

# City of Los Angeles

## Deferred Compensation Plan

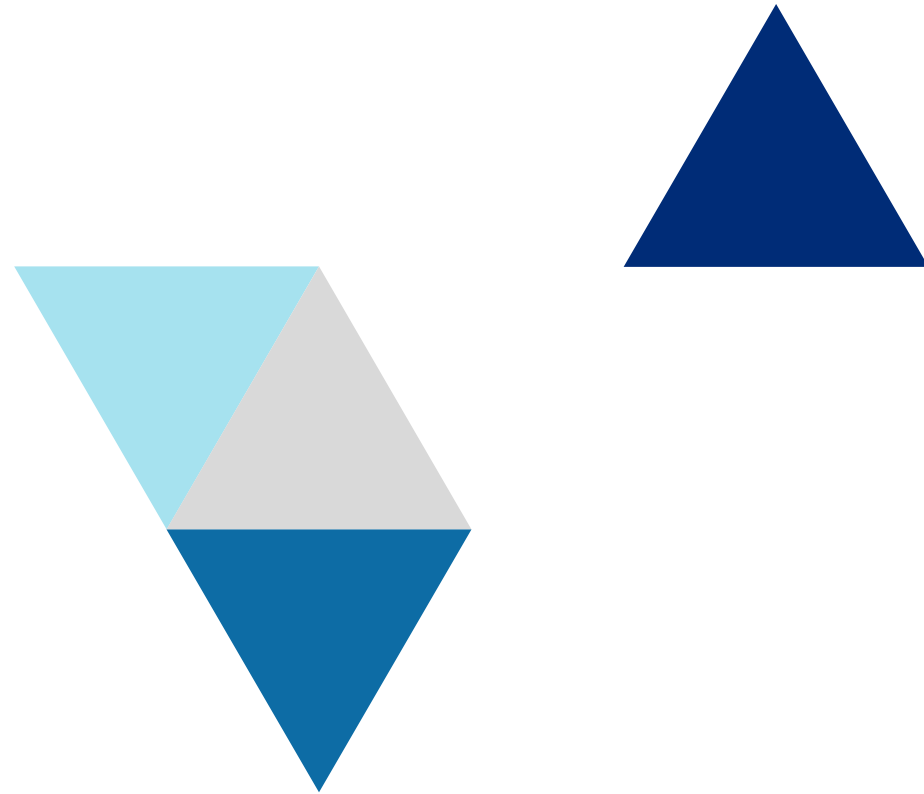
# Performance Evaluation Report

Second Quarter 2016

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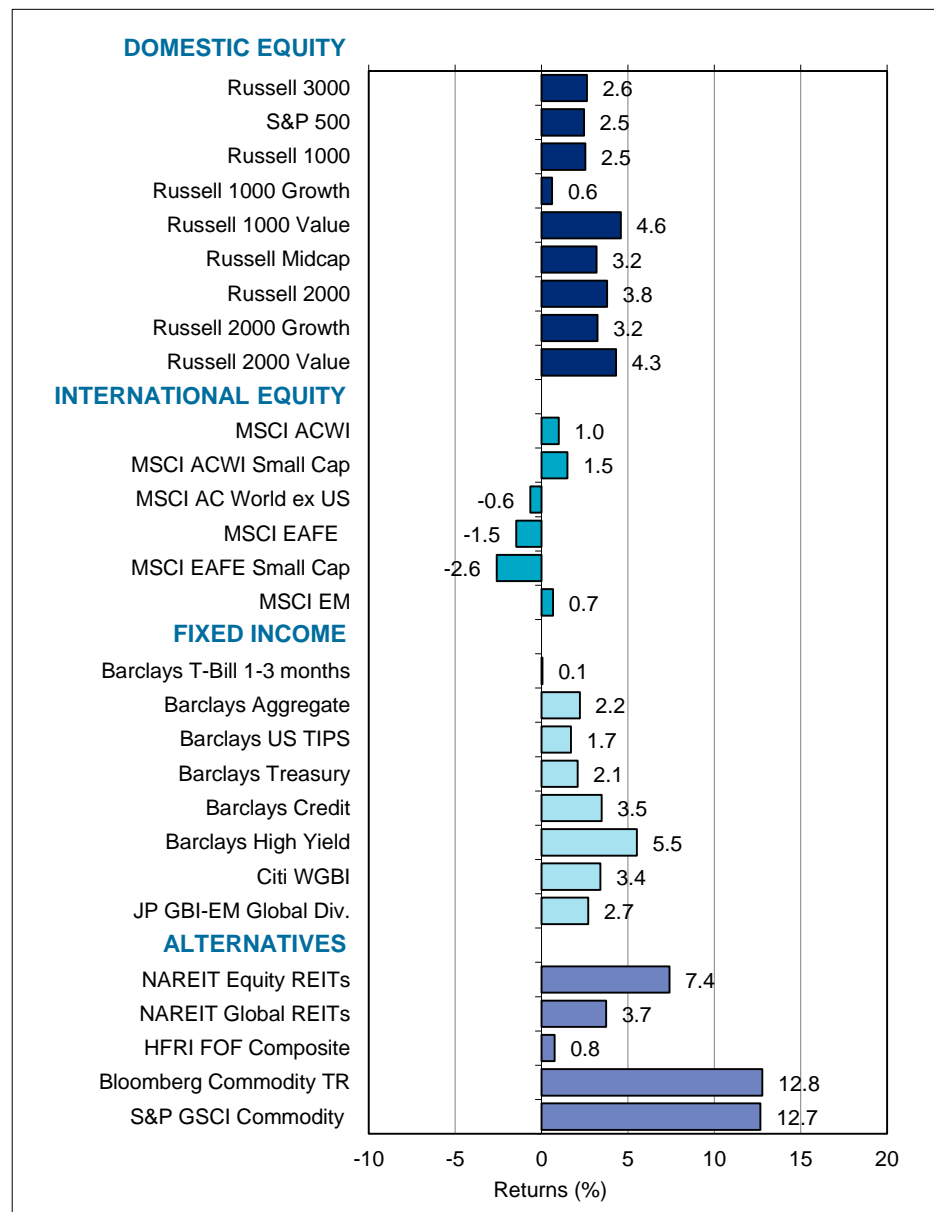
# Market Environment



# Performance Summary

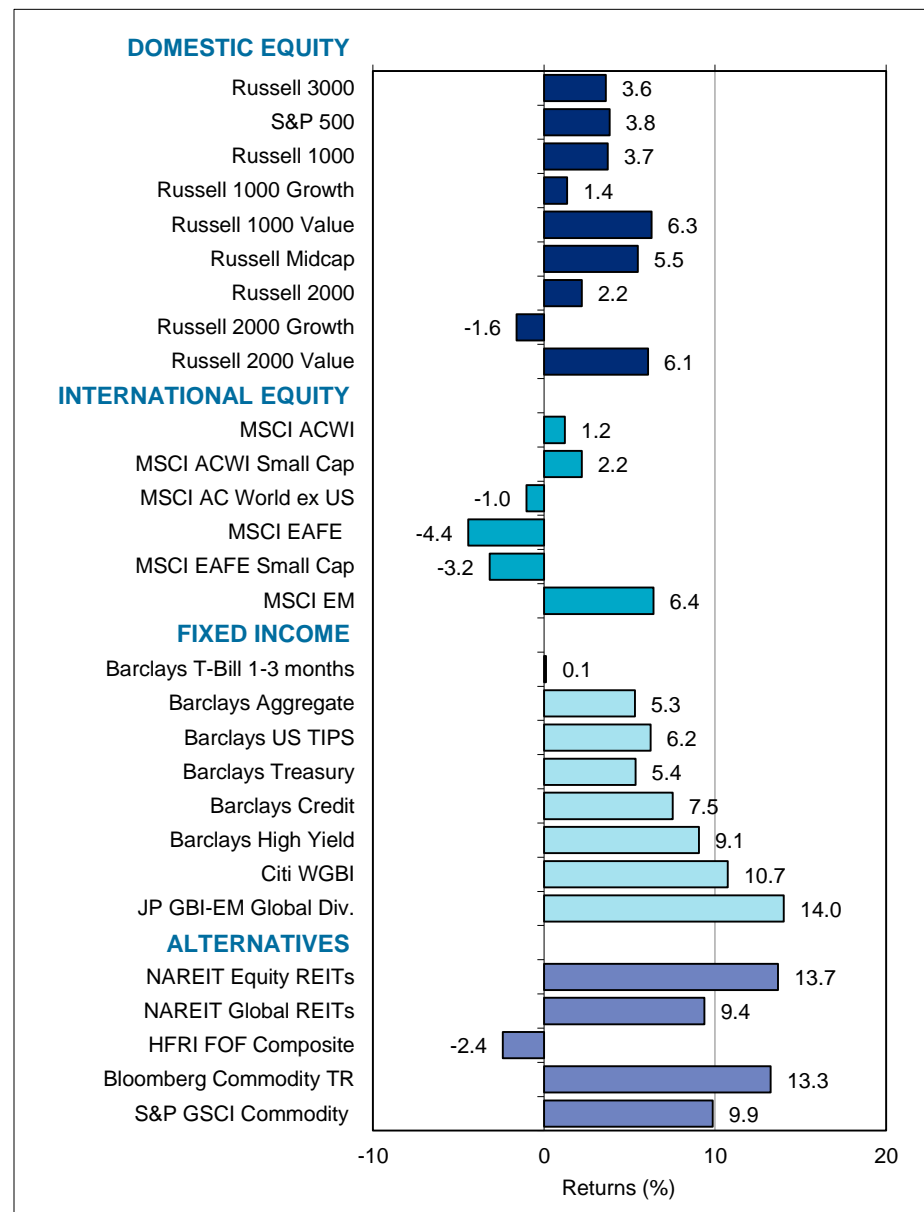
## Quarter in Review

### Market Performance Second Quarter 2016



Source: Standard & Poor's, Russell, MSCI Barra, NAREIT, Bloomberg

### Market Performance YTD

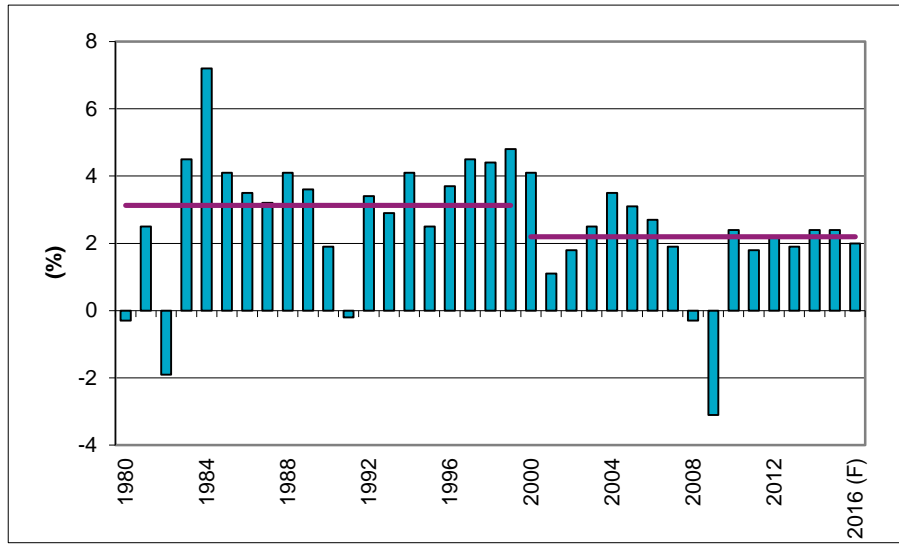


Source: Standard & Poor's, Russell, MSCI Barra, NAREIT, Bloomberg

# Macro Environment

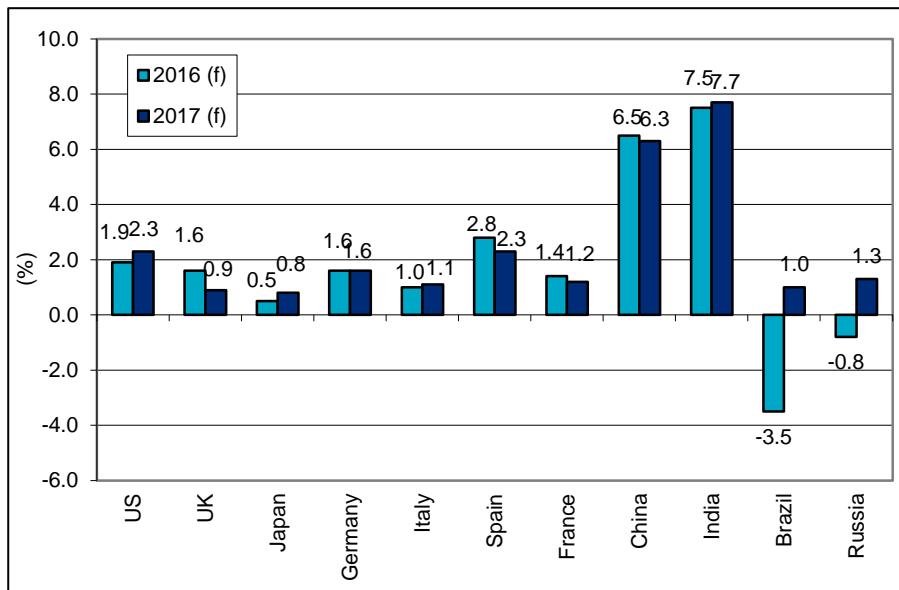
## Economic Review

Annual GDP Growth



Source: Bureau of Economic Analysis

World Economic Growth  
(Forecasts as of June 2016)



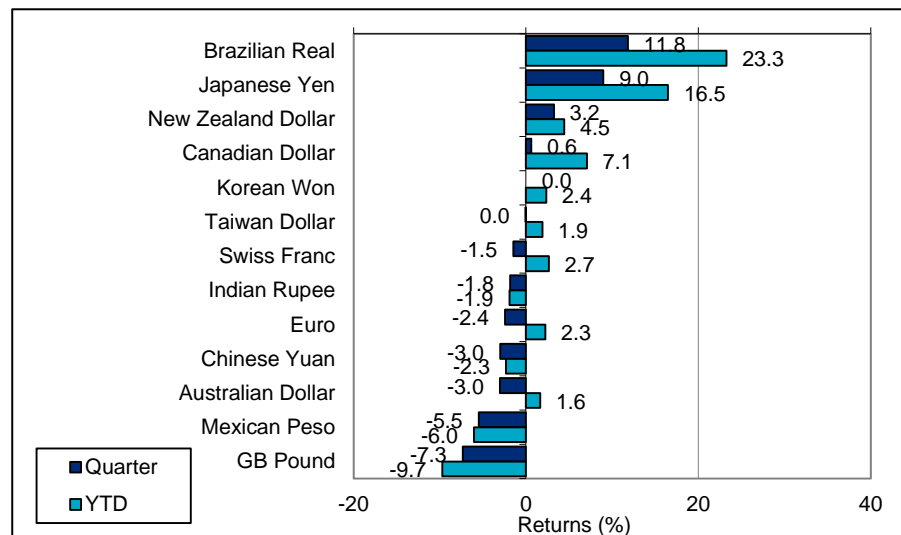
Source: Bloomberg

- Economic growth in developed economies remains a point of concern. While energy prices seem to have stabilized, the UK's unexpected Brexit decision has added to the uncertainty. Equity markets experienced an immediate decline in the wake of the decision, although most markets rallied and recovered their Brexit losses in the subsequent weeks.
- In the second quarter, US economic activity appeared to rebound from the tepid 1.1% pace in the first quarter to 2.0% - 2.5%. Employment growth remains solid, but is slowing as labor force slack is being absorbed. Nonfarm employment growth averaged 147k per month in the second quarter, down from the 230k pace in the prior 12 months. The unemployment rate fell to 4.9%, as the labor force participation rate remained largely unchanged. Average hourly earnings have risen by a solid 2.6% over the past year, with other indicators of wage growth suggesting even stronger gains.
- The UK's Brexit decision is likely to weigh on Eurozone growth. Following the vote, analyst expectations for 2017 GDP growth fell dramatically for the UK, and less so for the Eurozone. However, the true implications of the decision will depend on the UK's new relationship with the EU. Additionally, the Eurozone continues to be supported by extraordinary monetary policy measures.
- In Japan, growth remains moderate; however, the Chinese economic slowdown and the yen strength are risks to the economic outlook. The strength of the yen could induce the Bank of Japan to enact additional stimulus. Furthermore, the victory of Shinzo Abe's ruling coalition in the early July election could mean another round of fiscal stimulus.
- The macro outlook for emerging market economies remains questionable, but the recent stabilization of commodity prices and capital flows is encouraging. Steep currency declines over the past few years have improved the competitiveness of economies, with most countries now running a trade surplus. However, emerging market economies continue to grapple with structural headwinds and have generally been slow to enact reforms. Moreover, growth in China is likely to continue to slow, which is likely to have spillover effects to other economies.

# Macro Environment

## Currencies

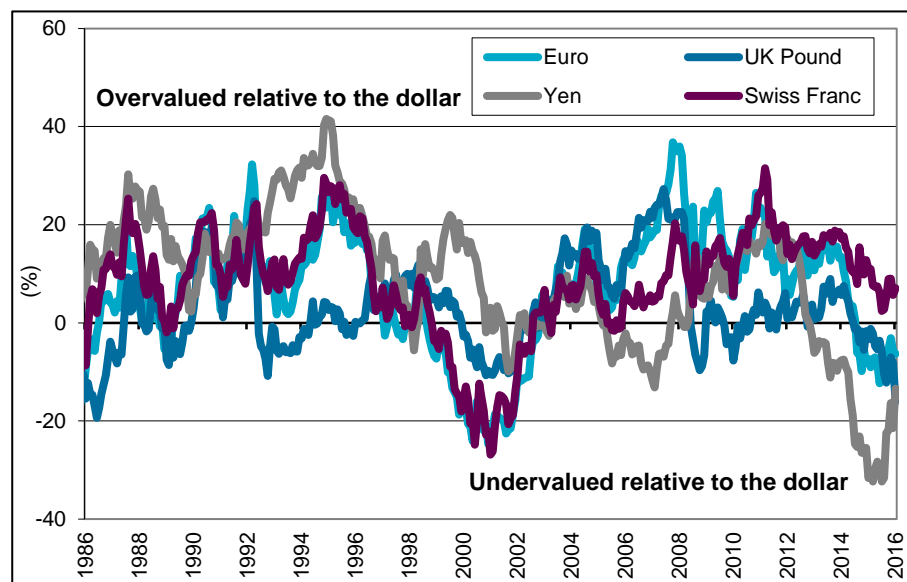
### Performance of Foreign Currencies versus the US Dollar



Source: Bloomberg

### Currency Valuation versus US Dollar

(Based on Relative PPP)



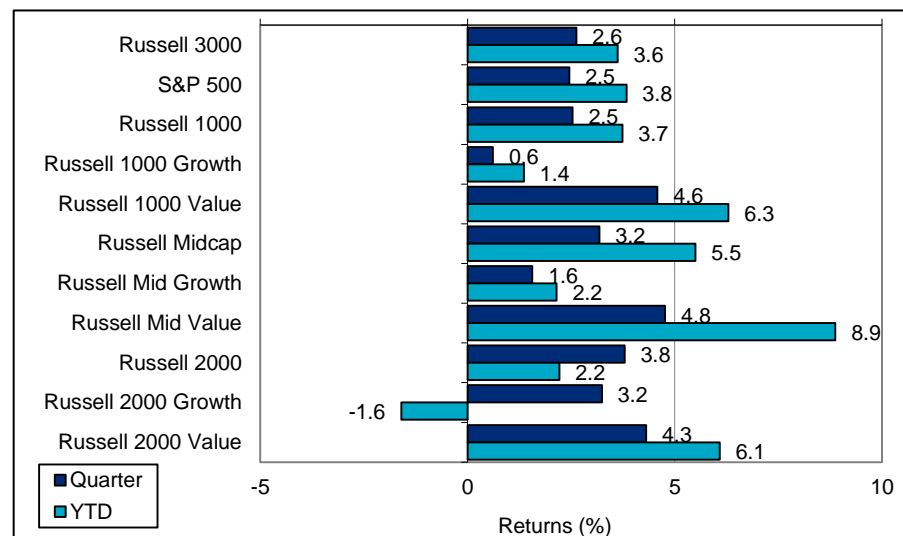
Source: Bloomberg

- The dollar strengthened during the second quarter, although gains were modest. The Dollar Index (DXY) gained 1.7% during the quarter, but is down 2.5% year-to-date.
- Prior to the UK's Brexit decision in late June, the Dollar Index had been down 1.1% for the quarter, but it surged 2.8% in the final days of the quarter as the pound and euro saw meaningful declines following the vote.
- Most market participants were positioned for a UK decision to remain in the EU, and were caught by surprise when the results favored an exit. The dollar gained 7.9% against the pound and 2.5% against the euro during the quarter.
- The Japanese yen continues its upward trend. It received a boost from a safe haven bid following the Brexit vote, gaining 9.1% against the dollar for the quarter. This may lead the Bank of Japan to consider new stimulus measures.
- While the UK's Brexit decision is likely to push the next Fed rate hike out further, policy remains tighter than in other developed economies. Intermediate- and long-term yields are also much higher in the US, which should continue to draw foreign money.
- Over the longer-term, rich valuations, the current account deficit and relatively high inflation could eventually push the dollar lower against major developed currencies.

## Asset Class

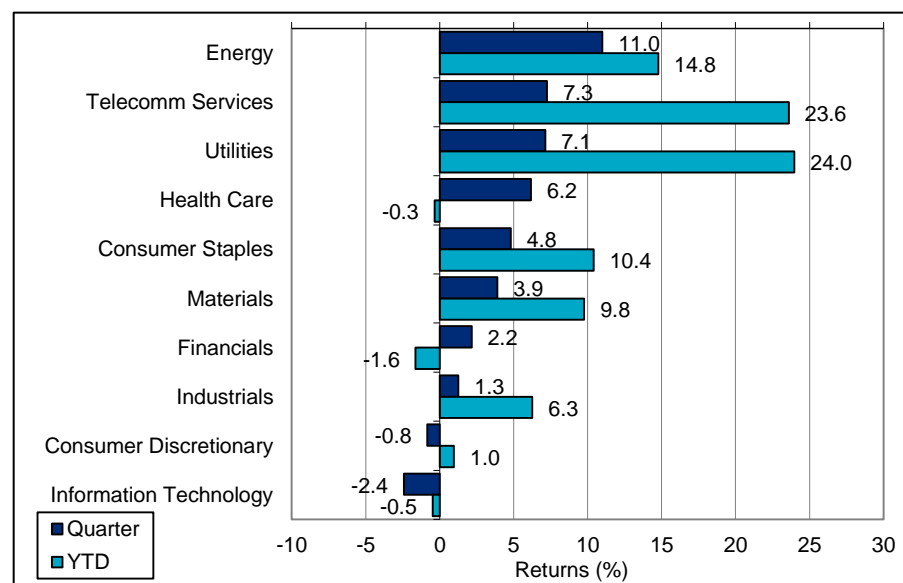
### US Equities – Style, Sector, Cap Performance

#### Style and Capitalization Market Performance



Source: Standard & Poor's, Russell, Bloomberg

#### Sector Performance



Source: Russell 1000 GICs Sector

#### Broad Market

- US equities posted modest gains during the second quarter. Most of the gains came early in the quarter and were supported by signs of global stabilization, particularly in the energy markets.

#### Market Cap

- Large Caps:** The S&P 500 gained 2.5% in the second quarter, underperforming small caps by 130 basis points. Despite the recent underperformance, large-caps have maintained a significant edge over small-cap stocks over the trailing 12-months.
- Mid Caps:** The Russell Midcap Index returned 3.2% during the second quarter, lifting its year-to-date return to 5.5%.
- Small Caps:** Despite a strong quarter that saw small-cap stocks return 3.8%, they are down 6.7% over the trailing one-year period.

#### Style

- Value vs. Growth:** Growth underperformed value across all market capitalizations during the second quarter. Large cap growth stocks were the worst performing style, gaining 0.6%, while mid cap value stocks were the best performing style, gaining 4.8%.
- For the quarter, quality and low-volatility factors were rewarded and high dividend yielding firms outperformed. Meanwhile, high beta stocks and emphasis on momentum factors lagged. Market volatility and the drop in bond yields helped explain this relative performance. The same trend has held true over the year-to-date period.

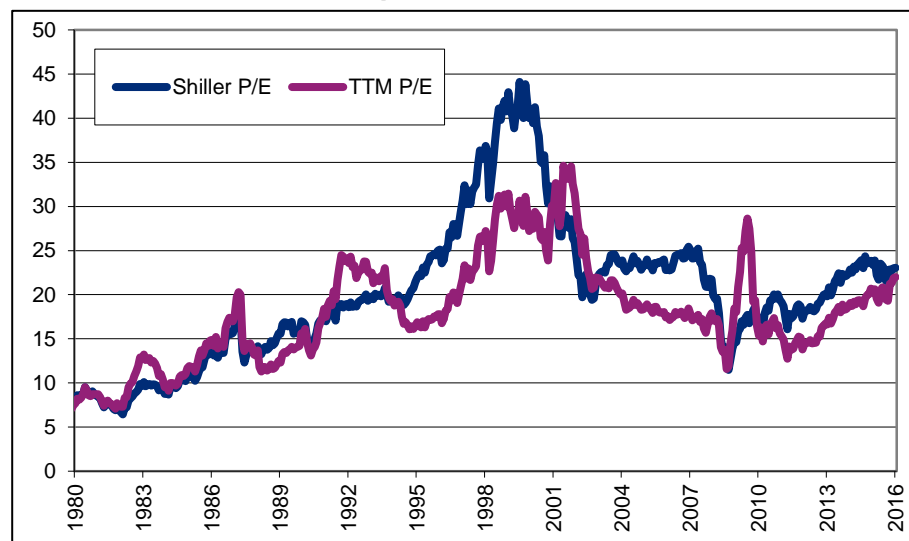
#### Sector

- Most sectors were positive during the quarter. Information technology and consumer discretionary were the main exceptions, losing 2.4% and 0.8%, respectively. The energy sector led the gains for the quarter with a 11.0% return. Telecommunication services and utilities also performed well, returning 7.3% and 7.1%, respectively.

## Asset Class

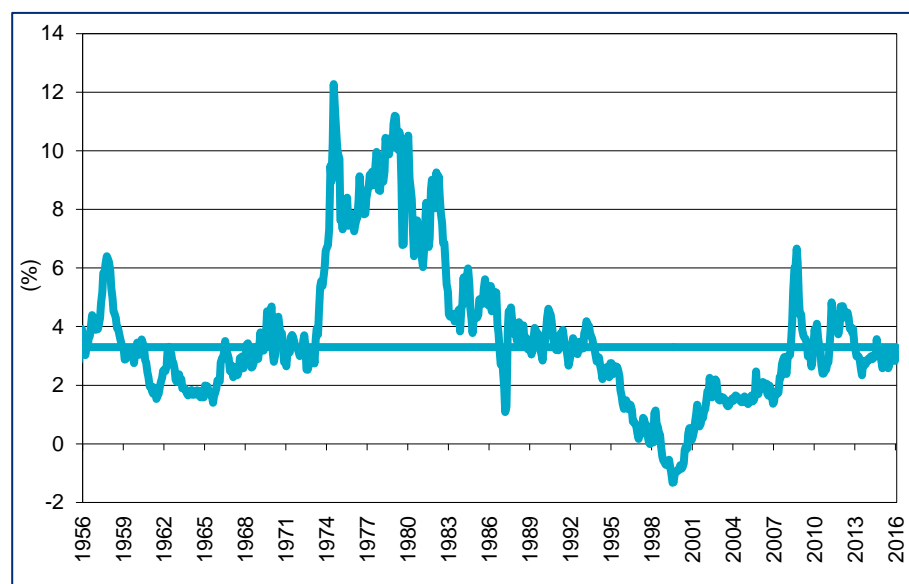
### US Equities – Valuation Review

US Equities – P/E Ratio



Source: S&P, Bloomberg, Mercer

US Equities – Estimated Equity Risk Premium<sup>1</sup>  
Versus Long-Term Treasuries



Source: S&P, Bloomberg, Mercer

- Gains for US equities during the second quarter pushed valuations up slightly. The P/E ratio on the MSCI US index rose from 21.2 to 22.0. Earnings continued their downward trend during the quarter. The cyclically-adjusted P/E based on 10-year average earnings (Shiller's methodology) increased modestly from 22.7 to 23.2. This is above the long-term median P/E of 19.5, but down slightly from last year's levels.
- The valuation case for equities relative to bonds became marginally better during the second quarter. While muted equity returns did not have a meaningful impact on price multiples, declining Treasury yields drove our estimate of the prospective equity risk premium on the S&P 500 from 2.9% to 3.1%.
- The downward pressure on US corporate earnings has abated somewhat, as the dollar has been relatively stable over the last 15 months. Additionally, the rebound in the price of oil has helped to stabilize the energy sector.
- While job growth has slowed, the overall labor market remains strong. Most observers agree that the US economy is nearing full employment, with the unemployment rate currently at 4.9%. At the current pace of jobs gains, labor market conditions could become tight later in 2016, increasing pressures on wages. Absent a rebound in productivity growth, this could be a headwind for corporate profits.
- While US equities remain rich on an absolute basis, we continue to find them reasonably priced relative to high quality bonds, given low yields and the expectation of rising rates.

<sup>1</sup> Definitions:

Shiller's P/E= Current MSCI US price/average 10-year real earnings

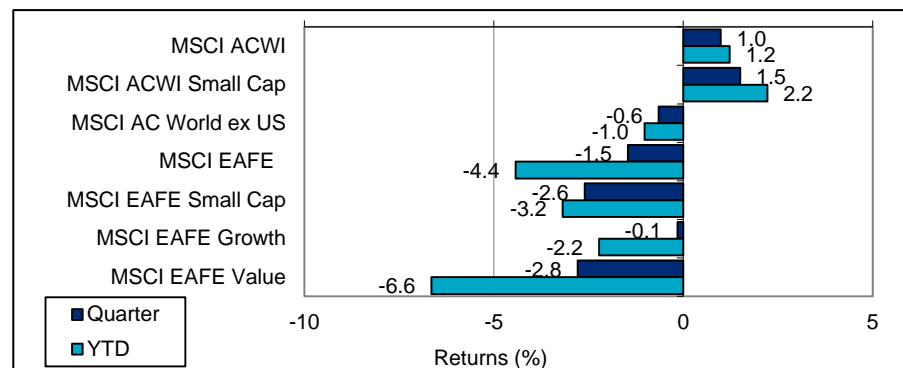
Normalized P/E= Current S&P 500 price/(current trailing twelve month sales \* 6.6% profit margin)

Equity Risk Premium= Earnings yield (1/PE) minus the real yield on long-term Treasuries

## Asset Class

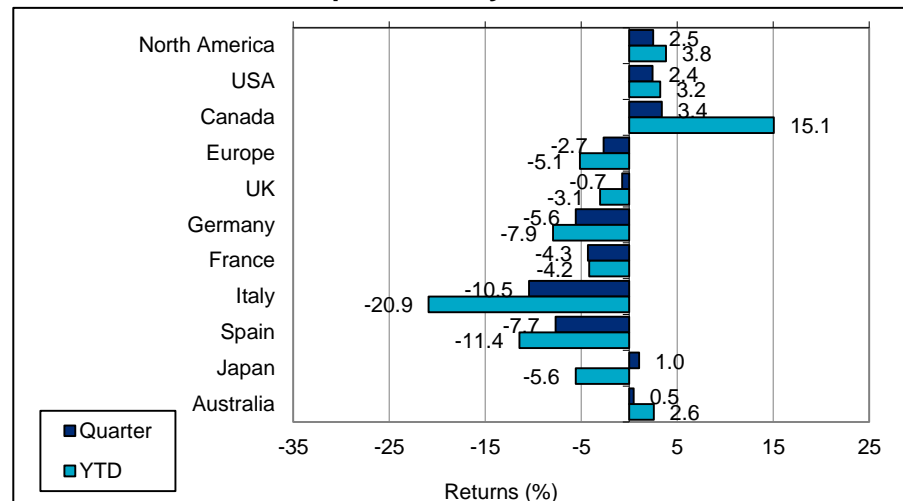
### International Equities – Performance Review

#### Global and International Equity Performance



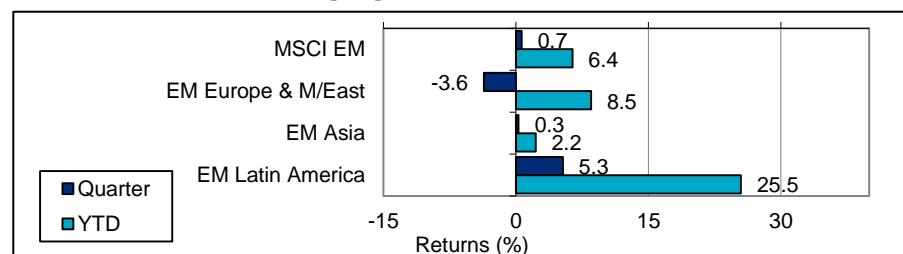
Source: MSCI, Bloomberg

#### Developed Country Performance



Source: MSCI, Bloomberg

#### Emerging Market Performance



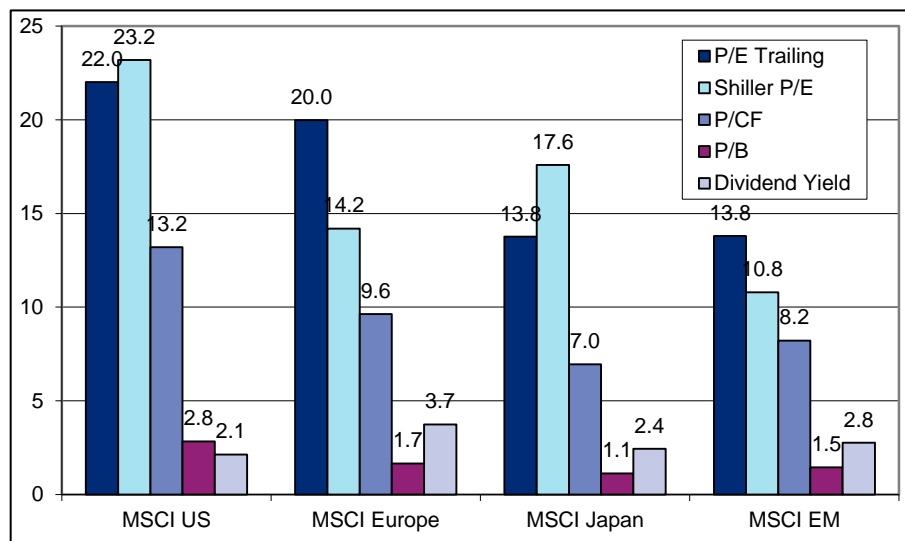
Source: MSCI, Bloomberg

- **Global equities** posted modestly positive returns during the second quarter, driven by positive returns from the US and emerging markets. The MSCI ACWI index increased 1.0% during the second quarter, although the index was down 3.7% over the trailing 1-year period.
- **Global small cap equities** increased 1.5%, outperforming global large cap equities by 50 basis points in the second quarter. Global small caps have underperformed large caps by 100 basis points over the last 12-months.
- **International developed stocks** continued their downward trend during the second quarter. In US\$ terms, the MSCI EAFE index declined 1.5% and has fallen 4.4% year-to-date. In local currency terms, the MSCI EAFE Index declined 0.7% during the quarter. Europe was the primary source of declines, with the MSCI Europe index down 2.7% in US\$ terms, although it rose 1.2% local terms. Japanese stocks fell 7.8% in local currency terms during the quarter; however, given the strengthening yen, the MSCI Japan index rose 1.0% in \$US.
- **International small cap equities** underperformed international large caps in the second quarter, declining 2.6%. Over the last 12 months, the MSCI EAFE Small Cap index has declined 3.7%, outperforming large caps by 6.5 percentage points.
- **Emerging market stocks** produced a 0.7% gain in the second quarter and are now up 6.4% year-to-date. Latin American markets continued their strong run, returning 5.3% during the quarter, bringing their year-to-date return to 25.5%. Brazilian equities led the way, returning 13.9% during the quarter. European and Middle Eastern emerging markets declined 3.6%, while Asian emerging markets returned 0.3%. Despite strong 2016 returns, emerging markets equities are down 12.1% over the trailing 1-year.

## Asset Class

### International Equities – Valuation Review

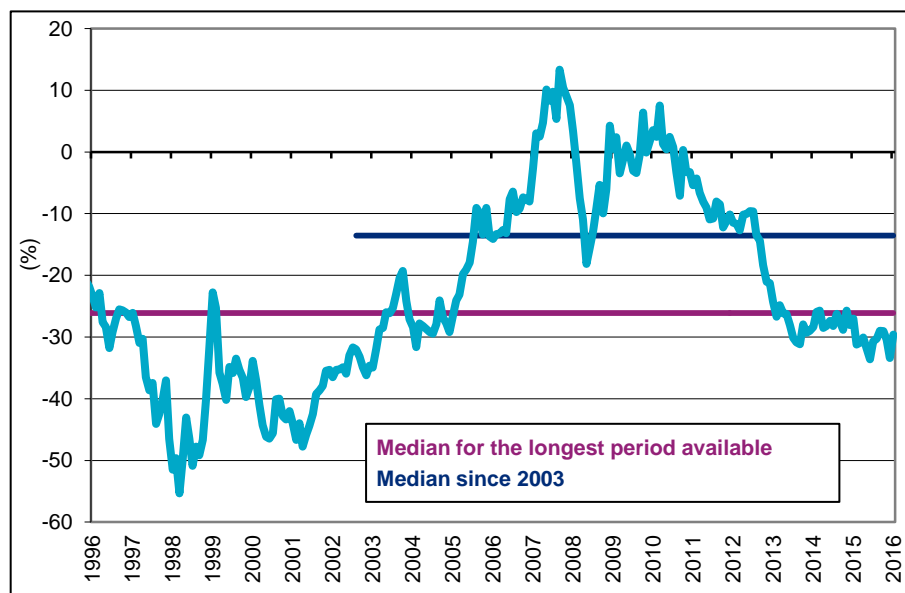
Global Valuations



Source: MSCI, Bloomberg

### Valuation of MSCI Emerging Markets to MSCI World

(Based on Average of P/E, P/B and P/CF)



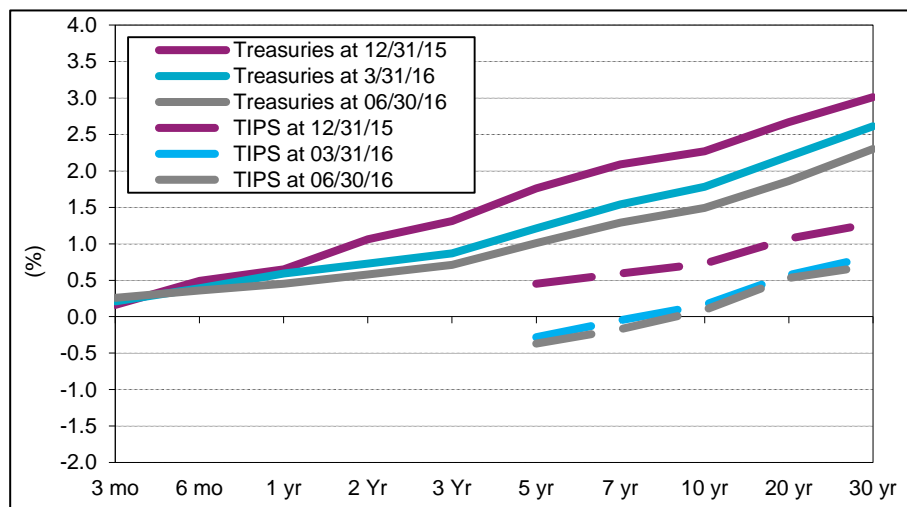
Source: MSCI, Bloomberg

- European equity valuations are expensive by historical standards, trading at 20x trailing earnings. However, valuations look inexpensive on a cyclically-adjusted basis, trading at a P/E of 14.2, a 12% discount to the historical average. The Brexit vote introduces economic risks and could weigh on earnings in the region, indicating that the valuation gap could persist. The 3.7% dividend yield on European stocks is alluring in light of low or negative yields on sovereign bonds across developed Europe.
- Japanese stocks appear attractive on a valuation basis, trading at only 14x trailing earnings. Additionally, the BoJ is likely to ease further in reaction to recent yen strength, although it is uncertain whether this would boost share prices. Japanese profits have been flat over the past year as the impact of prior yen weakness has faded, while US and European earnings have fallen sharply. Looking forward, weak growth in China and the sharp rally in the yen are likely to be headwinds for earnings, although moderate domestic growth, accommodative monetary policies, and improving governance standards should continue to provide positive tailwinds.
- Emerging market equity valuations still appear fairly attractive, especially relative to the developed world. While the 13.8 trailing P/E is only slightly below the historical average, the P/B is in the cheapest quintile of history. Still, macroeconomic risks remain elevated. The growth outlook for emerging market economies remains weak. The stabilization in commodity prices has helped exporters and the diminished outlook for Fed rate hikes has helped to stem capital outflows, but many emerging market economies have been slow to enact structural reforms. Moreover, growth in China is likely to continue to trend lower.

## Asset Class

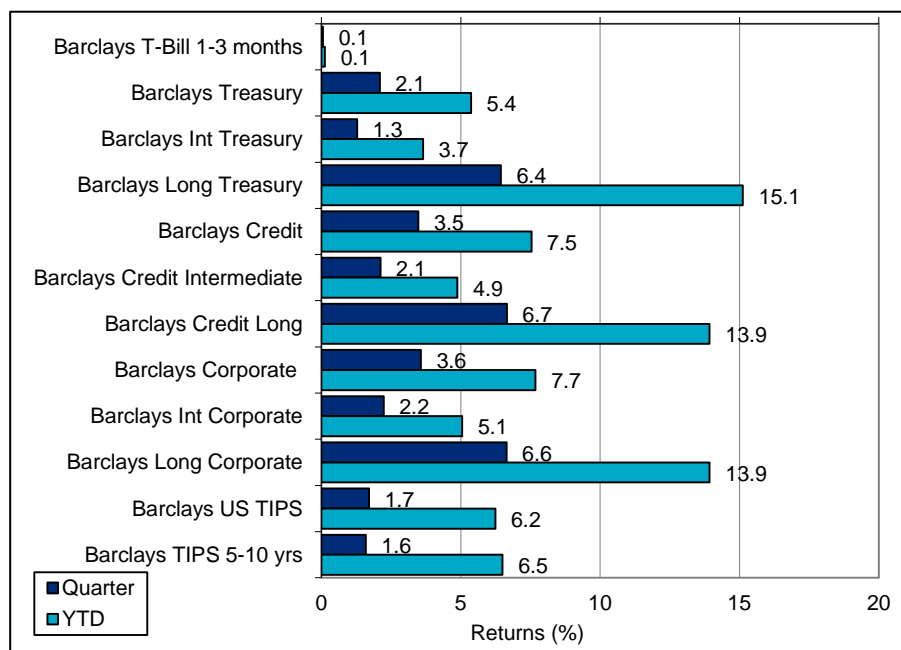
### Fixed Income – Interest Rates and Yield Curve

Treasury Yield Curve



Source: Federal Reserve

Bond Performance by Duration



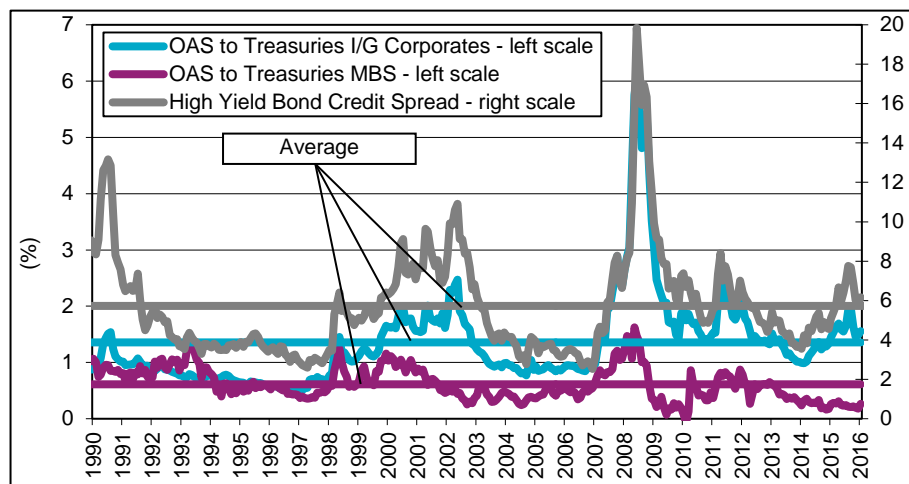
Source: Barclays, Bloomberg

- The Brexit decision in the UK drove a decline in yields during the quarter, as investors flocked to the safety of bonds, and began to anticipate additional central bank easing. Treasury yields declined, with the yield on the 10-year Treasury falling by 29 basis points to 1.49%. At its June meeting, the Fed elected to leave rates unchanged. Additionally, it would appear that the UK's Brexit decision has put the Fed on hold through the remainder of 2016. Inflation expectations remain muted due to weak growth expectations globally, reflecting ongoing concerns about China as well as more recent concerns regarding the Brexit outcome.
- Outside of the US, a high proportion of non-US developed market sovereign bonds are now trading at negative yields. In early June, the ECB started its corporate bond buying program, which will potentially drive corporate interest rates lower.
- The BoJ elected to leave its target interest rate unchanged at -0.1% in both their April and June meetings, following significant easing actions announced during the first quarter. However, the BoJ may consider additional easing measures in light of low inflation and the rising yen.
- **US Bonds** had another strong quarter, as interest rates dipped further. The Barclays Aggregate returned 2.2% for the quarter and is up 5.3% year-to-date.
- **Long-Duration Bonds** performed well as the yield on the 30-year Treasury fell by 31 basis points to 2.3%. The Barclays Long Treasury Index rose by 6.4% during the second quarter. Long corporates also did well, as the Barclays Long Corporate Index gained 6.6% during the quarter.
- **TIPS** returned 1.7% during the quarter, underperforming Treasuries due to falling inflation breakeven rates. The inflation breakeven on 5-year TIPS fell by 11 basis points to 1.38%. The real yield on 5-year TIPS fell by 9 basis points to -0.37%.

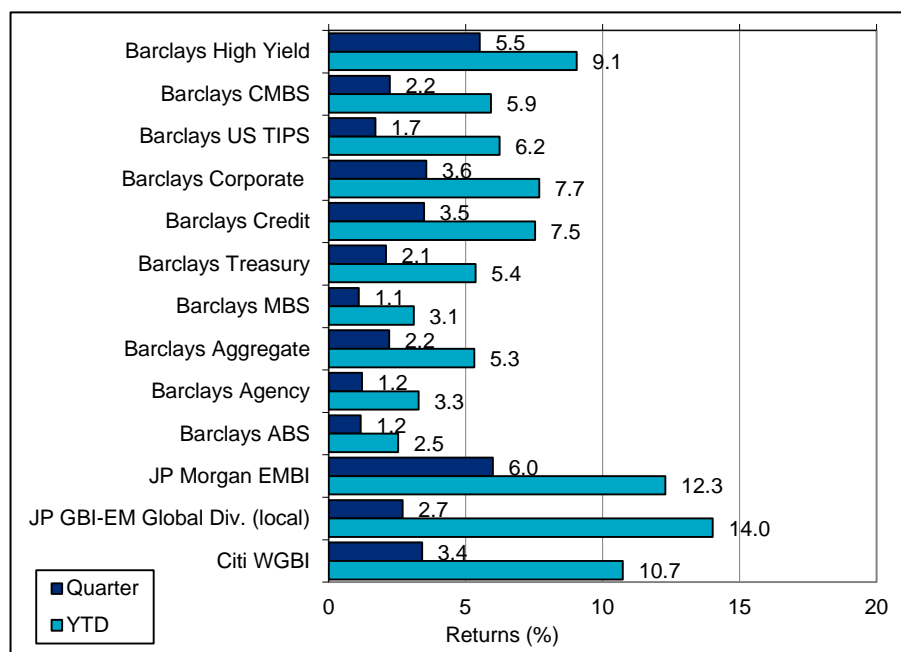
## Asset Class

### Fixed Income – Credit and Non-US Bonds

#### Credit Spreads



#### Sector, Credit, and Global Bond Performance

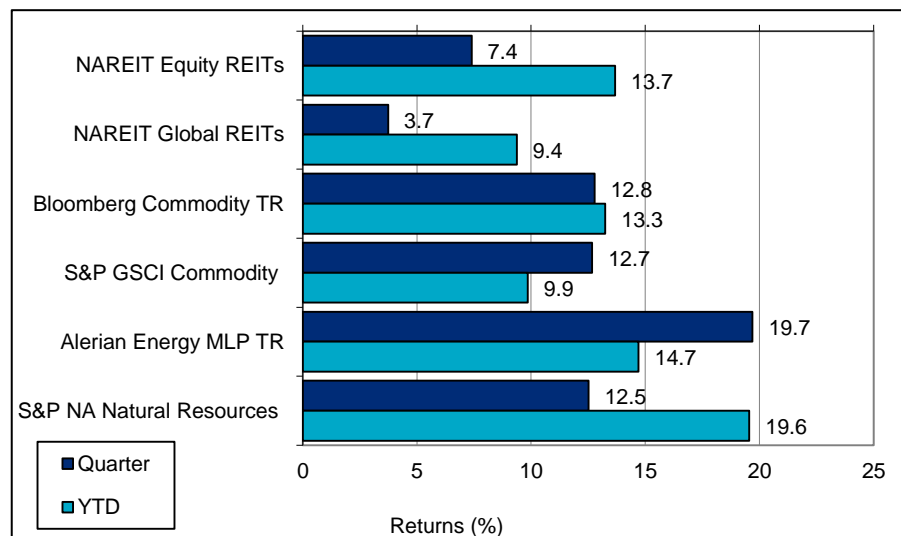


- The yield on investment-grade corporate bonds declined by 33 basis points during the quarter to 2.9%, and the credit spread to Treasuries fell by 7 basis points to 1.6%.
- The yield on high yield bonds fell from 8.2% to 7.3% during the quarter, down 91 basis points. Credit spreads fell by 61 basis points to 5.9%. The price of oil continued its rebound, which has helped to rein in credit spreads for energy issuers.
- **US Treasuries** continue to benefit from declining yields across the globe. The Barclays Treasury Index rose by 2.1% during the second quarter and is up 5.4% year-to-date.
- **US Corporate** bonds rose 3.6% during the second quarter as yields declined, outperforming Treasuries by 150 basis points. Over the trailing year, corporate bonds have outperformed Treasuries by 230 basis points.
- **US MBS, CMBS and ABS** saw modest returns. US CMBS securities performed in line with the Barclays Aggregate Index, returning 2.2%. Meanwhile, US MBS and ABS lagged, returning 1.1% and 1.2%, respectively.
- **High Yield Bonds** benefited from both falling yields and spreads. The Barclays High Yield index rose 5.5% in the second quarter, lifting its year-to-date return to 9.1%.
- **Global Bonds** returned 3.4% during the second quarter, bringing their trailing 1-year return to 11.3%.
- **Emerging Market Debt** performed well, ending the second quarter with a 2.7% return in local currency terms. Year-to-date, the local currency index has spiked 14.0%.

## Asset Class

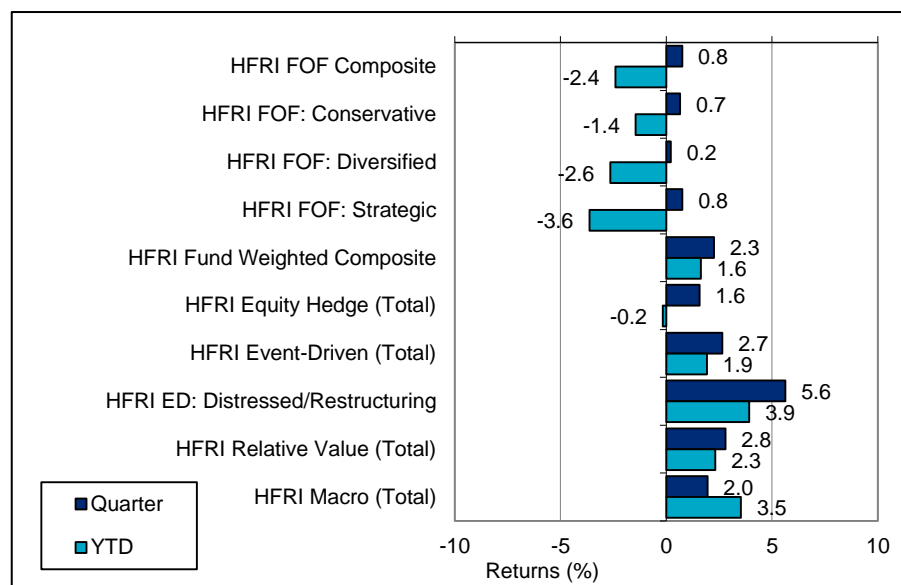
### Alternatives – Performance Review

#### Real Asset Performance



Source: NAREIT, Dow-Jones, UBS, Goldman Sachs

#### Hedge Fund Performance



Source: HFR

- **REITs** – REITs continued their strong run into the second quarter, rising 7.4% during the quarter and 13.7% year-to-date. Meanwhile, Global REITs rose 3.7% during the quarter, lifting their year-to-date return to 9.4%. REITs have benefited from the drop in bond yields and investors' appetite for return.

- **Commodities** performed well in the second quarter, as oil and other energy commodities continued their rebound. However, global growth concerns remain a risk for the asset class, as weakening Chinese growth and the UK's Brexit decision increase macro uncertainty. The Bloomberg Commodity index returned 12.8% for the quarter. MLPs performed best for the quarter, gaining 19.7%. The energy heavy S&P GSCI commodity index increased by 12.7% during the second quarter.

- **Hedge funds** gained 0.8% during the second quarter, but are still down 2.4% year-to-date. Returns across strategies were positive for the quarter. Event-driven strategies performed well, led by the strong performance of the distressed/restructuring strategies, which returned 5.6% for the quarter. The HFRI Equity Hedge Index returned 1.6% for the quarter, recouping most of its first quarter losses. More diversified strategies performed well during the quarter, with relative value strategies returning 2.8% and macro strategies returning 2.0%.

## Mutual Fund Universe

<b>Domestic equity</b>	<b>2Q</b>	<b>YTD</b>	<b>One Year</b>	<b>Three Years</b>	<b>Five Years</b>	<b>Ten Years</b>
<b>Mercer Combined Eq. Univ. Median Return</b>	<b>2.0</b>	<b>1.7</b>	<b>-2.8</b>	<b>8.5</b>	<b>9.2</b>	<b>6.5</b>
<b><u>Index Performance</u></b>						
S&P 500 Index	2.5	3.8	4.0	11.7	12.1	7.4
Russell Midcap	3.2	5.5	0.6	10.8	10.9	8.1
Russell 2000	3.8	2.2	-6.7	7.1	8.4	6.2
<b><u>Mercer Domestic Eq. Univ. Medians</u></b>						
Large Cap Value	2.3	2.7	-1.2	8.3	9.6	5.5
Large Cap Blend	1.9	2.3	0.7	9.6	10.4	6.5
Large Cap Growth	0.3	-2.5	-1.6	11.5	10.5	7.6
Mid Cap Value	2.4	4.9	-3.1	8.2	8.6	6.3
Mid Cap Blend	2.6	4.0	-3.7	8.2	8.6	6.7
Mid Cap Growth	2.3	0.4	-7.3	8.1	7.7	7.0
Small Cap Value	2.2	4.2	-4.3	5.6	7.8	5.8
Small Cap Blend	2.3	2.8	-5.3	7.1	8.3	6.1
Small Cap Growth	3.9	-0.7	-10.1	6.7	7.2	6.6

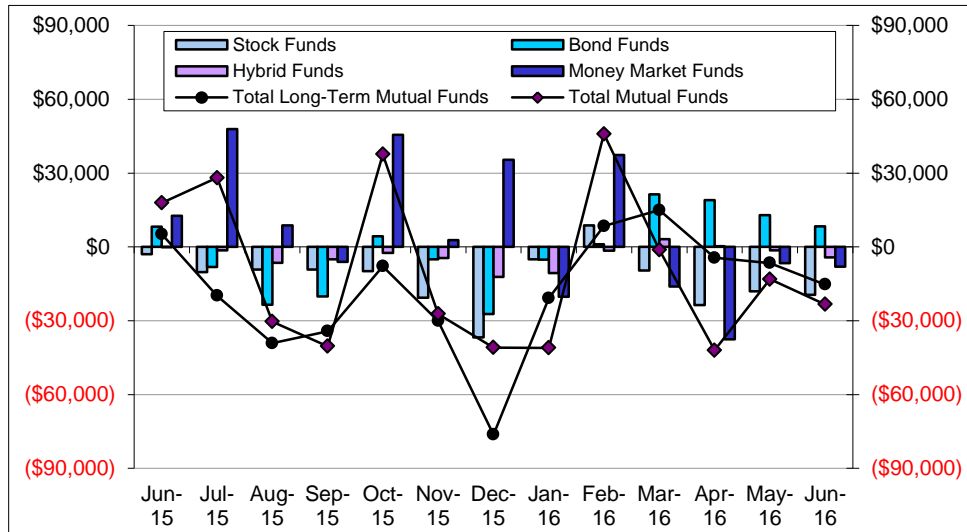
<b>Fixed Income</b>	<b>2Q</b>	<b>YTD</b>	<b>One Year</b>	<b>Three Years</b>	<b>Five Years</b>	<b>Ten Years</b>
<b>Mercer Combined FI Univ. Median Return</b>	<b>2.2</b>	<b>4.2</b>	<b>4.4</b>	<b>3.8</b>	<b>4.0</b>	<b>4.5</b>
<b><u>Index Performance</u></b>						
Barclays Aggregate	2.2	5.3	6.0	4.1	3.8	5.1
Barclays Gov't/Credit	2.7	6.2	6.7	4.2	4.1	5.2
Barclays High Yield	5.5	9.0	1.6	4.2	5.8	7.6
Citigroup Non-U.S. Gov't Bond	4.0	13.5	13.8	2.4	0.3	4.0
Citigroup 3-Month T-Bill	0.1	0.1	0.1	0.1	0.1	1.0
<b><u>Mercer Fixed Income Universe Medians</u></b>						
Core Strategy	2.2	4.8	4.3	3.5	3.7	4.9
Short Bond	0.7	1.5	1.3	1.1	1.2	2.8
Long Duration Bond	5.5	12.9	13.0	8.9	8.6	8.4
High-Yield Bond	4.1	6.5	0.2	3.3	4.9	6.4
International Bond	2.5	7.3	5.7	1.5	0.9	4.3

<b>International equity</b>	<b>2Q</b>	<b>YTD</b>	<b>One Year</b>	<b>Three Years</b>	<b>Five Years</b>	<b>Ten Years</b>
<b>Mercer Int'l Eqty. Universe Median Return</b>	<b>-1.1</b>	<b>-2.8</b>	<b>-9.2</b>	<b>2.4</b>	<b>1.8</b>	<b>2.2</b>
<b><u>Index Performance</u></b>						
MSCI EAFE	-1.5	-4.4	-10.2	2.1	1.7	1.6
MSCI ACWI	1.0	1.2	-3.7	6.0	5.4	4.3
MSCI World	1.0	0.7	-2.8	6.9	6.6	4.4
MSCI Emerging	0.7	6.4	-12.1	-1.6	-3.8	3.5
<b><u>Mercer Int'l Eqty. Universe Medians</u></b>						
Europe	-3.2	-5.2	-10.3	2.9	1.8	1.9
Emerging Markets	1.9	6.4	-10.3	-1.5	-3.2	3.3
Pacific	1.5	0.5	-4.1	3.8	4.1	2.5
Global Equity	0.8	0.3	-4.6	6.0	5.9	4.5

- Domestic equity funds posted gains during the quarter, led by small cap growth stock funds. Large cap growth-oriented stock funds were the worst performers. International equity funds in the developed markets posted negative results due to poor performance of the European equity funds. Emerging markets funds and domestic bond funds had solid returns. Long duration bond funds were the strongest performers in the domestic bond market, followed by high yield bond funds.

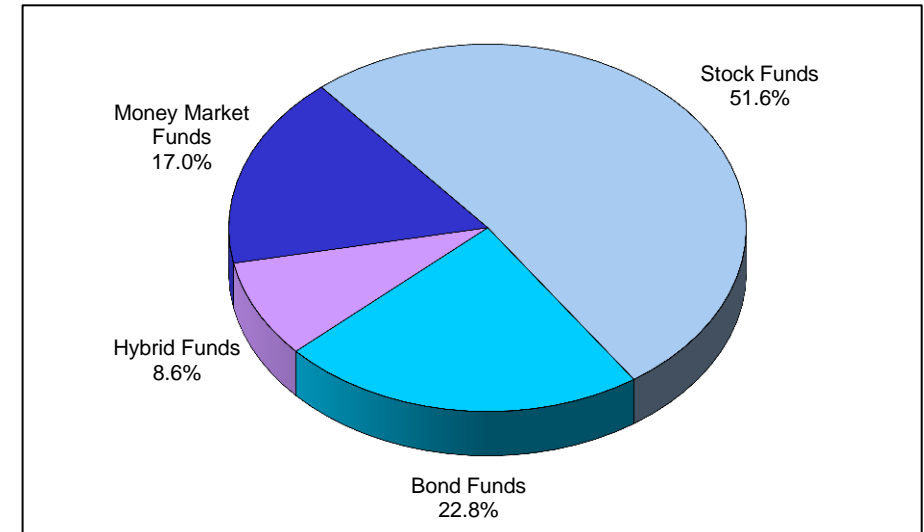
## Mutual Fund Environment

### Net New Flows (\$Millions)



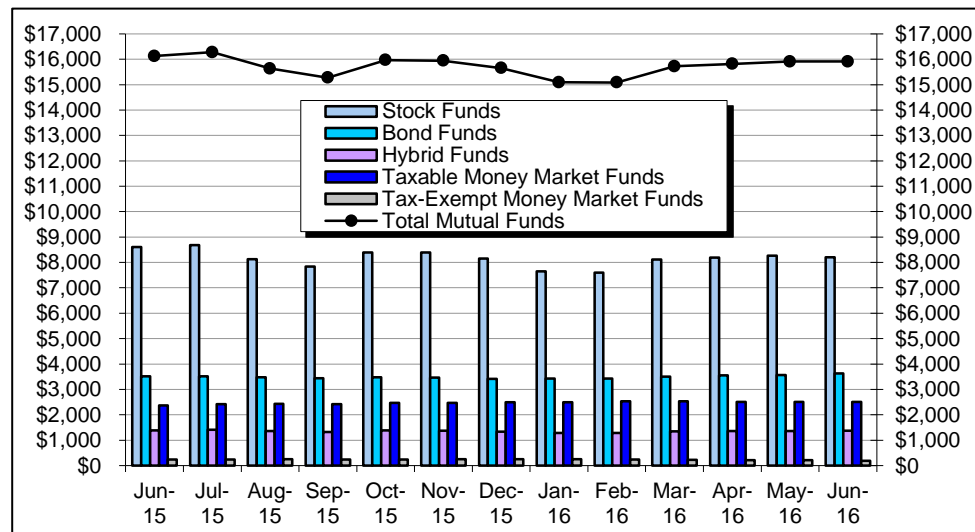
Source: Investment Company Institute

### Mutual Fund Asset Allocation



Source: Investment Company Institute

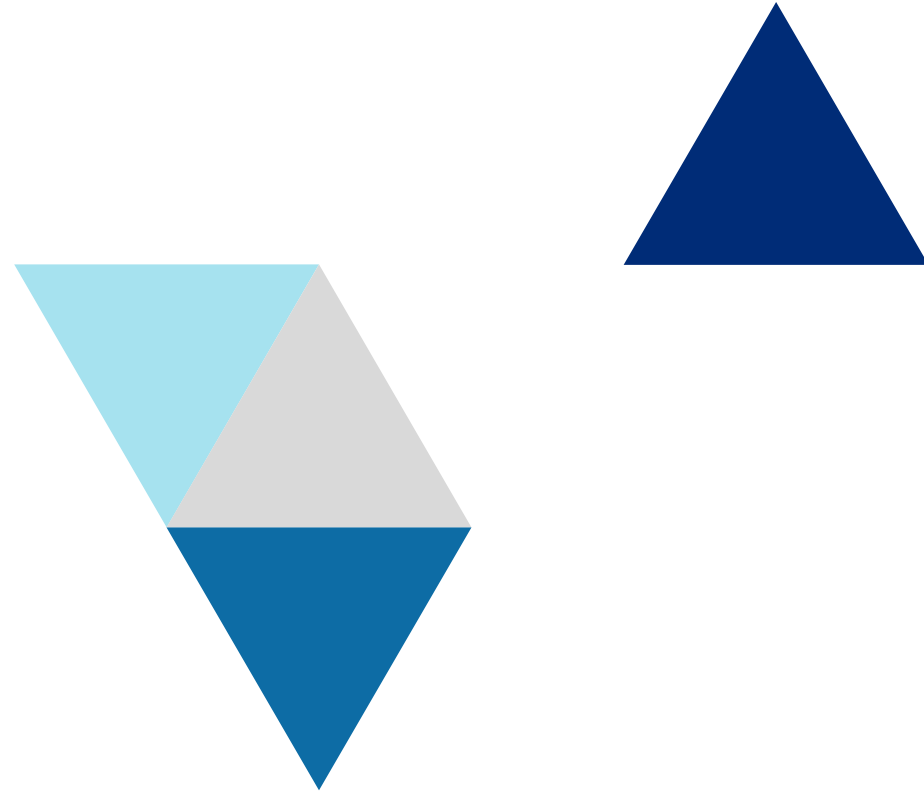
### Total Net Assets (\$Billions)



Source: Investment Company Institute

- During the quarter, mutual funds had net outflows of \$78.4 billion. Investors added \$40.2 billion to bond funds. Investors withdrew \$61.1 billion from stock funds, \$52.2 billion from money market funds and \$5.3 billion from hybrid funds.
- Total mutual fund assets increased 1.2% during the past three months, ending the quarter at \$15.9 trillion.

# Summary



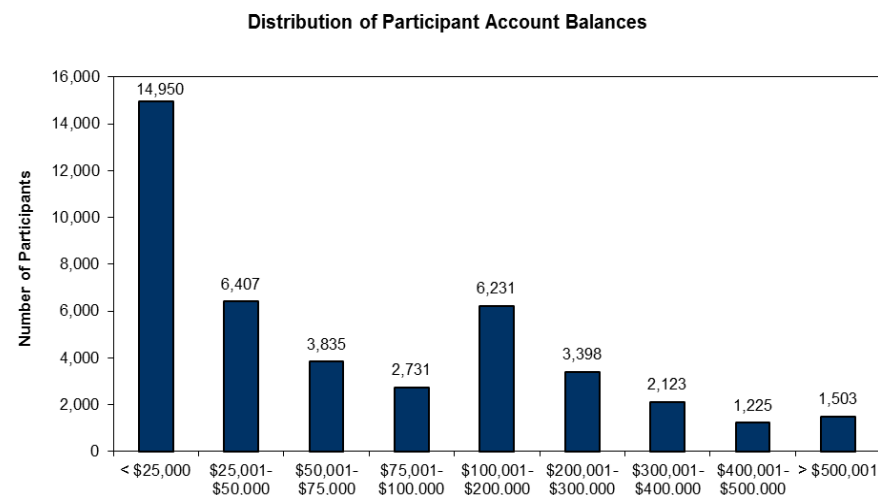
Investment Option Array



## Management Summary

### Plan Statistics:

- At quarter-end, assets (including loans) in the Deferred Compensation Plan totaled \$5,106.4 million, increasing \$111.0 million (+2.2%) from \$4,995.4 million reported at the previous quarter-end. The increase is a result of contributions and investment gains. Contributions (including other deposits) for the quarter totaled \$109.5 million compared to withdrawals (including fees) of \$79.7 million. Investment gains totaled \$77.9 million. Assets on loan to participants increased by \$3.0 million.
- As of June 30, 2016, there were 42,403 participants with account balances. The average account balance was \$115,944 while the median account balance was \$49,112. The distribution of participant balances is shown to the right 35.3% of participants had a balance less than \$25,000 and 3.5% had a balance greater than \$500,000.
- The Deferred Compensation Plan (DCP) Large Cap Stock Fund held the highest percentage of Plan assets (30.7%), followed by the DCP Stable Value Fund (20.5%), Schwab PCRA Self Directed Brokerage Account (6.8%) and FDIC-Insured Savings Account (6.2%). All other funds held less than 6.0 % of Plan assets.
- Assets in the Profile funds (5 customized risk-based Profile funds ranging from Ultra Conservative to Ultra Aggressive) totaled \$860.3 million (16.8% of Plan Assets) at quarter end; this was an increase of \$28.9 million from \$831.4 million at the prior quarter-end.
- Asset allocation largely remained unchanged during the quarter with domestic equity representing the largest (38.8%) asset class in the Plan.



## Management Summary

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### Quarterly Performance:

- The Stable Value Fund outpaced its index for all periods shown and placed above the universe median. The current net blended yield of 2.04% for the Fund was in line with last quarter's net blended yield of 2.09%. Galliard expects the Fund's blended yield to increase modestly in the coming quarter. The market-to-book ratio increased slightly during the quarter, from 102.0% to 102.6%.
- The DCP Bond Fund outpaced the Barclays US Aggregate Bond Index during the quarter, primarily due to the performance of the Loomis Sayles Core Plus Bond Fund which outperformed the index by 120 basis points. An overweight allocation to and security selection within the high yield securities coupled with security selection within the investment grade corporates and government related issues boosted performance. Exposure to TIPS also led to the outperformance.
- Three of the five Risk-Based Profile Funds: the Ultra Conservative, Conservative and Moderate Funds, outperformed their respective custom benchmarks but placed in the bottom half of their universes during the quarter. The other two – Aggressive and Ultra Aggressive Funds, underperformed their respective custom benchmarks but placed above their peer group medians. The performance of the more conservative Profile funds was helped by their higher allocation to the outperforming DCP Bond Fund; and the performance of the more aggressive Profile funds was hindered by their higher allocation to the DCP Mid and Small Cap Stock Funds and the DCP International Stock Fund.
- Global equities finished the quarter with modestly positive returns. US stocks were up 2.5% and developed international equities were down 1.5%. Emerging equities returned 0.7% during the quarter. The DCP equity investments had mixed performance results during the quarter. The DCP Large Cap Stock Fund matched its index, the DCP Mid Cap Stock Fund underperformed its benchmark but was in line with its peer group median. The DCP Small Cap Stock Fund underperformed its index but placed in the top half of its universe. Within domestic equity, funds with a growth style of investing performed well (Voya Mid Cap Opportunities and Hartford Small Cap Growth) while funds with a value style underperformed (RidgeWorth Mid Cap Value Equity and DFA US Small Cap Value).
- The DCP International Stock Fund underperformed its benchmark by 20 basis points but ranked in 43<sup>rd</sup> percentile of its peer group median. Two of the three underlying funds – MFS International Institutional Equity and DFA Emerging Markets Core Equity - outperformed their respective benchmarks and placed near their peer group medians during the quarter. Brandes International Small Cap Equity Fund underperformed its benchmark by 20 basis points and ranked at the 61<sup>st</sup> percentile of its peer group median.

### Long-Term Performance:

- The Plan's long-term performance, where available, was generally positive.

## Management Summary

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### Manager Updates:

#### **Voya Investment Management Co. (Voya) - Mid Cap Growth Update – May 17, 2016**

Mercer met with Voya during the quarter for a regular due diligence review meeting on the Mid Cap Growth strategy. As a result, Mercer reaffirmed its rating of the strategy. Below are the highlights from the meeting:

- Mercer views portfolio manager Jeff Bianchi as a skilled, disciplined investor backed by a sensible investment philosophy, who consistently executes on his highly tenured investment process. Bianchi is supported by a dedicated team of growth analysts, whose collective stock selection is an important lever to the strategy's success. That said, the team tenure amongst the analysts as employees at Voya remains low. Specifically, three of the analysts have two or less years with the firm. Although we have a high opinion of Bianchi, his philosophy and his disciplined process execution, for us to consider a higher rating we require a more meaningful period to observe: (1) team stability and (2) evidence of repeatable, positive stock selection more broadly across sectors.
- Kristin Manning who had left the Voya growth team in 2013, has rejoined the team recently. According to Bianchi, Manning was a good stock picker during her seven year tenure at Voya. During her tenure at Voya, Manning held coverage responsibilities across consumer, industrials, financials and energy as well as served as an assistant portfolio manager for the Mid Cap Growth strategy. Manning will now assume coverage of the consumer names replacing Jim Dormant, who was promoted to portfolio manager of the large cap value strategies earlier in the year. Manning will not be relocating to New York but will be working in Kansas City office space provided by Voya. Although we are encouraged by Bianchi conviction in Manning and we like her past experience with Bianchi, we believe her remote work arrangement may not be ideal when considering team interaction and idea sharing.

#### **Ceredex Value Advisors (Ceredex is the subadvisor to the RidgeWorth Mid Cap Value Equity Fund) - Update on Mid Cap Value – May 23, 2016**

On April 29, 2016, Mercer met with Ceredex for an update on the Mid Cap Value Equity strategy. Mercer continues to have high conviction in the capabilities of portfolio manager Don Wordell. His investment acumen, decision-making insights, and strong sense of risk/reward tradeoffs are key strengths. Ceredex also benefits from a well-balanced group of analysts that bring differentiated viewpoints and collaborate in a strong vetting process to ensure that attractively valued, dividend-paying companies with positive fundamental catalysts are brought forth for the portfolios. As a result, Mercer reaffirmed its rating of the strategy. Below are the highlights from the meeting:

- The meeting served to reinforce our high conviction in Ceredex's Mid Cap Value equity strategy managed by Don Wordell. Mercer views the portfolio managers' industry experience, wealth of company knowledge, and differentiated insights provide the basis for a sustainable competitive edge. In addition, we believe the team's focus on identifying companies exhibiting the three foundational pillars of a dividend policy, attractive valuation, and fundamental catalysts, coupled with the disciplined execution of the investment process, contributes to the consistency and quality of idea generation.
- There have been no changes to the investment team, which we believe reflects the positive culture that has been instilled over time. The stability of the team appears to be further reinforced by the increased incentives of having broader firm ownership within the team (with the exception of David Maynard) following a joint private equity/management buyout of RidgeWorth from SunTrust in 2014.

## Management Summary

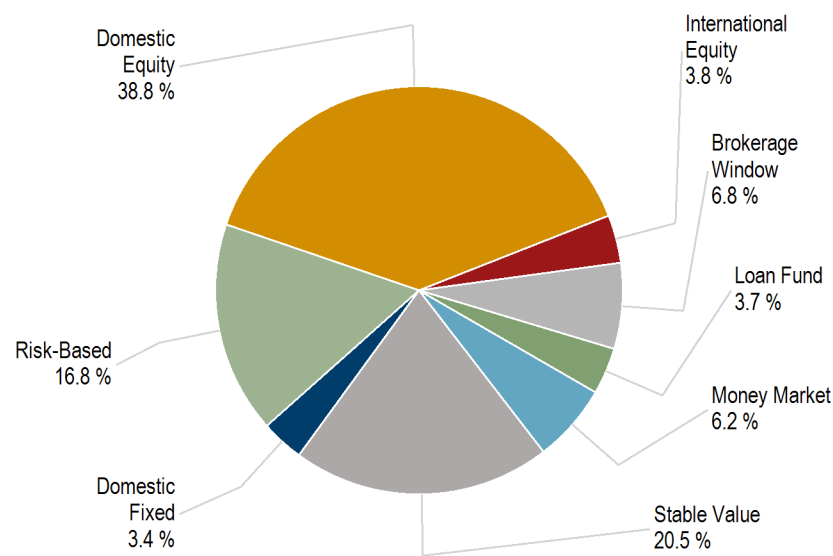
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- Ceredex ended March 2016 with \$10.3 billion in total assets under management, down from \$12.2 billion a year ago. Most of the decline in assets was attributed to net outflows from the Mid Cap Value mutual fund; Ceredex further clarified that this was largely driven by retail investors. Despite continued performance challenges, the firm did not experience any Mid Cap Value separate account terminations since our last review, and its institutional asset base in general has remained stable.

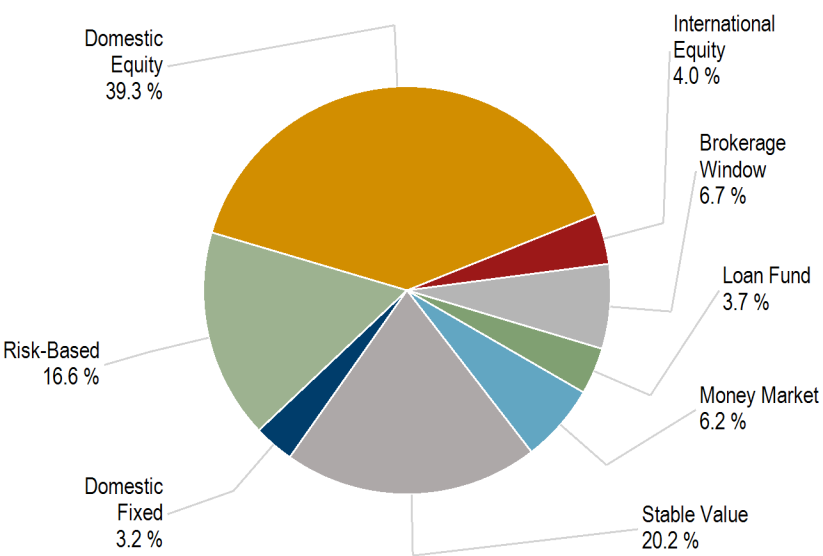
### MFS Investment Management (MFS) – Update on MFS International Equity – August 5, 2016

- Mercer met with MFS during the quarter for an annual update on the International Equity strategy. As a result, Mercer reaffirmed its rating of the strategy. Mercer's conviction in MFS' international equity strategy is based on the high regard for the portfolio management team and its disciplined and consistent process. Also, the strategy benefits from ideas contributed by the broader international core equity team. We like the synergy between team members and the firm's collaborative culture which ensures that the focus of portfolio managers and research analysts is on the strategy's investment performance. From our meetings with senior management at MFS we believe capacity is being managed in a sensible way but we remain mindful of potential implementation issues given the high degree of overlap in holdings among this product with other MFS strategies.
- Given the recent announcement that portfolio manager Marcus Smith will leave the strategy in April 2017, we have concerns regarding the depth of the portfolio management team and its overall leadership going forward. Smith and co-portfolio manager Daniel Ling, separately, outlined the plan they developed for an orientation to portfolio management for Filipe Benzinho. This was modeled from the plan Smith used when Ling joined the team in 2009. The International Equity team is further along this orientation plan, as it has been five months since the announcement of Smith's forthcoming departure and Benzinho has already joined the team, although he is still in the process of handling off his research coverage. Additionally, the team is cognizant that with Smith's departure, there will not be a Boston-based portfolio manager. Ling is based in Singapore and Benzinho is based in London. They have already established a formal weekly call between the portfolio managers and all of the institutional portfolio managers globally to ensure communication is seamless. We will pay attention to the culture at MFS and only time will tell the extent to which the team and firm are impacted by the departure of one of its leading "culture carriers". We believe Marcus Smith has had a significant impact on MFS, extending beyond the particular international strategies he manages.

Current Asset Allocation



Prior Period Asset Allocation



## Fund Allocation

### Asset Allocation by Tier

	Total Market Value	% of Portfolio	Cash	Stable Value	Domestic Fixed	Risk-Based	Domestic Equity	International Equity	Brokerage Window	Other
<b>Cash</b>										
FDIC-Insured Savings Account	\$317,125,073	6.2%	\$317,125,073							
<b>Stable Value</b>										
Deferred Compensation Stable Value Fund (Net)	\$1,047,128,826	20.5%		\$1,047,128,826						
<b>Domestic Fixed</b>										
DCP Bond Fund	\$171,587,478	3.4%			\$171,587,478					
<b>Risk-Based</b>										
Ultra Conservative Profile	\$49,768,317	1.0%				\$49,768,317				
Conservative Profile	\$120,157,541	2.4%				\$120,157,541				
Moderate Profile	\$295,929,500	5.8%				\$295,929,500				
Aggressive Profile	\$286,564,174	5.6%				\$286,564,174				
Ultra Aggressive Profile	\$107,887,644	2.1%				\$107,887,644				
<b>Domestic Equity</b>										
DCP Large Cap Stock Fund	\$1,566,009,234	30.7%					\$1,566,009,234			
DCP Mid Cap Stock Fund	\$213,002,693	4.2%					\$213,002,693			
DCP Small Cap Stock Fund	\$201,787,405	4.0%					\$201,787,405			
<b>International Equity</b>										
DCP International Stock Fund	\$194,212,040	3.8%						\$194,212,040		
<b>Brokerage Window</b>										
Schwab PCRA Self-Directed Brokerage Account	\$345,206,513	6.8%							\$345,206,513	
Loan Account	\$190,006,656	3.7%								\$190,006,656
<b>Total</b>	<b>\$5,106,373,096</b>	<b>100.0%</b>	<b>\$317,125,073</b>	<b>\$1,047,128,826</b>	<b>\$171,587,478</b>	<b>\$860,307,177</b>	<b>\$1,980,799,333</b>	<b>\$194,212,040</b>	<b>\$345,206,513</b>	<b>\$190,006,656</b>

\*Total Plan Market Value excludes \$3.6 million in the Forfeiture/Asset Holding Account (this account is used to pay Plan expenses) and \$1,989 in unallocated assets.

## Allocation of Underlying Core Funds

	Ultra Conservative Profile	Conservative Profile	Moderate Profile	Aggressive Profile	Ultra Aggressive Profile	Standalone Totals	TOTAL
<b>FDIC-Insured Savings Account</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$317,834,212</b>	<b>\$317,834,212</b>
<b>DCP Stable Value Fund</b>	<b>\$17,250,529</b>	<b>\$17,798,185</b>	<b>\$29,410,277</b>	<b>\$14,311,111</b>	<b>\$0</b>	<b>\$1,047,128,826</b>	<b>\$1,125,898,929</b>
<b>DCP Bond Fund</b>	<b>\$25,069,374</b>	<b>\$60,344,962</b>	<b>\$89,763,087</b>	<b>\$58,235,397</b>	<b>\$11,012,631</b>	<b>\$171,370,838</b>	<b>\$415,796,289</b>
Vanguard Total Bond Market Index Fund Instl Plus	\$12,528,511	\$30,157,615	\$44,859,430	\$29,103,352	\$5,503,602	\$85,643,201	\$207,795,712
Natixis Loomis Sayles Core Plus Bond N	\$12,540,863	\$30,187,347	\$44,903,657	\$29,132,045	\$5,509,028	\$85,727,637	\$208,000,578
<b>DCP Large Cap Stock Fund</b>	<b>\$2,488,100</b>	<b>\$14,968,264</b>	<b>\$74,179,729</b>	<b>\$72,226,684</b>	<b>\$27,308,253</b>	<b>\$1,566,519,789</b>	<b>\$1,757,690,820</b>
<b>DCP Mid Cap Stock Fund</b>	<b>\$1,238,366</b>	<b>\$5,959,330</b>	<b>\$29,533,202</b>	<b>\$43,141,277</b>	<b>\$21,745,684</b>	<b>\$213,063,305</b>	<b>\$314,681,163</b>
Vanguard Mid-Cap Index Fund Instl Plus	\$619,933	\$2,983,276	\$14,784,494	\$21,596,777	\$10,886,017	\$106,660,744	\$157,531,242
RidgeWorth Mid-Cap Value Equity Fund I	\$307,830	\$1,481,357	\$7,341,296	\$10,723,960	\$5,405,492	\$52,962,790	\$78,222,725
Voya MidCap Opportunities Fund R6	\$310,602	\$1,494,698	\$7,407,411	\$10,820,540	\$5,454,174	\$53,439,771	\$78,927,196
<b>DCP Small Cap Stock Fund</b>	<b>\$1,238,683</b>	<b>\$5,959,347</b>	<b>\$29,529,112</b>	<b>\$43,140,318</b>	<b>\$21,745,223</b>	<b>\$201,416,433</b>	<b>\$303,029,117</b>
Vanguard Small Cap Index Inst Plus	\$423,792	\$2,038,879	\$10,102,833	\$14,759,652	\$7,439,721	\$68,910,862	\$103,675,740
DFA US Small Cap Value Portfolio Institutional	\$400,673	\$1,927,652	\$9,551,693	\$13,954,469	\$7,033,862	\$65,151,570	\$98,019,920
Hartford SmallCap Growth HLS Fund IA	\$414,218	\$1,992,816	\$9,874,586	\$14,426,196	\$7,271,640	\$67,354,001	\$101,333,457
<b>DCP International Stock Fund</b>	<b>\$2,398,540</b>	<b>\$14,419,681</b>	<b>\$42,830,494</b>	<b>\$55,631,608</b>	<b>\$26,285,981</b>	<b>\$194,222,274</b>	<b>\$335,788,578</b>
MFS International Inst Equity Fund	\$1,548,374	\$9,308,603	\$27,649,161	\$35,912,901	\$16,968,876	\$125,379,896	\$216,767,811
Brandes Intl Small Cap Equity Fund I	\$414,114	\$2,489,595	\$7,394,795	\$9,604,941	\$4,538,343	\$33,532,977	\$57,974,765
DFA Emerging Markets Core Equity Inst	\$436,052	\$2,621,482	\$7,786,538	\$10,113,766	\$4,778,763	\$35,309,400	\$61,046,002
<b>Schwab PCRA Self-Directed Brokerage Account</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$345,206,513</b>	<b>\$345,206,513</b>
<b>Loan Account</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$190,006,656</b>	<b>\$190,006,656</b>
<b>TOTAL</b>	<b>\$49,683,592</b>	<b>\$119,449,770</b>	<b>\$295,245,901</b>	<b>\$286,686,396</b>	<b>\$108,097,773</b>	<b>\$4,246,768,846</b>	<b>\$5,105,932,278</b>

\* Note: Balances shown on this exhibit will not match figures shown on the rest of the report, which come from the "Empower recordkeeping system". The figures shown on this exhibit come from the "Empower Investment Team reporting system", which is based on settlement date and does not include accruals.

## Investment Expense Analysis

Fund	Style	Fund Balance	Estimated Fund Expense	Fund Net Expense Ratio	Median Net Expense Ratio <sup>1</sup>	Net Expense Diff.	Expense Rebate	Expense Ratio after Expense Rebate
FDIC-Insured Savings Account	Cash Equivalents	\$317,125,073	N/A	N/A	N/A	N/A	N/A	N/A
Deferred Compensation Stable Value Fund (Net)	Stable Value	\$1,047,128,826	\$3,350,812	0.32%	0.48%	-0.16%	0.00%	0.32%
DCP Bond Fund	US Fixed	\$171,587,478	\$428,969	0.25%	0.49%	-0.24%	0.00%	0.25%
Ultra Conservative Profile	Risk-based	\$49,768,317	\$149,207	0.30%	0.80%	-0.50%	0.01%	0.29%
Conservative Profile	Risk-based	\$120,157,541	\$382,564	0.32%	0.80%	-0.48%	0.01%	0.31%
Moderate Profile	Risk-based	\$295,929,500	\$948,888	0.32%	0.87%	-0.55%	0.02%	0.30%
Aggressive Profile	Risk-based	\$286,564,174	\$1,045,067	0.36%	0.93%	-0.57%	0.03%	0.34%
Ultra Aggressive Profile	Risk-based	\$107,887,644	\$440,970	0.41%	0.93%	-0.52%	0.04%	0.37%
DCP Large Cap Stock Fund	US Large Cap Equity	\$1,566,009,234	\$313,202	0.02%	0.20%	-0.18%	0.00%	0.02%
DCP Mid Cap Stock Fund	US Mid Cap Equity	\$213,002,693	\$1,107,614	0.52%	0.88%	-0.36%	0.15%	0.37%
DCP Small Cap Stock Fund	US Small Cap Equity	\$201,787,405	\$826,501	0.41%	1.00%	-0.59%	0.00%	0.41%
DCP International Stock Fund	International Equity	\$194,212,040	\$1,497,860	0.77%	0.95%	-0.18%	0.03%	0.75%
Schwab PCRA Self-Directed Brokerage Account	Brokerage Window	\$345,206,513	N/A	N/A	N/A	N/A	N/A	N/A
<i>Total investment expense (includes cash and brokerage; excludes assets on loan to participants)<sup>2</sup></i>		\$4,916,366,439	\$10,491,653	0.21%			0.01%	0.20%
<b><i>Total investment expense (includes cash and brokerage; excludes assets on loan to participants) after expense rebate<sup>2</sup></i></b>		<b>\$4,916,366,439</b>	<b>\$9,930,685</b>	<b>0.20%</b>				
<i>Administrative &amp; Other Expenses (excludes assets on loan to participants)<sup>2,3</sup></i>		\$4,916,366,439	\$2,632,813	0.05%				
<b>Total "All-in" Expenses including Admin &amp; Other Expense (excludes assets on loan to participants)<sup>2</sup></b>		<b>\$4,916,366,439</b>	<b>\$12,563,498</b>	<b>0.26%</b>				

<sup>1</sup> Median Net Expense Ratio as defined by the respective Mercer mutual fund universe and Lipper institutional share class categorizations. The median stable value management fee is derived from the 1Q16 Mercer's stable value survey. Profile funds are compared to the median institutional expense ratio of the corresponding Mercer Mutual Fund Target Risk Universe.

<sup>2</sup> Loan Account balance as of 06/30/2016 was \$190,006,656

<sup>3</sup> The Administrative & Other Expenses (excludes assets on loan to participants) of \$2,632,813 shown above is an estimate and reflects a quarterly per participant fee of 0.025% on the first \$125K of balance. The number of participants with a balance less than or equal to \$125K during the quarter was 29,979, and total assets for this group amounted to \$1,079,813,033. There were 12,424 participants with balances in excess of \$125K with a billable balance of \$1,553,000,000. The total participant count is 42,403.

## Compliance Table

	3 Years				5 Years				Comments
	Current Quarter		Last Quarter		Current Quarter		Last Quarter		
I – Index U – Universe Median	I	U	I	U	I	U	I	U	
Deferred Compensation Stable Value Fund (Net)	✓	✓	✓	✓	✓	✓	✓	✓	<b>Retain.</b>
DCP Bond Fund	✗	✗	✗	✗	✗	✗	✗	✗	<b>Retain.</b> Fund inception was on April 20, 2012 with 50% allocated to PIMCO Total Return Fund Institutional and 50% allocated to Vanguard Total Bond Market Index Fund Inst Plus. PIMCO Total Return Fund was replaced with Natixis Loomis Sayles Core Plus Bond Fund on October 14, 2014
Ultra Conservative Profile	✗	✗	✗	✗	✓	✗	✓	✗	<b>Retain.</b> No changes to allocations.
Conservative Profile	✗	✓	✗	✓	✓	✓	✓	✓	<b>Retain.</b> No changes to allocations.
Moderate Profile	✗	✓	✗	✓	✓	✓	✓	✓	<b>Retain.</b> No changes to allocations.
Aggressive Profile	✓	✓	✓	✓	✓	✓	✓	✓	<b>Retain.</b> No changes to allocations.
Ultra Aggressive Profile	✓	✓	✓	✓	✓	✓	✓	✓	<b>Retain.</b> No changes to allocations.
DCP Large Cap Stock Fund	T	N/A	T	N/A	T	N/A	T	N/A	<b>Retain.</b> Fund inception was on April 20, 2012 with 100% allocated to the Vanguard Institutional Index.
DCP Mid Cap Stock Fund	✗	✓	✓	✓	✗	✓	✓	✓	<b>Retain.</b> Fund inception was on April 20, 2012 with 100% allocated to the Vanguard Mid Cap Index Fund. Effective March 20, 2015, the DCP Mid Cap Stock Fund is comprised of 50% Vanguard Mid Cap Index Fund, 25% RidgeWorth Mid-Cap Value Equity Fund, and 25% Voya MidCap Opportunities Fund.
DCP Small Cap Stock Fund	✓	✓	✓	✓	✓	✓	✓	✓	<b>Retain.</b> Fund inception was on March 20, 2015 with allocations as follows: 33.3% SSgA Russell Small Cap Index NL Fund / 33.3% DFA US Small Cap Value Portfolio / 33.3% Hartford Small Cap Growth HLS Fund. On June 26, 2015, the Vanguard Small Cap Index Fund replaced the SSgA Russell Small Cap Index NL Fund within the DCP Small Cap Stock Fund.
DCP International Stock Fund	✓	✓	✓	✓	✓	✓	✓	✓	<b>Retain.</b> Fund inception was on June 26, 2015 with allocations as follows: 65.0% MFS Institutional International Equity Fund / 17.5% Brandes International Small Cap Equity Fund / 17.5% DFA Emerging Markets Core Equity Portfolio.

✓ = Outperformed or matched performance  
 ✗ = Underperformed  
 T = Index Fund  
   = Hypothetical Return

## Performance

			Ending June 30, 2016											
	Market Value	% of Portfolio	3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
Cash														
FDIC-Insured Savings Account (Blended Rate - .5535%) <sup>1</sup>	\$317,125,073	6.2%	0.1%	--	0.3%	--	0.4%	--	0.4%	--	--	--	--	--
Stable Value														
Deferred Compensation Stable Value Fund (Net) <sup>2</sup>	\$1,047,128,826	20.5%	0.5%	15	1.0%	15	2.0%	13	1.9%	26	2.3%	8	3.3%	22
3 YR CONSTANT MATURITY + 50bps			0.3%	81	0.7%	79	1.5%	76	1.4%	76	1.2%	99	2.0%	99
iMoneyNet MM All Taxable Plus 1%			0.3%	96	0.6%	93	1.1%	93	1.0%	92	1.0%	99	1.9%	99
Mercer Instl Stable Value Median			0.4%		0.9%		1.8%		1.7%		2.0%		2.9%	
Domestic Fixed														
DCP Bond Fund <sup>3</sup>	\$171,587,478	3.4%	2.9%	22	6.6%	15	5.2%	35	3.4%	54	--	--	--	--
Barclays Aggregate			2.2%	52	5.3%	36	6.0%	18	4.1%	30	3.8%	44	5.1%	41
DCP Bond Fund Hypothetical <sup>4</sup>			2.9%	22	6.6%	15	5.2%	35	3.4%	54	3.5%	54	5.6%	22
Mercer Mutual Fund US Fixed Core Median			2.2%		4.8%		4.3%		3.5%		3.6%		4.8%	
Vanguard Total Bond Market Index Fund Inst Plus			2.4%	40	5.5%	37	6.1%	31	4.1%	38	3.8%	44	5.1%	25
Vanguard Spliced Barclays USAgg Float Adj Idx <sup>5</sup>			2.3%	42	5.5%	37	6.1%	32	4.1%	36	3.8%	44	5.1%	25
Mercer Mutual Fund US Fixed Index Median			2.1%		5.1%		4.5%		3.8%		3.6%		4.9%	
Loomis Sayles Core Plus Bond Fund N			3.4%	14	7.7%	9	4.3%	53	4.2%	25	4.8%	14	6.7%	4
Barclays Aggregate			2.2%	52	5.3%	36	6.0%	18	4.1%	30	3.8%	44	5.1%	41
Mercer Mutual Fund US Fixed Core Median			2.2%		4.8%		4.3%		3.5%		3.6%		4.8%	

<sup>1</sup> FDIC-Insured Savings Account: The blended rate of 0.5535% is as of 06/30/2016. Bank of the West and EastWest Bank have equal weightings of 50%; their declared rates at the end of the quarter are as follows: Bank of the West = 0.507% and EastWest Bank = 0.60%.

<sup>2</sup> Stable Value: The inception date of the Galliard Stable Value fund is July 1, 2008. Returns prior to the inception date are linked to the Wells Fargo Stable Return fund.

<sup>3</sup> DCP Bond Fund: Effective October 14, 2014, the Fund is comprised of 50% Vanguard Total Bond Market Index Fund / 50% Natixis Loomis Sayles Core Plus Bond Fund. From April 1, 2012 through October 14, 2014, the Fund is comprised of 50% Vanguard Total Bond Market Index Fund / 50% PIMCO Total Return Fund. Performance prior to April 2012 is simulated, with a weighting of 50% Vanguard Total Bond Market Index Fund / 50% PIMCO Total Return Fund.

<sup>4</sup> DCP Bond Hypothetical: Effective October 14, 2014, the Fund is comprised of 50% Vanguard Total Bond Market Index Fund / 50% Natixis Loomis Sayles Core Plus Bond Fund. From April 20, 2012 (inception) through October 14, 2014, the Fund was comprised of 50% Vanguard Total Bond Market Index Fund / 50% PIMCO Total Return Fund. Performance prior to the Fund's inception is simulated.

<sup>5</sup> Vanguard Spliced Barclays USAgg Float Adj Idx: Barclays U.S. Aggregate Bond Index through 12/31/2009; Barclays U.S. Aggregate Float Adjusted Index thereafter.

## Performance

			Ending June 30, 2016											
	Market Value	% of Portfolio	3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
Risk-Based														
Ultra Conservative Profile	\$49,768,317	1.0%	1.8%	68	4.0%	40	3.0%	20	3.7%	75	3.9%	73	--	--
Ultra Conservative Profile Custom Index <sup>6</sup>			1.5%	88	3.3%	62	3.2%	19	3.8%	71	3.6%	79	4.3%	68
Mercer Mutual Fund Target Risk Conservative Median			2.1%		3.6%		1.6%		4.3%		4.5%		4.7%	
Conservative Profile	\$120,157,541	2.4%	2.0%	58	4.3%	35	2.1%	41	4.9%	28	5.1%	29	5.2%	24
Conservative Profile Custom Index <sup>7</sup>			1.7%	73	3.6%	50	2.4%	32	5.1%	24	5.0%	30	5.1%	31
Mercer Mutual Fund Target Risk Conservative Median			2.1%		3.6%		1.6%		4.3%		4.5%		4.7%	
Moderate Profile	\$295,929,500	5.8%	2.0%	55	3.7%	38	1.0%	32	6.5%	21	6.7%	24	5.8%	24
Moderate Profile Custom Index <sup>8</sup>			1.9%	58	3.4%	45	1.0%	31	6.6%	18	6.7%	24	5.7%	27
Mercer Mutual Fund Target Risk Moderate Median			2.0%		3.3%		0.0%		5.3%		5.4%		5.1%	

<sup>6</sup> Ultra Conservative Profile Custom Index: Effective June 26, 2015, the following composite index is used: 35.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 50.0% Barclays US Aggregate Index / 5% S&P 500 Index / 2.5% Russell Mid Cap Index/ 2.5% Russell 2000 Index / 5% MSCI ACWI ex US IMI Index. From March 20, 2015 through June 25, 2015, the following composite index is used: 35.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 50.0% Barclays US Aggregate Index / 5% S&P 500 Index / 2.5% Russell Mid Cap Index/ 2.5% Russell 2000 Index / 5% MSCI EAFE (NWHT) Index. From June 1, 2009 through March 19, 2015, the following composite index is used: 35.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 50.0% Barclays US Aggregate Index / 5% S&P 500 Index / 2.5% MSCI US Mid Cap 450 Index/ 2.5% Russell 2000 Index / 5% MSCI EAFE (NWHT) Index. Prior to June 1, 2009, the following composite index is used: 35.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 50.0% Barclays US Aggregate Index / 5.0% S&P 500 Index / 5.0% Russell 2000 Index / 5.0% MSCI EAFE (NWHT) Index.

<sup>7</sup> Conservative Profile Custom Index: Effective June 26, 2015, the following composite index is used: 15.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 50.0% Barclays US Aggregate Index / 12.5% S&P 500 Index / 5% Russell Mid Cap Index/ 5.0% Russell 2000 Index / 12.5% MSCI ACWI ex US IMI Index. From March 20, 2015 through June 25, 2015, the following composite index is used: 15.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 50.0% Barclays US Aggregate Index / 12.5% S&P 500 Index / 5% Russell Mid Cap Index/ 5.0% Russell 2000 Index / 12.5% MSCI EAFE (NWHT) Index. From June 1, 2009 through March 19, 2015, the following composite index is used: 15.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 50.0% Barclays US Aggregate Index / 12.5% S&P 500 Index / 5% MSCI US Mid Cap 450 Index/ 5.0% Russell 2000 Index / 12.5% MSCI EAFE (NWHT) Index. Prior to June 1, 2009, the following composite index is used: 15.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 50% Barclays US Aggregate Index / 25% S&P 500 Index / 5% Russell 2000 Index / 5% MSCI EAFE (NWHT) Index.

<sup>8</sup> Moderate Profile Custom Index: Effective June 26, 2015, the following composite index is used: 10.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 30.0% Barclays US Aggregate Index / 25.0% S&P 500 Index / 10.0% Russell Mid Cap Index/ 10.0% Russell 2000 Index / 15.0% MSCI ACWI ex US IMI Index. From March 20, 2015 through June 25, 2015, the following composite index is used: 10.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 30.0% Barclays US Aggregate Index / 25.0% S&P 500 Index / 10.0% Russell Mid Cap Index/ 10.0% Russell 2000 Index / 15.0% MSCI EAFE (NWHT) Index. From June 1, 2009 through March 19, 2015, the following composite index is used: 10.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 30.0% Barclays US Aggregate Index / 25.0% S&P 500 Index / 10.0% MSCI US Mid Cap 450 Index/ 10.0% Russell 2000 Index / 15.0% MSCI EAFE (NWHT) Index. Prior to June 1, 2009, the following composite index is used: 5.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 35.0% Barclays US Aggregate Index / 40.0% S&P 500 Index / 10.0% Russell 2000 Index / 10.0% MSCI EAFE (NWHT) Index.

## Performance

	Market Value	% of Portfolio	Ending June 30, 2016											
			3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
Aggressive Profile	\$286,564,174	5.6%	1.9%	40	3.3%	23	-0.4%	33	7.2%	32	7.3%	30	5.7%	39
Aggressive Profile Custom Index <sup>9</sup>			2.0%	32	3.1%	27	-0.5%	34	7.2%	32	7.3%	31	5.6%	39
Mercer Mutual Fund Target Risk Aggressive Median			1.7%		1.9%		-2.0%		6.5%		6.8%		5.4%	
Ultra Aggressive Profile	\$107,887,644	2.1%	1.8%	47	2.8%	32	-1.8%	46	7.7%	19	7.8%	20	--	--
Ultra Aggressive Profile Custom Index <sup>10</sup>			2.1%	27	2.9%	30	-2.0%	51	7.7%	20	7.8%	21	5.4%	48
Mercer Mutual Fund Target Risk Aggressive Median			1.7%		1.9%		-2.0%		6.5%		6.8%		5.4%	

<sup>9</sup> Aggressive Profile Custom Index: Effective June 26, 2015, the following composite index is used: 5.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 20.0% Barclays US Aggregate Index / 25.0% S&P 500 Index / 15.0% Russell Mid Cap Index/ 15.0% Russell 2000 Index / 20.0% MSCI ACWI ex US IMI Index. From March 20, 2015 through June 25, 2015, the following composite index is used: 5.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 20.0% Barclays US Aggregate Index / 25.0% S&P 500 Index / 15.0% Russell Mid Cap Index/ 15.0% Russell 2000 Index / 20.0% MSCI EAFE (NWHT) Index. From June 1, 2009 through March 19, 2015, the following composite index is used: 5.0% 3 Yr Constant Maturity Treasury Index + 50 bps/ 20.0% Barclays US Aggregate Index / 25.0% S&P 500 Index / 15.0% MSCI US Mid Cap 450 Index/ 15.0% Russell 2000 Index / 20.0% MSCI EAFE (NWHT) Index. For periods prior to June 1, 2009, the following composite index is used: 20% Barclays US Aggregate Index / 50% S&P 500 Index / 15% Russell 2000 Index / 15% MSCI EAFE (NWHT) Index.

<sup>10</sup> Ultra Aggressive Profile Custom Index: Effective June 26, 2015, the following composite index is used: 10.0% Barclays US Aggregate Index / 25.0% S&P 500 Index / 20.0% Russell Mid Cap Index/ 20.0% Russell 2000 Index / 25.0% MSCI ACWI ex US IMI Index. From March 20, 2015 through June 25, 2015, the following composite index is used: 10.0% Barclays US Aggregate Index / 25.0% S&P 500 Index / 20.0% Russell Mid Cap Index/ 20.0% Russell 2000 Index / 25.0% MSCI EAFE (NWHT) Index. From June 1, 2009 through March 19, 2015, the following composite index is used: 10.0% Barclays US Aggregate Index / 25.0% S&P 500 Index / 20.0% MSCI US Mid Cap 450 Index/ 20.0% Russell 2000 Index / 25.0% MSCI EAFE (NWHT) Index. For periods prior to June 1, 2009, the following composite index is used: 60.0% S&P 500 Index / 20.0% Russell 2000 Index / 20.0% MSCI EAFE (NWHT) Index.

## Performance

			Ending June 30, 2016											
	Market Value	% of Portfolio	3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
Domestic Equity														
DCP Large Cap Stock Fund <sup>11</sup>	\$1,566,009,234	30.7%	2.5%	31	3.8%	25	4.0%	19	11.6%	19	--	--	--	--
S&P 500			2.5%	31	3.8%	25	4.0%	20	11.7%	19	12.1%	20	7.4%	23
DCP Large Cap Hypothetical <sup>12</sup>			2.5%	31	3.8%	25	4.0%	19	11.7%	19	12.1%	21	7.5%	21
DCP Mid Cap Stock Fund <sup>13</sup>	\$213,002,693	4.2%	2.4%	52	3.9%	48	-0.5%	29	10.8%	13	--	--	--	--
DCP Mid Cap Custom Benchmark <sup>15</sup>			3.2%	36	5.5%	32	0.6%	26	11.1%	10	10.8%	11	7.9%	12
DCP Mid Cap Hypothetical <sup>14</sup>			2.4%	52	3.9%	48	-0.5%	29	10.8%	13	10.6%	12	7.8%	12
Mercer Mutual Fund US Equity Mid Cap Core Median			2.4%		3.3%		-3.7%		8.2%		8.7%		6.6%	
Vanguard Mid Cap Index Fund Instl Plus			2.3%	52	3.5%	49	-0.9%	32	10.8%	14	10.6%	12	7.8%	12
Vanguard Spliced Mid Cap <sup>16</sup>			2.3%	52	3.5%	49	-0.9%	32	10.8%	13	10.6%	12	7.8%	12
Mercer Mutual Fund US Equity Mid Cap Core Median			2.4%		3.3%		-3.7%		8.2%		8.7%		6.6%	
RidgeWorth Mid Cap Value Equity Fund I			2.1%	52	4.8%	58	-0.4%	35	8.4%	50	8.9%	49	9.0%	1
Russell MidCap Value			4.8%	10	8.9%	17	3.2%	15	11.0%	13	11.7%	3	7.8%	14
Mercer Mutual Fund US Equity Mid Cap Value Median			2.2%		5.3%		-2.0%		8.4%		8.8%		6.3%	
Voya Mid Cap Opportunities Fund R6			2.7%	42	3.5%	16	0.3%	9	9.7%	29	8.8%	37	9.4%	10
Russell MidCap Growth			1.6%	66	2.2%	23	-2.1%	18	10.5%	22	10.0%	23	8.1%	28
Mercer Mutual Fund US Equity Mid Cap Growth Median			2.3%		0.2%		-7.3%		8.2%		7.7%		7.0%	

<sup>11</sup> DCP Large Cap Stock Fund: The Fund is comprised of 100% Vanguard Institutional Index Fund.

<sup>12</sup> DCP Large Cap Stock Hypothetical: The Fund is comprised of 100% Vanguard Institutional Index Fund. The inception date of the DCP Large Cap Stock Fund was April 20, 2012, performance prior to inception is simulated.

<sup>13</sup> DCP Mid Cap Stock Fund: Effective March 20, 2015, the Fund is comprised of 50% Vanguard Mid Cap Index Fund / 25% RidgeWorth Mid Cap Value Equity Fund / 25% Voya Mid Cap Opportunities Fund. Prior to March 20, 2015, the Fund is comprised of 100% Vanguard Mid Cap Index Fund.

<sup>14</sup> DCP Mid Cap Stock Hypothetical: Effective March 20, 2015 the Fund is comprised of 50% Vanguard Mid Cap Index Fund/ 25% RidgeWorth Mid Cap Value Equity Fund/ 25% Voya Mid Cap Opportunity Fund. Prior to March 20, 2015 the Fund is comprised of 100% Vanguard Mid Cap Index Fund. The inception date of the DCP Mid Cap Stock Fund was April 20, 2012, performance prior to inception is simulated.

<sup>15</sup> DCP Mid Cap Custom Benchmark: S&P MidCap 400 Index through May 16, 2003; MSCI US Mid Cap 450 Index through January 30, 2013; CRSP US Mid Cap Index through March 19, 2015, Russell Mid Cap Index thereafter.

<sup>16</sup> Vanguard Spliced Mid-Cap Index: S&P MidCap 400 Index through May 16, 2003; MSCI US Mid Cap 450 Index through January 30, 2013; CRSP US Mid Cap Index thereafter.

## Performance

	Market Value	% of Portfolio	Ending June 30, 2016											
			3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
DCP Small Cap Stock Fund <sup>17</sup>	\$201,787,405	4.0%	3.2%	32	2.5%	55	-6.1%	56	--	--	--	--	--	--
<i>Russell 2000</i>			3.8%	21	2.2%	58	-6.7%	65	7.1%	51	8.4%	48	6.2%	45
<i>DCP Small Cap Hypothetical<sup>18</sup></i>			3.2%	33	2.5%	55	-6.2%	57	7.9%	37	9.4%	26	7.1%	28
<i>Mercer Mutual Fund US Equity Small Cap Core Median</i>			2.3%		2.8%		-5.4%		7.1%		8.3%		6.1%	
Vanguard Small Cap Index Instl Plus			4.0%	19	5.0%	26	-2.9%	29	9.0%	14	9.9%	16	7.7%	16
<i>Vanguard Spliced Small Cap<sup>19</sup></i>			4.0%	19	5.0%	27	-2.9%	30	8.9%	14	9.9%	17	7.7%	17
<i>Mercer Mutual Fund US Equity Small Cap Core Median</i>			2.3%		2.8%		-5.4%		7.1%		8.3%		6.1%	
DFA US Small Cap Value Portfolio Institutional			1.1%	71	3.3%	67	-7.1%	74	6.0%	46	8.5%	32	5.5%	63
<i>Russell 2000 Value</i>			4.3%	15	6.1%	28	-2.6%	35	6.4%	41	8.1%	41	5.2%	69
<i>Mercer Mutual Fund US Equity Small Cap Value Median</i>			2.1%		4.2%		-4.4%		5.6%		7.9%		5.8%	
Hartford Small Cap Growth HLS Fund IA			4.5%	39	-0.8%	51	-8.7%	42	8.6%	24	9.6%	20	8.1%	20
<i>Russell 2000 Growth</i>			3.2%	61	-1.6%	58	-10.8%	53	7.7%	32	8.5%	33	7.1%	37
<i>Mercer Mutual Fund US Equity Small Cap Growth Median</i>			4.0%		-0.8%		-10.1%		6.7%		7.3%		6.6%	

<sup>17</sup> DCP Small Cap Stock Fund: Effective June 26, 2015, the Fund is comprised of 33.3% Vanguard Small Cap Index Fund / 33.3% DFA US Small Cap Value Portfolio / 33.3% Hartford Small Cap Growth HLS Fund. From March 20, 2015 through June 25, 2015, the Fund is comprised of 33.3% SSgA Russell Small Cap Index NL Fund / 33.3% DFA US Small Cap Value Portfolio / 33.3% Hartford Small Cap Growth HLS Fund.

<sup>18</sup>DCP Small Cap Hypothetical: Comprised of 33.34% Vanguard Small Cap Index Fund / 33.3% DFA US Small Cap Value Portfolio / 33.3% Hartford Small Cap Growth HLS Fund.

<sup>19</sup> Vanguard Spliced Small-Cap Index: Russell 2000 Index through May 16, 2003; MSCI US Small Cap 1750 Index through January 30, 2013; CRSP US Small Cap Index thereafter.

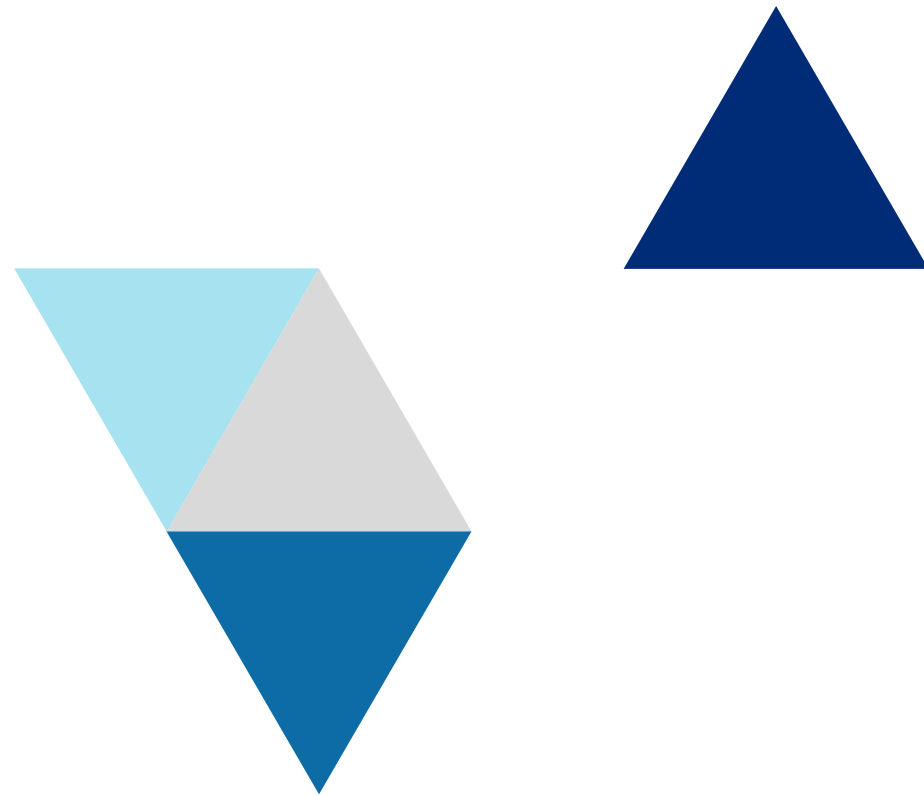
## Performance

			Ending June 30, 2016											
	Market Value	% of Portfolio	3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
International Equity														
DCP International Stock Fund <sup>20</sup>	\$194,212,040	3.8%	-0.9%	43	-0.6%	26	-7.8%	37	--	--	--	--	--	--
MSCI ACWI ex USA IMI			-0.7%	39	-0.9%	29	-9.6%	55	1.7%	66	0.4%	77	2.2%	50
DCP International Hypothetical <sup>21</sup>			-0.9%	42	-0.6%	26	-7.8%	37	3.1%	38	2.5%	36	4.7%	11
Mercer Mutual Fund World ex US/EAFE Equity Median			-1.2%		-3.0%		-9.2%		2.3%		1.8%		2.2%	
MFS International Instl Equity Fund			-1.2%	53	-3.6%	57	-10.0%	58	2.5%	48	2.5%	35	3.9%	20
MSCI EAFE			-1.5%	58	-4.4%	69	-10.2%	59	2.1%	57	1.7%	52	1.6%	65
Mercer Mutual Fund World ex US/EAFE Equity Median			-1.2%		-3.0%		-9.2%		2.3%		1.8%		2.2%	
Brandes International Small Cap Equity Fund I			-2.8%	61	0.5%	27	1.0%	5	8.1%	6	7.2%	7	6.6%	8
MSCI EAFE Small Cap			-2.6%	59	-3.2%	58	-3.7%	21	7.3%	15	4.8%	30	3.6%	53
Mercer Mutual Fund World ex US/EAFE Equity Small Cap Median			-2.2%		-2.6%		-7.1%		5.5%		3.5%		3.6%	
DFA Emerging Markets Core Equity Portfolio Inst			2.2%	46	9.6%	23	-8.8%	35	-0.2%	27	-3.0%	45	5.3%	11
MSCI Emerging Markets			0.7%	80	6.4%	52	-12.1%	67	-1.6%	54	-3.8%	58	3.5%	42
Mercer Mutual Fund Emerging Markets Equity Median			2.0%		6.5%		-10.3%		-1.5%		-3.2%		3.2%	

<sup>20</sup> DCP International Stock Fund: Effective June 26, 2015 the Fund is comprised of 65% MFS Institutional International Equity Fund / 17.5% Brandes International Small Cap Equity Fund / 17.5% DFA Emerging Markets Core Equity Portfolio. Due to the Fund's inception date, there is not a full quarter's worth of performance to be shown.

<sup>21</sup> DCP International Hypothetical : Comprised of 65% MFS Institutional International Equity Fund / 17.5% Brandes International Small Cap Equity Fund / 17.5% DFA Emerging Markets Core Equity Portfolio.

# Fund Profiles



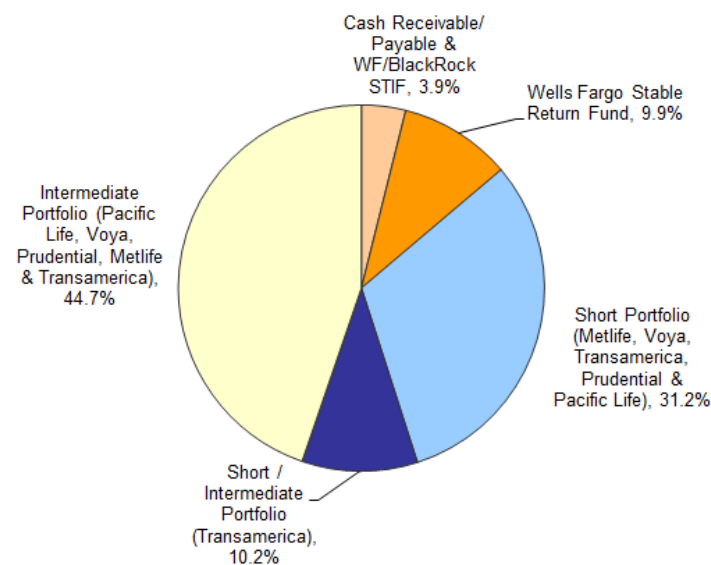
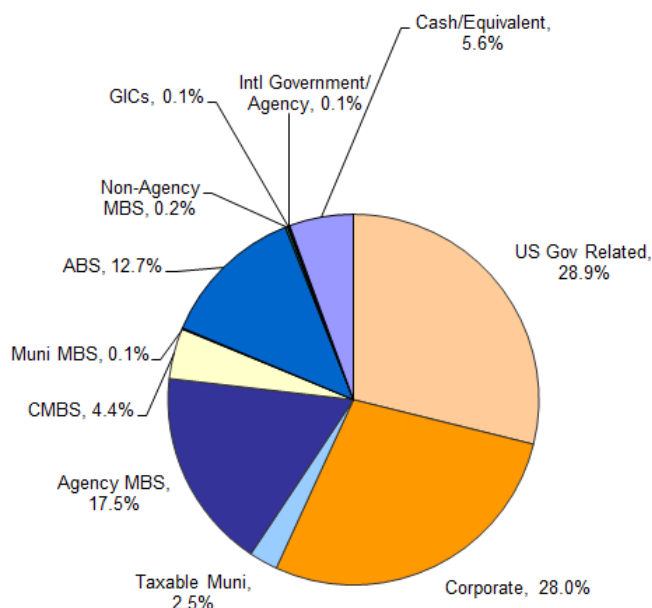
# Deferred Compensation Stable Value Fund (Net)

## Fund Information

### Investment Philosophy

Galliard's primary emphasis in managing stable value portfolios is safety of principal. Maintaining appropriate liquidity is another key investment objective, for it must be sufficient to accommodate participant changes and provide plan sponsor flexibility. The optimal amount of liquidity typically results in reduced contract charges (wrap fees), which helps to increase the crediting rate. The process then focuses on security selection to ensure competitive returns for participants. Portfolios follow a traditional fixed income management approach with emphasis on high quality securities, broad diversification, adequate liquidity, controlled market risk (duration) and a disciplined risk management process to identify the best fundamental values across fixed income sectors. The investment decision process is team-based, blending top down and bottom up decisions. Galliard manages individual stable value portfolios on a customized basis, based on specific plan needs and characteristics. The hallmarks of their strategy include high credit quality and diversification through the use of security backed contracts (i.e. Synthetic GICs). In structuring stable value portfolios, the process begins by determining the optimal target duration for the plan. Galliard portfolios utilize a two-tiered liquidity management approach, with the first tier comprised of the liquidity buffer. The second tier consists of the security backed contracts, which are structured to provide liquidity on a pro-rata basis. Most Galliard separate accounts utilize various Galliard advised collective funds as the underlying portfolio although outside sub-advisors may also be utilized. Also, depending on the client mandate, traditional GICs may also be used as a diversification strategy.

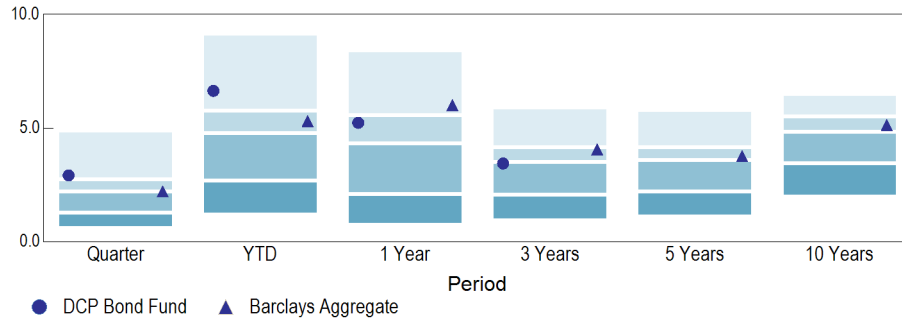
	2Q16	1Q16	4Q15	3Q15
<b>Mkt/Book Value Ratio</b>	102.6%	102.0%	100.9%	101.7%
<b>Avg. Credit Quality</b>	A1/AA-	A1/AA-	A1/AA-	A1/AA-
<b>Effective Duration (yrs)</b>	2.87	2.95	2.94	2.85
<b>Blended Yield</b>	2.1%	2.1%	2.1%	2.0%



# DCP Bond Fund

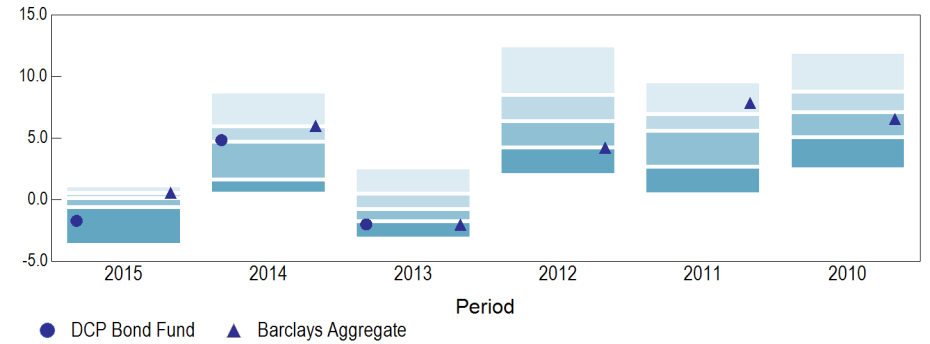
## Fund Information

Mercer Mutual Fund US Fixed Core Accounts



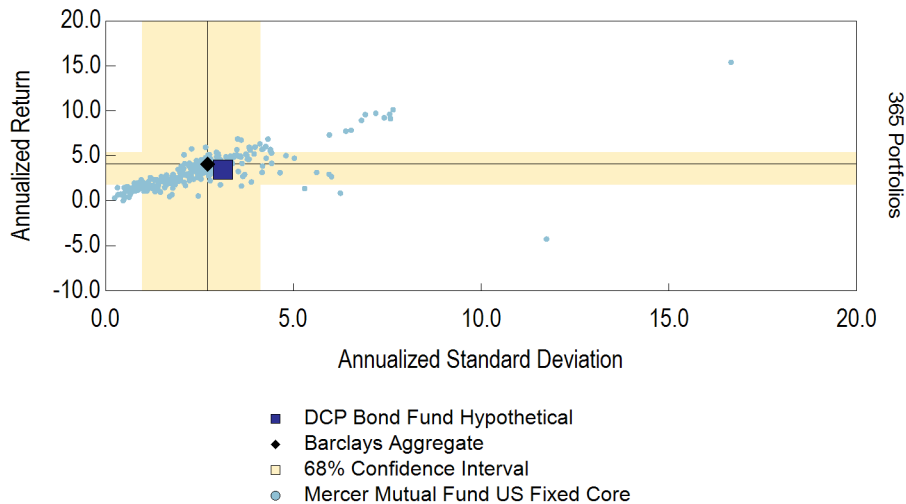
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
DCP Bond Fund	2.9%	6.6%	5.2%	3.4%		
Barclays Aggregate	2.2%	5.3%	6.0%	4.1%	3.8%	5.1%
Universe Median	2.2%	4.8%	4.3%	3.5%	3.6%	4.8%

Mercer Mutual Fund US Fixed Core Accounts

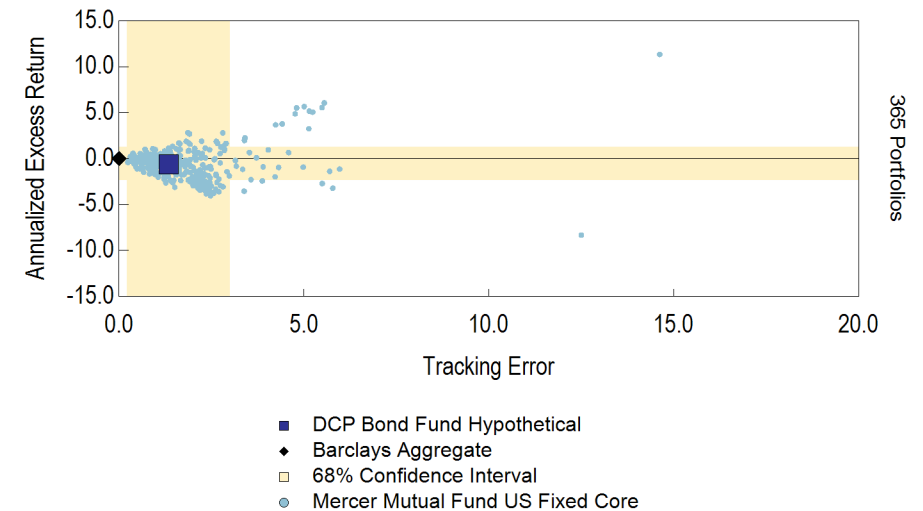


Annualized Returns	2015	2014	2013	2012	2011	2010
DCP Bond Fund	-1.7%	4.8%	-2.0%			
Barclays Aggregate	0.6%	6.0%	-2.0%	4.2%	7.8%	6.5%
Universe Median	0.1%	4.8%	-0.8%	6.4%	5.7%	7.4%

Annualized Return vs. Annualized Standard Deviation  
3 Years Ending June 30, 2016



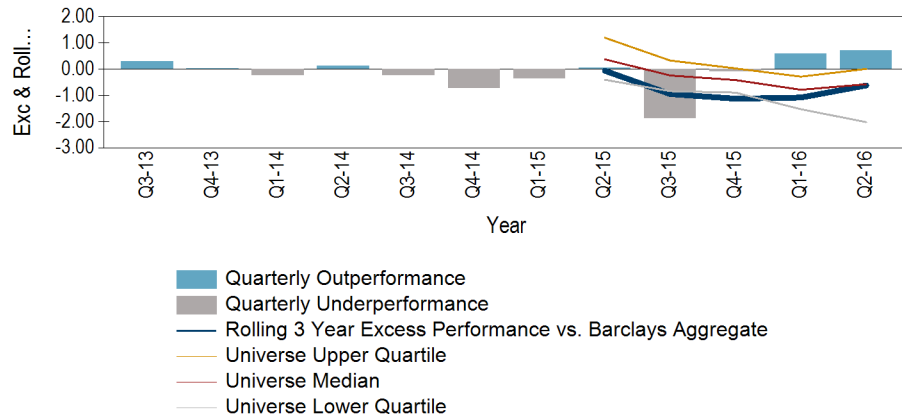
Annualized Excess Return vs. Tracking Error  
3 Years Ending June 30, 2016



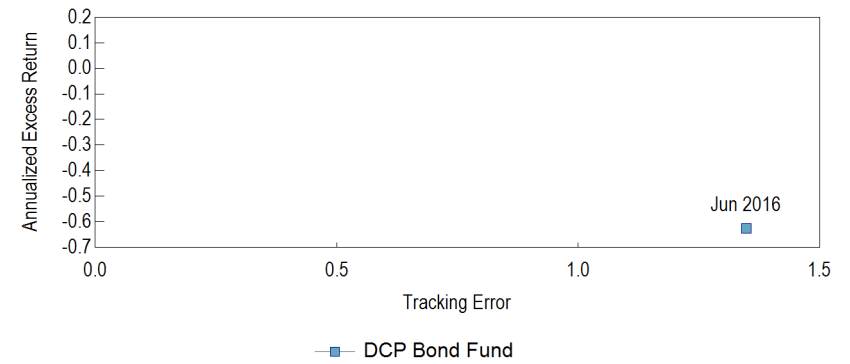
# DCP Bond Fund

## Fund Information

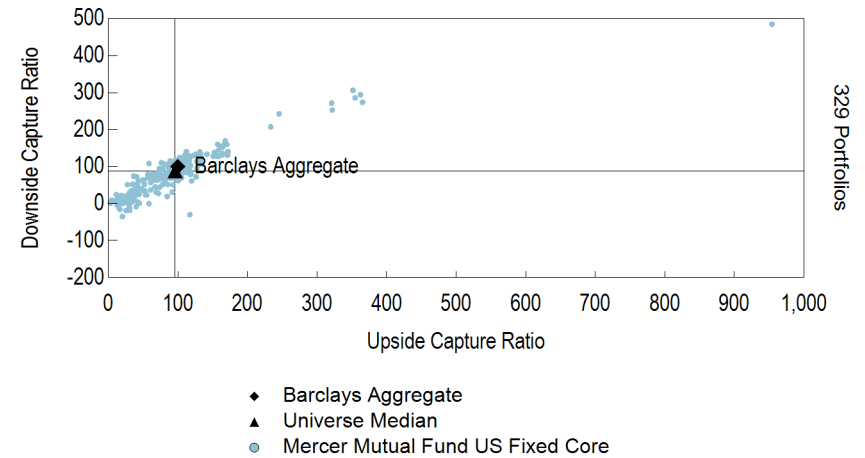
Rolling Annualized Excess Performance



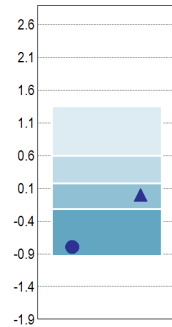
Rolling 3 Year Risk/Return vs. Barclays Aggregate



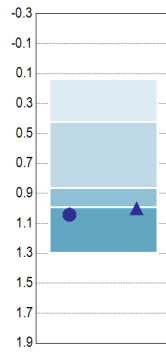
Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016



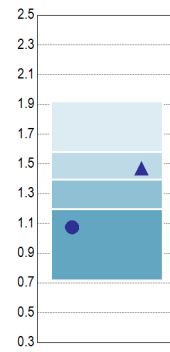
Annualized Alpha  
Jensen (%)



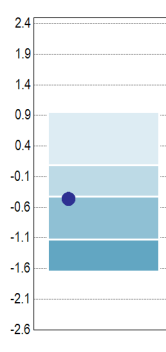
Beta



Sharpe Ratio



Information Ratio



MPT Statistics represent 3 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
DCP Bond Fund	3.44%	3.13%	1.35%	-0.80%	1.04	1.07	-0.46	86.85%	5.75%	101.44%	-2.41%
Barclays Aggregate	4.06%	2.72%	0.00%	0.00%	1.00	1.47	--	100.00%	6.59%	100.00%	-2.38%

# Vanguard Total Bond Market Index Fund (US)

## Manager Commentary

Plan	City of Los Angeles Deferred Compensation Plan
Strategy	Vanguard - Vanguard Total Bond Market Index Fund (US)
Benchmark	Barclays Capital U.S. Aggregate Float Adjusted Bond Index

### Manager Philosophy and Process

Vanguard Total Bond Market Index Fund (US) seeks to track the investment performance of the Barclays U.S. Aggregate Float Adjusted Bond Index, an unmanaged benchmark representing the broad U.S. bond market. The Fund invests in investment-grade corporate, U.S. Treasury, mortgage-backed, and asset-backed securities with short, intermediate, and long maturities in excess of one year, resulting in a portfolio of intermediate duration. The Fund's passive investment style uses a sampling technique to closely match key benchmark characteristics: sector weight, coupon, maturity, effective duration, convexity, and credit quality. Optimized sampling is designed to avoid the expense and impracticality of fully replicating the index.

### Quarterly Attribution

Top performing index sectors:

- Foreign local government (+5.1%), utility (+4.5%), and sovereigns (+4.2%)

Bottom performing index sectors:

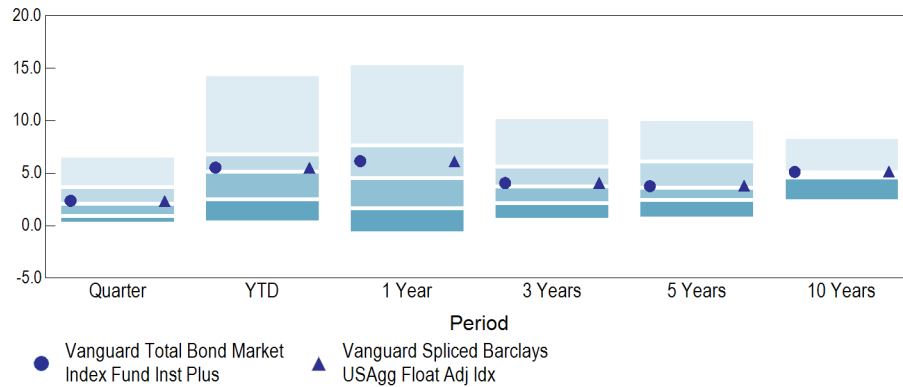
- U.S. mortgage backed securities agency hybrid ARM (+0.8%), U.S. mortgage backed securities agency fixed rate (+1.1%), and asset-backed (+1.2%)

Note: The DCP Bond Fund is comprised 50% Vanguard Total Bond Market Index Fund.

# Vanguard Total Bond Market Index Fund Inst Plus

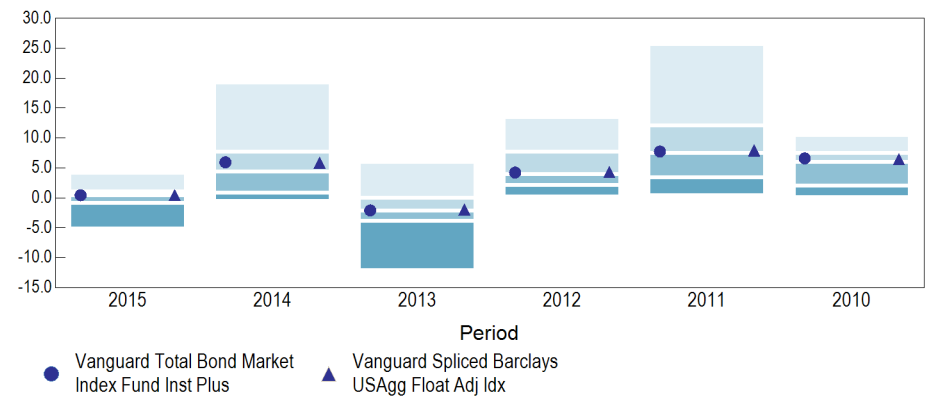
## Fund Information

Mercer Mutual Fund US Fixed Index Accounts



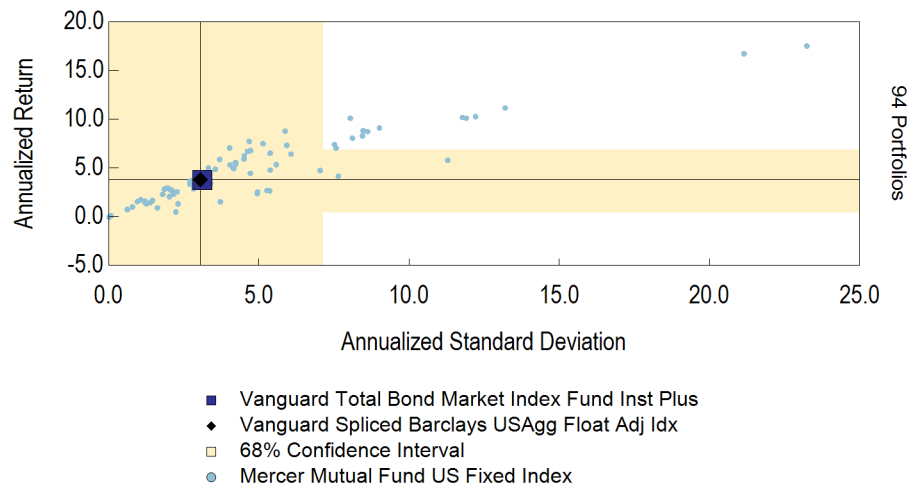
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Vanguard Total Bond Market Index Fund Inst Plus	2.4%	5.5%	6.1%	4.1%	3.8%	5.1%
Vanguard Spliced Barclays USAgg Float Adj Idx	2.3%	5.5%	6.1%	4.1%	3.8%	5.1%
Universe Median	2.1%	5.1%	4.5%	3.8%	3.6%	4.9%

Mercer Mutual Fund US Fixed Index Accounts

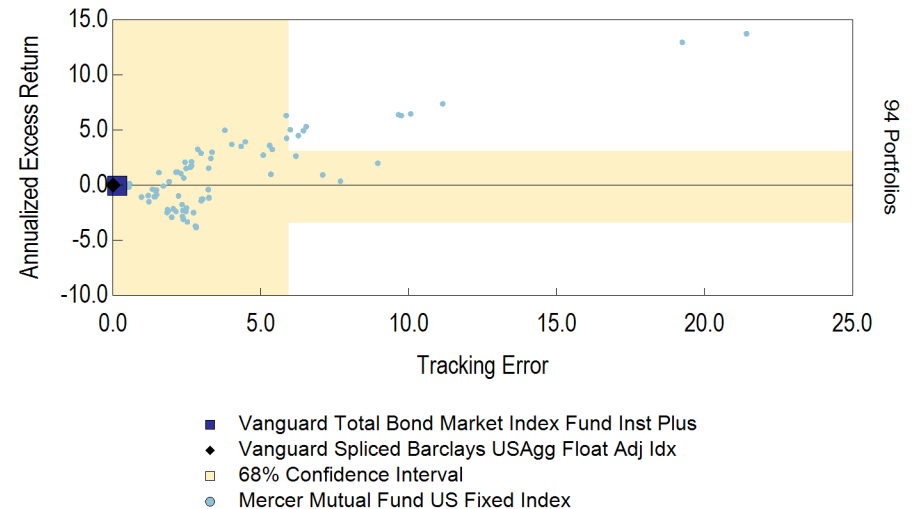


Annualized Returns	2015	2014	2013	2012	2011	2010
Vanguard Total Bond Market Index Fund Inst Plus	0.4%	5.9%	-2.1%	4.2%	7.7%	6.6%
Vanguard Spliced Barclays USAgg Float Adj Idx	0.4%	5.8%	-2.0%	4.3%	7.9%	6.4%
Universe Median	0.5%	5.4%	-2.3%	4.0%	7.6%	6.1%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



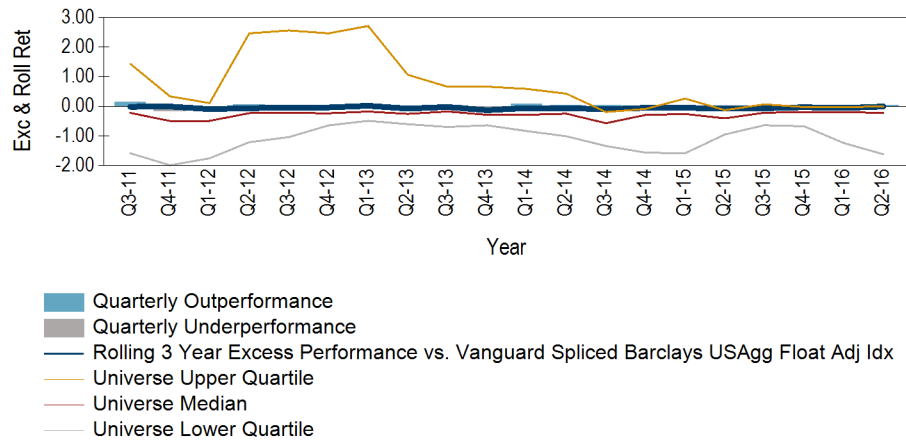
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



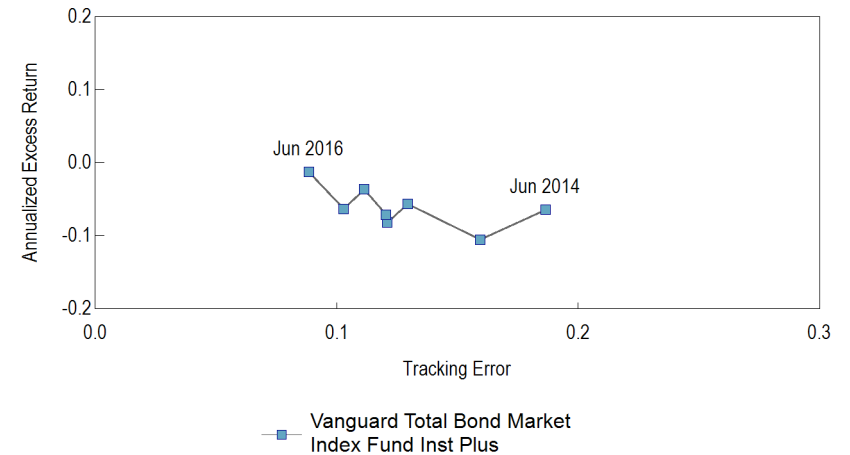
# Vanguard Total Bond Market Index Fund Inst Plus

## Fund Information

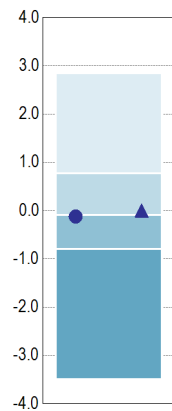
Rolling Annualized Excess Performance



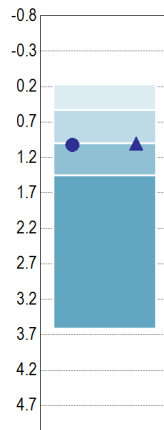
Rolling 3 Year Risk/Return vs. Vanguard Spliced Barclays USAgg Float Adj Idx



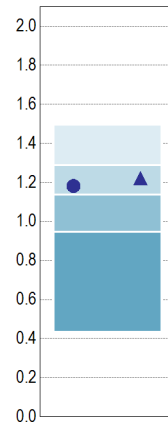
Annualized Alpha Jensen (%)



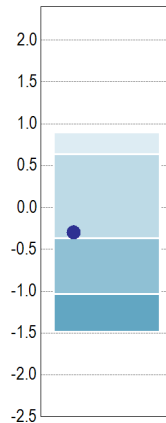
Beta



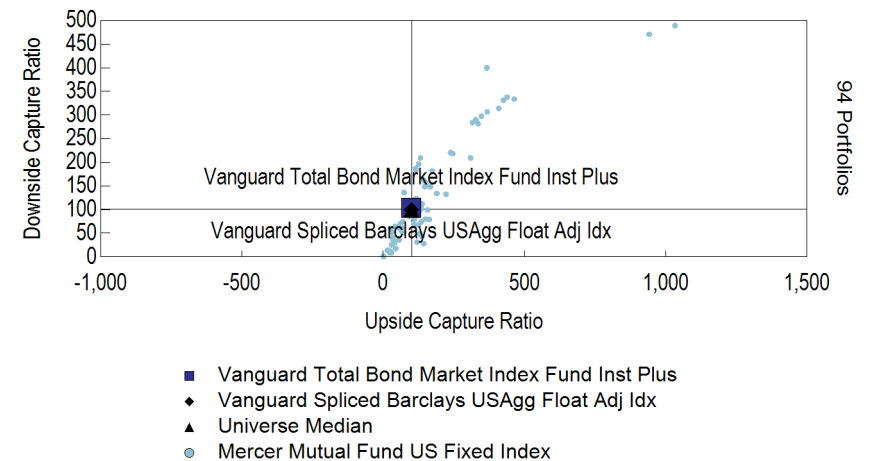
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio 5 Years Ending June 30, 2016



MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Vanguard Total Bond Market Index Fund Inst Plus	3.76%	3.13%	0.15%	-0.13%	1.02	1.18	-0.30	99.84%	6.48%	103.45%	-3.99%
Vanguard Spliced Barclays USAgg Float Adj Idx	3.80%	3.06%	0.00%	0.00%	1.00	1.22	--	100.00%	6.48%	100.00%	-3.85%

# Vanguard Total Bond Market Index Fund Inst Plus

## Historical - Fund Information

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	1.42
Average Duration	5.77
Average Coupon	3.20%
Average Effective Maturity	8.00
Average Credit Quality	AA (9.26)
R-Squared (3 Year)	1.00
Alpha (3 Year)	-0.01%

### Fixed Income Sectors as of 06/30/2016

GOVERNMENT	45.25%
MUNICIPAL	0.81%
CORPORATE	27.53%
SECURITIZED	22.70%
CASH & EQUIVALENTS	3.65%
DERIVATIVE	0.00%

### Credit Quality as of 06/30/2016

AAA	68.52%
AA	4.23%
A	12.43%
BBB	14.81%
BB	0.00%
B	0.00%
Below B	0.01%
Not Rated	0.00%

### Maturities as of 06/30/2016

1 to 3 Years	20.70%
3 to 5 Years	16.47%
5 to 7 Years	10.40%
7 to 10 Years	11.32%
10 to 15 Years	3.88%
15 to 20 Years	4.04%
20 to 30 Years	25.84%
Greater than 30 Years	2.76%

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	0.72
Average Duration	5.73
Average Coupon	3.23%
Average Effective Maturity	8.00
Average Credit Quality	AA (9.28)
R-Squared (3 Year)	1.00
Alpha (3 Year)	-0.02%

### Fixed Income Sectors as of 03/31/2016

GOVERNMENT	44.82%
MUNICIPAL	0.83%
CORPORATE	28.10%
SECURITIZED	23.01%
CASH & EQUIVALENTS	3.19%
DERIVATIVE	0.00%

### Credit Quality as of 03/31/2016

AAA	69.29%
AA	3.92%
A	12.47%
BBB	14.30%
BB	0.00%
B	0.00%
Below B	0.02%
Not Rated	0.00%

### Maturities as of 03/31/2016

1 to 3 Years	20.84%
3 to 5 Years	16.58%
5 to 7 Years	10.85%
7 to 10 Years	11.38%
10 to 15 Years	3.86%
15 to 20 Years	4.13%
20 to 30 Years	25.64%
Greater than 30 Years	2.96%

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.45
Average Duration	5.79
Average Coupon	3.25%
Average Effective Maturity	8.00
Average Credit Quality	AA (9.29)
R-Squared (3 Year)	1.00
Alpha (3 Year)	-0.01%

### Fixed Income Sectors as of 12/31/2015

GOVERNMENT	43.67%
MUNICIPAL	0.74%
CORPORATE	29.22%
SECURITIZED	23.83%
CASH & EQUIVALENTS	2.54%
DERIVATIVE	0.00%

### Credit Quality as of 12/31/2015

AAA	69.65%
AA	4.04%
A	11.74%
BBB	14.56%
BB	0.00%
B	0.00%
Below B	0.01%
Not Rated	0.00%

### Maturities as of 12/31/2015

1 to 3 Years	21.59%
3 to 5 Years	16.18%
5 to 7 Years	11.22%
7 to 10 Years	11.22%
10 to 15 Years	3.96%
15 to 20 Years	3.96%
20 to 30 Years	27.14%
Greater than 30 Years	1.69%

## Core Plus Bond

### Manager Commentary

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Plan	City of Los Angeles Deferred Compensation Plan
Strategy	Loomis, Sayles & Company - Core Plus Bond
Benchmark	Barclays US Aggregate

#### Current Positioning

- Relative to the Barclays US Aggregate, the Fund continues to overweight the corporate and asset backed securities.
- The Fund is underweight the investment grade credit, Treasury, agency mortgage backed securities, US Agency, and municipal securities.
- The Fund has an out-of-benchmark allocation to cash and preferred securities.
- The Fund continued to increase its exposure to TIPS.
- The Fund has a higher duration.
- The Fund's exposure to high yield securities mainly comprises of BB- or higher rated holdings and maturity within 7.5 years.

#### Quarterly Attribution

##### Positive Impact on Performance:

- An overweight allocation to and security selection within high yield securities
- Security selection within investment grade corporates
- Security selection within government-related issuers
- Exposure to TIPS

##### Negative Impact on Performance:

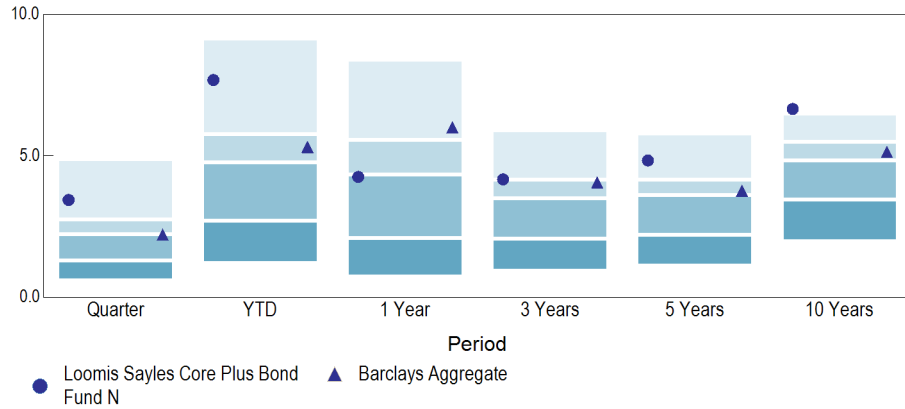
- Exposure to non-US-dollar allocation, particularly the Mexican peso

Note: The DCP Bond Fund is comprised 50% Loomis Sayles Core Plus Bond Fund.

# Loomis Sayles Core Plus Bond Fund N

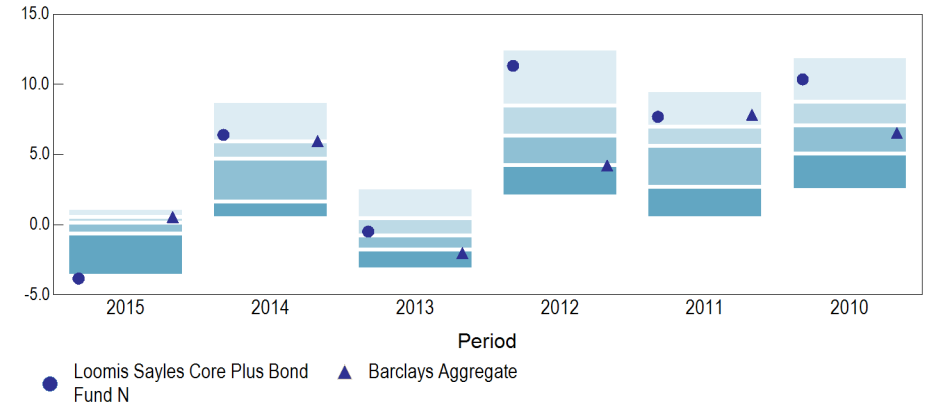
## Fund Information

Mercer Mutual Fund US Fixed Core Accounts



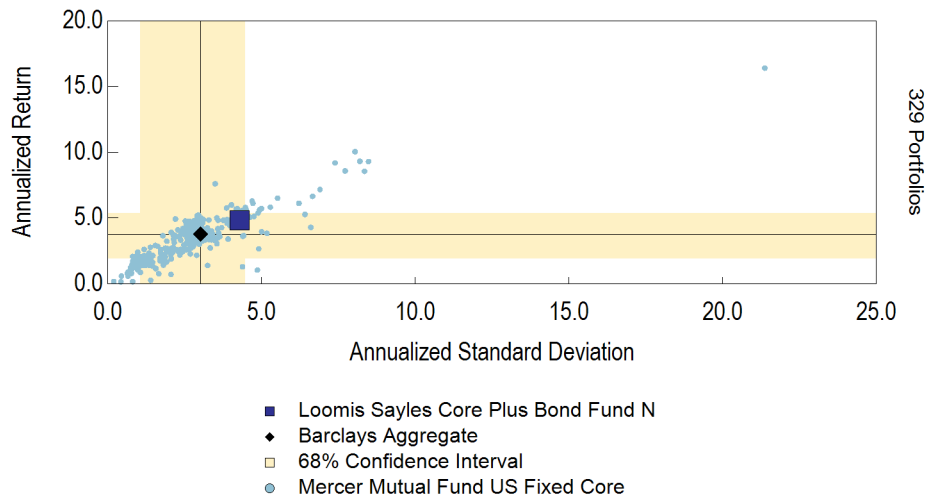
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Loomis Sayles Core Plus Bond Fund N	3.4%	7.7%	4.3%	4.2%	4.8%	6.7%
Barclays Aggregate	2.2%	5.3%	6.0%	4.1%	3.8%	5.1%
Universe Median	2.2%	4.8%	4.3%	3.5%	3.6%	4.8%

Mercer Mutual Fund US Fixed Core Accounts

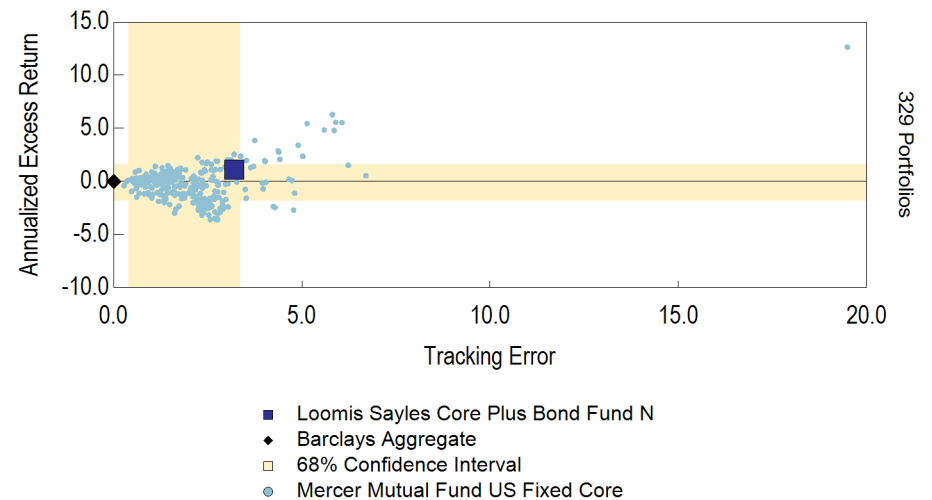


Annualized Returns	2015	2014	2013	2012	2011	2010
Loomis Sayles Core Plus Bond Fund N	-3.8%	6.4%	-0.5%	11.3%	7.7%	10.3%
Barclays Aggregate	0.6%	6.0%	-2.0%	4.2%	7.8%	6.5%
Universe Median	0.1%	4.8%	-0.8%	6.4%	5.7%	7.4%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



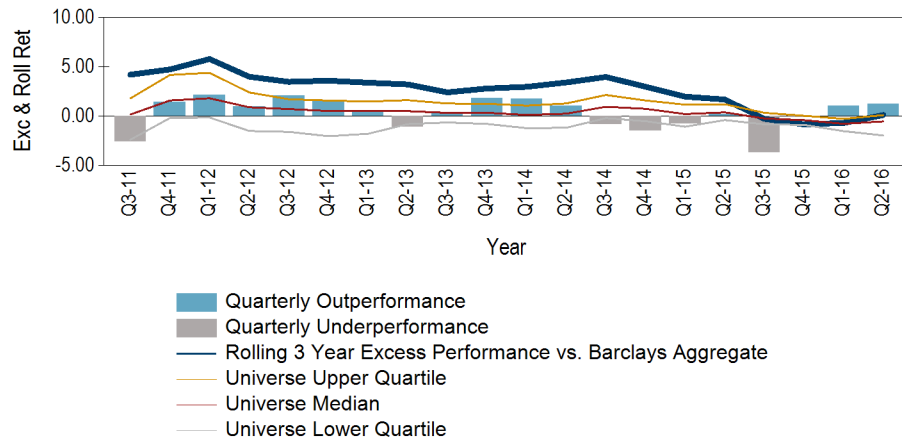
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



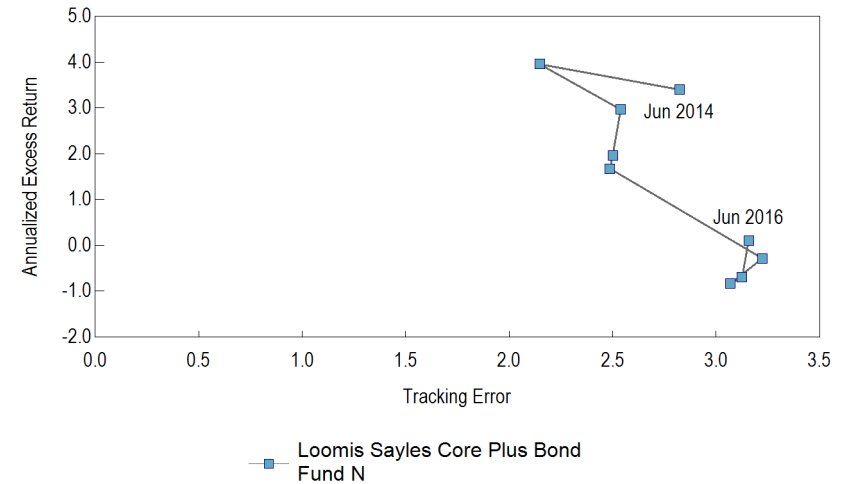
# Loomis Sayles Core Plus Bond Fund N

## Fund Information

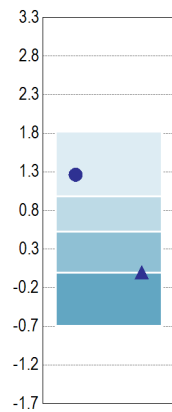
Rolling Annualized Excess Performance



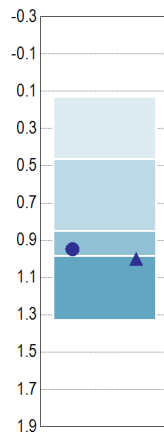
Rolling 3 Year Risk/Return vs. Barclays Aggregate



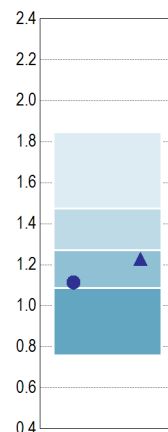
Annualized Alpha Jensen (%)



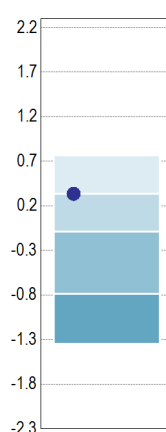
Beta



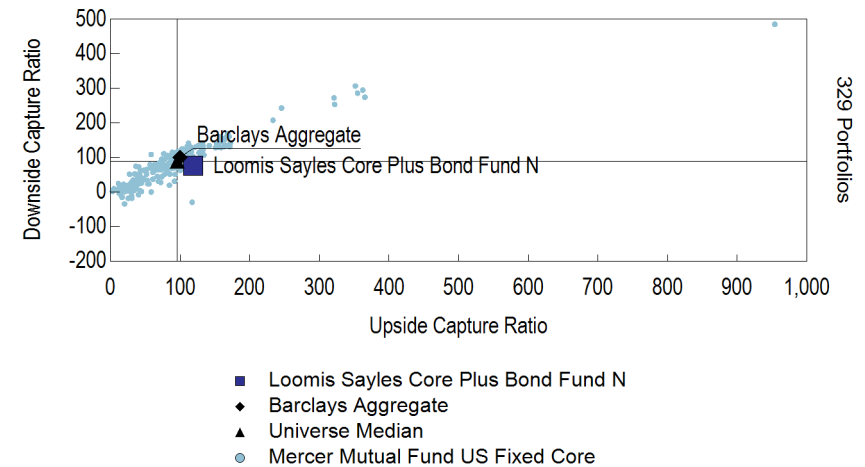
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016



MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Loomis Sayles Core Plus Bond Fund N	4.83%	4.28%	3.20%	1.26%	0.95	1.11	0.33	119.09%	7.54%	75.17%	-2.87%
Barclays Aggregate	3.76%	3.01%	0.00%	0.00%	1.00	1.23	--	100.00%	6.42%	100.00%	-3.83%

# Loomis Sayles Core Plus Bond Fund N

## Historical - Fund Information

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	0.94
Average Duration	6.79
Average Coupon	4.13%
Average Effective Maturity	9.75
Average Credit Quality	A (8.13)
R-Squared (3 Year)	0.47
Alpha (3 Year)	-0.06%

### Fixed Income Sectors as of 06/30/2016

GOVERNMENT	18.23%
MUNICIPAL	0.17%
CORPORATE	46.74%
SECURITIZED	25.02%
CASH & EQUIVALENTS	8.84%
DERIVATIVE	0.00%

### Credit Quality as of 06/30/2016

AAA	37.89%
AA	2.51%
A	16.15%
BBB	25.58%
BB	13.72%
B	3.99%
Below B	0.15%
Not Rated	0.00%

### Maturities as of 06/30/2016

1 to 3 Years	6.85%
3 to 5 Years	15.22%
5 to 7 Years	13.02%
7 to 10 Years	12.42%
10 to 15 Years	1.75%
15 to 20 Years	2.25%
20 to 30 Years	25.71%
Greater than 30 Years	12.95%

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	0.37
Average Duration	6.68
Average Coupon	4.07%
Average Effective Maturity	9.68
Average Credit Quality	A (8.11)
R-Squared (3 Year)	0.58
Alpha (3 Year)	-0.24%

### Fixed Income Sectors as of 03/31/2016

GOVERNMENT	18.26%
MUNICIPAL	0.18%
CORPORATE	47.13%
SECURITIZED	24.68%
CASH & EQUIVALENTS	8.69%
DERIVATIVE	0.00%

### Credit Quality as of 03/31/2016

AAA	36.10%
AA	3.00%
A	17.31%
BBB	26.61%
BB	13.10%
B	3.74%
Below B	0.13%
Not Rated	0.00%

### Maturities as of 03/31/2016

1 to 3 Years	6.48%
3 to 5 Years	14.51%
5 to 7 Years	14.88%
7 to 10 Years	12.80%
10 to 15 Years	2.04%
15 to 20 Years	2.51%
20 to 30 Years	24.75%
Greater than 30 Years	12.37%

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.13
Average Duration	6.76
Average Coupon	4.18%
Average Effective Maturity	10.04
Average Credit Quality	A (8)
R-Squared (3 Year)	0.46
Alpha (3 Year)	-0.20%

### Fixed Income Sectors as of 12/31/2015

GOVERNMENT	15.02%
MUNICIPAL	0.00%
CORPORATE	52.41%
SECURITIZED	23.88%
CASH & EQUIVALENTS	7.74%
DERIVATIVE	0.00%

### Credit Quality as of 12/31/2015

AAA	33.25%
AA	2.86%
A	17.84%
BBB	26.67%
BB	15.77%
B	3.39%
Below B	0.22%
Not Rated	0.00%

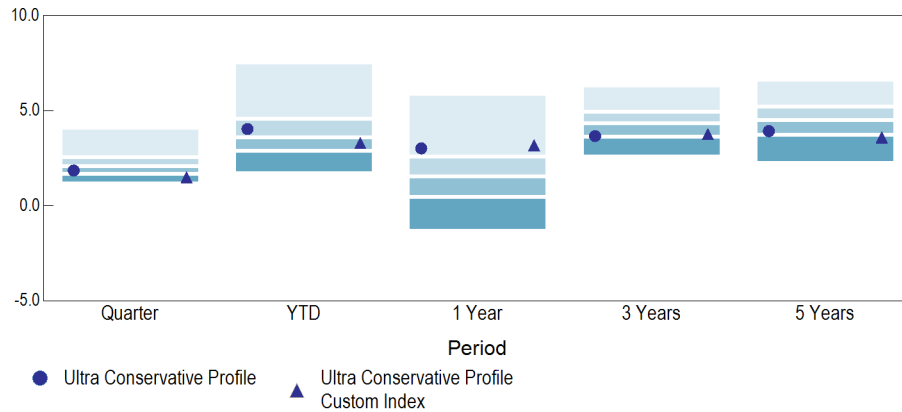
### Maturities as of 12/31/2015

1 to 3 Years	6.15%
3 to 5 Years	14.34%
5 to 7 Years	15.55%
7 to 10 Years	13.34%
10 to 15 Years	2.80%
15 to 20 Years	2.25%
20 to 30 Years	23.28%
Greater than 30 Years	13.59%

# Ultra Conservative Profile

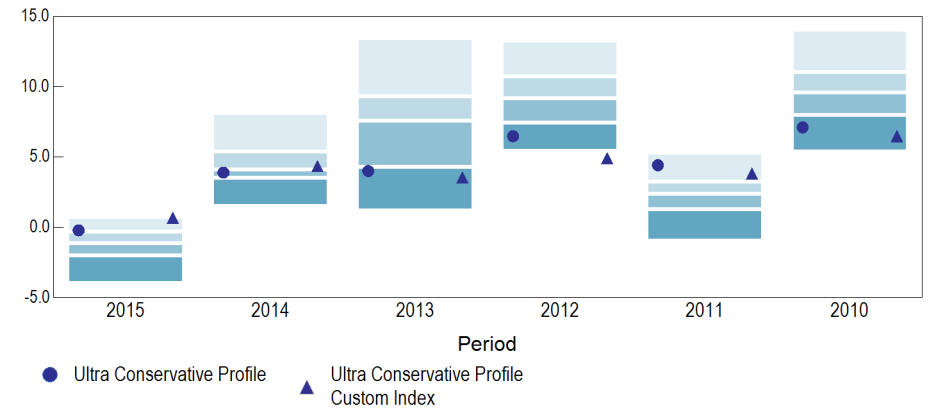
## Fund Information

Mercer Mutual Fund Target Risk Conservative Accounts



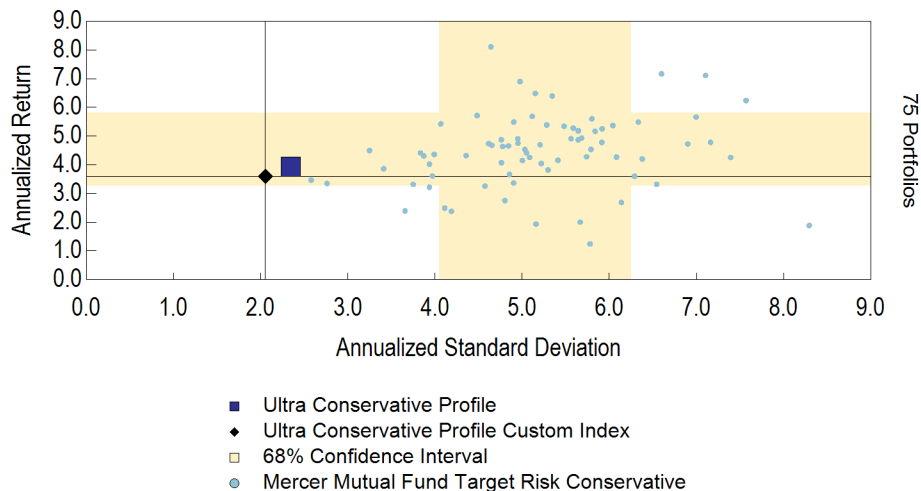
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs
Ultra Conservative Profile	1.8%	4.0%	3.0%	3.7%	3.9%
Ultra Conservative Profile Custom Index	1.5%	3.3%	3.2%	3.8%	3.6%
Universe Median	2.1%	3.6%	1.6%	4.3%	4.5%

Mercer Mutual Fund Target Risk Conservative Accounts

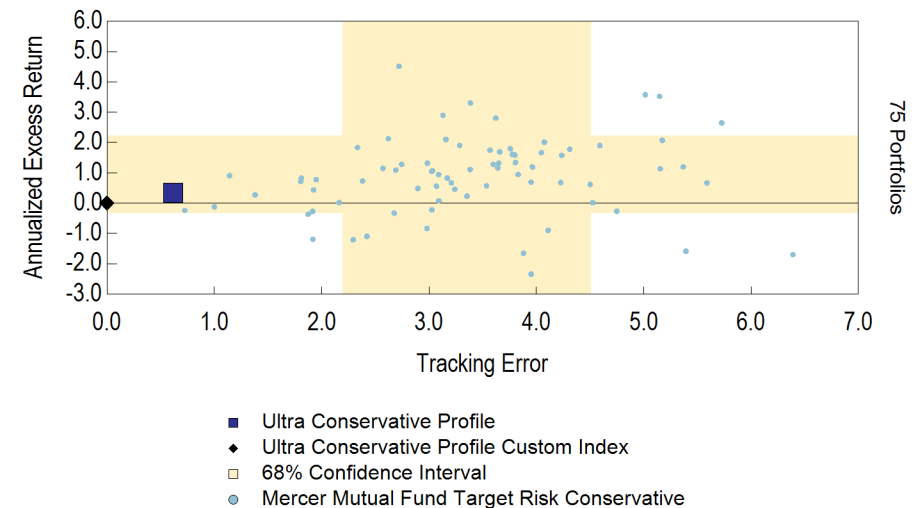


Annualized Returns	2015	2014	2013	2012	2011	2010
Ultra Conservative Profile	-0.2%	3.9%	4.0%	6.5%	4.4%	7.1%
Ultra Conservative Profile Custom Index	0.7%	4.3%	3.5%	4.9%	3.8%	6.5%
Universe Median	-1.1%	4.3%	7.9%	9.3%	2.0%	10.0%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



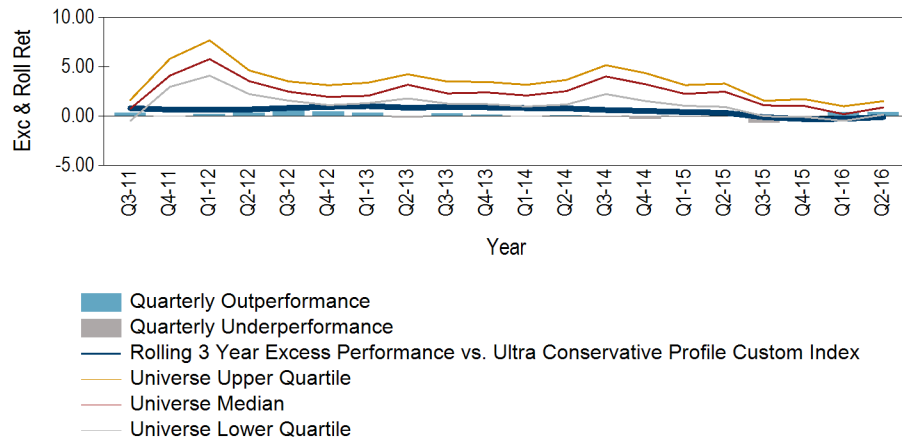
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



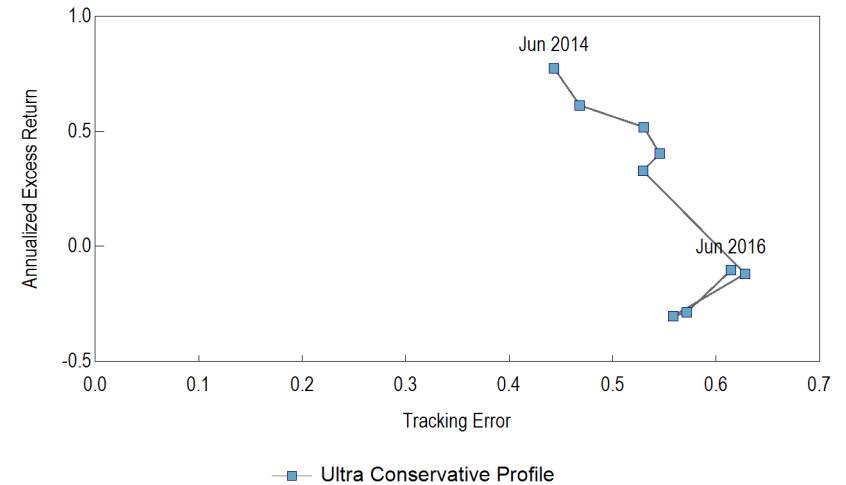
# Ultra Conservative Profile

## Fund Information

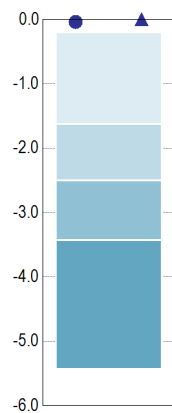
Rolling Annualized Excess Performance



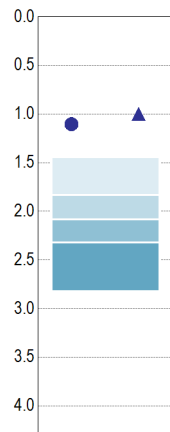
Rolling 3 Year Risk/Return vs. Ultra Conservative Profile Custom Index



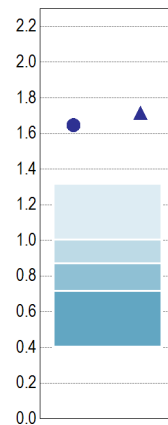
Annualized Alpha Jensen (%)



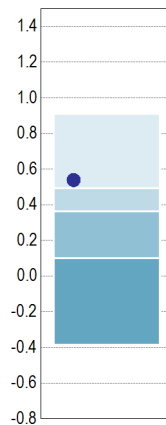
Beta



Sharpe Ratio

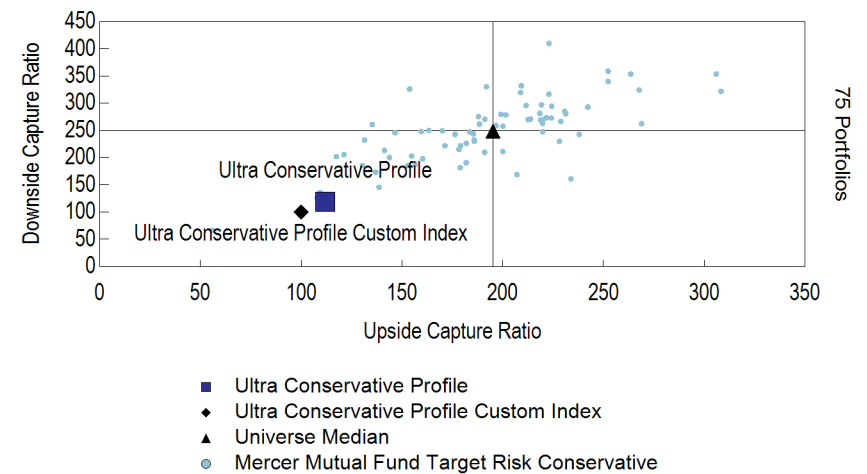


Information Ratio



MPT Statistics represent 5 year periods.

Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016

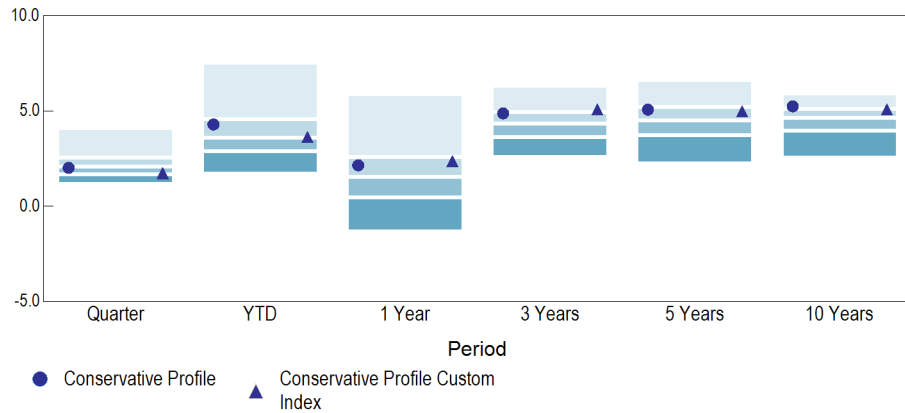


	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Ultra Conservative Profile	3.92%	2.34%	0.61%	-0.04%	1.11	1.65	0.54	111.99%	6.39%	119.06%	-3.14%
Ultra Conservative Profile Custom Index	3.59%	2.05%	0.00%	0.00%	1.00	1.72	--	100.00%	5.76%	100.00%	-2.64%

# Conservative Profile

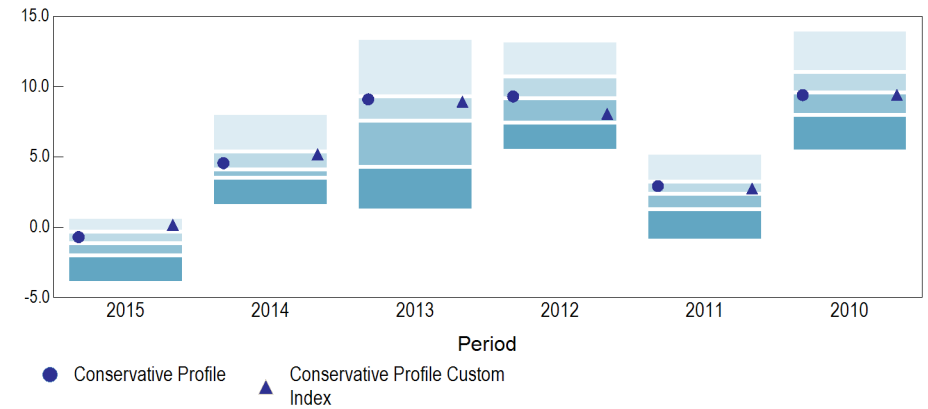
## Fund Information

Mercer Mutual Fund Target Risk Conservative Accounts



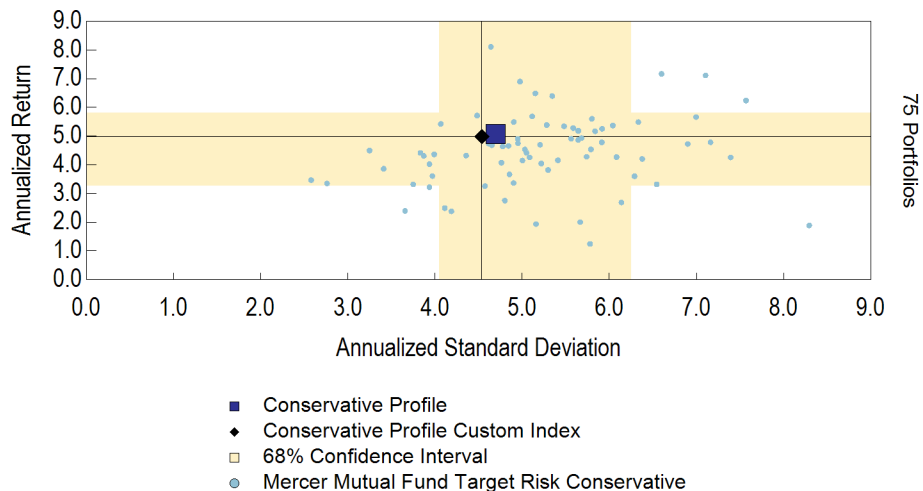
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Conservative Profile	2.0%	4.3%	2.1%	4.9%	5.1%	5.2%
Conservative Profile Custom Index	1.7%	3.6%	2.4%	5.1%	5.0%	5.1%
Universe Median	2.1%	3.6%	1.6%	4.3%	4.5%	4.7%

Mercer Mutual Fund Target Risk Conservative Accounts

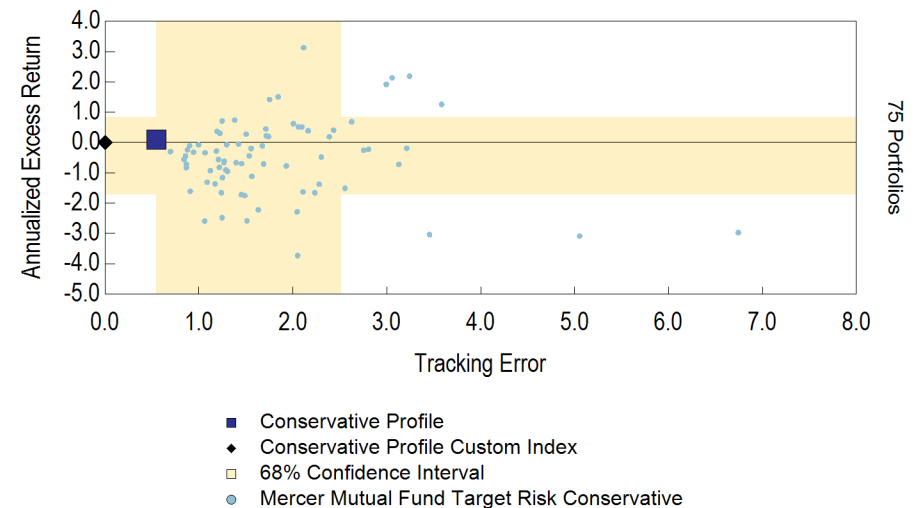


Annualized Returns	2015	2014	2013	2012	2011	2010
Conservative Profile	-0.7%	4.6%	9.1%	9.3%	2.9%	9.4%
Conservative Profile Custom Index	0.2%	5.2%	8.9%	8.1%	2.7%	9.4%
Universe Median	-1.1%	4.3%	7.9%	9.3%	2.0%	10.0%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



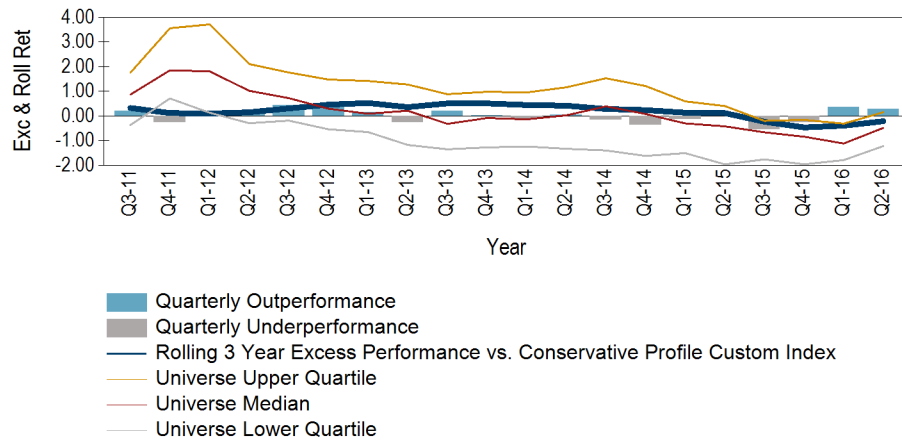
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



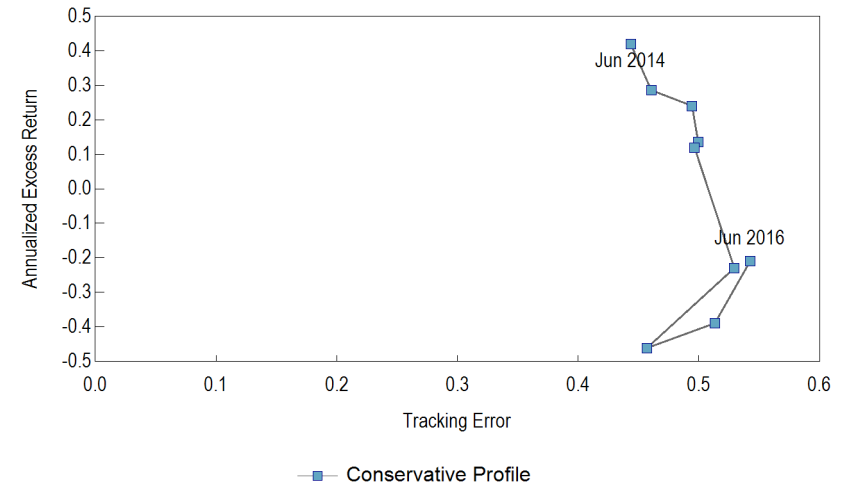
# Conservative Profile

## Fund Information

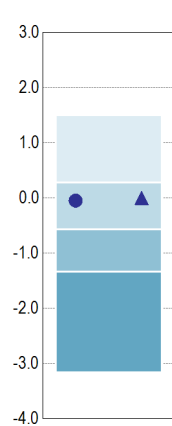
Rolling Annualized Excess Performance



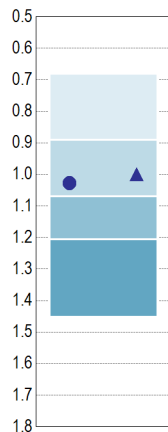
Rolling 3 Year Risk/Return vs. Conservative Profile Custom Index



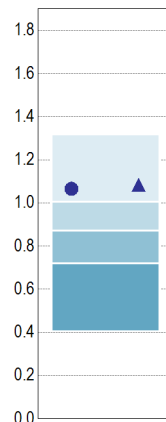
Annualized Alpha Jensen (%)



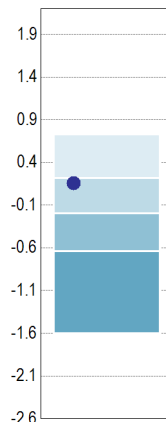
Beta



Sharpe Ratio

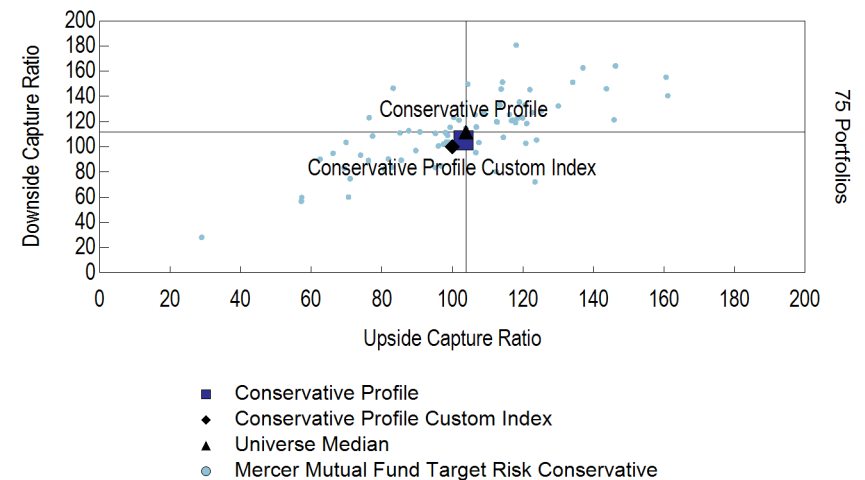


Information Ratio



MPT Statistics represent 5 year periods.

Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016

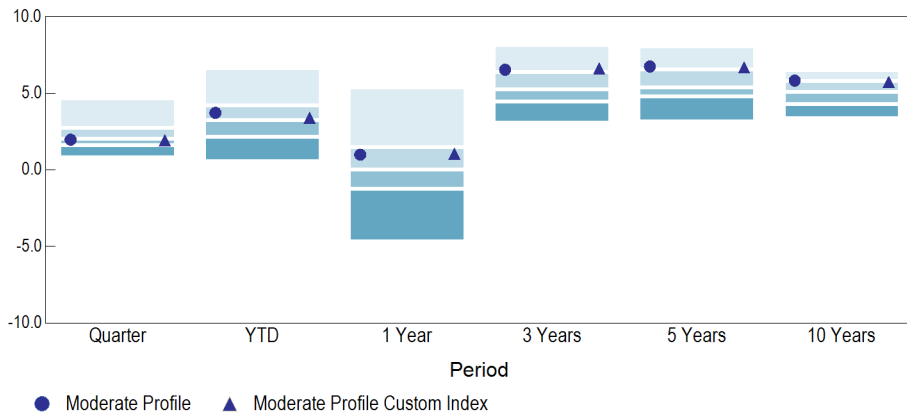


	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Conservative Profile	5.06%	4.69%	0.55%	-0.05%	1.03	1.07	0.16	103.26%	10.63%	105.00%	-6.85%
Conservative Profile Custom Index	4.98%	4.54%	0.00%	0.00%	1.00	1.08	--	100.00%	10.33%	100.00%	-6.52%

# Moderate Profile

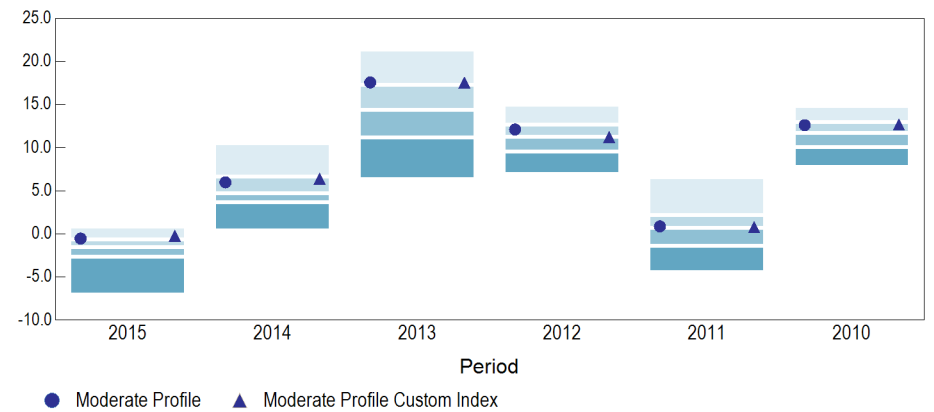
## Fund Information

Mercer Mutual Fund Target Risk Moderate Accounts



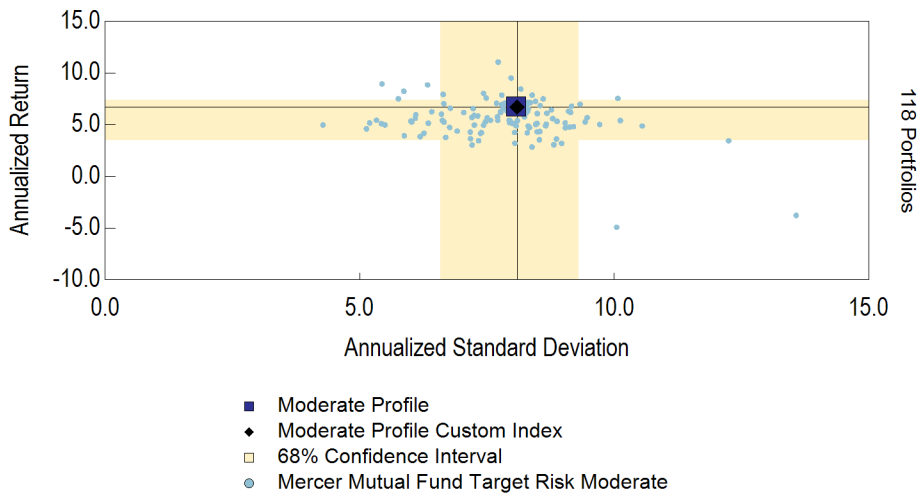
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Moderate Profile	2.0%	3.7%	1.0%	6.5%	6.7%	5.8%
Moderate Profile Custom Index	1.9%	3.4%	1.0%	6.6%	6.7%	5.7%
Universe Median	2.0%	3.3%	0.0%	5.3%	5.4%	5.1%

Mercer Mutual Fund Target Risk Moderate Accounts

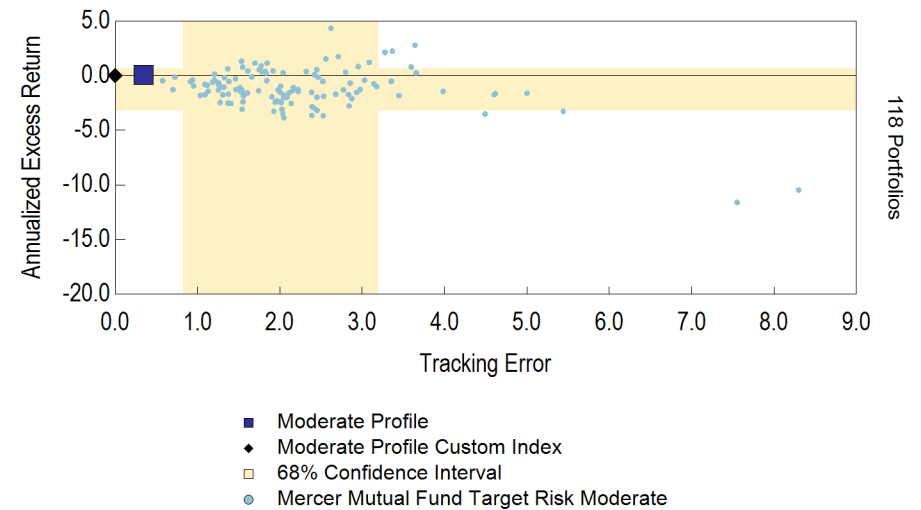


Annualized Returns	2015	2014	2013	2012	2011	2010
Moderate Profile	-0.6%	6.0%	17.6%	12.1%	0.9%	12.6%
Moderate Profile Custom Index	-0.2%	6.4%	17.5%	11.2%	0.8%	12.7%
Universe Median	-1.3%	5.2%	14.5%	11.6%	0.5%	11.9%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



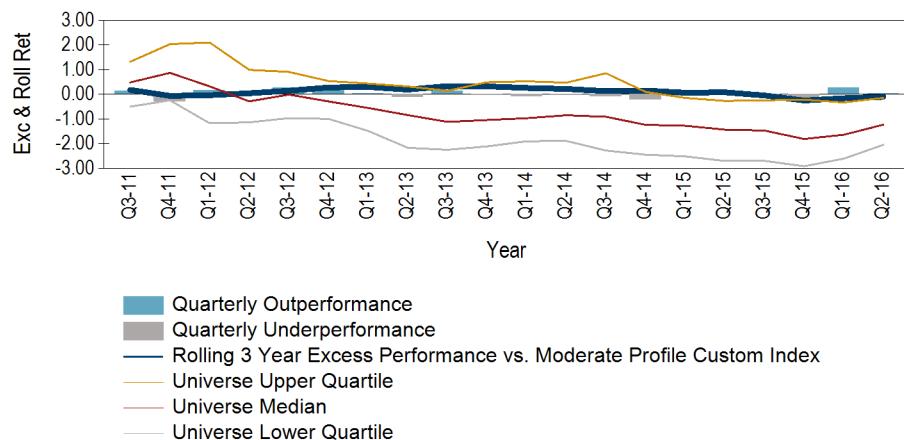
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



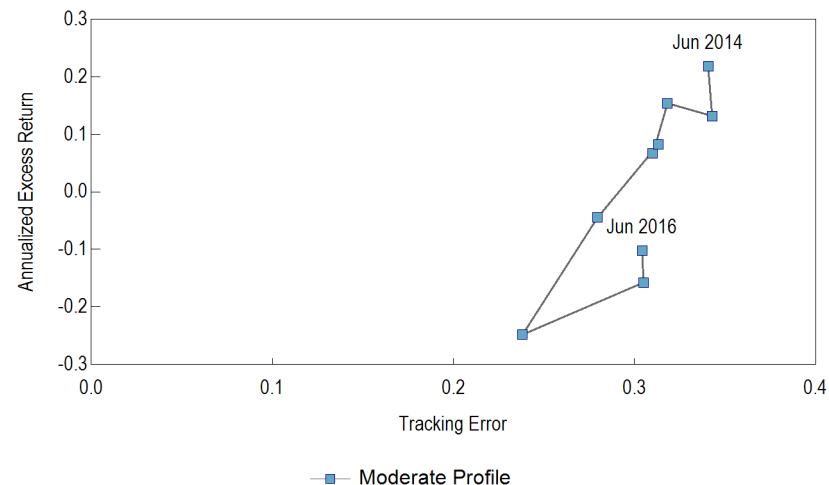
# Moderate Profile

## Fund Information

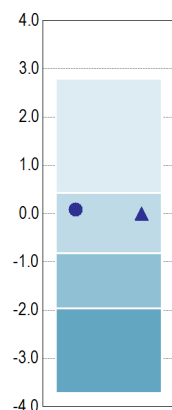
Rolling Annualized Excess Performance



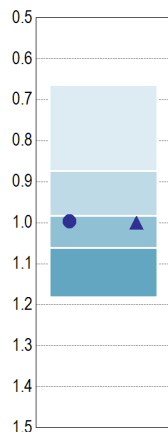
Rolling 3 Year Risk/Return vs. Moderate Profile Custom Index



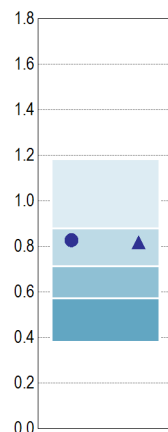
Annualized Alpha Jensen (%)



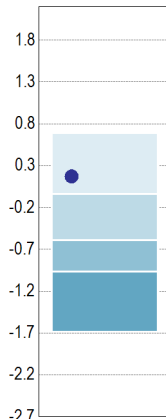
Beta



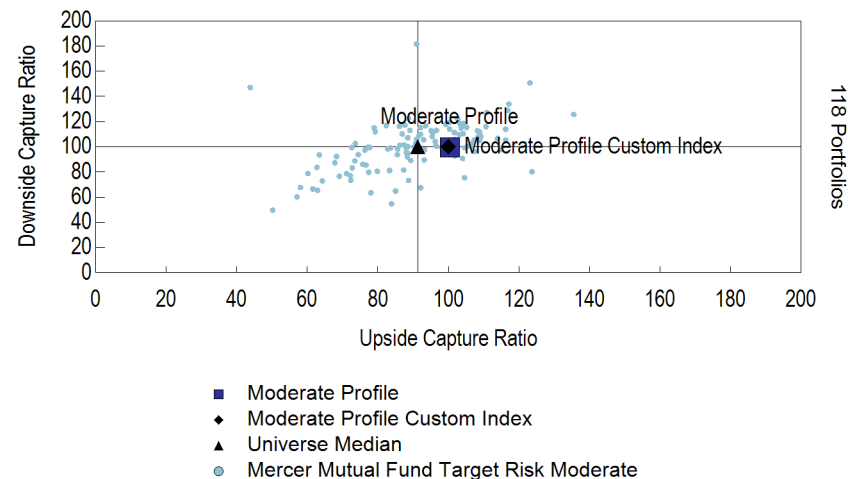
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016



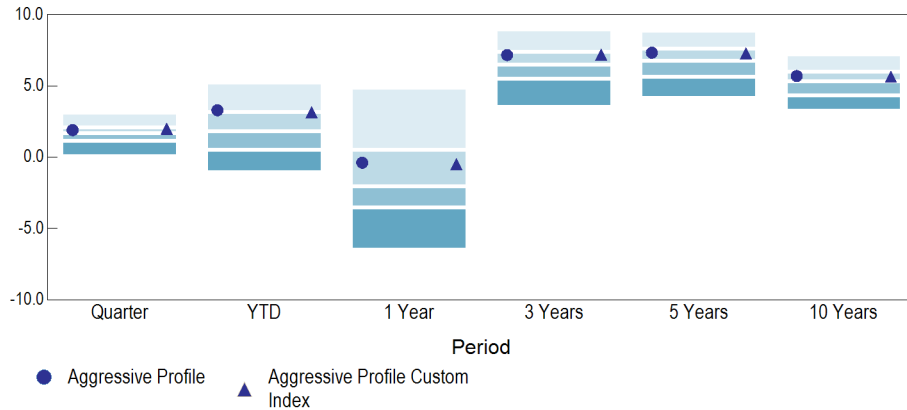
MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Moderate Profile	6.74%	8.07%	0.35%	0.08%	1.00	0.83	0.17	100.36%	14.72%	99.36%	-14.00%
Moderate Profile Custom Index	6.68%	8.09%	0.00%	0.00%	1.00	0.82	--	100.00%	14.67%	100.00%	-14.10%

# Aggressive Profile

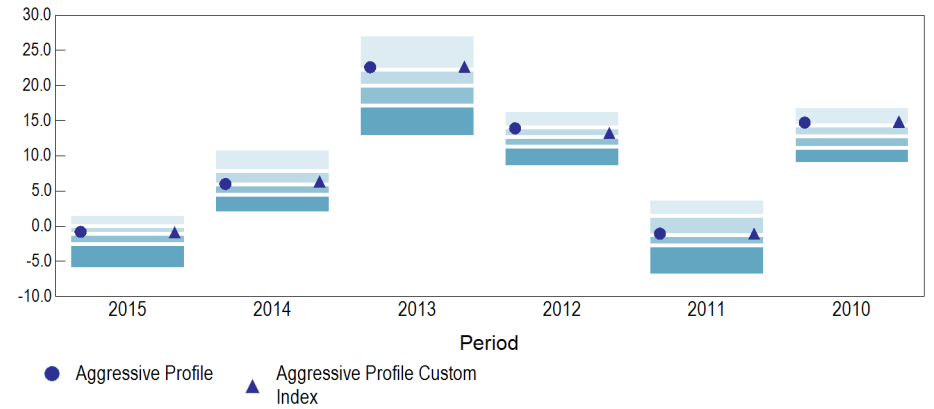
## Fund Information

Mercer Mutual Fund Target Risk Aggressive Accounts



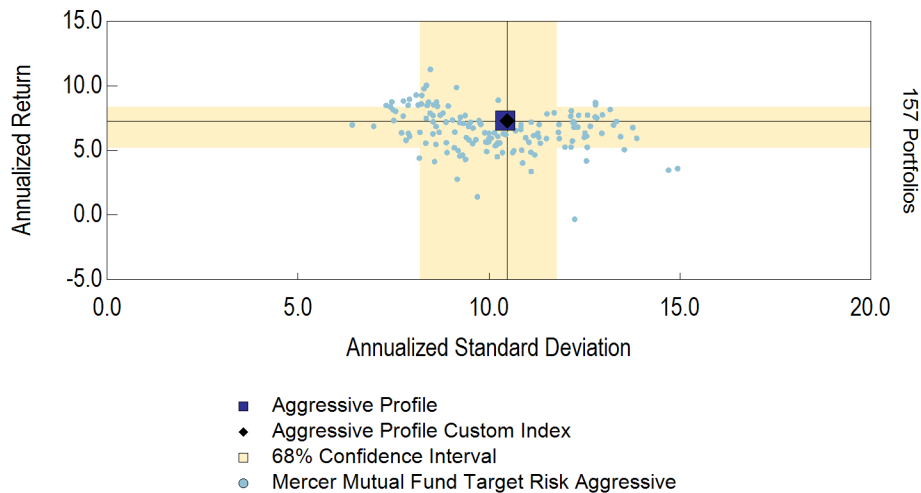
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Aggressive Profile	1.9%	3.3%	-0.4%	7.2%	7.3%	5.7%
Aggressive Profile Custom Index	2.0%	3.1%	-0.5%	7.2%	7.3%	5.6%
Universe Median	1.7%	1.9%	-2.0%	6.5%	6.8%	5.4%

Mercer Mutual Fund Target Risk Aggressive Accounts

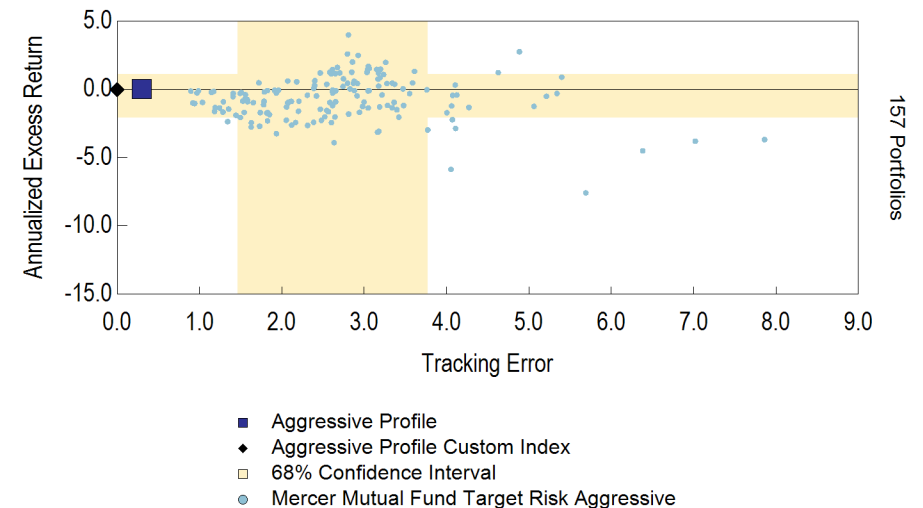


Annualized Returns	2015	2014	2013	2012	2011	2010
Aggressive Profile	-0.8%	6.0%	22.6%	13.9%	-1.1%	14.7%
Aggressive Profile Custom Index	-0.9%	6.3%	22.7%	13.2%	-1.1%	14.9%
Universe Median	-1.1%	6.0%	20.9%	13.3%	-1.9%	13.4%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



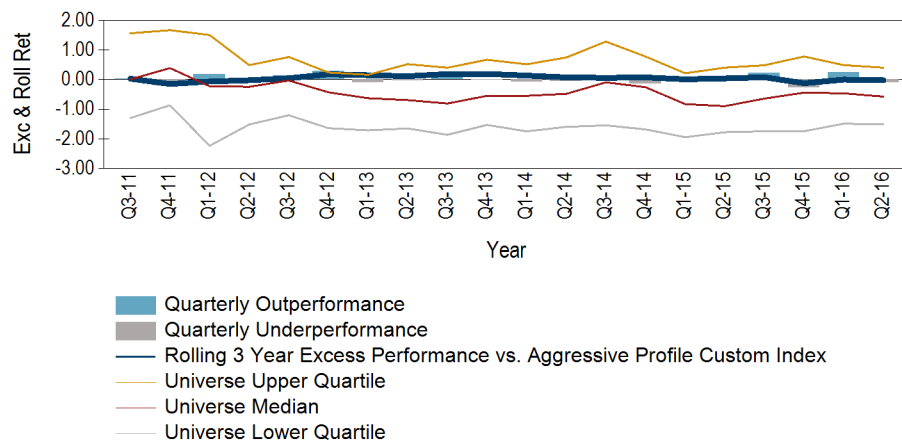
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



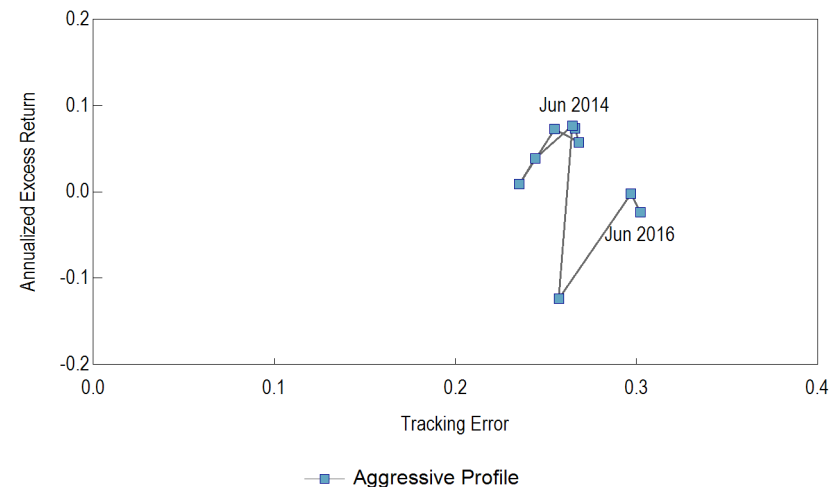
# Aggressive Profile

## Fund Information

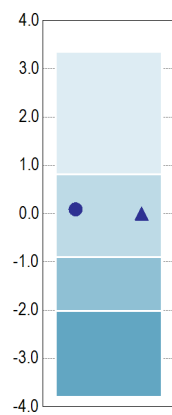
Rolling Annualized Excess Performance



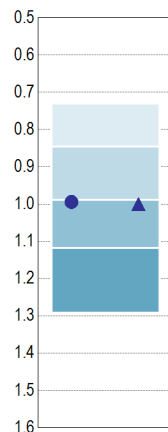
Rolling 3 Year Risk/Return vs. Aggressive Profile Custom Index



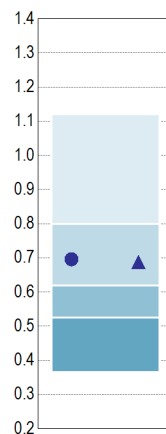
Annualized Alpha Jensen (%)



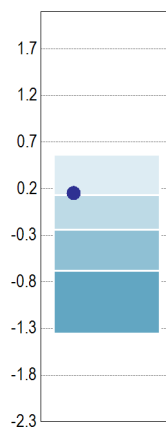
Beta



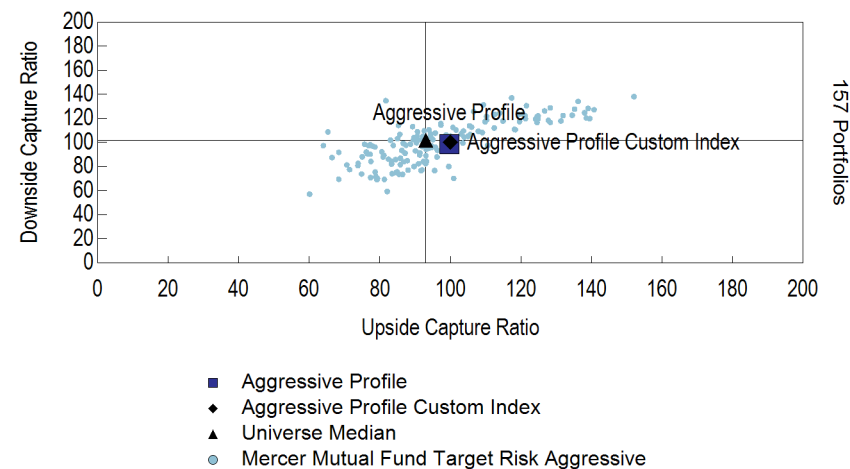
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016



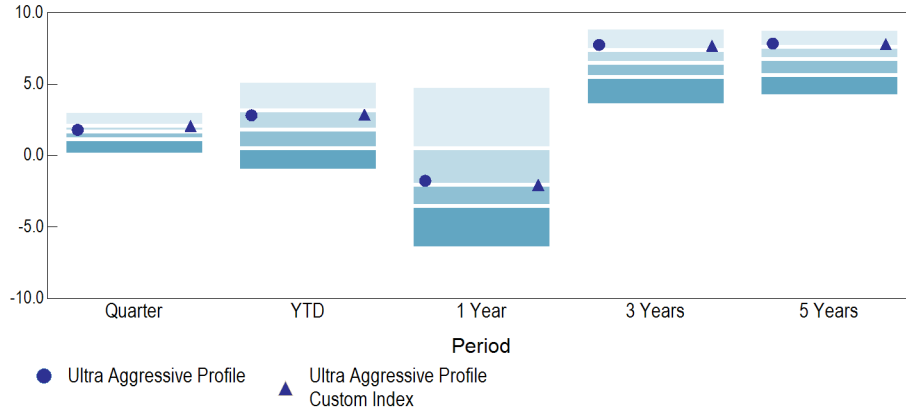
MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Aggressive Profile	7.32%	10.42%	0.30%	0.09%	0.99	0.70	0.15	99.72%	17.75%	98.86%	-18.76%
Aggressive Profile Custom Index	7.27%	10.48%	0.00%	0.00%	1.00	0.69	--	100.00%	17.79%	100.00%	-18.98%

# Ultra Aggressive Profile

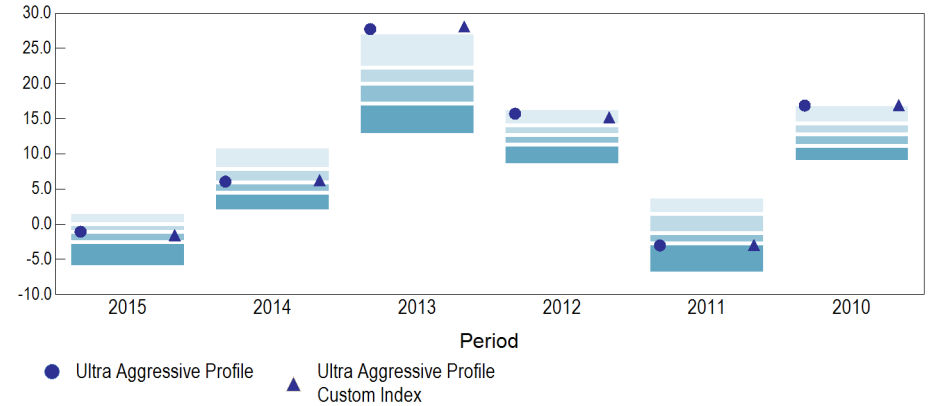
## Fund Information

Mercer Mutual Fund Target Risk Aggressive Accounts



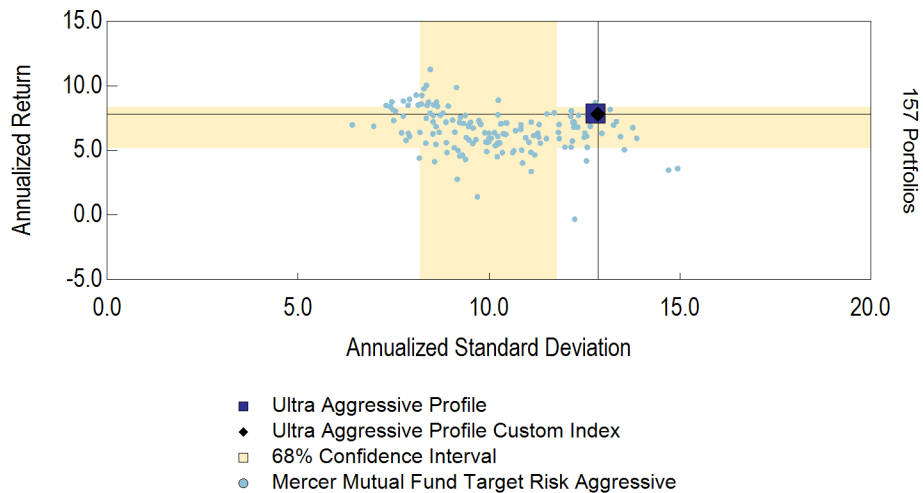
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs
Ultra Aggressive Profile	1.8%	2.8%	-1.8%	7.7%	7.8%
Ultra Aggressive Profile Custom Index	2.1%	2.9%	-2.0%	7.7%	7.8%
Universe Median	1.7%	1.9%	-2.0%	6.5%	6.8%

Mercer Mutual Fund Target Risk Aggressive Accounts

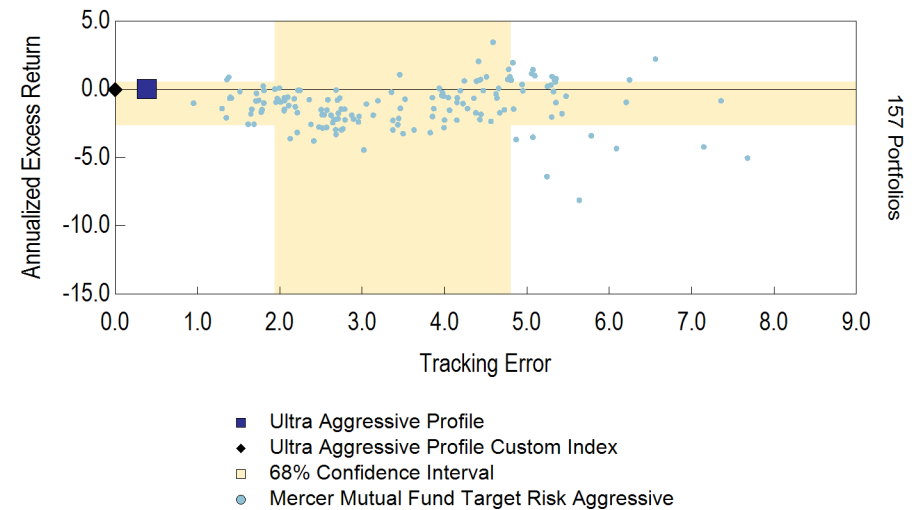


Annualized Returns	2015	2014	2013	2012	2011	2010
Ultra Aggressive Profile	-1.1%	6.1%	27.7%	15.7%	-3.0%	16.9%
Ultra Aggressive Profile Custom Index	-1.5%	6.3%	28.1%	15.2%	-3.0%	16.9%
Universe Median	-1.1%	6.0%	20.9%	13.3%	-1.9%	13.4%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



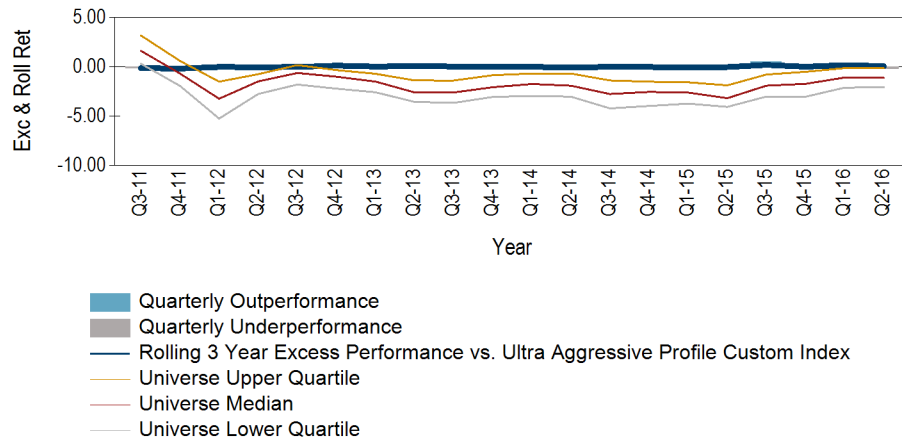
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



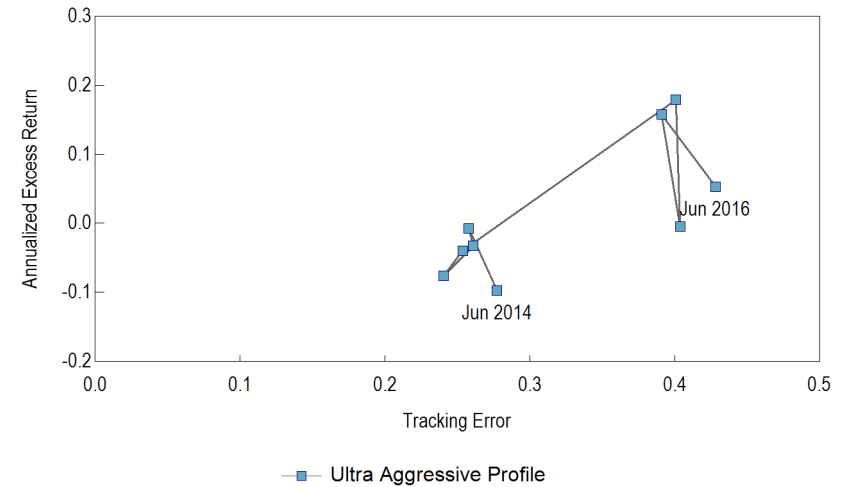
# Ultra Aggressive Profile

## Fund Information

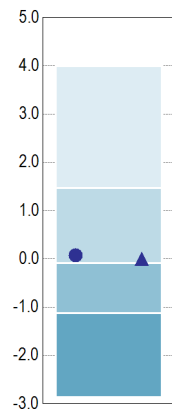
Rolling Annualized Excess Performance



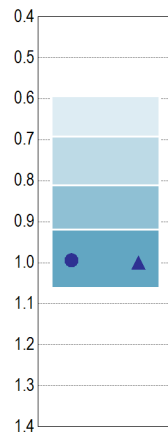
Rolling 3 Year Risk/Return vs. Ultra Aggressive Profile Custom Index



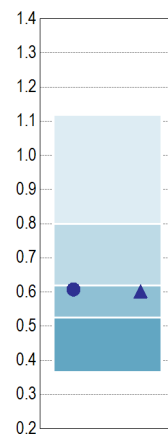
Annualized Alpha  
Jensen (%)



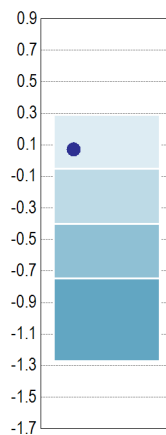
Beta



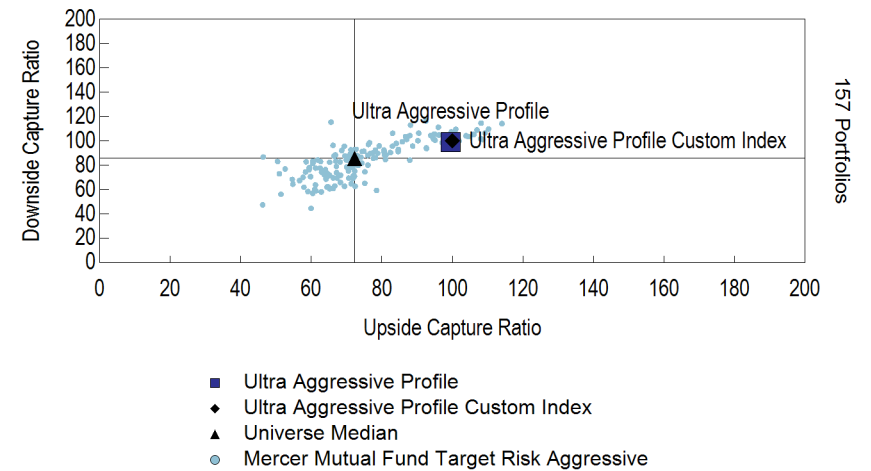
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016



MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Ultra Aggressive Profile	7.83%	12.79%	0.38%	0.07%	0.99	0.61	0.07	99.46%	19.44%	98.99%	-28.36%
Ultra Aggressive Profile Custom Index	7.81%	12.85%	0.00%	0.00%	1.00	0.60	--	100.00%	19.52%	100.00%	-28.65%

# Vanguard Institutional Index Fund (US)

## Manager Commentary

Plan	City of Los Angeles Deferred Compensation Plan
Strategy	Vanguard - Vanguard Institutional Index Fund (US)
Benchmark	S&P 500

## Manager Philosophy and Process

Vanguard attempts to provide investment results that parallel the performance of the index while minimizing transaction costs and tracking error. Vanguard employs a full-replication approach, whereby it holds all stocks in the benchmark index at the same capitalization weight as the index. In some markets where low liquidity exists, it may employ optimized sampling to select substitute stocks. When the index changes, Vanguard monitors the changes and devises strategies to ensure it can re-align the portfolio at the lowest possible cost. The trading strategy includes buying and selling prior to and following the effective date of the index change to achieve best execution. Proprietary trading strategies are executed across several trading desks. Vanguard takes into consideration cash flows, trading costs and the impact on tracking risks. Vanguard's Passive Equity Funds may invest, to a limited extent, in stock futures and options contracts, warrants, convertible securities, and swap agreements. The team may use these investments to: keep cash on hand to meet shareholder redemptions or other needs while simulating full investment in stocks, or reduce costs by buying futures when they are less expensive than actual stocks. There are no specific limits to the use of these instruments and discretion is left to each fund's portfolio manager. Typically, an index fund's derivatives exposure will be 2% or less. The firm may engage in stock lending within the funds in order to provide additional returns. It invests the lending collateral in the Vanguard Market Liquidity Fund. Any incremental revenue from a derivatives position or stock lending is credited to the fund minus any costs associated with the position.

## Quarterly Attribution

### Top performing index sectors:

- Energy (+11.5%), telecommunications services (+7.1%) and utilities (+6.8%)

### Bottom performing index sectors:

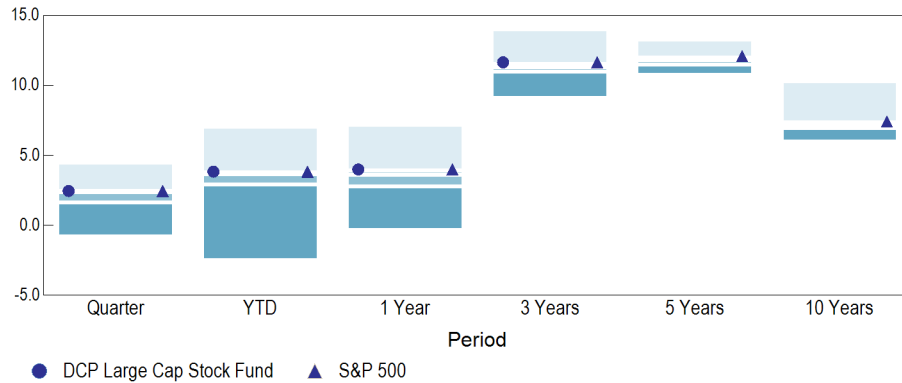
- Information technology (-2.4%), consumer discretionary (-1.0%) and industrials (+1.4%)

Note: The DCP Large Cap Stock Fund is comprised 100% Vanguard Institutional Index Fund.

# DCP Large Cap Stock Fund

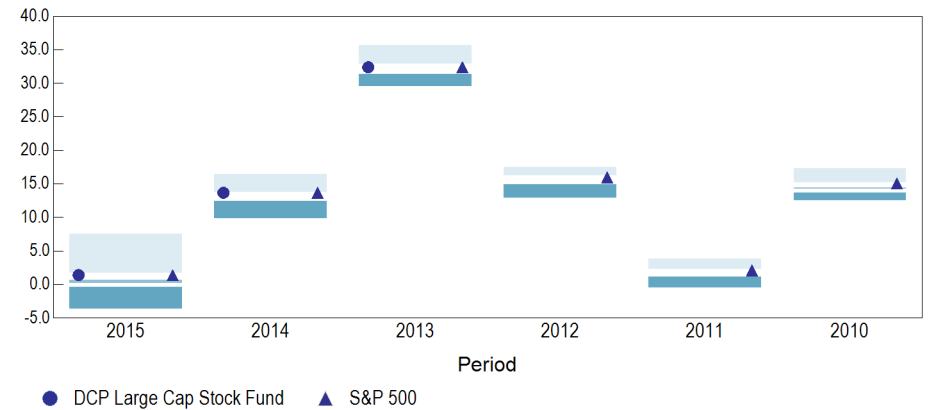
## Fund Information

Mercer Mutual Fund US Equity Large Cap Index Accounts



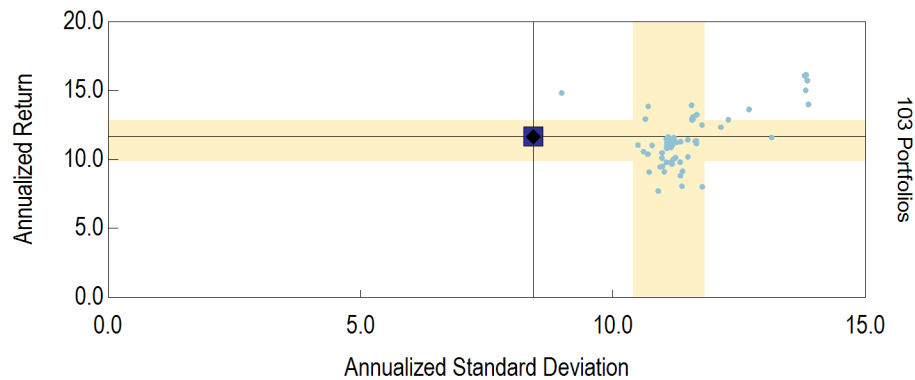
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
DCP Large Cap Stock Fund	2.5%	3.8%	4.0%	11.6%		
S&P 500	2.5%	3.8%	4.0%	11.7%	12.1%	7.4%
Universe Median	2.4%	3.7%	3.6%	11.4%	11.8%	7.2%

Mercer Mutual Fund US Equity Large Cap Index Accounts



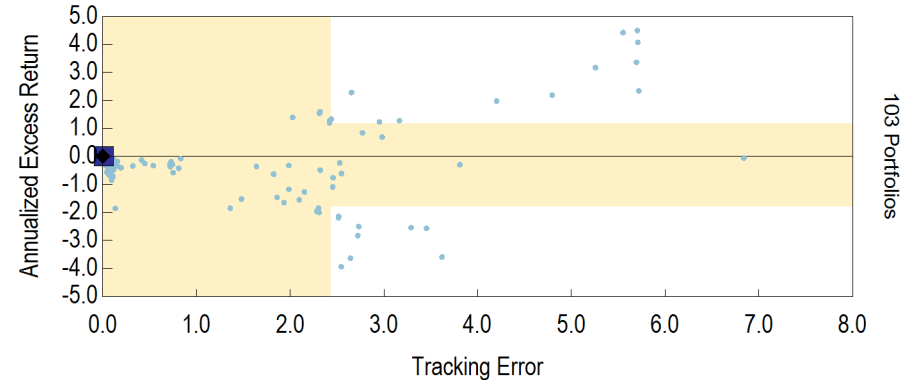
Annualized Returns	2015	2014	2013	2012	2011	2010
DCP Large Cap Stock Fund	1.4%	13.7%	32.4%			
S&P 500	1.4%	13.7%	32.4%	16.0%	2.1%	15.1%
Universe Median	1.1%	13.3%	32.2%	15.8%	1.9%	14.8%

Annualized Return vs. Annualized Standard Deviation  
3 Years Ending June 30, 2016



- DCP Large Cap Stock Fund
- ◆ S&P 500
- 68% Confidence Interval
- Mercer Mutual Fund US Equity Large Cap Index

Annualized Excess Return vs. Tracking Error  
3 Years Ending June 30, 2016

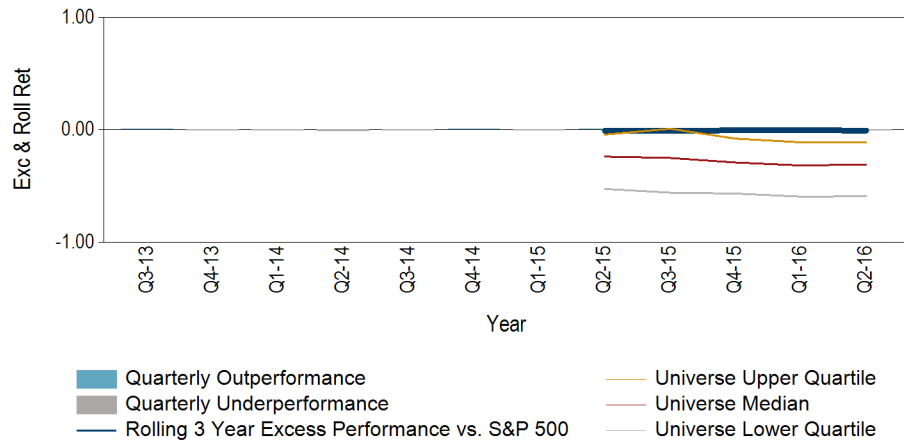


- DCP Large Cap Stock Fund
- ◆ S&P 500
- 68% Confidence Interval
- Mercer Mutual Fund US Equity Large Cap Index

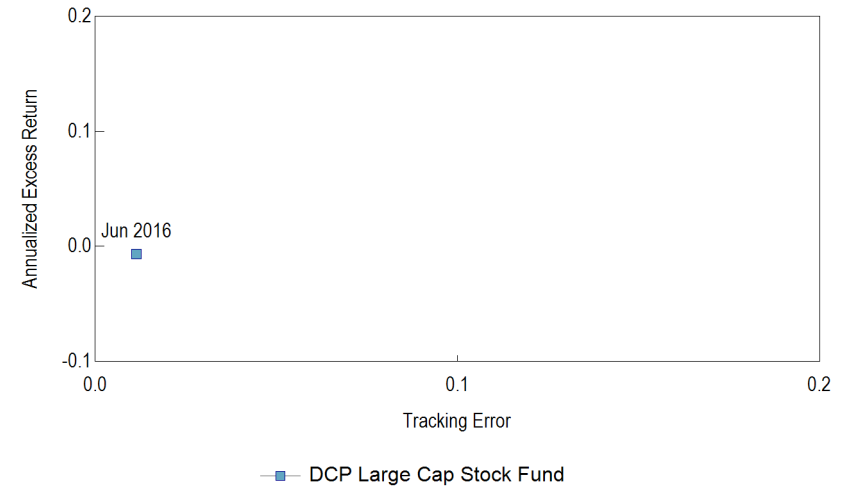
# DCP Large Cap Stock Fund

## Fund Information

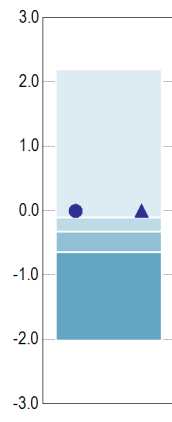
Rolling Annualized Excess Performance



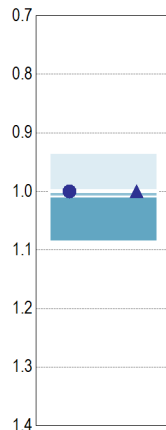
Rolling 3 Year Risk/Return vs. S&P 500



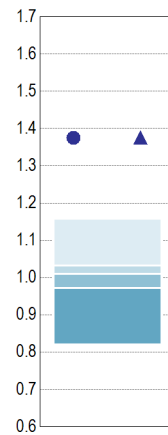
Annualized Alpha Jensen (%)



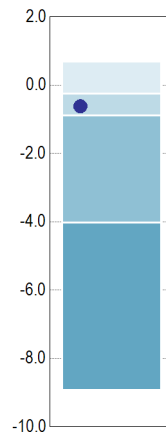
Beta



Sharpe Ratio

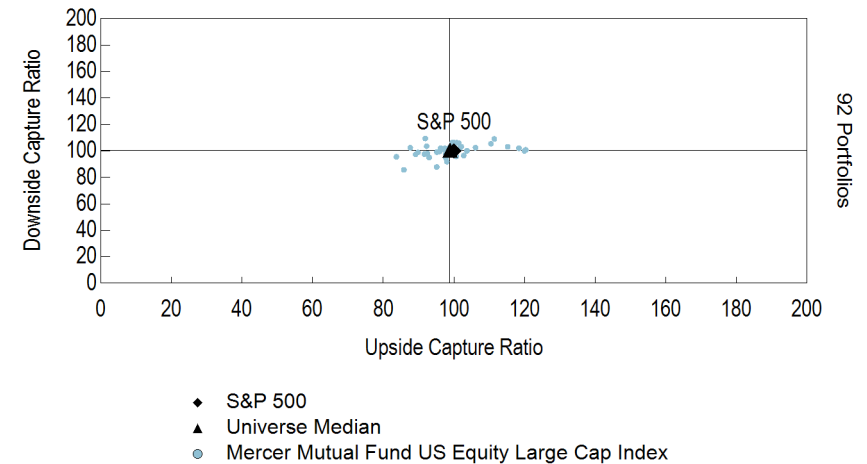


Information Ratio



MPT Statistics represent 3 year periods.

Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016



	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
DCP Large Cap Stock Fund	11.65%	8.42%	0.01%	-0.01%	1.00	1.37	-0.62	99.95%	15.54%	100.05%	-6.44%
S&P 500	11.66%	8.42%	0.00%	0.00%	1.00	1.38	--	100.00%	15.54%	100.00%	-6.44%

# DCP Large Cap Stock Fund

## Historical - Fund Information

### Portfolio Fund Information as of 06/30/2016

Ticker	VIII
Morningstar Category	Large Blend
Average Market Cap (\$mm)	73,848.32
Net Assets (\$mm)	93,192.35
% Assets in Top 10 Holdings	17.66
Total Number of Holdings	515
Manager Name	Donald M. Butler
Manager Tenure	16
Expense Ratio	0.02%
Closed to New Investors	No

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	1.37
Average Market Cap (\$mm)	73,848.32
Price/Earnings	18.44
Price/Book	2.57
Price/Sales	1.80
Price/Cash Flow	10.05
Dividend Yield	2.36
Number of Equity Holdings	507
R-Squared (3 Year)	1.00
Alpha (3 Year)	0.00%

### Sector Allocation as of 06/30/2016

BASIC MATERIALS	2.72%
COMMUNICATION SERVICES	4.43%
CONSUMER CYCLICAL	10.89%
CONSUMER DEFENSIVE	10.59%
ENERGY	7.36%
FINANCIAL SERVICES	13.73%
HEALTHCARE	15.08%
INDUSTRIALS	11.00%
REAL ESTATE	2.59%
TECHNOLOGY	17.53%
UTILITIES	3.65%

### Portfolio Fund Information as of 03/31/2016

Ticker	VIII
Morningstar Category	Large Blend
Average Market Cap (\$mm)	73,254.71
Net Assets (\$mm)	91,159.45
% Assets in Top 10 Holdings	17.73
Total Number of Holdings	510
Manager Name	Donald M. Butler
Manager Tenure	16
Expense Ratio	0.02%
Closed to New Investors	No

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	1.40
Average Market Cap (\$mm)	73,254.71
Price/Earnings	18.14
Price/Book	2.52
Price/Sales	1.76
Price/Cash Flow	9.83
Dividend Yield	2.40
Number of Equity Holdings	505
R-Squared (3 Year)	1.00
Alpha (3 Year)	0.00%

### Sector Allocation as of 03/31/2016

BASIC MATERIALS	2.71%
COMMUNICATION SERVICES	4.62%
CONSUMER CYCLICAL	11.16%
CONSUMER DEFENSIVE	10.36%
ENERGY	6.75%
FINANCIAL SERVICES	13.97%
HEALTHCARE	14.80%
INDUSTRIALS	10.89%
REAL ESTATE	2.46%
TECHNOLOGY	18.65%
UTILITIES	3.44%

### Portfolio Fund Information as of 12/31/2015

Ticker	VIII
Morningstar Category	Large Blend
Average Market Cap (\$mm)	73,725.68
Net Assets (\$mm)	90,041.68
% Assets in Top 10 Holdings	17.58
Total Number of Holdings	508
Manager Name	Donald M. Butler
Manager Tenure	16
Expense Ratio	0.02%
Closed to New Investors	No

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	1.60
Average Market Cap (\$mm)	73,725.68
Price/Earnings	17.22
Price/Book	2.34
Price/Sales	1.69
Price/Cash Flow	10.18
Dividend Yield	2.27
Number of Equity Holdings	503
R-Squared (3 Year)	1.00
Alpha (3 Year)	0.00%

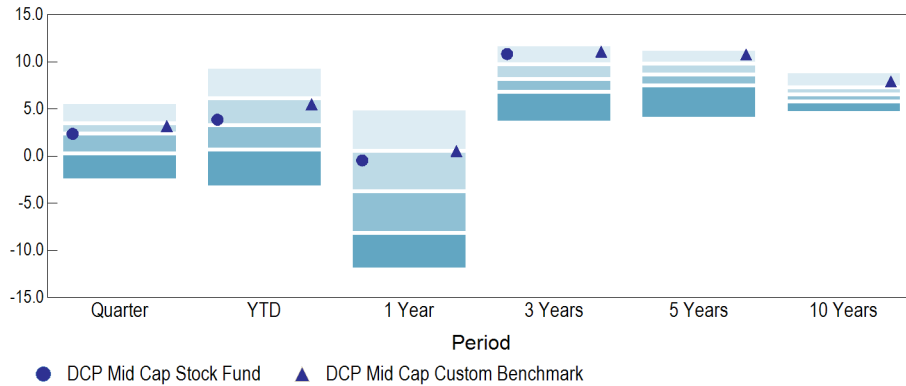
### Sector Allocation as of 12/31/2015

BASIC MATERIALS	2.63%
COMMUNICATION SERVICES	4.18%
CONSUMER CYCLICAL	11.20%
CONSUMER DEFENSIVE	9.95%
ENERGY	6.47%
FINANCIAL SERVICES	15.12%
HEALTHCARE	15.60%
INDUSTRIALS	10.79%
REAL ESTATE	2.20%
TECHNOLOGY	18.50%
UTILITIES	2.97%

# DCP Mid Cap Stock Fund

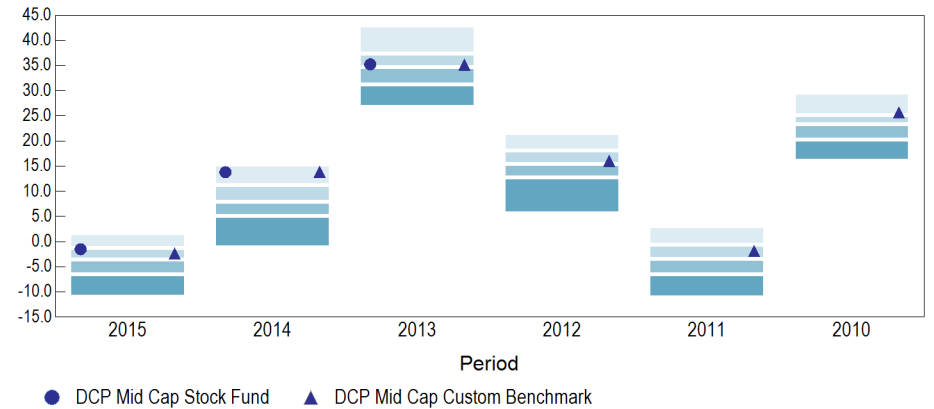
## Fund Information

Mercer Mutual Fund US Equity Mid Cap Core Accounts



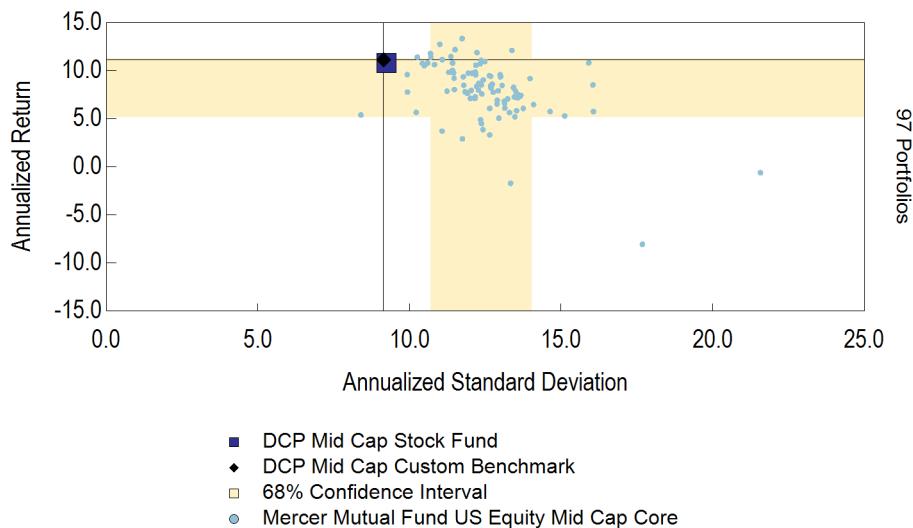
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
DCP Mid Cap Stock Fund	2.4%	3.9%	-0.5%	10.8%		
DCP Mid Cap Custom Benchmark	3.2%	5.5%	0.6%	11.1%	10.8%	7.9%
Universe Median	2.4%	3.3%	-3.7%	8.2%	8.7%	6.6%

Mercer Mutual Fund US Equity Mid Cap Core Accounts

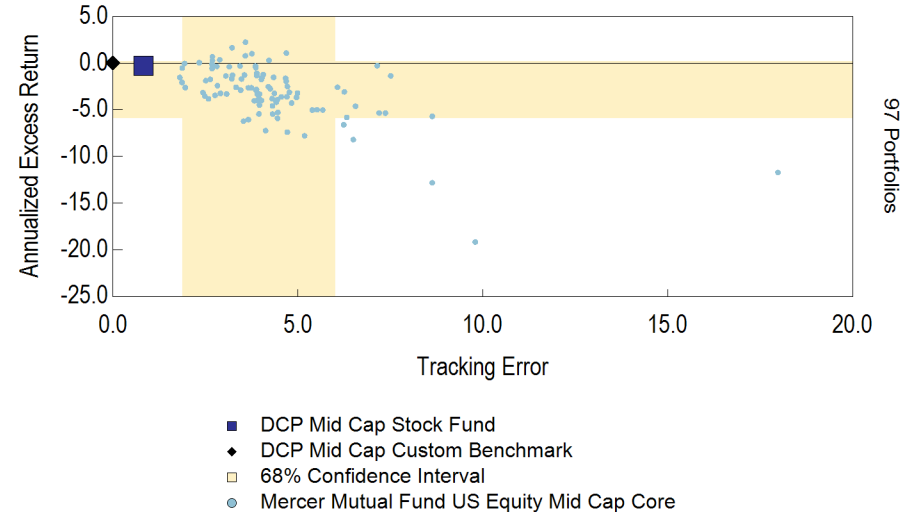


Annualized Returns	2015	2014	2013	2012	2011	2010
DCP Mid Cap Stock Fund	-1.5%	13.8%	35.2%			
DCP Mid Cap Custom Benchmark	-2.4%	13.8%	35.2%	16.1%	-1.9%	25.7%
Universe Median	-3.4%	8.5%	34.2%	16.2%	-3.3%	23.5%

Annualized Return vs. Annualized Standard Deviation  
3 Years Ending June 30, 2016



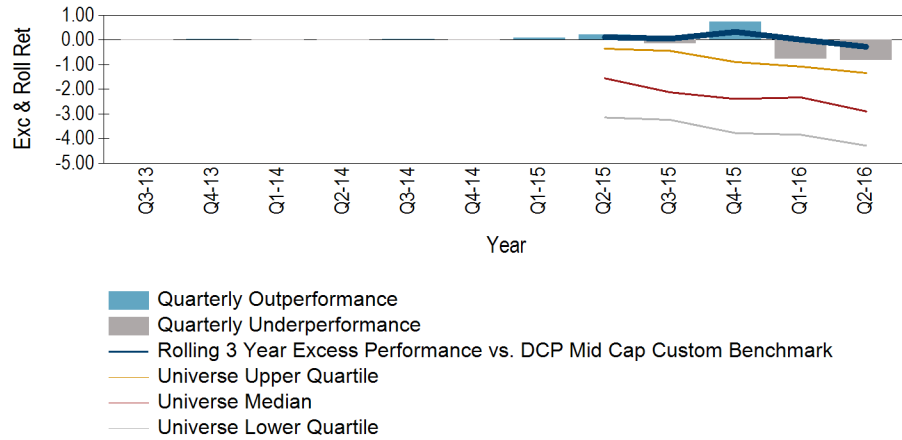
Annualized Excess Return vs. Tracking Error  
3 Years Ending June 30, 2016



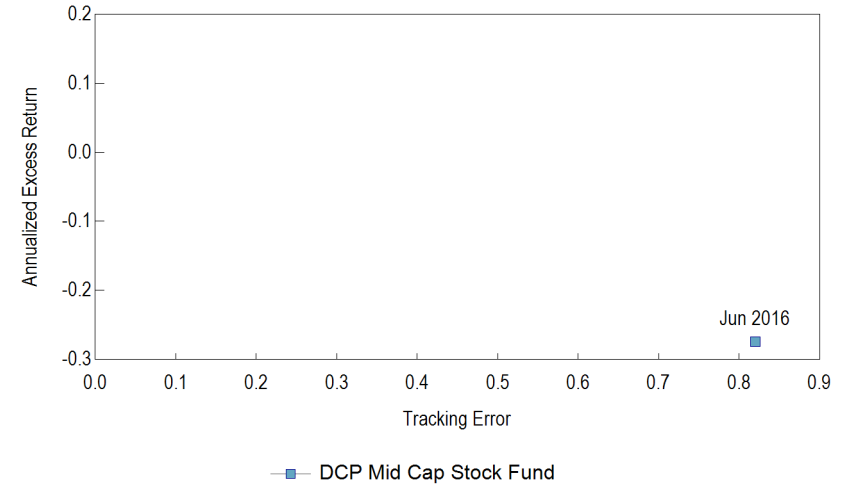
# DCP Mid Cap Stock Fund

## Fund Information

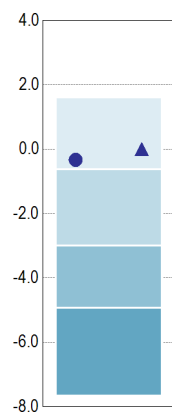
Rolling Annualized Excess Performance



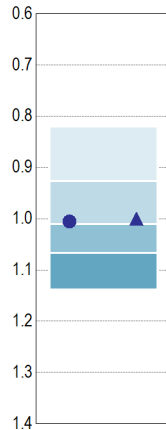
Rolling 3 Year Risk/Return vs. DCP Mid Cap Custom Benchmark



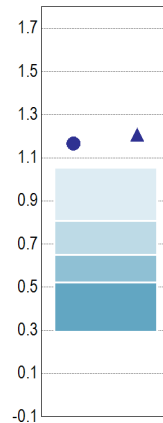
Annualized Alpha Jensen (%)



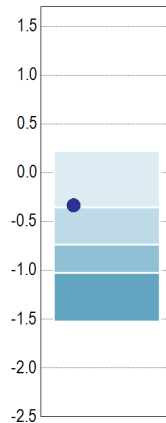
Beta



Sharpe Ratio

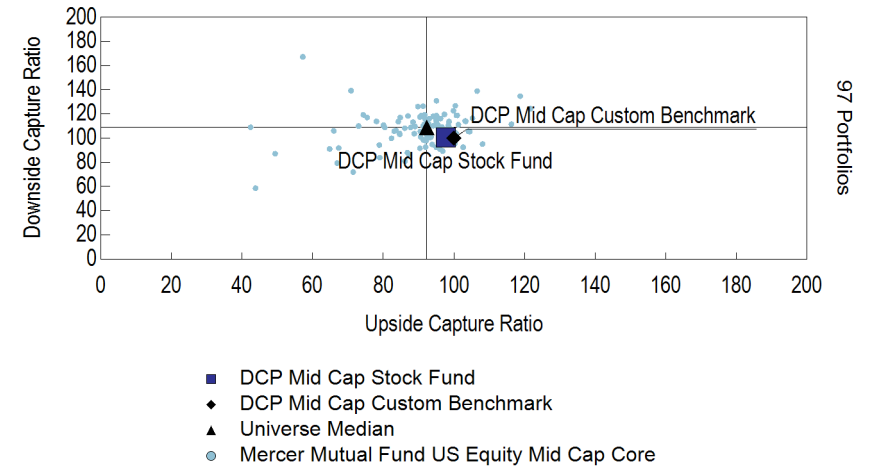


Information Ratio



MPT Statistics represent 3 year periods.

Downside Capture Ratio vs. Upside Capture Ratio  
3 Years Ending June 30, 2016



	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
DCP Mid Cap Stock Fund	10.83%	9.23%	0.82%	-0.33%	1.01	1.17	-0.34	97.63%	20.43%	99.29%	-10.40%
DCP Mid Cap Custom Benchmark	11.11%	9.14%	0.00%	0.00%	1.00	1.21	--	100.00%	20.87%	100.00%	-10.47%

## Vanguard Mid-Cap Index Fund (US)

### Manager Commentary

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Plan	City of Los Angeles Deferred Compensation Plan
Strategy	Vanguard - Vanguard Mid-Cap Index Fund (US)
Benchmark	CRSP US Mid Cap Index

#### Manager Philosophy and Process

Vanguard Mid-Cap Index Fund seeks to track the investment performance of the CRSP US Mid Cap Index, an unmanaged benchmark representing medium-size U.S. firms. The experience and stability of Vanguard's Quantitative Equity Group have permitted continuous refinement of techniques for reducing tracking error. The group uses proprietary software to implement trading decisions that accommodate cash flow and maintain close correlation with index characteristics. The Fund employs a passively managed, full-replication approach. The Fund holds all stocks in the same capitalization weighting as the index. Vanguard Mid-Cap Index Fund participates in securities lending programs.

#### Quarterly Attribution

##### Top performing index sectors:

- Utilities (+11.5%), health care (+8.0%) and financials (+3.3%)

##### Bottom performing index sectors:

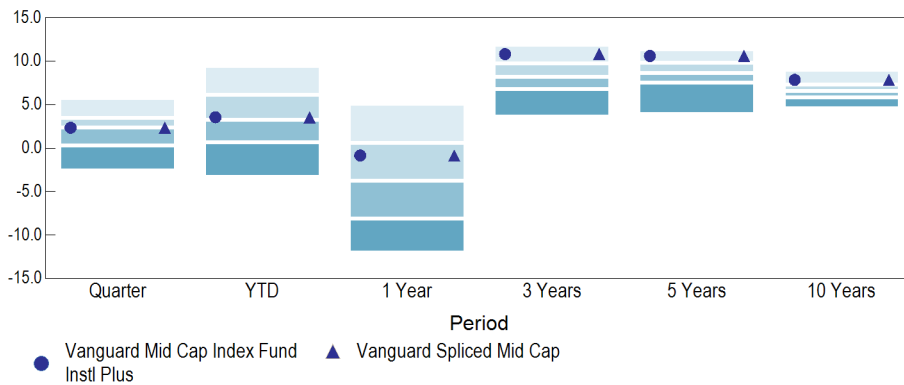
- Consumer services (-6.3%)

Note: The DCP Mid Cap Stock Fund is comprised 50% Vanguard Mid-Cap Index Fund.

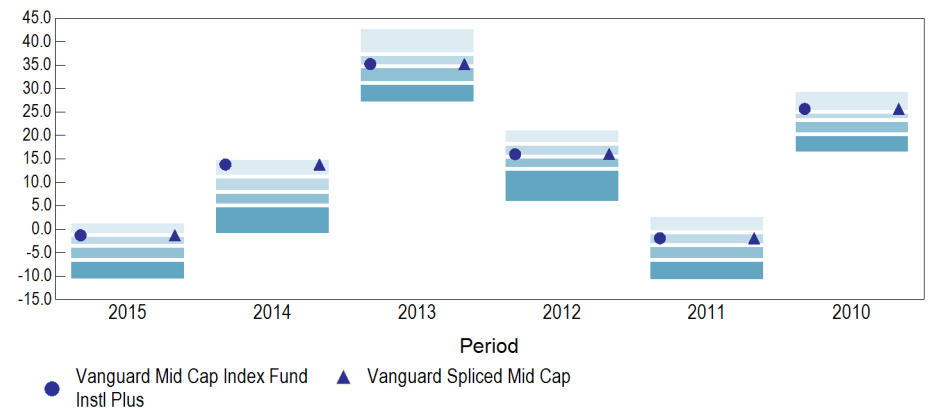
# Vanguard Mid Cap Index Fund Instl Plus

## Fund Information

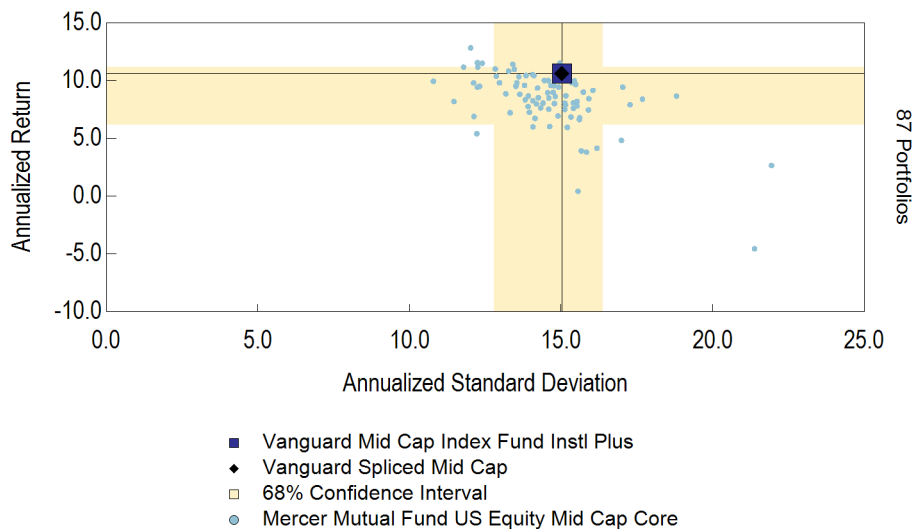
Mercer Mutual Fund US Equity Mid Cap Core Accounts



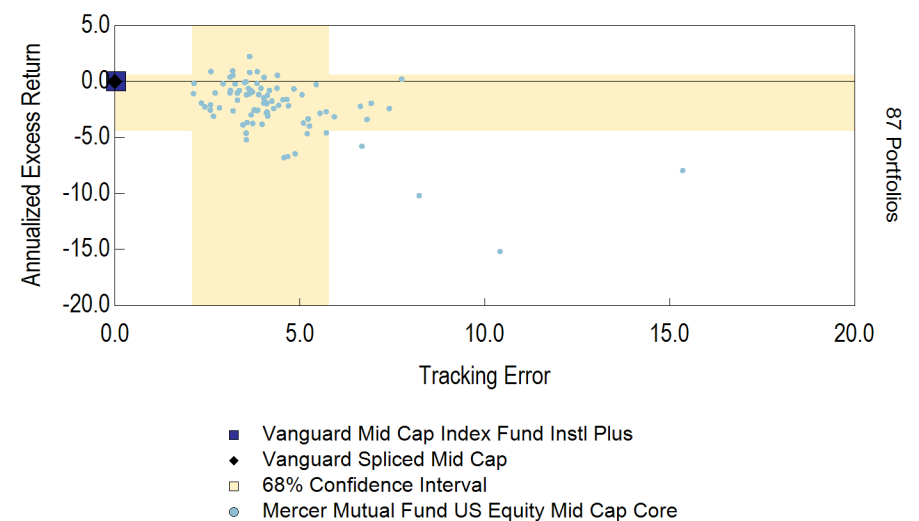
Mercer Mutual Fund US Equity Mid Cap Core Accounts



Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



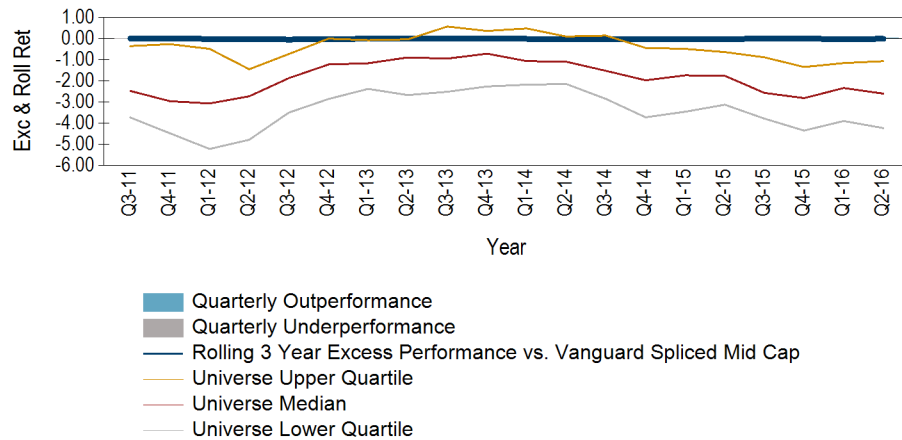
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



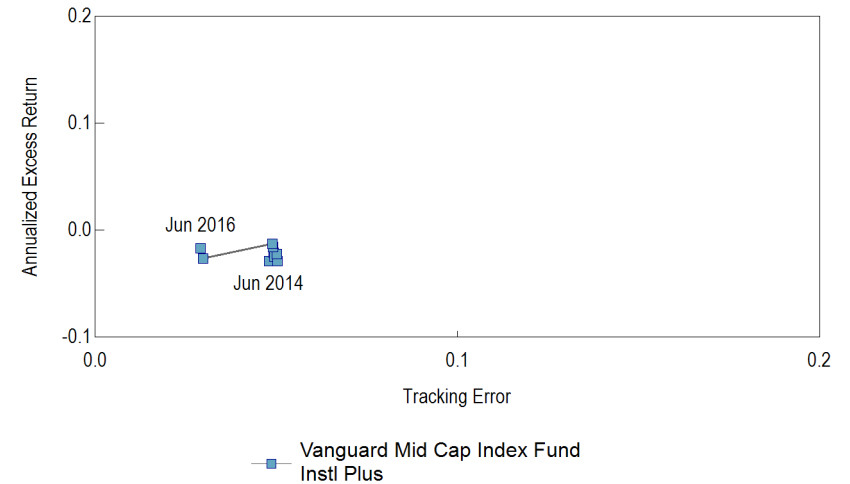
# Vanguard Mid Cap Index Fund Instl Plus

## Fund Information

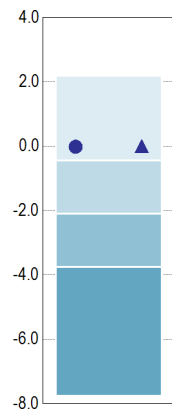
Rolling Annualized Excess Performance



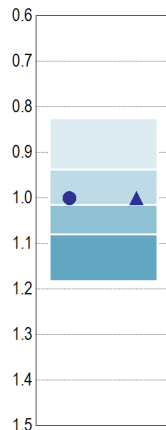
Rolling 3 Year Risk/Return vs. Vanguard Spliced Mid Cap



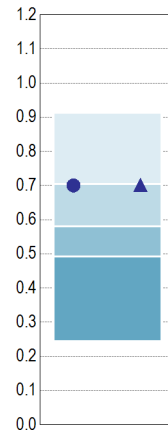
Annualized Alpha Jensen (%)



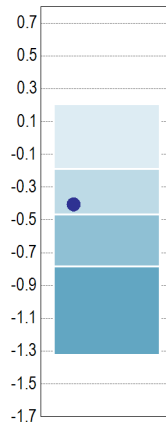
Beta



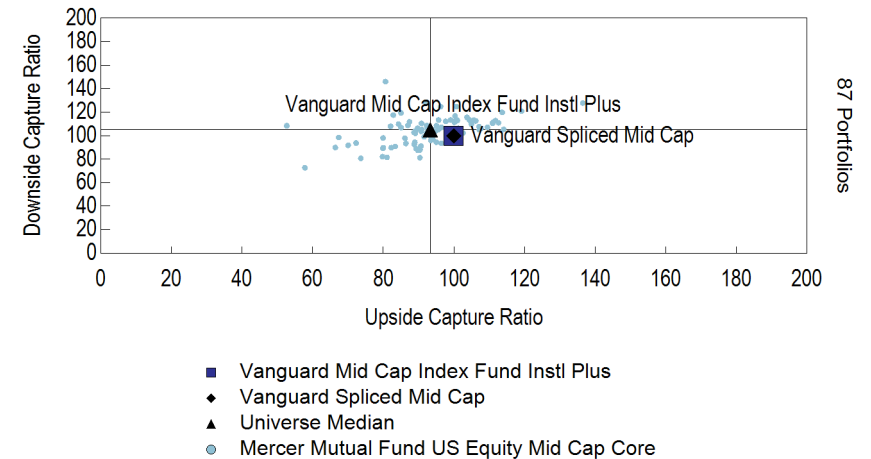
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016



MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Vanguard Mid Cap Index Fund Instl Plus	10.59%	15.03%	0.04%	-0.02%	1.00	0.70	-0.41	99.90%	26.19%	100.03%	-25.56%
Vanguard Spliced Mid Cap	10.61%	15.03%	0.00%	0.00%	1.00	0.70	--	100.00%	26.21%	100.00%	-25.55%

# Vanguard Mid Cap Index Fund Instl Plus

## Historical - Fund Information

### Portfolio Fund Information as of 06/30/2016

Ticker	VMCPX
Morningstar Category	Mid-Cap Blend
Average Market Cap (\$mm)	11,241.25
Net Assets (\$mm)	11,183.86
% Assets in Top 10 Holdings	7.44
Total Number of Holdings	347
Manager Name	Donald M. Butler
Manager Tenure	18
Expense Ratio	0.05%
Closed to New Investors	No

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	1.21
Average Market Cap (\$mm)	11,241.25
Price/Earnings	19.75
Price/Book	2.35
Price/Sales	1.49
Price/Cash Flow	8.32
Dividend Yield	1.83
Number of Equity Holdings	344
R-Squared (3 Year)	1.00
Alpha (3 Year)	0.00%

### Sector Allocation as of 06/30/2016

BASIC MATERIALS	5.57%
COMMUNICATION SERVICES	1.27%
CONSUMER CYCLICAL	17.69%
CONSUMER DEFENSIVE	7.48%
ENERGY	5.50%
FINANCIAL SERVICES	10.52%
HEALTHCARE	8.89%
INDUSTRIALS	14.81%
REAL ESTATE	7.55%
TECHNOLOGY	14.98%
UTILITIES	5.64%

### Portfolio Fund Information as of 03/31/2016

Ticker	VMCPX
Morningstar Category	Mid-Cap Blend
Average Market Cap (\$mm)	10,968.48
Net Assets (\$mm)	11,028.83
% Assets in Top 10 Holdings	6.47
Total Number of Holdings	368
Manager Name	Donald M. Butler
Manager Tenure	18
Expense Ratio	0.06%
Closed to New Investors	No

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	1.21
Average Market Cap (\$mm)	10,968.48
Price/Earnings	19.41
Price/Book	2.32
Price/Sales	1.46
Price/Cash Flow	8.27
Dividend Yield	1.82
Number of Equity Holdings	365
R-Squared (3 Year)	1.00
Alpha (3 Year)	0.00%

### Sector Allocation as of 03/31/2016

BASIC MATERIALS	5.44%
COMMUNICATION SERVICES	1.70%
CONSUMER CYCLICAL	18.96%
CONSUMER DEFENSIVE	7.39%
ENERGY	5.11%
FINANCIAL SERVICES	10.62%
HEALTHCARE	8.82%
INDUSTRIALS	14.12%
REAL ESTATE	7.18%
TECHNOLOGY	15.26%
UTILITIES	5.17%

### Portfolio Fund Information as of 12/31/2015

Ticker	VMCPX
Morningstar Category	Mid-Cap Blend
Average Market Cap (\$mm)	10,646.99
Net Assets (\$mm)	11,260.03
% Assets in Top 10 Holdings	6.22
Total Number of Holdings	368
Manager Name	Donald M. Butler
Manager Tenure	18
Expense Ratio	0.06%
Closed to New Investors	No

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	1.41
Average Market Cap (\$mm)	10,646.99
Price/Earnings	18.52
Price/Book	2.28
Price/Sales	1.42
Price/Cash Flow	9.76
Dividend Yield	1.83
Number of Equity Holdings	365
R-Squared (3 Year)	1.00
Alpha (3 Year)	-0.01%

### Sector Allocation as of 12/31/2015

BASIC MATERIALS	5.31%
COMMUNICATION SERVICES	1.54%
CONSUMER CYCLICAL	18.11%
CONSUMER DEFENSIVE	7.06%
ENERGY	4.90%
FINANCIAL SERVICES	11.55%
HEALTHCARE	9.43%
INDUSTRIALS	14.42%
REAL ESTATE	6.84%
TECHNOLOGY	15.78%
UTILITIES	4.75%

## Ceredex Mid Cap Value Equity

### Manager Commentary

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Plan	City of Los Angeles Deferred Compensation Plan
Strategy	Ceredex Value Advisors - Ceredex Mid Cap Value Equity
Benchmark	Russell Midcap Value

#### Current Positioning

- Relative to the Russell Midcap Value Index, the Fund continues to overweight the industrials, information technology, health care, and energy sectors.
- The Fund is underweight the utilities, materials, and financials sectors.
- The Fund has no exposure to the consumer staples and telecommunication services sectors.

#### Quarterly Attribution

##### Positive Impact on Performance:

- Security selection within the information technology and consumer discretionary sectors

##### Negative Impact on Performance:

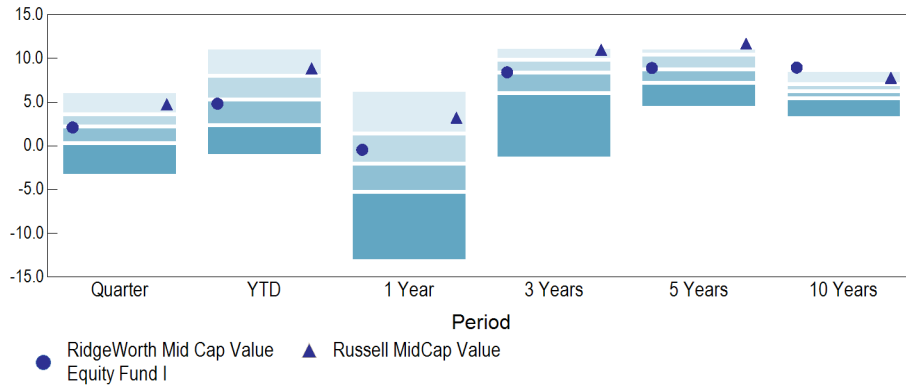
- An overweight allocation to and security selection within the industrials sector
- Security selection within the financials and health care sectors.

Note: The RidgeWorth Mid Cap Value Equity Fund is sub-advised by Cederex and represents 25% of the DCP Mid Cap Stock Fund.

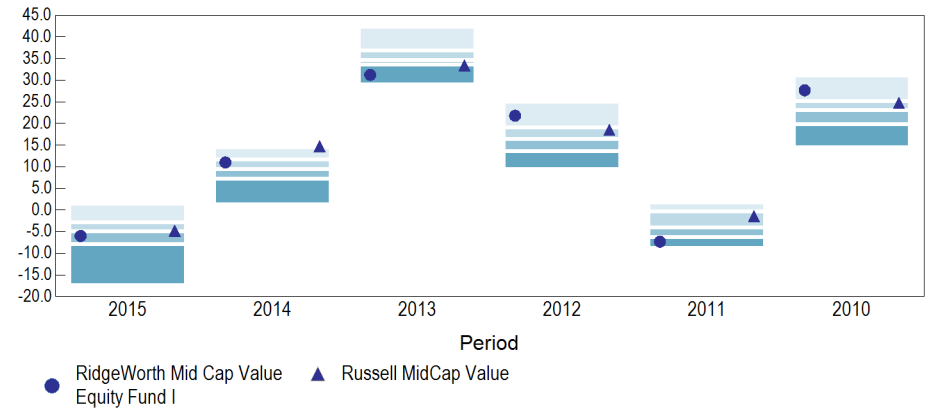
# RidgeWorth Mid Cap Value Equity Fund I

## Fund Information

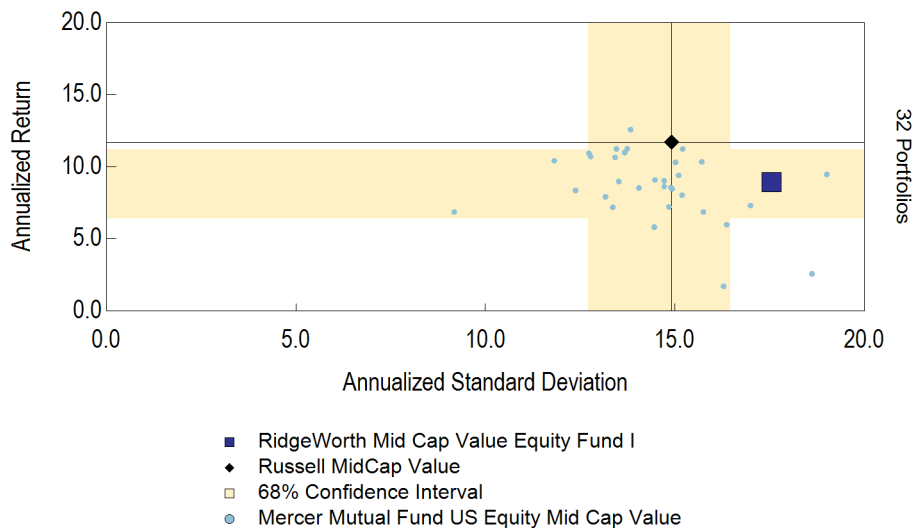
Mercer Mutual Fund US Equity Mid Cap Value Accounts



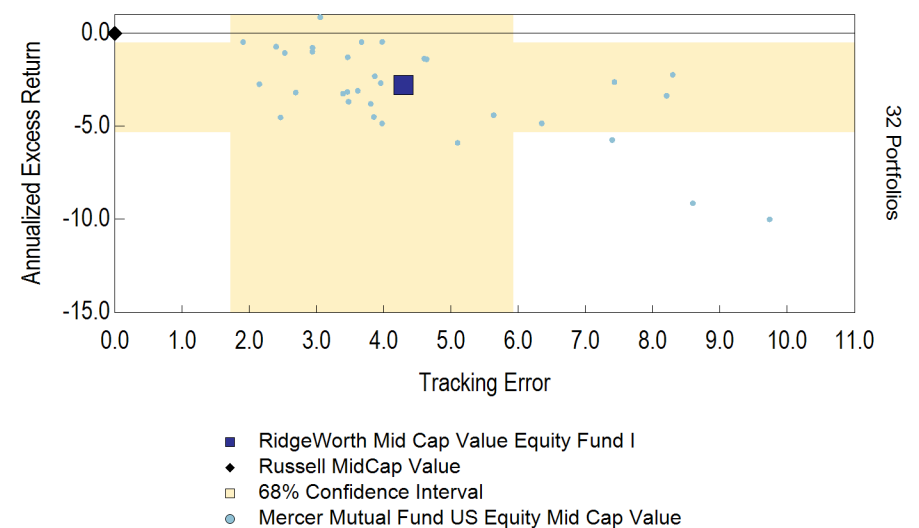
Mercer Mutual Fund US Equity Mid Cap Value Accounts



Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



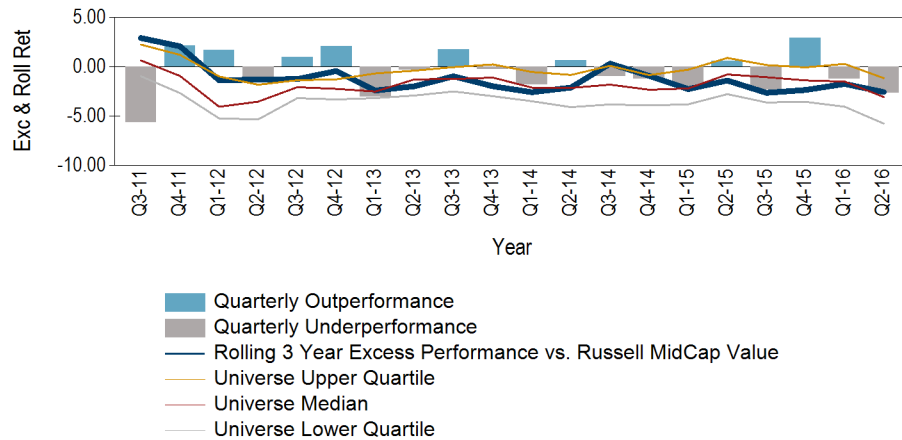
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



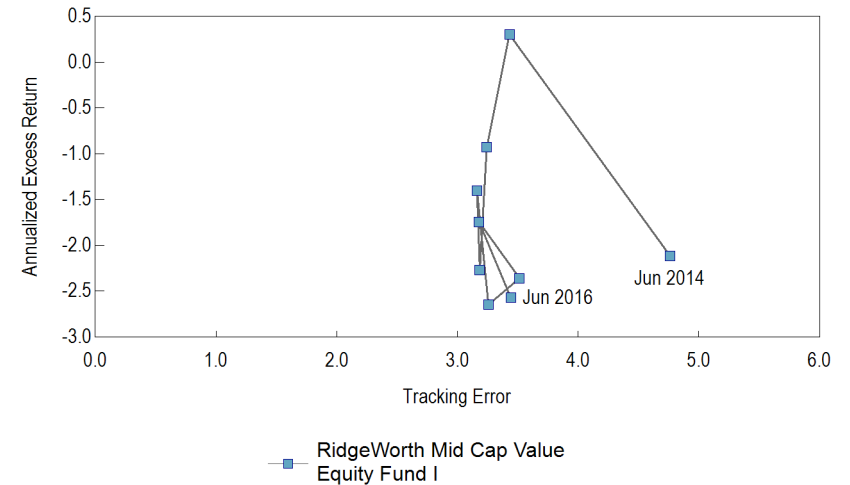
# RidgeWorth Mid Cap Value Equity Fund I

## Fund Information

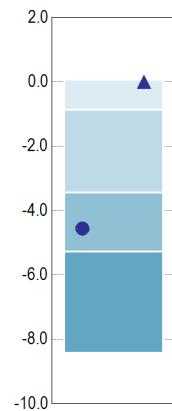
Rolling Annualized Excess Performance



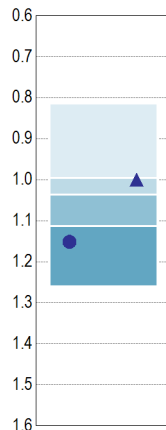
Rolling 3 Year Risk/Return vs. Russell MidCap Value



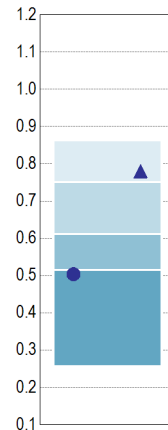
Annualized Alpha Jensen (%)



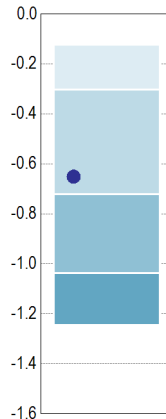
Beta



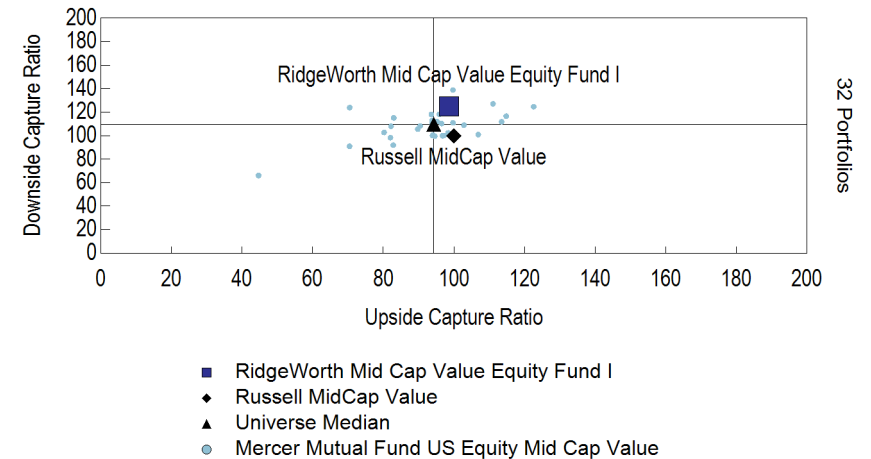
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016



MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
RidgeWorth Mid Cap Value Equity Fund I	8.91%	17.56%	4.29%	-4.56%	1.15	0.50	-0.65	98.61%	27.56%	125.10%	-32.21%
Russell MidCap Value	11.70%	14.92%	0.00%	0.00%	1.00	0.78	--	100.00%	27.84%	100.00%	-25.48%

# RidgeWorth Mid Cap Value Equity Fund I

## Historical - Fund Information

### Portfolio Fund Information as of 06/30/2016

Ticker	SMVTX
Morningstar Category	Mid-Cap Value
Average Market Cap (\$mm)	12,088.46
Net Assets (\$mm)	2,537.69
% Assets in Top 10 Holdings	27.85
Total Number of Holdings	73
Manager Name	Don Wordell
Manager Tenure	15
Expense Ratio	1.10%
Closed to New Investors	No

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	0.78
Average Market Cap (\$mm)	12,088.46
Price/Earnings	15.82
Price/Book	1.64
Price/Sales	1.26
Price/Cash Flow	7.51
Dividend Yield	2.80
Number of Equity Holdings	72
R-Squared (3 Year)	0.90
Alpha (3 Year)	-0.79%

### Sector Allocation as of 06/30/2016

BASIC MATERIALS	5.02%
COMMUNICATION SERVICES	0.52%
CONSUMER CYCLICAL	8.04%
CONSUMER DEFENSIVE	0.89%
ENERGY	12.13%
FINANCIAL SERVICES	26.12%
HEALTHCARE	9.14%
INDUSTRIALS	13.95%
REAL ESTATE	2.89%
TECHNOLOGY	10.88%
UTILITIES	8.75%

### Portfolio Fund Information as of 03/31/2016

Ticker	SMVTX
Morningstar Category	Mid-Cap Value
Average Market Cap (\$mm)	11,822.89
Net Assets (\$mm)	2,722.74
% Assets in Top 10 Holdings	26.56
Total Number of Holdings	77
Manager Name	Don Wordell
Manager Tenure	15
Expense Ratio	1.10%
Closed to New Investors	No

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	0.75
Average Market Cap (\$mm)	11,822.89
Price/Earnings	17.40
Price/Book	1.55
Price/Sales	1.40
Price/Cash Flow	7.59
Dividend Yield	2.99
Number of Equity Holdings	76
R-Squared (3 Year)	0.92
Alpha (3 Year)	-0.63%

### Sector Allocation as of 03/31/2016

BASIC MATERIALS	3.15%
COMMUNICATION SERVICES	1.45%
CONSUMER CYCLICAL	8.36%
CONSUMER DEFENSIVE	0.76%
ENERGY	9.56%
FINANCIAL SERVICES	24.46%
HEALTHCARE	8.43%
INDUSTRIALS	13.32%
REAL ESTATE	5.44%
TECHNOLOGY	12.26%
UTILITIES	10.11%

### Portfolio Fund Information as of 12/31/2015

Ticker	SMVTX
Morningstar Category	Mid-Cap Value
Average Market Cap (\$mm)	10,690.43
Net Assets (\$mm)	2,935.86
% Assets in Top 10 Holdings	28.71
Total Number of Holdings	60
Manager Name	Don Wordell
Manager Tenure	15
Expense Ratio	1.10%
Closed to New Investors	No

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.92
Average Market Cap (\$mm)	10,690.43
Price/Earnings	17.48
Price/Book	1.70
Price/Sales	1.43
Price/Cash Flow	7.93
Dividend Yield	2.82
Number of Equity Holdings	59
R-Squared (3 Year)	0.91
Alpha (3 Year)	-0.49%

### Sector Allocation as of 12/31/2015

BASIC MATERIALS	1.14%
COMMUNICATION SERVICES	3.01%
CONSUMER CYCLICAL	6.88%
CONSUMER DEFENSIVE	0.00%
ENERGY	12.61%
FINANCIAL SERVICES	20.48%
HEALTHCARE	10.36%
INDUSTRIALS	12.73%
REAL ESTATE	5.31%
TECHNOLOGY	14.14%
UTILITIES	11.31%

## Voya Mid Cap Growth

### Manager Commentary

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Plan	City of Los Angeles Deferred Compensation Plan
Strategy	Voya Investment Management Co. - Voya Mid Cap Growth
Benchmark	Russell Midcap Growth

#### Current Positioning

- Relative to the Russell Midcap Growth the Fund has no significant over or underweights.
- The Fund has no exposure to the telecommunication services and utilities sectors.
- The Fund has a 1.3% allocation to cash.

#### Quarterly Attribution

##### Positive Impact on Performance:

- Stock selection within the consumer discretionary, consumer staples, and industrials sectors
- Individual stocks contributing to performance included Ulta Salon, Cosmetics & Fragrance, Monster Beverage Corp. and NuVasive

##### Negative Impact on Performance:

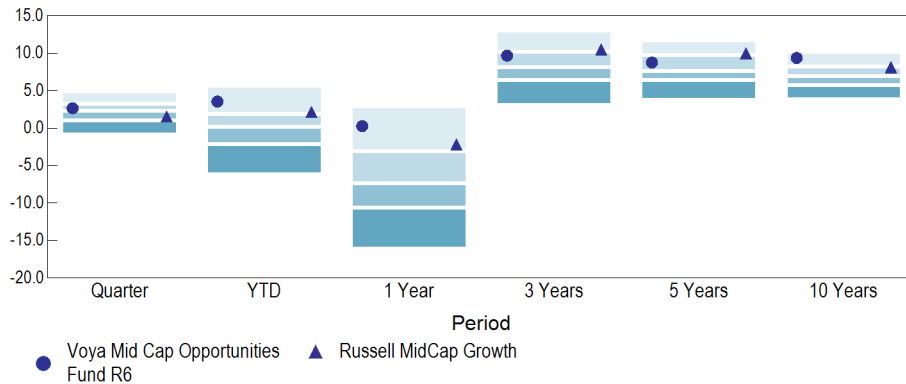
- Stock selection within the information technology and health care sectors
- Individual stocks detracting from performance included Southwest Airlines, LinkedIn, and Foot Locker

Note: The DCP Mid Cap Stock Fund is comprised 25% Voya Mid Cap Growth Fund.

# Voya Mid Cap Opportunities Fund R6

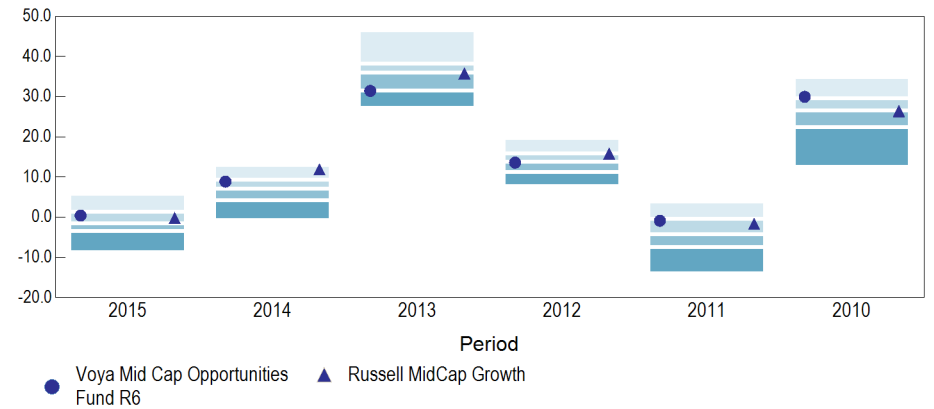
## Fund Information

Mercer Mutual Fund US Equity Mid Cap Growth Accounts



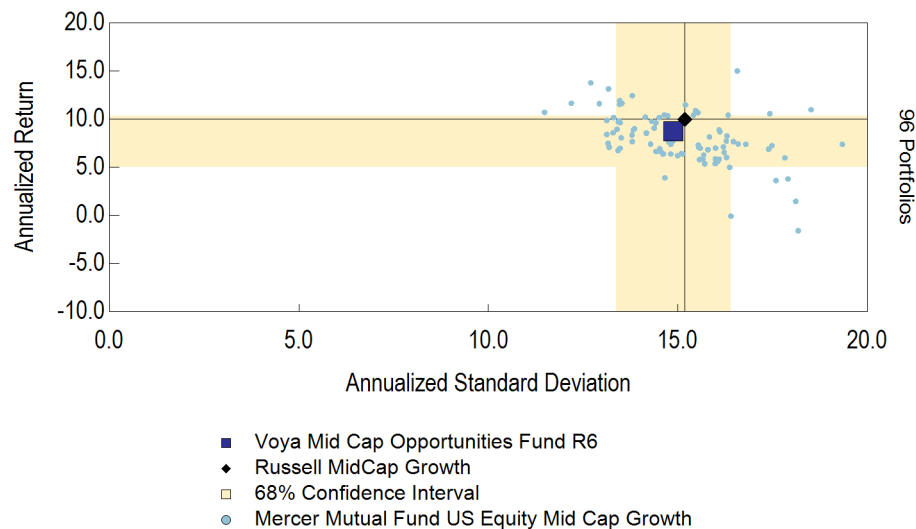
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Voya Mid Cap Opportunities Fund R6	2.7%	3.5%	0.3%	9.7%	8.8%	9.4%
Russell MidCap Growth	1.6%	2.2%	-2.1%	10.5%	10.0%	8.1%
Universe Median	2.3%	0.2%	-7.3%	8.2%	7.7%	7.0%

Mercer Mutual Fund US Equity Mid Cap Growth Accounts

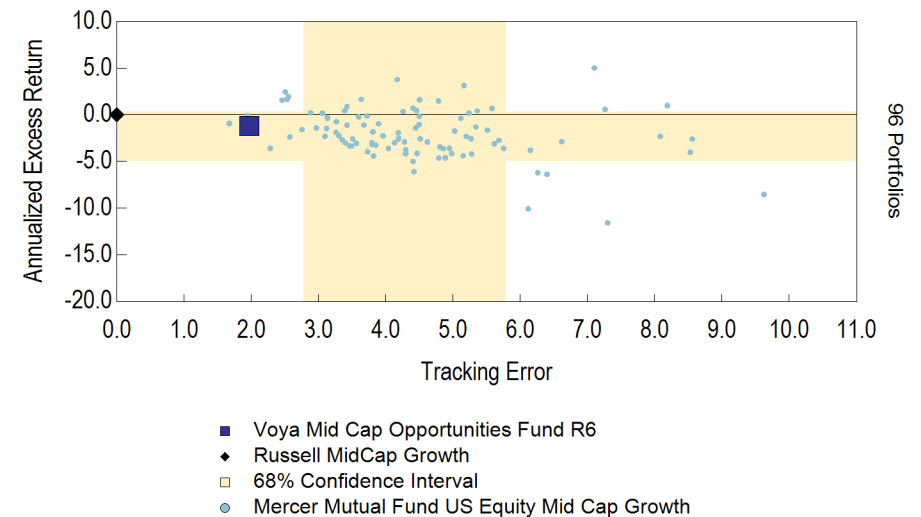


Annualized Returns	2015	2014	2013	2012	2011	2010
Voya Mid Cap Opportunities Fund R6	0.4%	8.8%	31.4%	13.6%	-0.9%	30.0%
Russell MidCap Growth	-0.2%	11.9%	35.7%	15.8%	-1.7%	26.4%
Universe Median	-0.8%	7.1%	36.1%	14.6%	-2.4%	25.3%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



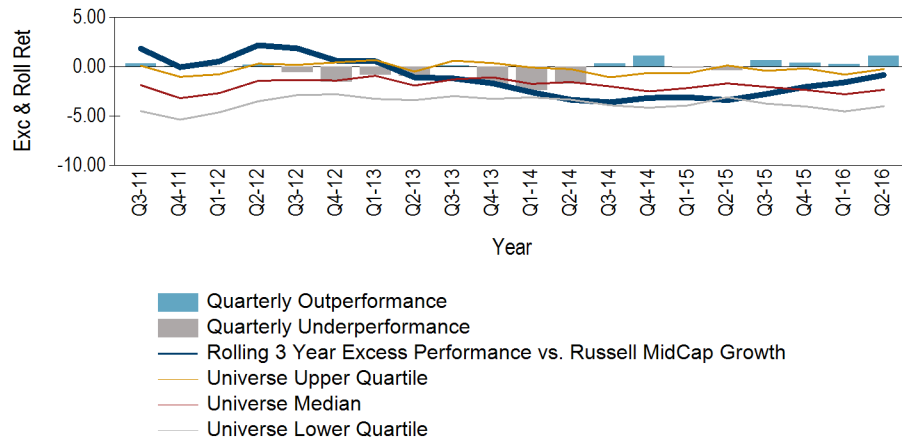
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



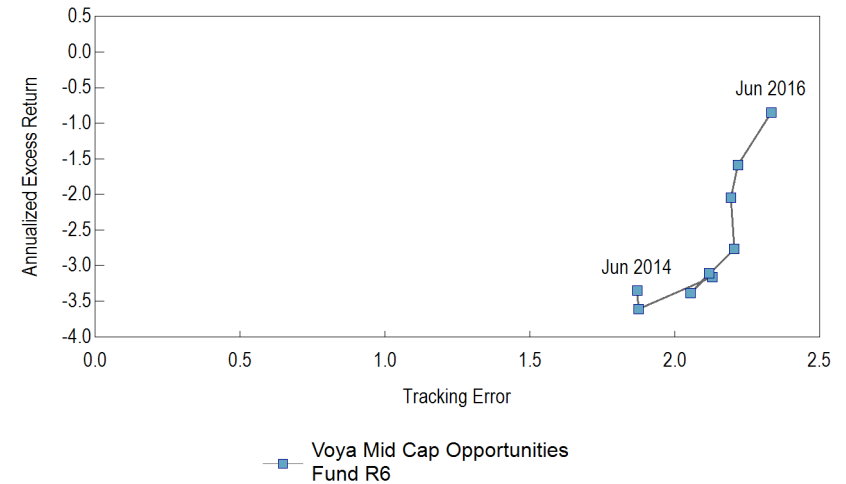
# Voya Mid Cap Opportunities Fund R6

## Fund Information

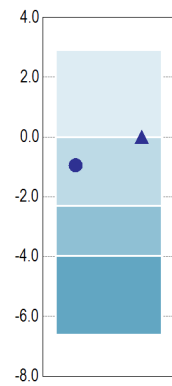
Rolling Annualized Excess Performance



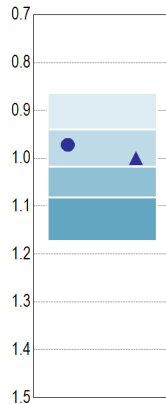
Rolling 3 Year Risk/Return vs. Russell MidCap Growth



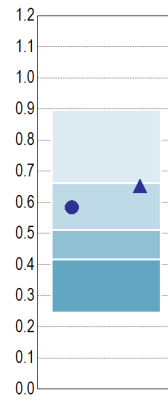
Annualized Alpha Jensen (%)



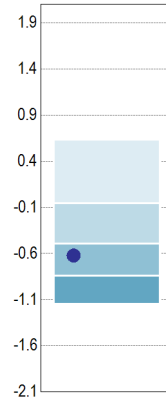
Beta



Sharpe Ratio

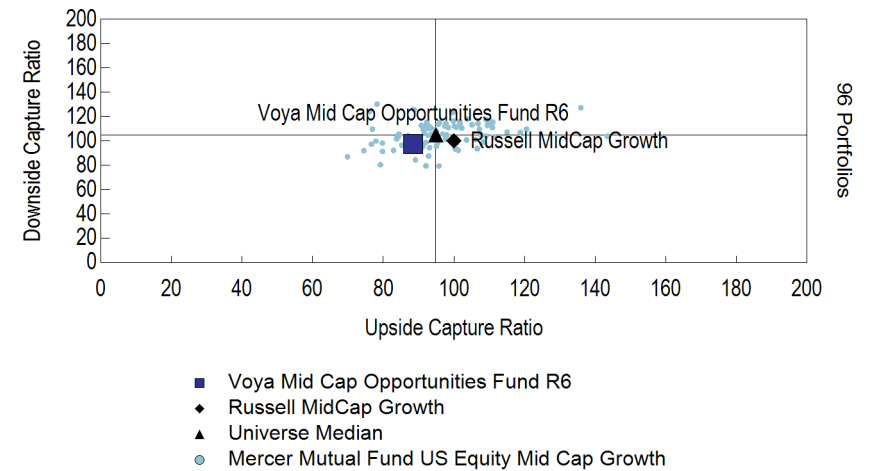


Information Ratio



MPT Statistics represent 5 year periods.

Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016



	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Voya Mid Cap Opportunities Fund R6	8.76%	14.89%	1.97%	-0.95%	0.97	0.58	-0.62	88.50%	23.19%	97.31%	-25.16%
Russell MidCap Growth	9.98%	15.19%	0.00%	0.00%	1.00	0.65	--	100.00%	25.45%	100.00%	-25.89%

# Voya Mid Cap Opportunities Fund R6

## Historical - Fund Information

### Portfolio Fund Information as of 06/30/2016

Ticker	IMOZX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	11,073.03
Net Assets (\$mm)	117.03
% Assets in Top 10 Holdings	22.91
Total Number of Holdings	73
Manager Name	Jeff Bianchi
Manager Tenure	11
Expense Ratio	0.88%
Closed to New Investors	No

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	1.05
Average Market Cap (\$mm)	11,073.03
Price/Earnings	23.22
Price/Book	4.58
Price/Sales	2.13
Price/Cash Flow	10.45
Dividend Yield	1.10
Number of Equity Holdings	71
R-Squared (3 Year)	0.94
Alpha (3 Year)	-0.04%

### Sector Allocation as of 06/30/2016

BASIC MATERIALS	2.86%
COMMUNICATION SERVICES	0.00%
CONSUMER CYCLICAL	24.71%
CONSUMER DEFENSIVE	12.03%
ENERGY	1.16%
FINANCIAL SERVICES	4.91%
HEALTHCARE	16.77%
INDUSTRIALS	16.77%
REAL ESTATE	4.73%
TECHNOLOGY	14.81%
UTILITIES	0.00%

### Portfolio Fund Information as of 03/31/2016

Ticker	IMOZX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	12,549.51
Net Assets (\$mm)	115.11
% Assets in Top 10 Holdings	22.18
Total Number of Holdings	73
Manager Name	Jeff Bianchi
Manager Tenure	11
Expense Ratio	0.88%
Closed to New Investors	No

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	1.02
Average Market Cap (\$mm)	12,549.51
Price/Earnings	21.45
Price/Book	4.26
Price/Sales	2.01
Price/Cash Flow	10.51
Dividend Yield	1.12
Number of Equity Holdings	71
R-Squared (3 Year)	0.94
Alpha (3 Year)	-0.22%

### Sector Allocation as of 03/31/2016

BASIC MATERIALS	2.73%
COMMUNICATION SERVICES	0.00%
CONSUMER CYCLICAL	24.30%
CONSUMER DEFENSIVE	12.02%
ENERGY	1.03%
FINANCIAL SERVICES	8.10%
HEALTHCARE	13.17%
INDUSTRIALS	19.32%
REAL ESTATE	1.68%
TECHNOLOGY	17.40%
UTILITIES	0.00%

### Portfolio Fund Information as of 12/31/2015

Ticker	IMOZX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	12,202.06
Net Assets (\$mm)	107.42
% Assets in Top 10 Holdings	21.25
Total Number of Holdings	72
Manager Name	Jeff Bianchi
Manager Tenure	11
Expense Ratio	0.88%
Closed to New Investors	No

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	1.25
Average Market Cap (\$mm)	12,202.06
Price/Earnings	21.68
Price/Book	4.15
Price/Sales	2.03
Price/Cash Flow	13.15
Dividend Yield	0.93
Number of Equity Holdings	69
R-Squared (3 Year)	0.96
Alpha (3 Year)	-0.29%

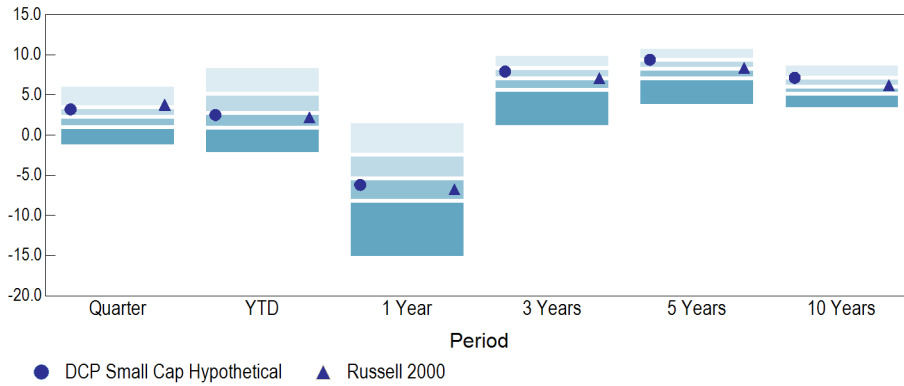
### Sector Allocation as of 12/31/2015

BASIC MATERIALS	1.34%
COMMUNICATION SERVICES	0.00%
CONSUMER CYCLICAL	22.99%
CONSUMER DEFENSIVE	9.91%
ENERGY	0.56%
FINANCIAL SERVICES	8.26%
HEALTHCARE	14.40%
INDUSTRIALS	21.02%
REAL ESTATE	1.61%
TECHNOLOGY	15.53%
UTILITIES	0.00%

# DCP Small Cap Stock Fund

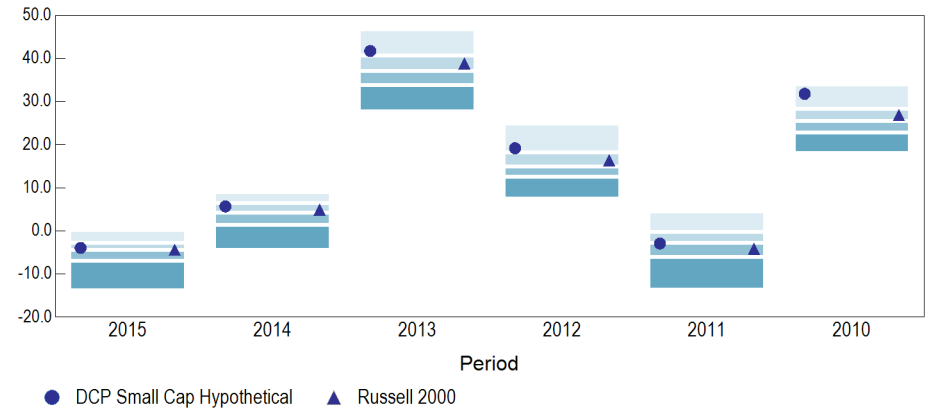
## Fund Information

Mercer Mutual Fund US Equity Small Cap Core Accounts



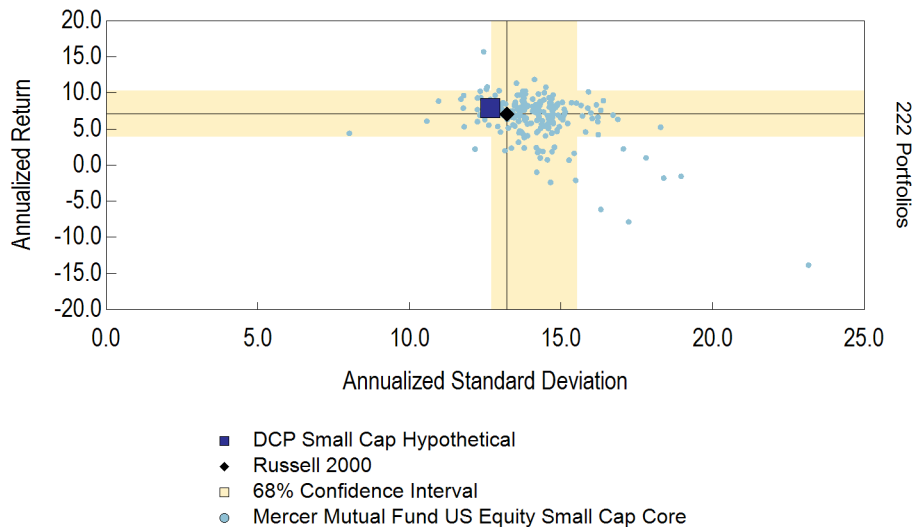
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
DCP Small Cap Hypothetical	3.2%	2.5%	-6.2%	7.9%	9.4%	7.1%
Russell 2000	3.8%	2.2%	-6.7%	7.1%	8.4%	6.2%
Universe Median	2.3%	2.8%	-5.4%	7.1%	8.3%	6.1%

Mercer Mutual Fund US Equity Small Cap Core Accounts

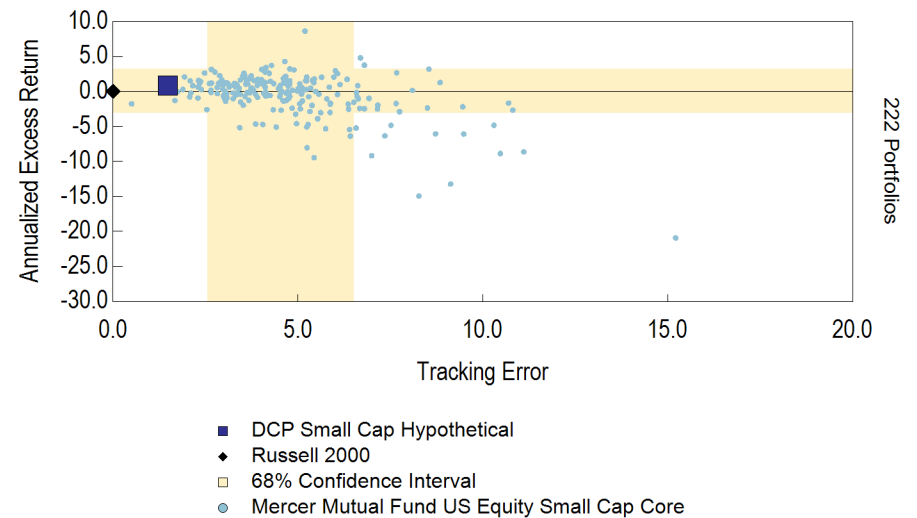


Annualized Returns	2015	2014	2013	2012	2011	2010
DCP Small Cap Hypothetical	-4.0%	5.6%	41.7%	19.1%	-3.0%	31.8%
Russell 2000	-4.4%	4.9%	38.8%	16.3%	-4.2%	26.9%
Universe Median	-4.1%	4.4%	37.8%	15.2%	-2.8%	25.9%

Annualized Return vs. Annualized Standard Deviation  
 3 Years Ending June 30, 2016



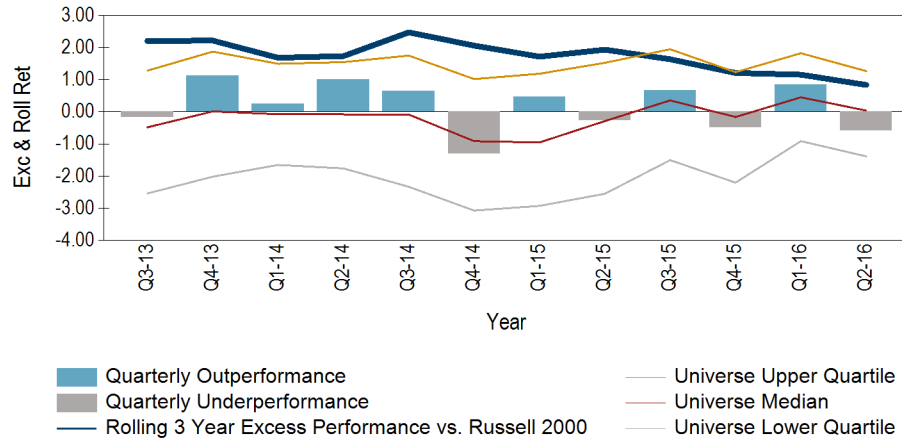
Annualized Excess Return vs. Tracking Error  
 3 Years Ending June 30, 2016



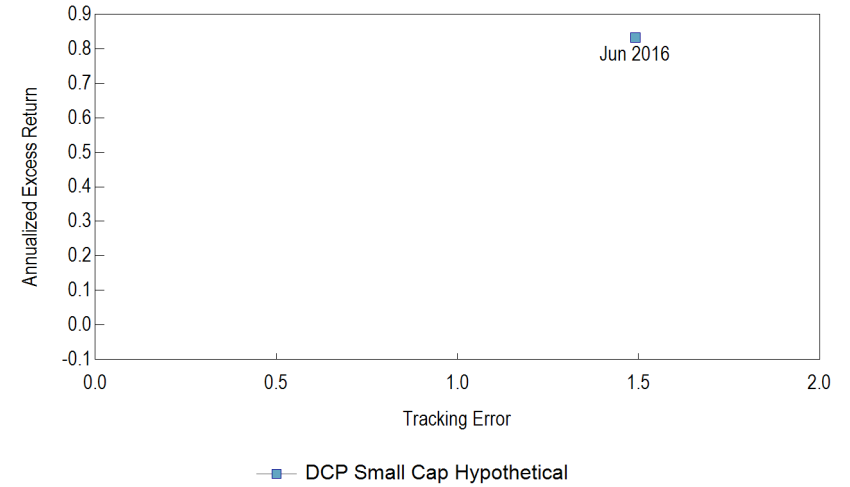
# DCP Small Cap Stock Fund

## Fund Information

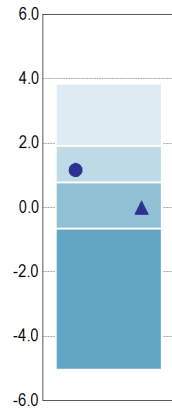
Rolling Annualized Excess Performance



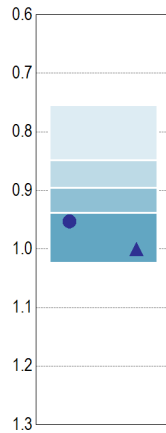
Rolling 3 Year Risk/Return vs. Russell 2000



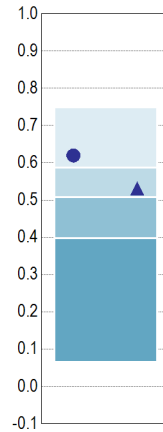
Annualized Alpha Jensen (%)



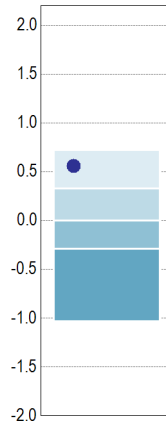
Beta



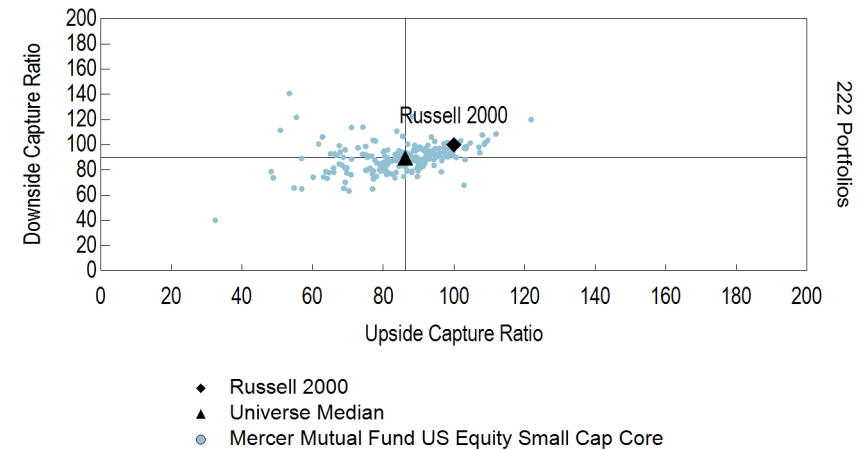
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio 3 Years Ending June 30, 2016



MPT Statistics represent 3 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
DCP Small Cap Hypothetical	7.92%	12.67%	1.49%	1.16%	0.95	0.62	0.56	100.07%	20.75%	90.48%	-17.77%
Russell 2000	7.09%	13.22%	0.00%	0.00%	1.00	0.53	--	100.00%	20.74%	100.00%	-19.64%

# Vanguard Small-Cap Index Fund (US)

## Manager Commentary

Plan	City of Los Angeles Deferred Compensation Plan
Strategy	Vanguard - Vanguard Small-Cap Index Fund (US)
Benchmark	CRSP US Small Cap Index

### Manager Philosophy and Process

#### Investment Philosophy:

The Vanguard Small-Cap Index Fund attempts to provide investment results that parallel the performance of the CRSP US Small Cap Index, which measures US companies that fall between the bottom 2%-15% of the investable market capitalization, while minimizing tracking error and transaction costs.

#### Investment Process:

The Fund attempts to replicate the performance of the CRSP US Small Cap Index by investing substantially all of its assets in the stocks that make up the Index, holding each in approximately the same proportion as its weighting in the index. In markets where low liquidity exists, the Fund may employ optimized sampling to select substitute stocks.

When changes occur to the Index, Vanguard devises strategies to ensure the Fund can be re-aligned at the lowest cost possible. Vanguard bases trading on the Index sponsor's formal announcements, rather than on speculation. Trading takes place prior to and following the effective date of the Index change to achieve best execution. When executing trading strategies, Vanguard takes into consideration cash flows, trading costs and the impact on tracking risks. To a limited extent, the Fund may invest in stock futures and options contracts, warrants, convertible securities and swap agreements in order to keep cash on hand to meet specific needs or to reduce costs by buying futures when they are less expensive than actual stocks. Typically, the Fund's derivative exposure is 2% or less.

Vanguard may engage in stock lending within the Fund in order to provide additional returns. The lending collateral is invested in the Vanguard Market Liquidity Fund, and any incremental revenue is credited to the Fund minus any costs associated with the position.

### Quarterly Attribution

#### Top Performing Index Sectors:

- Oil & gas (+12.9%), financials (+5.2%), and industrials (+2.8%)

#### Bottom Performing Index Sectors:

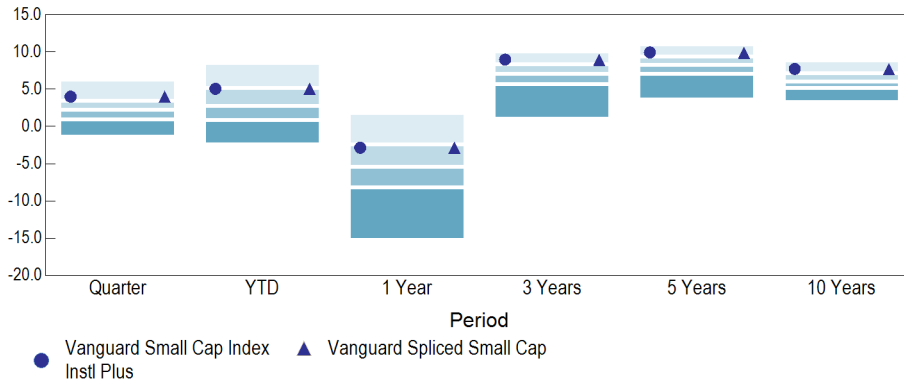
- Consumer services (-0.8%)

Note: The DCP Small Cap Stock Fund is comprised 33.3% Vanguard Small-Cap Index Fund.

# Vanguard Small Cap Index Instl Plus

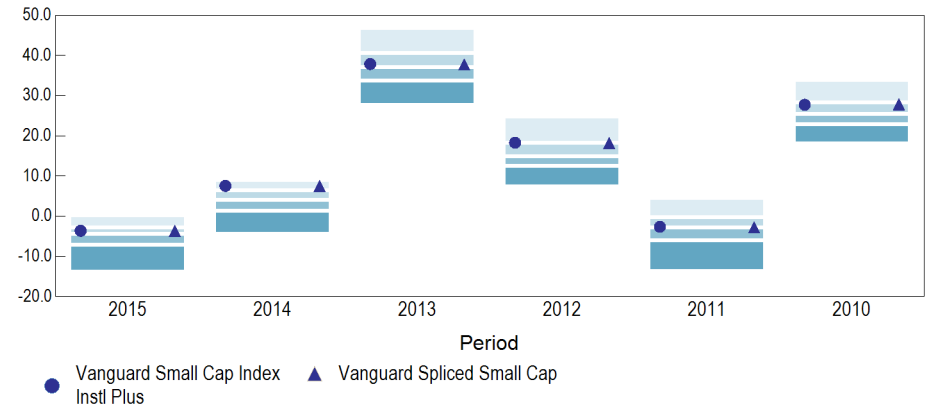
## Fund Information

Mercer Mutual Fund US Equity Small Cap Core Accounts



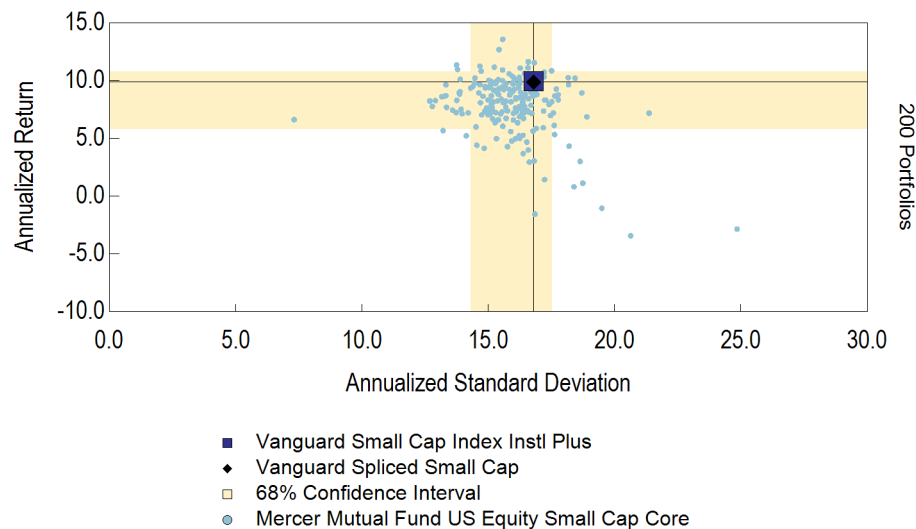
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Vanguard Small Cap Index Instl Plus	4.0%	5.0%	-2.9%	9.0%	9.9%	7.7%
Vanguard Spliced Small Cap	4.0%	5.0%	-2.9%	8.9%	9.9%	7.7%
Universe Median	2.3%	2.8%	-5.4%	7.1%	8.3%	6.1%

Mercer Mutual Fund US Equity Small Cap Core Accounts

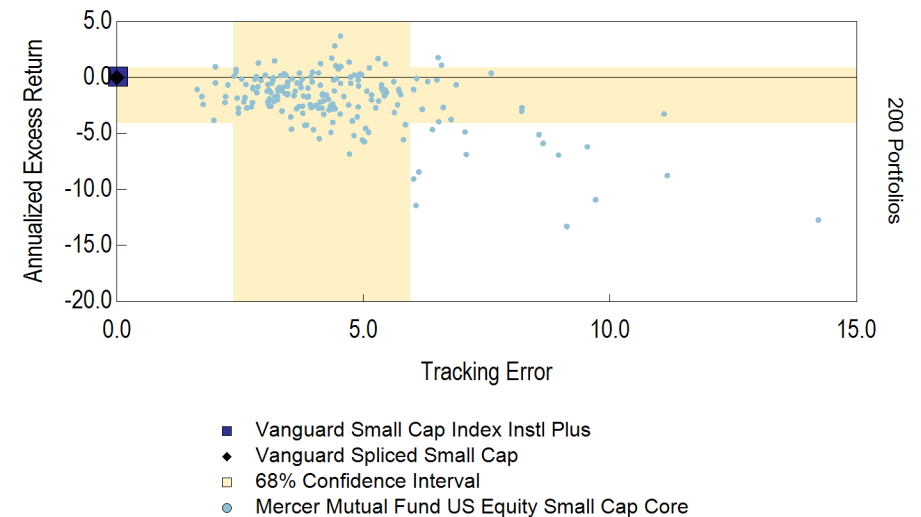


Annualized Returns	2015	2014	2013	2012	2011	2010
Vanguard Small Cap Index Instl Plus	-3.6%	7.5%	37.8%	18.3%	-2.6%	27.7%
Vanguard Spliced Small Cap	-3.7%	7.5%	37.8%	18.2%	-2.8%	27.8%
Universe Median	-4.1%	4.4%	37.8%	15.2%	-2.8%	25.9%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



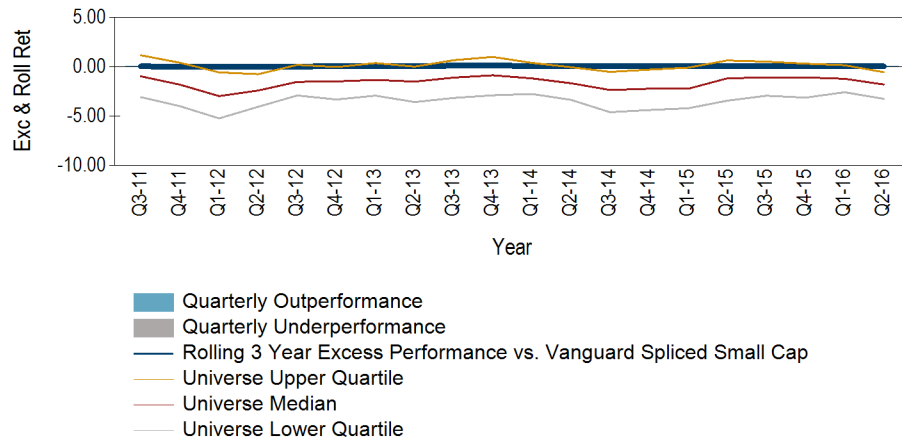
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



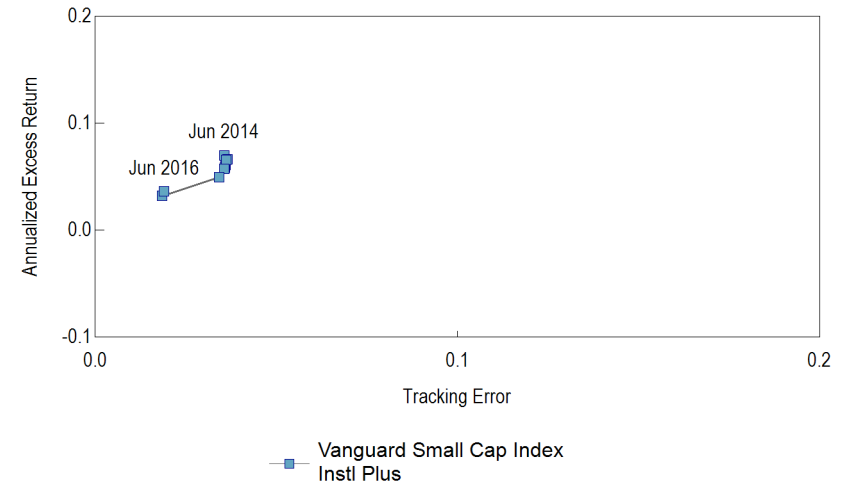
# Vanguard Small Cap Index Instl Plus

## Fund Information

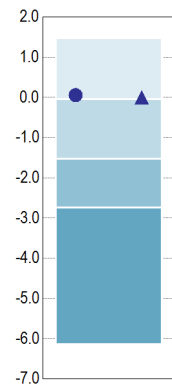
Rolling Annualized Excess Performance



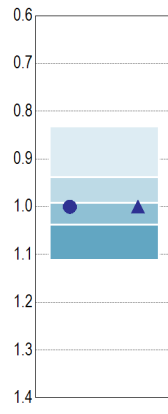
Rolling 3 Year Risk/Return vs. Vanguard Spliced Small Cap



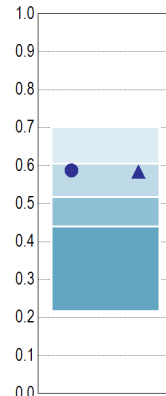
Annualized Alpha Jensen (%)



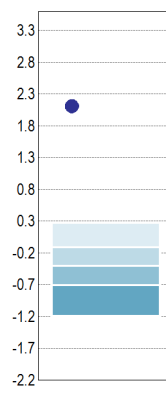
Beta



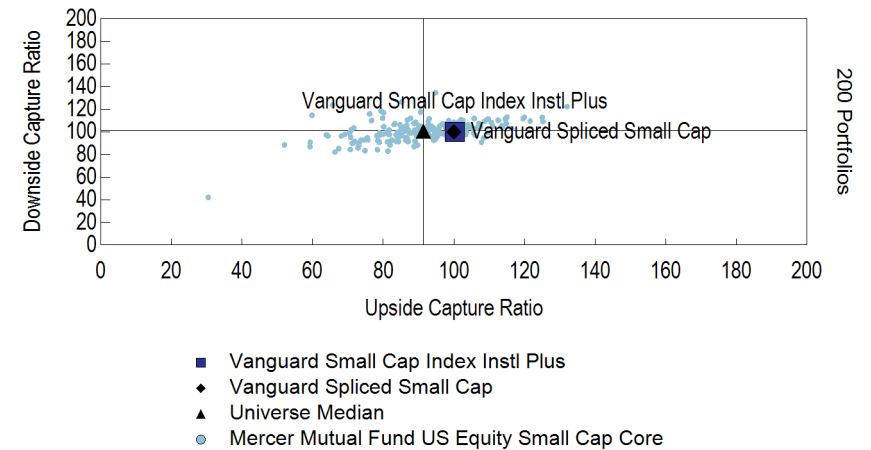
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016



MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Vanguard Small Cap Index Instl Plus	9.94%	16.80%	0.03%	0.06%	1.00	0.59	2.11	100.35%	27.81%	99.89%	-30.03%
Vanguard Spliced Small Cap	9.88%	16.79%	0.00%	0.00%	1.00	0.58	--	100.00%	27.73%	100.00%	-30.07%

# Vanguard Small Cap Index Instl Plus

## Historical - Fund Information

### Portfolio Fund Information as of 06/30/2016

Ticker	VSCPX
Morningstar Category	Small Blend
Average Market Cap (\$mm)	2,987.27
Net Assets (\$mm)	7,110.62
% Assets in Top 10 Holdings	2.98
Total Number of Holdings	1,476
Manager Name	William A. Coleman
Manager Tenure	
Expense Ratio	0.05%
Closed to New Investors	No

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	0.79
Average Market Cap (\$mm)	2,987.27
Price/Earnings	19.77
Price/Book	1.89
Price/Sales	1.16
Price/Cash Flow	7.38
Dividend Yield	2.00
Number of Equity Holdings	1,468
R-Squared (3 Year)	1.00
Alpha (3 Year)	0.01%

### Sector Allocation as of 06/30/2016

BASIC MATERIALS	4.99%
COMMUNICATION SERVICES	0.90%
CONSUMER CYCLICAL	13.64%
CONSUMER DEFENSIVE	4.37%
ENERGY	4.72%
FINANCIAL SERVICES	12.37%
HEALTHCARE	9.63%
INDUSTRIALS	15.53%
REAL ESTATE	14.03%
TECHNOLOGY	14.17%
UTILITIES	5.07%

### Portfolio Fund Information as of 03/31/2016

Ticker	VSCPX
Morningstar Category	Small Blend
Average Market Cap (\$mm)	2,862.28
Net Assets (\$mm)	6,861.76
% Assets in Top 10 Holdings	2.82
Total Number of Holdings	1,509
Manager Name	William A. Coleman
Manager Tenure	
Expense Ratio	0.05%
Closed to New Investors	No

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	0.75
Average Market Cap (\$mm)	2,862.28
Price/Earnings	19.25
Price/Book	1.85
Price/Sales	1.12
Price/Cash Flow	7.12
Dividend Yield	2.06
Number of Equity Holdings	1,498
R-Squared (3 Year)	1.00
Alpha (3 Year)	0.01%

### Sector Allocation as of 03/31/2016

BASIC MATERIALS	4.68%
COMMUNICATION SERVICES	1.05%
CONSUMER CYCLICAL	14.44%
CONSUMER DEFENSIVE	4.23%
ENERGY	3.94%
FINANCIAL SERVICES	12.66%
HEALTHCARE	9.33%
INDUSTRIALS	16.22%
REAL ESTATE	13.15%
TECHNOLOGY	14.57%
UTILITIES	4.98%

### Portfolio Fund Information as of 12/31/2015

Ticker	VSCPX
Morningstar Category	Small Blend
Average Market Cap (\$mm)	2,816.03
Net Assets (\$mm)	6,924.53
% Assets in Top 10 Holdings	2.66
Total Number of Holdings	1,515
Manager Name	William A. Coleman
Manager Tenure	
Expense Ratio	0.06%
Closed to New Investors	No

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.98
Average Market Cap (\$mm)	2,816.03
Price/Earnings	18.34
Price/Book	1.81
Price/Sales	1.05
Price/Cash Flow	7.60
Dividend Yield	2.00
Number of Equity Holdings	1,507
R-Squared (3 Year)	1.00
Alpha (3 Year)	0.01%

### Sector Allocation as of 12/31/2015

BASIC MATERIALS	4.21%
COMMUNICATION SERVICES	1.13%
CONSUMER CYCLICAL	14.40%
CONSUMER DEFENSIVE	4.09%
ENERGY	3.32%
FINANCIAL SERVICES	13.27%
HEALTHCARE	11.57%
INDUSTRIALS	15.29%
REAL ESTATE	12.56%
TECHNOLOGY	15.02%
UTILITIES	4.51%

# US Small Cap Value Strategy

## Manager Commentary

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Plan	City of Los Angeles Deferred Compensation Plan
Strategy	Dimensional Fund Advisors - US Small Cap Value Strategy
Benchmark	Russell 2000 Value

### Current Positioning

- Relative to the Russell 2000 Value the Fund is overweight the industrials, energy, information technology, consumer discretionary, consumer staples, and materials sectors.
- The Fund is underweight the utilities and financials sectors.
- The top ten holdings comprise approximately 8% of the total portfolio.
- Top holdings include Endurance Specialty, Synnex, Amerco, Patterson-UTI Energy, and Hanover Insurance.

### Quarterly Attribution

#### Positive Impact on Performance:

- An overweight allocation to the materials and energy sectors
- An overweight allocation to and security selection within the consumer staples sector
- An underweight allocation to the financials sector
- Top contributors included Fresh Del Monte, Hecla Mining, Patterson-UTI Energy, Olin Corp, and Post Holdings

#### Negative Impact on Performance:

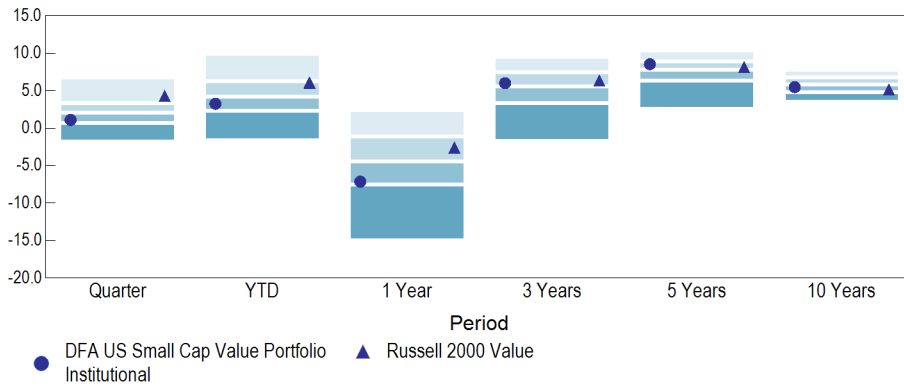
- An overweight allocation to and security selection within the consumer discretionary sector
- An overweight allocation to the information technology sector
- An underweight allocation to the utilities sector
- Security selection within the materials, industrials, energy, financials, health care, and telecommunication services sectors
- Top detractors included Abercrombie & Fitch (Class A), Ascena Retail, PBF Energy (Class A), CACI International (Class A), and Convergys

Note: The DCP Small Cap Stock Fund is comprised 33.3% DFA US Small Cap Value Portfolio.

# DFA US Small Cap Value Portfolio Institutional

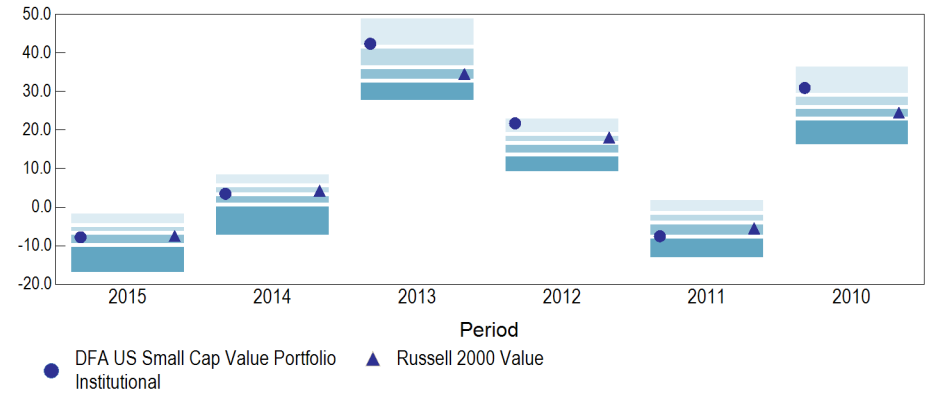
## Fund Information

Mercer Mutual Fund US Equity Small Cap Value Accounts



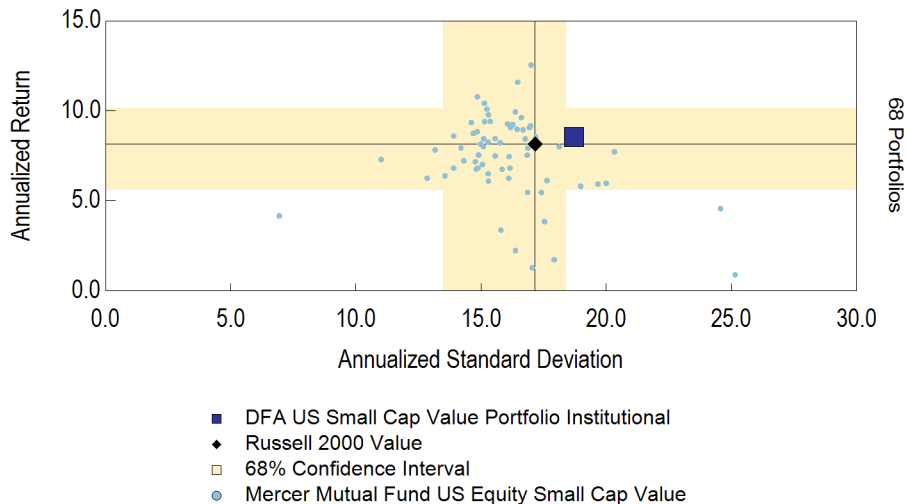
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
DFA US Small Cap Value Portfolio Institutional	1.1%	3.3%	-7.1%	6.0%	8.5%	5.5%
Russell 2000 Value	4.3%	6.1%	-2.6%	6.4%	8.1%	5.2%
Universe Median	2.1%	4.2%	-4.4%	5.6%	7.9%	5.8%

Mercer Mutual Fund US Equity Small Cap Value Accounts

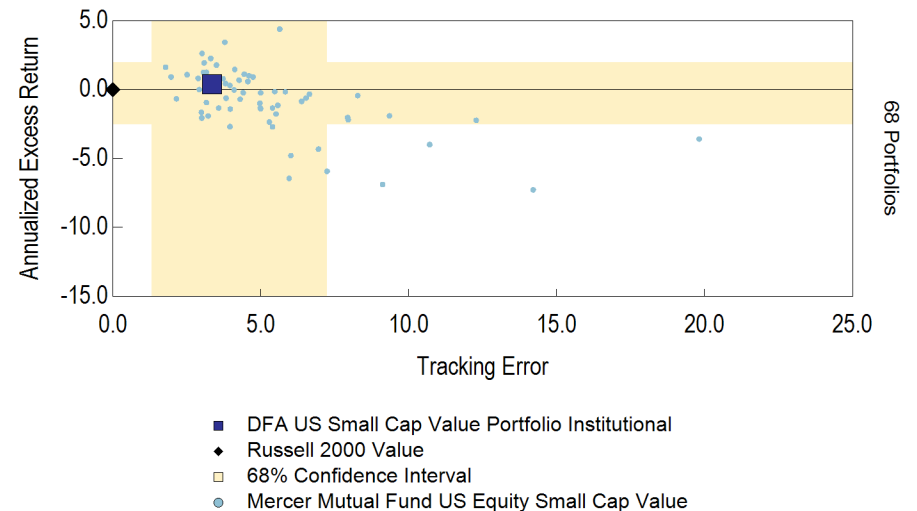


Annualized Returns	2015	2014	2013	2012	2011	2010
DFA US Small Cap Value Portfolio Institutional	-7.8%	3.5%	42.4%	21.7%	-7.5%	30.9%
Russell 2000 Value	-7.5%	4.2%	34.5%	18.1%	-5.5%	24.5%
Universe Median	-6.7%	3.0%	36.3%	16.5%	-4.2%	25.9%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



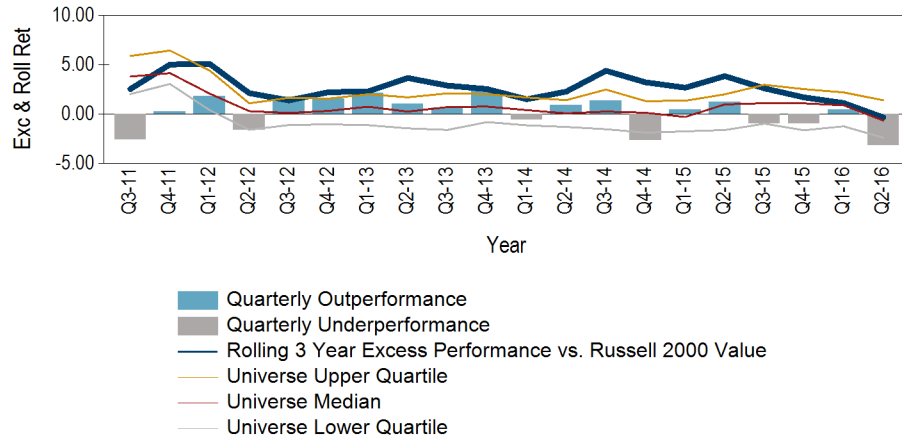
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



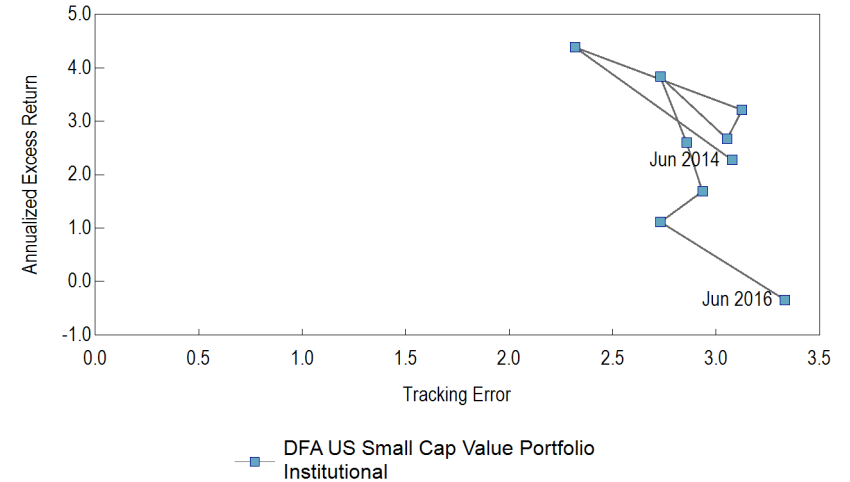
# DFA US Small Cap Value Portfolio Institutional

## Fund Information

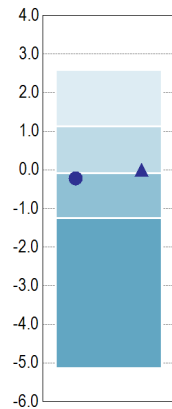
Rolling Annualized Excess Performance



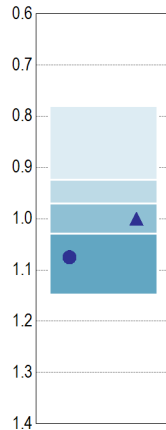
Rolling 3 Year Risk/Return vs. Russell 2000 Value



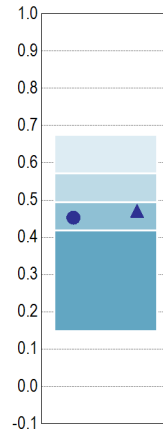
Annualized Alpha Jensen (%)



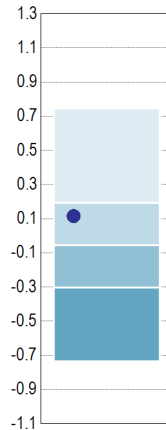
Beta



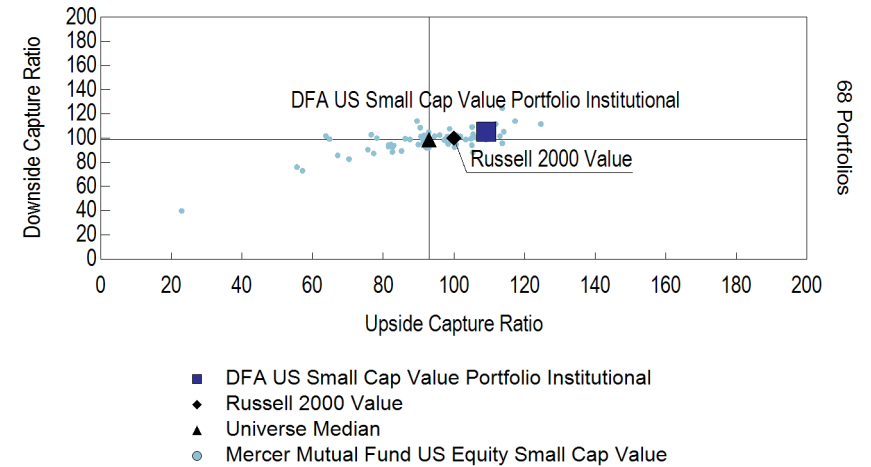
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio 5 Years Ending June 30, 2016



MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
DFA US Small Cap Value Portfolio Institutional	8.54%	18.71%	3.36%	-0.22%	1.08	0.45	0.12	109.14%	28.19%	105.34%	-34.12%
Russell 2000 Value	8.15%	17.16%	0.00%	0.00%	1.00	0.47	--	100.00%	26.42%	100.00%	-32.30%

# DFA US Small Cap Value Portfolio Institutional

## Historical - Fund Information

### Portfolio Fund Information as of 06/30/2016

Ticker	DFSVX
Morningstar Category	Small Value
Average Market Cap (\$mm)	1,390.29
Net Assets (\$mm)	12,589.84
% Assets in Top 10 Holdings	8.69
Total Number of Holdings	1,150
Manager Name	Joseph H. Chi
Manager Tenure	4
Expense Ratio	0.52%
Closed to New Investors	No

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	0.47
Average Market Cap (\$mm)	1,390.29
Price/Earnings	15.25
Price/Book	1.12
Price/Sales	0.62
Price/Cash Flow	4.67
Dividend Yield	1.83
Number of Equity Holdings	1,143
R-Squared (3 Year)	0.93
Alpha (3 Year)	-0.03%

### Sector Allocation as of 06/30/2016

BASIC MATERIALS	6.64%
COMMUNICATION SERVICES	1.02%
CONSUMER CYCLICAL	12.99%
CONSUMER DEFENSIVE	4.94%
ENERGY	9.30%
FINANCIAL SERVICES	24.46%
HEALTHCARE	4.67%
INDUSTRIALS	20.21%
REAL ESTATE	0.19%
TECHNOLOGY	12.03%
UTILITIES	0.28%

### Portfolio Fund Information as of 03/31/2016

Ticker	DFSVX
Morningstar Category	Small Value
Average Market Cap (\$mm)	1,376.65
Net Assets (\$mm)	12,240.22
% Assets in Top 10 Holdings	10.01
Total Number of Holdings	1,196
Manager Name	Joseph H. Chi
Manager Tenure	4
Expense Ratio	0.52%
Closed to New Investors	No

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	0.54
Average Market Cap (\$mm)	1,376.65
Price/Earnings	15.49
Price/Book	1.14
Price/Sales	0.61
Price/Cash Flow	4.51
Dividend Yield	1.83
Number of Equity Holdings	1,186
R-Squared (3 Year)	0.95
Alpha (3 Year)	0.28%

### Sector Allocation as of 03/31/2016

BASIC MATERIALS	6.08%
COMMUNICATION SERVICES	0.92%
CONSUMER CYCLICAL	13.74%
CONSUMER DEFENSIVE	4.62%
ENERGY	7.56%
FINANCIAL SERVICES	24.24%
HEALTHCARE	5.01%
INDUSTRIALS	19.85%
REAL ESTATE	0.16%
TECHNOLOGY	12.34%
UTILITIES	0.16%

### Portfolio Fund Information as of 12/31/2015

Ticker	DFSVX
Morningstar Category	Small Value
Average Market Cap (\$mm)	1,364.29
Net Assets (\$mm)	11,279.24
% Assets in Top 10 Holdings	9.80
Total Number of Holdings	1,173
Manager Name	Joseph H. Chi
Manager Tenure	4
Expense Ratio	0.52%
Closed to New Investors	No

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.75
Average Market Cap (\$mm)	1,364.29
Price/Earnings	14.53
Price/Book	1.11
Price/Sales	0.58
Price/Cash Flow	6.19
Dividend Yield	1.64
Number of Equity Holdings	1,165
R-Squared (3 Year)	0.96
Alpha (3 Year)	0.35%

### Sector Allocation as of 12/31/2015

BASIC MATERIALS	5.81%
COMMUNICATION SERVICES	0.91%
CONSUMER CYCLICAL	14.26%
CONSUMER DEFENSIVE	4.69%
ENERGY	7.12%
FINANCIAL SERVICES	27.46%
HEALTHCARE	5.90%
INDUSTRIALS	19.91%
REAL ESTATE	0.16%
TECHNOLOGY	12.96%
UTILITIES	0.11%

# Hartford Small Cap Growth HLS Fund

## Manager Commentary

Plan	City of Los Angeles Deferred Compensation Plan
Strategy	Hartford Funds - Hartford Small Cap Growth HLS Fund
Benchmark	Russell 2000 Growth

### Current Positioning

- Relative to the benchmark, the Fund's largest over-weights were to the consumer discretionary and consumer staples sectors.
- The Fund's largest underweight allocations were within the information technology and financials sectors.

### Quarterly Attribution

#### Positive Impact on Performance:

- Security selection was the primary positive driver for the quarter, particularly within the health care and information technology sectors
- Underweight allocation to the consumer discretionary sector

#### Negative Impact on Performance:

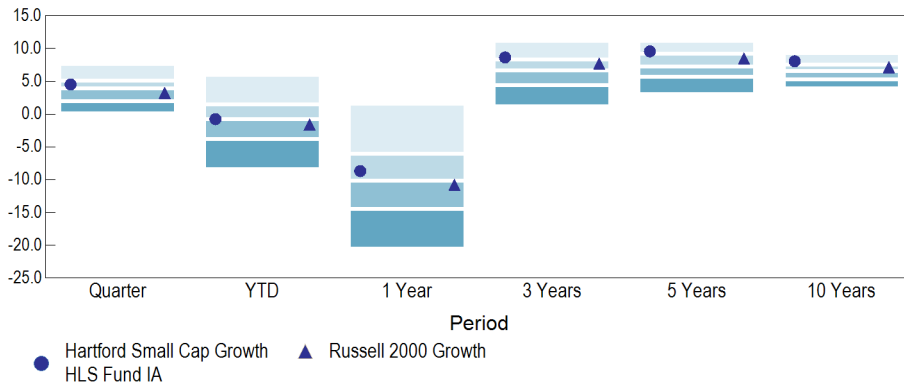
- Sector allocation modestly detracted for the quarter, particularly underweight allocations to the health care and utilities sectors
- Security selection within the energy and consumer staples sectors

Note: The DCP Small Cap Stock Fund is comprised 33.3% Hartford SmallCap Growth HLS Fund.

# Hartford Small Cap Growth HLS Fund IA

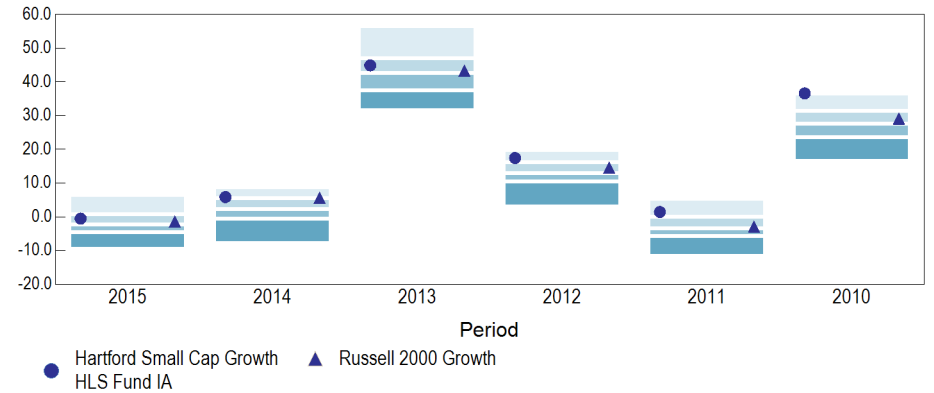
## Fund Information

Mercer Mutual Fund US Equity Small Cap Growth Accounts



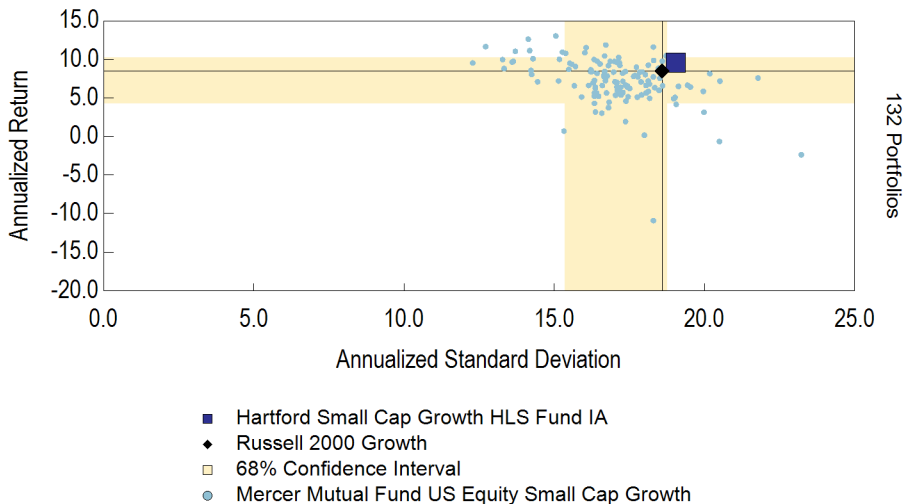
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Hartford Small Cap Growth HLS Fund IA	4.5%	-0.8%	-8.7%	8.6%	9.6%	8.1%
Russell 2000 Growth	3.2%	-1.6%	-10.8%	7.7%	8.5%	7.1%
Universe Median	4.0%	-0.8%	-10.1%	6.7%	7.3%	6.6%

Mercer Mutual Fund US Equity Small Cap Growth Accounts

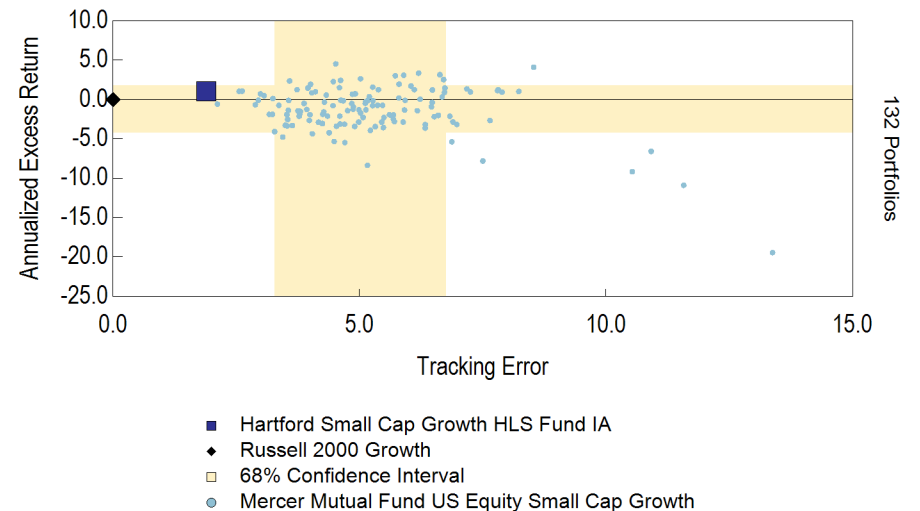


Annualized Returns	2015	2014	2013	2012	2011	2010
Hartford Small Cap Growth HLS Fund IA	-0.5%	5.8%	44.9%	17.4%	1.4%	36.6%
Russell 2000 Growth	-1.4%	5.6%	43.3%	14.6%	-2.9%	29.1%
Universe Median	-2.1%	2.5%	42.8%	14.0%	-1.9%	28.5%

Annualized Return vs. Annualized Standard Deviation  
 5 Years Ending June 30, 2016



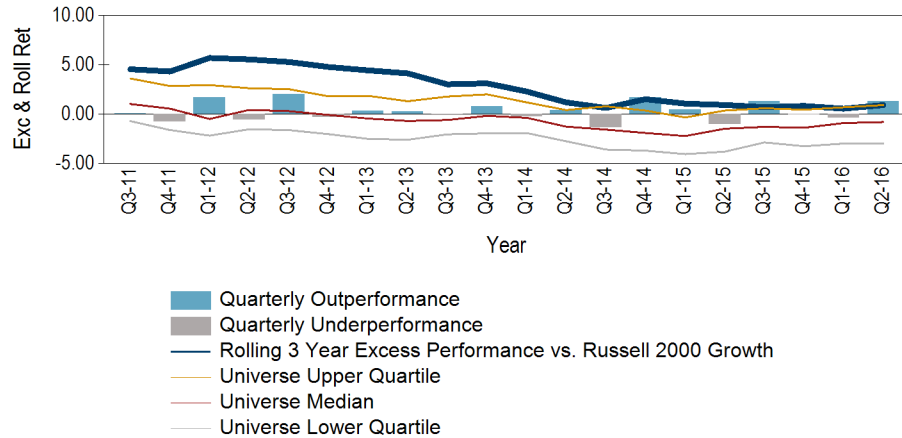
Annualized Excess Return vs. Tracking Error  
 5 Years Ending June 30, 2016



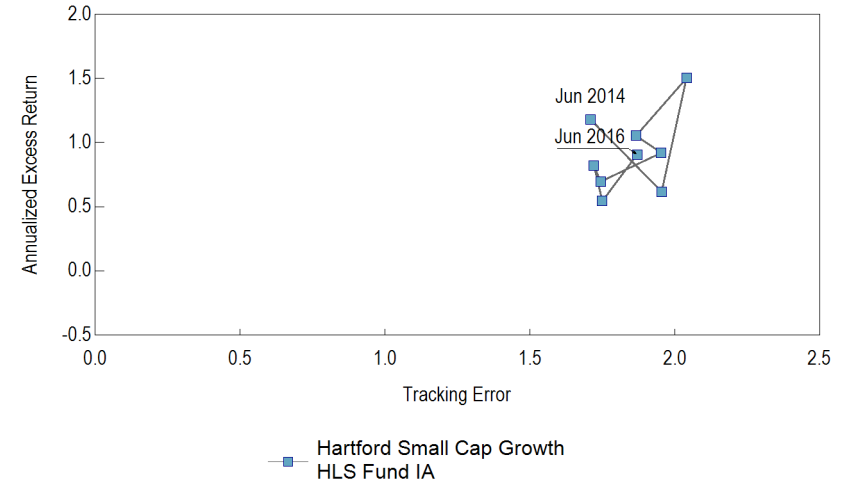
# Hartford Small Cap Growth HLS Fund IA

## Fund Information

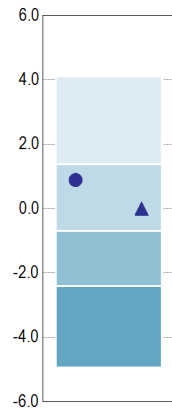
Rolling Annualized Excess Performance



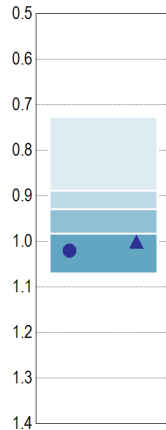
Rolling 3 Year Risk/Return vs. Russell 2000 Growth



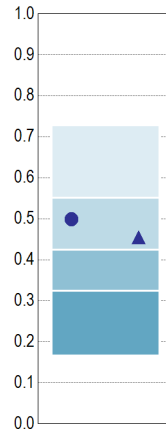
Annualized Alpha Jensen (%)



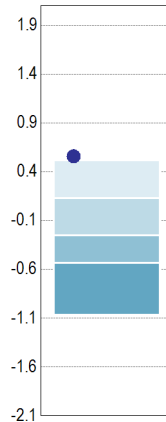
Beta



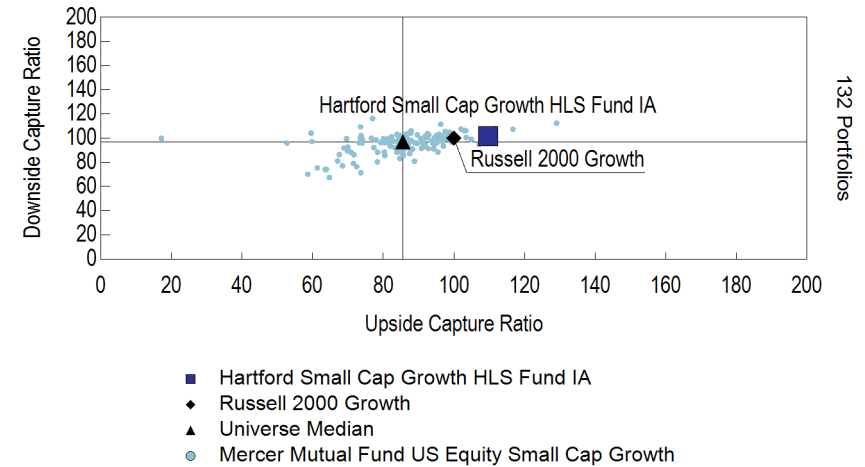
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio 5 Years Ending June 30, 2016



MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Hartford Small Cap Growth HLS Fund IA	9.57%	19.06%	1.89%	0.88%	1.02	0.50	0.56	109.66%	30.88%	101.28%	-35.71%
Russell 2000 Growth	8.51%	18.59%	0.00%	0.00%	1.00	0.45	--	100.00%	28.88%	100.00%	-35.24%

# Hartford Small Cap Growth HLS Fund IA

## Historical - Fund Information

### Portfolio Fund Information as of 06/30/2016

Ticker	HISGX
Morningstar Category	Small Growth
Average Market Cap (\$mm)	1,830.03
Net Assets (\$mm)	894.50
% Assets in Top 10 Holdings	11.66
Total Number of Holdings	344
Manager Name	Mammen Chally
Manager Tenure	7
Expense Ratio	0.66%
Closed to New Investors	No

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	0.57
Average Market Cap (\$mm)	1,830.03
Price/Earnings	20.89
Price/Book	2.66
Price/Sales	1.21
Price/Cash Flow	9.53
Dividend Yield	0.89
Number of Equity Holdings	341
R-Squared (3 Year)	0.99
Alpha (3 Year)	0.17%

### Sector Allocation as of 06/30/2016

BASIC MATERIALS	5.22%
COMMUNICATION SERVICES	0.97%
CONSUMER CYCLICAL	15.56%
CONSUMER DEFENSIVE	6.76%
ENERGY	1.29%
FINANCIAL SERVICES	6.41%
HEALTHCARE	21.27%
INDUSTRIALS	18.02%
REAL ESTATE	2.54%
TECHNOLOGY	19.56%
UTILITIES	0.02%

### Portfolio Fund Information as of 03/31/2016

Ticker	HISGX
Morningstar Category	Small Growth
Average Market Cap (\$mm)	1,787.12
Net Assets (\$mm)	864.88
% Assets in Top 10 Holdings	13.10
Total Number of Holdings	345
Manager Name	Mammen Chally
Manager Tenure	7
Expense Ratio	0.65%
Closed to New Investors	No

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	0.56
Average Market Cap (\$mm)	1,787.12
Price/Earnings	19.88
Price/Book	2.75
Price/Sales	1.19
Price/Cash Flow	9.62
Dividend Yield	0.94
Number of Equity Holdings	342
R-Squared (3 Year)	0.99
Alpha (3 Year)	0.09%

### Sector Allocation as of 03/31/2016

BASIC MATERIALS	4.47%
COMMUNICATION SERVICES	0.67%
CONSUMER CYCLICAL	16.49%
CONSUMER DEFENSIVE	7.55%
ENERGY	1.05%
FINANCIAL SERVICES	6.38%
HEALTHCARE	20.22%
INDUSTRIALS	17.61%
REAL ESTATE	2.61%
TECHNOLOGY	20.49%
UTILITIES	0.00%

### Portfolio Fund Information as of 12/31/2015

Ticker	HISGX
Morningstar Category	Small Growth
Average Market Cap (\$mm)	1,820.53
Net Assets (\$mm)	913.41
% Assets in Top 10 Holdings	11.60
Total Number of Holdings	360
Manager Name	Mammen Chally
Manager Tenure	7
Expense Ratio	0.65%
Closed to New Investors	No

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.97
Average Market Cap (\$mm)	1,820.53
Price/Earnings	19.89
Price/Book	2.99
Price/Sales	1.21
Price/Cash Flow	9.22
Dividend Yield	0.79
Number of Equity Holdings	357
R-Squared (3 Year)	0.99
Alpha (3 Year)	0.13%

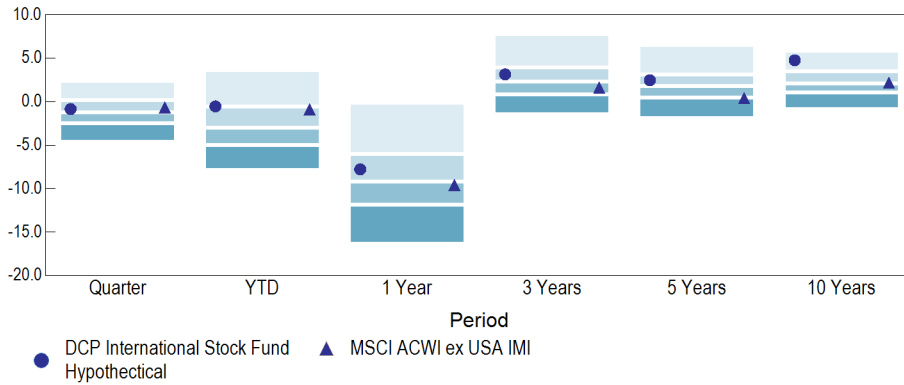
### Sector Allocation as of 12/31/2015

BASIC MATERIALS	3.76%
COMMUNICATION SERVICES	0.69%
CONSUMER CYCLICAL	15.22%
CONSUMER DEFENSIVE	6.84%
ENERGY	1.13%
FINANCIAL SERVICES	6.53%
HEALTHCARE	25.07%
INDUSTRIALS	16.78%
REAL ESTATE	2.15%
TECHNOLOGY	20.20%
UTILITIES	0.00%

# DCP International Stock Fund

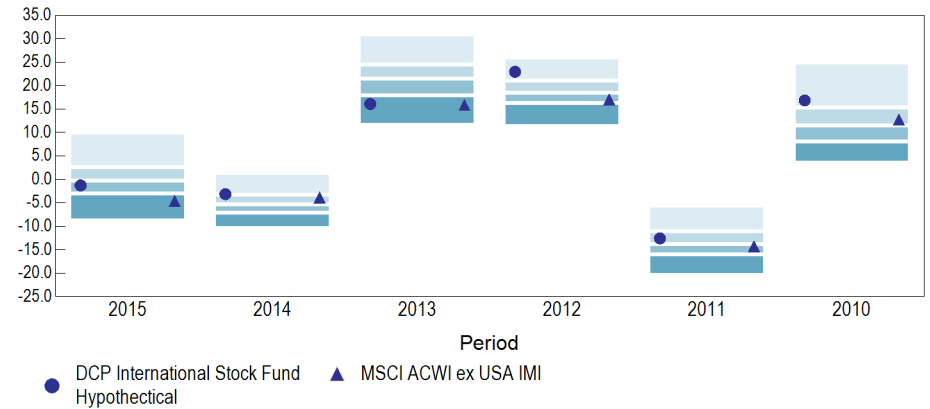
## Fund Information

Mercer Mutual Fund World ex US/EAFE Equity Accounts



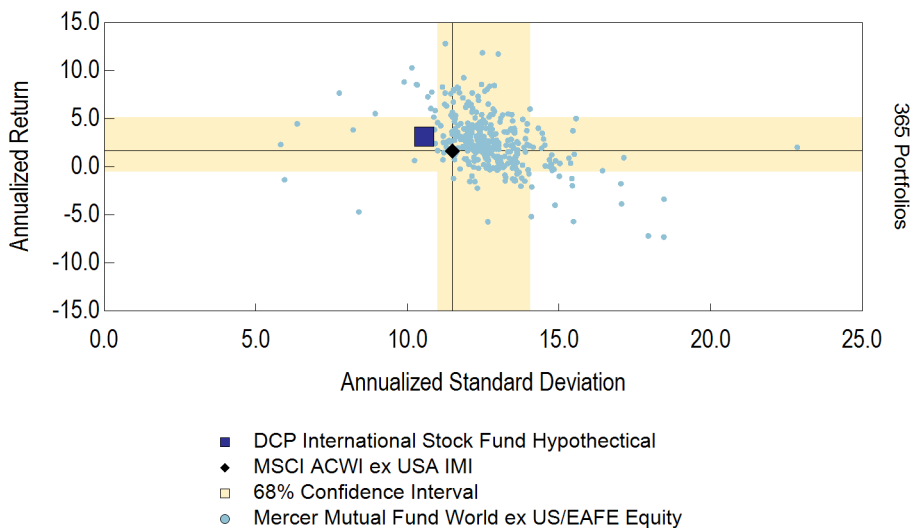
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
DCP International Stock Fund Hypothetical	-0.9%	-0.6%	-7.8%	3.1%	2.5%	4.7%
MSCI ACWI ex USA IMI	-0.7%	-0.9%	-9.6%	1.6%	0.4%	2.2%
Universe Median	-1.2%	-3.0%	-9.2%	2.3%	1.8%	2.2%

Mercer Mutual Fund World ex US/EAFE Equity Accounts

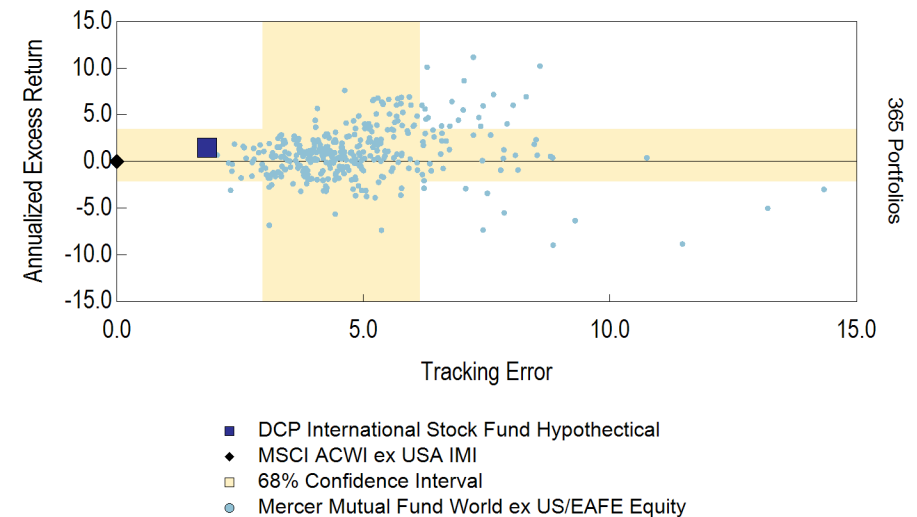


Annualized Returns	2015	2014	2013	2012	2011	2010
DCP International Stock Fund Hypothetical	-1.3%	-3.2%	16.1%	22.9%	-12.6%	16.8%
MSCI ACWI ex USA IMI	-4.6%	-3.9%	15.9%	17.0%	-14.3%	12.7%
Universe Median	-0.3%	-5.2%	21.7%	18.8%	-13.6%	12.3%

Annualized Return vs. Annualized Standard Deviation  
3 Years Ending June 30, 2016



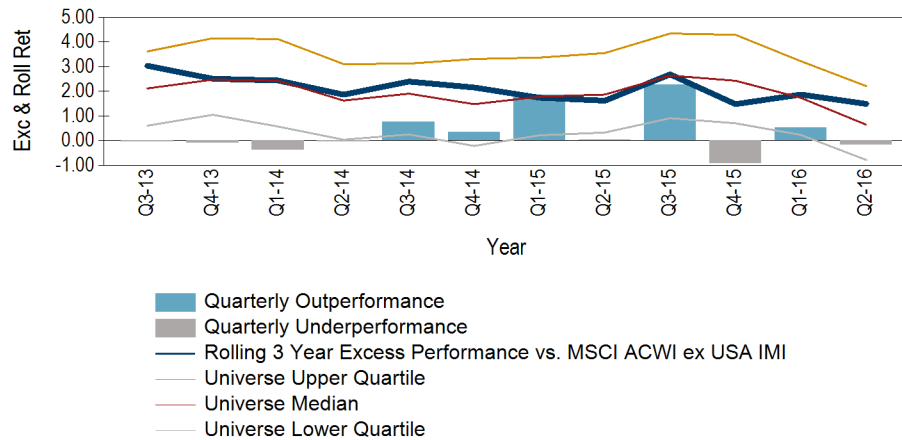
Annualized Excess Return vs. Tracking Error  
3 Years Ending June 30, 2016



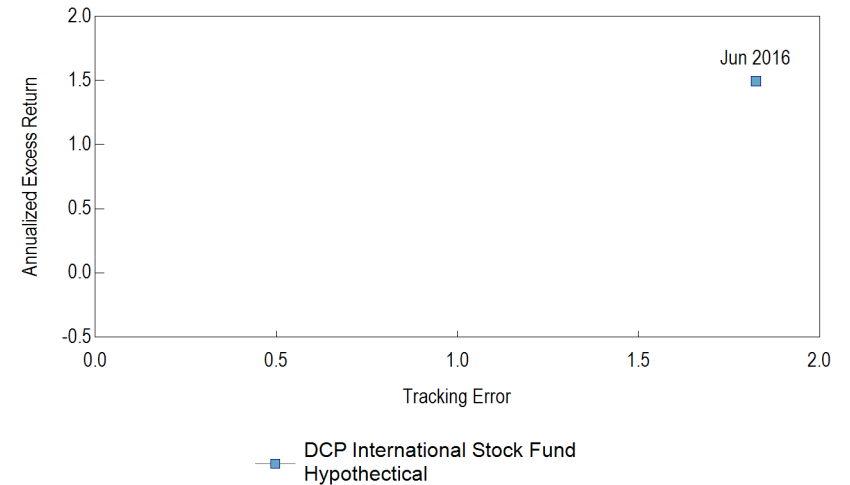
# DCP International Stock Fund

## Fund Information

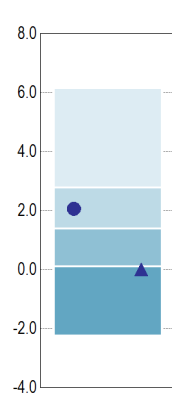
Rolling Annualized Excess Performance



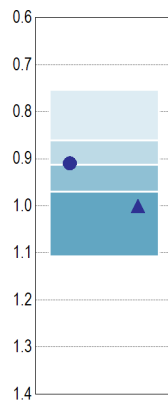
Rolling 3 Year Risk/Return vs. MSCI ACWI ex USA IMI



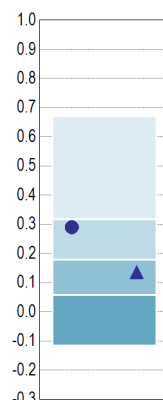
Annualized Alpha Jensen (%)



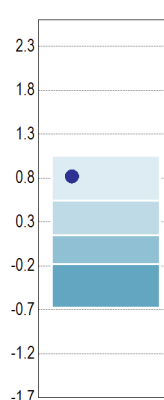
Beta



Sharpe Ratio

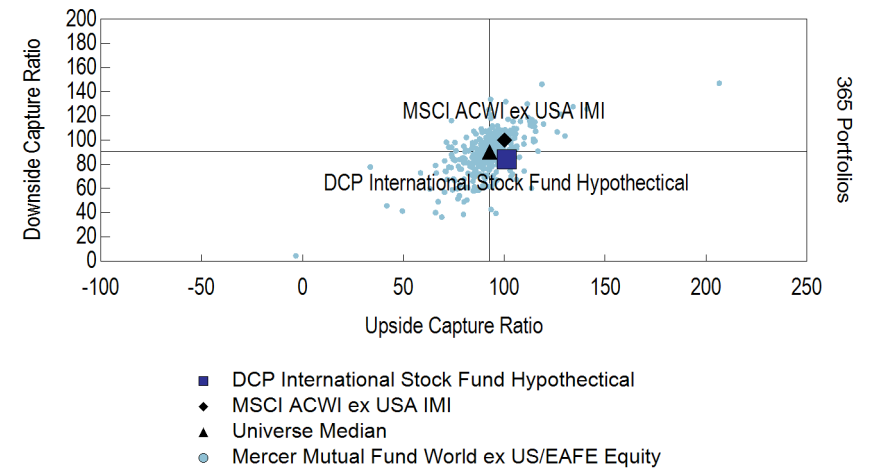


Information Ratio



MPT Statistics represent 3 year periods.

Downside Capture Ratio vs. Upside Capture Ratio  
3 Years Ending June 30, 2016



	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
DCP International Stock Fund Hypothetical	3.13%	10.55%	1.82%	1.63%	0.91	0.29	0.82	101.34%	17.58%	84.14%	-14.17%
MSCI ACWI ex USA IMI	1.64%	11.48%	0.00%	0.00%	1.00	0.14	--	100.00%	17.36%	100.00%	-16.90%

# MFS International Equity

## Manager Commentary

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Plan	<b>City of Los Angeles Deferred Compensation Plan</b>
Strategy	<b>MFS Investment Management - MFS International Equity</b>
Benchmark	MSCI EAFE

### Current Positioning

- Relative to MSCI EAFE, the Fund continued to be overweight the consumer staples, information technology, consumer discretionary and health care sectors.
- The Fund has an underweight allocation to the financials, telecommunications services, utilities and energy sectors.
- From a country perspective, the Fund has an overweight allocation to France, Switzerland, and Canada.
- The Fund has an underweight allocation to Japan, Australia, and the United Kingdom.
- The Fund has an out-of-benchmark allocation to Canada, Taiwan, the United States and India.
- The Fund has no allocation to Austria, Finland, Ireland, New Zealand, Norway, and Portugal.

### Quarterly Attribution

#### Positive Impact on Performance:

- Stock selection and an underweight position in financial services
- An overweight position in consumer staples
- Top contributors: Terumo, Compass Group, and Merck KGaA

#### Negative Impact on Performance:

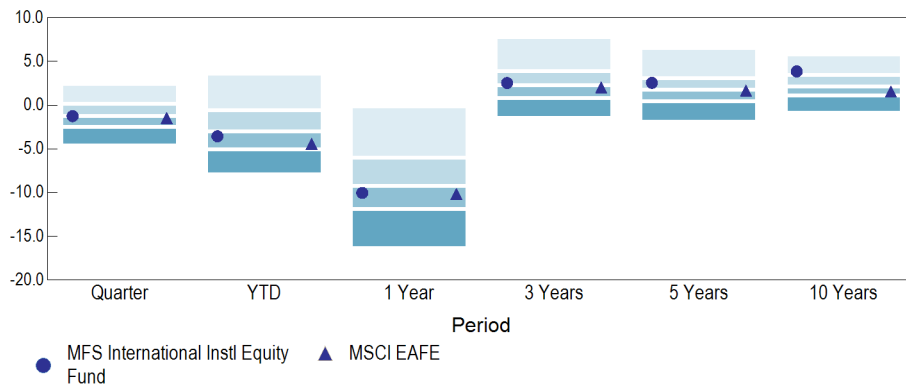
- An overweight position in leisure
- An underweight position and stock selection in energy
- The portfolio's currency exposure had a negative impact on relative performance during the quarter
- Top detractors: Randstad Holdings and Bayer

Note: The DCP International Stock Fund is comprised 65% MFS Institutional International Equity Fund.

# MFS International Instl Equity Fund

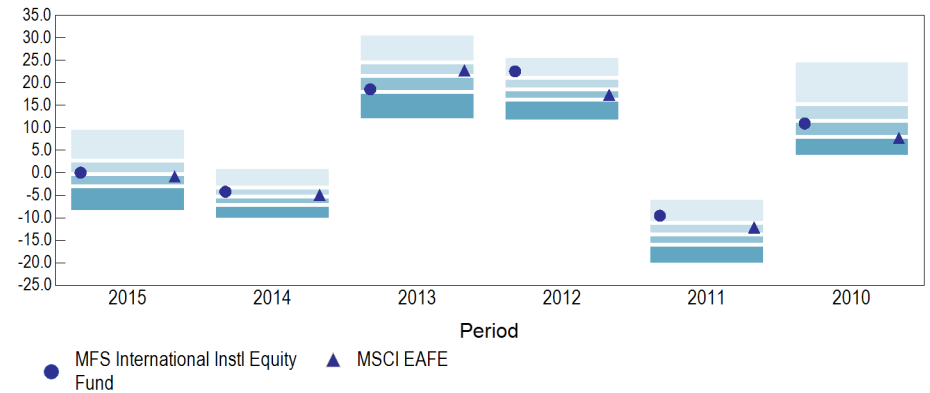
## Fund Information

Mercer Mutual Fund World ex US/EAFE Equity Accounts



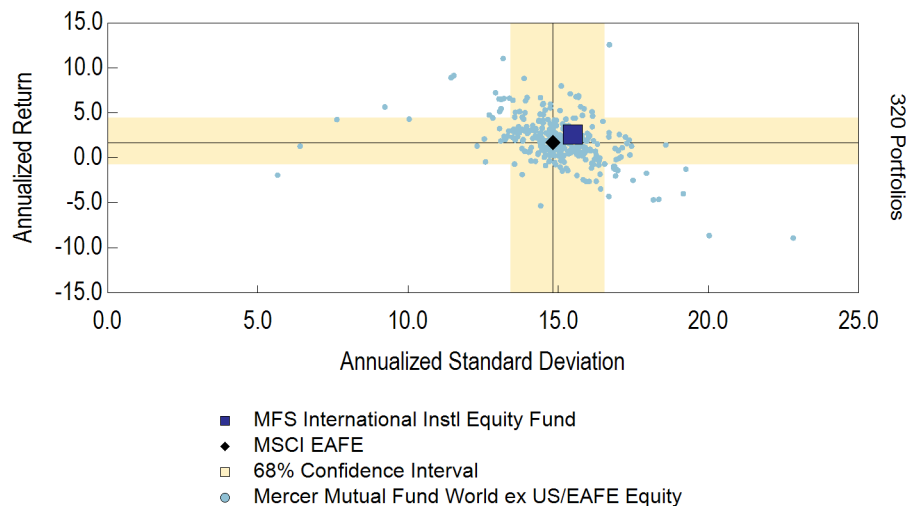
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
MFS International Instl Equity Fund	-1.2%	-3.6%	-10.0%	2.5%	2.5%	3.9%
MSCI EAFE	-1.5%	-4.4%	-10.2%	2.1%	1.7%	1.6%
Universe Median	-1.2%	-3.0%	-9.2%	2.3%	1.8%	2.2%

Mercer Mutual Fund World ex US/EAFE Equity Accounts

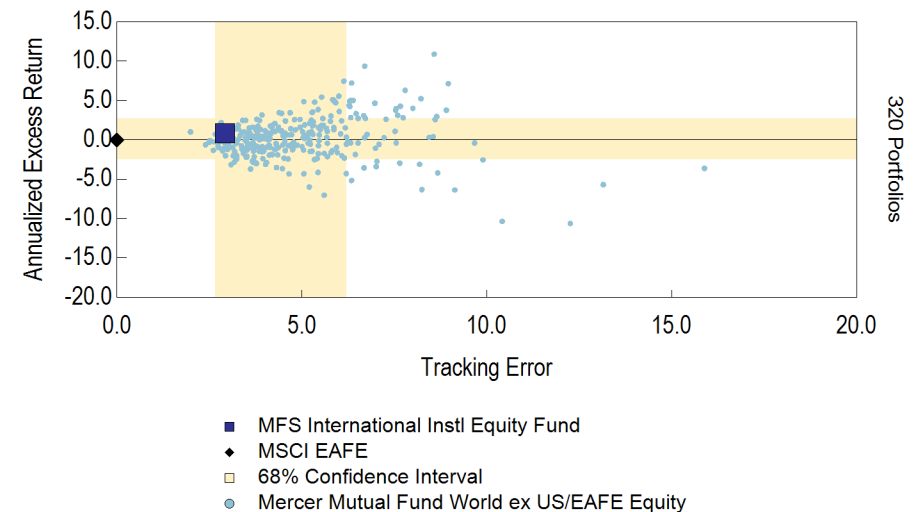


Annualized Returns	2015	2014	2013	2012	2011	2010
MFS International Instl Equity Fund	0.0%	-4.2%	18.6%	22.5%	-9.6%	11.0%
MSCI EAFE	-0.8%	-4.9%	22.8%	17.3%	-12.1%	7.8%
Universe Median	-0.3%	-5.2%	21.7%	18.8%	-13.6%	12.3%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



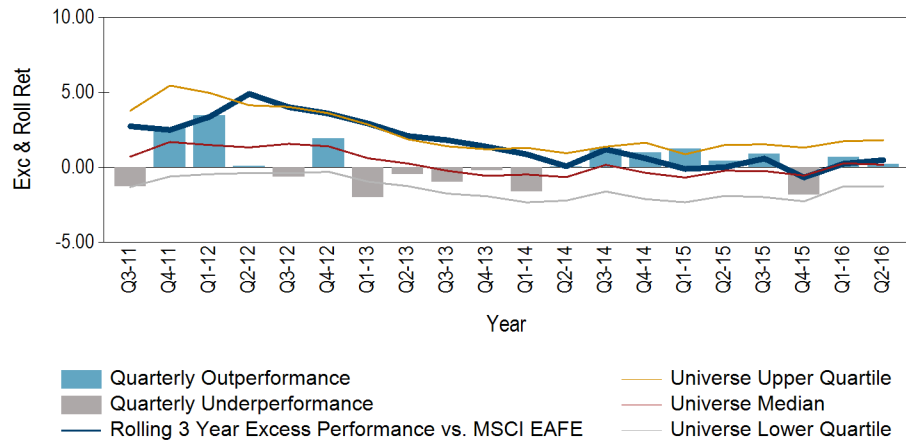
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



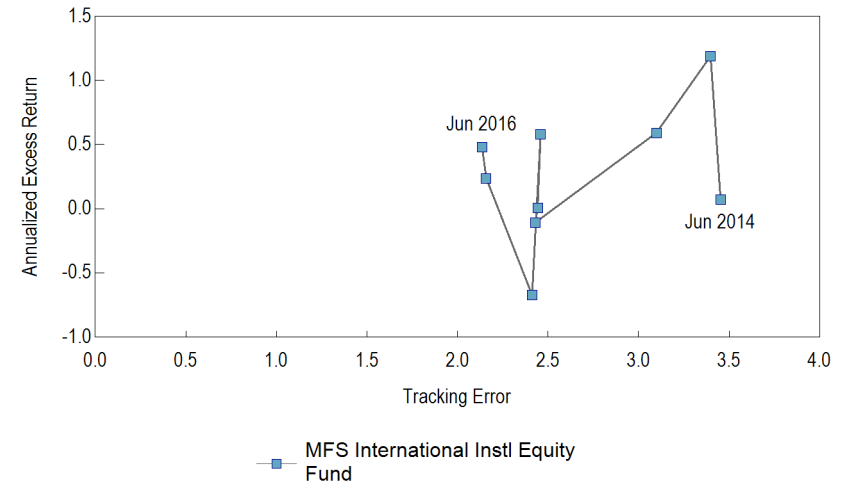
# MFS International Instl Equity Fund

## Fund Information

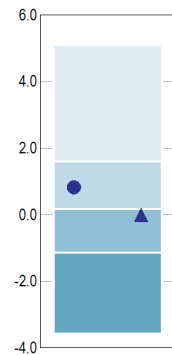
Rolling Annualized Excess Performance



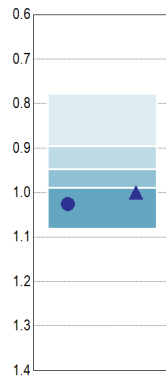
Rolling 3 Year Risk/Return vs. MSCI EAFE



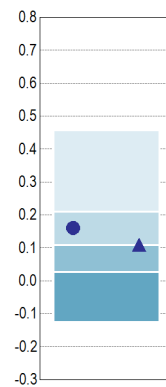
Annualized Alpha Jensen (%)



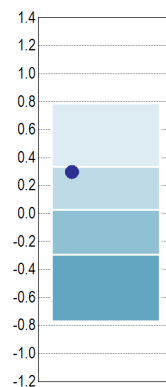
Beta



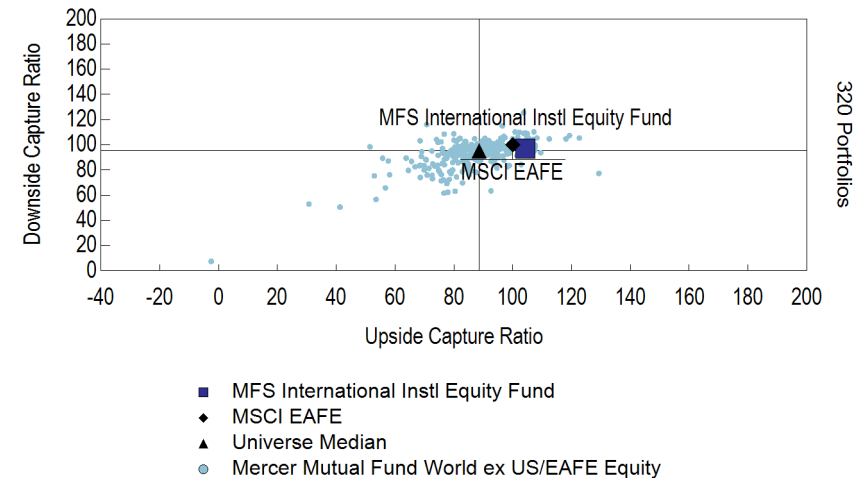
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio 5 Years Ending June 30, 2016



MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
MFS International Instl Equity Fund	2.55%	15.48%	2.93%	0.83%	1.03	0.16	0.30	104.36%	24.11%	96.87%	-22.98%
MSCI EAFE	1.68%	14.82%	0.00%	0.00%	1.00	0.11	--	100.00%	23.28%	100.00%	-23.84%

# MFS International Instl Equity Fund

## Historical - Fund Information

### Portfolio Fund Information as of 06/30/2016

Ticker	MIEIX
Morningstar Category	Foreign Large Growth
Average Market Cap (\$mm)	39,399.37
Net Assets (\$mm)	7,403.10
% Assets in Top 10 Holdings	30.02
Total Number of Holdings	80
Manager Name	Marcus L. Smith
Manager Tenure	16
Expense Ratio	0.71%
Closed to New Investors	No

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	0.23
Average Market Cap (\$mm)	39,399.37
Price/Earnings	17.59
Price/Book	2.04
Price/Sales	1.53
Price/Cash Flow	10.31
Dividend Yield	3.04
Number of Equity Holdings	77
R-Squared (3 Year)	0.97
Alpha (3 Year)	0.16%

### Sector Allocation as of 06/30/2016

BASIC MATERIALS	7.47%
COMMUNICATION SERVICES	1.87%
CONSUMER CYCLICAL	15.54%
CONSUMER DEFENSIVE	20.46%
ENERGY	2.29%
FINANCIAL SERVICES	13.01%
HEALTHCARE	12.75%
INDUSTRIALS	10.52%
REAL ESTATE	0.00%
TECHNOLOGY	13.55%
UTILITIES	1.30%

### Portfolio Fund Information as of 03/31/2016

Ticker	MIEIX
Morningstar Category	Foreign Large Growth
Average Market Cap (\$mm)	39,491.53
Net Assets (\$mm)	7,594.34
% Assets in Top 10 Holdings	29.44
Total Number of Holdings	77
Manager Name	Marcus L. Smith
Manager Tenure	16
Expense Ratio	0.71%
Closed to New Investors	No

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	0.22
Average Market Cap (\$mm)	39,491.53
Price/Earnings	17.06
Price/Book	2.01
Price/Sales	1.59
Price/Cash Flow	10.40
Dividend Yield	2.91
Number of Equity Holdings	75
R-Squared (3 Year)	0.97
Alpha (3 Year)	0.10%

### Sector Allocation as of 03/31/2016

BASIC MATERIALS	7.53%
COMMUNICATION SERVICES	2.18%
CONSUMER CYCLICAL	16.49%
CONSUMER DEFENSIVE	19.53%
ENERGY	2.19%
FINANCIAL SERVICES	13.66%
HEALTHCARE	11.78%
INDUSTRIALS	11.02%
REAL ESTATE	0.00%
TECHNOLOGY	13.43%
UTILITIES	1.22%

### Portfolio Fund Information as of 12/31/2015

Ticker	MIEIX
Morningstar Category	Foreign Large Growth
Average Market Cap (\$mm)	40,398.28
Net Assets (\$mm)	7,538.64
% Assets in Top 10 Holdings	29.13
Total Number of Holdings	78
Manager Name	Marcus L. Smith
Manager Tenure	16
Expense Ratio	0.71%
Closed to New Investors	No

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.40
Average Market Cap (\$mm)	40,398.28
Price/Earnings	17.38
Price/Book	2.22
Price/Sales	1.81
Price/Cash Flow	12.07
Dividend Yield	2.56
Number of Equity Holdings	76
R-Squared (3 Year)	0.96
Alpha (3 Year)	-0.04%

### Sector Allocation as of 12/31/2015

BASIC MATERIALS	6.52%
COMMUNICATION SERVICES	2.22%
CONSUMER CYCLICAL	18.24%
CONSUMER DEFENSIVE	17.97%
ENERGY	2.49%
FINANCIAL SERVICES	15.44%
HEALTHCARE	12.49%
INDUSTRIALS	9.60%
REAL ESTATE	0.00%
TECHNOLOGY	12.51%
UTILITIES	1.24%

# MFS International Instl Equity Fund

## Historical - Fund Information

### Top Countries as of 06/30/2016

United Kingdom	16.27%
France	15.25%
Switzerland	14.30%
Japan	13.04%
Germany	10.72%
Netherlands	4.77%
Canada	4.28%
Taiwan	3.30%
Hong Kong	2.71%
United States	2.51%

### Top Regions as of 06/30/2016

EUROZONE	33.49%
UNITED KINGDOM	16.27%
EUROPE EXEURO	16.13%
JAPAN	13.04%
ASIA DEVELOPED	8.20%

### Top Countries as of 03/31/2016

United Kingdom	18.09%
France	15.37%
Japan	12.99%
Switzerland	12.73%
Germany	10.86%
Netherlands	5.12%
Canada	4.32%
Taiwan	3.36%
Hong Kong	3.17%
Singapore	2.04%

### Top Regions as of 03/31/2016

EUROZONE	33.91%
UNITED KINGDOM	18.09%
EUROPE EXEURO	14.67%
JAPAN	12.99%
ASIA DEVELOPED	8.57%

### Top Countries as of 12/31/2015

United Kingdom	20.06%
France	13.86%
Japan	13.61%
Switzerland	13.22%
Germany	11.14%
Netherlands	5.24%
Canada	4.22%
Hong Kong	3.45%
Taiwan	2.83%
Singapore	1.86%

### Top Regions as of 12/31/2015

EUROZONE	32.05%
UNITED KINGDOM	20.06%
EUROPE EXEURO	15.11%
JAPAN	13.61%
ASIA DEVELOPED	8.15%

# International Small Cap Equity

## Manager Commentary

Plan	City of Los Angeles Deferred Compensation Plan
Strategy	Brandes Investment Partners - International Small Cap Equity
Benchmark	S&P Developed Ex United States SmallCap Index

### Current Positioning

- Relative to the S&P Developed ex US SmallCap Index, the portfolio held overweight allocations to the consumer staples, consumer discretionary, telecommunications services and utilities sectors.
- Relative to the S&P Developed ex US SmallCap Index, the portfolio held underweight allocations to the financials, materials, information technology, health care and industrials sectors.
- The portfolio had no allocation to the energy sector.
- Holdings in Japan, the UK and Brazil remained the largest weightings.

### Quarterly Attribution

#### Positive Impact on Performance:

- Overweight allocation to and security selection within the utilities sector
- Underweight allocation to and security selection within the information technology sector
- Security selection within the consumer discretionary and telecommunication services sectors
- Underweight allocation to the financials and industrials sectors
- Overweight allocation to the consumer staples sector
- Holdings in Hong Kong, Belgium, and Italy
- Security selection within emerging markets

#### Negative Impact on Performance:

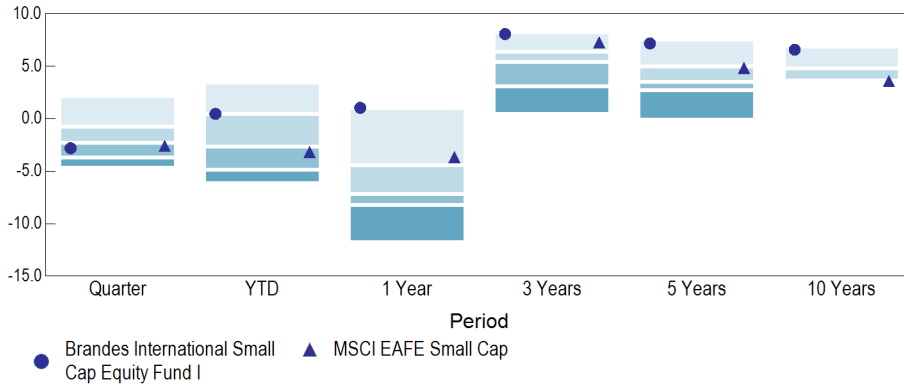
- Security selection within the industrials, financials and consumer staples sectors
- Security selection and underweight allocations to the materials and health care sectors
- No allocation to the energy sector
- Holdings in Japan
- An overweight allocation to and security selection within the UK
- An underweight allocation to and security selection within Canada
- 12.4% allocation to cash

Note: The DCP International Stock Fund is comprised 17.5% Brandes International Small Cap Equity Fund.

# Brandes International Small Cap Equity Fund I

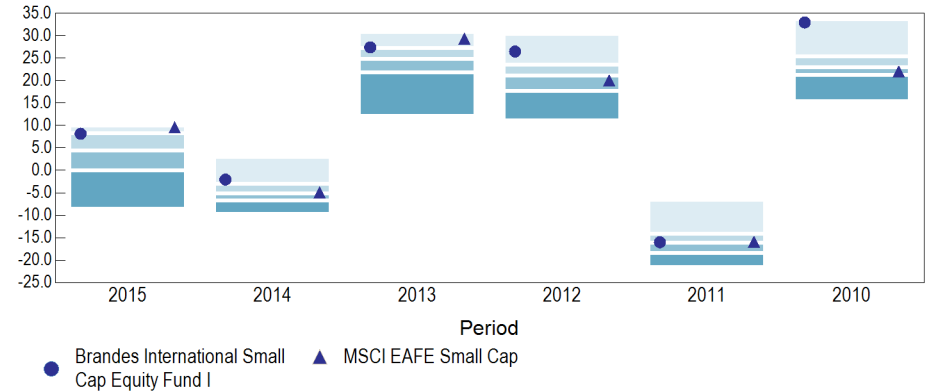
## Fund Information

Mercer Mutual Fund World ex US/EAFE Equity Small Cap Accounts



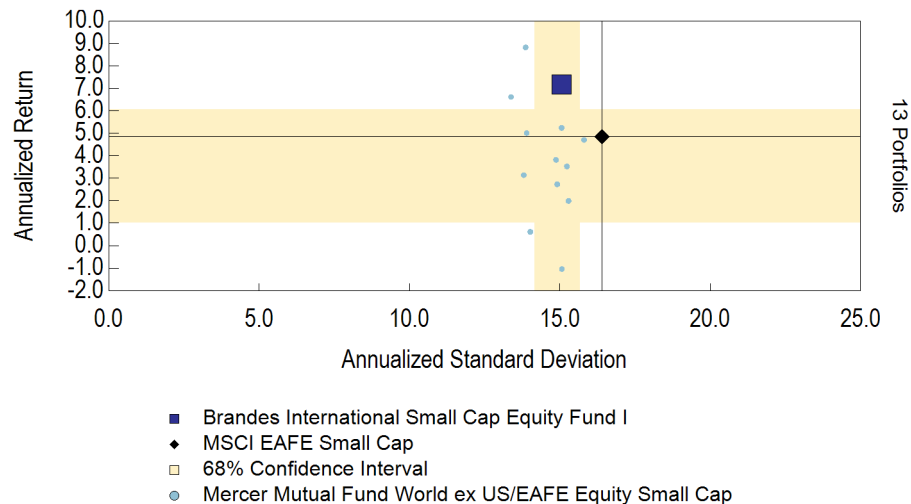
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
Brandes International Small Cap Equity Fund I	-2.8%	0.5%	1.0%	8.1%	7.2%	6.6%
MSCI EAFE Small Cap	-2.6%	-3.2%	-3.7%	7.3%	4.8%	3.6%
Universe Median	-2.2%	-2.6%	-7.1%	5.5%	3.5%	3.6%

Mercer Mutual Fund World ex US/EAFE Equity Small Cap Accounts

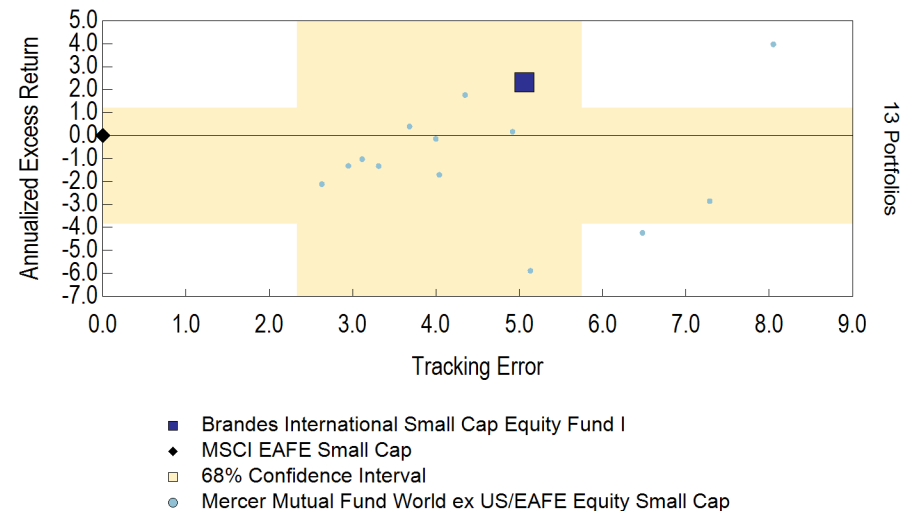


Annualized Returns	2015	2014	2013	2012	2011	2010
Brandes International Small Cap Equity Fund I	8.1%	-2.1%	27.4%	26.5%	-16.0%	32.9%
MSCI EAFE Small Cap	9.6%	-4.9%	29.3%	20.0%	-15.9%	22.0%
Universe Median	4.8%	-4.2%	25.6%	21.0%	-16.0%	22.7%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



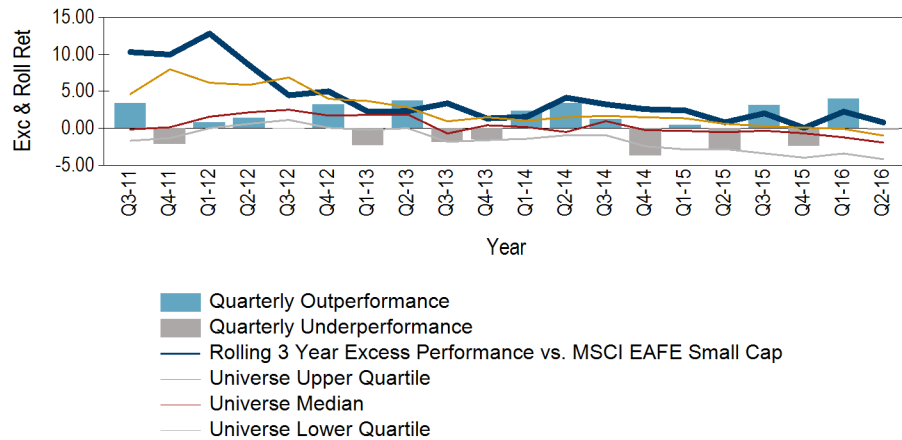
Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016



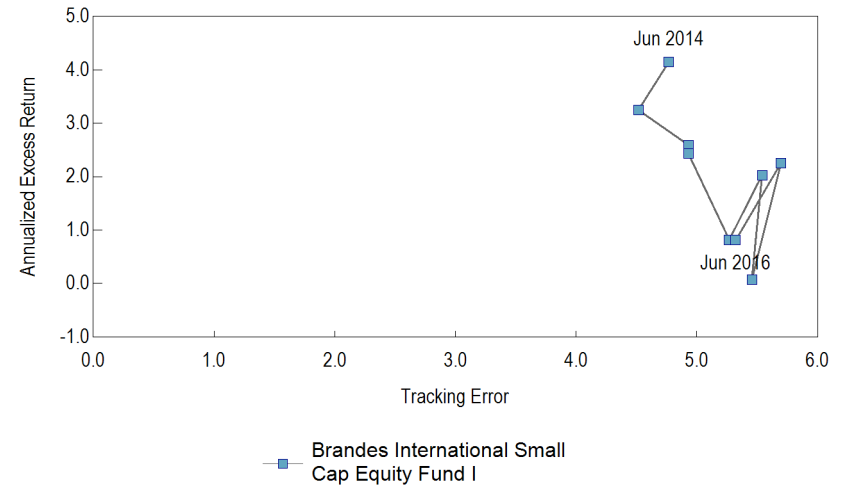
# Brandes International Small Cap Equity Fund I

## Fund Information

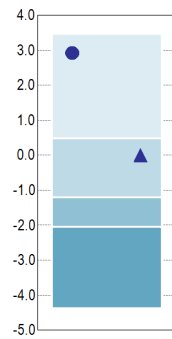
Rolling Annualized Excess Performance



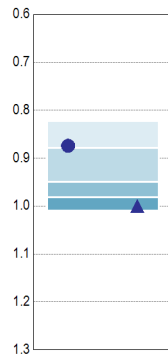
Rolling 3 Year Risk/Return vs. MSCI EAFE Small Cap



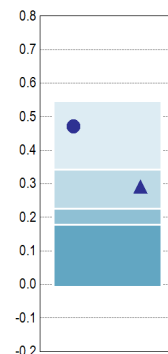
Annualized Alpha Jensen (%)



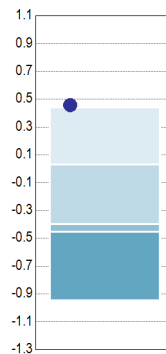
Beta



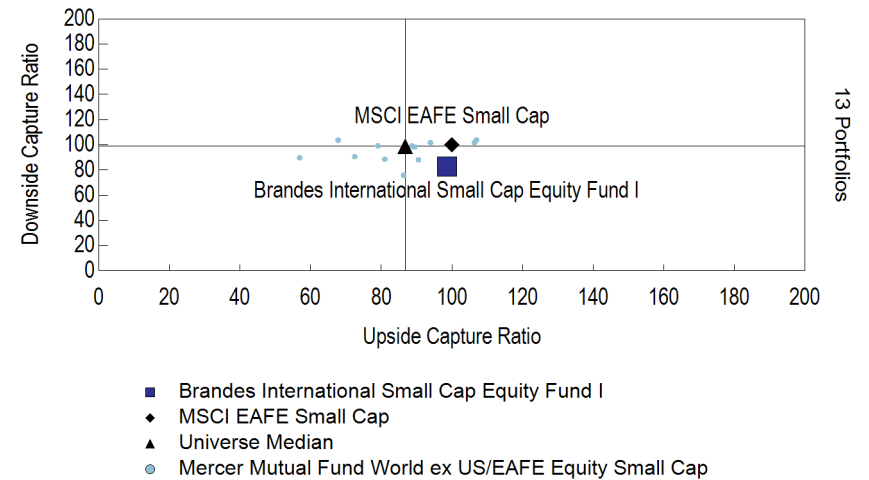
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio  
5 Years Ending June 30, 2016



MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
Brandes International Small Cap Equity Fund I	7.16%	15.07%	5.07%	2.92%	0.87	0.47	0.46	98.64%	32.02%	82.50%	-16.95%
MSCI EAFE Small Cap	4.84%	16.41%	0.00%	0.00%	1.00	0.29	--	100.00%	32.37%	100.00%	-21.15%

# Brandes International Small Cap Equity Fund I

## Historical - Fund Information

### Portfolio Fund Information as of 06/30/2016

Ticker	BISMX
Morningstar Category	Foreign Small/Mid Value
Average Market Cap (\$mm)	1,026.17
Net Assets (\$mm)	1,128.30
% Assets in Top 10 Holdings	26.83
Total Number of Holdings	88
Manager Name	Ralph Birchmeier
Manager Tenure	14
Expense Ratio	1.15%
Closed to New Investors	No

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	0.68
Average Market Cap (\$mm)	1,026.17
Price/Earnings	11.77
Price/Book	0.67
Price/Sales	0.39
Price/Cash Flow	2.99
Dividend Yield	2.73
Number of Equity Holdings	77
R-Squared (3 Year)	0.83
Alpha (3 Year)	0.49%

### Sector Allocation as of 06/30/2016

BASIC MATERIALS	6.06%
COMMUNICATION SERVICES	5.12%
CONSUMER CYCLICAL	15.57%
CONSUMER DEFENSIVE	12.76%
ENERGY	0.00%
FINANCIAL SERVICES	4.73%
HEALTHCARE	3.43%
INDUSTRIALS	14.66%
REAL ESTATE	5.51%
TECHNOLOGY	8.73%
UTILITIES	7.82%

### Portfolio Fund Information as of 03/31/2016

Ticker	BISMX
Morningstar Category	Foreign Small/Mid Value
Average Market Cap (\$mm)	1,073.84
Net Assets (\$mm)	1,107.83
% Assets in Top 10 Holdings	31.08
Total Number of Holdings	88
Manager Name	Ralph Birchmeier
Manager Tenure	14
Expense Ratio	1.15%
Closed to New Investors	No

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	0.83
Average Market Cap (\$mm)	1,073.84
Price/Earnings	12.18
Price/Book	0.75
Price/Sales	0.39
Price/Cash Flow	3.13
Dividend Yield	3.11
Number of Equity Holdings	77
R-Squared (3 Year)	0.81
Alpha (3 Year)	0.90%

### Sector Allocation as of 03/31/2016

BASIC MATERIALS	8.32%
COMMUNICATION SERVICES	6.16%
CONSUMER CYCLICAL	15.72%
CONSUMER DEFENSIVE	17.16%
ENERGY	0.00%
FINANCIAL SERVICES	5.21%
HEALTHCARE	3.84%
INDUSTRIALS	16.60%
REAL ESTATE	5.94%
TECHNOLOGY	9.37%
UTILITIES	9.92%

### Portfolio Fund Information as of 12/31/2015

Ticker	BISMX
Morningstar Category	Foreign Small/Mid Value
Average Market Cap (\$mm)	968.81
Net Assets (\$mm)	935.58
% Assets in Top 10 Holdings	29.42
Total Number of Holdings	83
Manager Name	Ralph Birchmeier
Manager Tenure	14
Expense Ratio	1.15%
Closed to New Investors	No

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	0.90
Average Market Cap (\$mm)	968.81
Price/Earnings	12.04
Price/Book	0.69
Price/Sales	0.43
Price/Cash Flow	3.39
Dividend Yield	3.22
Number of Equity Holdings	75
R-Squared (3 Year)	0.83
Alpha (3 Year)	0.52%

### Sector Allocation as of 12/31/2015

BASIC MATERIALS	9.70%
COMMUNICATION SERVICES	6.07%
CONSUMER CYCLICAL	16.45%
CONSUMER DEFENSIVE	16.97%
ENERGY	0.00%
FINANCIAL SERVICES	4.23%
HEALTHCARE	2.70%
INDUSTRIALS	16.21%
REAL ESTATE	5.47%
TECHNOLOGY	10.26%
UTILITIES	11.59%

# Brandes International Small Cap Equity Fund I

## Historical - Fund Information

### Top Countries as of 06/30/2016

Japan	24.34%
United Kingdom	15.36%
Canada	6.13%
Brazil	5.99%
India	3.93%
Italy	3.74%
Belgium	3.11%
Ireland	2.79%
Greece	2.05%
China	2.01%

### Top Countries as of 03/31/2016

Japan	25.77%
United Kingdom	19.67%
Brazil	7.39%
Canada	6.57%
Italy	4.92%
India	4.64%
Ireland	3.80%
Belgium	3.57%
Greece	2.57%
China	2.44%

### Top Countries as of 12/31/2015

Japan	24.26%
United Kingdom	17.67%
Brazil	7.14%
Canada	6.83%
Italy	6.15%
India	5.70%
Ireland	3.49%
Belgium	3.37%
South Korea	3.33%
Greece	2.43%

### Top Regions as of 06/30/2016

JAPAN	24.34%
EUROZONE	15.99%
UNITED KINGDOM	15.36%
LATIN AMERICA	7.79%
ASIA EMERGING	6.58%

### Top Regions as of 03/31/2016

JAPAN	25.77%
UNITED KINGDOM	19.67%
EUROZONE	19.52%
LATIN AMERICA	9.58%
ASIA EMERGING	7.79%

### Top Regions as of 12/31/2015

JAPAN	24.26%
EUROZONE	19.91%
UNITED KINGDOM	17.67%
LATIN AMERICA	9.52%
ASIA EMERGING	8.52%

# Emerging Markets All Cap Core Strategy

## Manager Commentary

Plan	City of Los Angeles Deferred Compensation Plan
Strategy	Dimensional Fund Advisors - Emerging Markets All Cap Core Strategy
Benchmark	MSCI Emerging Markets Index (net dividends)

### Current Positioning

- Relative to the MSCI Emerging Markets index, the Fund is overweight the industrials, materials, consumer discretionary, health care, utilities and consumer staples sectors.
- The Fund is underweight the information technology, financial, energy and telecommunication services sectors.
- From a country perspective, the Fund is overweight India, Taiwan, Brazil, Thailand and South Africa.
- The Fund is underweight China and Russia.
- The Fund has no exposure to Qatar and the United Arab Emirates.
- The top ten holdings of the Fund represent approximately 12% of the portfolio.
- The top five holdings: Samsung Electronics, Taiwan Semiconductor, Tencent, China Construction Bank and Itau Unibanco Holding.

### Quarterly Attribution

#### Positive Impact on Performance:

- An underweight allocation to, and security selection within, the financials and energy sectors
- An overweight allocation to, and security selection within, the consumer discretionary, utilities, materials and health care sectors
- An overweight allocation to the industrials sector
- An overweight allocation to, and security selection within, India, Brazil, Thailand and South Africa
- An underweight allocation to, and security selection within, China
- Security selection within Indonesia
- Top contributors: Samsung Electronics, Taiwan Semiconductor, Tencent Holdings and China Construction

#### Negative Impact on Performance:

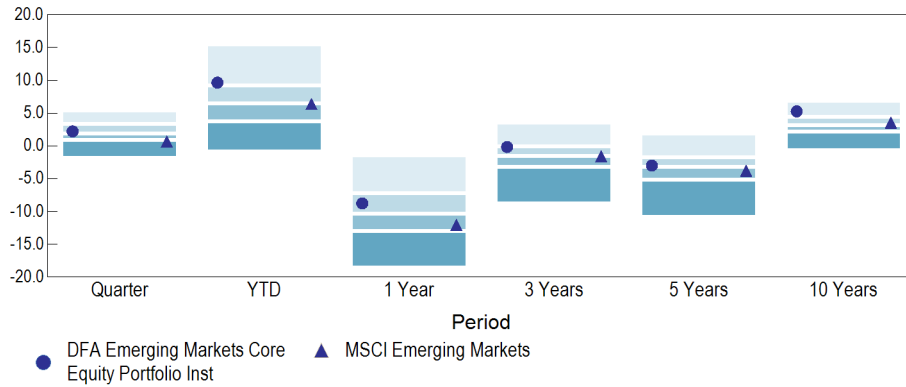
- An underweight allocation to the information technology sector
- An overweight allocation to the consumer staples sector
- An underweight allocation to, and security selection within, the telecommunications services sector
- An overweight allocation to and security selection within Taiwan and Malaysia
- An underweight allocation to Russia
- Security selection within Turkey and South Korea

Note: The DCP International Stock Fund is comprised 17.5% DFA Emerging Markets Core Equity Portfolio.

# DFA Emerging Markets Core Equity Portfolio Inst

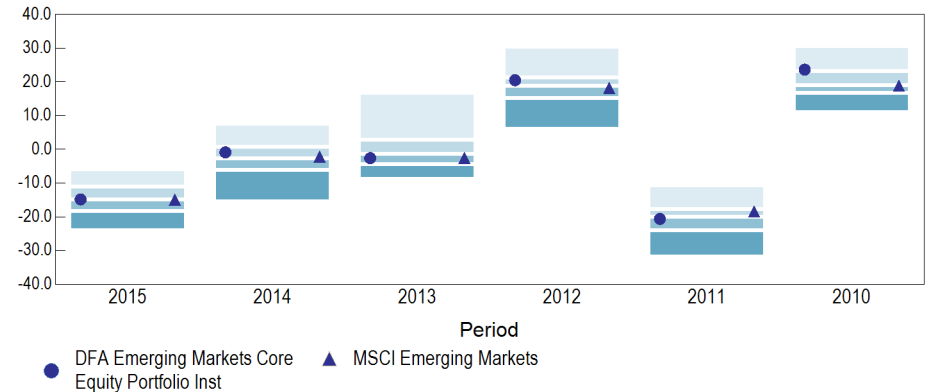
## Fund Information

Mercer Mutual Fund Emerging Markets Equity Accounts



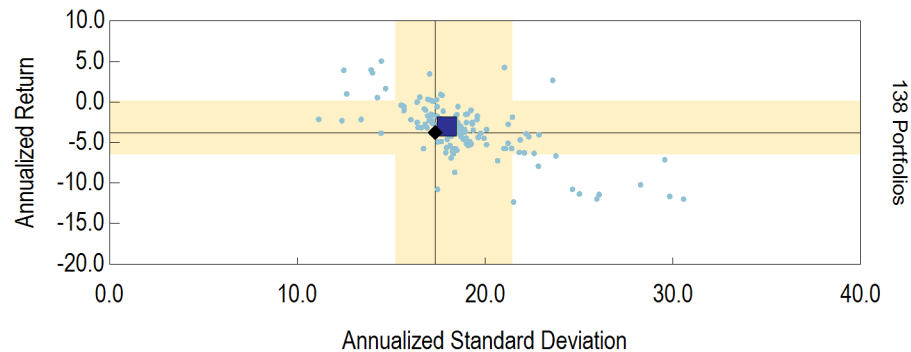
Annualized Returns	Last 3 Mo.	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
DFA Emerging Markets Core Equity Portfolio Inst	2.2%	9.6%	-8.8%	-0.2%	-3.0%	5.3%
MSCI Emerging Markets	0.7%	6.4%	-12.1%	-1.6%	-3.8%	3.5%
Universe Median	2.0%	6.5%	-10.3%	-1.5%	-3.2%	3.2%

Mercer Mutual Fund Emerging Markets Equity Accounts



Annualized Returns	2015	2014	2013	2012	2011	2010
DFA Emerging Markets Core Equity Portfolio Inst	-14.9%	-0.9%	-2.6%	20.5%	-20.6%	23.6%
MSCI Emerging Markets	-14.9%	-2.2%	-2.6%	18.2%	-18.4%	18.9%
Universe Median	-14.7%	-2.4%	-0.8%	19.4%	-18.9%	20.0%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending June 30, 2016



- DFA Emerging Markets Core Equity Portfolio Inst
- ◆ MSCI Emerging Markets
- 68% Confidence Interval
- Mercer Mutual Fund Emerging Markets Equity

Annualized Excess Return vs. Tracking Error  
5 Years Ending June 30, 2016

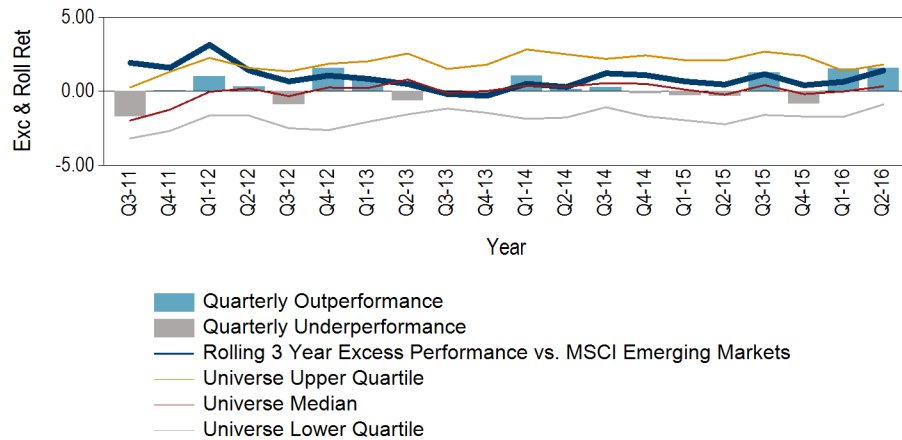


- DFA Emerging Markets Core Equity Portfolio Inst
- ◆ MSCI Emerging Markets
- 68% Confidence Interval
- Mercer Mutual Fund Emerging Markets Equity

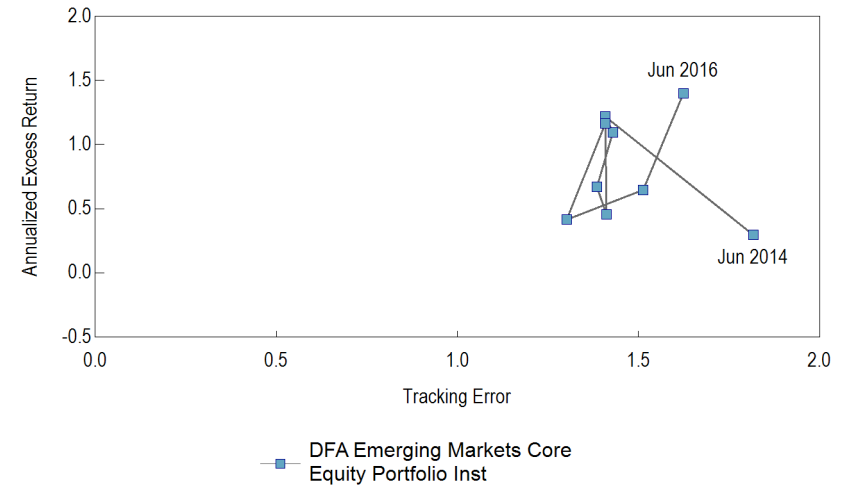
# DFA Emerging Markets Core Equity Portfolio Inst

## Fund Information

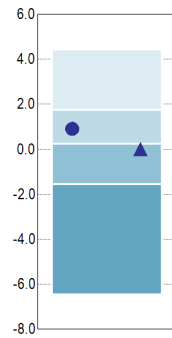
Rolling Annualized Excess Performance



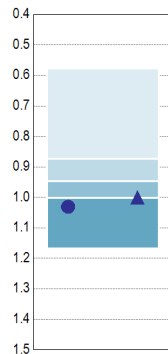
Rolling 3 Year Risk/Return vs. MSCI Emerging Markets



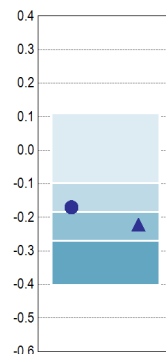
Annualized Alpha Jensen (%)



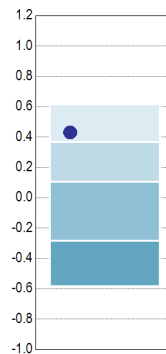
Beta



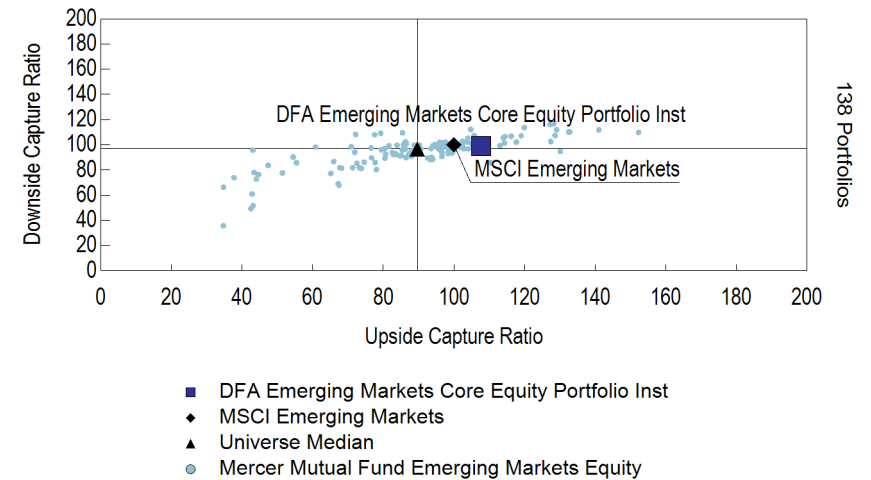
Sharpe Ratio



Information Ratio



Downside Capture Ratio vs. Upside Capture Ratio 5 Years Ending June 30, 2016



MPT Statistics represent 5 year periods.

	Anlzd Return	Anlzd Standard Deviation	Tracking Error	Anlzd Alpha J	Beta	Sharpe Ratio	Information Ratio	Up Mkt Capture Ratio	Up Mkt Annual Return	Down Mkt Capture Ratio	Down Mkt Annual Return
DFA Emerging Markets Core Equity Portfolio Inst	-3.00%	17.97%	1.82%	0.90%	1.03	-0.17	0.43	107.65%	20.97%	99.15%	-30.35%
MSCI Emerging Markets	-3.78%	17.35%	0.00%	0.00%	1.00	-0.22	--	100.00%	19.71%	100.00%	-30.67%

# DFA Emerging Markets Core Equity Portfolio Inst

## Historical - Fund Information

### Portfolio Fund Information as of 06/30/2016

Ticker	DFCEX
Morningstar Category	Diversified Emerging Mkts
Average Market Cap (\$mm)	6,206.34
Net Assets (\$mm)	16,950.41
% Assets in Top 10 Holdings	10.17
Total Number of Holdings	4,276
Manager Name	Joseph H. Chi
Manager Tenure	6
Expense Ratio	0.62%
Closed to New Investors	No

### Fund Characteristics as of 06/30/2016

Sharpe Ratio (3 Year)	-0.02
Average Market Cap (\$mm)	6,206.34
Price/Earnings	12.06
Price/Book	1.25
Price/Sales	0.89
Price/Cash Flow	3.90
Dividend Yield	3.41
Number of Equity Holdings	4,065
R-Squared (3 Year)	0.98
Alpha (3 Year)	0.34%

### Sector Allocation as of 06/30/2016

BASIC MATERIALS	9.72%
COMMUNICATION SERVICES	4.30%
CONSUMER CYCLICAL	11.39%
CONSUMER DEFENSIVE	8.14%
ENERGY	4.85%
FINANCIAL SERVICES	18.41%
HEALTHCARE	3.51%
INDUSTRIALS	7.73%
REAL ESTATE	3.37%
TECHNOLOGY	18.37%
UTILITIES	3.78%

### Portfolio Fund Information as of 03/31/2016

Ticker	DFCEX
Morningstar Category	Diversified Emerging Mkts
Average Market Cap (\$mm)	6,139.23
Net Assets (\$mm)	15,967.28
% Assets in Top 10 Holdings	9.88
Total Number of Holdings	4,194
Manager Name	Joseph H. Chi
Manager Tenure	6
Expense Ratio	0.62%
Closed to New Investors	No

### Fund Characteristics as of 03/31/2016

Sharpe Ratio (3 Year)	-0.29
Average Market Cap (\$mm)	6,139.23
Price/Earnings	11.92
Price/Book	1.22
Price/Sales	0.89
Price/Cash Flow	3.93
Dividend Yield	3.25
Number of Equity Holdings	4,089
R-Squared (3 Year)	0.99
Alpha (3 Year)	0.14%

### Sector Allocation as of 03/31/2016

BASIC MATERIALS	10.13%
COMMUNICATION SERVICES	4.90%
CONSUMER CYCLICAL	11.93%
CONSUMER DEFENSIVE	8.28%
ENERGY	5.20%
FINANCIAL SERVICES	19.10%
HEALTHCARE	3.66%
INDUSTRIALS	8.56%
REAL ESTATE	3.68%
TECHNOLOGY	18.03%
UTILITIES	4.07%

### Portfolio Fund Information as of 12/31/2015

Ticker	DFCEX
Morningstar Category	Diversified Emerging Mkts
Average Market Cap (\$mm)	5,905.46
Net Assets (\$mm)	13,727.77
% Assets in Top 10 Holdings	10.61
Total Number of Holdings	4,058
Manager Name	Joseph H. Chi
Manager Tenure	6
Expense Ratio	0.61%
Closed to New Investors	No

### Fund Characteristics as of 12/31/2015

Sharpe Ratio (3 Year)	-0.50
Average Market Cap (\$mm)	5,905.46
Price/Earnings	11.32
Price/Book	1.27
Price/Sales	0.83
Price/Cash Flow	4.41
Dividend Yield	3.38
Number of Equity Holdings	3,794
R-Squared (3 Year)	0.99
Alpha (3 Year)	0.03%

### Sector Allocation as of 12/31/2015

BASIC MATERIALS	9.32%
COMMUNICATION SERVICES	4.97%
CONSUMER CYCLICAL	11.82%
CONSUMER DEFENSIVE	8.34%
ENERGY	4.87%
FINANCIAL SERVICES	18.29%
HEALTHCARE	3.76%
INDUSTRIALS	8.71%
REAL ESTATE	3.61%
TECHNOLOGY	19.06%
UTILITIES	3.92%

# DFA Emerging Markets Core Equity Portfolio Inst

## Historical - Fund Information

### Top Countries as of 06/30/2016

Taiwan	14.44%
South Korea	14.37%
India	12.72%
China	9.96%
Brazil	9.25%
South Africa	7.95%
Mexico	4.75%
Malaysia	4.09%
Indonesia	3.26%
Thailand	3.15%

### Top Regions as of 06/30/2016

ASIA EMERGING	34.97%
ASIA DEVELOPED	28.94%
LATIN AMERICA	16.01%
AFRICA	8.03%
EUROPE EMERGING	5.34%

### Top Countries as of 03/31/2016

South Korea	14.47%
Taiwan	14.25%
China	13.84%
India	12.28%
South Africa	8.28%
Brazil	8.20%
Mexico	5.09%
Malaysia	4.55%
Thailand	3.19%
Indonesia	3.16%

### Top Regions as of 03/31/2016

ASIA EMERGING	38.80%
ASIA DEVELOPED	28.92%
LATIN AMERICA	15.42%
AFRICA	8.36%
EUROPE EMERGING	5.85%

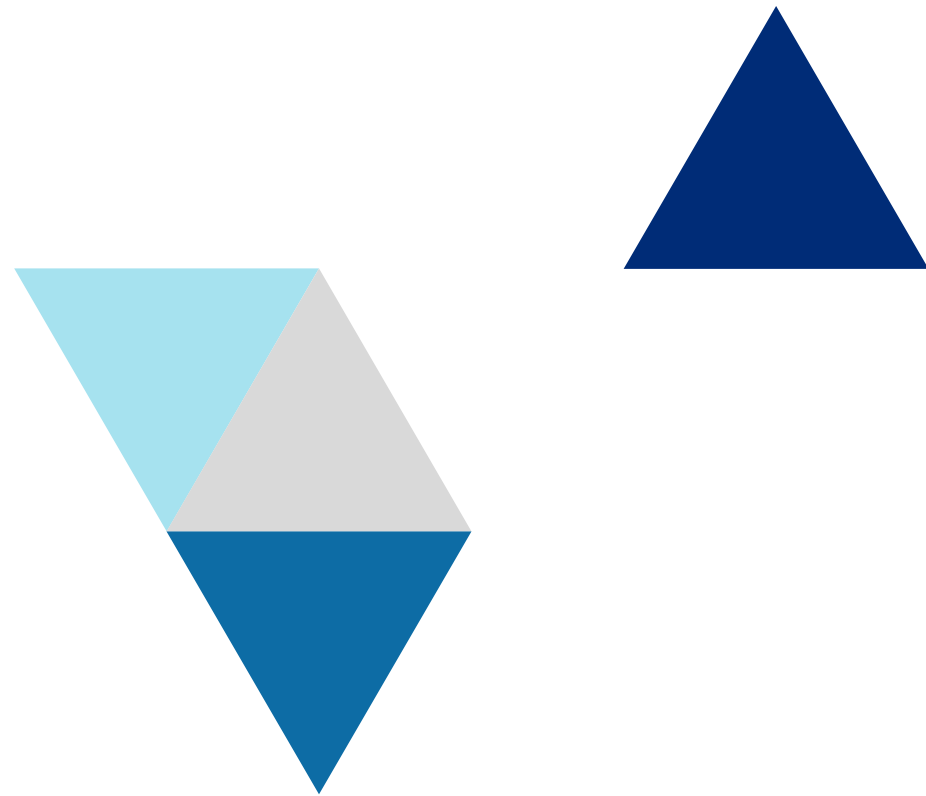
### Top Countries as of 12/31/2015

Taiwan	15.33%
South Korea	14.95%
China	14.51%
India	13.34%
South Africa	7.14%
Brazil	6.60%
Mexico	5.30%
Malaysia	4.52%
Indonesia	3.08%
Turkey	2.09%

### Top Regions as of 12/31/2015

ASIA EMERGING	39.31%
ASIA DEVELOPED	30.39%
LATIN AMERICA	13.97%
AFRICA	7.23%
EUROPE EMERGING	5.42%

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