

Clayton County Q2'16 Plan Review

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Prepared For: **Clayton County Retirement System Pension Board**

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Please review the disclosures and definitions throughout this Document.
Various sub-sections of this Document may not contain information on all accounts/positions covered in this Document.

ACCOUNT(S) INCLUDED IN THIS REPORT

CLAYTON COUNTY 795-093453

Reporting Currency: USD

ACCOUNT(S) DETAIL

Account Name and Address	Account Type/Manager Name	Advisory/ Brokerage	Account Number	Date Opened	Date Closed
CLAYTON COUNTY 112 SMITH STREET JONESBORO	Institutional Consult Srvc - Hard \$\$	Advisory	795-093453	05/16/11	

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GIC Markets Library

From the Global Investment Committee



Quarterly Commentary

GIC ChartBook – Markets Library

Capital Markets Overview: 2Q 2016

Introduction

As of 2Q 2016

- During the second quarter of 2016, global stocks and bonds generated modestly positive returns despite increased market turbulence. The historic decision by British voters to exit the European Union shocked global capital markets in June. While equity and currency markets were expected to bear the brunt of the surprise outcome, both have taken the decision in stride thus far, trading above the levels reached in the week leading up to the vote. For the quarter, Master Limited Partnerships and Diversified Commodities were the top-performing asset classes, while Japanese and European equities registered the weakest returns. For the one-year period ended June 30, 2016, Global REITs and Investment Grade bonds generated the strongest returns.
- The Dow Jones Industrial Average increased 2.1% in the second quarter. The NASDAQ Composite Index was down 0.2% for the quarter. The S&P 500 Index increased 2.5% for the quarter.
- Eight of the 10 sectors within the S&P 500 generated positive returns in the second quarter of 2016. The top-performing sector was Energy, which was up 11.6%. Telecom rose 7.1% and was also among the top-performing sectors. The biggest laggards were Technology, which decreased 2.8%, and Consumer Discretionary, which fell 0.9%.
- The bond market registered positive returns during the second quarter. The Barclays U.S. Aggregate Bond Index, a general measure of the bond market, increased 2.2% for the quarter.
- Morgan Stanley & Co. economists expect U.S. real GDP will be 1.7% in 2016 and 1.6% in 2017. They forecast global GDP growth to be 3.0% in 2016 and 3.4% in 2017.
- Commodities registered strong returns in the second quarter; the Bloomberg Commodity Index increased 12.8%. For the quarter, gold posted a total return of 6.7%.
- For the second quarter of 2016, global mergers and acquisitions (M&A) deal volume was \$835 billion, compared to \$1 trillion for the second quarter of 2015. Global M&A activity increased to \$4.3 trillion in 2015 from \$3.3 trillion in 2014.

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

Capital Markets Overview: 2Q 2016

The US Economy

As of 2Q 2016

The Department of Commerce estimated that Gross Domestic Product increased at an annual rate of 1.1% in the first quarter of 2016, in comparison to a 1.4% increase in the fourth quarter of 2015. Morgan Stanley & Co. economists forecast U.S. Real GDP will be 1.7% in 2016 and 1.6% in 2017.

The seasonally adjusted unemployment rate for May 2016 was 4.7%, showing a 0.3% decrease from its April level. Employment increased in health care. Mining continued to lose jobs, and employment in information decreased due to a strike. The number of unemployed declined by 484,000 to 7.4 million. The number of long-term unemployed (those jobless for 27 weeks or more) declined by 178,000 to 1.9 million in May. These individuals accounted for 25.1% of the unemployed.

According to the most recent estimate from the Bureau of Economic Analysis, corporate profits increased 1.8% between the fourth quarter of 2015 and the first quarter of 2016, and fell 4.4% between the first quarter of 2015 and the first quarter of 2016.

Inflation remained low in the U.S. According to the Bureau of Labor Statistics, the seasonally adjusted Consumer Price Index was 0.4% in April and increased 0.2% in May. Morgan Stanley & Co. economists forecast a 1.2% inflation rate for 2016 and 1.9% for 2017.

The Census Bureau reported that private-sector housing starts in May 2016 were at a seasonally adjusted annual rate of 1,164,000—10% above May 2015 housing starts. The rise in housing starts over the past several years indicates that despite some intermittent setbacks, the housing market is rebounding.

The Census Bureau also reported that seasonally adjusted retail and food services sales increased 0.2% between April 2016 and May 2016, and increased 2.2% between May 2015 and May 2016.

In June, the Institute for Supply Management's Purchasing Managers' Index (PMI), a manufacturing sector index, increased as the PMI registered 53.2%, a 1.9-percentage-point uptick from the May reading of 51.3%. This indicates an expansion in manufacturing for the fourth consecutive month, and its highest reading since February 2015 when the PMI registered 53.3%. Overall, PMI has been above 43 for 88 consecutive months. Generally speaking, a PMI or NMI (ISM Non-Manufacturing Index) over 50 indicates that the sector is expanding and a PMI below 50 but over 43 indicates that the sector is shrinking but the overall economy is expanding.

The NMI decreased 2.8 points to 52.9 between April 2016 and May 2016. The index has now been above 50 for 75 consecutive months.

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 2Q 2016

US Equity Markets

As of 2Q 2016

The Dow Jones Industrial Average increased 2.1% in the second quarter. The NASDAQ Composite Index was down 0.2% for the quarter. The S&P 500 Index increased 2.5% for the quarter.

Eight of the 10 sectors within the S&P 500 generated positive returns in the second quarter of 2016. The top-performing sector was Energy, which was up 11.6%. Telecom rose 7.1% and was also among the top-performing sectors. The biggest laggards were Technology, which decreased 2.8%, and Consumer Discretionary, which fell 0.9%.

Growth-style stocks of large-cap companies increased during the second quarter. The large-cap Russell 1000 Growth Index rose 0.6%. The Russell 1000 Index, a large-cap index, increased 2.5% for the quarter.

The Russell 1000 Value Index, also a large-cap index, increased 4.6% for the quarter. The Russell Midcap Growth Index fell 2.0% for the quarter. The Russell Midcap Index also increased 3.2% for the quarter. The Russell Midcap Value Index increased 4.8% for the quarter. The Russell 2000 Growth Index, a small-cap index, increased 3.2% for the quarter. The small-cap Russell 2000 Index rose 3.8% for the quarter. The Russell 2000 Value Index, also a small-cap index, increased 4.3% for the quarter.

Key US Stock Market Index Returns (%) for the Period Ending 6/30/2016				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
S&P 500	2.5%	4.0%	12.1%	14.9%
Dow Jones	2.1%	4.5%	10.4%	14.3%
Russell 2000	3.8%	-6.7%	8.3%	13.9%
Russell Midcap	3.2%	0.6%	10.9%	16.5%
Russell 1000	2.5%	2.9%	11.9%	15.0%

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 2Q 2016

Global Equity Markets

As of 2Q 2016

In the second quarter, emerging markets (EM) generated positive returns while international developed regions were negative. The MSCI EAFE Index (a benchmark for international developed markets) decreased 1.2% for U.S.-currency investors and 0.5% for local-currency investors, as the U.S. dollar strengthened in relation to the currencies of many nations in the index.

For the second quarter, the MSCI Emerging Markets Index increased 0.8% for U.S.-currency investors and 0.8% for local-currency investors, as the U.S. dollar maintained parity with emerging market currencies. The MSCI Europe Index decreased 2.3% for U.S.-currency investors and 1.6% for local-currency investors during the second quarter of 2016.

The S&P 500 Index increased 2.5% for the quarter.

Emerging economy equity market indices were also up in the second quarter. The MSCI BRIC (Brazil, Russia, India and China) Index rose 3.2% for the quarter in U.S. dollar terms and 1.7% in terms of local currencies. In comparison, for the second quarter, the MSCI EM Asia Index was up 0.4% in U.S. dollar terms and 1.2% in local terms.

Key Global Equity Market Index Returns (%) for the Period Ending 6/30/2016				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
MSCI EAFE	-1.2%	-9.7%	2.1%	6.4%
MSCI EAFE Growth	0.0%	-4.4%	3.6%	8.0%
MSCI EAFE Value	-2.4%	-14.9%	0.6%	4.8%
MSCI Europe	-2.3%	-10.7%	1.6%	6.7%
MSCI Japan	1.0%	-8.6%	4.4%	5.1%
S&P 500	2.5%	4.0%	12.1%	14.9%
MSCI Emerging Markets	0.8%	-11.7%	-3.4%	4.1%

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 2Q 2016

The US Bond Market

As of 2Q 2016

The bond market registered positive returns during the second quarter. The Barclays U.S. Aggregate Bond Index, a general measure of the bond market, increased 2.2% for the quarter.

Interest rates declined during the second quarter, as the yield on the 10-year U.S. Treasury note fell to a quarter-end 1.47% from 1.77% at the end of the 1Q 2016.

Riskier parts of the bond market such as U.S. high yield debt increased in the second quarter. The Barclays Capital High Yield Index, a measure of lower-rated corporate bonds, rose 5.5%.

Mortgage-backed securities also posted positive returns during the second quarter. The Barclays Capital Mortgage Backed Index increased 1.1% for the quarter. During the second quarter, the municipal bond market increased. As a result, the Barclays Capital Muni Index generated a 2.6% return for the quarter.

Key US Bond Market Index Returns (%) for the Period Ending 6/30/2016				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
Barclays Capital US Aggregate	2.2%	6.0%	3.8%	4.6%
Barclays Capital High Yield	5.5%	1.6%	5.8%	10.0%
Barclays Capital Government/Credit	2.6%	6.8%	4.1%	4.8%
Barclays Capital Government	2.1%	6.2%	3.5%	3.8%
Barclays Capital Intermediate Govt/Credit	1.6%	4.4%	2.9%	3.8%
Barclays Capital Long Govt/Credit	6.5%	15.7%	9.2%	9.3%
Barclays Capital Mortgage Backed Securities	1.1%	4.3%	3.0%	3.8%
Barclays Capital Muni	2.6%	7.7%	5.3%	5.7%

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 2Q 2016

Hedge Funds

As of 2Q 2016

HFRX Equity Hedge Index: 2Q = -1.01%

- Equity Hedge managers posted negative returns for the quarter; managers generally retained capital in April and generated positive returns in May, but gave back those returns as Brexit created turmoil in June
- A reversal in factors that hurt managers during 1Q rebounded in the early months of 2Q

HFRX Event-Driven Index: 2Q = 4.53%

- Event Driven strategies were the best-performing group in 2Q; specifically, distressed credit and special situations posted strong quarters
- Some managers took advantage of the spread tightening in high yield caused by a rebound in oil prices

HFRX Macro/CTA Index: 2Q = -0.41%

- Following a poor month of May, Macro/CTA strategies had a strong June to finish the quarter slightly down
- Managers benefitted from the volatility in currencies and rates created by Brexit

HFRX Relative Value Arbitrage Index: 2Q = 1.04%

- Relative Value managers were positive in the second quarter

HFRX Global Hedge Fund Index: 2Q = 1.07%

- Global hedge fund performance was modestly positive during the second quarter
- Event Driven, Distressed, and other long/short equity strategies rebounded after a difficult 1Q, driving second quarter performance

Source: HFRX Hedge Fund Indices; Morgan Stanley Wealth Management GIC

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Capital Markets Overview: 1Q 2016

Private Equity and Real Estate

As of 1Q 2016

Buyout¹

- Aggregate deal value totaled \$44 billion in 1Q 2016, which is down from \$101 billion in 1Q 2015. North American deal value declined to the lowest level since 1Q 2012.
- The number and value of exits were down y/y in 1Q 2016. There were 343 exits, combining for \$62 billion.

Venture Capital¹

- Both the number and value of venture capital deals increased y/y in 1Q 2016. The 2,408 deals accounted for \$34.3 billion.
- While the number of deals outside of the North America increased y/y in 1Q 2016, the number of deals in North America decreased.

Real Estate²

- 44 real estate funds raised \$21 billion in 1Q 2016 compared to 49 funds raising \$22 billion in 1Q 2015. Value-added and opportunistic strategies accounted for 16 and 15 of the funds, respectively.
- Real estate dry powder totaled \$230 billion at the end of 1Q 2016 compared to \$210 billion at the end of 2015.

Private Debt³

- Private debt fundraising slowed down in 1Q 2016 with 16 funds raising \$8.3 billion compared to 28 funds raising \$26.1 billion in 1Q 2015. Distressed debt funds raised the most capital with \$4.3 billion while direct lending had the most funds launched with 7.

Source: (1) PrEQin, "The Q1 2016 PrEQin Quarterly Update: Private Equity" April 2016 (2) PrEQin, "The Q1 2016 PrEQin Quarterly Update: Real Estate" April 2016 (3) PrEQin, "The Q1 2016 Quarterly Update: Private Debt" April 2016

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Asset Allocation Models & Insurance Products Disclosures

GLOBAL INVESTMENT COMMITTEE (GIC) ASSET ALLOCATION MODELS

The Asset Allocation Models are created by Morgan Stanley Wealth Management's GIC.

CLIENTS TO CONSIDER THEIR OWN INVESTMENT NEEDS

The GIC Asset Allocation Models are formulated based on general client characteristics such as investable assets and risk tolerance. This report is not intended to be a client-specific suitability analysis or recommendation, or offer to participate in any investment. Therefore, do not use this report as the sole basis for investment decisions.

Clients should consider all relevant information, including their existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon. Such a suitability determination may lead to asset allocation(s) results that are materially different from the asset allocation shown in this report. Clients should talk to their Financial Advisor about what would be a suitable asset allocation for them.

HYPOTHETICAL MODEL PERFORMANCE (GROSS)

Hypothetical model performance results do not reflect the investment or performance of an actual portfolio following a GIC Strategy, but simply reflect actual historical performance of selected indices on a real-time basis over the specified period of time representing the GIC's strategic and tactical allocations as of the date of this report. The past performance shown here is simulated performance based on benchmark indices, not investment results from an actual portfolio or actual trading. There can be large differences between hypothetical and actual performance results achieved by a particular asset allocation or trading strategy. Hypothetical performance results do not represent actual trading and are generally designed with the benefit of hindsight.

Actual performance results of accounts vary due to, for example, market factors (such as liquidity) and client-specific factors (such as investment vehicle selection, timing of contributions and withdrawals, restrictions and rebalancing schedules). Clients would not necessarily have obtained the performance results shown here if they had invested in accordance with any GIC Asset Allocation Model for the periods indicated.

Despite the limitations of hypothetical performance, these hypothetical performance results allow clients and Financial Advisors to obtain a sense of the risk/return trade-off of different asset allocation constructs. The hypothetical performance results in this report are calculated using the returns of benchmark indices for the asset classes, and not the returns of securities, fund or other investment products.

Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment a client selects.

Models may contain allocations to Hedge Funds, Private Equity and Private Real Estate. The benchmark indices for these asset classes are not issued on a daily basis. When calculating model performance on a day for which no benchmark index data is issued, we have assumed straight line growth between the index levels issued before and after that date.

Fees reduce the performance of actual accounts None of the fees or other expenses (e.g. commissions, mark-ups, mark-downs, fees) associated with actual trading or accounts are reflected in the GIC Asset Allocation Models. The GIC Asset Allocation Models and any model performance included in this presentation are intended as educational materials. Were a client to use these models in connection with investing, any investment decisions made would be subject to transaction and other costs which, when compounded over a period of years, would decrease returns. Information regarding Morgan Stanley's standard advisory fees is available in the Form ADV Part 2, which is available at www.morganstanley.com/adv. The following hypothetical illustrates the compound effect fees have on investment returns: For example, if a portfolio's annual rate of return is 15% for 5 years and the account pays 50 basis points in fees per annum, the gross cumulative five-year return would be 101.1% and the five-year return net of fees would be 96.8%. Fees and/or expenses would apply to clients who invest in investments in an account based on these asset allocations, and would reduce clients' returns. The impact of fees and/or expenses can be material.

INSURANCE PRODUCTS AND ETF DISCLOSURES

Morgan Stanley Smith Barney LLC offers **insurance products** in conjunction with its licensed insurance agency affiliates.

An investment in an **exchange-traded fund** involves risks similar to those of investing in a broadly based portfolio of equity securities traded on an exchange in the relevant securities market, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in stock and bond prices.

Variable annuities, mutual funds and ETFs are sold by prospectus only. The prospectus contains the investment objectives, risks, fees, charges and expenses, and other information regarding the variable annuity contract and the underlying investments, or the ETF, which should be considered carefully before investing. Prospectuses for both the variable annuity contract and the underlying investments, or the ETF, are available from your Financial Advisor. Please read the prospectus carefully before you invest.

Variable annuities are long-term investments designed for retirement purposes and may be subject to market fluctuations, investment risk, and possible loss of principal. All guarantees, including optional benefits, are based on the financial strength and claims-paying ability of the issuing insurance company and do not apply to the underlying investment options.

Optional riders may not be able to be purchased in combination and are available at an additional cost. Some optional riders must be elected at time of purchase. Optional riders may be subject to specific limitations, restrictions, holding periods, costs, and expenses as specified by the insurance company in the annuity contract.

If you are investing in a **variable annuity** through a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity because of its other features, such as lifetime income payments and death benefits protection.

Taxable distributions (and certain deemed distributions) are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal income tax penalty. Early withdrawals will reduce the death benefit and cash surrender value.

Asset Class Risk Considerations

For index definitions to the indices referenced in this report please visit the following: <http://www.morganstanleyfa.com/public/projectfiles/id.pdf>

Equity securities may fluctuate in response to news on companies, industries, market conditions and general economic environment.

Investing in foreign markets entails risks not typically associated with domestic markets, such as currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, and the potential for political instability. These risks may be magnified in countries with **emerging markets and frontier markets**, since these countries may have relatively unstable governments and less established markets and economies.

Investing in small- to medium-sized companies entails special risks, such as limited product lines, markets and financial resources, and greater volatility than securities of larger, more established companies.

The value of **fixed income securities** will fluctuate and, upon a sale, may be worth more or less than their original cost or maturity value. Bonds are subject to interest rate risk, call risk, reinvestment risk, liquidity risk, and credit risk of the issuer.

High yield bonds (bonds rated below investment grade) may have speculative characteristics and present significant risks beyond those of other securities, including greater credit risk, price volatility, and limited liquidity in the secondary market. High yield bonds should comprise only a limited portion of a balanced portfolio.

Interest on **municipal bonds** is generally exempt from federal income tax; however, some bonds may be subject to the alternative minimum tax (AMT). Typically, state tax-exemption applies if securities are issued within one's state of residence and, if applicable, local tax-exemption applies if securities are issued within one's city of residence.

Treasury Inflation Protection Securities' (TIPS) coupon payments and underlying principal are automatically increased to compensate for inflation by tracking the consumer price index (CPI). While the real rate of return is guaranteed, TIPS tend to offer a low return. Because the return of TIPS is linked to inflation, TIPS may significantly underperform versus conventional U.S. Treasuries in times of low inflation.

Ultrashort-term fixed income asset class is comprised of fixed income securities with high quality, very short maturities. They are therefore subject to the risks associated with debt securities such as credit and interest rate risk.

Alternative investments may be either traditional alternative investment vehicles, such as hedge funds, fund of hedge funds, private equity, private real estate and managed futures or, non-traditional products such as mutual funds and exchange-traded funds that also seek alternative-like exposure but have significant differences from traditional alternative investments. The risks of traditional alternative investments may include: can be highly illiquid, speculative and not suitable for all investors, loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices, volatility of returns, restrictions on transferring interests in a fund, potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized, absence of information regarding valuations and pricing, complex tax structures and delays in tax reporting, less regulation and higher fees than open-end mutual funds, and risks associated with the operations, personnel and processes of the manager. Non-traditional alternative strategy products may employ various investment strategies and techniques for both hedging and more speculative purposes such as short-selling, leverage, derivatives and options, which can increase volatility and the risk of investment loss. **Master Limited Partnerships (MLPs)** Individual MLPs are publicly traded partnerships that have unique risks related to their structure. These include, but are not limited to, their reliance on the capital markets to fund growth, adverse ruling on the current tax treatment of distributions (typically mostly tax deferred), and commodity volume risk. The potential tax benefits from investing in MLPs depend on their being treated as partnerships for federal income tax purposes and, if the MLP is deemed to be a corporation, then its income would be subject to federal taxation at the entity level, reducing the amount of cash available for distribution to the fund which could result in a reduction of the fund's value. MLPs carry interest rate risk and may underperform in a rising interest rate environment. **Investing in commodities** entails significant risks. Commodity prices may be affected by a variety of factors at any time, including but not limited to, (i) changes in supply and demand relationships, (ii) governmental programs and policies, (iii) national and international political and economic events, war and terrorist events, (iv) changes in interest and exchange rates, (v) trading activities in commodities and related contracts, (vi) pestilence, technological change and weather, and (vii) the price volatility of a commodity. In addition, the commodities markets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, participation of speculators and government intervention. **Physical precious metals** are non-regulated products. Precious metals are speculative investments, which may experience short-term and long term price volatility. The value of precious metals investments may fluctuate and may appreciate or decline, depending on market conditions. Unlike bonds and stocks, precious metals do not make interest or dividend payments. Therefore, precious metals may not be suitable for investors who require current income. Precious metals are commodities that should be safely stored, which may impose additional costs on the investor. **REITs** investing risks are similar to those associated with direct investments in real estate: property value fluctuations, lack of liquidity, limited diversification and sensitivity to economic factors such as interest rate changes and market recessions.

Before engaging in the purchase or sale of **options**, potential clients should understand the nature of and extent of their rights and obligations and be aware of the risks involved, including, without limitation, the risks pertaining to the business and financial condition of the issuer of the underlying security or instrument. Options investing, like other forms of investing, involves tax considerations, transaction costs and margin requirements that can significantly affect the profit and loss of buying and writing options. The transaction costs of options investing consist primarily of commissions (which are imposed in opening, closing, exercise and assignment transactions), but may also include margin and interest costs in particular transactions. Transaction costs are especially significant in options strategies calling for multiple purchases and sales of options, such as multiple leg strategies, including spreads, straddles and collars. If you are considering options as part of your investment plan, your Morgan Stanley Financial Advisor or Private Wealth Advisor is required to provide you with the "Characteristics and Risks of Standardized Options" booklet from the Options Clearing Corporation. Clients should not enter into options transactions until they have read and understood the Disclosure Document, as options are not suitable for everyone, and discuss transaction costs with their Financial Advisor or Investment Representative. Please ask your Financial Advisor, Private Wealth Advisor for a copy of the Characteristics and Risks of Standardized Options booklet. A copy of the ODD is also available online at: <http://theocc.com/publications/risks/riskchap1.jsp>.

Risks of **private real estate** include: illiquidity; a long-term investment horizon with a limited or nonexistent secondary market; lack of transparency; volatility (risk of loss); and leverage.

Principal is returned on a monthly basis over the life of a **mortgage-backed security**. Principal prepayment can significantly affect the monthly income stream and the maturity of any type of MBS, including standard MBS, CMOs and Lottery Bonds.

Asset Class Risk Considerations (cont'd)

Asset-backed securities generally decrease in value as a result of interest rate increases, but may benefit less than other fixed-income securities from declining interest rates, principally because of prepayments.

Floating-rate securities The initial interest rate on a floating-rate security may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating security's underlying reference rate. The reference rate could be an index or an interest rate. However, there can be no assurance that the reference rate will increase. Some floating-rate securities may be subject to call risk.

Yields are subject to change with economic conditions. Yield is only one factor that should be considered when making an investment decision.

Credit ratings are subject to change.

Companies paying **dividends** can reduce or cut payouts at any time.

Asset allocation and diversification do not assure a profit or protect against loss in declining financial markets.

Nondiversification: For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. Portfolios that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors.

The **indices** are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only and do not represent the performance of any specific investment.

The **indices selected by Morgan Stanley Wealth Management** to measure performance are representative of broad asset classes. Morgan Stanley Wealth Management retains the right to change representative indices at any time.

Because of their narrow focus, **sector investments** tend to be more volatile than investments that diversify across many sectors and companies.

Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations.

Value investing does not guarantee a profit or eliminate risk. Not all companies whose stocks are considered to be value stocks are able to turn their business around or successfully employ corrective strategies which would result in stock prices that do not rise as initially expected.

Rebalancing does not protect against a loss in declining financial markets. There may be a potential tax implication with a rebalancing strategy. Investors should consult with their tax advisor before implementing such a strategy.

Any type of **continuous or periodic investment plan** does not assure a profit and does not protect against loss in declining markets. Since such a plan involves continuous investment in securities regardless of fluctuating price levels of such securities, the investor should consider his financial ability to continue his purchases through periods of low price levels.

Duration, the most commonly used measure of bond risk, quantifies the effect of changes in interest rates on the price of a bond or bond portfolio. The longer the duration, the more sensitive the bond or portfolio would be to changes in interest rates.

Besides the general risk of holding securities that may decline in value, **closed-end funds** may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance, and potential leverage. Some funds also invest in foreign securities, which may involve currency risk.

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The securities/instruments discussed in this material may not be suitable for all investors. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives. Morgan Stanley Wealth Management recommends that investors independently evaluate specific investments and strategies, and encourages investors to seek the advice of a financial advisor.

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This material should not be viewed as advice or recommendations with respect to asset allocation or any particular investment. This information is not intended to, and should not, form a primary basis for any investment decisions that you may make. Morgan Stanley Wealth Management is not acting as a fiduciary under either the Employee Retirement Income Security Act of 1974, as amended or under section 4975 of the Internal Revenue Code of 1986 as amended in providing this material.

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Monthly Perspectives

From the Global Investment Committee

July 2016



A Cyclical Upturn at the End of the Cycle

As of July 12, 2016

- We believe the dramatic sell-off to start the year marked the *end* of a recession in the old economy that began two years ago—led by excessive oil supply, China’s slowdown and uneven global growth.
- Recent data supports this claim with improving purchasing manager surveys, durable goods, factory orders, inventories and industrial company earnings revisions. Risk asset markets appear to be confirming this with better breadth and new market leadership from “deep” cyclicals.
- *Coordinated* policy action from the world’s central banks has been a game changer led by the Fed’s decision to back off on rate hikes in March and continued depreciation of the Chinese Yuan. However, the Fed may be further along in its rate hike cycle than generally assumed. We are late cycle in the US.
- Political and geopolitical risks have weighed heavily on markets over the past few months. Ironically, the UK’s referendum vote to leave the EU may serve as the necessary political catalyst for fiscal support.
- Rates markets conveying little “fundamental” information. Technical bid suggests value lies in equities.
- Our global rebalancing thesis remains on track despite all of the shocks to the economy since the Financial Crisis ended seven years ago. We will be watching the following developments closely:
 - Fed and other central banks remain vigilant on financial conditions
 - Known political events need to “expire” (*Brexit, US political conventions / elections, Italian referendum*)
 - Economic and earnings growth acceleration (*1Q results and revisions breadth strongly suggest trough*)
 - Italian / European banking system needs to be properly addressed
 - Global fiscal stimulus to create necessary demand (*China and Japan underway, Europe and US to come?*)

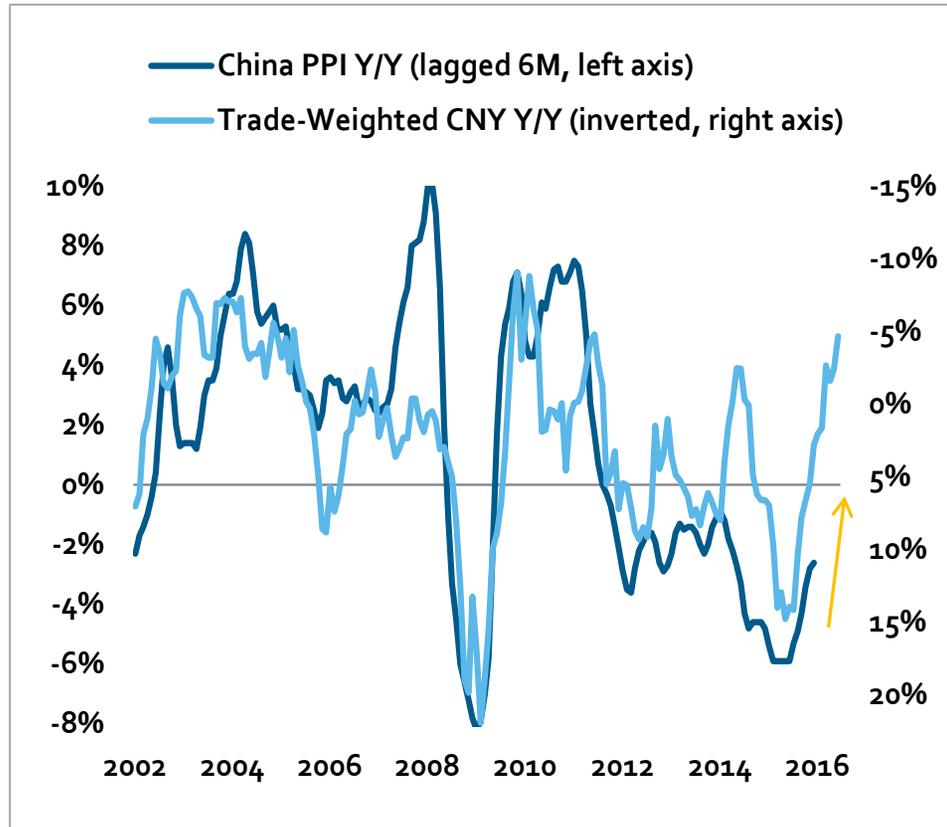
Source: Morgan Stanley Wealth Management GIC

Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

“Successful” Yuan Devaluation Is Critical Piece of the Puzzle

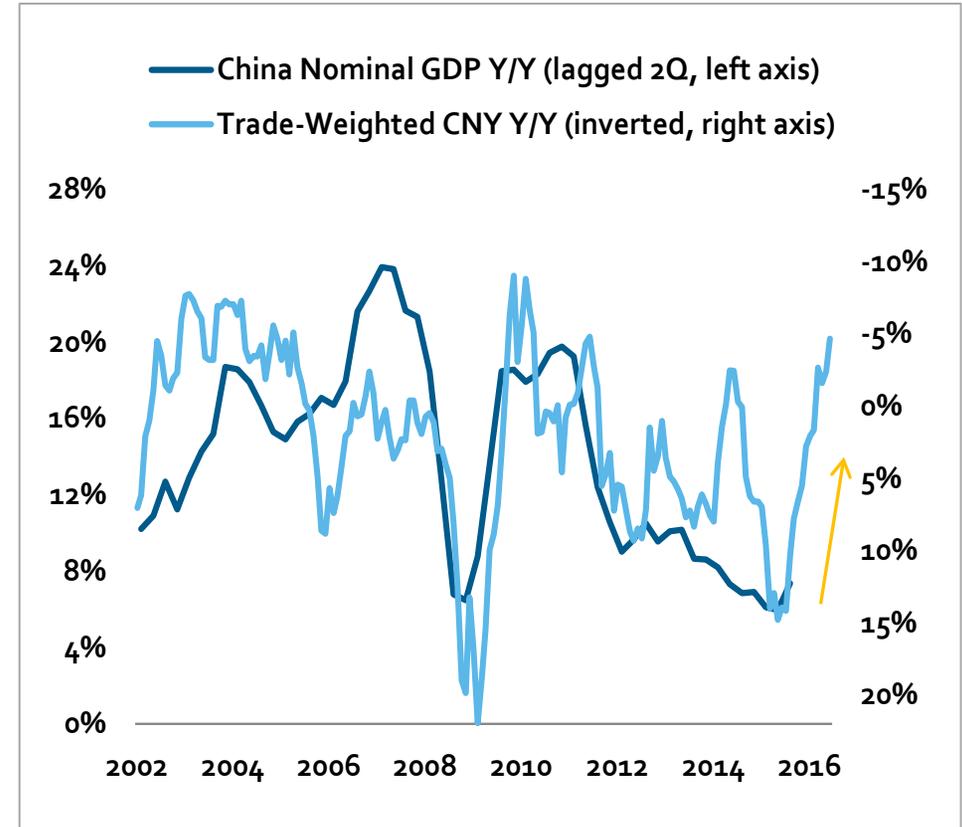
China Producer Price Index vs. Trade-Weighted CNY

As of June 30, 2016



China Nominal GDP Growth vs. Trade-Weighted CNY

As of June 30, 2016 for CNY (GDP as of 1Q 2016)

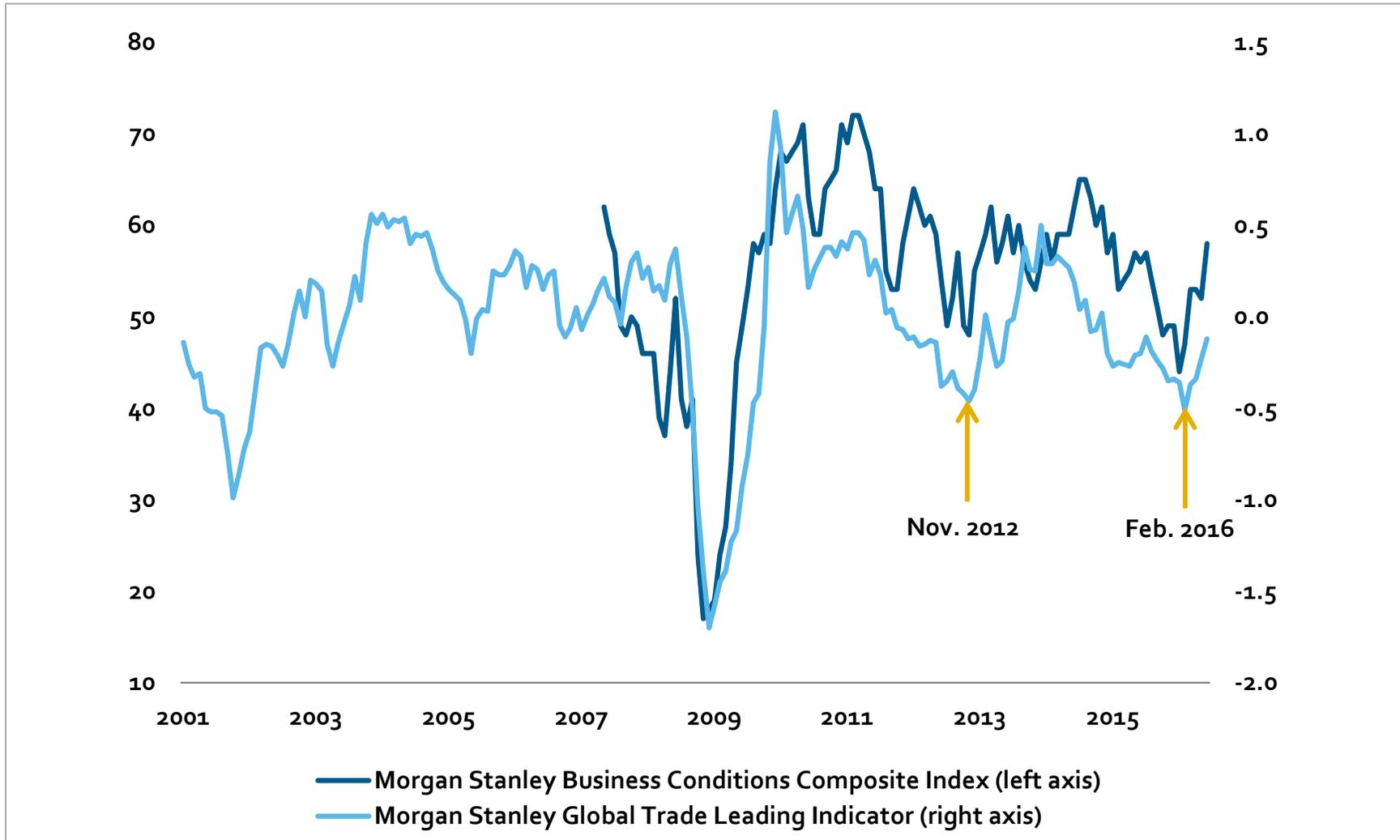


Source: Bloomberg, Haver Analytics, Morgan Stanley Wealth Management GIC
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Business Activity Appears Ready to Rebound

MS Global Trade Leading Indicator and MS Business Conditions Index

As of June 30, 2016

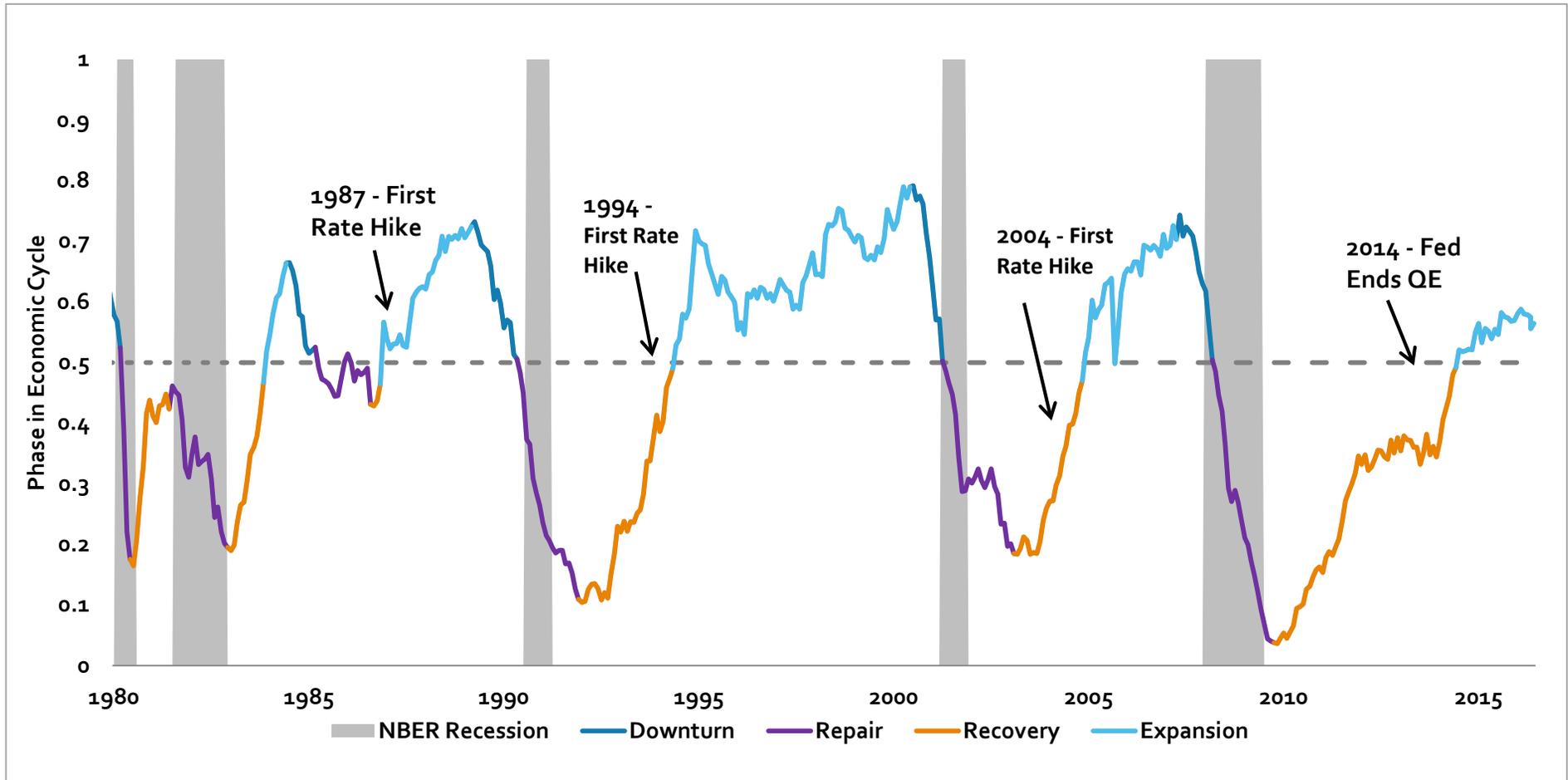


Source: Bloomberg, Morgan Stanley Wealth Management GIC
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Broad US Economy Still in Expansion Phase Despite “Recession”

Morgan Stanley Cycle Indicator for US Economy

As of June 30, 2016



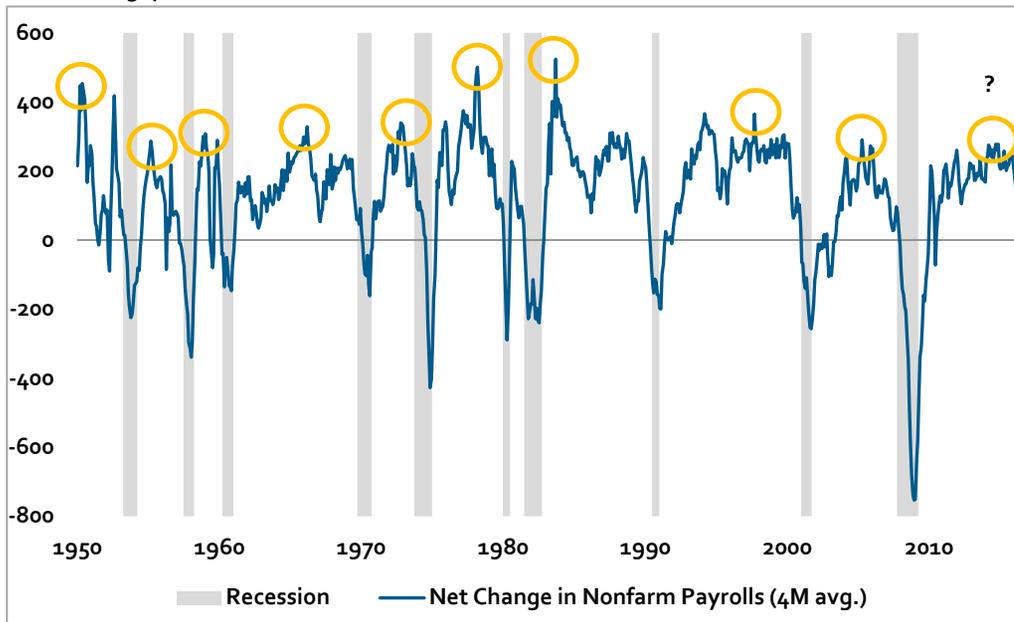
Source: Morgan Stanley & Co., Bloomberg, Haver Analytics, NBER. Grey bars indicate periods of recession. (1) The Morgan Stanley US Cycle Indicator measures the deviation from historical norms for macro factors including employment, credit conditions, corporate behavior and the yield curve. The repair phase occurs due to the time lag between when these factors are beginning to improve and when they turn positive.

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Labor Market Has Peaked 34 Months Before Recession on Average—We Have Now Entered the Latter Part of this Cycle

Change in US Nonfarm Payrolls¹

As of June 30, 2016



Duration of Cycle and S&P 500 Performance Post Peaks in NFP

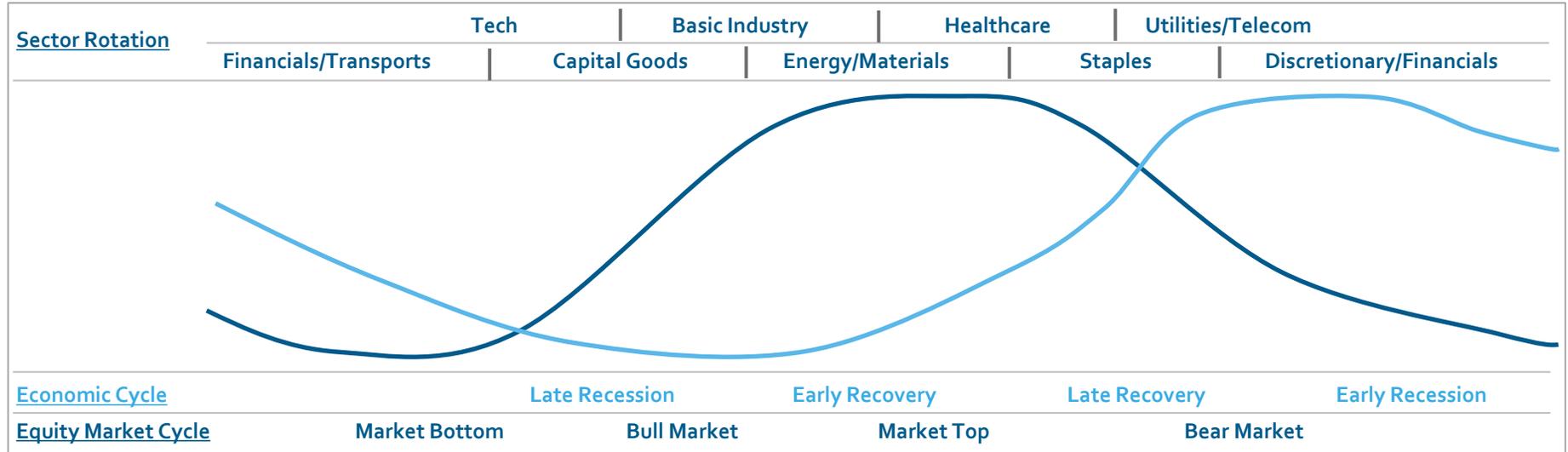
As of July 11, 2016

Peak in NFP	# Months from NFP Peak to Recession	S&P 500 Return +2 Yrs. From NFP Peak
Aug. 1950	38	35.88%
Jun. 1955	31	15.45%
Apr. 1959	17	13.41%
Jun. 1966	46	17.51%
Jan. 1973	14	-33.66%
Jun. 1978	24	19.59%
Nov. 1980	13	-1.41%
Dec. 1983	85	28.10%
Dec. 1997	43	51.40%
Jul. 2005	32	17.91%
Average	34	16.42%
Positive Hit Rate	N/A	80.0%
Feb. 2015 ²	?	1.51%

Source: Bloomberg, Morgan Stanley Wealth Management GIC. (1) Grey lines are recessions. (2) Performance for Feb 2015 period is through July 11, 2016. Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

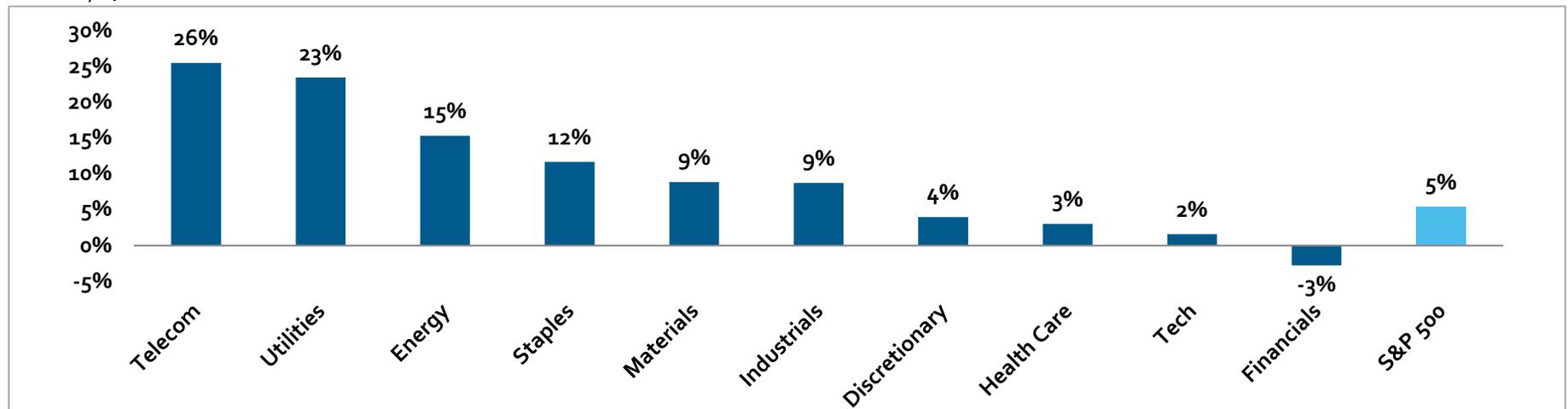
Equity Sector Leadership Screams “Late Cycle”

Economic Cycle vs. Equity Market Cycle



Year-to-Date S&P 500 Sector Total Return

As of July 8, 2016

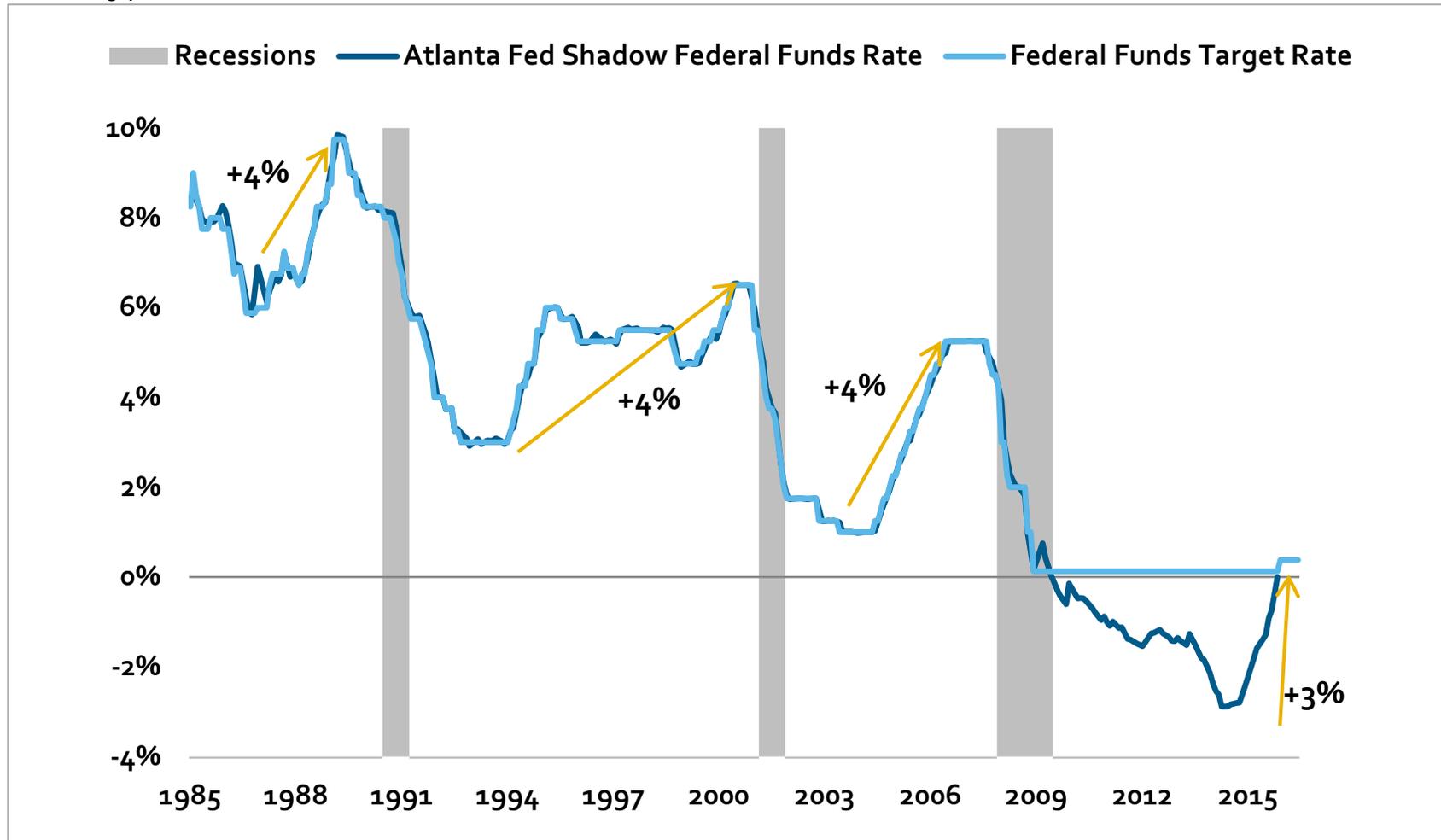


Source: FactSet, Morgan Stanley Wealth Management GIC
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The Fed May Be 75% Through this Tightening Cycle

Federal Funds Rate vs. The Atlanta Fed "Shadow" Fed Funds Rate

As of June 30, 2016

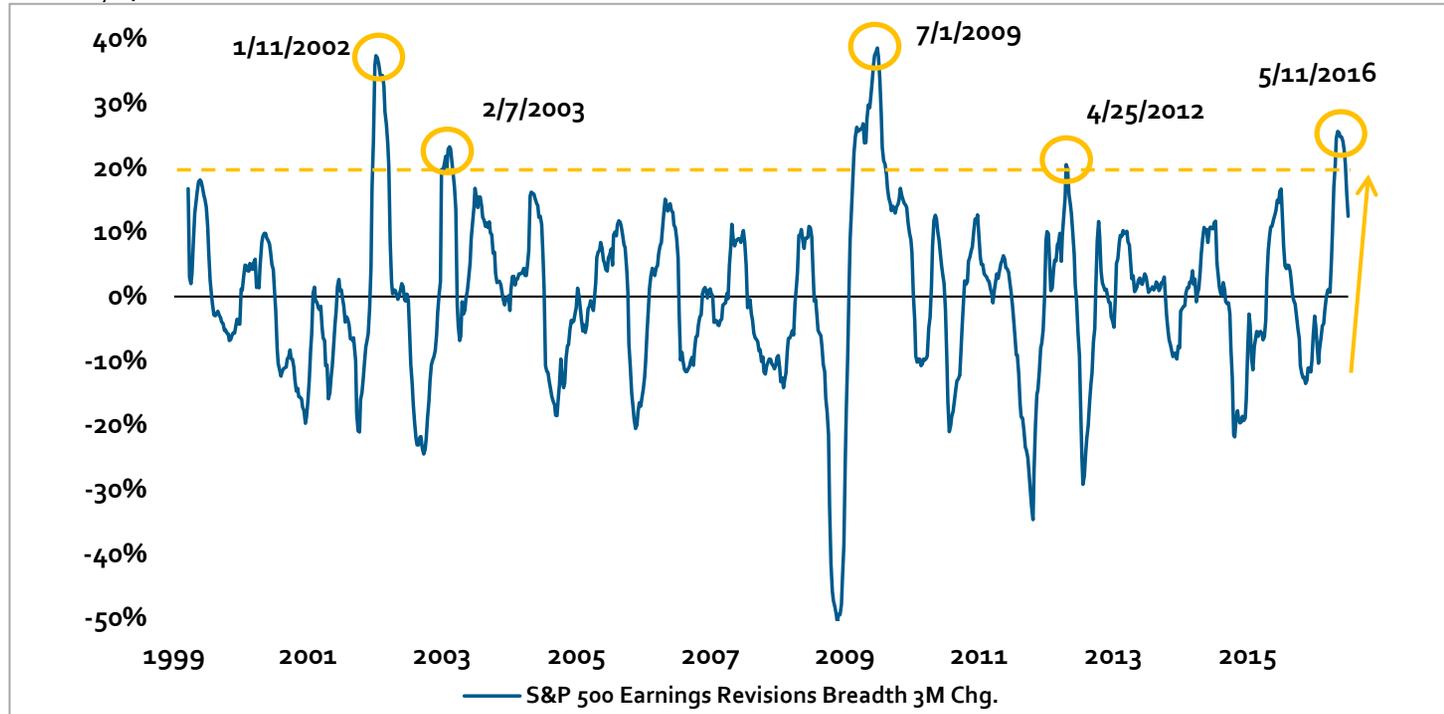


Source: Atlanta Fed, Bloomberg, Morgan Stanley Wealth Management GIC. Note: Shadow Fed Funds Rate estimates policy rate below 0%; it accounts for other monetary policy tools beyond rate cuts. Past performance is no guarantee of future results. Estimates of future performance are based on assumptions that may not be realized. This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. Please refer to important information, disclosures and qualifications at the end of this material. This slide sourced from Market Performance section.

S&P 500 1Q Earnings Revisions Breadth Is a Powerful Signal

S&P 500 Earnings Revisions Breadth Three-Month Rate of Change

As of July 8, 2016



S&P 500 Tot. Ret. Following 20%+ Readings of S&P 500 Earnings Revisions Breadth Three-Month Rate of Chg.

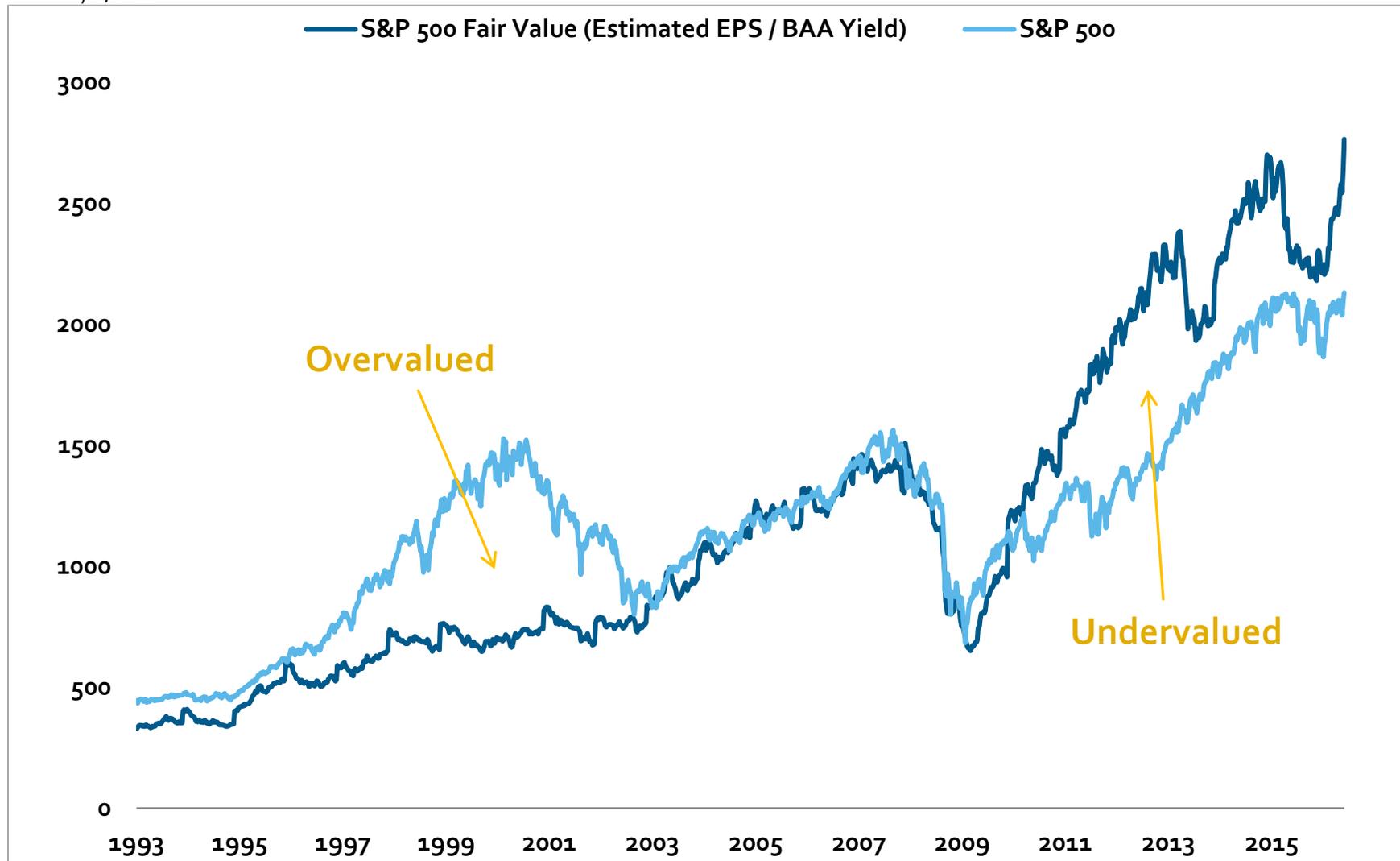
	<u>1M</u>	<u>3M</u>	<u>6M</u>	<u>1Y</u>	<u>2Y</u>
2001	-2.3%	-0.8%	-14.1%	-23.4%	-2.4%
2003	-7.3%	-0.4%	9.9%	28.7%	36.1%
2009	6.6%	16.7%	36.0%	47.5%	80.0%
2012	-5.0%	-3.3%	2.7%	16.6%	40.0%
Med.	-3.7%	-0.6%	6.3%	22.6%	38.0%
Pos. Hit Rt.	25.0%	25.0%	75.0%	75.0%	75.0%

Source: FactSet, Morgan Stanley Wealth Management GIC
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Earnings and Rates Support Meaningfully Higher S&P 500 Target

S&P 500 vs. S&P 500 "Fair Value"

As of July 8, 2016



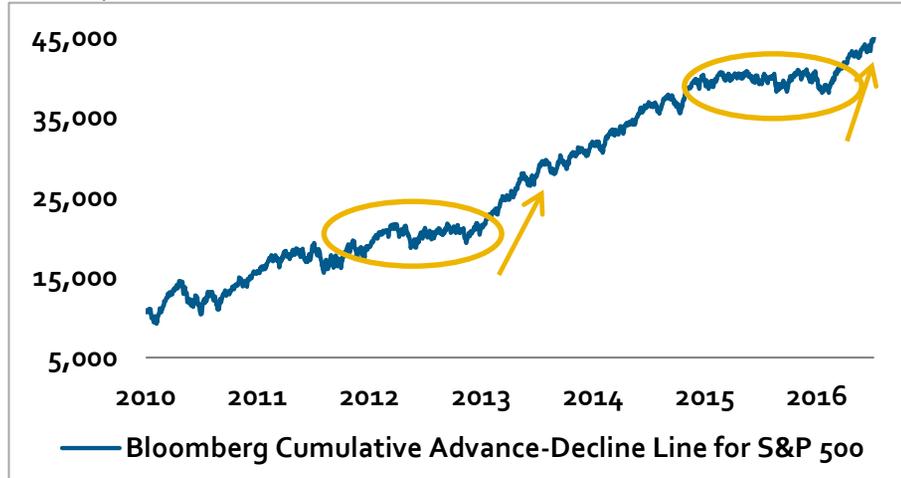
Source: Bloomberg, Morgan Stanley Wealth Management GIC

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Market "Internals" Look Very Strong and Suggest Higher Prices

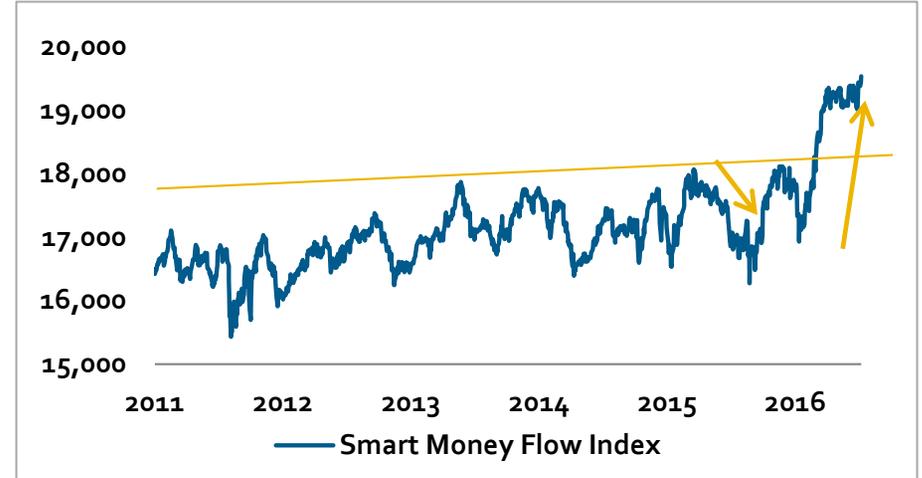
S&P 500 Cumulative Advance-Decline

As of July 8, 2016



Smart Money Flow Index

As of July 8, 2016



NYSE Percent of Members Above 200-Day Moving Avg.

As of July 8, 2016



Russell 2000 Value Percent of Members Above 200-Day Moving Avg.

As of July 8, 2016

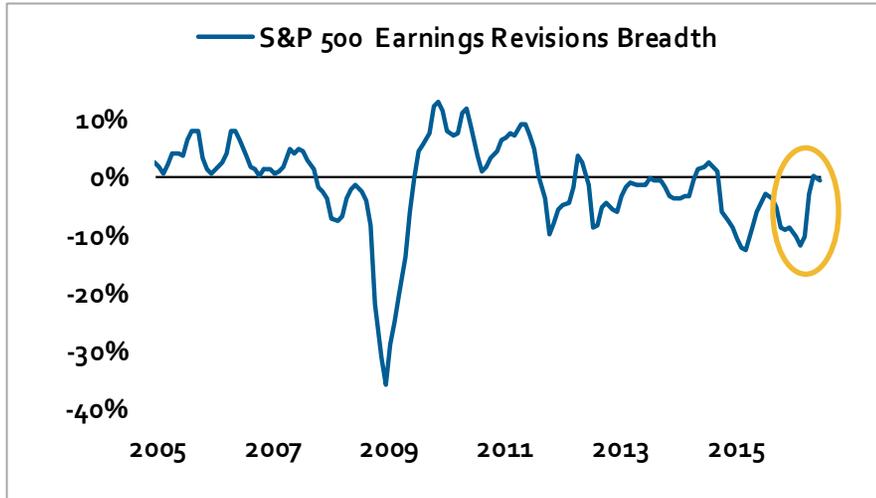


Source: Bloomberg, Morgan Stanley Wealth Management GIC
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Global Earnings Revisions Breadth Showing Stability

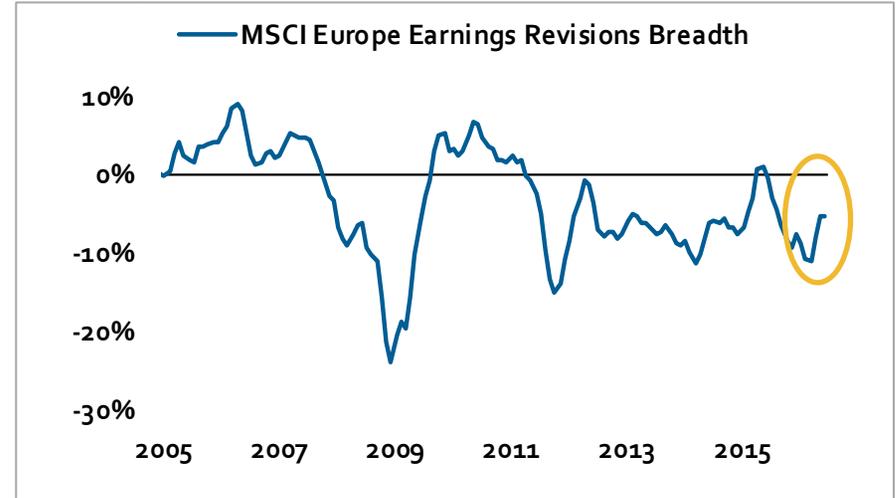
US Earnings Revisions Breadth

As of June 30, 2016



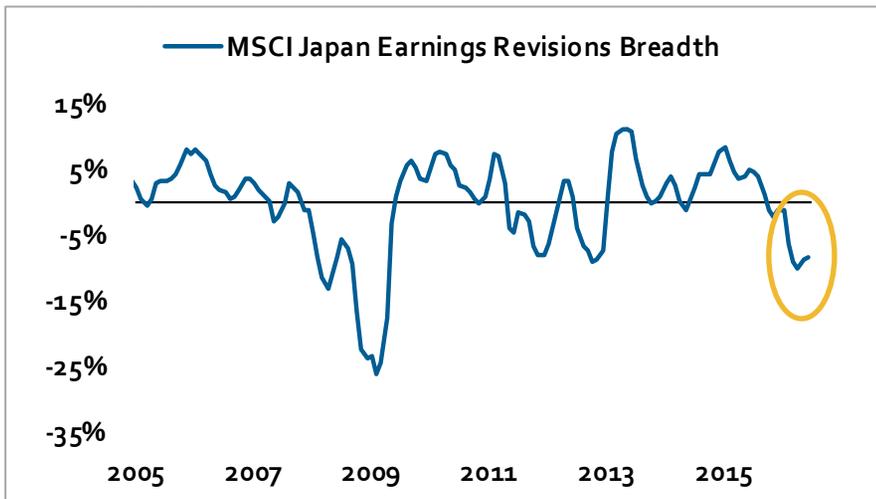
Europe Earnings Revisions Breadth

As of June 30, 2016



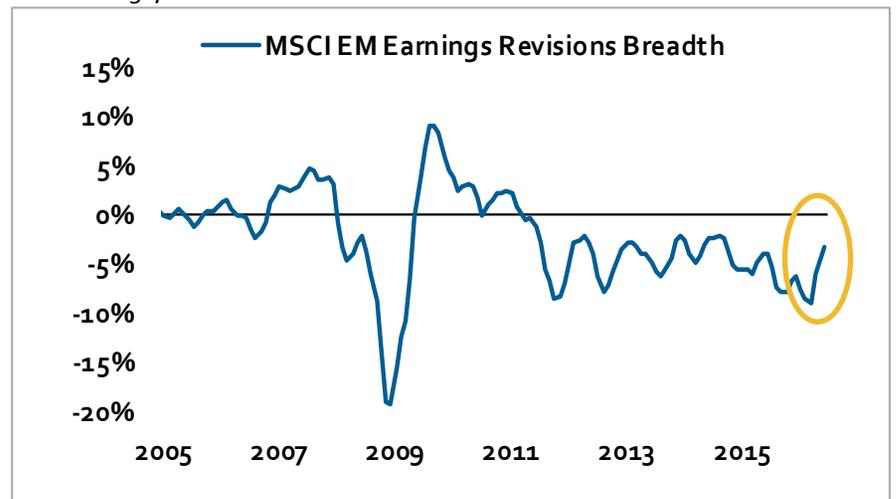
Japan Earnings Revisions Breadth

As of June 30, 2016



EM Earnings Revisions Breadth

As of June 30, 2016

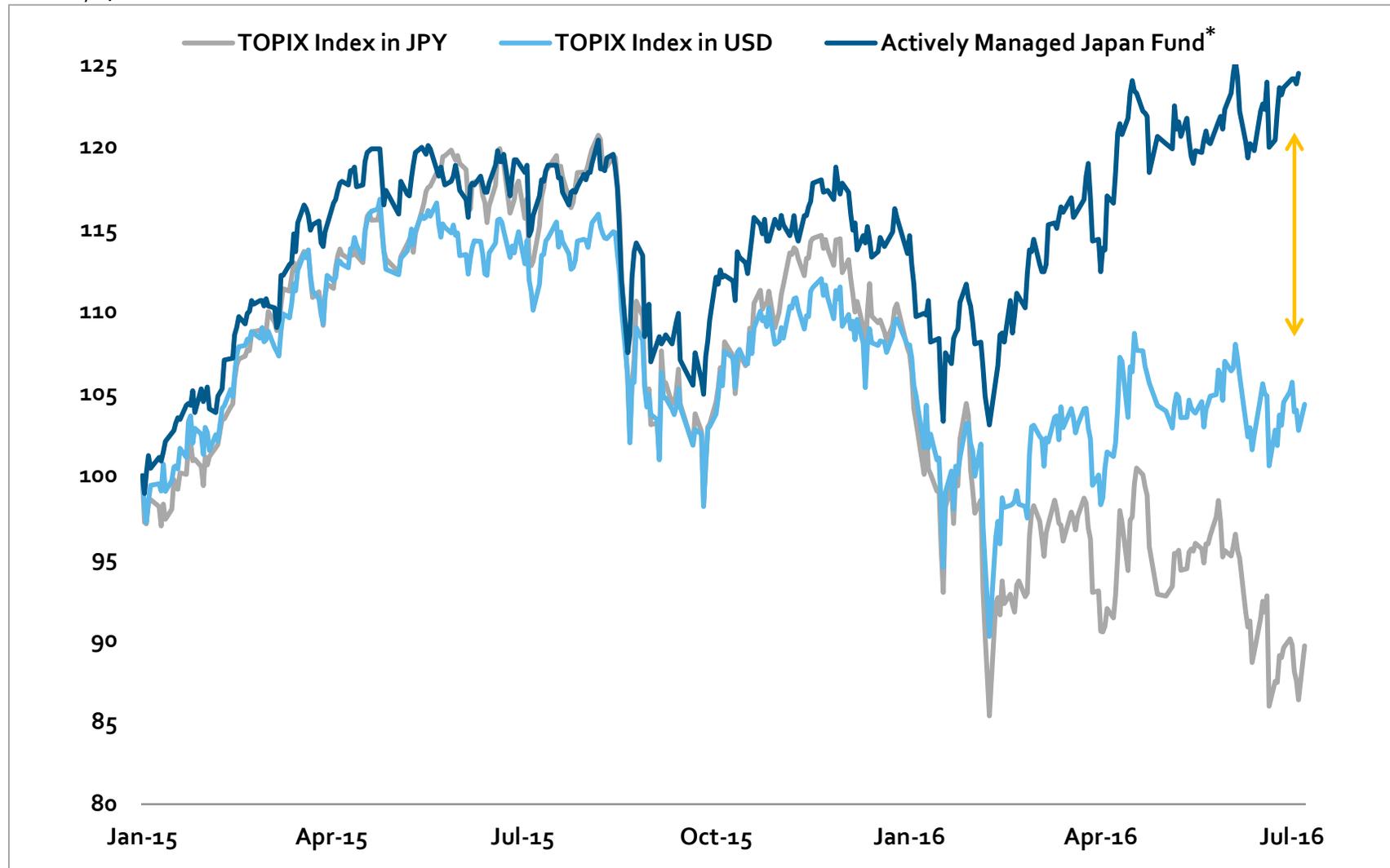


Source: FactSet, Morgan Stanley Wealth Management GIC
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Our "Active" Currency Unhedged Advice in Japan Is Working

Active vs. Passive in Japan

As of July 8, 2016



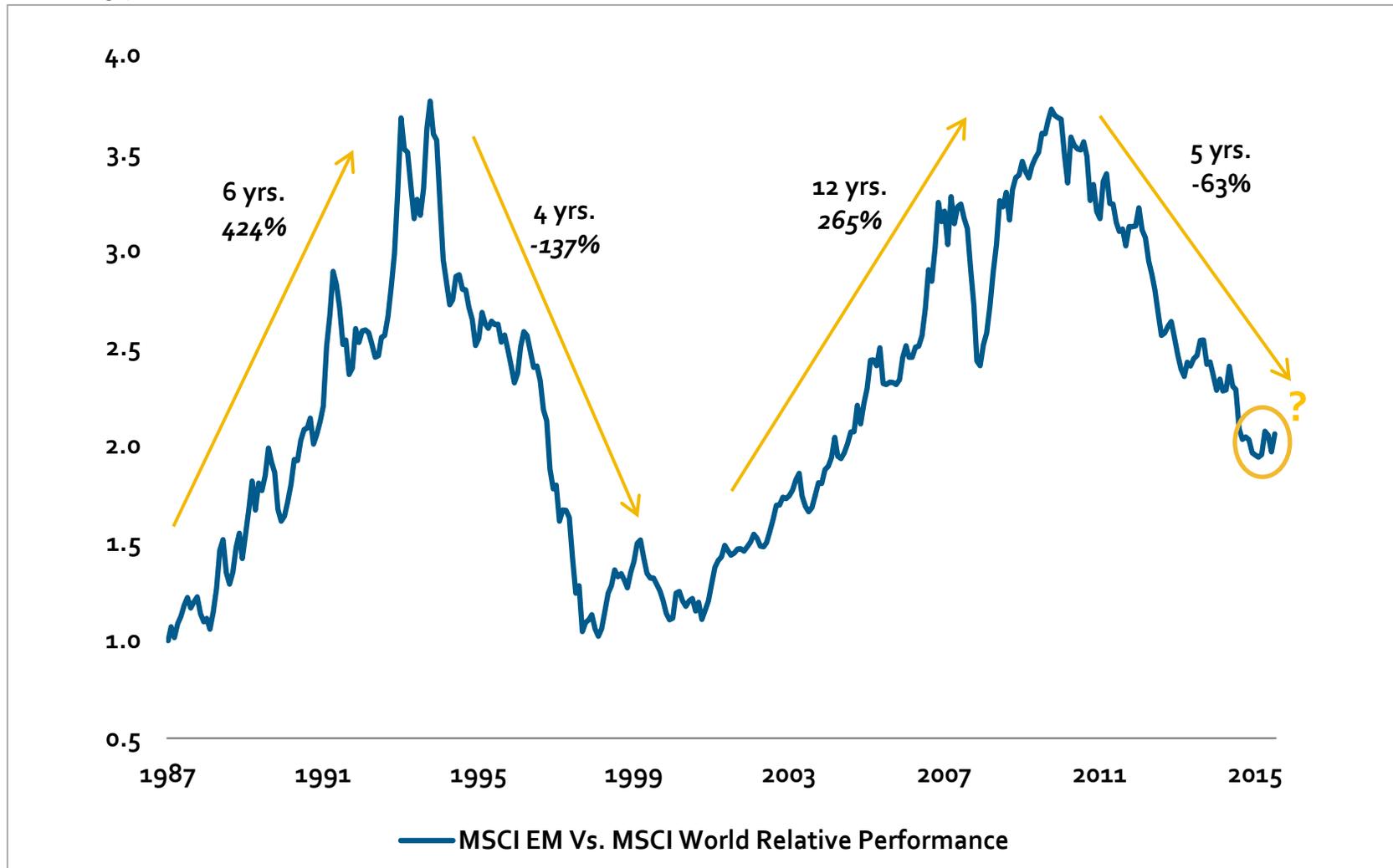
Source: Bloomberg, Morgan Stanley Wealth Management GIC. *For illustrative purposes only. The actively managed Japan fund represents a blend of two active managers that invest in common stocks of Japanese companies.

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EM Vs. DM Relative Performance Follows Multi-Year Cycles

MSCI EM vs. MSCI World Relative Performance

As of June 30, 2016



Source: Bloomberg, Morgan Stanley Wealth Management GIC
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EM Earnings Revisions Breadth Inflecting Higher

China Earnings Revisions Breadth

As of June 30, 2016



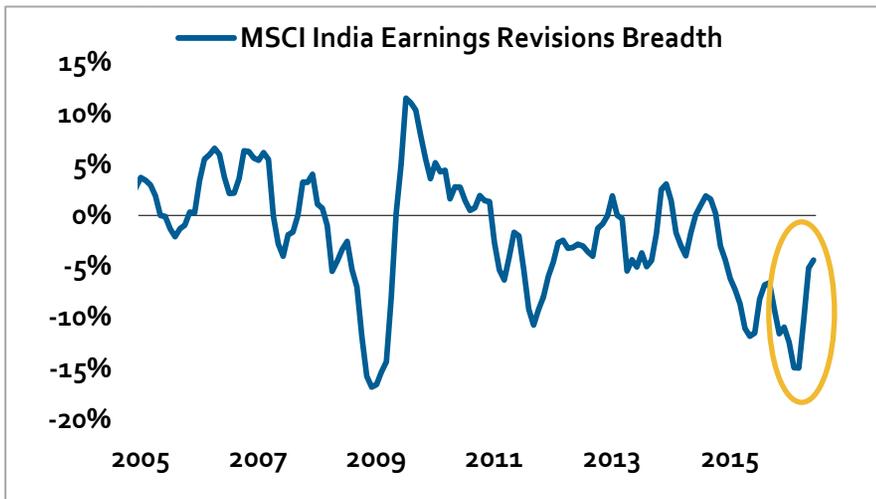
Korea Earnings Revisions Breadth

As of June 30, 2016



India Earnings Revisions Breadth

As of June 30, 2016



Brazil Earnings Revisions Breadth

As of June 30, 2016

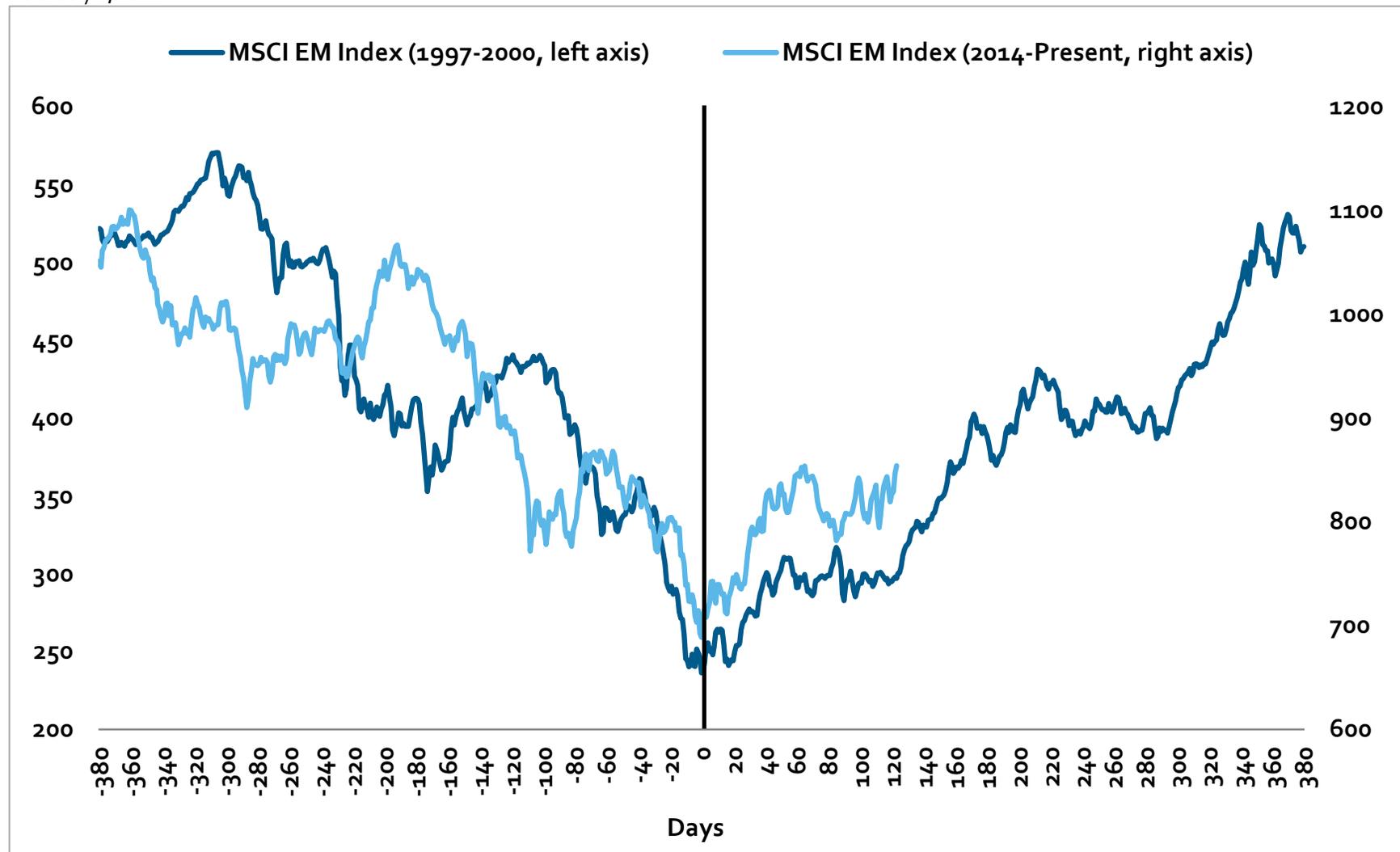


Source: FactSet, Morgan Stanley Wealth Management GIC
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The 1998 Analog for Emerging Markets Is Holding Up

MSCI Emerging Markets Index—Today vs. 1997-2000

As of July 8, 2016



Source: Bloomberg, Morgan Stanley Wealth Management GIC

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Bottom Line: Our Recommendations

As of July 12, 2016

- The old economy recession that started two years ago ended in February and markets are consolidating the initial rally. Watch for economic stability post “Brexit,” a sustainable bottom for oil, global corporate earnings acceleration, and increased worldwide fiscal policy support.
- We continue to recommend equities over fixed income given our constructive 12-month view that is based on avoidance of a US/global recession, strong central bank policy support around the world, lower risk of financial crisis than feared, and rising potential for fiscal stimulus. In addition to equities, we favor alternatives and illiquid strategies as a way to mitigate the higher volatility and lower returns we expect.
- We prefer a barbell of positioning within equity portfolios—consider value stocks, quality and reasonably priced growth stocks. We expect high momentum (high growth / high valuation) and ultra defensive / low volatility strategies to underperform as growth improves.
- We think Japan offers solid stock-picking opportunity. As a result, we prefer “active” strategies. For the passive portion of one’s Japan equity allocation, we once again recommend hedging the currency after recommending currency unhedged for 18 months. Prime Minister Abe will respond to recent economic weakness with aggressive fiscal stimulus and further structural reforms. Better corporate governance is the real story for investors.
- Significant stresses in EM have improved with weaker US dollar and stronger commodity prices. EM equities are outperforming this year; we believe this will continue. Europe is tied to EM via its exports and banking system, and has strong long-term valuation support. Near-term risks center on German / British politics and banking stability. Don’t fight the ECB—Draghi “gets it” and has acted accordingly.
- Within fixed income, we recommend US-only positioning with some exposure to high yield and TIPS as inflation expectations should recover further with weaker dollar, stabilizing oil prices and tighter labor.

Source: Morgan Stanley Wealth Management GIC

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Asset Allocation Models & Insurance Products Disclosures

GLOBAL INVESTMENT COMMITTEE (GIC) ASSET ALLOCATION MODELS

The Asset Allocation Models are created by Morgan Stanley Wealth Management's GIC.

CLIENTS TO CONSIDER THEIR OWN INVESTMENT NEEDS

The GIC Asset Allocation Models are formulated based on general client characteristics such as investable assets and risk tolerance. This report is not intended to be a client-specific suitability analysis or recommendation, or offer to participate in any investment. Therefore, do not use this report as the sole basis for investment decisions.

Clients should consider all relevant information, including their existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon. Such a suitability determination may lead to asset allocation(s) results that are materially different from the asset allocation shown in this report. Clients should talk to their Financial Advisor about what would be a suitable asset allocation for them.

HYPOTHETICAL MODEL PERFORMANCE (GROSS)

Hypothetical model performance results do not reflect the investment or performance of an actual portfolio following a GIC Strategy, but simply reflect actual historical performance of selected indices on a real-time basis over the specified period of time representing the GIC's strategic and tactical allocations as of the date of this report. The past performance shown here is simulated performance based on benchmark indices, not investment results from an actual portfolio or actual trading. There can be large differences between hypothetical and actual performance results achieved by a particular asset allocation or trading strategy. Hypothetical performance results do not represent actual trading and are generally designed with the benefit of hindsight.

Actual performance results of accounts vary due to, for example, market factors (such as liquidity) and client-specific factors (such as investment vehicle selection, timing of contributions and withdrawals, restrictions and rebalancing schedules). Clients would not necessarily have obtained the performance results shown here if they had invested in accordance with any GIC Asset Allocation Model for the periods indicated.

Despite the limitations of hypothetical performance, these hypothetical performance results allow clients and Financial Advisors to obtain a sense of the risk/return trade-off of different asset allocation constructs. The hypothetical performance results in this report are calculated using the returns of benchmark indices for the asset classes, and not the returns of securities, fund or other investment products.

Performance of indices may be more or less volatile than any investment product. The risk of loss in value of a specific investment is not the same as the risk of loss in a broad market index. Therefore, the historical returns of an index will not be the same as the historical returns of a particular investment a client selects.

Models may contain allocations to Hedge Funds, Private Equity and Private Real Estate. The benchmark indices for these asset classes are not issued on a daily basis. When calculating model performance on a day for which no benchmark index data is issued, we have assumed straight line growth between the index levels issued before and after that date.

Fees reduce the performance of actual accounts None of the fees or other expenses (e.g. commissions, mark-ups, mark-downs, fees) associated with actual trading or accounts are reflected in the GIC Asset Allocation Models. The GIC Asset Allocation Models and any model performance included in this presentation are intended as educational materials. Were a client to use these models in connection with investing, any investment decisions made would be subject to transaction and other costs which, when compounded over a period of years, would decrease returns. Information regarding Morgan Stanley's standard advisory fees is available in the Form ADV Part 2, which is available at www.morganstanley.com/adv. The following hypothetical illustrates the compound effect fees have on investment returns: For example, if a portfolio's annual rate of return is 15% for 5 years and the account pays 50 basis points in fees per annum, the gross cumulative five-year return would be 101.1% and the five-year return net of fees would be 96.8%. Fees and/or expenses would apply to clients who invest in investments in an account based on these asset allocations, and would reduce clients' returns. The impact of fees and/or expenses can be material.

INSURANCE PRODUCTS AND ETF DISCLOSURES

Morgan Stanley Smith Barney LLC offers **insurance products** in conjunction with its licensed insurance agency affiliates.

An investment in an **exchange-traded fund** involves risks similar to those of investing in a broadly based portfolio of equity securities traded on an exchange in the relevant securities market, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in stock and bond prices.

Variable annuities, mutual funds and ETFs are sold by prospectus only. The prospectus contains the investment objectives, risks, fees, charges and expenses, and other information regarding the variable annuity contract and the underlying investments, or the ETF, which should be considered carefully before investing. Prospectuses for both the variable annuity contract and the underlying investments, or the ETF, are available from your Financial Advisor. Please read the prospectus carefully before you invest.

Variable annuities are long-term investments designed for retirement purposes and may be subject to market fluctuations, investment risk, and possible loss of principal. All guarantees, including optional benefits, are based on the financial strength and claims-paying ability of the issuing insurance company and do not apply to the underlying investment options.

Optional riders may not be able to be purchased in combination and are available at an additional cost. Some optional riders must be elected at time of purchase. Optional riders may be subject to specific limitations, restrictions, holding periods, costs, and expenses as specified by the insurance company in the annuity contract.

If you are investing in a **variable annuity** through a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity because of its other features, such as lifetime income payments and death benefits protection.

Taxable distributions (and certain deemed distributions) are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal income tax penalty. Early withdrawals will reduce the death benefit and cash surrender value.

Asset Class Risk Considerations

For index definitions to the indices referenced in this report please visit the following: <http://www.morganstanleyfa.com/public/projectfiles/id.pdf>

Equity securities may fluctuate in response to news on companies, industries, market conditions and general economic environment.

Investing in foreign markets entails risks not typically associated with domestic markets, such as currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, and the potential for political instability. These risks may be magnified in countries with **emerging markets and frontier markets**, since these countries may have relatively unstable governments and less established markets and economies.

Investing in small- to medium-sized companies entails special risks, such as limited product lines, markets and financial resources, and greater volatility than securities of larger, more established companies.

The value of **fixed income securities** will fluctuate and, upon a sale, may be worth more or less than their original cost or maturity value. Bonds are subject to interest rate risk, call risk, reinvestment risk, liquidity risk, and credit risk of the issuer.

High yield bonds (bonds rated below investment grade) may have speculative characteristics and present significant risks beyond those of other securities, including greater credit risk, price volatility, and limited liquidity in the secondary market. High yield bonds should comprise only a limited portion of a balanced portfolio.

Interest on **municipal bonds** is generally exempt from federal income tax; however, some bonds may be subject to the alternative minimum tax (AMT). Typically, state tax-exemption applies if securities are issued within one's state of residence and, if applicable, local tax-exemption applies if securities are issued within one's city of residence.

Treasury Inflation Protection Securities' (TIPS) coupon payments and underlying principal are automatically increased to compensate for inflation by tracking the consumer price index (CPI). While the real rate of return is guaranteed, TIPS tend to offer a low return. Because the return of TIPS is linked to inflation, TIPS may significantly underperform versus conventional U.S. Treasuries in times of low inflation.

Ultrashort-term fixed income asset class is comprised of fixed income securities with high quality, very short maturities. They are therefore subject to the risks associated with debt securities such as credit and interest rate risk.

Alternative investments may be either traditional alternative investment vehicles, such as hedge funds, fund of hedge funds, private equity, private real estate and managed futures or, non-traditional products such as mutual funds and exchange-traded funds that also seek alternative-like exposure but have significant differences from traditional alternative investments. The risks of traditional alternative investments may include: can be highly illiquid, speculative and not suitable for all investors, loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices, volatility of returns, restrictions on transferring interests in a fund, potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized, absence of information regarding valuations and pricing, complex tax structures and delays in tax reporting, less regulation and higher fees than open-end mutual funds, and risks associated with the operations, personnel and processes of the manager. Non-traditional alternative strategy products may employ various investment strategies and techniques for both hedging and more speculative purposes such as short-selling, leverage, derivatives and options, which can increase volatility and the risk of investment loss. **Master Limited Partnerships (MLPs)** Individual MLPs are publicly traded partnerships that have unique risks related to their structure. These include, but are not limited to, their reliance on the capital markets to fund growth, adverse ruling on the current tax treatment of distributions (typically mostly tax deferred), and commodity volume risk. The potential tax benefits from investing in MLPs depend on their being treated as partnerships for federal income tax purposes and, if the MLP is deemed to be a corporation, then its income would be subject to federal taxation at the entity level, reducing the amount of cash available for distribution to the fund which could result in a reduction of the fund's value. MLPs carry interest rate risk and may underperform in a rising interest rate environment. **Investing in commodities** entails significant risks. Commodity prices may be affected by a variety of factors at any time, including but not limited to, (i) changes in supply and demand relationships, (ii) governmental programs and policies, (iii) national and international political and economic events, war and terrorist events, (iv) changes in interest and exchange rates, (v) trading activities in commodities and related contracts, (vi) pestilence, technological change and weather, and (vii) the price volatility of a commodity. In addition, the commodities markets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, participation of speculators and government intervention. **Physical precious metals** are non-regulated products. Precious metals are speculative investments, which may experience short-term and long term price volatility. The value of precious metals investments may fluctuate and may appreciate or decline, depending on market conditions. Unlike bonds and stocks, precious metals do not make interest or dividend payments. Therefore, precious metals may not be suitable for investors who require current income. Precious metals are commodities that should be safely stored, which may impose additional costs on the investor. **REITs** investing risks are similar to those associated with direct investments in real estate: property value fluctuations, lack of liquidity, limited diversification and sensitivity to economic factors such as interest rate changes and market recessions.

Before engaging in the purchase or sale of **options**, potential clients should understand the nature of and extent of their rights and obligations and be aware of the risks involved, including, without limitation, the risks pertaining to the business and financial condition of the issuer of the underlying security or instrument. Options investing, like other forms of investing, involves tax considerations, transaction costs and margin requirements that can significantly affect the profit and loss of buying and writing options. The transaction costs of options investing consist primarily of commissions (which are imposed in opening, closing, exercise and assignment transactions), but may also include margin and interest costs in particular transactions. Transaction costs are especially significant in options strategies calling for multiple purchases and sales of options, such as multiple leg strategies, including spreads, straddles and collars. If you are considering options as part of your investment plan, your Morgan Stanley Financial Advisor or Private Wealth Advisor is required to provide you with the "Characteristics and Risks of Standardized Options" booklet from the Options Clearing Corporation. Clients should not enter into options transactions until they have read and understood the Disclosure Document, as options are not suitable for everyone, and discuss transaction costs with their Financial Advisor or Investment Representative. Please ask your Financial Advisor, Private Wealth Advisor for a copy of the Characteristics and Risks of Standardized Options booklet. A copy of the ODD is also available online at: <http://theocc.com/publications/risks/riskchap1.jsp>.

Risks of **private real estate** include: illiquidity; a long-term investment horizon with a limited or nonexistent secondary market; lack of transparency; volatility (risk of loss); and leverage.

Principal is returned on a monthly basis over the life of a **mortgage-backed security**. Principal prepayment can significantly affect the monthly income stream and the maturity of any type of MBS, including standard MBS, CMOs and Lottery Bonds.

Asset Class Risk Considerations (cont'd)

Asset-backed securities generally decrease in value as a result of interest rate increases, but may benefit less than other fixed-income securities from declining interest rates, principally because of prepayments.

Floating-rate securities The initial interest rate on a floating-rate security may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating security's underlying reference rate. The reference rate could be an index or an interest rate. However, there can be no assurance that the reference rate will increase. Some floating-rate securities may be subject to call risk.

Yields are subject to change with economic conditions. Yield is only one factor that should be considered when making an investment decision.

Credit ratings are subject to change.

Companies paying **dividends** can reduce or cut payouts at any time.

Asset allocation and diversification do not assure a profit or protect against loss in declining financial markets.

Nondiversification: For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. Portfolios that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors.

The **indices** are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only and do not represent the performance of any specific investment.

The **indices selected by Morgan Stanley Wealth Management** to measure performance are representative of broad asset classes. Morgan Stanley Wealth Management retains the right to change representative indices at any time.

Because of their narrow focus, **sector investments** tend to be more volatile than investments that diversify across many sectors and companies.

Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations.

Value investing does not guarantee a profit or eliminate risk. Not all companies whose stocks are considered to be value stocks are able to turn their business around or successfully employ corrective strategies which would result in stock prices that do not rise as initially expected.

Rebalancing does not protect against a loss in declining financial markets. There may be a potential tax implication with a rebalancing strategy. Investors should consult with their tax advisor before implementing such a strategy.

Any type of **continuous or periodic investment plan** does not assure a profit and does not protect against loss in declining markets. Since such a plan involves continuous investment in securities regardless of fluctuating price levels of such securities, the investor should consider his financial ability to continue his purchases through periods of low price levels.

Duration, the most commonly used measure of bond risk, quantifies the effect of changes in interest rates on the price of a bond or bond portfolio. The longer the duration, the more sensitive the bond or portfolio would be to changes in interest rates.

Besides the general risk of holding securities that may decline in value, **closed-end funds** may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance, and potential leverage. Some funds also invest in foreign securities, which may involve currency risk.

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To: Clayton County Public Employees Retirement System
From: Morgan Stanley
Date: August 11, 2016
Subject: Second Quarter 2016 Plan Review

Capital Markets Overview Q216:

During the second quarter of 2016, global stocks and bonds generated modestly positive returns despite increased market turbulence. The historic decision by British voters to exit the European Union shocked global capital markets in June. While equity and currency markets were expected to bear the brunt of the surprise outcome, both have taken the decision in stride thus far, trading above the levels reached in the week leading up to the vote. For the quarter, Master Limited Partnerships and Diversified Commodities were the top-performing asset classes, while Japanese and European equities registered the weakest returns. For the one-year period ended June 30, 2016, Global REITs and Investment Grade bonds generated the strongest returns.

The Dow Jones Industrial Average increased 2.1% in the second quarter. The NASDAQ Composite Index was down 0.2% for the quarter. The S&P 500 Index increased 2.5% for the quarter.

Eight of the 10 sectors within the S&P 500 generated positive returns in the second quarter of 2016. The top-performing sector was Energy, which was up 11.6%. Telecom rose 7.1% and was also among the top-performing sectors. The biggest laggards were Technology, which decreased 2.8%, and Consumer Discretionary, which fell 0.9%.

The bond market registered positive returns during the second quarter. The Barclays U.S. Aggregate Bond Index, a general measure of the bond market, increased 2.2% for the quarter.

Morgan Stanley & Co. economists expect U.S. real GDP will be 1.7% in 2016 and 1.6% in 2017. They forecast global GDP growth to be 3.0% in 2016 and 3.4% in 2017.

Commodities registered strong returns in the second quarter; the Bloomberg Commodity Index increased 12.8%. For the quarter, gold posted a total return of 6.7%.

For the second quarter of 2016, global mergers and acquisitions (M&A) deal volume was \$835 billion, compared to \$1 trillion for the second quarter of 2015. Global M&A activity increased to \$4.3 trillion in 2015 from \$3.3 trillion in 2014.

Clayton County Defined Benefit Plan 2nd Quarter 2016 Review:

The Clayton County portfolio produced a gain of 2.05% during the 2nd quarter, which was slightly below the custom benchmarks gain of 2.49%. The custom benchmark is composed of 10% Russell 1000 Growth Index, 7% Russell 1000 Index, 13% Russell 1000 Value Index, 4% Russell Midcap Growth Index, 6% Russell Midcap Value Index, 5% Russell 2000 Growth Index, 5% Russell 2000 Value Index, 7% MSCI EAFE Index, 3% MSCI Emerging Markets Index, 1% Citigroup 3-month T-bill Index, 32% Barclay's US Aggregate Index, and 7% Citigroup World Government Bond Index.

Table 1 shows the composition of the portfolio, reflecting the plan's allocation of 32.83% fixed income and cash equivalents, 57.19% domestic equities and 9.98% international equities. All asset categories posted gains during the 2nd quarter.

On a 1 year trailing basis through June 30, 2016, the plan underperformed its benchmark, decreasing -0.95% versus the benchmark's increase of 2.23%. However, from a longer-term perspective, over the 5 year trailing period the plan is still outperforming the benchmark, posting a 7.52% annualized return versus the benchmark's return of 7.09%.

Table 1
Defined Benefit Plan Composition

Investment Category	As of June 30th, 2016		% of Portfolio	Defined Benefit Plan Performance				Benchmarks			
	\$ Value			2nd Q	1 yr	3 yrs	5 yrs	2nd Q	1 yr	3 yrs	5 yrs
Money Market	\$	4,328,369.01	1.16%	0.11%	0.25%	0.09%	0.07%	0.06%	0.14%	0.07%	0.06%
Fixed Income	\$	118,260,852.21	31.67%	1.87%	3.00%	3.72%	4.41%	2.35%	6.58%	3.81%	3.36%
<i>Large Cap</i>	\$	130,117,054.57	34.84%	2.10%	0.23%	10.23%	11.36%	2.78%	2.93%	11.31%	11.81%
<i>Mid Cap</i>	\$	43,409,781.84	11.62%	2.32%	-3.38%	9.25%	10.56%	3.60%	1.28%	10.82%	11.07%
<i>Small Cap</i>	\$	40,047,309.13	10.72%	4.13%	-8.07%	6.53%	8.81%	3.78%	-6.66%	7.05%	8.33%
Domestic Equities Total	\$	213,574,145.54	57.19%	2.53%	-2.06%	9.33%	10.72%	3.13%	0.80%	10.41%	11.01%
International/Global	\$	37,275,624.07	9.98%	0.75%	-2.36%	4.12%	5.33%	-0.79%	-12.60%	-0.52%	-1.66%
Total	\$	373,438,990.83	100.00%	2.05%	-0.95%	5.89%	7.52%				
Clayton County Custom Benchmark				2.49%	2.23%	7.04%	7.09%				

Table 2 shows the fund holdings in the Clayton County Portfolio. The largest holdings were the John Hancock Bond R6 Fund followed by the Metropolitan West Total Return Bond Plan Fund and the JPMorgan Mid Cap Value fund.

Table 2
Clayton County Defined Benefit Plan Fund Holdings

Investment Category	As of June 30th, 2016		Clayton County DB Portfolio				Benchmark Performance				Benchmark
	\$ Value	% of Portfolio	2nd Q	1 yr	3 yrs	5 yrs	2nd Q	1 yr	3 yrs	5 yrs	
JHancock Bond R6	\$ 46,311,245.55	12.40%	2.83%	4.80%	4.83%	5.32%	2.21%	6.00%	4.06%	3.76%	Barclays Capital U.S. Aggregate
Metropolitan West Total Return Bond Plan	\$ 45,564,349.56	12.20%	1.99%	4.76%	4.20%	4.94%	2.21%	6.00%	4.06%	3.76%	Barclays Capital U.S. Aggregate
JPMorgan Mid Cap Value Instl	\$ 27,524,658.48	7.37%	2.52%	2.35%	11.11%	12.69%	4.77%	3.25%	11.00%	11.70%	Russell Midcap Value
Templeton Global Bond R6	\$ 23,811,495.73	6.38%	-0.33%	-4.11%	0.53%	1.58%	2.89%	8.87%	2.80%	1.77%	Barclays Global Aggregate
Fidelity Focused Stock	\$ 21,902,709.02	5.87%	2.18%	-1.46%	9.94%	9.83%	0.61%	3.02%	13.07%	12.35%	Russell 1000 Growth
Delaware US Growth Instl	\$ 21,135,534.82	5.66%	-1.34%	-6.84%	10.08%	11.28%	0.61%	3.02%	13.07%	12.35%	Russell 1000 Growth
Paradigm Large Val	\$ 20,796,489.33	5.57%	4.59%	4.60%	11.78%	12.85%	4.58%	2.86%	9.87%	11.35%	Russell 1000 Value
JPMorgan Small Cap Value R6	\$ 20,042,285.54	5.37%	3.26%	-2.07%	6.55%	9.25%	4.31%	-2.58%	6.36%	8.15%	Russell 2000 Value
Franklin Small Cap Growth R6	\$ 20,005,023.59	5.36%	5.01%	-14.08%	6.50%	8.36%	3.24%	-10.75%	7.74%	8.51%	Russell 2000 Growth
Glenmede Large Cap Core	\$ 19,479,768.24	5.22%	0.86%	1.00%	12.98%	12.72%	2.54%	2.93%	11.48%	11.88%	Russell 1000
DRZ Large Cap Value	\$ 18,432,461.79	4.94%	6.27%	1.37%	7.27%	9.65%	4.58%	2.86%	9.87%	11.35%	Russell 1000 Value
MFS International Value R5	\$ 17,207,820.09	4.61%	2.16%	5.72%	8.93%	9.24%	-1.76%	-14.26%	-0.84%	-1.36%	MSCI ACWI ex USA VALUE (Net)
TCW Relative Value Dividend Appreciation I	\$ 16,762,272.77	4.49%	1.41%	0.36%	7.70%	10.45%	4.58%	2.86%	9.87%	11.35%	Russell 1000 Value
HSBC Opportunity I	\$ 15,885,123.36	4.25%	1.96%	-13.32%	6.03%	6.87%	1.56%	-2.14%	10.52%	9.98%	Russell Midcap Growth
Atlanta Capital Large Cap Core	\$ 11,607,818.60	3.11%	0.21%	5.20%	11.96%	13.49%	2.54%	2.93%	11.48%	11.88%	Russell 1000
Virtus Emerging Markets Opportunities I	\$ 10,410,422.28	2.79%	6.33%	-0.99%	1.13%	1.67%	0.66%	-12.06%	-1.56%	-3.78%	MSCI EM (EMERGING MARKETS) (Net)
Oakmark International	\$ 9,657,381.70	2.59%	-7.77%	-18.25%	-1.23%	2.29%	-0.64%	-10.24%	1.16%	0.10%	MSCI ACWI ex USA (Net)
Vanguard Prime Money Market Inv	\$ 4,328,369.01	1.16%	0.11%	0.25%	0.09%	0.07%	0.06%	0.14%	0.07%	0.06%	Citigroup 3-month T-bill
JPMorgan Core Plus Bond R6	\$ 2,573,761.37	0.69%	2.81%	5.44%	4.67%	4.67%	2.21%	6.00%	4.06%	3.76%	Barclays Capital U.S. Aggregate

Table 3 shows the performance of the individual funds / managers relative to their benchmarks. The funds are ranked by the highest outperformers to the lowest based on their performance during the latest quarter. For the quarter, eight funds outperformed their benchmark, nine underperformed, and two performed in-line with their benchmark.

Table 3
Performance vs. Benchmark

<i>As of June 30th, 2016</i>	<i>% of</i>	<i>Relative Performance vs. Benchmarks</i>				
		<i>Investment Category</i>	<i>\$ Value</i>	<i>Portfolio</i>	<i>2nd Q</i>	<i>1 yr</i>
Virtus Emerging Markets Opportunities I	\$ 10,410,422.28	2.79%	5.67%	11.07%	2.69%	5.45%
MFS International Value R5	\$ 17,207,820.09	4.61%	3.92%	19.98%	9.77%	10.60%
Franklin Small Cap Growth R6	\$ 20,005,023.59	5.36%	1.77%	-3.33%	-1.24%	-0.15%
DRZ Large Cap Value	\$ 18,432,461.79	4.94%	1.69%	-1.49%	-2.60%	-1.70%
Fidelity Focused Stock	\$ 21,902,709.02	5.87%	1.57%	-4.48%	-3.13%	-2.52%
JHancock Bond R6	\$ 46,311,245.55	12.40%	0.62%	-1.20%	0.77%	1.56%
JPMorgan Core Plus Bond R6	\$ 2,573,761.37	0.69%	0.60%	-0.56%	0.61%	0.91%
HSBC Opportunity I	\$ 15,885,123.36	4.25%	0.40%	-11.18%	-4.49%	-3.11%
Vanguard Prime Money Market Inv	\$ 4,328,369.01	1.16%	0.05%	0.11%	0.02%	0.01%
Paradigm Large Val	\$ 20,796,489.33	5.57%	0.01%	1.74%	1.91%	1.50%
Metropolitan West Total Return Bond Plan	\$ 45,564,349.56	12.20%	-0.22%	-1.24%	0.14%	1.18%
JPMorgan Small Cap Value R6	\$ 20,042,285.54	5.37%	-1.05%	0.51%	0.19%	1.10%
Glenmede Large Cap Core	\$ 19,479,768.24	5.22%	-1.68%	-1.93%	1.50%	0.84%
Delaware US Growth Instl	\$ 21,135,534.82	5.66%	-1.95%	-9.86%	-2.99%	-1.07%
JPMorgan Mid Cap Value Instl	\$ 27,524,658.48	7.37%	-2.25%	-0.90%	0.11%	0.99%
Atlanta Capital Large Cap Core	\$ 11,607,818.60	3.11%	-2.33%	2.27%	0.48%	1.61%
TCW Relative Value Dividend Appreciation I	\$ 16,762,272.77	4.49%	-3.17%	-2.50%	-2.17%	-0.90%
Templeton Global Bond R6	\$ 23,811,495.73	6.38%	-3.22%	-12.98%	-2.27%	-0.19%
Oakmark International	\$ 9,657,381.70	2.59%	-7.13%	-8.01%	-2.39%	2.19%

Table 4 below shows the performance of the funds in the Clayton County Defined Benefit Plan relative to their peer group on a rolling five-year basis. The IPS targets fund performance that places them in the top quartile of their peer group. Until recently the target was performance in the top half of the peer group. The figures shown in red indicate that the fund performance was not in the top 25%. The figures in yellow are those that would not have met the less stringent standard of being in the top half.

Table 4
5 Year Rolling Peer Group Ranking

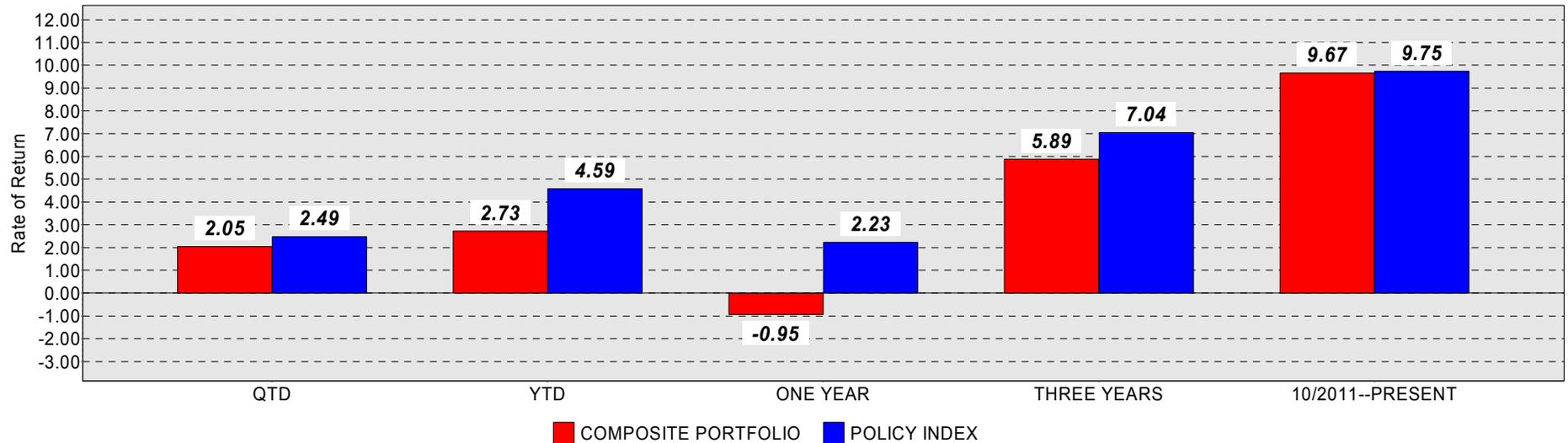
Peer Group Ranking (5yr Trailing Thru 6/30/16)										
5 Years Ended 6/30/16	DePrince, Race: Large Cap Value (gross)	TCW Dividend Focused I	Glenmede Large Cap 100	Atlanta Capital: HQ Select Equity (Gross)	Delaware US Growth Instl	Fidelity Focused Stock	JPMorgan Mid Cap Value Instl	HSBC Opportunity I	JPMorgan Small Cap Value R6	
2016	48.50	30.34	3.15	0.72	23.49	58.15	1.22	67.86	19.75	
2015	49.64	8.27	0.60	3.48	5.95	26.16	5.65	4.51	35.60	
2014	3.02	6.07	5.09	19.88	8.96	8.57	17.39	2.72	19.43	
2013	2.54	14.74	22.02	1.72	13.05	30.12	18.33	20.61	32.31	
2012	29.00	52.47	29.61	0.19	11.72	9.78	8.19	14.21	38.96	
2011	14.60	48.66	20.45	n/a	61.38	20.70	31.39	1.45	60.11	
5 Years Ended 6/30/16	Franklin Small Cap Growth R6	MFS International Value I	Oakmark International I	Virtus Emerging Markets Opportunities I	JPMorgan Core Plus Bond R6	JHancock Bond R6	Metropolitan West Total Return Bond Plan	Templeton Global Bond R6	Paradigm Asset: Large Cap Value (Gross)	
2016	39.94	0.00	52.16	3.31	8.88	1.10	4.39	53.04	1.74	
2015	0.00	0.00	15.19	4.41	8.69	1.50	6.39	13.43	4.36	
2014	2.82	0.68	0.59	4.88	18.24	0.78	6.30	20.29	12.46	
2013	5.92	0.19	0.00	4.01	14.15	1.05	1.34	0.36	64.45	
2012	6.88	0.00	30.36	1.61	15.69	9.27	6.88	6.25	52.59	
2011	12.20	6.70	28.00	10.06	15.87	10.24	4.23	0.42	66.34	

CLAYTON COUNTY
COMPOSITE PORTFOLIO
PERIOD ENDING June 30, 2016

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**CLAYTON COUNTY
COMPOSITE PORTFOLIO
June 30, 2016 Performance Review**

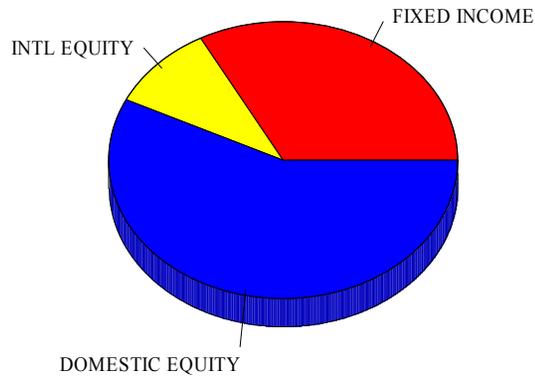


	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>	<u>10/2011--PRESENT</u>
Beginning Mkt Value	364,460,734.58	365,289,860.01	386,787,901.27	339,619,056.21	270,546,045.06
Net Contributions	1,491,656.34	(1,580,245.66)	(9,296,647.47)	(25,001,801.60)	(41,833,390.13)
Interest And Dividend Income	1,089,197.92	2,027,242.01	12,355,766.32	40,888,055.21	40,888,326.83
Investment Earnings	7,486,599.91	9,729,376.48	(4,052,262.97)	58,821,736.22	144,726,335.90
Ending Mkt Value	373,438,990.83	373,438,990.83	373,438,990.83	373,438,990.83	373,438,990.83
Gross Time Weighted Return	2.05	2.73	(0.95)	5.89	9.67
Policy Index	2.49	4.59	2.23	7.04	9.75

*Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: August 30, 1989*

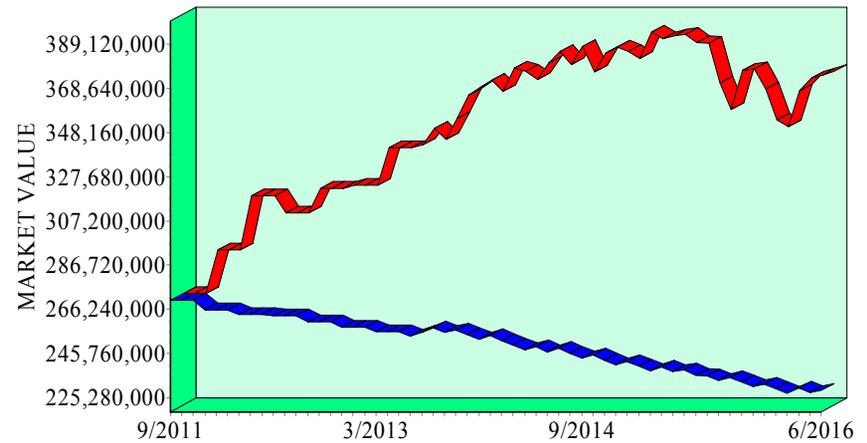
CLAYTON COUNTY COMPOSITE PORTFOLIO SOURCE OF GROWTH ANALYSIS PERIOD ENDING JUNE 30, 2016

-- ASSET ALLOCATION --



	VALUE	PERCENT
■ FIXED INCOME	122,589,221	32.83
■ DOMESTIC EQUITY	213,574,146	57.19
■ INTL EQUITY	37,275,624	9.98
TOTAL	373,438,991	100.00

-- SOURCE OF PORTFOLIO GROWTH --

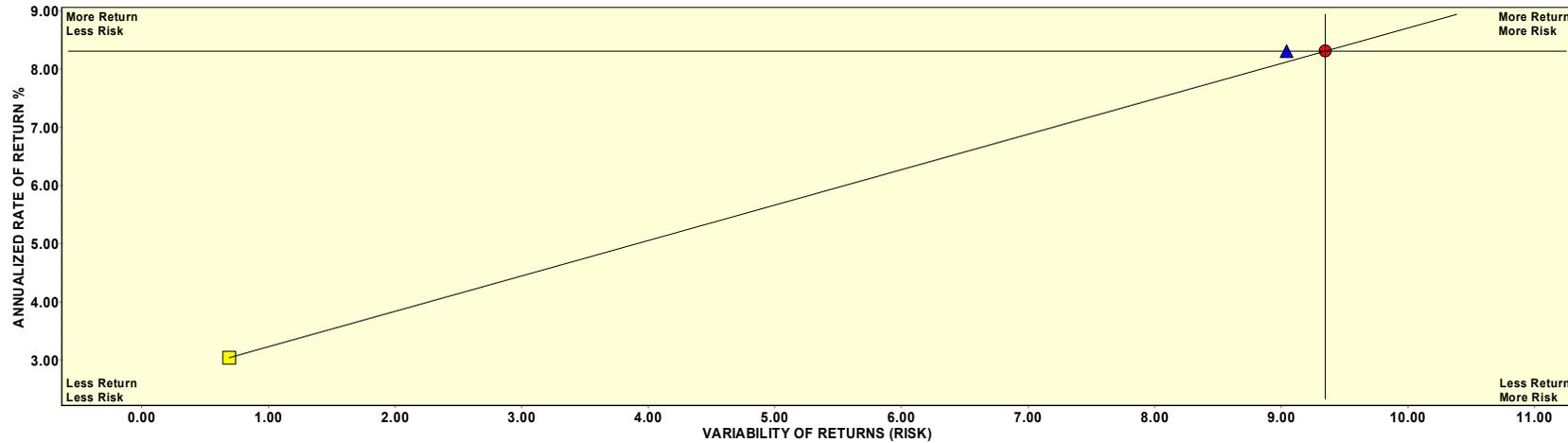


■ PORTFOLIO MARKET VALUE
■ BEGINNING MARKET VALUE & NET CONTRIBUTIONS

	DOLLARS	
	3/2016-6/2016	10/2011-PRESENT
BEGINNING VALUE	364,460,735	270,546,045
NET CONTRIBUTION	1,491,656	-41,833,390
INVESTMENT RETURN	7,486,600	144,726,336
ENDING VALUE	373,438,991	373,438,991

CLAYTON COUNTY COMPOSITE PORTFOLIO

June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	8.31	9.04	0.58	0.52	2.56	29.32
● Policy Index	8.31	9.35	0.56	1.00	0.00	100.00
■ 90 DAY US TBILL	3.04	0.69	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	-0.95	10.26	-3.41	1.16	-0.04	-3.18	-12.27	122.64	94.89	12.90
6/2013-6/2016	5.89	8.12	-1.93	1.13	0.51	-1.16	-20.04	118.03	102.23	24.11
6/2011-6/2016	7.52	9.44	2.46	0.73	0.64	0.43	-16.11	83.68	92.78	22.89
6/2009-6/2016	9.34	8.93	2.63	0.67	0.78	-0.73	-14.59	74.67	82.24	24.54
8/1989-6/2016	8.31	9.04	2.56	0.52	0.70	0.00	-11.15	45.75	66.50	19.20

gross time weighted return

Portfolio Risk Index: Policy Index Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 8/30/1989

**CLAYTON COUNTY
COMPOSITE PORTFOLIO SUMMARY AS OF JUNE 30, 2016
GROSS TIME WEIGHTED RETURN**

Name	Quarter 03/31/2016 06/30/2016	YTD 12/31/2015 06/30/2016	1 YEAR 06/30/2015 06/30/2016	3 YEARS 06/30/2013 06/30/2016	5 YEARS 06/30/2011 06/30/2016	10 YEARS 06/30/2006 06/30/2016	Since Inception	Inception Date
TOTAL FUND								
DOMESTIC EQUITY								
795-000021 ATLANTA CAPITAL LARGE CAP CORE	0.15%	3.22%					8.38%	9/30/2015
RUSSELL 1000	2.53%	3.75%	2.94%	11.48%	11.88%	7.51%	10.49%	
795-000021 DRZ LARGE CAP VALUE	6.24%	11.60%	1.51%	6.82%			6.82%	6/30/2013
RUSSELL 1000 VALUE	4.57%	6.28%	2.84%	9.86%	11.35%	6.13%	9.86%	
795-000021 DELAWARE US GROWTH INSTL	-1.27%	-7.54%	-6.61%				2.24%	9/8/2014
RUSSELL 1000 GROWTH	0.62%	1.37%	3.03%	13.08%	12.35%	8.79%	6.83%	
795-000021 FIDELITY FOC STK	2.24%	2.02%	-1.22%	9.31%			9.31%	6/30/2013
RUSSELL 1000 GROWTH	0.62%	1.37%	3.03%	13.08%	12.35%	8.79%	13.08%	
795-000021 FRANKLIN SMALL CAP GR	5.01%	-2.41%	-14.08%	6.04%			6.04%	6/30/2013
RUSSELL 2000 GROWTH	3.24%	-1.59%	-10.76%	7.74%	8.52%	7.15%	7.74%	
795-000021 GLENMEDE LARGE CAP	0.95%	2.31%	1.38%	13.24%			13.24%	6/30/2013
RUSSELL 1000	2.53%	3.75%	2.94%	11.48%	11.88%	7.51%	11.48%	
795-000021 HSBC OPP I	1.98%	-4.36%	-13.23%	5.80%			5.80%	6/30/2013
RUSSELL MIDCAP GR	1.56%	2.15%	-2.14%	10.53%	9.99%	8.12%	10.53%	
795-000021 JP MORGAN MIDCAP VAL	2.55%	6.59%	2.45%	11.00%			11.00%	6/30/2013
RUSSELL MIDCAP VALUE	4.77%	8.87%	3.23%	10.99%	11.70%	7.79%	10.99%	
795-000021 JP MORGAN SMALL CAP VALUE	3.26%	6.51%	-2.07%	6.13%			6.13%	6/30/2013
RUSSELL 2000 VALUE	4.30%	6.07%	-2.59%	6.35%	8.14%	5.15%	6.35%	
795-000021 PARADIGM LARGE VAL	4.59%	5.56%	4.53%	11.22%			11.22%	6/30/2013
RUSSELL 1000 VALUE	4.57%	6.28%	2.84%	9.86%	11.35%	6.13%	9.86%	
795-000021 TCW DIV FOCUS	1.36%	3.41%	0.69%	7.69%			7.69%	6/30/2013
RUSSELL 1000 VALUE	4.57%	6.28%	2.84%	9.86%	11.35%	6.13%	9.86%	
Total DOMESTIC EQUITY	2.50%	2.29%	-2.75%	8.31%			12.64%	8/31/2011
Equity Policy Index	3.12%	4.10%	0.61%	10.43%	11.02%	7.31%	13.68%	

gross time weighted return

CLAYTON COUNTY
COMPOSITE PORTFOLIO SUMMARY AS OF JUNE 30, 2016
GROSS TIME WEIGHTED RETURN

Name	Quarter 03/31/2016 06/30/2016	YTD 12/31/2015 06/30/2016	1 YEAR 06/30/2015 06/30/2016	3 YEARS 06/30/2013 06/30/2016	5 YEARS 06/30/2011 06/30/2016	10 YEARS 06/30/2006 06/30/2016	Since Inception	Inception Date
<u>INTERNATIONAL EQUITY</u>								
795-000029 MFS INTL VAL	2.16%	4.88%	5.72%	8.63%			8.63%	6/30/2013
MSCI EAFE	-1.20%	-4.05%	-9.73%	2.51%	2.14%	2.05%	2.51%	
795-000029 OAKMARK INTL	-8.25%	-10.81%	-18.99%	-1.34%			-1.34%	6/30/2013
MSCI EAFE	-1.20%	-4.05%	-9.73%	2.51%	2.14%	2.05%	2.51%	
795-000029 VIRTUS EMERGING MKT	6.38%	8.81%	-0.79%	1.08%			1.08%	6/30/2013
MSCI EMERGING MARKET	0.80%	6.61%	-11.70%	-1.22%	-3.48%	3.86%	-1.22%	
Total INTERNATIONAL EQUITY	<u>0.32%</u>	<u>1.28%</u>	<u>-3.66%</u>	<u>3.56%</u>			<u>7.43%</u>	<u>9/30/2011</u>
<i>Intl Equity Policy Index</i>	-0.53%	-0.85%	-10.13%	1.50%	0.53%	2.73%	5.39%	
<u>FIXED INCOME</u>								
795-000021 JOHN HANCOCK	2.83%	5.32%	4.80%	4.81%			4.81%	6/30/2013
BC AGGREGATE BOND	2.22%	5.32%	6.04%	4.07%	3.77%	5.14%	4.07%	
795-000021 METROWEST TOTAL RET	1.99%	4.52%	4.76%	4.20%			4.20%	6/30/2013
BC AGGREGATE BOND	2.22%	5.32%	6.04%	4.07%	3.77%	5.14%	4.07%	
795-000021 TEMPLETON GLOBAL	-0.33%	-0.20%	-4.11%	0.42%			0.42%	6/30/2013
CG WGBI	3.41%	10.74%	11.26%	2.65%	1.18%	4.22%	2.65%	
795-000021 VANGUARD PRIME MMKT	0.13%	0.22%	0.25%	0.14%			0.14%	6/30/2013
90 DAY US TBILL	0.06%	0.11%	0.12%	0.04%	0.05%	0.95%	0.04%	
795-000000 JPMORGAN CORE PLUS BOND R6	2.79%	5.49%	5.38%				3.92%	12/17/2014
BC AGGREGATE BOND	2.22%	5.32%	6.04%	4.07%	3.77%	5.14%	3.91%	
Total FIXED INCOME	<u>1.84%</u>	<u>3.85%</u>	<u>2.96%</u>	<u>3.45%</u>			<u>3.56%</u>	<u>9/30/2011</u>
<i>Fixed Income Policy Index</i>	2.38%	6.13%	6.80%	3.73%	3.23%	4.89%	2.66%	
<u>CASH</u>								

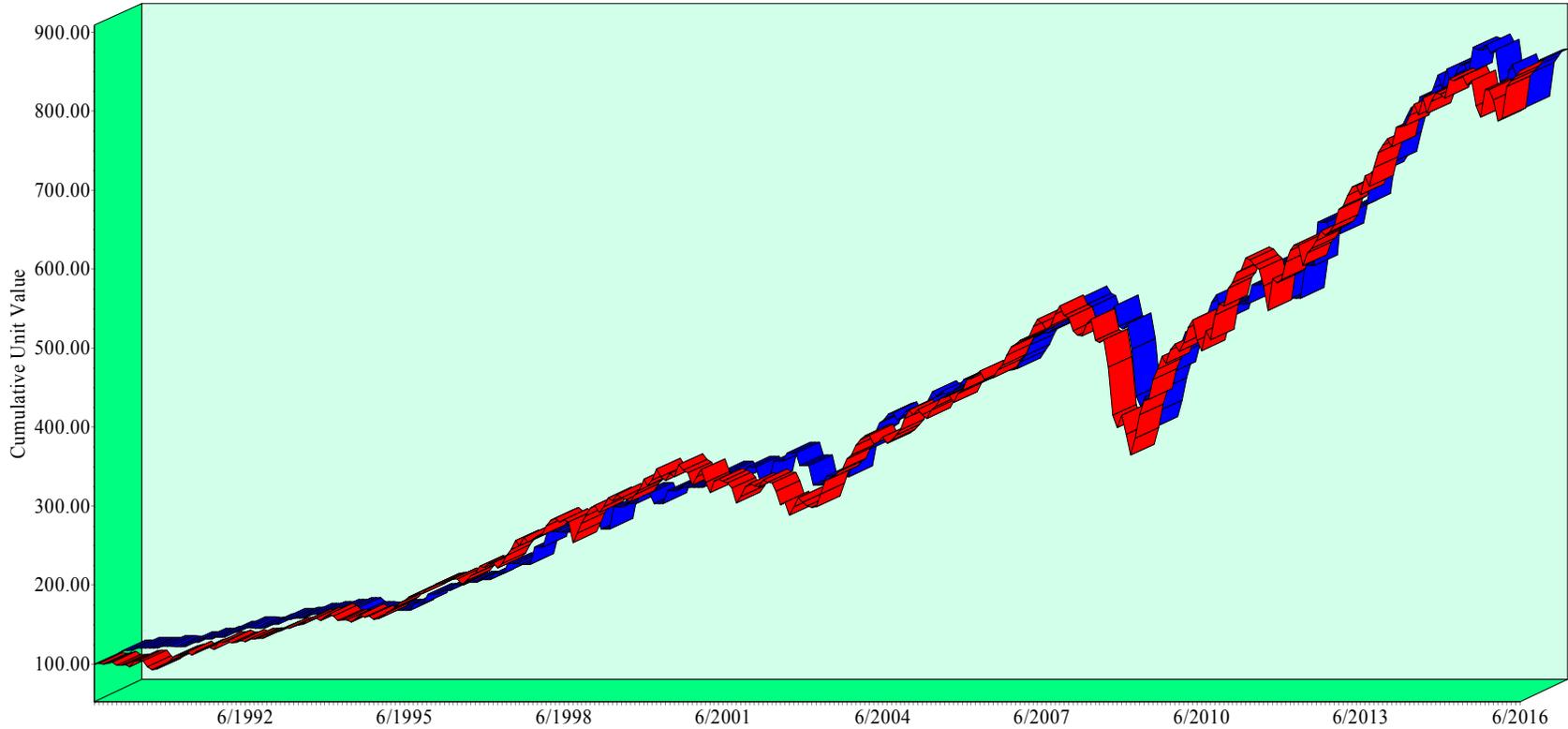
gross time weighted return

**CLAYTON COUNTY
COMPOSITE PORTFOLIO SUMMARY AS OF JUNE 30, 2016
GROSS TIME WEIGHTED RETURN**

Name	Quarter 03/31/2016 06/30/2016	YTD 12/31/2015 06/30/2016	1 YEAR 06/30/2015 06/30/2016	3 YEARS 06/30/2013 06/30/2016	5 YEARS 06/30/2011 06/30/2016	10 YEARS 06/30/2006 06/30/2016	Since Inception	Inception Date
<u>Total CASH</u>								<u>6/28/2013</u>
TOTAL:	2.05%	2.73%	-0.95%	5.89%	7.52%	6.37%	8.31%	8/30/1989
<i>Policy Index</i>	<i>2.49%</i>	<i>4.59%</i>	<i>2.23%</i>	<i>7.04%</i>	<i>7.09%</i>	<i>6.32%</i>	<i>8.31%</i>	

gross time weighted return

**CLAYTON COUNTY
COMPOSITE PORTFOLIO
CUMULATIVE PERFORMANCE
PERIODS ENDING JUNE 30, 2016**



	QUARTER TO DATE	CALENDAR YTD	ONE YEAR	THREE YEARS	FIVE YEARS	SINCE INCEPTION MONTH
COMPOSITE PORTFOLIO	2.05	2.73	-0.95	5.89	7.52	8.31
POLICY INDEX	2.49	4.59	2.23	7.04	7.09	8.31

gross time weighted return

**CLAYTON COUNTY
COMPOSITE PORTFOLIO
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016**

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 2.56 percent per Year

Since 8/31/1989 , your fund has averaged 2.56 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.52

The volatility coefficient is known as Beta.

Since 8/31/1989 , your fund has been 0.52 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:

(MSCI EAFE, BARCLAYS AGGREGATE BOND, MSCI EMERGING MARKETS)

RUSSELL 1000 LARGE CAP, RUSSELL 1000 LARGE CAP GROWTH, RUSSELL 1000 LARGE CAP VALUE)

DIVERSIFICATION: 29.32 percent

Since 8/31/1989 , your fund has been 29.32 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	2.23		0.12		2.11		1.16		2.44		-0.95		0.12		-1.07		2.44		-3.51
6/2013-6/2016	7.04		0.04		7.00		1.13		7.92		5.89		0.04		5.85		7.92		-2.07
6/2011-6/2016	7.09		0.05		7.04		0.73		5.14		7.52		0.05		7.47		5.14		2.33
8/1989-6/2016	8.31		3.04		5.27		0.52		2.76		8.31		3.04		5.27		2.76		2.51

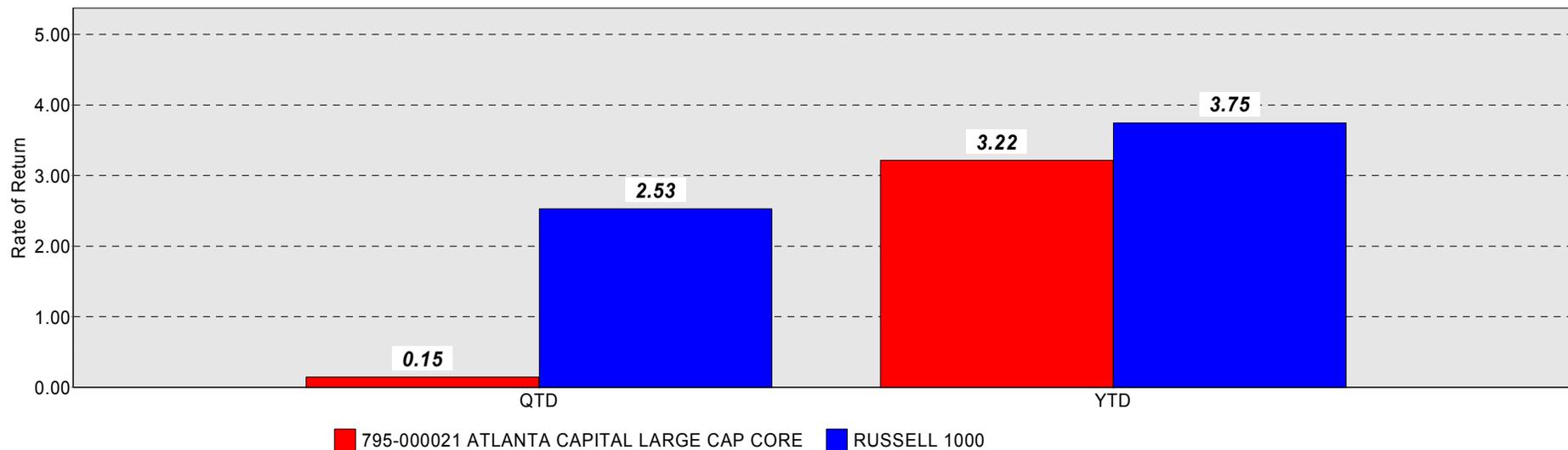
**CLAYTON COUNTY
COMPOSITE PORTFOLIO
INVESTMENT EARNINGS
3/2016 THRU 6/2016**

MANAGER AND ASSET CLASS	BEGINNING MARKET VALUE	NEW MONEY	INTEREST AND DIVIDENDS	NET CAPITAL APPRECIATION	ENDING MARKET VALUE	TOTAL INVESTMENT EARNINGS	RATE OF RETURN
795-000021 ATLANTA CAPITAL LARGE CAP CORE	11,590,789			17,030	11,607,819	17,030	0.15
795-000021 DRZ LARGE CAP VALUE	17,349,151			1,083,311	18,432,462	1,083,311	6.24
795-000021 DELAWARE US GROWTH INSTL	21,408,157		13,305	-285,927	21,135,535	-272,622	-1.27
795-000021 FIDELITY FOC STK	21,422,917		13,530	466,261	21,902,709	479,792	2.24
795-000021 FRANKLIN SMALL CAP GR	19,051,335			953,689	20,005,024	953,689	5.01
795-000021 GLENMEDE LARGE CAP	19,296,219		67,860	115,690	19,479,768	183,549	0.95
795-000021 HSBC OPP I	15,576,254		3,992	304,878	15,885,123	308,869	1.98
795-000021 JOHN HANCOCK	45,037,343		410,598	863,304	46,311,246	1,273,902	2.83
795-000021 JP MORGAN MIDCAP VAL	26,841,139		6,727	676,792	27,524,658	683,519	2.55
795-000000 JPMORGAN CORE PLUS BOND R6	4,514,682	-2,011,660	18,326	52,413	2,573,761	70,739	2.79
795-000021 JP MORGAN SMALL CAP VALUE	19,409,339		62,885	570,062	20,042,286	632,947	3.26
795-000029 MFS INTL VAL	16,843,633			364,187	17,207,820	364,187	2.16
795-000021 METROWEST TOTAL RET	44,674,513		230,875	658,961	45,564,350	889,836	1.99
795-000029 OAKMARK INTL	10,525,571			-868,189	9,657,382	-868,189	-8.25
795-000021 PARADIGM LARGE VAL	19,884,585			911,904	20,796,489	911,904	4.59
795-000021 TCW DIV FOCUS	16,537,062		83,343	141,868	16,762,273	225,211	1.36
795-000021 TEMPLETON GLOBAL	23,890,205		170,308	-249,017	23,811,496	-78,709	-0.33
795-000021 VANGUARD PRIME MMKT	822,135	3,503,316	2,506	412	4,328,369	2,918	0.13
795-000029 VIRTUS EMERGING MKT	9,785,705		4,945	619,772	10,410,422	624,717	6.38
COMPOSITE PORTFOLIO	364,460,735	1,491,656	1,089,198	6,397,402	373,438,991	7,486,600	2.05

gross time weighted return

CLAYTON COUNTY
795-000021 ATLANTA CAPITAL LARGE CAP CORE
PERIOD ENDING June 30, 2016

CLAYTON COUNTY
795-000021 ATLANTA CAPITAL LARGE CAP CORE
June 30, 2016 Performance Review

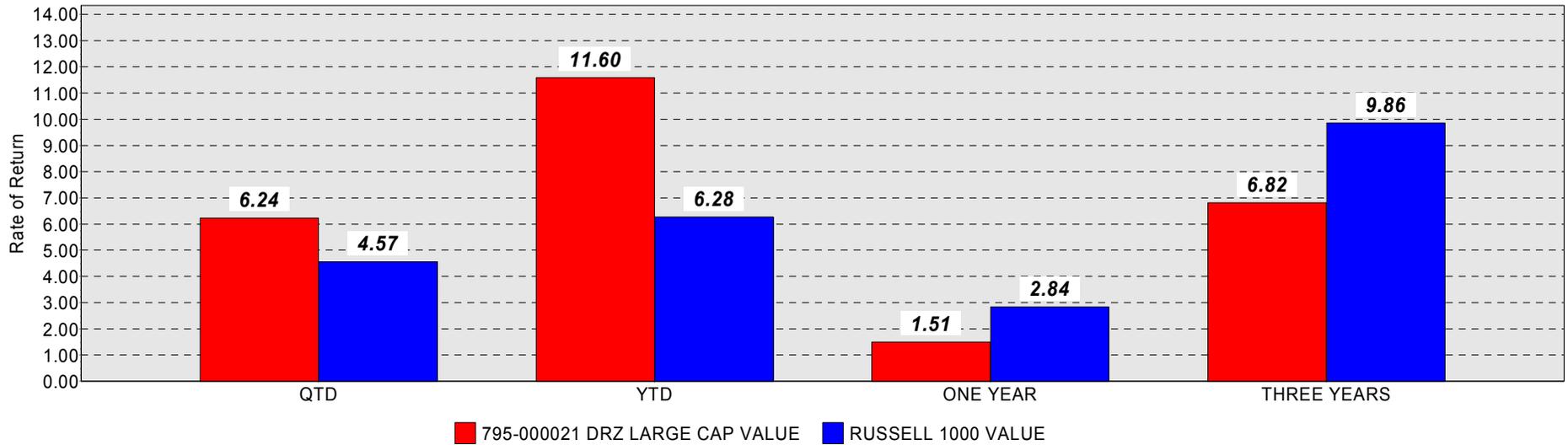


	<u>QTD</u>	<u>YTD</u>
Beginning Mkt Value	11,590,788.73	11,245,858.37
Net Contributions	0.00	0.00
Interest And Dividend Income	0.00	0.00
Investment Earnings	17,029.87	361,960.23
Ending Mkt Value	11,607,818.60	11,607,818.60
Gross Time Weighted Return	0.15	3.22
RUSSELL 1000	2.53	3.75

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: September 30, 2015

CLAYTON COUNTY
795-000021 DRZ LARGE CAP VALUE
PERIOD ENDING June 30, 2016

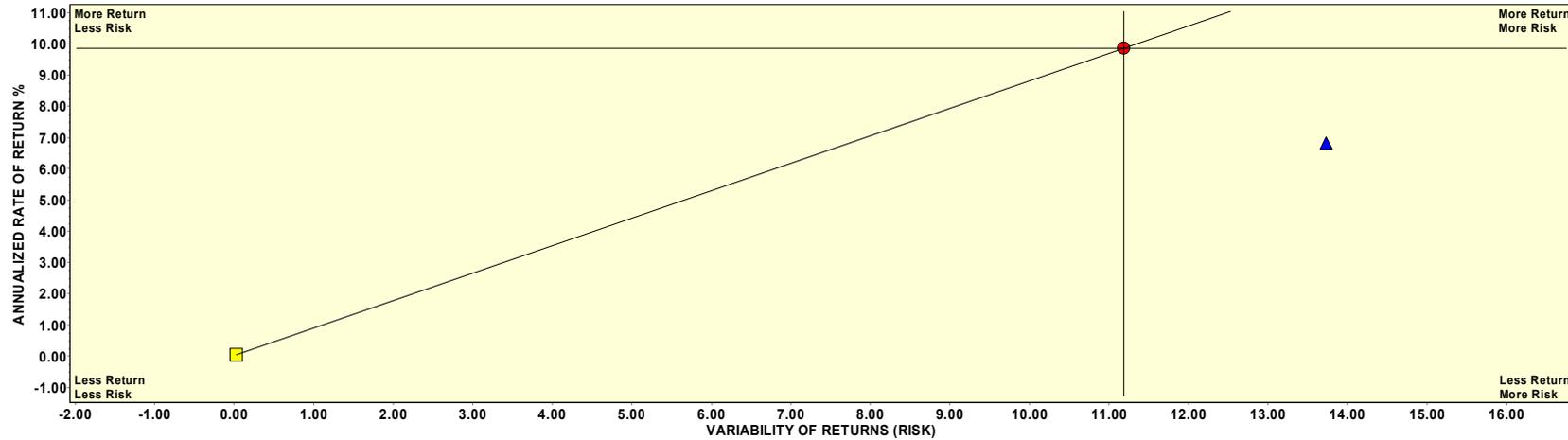
CLAYTON COUNTY
795-000021 DRZ LARGE CAP VALUE
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	17,349,150.70	16,517,206.48	18,158,875.48	0.01
Net Contributions	0.00	0.00	0.00	15,115,265.60
Interest And Dividend Income	0.00	0.00	0.00	0.00
Investment Earnings	1,083,311.09	1,915,255.31	273,586.31	3,317,196.18
Ending Mkt Value	18,432,461.79	18,432,461.79	18,432,461.79	18,432,461.79
Gross Time Weighted Return	6.24	11.60	1.51	6.82
RUSSELL 1000 VALUE	4.57	6.28	2.84	9.86

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 DRZ LARGE CAP VALUE
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	6.82	13.73	0.49	1.16	-4.07	88.59
● RUSSELL 1000 VALUE	9.86	11.19	0.88	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	1.51	18.18	-1.47	1.23	0.26	-1.33	-18.29	118.79	112.41	24.23
6/2013-6/2016	6.82	13.73	-4.07	1.16	0.63	-3.04	-35.61	119.25	100.26	37.59

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 VALUE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 DRZ LARGE CAP VALUE
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -4.07 percent per Year

Since 6/30/2013 , your fund has averaged -4.07 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.16

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.16 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 1000 VALUE)

DIVERSIFICATION: 88.59 percent

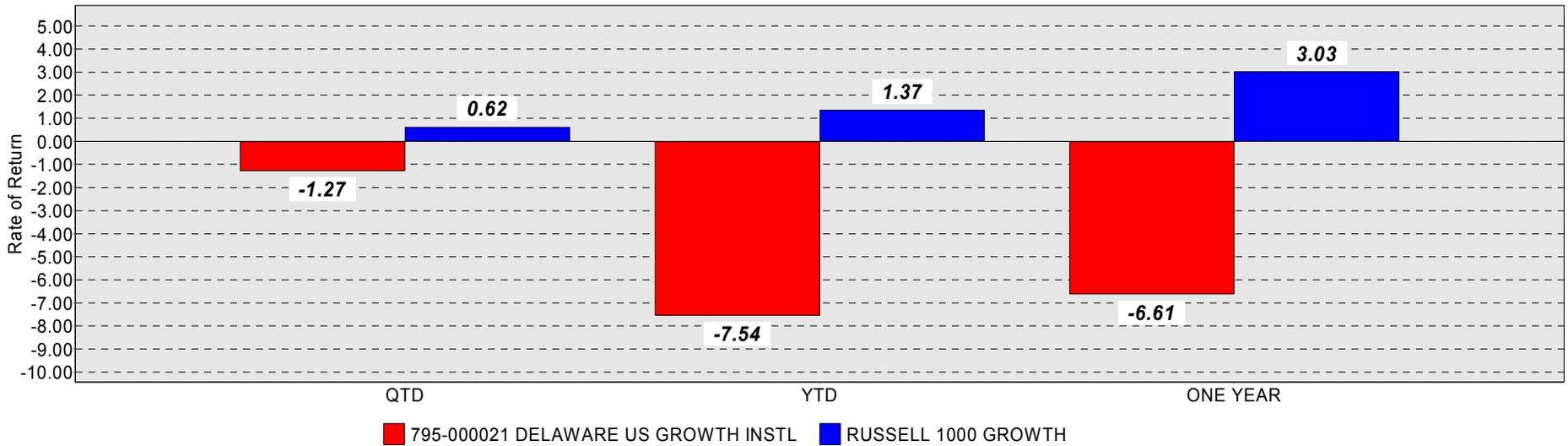
Since 6/30/2013 , your fund has been 88.59 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager		
6/2015-6/2016	2.84		0.12		2.72		1.23		3.35		1.51		0.12		1.39		3.35		-1.97
6/2013-6/2016	9.86		0.04		9.82		1.16		11.35		6.82		0.04		6.78		11.35		-4.56

CLAYTON COUNTY
795-000021 DELAWARE US GROWTH INSTL
PERIOD ENDING June 30, 2016

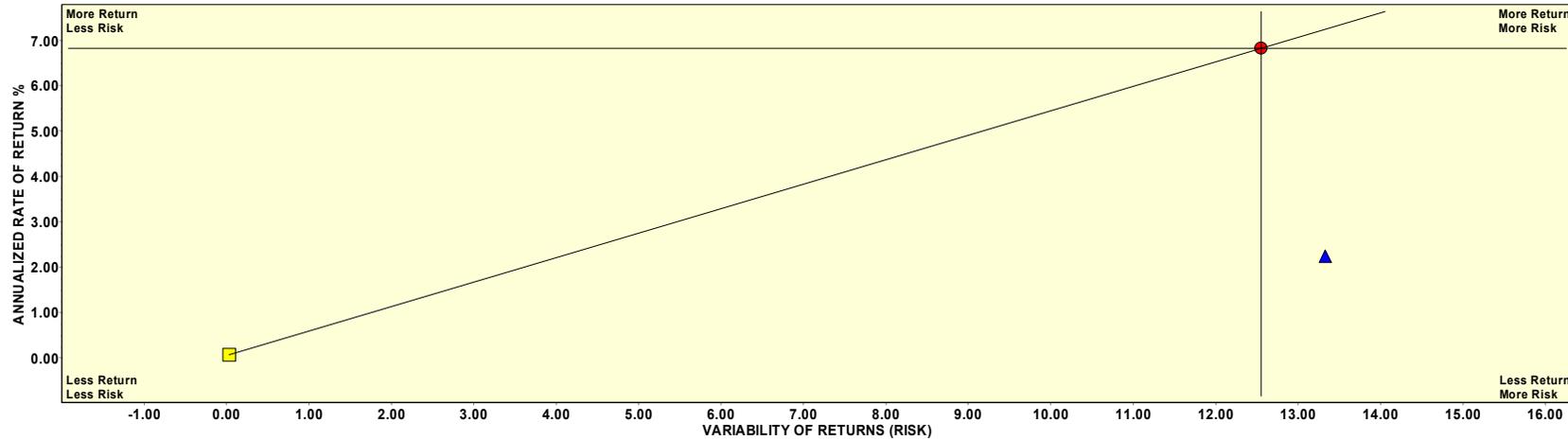
CLAYTON COUNTY
795-000021 DELAWARE US GROWTH INSTL
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>
Beginning Mkt Value	21,408,156.84	22,858,711.05	22,630,972.06
Net Contributions	0.00	0.00	0.00
Interest And Dividend Income	13,304.61	26,532.28	2,538,991.23
Investment Earnings	(272,622.02)	(1,723,176.23)	(1,495,437.24)
Ending Mkt Value	21,135,534.82	21,135,534.82	21,135,534.82
Gross Time Weighted Return	(1.27)	(7.54)	(6.61)
RUSSELL 1000 GROWTH	0.62	1.37	3.03

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: September 8, 2014

CLAYTON COUNTY
795-000021 DELAWARE US GROWTH INSTL
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	2.24	13.33	0.16	0.96	-4.02	82.04
● RUSSELL 1000 GROWTH	6.83	12.55	0.54	1.00	0.00	100.00
■ 90 DAY US TBILL	0.07	0.03	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	-6.61	14.64	-9.39	0.90	-0.48	-9.64	-21.10	132.60	81.53	18.37
9/2014-6/2016	2.24	13.33	-4.02	0.96	0.26	-4.58	-25.56	125.15	96.57	39.65

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 GROWTH Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 9/8/2014

CLAYTON COUNTY
795-000021 DELAWARE US GROWTH INSTL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -4.02 percent per Year

Since 9/30/2014 , your fund has averaged -4.02 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.96

The volatility coefficient is known as Beta.

Since 9/30/2014 , your fund has been 0.96 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 1000 GROWTH)

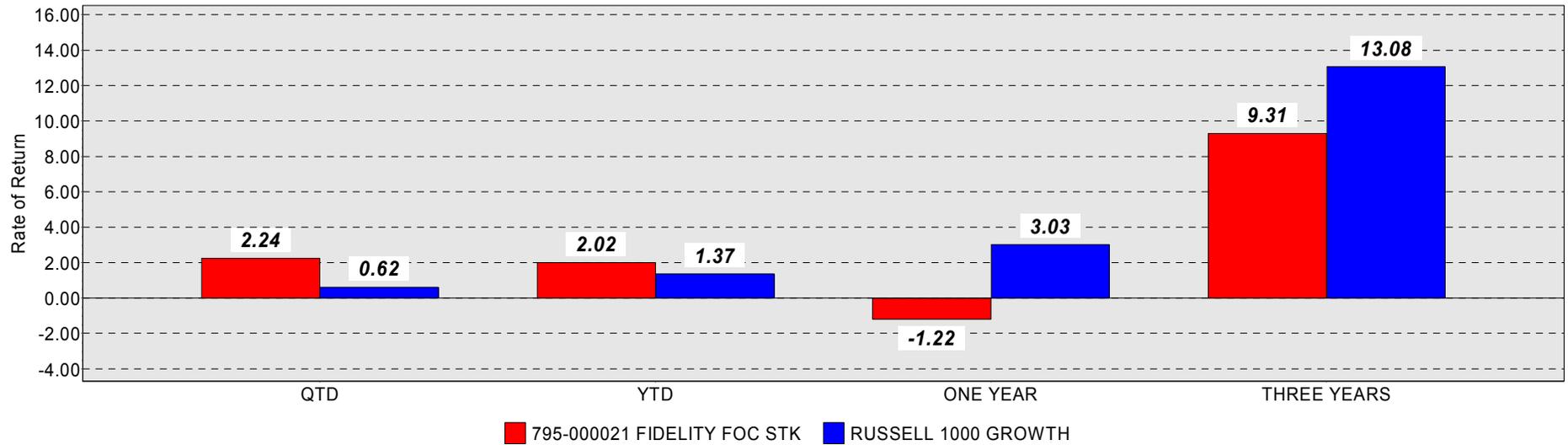
DIVERSIFICATION: 82.04 percent

Since 9/30/2014 , your fund has been 82.04 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	3.03		0.12		2.91		0.90		2.62		-6.61		0.12		-6.73		2.62		-9.35
9/2014-6/2016	6.83		0.07		6.76		0.96		6.50		2.24		0.07		2.18		6.50		-4.33

CLAYTON COUNTY
795-000021 FIDELITY FOC STK
PERIOD ENDING June 30, 2016

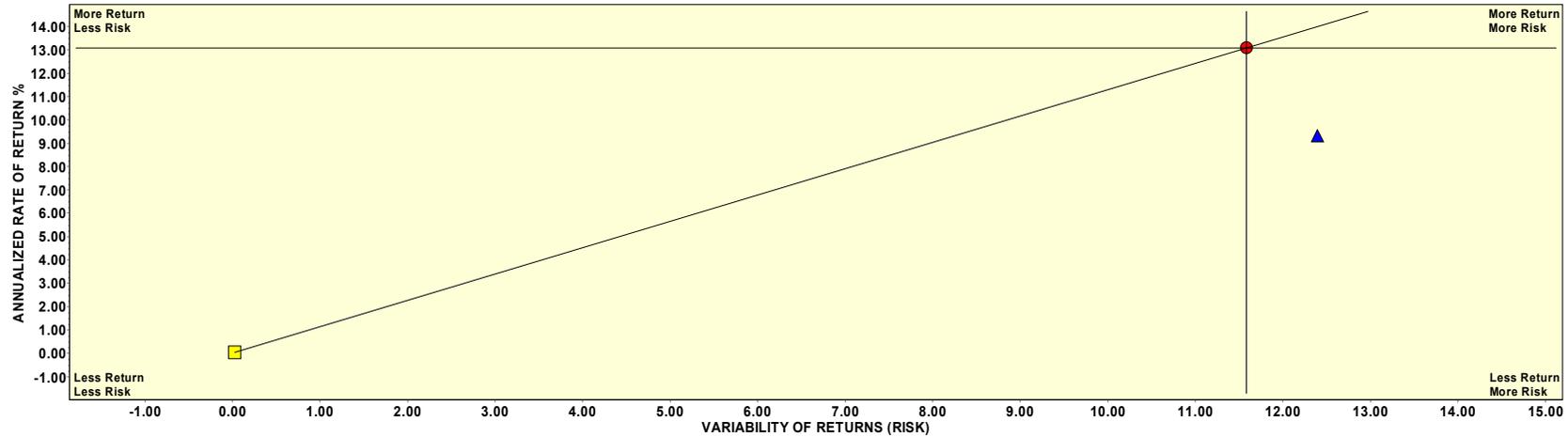
CLAYTON COUNTY
795-000021 FIDELITY FOC STK
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	21,422,917.36	21,469,560.38	22,172,179.89	0.01
Net Contributions	0.00	0.00	0.00	16,798,320.44
Interest And Dividend Income	13,530.42	26,123.11	1,239,904.99	4,357,077.56
Investment Earnings	479,791.66	433,148.64	(269,470.87)	5,104,388.57
Ending Mkt Value	21,902,709.02	21,902,709.02	21,902,709.02	21,902,709.02
Gross Time Weighted Return	2.24	2.02	(1.22)	9.31
RUSSELL 1000 GROWTH	0.62	1.37	3.03	13.08

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 FIDELITY FOC STK
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	9.31	12.40	0.75	0.97	-2.87	81.32
● RUSSELL 1000 GROWTH	13.08	11.58	1.13	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	-1.22	14.09	-3.96	0.92	-0.02	-4.25	-16.61	104.36	81.92	18.45
6/2013-6/2016	9.31	12.40	-2.87	0.97	0.81	-3.78	-22.34	106.24	86.14	43.68

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 GROWTH Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 FIDELITY FOC STK
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -2.87 percent per Year

Since 6/30/2013 , your fund has averaged -2.87 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.97

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.97 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 1000 GROWTH)

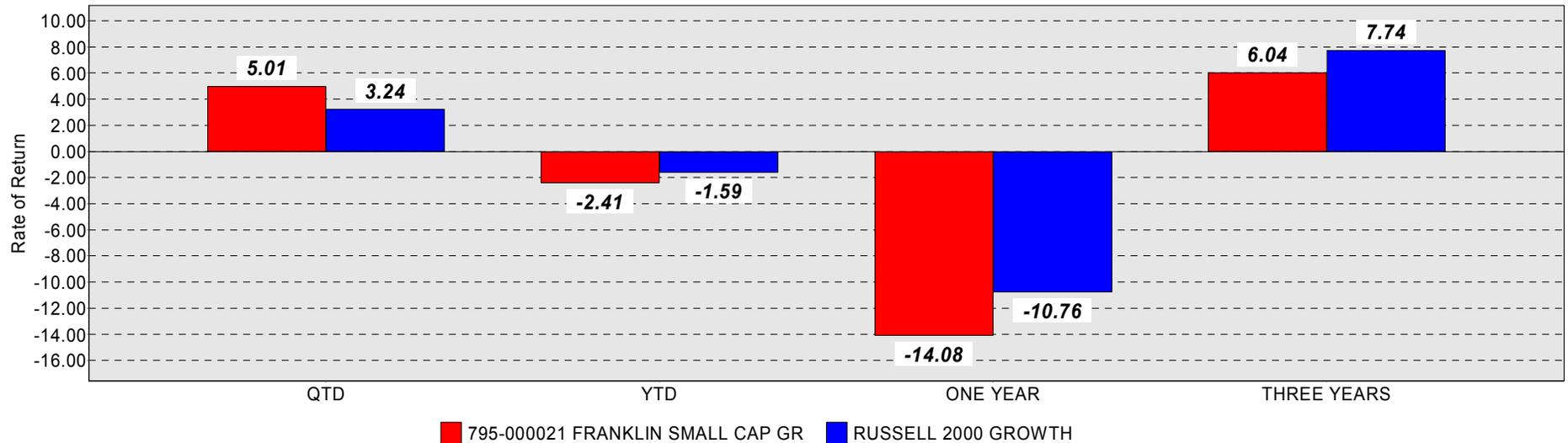
DIVERSIFICATION: 81.32 percent

Since 6/30/2013 , your fund has been 81.32 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	3.03		0.12		2.91		0.92		2.69		0.12		-1.34		2.69		-4.03
6/2013-6/2016	13.08		0.04		13.04		0.97		12.59		0.04		9.27		12.59		-3.32

CLAYTON COUNTY
795-000021 FRANKLIN SMALL CAP GR
PERIOD ENDING June 30, 2016

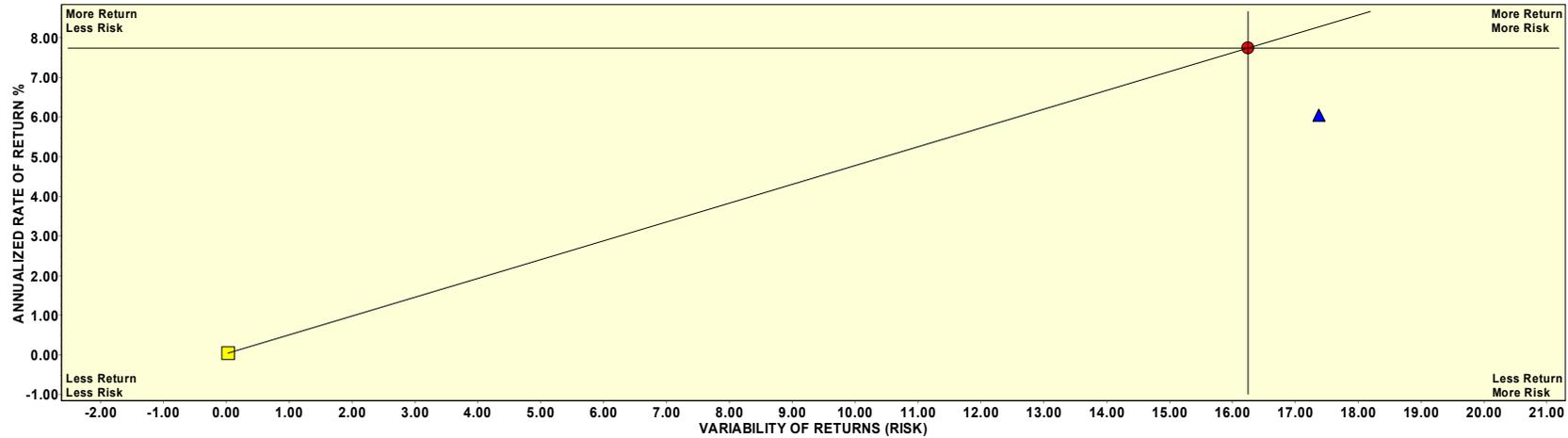
CLAYTON COUNTY
795-00021 FRANKLIN SMALL CAP GR
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	19,051,334.86	20,498,697.75	23,283,151.83	0.01
Net Contributions	0.00	0.00	0.00	16,794,739.55
Interest And Dividend Income	0.00	0.00	390,243.36	1,920,457.71
Investment Earnings	953,688.73	(493,674.16)	(3,278,128.24)	3,210,284.03
Ending Mkt Value	20,005,023.59	20,005,023.59	20,005,023.59	20,005,023.59
Gross Time Weighted Return	5.01	(2.41)	(14.08)	6.04
RUSSELL 2000 GROWTH	3.24	(1.59)	(10.76)	7.74

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 FRANKLIN SMALL CAP GR
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	6.04	17.37	0.35	1.01	-1.50	89.71
● RUSSELL 2000 GROWTH	7.74	16.24	0.47	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	-14.08	20.99	-2.34	1.09	-1.07	-3.32	-29.34	107.34	94.70	21.60
6/2013-6/2016	6.04	17.37	-1.50	1.01	0.62	-1.70	-41.02	101.45	94.63	54.04

gross time weighted return

Portfolio Risk Index: RUSSELL 2000 GROWTH Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 FRANKLIN SMALL CAP GR
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -1.50 percent per Year

Since 6/30/2013 , your fund has averaged -1.50 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.01

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.01 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:

(RUSSELL 2000 GROWTH)

DIVERSIFICATION: 89.71 percent

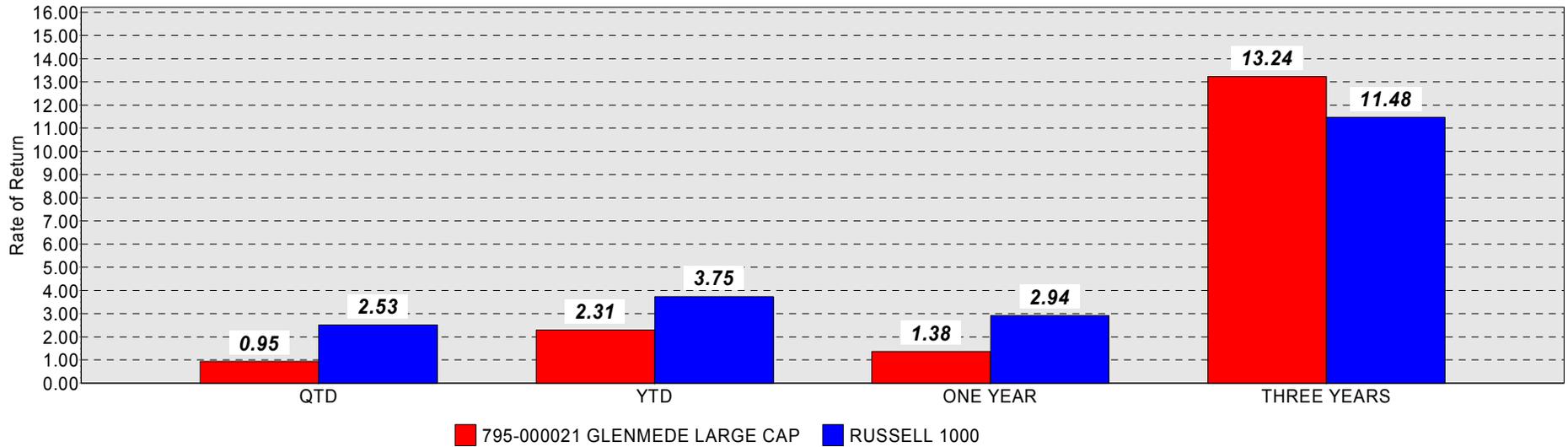
Since 6/30/2013 , your fund has been 89.71 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	-10.76		0.12		-10.88		1.09		-11.85		-14.08		0.12		-14.20		-11.85		-2.35
6/2013-6/2016	7.74		0.04		7.70		1.01		7.80		6.04		0.04		6.00		7.80		-1.80

CLAYTON COUNTY
795-000021 GLENMEDE LARGE CAP
PERIOD ENDING June 30, 2016

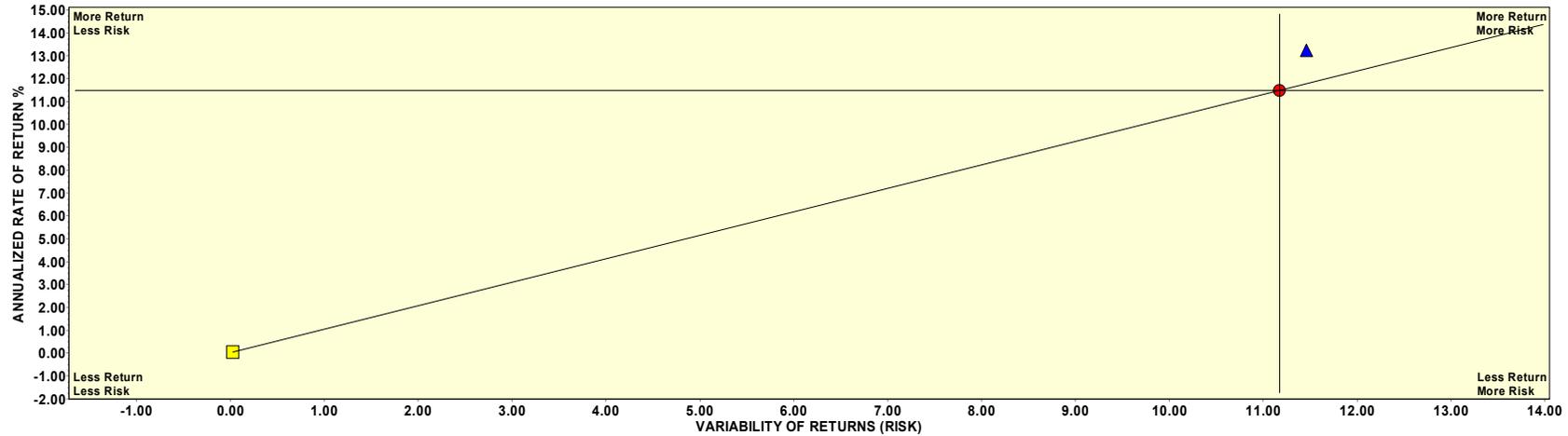
CLAYTON COUNTY
795-000021 GLENMEDE LARGE CAP
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	19,296,218.75	19,039,572.39	19,213,713.83	0.01
Net Contributions	0.00	0.00	0.00	13,440,385.93
Interest And Dividend Income	67,859.92	85,997.88	471,211.87	1,660,987.69
Investment Earnings	183,549.49	440,195.85	266,054.41	6,039,382.30
Ending Mkt Value	19,479,768.24	19,479,768.24	19,479,768.24	19,479,768.24
Gross Time Weighted Return	0.95	2.31	1.38	13.24
RUSSELL 1000	2.53	3.75	2.94	11.48

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-00021 GLENMEDE LARGE CAP
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	13.24	11.46	1.15	1.01	1.54	96.18
● RUSSELL 1000	11.48	11.17	1.02	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	1.38	13.74	-1.46	0.97	0.19	-1.56	-14.52	96.20	87.61	18.61
6/2013-6/2016	13.24	11.46	1.54	1.01	1.10	1.76	-23.27	91.04	102.59	41.11

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 GLENMEDE LARGE CAP
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 1.54 percent per Year

Since 6/30/2013 , your fund has averaged 1.54 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.01

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.01 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 1000)

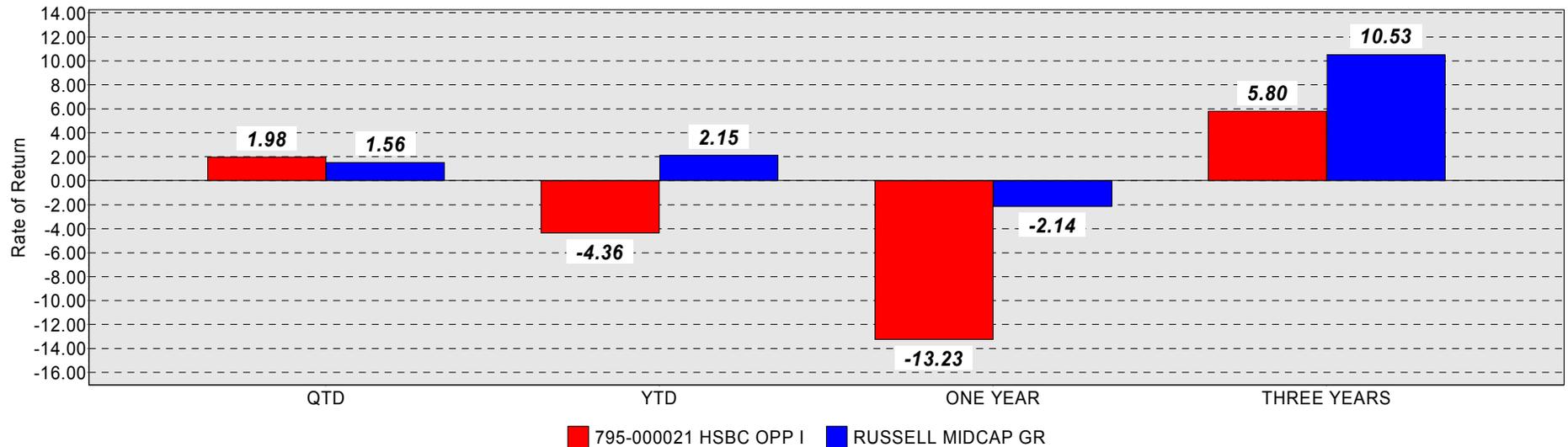
DIVERSIFICATION: 96.18 percent

Since 6/30/2013 , your fund has been 96.18 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	2.94		0.12		2.82		0.97		2.75		1.38		0.12		1.26		2.75		-1.48
6/2013-6/2016	11.48		0.04		11.44		1.01		11.51		13.24		0.04		13.20		11.51		1.69

CLAYTON COUNTY
795-000021 HSBC OPP I
PERIOD ENDING June 30, 2016

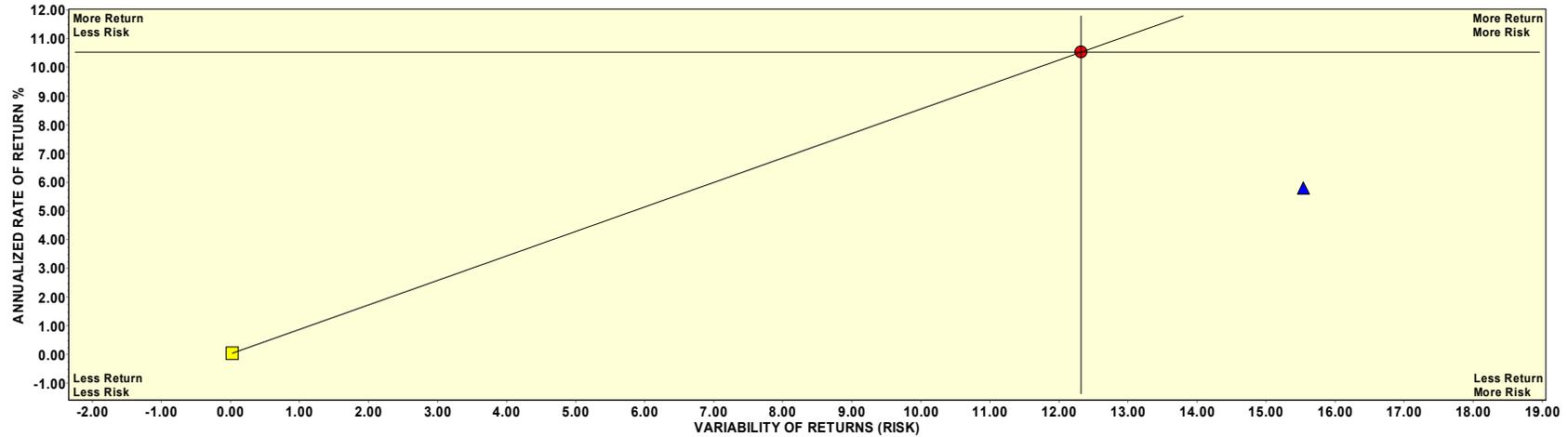
CLAYTON COUNTY
795-000021 HSBC OPP I
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	15,576,253.93	16,608,946.08	18,306,840.23	0.01
Net Contributions	0.00	0.00	0.00	13,436,932.69
Interest And Dividend Income	3,991.53	7,637.16	16,291.23	5,136,500.71
Investment Earnings	308,869.43	(723,822.72)	(2,421,716.87)	2,448,190.66
Ending Mkt Value	15,885,123.36	15,885,123.36	15,885,123.36	15,885,123.36
Gross Time Weighted Return	1.98	(4.36)	(13.23)	5.80
RUSSELL MIDCAP GR	1.56	2.15	(2.14)	10.53

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 HSBC OPP I
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	5.80	15.54	0.37	1.18	-5.87	87.45
● RUSSELL MIDCAP GR	10.53	12.32	0.85	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	-13.23	20.11	-10.58	1.29	-1.00	-11.09	-26.93	147.41	95.00	18.74
6/2013-6/2016	5.80	15.54	-5.87	1.18	0.57	-4.73	-31.77	128.39	99.90	50.29

gross time weighted return

Portfolio Risk Index: RUSSELL MIDCAP GR Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 HSBC OPP I
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -5.87 percent per Year

Since 6/30/2013 , your fund has averaged -5.87 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.18

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.18 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL MIDCAP GR)

DIVERSIFICATION: 87.45 percent

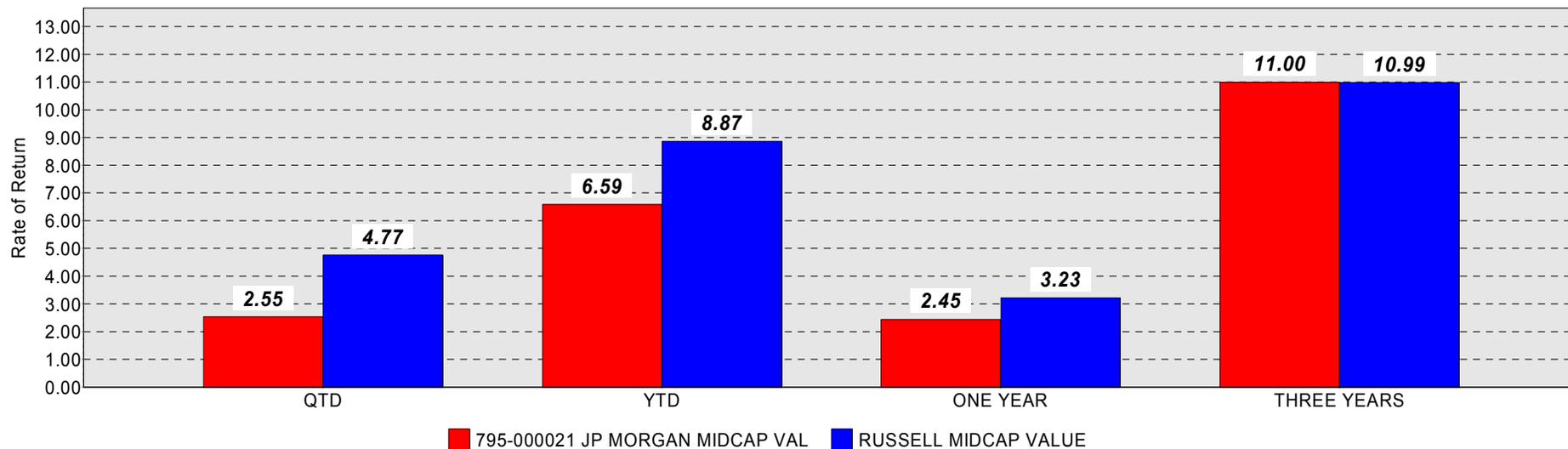
Since 6/30/2013 , your fund has been 87.45 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	-2.14		0.12		-2.26		1.29		-2.91		0.12		-13.35		-2.91		-10.43
6/2013-6/2016	10.53		0.04		10.49		1.18		12.38		0.04		5.76		12.38		-6.62

CLAYTON COUNTY
795-000021 JP MORGAN MIDCAP VAL
PERIOD ENDING June 30, 2016

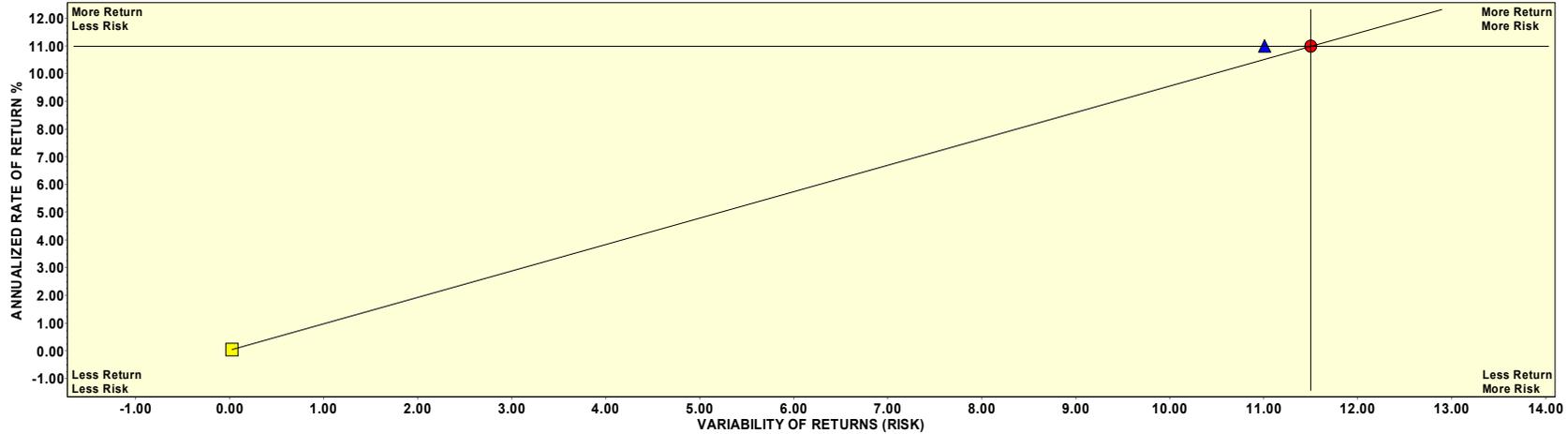
CLAYTON COUNTY
795-000021 JP MORGAN MIDCAP VAL
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	26,841,139.39	25,823,525.92	26,865,659.77	0.01
Net Contributions	0.00	0.00	0.00	20,155,398.87
Interest And Dividend Income	6,726.61	12,941.17	1,656,831.15	4,883,297.55
Investment Earnings	683,519.09	1,701,132.56	658,998.71	7,369,259.60
Ending Mkt Value	27,524,658.48	27,524,658.48	27,524,658.48	27,524,658.48
Gross Time Weighted Return	2.55	6.59	2.45	11.00
RUSSELL MIDCAP VALUE	4.77	8.87	3.23	10.99

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 JP MORGAN MIDCAP VAL
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	11.00	11.01	1.00	0.93	0.70	94.92
● RUSSELL MIDCAP VALUE	10.99	11.50	0.95	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	2.45	13.06	-0.51	0.90	0.27	-0.77	-13.56	85.74	81.90	18.53
6/2013-6/2016	11.00	11.01	0.70	0.93	0.92	0.01	-25.44	92.87	94.94	38.99

gross time weighted return

Portfolio Risk Index: RUSSELL MIDCAP VALUE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 JP MORGAN MIDCAP VAL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.70 percent per Year

Since 6/30/2013 , your fund has averaged 0.70 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.93

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.93 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL MIDCAP VALUE)

DIVERSIFICATION: 94.92 percent

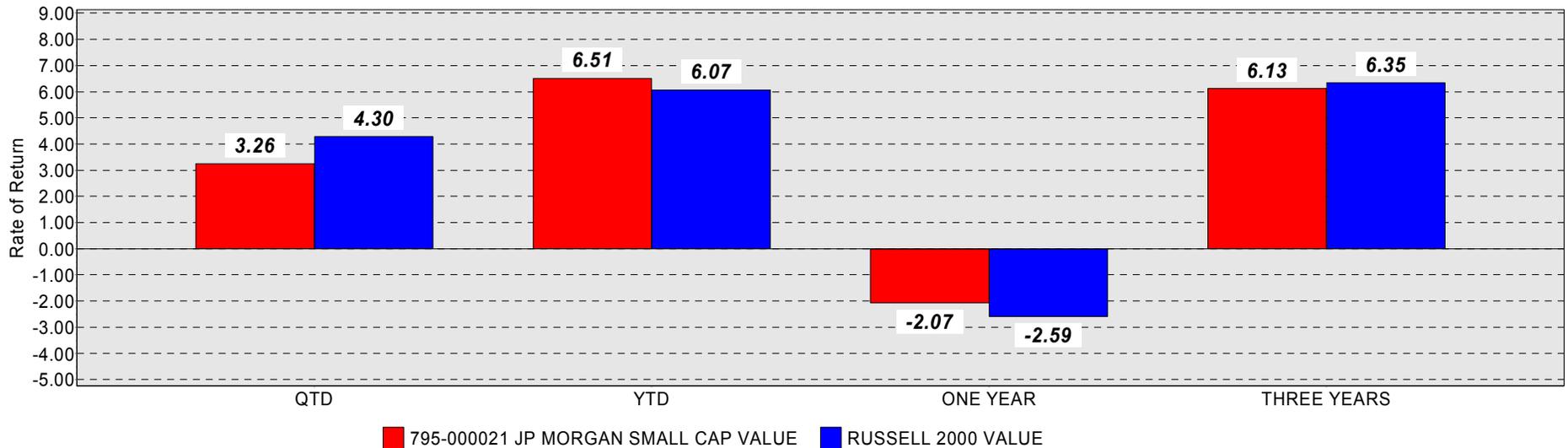
Since 6/30/2013 , your fund has been 94.92 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	3.23		0.12		3.11		0.90		2.80	2.45		0.12		2.33		2.80		-0.47
6/2013-6/2016	10.99		0.04		10.95		0.93		10.21	11.00		0.04		10.96		10.21		0.75

CLAYTON COUNTY
795-000021 JP MORGAN SMALL CAP VALUE
PERIOD ENDING June 30, 2016

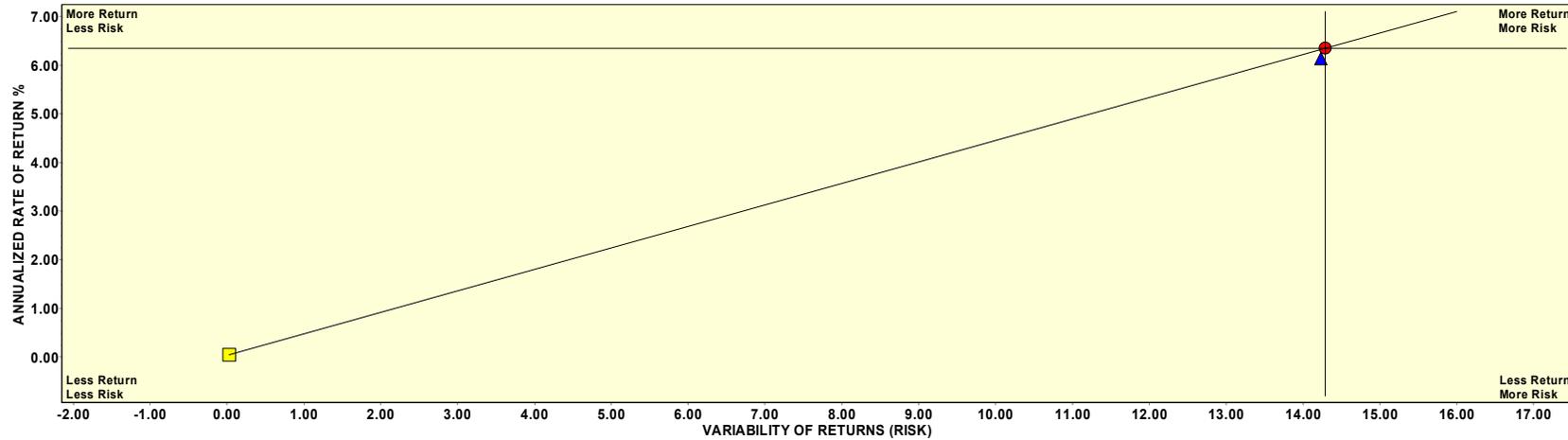
CLAYTON COUNTY
795-000021 JP MORGAN SMALL CAP VALUE
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	19,409,338.81	18,817,450.06	20,465,993.96	0.01
Net Contributions	0.00	0.00	0.00	16,794,739.55
Interest And Dividend Income	62,885.05	62,885.05	995,774.89	2,675,897.68
Investment Earnings	632,946.73	1,224,835.48	(423,708.42)	3,247,545.98
Ending Mkt Value	20,042,285.54	20,042,285.54	20,042,285.54	20,042,285.54
Gross Time Weighted Return	3.26	6.51	(2.07)	6.13
RUSSELL 2000 VALUE	4.30	6.07	(2.59)	6.35

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 JP MORGAN SMALL CAP VALUE
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	6.13	14.23	0.43	0.99	-0.13	98.48
● RUSSELL 2000 VALUE	6.35	14.29	0.44	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	-2.07	15.32	0.53	1.00	-0.08	0.52	-20.73	98.15	100.20	23.54
6/2013-6/2016	6.13	14.23	-0.13	0.99	0.58	-0.22	-39.27	98.78	97.59	45.51

gross time weighted return

Portfolio Risk Index: RUSSELL 2000 VALUE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 JP MORGAN SMALL CAP VALUE
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -0.13 percent per Year

Since 6/30/2013 , your fund has averaged -0.13 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.99

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.99 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 2000 VALUE)

DIVERSIFICATION: 98.48 percent

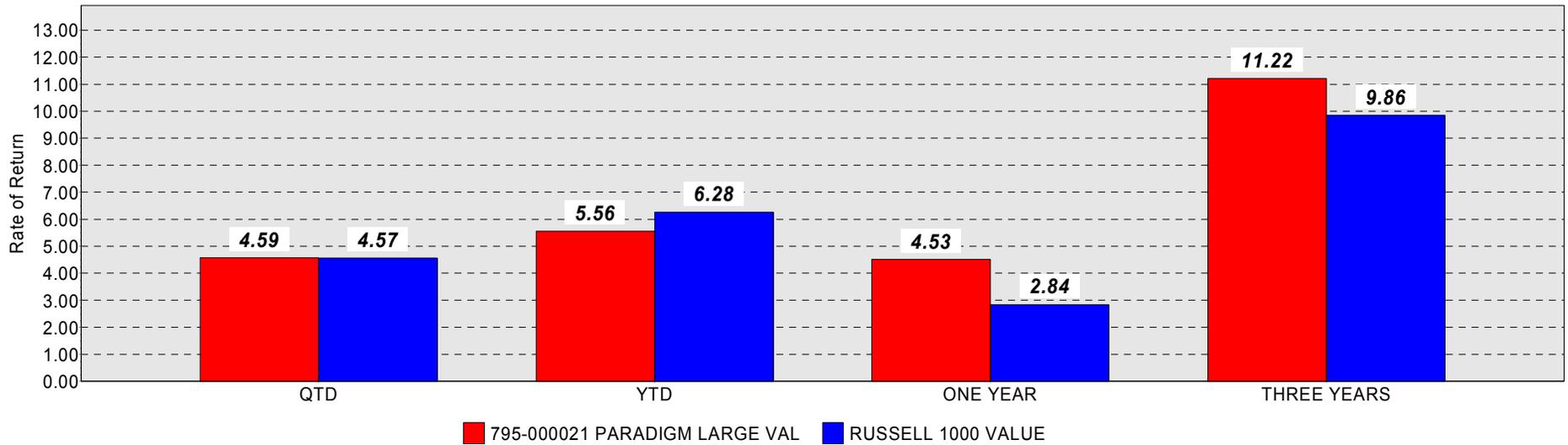
Since 6/30/2013 , your fund has been 98.48 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	-2.59		0.12		-2.71		1.00		-2.70		-2.07		0.12		-2.19		-2.70		0.51
6/2013-6/2016	6.35		0.04		6.31		0.99		6.24		6.13		0.04		6.09		6.24		-0.14

CLAYTON COUNTY
795-000021 PARADIGM LARGE VAL
PERIOD ENDING June 30, 2016

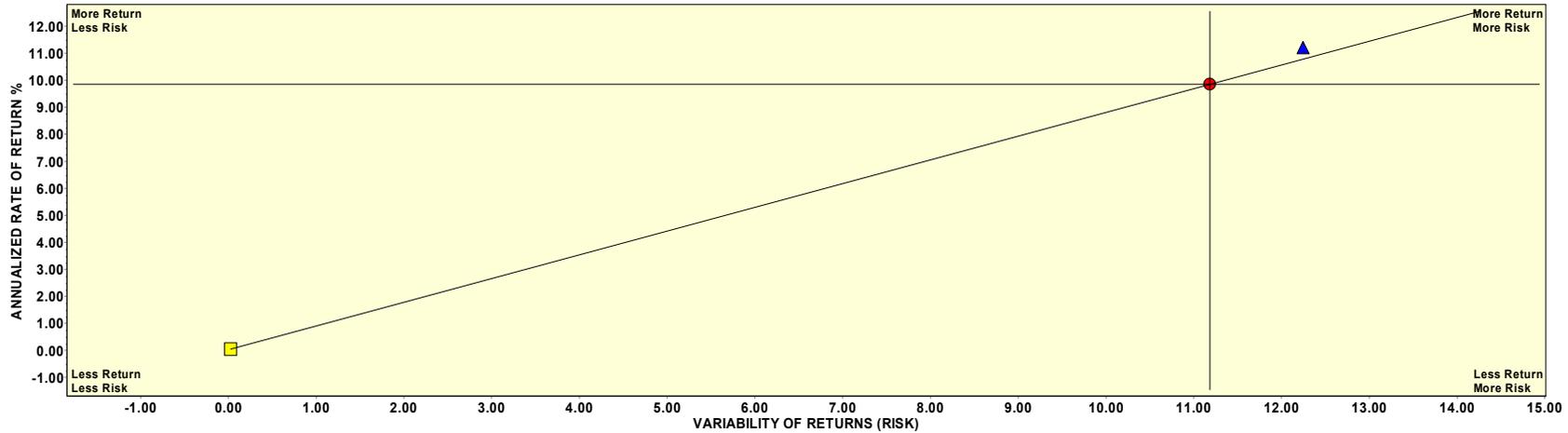
CLAYTON COUNTY
795-000021 PARADIGM LARGE VAL
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	19,884,585.35	19,700,783.73	19,895,921.80	0.01
Net Contributions	0.00	0.00	0.00	15,115,265.60
Interest And Dividend Income	0.00	0.00	0.00	0.00
Investment Earnings	911,903.98	1,095,705.60	900,567.53	5,681,223.72
Ending Mkt Value	20,796,489.33	20,796,489.33	20,796,489.33	20,796,489.33
Gross Time Weighted Return	4.59	5.56	4.53	11.22
RUSSELL 1000 VALUE	4.57	6.28	2.84	9.86

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 PARADIGM LARGE VAL
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	11.22	12.25	0.91	1.05	0.84	92.35
● RUSSELL 1000 VALUE	9.86	11.19	0.88	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	4.53	14.41	1.59	1.03	0.46	1.69	-15.52	100.79	110.08	23.73
6/2013-6/2016	11.22	12.25	0.84	1.05	0.95	1.36	-31.30	104.83	110.73	41.52

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 VALUE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 PARADIGM LARGE VAL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.84 percent per Year

Since 6/30/2013 , your fund has averaged 0.84 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.05

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.05 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 1000 VALUE)

DIVERSIFICATION: 92.35 percent

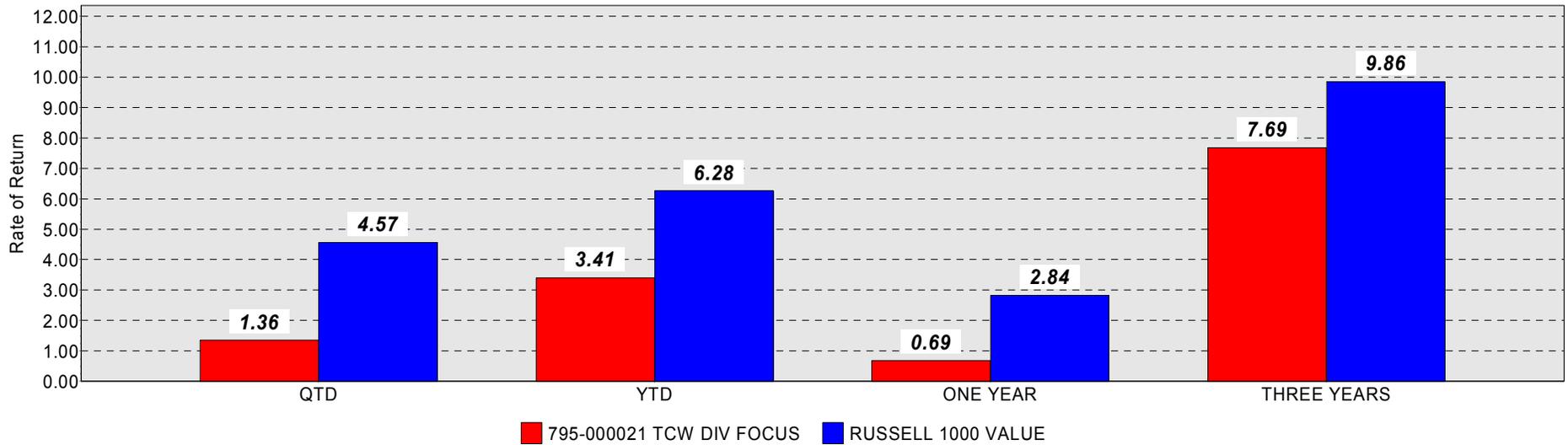
Since 6/30/2013 , your fund has been 92.35 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	2.84		0.12		2.72		1.03		2.81	4.53		0.12		4.41		2.81		1.59
6/2013-6/2016	9.86		0.04		9.82		1.05		10.33	11.22		0.04		11.18		10.33		0.85

CLAYTON COUNTY
795-000021 TCW DIV FOCUS
PERIOD ENDING June 30, 2016

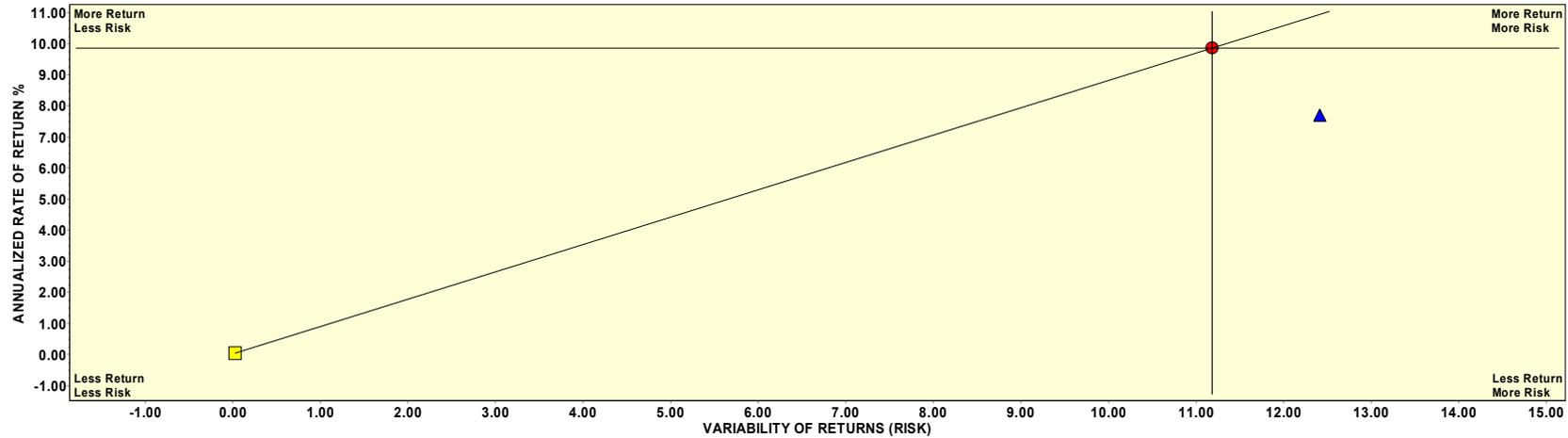
CLAYTON COUNTY
795-00021 TCW DIV FOCUS
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	16,537,062.06	16,209,959.91	16,646,956.80	0.01
Net Contributions	0.00	0.00	0.00	13,439,786.40
Interest And Dividend Income	83,342.51	96,876.08	345,192.80	737,785.12
Investment Earnings	225,210.71	552,312.86	115,315.97	3,322,486.36
Ending Mkt Value	16,762,272.77	16,762,272.77	16,762,272.77	16,762,272.77
Gross Time Weighted Return	1.36	3.41	0.69	7.69
RUSSELL 1000 VALUE	4.57	6.28	2.84	9.86

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-00021 TCW DIV FOCUS
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	7.69	12.42	0.62	1.09	-2.72	95.62
● RUSSELL 1000 VALUE	9.86	11.19	0.88	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	0.69	15.32	-2.20	1.08	0.15	-2.15	-16.41	106.59	94.94	20.47
6/2013-6/2016	7.69	12.42	-2.72	1.09	0.68	-2.17	-33.36	111.72	98.43	36.90

gross time weighted return

Portfolio Risk Index: RUSSELL 1000 VALUE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 TCW DIV FOCUS
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -2.72 percent per Year

Since 6/30/2013 , your fund has averaged -2.72 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.09

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.09 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (RUSSELL 1000 VALUE)

DIVERSIFICATION: 95.62 percent

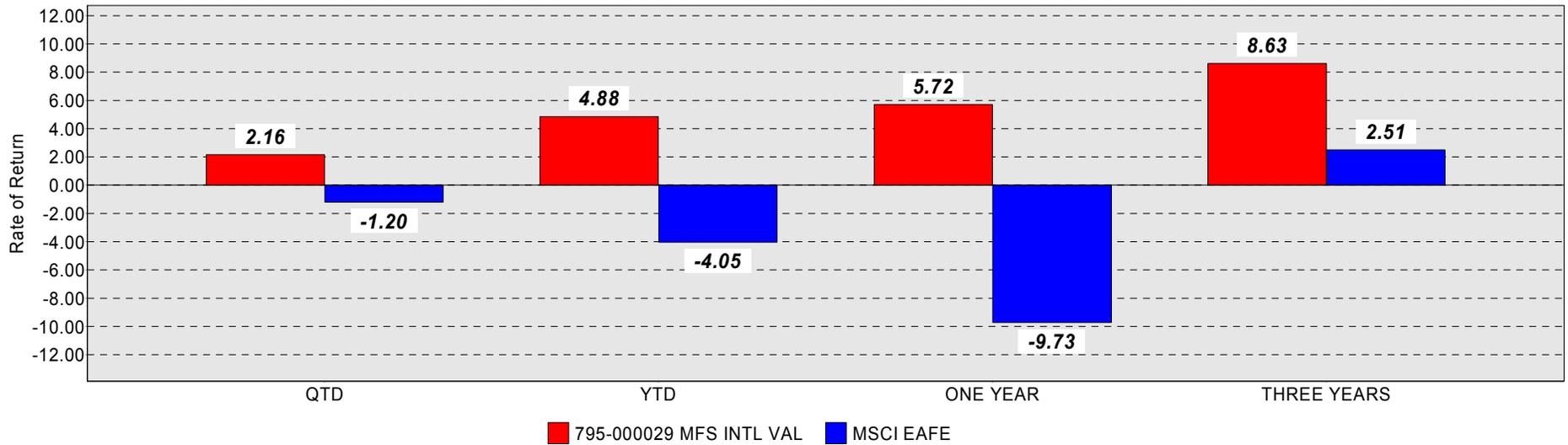
Since 6/30/2013 , your fund has been 95.62 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	2.84		0.12		2.72		1.08		2.94		0.12		0.57		2.94		-2.37
6/2013-6/2016	9.86		0.04		9.82		1.09		10.66		0.04		7.65		10.66		-3.01

CLAYTON COUNTY
795-000029 MFS INTL VAL
PERIOD ENDING June 30, 2016

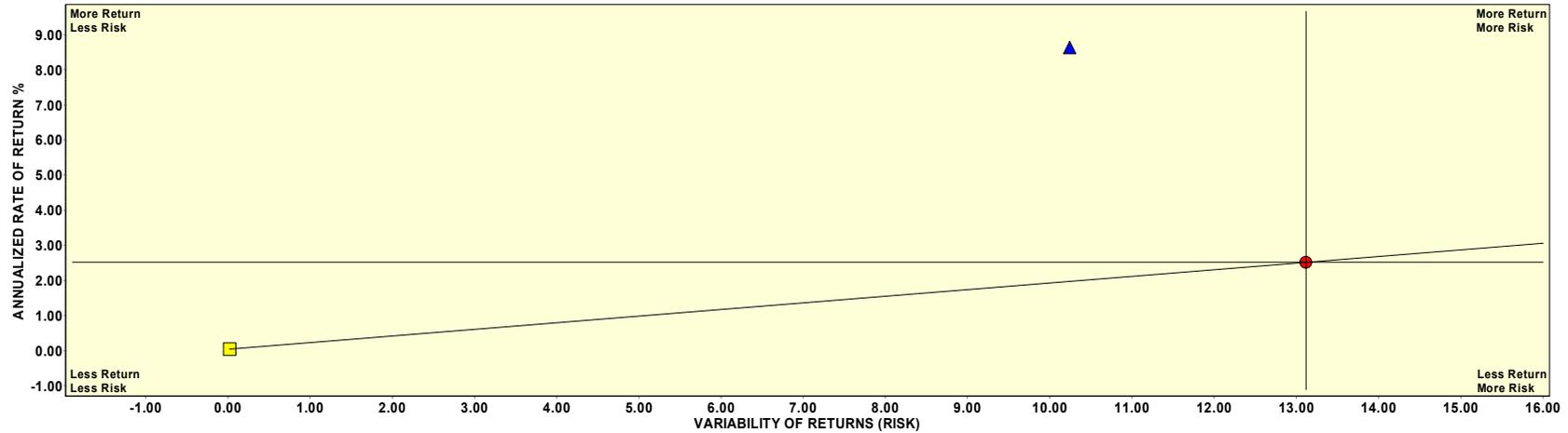
CLAYTON COUNTY
795-000029 MFS INTL VAL
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	16,843,633.42	16,407,567.81	16,276,961.00	0.01
Net Contributions	0.00	0.00	0.00	13,435,791.64
Interest And Dividend Income	0.00	0.00	552,163.02	1,421,789.77
Investment Earnings	364,186.67	800,252.28	930,859.09	3,772,028.44
Ending Mkt Value	17,207,820.09	17,207,820.09	17,207,820.09	17,207,820.09
Gross Time Weighted Return	2.16	4.88	5.72	8.63
MSCI EAFE	(1.20)	(4.05)	(9.73)	2.51

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-00029 MFS INTL VAL
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	8.63	10.24	0.84	0.71	6.43	83.83
● MSCI EAFE	2.51	13.12	0.19	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	5.72	11.64	12.11	0.66	0.52	15.45	-9.64	38.11	81.58	17.00
6/2013-6/2016	8.63	10.24	6.43	0.71	0.74	6.12	-15.46	56.30	86.04	43.76

gross time weighted return

Portfolio Risk Index: MSCI EAFE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-00029 MFS INTL VAL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 6.43 percent per Year

Since 6/30/2013 , your fund has averaged 6.43 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.71

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.71 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
(MSCI EAFE)

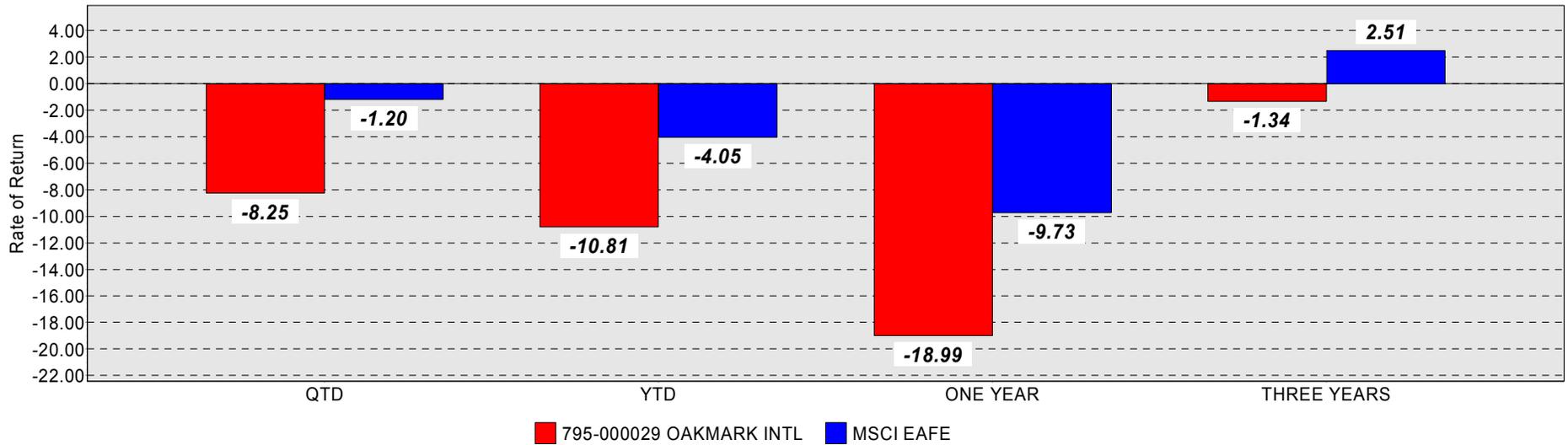
DIVERSIFICATION: 83.83 percent

Since 6/30/2013 , your fund has been 83.83 percent as diversified as the market index described above.
The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	-9.73		0.12		-9.85		0.66		-6.54		5.72		0.12		5.60		-6.54		12.14
6/2013-6/2016	2.51		0.04		2.47		0.71		1.76		8.63		0.04		8.59		1.76		6.83

CLAYTON COUNTY
795-00029 OAKMARK INTL
PERIOD ENDING June 30, 2016

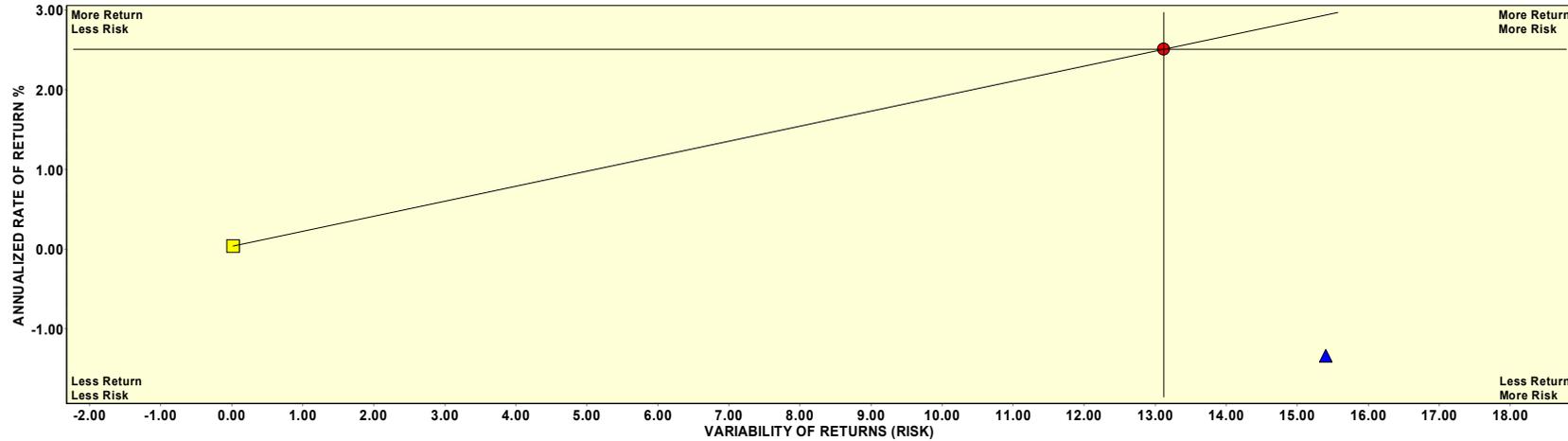
CLAYTON COUNTY
795-000029 OAKMARK INTL
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	10,525,570.56	10,827,973.42	11,920,525.69	0.01
Net Contributions	0.00	0.00	0.00	10,076,843.73
Interest And Dividend Income	0.00	0.00	0.00	0.00
Investment Earnings	(868,188.86)	(1,170,591.72)	(2,263,143.99)	(419,462.04)
Ending Mkt Value	9,657,381.70	9,657,381.70	9,657,381.70	9,657,381.70
Gross Time Weighted Return	(8.25)	(10.81)	(18.99)	(1.34)
MSCI EAFE	(1.20)	(4.05)	(9.73)	2.51

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

**CLAYTON COUNTY
795-00029 OAKMARK INTL
June 30, 2016 Risk Statistics**



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	-1.34	15.40	-0.09	1.13	-3.93	92.64
● MSCI EAFE	2.51	13.12	0.19	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	-18.99	20.50	-7.75	1.24	-1.57	-9.25	-34.09	134.76	110.00	22.92
6/2013-6/2016	-1.34	15.40	-3.93	1.13	-0.01	-3.85	-32.30	117.65	98.88	50.29

gross time weighted return

Portfolio Risk Index: MSCI EAFE Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-00029 OAKMARK INTL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: -3.93 percent per Year

Since 6/30/2013 , your fund has averaged -3.93 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 1.13

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 1.13 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
(MSCI EAFE)

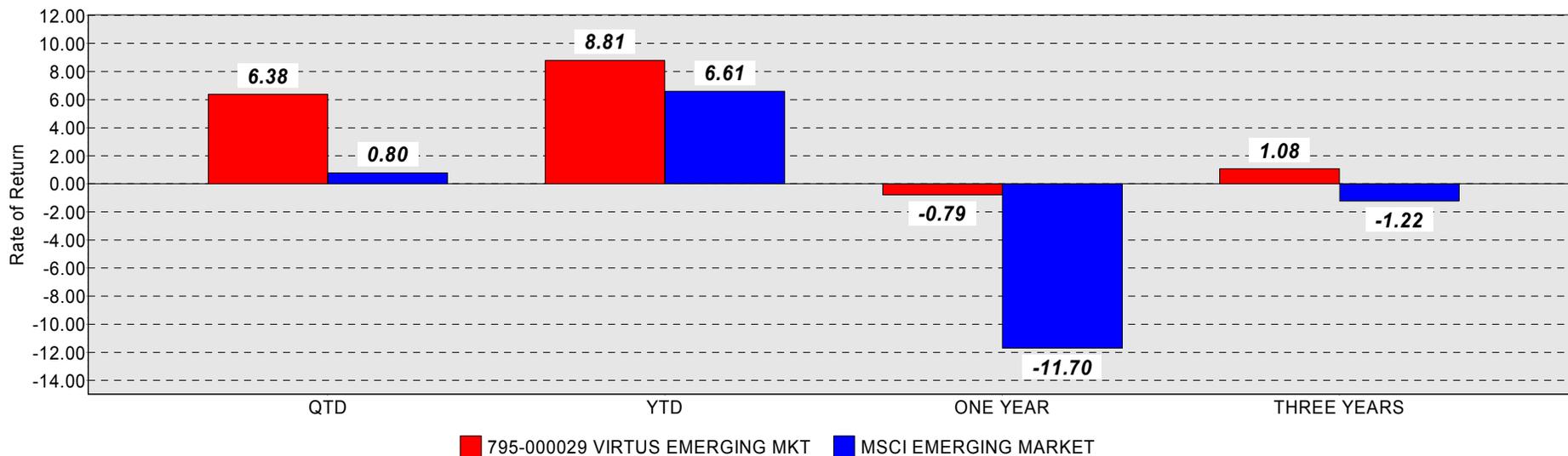
DIVERSIFICATION: 92.64 percent

Since 6/30/2013 , your fund has been 92.64 percent as diversified as the market index described above.
The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	-9.73		0.12		-9.85		1.24		-12.20		-18.99		0.12		-19.11		-12.20		-6.91
6/2013-6/2016	2.51		0.04		2.47		1.13		2.79		-1.34		0.04		-1.38		2.79		-4.17

CLAYTON COUNTY
795-000029 VIRTUS EMERGING MKT
PERIOD ENDING June 30, 2016

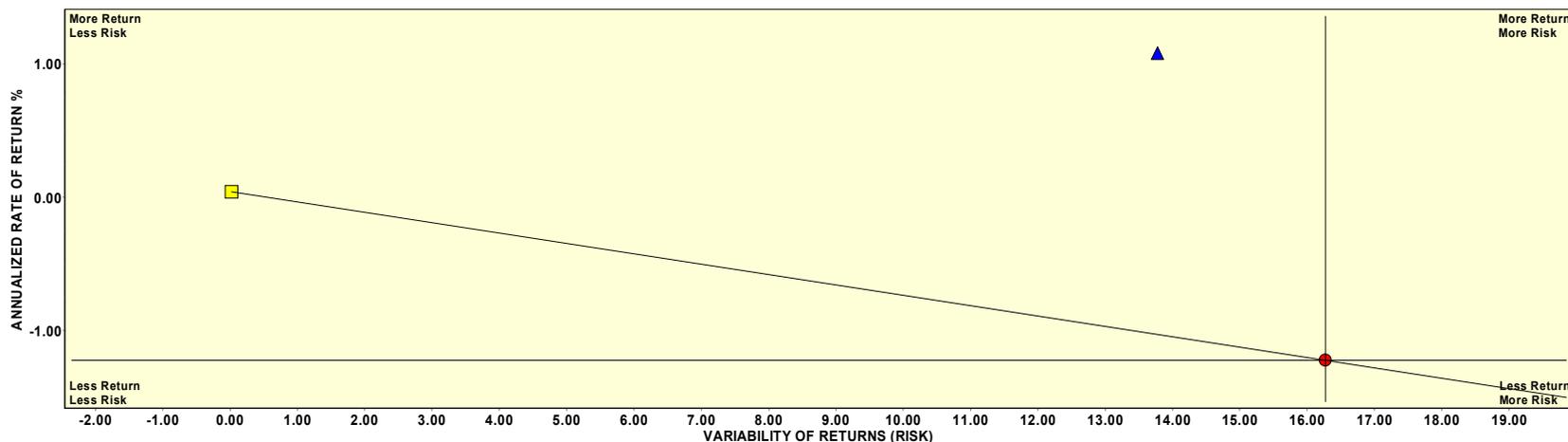
CLAYTON COUNTY
795-00029 VIRTUS EMERGING MKT
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	9,785,705.38	9,567,332.60	10,493,602.74	0.01
Net Contributions	0.00	0.00	0.00	10,078,508.00
Interest And Dividend Income	4,944.96	9,560.72	109,120.54	407,295.86
Investment Earnings	624,716.90	843,089.68	(83,180.46)	331,914.27
Ending Mkt Value	10,410,422.28	10,410,422.28	10,410,422.28	10,410,422.28
Gross Time Weighted Return	6.38	8.81	(0.79)	1.08
MSCI EMERGING MARKET	0.80	6.61	(11.70)	(1.22)

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-00029 VIRTUS EMERGING MKT
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	1.08	13.77	0.08	0.71	1.96	69.82
● MSCI EMERGING MARKET	-1.22	16.27	-0.08	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	-0.79	14.85	6.70	0.63	0.03	10.91	-17.83	58.50	76.73	20.74
6/2013-6/2016	1.08	13.77	1.96	0.71	0.17	2.31	-30.64	83.00	86.56	47.31

gross time weighted return

Portfolio Risk Index: MSCI EMERGING MARKET Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-00029 VIRTUS EMERGING MKT
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 1.96 percent per Year

Since 6/30/2013 , your fund has averaged 1.96 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.71

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.71 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:

(MSCI EMERGING MARKET)

DIVERSIFICATION: 69.82 percent

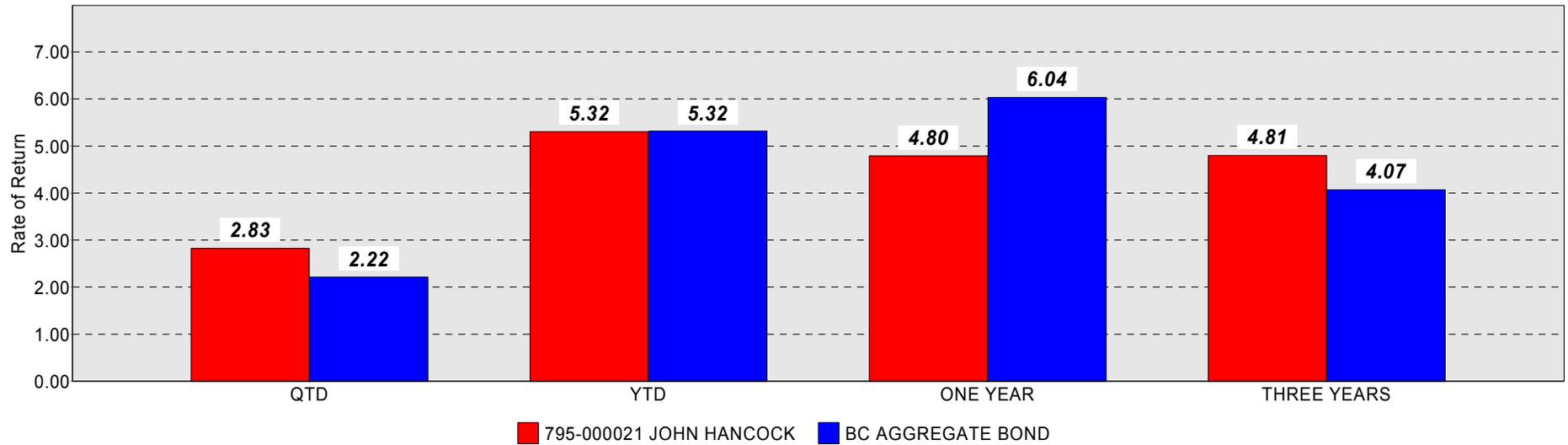
Since 6/30/2013 , your fund has been 69.82 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	-11.70		0.12		-11.82		0.63		-7.47		-0.79		0.12		-0.91		-7.47		6.56
6/2013-6/2016	-1.22		0.04		-1.26		0.71		-0.89		1.08		0.04		1.04		-0.89		1.94

CLAYTON COUNTY
795-000021 JOHN HANCOCK
PERIOD ENDING June 30, 2016

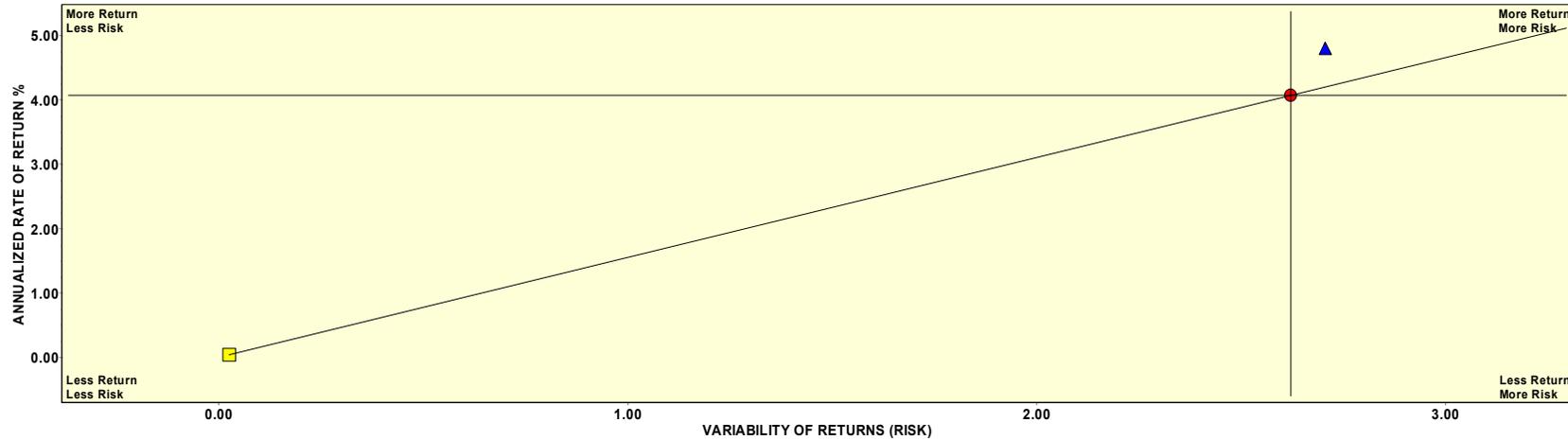
CLAYTON COUNTY
795-000021 JOHN HANCOCK
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	45,037,343.32	43,972,970.07	44,189,934.97	0.01
Net Contributions	0.00	0.00	0.00	40,534,732.01
Interest And Dividend Income	410,597.79	818,121.49	1,644,682.56	5,493,430.44
Investment Earnings	1,273,902.23	2,338,275.48	2,121,310.58	5,776,513.53
Ending Mkt Value	46,311,245.55	46,311,245.55	46,311,245.55	46,311,245.55
Gross Time Weighted Return	2.83	5.32	4.80	4.81
BC AGGREGATE BOND	2.22	5.32	6.04	4.07

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 JOHN HANCOCK
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	4.81	2.71	1.76	0.90	1.11	75.73
● BC AGGREGATE BOND	4.07	2.62	1.54	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	4.80	2.50	-0.31	0.85	0.39	-1.24	-1.60	222.52	95.58	6.50
6/2013-6/2016	4.81	2.71	1.11	0.90	0.39	0.73	-4.71	88.66	108.33	10.60

gross time weighted return

Portfolio Risk Index: BC AGGREGATE BOND Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 JOHN HANCOCK
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 1.11 percent per Year

Since 6/30/2013 , your fund has averaged 1.11 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.90

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.90 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (BC AGGREGATE BOND)

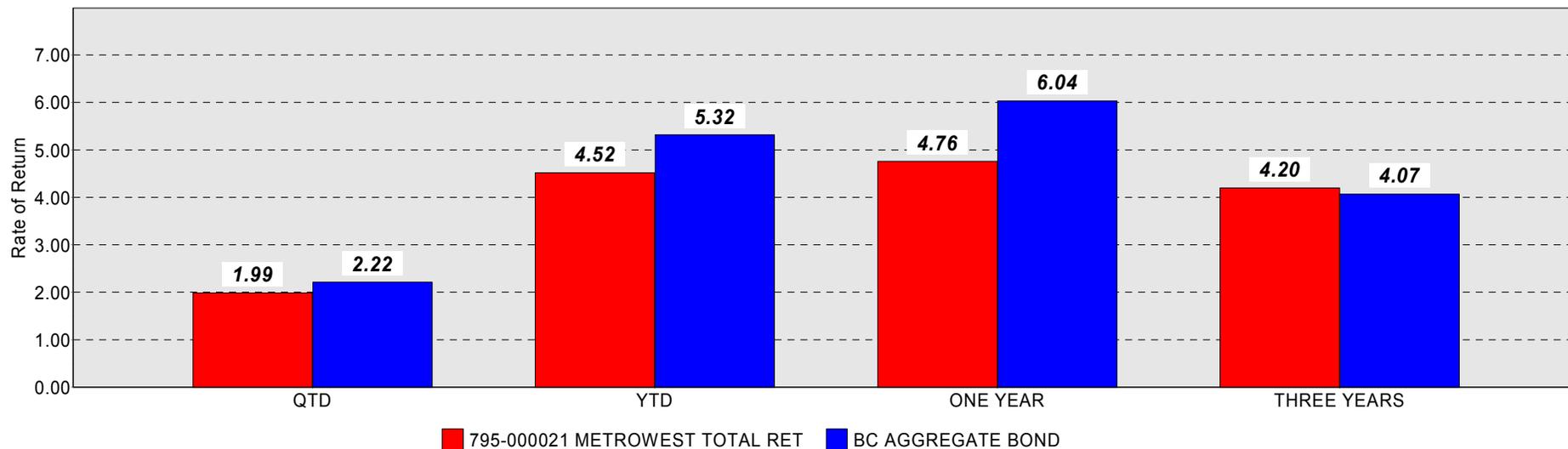
DIVERSIFICATION: 75.73 percent

Since 6/30/2013 , your fund has been 75.73 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	-	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	6.04		0.12		5.92		0.85		5.03		4.80		0.12		4.68		5.03		-0.35
6/2013-6/2016	4.07		0.04		4.03		0.90		3.62		4.81		0.04		4.76		3.62		1.14

CLAYTON COUNTY
795-000021 METROWEST TOTAL RET
PERIOD ENDING June 30, 2016

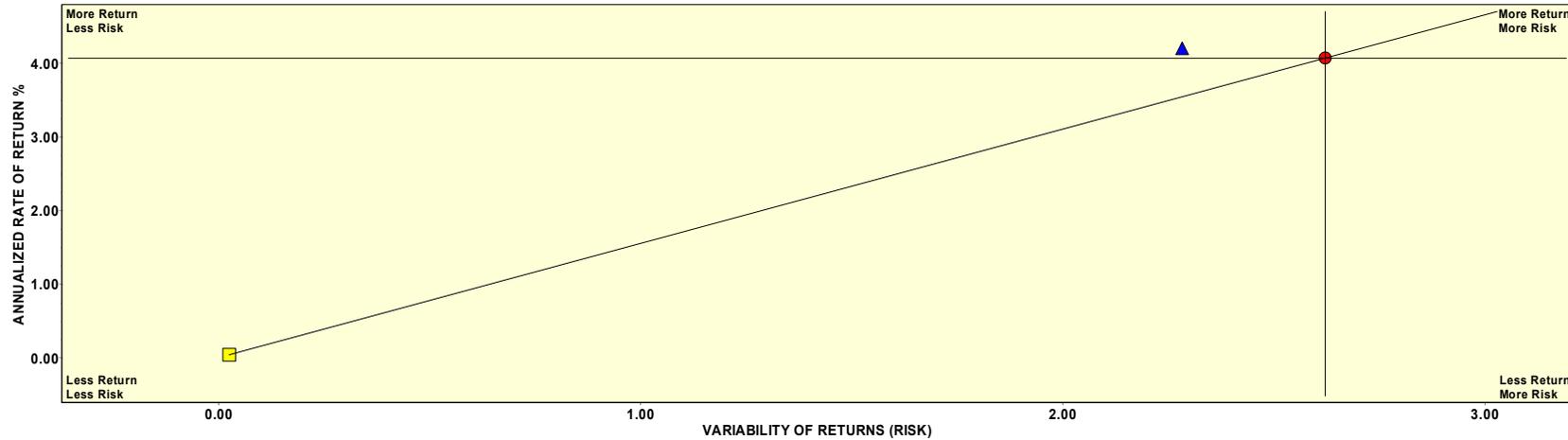
CLAYTON COUNTY
795-000021 METROWEST TOTAL RET
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	44,674,513.43	43,593,300.84	43,492,874.45	0.01
Net Contributions	0.00	0.00	0.00	40,534,732.01
Interest And Dividend Income	230,874.72	439,210.38	1,352,251.83	3,306,621.89
Investment Earnings	889,836.13	1,971,048.72	2,071,475.11	5,029,617.54
Ending Mkt Value	45,564,349.56	45,564,349.56	45,564,349.56	45,564,349.56
Gross Time Weighted Return	1.99	4.52	4.76	4.20
BC AGGREGATE BOND	2.22	5.32	6.04	4.07

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 METROWEST TOTAL RET
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	4.20	2.28	1.82	0.85	0.71	95.65
● BC AGGREGATE BOND	4.07	2.62	1.54	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	4.76	1.90	-0.33	0.85	0.39	-1.27	-0.72	100.53	81.20	5.52
6/2013-6/2016	4.20	2.28	0.71	0.85	0.35	0.13	-3.95	74.28	93.16	9.12

gross time weighted return

Portfolio Risk Index: BC AGGREGATE BOND Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 METROWEST TOTAL RET
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.71 percent per Year

Since 6/30/2013 , your fund has averaged 0.71 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.85

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.85 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (BC AGGREGATE BOND)

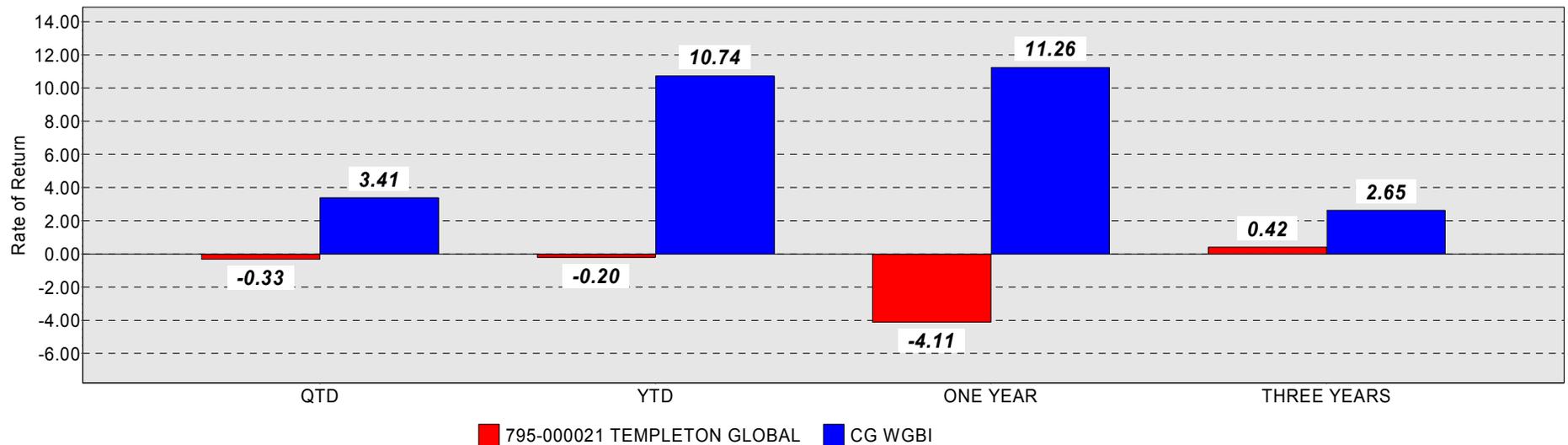
DIVERSIFICATION: 95.65 percent

Since 6/30/2013 , your fund has been 95.65 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	6.04		0.12		5.92		0.85		5.01	4.76		0.12		4.64		5.01		-0.37
6/2013-6/2016	4.07		0.04		4.03		0.85		3.43	4.20		0.04		4.16		3.43		0.73

CLAYTON COUNTY
795-000021 TEMPLETON GLOBAL
PERIOD ENDING June 30, 2016

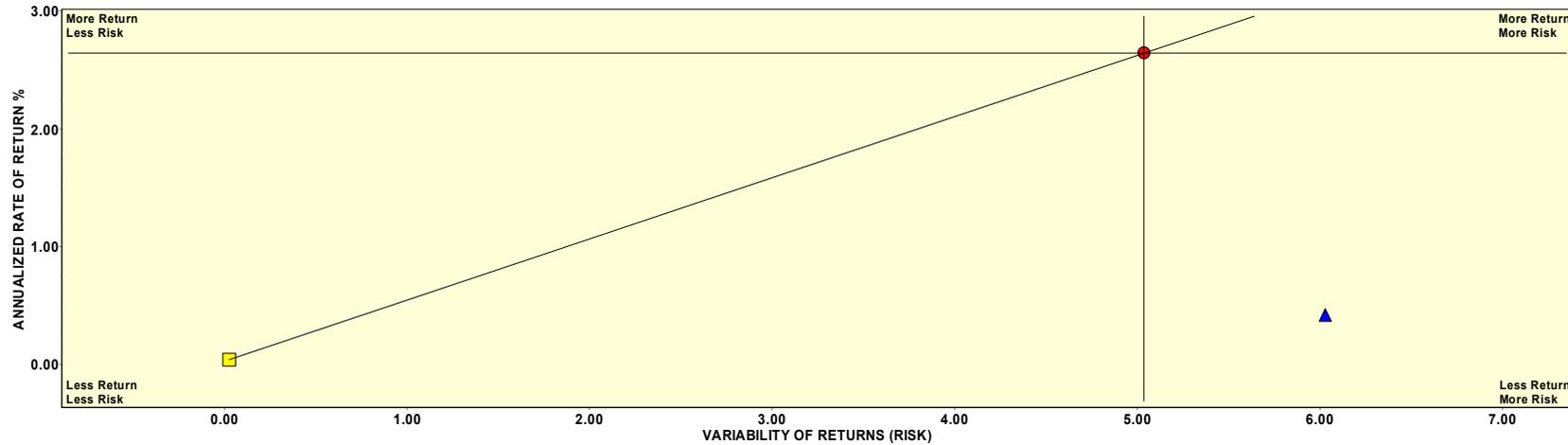
CLAYTON COUNTY
795-000021 TEMPLETON GLOBAL
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	23,890,204.53	23,858,943.65	24,833,187.44	0.01
Net Contributions	0.00	0.00	0.00	23,512,635.37
Interest And Dividend Income	170,308.14	380,943.83	798,339.06	3,358,180.28
Investment Earnings	(78,708.80)	(47,447.92)	(1,021,691.71)	298,860.35
Ending Mkt Value	23,811,495.73	23,811,495.73	23,811,495.73	23,811,495.73
Gross Time Weighted Return	(0.33)	(0.20)	(4.11)	0.42
CG WGBI	3.41	10.74	11.26	2.65

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 TEMPLETON GLOBAL
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	0.42	6.03	0.06	0.07	0.36	0.39
● CG WGBI	2.65	5.04	0.52	1.00	0.00	100.00
■ 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	-4.11	8.20	-3.17	-0.07	-0.32	-15.37	4.46	-123.92	-53.26	-8.21
6/2013-6/2016	0.42	6.03	0.36	0.07	0.05	-2.23	1.33	-11.63	-2.27	-0.39

gross time weighted return

Portfolio Risk Index: CG WGBI Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 TEMPLETON GLOBAL
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.36 percent per Year

Since 6/30/2013 , your fund has averaged 0.36 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.07

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.07 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (CG WGBI)

DIVERSIFICATION: 0.39 percent

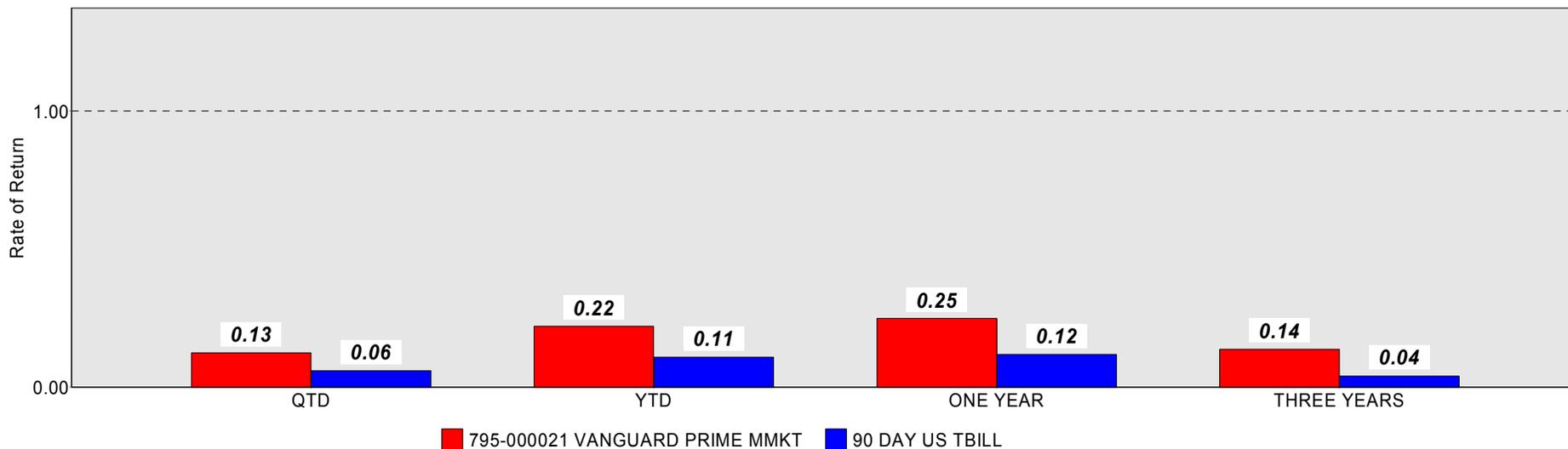
Since 6/30/2013 , your fund has been 0.39 percent as diversified as the market index described above.

The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	11.26		0.12		11.14		-0.07		-0.83		0.12		-4.23		-0.83		-3.40
6/2013-6/2016	2.65		0.04		2.61		0.07		0.19		0.04		0.38		0.19		0.19

CLAYTON COUNTY
795-000021 VANGUARD PRIME MMKT
PERIOD ENDING June 30, 2016

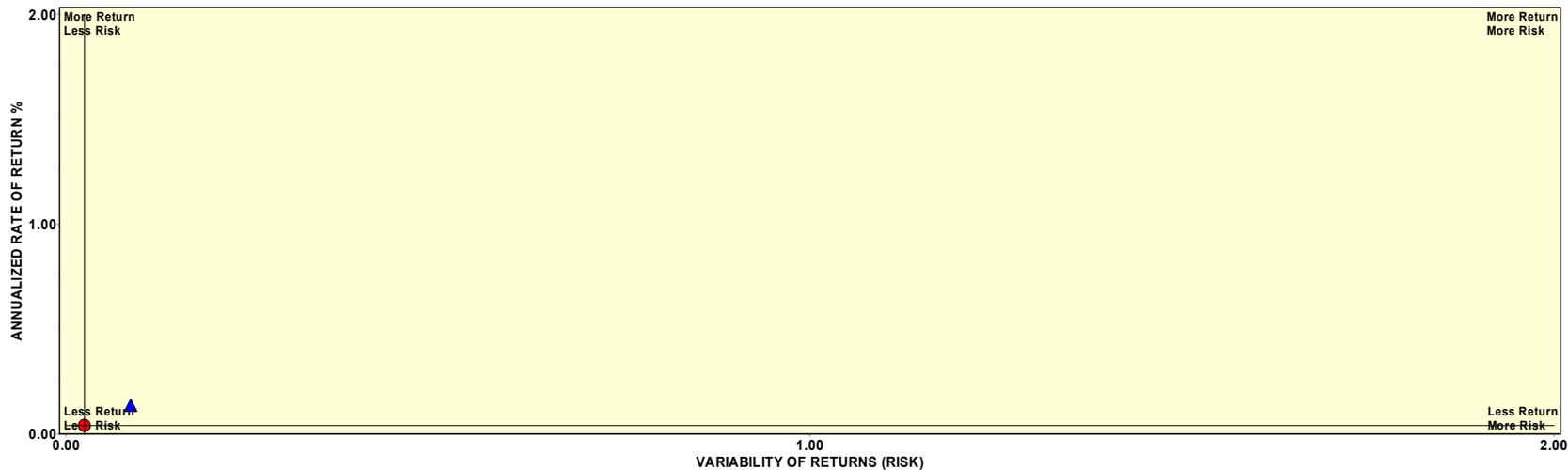
CLAYTON COUNTY
795-000021 VANGUARD PRIME MMKT
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>	<u>THREE YEARS</u>
Beginning Mkt Value	822,135.30	631,303.87	3,313,229.28	0.01
Net Contributions	3,503,316.01	3,692,820.85	1,010,549.27	4,321,590.83
Interest And Dividend Income	2,505.89	3,832.48	4,178.65	5,006.31
Investment Earnings	2,917.70	4,244.29	4,590.46	6,778.17
Ending Mkt Value	4,328,369.01	4,328,369.01	4,328,369.01	4,328,369.01
Gross Time Weighted Return	0.13	0.22	0.25	0.14
90 DAY US TBILL	0.06	0.11	0.12	0.04

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: June 30, 2013

CLAYTON COUNTY
795-000021 VANGUARD PRIME MMKT
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	0.14	0.09	1.12	N/A	N/A	N/A
● 90 DAY US TBILL	0.04	0.02	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	0.25	0.06	0.00	0.00	0.02	0.13			207.68	0.25
6/2013-6/2016	0.14	0.09	0.00	0.00	0.01	0.10			336.21	0.14

gross time weighted return

Portfolio Risk Index: 90 DAY US TBILL Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 6/30/2013

CLAYTON COUNTY
795-000021 VANGUARD PRIME MMKT
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.00 percent per Year

Since 6/30/2013 , your fund has averaged 0.00 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.00

The volatility coefficient is known as Beta.

Since 6/30/2013 , your fund has been 0.00 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
 (90 DAY US TBILL)

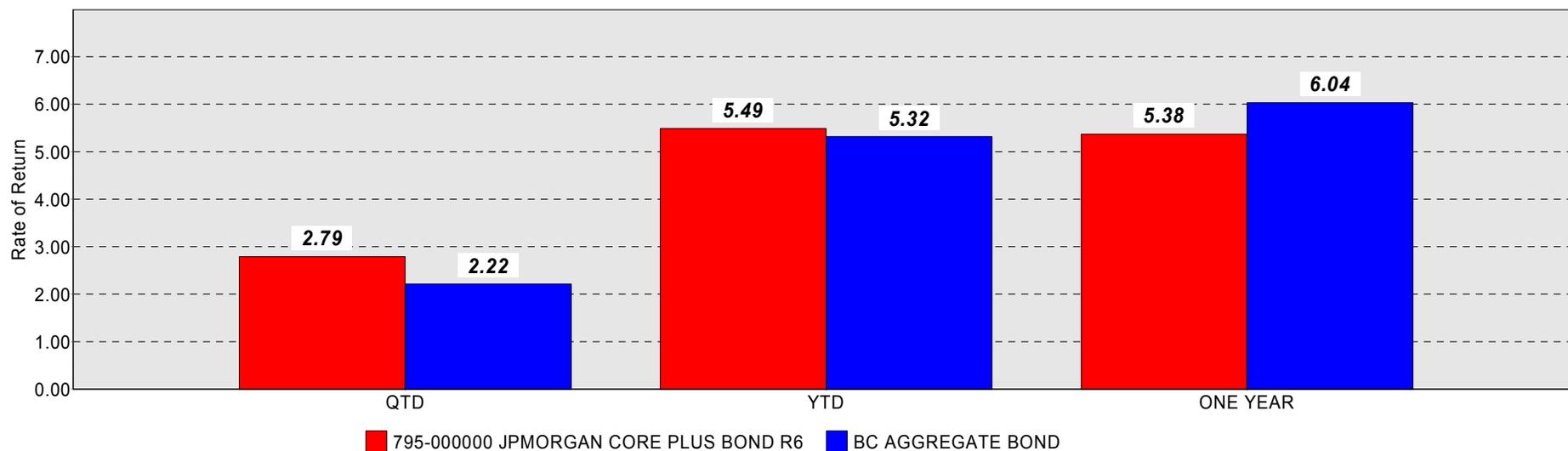
DIVERSIFICATION: 0.00 percent

Since 6/30/2013 , your fund has been 0.00 percent as diversified as the market index described above.
 The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	0.12		0.12		0.00		N/A		N/A	0.25		0.12		0.13		N/A		0.13
6/2013-6/2016	0.04		0.04		0.00		N/A		N/A	0.14		0.04		0.10		N/A		0.10

795-000000 JPMORGAN CORE PLUS BOND R6
PERIOD ENDING June 30, 2016

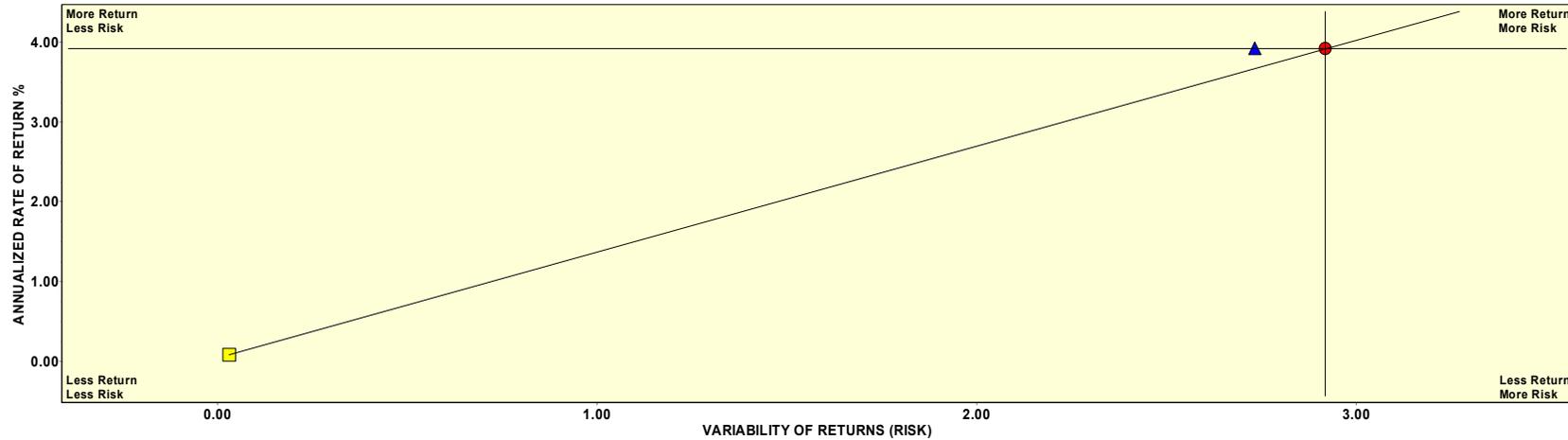
795-000000 JPMORGAN CORE PLUS BOND R6
June 30, 2016 Performance Review



	<u>QTD</u>	<u>YTD</u>	<u>ONE YEAR</u>
Beginning Mkt Value	4,514,681.86	7,640,195.63	12,655,828.16
Net Contributions	(2,011,659.67)	(5,273,066.51)	(10,307,196.74)
Interest And Dividend Income	18,325.77	56,580.38	240,589.14
Investment Earnings	70,739.18	206,632.25	225,129.95
Ending Mkt Value	2,573,761.37	2,573,761.37	2,573,761.37
Gross Time Weighted Return	2.79	5.49	5.38
BC AGGREGATE BOND	2.22	5.32	6.04

Interest and Dividend Income = Ending Accrual - Beginning Accrual + Income.
gross time weighted return
Inception Date: December 17, 2014

795-000000 JPMORGAN CORE PLUS BOND R6
June 30, 2016 Risk Statistics



	Return	Std Dev	Sharpe Ratio	Beta	Alpha	R-Squared
▲ TOTAL FUND	3.92	2.73	1.41	0.89	0.43	89.89
● BC AGGREGATE BOND	3.91	2.92	1.31	1.00	0.00	100.00
■ 90 DAY US TBILL	0.08	0.03	0.00	1.00	0.00	100.00

PERIOD	Return	Std Dev	Alpha	Beta	Avg Return	Excess Return	Downside Capture ROR	Downside Capt Ratio	Upside Capture Ratio	Upside Capture ROR
6/2015-6/2016	5.38	2.35	-0.54	0.99	0.44	-0.66	-1.42	197.55	101.30	6.89
12/2014-6/2016	3.92	2.73	0.43	0.89	0.32	0.01	-3.07	92.96	97.38	9.30

gross time weighted return

Portfolio Risk Index: BC AGGREGATE BOND Riskless Index: CITIGROUP 90 DAY U.S. TREASURY BILL

Portfolio Inception: 12/17/2014

**795-000000 JPMORGAN CORE PLUS BOND R6
RETURN VS. RISK - TOTAL FUND
PERIODS ENDING JUNE 30, 2016**

TOTAL FUND:

VALUE ADDED BY MANAGEMENT: 0.43 percent per Year

Since 12/31/2014 , your fund has averaged 0.43 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.89

The volatility coefficient is known as Beta.

Since 12/31/2014 , your fund has been 0.89 times as volatile as the market.

The market proxy used in this comparison is a policy index calculated using the returns of the following:
(BC AGGREGATE BOND)

DIVERSIFICATION: 89.89 percent

Since 12/31/2014 , your fund has been 89.89 percent as diversified as the market index described above.
The diversification statistic is called R-Squared.

Date	Risk Index: Market	-	90 DAY US TBILL	=	Market Return Premium	x	Portfolio Beta	=	Effect of Market	Actual Portfolio	-	90 DAY US TBILL	=	Portfolio Premium	-	Effect of Market	=	Effect of Manager
6/2015-6/2016	6.04		0.12		5.92		0.99		5.83	5.38		0.12		5.26		5.83		-0.58
12/2014-6/2016	3.91		0.08		3.83		0.89		3.40	3.92		0.08		3.84		3.40		0.44

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Clayton County Defined Benefit Plan

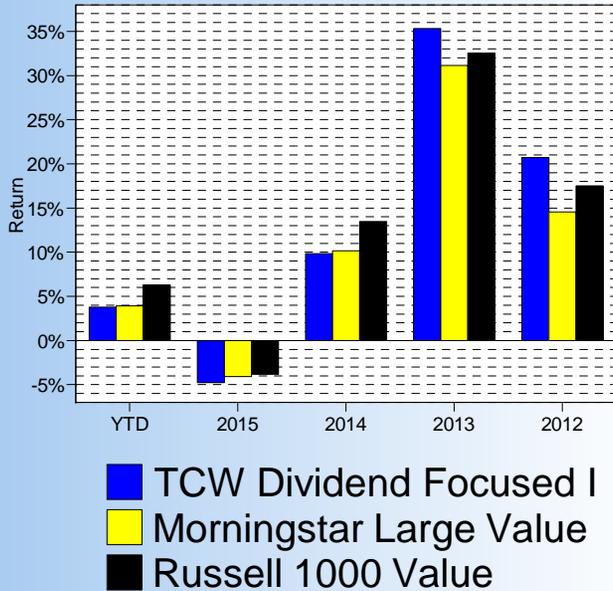
Correlation Matrix: Returns vs. S&P 500

July 2011 - June 2016

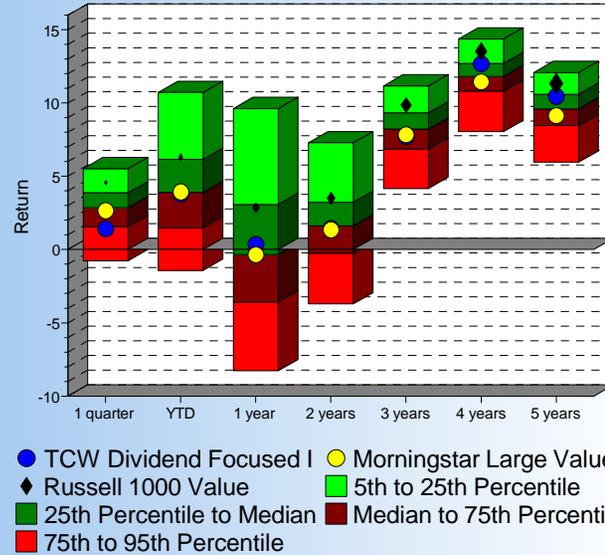
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
1) JPMorgan Core Plus Bond R6	1.00																		
2) JHancock Bond R6	0.90	1.00																	
3) Metropolitan West Total Return Bond Plan	0.86	0.89	1.00																
4) Templeton Global Bond R6	0.24	0.59	0.36	1.00															
5) TCW Dividend Focused I	0.11	0.38	0.09	0.79	1.00														
6) DePrince, Race: Large Cap Value (gross)	0.14	0.39	0.07	0.82	0.95	1.00													
7) Paradigm Asset Large Cap Value (gross)	0.12	0.37	0.06	0.76	0.99	0.94	1.00												
8) Glenmede Large Cap 100	0.13	0.39	0.08	0.78	0.97	0.92	0.98	1.00											
9) Atlanta Capital: High Quality Select Equity (gross)	0.13	0.35	0.11	0.70	0.94	0.84	0.94	0.95	1.00										
10) Delaware US Growth Instl	-0.02	0.24	0.01	0.73	0.88	0.80	0.89	0.91	0.89	1.00									
11) Fidelity Focused Stock	0.09	0.36	0.07	0.80	0.92	0.90	0.92	0.95	0.90	0.91	1.00								
12) JPMorgan Mid Cap Value Instl	0.23	0.46	0.15	0.74	0.96	0.92	0.97	0.96	0.95	0.83	0.91	1.00							
13) HSBC Opportunity I	0.11	0.38	0.07	0.81	0.92	0.90	0.94	0.97	0.89	0.92	0.97	0.92	1.00						
14) JPMorgan Small Cap Value R6	0.20	0.40	0.10	0.70	0.93	0.92	0.94	0.93	0.93	0.82	0.91	0.98	0.91	1.00					
15) Franklin Small Cap Growth R6	0.01	0.24	-0.08	0.65	0.88	0.88	0.90	0.90	0.85	0.87	0.93	0.90	0.94	0.92	1.00				
16) MFS International Value R5	0.10	0.38	0.12	0.78	0.85	0.86	0.84	0.87	0.80	0.79	0.94	0.85	0.89	0.86	0.85	1.00			
17) Oakmark International I	-0.02	0.28	0.07	0.83	0.75	0.79	0.73	0.81	0.73	0.77	0.86	0.75	0.87	0.78	0.78	0.88	1.00		
18) Virtus Emerging Markets Opportunities I	0.47	0.71	0.41	0.89	0.74	0.82	0.72	0.72	0.63	0.62	0.72	0.74	0.75	0.71	0.63	0.71	0.67	1.00	
19) S&P 500	0.08	0.34	0.04	0.78	0.99	0.93	0.99	0.98	0.94	0.92	0.94	0.95	0.93	0.92	0.89	0.85	0.74	0.73	1.00

Large Cap Value

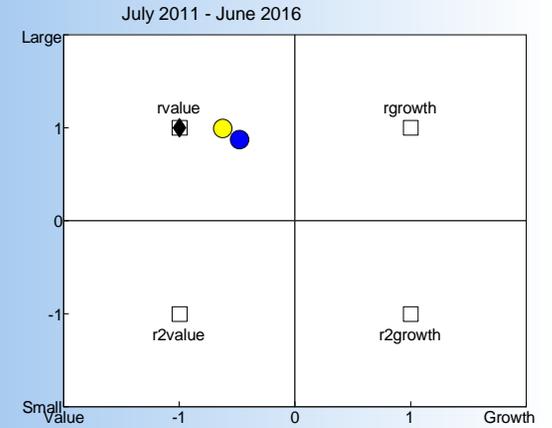
Calendar Year Return
As of June 2016



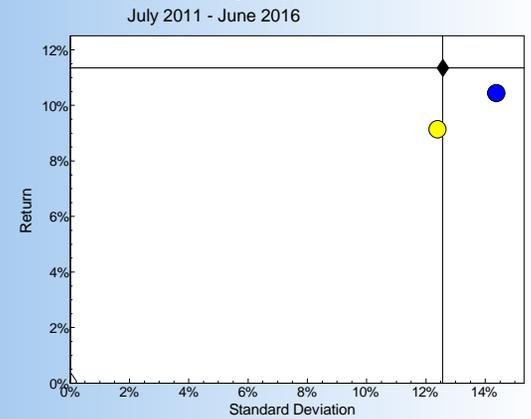
Manager vs Universe: Return through June 2016
(not annualized if less than 1 year)
Morningstar Large Value



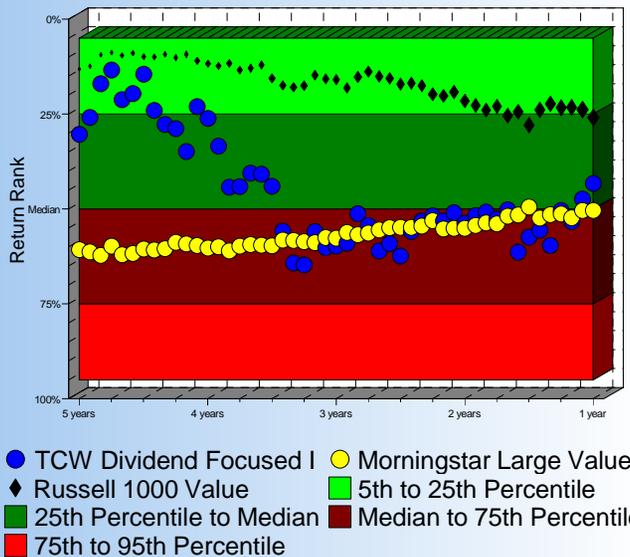
Manager Style
Single Computation



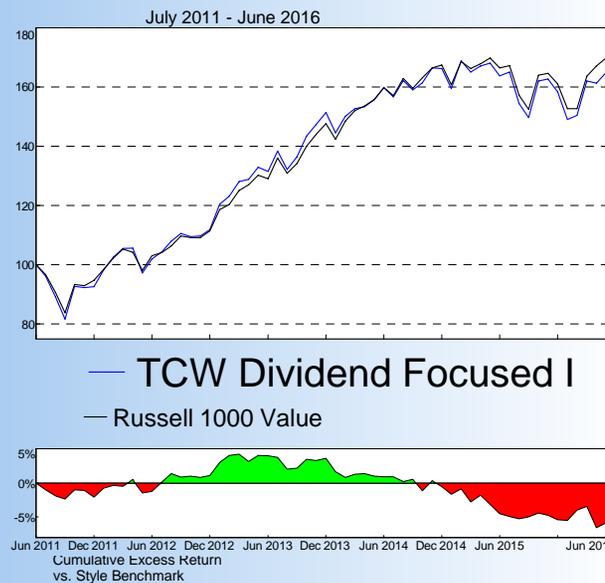
Manager Risk/Return
Single Computation



Manager vs Universe: Return Rank through June 2016
(not annualized if less than 1 year)
Morningstar Large Value



Manager Performance
Single Computation



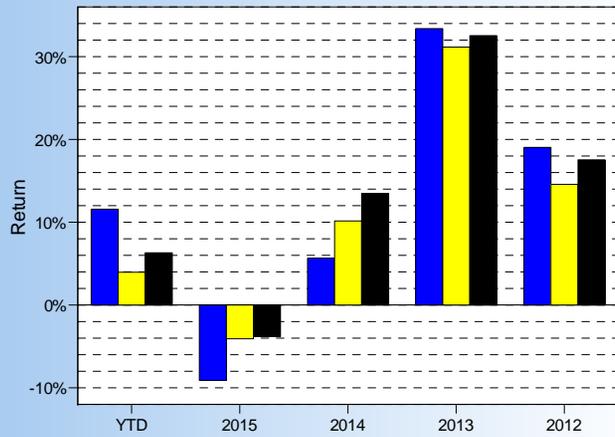
Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
TCW Dividend Focused	14.37%	-0.91%	104.48%	111.02%
Morningstar Large Value	12.39%	-2.22%	90.92%	101.45%
Russell 1000 Value	12.57%	0.00%	100.00%	100.00%

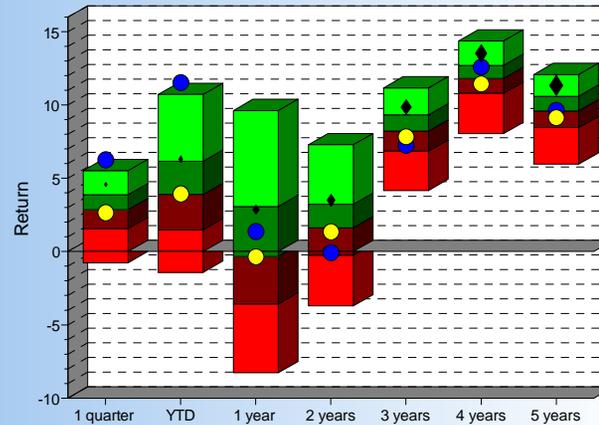
Large Cap Value

Calendar Year Return
As of June 2016



■ DePrince, Race: Large Cap Value (gross)
■ Morningstar Large Value
■ Russell 1000 Value

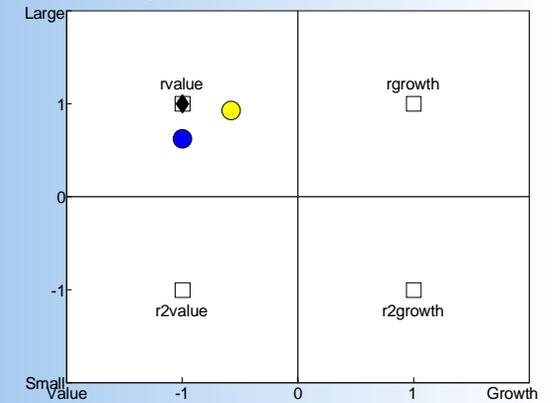
Manager vs Universe: Return through June 2016
(not annualized if less than 1 year)
Morningstar Large Value



● DePrince, Race: Large Cap Value (gross) ● Morningstar Large Value
◆ Russell 1000 Value ■ 5th to 25th Percentile
■ 25th Percentile to Median ■ 75th to 95th Percentile

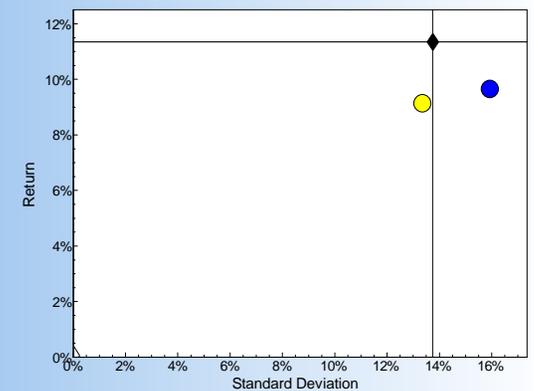
Manager Style
Single Computation

July 2011 - June 2016

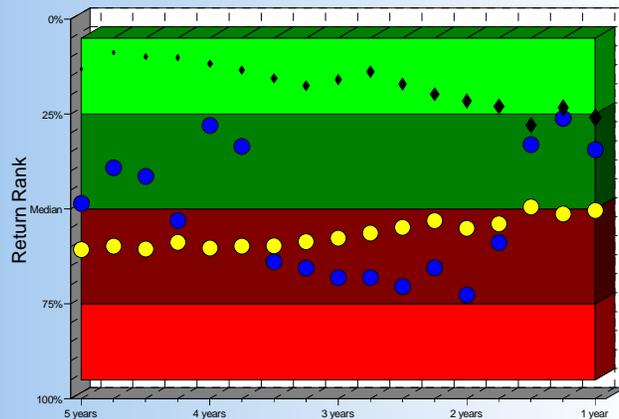


Manager Risk/Return
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016
(not annualized if less than 1 year)
Morningstar Large Value



● DePrince, Race: Large Cap Value (gross) ● Morningstar Large Value
◆ Russell 1000 Value ■ 5th to 25th Percentile
■ 25th Percentile to Median ■ 75th to 95th Percentile

Manager Performance
Single Computation

July 2011 - June 2016



— DePrince, Race: Large Cap Value (gross)
— Russell 1000 Value



Up/Down Capture

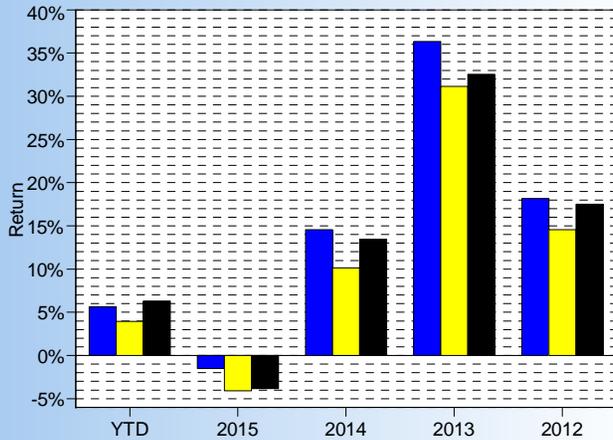
July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
DePrince, Race: Large C	15.93%	-1.70%	109.44%	141.48%
Morningstar Large Valu	13.34%	-2.22%	87.99%	102.89%
Russell 1000 Value	13.74%	0.00%	100.00%	100.00%

Large Cap Value

Calendar Year Return

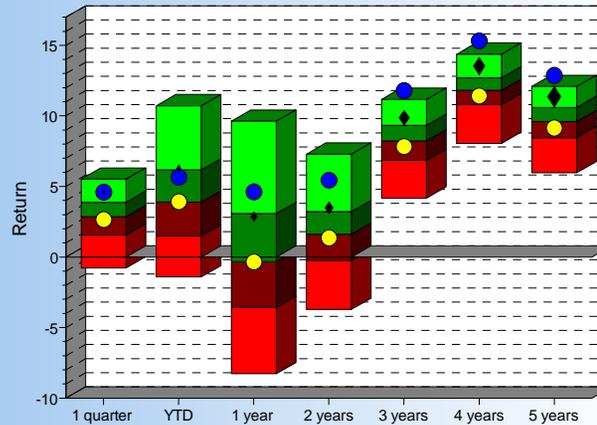
As of June 2016



■ Paradigm Asset Large Cap Value (gross)
 ■ Morningstar Large Value
 ■ Russell 1000 Value

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)
Morningstar Large Value

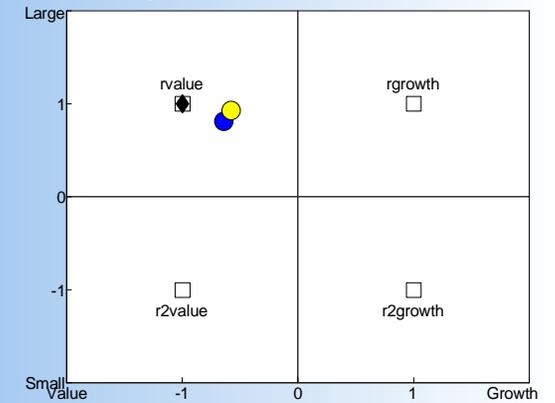


● Paradigm Asset Large Cap Value (gross)
 ● Morningstar Large Value
 ◆ Russell 1000 Value
 ■ 5th to 25th Percentile
 ■ 25th Percentile to Median
 ■ Median to 75th Percentile
 ■ 75th to 95th Percentile

Manager Style

Single Computation

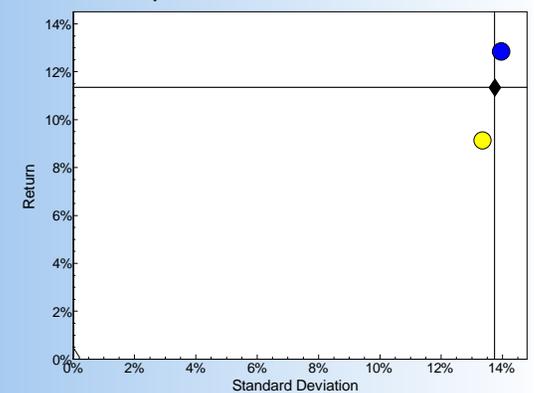
July 2011 - June 2016



Manager Risk/Return

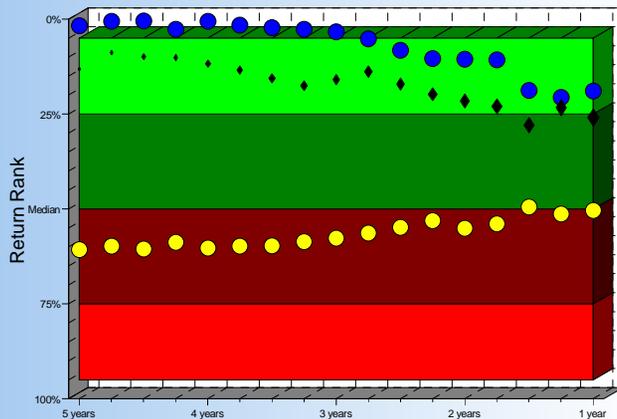
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Large Value



● Paradigm Asset Large Cap Value (gross)
 ● Morningstar Large Value
 ◆ Russell 1000 Value
 ■ 5th to 25th Percentile
 ■ 25th Percentile to Median
 ■ Median to 75th Percentile
 ■ 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



— Paradigm Asset Large Cap Value (gross)
 — Russell 1000 Value



Up/Down Capture

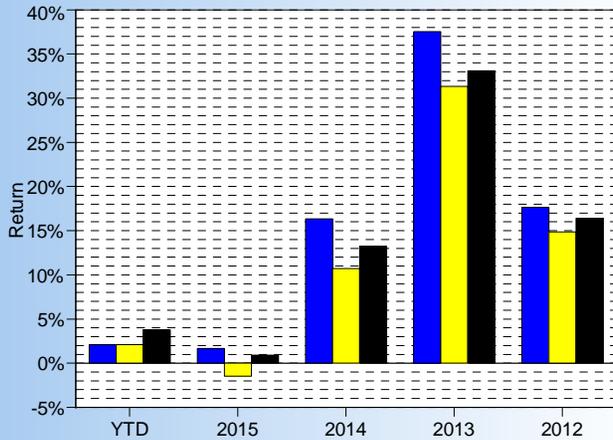
July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Paradigm Asset Large C	13.95%	1.50%	105.29%	91.61%
Morningstar Large Valu	13.34%	-2.22%	87.99%	102.89%
Russell 1000 Value	13.74%	0.00%	100.00%	100.00%

Large Cap Core

Calendar Year Return

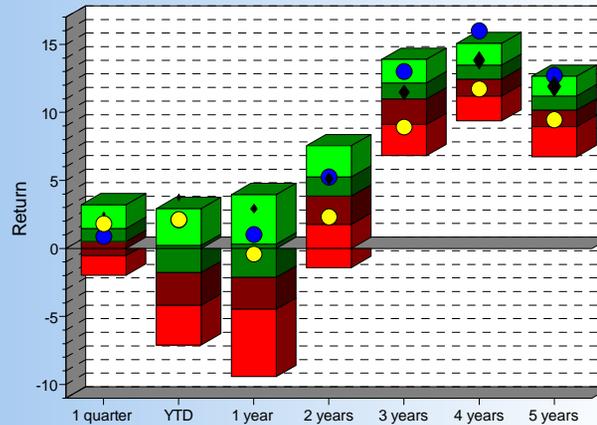
As of June 2016



- Glenmede Large Cap 100
- Morningstar Large Blend
- Russell 1000

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)
Morningstar Large Growth

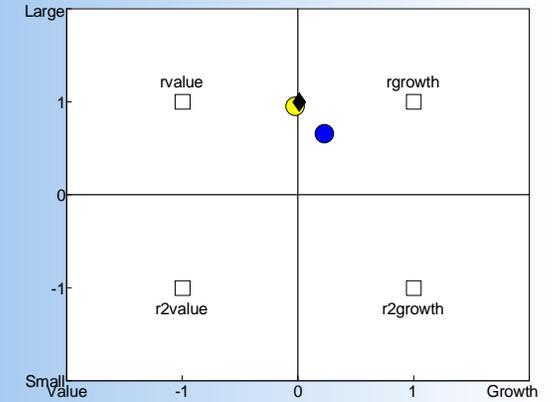


- Glenmede Large Cap 100
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

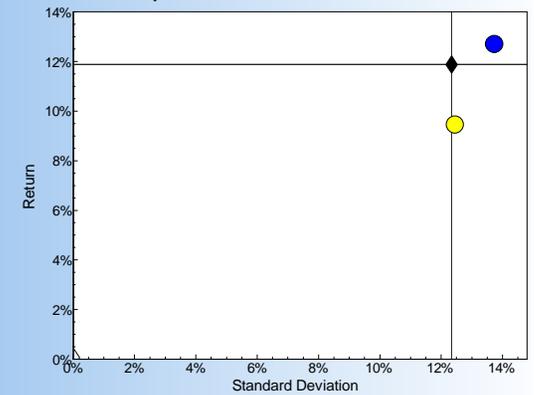
July 2011 - June 2016



Manager Risk/Return

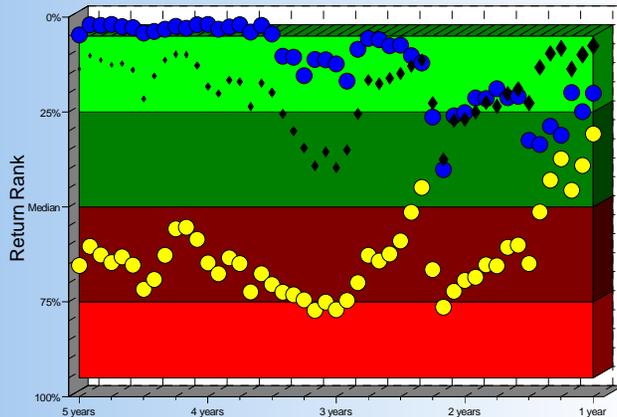
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Large Growth



- Glenmede Large Cap 100
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



- Glenmede Large Cap 100
- Russell 1000



Up/Down Capture

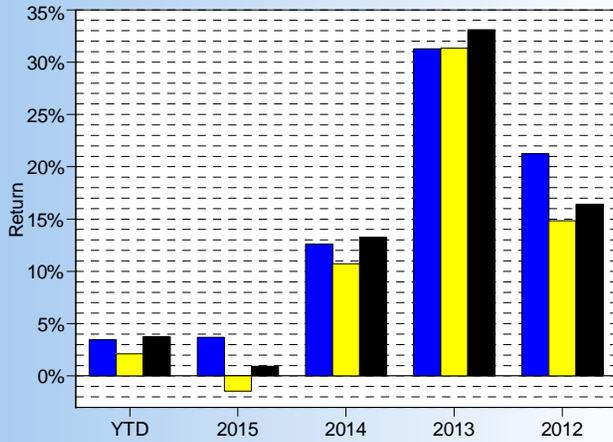
July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Glenmede Large Cap 100	13.72%	0.84%	106.58%	103.67%
Morningstar Large Blend	12.44%	-2.42%	93.47%	106.54%
Russell 1000	12.33%	0.00%	100.00%	100.00%

Large Cap Core

Calendar Year Return

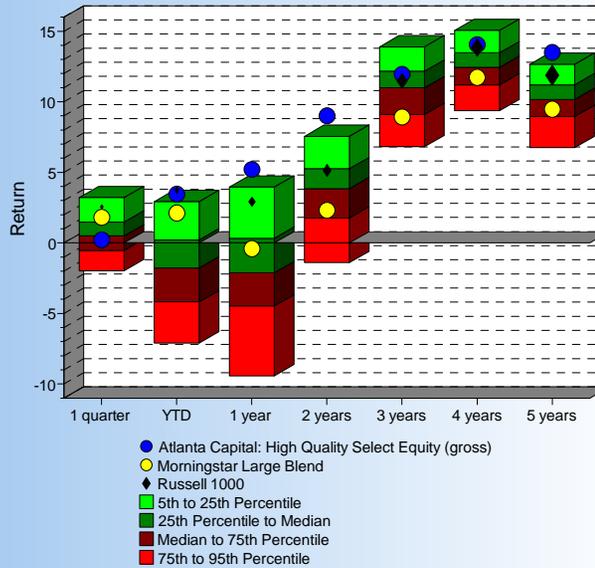
As of June 2016



- Atlanta Capital: High Quality Select Equity (gross)
- Morningstar Large Blend
- Russell 1000

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)
Morningstar Large Growth

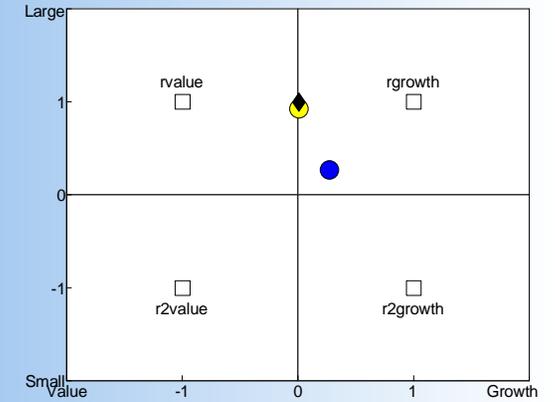


- Atlanta Capital: High Quality Select Equity (gross)
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

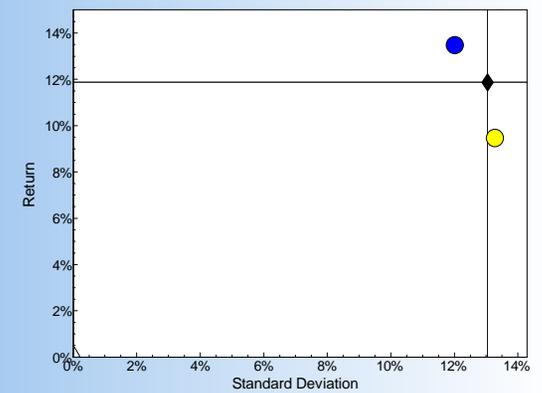
July 2011 - June 2016



Manager Risk/Return

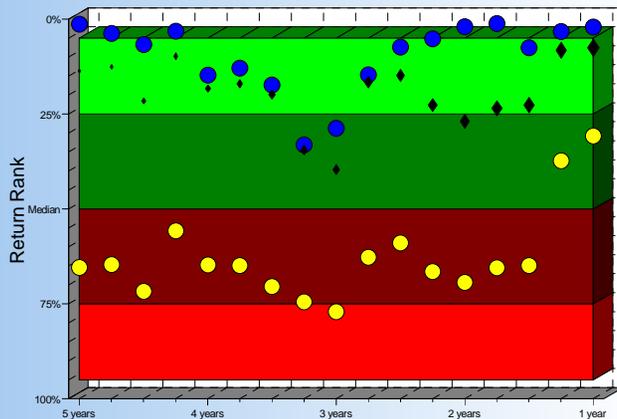
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Large Growth



- Atlanta Capital: High Quality Select Equity (gross)
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



- Atlanta Capital: High Quality Select Equity (gross)
- Russell 1000



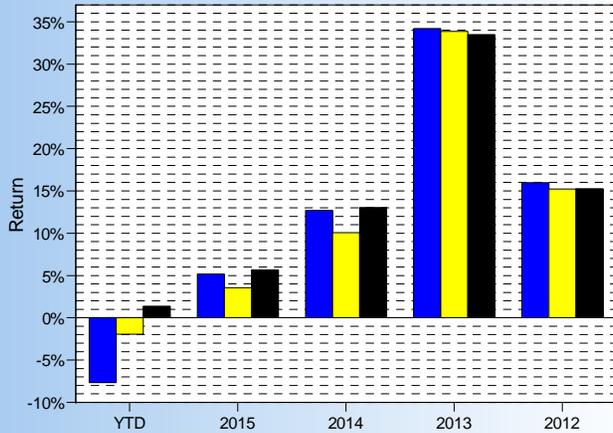
Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Atlanta Capital: High C	12.01%	1.61%	96.66%	66.06%
Morningstar Large Blen	13.27%	-2.42%	89.81%	110.67%
Russell 1000	13.04%	0.00%	100.00%	100.00%

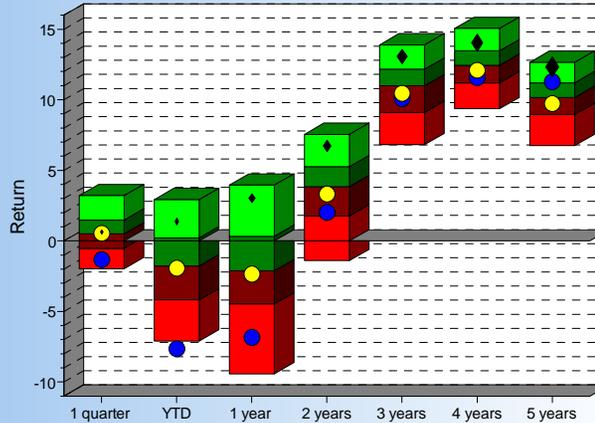
Large Cap Growth

Calendar Year Return
As of June 2016



- Delaware US Growth Instl
- Morningstar Large Growth
- Russell 1000 Growth

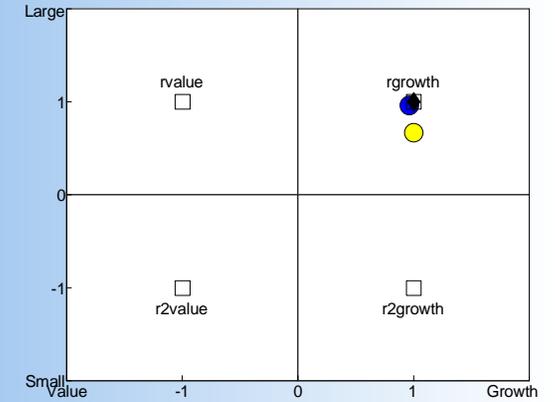
Manager vs Universe: Return through June 2016
(not annualized if less than 1 year)
Morningstar Large Growth



- Delaware US Growth Instl
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

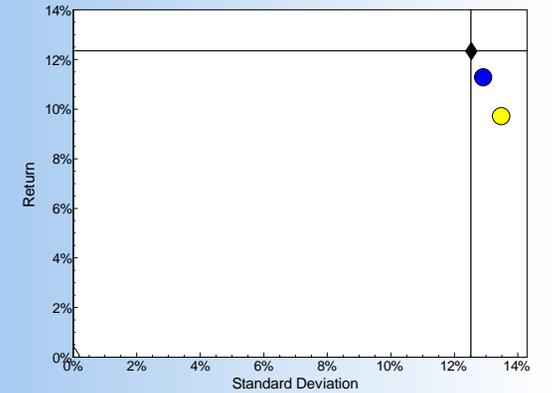
Manager Style
Single Computation

July 2011 - June 2016

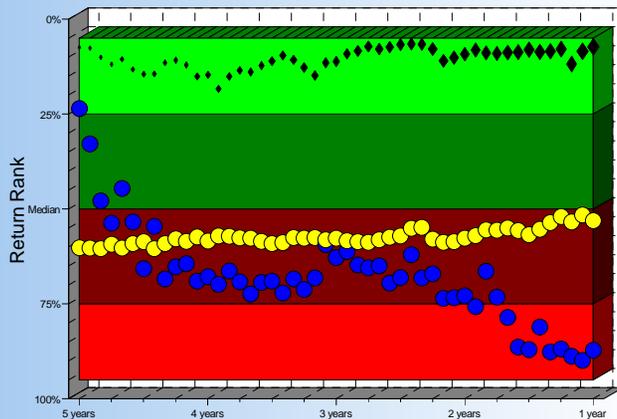


Manager Risk/Return
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016
(not annualized if less than 1 year)
Morningstar Large Growth



- Delaware US Growth Instl
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance
Single Computation

July 2011 - June 2016



- Delaware US Growth Instl
- Russell 1000 Growth



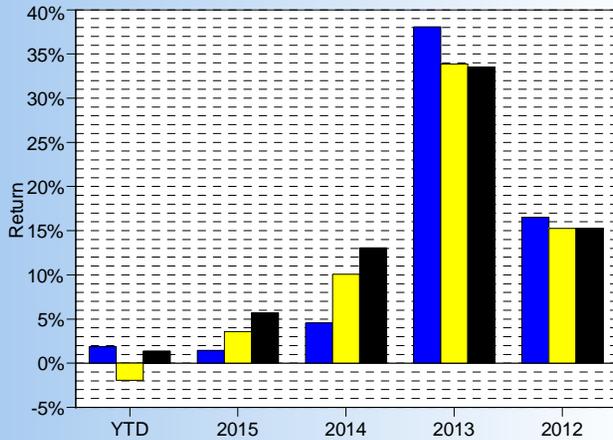
Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Delaware US Growth Instl	12.90%	-1.06%	96.12%	101.57%
Morningstar Large Growth	13.47%	-2.62%	98.69%	115.64%
Russell 1000 Growth	12.53%	0.00%	100.00%	100.00%

Large Cap Growth

Calendar Year Return
As of June 2016



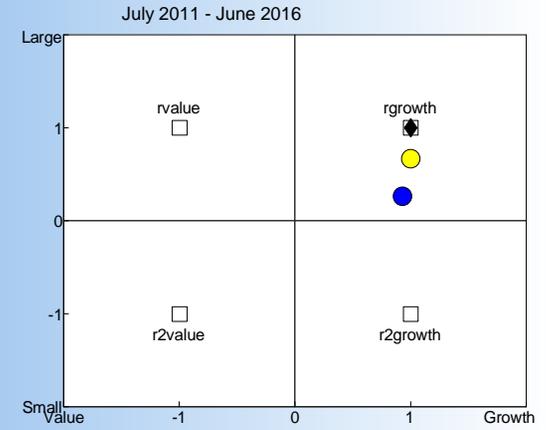
- Fidelity Focused Stock
- Morningstar Large Growth
- Russell 1000 Growth

Manager vs Universe: Return through June 2016
(not annualized if less than 1 year)
Morningstar Large Growth

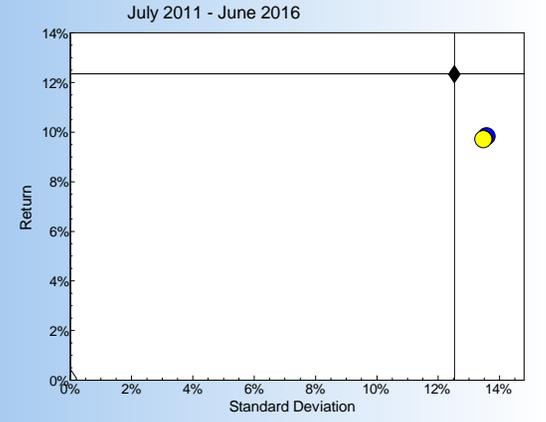


- Fidelity Focused Stock
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

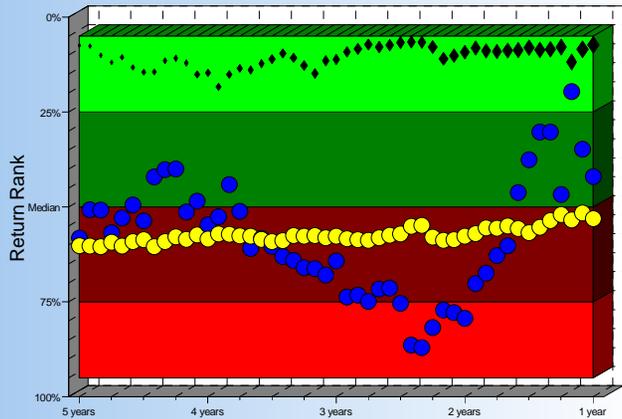
Manager Style
Single Computation



Manager Risk/Return
Single Computation



Manager vs Universe: Return Rank through June 2016
(not annualized if less than 1 year)
Morningstar Large Growth



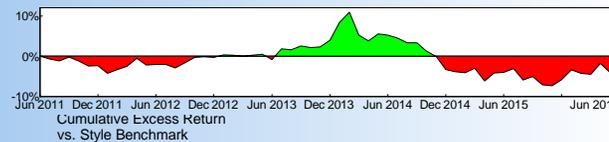
- Fidelity Focused Stock
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance
Single Computation

July 2011 - June 2016



- Fidelity Focused Stock
- Russell 1000 Growth



Up/Down Capture

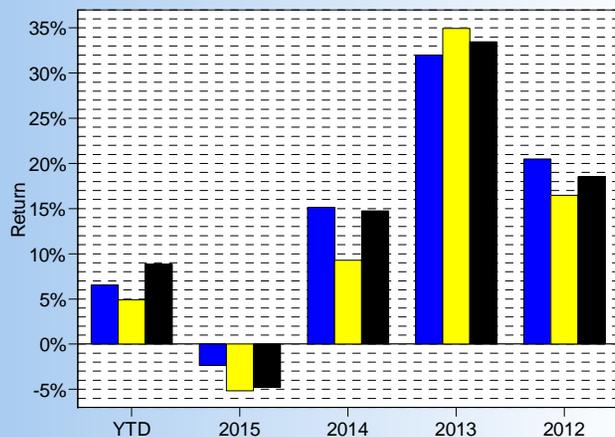
July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Fidelity Focused Stock	13.57%	-2.51%	93.61%	107.74%
Morningstar Large Growth	13.47%	-2.62%	98.69%	115.64%
Russell 1000 Growth	12.53%	0.00%	100.00%	100.00%

Mid Cap Value

Calendar Year Return

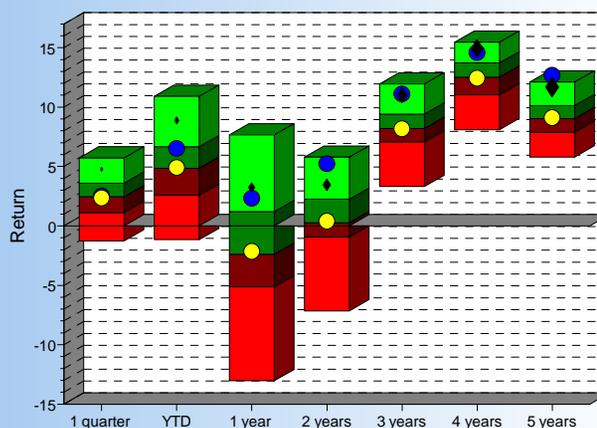
As of June 2016



- JPMorgan Mid Cap Value Instl
- Morningstar Mid-Cap Value
- Russell Midcap Value

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)
Morningstar Mid-Cap Value

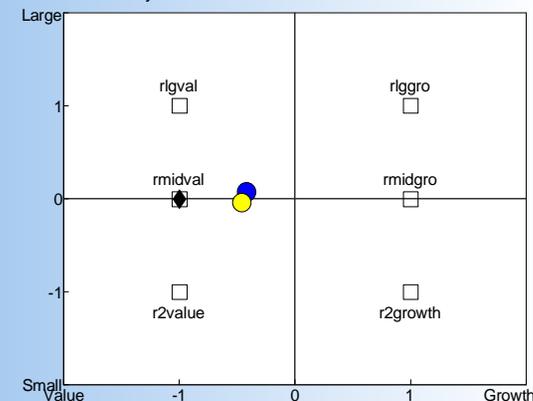


- JPMorgan Mid Cap Value Instl
- Morningstar Mid-Cap Value
- ◆ Russell Midcap Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

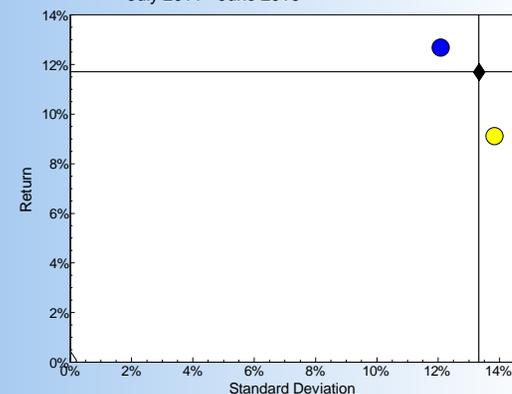
July 2011 - June 2016



Manager Risk/Return

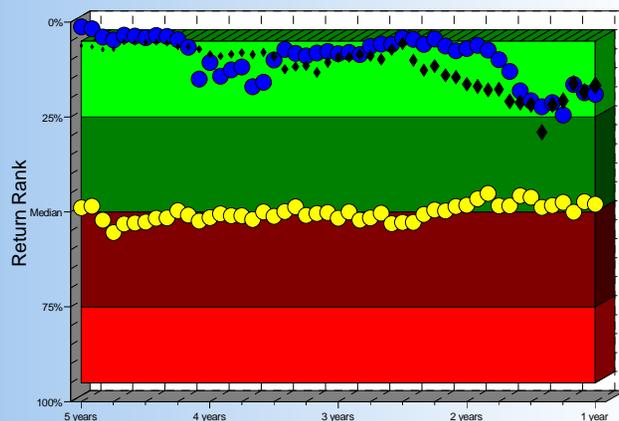
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Mid-Cap Value

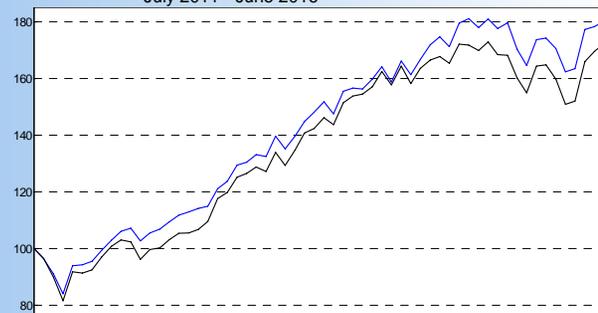


- JPMorgan Mid Cap Value Instl
- Morningstar Mid-Cap Value
- ◆ Russell Midcap Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



- JPMorgan Mid Cap Value Instl
- Russell Midcap Value



Up/Down Capture

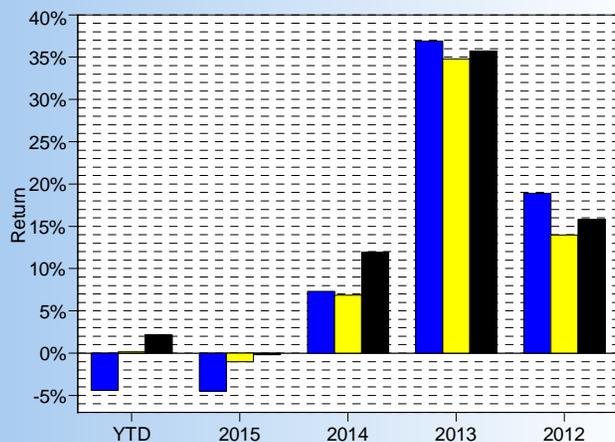
July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
JPMorgan Mid Cap Val	12.08%	0.99%	93.45%	85.29%
Morningstar Mid-Cap V	13.82%	-2.59%	94.30%	107.55%
Russell Midcap Value	13.33%	0.00%	100.00%	100.00%

Mid Cap Growth

Calendar Year Return

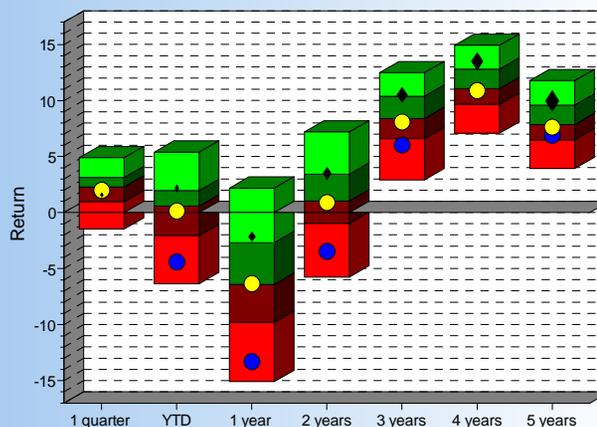
As of June 2016



- HSBC Opportunity I
- Morningstar Mid-Cap Growth
- Russell Midcap Growth

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)
Morningstar Mid-Cap Growth

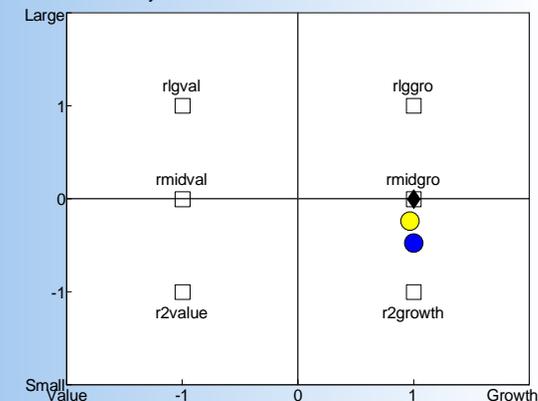


- HSBC Opportunity I
- Morningstar Mid-Cap Growth
- ◆ Russell Midcap Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

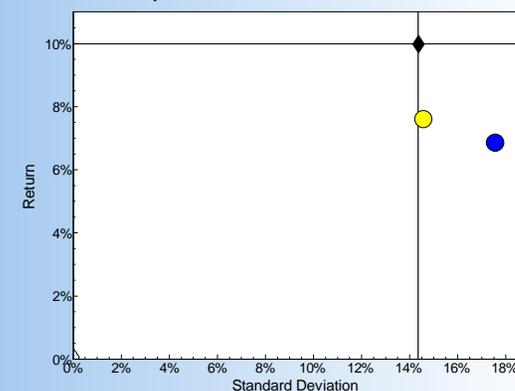
July 2011 - June 2016



Manager Risk/Return

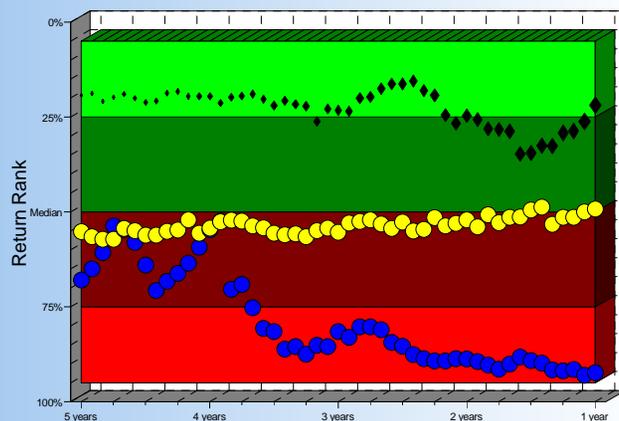
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Mid-Cap Growth

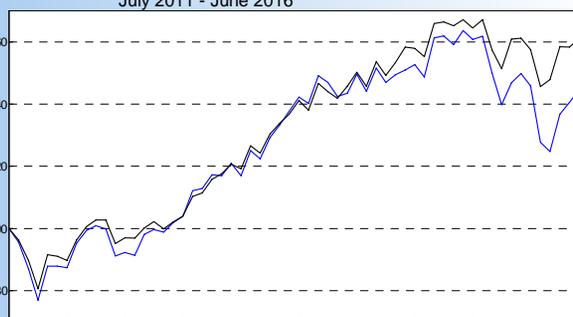


- HSBC Opportunity I
- Morningstar Mid-Cap Growth
- ◆ Russell Midcap Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

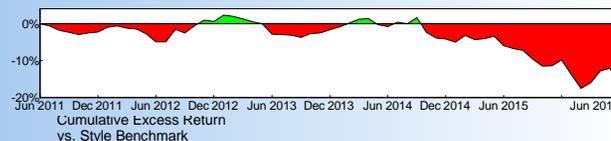
Manager Performance

Single Computation

July 2011 - June 2016



- HSBC Opportunity I
- Russell Midcap Growth



Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
HSBC Opportunity I	17.55%	-3.12%	106.41%	122.75%
Morningstar Mid-Cap G	14.56%	-2.38%	95.26%	107.12%
Russell Midcap Growth	14.36%	0.00%	100.00%	100.00%

Small Cap Value

Calendar Year Return

As of June 2016

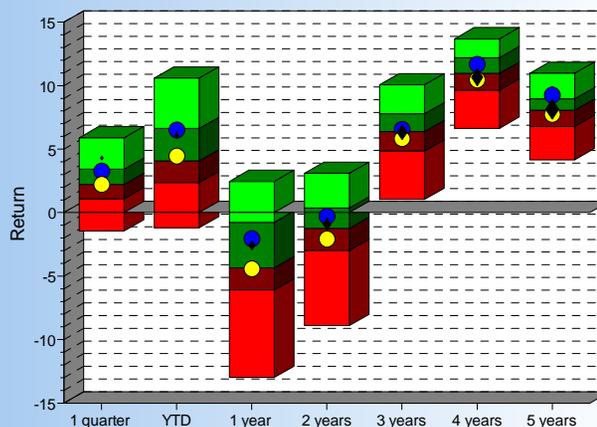


- JPMorgan Small Cap Value R6
- Morningstar Small Value
- Russell 2000 Value

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)

Morningstar Small Value

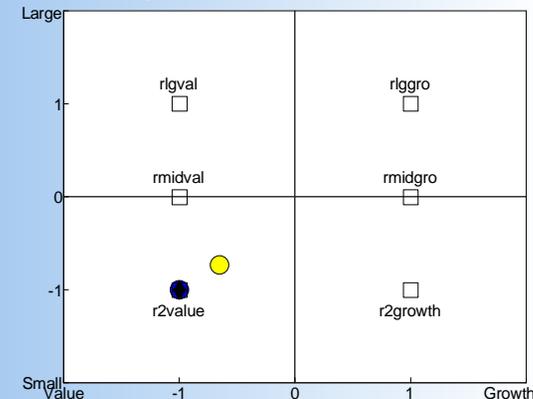


- JPMorgan Small Cap Value R6
- Morningstar Small Value
- ◆ Russell 2000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- 75th to 95th Percentile

Manager Style

Single Computation

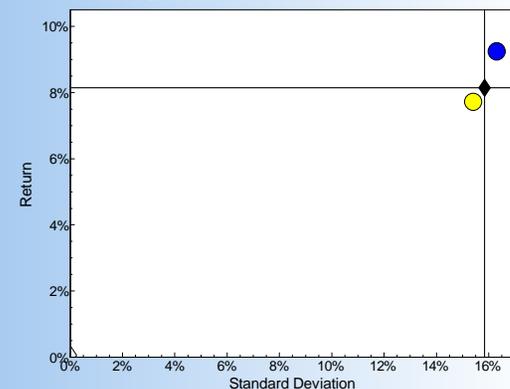
July 2011 - June 2016



Manager Risk/Return

Single Computation

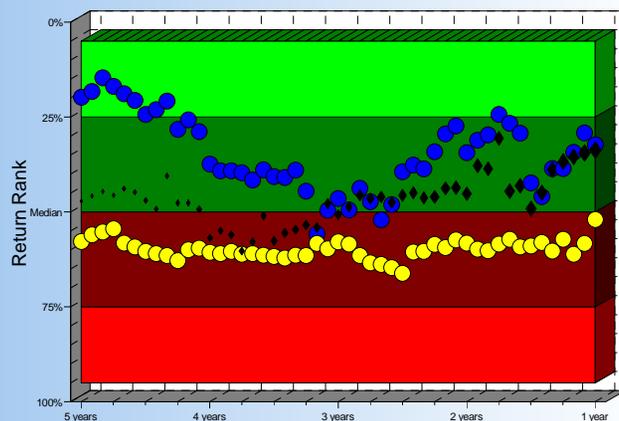
July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)

Morningstar Small Value

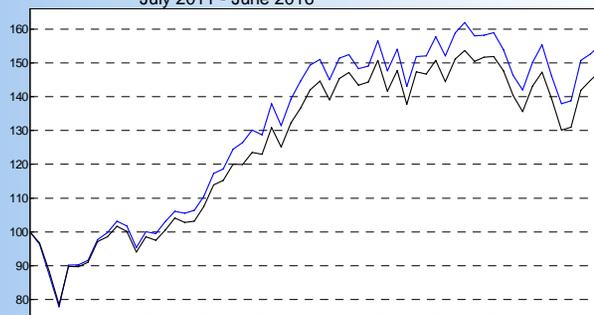


- JPMorgan Small Cap Value R6
- Morningstar Small Value
- ◆ Russell 2000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



- JPMorgan Small Cap Value R6
- Russell 2000 Value



Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
JPMorgan Small Cap Value	16.30%	1.10%	102.75%	98.08%
Morningstar Small Value	15.40%	-0.42%	93.88%	95.97%
Russell 2000 Value	15.84%	0.00%	100.00%	100.00%

Small Cap Growth

Calendar Year Return

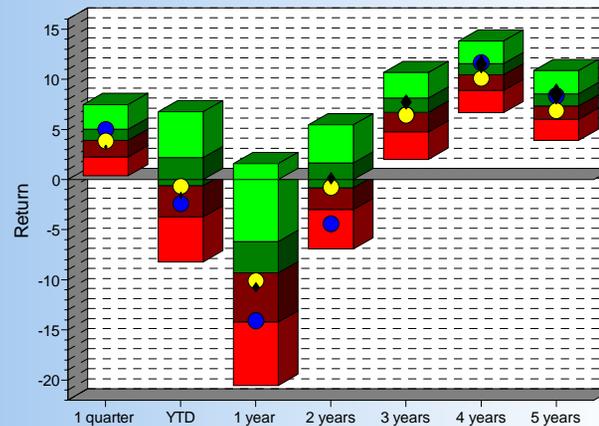
As of June 2016



- Franklin Small Cap Growth R6
- Morningstar Small Growth
- Russell 2000 Growth

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)
Morningstar Small Growth

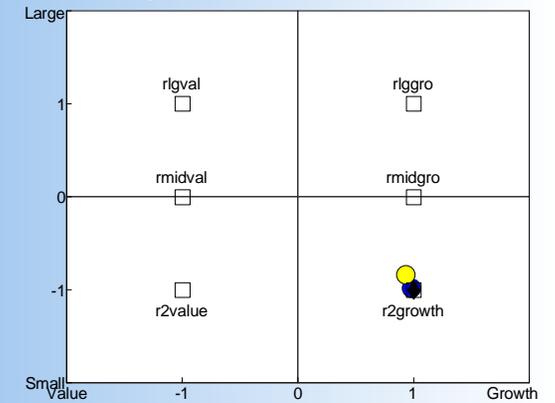


- Franklin Small Cap Growth R6
- Morningstar Small Growth
- ◆ Russell 2000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

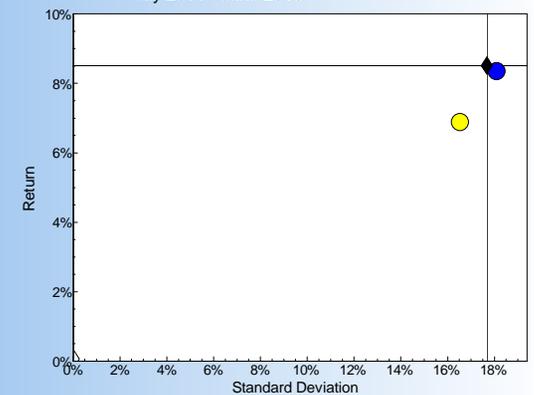
July 2011 - June 2016



Manager Risk/Return

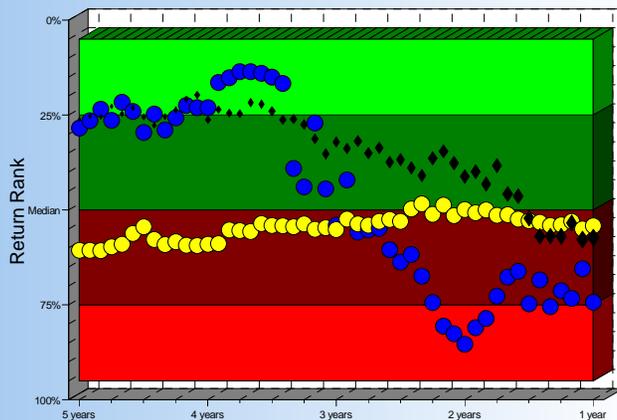
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Small Growth

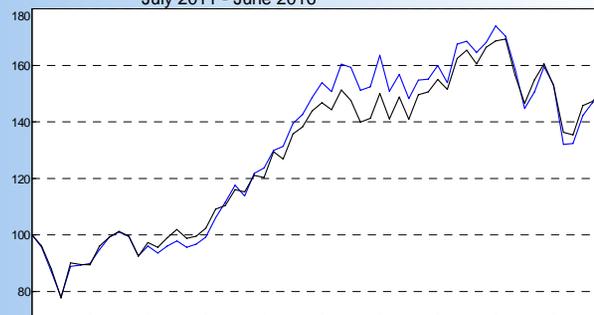


- Franklin Small Cap Growth R6
- Morningstar Small Growth
- ◆ Russell 2000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



- Franklin Small Cap Growth R6
- Russell 2000 Growth



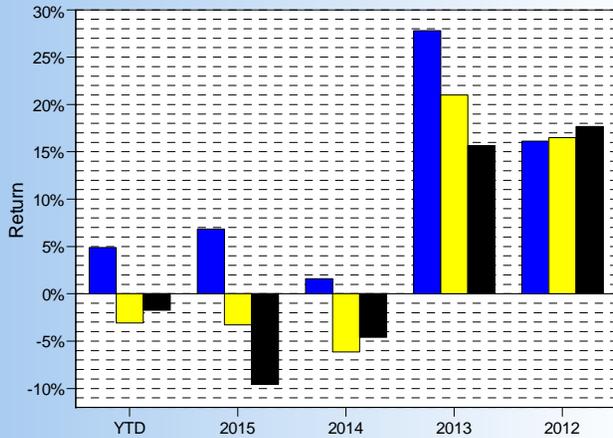
Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Franklin Small Cap Gro	18.08%	-0.15%	98.65%	99.37%
Morningstar Small Gro	16.52%	-1.62%	88.59%	95.64%
Russell 2000 Growth	17.68%	0.00%	100.00%	100.00%

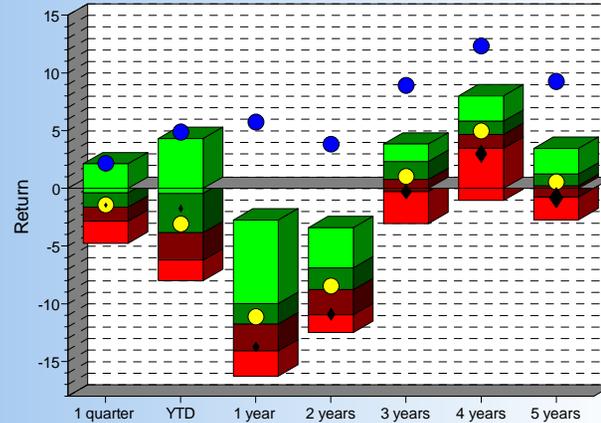
Foreign Large Value

Calendar Year Return
As of June 2016



- MFS International Value R5
- Morningstar Foreign Large Value
- MSCI ACWI ex USA VALUE

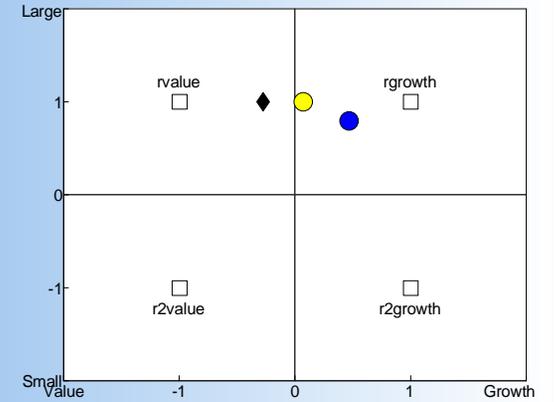
Manager vs Universe: Return through June 2016
(not annualized if less than 1 year)
Morningstar Foreign Large Value



- MFS International Value R5
- Morningstar Foreign Large Value
- ◆ MSCI ACWI ex USA VALUE
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

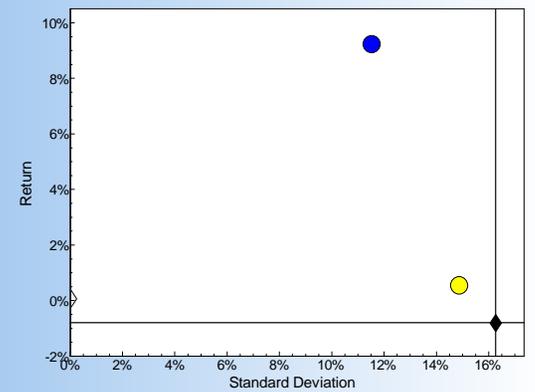
Manager Style
Single Computation

July 2011 - June 2016

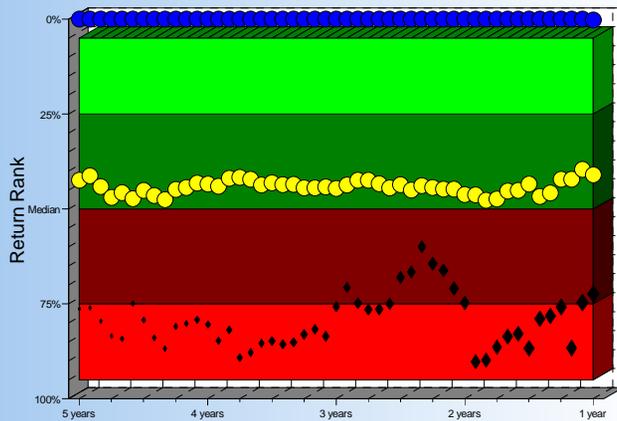


Manager Risk/Return
Single Computation

July 2011 - June 2016



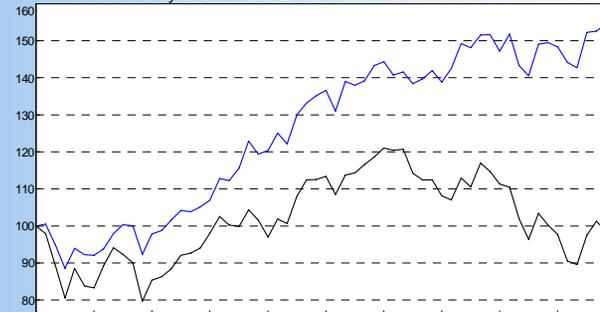
Manager vs Universe: Return Rank through June 2016
(not annualized if less than 1 year)
Morningstar Foreign Large Value



- MFS International Value R5
- Morningstar Foreign Large Value
- ◆ MSCI ACWI ex USA VALUE
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance
Single Computation

July 2011 - June 2016



- MFS International Value R5
- MSCI ACWI ex USA VALUE



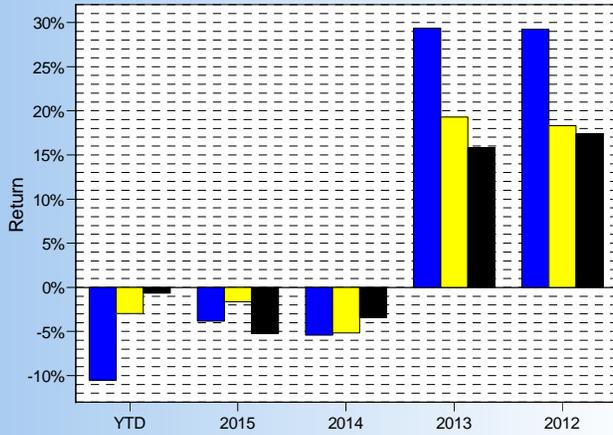
Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
MFS International Value R5	11.52%	10.04%	71.24%	39.05%
Morningstar Foreign Large Value	14.87%	1.34%	89.14%	88.04%
MSCI ACWI ex USA VALUE	16.26%	0.00%	100.00%	100.00%

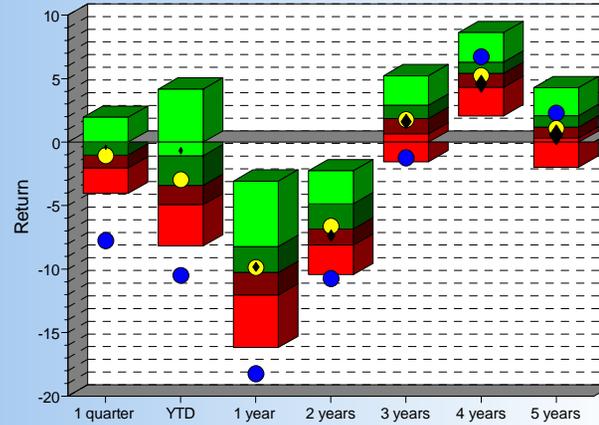
Foreign Large Blend

Calendar Year Return
As of June 2016



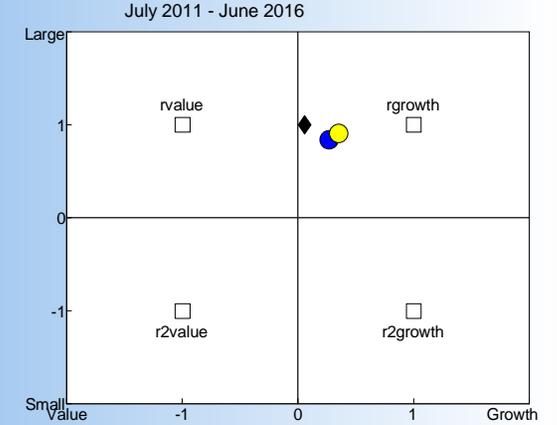
- Oakmark International I
- Morningstar Foreign Large Blend
- MSCI ACWI ex USA

Manager vs Universe: Return through June 2016
(not annualized if less than 1 year)
Morningstar Foreign Large Blend

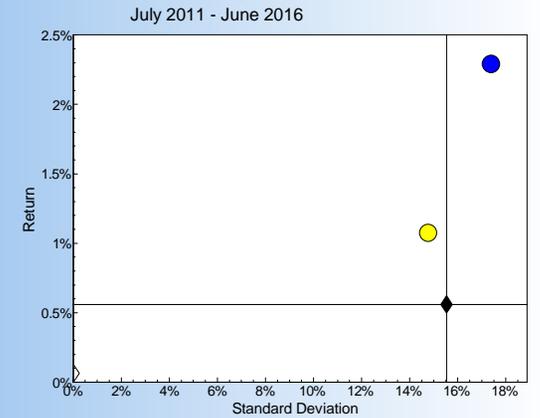


- Oakmark International I
- Morningstar Foreign Large Blend
- ◆ MSCI ACWI ex USA
- 5th to 25th Percentile
- Median to 75th Percentile
- 75th to 95th Percentile

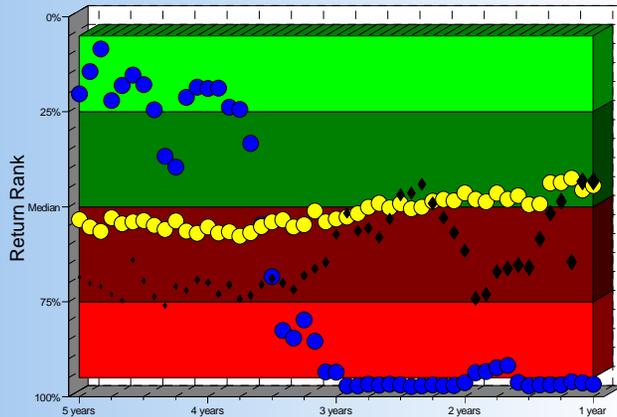
Manager Style
Single Computation



Manager Risk/Return
Single Computation



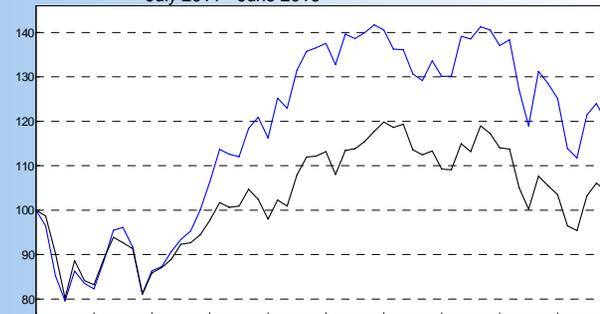
Manager vs Universe: Return Rank through June 2016
(not annualized if less than 1 year)
Morningstar Foreign Large Blend



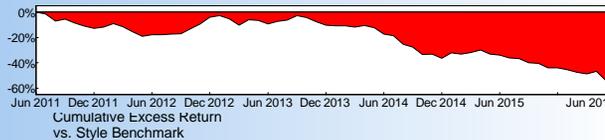
- Oakmark International I
- Morningstar Foreign Large Blend
- ◆ MSCI ACWI ex USA
- 5th to 25th Percentile
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance
Single Computation

July 2011 - June 2016



- Oakmark International I
- MSCI ACWI ex USA



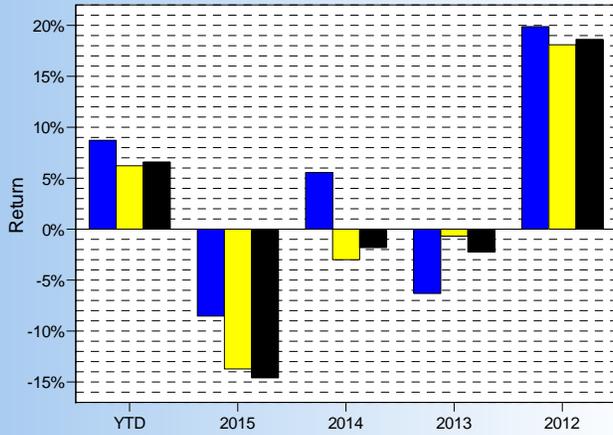
Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Oakmark International	17.38%	1.73%	116.68%	104.18%
Morningstar Foreign Large Blend	14.76%	0.52%	93.09%	93.07%
MSCI ACWI ex USA	15.53%	0.00%	100.00%	100.00%

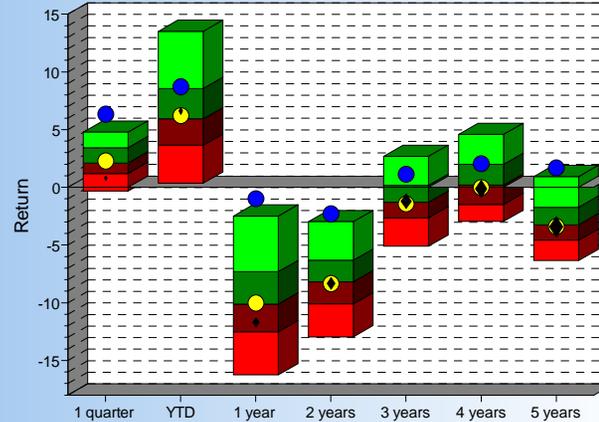
Emerging Markets

Calendar Year Return
As of June 2016



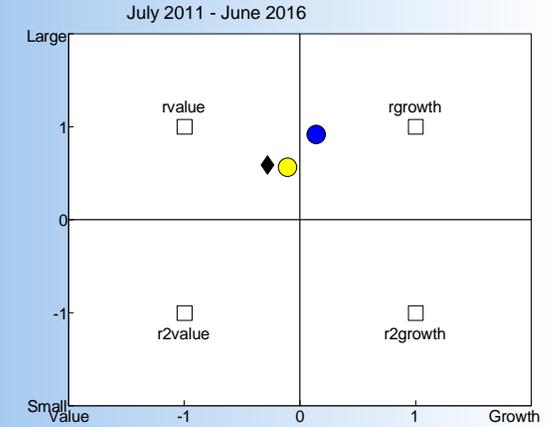
■ Virtus Emerging Markets Opportunities I
■ Morningstar Diversified Emerging Mkts
■ MSCI EM (EMERGING MARKETS)

Manager vs Universe: Return through June 2016
(not annualized if less than 1 year)
Morningstar Diversified Emerging Mkts

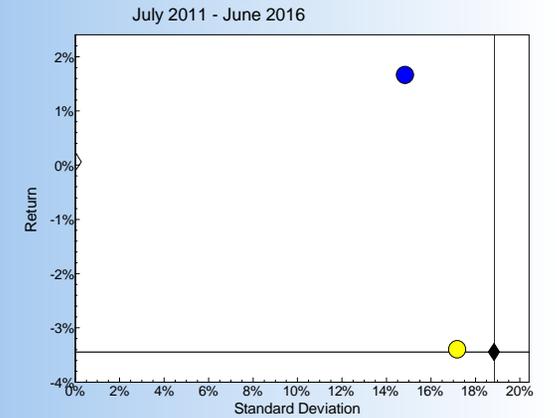


● Virtus Emerging Markets Opportunities I
● Morningstar Diversified Emerging Mkts
◆ MSCI EM (EMERGING MARKETS)
■ 5th to 25th Percentile
■ 25th Percentile to Median
■ Median to 75th Percentile
■ 75th to 95th Percentile

Manager Style
Single Computation



Manager Risk/Return
Single Computation

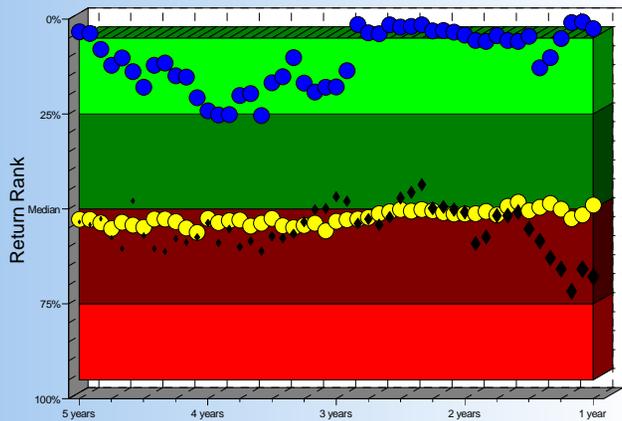


Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Virtus Emerging Market	14.83%	5.11%	81.92%	72.85%
Morningstar Diversified	17.17%	0.05%	86.39%	92.26%
MSCI EM (EMERGING M	18.83%	0.00%	100.00%	100.00%

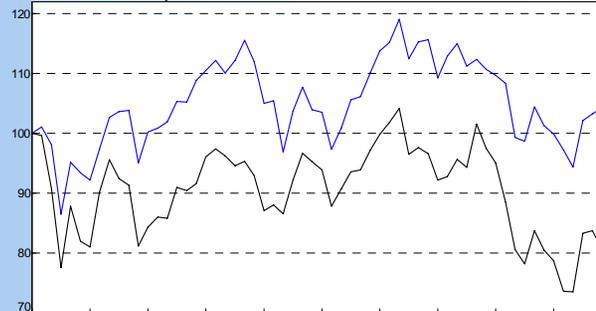
Manager vs Universe: Return Rank through June 2016
(not annualized if less than 1 year)
Morningstar Diversified Emerging Mkts



● Virtus Emerging Markets Opportunities I
● Morningstar Diversified Emerging Mkts
◆ MSCI EM (EMERGING MARKETS)
■ 5th to 25th Percentile
■ 25th Percentile to Median
■ Median to 75th Percentile
■ 75th to 95th Percentile

Manager Performance
Single Computation

July 2011 - June 2016



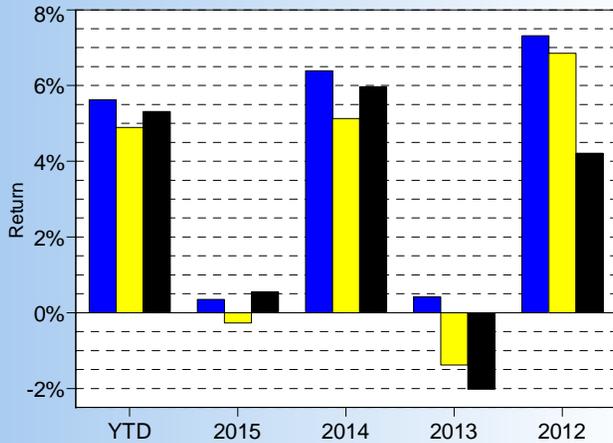
— Virtus Emerging Markets Opportunities I
— MSCI EM (EMERGING MARKETS)



Core Fixed Income

Calendar Year Return

As of June 2016



- JPMorgan Core Plus Bond R6
- Morningstar Intermediate-Term Bond
- Barclays Capital U.S. Aggregate

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond

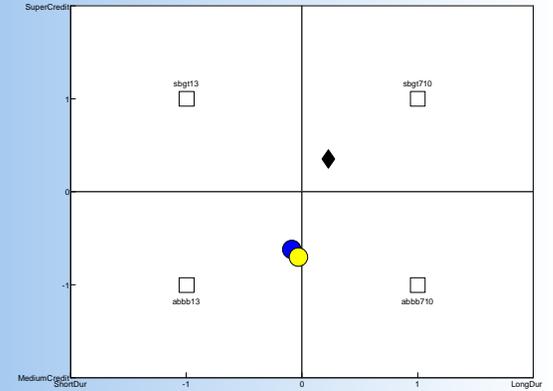


- JPMorgan Core Plus Bond R6
- Morningstar Intermediate-Term Bond
- ◆ Barclays Capital U.S. Aggregate
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

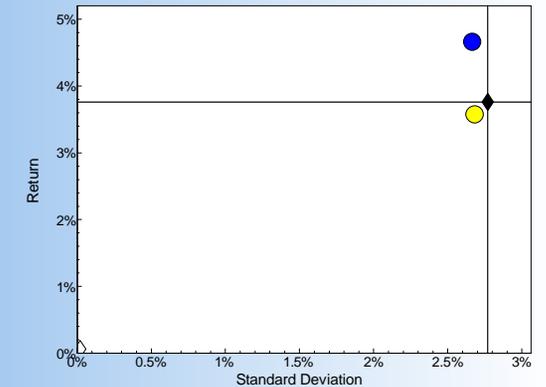
July 2011 - June 2016



Manager Risk/Return

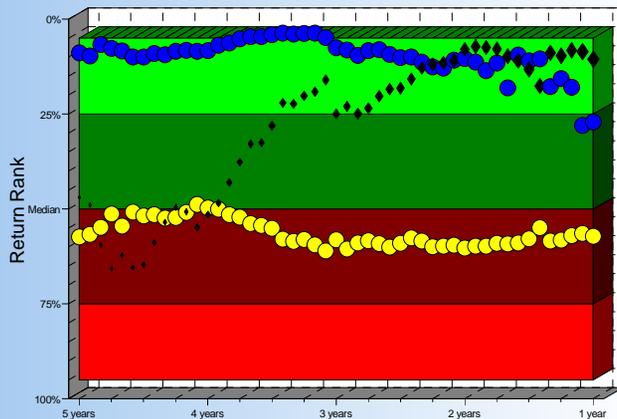
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond



- JPMorgan Core Plus Bond R6
- Morningstar Intermediate-Term Bond
- ◆ Barclays Capital U.S. Aggregate
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



- JPMorgan Core Plus Bond R6
- Barclays Capital U.S. Aggregate



Up/Down Capture

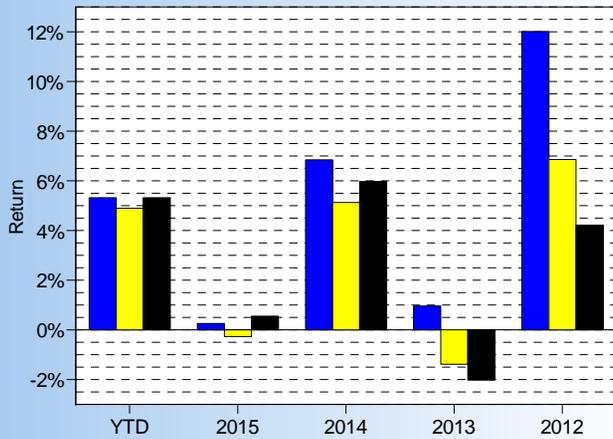
July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
JPMorgan Core Plus Bond	2.66%	0.90%	105.60%	74.97%
Morningstar Intermedia	2.68%	-0.18%	95.21%	95.86%
Barclays Capital U.S. Ag	2.77%	0.00%	100.00%	100.00%

Core Fixed Income

Calendar Year Return

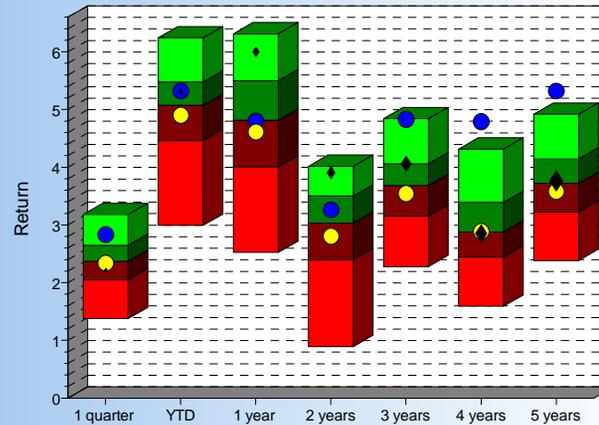
As of June 2016



- JHancock Bond R6
- Morningstar Intermediate-Term Bond
- Barclays Capital U.S. Aggregate

Manager vs Universe: Return through June 2016

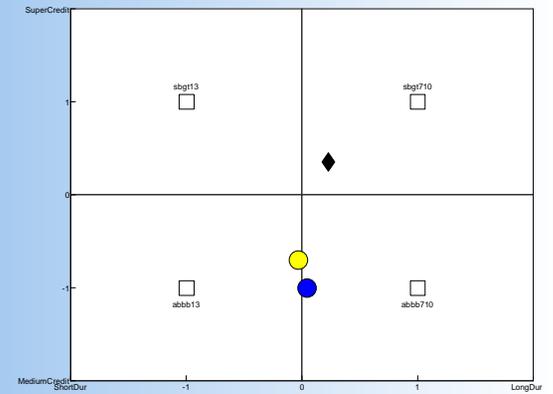
(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond



- JHancock Bond R6
- Morningstar Intermediate-Term Bond
- ◆ Barclays Capital U.S. Aggregate
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

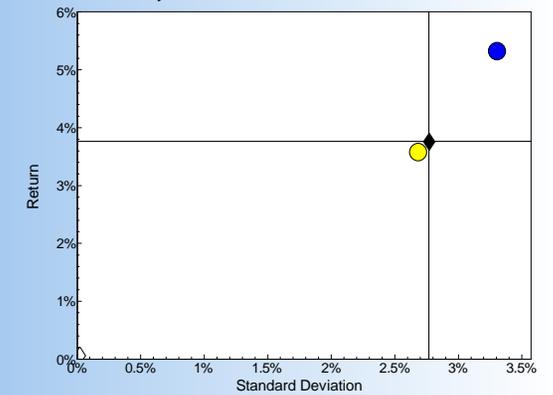
Single Computation
July 2011 - June 2016



Manager Risk/Return

Single Computation

July 2011 - June 2016



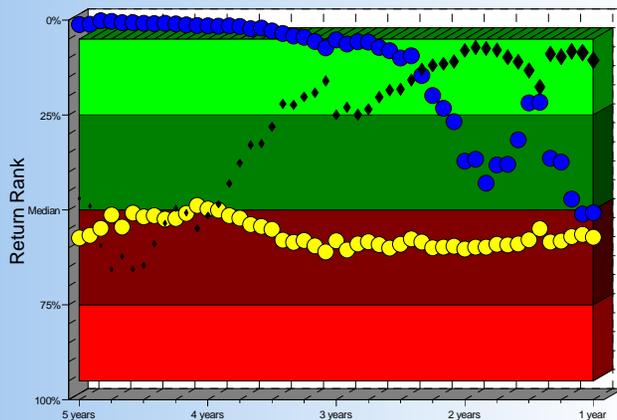
Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
JHancock Bond R6	3.30%	1.56%	117.93%	77.69%
Morningstar Intermedia	2.68%	-0.18%	95.21%	95.86%
Barclays Capital U.S. Ag	2.77%	0.00%	100.00%	100.00%

Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond



- JHancock Bond R6
- Morningstar Intermediate-Term Bond
- ◆ Barclays Capital U.S. Aggregate
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



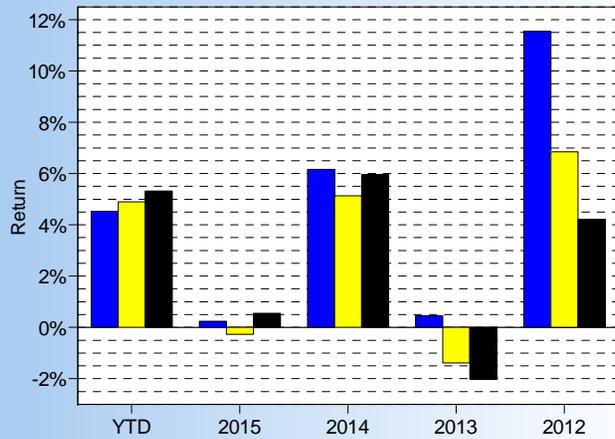
- JHancock Bond R6
- Barclays Capital U.S. Aggregate



Core Fixed Income

Calendar Year Return

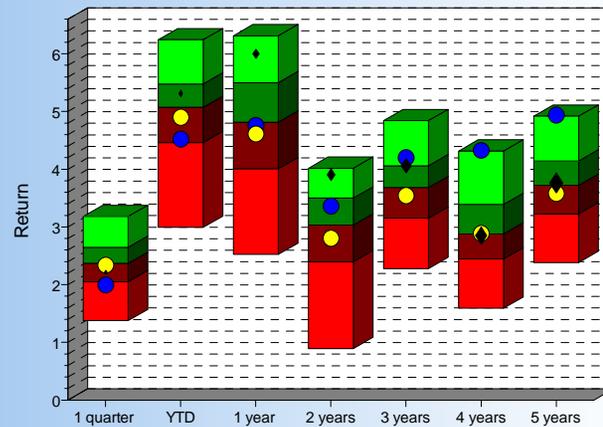
As of June 2016



- Metropolitan West Total Return Bond Plan
- Morningstar Intermediate-Term Bond
- Barclays Capital U.S. Aggregate

Manager vs Universe: Return through June 2016

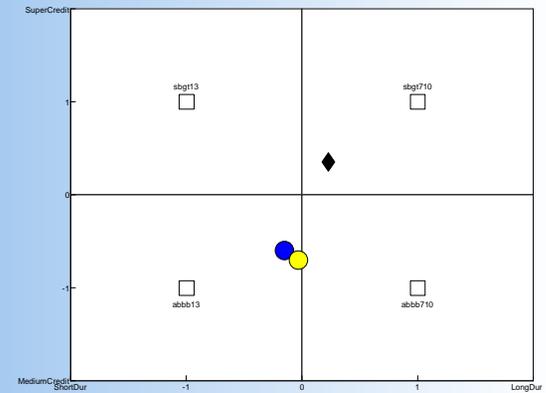
(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond



- Metropolitan West Total Return Bond Plan
- Morningstar Intermediate-Term Bond
- ◆ Barclays Capital U.S. Aggregate
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

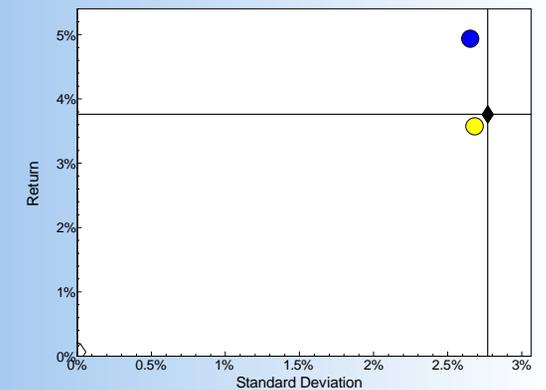
Manager Style

Single Computation
July 2011 - June 2016



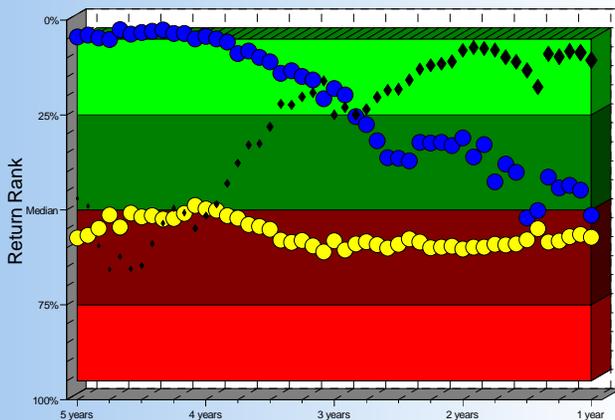
Manager Risk/Return

Single Computation
July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Intermediate-Term Bond



- Metropolitan West Total Return Bond Plan
- Morningstar Intermediate-Term Bond
- ◆ Barclays Capital U.S. Aggregate
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



- Metropolitan West Total Return Bond Plan
- Barclays Capital U.S. Aggregate



Up/Down Capture

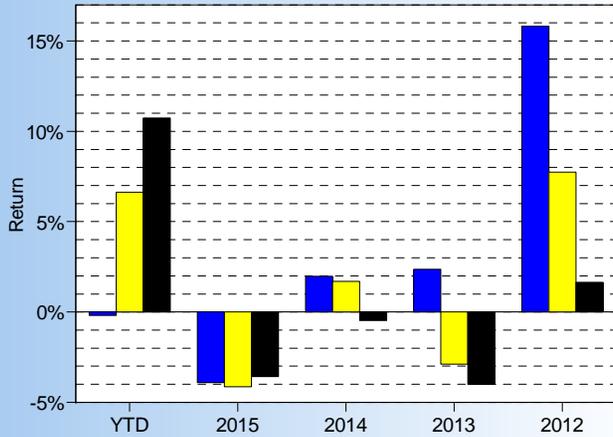
July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Metropolitan West Total	2.65%	1.17%	105.25%	62.22%
Morningstar Intermediate	2.68%	-0.18%	95.21%	95.86%
Barclays Capital U.S. Ag	2.77%	0.00%	100.00%	100.00%

Global Bond

Calendar Year Return

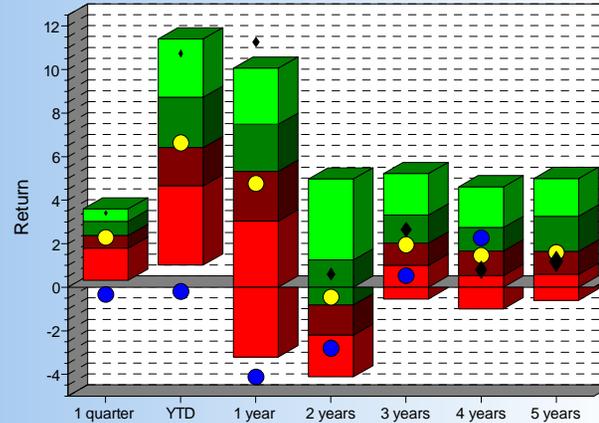
As of June 2016



- Templeton Global Bond R6
- Morningstar World Bond
- Citigroup World Government Bond Index

Manager vs Universe: Return through June 2016

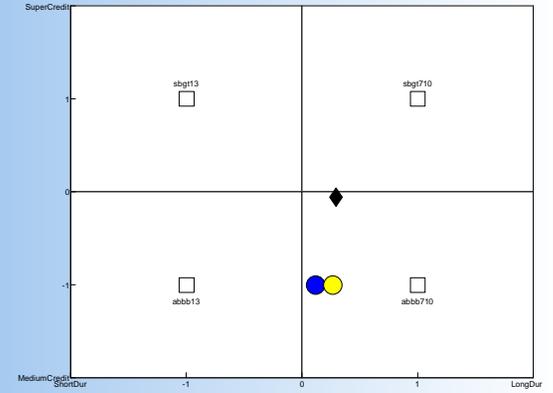
(not annualized if less than 1 year)
Morningstar World Bond



- Templeton Global Bond R6
- ◆ Citigroup World Government Bond Index
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

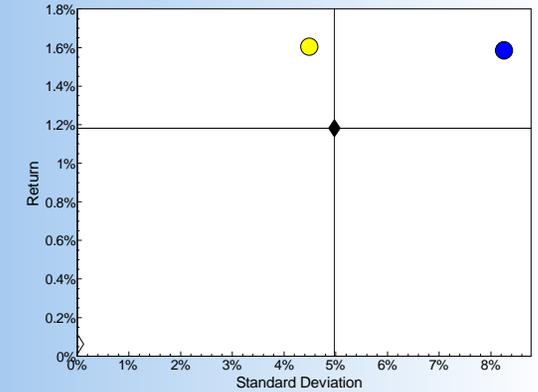
Manager Style

Single Computation
July 2011 - June 2016



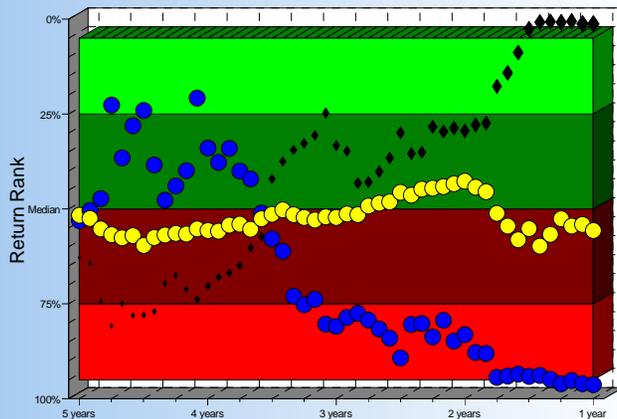
Manager Risk/Return

Single Computation
July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar World Bond

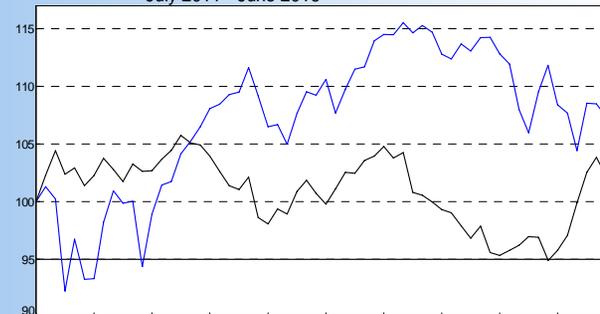


- Templeton Global Bond R6
- ◆ Citigroup World Government Bond Index
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



- Templeton Global Bond R6
- Citigroup World Government Bond Index



Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Templeton Global Bond	8.25%	0.40%	55.85%	45.28%
Morningstar World Bond	4.48%	0.42%	77.85%	70.10%
Citigroup World Govern	4.97%	0.00%	100.00%	100.00%

Scorecard – Second Quarter 2016

Clayton County Defined Benefit Plan - Q2 16													
	Style			Risk/Return			Peer Group			Period			
	Style	Style Drift	R ²	Risk / Return	Up / Down	Info Ratio	Return Rank	Info Ratio Rank	Qual.	Score Q2 16	Score Q1 16	Score Q4 15	Score Q3 15
Large Cap Value													
TCW Relative Value Dividend Appreciation I	1	1	1	0	0	0	0	1	2	6	6	5	7
DePrince, Race: Large Cap Value (gross)	1	1	1	0	0	0	0	1	2	6	5	5	5
Paradigm Asset Large Cap Value (gross)	1	1	1	1	1	1	1	1	2	10	10	10	10
Large Cap Core													
Glenmede Large Cap 100	1	1	1	1	1	1	1	1	2	10	10	10	10
Atlanta Capital: High Quality Select Equity (g	0	1	1	1	1	1	1	1	2	9	10	10	10
Large Cap Growth													
Fidelity Focused Stock	1	1	1	0	0	0	0	1	2	6	6	5	5
Delaware US Growth Instl	1	1	1	0	0	0	0	0	2	5	8	9	9
Mid Cap Value													
JPMorgan Mid Cap Value Instl	1	1	1	1	1	1	1	1	2	10	10	10	10
Mid Cap Growth													
HSBC Opportunity I	0	1	1	0	0	0	0	0	2	4	4	4	6
Small Cap Value													
JPMorgan Small Cap Value R6	1	1	1	1	1	1	0	1	2	9	9	9	9
Small Cap Growth													
Franklin Small Cap Growth R6	1	1	1	0	1	1	0	1	2	8	9	10	9
International Large Value													
MFS International Value R5	0	1	1	1	1	1	1	1	2	9	9	9	9
International Large Core													
Oakmark International I	0	0	1	1	1	1	0	0	2	6	6	7	8
Emerging Markets													
Virtus Emerging Markets Opportunities I	1	1	1	1	1	1	1	1	2	10	9	9	9
Core Fixed Income													
JPMorgan Core Plus Bond R6	1	1	1	1	1	1	1	1	1	9	9	9	9
JHancock Bond R6	1	1	1	1	1	1	1	1	2	10	10	10	10
Metropolitan West Total Return Bond Plan	1	1	1	1	1	1	0	1	2	9	10	10	10
International Fixed Income													
Templeton Global Bond R6	1	0	0	0	0	0	1	1	2	5	6	8	8

Watchlist Activity
Second Quarter 2016

Going into the second quarter of 2016 there were four funds / managers on the Clayton County Defined Benefit Plan Watchlist. DRZ and Fidelity Focused Stock fund have been on the watchlist for a couple quarters, while TCW Relative Value Dividend Appreciation fund and the HSBC Opportunity Fund were both added to the watchlist at the beginning of 2016. The updated data for all of these managers is listed below.

Clayton County Defined Benefit Plan - Current Watchlist as of Q2'16									
	Relative Performance vs. Benchmarks				Morningstar Rating	Score			
	Q2 16	1Yr	3Yr	5 yr		Q2 16	Q1 16	Q4 15	Q3 15
Large Cap Growth									
Fidelity Focused Stock	1.57%	-4.48%	-3.13%	-2.52%	***	6	6	5	5
Large Cap Value									
DRZ Large Cap Value	1.69%	-1.49%	-2.60%	-1.70%	n/a	6	5	5	5
TCW Relative Value Dividend Appreciation I	-3.17%	-2.50%	-2.17%	-0.90%	***	6	6	5	7
Mid Cap Growth									
HSBC Opportunity I	0.40%	-11.18%	-4.49%	-3.11%	***	4	4	4	6

DRZ Large Cap Value: As we discussed at the last board meeting, we have been concerned about the underperformance of DRZ over the previous two quarters. However, while DRZ has been on the watchlist we have given a greater weight to the firm’s long-term track record and success, and their adherence to a disciplined value approach. We are happy to report that DRZ has turned the corner and produced considerable out-performance again in the second quarter and for the year-to-date period. We believe the market trends and dynamics that have taken shape recently should continue to favor their style of stock selection. We recommend keeping DRZ on the Watchlist and giving the firm more time to continue to course correct.

TCW Relative Value Dividend Appreciation: While this fund has been a consistent performer over the long-term within its category, it did struggle once again in the second quarter. Much of the recent underperformance was driven by relatively higher weighting toward financials, and is understandable given the fund’s objectives. We recommend keeping this fund on the watchlist for signs of further improvement.

Fidelity Focused Stock: As we highlighted last quarter, we do believe it is time to consider a replacement for the Fidelity Focused Fund. Part of the decision process for this fund replacement relates not only to the deterioration in relative performance, peer ranking, and scorecard, but also the positioning and style of the fund relative to the market environment. Accordingly, we have recommended the board consider alternative managers to replace Fidelity Focused, but this decision has been put off due to the overall platform change proposal that was discussed at the last called board meeting. We do still recommend replacing the Fidelity Focused fund according to our recent recommendations, but the specific replacement managers can be chosen at the time of the pending transition over to the new Graystone platform.

HSBC Opportunity: Given the recent on-going performance issues with this fund, combined with the continued low scorecard rank, we continue to recommend a replacement of the fund. Again here, this decision has been put off due to the overall platform change proposal that was discussed at the last called board meeting. We do still recommend replacing the HSBC Opportunity fund according to our recent recommendations, but the specific replacement managers can be chosen at the time of the pending transition over to the new Graystone platform.

In addition to the funds currently on the watchlist, based on performance trends in the recent quarter we are recommending the board add two new additional funds to the watchlist. These include the Delaware US Growth fund and the Templeton Global Bond fund. The applicable data for these funds is listed in the following table:

Clayton County Defined Benefit Plan - Additions to Watchlist as of Q2'16									
	Relative Performance vs. Benchmarks				Morningstar Rating	Score			
	Q2 16	1Yr	3Yr	5 yr		Q2 16	Q1 16	Q4 15	Q3 15
Large Cap Growth									
Delaware US Growth Instl	-1.95%	-9.86%	-2.99%	-1.07%	***	5	8	9	9
International Fixed Income									
Templeton Global Bond R6	-3.22%	-12.98%	-2.27%	-0.19%	**	5	6	8	8

To: Clayton County Public Employees Retirement System
From: Morgan Stanley
Date: August 11, 2016
Re: 2nd Quarter 2016 - 457 Deferred Compensation Plan Review

2nd Quarter 2016 Report:

The funds that comprise the Clayton County 457 Deferred Compensation Pension VOYA portfolio are displayed in the two tables on the following pages. Performance within the individual line-up of funds was mixed for the quarter, with four funds outperforming their respective benchmarks, two funds underperforming, and three funds performing in-line with their respective benchmarks. Notable strength for the quarter came from both the small-cap funds and the international fund, while relative weakness was exhibited in both of the actively managed large-cap funds.

Overall, the SSgA target date retirement series of funds all posted gains for the quarter and all performed in-line to slightly better than their respective benchmarks. The performance of the target date funds is of particular note as the majority of the 457 Plan participant assets are within these investment options.

Clayton County Public Employees 457(B) Plan - Active and Passive Funds									
Performance and Assets as of 6/30/2016									
Fund Index	Net Expense	3 months	YTD	1 Year	3 Years	5 Years	10 Years	Balance	% Weighting
MetLife Stable Value CL 75 Fund	1.13%	0.39	0.80	1.63	1.56	1.72	2.73	\$ 847,926	11.55%
91 Day Treasury Bill		0.07	0.15	0.19	0.09	0.09	1.04		
Variance 91 Day Treasury Bill		0.32	0.65	1.44	1.47	1.63	1.69		
State Street U.S. Bond Index SL Fund - Class XII	0.06%	2.20	5.30	6.00	4.07	3.75	5.14	\$ 268,619	3.66%
Barclays U.S. Aggregate Bond Index		2.21	5.31	6.00	4.06	3.76	5.13		
Morningstar Intermediate-Term Bond		2.34	4.90	4.61	3.54	3.58	4.55		
Variance Barclays U.S. Aggregate Bond Index		(0.01)	(0.01)	(0.00)	0.01	(0.01)	0.01		
Variance Morningstar Intermediate-Term Bond		(0.14)	0.40	1.39	0.53	0.17	0.59		
American Beacon Lg Cap Value Inv	0.94%	1.55	0.74	(6.68)	6.09	9.16	5.12	\$ 49,498	0.67%
Russell 1000 Value Index		4.58	6.30	2.86	9.87	11.35	6.13		
Morningstar Large Value		2.64	3.94	(0.36)	7.83	9.13	5.15		
Variance Russell 1000 Value Index		(3.03)	(5.56)	(9.54)	(3.78)	(2.19)	(1.01)		
Variance Morningstar Large Value		(1.09)	(3.20)	(6.32)	(1.74)	0.03	(0.03)		
State Street S&P 500 Index SL Fund - Class IV	0.13%	2.41	3.77	3.87	11.51	11.97	7.33	\$ 804,184	10.96%
S&P 500 Index		2.46	3.84	3.99	11.66	12.10	7.42		
Morningstar Large Blend		1.80	2.11	(0.42)	8.93	9.46	5.92		
Variance S&P 500 Index		(0.05)	(0.07)	(0.12)	(0.15)	(0.13)	(0.09)		
Variance Morningstar Large Blend		0.61	1.66	4.29	2.58	2.51	1.41		
Touchstone Sands Capital Select Growth Y	0.83%	(0.46)	(10.68)	(10.70)	7.95	9.75	8.76	\$ 300,400	4.09%
Russell 1000 Growth Index		0.61	1.36	3.02	13.07	12.35	8.78		
Morningstar Large Growth		0.54	(1.96)	(2.36)	10.46	9.72	6.63		
Variance Russell 1000 Growth Index		(1.07)	(12.04)	(13.72)	(5.12)	(2.60)	(0.02)		
Variance Morningstar Large Growth		(1.00)	(8.72)	(8.34)	(2.51)	0.03	2.13		
State Street Midcap Index SL Fund - Class XII	0.06%	3.98	7.94	1.35	10.53	10.57	8.66	\$ 386,764	5.27%
S&P 400 Index		3.99	7.93	1.33	10.53	10.55	8.55		
Morningstar Mid-Cap Blend		1.46	2.78	(4.28)	7.41	8.09	6.21		
Variance S&P 400 Index		(0.01)	0.01	0.02	0.00	0.02	0.11		
Variance Morningstar Mid-Cap Blend		2.52	5.16	5.63	3.12	2.48	2.45		
Goldman Sachs Small Cap Value Inst	0.94%	4.71	5.09	(2.93)	8.53	10.28	8.01	\$ 143,812	1.96%
Russell 2000 Value Index		4.31	6.08	(2.58)	6.36	8.15	5.15		
Morningstar Small Value		2.21	4.46	(4.45)	5.82	7.72	5.48		
Variance Russell 2000 Value Index		0.40	(0.99)	(0.35)	2.17	2.13	2.86		
Variance Morningstar Small Value		2.50	0.63	1.52	2.71	2.56	2.53		
ClearBridge Small Cap Growth A	1.24%	4.18	(4.98)	(10.87)	4.81	8.21	7.43	\$ 150,770	2.05%
Russell 2000 Growth Index		3.24	(1.59)	(10.75)	7.74	8.51	7.14		
Morningstar Small Growth		3.82	(0.68)	(10.11)	6.43	6.89	5.60		
Variance Russell 2000 Growth Index		0.94	(3.39)	(0.12)	(2.93)	(0.30)	0.29		
Variance Morningstar Small Growth		0.36	(4.30)	(0.76)	(1.62)	1.32	1.83		
MFS International Value R3	1.03%	2.10	4.71	5.36	8.56	8.91	6.33	\$ 124,711	1.70%
MSCI EAFE Index - Net Div		(1.46)	(4.42)	(10.16)	2.06	1.68	1.58		
Morningstar Foreign Large Blend		(1.06)	(2.98)	(9.87)	1.77	1.08	1.39		
Variance MSCI EAFE Index - Net Div		3.56	9.13	15.52	6.50	7.23	4.75		
Variance Morningstar Foreign Large Blend		3.16	7.69	15.23	6.79	7.83	4.94		

Clayton County Public Employees 457(B) Plan - Target Date Investments										
Performance and Assets as of 6/30/16										
Fund / Index	Net Expense	3 months	YTD	1 Year	3 Years	5 Years	10 Years	Balance	% Weigthing	
State Street Target Retirement Income SL Fund CL VI	0.47%	2.11	4.25	1.58	3.45	4.01	4.47	\$ 534,807	7.29%	
State Street Income Custom Index		2.12	4.32	1.89	3.84	4.42	4.89			
Morningstar Target-Date Retirement		2.14	3.92	1.74	4.02	4.09	4.07			
Variance State Street Income Custom Index		(0.01)	(0.07)	(0.31)	(0.39)	(0.41)	(0.42)			
Variance Morningstar Target-Date Retirement		(0.03)	0.33	(0.16)	(0.57)	(0.08)	0.40			
State Street Target Retirement 2015 SL Fund CL VI	0.47%	2.27	4.51	1.34	4.72	6.05	N/A	\$ 491,877	6.70%	
State Street 2015 Custom Index		2.25	4.51	1.60	5.08	6.42	N/A			
Morningstar Target-Date 2015		2.16	3.83	1.23	4.71	4.49	N/A			
Variance State Street 2015 Custom Index		0.02	0.00	(0.26)	(0.36)	(0.37)	N/A			
Variance Morningstar Target-Date 2015		0.11	0.68	0.11	0.01	1.56	N/A			
State Street Target Retirement 2020 SL Fund CL VI	0.47%	2.48	4.65	0.99	5.69	6.89	5.79	\$ 327,737	4.47%	
State Street 2020 Custom Index		2.41	4.58	1.20	6.03	7.25	6.01			
Morningstar Target-Date 2020		2.18	3.64	0.65	5.07	4.94	4.33			
Variance State Street 2020 Custom Index		0.07	0.07	(0.21)	(0.34)	(0.36)	(0.22)			
Variance Morningstar Target-Date 2020		0.30	1.01	0.34	0.62	1.95	1.46			
State Street Target Retirement 2025 SL Fund CL VI	0.47%	2.59	4.57	0.55	6.26	7.31	N/A	\$ 419,462	5.72%	
State Street 2025 Custom Index		2.50	4.44	0.73	6.58	7.66	N/A			
Morningstar Target-Date 2025		1.99	3.20	(0.19)	5.63	5.46	N/A			
Variance State Street 2025 Custom Index		0.09	0.13	(0.18)	(0.32)	(0.35)	N/A			
Variance Morningstar Target-Date 2025		0.60	1.37	0.74	0.63	1.85	N/A			
State Street Target Retirement 2030 SL Fund CL VI	0.47%	2.53	4.27	0.06	6.54	7.49	5.85	\$ 1,315,844	17.93%	
State Street 2030 Custom Index		2.42	4.10	0.21	6.85	7.82	6.06			
Morningstar Target-Date 2030		2.17	3.10	(0.72)	5.82	5.62	4.33			
Variance State Street 2030 Custom Index		0.11	0.17	(0.15)	(0.31)	(0.33)	(0.21)			
Variance Morningstar Target-Date 2030		0.36	1.17	0.78	0.72	1.87	1.52			
State Street Target Retirement 2035 SL Fund CL VI	0.47%	2.46	4.00	(0.53)	6.69	7.33	N/A	\$ 295,384	4.02%	
State Street 2035 Custom Index		2.33	3.77	(0.41)	6.98	7.65	N/A			
Morningstar Target-Date 2035		1.81	2.43	(1.71)	6.15	6.07	N/A			
Variance State Street 2035 Custom Index		0.13	0.23	(0.12)	(0.29)	(0.32)	N/A			
Variance Morningstar Target-Date 2035		0.65	1.57	1.18	0.54	1.26	N/A			
State Street Target Retirement 2040 SL Fund CL VI	0.47%	2.45	3.84	(1.10)	6.80	7.27	5.72	\$ 667,302	9.09%	
State Street 2040 Custom Index		2.30	3.58	(1.01)	7.08	7.58	5.96			
Morningstar Target-Date 2040		2.04	2.55	(1.85)	6.20	5.98	4.45			
Variance State Street 2040 Custom Index		0.15	0.26	(0.09)	(0.28)	(0.31)	(0.24)			
Variance Morningstar Target-Date 2040		0.41	1.29	0.75	0.60	1.29	1.27			
State Street Target Retirement 2045 SL Fund CL VI	0.47%	2.44	3.73	(1.41)	6.74	7.24	N/A	\$ 209,895	2.86%	
State Street 2045 Custom Index		2.28	3.46	(1.32)	7.01	7.55	N/A			
Morningstar Target-Date 2045		1.70	2.07	(2.39)	6.39	6.32	N/A			
Variance State Street 2045 Custom Index		0.16	0.27	(0.09)	(0.27)	(0.31)	N/A			
Variance Morningstar Target-Date 2045		0.74	1.66	0.98	0.35	0.92	N/A			
								\$ 7,338,994		

Clayton County 457 Plan

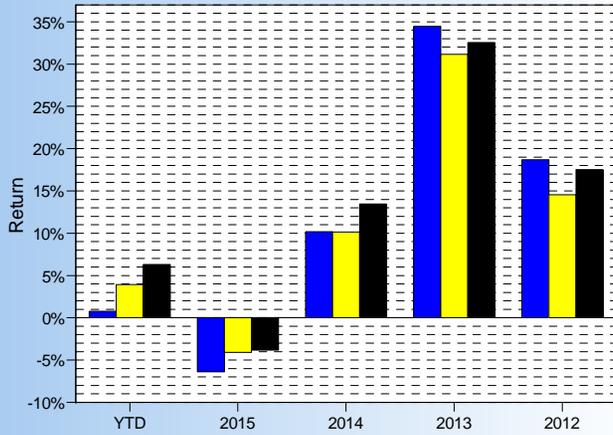
Correlation Matrix: Returns vs. S&P 500

July 2011 - June 2016

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1) American Beacon Lg Cap Value Inv	1.00						
2) SSgA S&P 500 Index Instl	0.97	1.00					
3) Touchstone Sands Capital Select Growth Y	0.82	0.86	1.00				
4) Goldman Sachs Small Cap Value Inst	0.90	0.90	0.80	1.00			
5) Legg Mason ClearBridge Small Cap Gr A	0.86	0.87	0.87	0.92	1.00		
6) MFS International Value R3	0.83	0.85	0.76	0.74	0.69	1.00	
7) S&P 500	0.97	1.00	0.86	0.90	0.86	0.85	1.00

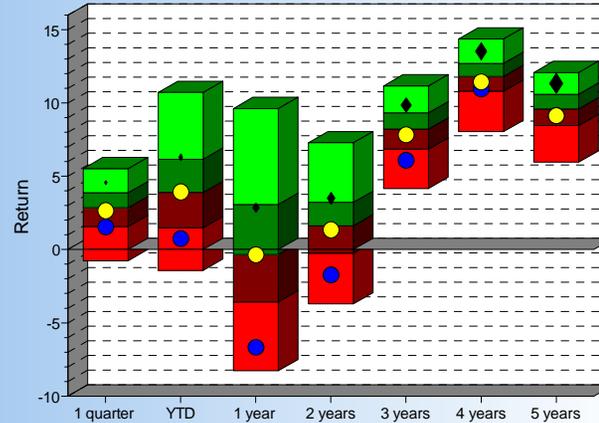
Large Cap Value

Calendar Year Return
As of June 2016



- American Beacon Lg Cap Value Inv
- Morningstar Large Value
- Russell 1000 Value

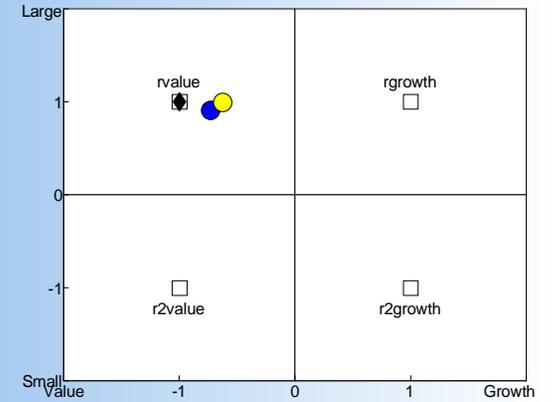
Manager vs Universe: Return through June 2016
(not annualized if less than 1 year)
Morningstar Large Value



- American Beacon Lg Cap Value Inv
- Morningstar Large Value
- ◆ Russell 1000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

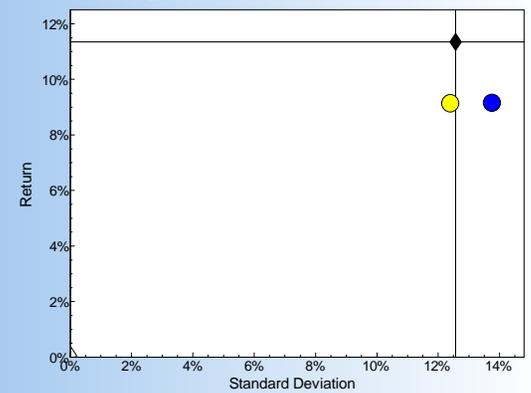
Manager Style
Single Computation

July 2011 - June 2016

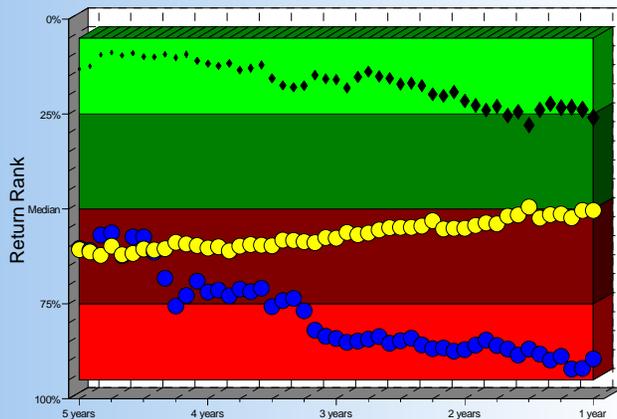


Manager Risk/Return
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016
(not annualized if less than 1 year)
Morningstar Large Value



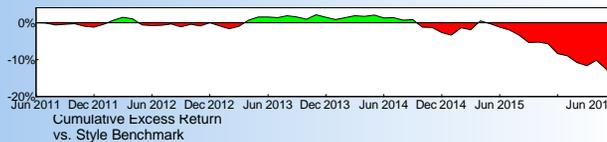
- American Beacon Lg Cap Value Inv
- Morningstar Large Value
- ◆ Russell 1000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance
Single Computation

July 2011 - June 2016



- American Beacon Lg Cap Value Inv
- Russell 1000 Value



Up/Down Capture

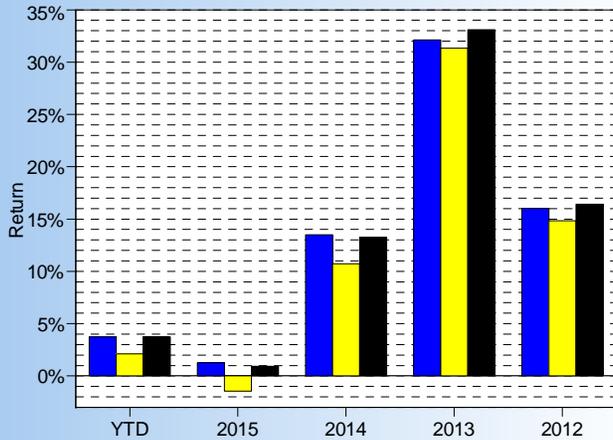
July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
American Beacon Lg Cap Value Inv	13.75%	-2.19%	100.57%	113.66%
Morningstar Large Value	12.39%	-2.22%	90.92%	101.45%
Russell 1000 Value	12.57%	0.00%	100.00%	100.00%

Large Cap Core

Calendar Year Return

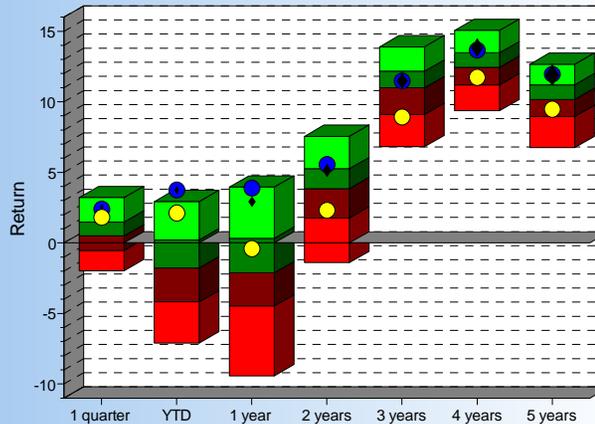
As of June 2016



- SSgA S&P 500 Index Instl
- Morningstar Large Blend
- Russell 1000

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)
Morningstar Large Growth

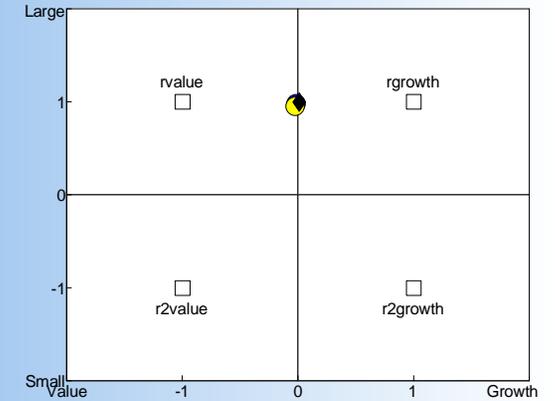


- SSgA S&P 500 Index Instl
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

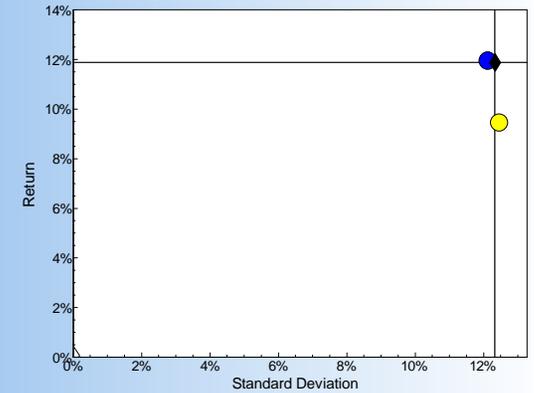
July 2011 - June 2016



Manager Risk/Return

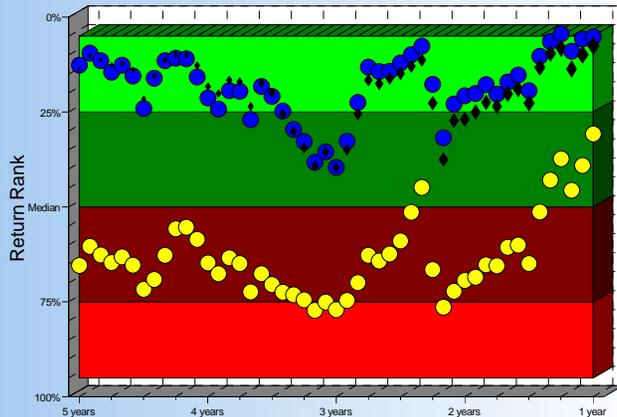
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Large Growth



- SSgA S&P 500 Index Instl
- Morningstar Large Blend
- ◆ Russell 1000
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



- SSgA S&P 500 Index Instl
- Russell 1000



Up/Down Capture

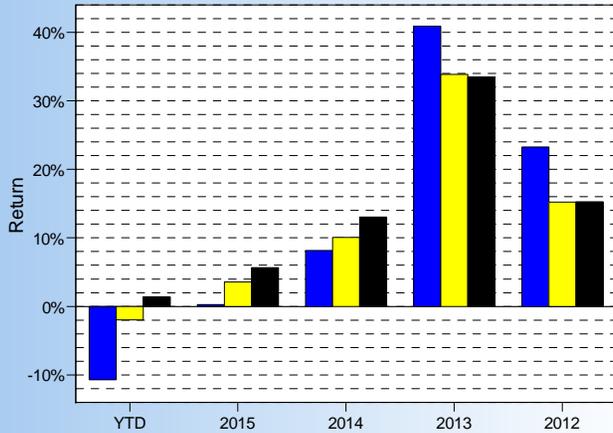
July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
SSgA S&P 500 Index Instl	12.11%	0.08%	99.06%	98.18%
Morningstar Large Blend	12.44%	-2.42%	93.47%	106.54%
Russell 1000	12.33%	0.00%	100.00%	100.00%

Large Cap Growth

Calendar Year Return

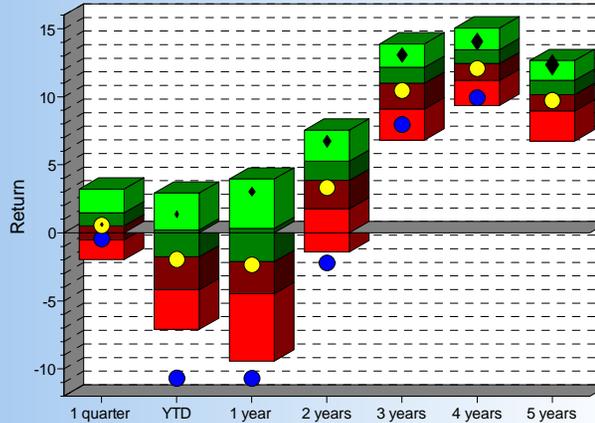
As of June 2016



- Touchstone Sands Capital Select Growth Y
- Morningstar Large Growth
- Russell 1000 Growth

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)
Morningstar Large Growth

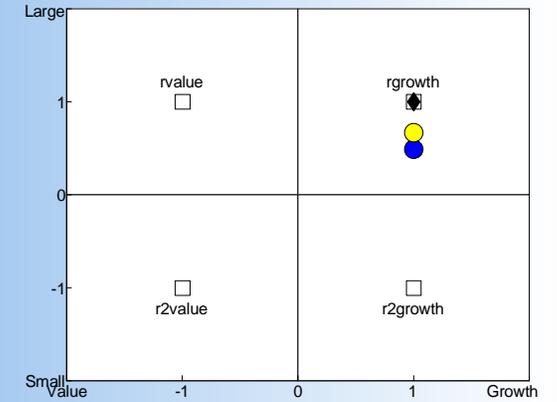


- Touchstone Sands Capital Select Growth Y
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

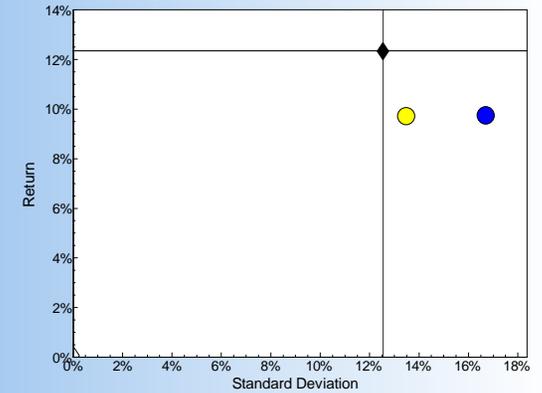
July 2011 - June 2016



Manager Risk/Return

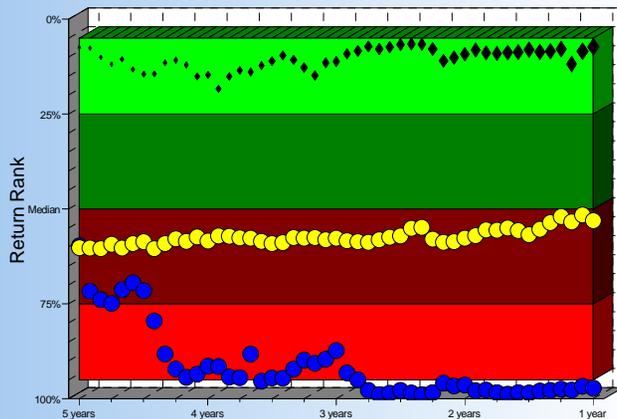
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Large Growth



- Touchstone Sands Capital Select Growth Y
- Morningstar Large Growth
- ◆ Russell 1000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

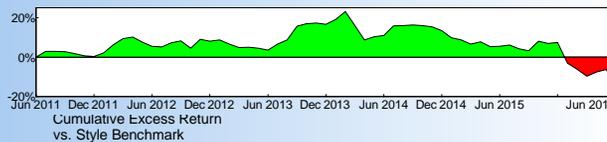
Manager Performance

Single Computation

July 2011 - June 2016



- Touchstone Sands Capital Select Growth Y
- Russell 1000 Growth



Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Touchstone Sands Capit	16.70%	-2.59%	111.63%	132.44%
Morningstar Large Gro	13.47%	-2.62%	98.69%	115.64%
Russell 1000 Growth	12.53%	0.00%	100.00%	100.00%

Small Cap Value

Calendar Year Return

As of June 2016

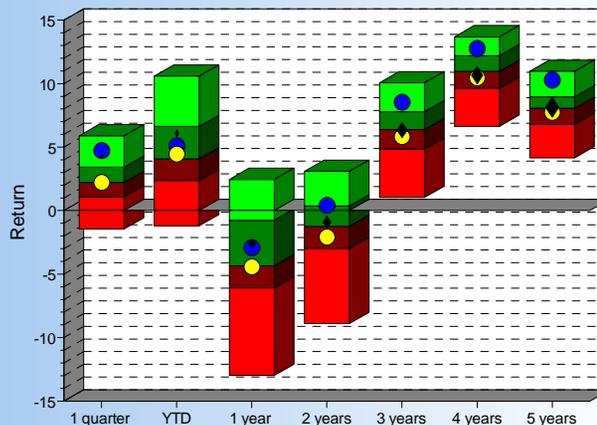


- Goldman Sachs Small Cap Value Inst
- Morningstar Small Value
- Russell 2000 Value

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)

Morningstar Small Value

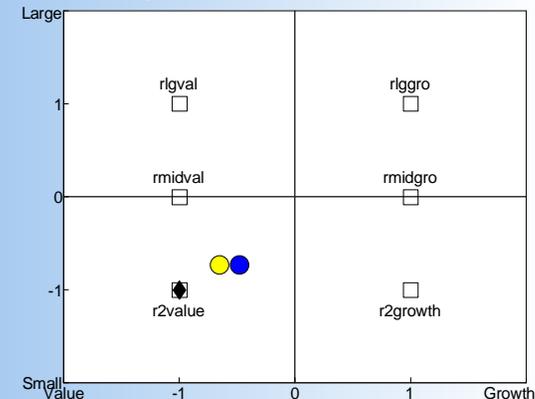


- Goldman Sachs Small Cap Value Inst
- Morningstar Small Value
- ◆ Russell 2000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

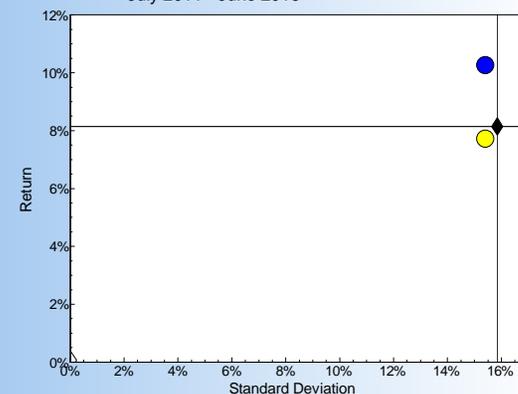
July 2011 - June 2016



Manager Risk/Return

Single Computation

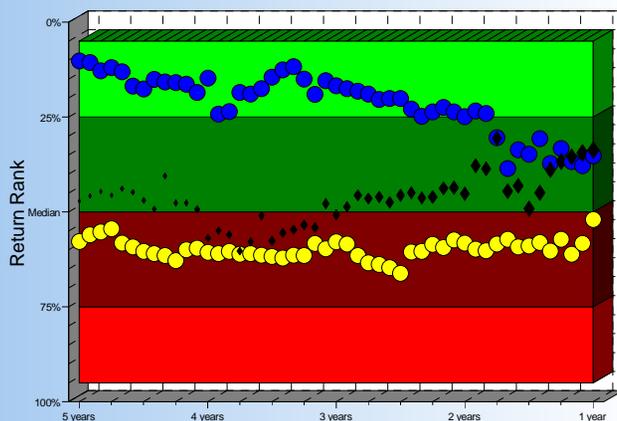
July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)

Morningstar Small Value

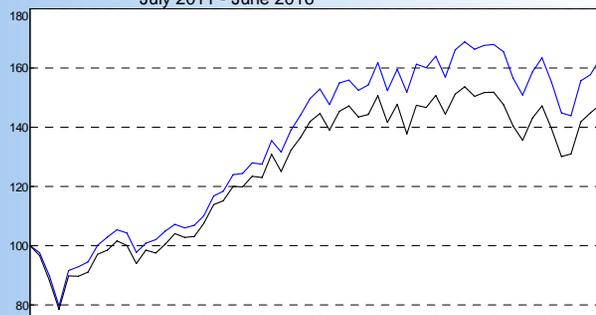


- Goldman Sachs Small Cap Value Inst
- Morningstar Small Value
- ◆ Russell 2000 Value
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



- Goldman Sachs Small Cap Value Inst
- Russell 2000 Value



Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Goldman Sachs Small C	15.39%	2.13%	97.84%	89.16%
Morningstar Small Valu	15.40%	-0.42%	93.88%	95.97%
Russell 2000 Value	15.84%	0.00%	100.00%	100.00%

Small Cap Growth

Calendar Year Return

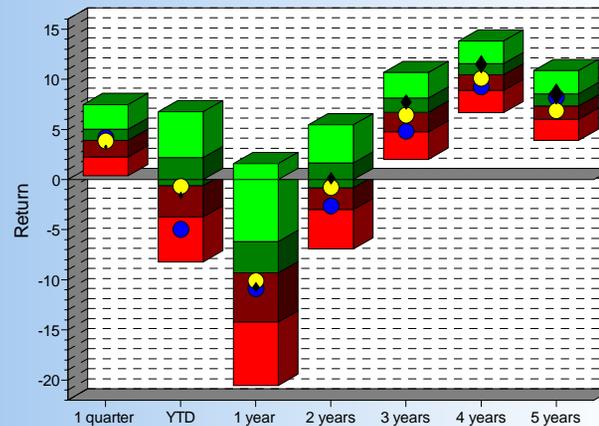
As of June 2016



- Legg Mason ClearBridge Small Cap Gr A
- Morningstar Small Growth
- Russell 2000 Growth

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)
Morningstar Small Growth

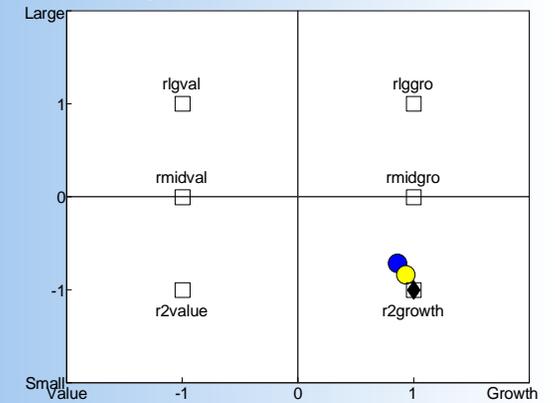


- Legg Mason ClearBridge Small Cap Gr A
- ◆ Russell 2000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Style

Single Computation

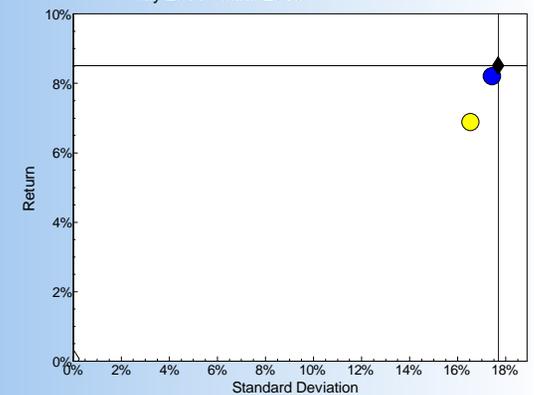
July 2011 - June 2016



Manager Risk/Return

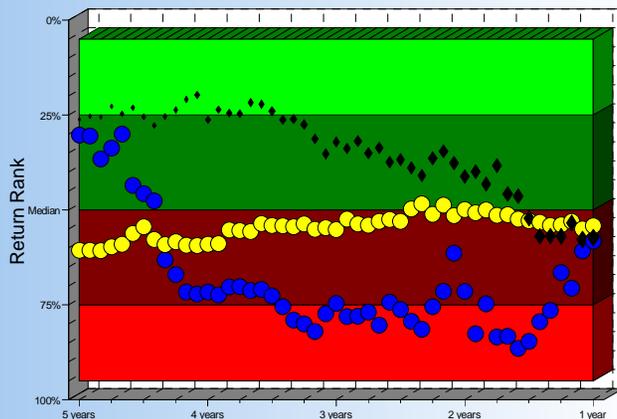
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Small Growth

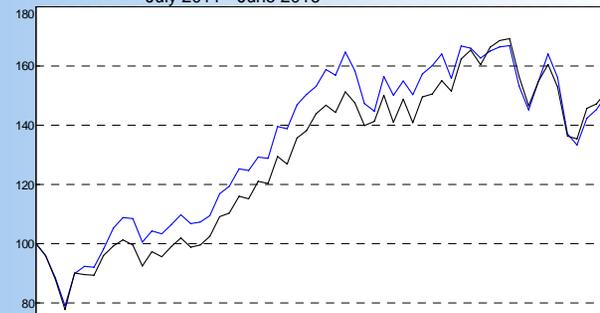


- Legg Mason ClearBridge Small Cap Gr A
- Morningstar Small Growth
- ◆ Russell 2000 Growth
- 5th to 25th Percentile
- 25th Percentile to Median
- Median to 75th Percentile
- 75th to 95th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



- Legg Mason ClearBridge Small Cap Gr A
- Russell 2000 Growth



Up/Down Capture

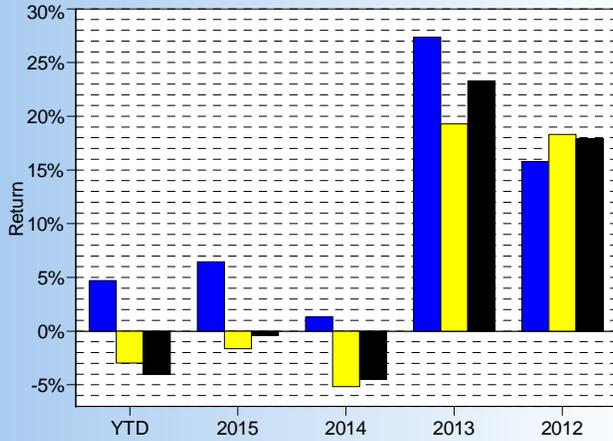
July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
Legg Mason ClearBridge	17.42%	-0.31%	94.09%	95.89%
Morningstar Small Growth	16.52%	-1.62%	88.59%	95.64%
Russell 2000 Growth	17.68%	0.00%	100.00%	100.00%

Foreign Large Blend

Calendar Year Return

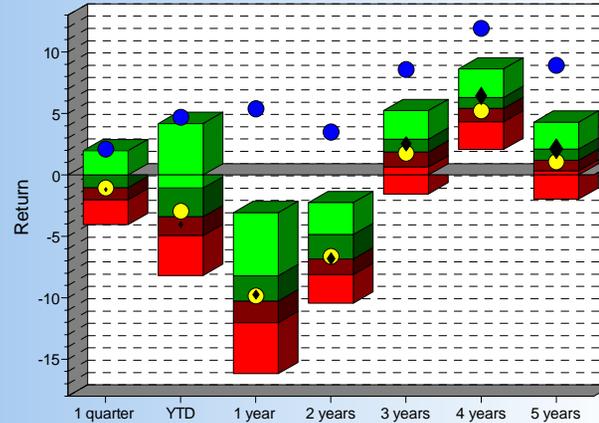
As of June 2016



- MFS International Value R3
- Morningstar Foreign Large Blend
- MSCI EAFE

Manager vs Universe: Return through June 2016

(not annualized if less than 1 year)
Morningstar Foreign Large Blend

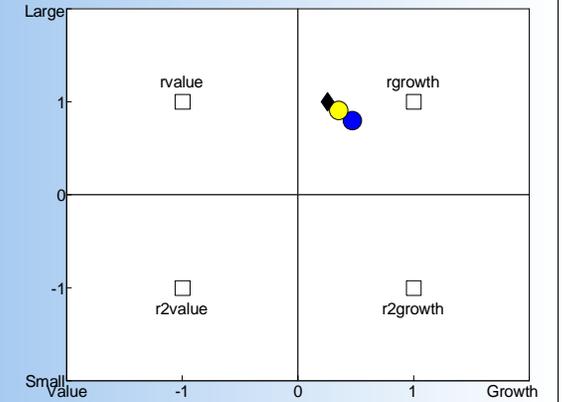


- MFS International Value R3
- Morningstar Foreign Large Blend
- ◆ MSCI EAFE
- 25th Percentile to Median
- 75th to 95th Percentile
- 5th to 25th Percentile
- Median to 75th Percentile

Manager Style

Single Computation

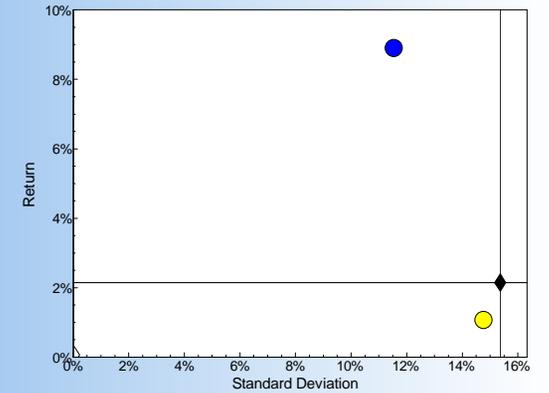
July 2011 - June 2016



Manager Risk/Return

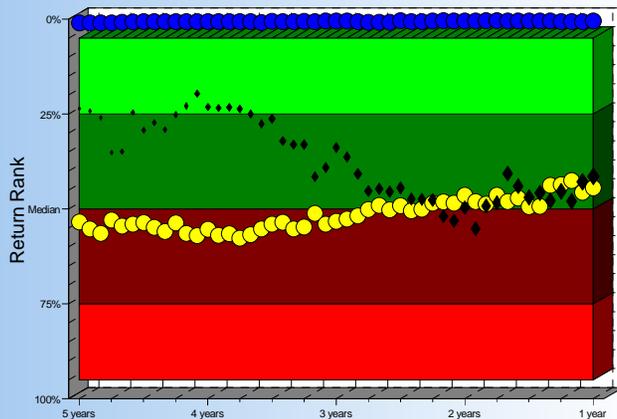
Single Computation

July 2011 - June 2016



Manager vs Universe: Return Rank through June 2016

(not annualized if less than 1 year)
Morningstar Foreign Large Blend

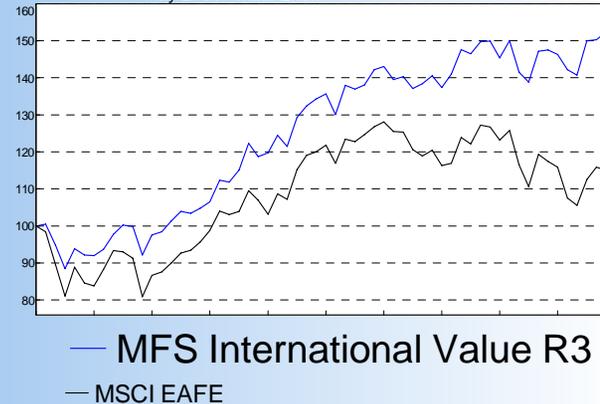


- MFS International Value R3
- Morningstar Foreign Large Blend
- ◆ MSCI EAFE
- 5th to 25th Percentile
- 75th to 95th Percentile
- 25th Percentile to Median
- Median to 75th Percentile

Manager Performance

Single Computation

July 2011 - June 2016



Up/Down Capture

July 2011 - June 2016: Summary Statistics

	Standard Deviation	Excess Return vs. Market	Up Capture vs. Market	Down Capture vs. Market
MFS International Value R3	11.52%	6.76%	81.58%	55.43%
Morningstar Foreign Large Blend	14.76%	-1.07%	88.88%	96.00%
MSCI EAFE	15.36%	0.00%	100.00%	100.00%

457 Plan Scorecard

Clayton County 457 Plan - Q2 16													
	Style			Risk/Return			Peer Group			Period			
	Style	Style Drift	R ²	Risk / Return	Up / Down	Info Ratio	Return Rank	Ratio Rank	Qual.	Score Q216	Score Q1 16	Score Q4 15	Score Q3 15
Large Cap Value													
American Beacon Lg Cap Value Inv	1	1	1	0	0	0	0	0	2	5	5	5	5
Large Cap Core													
SSgA S&P 500 Index Instl	1	1	1	1	1	1	1	1	2	10	10	9	8
Large Cap Growth													
Touchstone Sands Capital Select Growth Y	1	1	1	0	0	0	0	0	2	5	5	8	8
Small Cap Value													
Goldman Sachs Small Cap Value Inst	1	1	1	1	1	1	1	1	2	10	10	10	10
Small Cap Core													
Legg Mason ClearBridge Small Cap Gr A	1	1	1	1	0	0	0	0	2	6	6	10	5
International													
MFS International Value R3	1	1	1	1	1	1	1	1	2	10	10	10	10

Watchlist Activity
Second Quarter 2016

At the start of the second quarter the following funds were on the watchlist:

Clayton County Voya 457 Plan - Current Watchlist as of Q2'16								
	Balance as of Q216	Relative Performance vs. Benchmarks				Morningstar	Score	
		2nd Qtr	1Yr	3Yr	5 yr	Rating	Q2 16	Q1 16
Large Cap Value								
American Beacon Large Cap Value	\$ 49,498.40	-3.03%	-9.54%	-3.78%	-2.19%	***	5	5
Large Cap Growth								
Touchstone Sands Capital Select Growth Y	\$ 300,400.47	-1.07%	-13.72%	-5.12%	-2.60%	**	5	5

The Manning & Napier World Opportunities Fund, which had been on the Watchlist for a few quarters, was fully replaced by the MFS International Value fund by the end of the second quarter and is no longer in the line-up.

The American Beacon Large Cap Value fund was added to the watchlist two quarters ago as its score fell to a 5, and has remained at that level through the end of Q216. The fund’s relative performance has continued to struggle versus its relevant benchmark, however its performance relative to its peer group is better. Hence, we recommend keeping American Beacon Large Cap Value fund on the watchlist, and will be evaluating alternatives for this asset class that are available on the Voya platform.

Finally, last quarter the Touchstone Sands Capital Select Growth fund was added to the watchlist based on its significant underperformance over the past couple quarters, combined with its scorecard ranking dropping to a 5. This fund is a fairly aggressive large-cap growth fund that has historically produced solid outperformance versus its benchmark and its peer group. However, over the last year the fund’s performance has suffered in the face of a pronounced shift in the market environment away from favoring momentum growth companies. Likewise, we will be evaluating potential replacement funds for this asset class over the next quarter.

New Fund additions for consideration to 457 Plan Line-up:

Last quarter the board voted to add the Cohen & Steers Real Estate Securities fund and the Gabelli Gold fund to the current fund line-up on the Voya platform. These additions are in process, but were not yet completed as of the quarter-end.

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