



Board of Trustees
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Orono, ME 04469

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February 27, 2017

TO: Members of the Investment Committee

FR: Tracy B. Bigney, Clerk of the Board

RE: March 9, 2017 Investment Committee Meeting

The University of Maine

University of Maine
at Augusta

University of Maine
at Farmington

University of Maine
at Fort Kent

University of Maine
at Machias

University of Maine
at Presque Isle

University of
Southern Maine

The Investment Committee will meet from **10:00 am to 1:00 pm on Thursday, March 9, 2017.** The following Polycom sites will be available:

Polycom:

UMS – 253 Estabrooke Hall, 15 Estabrooke Drive, Orono

USM – 337 Wishcamper Center, Portland

UMPI – Executive Conference Room, Preble Hall

UMA – 111 Robinson Hall

The meeting materials have been posted to the Diligent Portal under Investment Committee. Also these materials will be posted on the Board of Trustees website (<http://www.maine.edu/about-the-system/board-of-trustees/meeting-agendas/investment-committee/>). If you have questions about the meeting arrangements or accessing the meeting materials please call me at 973-3234.

If you have any questions or desire additional information about the agenda items, please call Tracy Elliott at 581-5492.

cc: Chancellor James Page
Trustees who are not members of the Committee
Presidents
Ryan Low
Rebecca Wyke
Robert Neely
Tracy Elliott

University of Maine System
Board of Trustees

Investment Committee

March 9, 2017
10:00 am – 1:00 pm

University of Maine System Executive Offices
Rudman Conference Room
253 Estabrooke Hall, 15 Estabrooke Drive, Orono

AGENDA

- 10:00 - 10:20 **TAB 1** - FY2018 Endowment Distribution Rate per Share
- 10:20 - 10:30 **TAB 2** - Investment Committee Duties and Responsibilities Revised
- 10:30 - 10:50 **TAB 3** - Defined Contribution Plan Quarterly Review
- 10:50 - 11:00 **TAB 9** - Defined Contribution Plan Share Class Change
- 11:00 - 11:30 Performance Reviews
 TAB 4 - Managed Investment Pool
 TAB 5 - Defined Benefit Pension Fund
 TAB 6 - Operating Fund
- 11:30 - 12:30 **TAB 7** - Asset Allocation Study and Recommendations
- 12:30 - 1:00 **TAB 8** - MSCI ESG Report

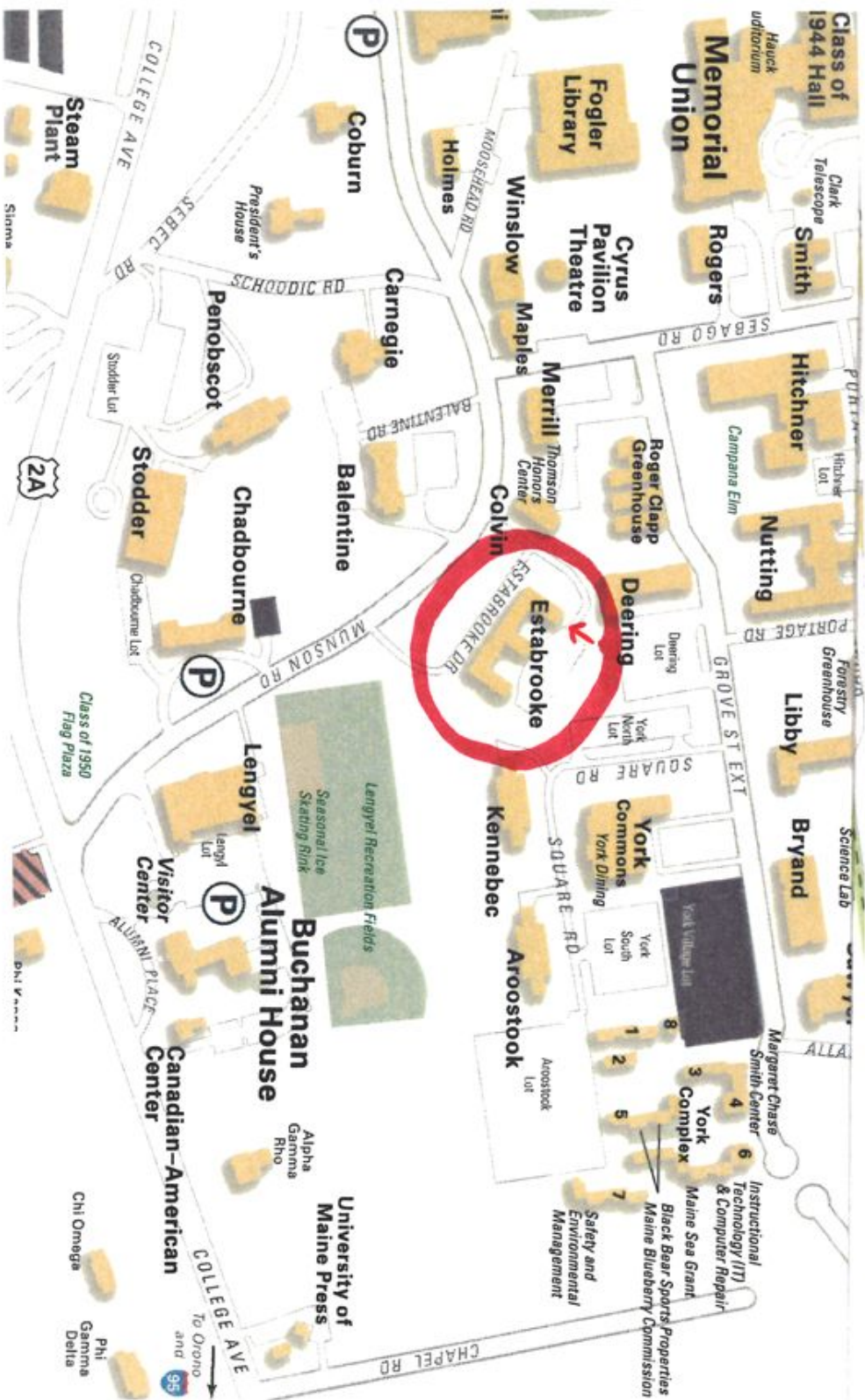
Items for Committee decisions and recommendations are noted in red.

Note: Times are estimated based upon the anticipated length for presentation or discussion of a particular topic. An item may be brought up earlier or the order of items changed for effective deliberation of matters before the Committee.

University of Maine System

15 Estabrooke Drive, Orono

**Rudman Conference Room
253 Estabrooke Hall, 2nd Floor
15 Estabrooke Drive, Orono**



Directions to the UMS located on the UMaine Campus

From the South on I-95: take exit 191 to Kelly Road and turn right. Continue on Kelly Road for 1 mile until you reach the traffic light, then turn left onto Route 2 and go through downtown Orono. Cross the river. Turn left at the lights onto College Avenue. Buchanan Alumni House will be the first campus-related building on your right. Right after the Buchanan Alumni House, take a right onto Muson Road. Estabrooke Hall is the building on the right after Lengyel.

From the North on I-95: take exit 191 to Kelly Road and turn left. Continue on Kelly Road for 1 mile until you reach the traffic light, then turn left onto Route 2 and go through downtown Orono. Cross the river. Turn left at the lights onto College Avenue. Buchanan Alumni House will be the first campus-related building on your right. Right after the Buchanan Alumni House, take a right onto Muson Road. Estabrooke Hall is the building on the right after Lengyel.

The UMS is located on the 2nd floor of Estabrooke Hall. Enter Estabrooke Hall from the back of the building, the entrance closes to Deering Hall.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** FY2018 Endowment Distribution Rate per Share
2. **INITIATED BY:** Karl W. Turner, Chair
3. **BOARD INFORMATION:** **BOARD ACTION:** X
4. **BACKGROUND:**

The endowment distribution rate is presented for the Investment Committee's review and approval.

Distribution Rate Philosophy: The UMS endowment distribution formula is designed to smooth the impact of volatile investment returns as campus budgets depend on these endowment revenue streams to fund scholarships and other endowed spending.

Distribution Rate Calculation: The distribution formula uses a 3-year endowment pool market value average to which a percentage spending rate is applied. The resulting distribution amount is then divided by the total number of shares in the endowment pool¹ to arrive at the distribution rate per share.² The UMS Accounting Department uses the approved rate per share³ in the monthly allocation process whereby each endowment receives a distribution based on the respective number of shares held.

Underwater Endowments: For the purpose of determining the underwater⁴ status of endowments, the Accounting Department compares each endowment's market value with its initial investment value. To allow underwater endowments to regain market value, UMS does not distribute funds for underwater endowments during the following fiscal year.

Fiscal Year 2018 (FY18) Proposed Distribution Rate:

Consistent with prior years, an endowment spending rate of 4.5% is being used to calculate the rate per share. A summary of the endowment rate information by campus is enclosed for reference. A 4.5% spending rate (which includes a management fee, where charged) equates to a rate per share of \$15.13366. Using this rate, an estimated \$5.3 million will be distributed including \$4.2 million for endowed spending and \$1.1 million for management costs in FY18.

5. TEXT OF PROPOSED RESOLUTION:

That the Investment Committee approve an endowment distribution rate of \$15.13366 per share for FY18.

¹ Adjusted for any endowments with specific spending policies determined by the donor.

² Shares (e.g., units) are the internal tracking mechanism for each respective endowment's portion of the total endowment pool.

³ The Accounting Department uses the approved rate per share in the monthly allocation process whereby each endowment receives a distribution based on the respective number of shares held as of the annual measurement point adjusted for additional shares acquired during the remainder of the fiscal year. Effective with the FY18 rate calculation, the measurement point was moved from November 30 to October 31 so that estimated distribution amounts would be available to support earlier budgeting and determination of scholarship awards.

⁴ Underwater is the term used to describe an endowment when its market value is less than its corpus (e.g., initial investment).

**UNIVERSITY OF MAINE SYSTEM
ENDOWMENT DISTRIBUTION RATE - FY18**

Market Value - Per GL for Endowments Subject to UMSystem Spending Rule:

<u>Year</u>		<u>MV*</u>
Nov-14	(for FY2016)	\$ 125,949,747
Nov-15	(for FY2017)	\$ 116,329,762
Oct-16	(for FY2018)	\$ 115,488,377
Three year average		\$ 119,255,962
Spending Rate		4.50%
Spending Amount		<u>\$ 5,366,518</u>

Calculation of Total Estimated Shares for FY18:

Shares subject to UMSystem spending rule and not underwater

Shares subject to UMSystem spending rule and underwater

Total Shares as of October 2016

Rate Per Share = Spending Amount/Total Shares

Amount Distributed Including Management Fee (rate per share X number of shares)

Amount Reinvested Back Into Underwater Investments

Total Allocation (Distributed Plus Amount Returned to Principal for Underwater Investments)

Total	UM & USM	GUS	All Others
347,983	260,312	22,153	65,518
6,625	2,122	0	4,503
354,608	262,434	22,153	70,021
	\$ 15.13366	\$ 15.13366	\$ 15.13366
\$ 5,266,260	\$ 3,939,480	\$ 335,252	\$ 991,528
\$ 100,258	\$ 32,108	\$ -	\$ 68,150
\$ 5,366,518	\$ 3,971,588	\$ 335,252	\$ 1,059,678

Calculation of Annual Distribution Rate Per Share for FY18:*

Dist. Rate Per Share for FY18 = Net Estimated Endow Amount to be Distrib/Total Shares:

FY18 Share Rate - Gift Accounts

FY18 Share Rate - Management Fee Accounts

FY18 Share Rate - Gross

	UM & USM	GUS	All Others
	\$ 10.92987	\$ 14.29290	\$ 15.13366
	\$ 4.20379	\$ 0.84076	\$ -
	\$ 15.13366	\$ 15.13366	\$ 15.13366

* In FY 2017, the UM and USM share rate for management fee accounts increased from 0.25% to 1.25%, GUS (Governance and University Services) stayed at 0.25% and all other campuses continue to not apply a management fee.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Investment Committee Duties and Responsibilities Revised
2. **INITIATED BY:** Karl W. Turner, Chair
3. **BOARD INFORMATION:** **BOARD ACTION:** X
4. **BACKGROUND:**

The Committee Chair worked with staff to review and update the Investment Committee Duties and Responsibilities. Proposed changes include clarifying the Committee's authority to act without referring items to the Board of Trustees. In addition, language was added to allow Committee members to provide direction to staff, with subsequent formal action to be taken by the Committee or the Board, when a quorum of the Committee is not present.

The updated document, using tracking changes, is included for the Committee's review.

5. **TEXT OF PROPOSED RESOLUTION:**

That the Investment Committee forwards this item to the Consent Agenda at the March 26-27, 2017 Board of Trustees meeting for approval of the following resolution:

That the Board of Trustees approves the Investment Committee Duties and Responsibilities, as presented.

University of Maine System
Board of Trustees

Investment Committee
Duties and Responsibilities

Committee established: 1988

Last revised: 1/25/1999; 8/23/2010; 3/14/2011; 8/28/2012; ~~X/XX~~9/23/2013

Approved by the Board of Trustees: 3/14/2011; 9/23/2013

The Investment Committee acknowledges its fiduciary responsibility for the conservation and prudent management of the Managed Investment Pool (including Endowments), Defined Benefit Pension Fund, and Operating Cash Funds. In addition, the Committee acknowledges its fiduciary responsibility for investment matters regarding the Defined Contribution Retirement Plan. The University of Maine System (System) staff will assist the Investment Committee in carrying out their duties.

Committee Authority

Bylaws – Section 3
Board of Trustee Policy Manual
Section 709 - Investments

Duties and Responsibilities

The primary duties and responsibilities of the Committee shall be to exercise prudent stewardship of the financial assets of the System and manage and invest funds in good faith and with the care an ordinary prudent person in a like position would exercise under similar circumstances. For the Defined Contribution (DC) Retirement Plan, the Committee shall exercise similar prudent stewardship regarding investment offerings available to participants.

1. Among those duties are:
 - a. To ensure compliance with the provisions of all pertinent federal and state regulations and rulings.
 - b. To develop investment objectives, asset allocation targets, investment guidelines, and performance measurement standards which are consistent with the needs of the funds.
 - c. To oversee the selection and evaluation of investment managers to invest and manage the funds' assets including taking appropriate action when an investment manager fails to meet mutually accepted performance standards or significantly violates investment guidelines.
 - d. To oversee the selection and evaluation of custodians, investment consultants, and defined contribution record keepers and vendors.

- e. To ensure that investment goals, objectives, and standards are effectively communicated to investment managers, including any material changes that may subsequently occur.
 - f. To ensure that existing assets and new monies are deployed to investment managers.
 - g. To review and evaluate investment results in the context of established standards of performance and adherence to the investment guidelines.
 - h. To oversee the DC Plan investment menu ensuring appropriate asset classes and fund offerings are available. The investment offerings will be of appropriate quality, competitively priced, and reasonable in number to allow for proper diversification by participants and proper fiduciary oversight by administration and the Trustees. The Committee will provide for ongoing monitoring and will replace fund offerings as appropriate.
2. The Vice-Chancellor, Treasurer, or Controller the staff, or a subcommittee will assist the Committee in carrying out tasks associated with performing any of the duties set out above.
 3. The Committee, the Treasurer, the staff or a subcommittee may take whatever action is deemed prudent and appropriate to ensure the fiduciary duties of the Board of Trustees are fully accomplished.
 4. The Investment Committee is authorized to take action within its current Duties and Responsibilities with no requirement for further Board of Trustees approval. The Committee may refer an issue to the full Board when in the Committee's discretion the issue warrants a broader discussion and consideration. The Board is routinely updated about Committee actions through Committee Chair reports.
 5. If a quorum of the Investment Committee is not present at a meeting, those members present will provide direction to the staff without a formal vote. Actions will then be placed on the agenda of a subsequent Investment Committee or Board meeting for formal approval. Staff may take action based on the direction provided at the committee meeting, subject to reversing the actions should the committee or Board subsequently vote otherwise.

Membership of the Committee

The Investment Committee shall be made up of at least three voting members of the Board of Trustees. The Chair and Vice-Chair of the Board and the Chancellor shall be ex-officio members, but the Chancellor shall have no vote. The Investment Committee may add up to five non-Trustee, non-voting members to the Investment Committee. The initial term will be for three years with the option of an appointment for a second, three year term. ~~The following non-Trustee, non-voting members have been added to the Investment Committee:~~

~~James Mullen, effective June 1, 2008, initial term for three years with the option of an~~

~~appointment for a second, three year term. Mr. Mullen's second term was confirmed effective June 1, 2012 for a three year term.~~

~~John (Jack) Moore, effective October 5, 2009, initial term for three years with the option of an appointment for a second, three year term. Mr. Moore's second term was confirmed effective October 5, 2012 for a three year term.~~

Meetings

Meet as necessary and shall be called by the Committee Chair, but may be called by the Chair of the Board or a majority of the Committee.

Staff to the Committee

The Investment Committee shall be staffed by the Vice Chancellor for Administration and Finance, ~~and Treasurer,~~ and Controller.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Defined Contribution Plan Update
2. **INITIATED BY:** Karl W. Turner, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **BACKGROUND:**

Barry Schmitt, Senior Vice President with CAPTRUST Financial Advisors, will provide an update regarding the Defined Contribution Plan at the March 9, 2017 Investment Committee meeting.

UNIVERSITY OF MAINE SYSTEM
4TH QUARTER, 2016

**DEFINED CONTRIBUTION
QUARTERLY REVIEW**

CAPTRUST
4208 Six Forks Road, Suite 1700
Raleigh, NC 27609

Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and a commitment to service beyond expectation.

IN THIS REVIEW

Period Ending 12.31.16 | **Q4 16**

University of Maine System Defined Contribution Plan

University of Maine System Defined Contribution Plan

4th Quarter, 2016 Quarterly Review

prepared by:

Michael S. Pratico

Senior Vice President | Financial Advisor

Barron V. Schmitt

Senior Vice President | Financial Advisor

Section 1

RETIREMENT INDUSTRY UPDATES

Section 2

MARKET COMMENTARY AND REVIEW

Section 3

PLAN INVESTMENT REVIEW

Section 4

FUND FACT SHEETS

Appendix

SECTION 1: RETIREMENT INDUSTRY UPDATES

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

SECTION 1: RETIREMENT INDUSTRY UPDATES
Industry Updates.....

INSTITUTIONAL MARKETPLACE—INDUSTRY UPDATE

Period Ending 12.31.16 | Q4 '16

MORNINGSTAR ADDS ETFs TO PEER GROUPS

Morningstar combined its open-end mutual fund universe with its exchange-traded fund (ETF) universe in November 2016. In the coming months, CAPTRUST will evaluate the impact that the addition of ETFs will have on peer groups and how it might affect our approach to monitoring investment policy statements. To avoid immediate disruption, we will not include ETFs in our calculation of peer group averages, rankings, or investment policy monitor scores starting in the fourth quarter of 2016.

As we evaluate the addition of ETFs, below are several considerations:

Are ETFs part of the opportunity set for institutional investors?

Given their tax status and the prevalence of other low-cost passive products, qualified retirement plans do not meaningfully use ETFs. For participant-directed plans, access to ETFs is a function of recordkeeping platform capabilities, and most platforms are not set up to handle ETF intraday trading and valuation.

How will ETF performance be measured? Is it an appropriate comparison to mutual funds?

ETF performance used for category calculations would be market-return based, not based on the underlying value of an ETF's holdings. This means returns could be influenced by short-term supply and demand imbalances.

How will ETF inclusion in peer groups alter performance and scoring over time?

The ETF universe has grown rapidly since 2009. As a result, ETFs on average tend to have shorter track records than comparable mutual funds. They are also more likely to be passively managed. These factors will make performance comparisons difficult, at least until the two groups more closely resemble each other.

The chart below shows the increase in peer group size as of 11.30.2016, after inclusion of ETFs. Sector-specific categories such as technology, utilities, and health care are most impacted.

Category Name	Number of Mutual Funds	Number of ETFs	Percent Increase
Commodities Broad Basket	160	22	14%
Diversified Emerging Mkts	933	67	7%
Foreign Large Value	363	35	10%
Foreign Small/Mid Blend	114	8	7%
Foreign Small/Mid Value	73	9	12%
Healthcare	133	36	27%
Intermediate-Term Bond	1,139	26	2%
Large Blend	1,628	105	6%
Large Growth	1,648	39	2%
Large Value	1,438	68	5%
Mid-Cap Blend	486	37	8%
Mid-Cap Growth	729	24	3%
Mid-Cap Value	471	24	5%
Natural Resources	131	31	24%
Real Estate	294	21	7%
Small Blend	887	30	3%
Small Growth	766	14	2%
Small Value	476	19	4%
Technology	204	47	23%
Utilities	59	13	22%

Source: Morningstar Direct. Mutual funds data includes multiple share classes.

A CRYSTAL BALL AND A COMPASS

NORTH

The DOL's Fiduciary Rule

- Money leaving defined contribution plans may slow
- Plan sponsor focus shifts more toward retirees in plan
- Plan sponsors add more distribution options to plan designs
- Income and withdrawal solutions garner increasing attention
- Plan sponsors will evolve how they monitor their recordkeepers since many will be giving fiduciary advice to participants
- Plan sponsors begin to consider managed accounts and other QDIA-eligible solutions beyond target date funds

EAST

An Improving Economic Environment

- Tighter labor markets cause plan sponsors to consider effectiveness of total retirement benefits
- Plan sponsors increasingly evaluate advice, wellness, and student loan repayment progress
- Beyond changes to defined contribution plans, more sponsors may add nonqualified and cash balance pension plans
 - Favorable business conditions, rising rates, and rising PBGC premiums may lead to more pension risk transfers
 - Increased need for precision with liability-driven investing strategies

WEST

Future Policy Direction

- All eyes are on the potential for tax reform to impact individual and plan limits
- If corporate tax rates are lowered as expected, more corporations may add nonqualified deferred compensation plans as the cost of sponsoring them decreases
- Legislative support for open multiple employer plans (MEPs) may pave the way for new private-market solutions designed to improve coverage at work

SOUTH

Litigation On the Rise

- Utilization of passive investments to continue
- Expect more institutionally priced vehicles, such as collective investment trusts (CITs), to be used in qualified plans
- RFP and plan benchmarking activity may increase given the focus on fees in allegations
- Continuation of trend to externalize plan-related fees other than investment fees
- Expect more outsourcing of fiduciary responsibilities, including 3(38)



Please visit captrustadvisors.com/discover to access articles, features, and updates for CAPTRUST's institutional clients.

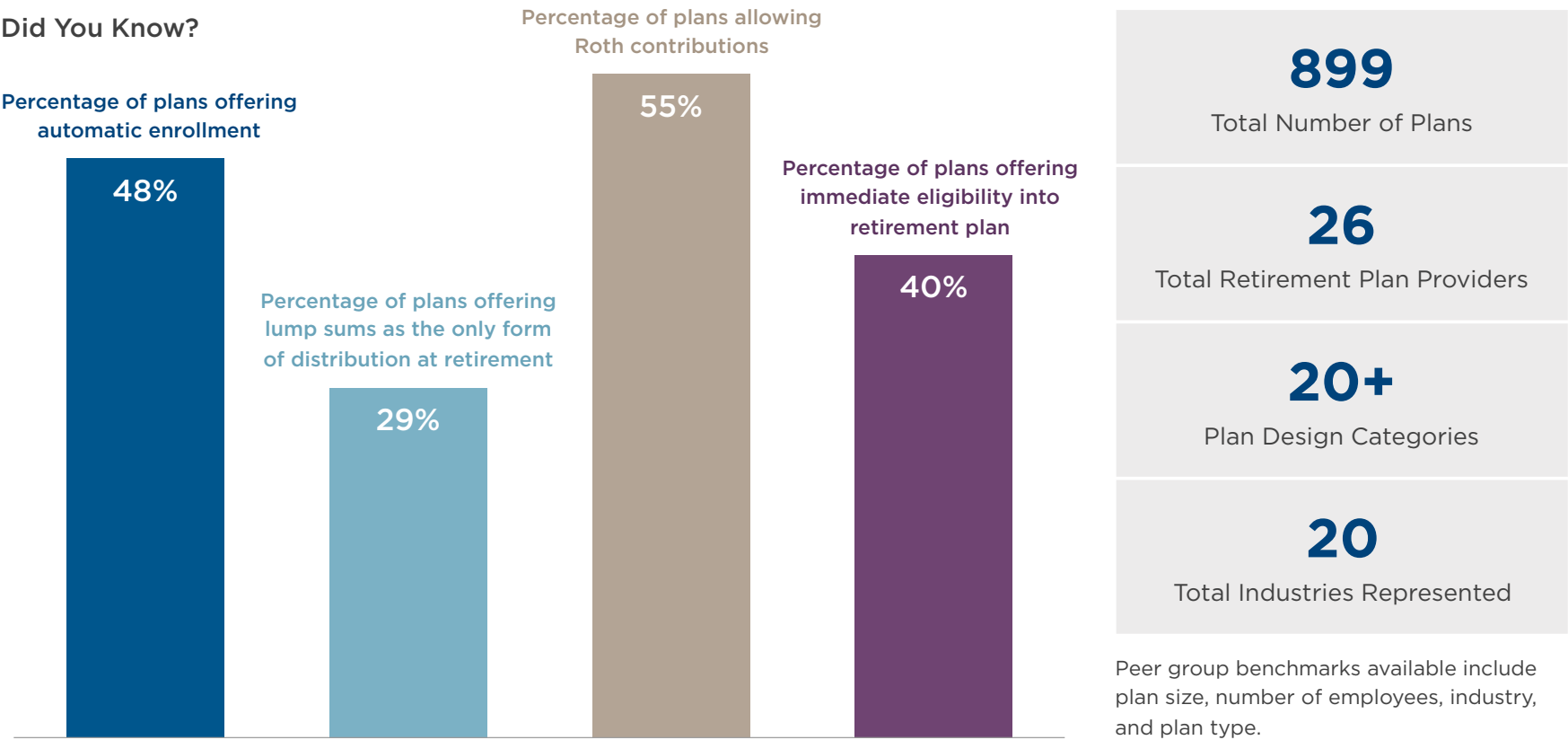
DEFINED CONTRIBUTION MARKETPLACE—INDUSTRY UPDATE

Period Ending 12.31.16 | Q4 '16

CAPTRUST LAUNCHES PLAN DESIGN BENCHMARK

This past summer, CAPTRUST began aggregating client data on a variety of defined contribution plan design features. Our goal was to construct a resource for clients to benchmark their plan designs and help them ensure their plans remain competitive with those of their peers. Information was collected on nearly 900 plans, making this one of the most diverse, independent data sets in the industry. We will continue to refresh data to provide ongoing benchmarks and updates on the retirement landscape.

Did You Know?



Source: CAPTRUST Research. Plan Design Benchmark 2016

DEFINED CONTRIBUTION MARKETPLACE—INDUSTRY UPDATE

Period Ending 12.31.16 | Q4 '16

FIDUCIARY UPDATE

Each quarter, CAPTRUST's Drew McCorkle highlights court cases with ERISA retirement plan implications and provides an overview of regulatory and legislative updates impacting the retirement industry—most particularly plan sponsors and their participants. Below, we highlight a few of the notable items covered in this quarter's *Fiduciary Update*.

CYBERSECURITY ISSUES IN THE RETIREMENT PLAN WORLD

Two recent cybersecurity breaches involving retirement plans highlight the importance of retirement plan fiduciaries understanding the controls and safeguards of their recordkeepers and asset custodians.

- One involved a municipality's deferred compensation plan suffering \$2.6 million of losses from fraudulent participant loans
- The other involved a union pension plan whose servers were hacked and received a ransom request, which fortunately they were able to ignore given rigorous data back-up protocols.

LIFETIME INCOME IN QDIAs? "NO" ...BUT THERE'S MORE

- In a recent Information Letter, the U.S. Department of Labor addressed the question of whether a Qualified Default Investment Alternative ("QDIA") could include a particular annuity feature and retain its QDIA status. To qualify as a QDIA, participants must be permitted to transfer assets out of the QDIA no less frequently than once in any three-month period. The particular lifetime income feature reviewed by the DOL included liquidity restrictions longer than the required three-month limit. As a result, the lifetime income feature presented could not be included in an investment solution wishing to receive QDIA protection.
- In a related development, the DOL has included in its regulatory agenda a project to consider the inclusion of lifetime income options in QDIAs. This will begin with a request for information, which could be issued as soon as this spring.

SELECT FEE AND RELATED LITIGATION DEVELOPMENTS

- *Moreno v. Deutsche Bank Americas Holdings Corp* (S.D. NY 2016)
Participants in Deutsche Bank's 401(k) plan alleged that plan fiduciaries improperly used Deutsche Bank's own indexed funds rather than much less expensive Vanguard indexed funds. The court allowed the case to continue, saying that such a failure could be inferred from the facts if, "a superior alternative investment was readily apparent such that an adequate investigation would have uncovered that alternative."
- *Tibble v. Edison International* (9th Cir 2016)
Following the Supreme Court's groundbreaking decision in this case in 2015, the court of appeals changed course to now allow plan participants to pursue their claims for damages resulting from plan fiduciaries' failure to routinely monitor share classes of the investments offered in the plan.
- *In Re Disney Litigation* (C.D. CA 2016)
The 401(k) fiduciary committee of Walt Disney Company was sued for including a mutual fund that suffered considerable underperformance attributable to a specific fund holding. The court dismissed the claim and noted that (a) underperformance of an investment alone does not support a claim for breach of fiduciary duty, (b) there was no allegation that the fiduciaries lacked a sufficient review process and, (c) plan fiduciaries have no duty to monitor the underlying investments in a mutual fund.

For access to the full version of this quarter's Fiduciary Update, visit the Resources section of www.captrustadvisors.com.

Any case highlights contained here are provided for general information purposes only and do not, and are not intended to, constitute legal advice. You should contact your ERISA counsel to determine how the laws or cases discussed might apply to your plan(s), plan fiduciaries, and/or plan participants.

SECTION 2: MARKET COMMENTARY AND REVIEW

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

SECTION 2: MARKET COMMENTARY AND REVIEW	
Market Commentary.....	
Market Review.....	
Asset Class Returns.....	
Index Performance.....	

MARKET COMMENTARY

Period Ending 12.31.16 | Q4 '16

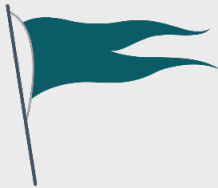
ECONOMIC OUTLOOK

The global economic picture typically consists of favorable attributes (tailwinds) and challenges (headwinds). Here, we provide our perspective on both and offer our view on which side has the upper hand.

TAILWINDS

Continued U.S. growth with potential positive economic policy changes on the way

- The U.S. economy is experiencing mid-to-late business cycle dynamics with low likelihood of a recession in the near term
- Lighter regulation and lower taxes could serve as a catalyst to extend the current business cycle


Surging business and consumer confidence

- Higher confidence encourages business spending, capital investment, and jobs, which would be positive for consumer spending
- A large pickup in business and consumer confidence could unleash “animal spirits,” leading to an upside surprise

Relative calm in the global economy

- China’s recent stabilization has reduced headwinds for the moment as growth prospects continue
- The recession in commodity prices has ended, leading to a recovery in emerging markets

HEADWINDS

Rising geopolitical risk and the lack of a global leader

- The U.S.’s shift to more unilateral “America first” policies could negatively affect trade and hurt markets
- A number of events abroad, including European elections and congressional meetings in China, could bring uncertainty and volatility this year


Potential for mid-cycle dynamics to shift to late-cycle too quickly

- An inflation pickup could lead to higher rates, a stronger dollar, and higher oil prices that tighten financial conditions in the U.S.
- Tighter financial conditions discourage business and consumer spending and could lead to a slowdown in growth

High expectations could lead to disappointment

- The market has entered the “show me” stage for campaign promises and new policies this year
- Downside risks are present given very high market expectations should policies fail to materialize or underwhelm

Overall, while the global economy has stabilized and may accelerate due to the prospect of a new policy direction in the U.S., we are mindful of new geopolitical risks. The economic landscape can fluctuate quickly, so we will update you with changes as they occur.

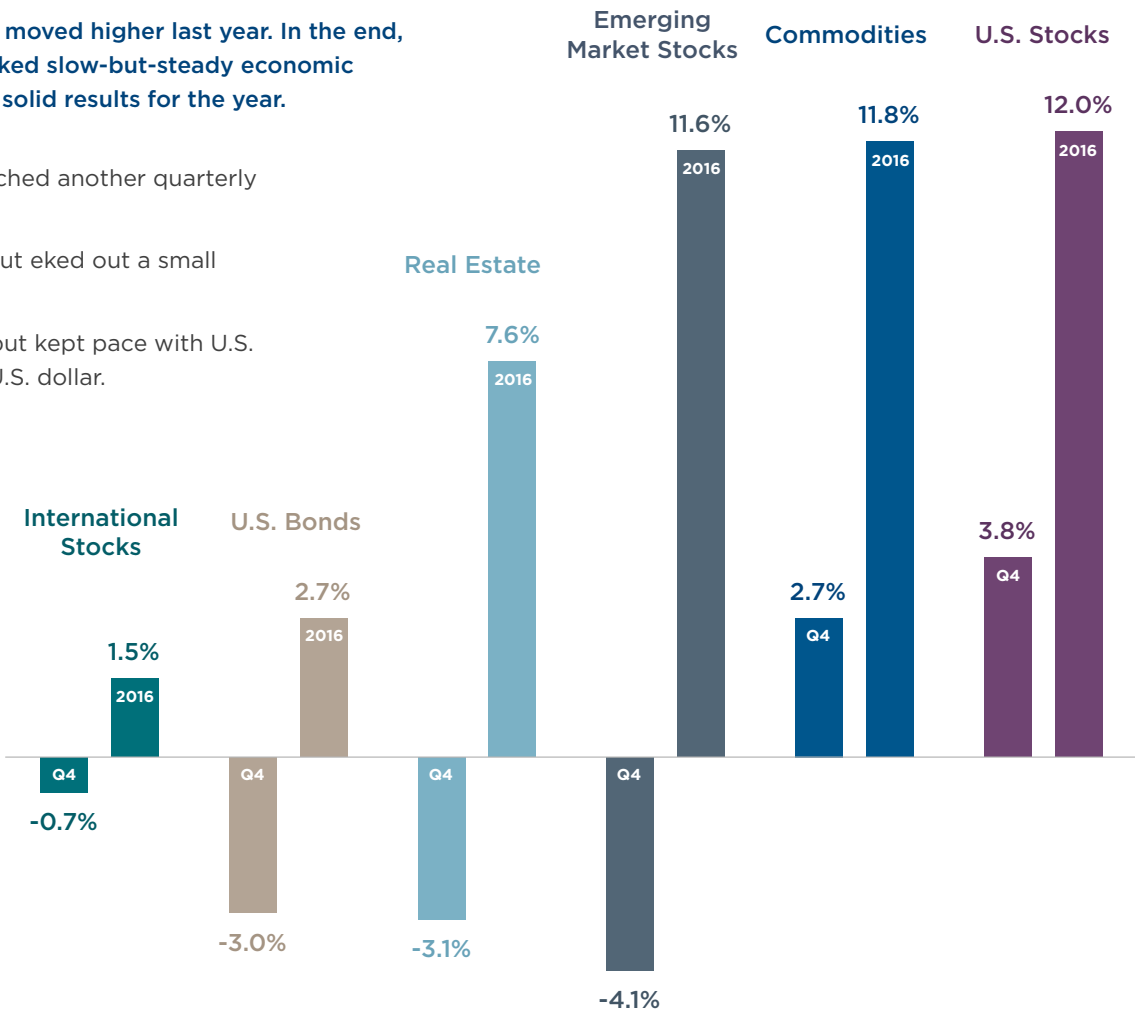
MARKET COMMENTARY

Period Ending 12.31.16 | Q4 '16

MARKETS CLOSE OUT A GOOD YEAR

While the fourth quarter was mixed, all asset classes moved higher last year. In the end, 2016's headline events and periodic choppiness masked slow-but-steady economic improvement that supported markets and produced solid results for the year.

- Buoyed by an improving economy, U.S. stocks notched another quarterly gain, adding to their solid results for the year.
- International stocks slipped in the fourth quarter but eked out a small gain for the year.
- Emerging market stocks fell in the fourth quarter but kept pace with U.S. stocks in 2016 despite the headwinds of a strong U.S. dollar.
- Bonds fell in the fourth quarter as interest rates reached their highest levels in more than a year. They managed a small gain for 2016.
- Real estate slumped in the fourth quarter due to rising interest rates, but finished the year in positive territory.
- Commodities rose again last quarter and finished off a year of strong gains fueled by rising oil and gas prices.



Asset class returns are represented by the following indexes: U.S. large-cap stocks (S&P 500 Index), international stocks (MSCI EAFE Index), emerging market stocks (MSCI Emerging Markets Index), U.S. bonds (Bloomberg Barclays U.S. Aggregate Bond Index), commodities (Bloomberg Commodity Index), and real estate (Dow Jones U.S. Real Estate Index).

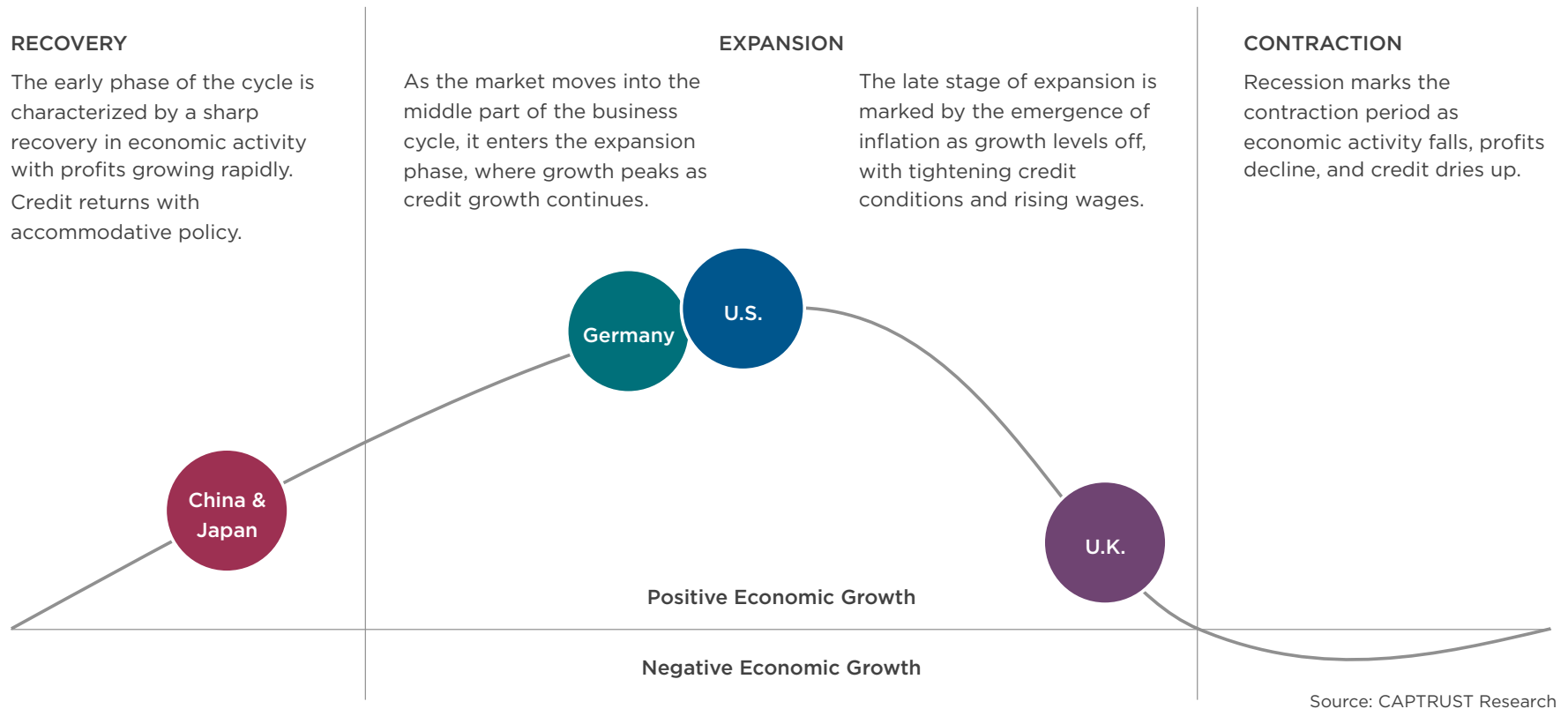
MARKET COMMENTARY

Period Ending 12.31.16 | Q4 '16

FROM SECULAR TO CYCLICAL: RETURN OF THE BUSINESS CYCLE

The global economy has been caught in a secular slowdown for the last eight years. Growth stagnated in the U.S. as the consumer paid back debt after years of excess leverage leading up to the financial crisis. As these secular forces abate, the U.S. economy moves toward a more normal state—one where the business cycle plays a more prominent role in portfolio strategy.

Business Cycle Phases



ASSET CLASS RETURNS

Period Ending 12.31.16 | Q4 '16

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Small-Cap Growth 48.54%	Mid-Cap Value 23.70%	International Equities 14.02%	International Equities 26.86%	Large-Cap Growth 11.81%	Fixed Income 5.08%	Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%
Small-Cap Value 46.03%	Small-Cap Value 22.25%	Mid-Cap Value 12.65%	Small-Cap Value 23.48%	International Equities 11.63%	Cash 1.51%	Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%
Mid-Cap Growth 42.71%	International Equities 20.70%	Mid-Cap Growth 12.10%	Large-Cap Value 22.25%	Mid-Cap Growth 11.43%	Small-Cap Value -28.91%	Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%
International Equities 39.17%	Large-Cap Value 16.49%	Large-Cap Value 7.05%	Mid-Cap Value 20.22%	Fixed Income 7.39%	Large-Cap Value -36.85%	Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%
Mid-Cap Value 38.07%	Mid-Cap Growth 15.48%	Large-Cap Growth 5.26%	Small-Cap Growth 13.35%	Small-Cap Growth 7.05%	Mid-Cap Value -38.44%	International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%
Large-Cap Value 30.03%	Small-Cap Growth 14.31%	Small-Cap Value 4.71%	Mid-Cap Growth 10.66%	Cash 4.71%	Large-Cap Growth -38.44%	Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%
Large-Cap Growth 29.75%	Large-Cap Growth 6.30%	Small-Cap Growth 4.15%	Large-Cap Growth 9.07%	Large-Cap Value -0.17%	Small-Cap Growth -38.54%	Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%
Fixed Income 4.31%	Fixed Income 3.04%	Cash 3.35%	Cash 5.08%	Mid-Cap Value -1.42%	International Equities -43.06%	Fixed Income 5.24%	Fixed Income 5.98%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%
Cash 1.05%	Cash 1.44%	Fixed Income 1.58%	Fixed Income 4.08%	Small-Cap Value -9.78%	Mid-Cap Growth -44.32%	Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%

Small-Cap Value Stocks (Russell 2000 Value)	Large-Cap Value Stocks (Russell 1000 Value)	International Equities (MSCI EAFE)
Small-Cap Growth Stocks (Russell 2000 Growth)	Mid-Cap Growth Stocks (Russell Mid-Cap Growth Index)	Fixed Income (Bloomberg Barclays U.S. Aggregate Bond Index)
Large-Cap Growth Stocks (Russell 1000 Growth)	Mid-Cap Value Stocks (Russell Mid-Cap Value Index)	Cash (Merrill Lynch 3-Month Treasury Bill)

The information contained in the report is from sources believed to be reliable, but not warranted by CAPTRUST Financial Advisors to be accurate or complete.

Source: Markov Processes, Inc., Bloomberg, Mobius

INDEX PERFORMANCE

Period Ending 12.31.16 | Q4 '16

INDICES	Q4 2016	YTD 2016	2015	2014	2013	2012	2011	1 YEAR	3 YEAR	5 YEAR	10 YEAR
S&P 500	3.82%	11.96%	1.38%	13.69%	32.39%	16.00%	2.11%	11.96%	8.87%	14.66%	6.95%
Dow Jones Industrial Average	8.66%	16.50%	0.21%	10.04%	29.65%	10.24%	8.38%	16.50%	8.71%	12.92%	7.52%
NASDAQ Composite	1.34%	7.50%	5.73%	13.40%	38.32%	15.91%	-1.80%	7.50%	8.83%	15.62%	8.34%
Russell 1000	3.83%	12.05%	0.92%	13.24%	33.11%	16.42%	1.50%	12.05%	8.59%	14.69%	7.08%
Russell 1000 Growth	1.01%	7.08%	5.67%	13.05%	33.48%	15.26%	2.64%	7.08%	8.55%	14.50%	8.33%
Russell 1000 Value	6.68%	17.34%	-3.83%	13.45%	32.53%	17.51%	0.39%	17.34%	8.59%	14.80%	5.72%
Russell Mid Cap Index	3.21%	13.80%	-2.44%	13.22%	34.76%	17.28%	-1.55%	13.80%	7.92%	14.72%	7.86%
Russell 2000	8.83%	21.31%	-4.41%	4.89%	38.82%	16.35%	-4.18%	21.31%	6.74%	14.46%	7.07%
Russell 2000 Growth	3.57%	11.32%	-1.38%	5.60%	43.30%	14.59%	-2.91%	11.32%	5.05%	13.74%	7.76%
Russell 2000 Value	14.07%	31.74%	-7.47%	4.22%	34.52%	18.05%	-5.50%	31.74%	8.31%	15.07%	6.26%
MSCI Europe, Australia, Far East	-0.68%	1.51%	-0.39%	-4.48%	23.29%	17.90%	-11.73%	1.51%	-1.15%	7.02%	1.22%
Dow Jones US Real Estate Index	-3.11%	7.56%	2.14%	27.24%	1.77%	18.93%	6.05%	7.56%	11.81%	11.09%	3.87%
Bloomberg Barclays Govt Intermediate Bond	-2.18%	1.05%	1.18%	2.52%	-1.25%	1.73%	6.08%	1.05%	1.58%	1.04%	3.42%
Bloomberg Barclays Corporate IG Bond	-2.83%	6.11%	-0.68%	7.46%	-1.53%	9.82%	8.15%	6.11%	4.23%	4.14%	5.47%
Bloomberg Barclays U.S. Aggregate Bond	-2.98%	2.65%	0.55%	5.97%	-2.02%	4.22%	7.84%	2.65%	3.03%	2.23%	4.34%
Bloomberg Barclays Intermediate Govt/Credit	-2.07%	2.08%	1.07%	3.13%	-0.86%	3.89%	5.80%	2.08%	2.09%	1.85%	3.84%
Bloomberg Barclays High Yield	1.75%	17.13%	-4.47%	2.45%	7.44%	15.81%	4.98%	17.13%	4.66%	7.36%	7.45%
90-Day US Treasury	0.09%	0.33%	0.05%	0.03%	0.07%	0.11%	0.10%	0.33%	0.14%	0.12%	0.80%
Consumer Price Index (Inflation)	0.05%	2.12%	0.73%	0.76%	1.50%	1.74%	2.96%	2.12%	1.20%	1.37%	1.81%
Manager Universe	Q4 2016	YTD 2016	2015	2014	2013	2012	2011	1 YEAR	3 YEAR	5 YEAR	10 YEAR
Average Large-Cap Growth Fund	-0.30%	3.17%	3.72%	10.06%	34.39%	15.29%	-2.24%	3.17%	5.72%	12.97%	6.94%
Average Large-Cap Blend Fund	3.87%	10.28%	-0.88%	11.26%	31.78%	15.08%	-0.67%	10.28%	6.79%	13.17%	6.14%
Average Large-Cap Value Fund	6.36%	14.70%	-4.05%	10.44%	31.61%	14.70%	-0.57%	14.70%	6.81%	13.02%	5.50%
Average Mid-Cap Blend Fund	5.31%	14.17%	-4.23%	8.74%	34.06%	16.38%	-3.48%	14.17%	5.98%	13.33%	6.83%
Average Small-Cap Value Fund	12.12%	25.68%	-6.61%	3.47%	35.90%	16.06%	-4.51%	25.68%	6.63%	14.02%	6.86%
Average Small-Cap Blend Fund	9.45%	20.66%	-5.19%	4.10%	37.54%	15.30%	-3.87%	20.66%	6.00%	13.64%	6.84%
Average Small-Cap Growth Fund	3.35%	11.25%	-2.41%	2.56%	41.22%	13.51%	-3.28%	11.25%	3.59%	12.29%	7.18%
Average Foreign Fund	-2.97%	0.81%	-1.15%	-4.73%	19.12%	18.03%	-13.98%	0.81%	-1.81%	5.93%	0.90%
Average Emerging Market Fund	-5.41%	8.29%	-13.75%	-2.78%	0.30%	18.93%	-19.52%	8.29%	-3.07%	1.83%	1.40%
Average Allocation— 30% to 50%	-0.19%	6.59%	-2.47%	4.26%	9.12%	10.18%	1.45%	6.59%	2.86%	5.68%	4.26%
Average Allocation— 50% to 70%	1.02%	7.35%	-1.83%	6.32%	16.87%	11.93%	-0.14%	7.35%	3.89%	8.05%	4.95%
Average Fixed Income Fund	-2.04%	3.61%	-0.13%	5.25%	-0.96%	7.72%	6.35%	3.61%	2.86%	3.05%	3.84%
Average High Yield Bond Fund	1.69%	13.32%	-4.07%	1.16%	7.05%	14.76%	2.88%	13.32%	3.27%	6.24%	6.01%
Average Real Estate Fund	-2.63%	6.53%	2.41%	28.26%	1.80%	17.57%	7.60%	6.53%	11.78%	10.89%	4.34%
Average Aggressive Growth Fund	0.55%	5.60%	0.14%	6.91%	30.85%	14.24%	-5.21%	5.60%	4.11%	11.24%	5.67%

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SECTION 3: PLAN INVESTMENT REVIEW

Period Ending 12.31.16 | Q4 16

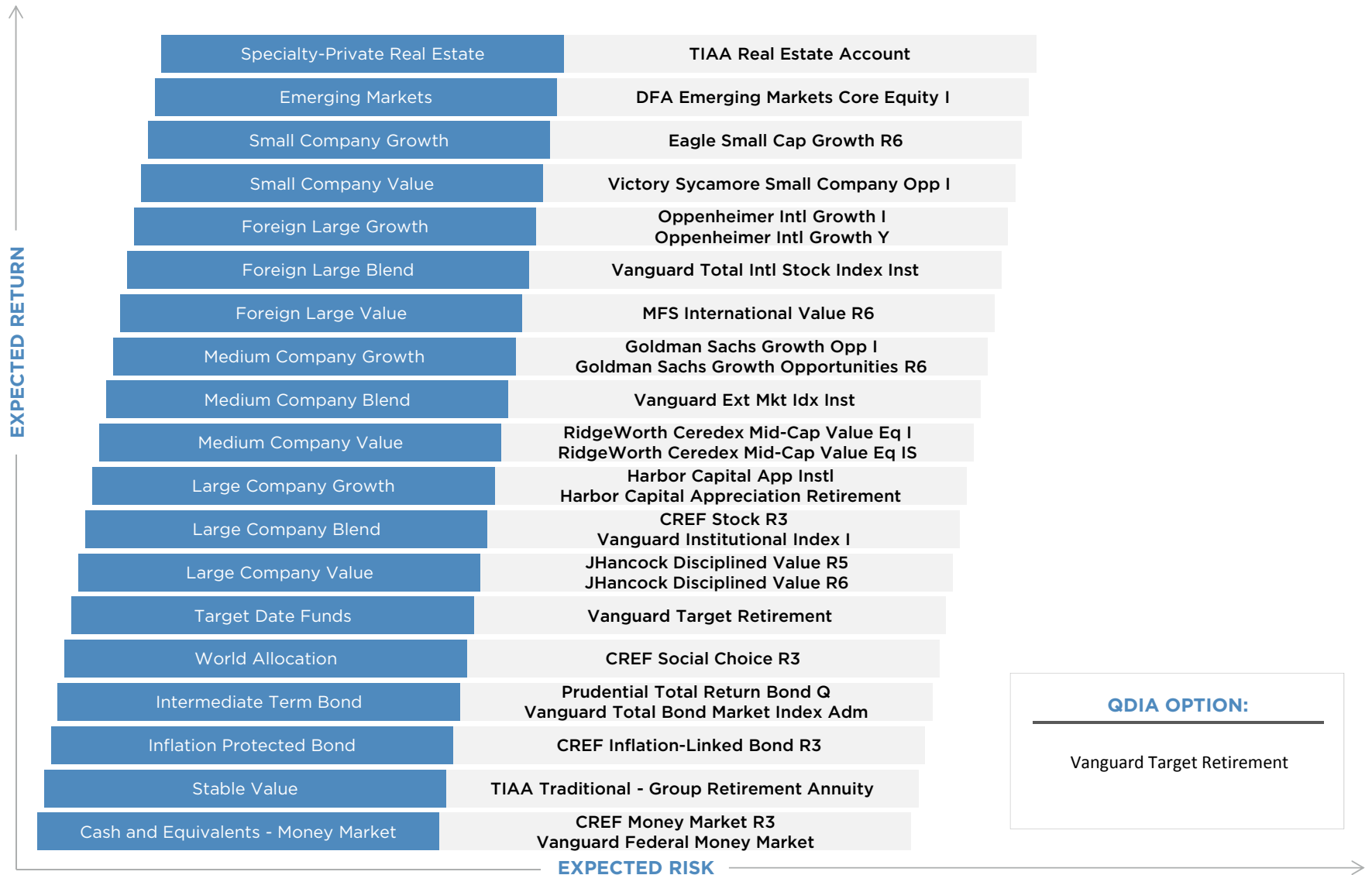
University of Maine System Defined Contribution Plan

SECTION 3: PLAN INVESTMENT REVIEW	
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PLAN INVESTMENT REVIEW | PLAN MENU

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University of Maine System Defined Contribution Plan




PLAN INVESTMENT REVIEW | EXECUTIVE ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

Plan Name	Plan/Contract Number	Plan Assets
University of Maine System Retirement Plan for Faculty and Professionals 403(b) DC	102965	\$1,119,298,394
University of Maine System Retirement Tax Deferred Annuity Plan 403(b) TDA	102966	\$143,170,772
University of Maine System Optional Retirement Savings 403(b)	102967	\$1,404,865
University of Maine System Optional Retirement Savings 401(a)	102968	\$1,141,935
University of Maine System Basic Retirement Plan for Classified Employees 403(b)	102969	\$31,770,064
University of Maine System Basic Retirement Plan for Classified Employees 401(a)	102970	\$60,363,607
University of Maine System Deferred Compensation Plan 457(b)	102971	\$24,937,871
TOTALS		\$1,382,087,508

 University of Maine System Alternate Carrier Transfers In Date Range October 1, 2016 - December 31, 2016	
Alternate Carrier	Amount
FIDELITY	\$ 81,823.90
FORESTERS FINANCIAL	\$ 65,643.78
VALIC	\$ 70,794.21
VOYA	\$ 1,143,279.42
Total	\$ 1,361,541.31

The data provided is for informational purposes only. It is not intended as an offer or solicitation or any similar communication being made for the purchase or sale of any financial instrument / product or as an official confirmation or as an official statement on any transaction.

Pursuant to your request for information, enclosed you will find data related to the Plan(s) and/or investments specified. You have solicited this information for fiduciary due diligence and review purposes related to the referenced Plan. This report should not be used for regulatory filings or for benefit statements.

Please be advised that neither TIAA, CREF, nor their affiliates, in their satisfaction of your information request, make any representations or warranties, express or implied, as to the accuracy, completeness, or fitness for any purpose or use of this or other data for the Plan(s) that you may request. Teachers Advisors Inc. or its affiliates will not be liable for any direct, indirect, or consequential loss arising from any use of or reliance on the information supplied.

These numbers include non-approved assets held at TIAA-CREF that are no longer available for additional investments.

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Retirement Plan for Faculty and Professionals 403(b) DC - 102965

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Cash and Equivalents - Money Market	CREF Money Market R3	\$14,164,451	1.31%	\$14,999,372	1.34%
Cash and Equivalents - Money Market	Vanguard Federal Money Market	-	-	\$267,386	0.02%
Stable Value	TIAA Traditional - Group Retirement Annuity	\$428,498,685	39.66%	\$432,193,984	38.61%
Inflation Protected Bond	CREF Inflation-Linked Bond R3	\$13,297,121	1.23%	\$13,858,063	1.24%
Intermediate Term Bond	Prudential Total Return Bond Q	\$11,734,829	1.09%	\$14,149,830	1.26%
Intermediate Term Bond	Vanguard Total Bond Market Index Adm	\$1,341,165	0.12%	\$2,605,204	0.23%
World Allocation	CREF Social Choice R3	\$33,715,372	3.12%	\$33,960,321	3.03%
Target Date Ret Income Moderate	Vanguard Target Retirement Income Inv	\$2,962,737	0.27%	\$3,233,146	0.29%
Target Date 2000-2010 Conservative	Vanguard Target Retirement 2010 Inv	\$3,021,249	0.28%	\$3,431,930	0.31%
Target Date 2015 Moderate	Vanguard Target Retirement 2015 Inv	\$2,069,999	0.19%	\$3,060,581	0.27%
Target Date 2020 Moderate	Vanguard Target Retirement 2020 Inv	\$5,715,861	0.53%	\$7,725,120	0.69%
Target Date 2025 Moderate	Vanguard Target Retirement 2025 Inv	\$4,008,839	0.37%	\$6,639,122	0.59%
Target Date 2030 Conservative	Vanguard Target Retirement 2030 Inv	\$4,003,842	0.37%	\$7,033,469	0.63%
Target Date 2035 Moderate	Vanguard Target Retirement 2035 Inv	\$4,939,620	0.46%	\$6,800,551	0.61%
Target Date 2040 Moderate	Vanguard Target Retirement 2040 Inv	\$3,944,074	0.37%	\$6,019,280	0.54%
Target Date 2045 Moderate	Vanguard Target Retirement 2045 Inv	\$2,744,257	0.25%	\$4,515,289	0.40%
Target Date 2050 Moderate	Vanguard Target Retirement 2050 Inv	\$1,141,973	0.11%	\$2,424,692	0.22%
Target Date 2055 Moderate	Vanguard Target Retirement 2055 Inv	\$275,838	0.03%	\$835,696	0.07%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Retirement Plan for Faculty and Professionals 403(b) DC - 102965

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Target Date 2060+ Moderate	Vanguard Target Retirement 2060 Inv	\$41,846	0.00%	\$67,116	0.01%
Large Company Value	JHancock Disciplined Value R5	\$16,119,879	1.49%	\$14,181,918	1.27%
Large Company Value	JHancock Disciplined Value R6	-	-	\$3,588,201	0.32%
Large Company Blend	CREF Stock R3	\$186,157,735	17.23%	\$185,975,795	16.62%
Large Company Blend	Vanguard Institutional Index I	\$13,125,755	1.21%	\$22,199,733	1.98%
Large Company Growth	Harbor Capital App Instl	\$11,422,526	1.06%	\$8,118,755	0.73%
Large Company Growth	Harbor Capital Appreciation Retirement	-	-	\$651,546	0.06%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq I	\$6,378,117	0.59%	\$8,616,407	0.77%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq IS	-	-	\$3,180,903	0.28%
Medium Company Blend	Vanguard Ext Mkt Idx Inst	\$8,347,446	0.77%	\$10,689,096	0.95%
Medium Company Growth	Goldman Sachs Growth Opp I	\$4,065,570	0.38%	\$4,228,630	0.38%
Medium Company Growth	Goldman Sachs Growth Opportunities R6	-	-	\$135,252	0.01%
Foreign Large Value	MFS International Value R6	\$13,007,295	1.20%	\$13,142,498	1.17%
Foreign Large Blend	Vanguard Total Intl Stock Index Inst	\$5,586,012	0.52%	\$7,724,284	0.69%
Foreign Large Growth	Oppenheimer Intl Growth I	-	-	\$269,188	0.02%
Foreign Large Growth	Oppenheimer Intl Growth Y	\$3,521,204	0.33%	\$3,897,730	0.35%
Small Company Value	Victory Sycamore Small Company Opp I	\$3,359,711	0.31%	\$9,044,450	0.81%
Small Company Growth	Eagle Small Cap Growth R6	\$2,447,719	0.23%	\$2,178,964	0.19%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Retirement Plan for Faculty and Professionals 403(b) DC - 102965

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Emerging Markets	DFA Emerging Markets Core Equity I	\$8,612,652	0.80%	\$13,477,365	1.20%
Specialty-Private Real Estate	TIAA Real Estate Account	\$47,006,311	4.35%	\$49,860,728	4.45%
Other Assets	Non Approved Funds	\$157,517,469	14.58%	\$145,269,885	12.98%
Self-Directed Brokerage	Self Directed Accounts	\$56,047,085	5.19%	\$49,046,914	4.38%
TOTALS		\$1,080,344,244	100%	\$1,119,298,394	100%

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University of Maine System Retirement Tax Deferred Annuity Plan 403(b) TDA- 102966

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Cash and Equivalents - Money Market	CREF Money Market R3	\$1,270,916	0.99%	\$1,452,371	1.01%
Cash and Equivalents - Money Market	Vanguard Federal Money Market	-	-	\$0	0.00%
Stable Value	TIAA Traditional - Group Retirement Annuity	\$46,020,840	36.00%	\$52,780,394	36.87%
Inflation Protected Bond	CREF Inflation-Linked Bond R3	\$2,621,377	2.05%	\$2,479,783	1.73%
Intermediate Term Bond	Prudential Total Return Bond Q	\$2,534,566	1.98%	\$3,422,343	2.39%
Intermediate Term Bond	Vanguard Total Bond Market Index Adm	\$165,607	0.13%	\$603,906	0.42%
World Allocation	CREF Social Choice R3	\$5,196,488	4.07%	\$5,200,416	3.63%
Target Date Ret Income Moderate	Vanguard Target Retirement Income Inv	\$461,034	0.36%	\$1,020,550	0.71%
Target Date 2000-2010 Conservative	Vanguard Target Retirement 2010 Inv	\$346,834	0.27%	\$429,313	0.30%
Target Date 2015 Moderate	Vanguard Target Retirement 2015 Inv	\$342,880	0.27%	\$761,117	0.53%
Target Date 2020 Moderate	Vanguard Target Retirement 2020 Inv	\$774,231	0.61%	\$2,149,700	1.50%
Target Date 2025 Moderate	Vanguard Target Retirement 2025 Inv	\$1,256,795	0.98%	\$1,964,333	1.37%
Target Date 2030 Conservative	Vanguard Target Retirement 2030 Inv	\$660,816	0.52%	\$1,297,923	0.91%
Target Date 2035 Moderate	Vanguard Target Retirement 2035 Inv	\$571,733	0.45%	\$897,317	0.63%
Target Date 2040 Moderate	Vanguard Target Retirement 2040 Inv	\$258,731	0.20%	\$487,981	0.34%
Target Date 2045 Moderate	Vanguard Target Retirement 2045 Inv	\$308,566	0.24%	\$192,167	0.13%
Target Date 2050 Moderate	Vanguard Target Retirement 2050 Inv	\$26,113	0.02%	\$72,627	0.05%
Target Date 2055 Moderate	Vanguard Target Retirement 2055 Inv	\$4,286	0.00%	\$60,979	0.04%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Retirement Tax Deferred Annuity Plan 403(b) TDA- 102966

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Target Date 2060+ Moderate	Vanguard Target Retirement 2060 Inv	\$7,494	0.01%	\$2,819	0.00%
Large Company Value	JHancock Disciplined Value R5	\$1,884,375	1.47%	\$1,620,296	1.13%
Large Company Value	JHancock Disciplined Value R6	-	-	\$323,047	0.23%
Large Company Blend	CREF Stock R3	\$18,003,922	14.09%	\$17,793,531	12.43%
Large Company Blend	Vanguard Institutional Index I	\$3,587,169	2.81%	\$5,625,224	3.93%
Large Company Growth	Harbor Capital App Instl	\$1,521,247	1.19%	\$1,141,107	0.80%
Large Company Growth	Harbor Capital Appreciation Retirement	-	-	\$26,628	0.02%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq I	\$591,428	0.46%	\$890,804	0.62%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq IS	-	-	\$243,490	0.17%
Medium Company Blend	Vanguard Ext Mkt Idx Inst	\$1,327,722	1.04%	\$1,497,045	1.05%
Medium Company Growth	Goldman Sachs Growth Opp I	\$521,678	0.41%	\$368,615	0.26%
Medium Company Growth	Goldman Sachs Growth Opportunities R6	-	-	\$820	0.00%
Foreign Large Value	MFS International Value R6	\$1,537,785	1.20%	\$1,745,873	1.22%
Foreign Large Blend	Vanguard Total Intl Stock Index Inst	\$1,044,930	0.82%	\$1,275,052	0.89%
Foreign Large Growth	Oppenheimer Intl Growth I	-	-	\$24,765	0.02%
Foreign Large Growth	Oppenheimer Intl Growth Y	\$417,912	0.33%	\$502,139	0.35%
Small Company Value	Victory Sycamore Small Company Opp I	\$672,707	0.53%	\$1,395,946	0.98%
Small Company Growth	Eagle Small Cap Growth R6	\$138,214	0.11%	\$109,887	0.08%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Retirement Tax Deferred Annuity Plan 403(b) TDA- 102966

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Emerging Markets	DFA Emerging Markets Core Equity I	\$885,445	0.69%	\$1,274,912	0.89%
Specialty-Private Real Estate	TIAA Real Estate Account	\$8,386,775	6.56%	\$10,406,780	7.27%
Other Assets	Non Approved Funds	\$21,734,518	17.00%	\$19,373,845	13.53%
Self-Directed Brokerage	Self Directed Accounts	\$2,736,027	2.14%	\$2,254,929	1.57%
TOTALS		\$127,821,159	100%	\$143,170,772	100%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Optional Retirement Savings 403(b) - 102967

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Cash and Equivalents - Money Market	CREF Money Market R3	\$9,722	0.66%	\$9,271	0.66%
Cash and Equivalents - Money Market	Vanguard Federal Money Market	-	-	\$0	0.00%
Stable Value	TIAA Traditional - Group Retirement Annuity	\$670,312	45.78%	\$619,822	44.12%
Inflation Protected Bond	CREF Inflation-Linked Bond R3	\$31,109	2.12%	\$32,113	2.29%
Intermediate Term Bond	Prudential Total Return Bond Q	\$2,246	0.15%	\$2,934	0.21%
Intermediate Term Bond	Vanguard Total Bond Market Index Adm	\$0	0.00%	\$251	0.02%
World Allocation	CREF Social Choice R3	\$37,036	2.53%	\$37,727	2.69%
Target Date Ret Income Moderate	Vanguard Target Retirement Income Inv	\$972	0.07%	\$1,011	0.07%
Target Date 2000-2010 Conservative	Vanguard Target Retirement 2010 Inv	\$1,528	0.10%	\$254	0.02%
Target Date 2015 Moderate	Vanguard Target Retirement 2015 Inv	\$135	0.01%	\$143	0.01%
Target Date 2020 Moderate	Vanguard Target Retirement 2020 Inv	\$35,915	2.45%	\$46,905	3.34%
Target Date 2025 Moderate	Vanguard Target Retirement 2025 Inv	\$1,877	0.13%	\$2,017	0.14%
Target Date 2030 Conservative	Vanguard Target Retirement 2030 Inv	\$0	0.00%	\$0	0.00%
Target Date 2035 Moderate	Vanguard Target Retirement 2035 Inv	\$0	0.00%	\$0	0.00%
Target Date 2040 Moderate	Vanguard Target Retirement 2040 Inv	\$0	0.00%	\$0	0.00%
Target Date 2045 Moderate	Vanguard Target Retirement 2045 Inv	\$0	0.00%	\$0	0.00%
Target Date 2050 Moderate	Vanguard Target Retirement 2050 Inv	\$0	0.00%	\$0	0.00%
Target Date 2055 Moderate	Vanguard Target Retirement 2055 Inv	\$0	0.00%	\$0	0.00%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Optional Retirement Savings 403(b) - 102967

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Target Date 2060+ Moderate	Vanguard Target Retirement 2060 Inv	\$0	0.00%	\$0	0.00%
Large Company Value	JHancock Disciplined Value R5	\$1,853	0.13%	\$1,605	0.11%
Large Company Value	JHancock Disciplined Value R6	-	-	\$0	0.00%
Large Company Blend	CREF Stock R3	\$203,537	13.90%	\$212,794	15.15%
Large Company Blend	Vanguard Institutional Index I	\$2,992	0.20%	\$4,677	0.33%
Large Company Growth	Harbor Capital App Instl	\$1,506	0.10%	\$741	0.05%
Large Company Growth	Harbor Capital Appreciation Retirement	-	-	\$0	0.00%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq I	\$1,607	0.11%	\$1,436	0.10%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq IS	-	-	\$50	0.00%
Medium Company Blend	Vanguard Ext Mkt Idx Inst	\$1,522	0.10%	\$1,724	0.12%
Medium Company Growth	Goldman Sachs Growth Opp I	\$245	0.02%	\$39	0.00%
Medium Company Growth	Goldman Sachs Growth Opportunities R6	-	-	\$0	0.00%
Foreign Large Value	MFS International Value R6	\$2,390	0.16%	\$2,304	0.16%
Foreign Large Blend	Vanguard Total Intl Stock Index Inst	\$1,194	0.08%	\$1,197	0.09%
Foreign Large Growth	Oppenheimer Intl Growth I	-	-	\$51	0.00%
Foreign Large Growth	Oppenheimer Intl Growth Y	\$441	0.03%	\$509	0.04%
Small Company Value	Victory Sycamore Small Company Opp I	\$546	0.04%	\$1,162	0.08%
Small Company Growth	Eagle Small Cap Growth R6	\$389	0.03%	\$221	0.02%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Optional Retirement Savings 403(b) - 102967

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Emerging Markets	DFA Emerging Markets Core Equity I	\$833	0.06%	\$1,202	0.09%
Specialty-Private Real Estate	TIAA Real Estate Account	\$47,589	3.25%	\$45,550	3.24%
Other Assets	Non Approved Funds	\$406,780	27.78%	\$377,155	26.85%
Self-Directed Brokerage	Self Directed Accounts	\$0	0.00%	\$0	0.00%
TOTALS		\$1,464,278	100%	\$1,404,865	100%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Optional Retirement Savings 401(a) - 102968

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Cash and Equivalents - Money Market	CREF Money Market R3	\$3,319	0.28%	\$3,634	0.32%
Cash and Equivalents - Money Market	Vanguard Federal Money Market	-	-	\$0	0.00%
Stable Value	TIAA Traditional - Group Retirement Annuity	\$392,475	32.70%	\$393,666	34.47%
Inflation Protected Bond	CREF Inflation-Linked Bond R3	\$32,383	2.70%	\$20,367	1.78%
Intermediate Term Bond	Prudential Total Return Bond Q	\$588	0.05%	\$760	0.07%
Intermediate Term Bond	Vanguard Total Bond Market Index Adm	\$0	0.00%	\$63	0.01%
World Allocation	CREF Social Choice R3	\$24,303	2.02%	\$24,637	2.16%
Target Date Ret Income Moderate	Vanguard Target Retirement Income Inv	\$244	0.02%	\$253	0.02%
Target Date 2000-2010 Conservative	Vanguard Target Retirement 2010 Inv	\$1,088	0.09%	\$839	0.07%
Target Date 2015 Moderate	Vanguard Target Retirement 2015 Inv	\$0	0.00%	\$0	0.00%
Target Date 2020 Moderate	Vanguard Target Retirement 2020 Inv	\$31,433	2.62%	\$38,617	3.38%
Target Date 2025 Moderate	Vanguard Target Retirement 2025 Inv	\$391	0.03%	\$420	0.04%
Target Date 2030 Conservative	Vanguard Target Retirement 2030 Inv	\$747	0.06%	\$806	0.07%
Target Date 2035 Moderate	Vanguard Target Retirement 2035 Inv	\$0	0.00%	\$0	0.00%
Target Date 2040 Moderate	Vanguard Target Retirement 2040 Inv	\$0	0.00%	\$0	0.00%
Target Date 2045 Moderate	Vanguard Target Retirement 2045 Inv	\$0	0.00%	\$0	0.00%
Target Date 2050 Moderate	Vanguard Target Retirement 2050 Inv	\$0	0.00%	\$0	0.00%
Target Date 2055 Moderate	Vanguard Target Retirement 2055 Inv	\$0	0.00%	\$0	0.00%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Optional Retirement Savings 401(a) - 102968

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Target Date 2060+ Moderate	Vanguard Target Retirement 2060 Inv	\$0	0.00%	\$0	0.00%
Large Company Value	JHancock Disciplined Value R5	\$8,416	0.70%	\$9,343	0.82%
Large Company Value	JHancock Disciplined Value R6	-	-	\$0	0.00%
Large Company Blend	CREF Stock R3	\$134,369	11.19%	\$133,881	11.72%
Large Company Blend	Vanguard Institutional Index I	\$1,413	0.12%	\$1,878	0.16%
Large Company Growth	Harbor Capital App Instl	\$18,475	1.54%	\$17,742	1.55%
Large Company Growth	Harbor Capital Appreciation Retirement	-	-	\$0	0.00%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq I	\$565	0.05%	\$642	0.06%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq IS	-	-	\$12	0.00%
Medium Company Blend	Vanguard Ext Mkt Idx Inst	\$387	0.03%	\$416	0.04%
Medium Company Growth	Goldman Sachs Growth Opp I	\$17,483	1.46%	\$17,421	1.53%
Medium Company Growth	Goldman Sachs Growth Opportunities R6	-	-	\$0	0.00%
Foreign Large Value	MFS International Value R6	\$15,204	1.27%	\$15,358	1.34%
Foreign Large Blend	Vanguard Total Intl Stock Index Inst	\$281	0.02%	\$338	0.03%
Foreign Large Growth	Oppenheimer Intl Growth I	-	-	\$13	0.00%
Foreign Large Growth	Oppenheimer Intl Growth Y	\$178	0.01%	\$210	0.02%
Small Company Value	Victory Sycamore Small Company Opp I	\$120	0.01%	\$271	0.02%
Small Company Growth	Eagle Small Cap Growth R6	\$373	0.03%	\$397	0.03%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Optional Retirement Savings 401(a) - 102968

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Emerging Markets	DFA Emerging Markets Core Equity I	\$14,284	1.19%	\$15,844	1.39%
Specialty-Private Real Estate	TIAA Real Estate Account	\$76,513	6.37%	\$58,998	5.17%
Other Assets	Non Approved Funds	\$310,862	25.90%	\$261,715	22.92%
Self-Directed Brokerage	Self Directed Accounts	\$114,487	9.54%	\$123,396	10.81%
TOTALS		\$1,200,381	100%	\$1,141,935	100%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Basic Retirement Plan for Classified Employees 403(b) - 102969

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Cash and Equivalents - Money Market	CREF Money Market R3	\$461,801	1.61%	\$618,547	1.95%
Cash and Equivalents - Money Market	Vanguard Federal Money Market	-	-	\$2	0.00%
Stable Value	TIAA Traditional - Group Retirement Annuity	\$5,700,020	19.88%	\$6,132,272	19.30%
Inflation Protected Bond	CREF Inflation-Linked Bond R3	\$494,033	1.72%	\$552,746	1.74%
Intermediate Term Bond	Prudential Total Return Bond Q	\$450,841	1.57%	\$636,759	2.00%
Intermediate Term Bond	Vanguard Total Bond Market Index Adm	\$36,490	0.13%	\$74,975	0.24%
World Allocation	CREF Social Choice R3	\$1,026,629	3.58%	\$1,068,820	3.36%
Target Date Ret Income Moderate	Vanguard Target Retirement Income Inv	\$324,427	1.13%	\$272,110	0.86%
Target Date 2000-2010 Conservative	Vanguard Target Retirement 2010 Inv	\$171,976	0.60%	\$137,528	0.43%
Target Date 2015 Moderate	Vanguard Target Retirement 2015 Inv	\$214,587	0.75%	\$345,261	1.09%
Target Date 2020 Moderate	Vanguard Target Retirement 2020 Inv	\$536,379	1.87%	\$811,756	2.56%
Target Date 2025 Moderate	Vanguard Target Retirement 2025 Inv	\$466,979	1.63%	\$936,012	2.95%
Target Date 2030 Conservative	Vanguard Target Retirement 2030 Inv	\$262,271	0.91%	\$443,884	1.40%
Target Date 2035 Moderate	Vanguard Target Retirement 2035 Inv	\$208,469	0.73%	\$297,787	0.94%
Target Date 2040 Moderate	Vanguard Target Retirement 2040 Inv	\$212,125	0.74%	\$297,390	0.94%
Target Date 2045 Moderate	Vanguard Target Retirement 2045 Inv	\$142,202	0.50%	\$233,350	0.73%
Target Date 2050 Moderate	Vanguard Target Retirement 2050 Inv	\$55,596	0.19%	\$93,358	0.29%
Target Date 2055 Moderate	Vanguard Target Retirement 2055 Inv	\$36,663	0.13%	\$73,838	0.23%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Basic Retirement Plan for Classified Employees 403(b) - 102969

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Target Date 2060+ Moderate	Vanguard Target Retirement 2060 Inv	\$674	0.00%	\$9,780	0.03%
Large Company Value	JHancock Disciplined Value R5	\$476,593	1.66%	\$419,105	1.32%
Large Company Value	JHancock Disciplined Value R6	-	-	\$122,491	0.39%
Large Company Blend	CREF Stock R3	\$3,193,830	11.14%	\$3,212,845	10.11%
Large Company Blend	Vanguard Institutional Index I	\$410,238	1.43%	\$748,525	2.36%
Large Company Growth	Harbor Capital App Instl	\$619,967	2.16%	\$527,971	1.66%
Large Company Growth	Harbor Capital Appreciation Retirement	-	-	\$3,049	0.01%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq I	\$103,896	0.36%	\$163,112	0.51%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq IS	-	-	\$127,105	0.40%
Medium Company Blend	Vanguard Ext Mkt Idx Inst	\$135,840	0.47%	\$220,415	0.69%
Medium Company Growth	Goldman Sachs Growth Opp I	\$394,721	1.38%	\$404,887	1.27%
Medium Company Growth	Goldman Sachs Growth Opportunities R6	-	-	\$0	0.00%
Foreign Large Value	MFS International Value R6	\$644,124	2.25%	\$685,481	2.16%
Foreign Large Blend	Vanguard Total Intl Stock Index Inst	\$91,693	0.32%	\$188,081	0.59%
Foreign Large Growth	Oppenheimer Intl Growth I	-	-	\$21,850	0.07%
Foreign Large Growth	Oppenheimer Intl Growth Y	\$45,296	0.16%	\$69,750	0.22%
Small Company Value	Victory Sycamore Small Company Opp I	\$199,642	0.70%	\$470,488	1.48%
Small Company Growth	Eagle Small Cap Growth R6	\$27,276	0.10%	\$32,674	0.10%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Basic Retirement Plan for Classified Employees 403(b) - 102969

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Emerging Markets	DFA Emerging Markets Core Equity I	\$472,422	1.65%	\$687,139	2.16%
Specialty-Private Real Estate	TIAA Real Estate Account	\$1,849,250	6.45%	\$2,029,933	6.39%
Other Assets	Non Approved Funds	\$6,607,607	23.04%	\$6,035,842	19.00%
Self-Directed Brokerage	Self Directed Accounts	\$2,603,877	9.08%	\$2,563,149	8.07%
TOTALS		\$28,678,435	100%	\$31,770,064	100%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Basic Retirement Plan for Classified Employees 401(a) - 102970

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Cash and Equivalents - Money Market	CREF Money Market R3	\$1,509,830	2.69%	\$1,419,189	2.35%
Cash and Equivalents - Money Market	Vanguard Federal Money Market	-	-	\$13	0.00%
Stable Value	TIAA Traditional - Group Retirement Annuity	\$13,250,524	23.58%	\$14,028,827	23.24%
Inflation Protected Bond	CREF Inflation-Linked Bond R3	\$953,390	1.70%	\$1,045,099	1.73%
Intermediate Term Bond	Prudential Total Return Bond Q	\$777,767	1.38%	\$1,037,070	1.72%
Intermediate Term Bond	Vanguard Total Bond Market Index Adm	\$39,063	0.07%	\$94,748	0.16%
World Allocation	CREF Social Choice R3	\$2,625,993	4.67%	\$2,715,282	4.50%
Target Date Ret Income Moderate	Vanguard Target Retirement Income Inv	\$418,042	0.74%	\$492,158	0.82%
Target Date 2000-2010 Conservative	Vanguard Target Retirement 2010 Inv	\$257,989	0.46%	\$263,210	0.44%
Target Date 2015 Moderate	Vanguard Target Retirement 2015 Inv	\$448,923	0.80%	\$583,552	0.97%
Target Date 2020 Moderate	Vanguard Target Retirement 2020 Inv	\$937,525	1.67%	\$1,177,594	1.95%
Target Date 2025 Moderate	Vanguard Target Retirement 2025 Inv	\$850,970	1.51%	\$1,340,971	2.22%
Target Date 2030 Conservative	Vanguard Target Retirement 2030 Inv	\$449,587	0.80%	\$781,116	1.29%
Target Date 2035 Moderate	Vanguard Target Retirement 2035 Inv	\$436,696	0.78%	\$601,057	1.00%
Target Date 2040 Moderate	Vanguard Target Retirement 2040 Inv	\$293,966	0.52%	\$418,897	0.69%
Target Date 2045 Moderate	Vanguard Target Retirement 2045 Inv	\$223,665	0.40%	\$340,464	0.56%
Target Date 2050 Moderate	Vanguard Target Retirement 2050 Inv	\$95,400	0.17%	\$160,641	0.27%
Target Date 2055 Moderate	Vanguard Target Retirement 2055 Inv	\$35,170	0.06%	\$75,237	0.12%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Basic Retirement Plan for Classified Employees 401(a) - 102970

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Target Date 2060+ Moderate	Vanguard Target Retirement 2060 Inv	\$674	0.00%	\$9,779	0.02%
Large Company Value	JHancock Disciplined Value R5	\$669,342	1.19%	\$700,406	1.16%
Large Company Value	JHancock Disciplined Value R6	-	-	\$159,468	0.26%
Large Company Blend	CREF Stock R3	\$7,987,829	14.22%	\$8,071,198	13.37%
Large Company Blend	Vanguard Institutional Index I	\$645,159	1.15%	\$1,141,971	1.89%
Large Company Growth	Harbor Capital App Instl	\$798,041	1.42%	\$802,234	1.33%
Large Company Growth	Harbor Capital Appreciation Retirement	-	-	\$4,604	0.01%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq I	\$191,761	0.34%	\$277,595	0.46%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq IS	-	-	\$161,465	0.27%
Medium Company Blend	Vanguard Ext Mkt Idx Inst	\$270,593	0.48%	\$396,264	0.66%
Medium Company Growth	Goldman Sachs Growth Opp I	\$421,498	0.75%	\$479,334	0.79%
Medium Company Growth	Goldman Sachs Growth Opportunities R6	-	-	\$0	0.00%
Foreign Large Value	MFS International Value R6	\$888,052	1.58%	\$1,027,422	1.70%
Foreign Large Blend	Vanguard Total Intl Stock Index Inst	\$177,318	0.32%	\$291,281	0.48%
Foreign Large Growth	Oppenheimer Intl Growth I	-	-	\$7,483	0.01%
Foreign Large Growth	Oppenheimer Intl Growth Y	\$89,502	0.16%	\$129,418	0.21%
Small Company Value	Victory Sycamore Small Company Opp I	\$248,802	0.44%	\$577,144	0.96%
Small Company Growth	Eagle Small Cap Growth R6	\$38,198	0.07%	\$54,590	0.09%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Basic Retirement Plan for Classified Employees 401(a) - 102970

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Emerging Markets	DFA Emerging Markets Core Equity I	\$527,424	0.94%	\$805,114	1.33%
Specialty-Private Real Estate	TIAA Real Estate Account	\$3,384,389	6.02%	\$3,543,381	5.87%
Other Assets	Non Approved Funds	\$14,144,637	25.18%	\$13,101,869	21.70%
Self-Directed Brokerage	Self Directed Accounts	\$2,096,355	3.73%	\$2,046,461	3.39%
TOTALS		\$56,184,073	100%	\$60,363,607	100%

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ASSET INVESTMENT REVIEW | SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Deferred Compensation Plan 457(b) - 102971

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Cash and Equivalents - Money Market	CREF Money Market R3	\$471,493	2.28%	\$529,498	2.12%
Cash and Equivalents - Money Market	Vanguard Federal Money Market	-	-	\$35,492	0.14%
Stable Value	TIAA Traditional - Group Retirement Annuity	\$5,148,401	24.93%	\$6,219,922	24.94%
Inflation Protected Bond	CREF Inflation-Linked Bond R3	\$474,741	2.30%	\$586,270	2.35%
Intermediate Term Bond	Prudential Total Return Bond Q	\$612,548	2.97%	\$895,107	3.59%
Intermediate Term Bond	Vanguard Total Bond Market Index Adm	\$2,218	0.01%	\$48,594	0.19%
World Allocation	CREF Social Choice R3	\$1,100,213	5.33%	\$1,215,718	4.87%
Target Date Ret Income Moderate	Vanguard Target Retirement Income Inv	\$168,285	0.81%	\$128,688	0.52%
Target Date 2000-2010 Conservative	Vanguard Target Retirement 2010 Inv	\$247,335	1.20%	\$306,473	1.23%
Target Date 2015 Moderate	Vanguard Target Retirement 2015 Inv	\$291,448	1.41%	\$375,654	1.51%
Target Date 2020 Moderate	Vanguard Target Retirement 2020 Inv	\$371,303	1.80%	\$601,347	2.41%
Target Date 2025 Moderate	Vanguard Target Retirement 2025 Inv	\$643,243	3.11%	\$654,453	2.62%
Target Date 2030 Conservative	Vanguard Target Retirement 2030 Inv	\$329,898	1.60%	\$583,136	2.34%
Target Date 2035 Moderate	Vanguard Target Retirement 2035 Inv	\$101,329	0.49%	\$144,777	0.58%
Target Date 2040 Moderate	Vanguard Target Retirement 2040 Inv	\$105,924	0.51%	\$154,953	0.62%
Target Date 2045 Moderate	Vanguard Target Retirement 2045 Inv	\$55,490	0.27%	\$86,149	0.35%
Target Date 2050 Moderate	Vanguard Target Retirement 2050 Inv	\$26,478	0.13%	\$30,118	0.12%
Target Date 2055 Moderate	Vanguard Target Retirement 2055 Inv	\$0	0.00%	\$0	0.00%

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ASSET INVESTMENT REVIEW | SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Deferred Compensation Plan 457(b) - 102971

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Target Date 2060+ Moderate	Vanguard Target Retirement 2060 Inv	\$0	0.00%	\$0	0.00%
Large Company Value	JHancock Disciplined Value R5	\$393,838	1.91%	\$444,904	1.78%
Large Company Value	JHancock Disciplined Value R6	-	-	\$90,121	0.36%
Large Company Blend	CREF Stock R3	\$1,498,413	7.26%	\$1,698,898	6.81%
Large Company Blend	Vanguard Institutional Index I	\$460,370	2.23%	\$884,453	3.55%
Large Company Growth	Harbor Capital App Instl	\$442,091	2.14%	\$377,020	1.51%
Large Company Growth	Harbor Capital Appreciation Retirement	-	-	\$18,217	0.07%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq I	\$121,659	0.59%	\$158,476	0.64%
Medium Company Value	RidgeWorth Ceredex Mid-Cap Value Eq IS	-	-	\$75,372	0.30%
Medium Company Blend	Vanguard Ext Mkt Idx Inst	\$342,280	1.66%	\$453,350	1.82%
Medium Company Growth	Goldman Sachs Growth Opp I	\$198,700	0.96%	\$189,485	0.76%
Medium Company Growth	Goldman Sachs Growth Opportunities R6	-	-	\$974	0.00%
Foreign Large Value	MFS International Value R6	\$344,198	1.67%	\$426,873	1.71%
Foreign Large Blend	Vanguard Total Intl Stock Index Inst	\$170,112	0.82%	\$227,904	0.91%
Foreign Large Growth	Oppenheimer Intl Growth I	-	-	\$8,113	0.03%
Foreign Large Growth	Oppenheimer Intl Growth Y	\$97,625	0.47%	\$109,479	0.44%
Small Company Value	Victory Sycamore Small Company Opp I	\$135,958	0.66%	\$338,886	1.36%
Small Company Growth	Eagle Small Cap Growth R6	\$47,919	0.23%	\$60,262	0.24%

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ASSET INVESTMENT REVIEW | SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Deferred Compensation Plan 457(b) - 102971

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2015	(%)	CURRENT	(%)
Emerging Markets	DFA Emerging Markets Core Equity I	\$262,922	1.27%	\$487,321	1.95%
Specialty-Private Real Estate	TIAA Real Estate Account	\$1,568,671	7.60%	\$1,940,406	7.78%
Other Assets	Non Approved Funds	\$3,462,829	16.77%	\$3,433,240	13.77%
Self-Directed Brokerage	Self Directed Accounts	\$955,381	4.63%	\$917,770	3.68%
TOTALS		\$20,653,315	100%	\$24,937,871	100%

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PLAN INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Inflation Protected Bond CREF Inflation-Linked Bond R3	●	●	●	●	▼	▼	●	●	●	▼	●	89
Intermediate Term Bond Prudential Total Return Bond Q	●	●	●	●	●	●	●	●	●	●	●	100
World Allocation CREF Social Choice R3	●	●	●	●	●	●	●	●	●	▼	●	99
Large Company Value JHancock Disciplined Value R5	▼	●	▼	●	●	●	▼	●	●	●	●	90
Large Company Value JHancock Disciplined Value R6	▼	●	▼	●	●	●	▼	●	●	●	●	90
Large Company Growth Harbor Capital App Instl	▼	▼	●	●	●	●	●	●	●	●	●	86
Large Company Growth Harbor Capital Appreciation Retirement	▼	▼	●	●	●	●	●	●	●	●	●	86
Medium Company Value RidgeWorth Ceredex Mid-Cap Value Eq I	●	●	●	●	●	●	●	●	●	▼	●	96

LEGEND

●	IN GOOD STANDING	▼	MARKED FOR REVIEW	●	CONSIDER FOR TERMINATION
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The CAPTRUST Investment Policy Monitor ("Scorecard") is an illustration of our monitoring system and is designed to assist our Retirement Plan clients in their efforts to provide fiduciary oversight to retirement plan assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields for actively managed investment options. Quantitative scoring areas include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; Style Attribution; and Confidence. Qualitative Scoring Areas measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. This material is for plan sponsor use only and is not intended to be shared with plan participants.

PLAN INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Medium Company Value RidgeWorth Ceredex Mid-Cap Value Eq IS	●	●	●	●	●	●	●	●	●	▼	●	96
Medium Company Growth Goldman Sachs Growth Opp I	▼	●	▼	▼	●	●	▼	▼	●	●	▼	76
Medium Company Growth Goldman Sachs Growth Opportunities R6	▼	●	▼	▼	●	●	▼	▼	●	●	▼	76
Foreign Large Value MFS International Value R6	●	●	●	●	▼	●	●	●	●	●	●	99
Foreign Large Growth Oppenheimer Intl Growth I	●	●	▼	●	●	●	▼	●	●	●	●	94
Foreign Large Growth Oppenheimer Intl Growth Y	●	●	▼	●	●	●	▼	●	●	●	●	94
Small Company Value Victory Sycamore Small Company Opp I	●	●	●	●	●	●	●	●	●	●	●	100
Small Company Growth Eagle Small Cap Growth R6	●	▼	●	●	●	●	●	▼	●	▼	●	85

LEGEND

●	IN GOOD STANDING	▼	MARKED FOR REVIEW	●	CONSIDER FOR TERMINATION
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PLAN INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Emerging Markets DFA Emerging Markets Core Equity I	●	●	●	●	●	●	●	●	●	▼	●	92

LEGEND

●	IN GOOD STANDING	▼	MARKED FOR REVIEW	●	CONSIDER FOR TERMINATION
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PLAN INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

TARGET DATE INVESTMENTS

INVESTMENT	QUANTITATIVE						QUALITATIVE				TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Glidepath		Portfolio Construct.	Underlying Inv. Vehicles	Fund Mgmt	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	% of Equities	Beta to Equities						
Vanguard Target Retirement	●	●	●	●	●	●	●	●	●	●	●	96

CAPITAL PRESERVATION INVESTMENTS

INVESTMENT	Overall	Commentary
CREF Money Market R3	●	According to CAPTRUST Financial Advisors, this Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.
Vanguard Federal Money Market	●	According to CAPTRUST Financial Advisors, this Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.
TIAA Traditional - Group Retirement Annuity	●	According to CAPTRUST Financial Advisors, this Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.

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The CAPTRUST Financial Advisors Investment Scorecard is an illustration of our monitoring system and is designed to assist our Retirement Plan clients in their efforts to provide fiduciary oversight to retirement plan assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as: Crediting Rate/Yield, Market to Book Ratio, Average Crediting Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company. Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as: Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology. Distinct investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics. This material is for plan sponsor use only and is not intended to be shared with plan participants.

PLAN INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

PASSIVE INVESTMENTS

INVESTMENT	Overall	Commentary
Vanguard Total Bond Market Index Adm		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Institutional Index I		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Ext Mkt Idx Inst		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Total Intl Stock Index Inst		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.



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PLAN INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

INVESTMENTS IN DISTINCT ASSET CLASSES

INVESTMENT	Overall	Commentary
CREF Stock R3		This fund currently meets the guidelines set forth by CAPTRUST for distinct investments in the Investment Policy Statement. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, excess return, and risk-adjusted performance.
TIAA Real Estate Account		This fund currently meets the guidelines set forth by CAPTRUST for distinct investments in the Investment Policy Statement. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, excess return, and risk-adjusted performance.

The CAPTRUST Financial Advisors Investment Scorecard is an illustration of our monitoring system and is designed to assist our Retirement Plan clients in their efforts to provide fiduciary oversight to retirement plan assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as: Crediting Rate/Yield, Market to Book Ratio, Average Crediting Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company. Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as: Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology. Distinct investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics. This material is for plan sponsor use only and is not intended to be shared with plan participants.

PLAN INVESTMENT REVIEW | SELECT COMMENTARY

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

FUND MANAGEMENT ITEMS	COMMENTARY
CREF Inflation-Linked Bond Account	<p>Effective April 1, 2016, the benchmark for CREF Inflation-Linked Bond Account changed from the Barclays U.S. TIPS Index to the Barclays U.S. TIPS 1-10 Year Index.</p> <p>In May 2016, Nicholas Travaglino assumed the role of co-portfolio manager for CREF Inflation-Linked Bond Account. John Cerra continues in his capacity as lead portfolio manager.</p>
Goldman Sachs Growth Opp	<p>In June 2016, Diego Lozada-Ghirardi, Vice President and Sector Portfolio Manager within the US Growth Equity team, left the firm. Diego covered the Energy sector for the US Growth Equity team since joining the firm in 2009. Jessica Katz, who joined the firm in September 2015, will assume coverage of the Energy sector.</p> <p>During 2Q 2016, Jenny Chang joined the Growth Equity Team. Jenny joins as a Vice President, serving as a Healthcare Sector Portfolio Manager with research coverage across the market capitalization spectrum.</p>
MFS International Value	<p>The MFS International Value strategy has re-opened to institutional clients, although it will remain soft closed to retail investors.</p>
Prudential Total Return Bond	<p>Effective January 1, 2016, James J. Sullivan, formerly head of Prudential Fixed Income, took on the role of Executive Chairman. In turn, Michael K. Lillard, currently Chief Investment Officer, will be appointed Chief Investment Officer and head of Prudential Fixed Income. Additionally, on November 9, 2015 Matthew J. Fitzgerald began employment as Prudential Fixed Income's Chief Compliance Officer.</p>
Victory Sycamore Small Company Opp	<p>Effective at the close of trading on December 2, 2016, Victory Sycamore Small Company Opportunity Fund will be closed to new retirement plans. Existing retirement plan shareholders will be allowed to continue to invest in the Fund, and sales of shares will be permitted within retirement plans that currently offer the Fund.</p>

PLAN INVESTMENT REVIEW | SELECT COMMENTARY

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

FUND MANAGEMENT ITEMS	COMMENTARY
Vanguard Target Retirement	Vanguard has announced it will launch a 2065 vintage for the Target Retirement suite and merge the 2010 vintage with the Target Retirement Income Fund. These adjustments will occur in mid-2017.
FUND FIRM ITEMS	COMMENTARY
Dimensional Fund Advisors	David Martin retired from the roles of Chief Financial Officer and Treasurer at the end of March 2016. Greg Hinkle, Dimensional's Controller, took over Dave's responsibilities effective April 1, 2016 and was named CFO and Treasurer in July 2016.
Eagle Asset Management, Inc.	In early 2016, the senior management succession plan was implemented when Richard Rossi, president and co-COO announced his retirement effective December 31, 2016. Richard stepped down as president on April 4, 2016, but remains as a director of Eagle through the end of 2016. Succeeding Richard in April were Cooper Abbott, co-COO and executive vice president of investments, and Court James, vice president of new business development. This was an administrative change; there were no ownership or investment strategy changes.
Harbor Funds	It was announced in Q3 2016 that effective 10/21/2016, ORIX Corporation acquired the remaining interest that Rabobank Nederland held in Harbor Capital's parent company, Robeco Groep (10%). As a result, Robeco Groep is wholly-owned by ORIX, a global financial services company based in Japan.
John Hancock Funds	John Hancock launched two new ESG funds on December 14, 2016. The John Hancock ESG Core Bond Fund is managed by Breckinridge and the John Hancock International Equity Fund is managed by Boston Common Asset Management.

PLAN INVESTMENT REVIEW | SELECT COMMENTARY

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

FUND FIRM ITEMS	COMMENTARY
Prudential Investments	Jeffrey T. Becker became chairman and chief executive officer of Jennison Associates, effective Oct. 3, 2016. Jennison is an investment manager of PGIM, the global investment management businesses of Prudential Financial.
Ridgeworth Capital Management, Inc.	On December 16, 2016, Virtus Investment Partners announced that it had reached an agreement to acquire Ridgeworth Investments. The transaction is expected to close in mid-2017, at which time Ridgeworth will become a wholly owned subsidiary of Virtus.
TIAA-CREF	<p>In Q3 2016, Michelle Beck was promoted to the role of Chief Risk Officer of TIAA Global Asset Management (TGAM), head of risk management and valuation service, moving from her role as head of risk management for Nuveen Investments and TGAM Public Markets. Michelle will report to Glenn Richter, COO of TGAM.</p> <p>On October 7, 2016, TIAA announced that CIO Bill Riegel, will retire effective April 1, 2017. In the meantime, Bill's team will report directly to Brad Finkle, President of TIAA Investments.</p>
Victory Capital Management, Inc.	The planned acquisition of RS Investments by Victory Capital Management was completed on Friday, July 29, 2016.

PLAN INVESTMENT REVIEW | TARGET DATE REVIEW

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

VANGUARD TARGET RETIREMENT

MEETING DATE: JANUARY 12, 2017

FOCUS AREA

Organizational

COMMENTARY

In January, Vanguard announced that they are launching a 2065 vintage for each series within the Target Retirement suite, including the Target Retirement CITs. In addition, Vanguard will merge the 2010 vintage fund with the Income vintage fund. This will also be implemented across the suite and CITs. These adjustments will take place in mid-2017.

Investments

COMMENTARY

There were no changes made to the underlying investments of the Target Retirement series during the quarter.

Performance and Positioning

COMMENTARY

In January, Vanguard announced that they are launching a 2065 vintage for each series within the Target Retirement suite, including the Target Retirement CITs. In addition, Vanguard will merge the 2010 vintage fund with the Income vintage fund. This will also be implemented across the suite and CITs. These adjustments will take place in mid-2017.

RECOMMENDED MANAGER UPDATES

Period Ending 12.31.16 | Q4 16

HARBOR CAPITAL APPRECIATION

Topic	The strategy's 2016 results significantly lagged its peer group and benchmark. Notably, the strategy was coming off a strong 2015 and its longer-term results compare favorably to its peers.
Attribution	<p>2016 underperformance was driven by poor stock selection in healthcare (Novo Nordisk, UnitedHealth, Alexion Pharmaceuticals), technology (LinkedIn), and consumer staples (Kroger).</p> <p>Much of the underperformance occurred in Q1 when higher growth stocks came under pressure, as the strategy has more exposure to those stocks vs. the benchmark. Biotech stocks were particularly hard hit in Q1 on drug pricing concerns, and the strategy has significant exposure to this area due to strong product innovation. Higher yielding stocks led the market in Q1 due to historically low interest rates, and the strategy has less exposure to those areas such as consumer staples and telecom.</p>
Our View	<p>We continue to recommend this strategy as it benefits from the long tenure of co-managers Sig Segalas (1990) and Kathleen McCarragher (with the firm since 1998, promoted to co-PM in 2013). They are supported by an experienced team of ten sector analysts.</p> <p>The process focuses on the sustainability of growth and finding companies whose growth prospects are under appreciated by the market, both in duration and magnitude. The strategy uses an average investment horizon of five years as the team focuses on secular growth themes in sectors like technology, healthcare, and consumer discretionary.</p>

This is not a solicitation to invest, but rather a manager update being delivered to CAPTRUST clients whose assets are invested with the manager who is the subject of this report. The opinions expressed are subject to change without notice. Statistics have been obtained from sources deemed reliable but are not guaranteed to be accurate or complete. Any performance illustrated is past performance and is not indicative of future results.

RIDGEWORTH MID CAP VALUE

We are removing this strategy from our watch list and it remains on our recommended list.

- The strategy was placed on watch in Q3 2015 due to inconsistent performance. In recent years, the strategy faced stylistic headwinds similar to its peers. However, poor stock selection and its benchmark agnostic approach magnified the underperformance.
- Based on valuation concerns, the strategy is underweight to REITs and utilities which comprise nearly 30% of the index and benefited from the low interest rate backdrop.
- 2016 results showed improvement, as they were in-line with the index and in the top half of the peer group. Cyclical sectors such as energy, industrials, and financials led the market, which was a tailwind for the strategy's pro-cyclical positioning.
- Portfolio manager Don Wordell was early in positioning for higher interest rates and an improving economy, but his decision has paid off recently. As interest rates rose in the second half of 2016, real estate and utilities came under pressure while banks rose sharply. This aided the strategy's performance.
- In 2015, the strategy had several positions in technology and consumer discretionary where the investment thesis did not unfold as expected. The strategy largely avoided those issues in 2016.

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GOLDMAN SACHS GROWTH OPPORTUNITIES

In November 2016, CAPTRUST due diligence conducted an on-site meeting in NYC with portfolio manager Ashley Woodruff.

Personnel and Process Changes

- The growth equity team has stabilized after the loss of both PMs in 2014-15, and added analysts in healthcare and consumer during 2016.
- The team now has 18 members, with an average of 15 years of industry experience.
- Steve Barry remains a co-PM on the strategy and is very involved in the process, as he and Ashley must agree on all trades.
- Ashley Woodruff has reduced her sector coverage in order to focus on the portfolio manager role.
- A devil's advocate is now assigned for each new stock that is presented to the team.

Performance

- Following a disappointing performance in 2015, the strategy again lagged its peers and benchmark in 2016.
- The strategy outperformed in the first half of 2016, but lagged significantly in the second half due to a rally in lower quality stocks. The team also had some missteps in individual positions where their thesis did not work as expected such as Restoration Hardware and LinkedIn.
- The strategy posted negative stock selection in the consumer sectors in 2015-16 as the team was overly optimistic on consumer spending.

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GOLDMAN SACHS GROWTH OPPORTUNITIES

CAPTRUST View

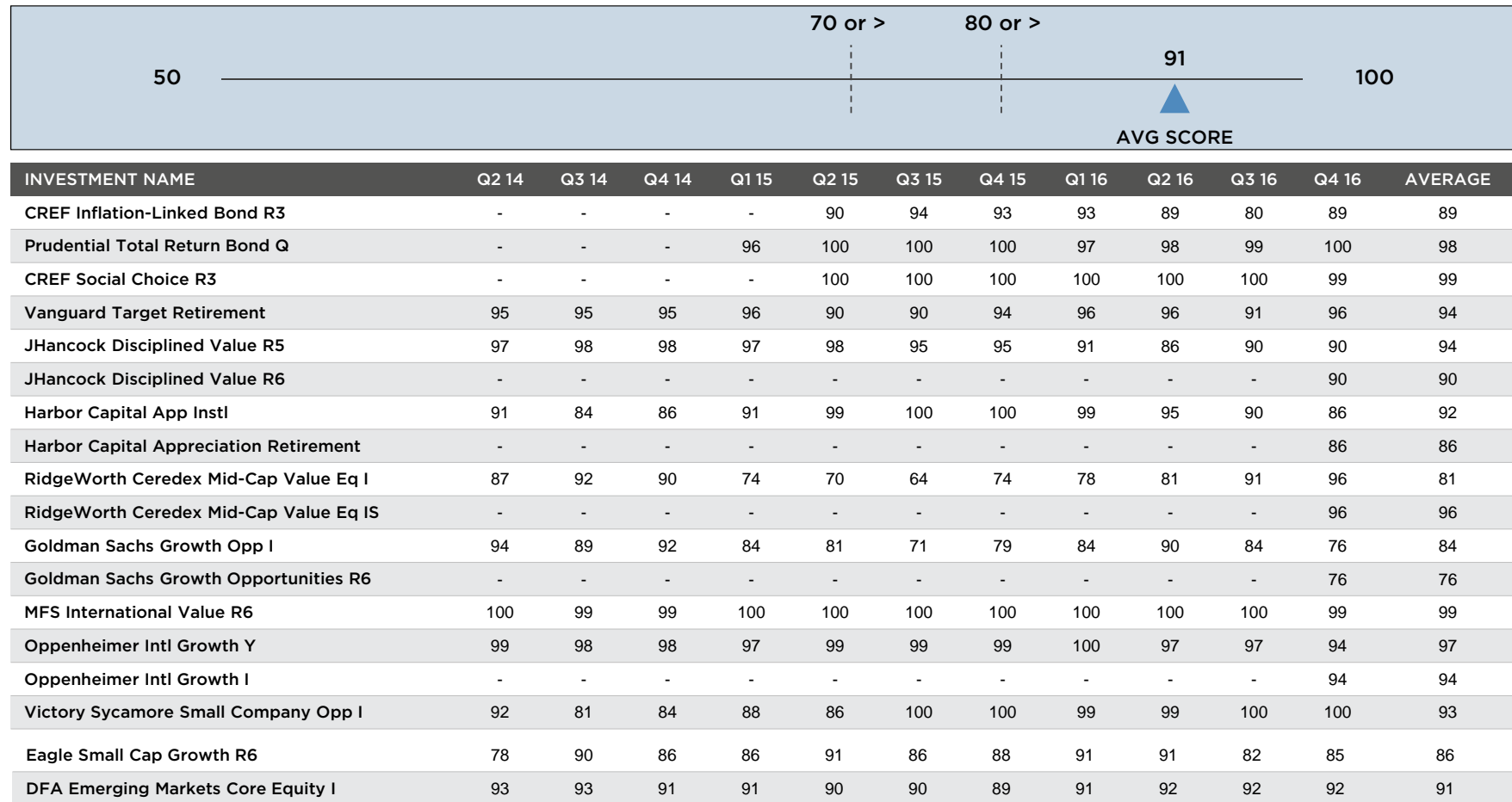
- We are removing the strategy from our recommended list.
- The strategy has recently faced stylistic headwinds and we do not believe that the team has navigated the challenging backdrop as well as some of its peers.
- We are also concerned about execution in the consumer sectors. Prior to joining the firm, Ashley Woodruff had a strong reputation as a consumer analyst at T. Rowe Price, but she is now more focused on the PM role.
- We have remained patient with this strategy as the team stabilized and Ashley implemented some changes to the process. However, these changes have not resulted in improved performance despite a sizeable and experienced team.
- Thus, we have less confidence in the team's ability to outperform its peers and benchmark going forward.

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PLAN INVESTMENT REVIEW | PLAN PERFORMANCE MEASUREMENT

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

Plan Performance Success Rate: Average score of plan investments illustrated below**SUMMARY:** Over the previous quarters the plan investment options have averaged a score of **91**

Scores are calculated quarterly using the CAPTRUST Investment Policy Monitoring System ("Scorecard"). In the 4Q2013, our methodology changed utilizing different quantitative statistics than the prior system resulting in a re-categorization of some specific funds as either "passive" (funds designed to track a given benchmark) or "distinct" funds with a limited number of comparable funds, or funds with distinct strategies that do not have an appropriate benchmark. These funds (passive and/or distinct) will no longer be included in the Plan Performance Measurement Report but will continue to be included on the Investment Policy Monitor and be scored by CAPTRUST for their ability to achieve stated goals.

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

INVESTMENT NAME	Q4 '16	YTD '16	2015	2014	2013	2012	2011	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
CASH AND EQUIVALENTS - MONEY MARKET											
CREF Money Market R3	0.04%	0.13%	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%	0.04%	0.03%	0.75%
Vanguard Federal Money Market	0.08%	0.30%	0.04%	0.01%	0.02%	0.01%	0.01%	0.30%	0.12%	0.08%	0.83%
BofA ML US Treasury Bill 3 Mon USD	0.08%	0.33%	0.05%	0.03%	0.07%	0.11%	0.10%	0.33%	0.14%	0.12%	0.80%
STABLE VALUE											
TIAA Traditional - Group Retirement Annuity			Current Rate is 4.00%								
BofA ML US Treasury Bill 3 Mon USD	0.08%	0.33%	0.05%	0.03%	0.07%	0.11%	0.10%	0.33%	0.14%	0.12%	0.80%
Hueler Stable Value Index (gross)	0.45%	1.79%	1.77%	1.69%	1.84%	2.26%	2.69%	1.79%	1.75%	1.87%	2.77%
INFLATION PROTECTED BOND											
CREF Inflation-Linked Bond R3	-1.66%	4.23%	-1.68%	3.34%	-9.01%	6.41%	13.18%	4.23%	1.93%	0.50%	3.92%
BBgBarc US Treasury US TIPS TR USD	-2.41%	4.68%	-1.44%	3.64%	-8.61%	6.98%	13.56%	4.68%	2.26%	0.89%	4.36%
Morningstar Inflation Protected Bond Universe	-1.65%	4.63%	-2.22%	2.01%	-7.62%	6.35%	10.80%	4.63%	1.41%	0.42%	3.43%
INTERMEDIATE TERM BOND											
Prudential Total Return Bond Q	-3.01%	4.83%	0.09%	7.25%	-0.91%	9.96%	7.93%	4.83%	4.01%	4.16%	5.86%
Vanguard Total Bond Market Index Adm	-3.17%	2.60%	0.40%	5.89%	-2.15%	4.15%	7.68%	2.60%	2.94%	2.14%	4.29%
BBgBarc Aggregate Bond Index	-2.98%	2.65%	0.55%	5.97%	-2.02%	4.21%	7.84%	2.65%	3.03%	2.23%	4.34%
Morningstar Intermediate Term Bond Universe	-2.53%	3.24%	-0.25%	5.23%	-1.43%	6.66%	6.11%	3.24%	2.74%	2.68%	4.20%
WORLD ALLOCATION											
CREF Social Choice R3	0.38%	7.40%	-0.87%	6.83%	16.68%	10.99%	1.81%	7.40%	4.38%	8.05%	5.13%
60% MSCI World 40% BBgBarc Agg Index	0.64%	6.67%	-0.09%	5.63%	17.90%	12.26%	-0.92%	6.67%	4.03%	8.30%	4.40%
Morningstar World Allocation Universe	-0.53%	6.07%	-4.30%	1.50%	11.13%	11.68%	-3.21%	6.07%	1.04%	5.40%	3.74%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

INVESTMENT NAME	Q4 '16	YTD '16	2015	2014	2013	2012	2011	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
TARGET DATE RET INCOME MODERATE											
Vanguard Target Retirement Income Inv	-0.99%	5.25%	-0.17%	5.54%	5.87%	8.23%	5.25%	5.25%	3.50%	4.91%	4.88%
Morningstar Lifetime Moderate Income Index	-0.66%	5.98%	-1.30%	4.09%	6.45%	8.78%	4.13%	5.98%	2.88%	4.75%	4.80%
Retirement Income Moderate	-0.87%	5.04%	-1.38%	4.58%	6.61%	8.98%	2.09%	5.04%	2.78%	4.71%	3.87%
TARGET DATE 2000-2010 CONSERVATIVE											
Vanguard Target Retirement 2010 Inv	-1.02%	5.22%	-0.20%	5.93%	9.10%	10.12%	3.37%	5.22%	3.61%	5.97%	4.61%
Morningstar Lifetime Conservative 2010 Index	-1.71%	5.61%	-1.48%	4.62%	3.77%	9.02%	5.51%	5.61%	2.87%	4.25%	4.90%
2000-2010 Conservative	-1.38%	4.71%	-0.86%	3.35%	5.17%	6.88%	1.88%	4.71%	2.56%	4.00%	3.25%
TARGET DATE 2015 MODERATE											
Vanguard Target Retirement 2015 Inv	-0.55%	6.16%	-0.46%	6.56%	13.00%	11.37%	1.71%	6.16%	4.04%	7.22%	4.85%
Morningstar Lifetime Moderate 2015 Index	-0.76%	7.10%	-1.73%	5.55%	10.50%	11.49%	2.90%	7.10%	3.57%	6.48%	5.16%
2015 Moderate	-0.14%	6.27%	-1.40%	4.69%	11.76%	11.14%	-0.32%	6.27%	3.15%	6.71%	4.05%
TARGET DATE 2020 MODERATE											
Vanguard Target Retirement 2020 Inv	-0.18%	6.95%	-0.68%	7.11%	15.85%	12.35%	0.60%	6.95%	4.39%	8.17%	4.99%
Morningstar Lifetime Moderate 2020 Index	-0.56%	7.66%	-1.88%	5.87%	12.98%	12.53%	1.75%	7.66%	3.80%	7.29%	5.18%
2020 Moderate	-0.11%	6.11%	-1.41%	5.02%	15.48%	12.88%	-1.29%	6.11%	3.22%	7.68%	3.99%
TARGET DATE 2025 MODERATE											
Vanguard Target Retirement 2025 Inv	0.11%	7.48%	-0.85%	7.17%	18.14%	13.29%	-0.37%	7.48%	4.53%	8.86%	5.00%
Morningstar Lifetime Moderate 2025 Index	-0.12%	8.39%	-2.06%	6.04%	16.28%	13.67%	0.24%	8.39%	4.03%	8.27%	5.22%
2025 Moderate	0.09%	6.81%	-1.41%	5.11%	17.80%	13.86%	-2.15%	6.81%	3.40%	8.30%	4.27%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

INVESTMENT NAME	Q4 '16	YTD '16	2015	2014	2013	2012	2011	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
TARGET DATE 2030 CONSERVATIVE											
Vanguard Target Retirement 2030 Inv	0.42%	7.85%	-1.03%	7.17%	20.49%	14.24%	-1.27%	7.85%	4.58%	9.50%	4.98%
Morningstar Lifetime Conservative 2030 Index	-1.14%	7.73%	-2.06%	6.09%	12.23%	12.89%	1.80%	7.73%	3.83%	7.24%	5.27%
2030 Conservative	0.17%	7.23%	-2.01%	5.09%	15.23%	13.03%	-1.24%	7.23%	3.48%	7.63%	3.74%
TARGET DATE 2035 MODERATE											
Vanguard Target Retirement 2035 Inv	0.78%	8.26%	-1.26%	7.24%	22.82%	15.16%	-2.24%	8.26%	4.66%	10.15%	5.09%
Morningstar Lifetime Moderate 2035 Index	1.17%	10.07%	-2.58%	5.80%	22.03%	15.36%	-2.28%	10.07%	4.30%	9.82%	5.41%
2035 Moderate	0.60%	7.93%	-1.34%	5.34%	22.06%	15.51%	-3.32%	7.93%	3.90%	9.73%	4.68%
TARGET DATE 2040 MODERATE											
Vanguard Target Retirement 2040 Inv	1.13%	8.73%	-1.59%	7.15%	24.37%	15.56%	-2.55%	8.73%	4.66%	10.51%	5.26%
Morningstar Lifetime Moderate 2040 Index	1.60%	10.61%	-2.83%	5.51%	23.05%	15.71%	-2.85%	10.61%	4.28%	10.06%	5.45%
2040 Moderate	0.76%	7.41%	-1.43%	5.52%	23.50%	15.58%	-4.37%	7.41%	3.75%	9.88%	4.56%
TARGET DATE 2045 MODERATE											
Vanguard Target Retirement 2045 Inv	1.24%	8.87%	-1.57%	7.16%	24.37%	15.58%	-2.51%	8.87%	4.72%	10.54%	5.27%
Morningstar Lifetime Moderate 2045 Index	1.74%	10.84%	-3.03%	5.25%	23.07%	15.84%	-3.19%	10.84%	4.20%	10.03%	5.41%
2045 Moderate	0.98%	7.94%	-1.99%	5.03%	22.01%	15.15%	-4.56%	7.94%	3.62%	9.47%	4.43%
TARGET DATE 2050 MODERATE											
Vanguard Target Retirement 2050 Inv	1.25%	8.85%	-1.57%	7.18%	24.34%	15.58%	-2.54%	8.85%	4.72%	10.54%	5.27%
Morningstar Lifetime Moderate 2050 Index	1.71%	10.89%	-3.19%	5.00%	22.83%	15.94%	-3.47%	10.89%	4.07%	9.93%	5.35%
2050 Moderate	0.99%	7.95%	-1.79%	5.23%	23.75%	15.60%	-4.92%	7.95%	3.70%	9.77%	5.12%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

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University of Maine System Defined Contribution Plan

INVESTMENT NAME	Q4 '16	YTD '16	2015	2014	2013	2012	2011	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
TARGET DATE 2055 MODERATE											
Vanguard Target Retirement 2055 Inv	1.26%	8.88%	-1.72%	7.19%	24.33%	15.58%	-2.27%	8.88%	4.68%	10.51%	-
Morningstar Lifetime Moderate 2055 Index	1.65%	10.90%	-3.34%	4.74%	22.49%	16.00%	-3.75%	10.90%	3.94%	9.79%	5.27%
2055 Moderate	1.30%	8.38%	-1.55%	5.95%	23.73%	15.47%	-4.54%	8.38%	4.21%	10.06%	5.38%
TARGET DATE 2060+ MODERATE											
Vanguard Target Retirement 2060 Inv	1.25%	8.84%	-1.68%	7.16%	24.35%	-	-	8.84%	4.67%	-	-
Morningstar Lifetime Moderate 2060 Index	1.57%	10.88%	-3.48%	4.53%	22.18%	15.90%	-4.11%	10.88%	3.81%	9.64%	5.29%
2060+ Moderate	1.26%	8.72%	-0.89%	7.24%	24.34%	-	-	8.72%	4.89%	-	-
LARGE COMPANY VALUE											
JHancock Disciplined Value R5	8.04%	14.00%	-4.93%	11.03%	36.04%	20.02%	0.32%	14.00%	6.36%	14.46%	7.01%
JHancock Disciplined Value R6	8.11%	14.07%	-4.81%	11.04%	35.97%	20.08%	0.41%	14.07%	6.43%	14.51%	7.04%
Russell 1000 Value	6.68%	17.34%	-3.83%	13.45%	32.53%	17.51%	0.39%	17.34%	8.59%	14.80%	5.72%
Morningstar Large Value Universe	6.36%	14.70%	-4.05%	10.44%	31.61%	14.70%	-0.57%	14.70%	6.81%	13.02%	5.50%
LARGE COMPANY BLEND											
CREF Stock R3	2.08%	9.17%	-0.84%	6.41%	27.83%	17.29%	-4.95%	9.17%	4.83%	11.55%	5.03%
Vanguard Institutional Index I	3.82%	11.93%	1.37%	13.65%	32.35%	15.98%	2.09%	11.93%	8.85%	14.63%	6.95%
S&P 500 Index	3.82%	11.96%	1.38%	13.69%	32.39%	16.00%	2.11%	11.96%	8.87%	14.66%	6.95%
Morningstar Large Blend Universe	3.87%	10.28%	-0.88%	11.26%	31.78%	15.08%	-0.67%	10.28%	6.79%	13.17%	6.14%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

INVESTMENT NAME	Q4 '16	YTD '16	2015	2014	2013	2012	2011	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
LARGE COMPANY GROWTH											
Harbor Capital App Instl	-1.94%	-1.07%	10.99%	9.93%	37.66%	15.69%	0.61%	-1.07%	6.48%	13.96%	8.01%
Harbor Capital Appreciation Retirement	-1.92%	-1.04%	10.99%	9.93%	37.66%	15.69%	0.61%	-1.04%	6.49%	13.97%	8.02%
Russell 1000 Growth	1.01%	7.08%	5.67%	13.05%	33.48%	15.26%	2.64%	7.08%	8.55%	14.50%	8.33%
Morningstar Large Growth Universe	-0.30%	3.17%	3.72%	10.06%	34.39%	15.29%	-2.24%	3.17%	5.72%	12.97%	6.94%
MEDIUM COMPANY VALUE											
RidgeWorth Ceredex Mid-Cap Value Eq I	7.78%	20.16%	-6.00%	11.00%	31.21%	21.79%	-7.31%	20.16%	7.83%	14.91%	9.13%
RidgeWorth Ceredex Mid-Cap Value Eq IS	7.87%	20.53%	-5.63%	11.05%	31.21%	21.79%	-7.31%	20.53%	8.10%	15.08%	9.21%
Russell Mid Cap Value	5.52%	20.00%	-4.78%	14.75%	33.46%	18.51%	-1.38%	20.00%	9.45%	15.70%	7.59%
Morningstar Mid Value Universe	6.75%	17.92%	-5.61%	9.54%	34.84%	16.26%	-3.87%	17.92%	6.77%	13.79%	6.89%
MEDIUM COMPANY BLEND											
Vanguard Ext Mkt Idx Inst	5.62%	16.15%	-3.24%	7.56%	38.42%	18.50%	-3.57%	16.15%	6.53%	14.67%	7.99%
Russell Mid Cap	3.21%	13.80%	-2.44%	13.22%	34.76%	17.28%	-1.55%	13.80%	7.92%	14.72%	7.86%
Morningstar Mid Blend Universe	5.31%	14.17%	-4.23%	8.74%	34.06%	16.38%	-3.48%	14.17%	5.98%	13.33%	6.83%
MEDIUM COMPANY GROWTH											
Goldman Sachs Growth Opp I	-2.65%	1.49%	-5.24%	11.44%	32.38%	19.58%	-3.70%	1.49%	2.34%	11.15%	8.28%
Goldman Sachs Growth Opportunities R6	-2.69%	1.49%	-5.24%	11.44%	32.38%	19.58%	-3.70%	1.49%	2.34%	11.15%	8.28%
Russell Mid Cap Growth	0.46%	7.33%	-0.20%	11.90%	35.74%	15.81%	-1.65%	7.33%	6.23%	13.51%	7.83%
Morningstar Mid Growth Universe	0.71%	5.93%	-0.75%	7.07%	35.29%	14.30%	-3.91%	5.93%	4.02%	11.78%	6.96%

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University of Maine System Defined Contribution Plan

INVESTMENT NAME	Q4 '16	YTD '16	2015	2014	2013	2012	2011	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
FOREIGN LARGE VALUE											
MFS International Value R6	-5.66%	4.31%	6.85%	1.61%	27.80%	16.13%	-1.81%	4.31%	4.23%	10.94%	5.15%
MSCI EAFE	-0.68%	1.51%	-0.39%	-4.48%	23.29%	17.90%	-11.73%	1.51%	-1.15%	7.02%	1.22%
Morningstar Foreign Large Value Universe	0.14%	2.96%	-3.26%	-6.32%	20.59%	16.61%	-12.71%	2.96%	-2.41%	5.45%	-0.04%
FOREIGN LARGE BLEND											
Vanguard Total Intl Stock Index Inst	-1.92%	4.70%	-4.24%	-4.15%	15.15%	18.28%	-14.51%	4.70%	-1.32%	5.53%	0.93%
MSCI EAFE	-0.68%	1.51%	-0.39%	-4.48%	23.29%	17.90%	-11.73%	1.51%	-1.15%	7.02%	1.22%
Morningstar Foreign Large Blend Universe	-2.24%	0.70%	-1.50%	-4.96%	19.48%	18.04%	-13.62%	0.70%	-2.07%	5.83%	0.57%
FOREIGN LARGE GROWTH											
Oppenheimer Intl Growth I	-5.33%	-1.88%	3.63%	-6.80%	25.71%	22.12%	-7.71%	-1.88%	-1.78%	7.79%	3.38%
Oppenheimer Intl Growth Y	-5.35%	-2.06%	3.44%	-6.99%	25.46%	22.10%	-7.31%	-2.06%	-1.96%	7.62%	3.55%
MSCI EAFE	-0.68%	1.51%	-0.39%	-4.48%	23.29%	17.90%	-11.73%	1.51%	-1.15%	7.02%	1.22%
Morningstar Foreign Large Growth Universe	-5.71%	-2.15%	0.91%	-3.97%	19.74%	18.63%	-12.43%	-2.15%	-1.80%	6.22%	1.57%
SMALL COMPANY VALUE											
Victory Sycamore Small Company Opp I	13.82%	30.04%	-0.39%	6.80%	33.39%	12.55%	1.52%	30.04%	11.42%	15.74%	9.25%
Russell 2000 Value	14.07%	31.74%	-7.47%	4.22%	34.52%	18.05%	-5.50%	31.74%	8.31%	15.07%	6.26%
Morningstar Small Value Universe	12.12%	25.68%	-6.61%	3.47%	35.90%	16.06%	-4.51%	25.68%	6.63%	14.02%	6.86%
SMALL COMPANY GROWTH											
Eagle Small Cap Growth R6	3.08%	10.39%	-0.39%	5.59%	34.70%	14.71%	-1.53%	10.39%	5.10%	12.40%	8.10%
Russell 2000 Growth	3.57%	11.32%	-1.38%	5.60%	43.30%	14.59%	-2.91%	11.32%	5.05%	13.74%	7.76%
Morningstar Small Growth Universe	3.35%	11.25%	-2.41%	2.56%	41.22%	13.51%	-3.28%	11.25%	3.59%	12.29%	7.18%

CONTINUED...

*ANNUALIZED

Information from sources believed to be reliable, but not warranted by CAPTRUST to be accurate or complete. Please consult a prospectus before investing. Past performance is not indicative of future results. Manager and peer group returns are shown net of fees unless otherwise indicated.

PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

INVESTMENT NAME	Q4 '16	YTD '16	2015	2014	2013	2012	2011	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
EMERGING MARKETS											
DFA Emerging Markets Core Equity I	-5.10%	12.35%	-14.86%	-0.91%	-2.64%	20.49%	-20.64%	12.35%	-1.77%	2.14%	3.11%
MSCI Emerging Markets	-4.08%	11.60%	-14.60%	-1.82%	-2.27%	18.63%	-18.17%	11.60%	-2.19%	1.64%	2.17%
Morningstar Emerging Markets Universe	-5.41%	8.29%	-13.75%	-2.78%	0.30%	18.93%	-19.52%	8.29%	-3.07%	1.83%	1.40%
SPECIALTY-PRIVATE REAL ESTATE											
TIAA Real Estate Account	1.25%	5.20%	8.16%	12.22%	9.65%	10.06%	13.00%	5.20%	8.49%	9.03%	3.38%
NCREIF Property Index	1.73%	7.97%	13.33%	11.81%	10.99%	10.54%	14.26%	7.97%	11.01%	10.91%	6.93%
Morningstar Specialty-Real Estate Universe	-2.63%	6.53%	2.41%	28.26%	1.80%	17.57%	7.60%	6.53%	11.78%	10.89%	4.34%

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SECTION 4: FUND FACT SHEETS

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

SECTION 4: FUND FACT SHEETS
Fund Fact Sheets.....

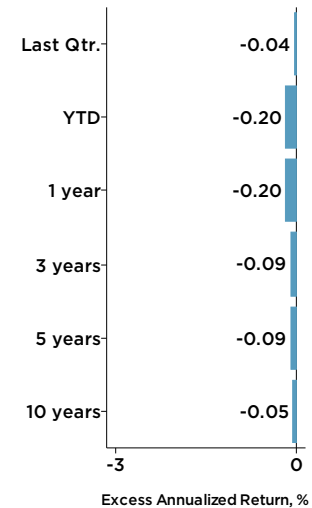
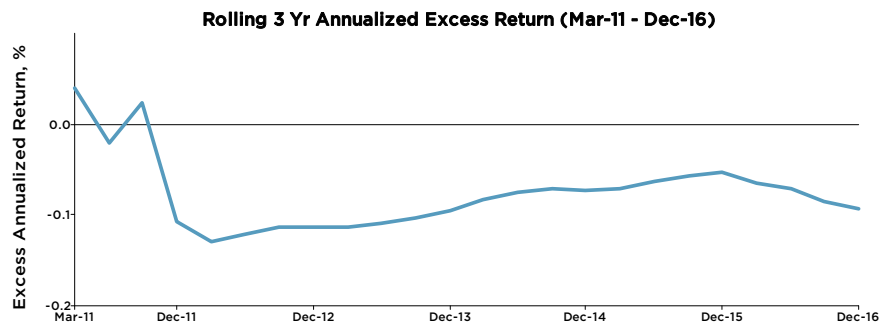
CREF MONEY MARKET R3

Period Ending 12.31.16 | Q4 16

INDUSTRY ANALYSIS

Money market reform passed in 2010 imposed new mandates on 2a-7 managers including shorter average maturities, tighter restrictions on allowable securities, increased liquidity mandates and mandatory stress testing by fund managers. In July 2014, the SEC passed further 2a-7 regulations that mandated a floating rate NAV for some products and allowed managers, under certain circumstances, to limit redemptions or charge a fee for withdrawals. The July regulations will have a multi-year phase-in period,

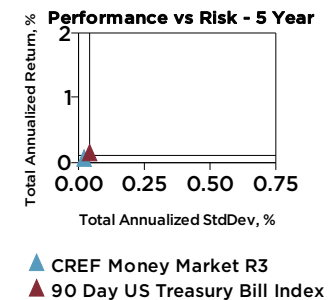
	CREF Money Market R3	90 Day US Treasury Bill Index
TRAILING RETURNS		
Last Qtr.	0.04	0.09
YTD	0.13	0.33
1 Year	0.13	0.33
3 Years	0.04	0.14
5 Years	0.03	0.12
10 Years	0.75	0.80
CALENDAR RETURNS		
2015	0.00	0.05
2014	0.00	0.03
2013	0.00	0.07
2012	0.00	0.11
2011	0.00	0.10
2010	0.00	0.13
KEY MEASURES / 5 YEAR		
Standard Deviation	0.02	0.04



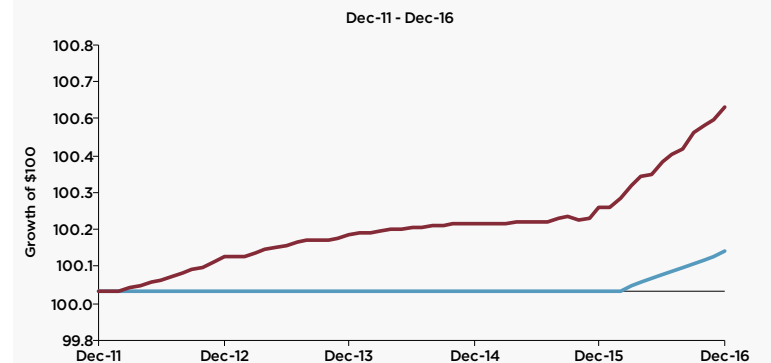
CREF Money Market R3
■ Excess

INVESTMENT PROFILE

Ticker	-
Strategy Incept Date	-
Prospectus Exp Ratio	-
12 Mo Yield	-



Cumulative Performance



Performance Disclosure: The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call (800) 216-0645. Index averages are derived from Morningstar. The opinions expressed in this report are subject to change without notice. This material is not a solicitation or an offer to buy any security or to participate in any investment strategy and is not guaranteed as to accuracy. Any such solicitation must be made by prospectus only. To obtain a prospectus, please call your Financial Advisor at (800) 216-0645. CAPTRUST Financial Advisors.

TIAA TRADITIONAL – GROUP RETIREMENT ANNUITY (GRA)

Period Ending 12.31.16 | Q4 16

INDUSTRY ANALYSIS

The insurance providers and industry as a whole have historically exhibited a high degree of sensitivity to broad financial markets. The economic and market downturn of 2008 and 2009 proved to be no exception as many of these providers watched as the assets on their balance sheets – public and private – were marked meaningfully lower. The shrinking assets resulted in deterioration of capital ratios and reserve amounts across the industry, leading to system-wide downgrades from the ratings agencies. However, the drive in equity markets since the nadir in March of 2009 have presented a formidable rally across every major fixed income sector. As this rally strengthened the balance sheets of insurers, attention shifted away from the industry, which has now been able to breathe a collective sigh of relief. While the insurance industry has staged an impressive recovery, investors should use this episode as a reminder of the risks inherent with single-insurer backed products.

CAPTRUST ANALYSIS

Aaron Tove-White – Senior Associate | Investment Research

The TIAA Traditional Annuity is a guaranteed annuity account (group annuity contract) that is backed by the financial strength and claims-paying ability of TIAA. The product offers participants guaranteed principal and a contractually specified interest rate. The contractually agreed upon minimum annual interest rate is 3%. The TIAA Board of Trustees also reserves the right each year to declare a higher crediting rate to participants which remains effective for a twelve month period that begins each March 1.

The product has a payout structure at the participant level that varies the length of time it takes for a participant to fully redeem. This payout structure is individual contract-specific.

GROSS CREDITING RATES - For Contributions Applied:

4/1/16 - 4/30/16	5/1/16 - 6/30/16	7/1/16 - 7/31/16	8/1/16 - 11/30/16	12/1/16 - 12/31/16
4.00%	3.75%	3.50%	3.75%	4.00%

INVESTMENT DETAILS

Crediting Rate Details:	Current contributions are invested at the new money rate, which can change monthly but is guaranteed until the last day of February. Old Money is grouped by time period into vintages, rate on all vintages are reviewed for reset every March 1 st .
Competing Options:	Allowed.
Minimum Rate:	3.00% during accumulation stage and 2.50% during annuity payout stage, reset annually.

LIQUIDITY PROVISIONS

Plan Sponsor	Participant
Not applicable. Contracts are individually owned by the participant.	Lump Sum withdrawals are available within 120 days of termination of employment with a 2.5% surrender charge. Transfers and withdrawals can be made in 10 annual installments (paid over 9 years and 1 day).

Important Disclosures: This slide is intended solely for institutional use. The opinions expressed in this report are subject to change without notice. The statistics and data have been compiled from sources believed to be reliable but are not guaranteed to be accurate or complete. Any performance quoted represents past performance and does not guarantee future results. Bloomberg Index averages are derived from Morningstar. This material is not a solicitation or an offer to buy any security or to participate in any investment strategy. Any such solicitation must be made by prospectus only. For more information or to obtain a prospectus, please contact your financial advisor at 800.216.0645. CAPTRUST Financial Advisors.

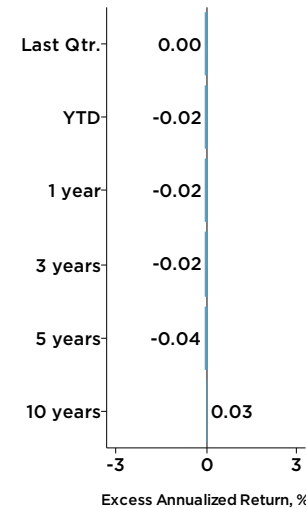
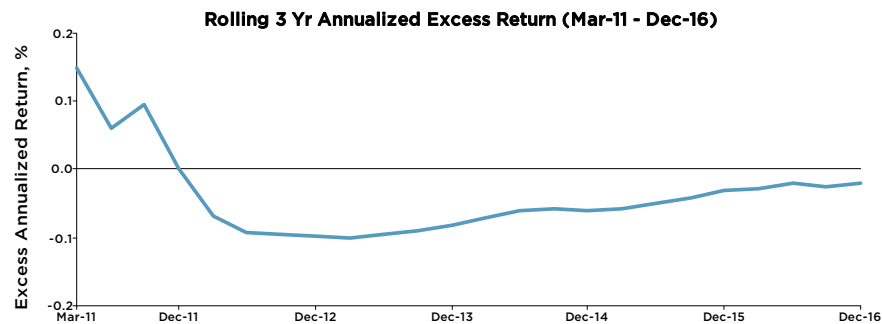
VANGUARD FEDERAL MONEY MARKET

Period Ending 12.31.16 | Q4 16

INDUSTRY ANALYSIS

Money market reform passed in 2010 imposed new mandates on 2a-7 managers including shorter average maturities, tighter restrictions on allowable securities, increased liquidity mandates and mandatory stress testing by fund managers. In July 2014, the SEC passed further 2a-7 regulations that mandated a floating rate NAV for some products and allowed managers, under certain circumstances, to limit redemptions or charge a fee for withdrawals. The July regulations will have a multi-year phase-in period,

	Vanguard Federal Money Market	90 Day US Treasury Bill Index
TRAILING RETURNS		
Last Qtr.	0.08	0.09
YTD	0.30	0.33
1 Year	0.30	0.33
3 Years	0.12	0.14
5 Years	0.08	0.12
10 Years	0.83	0.80
CALENDAR RETURNS		
2015	0.04	0.05
2014	0.01	0.03
2013	0.02	0.07
2012	0.01	0.11
2011	0.01	0.10
2010	0.02	0.13
KEY MEASURES / 5 YEAR		
Standard Deviation	0.03	0.04

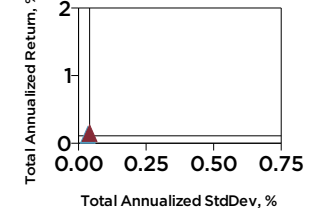


Vanguard Federal Money Market
■ Excess

INVESTMENT PROFILE

Ticker VMFXX
Strategy Incept Date 07/13/1981
Prospectus Exp Ratio 0.11%
12 Mo Yield 0.30%

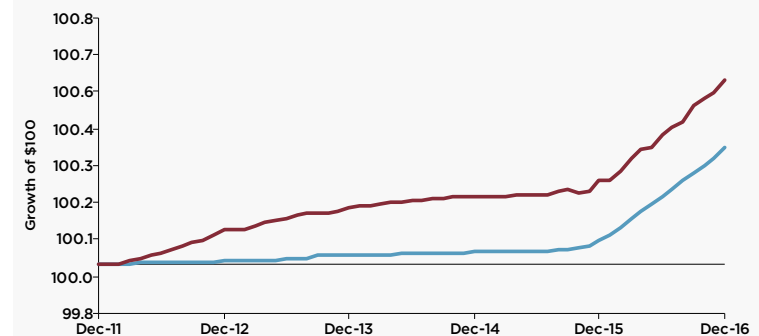
Performance vs Risk - 5 Year



▲ Vanguard Federal Money Marke
▲ 90 Day US Treasury Bill Index

Cumulative Performance

Dec-11 - Dec-16

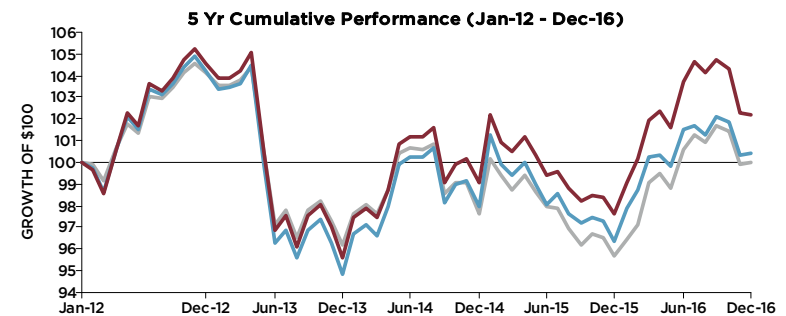
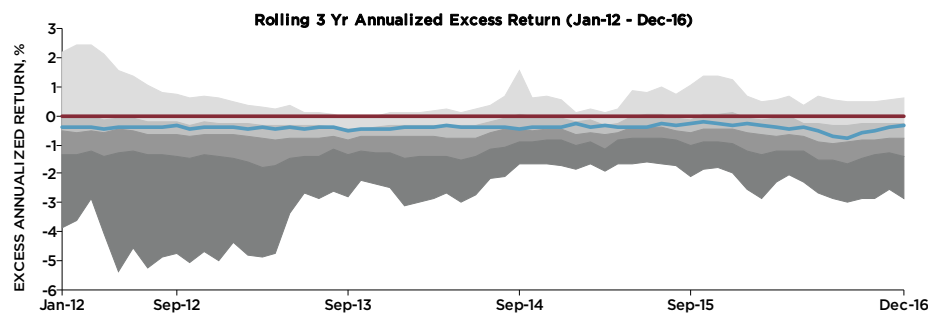
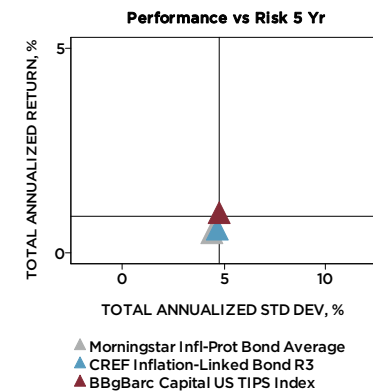
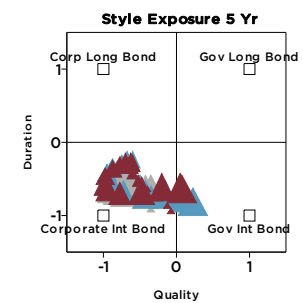
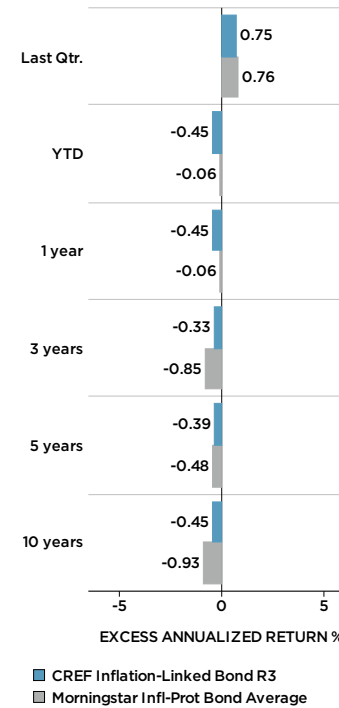


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CREF INFLATION-LINKED BOND R3

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	CREF Inflation-Linked Bond R3	Peer Group Rank	BBgBarc Capital US TIPS Index	Morningstar Infi-Prot Bond	# of Funds
Standard Deviation	4.67	63%	4.76	4.40	182
Sharpe Ratio	0.08	47%	0.16	0.08	182
Alpha	-0.37	50%	0.00	-0.36	182
Beta	0.97	39%	1.00	0.85	182
R-Squared	98.64	35%	100.00	84.24	182
Up Mkt Capture	93.12	38%	100.00	81.72	182
Down Mkt Capture	98.99	49%	100.00	87.20	182
Information Ratio	-0.70	62%	NA	-0.83	182
TRAILING RETURNS					
Last Qtr.	-1.66	--	-2.41	-1.65	232
YTD	4.23	--	4.68	4.63	228
1 Year	4.23	53%	4.68	4.63	228
3 Years	1.93	27%	2.26	1.41	212
5 Years	0.50	42%	0.89	0.42	182
10 Years	3.92	36%	4.36	3.43	139
CALENDAR RETURNS					
2015	-1.68	36%	-1.44	-2.22	236
2014	3.34	22%	3.64	2.01	235
2013	-9.01	67%	-8.60	-7.62	236
2012	6.41	50%	6.98	6.35	211
2011	13.18	15%	13.56	10.80	205
2010	5.89	46%	6.31	5.83	188

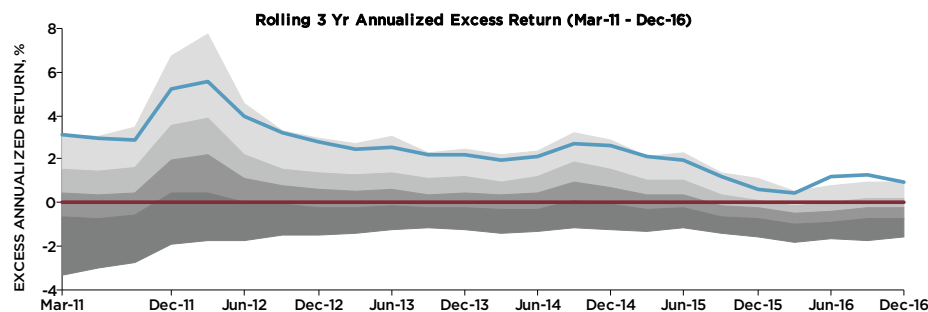


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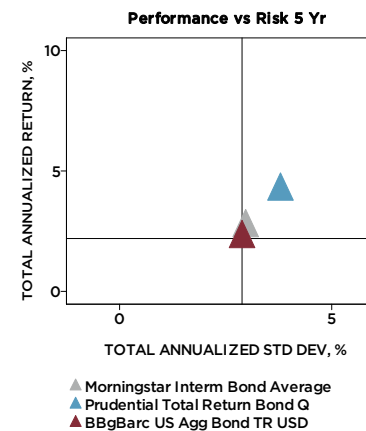
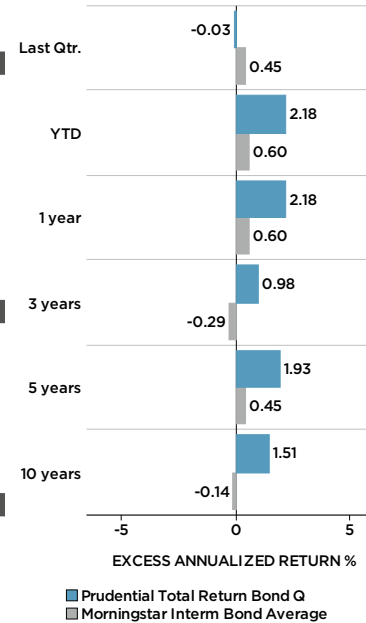
PRUDENTIAL TOTAL RETURN BOND Q

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	Prudential Total Return Bond Q	Peer Group Rank	BBgBarc US Agg Bond TR USD	Morningstar Interm Bond	# of Funds
Standard Deviation	3.78	96%	2.91	2.98	900
Sharpe Ratio	1.07	22%	0.73	0.87	900
Alpha	1.51	16%	0.00	0.61	900
Beta	1.20	2%	1.00	0.93	900
R-Squared	84.89	61%	100.00	83.52	900
Up Mkt Capture	143.47	1%	100.00	102.05	900
Down Mkt Capture	108.33	86%	100.00	87.95	900
Information Ratio	1.19	9%	NA	0.19	900
TRAILING RETURNS					
Last Qtr.	-3.01	--	-2.98	-2.53	1011
YTD	4.83	--	2.65	3.24	995
1 Year	4.83	13%	2.65	3.24	995
3 Years	4.01	5%	3.03	2.74	947
5 Years	4.16	5%	2.23	2.68	900
10 Years	5.86	3%	4.34	4.20	796
CALENDAR RETURNS					
2015	0.09	45%	0.55	-0.25	998
2014	7.25	5%	5.97	5.23	1039
2013	-0.91	28%	-2.02	-1.43	1052
2012	9.96	8%	4.21	6.66	1093
2011	7.93	8%	7.84	6.11	1130
2010	9.73	15%	6.54	7.67	1180



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INVESTMENT PROFILE

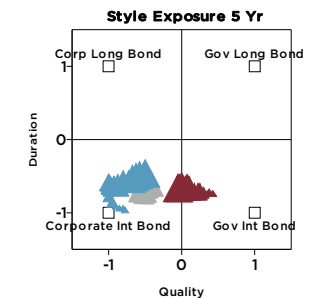
Ticker	PTRQX
CUSIP	74440B884
Net Assets \$MM	\$19,150.00
Manager Names	Team Managed
Manager Tenure	14.2 Years
Prospectus Exp Ratio	0.43%
Cat Median Exp Ratio	0.80%
Current 12b-1	N/A
Annld Ret Since Incept	4.87%
Inception Date	12/27/2010
Phone Number	800-225-1852
Sub Advisor	PGIM Fixed Income

HOLDINGS OVERVIEW

Total Number of Holdings	2451
% Assets in Top 10 Holdings	54.17%
Avg Mkt Cap \$MM	N/A
Turnover Ratio	102.00%

TOP HOLDINGS

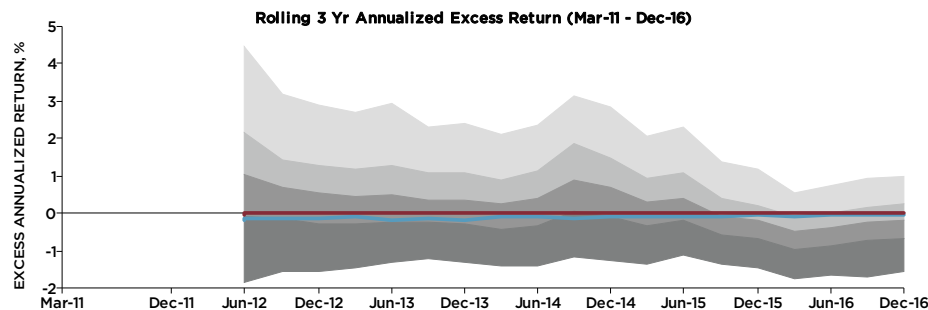
US 5 Year Note (CBT) Ma	23.71%
US Ultra Bond (CBT) Mar1	5.60%
US 10 Year Note (CBT) Mz	5.05%
Payb Fra 1.6 12072016	2.88%
Recv Fra 2.86 12072016	2.88%



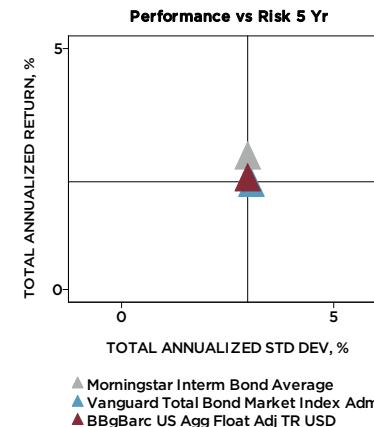
VANGUARD TOTAL BOND MARKET INDEX ADM

Period Ending 12.31.16 | Q4 16

	Vanguard Total Bond Market Index Adm	Peer Group Rank	BBgBarc US Agg Float Adj TR USD	Morningstar Interm Bond	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	3.05	63%	2.96	2.98	900
Sharpe Ratio	0.66	77%	0.72	0.87	900
Alpha	-0.16	81%	0.00	0.63	900
Beta	1.03	13%	1.00	0.91	900
R-Squared	99.43	3%	100.00	83.52	900
Up Mkt Capture	101.22	54%	100.00	100.53	900
Down Mkt Capture	105.44	85%	100.00	85.95	900
Information Ratio	-0.40	82%	NA	0.20	900
TRAILING RETURNS					
Last Qtr.	-3.17	--	-3.05	-2.53	1011
YTD	2.60	--	2.75	3.24	995
1 Year	2.60	64%	2.75	3.24	995
3 Years	2.94	41%	2.99	2.74	947
5 Years	2.14	73%	2.24	2.68	900
10 Years	4.29	52%	NA	4.20	796
CALENDAR RETURNS					
2015	0.40	28%	0.44	-0.25	998
2014	5.89	32%	5.85	5.23	1039
2013	-2.15	67%	-1.97	-1.43	1052
2012	4.15	84%	4.32	6.66	1093
2011	7.68	13%	7.92	6.11	1130
2010	6.54	72%	6.58	7.67	1180



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INVESTMENT PROFILE

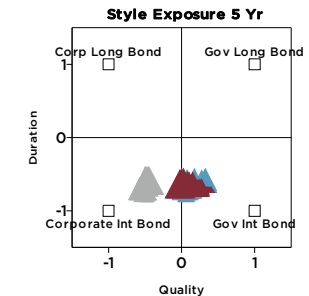
Ticker	VBTLX
CUSIP	921937603
Net Assets \$MM	\$171,815.00
Manager Names	Team Managed
Manager Tenure	3.9 Years
Prospectus Exp Ratio	0.06%
Cat Median Exp Ratio	0.80%
Current 12b-1	N/A
Annld Ret Since Incept	4.24%
Inception Date	11/12/2001
Phone Number	800-662-7447
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	17609
% Assets in Top 10 Holdings	4.92%
Avg Mkt Cap \$MM	N/A
Turnover Ratio	10.86%

TOP HOLDINGS

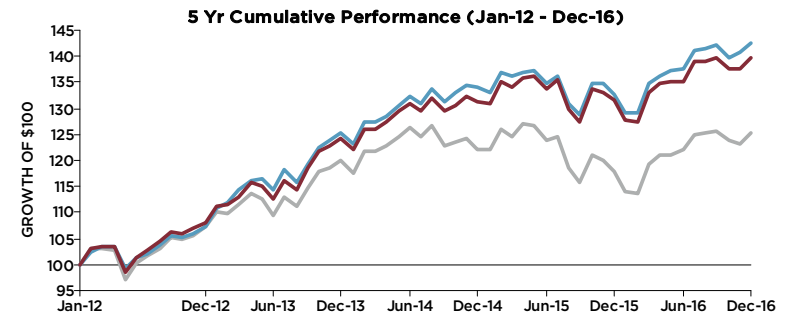
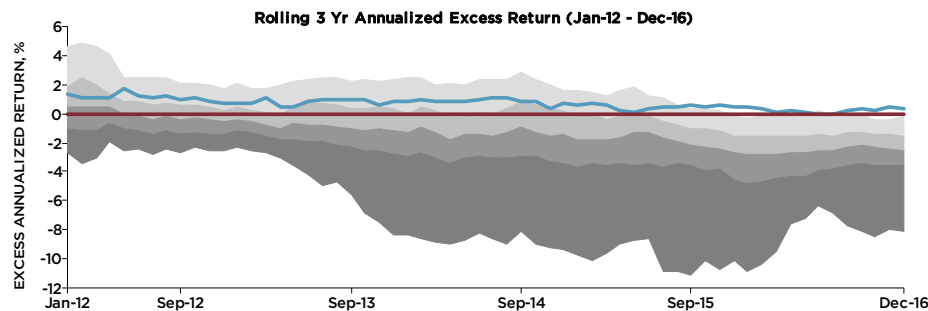
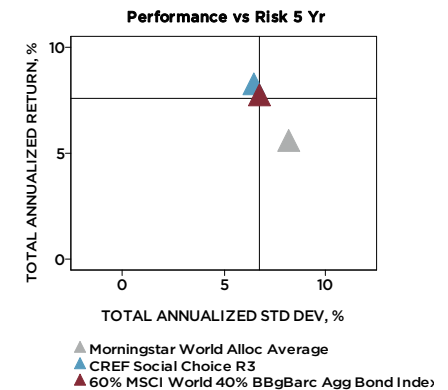
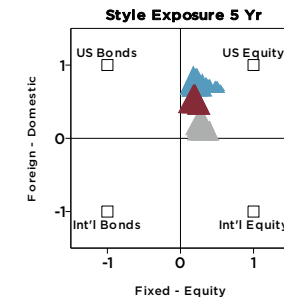
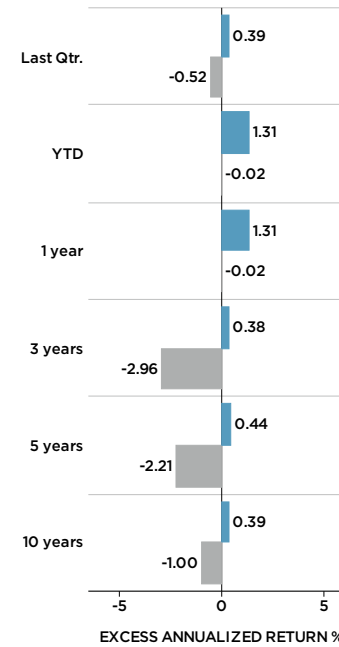
Ginnie Mae Jumbos TBA 3.1	0.65%
Fed Natl Mort Assc 3%	0.61%
US Treasury Note 2.125%	0.54%
US Treasury Note 1%	0.48%
Ginnie Mae Jumbos TBA 3%	0.47%



CREF SOCIAL CHOICE R3

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	CREF Social Choice R3	Peer Group Rank	60% MSCI World 40% BBgBarc Agg Bond Index	Morningstar World Alloc	# of Funds
Standard Deviation	6.45	9%	6.78	8.20	370
Sharpe Ratio	1.23	1%	1.10	0.67	370
Alpha	0.95	3%	0.00	-3.03	370
Beta	0.93	86%	1.00	1.11	370
R-Squared	96.12	4%	100.00	85.80	370
Up Mkt Capture	98.49	53%	100.00	98.51	370
Down Mkt Capture	90.31	6%	100.00	129.89	370
Information Ratio	0.31	3%	NA	-0.65	370
TRAILING RETURNS					
Last Qtr.	0.38	--	-0.01	-0.53	501
YTD	7.40	--	6.09	6.07	489
1 Year	7.40	25%	6.09	6.07	489
3 Years	4.38	3%	4.01	1.04	438
5 Years	8.05	8%	7.61	5.40	370
10 Years	5.13	10%	4.74	3.74	244
CALENDAR RETURNS					
2015	-0.87	17%	0.26	-4.30	496
2014	6.83	5%	5.77	1.50	493
2013	16.68	25%	14.83	11.13	484
2012	10.99	63%	11.70	11.68	454
2011	1.81	14%	0.32	-3.21	384
2010	11.95	40%	10.57	11.23	362



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VANGUARD TARGET RETIREMENT

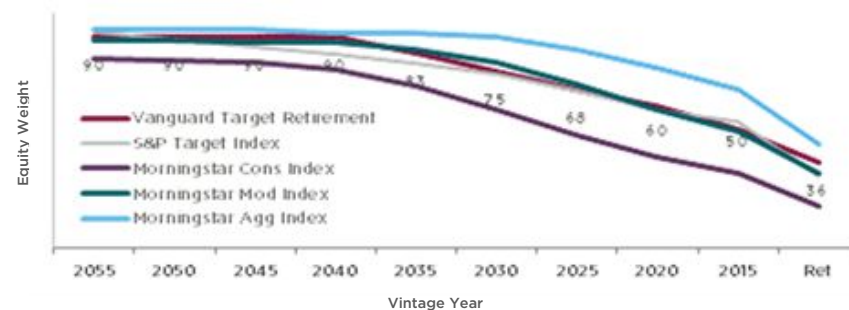
Period Ending 12.31.16 | Q4 16

Investor Assumptions/Glidepath Methodology

Glidepath Management	• Through retirement (assumed at age 65) ending 7 years after retirement
Assumed Investor Savings Rate:	• Contributions start at 5% at age 25 and increase to 10% at age 65. Also includes a 50% employer match up to 3% of salary.
Assumed Investor Income Growth Rate	• 1.1% annual salary growth
Income Replacement	• The portfolios are designed to provide withdrawals in retirement based on multiples of an investor's age 65 salary.
Assumed Accumulated Savings at Retirement	• N/A
Life Expectancy	• Through age 95
Asset Allocation Flexibility	• Strict targets with narrow ranges.
Other Assumptions	• Glidepath was tested against 10,000 potential lifetime return outcomes

Vanguard uses a proprietary capital markets modeling tool to statistically analyze historical data, including interest rates, inflation, and other risk factors for global equities, fixed income, and commodity markets. This tool is used to generate forward-looking distributions of expected returns. Then, by combining these figures with their investor assumptions, Vanguard constructs target portfolios with asset allocations that seek to provide the highest probability of a successful outcome (not outliving retirement savings).

Target Asset Allocation Glidepath per Vintage Year



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Investment Profile

% Open Architecture:	0%	Active/Passive:	Passive
Inception Date:	10-27-2003	% Active:	0%
Net Assets \$MM:	\$193,375	Manager Tenure:	3.92 years (longest)
Manager Name:	Team	Expense Range:	0.14% - 0.16%
Avg # of Holdings:	5	Investment Structure:	Mutual Fund

Dedicated Asset Class Granularity/Diversification

Emerging Market Equities	No
International/Global Debt	Yes
Inflation-Protected Securities	Yes
High Yield Fixed Income	No
Real Estate	No
Commodities	No

The Vanguard Target Retirement funds allocate to five broad index funds that provide comprehensive exposure to U.S. and non-U.S. equity and bond markets. Using index funds allows Vanguard to provide investment diversification at a low cost while also producing returns in line with equity and fixed income markets. Through its five index funds, the strategies gain exposure to over 25 sub-asset classes, capturing over 90% of the world's investable market.

VANGUARD TARGET RETIREMENT

Material Changes to the Series

2006:

- Increased minimum equity allocation from 20% to 30%
- Added Emerging Markets Equity

Rationale:

- Participant behavior showed lower savings rate
- Decreased costs within the EM space led to increased liquidity

2010:

- Collapsed three international equity index funds (Europe, Pacific, and Emerging Markets) with Vanguard Total International Stock Index

Rationale:

- More cost-effective way to gain international exposure

2013:

- Replaced the broad TIPs fund with a short-term TIPs allocation
- Eliminated the Prime Money Market fund
- Added a 20% International Bond Index Allocation

Rationale:

- Short-Term TIPs provide better inflation exposure with lower interest rate risk
- Deemed to be an unnecessary asset class
- Dedicated exposure to move more in line with the Global fixed income Market Cap; better FI diversification

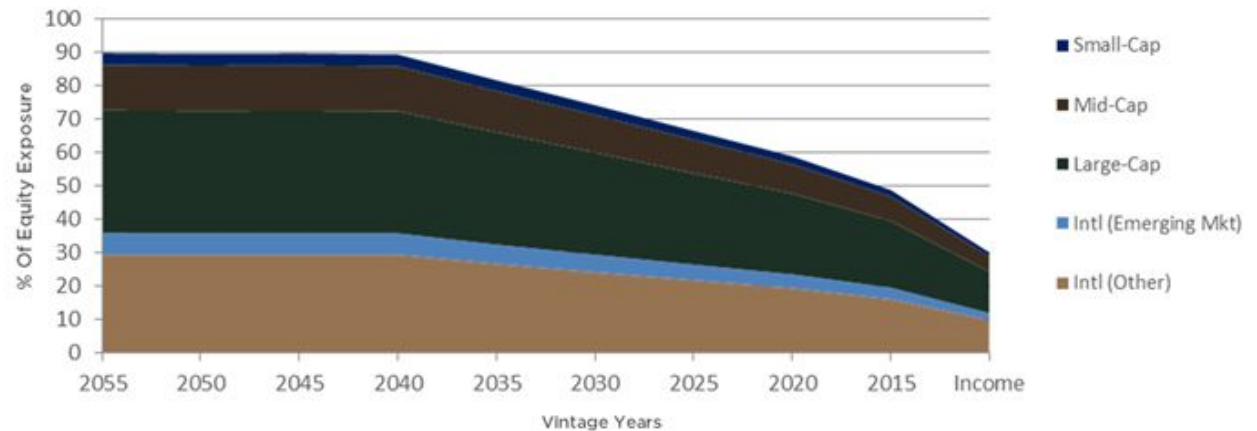
2015:

- Increased international stock allocation from 30% to 40%
- Increased International bond allocation from 20% to 30%

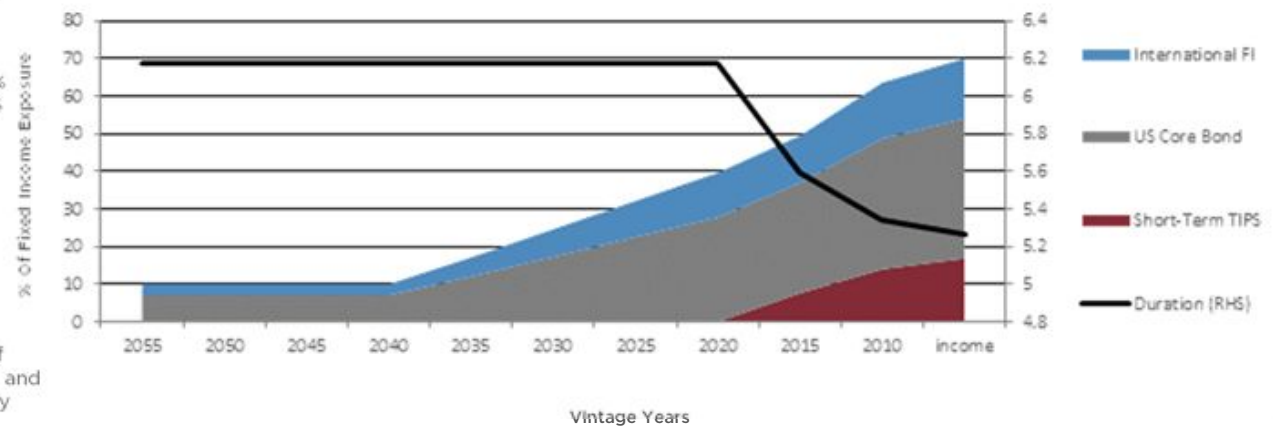
Rationale:

- Move to be more in line with the Global Market Cap

Equity Exposure



Fixed Income Exposure



*All information provided by the asset manager, as of 12/31/15. Asset allocations shown are static in nature and do not incorporate any tactical views implemented by the manager.

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TARGET DATE ANALYSIS

Period Ending 12.31.16 | Q4 16

	3 Year				5 Year			
	Beta	Sharpe	Up Capture	Down Capture	Beta	Sharpe	Up Capture	Down Capture
Vanguard Target Retirement 2015 Inv	0.99	0.71	99.55	97.27	1.00	1.23	102.09	96.60
Morningstar Target Date 2015	0.96	0.54	91.28	101.66	0.96	1.04	91.62	99.33
S&P Target Date 2015 TR	1.00	0.69	100.00	100.00	1.00	1.17	100.00	100.00

	3 Year				5 Year			
	Beta	Sharpe	Up Capture	Down Capture	Beta	Sharpe	Up Capture	Down Capture
Vanguard Target Retirement 2025 Inv	1.02	0.60	102.91	101.57	1.01	1.16	102.99	99.44
Morningstar Target Date 2025	1.00	0.45	94.30	103.95	0.98	1.02	95.01	101.15
S&P Target Date 2025 TR	1.00	0.59	100.00	100.00	1.00	1.12	100.00	100.00

	3 Year				5 Year			
	Beta	Sharpe	Up Capture	Down Capture	Beta	Sharpe	Up Capture	Down Capture
Vanguard Target Retirement 2045 Inv	1.04	0.47	102.34	104.05	1.02	1.07	102.21	101.80
Morningstar Target Date 2045	1.04	0.37	97.21	106.13	1.02	0.97	97.43	103.33
S&P Target Date 2045 TR	1.00	0.50	100.00	100.00	1.00	1.07	100.00	100.00

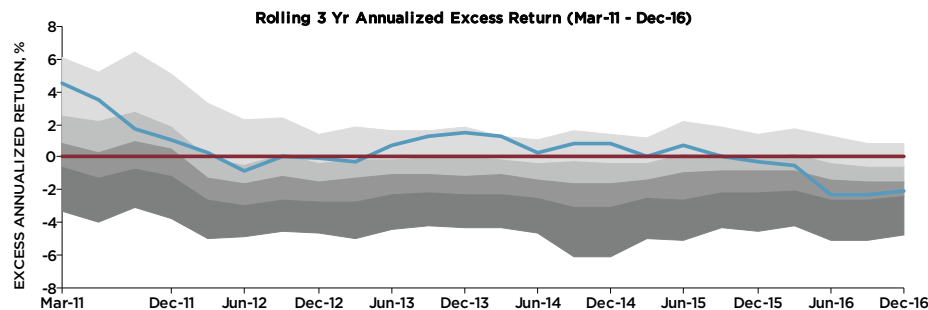
*Lowest cost share class shown

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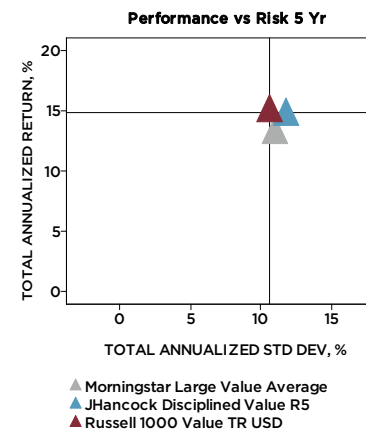
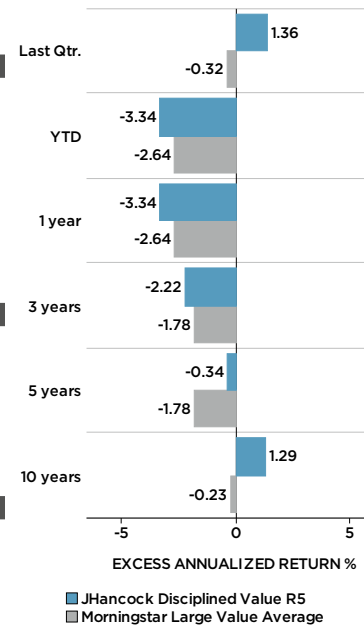
JHANCOCK DISCIPLINED VALUE R5

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	JHancock Disciplined Value R5	Peer Group Rank	Russell 1000 Value TR USD	Morningstar Large Value	# of Funds
Standard Deviation	11.73	74%	10.61	10.98	1073
Sharpe Ratio	1.22	44%	1.38	1.18	1073
Alpha	-1.37	46%	0.00	-1.61	1073
Beta	1.07	26%	1.00	0.99	1073
R-Squared	93.69	48%	100.00	91.24	1073
Up Mkt Capture	102.24	17%	100.00	93.35	1073
Down Mkt Capture	107.84	67%	100.00	101.72	1073
Information Ratio	-0.10	18%	NA	-0.54	1073
TRAILING RETURNS					
Last Qtr.	8.04	--	6.68	6.36	1251
YTD	14.00	--	17.34	14.70	1241
1 Year	14.00	54%	17.34	14.70	1241
3 Years	6.36	66%	8.59	6.81	1154
5 Years	14.46	18%	14.80	13.02	1073
10 Years	7.01	13%	5.72	5.50	942
CALENDAR RETURNS					
2015	-4.93	68%	-3.83	-4.05	1254
2014	11.03	46%	13.45	10.44	1256
2013	36.04	13%	32.53	31.61	1232
2012	20.02	5%	17.51	14.70	1266
2011	0.32	41%	0.39	-0.57	1318
2010	13.08	57%	15.51	14.04	1376



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INVESTMENT PROFILE

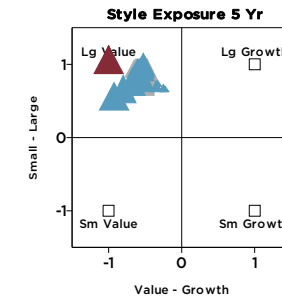
Ticker	JDVVX
CUSIP	47803U517
Net Assets \$MM	\$14,344.00
Manager Names	Team Managed
Manager Tenure	20.0 Years
Prospectus Exp Ratio	0.77%
Cat Median Exp Ratio	1.12%
Current 12b-1	0.00%
Annld Ret Since Incept	14.62%
Inception Date	05/22/2009
Phone Number	888-972-8696
Sub Advisor	Robeco Investment Management, Inc

HOLDINGS OVERVIEW

Total Number of Holdings	90
% Assets in Top 10 Holdings	29.11%
Avg Mkt Cap \$MM	\$52,045.93
Turnover Ratio	61.00%

TOP HOLDINGS

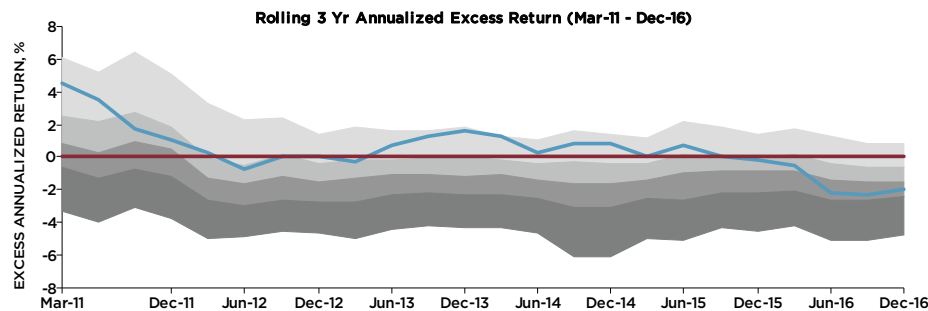
Johnson & Johnson	4.52%
JPMorgan Chase & Co	4.49%
Berkshire Hathaway Inc B	3.66%
Bank of America Corporat	2.96%
Chevron Corp	2.68%



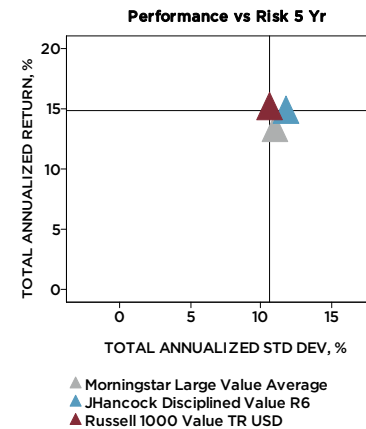
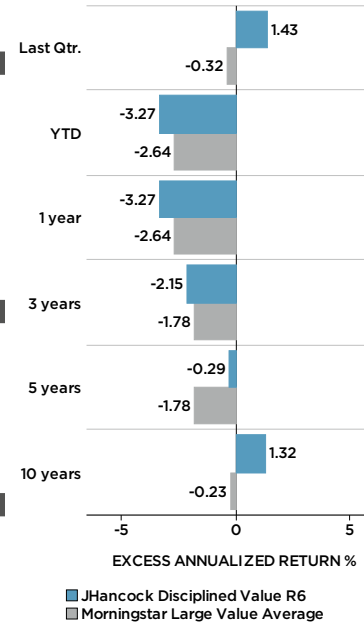
JHancock Disciplined Value R6

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	JHancock Disciplined Value R6	Peer Group Rank	Russell 1000 Value TR USD	Morningstar Large Value	# of Funds
Standard Deviation	11.74	75%	10.61	10.98	1073
Sharpe Ratio	1.23	43%	1.38	1.18	1073
Alpha	-1.34	45%	0.00	-1.61	1073
Beta	1.07	25%	1.00	0.99	1073
R-Squared	93.68	48%	100.00	91.24	1073
Up Mkt Capture	102.41	17%	100.00	93.35	1073
Down Mkt Capture	107.79	67%	100.00	101.72	1073
Information Ratio	-0.09	17%	NA	-0.54	1073
TRAILING RETURNS					
Last Qtr.	8.11	--	6.68	6.36	1251
YTD	14.07	--	17.34	14.70	1241
1 Year	14.07	53%	17.34	14.70	1241
3 Years	6.43	64%	8.59	6.81	1154
5 Years	14.51	17%	14.80	13.02	1073
10 Years	7.04	12%	5.72	5.50	942
CALENDAR RETURNS					
2015	-4.81	67%	-3.83	-4.05	1254
2014	11.04	46%	13.45	10.44	1256
2013	35.97	14%	32.53	31.61	1232
2012	20.08	5%	17.51	14.70	1266
2011	0.41	40%	0.39	-0.57	1318
2010	13.12	56%	15.51	14.04	1376



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INVESTMENT PROFILE

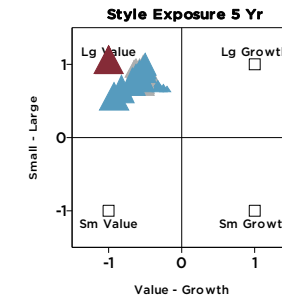
Ticker	JDVWX
CUSIP	47803U418
Net Assets \$MM	\$14,344.00
Manager Names	Team Managed
Manager Tenure	20.0 Years
Prospectus Exp Ratio	0.70%
Cat Median Exp Ratio	1.12%
Current 12b-1	0.00%
Annld Ret Since Incept	14.41%
Inception Date	08/31/2011
Phone Number	888-972-8696
Sub Advisor	Robeco Investment Management, Inc

HOLDINGS OVERVIEW

Total Number of Holdings	90
% Assets in Top 10 Holdings	29.11%
Avg Mkt Cap \$MM	\$52,045.93
Turnover Ratio	61.00%

TOP HOLDINGS

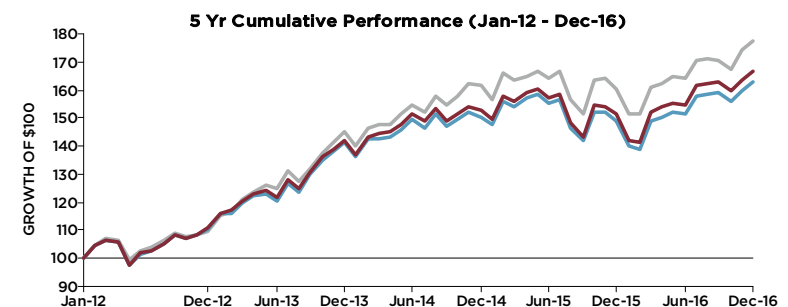
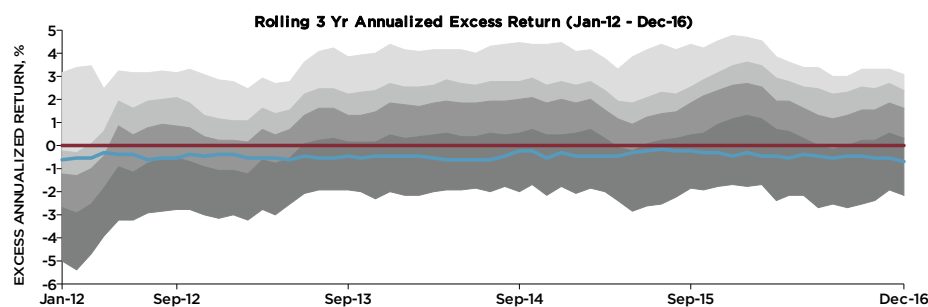
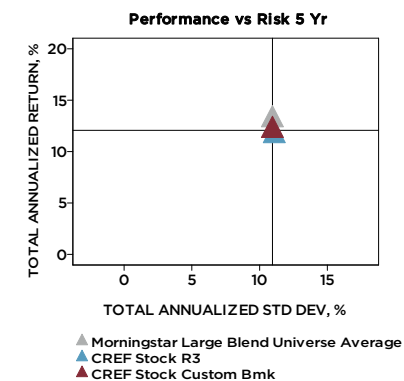
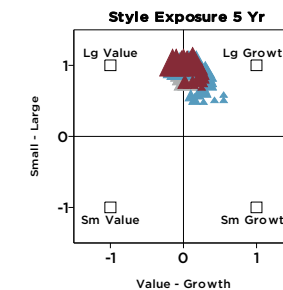
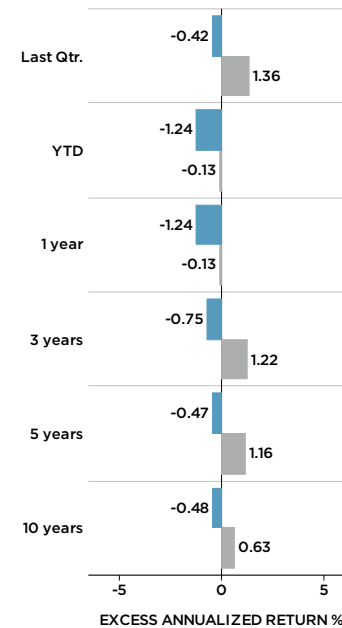
Johnson & Johnson	4.52%
JPMorgan Chase & Co	4.49%
Berkshire Hathaway Inc B	3.66%
Bank of America Corporat	2.96%
Chevron Corp	2.68%



CREF STOCK R3

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	CREF Stock R3	Peer Group Rank	CREF Stock Custom Bmk	Morningstar Large Blend Universe	# of Funds
Standard Deviation	11.02	63%	10.93	10.88	1221
Sharpe Ratio	1.04	85%	1.09	1.20	1221
Alpha	-0.54	90%	0.00	1.82	1221
Beta	1.01	18%	1.00	0.94	1221
R-Squared	99.58	1%	100.00	90.08	1221
Up Mkt Capture	99.31	70%	100.00	101.81	1221
Down Mkt Capture	102.69	82%	100.00	93.42	1221
Information Ratio	-0.59	96%	NA	0.35	1221
TRAILING RETURNS					
Last Qtr.	2.08	--	2.51	3.87	1401
YTD	9.17	--	10.41	10.28	1378
1 Year	9.17	68%	10.41	10.28	1378
3 Years	4.83	85%	5.58	6.79	1304
5 Years	11.55	83%	12.01	13.17	1221
10 Years	5.03	85%	5.52	6.14	1079
CALENDAR RETURNS					
2015	-0.84	56%	-0.89	-0.88	1421
2014	6.41	94%	7.55	11.26	1466
2013	27.83	88%	28.23	31.78	1478
2012	17.29	18%	16.85	15.08	1553
2011	-4.95	88%	-3.65	-0.67	1648
2010	15.74	23%	15.89	14.02	1755

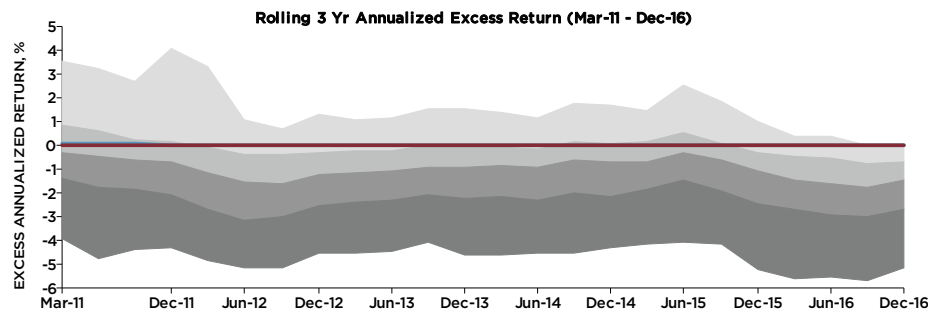


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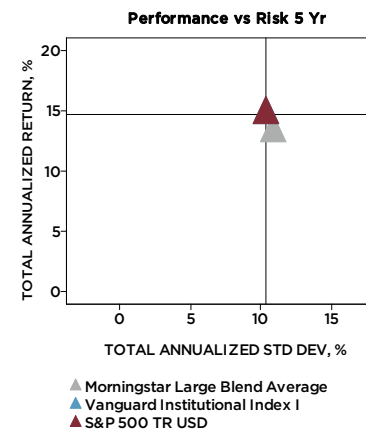
VANGUARD INSTITUTIONAL INDEX I

Period Ending 12.31.16 | Q4 16

	Vanguard Institutional Index I	Peer Group Rank	S&P 500 TR USD	Morningstar Large Blend	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	10.36	24%	10.37	10.88	1221
Sharpe Ratio	1.40	5%	1.40	1.20	1221
Alpha	-0.03	9%	0.00	-1.68	1221
Beta	1.00	62%	1.00	1.01	1221
R-Squared	100.00	1%	100.00	93.44	1221
Up Mkt Capture	99.92	31%	100.00	96.53	1221
Down Mkt Capture	100.08	21%	100.00	106.61	1221
Information Ratio	-1.87	90%	NA	-1.25	1221
TRAILING RETURNS					
Last Qtr.	3.82	--	3.82	3.87	1401
YTD	11.93	--	11.96	10.28	1378
1 Year	11.93	26%	11.96	10.28	1378
3 Years	8.85	6%	8.87	6.79	1304
5 Years	14.63	16%	14.66	13.17	1221
10 Years	6.95	22%	6.95	6.14	1079
CALENDAR RETURNS					
2015	1.37	20%	1.38	-0.88	1421
2014	13.65	18%	13.69	11.26	1466
2013	32.35	42%	32.39	31.78	1478
2012	15.98	36%	16.00	15.08	1553
2011	2.09	18%	2.11	-0.67	1648
2010	15.05	30%	15.06	14.02	1755



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INVESTMENT PROFILE

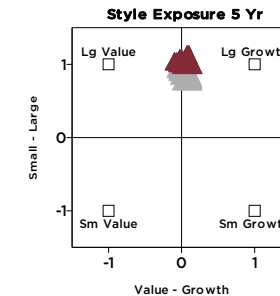
Ticker	VINIX
CUSIP	922040100
Net Assets \$MM	\$211,496.00
Manager Names	Team Managed
Manager Tenure	16.0 Years
Prospectus Exp Ratio	0.04%
Cat Median Exp Ratio	1.13%
Current 12b-1	N/A
Annld Ret Since Incept	9.50%
Inception Date	07/31/1990
Phone Number	888-809-8102
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	517
% Assets in Top 10 Holdings	17.77%
Avg Mkt Cap \$MM	\$78,275.41
Turnover Ratio	8.33%

TOP HOLDINGS

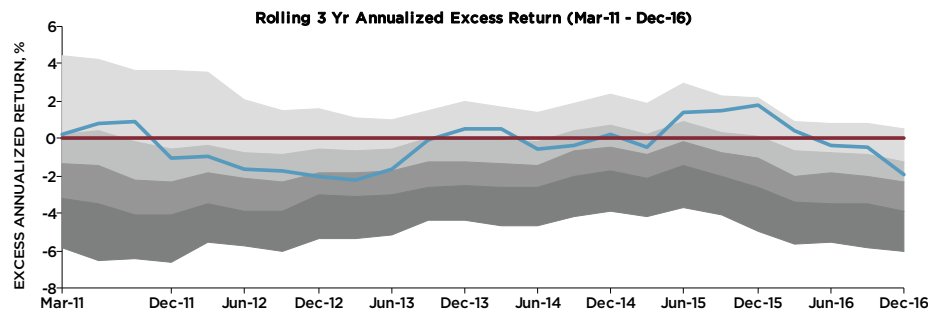
Apple Inc	3.12%
Microsoft Corp	2.46%
Exxon Mobil Corp	1.90%
Johnson & Johnson	1.60%
Amazon.com Inc	1.55%



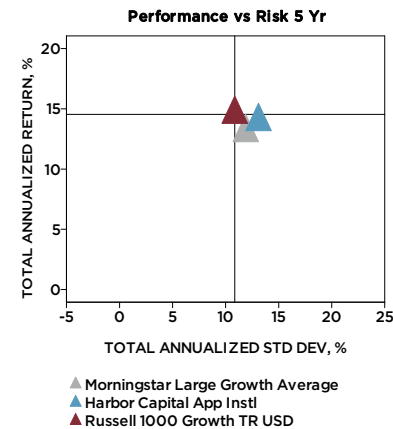
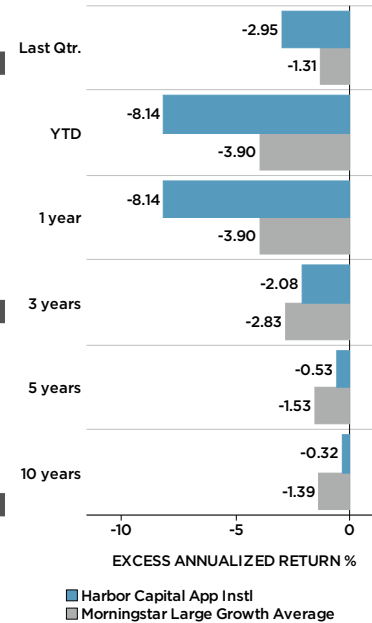
HARBOR CAPITAL APP INSTL

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	Harbor Capital App Instl	Peer Group Rank	Russell 1000 Growth TR USD	Morningstar Large Growth	# of Funds
Standard Deviation	13.05	87%	10.89	11.96	1347
Sharpe Ratio	1.06	59%	1.32	1.09	1347
Alpha	-2.37	59%	0.00	-2.05	1347
Beta	1.13	12%	1.00	1.04	1347
R-Squared	88.64	66%	100.00	89.59	1347
Up Mkt Capture	107.52	11%	100.00	98.33	1347
Down Mkt Capture	120.39	79%	100.00	110.29	1347
Information Ratio	-0.10	27%	NA	-0.38	1347
TRAILING RETURNS					
Last Qtr.	-1.94	--	1.01	-0.30	1479
YTD	-1.07	--	7.08	3.17	1467
1 Year	-1.07	85%	7.08	3.17	1467
3 Years	6.48	41%	8.55	5.72	1420
5 Years	13.96	30%	14.50	12.97	1347
10 Years	8.01	20%	8.33	6.94	1155
CALENDAR RETURNS					
2015	10.99	4%	5.67	3.72	1559
2014	9.93	54%	13.05	10.06	1614
2013	37.66	20%	33.48	34.39	1678
2012	15.69	44%	15.26	15.29	1715
2011	0.61	26%	2.64	-2.24	1742
2010	11.61	84%	16.71	15.81	1814



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INVESTMENT PROFILE

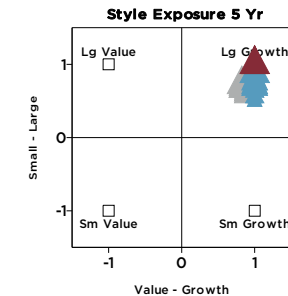
Ticker	HACAX
CUSIP	411511504
Net Assets \$MM	\$23,857.00
Manager Names	Team Managed
Manager Tenure	26.7 Years
Prospectus Exp Ratio	0.65%
Cat Median Exp Ratio	1.20%
Current 12b-1	N/A
Annld Ret Since Incept	10.99%
Inception Date	12/29/1987
Phone Number	800-422-1050
Sub Advisor	Jennison Associates LLC

HOLDINGS OVERVIEW

Total Number of Holdings	62
% Assets in Top 10 Holdings	36.20%
Avg Mkt Cap \$MM	\$93,393.81
Turnover Ratio	34.00%

TOP HOLDINGS

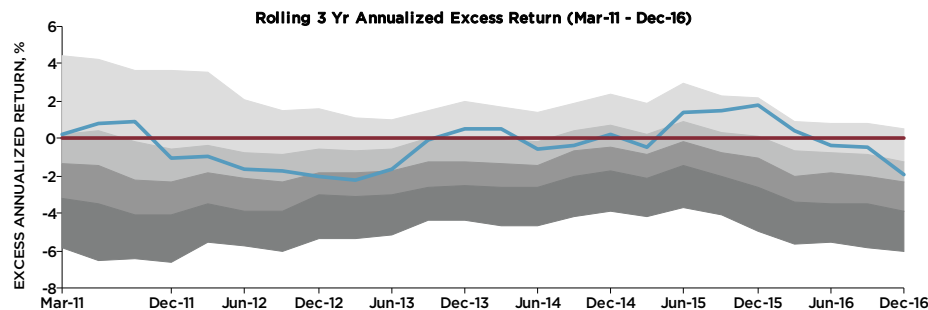
Amazon.com Inc	6.67%
Facebook Inc A	4.53%
Apple Inc	3.71%
Visa Inc Class A	3.70%
Alibaba Group Holding Lt	3.54%



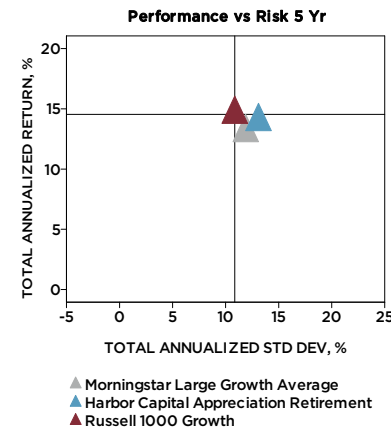
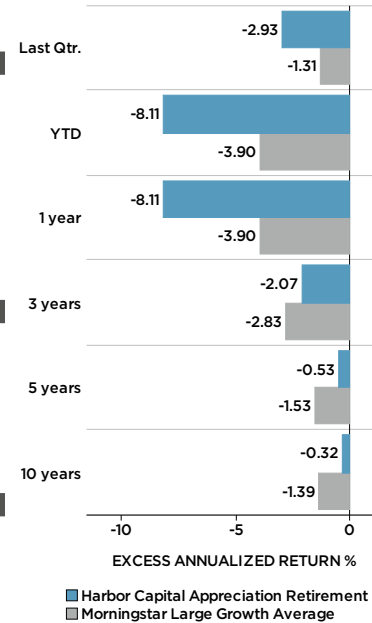
HARBOR CAPITAL APPRECIATION RETIREMENT

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	Harbor Capital Appreciation Retirement	Peer Group Rank	Russell 1000 Growth	Morningstar Large Growth	# of Funds
Standard Deviation	13.04	87%	10.89	11.96	1347
Sharpe Ratio	1.06	59%	1.32	1.09	1347
Alpha	-2.36	59%	0.00	-2.05	1347
Beta	1.13	12%	1.00	1.04	1347
R-Squared	88.66	66%	100.00	89.59	1347
Up Mkt Capture	107.51	11%	100.00	98.33	1347
Down Mkt Capture	120.31	79%	100.00	110.29	1347
Information Ratio	-0.10	27%	NA	-0.38	1347
TRAILING RETURNS					
Last Qtr.	-1.92	--	1.01	-0.30	1479
YTD	-1.04	--	7.08	3.17	1467
1 Year	-1.04	85%	7.08	3.17	1467
3 Years	6.49	40%	8.55	5.72	1420
5 Years	13.97	30%	14.50	12.97	1347
10 Years	8.02	20%	8.33	6.94	1155
CALENDAR RETURNS					
2015	10.99	4%	5.67	3.72	1559
2014	9.93	54%	13.05	10.06	1614
2013	37.66	20%	33.48	34.39	1678
2012	15.69	44%	15.26	15.29	1715
2011	0.61	26%	2.64	-2.24	1742
2010	11.61	84%	16.71	15.81	1814



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INVESTMENT PROFILE

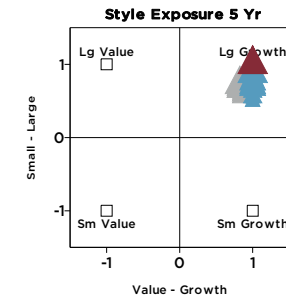
Ticker	HNACX
CUSIP	411512528
Net Assets \$MM	\$23,857.00
Manager Names	Team Managed
Manager Tenure	26.7 Years
Prospectus Exp Ratio	0.60%
Cat Median Exp Ratio	1.20%
Current 12b-1	N/A
Annld Ret Since Incept	7.87%
Inception Date	03/01/2016
Phone Number	800-422-1050
Sub Advisor	Jennison Associates LLC

HOLDINGS OVERVIEW

Total Number of Holdings	62
% Assets in Top 10 Holdings	36.20%
Avg Mkt Cap \$MM	\$93,393.81
Turnover Ratio	34.00%

TOP HOLDINGS

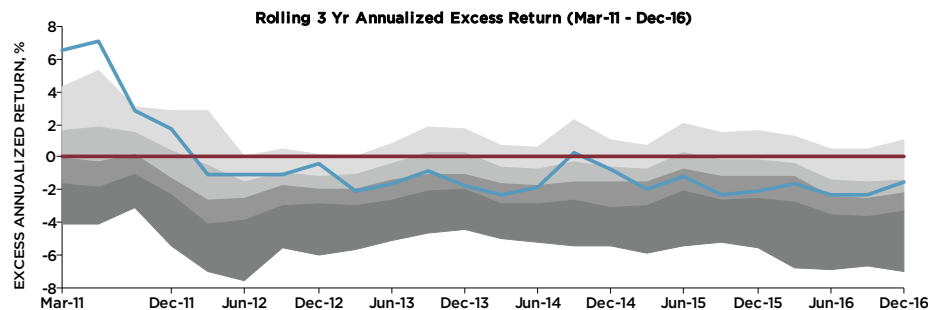
Amazon.com Inc	6.67%
Facebook Inc A	4.53%
Apple Inc	3.71%
Visa Inc Class A	3.70%
Alibaba Group Holding Lt	3.54%



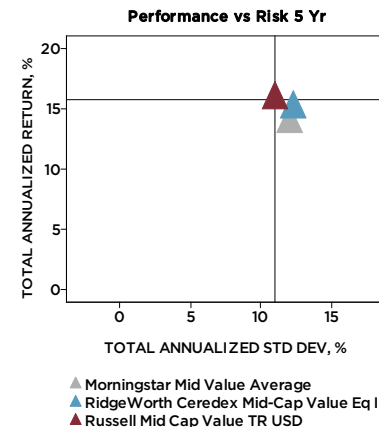
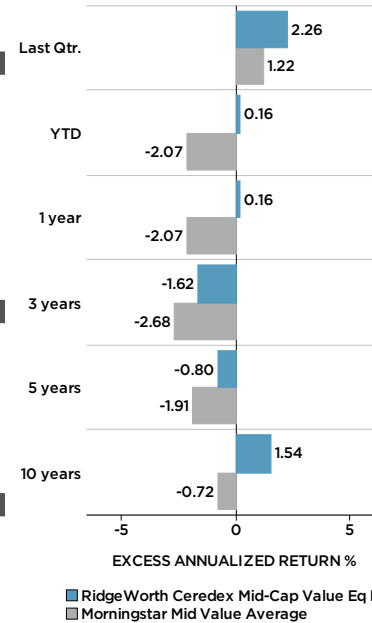
RIDGEWORTH CEREDEX MID-CAP VALUE EQ I

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	RidgeWorth Ceredex Mid-Cap Value Eq I	Peer Group Rank	Russell Mid Cap Value TR USD	Morningstar Mid Value	# of Funds
Standard Deviation	12.24	62%	11.03	12.00	341
Sharpe Ratio	1.21	38%	1.41	1.15	341
Alpha	-1.75	38%	0.00	-2.44	341
Beta	1.06	39%	1.00	1.03	341
R-Squared	91.25	57%	100.00	90.62	341
Up Mkt Capture	101.51	19%	100.00	96.26	341
Down Mkt Capture	110.53	59%	100.00	109.05	341
Information Ratio	-0.19	26%	NA	-0.47	341
TRAILING RETURNS					
Last Qtr.	7.78	--	5.52	6.75	386
YTD	20.16	--	20.00	17.92	386
1 Year	20.16	35%	20.00	17.92	386
3 Years	7.83	28%	9.45	6.77	355
5 Years	14.91	28%	15.70	13.79	341
10 Years	9.13	9%	7.59	6.86	289
CALENDAR RETURNS					
2015	-6.00	60%	-4.78	-5.61	397
2014	11.00	38%	14.75	9.54	386
2013	31.21	84%	33.46	34.84	386
2012	21.79	4%	18.51	16.26	395
2011	-7.31	85%	-1.38	-3.87	384
2010	27.66	4%	24.75	21.82	404



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INVESTMENT PROFILE

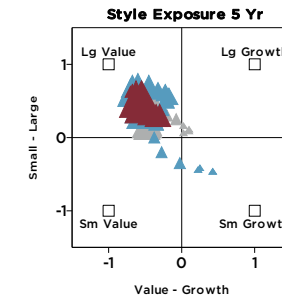
Ticker	SMVTX
CUSIP	76628R615
Net Assets \$MM	\$3,315.00
Manager Names	Don Wordell
Manager Tenure	15.1 Years
Prospectus Exp Ratio	1.12%
Cat Median Exp Ratio	1.22%
Current 12b-1	N/A
Annld Ret Since Incept	9.84%
Inception Date	11/30/2001
Phone Number	888-784-3863
Sub Advisor	Ceredex Value Advisors LLC

HOLDINGS OVERVIEW

Total Number of Holdings	74
% Assets in Top 10 Holdings	21.85%
Avg Mkt Cap \$MM	\$12,970.86
Turnover Ratio	98.00%

TOP HOLDINGS

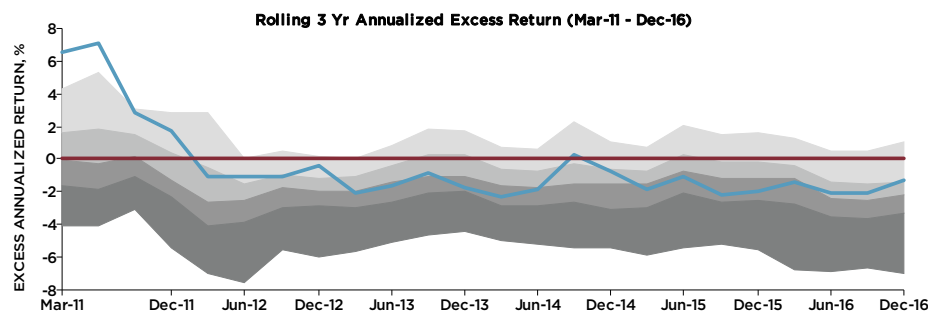
Cigna Corp	3.60%
Cypress Semiconductor Cc	2.51%
The Hartford Financial Ser	2.17%
XL Group Ltd	2.17%
Progressive Corp	2.00%



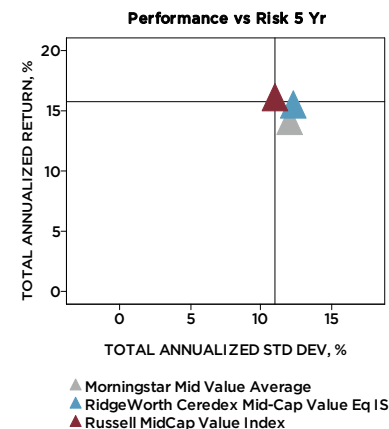
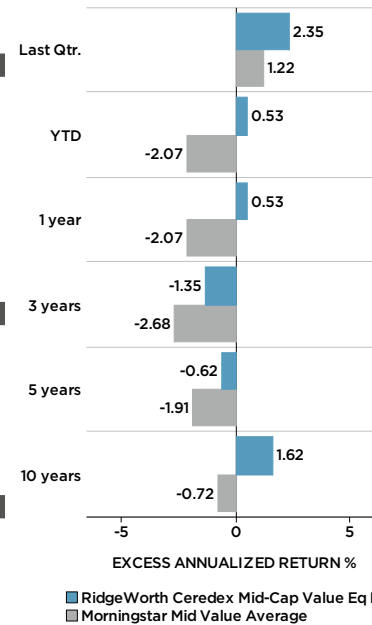
RIDGEWORTH CEREDEX MID-CAP VALUE EQ IS

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	RidgeWorth Ceredex Mid-Cap Value Eq IS	Peer Group Rank	Russell MidCap Value Index	Morningstar Mid Value	# of Funds
Standard Deviation	12.26	63%	11.03	12.00	341
Sharpe Ratio	1.22	35%	1.41	1.15	341
Alpha	-1.60	33%	0.00	-2.44	341
Beta	1.06	38%	1.00	1.03	341
R-Squared	91.20	57%	100.00	90.62	341
Up Mkt Capture	101.89	16%	100.00	96.26	341
Down Mkt Capture	109.81	56%	100.00	109.05	341
Information Ratio	-0.15	24%	NA	-0.47	341
TRAILING RETURNS					
Last Qtr.	7.87	--	5.52	6.75	386
YTD	20.53	--	20.00	17.92	386
1 Year	20.53	32%	20.00	17.92	386
3 Years	8.10	23%	9.45	6.77	355
5 Years	15.08	25%	15.70	13.79	341
10 Years	9.21	7%	7.59	6.86	289
CALENDAR RETURNS					
2015	-5.63	57%	-4.78	-5.61	397
2014	11.05	37%	14.75	9.54	386
2013	31.21	84%	33.46	34.84	386
2012	21.79	4%	18.51	16.26	395
2011	-7.31	85%	-1.38	-3.87	384
2010	27.66	4%	24.75	21.82	404



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INVESTMENT PROFILE

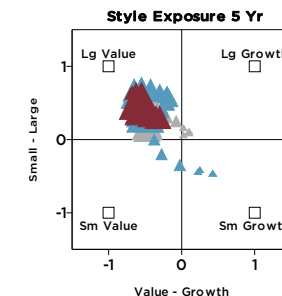
Ticker	SMVZX
CUSIP	76628T165
Net Assets \$MM	\$3,315.00
Manager Names	Don Wordell
Manager Tenure	15.1 Years
Prospectus Exp Ratio	0.80%
Cat Median Exp Ratio	1.22%
Current 12b-1	N/A
Annld Ret Since Incept	8.03%
Inception Date	08/01/2014
Phone Number	888-784-3863
Sub Advisor	Ceredex Value Advisors LLC

HOLDINGS OVERVIEW

Total Number of Holdings	74
% Assets in Top 10 Holdings	21.85%
Avg Mkt Cap \$MM	\$12,970.86
Turnover Ratio	98.00%

TOP HOLDINGS

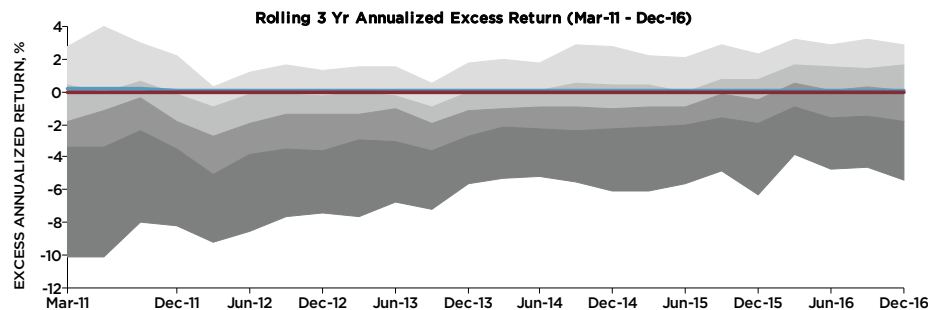
Cigna Corp	3.60%
Cypress Semiconductor Cc	2.51%
The Hartford Financial Ser	2.17%
XL Group Ltd	2.17%
Progressive Corp	2.00%



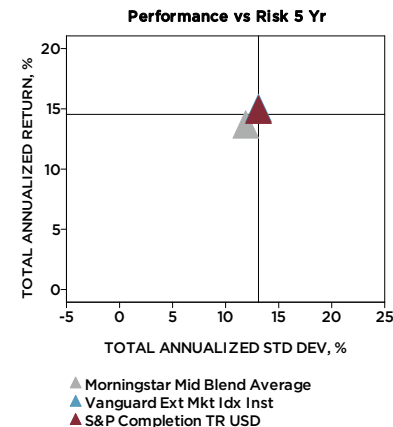
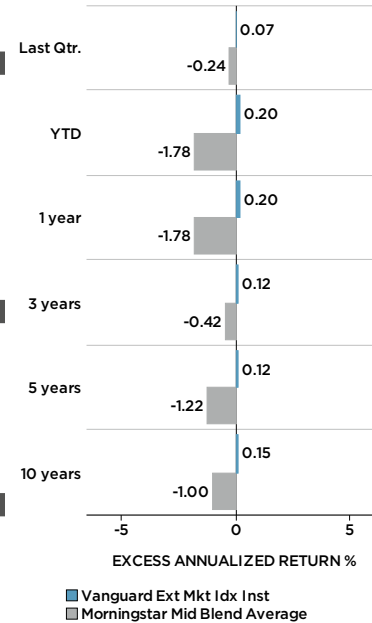
VANGUARD EXT MKT IDX INST

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	Vanguard Ext Mkt Idx Inst	Peer Group Rank	S&P Completion TR USD	Morningstar Mid Blend	# of Funds
Standard Deviation	13.11	91%	13.09	11.95	361
Sharpe Ratio	1.11	53%	1.10	1.12	361
Alpha	0.10	68%	0.00	0.86	361
Beta	1.00	5%	1.00	0.86	361
R-Squared	100.00	1%	100.00	88.14	361
Up Mkt Capture	100.42	7%	100.00	86.53	361
Down Mkt Capture	99.93	89%	100.00	83.79	361
Information Ratio	1.29	1%	NA	-0.20	361
TRAILING RETURNS					
Last Qtr.	5.62	--	5.55	5.31	440
YTD	16.15	--	15.95	14.17	413
1 Year	16.15	40%	15.95	14.17	413
3 Years	6.53	49%	6.41	5.98	383
5 Years	14.67	29%	14.55	13.33	361
10 Years	7.99	30%	7.84	6.83	311
CALENDAR RETURNS					
2015	-3.24	52%	-3.35	-4.23	426
2014	7.56	68%	7.50	8.74	424
2013	38.42	19%	38.24	34.06	427
2012	18.50	27%	18.45	16.38	421
2011	-3.57	57%	-3.71	-3.48	421
2010	27.59	7%	27.46	21.83	432



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INVESTMENT PROFILE

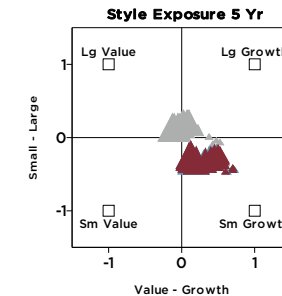
Ticker	VIEIX
CUSIP	922908884
Net Assets \$MM	\$51,549.00
Manager Names	Team Managed
Manager Tenure	19.0 Years
Prospectus Exp Ratio	0.07%
Cat Median Exp Ratio	1.21%
Current 12b-1	N/A
Annld Ret Since Incept	8.46%
Inception Date	07/07/1997
Phone Number	888-809-8102
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	3267
% Assets in Top 10 Holdings	4.26%
Avg Mkt Cap \$MM	\$3,538.24
Turnover Ratio	8.34%

TOP HOLDINGS

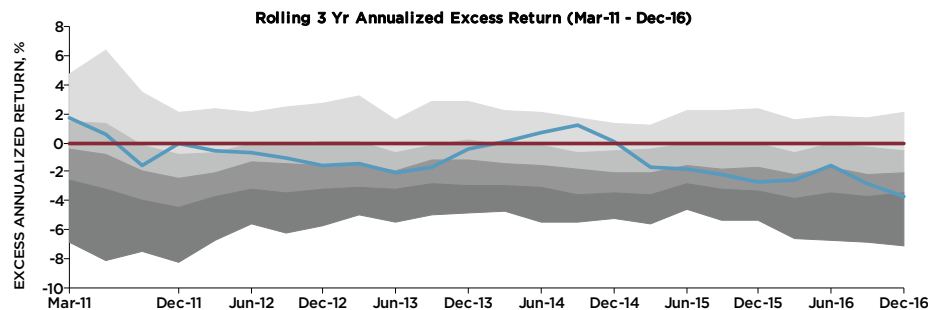
Tesla Motors Inc	0.53%
LinkedIn Corp Class A	0.53%
Las Vegas Sands Corp	0.52%
Liberty Global Group C	0.51%
Fleetcor Technologies Inc	0.41%



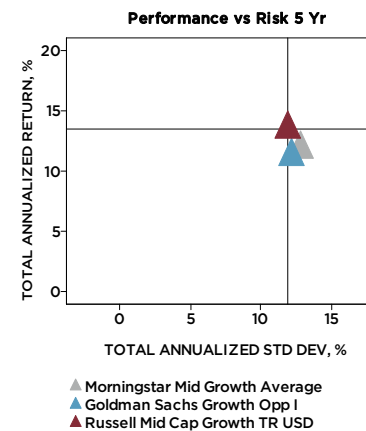
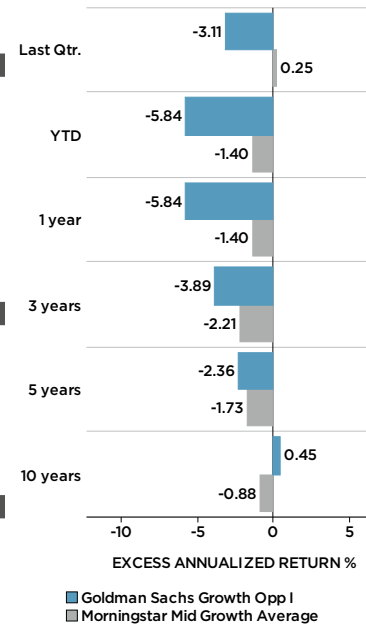
GOLDMAN SACHS GROWTH OPP I

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	Goldman Sachs Growth Opp I	Peer Group Rank	Russell Mid Cap Growth TR USD	Morningstar Mid Growth	# of Funds
Standard Deviation	12.18	34%	11.93	12.76	584
Sharpe Ratio	0.91	50%	1.12	0.93	584
Alpha	-2.12	53%	0.00	-1.79	584
Beta	0.98	61%	1.00	1.00	584
R-Squared	92.61	41%	100.00	89.30	584
Up Mkt Capture	92.56	73%	100.00	96.49	584
Down Mkt Capture	104.68	40%	100.00	106.96	584
Information Ratio	-0.64	69%	NA	-0.40	584
TRAILING RETURNS					
Last Qtr.	-2.65	--	0.46	0.71	648
YTD	1.49	--	7.33	5.93	648
1 Year	1.49	80%	7.33	5.93	648
3 Years	2.34	80%	6.23	4.02	625
5 Years	11.15	62%	13.51	11.78	584
10 Years	8.28	22%	7.83	6.96	538
CALENDAR RETURNS					
2015	-5.24	86%	-0.20	-0.75	668
2014	11.44	14%	11.90	7.07	689
2013	32.38	70%	35.74	35.29	672
2012	19.58	8%	15.81	14.30	716
2011	-3.70	46%	-1.65	-3.91	766
2010	19.10	90%	26.38	25.26	775



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INVESTMENT PROFILE

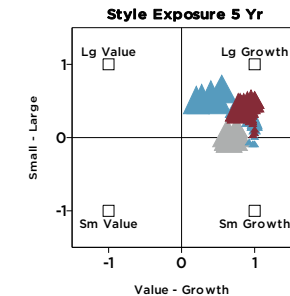
Ticker	GGOIX
CUSIP	38142Y401
Net Assets \$MM	\$2,851.00
Manager Names	Team Managed
Manager Tenure	17.5 Years
Prospectus Exp Ratio	0.95%
Cat Median Exp Ratio	1.30%
Current 12b-1	N/A
Annld Ret Since Incept	10.45%
Inception Date	05/24/1999
Phone Number	800-526-7384
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	75
% Assets in Top 10 Holdings	25.68%
Avg Mkt Cap \$MM	\$11,967.71
Turnover Ratio	55.00%

TOP HOLDINGS

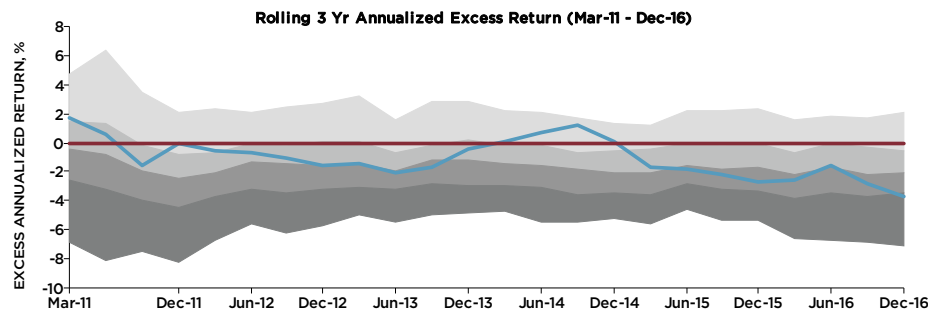
Amphenol Corp Class A	3.24%
The Middleby Corp	2.73%
Panera Bread Co Class A	2.70%
Roper Technologies Inc	2.65%
Xylem Inc	2.63%



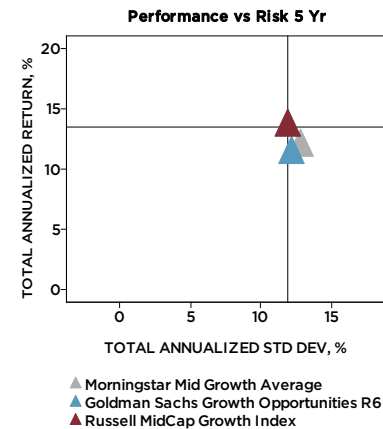
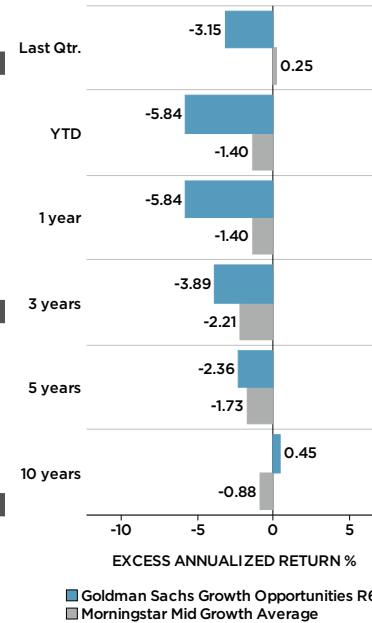
GOLDMAN SACHS GROWTH OPPORTUNITIES R6

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	Goldman Sachs Growth Opportunities R6	Peer Group Rank	Russell MidCap Growth Index	Morningstar Mid Growth	# of Funds
Standard Deviation	12.18	34%	11.93	12.76	584
Sharpe Ratio	0.91	50%	1.12	0.93	584
Alpha	-2.13	53%	0.00	-1.79	584
Beta	0.98	60%	1.00	1.00	584
R-Squared	92.64	40%	100.00	89.30	584
Up Mkt Capture	92.55	73%	100.00	96.49	584
Down Mkt Capture	104.67	40%	100.00	106.96	584
Information Ratio	-0.64	70%	NA	-0.40	584
TRAILING RETURNS					
Last Qtr.	-2.69	--	0.46	0.71	648
YTD	1.49	--	7.33	5.93	648
1 Year	1.49	81%	7.33	5.93	648
3 Years	2.34	80%	6.23	4.02	625
5 Years	11.15	63%	13.51	11.78	584
10 Years	8.28	22%	7.83	6.96	538
CALENDAR RETURNS					
2015	-5.24	86%	-0.20	-0.75	668
2014	11.44	14%	11.90	7.07	689
2013	32.38	70%	35.74	35.29	672
2012	19.58	8%	15.81	14.30	716
2011	-3.70	46%	-1.65	-3.91	766
2010	19.10	90%	26.38	25.26	775



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INVESTMENT PROFILE

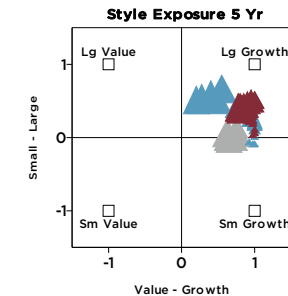
Ticker	GGOUX
CUSIP	38148U601
Net Assets \$MM	\$2,851.00
Manager Names	Team Managed
Manager Tenure	17.5 Years
Prospectus Exp Ratio	0.93%
Cat Median Exp Ratio	1.30%
Current 12b-1	N/A
Annld Ret Since Incept	-4.49%
Inception Date	07/31/2015
Phone Number	800-526-7384
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	75
% Assets in Top 10 Holdings	25.68%
Avg Mkt Cap \$MM	\$11,967.71
Turnover Ratio	55.00%

TOP HOLDINGS

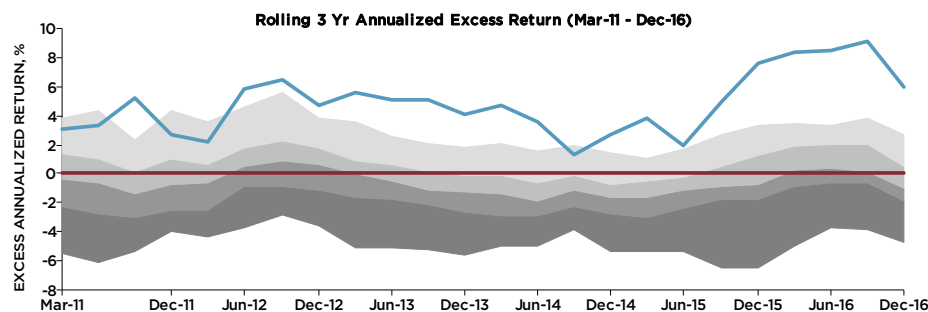
Amphenol Corp Class A	3.24%
The Middleby Corp	2.73%
Panera Bread Co Class A	2.70%
Roper Technologies Inc	2.65%
Xylem Inc	2.63%



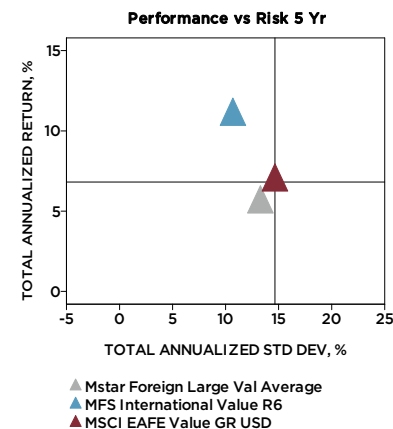
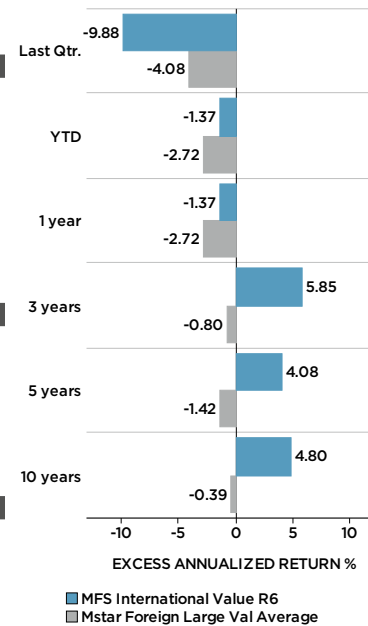
MFS INTERNATIONAL VALUE R6

Period Ending 12.31.16 | Q4 16

	MFS International Value R6	Peer Group Rank	MSCI EAFE Value GR USD	Mstar Foreign Large Val	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	10.75	3%	14.62	13.35	266
Sharpe Ratio	1.01	1%	0.46	0.40	266
Alpha	6.59	1%	0.00	-0.53	266
Beta	0.63	100%	1.00	0.87	266
R-Squared	72.78	97%	100.00	90.48	266
Up Mkt Capture	71.90	89%	100.00	83.55	266
Down Mkt Capture	44.09	1%	100.00	87.96	266
Information Ratio	0.48	5%	NA	-0.28	266
TRAILING RETURNS					
Last Qtr.	-5.66	--	4.22	0.14	325
YTD	4.31	--	5.68	2.96	322
1 Year	4.31	27%	5.68	2.96	322
3 Years	4.23	1%	-1.62	-2.41	291
5 Years	10.94	1%	6.87	5.45	266
10 Years	5.15	1%	0.35	-0.04	188
CALENDAR RETURNS					
2015	6.85	1%	-5.22	-3.26	340
2014	1.61	1%	-4.92	-6.32	337
2013	27.80	2%	23.59	20.59	328
2012	16.13	62%	18.43	16.61	356
2011	-1.81	2%	-11.65	-12.71	363
2010	9.32	34%	3.81	7.72	370



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INVESTMENT PROFILE

Ticker	MINJX
CUSIP	552746349
Net Assets \$MM	\$24,294.00
Manager Names	Team Managed
Manager Tenure	8.1 Years
Prospectus Exp Ratio	0.66%
Cat Median Exp Ratio	1.25%
Current 12b-1	N/A
Annld Ret Since Incept	5.70%
Inception Date	05/01/2006
Phone Number	800-225-2606
Sub Advisor	N/A

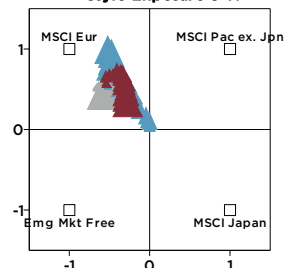
HOLDINGS OVERVIEW

Total Number of Holdings	121
% Assets in Top 10 Holdings	26.78%
Avg Mkt Cap \$MM	\$19,823.65
Turnover Ratio	14.00%

TOP HOLDINGS

Nestle SA	4.11%
Danone SA	3.30%
Reckitt Benckiser Group P	3.16%
Brambles Ltd	2.89%
Compass Group PLC	2.42%

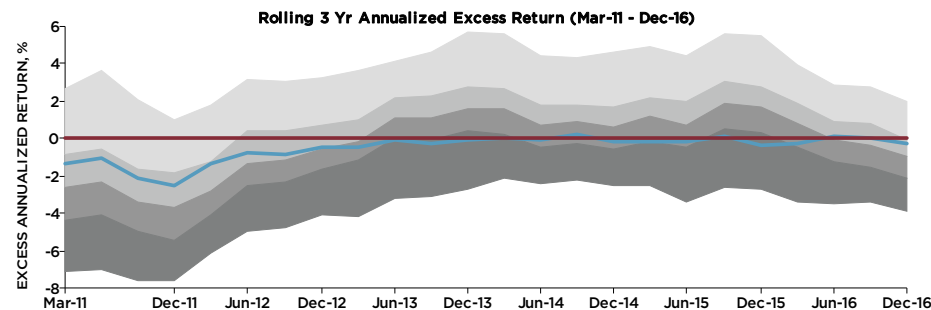
Style Exposure 5 Yr



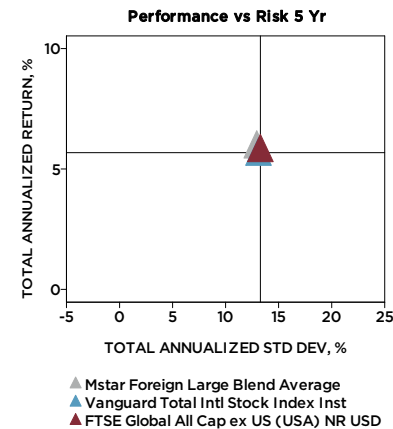
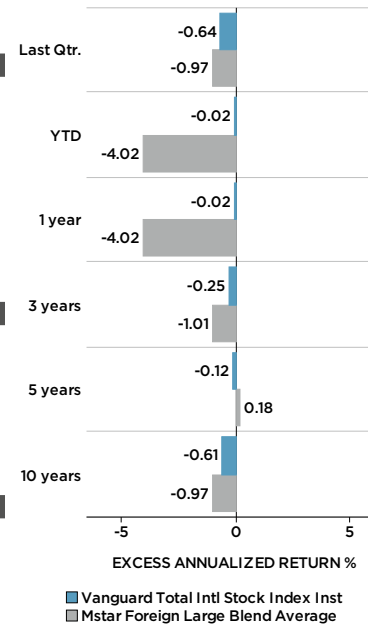
VANGUARD TOTAL INTL STOCK INDEX INST

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	Vanguard Total Intl Stock Index Inst	Peer Group Rank	FTSE Global All Cap ex US (USA) NR USD	Mstar Foreign Large Blend	# of Funds
Standard Deviation	13.04	58%	13.31	12.86	623
Sharpe Ratio	0.41	63%	0.42	0.45	623
Alpha	0.04	66%	0.00	0.62	623
Beta	0.97	15%	1.00	0.92	623
R-Squared	98.35	2%	100.00	90.66	623
Up Mkt Capture	97.85	26%	100.00	94.01	623
Down Mkt Capture	98.24	79%	100.00	91.90	623
Information Ratio	-0.07	64%	NA	0.03	623
TRAILING RETURNS					
Last Qtr.	-1.92	--	-1.27	-2.24	762
YTD	4.70	--	4.72	0.70	742
1 Year	4.70	11%	4.72	0.70	742
3 Years	-1.32	30%	-1.07	-2.07	655
5 Years	5.53	61%	5.65	5.83	623
10 Years	0.93	32%	1.55	0.57	474
CALENDAR RETURNS					
2015	-4.24	82%	-4.29	-1.50	717
2014	-4.15	32%	-3.39	-4.96	729
2013	15.15	82%	15.59	19.48	754
2012	18.28	45%	17.60	18.04	764
2011	-14.51	63%	-14.25	-13.62	772
2010	11.09	36%	12.98	9.96	794



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INVESTMENT PROFILE

Ticker	VTSNX
CUSIP	921909784
Net Assets \$MM	\$231,928.00
Manager Names	Team Managed
Manager Tenure	8.4 Years
Prospectus Exp Ratio	0.10%
Cat Median Exp Ratio	1.21%
Current 12b-1	N/A
Annld Ret Since Incept	3.02%
Inception Date	11/29/2010
Phone Number	888-809-8102
Sub Advisor	N/A

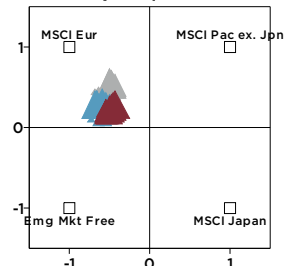
HOLDINGS OVERVIEW

Total Number of Holdings	6069
% Assets in Top 10 Holdings	7.45%
Avg Mkt Cap \$MM	\$18,456.47
Turnover Ratio	3.00%

TOP HOLDINGS

Nestle SA	1.04%
Novartis AG	0.82%
Toyota Motor Corp	0.82%
Roche Holding AG Dividen	0.80%
HSBC Holdings PLC	0.79%

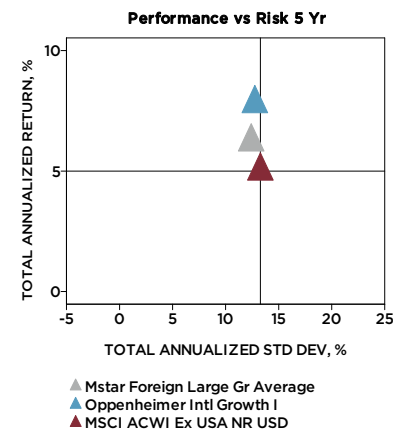
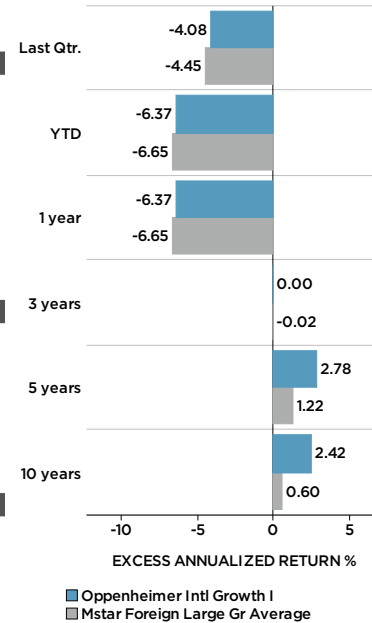
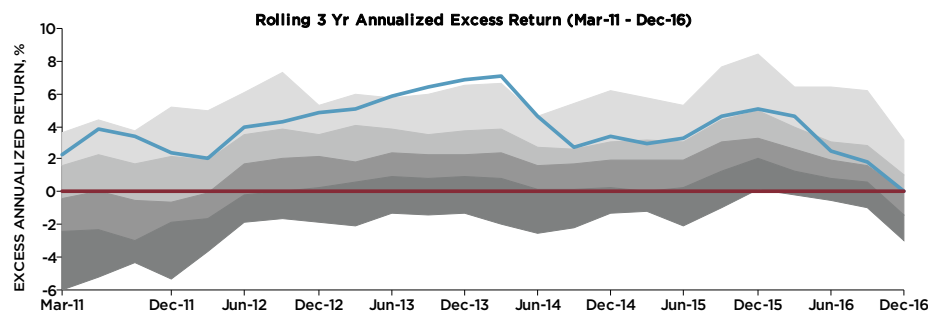
Style Exposure 5 Yr



OPPENHEIMER INTL GROWTH I

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	Oppenheimer Intl Growth I	Peer Group Rank	MSCI ACWI Ex USA NR USD	Mstar Foreign Large Gr	# of Funds
Standard Deviation	12.81	72%	13.35	12.45	310
Sharpe Ratio	0.60	17%	0.37	0.49	310
Alpha	3.30	15%	0.00	1.88	310
Beta	0.89	31%	1.00	0.86	310
R-Squared	86.74	59%	100.00	85.90	310
Up Mkt Capture	97.15	10%	100.00	89.17	310
Down Mkt Capture	81.04	52%	100.00	80.77	310
Information Ratio	0.54	14%	NA	0.24	310
TRAILING RETURNS					
Last Qtr.	-5.33	--	-1.25	-5.71	381
YTD	-1.88	--	4.50	-2.15	366
1 Year	-1.88	48%	4.50	-2.15	366
3 Years	-1.78	52%	-1.78	-1.80	336
5 Years	7.79	14%	5.00	6.22	310
10 Years	3.38	2%	0.96	1.57	257
CALENDAR RETURNS					
2015	3.63	20%	-5.66	0.91	362
2014	-6.80	82%	-3.87	-3.97	361
2013	25.71	10%	15.29	19.74	362
2012	22.12	13%	16.83	18.63	354
2011	-7.71	12%	-13.71	-12.43	371
2010	14.69	29%	11.15	13.69	393



INVESTMENT PROFILE

Ticker	OIGIX
CUSIP	68380L605
Net Assets \$MM	\$21,704.00
Manager Names	Team Managed
Manager Tenure	20.8 Years
Prospectus Exp Ratio	0.70%
Cat Median Exp Ratio	1.26%
Current 12b-1	N/A
Annld Ret Since Incept	5.57%
Inception Date	03/29/2012
Phone Number	800-225-5677
Sub Advisor	OppenheimerFunds Inc

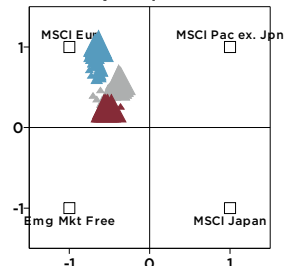
HOLDINGS OVERVIEW

Total Number of Holdings	108
% Assets in Top 10 Holdings	16.72%
Avg Mkt Cap \$MM	\$14,810.43
Turnover Ratio	10.00%

TOP HOLDINGS

Infineon Technologies AG	2.14%
Dollarama Inc	2.09%
Valeo SA	1.74%
Nippon Telegraph & Telep	1.73%
Nidec Corp	1.59%

Style Exposure 5 Yr

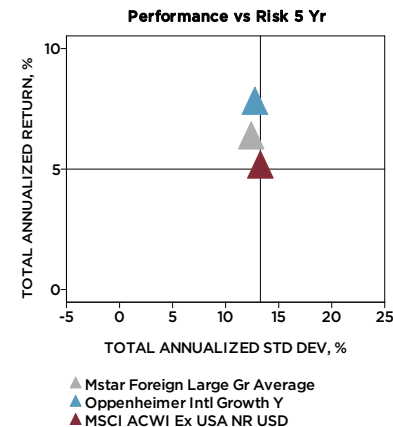
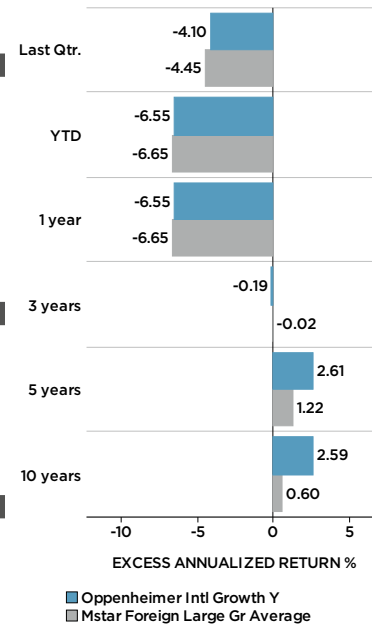
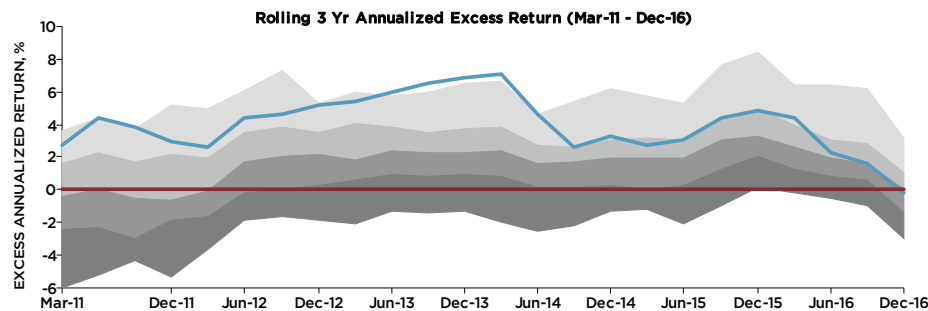


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OPPENHEIMER INTL GROWTH Y

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	Oppenheimer Intl Growth Y	Peer Group Rank	MSCI ACWI Ex USA NR USD	Mstar Foreign Large Gr	# of Funds
Standard Deviation	12.83	74%	13.35	12.45	310
Sharpe Ratio	0.58	21%	0.37	0.49	310
Alpha	3.13	18%	0.00	1.88	310
Beta	0.90	28%	1.00	0.86	310
R-Squared	86.74	59%	100.00	85.90	310
Up Mkt Capture	96.85	10%	100.00	89.17	310
Down Mkt Capture	81.67	55%	100.00	80.77	310
Information Ratio	0.51	18%	NA	0.24	310
TRAILING RETURNS					
Last Qtr.	-5.35	--	-1.25	-5.71	381
YTD	-2.06	--	4.50	-2.15	366
1 Year	-2.06	50%	4.50	-2.15	366
3 Years	-1.96	57%	-1.78	-1.80	336
5 Years	7.62	17%	5.00	6.22	310
10 Years	3.55	1%	0.96	1.57	257
CALENDAR RETURNS					
2015	3.44	23%	-5.66	0.91	362
2014	-6.99	84%	-3.87	-3.97	361
2013	25.46	12%	15.29	19.74	362
2012	22.10	14%	16.83	18.63	354
2011	-7.31	12%	-13.71	-12.43	371
2010	15.35	25%	11.15	13.69	393



INVESTMENT PROFILE

Ticker	OIGYX
CUSIP	68380L407
Net Assets \$MM	\$21,704.00
Manager Names	Team Managed
Manager Tenure	20.8 Years
Prospectus Exp Ratio	0.89%
Cat Median Exp Ratio	1.26%
Current 12b-1	N/A
Annld Ret Since Incept	6.07%
Inception Date	09/07/2005
Phone Number	800-225-5677
Sub Advisor	OppenheimerFunds Inc

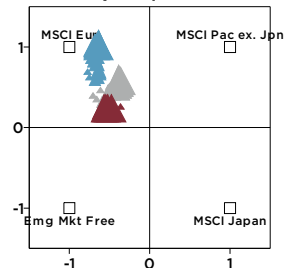
HOLDINGS OVERVIEW

Total Number of Holdings	108
% Assets in Top 10 Holdings	16.72%
Avg Mkt Cap \$MM	\$14,810.43
Turnover Ratio	10.00%

TOP HOLDINGS

Infineon Technologies AG	2.14%
Dollarama Inc	2.09%
Valeo SA	1.74%
Nippon Telegraph & Telep	1.73%
Nidec Corp	1.59%

Style Exposure 5 Yr

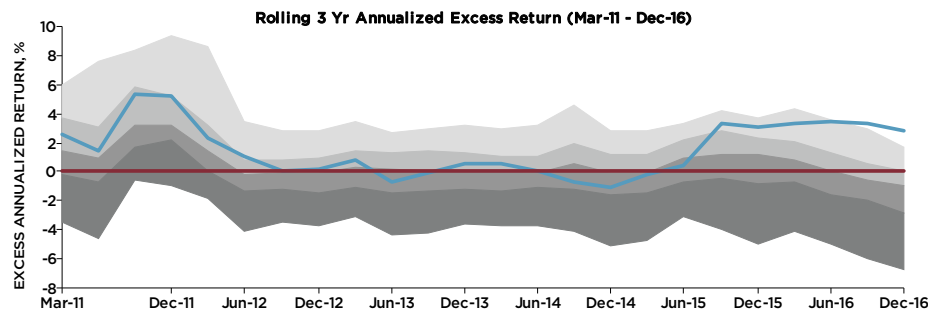


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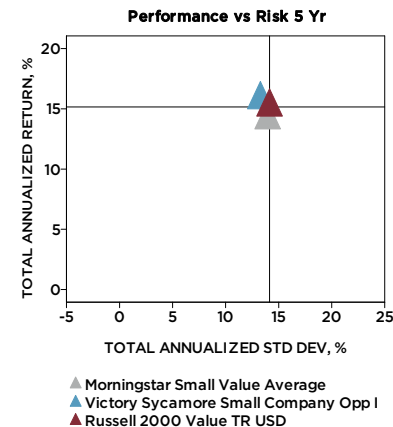
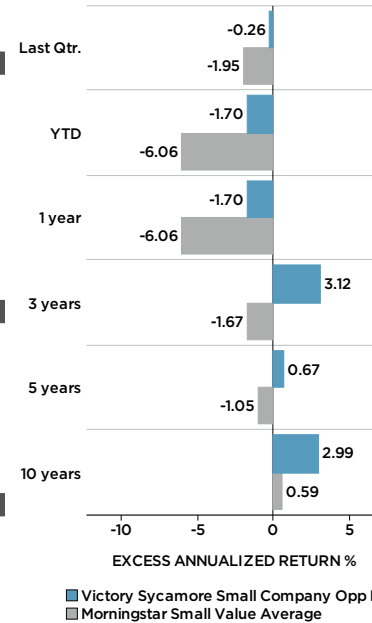
VICTORY SYCAMORE SMALL COMPANY OPP I

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	Victory Sycamore Small Company Opp I	Peer Group Rank	Russell 2000 Value TR USD	Morningstar Small Value	# of Funds
Standard Deviation	13.26	32%	14.22	14.04	360
Sharpe Ratio	1.18	14%	1.05	1.00	360
Alpha	2.01	15%	0.00	-0.07	360
Beta	0.91	61%	1.00	0.93	360
R-Squared	95.30	27%	100.00	90.18	360
Up Mkt Capture	95.64	42%	100.00	92.91	360
Down Mkt Capture	88.77	28%	100.00	94.13	360
Information Ratio	0.18	18%	NA	-0.18	360
TRAILING RETURNS					
Last Qtr.	13.82	--	14.07	12.12	415
YTD	30.04	--	31.74	25.68	409
1 Year	30.04	17%	31.74	25.68	409
3 Years	11.42	1%	8.31	6.63	380
5 Years	15.74	18%	15.07	14.02	360
10 Years	9.25	1%	6.26	6.86	285
CALENDAR RETURNS					
2015	-0.39	3%	-7.47	-6.61	422
2014	6.80	14%	4.22	3.47	422
2013	33.39	73%	34.52	35.90	421
2012	12.55	79%	18.05	16.06	414
2011	1.52	5%	-5.50	-4.51	401
2010	22.00	79%	24.50	25.22	399



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INVESTMENT PROFILE

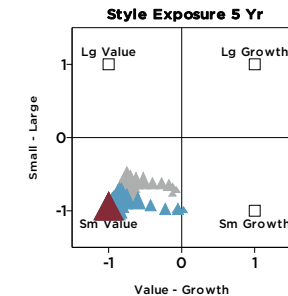
Ticker	VSOIX
CUSIP	92646A815
Net Assets \$MM	\$4,137.00
Manager Names	Team Managed
Manager Tenure	18.6 Years
Prospectus Exp Ratio	0.97%
Cat Median Exp Ratio	1.33%
Current 12b-1	0.00%
Annld Ret Since Incept	9.63%
Inception Date	08/31/2007
Phone Number	800-539-3863
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	105
% Assets in Top 10 Holdings	15.96%
Avg Mkt Cap \$MM	\$1,777.87
Turnover Ratio	59.00%

TOP HOLDINGS

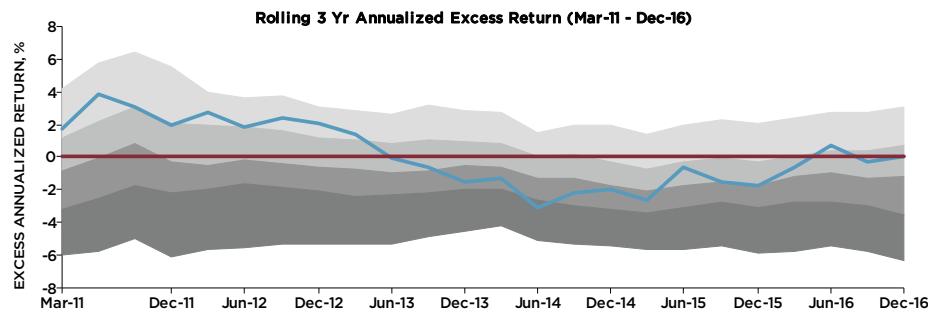
EMCOR Group Inc	1.86%
Anixter International Inc	1.78%
UniFirst Corp	1.69%
Sterling Bancorp	1.63%
Applied Industrial Technol	1.57%



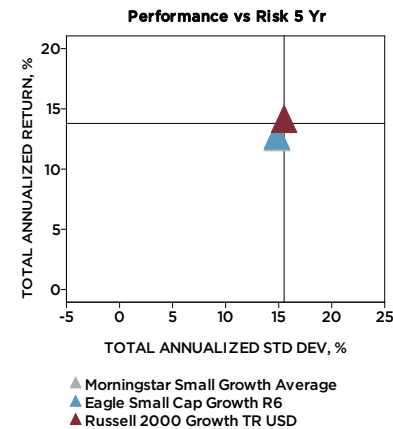
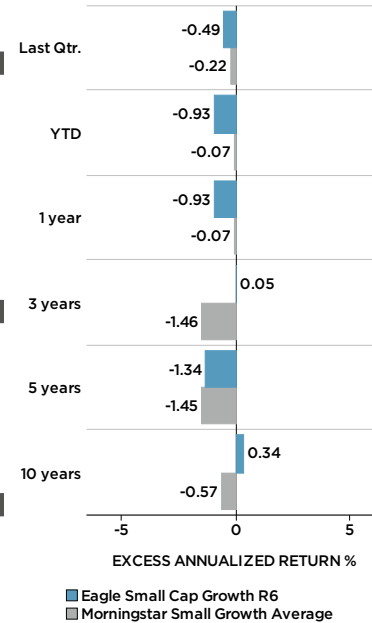
EAGLE SMALL CAP GROWTH R6

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	Eagle Small Cap Growth R6	Peer Group Rank	Russell 2000 Growth TR USD	Morningstar Small Growth	# of Funds
Standard Deviation	14.75	46%	15.53	14.82	613
Sharpe Ratio	0.83	51%	0.88	0.84	613
Alpha	-0.23	52%	0.00	-0.16	613
Beta	0.92	48%	1.00	0.91	613
R-Squared	93.51	33%	100.00	90.17	613
Up Mkt Capture	90.46	40%	100.00	88.92	613
Down Mkt Capture	92.86	52%	100.00	90.96	613
Information Ratio	-0.30	54%	NA	-0.27	613
TRAILING RETURNS					
Last Qtr.	3.08	--	3.57	3.35	688
YTD	10.39	--	11.32	11.25	684
1 Year	10.39	51%	11.32	11.25	684
3 Years	5.10	34%	5.05	3.59	646
5 Years	12.40	48%	13.74	12.29	613
10 Years	8.10	27%	7.76	7.18	547
CALENDAR RETURNS					
2015	-0.39	27%	-1.38	-2.41	704
2014	5.59	25%	5.60	2.56	714
2013	34.70	85%	43.30	41.22	716
2012	14.71	39%	14.59	13.51	758
2011	-1.53	37%	-2.91	-3.28	797
2010	35.09	10%	29.09	27.51	802



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INVESTMENT PROFILE

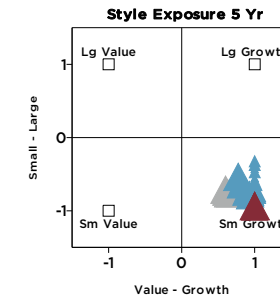
Ticker	HSRUX
CUSIP	269858460
Net Assets \$MM	\$4,268.00
Manager Names	Team Managed
Manager Tenure	21.0 Years
Prospectus Exp Ratio	0.66%
Cat Median Exp Ratio	1.36%
Current 12b-1	0.00%
Annld Ret Since Incept	11.73%
Inception Date	08/15/2011
Phone Number	800-421-4184
Sub Advisor	N/A

HOLDINGS OVERVIEW

Total Number of Holdings	123
% Assets in Top 10 Holdings	20.23%
Avg Mkt Cap \$MM	\$2,924.48
Turnover Ratio	32.00%

TOP HOLDINGS

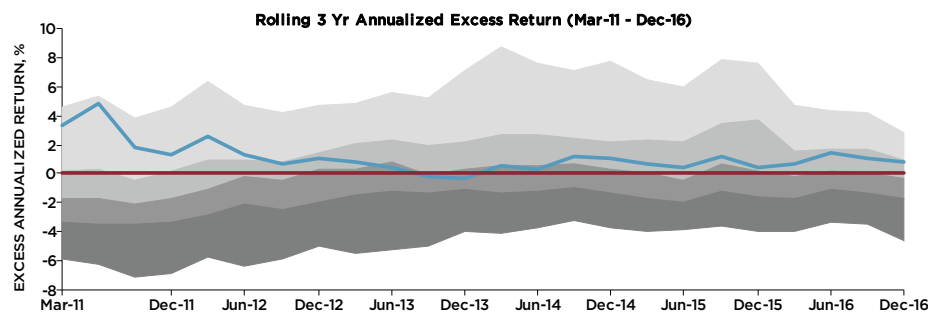
Waste Connections Inc	3.15%
Universal Electronics Inc	2.47%
Coherent Inc	2.32%
Burlington Stores Inc	2.01%
Genesco Inc	1.93%



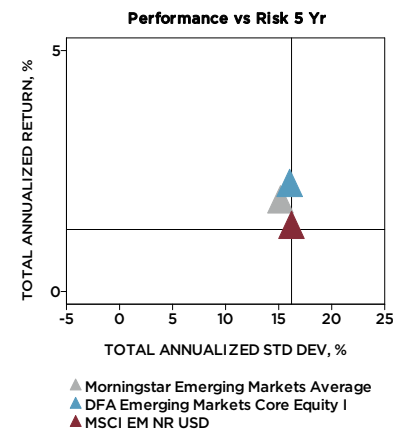
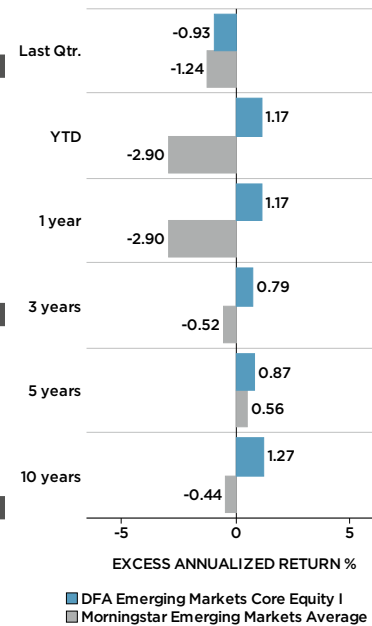
DFA EMERGING MARKETS CORE EQUITY I

Period Ending 12.31.16 | Q4 16

KEY MEASURES / 5 YEAR	DFA Emerging Markets Core Equity I	Peer Group Rank	MSCI EM NR USD	Morningstar Emerging Markets	# of Funds
Standard Deviation	16.02	72%	16.16	15.18	510
Sharpe Ratio	0.13	40%	0.07	0.12	510
Alpha	0.89	42%	0.00	0.69	510
Beta	0.98	22%	1.00	0.89	510
R-Squared	97.60	7%	100.00	88.56	510
Up Mkt Capture	99.97	15%	100.00	88.85	510
Down Mkt Capture	96.27	62%	100.00	87.43	510
Information Ratio	0.34	21%	NA	0.04	510
TRAILING RETURNS					
Last Qtr.	-5.10	--	-4.16	-5.41	802
YTD	12.35	--	11.19	8.29	787
1 Year	12.35	20%	11.19	8.29	787
3 Years	-1.77	27%	-2.55	-3.07	635
5 Years	2.14	39%	1.28	1.83	510
10 Years	3.11	13%	1.84	1.40	266
CALENDAR RETURNS					
2015	-14.86	58%	-14.92	-13.75	783
2014	-0.91	30%	-2.19	-2.78	732
2013	-2.64	60%	-2.60	0.30	649
2012	20.49	30%	18.22	18.93	619
2011	-20.64	60%	-18.42	-19.52	517
2010	23.62	17%	18.88	19.31	475



Performance Disclosure: The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call (800) 216-0645. Index averages are derived from Morningstar. The opinions expressed in this report are subject to change without notice. This material is not a solicitation or an offer to buy any security or to participate in any investment strategy and is not guaranteed as to accuracy. Any such solicitation must be made by prospectus only. To obtain a prospectus, please call your Financial Advisor at (800) 216-0645. CAPTRUST Financial Advisors.



INVESTMENT PROFILE

Ticker	DFCEX
CUSIP	233203421
Net Assets \$MM	\$17,911.00
Manager Names	Team Managed
Manager Tenure	6.8 Years
Prospectus Exp Ratio	0.62%
Cat Median Exp Ratio	1.49%
Current 12b-1	N/A
Annld Ret Since Incept	6.89%
Inception Date	04/05/2005
Phone Number	888-576-1167
Sub Advisor	DFA Australia Limited/ Dimensional Fund Advisors Ltd

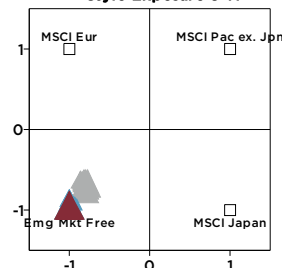
HOLDINGS OVERVIEW

Total Number of Holdings	4508
% Assets in Top 10 Holdings	11.13%
Avg Mkt Cap \$MM	\$6,777.83
Turnover Ratio	5.00%

TOP HOLDINGS

Samsung Electronics Co Ltd	3.23%
Tencent Holdings Ltd	1.46%
Taiwan Semiconductor Mar	1.33%
Taiwan Semiconductor Mar	1.03%
China Construction Bank C	0.99%

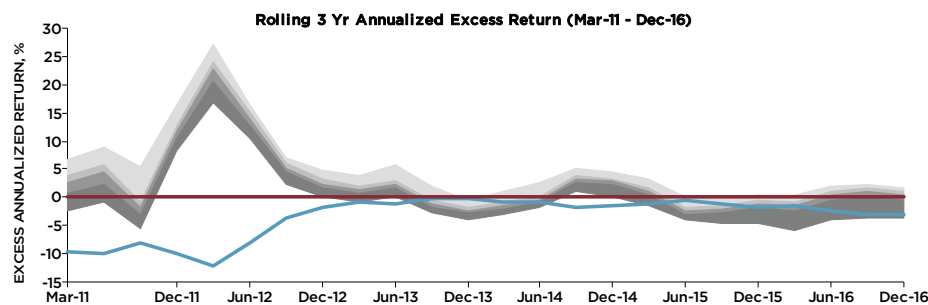
Style Exposure 5 Yr



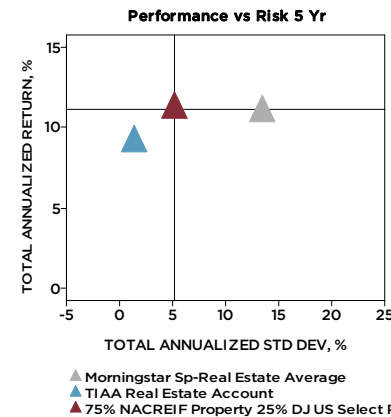
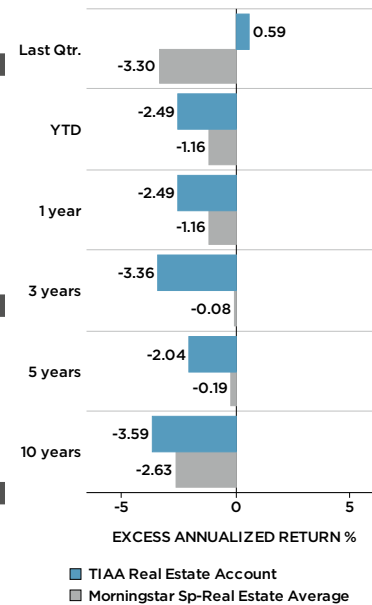
TIAA REAL ESTATE ACCOUNT

Period Ending 12.31.16 | Q4 16

	TIAA Real Estate Account	Peer Group Rank	5% NACREIF Property 25% DJ US Select REIT.fnd	Morningstar Sp-Real Estate	# of Funds
KEY MEASURES / 5 YEAR					
Standard Deviation	1.40	1%	5.18	13.49	227
Sharpe Ratio	6.37	1%	2.12	0.82	227
Alpha	7.45	1%	0.00	-10.35	227
Beta	0.13	100%	1.00	1.93	227
R-Squared	23.86	99%	100.00	54.39	227
Up Mkt Capture	49.91	100%	100.00	163.17	227
Down Mkt Capture	-55.50	1%	100.00	342.46	227
Information Ratio	-0.40	99%	NA	-0.03	227
TRAILING RETURNS					
Last Qtr.	1.25	--	0.66	-2.63	254
YTD	5.20	--	7.69	6.53	253
1 Year	5.20	71%	7.69	6.53	253
3 Years	8.49	92%	11.85	11.78	246
5 Years	9.03	95%	11.08	10.89	227
10 Years	3.38	87%	6.97	4.34	198
CALENDAR RETURNS					
2015	8.16	1%	11.26	2.41	261
2014	12.22	99%	16.79	28.26	263
2013	9.65	2%	7.67	1.80	257
2012	10.06	100%	12.22	17.57	262
2011	13.00	3%	13.54	7.60	248
2010	13.30	100%	16.91	27.33	269



Performance Disclosure: The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call (800) 216-0645. Index averages are derived from Morningstar. The opinions expressed in this report are subject to change without notice. This material is not a solicitation or an offer to buy any security or to participate in any investment strategy and is not guaranteed as to accuracy. Any such solicitation must be made by prospectus only. To obtain a prospectus, please call your Financial Advisor at (800) 216-0645. CAPTRUST Financial Advisors.



INVESTMENT PROFILE

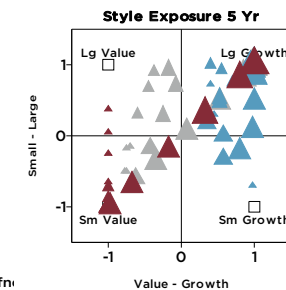
ID	VAUSA059TL
Cusip	878094200
Net Assets \$	\$24,186,617,508.00
Manager Name	Gerald Casimir
Manager Start Date	2015-08-14
Expense Ratio	0.86%
Cat Median Exp Ratio	1.28%
Annld Ret Since Incept	6.45%
Inception Date	10-02-1995
Sub Advisor	N/A

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	22.00%
Avg Mkt Cap \$MM	\$11,884.12
Turnover Ratio	10.00%

TOP HOLDINGS

1001 Pennsylvania Avenue	3.07%
Fashion Show	3.01%
The Florida Mall	2.84%
Colorado Center	1.98%
Fourth And Madison	1.98%



APPENDIX

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

APPENDIX
Plan Administration Review
Your CAPTRUST Service Team.....
Glossary of Terms.....
Evaluation Methodology.....

PLAN ADMINISTRATION REVIEW

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

Feedback on level of satisfaction with Provider:

AREA OF EVALUATION	FAIR	GOOD	EXCELLENT
Quality & timeliness of Participant materials			
Quality & timeliness of Plan Sponsor materials			
Accuracy of plan data			
Phone/email responsiveness			
Website usability			
Call center representative accessibility			
Ease of participant transactions			
Overall administration service evaluation			

PROVIDER NAME:

TIAA-CREF

RELATIONSHIP MANAGER

Mark Woods

COMMENTS:

YOUR CAPTRUST SERVICE TEAM MEMBERS

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

TEAM MEMBERS	RESPONSIBILITIES
Michael S. Pratico Senior Vice President Financial Advisor michael.pratico@captrustadvisors.com	Account Role: Lead Consultant Our Lead Consultants serve as the primary relationship manager for the fiduciaries of corporate retirement plans. They oversee and ensure quality delivery of comprehensive investment advisory services. They are available to assist with any aspect of clients' accounts, or put them in contact with the appropriate resources here at CAPTRUST.
Barron V. Schmitt Senior Vice President Financial Advisor barry.schmitt@captrustadvisors.com	Account Role: Consultant Our Consultants have responsibility for client project management, client meetings, report preparation, and presentation. Projects involve the establishment of investment policies and objectives, asset allocation modeling, investment manager analyses and searches, fee analysis, performance evaluation, and other specialized projects. In addition, they will provide comprehensive written investment option and plan reviews, as well as monitor overall results and service delivery to ensure complete satisfaction.
Scott T. Matheson, CFA, CPA Senior Director Defined Contribution Practice Leader scott.matheson@captrustadvisors.com	Account Role: Research Analyst Our Investment Analysts conduct investment manager research, asset allocation studies, portfolio monitoring and performance measurement. Some of their specific duties include: evaluating fund lineups and investment options, reporting due diligence findings to clients, and researching the various universes for viable investment options. Our team monitors and evaluates mutual funds, separate account managers and alternative investments for use with current and prospective clients.
Che-Che S. McCrimmon Senior Client Management Consultant Che-Che.McCrimmon@captrustadvisors.com	Account Role: Client Management Consultant The Client Management Consultants are focused on overall client management from initial conversion of new plans to CAPTRUST throughout their 'life' at CAPTRUST. As the primary contact for day-to-day client service needs, the main goal of the Client Management Consultant is to deliver exceptional proactive client service. On a daily basis, the Client Management Consultants are available to assist employees with questions related to plan enrollment and education, available investment options, and other areas.

GLOSSARY

Period Ending 12.31.16 | Q4 16

ALPHA

Alpha measures a manager's rate of return in excess of that which can be explained by its systematic risk, or Beta. It is a result of regressing a manager's returns against those of a benchmark index. A positive alpha implies that a manager has added value relative to its benchmark on a risk-adjusted basis.

BETA

Beta measures a manager's sensitivity to systematic, or market risk. Beta is a result of the analysis regressing a manager's returns against those of a benchmark Index. A manager with a Beta of 1 should move perfectly with a benchmark. A Beta of less than 1 implies that a manager's returns are less volatile than the market's (i.e., selected benchmarks). A Beta of greater than 1 implies that a manager exhibits greater volatility than the market (i.e., selected benchmark).

CAPTURE RATIO

Up Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was positive. Down Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was negative. An Up Market Capture of greater than 100% and a Down Market Capture of less than 100% is considered desirable.

INFORMATION RATIO

The Information Ratio measures a manager's excess return over the passive index divided by the volatility of that excess return, or Tracking Error. To obtain a higher Information Ratio, which is preferable, a manager must demonstrate the ability to generate returns above its benchmark while avoiding large performance swings relative to that same benchmark.

PERCENTILE RANK

Percentile Rankings are based on a manager's performance relative to all other available funds in its universe. Percentiles range from 1, being the best, to 100 being the worst. A ranking in the 50th percentile or above demonstrates that the manager has performed better on a relative basis than at least 50% of its peers.

RISK-ADJUSTED PERFORMANCE

Risk-adjusted Performance, or RAP, measures the level of return that an investment option would generate given a level of risk equivalent to the benchmark index.

R-SQUARED

R-squared measures the portion of a manager's movements that are explained by movements in a benchmark index. R-squared values range from 0 to 100. An R-squared of 100 means that all movements of a manager are completely explained by movements in the index. This measurement is identified as the coefficient of determination from a regression equation. A high R-squared value supports the validity of the Alpha and Beta measures, and it can be used as a measure of style consistency.

SHARPE RATIO

Sharpe ratio measures a manager's return per unit of risk, or standard deviation. It is the ratio of a manager's excess return above the risk-free rate divided by a manager's standard deviation. A higher sharpe ratio implies greater manager efficiency.


STANDARD DEVIATION

Standard Deviation is a measure of the extent to which observations in a series vary from the arithmetic mean of the series. This measure of volatility or risk allows the estimation of a range of values for a manager's returns. The wider the range, the more uncertainty, and, therefore, the riskier a manager is assumed to be.

PLAN INVESTMENT REVIEW | EVALUATION METHODOLOGY

Period Ending 12.31.16 | Q4 16

University of Maine System Defined Contribution Plan

	QUANTITATIVE EVALUATION ITEMS	QUALITATIVE EVALUATION ITEMS
 MARKED FOR REVIEW The following categories of the Investment Policy Monitor appear “Marked For Review” when:	3/5 Year Risk- adjusted Performance The investment option's 3 or 5 Year Annualized Risk Adjusted Performance falls below the 50th percentile of the peer group.	Fund Management A significant disruption to the investment option's management team has been discovered.
	3/5 Year Performance vs. Peers The investment option's 3 or 5 Year Annualized Peer Relative Performance falls below the 50th percentile of the peer group.	Fund Family A significant disruption to the investment option's parent company has been discovered.
	3/5 Year Style The investment option's 3 or 5 Year R-Squared measure falls below the absolute threshold set per asset class.	Portfolio Construction The investment option's combined Portfolio Construction score is 6 or below out of a possible 15 points.
	3/5 Year Confidence The investment option's 3 or 5 Year Confidence Rating falls below the 50 th percentile of the peer group.	Underlying Investment Vehicles The investment option's combined Underlying Investment Vehicles score is 6 or below out of a possible 15 points.
	Glidepath Assessment % of Equity Exposure: The combined percentage of an investment option's equity exposure ranks in the top 20th percentile or bottom 20th percentile of the peer group. Regression to the Benchmark: The investment option's sensitivity to market risk - as measured by beta relative to a Global Equity Index - is above 0.89.	



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Performance Review – Managed Investment Pool

2. **INITIATED BY:** Karl W. Turner, Chair

3. **BOARD INFORMATION:** X **BOARD ACTION:**

4. **BACKGROUND:**

Enclosed for your information is the Managed Investment Pool performance report for the quarter ended December 31, 2016.

Kelly Regan and Jay Roney of NEPC will provide a brief review at the March 9, 2017 Investment Committee meeting.

02/27/2017

University of Maine System Managed Investment Pool

Total Plan Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
MIP Composite	271,637,945	100.0	100.0	-0.5	3.1	5.2	1.4	1.9	6.7	6.0	4.4
Allocation Index				-0.3	3.4	5.8	2.2	2.6	6.6	5.9	4.0
Policy Index				-0.1	4.0	7.0	2.6	2.9	6.7	6.2	4.5
Total Domestic Large Cap	49,831,483	18.3	16.0	3.8	7.8	11.9	6.5	8.8	14.4	12.7	7.8
S&P 500				3.8	7.8	12.0	6.5	8.9	14.7	12.8	6.9
SSgA S&P 500	49,831,483	18.3	16.0	3.8	7.8	11.9	6.5	8.8	14.6	12.8	6.9
S&P 500				3.8	7.8	12.0	6.5	8.9	14.7	12.8	6.9
Total Domestic Small/Mid Cap	16,270,054	6.0	6.0	7.6	15.5	15.8	5.5	5.5	14.5	13.4	10.2
Russell 2500				6.1	13.1	17.6	6.9	6.9	14.5	13.6	7.7
Westfield Capital	8,302,830	3.1	3.0	1.0	8.1	4.2	0.6	2.8	12.3	12.8	9.3
Russell 2500 Growth				2.6	9.8	9.7	4.7	5.4	13.9	13.5	8.2
DFA	7,967,224	2.9	3.0	13.5	22.0	26.9	9.4	7.2	16.0	--	--
Russell 2000 Value				14.1	24.2	31.7	10.4	8.3	15.1	13.1	6.3
Total International Equity (including emerging markets)	60,325,121	22.2	23.0	-4.0	1.0	0.3	-1.1	-2.1	5.0	3.9	1.2
MSCI EAFE				-0.7	5.7	1.0	0.1	-1.6	6.5	3.8	0.7
Morgan Stanley	21,366,551	7.9	8.0	-2.4	0.1	-2.0	-0.8	-2.6	5.9	3.9	1.5
Globeflex	20,988,065	7.7	8.0	-2.9	4.6	-0.8	0.9	-1.0	7.3	5.0	--
MSCI EAFE				-0.7	5.7	1.0	0.1	-1.6	6.5	3.8	0.7
Emerging Markets Equity	17,970,504	6.6	7.0	-7.3	-2.1	3.7	-4.3	-2.9	1.3	--	--
MSCI Emerging Markets				-4.2	4.5	11.2	-2.7	-2.6	1.3	0.5	1.8
Aberdeen Emerging Mkts	9,654,094	3.6	3.5	-5.8	-0.8	12.0	-1.7	-1.9	1.9	3.2	--
MSCI Emerging Markets				-4.2	4.5	11.2	-2.7	-2.6	1.3	0.5	1.8
Mondrian EM Small Cap	8,316,410	3.1	3.5	-8.9	-3.5	-3.6	-6.7	--	--	--	--
MSCI Emerging Markets Small Cap				-6.2	0.9	2.3	-2.4	-1.3	3.5	1.4	3.4
Total Fixed Income	49,088,074	18.1	18.0	-2.1	-0.4	5.4	1.5	2.9	4.2	5.1	4.9
BBgBarc US Aggregate TR				-3.0	-2.5	2.6	1.6	3.0	2.2	3.6	4.3
Commonfund	27,507,133	10.1	10.0	-2.7	-1.5	3.5	1.6	3.0	3.5	4.5	4.8
BBgBarc US Aggregate TR				-3.0	-2.5	2.6	1.6	3.0	2.2	3.6	4.3
Loomis Sayles Fixed Income	13,501,327	5.0	5.0	-0.6	2.8	9.9	1.6	--	--	--	--
BBgBarc Global Aggregate TR				-7.1	-6.3	2.1	-0.6	-0.2	0.2	1.7	3.3
Vanguard Inflation-Protected Securities	8,079,614	3.0	3.0	-2.7	-1.7	--	--	--	--	--	--
BBgBarc US TIPS TR				-2.4	-1.5	4.7	1.6	2.3	0.9	3.4	4.4

University of Maine System Managed Investment Pool

Total Plan Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Total GAA	55,409,964	20.4	20.0	-2.1	1.3	4.4	0.0	0.3	3.9	3.5	--
65% MSCI ACWI (Net) / 35% BBgBarc Global Agg				-1.7	1.9	6.0	1.7	2.1	6.2	5.5	3.8
GMO Global Absolute Return	18,823,679	6.9	6.6	-1.5	2.0	3.7	-0.2	0.3	4.1	4.0	4.4
Blended Index				-1.6	0.0	6.1	3.0	3.6	3.8	5.0	5.1
Wellington	18,761,146	6.9	6.7	-0.5	5.3	5.8	2.9	2.1	5.9	4.1	--
65% MSCI ACWI (Net) / 35% BBgBarc Global Agg				-1.7	1.9	6.0	1.7	2.1	6.2	5.5	3.8
Newton Global Real Return	17,825,138	6.6	6.7	-4.4	-5.0	--	--	--	--	--	--
60% MSCI ACWI (Net)/ 40% BBgBarc Global Agg				-2.2	1.3	5.7	1.5	1.9	5.8	5.2	3.8
Total Hedge Funds	33,480,053	12.3	12.0	1.9	4.1	2.7	-0.2	0.3	2.7	1.7	2.4
HFRI Fund of Funds Composite Index				0.9	3.2	0.5	0.1	1.2	3.4	2.4	1.3
EntrustPermal	16,491,328	6.1	6.0	3.1	4.9	4.4	0.1	0.5	4.6	4.1	--
HFRI Fund of Funds Composite Index				0.9	3.2	0.5	0.1	1.2	3.4	2.4	1.3
Lighthouse	16,988,725	6.3	6.0	0.7	3.3	0.2	--	--	--	--	--
Credit Suisse Long Shrt Eqt USD				-0.2	1.7	-3.4	0.0	1.8	6.1	4.5	4.0
Total Real Assets	5,221,858	1.9	3.0	-4.9	-4.8	-5.7	-1.1	1.2	6.3	--	--
NCREIF Timberland Index				1.2	1.9	2.7	3.8	6.0	7.1	5.2	5.8
John Hancock Timber Fund	5,221,858	1.9	3.0	-4.9	-4.8	-5.7	-1.1	1.2	6.3	3.7	1.2
NCREIF Timberland Index				1.2	1.9	2.7	3.8	6.0	7.1	5.2	5.8
Private Equity	1,465,264	0.5	2.0	0.0	2.5	5.1	4.2	--	--	--	--
Landmark Equity Partners XV	1,465,264	0.5	2.0	0.0	2.5	5.1	4.2	--	--	--	--
Cambridge Associates US All PE (1 Qtr Lag)				3.8	7.9	8.7	7.3	10.7	13.1	13.9	10.8
Total Cash	546,076	0.2	0.0								
Distribution Account	546,076	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.9
91 Day T-Bills				0.1	0.2	0.3	0.2	0.1	0.1	0.1	0.7

Notes:

Fiscal YTD begins 7/1

Blended Index: 40% BC Aggregate, 30% BC U.S. TIPS 1-10YR, 10% S&P 500, 10% BC High Yield, 10% JPM EMBI+

Returns are net of manager fees

John Hancock Timber market value as of 12/31/16

Landmark market value estimated as of 12/31/16



NEPC, LLC

YOU DEMAND MORE. So do we.™



University of Maine System Managed Investment Pool

Fourth Quarter 2016 Investment Performance Review

March 9, 2017

Jay E. Roney, Partner
Kelly Regan, Senior Consultant

255 State Street, Boston, MA 02109 | TEL: 617.374.1300 | FAX: 617.374.1313 | www.nepc.com

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

Highlights of Fourth Quarter Happenings at NEPC

December 2016

NEPC Insights

- NEPC's Election Perspective: The Race to the Bottom (October 2016)
- Interest Rate Risk and Asset/Liability Management for Cash Balance Plans (October 2016)
- 2016 3rd Quarter Market Thoughts (October 2016)
- Behind The Curtain: Operational Capabilities Are A Must for OCIOs (November 2016)
- NEPC's 2016 Hedge Fund Operational Due Diligence Survey Results (November 2016)
- NEPC Market Chatter: To PE or not to PE... That is the Question (November 2016)
- Caution: Construction Ahead – Healthcare Organizations Use Private Equity Investments to Support Innovation (December 2016)



Webinar Replays

- Investor Insights – Perspectives on the 2016 US Election (November 2016)
- Defined Benefit Plan Trends Survey Results (December 2016)
- Digging Deeper on ESG (December 2016)

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

Client Awards

We'd like to congratulate the following clients for their recent award wins at *Chief Investment Officer's 7th Annual 2016 Industry Innovation Awards*:

- Texas Tech University System's CIO, Tim Barrett as 2016 recipient of the Endowment Award
- MoDot & Patrol Employees' Retirement System's CIO, Larry Kruppen as the 2016 recipient of the Public Defined Benefit Plan Below \$15 Billion Award
- State of Wisconsin Investment Board's CIO, David Villa as the 2016 recipient of the Public Defined Benefit Plan Above \$100 Billion Award



Upcoming Events

NEPC's 22nd Annual Investment Conference will be held on May 9-10, 2017 at the InterContinental Hotel in Boston, MA. Details to come in the upcoming months!



NEPC Gives Back

- NEPC employees sorted and prepared 6,853 pounds of food during a volunteer day at the Greater Boston Food Bank, an organization that works to end hunger in the area by providing people in need with healthy food and resources.
- During the month of November, NEPC's Movember team raised over \$5,000 to support men's health research.
- In support of Breast Cancer Awareness Month, NEPC employees wore their favorite pair of jeans with a purpose and participated in the American Cancer Society Denim Day by sporting denim and the color pink. Together, we raised over \$2,500.
- As part of our Annual United Way campaign, over 50 NEPC employees assembled Literacy Kits for children during the holiday season. The kits were filled with developmental games, arts and crafts supplies, and reading materials.

MARK YOUR CALENDAR!

Market Environment

University of Maine System Managed Investment Pool

Index Performance Summary as of 12/31/2016

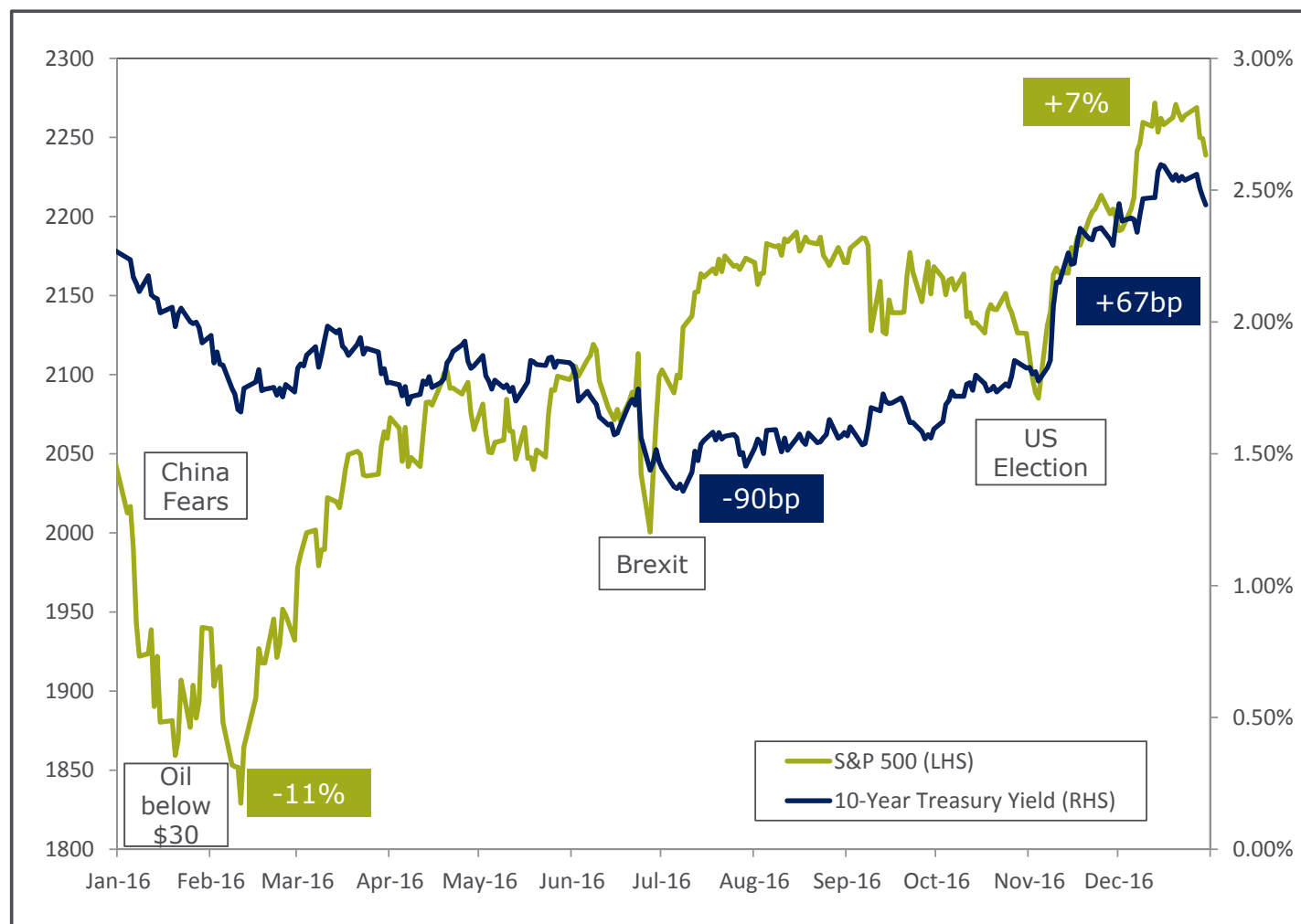
	2009	2010	2011	2012	2013	2014	2015	Q1	Q2	Q3	Oct	Nov	Dec	Q4	YTD
US Small/Mid Cap	34.4%	26.7%	-2.5%	17.9%	36.8%	7.1%	-2.9%	0.4%	3.6%	6.6%	-4.1%	8.5%	1.9%	6.1%	17.6%
US High Yield	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	-4.5%	3.4%	5.5%	5.6%	0.4%	-0.5%	1.8%	1.8%	17.1%
EM Equity	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	-14.9%	5.7%	0.7%	9.0%	0.2%	-4.6%	0.2%	-4.2%	11.2%
US Large Cap	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	1.3%	2.5%	3.9%	-1.8%	3.7%	2.0%	3.8%	12.0%
Commodities	18.9%	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-24.7%	0.4%	12.8%	-3.9%	-0.5%	1.3%	1.8%	2.7%	11.8%
EM Local Credit	22.0%	15.7%	-1.8%	16.8%	-9.0%	-5.7%	-14.9%	11.0%	2.7%	2.7%	-0.8%	-7.0%	1.9%	-6.1%	9.9%
US Credit	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	0.5%	3.0%	2.2%	0.5%	-0.8%	-2.4%	0.1%	-3.0%	2.6%
Global Credit	2.6%	5.2%	6.4%	1.6%	-4.0%	-0.5%	-3.6%	7.1%	3.4%	0.3%	-3.4%	-4.6%	-0.7%	-8.5%	1.6%
US Long Treasuries	-12.9%	9.4%	29.9%	3.6%	-12.7%	25.1%	-1.2%	8.2%	6.4%	-0.4%	-4.1%	-7.4%	-0.5%	-11.7%	1.3%
Int'l Developed Equity	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	-0.8%	-3.0%	-1.5%	6.4%	-2.0%	-2.0%	3.4%	-0.7%	1.0%

S&P 500 = US Large Cap
 Russell 2500 = US Small/Mid Cap
 MSCI EAFE = International Developed Equity
 MSCI EM = Emerging Market Equity
 Barclays Agg = US Credit
 Barclays Long Treasury = US Long Treasuries
 Barclays High Yield = US HY
 WGBI = Global Credit
 GBI-EM Global Diversified = EM Local Credit
 Bloomberg Commodity = Commodities

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

University of Maine System Managed Investment Pool

2016: A Rollercoaster of Geopolitical Events



Source: Bloomberg, NEPC

University of Maine System Managed Investment Pool

Index Performance Summary as of 01/31/2017

	2009	2010	2011	2012	2013	2014	2015	2016	Jan	YTD
EM Equity	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	-14.9%	11.2%	5.5%	5.5%
Int'l Developed Equity	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	-0.8%	1.0%	2.9%	2.9%
EM Local Credit	22.0%	15.7%	-1.8%	16.8%	-9.0%	-5.7%	-14.9%	9.9%	2.3%	2.3%
US Large Cap	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	12.0%	1.9%	1.9%
US High Yield	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	-4.5%	17.1%	1.5%	1.5%
US Small/Mid Cap	34.4%	26.7%	-2.5%	17.9%	36.8%	7.1%	-2.9%	17.6%	1.4%	1.4%
Global Credit	-6.5%	-5.3%	-5.3%	-4.1%	2.7%	-0.6%	3.3%	2.1%	1.1%	1.1%
US Long Treasuries	-12.9%	9.4%	29.9%	3.6%	-12.7%	25.1%	-1.2%	1.3%	0.4%	0.4%
US Credit	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	0.5%	2.6%	0.2%	0.2%
Commodities	18.9%	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-24.7%	11.8%	0.1%	0.1%

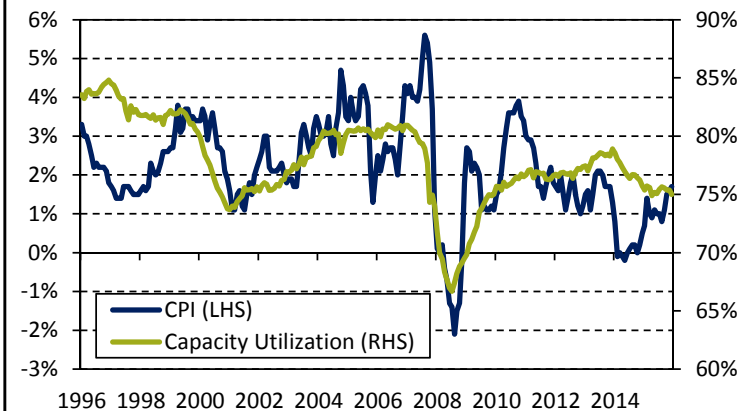
S&P 500 = US Large Cap
 Russell 2500 = US Small/Mid Cap
 MSCI EAFE = International Developed Equity
 MSCI EM = Emerging Market Equity
 Barclays Agg = US Credit
 Barclays Long Treasury = US Long Treasuries
 Barclays High Yield = US HY
 Barclays Global Agg = Global Credit
 GBI-EM Global Diversified = EM Local Credit
 Bloomberg Commodity = Commodities

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

University of Maine System Managed Investment Pool

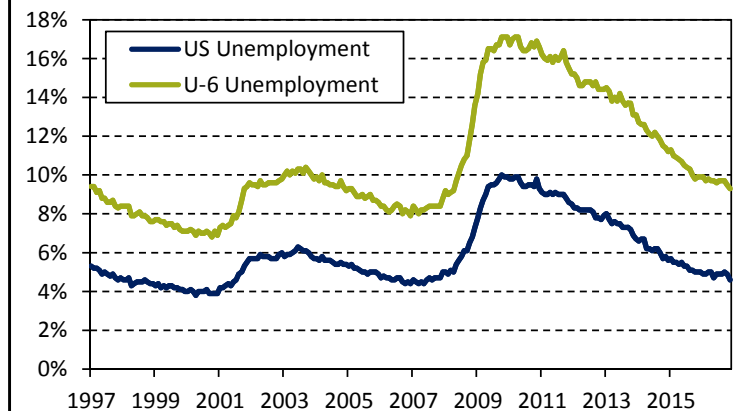
US Economic Indicators

Inflation continues rising



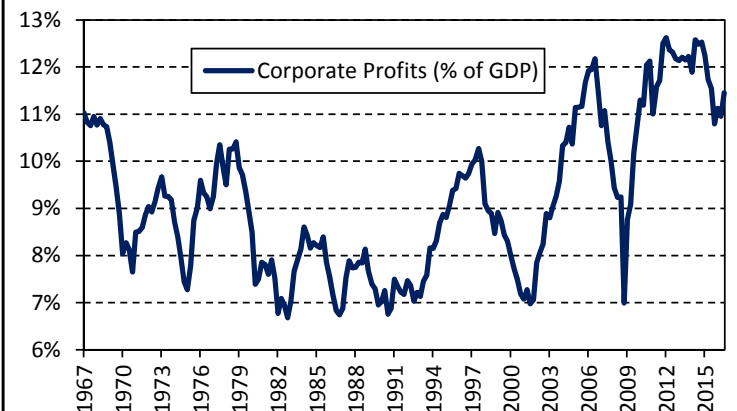
Source: Bloomberg, Federal Reserve, Bureau of Labor Statistics

Unemployment has steadied



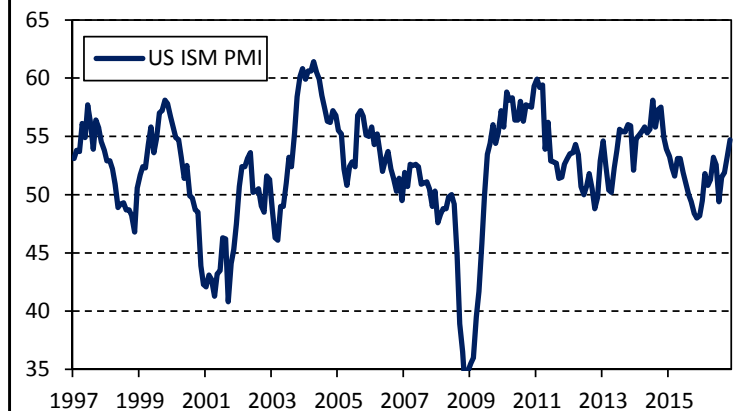
Source: Bloomberg, Bureau of Labor Statistics

Corporate profits experience an uptick



Source: Bloomberg, Bureau of Economic Analysis

Manufacturing shows modest strength

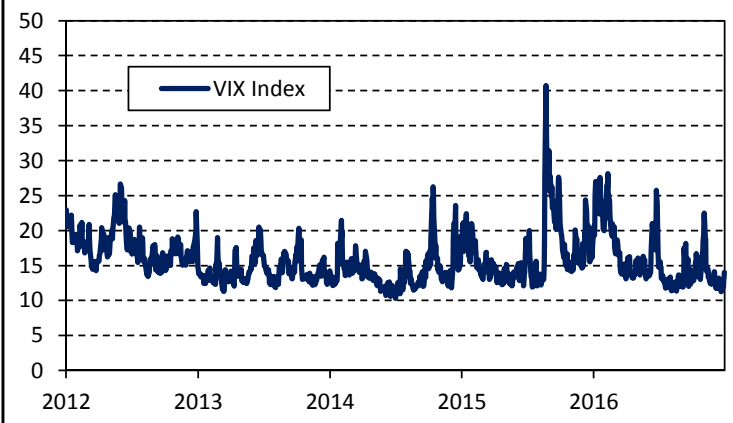


Source: Bloomberg, Institute for Supply Management

University of Maine System Managed Investment Pool

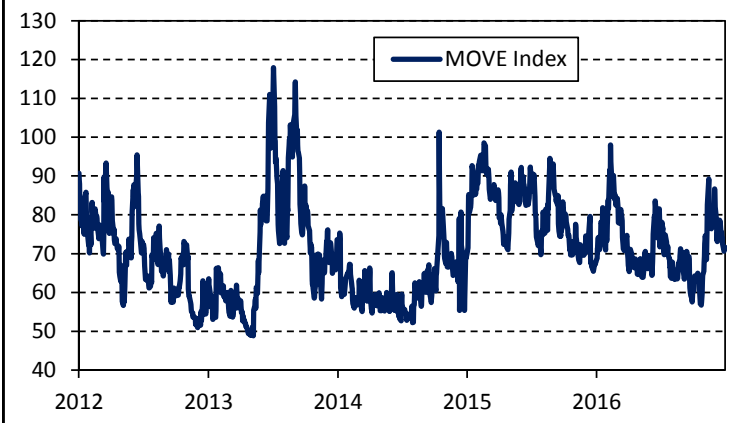
Volatility

Equity volatility remains low



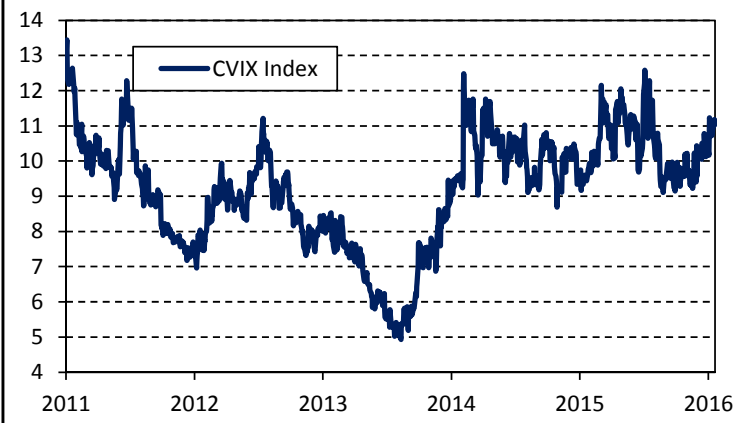
Source: Bloomberg, CBOE

Treasury volatility continues to be elevated



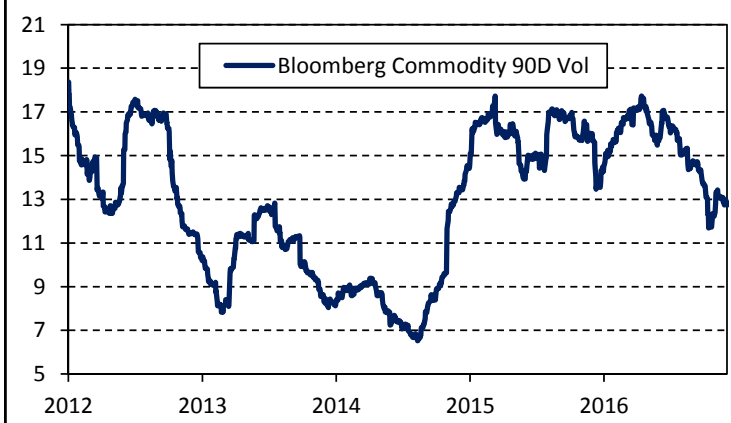
Source: Bloomberg, Merrill Lynch

Currency volatility increased



Source: Bloomberg, Deutsche Bank

Commodity volatility has subsided

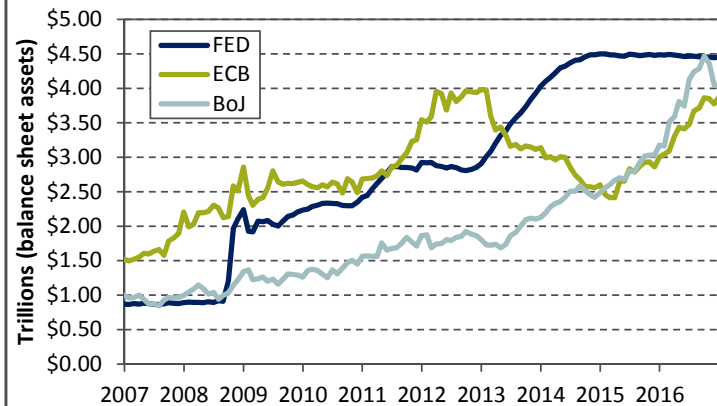


Source: Bloomberg, Merrill Lynch

University of Maine System Managed Investment Pool

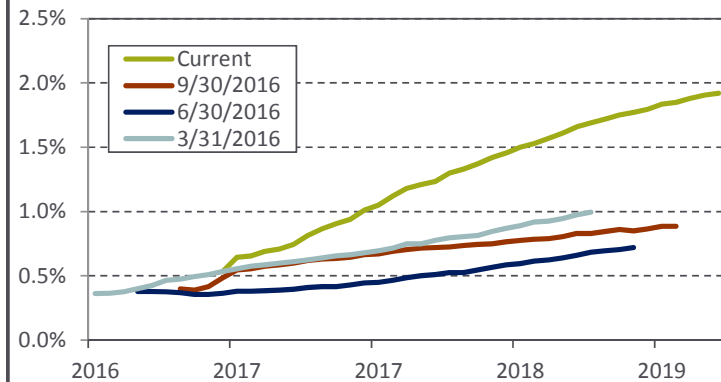
Central Banks

Yen depreciation has decreased the value of BoJ's balance sheet



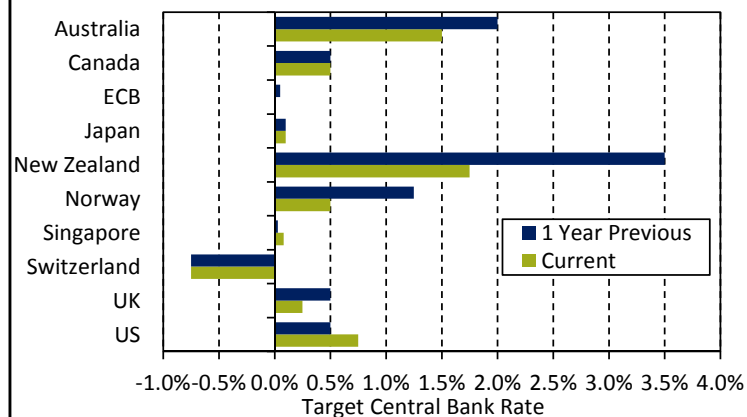
Source: Bloomberg, Federal Reserve, Bank of Japan, ECB, NEPC

Market expectations for interest rates have increased dramatically post rate hike



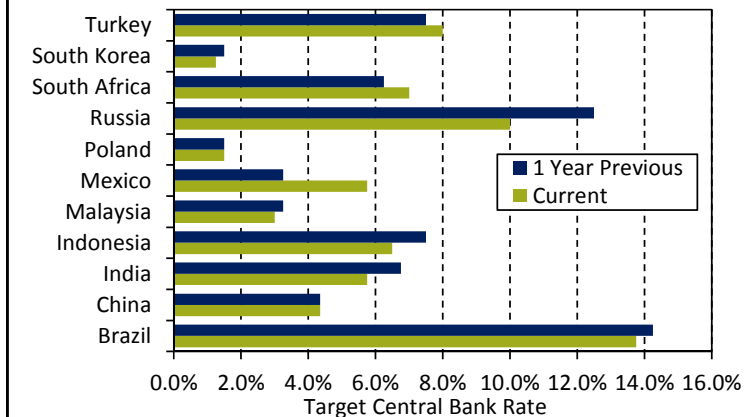
Source: Bloomberg, Federal Reserve

Developed market interest rates are mostly lower than the previous year



Source: Bloomberg

EM central bank policies vary by country-specific economic conditions

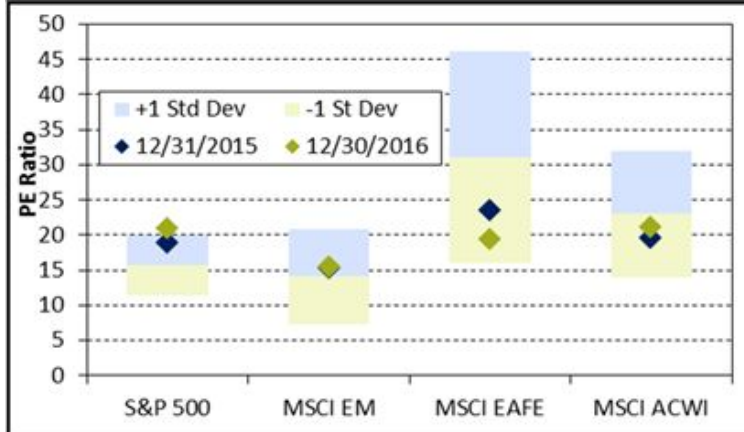


Source: Bloomberg

University of Maine System Managed Investment Pool

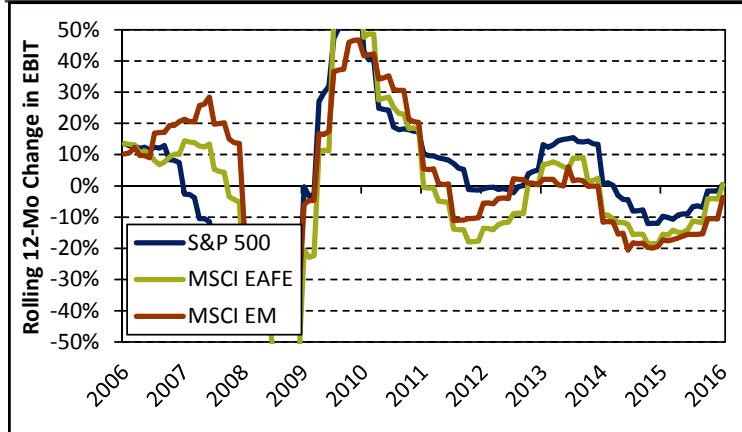
Global Equity

EAFE's current valuation is lower than the previous year



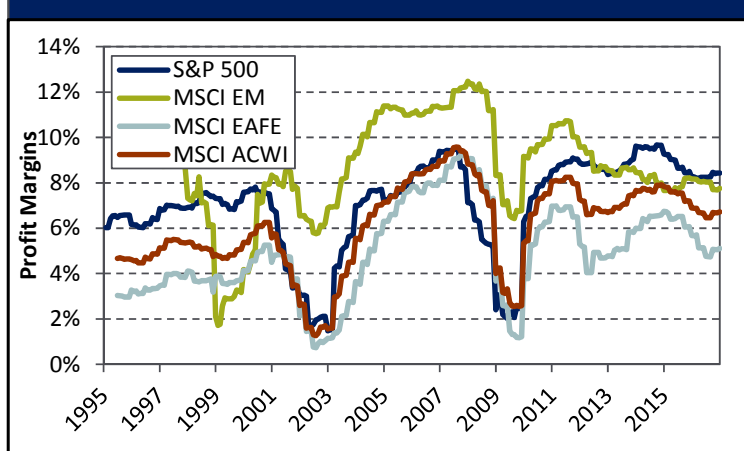
Source: Bloomberg, Standard and Poors, MSCI *MSCI EAFE is ex UK Telecom
 *Standard deviation calculations on 20 years of data except S&P 500 (30 years)

Rolling annual earnings growth trending upwards off lows



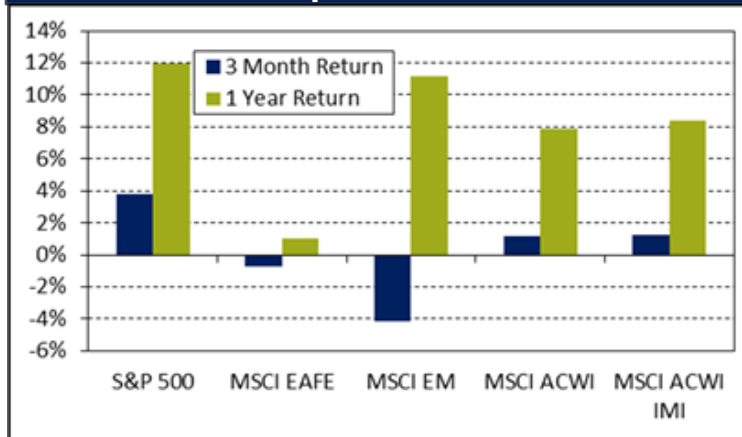
Source: Bloomberg, Standard and Poors, MSCI

Profit margins slightly increased



Source: Bloomberg, MSCI

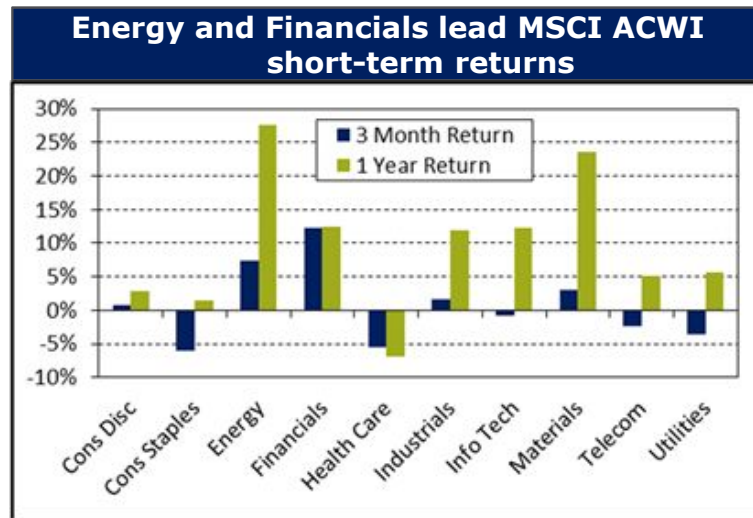
EM has experienced lack-luster short-term performance



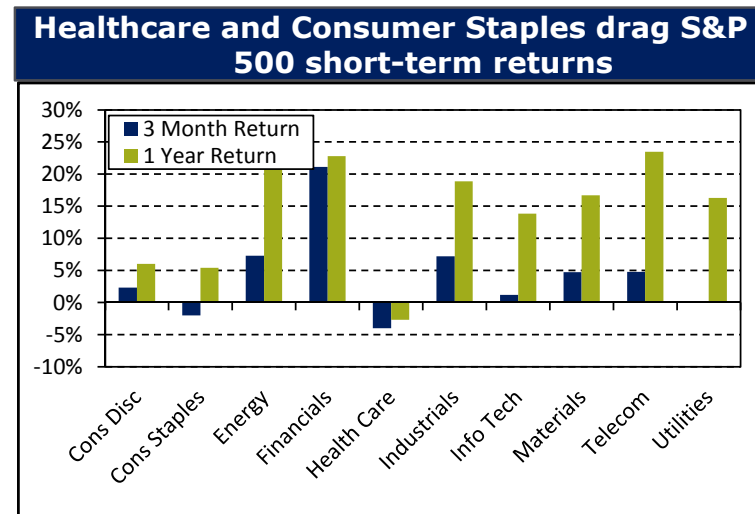
Source: Bloomberg, MSCI

University of Maine System Managed Investment Pool

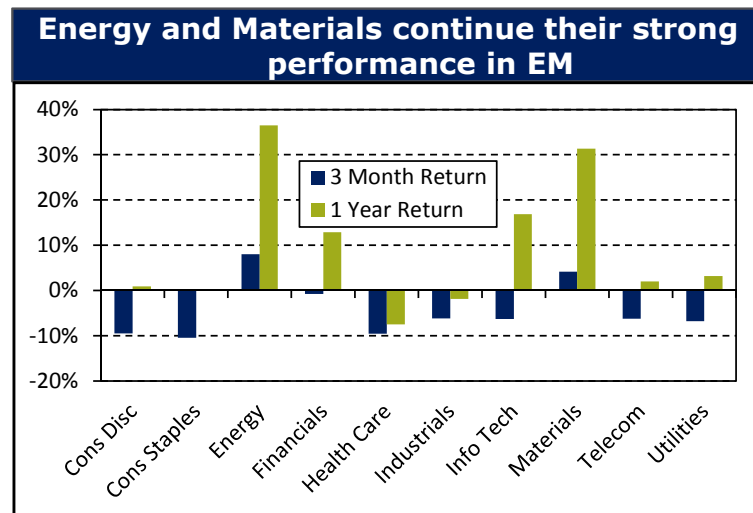
Global Equity by Sector



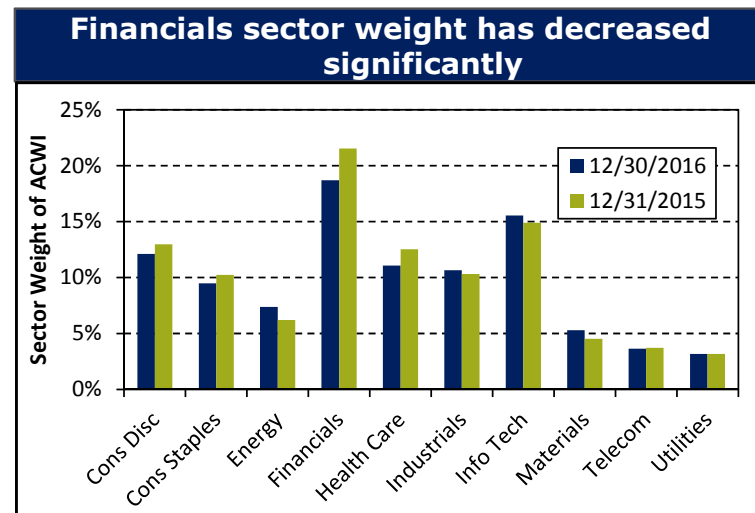
Source: Bloomberg, MSCI



Source: Bloomberg, Standard and Poors



Source: Bloomberg, MSCI

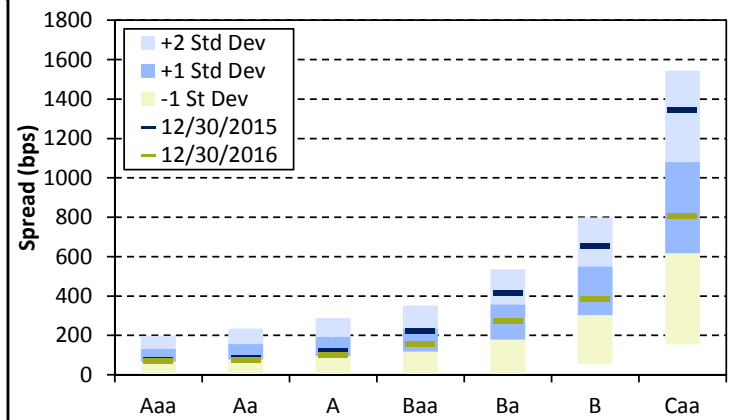


Source: Bloomberg, MSCI

University of Maine System Managed Investment Pool

US Fixed Income

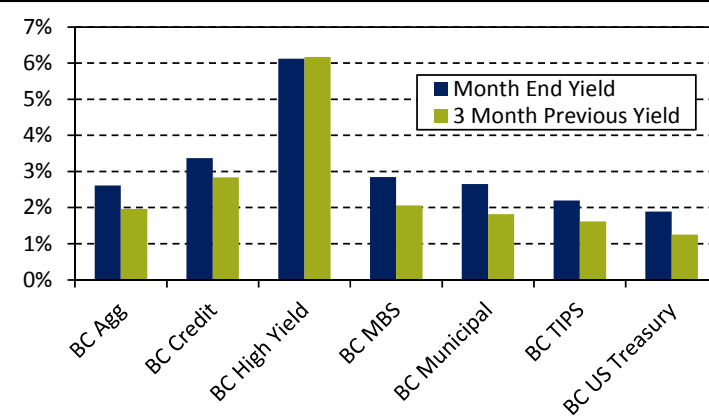
Spreads remain lower than the previous year



Source: Bloomberg, Barclays

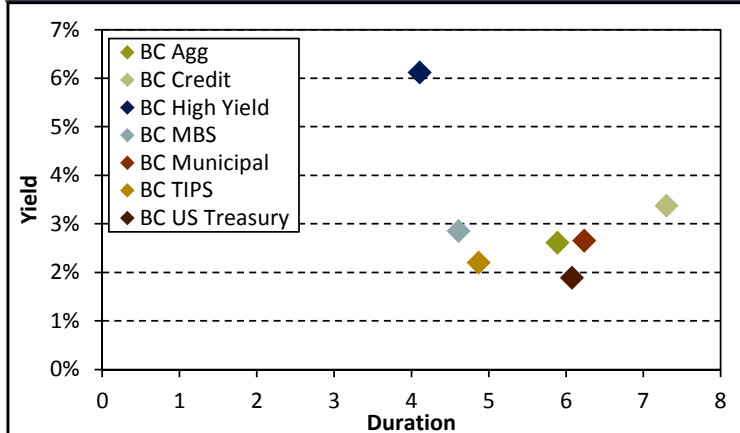
*Standard deviation calculations based on 20 years of data

Fixed income yields have increased



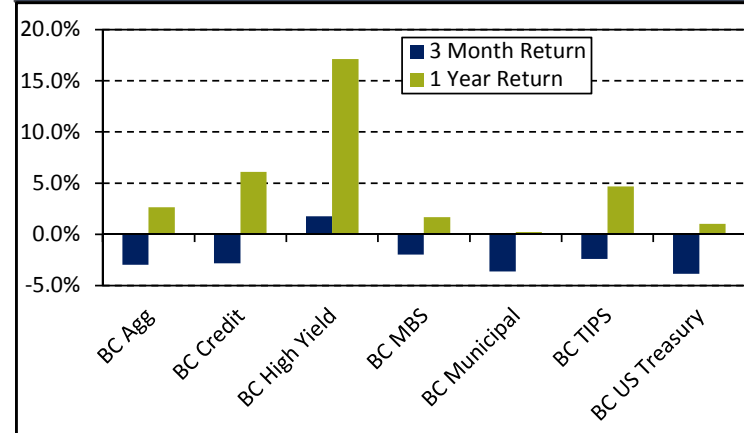
Source: Bloomberg, Barclays

Similar duration/yield profiles among core indices



Source: Bloomberg, Barclays

Fixed income returns have broadly declined with recent yield increases

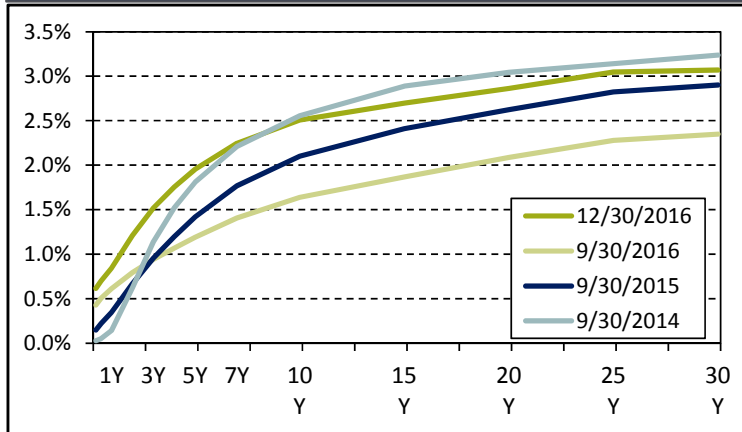


Source: Bloomberg, Barclays

University of Maine System Managed Investment Pool

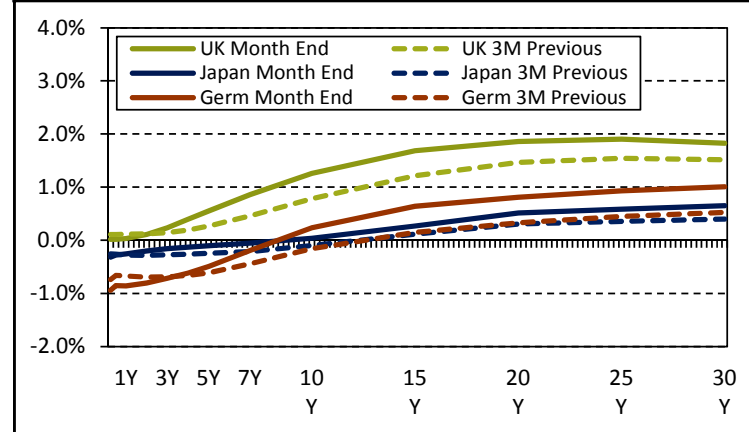
Rates

Rate expectations have increased relative to three months prior



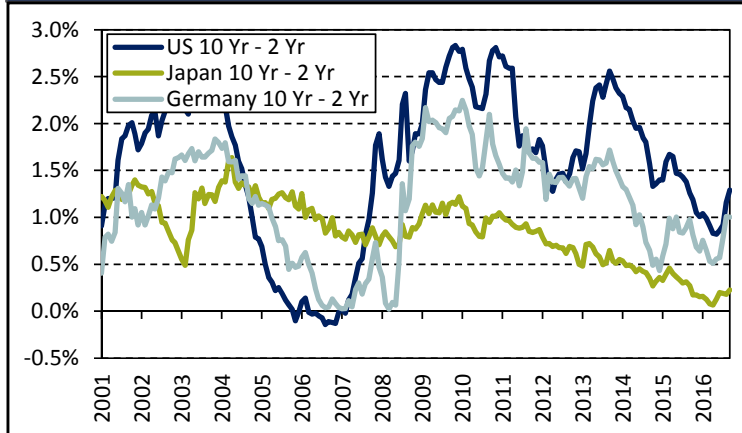
Source: Bloomberg

Interest rate expectations continue increasing



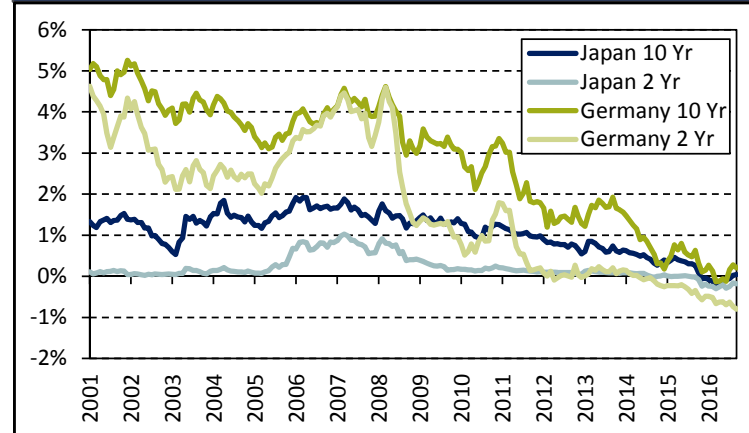
Source: Bloomberg

10-2 spreads spiked with recent increase in yield



Source: Bloomberg

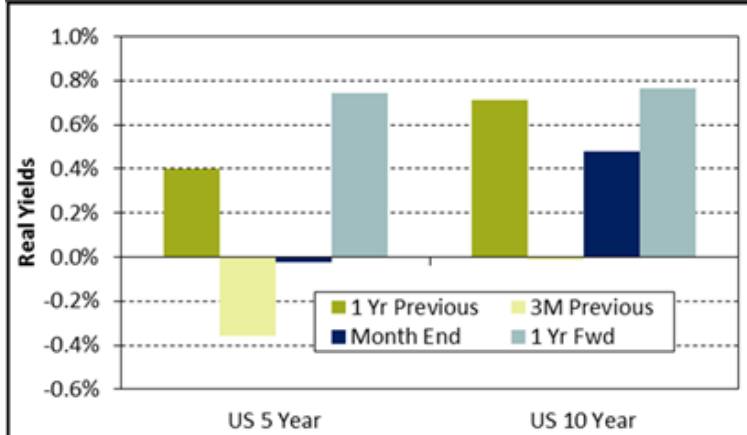
Sovereign bond yields remain in negative or neutral territory



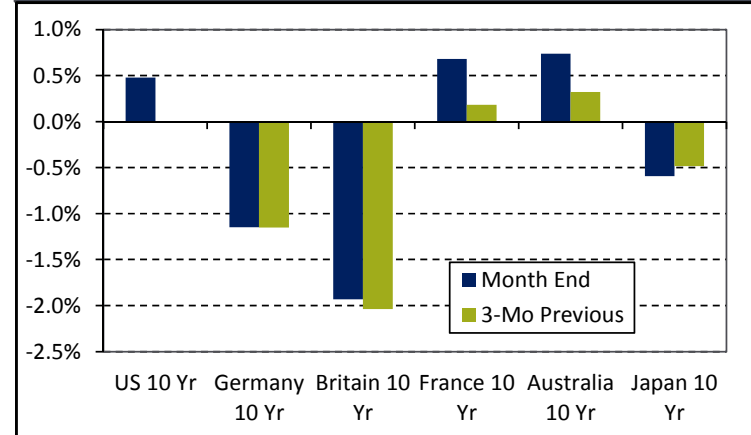
Source: Bloomberg

University of Maine System Managed Investment Pool

Inflation and Real Rates

US 10-year real yields increased from three months prior

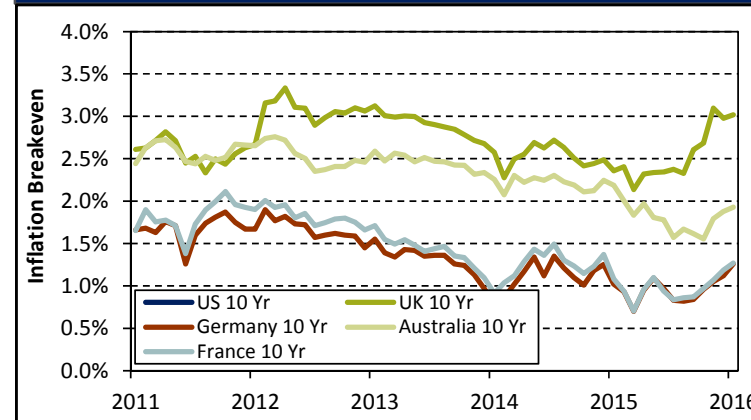
Source: Bloomberg

With the exception of Japan, global real yields have increased

Source: Bloomberg

US inflation expectations have increased but remain low

Source: Bloomberg

Global inflation expectations continue to increase

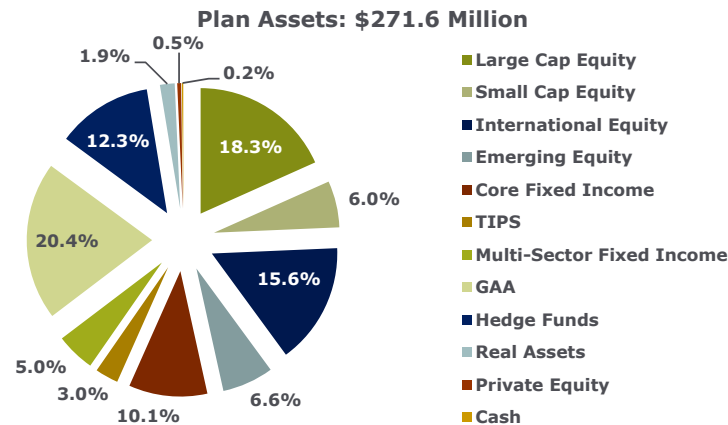
Source: Bloomberg

Executive Summary

University of Maine System Managed Investment Pool

Executive Summary

ASSET ALLOCATION



PLAN COMMENTS

Asset Allocation

MIP assets were \$271.6 million as of December 31, 2016, a \$2.4 million decrease over the quarter. During the 4th quarter there was a \$1.6 million cash outflow of the Pool. All asset classes are within policy ranges.

Performance (Net of Fees)

The MIP returned -0.5% over the quarter, 3.1% fiscal year to date and 5.2% over the past year. Long term returns have outperformed the allocation index on a 5, 7 and 10 year basis.

The MIP ranked in the 92nd percentile during the fiscal year to date and in the 77th percentile for the one year period. (Universe = Endowments & Foundations with \$100m - \$500m)

The managers with the highest absolute returns over the fourth quarter were DFA (domestic small cap equity), SSgA (S&P 500) and EntrustPermal (hedge fund of funds).

MIP PERFORMANCE: NET OF FEES

	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR
COMPOSITE	-0.5%	3.1%	5.2%	1.9%	6.7%	6.0%	4.4%
ALLOC. INDEX	-0.3%	3.4%	5.8%	2.6%	6.6%	5.9%	4.0%
POLICY INDEX	-0.1%	4.0%	7.0%	2.9%	6.7%	6.2%	4.5%

RECENT ACTIONS/RECOMMENDATIONS

Recent Actions

MSCI completed an ESG Analysis on the MIP portfolio. MSCI, NEPC and University of Maine Staff reviewed the results in February. The findings are summarized in a separate report.

Recommendations

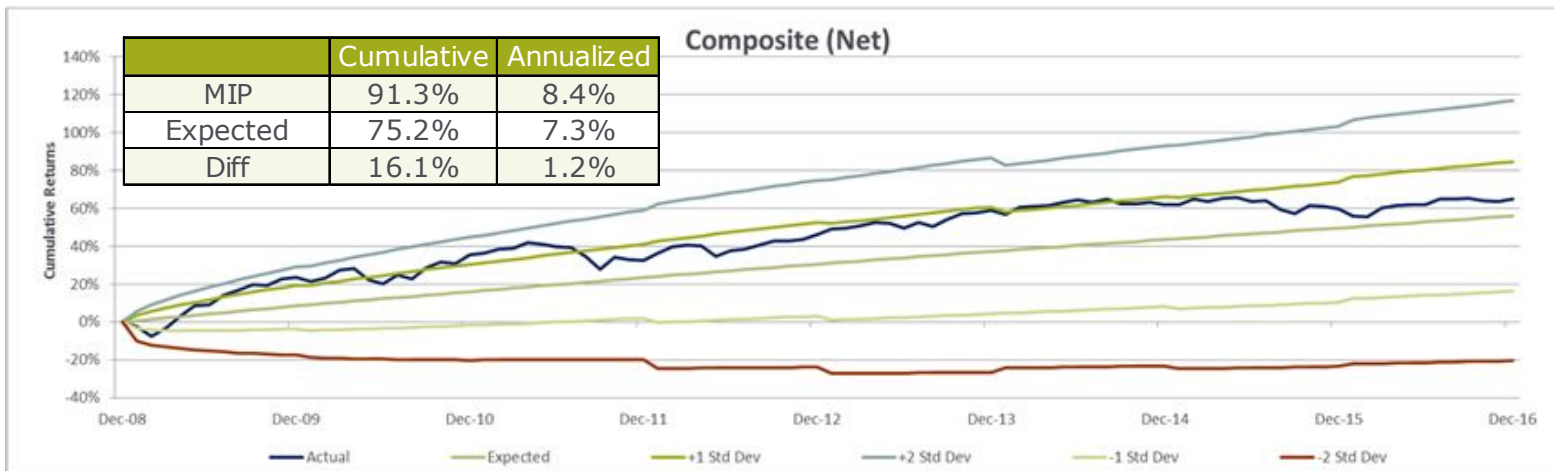
Review Asset Allocation study recommendations provided in a separate document.

Manager Due Diligence

There are two new manager updates detailed on the Due Diligence Monitor pages.

University of Maine System Managed Investment Pool

MIP Return Expectations



- **Over the last 8 years ending 12/31/16, the MIP returned 8.4% annualized versus a blended expected return of 7.3% (based on NEPC's 5-7 year forecasts)**
- **The returns are currently above the expected target and within a one standard deviation range of outcomes**

University of Maine System Managed Investment Pool

Due Diligence Monitor

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

Investment Manager	Manager Changes/ Announcements (Recent Quarter)	NEPC Due Diligence Committee Recommendations
Aberdeen	Yes	No Action / Maintain Hold
EntrustPermal	Yes	Watch (Firm) / Maintain Hold

A legend key to our recommendations is provided below.

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

University of Maine System Managed Investment Pool

Due Diligence Commentary

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

Manager Changes/Announcements	
Investment Option	Commentary
Aberdeen Asset Management <i>Emerging Markets Equity</i>	<p>Aberdeen is in the process of rolling out a new Collective Investment Trust (CIT) for the Global Emerging Markets strategy. The University of Maine System is in the mutual fund and therefore eligible for the new vehicle. Consideration should be given to transitioning over. Aberdeen is willing to work with each client directly to lay out the cost differences. The mutual fund expense ratio is 1.13%, where the fee for the CIT will be 1% all-in. There is a dilution levy in place depending on the size of each client, which should be considered.</p> <p>NEPC is comfortable with this change and will discuss with the System.</p>
EntrustPermal <i>EntrustPermal Fixed Income Holdings N.V.</i>	<p>See Memo on following page.</p> <p>NEPC upgraded EntrustPermal firm rating from Hold to Watch and maintains the Hold rating for the strategy.</p>



To: NEPC Clients

From: NEPC Research

Date: January 26, 2017

Subject: EnTrustPermal Due Diligence Status Change: *Upgrade from HOLD to WATCH*

Product Rating: EnTrustPermal Fixed Income Holdings N.V. ("EPFIH") and EnTrustPermal Fixed Income Holdings (ERISA) Ltd. ("EPFIHE"): *Maintain Current Rating (Neutral) and Current Due Diligence Status: HOLD*

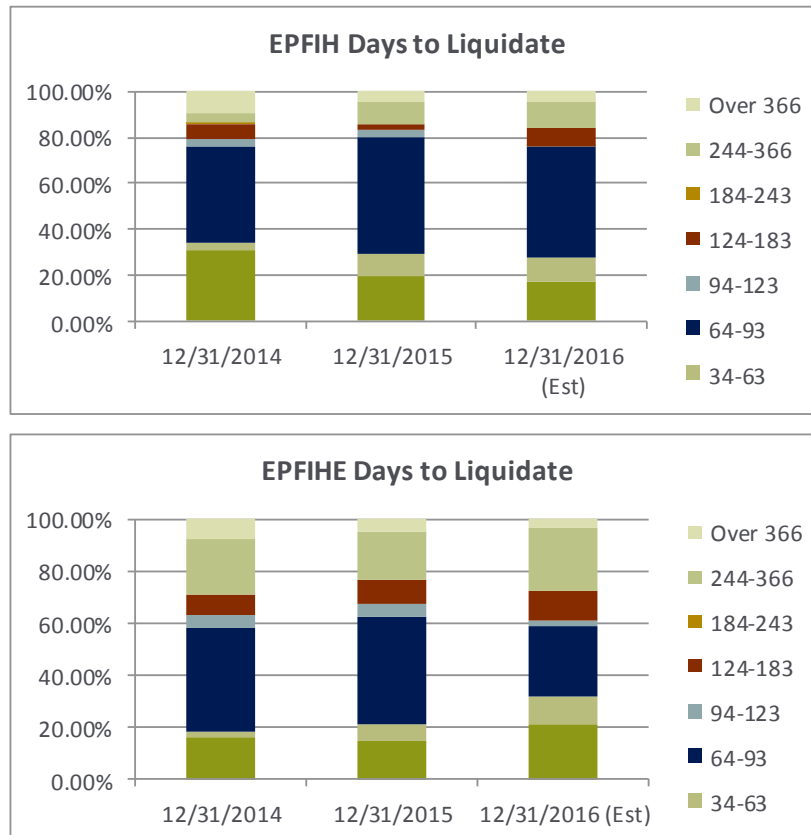
Roughly one year since the announcement that EnTrust and Permal would merge and form a combined entity (EnTrustPermal) and subsidiary of Legg Mason, we are comfortable that the integration process is proceeding in line with expectations. At the firm level, there has been some reduction in overall assets under management but within expectations given a significant corporate event. We expect further integration efforts to occur over time to continue to gain efficiencies in the investment process and make efforts to extract additional fee savings from underlying managers. We will continue to monitor the ongoing integration but at this time we believe it is appropriate to upgrade the firm Due Diligence rating of EnTrustPermal from HOLD to WATCH. This means that we have gained comfort with how they have addressed a significant event (merger of two firms) but believe continued monitoring is appropriate.

We are maintaining the current Due Diligence Status of HOLD on the legacy Permal Fixed Income Holdings strategies (EPFIH and EPFIHE) as we feel a higher level of monitoring and awareness is appropriate given relatively large redemptions in these strategies over the last year. Increasing investor outflows from the legacy Permal flagship fund (EPFIH), driven largely by non-NEPC investors (primarily Private Clients and Family Offices), have led to a drop in AUM of approximately 40% since the beginning of 2016. This asset decline could potentially present some liquidity concerns for NEPC investors in the Fund should more investors redeem. The ERISA Fund (EPFIHE) experienced a smaller asset drop in 2016 (~20%) but we are aware of anticipated additional redemptions of more than 30% in that fund. EnTrustPermal has indicated they there are prepared to manage those redemptions effectively.

Historically, EnTrustPermal has managed portfolio liquidity of these funds effectively, including during this recent period of redemptions. The portfolio management team has prudently balanced portfolio flows and underlying manager redemptions while utilizing lines of credit to help mitigate the portfolio impact. Additionally, the team and processes remain the same.

Given the decline in assets and trend of outflows, we think it is appropriate to maintain our HOLD recommendation as we continue to monitor and evaluate the portfolio and overall asset flows. While the significant outflows are a concern, this is somewhat offset by the following factors:

- The portfolio management team has historically shown an ability to manage through periods of outflows and adjust positions to meet monthly redemptions.
- The funds performed well on a relative basis in 2016 despite the outflows.
- Effective liquidity management is evidenced by the fact that the liquidity profile of the Fund's underlying holdings has remained relatively similar to previous years. While the majority of assets are still in vehicles that require more than 30 days to liquidate, the overall profile remains consistent.



Source: NEPC, EnTrustPermal (12/20/2016). 12/31/2016 liquidity is estimated. The charts shown above are based on "a most restrictive liquidity review" by EnTrustPermal which for year end 2016 is estimated as of December 20, 2016. The "days to liquidate", has been defined by EnTrustPermal as the number of days until the next effective available redemption date of the underlying investments in EPFIH and EPFIHE

- While the use of credit lines increased meaningfully for the EPFIH during this period, EnTrustPermal has indicated that the funds' borrowing needs have dropped as outflows have slowed and they have continued to manage portfolio cash flows. In addition, they noted that they have additional borrowing capacity. This capacity should allow them to continue to manage the portfolio consistent with past practice.
- EnTrustPermal noted that they are considering merging the EPFIH and EPFIHE funds in order to improve the overall flexibility across all of the funds. We are supportive of this concept because of the potential additional benefits to clients and will keep you informed if this moves forward.
- If redemptions increase to the point that it could negatively impact remaining investors, it is possible that EnTrustPermal could impose a gate. As indicated by EnTrustPermal, the purpose of the gate would be to manage liquidity of the funds in the best interests of its continuing investors. This provides another potential layer of protection for remaining clients, but, if triggered, could lead to a slower repayment



of redemption proceeds than what the Fund's stated terms offer for those clients redeeming.

- EnTrustPermal provided information about "advisor concentration". NEPC clients now represent the largest group under one advisor with approximately 35% and 45% of total assets in EPFIH and EPFIHE, respectively. No other advisor represents more than 10% of client assets in the EPFIH fund and there are three advisors that each represents 10-20% of the EPFIHE fund. We recognize that a change in our recommendation to Client Review or Terminate could potentially trigger a gate at the Fund level and we would therefore work to understand and communicate the implications if our assessment of the situation warrants a potential downgrade.

We recommend clients continue to assess EPFIH and EPFIHE and the role that each plays in the strategic asset allocation of your portfolio(s). At this point, we are comfortable with NEPC clients maintaining their exposure to the EPFIH and EPFIHE funds, subject to the specific circumstances of your particular investment program.

We will continue to monitor asset flows, portfolio construction and performance. If the situation changes, we will keep you informed. While we are not recommending any action at this point, we do want to remind you of the current notice periods which are outlined below.

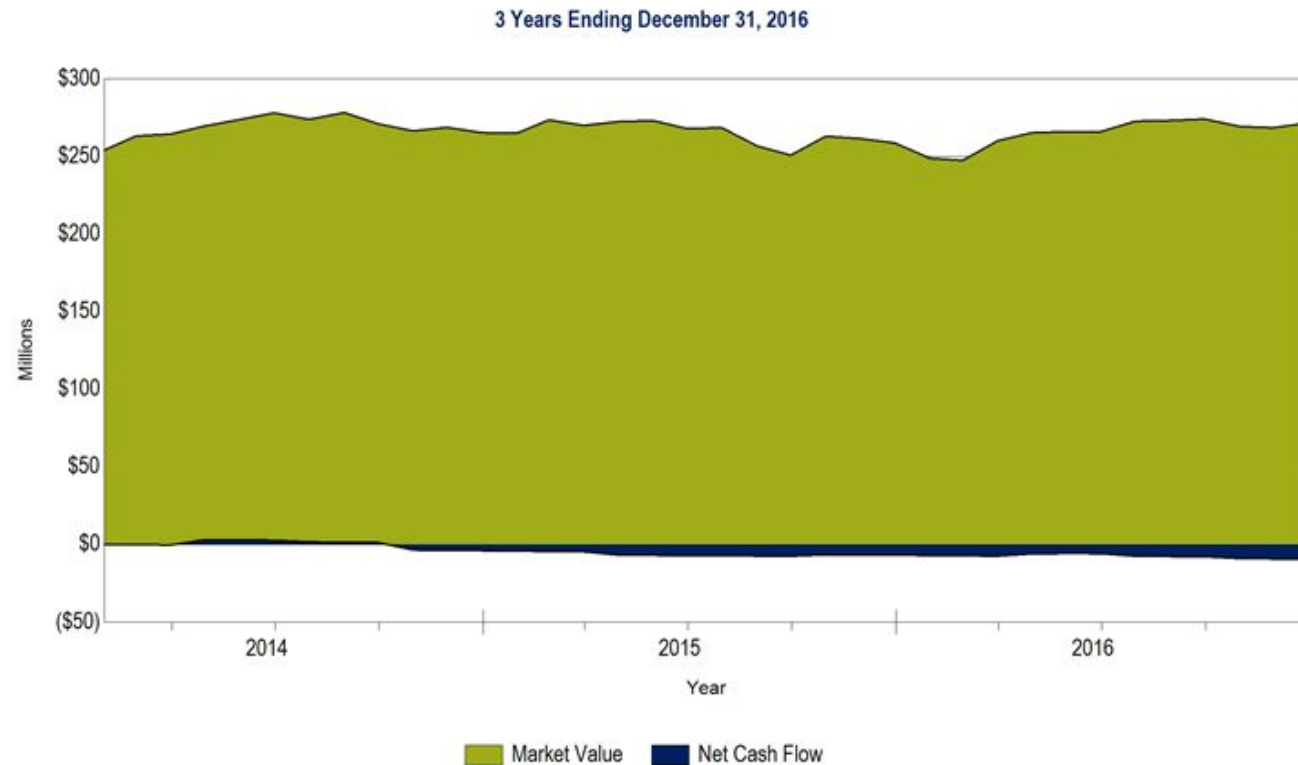
Vehicle	Redemption Terms	Notice By	Redemption Date
EPFIH N.V.	Monthly 20 days notice	February 10, 2017	February 28, 2017
EPFIH Institutional (feeder)	Monthly 25 days notice	February 3, 2017	February 28, 2017
EPFIHE	Monthly 61 days Notice	January 27, 2017	March 31, 2017

- **Insert Memo**

Plan Summary and Statistics

University of Maine System Managed Investment Pool

Total Plan Asset Growth Summary



	Last Three Months	Fiscal Year-To-Date	One Year	Three Years
Beginning Market Value	\$274,006,109	\$265,886,418	\$258,591,192	\$259,584,612
Net Cash Flow	-\$1,589,921	-\$3,572,041	-\$2,547,080	-\$9,559,122
Net Investment Change	-\$778,243	\$9,323,568	\$15,593,832	\$21,612,454
Ending Market Value	\$271,637,945	\$271,637,945	\$271,637,945	\$271,637,945

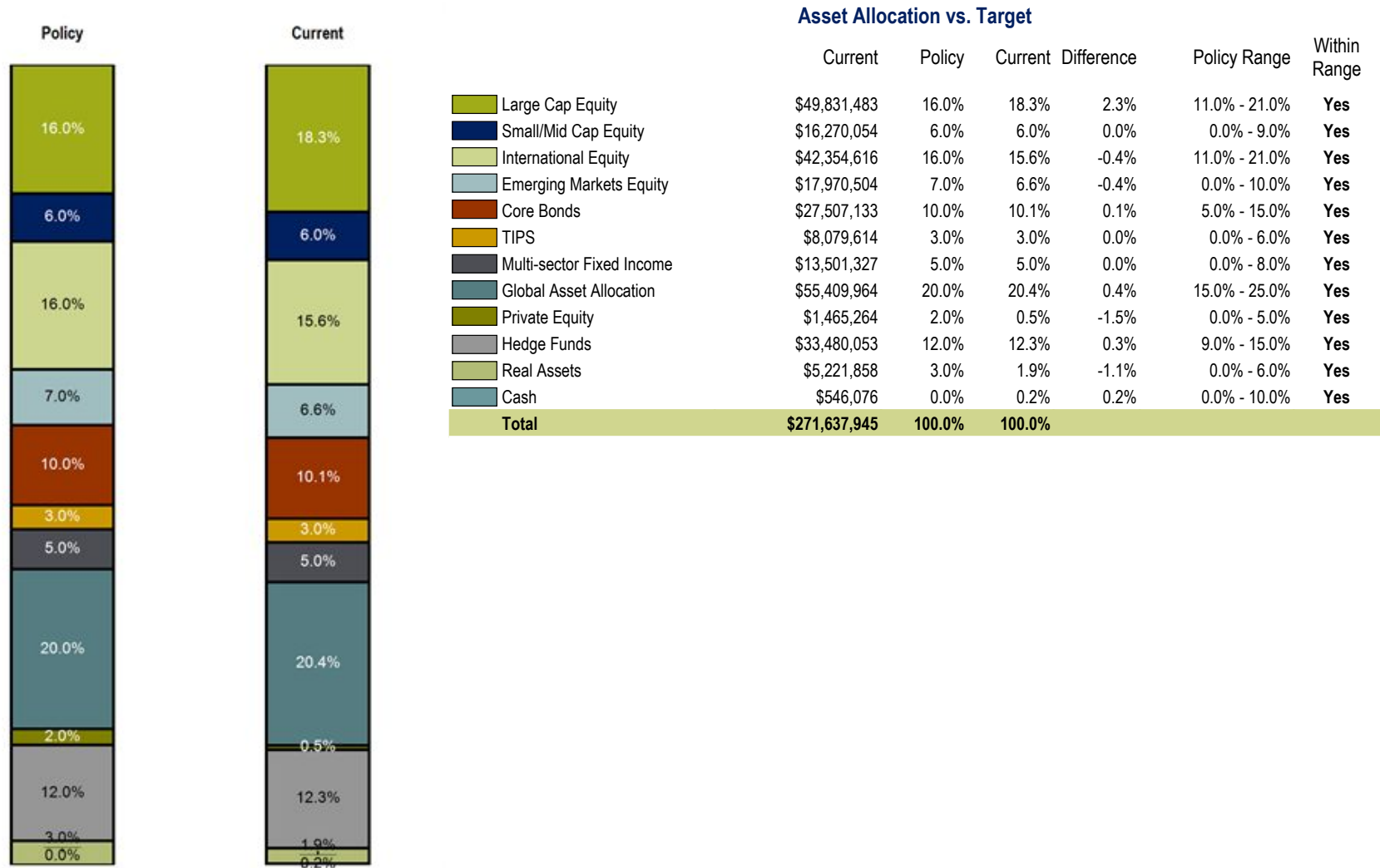
University of Maine System Managed Investment Pool

Total Plan Asset Growth Summary by Manager

	3 Months Ending December 31, 2016					
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value
Aberdeen Emerging Mkts	\$9,703,877	-\$26,100	\$500,000	\$473,900	-\$523,683	\$9,654,094
Commonfund	\$27,450,831	-\$10,854	\$800,000	\$789,146	-\$732,845	\$27,507,133
Cube	\$199,925	-\$201,608	\$0	-\$201,608	\$1,683	--
DFA	\$8,574,602	-\$1,808,799	\$0	-\$1,808,799	\$1,201,421	\$7,967,224
Distribution Account	\$1,757,748	-\$6,865,672	\$5,653,999	-\$1,211,673	\$0	\$546,076
EntrustPermal	\$15,988,607	\$0	\$0	\$0	\$502,721	\$16,491,328
Globeflex	\$22,608,817	-\$1,039,159	\$0	-\$1,039,159	-\$581,593	\$20,988,065
GMO Global Absolute Return	\$18,717,130	-\$46,425	\$350,000	\$303,575	-\$197,026	\$18,823,679
John Hancock Timber Fund	\$5,635,278	-\$140,000	\$0	-\$140,000	-\$273,420	\$5,221,858
Landmark Equity Partners XV	\$1,392,837	-\$90,399	\$162,826	\$72,427	\$0	\$1,465,264
Lighthouse	\$15,861,160	\$0	\$1,000,000	\$1,000,000	\$127,565	\$16,988,725
Loomis Sayles Fixed Income	\$13,576,042	-\$19,148	\$0	-\$19,148	-\$55,567	\$13,501,327
Mondrian EM Small Cap	\$10,904,363	-\$1,838,660	\$0	-\$1,838,660	-\$749,293	\$8,316,410
Morgan Stanley	\$21,882,940	-\$49,961	\$0	-\$49,961	-\$466,427	\$21,366,551
Newton Global Real Return	\$16,378,508	-\$884,836	\$3,100,000	\$2,215,164	-\$768,534	\$17,825,138
SSgA S&P 500	\$47,996,024	-\$12,000	\$0	-\$12,000	\$1,847,459	\$49,831,483
Vanguard Inflation-Protected Securities	\$8,302,129	-\$1,425	\$0	-\$1,425	-\$221,090	\$8,079,614
Wellington	\$18,831,269	-\$86,061	\$0	-\$86,061	\$15,938	\$18,761,146
Westfield Capital	\$8,244,021	-\$35,639	\$0	-\$35,639	\$94,448	\$8,302,830
Total	\$274,006,109	-\$13,156,746	\$11,566,825	-\$1,589,921	-\$778,243	\$271,637,945

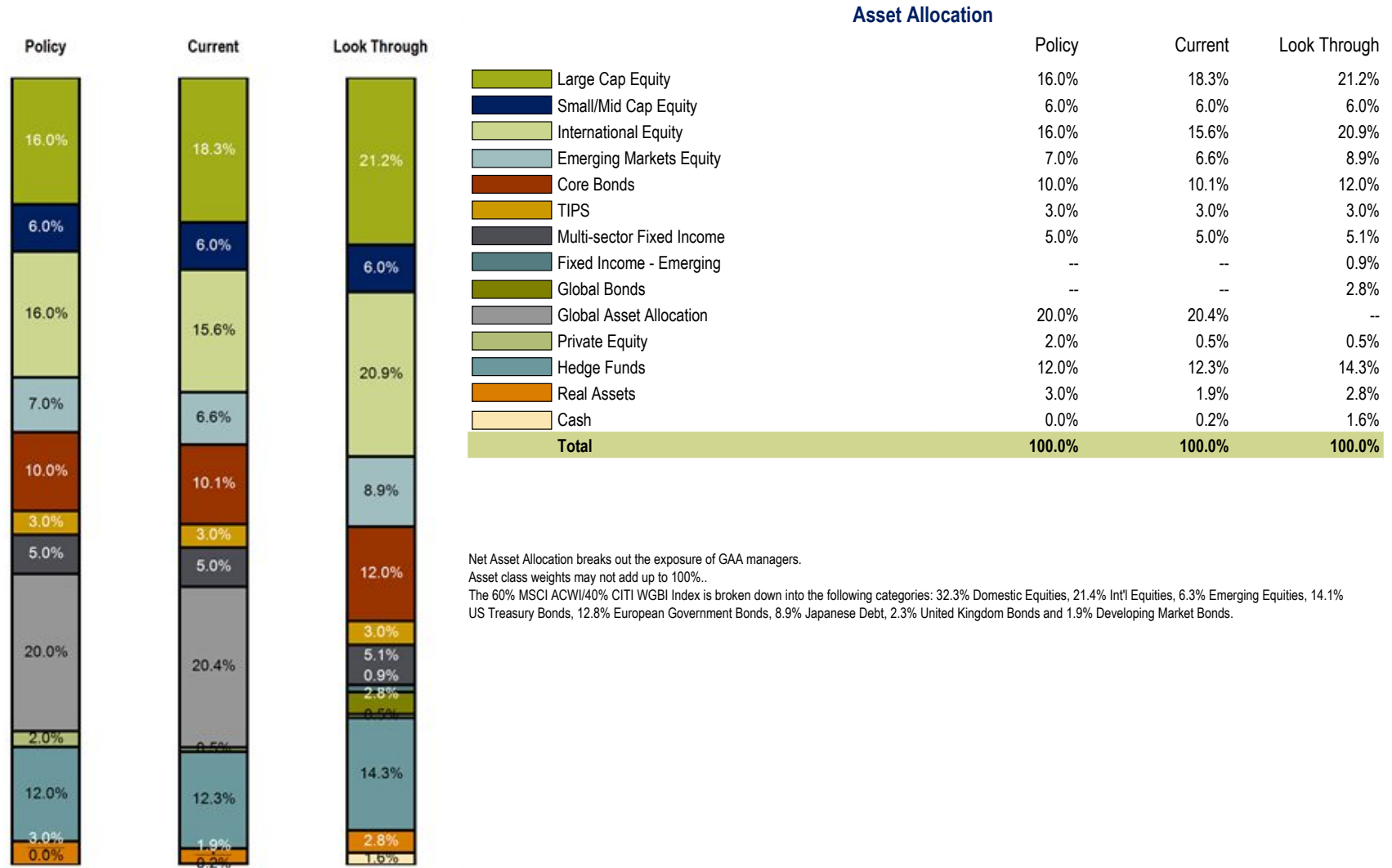
University of Maine System Managed Investment Pool

Total Plan Asset Allocation vs. Policy Targets



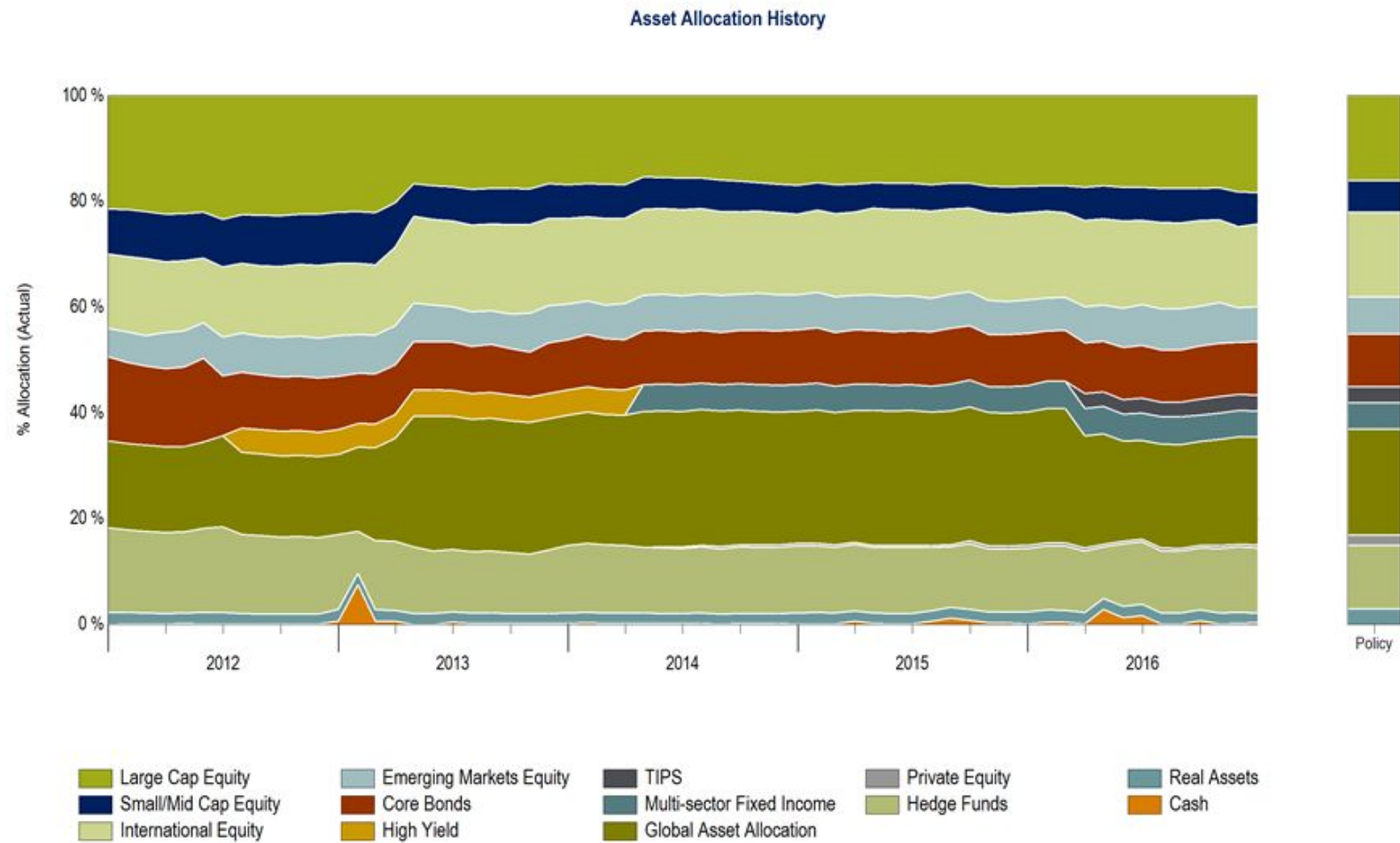
University of Maine System Managed Investment Pool

Asset Class Allocations



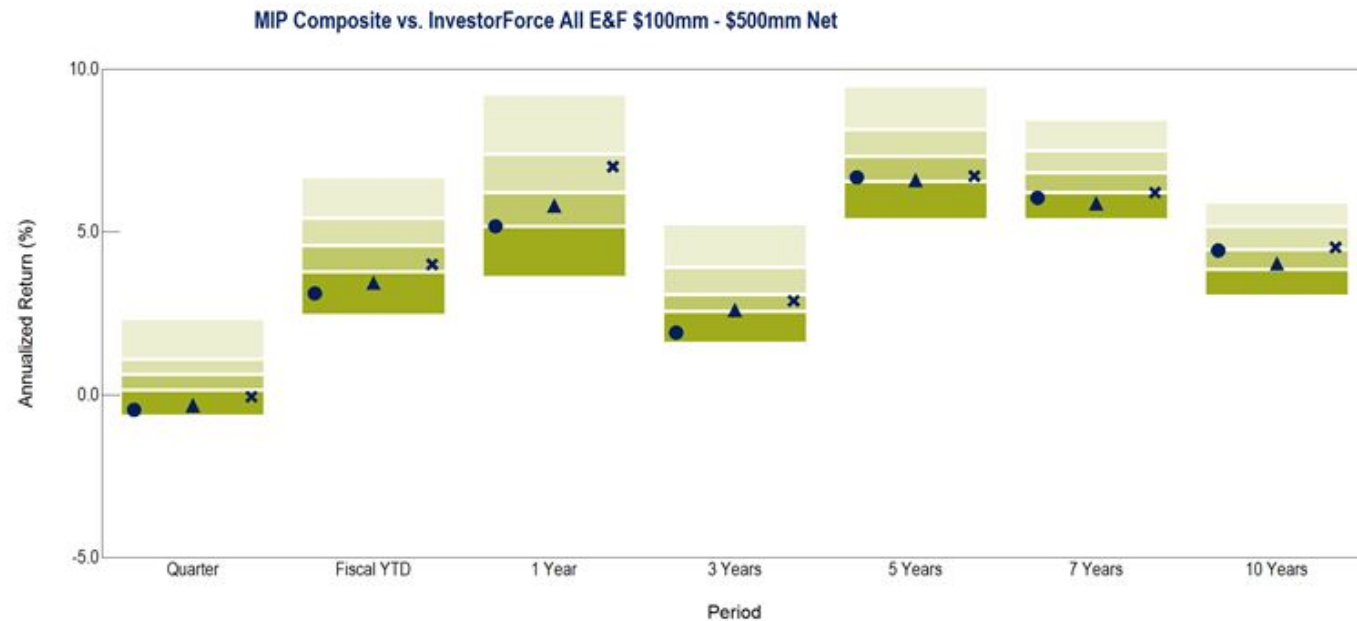
University of Maine System Managed Investment Pool

Total Plan Asset Allocation History



University of Maine System Managed Investment Pool

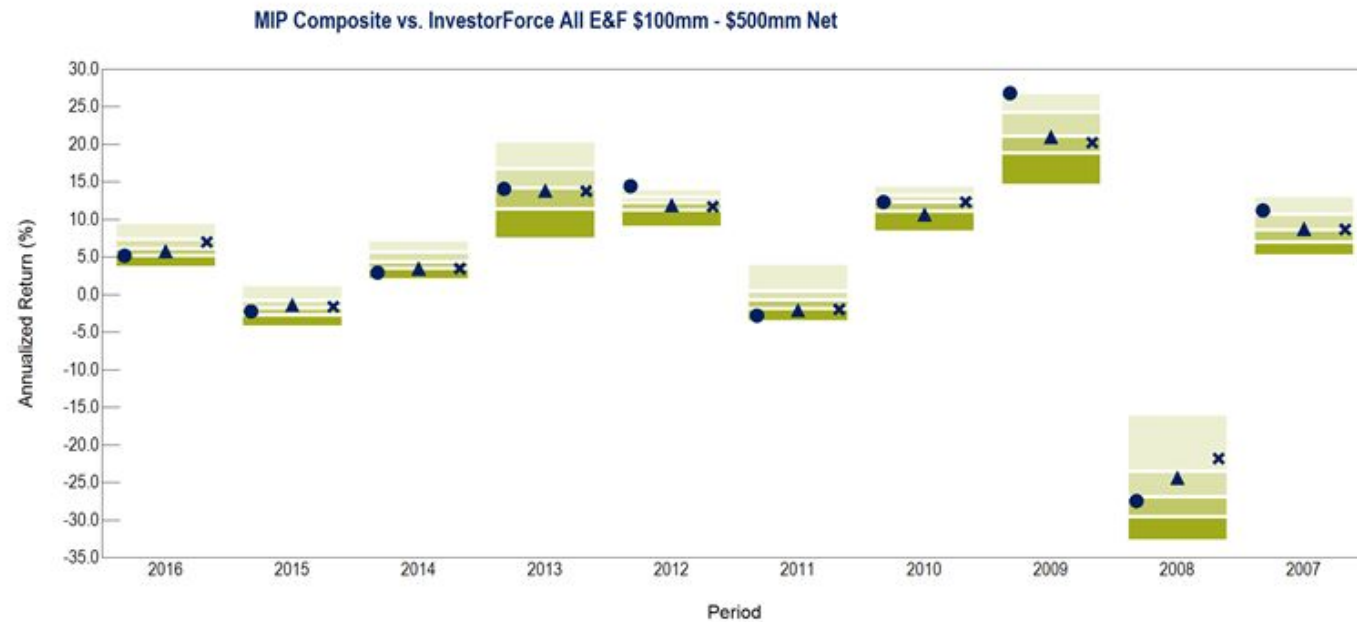
Total Plan Return Summary vs. Peer Universe (Net of Fees)



		Return (Rank)													
5th Percentile		2.3	6.7		9.2		5.2		9.5		8.5		5.9		
25th Percentile		1.1	5.4		7.4		3.9		8.2		7.5		5.2		
Median		0.6	4.6		6.2		3.1		7.3		6.8		4.5		
75th Percentile		0.2	3.8		5.2		2.6		6.6		6.2		3.9		
95th Percentile		-0.6	2.4		3.6		1.6		5.4		5.4		3.0		
# of Portfolios		186	186		186		178		168		160		141		
●	MIP Composite	-0.5	(92)	3.1	(91)	5.2	(76)	1.9	(91)	6.7	(72)	6.0	(82)	4.4	(53)
▲	Allocation Index	-0.3	(89)	3.4	(84)	5.8	(58)	2.6	(75)	6.6	(75)	5.9	(85)	4.0	(68)
×	Policy Index	-0.1	(83)	4.0	(67)	7.0	(36)	2.9	(62)	6.7	(70)	6.2	(77)	4.5	(47)

University of Maine System Managed Investment Pool

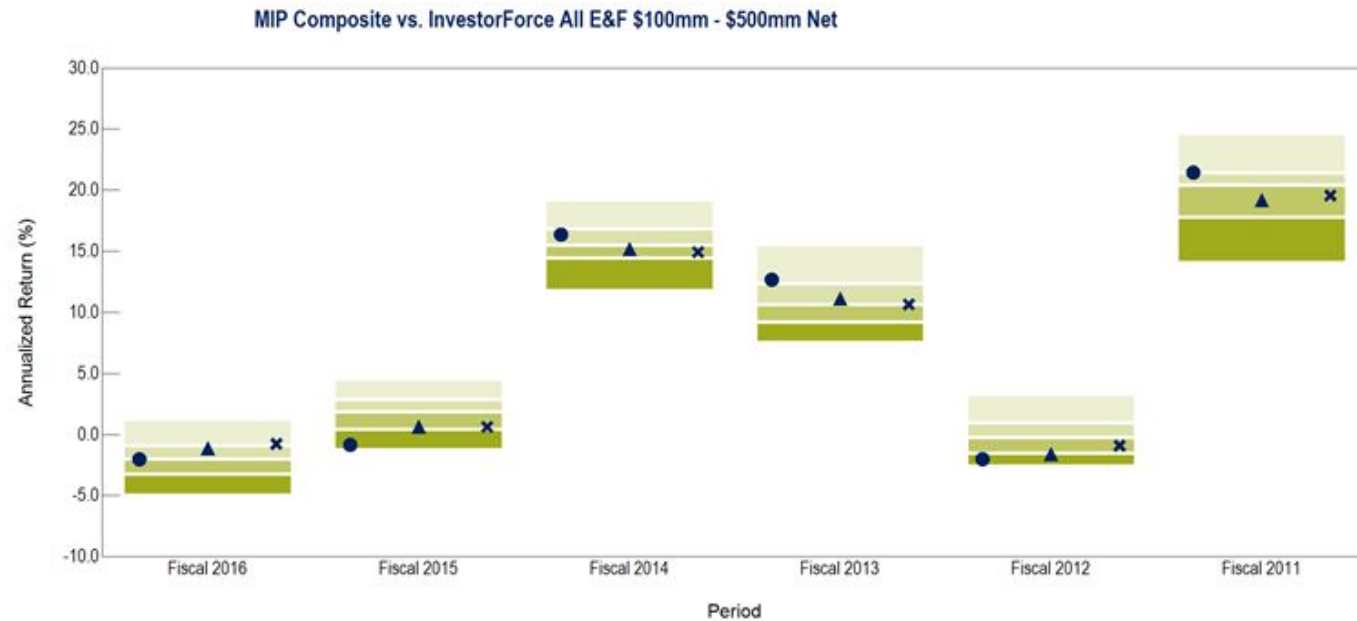
Total Plan Return Summary vs. Peer Universe (Net of Fees)



	Return (Rank)									
5th Percentile	9.6	1.3	7.3	20.5	14.1	4.2	14.6	26.9	-15.9	13.2
25th Percentile	7.4	-0.7	5.7	16.8	13.0	0.5	13.3	24.3	-23.4	10.7
Median	6.2	-1.7	4.4	14.2	12.3	-0.6	12.4	21.1	-26.9	8.7
75th Percentile	5.2	-2.7	3.6	11.5	11.3	-1.8	11.1	18.9	-29.5	7.0
95th Percentile	3.6	-4.3	2.0	7.4	9.0	-3.6	8.3	14.6	-32.7	5.2
# of Portfolios	158	142	98	75	78	75	70	69	67	62
● MIP Composite	5.2 (77)	-2.2 (64)	2.9 (86)	14.1 (53)	14.4 (3)	-2.8 (90)	12.3 (53)	26.8 (9)	-27.4 (57)	11.2 (15)
▲ Allocation Index	5.8 (58)	-1.4 (44)	3.5 (77)	13.9 (57)	11.9 (58)	-2.1 (79)	10.7 (83)	21.0 (52)	-24.3 (30)	8.8 (50)
× Policy Index	7.0 (37)	-1.6 (48)	3.5 (78)	13.8 (57)	11.7 (64)	-2.0 (78)	12.3 (51)	20.2 (66)	-21.8 (16)	8.7 (50)

University of Maine System Managed Investment Pool

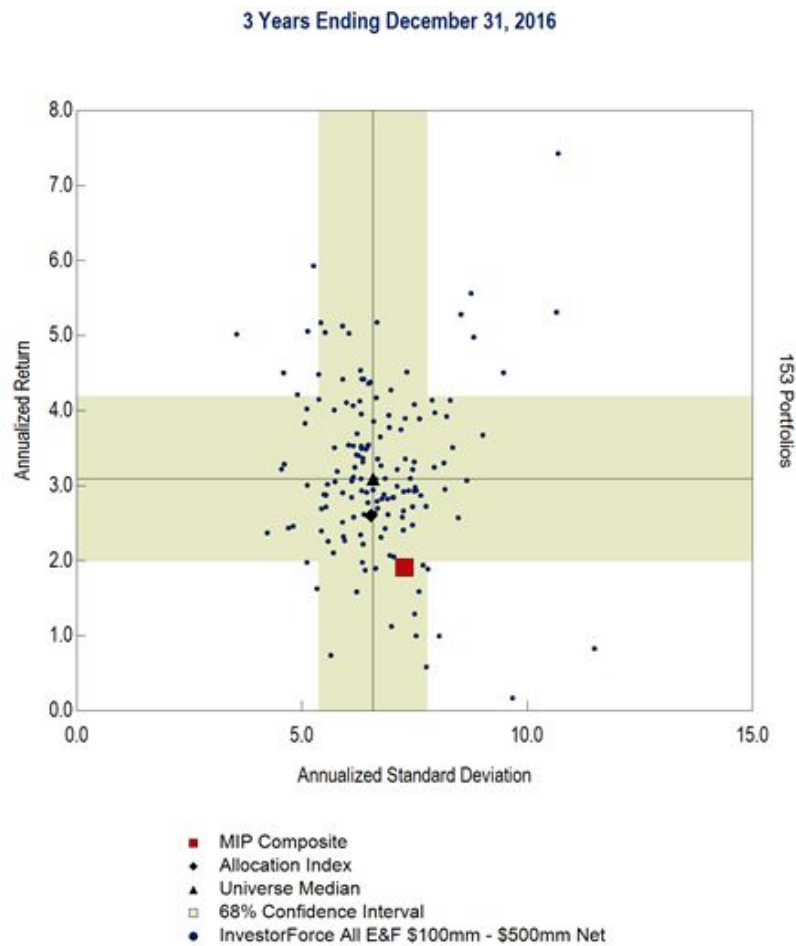
Total Plan Return Summary vs. Peer Universe (Net of Fees)



	Return (Rank)											
5th Percentile	1.2		4.5		19.2		15.5		3.3	24.7		
25th Percentile	-0.9		2.9		16.9		12.4		1.0	21.4		
Median	-2.0		1.9		15.5		10.7		-0.2	20.4		
75th Percentile	-3.2		0.4		14.5		9.2		-1.5	17.8		
95th Percentile	-4.9		-1.2		11.8		7.6		-2.6	14.1		
# of Portfolios	157		130		83		81		75	73		
● MIP Composite	-2.0	(51)	-0.8	(94)	16.4	(32)	12.7	(23)	-2.0	(88)	21.4	(24)
▲ Allocation Index	-1.1	(29)	0.7	(70)	15.2	(63)	11.1	(45)	-1.6	(83)	19.2	(66)
× Policy Index	-0.8	(24)	0.6	(70)	14.9	(65)	10.7	(50)	-0.9	(66)	19.6	(60)

University of Maine System Managed Investment Pool

Total Plan Risk/Return - 3 Years



3 Years Ending December 31, 2016

	Anlzd Ret	Rank	Anlzd Std Dev	Rank
MIP Composite	1.9%	92	7.3%	73
Allocation Index	2.6%	76	6.5%	50
Policy Index	2.9%	63	6.6%	50
InvestorForce All E&F \$100mm - \$500mm Net Median	3.1%	--	6.6%	--

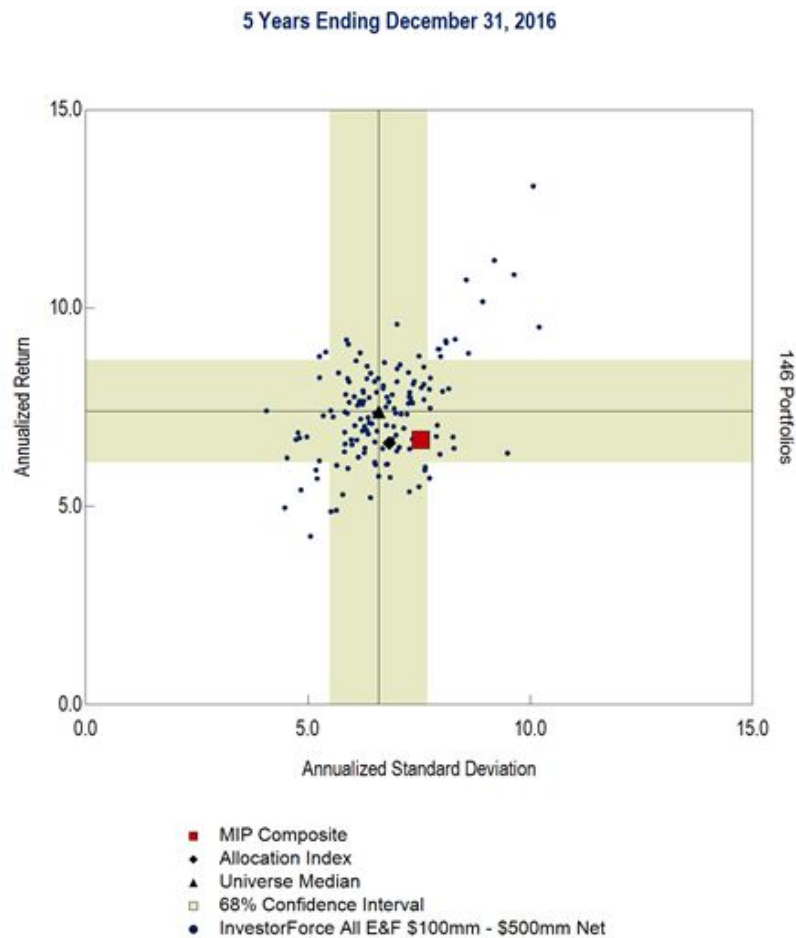
3 Years Ending December 31, 2016

	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
MIP Composite	0.2	93	0.4	94
Allocation Index	0.4	73	0.6	64
Policy Index	0.4	59	0.7	53
InvestorForce All E&F \$100mm - \$500mm Net Median	0.5	--	0.8	--

*Returns are net of fees.

University of Maine System Managed Investment Pool

Total Plan Risk/Return - 5 Years



5 Years Ending December 31, 2016

	Anlzd Ret	Rank	Anlzd Std Dev	Rank
MIP Composite	6.7%	74	7.5%	80
Allocation Index	6.6%	75	6.8%	58
Policy Index	6.7%	70	6.8%	55
InvestorForce All E&F \$100mm - \$500mm Net Median	7.4%	--	6.6%	--

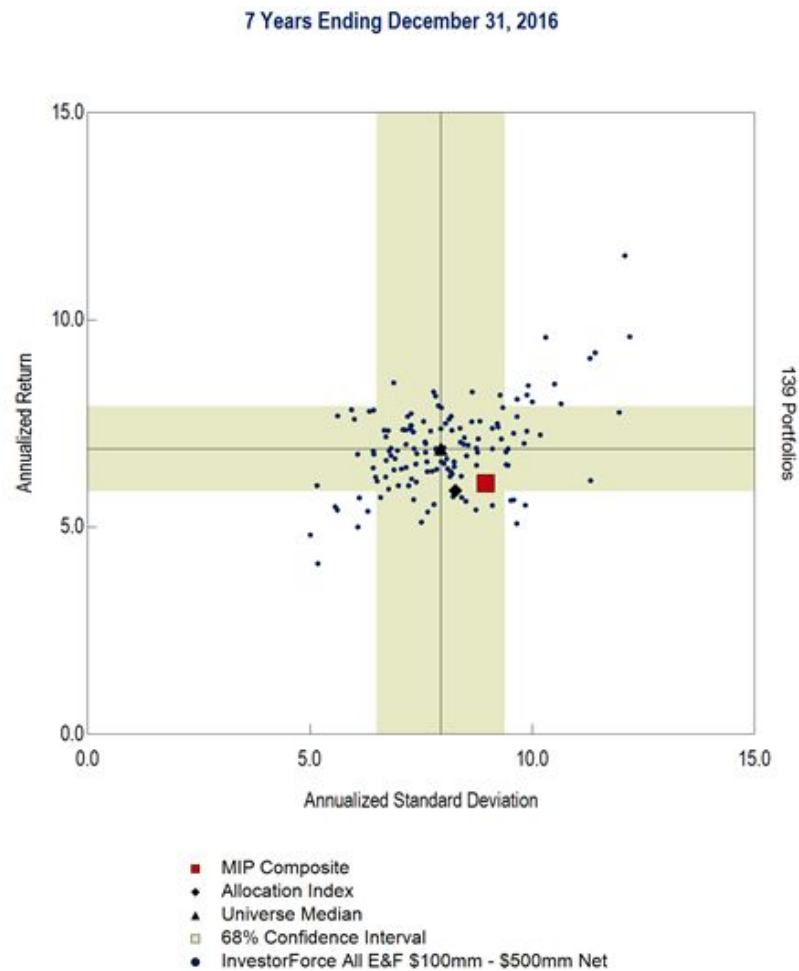
5 Years Ending December 31, 2016

	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
MIP Composite	0.9	89	1.3	88
Allocation Index	1.0	80	1.4	79
Policy Index	1.0	77	1.5	66
InvestorForce All E&F \$100mm - \$500mm Net Median	1.1	--	1.7	--

*Returns are net of fees.

University of Maine System Managed Investment Pool

Total Plan Risk/Return - 7 Years



7 Years Ending December 31, 2016

	Anlzd Ret	Rank	Anlzd Std Dev	Rank
MIP Composite	6.0%	83	9.0%	75
Allocation Index	5.9%	85	8.3%	62
Policy Index	6.2%	77	8.2%	60
InvestorForce All E&F \$100mm - \$500mm Net Median	6.9%	--	7.9%	--

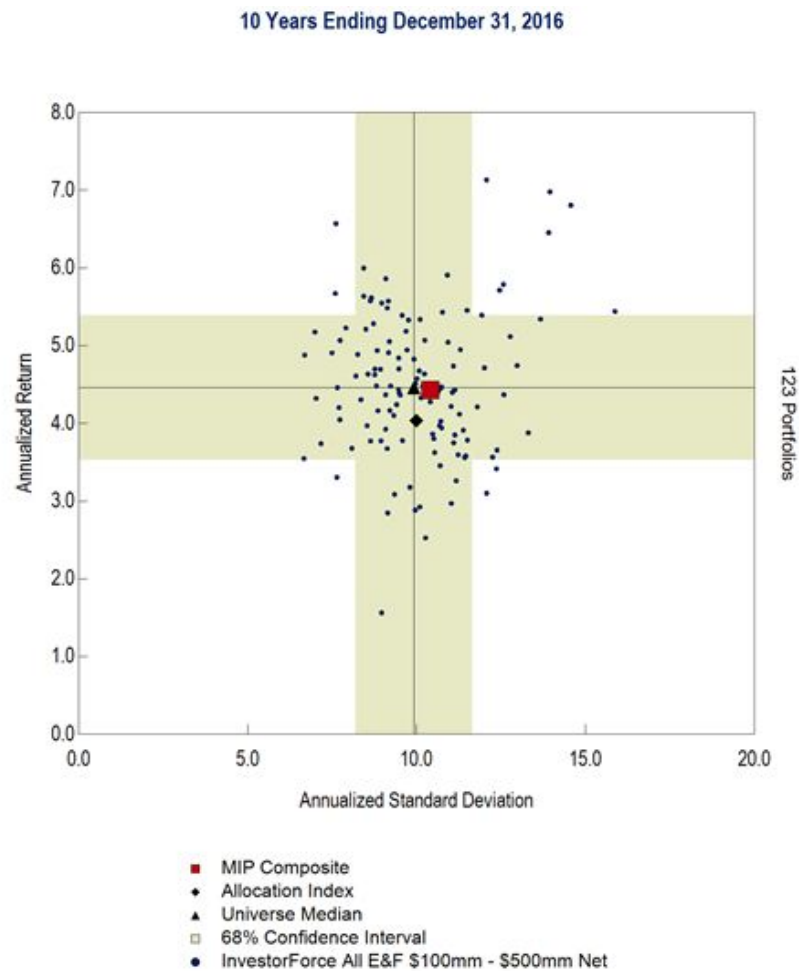
7 Years Ending December 31, 2016

	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
MIP Composite	0.7	94	1.0	95
Allocation Index	0.7	87	1.1	86
Policy Index	0.7	82	1.2	63
InvestorForce All E&F \$100mm - \$500mm Net Median	0.8	--	1.3	--

*Returns are net of fees.

University of Maine System Managed Investment Pool

Total Plan Risk/Return - 10 Years



10 Years Ending December 31, 2016

	Anlzd Ret	Rank	Anlzd Std Dev	Rank
MIP Composite	4.4%	54	10.4%	61
Allocation Index	4.0%	70	10.0%	53
Policy Index	4.5%	46	9.5%	45
InvestorForce All E&F \$100mm - \$500mm Net Median	4.5%	--	9.9%	--

10 Years Ending December 31, 2016

	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
MIP Composite	0.4	60	0.5	48
Allocation Index	0.3	70	0.4	60
Policy Index	0.4	44	0.5	29
InvestorForce All E&F \$100mm - \$500mm Net Median	0.4	--	0.5	--

*Returns are net of fees.

University of Maine System Managed Investment Pool

Total Plan Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
MIP Composite	271,637,945	100.0	100.0	-0.5	3.1	5.2	1.4	1.9	6.7	6.0	4.4
Allocation Index				-0.3	3.4	5.8	2.2	2.6	6.6	5.9	4.0
Policy Index				-0.1	4.0	7.0	2.6	2.9	6.7	6.2	4.5
Total Domestic Large Cap	49,831,483	18.3	16.0	3.8	7.8	11.9	6.5	8.8	14.4	12.7	7.8
S&P 500				3.8	7.8	12.0	6.5	8.9	14.7	12.8	6.9
SSgA S&P 500	49,831,483	18.3	16.0	3.8	7.8	11.9	6.5	8.8	14.6	12.8	6.9
S&P 500				3.8	7.8	12.0	6.5	8.9	14.7	12.8	6.9
Total Domestic Small/Mid Cap	16,270,054	6.0	6.0	7.6	15.5	15.8	5.5	5.5	14.5	13.4	10.2
Russell 2500				6.1	13.1	17.6	6.9	6.9	14.5	13.6	7.7
Westfield Capital	8,302,830	3.1	3.0	1.0	8.1	4.2	0.6	2.8	12.3	12.8	9.3
Russell 2500 Growth				2.6	9.8	9.7	4.7	5.4	13.9	13.5	8.2
DFA	7,967,224	2.9	3.0	13.5	22.0	26.9	9.4	7.2	16.0	--	--
Russell 2000 Value				14.1	24.2	31.7	10.4	8.3	15.1	13.1	6.3
Total International Equity (including emerging markets)	60,325,121	22.2	23.0	-4.0	1.0	0.3	-1.1	-2.1	5.0	3.9	1.2
MSCI EAFE				-0.7	5.7	1.0	0.1	-1.6	6.5	3.8	0.7
Morgan Stanley	21,366,551	7.9	8.0	-2.4	0.1	-2.0	-0.8	-2.6	5.9	3.9	1.5
Globeflex	20,988,065	7.7	8.0	-2.9	4.6	-0.8	0.9	-1.0	7.3	5.0	--
MSCI EAFE				-0.7	5.7	1.0	0.1	-1.6	6.5	3.8	0.7
Emerging Markets Equity	17,970,504	6.6	7.0	-7.3	-2.1	3.7	-4.3	-2.9	1.3	--	--
MSCI Emerging Markets				-4.2	4.5	11.2	-2.7	-2.6	1.3	0.5	1.8
Aberdeen Emerging Mkts	9,654,094	3.6	3.5	-5.8	-0.8	12.0	-1.7	-1.9	1.9	3.2	--
MSCI Emerging Markets				-4.2	4.5	11.2	-2.7	-2.6	1.3	0.5	1.8
Mondrian EM Small Cap	8,316,410	3.1	3.5	-8.9	-3.5	-3.6	-6.7	--	--	--	--
MSCI Emerging Markets Small Cap				-6.2	0.9	2.3	-2.4	-1.3	3.5	1.4	3.4
Total Fixed Income	49,088,074	18.1	18.0	-2.1	-0.4	5.4	1.5	2.9	4.2	5.1	4.9
BBgBarc US Aggregate TR				-3.0	-2.5	2.6	1.6	3.0	2.2	3.6	4.3
Commonfund	27,507,133	10.1	10.0	-2.7	-1.5	3.5	1.6	3.0	3.5	4.5	4.8
BBgBarc US Aggregate TR				-3.0	-2.5	2.6	1.6	3.0	2.2	3.6	4.3
Loomis Sayles Fixed Income	13,501,327	5.0	5.0	-0.6	2.8	9.9	1.6	--	--	--	--
BBgBarc Global Aggregate TR				-7.1	-6.3	2.1	-0.6	-0.2	0.2	1.7	3.3
Vanguard Inflation-Protected Securities	8,079,614	3.0	3.0	-2.7	-1.7	--	--	--	--	--	--
BBgBarc US TIPS TR				-2.4	-1.5	4.7	1.6	2.3	0.9	3.4	4.4

University of Maine System Managed Investment Pool

Total Plan Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Total GAA	55,409,964	20.4	20.0	-2.1	1.3	4.4	0.0	0.3	3.9	3.5	--
65% MSCI ACWI (Net) / 35% BBgBarc Global Agg				-1.7	1.9	6.0	1.7	2.1	6.2	5.5	3.8
GMO Global Absolute Return	18,823,679	6.9	6.6	-1.5	2.0	3.7	-0.2	0.3	4.1	4.0	4.4
Blended Index				-1.6	0.0	6.1	3.0	3.6	3.8	5.0	5.1
Wellington	18,761,146	6.9	6.7	-0.5	5.3	5.8	2.9	2.1	5.9	4.1	--
65% MSCI ACWI (Net) / 35% BBgBarc Global Agg				-1.7	1.9	6.0	1.7	2.1	6.2	5.5	3.8
Newton Global Real Return	17,825,138	6.6	6.7	-4.4	-5.0	--	--	--	--	--	--
60% MSCI ACWI (Net)/ 40% BBgBarc Global Agg				-2.2	1.3	5.7	1.5	1.9	5.8	5.2	3.8
Total Hedge Funds	33,480,053	12.3	12.0	1.9	4.1	2.7	-0.2	0.3	2.7	1.7	2.4
HFRI Fund of Funds Composite Index				0.9	3.2	0.5	0.1	1.2	3.4	2.4	1.3
EntrustPermal	16,491,328	6.1	6.0	3.1	4.9	4.4	0.1	0.5	4.6	4.1	--
HFRI Fund of Funds Composite Index				0.9	3.2	0.5	0.1	1.2	3.4	2.4	1.3
Lighthouse	16,988,725	6.3	6.0	0.7	3.3	0.2	--	--	--	--	--
Credit Suisse Long Shrt Eqt USD				-0.2	1.7	-3.4	0.0	1.8	6.1	4.5	4.0
Total Real Assets	5,221,858	1.9	3.0	-4.9	-4.8	-5.7	-1.1	1.2	6.3	--	--
NCREIF Timberland Index				1.2	1.9	2.7	3.8	6.0	7.1	5.2	5.8
John Hancock Timber Fund	5,221,858	1.9	3.0	-4.9	-4.8	-5.7	-1.1	1.2	6.3	3.7	1.2
NCREIF Timberland Index				1.2	1.9	2.7	3.8	6.0	7.1	5.2	5.8
Private Equity	1,465,264	0.5	2.0	0.0	2.5	5.1	4.2	--	--	--	--
Landmark Equity Partners XV	1,465,264	0.5	2.0	0.0	2.5	5.1	4.2	--	--	--	--
Cambridge Associates US All PE (1 Qtr Lag)				3.8	7.9	8.7	7.3	10.7	13.1	13.9	10.8
Total Cash	546,076	0.2	0.0								
Distribution Account	546,076	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.9
91 Day T-Bills				0.1	0.2	0.3	0.2	0.1	0.1	0.1	0.7

Notes:

Fiscal YTD begins 7/1

Blended Index: 40% BC Aggregate, 30% BC U.S. TIPS 1-10YR, 10% S&P 500, 10% BC High Yield, 10% JPM EMBI+

Returns are net of manager fees

John Hancock Timber market value as of 12/31/16

Landmark market value estimated as of 12/31/16

University of Maine System Managed Investment Pool

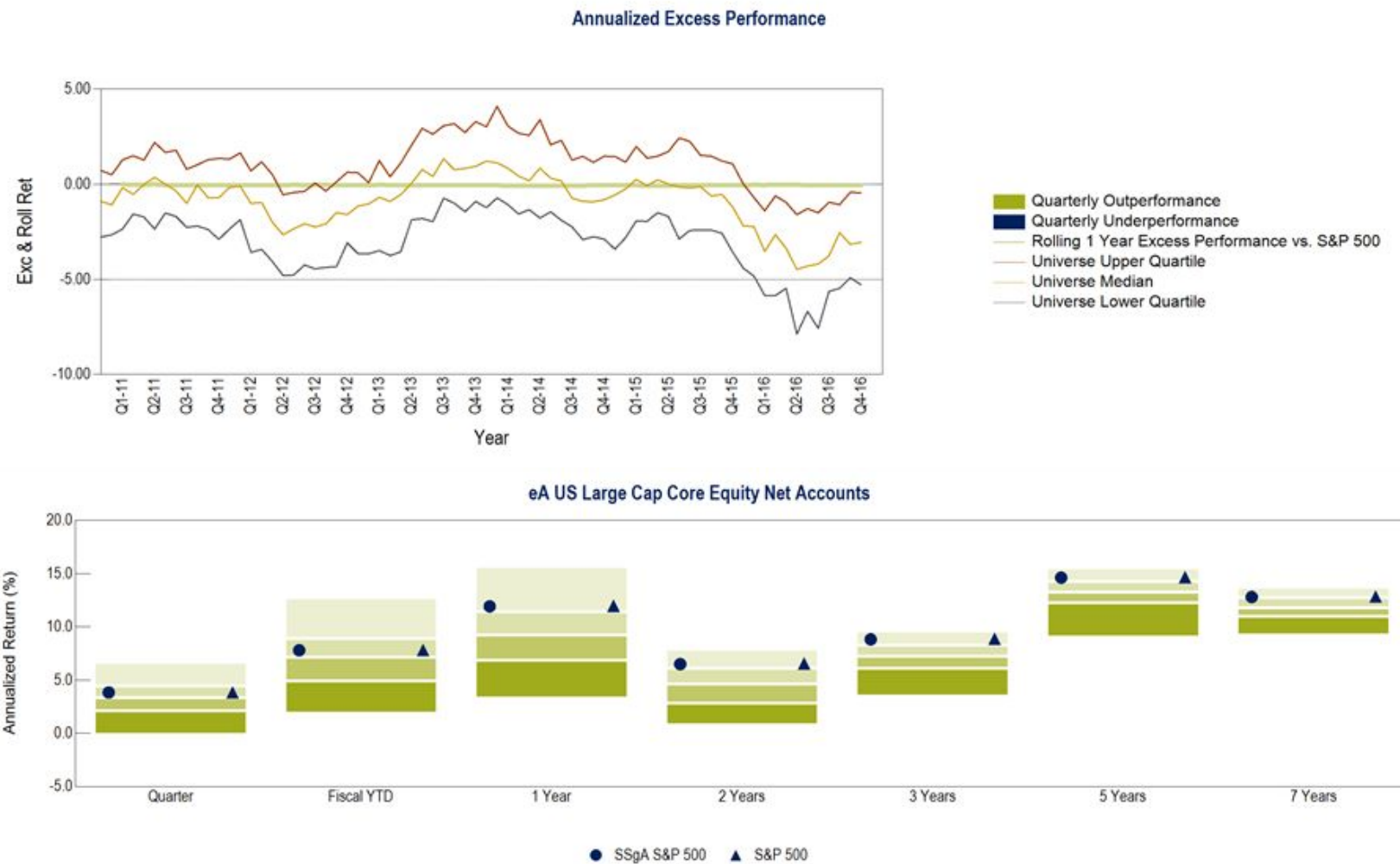
Private Markets Update

- **The System invests in a number of private markets assets, committing capital for longer time periods to obtain illiquidity premiums and exposure to alternative markets**
- **Landmark Equity Partners XV**
 - Secondary Private Equity fund, purchasing interests in venture capital, growth equity and buyout funds, and to a lesser extent, special situation and energy funds
 - Strategy is diversified, investing in ~200 partnerships
 - Fund has a 4 year investment period and 10 year term
 - The System committed \$5 million in 2014 and has a remaining commitment of \$2.95 million
 - Since inception, the strategy has an IRR of 14.9%, net of fees (6/30/16)
- **Hancock Timberland VII**
 - Private Real Asset Timber Fund structured for the purpose of making direct and indirect investments in commercial timberland
 - The System has been invested in the strategy since 2005
 - Fund has a 3 year acquisition period, 8 year investment period, 2 year wind up period and 2 year extension period (estimated)
 - The System committed \$5 million in 2005 and there are no remaining commitments, the Fund is winding up
 - Since inception, the strategy has an IRR of 1.4%, net of fees (12/31/16)

Manager Analysis

University of Maine System Managed Investment Pool

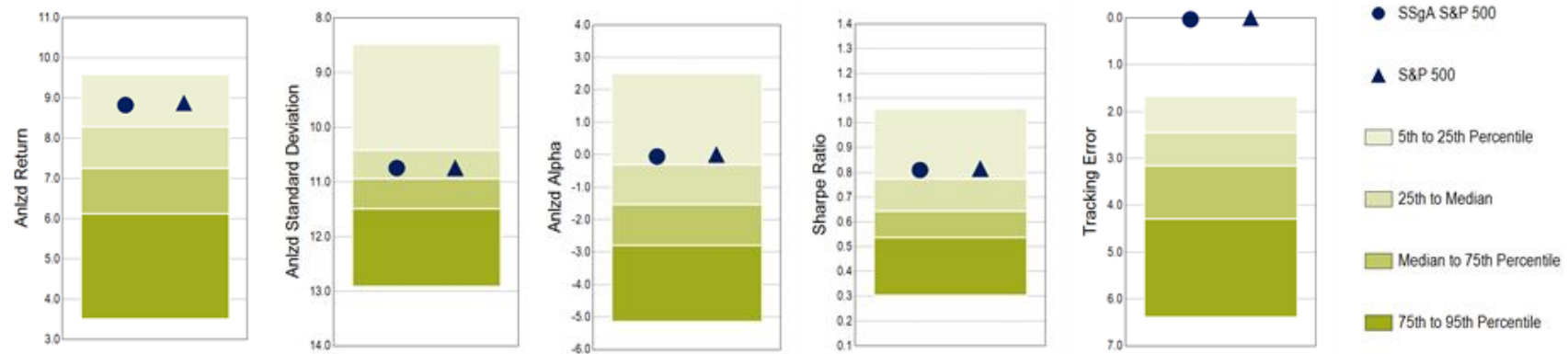
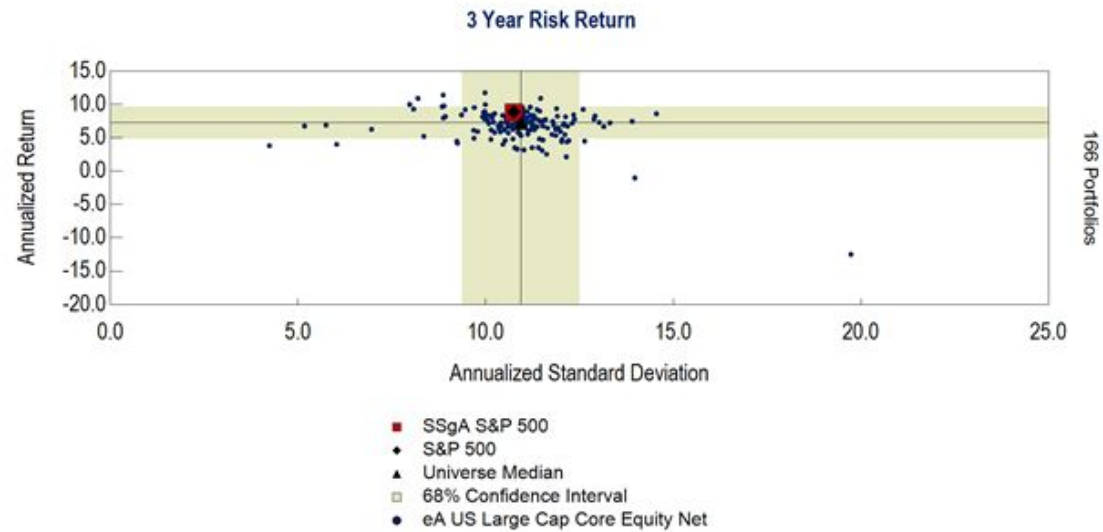
SSgA S&P 500



*Returns are net of fees.

University of Maine System Managed Investment Pool

SSgA S&P 500



*Returns are net of fees.

University of Maine System Managed Investment Pool

SSgA S&P 500

Characteristics

	Portfolio	S&P 500
Number of Holdings	507	505
Weighted Avg. Market Cap. (\$B)	139.0	138.5
Median Market Cap. (\$B)	18.8	18.8
Price To Earnings	23.1	22.3
Price To Book	4.7	4.4
Price To Sales	3.5	3.3
Return on Equity (%)	20.9	18.5
Yield (%)	2.1	2.1
Beta		1.0
R-Squared		1.0

Top Positive Contributors

	Relative Contribution %	Return %
GOLDMAN SACHS GP.	0.0%	48.9%
SYNCHRONY FINANCIAL	0.0%	30.1%
MORGAN STANLEY	0.0%	32.6%
FREEMPORT-MCMORAN	0.0%	21.5%
SOUTHWEST AIRLINES	0.0%	28.4%
CITIZENS FINANCIAL GROUP	0.0%	44.8%
LINCOLN NATIONAL	0.0%	41.8%
JP MORGAN CHASE & CO.	0.0%	30.5%
DELTA AIR LINES	0.0%	25.5%
DEERE	0.0%	21.4%

Top Negative Contributors

	Relative Contribution %	Return %
NIELSEN	0.0%	-21.1%
MEDTRONIC	0.0%	-17.1%
BANK OF AMERICA	0.0%	41.7%
XEROX	0.0%	-13.1%
WELLS FARGO & CO	0.0%	25.5%
PENTAIR	0.0%	-12.2%
DOW CHEMICAL	0.0%	11.3%
CHEVRON	0.0%	15.5%
CONOCOPHILLIPS	0.0%	16.0%
METLIFE	0.0%	22.3%

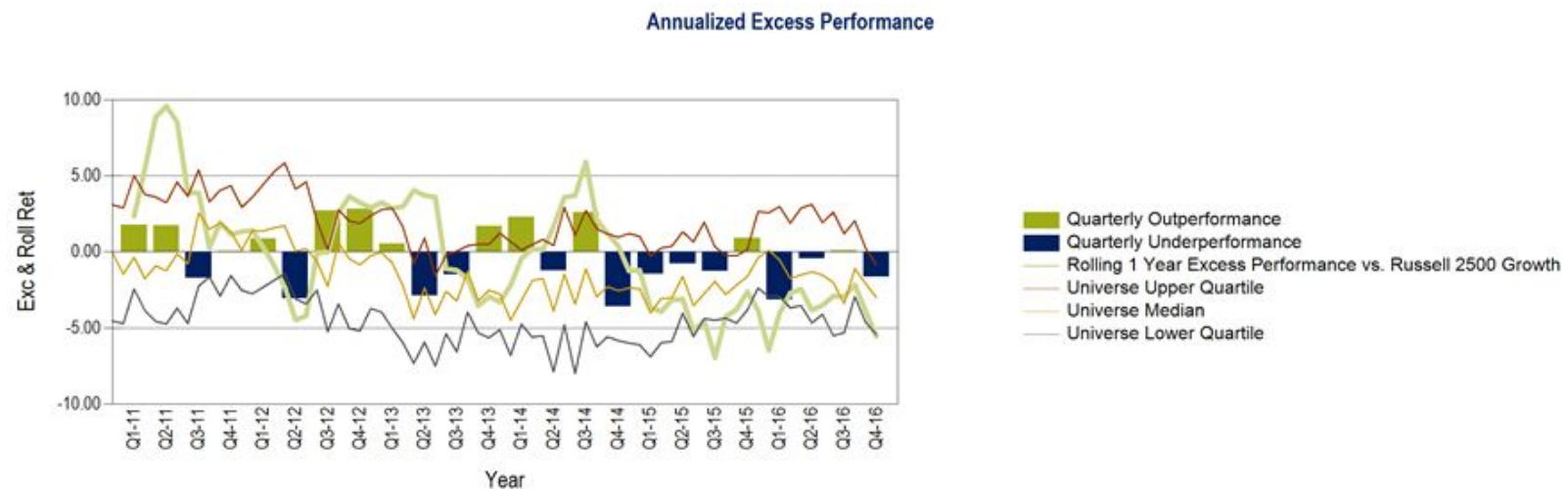
Equity Sector Attribution

	Attribution Effects								Returns		Ending Sector Weights	
	Total		Selection		Allocation		Interaction		Portfolio	Benchmark	Portfolio	Benchmark
	Effects		Effect		Effect		Effects					
Energy	0.0%		0.0%		0.0%		0.0%		7.3%	7.3%	7.5%	7.6%
Materials	0.0%		0.0%		0.0%		0.0%		4.3%	4.8%	2.8%	2.9%
Industrials	0.0%		0.0%		0.0%		0.0%		7.2%	6.8%	10.3%	10.2%
Consumer Discretionary	0.0%		0.0%		0.0%		0.0%		2.3%	2.3%	12.0%	12.0%
Consumer Staples	0.0%		0.0%		0.0%		0.0%		-1.9%	-1.9%	9.4%	9.4%
Health Care	0.0%		0.0%		0.0%		0.0%		-4.0%	-4.0%	13.6%	13.6%
Financials	0.3%		0.8%		-0.4%		-0.1%		21.1%	16.2%	14.9%	14.8%
Information Technology	0.0%		0.0%		0.0%		0.0%		1.2%	1.2%	20.8%	20.8%
Telecommunication Services	0.0%		0.0%		0.0%		0.0%		4.8%	4.8%	2.7%	2.7%
Utilities	0.0%		0.0%		0.0%		0.0%		0.1%	0.1%	3.1%	3.2%
Real Estate	-0.3%		0.0%		-0.3%		0.0%		-4.5%	-4.5%	2.8%	2.9%
Cash	0.0%		--		--		--		--	--	0.0%	0.0%
Unclassified	0.0%		--		--		--		--	--	0.1%	0.0%
Portfolio	0.0%	=	0.8%	+	-0.7%	+	-0.2%		3.8%	3.8%	100.0%	100.0%

*Attribution on manager pages is holdings based, using buy-and-hold assumptions from the beginning of period portfolio. Results may differ from actual performance. Returns are net of fees.

University of Maine System Managed Investment Pool

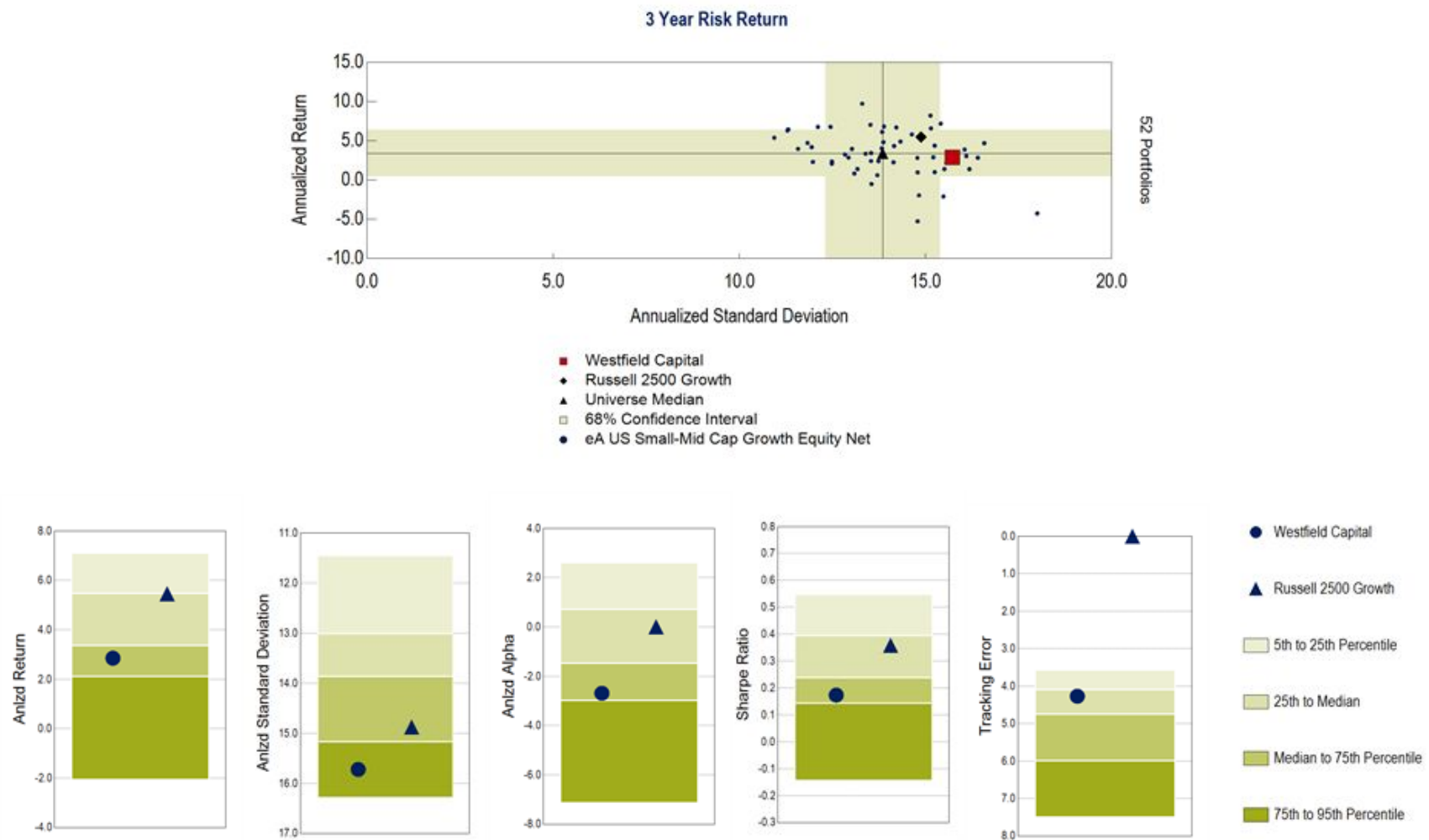
Westfield Capital



*Returns are net of fees.

University of Maine System Managed Investment Pool

Westfield Capital



*Returns are net of fees.

University of Maine System Managed Investment Pool

Westfield Capital

Characteristics			Top Positive Contributors			Top Negative Contributors		
			Relative		Return %	Relative		Return %
Portfolio	Russell 2500 Growth		Contribution %			Contribution %		
Number of Holdings	74	1,469	HD SUPPLY HOLDINGS	0.5%	32.9%	DEXCOM	-0.5%	-31.9%
Weighted Avg. Market Cap. (\$B)	6.4	4.4	LIONS GATE ENTM.	0.4%	34.6%	NEUROCRINE BIOSCIENCES	-0.3%	-23.6%
Median Market Cap. (\$B)	5.7	1.2	MICROSEMI	0.4%	28.6%	MERRIMACK PHARMS.	-0.3%	-35.7%
Price To Earnings	28.3	27.9	RAYMOND JAMES FINL.	0.3%	19.4%	FORTINET	-0.3%	-18.4%
Price To Book	6.2	5.2	OLD DOMINION FGT.LINES	0.3%	25.0%	LKQ	-0.3%	-13.6%
Price To Sales	3.5	2.8	ALLEGiant TRAVEL	0.3%	26.5%	NEKTAR THERAPEUTICS	-0.2%	-28.6%
Return on Equity (%)	21.8	18.9	JACK IN THE BOX	0.3%	16.8%	COSTAR GP.	-0.2%	-12.9%
Yield (%)	1.0	0.8	FIRST REPUBLIC BANK	0.3%	19.7%	JAZZ PHARMACEUTICALS	-0.2%	-10.2%
Beta		1.0	TEAM HEALTH HOLDINGS	0.3%	33.4%	SPLUNK	-0.2%	-12.8%
R-Squared		1.0	KNOLL	0.3%	22.9%	TRANSUNION	-0.2%	-10.3%

Equity Sector Attribution											
	Attribution Effects				Returns		Ending Sector Weights				
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.2%	0.2%	0.0%	0.0%	10.6%	-3.2%	1.7%	1.2%			
Materials	-0.2%	-0.2%	0.0%	0.0%	0.3%	3.0%	6.6%	6.7%			
Industrials	0.1%	-0.1%	0.2%	0.0%	9.4%	9.8%	21.4%	19.0%			
Consumer Discretionary	-0.1%	0.0%	-0.1%	0.0%	5.8%	5.8%	16.6%	17.0%			
Consumer Staples	0.2%	0.3%	0.1%	-0.2%	7.9%	0.3%	2.3%	4.3%			
Health Care	-0.3%	0.0%	-0.3%	0.0%	-6.3%	-6.5%	19.1%	18.2%			
Financials	-0.5%	-0.5%	0.7%	-0.6%	3.7%	13.0%	10.3%	6.4%			
Information Technology	-0.4%	-0.6%	0.1%	0.1%	-2.3%	0.6%	15.6%	21.1%			
Telecommunication Services	0.0%	0.0%	0.1%	0.0%	10.6%	11.7%	1.4%	0.7%			
Utilities	0.0%	--	0.0%	--	--	9.0%	0.0%	0.4%			
Real Estate	0.2%	0.0%	0.2%	0.0%	-0.8%	-1.7%	2.6%	5.1%			
Cash	-0.1%	0.0%	-0.1%	0.0%	0.1%	--	2.4%	0.0%			
Portfolio	-0.8%	=	-0.8%	+	0.8%	+	-0.8%	1.8%	2.6%	100.0%	100.0%

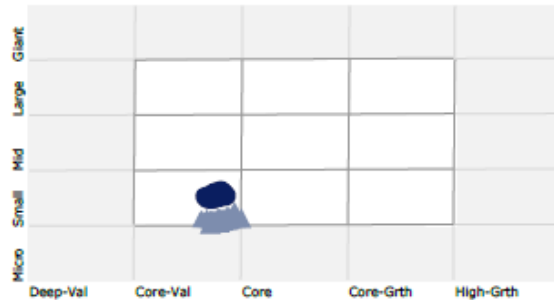
*Attribution on manager pages is holdings based, using buy-and-hold assumptions from the beginning of period portfolio. Results may differ from actual performance. Returns are net of fees.

University of Maine System Managed Investment Pool

DFA US Targeted Value I

Holdings Based Style Trail (5 Years)

Time Period: 1/31/2012 to 12/31/2016



● DFA US Targeted Value I

▲ Russell 2000 Value TR USD

Portfolio Statistics

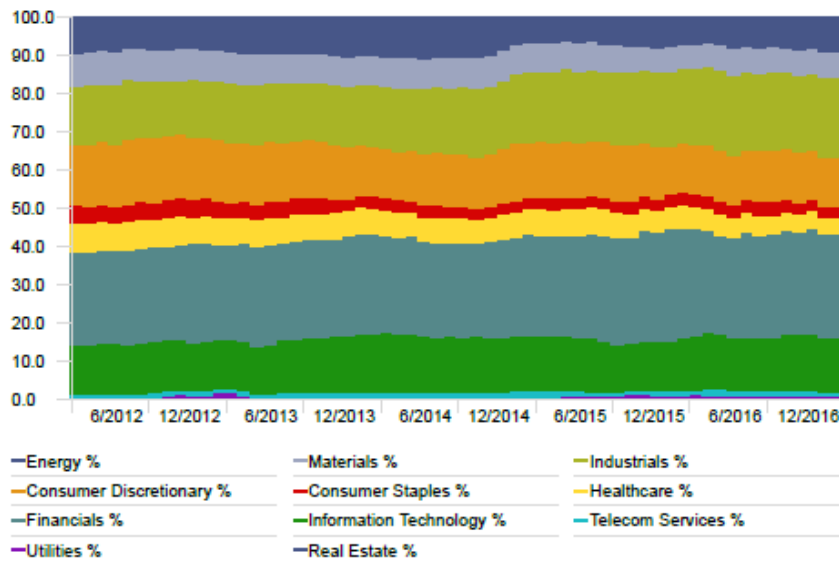
	Fund	Index
# of Holdings	1,507	1,389
% Asset in Top 10 Holdings	7.3	4.4
Turnover Ratio %	15.0	
P/E Ratio	17.5	19.5
P/B Ratio	1.5	1.6
LT Eam Growth	10.0	10.0
Hist Eam Growth	-0.1	2.3
12 Mo Yield	1.0	

Market Capitalization Breakdown

Portfolio Date: 11/30/2016

	Fund	Index
Market Cap Giant %	0.0	0.0
Market Cap Large %	0.9	0.0
Market Cap Mid %	33.7	8.8
Market Cap Small %	43.8	57.1
Market Cap Micro %	21.6	34.1
Average Market Cap (mil)	2,416.5	1,594.5

Historical Sector Allocations (5 Years)



Attribution (Quarter)

	Portfolio Weights	Benchmark Weights	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Active Return
Consumer Discretionary	12.57	10.33	6.67	8.20	-0.16	-0.20	-0.36
Consumer Staples	2.70	2.90	8.05	9.58	0.01	-0.04	-0.03
Energy	8.45	5.31	16.04	20.36	0.19	-0.38	-0.19
Financials	26.36	30.98	23.43	24.00	-0.37	-0.16	-0.53
Health Care	4.50	4.59	-0.55	-1.82	0.00	0.05	0.06
Industrials	19.80	12.73	14.61	14.11	0.00	0.09	0.09
Information Technology	14.16	10.48	8.19	13.04	-0.04	-0.69	-0.74
Materials	6.71	4.59	13.70	15.32	0.04	-0.12	-0.08
Real Estate	0.36	10.60	11.32	4.52	1.01	0.03	1.04
Telecommunication Services	1.21	0.71	-1.89	5.67	-0.05	-0.09	-0.15
Utilities	0.49	6.72	-4.89	4.82	0.59	-0.06	0.53
Attribution Total	97.33	99.94	13.72	14.08	1.22	-1.58	-0.36
Cash	0.75	0.00					
Bond	0.73	0.00					
Other	1.02	0.00					
Missing Performance	0.17	0.06					
Total	100.00	100.00					
Reported Total			13.47	14.07			
Expense Ratio			0.11	0.00			
Residual(Reported - Attribution + Expense)			-0.14	-0.01			

Source: Morningstar



NEPC, LLC

December 31, 2016

University of Maine System Managed Investment Pool

DFA US Targeted Value I

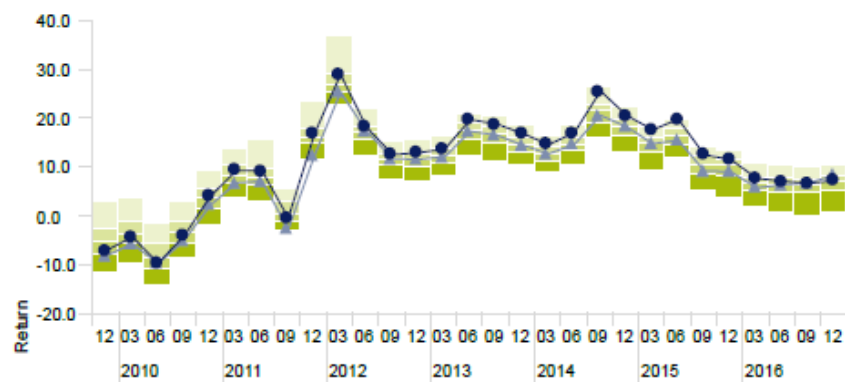
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	90.4	100.0
Alpha	1.4	0.0
Beta	1.0	1.0
Std Dev	13.1	12.9
Up Capture Ratio	103.0	100.0
Down Capture Ratio	95.4	100.0
Sharpe Ratio (geo)	1.2	1.2
Information Ratio (geo)	0.2	
Tracking Error	4.1	0.0
Correlation	1.0	1.0

Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—DFA US Targeted Value I

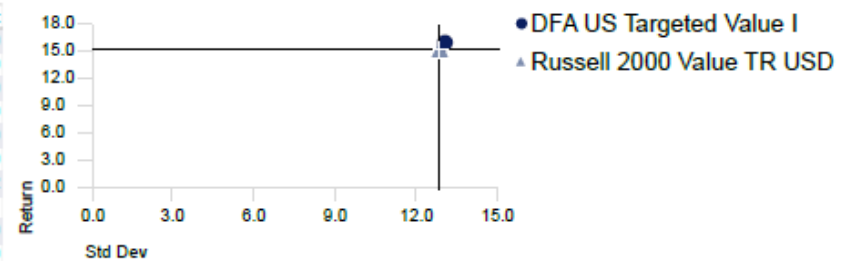
—Russell 2000 Value TR USD

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
DFA US Targeted Value I	-8.2	66	-33.8	68	31.9	37	29.0	24	-8.3	72	19.2	23	43.0	10	2.9	65	-5.7	46	26.9	40
Russell 2000 Value TR USD	-9.8		-28.9		20.6		24.5		-5.5		18.1		34.5		4.2		-7.5		31.7	

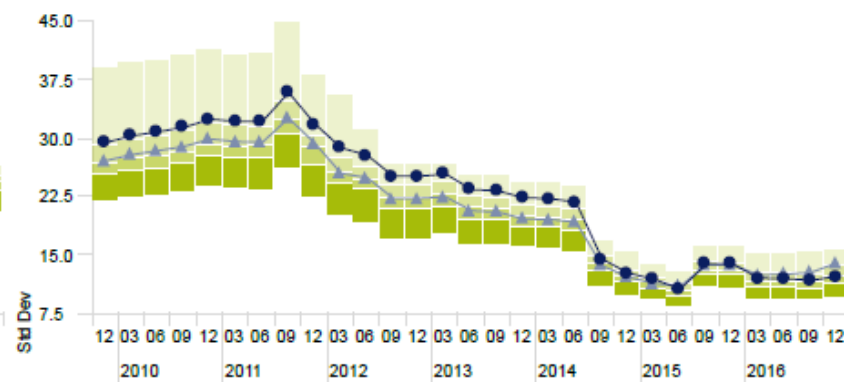
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—DFA US Targeted Value I

—Russell 2000 Value TR USD

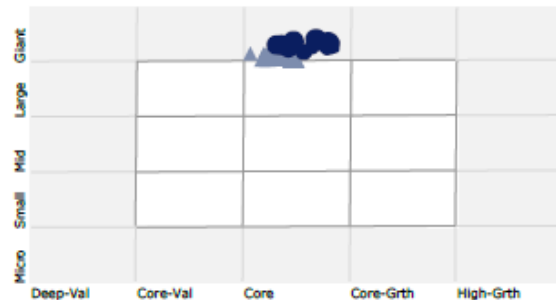
Source: Morningstar

University of Maine System Managed Investment Pool

Morgan Stanley International Equity I

Holdings Based Style Trail (5 Years)

Time Period: 1/31/2012 to 12/31/2016



Portfolio Statistics

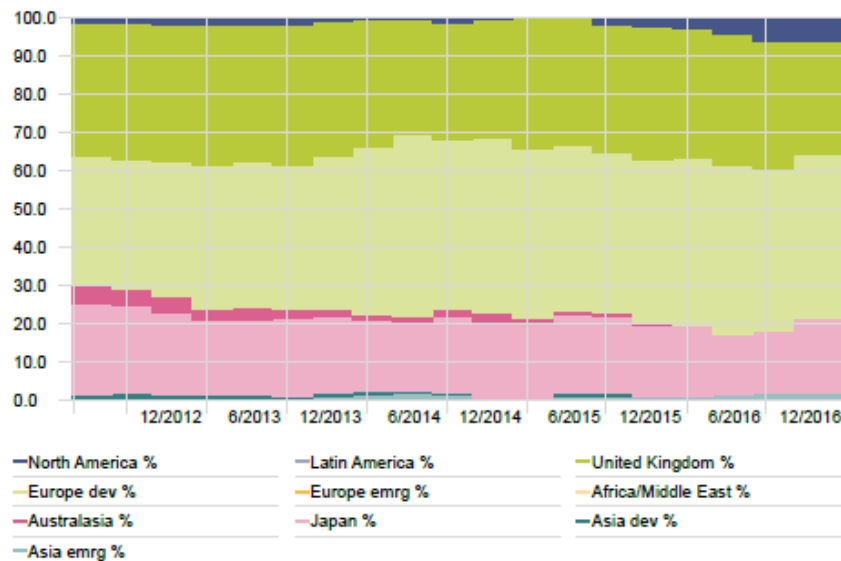
	Fund	Index
# of Holdings	65	930
% Asset in Top 10 Holdings	40.1	11.8
Turnover Ratio %	28.0	
P/E Ratio	20.1	16.9
P/B Ratio	2.5	1.6
LT Eam Growth	7.2	8.1
Hist Eam Growth	5.8	-2.0
12 Mo Yield	1.1	

Market Capitalization Breakdown

Portfolio Date: 9/30/2016

	Fund	Index
Market Cap Giant %	70.3	56.5
Market Cap Large %	22.8	35.2
Market Cap Mid %	6.9	8.3
Market Cap Small %	0.0	0.1
Market Cap Micro %	0.0	0.0
Average Market Cap	50,700.9	31,196.7
Equity Region Developed %	97.9	99.7
Equity Region Emerging %	2.1	0.3

Historical Country Allocations (5 Years)



Attribution (Quarter)

	Portfolio Weights	Benchmark Weights	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Active Return
Consumer Discretionary	5.28	12.47	3.19	1.58	-0.16	0.09	-0.08
Consumer Staples	32.58	11.97	-9.85	-10.43	-2.11	0.20	-1.91
Energy	2.42	5.05	6.53	9.93	-0.27	-0.08	-0.35
Financials	10.86	19.97	11.46	9.60	-0.89	0.21	-0.68
Health Care	15.78	10.94	-3.84	-7.71	-0.35	0.64	0.29
Industrials	13.15	14.14	-2.31	-1.79	0.01	-0.07	-0.06
Information Technology	6.68	5.51	0.32	-3.02	-0.03	0.22	0.19
Materials	8.61	7.71	2.16	3.53	0.05	-0.12	-0.07
Real Estate	0.65	3.90	7.03	-7.25	0.21	0.09	0.30
Telecommunication Services	2.53	4.68	-7.88	-7.01	0.14	-0.03	0.11
Utilities	0.00	3.49		-7.21	0.23	0.00	0.23
Unclassified	0.00	0.13		0.87	0.00	0.00	0.00
Attribution Total	98.55	99.97	-2.75	-0.73	-3.17	1.15	-2.02
Cash	1.36	0.00					
Other	0.08	0.03					
Total	100.00	100.00					
Reported Total			-2.36	-0.71			
Expense Ratio			0.23	0.00			
Residual(Reported - Attribution + Expense)			0.62	0.01			

Source: Morningstar

University of Maine System Managed Investment Pool

Morgan Stanley International Equity I

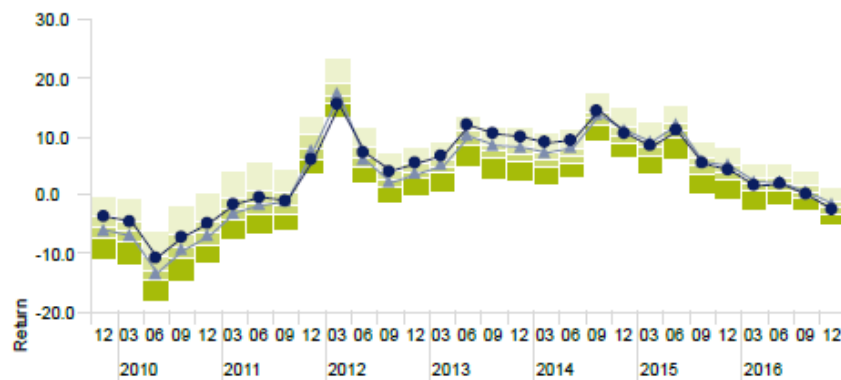
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	93.0	100.0
Alpha	0.1	0.0
Beta	0.9	1.0
Std Dev	10.7	11.8
Up Capture Ratio	89.3	100.0
Down Capture Ratio	89.3	100.0
Sharpe Ratio (geo)	0.5	0.5
Information Ratio (geo)	-0.2	0.0
Tracking Error	3.2	0.0
Correlation	1.0	1.0

Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Morgan Stanley Inst International Eq I

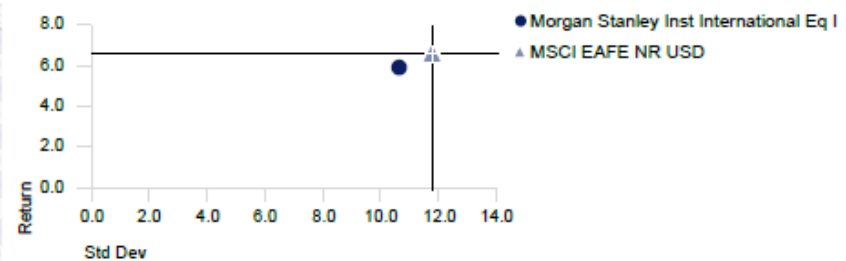
—MSCI EAFE NR USD

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
Morgan Stanley Inst International Eq I	9.8	42	-33.1	8	21.6	85	6.1	87	-7.6	5	19.6	26	20.4	43	-8.1	64	0.4	30	-2.0	82
MSCI EAFE NR USD	11.2		-43.4		31.8		7.8		-12.1		17.3		22.8		-4.9		-0.8		1.0	

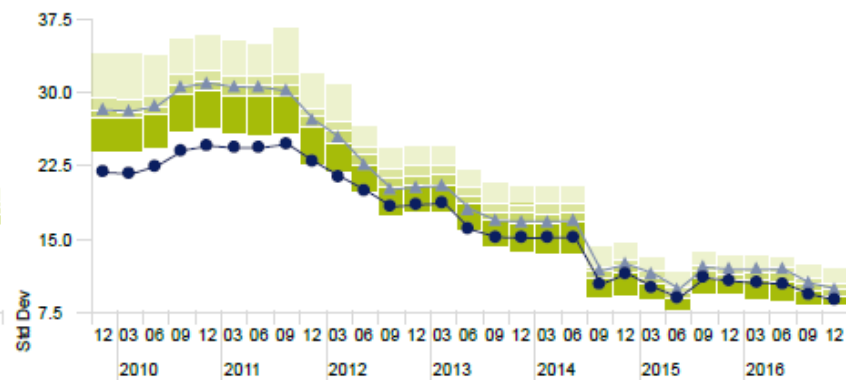
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



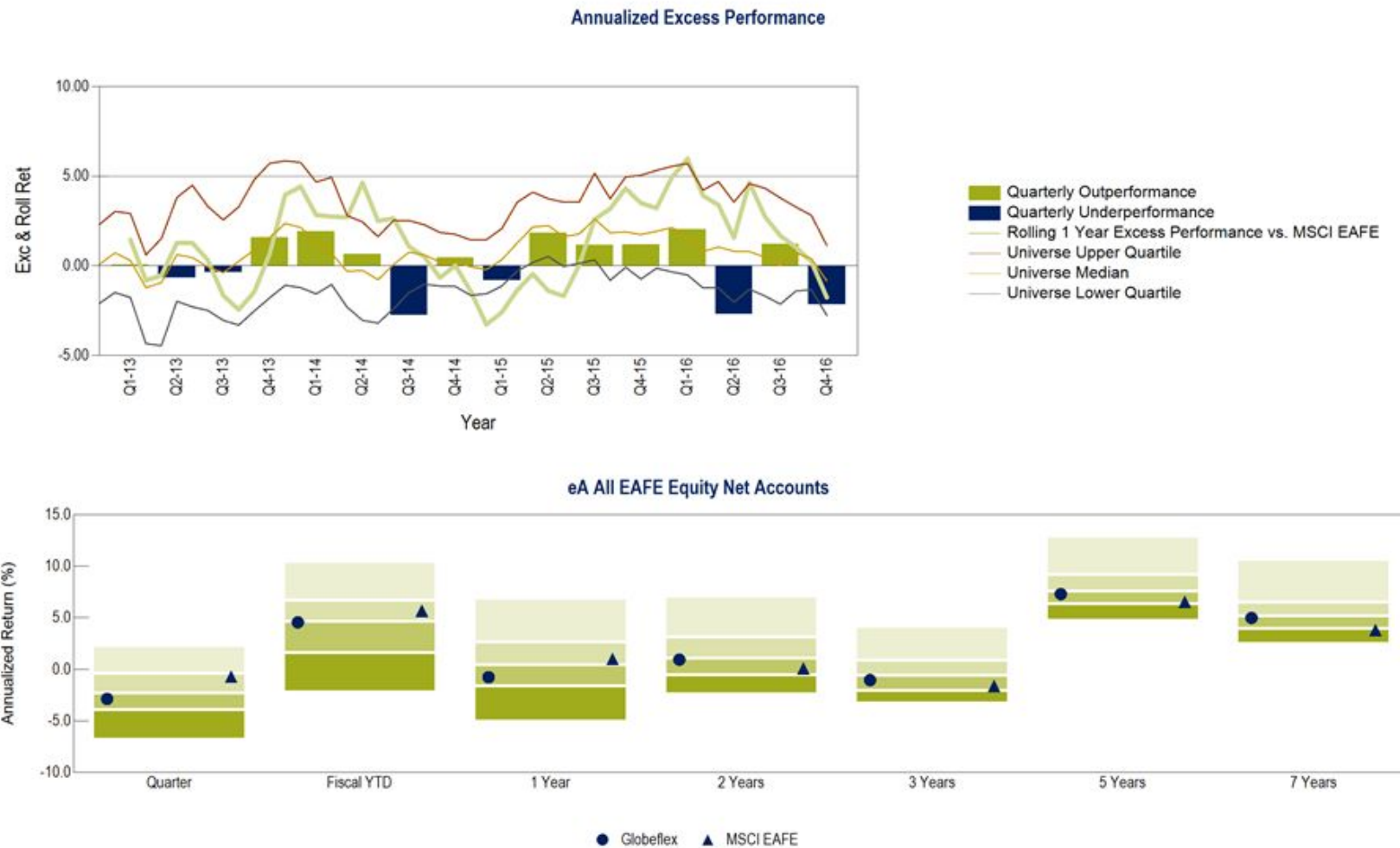
—Morgan Stanley Inst International Eq I

—MSCI EAFE NR USD

Source: Morningstar

University of Maine System Managed Investment Pool

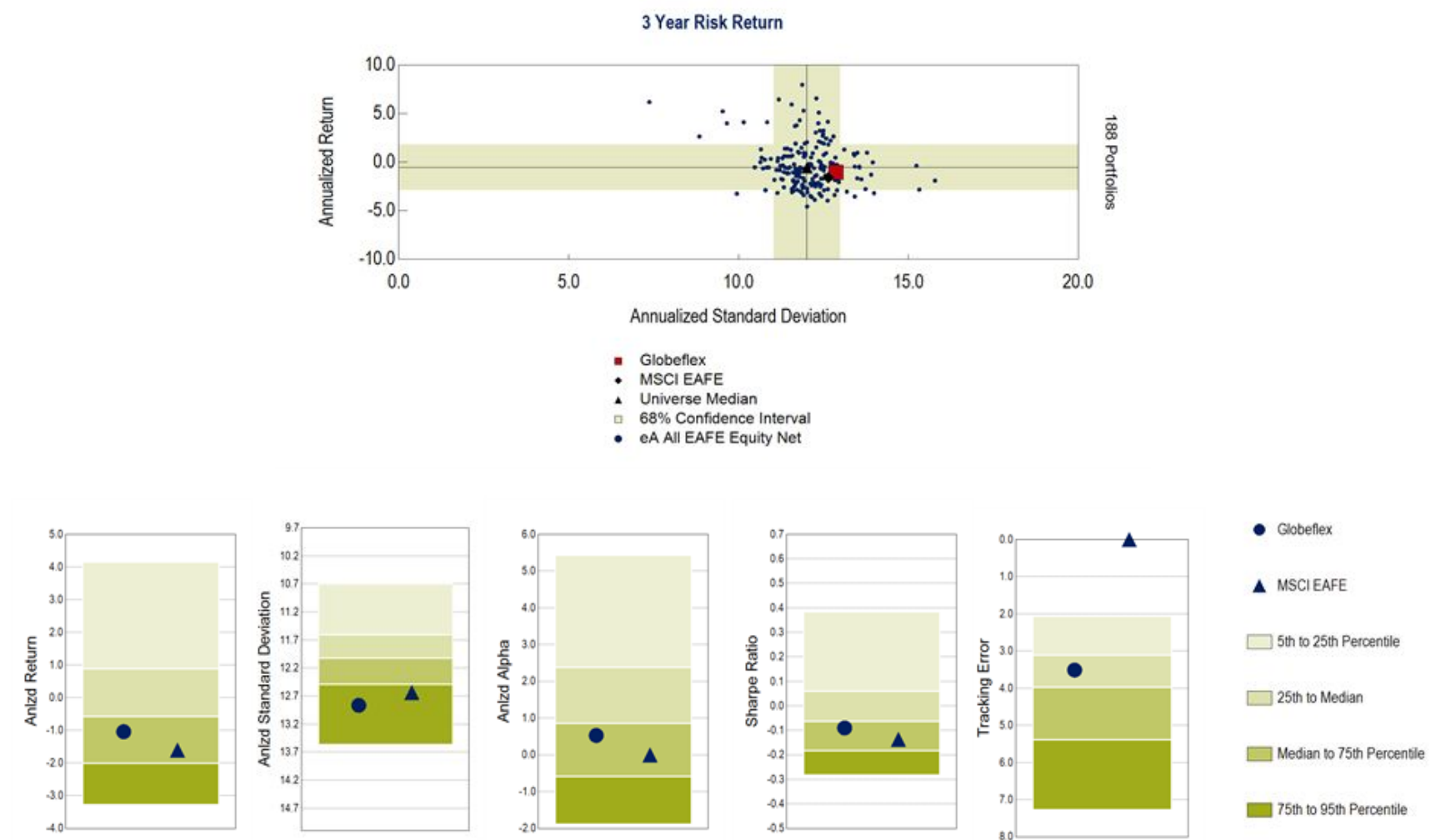
Globeflex



*Returns are net of fees.

University of Maine System Managed Investment Pool

Globeflex



*Returns are net of fees.

University of Maine System Managed Investment Pool

Globeflex

Characteristics			Top Positive Contributors			Top Negative Contributors		
			Relative Contribution %	Return %	Relative Contribution %	Return %		
Portfolio	MSCI	EAFE						
Number of Holdings	123	930	GTT	0.3%	50.0%	VESTAS WINDSYSTEMS	-0.3%	-20.9%
Weighted Avg. Market Cap. (\$B)	20.2	50.6	3I GROUP UNSP.ADR 2:1	0.3%	44.6%	KOREA ELECTRIC POWER	-0.3%	-25.6%
Median Market Cap. (\$B)	7.2	8.6	SUMITOMO HEAVY INDS.	0.2%	32.3%	NORTHERN STAR	-0.2%	-25.9%
Price To Earnings	18.2	21.3	DELTA LLOYD GROUP	0.2%	22.1%	IMPERIAL TOBACCO GP.	-0.2%	-13.9%
Price To Book	2.9	2.4	GRIEG SEAFOOD	0.2%	20.5%	VOCUS COMMUNICATIONS	-0.2%	-41.2%
Price To Sales	1.9	1.7	SKY	0.1%	7.9%	SK INNOVATION	-0.2%	-17.3%
Return on Equity (%)	16.5	11.8	LOTTE CHEMICAL	0.1%	12.9%	SEMAFO	-0.2%	-20.7%
Yield (%)	2.4	3.1	FORTESCUE METALS GP.	0.1%	12.6%	CLP HOLDINGS	-0.2%	-10.4%
Beta		1.0	INDL.ALL.IN.& FINL.SVS.	0.1%	11.4%	GAMESA CORPN.TEGC.	-0.2%	-15.1%
R-Squared		1.0	MS&AD INSURANCE GP.HDG.	0.1%	12.8%	PATRIZIA IMMOBILIEN	-0.1%	-24.2%

Equity Sector Attribution											
	Attribution Effects				Returns		Ending Sector Weights				
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	-0.1%	0.0%	-0.3%	0.1%	9.2%	10.4%	3.2%	5.5%			
Materials	-0.4%	-0.4%	0.1%	-0.1%	0.3%	3.5%	9.6%	7.9%			
Industrials	-0.7%	-0.7%	0.0%	0.0%	-4.5%	-1.8%	17.6%	14.0%			
Consumer Discretionary	-0.4%	0.0%	0.3%	-0.7%	1.2%	1.6%	17.6%	12.5%			
Consumer Staples	1.2%	0.5%	0.5%	0.2%	-4.9%	-10.1%	7.0%	11.1%			
Health Care	0.7%	0.5%	0.1%	0.1%	-2.4%	-7.7%	8.9%	10.6%			
Financials	-0.7%	-0.7%	-0.6%	0.6%	5.1%	9.5%	15.2%	21.2%			
Information Technology	-0.1%	-0.1%	0.0%	0.1%	-2.2%	-3.0%	6.5%	5.5%			
Telecommunication Services	-0.4%	-0.5%	0.0%	0.1%	-13.9%	-6.8%	5.1%	4.5%			
Utilities	-0.3%	-0.3%	0.0%	0.0%	-12.3%	-7.1%	4.3%	3.4%			
Real Estate	-0.1%	0.0%	-0.1%	0.0%	-5.1%	-7.3%	5.1%	3.7%			
Cash	0.0%	--	--	--	--	--	0.0%	0.0%			
Portfolio	-1.2%	=	-1.7%	+	0.0%	+	0.5%	-1.9%	-0.6%	100.0%	100.0%

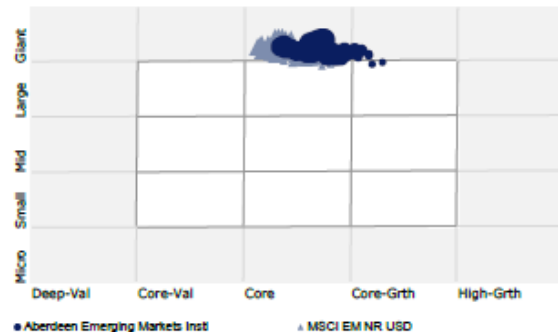
*Attribution on manager pages is holdings based, using buy-and-hold assumptions from the beginning of period portfolio. Results may differ from actual performance. Returns are net of fees.

University of Maine System Managed Investment Pool

Aberdeen EME

Holdings Based Style Trail (5 Years)

Time Period: 1/31/2012 to 12/31/2016



Portfolio Statistics

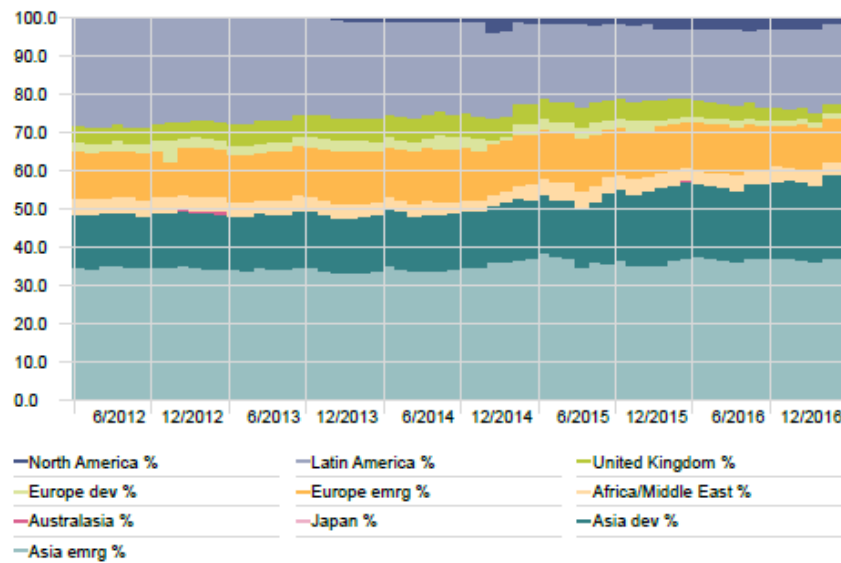
	Fund	Index
# of Holdings	65	832
% Asset in Top 10 Holdings	32.6	21.5
Turnover Ratio %	9.2	
P/E Ratio	16.8	14.2
P/B Ratio	1.8	1.5
LT Earm Growth	11.0	9.8
Hist Earm Growth	-2.5	-61.9
12 Mo Yield	1.2	

Market Capitalization Breakdown

Portfolio Date: 11/30/2016

	Fund	Index
Market Cap Giant %	61.0	60.3
Market Cap Large %	30.8	30.7
Market Cap Mid %	8.2	8.8
Market Cap Small %	0.0	0.2
Market Cap Micro %	0.0	0.0
Average Market Cap	21,362.3	22,346.6
Equity Region Developed %	26.9	29.3
Equity Region Emerging %	73.1	70.7

Historical Country Allocations (5 Years)



Attribution (Quarter)

	Portfolio Weights	Benchmark Weights	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Active Return
Consumer Discretionary	9.47	10.44	-2.58	-9.92	0.03	0.72	0.76
Consumer Staples	16.84	7.58	-7.89	-10.62	-0.63	0.51	-0.12
Energy	7.30	7.22	11.72	8.04	0.04	0.28	0.32
Financials	27.81	24.05	-8.40	-0.82	0.17	-2.17	-2.00
Health Care	1.11	2.61	4.71	-9.68	0.08	0.16	0.24
Industrials	1.40	5.90	-1.73	-6.36	0.09	0.07	0.16
Information Technology	12.61	23.71	-3.57	-6.53	0.23	0.39	0.62
Materials	8.48	7.00	-2.42	3.76	0.14	-0.58	-0.43
Real Estate	7.25	2.53	-10.73	-10.36	-0.31	-0.02	-0.33
Telecommunication Services	4.70	6.01	-8.14	-6.20	0.02	-0.10	-0.07
Utilities	0.00	2.87		-6.98	0.08	0.00	0.08
Unclassified	0.00	0.02		-10.35	0.00	0.00	0.00
Attribution Total	96.95	99.93	-5.11	-4.32	-0.05	-0.74	-0.79
Cash	2.25	0.00					
Other	0.00	0.07					
Missing Performance	0.80	0.00					
Total	100.00	100.00					
Reported Total			-5.79	-4.16			
Expense Ratio			0.26	0.00			
Residual(Reported - Attribution + Expense)			-0.42	0.15			

Source: Morningstar

University of Maine System Managed Investment Pool

Aberdeen EME

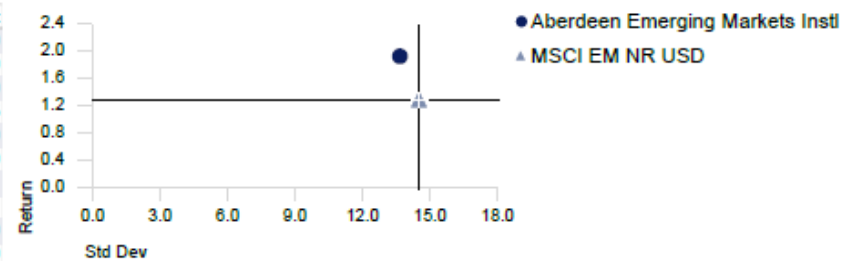
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	89.6	100.0
Alpha	0.7	0.0
Beta	0.9	1.0
Std Dev	13.7	14.5
Up Capture Ratio	91.9	100.0
Down Capture Ratio	85.3	100.0
Sharpe Ratio (geo)	0.1	0.1
Information Ratio (geo)	0.1	
Tracking Error	4.7	0.0
Correlation	0.9	1.0

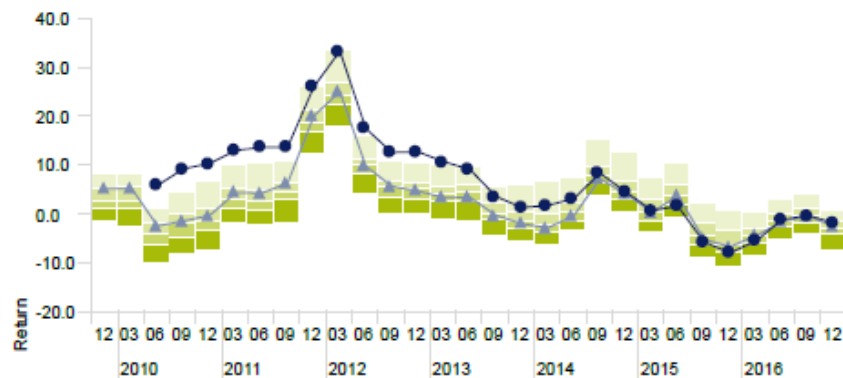
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

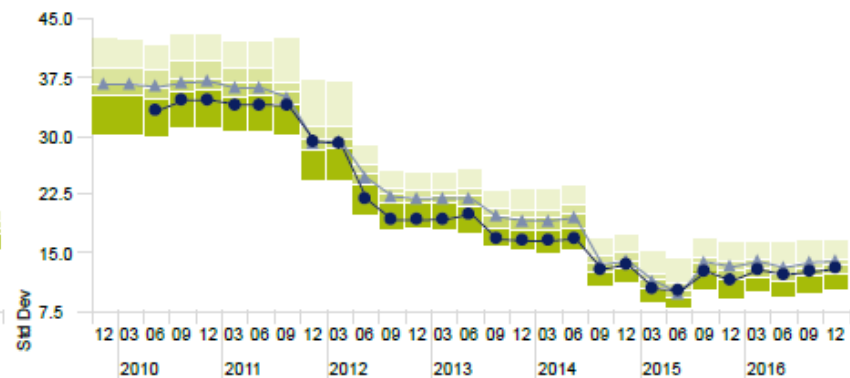


—Aberdeen Emerging Markets Instl

—MSCI EM NR USD

Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Aberdeen Emerging Markets Instl

—MSCI EM NR USD

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
Aberdeen Emerging Markets Instl			-40.4	1	78.6	32	27.6	6	-11.0	4	26.2	8	-7.5	93	-2.5	43	-13.7	45	12.0	24
MSCI EM NR USD	39.4		-53.3		78.5		18.9		-18.4		18.2		-2.6		-2.2		-14.9		11.2	

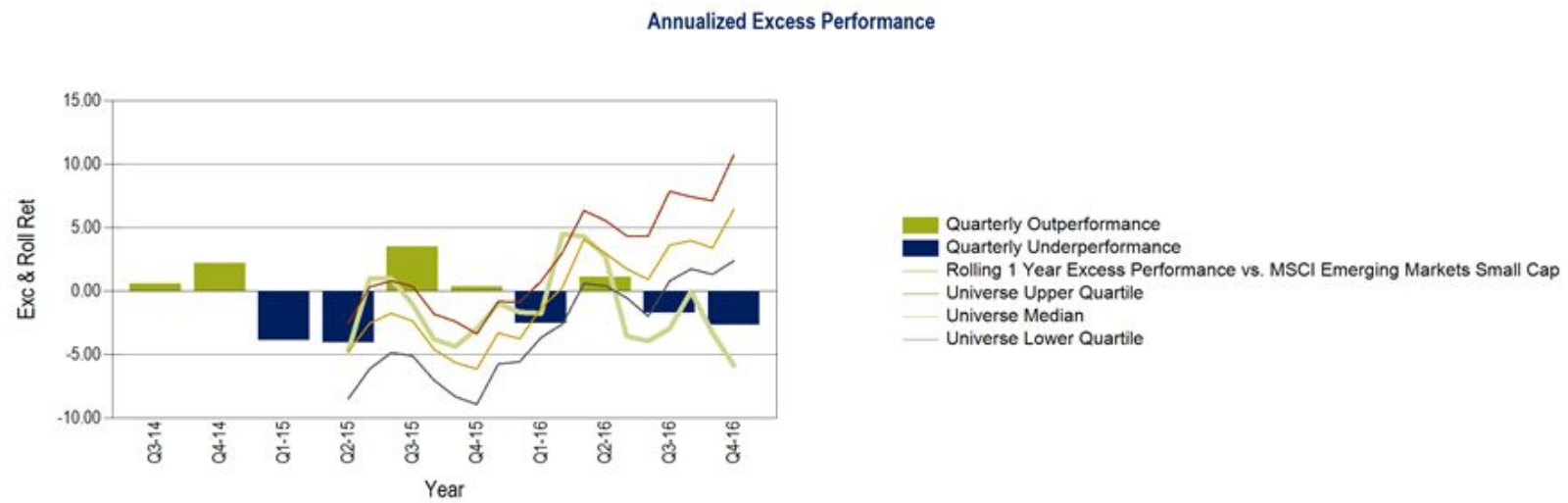
Source: Morningstar



December 31, 2016

University of Maine System Managed Investment Pool

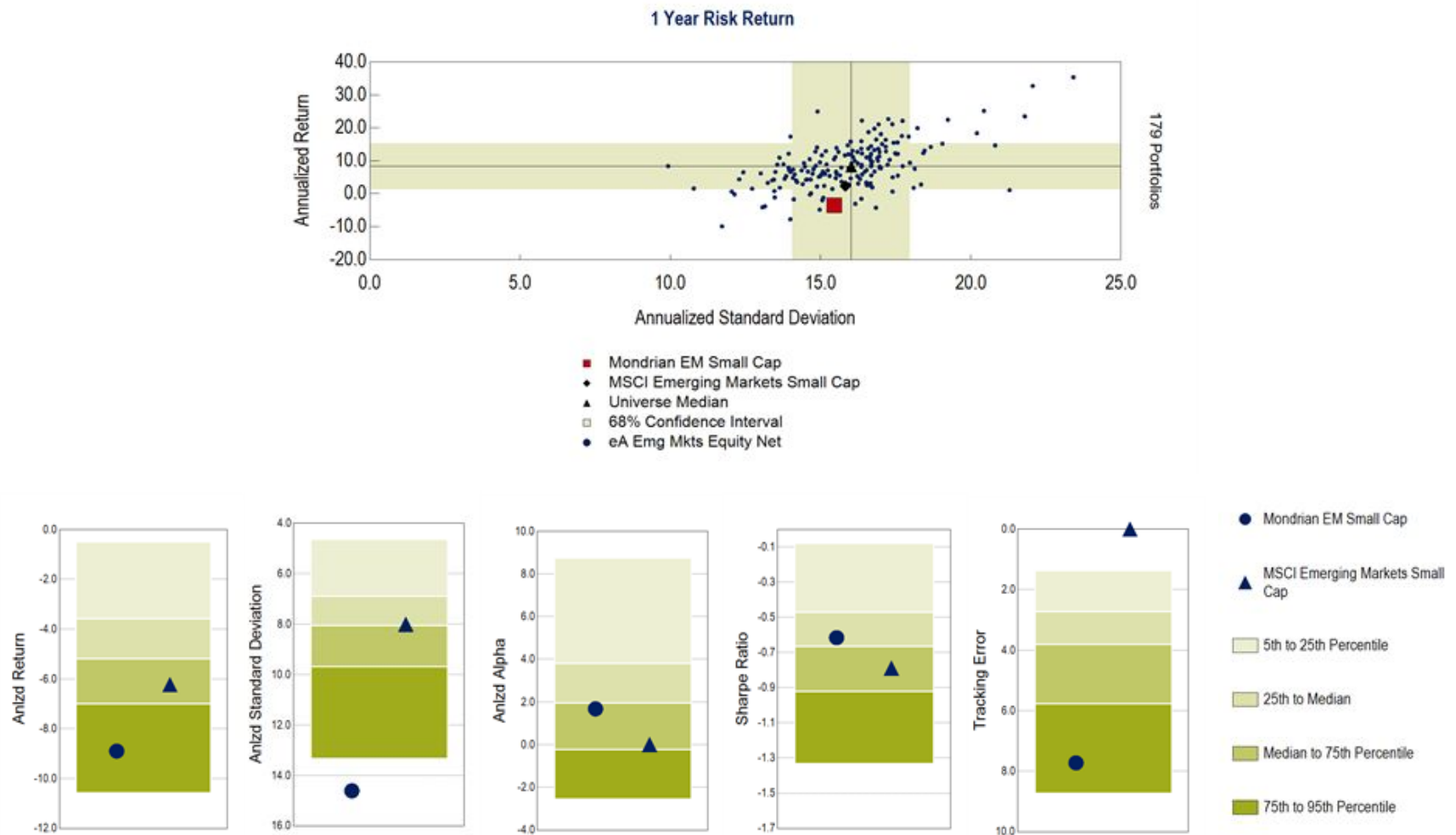
Mondrian EM Small Cap



*Returns are net of fees.

University of Maine System Managed Investment Pool

Mondrian EM Small Cap



*Returns are net of fees.

University of Maine System Managed Investment Pool

Mondrian EM Small Cap

Characteristics			Top Positive Contributors			Top Negative Contributors		
				Relative Contribution %	Return %		Relative Contribution %	Return %
	Portfolio	MSCI Emerging Markets Small Cap						
Number of Holdings	106	1,840	MICROPORT SCIENTIFIC	0.2%	15.0%	TUNG THIH ELECTRONIC	-0.5%	-35.9%
Weighted Avg. Market Cap. (\$B)	1.2	1.0	MAYORA INDAH	0.1%	6.6%	CT ENVIRONMENTAL GROUP	-0.4%	-30.6%
Median Market Cap. (\$B)	0.8	0.5	KOREA KOLMAR	0.1%	-37.7%	CENTURY PLYBOARDS INDIA	-0.3%	-34.0%
Price To Earnings	26.1	18.1	GINKO INTERNATIONAL	0.1%	4.3%	BERGER PAINTS INDIA	-0.3%	-20.9%
Price To Book	4.9	2.3	FORTIS HEALTHCARE	0.1%	6.2%	EMAMI	-0.3%	-20.2%
Price To Sales	4.2	2.2	SILAM INTL.HOSPS.	0.1%	4.2%	MEDY-TOX	-0.3%	-27.6%
Return on Equity (%)	20.2	13.2	OCEANA GROUP	0.0%	5.8%	CHINA EVERBRIGHT WATER	-0.3%	-21.4%
Yield (%)	2.0	2.3	FU SHOU YUAN INTL.GP.	0.0%	2.7%	TORRENT PHARMACEUTICALS	-0.3%	-20.4%
Beta		1.0	STRIDES ARCOLAB	0.0%	3.6%	FIBRA SHOP PORTAFOLIOS INMBS.REIT	-0.3%	-23.0%
R-Squared		1.0	FERREYROS SAA	0.0%	4.0%	SINOSOFT TECHNOLOGY GP.	-0.3%	-34.5%

Equity Sector Attribution											
	Attribution Effects						Returns		Ending Sector Weights		
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	-0.2%	--	-0.2%	--	--	7.8%	0.0%	1.7%			
Materials	-1.2%	-1.4%	0.1%	0.1%	-11.3%	-0.9%	11.1%	11.5%			
Industrials	-0.7%	-0.5%	0.0%	-0.2%	-9.4%	-6.5%	16.9%	14.9%			
Consumer Discretionary	0.0%	-0.4%	0.1%	0.3%	-10.3%	-8.7%	14.0%	17.5%			
Consumer Staples	-0.2%	-0.2%	0.0%	-0.1%	-6.7%	-5.9%	12.0%	7.2%			
Health Care	0.1%	0.5%	-0.7%	0.3%	-7.1%	-13.5%	23.7%	8.9%			
Financials	0.1%	-0.4%	-0.2%	0.6%	-7.0%	-5.2%	2.6%	8.3%			
Information Technology	0.4%	-1.6%	0.2%	1.8%	-13.6%	-7.5%	3.0%	16.1%			
Telecommunication Services	0.0%	--	0.0%	--	--	-5.8%	0.0%	1.0%			
Utilities	-0.7%	-0.5%	0.1%	-0.4%	-15.7%	-0.6%	4.9%	3.7%			
Real Estate	-0.3%	-0.1%	0.0%	-0.1%	-10.1%	-7.5%	9.1%	9.0%			
Cash	0.0%	0.0%	0.0%	0.0%	0.1%	--	1.4%	0.0%			
Portfolio	-2.6%	=	-4.5%	+	-0.6%	+	2.5%	-9.3%	-6.7%	98.6%	100.0%

* Attribution on manager pages is holdings based, using buy-and-hold assumptions from the beginning of period portfolio. Results may differ from actual performance. Returns are gross of fees.

University of Maine System Managed Investment Pool

Mondrian EM Small Cap

Sector Allocation

	Fund	MSCI EM SC
Consumer Discretionary	13.8	17.6
Consumer Staples	13.2	7.2
Energy	—	1.7
Financials	2.5	8.3
Health Care	24.7	8.9
Industrials	16.6	14.9
Information Technology	3.0	16.1
Materials	10.9	11.5
Real Estate	8.9	9.1
Telecommunication Services	—	1.0
Utilities	4.9	3.7
CASH	1.4	—
TOTAL	100.0	100.0

Country Allocation

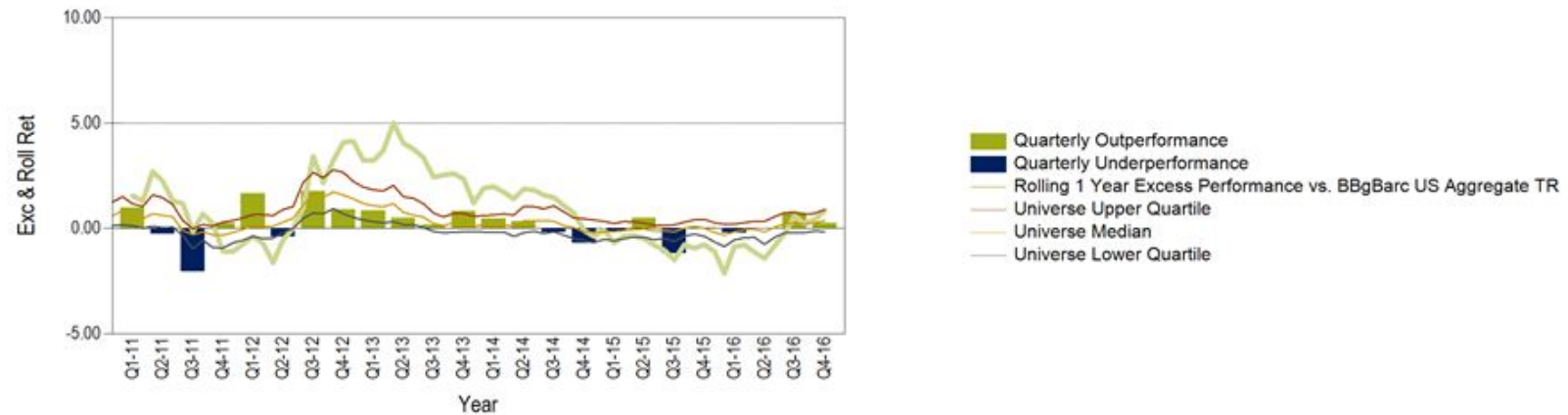
	Fund	MSCI EM SC
LATIN AMERICA	10.2	8.6
Brazil	3.1	4.2
Mexico	5.1	3.0
Peru	1.9	0.0
EUROPE, MIDDLE EAST & AFRICA	6.3	11.8
Poland	1.6	1.1
Saudi Arabia	1.4	0.0
South Africa	3.3	5.8
PACIFIC-ASIA	82.1	79.6
China	17.7	22.8
India	24.4	11.7
Indonesia	9.7	2.6
Korea	5.8	16.9
Malaysia	6.7	3.2
Philippines	4.5	1.1
Taiwan	8.1	17.3
Thailand	5.2	4.0
CASH	1.4	—
TOTAL	100.0	100.0

Source: Mondrian

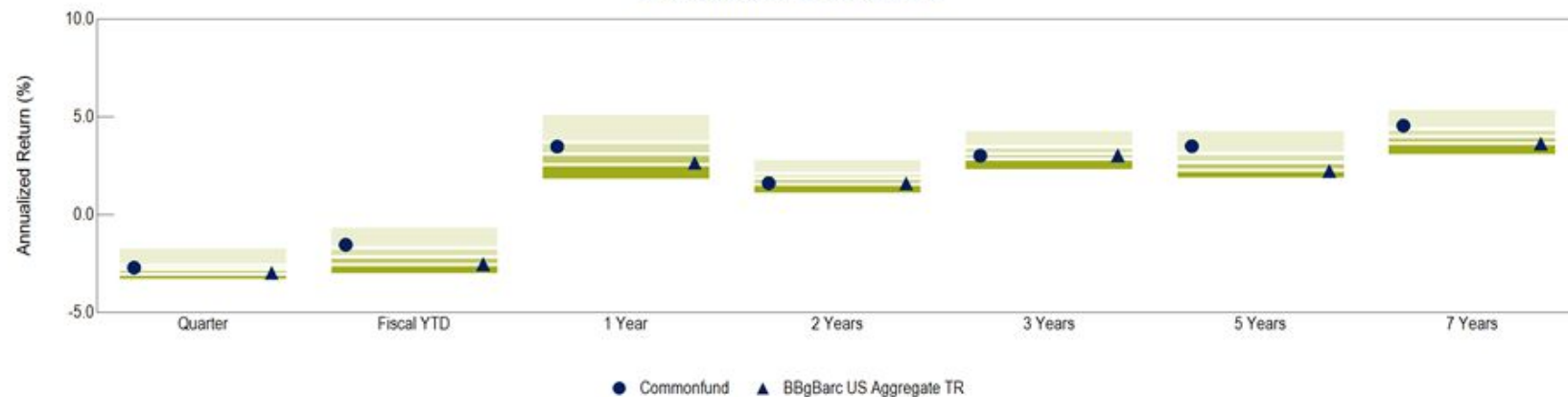
University of Maine System Managed Investment Pool

Commonfund

Annualized Excess Performance



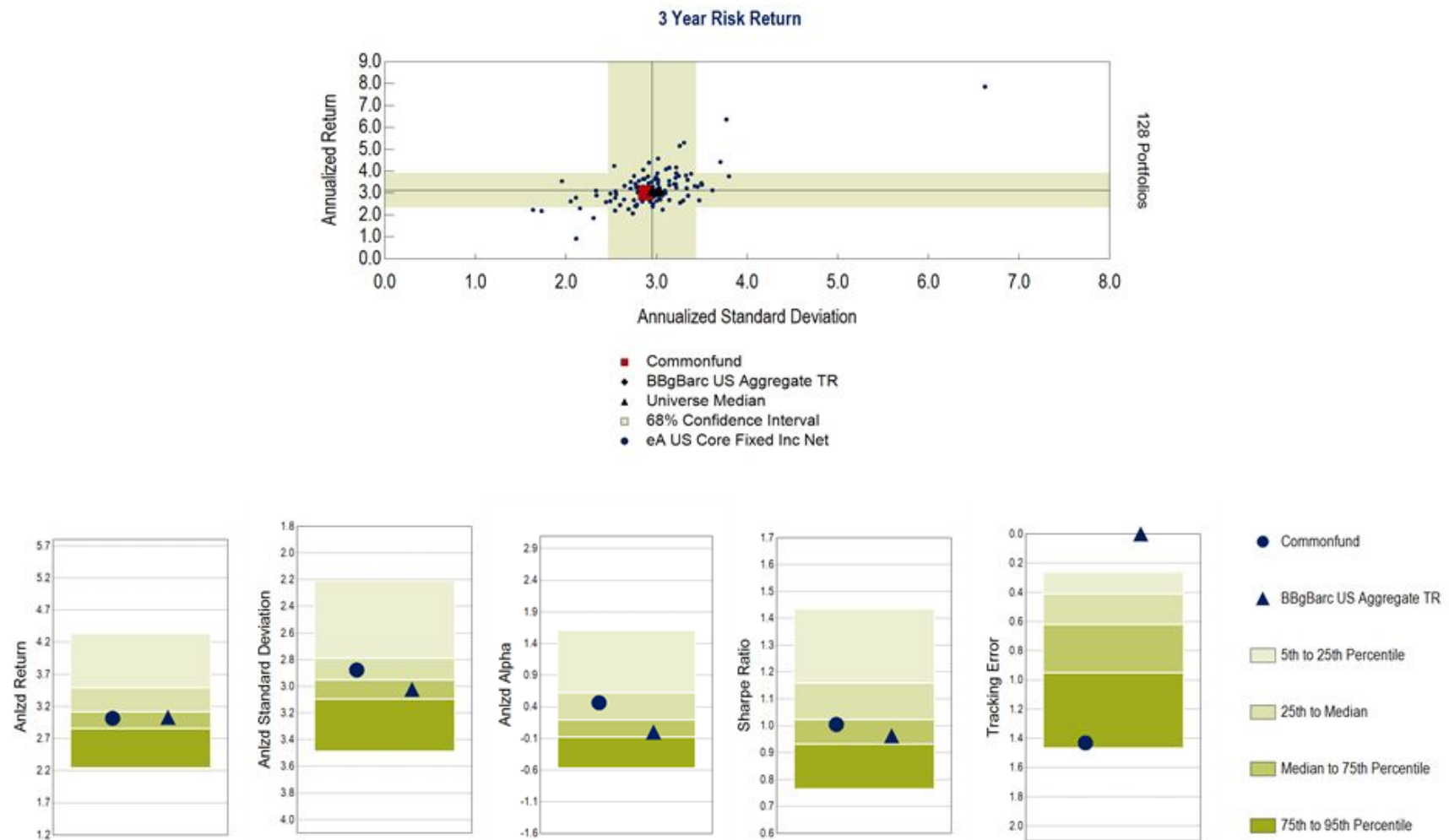
eA US Core Fixed Inc Net Accounts



*Returns are net of fees.

University of Maine System Managed Investment Pool

Commonfund

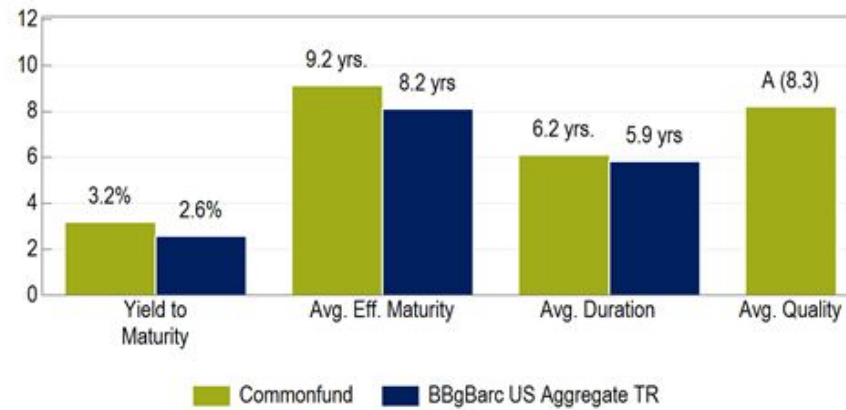


*Returns are net of fees.

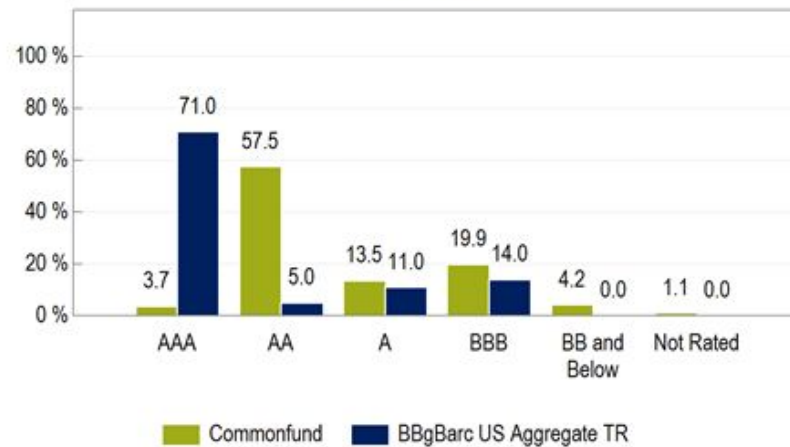
University of Maine System Managed Investment Pool

Commonfund

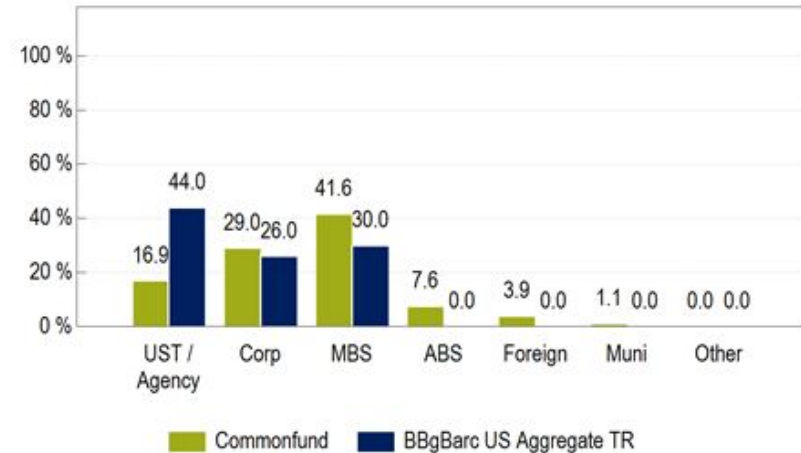
Characteristics



Quality Ratings



Sectors



University of Maine System Managed Investment Pool

Commonfund

Multi-Strategy Bond Fund | Managers

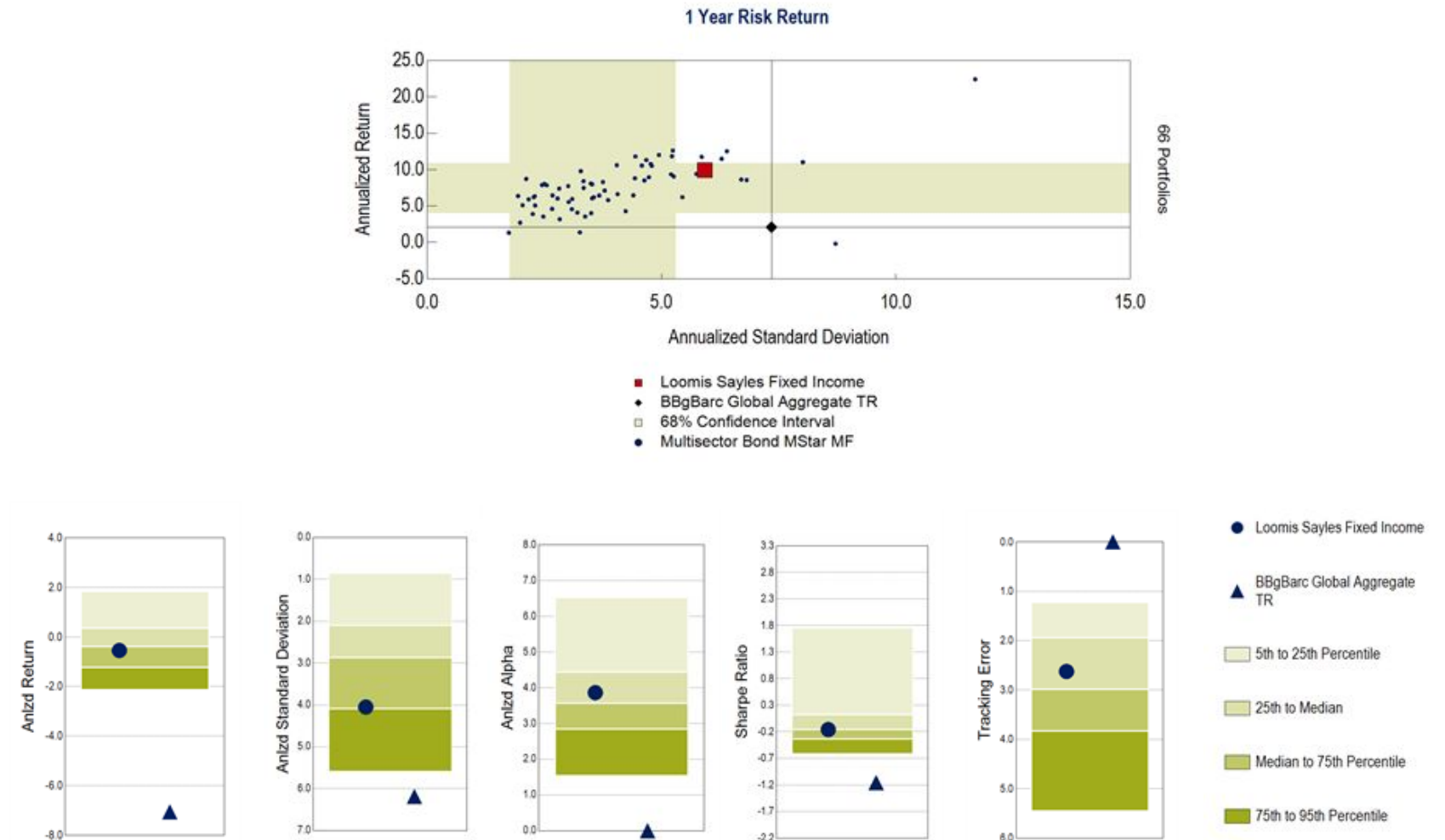
December 31, 2016

	Core	Opportunistic	Credit
AEA Investors			■
Ashmore Investment Management			■
Bain Capital			■
Brandywine Asset Management		■	
CarVal Investors			■
Centerbridge Capital Partners			■
Convexity Capital Management		■	
EOS Partners			■
Fortress Investment Group			■
GoldenTree Asset Management			■
Income Research & Management (IRM)	■		
KPS Capital Partners			■
Oaktree			■
Rimrock Capital Management	■	■	
Sit Investment Associates		■	
Trust Company of the West (TCW)			■
Western Asset Management Company (WAMCO)	■		
WL Ross & Co			■

Source: Commonfund

University of Maine System Managed Investment Pool

Loomis Sayles Fixed Income

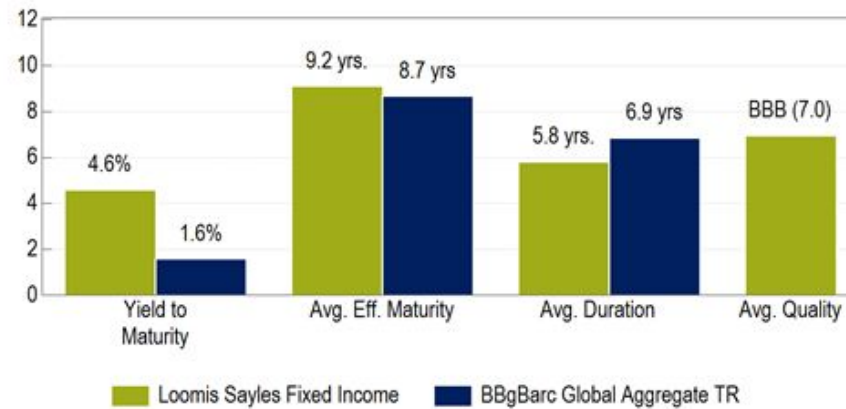


*Returns are net of fees.

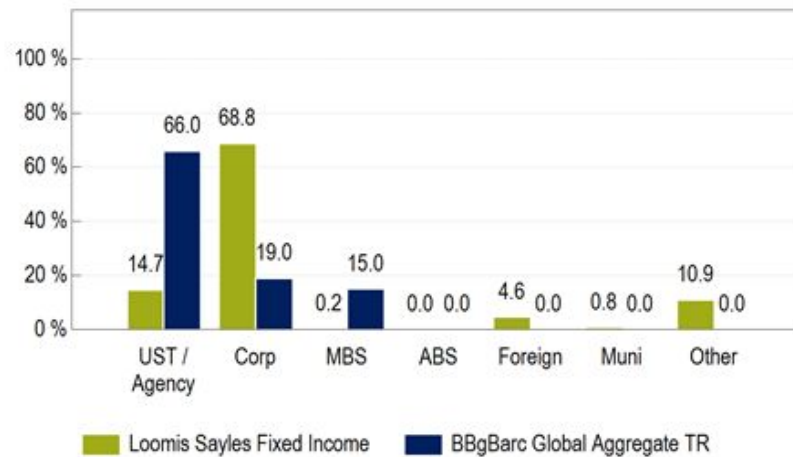
University of Maine System Managed Investment Pool

Loomis Sayles Fixed Income

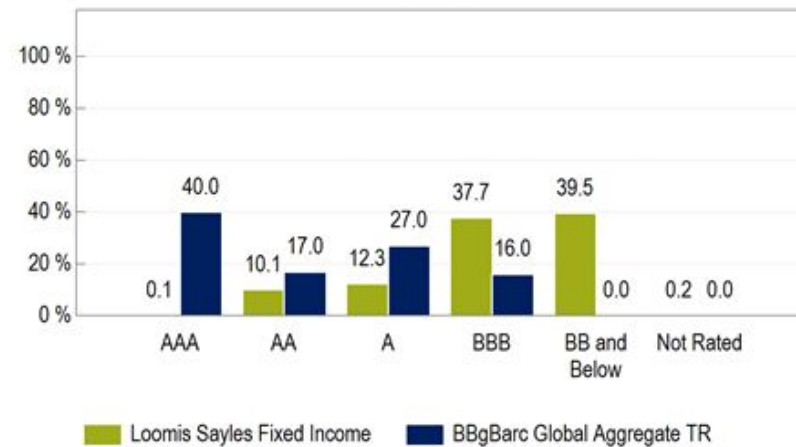
Characteristics



Sectors



Quality Ratings

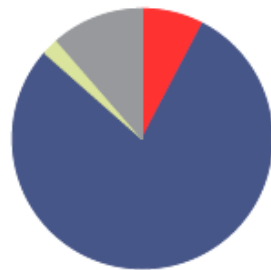


University of Maine System Managed Investment Pool

Loomis Sayles Fixed Income

Asset Allocation

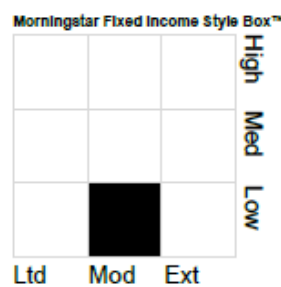
Portfolio Date: 11/30/2016



• Stock	7.7
• Bond	78.8
• Cash	2.1
• Other	11.4
Total	100.0

Fixed Income Statistics

Portfolio Date: 11/30/2016



Fixed-Income Stats

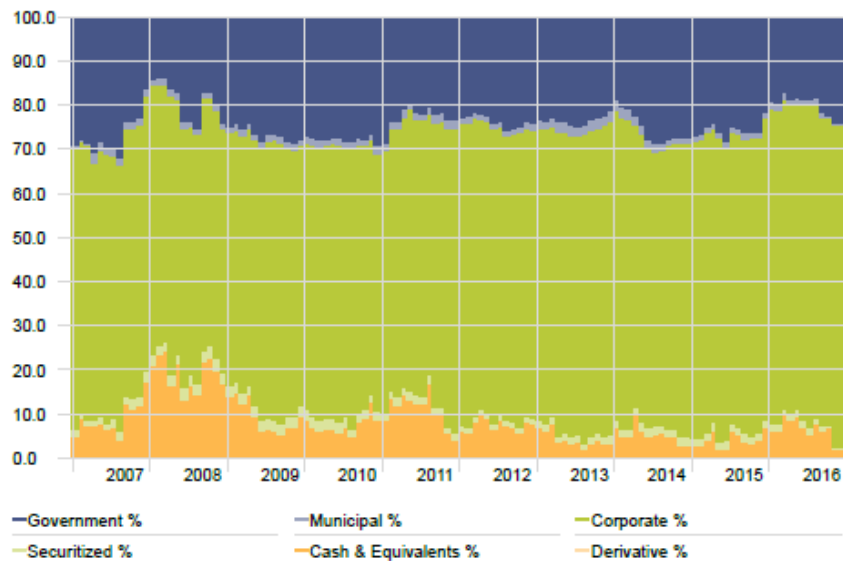
Average Eff Duration	4.0
Average Eff Maturity	6.0
Average Coupon	5.1
Average Price	96.2
Average Credit Quality	BB

Credit Quality Breakdown

Portfolio Date: 11/30/2016

	Fund	Index
AAA %	16.7	
AA %	3.12	
A %	14.68	
BBB %	22.93	
BB %	20.22	
B %	11.85	
Below B %	2.29	
Not Rated %	8.24	
Yield to Maturity	4.56	

Historical Sector Allocations (10 Years)



Top Holdings

	Detail Holding Type	Portfolio Weighting %
Intel Corp	EQUITY	4.09
US Treasury Note 0.75%	BOND - GOVT/TREASURY	3.29
US Treasury Note 0.75%	BOND - GOVT/TREASURY	2.22
Old Rep Intl Cv 3.75%	BOND - CONVERTIBLE	1.96
US Treasury Note 0.875%	BOND - GOVT/TREASURY	1.65
New Zealand(Govt) 5%	BOND - GOVT/TREASURY	1.42
Ontario Prov Cda 4.2%	BOND - GOVT/TREASURY	1.38
Inter-Amer Dev Bk 6%	BOND - UNDEFINED	1.30
Amer Airls Grp 144A 5.5%	BOND - CORPORATE BOND	1.22
Morgan Stanley 4.1%	BOND - CORPORATE BOND	1.20

Source: Morningstar

University of Maine System Managed Investment Pool

Loomis Sayles Fixed Income

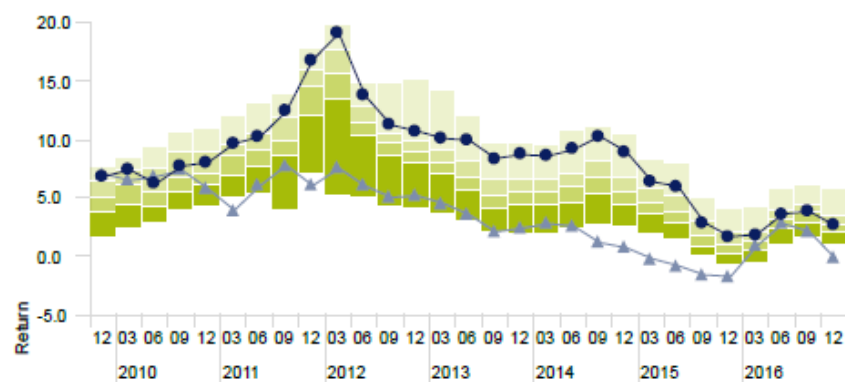
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	31.4	100.0
Alpha	5.7	0.0
Beta	0.5	1.0
Std Dev	5.5	5.7
Up Capture Ratio	122.7	100.0
Down Capture Ratio	-8.5	100.0
Sharpe Ratio (geo)	1.1	0.0
Information Ratio (geo)	1.1	0.0
Tracking Error	5.2	0.0
Correlation	0.6	1.0

Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Loomis Sayles Fixed Income

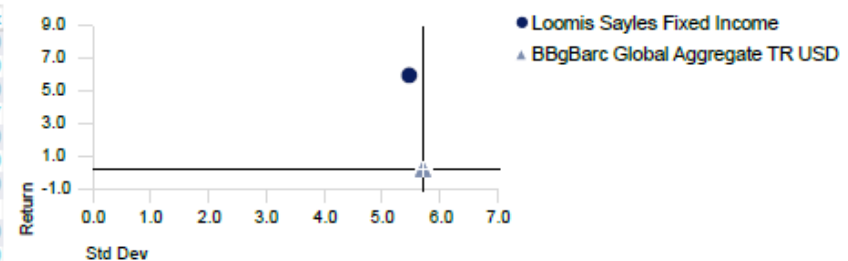
—BBGBarc Global Aggregate TR USD

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
Loomis Sayles Fixed Income	9.2	4	-17.8	65	35.8	17	12.9	30	3.9	41	15.6	9	6.9	11	4.6	26	-8.0	91	9.9	22
BBGBarc Global Aggregate TR USD	9.5		4.8		6.9		5.5		5.6		4.3		-2.6		0.6		-3.2		2.1	

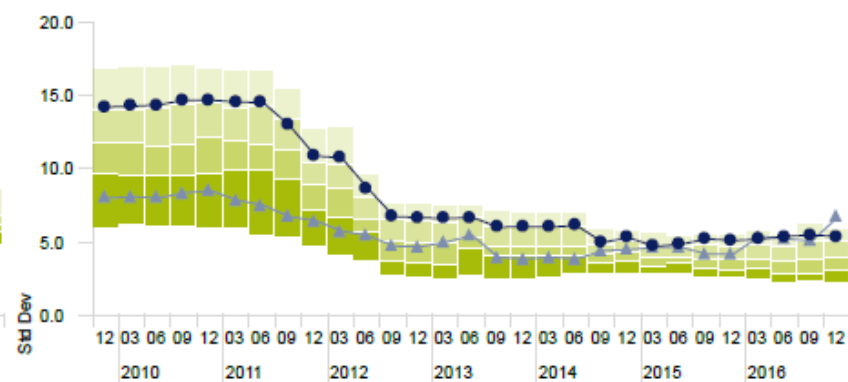
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Loomis Sayles Fixed Income

—BBGBarc Global Aggregate TR USD

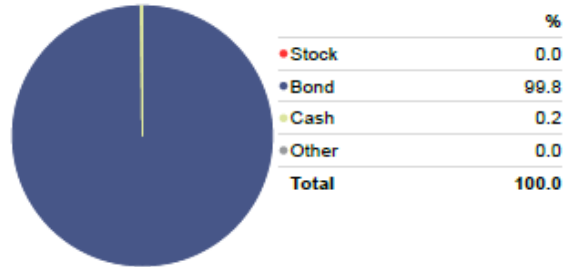
Source: Morningstar

University of Maine System Managed Investment Pool

Vanguard Inflation Protected Securities

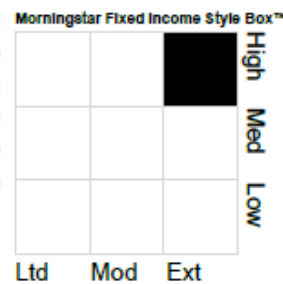
Asset Allocation

Portfolio Date: 9/30/2016



Fixed Income Statistics

Portfolio Date: 9/30/2016

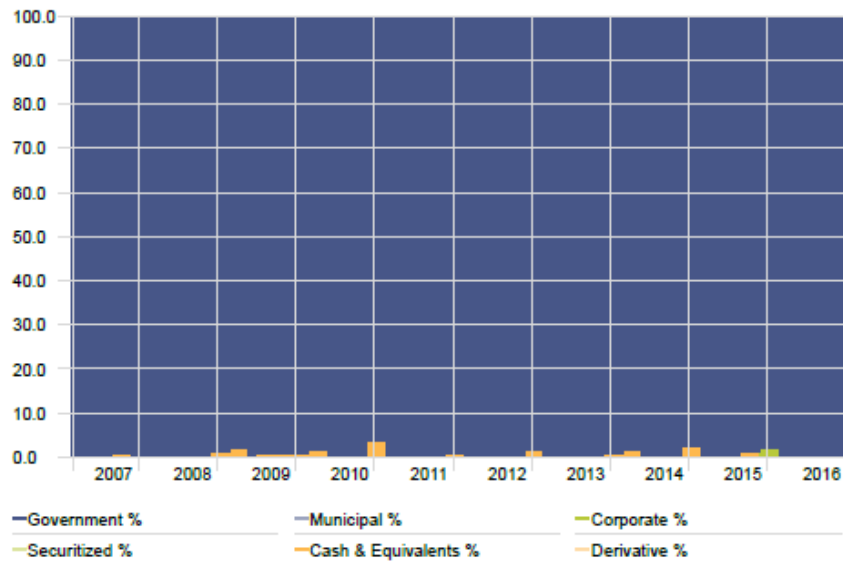


Credit Quality Breakdown

Portfolio Date: 9/30/2016

Fixed-Income Stats		Fund	Index
Average Eff Duration	6.8	100.0	
Average Eff Maturity	8.8	0.00	
Average Coupon	0.9	0.00	
Average Price	118.1	0.00	
Average Credit Quality	AAA	0.00	
	BBB %	0.00	
	B %	0.00	
	Below B %	0.00	
	Not Rated %	0.00	
Yield to Maturity			

Historical Sector Allocations (10 Years)



Top Holdings

	Detail Holding Type	Portfolio Weighting %
US Treasury Note	BOND - GOVT INFLATION PROTECTED	5.58
US Treasury Note	BOND - GOVT INFLATION PROTECTED	5.46
US Treasury Note	BOND - GOVT INFLATION PROTECTED	4.74
US Treasury Note	BOND - GOVT INFLATION PROTECTED	4.17
US Treasury Note	BOND - GOVT INFLATION PROTECTED	4.00
US Treasury Note	BOND - GOVT INFLATION PROTECTED	3.95
US Treasury TIP	BOND - GOVT INFLATION PROTECTED	3.91
US Treasury Note	BOND - GOVT INFLATION PROTECTED	3.90
US Treasury Note	BOND - GOVT INFLATION PROTECTED	3.89
US Treasury Note	BOND - GOVT INFLATION PROTECTED	3.88

Source: Morningstar

University of Maine System Managed Investment Pool

Vanguard Inflation Protected Securities

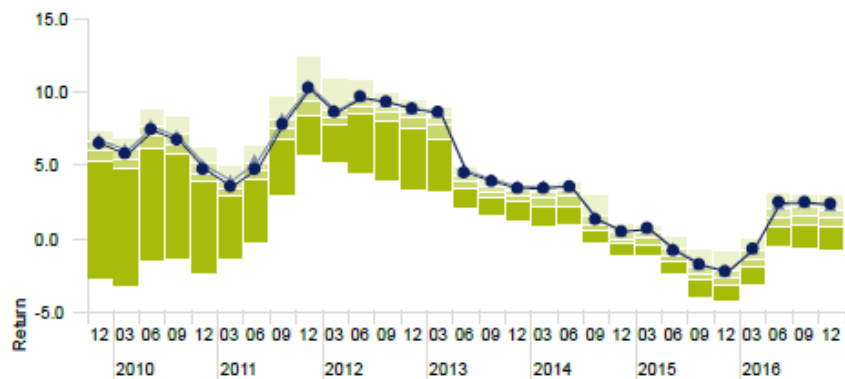
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	99.6	100.0
Alpha	-0.1	0.0
Beta	1.0	1.0
Std Dev	5.3	5.1
Up Capture Ratio	101.2	100.0
Down Capture Ratio	102.8	100.0
Sharpe Ratio (geo)	0.1	0.2
Information Ratio (geo)	-0.1	
Tracking Error	0.4	0.0
Correlation	1.0	1.0

Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Vanguard Inflation-Protected Secs I

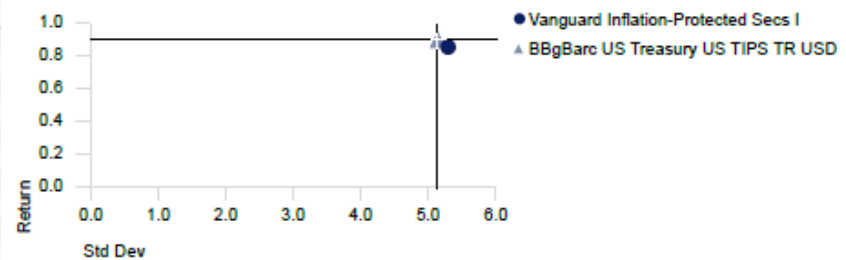
—BBgBarc US Treasury US TIPS TR USD

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
Vanguard Inflation-Protected Secs I	11.8	4	-2.8	56	11.0	29	6.3	28	13.4	6	6.9	24	-8.8	52	4.1	5	-1.7	31	4.6	39
BBgBarc US Treasury US TIPS TR USD	11.6		-2.4		11.4		6.3		13.6		7.0		-8.6		3.6		-1.4		4.7	

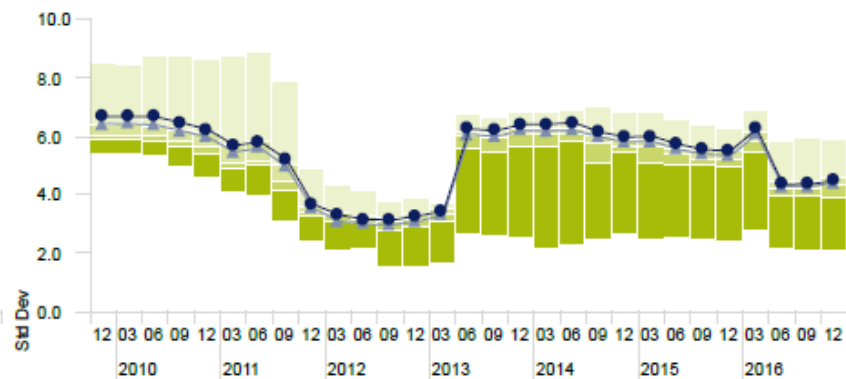
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Vanguard Inflation-Protected Secs I

—BBgBarc US Treasury US TIPS TR USD

Source: Morningstar

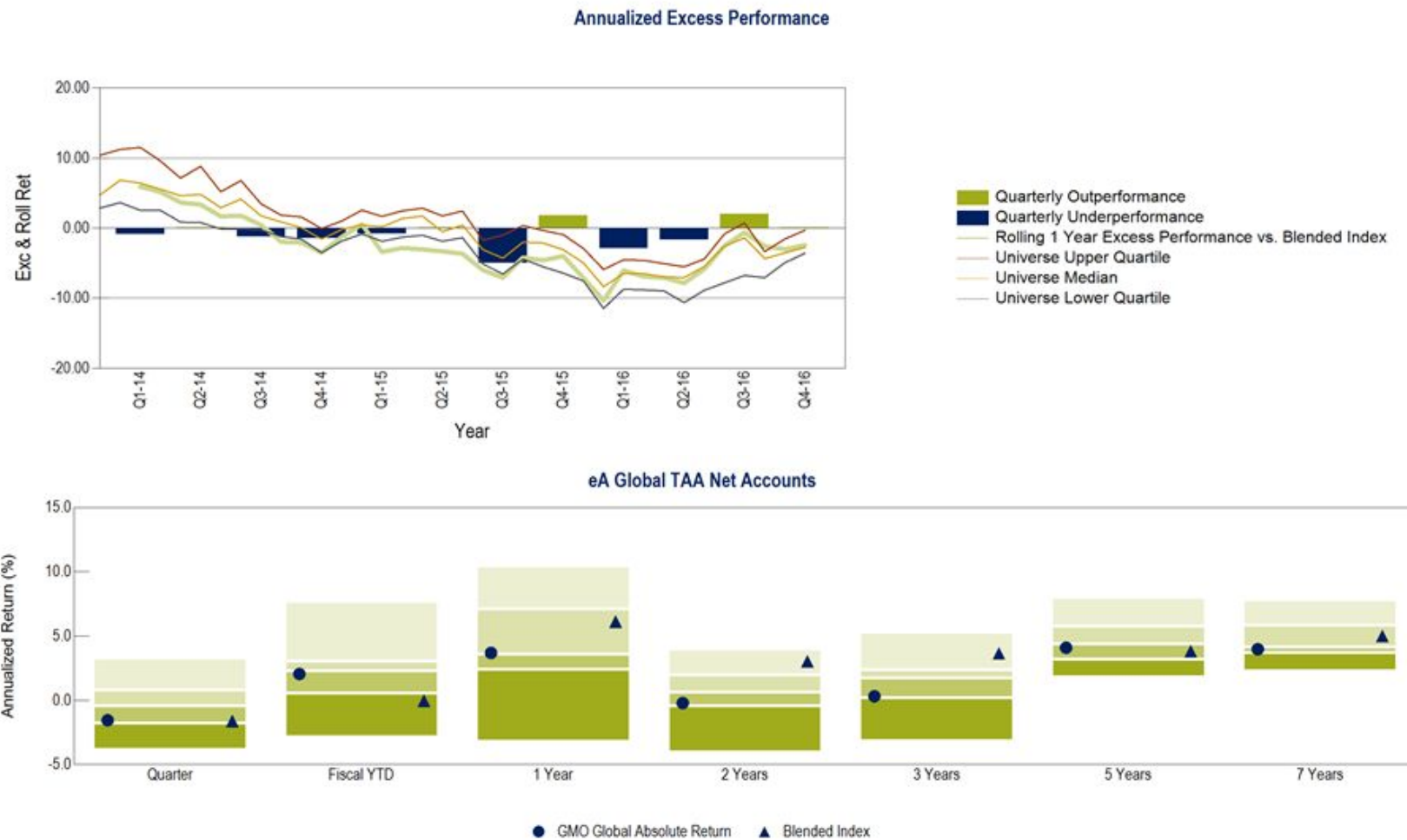


NEPC, LLC

December 31, 2016

University of Maine System Managed Investment Pool

GMO Global Absolute Return

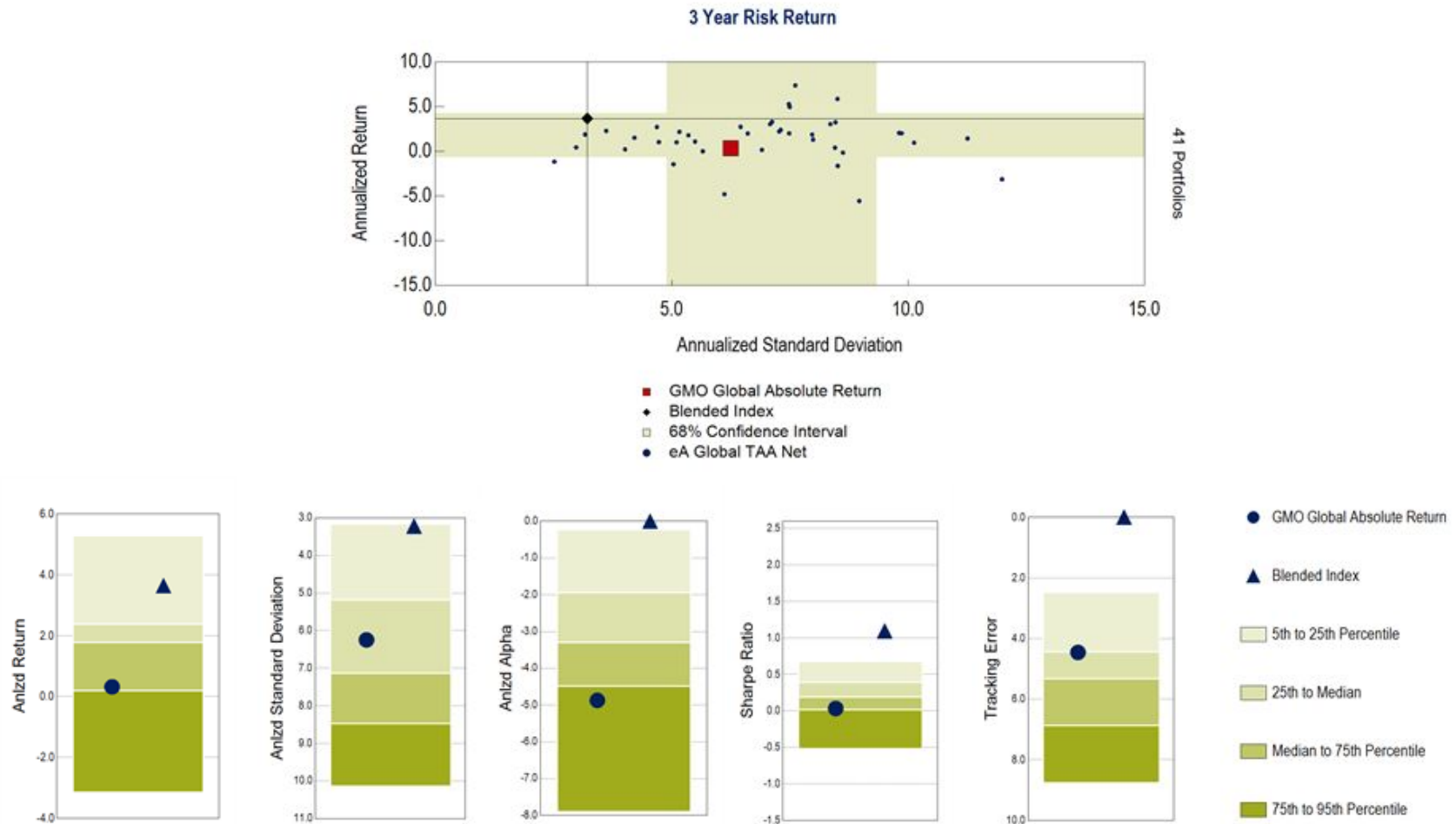


*Returns are net of fees.

*Blended Index: 40% BC Aggregate, 30% BC U.S. TIPS 1-10YR, 10% S&P 500, 10% BC High Yield, 10% JPM EMBI+

University of Maine System Managed Investment Pool

GMO Global Absolute Return

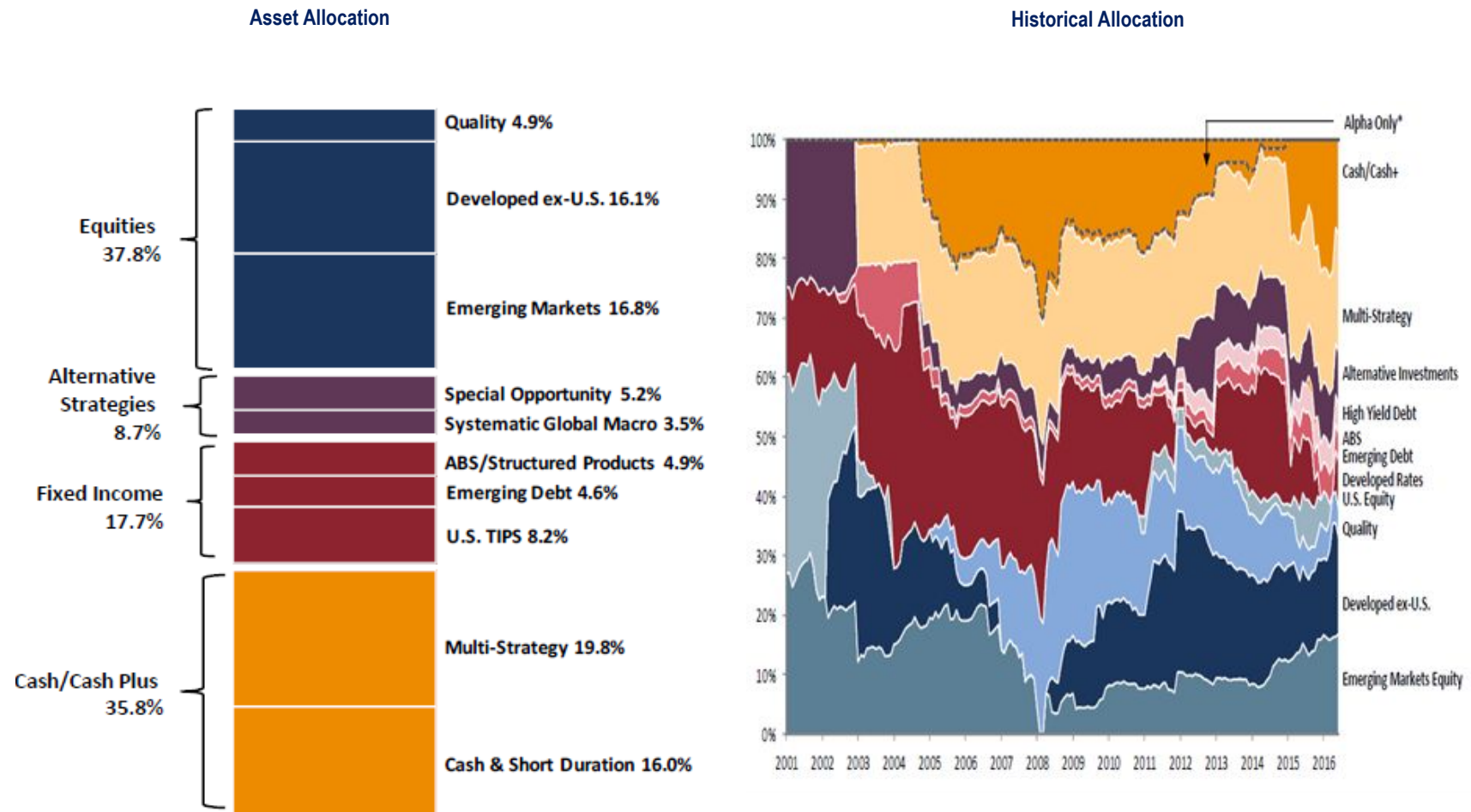


*Returns are net of fees.

*Blended Index: 40% BC Aggregate, 30% BC U.S. TIPS 1-10YR, 10% S&P 500, 10% BC High Yield, 10% JPM EMBI+

University of Maine System Managed Investment Pool

GMO (Global Allocation Absolute Return)

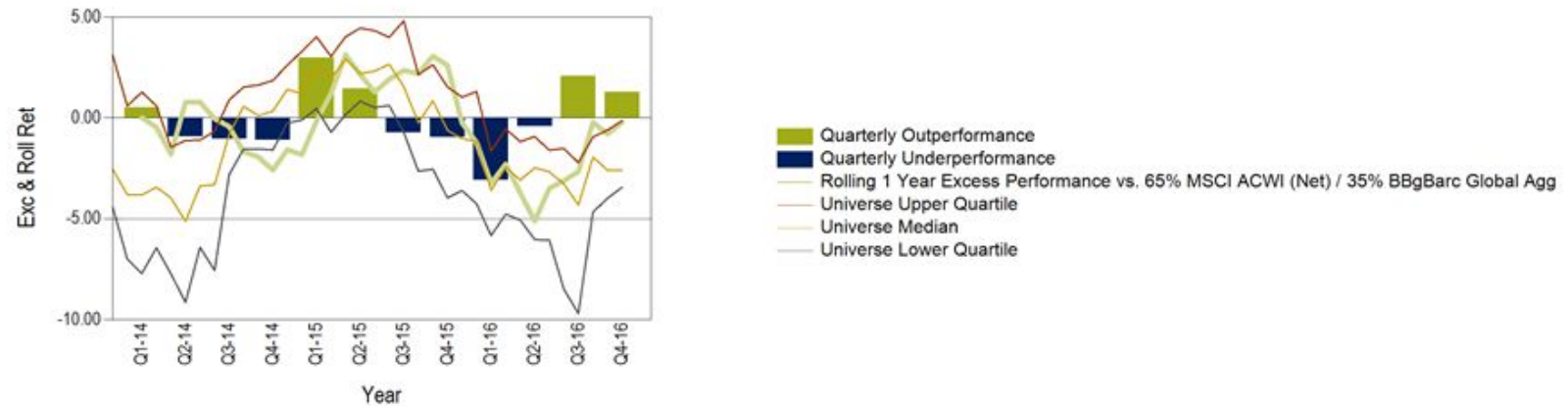


Source: GMO

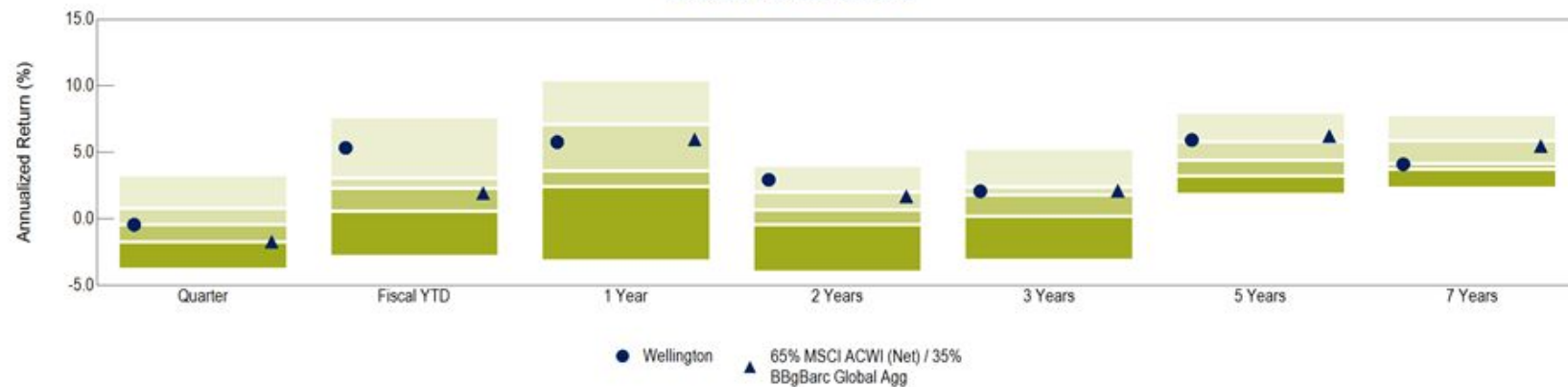
University of Maine System Managed Investment Pool

Wellington Opportunistic

Annualized Excess Performance



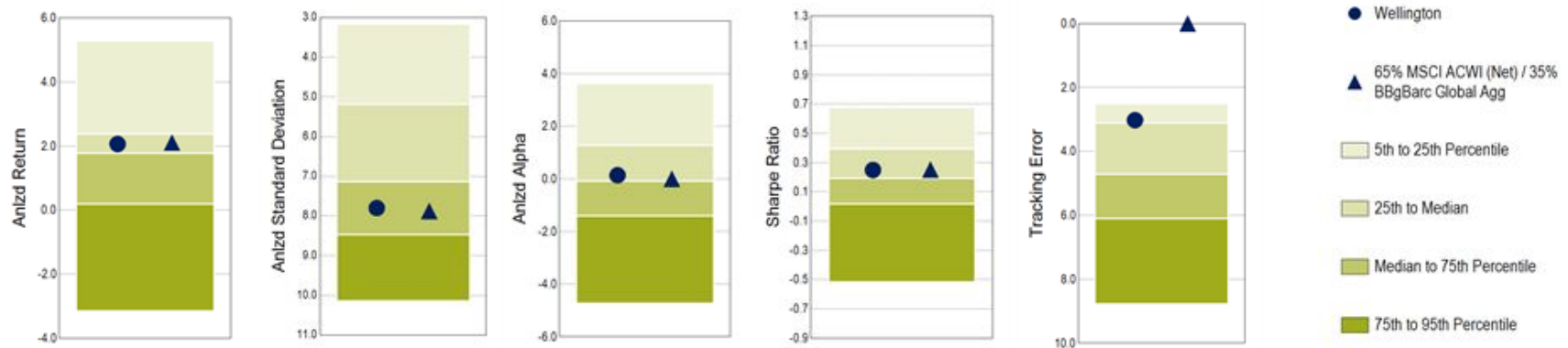
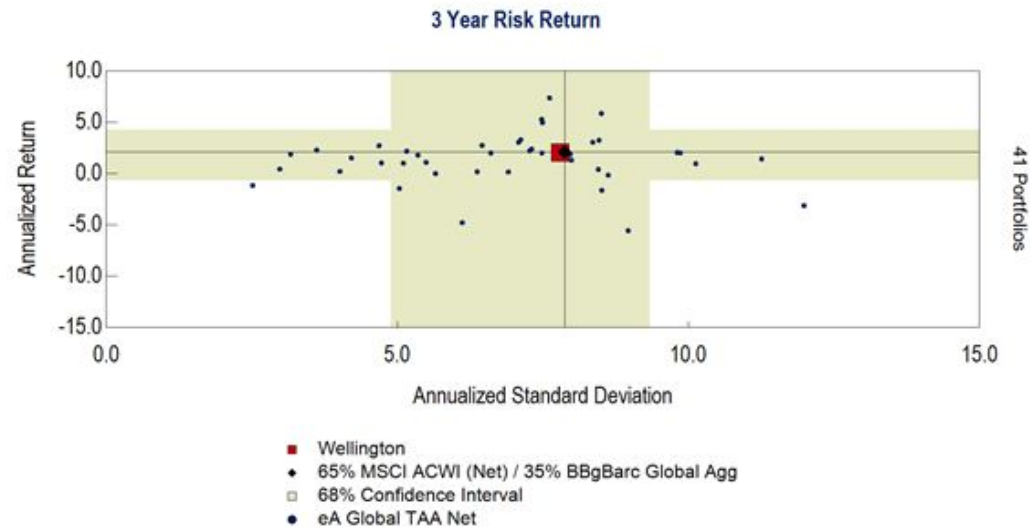
eA Global TAA Net Accounts



*Returns are net of fees.

University of Maine System Managed Investment Pool

Wellington Opportunistic



*Returns are net of fees.

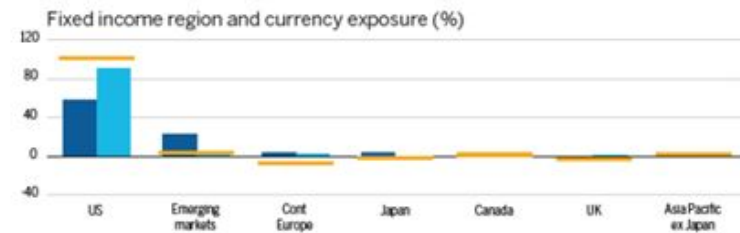
University of Maine System Managed Investment Pool

Wellington Opportunistic

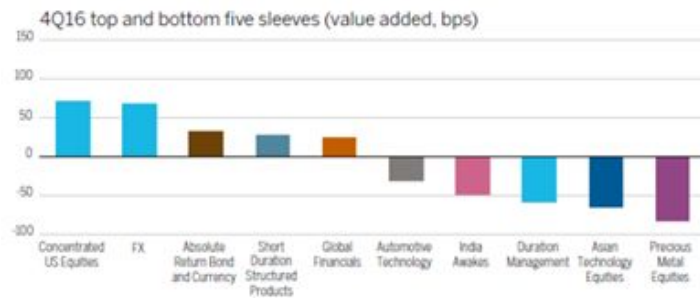
Portfolio Characteristics

	Portfolio	Benchmark
Yield to worst (%)	3.2	2.6
Option adjusted spread (bps)	138	45
Duration – effective (yrs)	5.9	5.6
Convexity – effective	0.8	0.1

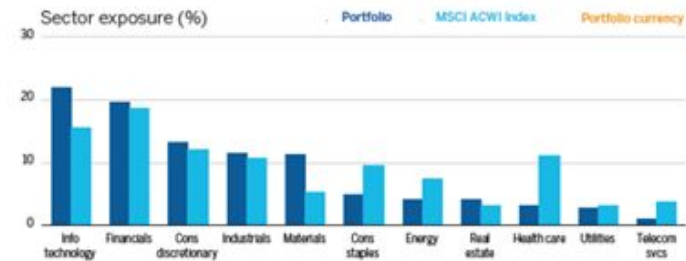
Fixed Income Sector



Top Relative Contributors and Detractors



Equity Sector



Source: Wellington



NEPC, LLC

December 31, 2016

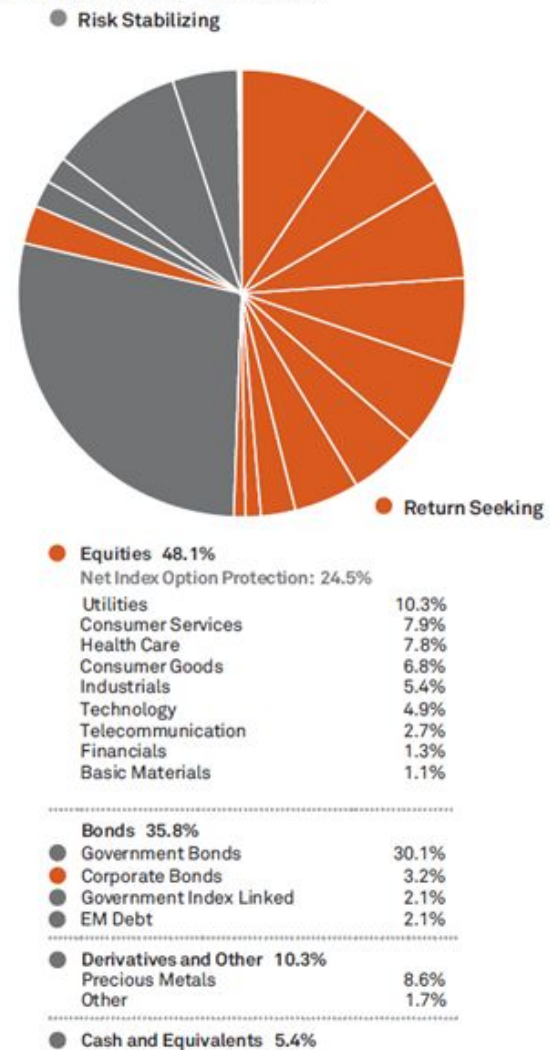
University of Maine System Managed Investment Pool

Newton Global Real Return

FUND CHARACTERISTICS AS OF 12/31/16	
	Fund
Average Market Cap (\$M)	60,308.92
Price/Earnings ratio	15.35
Price/book ratio	2.35
REGIONAL EQUITY ALLOCATION AS OF 12/31/16	
North America	16.49%
Europe ex UK	14.45%
UK	11.15%
Japan	2.45%
Pacific ex Japan	2.09%
Others	1.44%
TOP TEN HOLDINGS (%) AS OF 12/31/16	
USA Treasury Notes 1.75% 31/12/2020 USD100	5.0
USA Treasury Notes 3% 15/05/2045 USD100	4.7
USA Treasury Notes 1.5% 31/08/2018 USD100	3.8
USA Treasury Notes 3% 15/11/2045 USD100	3.4
USA Treasury Notes 2% 15/02/2025 USD100	3.0
Eversource EnergyCom Stk USD5	3.0
DB Commodity Services LLCPowerShares DB Gold Fund	2.8
Australia (Commonwealth) 3.75% Bds 21/04/2037 AUD1000	2.8
CMS Energy CorpCom Stk USD0.01	2.5
Novartis AGCHF0.50 (Regd)	2.4

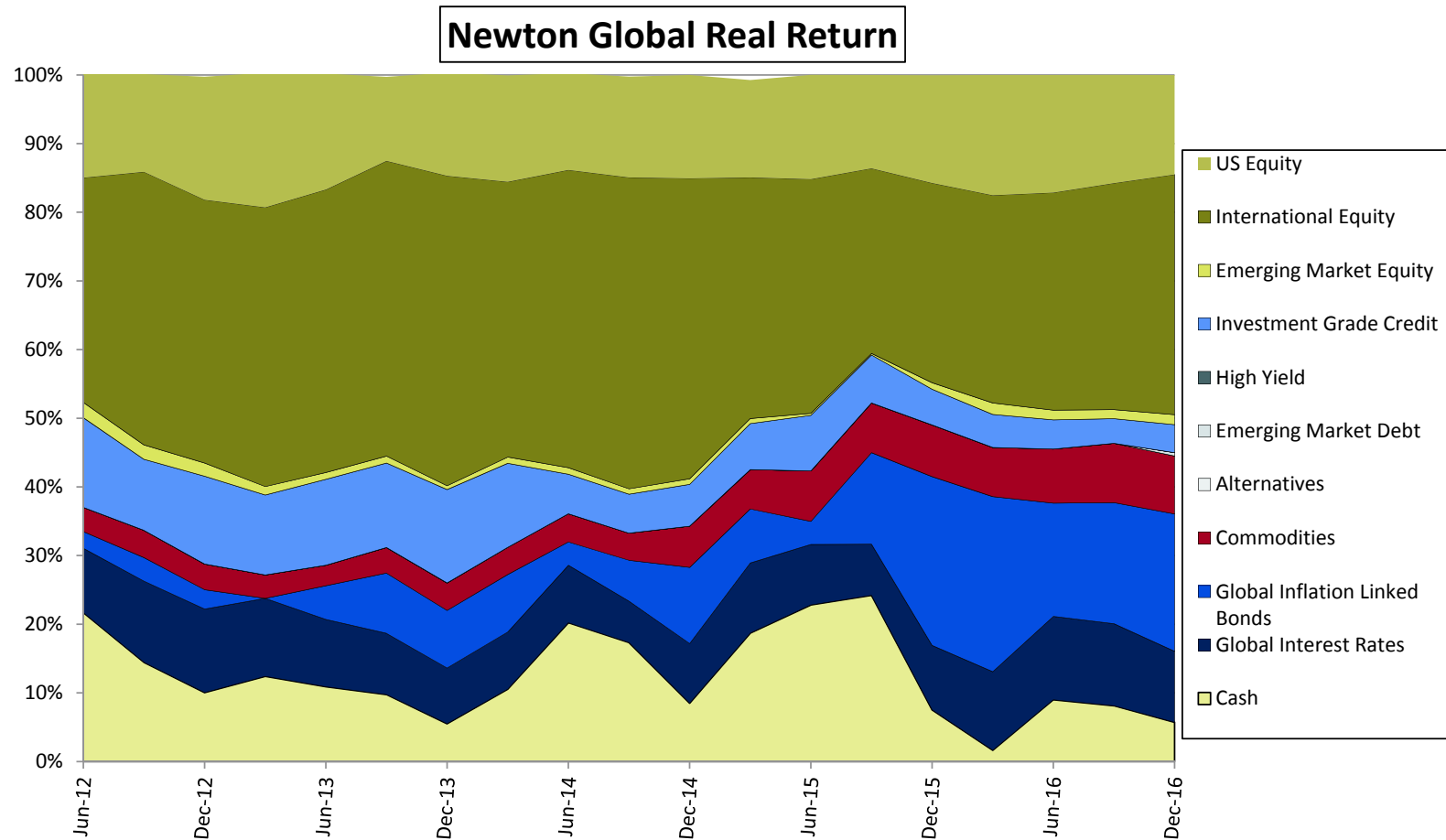
Source: Newton

EXPOSURE BY ASSET CLASS AS OF 12/31/16



University of Maine System Managed Investment Pool

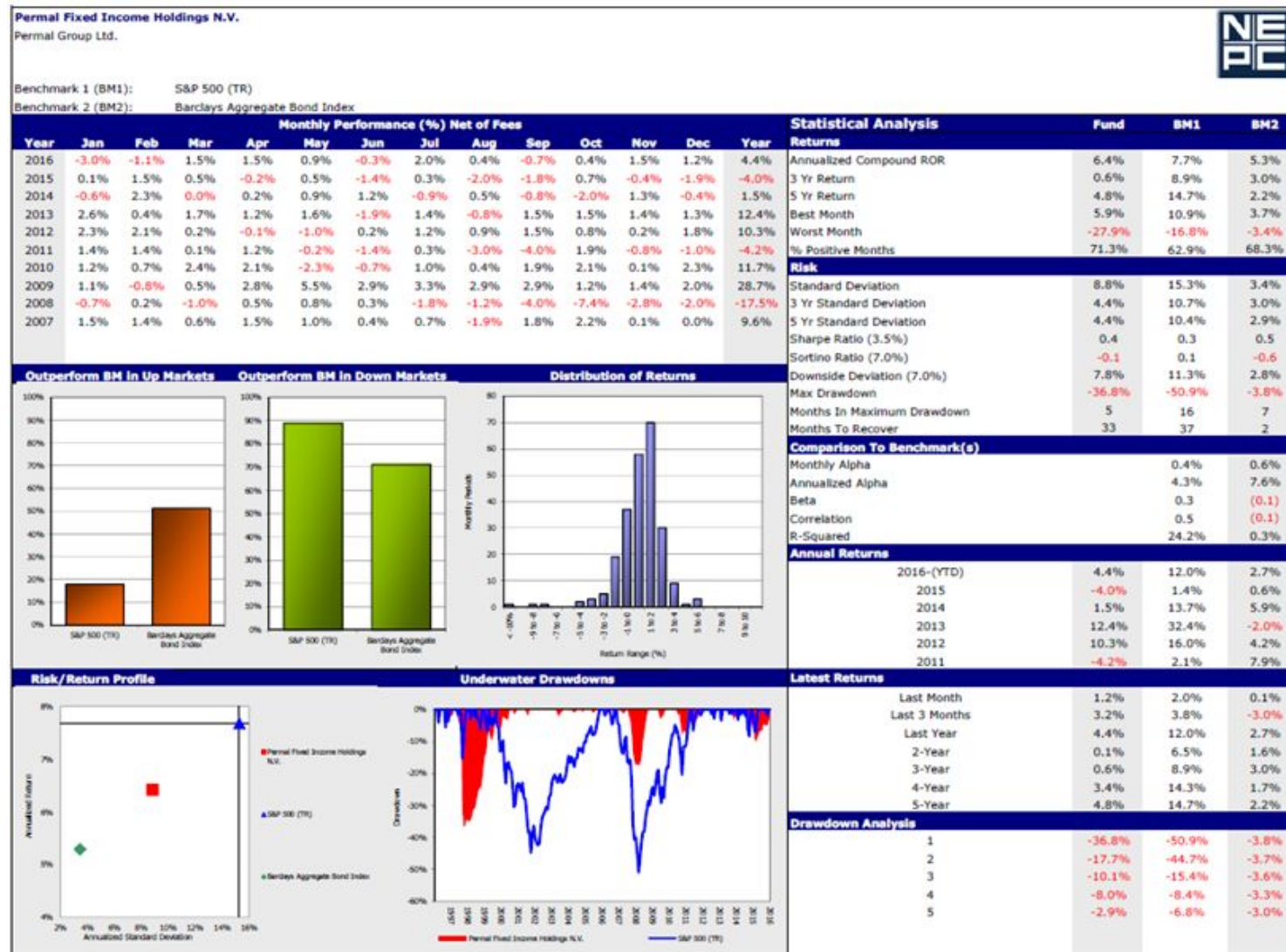
Newton Global Real Return



*As of March 2012, Newton is reporting High Yield separately from Credit

University of Maine System Managed Investment Pool

EnTrustPermal Fixed Income Holdings

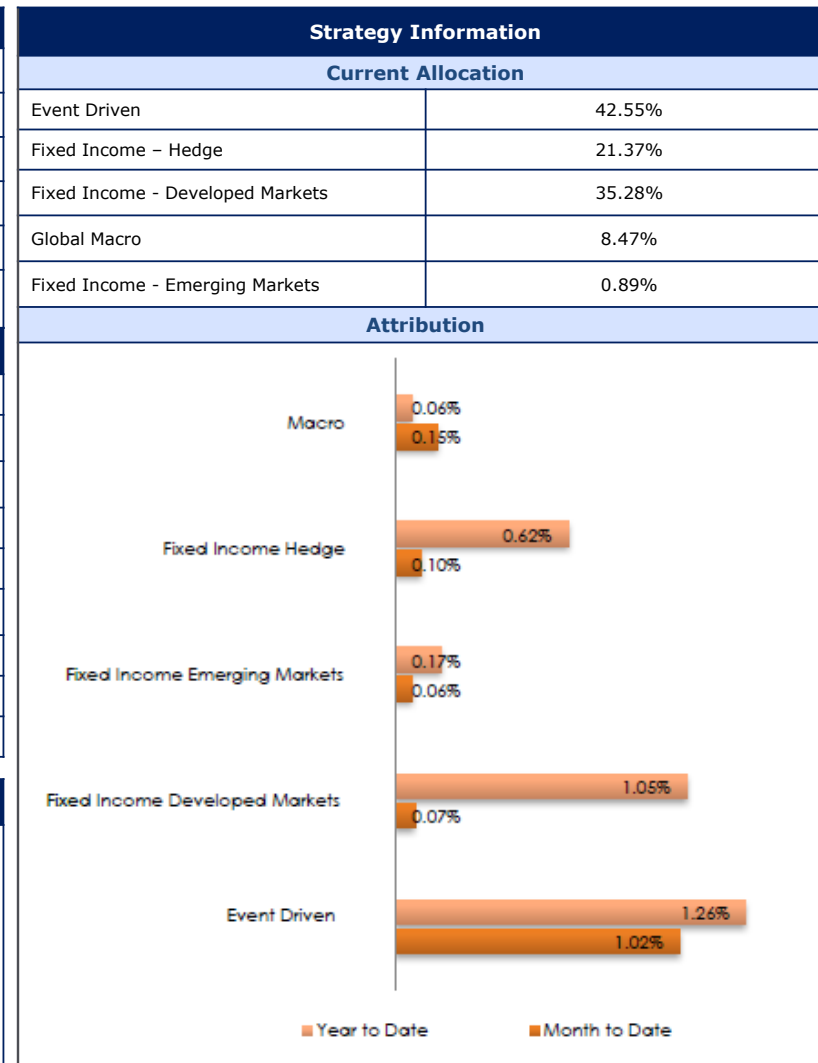


University of Maine System Managed Investment Pool

EnTrustPermal Fixed Income Holdings

General Fund Information			
Fund Name	EnTrustPermal Fixed Income Holdings		
Management Company	EnTrustPermal		
Location	New York, NY		
Firm AUM	\$25.2 Billion	Strategy	Fund of Fund
Strategy AUM	\$3.8 Billion	Sub-Strategy	Multi-Strategy
Portfolio Managers	Robert Kaplan, Clark Fenton, Javier Dyer	Direct or FOF	FOF
Terms			
Share Class	-		
Minimum Investment	\$1 million		
Management Fee	0.95%		
Incentive Fee	None		
Hurdle Rate	None		
High Water Mark	None		
Subscription	Monthly		
Redemption	Monthly with 20 days		
Lock-Up	None		

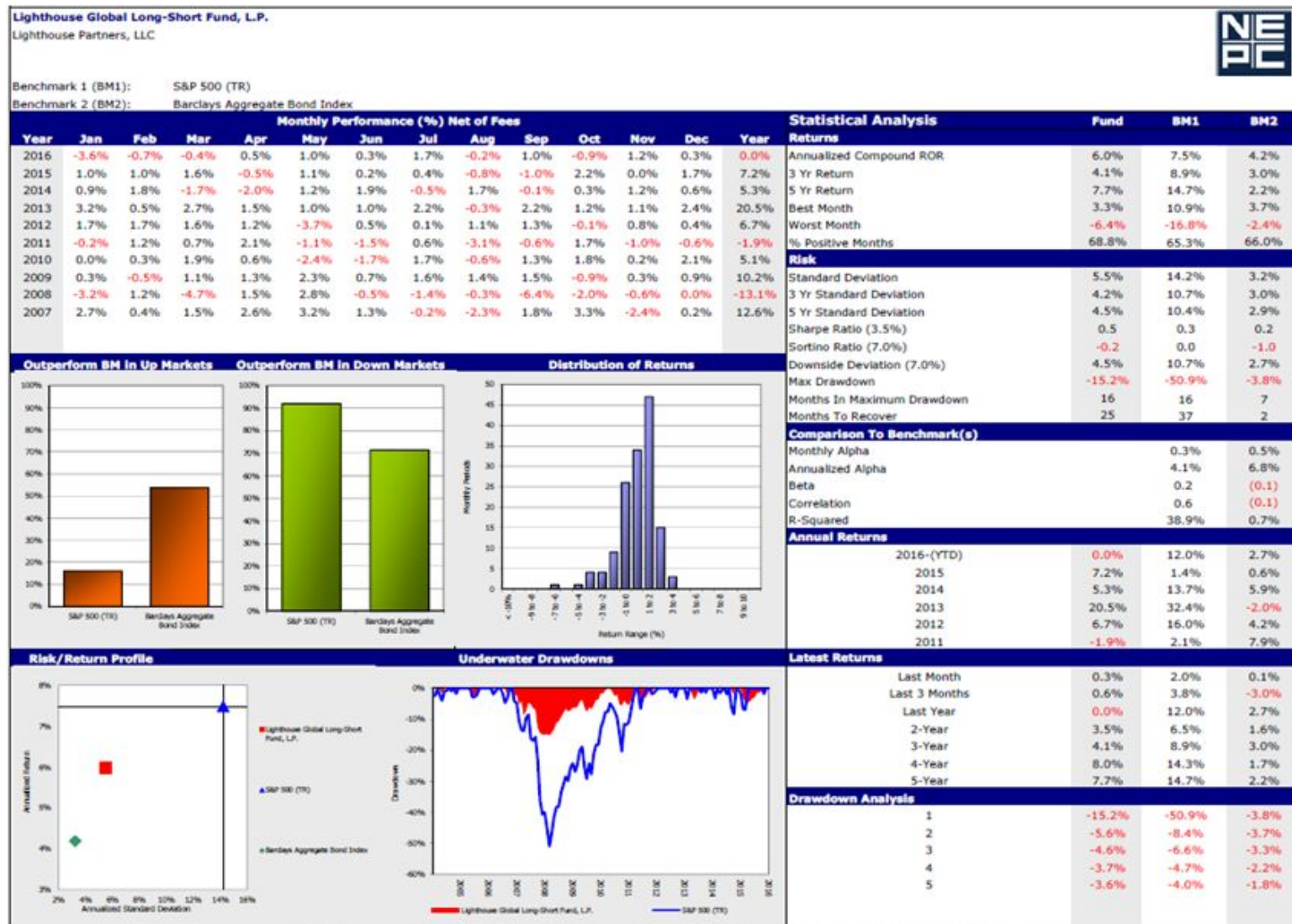
Investment Strategy
<p>Permal Fixed Income Holdings features a performance-oriented investment philosophy that employs a unique combination of fixed-income spread strategies, opportunistic bets on events, and nimble, liquid macro strategies. It is positioned as both a performance enhancer and a good diversifier to a core hedge fund allocation</p>



For more information please see NEPC's Investment Due Diligence Report and Operational Due Diligence Report

University of Maine System Managed Investment Pool

Lighthouse Global Long/Short



Past Performance is not indicative of future results. Ratios are calculated based on a risk-free rate of 3.0%. Actual ratios may vary depending on the actual risk-free rate and life of the fund

University of Maine System Managed Investment Pool

Lighthouse Global Long/Short

General Fund Information			
Fund Name	Lighthouse Global Long/Short Fund		
Management Company	Lighthouse Investment Partners, LLC		
Location	Palm Beach, FL		
Firm AUM	\$8.7 billion	Strategy	Fund of Fund
Strategy AUM	\$1.8 billion	Sub-Strategy	Long/Short Equity
Portfolio Managers	Ethan Baron	Direct or FOF	FOF
Terms			
Share Class	--		
Minimum Investment	\$1 million		
Management Fee	1.15%		
Incentive Fee	--		
Hurdle Rate	None		
High Water Mark	Yes		
Subscription	Monthly		
Redemption	Quarterly (60 days notice) or Monthly (90 days notice)		
Lock-Up	None		

Investment Strategy
Lighthouse’s Global Long/Short Fund is a global portfolio of 20-30 separately managed accounts with industry sector and country specialist managers. The geographical allocations are similar to the MSCI World Index (30%-75% Americas, 10%-35% Europe, 5%-35% Asia).
The Fund targets returns greater than 10% over market cycles with 6%-8% volatility and an equity beta of 0.2–0.4 to the MSCI World Index.



For more information please see NEPC's Investment Due Diligence Report and Operational Due Diligence Report

University of Maine System Managed Investment Pool

John Hancock Timber

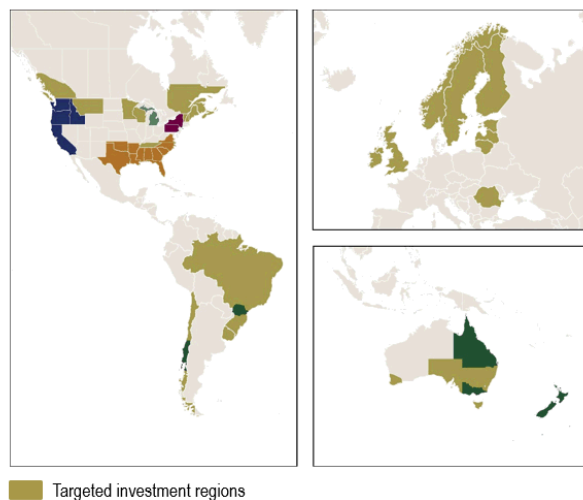
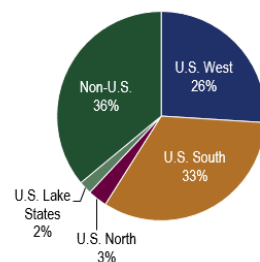
INVESTMENTS

<u>Property</u>	<u>Location</u>	<u>Acquisition date</u>	<u>Acres</u>	<u>Independent appraisals</u>		<u>Book value</u>	<u>Fair market value</u>	<u>Unrealized appreciation</u>
				<u>Last</u>	<u>Next</u>			
Elkhorn	WA	10/31/05	9,049	Dec-15	NA	\$ 14,838,789	\$ 25,264,750	\$ 10,425,961
Pinchot	WA	10/31/05	34,469	Dec-16	Dec-17	41,820,577	124,600,000	82,779,423
Phum Grove	PA/NY	10/31/05	48,193	Dec-16	Dec-17	142,310,159	139,700,000	(2,610,159)
Tyler	TX	10/31/05	86,901	Dec-16	Dec-17	77,298,728	169,000,000	91,701,272
Total equity real estate			178,612			\$ 276,268,253	\$ 458,564,750	\$ 182,296,497

<u>Other investments</u>		<u>Acquisition date</u>		<u>Independent appraisals</u>				
				<u>Last</u>	<u>Next</u>			
Minerals		10/31/05		NA	NA	\$ 959,680	\$ 959,680	\$ -
Other miscellaneous investments		10/31/05		NA	NA	28,150	28,150	-
Red River Timberlands Company *	AR, LA, TX	4/1/08	120,623	Dec-16	Dec-17	116,346,143	134,669,134	18,322,991
Total other investments			120,623			\$ 117,333,973	\$ 135,656,964	\$ 18,322,991

INVESTMENT REGIONS

**Investment Regions
by Market Value**
(USD10.5 billion)
as of December 31, 2016



Source: Hancock

University of Maine System Managed Investment Pool

Landmark Equity Partners XV

General Fund Information			
Fund Name	Landmark Equity Partners XV		
General Partner	Landmark Partners		
Main Address	10 Mill Pond Lane, Simsbury, CT 06070		
Target Fund Size	\$2.5B	Expected Final Close	Up to 15 months after Initial Closing
Capital Raised	\$3.25B	Closes to Date	Yes
Investment Period	3-4 years	Minimum Investment	\$10M (negotiable)
Term of Entity	10 years from initial close, subject to 2 one-year extensions at GP's discretion	Investment Structure	Delaware L.P.
Key Persons	There are 6 members of the Key Person clause	Fund Auditor	PWC
Size of Fund Team	78 professionals (includes investment and administrative)	Number of Past Funds	28 (across all strategies)

GP Fees, Promote and Commitment	
Preferred Return	<ul style="list-style-type: none"> 8% per annum
GP Fees	Years 1 - 4: 1.00% of LP's capital commitments Years 5 - 8: 1.00% of the aggregate amount of LP's capital contributions plus amounts subject to call for Fund obligations Years 8 - remaining life of fund: 1.00% of LP's investment percentage of the reported value of Fund XV's portfolio investments
GP Commitment	<ul style="list-style-type: none"> 1% of aggregate commitments
Carried Interest	<ul style="list-style-type: none"> 10% on secondary investments only

Fund Strategy			
Investment Strategy	<ul style="list-style-type: none"> Landmark XV's primary objective is to acquire interests in private equity investments through secondary transactions. Landmark will build a diversified portfolio of private equity partnership interests diversified by strategy, geography and vintage year. Landmark strives to execute transactions on a negotiated basis and acquire portfolios of interests in private equity funds and direct investments through secondary market transactions that are unique, may require structuring, and where the opportunity for value creation exists. 		
Target Net Returns	Landmark aims to return a 1.6x-1.8x net multiple and a 15%-20% net IRR	Direct or fund of funds	Fund of funds (secondary interests)
Investment Style	Secondary	Target Fund Leverage	May use up to 10% leverage on aggregate commitment amount
Target Asset Types	Secondary investments in limited partnership interests	Target Geographies	Global (primary focus North America and Europe)
		Target Deal Size	No stated minimums or maximums

Fund Sourcing and Asset Management Capabilities	
Sourcing Capabilities	<ul style="list-style-type: none"> Reactive deal flow is attributed to inbound leads from limited partners, general partners and intermediaries - generally in the form of an auction. Firm will only consider participating in a competitive process if it believes it has an edge on its competitors with regard to familiarity of a portfolio and/or believes the assets are mispriced. Utilizes its proprietary database, quantitative research, and portfolio management tools to proactively engage with potential sellers with the ultimate goal of sourcing investments on an exclusive basis. Believes that deal exclusivity hinges on talking to LPs who do not yet realize that they are potential sellers. Two-thirds of their non-auctioned deal flow is due to their research tool projects undertaken with potential sellers.
Value Add	<ul style="list-style-type: none"> Focus on sourcing exclusive transactions should on average produce pricing that is lower than the prices available in the auction channel. Strives to arrange preferred structures to protect downside while preserving commensurate upside participation. Proactive sourcing model allows the investment team more time and better access to data to conduct due diligence.

Appendix

University of Maine System Managed Investment Pool

Glossary of Terms

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

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

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

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

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

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

Formula:

$$\frac{(\text{Annualized Return of Portfolio} - \text{Annualized Return of Benchmark})}{\text{Annualized Standard Deviation}(\text{Period Portfolio Return} - \text{Period Benchmark Return})}$$
 To annualize standard deviation, multiply the deviation by the square root of the number of periods per year where monthly returns per year equals 12 and quarterly returns is four periods per year.

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

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

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

Formula:

$$\text{Calculation Average } (X-Y) / \text{Downside Deviation } (X-Y) * 2$$
 Where X = Return Series X Y = Return Series Y which is the risk free return (91 day T-bills)

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

Formula:

$$\frac{(\text{Annualized Return of Portfolio} - \text{Annualized Return of Risk Free})}{\text{Annualized Standard Deviation (Portfolio Returns)}}$$

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

Formula:

$$\text{Tracking Error} = \text{Standard Deviation } (X-Y) * \sqrt{\# \text{ of periods per year}}$$
 Where X = periods portfolio return and Y = the period's benchmark return
 For monthly returns, the periods per year = 12
 For quarterly returns, the periods per year = 4

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

Formula:

$$\frac{(\text{Portfolio Average Return} - \text{Average Return of Risk-Free Rate})}{\text{Portfolio Beta}}$$

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

$$\text{UpsideCapture} = \frac{\text{TotalReturn}(\text{FundReturns})}{\text{TotalReturns}(\text{BMReturn})} \text{ when Period Benchmark Return is } > 0$$

$$\text{DownsideCapture} = \frac{\text{TotalReturn}(\text{FundReturns})}{\text{TotalReturns}(\text{BMReturn})} \text{ when Benchmark } < 0$$

Data Source: InvestorForce

University of Maine System Managed Investment Pool

Information Disclaimer and Reporting Methodology

Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may not be available from the source or may be preliminary and subject to change.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodial bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- This report is provided as a management aid for the client's internal use only. Performance contained in this report does not constitute a recommendation by NEPC.
- This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of Return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Pension Fund Performance Review
2. **INITIATED BY:** Karl W. Turner, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **BACKGROUND:**

Enclosed for your information is the Pension Fund performance report for the quarter ended December 31, 2016.

Kelly Regan and Jay Roney of NEPC will provide a brief review at the March 9, 2017 Investment Committee meeting.

02/27/2017

University of Maine System Pension Plan

Total Plan Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Pension Composite	31,010,184	100.0	100.0	-0.9	1.5	5.0	1.9	2.3	6.4	5.8	3.6
Allocation Index				-1.1	1.7	5.2	2.6	3.1	6.6	6.2	4.0
Policy Index				-0.8	2.0	6.1	3.0	3.4	6.8	6.7	4.8
Total Domestic Large Cap	2,423,690	7.8	8.0	3.8	7.8	11.9	6.5	8.8	14.7	11.8	5.7
S&P 500				3.8	7.8	12.0	6.5	8.9	14.7	12.8	6.9
Vanguard S&P 500 Index	2,423,690	7.8	8.0	3.8	7.8	11.9	6.5	8.8	--	--	--
S&P 500				3.8	7.8	12.0	6.5	8.9	14.7	12.8	6.9
Total Small Cap Composite	1,469,803	4.7	4.0	8.8	18.7	21.5	7.6	6.5	14.1	13.0	--
Russell 2000				8.8	18.7	21.3	7.7	6.7	14.5	13.2	7.1
SSgA R2000 Index Fund Non Lending	1,469,803	4.7	4.0	8.8	18.7	21.5	7.7	6.5	14.2	13.0	--
Russell 2000				8.8	18.7	21.3	7.7	6.7	14.5	13.2	7.1
Total International Equity (including emerging markets)	2,965,742	9.6	10.0	-4.6	-1.0	-2.2	-2.4	-2.7	4.2	2.7	0.7
MSCI EAFE				-0.7	5.7	1.0	0.1	-1.6	6.5	3.8	0.7
Morgan Stanley Int'l	2,014,970	6.5	7.0	-2.4	0.2	-1.5	-0.6	-2.5	6.0	3.9	1.6
MSCI EAFE				-0.7	5.7	1.0	0.1	-1.6	6.5	3.8	0.7
Emerging Markets Equity	950,772	3.1	3.0	-8.9	-3.5	-3.6	-6.7	-3.8	--	--	--
MSCI Emerging Markets				-4.2	4.5	11.2	-2.7	-2.6	1.3	0.5	1.8
Mondrian EM Small Cap	950,772	3.1	3.0	-8.9	-3.5	-3.6	-6.7	--	--	--	--
MSCI Emerging Markets Small Cap				-6.2	0.9	2.3	-2.4	-1.3	3.5	1.4	3.4
Total Fixed Income	9,817,596	31.7	32.0	-2.8	-1.9	3.8	1.7	2.6	3.5	4.2	5.4
BBgBarc US Aggregate TR				-3.0	-2.5	2.6	1.6	3.0	2.2	3.6	4.3
Vanguard Total Bond Market Index	8,320,038	26.8	27.0	-3.2	-2.8	2.6	1.5	--	--	--	--
BBgBarc US Aggregate TR				-3.0	-2.5	2.6	1.6	3.0	2.2	3.6	4.3
Loomis Sayles Fixed Income	1,497,558	4.8	5.0	-0.6	2.8	9.9	1.6	--	--	--	--
BBgBarc Global Aggregate TR				-7.1	-6.3	2.1	-0.6	-0.2	0.2	1.7	3.3
Total GAA	7,905,321	25.5	25.0	-2.4	0.2	4.8	0.2	0.3	4.0	3.8	--
65% MSCI ACWI (Net) / 35% BBgBarc Global Agg				-1.7	1.9	6.0	1.7	2.1	6.2	5.5	3.8
Wellington	3,995,663	12.9	12.5	-0.5	5.4	5.9	3.0	2.2	6.0	4.2	--
65% MSCI ACWI (Net) / 35% BBgBarc Global Agg				-1.7	1.9	6.0	1.7	2.1	6.2	5.5	3.8
Newton Global Real Return	3,909,658	12.6	12.5	-4.4	-4.9	--	--	--	--	--	--
60% MSCI ACWI (Net)/40% CITI WGBI				-2.8	0.4	5.5	1.4	1.7	5.3	4.9	3.7

University of Maine System Pension Plan

Total Plan Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Total Alternative Investments	3,149,138	10.2	10.0	1.9	4.1	2.2	0.5	1.4	3.2	2.1	--
HFRI Fund of Funds Composite Index				0.9	3.2	0.5	0.1	1.2	3.4	2.4	1.3
EntrustPermal	1,548,145	5.0	5.0	3.2	5.0	4.5	0.1	0.5	4.6	4.2	--
HFRI Fund of Funds Composite Index				0.9	3.2	0.5	0.1	1.2	3.4	2.4	1.3
Lighthouse	1,600,993	5.2	5.0	0.7	3.3	0.2	--	--	--	--	--
Credit Suisse Long Shrt Eqt USD				-0.2	1.7	-3.4	0.0	1.8	6.1	4.5	4.0
Total Real Assets	2,466,054	8.0	8.0								
Principal	2,466,054	8.0	8.0	2.7	4.7	9.0	11.2	11.7	12.0	13.0	4.7
NCREIF ODCE				2.1	4.2	8.8	11.8	12.1	12.2	13.3	5.8
Total Cash	812,839	2.6	3.0								
Distribution Account	812,839	2.6	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8
91 Day T-Bills				0.1	0.2	0.3	0.2	0.1	0.1	0.1	0.7

Notes:

Fiscal YTD begins 7/1

Blended Index: 40% BC Aggregate, 30% BC U.S. TIPS 1-10YR, 10% S&P 500, 10% BC High Yield, 10% JPM EMBI+

Returns are net of manager fees

Cube market value is carried over from 12/31/15



NEPC, LLC

YOU DEMAND MORE. So do we.™



University of Maine System Pension Fund

Fourth Quarter 2016 Investment Performance Review

March 9, 2017

Jay E. Roney, Partner
Kelly Regan, Senior Consultant

255 State Street, Boston, MA 02109 | TEL: 617.374.1300 | FAX: 617.374.1313 | www.nepc.com

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

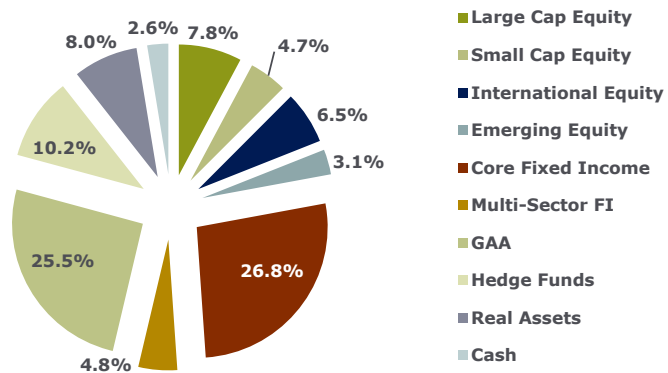
Executive Summary

University of Maine System Pension Plan

Executive Summary

ASSET ALLOCATION

Plan Assets: \$31.0 Million



PLAN COMMENTS

Asset Allocation

The Plan's assets were \$31.0 million as of December 31, 2016, a \$1.4 million decrease during the fourth quarter. While investment losses were \$237 thousand, benefit payments amounted to \$1.2 million. All asset classes are within policy ranges.

Performance (Net of Fees)

The Plan returned -0.9% over the quarter, 1.5% fiscal year to date, and 5.0% over the trailing year.

The Plan ranked in the 80th percentile during the fiscal year to date and 79th over the one year period (Universe = Trust Funds).

The managers with the highest absolute returns over the fourth quarter were the SSgA (domestic small cap equity), Vanguard (S&P 500) EntrustPermal (hedge fund) and Principal (Real Estate).

PLAN PERFORMANCE: NET OF FEES

	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR
COMPOSITE	-0.9%	1.5%	5.0%	2.3%	6.4%	5.8%	3.6%
ALLOC. INDEX	-1.1%	1.7%	5.2%	3.1%	6.6%	6.2%	4.0%
POLICY INDEX	-0.8%	2.0%	6.1%	3.4%	6.8%	6.7%	4.8%

RECENT ACTIONS/RECOMMENDATIONS

Recent Actions

None.

Recommendations

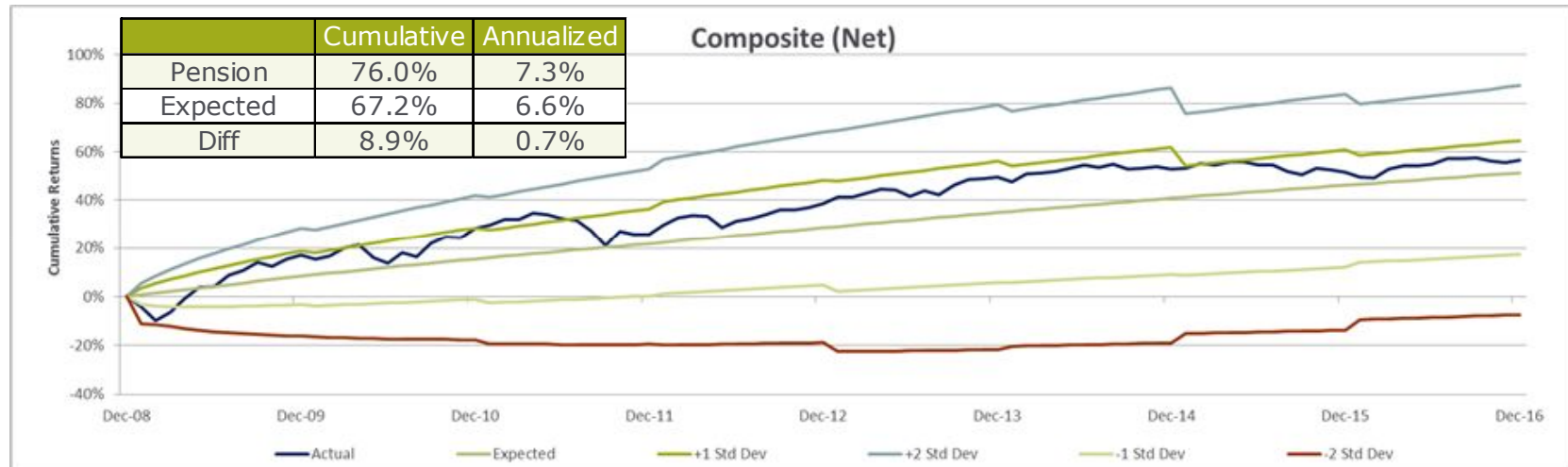
Review Asset Allocation study recommendations provided in a separate document.

Manager Due Diligence

There is one manager update detailed on the Due Diligence Monitor.

University of Maine System Pension Plan

Pension Return Expectations



- **Over the last 8 years ending 12/31/16, the Pension returned 7.3% annualized versus a blended expected return of 6.6% (based on NEPC's 5-7 year forecasts)**
- **The returns are currently above the expected target and within a one standard deviation range of outcomes**

University of Maine System Pension Plan

Due Diligence Monitor

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

Investment Manager	Manager Changes/ Announcements (Recent Quarter)	NEPC Due Diligence Committee Recommendations
EntrustPermal	Yes	Watch (Firm) / Maintain Hold

A legend key to our recommendations is provided below.

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

University of Maine System Pension Plan

Due Diligence Commentary

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

Manager Changes/Announcements	
Investment Option	Commentary
EntrustPermal <i>EntrustPermal Fixed Income Holdings N.V.</i>	<p>See Memo on following page.</p> <p><i>NEPC upgraded EntrustPermal firm rating from Hold to Watch and maintains the Hold rating for the strategy.</i></p>



To: NEPC Clients

From: NEPC Research

Date: January 26, 2017

Subject: EnTrustPermal Due Diligence Status Change: *Upgrade from HOLD to WATCH*

Product Rating: EnTrustPermal Fixed Income Holdings N.V. ("EPFIH") and EnTrustPermal Fixed Income Holdings (ERISA) Ltd. ("EPFIHE"): *Maintain Current Rating (Neutral) and Current Due Diligence Status: HOLD*

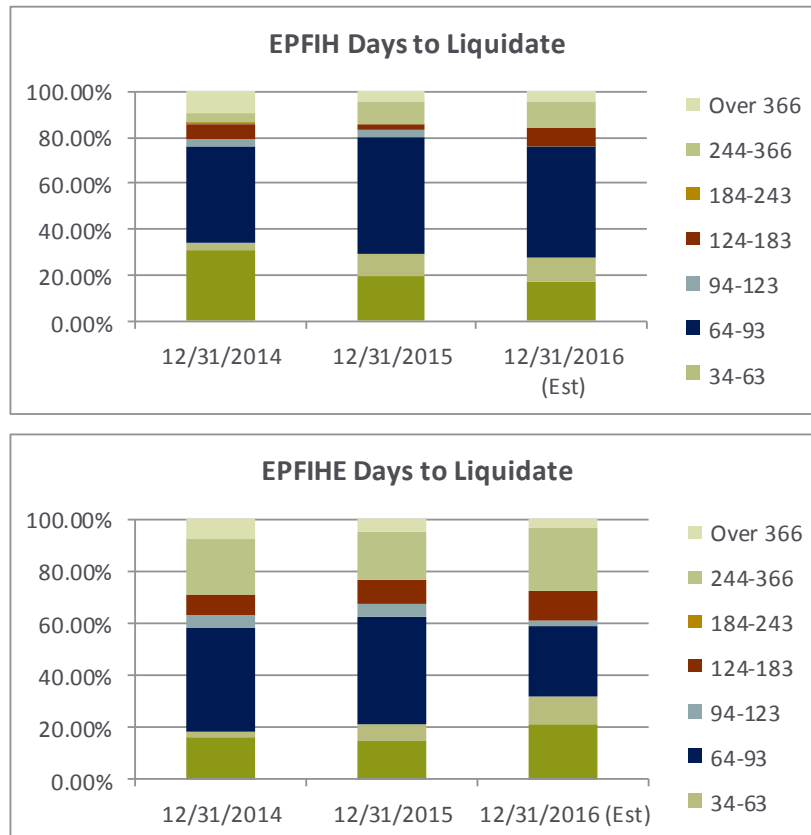
Roughly one year since the announcement that EnTrust and Permal would merge and form a combined entity (EnTrustPermal) and subsidiary of Legg Mason, we are comfortable that the integration process is proceeding in line with expectations. At the firm level, there has been some reduction in overall assets under management but within expectations given a significant corporate event. We expect further integration efforts to occur over time to continue to gain efficiencies in the investment process and make efforts to extract additional fee savings from underlying managers. We will continue to monitor the ongoing integration but at this time we believe it is appropriate to upgrade the firm Due Diligence rating of EnTrustPermal from HOLD to WATCH. This means that we have gained comfort with how they have addressed a significant event (merger of two firms) but believe continued monitoring is appropriate.

We are maintaining the current Due Diligence Status of HOLD on the legacy Permal Fixed Income Holdings strategies (EPFIH and EPFIHE) as we feel a higher level of monitoring and awareness is appropriate given relatively large redemptions in these strategies over the last year. Increasing investor outflows from the legacy Permal flagship fund (EPFIH), driven largely by non-NEPC investors (primarily Private Clients and Family Offices), have led to a drop in AUM of approximately 40% since the beginning of 2016. This asset decline could potentially present some liquidity concerns for NEPC investors in the Fund should more investors redeem. The ERISA Fund (EPFIHE) experienced a smaller asset drop in 2016 (~20%) but we are aware of anticipated additional redemptions of more than 30% in that fund. EnTrustPermal has indicated they there are prepared to manage those redemptions effectively.

Historically, EnTrustPermal has managed portfolio liquidity of these funds effectively, including during this recent period of redemptions. The portfolio management team has prudently balanced portfolio flows and underlying manager redemptions while utilizing lines of credit to help mitigate the portfolio impact. Additionally, the team and processes remain the same.

Given the decline in assets and trend of outflows, we think it is appropriate to maintain our HOLD recommendation as we continue to monitor and evaluate the portfolio and overall asset flows. While the significant outflows are a concern, this is somewhat offset by the following factors:

- The portfolio management team has historically shown an ability to manage through periods of outflows and adjust positions to meet monthly redemptions.
- The funds performed well on a relative basis in 2016 despite the outflows.
- Effective liquidity management is evidenced by the fact that the liquidity profile of the Fund's underlying holdings has remained relatively similar to previous years. While the majority of assets are still in vehicles that require more than 30 days to liquidate, the overall profile remains consistent.



Source: NEPC, EnTrustPermal (12/20/2016). 12/31/2016 liquidity is estimated. The charts shown above are based on "a most restrictive liquidity review" by EnTrustPermal which for year end 2016 is estimated as of December 20, 2016. The "days to liquidate", has been defined by EnTrustPermal as the number of days until the next effective available redemption date of the underlying investments in EPFIH and EPFIHE

- While the use of credit lines increased meaningfully for the EPFIH during this period, EnTrustPermal has indicated that the funds' borrowing needs have dropped as outflows have slowed and they have continued to manage portfolio cash flows. In addition, they noted that they have additional borrowing capacity. This capacity should allow them to continue to manage the portfolio consistent with past practice.
- EnTrustPermal noted that they are considering merging the EPFIH and EPFIHE funds in order to improve the overall flexibility across all of the funds. We are supportive of this concept because of the potential additional benefits to clients and will keep you informed if this moves forward.
- If redemptions increase to the point that it could negatively impact remaining investors, it is possible that EnTrustPermal could impose a gate. As indicated by EnTrustPermal, the purpose of the gate would be to manage liquidity of the funds in the best interests of its continuing investors. This provides another potential layer of protection for remaining clients, but, if triggered, could lead to a slower repayment



of redemption proceeds than what the Fund's stated terms offer for those clients redeeming.

- EnTrustPermal provided information about "advisor concentration". NEPC clients now represent the largest group under one advisor with approximately 35% and 45% of total assets in EPFIH and EPFIHE, respectively. No other advisor represents more than 10% of client assets in the EPFIH fund and there are three advisors that each represents 10-20% of the EPFIHE fund. We recognize that a change in our recommendation to Client Review or Terminate could potentially trigger a gate at the Fund level and we would therefore work to understand and communicate the implications if our assessment of the situation warrants a potential downgrade.

We recommend clients continue to assess EPFIH and EPFIHE and the role that each plays in the strategic asset allocation of your portfolio(s). At this point, we are comfortable with NEPC clients maintaining their exposure to the EPFIH and EPFIHE funds, subject to the specific circumstances of your particular investment program.

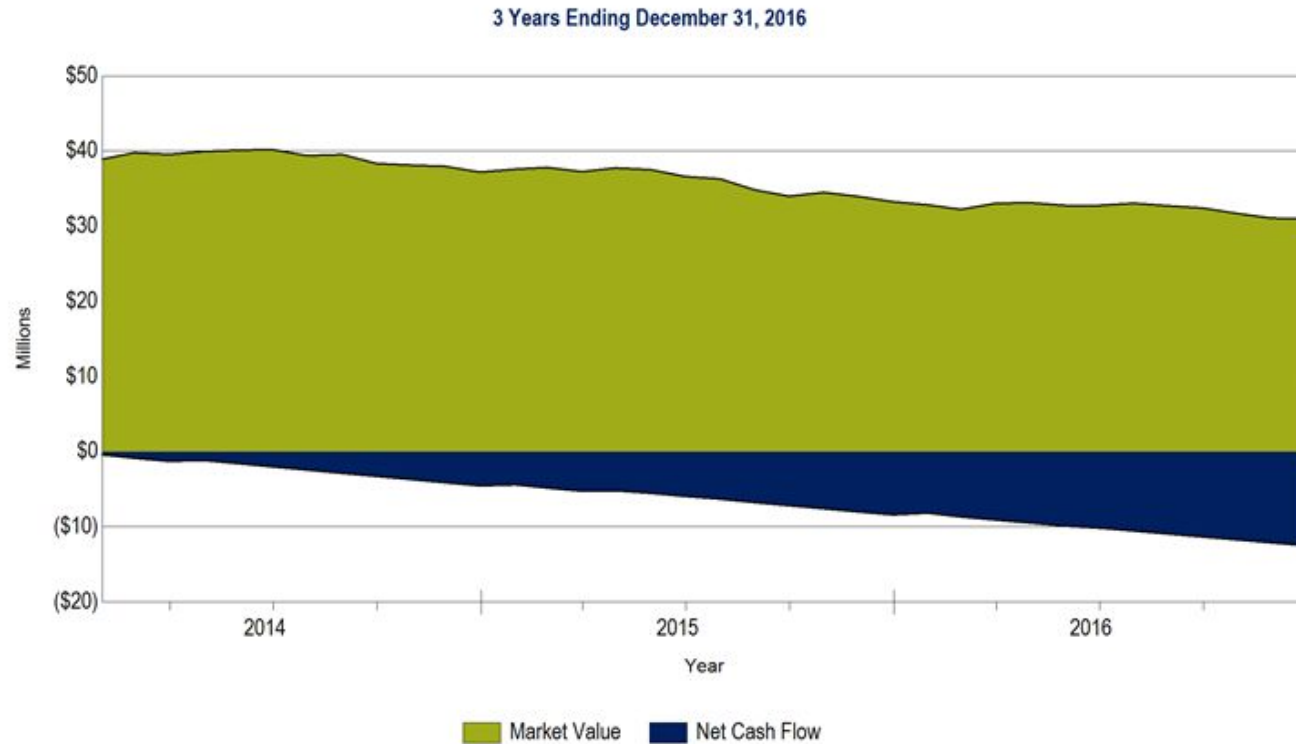
We will continue to monitor asset flows, portfolio construction and performance. If the situation changes, we will keep you informed. While we are not recommending any action at this point, we do want to remind you of the current notice periods which are outlined below.

Vehicle	Redemption Terms	Notice By	Redemption Date
EPFIH N.V.	Monthly 20 days notice	February 10, 2017	February 28, 2017
EPFIH Institutional (feeder)	Monthly 25 days notice	February 3, 2017	February 28, 2017
EPFIHE	Monthly 61 days Notice	January 27, 2017	March 31, 2017

Plan Summary and Statistics

University of Maine System Pension Plan

Total Plan Asset Growth Summary



	Last Three Months	Fiscal Year-To-Date	One Year	Three Years
Beginning Market Value	\$32,428,288	\$32,763,516	\$33,263,078	\$40,137,846
Net Cash Flow	-\$1,181,071	-\$2,361,579	-\$4,120,962	-\$12,531,484
Net Investment Change	-\$237,032	\$608,247	\$1,868,067	\$3,403,822
Ending Market Value	\$31,010,184	\$31,010,184	\$31,010,184	\$31,010,184

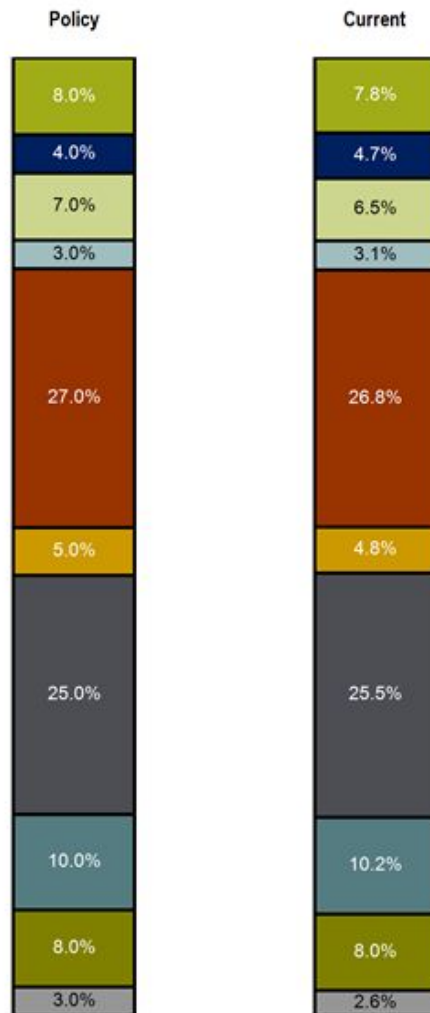
University of Maine System Pension Plan

Total Plan Asset Growth Summary by Manager

	Quarter Ending December 31, 2016					Ending Market Value
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	
Cube	\$22,994	-\$23,188	\$0	-\$23,188	\$194	--
Distribution Account	\$126,994	-\$1,252,033	\$1,937,878	\$685,845	\$0	\$812,839
EntrustPermal	\$1,696,732	-\$200,000	\$0	-\$200,000	\$51,413	\$1,548,145
Lighthouse	\$1,788,360	-\$200,000	\$0	-\$200,000	\$12,633	\$1,600,993
Loomis Sayles Fixed Income	\$1,707,485	-\$202,124	\$0	-\$202,124	-\$7,803	\$1,497,558
Mondrian EM Small Cap	\$1,244,875	-\$208,365	\$0	-\$208,365	-\$85,738	\$950,772
Morgan Stanley Int'l	\$2,063,668	-\$4,712	\$0	-\$4,712	-\$43,986	\$2,014,970
Newton Global Real Return	\$4,090,041	-\$7,874	\$0	-\$7,874	-\$172,508	\$3,909,658
Principal	\$2,603,167	-\$200,000	\$0	-\$200,000	\$62,887	\$2,466,054
SSgA R2000 Index Fund Non Lending	\$1,350,653	-\$549	\$0	-\$549	\$119,700	\$1,469,803
Vanguard S&P 500 Index	\$2,524,599	-\$200,249	\$0	-\$200,249	\$99,340	\$2,423,690
Vanguard Total Bond Market Index	\$8,793,772	-\$201,467	\$0	-\$201,467	-\$272,267	\$8,320,038
Wellington	\$4,414,948	-\$418,389	\$0	-\$418,389	-\$896	\$3,995,663
Total	\$32,428,288	-\$3,118,949	\$1,937,878	-\$1,181,071	-\$237,032	\$31,010,184

University of Maine System Pension Plan

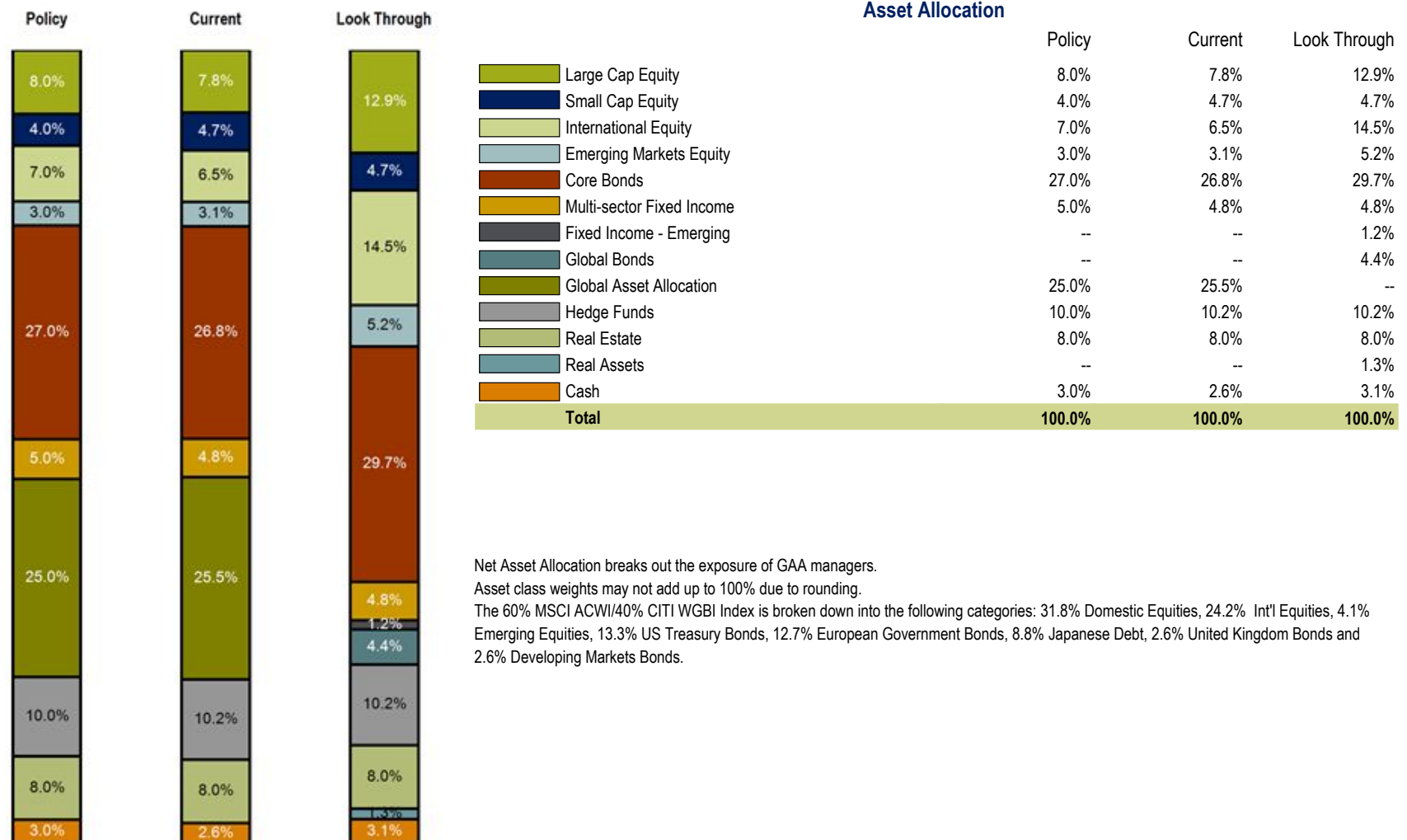
Total Plan Asset Allocation vs. Policy Targets



Asset Allocation vs. Target						
	Current	Policy	Current	Difference	Policy Range	Within Range
Large Cap Equity	\$2,423,690	8.0%	7.8%	-0.2%	3.0% - 13.0%	Yes
Small Cap Equity	\$1,469,803	4.0%	4.7%	0.7%	0.0% - 6.0%	Yes
International Equity	\$2,014,970	7.0%	6.5%	-0.5%	2.0% - 12.0%	Yes
Emerging Markets Equity	\$950,772	3.0%	3.1%	0.1%	0.0% - 5.0%	Yes
Core Bonds	\$8,320,038	27.0%	26.8%	-0.2%	22.0% - 32.0%	Yes
Multi-sector Fixed Income	\$1,497,558	5.0%	4.8%	-0.2%	0.0% - 10.0%	Yes
Global Asset Allocation	\$7,905,321	25.0%	25.5%	0.5%	20.0% - 30.0%	Yes
Hedge Funds	\$3,149,138	10.0%	10.2%	0.2%	7.0% - 13.0%	Yes
Real Estate	\$2,466,054	8.0%	8.0%	0.0%	0.0% - 10.0%	Yes
Cash	\$812,839	3.0%	2.6%	-0.4%	0.0% - 10.0%	Yes
Total	\$31,010,184	100.0%	100.0%			

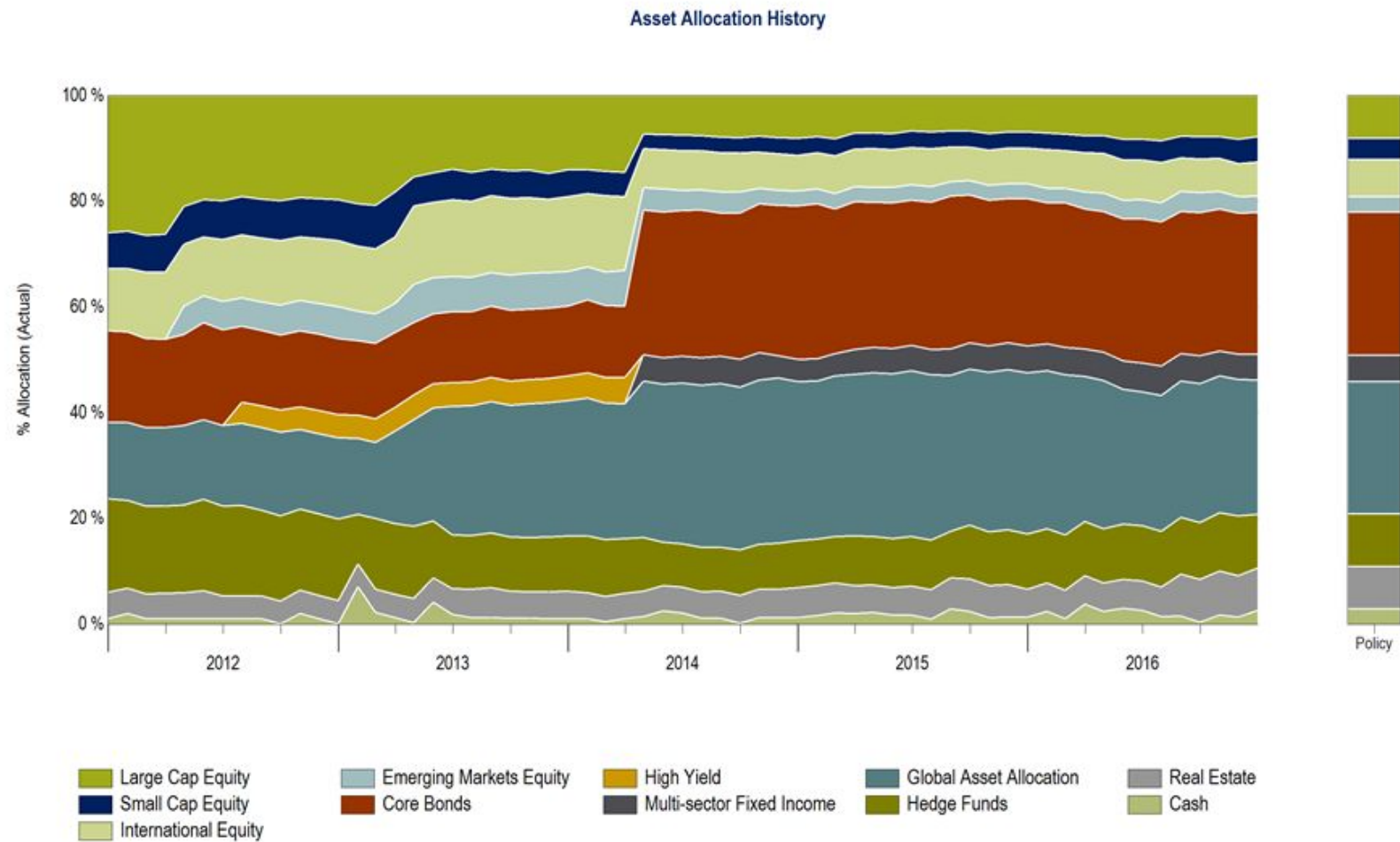
University of Maine System Pension Plan

Asset Allocation



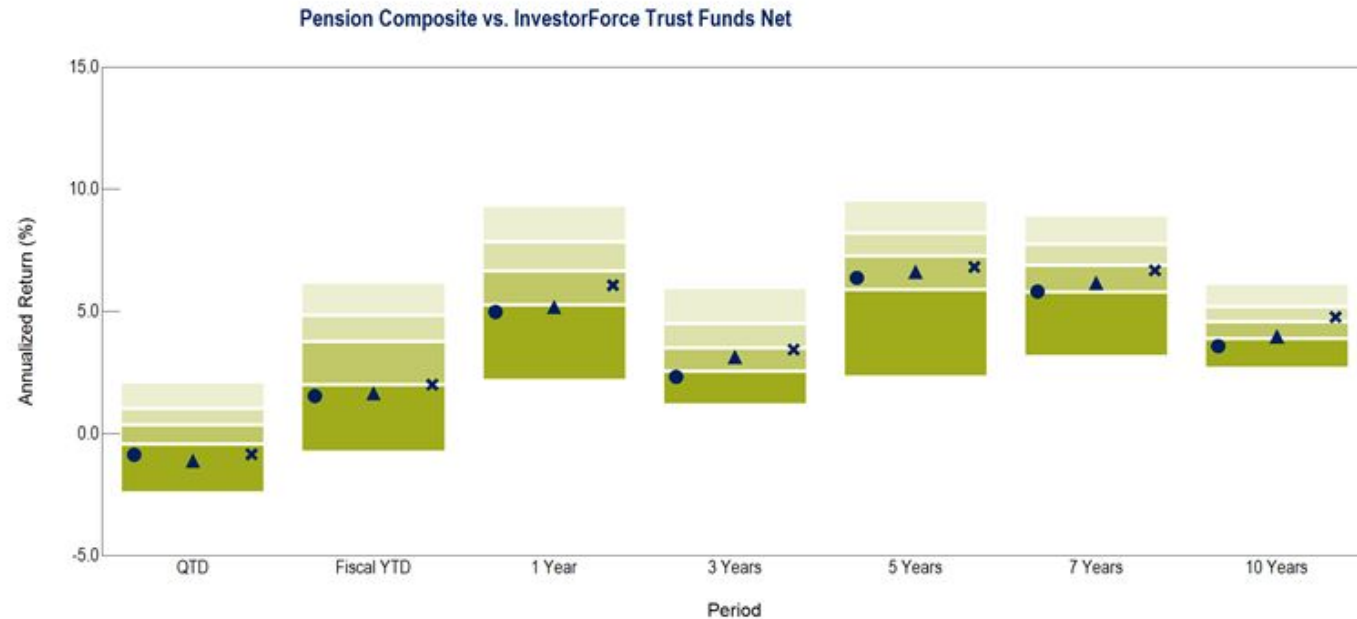
University of Maine System Pension Plan

Total Plan Asset Allocation History



University of Maine System Pension Plan

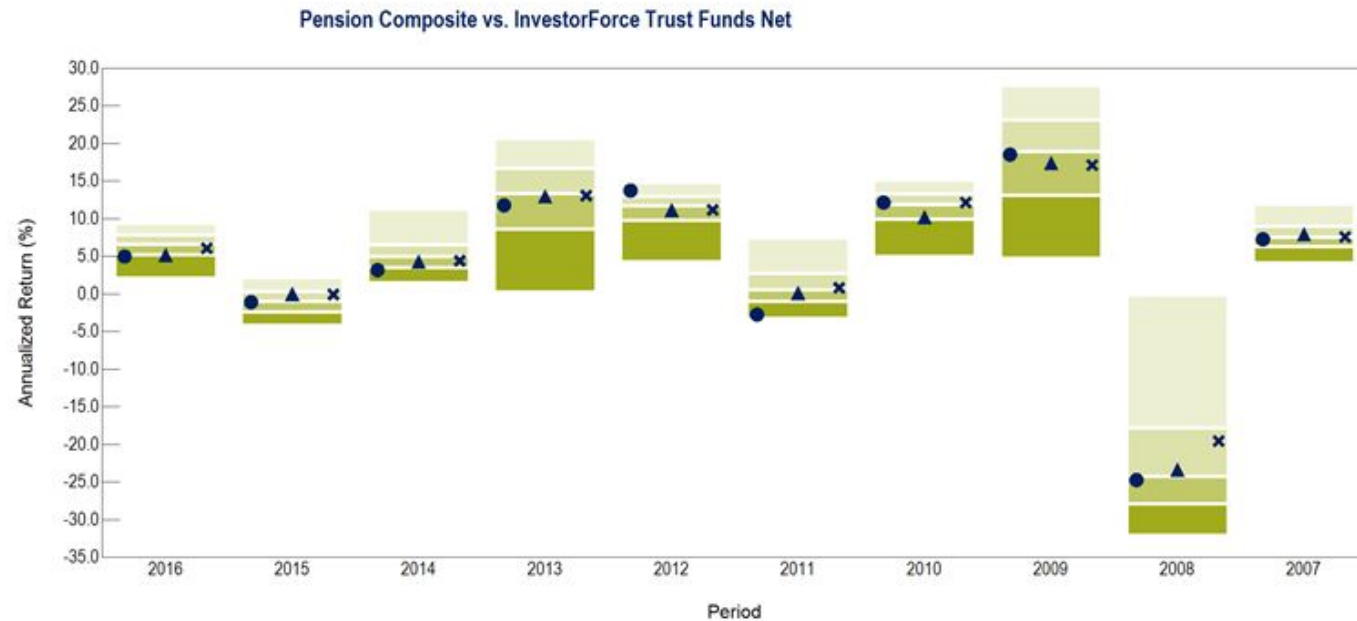
Total Plan Return Summary vs. Peer Universe (Net of Fees)



		Return (Rank)													
5th Percentile		2.1	6.2	9.3	6.0	9.6	8.9	6.1							
25th Percentile		1.0	4.9	7.9	4.5	8.2	7.8	5.2							
Median		0.4	3.8	6.7	3.5	7.3	6.9	4.6							
75th Percentile		-0.4	2.0	5.3	2.6	5.9	5.8	3.9							
95th Percentile		-2.4	-0.8	2.2	1.2	2.3	3.2	2.7							
# of Portfolios		2,117	2,106	2,070	1,912	1,684	1,510	1,239							
●	Pension Composite	-0.9	(84)	1.5	(80)	5.0	(79)	2.3	(81)	6.4	(69)	5.8	(75)	3.6	(84)
▲	Allocation Index	-1.1	(88)	1.7	(79)	5.2	(77)	3.1	(61)	6.6	(64)	6.2	(69)	4.0	(73)
×	Policy Index	-0.8	(84)	2.0	(76)	6.1	(63)	3.4	(53)	6.8	(60)	6.7	(58)	4.8	(43)

University of Maine System Pension Plan

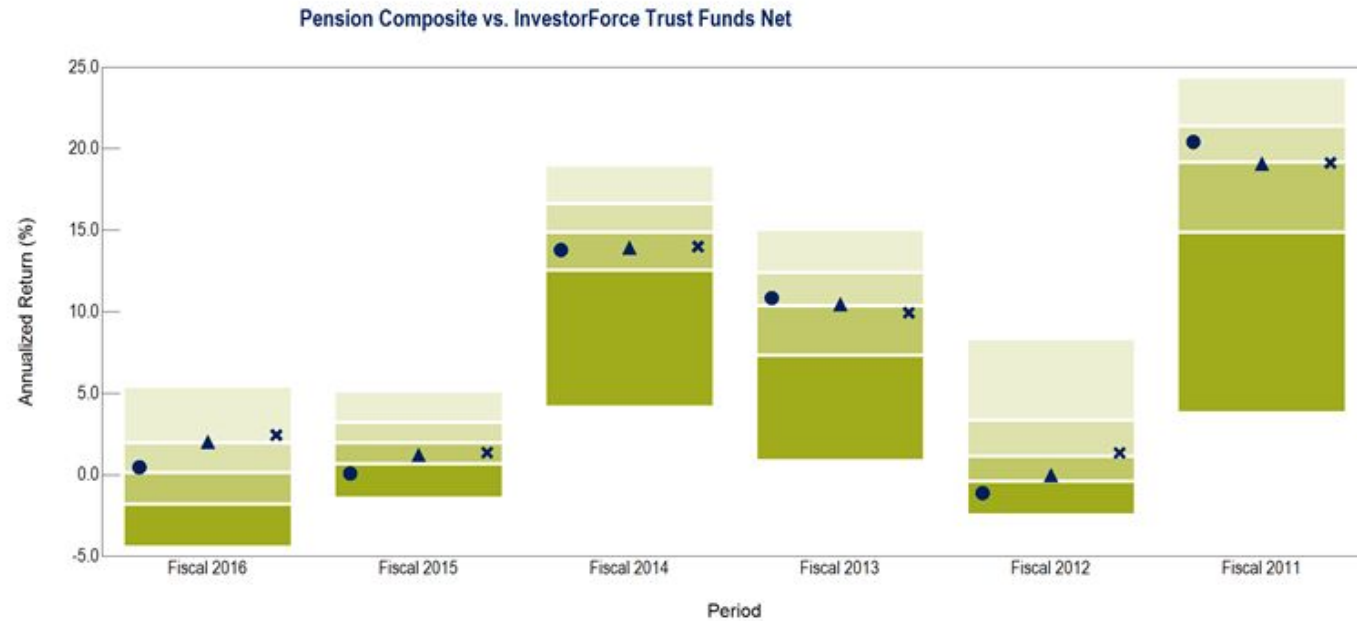
Total Plan Return Summary vs. Peer Universe (Net of Fees)



	Return (Rank)									
5th Percentile	9.3	2.1	11.2	20.6	14.8	7.4	15.1	27.7	-0.2	11.9
25th Percentile	7.9	0.3	6.6	16.7	13.0	2.8	13.3	23.1	-17.8	9.1
Median	6.7	-0.9	5.0	13.4	11.7	0.6	11.9	18.9	-24.2	7.5
75th Percentile	5.3	-2.3	3.6	8.7	9.8	-1.0	10.0	13.2	-27.9	6.3
95th Percentile	2.2	-4.2	1.5	0.3	4.3	-3.2	5.0	4.8	-32.1	4.2
# of Portfolios	2,070	2,339	2,007	1,709	1,539	1,403	1,326	1,233	1,161	1,074
● Pension Composite	5.0 (79)	-1.1 (54)	3.2 (82)	11.8 (60)	13.7 (14)	-2.7 (92)	12.1 (47)	18.5 (52)	-24.7 (54)	7.3 (55)
▲ Allocation Index	5.2 (77)	0.0 (32)	4.3 (64)	13.0 (53)	11.2 (60)	0.1 (57)	10.2 (73)	17.4 (58)	-23.3 (46)	7.9 (44)
× Policy Index	6.1 (63)	-0.1 (34)	4.4 (62)	13.1 (52)	11.2 (60)	0.8 (47)	12.2 (47)	17.1 (59)	-19.5 (29)	7.6 (50)

University of Maine System Pension Plan

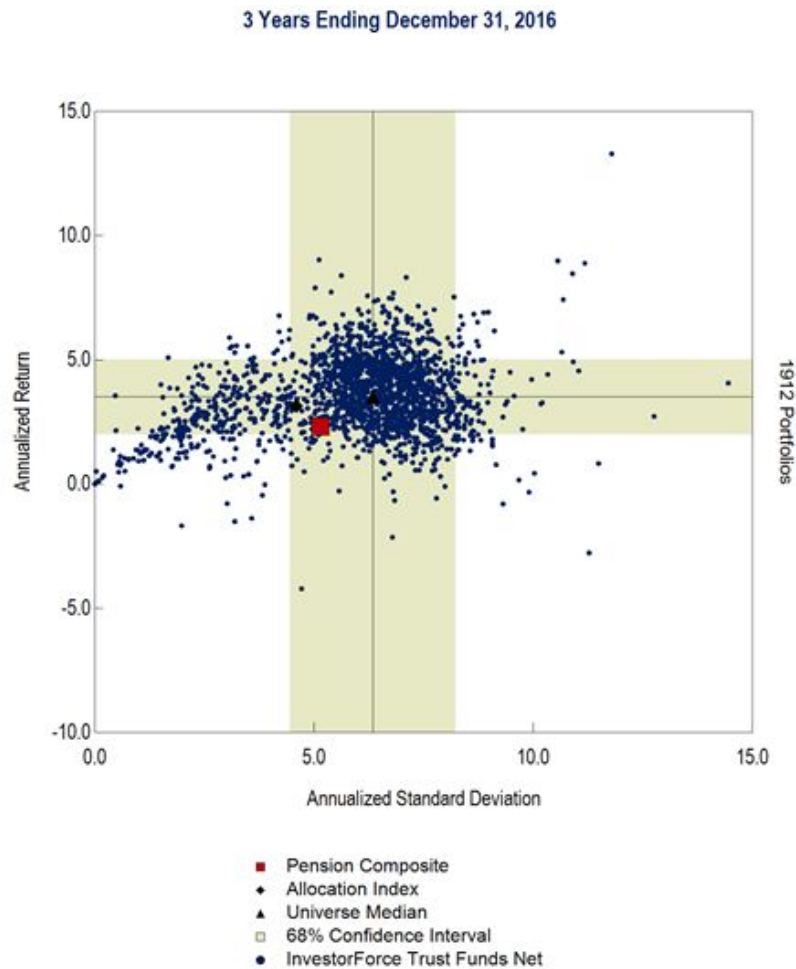
Total Plan Return Summary vs. Peer Universe (Net of Fees)



	Return (Rank)											
5th Percentile	5.4		5.1		19.0		15.0		8.4	24.4		
25th Percentile	2.0		3.3		16.6		12.4		3.4	21.4		
Median	0.1		2.0		14.9		10.4		1.2	19.2		
75th Percentile	-1.8		0.7		12.6		7.4		-0.4	14.9		
95th Percentile	-4.4		-1.4		4.2		0.9		-2.4	3.8		
# of Portfolios	2,289		2,198		1,565		1,828		1,431	1,362		
● Pension Composite	0.5	(46)	0.1	(84)	13.8	(66)	10.8	(44)	-1.1	(86)	20.4	(36)
▲ Allocation Index	2.0	(25)	1.2	(67)	13.9	(65)	10.5	(49)	0.0	(70)	19.1	(51)
✕ Policy Index	2.4	(21)	1.4	(64)	14.0	(64)	9.9	(55)	1.3	(48)	19.1	(51)

University of Maine System Pension Plan

Total Plan Risk/Return - 3 Years



3 Years Ending December 31, 2016

	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Pension Composite	2.3%	81	5.2%	24
Allocation Index	3.1%	61	4.6%	20
Policy Index	3.4%	53	4.7%	20
InvestorForce Trust Funds Net Median	3.5%	--	6.3%	--

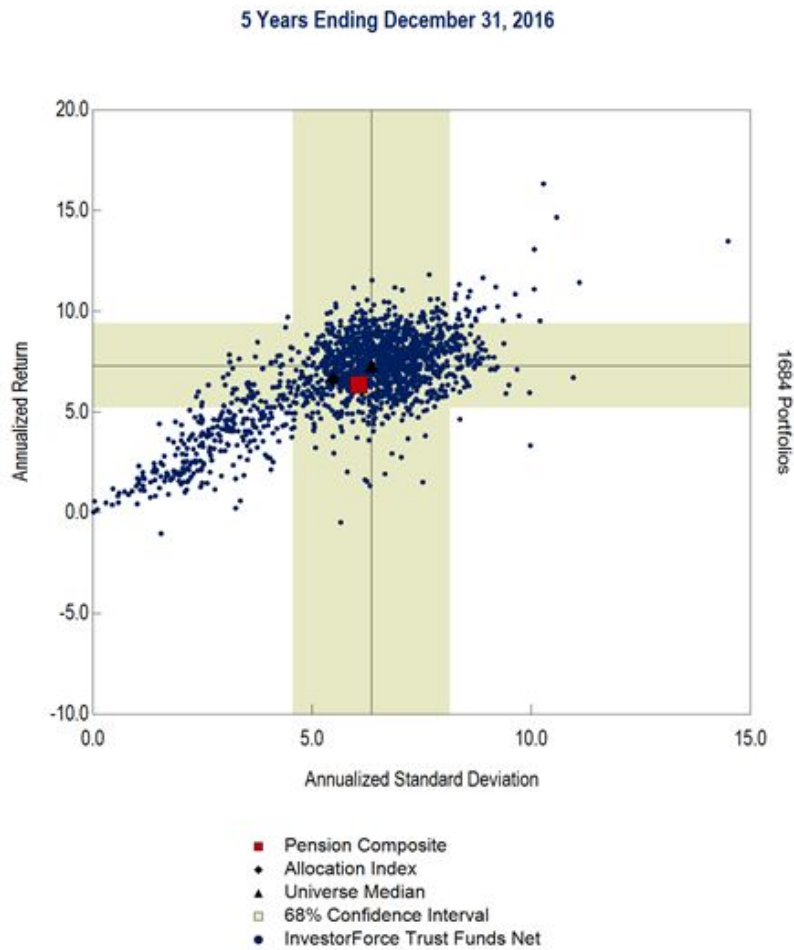
3 Years Ending December 31, 2016

	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Pension Composite	0.4	73	0.9	60
Allocation Index	0.7	42	1.2	35
Policy Index	0.7	35	1.4	25
InvestorForce Trust Funds Net Median	0.6	--	1.0	--

*Returns are net of fees.

University of Maine System Pension Plan

Total Plan Risk/Return - 5 Years



5 Years Ending December 31, 2016

	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Pension Composite	6.4%	69	6.1%	41
Allocation Index	6.6%	64	5.5%	27
Policy Index	6.8%	60	5.4%	26
InvestorForce Trust Funds Net Median	7.3%	--	6.4%	--

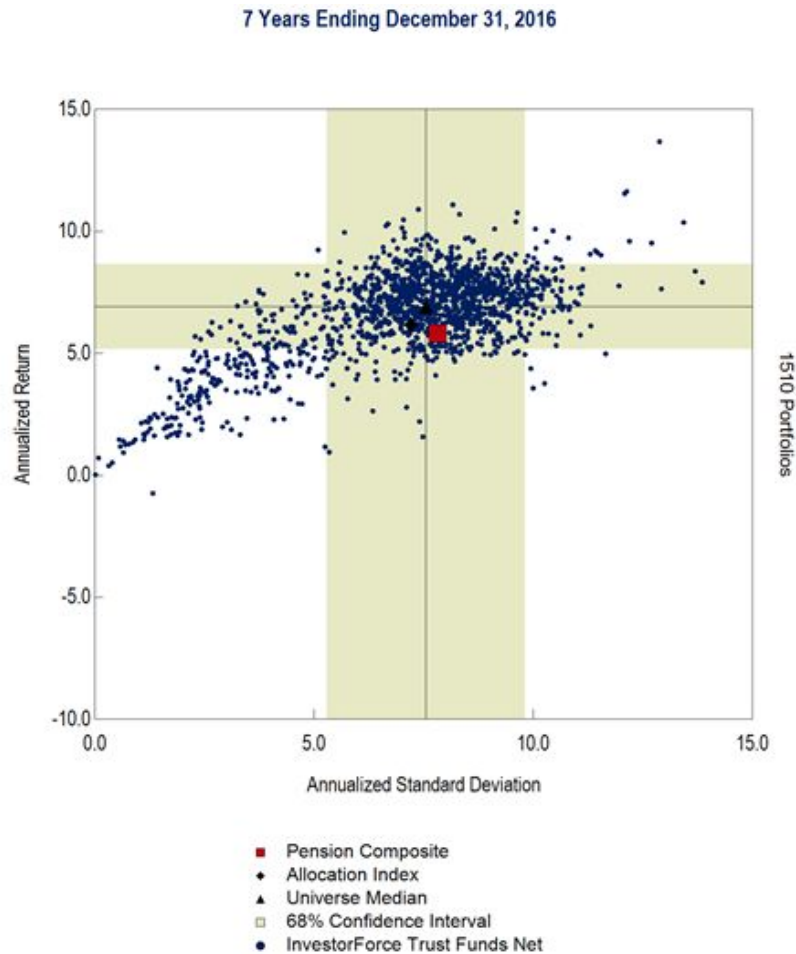
5 Years Ending December 31, 2016

	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Pension Composite	1.0	68	1.7	62
Allocation Index	1.2	42	1.8	46
Policy Index	1.2	36	2.0	32
InvestorForce Trust Funds Net Median	1.1	--	1.8	--

*Returns are net of fees.

University of Maine System Pension Plan

Total Plan Risk/Return - 7 Years



7 Years Ending December 31, 2016

	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Pension Composite	5.8%	75	7.8%	57
Allocation Index	6.2%	69	7.2%	42
Policy Index	6.7%	58	6.9%	36
InvestorForce Trust Funds Net Median	6.9%	--	7.6%	--

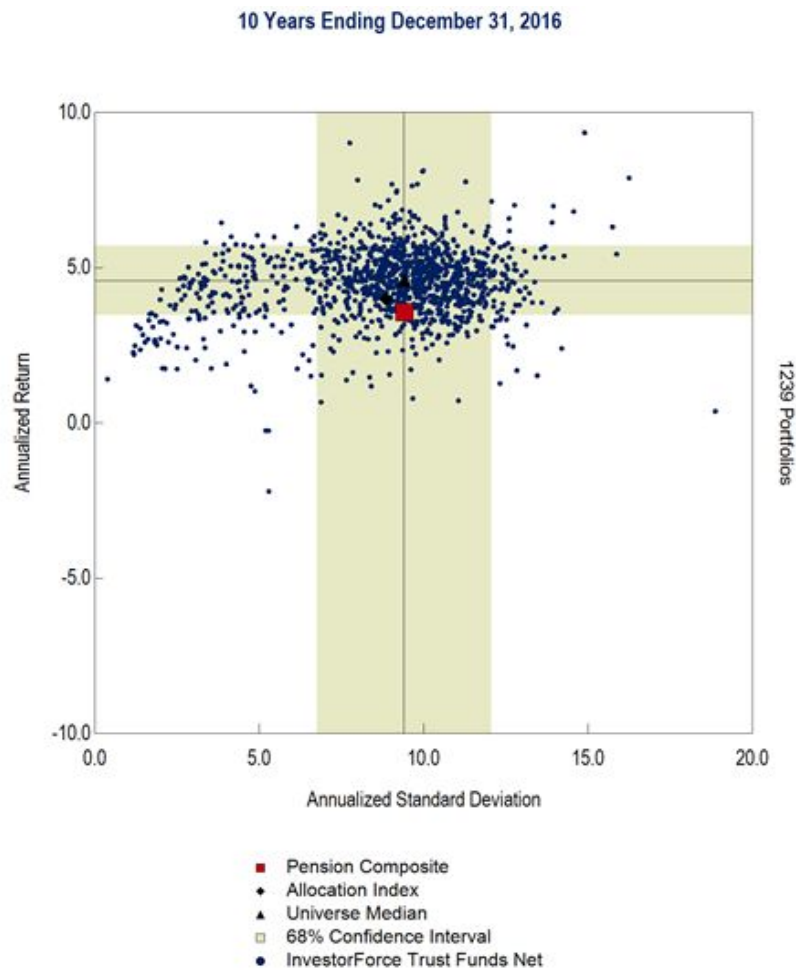
7 Years Ending December 31, 2016

	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Pension Composite	0.7	85	1.1	84
Allocation Index	0.8	66	1.3	66
Policy Index	1.0	46	1.6	39
InvestorForce Trust Funds Net Median	0.9	--	1.4	--

*Returns are net of fees.

University of Maine System Pension Plan

Total Plan Risk/Return - 10 Years



10 Years Ending December 31, 2016

	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Pension Composite	3.6%	84	9.4%	51
Allocation Index	4.0%	73	8.9%	40
Policy Index	4.8%	43	8.3%	31
InvestorForce Trust Funds Net Median	4.6%	--	9.4%	--

10 Years Ending December 31, 2016

	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Pension Composite	0.3	83	0.4	81
Allocation Index	0.4	66	0.5	64
Policy Index	0.5	36	0.6	31
InvestorForce Trust Funds Net Median	0.4	--	0.5	--

*Returns are net of fees.

University of Maine System Pension Plan

Total Plan Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Pension Composite	31,010,184	100.0	100.0	-0.9	1.5	5.0	1.9	2.3	6.4	5.8	3.6
Allocation Index				-1.1	1.7	5.2	2.6	3.1	6.6	6.2	4.0
Policy Index				-0.8	2.0	6.1	3.0	3.4	6.8	6.7	4.8
Total Domestic Large Cap	2,423,690	7.8	8.0	3.8	7.8	11.9	6.5	8.8	14.7	11.8	5.7
S&P 500				3.8	7.8	12.0	6.5	8.9	14.7	12.8	6.9
Vanguard S&P 500 Index	2,423,690	7.8	8.0	3.8	7.8	11.9	6.5	8.8	--	--	--
S&P 500				3.8	7.8	12.0	6.5	8.9	14.7	12.8	6.9
Total Small Cap Composite	1,469,803	4.7	4.0	8.8	18.7	21.5	7.6	6.5	14.1	13.0	--
Russell 2000				8.8	18.7	21.3	7.7	6.7	14.5	13.2	7.1
SSgA R2000 Index Fund Non Lending	1,469,803	4.7	4.0	8.8	18.7	21.5	7.7	6.5	14.2	13.0	--
Russell 2000				8.8	18.7	21.3	7.7	6.7	14.5	13.2	7.1
Total International Equity (including emerging markets)	2,965,742	9.6	10.0	-4.6	-1.0	-2.2	-2.4	-2.7	4.2	2.7	0.7
MSCI EAFE				-0.7	5.7	1.0	0.1	-1.6	6.5	3.8	0.7
Morgan Stanley Int'l	2,014,970	6.5	7.0	-2.4	0.2	-1.5	-0.6	-2.5	6.0	3.9	1.6
MSCI EAFE				-0.7	5.7	1.0	0.1	-1.6	6.5	3.8	0.7
Emerging Markets Equity	950,772	3.1	3.0	-8.9	-3.5	-3.6	-6.7	-3.8	--	--	--
MSCI Emerging Markets				-4.2	4.5	11.2	-2.7	-2.6	1.3	0.5	1.8
Mondrian EM Small Cap	950,772	3.1	3.0	-8.9	-3.5	-3.6	-6.7	--	--	--	--
MSCI Emerging Markets Small Cap				-6.2	0.9	2.3	-2.4	-1.3	3.5	1.4	3.4
Total Fixed Income	9,817,596	31.7	32.0	-2.8	-1.9	3.8	1.7	2.6	3.5	4.2	5.4
BBgBarc US Aggregate TR				-3.0	-2.5	2.6	1.6	3.0	2.2	3.6	4.3
Vanguard Total Bond Market Index	8,320,038	26.8	27.0	-3.2	-2.8	2.6	1.5	--	--	--	--
BBgBarc US Aggregate TR				-3.0	-2.5	2.6	1.6	3.0	2.2	3.6	4.3
Loomis Sayles Fixed Income	1,497,558	4.8	5.0	-0.6	2.8	9.9	1.6	--	--	--	--
BBgBarc Global Aggregate TR				-7.1	-6.3	2.1	-0.6	-0.2	0.2	1.7	3.3
Total GAA	7,905,321	25.5	25.0	-2.4	0.2	4.8	0.2	0.3	4.0	3.8	--
65% MSCI ACWI (Net) / 35% BBgBarc Global Agg				-1.7	1.9	6.0	1.7	2.1	6.2	5.5	3.8
Wellington	3,995,663	12.9	12.5	-0.5	5.4	5.9	3.0	2.2	6.0	4.2	--
65% MSCI ACWI (Net) / 35% BBgBarc Global Agg				-1.7	1.9	6.0	1.7	2.1	6.2	5.5	3.8
Newton Global Real Return	3,909,658	12.6	12.5	-4.4	-4.9	--	--	--	--	--	--
60% MSCI ACWI (Net)/40% CITI WGBI				-2.8	0.4	5.5	1.4	1.7	5.3	4.9	3.7

University of Maine System Pension Plan

Total Plan Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Total Alternative Investments	3,149,138	10.2	10.0	1.9	4.1	2.2	0.5	1.4	3.2	2.1	--
HFRI Fund of Funds Composite Index				0.9	3.2	0.5	0.1	1.2	3.4	2.4	1.3
EntrustPermal	1,548,145	5.0	5.0	3.2	5.0	4.5	0.1	0.5	4.6	4.2	--
HFRI Fund of Funds Composite Index				0.9	3.2	0.5	0.1	1.2	3.4	2.4	1.3
Lighthouse	1,600,993	5.2	5.0	0.7	3.3	0.2	--	--	--	--	--
Credit Suisse Long Shrt Eqt USD				-0.2	1.7	-3.4	0.0	1.8	6.1	4.5	4.0
Total Real Assets	2,466,054	8.0	8.0								
Principal	2,466,054	8.0	8.0	2.7	4.7	9.0	11.2	11.7	12.0	13.0	4.7
NCREIF ODCE				2.1	4.2	8.8	11.8	12.1	12.2	13.3	5.8
Total Cash	812,839	2.6	3.0								
Distribution Account	812,839	2.6	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8
91 Day T-Bills				0.1	0.2	0.3	0.2	0.1	0.1	0.1	0.7

Notes:

Fiscal YTD begins 7/1

Blended Index: 40% BC Aggregate, 30% BC U.S. TIPS 1-10YR, 10% S&P 500, 10% BC High Yield, 10% JPM EMBI+

Returns are net of manager fees

Cube market value is carried over from 12/31/15

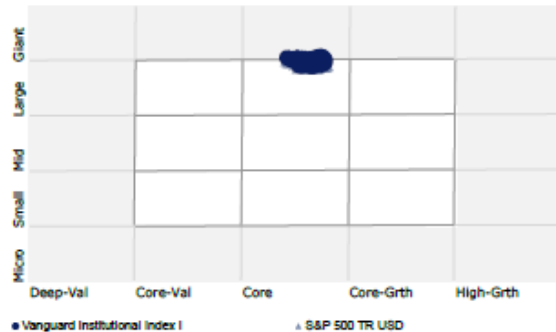
Manager Analysis

University of Maine System Pension Plan

Vanguard Institutional Index I

Holdings Based Style Trail (5 Years)

Time Period: 1/31/2012 to 12/31/2016



Portfolio Statistics

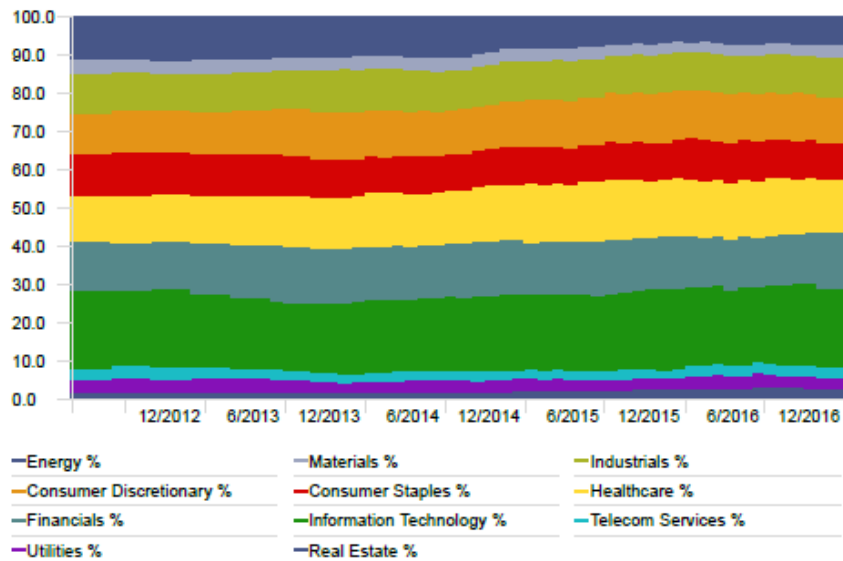
	Fund	Index
# of Holdings	517	505
% Asset in Top 10 Holdings	17.8	18.2
Turnover Ratio %	8.3	
P/E Ratio	19.9	20.3
P/B Ratio	2.7	2.8
LT Eam Growth	8.6	8.8
Hist Eam Growth	5.5	5.6
12 Mo Yield	2.1	

Market Capitalization Breakdown

Portfolio Date: 11/30/2016

	Fund	Index
Market Cap Giant %	50.0	50.3
Market Cap Large %	36.4	36.3
Market Cap Mid %	13.5	13.3
Market Cap Small %	0.1	0.1
Market Cap Micro %	0.0	0.0
Average Market Cap (mil)	78,275.4	80,532.7

Historical Sector Allocations (5 Years)



Attribution (Quarter)

	Portfolio Weights	Benchmark Weights	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Active Return
Consumer Discretionary	12.22	12.18	2.34	2.48	0.00	-0.02	-0.02
Consumer Staples	9.68	9.73	-1.90	-1.90	0.00	0.00	0.00
Energy	7.30	7.33	7.27	7.26	0.00	0.00	0.00
Financials	13.51	13.58	21.10	21.09	0.00	0.00	0.00
Health Care	14.06	14.13	-3.98	-3.98	0.00	0.00	0.00
Industrials	10.06	10.08	7.14	7.17	0.00	0.00	-0.01
Information Technology	21.12	21.22	1.20	1.20	0.00	0.00	0.00
Materials	2.84	2.85	4.76	4.76	0.00	0.00	0.00
Real Estate	2.91	2.92	-4.42	-4.42	0.00	0.00	0.00
Telecommunication Services	2.53	2.54	4.76	4.76	0.00	0.00	0.00
Utilities	3.23	3.24	0.14	0.14	0.00	0.00	0.00
Attribution Total	99.47	99.82	3.83	3.86	-0.01	-0.02	-0.02
Cash	0.46	0.00					
Bond	0.02	0.00					
Other	0.00	0.18					
Missing Performance	0.05	0.00					
Total	100.00	100.00					
Reported Total			3.82	3.82			
Expense Ratio			0.01	0.00			
Residual(Reported - Attribution + Expense)			0.00	-0.03			

Source: Morningstar

University of Maine System Pension Plan

Vanguard Institutional Index I

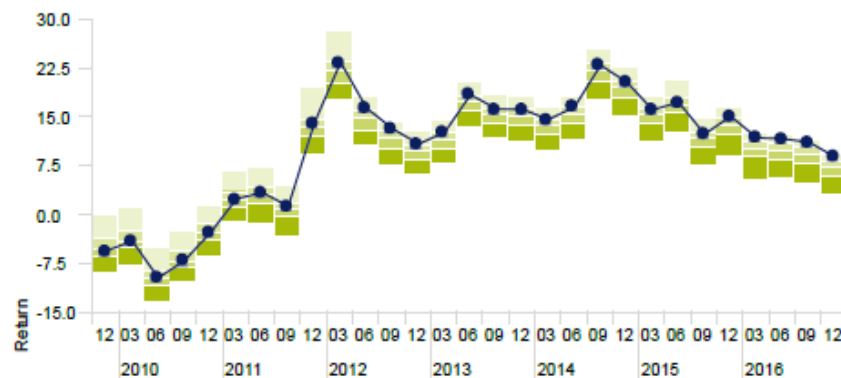
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	100.0	100.0
Alpha	0.0	0.0
Beta	1.0	1.0
Std Dev	9.1	9.1
Up Capture Ratio	99.9	100.0
Down Capture Ratio	100.2	100.0
Sharpe Ratio (geo)	1.6	1.6
Information Ratio (geo)	-3.0	
Tracking Error	0.0	0.0
Correlation	1.0	1.0

Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Vanguard Institutional Index I

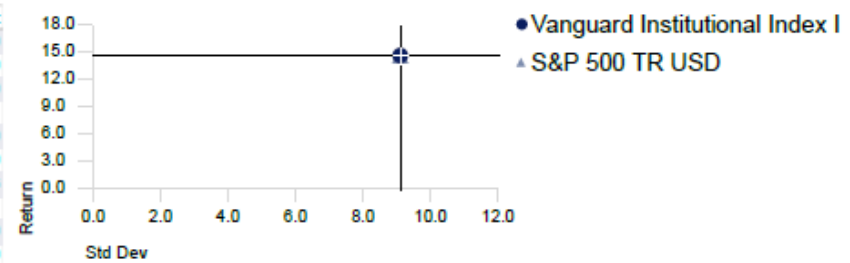
—S&P 500 TR USD

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
Vanguard Institutional Index I	5.5	49	-37.0	37	26.6	52	15.0	29	2.1	17	16.0	35	32.3	42	13.7	18	1.4	20	11.9	27
S&P 500 TR USD	5.5		-37.0		26.5		15.1		2.1		16.0		32.4		13.7		1.4		12.0	

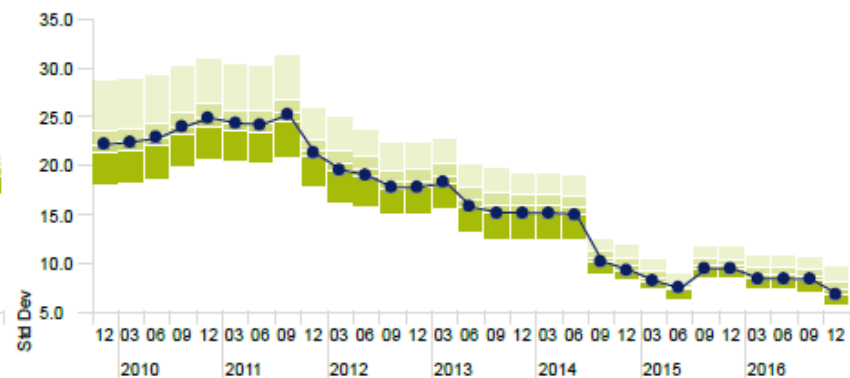
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



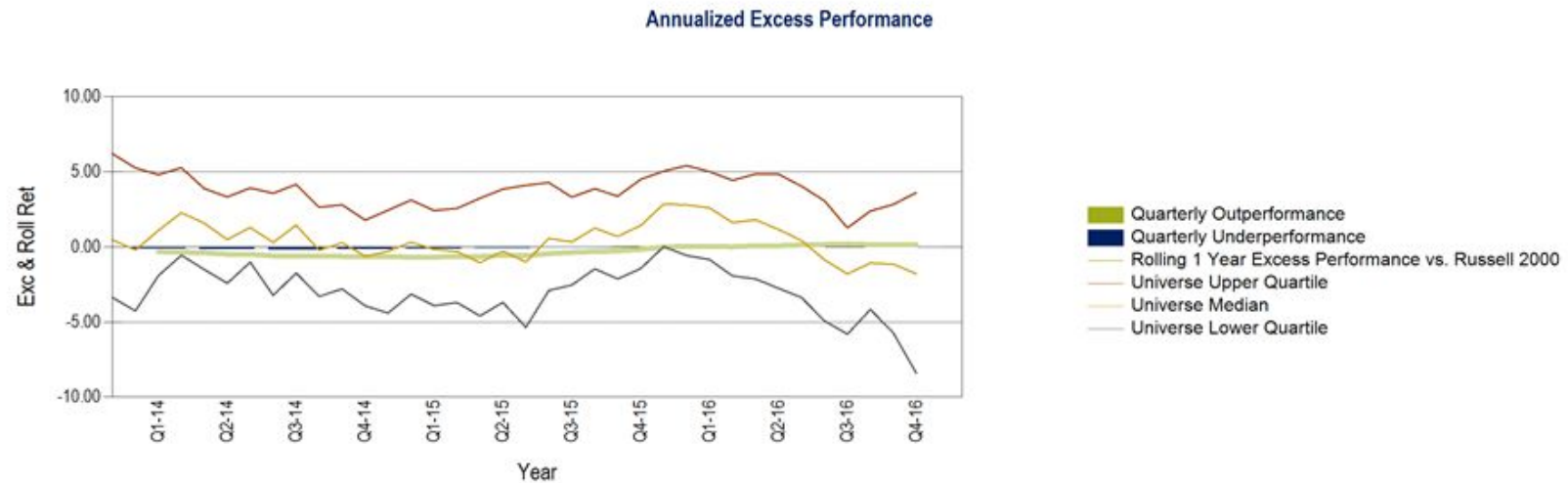
—Vanguard Institutional Index I

—S&P 500 TR USD

Source: Morningstar

University of Maine System Pension Plan

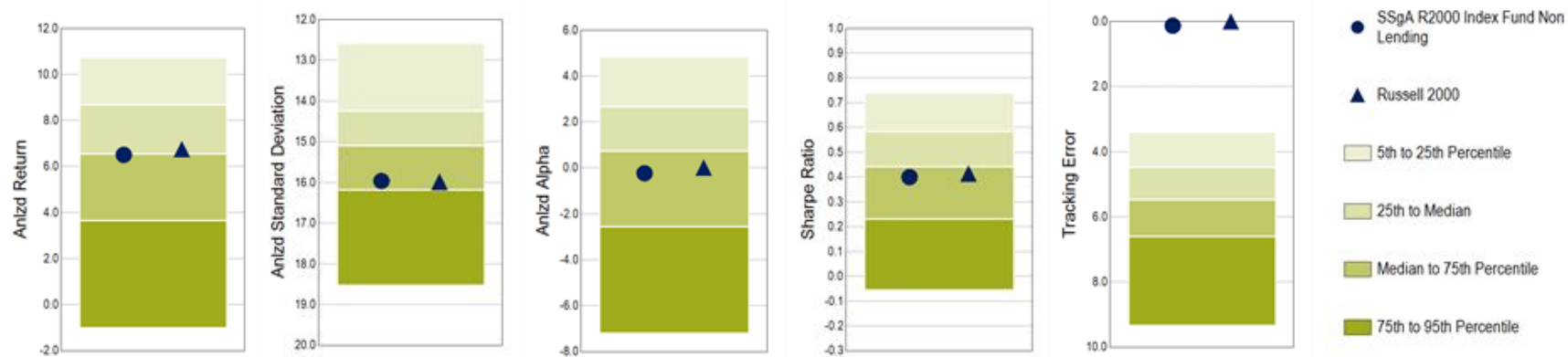
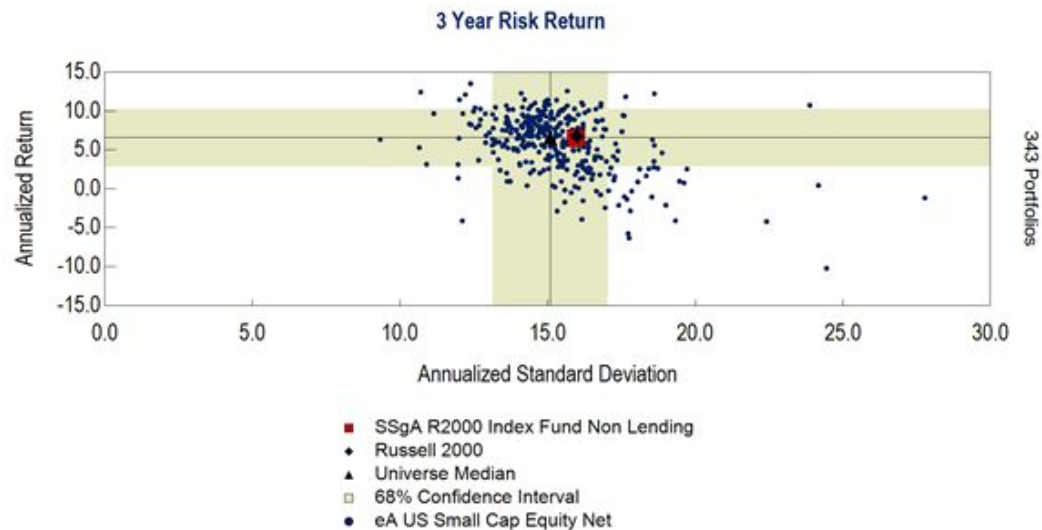
SSgA R2000 Index Fund Non Lending



*Returns are net of fees.

University of Maine System Pension Plan

SSgA R2000 Index Fund Non Lending



*Returns are net of fees.

University of Maine System Pension Plan

SSgA R2000 Index Fund Non Lending

Characteristics			Top Positive Contributors			Top Negative Contributors		
	Portfolio	Russell 2000		Relative Contribution %	Return %		Relative Contribution %	Return %
Number of Holdings	1,968	1,978	SAREPTA THERAPEUTICS	0.0%	-55.3%	SINO MERCURY ACQUISITION	0.0%	508.7%
Weighted Avg. Market Cap. (\$B)	2.1	2.1	AQUA METALS	0.0%	48.0%	NOBILIS HEALTH	0.0%	-36.0%
Median Market Cap. (\$B)	0.8	0.8	SYNDAX PHARMACEUTICALS ORD	0.0%	-52.7%	AGENUS	0.0%	-42.6%
Price To Earnings	25.8	25.1	HUNTINGTON BCSH.	0.0%	34.9%	VERITEX HOLDINGS	0.0%	53.6%
Price To Book	3.3	3.0	ADVANCED MICRO DEVC.	0.0%	64.1%	SENSEONICS HOLDINGS	0.0%	-31.5%
Price To Sales	3.0	2.1	CU BANCORP (CA)	0.0%	56.9%	PIONEER ENERGY SERVICES	0.0%	69.6%
Return on Equity (%)	11.7	10.1	TANDEM DIABETES CARE	0.0%	-71.9%	WESTFIELD FINL.	0.0%	22.7%
Yield (%)	1.4	1.1	OVASCIENCE	0.0%	-78.6%	AK STEEL HLDG.	0.0%	111.4%
Beta		1.0	BIOSCRIP	0.0%	-64.0%	PANHANDLE OIL & GAS	0.0%	34.6%
R-Squared		1.0	GOLD RESOURCE	0.0%	-41.2%	REATA PHARMACEUTICALS CL A ORD	0.0%	-17.2%

Equity Sector Attribution								
	Attribution Effects				Returns		Ending Sector Weights	
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark
Energy	0.0%	0.0%	0.0%	0.0%	18.1%	17.7%	3.7%	3.8%
Materials	0.0%	0.0%	0.0%	0.0%	11.4%	11.4%	4.9%	4.9%
Industrials	0.0%	0.0%	0.0%	0.0%	12.5%	12.5%	14.6%	14.6%
Consumer Discretionary	0.0%	0.0%	0.0%	0.0%	7.9%	7.9%	12.6%	12.5%
Consumer Staples	0.0%	0.0%	0.0%	0.0%	6.4%	6.4%	3.0%	3.0%
Health Care	0.0%	0.0%	0.0%	0.0%	-6.3%	-6.3%	11.8%	12.1%
Financials	0.0%	0.1%	0.0%	0.0%	23.3%	22.9%	20.1%	20.2%
Information Technology	0.0%	0.0%	0.0%	0.0%	4.7%	4.7%	17.1%	17.0%
Telecommunication Services	0.0%	0.0%	0.0%	0.0%	9.1%	9.1%	0.8%	0.7%
Utilities	0.0%	0.0%	0.0%	0.0%	5.3%	5.3%	3.7%	3.5%
Real Estate	0.0%	0.0%	0.0%	0.0%	4.1%	4.1%	7.8%	7.6%
Cash	0.0%	--	--	--	--	--	0.0%	0.0%
Unclassified	0.0%	--	--	--	--	--	0.0%	0.1%
Portfolio	0.0%	=	0.1%	+	0.0%	+	0.0%	0.0%

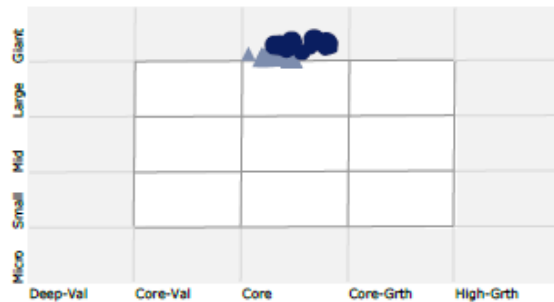
*Attribution on manager pages is holdings based, using buy-and-hold assumptions from the beginning of period portfolio. Results may differ from actual performance. Returns are net of fees.

University of Maine System Pension Plan

Morgan Stanley International Equity I

Holdings Based Style Trail (5 Years)

Time Period: 1/31/2012 to 12/31/2016



Portfolio Statistics

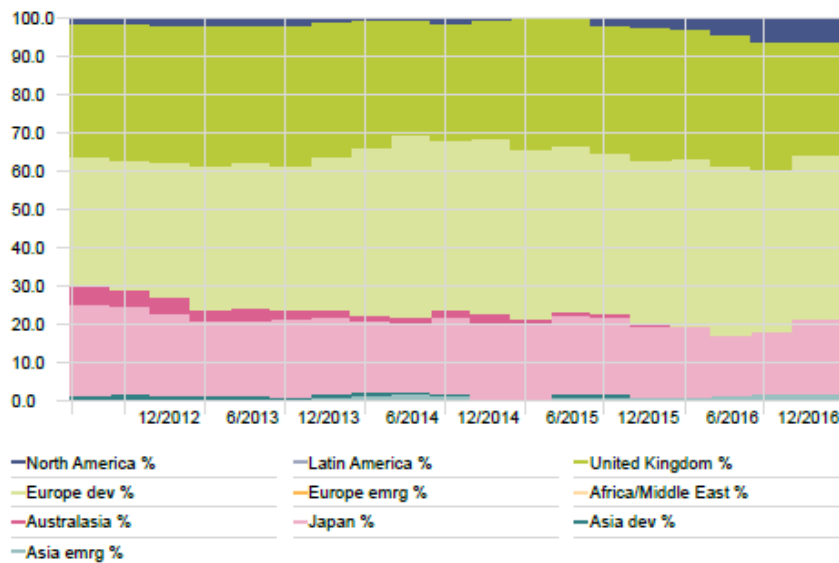
	Fund	Index
# of Holdings	65	930
% Asset in Top 10 Holdings	40.1	11.8
Turnover Ratio %	28.0	
P/E Ratio	20.1	16.9
P/B Ratio	2.5	1.6
LT Earm Growth	7.2	8.1
Hist Earm Growth	5.8	-2.0
12 Mo Yield	1.1	

Market Capitalization Breakdown

Portfolio Date: 9/30/2016

	Fund	Index
Market Cap Giant %	70.3	56.5
Market Cap Large %	22.8	35.2
Market Cap Mid %	6.9	8.3
Market Cap Small %	0.0	0.1
Market Cap Micro %	0.0	0.0
Average Market Cap	50,700.9	31,196.7
Equity Region Developed %	97.9	99.7
Equity Region Emerging %	2.1	0.3

Historical Country Allocations (5 Years)



Attribution (Quarter)

	Portfolio Weights	Benchmark Weights	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Active Return
Consumer Discretionary	5.28	12.47	3.19	1.58	-0.16	0.09	-0.08
Consumer Staples	32.58	11.97	-9.85	-10.43	-2.11	0.20	-1.91
Energy	2.42	5.05	6.53	9.93	-0.27	-0.08	-0.35
Financials	10.86	19.97	11.46	9.60	-0.89	0.21	-0.68
Health Care	15.78	10.94	-3.84	-7.71	-0.35	0.64	0.29
Industrials	13.15	14.14	-2.31	-1.79	0.01	-0.07	-0.06
Information Technology	6.68	5.51	0.32	-3.02	-0.03	0.22	0.19
Materials	8.61	7.71	2.16	3.53	0.05	-0.12	-0.07
Real Estate	0.65	3.90	7.03	-7.25	0.21	0.09	0.30
Telecommunication Services	2.53	4.68	-7.88	-7.01	0.14	-0.03	0.11
Utilities	0.00	3.49		-7.21	0.23	0.00	0.23
Unclassified	0.00	0.13		0.87	0.00	0.00	0.00
Attribution Total	98.55	99.97	-2.75	-0.73	-3.17	1.15	-2.02
Cash	1.36	0.00					
Other	0.08	0.03					
Total	100.00	100.00					
Reported Total			-2.36	-0.71			
Expense Ratio			0.23	0.00			
Residual(Reported - Attribution + Expense)			0.62	0.01			

Source: Morningstar

University of Maine System Pension Plan

Morgan Stanley International Equity I

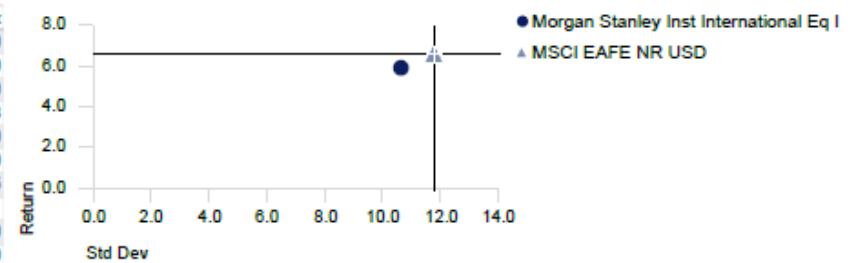
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	93.0	100.0
Alpha	0.1	0.0
Beta	0.9	1.0
Std Dev	10.7	11.8
Up Capture Ratio	89.3	100.0
Down Capture Ratio	89.3	100.0
Sharpe Ratio (geo)	0.5	0.5
Information Ratio (geo)	-0.2	0.0
Tracking Error	3.2	0.0
Correlation	1.0	1.0

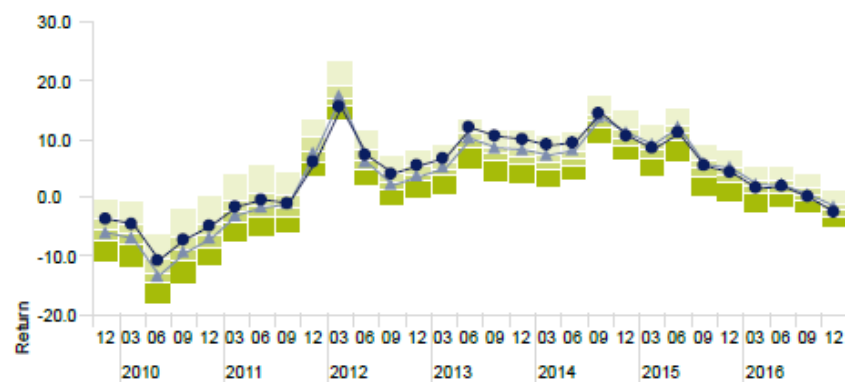
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

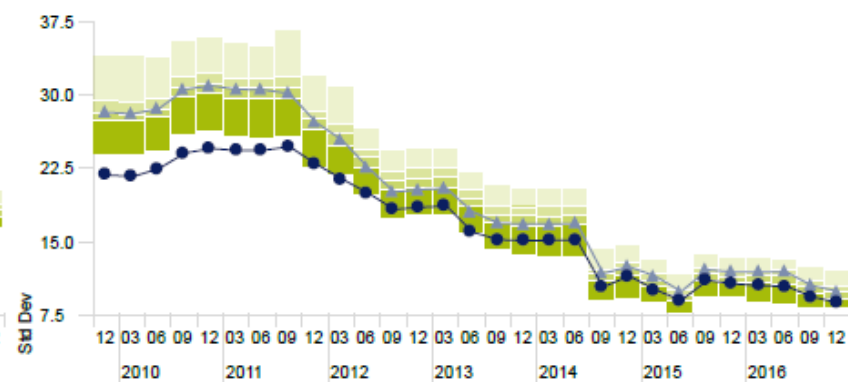


—Morgan Stanley Inst International Eq I

—MSCI EAFE NR USD

Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Morgan Stanley Inst International Eq I

—MSCI EAFE NR USD

Calendar Year Returns

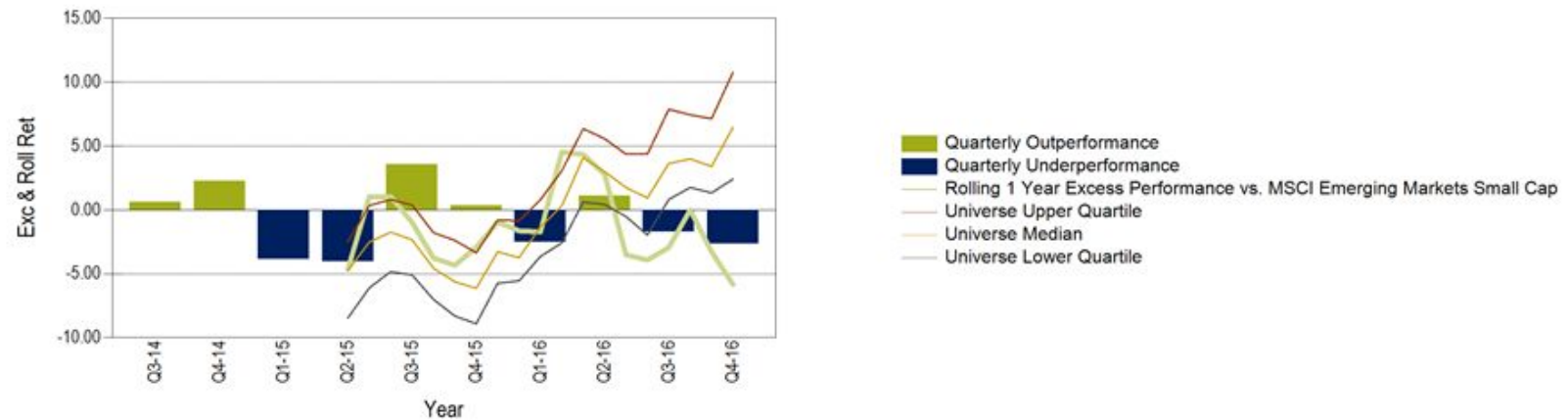
	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
Morgan Stanley Inst International Eq I	9.8	42	-33.1	8	21.6	85	6.1	87	-7.6	5	19.6	26	20.4	43	-6.1	64	0.4	30	-2.0	82
MSCI EAFE NR USD	11.2		-43.4		31.8		7.8		-12.1		17.3		22.8		-4.9		-0.8		1.0	

Source: Morningstar

University of Maine System Pension Plan

Mondrian EM Small Cap

Annualized Excess Performance



eA Emg Mkts Equity Net Accounts



*Returns are net of fees.

University of Maine System Pension Plan

Mondrian EM Small Cap

Characteristics

	Portfolio	MSCI Emerging Markets Small Cap
Number of Holdings	106	1,840
Weighted Avg. Market Cap. (\$B)	1.2	1.0
Median Market Cap. (\$B)	0.8	0.5
Price To Earnings	26.1	18.1
Price To Book	4.9	2.3
Price To Sales	4.2	2.2
Return on Equity (%)	20.2	13.2
Yield (%)	2.0	2.3
Beta		1.0
R-Squared		1.0

Top Positive Contributors

	Relative Contribution %	Return %
MICROPORT SCIENTIFIC	0.2%	15.0%
MAYORA INDAH	0.1%	6.6%
KOREA KOLMAR	0.1%	-37.7%
GINKO INTERNATIONAL	0.1%	4.3%
FORTIS HEALTHCARE	0.1%	6.2%
SILOAM INTL.HOSPS.	0.1%	4.2%
OCEANA GROUP	0.0%	5.8%
FU SHOU YUAN INTL.GP.	0.0%	2.7%
STRIDES ARCOLAB	0.0%	3.6%
FERREYROS SAA	0.0%	4.0%

Top Negative Contributors

	Relative Contribution %	Return %
TUNG THIH ELECTRONIC	-0.5%	-35.9%
CT ENVIRONMENTAL GROUP	-0.4%	-30.6%
CENTURY PLYBOARDS INDIA	-0.3%	-34.0%
BERGER PAINTS INDIA	-0.3%	-20.9%
EMAMI	-0.3%	-20.2%
MEDY-TOX	-0.3%	-27.6%
CHINA EVERBRIGHT WATER	-0.3%	-21.4%
TORRENT PHARMACEUTICALS	-0.3%	-20.4%
FIBRA SHOP PORTAFOLIOS INMBS.REIT	-0.3%	-23.0%
SINOSOFT TECHNOLOGY GP.	-0.3%	-34.5%

Equity Sector Attribution

	Attribution Effects				Returns		Ending Sector Weights				
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	-0.2%	--	-0.2%	--	--	7.8%	0.0%	1.7%			
Materials	-1.2%	-1.4%	0.1%	0.1%	-11.3%	-0.9%	11.1%	11.5%			
Industrials	-0.7%	-0.5%	0.0%	-0.2%	-9.4%	-6.5%	16.9%	14.9%			
Consumer Discretionary	0.0%	-0.4%	0.1%	0.3%	-10.3%	-8.7%	14.0%	17.5%			
Consumer Staples	-0.2%	-0.2%	0.0%	-0.1%	-6.7%	-5.9%	12.0%	7.2%			
Health Care	0.1%	0.5%	-0.7%	0.3%	-7.1%	-13.5%	23.7%	8.9%			
Financials	0.1%	-0.4%	-0.2%	0.6%	-7.0%	-5.2%	2.6%	8.3%			
Information Technology	0.4%	-1.6%	0.2%	1.8%	-13.6%	-7.5%	3.0%	16.1%			
Telecommunication Services	0.0%	--	0.0%	--	--	-5.8%	0.0%	1.0%			
Utilities	-0.7%	-0.5%	0.1%	-0.4%	-15.7%	-0.6%	4.9%	3.7%			
Real Estate	-0.3%	-0.1%	0.0%	-0.1%	-10.1%	-7.5%	9.1%	9.0%			
Cash	0.0%	0.0%	0.0%	0.0%	0.1%	--	1.4%	0.0%			
Unclassified	0.0%	--	--	--	--	--	1.4%	0.0%			
Portfolio	-2.6%	=	-4.5%	+	-0.6%	+	2.5%	-9.3%	-6.7%	100.0%	100.0%

*Returns are net of fees.

University of Maine System Pension Plan

Mondrian EM Small Cap

Sector Allocation

	Fund	MSCI EM SC
Consumer Discretionary	13.8	17.6
Consumer Staples	13.2	7.2
Energy	—	1.7
Financials	2.5	8.3
Health Care	24.7	8.9
Industrials	16.6	14.9
Information Technology	3.0	16.1
Materials	10.9	11.5
Real Estate	8.9	9.1
Telecommunication Services	—	1.0
Utilities	4.9	3.7
CASH	1.4	—
TOTAL	100.0	100.0

Country Allocation

	Fund	MSCI EM SC
LATIN AMERICA	10.2	8.6
Brazil	3.1	4.2
Mexico	5.1	3.0
Peru	1.9	0.0
EUROPE, MIDDLE EAST & AFRICA	6.3	11.8
Poland	1.6	1.1
Saudi Arabia	1.4	0.0
South Africa	3.3	5.8
PACIFIC-ASIA	82.1	79.6
China	17.7	22.8
India	24.4	11.7
Indonesia	9.7	2.6
Korea	5.8	16.9
Malaysia	6.7	3.2
Philippines	4.5	1.1
Taiwan	8.1	17.3
Thailand	5.2	4.0
CASH	1.4	—
TOTAL	100.0	100.0

Source: Mondrian

University of Maine System Pension Plan

Vanguard Total Bond Market I

Asset Allocation

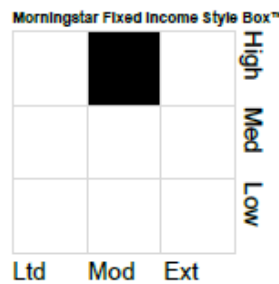
Portfolio Date: 11/30/2016



• Stock	0.0
• Bond	96.2
• Cash	3.8
• Other	0.0
Total	100.0

Fixed Income Statistics

Portfolio Date: 11/30/2016



Fixed-Income Stats

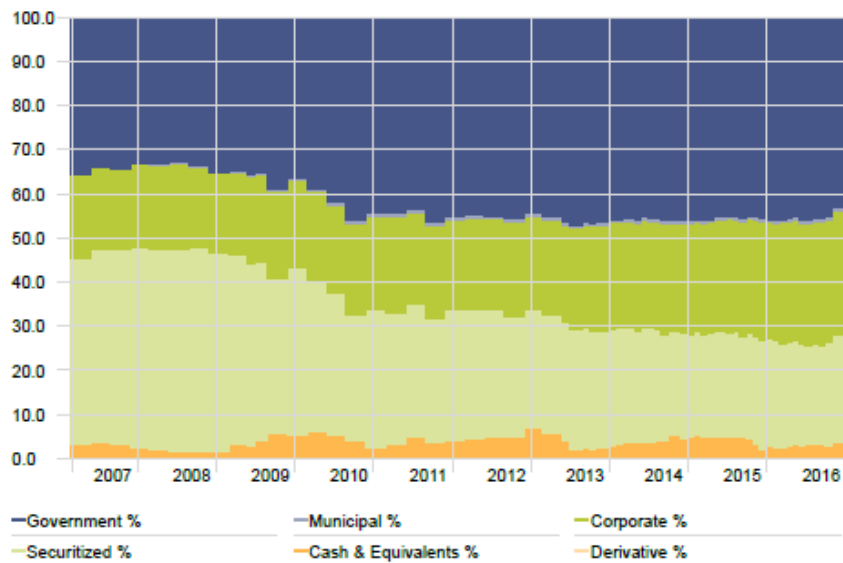
Average Eff Duration	5.9
Average Eff Maturity	8.2
Average Coupon	3.1
Average Price	103.2
Average Credit Quality	AA

Credit Quality Breakdown

Portfolio Date: 11/30/2016

	Fund	Index
AAA %	68.8	
AA %	4.62	
A %	11.92	
BBB %	14.66	
BB %	0.00	
B %	0.00	
Below B %	0.00	
Not Rated %	0.00	
Yield to Maturity	2.65	

Historical Sector Allocations (10 Years)



Top Holdings

	Detail Holding Type	Portfolio Weighting %
Ginnie Mae Jumbos TBA 3.5% 2046-12-01	BOND - GOVT AGENCY PASS-THRU	0.65
Fed Natl Mort Assc 3%	BOND - GOVT AGENCY PASS-THRU	0.61
US Treasury Note 2.125%	BOND - GOVT/TREASURY	0.54
US Treasury Note 1%	BOND - GOVT/TREASURY	0.48
Ginnie Mae Jumbos TBA 3% 2046-12-01	BOND - GOVT AGENCY PASS-THRU	0.47
US Treasury Note 3.625%	BOND - GOVT/TREASURY	0.45
US Treasury Note 2.625%	BOND - GOVT/TREASURY	0.45
Freddie Mac Gold Single Family TBA 3% 2046-12-01	BOND - GOVT AGENCY PASS-THRU	0.43
US Treasury Note 2.25%	BOND - GOVT/TREASURY	0.42
US Treasury Note 1%	BOND - GOVT/TREASURY	0.41

Source: Morningstar

University of Maine System Pension Plan

Vanguard Total Bond Market I

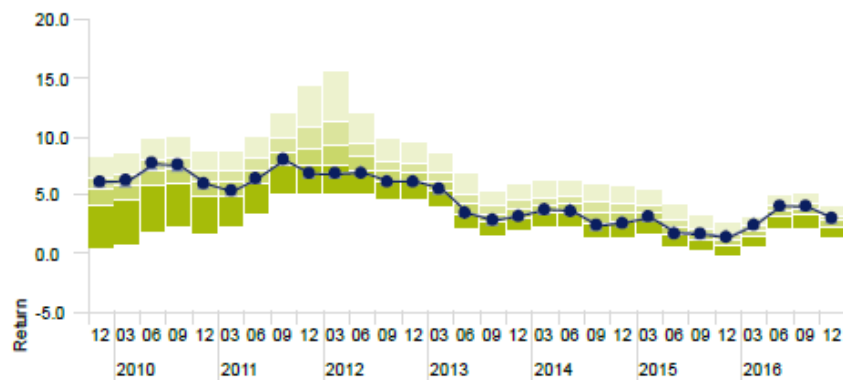
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	99.9	100.0
Alpha	-0.1	0.0
Beta	1.0	1.0
Std Dev	3.3	3.2
Up Capture Ratio	100.2	100.0
Down Capture Ratio	105.3	100.0
Sharpe Ratio (geo)	0.6	0.7
Information Ratio (geo)	-0.5	
Tracking Error	0.2	0.0
Correlation	1.0	1.0

Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Vanguard Total Bond Market Index I

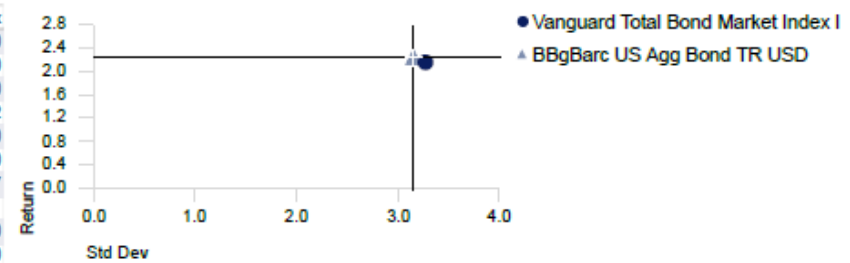
—BBgBarc US Agg Bond TR USD

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
Vanguard Total Bond Market Index I	7.0	9	5.2	9	6.1	89	6.6	70	7.7	11	4.2	83	-2.1	67	5.9	30	0.4	28	2.6	62
BBgBarc US Agg Bond TR USD	7.0		5.2		5.9		6.5		7.8		4.2		-2.0		6.0		0.5		2.6	

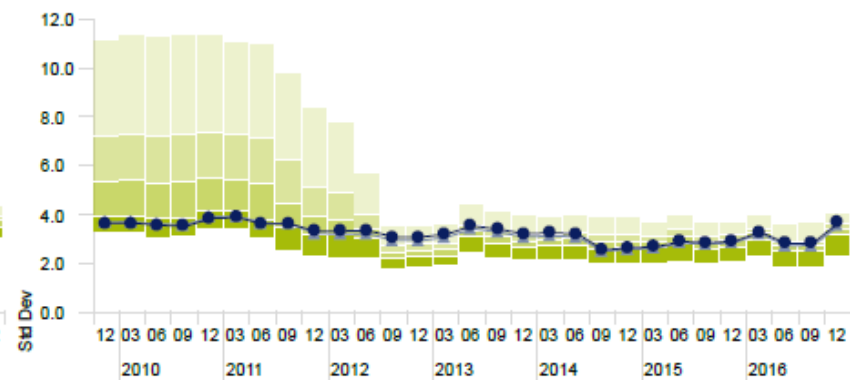
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



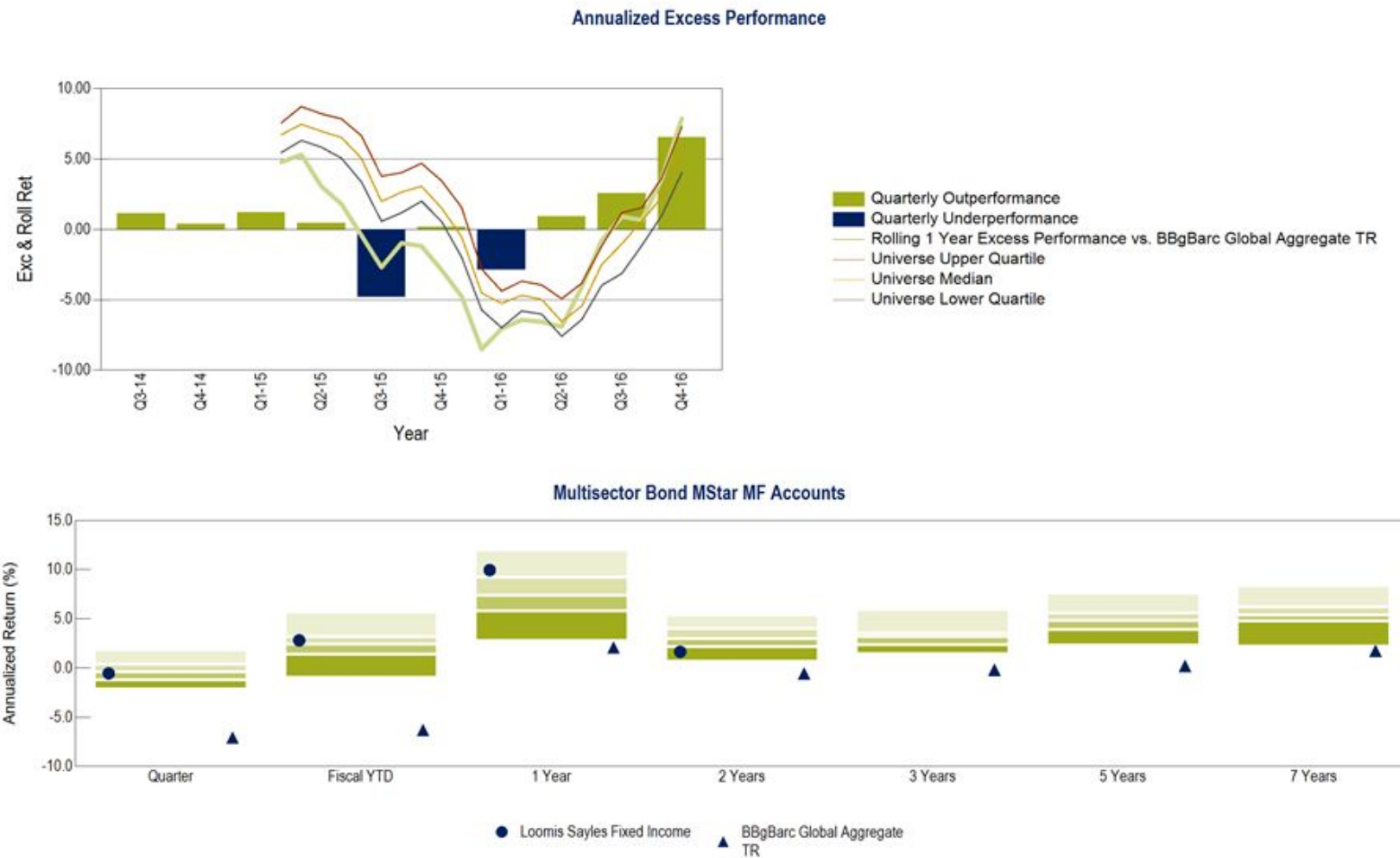
—Vanguard Total Bond Market Index I

—BBgBarc US Agg Bond TR USD

Source: Morningstar

University of Maine System Pension Plan

Loomis Sayles Fixed Income

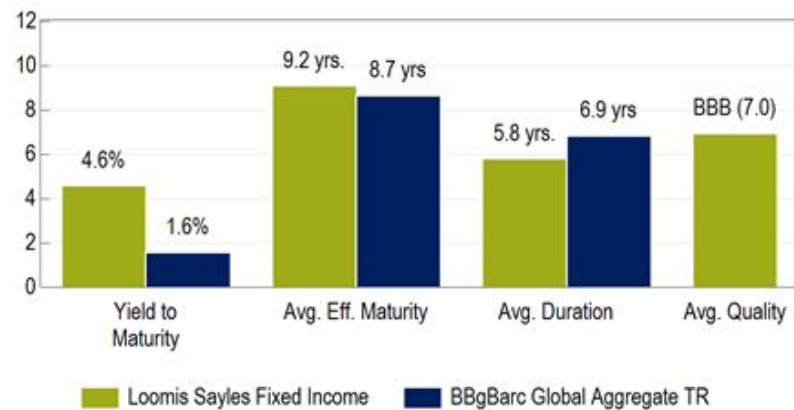


*Returns are net of fees.

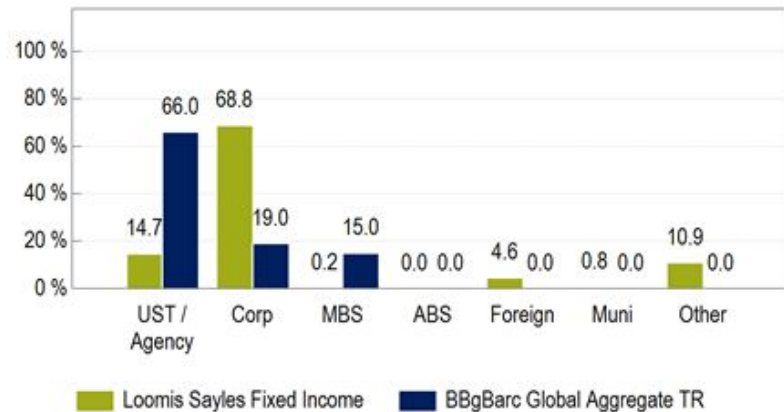
University of Maine System Pension Plan

Loomis Sayles Fixed Income

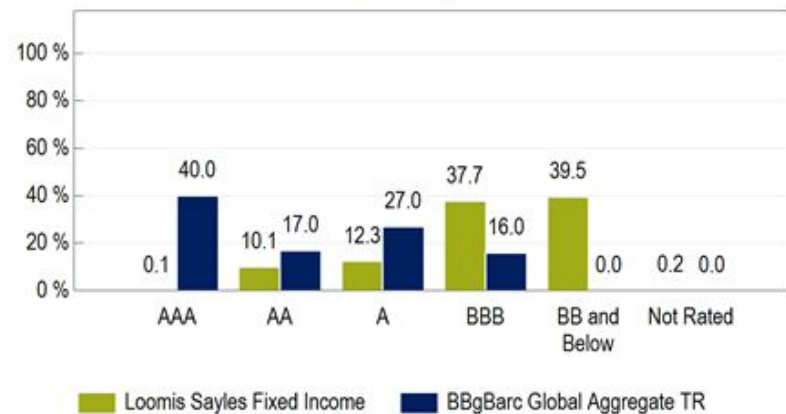
Characteristics



Sectors



Quality Ratings

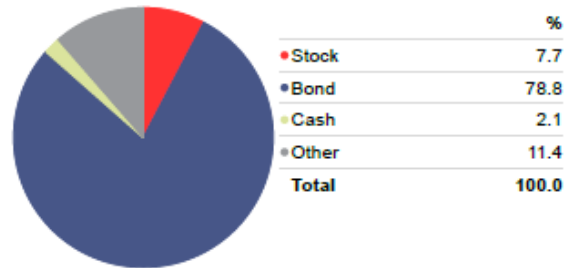


University of Maine System Pension Plan

Loomis Sayles Fixed Income

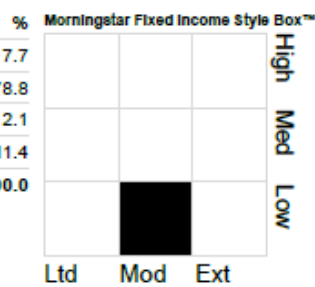
Asset Allocation

Portfolio Date: 11/30/2016



Fixed Income Statistics

Portfolio Date: 11/30/2016



Fixed-Income Stats

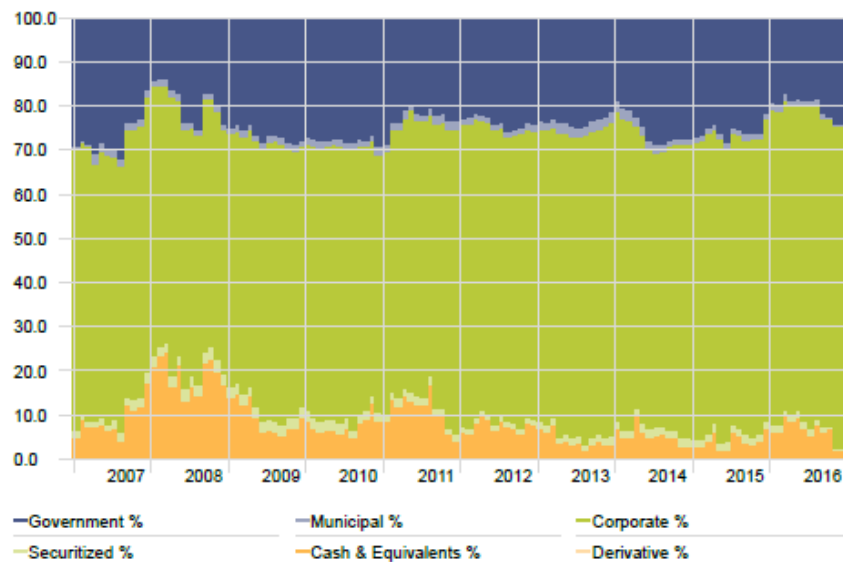
Average Eff Duration	4.0
Average Eff Maturity	6.0
Average Coupon	5.1
Average Price	98.2
Average Credit Quality	BB

Credit Quality Breakdown

Portfolio Date: 11/30/2016

	Fund	Index
AAA %	16.7	
AA %	3.12	
A %	14.68	
BBB %	22.93	
BB %	20.22	
B %	11.85	
Below B %	2.29	
Not Rated %	8.24	
Yield to Maturity	4.56	

Historical Sector Allocations (10 Years)



Top Holdings

	Detail Holding Type	Portfolio Weighting %
Intel Corp	EQUITY	4.09
US Treasury Note 0.75%	BOND - GOV'T/TREASURY	3.29
US Treasury Note 0.75%	BOND - GOV'T/TREASURY	2.22
Old Rep Intl Cv 3.75%	BOND - CONVERTIBLE	1.96
US Treasury Note 0.875%	BOND - GOV'T/TREASURY	1.65
New Zealand(Govt) 5%	BOND - GOV'T/TREASURY	1.42
Ontario Prov Cda 4.2%	BOND - GOV'T/TREASURY	1.38
Inter-Amer Dev Bk 6%	BOND - UNDEFINED	1.30
Amer Airls Grp 144A 5.5%	BOND - CORPORATE BOND	1.22
Morgan Stanley 4.1%	BOND - CORPORATE BOND	1.20

Source: Morningstar

University of Maine System Pension Plan

Loomis Sayles Fixed Income

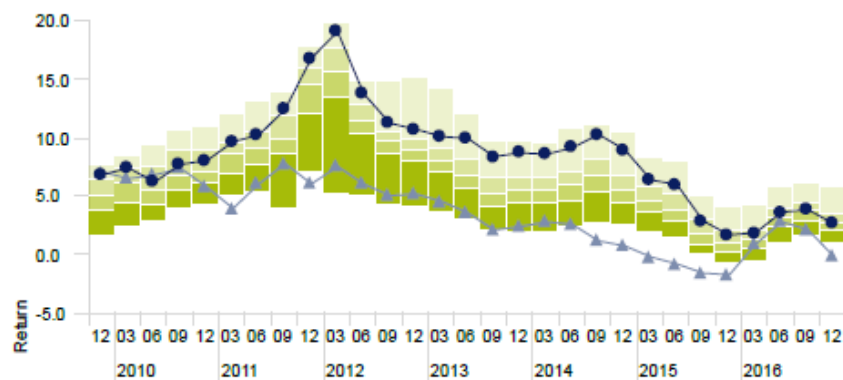
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	31.4	100.0
Alpha	5.7	0.0
Beta	0.5	1.0
Std Dev	5.5	5.7
Up Capture Ratio	122.7	100.0
Down Capture Ratio	-8.5	100.0
Sharpe Ratio (geo)	1.1	0.0
Information Ratio (geo)	1.1	0.0
Tracking Error	5.2	0.0
Correlation	0.6	1.0

Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Loomis Sayles Fixed Income

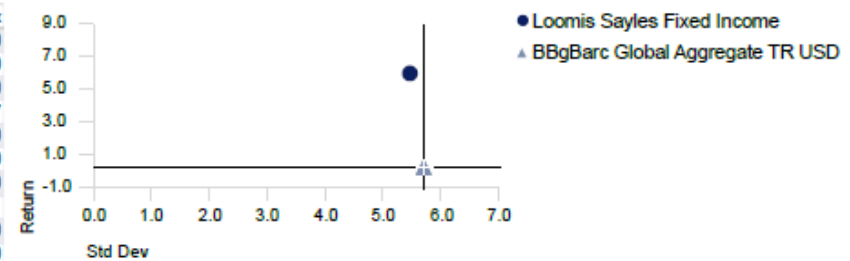
—BBGBarc Global Aggregate TR USD

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
Loomis Sayles Fixed Income	9.2	4	-17.8	65	35.8	17	12.9	30	3.9	41	15.6	9	6.9	11	4.6	26	-6.0	91	9.9	22
BBGBarc Global Aggregate TR USD	9.5		4.8		6.9		5.5		5.6		4.3		-2.6		0.6		-3.2		2.1	

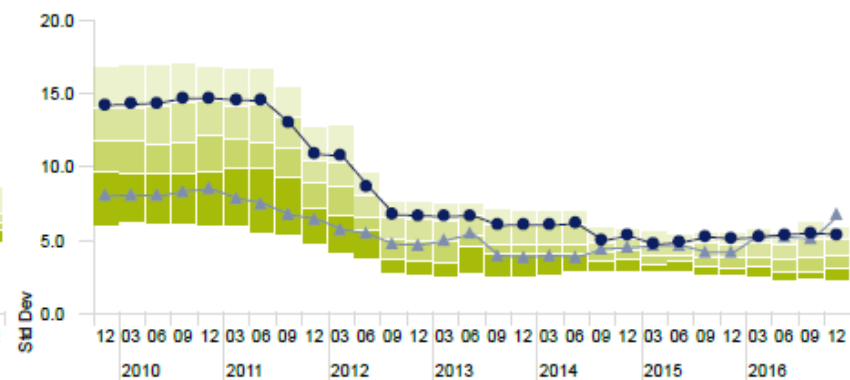
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Loomis Sayles Fixed Income

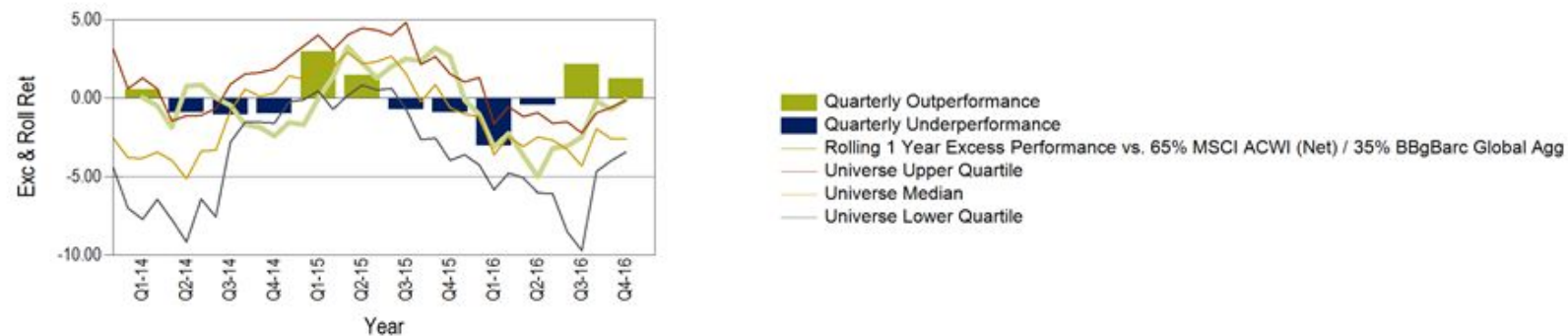
—BBGBarc Global Aggregate TR USD

Source: Morningstar

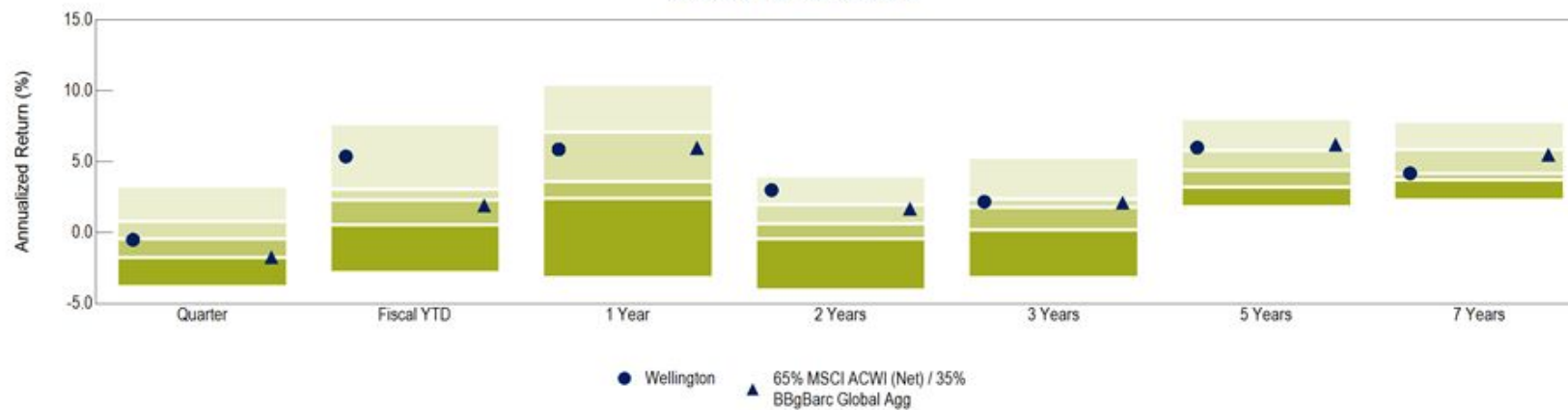
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Wellington Opportunistic

Annualized Excess Performance



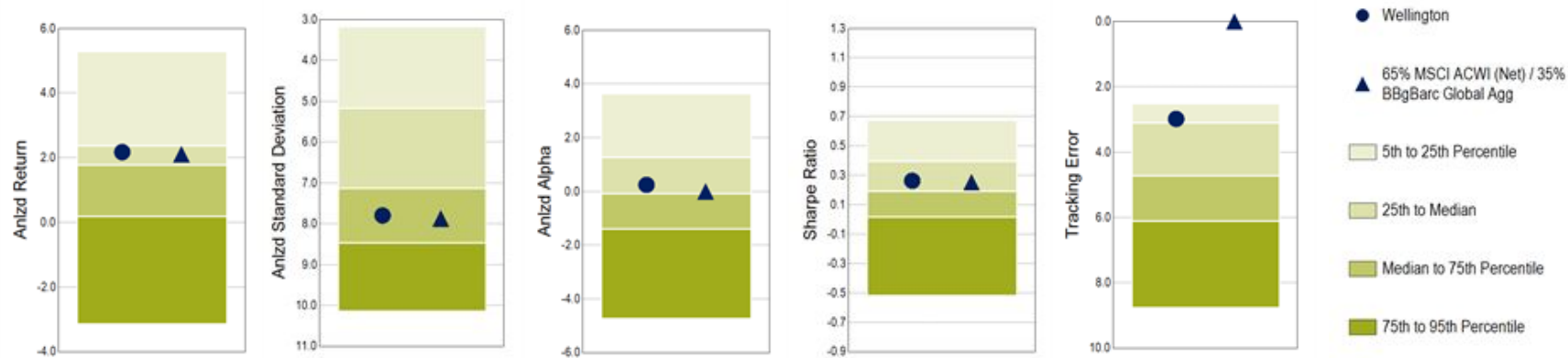
eA Global TAA Net Accounts



*Returns are net of fees.

University of Maine System Pension Plan

Wellington Opportunistic



*Returns are net of fees.

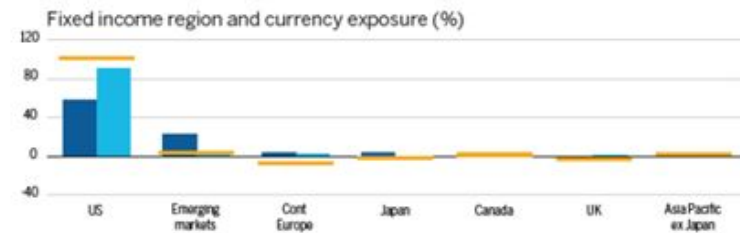
University of Maine System Pension Plan

Wellington Opportunistic

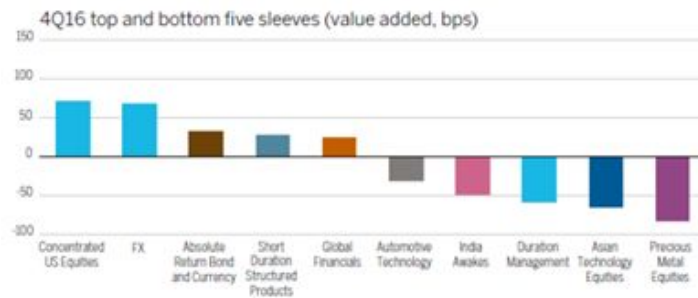
Portfolio Characteristics

	Portfolio	Benchmark
Yield to worst (%)	3.2	2.6
Option adjusted spread (bps)	138	45
Duration – effective (yrs)	5.9	5.6
Convexity – effective	0.8	0.1

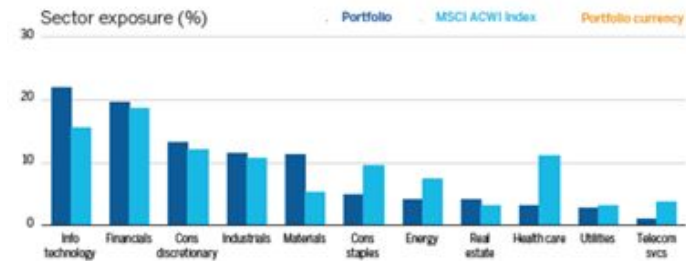
Fixed Income Sector



Top Relative Contributors and Detractors



Equity Sector



Source: Wellington



NEPC, LLC

December 31, 2016

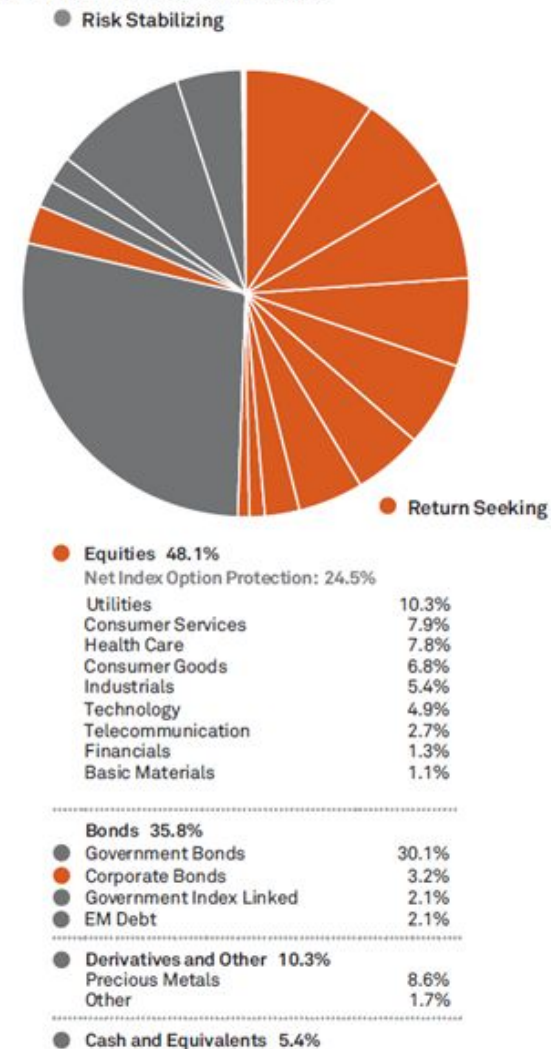
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Newton Global Real Return

FUND CHARACTERISTICS AS OF 12/31/16	
	Fund
Average Market Cap (\$M)	60,308.92
Price/Earnings ratio	15.35
Price/book ratio	2.35
REGIONAL EQUITY ALLOCATION AS OF 12/31/16	
North America	16.49%
Europe ex UK	14.45%
UK	11.15%
Japan	2.45%
Pacific ex Japan	2.09%
Others	1.44%
TOP TEN HOLDINGS (%) AS OF 12/31/16	
USA Treasury Notes 1.75% 31/12/2020 USD100	5.0
USA Treasury Notes 3% 15/05/2045 USD100	4.7
USA Treasury Notes 1.5% 31/08/2018 USD100	3.8
USA Treasury Notes 3% 15/11/2045 USD100	3.4
USA Treasury Notes 2% 15/02/2025 USD100	3.0
Eversource EnergyCom Stk USD5	3.0
DB Commodity Services LLCPowerShares DB Gold Fund	2.8
Australia (Commonwealth) 3.75% Bds 21/04/2037 AUD1000	2.8
CMS Energy CorpCom Stk USD0.01	2.5
Novartis AGCHF0.50 (Regd)	2.4

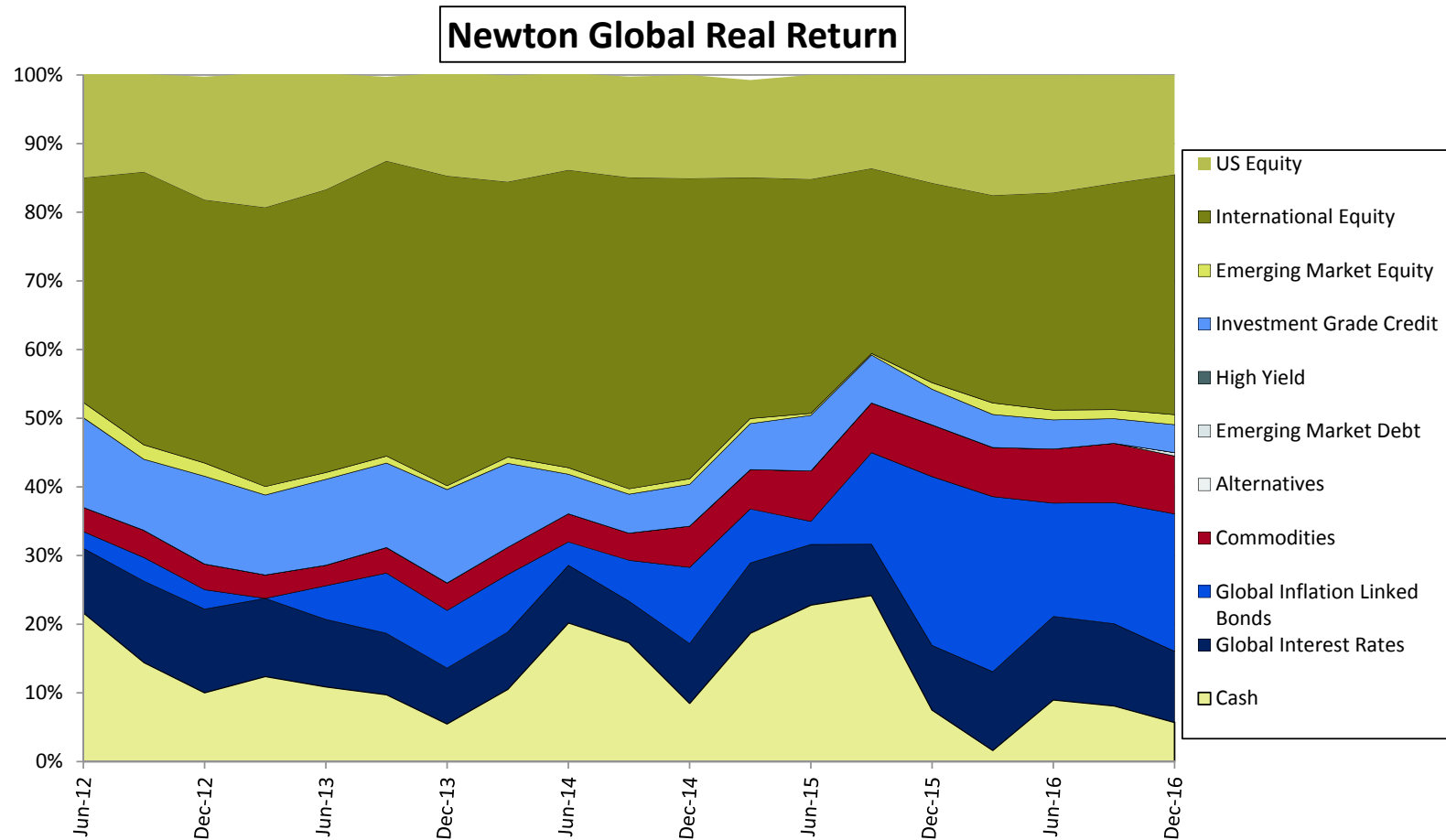
Source: Newton

EXPOSURE BY ASSET CLASS AS OF 12/31/16



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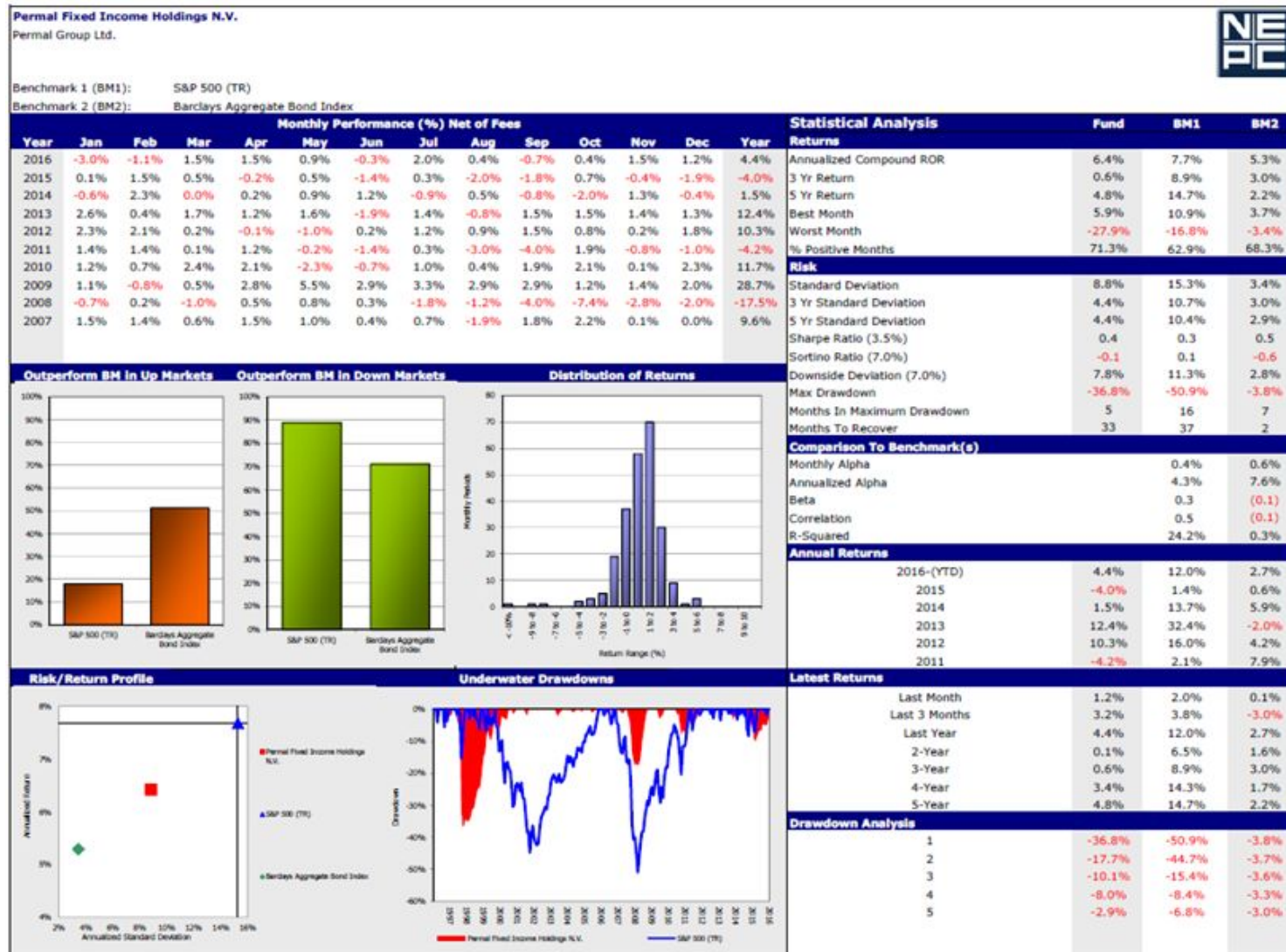
Newton Global Real Return



*As of March 2012, Newton is reporting High Yield separately from Credit

University of Maine System Pension Plan

EnTrustPermal Fixed Income Holdings

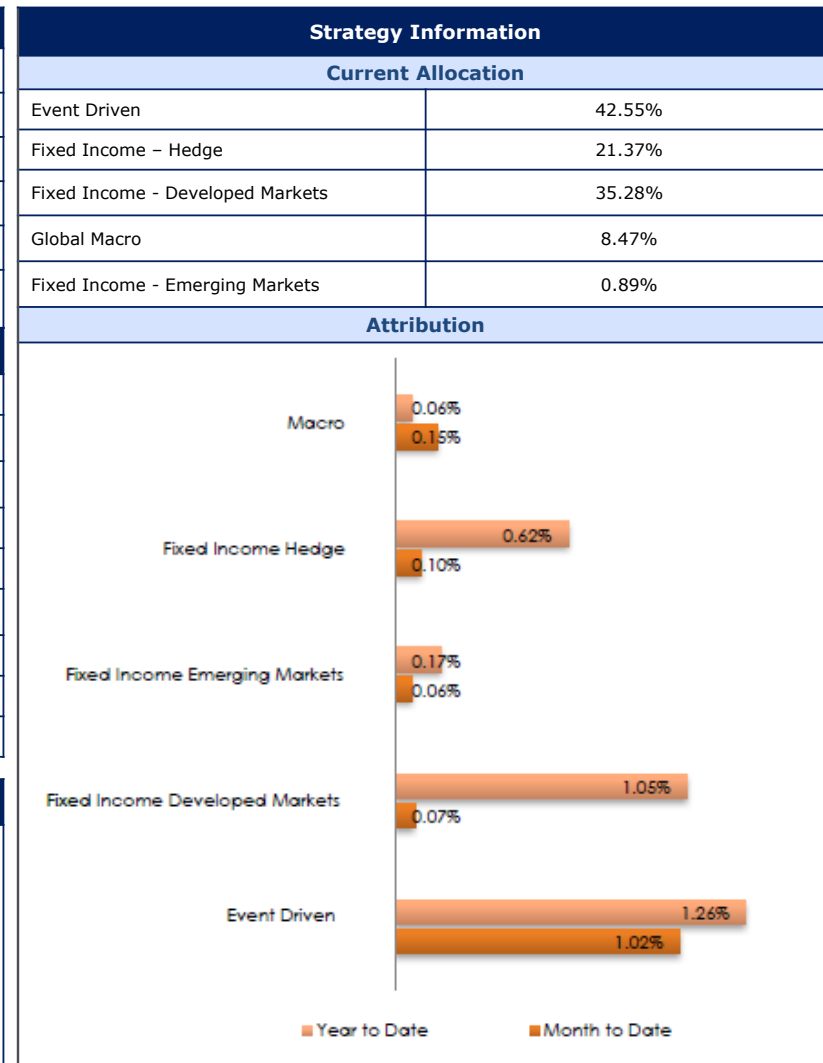


University of Maine System Pension Plan

EnTrustPermal Fixed Income Holdings

General Fund Information			
Fund Name	EnTrustPermal Fixed Income Holdings		
Management Company	EnTrustPermal		
Location	New York, NY		
Firm AUM	\$25.2 Billion	Strategy	Fund of Fund
Strategy AUM	\$3.8 Billion	Sub-Strategy	Multi-Strategy
Portfolio Managers	Robert Kaplan, Clark Fenton, Javier Dyer	Direct or FOF	FOF
Terms			
Share Class	-		
Minimum Investment	\$1 million		
Management Fee	0.95%		
Incentive Fee	None		
Hurdle Rate	None		
High Water Mark	None		
Subscription	Monthly		
Redemption	Monthly with 20 days		
Lock-Up	None		

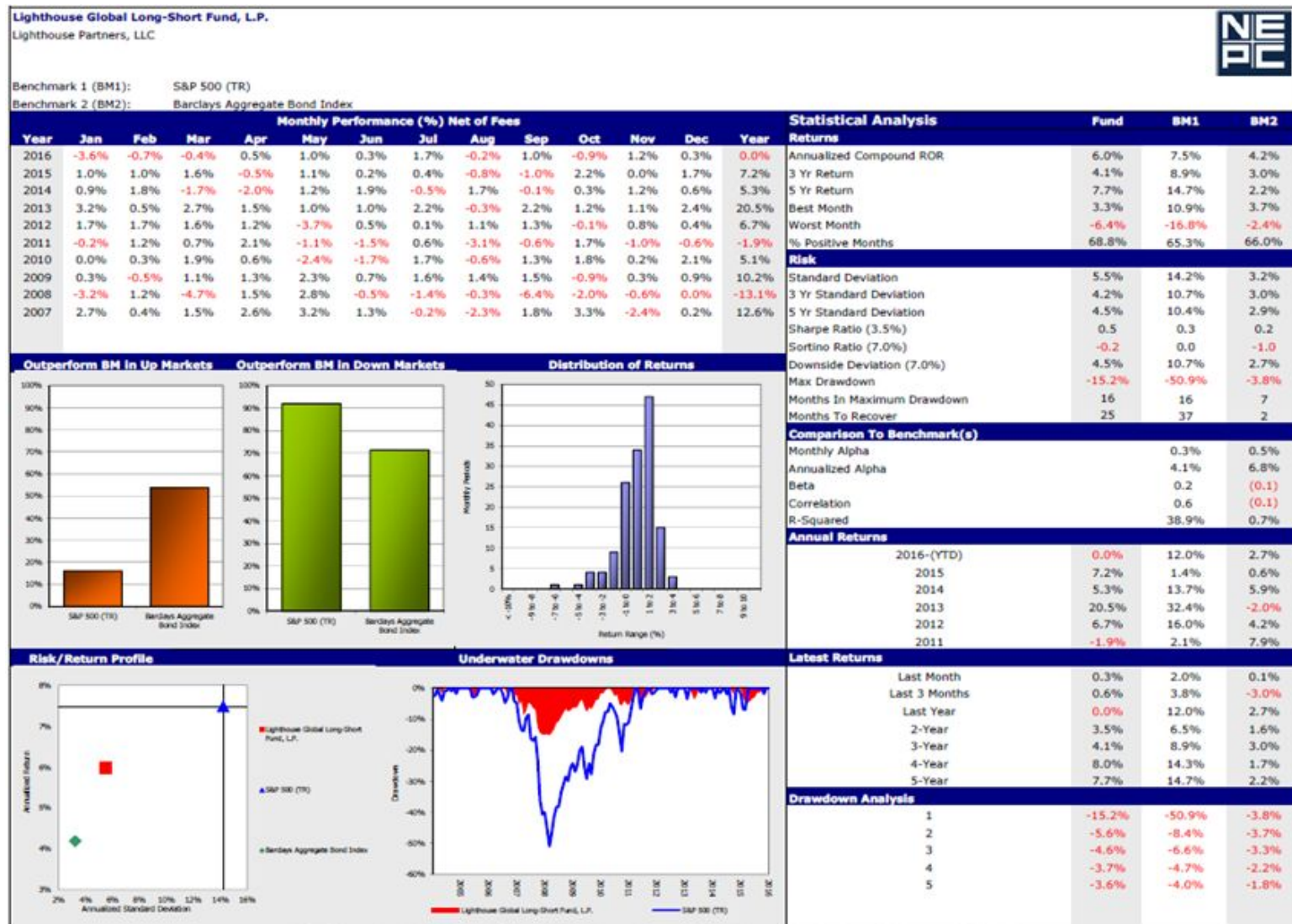
Investment Strategy
<p>Permal Fixed Income Holdings features a performance-oriented investment philosophy that employs a unique combination of fixed-income spread strategies, opportunistic bets on events, and nimble, liquid macro strategies. It is positioned as both a performance enhancer and a good diversifier to a core hedge fund allocation</p>



For more information please see NEPC's Investment Due Diligence Report and Operational Due Diligence Report

University of Maine System Pension Plan

Lighthouse Global Long/Short



Past Performance is not indicative of future results. Ratios are calculated based on a risk-free rate of 3.0%. Actual ratios may vary depending on the actual risk-free rate and life of the fund

University of Maine System Pension Plan

Lighthouse Global Long/Short

General Fund Information			
Fund Name	Lighthouse Global Long/Short Fund		
Management Company	Lighthouse Investment Partners, LLC		
Location	Palm Beach, FL		
Firm AUM	\$8.7 billion	Strategy	Fund of Fund
Strategy AUM	\$1.8 billion	Sub-Strategy	Long/Short Equity
Portfolio Managers	Ethan Baron	Direct or FOF	FOF
Terms			
Share Class	--		
Minimum Investment	\$1 million		
Management Fee	1.15%		
Incentive Fee	--		
Hurdle Rate	None		
High Water Mark	Yes		
Subscription	Monthly		
Redemption	Quarterly (60 days notice) or Monthly (90 days notice)		
Lock-Up	None		
Investment Strategy			
<p>Lighthouse’s Global Long/Short Fund is a global portfolio of 20-30 separately managed accounts with industry sector and country specialist managers. The geographical allocations are similar to the MSCI World Index (30%-75% Americas, 10%-35% Europe, 5%-35% Asia).</p> <p>The Fund targets returns greater than 10% over market cycles with 6%-8% volatility and an equity beta of 0.2–0.4 to the MSCI World Index.</p>			

Strategy Information

Current Allocation

Region exposures and contribution (83.01%)

Region	Val ^R	QTD ^R
Developed North America	0.37%	1.75%
Developed Europe	0.05%	-0.81%
Developed Asia	0.02%	0.07%
Emerging Markets	0.04%	-0.47%
Hedges / Other	0.02%	-0.20%

Attribution

Sector exposure and contribution (95.01%)

Sector	Val ^R	QTD ^R
Consumer Discretionary	0.08%	0.47%
Consumer Staples	0.00%	-0.40%
Energy	0.06%	-0.20%
Financials	-0.01%	0.38%
Healthcare	0.08%	0.15%
Industrials	0.07%	-0.16%
Technology	0.13%	0.67%
Materials	0.11%	-0.08%
Real Estate	0.00%	0.18%
Telecom	0.02%	0.07%
Utilities	0.01%	-0.14%
Hedges / Other	-0.02%	-0.40%

For more information please see NEPC's Investment Due Diligence Report and Operational Due Diligence Report

University of Maine System Pension Plan

Principal U.S. Property

4Q2016 key statistics

Inception date	January, 1982
Gross asset value	\$9.34 billion
Net asset value	\$7.10 billion
Number of investments	141
Number of markets	43
Core portfolio occupancy*	95%
Cash to gross assets	4.4%
Leverage ratio**	21.3%

*Occupancy excludes value-added assets which are acquired at less than 85% occupancy, are under development or redevelopment or are land parcels. Occupancy for the total portfolio was 90%.

**Account's share of total debt (both property and portfolio) divided by Account's share of total gross assets.

Diversification



*Consists of hotel (2%) and land (1%) exposure.

Source: Principal

Appendix

University of Maine System Pension Plan

Glossary of Terms

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

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

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

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

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

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

Formula:

$$\frac{(\text{Annualized Return of Portfolio} - \text{Annualized Return of Benchmark})}{\text{Annualized Standard Deviation}(\text{Period Portfolio Return} - \text{Period Benchmark Return})}$$
To annualize standard deviation, multiply the deviation by the square root of the number of periods per year where monthly returns per year equals 12 and quarterly returns is four periods per year.

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

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

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

Formula:

$$\text{Calculation Average } (X-Y) / \text{Downside Deviation } (X-Y) * 2$$
Where X=Return Series X Y = Return Series Y which is the risk free return (91 day T-bills)

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

Formula:

$$\frac{(\text{Annualized Return of Portfolio} - \text{Annualized Return of Risk Free})}{\text{Annualized Standard Deviation (Portfolio Returns)}}$$

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

Formula:

$$\text{Tracking Error} = \text{Standard Deviation } (X-Y) * \sqrt{\# \text{ of periods per year}}$$
Where X = periods portfolio return and Y = the period's benchmark return
For monthly returns, the periods per year = 12
For quarterly returns, the periods per year = 4

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

Formula:

$$\frac{(\text{Portfolio Average Return} - \text{Average Return of Risk-Free Rate})}{\text{Portfolio Beta}}$$

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

$$\text{UpsideCapture} = \frac{\text{TotalReturn}(\text{FundReturns})}{\text{TotalReturns}(\text{BMReturn})} \text{ when Period Benchmark Return is } > 0$$

$$\text{DownsideCapture} = \frac{\text{TotalReturn}(\text{FundReturns})}{\text{TotalReturns}(\text{BMReturn})} \text{ when Benchmark } < 0$$

Data Source: InvestorForce

University of Maine System Pension Plan

Information Disclaimer and Reporting Methodology

Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may not be available from the source or may be preliminary and subject to change.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodial bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- This report is provided as a management aid for the client's internal use only. Performance contained in this report does not constitute a recommendation by NEPC.
- This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of Return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Operating Fund Performance Review
2. **INITIATED BY:** Karl W. Turner, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **BACKGROUND:**

Enclosed for your information is the Operating Fund performance report for the quarter ended December 31, 2016.

Kelly Regan and Jay Roney of NEPC will provide a brief review at the March 9, 2017 Investment Committee meeting.

02/27/2016

University of Maine System Operating Fund

Total Plan Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Operating Funds Composite	251,920,001	100.0	100.0	-0.2	1.2	3.6	1.3	1.3	2.6	2.4	2.4
<i>Allocation Index</i>				-0.2	1.0	3.0	1.5	1.7	2.5	2.2	--
Liquidity Pool Composite	43,082,097	17.1	25.0	0.0	0.1	0.4	0.3	0.2	0.2	0.2	1.2
State Pool	23,758,469	9.4		0.0	0.2	0.5	0.4	0.3	0.3	0.3	1.2
BOA General Fund	1,902,432	0.8		0.0	0.0	0.0	0.0	0.0	0.1	--	--
Federated Gov't Obligations	2,499,304	1.0		0.1	--	--	--	--	--	--	--
JP Morgan US Gov't Money Market Fund	14,921,892	5.9		0.0	--	--	--	--	--	--	--
<i>Citi 3mth Treasury Bill</i>				0.1	0.2	0.3	0.1	0.1	0.1	0.1	0.7
Income Pool Composite	139,522,126	55.4	50.0	-0.3	0.6	3.4	2.0	1.8	2.9	2.9	2.9
Income Research + Management	71,195,542	28.3	25.0	-0.4	-0.3	1.5	1.1	1.0	--	--	--
<i>BBgBarc US Govt/Credit 1-3 Yr. TR</i>				-0.4	-0.4	1.3	1.0	0.9	0.9	1.3	2.4
PIMCO Floating Income Fund	13,083,218	5.2	5.0	2.6	7.3	11.3	5.4	2.7	4.9	3.8	2.8
<i>0.25 Dur, 1/3 JPM EMBIG, 1/3 BC Agg, 1/3 ML HY BB</i>				1.9	5.6	9.3	3.7	2.5	4.4	2.9	--
BlackRock Strategic Income Opportunities	13,577,676	5.4	5.0	1.1	2.8	3.6	--	--	--	--	--
<i>3-Month Libor Total Return USD</i>				0.2	0.4	0.7	0.5	0.4	0.4	0.4	1.2
Loomis Sayles Bank Loans	14,323,255	5.7	5.0	1.5	3.8	7.5	4.2	3.1	4.3	4.6	--
<i>Loomis Bank Loans Custom Index</i>				1.4	3.6	7.3	4.8	4.0	5.4	5.5	4.8
Vanguard Total Bond Market Instl' Fund	27,342,435	10.9	10.0	-3.2	-2.8	2.6	1.5	3.0	2.2	3.6	--
<i>BBgBarc US Aggregate TR</i>				-3.0	-2.5	2.6	1.6	3.0	2.2	3.6	4.3
Total Return Pool Composite	69,315,777	27.5	25.0	-0.1	3.1	7.3	1.6	1.7	4.7	4.8	4.0
Lighthouse	10,218,758	4.1	3.8	0.7	3.3	0.2	--	--	--	--	--
<i>Credit Suisse Long Shrt Eqt USD</i>				-0.2	1.7	-3.4	0.0	1.8	6.1	4.5	4.0
EntrustPermal Fixed Income Holdings	6,310,424	2.5	3.8	3.2	5.0	4.5	0.1	0.5	4.6	--	--
<i>HFRI Fund of Funds Composite Index</i>				0.9	3.2	0.5	0.1	1.2	3.4	2.4	1.3
Newton Global Real Return	13,404,258	5.3	5.0	--	--	--	--	--	--	--	--
<i>60% MSCI ACWI (Net)/ 40% BBgBarc Global Agg</i>				-2.2	1.3	5.7	1.5	1.9	5.8	5.2	3.8
PIMCO All Asset	16,488,731	6.5	5.0	-0.3	3.5	13.3	1.7	1.4	3.9	5.1	4.8
<i>Blended Index</i>				-1.6	0.0	6.1	3.0	3.6	3.8	5.0	5.1
Vanguard Total World Stock Index	22,893,606	9.1	7.5	1.2	6.6	8.8	3.3	3.5	--	--	--
<i>FTSE Global All Cap Index</i>				1.5	7.1	9.0	3.5	3.8	10.1	--	--

University of Maine System Operating Fund

Total Plan Performance Detail (Net of Fees)

Notes:

Returns are net of manager fees.

The inception date for the allocation index is 07/01/2009

Fiscal YTD begins 7/1

Blended Index: 40% BC Aggregate / 30% BC U.S. TIPS 1-10YR / 10% S&P 500 / 10% BC High Yield / 10% JPM EMBI+

Loomis Bank Loans Custom Index blends performance of "S&P/LSTA Leveraged Loan Index" before 9/1/2014 and "S&P/LSTA Leveraged BB Loan Index" after 9/1/2014.

Composite excludes external loans.



NEPC, LLC

YOU DEMAND MORE. So do we.™



University of Maine System Operating Fund

Fourth Quarter 2016 Investment Performance Review

March 9, 2017

Jay E. Roney, Partner
Kelly Regan, Senior Consultant

255 State Street, Boston, MA 02109 | TEL: 617.374.1300 | FAX: 617.374.1313 | www.nepc.com
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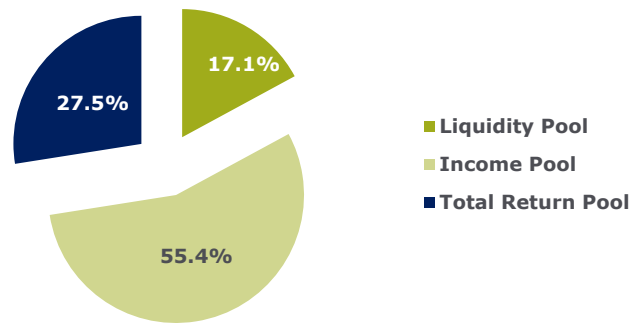
Executive Summary

University of Maine System Operating Fund

Executive Summary

ASSET ALLOCATION

Plan Assets: \$251.9 Million



FUND PERFORMANCE: NET OF FEES

	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR
COMPOSITE	-0.2%	1.2%	3.6%	1.3%	2.6%	2.4%	2.4%
ALLOC. INDEX	-0.2%	1.0%	3.0%	1.7%	2.5%	2.2%	--

PLAN COMMENTS

Asset Allocation

The Fund's assets as of December 31, 2016 were \$251.9 million. This represents a \$32.2 million decrease from the previous quarter.

The Liquidity Pool (17.1% v 25.0%), Income Pool (55.4% v 50.0%) and Total Return Pool (27.5% v 25.0%) are all within allowable ranges. Throughout the year, asset allocation will change based on cash inflows and outflows. NEPC reviews this on a monthly basis.

Performance (Net of Fees)

The Fund returned -0.2% over the quarter, 1.2% fiscal year to date, and 3.6% over the trailing year. Long term returns have outperformed the allocation index (5 & 7 year basis).

The managers with the highest absolute returns over the quarter were EntrustPermal, PIMCO Floating Income and Lighthouse.

RECENT ACTIONS/RECOMMENDATIONS

Recent Actions

The System funded Newton Global Real Return in the fourth quarter with distributions received from Windhaven, which was terminated in the third quarter.

The System terminated PIMCO Floating Income at the end of the fourth quarter. Proceeds to were distributed between IR+M, Blackrock and Loomis Sayles in January.

Recommendations

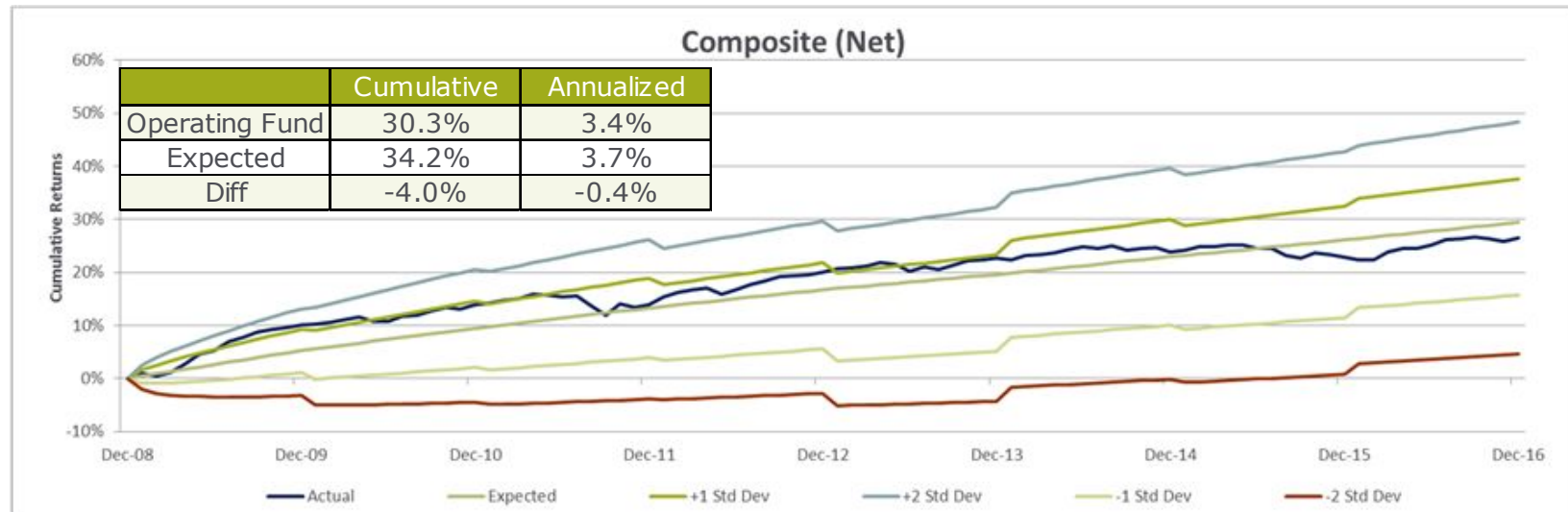
Review Asset Allocation study recommendations provided in a separate document.

Manager Due Diligence

There are two manager updates detailed on the Due Diligence Monitor.

University of Maine System Operating Fund

Operating Fund Return Expectations



- **Over the last 8 years ending 12/31/16, the Operating Fund returned 3.4% annualized versus a blended expected return of 3.7% (based on NEPC's 5-7 year forecasts)**
- **The returns are currently slightly below the expected target but within a one standard deviation range of outcomes**

University of Maine System Operating Fund

Due Diligence Monitor

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

Investment Manager	Manager Changes/ Announcements (Recent Quarter)	NEPC Due Diligence Committee Recommendations
PIMCO	Yes	No Action
EntrustPermal	Yes	Watch (Firm) / Maintain Hold

A legend key to our recommendations is provided below.

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

University of Maine System Operating Fund

Due Diligence Commentary

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

Manager Changes/Announcements	
Investment Option	Commentary
PIMCO <i>All Asset</i>	<p>PIMCO recently updated the prospectus for their All Asset suite of products and made two adjustments.</p> <p>First, CIO Chris Brightman has been added as co-PM alongside Rob Arnott. This does not represent a change in responsibility or roles, but is a reflection of the work Mr. Brightman brings to the products. Mr. Brightman is the CIO of Research Affiliates and broadly oversees the asset allocation models that serve as the foundation for the All Asset suite of products.</p> <p>Second, the maximum weight for international equity in the All Asset All Authority Fund has increased from 33% to 50%.</p> <p><i>NEPC Research is comfortable with both of these changes and recommends No Action as a result.</i></p>
EntrustPermal <i>EntrustPermal Fixed Income Holdings N.V.</i>	<p>See Memo on following page.</p> <p><i>NEPC upgraded EntrustPermal firm rating from Hold to Watch and maintains the Hold rating for the strategy.</i></p>



To: NEPC Clients

From: NEPC Research

Date: January 26, 2017

Subject: EnTrustPermal Due Diligence Status Change: *Upgrade from HOLD to WATCH*

Product Rating: EnTrustPermal Fixed Income Holdings N.V. ("EPFIH") and EnTrustPermal Fixed Income Holdings (ERISA) Ltd. ("EPFIHE"): *Maintain Current Rating (Neutral) and Current Due Diligence Status: HOLD*

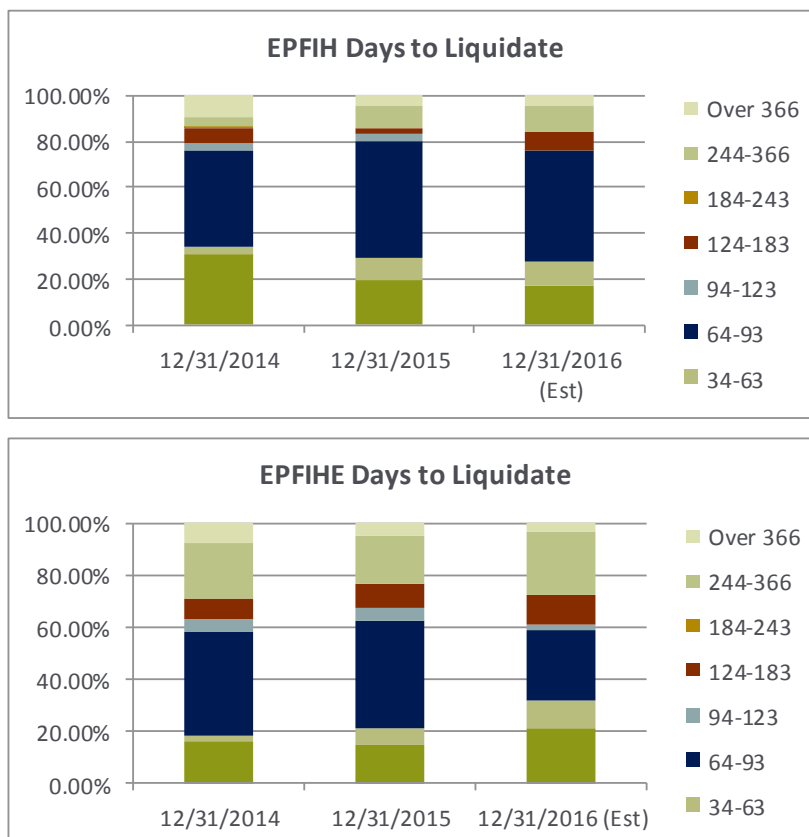
Roughly one year since the announcement that EnTrust and Permal would merge and form a combined entity (EnTrustPermal) and subsidiary of Legg Mason, we are comfortable that the integration process is proceeding in line with expectations. At the firm level, there has been some reduction in overall assets under management but within expectations given a significant corporate event. We expect further integration efforts to occur over time to continue to gain efficiencies in the investment process and make efforts to extract additional fee savings from underlying managers. We will continue to monitor the ongoing integration but at this time we believe it is appropriate to upgrade the firm Due Diligence rating of EnTrustPermal from HOLD to WATCH. This means that we have gained comfort with how they have addressed a significant event (merger of two firms) but believe continued monitoring is appropriate.

We are maintaining the current Due Diligence Status of HOLD on the legacy Permal Fixed Income Holdings strategies (EPFIH and EPFIHE) as we feel a higher level of monitoring and awareness is appropriate given relatively large redemptions in these strategies over the last year. Increasing investor outflows from the legacy Permal flagship fund (EPFIH), driven largely by non-NEPC investors (primarily Private Clients and Family Offices), have led to a drop in AUM of approximately 40% since the beginning of 2016. This asset decline could potentially present some liquidity concerns for NEPC investors in the Fund should more investors redeem. The ERISA Fund (EPFIHE) experienced a smaller asset drop in 2016 (~20%) but we are aware of anticipated additional redemptions of more than 30% in that fund. EnTrustPermal has indicated they there are prepared to manage those redemptions effectively.

Historically, EnTrustPermal has managed portfolio liquidity of these funds effectively, including during this recent period of redemptions. The portfolio management team has prudently balanced portfolio flows and underlying manager redemptions while utilizing lines of credit to help mitigate the portfolio impact. Additionally, the team and processes remain the same.

Given the decline in assets and trend of outflows, we think it is appropriate to maintain our HOLD recommendation as we continue to monitor and evaluate the portfolio and overall asset flows. While the significant outflows are a concern, this is somewhat offset by the following factors:

- The portfolio management team has historically shown an ability to manage through periods of outflows and adjust positions to meet monthly redemptions.
- The funds performed well on a relative basis in 2016 despite the outflows.
- Effective liquidity management is evidenced by the fact that the liquidity profile of the Fund's underlying holdings has remained relatively similar to previous years. While the majority of assets are still in vehicles that require more than 30 days to liquidate, the overall profile remains consistent.



Source: NEPC, EnTrustPermal (12/20/2016). 12/31/2016 liquidity is estimated.

The charts shown above are based on "a most restrictive liquidity review" by EnTrustPermal which for year end 2016 is estimated as of December 20, 2016. The "days to liquidate", has been defined by EnTrustPermal as the number of days until the next effective available redemption date of the underlying investments in EPFIH and EPFIHE

- While the use of credit lines increased meaningfully for the EPFIH during this period, EnTrustPermal has indicated that the funds' borrowing needs have dropped as outflows have slowed and they have continued to manage portfolio cash flows. In addition, they noted that they have additional borrowing capacity. This capacity should allow them to continue to manage the portfolio consistent with past practice.
- EnTrustPermal noted that they are considering merging the EPFIH and EPFIHE funds in order to improve the overall flexibility across all of the funds. We are supportive of this concept because of the potential additional benefits to clients and will keep you informed if this moves forward.
- If redemptions increase to the point that it could negatively impact remaining investors, it is possible that EnTrustPermal could impose a gate. As indicated by EnTrustPermal, the purpose of the gate would be to manage liquidity of the funds in the best interests of its continuing investors. This provides another potential layer of protection for remaining clients, but, if triggered, could lead to a slower repayment



of redemption proceeds than what the Fund's stated terms offer for those clients redeeming.

- EnTrustPermal provided information about "advisor concentration". NEPC clients now represent the largest group under one advisor with approximately 35% and 45% of total assets in EPFIH and EPFIHE, respectively. No other advisor represents more than 10% of client assets in the EPFIH fund and there are three advisors that each represents 10-20% of the EPFIHE fund. We recognize that a change in our recommendation to Client Review or Terminate could potentially trigger a gate at the Fund level and we would therefore work to understand and communicate the implications if our assessment of the situation warrants a potential downgrade.

We recommend clients continue to assess EPFIH and EPFIHE and the role that each plays in the strategic asset allocation of your portfolio(s). At this point, we are comfortable with NEPC clients maintaining their exposure to the EPFIH and EPFIHE funds, subject to the specific circumstances of your particular investment program.

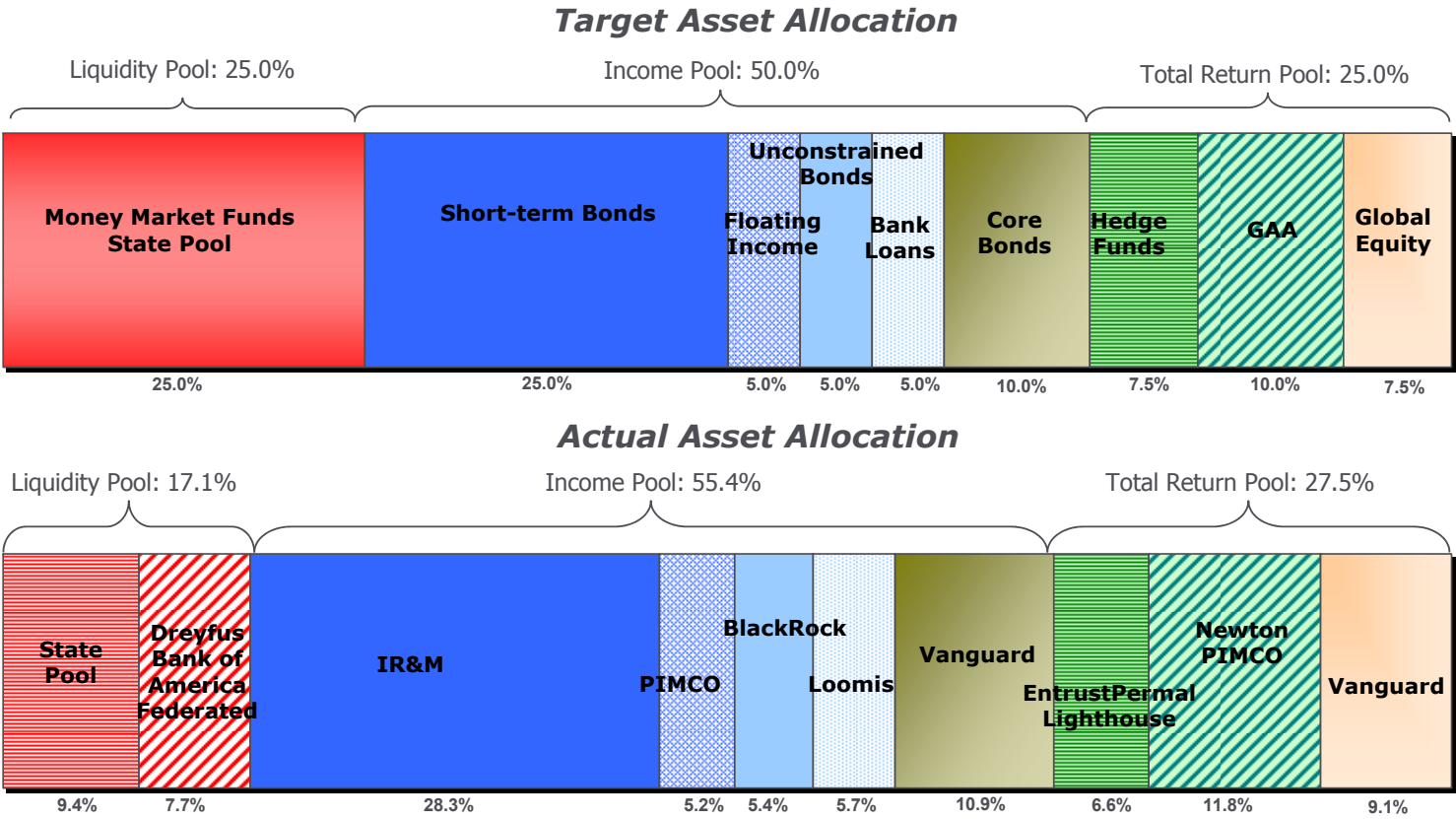
We will continue to monitor asset flows, portfolio construction and performance. If the situation changes, we will keep you informed. While we are not recommending any action at this point, we do want to remind you of the current notice periods which are outlined below.

Vehicle	Redemption Terms	Notice By	Redemption Date
EPFIH N.V.	Monthly 20 days notice	February 10, 2017	February 28, 2017
EPFIH Institutional (feeder)	Monthly 25 days notice	February 3, 2017	February 28, 2017
EPFIHE	Monthly 61 days Notice	January 27, 2017	March 31, 2017

Plan Summary and Statistics

University of Maine System Operating Fund

Total Fund Asset Allocation



*May not add up to 100% due to rounding

University of Maine System Operating Fund

Total Plan Performance Detail (Net of Fees)

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Operating Funds Composite	251,920,001	100.0	100.0	-0.2	1.2	3.6	1.3	1.3	2.6	2.4	2.4
<i>Allocation Index</i>				-0.2	1.0	3.0	1.5	1.7	2.5	2.2	--
Liquidity Pool Composite	43,082,097	17.1	25.0	0.0	0.1	0.4	0.3	0.2	0.2	0.2	1.2
State Pool	23,758,469	9.4		0.0	0.2	0.5	0.4	0.3	0.3	0.3	1.2
BOA General Fund	1,902,432	0.8		0.0	0.0	0.0	0.0	0.0	0.1	--	--
Federated Gov't Obligations	2,499,304	1.0		0.1	--	--	--	--	--	--	--
JP Morgan US Gov't Money Market Fund	14,921,892	5.9		0.0	--	--	--	--	--	--	--
<i>Citi 3mth Treasury Bill</i>				0.1	0.2	0.3	0.1	0.1	0.1	0.1	0.7
Income Pool Composite	139,522,126	55.4	50.0	-0.3	0.6	3.4	2.0	1.8	2.9	2.9	2.9
Income Research + Management	71,195,542	28.3	25.0	-0.4	-0.3	1.5	1.1	1.0	--	--	--
<i>BBgBarc US Govt/Credit 1-3 Yr. TR</i>				-0.4	-0.4	1.3	1.0	0.9	0.9	1.3	2.4
PIMCO Floating Income Fund	13,083,218	5.2	5.0	2.6	7.3	11.3	5.4	2.7	4.9	3.8	2.8
<i>0.25 Dur, 1/3 JPM EMBIG, 1/3 BC Agg, 1/3 ML HY BB</i>				1.9	5.6	9.3	3.7	2.5	4.4	2.9	--
BlackRock Strategic Income Opportunities	13,577,676	5.4	5.0	1.1	2.8	3.6	--	--	--	--	--
<i>3-Month Libor Total Return USD</i>				0.2	0.4	0.7	0.5	0.4	0.4	0.4	1.2
Loomis Sayles Bank Loans	14,323,255	5.7	5.0	1.5	3.8	7.5	4.2	3.1	4.3	4.6	--
<i>Loomis Bank Loans Custom Index</i>				1.4	3.6	7.3	4.8	4.0	5.4	5.5	4.8
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<i>BBgBarc US Aggregate TR</i>				-3.0	-2.5	2.6	1.6	3.0	2.2	3.6	4.3
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<i>Credit Suisse Long Shrt Eqt USD</i>				-0.2	1.7	-3.4	0.0	1.8	6.1	4.5	4.0
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<i>HFRI Fund of Funds Composite Index</i>				0.9	3.2	0.5	0.1	1.2	3.4	2.4	1.3
Newton Global Real Return	13,404,258	5.3	5.0	--	--	--	--	--	--	--	--
<i>60% MSCI ACWI (Net)/ 40% BBgBarc Global Agg</i>				-2.2	1.3	5.7	1.5	1.9	5.8	5.2	3.8
PIMCO All Asset	16,488,731	6.5	5.0	-0.3	3.5	13.3	1.7	1.4	3.9	5.1	4.8
<i>Blended Index</i>				-1.6	0.0	6.1	3.0	3.6	3.8	5.0	5.1
Vanguard Total World Stock Index	22,893,606	9.1	7.5	1.2	6.6	8.8	3.3	3.5	--	--	--
<i>FTSE Global All Cap Index</i>				1.5	7.1	9.0	3.5	3.8	10.1	--	--

University of Maine System Operating Fund

Total Plan Performance Detail (Net of Fees)

Notes:

Returns are net of manager fees.

The inception date for the allocation index is 07/01/2009

Fiscal YTD begins 7/1

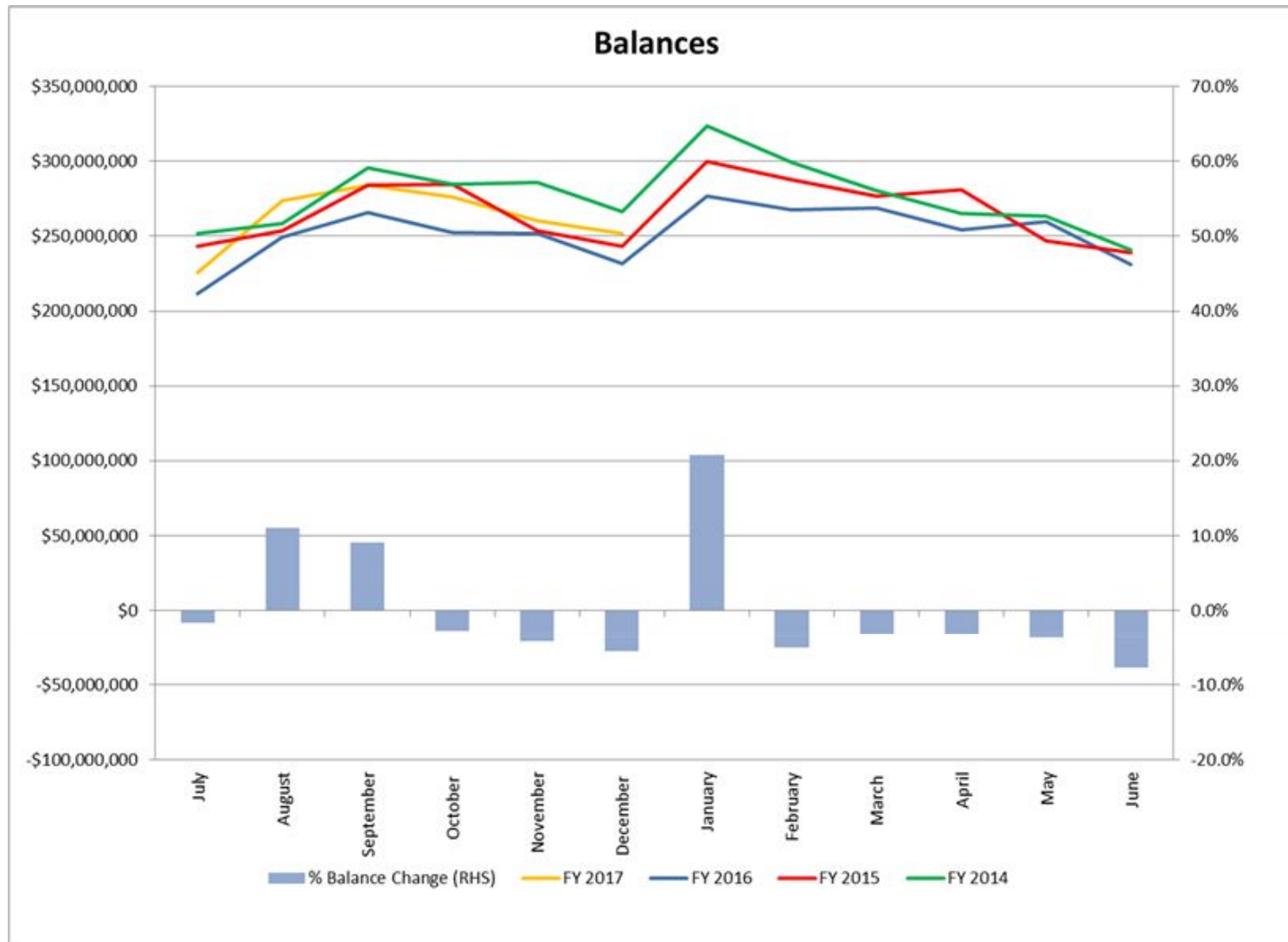
Blended Index: 40% BC Aggregate / 30% BC U.S. TIPS 1-10YR / 10% S&P 500 / 10% BC High Yield / 10% JPM EMBI+

Loomis Bank Loans Custom Index blends performance of "S&P/LSTA Leveraged Loan Index" before 9/1/2014 and "S&P/LSTA Leveraged BB Loan Index" after 9/1/2014.

Composite excludes external loans.

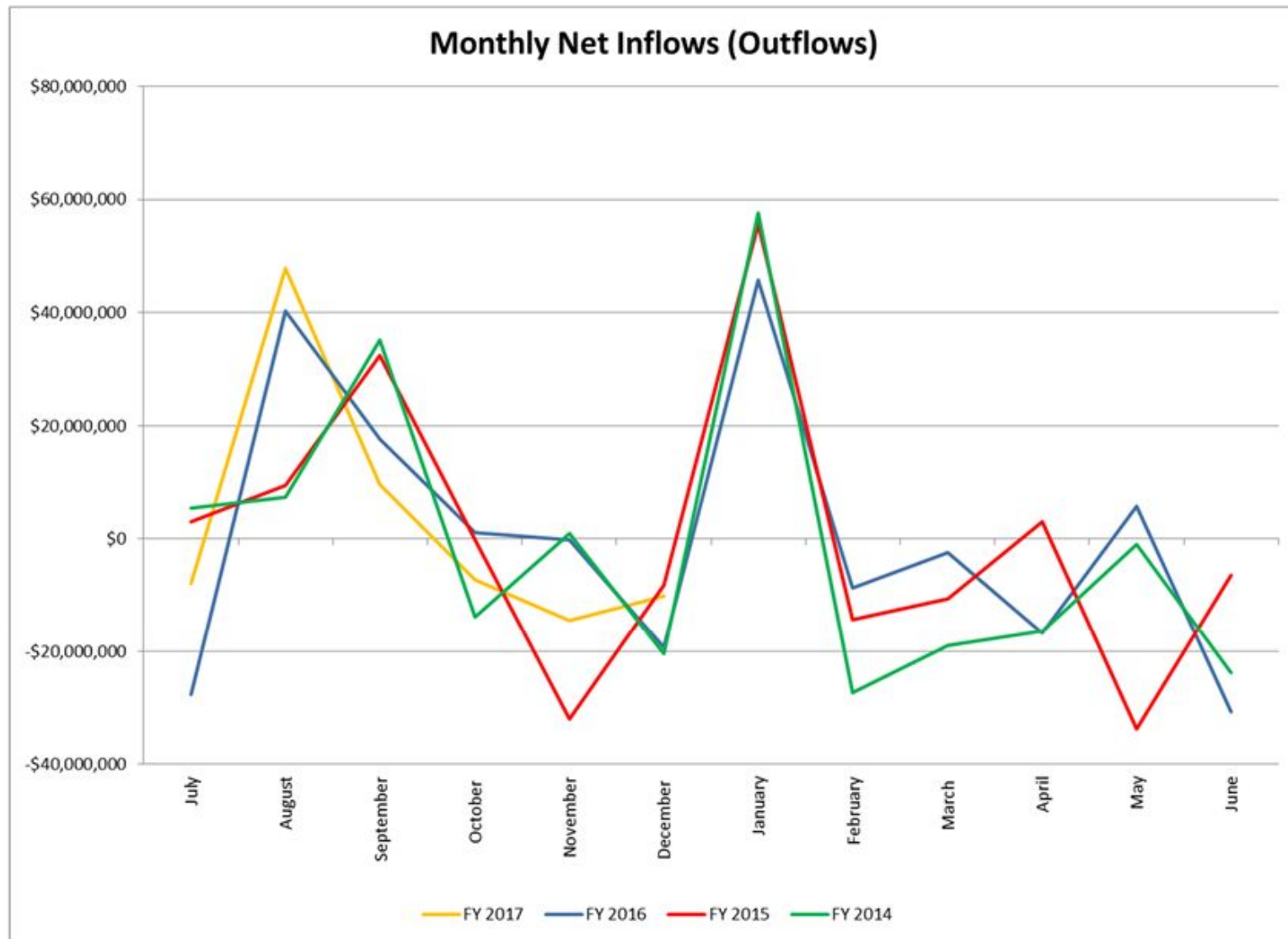
University of Maine System Operating Fund

Operating Fund Balances and Monthly Changes



University of Maine System Operating Fund

Monthly Net Inflows (Outflows)



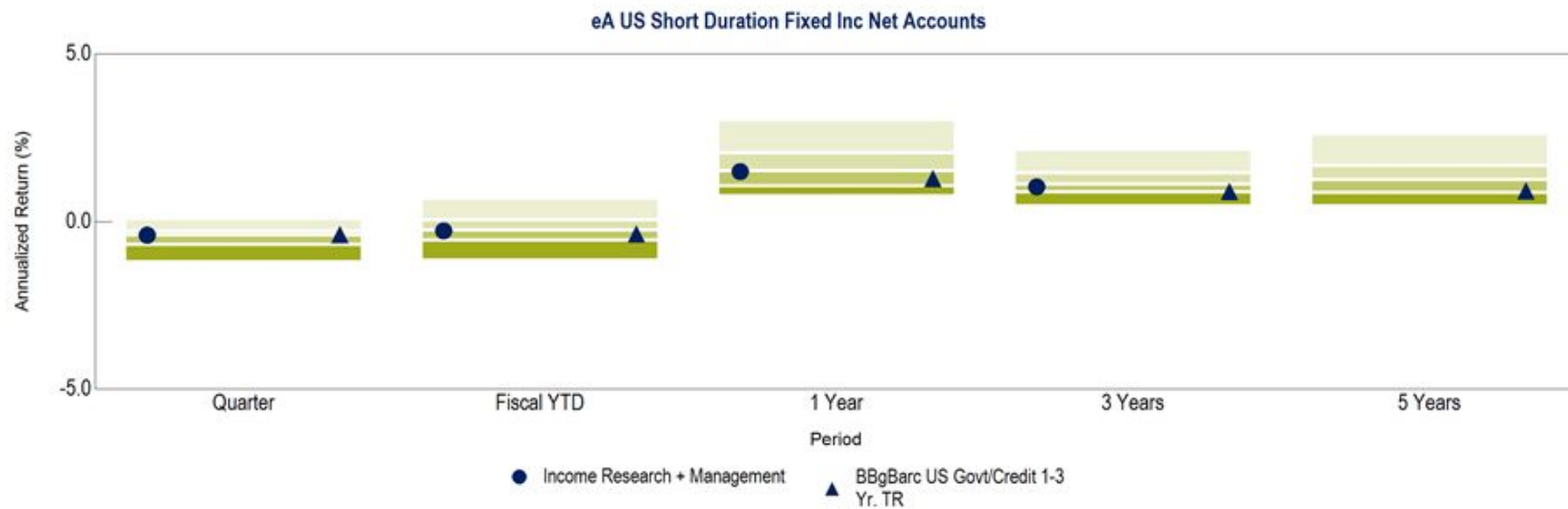
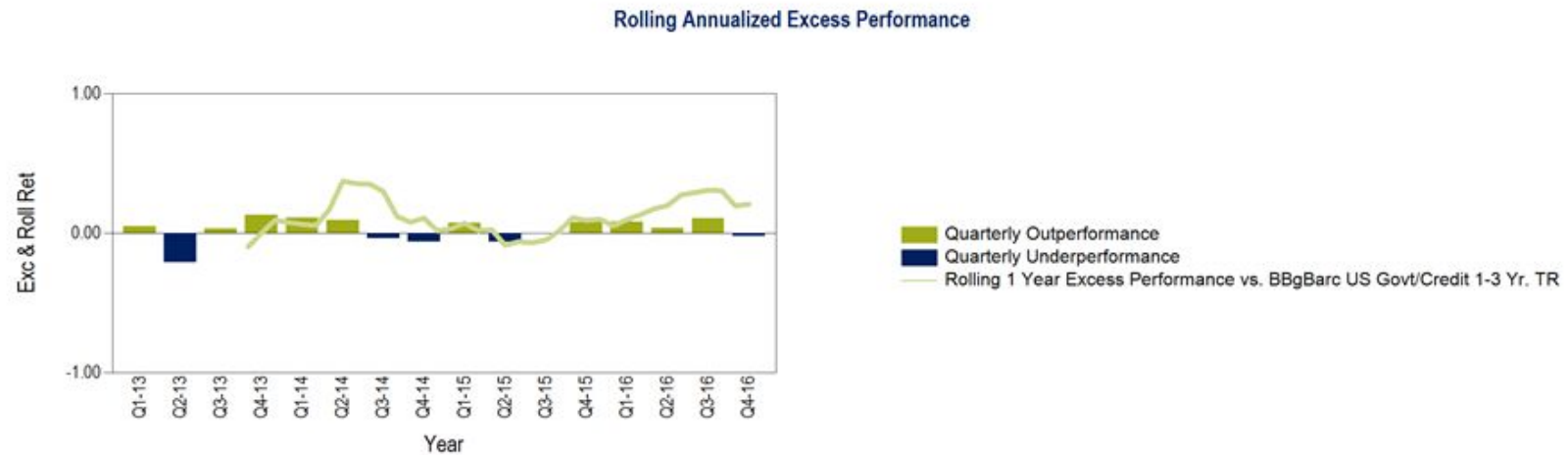
NEPC, LLC

December 31, 2016

Manager Analysis

University of Maine System Operating Fund

Income Research + Management

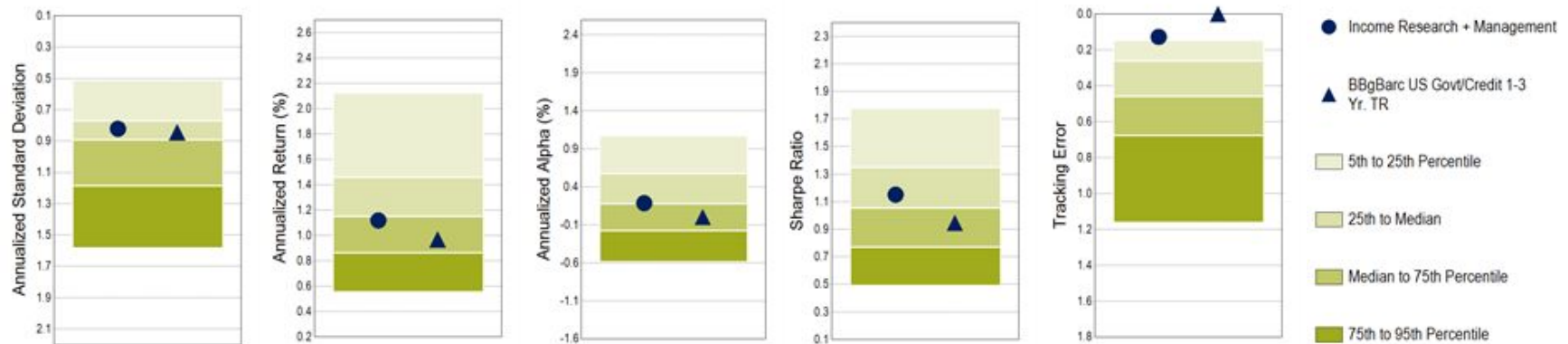
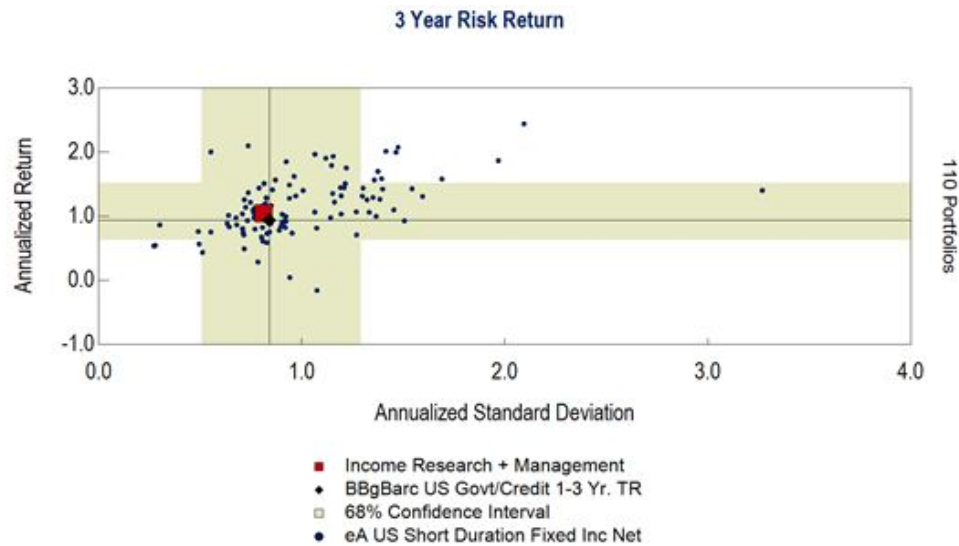


NEPC, LLC

December 31, 2016

University of Maine System Operating Fund

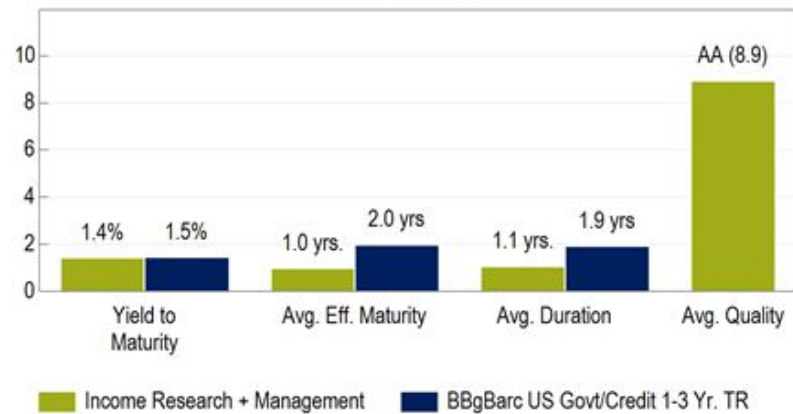
Income Research + Management



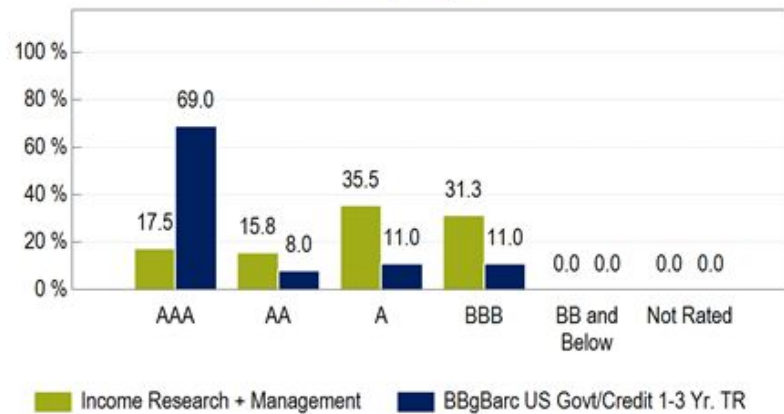
University of Maine System Operating Fund

Income Research + Management

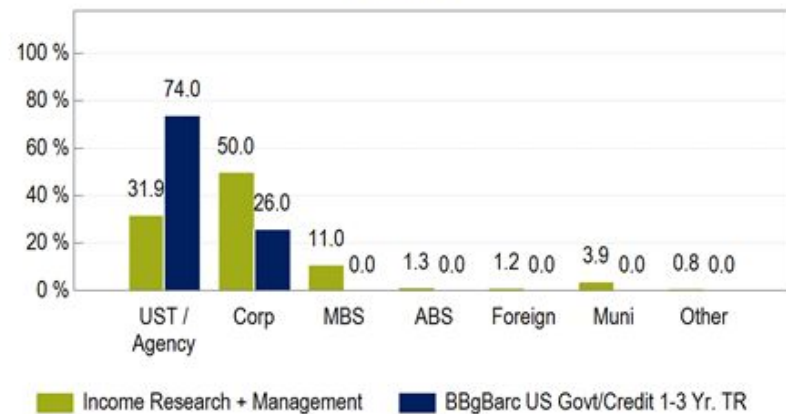
Characteristics



Quality Ratings



Sectors

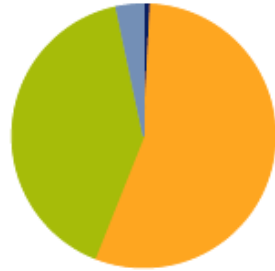


University of Maine System Operating Fund

PIMCO Floating Income

Asset Allocation

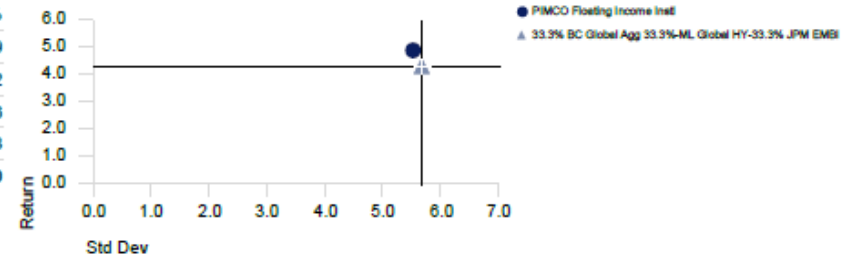
Portfolio Date: 9/30/2016



Stock	0.9
Bond	55.2
Cash	40.6
Other	3.3
Total	100.0

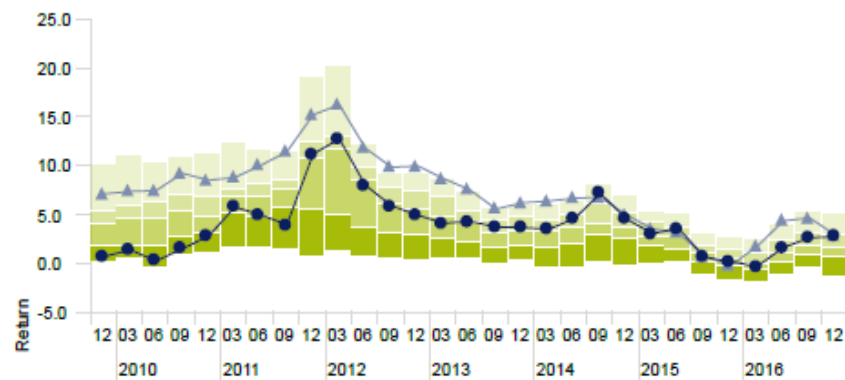
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Returns (3 Years)

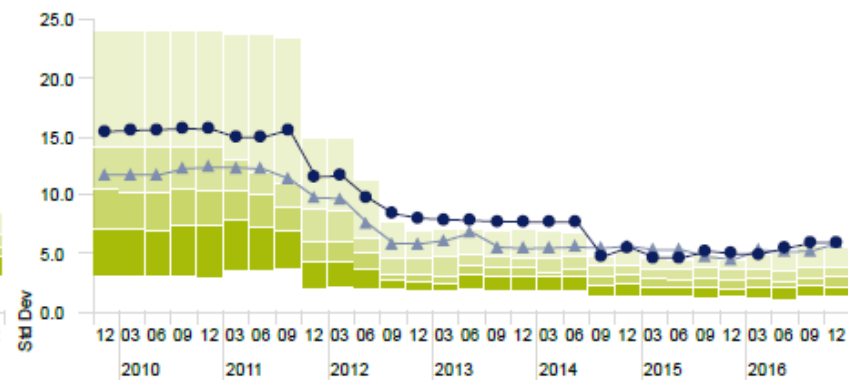
Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—PIMCO Floating Income Instl —33.3% BC Global Agg 33.3%-ML Global HY-33.3% JPM EMBI

Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—PIMCO Floating Income Instl —33.3% BC Global Agg 33.3%-ML Global HY-33.3% JPM EMBI

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
PIMCO Floating Income Instl	0.6	64	-24.7	82	34.8	5	7.0	28	-4.7	85	13.3	9	3.2	20	-2.3	88	-0.4	33	11.3	8
33.3% BC Global Agg 33.3%-ML Global HY-33.3% JPM EMBI	6.3		-11.7		31.0		10.5		5.7		13.9		-0.5		2.0		-2.0		9.0	

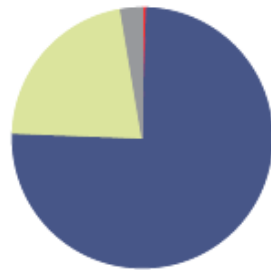
Source: Morningstar

University of Maine System Operating Fund

BlackRock Strategic Income Opportunities

Asset Allocation

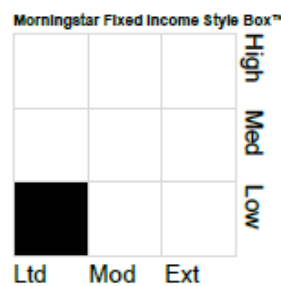
Portfolio Date: 11/30/2016



• Stock	0.5
• Bond	75.1
• Cash	21.7
• Other	2.7
Total	100.0

Fixed Income Statistics

Portfolio Date: 11/30/2016



Fixed-Income Stats

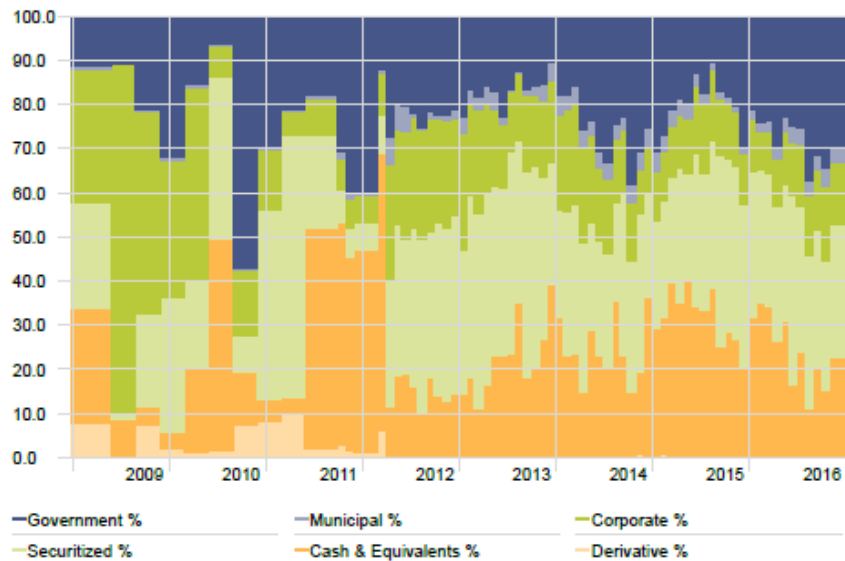
Average Eff Duration	1.3
Average Eff Maturity	7.1
Average Coupon	3.1
Average Price	-
Average Credit Quality	BB

Credit Quality Breakdown

Portfolio Date: 11/30/2016

	Fund	Index
AAA %		
AA %		
A %		
BBB %		
B %		
Below B %		
Not Rated %		
Yield to Maturity	3.19	

Historical Sector Allocations (10 Years)



Top Holdings

	Detail Holding Type	Portfolio Weighting %
US Treasury Note 1%	BOND - GOV'T/TREASURY	12.91
US Treasury Note	BOND - GOV'T INFLATION PROTECTED	8.65
Fed Natl Mort Assoc 3%	BOND - GOV'T AGENCY PASS-THRU	-8.56
Fed Natl Mort Assoc 3.5%	BOND - GOV'T AGENCY PASS-THRU	7.53
US Treasury Note 1.125%	BOND - GOV'T/TREASURY	4.80
Ginnie Mae Jumbos TBA 4% 2046-12-01	BOND - GOV'T AGENCY PASS-THRU	-4.68
Freddie Mac Gold Single Family TBA 4% 2046-12-01	BOND - GOV'T AGENCY PASS-THRU	3.84
US Treasury Note 1%	BOND - GOV'T/TREASURY	-3.72
US Treasury Note 0.75%	BOND - GOV'T/TREASURY	2.43
Fed Natl Mort Assoc 3.5%	BOND - GOV'T AGENCY PASS-THRU	-2.43

Source: Morningstar

University of Maine System Operating Fund

BlackRock Strategic Income Opportunities

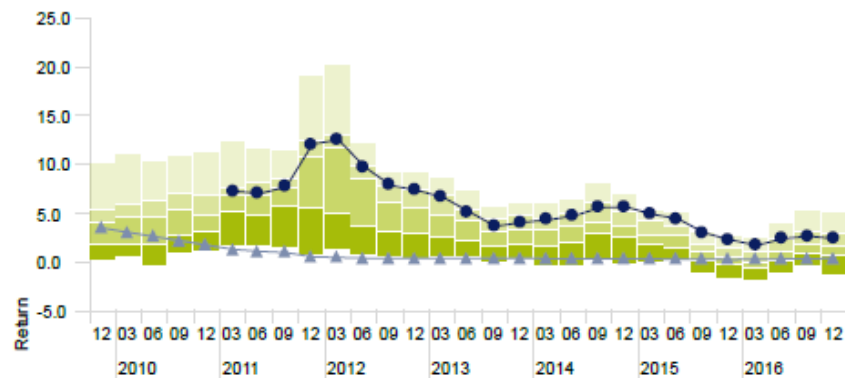
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	25.6	100.0
Alpha	-2.2	0.0
Beta	22.6	1.0
Std Dev	2.6	0.1
Up Capture Ratio	1,034.5	100.0
Down Capture Ratio		
Sharpe Ratio (geo)	1.5	2.9
Information Ratio (geo)	1.4	
Tracking Error	2.5	0.0
Correlation	0.5	1.0

Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



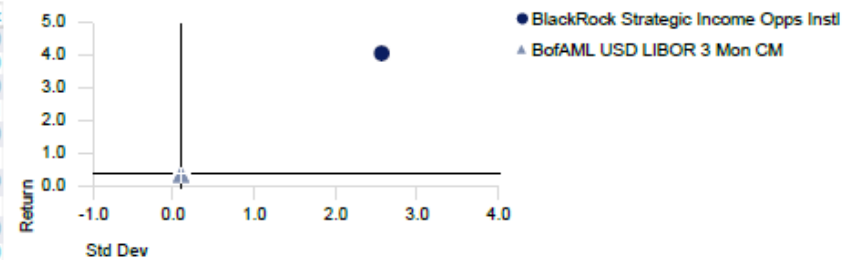
—BlackRock Strategic Income Opps Instl —BofAML USD LIBOR 3 Mon CM

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
BlackRock Strategic Income Opps Instl					25.2	29	13.4	1	-0.7	50	9.9	25	3.3	19	3.9	16	-0.3	32	3.6	66
BofAML USD LIBOR 3 Mon CM	5.6		3.8		1.0		0.3		0.3		0.5		0.3		0.2		0.2		0.7	

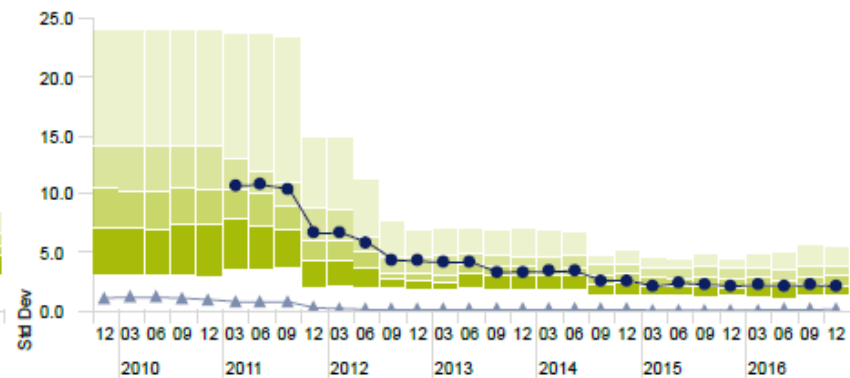
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—BlackRock Strategic Income Opps Instl —BofAML USD LIBOR 3 Mon CM

Source: Morningstar

University of Maine System Operating Fund

Loomis Sayles Bank Loans

HOLDINGS BY INDUSTRY (%)

Healthcare	8.8	Leisure	2.0	Oil Field Services	0.9
Technology	8.7	Automotive	2.0	Packaging	0.9
Consumer Cyclical Services	8.6	Financial Other	1.8	Refining	0.8
Retailers	6.6	Aerospace/Defense	1.8	Wireless	0.8
Chemicals	5.3	Diversified Manufacturing	1.7	Gaming	0.7
P&C	4.5	Internet & Data	1.7	Supermarkets	0.7
Media Entertainment	4.3	Metals and mining	1.6	Other Utility	0.5
Building Materials	4.2	Transportation Services	1.5	Independent	0.3
Industrials - Other	4.1	Electric	1.4	Airlines	0.3
Pharmaceuticals	3.3	Environmental	1.3	Banking	0.3
Wirelines	3.1	Lodging	1.0	Natural Gas	0.1
Consumer Products	3.0	Health Insurance	1.0	Cash & Equivalents	3.8
Cable Satellite	2.4	Midstream	1.0		
Food & Beverage	2.1	Restaurants	0.9		

CREDIT QUALITY (%)

	Portfolio	S&P/LSTA Leveraged Loan Index
AA	3.8	0.0
A	0.0	0.0
BBB	4.2	12.2
BB	46.4	33.6
B	43.5	44.2
CCC & Lower	1.7	7.2
Not Rated	0.5	2.7
Second Lien	0.0	3.9
Avg. Credit Quality	BB-	B+

Reflects the credit ratings assigned by Standard & Poors. If shown, the S&P/LSTA US BB Ratings Loan Index would be rated 100% BB.

SECTOR DISTRIBUTION (%)

	Portfolio
Industrial	86.8
Financial	7.6
Utility	1.9
Cash & Equivalents	3.8

COUNTRY DISTRIBUTION (%)

	Portfolio
United States	92.2
Canada	3.4
Other	4.4

TOP FIVE HOLDINGS (%)

	Portfolio
Energy Transfer Equity, L.P.	0.8
Virgin Media Investment Holdings Limited	0.8
Hub International Limited	0.7
Level 3 Financing Inc.	0.7
Sedgwick Claims Management Services, Inc.	0.7

Source: Loomis Sayles

University of Maine System Operating Fund

Vanguard Total Bond Market I

Asset Allocation

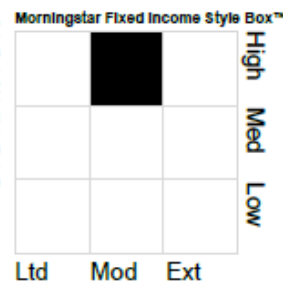
Portfolio Date: 11/30/2016



• Stock	0.0
• Bond	98.2
• Cash	3.8
• Other	0.0
Total	100.0

Fixed Income Statistics

Portfolio Date: 11/30/2016



Fixed-Income Stats

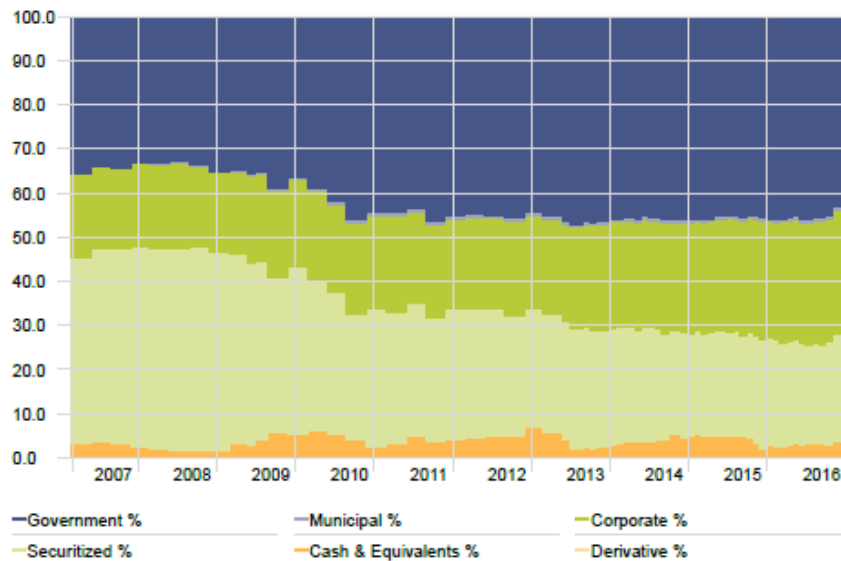
Average Eff Duration	5.9
Average Eff Maturity	8.2
Average Coupon	3.1
Average Price	103.2
Average Credit Quality	AA

Credit Quality Breakdown

Portfolio Date: 11/30/2016

	Fund	Index
AAA %	68.8	
AA %	4.62	
A %	11.92	
BBB %	14.66	
BB %	0.00	
B %	0.00	
Below B %	0.00	
Not Rated %	0.00	
Yield to Maturity	2.65	

Historical Sector Allocations (10 Years)



Top Holdings

	Detail Holding Type	Portfolio Weighting %
Ginnie Mae Jumbos TBA 3.5% 2046-12-01	BOND - GOVT AGENCY PASS-THRU	0.65
Fed Natl Mort Asso 3%	BOND - GOVT AGENCY PASS-THRU	0.61
US Treasury Note 2.125%	BOND - GOVT/TREASURY	0.54
US Treasury Note 1%	BOND - GOVT/TREASURY	0.48
Ginnie Mae Jumbos TBA 3% 2046-12-01	BOND - GOVT AGENCY PASS-THRU	0.47
US Treasury Note 3.625%	BOND - GOVT/TREASURY	0.45
US Treasury Note 2.625%	BOND - GOVT/TREASURY	0.45
Freddie Mac Gold Single Family TBA 3% 2046-12-01	BOND - GOVT AGENCY PASS-THRU	0.43
US Treasury Note 2.25%	BOND - GOVT/TREASURY	0.42
US Treasury Note 1%	BOND - GOVT/TREASURY	0.41

Source: Morningstar

University of Maine System Operating Fund

Vanguard Total Bond Market I

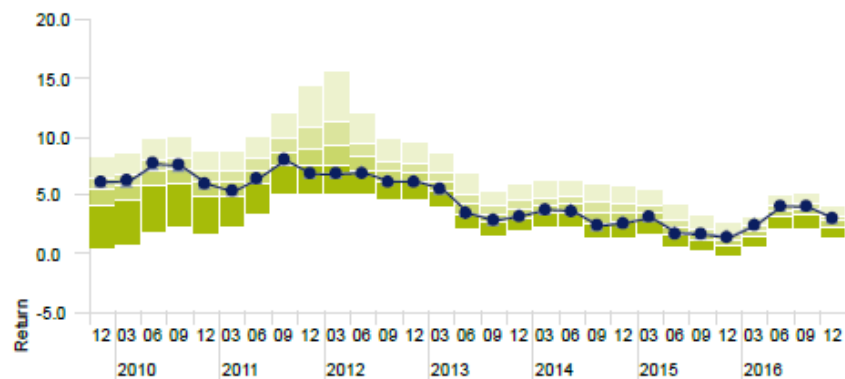
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	99.9	100.0
Alpha	-0.1	0.0
Beta	1.0	1.0
Std Dev	3.3	3.2
Up Capture Ratio	100.2	100.0
Down Capture Ratio	105.3	100.0
Sharpe Ratio (geo)	0.6	0.7
Information Ratio (geo)	-0.5	
Tracking Error	0.2	0.0
Correlation	1.0	1.0

Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



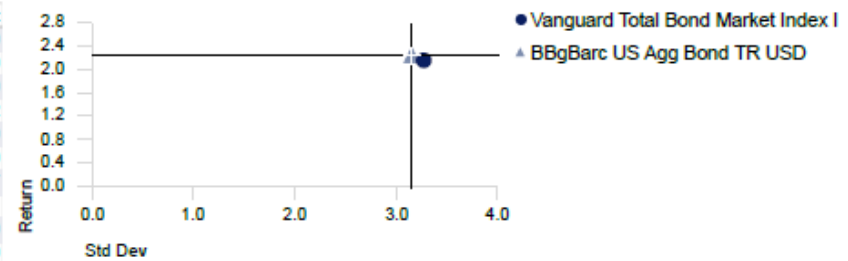
—Vanguard Total Bond Market Index I —BBgBarc US Agg Bond TR USD

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
Vanguard Total Bond Market Index I	7.0	9	5.2	9	6.1	89	6.6	70	7.7	11	4.2	83	-2.1	67	5.9	30	0.4	28	2.6	62
BBgBarc US Agg Bond TR USD	7.0		5.2		5.9		6.5		7.8		4.2		-2.0		6.0		0.5		2.6	

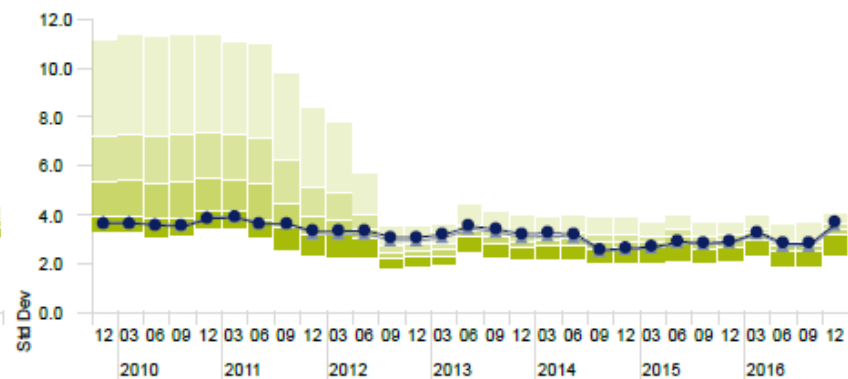
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

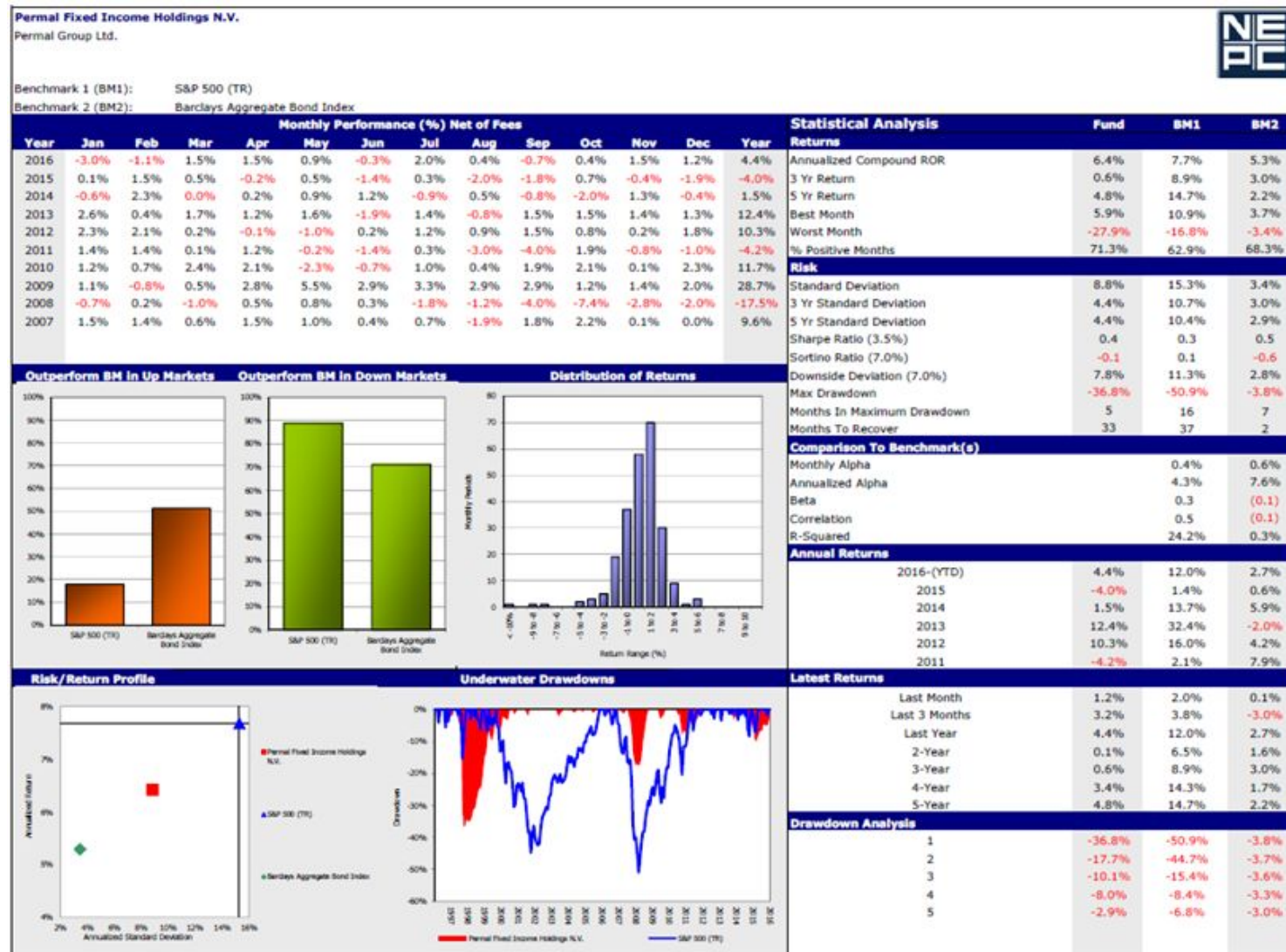


—Vanguard Total Bond Market Index I —BBgBarc US Agg Bond TR USD

Source: Morningstar

University of Maine System Operating Fund

EnTrustPermal Fixed Income Holdings

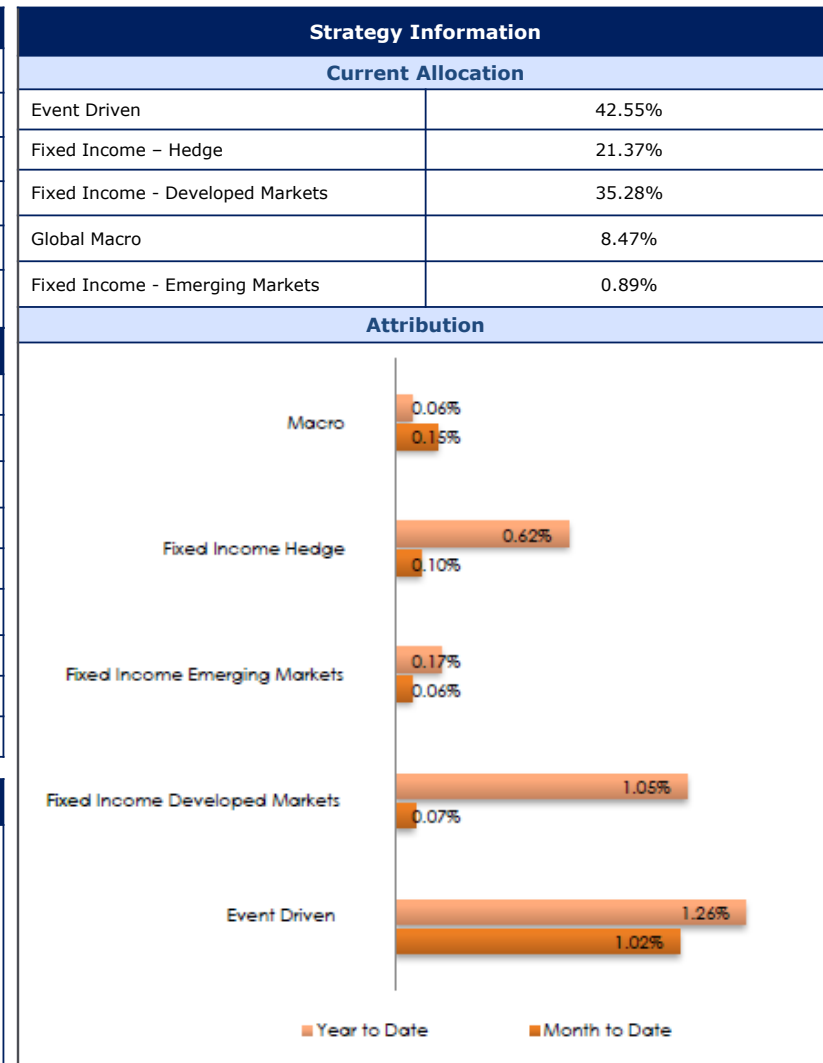


University of Maine System Operating Fund

EnTrustPermal Fixed Income Holdings

General Fund Information			
Fund Name	EnTrustPermal Fixed Income Holdings		
Management Company	EnTrustPermal		
Location	New York, NY		
Firm AUM	\$25.12Billion	Strategy	Fund of Fund
Strategy AUM	\$3.8 Billion	Sub-Strategy	Multi-Strategy
Portfolio Managers	Robert Kaplan, Clark Fenton, Javier Dyer	Direct or FOF	FOF
Terms			
Share Class	-		
Minimum Investment	\$1 million		
Management Fee	0.95%		
Incentive Fee	None		
Hurdle Rate	None		
High Water Mark	None		
Subscription	Monthly		
Redemption	Monthly with 20 days		
Lock-Up	None		

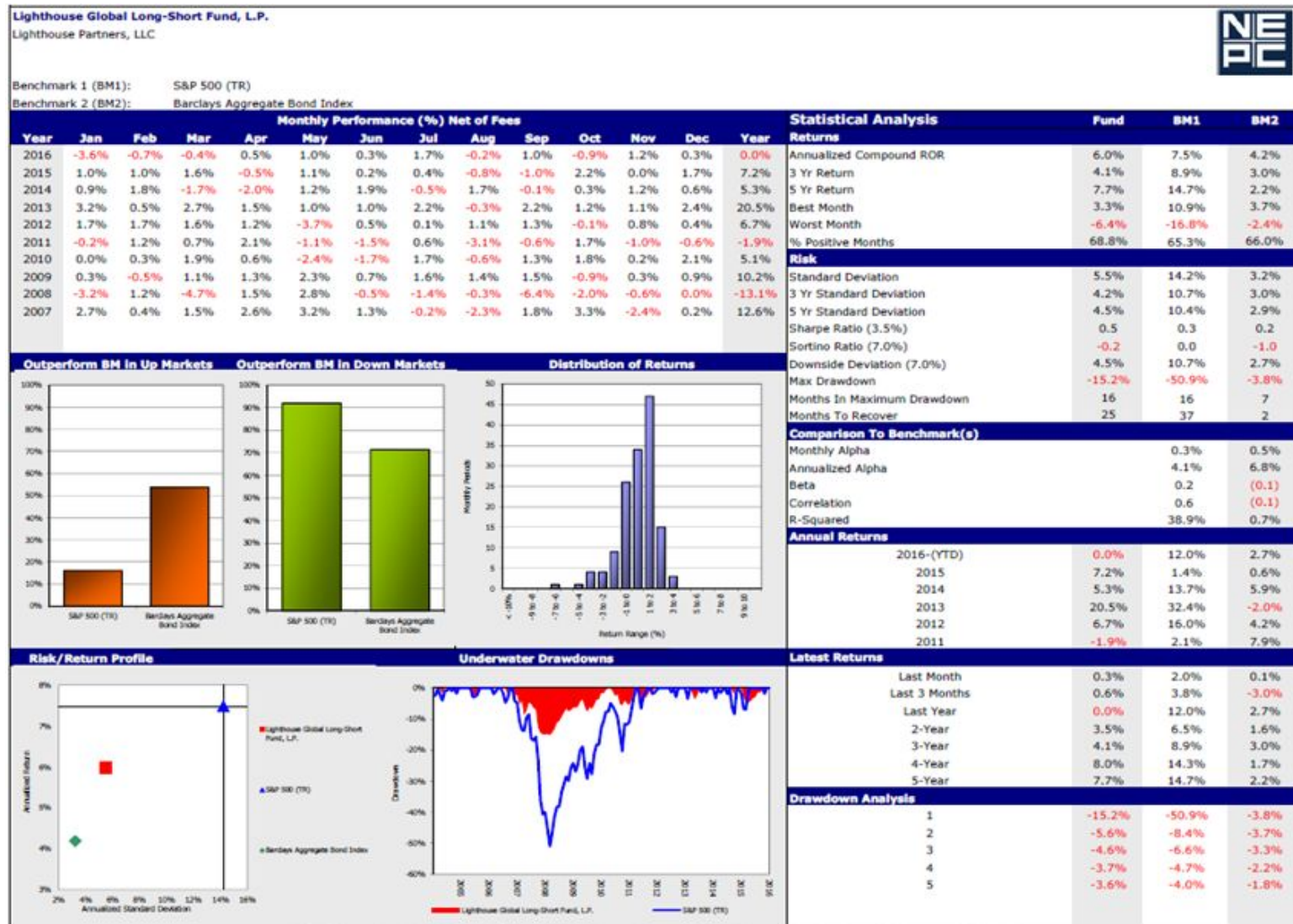
Investment Strategy
<p>Permal Fixed Income Holdings features a performance-oriented investment philosophy that employs a unique combination of fixed-income spread strategies, opportunistic bets on events, and nimble, liquid macro strategies. It is positioned as both a performance enhancer and a good diversifier to a core hedge fund allocation</p>



For more information please see NEPC's Investment Due Diligence Report and Operational Due Diligence Report

University of Maine System Operating Fund

Lighthouse Global Long/Short



Past Performance is not indicative of future results. Ratios are calculated based on a risk-free rate of 3.0%. Actual ratios may vary depending on the actual risk-free rate and life of the fund

University of Maine System Operating Fund

Lighthouse Global Long/Short

General Fund Information			
Fund Name	Lighthouse Global Long/Short Fund		
Management Company	Lighthouse Investment Partners, LLC		
Location	Palm Beach, FL		
Firm AUM	\$8.7 billion	Strategy	Fund of Fund
Strategy AUM	\$1.8 billion	Sub-Strategy	Long/Short Equity
Portfolio Managers	Ethan Baron	Direct or FOF	FOF
Terms			
Share Class	--		
Minimum Investment	\$1 million		
Management Fee	1.15%		
Incentive Fee	--		
Hurdle Rate	None		
High Water Mark	Yes		
Subscription	Monthly		
Redemption	Quarterly (60 days notice) or Monthly (90 days notice)		
Lock-Up	None		

Investment Strategy
Lighthouse’s Global Long/Short Fund is a global portfolio of 20-30 separately managed accounts with industry sector and country specialist managers. The geographical allocations are similar to the MSCI World Index (30%-75% Americas, 10%-35% Europe, 5%-35% Asia).
The Fund targets returns greater than 10% over market cycles with 6%-8% volatility and an equity beta of 0.2–0.4 to the MSCI World Index.

Strategy Information

Current Allocation

Region exposures and contribution 8/31/16

Region	Val ^R	QTD ^R
Developed North America	0.37%	1.75%
Developed Europe	0.05%	-0.81%
Developed Asia	0.02%	0.07%
Emerging Markets	0.06%	-0.47%
Hedges / Other	0.02%	-0.20%

Attribution

Sector exposure and contribution 8/31/16

Sector	Val ^R	QTD ^R
Consumer Discretionary	0.08%	0.47%
Consumer Staples	0.00%	-0.40%
Energy	0.06%	-0.20%
Financials	-0.01%	0.38%
Healthcare	0.08%	0.15%
Industrials	0.07%	-0.16%
Technology	0.13%	0.67%
Materials	0.11%	-0.08%
Real Estate	0.00%	0.18%
Telecom	0.02%	0.07%
Utilities	0.01%	-0.14%
Hedges / Other	-0.02%	-0.40%

For more information please see NEPC's Investment Due Diligence Report and Operational Due Diligence Report

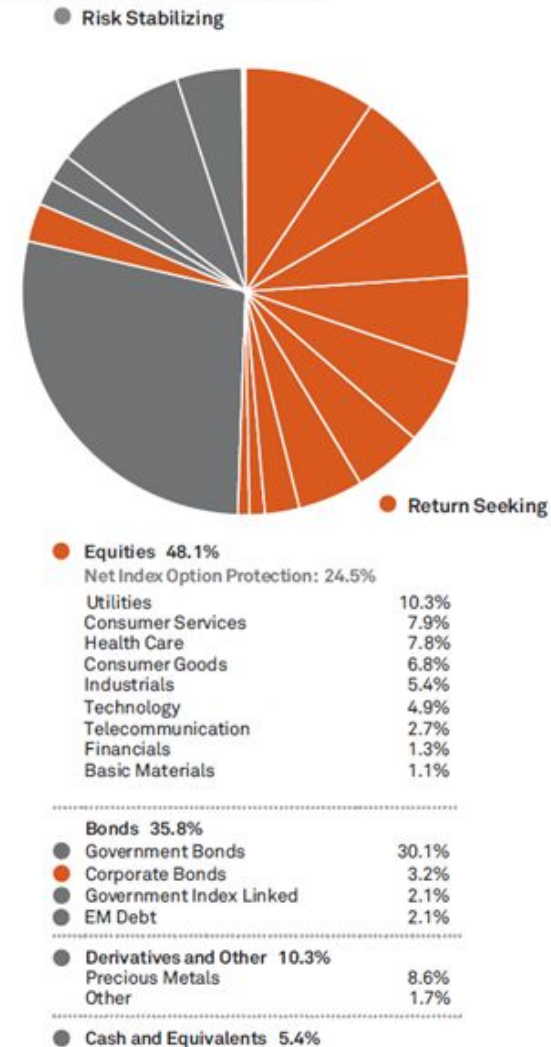
University of Maine System Operating Fund

Newton Global Real Return

FUND CHARACTERISTICS AS OF 12/31/16	
	Fund
Average Market Cap (\$M)	60,308.92
Price/Earnings ratio	15.35
Price/book ratio	2.35
REGIONAL EQUITY ALLOCATION AS OF 12/31/16	
North America	16.49%
Europe ex UK	14.45%
UK	11.15%
Japan	2.45%
Pacific ex Japan	2.09%
Others	1.44%
TOP TEN HOLDINGS (%) AS OF 12/31/16	
USA Treasury Notes 1.75% 31/12/2020 USD100	5.0
USA Treasury Notes 3% 15/05/2045 USD100	4.7
USA Treasury Notes 1.5% 31/08/2018 USD100	3.8
USA Treasury Notes 3% 15/11/2045 USD100	3.4
USA Treasury Notes 2% 15/02/2025 USD100	3.0
Eversource EnergyCom Stk USD5	3.0
DB Commodity Services LLCPowerShares DB Gold Fund	2.8
Australia (Commonwealth) 3.75% Bds 21/04/2037 AUD1000	2.8
CMS Energy CorpCom Stk USD0.01	2.5
Novartis AGCHF0.50 (Regd)	2.4

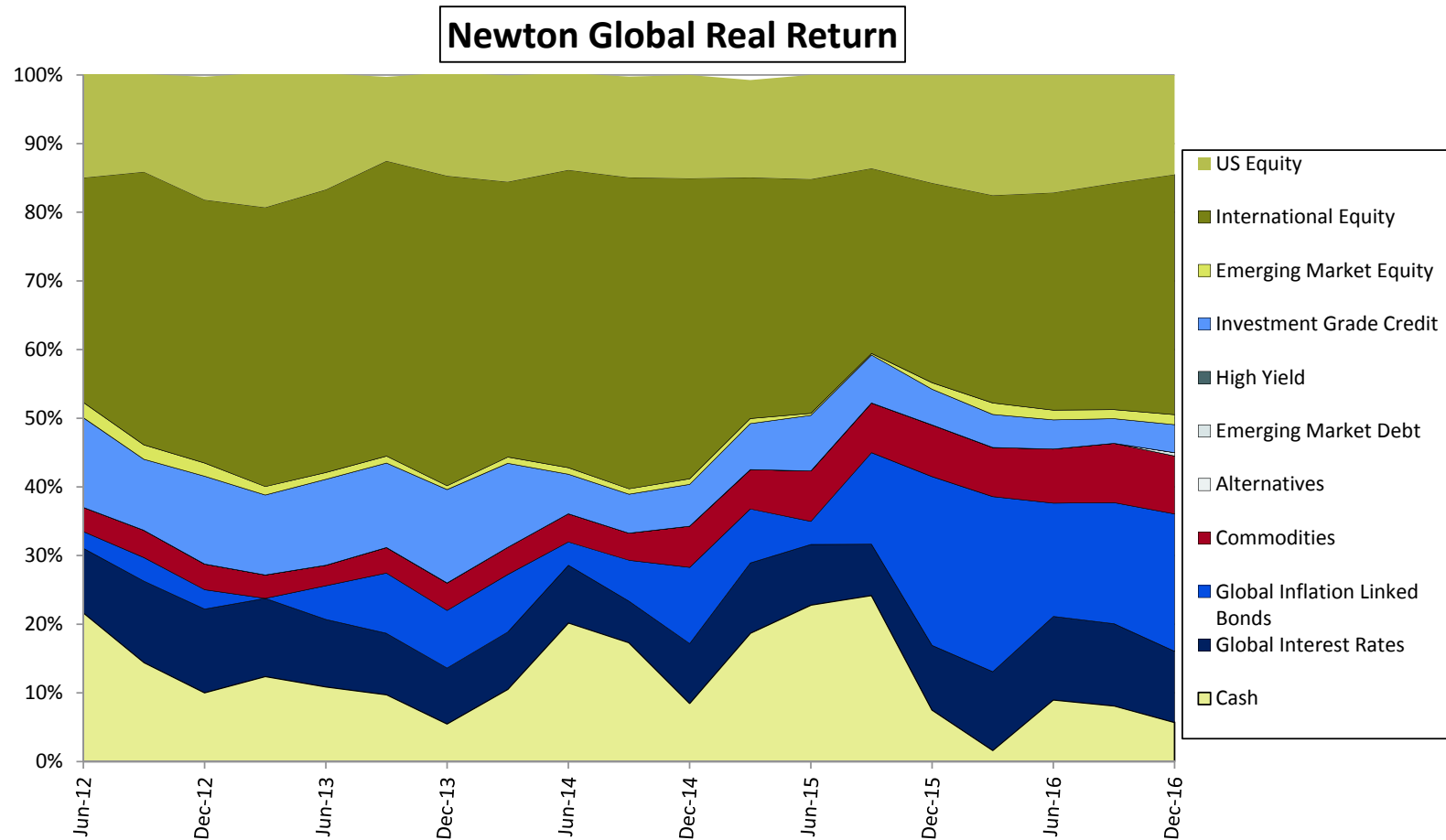
Source: Newton

EXPOSURE BY ASSET CLASS AS OF 12/31/16



University of Maine System Operating Fund

Newton Global Real Return



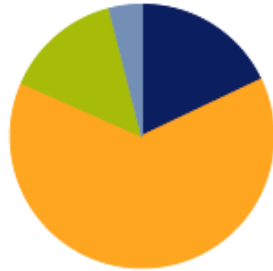
*As of March 2012, Newton is reporting High Yield separately from Credit

University of Maine System Operating Fund

PIMCO All Asset

Asset Allocation

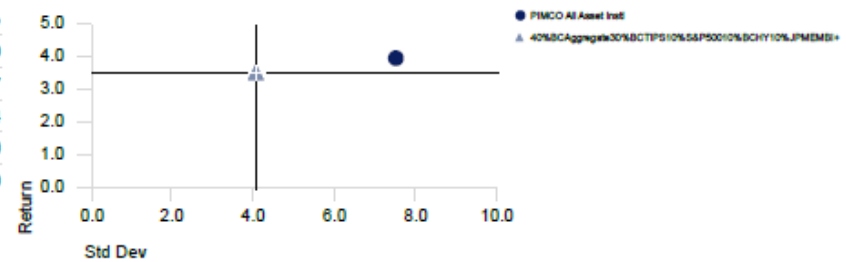
Portfolio Date: 9/30/2016



	%
Stock	17.9
Bond	63.7
Cash	14.4
Other	4.0
Total	100.0

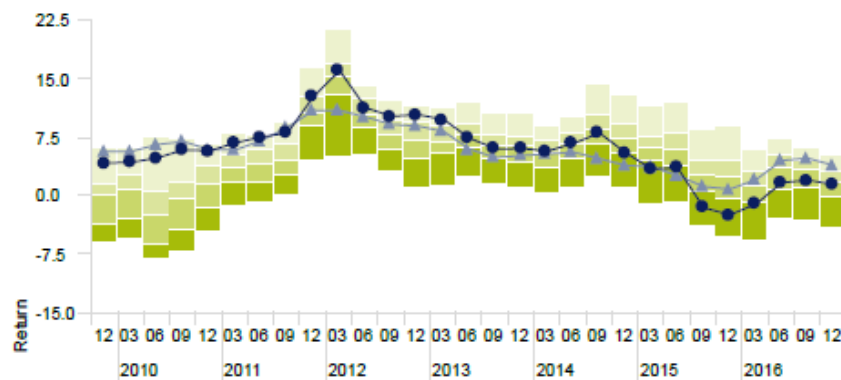
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile

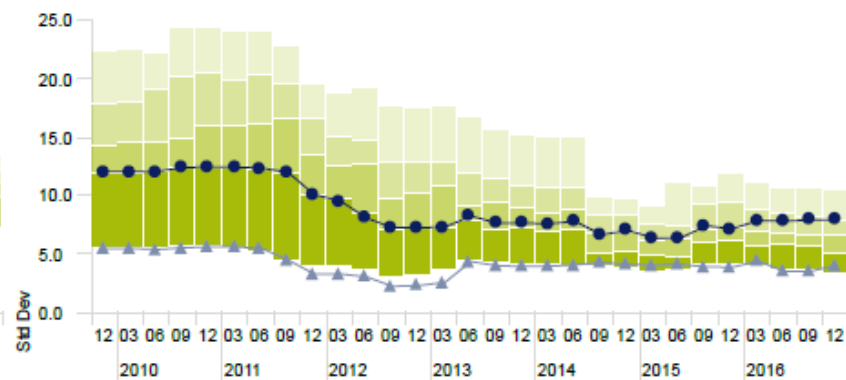


—PIMCO All Asset Instl

—40%BCAggregate30%BCTIPS10%S&P50010%BCHY10%JPMMEMBI+

Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—PIMCO All Asset Instl

—40%BCAggregate30%BCTIPS10%S&P50010%BCHY10%JPMMEMBI+

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
PIMCO All Asset Instl	8.7	19	-15.5	3	23.0	58	13.7	18	2.4	13	15.4	11	0.8	82	0.8	71	-8.7	78	13.3	7
40%BCAggregate30%BCTIPS10%S&P50010%BCHY10%JPMMEMBI+	7.8		-5.0		15.1		8.5		9.3		8.9		-2.5		5.4		-0.4		6.6	

Source: Morningstar

University of Maine System Operating Fund

PIMCO All Asset

Fund Number	736															
Fund Name	All Asset Fund															
Total Fund Net Assets (\$US MM)	18,397.7															
	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	11/30/2016	12/31/2016
Third Pillar	80.91%	80.25%	82.84%	82.83%	78.71%	71.02%	74.17%	85.29%	85.75%	85.46%	81.91%	85.26%	81.04%	78.31%	75.46%	74.27%
Emerging Markets Equities	8.45%	10.18%	11.86%	11.45%	12.81%	13.05%	11.83%	13.66%	13.67%	13.09%	14.11%	20.24%	22.17%	20.70%	19.31%	18.77%
RAE Fundamental Emerging Markets Fund	-	-	-	-	-	-	-	-	-	-	-	2.98%	4.22%	4.71%	-	-
RAE Fundamental PLUS EMG Fund	8.25%	9.98%	11.63%	7.33%	5.99%	4.69%	4.12%	4.75%	4.73%	4.41%	4.65%	5.96%	6.11%	5.07%	-	-
RAE Low Volatility PLUS EMG Fund	-	-	0.02%	3.97%	6.80%	8.34%	7.70%	8.92%	8.94%	8.68%	9.46%	11.29%	11.83%	10.91%	-	-
EqS Emerging Markets Fund	0.19%	0.20%	0.21%	0.19%	0.02%	0.02%	0.02%	-	-	-	-	-	-	-	-	-
Commodities and REITs	2.01%	4.46%	7.58%	8.25%	8.76%	8.19%	9.89%	9.08%	6.36%	6.10%	5.52%	7.21%	5.53%	5.49%	5.49%	5.25%
CommoditiesPLUS™ Strategy Fund	1.77%	2.07%	2.79%	2.89%	3.03%	3.58%	3.06%	2.88%	2.19%	1.93%	1.68%	4.14%	3.12%	3.33%	-	-
CommodityRealReturn Strategy Fund®	0.06%	0.79%	1.35%	1.46%	1.66%	3.00%	3.97%	3.90%	2.18%	1.88%	1.62%	1.52%	0.89%	0.77%	-	-
RealEstateRealReturn Strategy Fund	0.18%	1.60%	3.45%	3.91%	4.06%	1.60%	2.86%	2.31%	1.99%	2.29%	2.23%	1.54%	1.53%	1.39%	-	-
Emerging Markets Bonds	17.81%	19.06%	19.81%	19.88%	19.86%	20.32%	18.83%	20.82%	22.45%	22.15%	20.83%	22.27%	17.67%	18.30%	18.97%	19.97%
Emerging Local Bond Fund	7.13%	7.35%	7.23%	7.27%	7.42%	9.50%	9.10%	9.00%	9.79%	9.42%	8.48%	9.50%	6.94%	7.33%	-	-
Emerging Markets Currency Fund	6.85%	7.22%	7.44%	7.22%	7.10%	8.33%	9.05%	11.50%	12.29%	12.33%	11.94%	12.77%	10.73%	10.97%	-	-
Emerging Markets Bond Fund	3.11%	3.48%	3.75%	3.96%	3.90%	1.92%	0.47%	0.24%	0.29%	0.32%	0.32%	-	-	-	-	-
Emerging Markets Corporate Bond Fund	0.73%	1.00%	1.40%	1.44%	1.43%	0.57%	0.20%	0.07%	0.07%	0.08%	0.09%	-	-	-	-	-
Credit	32.95%	29.64%	27.50%	26.91%	21.84%	11.58%	14.21%	14.96%	15.23%	16.08%	15.32%	16.65%	17.72%	18.22%	18.71%	17.46%
High Yield Fund	6.27%	5.50%	4.76%	4.61%	1.11%	0.43%	2.64%	2.85%	2.88%	3.11%	2.53%	3.72%	2.90%	2.56%	-	-
High Yield Spectrum Fund	4.11%	4.22%	4.32%	4.48%	3.69%	2.66%	2.90%	3.07%	3.20%	3.60%	3.84%	4.25%	4.67%	4.68%	-	-
Income Fund	10.29%	10.49%	10.66%	10.47%	10.28%	6.51%	6.21%	5.90%	6.01%	6.47%	6.34%	6.93%	7.51%	8.19%	-	-
Diversified Income Fund	3.62%	3.56%	3.59%	3.51%	3.21%	0.09%	0.10%	0.03%	0.21%	0.24%	0.24%	0.25%	0.57%	0.51%	-	-
Floating Income Fund	5.44%	3.34%	1.99%	1.92%	1.75%	0.28%	0.06%	0.29%	0.33%	0.37%	0.29%	-	-	-	-	-
Senior Floating Rate Fund	3.06%	2.54%	2.19%	1.93%	1.79%	1.60%	2.30%	2.62%	2.61%	2.28%	2.07%	1.50%	2.06%	2.28%	-	-
Convertible Fund	0.13%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
European Convertible Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Global Bonds	5.38%	2.41%	1.07%	0.99%	1.21%	0.34%	0.35%	0.53%	1.07%	1.24%	1.17%	0.00%	0.00%	0.00%	0.00%	0.00%
Foreign Bond Fund (Unhedged)	2.41%	0.65%	0.05%	0.05%	0.26%	0.29%	0.30%	0.30%	0.30%	0.31%	0.29%	-	-	-	-	-
Global Advantage Strategy Fund	2.97%	1.76%	1.02%	0.94%	0.96%	0.04%	0.05%	0.23%	0.76%	0.93%	0.88%	-	-	-	-	-
Global Bond Fund (Unhedged)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inflation Linked Bonds	0.88%	0.76%	0.72%	0.68%	0.90%	2.67%	2.73%	7.87%	7.88%	7.68%	7.90%	5.73%	3.21%	3.48%	3.59%	3.85%
Real Return Fund	0.00%	0.32%	0.31%	0.24%	0.29%	1.24%	1.38%	1.31%	1.29%	1.19%	0.81%	0.00%	0.18%	2.77%	-	-
Real Return Asset Fund	0.00%	0.37%	0.34%	0.37%	0.53%	1.34%	1.27%	6.49%	6.50%	6.40%	6.99%	5.61%	2.91%	0.59%	-	-
Global Advantage® Inflation-Linked Bond ETF	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.09%	0.10%	0.12%	0.12%	0.12%	-	-
Alternative Strategies	14.23%	13.74%	13.49%	13.81%	13.34%	14.87%	16.33%	18.36%	19.09%	19.12%	17.05%	13.15%	14.74%	12.12%	9.39%	8.98%
Unconstrained Bond Fund	6.16%	5.38%	3.84%	2.82%	2.53%	2.18%	1.79%	2.75%	2.44%	2.32%	2.08%	1.80%	1.96%	-	-	-
Credit Absolute Return Fund	0.97%	2.01%	2.04%	2.96%	2.78%	1.10%	0.76%	0.52%	0.44%	0.39%	0.23%	0.00%	0.00%	0.00%	-	-
Mortgage Opportunities Fund	0.09%	0.54%	0.55%	0.56%	0.55%	0.57%	0.61%	0.65%	0.66%	0.75%	0.74%	0.79%	0.78%	0.73%	-	-
TRENDS Managed Futures Strategy Fund	-	-	-	0.15%	0.16%	0.18%	0.19%	0.20%	0.20%	0.24%	0.26%	0.30%	0.29%	0.29%	-	-
EqS Long/Short Fund	0.40%	0.43%	0.44%	0.46%	0.47%	0.47%	0.49%	0.36%	0.25%	0.18%	-	-	-	-	-	-
RAE Worldwide Long/Short PLUS Fund	-	-	-	-	-	-	3.08%	6.53%	7.49%	7.93%	7.96%	6.42%	7.28%	6.90%	-	-
RAE Fundamental Advantage PLUS Fund	2.85%	1.49%	2.28%	2.44%	2.62%	4.90%	4.84%	3.93%	3.75%	3.25%	2.62%	1.69%	2.20%	2.02%	-	-
RAE Worldwide Fundamental Adv PLUS Fund	3.75%	3.88%	4.34%	4.41%	4.24%	5.47%	4.57%	3.42%	3.86%	4.07%	3.16%	2.16%	2.23%	2.18%	-	-

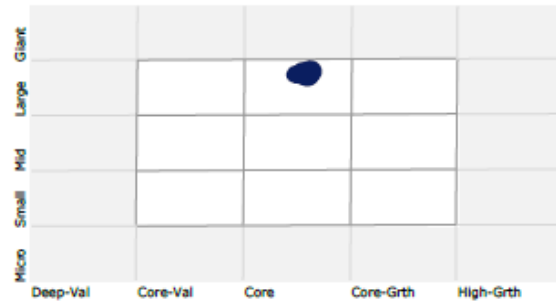
Source: PIMCO

University of Maine System Operating Fund

Vanguard Total World Stock Index I

Holdings Based Style Trail (5 Years)

Time Period: 3/31/2012 to 11/30/2016



Portfolio Statistics

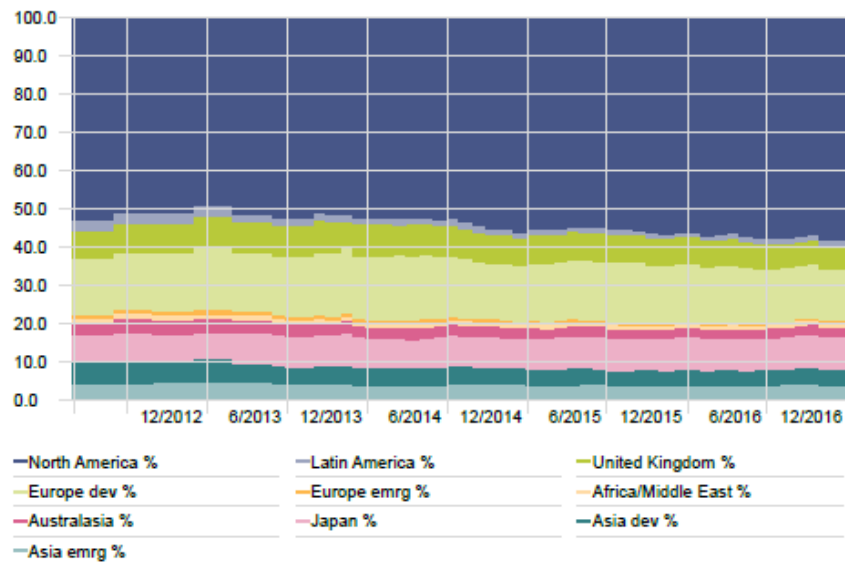
	Fund	Index
# of Holdings	7,580	7,725
% Asset in Top 10 Holdings	7.8	8.0
Turnover Ratio %	15.0	
P/E Ratio	18.0	18.2
P/B Ratio	2.0	2.0
LT Eam Growth	8.9	9.1
Hist Eam Growth	-56.3	-55.8
12 Mo Yield	2.4	

Market Capitalization Breakdown

Portfolio Date: 11/30/2016

	Fund	Index
Market Cap Giant %	44.6	
Market Cap Large %	31.0	
Market Cap Mid %	18.4	
Market Cap Small %	5.3	
Market Cap Micro %	0.7	
Average Market Cap	31,087.9	
Equity Region Developed %	93.4	
Equity Region Emerging %	6.6	

Historical Country Allocations (5 Years)



Attribution (Quarter)

	Portfolio Weights	Benchmark Weights	Portfolio Return	Benchmark Return	Allocation Effect	Selection Effect	Active Return
Consumer Discretionary	11.87	0.00	1.07	-0.05	0.00	-0.05	-0.05
Consumer Staples	9.12	0.00	-5.93	-0.73	0.00	-0.73	-0.73
Energy	6.47	0.00	7.56	0.40	0.00	0.40	0.40
Financials	15.93	0.00	13.00	1.82	0.00	1.82	1.82
Health Care	10.86	0.00	-5.59	-0.83	0.00	-0.83	-0.83
Industrials	11.29	0.00	2.28	0.09	0.00	0.09	0.09
Information Technology	14.76	0.00	-0.19	-0.26	0.00	-0.26	-0.26
Materials	5.52	0.00	2.90	0.08	0.00	0.08	0.08
Real Estate	3.87	0.00	-4.94	-0.27	0.00	-0.27	-0.27
Telecommunication Services	3.09	0.00	-1.97	-0.12	0.00	-0.12	-0.12
Utilities	3.12	0.00	-2.52	-0.13	0.00	-0.13	-0.13
Unclassified	0.12	0.00	-0.52	0.00	0.00	0.00	0.00
Attribution Total	96.00	0.00	1.50	0.00	0.00	0.00	0.00
Cash	1.46	0.00					
Bond	0.07	0.00					
Other	0.09	0.00					
Missing Performance	2.38	0.00					
Total	100.00	0.00					
Reported Total			1.16	1.49			
Expense Ratio			0.03	0.00			
Residual(Reported - Attribution + Expense)			-0.32				

Source: Morningstar

University of Maine System Operating Fund

Vanguard Total World Stock Index I

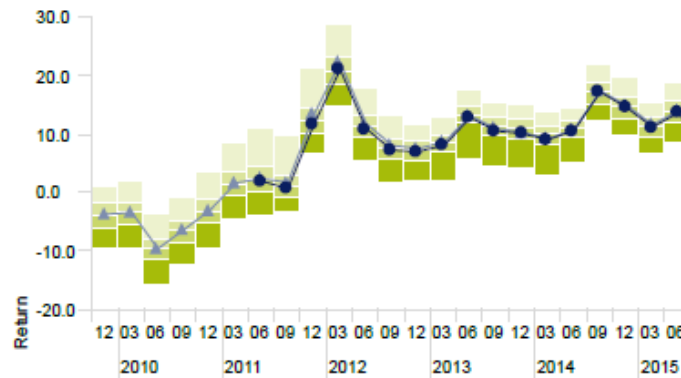
Risk & Return Characteristics (5 Years)

Time Period: 1/1/2012 to 12/31/2016

	Fund	Index
R2	99.8	100.0
Alpha	-0.2	0.0
Beta	1.0	1.0
Std Dev	9.9	10.0
Up Capture Ratio	98.0	100.0
Down Capture Ratio	100.6	100.0
Sharpe Ratio (geo)	1.0	1.0
Information Ratio (geo)	-0.6	0.0
Tracking Error	0.5	0.0
Correlation	1.0	1.0

Rolling Returns (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Vanguard Total World Stock Index I

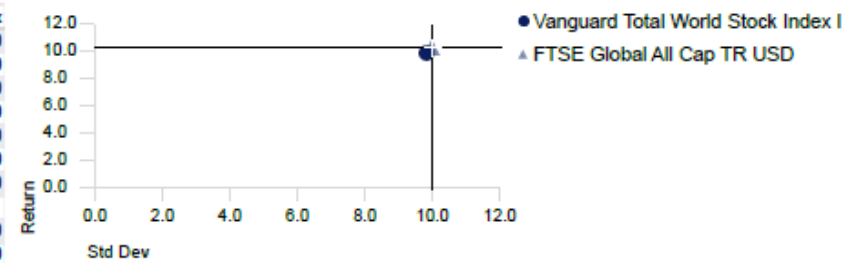
—FTSE Global All Cap TR USD

Calendar Year Returns

	2007	Rank	2008	Rank	2009	Rank	2010	Rank	2011	Rank	2012	Rank	2013	Rank	2014	Rank	2015	Rank	2016	Rank
Vanguard Total World Stock Index I					33.7	44	13.1	46	-7.7	48	17.4	40	23.0	63	4.0	34	-1.9	54	8.8	18
FTSE Global All Cap TR USD	12.3		-42.2		37.5		14.8		-7.6		17.2		23.9		4.5		-1.7		9.0	

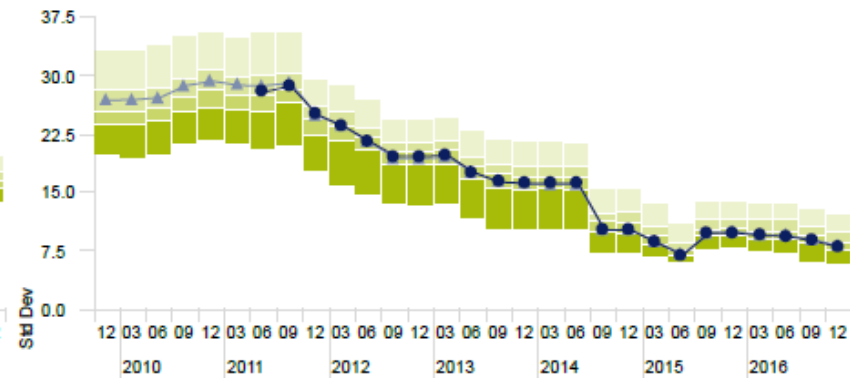
Risk & Return Illustration (5 Years)

Time Period: 1/1/2012 to 12/31/2016



Rolling Risk (3 Years)

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



—Vanguard Total World Stock Index I

—FTSE Global All Cap TR USD

Source: Morningstar

Appendix

University of Maine System Operating Fund

Glossary of Terms

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

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

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

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

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

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

Formula:

$$\frac{(\text{Annualized Return of Portfolio} - \text{Annualized Return of Benchmark})}{\text{Annualized Standard Deviation}(\text{Period Portfolio Return} - \text{Period Benchmark Return})}$$
To annualize standard deviation, multiply the deviation by the square root of the number of periods per year where monthly returns per year equals 12 and quarterly returns is four periods per year.

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

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

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

Formula:

$$\text{Calculation Average } (X-Y) / \text{Downside Deviation } (X-Y) * 2$$
Where X=Return Series X Y = Return Series Y which is the risk free return (91 day T-bills)

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

Formula:

$$\frac{(\text{Annualized Return of Portfolio} - \text{Annualized Return of Risk Free})}{\text{Annualized Standard Deviation (Portfolio Returns)}}$$

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

Formula:

$$\text{Tracking Error} = \text{Standard Deviation } (X-Y) * \sqrt{\text{\# of periods per year}}$$
Where X = periods portfolio return and Y = the period's benchmark return
For monthly returns, the periods per year = 12
For quarterly returns, the periods per year = 4

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

Formula:

$$\frac{(\text{Portfolio Average Return} - \text{Average Return of Risk-Free Rate})}{\text{Portfolio Beta}}$$

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

$$\text{UpsideCapture} = \frac{\text{TotalReturn}(\text{FundReturns})}{\text{TotalReturns}(\text{BMReturn})} \text{ when Period Benchmark Return is } > 0$$

$$\text{DownsideCapture} = \frac{\text{TotalReturn}(\text{FundReturns})}{\text{TotalReturns}(\text{BMReturn})} \text{ when Benchmark } < 0$$

Data Source: InvestorForce

University of Maine System Operating Fund

Information Disclaimer and Reporting Methodology

Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may not be available from the source or may be preliminary and subject to change.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodial bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
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Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of Return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Asset Allocation Study and Recommendations

2. **INITIATED BY:** Karl W. Turner, Chair

3. **BOARD INFORMATION:** **BOARD ACTION:** X

4. **BACKGROUND:**

Kelly Regan and Jay Roney, with NEPC, will provide an overview of NEPC's 2017 capital market observations, including investment opportunities. NEPC will also review the proposed asset allocation option and make the recommendations as outlined in the proposed resolution.

5. **TEXT OF PROPOSED RESOLUTION:**

That the Investment Committee approves the following asset allocation recommendations for the Managed Investment Pool (MIP), Pension Fund and Operating Fund.

Managed Investment Pool (MIP):

- Allocate 5% to International Equity Small Cap (new mandate) from International Equity
- Reduce core bonds from 10% to 5% and allocate 5% to TIPS
- Allocate 5% to Bank Loans (new mandate) from Global Multi-Sector Fixed Income

Pension Fund

- Reduce core bonds from 27% to 20% and allocate 7% to TIPS (new mandate)
- Allocate 5% to Bank Loans (new mandate) from Global Multi-Sector Fixed Income

Operating Cash Fund

- Reduce core bonds from 10% to 5% and allocate 5% to TIPS (new mandate)



NEPC, LLC

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Asset Allocation Discussion

March 9, 2017

Jay E. Roney, CTP, Partner
Kelly Regan, Senior Consultant

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Introduction

- **On an periodic basis, NEPC recommends revisiting Portfolio Goals & Objectives as well as Asset Allocation**
- **This presentation explores modifications to the current asset allocation**
 - Managed Investment Pool (MIP)
 - International Equity allocation
 - Core Bonds and TIPS
 - Bank Loans
 - Pension Plan
 - Core Bonds and TIPS
 - Bank Loans
 - Operating Fund
 - Core Bonds and TIPS

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NEPC 2017 Themes, Actions and Opportunities for Clients

Key Market Themes

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

- **Extended U.S. Economic Cycle**
- **Federal Reserve Gradualism**
- **China Transitions**
- **Globalization Backlash**

Strategic Policy Actions

Strategic Policy Actions are asset allocation focused resolutions designed to address systematic issues within the capital markets, the regulatory environment, and conventional wisdom associated with investing. They seek to improve efficiency and clarify the purpose of an asset allocation with a focus on meeting long-term objectives.

- **Evaluate Feasibility of Objectives**
- **Reassess Investment Structure**
- **Examine the Cost of Core Exposures**
- **Review Investment Program Governance**

Current Opportunities

Current Opportunities are investment ideas that represent an action with the goal of improving investment outcomes relative to an investor's strategic asset allocation. These investment ideas are likely to change more frequently as market dynamics and valuations shift over time.

- **Trim U.S. Equity Gains**
- **Overweight Non-U.S. Developed Market Equities**
- **Emerging Market Equities Remain Attractive**
- **Allocate to TIPS from Core Bonds**
- **Reduce High Yield for Other Credit Strategies**
- **Fund Emerging Local Debt from Risk Assets**
- **Add Macro Hedge Fund Strategies**

NEPC 2017 Key Market Themes

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Key Market Themes

Extended US Economic Cycle

Economic cycles don't die of old age

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

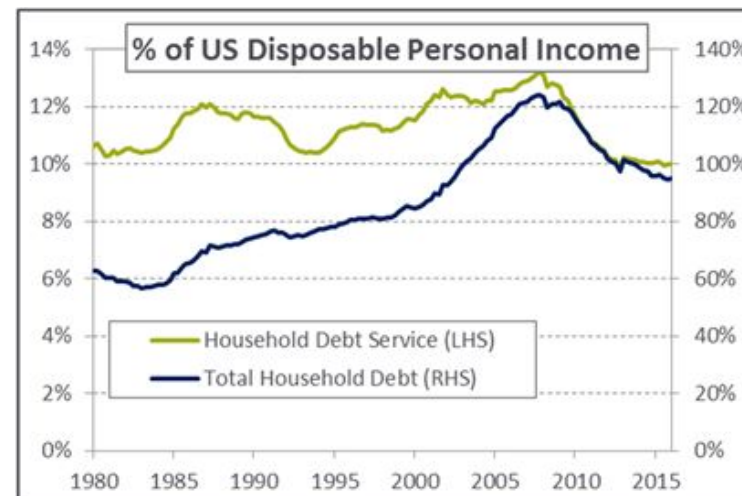
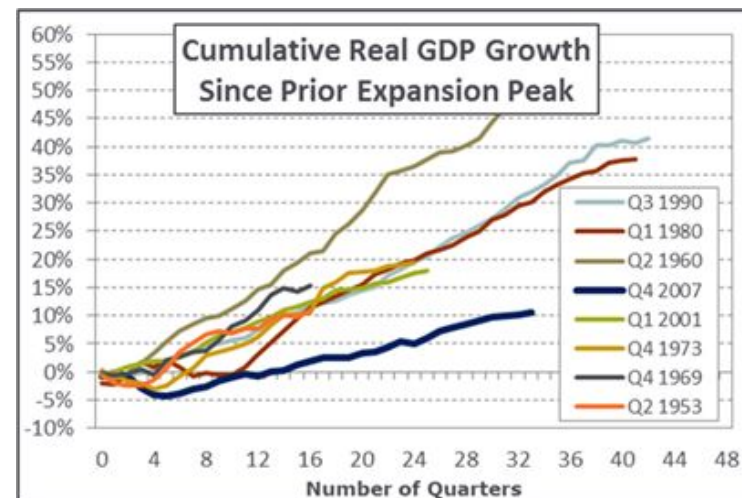
The health of US consumers continue to drive economic growth given relatively low debt levels

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

We anticipate inflation will shift marginally higher in the coming years

Improvements in wage growth and the ongoing recovery in housing further support modest upticks in inflation

The strength of the US dollar is likely to restrain inflationary pressures and offset the potential impact of fiscal stimulus in the US



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

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Key Market Themes

Federal Reserve Gradualism

The Federal Reserve is expected to slowly increase interest rates

Expected path of Fed policy through 2019 matters more than timing of the next hike

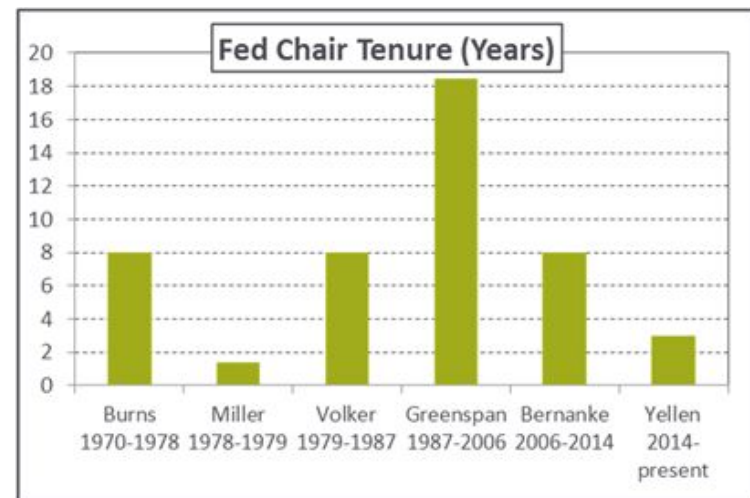
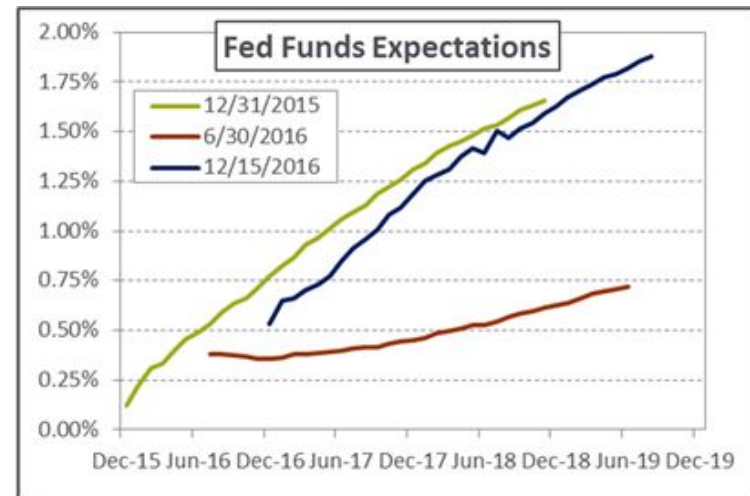
Fed has stated a willingness to let the economy “run hot” and accept some inflation to repair the deflationary effects of the past eight years

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

2017 is likely to be a year for greater uncertainty regarding Fed policy

Politics could intersect with Fed policy due to more vocal executive branch and conclusion of Janet Yellen’s term in February 2018

The path of Fed rate hikes in 2017 and beyond is less clear due to the potential impact of fiscal stimulus



Source: (Top) Federal Reserve, Bloomberg
Source: (Bottom) Federal Reserve

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Key Market Themes

China Transitions

China is the global growth engine but faces fundamental transitions

Economic evolution: Intrinsic need to evolve from focus on manufacturing – long the driver of growth – to services and innovation

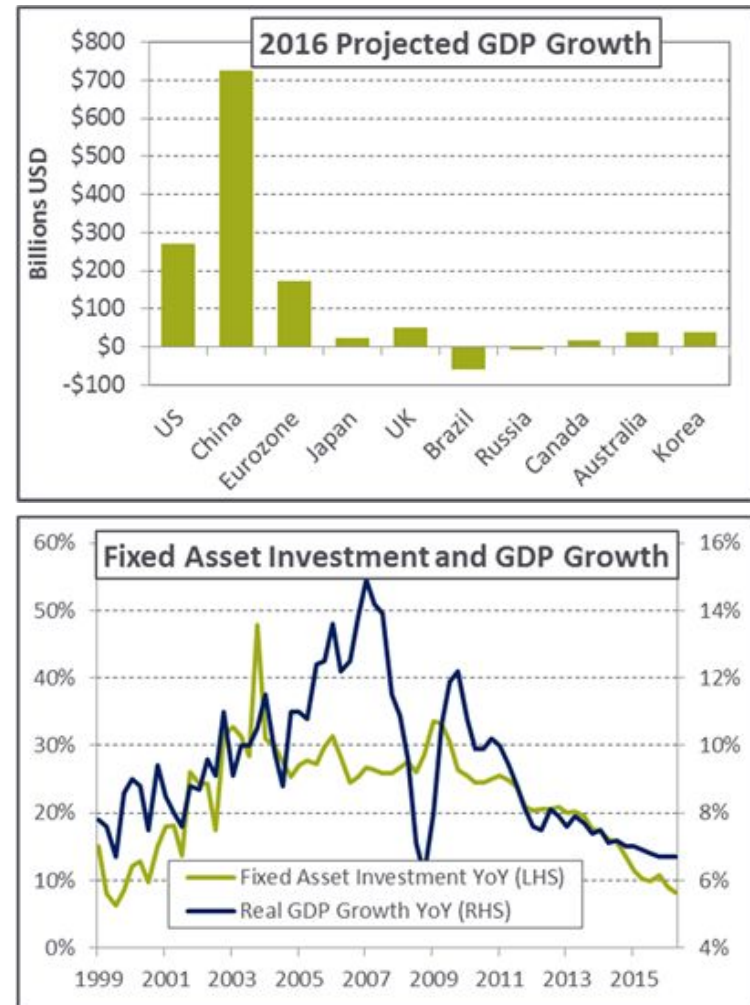
Monetary policy progression: Pressure on the People's Bank of China (PBOC) to balance the status quo and encourage free market reforms

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

China must manage competing social goals in attempting to sustain growth

Production based economy requires fixed investment to support employment as the rural population moves to urban centers

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



Source: (Top) IMF, Bloomberg
Source: (Bottom) National Bureau of Statistics of China, Bloomberg

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Key Market Themes

Globalization Backlash

Weak economic growth and uneven wage gains over the last decade have fueled political discontent in the West

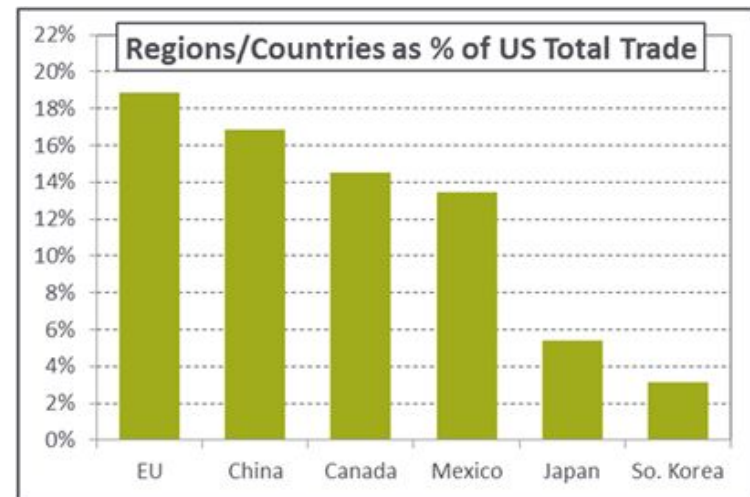
The backlash against globalization does not materially alter the fundamentals of the global capital markets, but does increase economic and market uncertainty

Have we reached “Peak Trade”?

A secular transition is underway and a shift from free trade policies in the West may reduce long-term economic growth rates

Free trade is blamed but automation is perhaps a greater source of social disruption and job losses

A strong US pivot away from global trade is a tail-risk for the global economy and would likely impact capital markets negatively in the emerging world



Source: (Top) Bureau of Economic Analysis, Eurostat, Bloomberg

Source: (Bottom) IMF, Bloomberg

Actions for Clients

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Strategic Policy Actions

Evaluate Feasibility of Objectives

Asset returns offer less support for investors to achieve target objectives

Asset growth post-2008 is without historical precedent relative to economic growth

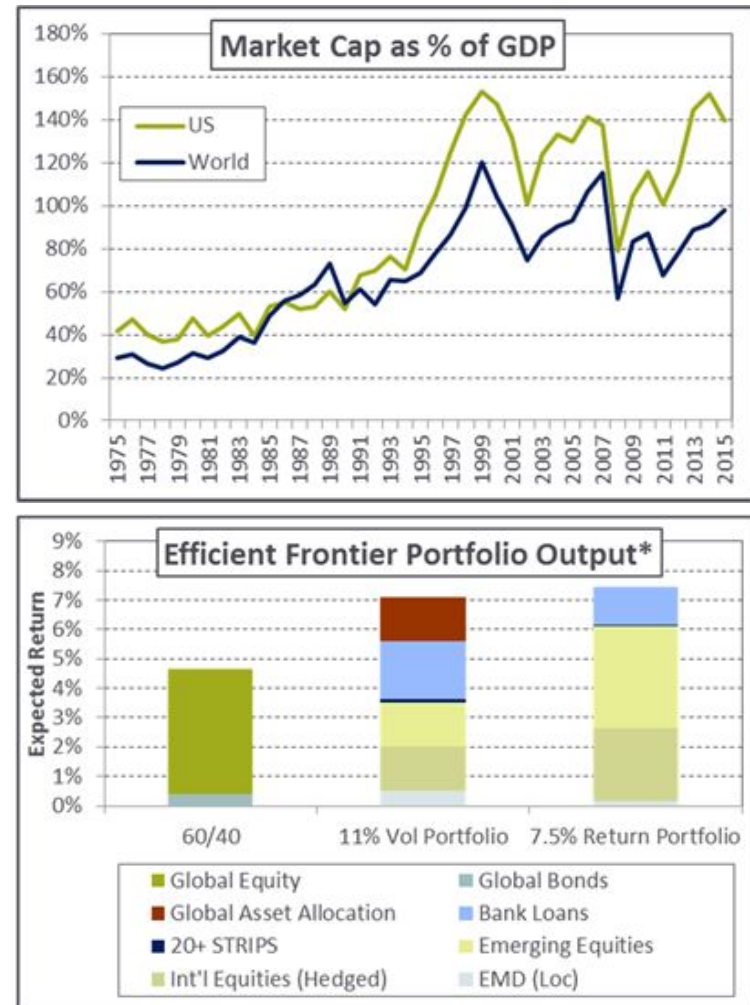
Investment program goals are influenced by capital inflows, spending obligations, and asset returns

Future growth is likely to be more dependent on increasing capital inflows and reducing spending commitments

Expected returns greater than 7.5% (5% real) will be a high hurdle for diversified investors to realize

Optimization of public market asset classes will not be sufficient to meet elevated return expectations for risk aware investors

Improving the return outlook may involve increasing portfolio risk, expanding alpha opportunities, and/or expanding the use of portfolio leverage



Source: (Top) World Bank
 *Liquid unconstrained portfolio uses 0% allocation to hedge funds and private market investments; Source: (Bottom) NEPC

University of Maine System Strategic Policy Actions

Review Investment Program Governance

Consider delegating some responsibilities from committees

Committee experience and oversight best served with a focus on strategic efforts such as asset allocation and investment policies

Institutionalize a strategic rebalance policy to mitigate behavioral bias such as loss aversion and recency bias

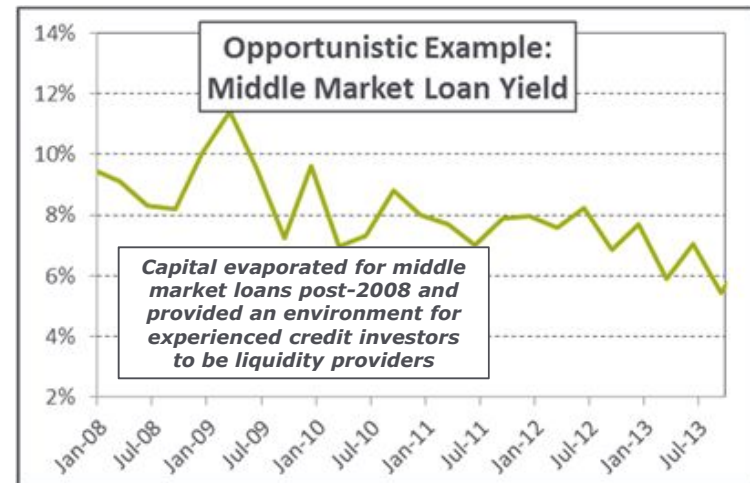
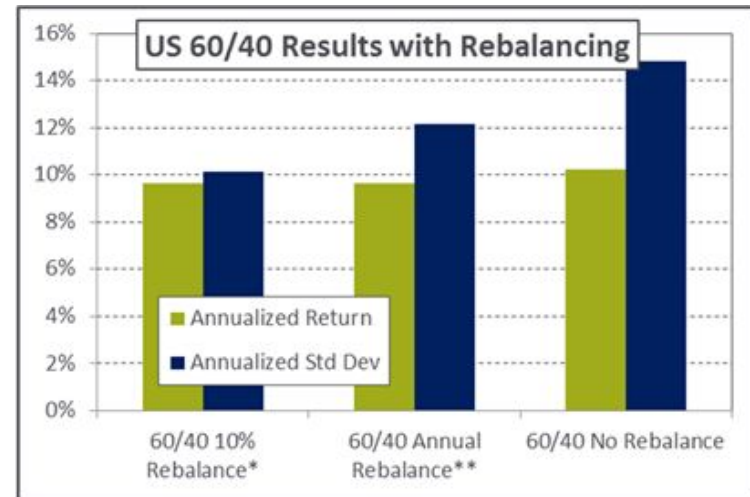
Optimize committee governance time by expanding staff/executive role to approve investment managers and rebalance assets

Define an Opportunistic sleeve in the investment policy

Allows for an override to the strategic asset allocation and requires affirmation of the concept prior to a market event

Opportunistic defined by unique strategies and/or dislocations in capital markets that require expertise to extract value over time

We encourage committees to review each opportunity due to the multi-year time horizon and significance of allocations



Source: (Top) Ibbotson-Morningstar, NEPC

Source: (Bottom) S&P Capital IQ LCD

*Rebalances halfway to targets when part of portfolio exceeds +/- 10 percentage point range **Rebalances back to 60/40 every 12 months

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Current Opportunities

Overweight Non-US Developed Market Equities

Europe and Japan carry risks but offer a meaningful return opportunity

Catalysts for outperformance are present with shareholder friendly actions in Japan and macroeconomic improvement in Europe

Central bank support and US dollar strength provide a positive economic backdrop as both the ECB and BoJ are likely to maintain accommodative monetary policies

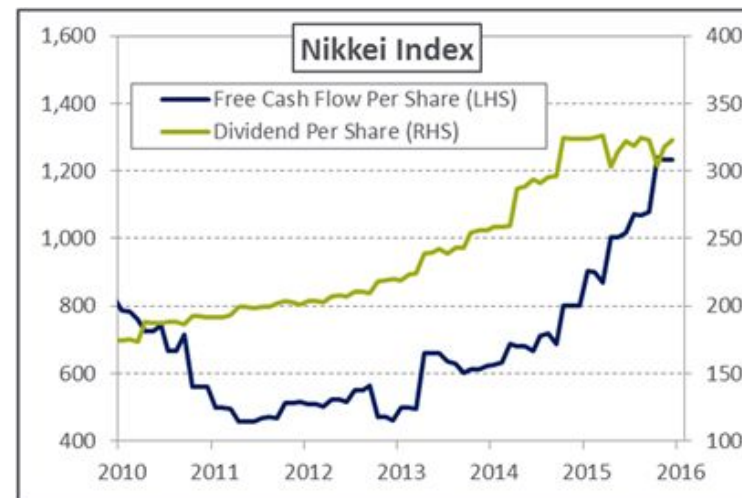
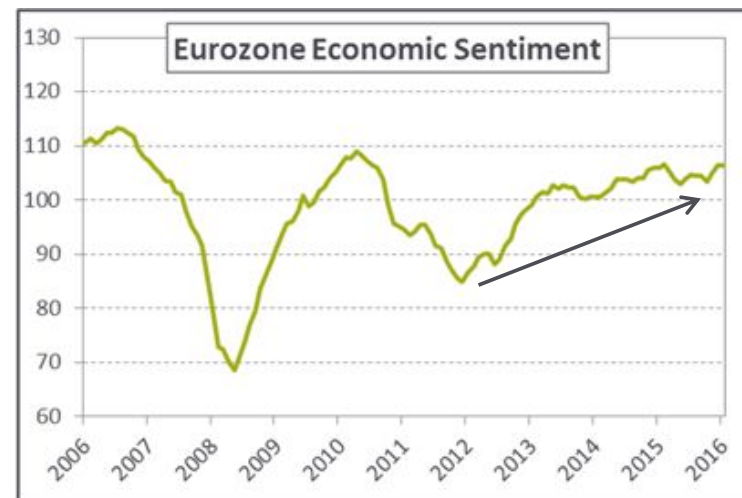
Anti-establishment political parties represent a tail-risk for the stability of the Eurozone with major elections across Europe in 2017

Recommend a gradual shift from the US to non-US equities as European elections are likely to generate volatility

Small-cap equity and global equity are preferred implementation approaches

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

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



Source: (Top) European Commission, Bloomberg
Source: (Bottom) Bloomberg

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Current Opportunities

Emerging Market Equities Remain Attractive

Emerging equities offer the highest total return potential for investors

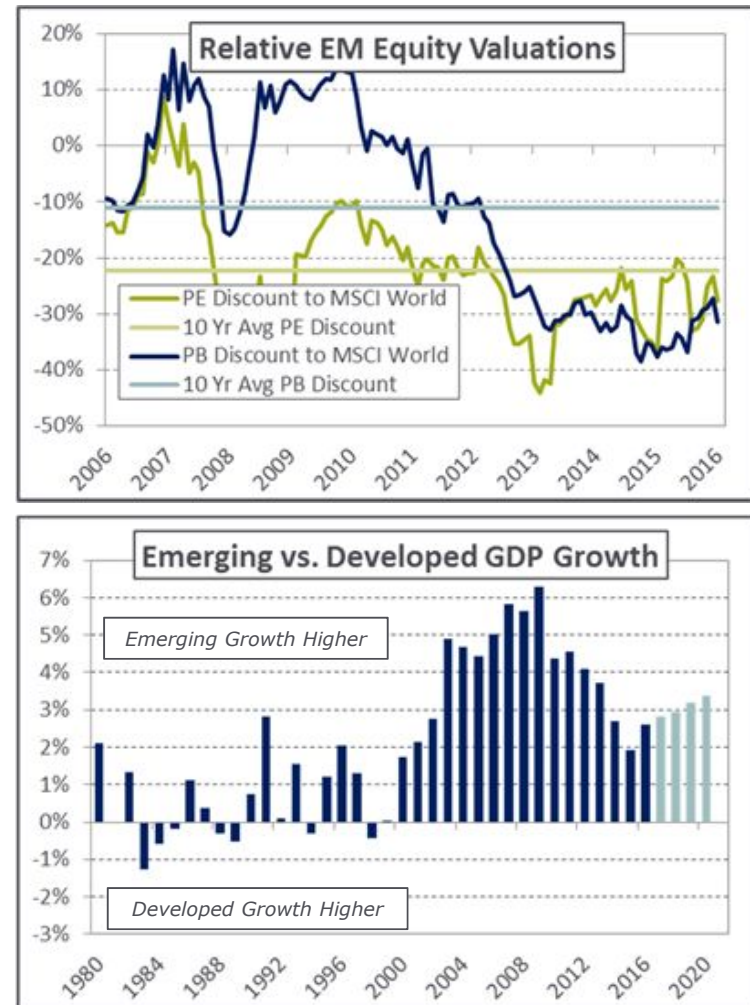
Valuation levels and long-term fundamentals suggest an overweight relative to global market cap weights (e.g. 15% to 20%)

China's depreciating currency, broad US dollar strength and US-Asia trade policy concerns temper our excitement

Growth premium relative to the developed world is advancing as emerging market economic conditions improve off fiscal and currency adjustments of recent years

Overweight small-cap and consumer focused strategies relative to broad benchmark mandates

Small-cap and emerging market consumer strategies offer a structural bias away from commodity exposures and state owned enterprises



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

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Current Opportunities

Allocate to TIPS from Core Bonds**Preserve US duration exposure with a bias towards TIPS over core bonds**

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

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

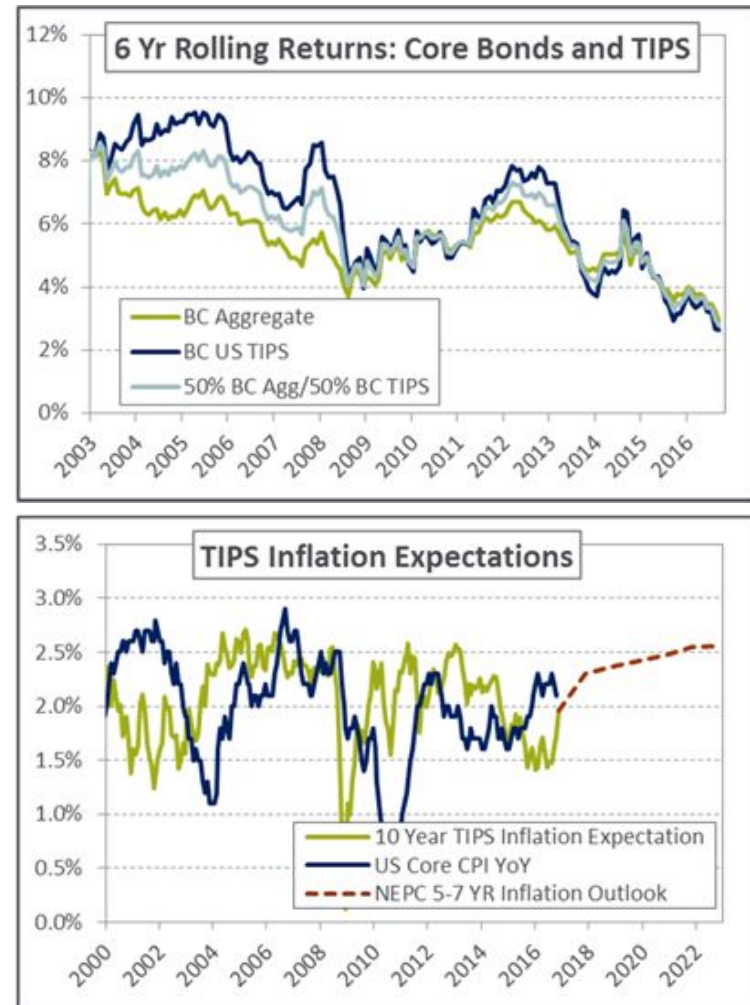
Despite concern of higher interest rates, duration exposure remains a critical asset allocation building block for a portfolio

Higher inflation expectations favor TIPS over nominal bonds

Rising inflation assumptions imbedded in fixed income markets are more likely to negatively impact nominal interest rates

TIPS yields are based on real rates and prices are sensitive to Fed tightening

Core bond yields include real rates and inflation expectations; prices are negatively impacted by increases in both



Source: (Top) Barclays, Bloomberg, NEPC
Source: (Bottom) Bureau of Labor Statistics, Bloomberg, NEPC

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Current Opportunities

Reduce High Yield for Other Credit Strategies

Index aware high yield strategies enjoyed exceptional returns in 2016

Outsized credit spreads fell to historic median levels as the energy market and economic outlook improved in 2016

Extended US economic growth cycle supports positive returns and can push credit spreads below long-term levels

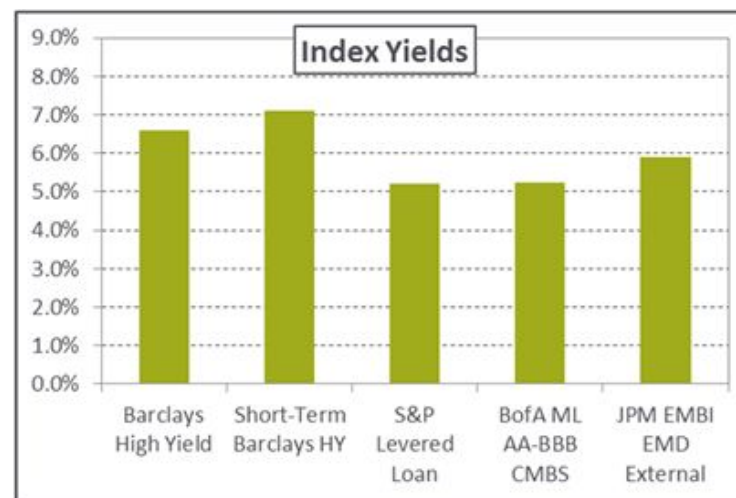
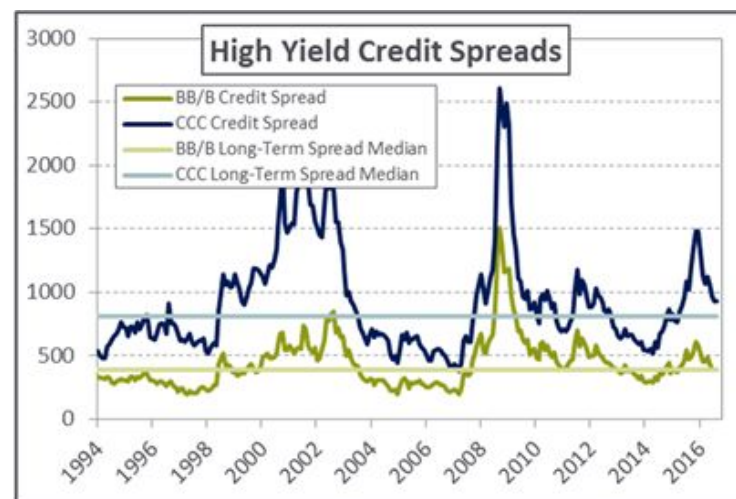
Credit markets continue to benefit from high demand in a low rate environment, but current spread levels are less compelling

Make use of other credit strategies to capture pockets of value

Bank loans and short duration high yield offer higher expected returns than high yield due to limited duration exposure

Security selection is critical as some credit sub-sectors such as structured credit provide a better return/risk profile

Credit focused multi-sector strategies can effectively allocate across credit markets to seek pockets of opportunity



Source: (Top) Barclays, Bloomberg
Source: (Bottom) Barclays, Standard & Poors, BofA/ML, JP Morgan, Bloomberg

2017 Asset Class Assumptions

2017 5-to-7 Year Return Forecasts

Geometric Expected Return			
Asset Class	2016	2017	2017-2016
Cash	1.50%	1.75%	0.25%
Treasuries	1.75%	2.00%	0.25%
IG Corp Credit	3.75%	3.75%	-
MBS	2.00%	2.25%	0.25%
Core Bonds*	2.46%	2.65%	0.19%
TIPS	2.50%	3.00%	0.50%
High-Yield Bonds	5.25%	4.75%	-0.50%
Bank Loans	5.50%	5.25%	-0.25%
Global Bonds (Unhedged)	1.00%	1.00%	-
Global Bonds (Hedged)	1.09%	1.09%	-
EMD External	4.75%	4.75%	-
EMD Local Currency	6.50%	6.75%	0.25%
Large Cap Equities	6.00%	5.75%	-0.25%
Small/Mid Cap Equities	6.25%	6.00%	-0.25%
Int'l Equities (Unhedged)	7.25%	7.25%	-
Int'l Equities (Hedged)	7.57%	7.57%	-
Emerging Int'l Equities	9.75%	9.50%	-0.25%
Private Equity	8.50%	8.25%	-0.25%
Private Debt	7.50%	7.25%	-0.25%
Real Estate	6.50%	6.00%	-0.50%
Commodities	4.50%	4.75%	0.25%
Hedge Funds**	5.75%	5.95%	0.20%

* Core Bonds assumption based on market weighted blend of components of Aggregate Index (Treasuries, IG Corp Credit, and MBS).

** Hedge Funds is a calculated blend of 40% Equity, 40% Credit, 20% Macro-related strategies.

2017 Volatility Forecasts

Volatility			
Asset Class	2016	2017	2017-2016
Cash	1.00%	1.00%	-
Treasuries	5.50%	5.50%	-
IG Corp Credit	7.50%	7.50%	-
MBS	7.00%	7.00%	-
Core Bonds*	6.03%	6.03%	-
TIPS	6.50%	6.50%	-
High-Yield Bonds	13.00%	13.00%	-
Bank Loans	9.00%	9.00%	-
Global Bonds (Unhedged)	8.50%	8.50%	-
Global Bonds (Hedged)	5.00%	5.00%	-
EMD External	13.00%	13.00%	-
EMD Local Currency	15.00%	15.00%	-
Large Cap Equities	17.50%	17.50%	-
Small/Mid Cap Equities	21.00%	21.00%	-
Int'l Equities (Unhedged)	21.00%	21.00%	-
Int'l Equities (Hedged)	18.00%	18.00%	-
Emerging Int'l Equities	27.00%	28.00%	1.00%
Private Equity	23.00%	23.00%	-
Private Debt	15.00%	14.00%	-1.00%
Real Estate	15.00%	15.00%	-
Commodities	19.00%	19.00%	-
Hedge Funds**	9.00%	8.74%	-0.26%

* Core Bonds assumption based on market weighted blend of components of Aggregate Index (Treasuries, IG Corp Credit, and MBS).

** Hedge Funds is a calculated blend of 40% Equity, 40% Credit, 20% Macro-related strategies.

Managed Investment Pool

University of Maine System

MIP Asset Allocation Overview

- **The Portfolio's current policy allocation is well diversified but may fall short of the System's return goal**
 - MIP long-term nominal return goal is 7.5% (equates to 5.0% real return)
 - The System utilizes a 4.5% spending rate
 - NEPC's U.S. inflation assumption is 2.5%
 - Short Term: NEPC forecasts a 6.3% expected return over a 5-7 year time frame
 - Long Term: NEPC forecasts a 7.4% nominal expected return based on 30 year
 - Beta only, additional return may be assumed for active management
- **NEPC is recommending small adjustments to the MIP's asset allocation based on our 2017 key market themes and actions for clients**
 - Expand International Equity exposure by adding an International Small Cap Equity mandate
 - Diversify Fixed Income allocation
 - Reduce Core Bonds in lieu of TIPS
 - Explore dedicated Bank Loan mandate
- **The changes noted above marginally improve the Portfolio's 5-7 year return expectation and maintain the same expected asset volatility**
 - Supporting information detailed on the following pages
- **The Committee may want to re-visit the feasibility of expanding the private markets program in light of the expected low return market environment**

University of Maine System

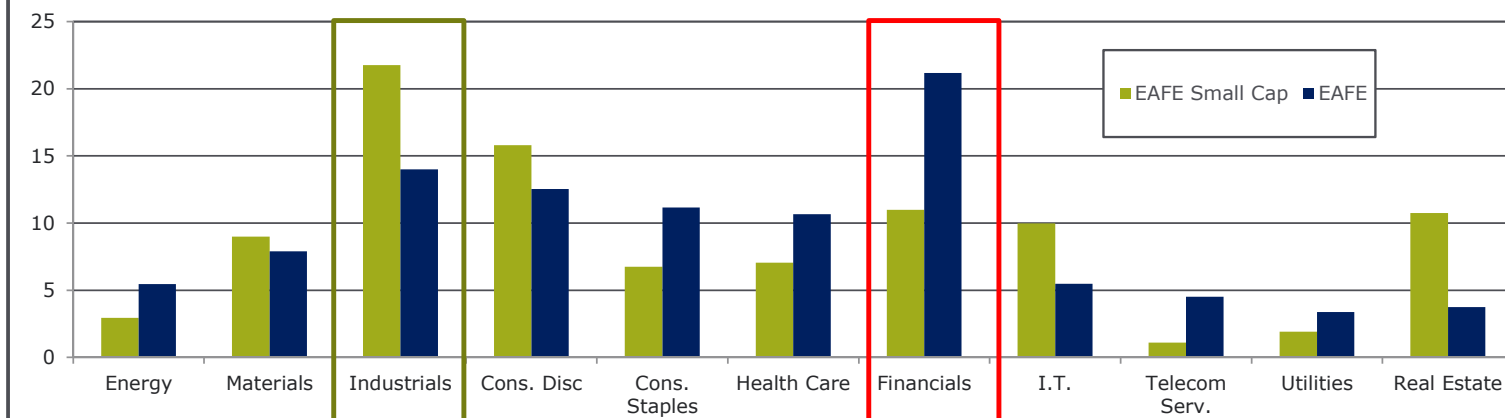
MIP Asset Allocation Recommendation

	MIP Policy Target	MIP Recommendation
Cash	0%	0%
Large Cap Equities	16%	16%
Small/Mid Cap Equities	6%	6%
Int'l Equities (Unhedged)	16%	11%
Int'l Sm Cap Equities (Unhedged)	0%	5%
Emerging Int'l Equities	4%	4%
Emerging Int'l Sm Cap Equities	4%	4%
Private Equity	2%	2%
Total Equity	47%	47%
Core Bonds	10%	5%
TIPS	3%	8%
Bank Loans	0%	5%
Global Multi-Sector Fixed Income	5%	0%
Total Fixed Income	18%	18%
Private Real Assets - Infrastructure/Land	3%	3%
Total Real Assets	3%	3%
Global Asset Allocation	20%	20%
Hedge Funds - Long/Short	6%	6%
Hedge Funds - Credit	6%	6%
Total Multi Asset	32%	32%
Expected Return 5-7 yrs	6.3%	6.4%
Expected Return 30 yrs	7.4%	7.4%
Standard Dev	12.5%	12.5%
Sharpe Ratio (5-7 years)	0.37	0.38

University of Maine System

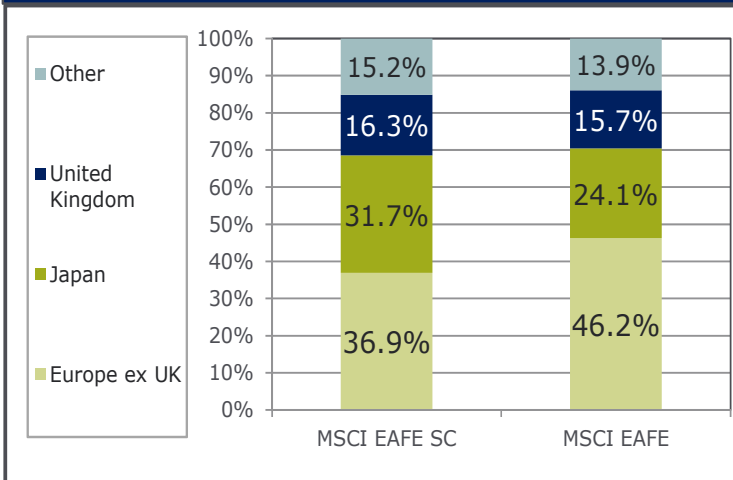
International Small Cap Equity

MSCI EAFE Small Cap vs. MSCI EAFE: Trading Financials for Industrials



Source: MSCI, Bloomberg, as of December 31, 2016

MSCI Small Cap: More Japan less Europe



Source: MSCI, Bloomberg, as of December 31, 2016

Commentary

- **Relative to US markets International markets are trading at a valuation discount**
 - Catalysts for outperformance: shareholder friendly actions in Japan and macroeconomic improvement in Europe
 - ECB and BoJ are likely to maintain accommodative monetary policies
- **Small-cap equity is one of the preferred implementation approaches**
 - Small cap offers a more diversified exposure
 - Managers have shown a strong ability to add value down the cap spectrum

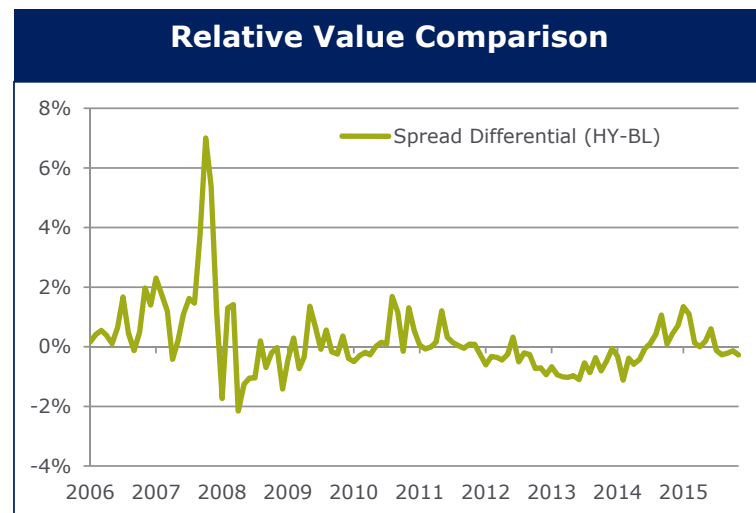
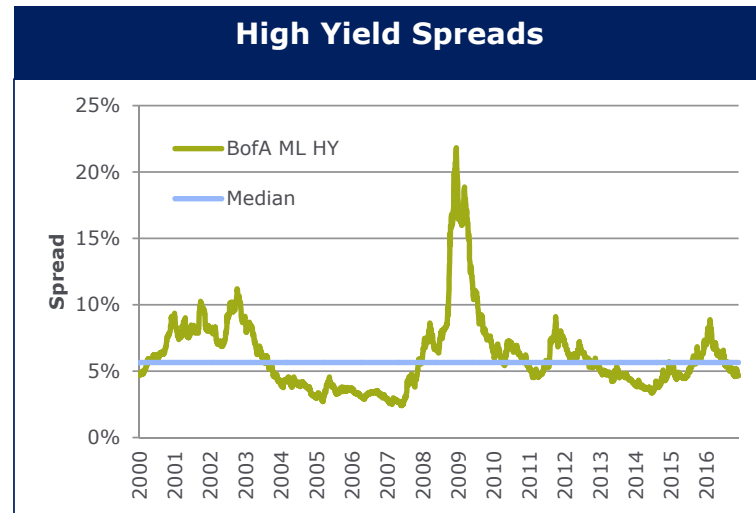


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High Yield and Bank Loans

- **High Yield - Richly priced compared to last year; fundamental outlook mixed; sector and company selection key**
- **Bank Loans - Valuations relatively attractive; seniority in the capital structure beneficial; rising rate benefit**
- **CCC-rated loans remaining relatively wide**
 - BB- and B-rated loans below long-term median
 - CCC around 150 bps wide
- **Relative value to HY yield tilting in favor of loans**



University of Maine System

Manager Universe

Loomis Sayles Fixed Income Fund

- **Benchmark: Barclays Gov't/Credit**
- **Yield: 3.8%**
- **Duration: 4.0 years**
- **High Yield Allocation: 28% as of 12/31/16**
- **Bank Loan Allocation: 0.5% as of 12/31/16**
- **Fees: 57 bps**

NEPC FPL Bank Loan Managers

- **Benchmark: Credit Suisse Leveraged Loan Index**
- **Yield: 4.5% - 5.6%**
- **Duration: 0.1 – 0.7 years**
- **Fees: 45 – 65 bps**

Pension Fund

University of Maine System

Pension Fund Asset Allocation Overview

- **The Fund's current policy allocation is well diversified and meets the System's long term actuarial return goal**
 - Actuarial rate of return = 6.25%
 - NEPC forecasts a 6.5% nominal expected return for the current Pension Fund policy allocation based on 30 year
 - Beta only assumptions, additional return may be assumed for active management
- **NEPC is recommending small adjustments to the Pension Fund's asset allocation based on our 2017 key market themes and actions for clients**
 - Diversity Fixed Income allocation
 - Reduce Core Bonds in lieu of TIPS
 - Explore dedicated Bank Loan mandate
- **The changes noted above slightly increase the return profile and slightly reduce the expected asset volatility (standard deviation) with an improved Sharpe Ratio**
 - Supporting information detailed on the following pages

University of Maine System

Pension Fund Assumptions

As of July 1, 2016, Actuarial Valuation Report

- **Funded Status: 76.3%**
 - Actuarial Value of Assets: \$32,763,517
 - Liabilities: \$42,934,311
 - Unfunded Amount: \$10,170,794
- **Closed Plan: 1998**
 - Not frozen as the Plan is still accruing future benefits
 - Service Cost of \$5 thousand/year
- **Mature Plan: Estimated 9 year duration**
 - Terminated Vested: 343 participants, Average Age 60
 - Retirees: 788 participants, Average Age 77
 - Active: 11 participants, Average Age 66
- **Discount Rate: 6.25% (Reduced from 6.75% in 2016)**
- **Annual Benefit Payments: \$4.6 million/year or \$0.4 million/month**
 - 15% of Plan assets/year or >1% of Plan assets/month
 - Annual benefit payments are starting to reduce from their peak and are expected to continue to decline roughly \$100k/year
- **Contributions: Annual contributions of roughly \$735k**
 - Contribution funding strategy adopted in February 2014
 - Contribution schedule recently updated to increase by roughly \$200k/a year (up from \$540k)

University of Maine System

Pension Fund Asset Allocation Recommendation

	Pension Policy Target	Pension Recommendation
Cash	3%	3%
Large Cap Equities	8%	8%
Small/Mid Cap Equities	4%	4%
Int'l Equities (Unhedged)	7%	7%
Emerging Int'l Sm Cap Equities	3%	3%
Total Equity	22%	22%
Core Bonds	27%	20%
TIPS	0%	7%
Bank Loans	0%	5%
Global Multi-Sector Fixed Income	5%	0%
Total Fixed Income	32%	32%
Global Asset Allocation	25%	25%
Real Estate (Core)	8%	8%
Hedge Funds - Long/Short	5%	5%
Hedge Funds - Credit	5%	5%
Total Multi Asset	43%	43%
Expected Return 5-7 yrs	5.4%	5.5%
Expected Return 30 yrs	6.5%	6.5%
Standard Dev	8.9%	8.8%
Sharpe Ratio (5-7 years)	0.40	0.42

Operating Cash Fund

University of Maine System

Operating Cash Fund Asset Allocation Overview

- **The Fund's current policy allocation is well diversified and meets the System's return goals**
 - Return goal = 4.0%
 - Short Term: NEPC forecasts a 3.7% expected return over a 5-7 year time frame
 - Long Term: NEPC forecasts a 4.7% nominal expected return based on 30 year
 - Beta only, additional return may be assumed for active management
- **NEPC is recommending small adjustments to the Operating Fund's asset allocation based on our 2017 key market themes and actions for clients**
 - Diversity Fixed Income allocation
 - Reduce Core Bonds in lieu of TIPS
- **The changes noted above maintain the return profile and slightly reduce the expected asset volatility (standard deviation)**
 - Supporting information detailed on the following pages

University of Maine System

Operating Cash Fund Asset Allocation Options

	Operating Fund Policy Target	Operating Fund Recommendation
Cash	25%	25%
Global Equity	8%	8%
Total Equity	8%	8%
Core Bonds	10%	5%
TIPS	0%	5%
Short Treasuries (1-3 yr)	13%	13%
Short Credit (1-3 yr)	13%	13%
Bank Loans	7%	7%
Absolute Return Fixed Income	7%	7%
Total Fixed Income	50%	50%
Global Asset Allocation	10%	10%
Hedge Funds - Long/Short	4%	4%
Hedge Funds - Credit	4%	4%
Total Multi Asset	18%	18%
Expected Return 5-7 yrs	3.7%	3.7%
Expected Return 30 yrs	4.7%	4.7%
Standard Dev	4.2%	4.1%
Sharpe Ratio (5-7 years)	0.46	0.46

University of Maine System

Information Disclaimer and Reporting Methodology

Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
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- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodial bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
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Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of Return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.



AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** MSCI ESG Report
2. **INITIATED BY:** Karl W. Turner, Chair
3. **BOARD INFORMATION:** X **BOARD ACTION:**
4. **BACKGROUND:**

Kelly Regan and Jay Roney of NEPC will provide a summary of MSCI's Environmental, Social, and Governance (ESG) Report at the March 9, 2017 Investment Committee meeting.

02/27/2017



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University of Maine System

MSCI ESG Reporting

March 9, 2017

Kelly A. Regan, Senior Consultant
Jay E. Roney, Partner

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Summary

Introduction

- **Goals for today's meeting**
 - Update the Investment Committee on the MIP's Environmental, Social and Governance (ESG) progress
 - Provide a summary of MSCI's ESG report
- **The University of Maine System has completed a number of items with regards to impact investing**
 - Divested from coal securities in all separate account mandates in 2015
 - Continually monitors fossil fuel exposure
 - Approved an ESG policy in September 2016
 - Contracted with MSCI to complete an annual report that will measure the MIP's equity and fixed income holdings with regards to ESG factors
 - Also includes information around carbon exposure
- **Some information about the MIP portfolio is below:**
 - The estimated exposure to fossil fuels in the MIP is 2.9% as of October 31, 2016
 - The System is working towards a plan to improve the ESG factors in the portfolio
 - This will not be immediate and will take time
 - As part of the ESG plan, the System will be considering managers that focus on ESG when reviewing new managers for the MIP
 - Currently, there are 3 managers in the MIP that utilize ESG in their process
- **The following slides provide a summary of the MSCI ESG Report**
 - Report Definitions:
 - Client Benchmark: 70% MSCI ACWI index/30% Barclays Capital Aggregate index
 - Client ESG Benchmark: 70% MSCI ACWI ESG index/30% Barclays Capital Aggregate ESG index
 - UMS Consolidated Investment Pool: Manager holdings from all equity, fixed income, GAA and long/short equity hedge fund mandates (~90% of the total MIP Portfolio)

MIP Portfolio Summary

- The overall ESG of the MIP Portfolio is 5.14 which is average and falls below both benchmarks
- This will be our starting point to measure improvement going forward

	Client Benchmark		Client ESG Benchmark		UMS Consolidated Investment Pool		UMS Consolidated Investment Pool vs Client Benchmark	UMS Consolidated Investment Pool vs Client ESG Benchmark
SUMMARY	SCORE*	WEIGHT**	SCORE	WEIGHT	SCORE	WEIGHT	SCORE COMPARISON	
% Covered by ESG Research (Gross)		95.58%		96.83%		85.21%		
ESG Quality Score	5.43	100.00%	6.25	100.00%	5.14	100.00%	↓ -5.35%	↓ -17.76%
ABSOLUTE PILLAR SCORES								
Environment	5.34	26.52%	5.74	26.94%	5.29	27.87%	↔ -1.09%	↓ -7.83%
Social	4.68	40.30%	5.13	40.14%	4.33	42.04%	↓ -7.40%	↓ -15.60%
Governance	5.51	33.05%	5.81	32.81%	5.28	29.98%	↔ -4.12%	↓ -9.03%

- When scored on individual factors, the environmental score is the highest in absolute terms and relative terms

- **The majority of the MIP's holdings are covered by MSCI Research (~95%)**
- **Scores are based on a scale from 0-10 with 10 being the best**

Environmental Scores

- Climate change factors make up 7% of the MIP portfolio
- Most have high ratings (>5), but fall short of the benchmarks
- These are some of the highest ratings in the overall portfolio (i.e. energy efficiency and carbon emissions)

Client Benchmark					Client ESG Benchmark		UMS Consolidated Investment Pool*		UMS Consolidated Investment Pool vs Client Benchmark		UMS Consolidated Investment Pool vs Client ESG Benchmark	
KEY ISSUE SCORES - ENVIRONMENT	SCORE	WEIGHT	SCORE	WEIGHT	SCORE	WEIGHT	SCORE COMPARISON					
Climate Change												
Carbon Emissions	6.74	3.45%	7.02	3.52%	6.23	3.84%	↓	-7.47%	↓	-11.21%		
Energy Efficiency	8.18	0.50%	7.86	0.45%	7.26	0.87%	↓	-11.24%	↓	-7.74%		
Insuring Climate Change Risk	5.21	0.41%	6.67	0.41%	4.60	0.61%	↓	-11.80%	↓	-31.02%		
Product Carbon Footprint	5.89	1.54%	6.85	1.66%	5.48	1.94%	↓	-6.89%	↓	-19.90%		
Environmental Opportunities												
Opportunities in Clean Tech	5.07	3.84%	5.39	4.19%	4.85	5.22%	↔	-4.46%	↓	-10.05%		
Opportunities in Green Building	5.54	1.01%	6.26	1.12%	5.62	1.09%	↔	1.49%	↓	-10.30%		
Opportunities in Renewable Energy	5.47	0.58%	5.60	0.54%	5.34	0.46%	↔	-2.43%	↔	-4.64%		
Natural Resource Use												
Biodiversity and Land Use	3.25	1.87%	4.09	1.43%	3.31	2.00%	↔	2.04%	↓	-18.95%		
Financing Environmental Impact	6.29	1.46%	6.33	1.42%	5.47	0.62%	↓	-13.08%	↓	-13.72%		
Raw Material Sourcing	5.05	1.12%	5.45	1.45%	5.35	1.65%	↑	5.89%	↔	-1.91%		
Water Stress	5.74	1.93%	5.94	1.86%	5.61	2.35%	↔	-2.31%	↓	-5.63%		
Waste Management												
Electronic Waste	6.36	0.27%	6.22	0.17%	6.57	0.28%	↔	3.21%	↑	5.58%		
Packaging Material and Waste	6.29	0.37%	7.70	0.38%	6.39	0.46%	↔	1.61%	↓	-17.02%		
Toxic Emissions and Waste	4.82	3.33%	5.40	3.38%	4.60	4.10%	↔	-4.46%	↓	-14.85%		
Overall IVA Environment Pillar	5.48	21.71%	5.96	21.98%	5.23	25.47%		-4.67%		-12.33%		

- Most key issues have a green score (>5)

Social Scores

							UMS Consolidated Investment Pool		UMS Consolidated Investment Pool	
Client Benchmark			Client ESG Benchmark		UMS Consolidated Investment Pool*		vs Client Benchmark		vs Client ESG Benchmark	
KEY ISSUE SCORES - SOCIAL	SCORE	WEIGHT	SCORE	WEIGHT	SCORE	WEIGHT	SCORE COMPARISON			
Human Capital										
Controversial Sourcing	6.54	0.67%	6.68	0.69%	6.24	0.89%	↔	-4.48%	↓	-6.51%
Health and Safety	5.30	3.14%	5.79	3.09%	5.17	3.64%	↔	-2.41%	↓	-10.64%
Human Capital Development	4.35	7.65%	4.76	8.09%	4.08	7.60%	↓	-6.35%	↓	-14.38%
Labor Management	3.78	4.10%	4.21	3.81%	3.97	5.42%	↔	4.83%	↓	-5.71%
Supply Chain Labor Standards	4.39	1.30%	5.38	1.20%	4.04	1.68%	↓	-7.81%	↓	-24.79%
Product Safety										
Chemical Safety	3.18	1.47%	3.77	1.65%	3.04	2.59%	↔	-4.37%	↓	-19.30%
Financial Product Safety	4.73	2.34%	5.01	2.05%	4.56	1.46%	↔	-3.69%	↓	-9.13%
Insuring Health and Demographic Risk	4.73	0.37%	5.59	0.35%	4.46	0.41%	↓	-5.66%	↓	-20.28%
Privacy and Data Security	3.56	4.50%	4.54	4.07%	3.68	5.10%	↔	3.54%	↓	-18.84%
Product Safety and Quality	3.36	4.15%	3.75	3.94%	3.47	5.42%	↔	3.45%	↓	-7.46%
Responsible Investment	6.04	0.87%	6.64	0.82%	5.59	1.00%	↓	-7.43%	↓	-15.82%
Social Opportunities										
Access to Communications	5.76	0.56%	5.48	0.64%	5.48	0.53%	↔	-4.84%	↔	0.01%
Access to Finance	4.70	2.57%	4.78	2.46%	4.41	1.55%	↓	-6.01%	↓	-7.61%
Access to Health Care	4.93	1.04%	5.53	1.12%	4.82	1.21%	↔	-2.29%	↓	-12.89%
Opportunities in Nutrition and Health	5.26	0.92%	5.42	1.35%	4.94	1.18%	↓	-6.08%	↓	-8.96%
Overall IVA Social Pillar	4.31	35.64%	4.80	35.32%	4.15	39.67%		-3.65%		-13.48%

- Most key issues have a red score (<5), but so do benchmarks

- Social Factors account for the highest weighting in the MIP portfolio

Governance Scores

							UMS Consolidated Investment Pool vs Client Benchmark		UMS Consolidated Investment Pool vs Client ESG Benchmark	
Client Benchmark			Client ESG Benchmark		UMS Consolidated Investment Pool*					
KEY ISSUE SCORES - GOVERNANCE	SCORE	WEIGHT	SCORE	WEIGHT	SCORE	WEIGHT	SCORE COMPARISON			
Business Ethics										
Anticompetitive Practices	3.66	0.53%	3.74	0.42%	3.66	0.47%	↔	-0.15%	↔	-2.11%
Business Ethics and Fraud	3.16	0.43%	3.41	0.45%	3.23	0.45%	↔	2.08%	↓	-5.47%
Corruption and Instability	5.00	5.57%	5.59	5.08%	4.70	5.84%	↓	-5.91%	↓	-15.84%
Corporate Governance										
Corporate Governance	5.17	14.60%	5.35	14.82%	5.22	16.96%	↔	1.07%	↔	-2.41%
Government and Public Policy										
Financial System Instability	3.42	2.43%	4.29	2.20%	3.98	1.50%	↑	16.61%	↓	-7.14%
Overall IVA Governance Pillar	4.88	23.55%	5.23	22.96%	4.96	25.22%		1.80%		-5.17%

- Corporate Governance is the highest weighting in the MIP Portfolio and scores in-line with both benchmarks

Controversy and Business Involvement Exposure

CORPORATE POSITIONS IN PORTFOLIO WITH THE MOST CONTROVERSY EXPOSURE

RANK*	ISSUER NAME	PORTFOLIO WEIGHT	SECTOR (GICS)	ENVIRONMENT	CUSTOMERS	HUMAN RIGHTS & COMMUNITY	LABOR RIGHTS & SUPPLY CHAIN	GOVERNANCE
1	TOKYO ELECTRIC POWER COMPANY HOLDINGS, INCORPORATED	0.002%	Utility	●	●	●	●	●
2	VOLKSWAGEN AG	0.003%	Consumer Discretionary	●	●	●	●	●
3	VOLKSWAGEN GROUP OF AMERICA FINANCE, LLC	0.002%	Consumer Discretionary	●	●	●	●	●
4	PORSCHE AUTOMOBIL HOLDING SE	0.001%	Consumer Discretionary	●	●	●	●	●
5	VOLKSWAGEN AG	0.0001%	Consumer Discretionary	●	●	●	●	●
6	BHP BILLITON PLC	0.03%	Materials	●	●	●	●	●
7	BHP BILLITON FINANCE (USA) LIMITED	0.01%	Materials	●	●	●	●	●
8	BHP BILLITON FINANCE (USA) LIMITED	-0.01%	Materials	●	●	●	●	●
9	BHP BILLITON FINANCE (USA) LIMITED	0.004%	Materials	●	●	●	●	●
10	BHP BILLITON FINANCE (USA) LIMITED	0.003%	Materials	●	●	●	●	●

- Very low weights in the MIP Portfolio to controversial companies

LARGEST CORPORATE POSITIONS WITH BUSINESS INVOLVEMENT EXPOSURE

RANK	COMPANY NAME	PORTFOLIO WEIGHT	SECTOR (GICS)	BUSINESS INVOLVEMENT
1	GLAXOSMITHKLINE PLC	0.55%	Health Care	Animal Welfare
2	JOHNSON & JOHNSON	0.53%	Health Care	Animal Welfare
3	BRITISH AMERICAN TOBACCO P.L.C.	0.50%	Consumer Staples	Tobacco; Animal Welfare; Genetic Engineering; Iran; Sudan
4	IMPERIAL BRANDS PLC	0.50%	Consumer Staples	Tobacco
5	RECKITT BENCKISER GROUP PLC	0.49%	Consumer Staples	Animal Welfare
6	UNILEVER N.V.	0.45%	Consumer Staples	Animal Welfare
7	NESTLE S.A.	0.45%	Consumer Staples	Animal Welfare
8	EXXON MOBIL CORPORATION	0.44%	Energy	Animal Welfare
9	JAPAN TOBACCO INC.	0.41%	Consumer Staples	Tobacco; Genetic Engineering; Iran; Sudan
10	THE PROCTER & GAMBLE COMPANY	0.40%	Consumer Staples	Animal Welfare

- Animal Welfare most common business involvement and makes up 9% of the MIP portfolio
- Defined as: Companies that conduct animal testing for non-pharmaceutical products including cosmetic, personal care, and household cleaning products, as well as industrial and chemical products.

Full Report

ESG Portfolio Analytics

Prepared for:	University of Maine System
Portfolio Name:	UMS Consolidated Investment Pool
Benchmarked ESG Index:	Client ESG Benchmark
Benchmarked Market Index:	Client Benchmark

June 30, 2016

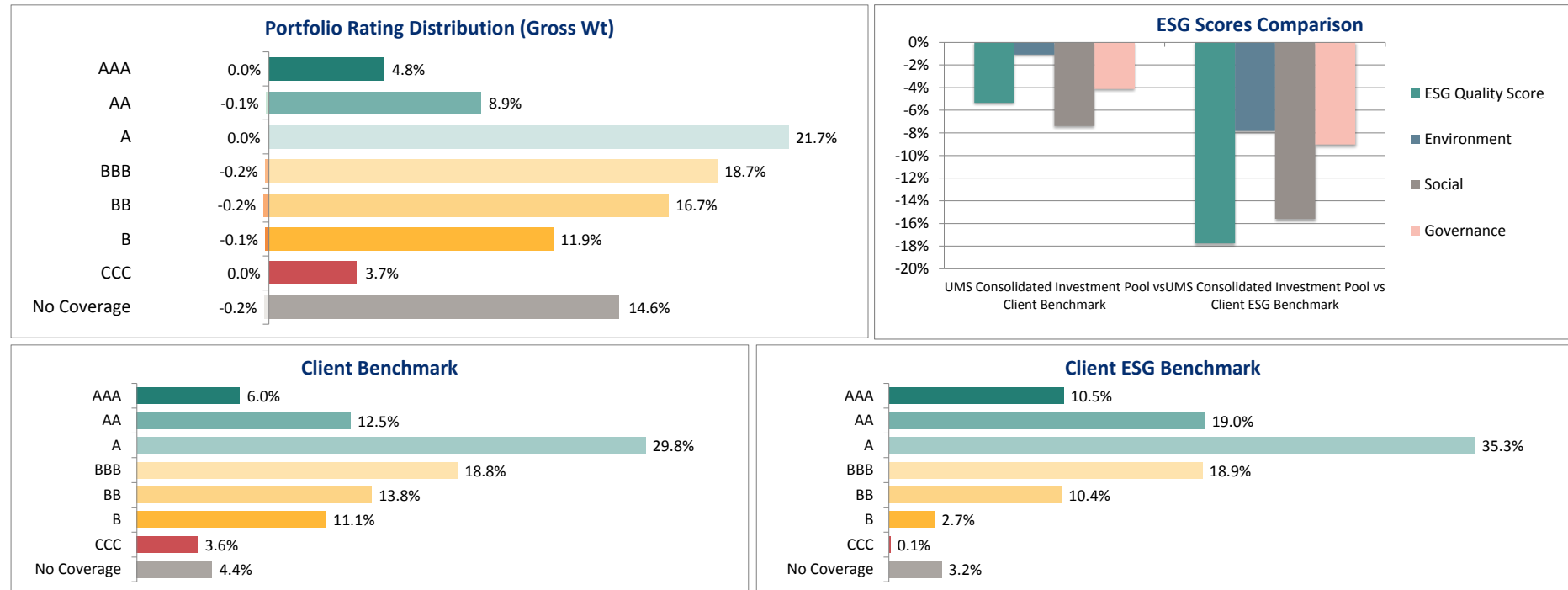
** The funds analyzed in this report may be based on or linked to MSCI Indexes, for which MSCI Inc., or its subsidiaries, may be compensated based on the fund's assets under management or other measures. MSCI Inc. has established an information barrier between equity index research and ESG Portfolio Analytics. Additionally, ESG Portfolio Analytics are based on a variety of aggregation methodologies of the underlying covered holdings, and are not subject to intervention by any analyst.*

Portfolio Summary - MSCI ESG Ratings

MSCI ESG Portfolio Analytics
University of Maine System - UMS Consolidated Investment Pool

	Client Benchmark		Client ESG Benchmark		UMS Consolidated Investment Pool		UMS Consolidated Investment Pool vs Client Benchmark	UMS Consolidated Investment Pool vs Client ESG Benchmark
SUMMARY	SCORE*	WEIGHT**	SCORE	WEIGHT	SCORE	WEIGHT	SCORE COMPARISON	
% Covered by ESG Research (Gross)		95.58%		96.83%		85.21%		
ESG Quality Score	5.43	100.00%	6.25	100.00%	5.14	100.00%	↓ -5.35%	↓ -17.76%
ABSOLUTE PILLAR SCORES								
Environment	5.34	26.52%	5.74	26.94%	5.29	27.87%	↔ -1.09%	↓ -7.83%
Social	4.68	40.30%	5.13	40.14%	4.33	42.04%	↓ -7.40%	↓ -15.60%
Governance	5.51	33.05%	5.81	32.81%	5.28	29.98%	↔ -4.12%	↓ -9.03%

ESG RATINGS



* All scores are on a 0-10 scale, with 10 being the best. Short position scores are inverted (i.e. 10 – score = inverted score).

** If ESG coverage is less than 100% holdings are adjusted to 100% for report calculations.

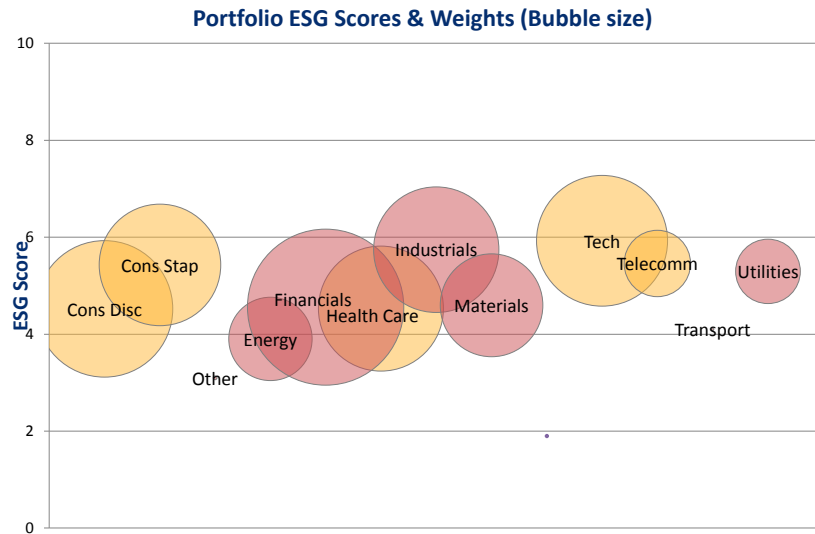
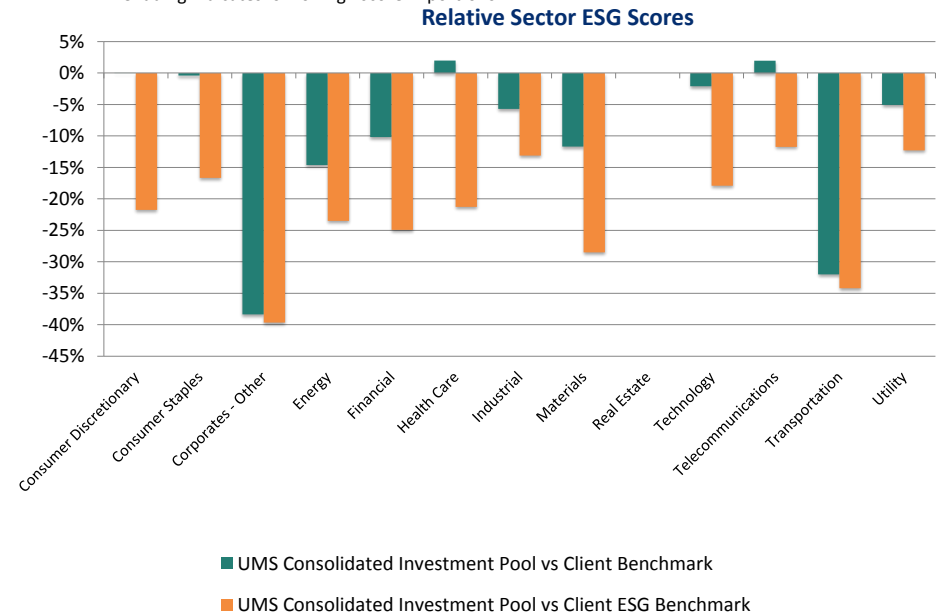
Sector Breakdown - Corporates

MSCI ESG Portfolio Analytics

University of Maine System - UMS Consolidated Investment Pool

								UMS Consolidated Investment Pool vs Client Benchmark	UMS Consolidated Investment Pool vs Client ESG Benchmark	
Client Benchmark		Client ESG Benchmark		UMS Consolidated Investment Pool*						
SECTOR ESG SCORES	SCORE	WEIGHT	SCORE	WEIGHT	SCORE	WEIGHT	SCORE COMPARISON			
Consumer Discretionary	4.52	8.81%	5.78	8.94%	4.52	12.74%	↔	0.02%	↓	-21.76%
Consumer Staples	5.45	7.89%	6.52	7.70%	5.43	10.10%	↔	-0.42%	↓	-16.68%
Corporates - Other ¹	5.03	0.20%	5.14	0.16%	3.10	0.01%	↓	-38.37%	↓	-39.66%
Energy	4.57	5.61%	5.10	4.66%	3.90	4.75%	↓	-14.63%	↓	-23.52%
Financial	5.07	20.75%	6.07	20.36%	4.56	16.71%	↓	-10.20%	↓	-24.94%
Health Care	4.44	8.50%	5.75	8.99%	4.53	10.68%	↔	1.98%	↓	-21.29%
Industrial	6.09	7.64%	6.61	7.77%	5.74	10.74%	↓	-5.71%	↓	-13.13%
Materials	5.20	3.67%	6.43	3.58%	4.60	7.22%	↓	-11.70%	↓	-28.52%
Real Estate	N/A	0.00%	N/A	0.00%	1.90	0.01%		NA		NA
Technology	6.05	9.98%	7.22	10.21%	5.93	11.72%	↔	-2.11%	↓	-17.92%
Telecommunications	5.35	3.20%	6.18	3.48%	5.46	3.00%	↔	1.96%	↓	-11.73%
Transportation	6.03	0.07%	6.23	0.06%	4.10	0.00%	↓	-32.00%	↓	-34.20%
Utility	5.58	3.61%	6.04	3.49%	5.29	2.84%	↓	-5.07%	↓	-12.30%
Overall	5.21	79.93%	6.21	79.40%	4.98	90.52%		-4.28%		-19.69%

*Shading indicates low or high score in portfolio

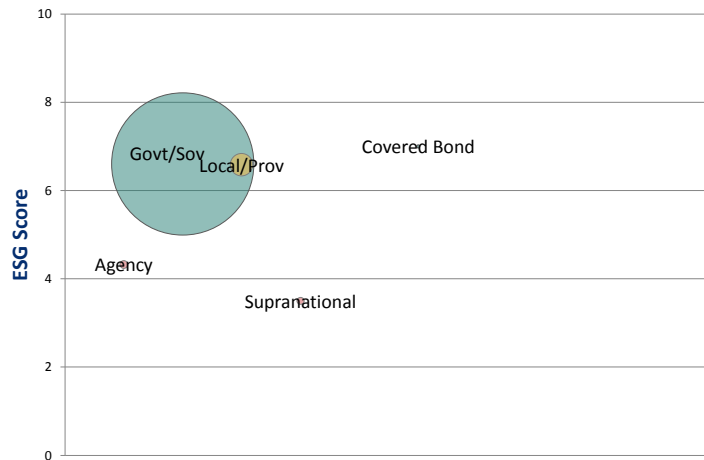
¹ Aggregate category comprised of Corporation and Special Company Barra sectors.

Sector Breakdown - Government Related & Securitized

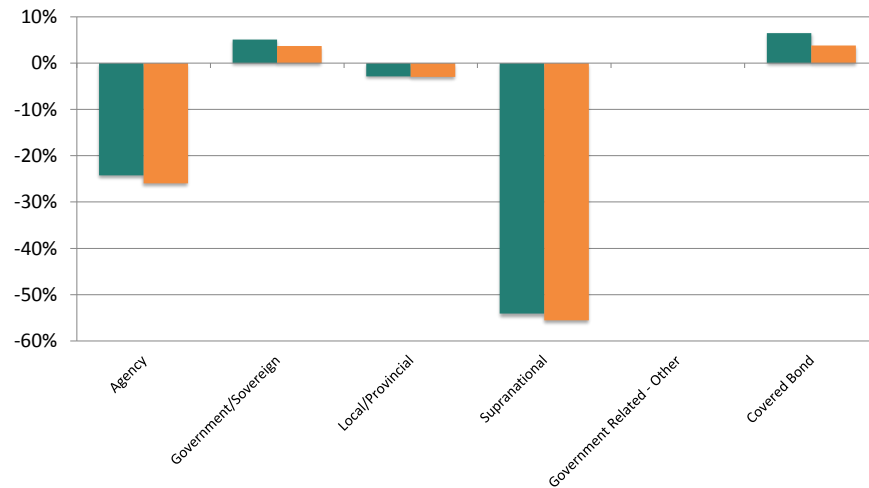
MSCI ESG Portfolio Analytics
University of Maine System - UMS Consolidated Investment Pool

										UMS Consolidated Investment Pool vs Client Benchmark	UMS Consolidated Investment Pool vs Client ESG Benchmark
		Client Benchmark		Client ESG Benchmark		UMS Consolidated Investment Pool					
SECTOR ESG SCORES	SCORE	WEIGHT	SCORE	WEIGHT	SCORE	WEIGHT	SCORE COMPARISON				
Government Related											
Agency	5.71	0.70%	5.84	0.65%		4.32	0.03%	↓	-24.25%	↓	-25.97%
Government/Sovereign ¹	6.29	16.33%	6.37	17.13%		6.61	9.19%	↑	5.09%	↔	3.68%
Local/Provincial	6.78	1.11%	6.79	1.03%		6.59	0.23%	↔	-2.85%	↔	-2.99%
Supranational	7.62	0.27%	7.87	0.32%		3.50	0.02%	↓	-54.08%	↓	-55.54%
Government Related - Other ²	4.84	0.36%	4.95	0.28%		N/A	0.00%		NA		NA
Securitized											
Covered Bond	6.57	1.30%	6.74	1.19%		7.00	0.00%	↑	6.49%	↔	3.82%
Securitized - Other ³	ESG coverage of securitized assets is limited to covered bonds. Other securitized assets do not have recourse to the issuer and thus do not map to the issuer's ESG rating.										
Overall	6.30	20.07%	6.40	20.60%		6.59	9.48%		4.57%		2.97%

Portfolio ESG Scores & Weights (Bubble size)



Relative Sector ESG Scores



¹ Aggregate category comprised of Government, Sovereign, Japan 40Yr, Jpn Govt 5Yr, Jpn Govt T-bill, Jpn Govt 6Yr, Jpn Govt Long, Jpn Govt Mid, Jpn Govt Short, Jpn Govt SuperLong, and Jpn Govt Other Barra sectors.

² Fiscal Investment & Loan Agency and Government Guaranteed.

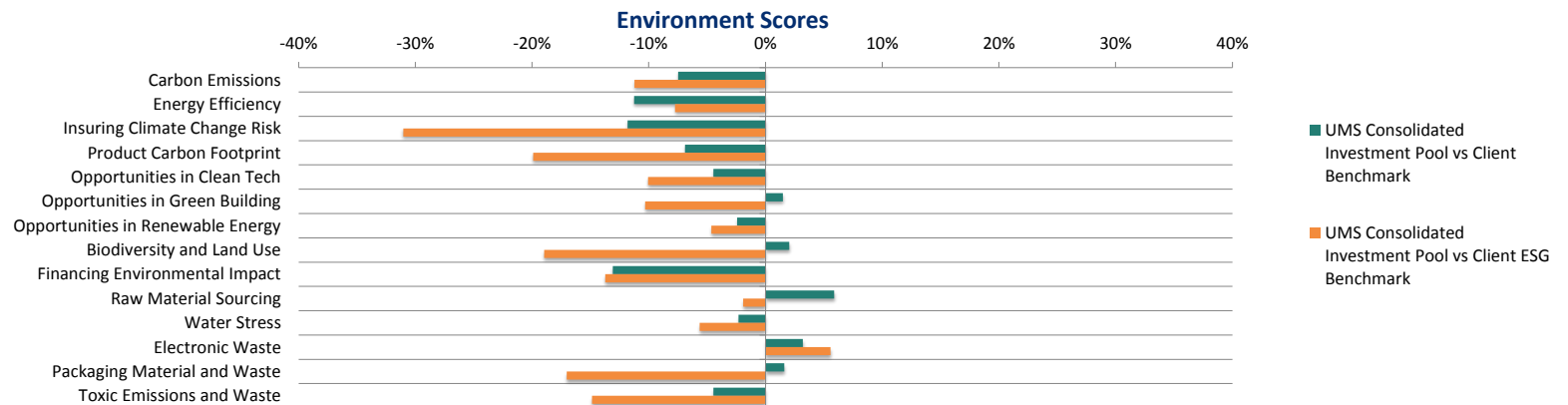
³ Asset Backed Security and Mortgage Backed Security.

■ UMS Consolidated Investment Pool vs Client Benchmark

ESG Ratings Key Issue Breakdown - Environment

MSCI ESG Portfolio Analytics
University of Maine System - UMS Consolidated Investment Pool

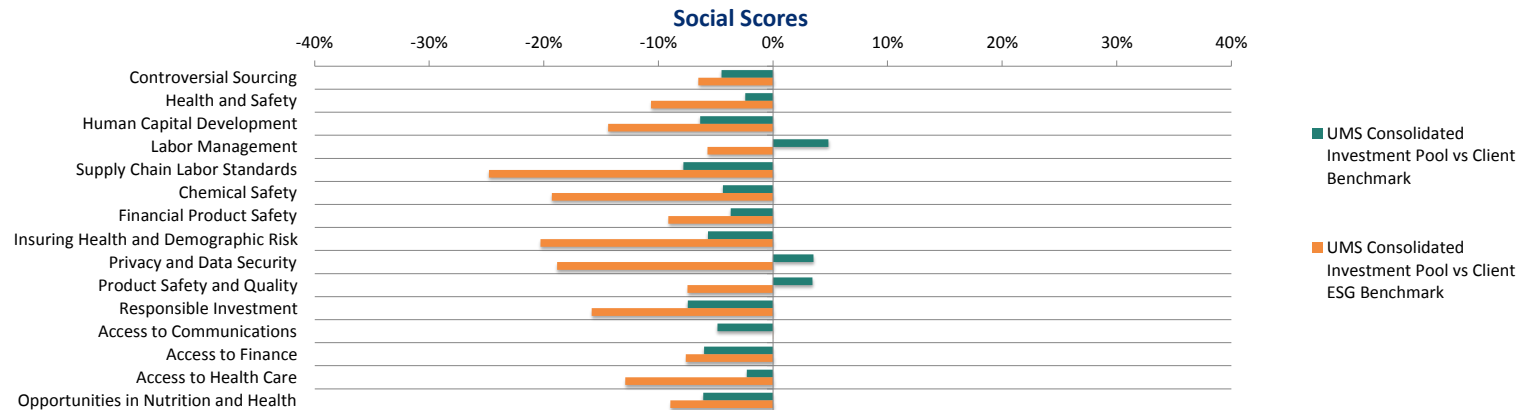
KEY ISSUE SCORES - ENVIRONMENT	Client Benchmark		Client ESG Benchmark		UMS Consolidated Investment Pool*		UMS Consolidated Investment Pool vs Client Benchmark		UMS Consolidated Investment Pool vs Client ESG Benchmark		
	SCORE	WEIGHT	SCORE	WEIGHT	SCORE	WEIGHT	SCORE COMPARISON				
Climate Change											
Carbon Emissions	6.74	3.45%	7.02	3.52%		6.23	3.84%	↓	-7.47%	↓	-11.21%
Energy Efficiency	8.18	0.50%	7.86	0.45%		7.26	0.87%	↓	-11.24%	↓	-7.74%
Insuring Climate Change Risk	5.21	0.41%	6.67	0.41%		4.60	0.61%	↓	-11.80%	↓	-31.02%
Product Carbon Footprint	5.89	1.54%	6.85	1.66%		5.48	1.94%	↓	-6.89%	↓	-19.90%
Environmental Opportunities											
Opportunities in Clean Tech	5.07	3.84%	5.39	4.19%		4.85	5.22%	↔	-4.46%	↓	-10.05%
Opportunities in Green Building	5.54	1.01%	6.26	1.12%		5.62	1.09%	↔	1.49%	↓	-10.30%
Opportunities in Renewable Energy	5.47	0.58%	5.60	0.54%		5.34	0.46%	↔	-2.43%	↔	-4.64%
Natural Resource Use											
Biodiversity and Land Use	3.25	1.87%	4.09	1.43%		3.31	2.00%	↔	2.04%	↓	-18.95%
Financing Environmental Impact	6.29	1.46%	6.33	1.42%		5.47	0.62%	↓	-13.08%	↓	-13.72%
Raw Material Sourcing	5.05	1.12%	5.45	1.45%		5.35	1.65%	↑	5.89%	↔	-1.91%
Water Stress	5.74	1.93%	5.94	1.86%		5.61	2.35%	↔	-2.31%	↓	-5.63%
Waste Management											
Electronic Waste	6.36	0.27%	6.22	0.17%		6.57	0.28%	↔	3.21%	↑	5.58%
Packaging Material and Waste	6.29	0.37%	7.70	0.38%		6.39	0.46%	↔	1.61%	↓	-17.02%
Toxic Emissions and Waste	4.82	3.33%	5.40	3.38%		4.60	4.10%	↔	-4.46%	↓	-14.85%
Overall IVA Environment Pillar	5.48	21.71%	5.96	21.98%		5.23	25.47%		-4.67%		-12.33%



ESG Ratings Key Issue Breakdown - Social

MSCI ESG Portfolio Analytics
University of Maine System - UMS Consolidated Investment Pool

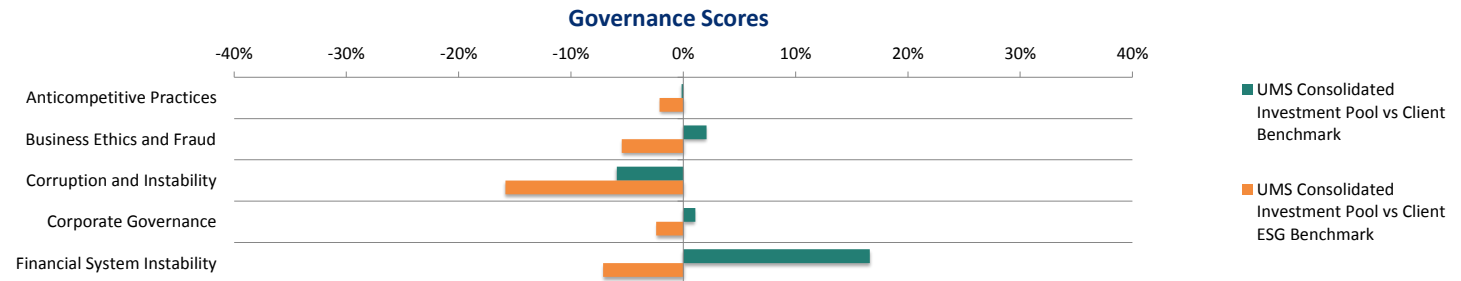
							UMS Consolidated Investment Pool vs Client Benchmark		UMS Consolidated Investment Pool vs Client ESG Benchmark	
Client Benchmark			Client ESG Benchmark		UMS Consolidated Investment Pool*					
KEY ISSUE SCORES - SOCIAL	SCORE	WEIGHT	SCORE	WEIGHT	SCORE	WEIGHT	SCORE COMPARISON			
Human Capital										
Controversial Sourcing	6.54	0.67%	6.68	0.69%	6.24	0.89%	↔	-4.48%	↓	-6.51%
Health and Safety	5.30	3.14%	5.79	3.09%	5.17	3.64%	↔	-2.41%	↓	-10.64%
Human Capital Development	4.35	7.65%	4.76	8.09%	4.08	7.60%	↓	-6.35%	↓	-14.38%
Labor Management	3.78	4.10%	4.21	3.81%	3.97	5.42%	↔	4.83%	↓	-5.71%
Supply Chain Labor Standards	4.39	1.30%	5.38	1.20%	4.04	1.68%	↓	-7.81%	↓	-24.79%
Product Safety										
Chemical Safety	3.18	1.47%	3.77	1.65%	3.04	2.59%	↔	-4.37%	↓	-19.30%
Financial Product Safety	4.73	2.34%	5.01	2.05%	4.56	1.46%	↔	-3.69%	↓	-9.13%
Insuring Health and Demographic Risk	4.73	0.37%	5.59	0.35%	4.46	0.41%	↓	-5.66%	↓	-20.28%
Privacy and Data Security	3.56	4.50%	4.54	4.07%	3.68	5.10%	↔	3.54%	↓	-18.84%
Product Safety and Quality	3.36	4.15%	3.75	3.94%	3.47	5.42%	↔	3.45%	↓	-7.46%
Responsible Investment	6.04	0.87%	6.64	0.82%	5.59	1.00%	↓	-7.43%	↓	-15.82%
Social Opportunities										
Access to Communications	5.76	0.56%	5.48	0.64%	5.48	0.53%	↔	-4.84%	↔	0.01%
Access to Finance	4.70	2.57%	4.78	2.46%	4.41	1.55%	↓	-6.01%	↓	-7.61%
Access to Health Care	4.93	1.04%	5.53	1.12%	4.82	1.21%	↔	-2.29%	↓	-12.89%
Opportunities in Nutrition and Health	5.26	0.92%	5.42	1.35%	4.94	1.18%	↓	-6.08%	↓	-8.96%
Overall IVA Social Pillar	4.31	35.64%	4.80	35.32%	4.15	39.67%		-3.65%		-13.48%



ESG Ratings Key Issue Breakdown - Governance

MSCI ESG Portfolio Analytics
University of Maine System - UMS Consolidated Investment Pool

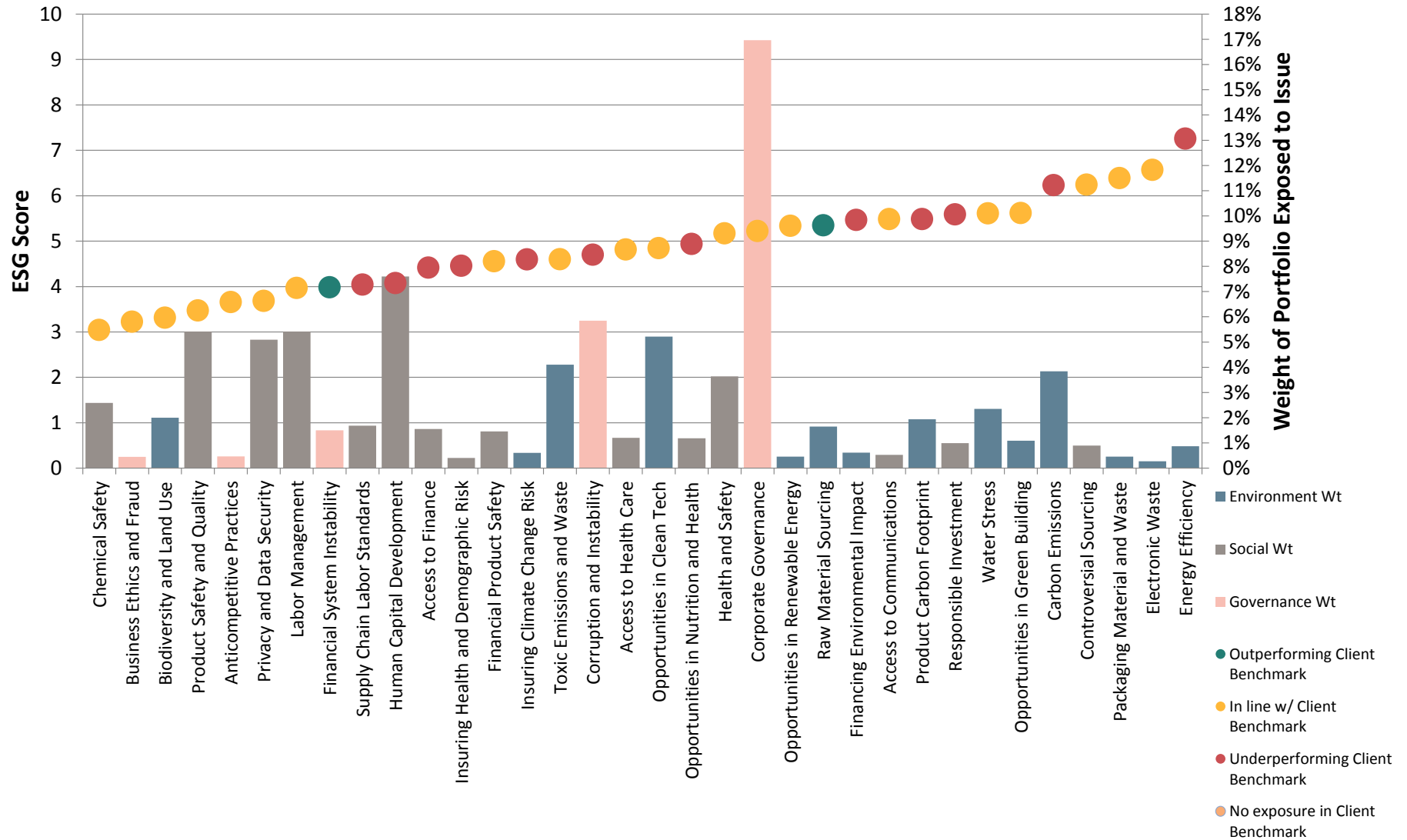
KEY ISSUE SCORES - GOVERNANCE	Client Benchmark		Client ESG Benchmark		UMS Consolidated Investment Pool*		UMS Consolidated Investment Pool vs Client Benchmark		UMS Consolidated Investment Pool vs Client ESG Benchmark		
	SCORE	WEIGHT	SCORE	WEIGHT	SCORE	WEIGHT	SCORE COMPARISON				
Business Ethics											
Anticompetitive Practices	3.66	0.53%	3.74	0.42%		3.66	0.47%	↔	-0.15%	↔	-2.11%
Business Ethics and Fraud	3.16	0.43%	3.41	0.45%		3.23	0.45%	↔	2.08%	↓	-5.47%
Corruption and Instability	5.00	5.57%	5.59	5.08%		4.70	5.84%	↓	-5.91%	↓	-15.84%
Corporate Governance											
Corporate Governance	5.17	14.60%	5.35	14.82%		5.22	16.96%	↔	1.07%	↔	-2.41%
Government and Public Policy											
Financial System Instability	3.42	2.43%	4.29	2.20%		3.98	1.50%	↑	16.61%	↓	-7.14%
Overall IVA Governance Pillar	4.88	23.55%	5.23	22.96%		4.96	25.22%		1.80%		-5.17%



ESG Ratings Key Issue Summary (Portfolio)

MSCI ESG Portfolio Analytics

University of Maine System - UMS Consolidated Investment Pool



Holdings Breakdown - Long Positions

MSCI ESG Portfolio Analytics
University of Maine System - UMS Consolidated Investment Pool

LOWEST ESG RATED POSITIONS IN PORTFOLIO

RANK	ISSUER NAME	PORTFOLIO WEIGHT	SECTOR	RATING
1	PFIZER INC.	0.29%	Health Care	CCC
2	UNITEDHEALTH GROUP INCORPORATED	0.26%	Health Care	CCC
3	COSTCO WHOLESALE CORPORATION	0.19%	Consumer Staples	CCC
4	COMCAST CORPORATION	0.18%	Consumer Discretionary	CCC
5	ALLERGAN PLC	0.15%	Health Care	CCC
6	YUM! BRANDS, INC.	0.12%	Consumer Discretionary	CCC
7	WALGREENS BOOTS ALLIANCE, INC.	0.11%	Consumer Staples	CCC
8	STRYKER CORPORATION	0.09%	Health Care	CCC
9	CHINA PETROLEUM & CHEMICAL CORPORATION	0.08%	Energy	CCC
10	CF INDUSTRIES HOLDINGS, INC.	0.08%	Materials	CCC

HIGHEST ESG RATED POSITIONS IN PORTFOLIO

RANK	ISSUER NAME	PORTFOLIO WEIGHT	SECTOR	RATING
1	MICROSOFT CORPORATION	0.62%	Technology	AAA
2	L'OREAL S.A.	0.37%	Consumer Staples	AAA
3	WOLSELEY PLC	0.26%	Industrial	AAA
4	BT GROUP PLC	0.25%	Telecommunications	AAA
5	3M COMPANY	0.20%	Industrial	AAA
6	ACCENTURE PUBLIC LIMITED COMPANY	0.19%	Technology	AAA
7	RELX N.V.	0.19%	Consumer Discretionary	AAA
8	CRH PUBLIC LIMITED COMPANY	0.19%	Materials	AAA
9	SAP SE	0.15%	Technology	AAA
10	SABMILLER PLC	0.14%	Consumer Staples	AAA

LARGEST POSITIONS IN PORTFOLIO

RANK	ISSUER NAME	PORTFOLIO WEIGHT	SECTOR	RATING
1	APPLE INC.	0.66%	Technology	A
2	MICROSOFT CORPORATION	0.62%	Technology	AAA
3	GLAXOSMITHKLINE PLC	0.55%	Health Care	BBB
4	JOHNSON & JOHNSON	0.53%	Health Care	BBB
5	BRITISH AMERICAN TOBACCO P.L.C.	0.50%	Consumer Staples	BBB
6	IMPERIAL BRANDS PLC	0.50%	Consumer Staples	BBB
7	RECKITT BENCKISER GROUP PLC	0.49%	Consumer Staples	A
8	UNILEVER N.V.	0.45%	Consumer Staples	A
9	NESTLE S.A.	0.45%	Consumer Staples	A
10	NOVARTIS AG	0.44%	Health Care	BBB

Holdings Breakdown - Short Positions

MSCI ESG Portfolio Analytics

University of Maine System - UMS Consolidated Investment Pool

LOWEST ESG RATED POSITIONS IN PORTFOLIO

RANK	ISSUER NAME	PORTFOLIO WEIGHT	SECTOR	RATING
1	NAVIENT CORPORATION	-0.03%	Financial	CCC
2	WALGREENS BOOTS ALLIANCE, INC.	-0.02%	Consumer Staples	CCC
3	JPMORGAN CHASE & CO.	-0.04%	Financial	B
4	KINDER MORGAN, INC.	-0.03%	Energy	B
5	WELLS FARGO BANK, NATIONAL ASSOCIATION	-0.02%	Financial	B
6	BANK OF AMERICA CORPORATION	-0.01%	Financial	B
7	TURKIYE VAKIFLAR BANKASI TURK ANONIM ORTAKLIGI	-0.01%	Financial	B
8	THE WILLIAMS COMPANIES, INC.	-0.01%	Energy	B
9	EXPRESS SCRIPTS HOLDING COMPANY	-0.01%	Health Care	B
10	BARRICK NORTH AMERICA FINANCE LLC	-0.01%	Materials	B

HIGHEST ESG RATED POSITIONS IN PORTFOLIO

RANK	ISSUER NAME	PORTFOLIO WEIGHT	SECTOR	RATING
1	STANDARD CHARTERED PLC	-0.02%	Financial	AAA
2	STANDARD CHARTERED PLC	-0.01%	Financial	AAA
3	OMV AKTIENGESELLSCHAFT	-0.01%	Energy	AAA
4	STANDARD CHARTERED PLC	0.00%	Financial	AAA
5	INTESA SANPAOLO SPA	-0.03%	Financial	AA
6	EXELON GENERATION COMPANY, LLC	-0.02%	Utility	AA
7	EXELON GENERATION COMPANY, LLC	-0.02%	Utility	AA
8	NEWELL BRANDS INC.	-0.02%	Consumer Discretionary	AA
9	ARCONIC INC.	-0.01%	Materials	AA
10	AVIVA PLC	-0.01%	Financial	AA

LARGEST POSITIONS IN PORTFOLIO

RANK	ISSUER NAME	PORTFOLIO WEIGHT	SECTOR	RATING
1	THE ROYAL BANK OF SCOTLAND GROUP PUBLIC LIMITED COMPANY	-0.05%	Financial	BB
2	JPMORGAN CHASE & CO.	-0.04%	Financial	B
3	BARCLAYS BANK PLC	-0.04%	Financial	BBB
4	DEUTSCHE BANK AKTIENGESELLSCHAFT	-0.04%	Financial	BB
5	THE GOLDMAN SACHS GROUP, INC.	-0.03%	Financial	BB
6	KINDER MORGAN, INC.	-0.03%	Energy	B
7	SOCIETE GENERALE S.A.	-0.03%	Financial	BBB
8	INTESA SANPAOLO SPA	-0.03%	Financial	AA
9	NAVIENT CORPORATION	-0.03%	Financial	CCC
10	EXELON GENERATION COMPANY, LLC	-0.02%	Utility	AA

ESG Controversies Exposure

MSCI ESG Portfolio Analytics
University of Maine System - UMS Consolidated Investment Pool

CORPORATE POSITIONS IN PORTFOLIO WITH THE MOST CONTROVERSY EXPOSURE

RANK*	ISSUER NAME	PORTFOLIO WEIGHT	SECTOR (GICS)	ENVIRONMENT	CUSTOMERS	HUMAN RIGHTS & COMMUNITY	LABOR RIGHTS & SUPPLY CHAIN	GOVERNANCE
1	TOKYO ELECTRIC POWER COMPANY HOLDINGS, INCORPORATED	0.002%	Utility	●	●	●	●	●
2	VOLKSWAGEN AG	0.003%	Consumer Discretionary	●	●	●	●	●
3	VOLKSWAGEN GROUP OF AMERICA FINANCE, LLC	0.002%	Consumer Discretionary	●	●	●	●	●
4	PORSCHE AUTOMOBIL HOLDING SE	0.001%	Consumer Discretionary	●	●	●	●	●
5	VOLKSWAGEN AG	0.0001%	Consumer Discretionary	●	●	●	●	●
6	BHP BILLITON PLC	0.03%	Materials	●	●	●	●	●
7	BHP BILLITON FINANCE (USA) LIMITED	0.01%	Materials	●	●	●	●	●
8	BHP BILLITON FINANCE (USA) LIMITED	-0.01%	Materials	●	●	●	●	●
9	BHP BILLITON FINANCE (USA) LIMITED	0.004%	Materials	●	●	●	●	●
10	BHP BILLITON FINANCE (USA) LIMITED	0.003%	Materials	●	●	●	●	●

ESG CONTROVERSIES COVERAGE

GROSS PORTFOLIO WEIGHT			
Percentage of portfolio covered			79.98%
EXPOSURE OF ESG CONTROVERSIES COVERAGE			
			NET PORTFOLIO WEIGHT
	Red	Orange	Yellow
Environment	0.66%	2.23%	7.47%
Customers	0.24%	8.62%	15.84%
Human Rights & Community	0.66%	2.14%	5.01%
Labor Rights & Supply Chain	0.21%	6.76%	8.42%
Governance	0.36%	5.79%	11.42%

ESG Controversies Exposure



Business Involvement Screening Research

MSCI ESG Portfolio Analytics

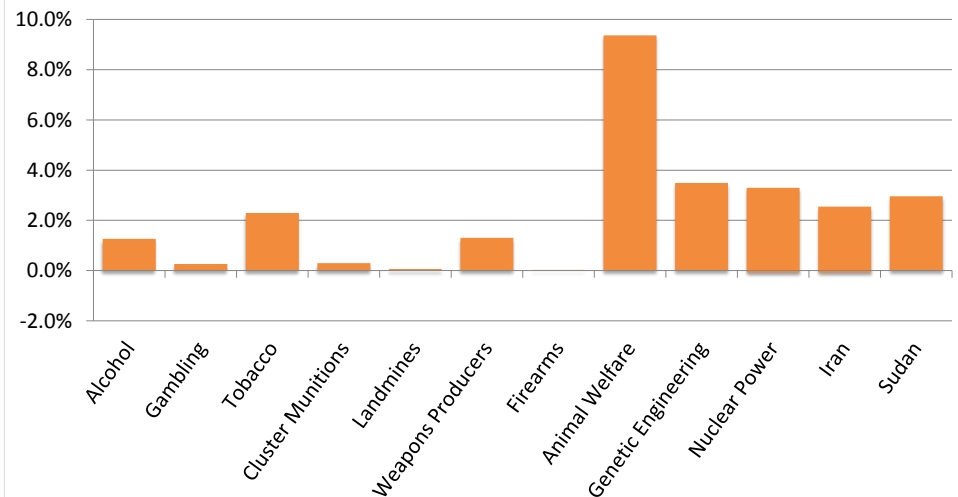
University of Maine System - UMS Consolidated Investment Pool

LARGEST CORPORATE POSITIONS WITH BUSINESS INVOLVEMENT EXPOSURE				
RANK	COMPANY NAME	PORTFOLIO WEIGHT	SECTOR (GICS)	BUSINESS INVOLVEMENT
1	GLAXOSMITHKLINE PLC	0.55%	Health Care	Animal Welfare
2	JOHNSON & JOHNSON	0.53%	Health Care	Animal Welfare
3	BRITISH AMERICAN TOBACCO P.L.C.	0.50%	Consumer Staples	Tobacco; Animal Welfare; Genetic Engineering; Iran; Sudan
4	IMPERIAL BRANDS PLC	0.50%	Consumer Staples	Tobacco
5	RECKITT BENCKISER GROUP PLC	0.49%	Consumer Staples	Animal Welfare
6	UNILEVER N.V.	0.45%	Consumer Staples	Animal Welfare
7	NESTLE S.A.	0.45%	Consumer Staples	Animal Welfare
8	EXXON MOBIL CORPORATION	0.44%	Energy	Animal Welfare
9	JAPAN TOBACCO INC.	0.41%	Consumer Staples	Tobacco; Genetic Engineering; Iran; Sudan
10	THE PROCTER & GAMBLE COMPANY	0.40%	Consumer Staples	Animal Welfare

BUSINESS INVOLVEMENT EXPOSURE ANALYSIS

	NET PORTFOLIO WEIGHT
Alcohol	1.25%
Gambling	0.26%
Tobacco	2.29%
Cluster Munitions	0.30%
Landmines	0.06%
Weapons Producers	1.31%
Firearms	0.02%
Animal Welfare	9.37%
Genetic Engineering	3.49%
Nuclear Power	3.22%
Iran	2.47%
Sudan	2.96%

Business Involvement Exposure*



* This is a subset of a wider range of business activities for which research is available.

Screen Definition

University of Maine System - UMS Consolidated Investment Pool

Category	Description
Alcohol	<ul style="list-style-type: none"> Companies that derive 5% or more of revenues from manufacturing, distributing, retailing, licensing, or supplying alcoholic products.
Gambling	<ul style="list-style-type: none"> Companies that derive 5% or more of revenues from gambling-related business activities.
Tobacco	<ul style="list-style-type: none"> Companies that manufacture tobacco products, such as cigars, blunts, cigarettes, electronic cigarettes, beedis, kreteks, smokeless tobacco, snuff, snus, and chewing tobacco; or Companies that derive 5% or more of revenues from tobacco distribution, retail, licensing, or the supply of key products necessary for the manufacture of tobacco products.
Cluster Munitions	<ul style="list-style-type: none"> Companies that manufacture cluster munitions whole systems or components. This category also includes manufacturers of specific delivery systems of cluster munitions. Companies that own 20 to 49.99 percent of a company that manufactures cluster munitions and/or components/delivery systems. When a company owns 50 percent or more of a company with involvement, MSCI ESG Research treats it as a consolidated subsidiary, unless the parent company in question is a financial institution. Companies that are 50 percent or more owned by a company with cluster munitions involvement.
Landmines	<ul style="list-style-type: none"> Companies that manufacture landmines whole systems or components. Companies that own 20 to 49.99 percent of a company that manufactures landmines and/or components. When a company owns 50 percent or more of a company with involvement, MSCI ESG Research treats it as a consolidated subsidiary, unless the parent company in question is a financial institution. Companies that are 50 percent or more owned by a company with landmine involvement.
Weapons Producers	<ul style="list-style-type: none"> Companies that derive revenue from the production of biological or chemical weapons and related systems and components. Companies that derive 5% or more of revenues from the manufacture of conventional weapons and related systems and components. Companies that derive 2% or more of revenue from the production of nuclear weapons and related systems and components.
Firearms	<ul style="list-style-type: none"> Companies that derive 5% or more of revenues from the manufacture and retail of civilian firearms and ammunition.
Animal Welfare	<ul style="list-style-type: none"> Companies that conduct animal testing for non-pharmaceutical products including cosmetic, personal care, and household cleaning products, as well as industrial and chemical products.
Genetic Engineering	<ul style="list-style-type: none"> Companies that genetically modify plants, such as seeds and crops, and other organisms intended for agricultural use or human consumption.
Nuclear Power	<ul style="list-style-type: none"> Companies that own or operate nuclear power plants. Companies that supply key nuclear-specific products or services to the nuclear power industry.
Iran	<ul style="list-style-type: none"> Global Sanctions - California Department of Insurance Iran Global Sanctions - State of California Iran Global Sanctions - State of Florida Iran Global Sanctions - State of Georgia Iran Global Sanctions - State of Illinois Iran
Sudan	<ul style="list-style-type: none"> Global Sanctions - State of Florida Sudan Global Sanctions - Sudan Focus Global Sanctions - State of Illinois Sudan Global Sanctions - State of New Jersey Sudan Global Sanctions - State of Oregon Sudan

Securities in this report are rated using either MSCI's ESG Ratings model or Government model. At a security level, both models include a Rating, ESG Quality Score, Environment Score, Social Score, and Governance Score. Drilling further down, the models utilize different data fields. Due to these differences, some pages of the report are based on a comingled universe of Government and ESG Ratings analyzed securities, while the results of other pages are based only on securities reviewed using a single rating model. In addition to the ESG Ratings and Government rating models, some sections of the report assess securities using MSCI's ESG Controversies and Business Involvement Screening Research (BISR) products. Following is an explanation of the models used in each section of the report:

	ESG Ratings	Government	Controversies	BISR
Portfolio Summary (p.2)	Y	Y		
Sector Breakdown - Corporates (p.3)	Y			
Sector Breakdown - Governments (p.4)		Y		
ESG Ratings Key Issue Breakdown - Environment (p.5)	Y			
ESG Ratings Key Issue Breakdown - Social - (p.6)	Y			
ESG Ratings Key Issue Breakdown - Governance (p.7)	Y			
ESG Ratings Key Issue Summary (p.8)	Y			
Holdings Breakdown (p.9 & 10)	Y	Y		
ESG Controversies Exposure (p.11)			Y	
Business Involvement Screening Research (p.12)				Y

Coverage of the portfolio is based on our existing research universe for each ESG product line, as outlined in the chart below.

Product	Research Universe
MSCI ESG Ratings	~6,000 companies (plus bond-issuing subsidiaries), primarily publicly-traded, but also including government-owned entities that operate as companies, and supra-national financial institutions.
Government Ratings	218 government entities (plus bond-issuing subsidiaries) including Sovereigns, Local Authorities and Agencies.
ESG Controversies	ACWI IMI+
BISR	All publicly-traded equities.

Please refer to ESG Manager for complete methodology documents.

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AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Defined Contribution Plan Share Class Change

2. **INITIATED BY:** Karl W. Turner, Chair

3. **BOARD INFORMATION:** **BOARD ACTION:** X

4. **BACKGROUND:**

Barry Schmitt, Senior Vice President with CAPTRUST Financial Advisors, will provide an overview of recent share class changes.

5. **TEXT OF PROPOSED RESOLUTION:**

That the Investment Committee approves:

Replacing Old Share Class	Adding New Share Class
Oppenheimer Intl Growth Y	Oppenheimer Intl Growth I
Goldman Sachs Growth Opp I	Goldman Sachs Growth Opportunities R6
RidgeWorth Ceredex Mid-Cap Value Eq I	RidgeWorth Ceredex Mid-Cap Value Eq IS
Harbor Capital App Institutional	Harbor Capital Appreciation Retirement
JHancock Disciplined Value R5	JHancock Disciplined Value R6