RE: Investment Performance Summary and Recommendations

To the Board Members of Naples General Employees’ Retirement System:

The market value of the portfolio was $58,304,731 on June 30, 2018. The increase in the portfolio from investment gains was $1,170,808 representing a gain (before fees) of 2.02% for the quarter by the plan. The gain after fees for the quarter was $1,096,917 or 1.89%.

As of June 30, 2018, the asset allocation was: 65.07% in equity, 16.31% in fixed income, 1.22% in long/short credit, 2.70% in funds of hedge funds, 9.37% in core private real estate, 4.72% in Master Limited Partnerships, and 0.61% in cash (in the Receipt & Disbursement account). In comparison to your policy, the portfolio is in compliance with the designated ranges for each investment asset style. Below is the summary asset allocation table as of June 30, 2018.

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Current %</th>
<th>Target %</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large Capitalization Value (Rothschild)</td>
<td>19.75%</td>
<td>21.25%</td>
<td>26.25 - 16.25%</td>
</tr>
<tr>
<td>Large Capitalization Growth (Polen)</td>
<td>10.44%</td>
<td>10.63%</td>
<td>13.125 - 8.125%</td>
</tr>
<tr>
<td>Large Capitalization Growth (Sawgrass)</td>
<td>10.44%</td>
<td>10.63%</td>
<td>13.125 - 8.125%</td>
</tr>
<tr>
<td>Mid Capitalization Value (Chartwell)</td>
<td>5.30%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td>Mid Capitalization Growth (MDT)</td>
<td>5.99%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td>International Value (Lazard)</td>
<td>6.64%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td>International Growth (Renaissance)</td>
<td>6.51%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td>Total Equity</td>
<td>65.07%</td>
<td>62.50%</td>
<td>70.0 - 57.5%</td>
</tr>
<tr>
<td>Fixed Income (Loomis Sayles)</td>
<td>16.31%</td>
<td>17.50%</td>
<td>27.5 - 15.0%</td>
</tr>
<tr>
<td>Global Long/Short Credit (Blackrock)</td>
<td>1.22%</td>
<td>2.50%</td>
<td>5.0 - 0.0%</td>
</tr>
<tr>
<td>Funds of Hedge Funds (Pinggrov &amp; Private Advisors)</td>
<td>2.70%</td>
<td>2.50%</td>
<td>5.0 - 0.0%</td>
</tr>
<tr>
<td>Private Real Estate (UBS &amp; American Realty)</td>
<td>9.37%</td>
<td>10.00%</td>
<td>15.0 - 0.0%</td>
</tr>
<tr>
<td>Master Limited Partnerships</td>
<td>4.72%</td>
<td>5.00%</td>
<td>10.0 - 0.0%</td>
</tr>
<tr>
<td>Cash (Receipt &amp; Disbursement Account)</td>
<td>0.61%</td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td><strong>100.00%</strong></td>
<td><strong>100.00%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Rothschild underperformed the Russell 1000 Value index for the quarter and 3 years and outperformed for 1 year, 5 years, and since inception in the Large Capitalization Value style. Your Large Capitalization Growth manager, Polen, posted returns above the Russell 1000 Growth index for all time periods measured. Sawgrass Asset Management, your second Large Capitalization Growth manager, posted returns below the index for all time periods measured. Chartwell, your Mid Capitalization Value manager, outperformed the Russell Mid Capitalization Value index for all time periods measured. Your Mid Capitalization Growth manager, Polen, posted returns above the Russell Mid Capitalization Growth index for all time periods measured.
manager, MDT, underperformed the Russell Mid Capitalization Growth index for the quarter and outperformed for the other time periods measured.

Lazard Asset Management underperformed the combined MSCI All Country World ex. USA/ MSCI EAFE dynamic index for the quarter and outperformed for the other time periods measured in the international value equity asset style. Renaissance underperformed their comparison index (the MSCI All Country World ex US index) for the quarter, 1 year, and 3 years and outperformed for 5 years and since inception in the international growth equity asset style. Loomis Sayles, your fixed income manager, posted returns above the Barclays Capital Intermediate Government/Credit Bond index for all time periods measured. The plan invested in the Blackrock Long/Short Global Credit fund in January 2017 and earned a return below the HFRX Fixed Income Credit Index for the quarter, 1 year, and since inception. Pine Grove, one of your fund of hedge funds, provided higher returns than the HFRI FOF Conservative Index for all time periods measured. Blackrock Long/Short Global Credit Fund and Pine Grove have outperformed the Barclays Aggregate Bond Index since each of their inceptions. Private Advisors, your other fund of hedge funds, provided lower returns than the HFRI FOF Conservative Index for all time periods measured. The UBS Trumbull Property Fund posted a return of 1.76% during the quarter and has generated an annualized return of 9.08% since April 2012. American Realty posted a return of 2.09% for the quarter and 9.59% since January 2017.

The plan invested a 5% allocation with Cushing, a Master Limited Partnership manager in June 2017 and posted a return above the Alerian MLP index for the quarter and since inception.

This report is for the current quarter, 1 year, 3 year, 5 year, and 18 ½ year annualized time periods. If you have any questions, please feel free to call at 800-282-0655, Ext. 2061.

Sincerely,

Charles H. Mulfinger, II, CIMA
Managing Director, Wealth Management
Institutional Consulting Director
Alternative Investments Director/Government Entity Specialist

Scott Owens, CFA, CIMA
Associate Vice President
Institutional Consultant
Government Entity Specialist
### Summary Tables of Returns - Naples General Employees’ Retirement System

<table>
<thead>
<tr>
<th>Equity</th>
<th>Quarter Not Annualized</th>
<th>Annualized Rates of Return Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Capitalization Value (Rothschild) - Gross</td>
<td>(0.01)</td>
<td>9.58</td>
</tr>
<tr>
<td>Large Capitalization Value (Rothschild) - Net</td>
<td>(0.15)</td>
<td>8.85</td>
</tr>
<tr>
<td><strong>Russell 1000 Value</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Excess Return over Index (Gross)</strong></td>
<td>(1.19)</td>
<td>2.81</td>
</tr>
<tr>
<td>Large Capitalization Growth (Polen) - Gross</td>
<td>9.20</td>
<td>23.34</td>
</tr>
<tr>
<td>Large Capitalization Growth (Polen) - Net</td>
<td>9.04</td>
<td>22.64</td>
</tr>
<tr>
<td><strong>Russell 1000 Growth</strong></td>
<td>5.76</td>
<td>22.51</td>
</tr>
<tr>
<td><strong>Excess Return over Index (Gross)</strong></td>
<td>3.44</td>
<td>0.83</td>
</tr>
<tr>
<td>Large Capitalization Growth (Sawgrass) - Gross</td>
<td>4.64</td>
<td>16.71</td>
</tr>
<tr>
<td>Large Capitalization Growth (Sawgrass) - Net</td>
<td>4.51</td>
<td>16.13</td>
</tr>
<tr>
<td><strong>Russell 1000 Growth</strong></td>
<td>5.76</td>
<td>22.51</td>
</tr>
<tr>
<td><strong>Excess Return over Index (Gross)</strong></td>
<td>(1.12)</td>
<td>(5.80)</td>
</tr>
<tr>
<td>Mid Capitalization Value (Chartwell) - Gross</td>
<td>4.77</td>
<td>13.18</td>
</tr>
<tr>
<td>Mid Capitalization Value (Chartwell) - Net</td>
<td>4.68</td>
<td>12.50</td>
</tr>
<tr>
<td><strong>Russell Midcap Value</strong></td>
<td>2.41</td>
<td>7.60</td>
</tr>
<tr>
<td><strong>Excess Return over Index (Gross)</strong></td>
<td>2.36</td>
<td>5.58</td>
</tr>
<tr>
<td>Mid Capitalization Growth (MDT) - Gross</td>
<td>2.30</td>
<td>24.85</td>
</tr>
<tr>
<td>Mid Capitalization Growth (MDT) - Net</td>
<td>2.11</td>
<td>23.94</td>
</tr>
<tr>
<td><strong>Russell Midcap Growth</strong></td>
<td>3.16</td>
<td>18.52</td>
</tr>
<tr>
<td><strong>Excess Return over Index (Gross)</strong></td>
<td>(0.86)</td>
<td>6.33</td>
</tr>
<tr>
<td>International Value (Lazard) - Gross</td>
<td>(3.19)</td>
<td>8.29</td>
</tr>
<tr>
<td>International Value (Lazard) - Net</td>
<td>(3.32)</td>
<td>7.72</td>
</tr>
<tr>
<td><strong>Dynamic Index</strong></td>
<td>(2.61)</td>
<td>7.28</td>
</tr>
<tr>
<td><strong>Excess Return over Index (Gross)</strong></td>
<td>(0.58)</td>
<td>1.01</td>
</tr>
<tr>
<td>International Growth (Renaissance) - Gross</td>
<td>(4.96)</td>
<td>4.99</td>
</tr>
<tr>
<td>International Growth (Renaissance) - Net</td>
<td>(5.10)</td>
<td>4.38</td>
</tr>
<tr>
<td><strong>MSCI All Country World ex US</strong></td>
<td>(2.61)</td>
<td>7.28</td>
</tr>
<tr>
<td><strong>Excess Return over Index (Gross)</strong></td>
<td>(2.35)</td>
<td>(2.29)</td>
</tr>
<tr>
<td><strong>Fixed Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intermediate Fixed (Loomis Sayles) - Gross</td>
<td>0.07</td>
<td>(0.17)</td>
</tr>
<tr>
<td>Intermediate Fixed (Loomis Sayles) - Net</td>
<td>0.00</td>
<td>(0.53)</td>
</tr>
<tr>
<td><strong>BC Intermediate Gov't/Credit Bond</strong></td>
<td>0.01</td>
<td>(0.58)</td>
</tr>
<tr>
<td><strong>Excess Return over Index (Gross)</strong></td>
<td>0.06</td>
<td>0.41</td>
</tr>
</tbody>
</table>

THE INFORMATION SET FORTH WAS OBTAINED FROM SOURCES WHICH WE BELIEVE RELIABLE BUT WE DO NOT GUARANTEE ITS ACCURACY OR COMPLETENESS. NEITHER THE INFORMATION NOT ANY OPINION EXPRESSED CONSTITUTES A SOLICITATION BY US OF THE PURCHASE OR SALE OF ANY SECURITIES.
<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Fund Name</th>
<th>Return 1 year</th>
<th>Return Since Inception*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Long/Short Credit</td>
<td>Blackrock L/S Global Credit Fund (Net)</td>
<td>(0.67)</td>
<td>1.46</td>
</tr>
<tr>
<td></td>
<td>HFRX Fixed Income Credit</td>
<td>0.68</td>
<td>1.74</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index</td>
<td>(1.35)</td>
<td>(0.28)</td>
</tr>
<tr>
<td>Funds of Hedge Funds</td>
<td>Pinegrove Inst'l Partners Fund (Net)</td>
<td>1.68</td>
<td>5.24</td>
</tr>
<tr>
<td></td>
<td>HFRI FOF Conservative</td>
<td>1.22</td>
<td>4.18</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index</td>
<td>0.46</td>
<td>1.06</td>
</tr>
<tr>
<td></td>
<td>BC U.S. Aggregate</td>
<td>(9.66)</td>
<td>(16.67)</td>
</tr>
<tr>
<td></td>
<td>Private Advisors Stable Value Fund (Net)</td>
<td>(10.88)</td>
<td>(20.85)</td>
</tr>
<tr>
<td></td>
<td>BC U.S. Aggregate</td>
<td>(0.16)</td>
<td>(0.40)</td>
</tr>
<tr>
<td>Core Private Real Estate</td>
<td>UBS Trumbull Property Fund (Gross)</td>
<td>1.76</td>
<td>7.66</td>
</tr>
<tr>
<td></td>
<td>UBS Trumbull Property Fund (Net)</td>
<td>1.51</td>
<td>6.59</td>
</tr>
<tr>
<td></td>
<td>NCREEIF Property</td>
<td>1.81</td>
<td>7.20</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index (Gross)</td>
<td>(0.05)</td>
<td>0.46</td>
</tr>
<tr>
<td></td>
<td>BC U.S. Aggregate</td>
<td>(0.16)</td>
<td>(0.40)</td>
</tr>
<tr>
<td></td>
<td>American Core Realty (Gross)</td>
<td>2.09</td>
<td>9.18</td>
</tr>
<tr>
<td></td>
<td>American Core Realty (Net)</td>
<td>1.81</td>
<td>7.82</td>
</tr>
<tr>
<td></td>
<td>NCREEIF Property</td>
<td>1.81</td>
<td>7.20</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index (Gross)</td>
<td>0.28</td>
<td>1.98</td>
</tr>
<tr>
<td></td>
<td>BC U.S. Aggregate</td>
<td>(0.16)</td>
<td>(0.40)</td>
</tr>
<tr>
<td>Master Limited Partnerships</td>
<td>Cushing (Gross)</td>
<td>14.27</td>
<td>1.91</td>
</tr>
<tr>
<td></td>
<td>Cushing (Net)</td>
<td>14.27</td>
<td>1.45</td>
</tr>
<tr>
<td></td>
<td>Alerian MLP</td>
<td>11.80</td>
<td>(4.58)</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index (Gross)</td>
<td>2.47</td>
<td>6.49</td>
</tr>
<tr>
<td>Total Return</td>
<td>Total Return (Gross)</td>
<td>2.02</td>
<td>9.75</td>
</tr>
<tr>
<td></td>
<td>Total Return (Net)</td>
<td>1.89</td>
<td>9.13</td>
</tr>
<tr>
<td></td>
<td>Policy Index</td>
<td>2.31</td>
<td>8.75</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index (Gross)</td>
<td>(0.29)</td>
<td>1.00</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index (Net)</td>
<td>(0.42)</td>
<td>0.38</td>
</tr>
</tbody>
</table>

* Inception Dates Used

Rothschild - 10/31/2007
Polen (LCG) - 9/30/2012
Sawgrass (LCG) - 5/31/2012
Chartwell - 3/31/2016
MDT - 1/31/2009
Lazard - 11/30/2000

Renaissance (Int'l) - 4/30/2009
Loomis Sayles - 7/31/2004 & Blackrock - 1/31/2017
Pinegrove - 11/30/2013 & Private - 10/31/2013
UBS - 4/30/12 & American Realty - 1/31/2017
Cushing - 6/30/2017
Total Fund - 12/31/1999

Morgan Stanley Smith Barney LLC. Member SIPC. Grays tone Consulting is a business of Morgan Stanley Smith Barney LLC.

THE INFORMATION SET FORTH WAS OBTAINED FROM SOURCES WHICH WE BELIEVE RELIABLE BUT WE DO NOT GUARANTEE ITS ACCURACY OR COMPLETENESS. NEITHER THE INFORMATION NOT ANY OPINION EXPRESSED CONSTITUTES A SOLICITATION BY US OF THE PURCHASE OR SALE OF ANY SECURITIES.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rothschil **</td>
<td>4.68</td>
<td>15.91</td>
<td>11.24</td>
<td>(2.13)</td>
<td>21.86</td>
<td>25.32</td>
<td>34.10</td>
<td>(1.66)</td>
<td>6.76</td>
<td>(6.50)</td>
<td>(20.36)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell 1000 Value</td>
<td>3.55</td>
<td>15.12</td>
<td>16.20</td>
<td>(4.43)</td>
<td>18.89</td>
<td>22.33</td>
<td>30.90</td>
<td>(1.90)</td>
<td>8.91</td>
<td>(10.62)</td>
<td>(23.58)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>1.13</td>
<td>15.79</td>
<td>13.76</td>
<td>3.19</td>
<td>19.15</td>
<td>19.27</td>
<td>2.99</td>
<td>3.20</td>
<td>0.24</td>
<td>(2.15)</td>
<td>4.12</td>
<td>3.22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell 1000 Growth</td>
<td>15.69</td>
<td>21.94</td>
<td>13.76</td>
<td>3.19</td>
<td>19.15</td>
<td>19.27</td>
<td>2.99</td>
<td>3.20</td>
<td>0.24</td>
<td>(2.15)</td>
<td>4.12</td>
<td>3.22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>2.88</td>
<td>(1.41)</td>
<td>(3.24)</td>
<td>(0.08)</td>
<td>(9.53)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sawgrass</td>
<td>12.14</td>
<td>16.54</td>
<td>11.36</td>
<td>2.05</td>
<td>19.15</td>
<td>19.27</td>
<td>4.99</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russian 1000 Growth</td>
<td>15.69</td>
<td>21.94</td>
<td>13.76</td>
<td>3.19</td>
<td>19.15</td>
<td>19.27</td>
<td>2.99</td>
<td>3.20</td>
<td>0.24</td>
<td>(2.15)</td>
<td>4.12</td>
<td>3.22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>(3.55)</td>
<td>(5.40)</td>
<td>(2.40)</td>
<td>(1.14)</td>
<td>1.00</td>
<td>(0.53)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chartwell</td>
<td>7.09</td>
<td>22.96</td>
<td>9.43</td>
<td>Note: Began managing 3/18/2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell Midcap Value</td>
<td>5.34</td>
<td>13.37</td>
<td>9.43</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>1.75</td>
<td>9.59</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell Midcap Growth</td>
<td>15.69</td>
<td>21.94</td>
<td>13.76</td>
<td>3.19</td>
<td>19.15</td>
<td>19.27</td>
<td>2.99</td>
<td>3.20</td>
<td>0.24</td>
<td>(2.15)</td>
<td>4.12</td>
<td>3.22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>(3.55)</td>
<td>(5.40)</td>
<td>(2.40)</td>
<td>(1.14)</td>
<td>1.00</td>
<td>(0.53)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MDT**</td>
<td>18.53</td>
<td>22.68</td>
<td>7.99</td>
<td>1.36</td>
<td>18.51</td>
<td>29.56</td>
<td>33.59</td>
<td>9.70</td>
<td>25.54</td>
<td>18.58</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell Midcap Growth</td>
<td>12.57</td>
<td>17.82</td>
<td>11.24</td>
<td>1.46</td>
<td>14.45</td>
<td>27.55</td>
<td>26.68</td>
<td>0.80</td>
<td>18.26</td>
<td>43.58</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>5.96</td>
<td>4.86</td>
<td>(0.10)</td>
<td>2.01</td>
<td>6.91</td>
<td>8.90</td>
<td>7.28</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renaissance***</td>
<td>(1.04)</td>
<td>19.47</td>
<td>9.45</td>
<td>(10.28)</td>
<td>11.43</td>
<td>24.41</td>
<td>15.83</td>
<td>(7.98)</td>
<td>5.92</td>
<td>30.42</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MSCI AC World ex US</td>
<td>1.05</td>
<td>19.61</td>
<td>9.26</td>
<td>(12.17)</td>
<td>4.76</td>
<td>16.50</td>
<td>14.48</td>
<td>(10.81)</td>
<td>7.56</td>
<td>34.40</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>(2.09)</td>
<td>(3.72)</td>
<td>(0.14)</td>
<td>4.26</td>
<td>1.31</td>
<td>(1.48)</td>
<td>7.07</td>
<td>1.26</td>
<td>0.17</td>
<td>(1.61)</td>
<td>7.10</td>
<td>(7.94)</td>
<td>(1.27)</td>
<td>(2.63)</td>
<td>(4.75)</td>
<td>4.31</td>
<td>3.45</td>
<td></td>
</tr>
<tr>
<td>Fixed Income</td>
<td>0.89</td>
<td>0.93</td>
<td>4.69</td>
<td>2.79</td>
<td>3.38</td>
<td>0.19</td>
<td>6.12</td>
<td>3.93</td>
<td>10.03</td>
<td>15.45</td>
<td>(0.23)</td>
<td>5.16</td>
<td>3.86</td>
<td>2.16</td>
<td>1.80</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loomis Sayles</td>
<td>(1.17)</td>
<td>0.23</td>
<td>3.52</td>
<td>2.67</td>
<td>2.20</td>
<td>(0.49)</td>
<td>4.41</td>
<td>3.40</td>
<td>6.94</td>
<td>10.00</td>
<td>3.15</td>
<td>5.44</td>
<td>3.54</td>
<td>1.48</td>
<td>1.84</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BC Int G/C</td>
<td>0.39</td>
<td>1.96</td>
<td>0.38</td>
<td>(4.18)</td>
<td>5.46</td>
<td>Since 1/31/2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HFRX Fixed Income Credit</td>
<td>0.86</td>
<td>(0.75)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funds of Hedge Funds</td>
<td>6.10</td>
<td>5.35</td>
<td>8.08</td>
<td>10.63</td>
<td>10.83</td>
<td>10.02</td>
<td>4.87</td>
<td>Since 4/30/2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pinegrove Instl Partners</td>
<td>4.21</td>
<td>1.96</td>
<td>0.34</td>
<td>0.59</td>
<td>3.73</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HFRX Eq Credit</td>
<td>2.88</td>
<td>4.56</td>
<td>0.34</td>
<td>0.59</td>
<td>3.73</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>1.38</td>
<td>2.19</td>
<td>0.04</td>
<td>4.77</td>
<td>1.73</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BC U.S. Aggregate</td>
<td>(1.23)</td>
<td>0.07</td>
<td>5.19</td>
<td>2.93</td>
<td>3.51</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Advisors Stable Value</td>
<td>(15.62)</td>
<td>4.32</td>
<td>0.69</td>
<td>(4.24)</td>
<td>4.10</td>
<td>Since 10/31/2003</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HFRX Eq Credit</td>
<td>2.83</td>
<td>4.56</td>
<td>0.34</td>
<td>0.59</td>
<td>4.57</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>(18.45)</td>
<td>(0.24)</td>
<td>0.35</td>
<td>4.83</td>
<td>(0.47)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BC U.S. Aggregate</td>
<td>(1.23)</td>
<td>0.07</td>
<td>5.19</td>
<td>2.93</td>
<td>3.51</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Core Private Real Estate</td>
<td>6.10</td>
<td>5.35</td>
<td>8.08</td>
<td>10.63</td>
<td>10.83</td>
<td>10.02</td>
<td>4.87</td>
<td>Since 4/30/2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UBS Trumbull Property</td>
<td>5.40</td>
<td>6.90</td>
<td>9.22</td>
<td>13.48</td>
<td>11.27</td>
<td>11.01</td>
<td>5.08</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NCREIF Property</td>
<td>0.70</td>
<td>(1.55)</td>
<td>(1.14)</td>
<td>(2.85)</td>
<td>(0.44)</td>
<td>(0.99)</td>
<td>(0.21)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>(0.70)</td>
<td>0.07</td>
<td>5.19</td>
<td>2.93</td>
<td>3.96</td>
<td>(1.68)</td>
<td>2.54</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>American Core Realty</td>
<td>6.48</td>
<td>6.93</td>
<td>Since 1/31/2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NCREIF Property</td>
<td>5.40</td>
<td>5.08</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>1.08</td>
<td>1.85</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BC U.S. Aggregate</td>
<td>(1.23)</td>
<td>2.94</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Master Limited Partnerships</td>
<td>2.55</td>
<td>(0.63)</td>
<td>Since 6/30/2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cushing</td>
<td>(1.58)</td>
<td>(3.05)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>4.13</td>
<td>4.22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Returns since 10/31/2007
** Returns since 1/31/2009
*** Returns since 4/30/2009

Morgan Stanley Smith Barney LLC. Member SIPC. Graystone Consulting is a business of Morgan Stanley Smith Barney LLC.

THE INFORMATION SET FORTH WAS OBTAINED FROM SOURCES WHICH WE BELIEVE RELIABLE BUT WE DO NOT GUARANTEE ITS ACCURACY OR COMPLETENESS. NEITHER THE INFORMATION NOT ANY OPINION EXPRESSED CONSTITUTES A SOLICITATION BY US OF THE PURCHASE OR SALE OF ANY SECURITIES.
September 4, 2018

Board of Trustees
City of Naples Police Officers' Retirement System

RE: Investment Performance Summary and Recommendations

To the Board Members of Naples Police Officers' Retirement System:

The market value of the portfolio was $51,785,487 on June 30, 2018. The increase in the portfolio from investment gains was $1,026,536 representing a gain (before fees) of 1.97% for the quarter by the plan. The gain after fees for the quarter was $962,008 or 1.84%.

As of June 30, 2018, the asset allocation was: 65.62% in equity, 15.92% in fixed income, 1.95% in long/short credit, 2.64% in funds of hedge funds, 8.72% in core private real estate, 4.61% in Master Limited Partnerships, and 0.53% in cash (in the Receipt & Disbursement account). In comparison to your policy, the portfolio is in compliance with the designated ranges for each investment asset style. Below is the summary asset allocation table as of June 30, 2018.

<table>
<thead>
<tr>
<th>Equity</th>
<th>Current %</th>
<th>Target %</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Capitalization Value (Rothschild)</td>
<td>20.36%</td>
<td>21.25%</td>
<td>26.25 - 16.25%</td>
</tr>
<tr>
<td>Large Capitalization Growth (Polen)</td>
<td>10.79%</td>
<td>10.63%</td>
<td>13.125 - 8.125%</td>
</tr>
<tr>
<td>Large Capitalization Growth (Sawgrass)</td>
<td>10.63%</td>
<td>10.63%</td>
<td>13.125 - 8.125%</td>
</tr>
<tr>
<td>Mid Capitalization Value (Chartwell)</td>
<td>5.03%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td>Mid Capitalization Growth (MDT)</td>
<td>5.61%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td>International Value (Lazard)</td>
<td>6.62%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td>International Growth (Renaissance)</td>
<td>6.58%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td></td>
<td>65.62%</td>
<td>62.50%</td>
<td>70.0 - 57.5%</td>
</tr>
<tr>
<td>Fixed Income (Loomis Sayles)</td>
<td>15.92%</td>
<td>17.50%</td>
<td>27.5 - 15.0%</td>
</tr>
<tr>
<td>Global Long/Short Credit (Blackrock)</td>
<td>1.95%</td>
<td>2.50%</td>
<td>5.0 - 0.0%</td>
</tr>
<tr>
<td>Funds of Hedge Funds (Pinegrove &amp; Private Advisors)</td>
<td>2.64%</td>
<td>2.50%</td>
<td>5.0 - 0.0%</td>
</tr>
<tr>
<td>Private Real Estate (UBS &amp; American Realty)</td>
<td>8.72%</td>
<td>10.00%</td>
<td>15.0 - 0.0%</td>
</tr>
<tr>
<td>Master Limited Partnerships</td>
<td>4.61%</td>
<td>5.00%</td>
<td>10.0 - 0.0%</td>
</tr>
<tr>
<td>Cash (Receipt &amp; Disbursement Account)</td>
<td>0.53%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>95.00 - 5.00%</strong></td>
</tr>
</tbody>
</table>

Rothschild underperformed the Russell 1000 Value index for the quarter and 3 years and outperformed for 1 year, 5 years, and since inception in the Large Capitalization Value style. Your Large Capitalization Growth manager, Polen, posted returns above the Russell 1000 Growth index for all time periods measured. Sawgrass Asset Management, your second Large Capitalization Growth manager, posted returns below the index for all time periods measured. Chartwell, your Mid Capitalization Value manager, outperformed the Russell Mid Capitalization Value index for all time periods measured. Your Mid Capitalization Growth manager, MDT, underperformed the Russell Mid Capitalization Growth index for the quarter and outperformed for the other time periods measured.
Lazard Asset Management underperformed the combined MSCI All Country World ex. USA/ MSCI EAFE dynamic index for the quarter and outperformed or equaled the index for the other time periods measured in the international value asset style. Renaissance underperformed their comparison index (the MSCI All Country World ex US index) for the quarter, 1 year, and 3 years and outperformed for 5 years and since inception in the international growth equity asset style. Loomis Sayles, your fixed income manager, posted returns above the Barclays Capital Intermediate Government/Credit Bond index for all time periods measured. The plan invested in the Blackrock Long/Short Global Credit fund in January 2017 and earned a return below the HFRX Fixed Income Credit Index for the quarter, 1 year, and since inception. Pine Grove, one of your fund of hedge funds, provided higher returns than the HFRI FOF Conservative Index for all time periods measured. Blackrock Long/Short Global Credit Fund and Pine Grove have outperformed the Barclays Aggregate Bond Index since each of their inceptions. Private Advisors, your other fund of hedge funds, provided lower returns than the HFRI FOF Conservative Index for all time periods measured. The UBS Trumbull Property Fund posted a return of 1.76% during the quarter and has generated an annualized return of 9.08% since April 2012. American Realty posted a return of 2.09% for the quarter and 9.59% since January 2017.

The plan invested a 5% allocation with Cushing, a Master Limited Partnership manager in June 2017 and posted a return above the Alerian MLP Index for the quarter and since inception.

This report is for the current quarter, 1 year, 3 year, 5 year, and 18 ½ year annualized time periods. If you have any questions, please feel free to call at 800-282-0655, Ext. 2061.

Sincerely,

Charles H. Mulfinger, II, CIMA
Managing Director, Wealth Management
Institutional Consulting Director
Alternative Investments Director/Government Entity Specialist

Scott Owens, CFA, CIMA
Associate Vice President
Institutional Consultant
Government Entity Specialist

Morgan Stanley Smith Barney LLC. Member SIPC. Graystone Consulting is a business of Morgan Stanley Smith Barney LLC.

THE INFORMATION SET FORTH WAS OBTAINED FROM SOURCES WHICH WE BELIEVE RELIABLE BUT WE DO NOT GUARANTEE ITS ACCURACY OR COMPLETENESS. NEITHER THE INFORMATION NOT ANY OPINION EXPRESSED CONSTITUTES A SOLICITATION BY US OF THE PURCHASE OR SALE OF ANY SECURITIES.
### Summary Tables of Returns – Naples Police Officers’ Retirement System

<table>
<thead>
<tr>
<th>Equity</th>
<th>Quarter Not Annualized</th>
<th>Annualized Rates of Return</th>
<th>Since Inception*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Capitalization Value (Rothschild) - Gross</td>
<td>(0.09)</td>
<td>9.56</td>
<td>7.30</td>
</tr>
<tr>
<td>Large Capitalization Value (Rothschild) - Net</td>
<td>(0.22)</td>
<td>8.82</td>
<td>6.65</td>
</tr>
<tr>
<td><strong>Russell 1000 Value</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>(1.27)</td>
<td>2.79</td>
<td>1.42</td>
</tr>
<tr>
<td>Large Capitalization Growth (Polen) - Gross</td>
<td>9.13</td>
<td>23.21</td>
<td>16.72</td>
</tr>
<tr>
<td>Large Capitalization Growth (Polen) - Net</td>
<td>8.98</td>
<td>22.51</td>
<td>16.07</td>
</tr>
<tr>
<td><strong>Russell 1000 Growth</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>5.76</td>
<td>22.51</td>
<td>16.05</td>
</tr>
<tr>
<td>Large Capitalization Growth (Sawgrass) - Gross</td>
<td>4.67</td>
<td>16.92</td>
<td>14.78</td>
</tr>
<tr>
<td>Large Capitalization Growth (Sawgrass) - Net</td>
<td>4.54</td>
<td>16.35</td>
<td>14.21</td>
</tr>
<tr>
<td><strong>Russell 1000 Growth</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>3.37</td>
<td>0.70</td>
<td>0.67</td>
</tr>
<tr>
<td>Mid Capitalization Value (Chartwell) - Gross</td>
<td>4.76</td>
<td>13.11</td>
<td>17.53</td>
</tr>
<tr>
<td>Mid Capitalization Value (Chartwell) - Net</td>
<td>4.67</td>
<td>12.63</td>
<td>17.13</td>
</tr>
<tr>
<td><strong>Russell Midcap Value</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>2.41</td>
<td>7.60</td>
<td>12.63</td>
</tr>
<tr>
<td>Mid Capitalization Growth (MDT) - Gross</td>
<td>2.35</td>
<td>5.51</td>
<td>4.90</td>
</tr>
<tr>
<td>Mid Capitalization Growth (MDT) - Net</td>
<td>2.13</td>
<td>25.15</td>
<td>19.47</td>
</tr>
<tr>
<td><strong>Russell Midcap Growth</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>3.16</td>
<td>18.52</td>
<td>17.96</td>
</tr>
<tr>
<td>International Value (Lazard) - Gross</td>
<td>(3.21)</td>
<td>8.27</td>
<td>5.38</td>
</tr>
<tr>
<td>International Value (Lazard) - Net</td>
<td>(3.34)</td>
<td>7.70</td>
<td>4.77</td>
</tr>
<tr>
<td><strong>Dynamic Index</strong></td>
<td>(2.61)</td>
<td>7.28</td>
<td>4.61</td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>(0.60)</td>
<td>0.99</td>
<td>0.77</td>
</tr>
<tr>
<td>International Growth (Renaissance) - Gross</td>
<td>(4.99)</td>
<td>4.87</td>
<td>9.95</td>
</tr>
<tr>
<td>International Growth (Renaissance) - Net</td>
<td>(5.13)</td>
<td>4.26</td>
<td>9.29</td>
</tr>
<tr>
<td><strong>MSCI All Country World ex US</strong></td>
<td>(2.61)</td>
<td>7.28</td>
<td>8.37</td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>(2.38)</td>
<td>(2.41)</td>
<td>1.58</td>
</tr>
</tbody>
</table>

### Fixed Income

<table>
<thead>
<tr>
<th>Fixed Income</th>
<th>Quarter Not Annualized</th>
<th>Annualized Rates of Return</th>
<th>Since Inception*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate Fixed (Loomis Sayles) - Gross</td>
<td>0.05</td>
<td>(0.18)</td>
<td>4.20</td>
</tr>
<tr>
<td>Intermediate Fixed (Loomis Sayles) - Net</td>
<td>(0.02)</td>
<td>(0.47)</td>
<td>3.92</td>
</tr>
<tr>
<td><strong>BC Intermediate Gov't/Credit Bond</strong></td>
<td>0.01</td>
<td>(0.58)</td>
<td>3.41</td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>0.04</td>
<td>0.40</td>
<td>0.79</td>
</tr>
</tbody>
</table>

Morgan Stanley Smith Barney LLC. Member SIPC. Graystone Consulting is a business of Morgan Stanley Smith Barney LLC.

THE INFORMATION SET FORTH WAS OBTAINED FROM SOURCES WHICH WE BELIEVE RELIABLE BUT WE DO NOT GUARANTEE ITS ACCURACY OR COMPLETENESS. NEITHER THE INFORMATION NOT ANY OPINION EXPRESSED CONSTITUTES A SOLICITATION BY US OF THE PURCHASE OR SALE OF ANY SECURITIES.
<table>
<thead>
<tr>
<th>Category</th>
<th>Fund</th>
<th>Quarter Not Annualized</th>
<th>Annualized Rates of Return</th>
<th>Since Inception*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Global Long/Short Credit</strong></td>
<td>Blackrock L/S Global Credit Fund (Net)</td>
<td>(0.67)</td>
<td>1.46</td>
<td>1.66</td>
</tr>
<tr>
<td></td>
<td>HFRX Fixed Income Credit</td>
<td>0.68</td>
<td>1.74</td>
<td>2.53</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index</td>
<td>(1.35)</td>
<td>(0.28)</td>
<td>(0.87)</td>
</tr>
<tr>
<td><strong>Funds of Hedge Funds</strong></td>
<td>Pinegrove Inst'l Partners Fund (Net)</td>
<td>1.68</td>
<td>5.24</td>
<td>2.67</td>
</tr>
<tr>
<td></td>
<td>HFRI FOF Conservative</td>
<td>1.22</td>
<td>4.18</td>
<td>2.62</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index</td>
<td>0.46</td>
<td>1.06</td>
<td>0.05</td>
</tr>
<tr>
<td></td>
<td>BC U.S. Aggregate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Private Advisors Stable Value Fund (Net)</td>
<td>(9.65)</td>
<td>(16.61)</td>
<td>(2.61)</td>
</tr>
<tr>
<td></td>
<td>HFRI FOF Conservative</td>
<td>1.22</td>
<td>4.18</td>
<td>2.75</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index</td>
<td>(10.87)</td>
<td>(20.79)</td>
<td>(5.36)</td>
</tr>
<tr>
<td></td>
<td>BC U.S. Aggregate</td>
<td>(0.16)</td>
<td>(0.40)</td>
<td>2.14</td>
</tr>
<tr>
<td><strong>Core Private Real Estate</strong></td>
<td>UBS Trumbull Property Fund (Gross)</td>
<td>1.76</td>
<td>7.66</td>
<td>9.08</td>
</tr>
<tr>
<td></td>
<td>UBS Trumbull Property Fund (Net)</td>
<td>1.51</td>
<td>6.59</td>
<td>7.87</td>
</tr>
<tr>
<td></td>
<td>NCREIF Property</td>
<td>1.81</td>
<td>7.20</td>
<td>10.12</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index (Gross)</td>
<td>(0.05)</td>
<td>0.46</td>
<td>(1.04)</td>
</tr>
<tr>
<td></td>
<td>BC U.S. Aggregate</td>
<td>(0.16)</td>
<td>(0.40)</td>
<td>1.88</td>
</tr>
<tr>
<td></td>
<td>American Core Realty (Gross)</td>
<td>2.09</td>
<td>9.18</td>
<td>9.59</td>
</tr>
<tr>
<td></td>
<td>American Core Realty (Net)</td>
<td>1.81</td>
<td>7.82</td>
<td>8.20</td>
</tr>
<tr>
<td></td>
<td>NCREIF Property</td>
<td>1.81</td>
<td>7.20</td>
<td>7.48</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index (Gross)</td>
<td>0.28</td>
<td>1.98</td>
<td>2.11</td>
</tr>
<tr>
<td></td>
<td>BC U.S. Aggregate</td>
<td>(0.16)</td>
<td>(0.40)</td>
<td>1.18</td>
</tr>
<tr>
<td><strong>Master Limited Partnerships</strong></td>
<td>Cushing (Gross)</td>
<td>14.37</td>
<td>1.90</td>
<td>1.90</td>
</tr>
<tr>
<td></td>
<td>Cushing (Net)</td>
<td>14.37</td>
<td>1.44</td>
<td>1.44</td>
</tr>
<tr>
<td></td>
<td>Alerian MLP</td>
<td>11.80</td>
<td>(4.58)</td>
<td>(4.58)</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index (Gross)</td>
<td>2.57</td>
<td>6.48</td>
<td>6.48</td>
</tr>
<tr>
<td><strong>Total Return</strong></td>
<td>Total Return (Gross)</td>
<td>1.97</td>
<td>9.54</td>
<td>5.24</td>
</tr>
<tr>
<td></td>
<td>Total Return (Net)</td>
<td>1.84</td>
<td>8.96</td>
<td>4.75</td>
</tr>
<tr>
<td></td>
<td>Policy Index</td>
<td>2.31</td>
<td>8.75</td>
<td>5.59</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index (Gross)</td>
<td>(0.34)</td>
<td>0.79</td>
<td>(0.35)</td>
</tr>
<tr>
<td></td>
<td>Excess Return over Index (Net)</td>
<td>(0.47)</td>
<td>0.21</td>
<td>(0.84)</td>
</tr>
</tbody>
</table>

* Inception Dates Used

- Rothschild - 10/31/2007
- Polen (LCG) - 9/30/2012
- Sawgrass (LCG) - 5/31/2012
- Chartwell - 3/31/2016
- MDT - 1/31/2009
- Lazard - 11/30/2000
- Renaissance (Int'l) - 4/30/2009
- Loomis Sayles - 7/31/2004 & Blackrock - 1/31/2017
- Pinegrove - 11/30/2013 & Private - 10/31/2013
- UBS - 4/30/12 & American Realty - 12/31/2016
- Cushing - 6/30/2017
- Total Fund - 12/31/1999

THE INFORMATION SET FORTH WAS OBTAINED FROM SOURCES WHICH WE BELIEVE RELIABLE BUT WE DO NOT GUARANTEE ITS ACCURACY OR COMPLETENESS. NEITHER THE INFORMATION NOT ANY OPINION EXPRESSED CONSTITUTES A SOLICITATION BY US OF THE PURCHASE OR SALE OF ANY SECURITIES.
<table>
<thead>
<tr>
<th>Equity</th>
<th>Annual Fiscal Year Returns</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rothschild</td>
<td>4.64</td>
</tr>
<tr>
<td>Russell 1000 Value</td>
<td>3.55</td>
</tr>
<tr>
<td>Excess Return over index</td>
<td>1.09</td>
</tr>
<tr>
<td>Russell 1000 Growth</td>
<td>15.69</td>
</tr>
<tr>
<td>Excess Return over index</td>
<td>2.76</td>
</tr>
<tr>
<td>Sawgrass</td>
<td>12.33</td>
</tr>
<tr>
<td>Russell 1000 Growth</td>
<td>15.69</td>
</tr>
<tr>
<td>Excess Return over index</td>
<td>(3.36)</td>
</tr>
<tr>
<td>Chartwell</td>
<td>7.11</td>
</tr>
<tr>
<td>Russell Midcap Growth</td>
<td>15.69</td>
</tr>
<tr>
<td>Excess Return over index</td>
<td>6.49</td>
</tr>
<tr>
<td>Lazard</td>
<td>2.08</td>
</tr>
<tr>
<td>Dynamic Index</td>
<td>1.05</td>
</tr>
<tr>
<td>Excess Return over index</td>
<td>2.76</td>
</tr>
<tr>
<td>Renaissance</td>
<td>(1.16)</td>
</tr>
<tr>
<td>MSCI AC World ex US</td>
<td>1.05</td>
</tr>
<tr>
<td>Excess Return over index</td>
<td>(2.21)</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>0.86</td>
</tr>
<tr>
<td>Loomis Sayles</td>
<td>4.21</td>
</tr>
<tr>
<td>BC Int G/C</td>
<td>2.83</td>
</tr>
<tr>
<td>Excess Return over index</td>
<td>1.38</td>
</tr>
<tr>
<td>BC U.S. Aggregate</td>
<td>(1.23)</td>
</tr>
<tr>
<td>Private Advisors Stable Value</td>
<td>(15.62)</td>
</tr>
<tr>
<td>BC U.S. Aggregate</td>
<td>(1.23)</td>
</tr>
<tr>
<td>Core Private Real Estate</td>
<td>6.10</td>
</tr>
<tr>
<td>UBS Trumbull Property</td>
<td>6.10</td>
</tr>
<tr>
<td>NCSEL Property</td>
<td>5.40</td>
</tr>
<tr>
<td>Excess Return over index</td>
<td>0.70</td>
</tr>
<tr>
<td>BC U.S. Aggregate</td>
<td>(1.23)</td>
</tr>
<tr>
<td>American Core Realty</td>
<td>6.48</td>
</tr>
<tr>
<td>NCSEL Property</td>
<td>5.40</td>
</tr>
<tr>
<td>Excess Return over index</td>
<td>1.08</td>
</tr>
<tr>
<td>BC U.S. Aggregate</td>
<td>(1.23)</td>
</tr>
<tr>
<td>Master Limited Partnerships</td>
<td>4.26</td>
</tr>
<tr>
<td>Cushing</td>
<td>2.46</td>
</tr>
<tr>
<td>Alerian MLP</td>
<td>(1.58)</td>
</tr>
<tr>
<td>Excess Return over index</td>
<td>4.03</td>
</tr>
</tbody>
</table>

* Returns since 10/31/2007
** Returns since 1/31/2009
*** Returns since 4/30/2009

Morgan Stanley Smith Barney LLC. Member SIPC. Graystone Consulting is a business of Morgan Stanley Smith Barney LLC.

THE INFORMATION SET FORTH WAS OBTAINED FROM SOURCES WHICH WE BELIEVE RELIABLE BUT WE DO NOT GUARANTEE ITS ACCURACY OR COMPLETENESS. NEITHER THE INFORMATION NOT ANY OPINION EXPRESSED CONSTITUTES A SOLICITATION BY US OF THE PURCHASE OR SALE OF ANY SECURITIES.
September 4, 2018

Board of Trustees
City of Naples Firefighters’ Retirement System

RE: Investment Performance Summary and Recommendations

To the Board Members of Naples Firefighters’ Retirement System:

The market value of the portfolio was $56,692,310 on June 30, 2018. The increase in the portfolio from investment gains was $1,104,947 representing a gain (before fees) of 1.97% for the quarter by the plan. The gain after fees for the quarter was $1,031,470 or 1.85%.

As of June 30, 2018, the asset allocation was: 67.00% in equity, 15.81% in fixed income, 1.92% in long/short credit, 2.54% in funds of hedge funds, 7.91% in core private real estate, 4.45% in Master Limited Partnerships, and 0.36% in cash (in the Receipt & Disbursement account). In comparison to your policy, the portfolio is in compliance with the designated ranges for each investment asset style. Below is the summary asset allocation table as of June 30, 2018.

<table>
<thead>
<tr>
<th>Asset Style and Manager</th>
<th>Current %</th>
<th>Target %</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large Capitalization Value (Rothschild)</td>
<td>20.54%</td>
<td>21.25%</td>
<td>26.25 - 16.25%</td>
</tr>
<tr>
<td>Large Capitalization Growth (Polen)</td>
<td>11.28%</td>
<td>10.63%</td>
<td>13.125 - 8.125%</td>
</tr>
<tr>
<td>Large Capitalization Growth (Sawgrass)</td>
<td>10.97%</td>
<td>10.63%</td>
<td>13.125 - 8.125%</td>
</tr>
<tr>
<td>Mid Capitalization Value (Chartwell)</td>
<td>5.21%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td>Mid Capitalization Growth (MDT)</td>
<td>5.72%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td>International Value (Lazard)</td>
<td>6.73%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td>International Growth (Renaissance)</td>
<td>6.56%</td>
<td>5.00%</td>
<td>7.5 - 2.5%</td>
</tr>
<tr>
<td>Fixed Income (Loomis Sayles)</td>
<td>15.81%</td>
<td>17.50%</td>
<td>27.5 - 15.0%</td>
</tr>
<tr>
<td>Global Long/Short Credit (Blackrock)</td>
<td>1.92%</td>
<td>2.50%</td>
<td>5.0 - 0.0%</td>
</tr>
<tr>
<td>Funds of Hedge Funds (Pinegrove &amp; Private Advisors)</td>
<td>2.54%</td>
<td>2.50%</td>
<td>5.0 - 0.0%</td>
</tr>
<tr>
<td>Private Real Estate (UBS &amp; American Realty)</td>
<td>7.91%</td>
<td>10.00%</td>
<td>15.0 - 0.0%</td>
</tr>
<tr>
<td>Master Limited Partnerships</td>
<td>4.45%</td>
<td>5.00%</td>
<td>10.0 - 0.0%</td>
</tr>
<tr>
<td>Cash (Receipt &amp; Disbursement Account)</td>
<td>0.36%</td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>100.00%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Rothschild underperformed the Russell 1000 Value index for the quarter and 3 years and outperformed for 1 year, 5 years, and since inception in the Large Capitalization Value style. Your Large Capitalization Growth manager, Polen, posted returns above the Russell 1000 Growth index for all time periods measured. Sawgrass Asset Management, your second Large Capitalization Growth manager, posted returns below the index for all time periods measured. Chartwell, your Mid Capitalization Value manager, outperformed the Russell Mid Capitalization Value index for all time periods measured. Your Mid Capitalization Growth
manager, MDT, underperformed the Russell Mid Capitalization Growth index for the quarter and outperformed for the other time periods measured.

Lazard Asset Management underperformed the combined MSCI All Country World ex. USA/ MSCI EAFE dynamic index for the quarter and outperformed for the other time periods measured in the international value equity asset style. Renaissance underperformed their comparison index (the MSCI All Country World ex US index) for the quarter, 1 year, and 3 years and outperformed for 5 years and since inception in the international growth equity asset style. Loomis Sayles, your fixed income manager, posted returns above the Barclays Capital Intermediate Government/Credit Bond index for all time periods measured. The plan invested in the Blackrock Long/Short Global Credit fund in January 2017 and earned a return below the HFRX Fixed Income Credit Index for the quarter, 1 year, and since inception. Pine Grove, one of your fund of hedge funds, provided higher returns than the HFRI FOF Conservative Index for all time periods measured. Blackrock Long/Short Global Credit Fund and Pine Grove have outperformed the Barclays Aggregate Bond Index since each of their inceptions. Private Advisors, your other fund of hedge funds, provided lower returns than the HFRI FOF Conservative Index for all time periods measured. The UBS Trumbull Property Fund posted a return of 1.76% during the quarter and has generated an annualized return of 9.08% since April 2012. American Realty posted a return of 2.09% for the quarter and 9.59% since January 2017.

The plan invested a 5% allocation with Cushing, a Master Limited Partnership manager in June 2017 and posted a return above the Alerian MLP index for the quarter and since inception.

This report is for the current quarter, 1 year, 3 year, 5 year, and 18 ½ year annualized time periods. If you have any questions, please feel free to call at 800-282-0655, Ext. 2061.

Sincerely,

Charles H. Mulfinger, II, CIMA®
Managing Director, Wealth Management
Institutional Consulting Director
Alternative Investments Director/Government Entity Specialist

Scott Owens, CFA®, CIMA®
Associate Vice President
Institutional Consultant
Government Entity Specialist
## Summary Tables of Returns – Naples Firefighters’ Retirement System

<table>
<thead>
<tr>
<th>Equity</th>
<th>Quarter Not Annualized</th>
<th>Annualized Rates of Return</th>
<th>Since Inception*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Capitalization Value (Rothschild) - Gross</td>
<td>(0.10)</td>
<td>9.36</td>
<td>7.29</td>
</tr>
<tr>
<td>Large Capitalization Value (Rothschild) - Net</td>
<td>(0.24)</td>
<td>8.64</td>
<td>6.68</td>
</tr>
<tr>
<td><em>Russell 1000 Value</em></td>
<td>1.18</td>
<td>6.77</td>
<td>5.88</td>
</tr>
<tr>
<td><em>Excess Return over Index (Gross)</em></td>
<td>(1.28)</td>
<td>2.59</td>
<td>1.41</td>
</tr>
<tr>
<td>Large Capitalization Growth (Polen) - Gross</td>
<td>9.12</td>
<td>23.43</td>
<td>16.73</td>
</tr>
<tr>
<td>Large Capitalization Growth (Polen) - Net</td>
<td>8.97</td>
<td>22.73</td>
<td>16.12</td>
</tr>
<tr>
<td><em>Russell 1000 Growth</em></td>
<td>5.76</td>
<td>22.51</td>
<td>16.05</td>
</tr>
<tr>
<td><em>Excess Return over Index (Gross)</em></td>
<td>3.36</td>
<td>0.92</td>
<td>0.68</td>
</tr>
<tr>
<td>Large Capitalization Growth (Sawgrass) - Gross</td>
<td>4.57</td>
<td>16.65</td>
<td>14.73</td>
</tr>
<tr>
<td>Large Capitalization Growth (Sawgrass) - Net</td>
<td>4.45</td>
<td>16.08</td>
<td>14.16</td>
</tr>
<tr>
<td><em>Russell 1000 Growth</em></td>
<td>5.76</td>
<td>22.51</td>
<td>16.74</td>
</tr>
<tr>
<td><em>Excess Return over Index (Gross)</em></td>
<td>(1.19)</td>
<td>(5.86)</td>
<td>(2.01)</td>
</tr>
<tr>
<td>Mid Capitalization Value (Chartwell) - Gross</td>
<td>4.79</td>
<td>13.09</td>
<td>17.52</td>
</tr>
<tr>
<td>Mid Capitalization Value (Chartwell) - Net</td>
<td>4.77</td>
<td>12.78</td>
<td>17.15</td>
</tr>
<tr>
<td><em>Russell Midcap Value</em></td>
<td>2.41</td>
<td>7.60</td>
<td>12.63</td>
</tr>
<tr>
<td><em>Excess Return over Index (Gross)</em></td>
<td>2.38</td>
<td>5.49</td>
<td>4.89</td>
</tr>
<tr>
<td>Mid Capitalization Growth (MDT) - Gross</td>
<td>2.19</td>
<td>24.31</td>
<td>19.07</td>
</tr>
<tr>
<td>Mid Capitalization Growth (MDT) - Net</td>
<td>2.00</td>
<td>23.40</td>
<td>18.17</td>
</tr>
<tr>
<td><em>Russell Midcap Growth</em></td>
<td>3.16</td>
<td>18.52</td>
<td>17.96</td>
</tr>
<tr>
<td><em>Excess Return over Index (Gross)</em></td>
<td>(0.97)</td>
<td>5.79</td>
<td>1.11</td>
</tr>
<tr>
<td>International Value (Lazard) - Gross</td>
<td>(3.21)</td>
<td>8.32</td>
<td>5.41</td>
</tr>
<tr>
<td>International Value (Lazard) - Net</td>
<td>(3.34)</td>
<td>7.75</td>
<td>4.79</td>
</tr>
<tr>
<td><em>Dynamic Index</em></td>
<td>(2.61)</td>
<td>7.28</td>
<td>4.61</td>
</tr>
<tr>
<td><em>Excess Return over Index (Gross)</em></td>
<td>(0.60)</td>
<td>1.04</td>
<td>0.80</td>
</tr>
<tr>
<td>International Growth (Renaissance) - Gross</td>
<td>(4.99)</td>
<td>5.03</td>
<td>9.99</td>
</tr>
<tr>
<td>International Growth (Renaissance) - Net</td>
<td>(5.14)</td>
<td>4.42</td>
<td>9.29</td>
</tr>
<tr>
<td><em>MSCI All Country World ex US</em></td>
<td>(2.61)</td>
<td>7.28</td>
<td>8.37</td>
</tr>
<tr>
<td><em>Excess Return over Index (Gross)</em></td>
<td>(2.38)</td>
<td>(2.25)</td>
<td>1.62</td>
</tr>
</tbody>
</table>

## Fixed Income

<table>
<thead>
<tr>
<th>Fixed Income</th>
<th>Quarter Not Annualized</th>
<th>Annualized Rates of Return</th>
<th>Since Inception*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intermediate Fixed (Loomis Sayles) - Gross</td>
<td>0.05</td>
<td>(0.19)</td>
<td>4.14</td>
</tr>
<tr>
<td>Intermediate Fixed (Loomis Sayles) - Net</td>
<td>(0.02)</td>
<td>(0.47)</td>
<td>3.85</td>
</tr>
<tr>
<td><em>BC Intermediate Gov't/Credit Bond</em></td>
<td>0.01</td>
<td>(0.58)</td>
<td>3.41</td>
</tr>
<tr>
<td><em>Excess Return over Index (Gross)</em></td>
<td>0.04</td>
<td>0.39</td>
<td>0.73</td>
</tr>
<tr>
<td>Product</td>
<td>Quarter Not Annualized</td>
<td>1 year</td>
<td>Since Inception*</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>------------------------</td>
<td>--------</td>
<td>------------------</td>
</tr>
<tr>
<td><strong>Global Long/Short Credit</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blackrock L/S Global Credit Fund (Net)</td>
<td>(0.67)</td>
<td>1.46</td>
<td>1.66</td>
</tr>
<tr>
<td>HFRX Fixed Income Credit</td>
<td>0.68</td>
<td>1.74</td>
<td>2.53</td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>(1.35)</td>
<td>(0.28)</td>
<td>(0.87)</td>
</tr>
<tr>
<td><strong>Funds of Hedge Funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pinegrove Instl Partners Fund (Net)</td>
<td>1.68</td>
<td>5.24</td>
<td>2.67</td>
</tr>
<tr>
<td>HFRI FOF Conservative</td>
<td>1.22</td>
<td>4.18</td>
<td>2.62</td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>0.46</td>
<td>1.06</td>
<td>0.05</td>
</tr>
<tr>
<td>BC U.S. Aggregate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Advisors Stable Value Fund (Net)</td>
<td>(9.66)</td>
<td>(16.61)</td>
<td>(2.61)</td>
</tr>
<tr>
<td>HFRI FOF Conservative</td>
<td>1.22</td>
<td>4.18</td>
<td>2.75</td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>(10.88)</td>
<td>(20.79)</td>
<td>(5.36)</td>
</tr>
<tr>
<td>BC U.S. Aggregate</td>
<td>(0.16)</td>
<td>(0.40)</td>
<td>2.14</td>
</tr>
<tr>
<td><strong>Core Private Real Estate</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UBS Trumbull Property Fund (Gross)</td>
<td>1.76</td>
<td>7.66</td>
<td>9.08</td>
</tr>
<tr>
<td>UBS Trumbull Property Fund (Net)</td>
<td>1.51</td>
<td>6.59</td>
<td>7.87</td>
</tr>
<tr>
<td>NCREIF Property</td>
<td>1.81</td>
<td>7.20</td>
<td>10.12</td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>(0.05)</td>
<td>0.46</td>
<td>(1.04)</td>
</tr>
<tr>
<td>BC U.S. Aggregate</td>
<td>(0.16)</td>
<td>(0.40)</td>
<td>1.88</td>
</tr>
<tr>
<td>American Core Realty (Gross)</td>
<td>2.09</td>
<td>9.18</td>
<td>9.59</td>
</tr>
<tr>
<td>American Core Realty (Net)</td>
<td>1.81</td>
<td>7.82</td>
<td>8.20</td>
</tr>
<tr>
<td>NCREIF Property</td>
<td>1.81</td>
<td>7.20</td>
<td>7.48</td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>0.28</td>
<td>1.98</td>
<td>2.11</td>
</tr>
<tr>
<td>BC U.S. Aggregate</td>
<td>(0.16)</td>
<td>(0.40)</td>
<td>1.18</td>
</tr>
<tr>
<td><strong>Master Limited Partnerships</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cushing (Gross)</td>
<td>14.05</td>
<td>1.71</td>
<td>1.71</td>
</tr>
<tr>
<td>Cushing (Net)</td>
<td>14.05</td>
<td>1.26</td>
<td>1.26</td>
</tr>
<tr>
<td>Alerian MLP</td>
<td>11.80</td>
<td>(4.58)</td>
<td>(4.58)</td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>2.25</td>
<td>6.29</td>
<td>6.29</td>
</tr>
<tr>
<td><strong>Total Return</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Return (Gross)</td>
<td>1.97</td>
<td>9.69</td>
<td>5.21</td>
</tr>
<tr>
<td>Total Return (Net)</td>
<td>1.85</td>
<td>9.11</td>
<td>4.72</td>
</tr>
<tr>
<td>Policy Index</td>
<td>2.31</td>
<td>8.75</td>
<td>5.59</td>
</tr>
<tr>
<td>Excess Return over Index (Gross)</td>
<td>(0.34)</td>
<td>0.94</td>
<td>(0.38)</td>
</tr>
<tr>
<td>Excess Return over Index (Net)</td>
<td>(0.46)</td>
<td>0.36</td>
<td>(0.87)</td>
</tr>
</tbody>
</table>

* Inception Dates Used

- Rothschild - 10/31/2007
- Polen (LCG) - 9/30/2012
- Sawgrass (LCG) - 5/31/2012
- Chartwell - 3/31/2016
- MDT - 1/31/2009
- Lazard - 11/30/2000
- Rothschild (Int'l) - 4/30/2009
- Renaissance (Int'l) - 4/30/2009
- Loomis Sayles - 7/31/2004 & Blackrock - 1/31/2017
- Pinegrove - 11/30/2013 & Private - 10/31/2013
- UBS - 4/30/12 & American Realty - 12/31/2016
- Cushing - 6/30/2017
- Total Fund - 12/31/1999

Morgan Stanley Smith Barney LLC. Member SIPC. Graystone Consulting is a business of Morgan Stanley Smith Barney LLC.

THE INFORMATION SET FORTH WAS OBTAINED FROM SOURCES WHICH WE BELIEVE RELIABLE BUT WE DO NOT GUARANTEE ITS ACCURACY OR COMPLETENESS. NEITHER THE INFORMATION NOT ANY OPINION EXPRESSED CONSTITUTES A SOLICITATION BY US OF THE PURCHASE OR SALE OF ANY SECURITIES.
Annual Fiscal Year Returns

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rothschild  *</td>
<td>4.47</td>
<td>15.78</td>
<td>11.46</td>
<td>(2.12)</td>
<td>22.02</td>
<td>25.32</td>
<td>34.08</td>
<td>(1.68)</td>
<td>6.78</td>
<td>(6.49)</td>
<td>(20.35)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell 1000 Value</td>
<td>3.55</td>
<td>15.12</td>
<td>16.20</td>
<td>(4.43)</td>
<td>18.69</td>
<td>22.33</td>
<td>30.90</td>
<td>(1.90)</td>
<td>8.91</td>
<td>(10.62)</td>
<td>(23.59)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>0.92</td>
<td>0.66</td>
<td>(4.74)</td>
<td>2.31</td>
<td>3.13</td>
<td>2.99</td>
<td>3.18</td>
<td>0.22</td>
<td>(2.13)</td>
<td>4.13</td>
<td>3.23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell 1000 Growth</td>
<td>15.69</td>
<td>21.94</td>
<td>13.76</td>
<td>3.18</td>
<td>19.15</td>
<td>19.27</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>2.92</td>
<td>(1.42)</td>
<td>(3.25)</td>
<td>14.84</td>
<td>18.89</td>
<td>22.02</td>
<td>25.32</td>
<td>34.08</td>
<td>10.62</td>
<td>(23.59)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chartwell</td>
<td>7.15</td>
<td>22.65</td>
<td>9.39</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>1.81</td>
<td>9.28</td>
<td>(0.04)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MDT**</td>
<td>18.69</td>
<td>20.93</td>
<td>7.61</td>
<td>19.82</td>
<td>29.39</td>
<td>32.84</td>
<td>9.49</td>
<td>25.86</td>
<td>18.59</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell Midcap Value</td>
<td>12.57</td>
<td>17.82</td>
<td>16.20</td>
<td>(4.43)</td>
<td>18.89</td>
<td>22.33</td>
<td>30.90</td>
<td>(1.90)</td>
<td>8.91</td>
<td>(10.62)</td>
<td>(23.59)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>(6.60)</td>
<td>(5.45)</td>
<td>(2.27)</td>
<td>(1.37)</td>
<td>0.44</td>
<td>0.75</td>
<td>(0.53)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rothschild *</td>
<td>4.47</td>
<td>15.78</td>
<td>11.46</td>
<td>(2.12)</td>
<td>22.02</td>
<td>25.32</td>
<td>34.08</td>
<td>(1.68)</td>
<td>6.78</td>
<td>(6.49)</td>
<td>(20.35)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell 1000 Value</td>
<td>3.55</td>
<td>15.12</td>
<td>16.20</td>
<td>(4.43)</td>
<td>18.69</td>
<td>22.33</td>
<td>30.90</td>
<td>(1.90)</td>
<td>8.91</td>
<td>(10.62)</td>
<td>(23.59)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>0.92</td>
<td>0.66</td>
<td>(4.74)</td>
<td>2.31</td>
<td>3.13</td>
<td>2.99</td>
<td>3.18</td>
<td>0.22</td>
<td>(2.13)</td>
<td>4.13</td>
<td>3.23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Russell 1000 Growth</td>
<td>15.69</td>
<td>21.94</td>
<td>13.76</td>
<td>3.18</td>
<td>19.15</td>
<td>19.27</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess Return over Index</td>
<td>2.92</td>
<td>(1.42)</td>
<td>(3.25)</td>
<td>14.84</td>
<td>18.89</td>
<td>22.02</td>
<td>25.32</td>
<td>34.08</td>
<td>10.62</td>
<td>(23.59)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Equity:
- Rothschild  *: Returns since 10/31/2007
- Russell 1000 Value: Returns since 10/31/2007
- Russell Midcap Growth: Returns since 10/31/2007
- Polen: Returns since 9/4/2012
- Chartwell: Note: Began managing 3/18/2016

Fixed Income:
- Loomis Sayles: Returns since 10/31/2007
- BC Int G/C: Returns since 10/31/2007

Global Long/Short Credit:
- Blackrock L/S Gilb Cr Fd (Net): Returns since 1/31/2017
- HFRX Fixed Income Credit: Returns since 1/31/2017

Funds of Hedge Funds:
- Pinegrove Insf Partners: Returns since 10/31/2003
- HFR1 FOF Conservative: Returns since 10/31/2003
- BC U.S. Aggregate: Returns since 10/31/2003
- Private Advisors Stable Value: Returns since 10/31/2003
- HFR1 FOF Conservative: Returns since 10/31/2003
- BC U.S. Aggregate: Returns since 10/31/2003

Core Private Real Estate:
- UBS Trumbull Property: Returns since 4/30/2012
- NCREF Property: Returns since 4/30/2012
- BC U.S. Aggregate: Returns since 4/30/2012

Master Limited Partnerships:
- Cushing: Returns since 6/30/2017
- Alerian MLP: Returns since 6/30/2017
- Excess Return over Index: Returns since 6/30/2017

Morgan Stanley Smith Barney LLC. Member SIPC. Graystone Consulting is a business of Morgan Stanley Smith Barney LLC.

THE INFORMATION SET FORTH WAS OBTAINED FROM SOURCES WHICH WE BELIEVE RELIABLE BUT WE DO NOT GUARANTEE ITS ACCURACY OR COMPLETENESS. NEITHER THE INFORMATION NOT ANY OPINION EXPRESSED CONSTITUTES A SOLICITATION BY US OF THE PURCHASE OR SALE OF ANY SECURITIES.