

INSURANCE REGULATORY TRUST FUND
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2015

	October-15					September-15					Current FYTD		Prior Year FY15		3 Years Ended 6/30/2015		5 Years Ended 6/30/2015	
	Allocation		Month			Allocation		Quarter			Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net
	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Market Value	Actual	Policy	Gross ⁽¹⁾	Net								
TOTAL INSURANCE REGULATORY TRUST	1,066,250	100.0%	100.0%	2.29%	2.28%	2,567,559	100.0%	100.0%	-2.54%	-2.58%	-0.31%	-0.36%	2.15%	2.04%	6.89%	6.75%	7.06%	6.90%
<i>POLICY TARGET BENCHMARK</i>				<i>2.28%</i>	<i>2.28%</i>				<i>-2.25%</i>	<i>-2.25%</i>	<i>-0.02%</i>	<i>-0.02%</i>	<i>1.75%</i>	<i>1.75%</i>	<i>5.33%</i>	<i>5.33%</i>	<i>5.59%</i>	<i>5.59%</i>
ATTRIBUTION ANALYSIS																		
Asset Allocation				0.01%	0.01%				-0.01%	-0.01%	-0.01%	-0.01%	-0.16%	-0.16%	-0.04%	-0.04%	-0.01%	-0.01%
Manager Selection				0.00%	-0.01%				-0.28%	-0.33%	-0.29%	-0.34%	0.56%	0.45%	1.60%	1.46%	1.47%	1.31%
TOTAL RELATIVE RETURN				0.01%	0.00%				-0.29%	-0.34%	-0.29%	-0.35%	0.40%	0.29%	1.56%	1.42%	1.46%	1.30%
LARGE CAP DOMESTIC EQUITY																		
Los Angeles Capital	46,721	4.4%	4.5%	6.96%	6.96%	119,024	4.6%	4.5%	-4.79%	-4.83%	1.84%	1.80%	12.53%	12.32%	18.94%	18.72%	19.00%	18.78%
<i>Russell 1000 Growth</i>				<i>8.61%</i>	<i>8.61%</i>				<i>-5.29%</i>	<i>-5.29%</i>	<i>2.86%</i>	<i>2.86%</i>	<i>10.56%</i>	<i>10.56%</i>	<i>17.99%</i>	<i>17.99%</i>	<i>18.59%</i>	<i>18.59%</i>
LSV	46,539	4.4%	4.5%	6.85%	6.78%	113,636	4.4%	4.5%	-8.15%	-8.21%	-1.85%	-1.99%	7.16%	6.87%	22.14%	21.84%	18.93%	18.62%
<i>Russell 1000 Value</i>				<i>7.55%</i>	<i>7.55%</i>				<i>-8.40%</i>	<i>-8.40%</i>	<i>-1.48%</i>	<i>-1.48%</i>	<i>4.13%</i>	<i>4.13%</i>	<i>17.34%</i>	<i>17.34%</i>	<i>16.50%</i>	<i>16.50%</i>
LA Capital	31,870	3.0%	3.0%	7.22%	7.22%	77,556	3.0%	3.0%	-5.29%	-5.32%	1.55%	1.52%	8.45%	8.31%	17.90%	17.74%	17.94%	17.71%
<i>Russell 1000</i>				<i>8.09%</i>	<i>8.09%</i>				<i>-6.83%</i>	<i>-6.83%</i>	<i>0.71%</i>	<i>0.71%</i>	<i>7.37%</i>	<i>7.37%</i>	<i>17.73%</i>	<i>17.73%</i>	<i>17.58%</i>	<i>17.58%</i>
Clifton Group	31,775	3.0%	3.0%	9.15%	9.15%	75,880	3.0%	3.0%	-6.35%	-6.41%	2.22%	2.15%	7.17%	7.10%	17.37%	17.28%	17.76%	17.60%
<i>S&P 500</i>				<i>8.44%</i>	<i>8.44%</i>				<i>-6.44%</i>	<i>-6.44%</i>	<i>1.45%</i>	<i>1.45%</i>	<i>7.42%</i>	<i>7.42%</i>	<i>17.31%</i>	<i>17.31%</i>	<i>17.34%</i>	<i>17.34%</i>
TOTAL LARGE CAP DOMESTIC EQUITY	156,905	14.7%	15.0%	7.41%	7.39%	386,096	15.0%	15.0%	-6.20%	-6.25%	0.75%	0.68%	9.02%	8.83%	19.39%	19.19%	18.49%	18.26%
<i>Russell 1000</i>				<i>8.09%</i>	<i>8.09%</i>				<i>-6.83%</i>	<i>-6.83%</i>	<i>0.71%</i>	<i>0.71%</i>	<i>7.37%</i>	<i>7.37%</i>	<i>17.73%</i>	<i>17.73%</i>	<i>17.60%</i>	<i>17.60%</i>
SMALL CAP DOMESTIC EQUITY																		
Research Affiliates	16,957	1.6%	2.5%	6.07%	6.07%	37,059	1.4%	2.5%	-11.43%	-11.50%	-6.05%	-6.13%	5.51%	5.18%	19.78%	19.39%	18.02%	17.58%
Clifton	36,632	3.4%	2.5%	5.62%	5.62%	91,391	3.6%	2.5%	-11.63%	-12.06%	-6.67%	-7.13%	8.24%	8.03%	19.20%	18.83%	18.55%	18.13%
TOTAL SMALL CAP DOMESTIC EQUITY	53,589	5.0%	5.0%	5.70%	5.70%	128,451	5.0%	5.0%	-11.58%	-11.90%	-6.53%	-6.88%	7.46%	7.23%	19.75%	19.38%	18.45%	18.03%
<i>Russell 2000</i>				<i>5.63%</i>	<i>5.63%</i>				<i>-11.92%</i>	<i>-11.92%</i>	<i>-6.95%</i>	<i>-6.95%</i>	<i>6.49%</i>	<i>6.49%</i>	<i>17.81%</i>	<i>17.81%</i>	<i>17.08%</i>	<i>17.08%</i>
INTERNATIONAL EQUITY																		
Capital Group	40,774	3.8%	4.0%	8.36%	8.36%	99,966	3.9%	4.0%	-13.68%	-13.79%	-6.47%	-6.59%	-1.35%	-1.73%	12.88%	12.43%	9.57%	9.06%
LSV	42,089	3.9%	4.0%	7.63%	7.53%	102,661	4.0%	4.0%	-10.43%	-10.52%	-3.60%	-3.78%	-3.33%	-3.73%	14.09%	13.63%	9.55%	9.08%
<i>MSCI EAFE</i>				<i>7.82%</i>	<i>7.82%</i>				<i>-10.23%</i>	<i>-10.23%</i>	<i>-3.22%</i>	<i>-3.22%</i>	<i>-4.22%</i>	<i>-4.22%</i>	<i>11.97%</i>	<i>11.97%</i>	<i>8.38%</i>	<i>8.38%</i>
DFA	11,594	1.1%	1.0%	4.18%	5.25%	26,904	1.0%	1.0%	-9.22%	-9.22%	-4.45%	-4.45%	-3.27%	-3.27%	18.16%	17.72%	13.38%	12.80%
Vanguard (1)	11,903	1.1%	1.0%	4.59%	4.59%	27,846	1.1%	1.0%	-6.86%	-6.86%	-2.58%	-2.58%	0.57%	0.57%	16.56%	16.27%	12.11%	11.76%
<i>S&P/Citigroup Broad Market Index < \$2BN</i>				<i>5.53%</i>	<i>5.53%</i>				<i>-8.35%</i>	<i>-8.35%</i>	<i>-3.29%</i>	<i>-3.29%</i>	<i>1.14%</i>	<i>1.14%</i>	<i>14.70%</i>	<i>14.70%</i>	<i>14.70%</i>	<i>11.08%</i>
TOTAL INTERNATIONAL EQUITY	106,360	10.0%	10.0%	7.28%	7.24%	257,377	10.0%	10.0%	-11.24%	-11.32%	-4.78%	-4.90%	-2.11%	-2.43%	14.23%	13.79%	10.22%	9.74%
<i>MSCI EAFE</i>				<i>7.82%</i>	<i>7.82%</i>				<i>-10.23%</i>	<i>-10.23%</i>	<i>-3.22%</i>	<i>-3.22%</i>	<i>-4.22%</i>	<i>-4.22%</i>	<i>11.97%</i>	<i>11.97%</i>	<i>8.38%</i>	<i>8.38%</i>
FIXED INCOME																		
Western Asset	119,277	11.2%	11.6%	0.62%	0.62%	299,905	11.7%	11.9%	0.82%	0.79%	1.45%	1.41%	2.76%	2.62%	3.68%	3.52%	5.54%	5.38%
Prudential	35,699	3.3%	2.8%	-0.52%	-0.52%	85,840	3.3%	2.8%	0.53%	0.46%	0.00%	-0.07%	2.32%	2.05%	3.67%	3.38%	5.72%	5.43%
PIMCO (DiSCO II) (1)	8,995	0.8%	0.8%	0.00%	0.00%	8,995	0.4%	0.4%	0.39%	0.39%	0.39%	0.39%	4.32%	4.32%	N/A	N/A	N/A	N/A
PIMCO (BRAVO II) (1)	4,079	0.4%	0.4%	1.62%	1.62%	4,014	0.2%	0.2%	0.00%	0.00%	1.62%	1.62%	10.36%	10.36%	N/A	N/A	N/A	N/A
<i>BC Aggregate</i>				<i>0.02%</i>	<i>0.02%</i>				<i>1.23%</i>	<i>1.23%</i>	<i>1.25%</i>	<i>1.25%</i>	<i>1.85%</i>	<i>1.85%</i>	<i>1.82%</i>	<i>1.82%</i>	<i>3.35%</i>	<i>3.35%</i>
Declaration (Total Return) (1)	31,656	3.0%	3.0%	-0.27%	-0.27%	75,926	3.0%	3.0%	0.89%	0.89%	0.62%	0.62%	3.55%	3.55%	N/A	N/A	N/A	N/A
<i>3m LIBOR</i>				<i>0.03%</i>	<i>0.03%</i>				<i>0.08%</i>	<i>0.08%</i>	<i>0.11%</i>	<i>0.11%</i>	<i>0.26%</i>	<i>0.26%</i>				
State Street	55,008	5.2%	4.9%	0.01%	0.01%	131,565	5.1%	4.9%	1.20%	1.19%	1.21%	1.20%	1.70%	1.66%	N/A	N/A	N/A	N/A
<i>BC Gov/Credit</i>				<i>0.00%</i>	<i>0.00%</i>				<i>1.20%</i>	<i>1.20%</i>	<i>1.20%</i>	<i>1.20%</i>	<i>1.68%</i>	<i>1.68%</i>				
Wells Capital	121,029	11.4%	11.6%	0.94%	0.94%	291,590	11.4%	11.9%	-0.44%	-0.48%	0.50%	0.46%	0.96%	0.78%	4.65%	4.44%	6.61%	6.40%
<i>BC US Credit BAA</i>				<i>0.83%</i>	<i>0.83%</i>				<i>-0.74%</i>	<i>-0.74%</i>	<i>0.09%</i>	<i>0.09%</i>	<i>-1.37%</i>	<i>-1.37%</i>	<i>3.19%</i>	<i>3.19%</i>	<i>5.16%</i>	<i>5.16%</i>
TOTAL FIXED INCOME	375,746	35.2%	35.0%	0.45%	0.45%	897,835	35.0%	35.0%	0.42%	0.39%	0.87%	0.84%	2.40%	2.27%	5.00%	4.83%	6.51%	6.34%
<i>BC Aggregate</i>				<i>0.02%</i>	<i>0.02%</i>				<i>1.23%</i>	<i>1.23%</i>	<i>1.25%</i>	<i>1.25%</i>	<i>1.85%</i>	<i>1.85%</i>	<i>1.82%</i>	<i>1.82%</i>	<i>3.35%</i>	<i>3.35%</i>

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	Allocation			Month		Allocation			Quarter		Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net
	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Market Value	Actual	Policy	Gross ⁽¹⁾	Net								
CASH EQUIVALENTS																		
Northern Trust (1)	373,650			0.00%	0.00%	897,801			0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	373,650	35.0%	35.0%	0.00%	0.00%	897,801	35.0%	35.0%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.10%	0.10%	0.17%	0.17%
<i>90 Day T-Bill</i>				<i>-0.01%</i>	<i>-0.01%</i>				<i>0.01%</i>	<i>0.01%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.02%</i>	<i>0.02%</i>	<i>0.06%</i>	<i>0.06%</i>	<i>0.08%</i>	<i>0.08%</i>

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) 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.