

INSURANCE REGULATORY TRUST FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2013

	August-13					July-13					Current FYTD		Prior Year FY13		3 Years Ended 6/30/2013		5 Years Ended 6/30/2013	
	Market Value	Allocation		Month		Market Value	Allocation		Month		Gross	Net	Gross	Net	Gross	Net	Gross	Net
		Actual	Policy	Gross	Net		Actual	Policy	Gross	Net								
TOTAL INSURANCE REGULATORY TRUST	1,053,179	100.0%	100.0%	-0.94%	-0.95%	1,067,150	100.0%	100.0%	1.97%	1.96%	1.01%	0.99%	8.65%	8.49%	7.76%	7.57%	5.04%	
<i>POLICY TARGET BENCHMARK</i>				<i>-0.88%</i>	<i>-0.88%</i>				<i>1.73%</i>	<i>1.73%</i>	<i>0.83%</i>	<i>0.83%</i>	<i>5.75%</i>	<i>5.75%</i>	<i>5.91%</i>	<i>5.91%</i>	<i>3.85%</i>	
ATTRIBUTION ANALYSIS																		
Asset Allocation				-0.03%	-0.03%				-0.01%	-0.01%	-0.03%	-0.03%	0.09%	0.09%	0.05%	0.05%		
Manager Selection				-0.03%	-0.04%				0.24%	0.23%	0.21%	0.19%	2.81%	2.65%	1.79%	1.61%		
TOTAL RELATIVE RETURN				-0.06%	-0.07%				0.24%	0.23%	0.18%	0.15%	2.90%	2.74%	1.84%	1.66%		
LARGE CAP DOMESTIC EQUITY																		
Los Angeles Capital	46,650	4.4%	4.5%	-2.30%	-2.31%	48,855	4.6%	4.5%	5.26%	5.25%	2.84%	2.81%	18.87%	18.66%	19.01%	18.80%	7.51%	
<i>Russell 1000 Growth</i>				<i>-1.71%</i>	<i>-1.71%</i>				<i>5.30%</i>	<i>5.30%</i>	<i>3.50%</i>	<i>3.50%</i>	<i>17.07%</i>	<i>17.07%</i>	<i>18.68%</i>	<i>18.68%</i>	<i>7.47%</i>	
LSV	46,536	4.4%	4.5%	-3.52%	-3.54%	50,947	4.8%	4.5%	6.39%	6.37%	2.64%	2.60%	32.50%	32.20%	20.05%	19.73%	7.86%	
<i>Russell 1000 Value</i>				<i>-3.79%</i>	<i>-3.79%</i>				<i>5.40%</i>	<i>5.40%</i>	<i>1.40%</i>	<i>1.40%</i>	<i>25.32%</i>	<i>25.32%</i>	<i>18.51%</i>	<i>18.51%</i>	<i>6.67%</i>	
LA Capital	31,114	3.0%	3.0%	-2.83%	-2.84%	33,515	3.1%	3.0%	5.68%	5.66%	2.69%	2.66%	21.58%	21.39%	19.18%	18.90%	7.81%	
<i>Russell 1000</i>				<i>-2.76%</i>	<i>-2.76%</i>				<i>5.35%</i>	<i>5.35%</i>	<i>2.45%</i>	<i>2.45%</i>	<i>21.24%</i>	<i>21.24%</i>	<i>18.63%</i>	<i>18.63%</i>	<i>7.12%</i>	
Clifton Group (moved from fixed 11/1/08)	30,632	2.9%	3.0%	-3.03%	-3.04%	32,437	3.0%	3.0%	4.95%	4.94%	1.77%	1.76%	20.94%	20.84%	19.20%	19.00%	N/A	
<i>S&P 500</i>				<i>-2.90%</i>	<i>-2.90%</i>				<i>5.09%</i>	<i>5.09%</i>	<i>2.04%</i>	<i>2.04%</i>	<i>20.60%</i>	<i>20.60%</i>	<i>18.45%</i>	<i>18.45%</i>		
TOTAL LARGE CAP DOMESTIC EQUITY	154,932	14.7%	15.0%	-2.93%	-2.94%	165,754	15.5%	15.0%	5.63%	5.61%	2.54%	2.51%	23.83%	23.63%	19.34%	19.08%	4.96%	
<i>S&P 500</i>				<i>-2.76%</i>	<i>-2.76%</i>				<i>5.35%</i>	<i>5.35%</i>	<i>2.45%</i>	<i>2.45%</i>	<i>21.24%</i>	<i>21.24%</i>	<i>18.66%</i>	<i>18.66%</i>	<i>7.12%</i>	
SMALL CAP DOMESTIC EQUITY																		
Research Affiliates	25,696	2.4%	2.5%	-3.65%	-3.68%	28,501	2.7%	2.5%	6.85%	6.82%	2.95%	2.89%	30.62%	30.17%	20.28%	19.80%	10.56%	
Clifton	25,664	2.4%	2.5%	-3.18%	-3.21%	27,979	2.6%	2.5%	6.79%	6.76%	3.39%	3.33%	25.51%	25.08%	20.17%	19.70%	N/A	
TOTAL SMALL CAP DOMESTIC EQUITY	51,360	4.9%	5.0%	-3.42%	-3.45%	56,479	5.3%	5.0%	6.82%	6.79%	3.17%	3.11%	28.04%	27.60%	20.25%	19.77%	9.84%	
<i>Russell 2000</i>				<i>-3.18%</i>	<i>-3.18%</i>				<i>7.00%</i>	<i>7.00%</i>	<i>3.60%</i>	<i>3.60%</i>	<i>24.21%</i>	<i>24.21%</i>	<i>18.67%</i>	<i>18.67%</i>	<i>8.77%</i>	
INTERNATIONAL EQUITY																		
Capital Guardian	42,081	4.0%	4.0%	-1.51%	-1.55%	44,890	4.2%	4.0%	5.81%	5.77%	4.21%	4.13%	20.78%	20.25%	9.88%	9.29%	-0.15%	
LSV	42,524	4.0%	4.0%	-0.90%	-0.93%	43,442	4.1%	4.0%	6.11%	6.08%	5.15%	5.09%	20.71%	20.23%	8.65%	8.16%	-0.02%	
<i>MSCI EAFE - 50% Hedged</i>				<i>-1.32%</i>	<i>-1.32%</i>				<i>5.28%</i>	<i>5.28%</i>	<i>3.88%</i>	<i>3.88%</i>	<i>18.62%</i>	<i>18.62%</i>	<i>8.10%</i>	<i>8.10%</i>	<i>-0.01%</i>	
DFA	10,393	1.0%	1.0%	-1.19%	-1.23%	10,556	1.0%	1.0%	7.50%	7.46%	6.22%	6.13%	24.89%	24.23%	12.35%	11.62%	2.25%	
Vanguard	10,364	1.0%	1.0%	-0.63%	-0.66%	10,451	1.0%	1.0%	5.54%	5.51%	4.87%	4.81%	21.16%	20.74%	10.65%	10.23%	2.09%	
<i>S&P/Citigroup Broad Market Index < \$2BN</i>				<i>-0.35%</i>	<i>-0.35%</i>				<i>5.04%</i>	<i>5.04%</i>	<i>4.67%</i>	<i>4.67%</i>	<i>18.05%</i>	<i>18.05%</i>	<i>9.78%</i>	<i>9.78%</i>	<i>1.26%</i>	
TOTAL INTERNATIONAL EQUITY	105,362	10.0%	10.0%	-1.15%	-1.19%	109,339	10.2%	10.0%	6.06%	6.03%	4.84%	4.77%	21.07%	20.56%	9.74%	9.20%	0.44%	
<i>MSCI EAFE - 50% Hedged</i>				<i>-1.32%</i>	<i>-1.32%</i>				<i>5.28%</i>	<i>5.28%</i>	<i>3.88%</i>	<i>3.88%</i>	<i>18.62%</i>	<i>18.62%</i>	<i>8.10%</i>	<i>8.10%</i>	<i>-0.01%</i>	

**INSURANCE REGULATORY TRUST FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2013**

	August-13					July-13					Current FYTD		Prior Year FY13		3 Years Ended 6/30/2013		5 Years Ended 6/30/2013	
	Market Value	Allocation		Month		Market Value	Allocation		Month		Gross	Net	Gross	Net	Gross	Net	Net	
FIXED INCOME																		
Western Asset	95,178	9.0%	12.8%	-0.46%	-0.47%	92,252	8.6%	12.7%	-0.01%	-0.02%	-0.47%	-0.50%	2.17%	1.99%	6.29%	6.10%	6.95%	
Prudential	29,755	2.8%	2.8%	-0.81%	-0.83%	33,956	3.2%	2.8%	1.33%	1.31%	0.51%	0.46%	2.03%	1.74%	6.55%	6.25%	7.83%	
PIMCO (DiSCO) (2)	40,916	3.9%	3.9%	0.27%	0.27%	41,682	3.9%	3.9%	1.00%	1.00%	1.27%	1.27%	33.07%	33.07%	N/A	N/A	N/A	
BC Aggregate				-0.51%	-0.51%				0.14%	0.14%	-0.37%	-0.37%	-0.69%	-0.69%	3.51%	3.51%	5.19%	
Declaration	24,663	2.3%	2.8%	-0.22%	-0.26%	25,344	2.4%	2.8%	-0.03%	-0.07%	-0.25%	-0.33%	2.49%	2.00%	6.76%	6.27%	N/A	
BC Global Aggregate (US Securitized Portion)				-0.42%	-0.42%				0.54%	0.54%	0.12%	0.12%	1.34%	1.34%	4.73%	4.73%		
State Street	53,352	5.1%	4.9%	-0.62%	-0.62%	54,841	5.1%	4.9%	0.22%	0.22%	-0.40%	-0.40%	N/A	N/A	N/A	N/A	N/A	
BC Gov/Credit				-0.61%	-0.61%				0.23%	0.23%	-0.39%	-0.39%	-0.62%	-0.62%				
Wells Capital (formerly Strong)	124,224	11.8%	12.8%	-0.83%	-0.85%	122,101	11.4%	12.7%	0.83%	0.81%	-0.01%	-0.04%	3.19%	2.97%	7.43%	7.21%	9.34%	
BC US Credit BAA				-0.99%	-0.99%				0.81%	0.81%	-0.19%	-0.19%	1.77%	1.77%	6.00%	6.00%	8.19%	
TOTAL FIXED INCOME	368,088	35.0%	35.0%	-0.54%	-0.55%	370,176	34.7%	35.0%	0.53%	0.51%	-0.01%	-0.04%	4.90%	4.71%	7.50%	7.31%	7.89%	
BC Aggregate (1)				-0.51%	-0.51%				0.14%	0.14%	-0.37%	-0.37%	-0.69%	-0.69%	3.51%	3.51%	5.19%	
CASH EQUIVALENTS																		
Northern Trust	373,436			0.01%	0.01%	365,401			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
TOTAL CASH EQUIVALENTS	373,436	35.5%	35.0%	0.01%	0.01%	365,401	34.2%	35.0%	0.00%	0.00%	0.01%	0.01%	0.27%	0.27%	0.27%	0.27%	0.45%	
90 Day T-Bill				0.01%	0.01%				0.01%	0.01%	0.01%	0.01%	0.11%	0.11%	0.11%	0.11%	0.30%	

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

(1) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.

(2) All limited partnership-type investments' returns will only be reported net of fees, which is standard practice by the investment consultant.