

**CONSOLIDATED INSURANCE TRUST
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2014**

	July-14					Current FYTD		Prior Year FY14		3 Years Ended 6/30/2014		5 Years Ended 6/30/2014	
	Market Value	Allocation		Month		Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net
		Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net								
TOTAL INSURANCE TRUST	4,604,575,520	100.0%	100.0%	-0.79%	-0.81%	-0.79%	-0.81%	8.53%	8.30%	6.47%	6.23%	8.69%	8.43%
<i>POLICY TARGET BENCHMARK</i>				<i>-0.89%</i>	<i>-0.89%</i>	<i>-0.89%</i>	<i>-0.89%</i>	<i>7.17%</i>	<i>7.17%</i>	<i>4.64%</i>	<i>4.64%</i>	<i>6.12%</i>	<i>6.12%</i>
ATTRIBUTION ANALYSIS													
Asset Allocation				0.03%	0.03%	0.03%	0.03%	-0.13%	-0.13%	-0.30%	-0.30%		
Manager Selection				0.07%	0.05%	0.07%	0.05%	1.49%	1.26%	2.13%	1.89%		
TOTAL RELATIVE RETURN				0.10%	0.08%	0.10%	0.08%	1.36%	1.13%	1.83%	1.59%	2.58%	2.31%
LARGE CAP DOMESTIC EQUITY													
Los Angeles Capital	211,188,916	4.6%	4.6%	-0.74%	-0.74%	-0.74%	-0.74%	25.79%	25.57%	17.16%	16.94%	7.73%	7.51%
<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>7.47%</i>	<i>7.47%</i>
LSV	209,747,149	4.6%	4.6%	-1.45%	-1.51%	-1.45%	-1.51%	28.33%	28.01%	19.09%	18.79%	8.24%	7.86%
<i>Russell 1000 Value</i>				<i>-1.70%</i>	<i>-1.70%</i>	<i>-1.70%</i>	<i>-1.70%</i>	<i>23.81%</i>	<i>23.81%</i>	<i>16.92%</i>	<i>16.92%</i>	<i>6.67%</i>	<i>6.67%</i>
Los Angeles Capital	140,098,136	3.0%	3.0%	-0.80%	-0.80%	-0.80%	-0.80%	24.29%	24.15%	17.14%	16.95%	8.08%	7.81%
<i>Russell 1000</i>				<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>25.36%</i>	<i>25.36%</i>	<i>16.63%</i>	<i>16.63%</i>	<i>7.12%</i>	<i>7.12%</i>
Clifton Group	140,010,585	3.0%	3.0%	-1.43%	-1.43%	-1.43%	-1.43%	24.75%	24.63%	16.93%	16.80%	19.96%	19.63%
<i>S&P 500</i>				<i>-1.38%</i>	<i>-1.38%</i>	<i>-1.38%</i>	<i>-1.38%</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>
TOTAL LARGE CAP DOMESTIC EQUITY	701,044,786	15.2%	15.2%	-1.12%	-1.13%	-1.12%	-1.13%	26.07%	25.85%	17.73%	17.51%	19.57%	19.28%
<i>Russell 1000</i>				<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>25.36%</i>	<i>25.36%</i>	<i>17.02%</i>	<i>17.02%</i>	<i>19.10%</i>	<i>19.10%</i>
SMALL CAP DOMESTIC EQUITY													
Research Affiliates	85,694,130	1.9%	2.6%	-5.61%	-5.61%	-5.61%	-5.61%	24.68%	24.29%	16.34%	15.88%	22.98%	22.51%
Clifton	150,053,680	3.3%	2.6%	-6.13%	-6.13%	-6.13%	-6.13%	24.67%	24.17%	15.76%	15.30%	22.16%	21.67%
TOTAL SMALL CAP DOMESTIC EQUITY	235,747,810	5.1%	5.1%	-5.85%	-5.85%	-5.85%	-5.85%	24.78%	24.34%	16.10%	15.64%	22.49%	22.01%
<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>
INTERNATIONAL EQUITY													
Capital Group	238,862,779	5.2%	5.2%	-1.99%	-2.07%	-1.99%	-2.07%	20.70%	20.25%	8.58%	8.03%	12.11%	11.55%
LSV	240,215,919	5.2%	5.2%	-1.53%	-1.62%	-1.53%	-1.62%	27.25%	26.77%	9.54%	9.04%	12.20%	11.69%
<i>MSCI EAFE</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>
DFA	58,726,882	1.3%	1.3%	-3.51%	-3.51%	-3.51%	-3.51%	36.58%	35.75%	12.25%	11.48%	16.48%	15.74%
Vanguard (2)	59,269,348	1.3%	1.3%	-2.08%	-2.08%	-2.08%	-2.08%	29.97%	29.46%	9.31%	8.86%	14.93%	14.49%
<i>S&P/Citigroup BMI EPAC < \$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>
TOTAL INTERNATIONAL EQUITY	597,074,928	13.0%	13.0%	-1.97%	-2.04%	-1.97%	-2.04%	25.76%	25.26%	9.31%	8.77%	12.94%	12.39%
<i>MSCI EAFE</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>
FIXED INCOME													
Western Asset	464,780,472	10.1%	10.2%	-0.09%	-0.13%	-0.09%	-0.13%	6.13%	5.99%	5.69%	5.52%	8.72%	8.54%
Prudential	117,942,598	2.6%	2.6%	-0.21%	-0.21%	-0.21%	-0.21%	6.71%	6.42%	6.06%	5.76%	8.55%	8.25%
PIMCO (DISCO II) (2)	75,713,476	1.6%	1.6%	0.00%	0.00%	0.00%	0.00%	12.02%	12.02%	N/A	N/A	N/A	N/A
PIMCO (BRAVO II) (2)	12,720,786	0.3%	0.3%	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
<i>BC Aggregate</i>				<i>-0.25%</i>	<i>-0.25%</i>	<i>-0.25%</i>	<i>-0.25%</i>	<i>4.37%</i>	<i>4.37%</i>	<i>3.66%</i>	<i>3.66%</i>	<i>4.85%</i>	<i>4.85%</i>
Declaration (Total Return) (2)	128,911,075	2.8%	2.8%	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
<i>3m LIBOR</i>				<i>0.02%</i>	<i>0.02%</i>	<i>0.02%</i>	<i>0.02%</i>						
State Street	207,816,191	4.5%	4.5%	-0.11%	-0.11%	-0.11%	-0.11%	4.26%	4.23%	N/A	N/A	N/A	N/A
<i>BC Gov/Credit</i>				<i>-0.11%</i>	<i>-0.11%</i>	<i>-0.11%</i>	<i>-0.11%</i>	<i>4.28%</i>	<i>4.28%</i>				
Wells Capital	472,013,075	10.3%	10.2%	-0.20%	-0.20%	-0.20%	-0.20%	10.01%	9.79%	7.70%	7.48%	10.19%	9.97%
<i>BC Credit Baa</i>				<i>-1.40%</i>	<i>-1.40%</i>	<i>-1.40%</i>	<i>-1.40%</i>	<i>9.46%</i>	<i>9.46%</i>	<i>7.12%</i>	<i>7.12%</i>	<i>9.05%</i>	<i>9.05%</i>
TOTAL FIXED INCOME	1,479,897,673	32.1%	32.1%	-0.12%	-0.13%	-0.12%	-0.13%	7.76%	7.60%	7.48%	7.29%	9.42%	9.23%
<i>BC Aggregate (2)</i>				<i>-0.25%</i>	<i>-0.25%</i>	<i>-0.25%</i>	<i>-0.25%</i>	<i>4.37%</i>	<i>4.37%</i>	<i>3.66%</i>	<i>3.66%</i>	<i>4.85%</i>	<i>4.85%</i>

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	Market Value	Allocation		Month		Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net
		Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net								
DIVERSIFIED REAL ASSETS (formerly Inflation Protected)													
Western	243,047,740	5.3%	5.0%	-0.28%	-0.32%	-0.28%	-0.32%	10.09%	9.91%	3.72%	3.54%	5.09%	4.84%
<i>BC Global Inflation Linked Index (3)</i>				-0.57%	-0.57%	-0.57%	-0.57%	10.42%	10.42%	4.44%	4.44%	5.54%	5.54%
TIR - Eastern Timber Opps Fund (2)	63,725,267	1.4%	1.4%	0.00%	0.00%	0.00%	0.00%	9.89%	9.89%	5.69%	5.69%	4.13%	4.00%
<i>NCREIF Timberland Index</i>				0.36%	0.36%	0.36%	0.36%	9.94%	9.94%	6.73%	6.73%	3.33%	3.33%
JP Morgan (Infrastructure)	71,905,950	1.6%	1.6%	0.00%	0.04%	0.00%	0.04%	9.94%	8.88%	8.32%	7.19%	7.37%	6.07%
Grosvenor (formerly Credit Suisse) (Infrastructure) (2)	20,991,232	0.5%	0.5%	0.00%	0.00%	0.00%	0.00%	12.90%	12.90%	N/A	N/A	N/A	N/A
<i>CPI</i>				-0.08%	-0.08%	-0.08%	-0.08%	2.05%	2.05%				
TOTAL DIVERSIFIED REAL ASSETS	399,670,189	8.7%	8.4%	-0.17%	-0.19%	-0.17%	-0.19%	10.19%	9.88%	5.22%	4.90%	5.56%	5.20%
<i>Benchmark (3) (5)</i>				-0.30%	-0.30%	-0.30%	-0.30%	10.42%	10.42%	4.44%	4.44%	5.54%	5.54%
REAL ESTATE													
JP Morgan	132,860,965	2.9%	2.4%	0.00%	0.04%	0.00%	0.04%	10.12%	8.75%	17.19%	15.97%	13.24%	11.99%
Invesco	94,811,807	2.1%	2.4%	0.00%	0.00%	0.00%	0.00%	10.92%	10.38%	N/A	N/A	N/A	N/A
TOTAL REAL ESTATE	227,672,771	4.9%	4.9%	0.00%	0.03%	0.00%	0.03%	10.45%	9.39%	15.96%	14.92%	12.53%	11.38%
<i>NCREIF Total Index</i>				0.96%	0.96%	0.96%	0.96%	11.21%	11.21%	11.32%	11.32%	9.67%	9.67%
CASH EQUIVALENTS													
Northern Trust (2)	58,510,573			0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	58,510,573	1.3%	1.5%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.17%	0.17%	0.24%	0.24%
<i>90 Day T-Bill</i>				0.00%	0.00%	0.00%	0.00%	0.06%	0.06%	0.08%	0.08%	0.11%	0.11%
SHORT TERM FIXED INCOME													
Babson Capital - Short Term Bonds - Insurance Pool	238,603,534	5.2%	5.2%	-0.14%	-0.14%	-0.14%	-0.14%	2.39%	2.26%	N/A	N/A	N/A	N/A
Babson Capital - Short Term Bonds-Legacy Fund	219,593,642	4.8%	4.7%	-0.11%	-0.11%	-0.11%	-0.11%	2.82%	2.65%	N/A	N/A	N/A	N/A
<i>BC 1-3 Year US Gov't Index</i>				-0.08%	-0.08%	-0.08%	-0.08%	0.77%	0.77%				
JP Morgan-Insurance Pool	236,618,251	5.1%	5.2%	-0.09%	-0.11%	-0.09%	-0.11%	1.44%	1.31%	N/A	N/A	N/A	N/A
JP Morgan-Legacy Fund	210,141,363	4.6%	4.7%	-0.06%	-0.09%	-0.06%	-0.09%	1.36%	1.24%	N/A	N/A	N/A	N/A
<i>BC 1-3 Year Gov/Credit Index</i>				-0.07%	-0.07%	-0.07%	-0.07%	1.14%	1.14%				
TOTAL SHORT TERM FIXED INCOME	904,956,790	19.7%	19.7%	-0.10%	-0.11%	-0.10%	-0.11%	2.04%	1.90%	1.19%	1.07%	3.75%	3.63%
<i>BC 1-3 Year US Gov't Index (4)</i>				-0.08%	-0.08%	-0.08%	-0.08%	0.77%	0.77%				

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

Effective July 1, 2013, net of fee returns are calculated on a cash basis in the month paid. Prior years were accrual based and split evenly over the 12 months of the fiscal year.

(1) Because each fund within the Insurance Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.

(2) 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.

(3) Prior to January 1, 2010, the benchmark was BC US TIPS Index.

(4) Prior to October 1, 2011, the benchmark was 90 Day T-bills.