Benchmark:	MSCI AC W X-US Gr ND IX
Return Data Inception:	5/1/09
Net Strategy Assets (\$M):	\$121,383
Turnover Ratio:	28%
Total Holdings:	430
Percent of Assets in Top 10 :	21.39%
Expense Ratio:	0.49%
5 Year Morningstar Rating:	3 stars
Manager:	Mark Denning
Manager Started:	12/31/91
Mgmt Company:	Europacific Growth Fund
Phone Number:	800-421-4225

Style Matrix



Trailing Period Returns



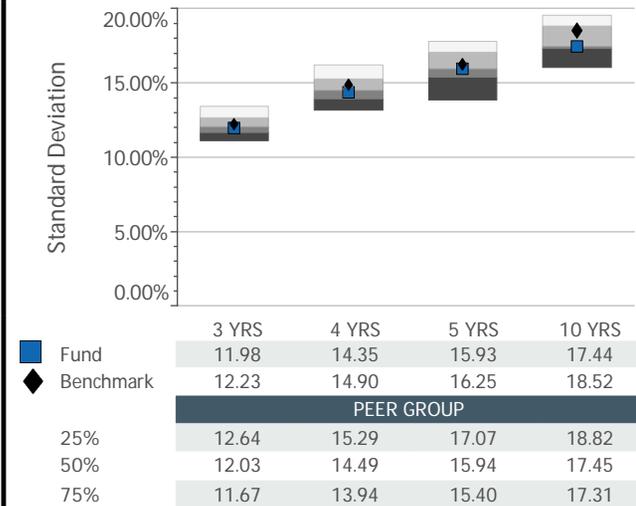
Strategy

The investment seeks long-term growth of capital. The fund invests primarily in common stocks of issuers in Europe and the Pacific Basin that the investment adviser believes have the potential for growth. Growth stocks are stocks that the investment adviser believes have the potential for above-average capital appreciation. It normally invests at least 80% of net assets in securities of issuers in Europe and the Pacific Basin. The fund may invest a portion of its assets in common stocks and other securities of companies in countries with developing economies and/or markets.

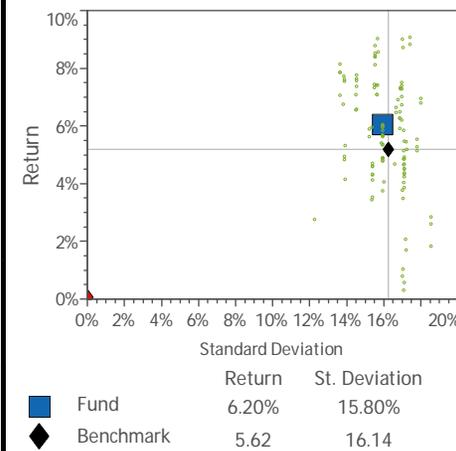
Legend

- American Funds Europacific Growth R6
- ◆ MSCI AC W X-US Gr ND IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Intl Large-Cap Growth
- ◆ Cash Equivalent

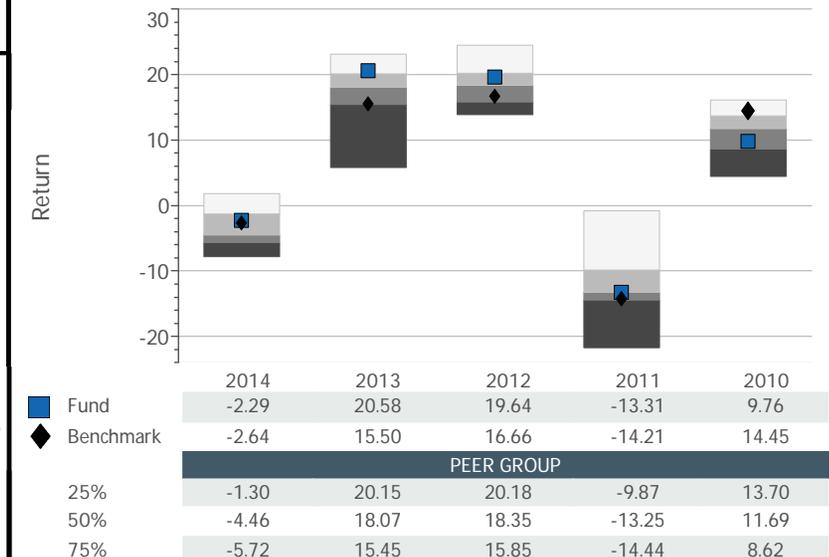
Standard Deviation



Risk vs. Return



Calendar Year Returns



American Funds Europacific Growth R6 (RERGX)

Fund Information

Morningstar Category	Foreign Large Growth
Prospectus Objective	Foreign Stock
Net Assets All Shares	\$121,383.08 million
NAV Price	\$47.09
Primary Index	MSCI ACWI Ex USA NR USD

Portfolio Characteristics

Inception Date	May 1, 2009
Portfolio Date	September 30, 2014
Distribution Yield	1.75%
Number Of Holdings	430
Turnover Ratio	28%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	32.84%
Basic Materials	3.12
Consumer Cyclical	9.31
Financial Services	18.57
Real Estate	1.84
SENSITIVE SECTORS TOTAL	25.54
Communication Services	3.50
Energy	1.83
Industrials	6.45
Technology	13.76
DEFENSIVE SECTORS TOTAL	21.81
Consumer Defensive	7.19
Healthcare	13.33
Utilities	1.29

Asset Allocation (%)

Domestic Stock	1.10%
Foreign Stock	80.28
Domestic Bond	0.20
Foreign Bond	0.09
Preferred Bond	0.04
Convertible Bond	0.00
Cash	10.07
Other	8.23

Market Allocation (%)

Developed Country	67.61%
Emerging Market	13.77
Not Classified	0.00

Regional Allocation (%)

Americas	4.10%
Greater Europe	44.63
Greater Asia	31.41

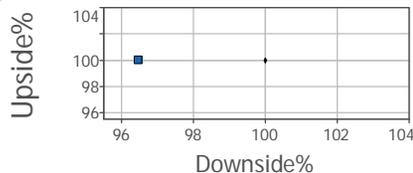
Capitalization

Market Capitalization	\$39,574.6
Giant Cap	51.65%
Large Cap	23.38
Medium Cap	3.31
Small Cap	0.00
Micro Cap	0.00

Top 10 Countries

Japan	11.08%
United Kingdom	10.14
Germany	6.63
India	5.59
Switzerland	5.56
Denmark	5.40
China	5.06
France	4.63
Hong Kong	4.41
South Korea	3.03
Top 10 Country Weighting	61.53%

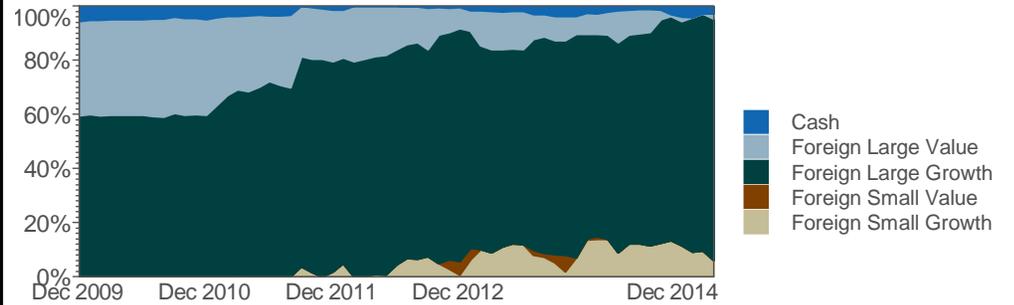
Upside Downside



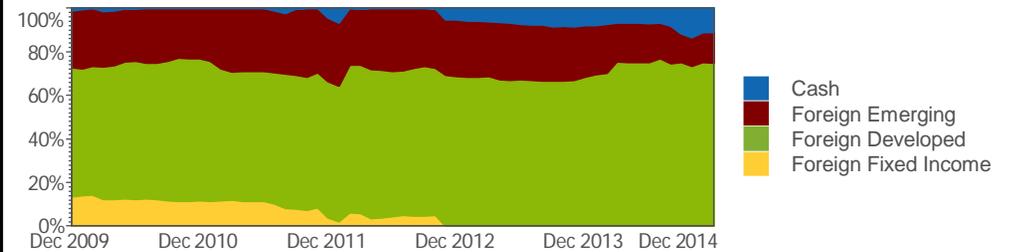
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 51.3% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 55 months by September 2013.

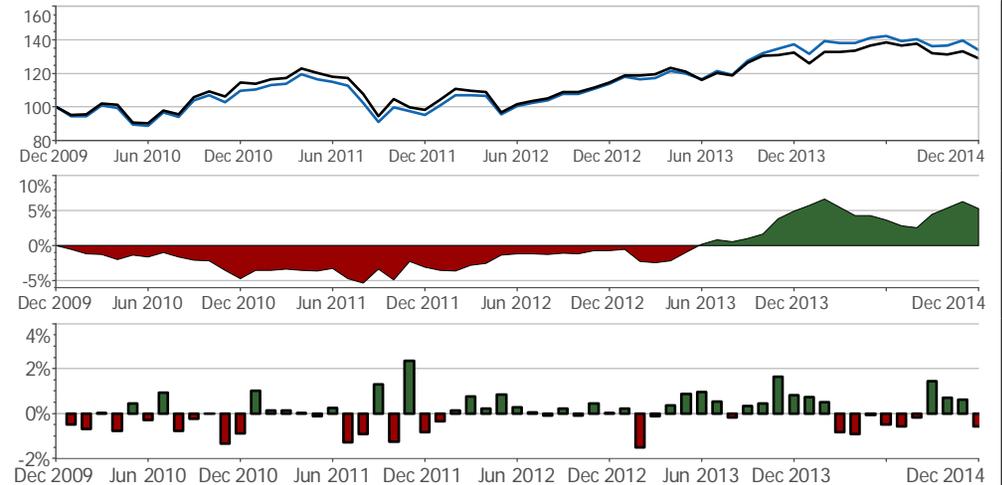
Returns-Based Style Analysis: Foreign Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

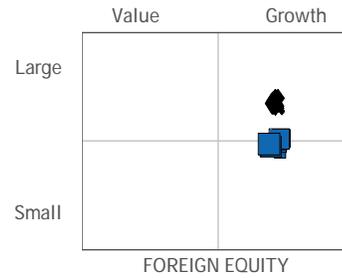


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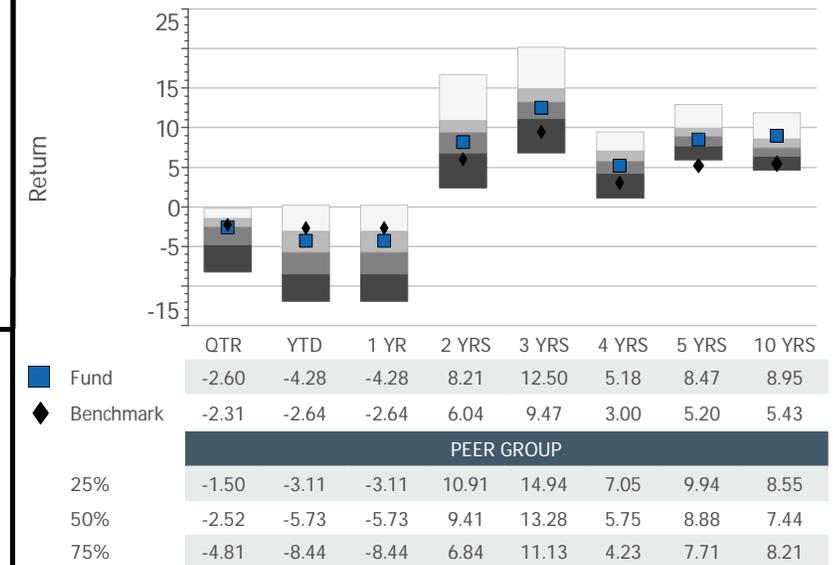
Facts

HPA Benchmark:	MSCI AC W X-US Gr ND IX
Return Data Inception:	9/23/92
Net Strategy Assets (\$M):	\$7,738
Turnover Ratio:	45%
Total Holdings:	243
Percent of Assets in Top 10:	11.77%
Expense Ratio:	0.93%
5 Year Morningstar Rating:	3 stars
Manager:	P. Egan
Manager Started:	5/1/03
Mgmt Company:	Columbia Acorn Trust
Phone Number:	800-345-6611

Style Matrix



Trailing Period Returns



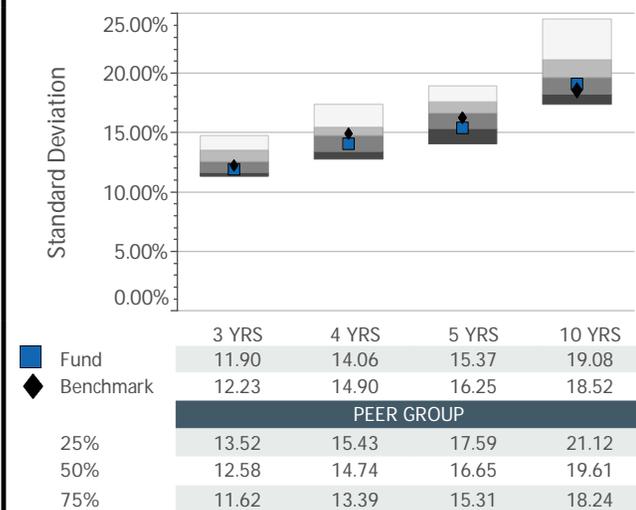
Strategy

The investment seeks long-term capital appreciation. Under normal circumstances, the fund invests at least 75% of its net assets in foreign companies in developed markets (for example, Japan, Canada and the United Kingdom) and in emerging markets (for example, China, India and Brazil). It normally invests a majority of its net assets in the common stock of small- and mid-sized companies with market capitalizations under \$5 billion at the time of initial investment.

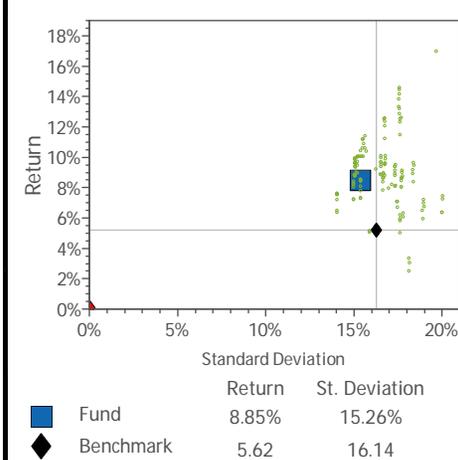
Legend

- Columbia Acorn International Z
- ◆ MSCI AC W X-US Gr ND IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Intl Sm/Mid-Cap Growth
- ◆ Cash Equivalent

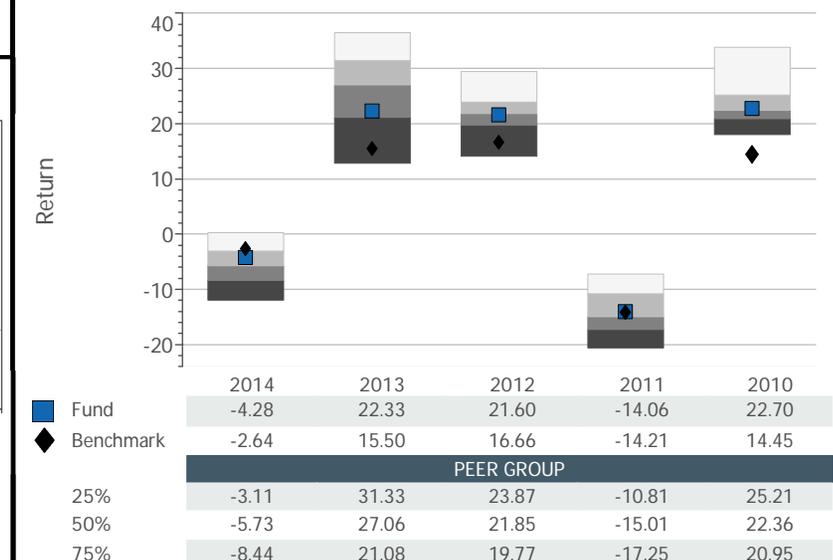
Standard Deviation



Risk vs. Return



Calendar Year Returns



Columbia Acorn International Z (ACINX)

Fund Information

Morningstar Category	Foreign Small/Mid Growth
Prospectus Objective	Foreign Stock
Net Assets All Shares	\$7,737.87 million
NAV Price	\$41.73
Primary Index	MSCI ACWI Ex USA NR USD

Portfolio Characteristics

Inception Date	September 23, 1992
Portfolio Date	November 30, 2014
Distribution Yield	1.55%
Number Of Holdings	243
Turnover Ratio	45%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	45.59%
Basic Materials	8.31
Consumer Cyclical	20.54
Financial Services	11.12
Real Estate	5.62
SENSITIVE SECTORS TOTAL	37.96%
Communication Services	1.21
Energy	3.09
Industrials	22.04
Technology	11.62
DEFENSIVE SECTORS TOTAL	15.33%
Consumer Defensive	8.00
Healthcare	6.93
Utilities	0.40

Asset Allocation (%)

Domestic Stock	2.49%
Foreign Stock	96.40
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	0.00
Other	1.12

Market Allocation (%)

Developed Country	77.21%
Emerging Market	21.68
Not Classified	0.00

Top 10 Countries

Japan	19.77%
United Kingdom	9.71
South Africa	5.26
Australia	4.96
Canada	4.62
China	4.22
Taiwan	4.14
Germany	3.20
South Korea	3.18
Singapore	3.16
Top 10 Country Weighting	62.22%

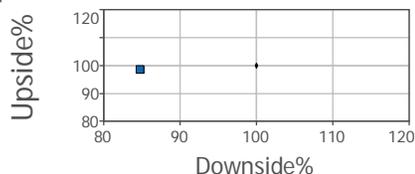
Regional Allocation (%)

Americas	10.40%
Greater Europe	37.18
Greater Asia	51.32

Capitalization

Market Capitalization	\$3,059.17
Giant Cap	2.36%
Large Cap	21.51
Medium Cap	56.02
Small Cap	16.80
Micro Cap	0.58

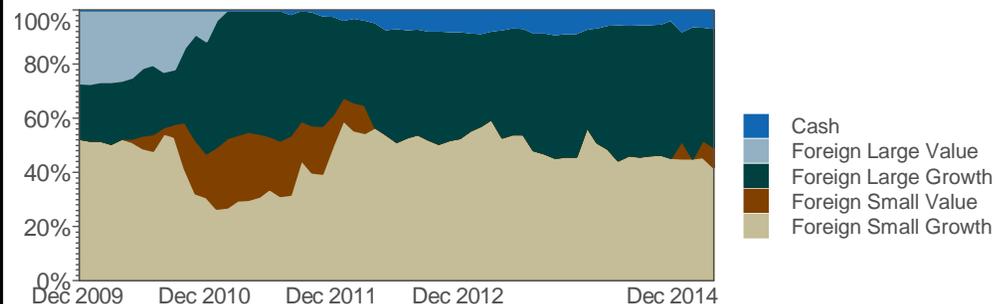
Upside Downside



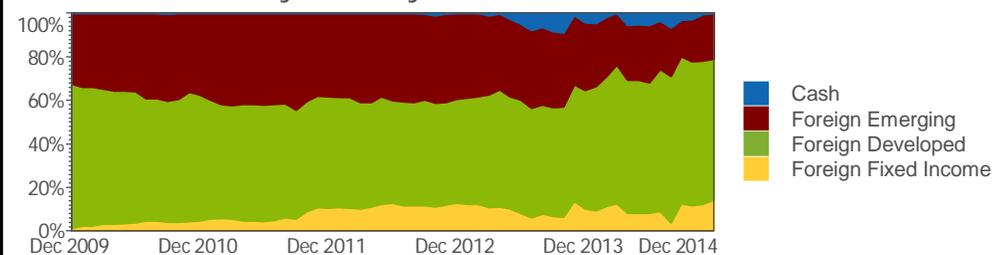
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 57.99% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 49 months by March 2013.

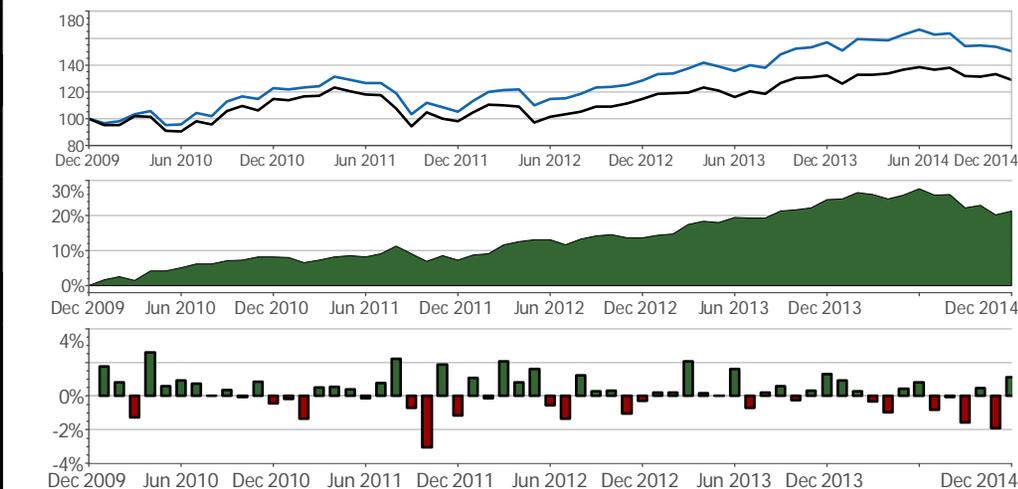
Returns-Based Style Analysis: Foreign Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

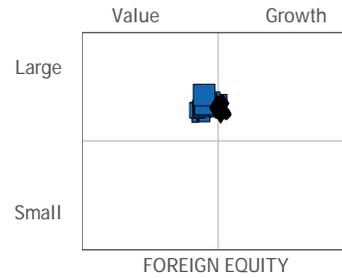


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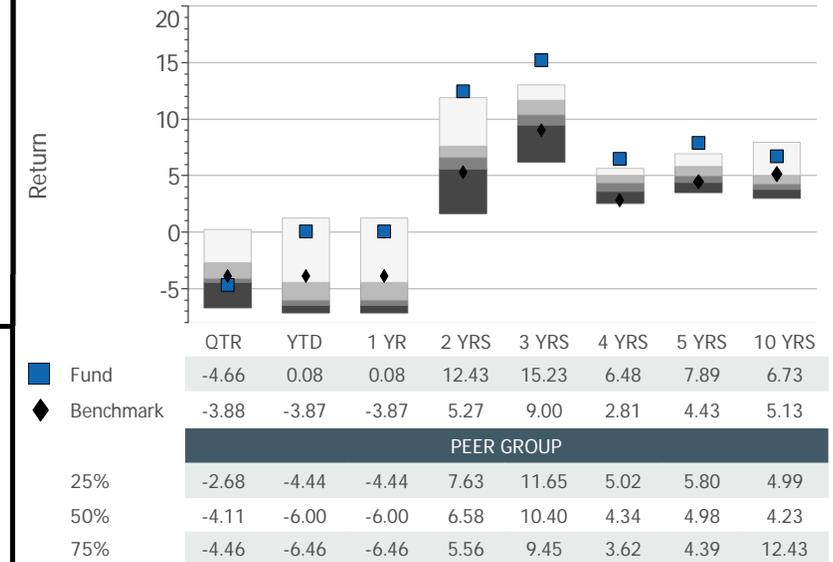
Facts

HPA Benchmark:	MSCI AC Wrld Ex US ND IX
Return Data Inception:	5/1/01
Net Strategy Assets (\$M):	\$64,040
Turnover Ratio:	13%
Total Holdings:	96
Percent of Assets in Top 10 :	25.93%
Expense Ratio:	0.64%
5 Year Morningstar Rating:	5 stars
Manager:	Diana Strandberg
Manager Started:	5/1/01
Mgmt Company:	Dodge & Cox Funds
Phone Number:	800-621-3979

Style Matrix



Trailing Period Returns



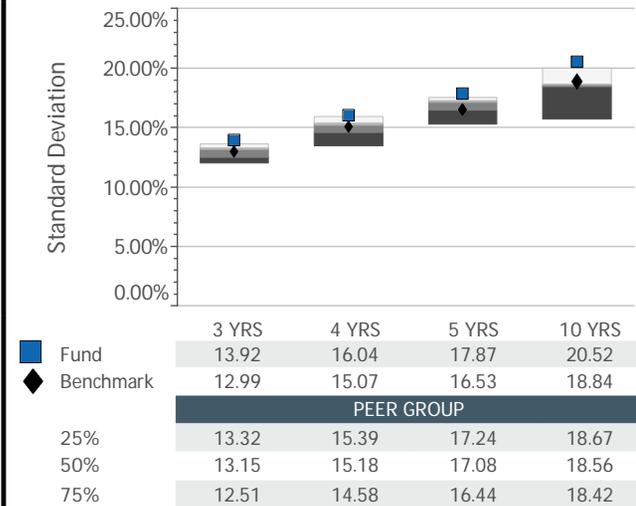
Strategy

The investment seeks long-term growth of principal and income. The fund invests primarily in a diversified portfolio of equity securities issued by non-U.S. companies from at least three different countries, including emerging market countries. It will invest at least 80% of its total assets in common stocks, preferred stocks, securities convertible into common stocks, and securities that carry the right to buy common stocks of non-U.S. companies. The fund invests primarily in medium-to-large well established companies based on standards of the applicable market. It may also invest directly or indirectly in restricted securities of U.S. and non-U.S. companies.

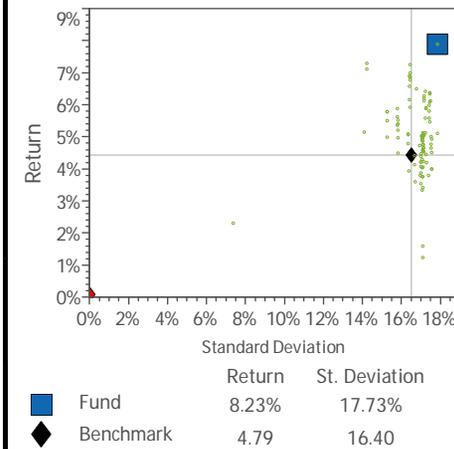
Legend

- Dodge & Cox International Stock
- ◆ MSCI AC Wrld Ex US ND IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Intl Large-Cap Core
- ◆ Cash Equivalent

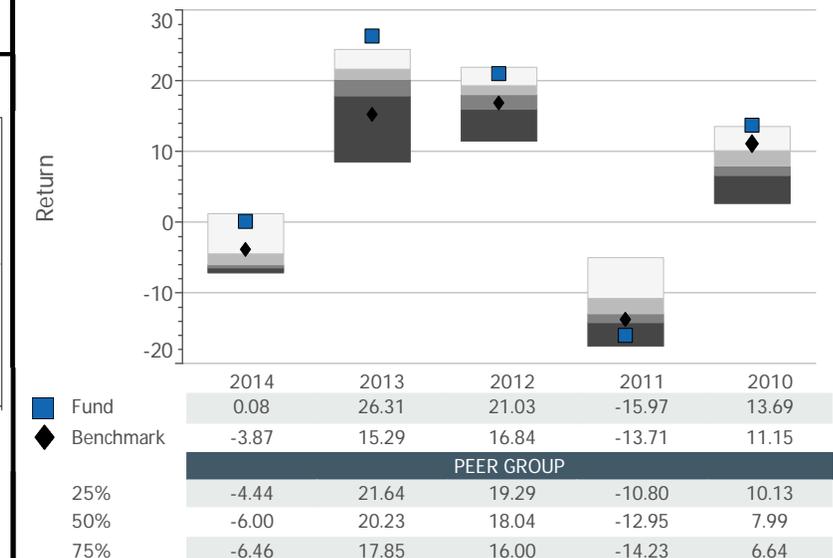
Standard Deviation



Risk vs. Return



Calendar Year Returns



Dodge & Cox International Stock (DODFX)

Fund Information

Morningstar Category	Foreign Large Blend
Prospectus Objective	Foreign Stock
Net Assets All Shares	\$64,039.76 million
NAV Price	\$42.11
Primary Index	MSCI ACWI Ex USA NR USD

Portfolio Characteristics

Inception Date	May 1, 2001
Portfolio Date	September 30, 2014
Distribution Yield	2.30%
Number Of Holdings	96
Turnover Ratio	13%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	32.31%
Basic Materials	2.03
Consumer Cyclical	5.97
Financial Services	22.60
Real Estate	1.71
SENSITIVE SECTORS TOTAL	42.63
Communication Services	7.28
Energy	6.79
Industrials	4.94
Technology	23.62
DEFENSIVE SECTORS TOTAL	17.67
Consumer Defensive	3.27
Healthcare	14.40
Utilities	0.00

Asset Allocation (%)

Domestic Stock	7.89%
Foreign Stock	86.89
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	1.32
Other	3.89

Market Allocation (%)

Developed Country	73.65%
Emerging Market	18.95
Not Classified	0.00

Top 10 Countries

United Kingdom	13.66%
Japan	12.15
Switzerland	10.61
United States	7.71
France	6.99
Germany	6.53
South Africa	5.41
Brazil	4.48
Netherlands	3.84
Italy	3.00
Top 10 Country Weighting	74.38%

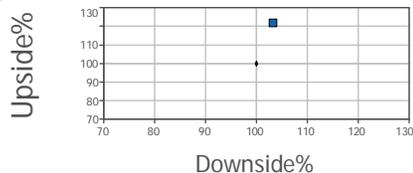
Regional Allocation (%)

Americas	14.43%
Greater Europe	55.47
Greater Asia	21.01

Capitalization

Market Capitalization	\$45,401.85
Giant Cap	59.23%
Large Cap	29.20
Medium Cap	4.10
Small Cap	0.08
Micro Cap	0.00

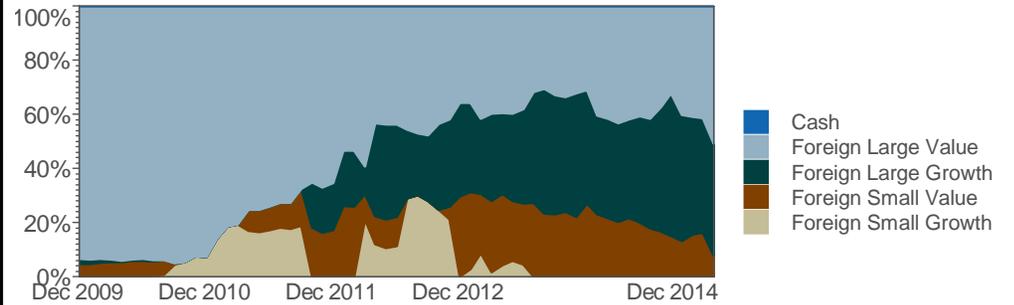
Upside Downside



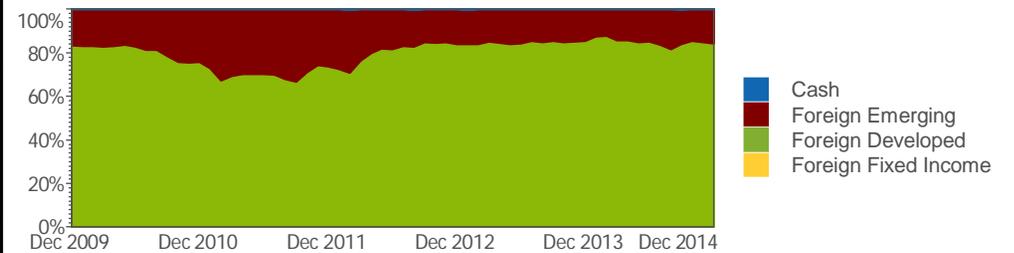
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 59.93% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 55 months by September 2013.

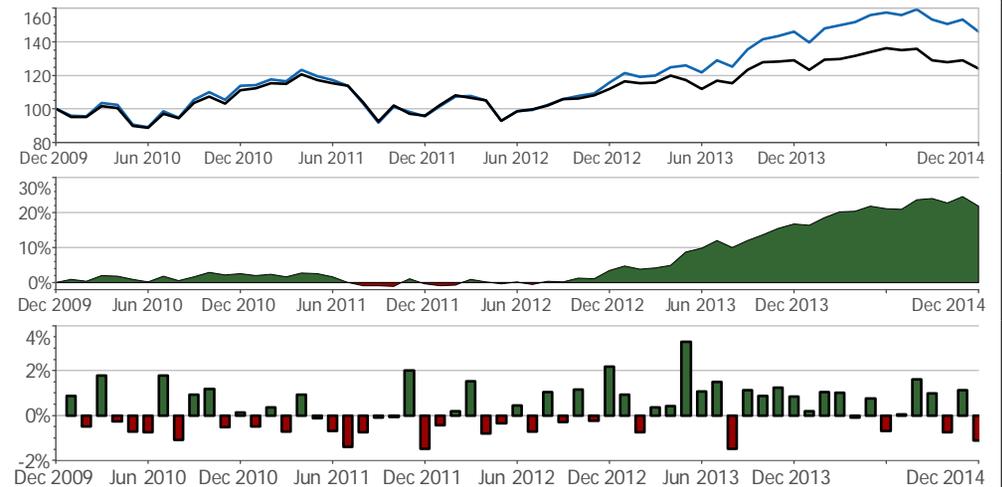
Returns-Based Style Analysis: Foreign Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

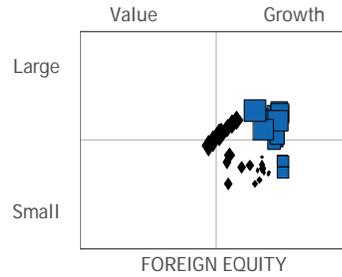


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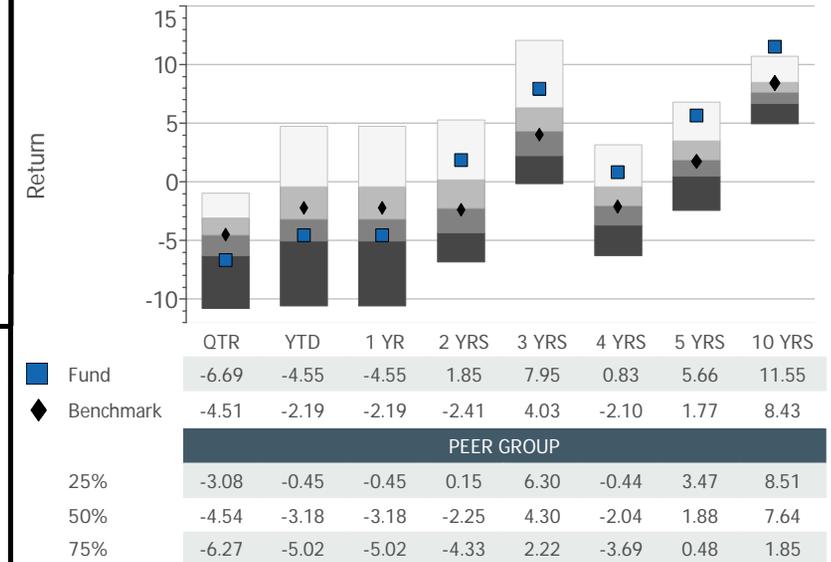
Facts

HPA Benchmark:	MSCI Emerging Mkt ND IX
Return Data Inception:	9/7/05
Net Strategy Assets (\$M):	\$39,070
Turnover Ratio:	26%
Total Holdings:	121
Percent of Assets in Top 10 :	24.52%
Expense Ratio:	1.03%
5 Year Morningstar Rating:	5 stars
Manager:	Justin Leverenz
Manager Started:	5/1/07
Mgmt Company:	Oppenheimer Developing Markets Fund
Phone Number:	800-225-5677

Style Matrix



Trailing Period Returns



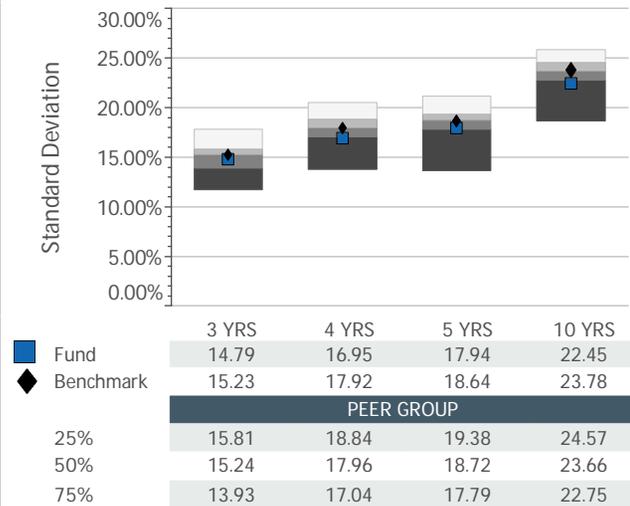
Strategy

The investment seeks capital appreciation. The fund mainly invests in common stocks of issuers in developing and emerging markets throughout the world and at times it may invest up to 100% of its total assets in foreign securities. Under normal market conditions, it will invest at least 80% of its net assets, plus borrowings for investment purposes, in equity securities of issuers whose principal activities are in a developing market, i.e. are in a developing market or are economically tied to a developing market country. The fund will invest in at least three developing markets.

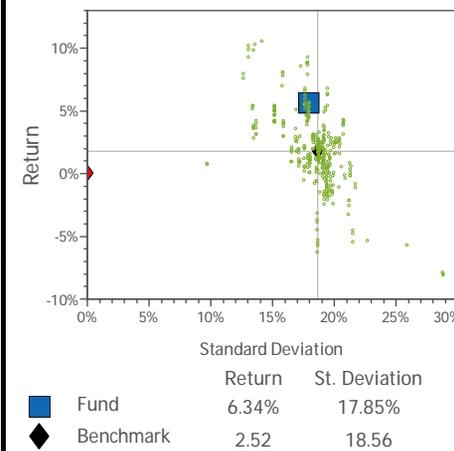
Legend

- Oppenheimer Developing Markets Y
- ◆ MSCI Emerging Mkt ND IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Emerging Markets
- ◆ Cash Equivalent

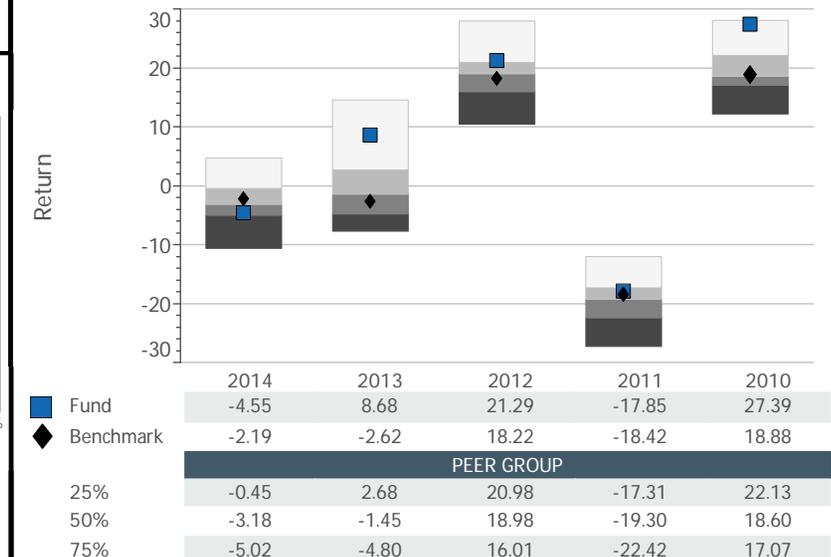
Standard Deviation



Risk vs. Return



Calendar Year Returns



Oppenheimer Developing Markets Y (ODVYX)

Fund Information

Morningstar Category	Diversified Emerging Mkts
Prospectus Objective	Diversified Emerging Markets
Net Assets All Shares	\$39,070 million
NAV Price	\$35.06
Primary Index	MSCI ACWI Ex USA NR USD

Portfolio Characteristics

Inception Date	September 7, 2005
Portfolio Date	November 30, 2014
Distribution Yield	0.63%
Number Of Holdings	121
Turnover Ratio	26%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	42.78%
Basic Materials	5.30
Consumer Cyclical	16.03
Financial Services	18.46
Real Estate	2.99
SENSITIVE SECTORS TOTAL	29.20
Communication Services	3.56
Energy	6.03
Industrials	3.62
Technology	15.99
DEFENSIVE SECTORS TOTAL	20.29
Consumer Defensive	16.34
Healthcare	3.95
Utilities	0.00

Asset Allocation (%)

Domestic Stock	0.00%
Foreign Stock	92.27
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	1.98
Convertible Bond	0.00
Cash	5.75
Other	0.00

Market Allocation (%)

Developed Country	22.19%
Emerging Market	70.09
Not Classified	0.00

Top 10 Countries

China	15.15%
India	14.83
Brazil	10.40
Russia	7.14
Mexico	6.59
United Kingdom	6.05
Hong Kong	4.60
Turkey	3.05
France	2.80
Indonesia	2.61
Top 10 Country Weighting	73.22%

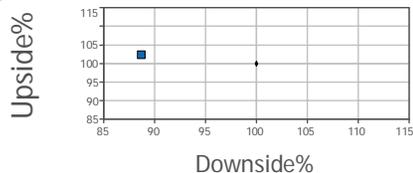
Regional Allocation (%)

Americas	20.08%
Greater Europe	17.81
Greater Asia	44.20

Capitalization

Market Capitalization	\$21,530.05
Giant Cap	45.36%
Large Cap	35.16
Medium Cap	10.17
Small Cap	0.26
Micro Cap	0.00

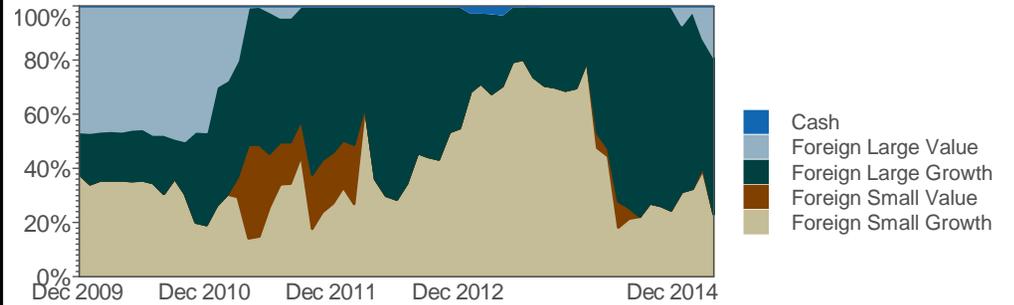
Upside Downside



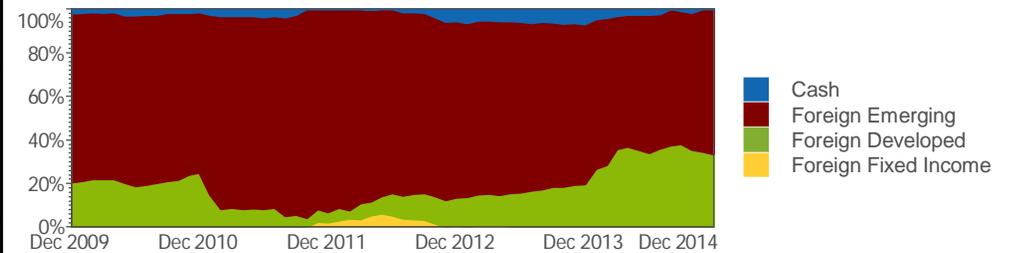
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 57.19% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 19 months by September 2010.

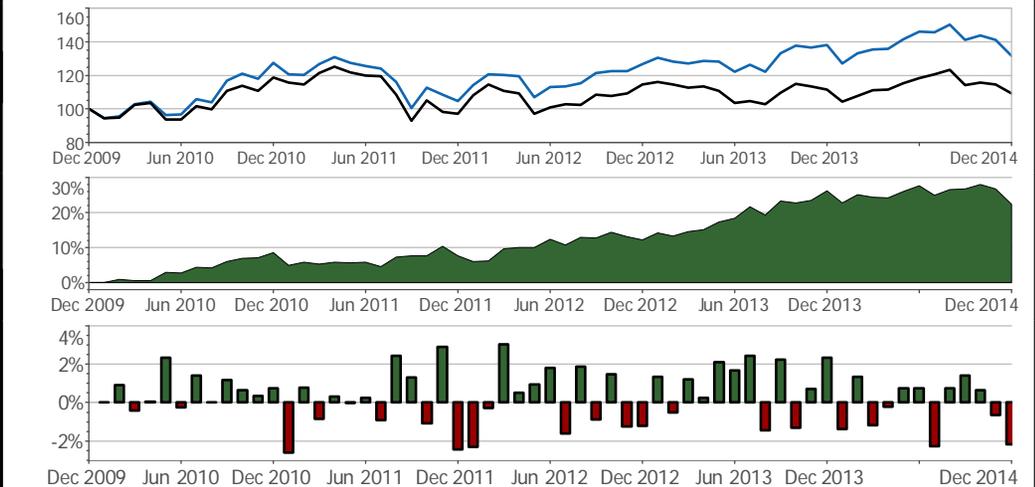
Returns-Based Style Analysis: Foreign Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return



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Facts

HPA Benchmark:	Barclays US Gvt/Cr TRIX
Return Data Inception:	3/31/00
Net Strategy Assets (\$M):	\$823
Turnover Ratio:	187%
Total Holdings:	363
Percent of Assets in Top 10:	35.86%
Expense Ratio:	0.50%
5 Year Morningstar Rating:	3 stars
Manager:	Matthew Duch
Manager Started:	1/31/11
Mgmt Company:	Calvert Social Investment Fund
Phone Number:	800-368-2745

Style Matrix



Trailing Period Returns



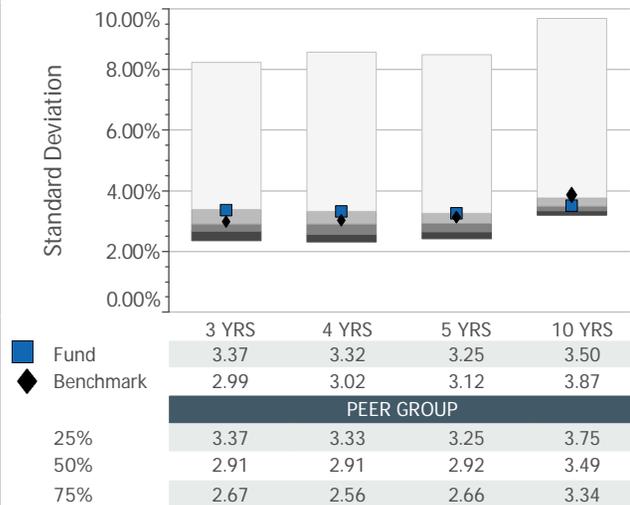
Strategy

The investment seeks as high a level of current income as is consistent with prudent investment risk and preservation of capital. Under normal circumstances, the fund invests at least 80% of its net assets (including borrowings for investment purposes) in bonds. Bonds include debt securities of any maturity. At least 80% of the fund's net assets will be invested in investment grade debt securities. The fund may also invest up to 25% of its net assets in foreign debt securities. It is non-diversified.

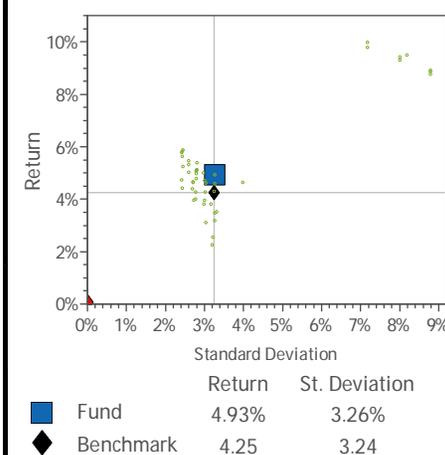
Legend

- Calvert Bond I
- ◆ Barclays US Gvt/Cr TRIX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Corp Debt A Rated
- ◆ Cash Equivalent

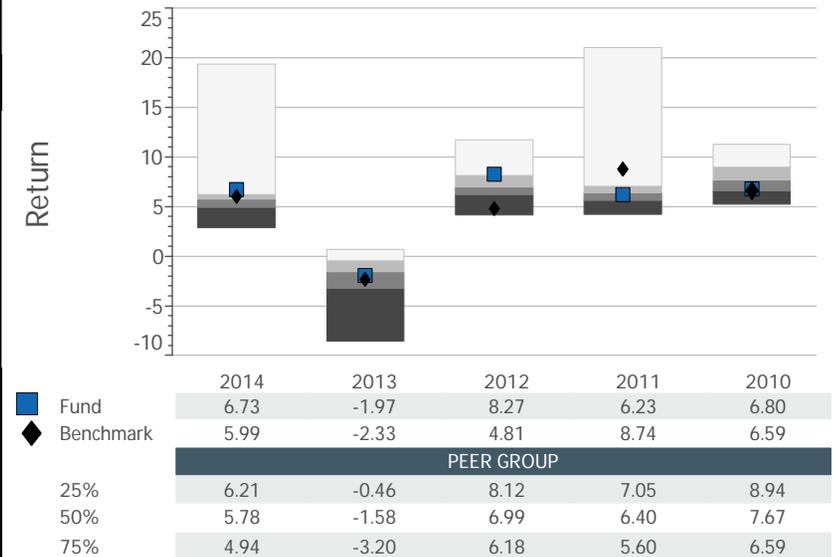
Standard Deviation



Risk vs. Return



Calendar Year Returns



Calvert Bond I (CBDIX)

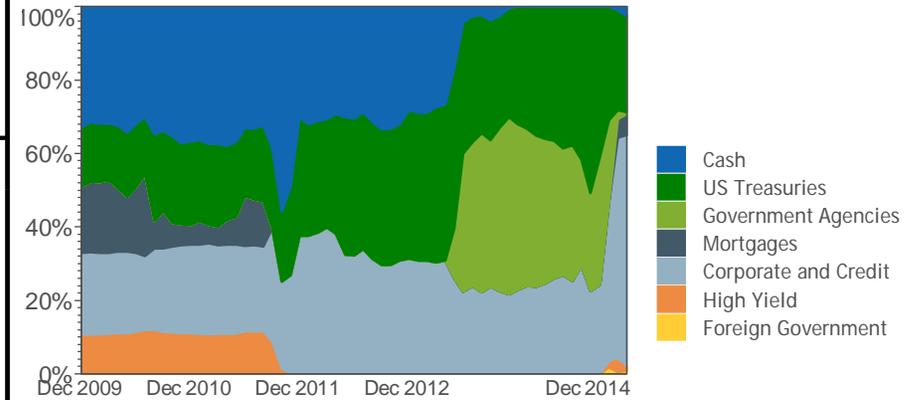
Fund Information

Morningstar Category	Intermediate-Term Bond
Prospectus Objective	Corporate Bond - High Quality
Net Assets All Shares	\$822.52 million
NAV Price	\$16.09
Primary Index	Barclays US Agg Bond TR USD

Portfolio Characteristics

Inception Date	March 31, 2000
Portfolio Date	September 30, 2014
Distribution Yield	2.95%
Number Of Holdings	363
Turnover Ratio	187%

Returns-Based Style Analysis: Fixed Income Style



Bond Sector Allocation (%)

Government	6.90%
Government Related	-11.52
Municipal Taxable	2.85
Municipal Tax-Exempt	0.00
Bank Loan	0.00
Convertible	0.53
Corporate Bond	62.27
Preferred Stock	0.00
Agency Mortgage-Backed	0.51
Non-Agency Residential Mortgage-Backed	5.00
Commercial Mortgage-Backed	3.04
Covered Bond	0.00
Asset-Backed	12.74
Cash & Equivalents	16.63
Swap	0.00
Future/Forward	0.00
Option/Warrant	0.00

Asset Allocation (%)

Domestic Stock	0.00%
Foreign Stock	0.00
Domestic Bond	72.62
Foreign Bond	9.70
Preferred Bond	0.00
Convertible Bond	0.00
Cash	16.63
Other	1.05

Portfolio Statistics

Effective Duration	5.84
Average Coupon	3.98%
Effective Maturity	8.33

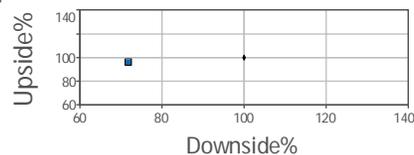
Top 10 Countries (%)

United States	86.27%
Canada	3.08
Mexico	1.03
Supranational	0.80
Bermuda	0.67
Spain	0.60
United Kingdom	0.53
Ireland	0.47
France	0.42
Barbados	0.40
Top 10 Country Weighting	94.27%

Credit Quality (%)

AAA	10.91%
AA	4.78
A	35.70
BBB	35.35
BB	5.56
B	1.84
Below B	1.42
Not Rated	4.42

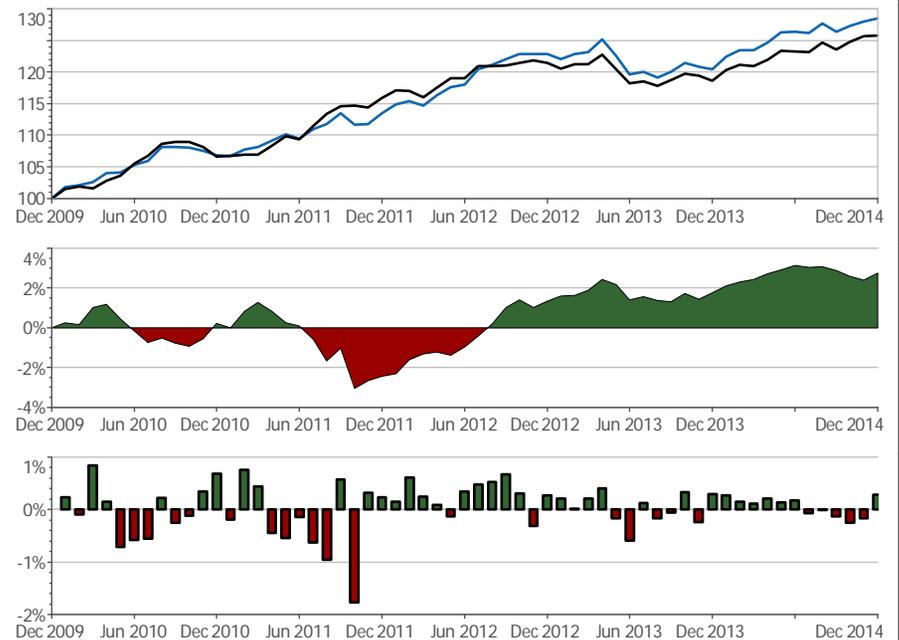
Upside Downside



Peak to Trough

The worst peak-to-trough performance of the fund has been minus 7% and occurred over a 8 month period of time starting March 2008. The fund recouped this loss over 9 months by July 2009.

Performance, Cumulative Excess Return, Excess Return



This document shows the historical returns and volatility of the return of this Investment Alternative, assuming that an investor may have invested in the Alternative on the first day of any calendar month since its inception date. Returns are presented here primarily as an indication of the potential volatility of this investment and not an indication of future, positive returns. Historical performance clearly indicates there is the potential for loss, particularly over shorter periods of time. Calculations assume that all dividends and interest have been reinvested. Whereas returns have been reduced by actual mutual fund management fees and expenses, no deduction has been made for such expenses as advisory fees, custodial charges, and if applicable, third party administrator fees and other retirement plan expenses. Your investment returns will be reduced by those charges if assessed against your account. Your returns can vary from these given the timing of your purchases in this Investment alternative (c) 2011 Heintzberger | Payne Advisors, Inc.

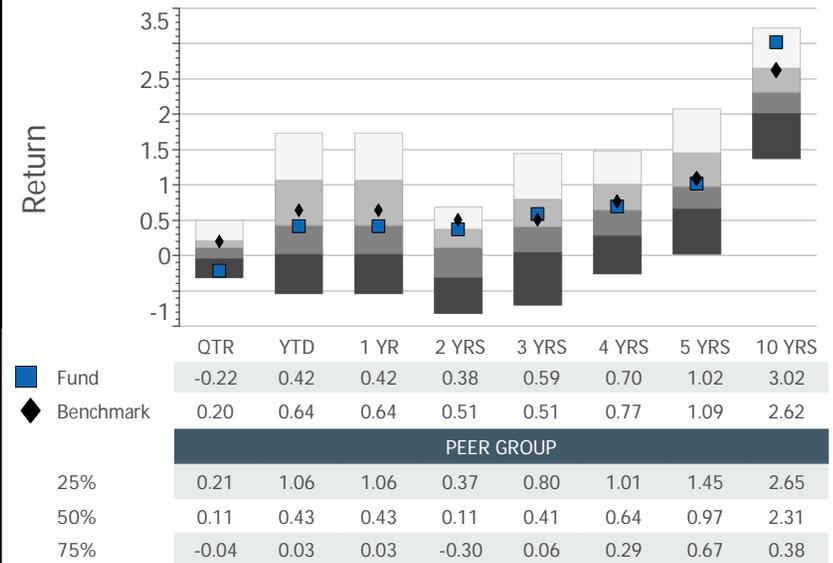
Facts

HPA Benchmark:	Barclays 1-3Y US Gv TRIX
Return Data Inception:	8/15/88
Net Strategy Assets (\$M):	\$1,414
Turnover Ratio:	211%
Total Holdings:	724
Percent of Assets in Top 10:	104.47%
Expense Ratio:	0.48%
5 Year Morningstar Rating:	3 stars
Manager:	James McCarthy
Manager Started:	12/31/95
Mgmt Company:	Goldman Sachs Trust
Phone Number:	800-621-2550

Style Matrix



Trailing Period Returns



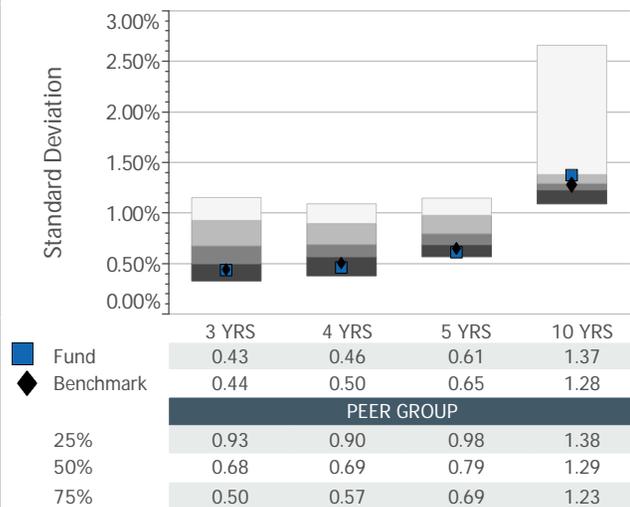
Strategy

The investment seeks a high level of current income and secondarily, in seeking current income, may also consider the potential for capital appreciation. The fund normally invests at least 80% of its net assets plus any borrowings for investment purposes in securities issued or guaranteed by the U.S. government, its agencies, instrumentalities or sponsored enterprises and in repurchase agreements collateralized by such securities. Its target duration range under normal interest rate conditions is expected to approximate that of the Bank of America Merrill Lynch Two-Year U.S. Treasury Note Index, plus or minus 1 year.

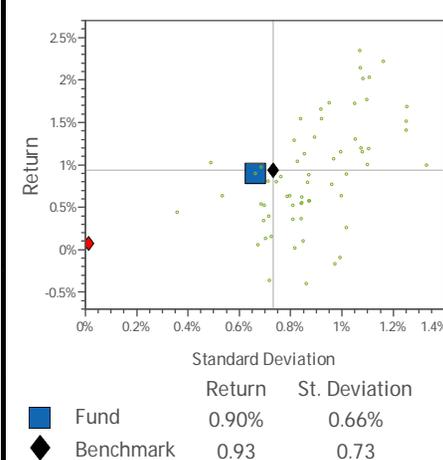
Legend

- Goldman Sachs Short Dur Govt Instl
- ◆ Barclays 1-3Y US Gv TRIX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Short US Govt
- ◆ Cash Equivalent

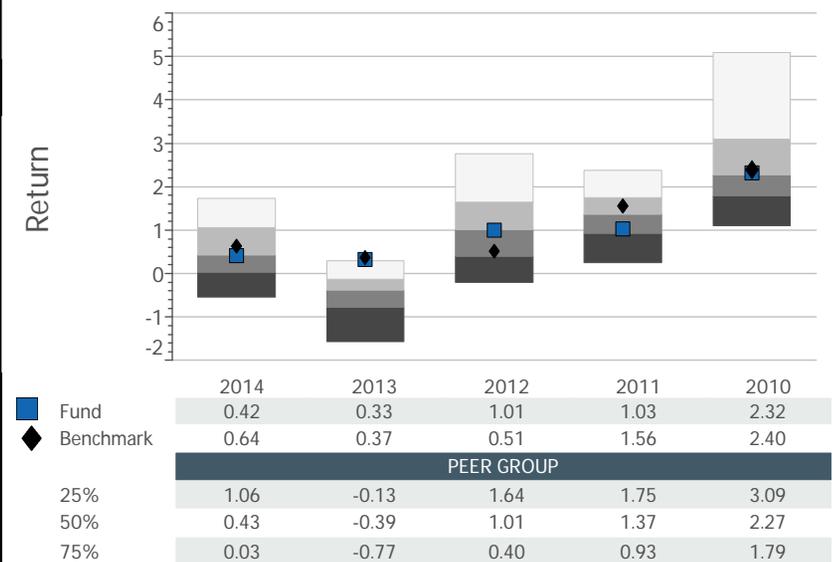
Standard Deviation



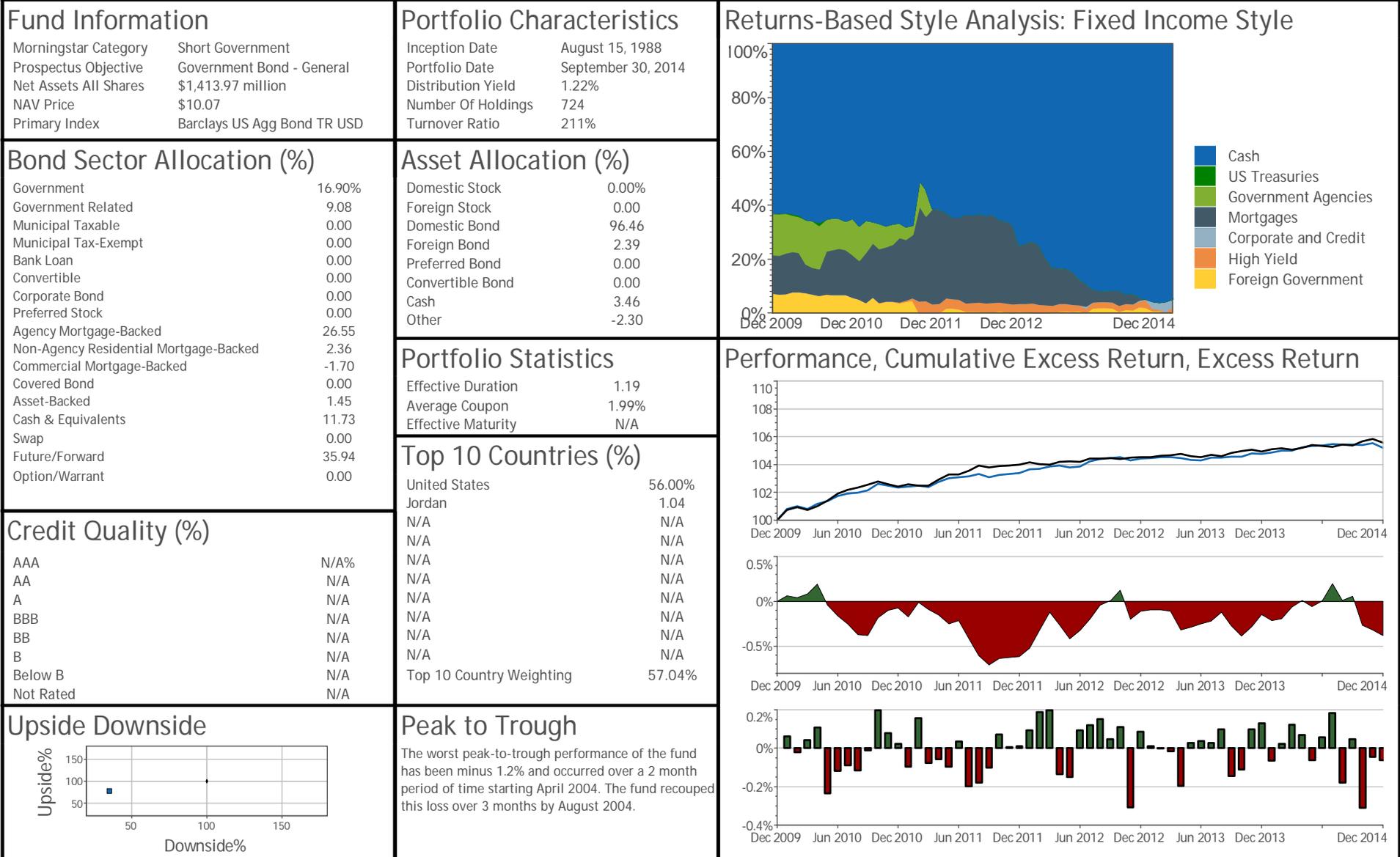
Risk vs. Return



Calendar Year Returns



Goldman Sachs Short Dur Govt Instl (GSTGX)



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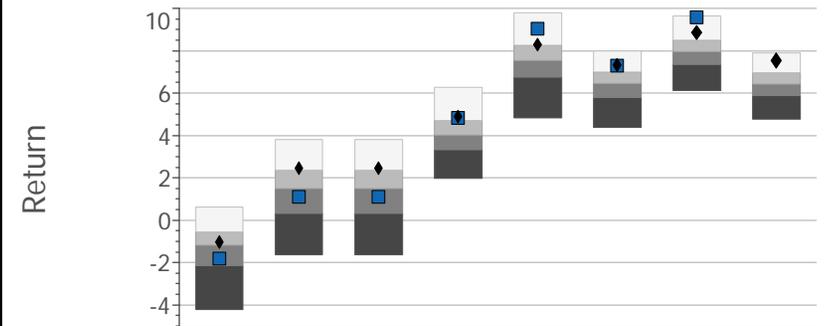
Facts

HPA Benchmark:	BOFAML US HY Cash TR IX
Return Data Inception:	3/31/09
Net Strategy Assets (\$M):	\$2,158
Turnover Ratio:	51%
Total Holdings:	169
Percent of Assets in Top 10:	9.15%
Expense Ratio:	0.70%
5 Year Morningstar Rating:	5 stars
Manager:	Raymond Kennedy
Manager Started:	3/31/09
Mgmt Company:	Hotchkis & Wiley Funds
Phone Number:	866-493-8637

Style Matrix



Trailing Period Returns



	QTR	YTD	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	10 YRS
■ Fund	-1.80	1.09	1.09	4.83	9.04	7.31	9.57	N/A
◆ Benchmark	-1.04	2.46	2.46	4.90	8.30	7.34	8.87	7.54
PEER GROUP								
25%	-0.54	2.37	2.37	4.70	8.24	6.98	8.50	6.98
50%	-1.18	1.49	1.49	4.01	7.53	6.44	7.96	6.43
75%	-2.15	0.33	0.33	3.32	6.75	5.79	7.35	4.83

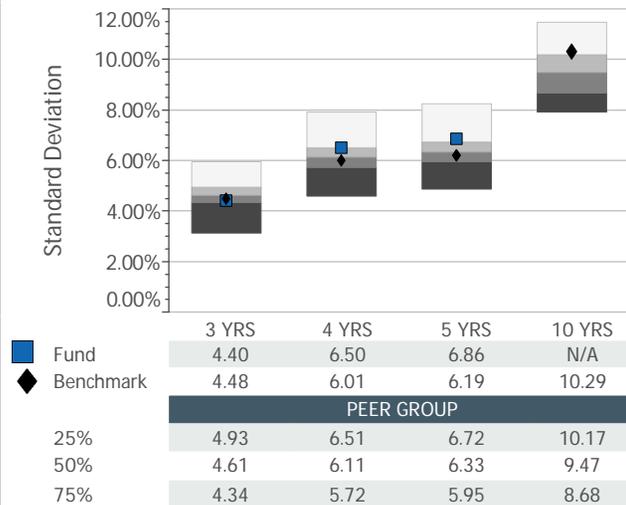
Strategy

The investment seeks high current income combined with the opportunity for capital appreciation to maximize total return. The fund normally invests at least 80% of its net assets plus borrowings for investment purposes in a diversified portfolio of high yield securities. It may invest up to 20% of its total assets in securities denominated in foreign currencies and may invest without limit in U.S. dollar-denominated securities of foreign issuers. The fund may invest up to 15% of its total assets in securities and instruments that are economically tied to emerging market countries.

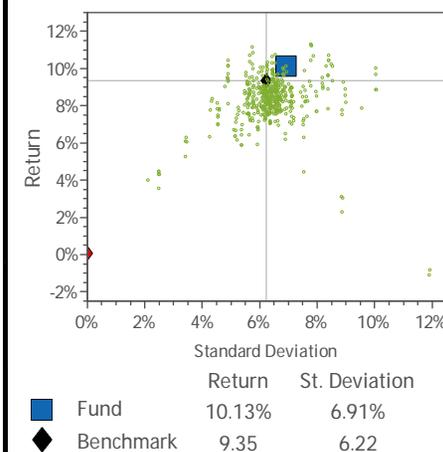
Legend

- Hotchkis & Wiley High Yield I
- ◆ BOFAML US HY Cash TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: High Yield
- ◆ Cash Equivalent

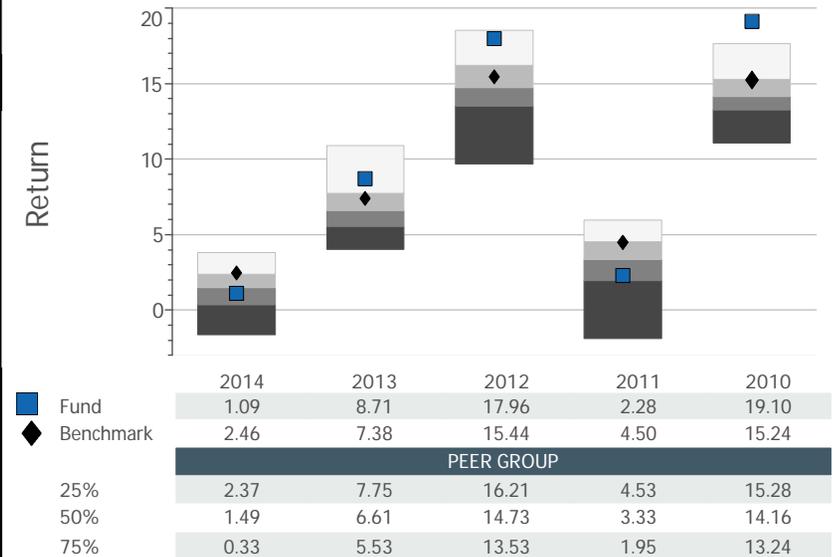
Standard Deviation



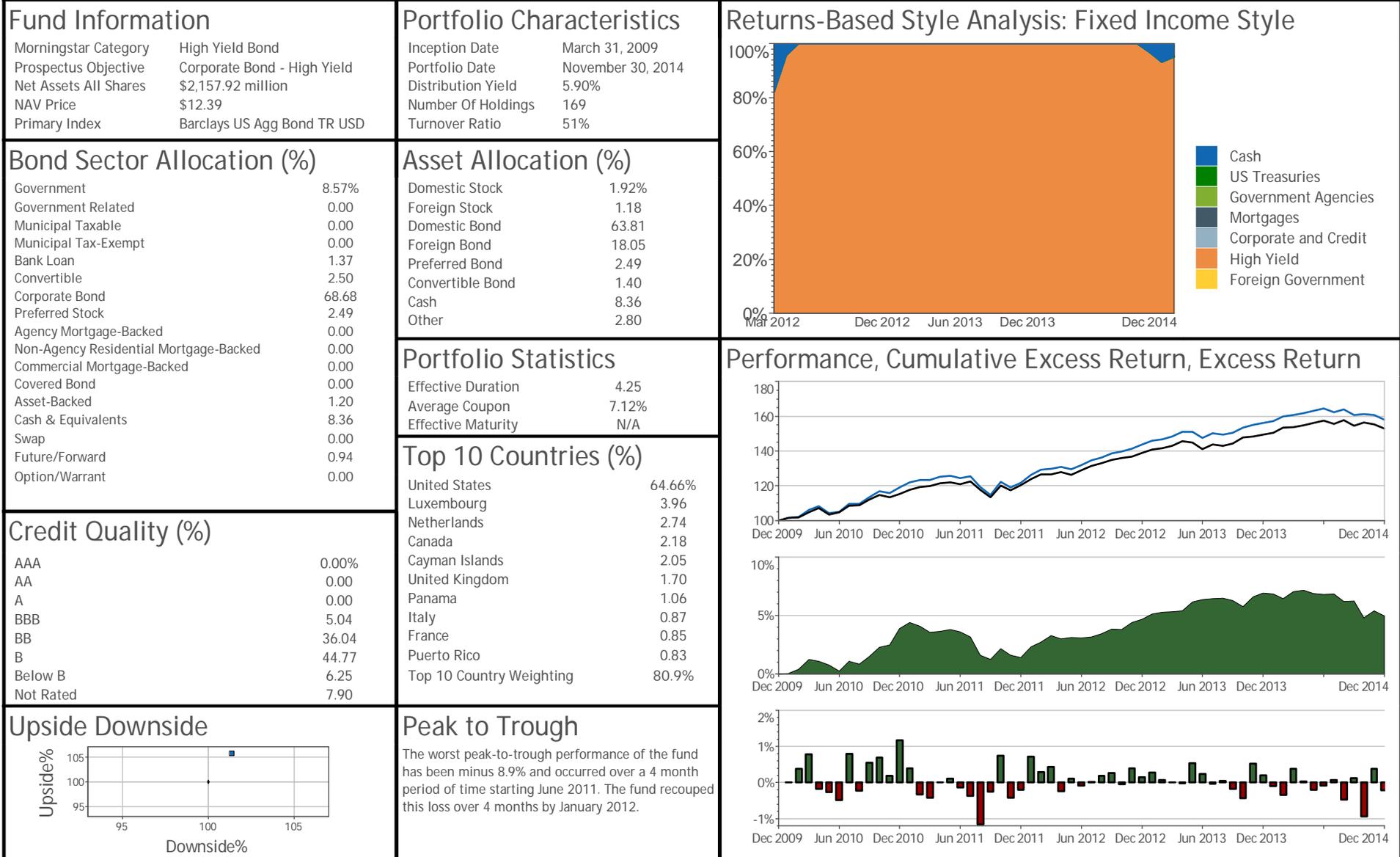
Risk vs. Return



Calendar Year Returns



Hotchkis & Wiley High Yield I (HWHIX)



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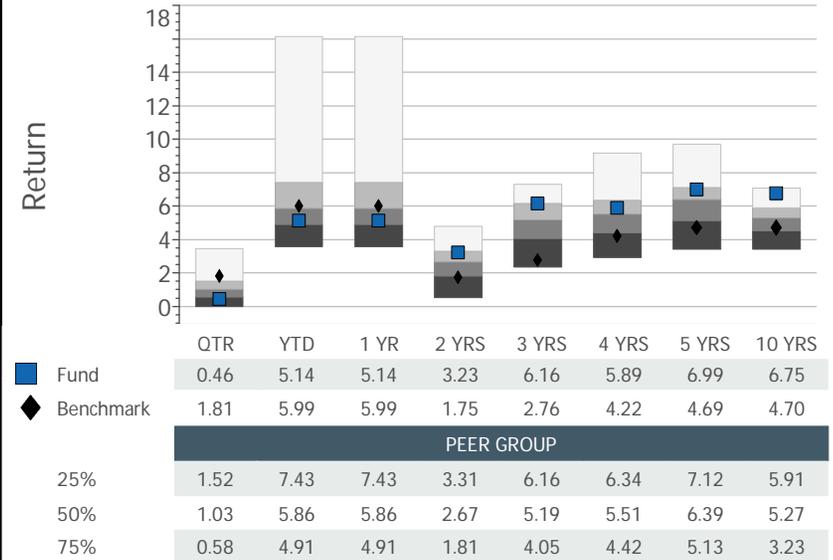
Facts

HPA Benchmark:	Barclays US Gvt/Cr TRIX
Return Data Inception:	12/31/96
Net Strategy Assets (\$M):	\$10,803
Turnover Ratio:	19%
Total Holdings:	465
Percent of Assets in Top 10:	25.68%
Expense Ratio:	0.59%
5 Year Morningstar Rating:	5 stars
Manager:	Daniel Fuss
Manager Started:	12/31/96
Mgmt Company:	Loomis Sayles Funds II (Natixis)
Phone Number:	800-225-5478

Style Matrix



Trailing Period Returns



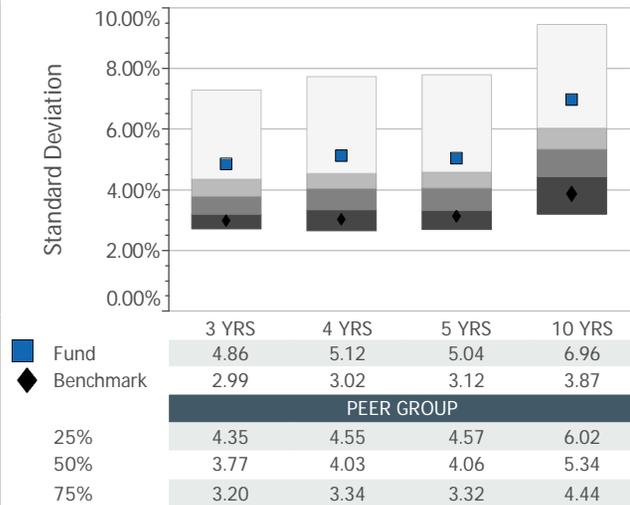
Strategy

The investment seeks high total investment return through a combination of current income and capital appreciation. The fund invests at least 80% of its net assets in investment grade fixed-income securities. It may invest up to 10% of its assets in below investment grade fixed-income securities (also known as "junk bonds"). The fund has the flexibility to invest up to 10% of its assets in equity securities (such as common stocks, preferred stocks and investment companies), but will limit its investments in common stocks to 5% of its assets. It may invest in fixed-income securities of any maturity.

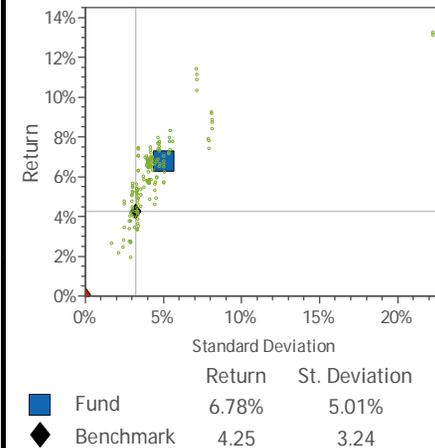
Legend

- Loomis Sayles Investment Grade Bond Y
- ◆ Barclays US Gvt/Cr TRIX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Corp Debt BBB Rtd
- ◆ Cash Equivalent

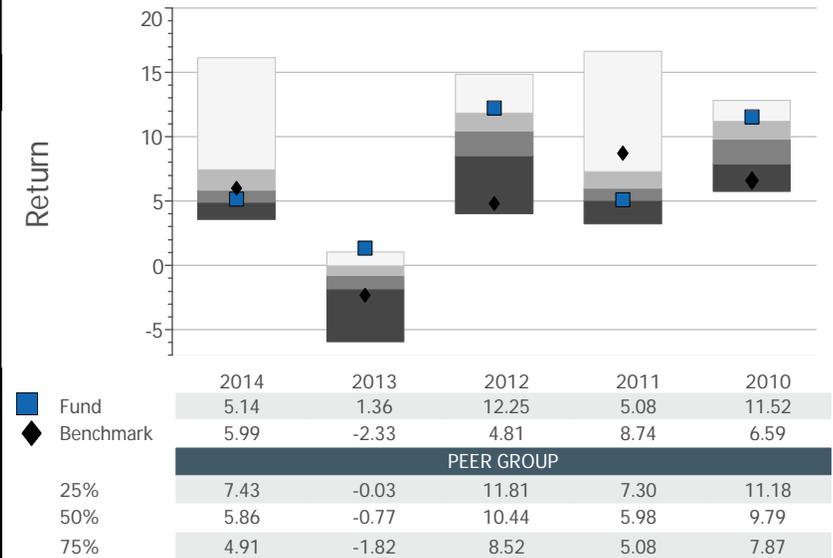
Standard Deviation



Risk vs. Return



Calendar Year Returns



Loomis Sayles Investment Grade Bond Y (LSIIX)

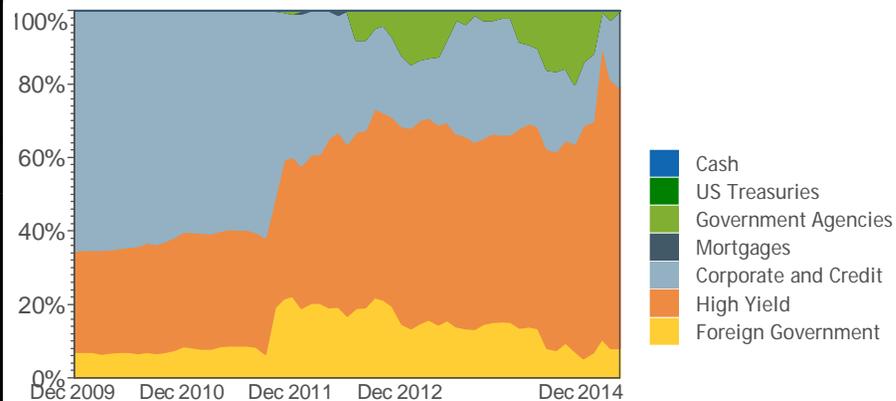
Fund Information

Morningstar Category	Intermediate-Term Bond
Prospectus Objective	Corporate Bond - General
Net Assets All Shares	\$10,802.76 million
NAV Price	\$11.87
Primary Index	Barclays US Agg Bond TR USD

Portfolio Characteristics

Inception Date	December 31, 1996
Portfolio Date	October 31, 2014
Distribution Yield	4.36%
Number Of Holdings	465
Turnover Ratio	19%

Returns-Based Style Analysis: Fixed Income Style



Bond Sector Allocation (%)

Government	24.56%
Government Related	2.52
Municipal Taxable	1.00
Municipal Tax-Exempt	0.04
Bank Loan	0.36
Convertible	0.96
Corporate Bond	47.70
Preferred Stock	0.05
Agency Mortgage-Backed	0.00
Non-Agency Residential Mortgage-Backed	1.47
Commercial Mortgage-Backed	0.99
Covered Bond	0.00
Asset-Backed	4.21
Cash & Equivalents	7.59
Swap	0.00
Future/Forward	0.00
Option/Warrant	0.00

Asset Allocation (%)

Domestic Stock	3.38%
Foreign Stock	0.00
Domestic Bond	56.27
Foreign Bond	24.44
Preferred Bond	0.19
Convertible Bond	4.84
Cash	7.59
Other	3.29

Portfolio Statistics

Effective Duration	4.21
Average Coupon	5.02%
Effective Maturity	6.05

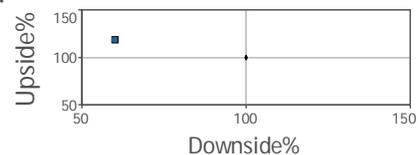
Top 10 Countries (%)

United States	58.25%
Canada	8.44
Mexico	3.05
Australia	1.76
United Kingdom	1.62
Luxembourg	1.50
Norway	1.46
Netherlands	1.24
United Arab Emirates	1.08
New Zealand	0.86
Top 10 Country Weighting	79.26%

Credit Quality (%)

AAA	38.24%
AA	5.25
A	21.33
BBB	22.37
BB	6.84
B	1.36
Below B	0.23
Not Rated	4.37

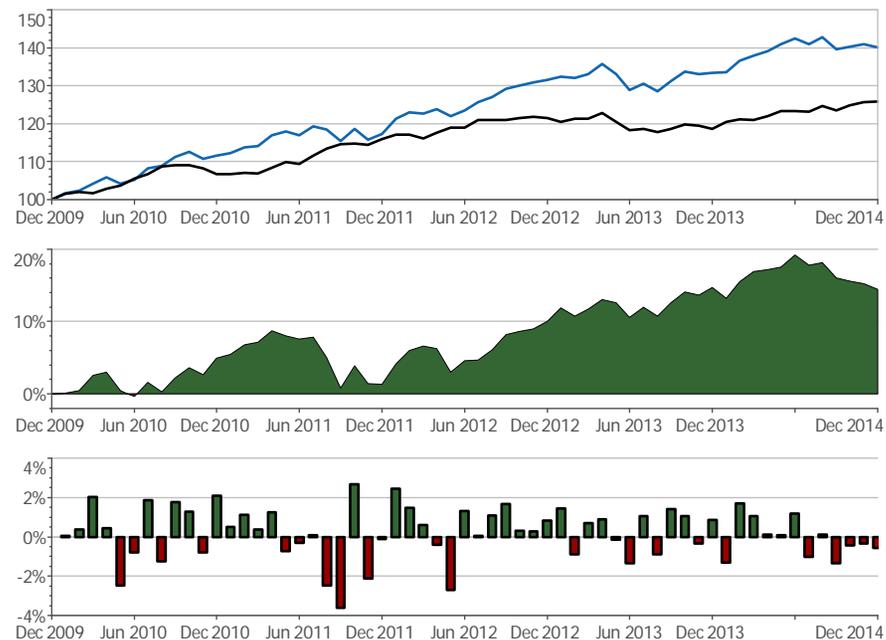
Upside Downside



Peak to Trough

The worst peak-to-trough performance of the fund has been minus 19.3% and occurred over a 6 month period of time starting May 2008. The fund recouped this loss over 9 months by July 2009.

Performance, Cumulative Excess Return, Excess Return



This document shows the historical returns and volatility of the return of this Investment Alternative, assuming that an investor may have invested in the Alternative on the first day of any calendar month since its inception date. Returns are presented here primarily as an indication of the potential volatility of this investment and not an indication of future, positive returns. Historical performance clearly indicates there is the potential for loss, particularly over shorter periods of time. Calculations assume that all dividends and interest have been reinvested. Whereas returns have been reduced by actual mutual fund management fees and expenses, no deduction has been made for such expenses as advisory fees, custodial charges, and if applicable, third party administrator fees and other retirement plan expenses. Your investment returns will be reduced by those charges if assessed against your account. Your returns can vary from these given the timing of your purchases in this Investment alternative (c) 2011 Heintzberger | Payne Advisors, Inc.

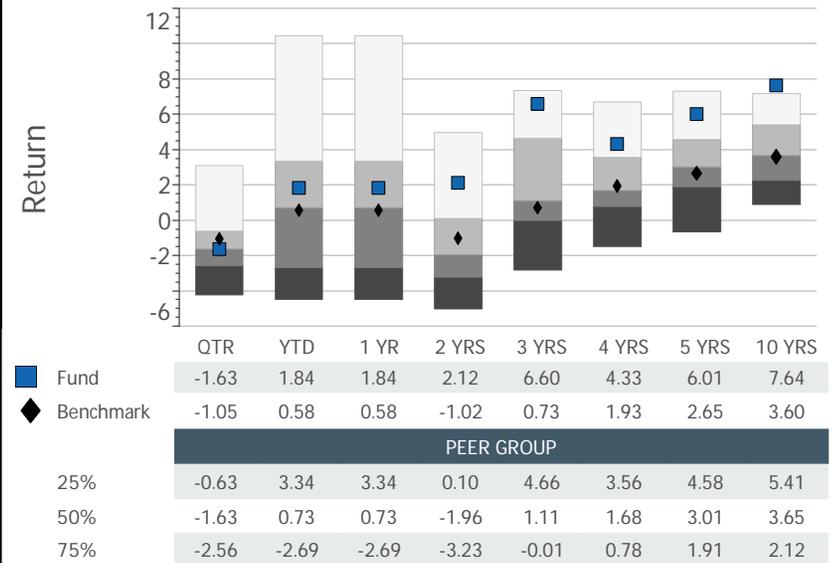
Facts

HPA Benchmark:	Barclays GI Aggreg TRIX
Return Data Inception:	12/31/96
Net Strategy Assets (\$M):	\$72,741
Turnover Ratio:	35%
Total Holdings:	227
Percent of Assets in Top 10:	18.27%
Expense Ratio:	0.64%
5 Year Morningstar Rating:	4 stars
Manager:	Michael Hasenstab
Manager Started:	12/31/01
Mgmt Company:	Templeton Income Trust
Phone Number:	800-342-5236

Style Matrix



Trailing Period Returns



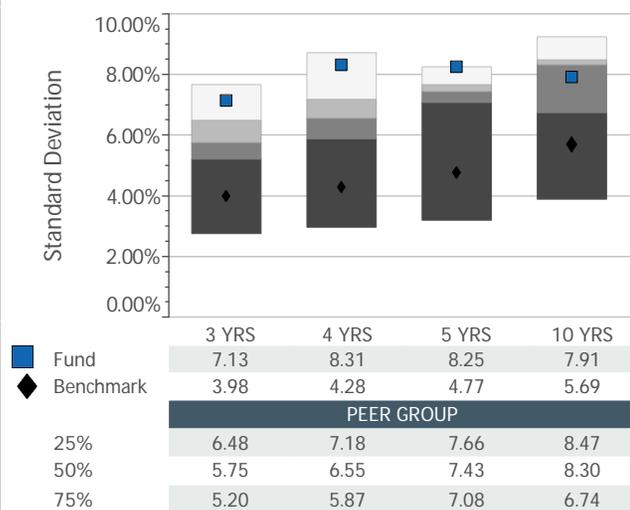
Strategy

The investment seeks current income with capital appreciation and growth of income. Under normal market conditions, the fund invests at least 80% of its net assets in "bonds." Bonds include debt obligations of any maturity, such as bonds, notes, bills and debentures. It invests predominantly in bonds issued by governments and government agencies located around the world. The fund may invest up to 25% of its total assets in bonds that are rated below investment grade. It is non-diversified.

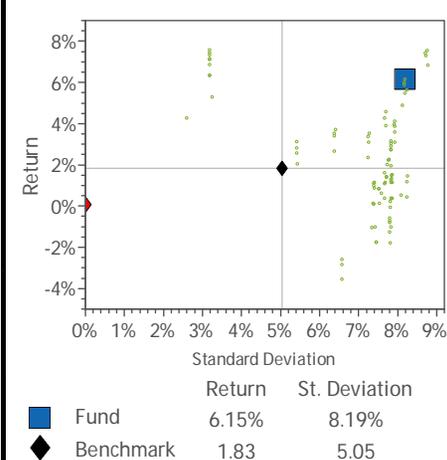
Legend

- Templeton Global Bond Adv
- ◆ Barclays GI Aggreg TRIX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Intl Income
- ◆ Cash Equivalent

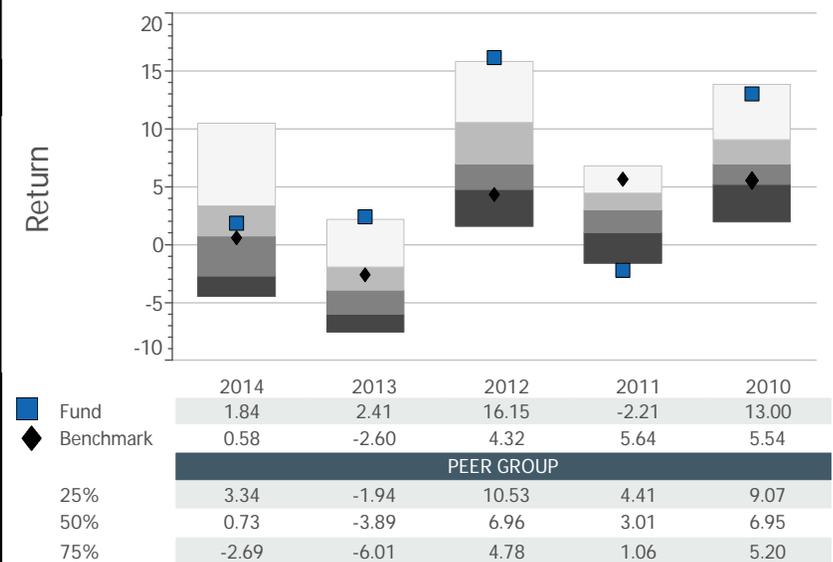
Standard Deviation



Risk vs. Return



Calendar Year Returns



Templeton Global Bond Adv (TGBAX)

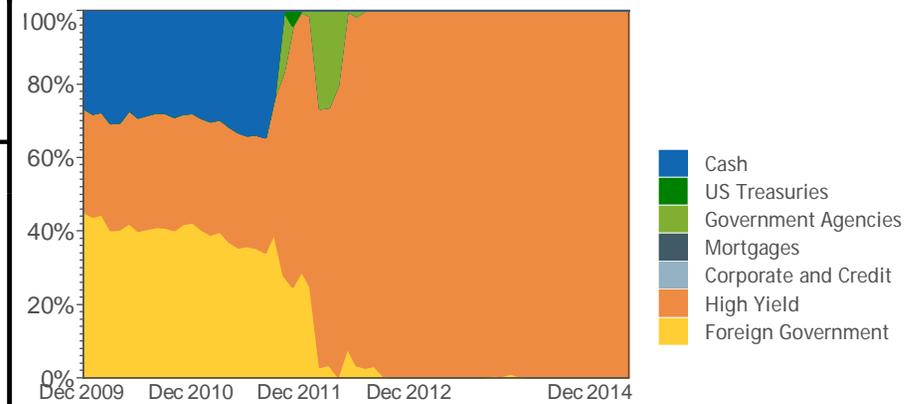
Fund Information

Morningstar Category	World Bond
Prospectus Objective	Worldwide Bond
Net Assets All Shares	\$72,741.19 million
NAV Price	\$12.41
Primary Index	Barclays US Agg Bond TR USD

Portfolio Characteristics

Inception Date	December 31, 1996
Portfolio Date	September 30, 2014
Distribution Yield	7.13%
Number Of Holdings	227
Turnover Ratio	35%

Returns-Based Style Analysis: Fixed Income Style



Bond Sector Allocation (%)

Government	54.25%
Government Related	0.31
Municipal Taxable	0.00
Municipal Tax-Exempt	0.00
Bank Loan	0.00
Convertible	0.00
Corporate Bond	0.44
Preferred Stock	0.00
Agency Mortgage-Backed	0.00
Non-Agency Residential Mortgage-Backed	0.00
Commercial Mortgage-Backed	0.00
Covered Bond	0.00
Asset-Backed	0.00
Cash & Equivalents	32.53
Swap	0.00
Future/Forward	0.00
Option/Warrant	0.00

Asset Allocation (%)

Domestic Stock	0.00%
Foreign Stock	0.00
Domestic Bond	0.00
Foreign Bond	58.05
Preferred Bond	0.00
Convertible Bond	0.00
Cash	40.67
Other	1.29

Portfolio Statistics

Effective Duration	1.86
Average Coupon	5.67%
Effective Maturity	2.96

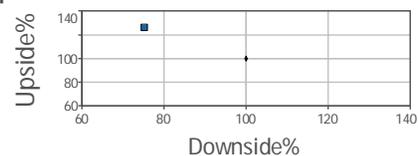
Top 10 Countries (%)

Ireland	7.73%
Poland	7.61
Hungary	7.34
South Korea	5.54
Brazil	4.76
Malaysia	4.25
Ukraine	4.05
Mexico	3.72
Portugal	2.67
India	2.25
Top 10 Country Weighting	49.92%

Credit Quality (%)

AAA	12.40%
AA	16.85
A	36.43
BBB	14.50
BB	12.17
B	2.64
Below B	4.81
Not Rated	0.20

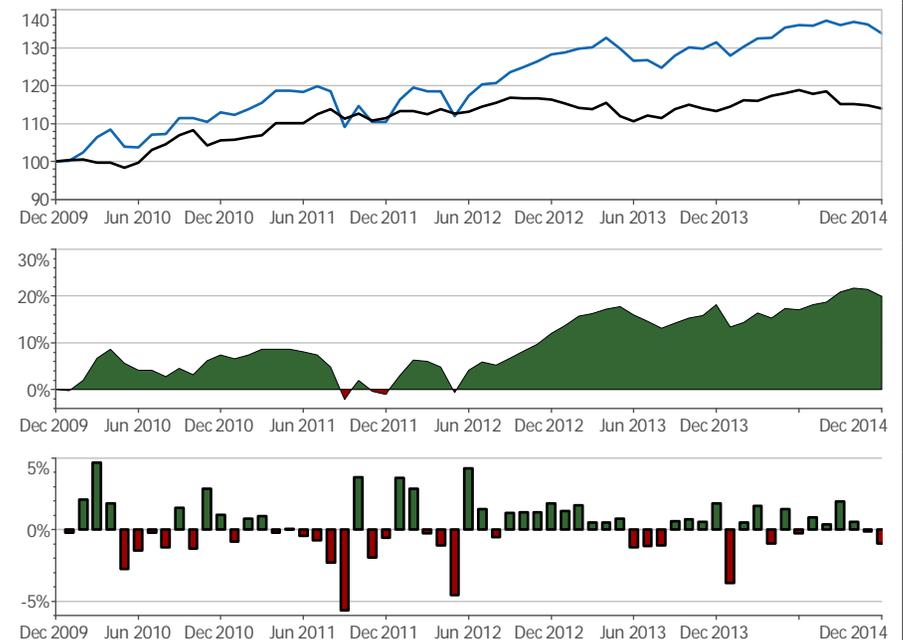
Upside Downside



Peak to Trough

The worst peak-to-trough performance of the fund has been minus 8.93% and occurred over a 2 month period of time starting August 2011. The fund recouped this loss over 10 months by July 2012.

Performance, Cumulative Excess Return, Excess Return



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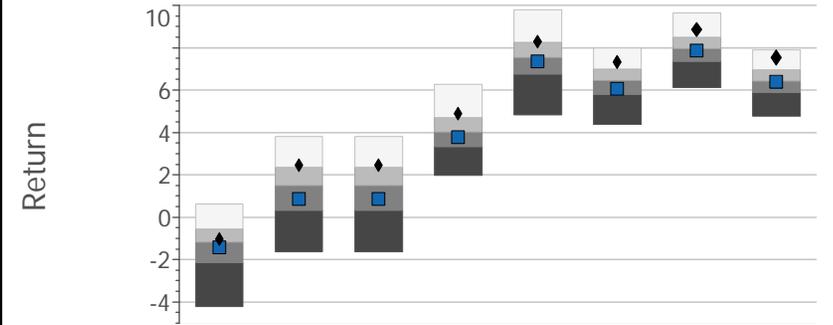
Facts

HPA Benchmark:	BOFAML US HY Cash TR IX
Return Data Inception:	5/1/09
Net Strategy Assets (\$M):	\$18,985
Turnover Ratio:	62%
Total Holdings:	626
Percent of Assets in Top 10:	8.85%
Expense Ratio:	0.34%
5 Year Morningstar Rating:	3 stars
Manager:	David Barclay
Manager Started:	12/1/89
Mgmt Company:	American High Income Trust
Phone Number:	800-421-4225

Style Matrix



Trailing Period Returns



	QTR	YTD	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	10 YRS
■ Fund	-1.43	0.85	0.85	3.77	7.35	6.07	7.85	6.38
◆ Benchmark	-1.04	2.46	2.46	4.90	8.30	7.34	8.87	7.54
PEER GROUP								
25%	-0.54	2.37	2.37	4.70	8.24	6.98	8.50	6.98
50%	-1.18	1.49	1.49	4.01	7.53	6.44	7.96	6.43
75%	-2.15	0.33	0.33	3.32	6.75	5.79	7.35	3.77

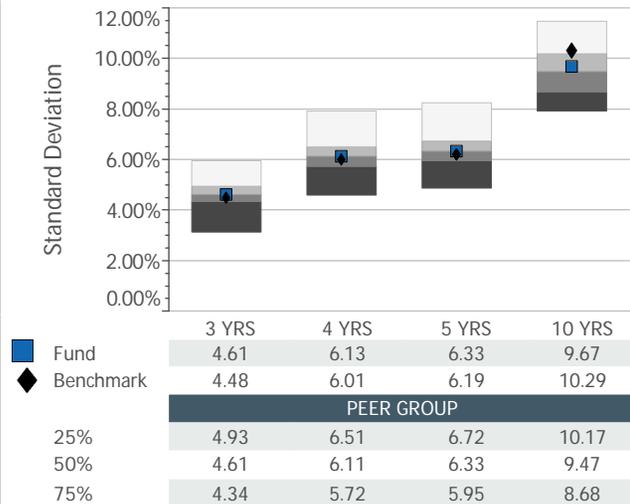
Strategy

The investment seeks to provide a high level of current income; the secondary investment objective is capital appreciation. The fund invests primarily in higher yielding and generally lower quality debt securities (rated Ba1 or below or BB+ or below by a nationally recognized statistical rating organization or unrated but determined by the fund's investment adviser to be of equivalent quality), including corporate loan obligations. It may also invest a portion of its assets in securities of issuers domiciled outside the United States.

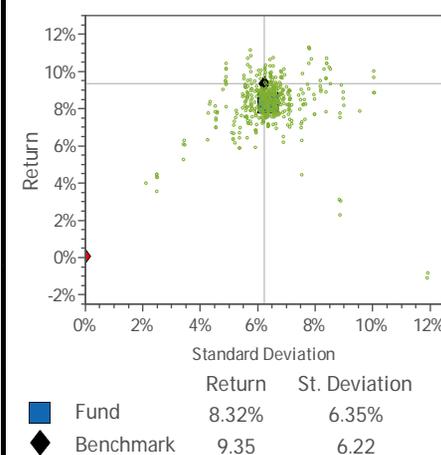
Legend

- American Funds American Hi-Inc Tr R6
- ◆ BOFAML US HY Cash TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: High Yield
- ◆ Cash Equivalent

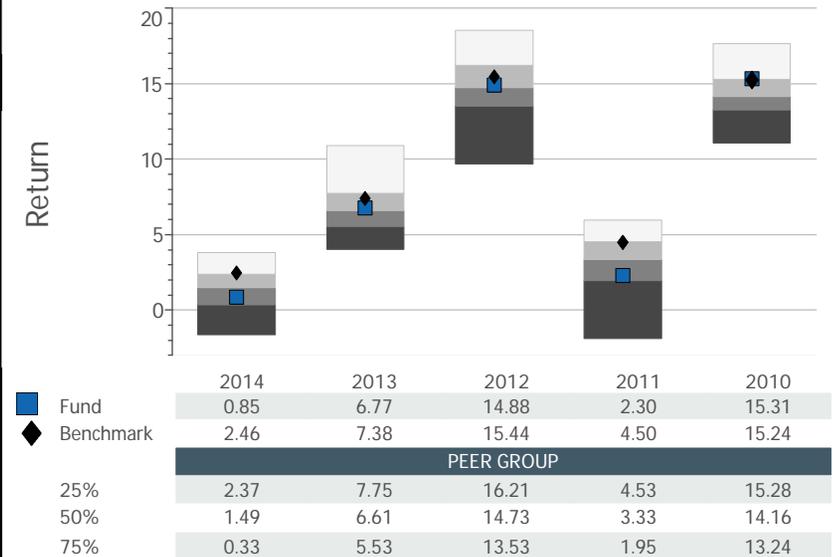
Standard Deviation



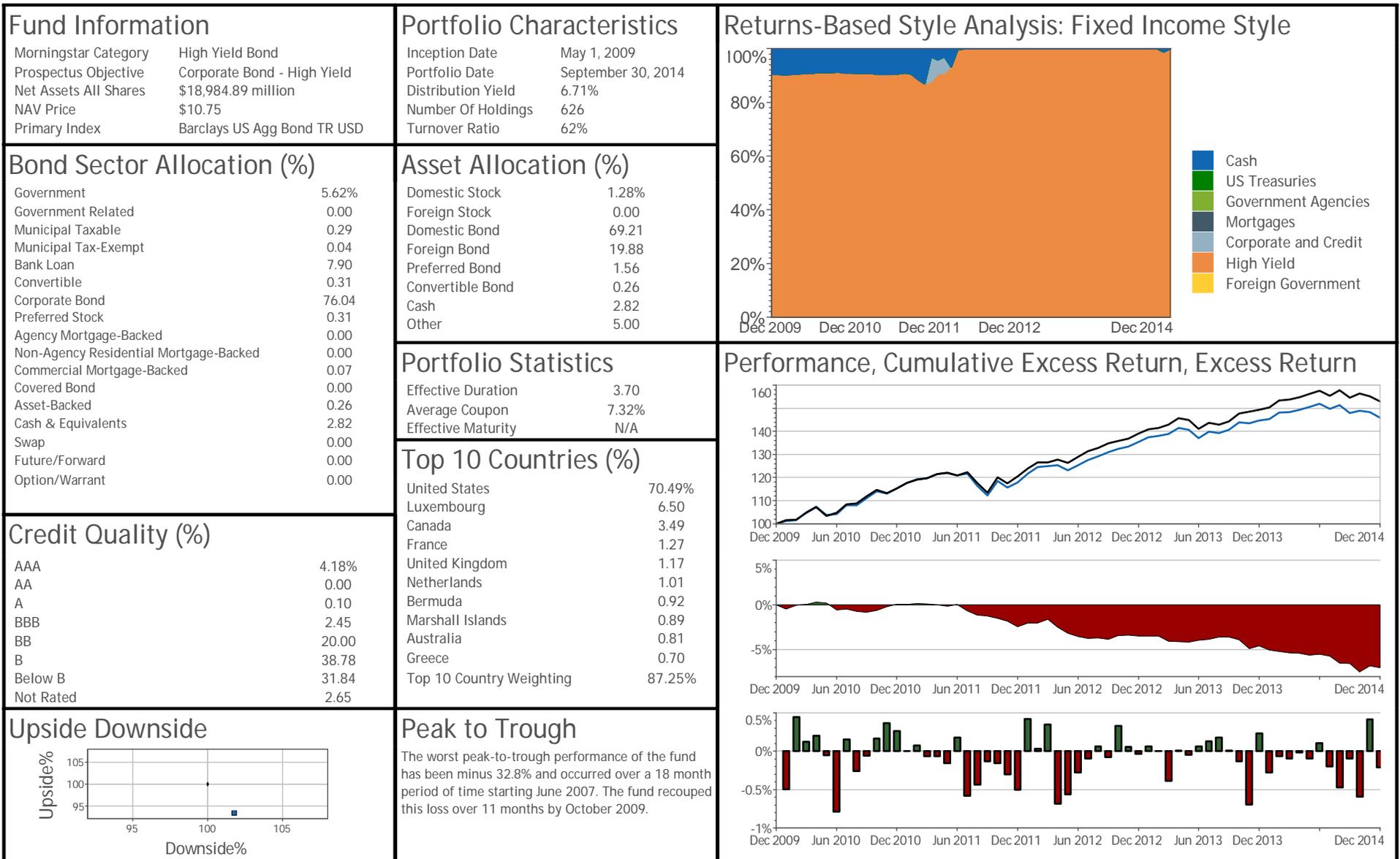
Risk vs. Return



Calendar Year Returns



American Funds American Hi-Inc Tr R6 (RITGX)

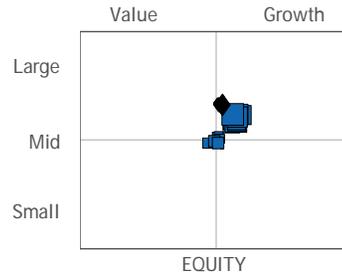


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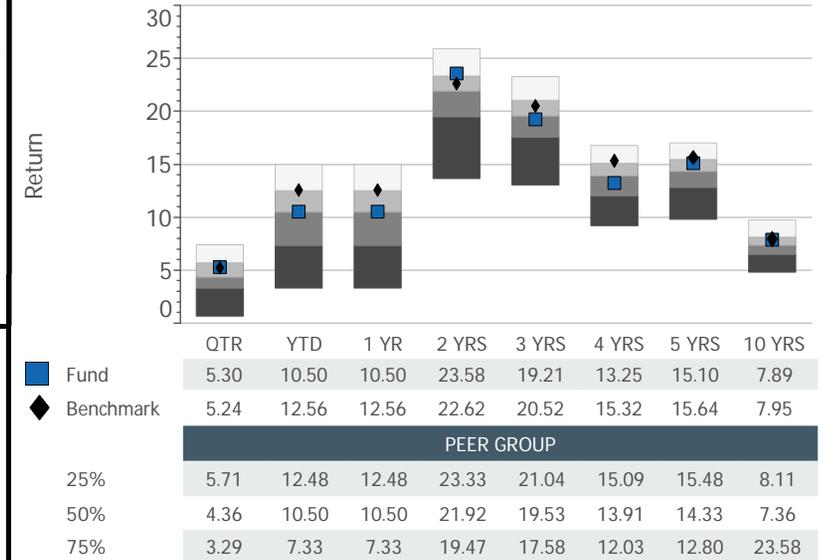
Facts

HPA Benchmark:	Russell 3000 TR IX
Return Data Inception:	3/16/94
Net Strategy Assets (\$M):	\$2,459
Turnover Ratio:	36%
Total Holdings:	40
Percent of Assets in Top 10:	43.08%
Expense Ratio:	0.86%
5 Year Morningstar Rating:	4 stars
Manager:	Arthur Moretti
Manager Started:	6/18/01
Mgmt Company:	Neuberger Berman Equity Funds
Phone Number:	800-877-9700

Style Matrix



Trailing Period Returns



Strategy

The investment seeks long-term growth of capital by investing primarily in securities of companies that meet the fund's financial criteria and social policy. The fund invests primarily in common stocks of mid- to large-capitalization companies that meet the fund's social policy. It seeks to reduce risk by investing across many different industries. The Portfolio Managers employ a research driven and valuation sensitive approach to stock selection, with a long term perspective. Although the fund invests primarily in domestic stocks, it may also invest in stocks of foreign companies.

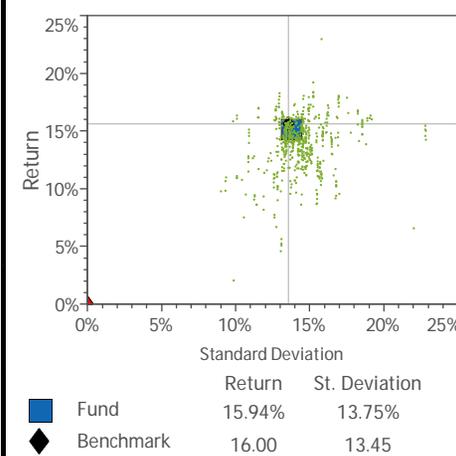
Legend

- Neuberger Berman Socially Rspns Inv
- ◆ Russell 3000 TR IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Multi-Cap Core
- ◆ Cash Equivalent

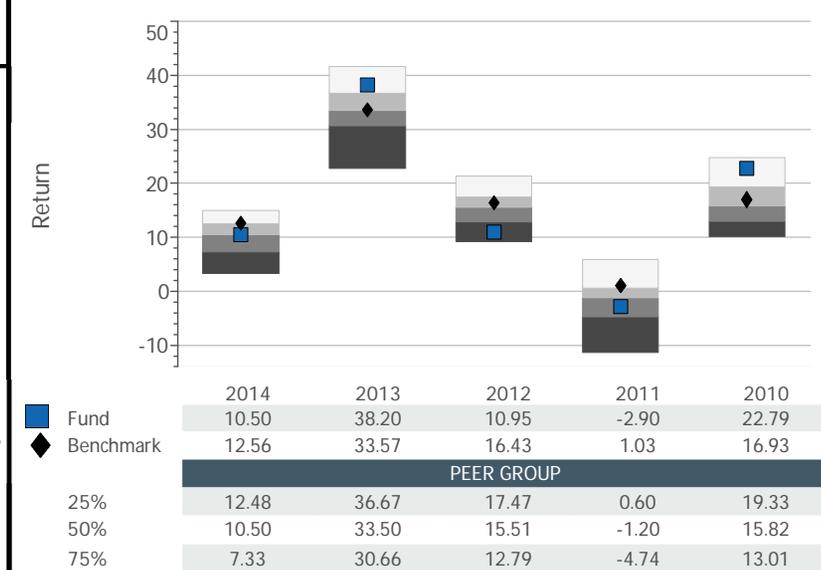
Standard Deviation



Risk vs. Return



Calendar Year Returns



Neuberger Berman Socially Rspns Inv (NBSRX)

Fund Information

Morningstar Category	Large Growth
Prospectus Objective	Growth
Net Assets All Shares	\$2,458.82 million
NAV Price	\$34.57
Primary Index	S&P 500 TR USD

Portfolio Characteristics

Inception Date	March 16, 1994
Portfolio Date	October 31, 2014
Distribution Yield	0.67%
Number Of Holdings	40
Turnover Ratio	36%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	32.23%
Basic Materials	1.94
Consumer Cyclical	12.21
Financial Services	18.08
Real Estate	0.00
SENSITIVE SECTORS TOTAL	37.83
Communication Services	1.62
Energy	8.40
Industrials	19.28
Technology	8.53
DEFENSIVE SECTORS TOTAL	27.86
Consumer Defensive	13.57
Healthcare	11.17
Utilities	3.12

Asset Allocation (%)

Domestic Stock	87.33%
Foreign Stock	10.58
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	2.09
Other	0.01

Market Allocation (%)

Developed Country	97.90%
Emerging Market	0.00
Not Classified	0.00

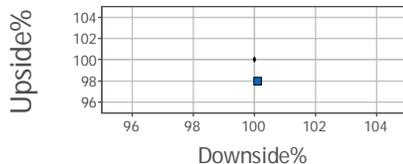
Regional Allocation (%)

Americas	87.33%
Greater Europe	10.57
Greater Asia	0.00

Capitalization

Market Capitalization	\$31,652.32
Giant Cap	23.77%
Large Cap	42.46
Medium Cap	28.45
Small Cap	3.17
Micro Cap	0.05

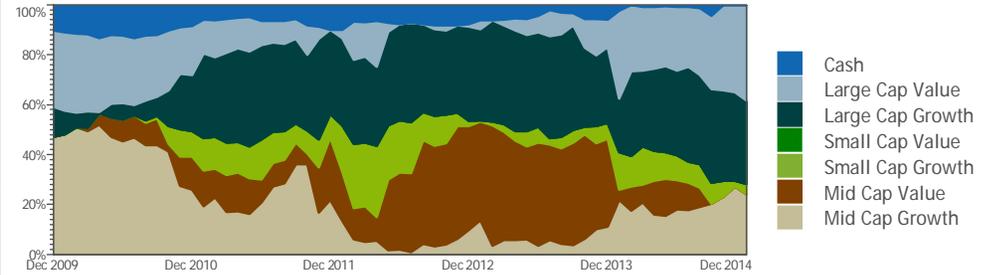
Upside Downside



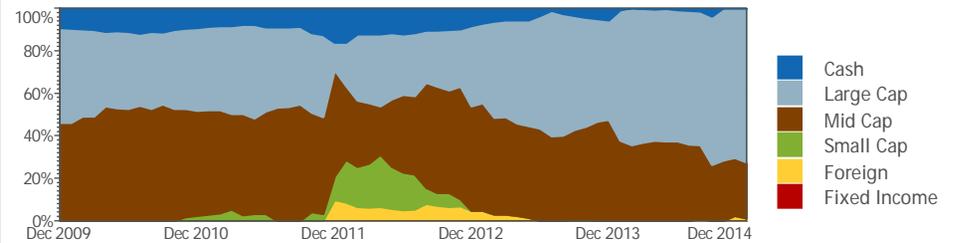
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 47.93% and occurred over a 20 month period of time starting July 2007. The fund recouped this loss over 24 months by February 2011.

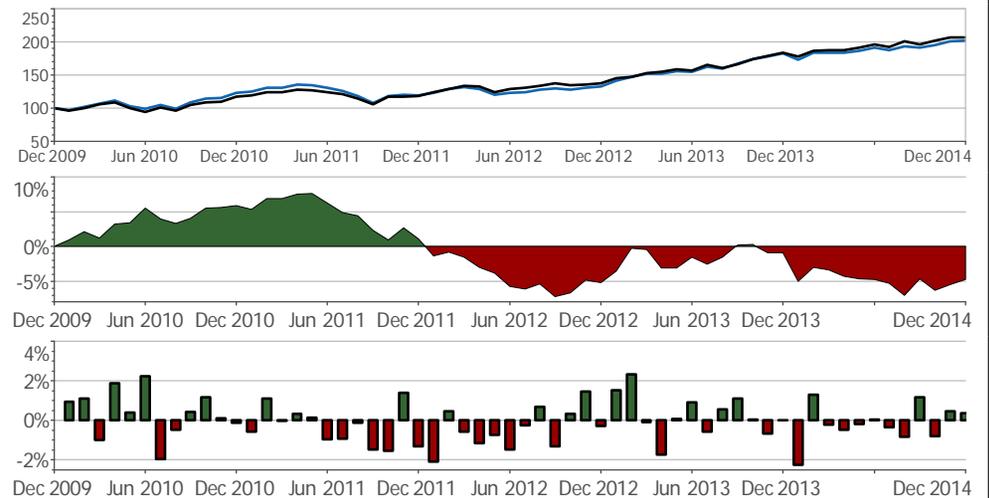
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

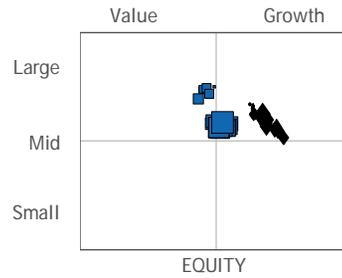


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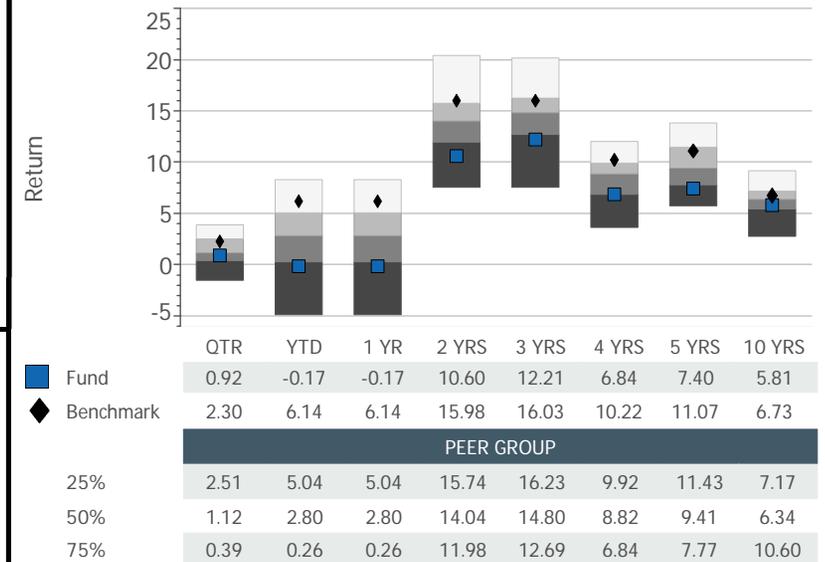
Facts

HPA Benchmark:	MSCI World Growth ND IX
Return Data Inception:	3/30/07
Net Strategy Assets (\$M):	\$462
Turnover Ratio:	40%
Total Holdings:	78
Percent of Assets in Top 10:	19.48%
Expense Ratio:	1.12%
5 Year Morningstar Rating:	2 stars
Manager:	James Madden
Manager Started:	9/30/99
Mgmt Company:	Professionally Managed Por(Portfolio 21)
Phone Number:	877-351-4115

Style Matrix



Trailing Period Returns



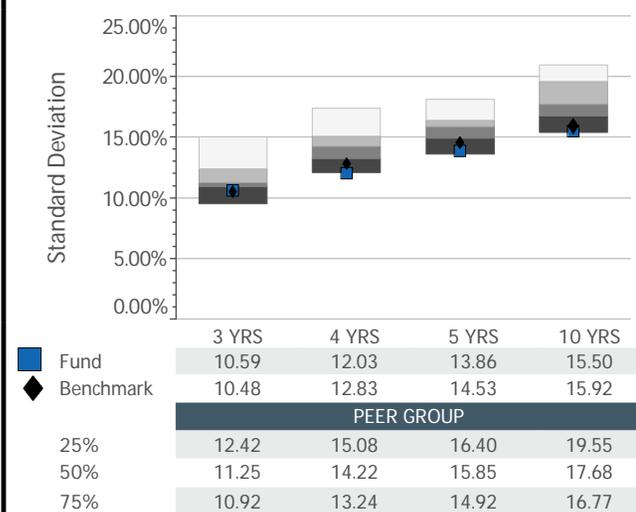
Strategy

The investment seeks long-term capital growth. The fund invests primarily in common stocks of companies that Portfolio 21 (the "Advisor") believes are leaders in managing environmental risks and opportunities, have above average growth potential, and are reasonably valued. Under normal market conditions, the fund's net assets (plus any borrowings for investment purposes) will be fully invested (at least 80%) in equity securities. The fund invests globally and has exposure to emerging and developed markets.

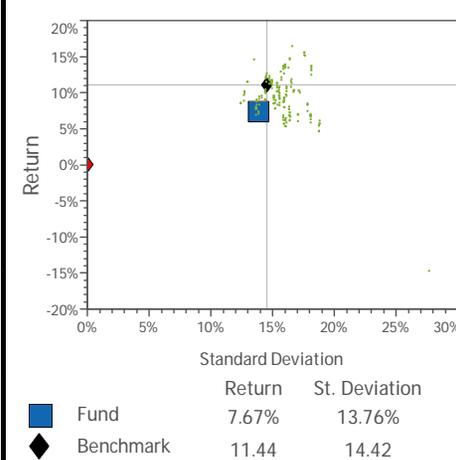
Legend

- Portfolio 21 Global Equity Instl
- ◆ MSCI World Growth ND IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Global Multi-Cap Growth
- ◆ Cash Equivalent

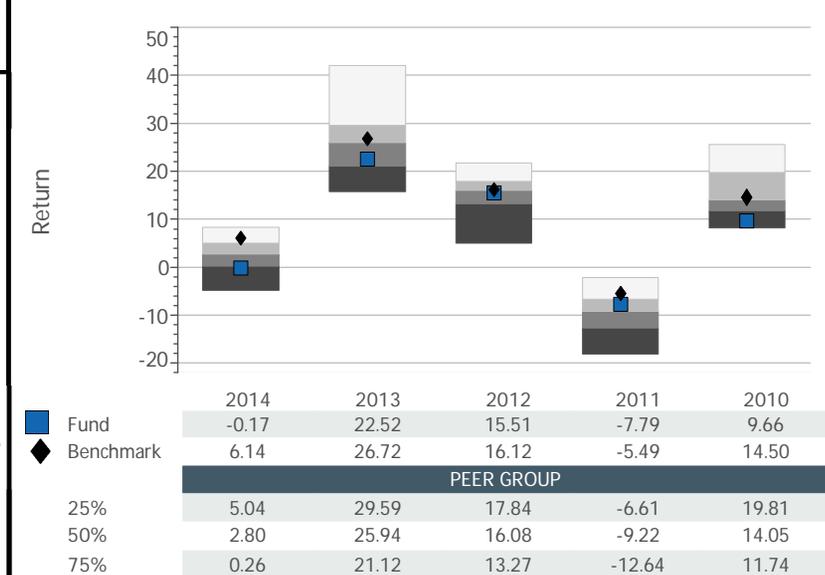
Standard Deviation



Risk vs. Return



Calendar Year Returns



Portfolio 21 Global Equity Instl (PORIX)

Fund Information

Morningstar Category	World Stock
Prospectus Objective	Growth
Net Assets All Shares	\$461.76 million
NAV Price	\$36.03
Primary Index	MSCI ACWI Ex USA NR USD

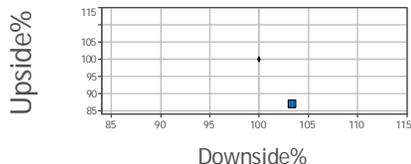
Sector Allocation (%)

CYCLICAL SECTORS TOTAL	37.60%
Basic Materials	4.32
Consumer Cyclical	12.69
Financial Services	18.13
Real Estate	2.46
SENSITIVE SECTORS TOTAL	39.24
Communication Services	5.32
Energy	0.00
Industrials	14.75
Technology	19.17
DEFENSIVE SECTORS TOTAL	20.55
Consumer Defensive	6.03
Healthcare	11.93
Utilities	2.59

Top 10 Holdings

Novo Nordisk A/S Class B	2.41%
Roche Holding AG Dividend Right Cert.	2.19
Apple Inc	2.18
MetLife Inc	1.99
TJX Companies	1.90
Google Inc Class A	1.90
Toronto-Dominion Bank	1.81
Nike Inc Class B	1.72
Intercontinental Exchange Inc	1.71
Taiwan Semiconductor Manufacturing Co	1.68
Top 10 Holding Weighting	19.48%

Upside Downside



Portfolio Characteristics

Inception Date	March 30, 2007
Portfolio Date	November 30, 2014
Distribution Yield	1.22%
Number Of Holdings	78
Turnover Ratio	40%

Asset Allocation (%)

Domestic Stock	47.45%
Foreign Stock	49.94
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	2.61
Other	0.00

Market Allocation (%)

Developed Country	93.76%
Emerging Market	3.63
Not Classified	0.00

Regional Allocation (%)

Americas	51.62%
Greater Europe	35.43
Greater Asia	10.34

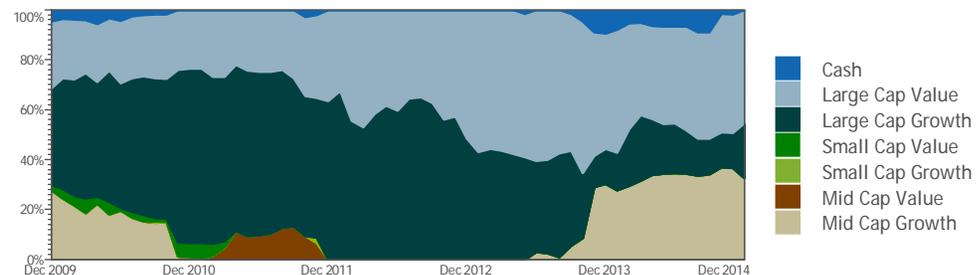
Capitalization

Market Capitalization	\$43,755.61
Giant Cap	47.33%
Large Cap	29.39
Medium Cap	18.50
Small Cap	0.00
Micro Cap	0.00

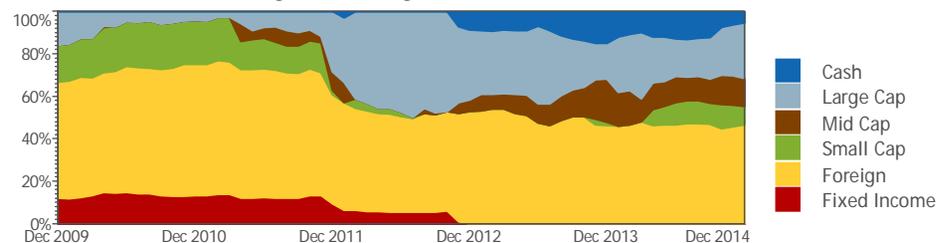
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 48.02% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 49 months by March 2013.

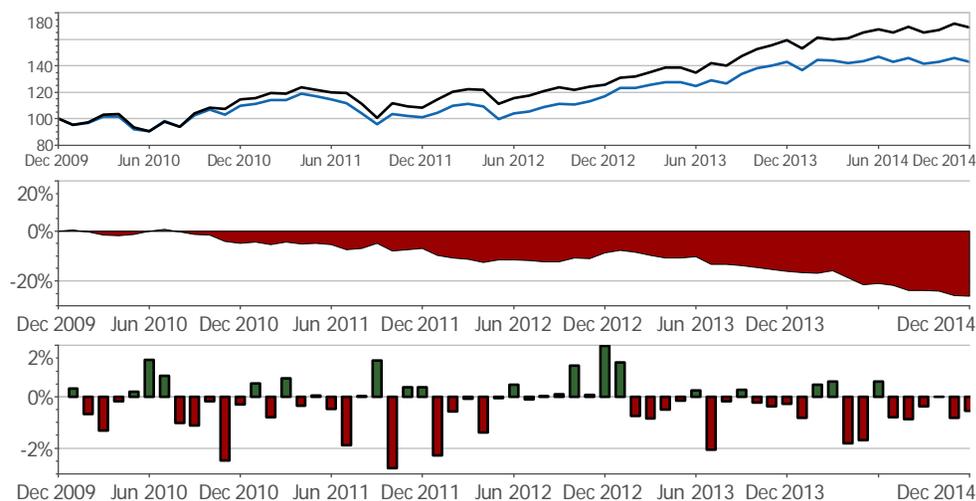
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return

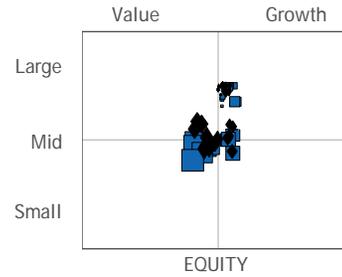


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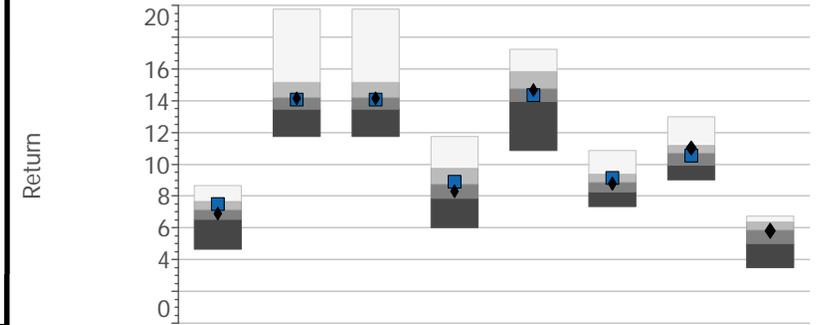
Facts

HPA Benchmark:	MSCI World R/E ND IX
Return Data Inception:	1/3/06
Net Strategy Assets (\$M):	\$353
Turnover Ratio:	35%
Total Holdings:	96
Percent of Assets in Top 10:	30.17%
Expense Ratio:	0.89%
5 Year Morningstar Rating:	3 stars
Manager:	T. Ferguson
Manager Started:	1/3/06
Mgmt Company:	Voya Investors Trust
Phone Number:	800-366-0066

Style Matrix



Trailing Period Returns



	QTR	YTD	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	10 YRS
Fund	7.49	14.07	14.07	8.89	14.35	9.12	10.53	N/A
Benchmark	6.91	14.16	14.16	8.29	14.68	8.79	11.01	5.82
PEER GROUP								
25%	7.67	15.17	15.17	9.73	15.83	9.36	11.20	6.36
50%	7.14	14.19	14.19	8.73	14.77	8.85	10.70	5.86
75%	6.55	13.45	13.45	7.86	13.94	8.27	9.95	8.89

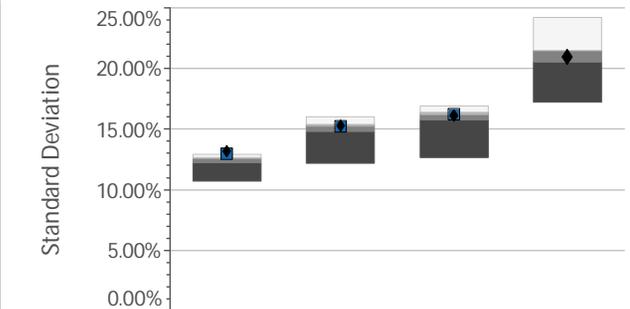
Strategy

The investment seeks high total return consisting of capital appreciation and current income. Under normal market conditions, the Portfolio invests at least 80% of its net assets (plus borrowings for investment purposes) in a portfolio of equity securities of companies that are principally engaged in the real estate industry. It may invest in companies located in countries with emerging securities markets. The Portfolio may invest in other investment companies, including exchange-traded funds and may also invest in convertible securities, initial public offerings, and Rule 144A securities.

Legend

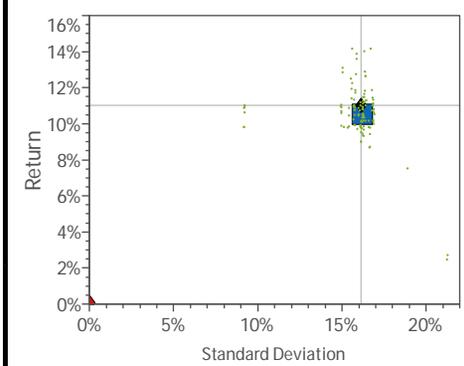
- Fund
- ◆ MSCI World R/E ND IX
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile
- Universe: Glb Real Estate
- ◆ Cash Equivalent

Standard Deviation



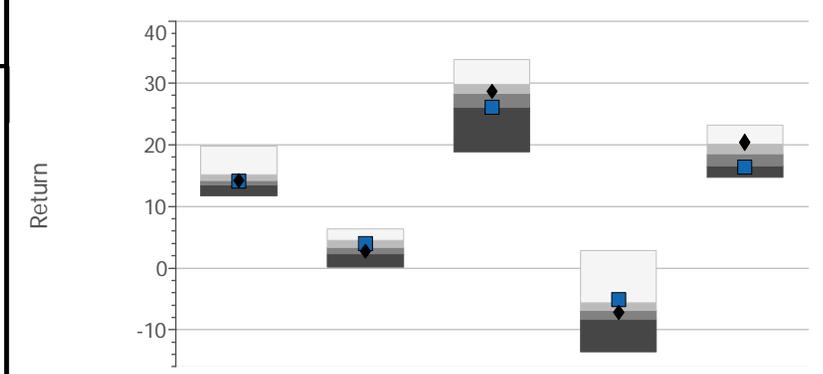
	3 YRS	4 YRS	5 YRS	10 YRS
Fund	12.94	15.21	16.23	N/A
Benchmark	13.17	15.27	16.12	20.96
PEER GROUP				
25%	12.67	15.36	16.36	21.49
50%	12.53	15.21	16.16	21.46
75%	12.25	14.83	15.74	20.52

Risk vs. Return



	Return	St. Deviation
Fund	11.19%	16.15%
Benchmark	11.51	16.01

Calendar Year Returns



	2014	2013	2012	2011	2010
Fund	14.07	3.95	26.08	-5.15	16.33
Benchmark	14.16	2.73	28.60	-7.12	20.37
PEER GROUP					
25%	15.17	4.47	29.82	-5.64	20.04
50%	14.19	3.39	28.31	-6.87	18.50
75%	13.45	2.37	26.10	-8.30	16.53

VY Clarion Global Real Estate I (IRGIX)

Fund Information

Morningstar Category	Global Real Estate
Prospectus Objective	Specialty - Real Estate
Net Assets All Shares	\$353.14 million
NAV Price	\$12.34
Primary Index	MSCI ACWI NR USD

Portfolio Characteristics

Inception Date	January 3, 2006
Portfolio Date	September 30, 2014
Distribution Yield	1.29%
Number Of Holdings	96
Turnover Ratio	35%

Sector Allocation (%)

CYCLICAL SECTORS TOTAL	98.26%
Basic Materials	0.00
Consumer Cyclical	0.71
Financial Services	0.00
Real Estate	97.55
SENSITIVE SECTORS TOTAL	0.00
Communication Services	0.00
Energy	0.00
Industrials	0.00
Technology	0.00
DEFENSIVE SECTORS TOTAL	0.00
Consumer Defensive	0.00
Healthcare	0.00
Utilities	0.00

Asset Allocation (%)

Domestic Stock	51.41%
Foreign Stock	46.85
Domestic Bond	0.00
Foreign Bond	0.00
Preferred Bond	0.00
Convertible Bond	0.00
Cash	0.60
Other	1.13

Market Allocation (%)

Developed Country	98.26%
Emerging Market	0.00
Not Classified	0.00

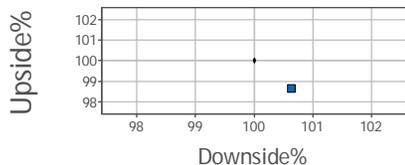
Regional Allocation (%)

Americas	52.44%
Greater Europe	15.99
Greater Asia	29.83

Capitalization

Market Capitalization	\$9,709.24
Giant Cap	12.63%
Large Cap	39.26
Medium Cap	37.03
Small Cap	7.90
Micro Cap	0.40

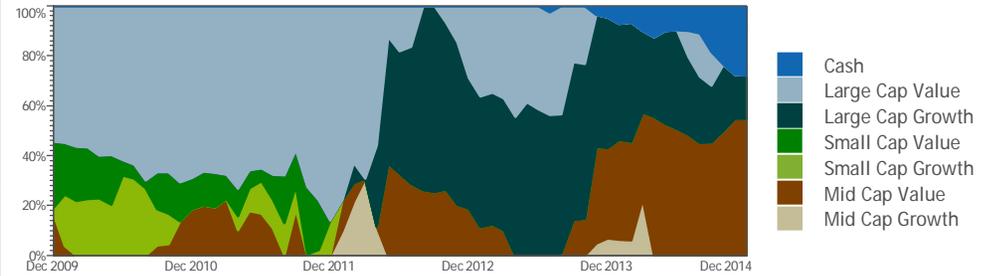
Upside Downside



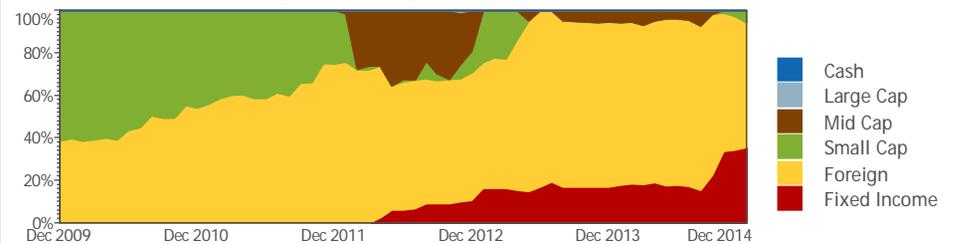
Peak to Trough

The worst peak-to-trough performance of the fund has been minus 63.03% and occurred over a 16 month period of time starting November 2007. The fund recouped this loss over 50 months by April 2013.

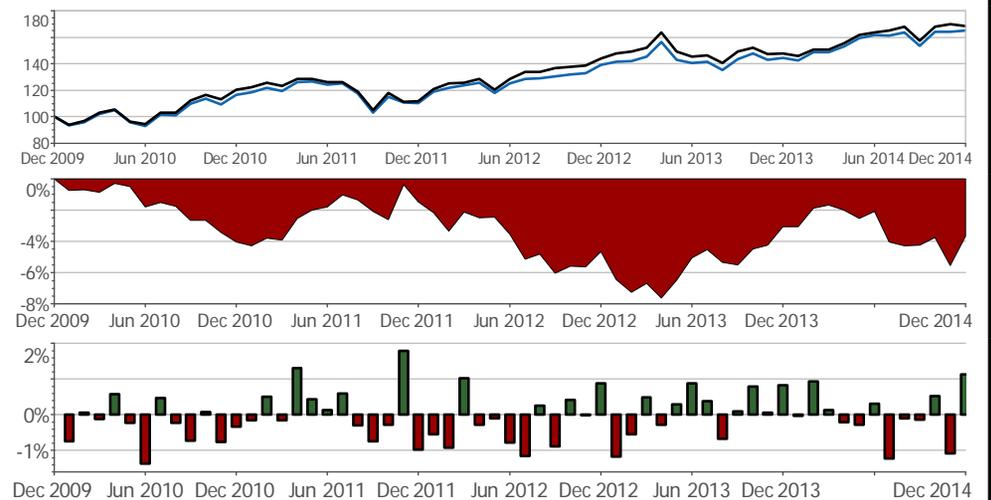
Returns-Based Style Analysis: Stock Style



Returns-Based Style Analysis: Asset Allocation



Performance, Cumulative Excess Return, Excess Return



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FIELD ASSISTANCE BULLETIN NO. 2014-01

DATE: August 14, 2014

MEMORANDUM FOR: MABEL CAPOLONGO, DIRECTOR OF ENFORCEMENT
REGIONAL DIRECTORS

FROM: JOHN J. CANARY
DIRECTOR OF REGULATIONS AND INTERPRETATIONS

SUBJECT: FIDUCIARY DUTIES AND MISSING PARTICIPANTS IN
TERMINATED DEFINED CONTRIBUTION PLANS

Issue

How can the fiduciaries of terminated defined contribution plans fulfill their obligations under ERISA to locate missing participants and properly distribute the participants' account balances?

Background

Under the Internal Revenue Code, a plan administrator must distribute all of a plan's assets as soon as administratively feasible after plan termination.⁽¹⁾ Before making a distribution, the plan administrator has a responsibility to contact the plan's participants for directions on how to distribute their account balances.⁽²⁾ This requirement extends to all participants, regardless of their length of service or the size of their account balances.⁽³⁾ Sometimes, however, participants fail to respond to the notices (or mail sent to their addresses is returned), creating a practical dilemma for the plan administrator who has a fiduciary obligation to search for missing participants and distribute their benefits.⁽⁴⁾ This Field Assistance Bulletin (Bulletin) broadly refers to these unresponsive participants as missing participants. The Bulletin's aim is to help fiduciaries properly discharge their obligations to these missing participants.⁽⁵⁾

This Bulletin replaces Field Assistance Bulletin 2004-02 (FAB 2004-02) and reflects important changes that have occurred in the ten years since the publication of FAB 2004-02. In particular, both the Internal Revenue Service (IRS) and the Social Security Administration (SSA) have discontinued their letter-forwarding services for locating missing plan participants in the years since the initial publication of FAB 2004-02.⁽⁶⁾ At the same time, however, Internet search technologies have expanded and improved, and the Department has codified its enforcement safe harbor for distributing missing participant benefits to individual retirement plans. This Bulletin takes these important changes into account, and also reflects some suggestions from the 2013 ERISA Advisory Council, which made a broad set of recommendations for retirement plans and lost or missing participants and beneficiaries.

Analysis

Under the requirements of section 404(a) of ERISA, a fiduciary must act prudently and solely in the interest of the plan's participants and beneficiaries and for the exclusive purpose of providing benefits and defraying reasonable expenses of administering the plan. Also, under section 404(a)(1)(D) of ERISA, fiduciaries are required to act in accordance with the documents and instruments governing the plan insofar as such documents and instruments are consistent with the provisions of Titles I and IV of ERISA. Section 402(b)(4) of ERISA provides that every employee benefit plan shall specify the basis on which the plan makes benefit payments. Section 403(a) of ERISA generally requires that a trustee must hold the assets of a plan in trust. In the case of plan terminations, fiduciaries must also ensure that the allocation of any previously unallocated funds is made in accordance with the provisions of section 403(d) of ERISA.

Under Title I of ERISA, we generally view the decision to terminate a plan as a “settlor” decision rather than a fiduciary decision. However, the fiduciary responsibility provisions of ERISA govern the steps taken to implement this “settlor” decision, including steps to locate missing participants.⁽⁷⁾ A plan fiduciary’s choice of a distribution option for a missing participant’s account balance also is a fiduciary decision subject to the general fiduciary responsibility provisions of ERISA.⁽⁸⁾

Consistent with their obligations of prudence and loyalty, plan fiduciaries must make reasonable efforts to locate missing participants or beneficiaries, so that they can implement directions on plan distributions from the participants or beneficiaries. However, after a plan fiduciary reasonably determines, in accordance with this guidance, that a participant or beneficiary cannot be located, the fiduciary may distribute the missing participant’s or beneficiary’s benefits in the manner described below. Once a plan fiduciary properly distributes the entire benefit to which a missing participant is entitled, the distribution ends the individual’s status as a participant covered under the plan and the distributed assets are no longer plan assets under ERISA. However, if the distributed benefit is reduced due to a fiduciary breach, the individual would still have standing to file suit against the breaching fiduciary under section 502(a)(2) of ERISA.⁽⁹⁾

A plan fiduciary may charge missing participants’ accounts reasonable expenses for efforts to find them. The amount charged to a participant’s account must be reasonable and the method of allocating the expense must be consistent with the terms of the plan and the plan fiduciary’s duties under ERISA.⁽¹⁰⁾ Plan fiduciaries must be able to demonstrate compliance with ERISA’s fiduciary standards for all decisions made to locate missing participants and distribute benefits on their behalf. If audited, plan fiduciaries could demonstrate compliance using paper or electronic records.

Search Steps

When a plan sponsor terminates a defined contribution plan, one of the plan fiduciary’s most important responsibilities is to notify participants that the plan is being terminated and that benefits will be distributed. Most of the time, routine methods of delivering notice to participants, such as first class mail or electronic notification, will be adequate. But if the participant does not respond with the information necessary for the distribution, or the plan

fiduciary reasonably believes that a participant has not informed the plan of a new address, the fiduciary needs to take steps to locate the participant or a beneficiary.

Some search steps involve so little cost and such high potential for success that a fiduciary should always take them before abandoning efforts to find a missing participant, regardless of the size of the participant's account balance. The failure to take such steps would violate the fiduciary obligations of prudence and loyalty, as set forth in section 404(a) of ERISA.

However, other more expensive approaches may be required when the account balance is large enough to justify an additional plan expense and other efforts have failed. In the period since the Department issued FAB 2004-02, both the IRS and the SSA have announced that their letter-forwarding services are no longer available to plan fiduciaries that are searching for missing participants or beneficiaries. On the other hand, free or low cost Internet search services and tools have become much more broadly available and accepted since the Department issued FAB 2004-02. In many cases, these tools may now be more effective at locating missing participants than either the IRS or SSA letter-forwarding services.

Accordingly, this Bulletin eliminates the requirement in FAB 2004-02 to use the discontinued IRS letter-forwarding service or the SSA letter-forwarding service. In their place, the required search steps have been expanded to include the use of electronic search tools that do not charge a fee.

Required Search Steps

At a minimum, fiduciaries should take all of the following steps before abandoning efforts to find a missing participant and obtain distribution instructions. The activities are numbered for ease of reference, not to suggest that fiduciaries must act in any particular order.

1. **Use Certified Mail.** Certified mail is an easy way to find out, at little cost, whether the participant can be located in order to distribute benefits. The Department provided a model notice that could be used for such mailings as part of a regulatory safe harbor (discussed below), but its use is not required and other notices could satisfy the safe harbor. ⁽¹¹⁾
2. **Check Related Plan and Employer Records.** While the records of the terminated plan may not contain current address information, it is possible that the employer or another of the employer's plans, such as a group health plan, may have more up-to-date information. For this reason, plan fiduciaries of the terminated plan must ask both the employer and administrator(s) of related plans to search their records for a more current address for the missing participant. If there are privacy concerns, the plan fiduciary engaged in the search can request that the employer or other plan fiduciary contact or forward a letter for the terminated plan to the missing participant or beneficiary. The letter would request that the missing participant or beneficiary contact the searching plan fiduciary.
3. **Check With Designated Plan Beneficiary.** In searching the terminated plan's records or the records of related plans, plan fiduciaries must try to identify and contact any individual that the missing participant has designated as a beneficiary (e.g., spouse, children, etc.) to find updated contact information for the missing participant. Again, if there are privacy

concerns, the plan fiduciary can request that the designated beneficiary contact or forward a letter for the terminated plan to the missing participant or beneficiary.

4. **Use Free Electronic Search Tools.** Plan fiduciaries must make reasonable use of Internet search tools that do not charge a fee to search for a missing participant or beneficiary. Such online services include Internet search engines, public record databases (such as those for licenses, mortgages and real estate taxes), obituaries and social media.

Additional Search Steps

If a plan administrator follows the required search steps, but does not find the missing participant or beneficiary, the duties of prudence and loyalty require the fiduciary to consider if additional search steps are appropriate. A plan fiduciary should consider the size of a participant's account balance and the cost of further search efforts in deciding if any additional search steps are appropriate. As a result, the specific additional steps that a plan fiduciary takes to locate a missing participant may vary depending on the facts and circumstances. Possible additional search steps include the use of Internet search tools, commercial locator services, credit reporting agencies, information brokers, investigation databases and analogous services that may involve charges.

Distribution Options

There will be circumstances when, despite their use of the search steps described above, the fiduciaries of terminated defined contribution plans will be unable to locate missing participants or obtain distribution directions. In such cases, the plan fiduciaries will have no choice but to select an appropriate distribution option to complete the plan's termination.⁽¹²⁾ The guidance below sets forth fiduciary considerations for various distribution options from terminated defined contribution plans.

Individual Retirement Plan Rollovers – Preferred Distribution Option

Section 404(a) of ERISA requires plan fiduciaries to consider distributing missing participant benefits into individual retirement plans (i.e., an individual retirement account or annuity).⁽¹³⁾ An individual retirement plan is more likely to preserve funds for retirement than any other option. A distribution that qualifies as an eligible rollover distribution from a qualified plan, which is handled by a trustee to trustee transfer into an individual retirement plan, will avoid immediate taxation.⁽¹⁴⁾ An eligible direct rollover results in the deferral of income tax, avoids 20 percent mandatory withholding, and avoids any 10 percent additional tax for early distributions that might otherwise apply based on the participant's age and related facts.⁽¹⁵⁾ Funds in the individual retirement plan continue to grow tax-free and income taxes do not need to be paid until funds are withdrawn.

As we noted in other guidance, the choice of an individual retirement plan requires the exercise of fiduciary judgment with respect to the choice of an individual retirement plan trustee, custodian or issuer to receive the distribution, as well as the choice of an initial investment in the individual retirement plan.⁽¹⁶⁾ The Department published a safe harbor regulation for plan fiduciaries to satisfy their fiduciary responsibilities under section 404(a) of ERISA when making

certain mandatory rollover distributions to individual retirement plans.⁽¹⁷⁾ In general, this automatic rollover safe harbor applies to distributions of \$5,000 or less for participants who leave an employer's workforce without electing to receive a taxable cash distribution or directly roll over assets into an individual retirement plan or another qualified plan.

In FAB 2004-02, we said the circumstances giving rise to relief under the automatic rollover safe harbor regulation are like those faced by fiduciaries of terminated defined contribution plans. As a result, FAB 2004-02 provided a similar enforcement safe harbor in the context of terminated defined contribution plans. In 2006, the Department strengthened this enforcement policy by publishing the safe harbor in a final regulation.⁽¹⁸⁾ This regulatory safe harbor covers distributions from a terminated defined contribution plan on behalf of a missing participant or beneficiary into an individual retirement plan or inherited individual retirement plan. When they comply with the conditions of the safe harbor, fiduciaries satisfy their ERISA 404(a) duties in the distribution of benefits, the selection of an individual retirement plan provider and the investment of the distributed funds. The conditions include choosing investment products designed to preserve principal and whose fees and expenses are not excessive when compared to other individual retirement plans offered by the provider. In the Department's view, in most cases, the best approach in selecting among individual retirement plans will be to distribute the missing participant's account balance into an individual retirement plan in accordance with the Department's regulatory safe harbor for terminated defined contribution plans.

In 2006, Congress directed the Pension Benefit Guaranty Corporation (PBGC) to expand its defined benefit missing participants program to include distributions from terminated defined contribution plans. The PBGC has requested information from the public on the expansion, but as of this Bulletin's date, it has not proposed a regulation.⁽¹⁹⁾ We recognize that the ability to transfer missing participants' benefits from a terminated defined contribution plan to a PBGC administered missing participants program will change the decisional environment fiduciaries face when choosing among distribution options. The Department intends to reevaluate this guidance after the PBGC publishes final regulations permitting a distribution to its missing participants program.

Alternative Distribution Options

If a plan fiduciary cannot find an individual retirement plan provider to accept a direct rollover distribution for a missing participant or determines not to make a rollover distribution for some other compelling reason based on the particular facts and circumstances, the fiduciary may consider two other options. These two options are: 1) opening an interest-bearing federally insured bank account in the name of the missing participant or beneficiary, or 2) transferring the account balance to a state unclaimed property fund. Before making such a decision, however, the fiduciary must prudently conclude that such a distribution is appropriate despite the potential considerable adverse tax consequences to the plan participant. Unlike tax-free rollovers into an individual retirement plan, the funds transferred to a bank account or state unclaimed property fund generally are subject to income taxation, mandatory income tax withholding and a possible additional tax for premature distributions.⁽²⁰⁾ Moreover, any interest that accrues after the transfer generally would be subject to income taxation upon accrual.⁽²¹⁾ These tax consequences reduce the amount of money available for retirement. A prudent and loyal fiduciary would not

voluntarily subject a missing participant's funds to such negative consequences in the absence of compelling offsetting considerations. In fact, in most cases, a fiduciary would violate ERISA section 404(a)'s obligations of prudence and loyalty by causing such negative consequences rather than making an individual retirement plan rollover distribution.

Federally Insured Bank Accounts. Plan fiduciaries may consider establishing an interest-bearing federally insured bank account in the name of a missing participant, as long as the participant would have an unconditional right to withdraw funds from the account. In selecting a bank and accepting an initial interest rate, with or without a guarantee period, a plan fiduciary must give appropriate consideration to all available information about the bank and interest rate, including any bank charges.

State Unclaimed Property Funds. Plan fiduciaries may also consider transferring/escheating missing participants' account balances to state unclaimed property funds in the state of each participant's last known residence or work location. We understand that some states accept such distributions on behalf of missing participants. We also understand that states often provide searchable Internet databases that list the names of property owners and sometimes pay minimal interest on unclaimed property funds. Any transfers to state unclaimed property funds must comply with state law requirements.

In Advisory Opinion 94-41A, the Department concluded that, if a state unclaimed property statute were applied to require an ongoing plan to pay to the state amounts held by the plan for terminated employees, section 514(a) of ERISA would preempt the application of that state statute.⁽²²⁾ However, the principles set forth in that Advisory Opinion would not prevent the fiduciary of a terminated plan from voluntarily deciding to escheat missing participants' account balances under a state's unclaimed property statute to complete the plan termination process.⁽²³⁾

Additionally, in deciding between distribution into a federally insured bank account and distribution into a state unclaimed property fund, the plan fiduciary should consider the features of each option. For a bank account, these include any bank fees, such as charges for establishing or maintaining the account, along with any interest payable on the account's funds. For a state unclaimed property fund, a fiduciary should look at the availability of a searchable database maintained by the state, which may help participants find their retirement funds, and any interest payable by the state.

Unacceptable Distribution Option

100% Income Tax Withholding Is Not An Option. We know that some plan fiduciaries believe that using 100% income tax withholding for missing participant benefits is an acceptable way to deal with these benefits. Withholding 100% of a missing participant's benefits would in effect transfer the benefits to the IRS. We reviewed this matter with IRS staff at the time we issued FAB 2004-02. We concluded at that time, and continue to believe, that using this option is not in the best interest of participants and beneficiaries and would violate ERISA's fiduciary requirements. We do not believe that 100% withholding would necessarily result in a crediting of the withheld amount against the missing participants' income tax liabilities (for example, the amount withheld may exceed a missing participant's income tax liabilities). This means that

missing participants might not receive the full benefit to which they are entitled. Accordingly, plan fiduciaries should not use withholding as a way to distribute benefits to plan participants and beneficiaries.

Miscellaneous Issues

Fiduciaries have expressed concerns about legal issues that might prevent them from establishing individual retirement plans or bank accounts for missing participants. These issues include perceived conflicts with the customer identification and verification provisions (CIP) of the USA PATRIOT Act (Act).⁽²⁴⁾ The CIP provisions establish standards for financial institutions to verify the identity of customers who open accounts. To deal with this problem, Treasury staff, along with the staff of the other Federal functional regulators,⁽²⁵⁾ issued helpful guidance for fiduciaries that are establishing an individual retirement plan or federally insured bank account in the name of a missing participant. This guidance was published on the regulators' web sites in a set of questions and answers, "FAQs: Final CIP Rule."⁽²⁶⁾

The regulators have told the Department how they interpret the Act's CIP requirements for an account (including an individual retirement plan or federally insured bank account) established by an employee benefit plan in the name of a former participant (or beneficiary) of such plan. They have determined that the Act requires that banks and other financial institutions apply their CIP compliance program only at the time a former participant or beneficiary first contacts such institution to claim ownership or exercise control over the account. CIP compliance will not be required at the time an employee benefit plan establishes an account and transfers the funds to a bank or other financial institution for purposes of a distribution of benefits from the plan to a separated employee.

We note that some issues caused by the application of state laws, including those governing signature requirements and escheat are beyond the Department's jurisdiction.

Conclusion

The fiduciary responsibility provisions of ERISA govern actions taken by plan administrators to implement a plan sponsor's decision to terminate a plan. These actions include the search for missing participants, and if search efforts fail, the selection of a distribution option for the benefits of missing participants. In fulfilling their duties of prudence and loyalty to missing participants, there are certain required search steps that involve so little cost and such high potential for success that fiduciaries must always take them, regardless of the size of the account balance. When the required steps fail to find a missing participant, the fiduciary must determine whether to take additional search steps based on the size of a participant's account balance and the cost of further search efforts. This Bulletin discusses both the required and additional search steps in detail above.

Fiduciaries must always consider distributing the accounts of missing participants into individual retirement plans. Rollovers into individual retirement plans are more likely to preserve funds for retirement than any other option. The Department believes the best approach is a rollover into an individual retirement plan using its regulatory safe harbor for distributions from terminated

plans. If plan fiduciaries are unable to locate an individual retirement plan provider that will accept a rollover distribution or determine not to make a rollover distribution for some other compelling reason based on the particular facts and circumstances, fiduciaries may consider distributing a missing participant's benefit into a federally insured bank account or a state unclaimed property fund. This Bulletin discusses the fiduciary considerations for distribution options more fully above.

You may direct any questions about the information contained in this Bulletin to the Division of Fiduciary Interpretations, Office of Regulations and Interpretations, (202) 693-8510.

Footnotes

1. *See Rev. Rul. 89-87, 1989-27 I.R.B. 5.*
2. Under Internal Revenue Code (Code) §402(f), a plan administrator is required, prior to making an eligible rollover distribution, to provide the participant with a written explanation of the Code provisions under which the participant may elect to have the distribution transferred directly to an IRA or another qualified plan, the provision requiring tax withholding if the distribution is not directly transferred and the provisions under which the distribution will not be taxed if the participant transfers the distribution to an IRA or another qualified plan within 60 days of receipt.
3. The notice requirement extends to all participants because all participants vest in their account balances upon termination of the plan. Under Code §411(d)(3), a plan must provide that, upon its termination or complete discontinuance of contributions, benefits accrued to the date of termination or discontinuance of contributions become vested to the extent funded on such date.
4. This guidance applies only in the context of terminated defined contribution plans. (*See* ERISA §3(34)) The Pension Benefit Guaranty Corporation (PBGC) has a missing participants program for searching for and distributing benefits on behalf of missing participants in terminated defined benefit plans. (*See* ERISA §4050, 29 U.S.C. §1350 (1994).) Section 4050 currently applies only to terminated single-employer defined benefit plans covered by Title IV of ERISA.
5. This guidance assumes that the terminated plan does not provide an annuity option and that no other appropriate defined contribution plans are maintained within the sponsoring employer's corporate group to which account balances from the terminated plan could be transferred. These limitations are based on Code provisions that generally prohibit distributions without appropriate consent in such cases. *See* Treas. Reg. 26 C.F.R. §1,411(a)-11(e). The preamble to "Termination of Abandoned Individual Account Plans," section C. "Safe Harbor for Distributions From Terminated Individual Account Plans" (29 C.F.R. §2550.404a-3) paragraph 3 entitled "Miscellaneous," also discusses the consent requirements under Code §411(a)(11). 77 FR 20820, 20829 (April 21, 2006). *See also* Treas. Reg. 26 C.F.R. §1,411(d)-4, Q&A-2(e) for information on when a defined contribution plan is permitted to be amended prior to termination to eliminate annuity options under the plan.

6. Rev. Proc. 2012-35, 2012-37 I.R.B. 341, modified and superseded Rev. Proc. 94-22, 1994-09 I.R.B. 48, in announcing the cessation of the IRS letter-forwarding service for letters from individuals, organizations, plan administrators, sponsors of qualified retirement plans, or qualified termination administrators (QTAs) of abandoned plans under the Department of Labor's Abandoned Plan Program who are attempting to locate missing plan participants and beneficiaries. The Social Security Administration published a Notice completely discontinuing its letter-forwarding service, which stated that the public now has widespread access to the Internet and the ability to locate individuals without relying on its letter-forwarding service. *See* 79 FR 21831 (Apr. 17, 2014).
7. *See* Advisory Opinion 2001-01A (Jan. 18, 2001); *see also* Information Letter to John N. Ertelborn from Dennis M. Kass (Mar. 13, 1986).
8. *See* Rev. Rul. 2000-36, 2000-31 I.R.B. 140, where the Department stated that the selection of an IRA trustee, custodian or issuer and of an IRA investment for purposes of a default rollover pursuant to a plan provision would constitute a fiduciary act under ERISA.
9. *See* LaRue v. DeWolff, Boberg & Associates, Inc., 552 U.S. 248 (2008), where the Supreme Court held that a participant in a defined contribution plan may make a claim under section 502(a)(2) of ERISA for losses to his or her individual account caused by alleged breaches of fiduciary duty. Section 502(a)(2) of ERISA authorizes participants and beneficiaries alleging fiduciary breaches to sue to obtain "any losses to the plan resulting from each such breach." 29 U.S.C. §1109(a).
10. *See generally* Field Assistance Bulletin 2003-03 (May 19, 2003) for the Department's views with respect to expense allocations in defined contribution plans. *See also* Rev. Rul. 2004-10, 2004-07 I.R.B. 484.
11. *See* Appendix to 29 C.F.R. §2550.404a-3 (2006) (amended 2008).
12. *See supra* note 1.
13. Code §7701(a)(37) defines an "individual retirement plan" to mean an individual retirement account described in Code §408(a) and an individual retirement annuity described in Code §408(b).
14. An "eligible rollover distribution" is, subject to certain limited exceptions, any distribution to an employee of all or any portion of the balance to the credit of the employee in a qualified trust. *See* Code §§402(c)(4) and 402(f)(2)(A).
15. Code §§402(a), 3405(c), and 72(t).
16. *See supra* note 8.
17. *See* 29 C.F.R. §2550.404a-2 (2004). *See also* Class Exemption PTE No. 2004-16 that generally provides relief from ERISA's prohibited transaction provisions for a plan fiduciary's selection of itself as the provider of an individual retirement plan and/or issuer of an investment in connection with automatic rollovers of mandatory cash-out amounts up to \$5,000.
18. *See* 29 C.F.R. §2550.404a-3 (2006) (amended 2008). *See* 73 FR 58459 (Oct. 7, 2008) for an amendment to the safe harbor distribution options in 29 C.F.R. §2550.404a-3 to take into account the expanded definition of eligible rollover distributions under Code §402(c). Code §402(c) was amended by §829 of the Pension Protection Act of 2006, Pub. L. No. 109-280,

- 120 Stat. 780, 1001-02 (2006), to permit the direct rollover of a deceased participant's benefit from an eligible retirement plan to an individual retirement plan established on behalf of a designated nonspouse beneficiary. *See also* Class Exemption PTE No. 2006-06 that generally provides relief similar to PTE No. 2004-16 to qualified termination administrators (QTAs) for distributions of missing participant accounts regardless of the size of the accounts in the context of abandoned plans.
19. Section 4050 of ERISA (*see supra* note 4) was amended by §410(a) of the Pension Protection Act, Pub. L. No. 109-280, 120 Stat. 780, 934-35 (2006), to permit certain plans, e.g., defined contribution plans not covered by Title IV of ERISA, to elect to transfer missing participants' benefits to the PBGC's missing participants program when a plan terminates. The amendment is not effective until the PBGC publishes final regulations. PBGC published a Request For Information on June 21, 2013 (78 FR 37598).
 20. Unless the funds transferred otherwise are not subject to income taxation, such as amounts that have already been taxed or that constitute qualified distributions from a designated Roth account.
 21. Unless the interest is subject to special favorable taxation rules, such as rules for interest earned from investments in state bonds or U.S. savings bonds.
 22. Advisory Opinion 94-41A (Dec. 7, 1994).
 23. Prior Departmental Advisory Opinions addressed distributions from ongoing plans. *See, e.g.*, Advisory Opinion 94-41A (Dec. 7, 1994); Advisory Opinion 79-30A (May 14, 1979); Advisory Opinion 78-32A (Dec. 22, 1978). We note, however, that this memorandum addresses only distributions that complete the termination of defined contribution plans.
 24. Pub. L. No. 107-56, 115 Stat. 272 (2001).
 25. The term "other Federal functional regulators" refers to the other agencies responsible for administration and regulations under the Act.
 26. *See* "FAQs: Final CIP Rule" at: www.fincen.gov/finalciprule.pdf and www.fdic.gov/news/news/financial/2004/FIL0404a.html.