Finalist Report
Large Cap Core Equity Manager Search

for

Miami Beach Employees' Retirement Plan

September 11, 2012

by

Milliman, Inc.

650 California Street, 17th Floor

San Francisco, CA 94108

Tel: (415) 403-1333

Fax: (415) 986-2777

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Search Overview

During the April 10th Board Meeting, there was discussion about the performance of ICC Capital's large cap value-oriented portfolio. Although ICC's portfolio performance was above the benchmarks (Russell 1000 Value and S&P 500) in the quarter ending March 31, 2012, intermediate term results have not been competitive with the benchmarks and comparative style group rankings have been weak.

Milliman was instructed to look at the universe of large cap core investment managers to see if there were managers who had better performance results versus the overall stock market, as measured by the S&P 500. The results of our statistical screening and questionnaire summaries were discussed with the Board on May 8th. At this meeting the Board accepted the recommendation by Milliman to have presentations from ICC Capital, the current manager, as well as Brown Brothers, PIMCO and Wellington. The latter three managers were selected for interviews due to their core equity capabilities and ability to outperform the S&P 500.

Manager Search Process

We initially analyzed our investment manager database[1] to come up with a group of Large Cap Core equity products that Milliman identified as appropriate candidates for the Miami Beach Employees' Retirement Plan Board to consider. In developing the initial list of managers, we focused on firms whose products met the following criteria as of March 31, 2012:

- Products in the eA Large Cap Core Equity universe
- Products without a focused style bias (e.g. Large Cap Core only products were considered)
- Open products with strong three and five year performance histories, information ratios, Sharpe ratios and a standard deviation less than the S&P 500

The initial search identified 22 products. Milliman then reviewed the list of products and removed those products that had a unique style bias, and did not fit the mandate for a diversified portfolio by market capitalization. Products which were closed to new investors were also removed from the initial screening list. These additional constraints removed 4 products for a total of 18 products.

Milliman thoroughly reviewed the 18 screened products and compared each manager's trailing and calendar year performance history along with various risk statistics which included the information ratio, Sharpe ratio and standard deviation against the S&P 500.

Following this extensive performance and risk review and review of the firms' questionnaire responses, a semi-finalist report was prepared. There were six firms profiled in the semi-finalist report. Milliman recommended to the Board to interview Brown Brothers, PIMCO, and Wellington based on the search criteria and search process. Milliman also recommended to interview ICC Capital, the Retirement Plan's current large cap value manager. ICC Capital was sent a questionnaire to complete on May 2012, and the response for the large cap core search was ICC Capital's large cap growth product, not the long standing value product managed for the Retirement Plan. We show this information out of courtesy to ICC Capital.

Questionnaire Candidates

Firm Name	Product
Brown Brothers Harriman & Co.	BBH Core Select
PIMCO LLC	StockPLUS Total Return
Wellington Management Company	Dividend Growth
ICC Capital	Large Cap Growth Equity

[1] Our database is based on manager statistics in the eVestment universe. This universe is comprised of information from 1,631 companies and 10,542 products.

Pros and Cons of 4 Finalist Firms

Firm	Pros	Cons
Brown Brother	• Product has grown from $3,352 to $12,770 million in assets under management over the last 5 years. • Ownership consists of 41 general partners, and no single partner owns more than 10% of the firm. • 3 portfolio managers and 10 sector analysts in the core investment team. • Limited personnel turnover since inception of the strategy. • Invests in stocks with $>5bn market cap. • Fundamental bottom up process with no top down overlays. • Buy and hold approach, typically owning a company 3-5 years. • Highest return in the bear market of 2008 of candidate firms of which shows good downside protection.	• Lead portfolio manager, Timothy Hartch also manages a small cap investment partnership. May not allow enough attention on the core product. • Fee of 1.0% is high for mandate of approximately $50 mm. • Concentrated portfolio of 20-30 stocks. • One of the lower information ratios for 3 & 5 years. • In September 2007, BBH and NY State Banking Department entered into a written agreement by to which BBH agreed to take certain actions to remedy deficiencies in its Bank Secrecy Act/Anti Money-laundering compliance program.
PIMCO	• On a cumulative basis, the product has consistently outperformed the benchmark over the past 7 years. • There is a total of six portfolio managers, all with extensive investment experience • A large financial institution which has its own research platform. • Unique strategy of using equity futures to obtain stock exposure in combination with positions in fixed income to back the derivatives positions. • Leveraging their fixed income expertise • Highest information ratio for 3 and 5 years. • Strong upside market capture • Highly liquid structure	• In annual periods from 2009 to 2012, there have been more accounts lost than gained. • The StockPlus equity product asset losses over each of the years 2008 to 2012 were larger than respective gains. • Only offered in a mutual fund vehicle structure. • Highest standard deviation and beta amongst all candidate firms for trailing 3 and 5 year periods. • High turnover ratio for this strategy.

Wellington	• Firm owned by 128 partners, all of whom are fully active in the firm. • Total firm assets recovered nicely from the bear market of 2008 at $419 to $718 mm as of March 2012. • Believes dividend factors are the key to superior total returns over time. • A large asset management organization that is able to distinguish itself from its peers in terms of research and proprietary data. • The level of equity turnover appears reasonable and suggests a longer term investment orientation. • A dividend growth product comprised of stocks with market capitalization above $5 billion. • Based upon review of the firm's annual returns, in 2008 there was strong downside protection in the bear market. • Lowest standard deviation and beta of candidate firms over the trailing three and five year periods, which may limit losses during down markets.	• The SEC initiated an investigation in May 2012 into some stock purchases executed by the firm in 2008. • Small number of investors in the product at 5. • 1 investor holds the majority of the assets in the strategy. • Low information ratio for 3 years. • The firm underperforms the benchmark, the S&P 500, for the 3 year period. • Annual performance trails the benchmark in 2010 and current YTD.
ICC Capital	• Ownership consists of 8 partners. • Total of four portfolio managers, all with extensive investment experience • Low fees • Assets have grown for the past 4 years from a low of $39 million in 2008 to $107 million in 2012	• The team also manages other ICC strategies, may not have enough focus on this product. • Benchmark against the Russell 1000 Growth. • Large Cap Growth strategy as opposed to a core strategy • Small product with assets at $107 million. • High annual turnover. • Portfolio operations and management occur in separate locations, Florida and California.

Product Comparison

Firm	Product Assets 03/31/2012 ($MM)	Team Size (PM/ Analysts)	Investment Approach (Style)	Wtd Avg Market Cap ($BB)	Fee for Acct
Brown Brothers Harriman	$12,770	3/10	• Fundamental Bottom-up	$91,619	1.00%
PIMCO	$22,910	6/130	• Fundamental Bottom-up	-	0.64%**
Wellington	$10,672	1/5	• Fundamental Bottom-up	$92,781	0.55%
***ICC**	$107.1	4/0	• Quantitative	$65.6	0.38%

**ICC product data is as of 6/30/12.*

*** The Retirement plan also qualifies to be in PIMCO's Large Cap StockPLUS Total Return Fund. Its fees starts at 22.5 basis points and is measured by a 15% participation rate over the index return based on a rolling three time year period.*

Performance of Large Cap Core Managers
Cumulative Performance Results (Gross)

Periods Ending June 30, 2012

Firm	Quarter	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Brown Brothers	-0.47	8.07	18.65	18.71	8.10	6.62	---	---
PIMCO	-0.01	10.71	23.40	26.33	9.17	5.28	7.01	8.79
Wellington	-1.18	7.83	18.34	16.25	6.34	3.57	7.09	---
S&P 500	-2.75	5.45	17.39	16.40	3.86	0.22	4.09	5.33
ICC	-5.60	-3.83	12.63	15.05	5.63	1.74	4.59	6.50
Russel1 1000 Growth	-4.02	5.76	19.49	17.50	5.20	2.87	5.50	6.03

Calendar Year Performance Results (Gross)

Periods Ending June 30, 2012

Firm	YTD	2011	2010	2009	2008	2007	2006	2005
Brown Brothers	10.45	6.45	15.99	22.97	-20.74	13.80	14.08	---
PIMCO	15.97	3.47	26.21	42.18	-42.59	9.25	14.63	4.91
Wellington	6.47	9.77	11.79	22.08	-25.43	7.34	19.87	4.61
S&P500	9.49	2.11	15.06	26.46	-37.00	5.49	15.79	4.91
ICC	6.94	-5.25	16.65	49.28	-35.43	0.42	10.62	2.92
Russel1 1000 Growth	10.08	2.64	16.71	37.21	-38.44	11.81	9.07	5.26

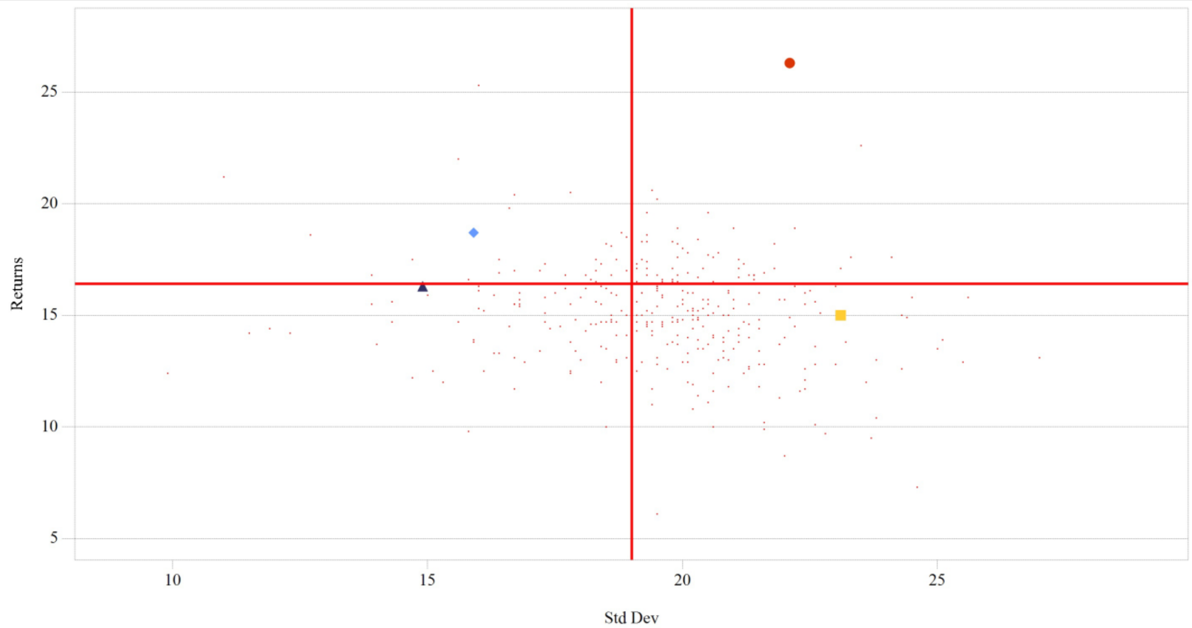
Risk Statistics
Annualized Three Years
Periods Ending June 30, 2012

Firm	Excess	Std Dev	Trk Err	Info	Sharpe	Alpha	Beta	R-Sqr
Brown Brothers	2.31	15.87	4.62	0.50	1.17	4.71	0.82	0.96
PIMCO	9.93	22.12	5.05	1.96	1.19	6.89	1.14	0.96
Wellington	-0.15	14.92	5.62	-0.03	1.08	3.30	0.76	0.95
S&P500	0.00	19.02	0.00	---	0.86	0.00	1.00	1.00
ICC	-2.45	23.13	5.67	-0.43	0.65	-4.42	1.17	0.96
Russell1 1000 Growth	0.00	19.38	0.00	---	0.90	0.00	1.00	1.00

Annualized Five Years
Periods Ending June 30, 2012

Firm	Excess	Std Dev	Trk Err	Info	Sharpe	Alpha	Beta	R-Sqr
Brown Brothers	6.40	17.76	5.99	1.07	0.32	6.11	0.80	0.95
PIMCO	5.06	27.24	7.59	0.67	0.16	5.74	1.22	0.95
Wellington	3.35	16.61	6.23	0.54	0.16	3.00	0.75	0.97
S&P500	0.00	21.75	0.00	---	-0.03	0.00	1.00	1.00
ICC	-1.13	23.34	7.01	-0.16	0.04	-0.90	1.01	0.91
Russell1 1000 Growth	0.00	22.12	0.00	---	0.09	0.00	1.00	1.00

Three Year Risk Reward Chart



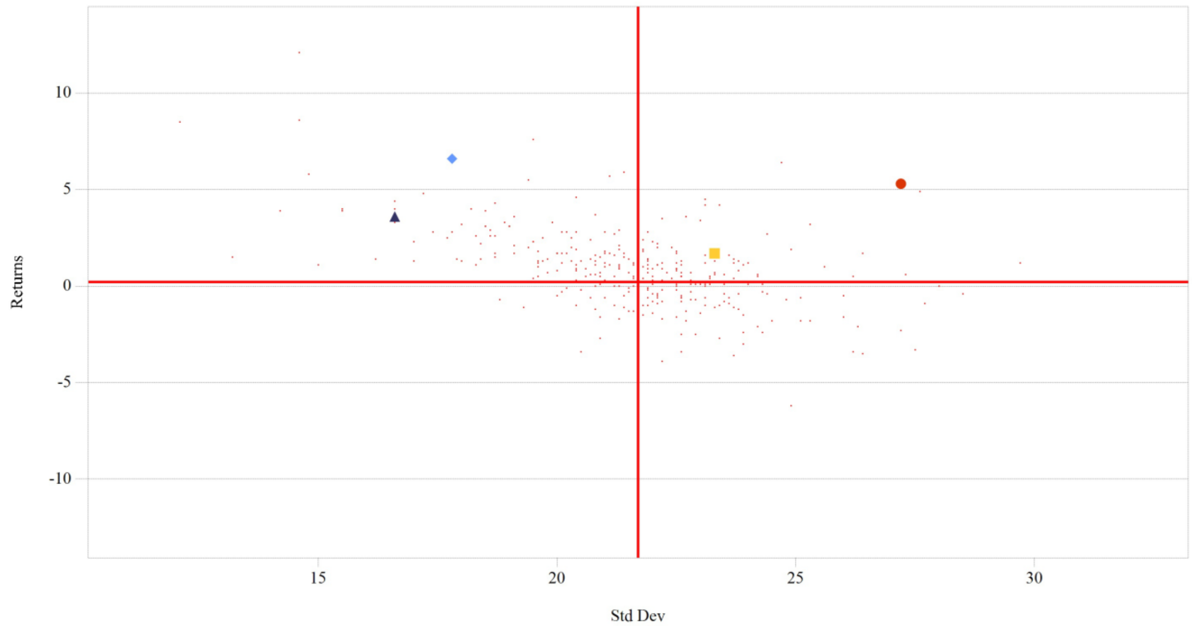
Universe: eA US Large Cap Core Equity

As Of: June 30, 2012

	Returns	Std Dev
Brown Brothers Harriman & Co.	18.7	15.9
ICC Capital Management, Inc.	15.0	23.1
Pimco	26.3	22.1
Wellington Management Company, LLP	16.3	14.9
S&P 500	16.4	19.0

Results displayed in US Dollar (USD)

Five Year Risk Reward Chart



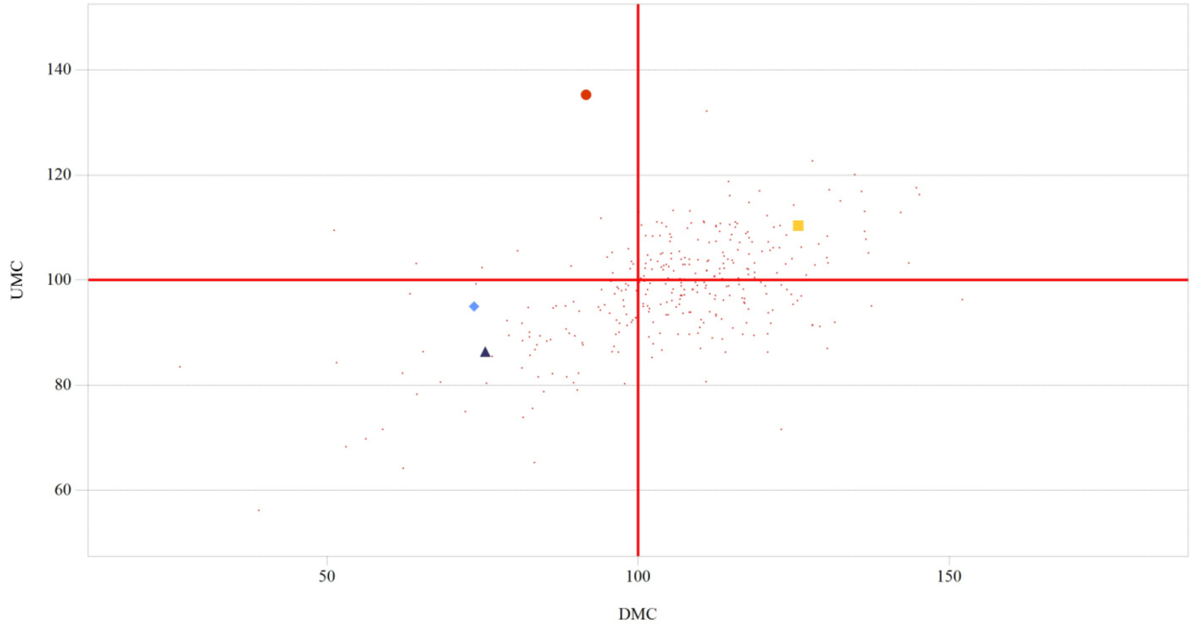
Universe: eA US Large Cap Core Equity

As Of: June 30, 2012

	Returns	Std Dev
Brown Brothers Harriman & Co.	6.6	17.8
ICC Capital Management, Inc.	1.7	23.3
Pimco	5.3	27.2
Wellington Management Company, LLP	3.6	16.6
S&P 500	0.2	21.7

Results displayed in US Dollar (USD)

Three Year Upside-Downside Market Capture



Universe: eA US Large Cap Core Equity

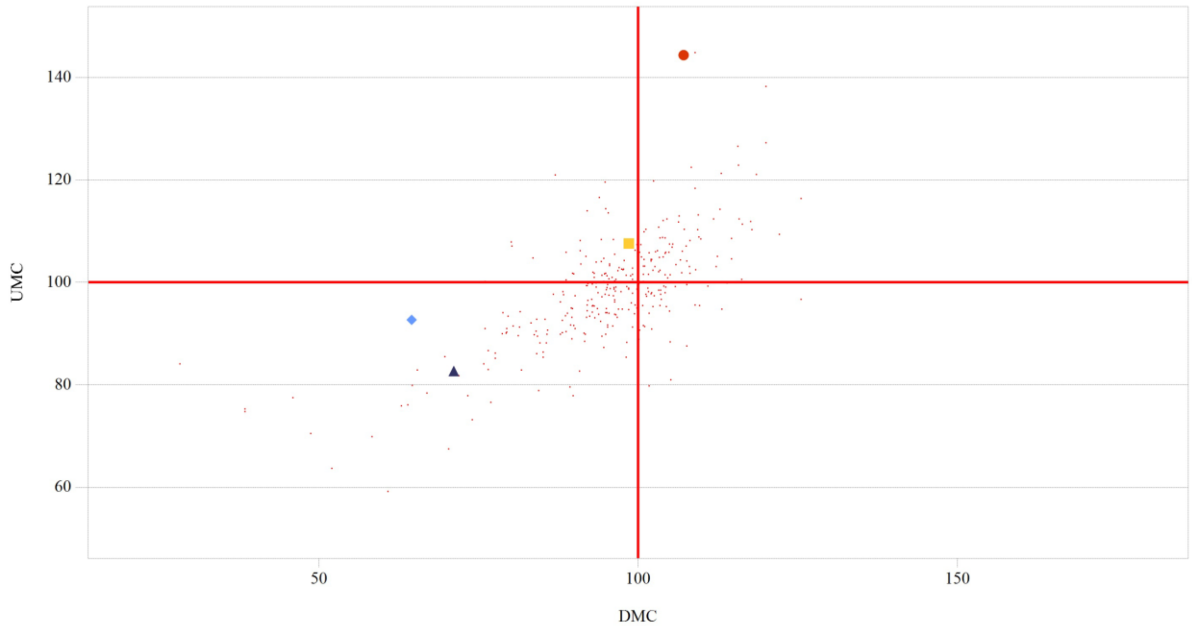
As Of: June 30, 2012

	UMC	DMC
Brown Brothers Harriman & Co.	95.0	73.6
ICC Capital Management, Inc.	110.4	125.7
Pimco	135.3	91.6
Wellington Management Company, LLP	86.4	75.4
S&P 500	100.0	100.0

Results displayed in US Dollar (USD)

S&P 500

Five Year Upside-Downside Market Capture



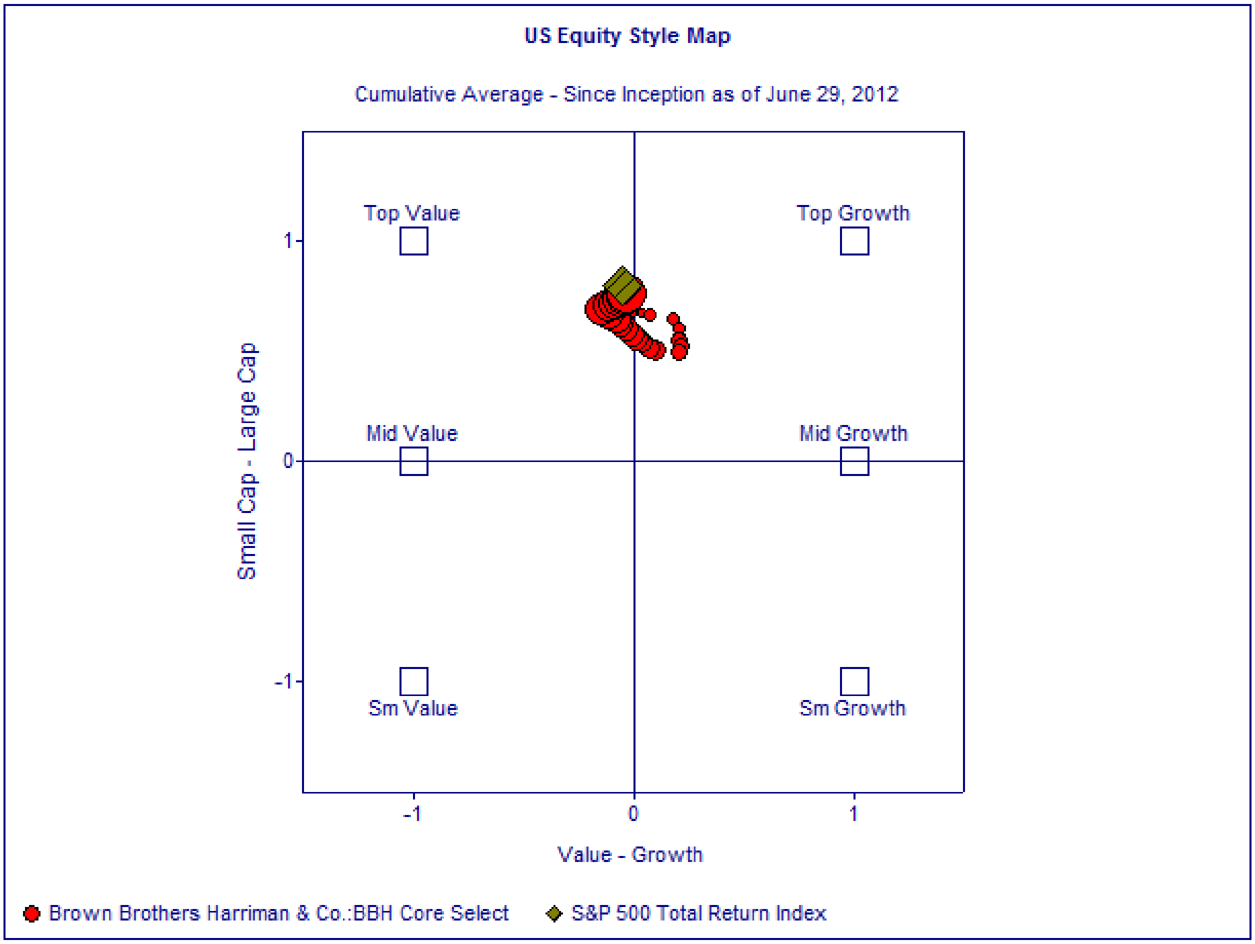
Universe: eA US Large Cap Core Equity

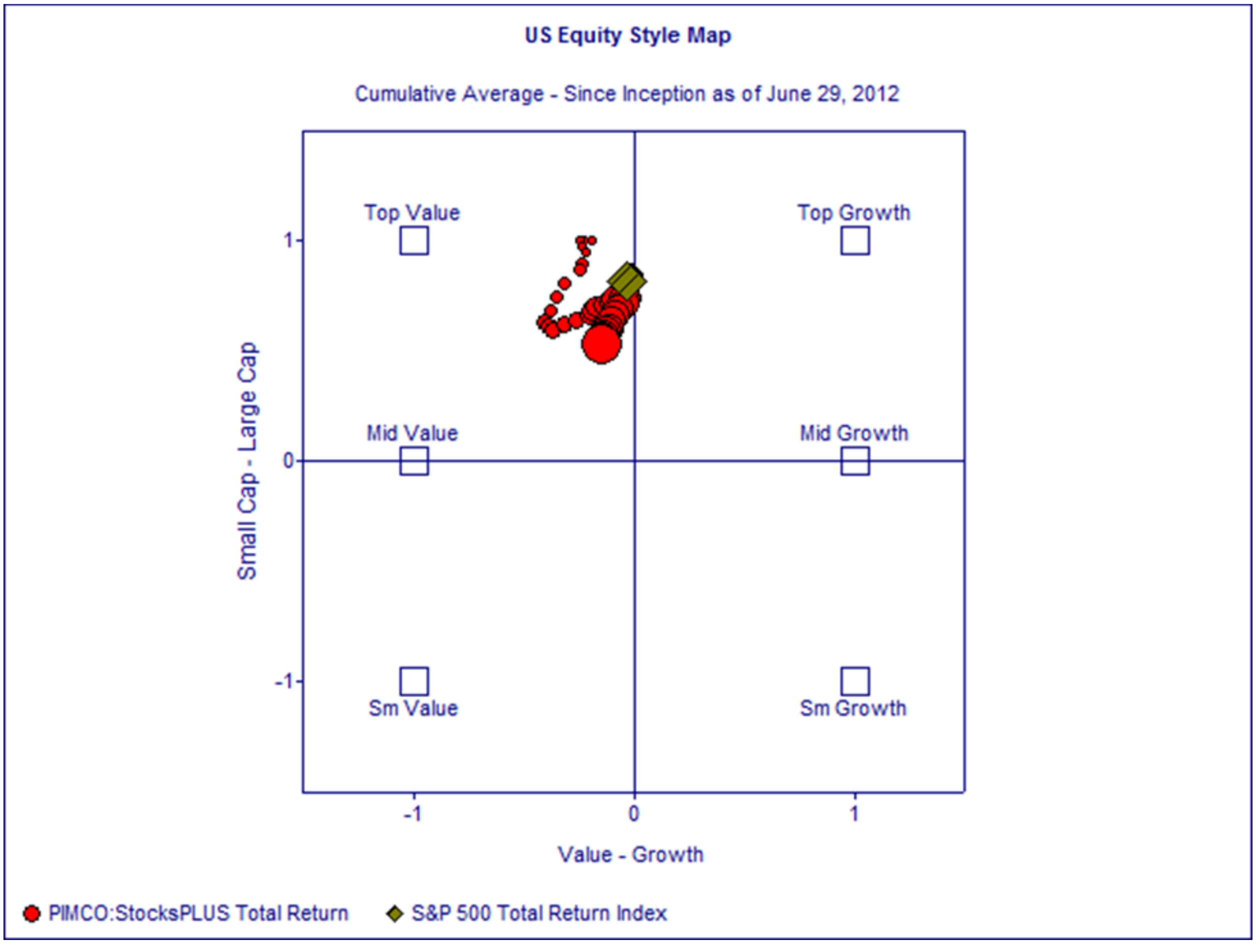
As Of: June 30, 2012

	UMC	DMC
Brown Brothers Harriman & Co.	92.7	64.5
ICC Capital Management, Inc.	107.6	98.5
Pimco	144.4	107.1
Wellington Management Company, LLP	82.7	71.1
S&P 500	100.0	100.0

Results displayed in US Dollar (USD)

S&P 500


US Equity Style Map
Cumulative Average - Since Inception as of June 29, 2012
Top Value
Top Growth
Mid Value
Mid Growth
Sm Value
Sm Growth
Small Cap - Large Cap
Value - Growth
1
0
-1
-1
0
1
Brown Brothers Harriman & Co.:BBH Core Select
S&P 500 Total Return Index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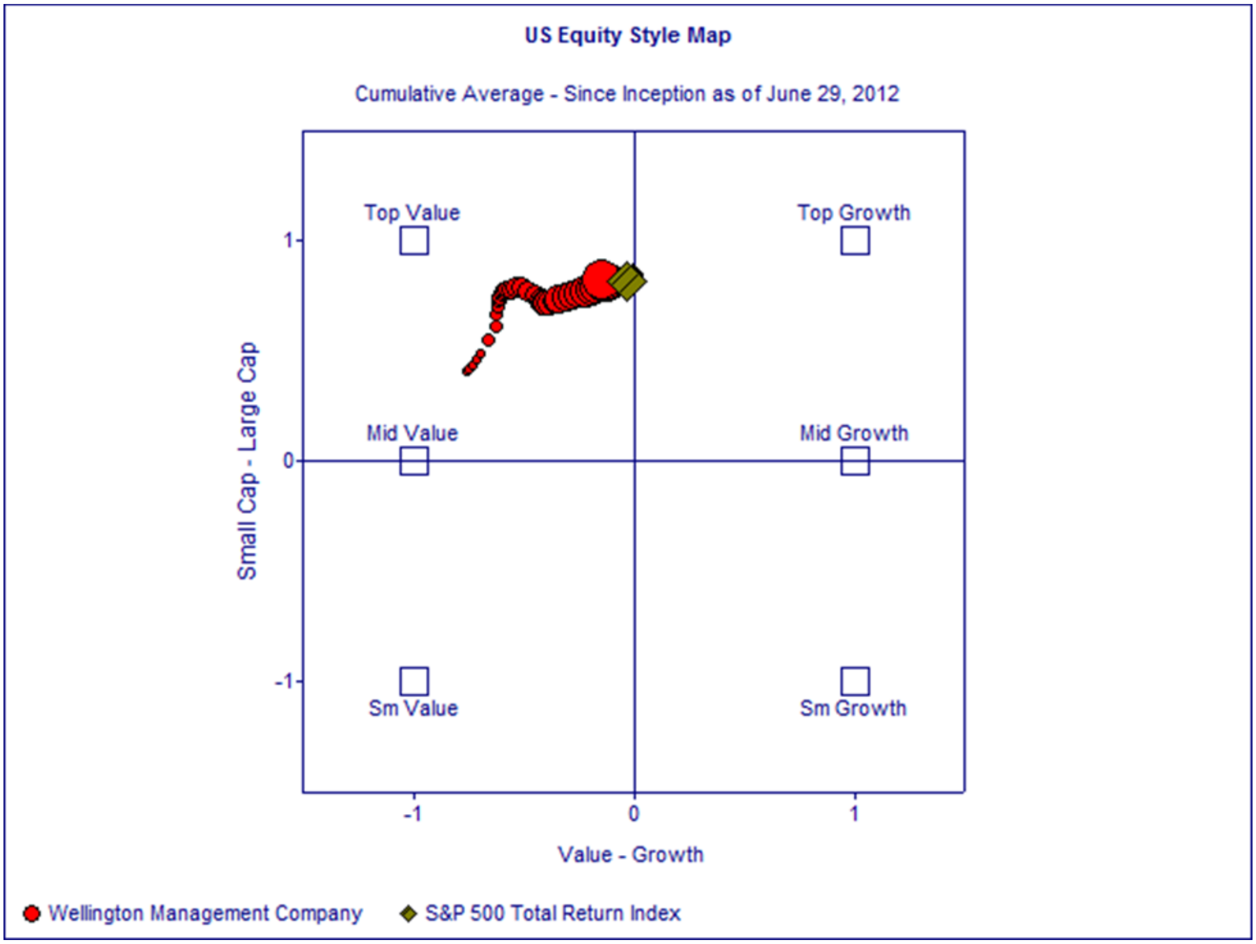
Top Growth
Mid Value
Mid Growth
Sm Value
Sm Growth
Small Cap - Large Cap
Value - Growth
1
0
-1
-1
0
1
PIMCO:StocksPLUS Total Return
S&P 500 Total Return Index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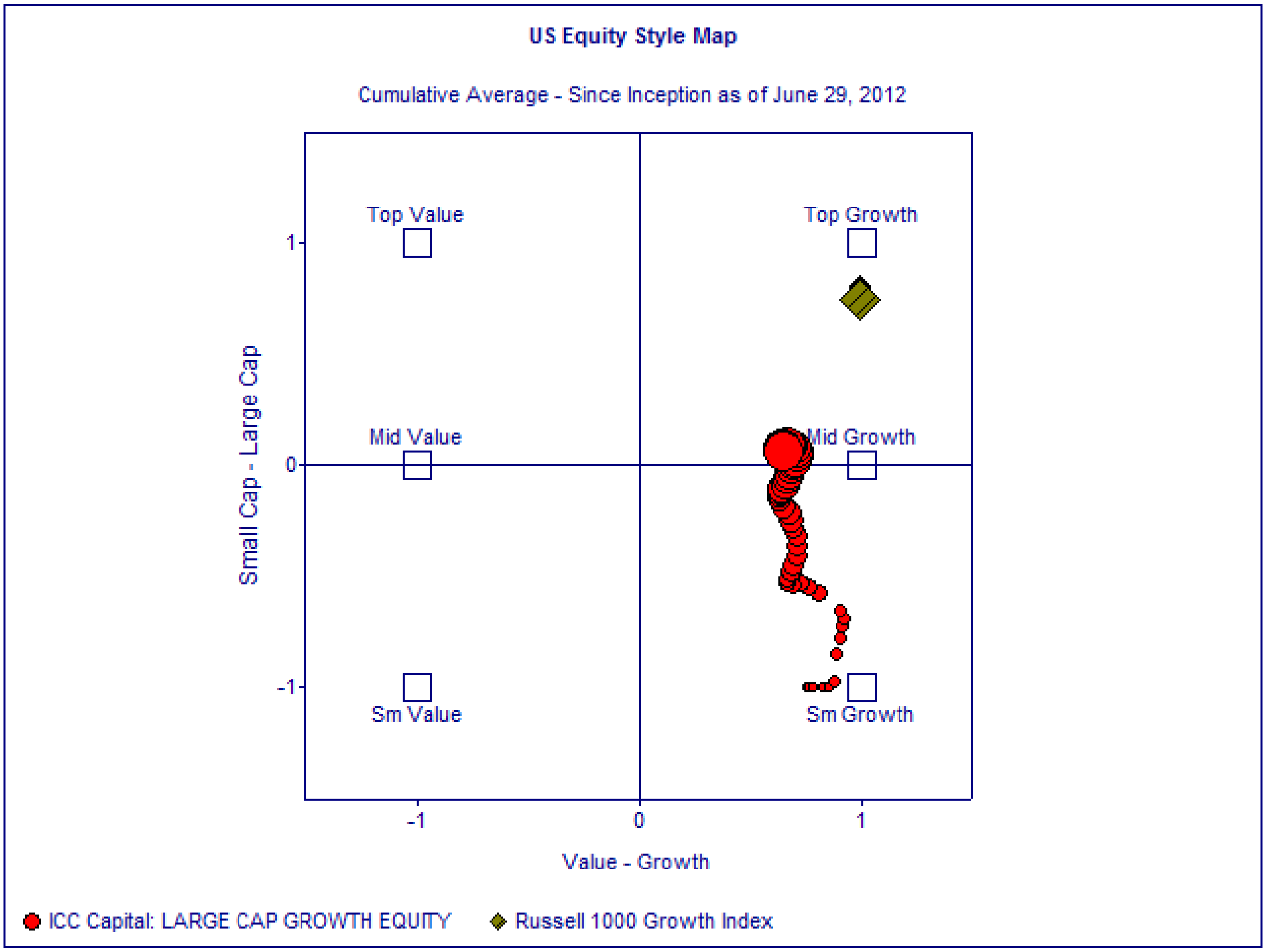
Top Growth
Mid Value
Mid Growth
Sm Value
Sm Growth
Small Cap - Large Cap
Value - Growth
1
0
-1
-1
0
1
Wellington Management Company
S&P 500 Total Return Index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Top Value
Top Growth
Mid Value
Mid Growth
Sm Value
Sm Growth
Small Cap - Large Cap
Value - Growth
1
0
-1
-1
0
1
ICC Capital: LARGE CAP GROWTH EQUITY
Russell 1000 Growth Index

Large Cap Core Equity
INVESTMENT MANAGER QUESTIONNAIRE
As of March 31, 2012

Organizational Background

1. Firm name, address, and telephone and fax numbers of main and branch offices:

Brown Brothers Harriman & Co.
Brown Brothers Harriman Trust Company, N.A.
140 Broadway
New York, New York 10005-1101
(212) 483-1818

2. Firm's new business contact and database/questionnaire contacts:

Name	New Business Contact	Questionnaire Contact
Title	John Nelson	Ben Strickberger
Office	Managing Director	Business Analyst
Phone	140 Broadway New York, NY 10005	140 Broadway New York, NY 10005
Fax	1.212.493.8246	1.212.493.7864
Email	(212) 493-8791	
	john.nelson@bbh.com	benjamin.strickberger@bbh.com

3. Firm founded: Registered with the SEC:

BBH was founded in 1818.

BBH is a private bank authorized under the laws of the State of New York, primarily regulated by the New York Department of Financial Services (NYDFS), and is a member of the Financial Industry Regulatory Authority ("FINRA"). As a bank, BBH conducts an investment advisory business which is exempt from registration with the Securities and Exchange Commission ("SEC"). BBH has; however, registered with the SEC a "Separately Identifiable Department" ("SID") called the Brown Brothers Harriman Mutual Fund Advisory Department. The SID is a registered Investment Advisor and provides investment advice to the BBH proprietary mutual funds, including the BBH Core Select fund.

4. Firm's ownership structure and changes over the past five years.

BBH occupies a unique position in the financial community. The firm is (as of 6/1/12) 100% owned and managed by 41 General Partners, who are both collectively and individually responsible for the firm's policies and management. General Partners carry unlimited personal liability for the firm's obligations and they take an active role in the day-to-day management of the business. As of 6/1/12, no single Partner owned more than 10% of the firm. Other than the retirement of existing partners and the naming of new partners, there have been no changes in the firm's ownership structure in the last five years.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:

As of 6/4/12, the Errors and Omissions Insurance of BBH & Co. was:
Coverage: $100 Million
Deductible: $10 million, Investment Advisory $5 million
Primary Carrier: Vigilant Insurance Company (a subsidiary of Chubb Group of Insurance Companies)

As of 6/4/12, the Fund Directors and Officers/Errors and Omissions Insurance of BBH & Co. was:
$10 Million Limit of Liability

Deductible: $500,000
Primary Carrier: Vigilant Insurance Company (a subsidiary of Chubb Group of Insurance Companies)

Regarding fiduciary liability insurance, BBH has purchased, as of 6/4/12, the Fiduciary Fidelity Bond for Employee Benefits Plan from Chubb that meets the requirements of ERISA Section 412.

6. Litigation:

BBH from time to time becomes involved in litigation matters typical of similar service providers in the industry. BBH currently has no pending litigation matters that would materially affect its ability to provide the services requested.

7. Judgements:

BBH from time to time becomes involved in regulatory matters typical of similar service providers in the industry. BBH currently has no pending regulatory matters that would materially affect BBH's ability to provide the services requested.

In September 2007, Brown Brothers Harriman and the New York State Banking Department ("NYSBD") entered into a written agreement pursuant to which BBH agreed to take certain actions to remedy deficiencies in its Bank Secrecy Act / Anti-Money Laundering compliance program. BBH was not found to be participating in any wrongdoing and there was no fine associated with the agreement.

Effective September 23, 2009, the NYSBD lifted its Written Agreement with BBH. The lifting of the Written Agreement was a formal acknowledgement by the NYSBD that BBH has implemented improvements to its Bank Secrecy / Anti-Money Laundering compliance program and demonstrated that all aspects of the program are effective and sustainable.

8. Market value of assets under management for the firm for each of the past five calendar years as well as the year-to-date ending March 31, 2012.

	Total Firm Assets for IIM				
	Market Value (Millions)**	**# Accounts Gained**	**Assets Gained $(Millions)**	**#Accounts Lost**	**Assets Lost $(Millions)**
Dec 31, 2007	$29,323	*	*	*	*
Dec 31, 2008	$25,156	*	*	*	*
Dec 31, 2009	$25,314	*	*	*	*
Dec 31, 2010	$26,962	*	*	*	*
Dec 31, 2011	$32,348	*	*	*	*
Mar 31, 2012	$34,367	*	*	*	*

** These data are approximate and these data relate to Institutional Investment Management, which claims GIPS compliance, and are not for BBH & Co.

	Total Firm Assets for BBH				
	Market Value $(Millions)	**# Accounts Gained**	**Assets Gained $(Millions)**	**#Accounts Lost**	**Assets Lost $(Millions)**
Dec 31, 2007	$43,873	*	*	*	*
Dec 31, 2008	$36,868	*	*	*	*
Dec 31, 2009	$38,216	*	*	*	*
Dec 31, 2010	$40,199	*	*	*	*
Dec 31, 2011	$45,355	*	*	*	*
Mar 31, 2012	$49,018	*	*	*	*

* We generally do not disclose these data.

9. Market value of assets under management for the recommended product for each of the past five calendar years as well as the year-to-date ending March 31, 2012.

	Specified Domestic Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2007	$3,352	*	*	*	*
Dec 31, 2008	$4,505	*	*	*	*
Dec 31, 2009	$6,256	*	*	*	*
Dec 31, 2010	$7,304	*	*	*	*
Dec 31, 2011	$10,317	*	*	*	*
Mar 31, 2012	$12,770	*	*	*	*

Large Cap Core Equity Investment Services

10. Name of the product described in the remainder of this response:

The firm Large Cap Core Equity strategy is called BBH Core Select.

11. Firm's key members of the large cap core equity portfolio management team:

Name	Title	Yrs. w/ Product	Yrs. W/ Firm	Yrs. Inv. Exp.
Timothy Hartch	Partner, Portfolio Manager	16	7	16
Michael Keller	Managing Director, Portfolio Manager	7	7	13
Scott Hill	Managing Director, Analyst	9	7	24
Regina Lombardi	Managing Director, Analyst	10	7	25
Marla Sims	Senior Vice President, Analyst	7	7	16
Hayley Xuereb	Senior Vice President, Analyst	8	7	12
Mark Curnin	Analyst	6	7	16
Gwen Dillman	Vice President, Analyst	1	1	11
Howard Blum III	Assistant Vice President, Analyst	4	4	6
Neel Panchal	Assistant Vice President, Analyst	7	7	7
Tatiana Vasilyev	Assistant Vice President, Analyst	1	1	4
Sercan Ozcan	Associate, Research Associate	1	1	2
John McDevitt	Central Account Team Leader (Trading)	20	7	13
Michael Ott	Buy-Side Trader	6	2	6
Peter Kelly	Buy-Side Trader	20	10	19

12. Level of personnel turnover for investment professionals at both the firm and product levels:

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2007	*	*	0	0
Dec 31, 2008	*	*	1	0
Dec 31, 2009	*	*	0	0
Dec 31, 2010	*	*	0	0
Dec 31, 2011	*	*	3	0
Mar 31, 2012	*	*	0	0

* This data is unavailable currently.

13. As of March 31, 2012, the number of accounts, assets under management, median account size, and number of portfolio managers in the product.

$ Assets Under Mgt	**Number of Investors**	**Median Client Size**	**Largest Client Size**	**Number of Portfolio Mgrs**	**Number of Inv Analysts**
$12,770 million	2,550****	$1.47	$1,926	3	10

**** This data relates to accounts and not clients.

14. Vehicles through which your large cap core product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$11,015	$10 million
Commingled Fund	N	N/A	N/A
Mutual Fund	Y	$1,755	$10,000 (Class N)
Other (specify)	N/A	N/A	N/A

15. Asset limit:

They currently estimate the capacity of the Core Select strategy to be approximately $20 - $25 billion, which encompasses all distribution channels. This figure is based on their desire to preserve the alpha contributed by their investment team, prevent adverse dilution effects of material oversubscription, and maintain their ability to invest in a concentrated portfolio of approximately 20 - 30 businesses that each have a market capitalization of at least $5 billion without owning more than 10% of each company's outstanding shares.

As they approach capacity, they would expect to communicate the closing verbally and in writing to their clients to ensure that the closing is a smooth transition. They would anticipate that the initial stages of the closing would allow for continued use of the BBH Core Select mutual fund by existing clients.

Large Cap Core Equity Investment Philosophy

16. Investment philosophy/strategy, style and distinguishing characteristics of this product:

BBH Core Select employs a long-term business ownership approach within a discount to estimated intrinsic value framework. Their objective is to provide attractive returns while reducing the risk of permanent capital loss in each individual investment.

Their objective with regard to the specific mandate is:

1) Avoid permanent loss of capital on any single investment
2) Achieve attractive long-term investment returns
3) Outperform in weak markets

They believe companies that possess the following business attributes, management attributes, and financial attributes are well positioned to create value for investors through varying economic and market environments. Purchasing the equity of such businesses with a meaningful margin of safety reduces the likelihood of permanent capital loss on any single investment.

Business Attributes includes

- Essential products and services
- Loyal customers
- Leadership in an attractive market niche or industry
- Sustainable competitive advantages

Management Attributes

- Strong operators with integrity
- Favorable capital allocation
- Meaningful share ownership

Financial Attributes

- Strong balance sheet and free cash flow
- High returns on capital

Ability to Grow

They believe that the quality of a business and its ability to grow over time are closely linked. Their selection process focuses on owning businesses with leading competitive positions in healthy, growing industries. They focus closely on understanding the cash flow characteristics of each business. It is their expectation that revenue growth, free cash flow growth and management's ability to effectively allocate capital will be key drivers of a business' ability to increase its intrinsic value over the long-term.

Margin of Safety

A margin of safety exists when each of the above criteria has been met and there is a meaningful discount between the market price at which a company's shares trade and their estimate of a company's intrinsic value. They typically seek to purchase businesses at 75% of their estimate of intrinsic value. The benefit of investing with a margin of safety is that it 1) provides added downside protection against permanent capital loss and 2) provides the potential for significant value creation.

Summary

The firm views their investment strategy as a low-risk approach to investing in equities. They believe that they have a repeatable and consistent investment process that provides greater objectivity and enhances the likelihood of rational decision making. They also believe that their investment criteria are powerful and differentiated. By applying their criteria and sticking to their process, they aim to provide attractive risk-adjusted absolute results for their clients over the long term.

17. Style bias:

The Core Select strategy is managed according to a methodical and repeatable investment process, which is not modified to fit a particular style bias. They do not explicitly claim that the Core Select product displays any type of style bias, though sometimes the strategy is viewed as having a long-term core emphasis.

18. Portfolio approach to the level of cash and equivalent holdings:

The stated objective of the Core Select strategy is to fully invest in high quality businesses that meet their stringent investment criteria for attractive long-term returns. Typically the cash position of Core Select falls between 4% and 8%. As of 3/31/12, cash and cash equivalents composed 7.4% of BBH Core Select Class N.

19. How the firm defines the large cap core equity market for the purposes of this product:

The large capitalization universe the Core Select investment team searches is publicly traded equities with market capitalizations of $5 billion or higher.

20. How does the firm assess the liquidity of individual equity markets:

There is typically ample liquidity available for the large capitalization stocks that Core Select owns. Furthermore, they believe the BBH Core Select strategy is less sensitive to liquidity constraints than most other strategies due to its long term "business ownership" approach and focused portfolio construction. Because they intend to own each position for several years, they have the opportunity to gradually build or decrease positions in staged increments at prices that they find compelling.

21. Securities other than common stock and cash equivalents in product:

Core Select has the authority to invest in foreign securities (including European Depository Receipts ("EDRs"), Global Depository Receipts ("GDRs") and American Depository Receipts ("ADRs")), or other securities representing underlying shares of foreign companies.

22. Benchmark:

The Core Select strategy is not managed in relation to any benchmark. The S&P 500 represents the best performance benchmark for their style. Their performance will typically not resemble that of a given benchmark or index over the short- and intermediate-term time periods, as BBH Core Select's portfolio construction does not aim to mirror any benchmark or index. With that said, they believe that the S&P 500 is a reasonable benchmark to compare BBH Core Select with over the long term because of its constituents' typically large capitalizations and global revenue streams.

23. Expected tracking error of this product compared to the Standard and Poor's 500 Index:

They do not specifically target the tracking error of Core Select in relation to any benchmark. They also do not develop any expectations regarding tracking error. Historically, an ex-post basis, Core Select's tracking error has been 5.4% for the last 5 years.

24. Does the product target a particular level of volatility (index-relative or absolute)?

They do not target any particular level of volatility whether on a relative or absolute basis.

Large Cap Core Equity Research Process

25. Process for identifying attractive securities:

Their process is completely bottom-up with no top-down overlays. Fundamental analysis is the core of their equity research process, as they seek public equities that (i) provide essential products and services; (ii) have loyal customers; (iii) exhibit leadership in an attractive market niche or industry; (iv) command sustainable competitive advantages; (v) yield high returns on invested capital; (vi) generate strong free cash flow. These are not just desired characteristics, but required attributes. They believe that businesses with these attributes are favorably positioned to protect and grow capital through a range of economic and market environments. There are approximately 150 companies that they have identified which meet their stringent investment criteria and are on their watch list.

Their experienced analysts follow specific industries and work collaboratively to identify, analyze, and monitor specific companies. Each analyst conducts extensive analysis of industry structure and communicates regularly with knowledgeable industry participants and company management teams to assess whether a business meets Core Select's selection criteria. In addition, their approach to managing risk has several facets, which are deeply embedded into the research process: (i) adherence to their criteria and process; (ii) focus on businesses and situations that they can understand; (iii) identify and analyze factors outside of management's control; (iv) avoid exposure to low probability, high severity events; (v) hold cash at times when valuations do not provide a suitable margin of safety; (vi) require a meaningful discount to estimated intrinsic value in price.

For companies that meet the BBH Core Select criteria and are under consideration for investment, their analysts undertake further due diligence activities. The portfolio managers may participate in some or all of these activities, summarized as follows:

A. Review public filings and transcripts from meetings and conference calls
B. Review industry specific publications, journals, and research
C. Meetings and conversations with senior management
D. Meetings and conversations with customers and former employees
E. Meetings and conversations with third parties such as consultants, competitors, suppliers
F. Meetings and conversations with knowledgeable industry contacts and subject matter experts

26. Number of securities regularly followed by security analysts and/or portfolio managers:

Their Core Select equity analysts monitor the universe of public equities with market capitalizations of $5 billion or above on an ongoing basis. Their analysts are organized around specific industry segments and work collaboratively to identify, analyze, and monitor specific companies.

The Core Select investment team maintains an ongoing watch list of approximately 150 companies with minimum market capitalizations of $5 billion that generally meet their investment criteria. This universe of 150 companies does not change often. Thus, their analysts are tracking a defined universe of high quality companies, waiting for an opportunity to purchase them at a discount to their estimate of intrinsic value.

27. Processes in place to detect accounting irregularities at companies held in the portfolio.

Core Select portfolio managers and analysts undertake a rigorous due diligence process that involves thorough analyses of the company's 10-Qs, 10-Ks, and other financial documents in addition to meetings with its management and discussions with primary suppliers, key customers, key competitors, former employees, and other knowledgeable parties. This disciplined research process provides their investment team with an in-depth, nuanced, and thorough understanding of the business under consideration.

Furthermore, their stringent investment criteria select companies of the highest quality, which are generally well known, established, and respected businesses in their respective industries. They only consider investing in businesses with competent managers that have integrity. They also prefer businesses with material insider ownership so that the interests of management are aligned with those of investors. In all, the aforementioned investment processes greatly minimize the likelihood that companies in the Core Select portfolio are executing irregular accounting methods.

28. Does the firm use any technical and/or price momentum research?

The Core Select strategy does not use any technical or price momentum research as part of its due diligence process. Technical and price momentum analyses are not incorporated into the Core Select investment approach.

Portfolio Construction and Management

29. Portfolio construction and management process:

Their Core Select investment process is predicated on a team approach that emphasizes collaboration. They approach and analyze each potential investment as a private equity “deal team” would and apply private equity investment methods to evaluating securities.

Fundamental analysis and a discount to estimated intrinsic value framework provide the basis for each Core Select investment. They look for companies with all, or most, of the following business and financial attributes: (i) essential products and services; (ii) loyal customers; (iii) leadership in an attractive market niche or industry; (iv) sustainable competitive advantages; (v) high returns on invested capital; (vi) strong free cash flow. They believe businesses possessing these traits are favorably positioned to protect and grow capital through varying economic and market environments. In addition, they seek to invest in companies whose managers have high levels of integrity, are excellent operators, and are good capital allocators. When a company meets these criteria, they will consider establishing a position when its market price reaches 75% or less of their intrinsic value estimate. They maintain a buy-and-own approach, typically owning a company’s shares for 3 – 5 years or longer. Investments are usually sold if they appreciate to levels near their proprietary estimate of intrinsic value or in the event of deterioration in fundamentals.

The portfolio managers determine the portfolio weights in consultation with the analyst team. Subsequent decisions to add to, trim, or sell a position are also considered collectively. Final responsibility for decision making and accountability lies with the portfolio management team.

Core Select’s investment criteria and focused portfolio construction are designed to ensure that the threshold for inclusion in the portfolio is quite high. When a business is added to the portfolio, the portfolio managers and the investment analyst(s) who have analyzed the business will each agree that the company represents a prudent long-term investment. Given their goal of protecting against permanent capital loss in each individual investment, they believe that it is prudent to refrain from allocating capital in situations where the level of conviction regarding the expected outcome of an investment is not shared by each of the investment professionals involved in the decision making process.

30. Current number, typical number and range of securities held in the product:

As of March 31, 2012	Typical Number	Range
28	20-30 equities	20-30 equities

31. As of March 31, 2012, the typical portfolio allocation to equities in various market capitalization ranges:

Market Capitalization Range	Allocation as of March 31, 2012	Typical Allocation	Possible Range of Allocation
Less than $100 million	0.0%	*	*
Between $100 mil. and $500 mil.	0.0%	*	*
Between $500 mil. and $1 bil.	0.0%	*	*
Between $1 bil. and $3 bil.	0.0%	*	*
Between $3 bil. and $5 bil.	0.0%	*	*
Between $5 bil. and $10 bil.	4.5%	*	*
Between $10 and $20 billion	18.8%	*	*
Greater than $20 billion	76.7%	*	*
Median Market Capitalization	$69,120 million	*	*
Weighted Average Market Capitalization	$91,619 million	*	*

* We do not target any specific market cap allocations; we invest in businesses with market capitalizations of $5 billion or greater.

32. Sell discipline:

They begin to trim a holding as it approaches 90% of their estimate of intrinsic value. They also trim or sell a position if it increases beyond a size that is commensurate with their assessment of risk/reward.

They exit a position entirely when the market price reaches their estimate of intrinsic value or if there is a deterioration of fundamentals.

Core Select is a low turnover strategy by design and practice. They purchase high quality businesses at attractive prices and expect to hold these positions for 3 – 5 years. Their average turnover over the past 5 years was 25.6%, implying an average holding period of approximately 4 years. Their annual turnover was 21.9%, 15.6%, 20.5%, 40.3%, and 29.6% in 2011, 2010, 2009, 2008, and 2007, respectively.

33. Average large cap core equity turnover for each of the last five years and the current year to date:

Year	Turnover (annual)
2007	29.6%
2008	40.3%
2009	20.5%
2010	15.6%
2011	21.9%
YTD	21%*

* Turnover rate is for trailing 12 months and is for BBH Core Select Class N.

Investment Management Fees

34. Fee schedules for the international equity product:

	Market Value	Fee in Percent
First	On the first $50 million	100
Next	On the next $50 million	75
Next	On the next $50 million	60
Over	On the balance	50

35. Has the firm entered into incentive fee arrangements?

The Core Select strategy does not generally enter into incentive fee arrangements.

36. Does the firm use any service, information, or merchandise paid for with directed commissions?

BBH may allocate a percentage or portion of client commissions to specific brokers or dealers or other providers to pay for research or services which can help BBH provide investment and wealth management services to clients. Research and services may include information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, credit analysis, risk measurement analysis, performance analysis, and analysis of corporate responsibility issues.

The use of a broker that provides useful research and securities transaction services may result in a higher commission than offered by a broker who does not provide research services. BBH's "soft dollar" practices and its policies and procedures are intended to comply with the safe harbor rules of Section 28(e) of the Exchange Act.

An oversight committee, consisting of BBH partners and senior risk management and compliance personnel, meets quarterly to ensure compliance with best execution rules. Analysts vote to establish a budget and allocation model to research providers based on the value and importance of the research which is approved by the best execution committee.

37. ADV Review:

As a bank, they are not required to file form ADV with the SEC. However, they have prepared a detailed client disclosure document that is used in lieu of Form ADV. They are prepared to submit this document if they are selected as a semi-finalist.

38. Performance review:

BBH IIM has been independently verified for the periods January 1, 1996 – June 30, 2011. The verification report is available upon request.

Large Cap Core Equity
INVESTMENT MANAGER QUESTIONNAIRE
As of March 31, 2012

Organizational Background

1. Firm name, address, and telephone and fax numbers of main and branch offices:

   PIMCO LLC

   840 Newport Center Drive
   Newport Beach, CA 92660
   USA

   Phone: 949-720-6000
   Fax: 949-720-1376

2. Firm's new business contact and database/questionnaire contacts:

Name	Mark Romano	Ryan Hart
Title	Executive Vice President, Account Manager	Vice President, Account Manager
Office	840 Newport Center Drive, Suite 100 Newport Beach, CA 92660	840 Newport Center Drive, Suite 100 Newport Beach, CA 92660
Phone	949-720-6010	(949) 720-6644
Fax	(949) 720-6332	(949) 718-5911
Email	Mark.Romano@pimco.com	Ryan.Hart@pimco.com

3. Firm founded: Registered with the SEC:

   PIMCO was founded in Newport Beach, California in 1971. The firm's SEC registration date was March 8, 1971.

4. Firm's ownership structure and changes over the past five years.

   PIMCO is not, and has not been in the past five years, the subject of any lawsuit which can reasonably be expected to have a material adverse effect on PIMCO's ability to provide investment management services.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:

   Carrier: National Union Fire Insurance Company of Pittsburgh, PA
   Single Loss Limit of Liability: $25,000,000
   Single Loss Deductible: $250,000
   Aggregate Limit: $25,000,000
   Bond Number: 6214332
   Bond or Form Name: Investment Company Blanket Bond
   Bond Period: 7/1/2011 to 7/1/2012

   Carrier: Federal Insurance Company
   Single Loss Limit of Liability: $25,000,000 excess of $25,000,000 plus deductible
   Aggregate Limit: $25,000,000
   Bond Number: 82126616
   Bond Period: 7/1/2011 to 7/1/2012

   Carrier: Continental Insurance Company
   Single Loss Limit of Liability: $15,000,000 excess of $50,000,000 plus deductible
   Aggregate Limit: $15,000,000
   Bond Number: 267860356

Bond Period: 7/1/2011 to 7/1/2012

Carrier: St. Paul Mercury Insurance Company
Single Loss Limit of Liability: $20,000,000 excess of $65,000,000 plus deductible
Aggregate Limit: $20,000,000
Bond Number: 490PB2958
Bond Period: 7/1/2011 to 7/1/2012

6. Litigation:

PIMCO is not, and has not been in the past five years, the subject of any lawsuit which can reasonably be expected to have a material adverse effect on PIMCO's ability to provide investment management services.

7. Judgements:

PIMCO has not been the subject of any regulatory action or judgments by the SEC or other regulatory agency or body in the past five years.

8. Market value of assets under management for the firm for each of the past five calendar years as well as the year-to-date ending March 31, 2012.

	Total Firm Assets				
	Market Value $(Millions)	**# Accounts Gained**	**Assets Gained $(Millions)**	**#Accounts Lost**	**Assets Lost $(Millions)**
Dec 31, 2007	746,301	176	28,840	107	12,207
Dec 31, 2008	712,049	305	43,303	134	9,002
Dec 31, 2009	1,000,108	460	65,224	180	16,493
Dec 31, 2010	1,242,121	320	74,224	140	20,650
Dec 31, 2011	1,357,231	332	60,709	203	20,794
Mar 31, 2012	1,419,025	65	10,412	39	5,078

9. Market value of assets under management for the recommended product for each of the past five calendar years as well as the year-to-date ending March 31, 2012.

	Specified Domestic Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2007	35,945	5	894	5	550
Dec 31, 2008	18,478	11	1,199	15	599
Dec 31, 2009	18,154	6	516	15	3,171
Dec 31, 2010	26,175	-	-	3	428
Dec 31, 2011	20,873	4	237	10	1,850
Mar 31, 2012	22,910	-	-	2	290

Large Cap Core Equity Investment Services

10. Name of the product described in the remainder of this response:

For this mandate PIMCO is proposing the StocksPLUS Total Return Fund.

11. Firm's key members of the large cap core equity portfolio management team:

Name	Title	Yrs. w/ Product	Yrs. W/ Firm	Yrs. Inv. Exp.
William Gross, CFA	Co-CIO, Managing Director, Portfolio Manager	Since Inception	40	42
Andrew Balls	Managing Director, Portfolio Manager	5	5	13
Chris Dialynas	Managing Director, Portfolio Manager	Since Inception	29	34

Mohamed El-Erian	CEO, Co-CIO, Managing Director, Portfolio Manager	Since Inception	11	27
Scott Mather	Managing Director, Portfolio Manager	Since Inception	13	17
Saumil Parikh	Managing Director, Portfolio Manager	Since Inception	11	13
Marc Seidner	Managing Director, Portfolio Manager	2	2	23
Christian Stracke	Managing Director, Global Head of Credit Research	4	4	14
Chuck Lahr	Managing Director, Portfolio Manager	2	2	18
Josh Thimons	Executive Vice President, Portfolio Manager	1	1	13
Eve Tournier	Executive Vice President, Portfolio Manager	4	4	13

12. Level of personnel turnover for investment professionals at both the firm and product levels:

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2007	41	24	-	-
Dec 31, 2008	70	32	-	-
Dec 31, 2009	52	38	-	-
Dec 31, 2010	93	35	-	-
Dec 31, 2011	150	35	-	-
Mar 31, 2012	21	17	-	-

13. As of March 31, 2012, the number of accounts, assets under management, median account size, and number of portfolio managers in the product.

$ Assets Under Mgt	**Number of Investors**	**Median Client Size**	**Largest Client Size**	**Number of Portfolio Mgrs**	**Number of Inv Analysts**
$22,910 mm	46 accounts	$190 mm	$832 million	6*	130**

* Represents the number of lead portfolio managers within the strategy.
** Represents firmwide analysts. The StocksPLUS strategy utilizes the experience and expertise of the entire group of analysts

14. Vehicles through which your large cap core product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Yes	5,768	$150 million*
Commingled Fund	Yes	3,056	$5 million
Mutual Fund	Yes	14,085	$ 1 million
Other (specify)	-	-	-

*Represents the minimum investment for a StocksPLUS Total Return separate account. The minimum investment may change for other strategies within the StocksPLUS suite of products.

15. Asset limit:

PIMCO does not foresee any particular Fund level at this time that may pose difficulty for the Fund to efficiently and successfully pursue its investment objective. The fixed income and equity derivatives markets continue to be large and liquid enough to permit them the necessary flexibility to manage the Fund effectively. Furthermore, they feel their present organizational capacity is more than enough to accommodate the effective management and servicing of their moderately growing account load. They will limit the amount of investments in the Fund if they believe a capacity constraint exists.

Large Cap Core Equity Investment Philosophy

16. Investment philosophy/strategy, style and distinguishing characteristics of this product:

They feel the PIMCO StocksPLUS Total Return Fund is a unique, risk-managed equity strategy that combines PIMCO's 25+ years of experience managing StocksPLUS and 40-plus years of experience managing Total Return bond portfolios. As opposed to managers who construct portfolios of physical stocks with weightings that differ from their benchmark indexes, PIMCO manages the StocksPLUS Total Return Fund by combining a non-leveraged position in equity index derivatives with a low to intermediate duration fixed income portfolio.

In the case of the S&P 500, they employ futures and/or total return swaps to obtain equity market exposure. As their name implies, total return swaps provide the total return of a given equity index in exchange for a financing cost, usually around 3-month LIBOR. Because the equity index derivatives are priced such that a combination of these instruments and money market investments should produce a return equal to that of the equity index, their active management of the fixed income collateral seeks to outperform money market rates, thereby generating an incremental return over the equity index. The structure of a StocksPLUS Total Return portfolio is depicted in the following diagram.

*Duration range: Normally ranges from a minimum of negative three years to a positive eight years.

The majority of the buyers of stock index futures contracts use the contracts as a means to gain market exposure over short, uncertain time horizons. Examples are: 1) stock index arbitrage and 2) the use of futures by equity portfolio managers to maintain market exposure by temporarily replacing stocks they have sold. In both cases, the period over which futures are held is short and uncertain. Thus, the contracts must be backed with relatively risk-free fixed income securities, which provide nearly perfect liquidity, since the entire portfolio must be able to be liquidated on a moment's notice. This is why, in practice, the computation of the fair value of a stock index futures contract uses a short-term money market rate, typically around LIBOR, with a maturity equal to the expiration date of the futures contract.

StocksPLUS Total Return, on the other hand, uses stock index futures and/or swaps as a permanent means of obtaining market exposure. This long time horizon helps allow PIMCO to use their fixed income and associated risk management skill set to seek out attractive yields from diversified sources relative to money market financing rates on a portion of the fixed income securities they use to back the derivatives. Since they only require sufficient liquidity to meet a worst case margin outflow caused by a stock market decline, a portion of their fixed income portfolio can be invested in higher yielding securities. In addition, they generally look to take advantage of the typical upward slope of the yield curve by normally maintaining their portfolio duration between a minimum of negative three years and a maximum of positive eight years. They also feel that it is appropriate in most market environments to focus on capturing both the credit yield premium that may be provided by holding a portion of the fixed income portfolio in corporate securities and the volatility yield premium that may be provided by holding high quality mortgage securities. Importantly, they believe they are a very innovative total return style fixed income manager with both a high degree of quantitative skills for analyzing more complex securities and a tremendous depth and breadth of fixed income sector expertise. The StocksPLUS Total Return investment philosophy, therefore, incorporates their ability to use a broad range of fixed income securities and sectors across all different fixed income environments to construct what they feel is a highly diversified fixed income portfolio that is designed to provide an incremental yield and total return over money market rates. They are also able to implement a diversified set of strategies in the fixed income portfolio including sector rotation, yield-curve positioning, and duration management.

They believe success in this style depends overwhelmingly on fixed income skills, which they have carefully honed over their 40-year history as a fixed income manager. As a testament to the attractive relative performance generated by their StocksPLUS family of mutual funds, PIMCO has been awarded the Large Company Equity Manager of the year by Lipper for three consecutive years (2009, 2010 and 2011).

17. Style bias:

The StocksPLUS strategy would be categorized as core. PIMCO maintains exposure to the S&P 500 Index approximately equal to 100% of the Fund's market value primarily through the use of the equity index futures. As such, their individual equity security exposure should be effectively equal to the securities included in the index at all times. There is no growth or value bias except to the extent such a bias exists in the index itself.

18. Portfolio approach to the level of cash and equivalent holdings:

As the StocksPLUS Total Return strategy seeks to maintain 100% of the Fund's value equitized at all times (predominantly through the use of equity futures), typical concerns regarding cash in an equity mandate do not apply. They do, however, maintain approximately 20 – 25 percent of the fixed income portfolio backing an equity index futures in cash, cash equivalents and other highly liquid, same or next day settlement fixed income instruments in order to meet margin calls on their equity futures positions in the event of an equity market decline. Cash levels are monitored very closely by the lead portfolio manager, the short-term desk and the cash desk to insure appropriate liquidity is available to meet potential margin calls at all times.

19. How the firm defines the large cap core equity market for the purposes of this product:

For the purposes of the proposed product, the Large Cap Core equity market is defined as the securities included in the S&P 500 index.

20. How does the firm assess the liquidity of individual equity markets:

Given the Fund's approach to gaining equity market exposure, this question is not applicable. The StocksPLUS Total Return strategy gains exposure to the equity markets through the use of equity index futures and/or swaps, which are large and liquid. Their liquidity analysis is focused on the fixed income portfolio and the equity derivatives markets.

21. Securities other than common stock and cash equivalents in product:

The Fund invests in S&P 500 Index derivatives, backed by a portfolio of fixed income instruments. "Fixed income instruments" include bonds, debt securities and similar instruments issued by various U.S. and non-U.S. public-or private-sector entities. The types of securities that are used in the fixed income collateral portfolio may include:

- Money Market Instruments
- U.S. Treasury and Agency Notes and Bonds
- Municipal Bonds
- Corporate Securities
- Bank Loans
- Yankee and Euro Bonds
- Mortgage-Backed Securities (including CMOs and REMICs)
- Mortgage Derivatives
- Asset-Backed Securities
- Preferred Stock
- Non-U.S. Dollar-denominated Securities
- Emerging Market Securities
- Futures and Forwards (Including Exchange Traded Swaps Futures)
- Currencies
- Options, Caps and Floors
- Swaps
- Credit Default Swaps (Buy Protection and Sell Protection)

The Fund's prospectus and statement of additional information have more details. The Fund's investments are governed by its prospectus, statement of additional information and applicable laws and regulations.

22. Benchmark:

The Fund is benchmarked to the S&P 500 Index.

23. Expected tracking error of this product compared to the Standard and Poor's 500 Index:

The Fund's tracking error relative to the S&P 500 as of March 31, 2012 is provided in the following table. They believe that average tracking error of 3 to 6% is a reasonable expectation.

1 year	3 years	5 years	Since Inception*
4.79	4.83	6.95	5.38

*The Fund incepted in June 2002.

24. Does the product target a particular level of volatility (index-relative or absolute)?

On an absolute basis, the dominant source of volatility in a StocksPLUS Total Return portfolio is the equity market volatility gained through a constant holding of approximately 100% of the portfolio's market value in equity index derivatives. With respect to equity exposure, StocksPLUS Total Return portfolios will have price exposure equal to all index stocks and volatility should track the index closely.

On an index-relative basis, the source of tracking error is the fixed income collateral portfolio, as the equity derivatives should accurately replicate the total return of the equity index with little or no tracking error. StocksPLUS Total Return seeks to deliver reliable alpha over a three- to five-year time horizon with moderate tracking error and overall volatility that is similar to that of the index.

Large Cap Core Equity Research Process

25. Process for identifying attractive securities:

With respect to the Fund's fixed income investments, PIMCO's investment process includes both top-down and bottom-up decision-making. The first and most important step in their process is to get the long run right. They believe that analyzing secular economic and political influences is fundamental to sound portfolio decisions. Holding a definitive, long-term view helps guard against becoming caught up in periodic bouts of euphoria and depression that often characterize financial markets. They are much more optimistic about their skill in identifying long-run value through fundamental economic and credit analysis than their ability to time short-term market movements.

They consider secular analysis so important that they devote three days each year to what they call their "Secular Forum," at which they formulate their outlook for global bond markets over the next three to five years. Selected members of the investment staff are assigned secular topics to monitor, including monetary and fiscal policy, inflation, demographics, technology, productivity trends, and global trade. Secular researchers tackle their subjects on a global basis and approach them over a multi-year horizon. At the Secular Forum their secular researchers summarize their findings for all the firm's investment professionals. In addition, they invite external analysts and scholars to share their expertise with them on financial and economic issues that are germane to the outlook. These external presentations combined with their internal research serve as background for further discussion and debate by the group. The investment process as a whole including the role of the secular outlook is illustrated in the graphic below:

Investment process: Portfolio construction

ALL INVESTMENT PROFESSIONALS AND OUTSIDE EXPERTS	INVESTMENT COMMITTEE / GLOBAL PORTFOLIO MANAGERS		GENERALIST PORTFOLIO MANAGERS AND SPECIALIST TEAMS
THEMES	MARKET VIEWS	PORTFOLIO TARGETS	PORTFOLIO CONSTRUCTION
▪ Secular outlook ▪ Cyclical outlook	▪ Interest rates ▪ Volatility ▪ Yield curve shape ▪ Credit trends ▪ Country outlooks ▪ Currency forecasts	▪ Duration ▪ Yield curve position ▪ Sector ▪ Quality ▪ Country weights ▪ Currency exposures	Buy and sell bonds based on: ▪ Consistency with targets ▪ Portfolio guidelines ▪ Valuation (rich/cheap) ▪ Instrument selection ▪ Credit selection ▪ Risk controls ▪ Liquidity

The next step in their process is the analysis of cyclical or business cycle trends. PIMCO investment professionals meet quarterly in "Economic Forums" to evaluate growth and inflation over the business cycle horizon of the next 6-12 months. They evaluate, from a bottom-up perspective, the research and economic data from presentations by the firm's three regional portfolio committees [Asia-Pacific Portfolio Committee (APC), the Europe Portfolio Committee (EPC) and the Americas Portfolio Committee (AmPC)] and the Emerging Markets team. These presentations are followed by discussion and debate, the purpose of which is to develop an outlook for each region over the cyclical horizon. Their conclusions help refine and update their forecasts for shorter-term economic trends.

Following their Secular and Economic Forums, the Investment Committee, comprised of senior portfolio managers and headed by PIMCO's Co-Chief Investment Officers (Bill Gross is the formal Chairman), works on a consensus basis to develop major strategies that serve as a model for all portfolios. The Investment Committee makes use of the top-down outlook provided by the Forums as well as bottom-up input from specialists who focus on various fixed income sectors and the regional portfolio committees. The Investment Committee sets targets for portfolio characteristics such as duration, yield curve exposure, convexity, sector concentration and credit quality and ensures themes are consistently applied across all portfolios.

Their portfolio management group, through the incorporation of the Investment Committee's model portfolio characteristics, will then construct individual portfolios. The structure of this group resembles a hub and spoke system, with senior portfolio managers comprising the hub and a group of sector specialists the spokes. PIMCO assigns a primary portfolio manager to each fund. It is the primary portfolio manager's responsibility to see that the Fund is structured to reflect the model portfolio defined by the Investment Committee. Portfolio managers are given some latitude in terms of timing and issue selection, but are required to keep portfolio characteristics within a moderate range around model targets. Portfolio managers receive input and strategic ideas from sector specialist teams that cover every pocket of the global fixed income universe, including government, mortgage, corporate, non-dollar, emerging market, convertible and inflation–protected markets. These sector teams are led by seasoned portfolio managers who typically have a decade or more of experience in their sector. The Fund's primary portfolio manager is ultimately responsible for all purchases and sales in the Fund, but may direct sector specialist portfolio managers to assist with execution.

Bottom-up security selection is an important aspect of portfolio construction. Sector specialists are charged with determining relative value within their sectors and play a key role in security selection. An important resource for the sector specialists is PIMCO's staff of highly seasoned analysts who conduct independent security analysis. PIMCO also utilizes an extensive library of proprietary analytical software to help quantify risks and relative value in different securities.

26. Number of securities regularly followed by security analysts and/or portfolio managers:

Given the Fund's approach to gaining equity market exposure, this question is not applicable. With respect to the fixed income collateral portfolio, PIMCO considers the full-spectrum of global fixed income sectors (subject to Fund guidelines) when evaluating individual securities for inclusion in the Fund.

27. Processes in place to detect accounting irregularities at companies held in the portfolio.

PIMCO places a great deal of importance on independent analysis when evaluating corporate credits and never relies on rating agencies alone. Their staff of seasoned credit analysts rates every credit that they hold.

As its primary objective, PIMCO's analysis of corporate financial statements seeks: 1) to quantify cash flows and 2) to develop a true picture of the balance sheet fully loaded with assets employed and liabilities incurred. In regard to cash flows, they define free cash flow as changes in net debt, which makes proper accounting for off-balance sheet debt and financial derivative instruments mandatory elements of their analysis. Typically, they exclude non-cash and mark-to-market income contributed by financial derivatives from their calculation of cash flow. They will also make adjustments to calculations of EBITDA and leverage to account for items such as unfunded pension liabilities, asset sale gains, and other items, which flow through the assessment of the credit.

How companies report their financial and operating results is relevant to the extent that they provide or obscure the information they need to analyze cash flow and the balance sheet. The use of pro forma information is often helpful because it provides additional information beyond what is reported in the financial statements; however, they do not rely on it as a true representation of company performance. The accounting for stock options is less relevant for their analysis because options 1) are generally non-cash expenses 2) are subordinated to claims of debt holders. Stock options dilute the residual value of an enterprise after all its debt have been paid, and, as such, are an important issue primarily for equity holders rather than bond holders.

28. Does the firm use any technical and/or price momentum research?

Their approach is primarily qualitative in that it involves their best judgment about global macroeconomic and industry trends. Their process involves top-down macroeconomic analysis to determine an outlook for bond markets worldwide. With that outlook in mind they then construct model portfolios with exposures to duration, curve, sector, credit, etc. that reflect their outlook. They construct these positions using securities that are attractively priced based on fundamental, bottom-up credit research and analysis. However, in relying on proprietary analytical models to measure and monitor risk exposures and identify undervalued securities, their process incorporates a quantitative nature as well.

Portfolio Construction and Management

29. Portfolio construction and management process:

Their equity index replication process involves going long quarterly equity index futures contracts (while sometimes using total return swap contracts to replicate a long futures position) in an amount sufficient to cover approximately 100% of the value of a portfolio. These futures contracts are typically rolled throughout each quarter prior to expiration. Their focus in managing their equity exposure is to maintain consistent replication of the equity index at the lowest possible financing cost.

With respect to the fixed income collateral portfolio, major macro or structural strategies in their portfolios, such as duration, convexity, sector concentration, yield curve exposure and credit risk are set by the Investment Committee on a consensus basis. Portfolios, including the Fund, are then structured with securities that, in aggregate, seek to optimally achieve the target characteristics. In selecting these securities, PIMCO considers the entire global fixed income universe. Many members of PIMCO's portfolio management group are specialists within a particular sector of the bond market, and the group will rely heavily on these specialists for knowledge and execution within each sector. They draw primarily on in-house resources to support their issue selection, especially teams of highly seasoned credit analysts and financial engineers that supply both fundamental and quantitative analysis. Proprietary models are used to compare embedded risks and determine a theoretical fair value for every security held in the Fund. Portfolio managers can use these models, while also relying on teams of sector specialists, to determine the optimal issue to include in portfolios.

30. Current number, typical number and range of securities held in the product:

As of March 31, 2012	Typical Number	Range
550	605	550 - 643

31. As of March 31, 2012, the typical portfolio allocation to equities in various market capitalization ranges:

This table has been intentionally left blank. The StocksPLUS Total Return strategy employs index derivatives to gain passive exposure to the underlying index. The index derivatives exposure is backed by a short to intermediate duration fixed income portfolio. As such, the requested equity statistics will be nearly identical to that of the equity index.

Market Capitalization Range	**Allocation as of March 31, 2012**	**Typical Allocation**	**Possible Range of Allocation**
Less than $100 million			
Between $100 mil. and $500 mil.			
Between $500 mil. and $1 bil.			
Between $1 bil. and $3 bil.			
Between $3 bil. and $5 bil.			
Between $5 bil. and $10 bil.			
Between $10 and $20 billion			
Greater than $20 billion			
Median Market Capitalization			
Weighted Average Market Capitalization			

32. Sell discipline:

They do not employ automated or mechanical selling procedures. Securities are sold, however, when their credit analysis indicates that a company or a particular issue will become fundamentally flawed. Current holdings are constantly re-evaluated for their relative attractiveness versus investments available in the marketplace. Securities are sold when they individually no longer represent good value, when superior risk/return potential exists in substitute positions (factoring in transaction costs), or when they no longer fit with the macroeconomic or structural strategies in the portfolio.

33. Average large cap core equity turnover for each of the last five years and the current year to date:

Year	**Turnover (annual)**
2007	284%
2008	411%
2009	521%
2010	609%
2011	476%
YTD	601%

Investment Management Fees

34. Fee schedules for the international equity product:

Separate Account

The following table provides the fee schedule for a StocksPLUS Total Return separate account. These fees are provided for informational purposes only as they are proposing a mutual fund for this mandate. The minimum investment for a StocksPLUS Total Return separate account is $150 million.

Performance Based Fees

	Percent Per Annum
Base Fee (Draw Quarterly)	0.150%
Participation rate over Index	15%

No Cap/Rolling 1 year evaluation period

Mutual Fund

A fee schedule for the PIMCO StocksPLUS Total Return Fund, institutional share class, is provided below:

Shareholder Fees (fees paid directly from your investment): None

Annual Fund Operating Expenses

Share Class	Management Fees	Distribution and/or Service (12b-1) Fees	Total Annual Fund Operating Expenses
Institutional	0.64%	N/A	0.64%

Minimum investment for inclusion in the Fund is $1 million. For complete details, please refer to, *PIMCO Funds Prospectus*. The Fund's investments are governed by its prospectus, Statement of Additional Information, and applicable laws and regulations. The Fund's fees are not negotiable.

Private Commingled Fund (for institutional investors only)

While most of this RFP has detailed information about the StocksPLUS Total Return mutual fund, we also offer the strategy in a private fund (LLC) format. Below is the fee schedule.

Performance Based Fees

	Percent Per Annum
Base Fee (Draw Monthly)	0.225%
Participation rate over Index	15%

No Cap/Rolling 1 year evaluation period

35. Has the firm entered into incentive fee arrangements?

Please see the response provided directly above for the Fund's fee schedule.

36. Does the firm use any service, information, or merchandise paid for with directed commissions?

PIMCO prohibits entering into written soft dollar arrangements or commission sharing arrangements.

37. ADV Review:

The firm's ADV was reviewed, no additional information was found.

38. Performance review:

Performance numbers are audited on a monthly basis by the Fund Statistics Group to ensure data integrity. An external auditor, PricewaterhouseCoopers, audits performance numbers at least annually.

Large Cap Core Equity
INVESTMENT MANAGER QUESTIONNAIRE
As of March 31, 2012

Organizational Background

1. Firm name, address, and telephone and fax numbers of main and branch offices:

Wellington Management Company

280 Congress Street
Boston, MA 02210 USA Telephone: +1-617-951-5000
Fax: +1-617-263-4100
www.wellington.com
4 Radnor Corporate Center, Suite 500
Radnor, PA 19087 USA Telephone: +1-610-631-3500
Fax: +1-610-631-3569
222 West Adams, Suite 2100
Chicago, IL 60606 USA Telephone: +1-312-845-1400
Fax: +1-312-845-1450
Two Embarcadero Center, Suite 1645
San Francisco, CA 94111 USA Telephone: +1-415-627-1800
Fax: +1-415-627-1801

2. Firm's new business contact and database/questionnaire contacts:

	New Business Contact	Questionnaire Contact
Name	Greg Williams	James DiGiuseppe
Title	Business Development Manager	Business Development Analyst
Office	Chicago, IL	Chicago, IL
Phone	312-845-1413	312-845-1405
Fax	617-428-5306	617-428-5323
Email	GLWilliams@wellington.com	JDiGiuseppe@wellington.com

3. Firm founded: Registered with the SEC:

Important dates and events in Wellington Management's history are:
1928 — Wellington Fund is established as the first balanced mutual fund in the United States.
1933 — Wellington Management Company is incorporated.
1967 — Wellington Management merges with Thorndike, Doran, Paine & Lewis, an independent investment counseling firm founded in Boston, Massachusetts in 1960.
1979 — Wellington Management is purchased by its key employees and a partnership structure is established.
1996 — Wellington Management becomes a limited liability partnership under Massachusetts partnership law.

Wellington Management Company, llp including its predecessor entities, has been registered as an investment adviser with the US Securities and Exchange Commission (SEC) since 1960. When Wellington Management became a partnership in 1979, a new registration was required by the SEC and was completed October 30, 1979. Their SEC file number is 801-15908.

4. Firm's ownership structure and changes over the past five years.

Wellington Management has been an independent, private partnership since 1979, and no changes to the firm's form of ownership structure are contemplated. The firm is owned by 128 partners, all of whom are fully active in the firm. New partners are elected annually, and current partners retire in either June or

December, after pre-notification to the managing partners and development of a succession plan. The managing partners are responsible for the governance of the partnership. Oversight of the business of the company is the responsibility of Perry Traquina, CEO, and the Executive Committee.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:

Overview
Wellington Management maintains an extensive professional insurance program covering the firm and its global affiliates and subsidiaries. The program, as summarized below, is designed reasonably to protect the firm against undue financial burdens from insurable events in its business or geographic locations.

Errors & Omissions/Directors & Officers
Wellington Management's combined Errors & Omissions/Directors & Officers Liability (E&O/D&O) policy covers errors in client accounts and management liability in oversight of the firm and its affiliates. The customized policy is placed with St. Paul Travelers (St. Paul Surplus Lines Insurance Company) as lead insurer, in a syndicate with 21 other insurers.

The firm currently maintains a one-year, claims-made policy, with a single- and aggregate-loss limit in excess of US$100 million. Wellington Management is responsible for a US$10 million self-insured retention.

Fidelity Bond
The firm's Financial Institution Bond (more commonly, "Fidelity Bond") covers Wellington Management against various forms of crime. The bond has a single- and aggregate-loss limit of US$25 million, a US$100,000 per-event deductible, and a term of one year. Coverage is provided by two insurers, with the Chubb Group (Federal Insurance Company) as the lead.

ERISA Bond
Certain tax-qualified US client accounts of Wellington Management are subject to regulation under ERISA and require special bonding in amounts up to US$1,000,000 per plan. In such instances, coverage is provided under a co-surety arrangement of seven carriers, with the Chubb Group (Federal Insurance Company) as the lead. The policy, which is renewable annually, carries no deductible per law.

6. Litigation:

From time to time, Wellington Management is involved in litigation that arises in the ordinary course of its business, none of which is material with respect to the firm's investment management business or its clients.

In the last five years, Wellington Management was involved in the following litigation: In 2004, Wellington Management was named as a defendant in a number of class action lawsuits brought by shareholders of certain mutual funds sponsored by the Hartford Financial Services Group for which Wellington Management serves as sub-adviser. In February 2008, the complaint was dismissed.

7. Judgements:

Wellington Management periodically receives requests for information and subpoenas from various governmental entities, including the US Securities and Exchange Commission, regarding Wellington Management's trading activities, securities of companies followed by the firm, clients of the firm, and industry practices. To the best of their knowledge, Wellington Management is not the subject of any investigation or administrative proceeding that is material to the firm's investment management business.

However, they would note that in July 2010 the SEC's Office of Compliance, Inspections and Examinations(SEC Staff) began an examination of Wellington Management that focused, in part, on the firm's policies and practices regarding material non-public information. In October 2011, Wellington Management received a letter from the SEC staff informing them that they had concluded their exam. The letter identified two potential weaknesses related to their compliance program. They also questioned the timing of a specific set of transactions executed by the firm in 2008. Having considered the SEC staff's points, they do not believe that any of these issues are material compliance matters. Prior to their being raised by the SEC staff, Wellington Management had already implemented controls and/or systems enhancements to address the potential weaknesses. They have described these controls and enhancements to the SEC staff in their response letter.

During the exam and in the letter, the SEC staff questioned the timing of a specific set of stock purchases executed by the firm in 2008. These transactions related to an issuer that was acquired by another company. The issuer announced the acquisition five days after the purchases in question. Prior to responding to the SEC Staff's letter in October 2011, Wellington Management conducted a thorough review of the situation and concluded that the trading was appropriate and that no further action was required.

In May 2012, the SEC staff initiated an investigation into these same transactions. They continue to believe that the trading was appropriate. They will, of course, cooperate with the SEC staff to facilitate its review.

8. Market value of assets under management for the firm for each of the past five calendar years as well as the year-to-date ending March 31, 2012.

	Total Firm Assets				
	Market Value $(Millions)	**# Accounts Gained**	**Assets Gained $(Millions)**	**#Accounts Lost**	**Assets Lost $(Millions)**
Dec 31, 2007	588,376	231	11,690	183	28,123
Dec 31, 2008	419,627	249	6,894	114	10,978
Dec 31, 2009	537,360	281	25,530	175	11,761
Dec 31, 2010	633,918	306	17,211	105	11,513
Dec 31, 2011	651,432	291	12,401	98	7,604
Mar 31, 2012	718,633	71	5,029	28	1,051

9. Market value of assets under management for the recommended product for each of the past five calendar years as well as the year-to-date ending March 31, 2012.

	Specified Domestic Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2007	1,372	0	0	0	0
Dec 31, 2008	1,760	0	0	0	0
Dec 31, 2009	2,754	0	0	0	0
Dec 31, 2010	4,769	3	57	0	0
Dec 31, 2011	8,180	1	151	0	0
Mar 31, 2012	10,672	0	0	0	0

Large Cap Core Equity Investment Services

10. Name of the product described in the remainder of this response:

Dividend Growth

11. Firm's key members of the large cap core equity portfolio management team:

Name	Title	Yrs. w/ Product	Yrs. W/ Firm	Yrs. Inv. Exp.
Donald J. Kilbride	Sr VP/Equity Portfolio Manager	10	10	23
Edward P. Bousa, CFA	Sr VP/Portfolio Manager/Analyst	10	12	30
Matthew G. Baker	VP/Equity Portfolio Manager/Analyst	8	8	15
Peter C. Fisher	VP/Equity Research Analyst	<1	7	17
Nataliya Kofman	VP/Equity Research Analyst	6	6	12
Mark E. Vincent	VP/Equity Research Analyst	4	4	9
Ellen Chae	VP/Investment Director	<1	1	16
51 Global Industry Analysts	Global Industry Analysts		10[1]	18[1]

[1]Years experience for the group are averages

12. Level of personnel turnover for investment professionals at both the firm and product levels:

Year	Firm-wide		Product Specific	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2007	1,982[1]	NA[2]	0	0
Dec 31, 2008	1,842[1]	NA[2]	0	0
Dec 31, 2009	1,790[1]	NA[2]	1	0
Dec 31, 2010	1,844[1]	NA[2]	0	0
Dec 31, 2011	1,977[1]	NA[2]	0	0
Mar 31, 2012	1,983[1]	NA[2]	1	0

[1]Represents the number of individuals employed at Wellington Management at each year-end and as of 31 March 2012.

[2]The firm's turnover for investment professionals has averaged 7% annually for the five years ended 31 2012.

13. As of March 31, 2012, the number of accounts, assets under management, median account size, and number of portfolio managers in the product.

$ Assets Under Mgt	Number of Investors	Median Client Size	Largest Client Size	Number of Portfolio Mgrs	Number of Inv Analysts
$10,672	5	$88	$10,137	1	5

14. Vehicles through which your large cap core product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	10,672	US$25 mil
Commingled Fund	N	-	-
Mutual Fund	N	-	-
Other (specify)			

15. Asset limit:

Their Dividend Growth style invests in large, liquid companies that can absorb a high degree of institutional ownership. They see no immediate limit to the assets that can be managed in this investment approach.

Large Cap Core Equity Investment Philosophy

16. Investment philosophy/strategy, style and distinguishing characteristics of this product:

Philosophy/Strategy
The Dividend Growth investment process is based on the belief that above-average growth in dividends is an effective and often overlooked indicator of high quality, shareholder-oriented companies which produce consistent, above-average returns over time. In order to grow dividends, companies need to produce not only growth in reported earnings but also growth in free cash flow, which requires prudent management of balance sheet accruals as well as margins. Companies also need to allocate free cash flow effectively by reinvesting capital selectively, and returning excess capital to shareholders. Historically, companies which have returned excess capital to shareholders via dividends have produced higher returns on capital over time. They believe that a portfolio of high-quality stocks with superior prospects for dividend growth, selling at reasonable valuation levels, can produce superior total returns over time.

Style
Dividend Growth is a large cap core investment approach.

Distinguishing Characteristics
They believe three main distinguishing characteristics are the firm's ownership structure as a private partnership, their commitment to fundamental research, and the rigorous fundamental analysis performed by the investment team.

Their firm's commitment to proprietary, independent research also distinguishes them from their peers. In addition to covering every sector of the public equity markets, research at Wellington is a senior career path to partner, which allows their research and industry analysts to provide extensive depth and insight for portfolio managers to use in the portfolio. As one of the largest equity managers in the industry, researchers have access to over 10,000 management meetings annually. Having this level of access gives their Dividend Growth Team insight into how management teams deploy capital and their plans for returning excess capital to shareholders going forward. Members of the Dividend Growth Team conduct their own bottom-up fundamental research and have access to the broad research resources of Wellington Management, including 51 global industry analysts, 31 fixed income credit analysts, 23 global equity traders, 6 macroanalysts, and other analysts and portfolio managers at that firm that support specific investment strategies. These experts offer tremendous support to the team's research efforts and serve to test their conviction, while offering unique perspectives based on their particular areas of proficiency. Wellington Management's substantial investment in global research resources underlies the team's ability to understand companies and their respective industries and to add value through intensive bottom-up, fundamental analysis.

Finally, the rigor of the fundamental analysis conducted by the Dividend Growth Team is a key differentiator. The team performs fundamental equity analysis to determine high-quality companies with the earnings prospects and the management perspective to grow their dividend over time; they are not simply focused on companies that solely pay high dividends. In a low yield world, there are strategies that focus on stocks with high dividend yields but these yields are unsustainable because the companies will not generate sufficient free cash flow to sustain and/or grow the dividend over time. It is the combination of quality and dividend growth that leads to superior total return over time.

17. Style bias:

Dividend Growth has a core style.

18. Portfolio approach to the level of cash and equivalent holdings:

The portfolio is generally fully invested, and cash is typically less than 5%.

19. How the firm defines the large cap core equity market for the purposes of this product:

For the purposes of the Dividend Growth product, they consider the large cap core equity market to include large cap companies with market capitalizations of US$5 billion or more. The vast majority of the portfolio will be invested in companies with market capitalizations greater than US$20 billion. The portfolio will not have a growth or value style tilt over time; rather, it will generally maintain a core investment style.

20. How does the firm assess the liquidity of individual equity markets:

The companies in the Dividend Growth Portfolio are large cap, highly liquid companies; therefore, overall liquidity of the entire portfolio is not an issue.

On a broad scale (i.e., across their client portfolios) they review each investment strategy's capacity at inception and on an ongoing basis, considering a wide range of factors including product market cap range, current asset base, pace of cash flows, firmwide ownership in portfolio names, days of volume held in portfolio names, and the investment team's qualitative input. They have demonstrated a willingness to close approaches to new business when they felt that impending liquidity constraints could impair their ability to add value for existing clients. To the extent that assets and accounts grow such that it begins to limit the availability of desired investments or trading in the style, or their ability to service the product, they will consider closing the product.

Specifically on the equity side (at the strategy level), they regularly review their liquidity exposure using Barra's liquidity factor present in both the US and global models (USE3, and GEM2, respectively). In addition, their Global Trading department assesses liquidity in the aggregation and allocation of executions. Any insights are relayed back to the portfolio management teams as part of the regular risk review process.

21. Securities other than common stock and cash equivalents in product:

The Dividend Growth Portfolio will typically be fully invested in common stocks. Derivatives are not expected to be a principal investment tool in the Dividend Growth investment process; however, for the purposes of reducing risk and/or obtaining efficient investment exposure, the portfolio may invest in ETFs and derivative securities including, but not limited to, forward contracts, futures contracts, options contracts, currency derivatives, and swaps. In addition, in order to gain efficient investment exposure to issuers in certain countries or geographic regions, the portfolio may invest in market-access products subject to client guidelines.

22. Benchmark:

The Russell 1000 Index is the benchmark for the Dividend Growth investment approach. The approach seeks to provide a total return in excess of the broader market, which they believe is accurately represented by this index.

23. Expected tracking error of this product compared to the Standard and Poor's 500 Index:

While they do monitor significant changes in projected tracking risk, they do not have specific targets or manage tracking risk directly. Historically, the projected tracking risk has been the range of 4% – 8%.

24. Does the product target a particular level of volatility (index-relative or absolute)?

The Dividend Growth approach does not target a particular level of volatility. Given the high-quality nature of the stocks in the portfolio, they expect that the volatility of the portfolio will typically be less than the broad market, as measured by the Russell 1000 Index, over time. For the five years ended 31 March 2012, the annualized standard deviation of the Dividend Growth Portfolio was 15.1%, versus 19.3% for the Russell 1000 Index.

Large Cap Core Equity Research Process

25. Process for identifying attractive securities:

The investment process is based on the belief that above-average growth in dividends is an effective and often overlooked indicator of high quality, shareholder-oriented companies which produce consistent, above-average returns over time with lower volatility then the broad market. In order to grow dividends, companies need to produce not only growth in reported earnings but also growth in free cash flow, which requires prudent management of balance sheet accruals as well as margins. Companies also need to allocate free cash flow effectively by reinvesting capital selectively and returning excess capital to shareholders. Historically, companies which have returned excess capital to shareholders via dividends have produced higher returns on capital over time. They believe that a portfolio of high-quality stocks with superior prospects for dividend growth, selling at reasonable valuation levels, can produce superior total returns over time.

Leveraging the firm's global industry analysts, the Dividend Growth Team focuses on identifying high-quality companies that have the ability, propensity, and commitment to return capital to shareholders in the form of a growing dividend. From a financial perspective, the approach seeks to identify companies with a below average debt/capital ratio relative to their industry, higher than average and improving returns on capital, modest reinvestment needs, positive balance sheet trends, and free cash flow conversion. The unifying characteristic among the companies held in the Dividend Growth Portfolio will be quality cash flow characteristics. Importantly, they will also pay close attention to insider activity and management compensation schemes in order to judge the proper alignment of shareholder interests with those of the senior executives.

High-quality companies that meet their dividend and valuation criteria are ranked on a similar basis. While dividend growth is an important focus of the investment process, capital appreciation is also considered in determining the attractiveness of the valuation for each security. In order to evaluate each company, all stocks are rated on the basis of upside return potential relative to downside risk over a 12 to 24 month period based on their fundamental and qualitative analysis of each company. They monitor the risk/reward profile of each stock, but the most important driver of purchase and sale decisions is the potential for dividend growth and the fundamentals that support that analysis.

Typically, the portfolio has a "barbell" composition in its approach to finding dividend growth, balancing steady dividend growers (companies growing dividends along with earnings) with companies shifting to a more mature stage of growth and initiating dividend payments or allocating higher proportions of their earnings to dividends. To be clear, these are still very high-quality companies with compelling long-term prospects, but they are going through a subtle shift in capital allocation. These companies tend to be in a more advanced stage of their life cycles, such that "growth" capital requirements of the businesses are diminishing. These businesses are in a position of accelerating free cash flow growth, but the choices of how to deploy the cash are skewed toward the shareholder and away from the business itself. Simply put, these companies are slowly moving toward the harvest stage and away from the rapid growth stage.

Research

The primary source of their information is their own bottom-up, proprietary research. Leveraging the firm's global industry analysts, the Dividend Growth Team focuses on identifying high-quality companies that have the ability, propensity, and commitment to return capital to shareholders in the form of a growing dividend. From a financial perspective, the approach seeks to identify companies with a below average debt/capital ratio relative to their industry, higher than average and improving returns on capital, modest reinvestment needs, positive balance sheet trends, and free cash flow conversion. Each member of the Dividend Growth Team is responsible for research on companies within his/her industries of expertise. The team members create earnings models based on their knowledge of and projections for the company as well as the broader industry in which it operates, and their meetings with company management, competitors, suppliers, and customers. Each company's financial metrics (e.g., market share, return on capital, cash flow, EPS growth) and qualitative factors (e.g., management strength, business strategy, new product pipeline, sustainable advantage) are analyzed to differentiate both organizational quality and security upside appreciation potential. Upside potential is determined by combining a target valuation multiple with proprietary earnings expectations while downside risk is evaluated relative to current valuation, stage of industry cycle, and degree of company specific financial and operational risk. Key to the process is an understanding of a company's ability and willingness to pay and grow their dividend.

The team takes a fundamental, bottom-up approach to investing. Although macroanalysis is not a key input into the investment process, the research provided by the firm's macroanalysts is available throughout the firm and can complement the fundamental research conducted by the global industry analysts and the Dividend Growth Team analysts.

26. Number of securities regularly followed by security analysts and/or portfolio managers:

The Dividend Growth Portfolio generally holds between 40 and 60 stocks. Most positions in the portfolio are large-capitalization, highly liquid stocks with a market capitalization of US$5 billion or more.

27. Processes in place to detect accounting irregularities at companies held in the portfolio.

Detection of accounting irregularities would generally occur as part of their fundamental research process.

28. Does the firm use any technical and/or price momentum research?

Technical analysis or price momentum research is not part of the Dividend Growth investment process.

Portfolio Construction and Management

29. Portfolio construction and management process:

The Dividend Growth investment process stresses a team-oriented approach to fundamental research and a broad sharing of investment ideas. Members of the team conduct equity research on companies within their assigned industries and leverage the work of the firm's global industry analysts, who are more specialized with respect to industry coverage and can offer more granular industry perspectives at times. This structure allows the Dividend Growth team analysts to focus their attention more broadly across multiple industries. Fundamental analysis is critical to the investment process and research ideas are fully discussed and considered before decisions are made within the portfolio. The team meets regularly to discuss all purchase and sale recommendations with Portfolio Manager Donald Kilbride, who has final responsibility for buy/sell decisions within the Dividend Growth Portfolio.

30. Current number, typical number and range of securities held in the product:

As of March 31, 2012	Typical Number	Range
48	50	40 – 60

31. As of March 31, 2012, the typical portfolio allocation to equities in various market capitalization ranges:

Market Capitalization Range	**Allocation as of March 31, 2012**	**Typical Allocation**	**Possible Range of Allocation**
Less than $100 million	0%	0%	
Between $100 mil. and $500 mil.	0	0	
Between $500 mil. and $1 bil.	0	0	
Between $1 bil. and $3 bil.	0	0	
Between $3 bil. and $5 bil.	0	0.5	
Between $5 bil. and $10 bil.	0	1.7	
Between $10 and $20 billion	16	15.3	
Greater than $20 billion	84	82.5	
Median Market Capitalization	US$48,416 mil	US$45,944 mil	

Weighted Average Market Capitalization	US$92,781 mil	US$87,972 mil	

32. Sell discipline:

High-quality companies that meet their dividend and valuation criteria are ranked on a similar basis. While dividend growth is an important focus of the investment process, capital appreciation is also considered in determining the attractiveness of the valuation for each security. In order to evaluate each company, all stocks are ranked on the basis of upside return potential relative to downside risk over a 12– to 24–month period based on their fundamental and qualitative analysis of each company. Upside potential is determined by combining a target valuation multiple with proprietary earnings expectations while downside risk is evaluated relative to current valuation, stage of industry cycle, and degree of company specific financial and operational risk. Companies exhibiting superior upside return versus downside risk are purchased while portfolio holdings demonstrating the contrary profile are reduced and eliminated.

While they monitor the risk/reward profile of each stock, the most important driver of purchase and sale decisions is the potential for dividend growth and the fundamentals that support that analysis. Typical reasons for selling a security include price target achievement, new capital/competitors enter the industry, or the company initiates a new business strategy inconsistent with their core sustainable advantage.

33. Average large cap core equity turnover for each of the last five years and the current year to date:

Year	Turnover (annual)
2007	37%
2008	29
2009	26
2010	16
2011	12
YTD	27

Investment Management Fees

34. Fee schedules for the international equity product:

	Market Value	Fee in Percent
First	On the first US$25 million	0.60%
Next	On the next US$25 million	0.50
Next	Over US$50 million	0.40
Over		

35. Has the firm entered into incentive fee arrangements?

They do not offer standard performance-based fee schedules for most of their investment approaches. However, they are willing to discuss such solutions as the search progresses.

36. Does the firm use any service, information, or merchandise paid for with directed commissions?

Wellington Management receives internally generated broker research and third-party research services from brokers with whom they execute trades. Trades are placed with brokers who, in the judgment of Trading, can provide best available price and most favorable execution at a commission rate based on the execution requirements of the trade. The selection responsibility lies with the individual trader and these selections are reviewed regularly by the director of Equity Trading. In selecting a broker or dealer to execute a transaction, Wellington Management may consider the research services provided by a broker or dealer only when they reasonably determine that more than one broker or dealer can offer the brokerage and execution services needed to seek best available price and most favorable execution on that transaction. The research services they obtain through commission arrangements may include written research material and access to industry analysts and other experts in a variety of fields, such as corporate management, government officials, doctors, medical researchers, and scientists. The commission rate paid is based on the execution requirements of the trade without regard to research. Roughly 5% of Wellington Management's firmwide equity commissions are used for the payment of qualified third-party research services.

Wellington Management uses their largest broker counterparties for the bulk of their third-party research services. In addition, Wellington Management receives proprietary broker research as part of an overall bundled relationship with certain brokerage firms.

37. ADV Review:

The firm's ADV was reviewed, no additional information was found.

38. Performance review:

Wellington Management claims compliance with the GIPS for the period 1 January 1993 through 31 December 2011.

Large Cap Equity
INVESTMENT MANAGER QUESTIONNAIRE
As of June 30, 2012

Organizational Background

1. Firm name, address, and telephone and fax numbers of main and branch offices:

Firm Name	ICC Capital Management Inc.
Orlando Office (Headquarters)	
Address	390 North Orange Ave. 27th Floor Orlando, FL 32801
Phone Number	(407) 839-8440
Fax Number	(407) 841-2814
New York Office	
Address	675 Third Ave. Suite 1805 New York, New York 10017
Phone Number	(212) 395-9690
Fax Number	(212) 395-9695
Walnut Creek Office	
Address	ICC c/o Pacific Business Centers 1990 N California Blvd. Suite 830, #25 Walnut Creek, CA 94596
Phone Number	(925) 932-7096
Fax Number	(925) 932-7001

Operations, portfolio administration, trading and client service teams are based in the Orlando headquarters. Portfolio management and investment research occur in the Walnut Creek and Orlando offices. New York is home to both client service and marketing teams.

2. Firm's new business contact and database/questionnaire contacts:

	New Business Contact	Questionnaire Contact
Name	Steve Stack	Marina Hayes
Title	Chief Compliance Officer	Marketing and Consultant Relations Associate
Phone	(407) 926-7774	(407) 926-7780
Fax	(407) 841-2814	(407) 841-2814
Email	sstack@icccapital.com	mhayes@icccapital.com

3. Firm founded: Registered with the SEC:

ICC Capital Management, Inc. ("ICC") was created in 1995. The firm has been registered as an Investment Advisor with the U.S. Securities and Exchange Commission since June 20, 1995.

4. Firm's ownership structure and changes over the past five years.

ICC Capital Management, Inc. is 100% owned by ICC Capital, Inc.
There are 8 owners of ICC Capital, Inc. The distribution of ownership is as follows:
Grant McMurry: 31.66%
Mike Tindal: 15.18%
Bart McMurry: 15.18%
J. Andy Richey: 13.84%

Richard Nolan: 7.78%
John Larkin: 7.78%
Bob Ohanesian: 5.14%
Rich Rindernecht: 3.44%

In January 2011, ICC combined business efforts with Valley Forge Capital Advisors under the ICC Capital Management, Inc. name. A direct objective of the union was the formation of the Quantitative Strategies Group ("QSG"). This four member team comprised of Bart McMurry. Michael Barron, Michael Mara and Robert Dombrower, manage the strategic and investment decisions in the Core Value Equity, Large Cap Growth, International ADR Equity, and Sector Rotational Core strategies.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:

The Errors & Omissions policy coverage is $5 million in aggregate and $1 million per occurrence, policy Binder #7372009 expires 06/20/2013. USI Insurance Services LLC is the insurance carrier. The ERISA Bond with $27,480,573 blanket policy covers all ERISA Plans; bond # 82123905 expires on 11/12/2012. Federal Insurance Company is the carrier.

6. Litigation:

There was no litigation regarding their investment activities over the past 5 years. The firm is not expecting any new litigation.

7. Judgements:

ICC has not been the subject of any judgments or investigations by any governmental or regulatory agencies for the past 5 years.

8. Market value of assets under management for the firm for each of the past five calendar years as well as the year-to-date ending June 30, 2012.

	Total Firm Assets				
	Market Value $(Millions)	**# Accounts Gained**	**Assets Gained $(Millions)**	**#Accounts Lost**	**Assets Lost $(Millions)**
Dec 31, 2007	3,031.12	28	197.55	14	112.87
Dec 31, 2008	2,203.87	14	82.75	27	172.91
Dec 31, 2009	2,842.45	16	39.69	7	30.75
Dec 31, 2010	3,273.15	31	172.75	10	78.83
Dec 31, 2011	3,206.80	53	418.62	11	87.61
Jun 30, 2012	3,152.64	9	85.46	27	184.61

9. Market value of assets under management for the recommended product for each of the past five calendar years as well as the year-to-date ending June 30, 2012.

	Specified Domestic Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2007	154.81	1	1.20	1	17.87
Dec 31, 2008	39.07	0	0.00	10	69.71
Dec 31, 2009	53.34	3	1.42	0	0.00
Dec 31, 2010	96.94	6	30.67	0	0.00
Dec 31, 2011	92.55	2	2.25	0	0.00
Jun 30, 2012	107.11	3	9.91	1	0.75

Large Cap Equity Investment Services

10. Name of the product described in the remainder of this response:

Large Cap Growth Equity

11. Firm's key members of the large cap core equity portfolio management team:

Name	Title	Yrs. w/ Product	Yrs. W/ Firm	Yrs. Inv. Exp.
Bart McMurry	CFO, CIO Quantitative Strategies Group	4	17	23
Michael Mara	Managing Director/Portfolio Manager	1	1	25
Robert Dombrower	Senior Vice President/Portfolio Manager	1	8	18
Michael Barron	Director/Portfolio Manager	1	1	18

12. Level of personnel turnover for investment professionals at both the firm and product levels:

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2007	0	1	0	0
Dec 31, 2008	1	2	1	1
Dec 31, 2009	1	0	0	0
Dec 31, 2010	0	0	0	0
Dec 31, 2011	3	1	3	0
June 30, 2012	0	0	0	0

13. As of June 30, 2012, the number of accounts, assets under management, median account size, and number of portfolio managers in the product.

$ Assets Under Mgt	**Number of Investors**	**Median Client Size**	**Largest Client Size**	**Number of Portfolio Mgrs**	**Number of Inv Analysts**
$107.11 MM	24	$2,144,658	$29,948,441	4	0

14. Vehicles through which your large cap core product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$107.11	$5,000,0000
Commingled Fund	N	N/A	N/A
Mutual Fund	N	N/A	N/A
Other (specify)	N	N/A	N/A

15. Asset limit:

ICC has placed no maximum asset value limitations on this product and will not do so until the asset size of the strategy begins to compromise the portfolio managers' ability to efficiently trade securities due to liquidity and position size issues.

Large Cap Equity Investment Philosophy

16. Investment philosophy/strategy, style and distinguishing characteristics of this product:

The most unique aspect of ICC's investment philosophy is the belief that human behavior is a key element in the evolution of investment management for the future. ICC incorporates this belief into its stock selection process through a quantitative approach to investing, which allows ICC to breakdown many specific components of the market and study the effects of investor psychology on their movement; with such analysis, ICC has the ability to adapt its investment strategies in accordance with shifts in economic and market trends while providing clients with an investment approach that is proactive rather than reactive.

The Large Cap Growth Portfolio is unique in that it is driven by a quantitative process. ICC's experience has been that firms with the most analysts rarely have the highest returns, thus ICC turned the focus of portfolio management away from human analysis and toward human decision-making where it can add the most value. The gathering and analysis of all the various variables that make stock prices move are best left to computers, while freeing portfolio managers to focus on the interpretation of the data and concentrate on their own decisions about structuring portfolios to outperform benchmarks.

17. Style bias:

The Large Cap Growth strategy has a growth equity bias.

18. Portfolio approach to the level of cash and equivalent holdings:

ICC does not utilize cash as a tactical or strategic tool. Cash is held as a residual of normal trading activity and will range from 0-10% of the portfolios at any given time.

19. How the firm defines the large cap core equity market for the purposes of this product:

For the purposes of this product the QSG team defines the Large Cap equity market as a universe of stocks in the Russell 1000 Growth benchmark.

20. How does the firm assess the liquidity of individual equity markets:

The QSG team considers any holding within a client chosen benchmark to be "fair game" for inclusion within portfolios. Thus, liquidity concerns for Large Cap Growth portfolio are no greater than that of the index.

21. Securities other than common stock and cash equivalents in product:

The Large Cap Growth strategy may hold ADR's at a maximum exposure of 10%.

22. Benchmark:

The most commonly utilized benchmark for their Large Cap Growth Equity portfolios is the Russell 1000 Growth Index because their portfolio characteristics best correlate to the attributes of this index.

23. Expected tracking error of this product compared to the Standard and Poor's 500 Index:

The expected tracking error of the Large Cap Growth product is compared to S&P 500 and is 5-6%.

24. Does the product target a particular level of volatility (index-relative or absolute)?

No, this product does not target a particular level of volatility.

Portfolio Construction and Management

25. Process for identifying attractive securities:

The Large Cap Growth strategy is designed to exploit benchmark abnormalities by overweighting or underweighting sectors. ICC uses proprietary quantitative modeling techniques to analyze benchmarks according to periodicity, skewness and other descriptive measures that point out exploitable opportunities. A multi-factor modeling process is utilized to evaluate sectors and individual stocks. The relative "score" of each stock within any benchmark is calculated weekly. All of the individual scores are aggregated and used to get an overall "score" for each sector. When all factors are pointing to opportunity within a sector, portfolios are overweighted to reflect this signal, utilizing optimization techniques against the benchmark for the final selection and security weight within the portfolio.

Individual security weights are determined in conjunction with a weekly review of the benchmark. Weights below the current weighting in the benchmark are detractors of performance and of little use. The portfolio managers take initial positions and then monitor performance to judge whether any further adjustment is required to keep returns within the expected range. ICC clients' investment guideline restrictions are important adherents.

26. Number of securities regularly followed by security analysts and/or portfolio managers:

As of June 30, 2012	Typical Number	Range
63	60	40-65

27. As of March 31, 2012, the typical portfolio allocation to equities in various market capitalization ranges:

Market Capitalization Range	**Allocation as of June 30, 2012**	**Typical Allocation**	**Possible Range of Allocation**
Less than $100 million	0.00	0.00%	0.00%-0.02%
Between $100 mil. and $500 mil.	0.00	0.79%	0.00%-2.11%
Between $500 mil. and $1 bil.	0.17	0.54%	0.00%-2.34%
Between $1 bil. and $3 bil.	5.39	10.81%	5.39%-16.60%
Between $3 bil. and $5 bil.	17.17	12.91%	3.86%-22.66%
Between $5 bil. and $10 bil.	13.12	18.10%	9.48%-28.64%
Between $10 and $20 billion	12.80	19.96%	12.80%-26.50%
Greater than $20 billion	51.34	36.88%	31.07%-51.34%
Median Market Capitalization	14.8B	13.1B	6.6B – 17.3B
Weighted Average Market Capitalization	65.6B	48.6B	40.2B – 65.6B

28. Sell discipline:

Securities are considered sell candidates when their overall ranking or relative ranking in specific factors consistently falls in weekly analysis. Such a drop typically identifies deteriorating fundamentals or overvaluation in specific securities. The portfolio managers analyze each sell candidate to confirm the investment model's sell-signal. Typically, predetermined price targets are not set. When the model output falls, portfolios are adjusted and securities are sold.

29. Average large cap core equity turnover for each of the last five years and the current year to date:

Year	**Turnover (annual)**
2007	99.87%
2008	60.55%
2009	43.25%
2010	100.43%
2011	66.28%
YTD	99.14%

Investment Management Fees

30. Fee schedules for the international equity product:

	Market Value	**Fee in Percent**
First	$20 Million	0.500%
Next	$36 Million	0.375
Next	$56 Million	Negotiable
Over		

31. Has the firm entered into incentive fee arrangements?

No.

32. Does the firm use any service, information, or merchandise paid for with directed commissions?

ICC purchases Reuters, Baseline, MacGregor (Systems Software), and a few Bloomberg systems for investment research and analysis through soft dollars and spread rebate. Each system/service purchased is a primary source for ICC's equity and fixed income research and is utilized throughout the investment decision making process; therefore, ICC has determined that they continually add value to each of its client portfolios. ICC Capital is in compliance with CFA Institute Soft Dollar Standards.

33. ADV Review:

The firm's ADV was reviewed, no additional information was found.

34. Performance review:

ICC Capital Management, Inc.("ICC") claims compliance with the Global Investment Performance Standards (GIPS). ICC has been independently verified for the periods 1/1/1995 – 6/30/12.

Definitions

Excess Returns - Returns in excess of the risk-free rate, a benchmark or in excess of another manager. A positive excess return indicates that the manager outperformed the benchmark for that period.

Given two return series (typically a manger and a benchmark), $x_1, \ldots, x_n$ and $y_1, \ldots, y_n$, the excess return series is defined as $er_1, \ldots, er_n = x_1 - y_1, \ldots, x_n - y_n$

Annualized Excess Return = Annualized Manager Return - Annualized Index Return

Standard Deviation - A measure of the average deviations of a return series from its mean; often used as a risk measure. A large standard deviation implies that there have been large swings or volatility in the manager's return series.

$$StDev_{(SD)} = \frac{[\Sigma (x_i - X)^2]^{1/2}}{n} \quad \text{or Square Root of the Variance} = \sqrt{(Var)}$$

$$\text{Ann StDev} = SD * \sqrt{(N_y)}$$

x_i = the *ith* observation
X = mean return for series
n = the number of observations
N_y = the number of periods in a year (4 if quarterly data, 12 if monthly data)

Tracking Error - A measure of the amount of active risk that is being taken by a manager. This statistic is computed by subtracting the return of a specified benchmark or index from the manager's return for each period and then calculating the standard deviation of those differences. A higher tracking error indicates a higher level of risk – not necessarily a higher level of return - being taken relative to the specified benchmark. Tracking error only accounts for deviations away from the benchmark, but does not signal in which directions these deviations occur (positive or negative).

TE = Standard Deviation of Excess Return

Information Ratio - This statistic is computed by subtracting the return of the market from the return of the manager to determine the excess return. The excess return is then divided by the standard deviation of the excess returns (or Tracking Error) to produce the information ratio. This ratio is a measure of the value added per unit of active risk by a manager over an index. Managers taking on higher levels of risk are expected to then generate higher levels of return, so a positive IR would indicate "efficient" use of risk by a manager. This is similar to the Sharpe Ratio, except this calculation is based on excess rates of return versus a benchmark instead of a risk-free rate.

$$IR = \frac{\text{Excess Return}}{\text{Tracking Error}}$$

Sharpe Ratio - This statistic is computed by subtracting the return of the risk-free index (typically 91-day T-bill or some other cash benchmark) from the return of the manager to determine the risk-adjusted excess return. This excess return is then divided by the standard deviation of the manager. A manager taking on risk, as opposed to investing in cash, is expected to generate higher returns and Sharpe measures how well the manager generated returns with that risk. In other words, it is a measurement of efficiency utilizing the relationship between annualized risk-free return and standard deviation. The higher the Sharpe Ratio, the greater efficiency produced by this manager. For example, a Sharpe Ratio of 1 is better than a ratio of 0.5.

$$\text{Sharpe} = \frac{\text{Ann Rtn}(x) - \text{Ann Rtn}(R_f)}{\text{Standard Deviation of } x}$$

R_f = Risk-free rate

Alpha - The incremental return of a manager when the market is stationary. In other words, it is the extra return due to non-market factors. This risk-adjusted factor takes into account both the performance of the market as a whole and the volatility of the manager. A positive alpha indicates that a manager has produced returns above the expected level at that risk level, and vice versa for a negative alpha. Alpha is the Y intercept of the regression line.

$$\textbf{Alpha}_{(\alpha)} = X - [Beta*Y]$$

X = the mean return for the manager
Y = the mean return for the index

Beta - This is a measure of a portfolio's volatility. Statistically, beta is the covariance of the portfolio in relation to the market. A beta of 1.00 implies perfect historical correlation of movement with the market. A higher beta manager will rise and fall more rapidly than the market, whereas a lower beta manager will rise and fall slower. For example, a 1.10 beta portfolio has historically been 10% more volatile than the market.

$$\textbf{Beta}_{(\beta)} = \frac{[(n)*\Sigma(x_i*y_i)] - (\Sigma x_i)(\Sigma y_i)}{[(n)*\Sigma(y_i^2)] - (\Sigma y_i)^2}$$

n = the number of observations
xi = the return of the first data series (*ith* observation)
yi = the return of the second data series (*ith* observation)
Generally, xi = the manager's return series and yi will be a specified index (benchmark)

R-Squared - Otherwise known as the *Coefficient of Determination*, this statistic, like beta, is a measure of a manager's movement in relation to the market. Generally, the R-Squared of a manager versus a benchmark is a measure of how closely related the variance of the manager returns and the variance of the benchmark returns are. In other words, the R-Squared measures the percent of a manager's return patterns that are "explained" by the market and ranges from 0 to 1. For example, an r-squared of 0.90 means that 90% of a portfolio's return can be explained by movement in the broad market (benchmark).

$$\textbf{R-Squared} = (r)^2$$

r = correlation coefficient