

**CITY OF BISMARCK POLICE PENSION FUND  
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2014**

|  | July-14           |               |               |               |               | Current Fiscal YTD |               | Prior Year FY14 |               | 3 Years Ended 6/30/2014 |               | 5 Years Ended 6/30/2014 |               |
|--|-------------------|---------------|---------------|---------------|---------------|--------------------|---------------|-----------------|---------------|-------------------------|---------------|-------------------------|---------------|
|  | Allocation        |               |               | Month         |               | Gross (7)          | Net           | Gross (7)       | Net           | Gross (7)               | Net           | Gross (7)               | Net           |
|  | Market Value      | Actual        | Policy        | Gross (5)     | Net           |                    |               |                 |               |                         |               |                         |               |
| <b>TOTAL FUND</b>                            | <b>34,311,582</b> | <b>100.0%</b> | <b>100.0%</b> | <b>-0.89%</b> | <b>-0.98%</b> | <b>-0.89%</b>      | <b>-0.98%</b> | <b>15.64%</b>   | <b>15.27%</b> | <b>10.06%</b>           | <b>9.69%</b>  | <b>12.96%</b>           | <b>12.61%</b> |
| <i>POLICY TARGET BENCHMARK</i>               |                   |               |               | <i>-1.04%</i> | <i>-1.04%</i> | <i>-1.04%</i>      | <i>-1.04%</i> | <i>14.45%</i>   | <i>14.45%</i> | <i>9.15%</i>            | <i>9.15%</i>  | <i>11.88%</i>           | <i>11.88%</i> |
| <b>ATTRIBUTION ANALYSIS</b>                  |                   |               |               |               |               |                    |               |                 |               |                         |               |                         |               |
| Asset Allocation                             |                   |               |               | -0.02%        | -0.02%        | -0.02%             | -0.02%        | 0.02%           | 0.02%         | -0.01%                  | -0.01%        |                         |               |
| Manager Selection                            |                   |               |               | 0.17%         | 0.09%         | 0.17%              | 0.09%         | 1.17%           | 0.79%         | 0.92%                   | 0.56%         |                         |               |
| <b>TOTAL RELATIVE RETURN</b>                 |                   |               |               | <b>0.15%</b>  | <b>0.07%</b>  | <b>0.15%</b>       | <b>0.07%</b>  | <b>1.19%</b>    | <b>0.81%</b>  | <b>0.91%</b>            | <b>0.55%</b>  |                         |               |
| <b>GLOBAL EQUITIES</b>                       |                   |               |               |               |               |                    |               |                 |               |                         |               |                         |               |
| <i>Benchmark</i>                             | <b>17,597,358</b> | <b>51.3%</b>  | <b>51.0%</b>  | <b>-1.48%</b> | <b>-1.65%</b> | <b>-1.48%</b>      | <b>-1.65%</b> | <b>21.93%</b>   | <b>21.46%</b> |                         |               |                         |               |
|  |                   |               |               | <i>-1.91%</i> | <i>-1.91%</i> | <i>-1.91%</i>      | <i>-1.91%</i> | <i>21.45%</i>   | <i>21.45%</i> |                         |               |                         |               |
| Epoch (1)                                    | 2,248,246         | 6.6%          | 7.0%          | -1.10%        | -1.28%        | -1.10%             | -1.28%        | 18.24%          | 17.41%        | 12.13%                  | 11.28%        | 14.50%                  | 13.52%        |
| LSV  | 3,232,560         | 9.4%          | 9.0%          | -0.86%        | -1.67%        | -0.86%             | -1.67%        | 27.77%          | 27.33%        | N/A                     | N/A           | N/A                     | N/A           |
| <b>Total Global Equities</b>                 | <b>5,480,806</b>  | <b>16.0%</b>  | <b>16.0%</b>  | <b>-0.96%</b> | <b>-1.51%</b> | <b>-0.96%</b>      | <b>-1.51%</b> | <b>23.32%</b>   | <b>22.72%</b> | <b>13.02%</b>           | <b>12.60%</b> |                         |               |
| <i>MSCI World</i>                            |                   |               |               | <i>-1.60%</i> | <i>-1.60%</i> | <i>-1.60%</i>      | <i>-1.60%</i> | <i>24.05%</i>   | <i>24.05%</i> | <i>13.73%</i>           | <i>13.73%</i> |                         |               |
| <b>Domestic - broad</b>                      |                   |               |               |               |               |                    |               |                 |               |                         |               |                         |               |
| <i>Benchmark</i>                             | <b>6,045,528</b>  | <b>17.6%</b>  | <b>17.6%</b>  | <b>-2.86%</b> | <b>-2.86%</b> | <b>-2.86%</b>      | <b>-2.86%</b> | <b>25.31%</b>   | <b>24.82%</b> |                         |               |                         |               |
|  |                   |               |               | <i>-3.48%</i> | <i>-3.48%</i> | <i>-3.48%</i>      | <i>-3.48%</i> | <i>24.73%</i>   | <i>24.73%</i> |                         |               |                         |               |
| <b>Large Cap Domestic</b>                    |                   |               |               |               |               |                    |               |                 |               |                         |               |                         |               |
| LA Capital                                   | 1,387,741         | 4.0%          | 4.2%          | -0.69%        | -0.69%        | -0.69%             | -0.69%        | 25.82%          | 25.56%        | 16.89%                  | 16.66%        | 19.48%                  | 19.26%        |
| <i>Russell 1000 Growth</i>                   |                   |               |               | <i>-1.53%</i> | <i>-1.53%</i> | <i>-1.53%</i>      | <i>-1.53%</i> | <i>26.92%</i>   | <i>26.92%</i> | <i>16.26%</i>           | <i>16.26%</i> | <i>19.24%</i>           | <i>19.24%</i> |
| LA Capital                                   | 936,293           | 2.7%          | 2.1%          | -0.63%        | -0.63%        | -0.63%             | -0.63%        | 24.42%          | 24.27%        | 17.20%                  | 17.01%        | 19.53%                  | 19.29%        |
| <i>Russell 1000</i>                          |                   |               |               | <i>-1.70%</i> | <i>-1.70%</i> | <i>-1.70%</i>      | <i>-1.70%</i> | <i>25.36%</i>   | <i>25.36%</i> | <i>16.63%</i>           | <i>16.63%</i> | <i>19.25%</i>           | <i>19.25%</i> |
| Northern Trust                               | 531,714           | 1.5%          | 2.1%          | -0.95%        | -0.95%        | -0.95%             | -0.95%        | 26.83%          | 25.90%        | 18.64%                  | 18.09%        | 20.16%                  | 19.83%        |
| Clifton                                      | 739,885           | 2.2%          | 2.1%          | -1.39%        | -1.39%        | -1.39%             | -1.39%        | 24.65%          | 24.65%        | 16.96%                  | 16.86%        | N/A                     | N/A           |
| <i>S&amp;P 500</i>                           |                   |               |               | <i>-1.62%</i> | <i>-1.62%</i> | <i>-1.62%</i>      | <i>-1.62%</i> | <i>24.61%</i>   | <i>24.61%</i> | <i>16.58%</i>           | <i>16.58%</i> | <i>18.83%</i>           | <i>18.83%</i> |
| <b>Total Large Cap Domestic</b>              | <b>3,595,634</b>  | <b>10.5%</b>  | <b>10.4%</b>  | <b>-0.86%</b> | <b>-0.86%</b> | <b>-0.86%</b>      | <b>-0.86%</b> | <b>17.57%</b>   | <b>17.48%</b> | <b>14.50%</b>           | <b>14.28%</b> | <b>18.60%</b>           | <b>18.29%</b> |
| <i>Russell 1000 (2)</i>                      |                   |               |               | <i>-1.70%</i> | <i>-1.70%</i> | <i>-1.70%</i>      | <i>-1.70%</i> | <i>16.86%</i>   | <i>16.86%</i> | <i>16.99%</i>           | <i>16.99%</i> | <i>19.08%</i>           | <i>19.08%</i> |
| <b>Small Cap Domestic</b>                    |                   |               |               |               |               |                    |               |                 |               |                         |               |                         |               |
| SEI  | 117               | 0.0%          | 0.0%          | 0.00%         | 0.00%         | 0.00%              | 0.00%         | -90.87%         | -90.87%       | -31.60%                 | -31.60%       | -16.99%                 | -17.10%       |
| Callan (5)                                   | 1,232,750         | 3.6%          | 3.6%          | -5.64%        | -5.64%        | -5.64%             | -5.64%        | 25.27%          | 24.40%        | 15.73%                  | 14.95%        | 21.97%                  | 21.23%        |
| Clifton                                      | 1,217,028         | 3.5%          | 3.6%          | -5.99%        | -5.99%        | -5.99%             | -5.99%        | 24.95%          | 24.29%        | 15.88%                  | 15.32%        | N/A                     | N/A           |
| <b>Total Small Cap Domestic</b>              | <b>2,449,895</b>  | <b>7.1%</b>   | <b>7.2%</b>   | <b>-5.81%</b> | <b>-5.81%</b> | <b>-5.81%</b>      | <b>-5.81%</b> | <b>25.17%</b>   | <b>24.40%</b> | <b>16.76%</b>           | <b>16.09%</b> | <b>24.72%</b>           | <b>24.01%</b> |
| <i>Russell 2000</i>                          |                   |               |               | <i>-6.05%</i> | <i>-6.05%</i> | <i>-6.05%</i>      | <i>-6.05%</i> | <i>23.64%</i>   | <i>23.64%</i> | <i>14.57%</i>           | <i>14.57%</i> | <i>20.21%</i>           | <i>20.21%</i> |
| <b>International - broad</b>                 |                   |               |               |               |               |                    |               |                 |               |                         |               |                         |               |
| <i>Benchmark</i>                             | <b>4,390,150</b>  | <b>12.8%</b>  | <b>12.4%</b>  | <b>-0.65%</b> | <b>-0.67%</b> | <b>-0.65%</b>      | <b>-0.67%</b> | <b>22.40%</b>   | <b>21.94%</b> |                         |               |                         |               |
|  |                   |               |               | <i>-0.73%</i> | <i>-0.73%</i> | <i>-0.73%</i>      | <i>-0.73%</i> | <i>20.65%</i>   | <i>20.65%</i> |                         |               |                         |               |
| <b>Developed International</b>               |                   |               |               |               |               |                    |               |                 |               |                         |               |                         |               |
| Capital Group                                | 570,253           | 1.7%          | 2.5%          | -2.22%        | -2.34%        | -2.22%             | -2.34%        | 21.31%          | 20.79%        | 9.29%                   | 8.77%         | 12.47%                  | 11.95%        |
| <i>MSCI EAFE (3)</i>                         |                   |               |               | <i>-1.97%</i> | <i>-1.97%</i> | <i>-1.97%</i>      | <i>-1.97%</i> | <i>23.57%</i>   | <i>23.57%</i> | <i>8.10%</i>            | <i>8.10%</i>  | <i>11.11%</i>           | <i>11.11%</i> |
| NTGI   | 1,386,129         | 0.0%          | 4.2%          | -1.78%        | -1.78%        | -1.78%             | -1.78%        | N/A             | N/A           | N/A                     | N/A           | N/A                     | N/A           |
| <i>MSCI World Ex US</i>                      |                   |               |               | <i>-1.78%</i> | <i>-1.78%</i> | <i>-1.78%</i>      | <i>-1.78%</i> |                 |               |                         |               |                         |               |
| DFA (5)                                      | 429,334           | 1.3%          | 0.8%          | -3.51%        | -3.51%        | -3.51%             | -3.51%        | 36.64%          | 35.75%        | 12.26%                  | 11.49%        | 16.48%                  | 15.76%        |
| Wellington                                   | 479,301           | 1.4%          | 0.8%          | -2.35%        | -2.35%        | -2.35%             | -2.35%        | 29.23%          | 28.18%        | 14.67%                  | 13.73%        | 18.76%                  | 17.83%        |
| <i>S&amp;P/Citigroup BMI EPAC &lt; \$2BN</i> |                   |               |               | <i>-1.27%</i> | <i>-1.27%</i> | <i>-1.27%</i>      | <i>-1.27%</i> | <i>26.39%</i>   | <i>26.39%</i> | <i>8.21%</i>            | <i>8.21%</i>  | <i>13.10%</i>           | <i>13.10%</i> |
| <b>Total Developed International</b>         | <b>2,865,024</b>  | <b>8.4%</b>   | <b>8.5%</b>   | <b>-2.23%</b> | <b>-2.25%</b> | <b>-2.23%</b>      | <b>-2.25%</b> | <b>26.40%</b>   | <b>25.99%</b> | <b>9.24%</b>            | <b>8.72%</b>  | <b>13.70%</b>           | <b>13.18%</b> |
| <i>MSCI EAFE (3)</i>                         |                   |               |               | <i>-1.97%</i> | <i>-1.97%</i> | <i>-1.97%</i>      | <i>-1.97%</i> | <i>23.57%</i>   | <i>23.57%</i> | <i>8.10%</i>            | <i>8.10%</i>  | <i>11.11%</i>           | <i>11.11%</i> |
| <b>Emerging Markets</b>                      |                   |               |               |               |               |                    |               |                 |               |                         |               |                         |               |
| JP Morgan                                    | -                 | 0.0%          | 1.0%          | 2.86%         | 2.86%         | 2.86%              | 2.86%         | 11.04%          | 9.86%         | 0.53%                   | -0.37%        | 9.58%                   | 8.73%         |
| NTGI   | 294               | 0.0%          | 2.0%          | 3.23%         | 3.23%         | 3.23%              | 3.23%         | 14.40%          | 14.30%        | N/A                     | N/A           | N/A                     | N/A           |
| Axiom  | 1,168,577         | 3.4%          | 0.0%          | N/A           | N/A           | N/A                | N/A           | N/A             | N/A           | N/A                     | N/A           | N/A                     | N/A           |
| DFA (5)                                      | 356,254           | 1.0%          | 1.0%          | 0.23%         | 0.23%         | 0.23%              | 0.23%         | 16.64%          | 15.89%        | 2.20%                   | 1.42%         | 14.16%                  | 13.40%        |
| <b>Total Emerging Markets</b>                | <b>1,525,126</b>  | <b>4.4%</b>   | <b>3.9%</b>   | <b>2.45%</b>  | <b>2.45%</b>  | <b>2.45%</b>       | <b>2.45%</b>  | <b>12.79%</b>   | <b>12.24%</b> | <b>2.14%</b>            | <b>1.47%</b>  | <b>10.93%</b>           | <b>10.27%</b> |
| <i>MSCI Emerging Markets</i>                 |                   |               |               | <i>1.93%</i>  | <i>1.93%</i>  | <i>1.93%</i>       | <i>1.93%</i>  | <i>14.31%</i>   | <i>14.31%</i> | <i>-0.39%</i>           | <i>-0.39%</i> | <i>9.36%</i>            | <i>9.36%</i>  |

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|  | July-14           |              |              |               |               | Current Fiscal YTD |               | Prior Year FY14 |              | 3 Years Ended 6/30/2014 |              | 5 Years Ended 6/30/2014 |              |
|--|-------------------|--------------|--------------|---------------|---------------|--------------------|---------------|-----------------|--------------|-------------------------|--------------|-------------------------|--------------|
|  | Allocation        |              | Month        |               |               | Gross (7)          | Net           | Gross (7)       | Net          | Gross (7)               | Net          | Gross (7)               | Net          |
|  | Market Value      | Actual       | Policy       | Gross (5)     | Net           |                    |               |                 |              |                         |              |                         |              |
| <b>Private Equity</b>                      |                   |              |              |               |               |                    |               |                 |              |                         |              |                         |              |
| Coral Momentum Fund (Formerly Fund VI)     | 4,763             | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | -79.77%         | -79.77%      | -37.74%                 | -37.74%      | -32.29%                 | -32.29%      |
| Brinson 1998 Partnership Fund              | 967               | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 1.90%           | 1.90%        | 0.45%                   | 0.45%        | 2.56%                   | 2.56%        |
| Brinson 1999 Partnership Fund              | 7,377             | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 17.53%          | 17.53%       | 6.67%                   | 6.67%        | 10.58%                  | 10.58%       |
| Brinson 2000 Partnership Fund              | 21,674            | 0.1%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 8.14%           | 8.14%        | 6.97%                   | 6.97%        | 11.24%                  | 11.24%       |
| Brinson 2001 Partnership Fund              | 22,639            | 0.1%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 19.41%          | 19.41%       | 12.09%                  | 12.09%       | 13.80%                  | 13.80%       |
| Brinson 2002 Partnership Fund              | 10,390            | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 19.24%          | 19.24%       | 12.60%                  | 12.60%       | 18.49%                  | 18.49%       |
| Brinson 2003 Partnership Fund              | 5,366             | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 31.54%          | 31.54%       | 9.56%                   | 9.56%        | 13.47%                  | 13.47%       |
| Total Brinson Partnership Funds            | 68,413            | 0.2%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 16.10%          | 16.10%       | 9.60%                   | 9.60%        | 13.09%                  | 13.09%       |
| Brinson 1999 Non-US Partnership Fund       | 4,427             | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 5.47%           | 5.47%        | 10.35%                  | 10.35%       | 17.54%                  | 17.54%       |
| Brinson 2000 Non-US Partnership Fund       | 8,101             | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 5.13%           | 5.13%        | 0.11%                   | 0.11%        | 8.17%                   | 8.17%        |
| Brinson 2001 Non-US Partnership Fund       | 3,798             | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 32.42%          | 32.42%       | 7.55%                   | 7.55%        | 10.97%                  | 10.97%       |
| Brinson 2002 Non-US Partnership Fund       | 12,287            | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 5.38%           | 5.38%        | 3.61%                   | 3.61%        | 10.53%                  | 10.53%       |
| Brinson 2003 Non-US Partnership Fund       | 14,234            | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 18.51%          | 18.51%       | 11.64%                  | 11.64%       | 19.76%                  | 19.76%       |
| Brinson 2004 Non-US Partnership Fund       | 9,707             | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 37.76%          | 37.76%       | 11.11%                  | 11.11%       | 14.45%                  | 14.45%       |
| Total Brinson Non-US Partnership Fund      | 52,555            | 0.2%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 15.80%          | 15.80%       | 6.93%                   | 6.93%        | 13.51%                  | 13.51%       |
| Adams Street 2008 Non-US Partnership Fd    | 52,277            | 0.2%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 18.99%          | 18.99%       | 8.91%                   | 8.91%        | 8.15%                   | 8.15%        |
| Brinson BVCF IV                            | 49,040            | 0.1%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 18.15%          | 18.15%       | 37.11%                  | 37.11%       | 60.50%                  | 60.50%       |
| Adams Street Direct Co-investment Fund     | 140,484           | 0.4%         |              | 0.00%         | -0.06%        | 0.00%              | -0.06%        | 18.68%          | 17.97%       | 11.96%                  | 11.74%       | 14.68%                  | 14.55%       |
| Adams Street 2010 Direct Fund              | 12,615            | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 36.22%          | 36.22%       | 19.44%                  | 19.44%       | N/A                     | N/A          |
| Adams Street 2010 Non-US Emerging Mkts     | 5,456             | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 3.92%           | 3.92%        | -8.27%                  | -8.27%       | N/A                     | N/A          |
| Adams Street 2010 Non-US Developed Mkts    | 16,754            | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 13.58%          | 13.58%       | 9.81%                   | 9.81%        | N/A                     | N/A          |
| Adams Street 2010 Partnership Fund         | 31,501            | 0.1%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 16.95%          | 16.95%       | 11.98%                  | 11.98%       | N/A                     | N/A          |
| Total Adams Street 2010 Funds              | 66,326            | 0.2%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 18.49%          | 18.49%       | 11.73%                  | 11.73%       | N/A                     | N/A          |
| Matlin Patterson Global Opportunities      | 95                | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 0.00%           | 0.00%        | -2.45%                  | -2.45%       | 36.15%                  | 36.15%       |
| Matlin Patterson Global Opportunities II   | 10,073            | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | -14.36%         | -14.36%      | -45.96%                 | -45.96%      | -40.14%                 | -40.14%      |
| Matlin Patterson Global Opportunities III  | 228,551           | 0.7%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 4.46%           | 4.46%        | 43.22%                  | 43.22%       | 31.57%                  | 31.57%       |
| InvestAmerica (Lewis and Clark Fund)       | 31,888            | 0.1%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | -19.26%         | -19.26%      | 0.31%                   | 0.31%        | 4.03%                   | 4.03%        |
| L&C II                                     | 80,370            | 0.2%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | -7.13%          | -7.13%       | -4.87%                  | N/A          | -8.67%                  | N/A          |
| Hearthstone MSII                           | 0                 | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 0.00%           | 0.00%        | 0.00%                   | 0.00%        | -15.00%                 | -15.00%      |
| Hearthstone MSIII                          | 1,196             | 0.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 0.00%           | 0.00%        | 50.20%                  | 50.20%       | 26.34%                  | 26.34%       |
| Corsair III                                | 94,077            | 0.3%         |              | -0.50%        | -0.50%        | -0.50%             | -0.50%        | 0.28%           | 0.28%        | -4.05%                  | -4.39%       | -1.08%                  | -1.29%       |
| Corsair III - ND Investors LLC             | 91,887            | 0.3%         |              | -0.22%        | -0.22%        | -0.22%             | -0.22%        | -1.11%          | -1.11%       | 4.05%                   | 3.97%        | 2.05%                   | 2.00%        |
| Corsair IV                                 | 95,018            | 0.3%         |              | -1.52%        | -1.52%        | -1.52%             | -1.52%        | 15.69%          | 15.69%       | 2.04%                   | 1.85%        | N/A                     | N/A          |
| Capital International (CIPEF V)            | 164,791           | 0.5%         |              | -0.29%        | -0.29%        | -0.29%             | -0.29%        | 10.66%          | 10.66%       | -1.75%                  | -1.75%       | 7.88%                   | 7.84%        |
| Capital International (CIPEF VI)           | 112,906           | 0.3%         |              | -1.16%        | -1.16%        | -1.16%             | -1.16%        | -5.75%          | -5.75%       | N/A                     | N/A          | N/A                     | N/A          |
| EIG (formerly TCW)                         | 194,614           | 0.6%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | -5.04%          | -5.04%       | 0.71%                   | 0.71%        | 6.64%                   | 6.64%        |
| Quantum Resources                          | 60,945            | 0.2%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | -17.20%         | -17.20%      | 3.89%                   | 3.89%        | -5.80%                  | -5.80%       |
| Quantum Energy Partners                    | 80,605            | 0.2%         |              | -1.25%        | -1.25%        | -1.25%             | -1.25%        | 31.13%          | 31.13%       | 26.61%                  | 26.61%       | 19.94%                  | 19.94%       |
| <b>Total Private Equity (5)</b>            | <b>1,680,874</b>  | <b>4.9%</b>  | <b>5.0%</b>  | <b>-0.29%</b> | <b>-0.30%</b> | <b>-0.29%</b>      | <b>-0.30%</b> | <b>4.10%</b>    | <b>4.09%</b> | <b>5.30%</b>            | <b>5.29%</b> | <b>9.83%</b>            | <b>9.83%</b> |
| <b>GLOBAL FIXED INCOME</b>                 |                   |              |              |               |               |                    |               |                 |              |                         |              |                         |              |
| <b>Benchmark</b>                           | <b>10,474,116</b> | <b>30.5%</b> | <b>29.0%</b> | <b>-0.46%</b> | <b>-0.47%</b> | <b>-0.46%</b>      | <b>-0.47%</b> | <b>7.62%</b>    | <b>7.42%</b> |                         |              |                         |              |
|  |                   |              |              | <b>-0.63%</b> | <b>-0.63%</b> | <b>-0.63%</b>      | <b>-0.63%</b> | <b>6.56%</b>    | <b>6.56%</b> |                         |              |                         |              |
| <b>Domestic Fixed Income</b>               | <b>8,980,883</b>  | <b>26.2%</b> | <b>25.0%</b> | <b>-0.36%</b> | <b>-0.36%</b> | <b>-0.36%</b>      | <b>-0.36%</b> | <b>7.47%</b>    | <b>7.29%</b> |                         |              |                         |              |
| <b>Benchmark</b>                           |                   |              |              | <b>-0.51%</b> | <b>-0.51%</b> | <b>-0.51%</b>      | <b>-0.51%</b> | <b>6.10%</b>    | <b>6.10%</b> |                         |              |                         |              |
| <b>Investment Grade Fixed Income</b>       |                   |              |              |               |               |                    |               |                 |              |                         |              |                         |              |
| PIMCO (DiSCO II) (5)                       | 876,783           | 2.6%         | 2.6%         | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 12.00%          | 12.00%       | N/A                     | N/A          | N/A                     | N/A          |
| <b>BC Aggregate</b>                        |                   |              |              | <b>-0.25%</b> | <b>-0.25%</b> | <b>-0.25%</b>      | <b>-0.25%</b> | <b>4.37%</b>    | <b>4.37%</b> |                         |              |                         |              |
| State Street                               | 1,241,343         | 3.6%         | 1.9%         | 0.55%         | 0.55%         | 0.55%              | 0.55%         | 6.23%           | 6.20%        | N/A                     | N/A          | N/A                     | N/A          |
| <b>BC Long Treasuries</b>                  |                   |              |              | <b>0.55%</b>  | <b>0.55%</b>  | <b>0.55%</b>       | <b>0.55%</b>  | <b>6.26%</b>    | <b>6.26%</b> |                         |              |                         |              |
| PIMCO Unconstrained                        | 978,514           | 2.9%         | 2.8%         | -0.08%        | -0.08%        | -0.08%             | -0.08%        | N/A             | N/A          | N/A                     | N/A          | N/A                     | N/A          |
| <b>3m LIBOR</b>                            |                   |              |              | <b>0.02%</b>  | <b>0.02%</b>  | <b>0.02%</b>       | <b>0.02%</b>  | <b>0.24%</b>    | <b>0.24%</b> |                         |              |                         |              |
| Declaration (Total Return) (5)             | 749,189           | 2.2%         | 2.3%         | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 6.71%           | 6.71%        | N/A                     | N/A          | N/A                     | N/A          |
| <b>3m LIBOR</b>                            |                   |              |              | <b>0.02%</b>  | <b>0.02%</b>  | <b>0.02%</b>       | <b>0.02%</b>  | <b>0.24%</b>    | <b>0.24%</b> |                         |              |                         |              |
| Western Asset                              | 1,220,128         | 3.6%         | 3.8%         | -0.48%        | -0.51%        | -0.48%             | -0.51%        | 4.73%           | 4.56%        | N/A                     | N/A          | N/A                     | N/A          |
| JP Morgan                                  | -                 |              |              | N/A           | N/A           | N/A                | N/A           | N/A             | N/A          | N/A                     | N/A          | N/A                     | N/A          |
| PIMCO                                      | 1,818,503         | 5.3%         | 5.7%         | -0.43%        | -0.43%        | -0.43%             | -0.43%        | 4.06%           | 3.88%        | N/A                     | N/A          | N/A                     | N/A          |
| <b>BC Mortgage Backed Securities Index</b> |                   |              |              | <b>-0.59%</b> | <b>-0.59%</b> | <b>-0.59%</b>      | <b>-0.59%</b> | <b>4.66%</b>    | <b>4.66%</b> |                         |              |                         |              |

**CITY OF BISMARCK POLICE PENSION FUND  
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2014**

|  | July-14          |              |              |               |               | Current Fiscal YTD |               | Prior Year FY14 |               | 3 Years Ended 6/30/2014 |               | 5 Years Ended 6/30/2014 |               |
|--|------------------|--------------|--------------|---------------|---------------|--------------------|---------------|-----------------|---------------|-------------------------|---------------|-------------------------|---------------|
|  | Market Value     | Allocation   |              | Month         |               | Gross (7)          | Net           | Gross (7)       | Net           | Gross (7)               | Net           | Gross (7)               | Net           |
|  |                  | Actual       | Policy       | Gross (5)     | Net           |                    |               |                 |               |                         |               |                         |               |
| <b>Total Investment Grade Fixed Income</b>       | <b>6,884,461</b> | <b>20.1%</b> | <b>19.0%</b> | <b>-0.11%</b> | <b>-0.12%</b> | <b>-0.11%</b>      | <b>-0.12%</b> | <b>5.63%</b>    | <b>5.54%</b>  | <b>5.63%</b>            | <b>5.48%</b>  | <b>6.05%</b>            | <b>5.63%</b>  |
| <b>BC Aggregate</b>                              |                  |              |              | <b>-0.25%</b> | <b>-0.25%</b> | <b>-0.25%</b>      | <b>-0.25%</b> | <b>4.37%</b>    | <b>4.37%</b>  | <b>3.66%</b>            | <b>3.66%</b>  | <b>4.85%</b>            | <b>4.85%</b>  |
| <b>Below Investment Grade Fixed Income</b>       |                  |              |              |               |               |                    |               |                 |               |                         |               |                         |               |
| Loomis Sayles                                    | 1,899,341        | 5.5%         | 5.4%         | -1.26%        | -1.26%        | -1.26%             | -1.26%        | 13.27%          | 12.72%        | 9.42%                   | 8.90%         | 15.21%                  | 14.70%        |
| PIMCO (BRAVO II) (5)                             | 108,214          | 0.3%         | 0.3%         | 0.00%         | 0.00%         | 0.00%              | 0.00%         | N/A             | N/A           | N/A                     | N/A           | N/A                     | N/A           |
| Goldman Sachs 2006 Fund (5)                      | 21,012           | 0.1%         | 0.1%         | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 25.57%          | 25.57%        | 5.86%                   | 5.86%         | 27.31%                  | 27.31%        |
| Goldman Sachs Fund V (5)                         | 67,856           | 0.2%         | 0.2%         | -1.26%        | -1.26%        | -1.26%             | -1.26%        | 10.04%          | 10.04%        | 11.32%                  | 11.32%        | 18.65%                  | 18.65%        |
| <b>Total Below Investment Grade Fixed Income</b> | <b>2,096,423</b> | <b>6.1%</b>  | <b>6.0%</b>  | <b>-1.18%</b> | <b>-1.18%</b> | <b>-1.18%</b>      | <b>-1.18%</b> | <b>13.51%</b>   | <b>13.01%</b> | <b>10.25%</b>           | <b>9.79%</b>  | <b>15.91%</b>           | <b>15.48%</b> |
| <b>BC High Yield 2% Issuer Constrained Index</b> |                  |              |              | <b>-1.33%</b> | <b>-1.33%</b> | <b>-1.33%</b>      | <b>-1.33%</b> | <b>11.72%</b>   | <b>11.72%</b> | <b>9.46%</b>            | <b>9.46%</b>  | <b>13.93%</b>           | <b>13.93%</b> |
| <b>International Fixed Income</b>                | <b>1,493,233</b> | <b>4.4%</b>  | <b>4.0%</b>  | <b>-1.08%</b> | <b>-1.08%</b> | <b>-1.08%</b>      | <b>-1.08%</b> | <b>8.57%</b>    | <b>8.23%</b>  |                         |               |                         |               |
| <b>Benchmark</b>                                 |                  |              |              | <b>-1.35%</b> | <b>-1.35%</b> | <b>-1.35%</b>      | <b>-1.35%</b> | <b>9.43%</b>    | <b>9.43%</b>  |                         |               |                         |               |
| <b>Developed Investment Grade Int'l FI</b>       |                  |              |              |               |               |                    |               |                 |               |                         |               |                         |               |
| UBS Global (Brinson)                             | 736,334          | 2.1%         | 2.0%         | -1.40%        | -1.40%        | -1.40%             | -1.40%        | 8.49%           | 8.26%         | 1.27%                   | 0.99%         | 4.14%                   | 3.85%         |
| <b>BC Global Aggregate ex-US (4)</b>             |                  |              |              | <b>-1.35%</b> | <b>-1.35%</b> | <b>-1.35%</b>      | <b>-1.35%</b> | <b>9.43%</b>    | <b>9.43%</b>  | <b>1.65%</b>            | <b>1.65%</b>  | <b>4.26%</b>            | <b>4.26%</b>  |
| Brandywine                                       | 756,898          | 2.2%         | 2.0%         | -0.76%        | -0.76%        | -0.76%             | -0.76%        | 8.78%           | 8.34%         | 7.80%                   | 7.37%         | 10.72%                  | 10.30%        |
| <b>BC Global Aggregate (ex-US)</b>               |                  |              |              | <b>-0.90%</b> | <b>-0.90%</b> | <b>-0.90%</b>      | <b>-0.90%</b> | <b>7.39%</b>    | <b>7.39%</b>  | <b>2.57%</b>            | <b>2.57%</b>  | <b>4.77%</b>            | <b>4.77%</b>  |
| <b>Total Developed Investment Grade Int'l FI</b> | <b>1,493,233</b> | <b>4.4%</b>  | <b>4.0%</b>  | <b>-1.08%</b> | <b>-1.08%</b> | <b>-1.08%</b>      | <b>-1.08%</b> | <b>8.57%</b>    | <b>8.23%</b>  | <b>4.62%</b>            | <b>4.27%</b>  | <b>7.68%</b>            | <b>7.32%</b>  |
| <b>BC Global Aggregate ex-US</b>                 |                  |              |              | <b>-1.35%</b> | <b>-1.35%</b> | <b>-1.35%</b>      | <b>-1.35%</b> | <b>9.43%</b>    | <b>9.43%</b>  | <b>1.65%</b>            | <b>1.65%</b>  | <b>4.26%</b>            | <b>4.26%</b>  |
| <b>GLOBAL REAL ASSETS</b>                        | <b>6,157,512</b> | <b>17.9%</b> | <b>20.0%</b> | <b>0.02%</b>  | <b>0.02%</b>  | <b>0.02%</b>       | <b>0.02%</b>  | <b>11.69%</b>   | <b>11.26%</b> |                         |               |                         |               |
| <b>Benchmark</b>                                 |                  |              |              | <b>0.55%</b>  | <b>0.55%</b>  | <b>0.55%</b>       | <b>0.55%</b>  | <b>8.55%</b>    | <b>8.55%</b>  |                         |               |                         |               |
| <b>Global Real Estate</b>                        |                  |              |              |               |               |                    |               |                 |               |                         |               |                         |               |
| INVESCO - Core                                   | 1,245,660        |              |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 10.91%          | 10.48%        | 11.07%                  | 10.61%        | 9.65%                   | 9.17%         |
| INVESCO - Fund II (5)                            | 171,544          |              |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 14.49%          | 14.49%        | 22.06%                  | 22.06%        | 5.16%                   | 5.16%         |
| INVESCO - Fund III (5)                           | 286,515          |              |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 18.28%          | 18.28%        | N/A                     | N/A           | N/A                     | N/A           |
| INVESCO - Asia Real Estate Fund (5)              | 237,124          |              |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 15.25%          | 15.25%        | 3.22%                   | 3.22%         | N/A                     | N/A           |
| J.P. Morgan Strategic & Special Funds            | 1,158,403        |              |              | 0.43%         | 0.43%         | 0.43%              | 0.43%         | 15.10%          | 14.04%        | 14.35%                  | 13.35%        | 10.95%                  | 9.95%         |
| J.P. Morgan Alternative Property Fund            | 35,492           |              |              | -0.01%        | -0.01%        | -0.01%             | -0.01%        | 4.18%           | 4.18%         | 15.31%                  | 15.17%        | 5.54%                   | 5.04%         |
| J.P. Morgan Greater Europe Fund (5)              | 185,984          |              |              | -2.22%        | -2.22%        | -2.22%             | -2.22%        | 66.58%          | 66.58%        | -104.03%                | -104.03%      | N/A                     | N/A           |
| J.P. Morgan Greater China Property Fund (5)      | 80,691           |              |              | 0.08%         | 0.08%         | 0.08%              | 0.08%         | 70.53%          | 70.53%        | 15.98%                  | 15.98%        | 12.62%                  | 12.62%        |
| <b>Total Global Real Estate</b>                  | <b>3,401,413</b> | <b>9.9%</b>  | <b>10.0%</b> | <b>0.02%</b>  | <b>0.02%</b>  | <b>0.02%</b>       | <b>0.02%</b>  | <b>16.77%</b>   | <b>16.24%</b> | <b>13.57%</b>           | <b>13.06%</b> | <b>9.90%</b>            | <b>9.33%</b>  |
| <b>NCREIF TOTAL INDEX</b>                        |                  |              |              | <b>0.96%</b>  | <b>0.96%</b>  | <b>0.96%</b>       | <b>0.96%</b>  | <b>11.21%</b>   | <b>11.21%</b> | <b>11.32%</b>           | <b>11.32%</b> | <b>9.67%</b>            | <b>9.67%</b>  |
| <b>Timber</b>                                    |                  |              |              |               |               |                    |               |                 |               |                         |               |                         |               |
| TIR - Teredo                                     | 524,281          | 1.5%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 6.64%           | 6.64%         | 3.09%                   | 3.09%         | 5.33%                   | 5.33%         |
| TIR - Springbank                                 | 819,914          | 2.4%         |              | 0.02%         | 0.02%         | 0.02%              | 0.02%         | 0.22%           | 0.22%         | -2.60%                  | -2.60%        | -5.35%                  | -5.35%        |
| <b>Total Timber (5)</b>                          | <b>1,344,196</b> | <b>3.9%</b>  | <b>5.0%</b>  | <b>0.01%</b>  | <b>0.01%</b>  | <b>0.01%</b>       | <b>0.01%</b>  | <b>2.62%</b>    | <b>2.62%</b>  |                         |               |                         |               |
| <b>NCREIF Timberland Index</b>                   |                  |              |              | <b>0.36%</b>  | <b>0.36%</b>  | <b>0.36%</b>       | <b>0.36%</b>  | <b>9.94%</b>    | <b>9.94%</b>  | <b>6.73%</b>            | <b>6.73%</b>  | <b>3.33%</b>            | <b>3.33%</b>  |
| <b>Infrastructure</b>                            |                  |              |              |               |               |                    |               |                 |               |                         |               |                         |               |
| JP Morgan (Asian) (5)                            | 256,175          | 0.7%         |              | 0.07%         | 0.07%         | 0.07%              | 0.07%         | 3.71%           | 3.71%         | 7.17%                   | 7.17%         | 4.83%                   | 4.73%         |
| JP Morgan (IIF)                                  | 825,826          | 2.4%         |              | 0.00%         | 0.04%         | 0.00%              | 0.04%         | 9.82%           | 8.81%         | 8.29%                   | 7.16%         | 7.59%                   | 6.29%         |
| Grosvenor (formerly Credit Suisse) (5)           | 329,903          | 1.0%         |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 12.90%          | 12.90%        | N/A                     | N/A           | N/A                     | N/A           |
| <b>Total Infrastructure (8)</b>                  | <b>1,411,904</b> | <b>4.1%</b>  | <b>5.0%</b>  | <b>0.01%</b>  | <b>0.03%</b>  | <b>0.01%</b>       | <b>0.03%</b>  | <b>9.47%</b>    | <b>8.83%</b>  |                         |               |                         |               |
| <b>CPI</b>                                       |                  |              |              | <b>-0.08%</b> | <b>-0.08%</b> | <b>-0.08%</b>      | <b>-0.08%</b> | <b>2.05%</b>    | <b>2.05%</b>  |                         |               |                         |               |
| <b>Cash Equivalents</b>                          |                  |              |              |               |               |                    |               |                 |               |                         |               |                         |               |
| Northern Trust STIF                              | 82,595           |              |              | 0.00%         | 0.00%         | 0.00%              | 0.00%         | 0.04%           | 0.04%         | 0.09%                   | 0.09%         | 0.11%                   | 0.11%         |
| <b>Total Cash Equivalents</b>                    | <b>82,595</b>    | <b>0.2%</b>  | <b>0.0%</b>  | <b>0.00%</b>  | <b>0.00%</b>  | <b>0.00%</b>       | <b>0.00%</b>  | <b>0.04%</b>    | <b>0.04%</b>  | <b>0.09%</b>            | <b>0.09%</b>  | <b>0.14%</b>            | <b>0.14%</b>  |
| <b>90 Day T-Bill</b>                             |                  |              |              | <b>0.00%</b>  | <b>0.00%</b>  | <b>0.00%</b>       | <b>0.00%</b>  | <b>0.06%</b>    | <b>0.06%</b>  | <b>0.07%</b>            | <b>0.07%</b>  | <b>0.11%</b>            | <b>0.11%</b>  |

NOTE: Monthly returns and market values are preliminary and subject to change.

New asset class structure began October 1, 2011. Composite returns for new composites not available prior to that date.

Portfolios moved between asset classes will show historical returns in new position.

(1) Epoch was included in the Large Cap Domestic Equity composite through 12/31/11.

(2) Prior to January 1, 2012, the benchmark was S&P 500.

(3) This benchmark was changed to the MSCI EAFE (unhedged) as of April 1, 2011.

(4) Prior to December 1, 2009, the benchmark was the Citigroup World Gov't Bond Index ex-US

(5) All limited partnership-type (and mutual funds as of 7/1/14) investment returns will only be reported net of fees, which is standard practice by the investment consultant.