

MEETING OF THE STATE BOARD OF ADMINISTRATION

**GOVERNOR SCOTT AS CHAIRMAN
CHIEF FINANCIAL OFFICER ATWATER
ATTORNEY GENERAL BONDI**

MARCH 14, 2017

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AGENDA

ITEM 1. REQUEST APPROVAL OF THE MINUTES OF THE FEBRUARY 7, 2017 CABINET MEETING.

(See Attachment 1A)

ACTION REQUIRED

ITEM 2. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$29,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION ALLIGATOR ALLEY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

(See Attachments 2A-2C)

ACTION REQUIRED

ITEM 3. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$37,200,000 STATE OF FLORIDA, BOARD OF GOVERNORS UNIVERSITY OF FLORIDA PARKING FACILITY REVENUE BONDS, SERIES (TO BE DETERMINED)

(See Attachments 3A – 3C)

ACTION REQUIRED

ITEM 4. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$13,200,000 STATE OF FLORIDA, BOARD OF GOVERNORS UNIVERSITY OF FLORIDA PARKING FACILITY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

(See Attachments 4A – 4C)

ACTION REQUIRED

- ITEM 5. REQUEST APPROVAL OF A FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$32,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY SYSTEM IMPROVEMENT REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)**

(See Attachment 5A – 5C)

ACTION REQUIRED

- ITEM 6. REQUEST APPROVAL OF A FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$6,925,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE BONDS, 2017 (ONE OR MORE SERIES TO BE DESIGNATED) (CLEAR POND ESTATES)**

(See Attachment 6A-6C)

ACTION REQUIRED

- ITEM 7. REQUEST APPROVAL OF A FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$5,740,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE BONDS, 2017 (ONE OR MORE SERIES TO BE DESIGNATED) (PELICAN POINTE APARTMENTS)**

(See Attachment 7A-7C)

ACTION REQUIRED

- ITEM 8. REQUEST APPROVAL OF SBA QUARTERLY REPORT REQUIRED BY THE PROTECTING FLORIDA’S INVESTMENTS ACT (PFIA).**

Pursuant to Sections 215.473 and 215.442, F.S., the SBA is required to submit a quarterly report that includes lists of “Scrutinized Companies” with activities in Sudan and Iran. The PFIA prohibits the SBA, acting on behalf of the Florida Retirement System Trust Fund, from investing in, and requires divestment from, companies involved in certain types of business activities in or with Sudan or Iran (i.e., the “Scrutinized Companies”).

(See Attachment 8A)

ACTION REQUIRED

- ITEM 9. REQUEST APPROVAL OF A DRAFT LETTER TO THE JOINT LEGISLATIVE AUDITING COMMITTEE AFFIRMING “THE SBA TRUSTEES HAVE REVIEWED AND APPROVED THE MONTHLY [FLORIDA PRIME] SUMMARY REPORTS AND ACTIONS TAKEN, IF ANY, TO ADDRESS ANY IMPACTS.” (SECTION 218.409(6)(a)1, F.S.)**

(See Attachments 9A – 9D)

ACTION REQUIRED

ITEM 10. REQUEST APPROVAL OF THE APPOINTMENT OF SEAN MCGOULD TO THE INVESTMENT ADVISORY COUNCIL (S. 215.444, F.S.).

(See Attachment 10A)

ACTION REQUIRED

ITEM 11. QUARTERLY REPORTS PURSUANT TO SECTION 215.44 (2)(e), FLORIDA STATUTES

- Executive Director & CIO Introductory Remarks and Standing Reports – *Ash Williams*
- Major Mandates Investment Performance Reports as of December 31, 2016 – *Kristen Doyle – Hewitt EnnisKnupp*
 - Florida Retirement System Pension Plan (DB)
 - Florida Retirement System Investment Plan (DC)
 - Florida PRIME (Local Government Surplus Funds Trust Fund)
 - Lawton Chiles Endowment Fund (LCEF)
 - Florida Hurricane Catastrophe Fund (FHCF)

(See Attachments 11A – 11H)

INFORMATION/DISCUSSION ITEMS

STATE OF FLORIDA

IN RE: MEETING OF THE GOVERNOR AND
CABINET

CABINET MEMBERS: GOVERNOR RICK SCOTT
ATTORNEY GENERAL PAM BONDI
CHIEF FINANCIAL OFFICER JEFF
ATWATER
COMMISSIONER OF AGRICULTURE
ADAM PUTNAM

DATE: TUESDAY, FEBRUARY 7, 2017

LOCATION: CABINET MEETING ROOM
LOWER LEVEL, THE CAPITOL
TALLAHASSEE, FLORIDA

REPORTED BY: NANCY S. METZKE, RPR, FPR
COURT REPORTER

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STATE BOARD OF ADMINISTRATION

GOVERNOR SCOTT: Next I'd like to recognize
Ash Williams with the State Board of
Administration.

DIRECTOR WILLIAMS: Good morning, Governor,
Cabinet Members.

GOVERNOR SCOTT: Good morning. How are you
doing?

EXECUTIVE DIRECTOR WILLIAMS: Fine, thank
you.

By way of opening update, as of last night's
close, the Florida Retirement System Trust Fund
fiscal year to date is up 6.99%. That's eight
basis points ahead of target.

And the fund is currently \$5.6 billion ahead
of where it started the fiscal year, and that's net
of distributions of greater than 4 billion. So
almost \$10 billion ahead gross from start of the
fiscal year.

GOVERNOR SCOTT: So you're up how much, what
percent?

DIRECTOR WILLIAMS: 6.99.

GOVERNOR SCOTT: Okay.

EXECUTIVE DIRECTOR WILLIAMS: And we've

1 rattled around. We've been up over seven and, you
2 know, moves around a bit day to day.

3 GOVERNOR SCOTT: All right. Okay.

4 EXECUTIVE DIRECTOR WILLIAMS: Item 1, request
5 approval of the minutes of the 6, December, 2016
6 Cabinet meeting.

7 GOVERNOR SCOTT: Is there a motion on the
8 item?

9 ATTORNEY GENERAL BONDI: So move.

10 GOVERNOR SCOTT: Is there a second?

11 CFO ATWATER: Second.

12 GOVERNOR SCOTT: Comments or objections?

13 (NO RESPONSE).

14 GOVERNOR SCOTT: Hearing none, the motion
15 carries.

16 DIRECTOR WILLIAMS: Thank you.

17 Items 2 and 3 are both fiscal sufficiencies
18 for Division of Bond Finance refundings. These
19 relate back to Items 3 and 4 on the Division of
20 Bond Finance agenda.

21 GOVERNOR SCOTT: Is there a motion?

22 COMMISSIONER PUTNAM: So move.

23 GOVERNOR SCOTT: Is there a second?

24 ATTORNEY GENERAL BONDI: Second.

25 GOVERNOR SCOTT: Comments or objections?

1 (NO RESPONSE).

2 GOVERNOR SCOTT: Hearing none, the motion
3 carries.

4 DIRECTOR WILLIAMS: Thank you.

5 So to be clear, is that Items 2 and 3?

6 GOVERNOR SCOTT: Yeah, it's 2 and 3.

7 DIRECTOR WILLIAMS: Thank you.

8 GOVERNOR SCOTT: Everybody is okay, right?

9 ATTORNEY GENERAL BONDI: Yes.

10 EXECUTIVE DIRECTOR WILLIAMS: Item 4, request
11 approval of a fiscal determination for the -- in
12 connection with the issuance of an amount not
13 exceeding five and a half million dollars, Florida
14 Housing Finance Corporation multifamily mortgage
15 revenue bonds. This is for construction of a
16 multifamily rental apartment complex in Bay County,
17 Florida.

18 GOVERNOR SCOTT: Is there a motion?

19 ATTORNEY GENERAL BONDI: So move.

20 GOVERNOR SCOTT: Is there a second?

21 CFO ATWATER: Second.

22 GOVERNOR SCOTT: Comments or objections?

23 (NO RESPONSE).

24 GOVERNOR SCOTT: Hearing none, the motion
25 carries.

DIRECTOR WILLIAMS: Thank you.

Item 5, request approval of the reappointment of Mr. Peter Collins to the Investment Advisory Council. Mr. Collins has served his first term with distinction. He's served -- he's currently Vice Chair of the Council. He has done a terrific job, and we'd like to reappoint him.

GOVERNOR SCOTT: Is there a motion?

ATTORNEY GENERAL BONDI: So move.

GOVERNOR SCOTT: Second?

CFO ATWATER: Second.

GOVERNOR SCOTT: Any comments or objections?

(NO RESPONSE).

GOVERNOR SCOTT: Hearing none, the motion carries.

DIRECTOR WILLIAMS: Thank you.

Item 6, request approval of a draft letter to the Joint Legislative Auditing Committee affirming that the SBA trustees have reviewed and approved the Auditor General's annual financial audit of the Local Governments Surplus Funds Trust Fund and taken action on any material impacts. There were no material findings.

GOVERNOR SCOTT: Thanks, Ash. How much money is left -- how much money is in this, in

the Prime --

EXECUTIVE DIRECTOR WILLIAMS: Florida Prime has grown. It's north of \$10 billion now.

GOVERNOR SCOTT: Is it 10 --

CFO ATWATER: It's back.

DIRECTOR WILLIAMS: Yeah, it's back. It's back from a low of 3 billion when it had some branding issues. And it will never be the size that it once achieved, which was over 30 billion; and it probably shouldn't be. So there it is.

GOVERNOR SCOTT: Is there a motion on the item?

CFO ATWATER: So move.

GOVERNOR SCOTT: Is there a second?

ATTORNEY GENERAL BONDI: Second.

GOVERNOR SCOTT: Comments or objections?

(NO RESPONSE).

GOVERNOR SCOTT: Hearing none, the motion carries.

Thank you, Ash.

EXECUTIVE DIRECTOR WILLIAMS: Thank you.

GOVERNOR SCOTT: This concludes today's meeting.

The next meeting is March 14th.

Thanks everybody.

(WHEREUPON, THE MEETING WAS ADJOURNED).

* * * *

CERTIFICATE

STATE OF FLORIDA)
COUNTY OF LEON)

I, NANCY S. METZKE, RPR, FPR, certify that I was authorized to and did stenographically report the foregoing proceedings and that the transcript is a true and complete record of my stenographic notes.

DATED this 22nd day of February, 2017.

NANCY S. METZKE, RPR, FPR
Court Reporter

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 24, 2017

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$29,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION ALLIGATOR ALLEY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the State of Florida Department of Transportation, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$29,000,000 State of Florida, Department of Transportation Alligator Alley Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding a portion of the outstanding Series 2007A Bonds and to pay costs associated with the issuance of the proposed Bonds. The Bonds will be issued in one or more series pursuant to the Original Resolution adopted on December 10, 1996, as amended and supplemented on March 13, 2007, and the Second Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on March 14, 2017.

The Department of Transportation has heretofore issued Alligator Alley Revenue Refunding Bonds, Series 2007A (the "Outstanding Bonds"). The Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds. The Bonds shall not be secured by a pledge of the full faith and credit or the taxing power of the State of Florida or any political subdivision thereof.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

RECOMMENDATION: It is recommended that the Board approve the proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$29,000,000 STATE OF FLORIDA, DEPARTMENT OF
TRANSPORTATION ALLIGATOR ALLEY REVENUE REFUNDING BONDS,
SERIES (TO BE DETERMINED)**

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$29,000,000 State of Florida, Department of Transportation Alligator Alley Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), on behalf of the State of Florida Department of Transportation, for the purpose of refunding a portion of the outstanding Series 2007A Bonds and to pay costs associated with the issuance of the proposed Bonds; and,

WHEREAS, the Bonds will be issued in one or more series pursuant to the Original Resolution adopted on December 10, 1996, as amended and supplemented on March 13, 2007, and the Second Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on March 14, 2017 (together, the "Authorizing Resolution"); and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed bond issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Department of Transportation has heretofore issued Alligator Alley Revenue Refunding Bonds, Series 2007A (the "Outstanding Bonds"); and,

WHEREAS, the proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds; and

WHEREAS, the proposed Bonds shall be secured by a first lien upon the net revenues of the Alligator Alley, also known as the Everglades Parkway; and,

WHEREAS, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration, a constitutional body described in Section 4 of Article IV of the Florida Constitution of 1968, as amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$29,000,000 State of Florida, Department of Transportation Alligator Alley Revenue Refunding Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED March 14, 2017

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held March 14, 2017, approving the fiscal sufficiency of an amount not exceeding \$29,000,000 State of Florida, Department of Transportation Alligator Alley Revenue Refunding Bonds, Series (to be determined).

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 14th day of March 2017.

Ashbel C. Williams, Executive Director & CIO

(SEAL)

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 24, 2017

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$37,200,000 STATE OF FLORIDA, BOARD OF GOVERNORS UNIVERSITY OF FLORIDA PARKING FACILITY REVENUE BONDS, SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division") has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$37,200,000 State of Florida, Board of Governors University of Florida Parking Facility Revenue Bonds, Series (to be determined) (the "Bonds") to finance the construction of Parking Garage XIV on the university's campus, to fund a reserve account, if necessary, and to pay costs associated with the issuance and sale of the Bonds. The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 8, 1993, as supplemented and amended by a resolution adopted on June 12, 2007, and as further supplemented by a resolution expected to be adopted on March 14, 2017.

The Division has heretofore issued University of Florida Parking Facility Revenue Bonds, Series 1998 through 2007A (the "Previous Bonds"). The Division has also submitted for approval as to fiscal sufficiency a proposal to issue not exceeding \$13,200,000 State of Florida, Board of Governors, University of Florida Parking Facility Revenue Refunding Bonds, Series (to be determined) (the "Series 2017 Refunding Bonds") for approval at the March 14, 2017, meeting of the State Board of Administration. The Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues (as defined in the Resolution) and in all other respects, with the Previous Bonds, and when and if approved and issued, the Series 2017 Refunding Bonds.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

RECOMMENDATION: It is recommended that the Board approve the proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$37,200,000 STATE OF FLORIDA, BOARD OF GOVERNORS
UNIVERSITY OF FLORIDA PARKING FACILITY REVENUE BONDS,
SERIES (TO BE DETERMINED)**

WHEREAS, the Division of Bond Finance of the State Board of Administration of Florida (the "Division"), proposes to issue an amount not exceeding \$37,200,000 State of Florida, Board of Governors, University of Florida Parking Facility Revenue Bonds, Series (to be determined) (the "Bonds") to finance the construction of Parking Garage XIV on the university's campus, to fund a reserve account, if necessary, and to pay costs associated with the issuance and sale of the Bonds; and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 8, 1993, as supplemented and amended by a resolution adopted on June 12, 2007, and as further supplemented by a resolution expected to be adopted on March 14, 2017 (collectively referred to herein as the "Resolution"); and,

WHEREAS, the Division has heretofore issued University of Florida Parking Facility Revenue Bonds, Series 1998 through 2007A (the "Previous Bonds"); and,

WHEREAS, the Division has also submitted for approval as to fiscal sufficiency a proposal to issue not exceeding \$13,200,000 State of Florida, Board of Governors, University of Florida Parking Facility Revenue Refunding Bonds, Series (to be determined) (the "Series 2017 Refunding Bonds") for approval at the March 14, 2017, meeting of the State Board of Administration; and,

WHEREAS, the Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues (as defined in the Resolution) and in all other respects, with the Previous Bonds, and when and if approved and issued, the Series 2017 Refunding Bonds and,

WHEREAS, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, the principal of and interest due on the Bonds shall be paid solely out of revenues and other amounts pledged therefor, as described in the Resolution; and,

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable

thereon; and,

WHEREAS, the University of Florida shall not have the power to pledge the credit, the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

WHEREAS, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Resolution; and,

WHEREAS, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; Now, Therefore,

BE IT RESOLVED, by the State Board of Administration, a constitutional body described in Section 4 of Article IV of the Florida Constitution of 1968, as amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration of Florida to issue an amount not exceeding \$37,200,000 State of Florida, Board of Governors University of Florida Parking Facility Revenue Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED March 14, 2017.

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held March 14, 2017, approving the fiscal sufficiency of an amount not exceeding \$37,200,000 State of Florida, Board of Governors, University of Florida Parking Facility Revenue Bonds, Series (to be determined).

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 14th day of March 2017.

Ashbel C. Williams, Executive Director & CIO

(SEAL)

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 24, 2017

APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$13,200,000 STATE OF FLORIDA, BOARD OF GOVERNORS UNIVERSITY OF FLORIDA PARKING FACILITY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):

The Division of Bond Finance of the State Board of Administration (the "Division") has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$13,200,000 State of Florida, Board of Governors University of Florida Parking Facility Revenue Refunding Bonds, Series (to be determined) (the "Bonds") to refund all or a portion of the outstanding Series 2007A Bonds and to pay costs associated with the issuance and sale of the Bonds. The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 8, 1993, as supplemented and amended by the a resolution adopted on June 12, 2007, and as further supplemented by a resolution expected to be adopted on March 14, 2017.

The Division has heretofore issued University of Florida Parking Facility Revenue Bonds, Series 1998 through 2007A (the "Previous Bonds"). The Division has also submitted for approval as to fiscal sufficiency a proposal to issue not exceeding \$37,200,000 State of Florida, Board of Governors, University of Florida Parking Facility Revenue Bonds, Series (to be determined) (the "Series 2017 Bonds") for approval at the March 14, 2017, meeting of the State Board of Administration. The Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues (as defined in the Resolution) and in all other respects, with the Previous Bonds, and when and if approved and issued, the Series 2017 Bonds.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

RECOMMENDATION: It is recommended that the Board approve the proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$13,200,000 STATE OF FLORIDA, BOARD OF GOVERNORS
UNIVERSITY OF FLORIDA PARKING FACILITY REVENUE REFUNDING BONDS,
SERIES (TO BE DETERMINED)**

WHEREAS, the Division of Bond Finance of the State Board of Administration of Florida (the "Division"), proposes to issue an amount not exceeding \$13,200,000 State of Florida, Board of Governors, University of Florida Parking Facility Revenue Refunding Bonds, Series (to be determined) (the "Bonds") to refund all or a portion of the outstanding Series 2007A Bonds and to pay costs associated with the issuance and sale of the Bonds; and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on June 8, 1993, as supplemented and amended by a resolution adopted on June 12, 2007, and as further supplemented by a resolution expected to be adopted on March 14, 2017 (collectively referred to herein as the "Resolution"); and,

WHEREAS, the Division has heretofore issued University of Florida Parking Facility Revenue Bonds, Series 1998 through 2007A (the "Previous Bonds"); and,

WHEREAS, the Division has also submitted for approval as to fiscal sufficiency a proposal to issue not exceeding \$37,200,000 State of Florida, Board of Governors, University of Florida Parking Facility Revenue Bonds, Series (to be determined) (the "Series 2017 Bonds") for approval at the March 14, 2017, meeting of the State Board of Administration; and,

WHEREAS, the Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues (as defined in the Resolution) and in all other respects, with the Previous Bonds, and when and if approved and issued, the Series 2017 Bonds and,

WHEREAS, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, the principal of and interest due on the Bonds shall be paid solely out of revenues and other amounts pledged therefor, as described in the Resolution; and,

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

WHEREAS, the University of Florida shall not have the power to pledge the credit, the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

WHEREAS, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Resolution; and,

WHEREAS, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; Now, Therefore,

BE IT RESOLVED, by the State Board of Administration, a constitutional body described in Section 4 of Article IV of the Florida Constitution of 1968, as amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration of Florida to issue an amount not exceeding \$13,200,000 State of Florida, Board of Governors University of Florida Parking Facility Revenue Refunding Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED March 14, 2017.

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held March 14, 2017, approving the fiscal sufficiency of an amount not exceeding \$13,200,000 State of Florida, Board of Governors, University of Florida Parking Facility Revenue Refunding Bonds, Series (to be determined).

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 14th day of March 2017.

Ashbel C. Williams, Executive Director & CIO

(SEAL)

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Sufficiency
DATE: February 24, 2017

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING
\$32,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS, UNIVERSITY SYSTEM
IMPROVEMENT REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):**

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf the Florida Board of Governors, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$32,500,000 State of Florida, Board of Governors, University System Improvement Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2005A and 2006A Bonds and to pay costs associated with the issuance and sale of the proposed Bonds. The Bonds will be issued pursuant to the resolutions expected to be adopted by the Governor and Cabinet on March 14, 2017, authorizing the issuance and sale of the Bonds.

The Division has heretofore issued University System Improvement Revenue Bonds and Revenue Refunding Bonds, Series 2005A through 2014A (the "Outstanding Bonds"). The Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the pledged revenues and in all other respects, with the Outstanding Bonds. The Bonds shall not be secured by a pledge of the full faith and credit or the taxing power of the State of Florida or any political subdivision thereof.

A study of this proposal and the estimates of revenue expected to accrue from the Pledged Revenues indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

RECOMMENDATION: It is recommended that the Board approve the fiscal sufficiency of the proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT
EXCEEDING \$32,500,000 STATE OF FLORIDA, BOARD OF GOVERNORS,
UNIVERSITY SYSTEM IMPROVEMENT REVENUE REFUNDING BONDS,
SERIES (TO BE DETERMINED)**

WHEREAS, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$32,500,000 State of Florida, Board of Governors, University System Improvement Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), on behalf of the Florida Board of Governors for the purpose of refunding all or a portion of the outstanding Series 2005A and 2006A Bonds and to pay costs associated with the issuance and sale of the proposed Bonds; and,

WHEREAS, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

WHEREAS, the Bonds will be issued pursuant to the resolutions expected to be adopted by the Governor and Cabinet on March 14, 2017, authorizing the issuance and sale of the Bonds; and,

WHEREAS, the Division has heretofore issued University System Improvement Revenue Bonds and Revenue Refunding Bonds, Series 2005A through 2014A (the "Outstanding Bonds"); and,

WHEREAS, the Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Revenues and in all other respects, with the Outstanding Bonds; and,

WHEREAS, the principal of and interest due on the Bonds shall be paid solely out of revenues and other amounts pledged therefore, as described in the Authorizing Resolution; and,

WHEREAS, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

WHEREAS, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Authorizing Resolution; and,

WHEREAS, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

WHEREAS, the Division, on behalf of the Florida Board of Governors, has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

WHEREAS, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; Now, Therefore,

BE IT RESOLVED, by the State Board of Administration, a constitutional body described in Section 4 of Article IV of the revised Florida Constitution of 1968, as amended, that the proposal of the Division of Bond Finance of the State Board of Administration to issue not exceeding \$32,500,000 State of Florida, Board of Governors, University System Improvement Revenue Refunding Bonds, Series (to be determined), for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

ADOPTED March 14, 2017

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the revised Florida Constitution of 1968, as amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held March 14, 2017, approving the fiscal sufficiency of an amount not exceeding \$32,500,000 State of Florida, Board of Governors, University System Improvement Revenue Refunding Bonds, Series (to be determined).

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 14th day of March, 2017.

Ashbel C. Williams, Executive Director & CIO

(SEAL)

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Determination
DATE: February 24, 2017

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$6,925,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE BONDS, 2017 (ONE OR MORE SERIES TO BE DESIGNATED) (CLEAR POND ESTATES)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$6,925,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2017 (one or more series to be designated) (the "Bonds") for the purpose of financing the acquisition and rehabilitation of a multifamily rental development located in Brevard County, Florida (Clear Pond Estates). The Bonds shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

RECOMMENDATION: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Bonds and all other bonds or Bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this note issue.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA
MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE
OF AN AMOUNT NOT EXCEEDING \$6,925,000 FLORIDA HOUSING FINANCE
CORPORATION MULTIFAMILY MORTGAGE REVENUE BONDS, 2017
(ONE OR MORE SERIES TO BE DESIGNATED) (CLEAR POND ESTATES)**

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$6,925,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2017 (one or more series to be designated) (the "Bonds") for the purpose of financing the acquisition and rehabilitation of a multifamily rental development located in Brevard County, Florida (Clear Pond Estates); and,

WHEREAS, the Corporation has requested the State Board of Administration of Florida (the "Board") to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Bonds shall be secured by a Trust Indenture; and,

WHEREAS, in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Bonds shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Bonds proposed to be issued and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

WHEREAS, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and,

WHEREAS, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Bonds as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; **Now, Therefore,**

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2017 (one or more series to be designated) (Clear Pond Estates), in an amount not exceeding \$6,925,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

ADOPTED March 14, 2017

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held March 14, 2017, making the fiscal determination in connection with the issuance of an amount not exceeding \$6,925,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2017 (one or more series to be designated) (Clear Pond Estates).

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 14th day of March 2017.

Ashbel C. Williams, Executive Director & CIO

(SEAL)

**STATE BOARD OF ADMINISTRATION
1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308**

TO: Ash Williams
FROM: Robert Copeland
SUBJECT: Fiscal Determination
DATE: February 24, 2017

A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE OF AN AMOUNT NOT EXCEEDING \$5,740,000 FLORIDA HOUSING FINANCE CORPORATION MULTIFAMILY MORTGAGE REVENUE BONDS, 2017 (ONE OR MORE SERIES TO BE DESIGNATED) (PELICAN POINTE APARTMENTS)

The Florida Housing Finance Corporation has submitted for approval as to fiscal determination a proposal to issue an amount not exceeding \$5,740,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2017 (one or more series to be designated) (the "Bonds") for the purpose of financing the construction of a multifamily rental development located in Bay County, Florida (Pelican Pointe Apartments). The Bonds shall be payable as to principal, premium (if any), and interest solely out of revenues and other amounts pledged therefor, and shall not be secured by the full faith and credit of the State of Florida.

The State Board of Administration has approved the fiscal determination of an amount not exceeding \$5,500,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, (one or more series to be designated) (Pelican Pointe Apartments) (the "Previously Approved Bonds") at its February 7, 2017, meeting. The Florida Housing Finance Corporation has requested the State Board of Administration to rescind its approval of fiscal determination with respect to the Previously Approved Bonds.

RECOMMENDATION: It is recommended that, pursuant to the fiscal determination requirements of Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and in reliance upon information provided by the Florida Housing Finance Corporation, the Board find and determine that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements. The Board does not assume any responsibility for, and makes no warranty (express or implied) with respect to any aspect of this bond issue. In addition, it is recommended that the State Board of Administration rescinds its approval of fiscal determination with respect to the Previously Approved Bonds.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA
MAKING THE FISCAL DETERMINATION IN CONNECTION WITH THE ISSUANCE
OF AN AMOUNT NOT EXCEEDING \$5,740,000 FLORIDA HOUSING FINANCE
CORPORATION MULTIFAMILY MORTGAGE REVENUE BONDS, 2017
(ONE OR MORE SERIES TO BE DESIGNATED)
(PELICAN POINTE APARTMENTS)**

WHEREAS, the Florida Housing Finance Corporation (the "Corporation") proposes to issue an amount not exceeding \$5,740,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2017 (one or more series to be designated) (the "Bonds") for the purpose of financing the construction of a multifamily rental development located in Bay County, Florida (Pelican Pointe Apartments); and,

WHEREAS, the Corporation has requested the State Board of Administration of Florida (the "Board") to make the fiscal determination required by Section 420.509, Florida Statutes, as stated in Section 16(c) of Article VII of the Constitution of the State of Florida, as revised in 1968 and subsequently amended (the "Florida Constitution"); and,

WHEREAS, the Board has approved the fiscal determination of an amount not exceeding \$5,500,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, (one or more series to be designated) (Pelican Pointe Apartments) (the "Previously Approved Bonds") at its February 7, 2017, meeting; and,

WHEREAS, the Corporation has requested the Board to rescind its approval of fiscal determination with respect to the Previously Approved Bonds; and,

WHEREAS, the Bonds shall be secured by a Trust Indenture; and,

WHEREAS, in accordance with Section 420.509, Florida Statutes, the principal of and all interest and any premium on the Bonds shall be payable solely out of revenues and other amounts pledged therefor, as described in the Trust Indenture and other required documents, and shall not be secured by the full faith and credit of the State of Florida; and,

WHEREAS, the cash flow analysis furnished by the Corporation shows that in no State fiscal year will the debt service requirements of the Bonds proposed to be issued and all other bonds secured by the same pledged revenues exceed the pledged revenues available for payment of such debt service requirements; and,

WHEREAS, the Corporation has furnished sufficient information to enable the State Board of Administration of Florida to fulfill its duties pursuant to Section 420.509(2), Florida Statutes; and,

WHEREAS, the Board has relied upon information from others, including the Corporation, but has not independently verified the accuracy or completeness of such information; and,

WHEREAS, the Board's determination pursuant to Section 16(c) of Article VII of the Florida Constitution and Section 420.509(2), Florida Statutes, is limited to a review of the matters essential to making such determination and the Board does not approve or disapprove of the Bonds as investments and has not passed upon the accuracy or adequacy of the Trust Indenture or any other required documents; **Now, Therefore**,

BE IT RESOLVED, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Florida Constitution, that in connection with the issuance of the Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2017 (one or more series to be designated) (Pelican Pointe Apartments), in an amount not exceeding \$5,740,000, for the uses and purposes hereinabove set forth, it makes the fiscal determination required by Section 420.509, Florida Statutes. In addition, the approval of fiscal determination with respect to the \$5,500,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2017 (one or more series to be designated) (Pelican Pointe Apartments) approved on February 7, 2017, is hereby rescinded.

Accordingly, as required by Section 16(c) of Article VII of the Florida Constitution, the Board finds and determines that in no state fiscal year will the debt service requirements of the Bonds and all other bonds secured by the same pledged revenues exceed the pledged revenues, as defined in Section 420.503, Florida Statutes and described in the Trust Indenture, which are available for payment of such debt service requirements.

ADOPTED March 14, 2017

STATE OF FLORIDA)
:
COUNTY OF LEON)

I, Ashbel C. Williams, Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held March 14, 2017, making the fiscal determination in connection with the issuance of an amount not exceeding \$5,740,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, 2017 (one or more series to be designated) (Pelican Pointe Apartments) and rescinding the approval of fiscal determination with respect to the \$5,500,000 Florida Housing Finance Corporation Multifamily Mortgage Revenue Bonds, (one or more series to be designated) (Pelican Pointe Apartments) approved on February 7, 2017.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 14th day of March 2017.

Ashbel C. Williams, Executive Director & CIO

(SEAL)

Global Governance Mandates

1st Quarter – March 14, 2017

Protecting Florida's Investments Act (PFIA)
Scrutinized Companies that Boycott Israel
MacBride Principles and Northern Ireland
Cuba/Syria Proxy Voting Safeguards

Florida Statutes



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About the State Board of Administration

The statutory mandate of the State Board of Administration (SBA) is to invest, manage and safeguard assets of the Florida Retirement System (FRS) Trust Fund and a variety of other funds for state and local governments. FRS Trustees are dedicated to ensuring that the SBA invests assets and discharges its duties in accordance with Florida law, guided by strict policies and a code of ethics to ensure integrity, prudent risk management and top-tier performance. The SBA is an investment fiduciary under law, and subject to the stringent fiduciary duties and standards of care defined by the Employee Retirement Income Security Act of 1974 (ERISA), as incorporated into Florida law. The SBA has three Trustees: the Governor, as Chairman, the Chief Financial Officer, as Treasurer, and the Attorney General, as Secretary.

As of December 31, 2016, the net asset value of total funds under SBA management was approximately \$184.6 billion. The FRS Pension Plan provides defined pension benefits to 1.1 million beneficiaries and retirees. The strong long-term performance of the FRS Pension Plan, the fourth-largest public pension fund in the nation, reflects our commitment to responsible fiscal management.

The SBA's mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

We encourage you to review additional information about the SBA and FRS on our website at www.sbafla.com.

Section 1: Protecting Florida's Investments Act (PFIA)

Summary

On June 8, 2007, the PFIA was signed into law. The PFIA requires the State Board of Administration ("SBA"), acting on behalf of the Florida Retirement System Trust Fund (the "FRSTF"), to assemble and publish a list of "Scrutinized Companies" that have prohibited business operations in Sudan and Iran. Once placed on the list of Scrutinized Companies, the SBA and its investment managers are prohibited from acquiring those companies' securities and are required to divest those securities if the companies do not cease the prohibited activities or take certain compensating actions. The implementation of the PFIA by the SBA will not affect any FRSTF investments in U.S. companies. The PFIA will solely affect foreign companies with certain business operations in Sudan and Iran involving the petroleum or energy sector, oil or mineral extraction, power production or military support activities. This quarterly report is developed pursuant to Section 215.473 (4), Florida Statutes. Scrutinized activity in Sudan is defined by the Statutes as occurring within the "Government of Sudan," or the Republic of the Sudan that has its capital in Khartoum, Sudan.

Primary Requirements of the PFIA

The PFIA created new reporting, engagement, and investment requirements for the SBA, including:

1. Quarterly reporting to the Board of Trustees of every equity security in which the SBA has invested for the quarter, along with its industry category. This report is posted on the SBA website.
2. Quarterly presentation to the Trustees of a Scrutinized Companies list for both Sudan and Iran for their approval. Scrutinized Company lists are available on the SBA's website, along with information on the FRSTF direct and indirect holdings of Scrutinized Companies.
3. Written notice to external investment managers of all PFIA requirements. Letters request that the managers of actively managed commingled vehicles (i.e., those with FRSTF and other clients' assets) consider removing Scrutinized Companies from the product or create a similar actively managed product that excludes such companies. Similar written requests must be provided to relevant investment managers within the defined contribution plan.
4. Written notice to any company with inactive business operations in Sudan or Iran, informing the company of the PFIA and encouraging it to continue to refrain from reinitiating active business operations. Such correspondence continues semiannually.
5. Written notice to any Scrutinized Company with active business operations, informing the company of its Scrutinized Company status and that it may become subject to divestment. The written notice must inform the company of the opportunity to clarify its Sudan-related or Iran-related activities and encourage the company, within 90 days, to cease its scrutinized business operations or convert such operations to inactive status.
6. A prohibition on further investment on behalf of the FRSTF in any Scrutinized Company once the Sudan and Iran scrutinized lists have been approved by the Trustees. All publicly traded securities of Scrutinized Companies must be divested within 12 months after the company's initial (and continued) appearance on the Scrutinized Companies list. Divestment does not apply to indirect holdings in actively managed commingled investment funds—i.e., where the SBA is not the sole investor in the fund. Private equity funds are considered to be actively managed.
7. Reporting to each member of the Board of Trustees, the President of the Senate, and the Speaker of the House of Representatives of Scrutinized Company lists within 30 days of creation, and public disclosure of each list.
8. Quarterly reporting of the following to each member of the Board of Trustees, the President of the Senate, the Speaker of the House of Representatives, the United States Presidential Special Envoy to

Sudan, and the United States Presidential Special Envoy to Iran. The report is made publicly available and posted to the SBA's website.

- a. A summary of correspondence with engaged companies;
 - b. A listing of all investments sold, redeemed, divested, or withdrawn;
 - c. A listing of all prohibited investments;
 - d. A description of any progress related to external managers offering PFIA compliant funds; and
 - e. A list of all publicly traded securities held directly by the State.
9. Adoption and incorporation into the FRSTF Investment Policy Statement (IPS) of SBA actions taken in accordance with the PFIA. Changes to the IPS are reviewed by the Investment Advisory Council (IAC) and approved by the Trustees.
10. Relevant Sudan portions of the PFIA are discontinued if the United States revokes all sanctions imposed against the government of Sudan, or if the Congress or President of the United States affirmatively and unambiguously states, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that:
 - a. The Darfur genocide has been halted for at least 12 months; or
 - b. that the government of Sudan has honored its commitments to cease attacks on civilians, demobilize and demilitarize the Janjaweed and associated militias, grant free and unfettered access for deliveries of humanitarian assistance, and allow for the safe and voluntary return of refugees and internally displaced persons; or
 - c. that mandatory divestment of the type provided for by the PFIA interferes with the conduct of U.S. foreign policy.
11. Relevant Iran portions of the PFIA are discontinued if either of the following occurs:
 - a. The Congress or President of the United States affirmatively and unambiguously states, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that the government of Iran has ceased to acquire weapons of mass destruction and support international terrorism; or
 - b. The United States revokes all sanctions imposed against the government of Iran.
12. Cessation of divestment and/or reinvestment into previously divested companies may occur if the value of all FRSTF assets under management decreases by 50 basis points (0.5%) or more as a result of divestment. If cessation of divestment is triggered, the SBA is required to provide a written report to each member of the Board of Trustees, the President of the Senate, and the Speaker of the House of Representatives prior to initial reinvestment. Such condition is required to be updated semiannually.
13. In 2009, the Florida Legislature approved a bill requiring the SBA to identify and offer, by March 1, 2010, at least one terror-free investment product for the FRS Investment Plan. The product must allocate its funds among securities not subject to divestiture, as provided in F.S. 215.473.
14. As of July 1, 2014, Florida Statute 624.449 requires that a domestic insurer shall provide to the Office of Insurance Regulation on an annual basis a list of investments that the insurer has in companies included on the "Scrutinized Companies with Activities in Sudan List" and the "Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List." Additionally, F.S. 215.473(3)(e)(2) now exempts Exchange Traded Funds from the provisions of the PFIA.
15. As of July 1, 2014, Florida Statutes clarify that the recently created "Government of South Sudan" means the Republic of South Sudan, which has its capital in Juba, South Sudan. Scrutinized activity refers to the "Government of Sudan," which means the Republic of the Sudan that has its capital in Khartoum, Sudan. Within this report, "Sudan" refers to the latter.

16. As of July 1, 2016, the requirements for the expiration of PFIA divestment protocol were amended and new quarterly reporting requirements were implemented. Florida Statutes eliminated the following criteria for discontinuing Iran portions of the PFIA: The Congress or President of the United States affirmatively and unambiguously declares, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that mandatory divestment of the type provided for in this section interferes with the conduct of United States foreign policy.

Definition of a Scrutinized Company

The following is a brief review of the criteria on which the active business operations of companies must be judged, in accordance with subsection (1)(t) of Section 215.473, F.S.

Sudan:

1. Have a material business relationship with the government of Sudan or a government-created project involving oil related, mineral extraction, or power generation activities, or
2. Have a material business relationship involving the supply of military equipment, or
3. Impart minimal benefit to disadvantaged citizens that are typically located in the geographic periphery of Sudan, or
4. Have been complicit in the genocidal campaign in Darfur.

Iran:

1. Have a material business relationship with the government of Iran or a government-created project involving oil related or mineral extraction activities, or
2. Have made material investments with the effect of significantly enhancing Iran's petroleum sector.

Affiliates of companies with scrutinized business operations are also subject to the requirements of the PFIA. An affiliated company is generally defined as any other company that either directly or indirectly controls, is controlled by or is under common control with the company conducting scrutinized active business operations. Control generally means the power to exercise a controlling influence over the management or policies of a company. As well, many companies have parent-subsidary relationships whereby a parent company may own several other companies. In such cases, the SBA has included any known parent and/or subsidiaries which can be clearly linked to a company with scrutinized active business operations. The SBA has used a 50 percent ownership threshold in determining whether or not companies are affiliated, examining parent company-subsidary ownership on a pro rata basis.

The SBA views companies which have explicit plans and activities related to discontinuation of active business operations as meeting the PFIA definition of substantial action. For all identified companies, the SBA will request information detailing what a company has actually done, if anything, to discontinue its active business operations or if it has pursued humanitarian efforts (applicable to Sudan only).

SBA Scrutinized Companies Identification Methodology

The SBA has developed two lists (the Sudan List and the Iran List) of Scrutinized Companies with active business operations. The lists are developed by principally relying on the research and findings of our "External Research Providers." Below is a brief description of our External Research Providers, which are maintained to provide input from multiple sources.

1. **EIRIS Conflict Risk Network (CRN).** In May 2013, the Conflict Risk Network became part of EIRIS, a global provider of environmental, social, governance, and ethical performance of companies. EIRIS provides services to more than 150 asset owners and managers globally, with a staff of over 60, based primarily in London. CRN was formerly known as the Sudan Divestment Task Force (SDTF).

2. **MSCI ESG Research (MSCI).** MSCI delivers corporate governance analysis and research to institutional investors. Through its ESG Research unit, MSCI offers screening services with specific and unique components of state law pertaining to investments in sanctioned countries, including Sudan and Iran.
3. **IW Financial (IWF).** IWF is a provider of environmental, social, and governance research and consulting. IWF partners with Conflict Securities Advisory Group (CSAG) to provide clients with detailed information on the business ties of publicly traded companies in Sudan and Iran.
4. **Sustainalytics, Inc.** Sustainalytics provides environmental, social and governance research and analysis, sustainability benchmarks, and investment services, and is the result of the merger between Jantzi Research, Inc. and Sustainalytics in 2009. Sustainalytics' company database, "Sustainalytics Global Platform," covers business operations in both Iran and Sudan.

Staff members within the Investment Programs & Governance unit, as well as other senior investment staff, review the assessments of the External Research Providers and other publicly available information. The SBA has utilized the following sources to evaluate over 400 companies and affiliates with reported links to Sudan or Iran:

Company disclosures:

- SEC filings (DEF 14A Proxy Statements, 10-K & 20-F Annual Reports, etc.)
- Investor Relations/company websites
- Industry publications and analyst research

Investment/Finance Organizations:

- Other Institutional Investors/Private Investors

U.S. Government Agencies:

- U.S. Department of State
- U.S. Treasury, Office of Foreign Asset Control (OFAC)
- U.S. Government Accountability Office (GAO)
- Dept. of Energy, Energy Information Administration (EIA)
- Congressional Research Service (CRS), Library of Congress

Other Sources:

- SBA External Investment Managers
- U.S. Federal Sanctions Laws covering State Sponsors of Terror
- Non-Governmental Organizations (NGOs)

Using the previous information sources, the SBA has developed two separate categorizations of a company's involvement in Sudan and/or Iran.

1. **"Scrutinized"** — Information provided by several External Research Providers indicates that a company meets the classification of a Scrutinized Company as defined by the PFIA as set forth in Section 215.473 (1)(t)1., 2., or 3, Florida Statutes [Sudan] or Section 215.473 (4)(t)1, Florida Statutes [Iran]. Upon SBA review, no other information sources clearly contradict the conclusions of the External Research Providers.
2. **"Continued Examination"** — At least one External Research Provider indicates that a company meets the classification of a Scrutinized Company as defined by the PFIA as set forth in Section 215.473, (1)(t)1., 2., or 3, Florida Statutes [Sudan] or Section 215.473, (4)(t)1, Florida Statute [Iran]. In other words, the External Research Providers do not agree on the status of a company and the SBA is unable to definitively categorize the company's activities as scrutinized without further research to resolve the differences. For companies classified as "Continued Examination," the SBA will begin an engagement process to clarify each firm's current business relationships.

SUDAN Changes since the Previous PFIA Quarterly Report

Companies added to the Sudan Scrutinized List this quarter:

- **None**

Companies removed from the Sudan Scrutinized List this quarter:

- **China Natural Gas Corp Ltd (all bonds have matured)**
- **KT Sukuk Varlik Kiralma AS (all bonds have matured)**

Companies added to the Sudan Continued Examination List this quarter:

- **None**

Companies removed from the Sudan Continued Examination List this quarter:

- **Regency Mines PLC**

Recent Sudan Developments:

On January 13, 2017, the United States issued a General License partially lifting federal sanctions on U.S. trade and investment in Sudan. The Department of the Treasury, under the Obama administration, authorized expanded trade with and investment in Sudan, and the issuance of an Executive Order providing Sudan with a path to the permanent revocation of sanctions in six months if progress in certain areas continues. The Secretary of State waived sanctions under the Darfur Peace and Accountability Act of 2006, while the Executive Order issued by President Obama included waivers under the Comprehensive Peace in Sudan Act of 2004 and the Trade Sanctions Reform and Export Enhancement Act of 2000.

IRAN Changes since the Previous PFIA Quarterly Report

Companies added to the Iran Scrutinized List this quarter:

- **None**

Companies removed from the Iran Scrutinized List this quarter:

- **China Natural Gas Corp Ltd (all bonds have matured)**

Companies added to the Iran Continued Examination List this quarter:

- **None**

Companies removed from the Iran Continued Examination List this quarter:

- **GAIL (India) Limited, aka GAIL Ltd.**

Recent Iran Developments:

On February 3, 2017, the United States issued additional sanctions on Iran, focused on individuals and entities involved in Iran's missile program. The sanctions are separate from the Joint Comprehensive Plan of Action (JCPOA) nuclear agreement.

Quarterly Status Update Regarding Potential IRAN Expiration
Florida Statutes, 215.473 (5) EXPIRATION (b) subparagraphs 1. and 2.

Florida Statutes require a quarterly update on events relating to the status of expiration clauses 1 and 2, which are copied below in their entirety:

(b) If either of the following occurs, the board may no longer scrutinize companies according to subparagraph (1)(v)4., may no longer assemble the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, and shall cease engagement, investment prohibitions, and divestment:

1. The Congress or President of the United States affirmatively and unambiguously states, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that the government of Iran has ceased to acquire weapons of mass destruction and support international terrorism;

On February 3, 2017, Acting Office of Foreign Assets Control (OFAC) Director John E. Smith stated that “Iran’s continued support for terrorism and development of its ballistic missile program poses a threat to the region, to our partners worldwide, and to the United States. Today’s action is part of Treasury’s ongoing efforts to counter Iranian malign activity abroad that is outside the scope of the JCPOA...”

Or

2. The United States revokes all sanctions imposed against the government of Iran.

On February 3, 2017, the United States Department of the Treasury’s Office of Foreign Assets Control (OFAC) issued additional sanctions on Iran, focused on individuals and entities involved in Iran’s missile program. The sanctions are separate from those reduced under the Joint Comprehensive Plan of Action (JCPOA) nuclear agreement.

Table 1: *Scrutinized Companies with Activities in SUDAN****New companies on the list are shaded and in bold. (No companies were added this quarter.)***

| Scrutinized Company: Sudan | Country of Incorporation | Date of Initial Scrutinized Classification |
|---|---------------------------------|---|
| Chennai Petroleum Corp Ltd | India | September 19, 2007 |
| China National Petroleum Corporation (CNPC) | China | December 11, 2012 |
| China Petroleum & Chemical Corp (CPEC) Sinopec | China | September 19, 2007 |
| CNPC General Capital Ltd | China | June 26, 2012 |
| CNPC HK Overseas Capital Ltd | China | June 16, 2011 |
| Daqing Huake Group Co Ltd | China | March 25, 2008 |
| Egypt Kuwait Holding Co. SAE | Kuwait | January 13, 2009 |
| Energy House Holding Company (fka: AREF Energy Holdings Co) | Kuwait | July 28, 2009 |
| Engen Botswana | Botswana | March 24, 2015 |
| Gas District Cooling (Putrajaya) Sdn Bhd | Malaysia | April 14, 2009 |
| Harbin Electric Co. Ltd. (fka: Harbin Power Equipment) | China | September 19, 2007 |
| Indian Oil Corp Ltd (IOCL) | India | September 19, 2007 |
| Jiangxi Hongdu Aviation (aka Hongdu Aviation) | China | September 19, 2007 |
| Jinan Diesel Engine Co Ltd | China | July 28, 2009 |
| KLCC Property Holdings Bhd | Malaysia | April 14, 2009 |
| KT Kira Sert Varlik | Turkey | August 2, 2016 |
| KT Sukuk Co Ltd | Cayman Islands | August 2, 2016 |
| Kunlun Energy Company Ltd (fka: CNPC Hong Kong Limited) | Hong Kong | September 19, 2007 |
| Kuwait Finance House | Kuwait | April 14, 2009 |
| Lanka IOC Ltd | India | September 19, 2007 |
| Malaysia Marine & Heavy Engineering Holdings Bhd | Malaysia | March 18, 2014 |
| Managem SA | Morocco | November 9, 2010 |
| Mangalore Refinery & Petrochemicals Ltd | India | September 19, 2007 |
| MISC Bhd | Malaysia | September 19, 2007 |
| Oil India Ltd | India | September 18, 2012 |
| Oil & Natural Gas Corp (ONGC) | India | September 19, 2007 |
| ONGC Videsh Limited (OVL) | India | March 18, 2014 |
| Orca Gold Inc. | Canada | December 9, 2014 |
| PetroChina | China | September 19, 2007 |
| Petrolia Nasional (Petrinas) | Malaysia | September 19, 2007 |
| Petrinas Capital Limited | Malaysia | September 19, 2007 |
| Petrinas Chemicals Bhd | Malaysia | June 16, 2011 |
| Petrinas Dagangan Bhd | Malaysia | September 19, 2007 |
| Petrinas Gas Berhad | Malaysia | September 19, 2007 |
| Petrinas Global Sukuk | Malaysia | August 2, 2016 |

| Scrutinized Company: Sudan | Country of Incorporation | Date of Initial Scrutinized Classification |
|--|--------------------------|--|
| Putrajaya Management Sdn Bhd | Malaysia | March 18, 2014 |
| Sinopec Capital 2013 Ltd | China | September 24, 2013 |
| Sinopec Engineering Group Co Ltd | China | March 18, 2014 |
| Sinopec Group Overseas Development 2016 Ltd | China | August 2, 2016 |
| Sinopec Group Overseas Development 2013 Ltd | China | March 18, 2014 |
| Sinopec Kantons Holdings Ltd | Bermuda | September 19, 2007 |
| Sinopec Oilfield Equipment Corporation (fka: Kingdream PLC) | China | April 14, 2009 |
| Sinopec Oilfield Service Corp (fka: Sinopec Yizheng Chemical Fibre) | China | March 25, 2008 |
| Sinopec Shanghai Petrochemical | China | September 19, 2007 |
| Société Nationale d'Investissement | Morocco | December 6, 2016 |
| Societe Metallurgique D'imiter | Morocco | November 9, 2010 |
| # of Sudan Scrutinized Companies | 46 | |

The following companies were removed from the **SUDAN Scrutinized List** during the quarter:

| Removed Company | Country of Incorporation |
|-----------------------------------|--------------------------|
| <i>China Natural Gas Corp Ltd</i> | <i>China</i> |
| <i>KT Sukuk Varlik Kiralma AS</i> | <i>Turkey</i> |

Table 2: Continued Examination Companies with Activities in SUDAN
New companies on the list are shaded and in bold. (No companies were added this quarter.)

| Continued Examination Company: Sudan | Country of Incorporation |
|--|---------------------------------|
| ASEC Company for Mining S.A.E. | Egypt |
| Bharat Heavy Electricals, Ltd | India |
| Bollore Group | France |
| China Gezhouba Group Company Ltd | China |
| China North Industries Group Corp (CNGC/Norinco) | China |
| Dongfeng Motor Group Co Ltd | China |
| Dongan Motor (aka Harbin Dongan Auto Engine) | China |
| Drake & Scull International PJSC | United Arab Emirates |
| El Sewedy Cables Holding Company | Egypt |
| Emperor Oil Ltd | Canada |
| ENGIE SA | France |
| Glencore Xstrata PLC | Switzerland |
| Infotel Broadband Services Ltd | India |
| JX Holdings Inc. | Japan |
| KMCOB Capital Bhd | Malaysia |
| LS Industrial Systems | South Korea |
| Nippo Corporation | Japan |
| Power Construction Corporation of China Ltd. (fka Sinohydro) | China |
| PT Pertamina Persero | Indonesia |
| Shanghai Electric Group Co. | China |
| Statesman Resources Ltd | Canada |
| Wartsila Oyj | Finland |
| # of Sudan Continued Examination Companies | 22 |

The following companies were removed from the **SUDAN Continued Examination List** during the quarter:

| <i>Removed Company</i> | <i>Country of Incorporation</i> |
|---------------------------------|--|
| <i>Regency Mines PLC</i> | <i>United Kingdom</i> |

Table 3: Scrutinized Companies with Activities in the IRAN Petroleum Energy Sector*New companies on the list are shaded and in bold. (No companies were added this quarter.)*

| Scrutinized Company: Iran | Country of Incorporation | Date of Initial Scrutinized Classification |
|---|--------------------------|--|
| China BlueChemical Ltd. | China | March 19, 2013 |
| China National Petroleum Corporation (CNPC) | China | December 11, 2012 |
| China Petroleum & Chemical Corp (CPEC) Sinopec | China | September 19, 2007 |
| China Oilfield Services Ltd. | China | June 16, 2011 |
| CNOOC Ltd. | China | June 16, 2011 |
| CNOOC Finance Limited | China | September 24, 2013 |
| CNPC General Capital Ltd | China | December 6, 2016 |
| CNPC HK Overseas Capital Ltd. | China | June 16, 2011 |
| COSL Finance (BVI) Limited | China | September 24, 2013 |
| Daelim Industrial Co Ltd. | South Korea | June 16, 2011 |
| Engen Botswana | Botswana | March 24, 2015 |
| Gas District Cooling (Putrajaya) Sdn Bhd | Malaysia | April 14, 2009 |
| Gazprom | Russia | September 19, 2007 |
| Gazprom Neft | Russia | September 16, 2008 |
| Indian Oil Corp Ltd (IOCL) | India | September 19, 2007 |
| KLCC Property Holdings Bhd | Malaysia | April 14, 2009 |
| Kunlun Energy Company Ltd. (fka: CNPC Hong Kong Limited) | Hong Kong | September 19, 2007 |
| Malaysia Marine & Heavy Engineering Holdings Bhd | Malaysia | March 18, 2014 |
| Mangalore Refinery & Petrochemicals Ltd. | India | March 19, 2013 |
| MISC Bhd | Malaysia | September 19, 2007 |
| Mosenergo | Russia | September 16, 2008 |
| Oil & Natural Gas Corp (ONGC) | India | September 19, 2007 |
| ONGC Videsh Limited (OVL) | India | March 18, 2014 |
| PetroChina | China | September 19, 2007 |
| Petrolia Nasional (Petronas) | Malaysia | September 19, 2007 |
| Petronas Capital Limited | Malaysia | September 19, 2007 |
| Petronas Chemicals Bhd | Malaysia | June 16, 2011 |
| Petronas Dagangan Bhd | Malaysia | September 19, 2007 |
| Petronas Gas Berhad | Malaysia | September 19, 2007 |
| Petronas Global Sukuk | Malaysia | August 2, 2016 |
| Putrajaya Management Sdn Bhd | Malaysia | March 18, 2014 |
| Sinopec Capital 2013 Ltd. | China | March 18, 2014 |
| Sinopec Engineering Group Co Ltd. | China | March 18, 2014 |
| Sinopec Group Overseas Development 2016 Ltd | China | August 2, 2016 |
| Sinopec Group Overseas Development 2013 Ltd | China | March 18, 2014 |

| Scrutinized Company: Iran | Country of Incorporation | Date of Initial Scrutinized Classification |
|--|--------------------------|--|
| Sinopec Kantons Holdings Ltd. | Bermuda | September 19, 2007 |
| Sinopec Oilfield Equipment Corporation (fka: Kingdream PLC) | China | September 29, 2015 |
| Sinopec Oilfield Service Corp (fka: Sinopec Yizheng Chemical Fibre) | China | March 25, 2008 |
| Sinopec Shanghai Petrochemical | China | September 19, 2007 |
| # of Iran Scrutinized Companies | 39 | |

The following companies were removed from the **IRAN Scrutinized List** during the quarter:

| Removed Company | Country of Incorporation |
|-----------------------------------|--------------------------|
| <i>China Natural Gas Corp Ltd</i> | <i>China</i> |

Table 4: Continued Examination Companies with Petroleum Energy Activities in IRAN
New companies on the list are shaded and in bold. (No companies were added this quarter.)

| Continued Examination Company: Iran | Country of Incorporation |
|--|--------------------------|
| Anton Oilfield Services Group | China |
| China Nonferrous Metal Industry's Foreign Engineering and Construction | China |
| GS Engineering & Construction Corp. | South Korea |
| GS Holdings | South Korea |
| Lukoil OAO | Russia |
| Maire Tecnimont SpA | Italy |
| Oil India Ltd. | India |
| Petronet LNG Ltd. | India |
| Total SA | France |
| # of Iran Continued Examination Companies | 9 |

The following companies were **removed** from the **IRAN Continued Examination List** during the quarter:

| Removed Company | Country of Incorporation |
|---|--------------------------|
| <i>GAIL (India) Limited, aka GAIL Ltd.</i> | <i>India</i> |

Table 5: Correspondence & Engagement Efforts with Scrutinized Companies

In accordance with Section 215.473(3)(a), F.S., the SBA began to engage companies on the September 19, 2007 Scrutinized Company lists. The SBA sent letters to each Scrutinized Company that was owned and held as of September 19, 2007, per the requirements of the law.

The SBA also sent written communication to other scrutinized firms since the initial company engagement effort in September 2007. Each letter encouraged the company to cease any active business operations within 90 days or convert such operations to inactive status to avoid qualifying for divestment by the SBA. In addition, the SBA sent a second letter to scrutinized companies on January 25, 2008, again requesting companies to provide all information necessary to avoid divestment.

On September 30, 2008, the SBA sent a follow-up letter to all Scrutinized Companies. Although, these companies are no longer held by the SBA, the September 30, 2008 letter was intended to once again provide notice of the requirements of the PFIA. Since our original correspondence, several companies on the scrutinized list have replied with valuable information. Each company's response and classification status is summarized below. Any company that responded to the SBA's written correspondence is highlighted in blue text.

| Company | Company Responsive to SBA Communications | Status |
|--|---|---|
| ABB | Yes; January 29, 2009 | Removed from Sudan Scrutinized List |
| Alstom | Yes; October 1, 2007 and October 25, 2011 | Moved to Sudan Continued Examination List |
| Bharat Heavy Electricals Limited | Yes; October 4, 2007 | Sudan Scrutinized Classification Continues |
| Bow Valley Energy | Yes; October 22, 2008 | Removed from Iran Scrutinized List |
| Chennai Petroleum Corporation Limited | Yes; October 16, 2008 | Sudan Scrutinized Classification Continues |
| China Petroleum & Chemical Corp (Sinopec) | No | Iran & Sudan Scrutinized Classification Continues |
| CNOOC Ltd | Yes; October 28, 2008 | Iran Scrutinized Classification Continues |
| Dongfeng Motor Group Co. Ltd. | No | Moved to Sudan Continued Examination List |
| Electricity Generating Public Co | No | Removed from Sudan Scrutinized List |
| ENI | Yes; February 13, 2008 and May 13, 2011 | Removed from Iran Scrutinized and CE Lists |
| GAIL (India) Limited, aka GAIL Ltd. | Yes; October 5, 2010 | Removed from Iran Scrutinized and CE Lists |
| Gazprom | Yes; November 1, 2007 and August 18, 2014 | Iran Scrutinized Classification Continues |
| Gazprom Neft | Yes; August 15, 2013 | Iran Scrutinized as subsidiary of Gazprom |
| Harbin Electric Co. (fka Harbin Power Equipment) | No | Sudan Scrutinized Classification Continues |
| Indian Oil Corp Ltd (IOCL) | No | Iran & Sudan Scrutinized Classification Continues |
| Inpex Corp. | Yes; October 15, 2007 and July 11, 2011 | Removed Iran Scrutinized List |
| Kencana Petroleum | Yes; October 31, 2008 | Moved to Sudan Continued Examination List |
| Korea Electric Power (and subsidiaries, KEPCO Plant/Korea Plant) | Yes; December 27, 2011 | Removed from Sudan Scrutinized List |
| Kunlun Energy Company Ltd. (fka: CNPC Hong Kong Limited) | Yes; October 5, 2007 and May 24, 2008 | Iran & Sudan Scrutinized Classification Continues |
| Lukoil OAO | Yes; October 8, 2007 | Moved to Iran Continued Examination List |
| Lundin Petroleum AB | Yes; October 17, 2008 | Removed from Sudan Scrutinized List |
| Lundin International SA | No | Removed from Sudan Scrutinized List |

| Company | Company Responsive to SBA Communications | Status |
|--|---|---|
| Malaysia Marine & Heavy Engineering Holdings Bhd | Yes; November 14, 2014 | Iran & Sudan Scrutinized Classification Continues |
| Mangalore Refinery & Petrochemicals Ltd | Yes; March 8, 2013 | Iran & Sudan Scrutinized Classification Continues |
| MISC Bhd | No | Iran & Sudan Scrutinized Classification Continues |
| Norsk Hydro | Yes; November 30, 2007 | Removed from Iran Scrutinized List |
| Oil & Natural Gas Corp (ONGC) | Yes; July 23, 2014 | Iran & Sudan Scrutinized Classification Continues |
| OMV AG | Yes; November 6, 2007 and April 14, 2010 | Removed from Iran Continued Examination List |
| PetroChina | Yes; December 22, 2008 | Iran & Sudan Scrutinized Classification Continues |
| Petroleo Brasileiro (Petrobras) | Yes; January 13, 2010 | Removed from Iran Scrutinized List |
| Petrolia Nasional (Petronas) | Yes; July 6, 2015 | Iran & Sudan Scrutinized Classification Continues |
| Putrajaya Management Sdn Bhd | Yes; September 5, 2014 | Iran & Sudan Scrutinized Classification Continues |
| Ranhill Bhd | Yes; October 22, 2008 | Removed from Sudan Scrutinized List |
| Repsol YPF | Yes; October 15, 2007; January 2013 | Removed from Iran Scrutinized and CE Lists |
| Royal Dutch Shell PLC | Yes; October 5, 2007; January 27, 2011; April 13, 2011 | Removed from Iran Scrutinized and CE Lists |
| Sinopec Kantons Holdings Ltd. | No | Iran & Sudan Scrutinized Classification Continues |
| Sinopec Shanghai Petrochemical Company | No | Sudan Scrutinized Classification Continues |
| Snam Rete Gas | Yes; October 9, 2008 | Removed from Iran Scrutinized Classification |
| Statoil ASA (fka: StatoilHydro) | Yes; February 4, 2008; January 24, 2011; June 16, 2011 | Removed from Iran Scrutinized and CE Lists |
| Total Capital | Yes; January 26, 2011 and April 25, 2011 | Removed from Iran Scrutinized and CE Lists |
| Total SA | Yes; October 12, 2007; October 29, 2010; April 25, 2011 | Removed from Iran Scrutinized List |
| Wärtsilä Oyj | Yes; December 4, 2007 | Moved to Sudan Continued Examination List |

Table 6: Correspondence & Engagement Efforts with Continued Examination Companies

In addition to Scrutinized Companies, the SBA engaged companies on our initial September 19, 2007 Continued Examination company lists. The SBA also sent written communication to firms added to the Continued Examination list since the initial company engagement effort in September 2007. Such companies were asked to provide information to the SBA in order to assist us in determining the extent of their activities, if any, in Sudan and Iran. The SBA sent a follow-up letter to all companies on September 30, 2008. Each company's response and classification is summarized below. Any company that responded to the SBA's written correspondence is highlighted in blue text.

| Company | Company Responsive to SBA Communications | Continued Examination Status |
|---|---|-----------------------------------|
| Actividades de Construcción y Servicios S.A.(ACS) | No | Removed from Iran List |
| Aggreko PLC | Yes; January 28, 2008 | Removed from Iran List |
| Air Liquide | Yes; November 30, 2007 January 28, 2008 | Removed from Iran List |
| Aker Solutions ASA (fka Aker Kvaerner ASA) | No | Iran CE Classification Continues |
| AREF Investment Group | No | Removed from Sudan List |
| Areva SA | Yes; October 27, 2008 December 29, 2009 | Removed from Sudan List |
| Bauer Aktiengesellschaft | Yes; March 13, 2008 | Removed from Sudan List |
| BG Group | Yes; November 23, 2007 | Removed from Iran List |
| Bharat Electronics Limited | No | Removed from Sudan CE List |
| Bollore Group | No | Sudan CE Classification Continues |
| Costain Group PLC | Yes; November 5, 2007 | Removed from Iran List |
| Daelim Industrial Co Ltd | No | Moved to Iran Scrutinized List |
| Engineers India Ltd. | Yes; October 16, 2008; September 9, 2010 | Removed from Iran CE List |
| Essar Oil | Yes; January 9, 2009 | Removed from Iran List |
| Finmeccanica SpA | No | Removed from Sudan List |
| Glencore Xstrata PLC | Yes; September 20, 2010 | Sudan CE Classification Continues |
| GVA Consultants | Yes; September 26, 2007 September 30, 2010 | Removed from Iran CE List |
| ICSA India Limited | No | Removed from Sudan List |
| INA-Industrija Nafta DD Zagreb | Yes; April 15, 2014 | Removed from Iran List |
| Itochu Corp | Yes; May 9, 2008 | Removed from Iran List |
| JGC Corp | Yes; October 1, 2007 | Removed from Iran List |
| La Mancha Resources | Yes; October 21, 2008 | Removed from Sudan List |
| Linde AG | Yes; November 14, 2007 | Removed from Iran List |
| Liquefied Natural Gas LNG | No | Iran CE Classification Continues |
| Mitsubishi Heavy Industries Ltd. | Yes; October 26, 2007 | Removed from Iran List |
| Mitsui & Co. | Yes; October 17, 2007 | Removed from Iran List |
| Mitsui Engineering & Shipbuilding | Yes; November 21, 2007 December 18, 2007 | Removed from Iran and Sudan Lists |
| MMC Bhd | No | Sudan CE Classification Continues |
| Nam Fatt | No | Removed from Sudan List |

| Company | Company Responsive to SBA Communications | Continued Examination Status |
|---|--|--------------------------------------|
| PT Citra Tubindo Tbk. | Yes; September 27, 2010 | Removed from Iran CE List |
| PTT Public Company Limited | Yes; October 1, 2010 | Removed from Sudan CE List |
| Saipem SpA | Yes; December 12, 2007 | Removed from Iran Lists |
| Samsung Engineering Co. Ltd. | No | Removed from Iran CE List |
| Samsung Heavy Industries Co. Ltd. | No | Removed from Iran List |
| Sasol Ltd. | Yes; May 25, 2010 September 29, 2010 | Removed from Iran CE List |
| Seadrill Ltd | Yes; September 20, 2010 | Removed from Sudan CE List |
| Siam Cement Group (SCG) | Yes; September 24, 2010 | Iran CE Classification Continues |
| Siemens AG | Yes; October 22, 2009 October 8, 2010 | Removed from Iran CE List |
| Schlumberger Limited NV | Yes; October 19, 2007 | Removed from Iran and Sudan Lists |
| Siam Cement PCL | Yes; October 21, 2008 | Iran CE Classification Continues |
| SNC - Lavalin Group Inc. | Yes; September 25, 2007 | Removed from Iran List |
| Sudan Telecommunications (Sudatel) | No | Removed from Sudan CE Classification |
| Technip | Yes; April 30, 2010 and November 30, 2010 | Removed from Iran CE Classification |
| The Weir Group PLC | Yes; November 16, 2007 | Removed from Iran and Sudan Lists |
| Total SA | Yes; October 12, 2007 | Removed from Sudan CE Classification |
| Trevi-Finanziaria Industriale S.p.A. | Yes; September 17, 2010 | Removed from Iran CE List |
| Weatherford International, Ltd. | No | Removed from Sudan List |
| Welspun Corp. Limited (fka Welspun-Gujarat Stahl Rohen Ltd.) | Yes; September 24, 2010 | Iran CE Classification Continues |

Key Dates for PFIA Activities

June 8, 2007 — Legislation’s effective date, upon becoming a law.

August 6, 2007 — SBA letter to state agencies requesting data on all publicly traded securities held directly by the State.

August 20, 2007 — First of two letters to investment managers providing written notice of PFIA enactment and amendment to Schedule B of investment management contracts.

September 19, 2007 — SBA assembles initial Scrutinized Companies lists for Sudan and Iran.

September 20, 2007 — SBA engages companies classified as either Scrutinized or needing Continued Examination through written correspondence, subsequent conference calls and additional communication. SBA disclosed the Scrutinized Companies lists on its website, including reporting of all equities held by direct State of Florida governmental entities.

September 21, 2007 — Second of two letters to investment managers providing Scrutinized Companies lists.

October 16, 2007 — SBA formally submits the Scrutinized Companies lists to the Florida Legislature and the United States Special Envoy to Sudan, and continues to do so every quarter.

November 30, 2007 — SBA sends notification via email to any owned scrutinized company that has not responded to initial written correspondence. Similar notification was sent to each company classified as needing continued examination.

January 25, 2008 — SBA sends additional notice of divestment and request for information to all Scrutinized Companies, with emphasis to companies that have been unresponsive to the SBA's prior request for the necessary information.

July 1, 2008 — In March 2008, the SBA developed a policy approach directing all affected managers to sell their remaining PFIA related holdings no later than July 1, 2008, approximately three months earlier than the statutory deadline of September 18, 2008.

September 18, 2008 — Statutory deadline for the SBA to complete divestment of *initial* Scrutinized Companies (i.e., within 12 months of their initial appearance on the September 19, 2007 list), if they do not stop scrutinized active business operations.

March 1, 2010 — Deadline for the SBA to identify and offer at least one terror-free investment product for the FRS Investment Plan (Defined Contribution).

Quarterly Reporting — SBA provides quarterly updates to the Scrutinized Companies lists for Sudan and Iran, including a summary of engagement activities. PFIA quarterly reports have been issued on the following dates:

| | | |
|---------------------------|---------------------------|---------------------------|
| September 19, 2007 | February 22, 2011 | June 17, 2014 |
| December 18, 2007 | June 16, 2011 | September 23, 2014 |
| March 25, 2008 | September 20, 2011 | December 9, 2014 |
| June 10, 2008 | December 6, 2011 | March 24, 2015 |
| September 16, 2008 | March 20, 2012 | June 23, 2015 |
| January 13, 2009 | June 26, 2012 | September 29, 2015 |
| April 14, 2009 | September 18, 2012 | December 8, 2015 |
| July 28, 2009 | December 11, 2012 | March 29, 2016 |
| October 27, 2009 | March 19, 2013 | August 2, 2016 |
| January 26, 2010 | June 25, 2013 | December 6, 2016 |
| April 27, 2010 | September 24, 2013 | March 14, 2017 |
| July 29, 2010 | December 10, 2013 | |
| November 9, 2010 | March 18, 2014 | |

Summary of Investments Sold, Redeemed, Divested or Withdrawn

In accordance with the PFIA, the SBA must divest all holdings of any scrutinized companies within 12 months of their original appearance on the prohibited securities list. External managers are contractually responsible for administering investments in accordance with restrictions set forth by the SBA, including the prohibited securities list of the PFIA. Historical divestment transaction data is contained in prior PFIA Quarterly Reports. The table below presents the cumulative market capitalization of scrutinized companies divested by the SBA since the PFIA's inception:

| Cumulative Divestment | |
|---|---------------------------|
| Royal Dutch Shell** | \$215,784,700.79 |
| Total SA** | \$214,536,015.45 |
| Petroleo Brasileiro SA (Petrobras) ** | \$206,135,264.10 |
| ENI** | \$141,403,034.78 |
| CNOOC Ltd | \$131,737,735.86 |
| Gazprom (a.k.a. OAO Gazprom) | \$71,275,453.14 |
| Alstom** | \$65,897,698.67 |
| Repsol YPF** | \$53,420,179.87 |
| Statoil ASA** (fka: StatoilHydro) | \$46,792,677.58 |
| China Petroleum and Chemical Corp (CPCC) Sinopec | \$38,455,440.48 |
| PetroChina | \$25,723,158.75 |
| Inpex Corp. ** | \$24,835,110.63 |
| MISC Bhd | \$16,448,397.44 |
| Snam Rete Gas** | \$9,596,905.78 |
| Lukoil OAO** | \$9,487,631.46 |
| OMV AG ** | \$8,601,977.98 |
| Shell International Finance** | \$8,599,813.40 |
| China BlueChemical Ltd | \$7,538,215.73 |
| Wärtsilä Oyj** | \$1,797,871.96 |
| Daelim Industrial Co Ltd | \$1,566,926.73 |
| Petrofac Ltd ** | \$1,496,881.43 |
| The Weir Group PLC ** | \$1,322,666.62 |
| Petrobras International Finance** | \$1,148,750.00 |
| Lundin Petroleum AB ** | \$1,133,120.04 |
| Oil & Natural Gas Corporation (ONGC) | \$945,363.83 |
| Petrobras Energia (Participaciones) ** | \$298,632.08 |
| Dongfeng Motor Group** | \$158,623.49 |
| Electricity Generating Public Company** | \$121,321.38 |
| Gazprom Neft | \$37,892.73 |
| ** denotes companies no longer on the Prohibited Company list | \$1,306,825,533.68 |

In accordance with the PFIA, the SBA will report on the performance implications of PFIA-related divestitures and restrictions. Generally, the impact of PFIA legislation on performance is measured as the opportunity cost of not being able to hold prohibited securities, measured by comparing the monthly return of the standard foreign equity benchmark (i.e., the MSCI ACWI ex-US) to a custom foreign equity benchmark based upon PFIA divestiture requirements. The difference in returns between the standard benchmark and custom benchmark represents the opportunity cost to the SBA of not being able to invest in (or hold) prohibited companies. The percent return difference is then applied to the average monthly balance of foreign equity investments to determine a dollar impact. Monthly dollar impacts, whether positive or negative, are added together through time and then compared to the total value of the FRS Pension Plan to determine the percentage or basis point impact of PFIA legislation.

Table 7: List of *Prohibited Investments (Scrutinized Companies)*
New companies on the list are shaded and in bold. (No companies were added this quarter.)

| Prohibited Investments (Scrutinized Companies) | Scrutinized Country | Country of Incorporation | Initial Appearance on Scrutinized List | Full Divestment |
|---|---------------------|--------------------------|--|-----------------|
| Chennai Petroleum Corp Ltd | Sudan | India | September 19, 2007 | Yes |
| China BlueChemical Ltd | Iran | China | March 19, 2013 | Yes |
| China National Petroleum Corporation (CNPC) | Sudan & Iran | China | December 11, 2012 | Yes |
| China Oilfield Services Ltd | Iran | China | June 16, 2011 | Yes |
| China Petroleum & Chemical Corp (CPC) Sinopec | Sudan & Iran | China | September 19, 2007 | Yes |
| CNOOC Ltd | Iran | China | June 16, 2011 | Yes |
| CNOOC Finance Limited | Iran | China | September 24, 2013 | Yes |
| CNPC General Capital Ltd | Sudan & Iran | China | June 26, 2012 | Yes |
| CNPC HK Overseas Capital Ltd | Sudan & Iran | China | June 16, 2011 | Yes |
| COSL Finance (BVI) Limited | Iran | China | September 24, 2013 | Yes |
| Daelim Industrial Co Ltd | Iran | South Korea | June 16, 2011 | Yes |
| Daqing Huake Group Co Ltd | Sudan | China | March 25, 2008 | Yes |
| Egypt Kuwait Holding Co. SAE | Sudan | Kuwait | January 13, 2009 | Yes |
| Energy House Holding Company (fka: AREF Energy Holdings Co) | Sudan | Kuwait | July 28, 2009 | Yes |
| Engen Botswana | Sudan & Iran | Botswana | March 24, 2015 | Yes |
| Gas District Cooling (Putrajaya) Sdn Bhd | Sudan & Iran | Malaysia | April 14, 2009 | Yes |
| Gazprom | Iran | Russia | September 19, 2007 | Yes |
| Gazprom Neft | Iran | Russia | September 16, 2008 | Yes |
| Harbin Electric Co. Ltd. (fka: Harbin Power Equipment) | Sudan | China | September 19, 2007 | Yes |
| Indian Oil Corp Ltd (IOCL) | Sudan & Iran | India | September 19, 2007 | Yes |
| Jiangxi Hongdu Aviation (aka Hongdu Aviation) | Sudan | China | September 19, 2007 | Yes |
| KLCC Property Holdings Bhd | Sudan & Iran | Malaysia | April 14, 2009 | Yes |
| KT Kira Sert Varlik | Sudan | Turkey | August 2, 2016 | Yes |
| KT Sukuk Co Ltd | Sudan | Cayman Islands | August 2, 2016 | Yes |

| Prohibited Investments (Scrutinized Companies) | Scrutinized Country | Country of Incorporation | Initial Appearance on Scrutinized List | Full Divestment |
|---|---------------------|--------------------------|--|-----------------|
| Kunlun Energy Company Ltd. (fka: CNPC Hong Kong) | Sudan & Iran | Hong Kong | September 19, 2007 | Yes |
| Kuwait Finance House | Sudan | Kuwait | April 14, 2009 | Yes |
| Lanka IOC Ltd | Sudan | India | September 19, 2007 | Yes |
| Managem SA | Sudan | Morocco | November 9, 2010 | Yes |
| Mangalore Refinery & Petrochemicals Ltd | Sudan & Iran | India | September 19, 2007 | Yes |
| Malaysia Marine & Heavy Engineering Holdings Bhd | Sudan & Iran | Malaysia | March 18, 2014 | Yes |
| MISC Bhd | Sudan & Iran | Malaysia | September 19, 2007 | Yes |
| Mosenergo | Iran | Russia | September 16, 2008 | Yes |
| Oil India Ltd. | Sudan | India | September 18, 2012 | Yes |
| Oil & Natural Gas Corp (ONGC) | Sudan & Iran | India | September 19, 2007 | Yes |
| ONGC Videsh Limited (OVL) | Sudan & Iran | India | March 18, 2014 | Yes |
| Orca Gold Inc. | Sudan | Canada | December 9, 2014 | Yes |
| PetroChina | Sudan & Iran | China | September 19, 2007 | Yes |
| Petrolia Nasional (Petronas) | Sudan & Iran | Malaysia | September 19, 2007 | Yes |
| Petronas Capital Limited | Sudan & Iran | Malaysia | September 19, 2007 | Yes |
| Petronas Chemicals Bhd | Sudan & Iran | Malaysia | June 16, 2011 | Yes |
| Petronas Dagangan Bhd | Sudan & Iran | Malaysia | September 19, 2007 | Yes |
| Petronas Gas Berhad | Sudan & Iran | Malaysia | September 19, 2007 | Yes |
| Petronas Global Sukuk | Sudan & Iran | Malaysia | August 2, 2016 | Yes |
| Putrajaya Management Sdn Bhd | Sudan & Iran | Malaysia | March 18, 2014 | Yes |
| Sinopec Capital 2013 Ltd | Sudan & Iran | China | September 24, 2013 | Yes |
| Sinopec Engineering Group Co Ltd | Sudan & Iran | China | March 18, 2014 | Yes |
| Sinopec Group Overseas Development 2016 Ltd | Sudan & Iran | China | August 2, 2016 | Yes |
| Sinopec Group Overseas Development 2013 Ltd | Sudan & Iran | China | March 18, 2014 | Yes |
| Sinopec Kantons Holdings Ltd | Sudan & Iran | Bermuda | September 19, 2007 | Yes |
| Sinopec Oilfield Equipment Corporation (fka: Kingdream PLC) | Sudan & Iran | China | April 14, 2009 | Yes |

| Prohibited Investments (Scrutinized Companies) | Scrutinized Country | Country of Incorporation | Initial Appearance on Scrutinized List | Full Divestment |
|--|---------------------|--------------------------|--|-----------------|
| Sinopec Oilfield Service Corp (fka: Sinopec Yizheng Chemical Fibre) | Sudan & Iran | China | March 25, 2008 | Yes |
| Sinopec Shanghai Petrochemical | Sudan & Iran | China | September 19, 2007 | Yes |
| Société Nationale d'Investissement | Sudan | Morocco | December 6, 2016 | Yes |
| Societe Metallurgique D'imiter | Sudan | Morocco | November 9, 2010 | Yes |
| # of Prohibited Investments | 54 | - | - | Yes |

The following companies were removed from the **Prohibited Investments List** this quarter.

| Removed Company | Country of Incorporation |
|-----------------------------------|--------------------------|
| <i>China Natural Gas Corp Ltd</i> | <i>China</i> |
| <i>KT Sukuk Varlik Kiralma AS</i> | <i>Turkey</i> |

Table 8: SBA Holdings in Prohibited Investments Subject to Divestment

As of December 31, 2016, the SBA did not hold shares of any company on the Sudan or Iran Prohibited Investments List in accounts subject to the PFIA divestiture requirements.

Summary of Progress, SBA Investment Manager Engagement Efforts

On August 20, 2007, the SBA sent letters to external investment managers notifying them of the Act and informing them of new contract language that would enforce their cooperation with the requirements of the new law.

On September 19, 2007, the SBA sent letters to all affected managers outlining the list of prohibited securities for any future purchases. The letter described the SBA's engagement process with companies on the list, which affords companies a 90-day period in which to comply with the conditions of the law or clarify their activities. The letter directed these managers to cease purchase of securities on the list and to await the direction of the SBA for any divestment necessary in the event engagement fails, with a deadline for divestment under the law of September 18, 2008.

On September 19, 2007, the SBA sent letters to actively-managed, indirectly held funds holding scrutinized securities, including managers of the defined contribution program, asking the funds to review the list of scrutinized securities and consider eliminating such holdings from the portfolio or create a similar fund, devoid of such holdings, per the requirements of the law.

Each quarter, the SBA sends written and electronic notification to all affected managers about the list of prohibited companies.

The SBA has received responses noting our concerns in writing and by phone from several of the contacted managers.

Listing of All Publicly Traded Securities (Including Equity Investments)

Due to the large number of individual securities and the volume of information, this list has been electronically posted to the SBA's website and is updated quarterly. A list of all publicly traded securities owned by the State of Florida can be found within the [PFIA information section](#) of the SBA's website. Please observe the electronic report's notes page for important clarifying explanations of included data.

Section 2: Prohibited Investments by the SBA, Companies that Boycott Israel **Section 215.4725 F.S.**

Summary

In 2016, the SBA was directed by state law to create a "scrutinized companies" list, composed of companies that participate in a boycott of Israel including actions that limit commercial relations with Israel or Israeli-controlled territories. The SBA is prohibited from acquiring direct holdings of the companies on this list. The law requires the SBA to use best efforts in identifying companies that boycott Israel, publish the list on a quarterly basis, send written notice to the companies, engage with the SBA's external managers concerning holdings of the companies on the list, and publish a list of the SBA's directly-held securities and certain other information detailed below.

Primary Requirements of the law

1. Identification of companies

By August 1, 2016, SBA will make best efforts to identify all scrutinized companies in which the SBA has indirect or direct holdings or possibly could have holdings in the future.

As required by statute, SBA will review publicly-available information, including from NGOs, non-profits, government entities and research firms, and/or contact asset managers or other institutional investors. SBA staff will contract with external research providers to obtain preliminary lists of potential scrutinized companies and evaluate the evidence to make a final determination of scrutinized status. Currently SBA has retained one data provider, IW Financial. Another provider is expected to offer an Israel-boycott data service, though they do not expect to furnish a potential list until the 4th quarter of 2016.

Using various information sources, the SBA has developed two separate categorizations of a company's status for consideration under this law.

"Scrutinized" — Information provided by an external research provider, publicly-available information or information from the company or another reliable source indicates that a company meets the classification of a Scrutinized Company as defined by the law.

"Continued Examination" — Information suggests but does not clearly demonstrate that a company's activities are a boycott of Israel. The SBA is unable to definitively categorize the company's activities as scrutinized without further research to resolve the differences. For companies classified as "Continued Examination," the SBA will begin an engagement process to clarify each firm's current business relationships.

The following definitions are provided by the law to assist in company identification:

"Scrutinized companies" means companies that boycott Israel or engage in a boycott of Israel.

"Boycott Israel" means refusing to deal, terminating business activities, or taking other actions to limit commercial relations with Israel, or persons or entities doing business in Israel or in Israeli-controlled territories, in a discriminatory manner. A statement by a company that it is participating in a boycott of Israel, or that it has initiated a boycott in response to a request for a boycott of Israel or in compliance with, or in furtherance of, calls for a boycott of Israel, may be considered by the State Board of Administration to be evidence that a company is participating in a boycott of Israel. The term does not include restrictive trade practices or boycotts fostered or imposed by foreign countries against Israel.

"Direct holdings" are company securities held directly by the SBA or accounts in which SBA owns all interest (such as non-commingled funds).

"Indirect holdings" are company securities that are held in collective investment with other investors, such as commingled funds and mutual funds.

2. Publish and reporting

By the first meeting of the Trustees of the SBA after August 1, 2016, the SBA will publicly release the "Scrutinized Companies that Boycott Israel List" and thereafter provide quarterly updates of the list based on evolving information and events.

The SBA shall file a report with each member of the Board of Trustees of the SBA, as well as the Speaker of the House of Representatives and the President of the Senate within 30 days after the list is created and shall make the report publicly available. At each quarterly trustee meeting thereafter, the SBA shall file a publicly-available report to these persons. The quarterly reports will include:

- a. A summary of correspondence with companies engaged by the SBA as required above.
- b. All prohibited investments (Scrutinized Companies list).
- c. Any progress made with respect to requests of SBA's external managers to remove scrutinized companies from indirect holdings or create similar funds devoid of such holdings.
- d. A list of all publicly-held securities held directly by the SBA.

Actions taken in compliance with this section must be adopted and incorporated into the Investment Policy Statement as provided in Section 215.4725, F.S.

3. Engagement

SBA is required to determine the companies on the Scrutinized Companies list in which the SBA has direct or indirect holdings. For each company newly identified after August 1, 2016, the public fund shall send a written notice informing the company of its scrutinized company status and that it may become subject to investment prohibition by the public fund. The notice must inform the company of the opportunity to clarify its activities regarding the boycott of Israel and encourage the company to cease the boycott of Israel within 90 days in order to avoid qualifying for investment prohibition.

If, within 90 days after the public fund's first engagement with a company pursuant to this paragraph, the company ceases a boycott of Israel, the company shall be removed from the Scrutinized Companies that Boycott Israel List, and the provisions of this section shall cease to apply to that company unless that company resumes a boycott of Israel.

4. Prohibition

The SBA may not acquire directly-held securities of companies on the Scrutinized Companies list. The SBA is not required to divest of existing holdings. Indirect holdings are exempt from the prohibition (such as commingled accounts, index funds and mutual funds). However, SBA will submit letters to the managers of such investment funds which hold companies from the Scrutinized Companies list requesting that they consider removing the companies from the fund or creating a similar fund devoid of such holdings. SBA shall replace applicable investments in the similar fund devoid of such holdings in an expedited timeframe subject to prudent investing standards if the manager complies with such a request.

Exchange-traded funds are also exempted from the prohibition, without the requirement to contact the fund management.

A cessation of the investment prohibition is allowed if the fund has evidence that the assets under management become equal or less than 99.50% of the hypothetical fund value assuming no investment prohibition had occurred. This must be reported to the parties listed in "reporting" below and updated semiannually for the cessation to be authorized.

Table 9: Scrutinized Companies that Boycott Israel*New companies on the list are shaded and in bold. (No companies added this quarter.)*

| Scrutinized Company that Boycotts Israel | Country of Incorporation | Date of Initial Scrutinized Classification |
|---|--------------------------|--|
| Cactus SA | Luxembourg | August 2, 2016 |
| Betsah Invest SA | Luxembourg | August 2, 2016 |
| Betsah SA | Luxembourg | August 2, 2016 |
| Cooperative Group Gomersall | United Kingdom | August 2, 2016 |
| Guloguz Dis Deposu Ticaret Ve Pazarlama Ltd | Turkey | August 2, 2016 |
| # of Companies that Boycott Israel | 5 | |

Companies removed from **Scrutinized Companies that Boycott Israel List** during the quarter:

| Removed Company | Country of Incorporation |
|-----------------|--------------------------|
| U2u Consult NV | Belgium |

Table 10: Continued Examination Companies that Boycott Israel*New companies on the list are shaded and in bold.*

| Continued Examination Company: Israel | Country of Incorporation |
|---|--------------------------|
| Danske Bank | Denmark |
| Aldi | Germany |
| ASN Bank NV | Netherlands |
| CRH Public Limited Co | Ireland |
| HEMA BV | Netherlands |
| Karsten Farms | South Africa |
| # of Continued Examination Companies | 6 |

Companies removed from **Continued Examination Companies that Boycott Israel List** during the quarter:

| Removed Company | Country of Incorporation |
|-------------------|--------------------------|
| None this quarter | |

Table 11: Correspondence & Engagement Efforts

In accordance with Section 215.4725, F.S., the SBA began to engage companies on the Scrutinized Companies that Boycott Israel and Continued Examination lists. The SBA sent letters to each company per the requirements of the law. Each company's response and classification status is summarized below. Any company that responded to the SBA's written correspondence is highlighted in blue text.

| Company | Company Responsive to SBA Communications | Status |
|---|--|---|
| Cactus SA | No | Remains on scrutinized list |
| Betsah Invest SA | No | Remains on scrutinized list |
| Betsah SA | No | Remains on scrutinized list |
| FreedomCall Ltd | Yes, November 4, 2016 | Removed from scrutinized list |
| Cooperative Group Gomersall | No | Remains on scrutinized list |
| Guloguz Dis Deposu Ticaret Ve Pazarlama Ltd | No | Remains on scrutinized list |
| U2u Consult NV | Yes, December 29, 2016 | Removed from scrutinized list |
| Danske Bank | Yes, multiple dates | Remains on continued examination list |
| Dexia | Yes, November 17, 2016 | Removed from continued examination list |
| Aldi | No | Remains on continued examination list |
| ASN Bank NV | No | Remains on continued examination list |
| HEMA BV | No | Remains on continued examination list |
| Karsten Farms | No | Remains on continued examination list |

Section 3: Investments in Publicly Traded Companies Operating in Northern Ireland (Section 215.4702 F.S.)

Summary

The SBA is subject to s. 215.4702, Florida Statutes (F.S.) (“MacBride Principles”), which directs the SBA to notify publicly traded companies of support for the MacBride Principles, inquire regarding the actions a company has taken in support of or furtherance of the MacBride Principles, and encourage publicly traded companies with certain business operations in Northern Ireland to adopt the MacBride Principles. In addition, the SBA will also demonstrate support for the MacBride Principles through its proxy voting authority.

Requirements of the Law

As defined by the Northern Ireland statute, “publicly traded company” is defined as any business organization having equity securities listed on a national or an international exchange that is regulated by a national or an international regulatory authority. In addition, “operating” is defined as actively engaging in commerce geographically in Northern Ireland through the acquisition, development, maintenance, ownership, sale, possession, lease, or operation of equipment, facilities, personnel, products, services, or personal property.

Publishing and Reporting

In making the determination specified in subsection (2) of 215.4702, F.S., the State Board may, to the extent it deems appropriate, rely on available public information, including information provided by nonprofit organizations, research firms, international organizations, and government entities.

The SBA is encouraged to determine which publicly traded companies in which the Florida Retirement System Trust Fund is invested operate in Northern Ireland. If the State Board determines that a publicly traded company meets such criteria, it is encouraged to engage with the company and determine its support for the MacBride Principles. SBA staff annually reviews the list of companies that meet the definition of publicly traded companies operating in Northern Ireland, and periodically engages those firms.

Update on Investments in Publicly Traded Companies Operating in Northern Ireland.

Since the initial mailing of letters to listed companies identified in the SBA’s portfolio, staff has received written responses from 18% of engaged companies. Staff also periodically receives phone calls requesting clarification of information regarding the MacBride Principles. Staff will continue to track letter responses annually and demonstrate support for the MacBride Principles as identified in 215.4702 Florida Statutes.

Section 4: Companies Operating in Cuba or Syria (Section 215.471 F.S.)

Summary

The Free Cuba Act of 1993 was passed by the Florida Legislature in accordance with federal law. Chapter 215.471 of the Florida Statutes prohibits the SBA from investing in: (1)(a) any institution or company domiciled in the United States, or foreign subsidiary of a company domiciled in the United States, doing business in or with Cuba, or with agencies or instrumentalities thereof in violation of federal law; and (1)(b) any institution or company domiciled outside of the United States if the President of the United States has applied sanctions against the foreign country in which the institution or company is domiciled. Section (2)(a) states the SBA may not be a fiduciary with respect to voting on, and may not have the right to vote in favor of, any proxy resolution advocating expanded U.S. trade with Cuba or Syria.

Requirements of the Law

In order to comply with this law, the U.S. State Department and/or the Treasury Department's Office of Foreign Assets Control (OFAC) are contacted periodically to confirm that no sanctions have been implemented. Since the Act's inception, sanctions have never been issued against any country. During the fiscal year ending June 30, 2016, there were no shareowner proposals related to expanding trade with Cuba or Syria.

For more information, please contact:

State Board of Administration of Florida (SBA)
Investment Programs & Governance
1801 Hermitage Blvd., Suite 100
Tallahassee, FL 32308
www.sbafla.com

or send an email to:
governance@sbafla.com





**STATE BOARD OF ADMINISTRATION
OF FLORIDA**

**1801 HERMITAGE BOULEVARD
TALLAHASSEE, FLORIDA 32308
(850) 488-4406**

**POST OFFICE BOX 13300
32317-3300**

**RICK SCOTT
GOVERNOR
AS CHAIRMAN
JEFF ATWATER
CHIEF FINANCIAL OFFICER
PAM BONDI
ATTORNEY GENERAL
ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO**

March 14, 2017

Honorable Dan Raulerson
Alternating Chair
Joint Legislative Auditing Committee
300 House Office Building
402 South Monroe Street
Tallahassee, Florida 32399-1100

Honorable Debbie Mayfield
Alternating Chair
Joint Legislative Auditing Committee
324 Senate Office Building
404 South Monroe Street
Tallahassee, Florida 32399-1300

Dear Representative Raulerson and Senator Mayfield:

Pursuant to section 218.409(6)(a)1, Florida Statutes, the trustees of the State Board of Administration shall "provide quarterly a report to the Joint Legislative Auditing Committee that the trustees have reviewed and approved the monthly reports [Florida PRIME Management Summary] and actions taken, if any, to address any impacts."

Please be advised that the Trustees have reviewed the attached reports and authorized me to convey their action to you. During the period October 1, 2016 through December 31, 2016, there were no material impacts on the trust fund in question and, therefore, no associated actions or escalations.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink, reading "Ashbel C. Williams".

Ashbel C. Williams
Executive Director & CIO

ACW/kg
Attachments

cc: Honorable Tracy Davis
Honorable Randy Fine
Honorable Joe Gruters
Honorable Roy Hardemon
Honorable Cyndi Stevenson
Honorable Dennis Baxley
Honorable Audrey Gibson
Honorable Kathleen Passidomo
Honorable Perry Thurston
Ms. Kathy Dubose, Coordinator



MONTHLY SUMMARY REPORT

October 2016

State Board of Administration of Florida

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Past performance is no guarantee of future results.

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in Florida PRIME is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.

INTRODUCTION

This report is prepared for stakeholders in Florida PRIME in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

- (1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;
- (2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and
- (3) Preparation of the management summary “in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies.”

This report, which covers the period from October 1, 2016, through October 31, 2016, has been prepared by the SBA with input from Federated Investment Counseling (“Federated”), investment advisor for Florida PRIME in a format intended to comply with the statute.

DISCLOSURE OF MATERIAL IMPACTS

During the reporting period, Florida PRIME was in material compliance with investment policy. There were no developments that had a material impact on the liquidity or operation of Florida PRIME. Details are available in the PRIME policy compliance table. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.

PRIME™ STATISTICS

(As of October 31, 2016)

Total Participants
744

Florida PRIME™ Assets
\$6,555,016,526

Total Number of Accounts
1,435

FACTS-AT-A-GLANCE

Florida PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME, the Local Government Surplus Funds Trust Fund, is utilized by hundreds of governmental investors including state agencies, state universities and colleges, counties, cities, special districts, school boards, and other direct support organizations of the State of Florida.

Florida PRIME is a government investment pool that offers management by an industry leader in professional money management, conservative investment policies, an extensive governance framework, a Standard & Poor’s “AAAm” rating, full transparency, and best-in-class financial reporting.

PORTFOLIO MANAGER COMMENTARY

MARKET CONDITIONS

Turns out nothing in the financial sphere shut down, malfunctioned or blew up the morning of Oct. 14, the date which institutional prime and tax-free funds had to adopt a floating NAV. It helped that some firms went to the floating NAV ahead of the deadline, alleviating the pressure. But it was also due to the cash managers, and certainly we at Federated, working very hard to make the transition smooth for clients. Of course, this was not needed in the case of Florida PRIME, as local government investment pools (LGIPs) were exempt from the reforms. But it is still central to the Pool that the cash-management sector is still here and going strong despite the new SEC rules. While the cash-management industry underwent a seismic change in which \$1.1 trillion moved from prime and municipal (tax-free) funds into government funds, nearly all of that money remained in the money market space.

That is important for local government investment pools because the reduced demand for prime paper due to the migration from institutional prime to government funds have continued to force issuers to offer more enticing rates. That has greatly elevated and steepened the London interbank offered rate and widened spreads between prime and government funds because, in addition, the Treasury curve is low due to the heightened demand for Treasuries and government agencies. While we feel the spread in the marketplace will be too great for institutional investors to ignore, and that a good portion of money sitting in government products that legally can be invested in floating NAV products eventually will return to the prime space, we think that this will take some time. There likely will be an extended period of wide spreads for LGIPs, as the institutional investors and managers make their decisions after seeing how the floating NAV funds operate in the coming months. Florida Prime has certainly benefited from the elevated LIBOR and concomitant rise in the commercial paper curve, with another rise in gross yield, to 0.87%.

The other main factor for yields is that the Federal Reserve (Fed) seems ready to raise rates, especially with the recent rebound in U.S. gross domestic product (GDP) in the third quarter. That would be a boon to everyone in the money market sector. The Fed did not raise rates in November likely because of the proximity of that Federal Open Market Committee's meeting to the presidential election. It tries to be as apolitical as possible. But we think a hike will take place in its December meeting, probably moving the federal funds rate up by 25 basis points to a 00.50-00.75% range.

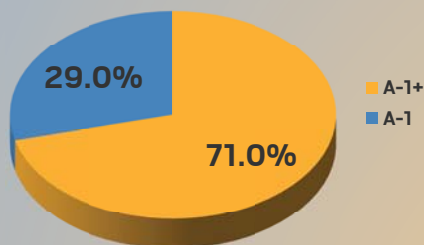
INVESTMENT STRATEGY

The composition of the Pool reflected the above developments, as securities that looked attractive during the month continued to be asset-backed commercial paper and variable-rate demand notes. We increased our allocation to variable-rate paper by 5% to 30% of total Pool holdings, with commercial paper still elevated, although decreasing 2% to become 42% of total holdings. We increased the percentage of repo by 4% to comprise 5% of holdings, funded by a drop in our money market fund portion from 10% to 1% of total. Lastly, our fixed-rate bank paper/instruments and remained at 22% of total.

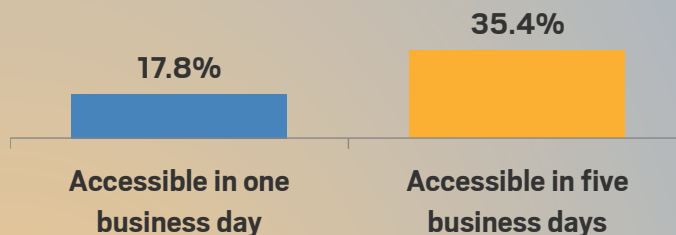
The Pool's gross yield was 0.87%, up from September, and its assets under management (AUM) decreased by \$400 million to \$7 billion. Concerning the latter, this is the end of the outflow season, and we will start to receive tax money inflows in November. The Pool's weighted average maturity (WAM) is solidly in our 40-50 day target range at 47 days, with Weighted Average Life (WAL) at 71. Compared to September, the change is in three days for WAM and out one day for WAL.

PORTFOLIO COMPOSITION FOR OCTOBER 2016

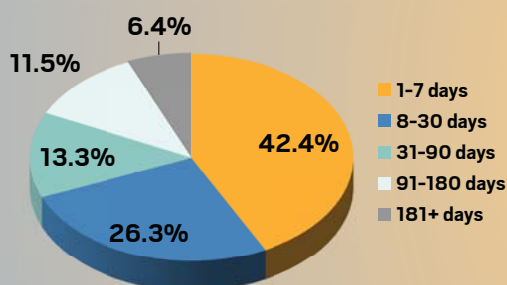
CREDIT QUALITY COMPOSITION



HIGHLY LIQUID HOLDINGS



EFFECTIVE MATURITY SCHEDULE



TOP HOLDINGS & AVG. MATURITY

| | |
|--|------|
| 1. Royal Bank of Canada | 5.1% |
| 2. Credit Suisse Group AG | 5.1% |
| 3. Wells Fargo & Co. | 5.1% |
| 4. Mitsubishi UFJ Financial Group, Inc. | 5.0% |
| 5. Svenska Handelsbanken, Stockholm | 5.0% |
| 6. DZ Bank AG Deutsche Zentral-Genossenschaftsbank | 4.9% |
| 7. Canadian Imperial Bank of Commerce | 4.3% |
| 8. Anglesea Funding LLC | 4.3% |
| 9. Toronto Dominion Bank | 4.2% |
| 10. Bank of Nova Scotia, Toronto | 4.2% |

Average Effective Maturity (WAM)

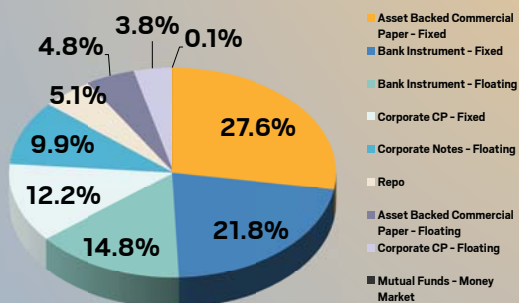
47.1 Days

Weighted Average Life (Spread WAM)

70.1 Days

Percentages based on total value of investments

PORTFOLIO COMPOSITION



FUND PERFORMANCE THROUGH OCTOBER 31, 2016

| Florida PRIME Performance Data | | | |
|--------------------------------|------------------------------------|-----------------------------------|----------------------------|
| | Net Participant Yield ¹ | Net-of-Fee Benchmark ² | Above (Below) Benchmark |
| One Month | 0.86% | 0.48% | 0.38% |
| Three Months | 0.79% | 0.45% | 0.34% |
| One Year | 0.59% | 0.33% | 0.26% |
| Three Years | 0.32% | 0.15% | 0.17% |
| Five Years | 0.29% | 0.12% | 0.17% |
| Ten Years | 1.10% | 0.97% | 0.13% |
| Since 1/96 | 2.68% | 2.47% | 0.21% |

Note: Net asset value at month end: \$6,556.8 million, which includes investments at market value, plus all cash, accrued interest receivable and payables.

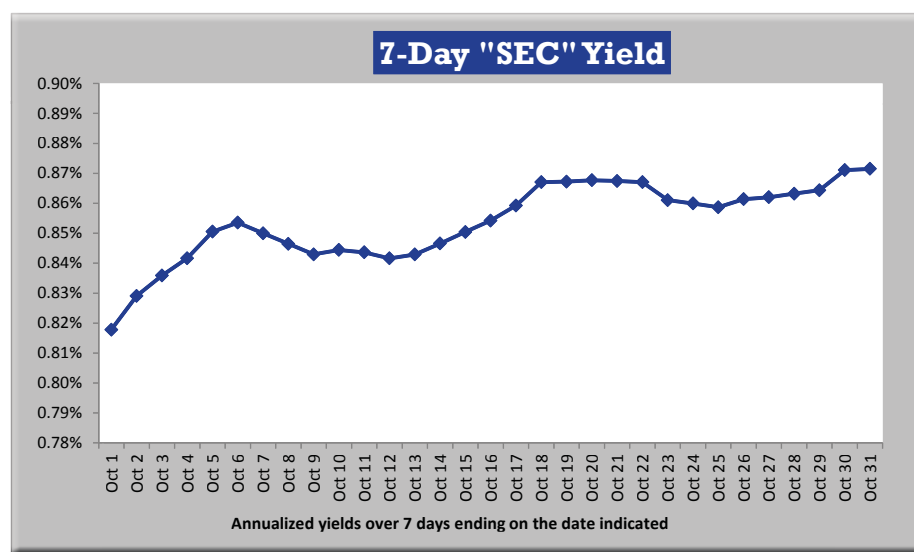
¹Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

²The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

ABOUT ANNUALIZED YIELDS:

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding, an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.



The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC Rule 2a-7 for money market funds.

The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365.

Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.

PRIME ACCOUNT SUMMARY FOR OCTOBER 2016

| Summary of Cash Flows | | |
|------------------------------|-----------|----------------------|
| Opening Balance (10/01/16) | \$ | 7,015,873,868 |
| Participant Deposits | | 919,002,146 |
| Gross Earnings | | 4,906,534 |
| Participant Withdrawals | | (1,384,766,022) |
| Fees | | (177,997) |
| Fee Holiday* | | 177,997 |
| Closing Balance (10/31/16) | \$ | 6,555,016,526 |
| Net Change over Month | \$ | (460,857,342) |

*Beginning January 1, 2016, all monthly pool expenses incurred are offset using proceeds from liquidity redemption fees charged to participants in 2008. The total amount of fees offset since January 2016 is \$1,412,511. The redemption reserve account balance at month end is \$844,731. Once the redemption fee reserve account is exhausted, pool charges will be reinstituted.

| Detailed Fee Disclosure*** | | |
|--|----------------------|-------------------------|
| October 2016 | Amount | Basis Point Equivalent* |
| SBA Client Service, Account Mgt. & Fiduciary Oversight Fee | \$ 57,045.06 | 1.01 |
| Federated Investment Management Fee | 99,856.77 | 1.77 |
| BNY Mellon Custodial Fee** | 7,493.99 | 0.13 |
| Bank of America Transfer Agent Fee | 5,615.80 | 0.10 |
| S&P Rating Maintenance Fee | 3,811.48 | 0.07 |
| Audit/External Review Fees | 4,173.73 | 0.07 |
| Total Fees | \$ 177,996.83 | 3.15 |

*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which was \$6,785,445,196.

**All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges may fluctuate month-to-month.

*** Beginning January 1, 2016, all monthly pool expenses incurred are offset using proceeds from liquidity redemption fees charged to participants in 2008. Once the redemption fee reserve account is exhausted, pool charges will be reinstituted.

INVENTORY OF HOLDINGS FOR OCTOBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|--|--------------------------------------|---------|------------|------------|-------------|---------------|----------------|---------------|----------------------|
| ASB Finance Ltd. CP4-2 | COMMERCIAL PAPER - 4-2 | | 11/9/2016 | | 95,000,000 | 0.88 | \$94,979,575 | \$94,990,619 | \$11,044 |
| ASB Finance Ltd. CP4-2 | COMMERCIAL PAPER - 4-2 | | 1/18/2017 | | 20,000,000 | 0.99 | \$19,957,428 | \$19,972,833 | \$15,405 |
| ASB Finance Ltd. CP4-2 | COMMERCIAL PAPER - 4-2 | | 2/1/2017 | | 34,000,000 | 1.15 | \$33,901,188 | \$33,940,713 | \$39,525 |
| ASB Finance Ltd., Apr 12, 2017 | VARIABLE RATE COMMERCIAL PAPER - 4-2 | 1.15 | 4/12/2017 | 11/14/2016 | 25,000,000 | 1.17 | \$25,000,000 | \$25,020,825 | \$20,825 |
| ASB Finance Ltd., Nov 30, 2016 | VARIABLE RATE COMMERCIAL PAPER - 4-2 | 0.89 | 11/30/2016 | 11/30/2016 | 50,000,000 | 0.91 | \$50,000,000 | \$50,016,450 | \$16,450 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/8/2016 | | 125,000,000 | 0.97 | \$124,973,611 | \$124,986,528 | \$12,916 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/17/2016 | | 45,000,000 | 0.99 | \$44,979,388 | \$44,988,674 | \$9,286 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/23/2016 | | 70,000,000 | 1.01 | \$69,955,725 | \$69,974,553 | \$18,828 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/12/2017 | | 50,000,000 | 1.02 | \$49,898,611 | \$49,913,414 | \$14,803 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/27/2017 | | 35,000,000 | 1.02 | \$34,914,444 | \$34,916,669 | \$2,224 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/1/2016 | | 11,100,000 | 0.44 | \$11,099,867 | \$11,100,000 | \$133 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/6/2016 | | 50,000,000 | 0.92 | \$49,955,000 | \$49,966,945 | \$11,945 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/14/2017 | | 70,000,000 | 1.33 | \$69,661,278 | \$69,747,337 | \$86,059 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/16/2017 | | 100,000,000 | 1.33 | \$99,508,889 | \$99,631,750 | \$122,861 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 4/6/2017 | | 50,000,000 | 1.28 | \$49,727,431 | \$49,774,017 | \$46,586 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/2/2016 | | 32,000,000 | 0.66 | \$31,998,844 | \$31,999,191 | \$347 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/3/2016 | | 45,000,000 | 0.46 | \$44,998,313 | \$44,998,275 | -\$37 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/4/2016 | | 43,910,000 | 0.66 | \$43,906,829 | \$43,907,731 | \$902 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/29/2016 | | 13,760,000 | 0.87 | \$13,750,578 | \$13,753,394 | \$2,815 |
| Atlantic Asset Securitization LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/1/2016 | | 150,000,000 | 0.34 | \$149,998,625 | \$149,998,125 | -\$500 |
| Australia & New Zealand Banking Group, Melbourne CP4-2 | COMMERCIAL PAPER - 4-2 | | 12/22/2016 | | 50,000,000 | 0.89 | \$49,937,167 | \$49,957,028 | \$19,861 |
| Australia & New Zealand Banking Group, Melbourne, Dec 20, 2016 | VARIABLE RATE COMMERCIAL PAPER - 4-2 | 0.89 | 12/20/2016 | 11/21/2016 | 25,000,000 | 0.90 | \$25,000,000 | \$25,010,850 | \$10,850 |
| BNP Paribas SA Dublin CP4-2 | COMMERCIAL PAPER - 4-2 | | 11/1/2016 | | 100,000,000 | 0.32 | \$99,999,139 | \$99,998,825 | -\$314 |
| Bank of America N.A. Triparty Repo Overnight Fixed | REPO TRIPARTY OVERNIGHT FIXED | 0.34 | 11/1/2016 | | 320,000,000 | 0.34 | \$320,000,000 | \$320,000,000 | \$0 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.25 | 7/20/2017 | | 25,000,000 | 1.27 | \$25,000,000 | \$25,027,816 | \$27,816 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.40 | 8/9/2017 | | 23,000,000 | 1.42 | \$23,000,000 | \$23,049,721 | \$49,721 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.90 | 12/13/2016 | | 7,500,000 | 0.88 | \$7,500,268 | \$7,502,993 | \$2,725 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR OCTOBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|--|---|---------|------------|------------|-------------|---------------|----------------|---------------|----------------------|
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.30 | 9/19/2017 | | 20,000,000 | 1.32 | \$20,000,000 | \$20,024,373 | \$24,373 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.20 | 9/29/2017 | | 25,000,000 | 1.22 | \$25,000,000 | \$25,006,349 | \$6,349 |
| Bank of Montreal, Mar 27, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.07 | 3/27/2017 | 11/28/2016 | 50,000,000 | 1.08 | \$50,000,000 | \$50,036,300 | \$36,300 |
| Bank of Nova Scotia, Toronto CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.60 | 6/27/2017 | | 100,000,000 | 1.62 | \$100,000,000 | \$100,007,010 | \$7,010 |
| Bank of Nova Scotia, Toronto CP4-2 | COMMERCIAL PAPER - 4-2 | | 2/23/2017 | | 25,000,000 | 1.23 | \$24,904,167 | \$24,923,972 | \$19,806 |
| Bank of Nova Scotia, Toronto, Mar 24, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.15 | 3/24/2017 | 11/25/2016 | 25,000,000 | 1.17 | \$25,000,000 | \$25,028,025 | \$28,025 |
| Bank of Nova Scotia, Toronto, Mar 28, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.06 | 3/28/2017 | 11/28/2016 | 75,000,000 | 1.08 | \$75,000,000 | \$75,000,000 | \$0 |
| Bank of Nova Scotia, Toronto, Nov 07, 2016 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 0.93 | 11/7/2016 | 11/7/2016 | 50,000,000 | 0.94 | \$50,000,000 | \$50,005,000 | \$5,000 |
| Bank of Tokyo-Mitsubishi Ltd. CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.66 | 11/15/2016 | | 85,000,000 | 0.67 | \$85,000,000 | \$85,005,651 | \$5,651 |
| Bank of Tokyo-Mitsubishi Ltd. CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.43 | 11/2/2016 | | 200,000,000 | 0.44 | \$200,000,000 | \$199,999,900 | -\$100 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/1/2016 | | 45,000,000 | 0.42 | \$44,999,488 | \$44,999,454 | -\$34 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/4/2016 | | 100,000,000 | 0.51 | \$99,994,444 | \$99,995,022 | \$578 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/7/2016 | | 15,000,000 | 0.51 | \$14,998,542 | \$14,998,658 | \$117 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/16/2016 | | 35,000,000 | 0.81 | \$34,964,222 | \$34,971,110 | \$6,887 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/13/2017 | | 25,000,000 | 1.05 | \$24,924,896 | \$24,927,813 | \$2,917 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/7/2017 | | 30,000,000 | 1.13 | \$29,883,583 | \$29,890,039 | \$6,456 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/10/2017 | | 50,000,000 | 1.07 | \$49,810,417 | \$49,810,959 | \$542 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/13/2017 | | 21,000,000 | 1.07 | \$20,918,538 | \$20,918,150 | -\$388 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/15/2017 | | 25,000,000 | 1.07 | \$24,901,563 | \$24,900,625 | -\$938 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/27/2017 | | 4,000,000 | 1.23 | \$3,980,400 | \$3,982,164 | \$1,764 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 7/3/2017 | | 27,000,000 | 1.30 | \$26,766,638 | \$26,752,305 | -\$14,333 |
| Bedford Row Funding Corp., Oct 06, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.29 | 10/6/2017 | 1/6/2017 | 73,000,000 | 1.31 | \$73,000,000 | \$73,037,741 | \$37,741 |
| CAFCO, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/1/2016 | | 15,000,000 | 0.91 | \$14,988,504 | \$14,992,185 | \$3,681 |
| CHARTA, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/27/2016 | | 40,000,000 | 0.94 | \$39,941,733 | \$39,957,693 | \$15,960 |
| CIESCO, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/13/2016 | | 47,000,000 | 0.90 | \$46,950,598 | \$46,962,443 | \$11,845 |
| CRC Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/19/2016 | | 25,000,000 | 0.92 | \$24,969,375 | \$24,978,358 | \$8,983 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR OCTOBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|--|---|---------|------------|------------|-------------|---------------|----------------|---------------|----------------------|
| CRC Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/10/2017 | | 25,000,000 | 1.23 | \$24,915,000 | \$24,941,067 | \$26,067 |
| California PCFA, (Pacific Gas & Electric Co.), (1997 Series B), 11/01/2026 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.52 | 11/1/2026 | 11/1/2016 | 11,700,000 | 0.54 | \$11,700,000 | \$11,700,000 | \$0 |
| California PCFA, (Sierra Pacific Industries), (Series 2014), 09/01/2044 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.87 | 9/1/2044 | 11/2/2016 | 30,000,000 | 0.87 | \$30,000,000 | \$30,000,000 | \$0 |
| Canadian Imperial Bank of Commerce CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.94 | 1/17/2017 | | 50,000,000 | 0.96 | \$50,000,000 | \$50,030,955 | \$30,955 |
| Canadian Imperial Bank of Commerce CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.20 | 2/17/2017 | | 45,000,000 | 1.22 | \$45,000,000 | \$45,069,794 | \$69,794 |
| Canadian Imperial Bank of Commerce CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.87 | 11/18/2016 | | 25,000,000 | 0.88 | \$25,000,000 | \$25,005,126 | \$5,126 |
| Canadian Imperial Bank of Commerce CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.94 | 11/28/2016 | | 24,000,000 | 0.96 | \$24,000,000 | \$24,008,152 | \$8,152 |
| Canadian Imperial Bank of Commerce CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.95 | 11/28/2016 | | 25,000,000 | 0.97 | \$25,000,000 | \$25,008,686 | \$8,686 |
| Canadian Imperial Bank of Commerce, Apr 17, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.02 | 4/17/2017 | 11/17/2016 | 100,000,000 | 1.04 | \$100,000,000 | \$100,011,600 | \$11,600 |
| Commonwealth Bank of Aust, 01/27/2017 | VARIABLE RATE COMMERCIAL PAPER - 4-2 | 1.21 | 1/27/2017 | 1/2/2017 | 32,200,000 | 1.23 | \$32,202,973 | \$32,240,701 | \$37,728 |
| Connecticut State HFA, (2008 Series E), 05/15/2036 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.59 | 5/15/2036 | 11/3/2016 | 25,200,000 | 0.66 | \$25,200,000 | \$25,200,000 | \$0 |
| Credit Suisse, Zurich CP | COMMERCIAL PAPER | | 12/9/2016 | | 10,000,000 | 0.99 | \$9,989,492 | \$9,993,966 | \$4,474 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.90 | 11/18/2016 | | 29,000,000 | 0.86 | \$29,000,715 | \$29,003,752 | \$3,036 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.92 | 11/28/2016 | | 125,000,000 | 0.94 | \$125,000,000 | \$125,020,579 | \$20,579 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.24 | 4/6/2017 | | 85,000,000 | 1.26 | \$85,000,000 | \$85,029,419 | \$29,419 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.21 | 4/24/2017 | | 10,000,000 | 1.23 | \$10,000,000 | \$10,001,292 | \$1,292 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.21 | 4/25/2017 | | 75,000,000 | 1.23 | \$75,000,000 | \$75,009,027 | \$9,027 |
| Dreyfus Government Cash Management Fund | OVERNIGHT MUTUAL FUND | 0.28 | 11/1/2016 | 10/5/2016 | 7,548,920 | 0.28 | \$7,548,920 | \$7,548,920 | \$0 |
| Exxon Mobil Corp. CP | COMMERCIAL PAPER | | 11/7/2016 | | 100,000,000 | 0.35 | \$99,993,389 | \$99,993,797 | \$408 |
| Fairway Finance Co. LLC, Dec 09, 2016 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 0.89 | 12/9/2016 | 11/9/2016 | 50,000,000 | 0.89 | \$50,000,000 | \$50,000,000 | \$0 |
| Fairway Finance Co. LLC, Nov 03, 2016 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 0.88 | 11/3/2016 | 11/3/2016 | 50,000,000 | 0.89 | \$50,000,000 | \$50,000,000 | \$0 |
| Fairway Finance Co. LLC, Nov 14, 2016 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 0.88 | 11/14/2016 | 11/14/2016 | 25,000,000 | 0.89 | \$25,000,000 | \$25,000,000 | \$0 |
| Fiore Capital LLC, Series 2005-A, Aug 01, 2045 | VARIABLE RATE DEMAND NOTE | 0.76 | 8/1/2045 | 11/3/2016 | 37,980,000 | 0.76 | \$37,980,000 | \$37,980,000 | \$0 |
| Gotham Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/9/2016 | | 42,000,000 | 0.76 | \$41,965,875 | \$41,970,516 | \$4,641 |
| Gulf Gate Apartments LLC, Series 2003, Sep 01, 2028 | VARIABLE RATE DEMAND NOTE | 0.85 | 9/1/2028 | 11/3/2016 | 7,550,000 | 0.85 | \$7,550,000 | \$7,550,000 | \$0 |
| HSBC Bank USA, N.A., Feb 02, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.10 | 2/2/2017 | 11/2/2016 | 100,000,000 | 1.11 | \$100,000,000 | \$100,000,000 | \$0 |
| Illinois Finance Authority, (Erikson Institute), (Series 2007), 11/01/2037 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.68 | 11/1/2037 | 11/3/2016 | 14,380,000 | 0.68 | \$14,380,000 | \$14,380,000 | \$0 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR OCTOBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|--|---|---------|-----------|------------|-------------|---------------|----------------|---------------|----------------------|
| Indiana State Finance Authority, (Trinity Healthcare Credit Group), (Series 2008D-1), 12/01/2034 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.54 | 12/1/2034 | 11/3/2016 | 16,000,000 | 0.58 | \$16,000,000 | \$16,000,000 | \$0 |
| Iowa Finance Authority, (Trinity Healthcare Credit Group), (Series 2000D), 12/01/2030 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.66 | 12/1/2030 | 11/3/2016 | 15,150,000 | 0.66 | \$15,150,000 | \$15,150,000 | \$0 |
| Irvine, CA Assessment District No. 04-20, (Series A), 09/02/2050 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.67 | 9/2/2050 | 11/2/2016 | 21,375,000 | 0.67 | \$21,375,000 | \$21,375,000 | \$0 |
| J.P. Morgan Securities LLC, Dec 02, 2016 | VARIABLE RATE COMMERCIAL PAPER | 0.99 | 12/2/2016 | 11/2/2016 | 75,000,000 | 1.00 | \$75,000,000 | \$75,032,325 | \$32,325 |
| J.P. Morgan Securities LLC, Feb 24, 2017 | VARIABLE RATE COMMERCIAL PAPER | 1.15 | 2/24/2017 | 11/25/2016 | 40,000,000 | 1.16 | \$40,000,000 | \$40,000,000 | \$0 |
| Kaiser Foundation Hospital CP | COMMERCIAL PAPER | | 11/1/2016 | | 100,000,000 | 0.49 | \$99,998,667 | \$99,997,208 | -\$1,459 |
| LMA-Americas LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/2/2016 | | 90,000,000 | 0.49 | \$89,997,600 | \$89,997,725 | \$125 |
| Malayan Banking Berhad, New York CPLOC | COMMERCIAL PAPER - LOC | | 4/17/2017 | | 49,000,000 | 1.33 | \$48,702,733 | \$48,729,259 | \$26,525 |
| Metropolitan Washington, DC Airports Authority, (Series 2011A-2), 10/01/2021 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.74 | 10/1/2021 | 11/3/2016 | 11,960,000 | 0.74 | \$11,960,000 | \$11,960,000 | \$0 |
| Mizuho Securities USA, Inc. - REPO TRIPARTY OVERNIGHT FIXED | REPO TRIPARTY OVERNIGHT FIXED | 0.34 | 11/1/2016 | | 15,000,000 | 0.34 | \$15,000,000 | \$15,000,000 | \$0 |
| Montgomery County, OH, (Cambridge Commons Apartments), (Series 2006A), 05/01/2038 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.70 | 5/1/2038 | 11/3/2016 | 7,920,000 | 0.70 | \$7,920,000 | \$7,920,000 | \$0 |
| NRW Bank CP4-2 | COMMERCIAL PAPER - 4-2 | | 12/5/2016 | | 100,000,000 | 0.72 | \$99,930,972 | \$99,936,903 | \$5,931 |
| New York State Local Government Assistance Corp., (Subordinate Series 2008B-3V), 04/01/2024 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.78 | 4/1/2024 | 11/2/2016 | 24,120,000 | 0.78 | \$24,120,000 | \$24,120,000 | \$0 |
| Oglethorpe Power Corp. Scherer Project, (Oglethorpe Power Corp.), (Series 2009B), 01/01/2036 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.75 | 1/1/2036 | 11/2/2016 | 26,600,000 | 0.75 | \$26,600,000 | \$26,600,000 | \$0 |
| Old Line Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/21/2017 | | 35,000,000 | 1.22 | \$34,869,265 | \$34,889,480 | \$20,215 |
| Old Line Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 6/23/2017 | | 25,000,000 | 1.23 | \$24,804,167 | \$24,782,462 | -\$21,705 |
| Old Line Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 7/14/2017 | | 44,100,000 | 1.28 | \$43,708,000 | \$43,671,309 | -\$36,691 |
| Old Line Funding, LLC, Feb 07, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.09 | 2/7/2017 | 11/7/2016 | 25,000,000 | 1.10 | \$25,000,000 | \$25,022,250 | \$22,250 |
| Old Line Funding, LLC, May 01, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.02 | 5/1/2017 | 11/1/2016 | 14,000,000 | 1.03 | \$14,000,000 | \$13,996,416 | -\$3,584 |
| Orthopaedic Hospital of Wisconsin LLC, Series 09-A, Mar 01, 2039 | VARIABLE RATE DEMAND NOTE | 1.05 | 3/1/2039 | 11/3/2016 | 9,920,000 | 1.05 | \$9,920,000 | \$9,920,000 | \$0 |
| Philadelphia, PA School District, (Series C of 2016), 09/01/2030 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.56 | 9/1/2030 | 11/3/2016 | 72,300,000 | 0.65 | \$72,300,000 | \$72,300,000 | \$0 |
| Pittsburgh, PA Water & Sewer Authority, (Series B-1 of 2008), 09/01/2039 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.66 | 9/1/2039 | 11/3/2016 | 15,000,000 | 0.66 | \$15,000,000 | \$15,000,000 | \$0 |
| Royal Bank of Canada, Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.88 | 12/8/2016 | | 25,000,000 | 0.89 | \$25,000,000 | \$25,008,801 | \$8,801 |
| Royal Bank of Canada, Montreal, Feb 02, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.23 | 2/2/2017 | 11/2/2016 | 45,000,000 | 1.12 | \$45,000,000 | \$45,056,610 | \$56,610 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR OCTOBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|--|---|---------|------------|------------|-------------|---------------|----------------|---------------|----------------------|
| Sabri Arac, The Quarry Lane School Series 2005, Oct 01, 2035 | VARIABLE RATE DEMAND NOTE | 0.85 | 10/1/2035 | 11/3/2016 | 13,040,000 | 0.85 | \$13,040,000 | \$13,040,000 | \$0 |
| Standard Chartered Bank plc CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.69 | 11/18/2016 | | 2,000,000 | 0.70 | \$2,000,000 | \$2,000,216 | \$216 |
| Standard Chartered Bank plc CP4-2 | COMMERCIAL PAPER - 4-2 | | 11/14/2016 | | 7,500,000 | 0.70 | \$7,497,988 | \$7,498,594 | \$607 |
| Standard Chartered Bank plc CP4-2 | COMMERCIAL PAPER - 4-2 | | 11/15/2016 | | 50,000,000 | 0.71 | \$49,985,417 | \$49,989,896 | \$4,479 |
| Starbird Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/1/2016 | | 40,000,000 | 0.46 | \$39,999,500 | \$39,999,500 | \$0 |
| Starbird Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 11/4/2016 | | 40,000,000 | 0.97 | \$39,995,778 | \$39,997,933 | \$2,155 |
| Starbird Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/10/2017 | | 50,000,000 | 1.02 | \$49,901,389 | \$49,917,364 | \$15,975 |
| State Street Bank and Trust Co., Dec 13, 2016 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 0.88 | 12/13/2016 | 11/14/2016 | 25,000,000 | 0.89 | \$25,000,000 | \$25,009,925 | \$9,925 |
| State Street Bank and Trust Co., Jan 11, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 0.98 | 1/11/2017 | 11/14/2016 | 50,000,000 | 0.99 | \$50,000,000 | \$50,031,950 | \$31,950 |
| State Street Bank and Trust Co., Jan 25, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.08 | 1/25/2017 | 11/25/2016 | 100,000,000 | 1.10 | \$100,000,000 | \$100,087,500 | \$87,500 |
| State Street Bank and Trust Co., Nov 10, 2016 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 0.89 | 11/10/2016 | 11/10/2016 | 50,000,000 | 0.89 | \$50,000,000 | \$50,006,350 | \$6,350 |
| Svenska Handelsbanken, Stockholm CP4-2 | COMMERCIAL PAPER - 4-2 | | 11/18/2016 | | 25,000,000 | 0.87 | \$24,989,375 | \$24,994,225 | \$4,850 |
| Svenska Handelsbanken, Stockholm TDCAY | TIME DEPOSIT - CAYMAN | 0.30 | 11/1/2016 | | 300,000,000 | 0.31 | \$300,000,000 | \$300,000,000 | \$0 |
| Thunder Bay Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 7/20/2017 | | 25,000,000 | 1.33 | \$24,763,472 | \$24,744,004 | -\$19,468 |
| Thunder Bay Funding, LLC, Feb 22, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.12 | 2/22/2017 | 11/22/2016 | 75,000,000 | 1.14 | \$75,000,000 | \$75,072,075 | \$72,075 |
| Toronto Dominion Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.00 | 11/10/2016 | | 15,000,000 | 1.01 | \$15,000,000 | \$15,002,315 | \$2,315 |
| Toronto Dominion Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.25 | 7/24/2017 | | 20,000,000 | 1.27 | \$20,000,000 | \$20,019,797 | \$19,797 |
| Toronto Dominion Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.40 | 9/8/2017 | | 40,000,000 | 1.42 | \$40,000,000 | \$40,077,072 | \$77,072 |
| Toronto Dominion Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.25 | 10/20/2017 | | 25,000,000 | 1.27 | \$25,000,000 | \$25,005,716 | \$5,716 |
| Toronto Dominion Bank, Apr 19, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.04 | 4/19/2017 | 11/21/2016 | 25,000,000 | 1.05 | \$25,000,000 | \$25,003,775 | \$3,775 |
| Toronto Dominion Bank, Aug 10, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.38 | 8/10/2017 | 11/10/2016 | 25,000,000 | 1.40 | \$25,000,000 | \$25,042,475 | \$42,475 |
| Toronto Dominion Bank, Mar 14, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.21 | 3/14/2017 | 12/14/2016 | 50,000,000 | 1.22 | \$50,000,000 | \$50,066,200 | \$66,200 |
| Toronto Dominion Bank, May 04, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 0.88 | 5/4/2017 | 11/4/2016 | 25,000,000 | 0.78 | \$25,000,000 | \$25,008,782 | \$8,782 |
| Toronto Dominion Bank, Nov 04, 2016 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 0.88 | 11/4/2016 | 11/4/2016 | 10,000,000 | 0.89 | \$10,000,000 | \$10,000,540 | \$540 |
| Toronto Dominion Bank, Oct 16, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.38 | 10/16/2017 | 1/16/2017 | 25,000,000 | 1.40 | \$25,000,000 | \$25,032,200 | \$32,200 |
| Toronto Dominion Bank, Sep 06, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.34 | 9/6/2017 | 12/6/2016 | 15,000,000 | 1.35 | \$15,000,000 | \$15,000,000 | \$0 |
| Unilever Capital Corp. CP4-2 | COMMERCIAL PAPER - 4-2 | | 11/1/2016 | | 32,000,000 | 0.33 | \$31,999,716 | \$31,999,707 | -\$9 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR OCTOBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|---|--------------------------------------|---------|------------|------------|---------------|---------------|-----------------|-----------------|----------------------|
| University of Illinois, Series 2014C, Apr 01, 2044 | VARIABLE RATE DEMAND NOTE | 0.65 | 4/1/2044 | 11/3/2016 | 8,015,000 | 0.65 | \$8,015,000 | \$8,015,000 | \$0 |
| Valdez, AK Marine Terminal, (Exxon Mobil Corp.), (Series 2001), 12/01/2029 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.45 | 12/1/2029 | 11/1/2016 | 25,000,000 | 0.45 | \$25,000,000 | \$25,000,000 | \$0 |
| Washington State Economic Development Finance Authority, (CleanScapes, Inc.), (Series 2009), 02/12/2019 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.69 | 2/12/2019 | 11/2/2016 | 26,450,000 | 0.69 | \$26,450,000 | \$26,450,000 | \$0 |
| Wells Fargo Bank, N.A. CD | CERTIFICATE OF DEPOSIT | 1.30 | 10/20/2017 | | 20,000,000 | 1.32 | \$20,000,000 | \$20,003,591 | \$3,591 |
| Wells Fargo Bank, N.A., Nov 18, 2016 | VARIABLE RATE BANK NOTE | 1.03 | 11/18/2016 | 11/18/2016 | 100,000,000 | 1.04 | \$100,000,000 | \$100,001,200 | \$1,200 |
| Wells Fargo Bank, N.A., Nov 21, 2016 | VARIABLE MEDIUM TERM NOTE | 1.06 | 11/21/2016 | 11/21/2016 | 50,000,000 | 1.07 | \$50,000,000 | \$50,005,700 | \$5,700 |
| Wells Fargo Bank, N.A., Oct 12, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.30 | 10/12/2017 | 11/12/2017 | 25,000,000 | 1.32 | \$25,000,000 | \$25,022,900 | \$22,900 |
| Westpac Banking Corp. Ltd, Series YCD, 02/06/2017 | CORPORATE BOND | 1.24 | 2/6/2017 | 11/7/2016 | 180,500,000 | 1.13 | \$180,519,958 | \$180,733,387 | \$213,429 |
| <i>Total Value of Assets</i> | | | | | 6,555,778,920 | | \$6,551,439,662 | \$6,553,299,554 | \$1,859,893 |

Notes: The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

¹ Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

² Amortized cost is calculated using a straight line method.

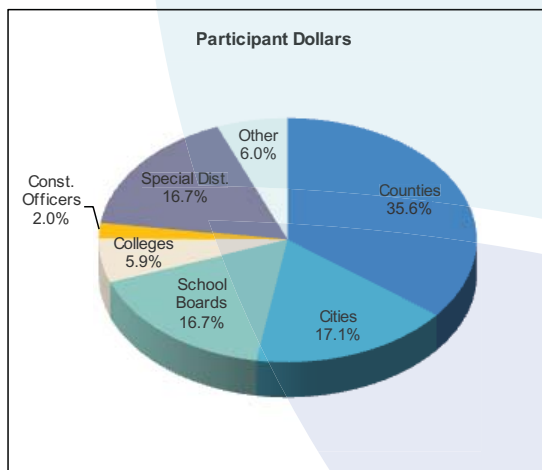
September 30, 2016 Financial Statement Disclosures now available.

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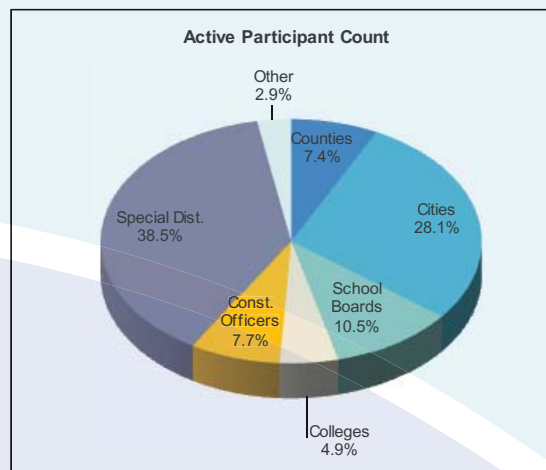
PLEASE CONTACT US IF YOU HAVE ANY QUESTIONS / (850) 488-7311
BETWEEN 7:30 a.m. and 4:30 p.m. ET, Monday through Friday.

PARTICIPANT CONCENTRATION DATA - AS OF OCTOBER 2016

| Participant Balance | Share of Total Fund | Share of Participant Count | Participant Balance | Share of Total Fund | Share of Participant Count |
|----------------------------------|---------------------|----------------------------|------------------------------------|---------------------|----------------------------|
| All Participants | 100.0% | 100.0% | Colleges & Universities | 5.9% | 4.9% |
| Top 10 | 38.6% | 1.4% | Top 10 | 5.3% | 1.4% |
| \$100 million or more | 43.7% | 1.8% | \$100 million or more | 2.6% | 0.1% |
| \$10 million up to \$100 million | 45.8% | 12.7% | \$10 million up to \$100 million | 2.4% | 0.8% |
| \$1 million up to \$10 million | 9.5% | 22.1% | \$1 million up to \$10 million | 0.9% | 1.6% |
| Under \$1 million | 1.0% | 63.4% | Under \$1 million | 0.03% | 2.3% |
| Counties | 35.6% | 7.4% | Constitutional Officers | 2.0% | 7.7% |
| Top 10 | 28.7% | 1.4% | Top 10 | 1.0% | 1.4% |
| \$100 million or more | 26.0% | 1.1% | \$100 million or more | 0.0% | 0.0% |
| \$10 million up to \$100 million | 9.0% | 1.9% | \$10 million up to \$100 million | 0.9% | 0.4% |
| \$1 million up to \$10 million | 0.4% | 1.2% | \$1 million up to \$10 million | 1.1% | 2.2% |
| Under \$1 million | 0.1% | 3.2% | Under \$1 million | 0.1% | 5.1% |
| Municipalities | 17.1% | 28.1% | Special Districts | 16.7% | 38.5% |
| Top 10 | 8.8% | 1.4% | Top 10 | 11.6% | 1.4% |
| \$100 million or more | 1.6% | 0.1% | \$100 million or more | 4.8% | 0.1% |
| \$10 million up to \$100 million | 12.1% | 3.8% | \$10 million up to \$100 million | 9.3% | 2.6% |
| \$1 million up to \$10 million | 3.1% | 7.4% | \$1 million up to \$10 million | 2.2% | 5.9% |
| Under \$1 million | 0.3% | 16.7% | Under \$1 million | 0.4% | 29.9% |
| School Boards | 16.7% | 10.5% | Other | 6.0% | 2.9% |
| Top 10 | 13.7% | 1.4% | Top 10 | 5.4% | 1.4% |
| \$100 million or more | 8.7% | 0.3% | \$100 million or more | 0.0% | 0.0% |
| \$10 million up to \$100 million | 6.5% | 2.1% | \$10 million up to \$100 million | 5.5% | 1.1% |
| \$1 million up to \$10 million | 1.4% | 2.7% | \$1 million up to \$10 million | 0.5% | 1.0% |
| Under \$1 million | 0.1% | 5.5% | Under \$1 million | 0.0% | 0.8% |



Total Fund Value: \$6,555,016,526



Total Active Participant Count: 730

Note: Active accounts include only those participant accounts valued above zero.

COMPLIANCE WITH INVESTMENT POLICY FOR OCTOBER 2016

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG meets monthly and on an ad hoc basis to review compliance exceptions, to document responses to exceptions, and to formally escalate recommendations for approval by the Executive Director & CIO. The IOG also reviews the Federated compliance report each month, as well as the results of independent compliance testing conducted by SBA Risk Management and Compliance. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, the SBA conducts independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as "High" or "Low" with respect to the level of risk associated with a potential guideline breach. IPS parameters with risk rankings of "High" are subject to independent verification by SBA Risk Management and Compliance. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in "Fail" status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

| Test by Source | Pass/Fail |
|---|-----------|
| <u>Florida PRIME's Investment Policy</u> | |
| Securities must be USD denominated. | Pass |
| <u>Ratings requirements</u> | |
| The Florida PRIME investment portfolio must purchase exclusively first-tier securities. Securities purchased with short-term ratings by an NRSRO, or comparable in quality and security to other obligations of the issuer that have received short-term ratings from an NRSRO, are eligible if they are in one of the two highest rating categories. | Pass |
| Securities purchased that do not have short-term ratings must have a long-term rating in one of the three highest long-term rating categories. | Pass |
| Commercial Paper must be rated by at least one short-term NRSRO. | Pass |
| Repurchase Agreement Counterparties must be rated by S&P | Pass |
| S&P Weighted Average Life - maximum 90 days ¹ | Pass |
| <u>Maturity</u> | |
| Securities, excluding Government floating rate notes/variable rate notes, purchased did not have a maturity in excess of 397 days. | Pass |
| Government floating rate notes/variable rate notes purchased did not have a maturity in excess of 762 days. | Pass |
| The Florida PRIME investment portfolio must maintain a Spread WAM of 120 days or less. | Pass |
| <u>Issuer Diversification</u> | |
| First-tier issuers (limit does not apply to cash, cash items, U.S. Government securities refunded securities and repo collateralized by these securities) are limited, at the time of purchase, to 5% of the Florida PRIME investment portfolio's total assets. ² | Pass |
| <u>Demand Feature and Guarantor Diversification</u> | |
| First-tier securities issued by or subject to demand features and guarantees of a non-controlled person, at time of purchase, are limited to 10% with respect to 75% of the Florida PRIME investment portfolio's total assets. | Pass |
| First-tier securities issued by or subject to demand features and guarantees of a control person, at time of purchase, are limited to 10% with respect to the Florida PRIME investment portfolio's total assets. | Pass |
| <u>Money Market Mutual Funds</u> | |
| The account, at time of purchase, will not have exposure to any one Money Market Mutual Fund in excess of 10% of the Florida PRIME investment portfolio's total assets. | Pass |
| <u>Concentration Tests</u> | |
| The account, at time of purchase, will not have exposure to an industry sector, excluding the financial services industry, in excess of 25% of the Florida PRIME investment portfolio's total assets. | Pass |
| The account, at time of purchase, will not have exposure to any single Government Agency in excess of 33.33% of the Florida PRIME investment portfolio's total assets. | Pass |
| The account, at time of purchase, will not have exposure to illiquid securities in excess of 5% of the Florida PRIME investment portfolio's total assets. | Pass |
| The account, at time of purchase, will invest at least 10% of the Florida PRIME investment portfolio's total assets in securities accessible within one business day. | Pass |
| The account, at time of purchase, will invest at least 30% of the Florida PRIME investment portfolio's total assets in securities accessible within five business days. ³ | Pass |
| <u>S&P Requirements</u> | |
| The Florida PRIME investment portfolio must maintain a Dollar Weighted Average Maturity of 60 days or less. | Pass |
| The account, at time of purchase, will invest at least 50% of the Florida PRIME investment portfolio's total assets in Securities in Highest Rating Category (A-1+ or equivalent). | Pass |

¹ The fund may use floating rate government securities to extend the limit up to 120 days

² This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to liquidate positions if the exposure in excess of the specified percentage is caused by account movements.

³ This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to take immediate corrective measures if asset movements cause the exposure to be below the specified percentage.

TRADING ACTIVITY FOR OCTOBER 2016

| Description | Maturity | Trade | Settle | Par or | Principal | Traded | Settlement | Realized |
|----------------------------|----------|----------|----------|------------|------------|----------|------------|------------|
| | Date | Date | Date | Shares | | Interest | Amount | Gain(Loss) |
| <i>Buys</i> | | | | | | | | |
| ALPINE SECURITIZATCPAB54 | 10/19/16 | 10/14/16 | 10/14/16 | 36,000,000 | 35,997,500 | 0 | 35,997,500 | 0 |
| ALPINE SECURITIZATCPAB54 | 01/12/17 | 10/05/16 | 10/05/16 | 50,000,000 | 49,862,500 | 0 | 49,862,500 | 0 |
| ALPINE SECURITIZATCPAB54 | 01/27/17 | 10/19/16 | 10/19/16 | 35,000,000 | 34,902,778 | 0 | 34,902,778 | 0 |
| ANGLESEA FUNDING LLC PAB54 | 10/05/16 | 10/04/16 | 10/04/16 | 46,000,000 | 45,999,361 | 0 | 45,999,361 | 0 |
| ANGLESEA FUNDING LLC PAB54 | 10/07/16 | 10/06/16 | 10/06/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ANGLESEA FUNDING LLC PAB54 | 10/07/16 | 10/06/16 | 10/06/16 | 20,000,000 | 19,999,750 | 0 | 19,999,750 | 0 |
| ANGLESEA FUNDING LLC PAB54 | 11/01/16 | 10/31/16 | 10/31/16 | 11,100,000 | 11,099,867 | 0 | 11,099,867 | 0 |
| ANTALIS S.A, CPAB54CPAB54 | 10/13/16 | 10/06/16 | 10/06/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| ANTALIS S.A, CPAB54CPAB54 | 10/13/16 | 10/06/16 | 10/06/16 | 37,500,000 | 37,496,719 | 0 | 37,496,719 | 0 |
| ANTALIS S.A, CPAB54CPAB54 | 10/14/16 | 10/11/16 | 10/11/16 | 41,000,000 | 40,998,463 | 0 | 40,998,463 | 0 |
| ANTALIS S.A, CPAB54CPAB54 | 10/18/16 | 10/11/16 | 10/11/16 | 26,150,000 | 26,147,712 | 0 | 26,147,712 | 0 |
| ANTALIS S.A, CPAB54CPAB54 | 10/20/16 | 10/13/16 | 10/13/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| ANTALIS S.A, CPAB54CPAB54 | 10/25/16 | 10/18/16 | 10/18/16 | 32,470,000 | 32,467,159 | 0 | 32,467,159 | 0 |
| ANTALIS S.A, CPAB54CPAB54 | 10/27/16 | 10/20/16 | 10/20/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| ANTALIS S.A, CPAB54CPAB54 | 11/02/16 | 10/03/16 | 10/03/16 | 32,000,000 | 31,982,667 | 0 | 31,982,667 | 0 |
| ANTALIS S.A, CPAB54CPAB54 | 11/03/16 | 10/27/16 | 10/27/16 | 45,000,000 | 44,996,063 | 0 | 44,996,063 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/07/16 | 10/06/16 | 10/06/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/07/16 | 10/06/16 | 10/06/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/07/16 | 10/06/16 | 10/06/16 | 10,000,000 | 9,999,875 | 0 | 9,999,875 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/13/16 | 10/12/16 | 10/12/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/13/16 | 10/12/16 | 10/12/16 | 11,435,000 | 11,434,863 | 0 | 11,434,863 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/13/16 | 10/12/16 | 10/12/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/14/16 | 10/13/16 | 10/13/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/14/16 | 10/13/16 | 10/13/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/14/16 | 10/13/16 | 10/13/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/14/16 | 10/13/16 | 10/13/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/17/16 | 10/14/16 | 10/14/16 | 50,000,000 | 49,998,208 | 0 | 49,998,208 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/17/16 | 10/14/16 | 10/14/16 | 50,000,000 | 49,998,208 | 0 | 49,998,208 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/17/16 | 10/14/16 | 10/14/16 | 50,000,000 | 49,998,208 | 0 | 49,998,208 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/17/16 | 10/14/16 | 10/14/16 | 50,000,000 | 49,998,208 | 0 | 49,998,208 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/18/16 | 10/17/16 | 10/17/16 | 8,000,000 | 7,999,900 | 0 | 7,999,900 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/18/16 | 10/17/16 | 10/17/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/18/16 | 10/17/16 | 10/17/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/18/16 | 10/17/16 | 10/17/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/18/16 | 10/17/16 | 10/17/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/19/16 | 10/18/16 | 10/18/16 | 50,000,000 | 49,999,306 | 0 | 49,999,306 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/19/16 | 10/18/16 | 10/18/16 | 50,000,000 | 49,999,306 | 0 | 49,999,306 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/19/16 | 10/18/16 | 10/18/16 | 50,000,000 | 49,999,306 | 0 | 49,999,306 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/19/16 | 10/18/16 | 10/18/16 | 47,073,000 | 47,072,346 | 0 | 47,072,346 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,417 | 0 | 49,999,417 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,417 | 0 | 49,999,417 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,417 | 0 | 49,999,417 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,417 | 0 | 49,999,417 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 11/01/16 | 10/31/16 | 10/31/16 | 50,000,000 | 49,999,542 | 0 | 49,999,542 | 0 |
| ATLANTIC ASSET SECUCPAB54 | 11/01/16 | 10/31/16 | 10/31/16 | 50,000,000 | 49,999,542 | 0 | 49,999,542 | 0 |

TRADING ACTIVITY FOR OCTOBER 2016

| Description | Maturity | Trade | Settle | Par or | Principal | Traded | Settlement | Realized |
|---|----------|----------|----------|------------|------------|----------|------------|------------|
| | Date | Date | Date | Shares | | Interest | Amount | Gain(Loss) |
| ATLANTIC ASSET SECUCPABS4 | 11/01/16 | 10/31/16 | 10/31/16 | 50,000,000 | 49,999,542 | 0 | 49,999,542 | 0 |
| BANK OF MONTREAL (CCDYAN | 10/12/16 | 10/05/16 | 10/05/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 10/12/16 | 10/05/16 | 10/05/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 10/18/16 | 10/11/16 | 10/11/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 10/18/16 | 10/11/16 | 10/11/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 10/25/16 | 10/18/16 | 10/18/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 10/25/16 | 10/18/16 | 10/18/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 10/25/16 | 10/18/16 | 10/18/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 10/25/16 | 10/18/16 | 10/18/16 | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 10/11/16 | 10/04/16 | 10/04/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 10/11/16 | 10/04/16 | 10/04/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 11/02/16 | 10/26/16 | 10/26/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 11/02/16 | 10/26/16 | 10/26/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 11/02/16 | 10/26/16 | 10/26/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BARTON CAPITAL LLCCPABS4- | 10/12/16 | 10/11/16 | 10/11/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BARTON CAPITAL LLCCPABS4- | 10/19/16 | 10/12/16 | 10/12/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| BARTON CAPITAL LLCCPABS4- | 10/19/16 | 10/18/16 | 10/18/16 | 50,000,000 | 49,999,306 | 0 | 49,999,306 | 0 |
| BARTON CAPITAL LLCCPABS4- | 10/19/16 | 10/18/16 | 10/18/16 | 50,000,000 | 49,999,306 | 0 | 49,999,306 | 0 |
| BARTON CAPITAL LLCCPABS4- | 10/25/16 | 10/24/16 | 10/24/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BARTON CAPITAL LLCCPABS4- | 10/25/16 | 10/24/16 | 10/24/16 | 40,000,000 | 39,999,544 | 0 | 39,999,544 | 0 |
| BARTON CAPITAL LLCCPABS4- | 10/26/16 | 10/19/16 | 10/19/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/01/16 | 10/31/16 | 10/31/16 | 45,000,000 | 44,999,488 | 0 | 44,999,488 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/04/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,995,139 | 0 | 49,995,139 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/04/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,995,139 | 0 | 49,995,139 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/07/16 | 10/31/16 | 10/31/16 | 15,000,000 | 14,998,542 | 0 | 14,998,542 | 0 |
| BARTON CAPITAL LLCCPABS4- | 12/16/16 | 10/20/16 | 10/20/16 | 35,000,000 | 34,955,667 | 0 | 34,955,667 | 0 |
| BEDFORD ROW FUNDINGCPABS4 | 07/03/17 | 10/06/16 | 10/06/16 | 27,000,000 | 26,742,825 | 0 | 26,742,825 | 0 |
| BEDFORD ROW FUNDING CORP | 10/06/17 | 10/13/16 | 10/13/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BEDFORD ROW FUNDING CORP | 10/06/17 | 10/13/16 | 10/13/16 | 23,000,000 | 23,000,000 | 0 | 23,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 10/11/16 | 10/04/16 | 10/04/16 | 50,000,000 | 49,995,819 | 0 | 49,995,819 | 0 |
| BNP PARIBAS SACP4-2 | 10/11/16 | 10/04/16 | 10/04/16 | 50,000,000 | 49,995,819 | 0 | 49,995,819 | 0 |
| BNP PARIBAS SACP4-2 | 10/11/16 | 10/04/16 | 10/04/16 | 50,000,000 | 49,995,819 | 0 | 49,995,819 | 0 |
| BNP PARIBAS SACP4-2 | 10/11/16 | 10/04/16 | 10/04/16 | 50,000,000 | 49,995,819 | 0 | 49,995,819 | 0 |
| BNP PARIBAS SACP4-2 | 10/18/16 | 10/11/16 | 10/11/16 | 50,000,000 | 49,995,722 | 0 | 49,995,722 | 0 |
| BNP PARIBAS SACP4-2 | 10/18/16 | 10/11/16 | 10/11/16 | 50,000,000 | 49,995,722 | 0 | 49,995,722 | 0 |
| BNP PARIBAS SACP4-2 | 10/18/16 | 10/11/16 | 10/11/16 | 20,000,000 | 19,998,289 | 0 | 19,998,289 | 0 |
| BNP PARIBAS SACP4-2 | 10/18/16 | 10/11/16 | 10/11/16 | 50,000,000 | 49,995,722 | 0 | 49,995,722 | 0 |
| BNP PARIBAS SACP4-2 | 10/18/16 | 10/11/16 | 10/11/16 | 50,000,000 | 49,995,722 | 0 | 49,995,722 | 0 |
| BNP PARIBAS SACP4-2 | 10/18/16 | 10/11/16 | 10/11/16 | 50,000,000 | 49,995,722 | 0 | 49,995,722 | 0 |
| BNP PARIBAS SACP4-2 | 10/18/16 | 10/11/16 | 10/11/16 | 50,000,000 | 49,995,722 | 0 | 49,995,722 | 0 |
| BNP PARIBAS SACP4-2 | 11/01/16 | 10/31/16 | 10/31/16 | 50,000,000 | 49,999,569 | 0 | 49,999,569 | 0 |
| BNP PARIBAS SACP4-2 | 11/01/16 | 10/31/16 | 10/31/16 | 50,000,000 | 49,999,569 | 0 | 49,999,569 | 0 |
| CAFCO, LLCCPABS4-2 | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| CAFCO, LLCCPABS4-2 | 10/26/16 | 10/25/16 | 10/25/16 | 19,700,000 | 19,699,781 | 0 | 19,699,781 | 0 |
| CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY | 11/01/26 | 10/20/16 | 10/20/16 | 6,700,000 | 6,700,000 | 2,255 | 6,702,255 | 0 |
| CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY | 11/01/26 | 10/31/16 | 10/31/16 | 5,000,000 | 5,000,000 | 2,484 | 5,002,484 | 0 |
| CANADIAN IMPERIAL BANK OF COMMERCE/NEW YORK NY | 04/17/17 | 10/17/16 | 10/17/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CANADIAN IMPERIAL BANK OF COMMERCE/NEW YORK NY | 04/17/17 | 10/17/16 | 10/17/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |

TRADING ACTIVITY FOR OCTOBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|---------------------------------------|------------------|---------------|----------------|------------------|------------|--------------------|----------------------|------------------------|
| CONNECTICUT HOUSING FINANCE AUTHORITY | 05/15/36 | 10/25/16 | 10/25/16 | 25,200,000 | 25,200,000 | 63,599 | 25,263,599 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/26/16 | 10/25/16 | 10/25/16 | 11,926,000 | 11,925,867 | 0 | 11,925,867 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/31/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/31/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/31/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/31/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/31/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/31/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIVE RABOBANK UA/NY | 10/31/16 | 10/28/16 | 10/28/16 | 6,000,000 | 5,999,800 | 0 | 5,999,800 | 0 |
| CREDIT AGRICOLE CORCP | 10/17/16 | 10/14/16 | 10/14/16 | 50,000,000 | 49,998,292 | 0 | 49,998,292 | 0 |
| CREDIT AGRICOLE CORCP | 10/17/16 | 10/14/16 | 10/14/16 | 50,000,000 | 49,998,292 | 0 | 49,998,292 | 0 |
| CREDIT AGRICOLE CORCP | 10/17/16 | 10/14/16 | 10/14/16 | 50,000,000 | 49,998,292 | 0 | 49,998,292 | 0 |
| CREDIT AGRICOLE CORCP | 10/17/16 | 10/14/16 | 10/14/16 | 25,000,000 | 24,999,146 | 0 | 24,999,146 | 0 |
| DZ BANK AG DEUTSCHECDYAN | 04/24/17 | 10/21/16 | 10/24/16 | 10,000,000 | 10,000,000 | 0 | 10,000,000 | 0 |
| DZ BANK AG DEUTSCHECDYAN | 04/25/17 | 10/24/16 | 10/25/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| DZ BANK AG DEUTSCHECDYAN | 04/25/17 | 10/24/16 | 10/25/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| EXXON MOBIL CORPCP | 11/07/16 | 10/31/16 | 10/31/16 | 50,000,000 | 49,996,694 | 0 | 49,996,694 | 0 |
| EXXON MOBIL CORPCP | 11/07/16 | 10/31/16 | 10/31/16 | 50,000,000 | 49,996,694 | 0 | 49,996,694 | 0 |
| GOTHAM FUNDING CORPCPAB54 | 12/09/16 | 10/14/16 | 10/14/16 | 42,000,000 | 41,951,000 | 0 | 41,951,000 | 0 |
| GOLF GATE APARTMENTS | 09/01/28 | 10/13/16 | 10/14/16 | 7,550,000 | 7,550,000 | 1,784 | 7,551,784 | 0 |
| ILLINOIS FINANCE AUTHORITY | 11/01/37 | 10/21/16 | 10/21/16 | 14,380,000 | 14,380,000 | 6,058 | 14,386,058 | 0 |
| INDIANA FINANCE AUTHORITY | 12/01/34 | 10/21/16 | 10/21/16 | 16,000,000 | 16,000,000 | 6,475 | 16,006,475 | 0 |
| IOWA FINANCE AUTHORITY | 12/01/30 | 10/21/16 | 10/21/16 | 15,150,000 | 15,150,000 | 6,234 | 15,156,234 | 0 |
| CITY OF IRVINE CA | 09/02/50 | 10/20/16 | 10/21/16 | 21,375,000 | 21,375,000 | 9,689 | 21,384,689 | 0 |
| KAISER FOUNDATION HCP | 10/11/16 | 10/04/16 | 10/04/16 | 50,000,000 | 49,995,722 | 0 | 49,995,722 | 0 |
| KAISER FOUNDATION HCP | 10/11/16 | 10/04/16 | 10/04/16 | 6,231,000 | 6,230,467 | 0 | 6,230,467 | 0 |
| KAISER FOUNDATION HCP | 10/12/16 | 10/11/16 | 10/11/16 | 33,226,000 | 33,225,585 | 0 | 33,225,585 | 0 |
| KAISER FOUNDATION HCP | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,997,917 | 0 | 49,997,917 | 0 |
| KAISER FOUNDATION HCP | 10/24/16 | 10/21/16 | 10/21/16 | 20,000,000 | 19,999,167 | 0 | 19,999,167 | 0 |
| KAISER FOUNDATION HCP | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,997,917 | 0 | 49,997,917 | 0 |
| KAISER FOUNDATION HCP | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,319 | 0 | 49,999,319 | 0 |
| KAISER FOUNDATION HCP | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,319 | 0 | 49,999,319 | 0 |
| KAISER FOUNDATION HCP | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,319 | 0 | 49,999,319 | 0 |
| KAISER FOUNDATION HCP | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,319 | 0 | 49,999,319 | 0 |
| KAISER FOUNDATION HCP | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,319 | 0 | 49,999,319 | 0 |
| KAISER FOUNDATION HCP | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,319 | 0 | 49,999,319 | 0 |
| KAISER FOUNDATION HCP | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,347 | 0 | 49,999,347 | 0 |
| KAISER FOUNDATION HCP | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,347 | 0 | 49,999,347 | 0 |
| KAISER FOUNDATION HCP | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,347 | 0 | 49,999,347 | 0 |
| KAISER FOUNDATION HCP | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,347 | 0 | 49,999,347 | 0 |
| KAISER FOUNDATION HCP | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,347 | 0 | 49,999,347 | 0 |
| KAISER FOUNDATION HCP | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,347 | 0 | 49,999,347 | 0 |
| KAISER FOUNDATION HCP | 10/27/16 | 10/26/16 | 10/26/16 | 25,000,000 | 24,999,674 | 0 | 24,999,674 | 0 |
| KAISER FOUNDATION HCP | 10/28/16 | 10/27/16 | 10/27/16 | 50,000,000 | 49,999,361 | 0 | 49,999,361 | 0 |
| KAISER FOUNDATION HCP | 10/28/16 | 10/27/16 | 10/27/16 | 50,000,000 | 49,999,361 | 0 | 49,999,361 | 0 |
| KAISER FOUNDATION HCP | 10/28/16 | 10/27/16 | 10/27/16 | 50,000,000 | 49,999,361 | 0 | 49,999,361 | 0 |
| KAISER FOUNDATION HCP | 10/28/16 | 10/27/16 | 10/27/16 | 50,000,000 | 49,999,361 | 0 | 49,999,361 | 0 |

TRADING ACTIVITY FOR OCTOBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|-------------------------------------|------------------|---------------|----------------|------------------|------------|--------------------|----------------------|------------------------|
| KAISER FOUNDATION HCP | 11/01/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,997,333 | 0 | 49,997,333 | 0 |
| KAISER FOUNDATION HCP | 11/01/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,997,333 | 0 | 49,997,333 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/07/16 | 10/06/16 | 10/06/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/07/16 | 10/06/16 | 10/06/16 | 39,700,000 | 39,699,504 | 0 | 39,699,504 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/07/16 | 10/06/16 | 10/06/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/13/16 | 10/12/16 | 10/12/16 | 8,360,000 | 8,359,891 | 0 | 8,359,891 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/13/16 | 10/12/16 | 10/12/16 | 50,000,000 | 49,999,347 | 0 | 49,999,347 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/18/16 | 10/17/16 | 10/17/16 | 50,000,000 | 49,999,347 | 0 | 49,999,347 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/18/16 | 10/17/16 | 10/17/16 | 30,000,000 | 29,999,608 | 0 | 29,999,608 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/19/16 | 10/12/16 | 10/12/16 | 50,000,000 | 49,995,236 | 0 | 49,995,236 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/19/16 | 10/12/16 | 10/12/16 | 30,000,000 | 29,997,142 | 0 | 29,997,142 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/26/16 | 10/19/16 | 10/19/16 | 50,000,000 | 49,995,236 | 0 | 49,995,236 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 10/26/16 | 10/19/16 | 10/19/16 | 30,000,000 | 29,997,142 | 0 | 29,997,142 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/02/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,995,333 | 0 | 49,995,333 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/02/16 | 10/26/16 | 10/26/16 | 40,000,000 | 39,996,267 | 0 | 39,996,267 | 0 |
| MALAYAN BANKING BERCLOC | 04/17/17 | 10/17/16 | 10/17/16 | 49,000,000 | 48,677,961 | 0 | 48,677,961 | 0 |
| OLD LINE FUNDING LLC | 05/01/17 | 10/21/16 | 10/24/16 | 14,000,000 | 14,000,000 | 0 | 14,000,000 | 0 |
| ONTARIO, PROVINCE OCP | 10/20/16 | 10/11/16 | 10/11/16 | 11,920,000 | 11,918,719 | 0 | 11,918,719 | 0 |
| SCHOOL DISTRICT OF PHILADELPHIA/THE | 09/01/30 | 10/31/16 | 10/31/16 | 72,300,000 | 72,300,000 | 46,857 | 72,346,857 | 0 |
| PITTSBURGH WATER & SEWER AUTHORITY | 09/01/39 | 10/21/16 | 10/21/16 | 15,000,000 | 15,000,000 | 6,172 | 15,006,172 | 0 |
| SABRI ARAC | 10/01/35 | 10/13/16 | 10/14/16 | 13,040,000 | 13,040,000 | 2,619 | 13,042,619 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/12/16 | 10/11/16 | 10/11/16 | 40,000,000 | 39,999,544 | 0 | 39,999,544 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/25/16 | 10/24/16 | 10/24/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/25/16 | 10/24/16 | 10/24/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/28/16 | 10/27/16 | 10/27/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/28/16 | 10/27/16 | 10/27/16 | 45,000,000 | 44,999,488 | 0 | 44,999,488 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/28/16 | 10/27/16 | 10/27/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/31/16 | 10/28/16 | 10/28/16 | 46,000,000 | 45,998,428 | 0 | 45,998,428 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/31/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,998,292 | 0 | 49,998,292 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/31/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,998,292 | 0 | 49,998,292 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/12/16 | 10/11/16 | 10/11/16 | 45,000,000 | 44,999,438 | 0 | 44,999,438 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/21/16 | 10/20/16 | 10/20/16 | 28,500,000 | 28,499,644 | 0 | 28,499,644 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/21/16 | 10/20/16 | 10/20/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/21/16 | 10/20/16 | 10/20/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/21/16 | 10/20/16 | 10/20/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/24/16 | 10/21/16 | 10/21/16 | 30,000,000 | 29,998,875 | 0 | 29,998,875 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/24/16 | 10/21/16 | 10/21/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/25/16 | 10/24/16 | 10/24/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/25/16 | 10/24/16 | 10/24/16 | 48,300,000 | 48,299,423 | 0 | 48,299,423 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/25/16 | 10/24/16 | 10/24/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/25/16 | 10/24/16 | 10/24/16 | 40,000,000 | 39,999,500 | 0 | 39,999,500 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/25/16 | 10/24/16 | 10/24/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/26/16 | 10/25/16 | 10/25/16 | 14,415,000 | 14,414,820 | 0 | 14,414,820 | 0 |

TRADING ACTIVITY FOR OCTOBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|-----------------------------|------------------|---------------|----------------|------------------|-------------|--------------------|----------------------|------------------------|
| STARBIRD FUNDING COCPABS4 | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/26/16 | 10/25/16 | 10/25/16 | 20,000,000 | 19,999,750 | 0 | 19,999,750 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/26/16 | 10/25/16 | 10/25/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/27/16 | 10/26/16 | 10/26/16 | 20,000,000 | 19,999,750 | 0 | 19,999,750 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/27/16 | 10/26/16 | 10/26/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/28/16 | 10/27/16 | 10/27/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/28/16 | 10/27/16 | 10/27/16 | 20,000,000 | 19,999,750 | 0 | 19,999,750 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/28/16 | 10/27/16 | 10/27/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/31/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/31/16 | 10/28/16 | 10/28/16 | 20,000,000 | 19,999,250 | 0 | 19,999,250 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/31/16 | 10/28/16 | 10/28/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/01/16 | 10/31/16 | 10/31/16 | 40,000,000 | 39,999,500 | 0 | 39,999,500 | 0 |
| STARBIRD FUNDING COCPABS4 | 01/10/17 | 10/05/16 | 10/05/16 | 50,000,000 | 49,865,278 | 0 | 49,865,278 | 0 |
| TORONTO DOMINION BACDYN | 10/20/17 | 10/20/16 | 10/20/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| UNILEVER CAPITAL COCP4-2 | 11/01/16 | 10/31/16 | 10/31/16 | 32,000,000 | 31,999,716 | 0 | 31,999,716 | 0 |
| UNIVERSITY OF ILLINOIS | 04/01/44 | 10/13/16 | 10/14/16 | 8,015,000 | 8,015,000 | 1,533 | 8,016,533 | 0 |
| CITY OF VALDEZ AK | 12/01/29 | 10/21/16 | 10/21/16 | 25,000,000 | 25,000,000 | 7,466 | 25,007,466 | 0 |
| WELLS FARGO BANK NA | 10/12/17 | 10/12/16 | 10/12/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| WELLS FARGO BANK, NCD | 10/20/17 | 10/20/16 | 10/20/16 | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/19/16 | 09/19/16 | (3,750,373) | 0 | 0 | (3,750,373) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/19/16 | 09/19/16 | 3,750,373 | 3,750,373 | 0 | 3,750,373 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/23/16 | 09/23/16 | (1,713,976) | 0 | 0 | (1,713,976) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/23/16 | 09/23/16 | 1,713,976 | 1,713,976 | 0 | 1,713,976 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/27/16 | 09/27/16 | (84,723) | 0 | 0 | (84,723) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/27/16 | 09/27/16 | 84,723 | 84,723 | 0 | 84,723 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/03/16 | 10/03/16 | 4,809,270 | 4,809,270 | 0 | 4,809,270 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/04/16 | 10/04/16 | 734,067 | 734,067 | 0 | 734,067 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/05/16 | 10/05/16 | 341,168 | 341,168 | 0 | 341,168 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/07/16 | 10/07/16 | 2,386,311 | 2,386,311 | 0 | 2,386,311 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/12/16 | 10/12/16 | 4,831,492 | 4,831,492 | 0 | 4,831,492 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/14/16 | 10/14/16 | 2,517,674 | 2,517,674 | 0 | 2,517,674 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/17/16 | 10/17/16 | 570,352 | 570,352 | 0 | 570,352 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/18/16 | 10/18/16 | 3,570,851 | 3,570,851 | 0 | 3,570,851 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/24/16 | 10/24/16 | 5,771,289 | 5,771,289 | 0 | 5,771,289 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/27/16 | 10/27/16 | 6,803,720 | 6,803,720 | 0 | 6,803,720 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/31/16 | 10/31/16 | 6,138,857 | 6,138,857 | 0 | 6,138,857 | 0 |
| MIZUHO TRIPARTY | 10/04/16 | 10/03/16 | 10/03/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/04/16 | 10/03/16 | 10/03/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| MIZUHO TRIPARTY | 10/05/16 | 10/04/16 | 10/04/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/05/16 | 10/04/16 | 10/04/16 | 225,000,000 | 225,000,000 | 0 | 225,000,000 | 0 |
| MIZUHO TRIPARTY | 10/06/16 | 10/05/16 | 10/05/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/06/16 | 10/05/16 | 10/05/16 | 475,000,000 | 475,000,000 | 0 | 475,000,000 | 0 |
| MIZUHO TRIPARTY | 10/07/16 | 10/06/16 | 10/06/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/07/16 | 10/06/16 | 10/06/16 | 80,000,000 | 80,000,000 | 0 | 80,000,000 | 0 |
| MIZUHO TRIPARTY | 10/11/16 | 10/07/16 | 10/07/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/11/16 | 10/07/16 | 10/07/16 | 590,000,000 | 590,000,000 | 0 | 590,000,000 | 0 |
| MIZUHO TRIPARTY | 10/12/16 | 10/11/16 | 10/11/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/12/16 | 10/11/16 | 10/11/16 | 390,000,000 | 390,000,000 | 0 | 390,000,000 | 0 |
| MIZUHO TRIPARTY | 10/13/16 | 10/12/16 | 10/12/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/13/16 | 10/12/16 | 10/12/16 | 310,000,000 | 310,000,000 | 0 | 310,000,000 | 0 |

TRADING ACTIVITY FOR OCTOBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|--|------------------|---------------|----------------|-----------------------|-----------------------|--------------------|-----------------------|------------------------|
| MIZUHO TRIPARTY | 10/14/16 | 10/13/16 | 10/13/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/14/16 | 10/13/16 | 10/13/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| MIZUHO TRIPARTY | 10/17/16 | 10/14/16 | 10/14/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/17/16 | 10/14/16 | 10/14/16 | 75,000,000 | 75,000,000 | 0 | 75,000,000 | 0 |
| MIZUHO TRIPARTY | 10/18/16 | 10/17/16 | 10/17/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/18/16 | 10/17/16 | 10/17/16 | 40,000,000 | 40,000,000 | 0 | 40,000,000 | 0 |
| MIZUHO TRIPARTY | 10/19/16 | 10/18/16 | 10/18/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/19/16 | 10/18/16 | 10/18/16 | 265,000,000 | 265,000,000 | 0 | 265,000,000 | 0 |
| MIZUHO TRIPARTY | 10/20/16 | 10/19/16 | 10/19/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/20/16 | 10/19/16 | 10/19/16 | 530,000,000 | 530,000,000 | 0 | 530,000,000 | 0 |
| MIZUHO TRIPARTY | 10/21/16 | 10/20/16 | 10/20/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/21/16 | 10/20/16 | 10/20/16 | 395,000,000 | 395,000,000 | 0 | 395,000,000 | 0 |
| MIZUHO TRIPARTY | 10/24/16 | 10/21/16 | 10/21/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/24/16 | 10/21/16 | 10/21/16 | 360,000,000 | 360,000,000 | 0 | 360,000,000 | 0 |
| MIZUHO TRIPARTY | 10/25/16 | 10/24/16 | 10/24/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/25/16 | 10/24/16 | 10/24/16 | 395,000,000 | 395,000,000 | 0 | 395,000,000 | 0 |
| MIZUHO TRIPARTY | 10/26/16 | 10/25/16 | 10/25/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/26/16 | 10/25/16 | 10/25/16 | 195,000,000 | 195,000,000 | 0 | 195,000,000 | 0 |
| MIZUHO TRIPARTY | 10/27/16 | 10/26/16 | 10/26/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/27/16 | 10/26/16 | 10/26/16 | 375,000,000 | 375,000,000 | 0 | 375,000,000 | 0 |
| MIZUHO TRIPARTY | 10/28/16 | 10/27/16 | 10/27/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/28/16 | 10/27/16 | 10/27/16 | 270,000,000 | 270,000,000 | 0 | 270,000,000 | 0 |
| MIZUHO TRIPARTY | 10/31/16 | 10/28/16 | 10/28/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/31/16 | 10/28/16 | 10/28/16 | 364,000,000 | 364,000,000 | 0 | 364,000,000 | 0 |
| MIZUHO TRIPARTY | 11/01/16 | 10/31/16 | 10/31/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/01/16 | 10/31/16 | 10/31/16 | 320,000,000 | 320,000,000 | 0 | 320,000,000 | 0 |
| <i>Total Buys</i> | | | | <i>15,662,191,049</i> | <i>15,666,433,828</i> | <i>163,224</i> | <i>15,661,047,980</i> | <i>0</i> |
| <i>Cash Close</i> | | | | | | | | |
| JPMORGAN CHASE BANK NA | 11/07/16 | 10/08/16 | 10/08/16 | 15,000,000 | 15,000,000 | 13,349 | 15,013,349 | 0 |
| <i>Total Cash Closes</i> | | | | <i>15,000,000</i> | <i>15,000,000</i> | <i>13,349</i> | <i>15,013,349</i> | <i>0</i> |
| <i>Deposits</i> | | | | | | | | |
| SVENSKA HANDELSBANKTDCAY 0.4 20161025 | 10/25/16 | 10/24/16 | 10/24/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161026 | 10/26/16 | 10/25/16 | 10/25/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161027 | 10/27/16 | 10/26/16 | 10/26/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161028 | 10/28/16 | 10/27/16 | 10/27/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.41 20161028 | 10/28/16 | 10/27/16 | 10/27/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161031 | 10/31/16 | 10/28/16 | 10/28/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.3 20161101 | 11/01/16 | 10/31/16 | 10/31/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| <i>Total Deposits</i> | | | | <i>2,000,000,000</i> | <i>2,000,000,000</i> | <i>0</i> | <i>2,000,000,000</i> | <i>0</i> |
| <i>Maturities</i> | | | | | | | | |
| ALPINE SECURITIZATPCABS4 | 10/19/16 | 10/19/16 | 10/19/16 | 36,000,000 | 36,000,000 | 0 | 36,000,000 | 0 |
| ANGLESEA FUNDING LLCPCABS4 | 10/03/16 | 10/03/16 | 10/03/16 | 89,000,000 | 89,000,000 | 0 | 89,000,000 | 0 |
| ANGLESEA FUNDING LLCPCABS4 | 10/05/16 | 10/05/16 | 10/05/16 | 46,000,000 | 46,000,000 | 0 | 46,000,000 | 0 |
| ANGLESEA FUNDING LLCPCABS4 | 10/07/16 | 10/07/16 | 10/07/16 | 70,000,000 | 70,000,000 | 0 | 70,000,000 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 10/04/16 | 10/04/16 | 10/04/16 | 18,810,000 | 18,810,000 | 0 | 18,810,000 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 10/06/16 | 10/06/16 | 10/06/16 | 99,370,000 | 99,370,000 | 0 | 99,370,000 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 10/07/16 | 10/07/16 | 10/07/16 | 95,000,000 | 95,000,000 | 0 | 95,000,000 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 10/13/16 | 10/13/16 | 10/13/16 | 87,500,000 | 87,500,000 | 0 | 87,500,000 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 10/14/16 | 10/14/16 | 10/14/16 | 41,000,000 | 41,000,000 | 0 | 41,000,000 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 10/18/16 | 10/18/16 | 10/18/16 | 26,150,000 | 26,150,000 | 0 | 26,150,000 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 10/20/16 | 10/20/16 | 10/20/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |

TRADING ACTIVITY FOR OCTOBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|-----------------------------|------------------|---------------|----------------|------------------|-------------|--------------------|----------------------|------------------------|
| ANTALIS S.A, CPABS4CPABS4 | 10/25/16 | 10/25/16 | 10/25/16 | 32,470,000 | 32,470,000 | 0 | 32,470,000 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 10/27/16 | 10/27/16 | 10/27/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 10/05/16 | 10/05/16 | 10/05/16 | 125,000,000 | 125,000,000 | 0 | 125,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 10/07/16 | 10/07/16 | 10/07/16 | 110,000,000 | 110,000,000 | 0 | 110,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 10/13/16 | 10/13/16 | 10/13/16 | 111,435,000 | 111,435,000 | 0 | 111,435,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 10/14/16 | 10/14/16 | 10/14/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 10/17/16 | 10/17/16 | 10/17/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 10/18/16 | 10/18/16 | 10/18/16 | 208,000,000 | 208,000,000 | 0 | 208,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 10/19/16 | 10/19/16 | 10/19/16 | 197,073,000 | 197,073,000 | 0 | 197,073,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 10/26/16 | 10/26/16 | 10/26/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 10/27/16 | 10/27/16 | 10/27/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| BNP PARIBAS SACDIAN | 10/05/16 | 10/05/16 | 10/05/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| BANK OF MONTREAL (CCDIAN | 10/06/16 | 10/06/16 | 10/06/16 | 35,000,000 | 35,000,000 | 0 | 35,000,000 | 0 |
| BANK OF MONTREAL (CCDIAN | 10/12/16 | 10/12/16 | 10/12/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| BANK OF MONTREAL (CCDIAN | 10/18/16 | 10/18/16 | 10/18/16 | 75,000,000 | 75,000,000 | 0 | 75,000,000 | 0 |
| BANK OF MONTREAL (CCDIAN | 10/25/16 | 10/25/16 | 10/25/16 | 170,000,000 | 170,000,000 | 0 | 170,000,000 | 0 |
| BANK OF TOKYO-MITSUCDIAN | 10/03/16 | 10/03/16 | 10/03/16 | 90,000,000 | 90,000,000 | 0 | 90,000,000 | 0 |
| BANK OF TOKYO-MITSUCDIAN | 10/11/16 | 10/11/16 | 10/11/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 10/05/16 | 10/05/16 | 10/05/16 | 120,000,000 | 120,000,000 | 0 | 120,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 10/11/16 | 10/11/16 | 10/11/16 | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 10/12/16 | 10/12/16 | 10/12/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 10/19/16 | 10/19/16 | 10/19/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 10/25/16 | 10/25/16 | 10/25/16 | 90,000,000 | 90,000,000 | 0 | 90,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 10/26/16 | 10/26/16 | 10/26/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 10/04/16 | 10/04/16 | 10/04/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 10/11/16 | 10/11/16 | 10/11/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 10/18/16 | 10/18/16 | 10/18/16 | 320,000,000 | 320,000,000 | 0 | 320,000,000 | 0 |
| CAFCO, LLCPCABS4-2 | 10/26/16 | 10/26/16 | 10/26/16 | 69,700,000 | 69,700,000 | 0 | 69,700,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 10/24/16 | 10/24/16 | 10/24/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 10/26/16 | 10/26/16 | 10/26/16 | 111,926,000 | 111,926,000 | 0 | 111,926,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 10/31/16 | 10/31/16 | 10/31/16 | 306,000,000 | 306,000,000 | 0 | 306,000,000 | 0 |
| CREDIT AGRICOLE CORCP | 10/17/16 | 10/17/16 | 10/17/16 | 175,000,000 | 175,000,000 | 0 | 175,000,000 | 0 |
| DZ BANK AG DEUTSCHECDIAN | 10/14/16 | 10/14/16 | 10/14/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| GOTHAM FUNDING CORPCABS4 | 10/03/16 | 10/03/16 | 10/03/16 | 30,000,000 | 30,000,000 | 0 | 30,000,000 | 0 |
| GOTHAM FUNDING CORPCABS4 | 10/21/16 | 10/21/16 | 10/21/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| KAISER FOUNDATION HCP | 10/04/16 | 10/04/16 | 10/04/16 | 56,236,000 | 56,236,000 | 0 | 56,236,000 | 0 |
| KAISER FOUNDATION HCP | 10/05/16 | 10/05/16 | 10/05/16 | 75,008,000 | 75,008,000 | 0 | 75,008,000 | 0 |
| KAISER FOUNDATION HCP | 10/11/16 | 10/11/16 | 10/11/16 | 56,231,000 | 56,231,000 | 0 | 56,231,000 | 0 |
| KAISER FOUNDATION HCP | 10/12/16 | 10/12/16 | 10/12/16 | 33,226,000 | 33,226,000 | 0 | 33,226,000 | 0 |
| KAISER FOUNDATION HCP | 10/24/16 | 10/24/16 | 10/24/16 | 120,000,000 | 120,000,000 | 0 | 120,000,000 | 0 |
| KAISER FOUNDATION HCP | 10/26/16 | 10/26/16 | 10/26/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| KAISER FOUNDATION HCP | 10/27/16 | 10/27/16 | 10/27/16 | 325,000,000 | 325,000,000 | 0 | 325,000,000 | 0 |
| KAISER FOUNDATION HCP | 10/28/16 | 10/28/16 | 10/28/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 10/07/16 | 10/07/16 | 10/07/16 | 139,700,000 | 139,700,000 | 0 | 139,700,000 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 10/13/16 | 10/13/16 | 10/13/16 | 58,360,000 | 58,360,000 | 0 | 58,360,000 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 10/18/16 | 10/18/16 | 10/18/16 | 80,000,000 | 80,000,000 | 0 | 80,000,000 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 10/19/16 | 10/19/16 | 10/19/16 | 80,000,000 | 80,000,000 | 0 | 80,000,000 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 10/20/16 | 10/20/16 | 10/20/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 10/24/16 | 10/24/16 | 10/24/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 10/26/16 | 10/26/16 | 10/26/16 | 80,000,000 | 80,000,000 | 0 | 80,000,000 | 0 |
| MIZUHO BANK LTD,CP | 10/04/16 | 10/04/16 | 10/04/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |

TRADING ACTIVITY FOR OCTOBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|----------------------------------|------------------|---------------|----------------|------------------|-------------|--------------------|----------------------|------------------------|
| NRW,BANKCP | 10/14/16 | 10/14/16 | 10/14/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| NRW,BANKCP | 10/20/16 | 10/20/16 | 10/20/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| NATIONWIDE BUILDINGCP4-2 | 10/11/16 | 10/11/16 | 10/11/16 | 45,000,000 | 45,000,000 | 0 | 45,000,000 | 0 |
| ONTARIO, PROVINCE OCP | 10/20/16 | 10/20/16 | 10/20/16 | 11,920,000 | 11,920,000 | 0 | 11,920,000 | 0 |
| ROYAL BANK OF CANADA/NEW YORK NY | 10/03/16 | 10/03/16 | 10/03/16 | 125,000,000 | 125,000,000 | 0 | 125,000,000 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/12/16 | 10/12/16 | 10/12/16 | 40,000,000 | 40,000,000 | 0 | 40,000,000 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/25/16 | 10/25/16 | 10/25/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/28/16 | 10/28/16 | 10/28/16 | 145,000,000 | 145,000,000 | 0 | 145,000,000 | 0 |
| SOCIETE GENERALE, PCP4-2 | 10/31/16 | 10/31/16 | 10/31/16 | 146,000,000 | 146,000,000 | 0 | 146,000,000 | 0 |
| STANDARD CHARTERED CDYAN | 10/28/16 | 10/28/16 | 10/28/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| STANDARD CHARTERED CDYAN | 10/21/16 | 10/21/16 | 10/21/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/12/16 | 10/12/16 | 10/12/16 | 45,000,000 | 45,000,000 | 0 | 45,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/21/16 | 10/21/16 | 10/21/16 | 178,500,000 | 178,500,000 | 0 | 178,500,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/24/16 | 10/24/16 | 10/24/16 | 180,000,000 | 180,000,000 | 0 | 180,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/25/16 | 10/25/16 | 10/25/16 | 238,300,000 | 238,300,000 | 0 | 238,300,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/26/16 | 10/26/16 | 10/26/16 | 184,415,000 | 184,415,000 | 0 | 184,415,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/27/16 | 10/27/16 | 10/27/16 | 120,000,000 | 120,000,000 | 0 | 120,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/28/16 | 10/28/16 | 10/28/16 | 120,000,000 | 120,000,000 | 0 | 120,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 10/31/16 | 10/31/16 | 10/31/16 | 120,000,000 | 120,000,000 | 0 | 120,000,000 | 0 |
| TORONTO-DOMINION BANK/NY | 10/17/16 | 10/17/16 | 10/17/16 | 30,000,000 | 30,000,000 | 0 | 30,000,000 | 0 |
| TOYOTA MOTOR CREDIT CORP | 10/07/16 | 10/07/16 | 10/07/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| MIZUHO TRIPARTY | 10/03/16 | 10/03/16 | 10/03/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/03/16 | 10/03/16 | 10/03/16 | 65,000,000 | 65,000,000 | 0 | 65,000,000 | 0 |
| MIZUHO TRIPARTY | 10/04/16 | 10/04/16 | 10/04/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/04/16 | 10/04/16 | 10/04/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| MIZUHO TRIPARTY | 10/05/16 | 10/05/16 | 10/05/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/05/16 | 10/05/16 | 10/05/16 | 225,000,000 | 225,000,000 | 0 | 225,000,000 | 0 |
| MIZUHO TRIPARTY | 10/06/16 | 10/06/16 | 10/06/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/06/16 | 10/06/16 | 10/06/16 | 475,000,000 | 475,000,000 | 0 | 475,000,000 | 0 |
| MIZUHO TRIPARTY | 10/07/16 | 10/07/16 | 10/07/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/07/16 | 10/07/16 | 10/07/16 | 80,000,000 | 80,000,000 | 0 | 80,000,000 | 0 |
| MIZUHO TRIPARTY | 10/11/16 | 10/11/16 | 10/11/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/11/16 | 10/11/16 | 10/11/16 | 590,000,000 | 590,000,000 | 0 | 590,000,000 | 0 |
| MIZUHO TRIPARTY | 10/12/16 | 10/12/16 | 10/12/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/12/16 | 10/12/16 | 10/12/16 | 390,000,000 | 390,000,000 | 0 | 390,000,000 | 0 |
| MIZUHO TRIPARTY | 10/13/16 | 10/13/16 | 10/13/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/13/16 | 10/13/16 | 10/13/16 | 310,000,000 | 310,000,000 | 0 | 310,000,000 | 0 |
| MIZUHO TRIPARTY | 10/14/16 | 10/14/16 | 10/14/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/14/16 | 10/14/16 | 10/14/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| MIZUHO TRIPARTY | 10/17/16 | 10/17/16 | 10/17/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/17/16 | 10/17/16 | 10/17/16 | 75,000,000 | 75,000,000 | 0 | 75,000,000 | 0 |
| MIZUHO TRIPARTY | 10/18/16 | 10/18/16 | 10/18/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/18/16 | 10/18/16 | 10/18/16 | 40,000,000 | 40,000,000 | 0 | 40,000,000 | 0 |
| MIZUHO TRIPARTY | 10/19/16 | 10/19/16 | 10/19/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/19/16 | 10/19/16 | 10/19/16 | 265,000,000 | 265,000,000 | 0 | 265,000,000 | 0 |
| MIZUHO TRIPARTY | 10/20/16 | 10/20/16 | 10/20/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/20/16 | 10/20/16 | 10/20/16 | 530,000,000 | 530,000,000 | 0 | 530,000,000 | 0 |
| MIZUHO TRIPARTY | 10/21/16 | 10/21/16 | 10/21/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/21/16 | 10/21/16 | 10/21/16 | 395,000,000 | 395,000,000 | 0 | 395,000,000 | 0 |
| MIZUHO TRIPARTY | 10/24/16 | 10/24/16 | 10/24/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/24/16 | 10/24/16 | 10/24/16 | 360,000,000 | 360,000,000 | 0 | 360,000,000 | 0 |

TRADING ACTIVITY FOR OCTOBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|--|------------------|---------------|----------------|------------------|----------------|--------------------|----------------------|------------------------|
| MIZUHO TRIPARTY | 10/25/16 | 10/25/16 | 10/25/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/25/16 | 10/25/16 | 10/25/16 | 395,000,000 | 395,000,000 | 0 | 395,000,000 | 0 |
| MIZUHO TRIPARTY | 10/26/16 | 10/26/16 | 10/26/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/26/16 | 10/26/16 | 10/26/16 | 195,000,000 | 195,000,000 | 0 | 195,000,000 | 0 |
| MIZUHO TRIPARTY | 10/27/16 | 10/27/16 | 10/27/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/27/16 | 10/27/16 | 10/27/16 | 375,000,000 | 375,000,000 | 0 | 375,000,000 | 0 |
| MIZUHO TRIPARTY | 10/28/16 | 10/28/16 | 10/28/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/28/16 | 10/28/16 | 10/28/16 | 270,000,000 | 270,000,000 | 0 | 270,000,000 | 0 |
| MIZUHO TRIPARTY | 10/31/16 | 10/31/16 | 10/31/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 10/31/16 | 10/31/16 | 10/31/16 | 364,000,000 | 364,000,000 | 0 | 364,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161025 | 10/25/16 | 10/25/16 | 10/25/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161026 | 10/26/16 | 10/26/16 | 10/26/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161027 | 10/27/16 | 10/27/16 | 10/27/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161028 | 10/28/16 | 10/28/16 | 10/28/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.41 20161028 | 10/28/16 | 10/28/16 | 10/28/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161031 | 10/31/16 | 10/31/16 | 10/31/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| Total Maturities | | | | 17,337,330,000 | 17,337,330,000 | 0 | 17,337,330,000 | 0 |
| Sells | | | | | | | | |
| DZ BANK AG DEUTSCHECDYAN | 12/16/16 | 10/24/16 | 10/25/16 | 25,000,000 | 25,007,188 | 25,188 | 25,032,376 | 7,188 |
| DZ BANK AG DEUTSCHECDYAN | 12/16/16 | 10/24/16 | 10/25/16 | 50,000,000 | 50,014,376 | 50,375 | 50,064,751 | 14,376 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/20/16 | 09/20/16 | (2,852,055) | 0 | 0 | (2,852,055) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/20/16 | 09/20/16 | (1,593,703) | 0 | 0 | (1,593,703) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/20/16 | 09/20/16 | 1,593,703 | 1,593,703 | 0 | 1,593,703 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/20/16 | 09/20/16 | 2,852,055 | 2,852,055 | 0 | 2,852,055 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/21/16 | 09/21/16 | (1,544,068) | 0 | 0 | (1,544,068) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/21/16 | 09/21/16 | 1,544,068 | 1,544,068 | 0 | 1,544,068 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/22/16 | 09/22/16 | (2,406) | 0 | 0 | (2,406) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/22/16 | 09/22/16 | 2,406 | 2,406 | 0 | 2,406 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/26/16 | 09/26/16 | (66,854) | 0 | 0 | (66,854) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/26/16 | 09/26/16 | 66,854 | 66,854 | 0 | 66,854 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/28/16 | 09/28/16 | (84,723) | 0 | 0 | (84,723) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/28/16 | 09/28/16 | (1,713,976) | 0 | 0 | (1,713,976) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/28/16 | 09/28/16 | (2,206,305) | 0 | 0 | (2,206,305) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/28/16 | 09/28/16 | (920,543) | 0 | 0 | (920,543) | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/28/16 | 09/28/16 | 920,543 | 920,543 | 0 | 920,543 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/28/16 | 09/28/16 | 2,206,305 | 2,206,305 | 0 | 2,206,305 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/28/16 | 09/28/16 | 1,713,976 | 1,713,976 | 0 | 1,713,976 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 09/28/16 | 09/28/16 | 84,723 | 84,723 | 0 | 84,723 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/06/16 | 10/06/16 | 4,809,270 | 4,809,270 | 0 | 4,809,270 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/06/16 | 10/06/16 | 734,067 | 734,067 | 0 | 734,067 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/06/16 | 10/06/16 | 341,168 | 341,168 | 0 | 341,168 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/11/16 | 10/11/16 | 2,386,311 | 2,386,311 | 0 | 2,386,311 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/13/16 | 10/13/16 | 4,831,492 | 4,831,492 | 0 | 4,831,492 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/19/16 | 10/19/16 | 2,517,674 | 2,517,674 | 0 | 2,517,674 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/19/16 | 10/19/16 | 570,352 | 570,352 | 0 | 570,352 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/19/16 | 10/19/16 | 861,978 | 861,978 | 0 | 861,978 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/20/16 | 10/20/16 | 2,708,873 | 2,708,873 | 0 | 2,708,873 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/25/16 | 10/25/16 | 5,771,289 | 5,771,289 | 0 | 5,771,289 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/28/16 | 10/28/16 | 9,649 | 9,649 | 0 | 9,649 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 10/28/16 | 10/28/16 | 5,384,008 | 5,384,008 | 0 | 5,384,008 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/03/16 | 10/03/16 | 44,320 | 44,320 | 0 | 44,320 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/03/16 | 10/03/16 | 49,268 | 49,268 | 0 | 49,268 | 0 |

TRADING ACTIVITY FOR OCTOBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|----------------------------------|------------------|---------------|----------------|------------------|-------------|--------------------|----------------------|------------------------|
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/03/16 | 10/03/16 | 47,059 | 47,059 | 0 | 47,059 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/03/16 | 10/03/16 | 47,374 | 47,374 | 0 | 47,374 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/03/16 | 10/03/16 | 41,443 | 41,443 | 0 | 41,443 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/03/16 | 10/03/16 | 9,770,537 | 9,770,537 | 0 | 9,770,537 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/06/16 | 10/06/16 | 37,913 | 37,913 | 0 | 37,913 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/06/16 | 10/06/16 | 38,239 | 38,239 | 0 | 38,239 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/06/16 | 10/06/16 | 38,480 | 38,480 | 0 | 38,480 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/06/16 | 10/06/16 | 35,168 | 35,168 | 0 | 35,168 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/06/16 | 10/06/16 | 34,402 | 34,402 | 0 | 34,402 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/06/16 | 10/06/16 | 32,868 | 32,868 | 0 | 32,868 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/06/16 | 10/06/16 | 19,782,930 | 19,782,930 | 0 | 19,782,930 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/20/16 | 10/20/16 | 27,715 | 27,715 | 0 | 27,715 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/20/16 | 10/20/16 | 26,783 | 26,783 | 0 | 26,783 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/20/16 | 10/20/16 | 21,983 | 21,983 | 0 | 21,983 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/20/16 | 10/20/16 | 18,506 | 18,506 | 0 | 18,506 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/20/16 | 10/20/16 | 19,520 | 19,520 | 0 | 19,520 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/20/16 | 10/20/16 | 49,885,493 | 49,885,493 | 0 | 49,885,493 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/21/16 | 10/21/16 | 18,560 | 18,560 | 0 | 18,560 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/21/16 | 10/21/16 | 13,745 | 13,745 | 0 | 13,745 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/21/16 | 10/21/16 | 10,810 | 10,810 | 0 | 10,810 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/21/16 | 10/21/16 | 9,907 | 9,907 | 0 | 9,907 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/21/16 | 10/21/16 | 111,300,210 | 111,300,210 | 0 | 111,300,210 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/21/16 | 10/21/16 | 88,646,768 | 88,646,768 | 0 | 88,646,768 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/24/16 | 10/24/16 | 8,223 | 8,223 | 0 | 8,223 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/24/16 | 10/24/16 | 7,040 | 7,040 | 0 | 7,040 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/24/16 | 10/24/16 | 8,191 | 8,191 | 0 | 8,191 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/24/16 | 10/24/16 | 5,912 | 5,912 | 0 | 5,912 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/24/16 | 10/24/16 | 5,359 | 5,359 | 0 | 5,359 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/24/16 | 10/24/16 | 4,404 | 4,404 | 0 | 4,404 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/24/16 | 10/24/16 | 149,960,871 | 149,960,871 | 0 | 149,960,871 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/26/16 | 10/26/16 | 65,000,000 | 65,000,000 | 0 | 65,000,000 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/27/16 | 10/27/16 | 3,542 | 3,542 | 0 | 3,542 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/27/16 | 10/27/16 | 4,862 | 4,862 | 0 | 4,862 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/27/16 | 10/27/16 | 5,406 | 5,406 | 0 | 5,406 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/27/16 | 10/27/16 | 4,777 | 4,777 | 0 | 4,777 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/27/16 | 10/27/16 | 4,257 | 4,257 | 0 | 4,257 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/27/16 | 10/27/16 | 5,241 | 5,241 | 0 | 5,241 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/27/16 | 10/27/16 | 99,971,915 | 99,971,915 | 0 | 99,971,915 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/28/16 | 10/28/16 | 5,361 | 5,361 | 0 | 5,361 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/28/16 | 10/28/16 | 5,692 | 5,692 | 0 | 5,692 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/28/16 | 10/28/16 | 5,731 | 5,731 | 0 | 5,731 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/28/16 | 10/28/16 | 4,743 | 4,743 | 0 | 4,743 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/28/16 | 10/28/16 | 7,217 | 7,217 | 0 | 7,217 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/28/16 | 10/28/16 | 21,175 | 21,175 | 0 | 21,175 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/28/16 | 10/28/16 | 19,816 | 19,816 | 0 | 19,816 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/28/16 | 10/28/16 | 26,630 | 26,630 | 0 | 26,630 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/28/16 | 10/28/16 | 11,353,232 | 11,353,232 | 0 | 11,353,232 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/28/16 | 10/28/16 | 85,039,129 | 85,039,129 | 0 | 85,039,129 | 0 |
| FEDERATED PRIME OBLIGATIONS FUND | 10/01/40 | 10/28/16 | 10/28/16 | 28,085 | 28,085 | 0 | 28,085 | 0 |
| Total Sells | | | | 797,442,941 | 808,449,139 | 75,563 | 797,540,067 | 21,564 |



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www.sbafla.com/prime

Our Mission

Our mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

Federated



MONTHLY SUMMARY REPORT

November 2016

State Board of Administration of Florida

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Past performance is no guarantee of future results.

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in Florida PRIME is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.

INTRODUCTION

This report is prepared for stakeholders in Florida PRIME in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

- (1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;
- (2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and
- (3) Preparation of the management summary “in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies.”

This report, which covers the period from November 1, 2016, through November 30, 2016, has been prepared by the SBA with input from Federated Investment Counseling (“Federated”), investment advisor for Florida PRIME in a format intended to comply with the statute.

DISCLOSURE OF MATERIAL IMPACTS

During the reporting period, Florida PRIME was in material compliance with investment policy. There were no developments that had a material impact on the liquidity or operation of Florida PRIME. Details are available in the PRIME policy compliance table. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.

PRIME™ STATISTICS

(As of November 30, 2016)

Total Participants
745

Florida PRIME™ Assets
\$8,203,108,687

Total Number of Accounts
1,432

FACTS-AT-A-GLANCE

Florida PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME, the Local Government Surplus Funds Trust Fund, is utilized by hundreds of governmental investors including state agencies, state universities and colleges, counties, cities, special districts, school boards, and other direct support organizations of the State of Florida.

Florida PRIME is a government investment pool that offers management by an industry leader in professional money management, conservative investment policies, an extensive governance framework, a Standard & Poor’s “AAAm” rating, full transparency, and best-in-class financial reporting.

PORTFOLIO MANAGER COMMENTARY

MARKET CONDITIONS

November brought more than a few uncertainties to the fore following the election of Donald Trump, but we were surprised that many included a rate hike as one of them. At the time, we said that after Thanksgiving, cooler heads would prevail and that the market eventually would again start building in a December Federal Reserve move. Turns out, it did not take that long. The implied probability of the Fed raising rates jumped back even before the holiday. Fed futures were nearly unanimous in expecting a 25 basis-point increase in the target fed funds range as the month ended. There would have to be a calamity in the world for this not to happen. Fed governors who have spoken publically during November, including Chair Yellen recently in front of Congress, have essentially said this.

We also expect the Dec. 14 Federal Open Market Committee (FOMC) meeting to raise expectations of future action. On several occasions in 2016, policymakers reduced their projections for the number of times they would raise rates this year and next (known as the dot plot). We think the improving U.S. economy and the likelihood for fiscal stimulus from the Trump administration, in whatever form it takes, will lead to higher growth, inflation and rates. This scenario will not play out until at least mid-2017, but expectations are growing for three hikes instead of two. If the latter, it would probably be one each in March and September. Cash managers' main instruments, including Treasuries, agencies and commercial paper, already are beginning to price that in. All of this, of course, is good news from a return perspective for money market funds.

The Trump administration has talked about rolling back some financial regulations. We do not think that will be the case for the recent reforms of Rule 2a-7. It is more likely there will be a re-evaluation of regulations that have not yet been enacted, such as the recently announced Department of Labor fiduciary rule or some Dodd-Frank requirements.

We doubt the incoming administration will make a change in Fed leadership midstream. Although she could resign, Janet Yellen can remain as chair until her term ends in early 2018. However, new FOMC voting members will come into play in 2017 that should turn what is a currently dovish membership to one more balanced and has some definite hawks in it. This would continue the theme of higher rates and a pro-growth, normalized inflation environment.

INVESTMENT STRATEGY

We continue to keep Florida Prime's target weighted average maturity (WAM) in the 40 to 50-day range. In November it was at the long end of this range, at 49 days, out by 2 days from October. Weighted average life (WAL) was 70, in by one day from October.

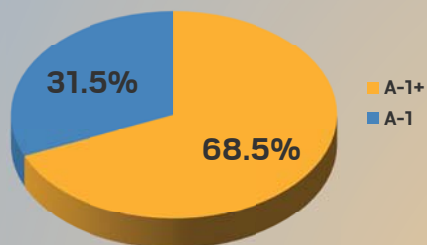
While the yield of the pool has grown steadily over the last six months, it dipped slightly in November. That was not due to a market-based slip—in fact, the London interbank offered rate (LIBOR) continued its ascent over the month—but because of the cyclical nature of the tax collecting season. November is the beginning of the period in which we receive tax revenue from participants, and Pool assets under management (AUM) increased to \$8.3 billion. The inflows that arrive near the end of the month limit our ability to invest them immediately, with most put in overnight repurchase agreements.

The composition of the Pool reflected the above, sporting a 4% increase in the percentage of repo to comprise 9% of complete holdings. We increased our allocation to commercial paper from 42% to 46% of total; the variable-rate paper position fell 7% to become 23% of holdings; the Pool's fixed-rate bank paper/instruments remained at 22% of total; and our money market fund portion was less than 1%.

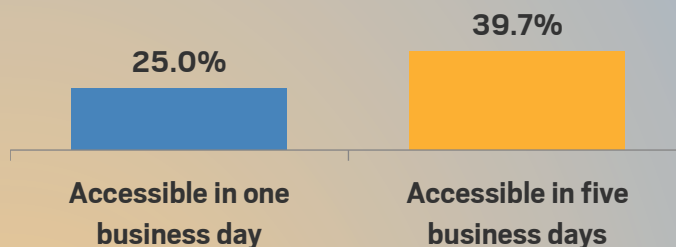
Over November, one-month LIBOR increased from 0.53% to 0.62% and three-month Libor rose from 0.89% to 0.93%.

PORTFOLIO COMPOSITION FOR NOVEMBER 2016

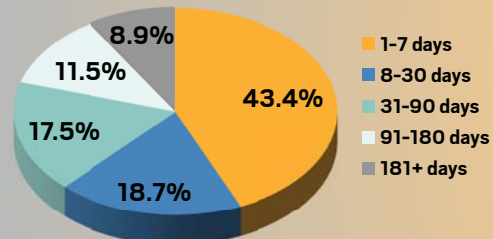
CREDIT QUALITY COMPOSITION



HIGHLY LIQUID HOLDINGS



EFFECTIVE MATURITY SCHEDULE



TOP HOLDINGS & AVG. MATURITY

| | |
|--|------|
| 1. Atlantic Asset Securitization LLC | 4.8% |
| 2. Mitsubishi UFJ Financial Group, Inc. | 4.7% |
| 3. BNP Paribas SA | 4.4% |
| 4. Luxembourg, Government of | 4.3% |
| 5. Royal Bank of Canada | 4.0% |
| 6. Wells Fargo & Co. | 4.0% |
| 7. DZ Bank AG Deutsche Zentral-Genossenschaftsbank | 3.9% |
| 8. Anglesea Funding LLC | 3.7% |
| 9. Svenska Handelsbanken, Stockholm | 3.6% |
| 10. JPMorgan Chase & Co. | 3.1% |

Average Effective Maturity (WAM)

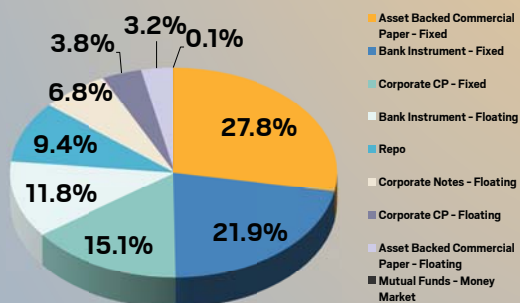
49.0 Days

Weighted Average Life (Spread WAL)

69.6 Days

Percentages based on total value of investments

PORTFOLIO COMPOSITION



FUND PERFORMANCE THROUGH NOVEMBER 30, 2016

| Florida PRIME Performance Data | | | |
|--------------------------------|------------------------------------|-----------------------------------|-------------------------|
| | Net Participant Yield ¹ | Net-of-Fee Benchmark ² | Above (Below) Benchmark |
| One Month | 0.85% | 0.50% | 0.35% |
| Three Months | 0.83% | 0.48% | 0.36% |
| One Year | 0.64% | 0.36% | 0.27% |
| Three Years | 0.34% | 0.16% | 0.18% |
| Five Years | 0.30% | 0.13% | 0.18% |
| Ten Years | 1.06% | 0.93% | 0.13% |
| Since 1/96 | 2.67% | 2.47% | 0.21% |

Note: Net asset value at month end: \$8,216.4 million, which includes investments at market value, plus all cash, accrued interest receivable and payables.

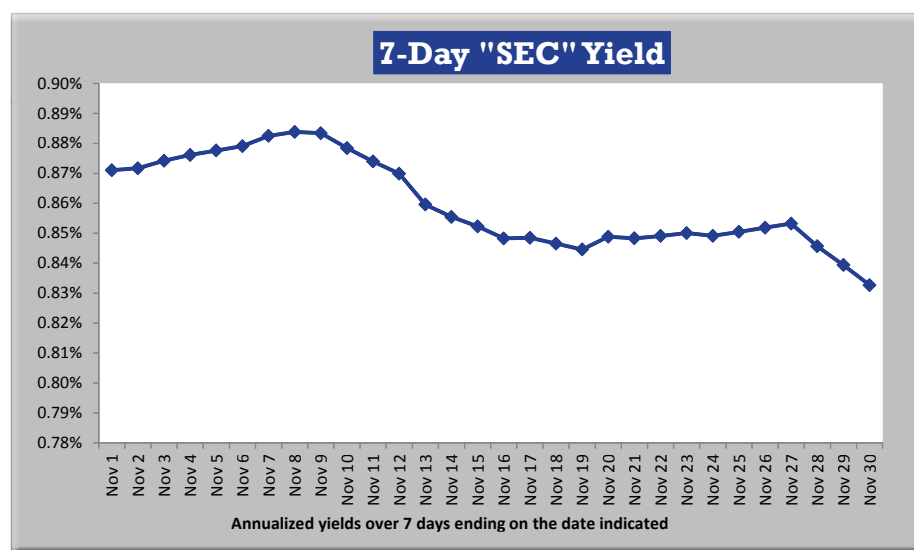
¹Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

²The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

ABOUT ANNUALIZED YIELDS:

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding, an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.



The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC Rule 2a-7 for money market funds.

The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365.

Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.

PRIME ACCOUNT SUMMARY FOR NOVEMBER 2016

| Summary of Cash Flows | | |
|------------------------------|-----------|----------------------|
| Opening Balance (11/01/16) | \$ | 6,555,016,526 |
| Participant Deposits | | 2,883,163,847 |
| Gross Earnings | | 4,917,336 |
| Participant Withdrawals | | (1,239,989,022) |
| Fees | | (237,611) |
| Fee Holiday* | | 237,611 |
| Closing Balance (11/30/16) | \$ | 8,203,108,687 |
| Net Change over Month | \$ | 1,648,092,161 |

*Beginning January 1, 2016, all monthly pool expenses incurred are offset using proceeds from liquidity redemption fees charged to participants in 2008. The total amount of fees offset since January 2016 is \$1,650,121. The redemption reserve account balance at month end is \$607,121. Once the redemption fee reserve account is exhausted, pool charges will be reinstituted.

| Detailed Fee Disclosure*** | | |
|--|----------------------|-------------------------|
| November 2016 | Amount | Basis Point Equivalent* |
| SBA Client Service, Account Mgt. & Fiduciary Oversight Fee | \$ 57,553.93 | 0.94 |
| Federated Investment Management Fee | 159,493.68 | 2.59 |
| BNY Mellon Custodial Fee** | 8,457.09 | 0.14 |
| Bank of America Transfer Agent Fee | 4,378.34 | 0.07 |
| S&P Rating Maintenance Fee | 3,688.52 | 0.06 |
| Audit/External Review Fees | 4,039.10 | 0.07 |
| Total Fees | \$ 237,610.66 | 3.86 |

*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which was \$7,379,062,607.

**All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges may fluctuate month-to-month.

*** Beginning January 1, 2016, all monthly pool expenses incurred are offset using proceeds from liquidity redemption fees charged to participants in 2008. Once the redemption fee reserve account is exhausted, pool charges will be reinstituted.

INVENTORY OF HOLDINGS FOR NOVEMBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|--|---|---------|------------|------------|-------------|---------------|----------------|---------------|----------------------|
| ASB Finance Ltd. CP4-2 | COMMERCIAL PAPER - 4-2 | | 1/18/2017 | | 20,000,000 | 0.99 | \$19,973,594 | \$19,986,089 | \$12,495 |
| ASB Finance Ltd. CP4-2 | COMMERCIAL PAPER - 4-2 | | 2/1/2017 | | 34,000,000 | 1.15 | \$33,933,063 | \$33,965,371 | \$32,309 |
| ASB Finance Ltd., Apr 12, 2017 | VARIABLE RATE COMMERCIAL PAPER - 4-2 | 1.16 | 4/12/2017 | 12/12/2016 | 25,000,000 | 1.17 | \$25,000,000 | \$25,030,475 | \$30,475 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/12/2017 | | 50,000,000 | 1.02 | \$49,940,278 | \$49,960,822 | \$20,544 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/27/2017 | | 35,000,000 | 1.02 | \$34,943,611 | \$34,959,344 | \$15,733 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/3/2017 | | 25,000,000 | 1.02 | \$24,935,417 | \$24,949,625 | \$14,208 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/6/2017 | | 100,000,000 | 1.02 | \$99,733,333 | \$99,745,600 | \$12,267 |
| Alpine Securitization Ltd., May 16, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.24 | 5/16/2017 | 12/15/2016 | 27,000,000 | 1.26 | \$27,000,000 | \$27,014,337 | \$14,337 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/6/2016 | | 50,000,000 | 0.92 | \$49,992,500 | \$49,996,375 | \$3,875 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/3/2017 | | 35,000,000 | 0.76 | \$34,975,208 | \$34,977,754 | \$2,545 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/14/2017 | | 70,000,000 | 1.33 | \$69,737,111 | \$69,816,585 | \$79,473 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/16/2017 | | 100,000,000 | 1.33 | \$99,617,222 | \$99,731,172 | \$113,950 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 4/6/2017 | | 50,000,000 | 1.28 | \$49,779,514 | \$49,826,610 | \$47,096 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/5/2016 | | 48,540,000 | 0.46 | \$48,536,966 | \$48,536,831 | -\$135 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/5/2016 | | 80,000,000 | 0.66 | \$79,992,778 | \$79,994,778 | \$2,000 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/7/2016 | | 60,000,000 | 0.46 | \$59,994,750 | \$59,994,400 | -\$350 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/14/2016 | | 12,720,000 | 0.66 | \$12,716,785 | \$12,717,452 | \$668 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/14/2016 | | 30,000,000 | 0.68 | \$29,992,183 | \$29,993,992 | \$1,808 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/29/2016 | | 13,940,000 | 0.66 | \$13,932,701 | \$13,933,307 | \$606 |
| Atlantic Asset Securitization LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/1/2016 | | 295,000,000 | 0.33 | \$294,997,378 | \$294,996,313 | -\$1,065 |
| Atlantic Asset Securitization LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/6/2016 | | 50,000,000 | 0.57 | \$49,995,333 | \$49,996,042 | \$708 |
| Atlantic Asset Securitization LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/11/2017 | | 50,000,000 | 0.68 | \$49,960,917 | \$49,961,967 | \$1,050 |
| Australia & New Zealand Banking Group, Melbourne CP4-2 | COMMERCIAL PAPER - 4-2 | | 12/22/2016 | | 50,000,000 | 0.89 | \$49,973,417 | \$49,985,792 | \$12,375 |
| Australia & New Zealand Banking Group, Melbourne, Dec 20, 2016 | VARIABLE RATE COMMERCIAL PAPER - 4-2 | 0.92 | 12/20/2016 | 12/20/2016 | 25,000,000 | 0.93 | \$25,000,000 | \$25,006,375 | \$6,375 |
| BNP Paribas SA Dublin CP4-2 | COMMERCIAL PAPER - 4-2 | | 12/2/2016 | | 80,000,000 | 0.49 | \$79,997,867 | \$79,998,355 | \$489 |
| BNP Paribas SA Dublin CP4-2 | COMMERCIAL PAPER - 4-2 | | 12/13/2016 | | 250,000,000 | 0.50 | \$249,955,763 | \$249,961,270 | \$5,507 |
| BNP Paribas SA, Sr. Note, Series MTN, 1.25%, 12/12/2016 | CORPORATE BOND | 1.25 | 12/12/2016 | | 15,000,000 | 0.75 | \$15,002,478 | \$15,001,950 | -\$528 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR NOVEMBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|--|--------------------------------------|---------|------------|------------|-------------|---------------|----------------|---------------|----------------------|
| Bank of America N.A. Triparty Repo Overnight Fixed | REPO TRIPARTY OVERNIGHT FIXED | 0.28 | 12/1/2016 | | 765,000,000 | 0.28 | \$765,000,000 | \$765,000,000 | \$0 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.25 | 7/20/2017 | | 25,000,000 | 1.27 | \$25,000,000 | \$25,008,554 | \$8,554 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.40 | 8/9/2017 | | 23,000,000 | 1.42 | \$23,000,000 | \$23,026,274 | \$26,274 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.90 | 12/13/2016 | | 7,500,000 | 0.88 | \$7,500,081 | \$7,501,032 | \$951 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.30 | 9/19/2017 | | 20,000,000 | 1.32 | \$20,000,000 | \$20,001,717 | \$1,717 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.20 | 9/29/2017 | | 25,000,000 | 1.22 | \$25,000,000 | \$24,979,669 | -\$20,331 |
| Bank of Montreal, Dec 01, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.23 | 12/1/2017 | 12/1/2016 | 50,000,000 | 1.25 | \$50,000,000 | \$50,000,000 | \$0 |
| Bank of Montreal, Mar 27, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.13 | 3/27/2017 | 12/28/2016 | 50,000,000 | 1.15 | \$50,000,000 | \$50,048,800 | \$48,800 |
| Bank of Montreal, Nov 03, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.23 | 11/3/2017 | 2/3/2017 | 25,000,000 | 1.25 | \$25,000,000 | \$25,025,125 | \$25,125 |
| Bank of Nova Scotia, Toronto CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.60 | 6/27/2017 | | 100,000,000 | 1.62 | \$100,000,000 | \$100,082,266 | \$82,266 |
| Bank of Nova Scotia, Toronto CP4-2 | COMMERCIAL PAPER - 4-2 | | 2/23/2017 | | 25,000,000 | 1.23 | \$24,929,167 | \$24,951,597 | \$22,431 |
| Bank of Nova Scotia, Toronto, Mar 24, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.22 | 3/24/2017 | 12/27/2016 | 25,000,000 | 1.24 | \$25,000,000 | \$25,028,675 | \$28,675 |
| Bank of Nova Scotia, Toronto, Mar 28, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.13 | 3/28/2017 | 12/28/2016 | 75,000,000 | 1.15 | \$75,000,000 | \$75,006,000 | \$6,000 |
| Bank of Tokyo-Mitsubishi Ltd. CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.43 | 12/6/2016 | | 300,000,000 | 0.44 | \$300,000,000 | \$300,000,000 | \$0 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 5/16/2017 | | 135,000,000 | 1.16 | \$134,292,338 | \$134,423,273 | \$130,936 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 5/26/2017 | | 100,000,000 | 1.16 | \$99,444,417 | \$99,602,447 | \$158,030 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 6/1/2017 | | 28,500,000 | 1.18 | \$28,333,394 | \$28,367,584 | \$34,190 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 6/1/2017 | | 50,000,000 | 1.18 | \$49,707,708 | \$49,767,692 | \$59,983 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 6/6/2017 | | 50,000,000 | 1.20 | \$49,694,500 | \$49,755,339 | \$60,839 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/1/2016 | | 50,000,000 | 0.43 | \$49,999,417 | \$49,999,393 | -\$24 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/16/2016 | | 35,000,000 | 0.81 | \$34,987,556 | \$34,992,300 | \$4,744 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/20/2016 | | 50,000,000 | 0.61 | \$49,983,333 | \$49,985,806 | \$2,472 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/13/2017 | | 25,000,000 | 1.05 | \$24,946,354 | \$24,958,333 | \$11,979 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/7/2017 | | 30,000,000 | 1.13 | \$29,911,083 | \$29,924,987 | \$13,903 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/10/2017 | | 50,000,000 | 1.07 | \$49,854,167 | \$49,869,445 | \$15,278 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/13/2017 | | 21,000,000 | 1.07 | \$20,936,913 | \$20,942,801 | \$5,888 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/15/2017 | | 25,000,000 | 1.07 | \$24,923,438 | \$24,930,000 | \$6,563 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/27/2017 | | 4,000,000 | 1.23 | \$3,984,400 | \$3,986,896 | \$2,496 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR NOVEMBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|--|---|---------|------------|------------|-------------|---------------|----------------|---------------|----------------------|
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 7/3/2017 | | 27,000,000 | 1.30 | \$26,795,213 | \$26,774,572 | -\$20,640 |
| Bedford Row Funding Corp., Oct 06, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.29 | 10/6/2017 | 1/6/2017 | 73,000,000 | 1.31 | \$73,000,000 | \$73,123,151 | \$123,151 |
| CAFCO, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/1/2016 | | 15,000,000 | 0.91 | \$14,999,629 | \$14,999,813 | \$183 |
| CAFCO, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 5/22/2017 | | 15,000,000 | 1.19 | \$14,916,383 | \$14,905,210 | -\$11,173 |
| CHARTA, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/27/2016 | | 40,000,000 | 0.94 | \$39,972,400 | \$39,982,390 | \$9,990 |
| CIESCO, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/13/2016 | | 47,000,000 | 0.90 | \$46,985,064 | \$46,991,344 | \$6,280 |
| CRC Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/19/2016 | | 25,000,000 | 0.92 | \$24,988,125 | \$24,992,967 | \$4,842 |
| CRC Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/10/2017 | | 25,000,000 | 1.23 | \$24,940,000 | \$24,964,000 | \$24,000 |
| CRC Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/17/2017 | | 62,450,000 | 0.94 | \$62,323,920 | \$62,348,177 | \$24,257 |
| California PCFA, (Pacific Gas & Electric Co.), (1997 Series B), 11/01/2026 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.53 | 11/1/2026 | 12/1/2016 | 11,700,000 | 0.55 | \$11,700,000 | \$11,700,000 | \$0 |
| California PCFA, (Sierra Pacific Industries), (Series 2014), 09/01/2044 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.65 | 9/1/2044 | 12/7/2016 | 30,000,000 | 0.65 | \$30,000,000 | \$30,000,000 | \$0 |
| Canadian Imperial Bank of Commerce CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.94 | 1/17/2017 | | 50,000,000 | 0.96 | \$50,000,000 | \$50,019,828 | \$19,828 |
| Canadian Imperial Bank of Commerce CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.20 | 2/17/2017 | | 45,000,000 | 1.22 | \$45,000,000 | \$45,036,583 | \$36,583 |
| Canadian Imperial Bank of Commerce, Apr 17, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.04 | 4/17/2017 | 12/19/2016 | 100,000,000 | 1.05 | \$100,000,000 | \$100,072,900 | \$72,900 |
| Commonwealth Bank of Aust, 01/27/2017 | VARIABLE RATE COMMERCIAL PAPER - 4-2 | 1.21 | 1/27/2017 | 1/3/2017 | 32,200,000 | 1.23 | \$32,201,959 | \$32,232,651 | \$30,691 |
| Commonwealth Bank of Australia, Jan 06, 2017 | VARIABLE RATE COMMERCIAL PAPER - 4-2 | 1.13 | 1/6/2017 | 1/6/2017 | 2,000,000 | 0.93 | \$2,000,890 | \$2,001,240 | \$350 |
| Connecticut State HFA, (2008 Series E), 05/15/2036 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.65 | 5/15/2036 | 12/1/2016 | 25,200,000 | 0.58 | \$25,200,000 | \$25,200,000 | \$0 |
| Cooperatieve Rabobank UA, Sr. Unsecd. Note, 3.375%, 01/19/2017 | CORPORATE NOTE | 3.38 | 1/19/2017 | | 1,273,000 | 0.92 | \$1,277,236 | \$1,276,844 | -\$392 |
| Credit Suisse, Zurich CP | COMMERCIAL PAPER | | 12/9/2016 | | 10,000,000 | 0.99 | \$9,997,575 | \$9,998,878 | \$1,303 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.24 | 4/6/2017 | | 85,000,000 | 1.26 | \$85,000,000 | \$85,026,456 | \$26,456 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.21 | 4/24/2017 | | 10,000,000 | 1.23 | \$10,000,000 | \$10,001,425 | \$1,425 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.21 | 4/25/2017 | | 75,000,000 | 1.23 | \$75,000,000 | \$75,010,165 | \$10,165 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.19 | 5/30/2017 | | 50,000,000 | 1.21 | \$50,000,000 | \$49,996,752 | -\$3,249 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.19 | 6/1/2017 | | 100,000,000 | 1.21 | \$100,000,000 | \$100,000,000 | \$0 |
| Dreyfus Government Cash Management Fund | OVERNIGHT MUTUAL FUND | 0.28 | 12/1/2016 | 10/5/2016 | 9,287,287 | 0.28 | \$9,287,287 | \$9,287,287 | \$0 |
| Fairway Finance Co. LLC, Dec 09, 2016 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.00 | 12/9/2016 | 12/9/2016 | 50,000,000 | 0.90 | \$50,000,000 | \$49,995,000 | -\$5,000 |
| Fiore Capital LLC, Series 2005-A, Aug 01, 2045 | VARIABLE RATE DEMAND NOTE | 0.60 | 8/1/2045 | 12/1/2016 | 37,980,000 | 0.60 | \$37,980,000 | \$37,980,000 | \$0 |
| Gotham Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/6/2016 | | 50,000,000 | 0.48 | \$49,996,083 | \$49,996,042 | -\$42 |

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INVENTORY OF HOLDINGS FOR NOVEMBER 2016

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|--|--------------------------------------|---------|-----------|------------|-------------|---------------|----------------|---------------|----------------------|
| Gotham Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/9/2016 | | 42,000,000 | 0.76 | \$41,992,125 | \$41,994,855 | \$2,730 |
| Gulf Gate Apartments LLC, Series 2003, Sep 01, 2028 | VARIABLE RATE DEMAND NOTE | 0.70 | 9/1/2028 | 12/1/2016 | 7,550,000 | 0.75 | \$7,550,000 | \$7,550,000 | \$0 |
| HSBC Bank USA, N.A., Feb 02, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.19 | 2/2/2017 | 12/2/2016 | 100,000,000 | 1.12 | \$100,000,000 | \$99,985,000 | -\$15,000 |
| Illinois Finance Authority, (Erikson Institute), (Series 2007), 11/01/2037 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.56 | 11/1/2037 | 12/1/2016 | 14,380,000 | 0.56 | \$14,380,000 | \$14,380,000 | \$0 |
| Indiana State Finance Authority, (Trinity Healthcare Credit Group), (Series 2008D-1), 12/01/2034 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.55 | 12/1/2034 | 12/1/2016 | 16,000,000 | 0.56 | \$16,000,000 | \$16,000,000 | \$0 |
| Iowa Finance Authority, (Trinity Healthcare Credit Group), (Series 2000D), 12/01/2030 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.61 | 12/1/2030 | 12/1/2016 | 15,150,000 | 0.53 | \$15,150,000 | \$15,150,000 | \$0 |
| Irvine, CA Assessment District No. 04-20, (Series A), 09/02/2050 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.61 | 9/2/2050 | 12/7/2016 | 21,375,000 | 0.55 | \$21,375,000 | \$21,375,000 | \$0 |
| J.P. Morgan Securities LLC CP | COMMERCIAL PAPER | | 7/28/2017 | | 20,000,000 | 1.23 | \$19,840,000 | \$19,853,333 | \$13,333 |
| J.P. Morgan Securities LLC, Dec 02, 2016 | VARIABLE RATE COMMERCIAL PAPER | 1.08 | 12/2/2016 | 12/2/2016 | 75,000,000 | 1.01 | \$75,000,000 | \$75,002,475 | \$2,475 |
| J.P. Morgan Securities LLC, Feb 24, 2017 | VARIABLE RATE COMMERCIAL PAPER | 1.26 | 2/24/2017 | 2/24/2017 | 40,000,000 | 1.27 | \$40,000,000 | \$39,938,128 | -\$61,872 |
| J.P. Morgan Securities LLC, Jul 31, 2017 | VARIABLE RATE COMMERCIAL PAPER | 1.18 | 7/31/2017 | 1/31/2017 | 70,000,000 | 1.20 | \$70,000,000 | \$70,066,710 | \$66,710 |
| Kaiser Foundation Hospital CP | COMMERCIAL PAPER | | 12/1/2016 | | 215,000,000 | 0.46 | \$214,997,313 | \$214,996,685 | -\$628 |
| LMA-Americas LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/1/2016 | | 250,000,000 | 0.41 | \$249,997,222 | \$249,996,875 | -\$347 |
| Malayan Banking Berhad, New York CPLOC | COMMERCIAL PAPER - LOC | | 4/17/2017 | | 49,000,000 | 1.33 | \$48,755,817 | \$48,791,505 | \$35,688 |
| Metropolitan Washington, DC Airports Authority, (Series 2011A-2), 10/01/2021 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.57 | 10/1/2021 | 12/1/2016 | 11,960,000 | 0.57 | \$11,960,000 | \$11,960,000 | \$0 |
| Mizuho Bank Ltd. CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.90 | 1/13/2017 | | 189,750,000 | 0.78 | \$189,779,937 | \$189,830,961 | \$51,024 |
| Mizuho Securities USA, Inc. - REPO TRIPARTY OVERNIGHT FIXED | REPO TRIPARTY OVERNIGHT FIXED | 0.29 | 12/1/2016 | | 15,000,000 | 0.29 | \$15,000,000 | \$15,000,000 | \$0 |
| Montgomery County, OH, (Cambridge Commons Apartments), (Series 2006A), 05/01/2038 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.60 | 5/1/2038 | 12/1/2016 | 7,920,000 | 0.55 | \$7,920,000 | \$7,920,000 | \$0 |
| NRW.Bank CP4-2 | COMMERCIAL PAPER - 4-2 | | 12/5/2016 | | 100,000,000 | 0.72 | \$99,990,139 | \$99,996,083 | \$5,944 |
| NRW.Bank CP4-2 | COMMERCIAL PAPER - 4-2 | | 1/1/2017 | | 20,000,000 | 0.69 | \$19,984,133 | \$19,985,440 | \$1,307 |
| National Australia Bank Ltd., Melbourne, Sr. Note, 2.75%, 3/09/2017 | CORPORATE NOTE | 2.75 | 3/9/2017 | | 12,400,000 | 1.01 | \$12,458,971 | \$12,456,879 | -\$2,092 |
| New York State Local Government Assistance Corp., (Subordinate Series 2008B-3V), 04/01/2024 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.57 | 4/1/2024 | 12/7/2016 | 24,120,000 | 0.57 | \$24,120,000 | \$24,120,000 | \$0 |
| Oglethorpe Power Corp. Scherer Project, (Oglethorpe Power Corp.), (Series 2009B), 01/01/2036 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.55 | 1/1/2036 | 12/7/2016 | 26,600,000 | 0.55 | \$26,600,000 | \$26,600,000 | \$0 |
| Old Line Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/21/2017 | | 35,000,000 | 1.22 | \$34,903,974 | \$34,931,168 | \$27,194 |
| Old Line Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 6/23/2017 | | 25,000,000 | 1.23 | \$24,829,167 | \$24,804,111 | -\$25,056 |
| Old Line Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 7/14/2017 | | 44,100,000 | 1.28 | \$43,753,938 | \$43,706,319 | -\$47,618 |

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INVENTORY OF HOLDINGS FOR NOVEMBER 2016

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|--|---|---------|------------|------------|-------------|---------------|----------------|---------------|----------------------|
| Old Line Funding, LLC, Feb 07, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.21 | 2/7/2017 | 12/7/2016 | 25,000,000 | 1.11 | \$25,000,000 | \$25,024,425 | \$24,425 |
| Old Line Funding, LLC, May 01, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.11 | 5/1/2017 | 12/1/2016 | 14,000,000 | 1.04 | \$14,000,000 | \$14,008,848 | \$8,848 |
| Orthopaedic Hospital of Wisconsin LLC, Series 09-A, Mar 01, 2039 | VARIABLE RATE DEMAND NOTE | 0.95 | 3/1/2039 | 12/1/2016 | 9,920,000 | 0.95 | \$9,920,000 | \$9,920,000 | \$0 |
| Pittsburgh, PA Water & Sewer Authority, (Series B-1 of 2008), 09/01/2039 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.61 | 9/1/2039 | 12/1/2016 | 15,000,000 | 0.55 | \$15,000,000 | \$15,000,000 | \$0 |
| Royal Bank of Canada, Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.88 | 12/8/2016 | | 25,000,000 | 0.89 | \$25,000,000 | \$25,001,930 | \$1,930 |
| Royal Bank of Canada, Montreal, Feb 02, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.23 | 2/2/2017 | 2/2/2017 | 45,000,000 | 1.25 | \$45,000,000 | \$45,047,610 | \$47,610 |
| Sabri Arac, The Quarry Lane School Series 2005, Oct 01, 2035 | VARIABLE RATE DEMAND NOTE | 0.70 | 10/1/2035 | 12/1/2016 | 13,040,000 | 0.75 | \$13,040,000 | \$13,040,000 | \$0 |
| Standard Chartered Bank plc CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.72 | 1/17/2017 | | 85,000,000 | 0.73 | \$85,000,000 | \$85,010,854 | \$10,854 |
| Starbird Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 12/1/2016 | | 95,000,000 | 0.46 | \$94,998,813 | \$94,998,813 | \$0 |
| Starbird Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/10/2017 | | 50,000,000 | 1.02 | \$49,943,056 | \$49,963,100 | \$20,044 |
| State Street Bank and Trust Co., Dec 13, 2016 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 0.89 | 12/13/2016 | 12/13/2016 | 25,000,000 | 0.90 | \$25,000,000 | \$25,004,100 | \$4,100 |
| State Street Bank and Trust Co., Jan 11, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 0.99 | 1/11/2017 | 12/12/2016 | 50,000,000 | 1.00 | \$50,000,000 | \$50,028,900 | \$28,900 |
| State Street Bank and Trust Co., Jan 25, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.14 | 1/25/2017 | 12/27/2016 | 100,000,000 | 1.16 | \$100,000,000 | \$100,085,400 | \$85,400 |
| Sumitomo Mitsui Banking Corp. CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.44 | 12/13/2016 | | 200,000,000 | 0.45 | \$200,000,000 | \$200,000,000 | \$0 |
| Svenska Handelsbanken, Stockholm TDCA | TIME DEPOSIT - CAYMAN | 0.31 | 12/1/2016 | | 300,000,000 | 0.32 | \$300,000,000 | \$300,000,000 | \$0 |
| Thunder Bay Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 7/20/2017 | | 25,000,000 | 1.33 | \$24,790,556 | \$24,763,972 | -\$26,583 |
| Thunder Bay Funding, LLC, Feb 22, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.17 | 2/22/2017 | 12/22/2016 | 75,000,000 | 1.18 | \$75,000,000 | \$75,085,050 | \$85,050 |
| Toronto Dominion Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.25 | 7/24/2017 | | 20,000,000 | 1.27 | \$20,000,000 | \$20,012,066 | \$12,066 |
| Toronto Dominion Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.40 | 9/8/2017 | | 40,000,000 | 1.42 | \$40,000,000 | \$40,059,945 | \$59,945 |
| Toronto Dominion Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.25 | 10/20/2017 | | 25,000,000 | 1.27 | \$25,000,000 | \$25,000,273 | \$273 |
| Toronto Dominion Bank, Apr 19, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.07 | 4/19/2017 | 12/19/2016 | 25,000,000 | 1.09 | \$25,000,000 | \$25,019,900 | \$19,900 |
| Toronto Dominion Bank, Aug 10, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.38 | 8/10/2017 | 2/10/2017 | 25,000,000 | 1.40 | \$25,000,000 | \$25,059,125 | \$59,125 |
| Toronto Dominion Bank, Mar 14, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.21 | 3/14/2017 | 12/14/2016 | 50,000,000 | 1.22 | \$50,000,000 | \$50,068,700 | \$68,700 |
| Toronto Dominion Bank, May 04, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 0.88 | 5/4/2017 | 2/6/2017 | 25,000,000 | 0.89 | \$25,000,000 | \$24,997,499 | -\$2,501 |
| Toronto Dominion Bank, Oct 16, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.38 | 10/16/2017 | 1/16/2017 | 25,000,000 | 1.40 | \$25,000,000 | \$25,072,450 | \$72,450 |
| Toronto Dominion Bank, Sep 06, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.45 | 9/6/2017 | 12/6/2016 | 15,000,000 | 1.35 | \$15,000,000 | \$14,995,650 | -\$4,350 |
| Toyota Credit Canada Inc. CP | COMMERCIAL PAPER | | 7/21/2017 | | 24,500,000 | 1.27 | \$24,303,374 | \$24,321,926 | \$18,553 |
| Toyota Motor Credit Corp., Aug 04, 2017 | VARIABLE RATE COMMERCIAL PAPER | 1.15 | 8/4/2017 | 2/7/2017 | 50,000,000 | 1.17 | \$50,000,000 | \$50,037,100 | \$37,100 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR NOVEMBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|---|--------------------------------------|---------|------------|------------|---------------|---------------|-----------------|-----------------|----------------------|
| University of Illinois, Series 2014C, Apr 01, 2044 | VARIABLE RATE DEMAND NOTE | 0.58 | 4/1/2044 | 12/1/2016 | 8,015,000 | 0.58 | \$8,015,000 | \$8,015,000 | \$0 |
| Valdez, AK Marine Terminal, (Exxon Mobil Corp.), (Series 2001), 12/01/2029 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.52 | 12/1/2029 | 12/1/2016 | 25,000,000 | 0.52 | \$25,000,000 | \$25,000,000 | \$0 |
| Washington State Economic Development Finance Authority, (CleanScapes, Inc.), (Series 2009), 02/12/2019 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.58 | 2/12/2019 | 12/7/2016 | 26,450,000 | 0.58 | \$26,450,000 | \$26,450,000 | \$0 |
| Wells Fargo Bank, N.A. CD | CERTIFICATE OF DEPOSIT | 1.30 | 10/20/2017 | | 20,000,000 | 1.32 | \$20,000,000 | \$20,006,074 | \$6,074 |
| Wells Fargo Bank, N.A., May 04, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.07 | 5/4/2017 | 12/5/2016 | 97,000,000 | 0.99 | \$97,000,000 | \$96,989,330 | -\$10,670 |
| Wells Fargo Bank, N.A., May 08, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.08 | 5/8/2017 | 12/7/2016 | 50,000,000 | 0.98 | \$50,000,000 | \$49,990,650 | -\$9,350 |
| Wells Fargo Bank, N.A., Oct 12, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.30 | 10/12/2017 | 1/12/2017 | 25,000,000 | 1.32 | \$25,000,000 | \$25,037,450 | \$37,450 |
| Westpac Banking Corp. Ltd, Series YCD, 02/06/2017 | CORPORATE BOND | 1.24 | 2/6/2017 | 2/6/2017 | 180,500,000 | 1.23 | \$180,513,848 | \$180,699,814 | \$185,965 |
| Will County, IL Environmental Revenue, (Exxon Mobil Corp.), (Series 2001), 06/01/2026 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.49 | 6/1/2026 | 12/1/2016 | 7,140,000 | 0.52 | \$7,140,000 | \$7,140,000 | \$0 |
| Total Value of Assets | | | | | 8,317,160,287 | | \$8,311,052,575 | \$8,313,466,135 | \$2,413,560 |

Notes: The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

¹ Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

² Amortized cost is calculated using a straight line method.

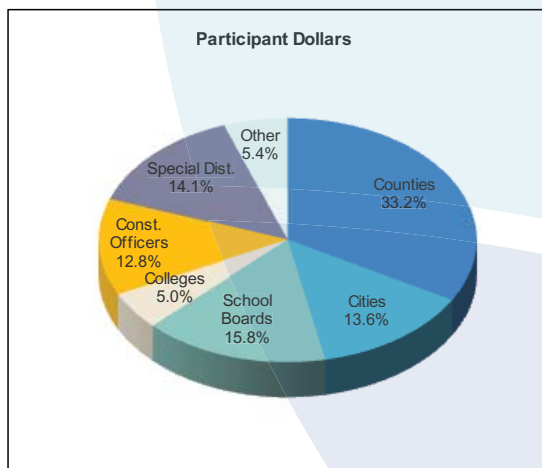
September 30, 2016 Financial Statement Disclosures now available.

Learn more at: <https://www.sbafla.com/PRIME>

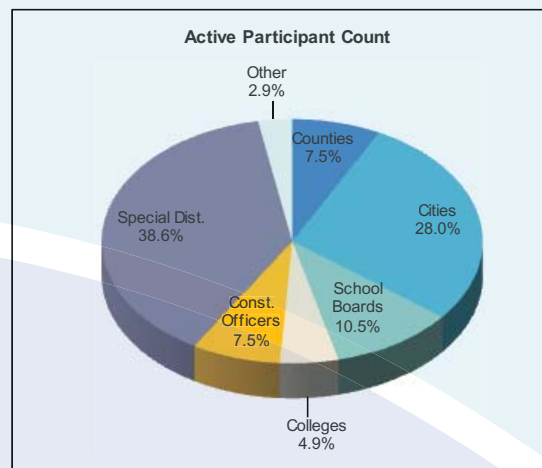
PLEASE CONTACT US IF YOU HAVE ANY QUESTIONS / (850) 488-7311
BETWEEN 7:30 a.m. and 4:30 p.m. ET, Monday through Friday.

PARTICIPANT CONCENTRATION DATA - AS OF NOVEMBER 2016

| Participant Balance | Share of Total Fund | Share of Participant Count | Participant Balance | Share of Total Fund | Share of Participant Count |
|----------------------------------|---------------------|----------------------------|------------------------------------|---------------------|----------------------------|
| All Participants | 100.0% | 100.0% | Colleges & Universities | 5.0% | 4.9% |
| Top 10 | 39.2% | 1.4% | Top 10 | 4.6% | 1.4% |
| \$100 million or more | 52.7% | 2.5% | \$100 million or more | 2.5% | 0.1% |
| \$10 million up to \$100 million | 39.0% | 12.7% | \$10 million up to \$100 million | 1.8% | 0.7% |
| \$1 million up to \$10 million | 7.5% | 22.0% | \$1 million up to \$10 million | 0.8% | 1.8% |
| Under \$1 million | 0.8% | 62.8% | Under \$1 million | 0.03% | 2.3% |
| Counties | 33.2% | 7.5% | Constitutional Officers | 12.8% | 7.5% |
| Top 10 | 26.1% | 1.4% | Top 10 | 1.1% | 1.4% |
| \$100 million or more | 25.0% | 1.2% | \$100 million or more | 10.8% | 0.4% |
| \$10 million up to \$100 million | 7.8% | 1.9% | \$10 million up to \$100 million | 1.1% | 0.4% |
| \$1 million up to \$10 million | 0.4% | 1.2% | \$1 million up to \$10 million | 0.7% | 1.9% |
| Under \$1 million | 0.0% | 3.1% | Under \$1 million | 0.1% | 4.8% |
| Municipalities | 13.6% | 28.0% | Special Districts | 14.1% | 38.6% |
| Top 10 | 7.0% | 1.4% | Top 10 | 9.8% | 1.4% |
| \$100 million or more | 1.3% | 0.1% | \$100 million or more | 3.8% | 0.1% |
| \$10 million up to \$100 million | 9.6% | 3.8% | \$10 million up to \$100 million | 8.1% | 2.6% |
| \$1 million up to \$10 million | 2.4% | 7.4% | \$1 million up to \$10 million | 1.8% | 6.2% |
| Under \$1 million | 0.2% | 16.7% | Under \$1 million | 0.3% | 29.7% |
| School Boards | 15.8% | 10.5% | Other | 5.4% | 2.9% |
| Top 10 | 12.7% | 1.4% | Top 10 | 4.9% | 1.4% |
| \$100 million or more | 7.8% | 0.3% | \$100 million or more | 1.6% | 0.1% |
| \$10 million up to \$100 million | 7.1% | 2.3% | \$10 million up to \$100 million | 3.5% | 1.0% |
| \$1 million up to \$10 million | 1.0% | 2.6% | \$1 million up to \$10 million | 0.3% | 1.0% |
| Under \$1 million | 0.1% | 5.3% | Under \$1 million | 0.0% | 0.8% |



Total Fund Value: \$8,203,108,687



Total Active Participant Count: 731

Note: Active accounts include only those participant accounts valued above zero.

COMPLIANCE WITH INVESTMENT POLICY FOR NOVEMBER 2016

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG meets monthly and on an ad hoc basis to review compliance exceptions, to document responses to exceptions, and to formally escalate recommendations for approval by the Executive Director & CIO. The IOG also reviews the Federated compliance report each month, as well as the results of independent compliance testing conducted by SBA Risk Management and Compliance. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, the SBA conducts independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as "High" or "Low" with respect to the level of risk associated with a potential guideline breach. IPS parameters with risk rankings of "High" are subject to independent verification by SBA Risk Management and Compliance. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in "Fail" status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

| Test by Source | Pass/Fail |
|---|-----------|
| <u>Florida PRIME's Investment Policy</u> | |
| Securities must be USD denominated. | Pass |
| <u>Ratings requirements</u> | |
| The Florida PRIME investment portfolio must purchase exclusively first-tier securities. Securities purchased with short-term ratings by an NRSRO, or comparable in quality and security to other obligations of the issuer that have received short-term ratings from an NRSRO, are eligible if they are in one of the two highest rating categories. | Pass |
| Securities purchased that do not have short-term ratings must have a long-term rating in one of the three highest long-term rating categories. | Pass |
| Commercial Paper must be rated by at least one short-term NRSRO. | Pass |
| Repurchase Agreement Counterparties must be rated by S&P | Pass |
| S&P Weighted Average Life - maximum 90 days ¹ | Pass |
| <u>Maturity</u> | |
| Securities, excluding Government floating rate notes/variable rate notes, purchased did not have a maturity in excess of 397 days. | Pass |
| Government floating rate notes/variable rate notes purchased did not have a maturity in excess of 762 days. | Pass |
| The Florida PRIME investment portfolio must maintain a Spread WAM of 120 days or less. | Pass |
| <u>Issuer Diversification</u> | |
| First-tier issuers (limit does not apply to cash, cash items, U.S. Government securities refunded securities and repo collateralized by these securities) are limited, at the time of purchase, to 5% of the Florida PRIME investment portfolio's total assets. ² | Pass |
| <u>Demand Feature and Guarantor Diversification</u> | |
| First-tier securities issued by or subject to demand features and guarantees of a non-controlled person, at time of purchase, are limited to 10% with respect to 75% of the Florida PRIME investment portfolio's total assets. | Pass |
| First-tier securities issued by or subject to demand features and guarantees of a control person, at time of purchase, are limited to 10% with respect to the Florida PRIME investment portfolio's total assets. | Pass |
| <u>Money Market Mutual Funds</u> | |
| The account, at time of purchase, will not have exposure to any one Money Market Mutual Fund in excess of 10% of the Florida PRIME investment portfolio's total assets. | Pass |
| <u>Concentration Tests</u> | |
| The account, at time of purchase, will not have exposure to an industry sector, excluding the financial services industry, in excess of 25% of the Florida PRIME investment portfolio's total assets. | Pass |
| The account, at time of purchase, will not have exposure to any single Government Agency in excess of 33.33% of the Florida PRIME investment portfolio's total assets. | Pass |
| The account, at time of purchase, will not have exposure to illiquid securities in excess of 5% of the Florida PRIME investment portfolio's total assets. | Pass |
| The account, at time of purchase, will invest at least 10% of the Florida PRIME investment portfolio's total assets in securities accessible within one business day. | Pass |
| The account, at time of purchase, will invest at least 30% of the Florida PRIME investment portfolio's total assets in securities accessible within five business days. ³ | Pass |
| <u>S&P Requirements</u> | |
| The Florida PRIME investment portfolio must maintain a Dollar Weighted Average Maturity of 60 days or less. | Pass |
| The account, at time of purchase, will invest at least 50% of the Florida PRIME investment portfolio's total assets in Securities in Highest Rating Category (A-1+ or equivalent). | Pass |

¹ The fund may use floating rate government securities to extend the limit up to 120 days

² This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to liquidate positions if the exposure in excess of the specified percentage is caused by account movements.

³ This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to take immediate corrective measures if asset movements cause the exposure to be below the specified percentage.

TRADING ACTIVITY FOR NOVEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|----------------------------|------------------|---------------|----------------|------------------|------------|--------------------|----------------------|------------------------|
| <i>Buys</i> | | | | | | | | |
| ALPINE SECURITIZATICPABS4 | 11/09/16 | 11/08/16 | 11/08/16 | 45,300,000 | 45,299,371 | 0 | 45,299,371 | 0 |
| ALPINE SECURITIZATICPABS4 | 11/10/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,999,361 | 0 | 49,999,361 | 0 |
| ALPINE SECURITIZATICPABS4 | 11/10/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,999,361 | 0 | 49,999,361 | 0 |
| ALPINE SECURITIZATICPABS4 | 11/10/16 | 11/09/16 | 11/09/16 | 15,000,000 | 14,999,808 | 0 | 14,999,808 | 0 |
| ALPINE SECURITIZATICPABS4 | 03/03/17 | 11/30/16 | 11/30/16 | 25,000,000 | 24,935,417 | 0 | 24,935,417 | 0 |
| ALPINE SECURITIZATICPABS4 | 03/06/17 | 11/30/16 | 11/30/16 | 50,000,000 | 49,866,667 | 0 | 49,866,667 | 0 |
| ALPINE SECURITIZATICPABS4 | 03/06/17 | 11/30/16 | 11/30/16 | 50,000,000 | 49,866,667 | 0 | 49,866,667 | 0 |
| ALPINE SECURITIZATION CORP | 05/16/17 | 11/15/16 | 11/15/16 | 27,000,000 | 27,000,000 | 0 | 27,000,000 | 0 |
| ANGLESEA FUNDING LLC PABS4 | 01/03/17 | 11/14/16 | 11/14/16 | 35,000,000 | 34,963,542 | 0 | 34,963,542 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/04/16 | 11/03/16 | 11/03/16 | 20,000,000 | 19,999,761 | 0 | 19,999,761 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/09/16 | 11/02/16 | 11/02/16 | 32,500,000 | 32,497,156 | 0 | 32,497,156 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/10/16 | 11/03/16 | 11/03/16 | 45,000,000 | 44,996,063 | 0 | 44,996,063 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/10/16 | 11/08/16 | 11/08/16 | 3,500,000 | 3,499,909 | 0 | 3,499,909 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/16/16 | 11/09/16 | 11/09/16 | 27,500,000 | 27,497,594 | 0 | 27,497,594 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/17/16 | 11/10/16 | 11/10/16 | 40,000,000 | 39,996,500 | 0 | 39,996,500 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/21/16 | 11/14/16 | 11/14/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/21/16 | 11/14/16 | 11/14/16 | 9,790,000 | 9,789,143 | 0 | 9,789,143 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/23/16 | 11/16/16 | 11/16/16 | 27,500,000 | 27,497,594 | 0 | 27,497,594 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/23/16 | 11/17/16 | 11/17/16 | 45,000,000 | 44,996,625 | 0 | 44,996,625 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/28/16 | 11/21/16 | 11/21/16 | 48,200,000 | 48,195,783 | 0 | 48,195,783 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/30/16 | 11/23/16 | 11/23/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 11/30/16 | 11/23/16 | 11/23/16 | 20,000,000 | 19,998,250 | 0 | 19,998,250 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 12/05/16 | 11/02/16 | 11/02/16 | 30,000,000 | 29,982,125 | 0 | 29,982,125 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 12/05/16 | 11/02/16 | 11/02/16 | 50,000,000 | 49,970,208 | 0 | 49,970,208 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 12/05/16 | 11/28/16 | 11/28/16 | 48,540,000 | 48,535,753 | 0 | 48,535,753 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 12/07/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 12/07/16 | 11/30/16 | 11/30/16 | 10,000,000 | 9,999,125 | 0 | 9,999,125 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 12/14/16 | 11/17/16 | 11/17/16 | 12,720,000 | 12,713,799 | 0 | 12,713,799 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 12/14/16 | 11/18/16 | 11/18/16 | 30,000,000 | 29,985,483 | 0 | 29,985,483 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 12/29/16 | 11/29/16 | 11/29/16 | 13,940,000 | 13,932,449 | 0 | 13,932,449 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/02/16 | 11/01/16 | 11/01/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/02/16 | 11/01/16 | 11/01/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/02/16 | 11/01/16 | 11/01/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/03/16 | 11/02/16 | 11/02/16 | 25,065,000 | 25,064,708 | 0 | 25,064,708 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/09/16 | 11/08/16 | 11/08/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/09/16 | 11/08/16 | 11/08/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/09/16 | 11/08/16 | 11/08/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/09/16 | 11/08/16 | 11/08/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/10/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/10/16 | 11/09/16 | 11/09/16 | 44,897,000 | 44,896,464 | 0 | 44,896,464 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/10/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/10/16 | 11/09/16 | 11/09/16 | 25,000,000 | 24,999,688 | 0 | 24,999,688 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/17/16 | 11/16/16 | 11/16/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/17/16 | 11/16/16 | 11/16/16 | 29,000,000 | 28,999,638 | 0 | 28,999,638 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/17/16 | 11/16/16 | 11/16/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/17/16 | 11/16/16 | 11/16/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/22/16 | 11/21/16 | 11/21/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/22/16 | 11/21/16 | 11/21/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/22/16 | 11/21/16 | 11/21/16 | 4,400,000 | 4,399,945 | 0 | 4,399,945 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/22/16 | 11/21/16 | 11/21/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/23/16 | 11/22/16 | 11/22/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/23/16 | 11/22/16 | 11/22/16 | 20,000,000 | 19,999,750 | 0 | 19,999,750 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/28/16 | 11/23/16 | 11/23/16 | 50,000,000 | 49,996,806 | 0 | 49,996,806 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/28/16 | 11/23/16 | 11/23/16 | 50,000,000 | 49,996,806 | 0 | 49,996,806 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/28/16 | 11/23/16 | 11/23/16 | 50,000,000 | 49,996,806 | 0 | 49,996,806 | 0 |

TRADING ACTIVITY FOR NOVEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|-----------------------------|------------------|---------------|----------------|------------------|------------|--------------------|----------------------|------------------------|
| ATLANTIC ASSET SECUCPABS4 | 11/28/16 | 11/23/16 | 11/23/16 | 50,000,000 | 49,996,806 | 0 | 49,996,806 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/29/16 | 11/17/16 | 11/18/16 | 50,000,000 | 49,992,819 | 0 | 49,992,819 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,556 | 0 | 49,999,556 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,556 | 0 | 49,999,556 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,556 | 0 | 49,999,556 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,556 | 0 | 49,999,556 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/01/16 | 11/30/16 | 11/30/16 | 45,000,000 | 44,999,600 | 0 | 44,999,600 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,556 | 0 | 49,999,556 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/06/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,979,000 | 0 | 49,979,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 01/11/17 | 11/18/16 | 11/21/16 | 50,000,000 | 49,952,542 | 0 | 49,952,542 | 0 |
| BNP PARIBAS SA | 12/12/16 | 11/18/16 | 11/23/16 | 15,000,000 | 15,003,924 | 83,854 | 15,087,778 | 0 |
| BANK OF MONTREAL/CHICAGO IL | 11/03/17 | 11/02/16 | 11/03/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| BANK OF MONTREAL/CHICAGO IL | 12/01/17 | 11/30/16 | 11/30/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 11/18/16 | 11/04/16 | 11/04/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 11/18/16 | 11/04/16 | 11/04/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 11/18/16 | 11/04/16 | 11/04/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 11/18/16 | 11/04/16 | 11/04/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/06/16 | 11/29/16 | 11/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/06/16 | 11/29/16 | 11/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/06/16 | 11/29/16 | 11/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/06/16 | 11/29/16 | 11/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/06/16 | 11/29/16 | 11/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/06/16 | 11/29/16 | 11/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANQUE ET CAISSE D'CP | 05/16/17 | 11/17/16 | 11/17/16 | 50,000,000 | 49,717,500 | 0 | 49,717,500 | 0 |
| BANQUE ET CAISSE D'CP | 05/16/17 | 11/17/16 | 11/17/16 | 35,000,000 | 34,802,250 | 0 | 34,802,250 | 0 |
| BANQUE ET CAISSE D'CP | 05/16/17 | 11/17/16 | 11/17/16 | 50,000,000 | 49,717,500 | 0 | 49,717,500 | 0 |
| BANQUE ET CAISSE D'CP | 05/26/17 | 11/17/16 | 11/17/16 | 50,000,000 | 49,701,806 | 0 | 49,701,806 | 0 |
| BANQUE ET CAISSE D'CP | 05/26/17 | 11/17/16 | 11/17/16 | 50,000,000 | 49,701,806 | 0 | 49,701,806 | 0 |
| BANQUE ET CAISSE D'CP | 06/01/17 | 11/23/16 | 11/23/16 | 50,000,000 | 49,696,528 | 0 | 49,696,528 | 0 |
| BANQUE ET CAISSE D'CP | 06/01/17 | 11/25/16 | 11/28/16 | 28,500,000 | 28,331,573 | 0 | 28,331,573 | 0 |
| BANQUE ET CAISSE D'CP | 06/06/17 | 11/28/16 | 11/28/16 | 50,000,000 | 49,691,250 | 0 | 49,691,250 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/04/16 | 11/03/16 | 11/03/16 | 30,000,000 | 29,999,658 | 0 | 29,999,658 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/09/16 | 11/02/16 | 11/02/16 | 50,000,000 | 49,995,431 | 0 | 49,995,431 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/09/16 | 11/02/16 | 11/02/16 | 50,000,000 | 49,995,431 | 0 | 49,995,431 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/09/16 | 11/02/16 | 11/02/16 | 50,000,000 | 49,995,431 | 0 | 49,995,431 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/10/16 | 11/09/16 | 11/09/16 | 42,000,000 | 41,999,498 | 0 | 41,999,498 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/10/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/16/16 | 11/15/16 | 11/15/16 | 50,000,000 | 49,999,417 | 0 | 49,999,417 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/16/16 | 11/15/16 | 11/15/16 | 25,000,000 | 24,999,708 | 0 | 24,999,708 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/16/16 | 11/15/16 | 11/15/16 | 50,000,000 | 49,999,417 | 0 | 49,999,417 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/18/16 | 11/17/16 | 11/17/16 | 42,000,000 | 41,999,475 | 0 | 41,999,475 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/18/16 | 11/17/16 | 11/17/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/21/16 | 11/18/16 | 11/18/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/21/16 | 11/18/16 | 11/18/16 | 40,000,000 | 39,998,500 | 0 | 39,998,500 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/29/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,984,722 | 0 | 49,984,722 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/29/16 | 11/18/16 | 11/18/16 | 24,300,000 | 24,295,916 | 0 | 24,295,916 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/29/16 | 11/28/16 | 11/28/16 | 25,000,000 | 24,999,708 | 0 | 24,999,708 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/29/16 | 11/28/16 | 11/28/16 | 50,000,000 | 49,999,417 | 0 | 49,999,417 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/30/16 | 11/23/16 | 11/23/16 | 50,000,000 | 49,995,139 | 0 | 49,995,139 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/30/16 | 11/23/16 | 11/23/16 | 50,000,000 | 49,995,139 | 0 | 49,995,139 | 0 |
| BARTON CAPITAL LLCCPABS4- | 11/30/16 | 11/23/16 | 11/23/16 | 50,000,000 | 49,995,139 | 0 | 49,995,139 | 0 |
| BARTON CAPITAL LLCCPABS4- | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,417 | 0 | 49,999,417 | 0 |
| BARTON CAPITAL LLCCPABS4- | 12/20/16 | 11/29/16 | 11/29/16 | 50,000,000 | 49,982,500 | 0 | 49,982,500 | 0 |
| BNP PARIBAS SACP4-2 | 11/03/16 | 11/02/16 | 11/02/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/03/16 | 11/02/16 | 11/02/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/03/16 | 11/02/16 | 11/02/16 | 45,000,000 | 44,999,488 | 0 | 44,999,488 | 0 |

TRADING ACTIVITY FOR NOVEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|--------------------------------|------------------|---------------|----------------|------------------|------------|--------------------|----------------------|------------------------|
| BNP PARIBAS SACP4-2 | 11/03/16 | 11/02/16 | 11/02/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/03/16 | 11/02/16 | 11/02/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/03/16 | 11/02/16 | 11/02/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/04/16 | 11/03/16 | 11/03/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/04/16 | 11/03/16 | 11/03/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/04/16 | 11/03/16 | 11/03/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 13,000,000 | 12,999,852 | 0 | 12,999,852 | 0 |
| BNP PARIBAS SACP4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/09/16 | 11/08/16 | 11/08/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/09/16 | 11/08/16 | 11/08/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/09/16 | 11/08/16 | 11/08/16 | 40,000,000 | 39,999,544 | 0 | 39,999,544 | 0 |
| BNP PARIBAS SACP4-2 | 11/10/16 | 11/03/16 | 11/03/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| BNP PARIBAS SACP4-2 | 11/10/16 | 11/03/16 | 11/03/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| BNP PARIBAS SACP4-2 | 11/10/16 | 11/03/16 | 11/03/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| BNP PARIBAS SACP4-2 | 11/10/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/10/16 | 11/09/16 | 11/09/16 | 5,000,000 | 4,999,943 | 0 | 4,999,943 | 0 |
| BNP PARIBAS SACP4-2 | 11/10/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/10/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| BNP PARIBAS SACP4-2 | 11/21/16 | 11/14/16 | 11/14/16 | 50,000,000 | 49,995,722 | 0 | 49,995,722 | 0 |
| BNP PARIBAS SACP4-2 | 11/21/16 | 11/14/16 | 11/14/16 | 50,000,000 | 49,995,722 | 0 | 49,995,722 | 0 |
| BNP PARIBAS SACP4-2 | 11/21/16 | 11/14/16 | 11/14/16 | 50,000,000 | 49,995,722 | 0 | 49,995,722 | 0 |
| BNP PARIBAS SACP4-2 | 11/28/16 | 11/21/16 | 11/21/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| BNP PARIBAS SACP4-2 | 11/28/16 | 11/21/16 | 11/21/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| BNP PARIBAS SACP4-2 | 11/28/16 | 11/21/16 | 11/21/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| BNP PARIBAS SACP4-2 | 11/28/16 | 11/21/16 | 11/21/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| BNP PARIBAS SACP4-2 | 11/28/16 | 11/21/16 | 11/21/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| BNP PARIBAS SACP4-2 | 12/02/16 | 11/18/16 | 11/18/16 | 50,000,000 | 49,990,667 | 0 | 49,990,667 | 0 |
| BNP PARIBAS SACP4-2 | 12/02/16 | 11/18/16 | 11/18/16 | 30,000,000 | 29,994,400 | 0 | 29,994,400 | 0 |
| BNP PARIBAS SACP4-2 | 12/13/16 | 11/29/16 | 11/29/16 | 50,000,000 | 49,990,472 | 0 | 49,990,472 | 0 |
| BNP PARIBAS SACP4-2 | 12/13/16 | 11/29/16 | 11/29/16 | 50,000,000 | 49,990,472 | 0 | 49,990,472 | 0 |
| BNP PARIBAS SACP4-2 | 12/13/16 | 11/29/16 | 11/29/16 | 50,000,000 | 49,990,472 | 0 | 49,990,472 | 0 |
| BNP PARIBAS SACP4-2 | 12/13/16 | 11/29/16 | 11/29/16 | 50,000,000 | 49,990,472 | 0 | 49,990,472 | 0 |
| BNP PARIBAS SACP4-2 | 12/13/16 | 11/29/16 | 11/29/16 | 50,000,000 | 49,990,472 | 0 | 49,990,472 | 0 |
| CAFCO, LLC PABS4-2 | 05/22/17 | 11/22/16 | 11/22/16 | 15,000,000 | 14,912,517 | 0 | 14,912,517 | 0 |
| CRC FUNDING LLC PABS4-2 | 02/17/17 | 11/03/16 | 11/03/16 | 50,000,000 | 49,864,556 | 0 | 49,864,556 | 0 |
| CRC FUNDING LLC PABS4-2 | 02/17/17 | 11/03/16 | 11/03/16 | 12,450,000 | 12,416,274 | 0 | 12,416,274 | 0 |
| CIESCO, LLC PABS4-2 | 11/16/16 | 11/15/16 | 11/15/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| CIESCO, LLC PABS4-2 | 11/16/16 | 11/15/16 | 11/15/16 | 15,641,000 | 15,640,804 | 0 | 15,640,804 | 0 |
| COMMONWEALTH BANK OF AUSTRALIA | 01/06/17 | 11/21/16 | 11/21/16 | 2,000,000 | 2,001,106 | 2,899 | 2,004,005 | 0 |
| COOPERATIEVE RABOBANK UA | 01/19/17 | 11/22/16 | 11/28/16 | 1,273,000 | 1,277,406 | 15,395 | 1,292,801 | 0 |
| RABOBANK NEDERLAND CP | 11/14/16 | 11/10/16 | 11/10/16 | 50,000,000 | 49,997,778 | 0 | 49,997,778 | 0 |
| RABOBANK NEDERLAND CP | 11/14/16 | 11/10/16 | 11/10/16 | 50,000,000 | 49,997,778 | 0 | 49,997,778 | 0 |
| RABOBANK NEDERLAND CP | 11/14/16 | 11/10/16 | 11/10/16 | 50,000,000 | 49,997,778 | 0 | 49,997,778 | 0 |
| RABOBANK NEDERLAND CP | 11/14/16 | 11/10/16 | 11/10/16 | 40,000,000 | 39,998,222 | 0 | 39,998,222 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/15/16 | 11/14/16 | 11/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/15/16 | 11/14/16 | 11/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/15/16 | 11/14/16 | 11/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/22/16 | 11/21/16 | 11/21/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/22/16 | 11/21/16 | 11/21/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/22/16 | 11/21/16 | 11/21/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/23/16 | 11/22/16 | 11/22/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/23/16 | 11/22/16 | 11/22/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/23/16 | 11/22/16 | 11/22/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/23/16 | 11/22/16 | 11/22/16 | 45,000,000 | 44,999,500 | 0 | 44,999,500 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/23/16 | 11/22/16 | 11/22/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |

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TRADING ACTIVITY FOR NOVEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|----------------------------------|------------------|---------------|----------------|------------------|------------|--------------------|----------------------|------------------------|
| LMA-AMERICAS LLCCPABS4-2 | 11/07/16 | 11/04/16 | 11/04/16 | 50,000,000 | 49,998,250 | 0 | 49,998,250 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/07/16 | 11/04/16 | 11/04/16 | 50,000,000 | 49,998,250 | 0 | 49,998,250 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/07/16 | 11/04/16 | 11/04/16 | 50,000,000 | 49,998,250 | 0 | 49,998,250 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/07/16 | 11/04/16 | 11/04/16 | 50,000,000 | 49,998,250 | 0 | 49,998,250 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/07/16 | 11/04/16 | 11/04/16 | 50,000,000 | 49,998,250 | 0 | 49,998,250 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 25,000,000 | 24,999,701 | 0 | 24,999,701 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/09/16 | 11/08/16 | 11/08/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/09/16 | 11/08/16 | 11/08/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/23/16 | 11/16/16 | 11/16/16 | 50,000,000 | 49,995,333 | 0 | 49,995,333 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/23/16 | 11/16/16 | 11/16/16 | 50,000,000 | 49,995,333 | 0 | 49,995,333 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/23/16 | 11/16/16 | 11/16/16 | 25,000,000 | 24,997,667 | 0 | 24,997,667 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| MIZUHO BANK LTD,CDYAN | 01/13/17 | 11/18/16 | 11/21/16 | 50,000,000 | 50,009,502 | 50,000 | 50,059,502 | 0 |
| MIZUHO BANK LTD,CDYAN | 01/13/17 | 11/18/16 | 11/21/16 | 50,000,000 | 50,009,502 | 50,000 | 50,059,502 | 0 |
| MIZUHO BANK LTD,CDYAN | 01/13/17 | 11/18/16 | 11/21/16 | 50,000,000 | 50,009,502 | 50,000 | 50,059,502 | 0 |
| MIZUHO BANK LTD,CDYAN | 01/13/17 | 11/18/16 | 11/21/16 | 39,750,000 | 39,757,554 | 39,750 | 39,797,304 | 0 |
| NRW,BANKCP | 01/11/17 | 11/09/16 | 11/10/16 | 20,000,000 | 19,976,578 | 0 | 19,976,578 | 0 |
| NATIONAL AUSTRALIA BANK/NEW YORK | 03/09/17 | 11/17/16 | 11/22/16 | 12,400,000 | 12,463,736 | 69,147 | 12,532,883 | 0 |
| SOCIETE GENERALE, PCP4-2 | 11/03/16 | 11/02/16 | 11/02/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| SOCIETE GENERALE, PCP4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,417 | 0 | 49,999,417 | 0 |
| SOCIETE GENERALE, PCP4-2 | 11/08/16 | 11/07/16 | 11/07/16 | 10,086,000 | 10,085,882 | 0 | 10,085,882 | 0 |
| SOCIETE GENERALE, PCP4-2 | 11/09/16 | 11/08/16 | 11/08/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| SOCIETE GENERALE, PCP4-2 | 11/09/16 | 11/08/16 | 11/08/16 | 10,000,000 | 9,999,886 | 0 | 9,999,886 | 0 |
| STANDARD CHARTERED CDYAN | 01/17/17 | 11/18/16 | 11/18/16 | 35,000,000 | 35,000,000 | 0 | 35,000,000 | 0 |
| STANDARD CHARTERED CDYAN | 01/17/17 | 11/18/16 | 11/18/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/02/16 | 11/01/16 | 11/01/16 | 25,000,000 | 24,999,688 | 0 | 24,999,688 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/02/16 | 11/01/16 | 11/01/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/02/16 | 11/01/16 | 11/01/16 | 41,120,000 | 41,119,486 | 0 | 41,119,486 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/03/16 | 11/02/16 | 11/02/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/04/16 | 11/03/16 | 11/03/16 | 45,500,000 | 45,499,457 | 0 | 45,499,457 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/08/16 | 11/07/16 | 11/07/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/09/16 | 11/08/16 | 11/08/16 | 20,000,000 | 19,999,750 | 0 | 19,999,750 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/09/16 | 11/08/16 | 11/08/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/09/16 | 11/08/16 | 11/08/16 | 225,000 | 224,997 | 0 | 224,997 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/09/16 | 11/08/16 | 11/08/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/10/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/10/16 | 11/09/16 | 11/09/16 | 11,499,000 | 11,498,856 | 0 | 11,498,856 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/10/16 | 11/09/16 | 11/09/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/18/16 | 11/17/16 | 11/17/16 | 45,000,000 | 44,999,463 | 0 | 44,999,463 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/21/16 | 11/18/16 | 11/18/16 | 35,000,000 | 34,998,688 | 0 | 34,998,688 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/21/16 | 11/18/16 | 11/18/16 | 50,000,000 | 49,998,208 | 0 | 49,998,208 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/21/16 | 11/18/16 | 11/18/16 | 50,000,000 | 49,998,208 | 0 | 49,998,208 | 0 |
| STARBIRD FUNDING COCPABS4 | 12/01/16 | 11/30/16 | 11/30/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| STARBIRD FUNDING COCPABS4 | 12/01/16 | 11/30/16 | 11/30/16 | 45,000,000 | 44,999,438 | 0 | 44,999,438 | 0 |
| SUMITOMO MITSUI BANCYAN | 11/21/16 | 11/14/16 | 11/14/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |

TRADING ACTIVITY FOR NOVEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|-----------------------------|------------------|---------------|----------------|------------------|---------------|--------------------|----------------------|------------------------|
| SUMITOMO MITSUI BANC DYAN | 11/21/16 | 11/14/16 | 11/14/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SUMITOMO MITSUI BANC DYAN | 11/21/16 | 11/14/16 | 11/14/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SUMITOMO MITSUI BANC DYAN | 11/21/16 | 11/14/16 | 11/14/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SUMITOMO MITSUI BANC DYAN | 11/28/16 | 11/21/16 | 11/21/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SUMITOMO MITSUI BANC DYAN | 11/28/16 | 11/21/16 | 11/21/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SUMITOMO MITSUI BANC DYAN | 11/28/16 | 11/21/16 | 11/21/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SUMITOMO MITSUI BANC DYAN | 11/28/16 | 11/21/16 | 11/21/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SUMITOMO MITSUI BANC DYAN | 12/13/16 | 11/29/16 | 11/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SUMITOMO MITSUI BANC DYAN | 12/13/16 | 11/29/16 | 11/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SUMITOMO MITSUI BANC DYAN | 12/13/16 | 11/29/16 | 11/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SUMITOMO MITSUI BANC DYAN | 12/13/16 | 11/29/16 | 11/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| TOYOTA CREDIT CANADCP | 07/21/17 | 11/04/16 | 11/07/16 | 24,500,000 | 24,283,964 | 0 | 24,283,964 | 0 |
| TOYOTA MOTOR CREDIT CORP | 08/04/17 | 11/04/16 | 11/07/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| WELLS FARGO BANK NA | 05/04/17 | 11/04/16 | 11/04/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| WELLS FARGO BANK NA | 05/04/17 | 11/04/16 | 11/04/16 | 47,000,000 | 47,000,000 | 0 | 47,000,000 | 0 |
| WELLS FARGO BANK NA | 05/08/17 | 11/07/16 | 11/07/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| COUNTY OF WILL IL | 06/01/26 | 11/16/16 | 11/16/16 | 7,140,000 | 7,140,000 | 1,385 | 7,141,385 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/03/16 | 11/03/16 | 1,269,476 | 1,269,476 | 0 | 1,269,476 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/07/16 | 11/07/16 | 1,722,812 | 1,722,812 | 0 | 1,722,812 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/10/16 | 11/10/16 | 1,333,034 | 1,333,034 | 0 | 1,333,034 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/14/16 | 11/14/16 | 367,297 | 367,297 | 0 | 367,297 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/15/16 | 11/15/16 | 48,953 | 48,953 | 0 | 48,953 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/16/16 | 11/16/16 | 2,420,198 | 2,420,198 | 0 | 2,420,198 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/18/16 | 11/18/16 | 1,851,903 | 1,851,903 | 0 | 1,851,903 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/21/16 | 11/21/16 | 1,183,058 | 1,183,058 | 0 | 1,183,058 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/22/16 | 11/22/16 | 1,270,665 | 1,270,665 | 0 | 1,270,665 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/25/16 | 11/25/16 | 254,414 | 254,414 | 0 | 254,414 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/28/16 | 11/28/16 | 2,138,472 | 2,138,472 | 0 | 2,138,472 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/30/16 | 11/30/16 | 4,596,459 | 4,596,459 | 0 | 4,596,459 | 0 |
| MIZUHO TRIPARTY | 11/02/16 | 11/01/16 | 11/01/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/02/16 | 11/01/16 | 11/01/16 | 535,000,000 | 535,000,000 | 0 | 535,000,000 | 0 |
| MIZUHO TRIPARTY | 11/03/16 | 11/02/16 | 11/02/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/03/16 | 11/02/16 | 11/02/16 | 390,000,000 | 390,000,000 | 0 | 390,000,000 | 0 |
| MIZUHO TRIPARTY | 11/04/16 | 11/03/16 | 11/03/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/04/16 | 11/03/16 | 11/03/16 | 380,000,000 | 380,000,000 | 0 | 380,000,000 | 0 |
| MIZUHO TRIPARTY | 11/07/16 | 11/04/16 | 11/04/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/07/16 | 11/04/16 | 11/04/16 | 350,000,000 | 350,000,000 | 0 | 350,000,000 | 0 |
| MIZUHO TRIPARTY | 11/08/16 | 11/07/16 | 11/07/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/08/16 | 11/07/16 | 11/07/16 | 350,000,000 | 350,000,000 | 0 | 350,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/09/16 | 11/08/16 | 11/08/16 | 467,000,000 | 467,000,000 | 0 | 467,000,000 | 0 |
| MIZUHO TRIPARTY | 11/09/16 | 11/08/16 | 11/08/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| MIZUHO TRIPARTY | 11/10/16 | 11/09/16 | 11/09/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/10/16 | 11/09/16 | 11/09/16 | 665,000,000 | 665,000,000 | 0 | 665,000,000 | 0 |
| MIZUHO TRIPARTY | 11/14/16 | 11/10/16 | 11/10/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| DEUTSCHE BANK | 11/14/16 | 11/10/16 | 11/10/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/14/16 | 11/10/16 | 11/10/16 | 835,000,000 | 835,000,000 | 0 | 835,000,000 | 0 |
| MIZUHO TRIPARTY | 11/15/16 | 11/14/16 | 11/14/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/15/16 | 11/14/16 | 11/14/16 | 360,000,000 | 360,000,000 | 0 | 360,000,000 | 0 |
| MIZUHO TRIPARTY | 11/16/16 | 11/15/16 | 11/15/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/16/16 | 11/15/16 | 11/15/16 | 430,000,000 | 430,000,000 | 0 | 430,000,000 | 0 |
| MIZUHO TRIPARTY | 11/17/16 | 11/16/16 | 11/16/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/17/16 | 11/16/16 | 11/16/16 | 1,035,000,000 | 1,035,000,000 | 0 | 1,035,000,000 | 0 |
| MIZUHO TRIPARTY | 11/18/16 | 11/17/16 | 11/17/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/18/16 | 11/17/16 | 11/17/16 | 1,050,000,000 | 1,050,000,000 | 0 | 1,050,000,000 | 0 |
| MIZUHO TRIPARTY | 11/21/16 | 11/18/16 | 11/18/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/21/16 | 11/18/16 | 11/18/16 | 1,140,000,000 | 1,140,000,000 | 0 | 1,140,000,000 | 0 |
| MIZUHO TRIPARTY | 11/22/16 | 11/21/16 | 11/21/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |

TRADING ACTIVITY FOR NOVEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|--|---------------|------------|-------------|----------------|----------------|-----------------|-------------------|---------------------|
| BANK OF AMERICA TRIPARTY | 11/22/16 | 11/21/16 | 11/21/16 | 460,000,000 | 460,000,000 | 0 | 460,000,000 | 0 |
| MIZUHO TRIPARTY | 11/23/16 | 11/22/16 | 11/22/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/23/16 | 11/22/16 | 11/22/16 | 320,000,000 | 320,000,000 | 0 | 320,000,000 | 0 |
| MIZUHO TRIPARTY | 11/28/16 | 11/23/16 | 11/23/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/28/16 | 11/23/16 | 11/23/16 | 585,000,000 | 585,000,000 | 0 | 585,000,000 | 0 |
| MIZUHO TRIPARTY | 11/29/16 | 11/28/16 | 11/28/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| DEUTSCHE BANK | 11/29/16 | 11/28/16 | 11/28/16 | 350,000,000 | 350,000,000 | 0 | 350,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/29/16 | 11/28/16 | 11/28/16 | 970,000,000 | 970,000,000 | 0 | 970,000,000 | 0 |
| MIZUHO TRIPARTY | 11/30/16 | 11/29/16 | 11/29/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/30/16 | 11/29/16 | 11/29/16 | 370,000,000 | 370,000,000 | 0 | 370,000,000 | 0 |
| MIZUHO TRIPARTY | 12/01/16 | 11/30/16 | 11/30/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/01/16 | 11/30/16 | 11/30/16 | 765,000,000 | 765,000,000 | 0 | 765,000,000 | 0 |
| <i>Total Buys</i> | | | | 25,426,751,742 | 25,423,145,548 | 362,431 | 25,423,507,979 | 0 |
| <i>Cash Close</i> | | | | | | | | |
| SCHOOL DISTRICT OF PHILADELPHIA/THE | 09/01/30 | 11/16/16 | 11/16/16 | 72,300,000 | 72,300,000 | 17,364 | 72,317,364 | 0 |
| <i>Total Cash Close</i> | | | | 72,300,000 | 72,300,000 | 17,364 | 72,317,364 | 0 |
| <i>Deposits</i> | | | | | | | | |
| SVENSKA HANDELSBANKTDCAY 0.4 20161102 | 11/02/16 | 11/01/16 | 11/01/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161103 | 11/03/16 | 11/02/16 | 11/02/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161104 | 11/04/16 | 11/03/16 | 11/03/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161107 | 11/07/16 | 11/04/16 | 11/04/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161114 | 11/14/16 | 11/10/16 | 11/10/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161115 | 11/15/16 | 11/14/16 | 11/14/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.42 20161115 | 11/15/16 | 11/14/16 | 11/14/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161116 | 11/16/16 | 11/15/16 | 11/15/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161122 | 11/22/16 | 11/21/16 | 11/21/16 | 350,000,000 | 350,000,000 | 0 | 350,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161123 | 11/23/16 | 11/22/16 | 11/22/16 | 355,000,000 | 355,000,000 | 0 | 355,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161128 | 11/28/16 | 11/23/16 | 11/23/16 | 355,000,000 | 355,000,000 | 0 | 355,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161129 | 11/29/16 | 11/28/16 | 11/28/16 | 170,000,000 | 170,000,000 | 0 | 170,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.4 20161129 | 11/29/16 | 11/28/16 | 11/28/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161129 | 11/29/16 | 11/28/16 | 11/28/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161130 | 11/30/16 | 11/29/16 | 11/29/16 | 375,000,000 | 375,000,000 | 0 | 375,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.31 20161201 | 12/01/16 | 11/30/16 | 11/30/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| <i>Total Deposits</i> | | | | 4,605,000,000 | 4,605,000,000 | 0 | 4,605,000,000 | 0 |
| <i>Maturities</i> | | | | | | | | |
| ASB FINANCE LTD,CP4-2 | 11/09/16 | 11/09/16 | 11/09/16 | 95,000,000 | 95,000,000 | 0 | 95,000,000 | 0 |
| ASB FINANCE LTD/LONDON | 11/30/16 | 11/30/16 | 11/30/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| ALPINE SECURITIZATICPABS4 | 11/08/16 | 11/08/16 | 11/08/16 | 125,000,000 | 125,000,000 | 0 | 125,000,000 | 0 |
| ALPINE SECURITIZATICPABS4 | 11/09/16 | 11/09/16 | 11/09/16 | 45,300,000 | 45,300,000 | 0 | 45,300,000 | 0 |
| ALPINE SECURITIZATICPABS4 | 11/10/16 | 11/10/16 | 11/10/16 | 115,000,000 | 115,000,000 | 0 | 115,000,000 | 0 |
| ALPINE SECURITIZATICPABS4 | 11/17/16 | 11/17/16 | 11/17/16 | 45,000,000 | 45,000,000 | 0 | 45,000,000 | 0 |
| ALPINE SECURITIZATICPABS4 | 11/23/16 | 11/23/16 | 11/23/16 | 70,000,000 | 70,000,000 | 0 | 70,000,000 | 0 |
| ANGLESEA FUNDING LLC,PABS4 | 11/01/16 | 11/01/16 | 11/01/16 | 11,100,000 | 11,100,000 | 0 | 11,100,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 11/02/16 | 11/02/16 | 11/02/16 | 32,000,000 | 32,000,000 | 0 | 32,000,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 11/03/16 | 11/03/16 | 11/03/16 | 45,000,000 | 45,000,000 | 0 | 45,000,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 11/04/16 | 11/04/16 | 11/04/16 | 63,910,000 | 63,910,000 | 0 | 63,910,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 11/09/16 | 11/09/16 | 11/09/16 | 32,500,000 | 32,500,000 | 0 | 32,500,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 11/10/16 | 11/10/16 | 11/10/16 | 48,500,000 | 48,500,000 | 0 | 48,500,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 11/16/16 | 11/16/16 | 11/16/16 | 27,500,000 | 27,500,000 | 0 | 27,500,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 11/17/16 | 11/17/16 | 11/17/16 | 40,000,000 | 40,000,000 | 0 | 40,000,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 11/21/16 | 11/21/16 | 11/21/16 | 59,790,000 | 59,790,000 | 0 | 59,790,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 11/23/16 | 11/23/16 | 11/23/16 | 72,500,000 | 72,500,000 | 0 | 72,500,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 11/28/16 | 11/28/16 | 11/28/16 | 48,200,000 | 48,200,000 | 0 | 48,200,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 11/29/16 | 11/29/16 | 11/29/16 | 13,760,000 | 13,760,000 | 0 | 13,760,000 | 0 |

TRADING ACTIVITY FOR NOVEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|-----------------------------|------------------|---------------|----------------|------------------|-------------|--------------------|----------------------|------------------------|
| ANTALIS S.A. CPABS4CPABS4 | 11/30/16 | 11/30/16 | 11/30/16 | 70,000,000 | 70,000,000 | 0 | 70,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/01/16 | 11/01/16 | 11/01/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/02/16 | 11/02/16 | 11/02/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/03/16 | 11/03/16 | 11/03/16 | 25,065,000 | 25,065,000 | 0 | 25,065,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/09/16 | 11/09/16 | 11/09/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/10/16 | 11/10/16 | 11/10/16 | 169,897,000 | 169,897,000 | 0 | 169,897,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/17/16 | 11/17/16 | 11/17/16 | 179,000,000 | 179,000,000 | 0 | 179,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/22/16 | 11/22/16 | 11/22/16 | 154,400,000 | 154,400,000 | 0 | 154,400,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/23/16 | 11/23/16 | 11/23/16 | 70,000,000 | 70,000,000 | 0 | 70,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/28/16 | 11/28/16 | 11/28/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 11/29/16 | 11/29/16 | 11/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF NOVA SCOTIA/HOUSTON | 11/07/16 | 11/07/16 | 11/07/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 11/15/16 | 11/15/16 | 11/15/16 | 85,000,000 | 85,000,000 | 0 | 85,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 11/02/16 | 11/02/16 | 11/02/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 11/18/16 | 11/18/16 | 11/18/16 | 175,000,000 | 175,000,000 | 0 | 175,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 11/01/16 | 11/01/16 | 11/01/16 | 45,000,000 | 45,000,000 | 0 | 45,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 11/04/16 | 11/04/16 | 11/04/16 | 130,000,000 | 130,000,000 | 0 | 130,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 11/07/16 | 11/07/16 | 11/07/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 11/09/16 | 11/09/16 | 11/09/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 11/10/16 | 11/10/16 | 11/10/16 | 92,000,000 | 92,000,000 | 0 | 92,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 11/16/16 | 11/16/16 | 11/16/16 | 125,000,000 | 125,000,000 | 0 | 125,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 11/18/16 | 11/18/16 | 11/18/16 | 92,000,000 | 92,000,000 | 0 | 92,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 11/21/16 | 11/21/16 | 11/21/16 | 90,000,000 | 90,000,000 | 0 | 90,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 11/29/16 | 11/29/16 | 11/29/16 | 149,300,000 | 149,300,000 | 0 | 149,300,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 11/30/16 | 11/30/16 | 11/30/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 11/01/16 | 11/01/16 | 11/01/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 11/03/16 | 11/03/16 | 11/03/16 | 295,000,000 | 295,000,000 | 0 | 295,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 11/04/16 | 11/04/16 | 11/04/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 11/08/16 | 11/08/16 | 11/08/16 | 113,000,000 | 113,000,000 | 0 | 113,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 11/09/16 | 11/09/16 | 11/09/16 | 140,000,000 | 140,000,000 | 0 | 140,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 11/10/16 | 11/10/16 | 11/10/16 | 305,000,000 | 305,000,000 | 0 | 305,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 11/21/16 | 11/21/16 | 11/21/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 11/28/16 | 11/28/16 | 11/28/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| CANADIAN IMPERIAL BCDYAN | 11/18/16 | 11/18/16 | 11/18/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| CANADIAN IMPERIAL BCDYAN | 11/28/16 | 11/28/16 | 11/28/16 | 24,000,000 | 24,000,000 | 0 | 24,000,000 | 0 |
| CANADIAN IMPERIAL BCDYAN | 11/28/16 | 11/28/16 | 11/28/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| CIESCO, LLCPCABS4-2 | 11/16/16 | 11/16/16 | 11/16/16 | 65,641,000 | 65,641,000 | 0 | 65,641,000 | 0 |
| RABOBANK NEDERLAND CP | 11/14/16 | 11/14/16 | 11/14/16 | 190,000,000 | 190,000,000 | 0 | 190,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/15/16 | 11/15/16 | 11/15/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/22/16 | 11/22/16 | 11/22/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/23/16 | 11/23/16 | 11/23/16 | 356,409,000 | 356,409,000 | 0 | 356,409,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/28/16 | 11/28/16 | 11/28/16 | 188,500,000 | 188,500,000 | 0 | 188,500,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 11/29/16 | 11/29/16 | 11/29/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| RABOBANK NEDERLAND CP | 11/30/16 | 11/30/16 | 11/30/16 | 381,550,000 | 381,550,000 | 0 | 381,550,000 | 0 |
| CREDIT AGRICOLE CORCP | 11/16/16 | 11/16/16 | 11/16/16 | 330,000,000 | 330,000,000 | 0 | 330,000,000 | 0 |
| CREDIT AGRICOLE CORCP | 11/30/16 | 11/30/16 | 11/30/16 | 391,000,000 | 391,000,000 | 0 | 391,000,000 | 0 |
| DZ BANK AG DEUTSCHECDYAN | 11/18/16 | 11/18/16 | 11/18/16 | 29,000,000 | 29,000,000 | 0 | 29,000,000 | 0 |
| DZ BANK AG DEUTSCHECDYAN | 11/28/16 | 11/28/16 | 11/28/16 | 125,000,000 | 125,000,000 | 0 | 125,000,000 | 0 |
| EXXON MOBIL CORP,CP | 11/07/16 | 11/07/16 | 11/07/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| FAIRWAY FINANCE CO LLC | 11/03/16 | 11/03/16 | 11/03/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| FAIRWAY FINANCE CO LLC | 11/14/16 | 11/14/16 | 11/14/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 11/28/16 | 11/28/16 | 11/28/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| KAISER FOUNDATION HCP | 11/01/16 | 11/01/16 | 11/01/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| KAISER FOUNDATION HCP | 11/29/16 | 11/29/16 | 11/29/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 11/02/16 | 11/02/16 | 11/02/16 | 90,000,000 | 90,000,000 | 0 | 90,000,000 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 11/03/16 | 11/03/16 | 11/03/16 | 108,600,000 | 108,600,000 | 0 | 108,600,000 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 11/07/16 | 11/07/16 | 11/07/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |

TRADING ACTIVITY FOR NOVEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|------------------------------|------------------|---------------|----------------|------------------|---------------|--------------------|----------------------|------------------------|
| LMA-AMERICAS LLCCPABS4-2 | 11/08/16 | 11/08/16 | 11/08/16 | 325,000,000 | 325,000,000 | 0 | 325,000,000 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/09/16 | 11/09/16 | 11/09/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 11/23/16 | 11/23/16 | 11/23/16 | 125,000,000 | 125,000,000 | 0 | 125,000,000 | 0 |
| SOCIETE GENERALE, PCP4-2 | 11/03/16 | 11/03/16 | 11/03/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SOCIETE GENERALE, PCP4-2 | 11/08/16 | 11/08/16 | 11/08/16 | 60,086,000 | 60,086,000 | 0 | 60,086,000 | 0 |
| SOCIETE GENERALE, PCP4-2 | 11/09/16 | 11/09/16 | 11/09/16 | 60,000,000 | 60,000,000 | 0 | 60,000,000 | 0 |
| STANDARD CHARTERED CP4-2 | 11/14/16 | 11/14/16 | 11/14/16 | 7,500,000 | 7,500,000 | 0 | 7,500,000 | 0 |
| STANDARD CHARTERED CP4-2 | 11/15/16 | 11/15/16 | 11/15/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| STANDARD CHARTERED CDYAN | 11/18/16 | 11/18/16 | 11/18/16 | 2,000,000 | 2,000,000 | 0 | 2,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/01/16 | 11/01/16 | 11/01/16 | 40,000,000 | 40,000,000 | 0 | 40,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/02/16 | 11/02/16 | 11/02/16 | 116,120,000 | 116,120,000 | 0 | 116,120,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/03/16 | 11/03/16 | 11/03/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/04/16 | 11/04/16 | 11/04/16 | 85,500,000 | 85,500,000 | 0 | 85,500,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/08/16 | 11/08/16 | 11/08/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/09/16 | 11/09/16 | 11/09/16 | 120,225,000 | 120,225,000 | 0 | 120,225,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/10/16 | 11/10/16 | 11/10/16 | 111,499,000 | 111,499,000 | 0 | 111,499,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/18/16 | 11/18/16 | 11/18/16 | 45,000,000 | 45,000,000 | 0 | 45,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 11/21/16 | 11/21/16 | 11/21/16 | 135,000,000 | 135,000,000 | 0 | 135,000,000 | 0 |
| STATE STREET BANK & TRUST CO | 11/10/16 | 11/10/16 | 11/10/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SUMITOMO MITSUI BANCDYAN | 11/21/16 | 11/21/16 | 11/21/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| SUMITOMO MITSUI BANCDYAN | 11/28/16 | 11/28/16 | 11/28/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| SVENSKA HANDELSBANK CP4-2 | 11/18/16 | 11/18/16 | 11/18/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| TORONTO-DOMINION BANK/NY | 11/04/16 | 11/04/16 | 11/04/16 | 10,000,000 | 10,000,000 | 0 | 10,000,000 | 0 |
| TORONTO DOMINION BACDYAN | 11/10/16 | 11/10/16 | 11/10/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| UNILEVER CAPITAL COCP4-2 | 11/01/16 | 11/01/16 | 11/01/16 | 32,000,000 | 32,000,000 | 0 | 32,000,000 | 0 |
| MIZUHO TRIPARTY | 11/01/16 | 11/01/16 | 11/01/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/01/16 | 11/01/16 | 11/01/16 | 320,000,000 | 320,000,000 | 0 | 320,000,000 | 0 |
| MIZUHO TRIPARTY | 11/02/16 | 11/02/16 | 11/02/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/02/16 | 11/02/16 | 11/02/16 | 535,000,000 | 535,000,000 | 0 | 535,000,000 | 0 |
| MIZUHO TRIPARTY | 11/03/16 | 11/03/16 | 11/03/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/03/16 | 11/03/16 | 11/03/16 | 390,000,000 | 390,000,000 | 0 | 390,000,000 | 0 |
| MIZUHO TRIPARTY | 11/04/16 | 11/04/16 | 11/04/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/04/16 | 11/04/16 | 11/04/16 | 380,000,000 | 380,000,000 | 0 | 380,000,000 | 0 |
| MIZUHO TRIPARTY | 11/07/16 | 11/07/16 | 11/07/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/07/16 | 11/07/16 | 11/07/16 | 350,000,000 | 350,000,000 | 0 | 350,000,000 | 0 |
| MIZUHO TRIPARTY | 11/08/16 | 11/08/16 | 11/08/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/08/16 | 11/08/16 | 11/08/16 | 350,000,000 | 350,000,000 | 0 | 350,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/09/16 | 11/09/16 | 11/09/16 | 467,000,000 | 467,000,000 | 0 | 467,000,000 | 0 |
| MIZUHO TRIPARTY | 11/09/16 | 11/09/16 | 11/09/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| MIZUHO TRIPARTY | 11/10/16 | 11/10/16 | 11/10/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/10/16 | 11/10/16 | 11/10/16 | 665,000,000 | 665,000,000 | 0 | 665,000,000 | 0 |
| MIZUHO TRIPARTY | 11/14/16 | 11/14/16 | 11/14/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| DEUTSCHE BANK | 11/14/16 | 11/14/16 | 11/14/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/14/16 | 11/14/16 | 11/14/16 | 835,000,000 | 835,000,000 | 0 | 835,000,000 | 0 |
| MIZUHO TRIPARTY | 11/15/16 | 11/15/16 | 11/15/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/15/16 | 11/15/16 | 11/15/16 | 360,000,000 | 360,000,000 | 0 | 360,000,000 | 0 |
| MIZUHO TRIPARTY | 11/16/16 | 11/16/16 | 11/16/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/16/16 | 11/16/16 | 11/16/16 | 430,000,000 | 430,000,000 | 0 | 430,000,000 | 0 |
| MIZUHO TRIPARTY | 11/17/16 | 11/17/16 | 11/17/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/17/16 | 11/17/16 | 11/17/16 | 1,035,000,000 | 1,035,000,000 | 0 | 1,035,000,000 | 0 |
| MIZUHO TRIPARTY | 11/18/16 | 11/18/16 | 11/18/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/18/16 | 11/18/16 | 11/18/16 | 1,050,000,000 | 1,050,000,000 | 0 | 1,050,000,000 | 0 |
| MIZUHO TRIPARTY | 11/21/16 | 11/21/16 | 11/21/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/21/16 | 11/21/16 | 11/21/16 | 1,140,000,000 | 1,140,000,000 | 0 | 1,140,000,000 | 0 |
| MIZUHO TRIPARTY | 11/22/16 | 11/22/16 | 11/22/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/22/16 | 11/22/16 | 11/22/16 | 460,000,000 | 460,000,000 | 0 | 460,000,000 | 0 |
| MIZUHO TRIPARTY | 11/23/16 | 11/23/16 | 11/23/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |

TRADING ACTIVITY FOR NOVEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|--|---------------|------------|-------------|----------------|----------------|-----------------|-------------------|---------------------|
| BANK OF AMERICA TRIPARTY | 11/23/16 | 11/23/16 | 11/23/16 | 320,000,000 | 320,000,000 | 0 | 320,000,000 | 0 |
| MIZUHO TRIPARTY | 11/28/16 | 11/28/16 | 11/28/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/28/16 | 11/28/16 | 11/28/16 | 585,000,000 | 585,000,000 | 0 | 585,000,000 | 0 |
| MIZUHO TRIPARTY | 11/29/16 | 11/29/16 | 11/29/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| DEUTSCHE BANK | 11/29/16 | 11/29/16 | 11/29/16 | 350,000,000 | 350,000,000 | 0 | 350,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/29/16 | 11/29/16 | 11/29/16 | 970,000,000 | 970,000,000 | 0 | 970,000,000 | 0 |
| MIZUHO TRIPARTY | 11/30/16 | 11/30/16 | 11/30/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 11/30/16 | 11/30/16 | 11/30/16 | 370,000,000 | 370,000,000 | 0 | 370,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.3 20161101 | 11/01/16 | 11/01/16 | 11/01/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161102 | 11/02/16 | 11/02/16 | 11/02/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161103 | 11/03/16 | 11/03/16 | 11/03/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161104 | 11/04/16 | 11/04/16 | 11/04/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161107 | 11/07/16 | 11/07/16 | 11/07/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161114 | 11/14/16 | 11/14/16 | 11/14/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161115 | 11/15/16 | 11/15/16 | 11/15/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.42 20161115 | 11/15/16 | 11/15/16 | 11/15/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161116 | 11/16/16 | 11/16/16 | 11/16/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161122 | 11/22/16 | 11/22/16 | 11/22/16 | 350,000,000 | 350,000,000 | 0 | 350,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161123 | 11/23/16 | 11/23/16 | 11/23/16 | 355,000,000 | 355,000,000 | 0 | 355,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161128 | 11/28/16 | 11/28/16 | 11/28/16 | 355,000,000 | 355,000,000 | 0 | 355,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161129 | 11/29/16 | 11/29/16 | 11/29/16 | 170,000,000 | 170,000,000 | 0 | 170,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.4 20161129 | 11/29/16 | 11/29/16 | 11/29/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.4 20161129 | 11/29/16 | 11/29/16 | 11/29/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161130 | 11/30/16 | 11/30/16 | 11/30/16 | 375,000,000 | 375,000,000 | 0 | 375,000,000 | 0 |
| Total Maturities | | | | 28,031,352,000 | 28,031,352,000 | 0 | 28,031,352,000 | 0 |
| Sells | | | | | | | | |
| WELLS FARGO BANK NA | 11/21/16 | 11/07/16 | 11/07/16 | 50,000,000 | 50,007,874 | 67,460 | 50,075,333 | 7,874 |
| WELLS FARGO BANK NA | 11/18/16 | 11/04/16 | 11/04/16 | 50,000,000 | 50,007,315 | 64,194 | 50,071,509 | 7,315 |
| WELLS FARGO BANK NA | 11/18/16 | 11/04/16 | 11/04/16 | 50,000,000 | 50,007,315 | 64,194 | 50,071,509 | 7,315 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/01/16 | 11/01/16 | 4,955,089 | 4,955,089 | 0 | 4,955,089 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/02/16 | 11/02/16 | 523,701 | 523,701 | 0 | 523,701 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/04/16 | 11/04/16 | 61,690 | 61,690 | 0 | 61,690 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/08/16 | 11/08/16 | 1,462,152 | 1,462,152 | 0 | 1,462,152 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/09/16 | 11/09/16 | 1,033,881 | 1,033,881 | 0 | 1,033,881 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/17/16 | 11/17/16 | 824,672 | 824,672 | 0 | 824,672 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/17/16 | 11/17/16 | 149,887 | 149,887 | 0 | 149,887 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/17/16 | 11/17/16 | 1,269,476 | 1,269,476 | 0 | 1,269,476 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/17/16 | 11/17/16 | 260,661 | 260,661 | 0 | 260,661 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/17/16 | 11/17/16 | 1,333,034 | 1,333,034 | 0 | 1,333,034 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/17/16 | 11/17/16 | 367,297 | 367,297 | 0 | 367,297 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/17/16 | 11/17/16 | 48,953 | 48,953 | 0 | 48,953 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/17/16 | 11/17/16 | 797,608 | 797,608 | 0 | 797,608 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/23/16 | 11/23/16 | 1,622,590 | 1,622,590 | 0 | 1,622,590 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/23/16 | 11/23/16 | 832,553 | 832,553 | 0 | 832,553 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 11/29/16 | 11/29/16 | 1,175,131 | 1,175,131 | 0 | 1,175,131 | 0 |
| Total Sells | | | | 166,718,375 | 166,740,877 | 195,848 | 166,936,726 | 22,503 |



1801 Hermitage Boulevard, Suite 100
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www.sbafla.com/prime

Our Mission

Our mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

Federated



MONTHLY SUMMARY REPORT

December 2016

State Board of Administration of Florida

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Past performance is no guarantee of future results.

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in Florida PRIME is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.

INTRODUCTION

This report is prepared for stakeholders in Florida PRIME in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

- (1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;
- (2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and
- (3) Preparation of the management summary “in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies.”

This report, which covers the period from December 1, 2016, through December 31, 2016, has been prepared by the SBA with input from Federated Investment Counseling (“Federated”), investment advisor for Florida PRIME in a format intended to comply with the statute.

DISCLOSURE OF MATERIAL IMPACTS

During the reporting period, Florida PRIME was in material compliance with investment policy. There were no developments that had a material impact on the liquidity or operation of Florida PRIME. Details are available in the PRIME policy compliance table. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.

PRIME™ STATISTICS

(As of December 31, 2016)

Total Participants
745

Florida PRIME™ Assets
\$10,547,892,586

Total Number of Accounts
1,429

FACTS-AT-A-GLANCE

Florida PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME, the Local Government Surplus Funds Trust Fund, is utilized by hundreds of governmental investors including state agencies, state universities and colleges, counties, cities, special districts, school boards, and other direct support organizations of the State of Florida.

Florida PRIME is a government investment pool that offers management by an industry leader in professional money management, conservative investment policies, an extensive governance framework, a Standard & Poor’s “AAAm” rating, full transparency, and best-in-class financial reporting.

PORTFOLIO MANAGER COMMENTARY

MARKET CONDITIONS

The Federal Reserve met expectations—essentially 100% of them—by hiking its target rate in mid-December. That is good news, of course, but do not get used to expectations being met in 2017. It is setting up to be volatile, with expectations a little too positive amid many unknowns. One uncertainty is the tease the Federal Open Market Committee gave with new “dot plot” projections indicating the potential for three hikes in 2017. The market seems to have bought it. We still think two are more likely, although coming in March and September rather than June and December. That shift would leave open the possibility for a third move in December.

The largest variable is the fiscal policy the Trump administration will officially propose. We know less about his plans than those of any incoming administration in recent times. That spells volatility, even though its impact will not be felt immediately. We have been conditioned in recent years to look to monetary policy alone for action on the economy. Now we should finally have real fiscal changes to consider. Expectations again play a role as people have high hopes for the positives Trump could serve up. We hope those will be met and that the Fed will keep its upward momentum, but there is plenty of room for disappointment. Remember, this is a Fed that has been reactive to conditions in the global markets, often allowing them to influence its decisions. In 2016 alone, it didn’t tighten due to the volatility associated with China or the surprise of Brexit. It might not take much to throw the Fed off course again.

But, the most significant element in 2017 could relate to regulation—specifically the peeling back of some. This would be a boon to cash managers. While the recent money market fund reform is likely to remain, other regulations also have impacted the industry. Over the course of 2016, banking regulators influenced the patterns and predictability of issuers, leading many to cut back issuance lest they not have the required liquidity levels. This uncertainty was detrimental to the cash managers; money markets need short-term financing to work smoothly. It would help

tremendously if banks were able to issue more 1-, 2- and 3-month commercial paper and CDs without worrying about being penalized. Thankfully, the U.S. Treasury stepped in and issued more bills and notes to bridge the gaps in 2016. But, if banking regulations get rolled back to some degree, it should make for a more productive world.

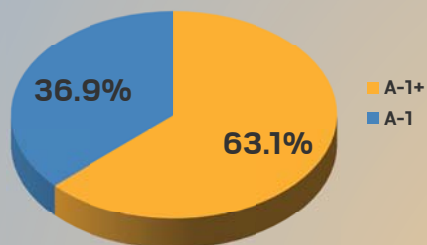
Overall, we are positive about 2017 and see upward steps for cash management. We continue to target the Pool’s weighted average maturity (WAM) to a range of 40-50 days, and the London interbank offered rate (LIBOR) remains supportive, with 1-month Libor increasing from 0.62% to 0.76%, 3-month from 0.93% to 1.00% and 6-month from 1.64% to 1.32% over the month of December.

INVESTMENT STRATEGY

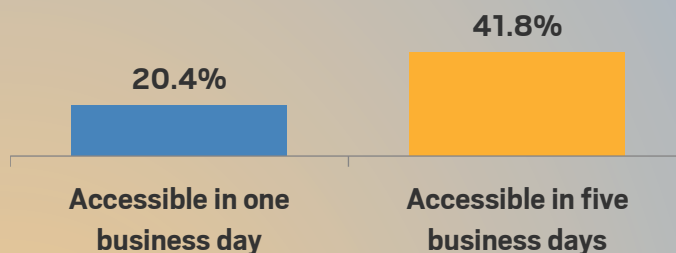
The specifics of the Pool’s portfolio in December were strong, first and foremost its leap in yield of 14 basis points to 0.95% on a gross basis due to the reform and the rate hike. Assets also rose significantly in the month, increasing \$2.2 billion to \$10.5 billion. That jump is typical for the Pool, because this is the time in which we receive a large amount of money due to taxes collected by participants. We expect the Pool to follow this script through January until the early part of February. A side effect of the elevated inflows is that, in order to invest them quickly, we put more into short-term instruments. This pulled the Pool’s Weighted Average Maturity (WAM) and the Weighted Average Life (WAL) in by 3 and 10 days to 46 and 60 days, respectively. That caused us to alter the holdings of the Pool. We decreased the percentage of repo in the portfolio by 6 basis points to 3% of total and variable-rate instruments by 4 basis points to 19%, reflecting the velocity of participant inflows. Our allocation to fixed-rate commercial paper grew from 46% to 54% of total; the Pool’s fixed-rate bank papers remained at 22%; and money market fund portion ticked up 2 basis points to 2%. All in all, 2016 ended on an upbeat note, and 2017 may very well be a happy new one.

PORTFOLIO COMPOSITION FOR DECEMBER 2016

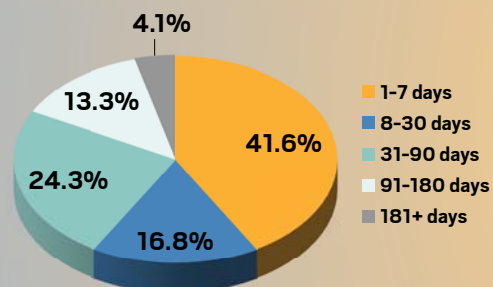
CREDIT QUALITY COMPOSITION



HIGHLY LIQUID HOLDINGS



EFFECTIVE MATURITY SCHEDULE



TOP HOLDINGS & AVG. MATURITY

| | |
|--|------|
| 1. Credit Agricole Group | 5.0% |
| 2. Barton Capital S.A. | 5.0% |
| 3. Bank of Montreal | 4.9% |
| 4. Mitsubishi UFJ Financial Group, Inc. | 4.9% |
| 5. Standard Chartered PLC | 4.6% |
| 6. BNP Paribas SA | 4.6% |
| 7. DZ Bank AG Deutsche Zentral-Genossenschaftsbank | 4.3% |
| 8. Luxembourg, Government of | 4.1% |
| 9. Canadian Imperial Bank of Commerce | 3.9% |
| 10. Royal Bank of Canada | 3.4% |

Average Effective Maturity (WAM)

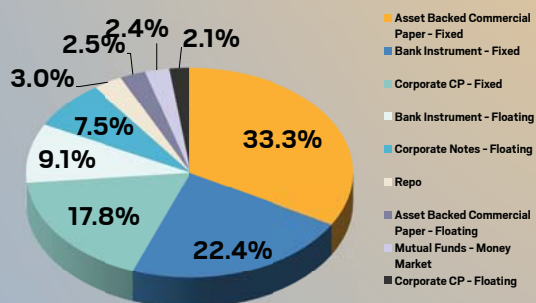
46.1 Days

Weighted Average Life (Spread WAL)

59.7 Days

Percentages based on total value of investments

PORTFOLIO COMPOSITION



FUND PERFORMANCE THROUGH DECEMBER 31, 2016

| Florida PRIME Performance Data | | | |
|--------------------------------|------------------------------------|-----------------------------------|-------------------------|
| | Net Participant Yield ¹ | Net-of-Fee Benchmark ² | Above (Below) Benchmark |
| One Month | 0.90% | 0.56% | 0.34% |
| Three Months | 0.87% | 0.51% | 0.36% |
| One Year | 0.68% | 0.40% | 0.28% |
| Three Years | 0.36% | 0.18% | 0.18% |
| Five Years | 0.31% | 0.14% | 0.18% |
| Ten Years | 1.02% | 0.89% | 0.13% |
| Since 1/96 | 2.67% | 2.46% | 0.21% |

Note: Net asset value at month end: \$10,549 million, which includes investments at market value, plus all cash, accrued interest receivable and payables.

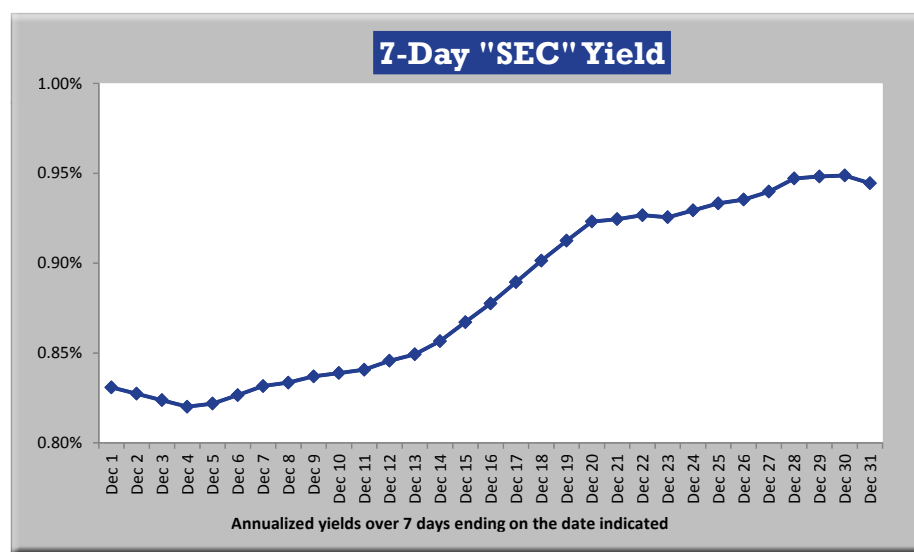
¹Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

²The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

ABOUT ANNUALIZED YIELDS:

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding, an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.



The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC Rule 2a-7 for money market funds.

The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365.

Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.

PRIME ACCOUNT SUMMARY FOR DECEMBER 2016

| Summary of Cash Flows | | |
|------------------------------|-----------|----------------------|
| Opening Balance (12/01/16) | \$ | 8,203,108,687 |
| Participant Deposits | | 5,362,138,556 |
| Gross Earnings | | 7,569,680 |
| Participant Withdrawals | | (3,024,924,337) |
| Fees | | (315,757) |
| Fee Holiday* | | 315,757 |
| Closing Balance (12/31/16) | \$ | 10,547,892,586 |
| Net Change over Month | \$ | 2,344,783,899 |

*Beginning January 1, 2016, all monthly pool expenses incurred are offset using proceeds from liquidity redemption fees charged to participants in 2008. The total amount of fees offset since January 2016 is \$1,965,878. The redemption reserve account balance at month end is \$291,364. Once the redemption fee reserve account is exhausted, pool charges will be reinstituted.

| Detailed Fee Disclosure*** | | |
|--|----------------------|-------------------------|
| December | Amount | Basis Point Equivalent* |
| SBA Client Service, Account Mgt. & Fiduciary Oversight Fee | \$ 84,077.41 | 1.08 |
| Federated Investment Management Fee | 203,769.48 | 2.61 |
| BNY Mellon Custodial Fee** | 11,824.47 | 0.15 |
| Bank of America Transfer Agent Fee | 8,100.41 | 0.10 |
| S&P Rating Maintenance Fee | 3,811.48 | 0.05 |
| Audit/External Review Fees | 4,173.73 | 0.05 |
| Total Fees | \$ 315,756.98 | 4.04 |

*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which was \$9,375,500,637.

**All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges may fluctuate month-to-month.

*** Beginning January 1, 2016, all monthly pool expenses incurred are offset using proceeds from liquidity redemption fees charged to participants in 2008. Once the redemption fee reserve account is exhausted, pool charges will be reinstituted.

INVENTORY OF HOLDINGS FOR DECEMBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|--|---|---------|-----------|------------|-------------|---------------|----------------|---------------|----------------------|
| ASB Finance Ltd. CP4-2 | COMMERCIAL PAPER - 4-2 | | 1/6/2017 | | 94,000,000 | 0.73 | \$93,986,840 | \$93,991,409 | \$4,569 |
| ASB Finance Ltd. CP4-2 | COMMERCIAL PAPER - 4-2 | | 1/18/2017 | | 20,000,000 | 0.99 | \$19,989,761 | \$19,994,490 | \$4,729 |
| ASB Finance Ltd. CP4-2 | COMMERCIAL PAPER - 4-2 | | 2/1/2017 | | 34,000,000 | 1.15 | \$33,964,938 | \$33,981,923 | \$16,986 |
| ASB Finance Ltd., Apr 12, 2017 | VARIABLE RATE COMMERCIAL PAPER - 4-2 | 1.28 | 4/12/2017 | 1/12/2017 | 25,000,000 | 1.30 | \$25,000,000 | \$25,032,200 | \$32,200 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/12/2017 | | 50,000,000 | 1.02 | \$49,981,944 | \$49,989,889 | \$7,945 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/27/2017 | | 35,000,000 | 1.02 | \$34,972,778 | \$34,981,925 | \$9,147 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/3/2017 | | 25,000,000 | 1.02 | \$24,956,250 | \$24,965,000 | \$8,750 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/6/2017 | | 100,000,000 | 1.02 | \$99,816,667 | \$99,849,667 | \$33,000 |
| Alpine Securitization LTD CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/20/2017 | | 100,000,000 | 1.17 | \$99,744,444 | \$99,797,111 | \$52,667 |
| Alpine Securitization Ltd., May 16, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.40 | 5/16/2017 | 1/17/2017 | 27,000,000 | 1.42 | \$27,000,000 | \$27,022,599 | \$22,599 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/3/2017 | | 35,000,000 | 0.76 | \$34,997,083 | \$34,998,289 | \$1,206 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/5/2017 | | 25,000,000 | 0.86 | \$24,996,458 | \$24,998,000 | \$1,542 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/14/2017 | | 70,000,000 | 1.33 | \$69,812,944 | \$69,852,514 | \$39,570 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/16/2017 | | 100,000,000 | 1.33 | \$99,725,556 | \$99,781,500 | \$55,944 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 4/6/2017 | | 50,000,000 | 1.28 | \$49,831,597 | \$49,847,360 | \$15,762 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 6/5/2017 | | 25,000,000 | 1.23 | \$24,869,167 | \$24,845,944 | -\$23,223 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 6/7/2017 | | 25,000,000 | 1.23 | \$24,867,500 | \$24,842,988 | -\$24,513 |
| Anglesea Funding LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 6/7/2017 | | 25,000,000 | 1.23 | \$24,867,500 | \$24,842,988 | -\$24,513 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/3/2017 | | 100,000,000 | 0.81 | \$99,991,111 | \$99,994,278 | \$3,167 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/4/2017 | | 100,000,000 | 0.75 | \$99,989,722 | \$99,992,778 | \$3,056 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/4/2017 | | 112,000,000 | 0.76 | \$111,988,333 | \$111,991,911 | \$3,578 |
| Antalis S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/30/2017 | | 10,050,000 | 0.86 | \$10,042,644 | \$10,044,089 | \$1,445 |
| Atlantic Asset Securitization LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/3/2017 | | 168,000,000 | 0.56 | \$167,989,733 | \$167,988,521 | -\$1,213 |
| Atlantic Asset Securitization LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/5/2017 | | 50,000,000 | 0.69 | \$49,994,333 | \$49,994,792 | \$458 |
| Atlantic Asset Securitization LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/11/2017 | | 50,000,000 | 0.68 | \$49,988,833 | \$49,989,084 | \$250 |
| BNP Paribas SA CP | COMMERCIAL PAPER | | 1/3/2017 | | 250,000,000 | 0.70 | \$249,980,833 | \$249,983,640 | \$2,807 |
| BNP Paribas SA Dublin CP4-2 | COMMERCIAL PAPER - 4-2 | | 1/9/2017 | | 200,000,000 | 0.71 | \$199,961,111 | \$199,965,722 | \$4,611 |
| Bank of America N.A. Triparty Repo Overnight Fixed | REPO TRIPARTY OVERNIGHT FIXED | 0.50 | 1/3/2017 | | 297,000,000 | 0.51 | \$297,000,000 | \$297,000,000 | \$0 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.25 | 7/20/2017 | | 25,000,000 | 1.27 | \$25,000,000 | \$24,993,413 | -\$6,588 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.40 | 8/9/2017 | | 23,000,000 | 1.42 | \$23,000,000 | \$23,009,798 | \$9,798 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.30 | 9/19/2017 | | 20,000,000 | 1.32 | \$20,000,000 | \$19,986,097 | -\$13,903 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR DECEMBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|---|--------------------------------------|---------|------------|------------|-------------|---------------|----------------|---------------|----------------------|
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.20 | 9/29/2017 | | 25,000,000 | 1.22 | \$25,000,000 | \$24,960,173 | -\$39,827 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.55 | 12/18/2017 | | 15,000,000 | 1.57 | \$15,000,000 | \$15,002,175 | \$2,175 |
| Bank of Montreal CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.67 | 1/3/2017 | | 125,000,000 | 0.68 | \$125,000,000 | \$124,999,708 | -\$293 |
| Bank of Montreal CP | COMMERCIAL PAPER | | 6/9/2017 | | 149,000,000 | 1.23 | \$148,200,367 | \$148,188,372 | -\$11,995 |
| Bank of Montreal, Dec 01, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.23 | 12/1/2017 | 3/1/2017 | 50,000,000 | 1.25 | \$50,000,000 | \$50,002,000 | \$2,000 |
| Bank of Montreal, Mar 27, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.29 | 3/27/2017 | 1/27/2017 | 50,000,000 | 1.30 | \$50,000,000 | \$50,051,100 | \$51,100 |
| Bank of Montreal, Nov 03, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.23 | 11/3/2017 | 2/3/2017 | 25,000,000 | 1.25 | \$25,000,000 | \$25,015,375 | \$15,375 |
| Bank of Nova Scotia, Toronto CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.60 | 6/27/2017 | | 100,000,000 | 1.62 | \$100,000,000 | \$100,018,840 | \$18,840 |
| Bank of Nova Scotia, Toronto CP4-2 | COMMERCIAL PAPER - 4-2 | | 2/23/2017 | | 25,000,000 | 1.23 | \$24,954,167 | \$24,968,757 | \$14,590 |
| Bank of Nova Scotia, Toronto, Mar 24, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.39 | 3/24/2017 | 1/24/2017 | 25,000,000 | 1.41 | \$25,000,000 | \$25,031,150 | \$31,150 |
| Bank of Nova Scotia, Toronto, Mar 28, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.29 | 3/28/2017 | 1/30/2017 | 75,000,000 | 1.30 | \$75,000,000 | \$75,021,000 | \$21,000 |
| Bank of Tokyo-Mitsubishi Ltd. CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.65 | 1/3/2017 | | 150,000,000 | 0.66 | \$150,000,000 | \$150,003,350 | \$3,350 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 5/16/2017 | | 135,000,000 | 1.16 | \$134,419,463 | \$134,382,641 | -\$36,822 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 5/26/2017 | | 100,000,000 | 1.16 | \$99,538,583 | \$99,568,450 | \$29,867 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 6/1/2017 | | 28,500,000 | 1.18 | \$28,360,706 | \$28,361,070 | \$363 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 6/1/2017 | | 50,000,000 | 1.18 | \$49,755,625 | \$49,756,263 | \$638 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 6/6/2017 | | 20,000,000 | 1.20 | \$19,897,300 | \$19,898,880 | \$1,580 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 6/6/2017 | | 50,000,000 | 1.20 | \$49,743,250 | \$49,747,200 | \$3,950 |
| Banque et Caisse d'Epargne de L'Etat CP | COMMERCIAL PAPER | | 6/6/2017 | | 53,080,000 | 1.23 | \$52,800,445 | \$52,811,628 | \$11,182 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/3/2017 | | 50,000,000 | 0.75 | \$49,995,889 | \$49,996,667 | \$778 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/4/2017 | | 125,000,000 | 0.75 | \$124,987,153 | \$124,989,531 | \$2,378 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/5/2017 | | 20,000,000 | 0.76 | \$19,997,500 | \$19,997,977 | \$477 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/5/2017 | | 53,000,000 | 0.78 | \$52,993,198 | \$52,994,638 | \$1,440 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/1/2017 | | 25,000,000 | 0.86 | \$24,980,521 | \$24,983,638 | \$3,117 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/9/2017 | | 100,000,000 | 0.92 | \$99,897,500 | \$99,911,394 | \$13,894 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/10/2017 | | 50,000,000 | 0.99 | \$49,943,417 | \$49,954,150 | \$10,733 |
| Barton Capital S.A. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/14/2017 | | 100,000,000 | 0.99 | \$99,876,056 | \$99,895,606 | \$19,550 |
| Baton Rouge, LA Industrial Development Board, (Exxon Mobil Corp.), (Series 2010A), 08/01/2035 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.58 | 8/1/2035 | 1/2/2017 | 30,815,000 | 0.68 | \$30,815,000 | \$30,815,000 | \$0 |
| Baton Rouge, LA Industrial Development Board, (Exxon Mobil Corp.), (Series 2010B), 12/01/2040 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.58 | 12/1/2040 | 1/2/2017 | 17,100,000 | 0.73 | \$17,100,000 | \$17,100,000 | \$0 |
| Baton Rouge, LA Industrial Development Board, (Exxon Mobil Corp.), (Series 2011), 12/01/2051 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.58 | 12/1/2051 | 1/2/2017 | 6,800,000 | 0.68 | \$6,800,000 | \$6,800,000 | \$0 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/13/2017 | | 25,000,000 | 1.05 | \$24,967,813 | \$24,978,125 | \$10,313 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/7/2017 | | 30,000,000 | 1.13 | \$29,938,583 | \$29,955,501 | \$16,917 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR DECEMBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|--|---|---------|-----------|------------|-------------|---------------|----------------|---------------|----------------------|
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/10/2017 | | 50,000,000 | 1.07 | \$49,897,917 | \$49,920,570 | \$22,653 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/13/2017 | | 21,000,000 | 1.07 | \$20,955,288 | \$20,964,358 | \$9,070 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/15/2017 | | 25,000,000 | 1.07 | \$24,945,313 | \$24,955,729 | \$10,417 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/27/2017 | | 4,000,000 | 1.23 | \$3,988,400 | \$3,991,010 | \$2,610 |
| Bedford Row Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 7/3/2017 | | 27,000,000 | 1.30 | \$26,823,788 | \$26,808,386 | -\$15,401 |
| Bedford Row Funding Corp., Oct 06, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.42 | 10/6/2017 | 1/6/2017 | 73,000,000 | 1.31 | 73,000,000 | 73,094,097 | \$94,097 |
| CAFCO, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 5/22/2017 | | 15,000,000 | 1.19 | \$14,930,883 | \$14,927,606 | -\$3,277 |
| CHARTA, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 6/2/2017 | | 49,000,000 | 1.22 | \$48,750,563 | \$48,733,794 | -\$16,769 |
| CRC Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/10/2017 | | 25,000,000 | 1.23 | \$24,965,000 | \$24,979,000 | \$14,000 |
| CRC Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/17/2017 | | 62,450,000 | 0.94 | \$62,371,799 | \$62,386,844 | \$15,045 |
| California PCFA, (Pacific Gas & Electric Co.), (1997 Series B), 11/01/2026 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.62 | 11/1/2026 | 1/2/2017 | 11,700,000 | 0.73 | \$11,700,000 | \$11,700,000 | \$0 |
| California PCFA, (Sierra Pacific Industries), (Series 2014), 09/01/2044 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.88 | 9/1/2044 | 1/4/2017 | 30,000,000 | 0.81 | \$30,000,000 | \$30,000,000 | \$0 |
| Canadian Imperial Bank of Commerce CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.94 | 1/17/2017 | | 50,000,000 | 0.96 | \$50,000,000 | \$50,008,582 | \$8,582 |
| Canadian Imperial Bank of Commerce CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.20 | 2/17/2017 | | 45,000,000 | 1.22 | \$45,000,000 | \$45,031,204 | \$31,204 |
| Canadian Imperial Bank of Commerce, Apr 17, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.23 | 4/17/2017 | 1/17/2017 | 100,000,000 | 1.24 | \$100,000,000 | \$100,093,300 | \$93,300 |
| Canadian Imperial Bank of Commerce, Toro TDCAY | TIME DEPOSIT - CAYMAN | 0.52 | 1/3/2017 | | 200,000,000 | 0.53 | \$200,000,000 | \$200,000,000 | \$0 |
| Caterpillar Financial Services Corporation CP | COMMERCIAL PAPER | | 1/4/2017 | | 44,730,000 | 0.81 | \$44,725,030 | \$44,727,174 | \$2,144 |
| Caterpillar Financial Services Corporation CP | COMMERCIAL PAPER | | 1/9/2017 | | 135,000,000 | 1.03 | \$134,962,125 | \$134,982,488 | \$20,363 |
| Clark County, NV Airport System, Subordinate Lien Revenue Bonds (Series 2008 D-2B), 07/01/2040 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.67 | 7/1/2040 | 1/4/2017 | 50,000,000 | 0.73 | \$50,000,000 | \$50,000,000 | \$0 |
| Commonwealth Bank of Aust, 01/27/2017 | VARIABLE RATE COMMERCIAL PAPER - 4-2 | 1.36 | 1/27/2017 | 1/3/2017 | 32,200,000 | 1.23 | \$32,200,946 | \$32,214,329 | \$13,383 |
| Commonwealth Bank of Australia, Jan 06, 2017 | VARIABLE RATE COMMERCIAL PAPER - 4-2 | 1.13 | 1/6/2017 | 1/6/2017 | 2,000,000 | 0.93 | \$2,000,168 | \$2,000,208 | \$40 |
| Connecticut State HFA, (2008 Series E), 05/15/2036 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.66 | 5/15/2036 | 1/5/2017 | 19,100,000 | 0.75 | 19,100,000 | 19,100,000 | \$0 |
| Cooperative Rabobank UA, Sr. Unsecd. Note, 3.375%, 01/19/2017 | CORPORATE NOTE | 3.38 | 1/19/2017 | | 1,273,000 | 0.92 | 1,274,695 | 1,274,161 | -\$534 |
| Credit Agricole Corporate and Investment Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.57 | 1/5/2017 | | 200,000,000 | 0.58 | 200,000,000 | 200,002,066 | \$2,066 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.24 | 4/6/2017 | | 85,000,000 | 1.26 | \$85,000,000 | \$84,992,931 | -\$7,069 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.21 | 4/24/2017 | | 10,000,000 | 1.23 | \$10,000,000 | \$9,997,522 | -\$2,478 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.21 | 4/25/2017 | | 75,000,000 | 1.23 | \$75,000,000 | \$74,981,023 | -\$18,977 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.19 | 5/30/2017 | | 50,000,000 | 1.21 | \$50,000,000 | \$49,976,787 | -\$23,213 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.19 | 6/1/2017 | | 100,000,000 | 1.21 | \$100,000,000 | \$99,952,557 | -\$47,443 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.19 | 6/2/2017 | | 90,000,000 | 1.21 | \$90,000,000 | \$89,957,040 | -\$42,960 |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.20 | 6/8/2017 | | 24,000,000 | 1.22 | \$24,000,000 | \$23,988,975 | -\$11,025 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR DECEMBER 2016

| Security Name | Security Classification | Cpn/Dis | Maturity | Rate Reset | Par | Current Yield | Amort Cost (2) | Mkt Value (1) | Unrealized Gain/Loss |
|---|--------------------------------------|---------|-----------|------------|-------------|---------------|----------------|---------------|----------------------|
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.20 | 4/24/2017 | | 20,000,000 | 1.22 | \$20,000,000 | \$19,994,573 | -\$5,427 |
| Dreyfus Government Cash Management Fund | OVERNIGHT MUTUAL FUND | 0.48 | 1/3/2017 | 10/5/2016 | 5,613,222 | 0.49 | \$5,613,222 | \$5,613,222 | \$0 |
| Exxon Mobil Corp. CP | COMMERCIAL PAPER | | 1/5/2017 | | 100,000,000 | 0.62 | \$99,989,833 | \$99,991,833 | \$2,000 |
| Fairway Finance Co. LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/13/2017 | | 15,000,000 | 0.97 | \$14,971,104 | \$14,973,629 | \$2,525 |
| Fairway Finance Co. LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/15/2017 | | 25,000,000 | 0.97 | \$24,950,521 | \$24,954,167 | \$3,646 |
| Fiore Capital LLC, Series 2005-A, Aug 01, 2045 | VARIABLE RATE DEMAND NOTE | 0.70 | 8/1/2045 | 1/5/2017 | 37,980,000 | 0.70 | \$37,980,000 | \$37,980,000 | \$0 |
| Gotham Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/12/2017 | | 100,000,000 | 0.77 | \$99,972,556 | \$99,979,778 | \$7,222 |
| Gotham Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/2/2017 | | 50,000,000 | 0.81 | \$49,962,222 | \$49,967,275 | \$5,053 |
| Gotham Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/2/2017 | | 20,000,000 | 0.87 | \$19,983,944 | \$19,986,910 | \$2,966 |
| Gotham Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/3/2017 | | 192,500,000 | 0.87 | \$192,340,920 | \$192,369,554 | \$28,634 |
| Gulf Gate Apartments LLC, Series 2003, Sep 01, 2028 | VARIABLE RATE DEMAND NOTE | 0.70 | 9/1/2028 | 1/5/2017 | 7,550,000 | 0.70 | \$7,550,000 | \$7,550,000 | \$0 |
| HSBC Bank USA, N.A., Feb 02, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.34 | 2/2/2017 | 1/3/2017 | 100,000,000 | 1.20 | \$100,000,000 | \$100,006,000 | \$6,000 |
| Harris County, TX Education Facilities Finance Corp., (Methodist Hospital, Harris County, TX), (Series 2008C-1), 12/01/2024 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.63 | 12/1/2024 | 1/2/2017 | 31,050,000 | 0.72 | \$31,050,000 | \$31,050,000 | \$0 |
| Harris County, TX Education Facilities Finance Corp., (Methodist Hospital, Harris County, TX), (Series 2008C-2), 12/01/2027 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.62 | 12/1/2027 | 1/2/2017 | 26,755,000 | 0.72 | \$26,755,000 | \$26,755,000 | \$0 |
| Harris County, TX HFDC, (Methodist Hospital, Harris County, TX), (Subseries 2008A-2), 12/01/2041 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.67 | 12/1/2041 | 1/2/2017 | 12,780,000 | 0.68 | \$12,780,000 | \$12,780,000 | \$0 |
| Harris County, TX IDC, (Exxon Mobil Corp.), (Series 1984-A), 03/01/2024 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.58 | 3/1/2024 | 1/2/2017 | 25,900,000 | 0.73 | \$25,900,000 | \$25,900,000 | \$0 |
| Illinois Finance Authority, (Erikson Institute), (Series 2007), 11/01/2037 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.73 | 11/1/2037 | 1/5/2017 | 14,380,000 | 0.75 | \$14,380,000 | \$14,380,000 | \$0 |
| Institutional Prime Value Obligations Fund, Class IS | MUTUAL FUND MONEY MARKET | 0.91 | 1/3/2017 | 1/3/2017 | 245,100,000 | 0.90 | \$245,100,000 | \$245,100,000 | \$0 |
| Iowa Finance Authority, (Trinity Healthcare Credit Group), (Series 2000D), 12/01/2030 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.72 | 12/1/2030 | 1/5/2017 | 14,425,000 | 0.71 | \$14,425,000 | \$14,425,000 | \$0 |
| Irvine, CA Assesment District No. 04-20, (Series A), 09/02/2050 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.62 | 9/2/2050 | 1/4/2017 | 21,375,000 | 0.71 | \$21,375,000 | \$21,375,000 | \$0 |
| J.P. Morgan Securities LLC CP | COMMERCIAL PAPER | | 7/28/2017 | | 20,000,000 | 1.23 | \$19,860,000 | \$19,857,200 | -\$2,800 |
| J.P. Morgan Securities LLC CP4-2 | COMMERCIAL PAPER - 4-2 | | 9/11/2017 | | 25,000,000 | 1.44 | \$24,752,083 | \$24,776,875 | \$24,792 |
| J.P. Morgan Securities LLC, Feb 24, 2017 | VARIABLE RATE COMMERCIAL PAPER | 1.26 | 2/24/2017 | 2/24/2017 | 40,000,000 | 1.27 | \$40,000,000 | \$39,960,178 | -\$39,822 |
| J.P. Morgan Securities LLC, Jul 31, 2017 | VARIABLE RATE COMMERCIAL PAPER | 1.18 | 7/31/2017 | 1/31/2017 | 70,000,000 | 1.20 | \$70,000,000 | \$70,031,360 | \$31,360 |
| Kaiser Foundation Hospital CP | COMMERCIAL PAPER | | 1/25/2017 | | 33,267,000 | 0.79 | \$33,248,260 | \$33,249,389 | \$1,129 |
| LMA-Americas LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/3/2017 | | 30,000,000 | 0.51 | \$29,998,333 | \$29,998,283 | -\$50 |
| LMA-Americas LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/6/2017 | | 200,000,000 | 0.76 | \$199,970,833 | \$199,979,388 | \$8,555 |
| LMA-Americas LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/10/2017 | | 95,000,000 | 0.77 | \$94,977,939 | \$94,984,034 | \$6,095 |
| Malayan Banking Berhad, New York CPLOC | COMMERCIAL PAPER - LOC | | 3/7/2017 | | 21,000,000 | 1.07 | \$20,958,963 | \$20,968,850 | \$9,888 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR DECEMBER 2016

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|---|---|---------|-----------|------------|-------------|---------------|----------------|---------------|----------------------|
| Malayan Banking Berhad, New York CPLOC | COMMERCIAL PAPER - LOC | | 4/17/2017 | | 49,000,000 | 1.33 | \$48,808,900 | \$48,849,766 | \$40,866 |
| Manhattan Asset Funding CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/4/2017 | | 52,414,000 | 0.77 | \$52,408,467 | \$52,410,215 | \$1,747 |
| Manhattan Asset Funding CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/30/2017 | | 131,000,000 | 0.81 | \$130,909,756 | \$130,922,954 | \$13,198 |
| Manhattan Asset Funding CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/31/2017 | | 39,750,000 | 0.81 | \$39,721,733 | \$39,725,726 | \$3,993 |
| Manhattan Asset Funding CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/3/2017 | | 40,000,000 | 0.87 | \$39,966,944 | \$39,972,894 | \$5,950 |
| Manhattan Asset Funding CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/10/2017 | | 50,000,000 | 0.91 | \$49,948,083 | \$49,958,000 | \$9,917 |
| Metropolitan Washington, DC Airports Authority, (Series 2011A-2), 10/01/2021 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.75 | 10/1/2021 | 1/5/2017 | 11,960,000 | 0.69 | \$11,960,000 | \$11,960,000 | \$0 |
| Mizuho Bank Ltd. CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.90 | 1/13/2017 | | 189,750,000 | 0.78 | \$189,759,525 | \$189,767,093 | \$7,567 |
| Mizuho Securities USA, Inc. - REPO TRIPARTY OVERNIGHT FIXED | REPO TRIPARTY OVERNIGHT FIXED | 0.52 | 1/3/2017 | | 15,000,000 | 0.53 | \$15,000,000 | \$15,000,000 | \$0 |
| Montgomery County, OH, (Cambridge Commons Apartments), (Series 2006A), 05/01/2038 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.73 | 5/1/2038 | 1/5/2017 | 7,920,000 | 0.70 | \$7,920,000 | \$7,920,000 | \$0 |
| Murray City, UT, (IHC Health Services, Inc.), (Series 2003D), 05/15/2036 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.53 | 5/15/2036 | 1/2/2017 | 43,550,000 | 0.70 | \$43,550,000 | \$43,550,000 | \$0 |
| NRW Bank CP4-2 | COMMERCIAL PAPER - 4-2 | | 1/11/2017 | | 20,000,000 | 0.69 | \$19,995,467 | \$19,995,720 | \$253 |
| National Australia Bank Ltd., Melbourne TDCAY | TIME DEPOSIT - CAYMAN | 0.50 | 1/3/2017 | | 200,000,000 | 0.51 | \$200,000,000 | \$200,000,000 | \$0 |
| National Australia Bank Ltd., Melbourne, Sr. Note, 2.75%, 3/09/2017 | CORPORATE NOTE | 2.75 | 3/9/2017 | | 12,400,000 | 1.01 | \$12,441,101 | \$12,436,506 | -\$4,595 |
| Nationwide Building Society CP4-2 | COMMERCIAL PAPER - 4-2 | | 1/6/2017 | | 100,000,000 | 0.70 | \$99,986,583 | \$99,986,389 | -\$194 |
| New York City, NY, (Subseries A-2), 10/01/2038 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.63 | 10/1/2038 | 1/2/2017 | 50,600,000 | 0.76 | \$50,600,000 | \$50,600,000 | \$0 |
| New York State Local Government Assistance Corp., (Subordinate Series 2008B-3V), 04/01/2024 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.75 | 4/1/2024 | 1/4/2017 | 24,120,000 | 0.67 | \$24,120,000 | \$24,120,000 | \$0 |
| Old Line Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 2/21/2017 | | 35,000,000 | 1.22 | \$34,938,682 | \$34,962,539 | \$23,857 |
| Old Line Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 6/23/2017 | | 25,000,000 | 1.23 | \$24,854,167 | \$24,836,545 | -\$17,621 |
| Old Line Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 7/14/2017 | | 44,100,000 | 1.28 | \$43,799,875 | \$43,762,419 | -\$37,456 |
| Old Line Funding, LLC, Feb 07, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.33 | 2/7/2017 | 1/9/2017 | 25,000,000 | 1.23 | \$25,000,000 | \$25,016,175 | \$16,175 |
| Old Line Funding, LLC, May 01, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.26 | 5/1/2017 | 1/3/2017 | 14,000,000 | 1.12 | \$14,000,000 | \$14,012,642 | \$12,642 |
| Orthopaedic Hospital of Wisconsin LLC, Series 09-A, Mar 01, 2039 | VARIABLE RATE DEMAND NOTE | 1.00 | 3/1/2039 | 1/5/2017 | 9,920,000 | 1.00 | \$9,920,000 | \$9,920,000 | \$0 |
| Pittsburgh, PA Water & Sewer Authority, (Series B-1 of 2008), 09/01/2039 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.62 | 9/1/2039 | 1/5/2017 | 15,000,000 | 0.71 | \$15,000,000 | \$15,000,000 | \$0 |
| Rochester, MN Health Care Facility Authority, (Mayo Clinic), (Series 2002B), 08/15/2032 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.70 | 8/15/2032 | 1/4/2017 | 32,700,000 | 0.73 | \$32,700,000 | \$32,700,000 | \$0 |
| Royal Bank of Canada, Montreal, Feb 02, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.23 | 2/2/2017 | 2/2/2017 | 45,000,000 | 1.25 | \$45,000,000 | \$45,022,995 | \$22,995 |
| Sabri Arac, The Quarry Lane School Series 2005, Oct 01, 2035 | VARIABLE RATE DEMAND NOTE | 0.70 | 10/1/2035 | 1/5/2017 | 13,040,000 | 0.70 | \$13,040,000 | \$13,040,000 | \$0 |
| Standard Chartered Bank plc CDEUR | CERTIFICATE OF DEPOSIT - EURO | 0.75 | 1/6/2017 | | 300,000,000 | 0.76 | \$300,000,000 | \$300,000,000 | \$0 |
| Standard Chartered Bank plc CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 0.72 | 1/17/2017 | | 85,000,000 | 0.73 | \$85,000,000 | \$85,005,757 | \$5,757 |
| Standard Chartered Bank plc CP4-2 | COMMERCIAL PAPER - 4-2 | | 2/6/2017 | | 100,000,000 | 0.81 | \$99,915,556 | \$99,924,950 | \$9,394 |
| Starbird Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/3/2017 | | 25,000,000 | 0.66 | \$24,998,194 | \$24,998,347 | \$153 |

See notes at end of table.

INVENTORY OF HOLDINGS FOR DECEMBER 2016

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|---|---|---------|------------|------------|----------------|---------------|----------------|----------------|----------------------|
| Starbird Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 1/10/2017 | | 50,000,000 | 1.02 | \$49,984,722 | \$49,990,375 | \$5,653 |
| Starbird Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/7/2017 | | 10,000,000 | 1.04 | \$9,981,017 | \$9,983,120 | \$2,103 |
| Starbird Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/8/2017 | | 44,000,000 | 1.02 | \$43,916,889 | \$43,924,119 | \$7,230 |
| Starbird Funding Corp. CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 3/13/2017 | | 100,000,000 | 1.07 | \$99,787,083 | \$99,807,969 | \$20,886 |
| State Street Bank and Trust Co., Jan 11, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.11 | 1/11/2017 | 1/11/2017 | 50,000,000 | 1.13 | \$50,000,000 | \$50,008,300 | \$8,300 |
| State Street Bank and Trust Co., Jan 25, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.31 | 1/25/2017 | 1/25/2017 | 100,000,000 | 1.32 | \$100,000,000 | \$100,046,300 | \$46,300 |
| Thunder Bay Funding, LLC CPABS4-2 | COMMERCIAL PAPER - ABS-4(2) | | 7/20/2017 | | 25,000,000 | 1.33 | \$24,817,639 | \$24,796,738 | -\$20,901 |
| Thunder Bay Funding, LLC, Feb 22, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.35 | 2/22/2017 | 1/23/2017 | 75,000,000 | 1.37 | \$75,000,000 | \$75,067,650 | \$67,650 |
| Thunder Bay Funding, LLC, Jun 12, 2017 | VARIABLE RATE COMMERCIAL PAPER-ABS-4(2) | 1.06 | 6/12/2017 | 1/12/2017 | 50,000,000 | 1.08 | \$50,000,000 | \$50,005,850 | \$5,850 |
| Toronto Dominion Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.25 | 7/24/2017 | | 20,000,000 | 1.27 | \$20,000,000 | \$20,006,517 | \$6,517 |
| Toronto Dominion Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.40 | 9/8/2017 | | 40,000,000 | 1.42 | \$40,000,000 | \$40,045,135 | \$45,135 |
| Toronto Dominion Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.25 | 10/20/2017 | | 25,000,000 | 1.27 | \$25,000,000 | \$24,994,921 | -\$5,079 |
| Toronto Dominion Bank CDYAN | CERTIFICATE OF DEPOSIT - YANKEE | 1.41 | 12/6/2017 | | 50,000,000 | 1.43 | \$50,000,000 | \$50,042,924 | \$42,924 |
| Toronto Dominion Bank, Apr 19, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.25 | 4/19/2017 | 1/19/2017 | 25,000,000 | 1.26 | \$25,000,000 | \$25,024,725 | \$24,725 |
| Toronto Dominion Bank, Aug 10, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.38 | 8/10/2017 | 2/10/2017 | 25,000,000 | 1.40 | \$25,000,000 | \$25,041,100 | \$41,100 |
| Toronto Dominion Bank, Mar 14, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.31 | 3/14/2017 | 3/14/2017 | 50,000,000 | 1.33 | \$50,000,000 | \$50,049,300 | \$49,300 |
| Toronto Dominion Bank, May 04, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 0.88 | 5/4/2017 | 2/6/2017 | 25,000,000 | 0.89 | \$25,000,000 | \$24,992,739 | -\$7,261 |
| Toronto Dominion Bank, Oct 16, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.38 | 10/16/2017 | 1/16/2017 | 25,000,000 | 1.40 | \$25,000,000 | \$25,048,775 | \$48,775 |
| Toronto Dominion Bank, Sep 06, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.45 | 9/6/2017 | 3/6/2017 | 15,000,000 | 1.47 | \$15,000,000 | \$15,000,150 | \$150 |
| Toyota Credit Canada Inc. CP | COMMERCIAL PAPER | | 7/21/2017 | | 24,500,000 | 1.27 | \$24,328,691 | \$24,339,466 | \$10,776 |
| Toyota Motor Credit Corp., Aug 04, 2017 | VARIABLE RATE COMMERCIAL PAPER | 1.15 | 8/4/2017 | 2/7/2017 | 50,000,000 | 1.17 | \$50,000,000 | \$50,012,200 | \$12,200 |
| University of Illinois, Series 2014C, Apr 01, 2044 | VARIABLE RATE DEMAND NOTE | 0.68 | 4/1/2044 | 1/5/2017 | 8,015,000 | 0.68 | \$8,015,000 | \$8,015,000 | \$0 |
| Washington State Economic Development Finance Authority, (CleanScapes, Inc.), (Series 2009), 02/12/2019 | MUNICIPAL VARIABLE RATE DEMAND NOTE | 0.77 | 2/12/2019 | 1/4/2017 | 26,450,000 | 0.78 | \$26,450,000 | \$26,450,000 | \$0 |
| Wells Fargo Bank, N.A. CD | CERTIFICATE OF DEPOSIT | 1.30 | 10/20/2017 | | 20,000,000 | 1.32 | \$20,000,000 | \$20,005,945 | \$5,945 |
| Wells Fargo Bank, N.A., May 04, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.21 | 5/4/2017 | 1/4/2017 | 97,000,000 | 1.09 | \$97,000,000 | \$97,035,017 | \$35,017 |
| Wells Fargo Bank, N.A., May 08, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.20 | 5/8/2017 | 1/9/2017 | 50,000,000 | 1.10 | \$50,000,000 | \$50,014,000 | \$14,000 |
| Wells Fargo Bank, N.A., Oct 12, 2017 | VARIABLE RATE CERTIFICATE OF DEPOSIT | 1.30 | 10/12/2017 | 1/12/2017 | 25,000,000 | 1.32 | \$25,000,000 | \$25,027,850 | \$27,850 |
| Westpac Banking Corp. Ltd, Series YCD, 02/06/2017 | CORPORATE BOND | 1.24 | 2/6/2017 | 2/6/2017 | 180,500,000 | 1.23 | \$180,507,739 | \$180,601,802 | \$94,063 |
| Total Value of Assets | | | | | 10,551,162,222 | | 10,542,760,077 | 10,544,145,126 | \$1,385,049 |

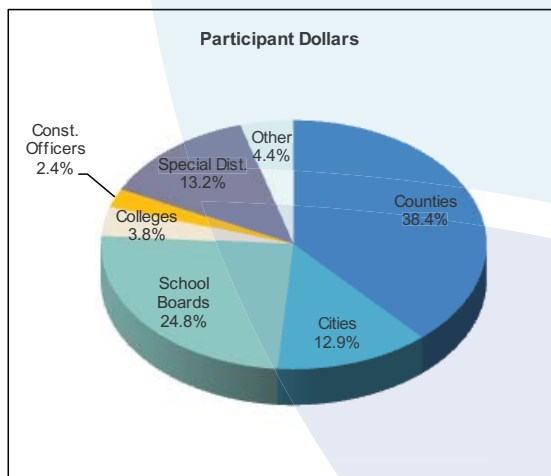
Notes: The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

¹ Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

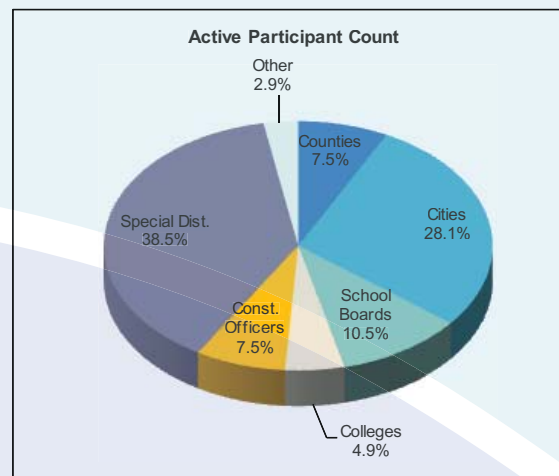
² Amortized cost is calculated using a straight line method.

PARTICIPANT CONCENTRATION DATA - AS OF DECEMBER 2016

| Participant Balance | Share of Total Fund | Share of Participant Count | Participant Balance | Share of Total Fund | Share of Participant Count |
|----------------------------------|---------------------|----------------------------|------------------------------------|---------------------|----------------------------|
| All Participants | 100.0% | 100.0% | Colleges & Universities | 3.8% | 4.9% |
| Top 10 | 38.7% | 1.4% | Top 10 | 3.4% | 1.4% |
| \$100 million or more | 57.6% | 3.3% | \$100 million or more | 1.8% | 0.1% |
| \$10 million up to \$100 million | 35.8% | 14.2% | \$10 million up to \$100 million | 1.4% | 0.7% |
| \$1 million up to \$10 million | 6.1% | 22.8% | \$1 million up to \$10 million | 0.6% | 1.8% |
| Under \$1 million | 0.5% | 59.7% | Under \$1 million | 0.02% | 2.3% |
| Counties | 38.4% | 7.5% | Constitutional Officers | 2.4% | 7.5% |
| Top 10 | 29.4% | 1.4% | Top 10 | 0.9% | 1.4% |
| \$100 million or more | 32.8% | 1.8% | \$100 million or more | 0.0% | 0.0% |
| \$10 million up to \$100 million | 5.2% | 1.6% | \$10 million up to \$100 million | 1.8% | 0.7% |
| \$1 million up to \$10 million | 0.4% | 1.1% | \$1 million up to \$10 million | 0.6% | 2.0% |
| Under \$1 million | 0.0% | 3.0% | Under \$1 million | 0.0% | 4.8% |
| Municipalities | 12.9% | 28.1% | Special Districts | 13.2% | 38.5% |
| Top 10 | 6.3% | 1.4% | Top 10 | 8.6% | 1.4% |
| \$100 million or more | 1.0% | 0.1% | \$100 million or more | 4.2% | 0.3% |
| \$10 million up to \$100 million | 9.9% | 4.2% | \$10 million up to \$100 million | 7.2% | 3.3% |
| \$1 million up to \$10 million | 1.9% | 7.5% | \$1 million up to \$10 million | 1.5% | 6.6% |
| Under \$1 million | 0.2% | 16.3% | Under \$1 million | 0.2% | 28.4% |
| School Boards | 24.8% | 10.5% | Other | 4.4% | 2.9% |
| Top 10 | 19.9% | 1.4% | Top 10 | 3.9% | 1.4% |
| \$100 million or more | 16.6% | 0.8% | \$100 million or more | 1.3% | 0.1% |
| \$10 million up to \$100 million | 7.3% | 2.6% | \$10 million up to \$100 million | 2.9% | 1.1% |
| \$1 million up to \$10 million | 0.9% | 3.0% | \$1 million up to \$10 million | 0.2% | 0.8% |
| Under \$1 million | 0.0% | 4.1% | Under \$1 million | 0.0% | 0.8% |



Total Fund Value: \$10,547,892,586



Total Active Participant Count: 732

Note: Active accounts include only those participant accounts valued above zero.

COMPLIANCE WITH INVESTMENT POLICY FOR DECEMBER 2016

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG meets monthly and on an ad hoc basis to review compliance exceptions, to document responses to exceptions, and to formally escalate recommendations for approval by the Executive Director & CIO. The IOG also reviews the Federated compliance report each month, as well as the results of independent compliance testing conducted by SBA Risk Management and Compliance. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, the SBA conducts independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as "High" or "Low" with respect to the level of risk associated with a potential guideline breach. IPS parameters with risk rankings of "High" are subject to independent verification by SBA Risk Management and Compliance. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in "Fail" status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

| Test by Source | Pass/Fail |
|---|-----------|
| <u>Florida PRIME's Investment Policy</u> | |
| Securities must be USD denominated. | Pass |
| <u>Ratings requirements</u> | |
| The Florida PRIME investment portfolio must purchase exclusively first-tier securities. Securities purchased with short-term ratings by an NRSRO, or comparable in quality and security to other obligations of the issuer that have received short-term ratings from an NRSRO, are eligible if they are in one of the two highest rating categories. | Pass |
| Securities purchased that do not have short-term ratings must have a long-term rating in one of the three highest long-term rating categories. | Pass |
| Commercial Paper must be rated by at least one short-term NRSRO. | Pass |
| Repurchase Agreement Counterparties must be rated by S&P | Pass |
| S&P Weighted Average Life - maximum 90 days ¹ | Pass |
| <u>Maturity</u> | |
| Securities, excluding Government floating rate notes/variable rate notes, purchased did not have a maturity in excess of 397 days. | Pass |
| Government floating rate notes/variable rate notes purchased did not have a maturity in excess of 762 days. | Pass |
| The Florida PRIME investment portfolio must maintain a Spread WAM of 120 days or less. | Pass |
| <u>Issuer Diversification</u> | |
| First-tier issuers (limit does not apply to cash, cash items, U.S. Government securities refunded securities and repo collateralized by these securities) are limited, at the time of purchase, to 5% of the Florida PRIME investment portfolio's total assets. ² | Pass |
| <u>Demand Feature and Guarantor Diversification</u> | |
| First-tier securities issued by or subject to demand features and guarantees of a non-controlled person, at time of purchase, are limited to 10% with respect to 75% of the Florida PRIME investment portfolio's total assets. | Pass |
| First-tier securities issued by or subject to demand features and guarantees of a control person, at time of purchase, are limited to 10% with respect to the Florida PRIME investment portfolio's total assets. | Pass |
| <u>Money Market Mutual Funds</u> | |
| The account, at time of purchase, will not have exposure to any one Money Market Mutual Fund in excess of 10% of the Florida PRIME investment portfolio's total assets. | Pass |
| <u>Concentration Tests</u> | |
| The account, at time of purchase, will not have exposure to an industry sector, excluding the financial services industry, in excess of 25% of the Florida PRIME investment portfolio's total assets. | Pass |
| The account, at time of purchase, will not have exposure to any single Government Agency in excess of 33.33% of the Florida PRIME investment portfolio's total assets. | Pass |
| The account, at time of purchase, will not have exposure to illiquid securities in excess of 5% of the Florida PRIME investment portfolio's total assets. | Pass |
| The account, at time of purchase, will invest at least 10% of the Florida PRIME investment portfolio's total assets in securities accessible within one business day. | Pass |
| The account, at time of purchase, will invest at least 30% of the Florida PRIME investment portfolio's total assets in securities accessible within five business days. ³ | Pass |
| <u>S&P Requirements</u> | |
| The Florida PRIME investment portfolio must maintain a Dollar Weighted Average Maturity of 60 days or less. | Pass |
| The account, at time of purchase, will invest at least 50% of the Florida PRIME investment portfolio's total assets in Securities in Highest Rating Category (A-1+ or equivalent). | Pass |

¹ The fund may use floating rate government securities to extend the limit up to 120 days

² This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to liquidate positions if the exposure in excess of the specified percentage is caused by account movements.

³ This limitation applies at time of trade. Under Rule 2a-7, a fund is not required to take immediate corrective measures if asset movements cause the exposure to be below the specified percentage.

TRADING ACTIVITY FOR DECEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|----------------------------|------------------|---------------|----------------|------------------|------------|--------------------|----------------------|------------------------|
| <i>Buys</i> | | | | | | | | |
| ASB FINANCE LTD,CP4-2 | 01/06/17 | 12/14/16 | 12/14/16 | 50,000,000 | 49,977,000 | 0 | 49,977,000 | 0 |
| ASB FINANCE LTD,CP4-2 | 01/06/17 | 12/14/16 | 12/14/16 | 44,000,000 | 43,979,760 | 0 | 43,979,760 | 0 |
| ALPINE SECURITIZATICPABS4 | 12/20/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,998,986 | 0 | 49,998,986 | 0 |
| ALPINE SECURITIZATICPABS4 | 12/20/16 | 12/19/16 | 12/19/16 | 15,000,000 | 14,999,696 | 0 | 14,999,696 | 0 |
| ALPINE SECURITIZATICPABS4 | 12/20/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,998,986 | 0 | 49,998,986 | 0 |
| ALPINE SECURITIZATICPABS4 | 03/20/17 | 12/19/16 | 12/19/16 | 50,000,000 | 49,854,653 | 0 | 49,854,653 | 0 |
| ALPINE SECURITIZATICPABS4 | 03/20/17 | 12/19/16 | 12/19/16 | 50,000,000 | 49,854,653 | 0 | 49,854,653 | 0 |
| ANGLESEA FUNDING LLC PABS4 | 01/05/17 | 12/29/16 | 12/29/16 | 25,000,000 | 24,995,868 | 0 | 24,995,868 | 0 |
| ANGLESEA FUNDING LLC PABS4 | 06/05/17 | 12/06/16 | 12/06/16 | 25,000,000 | 24,849,167 | 0 | 24,849,167 | 0 |
| ANGLESEA FUNDING LLC PABS4 | 06/07/17 | 12/06/16 | 12/06/16 | 25,000,000 | 24,847,500 | 0 | 24,847,500 | 0 |
| ANGLESEA FUNDING LLC PABS4 | 06/07/17 | 12/09/16 | 12/09/16 | 25,000,000 | 24,850,000 | 0 | 24,850,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/12/16 | 12/05/16 | 12/05/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/12/16 | 12/05/16 | 12/05/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/14/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/14/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,995,431 | 0 | 49,995,431 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/14/16 | 12/07/16 | 12/07/16 | 16,240,000 | 16,238,516 | 0 | 16,238,516 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/19/16 | 12/12/16 | 12/12/16 | 50,000,000 | 49,994,167 | 0 | 49,994,167 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/19/16 | 12/12/16 | 12/12/16 | 30,000,000 | 29,996,500 | 0 | 29,996,500 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/19/16 | 12/12/16 | 12/12/16 | 20,000,000 | 19,997,667 | 0 | 19,997,667 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/19/16 | 12/12/16 | 12/12/16 | 21,760,000 | 21,757,461 | 0 | 21,757,461 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/21/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,993,583 | 0 | 49,993,583 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/21/16 | 12/14/16 | 12/14/16 | 16,260,000 | 16,257,913 | 0 | 16,257,913 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/21/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,993,583 | 0 | 49,993,583 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/21/16 | 12/14/16 | 12/14/16 | 18,000,000 | 17,997,690 | 0 | 17,997,690 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/21/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,993,583 | 0 | 49,993,583 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/23/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,995,722 | 0 | 49,995,722 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/23/16 | 12/22/16 | 12/22/16 | 30,000,000 | 29,999,417 | 0 | 29,999,417 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/28/16 | 12/19/16 | 12/19/16 | 33,220,000 | 33,214,187 | 0 | 33,214,187 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/28/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,992,708 | 0 | 49,992,708 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/28/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,992,708 | 0 | 49,992,708 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/28/16 | 12/21/16 | 12/21/16 | 17,000,000 | 16,997,521 | 0 | 16,997,521 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/28/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,993,000 | 0 | 49,993,000 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 12/28/16 | 12/21/16 | 12/21/16 | 16,300,000 | 16,297,718 | 0 | 16,297,718 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 01/03/17 | 12/23/16 | 12/23/16 | 50,000,000 | 49,987,778 | 0 | 49,987,778 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 01/03/17 | 12/23/16 | 12/23/16 | 50,000,000 | 49,987,778 | 0 | 49,987,778 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 01/04/17 | 12/28/16 | 12/28/16 | 50,000,000 | 49,992,806 | 0 | 49,992,806 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 01/04/17 | 12/28/16 | 12/28/16 | 50,000,000 | 49,992,806 | 0 | 49,992,806 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 01/04/17 | 12/28/16 | 12/28/16 | 50,000,000 | 49,992,708 | 0 | 49,992,708 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 01/04/17 | 12/28/16 | 12/28/16 | 12,000,000 | 11,998,250 | 0 | 11,998,250 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 01/04/17 | 12/28/16 | 12/28/16 | 50,000,000 | 49,992,708 | 0 | 49,992,708 | 0 |
| ANTALIS S,A, CPABS4CPABS4 | 01/30/17 | 12/29/16 | 12/29/16 | 10,050,000 | 10,042,407 | 0 | 10,042,407 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,403 | 0 | 49,999,403 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/05/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/05/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/05/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/05/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/06/16 | 12/05/16 | 12/05/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/06/16 | 12/05/16 | 12/05/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/06/16 | 12/05/16 | 12/05/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/06/16 | 12/05/16 | 12/05/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/06/16 | 12/05/16 | 12/05/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/07/16 | 12/06/16 | 12/06/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/07/16 | 12/06/16 | 12/06/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/12/16 | 12/09/16 | 12/09/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/12/16 | 12/09/16 | 12/09/16 | 50,000,000 | 49,998,125 | 0 | 49,998,125 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/13/16 | 12/12/16 | 12/12/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/13/16 | 12/12/16 | 12/12/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |

TRADING ACTIVITY FOR DECEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|---------------------------|------------------|---------------|----------------|------------------|------------|--------------------|----------------------|------------------------|
| ATLANTIC ASSET SECUCPABS4 | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,333 | 0 | 49,999,333 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,333 | 0 | 49,999,333 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,333 | 0 | 49,999,333 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/15/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/15/16 | 12/14/16 | 12/14/16 | 40,000,000 | 39,999,500 | 0 | 39,999,500 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/15/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/16/16 | 12/15/16 | 12/15/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/16/16 | 12/15/16 | 12/15/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/16/16 | 12/15/16 | 12/15/16 | 31,000,000 | 30,999,397 | 0 | 30,999,397 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/16/16 | 12/15/16 | 12/15/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/16/16 | 12/15/16 | 12/15/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/16/16 | 12/15/16 | 12/15/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/19/16 | 12/16/16 | 12/16/16 | 50,000,000 | 49,997,083 | 0 | 49,997,083 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/19/16 | 12/16/16 | 12/16/16 | 20,000,000 | 19,998,833 | 0 | 19,998,833 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/21/16 | 12/20/16 | 12/20/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/21/16 | 12/20/16 | 12/20/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/21/16 | 12/20/16 | 12/20/16 | 34,000,000 | 33,999,339 | 0 | 33,999,339 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/22/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/22/16 | 12/21/16 | 12/21/16 | 43,000,000 | 42,999,164 | 0 | 42,999,164 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/22/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/23/16 | 12/22/16 | 12/22/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/23/16 | 12/22/16 | 12/22/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/23/16 | 12/22/16 | 12/22/16 | 33,300,000 | 33,299,353 | 0 | 33,299,353 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/23/16 | 12/22/16 | 12/22/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/23/16 | 12/22/16 | 12/22/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/27/16 | 12/23/16 | 12/23/16 | 50,000,000 | 49,996,111 | 0 | 49,996,111 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/27/16 | 12/23/16 | 12/23/16 | 50,000,000 | 49,996,111 | 0 | 49,996,111 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/27/16 | 12/23/16 | 12/23/16 | 20,000,000 | 19,998,444 | 0 | 19,998,444 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/29/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,989,583 | 0 | 49,989,583 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/29/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,989,583 | 0 | 49,989,583 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/29/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,989,583 | 0 | 49,989,583 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/29/16 | 12/28/16 | 12/28/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/29/16 | 12/28/16 | 12/28/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/29/16 | 12/28/16 | 12/28/16 | 33,000,000 | 32,999,358 | 0 | 32,999,358 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/29/16 | 12/28/16 | 12/28/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/29/16 | 12/28/16 | 12/28/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/30/16 | 12/29/16 | 12/29/16 | 50,000,000 | 49,999,083 | 0 | 49,999,083 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/30/16 | 12/29/16 | 12/29/16 | 14,154,000 | 14,153,741 | 0 | 14,153,741 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/30/16 | 12/29/16 | 12/29/16 | 50,000,000 | 49,999,083 | 0 | 49,999,083 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 01/03/17 | 12/30/16 | 12/30/16 | 50,000,000 | 49,996,944 | 0 | 49,996,944 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 01/03/17 | 12/30/16 | 12/30/16 | 50,000,000 | 49,996,944 | 0 | 49,996,944 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 01/03/17 | 12/30/16 | 12/30/16 | 50,000,000 | 49,996,944 | 0 | 49,996,944 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 01/03/17 | 12/30/16 | 12/30/16 | 18,000,000 | 17,998,900 | 0 | 17,998,900 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 01/05/17 | 12/29/16 | 12/29/16 | 50,000,000 | 49,993,389 | 0 | 49,993,389 | 0 |
| BASF SE | 12/20/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,999,069 | 0 | 49,999,069 | 0 |
| BASF SE | 12/20/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,999,069 | 0 | 49,999,069 | 0 |
| BASF SE | 12/20/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,999,069 | 0 | 49,999,069 | 0 |
| BASF SE | 12/20/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,999,069 | 0 | 49,999,069 | 0 |
| BASF SE | 12/20/16 | 12/19/16 | 12/19/16 | 10,000,000 | 9,999,814 | 0 | 9,999,814 | 0 |
| BANK OF MONTREAL (CCP | 06/09/17 | 12/09/16 | 12/09/16 | 50,000,000 | 49,696,667 | 0 | 49,696,667 | 0 |
| BANK OF MONTREAL (CCP | 06/09/17 | 12/09/16 | 12/09/16 | 49,000,000 | 48,702,733 | 0 | 48,702,733 | 0 |
| BANK OF MONTREAL (CCP | 06/09/17 | 12/09/16 | 12/09/16 | 50,000,000 | 49,696,667 | 0 | 49,696,667 | 0 |
| BANK OF MONTREAL (CCDYAN | 12/19/16 | 12/12/16 | 12/12/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 12/19/16 | 12/12/16 | 12/12/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 12/18/17 | 12/15/16 | 12/15/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 01/03/17 | 12/27/16 | 12/27/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 01/03/17 | 12/27/16 | 12/27/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 01/03/17 | 12/27/16 | 12/27/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/13/16 | 12/06/16 | 12/06/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/13/16 | 12/06/16 | 12/06/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 01/03/17 | 12/27/16 | 12/27/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 01/03/17 | 12/27/16 | 12/27/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 01/03/17 | 12/27/16 | 12/27/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |

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TRADING ACTIVITY FOR DECEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|--|------------------|---------------|----------------|------------------|------------|--------------------|----------------------|------------------------|
| BNP PARIBAS SACP | 01/03/17 | 12/27/16 | 12/27/16 | 50,000,000 | 49,993,292 | 0 | 49,993,292 | 0 |
| BNP PARIBAS SACP | 01/03/17 | 12/27/16 | 12/27/16 | 50,000,000 | 49,993,292 | 0 | 49,993,292 | 0 |
| CATERPILLAR FINANCIAL SERVICES CORP | 01/04/17 | 12/14/16 | 12/14/16 | 44,730,000 | 44,709,126 | 0 | 44,709,126 | 0 |
| CATERPILLAR FINANCIP | 01/09/17 | 12/16/16 | 12/16/16 | 50,000,000 | 49,966,333 | 0 | 49,966,333 | 0 |
| CATERPILLAR FINANCIP | 01/09/17 | 12/16/16 | 12/16/16 | 35,000,000 | 34,976,433 | 0 | 34,976,433 | 0 |
| CATERPILLAR FINANCIP | 01/09/17 | 12/16/16 | 12/16/16 | 50,000,000 | 49,966,333 | 0 | 49,966,333 | 0 |
| CHARTA, LLC CPABS4-CPABS4 | 06/02/17 | 12/01/16 | 12/01/16 | 49,000,000 | 48,703,591 | 0 | 48,703,591 | 0 |
| COUNTY OF CLARK DEPARTMENT OF AVIATION | 07/01/40 | 12/22/16 | 12/22/16 | 50,000,000 | 50,000,000 | 138,634 | 50,138,634 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/02/16 | 12/01/16 | 12/01/16 | 30,000,000 | 29,999,667 | 0 | 29,999,667 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/05/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/05/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/05/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/05/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/05/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/05/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/05/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,998,333 | 0 | 49,998,333 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/07/16 | 12/06/16 | 12/06/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/07/16 | 12/06/16 | 12/06/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/07/16 | 12/06/16 | 12/06/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/07/16 | 12/06/16 | 12/06/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/07/16 | 12/06/16 | 12/06/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/07/16 | 12/06/16 | 12/06/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/07/16 | 12/06/16 | 12/06/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/07/16 | 12/06/16 | 12/06/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/09/16 | 12/08/16 | 12/08/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/09/16 | 12/08/16 | 12/08/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/09/16 | 12/08/16 | 12/08/16 | 2,810,000 | 2,809,969 | 0 | 2,809,969 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/09/16 | 12/08/16 | 12/08/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/09/16 | 12/08/16 | 12/08/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| RABOBANK NEDERLAND CP | 12/13/16 | 12/12/16 | 12/12/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| RABOBANK NEDERLAND CP | 12/13/16 | 12/12/16 | 12/12/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| RABOBANK NEDERLAND CP | 12/13/16 | 12/12/16 | 12/12/16 | 17,000,000 | 16,999,811 | 0 | 16,999,811 | 0 |
| RABOBANK NEDERLAND CP | 12/13/16 | 12/12/16 | 12/12/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| RABOBANK NEDERLAND CP | 12/13/16 | 12/12/16 | 12/12/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| RABOBANK NEDERLAND CP | 12/13/16 | 12/12/16 | 12/12/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| RABOBANK NEDERLAND CP | 12/13/16 | 12/12/16 | 12/12/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/15/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/15/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/15/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/15/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/15/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/15/16 | 12/14/16 | 12/14/16 | 35,000,000 | 34,999,611 | 0 | 34,999,611 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/15/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/15/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/15/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/15/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,999,444 | 0 | 49,999,444 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/16/16 | 12/15/16 | 12/15/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/21/16 | 12/20/16 | 12/20/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/21/16 | 12/20/16 | 12/20/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/21/16 | 12/20/16 | 12/20/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/21/16 | 12/20/16 | 12/20/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/21/16 | 12/20/16 | 12/20/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/21/16 | 12/20/16 | 12/20/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| RABOBANK NEDERLAND CP | 12/22/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |

TRADING ACTIVITY FOR DECEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|--|------------------|---------------|----------------|------------------|------------|--------------------|----------------------|------------------------|
| RABOBANK NEDERLAND CP | 12/22/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| RABOBANK NEDERLAND CP | 12/22/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| RABOBANK NEDERLAND CP | 12/22/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| RABOBANK NEDERLAND CP | 12/22/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| RABOBANK NEDERLAND CP | 12/22/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| RABOBANK NEDERLAND CP | 12/22/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| RABOBANK NEDERLAND CP | 12/22/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| RABOBANK NEDERLAND CP | 12/22/16 | 12/21/16 | 12/21/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/23/16 | 12/22/16 | 12/22/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/23/16 | 12/22/16 | 12/22/16 | 44,000,000 | 43,999,206 | 0 | 43,999,206 | 0 |
| CREDIT AGRICOLE CORCP | 12/08/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| CREDIT AGRICOLE CORCP | 12/08/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| CREDIT AGRICOLE CORCP | 12/08/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| CREDIT AGRICOLE CORCP | 12/08/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| CREDIT AGRICOLE CORCP | 12/08/16 | 12/07/16 | 12/07/16 | 40,000,000 | 39,999,544 | 0 | 39,999,544 | 0 |
| CREDIT AGRICOLE CORCP | 12/08/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| CREDIT AGRICOLE CORCP | 12/08/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| CREDIT AGRICOLE CORCP | 12/08/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| CREDIT AGRICOLE CORCP | 12/20/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,999,083 | 0 | 49,999,083 | 0 |
| CREDIT AGRICOLE CORCP | 12/20/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,999,083 | 0 | 49,999,083 | 0 |
| CREDIT AGRICOLE CORCP | 12/20/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,999,083 | 0 | 49,999,083 | 0 |
| CREDIT AGRICOLE CORCDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT AGRICOLE CORCDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT AGRICOLE CORCDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT AGRICOLE CORCDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT AGRICOLE CORCDYAN | 01/05/17 | 12/29/16 | 12/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT AGRICOLE CORCDYAN | 01/05/17 | 12/29/16 | 12/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT AGRICOLE CORCDYAN | 01/05/17 | 12/29/16 | 12/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT AGRICOLE CORCDYAN | 01/05/17 | 12/29/16 | 12/29/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT AGRICOLE CORCDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT INDUSTRIEL ECDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT INDUSTRIEL ECDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT INDUSTRIEL ECDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT INDUSTRIEL ECDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT INDUSTRIEL ECDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT INDUSTRIEL ECDYAN | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| CREDIT INDUSTRIEL ECDYAN | 12/19/16 | 12/12/16 | 12/12/16 | 40,000,000 | 40,000,000 | 0 | 40,000,000 | 0 |
| DZ BANK AG DEUTSCHECDYAN | 06/02/17 | 12/01/16 | 12/02/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| DZ BANK AG DEUTSCHECDYAN | 06/02/17 | 12/01/16 | 12/02/16 | 40,000,000 | 40,000,000 | 0 | 40,000,000 | 0 |
| DZ BANK AG DEUTSCHECDYAN | 06/08/17 | 12/07/16 | 12/08/16 | 24,000,000 | 24,000,000 | 0 | 24,000,000 | 0 |
| DZ BANK AG DEUTSCHECDYAN | 04/24/17 | 12/22/16 | 12/23/16 | 20,000,000 | 20,000,000 | 0 | 20,000,000 | 0 |
| EAST BATON ROUGE PARISH INDUSTRIAL DEVELOPMENT BOARD INC | 08/01/35 | 12/23/16 | 12/23/16 | 30,815,000 | 30,815,000 | 9,657 | 30,824,657 | 0 |
| EAST BATON ROUGE PARISH INDUSTRIAL DEVELOPMENT BOARD INC | 12/01/40 | 12/23/16 | 12/23/16 | 17,100,000 | 17,100,000 | 5,359 | 17,105,359 | 0 |
| EAST BATON ROUGE PARISH INDUSTRIAL DEVELOPMENT BOARD INC | 12/01/51 | 12/22/16 | 12/22/16 | 6,800,000 | 6,800,000 | 1,995 | 6,801,995 | 0 |
| EXXON MOBIL CORP | 01/05/17 | 12/20/16 | 12/20/16 | 50,000,000 | 49,986,444 | 0 | 49,986,444 | 0 |
| EXXON MOBIL CORP | 01/05/17 | 12/20/16 | 12/20/16 | 50,000,000 | 49,986,444 | 0 | 49,986,444 | 0 |
| FAIRWAY FINANCE CO,CPABS4 | 03/13/17 | 12/06/16 | 12/06/16 | 15,000,000 | 14,961,604 | 0 | 14,961,604 | 0 |
| FAIRWAY FINANCE CO,CPABS4 | 03/15/17 | 12/06/16 | 12/06/16 | 25,000,000 | 24,934,688 | 0 | 24,934,688 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 12/08/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 12/08/16 | 12/07/16 | 12/07/16 | 25,000,000 | 24,999,688 | 0 | 24,999,688 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 12/21/16 | 12/16/16 | 12/16/16 | 50,000,000 | 49,995,139 | 0 | 49,995,139 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 01/12/17 | 12/13/16 | 12/13/16 | 50,000,000 | 49,968,333 | 0 | 49,968,333 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 01/12/17 | 12/13/16 | 12/13/16 | 50,000,000 | 49,968,333 | 0 | 49,968,333 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 02/02/17 | 12/05/16 | 12/05/16 | 20,000,000 | 19,972,139 | 0 | 19,972,139 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 02/02/17 | 12/09/16 | 12/09/16 | 50,000,000 | 49,938,889 | 0 | 49,938,889 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 02/03/17 | 12/06/16 | 12/06/16 | 50,000,000 | 49,930,347 | 0 | 49,930,347 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 02/03/17 | 12/06/16 | 12/06/16 | 50,000,000 | 49,930,347 | 0 | 49,930,347 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 02/03/17 | 12/06/16 | 12/06/16 | 42,500,000 | 42,440,795 | 0 | 42,440,795 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 02/03/17 | 12/06/16 | 12/06/16 | 50,000,000 | 49,930,347 | 0 | 49,930,347 | 0 |
| HARRIS COUNTY HEALTH FACILITIES DEVELOPMENT CORP | 12/01/41 | 12/22/16 | 12/22/16 | 12,780,000 | 12,780,000 | 4,057 | 12,784,057 | 0 |

TRADING ACTIVITY FOR DECEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|--|---------------|------------|-------------|---------------|------------|-----------------|-------------------|---------------------|
| HARRIS COUNTY CULTURAL EDUCATION FACILITIES FINANCE CORP | 12/01/24 | 12/22/16 | 12/22/16 | 31,050,000 | 31,050,000 | 9,858 | 31,059,858 | 0 |
| HARRIS COUNTY CULTURAL EDUCATION FACILITIES FINANCE CORP | 12/01/27 | 12/23/16 | 12/23/16 | 26,755,000 | 26,755,000 | 8,991 | 26,763,991 | 0 |
| HARRIS COUNTY INDUSTRIAL DEVELOPMENT CORP | 03/01/24 | 12/23/16 | 12/23/16 | 25,900,000 | 25,900,000 | 8,117 | 25,908,117 | 0 |
| J.P. MORGAN SECURITCP4-2 | 09/11/17 | 12/15/16 | 12/15/16 | 25,000,000 | 24,737,500 | 0 | 24,737,500 | 0 |
| KFWCP4-2 | 12/29/16 | 12/28/16 | 12/28/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| KFWCP4-2 | 12/29/16 | 12/28/16 | 12/28/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| KFWCP4-2 | 12/29/16 | 12/28/16 | 12/28/16 | 50,000,000 | 49,999,097 | 0 | 49,999,097 | 0 |
| KFWCP4-2 | 12/29/16 | 12/28/16 | 12/28/16 | 1,000,000 | 999,982 | 0 | 999,982 | 0 |
| KAISER FOUNDATION HCP | 12/02/16 | 12/01/16 | 12/01/16 | 32,226,000 | 32,225,615 | 0 | 32,225,615 | 0 |
| KAISER FOUNDATION HCP | 01/25/17 | 12/02/16 | 12/02/16 | 33,267,000 | 33,228,078 | 0 | 33,228,078 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/02/16 | 12/01/16 | 12/01/16 | 50,000,000 | 49,999,375 | 0 | 49,999,375 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/02/16 | 12/01/16 | 12/01/16 | 250,000 | 249,997 | 0 | 249,997 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/06/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,997,500 | 0 | 49,997,500 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/06/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,997,500 | 0 | 49,997,500 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/06/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,997,500 | 0 | 49,997,500 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/06/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,997,500 | 0 | 49,997,500 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/06/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,997,500 | 0 | 49,997,500 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/06/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,997,500 | 0 | 49,997,500 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/06/16 | 12/02/16 | 12/02/16 | 50,000,000 | 49,997,500 | 0 | 49,997,500 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/06/16 | 12/02/16 | 12/02/16 | 30,000,000 | 29,998,500 | 0 | 29,998,500 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/27/16 | 12/23/16 | 12/23/16 | 50,000,000 | 49,996,111 | 0 | 49,996,111 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/27/16 | 12/23/16 | 12/23/16 | 50,000,000 | 49,996,111 | 0 | 49,996,111 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/27/16 | 12/23/16 | 12/23/16 | 50,000,000 | 49,996,111 | 0 | 49,996,111 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/27/16 | 12/23/16 | 12/23/16 | 50,000,000 | 49,996,111 | 0 | 49,996,111 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/27/16 | 12/23/16 | 12/23/16 | 50,000,000 | 49,996,111 | 0 | 49,996,111 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/29/16 | 12/28/16 | 12/28/16 | 50,000,000 | 49,999,056 | 0 | 49,999,056 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/29/16 | 12/28/16 | 12/28/16 | 38,800,000 | 38,799,267 | 0 | 38,799,267 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 12/29/16 | 12/28/16 | 12/28/16 | 50,000,000 | 49,999,056 | 0 | 49,999,056 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 01/03/17 | 12/30/16 | 12/30/16 | 30,000,000 | 29,998,333 | 0 | 29,998,333 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 01/06/17 | 12/08/16 | 12/08/16 | 50,000,000 | 49,969,792 | 0 | 49,969,792 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 01/06/17 | 12/08/16 | 12/08/16 | 50,000,000 | 49,969,792 | 0 | 49,969,792 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 01/06/17 | 12/08/16 | 12/08/16 | 50,000,000 | 49,969,792 | 0 | 49,969,792 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 01/06/17 | 12/08/16 | 12/08/16 | 50,000,000 | 49,969,792 | 0 | 49,969,792 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 01/10/17 | 12/13/16 | 12/13/16 | 50,000,000 | 49,970,444 | 0 | 49,970,444 | 0 |
| LMA-AMERICAS LLCPCABS4-2 | 01/10/17 | 12/13/16 | 12/13/16 | 45,000,000 | 44,973,400 | 0 | 44,973,400 | 0 |
| MALAYAN BANKING BERCPLOC | 03/07/17 | 12/08/16 | 12/08/16 | 21,000,000 | 20,945,488 | 0 | 20,945,488 | 0 |
| MANHATTAN ASSET FUNCPABS4 | 01/04/17 | 12/13/16 | 12/13/16 | 50,000,000 | 49,976,778 | 0 | 49,976,778 | 0 |
| MANHATTAN ASSET FUNCPABS4 | 01/04/17 | 12/13/16 | 12/13/16 | 2,414,000 | 2,412,879 | 0 | 2,412,879 | 0 |
| MANHATTAN ASSET FUNCPABS4 | 01/30/17 | 12/01/16 | 12/01/16 | 50,000,000 | 49,933,333 | 0 | 49,933,333 | 0 |
| MANHATTAN ASSET FUNCPABS4 | 01/30/17 | 12/01/16 | 12/01/16 | 31,000,000 | 30,958,667 | 0 | 30,958,667 | 0 |
| MANHATTAN ASSET FUNCPABS4 | 01/30/17 | 12/01/16 | 12/01/16 | 50,000,000 | 49,933,333 | 0 | 49,933,333 | 0 |
| MANHATTAN ASSET FUNCPABS4 | 01/31/17 | 12/02/16 | 12/02/16 | 39,750,000 | 39,697,000 | 0 | 39,697,000 | 0 |
| MANHATTAN ASSET FUNCPABS4 | 02/03/17 | 12/06/16 | 12/06/16 | 40,000,000 | 39,944,278 | 0 | 39,944,278 | 0 |
| MANHATTAN ASSET FUNCPABS4 | 02/10/17 | 12/12/16 | 12/12/16 | 50,000,000 | 49,925,833 | 0 | 49,925,833 | 0 |
| CITY OF MURRAY UT | 05/15/36 | 12/23/16 | 12/23/16 | 43,550,000 | 43,550,000 | 14,112 | 43,564,112 | 0 |
| NRW,BANKCP | 12/14/16 | 12/06/16 | 12/07/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| NRW,BANKCP | 12/14/16 | 12/06/16 | 12/07/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| NRW,BANKCP | 12/14/16 | 12/06/16 | 12/07/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| NRW,BANKCP | 12/14/16 | 12/06/16 | 12/07/16 | 50,000,000 | 49,995,625 | 0 | 49,995,625 | 0 |
| NRW,BANKCP | 12/14/16 | 12/06/16 | 12/07/16 | 50,000,000 | 49,995,674 | 0 | 49,995,674 | 0 |
| NRW,BANKCP | 12/14/16 | 12/06/16 | 12/07/16 | 50,000,000 | 49,995,674 | 0 | 49,995,674 | 0 |
| NRW BANK | 12/16/16 | 12/09/16 | 12/09/16 | 50,000,000 | 49,995,042 | 0 | 49,995,042 | 0 |
| NRW,BANKCP | 12/20/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,993,826 | 0 | 49,993,826 | 0 |
| NRW,BANKCP | 12/20/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,993,826 | 0 | 49,993,826 | 0 |
| NRW,BANKCP | 12/21/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,993,583 | 0 | 49,993,583 | 0 |
| NRW,BANKCP | 12/21/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,993,583 | 0 | 49,993,583 | 0 |
| NRW,BANKCP | 12/21/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,993,583 | 0 | 49,993,583 | 0 |
| NRW,BANKCP | 12/21/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,993,583 | 0 | 49,993,583 | 0 |
| NRW,BANKCP | 12/21/16 | 12/14/16 | 12/14/16 | 50,000,000 | 49,993,583 | 0 | 49,993,583 | 0 |
| NATIONWIDE BUILDINGCP4-2 | 01/06/17 | 12/06/16 | 12/06/16 | 50,000,000 | 49,970,292 | 0 | 49,970,292 | 0 |
| NATIONWIDE BUILDINGCP4-2 | 01/06/17 | 12/06/16 | 12/06/16 | 50,000,000 | 49,970,292 | 0 | 49,970,292 | 0 |
| CITY OF NEW YORK NY | 10/01/38 | 12/22/16 | 12/22/16 | 50,000,000 | 50,000,000 | 16,817 | 50,016,817 | 0 |
| CITY OF NEW YORK NY | 10/01/38 | 12/22/16 | 12/22/16 | 600,000 | 600,000 | 202 | 600,202 | 0 |
| CITY OF ROCHESTER MN | 08/15/32 | 12/14/16 | 12/15/16 | 32,700,000 | 32,700,000 | 4,342 | 32,704,342 | 0 |
| SOCIETE GENERALE, PCP4-2 | 12/06/16 | 12/05/16 | 12/05/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |

TRADING ACTIVITY FOR DECEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|-----------------------------|------------------|---------------|----------------|------------------|-------------|--------------------|----------------------|------------------------|
| SOCIETE GENERALE, PCP4-2 | 12/06/16 | 12/05/16 | 12/05/16 | 30,000,000 | 29,999,658 | 0 | 29,999,658 | 0 |
| SOCIETE GENERALE, PCP4-2 | 12/06/16 | 12/05/16 | 12/05/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| SOCIETE GENERALE, PCP4-2 | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| SOCIETE GENERALE, PCP4-2 | 12/14/16 | 12/13/16 | 12/13/16 | 50,000,000 | 49,999,431 | 0 | 49,999,431 | 0 |
| SOCIETE GENERALE, PCP4-2 | 12/21/16 | 12/20/16 | 12/20/16 | 50,000,000 | 49,999,083 | 0 | 49,999,083 | 0 |
| SOCIETE GENERALE, PCP4-2 | 12/21/16 | 12/20/16 | 12/20/16 | 20,000,000 | 19,999,633 | 0 | 19,999,633 | 0 |
| SOCIETE GENERALE, PCDIAN | 12/21/16 | 12/14/16 | 12/14/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| SOCIETE GENERALE, PCDIAN | 12/21/16 | 12/14/16 | 12/14/16 | 40,000,000 | 40,000,000 | 0 | 40,000,000 | 0 |
| STANDARD CHARTERED CP4-2 | 02/06/17 | 12/08/16 | 12/08/16 | 50,000,000 | 49,933,333 | 0 | 49,933,333 | 0 |
| STANDARD CHARTERED CP4-2 | 02/06/17 | 12/08/16 | 12/08/16 | 50,000,000 | 49,933,333 | 0 | 49,933,333 | 0 |
| STARBIRD FUNDING COCPABS4 | 12/08/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,999,306 | 0 | 49,999,306 | 0 |
| STARBIRD FUNDING COCPABS4 | 12/08/16 | 12/07/16 | 12/07/16 | 28,441,000 | 28,440,605 | 0 | 28,440,605 | 0 |
| STARBIRD FUNDING COCPABS4 | 12/08/16 | 12/07/16 | 12/07/16 | 50,000,000 | 49,999,306 | 0 | 49,999,306 | 0 |
| STARBIRD FUNDING COCPABS4 | 12/23/16 | 12/22/16 | 12/22/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| STARBIRD FUNDING COCPABS4 | 12/23/16 | 12/22/16 | 12/22/16 | 41,344,000 | 41,343,196 | 0 | 41,343,196 | 0 |
| STARBIRD FUNDING COCPABS4 | 12/23/16 | 12/22/16 | 12/22/16 | 50,000,000 | 49,999,028 | 0 | 49,999,028 | 0 |
| STARBIRD FUNDING COCPABS4 | 01/03/17 | 12/30/16 | 12/30/16 | 25,000,000 | 24,998,194 | 0 | 24,998,194 | 0 |
| STARBIRD FUNDING COCPABS4 | 03/07/17 | 12/07/16 | 12/07/16 | 10,000,000 | 9,974,500 | 0 | 9,974,500 | 0 |
| STARBIRD FUNDING COCPABS4 | 03/08/17 | 12/06/16 | 12/06/16 | 44,000,000 | 43,887,556 | 0 | 43,887,556 | 0 |
| STARBIRD FUNDING COCPABS4 | 03/13/17 | 12/12/16 | 12/12/16 | 50,000,000 | 49,867,292 | 0 | 49,867,292 | 0 |
| STARBIRD FUNDING COCPABS4 | 03/13/17 | 12/12/16 | 12/12/16 | 50,000,000 | 49,867,292 | 0 | 49,867,292 | 0 |
| THUNDER BAY FUNDING LLC | 06/12/17 | 12/02/16 | 12/02/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| TORONTO DOMINION BACDIAN | 12/06/17 | 12/06/16 | 12/06/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| UNILEVER CAPITAL COCP4-2 | 12/20/16 | 12/19/16 | 12/19/16 | 50,000,000 | 49,999,083 | 0 | 49,999,083 | 0 |
| UNILEVER CAPITAL COCP4-2 | 12/20/16 | 12/19/16 | 12/19/16 | 13,000,000 | 12,999,762 | 0 | 12,999,762 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/02/16 | 12/02/16 | 917,938 | 917,938 | 0 | 917,938 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/05/16 | 12/05/16 | 741,990 | 741,990 | 0 | 741,990 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/08/16 | 12/08/16 | 1,074,834 | 1,074,834 | 0 | 1,074,834 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/09/16 | 12/09/16 | 1,393,376 | 1,393,376 | 0 | 1,393,376 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/14/16 | 12/14/16 | 1,770,634 | 1,770,634 | 0 | 1,770,634 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/16/16 | 12/16/16 | 930,453 | 930,453 | 0 | 930,453 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/16/16 | 12/16/16 | 213 | 213 | 0 | 213 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/19/16 | 12/19/16 | 1,001,548 | 1,001,548 | 0 | 1,001,548 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/22/16 | 12/22/16 | 1,109,452 | 1,109,452 | 0 | 1,109,452 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/23/16 | 12/23/16 | 6,448,235 | 6,448,235 | 0 | 6,448,235 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/29/16 | 12/29/16 | 556,061 | 556,061 | 0 | 556,061 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/30/16 | 12/30/16 | 300,988,913 | 300,988,913 | 0 | 300,988,913 | 0 |
| FEDERATED INS PRMVAL OB-IS | 12/01/50 | 12/21/16 | 12/21/16 | 100,000 | 100,000 | 0 | 100,000 | 0 |
| FEDERATED INS PRMVAL OB-IS | 12/01/50 | 12/22/16 | 12/22/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| FEDERATED INS PRMVAL OB-IS | 12/01/50 | 12/23/16 | 12/23/16 | 145,000,000 | 145,000,000 | 0 | 145,000,000 | 0 |
| MIZUHO TRIPARTY | 12/02/16 | 12/01/16 | 12/01/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/02/16 | 12/01/16 | 12/01/16 | 510,000,000 | 510,000,000 | 0 | 510,000,000 | 0 |
| MIZUHO TRIPARTY | 12/05/16 | 12/02/16 | 12/02/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/05/16 | 12/02/16 | 12/02/16 | 715,000,000 | 715,000,000 | 0 | 715,000,000 | 0 |
| MIZUHO TRIPARTY | 12/06/16 | 12/05/16 | 12/05/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/06/16 | 12/05/16 | 12/05/16 | 600,000,000 | 600,000,000 | 0 | 600,000,000 | 0 |
| MIZUHO TRIPARTY | 12/07/16 | 12/06/16 | 12/06/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/07/16 | 12/06/16 | 12/06/16 | 455,000,000 | 455,000,000 | 0 | 455,000,000 | 0 |
| MIZUHO TRIPARTY | 12/08/16 | 12/07/16 | 12/07/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/08/16 | 12/07/16 | 12/07/16 | 760,000,000 | 760,000,000 | 0 | 760,000,000 | 0 |
| MIZUHO TRIPARTY | 12/09/16 | 12/08/16 | 12/08/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/09/16 | 12/08/16 | 12/08/16 | 510,000,000 | 510,000,000 | 0 | 510,000,000 | 0 |
| MIZUHO TRIPARTY | 12/12/16 | 12/09/16 | 12/09/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/12/16 | 12/09/16 | 12/09/16 | 805,000,000 | 805,000,000 | 0 | 805,000,000 | 0 |
| MIZUHO TRIPARTY | 12/13/16 | 12/12/16 | 12/12/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/13/16 | 12/12/16 | 12/12/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| MIZUHO TRIPARTY | 12/14/16 | 12/13/16 | 12/13/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/14/16 | 12/13/16 | 12/13/16 | 115,000,000 | 115,000,000 | 0 | 115,000,000 | 0 |
| MIZUHO TRIPARTY | 12/15/16 | 12/14/16 | 12/14/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/15/16 | 12/14/16 | 12/14/16 | 95,000,000 | 95,000,000 | 0 | 95,000,000 | 0 |
| MIZUHO TRIPARTY | 12/16/16 | 12/15/16 | 12/15/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/16/16 | 12/15/16 | 12/15/16 | 2,000,000 | 2,000,000 | 0 | 2,000,000 | 0 |
| MIZUHO TRIPARTY | 12/19/16 | 12/16/16 | 12/16/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/19/16 | 12/16/16 | 12/16/16 | 875,000,000 | 875,000,000 | 0 | 875,000,000 | 0 |
| MIZUHO TRIPARTY | 12/20/16 | 12/19/16 | 12/19/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/20/16 | 12/19/16 | 12/19/16 | 660,000,000 | 660,000,000 | 0 | 660,000,000 | 0 |
| MIZUHO TRIPARTY | 12/21/16 | 12/20/16 | 12/20/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |

TRADING ACTIVITY FOR DECEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|--|---------------|------------|-------------|----------------|----------------|-----------------|-------------------|---------------------|
| BANK OF AMERICA TRIPARTY | 12/21/16 | 12/20/16 | 12/20/16 | 52,000,000 | 52,000,000 | 0 | 52,000,000 | 0 |
| MIZUHO TRIPARTY | 12/22/16 | 12/21/16 | 12/21/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/22/16 | 12/21/16 | 12/21/16 | 317,000,000 | 317,000,000 | 0 | 317,000,000 | 0 |
| MIZUHO TRIPARTY | 12/23/16 | 12/22/16 | 12/22/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/23/16 | 12/22/16 | 12/22/16 | 440,000,000 | 440,000,000 | 0 | 440,000,000 | 0 |
| MIZUHO TRIPARTY | 12/27/16 | 12/23/16 | 12/23/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/27/16 | 12/23/16 | 12/23/16 | 335,000,000 | 335,000,000 | 0 | 335,000,000 | 0 |
| MIZUHO TRIPARTY | 12/28/16 | 12/27/16 | 12/27/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/28/16 | 12/27/16 | 12/27/16 | 465,000,000 | 465,000,000 | 0 | 465,000,000 | 0 |
| MIZUHO TRIPARTY | 12/29/16 | 12/28/16 | 12/28/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/29/16 | 12/28/16 | 12/28/16 | 320,000,000 | 320,000,000 | 0 | 320,000,000 | 0 |
| MIZUHO TRIPARTY | 12/30/16 | 12/29/16 | 12/29/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/30/16 | 12/29/16 | 12/29/16 | 182,000,000 | 182,000,000 | 0 | 182,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 01/03/17 | 12/30/16 | 12/30/16 | 297,000,000 | 297,000,000 | 0 | 297,000,000 | 0 |
| MIZUHO TRIPARTY | 01/03/17 | 12/30/16 | 12/30/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| STANDARD CHARTERED CDEUR | 01/06/17 | 12/29/16 | 12/30/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| Total Buys | | | | 28,526,164,646 | 28,520,385,800 | 222,142 | 28,520,607,942 | 0 |
| Cash Close | | | | | | | | |
| CONNECTICUT HOUSING FINANCE AUTHORITY | 05/15/36 | 12/22/16 | 12/22/16 | 6,100,000 | 6,100,000 | 3,882 | 6,103,882 | 0 |
| INDIANA FINANCE AUTHORITY | 12/01/34 | 12/01/16 | 12/01/16 | 100,000 | 100,000 | 0 | 100,000 | 0 |
| IOWA FINANCE AUTHORITY | 12/01/30 | 12/01/16 | 12/01/16 | 725,000 | 725,000 | 0 | 725,000 | 0 |
| Total Cash Closes | | | | 6,925,000 | 6,925,000 | 3,882 | 6,928,882 | 0 |
| Deposits | | | | | | | | |
| SVENSKA HANDELSBANKTDCAY 0.41 20161202 | 12/02/16 | 12/01/16 | 12/01/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161205 | 12/05/16 | 12/02/16 | 12/02/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161206 | 12/06/16 | 12/05/16 | 12/05/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.41 20161206 | 12/06/16 | 12/05/16 | 12/05/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161207 | 12/07/16 | 12/06/16 | 12/06/16 | 425,000,000 | 425,000,000 | 0 | 425,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.41 20161207 | 12/07/16 | 12/06/16 | 12/06/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161208 | 12/08/16 | 12/07/16 | 12/07/16 | 430,000,000 | 430,000,000 | 0 | 430,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161209 | 12/09/16 | 12/08/16 | 12/08/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.41 20161209 | 12/09/16 | 12/08/16 | 12/08/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161212 | 12/12/16 | 12/09/16 | 12/09/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161213 | 12/13/16 | 12/12/16 | 12/12/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161214 | 12/14/16 | 12/13/16 | 12/13/16 | 475,000,000 | 475,000,000 | 0 | 475,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161215 | 12/15/16 | 12/14/16 | 12/14/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161216 | 12/16/16 | 12/15/16 | 12/15/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161219 | 12/19/16 | 12/16/16 | 12/16/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.65 20161219 | 12/19/16 | 12/16/16 | 12/16/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161220 | 12/20/16 | 12/19/16 | 12/19/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161220 | 12/20/16 | 12/19/16 | 12/19/16 | 350,000,000 | 350,000,000 | 0 | 350,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161221 | 12/21/16 | 12/20/16 | 12/20/16 | 525,000,000 | 525,000,000 | 0 | 525,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161221 | 12/21/16 | 12/20/16 | 12/20/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161222 | 12/22/16 | 12/21/16 | 12/21/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161222 | 12/22/16 | 12/21/16 | 12/21/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161223 | 12/23/16 | 12/22/16 | 12/22/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161223 | 12/23/16 | 12/22/16 | 12/22/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161227 | 12/27/16 | 12/23/16 | 12/23/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161227 | 12/27/16 | 12/23/16 | 12/23/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161228 | 12/28/16 | 12/27/16 | 12/27/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161228 | 12/28/16 | 12/27/16 | 12/27/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161229 | 12/29/16 | 12/28/16 | 12/28/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161230 | 12/30/16 | 12/29/16 | 12/29/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.65 20161230 | 12/30/16 | 12/29/16 | 12/29/16 | 425,000,000 | 425,000,000 | 0 | 425,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.5 20170103 | 01/03/17 | 12/30/16 | 12/30/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| CANADIAN IMPERIAL BTDCAY 0.52 20170103 | 01/03/17 | 12/30/16 | 12/30/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| Total Deposits | | | | 14,280,000,000 | 14,280,000,000 | 0 | 14,280,000,000 | 0 |
| Maturities | | | | | | | | |
| ALPINE SECURITIZATICPABS4 | 12/20/16 | 12/20/16 | 12/20/16 | 115,000,000 | 115,000,000 | 0 | 115,000,000 | 0 |
| ANGLESEA FUNDING LLC PABS4 | 12/06/16 | 12/06/16 | 12/06/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| ANTALIS S.A., CPABS4CPABS4 | 12/05/16 | 12/05/16 | 12/05/16 | 128,540,000 | 128,540,000 | 0 | 128,540,000 | 0 |
| ANTALIS S.A., CPABS4CPABS4 | 12/07/16 | 12/07/16 | 12/07/16 | 60,000,000 | 60,000,000 | 0 | 60,000,000 | 0 |
| ANTALIS S.A., CPABS4CPABS4 | 12/12/16 | 12/12/16 | 12/12/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| ANTALIS S.A., CPABS4CPABS4 | 12/14/16 | 12/14/16 | 12/14/16 | 158,960,000 | 158,960,000 | 0 | 158,960,000 | 0 |
| ANTALIS S.A., CPABS4CPABS4 | 12/19/16 | 12/19/16 | 12/19/16 | 121,760,000 | 121,760,000 | 0 | 121,760,000 | 0 |
| ANTALIS S.A., CPABS4CPABS4 | 12/21/16 | 12/21/16 | 12/21/16 | 184,260,000 | 184,260,000 | 0 | 184,260,000 | 0 |
| ANTALIS S.A., CPABS4CPABS4 | 12/23/16 | 12/23/16 | 12/23/16 | 80,000,000 | 80,000,000 | 0 | 80,000,000 | 0 |

TRADING ACTIVITY FOR DECEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|---|------------------|---------------|----------------|------------------|-------------|--------------------|----------------------|------------------------|
| ANTALIS S.A, CPABS4CPABS4 | 12/28/16 | 12/28/16 | 12/28/16 | 216,520,000 | 216,520,000 | 0 | 216,520,000 | 0 |
| ANTALIS S.A, CPABS4CPABS4 | 12/29/16 | 12/29/16 | 12/29/16 | 13,940,000 | 13,940,000 | 0 | 13,940,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/01/16 | 12/01/16 | 12/01/16 | 295,000,000 | 295,000,000 | 0 | 295,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/02/16 | 12/02/16 | 12/02/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/05/16 | 12/05/16 | 12/05/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/06/16 | 12/06/16 | 12/06/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/07/16 | 12/07/16 | 12/07/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/12/16 | 12/12/16 | 12/12/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/13/16 | 12/13/16 | 12/13/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/14/16 | 12/14/16 | 12/14/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/15/16 | 12/15/16 | 12/15/16 | 140,000,000 | 140,000,000 | 0 | 140,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/16/16 | 12/16/16 | 12/16/16 | 281,000,000 | 281,000,000 | 0 | 281,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/19/16 | 12/19/16 | 12/19/16 | 70,000,000 | 70,000,000 | 0 | 70,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/21/16 | 12/21/16 | 12/21/16 | 134,000,000 | 134,000,000 | 0 | 134,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/22/16 | 12/22/16 | 12/22/16 | 143,000,000 | 143,000,000 | 0 | 143,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/23/16 | 12/23/16 | 12/23/16 | 233,300,000 | 233,300,000 | 0 | 233,300,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/27/16 | 12/27/16 | 12/27/16 | 120,000,000 | 120,000,000 | 0 | 120,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/29/16 | 12/29/16 | 12/29/16 | 433,000,000 | 433,000,000 | 0 | 433,000,000 | 0 |
| ATLANTIC ASSET SECUCPABS4 | 12/30/16 | 12/30/16 | 12/30/16 | 114,154,000 | 114,154,000 | 0 | 114,154,000 | 0 |
| AUSTRALIA NEW ZEACP4-2 | 12/22/16 | 12/22/16 | 12/22/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| AUSTRALIA & NEW ZEALAND BANKING GROUP LTD | 12/20/16 | 12/20/16 | 12/20/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| BASF SE | 12/20/16 | 12/20/16 | 12/20/16 | 210,000,000 | 210,000,000 | 0 | 210,000,000 | 0 |
| BNP PARIBAS SA | 12/12/16 | 12/12/16 | 12/12/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 12/13/16 | 12/13/16 | 12/13/16 | 7,500,000 | 7,500,000 | 0 | 7,500,000 | 0 |
| BANK OF MONTREAL (CCDYAN | 12/19/16 | 12/19/16 | 12/19/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/06/16 | 12/06/16 | 12/06/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/13/16 | 12/13/16 | 12/13/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| BANK OF TOKYO-MITSUCDYAN | 12/16/16 | 12/16/16 | 12/16/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 12/01/16 | 12/01/16 | 12/01/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 12/02/16 | 12/02/16 | 12/02/16 | 85,000,000 | 85,000,000 | 0 | 85,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 12/12/16 | 12/12/16 | 12/12/16 | 48,835,000 | 48,835,000 | 0 | 48,835,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 12/13/16 | 12/13/16 | 12/13/16 | 114,050,000 | 114,050,000 | 0 | 114,050,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 12/15/16 | 12/15/16 | 12/15/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 12/16/16 | 12/16/16 | 12/16/16 | 35,000,000 | 35,000,000 | 0 | 35,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 12/20/16 | 12/20/16 | 12/20/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 12/21/16 | 12/21/16 | 12/21/16 | 150,000,000 | 150,000,000 | 0 | 150,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 12/23/16 | 12/23/16 | 12/23/16 | 86,300,000 | 86,300,000 | 0 | 86,300,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 12/27/16 | 12/27/16 | 12/27/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BARTON CAPITAL LLCPCABS4- | 12/28/16 | 12/28/16 | 12/28/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 12/02/16 | 12/02/16 | 12/02/16 | 80,000,000 | 80,000,000 | 0 | 80,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 12/13/16 | 12/13/16 | 12/13/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 12/16/16 | 12/16/16 | 12/16/16 | 225,000,000 | 225,000,000 | 0 | 225,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 12/19/16 | 12/19/16 | 12/19/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 12/21/16 | 12/21/16 | 12/21/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| BNP PARIBAS SACP4-2 | 12/22/16 | 12/22/16 | 12/22/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| BNP PARIBAS SA/NEW YORK NY | 12/27/16 | 12/27/16 | 12/27/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| CAFCO, LLCPCABS4-2 | 12/01/16 | 12/01/16 | 12/01/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| CRC FUNDING LLCPCABS4-2 | 12/19/16 | 12/19/16 | 12/19/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| CHARTA, LLC CPABS4-CPABS4 | 12/27/16 | 12/27/16 | 12/27/16 | 40,000,000 | 40,000,000 | 0 | 40,000,000 | 0 |
| CIESCO, LLCPCABS4-2 | 12/13/16 | 12/13/16 | 12/13/16 | 47,000,000 | 47,000,000 | 0 | 47,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/02/16 | 12/02/16 | 12/02/16 | 380,000,000 | 380,000,000 | 0 | 380,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/05/16 | 12/05/16 | 12/05/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/07/16 | 12/07/16 | 12/07/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/09/16 | 12/09/16 | 12/09/16 | 202,810,000 | 202,810,000 | 0 | 202,810,000 | 0 |
| RABOBANK NEDERLAND CP | 12/13/16 | 12/13/16 | 12/13/16 | 317,000,000 | 317,000,000 | 0 | 317,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/14/16 | 12/14/16 | 12/14/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/15/16 | 12/15/16 | 12/15/16 | 385,000,000 | 385,000,000 | 0 | 385,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/16/16 | 12/16/16 | 12/16/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/21/16 | 12/21/16 | 12/21/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| RABOBANK NEDERLAND CP | 12/22/16 | 12/22/16 | 12/22/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| COOPERATIEVE RABOBANK UA/NY | 12/23/16 | 12/23/16 | 12/23/16 | 94,000,000 | 94,000,000 | 0 | 94,000,000 | 0 |
| CREDIT AGRICOLE CORCP | 12/08/16 | 12/08/16 | 12/08/16 | 390,000,000 | 390,000,000 | 0 | 390,000,000 | 0 |
| CREDIT AGRICOLE CORCP | 12/20/16 | 12/20/16 | 12/20/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| CREDIT AGRICOLE CORCDYAN | 12/16/16 | 12/16/16 | 12/16/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| CREDIT INDUSTRIEL ECDYAN | 12/16/16 | 12/16/16 | 12/16/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| CREDIT INDUSTRIEL ECDYAN | 12/19/16 | 12/19/16 | 12/19/16 | 90,000,000 | 90,000,000 | 0 | 90,000,000 | 0 |

TRADING ACTIVITY FOR DECEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|------------------------------|---------------|------------|-------------|---------------|-------------|-----------------|-------------------|---------------------|
| CREDIT SUISSE, ZURICP | 12/09/16 | 12/09/16 | 12/09/16 | 10,000,000 | 10,000,000 | 0 | 10,000,000 | 0 |
| FAIRWAY FINANCE CO LLC | 12/09/16 | 12/09/16 | 12/09/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 12/06/16 | 12/06/16 | 12/06/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 12/08/16 | 12/08/16 | 12/08/16 | 75,000,000 | 75,000,000 | 0 | 75,000,000 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 12/09/16 | 12/09/16 | 12/09/16 | 42,000,000 | 42,000,000 | 0 | 42,000,000 | 0 |
| GOTHAM FUNDING CORPCPABS4 | 12/21/16 | 12/21/16 | 12/21/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| JP MORGAN SECURITIES LLC | 12/02/16 | 12/02/16 | 12/02/16 | 75,000,000 | 75,000,000 | 0 | 75,000,000 | 0 |
| KFWCP4-2 | 12/29/16 | 12/29/16 | 12/29/16 | 151,000,000 | 151,000,000 | 0 | 151,000,000 | 0 |
| KAISER FOUNDATION HCP | 12/01/16 | 12/01/16 | 12/01/16 | 215,000,000 | 215,000,000 | 0 | 215,000,000 | 0 |
| KAISER FOUNDATION HCP | 12/02/16 | 12/02/16 | 12/02/16 | 32,226,000 | 32,226,000 | 0 | 32,226,000 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 12/01/16 | 12/01/16 | 12/01/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 12/02/16 | 12/02/16 | 12/02/16 | 100,250,000 | 100,250,000 | 0 | 100,250,000 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 12/06/16 | 12/06/16 | 12/06/16 | 330,000,000 | 330,000,000 | 0 | 330,000,000 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 12/27/16 | 12/27/16 | 12/27/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| LMA-AMERICAS LLCCPABS4-2 | 12/29/16 | 12/29/16 | 12/29/16 | 138,800,000 | 138,800,000 | 0 | 138,800,000 | 0 |
| NRW,BANKCP | 12/05/16 | 12/05/16 | 12/05/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| NRW,BANKCP | 12/14/16 | 12/14/16 | 12/14/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| NRW BANK | 12/16/16 | 12/16/16 | 12/16/16 | 50,000,000 | 50,000,000 | 0 | 50,000,000 | 0 |
| NRW,BANKCP | 12/20/16 | 12/20/16 | 12/20/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| NRW,BANKCP | 12/21/16 | 12/21/16 | 12/21/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| ROYAL BANK OF CANADCDYAN | 12/08/16 | 12/08/16 | 12/08/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| SOCIETE GENERALE, PCP4-2 | 12/06/16 | 12/06/16 | 12/06/16 | 130,000,000 | 130,000,000 | 0 | 130,000,000 | 0 |
| SOCIETE GENERALE, PCP4-2 | 12/14/16 | 12/14/16 | 12/14/16 | 100,000,000 | 100,000,000 | 0 | 100,000,000 | 0 |
| SOCIETE GENERALE, PCP4-2 | 12/21/16 | 12/21/16 | 12/21/16 | 70,000,000 | 70,000,000 | 0 | 70,000,000 | 0 |
| SOCIETE GENERALE, PCDYAN | 12/21/16 | 12/21/16 | 12/21/16 | 90,000,000 | 90,000,000 | 0 | 90,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 12/01/16 | 12/01/16 | 12/01/16 | 95,000,000 | 95,000,000 | 0 | 95,000,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 12/08/16 | 12/08/16 | 12/08/16 | 128,441,000 | 128,441,000 | 0 | 128,441,000 | 0 |
| STARBIRD FUNDING COCPABS4 | 12/23/16 | 12/23/16 | 12/23/16 | 141,344,000 | 141,344,000 | 0 | 141,344,000 | 0 |
| STATE STREET BANK & TRUST CO | 12/13/16 | 12/13/16 | 12/13/16 | 25,000,000 | 25,000,000 | 0 | 25,000,000 | 0 |
| SUMITOMO MITSUI BANC DYAN | 12/13/16 | 12/13/16 | 12/13/16 | 200,000,000 | 200,000,000 | 0 | 200,000,000 | 0 |
| UNILEVER CAPITAL COCP4-2 | 12/20/16 | 12/20/16 | 12/20/16 | 63,000,000 | 63,000,000 | 0 | 63,000,000 | 0 |
| MIZUHO TRIPARTY | 12/01/16 | 12/01/16 | 12/01/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/01/16 | 12/01/16 | 12/01/16 | 765,000,000 | 765,000,000 | 0 | 765,000,000 | 0 |
| MIZUHO TRIPARTY | 12/02/16 | 12/02/16 | 12/02/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/02/16 | 12/02/16 | 12/02/16 | 510,000,000 | 510,000,000 | 0 | 510,000,000 | 0 |
| MIZUHO TRIPARTY | 12/05/16 | 12/05/16 | 12/05/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/05/16 | 12/05/16 | 12/05/16 | 715,000,000 | 715,000,000 | 0 | 715,000,000 | 0 |
| MIZUHO TRIPARTY | 12/06/16 | 12/06/16 | 12/06/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/06/16 | 12/06/16 | 12/06/16 | 600,000,000 | 600,000,000 | 0 | 600,000,000 | 0 |
| MIZUHO TRIPARTY | 12/07/16 | 12/07/16 | 12/07/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/07/16 | 12/07/16 | 12/07/16 | 455,000,000 | 455,000,000 | 0 | 455,000,000 | 0 |
| MIZUHO TRIPARTY | 12/08/16 | 12/08/16 | 12/08/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/08/16 | 12/08/16 | 12/08/16 | 760,000,000 | 760,000,000 | 0 | 760,000,000 | 0 |
| MIZUHO TRIPARTY | 12/09/16 | 12/09/16 | 12/09/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/09/16 | 12/09/16 | 12/09/16 | 510,000,000 | 510,000,000 | 0 | 510,000,000 | 0 |
| MIZUHO TRIPARTY | 12/12/16 | 12/12/16 | 12/12/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/12/16 | 12/12/16 | 12/12/16 | 805,000,000 | 805,000,000 | 0 | 805,000,000 | 0 |
| MIZUHO TRIPARTY | 12/13/16 | 12/13/16 | 12/13/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/13/16 | 12/13/16 | 12/13/16 | 250,000,000 | 250,000,000 | 0 | 250,000,000 | 0 |
| MIZUHO TRIPARTY | 12/14/16 | 12/14/16 | 12/14/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/14/16 | 12/14/16 | 12/14/16 | 115,000,000 | 115,000,000 | 0 | 115,000,000 | 0 |
| MIZUHO TRIPARTY | 12/15/16 | 12/15/16 | 12/15/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/15/16 | 12/15/16 | 12/15/16 | 95,000,000 | 95,000,000 | 0 | 95,000,000 | 0 |
| MIZUHO TRIPARTY | 12/16/16 | 12/16/16 | 12/16/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/16/16 | 12/16/16 | 12/16/16 | 2,000,000 | 2,000,000 | 0 | 2,000,000 | 0 |
| MIZUHO TRIPARTY | 12/19/16 | 12/19/16 | 12/19/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/19/16 | 12/19/16 | 12/19/16 | 875,000,000 | 875,000,000 | 0 | 875,000,000 | 0 |
| MIZUHO TRIPARTY | 12/20/16 | 12/20/16 | 12/20/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/20/16 | 12/20/16 | 12/20/16 | 660,000,000 | 660,000,000 | 0 | 660,000,000 | 0 |
| MIZUHO TRIPARTY | 12/21/16 | 12/21/16 | 12/21/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/21/16 | 12/21/16 | 12/21/16 | 52,000,000 | 52,000,000 | 0 | 52,000,000 | 0 |
| MIZUHO TRIPARTY | 12/22/16 | 12/22/16 | 12/22/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/22/16 | 12/22/16 | 12/22/16 | 317,000,000 | 317,000,000 | 0 | 317,000,000 | 0 |
| MIZUHO TRIPARTY | 12/23/16 | 12/23/16 | 12/23/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/23/16 | 12/23/16 | 12/23/16 | 440,000,000 | 440,000,000 | 0 | 440,000,000 | 0 |
| MIZUHO TRIPARTY | 12/27/16 | 12/27/16 | 12/27/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/27/16 | 12/27/16 | 12/27/16 | 335,000,000 | 335,000,000 | 0 | 335,000,000 | 0 |

TRADING ACTIVITY FOR DECEMBER 2016

| Description | Maturity Date | Trade Date | Settle Date | Par or Shares | Principal | Traded Interest | Settlement Amount | Realized Gain(Loss) |
|--|---------------|------------|-------------|-----------------------|-----------------------|-----------------|-----------------------|---------------------|
| MIZUHO TRIPARTY | 12/28/16 | 12/28/16 | 12/28/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/28/16 | 12/28/16 | 12/28/16 | 465,000,000 | 465,000,000 | 0 | 465,000,000 | 0 |
| MIZUHO TRIPARTY | 12/29/16 | 12/29/16 | 12/29/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/29/16 | 12/29/16 | 12/29/16 | 320,000,000 | 320,000,000 | 0 | 320,000,000 | 0 |
| MIZUHO TRIPARTY | 12/30/16 | 12/30/16 | 12/30/16 | 15,000,000 | 15,000,000 | 0 | 15,000,000 | 0 |
| BANK OF AMERICA TRIPARTY | 12/30/16 | 12/30/16 | 12/30/16 | 182,000,000 | 182,000,000 | 0 | 182,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.31 20161201 | 12/01/16 | 12/01/16 | 12/01/16 | 300,000,000 | 300,000,000 | 0 | 300,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161202 | 12/02/16 | 12/02/16 | 12/02/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161205 | 12/05/16 | 12/05/16 | 12/05/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161206 | 12/06/16 | 12/06/16 | 12/06/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.41 20161206 | 12/06/16 | 12/06/16 | 12/06/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161207 | 12/07/16 | 12/07/16 | 12/07/16 | 425,000,000 | 425,000,000 | 0 | 425,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.41 20161207 | 12/07/16 | 12/07/16 | 12/07/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161208 | 12/08/16 | 12/08/16 | 12/08/16 | 430,000,000 | 430,000,000 | 0 | 430,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161209 | 12/09/16 | 12/09/16 | 12/09/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.65 20161209 | 12/09/16 | 12/09/16 | 12/09/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161212 | 12/12/16 | 12/12/16 | 12/12/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161213 | 12/13/16 | 12/13/16 | 12/13/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161214 | 12/14/16 | 12/14/16 | 12/14/16 | 475,000,000 | 475,000,000 | 0 | 475,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.41 20161215 | 12/15/16 | 12/15/16 | 12/15/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161216 | 12/16/16 | 12/16/16 | 12/16/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161219 | 12/19/16 | 12/19/16 | 12/19/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.65 20161219 | 12/19/16 | 12/19/16 | 12/19/16 | 450,000,000 | 450,000,000 | 0 | 450,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161220 | 12/20/16 | 12/20/16 | 12/20/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161220 | 12/20/16 | 12/20/16 | 12/20/16 | 350,000,000 | 350,000,000 | 0 | 350,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161221 | 12/21/16 | 12/21/16 | 12/21/16 | 525,000,000 | 525,000,000 | 0 | 525,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161221 | 12/21/16 | 12/21/16 | 12/21/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161222 | 12/22/16 | 12/22/16 | 12/22/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161222 | 12/22/16 | 12/22/16 | 12/22/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161223 | 12/23/16 | 12/23/16 | 12/23/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161223 | 12/23/16 | 12/23/16 | 12/23/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161227 | 12/27/16 | 12/27/16 | 12/27/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161227 | 12/27/16 | 12/27/16 | 12/27/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161228 | 12/28/16 | 12/28/16 | 12/28/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.66 20161228 | 12/28/16 | 12/28/16 | 12/28/16 | 400,000,000 | 400,000,000 | 0 | 400,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161229 | 12/29/16 | 12/29/16 | 12/29/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| SVENSKA HANDELSBANKTDCAY 0.66 20161230 | 12/30/16 | 12/30/16 | 12/30/16 | 500,000,000 | 500,000,000 | 0 | 500,000,000 | 0 |
| NATIONAL AUSTRALIA TDCAY 0.65 20161230 | 12/30/16 | 12/30/16 | 12/30/16 | 425,000,000 | 425,000,000 | 0 | 425,000,000 | 0 |
| Total Maturities | | | | 40,169,990,000 | 40,169,990,000 | 0 | 40,169,990,000 | 0 |
| Sells | | | | | | | | |
| INDIANA FINANCE AUTHORITY | 12/01/34 | 12/08/16 | 12/15/16 | 15,900,000 | 15,900,000 | 3,385 | 15,903,385 | 0 |
| MONROE COUNTY DEVELOPMENT AUTHORITY | 01/01/36 | 12/08/16 | 12/15/16 | 26,600,000 | 26,600,000 | 5,683 | 26,605,683 | 0 |
| CITY OF VALDEZAK | 12/01/29 | 12/16/16 | 12/16/16 | 25,000,000 | 25,000,000 | 4,932 | 25,004,932 | 0 |
| COUNTY OF WILL IL | 06/01/26 | 12/16/16 | 12/16/16 | 7,140,000 | 7,140,000 | 1,436 | 7,141,436 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/01/16 | 12/01/16 | 1,019,350 | 1,019,350 | 0 | 1,019,350 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/01/16 | 12/01/16 | 7,928 | 7,928 | 0 | 7,928 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/01/16 | 12/01/16 | 1,270,665 | 1,270,665 | 0 | 1,270,665 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/01/16 | 12/01/16 | 254,414 | 254,414 | 0 | 254,414 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/01/16 | 12/01/16 | 1,838,950 | 1,838,950 | 0 | 1,838,950 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/06/16 | 12/06/16 | 2,239,063 | 2,239,063 | 0 | 2,239,063 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/07/16 | 12/07/16 | 66,833 | 66,833 | 0 | 66,833 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/12/16 | 12/12/16 | 252,218 | 252,218 | 0 | 252,218 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/13/16 | 12/13/16 | 232,690 | 232,690 | 0 | 232,690 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/13/16 | 12/13/16 | 2,357,395 | 2,357,395 | 0 | 2,357,395 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/13/16 | 12/13/16 | 552,464 | 552,464 | 0 | 552,464 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/15/16 | 12/15/16 | 365,473 | 365,473 | 0 | 365,473 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/15/16 | 12/15/16 | 489,772 | 489,772 | 0 | 489,772 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/15/16 | 12/15/16 | 19,882 | 19,882 | 0 | 19,882 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/20/16 | 12/20/16 | 1,054,952 | 1,054,952 | 0 | 1,054,952 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/20/16 | 12/20/16 | 31,075 | 31,075 | 0 | 31,075 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/21/16 | 12/21/16 | 123,704 | 123,704 | 0 | 123,704 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/27/16 | 12/27/16 | 1,238,597 | 1,238,597 | 0 | 1,238,597 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/27/16 | 12/27/16 | 1,115,003 | 1,115,003 | 0 | 1,115,003 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/28/16 | 12/28/16 | 6,095,848 | 6,095,848 | 0 | 6,095,848 | 0 |
| DREYFUS GOVT CASH MGMT FUND | 06/01/18 | 12/30/16 | 12/30/16 | 299,981,436 | 299,981,436 | 0 | 299,981,436 | 0 |
| Total Sells | | | | 395,247,711 | 395,247,711 | 15,436 | 395,263,146 | 0 |



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Our Mission

Our mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

Federated

Sean McGould

Sean McGould is the founder of Lighthouse Investment Partners, which manages \$8.7 billion in assets. He is responsible for overall portfolio construction and day-to-day operations. Sean is the Chairman of the Lighthouse Executive Committee and the Lighthouse Investment Committee. He serves as the CEO and is on the board of the firm's parent company, HFA Holdings, Ltd.

Prior to Lighthouse, Seanh was the Director of the Outside Trader Investment Program for Trout Trading Management company, Ltd. based in Bermuda, and worked for Price Waterhouse in auditing and corporate finance.

Sean graduated with High Honors from Butler University with a Bachelor of Science in accounting. He played baseball for four years at Butler and was elected captain his senior year. He serves on the Butler University Business School Board of Visitors, Chairman of St. Mark's Episcopal School Finance Committee and Board Member of Oxbridge Academy. Sean is actively involved in the Leukemia and Lymphoma Society and Ball 4 Lyfe. He is a member of the Young Presidents Organization. He and his wife, Erin, have been married for 22 years and have three children.

**MINUTES
INVESTMENT ADVISORY COUNCIL
December 5, 2016**

A meeting of the Investment Advisory Council (IAC) was held on Monday, December 5, 2016, in the Hermitage Room of the State Board of Administration of Florida (SBA), Tallahassee, Florida. The attached transcript of the December 5, 2016 meeting is hereby incorporated into these minutes by this reference.

Members Present: Michael Price, Chair
Peter Collins, Vice Chair
Chuck Cobb
Les Daniels
Bobby Jones
Vinny Olmstead
Gary Wendt

SBA Employees: Ash Williams, Executive Director/CIO
Lamar Taylor
John Benton
Trent Webster
Alison Romano
Tim Taylor
Katy Wojciechowski
Cherie Jeffries
Steve Spook
John Bradley
Joan Haseman

Consultants: Kristen Doyle, Aon Hewitt
Katie Comstock, Aon Hewitt
André Mehta, Cambridge Associates
Sheila Ryan, Cambridge Associates
Tod Trabocco, Cambridge Associates
Richard Brown, Townsend Group
Seth Marcus, Townsend Group

WELCOME/CALL TO ORDER/APPROVAL OF MINUTES

Mr. Michael Price, Chair, called the meeting to order at 1:00 P.M. He asked for a motion to approve the minutes from the September 19, 2016 IAC meeting. Mr. Les Daniels made a motion to approve the minutes; the motion was seconded by Mr. Bobby Jones. The minutes were approved.

OPENING REMARKS/REPORTS

Mr. Ash Williams, Executive Director/Chief Investment Officer, provided a brief summary on the performance of the Florida Retirement System Pension Plan, stating that the fund is up \$600 million (net of cash flows) from where it began in 2016. Mr. Williams also noted that the SBA expects to receive a letter from Ernst and Young certifying the financials for the fiscal year ended June 30, which would reflect a change in the value add estimate (originally 71 basis points) to 90-plus basis points. He also briefly spoke about market conditions. Mr. Williams announced the retirement of Ms. Diane Bruce and introduced his new assistant, Ms. Kari Glisson.

STRATEGIC INVESTMENTS ASSET CLASS REVIEW

Mr. Trent Webster, Senior Investment Officer - Strategic Investments and Private Equity, provided a detailed presentation on the Strategic Investments asset class including staffing, policy objectives, and significant events since the asset class inception. He discussed their processes which include fund selection, due diligence, risk management, manager monitoring and asset allocation. Mr. Webster elaborated on the six broad strategy allocations (portfolios): debt, equity, real assets, diversifying strategies, flexible mandates and special situations. Mr. Webster also discussed the 10-year Treasury Bond and Core CPI and concluded his presentation with details on the benchmarks, asset class performance, volatility, correlation, and recent asset class activity. Questions were posed by IAC members throughout the Strategic Investments presentation and were answered by Mr. Webster, Mr. Williams and Ms. Katy Wojciechowski.

SIO UPDATES, DC PROGRAMS CHIEF UPDATE

The Senior Investment Officers of Global Equity, Real Estate, Strategic Investments and Private Equity (specifically, Private Equity), and Fixed Income provided an update on the performance of their respective asset classes over the last quarter and trailing time periods and discussed general market conditions. Ms. Cherie Jeffries, Director of Fixed Income Trading, also discussed the SBA Securities Lending Program. Questions from IAC members were asked and answered.

Ms. Joan Haseman, Chief - Defined Contribution Programs, provided a snapshot of the FRS Investment Plan assets, number of members, average account balance, average age, average years of service, number of retirees and distributions. She also discussed the FRS Investment Plan assets under management, provided an update on the Financial Guidance Program and spoke about the availability and purchase of annuities by participants. Ms. Haseman answered IAC members' questions about the Investment Plan.

MAJOR MANDATE PERFORMANCE REVIEWS

Mr. Chuck Cobb requested a briefing on the Lawton Chiles Endowment Fund. Mr. Williams provided historical background as well as current information on the fund.

Ms. Kristen Doyle, Aon Hewitt, provided an overview of the Pension Plan and its performance. Ms. Katie Comstock, Aon Hewitt, reported on performance of the Investment Plan, the Florida Hurricane Catastrophe Fund, the Lawton Chiles Endowment Fund and Florida PRIME. IAC members asked questions which were answered by Ms. Doyle, Mr. Williams, Ms. Haseman and Ms. Comstock.

AUDIENCE COMMENTS/CLOSING REMARKS/PROPOSED 2017 MEETING DATES/ ADJOURN

There were no comments or questions from the audience. The meeting was adjourned at 3:40 P.M.

At the conclusion of the meeting, Mr. Price announced the proposed IAC meeting dates for 2017 (located behind Tab 6 in the meeting materials).



Michael Price, Chair



Date

STATE BOARD OF ADMINISTRATION OF FLORIDA

INVESTMENT ADVISORY COUNCIL MEETING

MONDAY, DECEMBER 5, 2016
1:00 P.M. - 3:40 P.M.

1801 HERMITAGE BOULEVARD
HERMITAGE ROOM, FIRST FLOOR
TALLAHASSEE, FLORIDA

REPORTED BY: JO LANGSTON
Registered Professional Reporter

ACCURATE STENOGRAPHY REPORTERS, INC.
2894-A REMINGTON GREEN LANE
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APPEARANCES

IAC MEMBERS:

MICHAEL PRICE
GARY WENDT
PETER COLLINS
CHUCK COBB
BOBBY JONES
VINNY OLMSTEAD
LES DANIELS

SBA EMPLOYEES:

ASH WILLIAMS, EXECUTIVE DIRECTOR
LAMAR TAYLOR
JOHN BENTON
TRENT WEBSTER
STEVE SPOOK
KATY WOJCIECHOWSKI
CHERIE JEFFRIES
ALISON ROMANO
TIM TAYLOR
JOHN BRADLEY
JOAN HASEMAN

CONSULTANTS:

ANDRE MEHTA - (Cambridge Associates)
SHEILA RYAN - (Cambridge Associates)
TOD TRABOCCO - (Cambridge Associates)
RICHARD BROWN - (The Townsend Group)
SETH MARCUS - (The Townsend Group)
KRISTEN DOYLE - (Aon Hewitt)
KATIE COMSTOCK - (Aon Hewitt)

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1 INVESTMENT ADVISORY COUNCIL MEETING

2 * * *

3 MR. PRICE: It's 1:00. We should call the meeting
4 to order. It's the meeting of the Investment Advisory
5 Council, the State Board of Administration. We're
6 going to start by approving -- do we have minutes here?
7 We have minutes. Does anybody have any comments on the
8 minutes? Motion to approve the minutes?

9 MR. DANIELS: So moved.

10 MR. JONES: Second.

11 MR. PRICE: Thank you. The minutes of
12 September 19th were approved. Ash, would you like to
13 give us some comments on the current environment,
14 portfolio and what we're going to work on today,
15 please?

16 MR. WILLIAMS: Yes. Thank you, Mr. Chairman. A
17 couple of things I would say as an opener. First of
18 all, the team is intact and doing well. A lot of
19 interesting ideas percolating in the various asset
20 classes that you'll hear more about as we get into the
21 reviews with the various senior investment officers.

22 Performance through Friday's close on the calendar
23 year were up 5.42 percent. That's 30 basis points
24 above target. And on a net basis, the fund is up
25 \$600 million above where we started the year. That's

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1 net of cash flows of a negative 6 billion.

2 MR. PRICE: That would be your index, active and
3 passive, track the market, but you haven't updated your
4 private equity positions and hedge funds because you're
5 not up to date on that?

6 MR. WILLIAMS: Right. On that performance, that's
7 correct.

8 MR. PRICE: So that's more or less half the
9 portfolio is getting this market performance, and the
10 other half hasn't yet been marked?

11 MR. WILLIAMS: It's lagged.

12 MR. PRICE: But it will catch up.

13 MR. WILLIAMS: Yeah. And to give you an idea,
14 we're just wrapping up and expect to receive imminently
15 a letter from EY certifying our financials for the
16 fiscal year ended June 30. We now have the benefit of
17 the updated performance there. And what that did was
18 change our value add from 71 basis points to 90-plus,
19 from our initial estimate to where we are today. So
20 that lagged appreciation value does come through.

21 We obviously, in terms of the market, we've seen a
22 pretty dramatic change, as you all know. The equity
23 markets have reacted very favorably to recent changes
24 in U.S. leadership. Interest rates have moved more by
25 free market action across the curve in the past three

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1 months than they have in the past three years under any
2 kind of central bank leadership. And it would appear
3 that the Fed is ready to move ahead with a further
4 incremental increase later this month.

5 All of that is very positive, and we continue to
6 see things play out. We saw Italian elections
7 yesterday. There will be news in other jurisdictions
8 coming up in the very near future. So what we welcome
9 in having you here today is for this group to give us
10 clarity on the direction of the market, so we know
11 where to allocate assets going forward with the benefit
12 of your wisdom.

13 MR. WENDT: We have no idea.

14 MR. WILLIAMS: And we really appreciate that. So
15 thank you in advance. Yeah, right. That's kind of
16 what we thought, maybe yes, maybe no. So at any rate,
17 the other thing I wanted to share with you is someone
18 all of you have dealt with in a very positive way over
19 the years, Diane Bruce, has retired. And the new Diane
20 Bruce is with us somewhere, Kari Glisson. Where is
21 Kari? There she is. So you will be dealing with Kari
22 from here on out on various communiques relating to the
23 IAC.

24 With that, I'm going to say we probably ought to
25 just move on with our agenda. I don't want to steal

1 any of the thunder from the SIOs.

2 MR. PRICE: Great. Thank you. We're going to get
3 into today strategic equities and private investments,
4 private equity funds, and we're also going to talk a
5 little bit about the fees we pay outside, because
6 there's been focus in the last year on outside fees.
7 We always talk about your overhead here, which is best
8 of the class.

9 We want to track -- what I was thinking about was
10 it might make sense -- and I got your memo today. It
11 might make sense, going forward, to track the average
12 fees paid outside. Not going back. I don't want to
13 make work, but going forward, that we keep what our
14 fees are, quarterly. It would be helpful. I know some
15 of it is hard to track. Some private equity funds have
16 hurdles, some don't, and realizations and some don't.
17 But I think there might be a way, if you could design a
18 way to track outside fees paid in these private equity
19 spaces, it might be helpful, because in the future
20 there's going to be continued, right, focus on that, I
21 think. Trent.

22 MR. WEBSTER: \$149,218,773 is what we paid in
23 fiscal year 2016. That accounted for 1.42 percent of
24 NAV. And if you included unfunded commitments, it was
25 just over 1 percent.

1 MR. PRICE: And the rate of return on that asset
2 pool would be what, trailing 12?

3 MR. WEBSTER: Well, the trailing 12-month return
4 as of September was -- I have it here. I've got it in
5 the presentation. I think it was --

6 MR. PRICE: If the answer is good, that's a
7 perfectly good answer.

8 MR. WEBSTER: Not bad. I think it was four and a
9 half percent. But we'll talk about --

10 MR. PRICE: So we always want to -- I think it
11 makes sense for the board to keep an eye on. But,
12 anyway, if you'd like to start on the strategic, equity
13 and private investments review, that would be terrific,
14 behind Tab 3.

15 MR. WEBSTER: So I'd like to start off with
16 acknowledgment of the professional staff within SI. I
17 have a very good group of people that I work with.
18 They're very talented. And we recently added to our
19 team. Mr. Ryan Reeves has joined us as an analyst.
20 Ryan is a graduate of Florida State University. He is
21 from the College of Business with a degree in finance
22 and accounting. We poached him from the accounting
23 department. He has a CPA and a CFA. So he joined us
24 three days ago, five days ago. So this is a baptism by
25 fire. Ryan will be responsible for portfolio reporting

1 and analytics within the asset class.

2 MR. WILLIAMS: Is he going to do the remainder of
3 your presentation?

4 MR. WEBSTER: Yes. Ryan, would you please come to
5 the front. That's our hazing. Unfortunately, we lost
6 one of our senior portfolio managers. Mr. Michael
7 Lombardi returned back to his home state of New York
8 and is now at New York Common. I worked with Michael a
9 long time, and we'll certainly miss him. He was a good
10 addition, but we can't begrudge him for going home.

11 But one thing I would like to do is to offer an
12 anecdote to the IAC, because we're currently in a
13 search process for Michael's replacement. So I have
14 been involved in several of these job searches since I
15 became the SIO, both in strategic and with John in
16 private equity.

17 And historically there's always been somewhat of a
18 pattern to how this has gone. Typically what happens
19 is that we post the ad, and then we get the applicants
20 and we take the pool of applicants that we like. And
21 what we have found historically is roughly half of the
22 applicants immediately say they're not interested to us
23 once we tell them what the compensation is.

24 So this time we had 151 applicants, and we pulled
25 19. And so I thought that what we would -- I thought

1 that the normal patterns would hold from the past. We
 2 had 19 external candidates and nine, ten, maybe eleven
 3 would say yes. So I asked my administrative assistant
 4 on the week of Thanksgiving, that Monday, Tuesday and
 5 Wednesday, I think I had one or two meetings scheduled,
 6 and everything else was free, to block off one-hour
 7 periods of time so we could schedule nine or ten
 8 meetings. And I think we blocked off -- it was 16
 9 discrete blocks of time, figuring that I'd have three
 10 or four interviews a day and then some time in between,
 11 and everything would be fine.

12 Well, one individual thanked us but said he had
 13 accepted a position somewhere else. And one person
 14 said that the compensation wasn't high enough. And 17
 15 people said, Absolutely, I'm interested in it. And
 16 what that meant is that suddenly my Thanksgiving week
 17 was the busiest week of the year because I had 16
 18 interviews, including seven in one day. And I don't
 19 know if you've had seven one-hour interviews, but
 20 that's quite the grind.

21 But that is an example of the work that the IAC
 22 has done and Ash has done and the trustees have done to
 23 strengthen the board, because even though it's made my
 24 job a little bit more difficult in the near term,
 25 there's no doubt that it's strengthening the board

1 because of the deeper pool of candidates that we have
 2 access to. So we're hoping to have someone hired and
 3 filled in the position sometime early in the new year.

4 So we'll go to policy objectives. I think
 5 hopefully this is becoming familiar to most members of
 6 the IAC.

7 MR. COBB: Mr. Chairman, I have a question on --
 8 we continue to be concerned about whether we're losing
 9 our good people because of compensation. Can you share
 10 with us generally -- and maybe, Ash, you can do this
 11 more macro. Of the people we have lost, has it been
 12 due to compensation or has it been due to other
 13 factors?

14 MR. WILLIAMS: May I, Mr. Chair?

15 MR. PRICE: Yes.

16 MR. WILLIAMS: I would say in the recent past the
 17 compensation issue is off the table. This Michael
 18 Lombardi example is a good one. That absolutely was
 19 not a compensation issue. That was a family issue.
 20 Michael is now an empty-nester. His daughter is at the
 21 University of Pennsylvania. He's a native New Yorker.
 22 His father had been in Florida. His father went back
 23 to New York. So this was more a family reuniting. I
 24 don't think that the glamour of Albany became blinding
 25 for him and he couldn't overcome it, or the winters or

1 the taxes. So I think on the whole, touch wood, as
2 Trent just summed up, I think we're right where we want
3 to be comp-wise.

4 And I know I was at a meeting of our national
5 group of investment officers at the tail end of
6 October, talked around with a number of our peers. And
7 our sense is we're in pretty darn good shape. And when
8 you add the two things together, our location and the
9 general Florida pitch of good weather, low taxes, nice
10 lifestyle, you add that together with the governance of
11 this organization, which is highly unusual compared to
12 most public pension funds because it lacks a
13 politically oriented operating investment committee
14 that acts as a bottleneck for all major
15 decision-making, this is very different.

16 We have you folks, who are highly informed and
17 merit based, on a policy advisory level, and then the
18 other investment authority is delegated by law to the
19 executive director. And as you know, we have a very
20 flat organization with our senior investment officers.
21 That is very, very appealing to professionals in the
22 investment field who choose to be available for public
23 service, because it's just not available most places.

24 So if you put the comp together, the Florida pitch
25 and the governance, this is a very, very appealing

1 franchise. And we have been successful in bringing
2 people from other places. I mean, just looking around,
3 I'm seeing the different asset class heads. We've got
4 people in every single asset class now that we
5 recruited either out of the private sector or from
6 other public entities or both. So we're getting the
7 people we want, and it's up to us to make it count and
8 deliver the results we're responsible for producing.

9 MR. COBB: Thank you.

10 MR. WEBSTER: Thank you. So like I said, I think
11 this is becoming familiar to the people in this room.
12 But for strategic investments, we have four policy
13 objectives. The first one is to generate a 5 percent
14 real return over time. We're not going to do that
15 every year. But over a market cycle and multiple
16 market cycles, this is what our goal is. We're trying
17 to generate 5 percent real return, or at least that.

18 Our second objective is to diversify the Florida
19 Retirement System. And we're doing that in a couple of
20 ways. One of the things we're trying to do is we're
21 trying to reduce the volatility of the entire fund.
22 And what that means is that investing in things that
23 reduce the exposure to equity risk and spend a lot of
24 time on the protection to the downside, especially in
25 elevated markets like today.

1 So some of the strategies we'll talk about in a
2 little bit that we've put into the portfolio were put
3 in there specifically to protect the downside. It
4 doesn't mean we're not going to move down, but it means
5 that we should dampen the volatility in the total fund.

6 Providing a hedge against inflation, I think this
7 may be the first time since I've been here that that
8 might be something that we will start talking about in
9 the future. We'll see.

10 And to invest opportunistically, what we mean by
11 that, I really want to stress that, is that by
12 investing opportunistically we're generally trying to
13 take a contrarian view. We tend to look out three to
14 five years, if not longer. And so for us, we think the
15 only way that you can really add alpha in that manner
16 is to be contrarian. And that means generally
17 investing in assets which typically are relatively
18 inexpensive to other things, or to go into different
19 strategies where a lot of money has been coming out.
20 So we'll talk a little bit more about that.

21 We were formed in June 2007, and we were funded
22 with a \$6 billion global equity portfolio. At the
23 time, the idea was, is that we would use the funds from
24 the global equity portfolio to fund other alternative
25 investments. Well, then the global financial crisis

1 happened. And we were able to put some money quite
2 aggressively in the market, in the financial crisis, in
3 senior loans and distressed debt and other debt
4 strategy. But because we looked like an equity
5 portfolio at the time, we acted like an equity
6 portfolio at the time.

7 And then in June 2010, when the global equity
8 asset class was created out of the formation or the
9 merger of the foreign equity and the domestic equity
10 asset class that Tim and Alison now form, it didn't
11 make a lot of sense to keep a global equity portfolio
12 in strategic investments. So what was left of it was
13 transferred out of strategic investments into global
14 equity. When we think about the asset class as it was
15 initially conceived, we really think the starting point
16 is June 2010.

17 Are there any questions before I move to process?
18 I'm not going to spend a whole lot of time on process,
19 but I did want to hit a few high notes. Broadly, these
20 are the three screens that we look at when we're
21 looking at hiring managers. The very first thing is
22 that the manager has to have a high ethical standard.
23 If we feel that the manager acts against the interest
24 of the LPs or their investors or does things that we
25 wouldn't approve of from an ethical standpoint, we're

1 just not going to hire them. It's just not worth the
2 hassle.

3 The second thing we look for is are they
4 institutional quality, are they able to handle an
5 account like the Florida State Board. We're one of the
6 largest pension plans in the world. There could be a
7 fantastic investor who has \$20 million, earning
8 40 percent a year, trading off Bloomberg in his
9 one-bedroom apartment. We wish that person all of the
10 best of luck. We'll wait until he gets to 500 million
11 and has a compliant staff and trading systems. We need
12 an institutional firm to manage our assets.

13 And then and only then will we look at a manager's
14 attractive, long-term, performance-driven,
15 risk-adjusted performance, because ultimately that's
16 the business that we're in, is generating returns. So
17 they can be an incredibly intelligent group of
18 individuals, but if they can't generate returns, then
19 we don't -- we won't hire them.

20 So I apologize for needing glasses on this
21 schematic of our process. What I wanted to emphasize
22 here is that most of this process is driven by the
23 portfolio managers in the asset class. So it's the
24 professionals in SI which are driving most of this. So
25 from the sourcing to the due diligence to the closing

1 and assisting in the legal negotiations to the
2 monitoring, our model is very much driven by the
3 individual portfolio managers in SI.

4 And it can take, just on the due diligence alone,
5 it can take 20 to 40 hours of work on a single manager
6 once the decision has been made to pursue the
7 investment with that manager. And so that includes
8 reading all the documentation, like the LPAs, the PPMs,
9 the sub docs, the marketing decks, the investment
10 letters, and any other information that we can find.
11 That would include doing reference calls, on-site
12 visits. Our PMs will take up to a day on site with a
13 manager. They can have multiple meetings with
14 managers.

15 And it probably -- in fact, they have. We've
16 already talked to the money manager, usually multiple
17 times prior to that. And, in fact, we typically want
18 to develop a relationship with the manager before we
19 invest with them. So to give you a live example, there
20 is a firm that we like in an area that we like that we
21 would be interested in investing with them, but we just
22 met their team a month, month and a half ago, and
23 they're closing in December or January, and that's
24 probably too fast for us.

25 But we'll get to know them. We'll visit with

1 them. We'll have calls with them. And then assuming
 2 everything falls together, we would be interested in
 3 investing with them in their next fund. So it can take
 4 years to develop a relationship with a manager. And
 5 one of our first investments was a manger that we'd
 6 known for six years. So we can know them for a long
 7 time.

8 In 2015 we actually -- the PMs, the analysts and
 9 myself, we actually logged every single meeting that we
 10 had throughout the year to see exactly how many
 11 meetings we had. And we actually had 921 manager
 12 meetings and manager meetings alone in calendar year
 13 2015. We thought that was quite the task, and so we
 14 haven't done it this year. But you can see that's
 15 about the pace, that we're meeting on average about
 16 four managers a day. Gary?

17 MR. WENDT: How many individual investments do you
 18 have right now in the portfolio?

19 MR. WEBSTER: That's a fantastic question, and
 20 you'll see it in a minute.

21 MR. WENDT: Coming up? Okay. I'll learn that in
 22 a minute. Will you tell me also in a minute then, do
 23 your portfolio managers just manage the assets or are
 24 they also part of the approval process?

25 MR. WEBSTER: The way our approval process works

1 is that the portfolio manager proposes it. We don't --
 2 the process is that the portfolio manager does the
 3 work. He or she is the person that's driving the
 4 process. Then I have to sign off on it. And
 5 ultimately it's Ash who makes the final decision on a
 6 fund. But it's very much a bottom-up process, driven
 7 by the portfolio manager.

8 Now, within our group, we're discussing things all
 9 the time. We're talking about managers. We're talking
 10 with our consultants. So it is a team approach, but
 11 ultimately there has to be a champion within the group
 12 to move it forward. And if there's not, then it
 13 doesn't happen.

14 MR. WENDT: Once the investment is made, who is
 15 responsible for then following that investment along
 16 and managing any problems if there are any?

17 MR. WEBSTER: The portfolio manager who sponsored
 18 it, the original one. So it's very much a soup to nuts
 19 process. And so that's why the portfolio manager is so
 20 important for us. In some models you may have a group
 21 that does nothing but sourcing and others who will do
 22 nothing but the due diligence and others that do
 23 nothing but the monitoring. The portfolio manager is
 24 responsible for it all.

25 MR. WENDT: Thank you.

1 MR. WEBSTER: So on risk management, I had said
 2 earlier that one of the -- in our screens where we look
 3 at the institutional nature of the firm and the
 4 process-driven risk-adjusted performance. Our risk
 5 management overlay is quite extensive, but one of the
 6 things that we do to mitigate some of the investment
 7 risk is that we tend to have a high bar to first time
 8 funds. So we tend to want to see if a fund manager can
 9 operate and do what they say they can do. It's a bit
 10 of a different model than some of the other
 11 institutions.

12 But generally we want to see a manager up and
 13 running for two or three or four years, or if they're
 14 running a private market fund, we want to see them run
 15 their first fund. Now, that's not always the case.
 16 There are some exceptions. And that's usually, when
 17 there's a unique or compelling opportunity in the
 18 market, we may go with a manager on a platform that
 19 we're generally familiar with or that we know fairly
 20 well. But typically we want to see someone operate for
 21 a while on the platform that they're offering before we
 22 invest with them.

23 To mitigate the investment risk, like I said
 24 earlier, we tend to have a contrarian philosophy. We
 25 think that we'll do better over time if we're investing

1 in areas where there's a lot of people who are leaving
 2 or the assets are cheap. We think that that, over a
 3 three to five year time horizon or longer, will serve
 4 us best.

5 Where we're not contrarian by any stretch of the
 6 means is on the operational issues. So we want to be
 7 right firmly in the consensus that this is an
 8 institutional firm that has all the back office, that
 9 has all the right people to be able to manage our
 10 processes and our assets. And this is a pass/fail.
 11 You either are or you're not. We rely quite heavily on
 12 our consultants to assist us with that. And it is one
 13 of those things where we see something, regardless of
 14 the investment opportunity, if they don't have a
 15 world-class back office or operations, then we will not
 16 invest with them.

17 So Gary asked about manager monitoring on the next
 18 page. I won't spend much time on it here. But these
 19 are all the things that the portfolio managers are
 20 doing and that we're doing internally. And somewhere
 21 between 30 to 50 percent of one of our portfolio
 22 manager's time is spent on manager monitoring.

23 So we are the opportunistic asset class. However,
 24 because we can invest in a lot of different things, we
 25 don't ever want to find ourselves in a position where

1 we're overweighted too much to one strategy or certain
2 assets or anything where we may look like we're far too
3 overweight to a certain area. So we have an asset
4 allocation process within all the strategies that
5 you'll see in a minute, where once a year, over the
6 course of several months, we'll be sitting down as a
7 group, sitting down with our consultants. We'll be
8 creating a pacing model. We'll be double-checking our
9 pacing model with our consultants. We'll run an
10 optimization. And then once a year we'll set
11 guidelines for where we think the best opportunities
12 are going to go forward, and create target allocations
13 to each strategy.

14 Now, those are guides. That's a roadmap. That
15 doesn't necessarily mean we're going to absolutely hit
16 those. But the idea is is that you have guardrails so
17 that you're not -- you don't get too overweighted in
18 certain areas. So any questions before I leave
19 process?

20 MR. COLLINS: Trent, one question. Mr. Chairman?
21 So is it difficult at times to be sort of event macro
22 driven if you're investing in private funds, which take
23 a while to, A, raise, B, get into, C, call the capital?
24 So I guess what I'm asking is, how do you try to remain
25 strategic without -- and still be -- how do you get the

1 capital out, from an institutional standpoint at your
2 size, but still remain relevantly strategic?

3 MR. WEBSTER: That's an excellent question, Peter.
4 And it depends on whether or not the opportunity is
5 ephemeral or if it's more structural. So during the
6 financial crisis this institution or this organization
7 put a couple billion dollars into distressed debt
8 because it was a long opportunity. It was something
9 that lasted over a few years.

10 But something that recently happened to us where
11 we missed something was back in the spring, when the
12 credit markets were freezing up, we decided we thought
13 some CLO equity and mezz looked very attractive on a
14 risk-adjusted basis. By the time we got around to
15 instituting that, that had passed. But we set up the
16 structures for, if that happens again -- and we assume
17 it will happen again -- that we will be able to move
18 quicker.

19 I was going to mention this in a bit, but
20 something that's ongoing right now is that we've been
21 recently approved for insurance. We don't like
22 insurance currently in the pricing in the market, but
23 we really like the strategy. It's a diversifying
24 strategy. The earth's crust does not care what the Fed
25 is going to do. The wind doesn't care if we're going

1 to run a deficit. It's very much a diversifying
2 strategy.

3 So what we're intending to do in 2017 is identify
4 one, two, maybe three managers, get all the work done,
5 get all the structures set up and give them small
6 amounts of capital, maybe five or ten million dollars
7 each, but have capacity up to like 150 or 200 million
8 dollars or whatever, so that when the opportunity
9 arises, we'll be able to move quicker.

10 So part of it is is that we're not -- we're just
11 not nimble enough to do things quickly. But on the
12 other hand, hopefully we have the foresight to be able
13 to set up some of these things so we can move a little
14 faster.

15 Now, having said all that, what I always like to
16 say to managers is that we're slow to get in but we're
17 slow to get out. So when we get out, typically we want
18 to do it for rational reasons, for methodical reasons,
19 not just reacting because we've gone through some pain
20 in the performance. Sometimes you leave because of the
21 pain in the performance. But you want to understand
22 why it is and not just pull the trigger. So we don't
23 tend to react all that fast. But there are things that
24 happen in markets where it's a three year, five year,
25 seven year opportunity.

1 Okay. On asset allocation we have a 12 percent
2 weighting in the FRS. And we think a little
3 differently than perhaps the other asset classes. We
4 don't view this so much as a target as we do a ceiling.
5 Because of the opportunistic nature of SI, we could in
6 theory, if there was nothing that we like, liquidate
7 everything and give it back to the FRS. Now,
8 practically, that's not going to happen. But what it
9 does is it instills a mentality within the group that
10 we don't have to force money into markets if we don't
11 want to.

12 There have been times we've looked at certain
13 strategies in certain markets and decided we didn't
14 really like anybody and decided not to invest in it.
15 And that gives us a lot of flexibility so that we're
16 not making investments that we think might -- you know,
17 that might not be very good.

18 Currently, we are 8.2 percent of the FRS, and
19 we've been floating around there for a while. When I
20 made my presentation last year, I said it was our
21 intention to rise up to somewhere between 9 and
22 10 percent of the FRS, given the lofty valuations in
23 some of our markets, and then float there and wait for
24 if there's a correction and deploy more capital.
25 That's still our intent, but we're seeing some

1 opportunities in other parts of the market, so we're
2 less intent upon that right now.

3 To answer Gary's question a little bit earlier, we
4 currently have, as of the end of the third quarter, the
5 net asset value is \$11.8 billion. If you include the
6 unfunded commitments, that's 15.2 billion. We
7 currently have -- this was as of September 30th -- 82
8 relationships with 120 funds, split roughly half and
9 half between evergreen funds and private markets. We
10 expect that as we approach a 12 percent weight, we'll
11 probably get to somewhere between 100 and 120
12 relationships and somewhere between 150 and 180 funds.

13 MR. DANIELS: Mr. Chairman?

14 MR. PRICE: Yes.

15 MR. DANIELS: Can you define private market funds
16 versus evergreen funds?

17 MR. WEBSTER: A private market fund is generally
18 what we would define as something that has a finite end
19 to the fund. So a typical fund for ours in private
20 equity would be like a 10 year fund with maybe two
21 one-year add-ons. In the debt funds they tend to be --
22 some of them are like that, but they tend to be
23 shorter. So you often have an investment period of
24 maybe three years and then a harvest period of two or
25 three years. So often they're five, six, seven year

1 funds.

2 Our evergreen funds are funds that don't have a
3 finite life or at least one that's in the foreseeable
4 future. So those are typically hedge funds. But our
5 timberland funds are evergreen funds as well, as we do
6 not have an end life to them and they're actually SMAs.
7 So that's what we would consider those to be.

8 So currently we have six broad strategy
9 allocations, debt equity, real assets, diversifying
10 strategies, flexible mandates and special situations.
11 The red part of the graph, that's the global equity
12 portfolio, the first three years. You can see how our
13 fund was essentially a global equity fund and behaved
14 like that.

15 That light blue was the high yield portfolio,
16 which was transferred into us from fixed income and has
17 since been liquidated. So you can see that at first we
18 were dominated by global equity, and then we were
19 dominated by fixed income or debt. And over time we've
20 increased our allocations to different strategies. And
21 that purple part of the graph, that is our diversifying
22 strategies. These are the lowly correlated strategies.
23 These are the strategies which should help protect us
24 the next time there's a bear market.

25 If you go to the sub-strategy weights, we've got

1 20 or 21 different sub-strategy weights that we've been
 2 approved for. Our largest is distressed. Our second
 3 largest is real estate, and our third largest is
 4 multi-strategy. And we're going to talk a little bit
 5 about each of those as we go through the portfolio.

6 So currently our debt portfolio is 30 percent of
 7 the total book, with distressed being almost half of
 8 that. And so it says up there our medium term target
 9 is 28 percent. That was the allocation that was set at
 10 our asset allocation strategy meeting in the spring.
 11 So distressed, we like distressed at a strategy, even
 12 though it can be very cyclical, but it's the ultimate
 13 value strategy, and we think that we can get
 14 equity-like returns for less than equity-like risk.

15 Currently it's very opportunistic. There's a
 16 full-blown distressed cycle in energy. You're seeing
 17 some distressed in retail. And there's still a lot
 18 going on internationally in Europe. And we think that
 19 there could be very interesting opportunity in Asia
 20 going forward.

21 In our mezzanine book, that's sort of a broad
 22 category for more junior debt, junior capital, which
 23 includes traditional mezzanine but also some strategies
 24 which are very -- are growth here, with convertible
 25 preferred shares. But in the lower middle market of

1 the mezzanine area, you're still getting 8 to
 2 10 percent cash pay coupons. So there's a lot of money
 3 floating around in the middle and the larger areas of
 4 the market. But in companies with smaller -- companies
 5 that are smaller, with EBITDA of 10, 15, 20, 25 million
 6 dollars, you're still able to extract pretty good --

7 MR. PRICE: These are public companies, Trent?

8 MR. WEBSTER: Private.

9 MR. PRICE: So you're taking the manager's marks.
 10 You're not marking yourself?

11 MR. WEBSTER: That's correct, yes.

12 MR. PRICE: And the term of that debt would be,
 13 what, three year kind of paper?

14 MR. WEBSTER: Yeah. So typically, in a lot of
 15 these mezzanine structures, typically the duration, the
 16 term of the security is five to seven years, but the
 17 duration is less, because it's fairly expensive
 18 capital. So typically you'll get a cash pay --
 19 sometimes you'll get picks, but you'll get cash pay of
 20 8 to 10 percent. You might get a pick of 2 to
 21 4 percent. You get 2 percent of -- two points up
 22 front. And then oftentimes it comes with warrants.
 23 That's cheaper than private equity, but it's more
 24 expensive than senior debt or it's more expensive than
 25 other forms of junior capital.

1 So what the mezzanine managers will do is they'll
2 put call protection into the security. So if you want
3 to call them out after one year, you're going to pay
4 them 104. If you call them out at two years, you pay
5 them 102, like that. So they're trying to generate a
6 return profile where the net returns back to us are 10
7 to 12 percent, which we actually think is pretty
8 attractive in this market.

9 MR. PRICE: And some of these mezz structures are
10 loans to companies that some of your private equity
11 guys are taking private.

12 MR. WEBSTER: Yes, that's correct.

13 MR. PRICE: So how do you deal with those
14 conflicts? Who negotiates the terms? You have the
15 same guy buying the equity for the equity up side, and
16 he's putting the terms on the debt, and he's giving you
17 that debt on those terms.

18 MR. WEBSTER: Well, of course it's the managers
19 who are doing it. So we'll hire separate managers. So
20 typically, what we typically don't do is typically the
21 mezz managers aren't loaning to themselves, typically.
22 So they'll go out and get -- the private equity sponsor
23 will go find a mezzanine manager that we'll hire. See,
24 if you go through a credit cycle, then it becomes
25 distressed, and then we'll take over part of John's

1 portfolio. That will come to us.

2 The opportunistic debt portion, those are credit
3 hedge funds or credit-oriented hedge funds. We
4 actually think the opportunities in the credit markets
5 are more on the illiquid side for the next few years.
6 So we would expect that we'd be more interested in the
7 private market structures more than the evergreen
8 structures.

9 And finally, on the senior loans, interest rates
10 are okay. We actually think that there's some good
11 long-term structural opportunities in the senior debt,
12 simply because a lot of banks aren't lending as they
13 used to. And alternative pools of capital will be
14 bigger players here. So we've got about 5 percent in
15 senior loans.

16 MR. COBB: Trent, could I follow up on the
17 chairman's question? First, am I correct in assuming
18 that 100 percent of the strategic investments are with
19 funds? We do not -- in timber or in real estate or
20 debt, we all do it through a fund. We don't do it
21 directly. Is that correct?

22 MR. WEBSTER: Well, yes and no. So we have no
23 discretion on the individual securities in the
24 portfolio, other than with a few tactical things where
25 we may have a veto over something for some legal reason

1 or some reason. But we're not doing this directly.
 2 What we will do is that with a -- I would say it's
 3 mostly funds, mostly Delaware LP structure. But we do
 4 have some SMAs where we hold the asset directly. So
 5 our timberland, for example, our timberland portfolio
 6 is in our name, in a legal structure in our name. It's
 7 not a commingled fund, but it's managed by other -- by
 8 a separate manager. We're not buying the land
 9 ourselves.

10 MR. COBB: So my follow-up question, which was the
 11 chairman's question, in how many of those funds is it
 12 prohibited to being on both sides of a transaction? Is
 13 it 90 percent, 99 percent or what?

14 MR. WEBSTER: I would say it's close to 99
 15 percent. We do have one manager that will take the
 16 debt of its own companies. But they have a process and
 17 a mechanism to ensure that it's priced by a third
 18 party. But generally it's not one of John's firms and
 19 our firms. You'll find on the mezzanine -- like an
 20 example might be GSO Capital, which is owned by
 21 Blackstone, but they're not conspiring. They're
 22 separate entities and they have their separate mandates
 23 and their separate governing structures to resolve
 24 disputes.

25 MR. COLLINS: Mr. Chairman, one question?

1 MR. PRICE: Please.

2 MR. COLLINS: Back one second on a specific
 3 manager. And I don't know if we do this in an open
 4 forum. I just have a couple of questions about --

5 MR. WILLIAMS: I guess we're about to find out.

6 MR. COLLINS: -- King Street. How has King Street
 7 rebounded this year from last year? Last year was a
 8 little disappointing for them. Are you seeing them
 9 rebound, or are you seeing that whole area still
 10 continue to figure -- try to figure the market out?

11 MR. WEBSTER: I would say broadly -- I'd be a
 12 little remiss to comment on an individual manager. But
 13 I'd say broadly that the last years have been pretty
 14 flat with the opportunistic debt managers. You saw a
 15 bit of a sell-off. Then you saw a little bit of a
 16 rebound. And as I look here in the strategies, yeah,
 17 over the last year or so, it's been relatively flat.
 18 But over the last five years, I mean, they've done
 19 fine.

20 MR. COLLINS: So you think they're just going
 21 to -- what's your outlook for opportunistic debt over
 22 the next couple of years as a group, as you look at
 23 this?

24 MR. WEBSTER: That's a very good question. And
 25 our bias is to go towards more private market

1 structures, because we think the opportunity is in the
2 dislocations in liquidity. I don't know if there's
3 going to be any more dislocations. Maybe everything is
4 going to be perfect forever. I don't know. But what
5 we saw earlier in the year was the real opportunities
6 were in the areas where you had managers that could buy
7 liquidity.

8 The problem with these is that if that is your
9 opportunity set, you want to ensure that you have the
10 correct asset-liability match. And in an evergreen
11 structure, if you're buying illiquid things and you get
12 a run on the capital, then you can have a problem in
13 terms of supplying redemptions. So we tend to be more
14 biased towards private markets for these types of
15 opportunities.

16 During the financial crisis these managers, at
17 least two of them, you know, were down single digits,
18 teens, you know, and you're down 40 percent. So we've
19 tended to look at managers which have done a very good
20 job of protecting the down side. Because our thinking
21 is, well, we've got lots of stuff that will go down 40
22 percent, if we go down 40 percent. So let's find stuff
23 that aren't going to go down as much.

24 MR. COLLINS: So just a last comment,
25 Mr. Chairman. I think that coming out of the financial

1 crisis was perfect for the opportunistic debt funds,
2 though, because not only were we coming out of a
3 crisis, but now there was nobody else lending money
4 either. Right? So they were the biggest game in town.

5 And I think, if we're thinking strategically and
6 if you're looking at current macro events and you see a
7 new administration coming in and you see Dodd-Frank
8 come under some scrutiny and some regulatory rollbacks,
9 you know, I just wonder if you guys are looking at that
10 part of the sector as maybe it will be flat for a
11 while.

12 MR. WEBSTER: It's possible.

13 MR. COLLINS: That's all I had.

14 MR. WEBSTER: It's possible. Our thinking is for
15 these -- what we saw during the financial crisis was
16 that a lot of funds that did really well in protecting
17 capital, most of them didn't come roaring back. So
18 like if a fund was down 5 percent, maybe they were up
19 10 percent in 2009. The fund that was down 60 percent
20 was up 120 percent.

21 And so our thinking -- and I'll address this
22 during our equity discussion -- is we would like to be
23 taking money out of those lower beta strategies when
24 things get bad, if they ever get bad again. And we
25 would move it into more aggressive things. And we

1 actually had started to compile a list of higher beta
2 managers to do that. And I was getting all excited in
3 January and February because markets were going down,
4 and now is the time, let's go do it. Right? And then
5 it came roaring back.

6 So we think strategically like that. And it's
7 multilayered. It's multifaceted. It's not like we'll
8 just be shooting blindly. We'll have an idea of whom
9 it is that we want to redeem from. But we're compiling
10 lists of managers who, if they're around, if they're
11 surviving, we'd be interested in going in at that time,
12 because again we were negotiating during that time
13 period, and you can get some fairly attractive
14 economics when there are bear markets.

15 MR. PRICE: Trent, I want to ask a little
16 different question. How large an active fixed income
17 group do we have here? How many people work in fixed
18 income? Katy?

19 MS. WOJCIECHOWSKI: My group is 15.

20 MR. PRICE: Fifteen. And this is \$4 billion in
21 debt, paying full fees, more or less negotiated full
22 fees. Does it make any sense to shift over time a
23 little bit to in-house management, keeping the
24 relationships with the managers and co-investing with
25 no fee, and slowly moving some of the 4 billion over,

1 maybe 500 million, taking pieces of some of the deals
2 they do, having some of your fixed income analysts to
3 look at some things and slowly bringing in-house some
4 of this full fee fund management?

5 MR. WEBSTER: I'll defer to our illustrious CIO on
6 that question. The one thing that I will say to that,
7 though, is that we think that for example in the
8 mezzanine area we're probably going to get net returns
9 of somewhere between 7 and 9 percent from our funds.
10 Whether or not the Barclay Intermediate Ag is going to
11 be doing that, I'm not sure.

12 In terms of the co-investing, my group is not set
13 up to do it. And we explicitly do not do it because
14 there's seven of us and there's 20 strategies, and what
15 the heck do we know about all this sort of stuff?

16 MR. PRICE: But in-house --

17 MS. WOJCIECHOWSKI: I think it would depend on how
18 labor intensive it is, because if you're looking at
19 actual mezzanine debt, it's fairly labor intensive.

20 MR. WEBSTER: And so without getting too much into
21 the weeds, we've got some pretty good staff who have
22 been very intelligent at structuring some of these
23 things, where hurdles we put on, where we've taken
24 advantage of some of these opportunities, where we
25 think that the economics are fair. So, you know,

1 currently in senior loans, 5, 6, 7 percent. But that's
2 still a lot better than paying two and a half or
3 whatever Microsoft -- I don't even know what that -- we
4 think that the private credit will probably, my
5 personal opinion, will probably significantly
6 outperform the public credit over the next five to ten
7 years.

8 MR. PRICE: Ash, do you have a comment?

9 MR. WILLIAMS: I was just going to say, we have
10 increased the amount of internal management in fixed
11 income, and I think that trend will continue,
12 particularly with the capability to get and keep
13 professional staff.

14 With the co-investments, to Trent's point, they
15 commonly are -- can be fairly complicated things to
16 look at, and they require a fast turn. So you have to
17 have available incremental talent to say, okay, you
18 need to give an answer on this within 48 hours or four
19 days or whatever it may be.

20 We've gotten around that institutionally in
21 private equity by something that's unusual. We have a
22 relationship with Lexington Partners, which is a firm
23 we own a piece of the GP in, where they act as an
24 extension of staff. The street knows to take our PE
25 co-investments straight to Lexington. They analyze

1 them and provide the quick turn, and because they're in
2 the space anyway, they're doing that for their own
3 fund, so they already know the turf.

4 So I think the short answer is we get the appeal
5 of doing it, and to the extent we can accommodate and
6 set up a structure that's responsive to the realities
7 of that without creating a peril to some other part of
8 our portfolio because of the distraction factor, it's
9 appealing.

10 MR. WEBSTER: And for us, this is something we've
11 thought a fair amount about on the co-investing because
12 we know the attractiveness of the economics. The
13 problem is is that we don't have a fixed investment in
14 it. So John can say, I'm going to put 10 percent or
15 whatever he says into private equity. In my group we
16 don't do that. And on the co-investing side, you come
17 to an issue on portfolio construction, because if you
18 give, say, 100 or 150 million dollars to a manager and
19 they come with a \$20 million co-investment, well, how
20 much do you do? Suddenly, if you have an equity
21 portfolio that's 20 percent Microsoft, suddenly all
22 that matters is what Microsoft does. So we have those
23 issues as well.

24 It's an excellent question, Mr. Chairman. It's
25 something that we think a lot about. I haven't cracked

1 that nut yet. If you have any great ideas, let me
2 know.

3 MR. DANIELS: Mr. Chairman?

4 MR. PRICE: Yes, Mr. Daniels.

5 MR. DANIELS: When John is invested in a private
6 equity fund and they own equity in a company, all of a
7 sudden the debt outstanding in that company might be
8 trading, whether it's senior or subordinate, at a
9 fairly good discount. But he's seeing his equity still
10 marked at par or premium. Do you look at those
11 situations?

12 MR. WEBSTER: We look at them, yes.

13 MR. DANIELS: And do you participate in the debt?

14 MR. WEBSTER: Well, we have managers who do do
15 that, yes.

16 MR. PRICE: But is there any in-house debt team
17 working on LBO debt or mezz debt separate from the
18 funds that are given out? So your lowest credit rating
19 would be a BBB, single A kind of thing?

20 MS. WOJCIECHOWSKI: We have a small allocation to
21 below investment grade, BB.

22 MR. PRICE: What's small? 500 million?

23 MS. WOJCIECHOWSKI: Yeah.

24 MR. WEBSTER: Part of the issue that Katy's group
25 has is they've got a tracking error budget that they

1 have to abide by. And some of the stuff -- some of the
2 stuff on the tracking error can blow that out pretty
3 quickly.

4 This graph here shapes our thinking quite a bit,
5 so nobody should be very surprised that the 10-year
6 Treasury bond's yield has fallen quite substantially
7 over the last 20-some years. What I find fascinating
8 about it is that in September 1997, core CPI was
9 2.2 percent and the 10-year was yielding 6.1 percent.
10 In September of 2016 core CPI was again 2.2 percent and
11 the 10-year bond was 1.6 percent.

12 So core CPI has been relatively flat, where you've
13 seen this incredible bull market in fixed income. And
14 it's possible that it may now be over. I think the
15 10-year was at 2.4 this morning.

16 But what this does is it shapes our thinking in
17 that we've tended to be more in the shorter or
18 intermediate term part of the curve. We don't have
19 anything that I can think of, at least structurally,
20 which is longer term, longer term debt or anything that
21 looks like debt. And that's important, as we'll talk
22 about in a minute.

23 So this is our equity portfolio. This is
24 currently 14 percent of the book. These are the three
25 strategies in which we're actively involved. We very

1 much like activist equity structurally as a strategy.
2 But we think it's very important that if you're going
3 to be involved in it, that you have to structure it
4 correctly. There's a fair amount of academic research
5 which suggests that activism creates alpha of anywhere
6 between 300 and 400 basis points over time.

7 The problem is is that a lot of these guys will
8 charge like a 2 and 20 structure. And if the
9 longer-term historical returns from stocks have been
10 10 percent, that means your gross return to get that
11 10 percent in the 2 and 20 structure has to be
12 14 percent, and there goes your 3- or 400 basis points
13 in alpha generation that activism brings. Essentially
14 the manager is capturing all of that alpha.

15 So what we've done is we've put all these guys on
16 some sort of benchmark. And it's usually a
17 benchmark -- it's usually a market benchmark. So we'll
18 pay them carry if they fall but the market falls by
19 more. And likewise we won't pay them carry if they go
20 up but they underperform the market. And this -- I
21 think in the last IAC meeting that we had, I had
22 mentioned that Preqin had done a survey of over 100
23 allocators, and they asked which strategies
24 disappointed you. And 100 percent, the single highest
25 response, every single person said activist equity had

1 disappointed them.

2 We've been doing this for six and a half years,
3 and we've generated about a 3 percent per annum alpha
4 from this book. And we think it's partly because we've
5 picked good managers, but we also think a big reason is
6 how we structured it. So we're not all that active
7 currently because there's a lot of managers out there
8 thinking they're worth 2 and 20. We'll wait until the
9 next bear market and we'll increase this again, because
10 we think that that's where the best opportunities will
11 be to not only generate longer-term returns but to
12 structure attractive terms with the managers.

13 On the GP investments, we have a couple of GP
14 investments. We're not really doing a whole lot there.
15 A lot of money has been raised. I think there was like
16 five or six of these funds in the market looking at
17 taking GP space. We will take a look in the right
18 circumstance at an individual manager, but we think
19 that the funds that have been raised have probably
20 taken the longer-term returns.

21 MR. PRICE: This is where you have a piece of the
22 GP.

23 MR. WEBSTER: Right, yes.

24 MR. PRICE: How liquid is that?

25 MR. WEBSTER: They're not.

1 MR. PRICE: And do you have a tag-along,
2 drag-along?

3 MR. WEBSTER: Yes.

4 MR. PRICE: Do you have a put in some of these?

5 MR. WEBSTER: Yes.

6 MR. PRICE: At a multiple of cash flow or earnings
7 or something?

8 MR. WEBSTER: Yes, that's correct.

9 MR. PRICE: And what percentages would they be?
10 Five and 10 percent of a GP?

11 MR. WEBSTER: Yes.

12 MR. PRICE: Small.

13 MR. WILLIAMS: Less than 10.

14 MR. WEBSTER: And our long/short equity book, we
15 have a little bit in there. This is the area where, if
16 we have a bear market again, this is -- we would be
17 looking at getting very aggressive --

18 MR. PRICE: Sorry, Trent. I have to ask one more
19 question before we jump on from GP. You're responsible
20 for the GP ownership piece. Are you also the person
21 responsible for putting the 500 million into the
22 Providence Equity new fund eight?

23 MR. WEBSTER: That's John.

24 MR. PRICE: Okay. John is aware you own some of
25 the GP. How do you deal with that?

1 MR. WEBSTER: Absolutely not. We make it very
2 clear up front that there is no guarantee, no promise.
3 It's a stand-alone investment. If it turns out to be a
4 bad investment, we don't want to be throwing good money
5 after bad.

6 MR. WILLIAMS: We're all fiduciaries.

7 MR. PRICE: Sure. Got you.

8 MR. COLLINS: There's no begging that goes on
9 between the two groups.

10 MR. WEBSTER: Well, yeah, of course --

11 MR. WILLIAMS: Not between the two groups. That's
12 not where the begging comes from.

13 MR. PRICE: I guess Blackstone is public, correct?
14 That says GP investments in Blackstone Unit Trusts. Is
15 that separate from Blackstone, the BX stock that's
16 public?

17 MR. WEBSTER: No. That is the BX stock.

18 MR. PRICE: So it's a piece of stock.

19 MR. WEBSTER: It's a piece of the stock. That was
20 a friends and family allocation in 2007.

21 MR. PRICE: Are you friends or family? Which are
22 you?

23 MR. WEBSTER: I'm certainly not family, given the
24 car I drive.

25 MR. COLLINS: How big of a piece was that?

1 MR. WEBSTER: 150,000 shares. It's small thing.
2 And our issue with it is, what do we do with it. It's
3 a 4 or 5 million dollar thing, but it just kind of
4 floats there. So I don't really have anything else to
5 say on equity.

6 MR. COLLINS: So you don't transfer that? You
7 don't decide at some point that that's not really a
8 strategic investment anymore, you just own 150,000
9 shares of Blackstone?

10 MR. WEBSTER: We were looking at actually selling
11 it when it was in the forties, but we kept getting
12 caught, and we want to act as up on the straight and
13 narrow as much as possible. So we'll often act like
14 insiders even when you're not. So we have certain
15 windows around which we would sell, and we were getting
16 ready to sell and --

17 MR. PRICE: I think it's really important that
18 either you're an insider or you're not and you know
19 you're free to trade.

20 MR. WEBSTER: Yeah. Well, we're not insiders, but
21 I never ever want to be accused by anyone that we would
22 have some sort of inside information.

23 MR. PRICE: But you've got a terrific legal
24 department. They're going to tell you in one minute
25 whether you're an insider or not, right, so --

1 MR. WEBSTER: So, anyway, whether or not we keep
2 that over the longer term remains to be seen. And this
3 again shapes our -- this again I don't think comes as a
4 surprise to anybody. This is a graph from the bank
5 credit analyst. It's the median price-earnings ratio
6 of stocks in the NYSE that comes from the Kenneth
7 French database at the Tuck School at Dartmouth.
8 Things are a wee bit pricey.

9 On the real assets, roughly half of that, of our
10 real assets portfolio is real estate. And that can be
11 split almost evenly between real estate debt, which is
12 mainly mezzanine, and also some distressed. We
13 actually quite like commodities right now. We think
14 there are some very interesting opportunities in the
15 financing of it. We prefer commodities that are down a
16 whole lot, because we think that de-risks it somewhat.

17 So I think it's well-known that energy has gone
18 from like 150 to 50. We like that better. We like
19 energy better at 50 than 150. We've seen some of the
20 base metals get crushed. We've seen a bit of a rally
21 lately. Precious metals have been hit. Our issue is
22 accessing it, because there aren't a lot of funds out
23 there that do this from the debt side. John's group
24 does it more on the equity side, but we look at the
25 debt.

1 Infrastructure, we haven't done a lot in
 2 infrastructure. And if you'll recall earlier, where I
 3 said here, where I looked here, that we tend to avoid
 4 longer-term things, longer-term debt or things that
 5 look like debt. And for the most part, on the
 6 infrastructure, what we think is that a lot of people
 7 have been buying infrastructure as a replacement for
 8 fixed income and think that there's a lot of negative
 9 convexity in a lot of these investments. So we haven't
 10 really done a whole lot in infrastructure.

11 But we are looking in emerging markets. I don't
 12 know if we'll do anything over there, but there seems
 13 to be some attractive things in infrastructure, where
 14 you think you get pretty good returns for the risk that
 15 you're taking.

16 And on timber we have a couple of investments in
 17 timber. These are SMAs. We don't have the intention
 18 to sell these any time soon. We don't have to sell
 19 them. There's no fund life on them. Timber is
 20 elevated in terms of pricing, but we really like the
 21 diversification of the aspects of timber a lot.

22 I mentioned earlier the diversifying strategies.
 23 These are the strategies that we've been spending a lot
 24 of time in over the last few years. So we've gone from
 25 zero to 18 percent. This is where our insurance book

1 will be housed. I think at some point in time we could
 2 get as high as 30 percent. Over time I'd like to get
 3 insurance somewhere between 5 and 10 percent. We like
 4 the strategy. So we made our first investment in
 5 managed futures, or CTAs, back in August of 2014. It's
 6 behaving exactly as we had expected it to and wanted it
 7 to. In fact, it's done better than what we wanted it
 8 to.

9 And this was an example of acting in a contrarian
 10 manner. So managed futures had fallen for the first
 11 time in their history three years in a row, and there
 12 was a lot of pain amongst CTA investors. And I like to
 13 say we like pain, but we like other people's pain.

14 And so what we did is that we were investing into
 15 the teeth of that, and you had a pretty good rally.
 16 And so in this asset class we generated a 5.3 percent
 17 return, which doesn't sound like a lot, and that's
 18 actually down from earlier in the year, but it actually
 19 beats the FRS return during that time of two and a half
 20 percent. Mr. Wendt?

21 MR. WENDT: What are CTAs?

22 MR. WEBSTER: Commodity trading advisers. And so
 23 typically what they are is that they are
 24 momentum-driven strategies, and they're typically
 25 quantitative strategies as well.

1 MR. WENDT: In commodities.

2 MR. WEBSTER: Commodities, rates. I really should
3 have called this managed futures, but it's commodities,
4 rates, equities and other traded securities. But most
5 of the -- the thinking behind it is that they take
6 advantage of momentum in the market. Tends to have a
7 negative correlation to equities. And in fact our book
8 has had a negative .25 correlation to the rest of the
9 FRS. That's exactly what we want it to do. And if we
10 can outperform the FRS, that would be great, but we
11 don't expect that to happen.

12 MR. PRICE: You want to make money.

13 MR. WEBSTER: In the end.

14 MR. PRICE: But if they're negative 2.5, you're
15 losing money.

16 MR. WEBSTER: Right, yes.

17 MR. PRICE: And these guys are just macro
18 speculators.

19 MR. WEBSTER: They're systems, and so some of
20 them -- the way we balanced our book is that some of
21 them are very short-term, where they're trading from
22 hours to days, in the medium term, over weeks and some
23 over months.

24 MR. PRICE: I understand. They're macro guys.

25 MR. WEBSTER: Yeah. They're momentum.

1 MR. WENDT: Do you commit one amount of money and
2 give it to them to work with, or are you subject to
3 draws as they decide to move?

4 MR. WEBSTER: This is the only -- since I was
5 appointed, this is the only fund of funds investments
6 we've made. So we've -- Caerus is BlackRock and Elan
7 is J.P. Morgan. And we made \$300 million allocations
8 to both. And AQR, AQR has actually a very fascinating
9 paper that they wrote that looked at over 100 years of
10 data in 150 different markets and came to the
11 conclusion that, other than value, it's the most
12 powerful factor in markets, and they've shaped their
13 fund based upon the conclusions in that paper. And so
14 this --

15 MR. WENDT: One time or over time do you --

16 MR. WEBSTER: Well, we gave them the draw. So we
17 did it over stages, when they drew the money.

18 MR. WENDT: Thank you.

19 MR. WEBSTER: So currently it's about -- I think
20 it's 7 percent of the portfolio. We think it will be,
21 over time, eight-ish percent of the portfolio.

22 MR. PRICE: And what kind of fee does the fund of
23 funds put on the funds? Is this like 10 or 20 --

24 MR. WILLIAMS: While he's putting the fine detail
25 on that, let me frame it up by saying, at the time we

1 did this, these were the most unloved investments
2 anywhere. And because of that and because of the net
3 capital outflows being heavily in the opposite
4 direction, we were able to put in place a structure
5 with a known and skilled manager, such as the three
6 mentioned, in charge of it, where the aggregate cost,
7 including the overlay of the fund of funds, was well
8 below what the funds themselves would have been a
9 couple of years before.

10 MR. PRICE: Is this like 30 basis points and
11 10 percent of the profits?

12 MR. WEBSTER: We don't pay a carry to the fund of
13 funds. And in fact, if you net everything, the
14 terms -- the whole book -- and one of the reasons why
15 we have AQR on there is because it's a straight -- it's
16 very attractive terms and we can get the beta from
17 that. And, in fact, the gross and the net, if you
18 aggregate it, is less than our other evergreen
19 managers.

20 MR. COLLINS: Can I ask one question on that?

21 MR. PRICE: Sure.

22 MR. COLLINS: On AQR specifically, because it is a
23 little bit different, right, you own the shares?

24 MR. WEBSTER: It's an investment in the fund.

25 MR. COLLINS: It's an investment in the fund.

1 MR. WEBSTER: Yes.

2 MR. COLLINS: But it trades as a mutual fund, so
3 you own shares in the mutual fund.

4 MR. WEBSTER: No, we do not. We own -- they also
5 have another structure. They have a Delaware -- I
6 believe it's a Delaware LP. Yeah, it's a Delaware LP.
7 Most of our investments are Delaware --

8 MR. COLLINS: And is that in a hedge fund
9 structure?

10 MR. WEBSTER: Master feeder, yeah.

11 MR. COLLINS: So is that totally separate from the
12 mutual fund, or does it contribute up to the mutual
13 fund?

14 MR. WEBSTER: They run it pari passu with the
15 mutual fund. I think that's right, yeah.

16 MR. COLLINS: Explain that to me in this context.

17 MR. WEBSTER: Well, it's like in global equity,
18 where they have -- we were in an account for a large
19 manager that's a custodial bank, and then they another
20 fund or another client that's another custodial bank.

21 MR. COLLINS: So it mirrors the mutual fund.

22 MR. WEBSTER: Right.

23 MR. WILLIAMS: Correct, but the economics may not
24 be the same.

25 MR. COLLINS: Got you. So we obviously -- I say

1 obviously -- have to be doing it cheaper in a separate
2 fund than we would be doing -- what we would be charged
3 through owning a mutual fund.

4 MR. WEBSTER: I don't know what the mutual fund
5 charges, to be honest. I would be shocked if we
6 weren't substantially cheaper.

7 So we're going to add insurance to this, on the
8 global macro. That's about 6 or 7 percent. We'll add
9 a few more funds here. But we've been quite happy with
10 how this has performed thus far.

11 So on our flexible mandates, the first two are
12 hedge fund strategies, event-driven and multi-strategy.
13 In event-driven, I talked earlier about other people's
14 pain and how we like that. Well, the event strategy
15 has given us a fair amount of pain. It's actually been
16 a strategy which has been relatively flat. We've been
17 investing for five years. I think we've generated a
18 return of 0.4 percent per annum.

19 That makes us interested in that, simply because
20 there's been a lot of redemptions. A lot of people
21 have left it. It tends to be very equity-oriented and
22 credit-oriented. And so if we're not all that pumped
23 about equity, we probably aren't all that pumped about
24 event-driven in the near term. But we are intrigued by
25 the fact that it has done so poorly over the last five

1 years.

2 MR. PRICE: But if they do poorly, they can't pay
3 their good people and their good people leave. So just
4 keep that in mind, please.

5 MR. WEBSTER: Yes, we're well aware of that,
6 absolutely. We're well aware of that. And our
7 multi-strategy funds, so when we first entered into --
8 when we started investing in hedge funds, we made a
9 very conscious decision of not going the fund of funds
10 route. So a lot of large pension plans or a lot of
11 pension plans originally invested in fund of funds with
12 the idea that you would invest in them for five years
13 and eventually you'd peel away, and you would go into
14 direct funds.

15 We decided to go direct initially, but because
16 hedge funds are big and scary and nobody knows anything
17 about them, we're going to hold hands and go into the
18 water very slowly and carefully with each other. So we
19 decided to go with some of the best and biggest
20 institutional funds to get exposure through a variety
21 of different hedge fund strategies. Now, these are
22 funds, 10, 20 billion dollar funds. We think that
23 longer term we think that you probably will do better
24 in smaller firms. We think that our sweet spot is
25 somewhere between 500 million and 5 billion AUM. And

1 that's just a broad description.

2 MR. PRICE: Did you keep Och-Ziff?

3 MR. WEBSTER: We are -- they're on our watch list
4 currently, and it's been the subject of a lot of
5 discussion internally. Our first redemption isn't
6 until May, so we have some time, but we're looking at
7 them.

8 The special situations portfolio is the
9 miscellaneous part of the portfolio. You heard a
10 presentation from the Florida Growth Fund last meeting,
11 and this is where we keep it. We've got a few other
12 asset-backed stuff in here as well. Anything on the
13 portfolio before I move on?

14 MR. COBB: I don't know what the rules are. Can
15 we ask about specific funds?

16 MR. PRICE: You are, as a member of this board, I
17 think allowed to ask any question you want.

18 MR. COLLINS: You just might not get an answer.

19 MR. COBB: So I'd like to ask about Luxor, which I
20 understand has had horrible performance.

21 MR. WEBSTER: I'm going there tomorrow. We're
22 going there tomorrow. We have a meeting with them on
23 Wednesday. We have a meeting with them on this issue.

24 MR. COBB: And I assume they're on a watch list.

25 MR. WEBSTER: They very well could be. We're

1 going up there to try to understand exactly what has
2 gone on with the fund. And the question that we have
3 is whether or not -- we're trying to understand exactly
4 what's caused the performance and whether or not they
5 have the ability to make it up. The trick is is that
6 when you've underperformed a fair amount, as the
7 chairman mentioned, it can get difficult to keep the
8 fund together operationally. But that is an active,
9 live decision right now.

10 MR. PRICE: And what kind of things do they do?
11 Equity guys?

12 MR. WEBSTER: They're an event-driven. They're
13 more high yield oriented, but they have equity as well.

14 MR. COLLINS: They're like Lightspeed, right?
15 They're more overall event?

16 MR. WEBSTER: Yes, that's correct. They're
17 smaller and nichier. An interesting person who runs
18 it. But she's been through everything. She's
19 experienced some of the drawdowns that other event
20 managers have. Like we said, it's been our most
21 challenging book.

22 So on benchmarking, I'll just briefly talk about
23 this. We have two benchmarks. We have a primary asset
24 class benchmark, then we have a secondary asset class
25 benchmark. The primary benchmark is the weighted sum

1 of all the individual manager benchmarks. So that's
2 the same as you'll see in global equity. When you see
3 our performance in a minute, this is what you're
4 looking against. But our secondary benchmark is our
5 policy objective of beating inflation by 5 percent.

6 But the issue that we have is that roughly half of
7 our managers we currently benchmark on the CPI plus
8 5 percent benchmark. We've got 40 percent on
9 peer-based benchmarks and 10 percent on market-based
10 benchmarks. We're currently doing an assessment of
11 benchmarks on alternative investments internally,
12 because I'd like to get more of our funds off the CPI
13 plus 500 benchmark. But benchmarking is a very
14 difficult thing in alternatives, and if anybody has any
15 ideas, we'd love to hear them.

16 MR. WENDT: No idea, but I assume you beat every
17 benchmark every time, don't you?

18 MR. WEBSTER: Every single time on all time
19 periods. There you go. It doesn't matter what it is.
20 So here's our performance. I just did it there, you
21 can tell on this graph. So for the quarter we were up
22 2.4 percent. The benchmark was up 1.9. The benchmark,
23 that's the red bar there. The yellow is the CPI plus
24 5. So we've beaten our benchmark over all time
25 periods. We've not beaten our CPI plus 500 basis point

1 benchmark. Over five years we've generated a return of
2 9.1 percent. Since June 2010 it's been 9.9 percent.
3 We caution, though, that that's been in the midst of a
4 pretty powerful bull market. So we'd expect the longer
5 term returns to decline.

6 MR. PRICE: And what Trent is not saying is these
7 are, of course, net of all your fees.

8 MR. WEBSTER: Yes, that's correct.

9 MR. PRICE: And the fees are reasonably high. So
10 9.1 you've got to add 1 or 2 to. So the absolute is
11 probably, right? Those guys are earning low teens.
12 It's probably okay.

13 MR. WEBSTER: Yeah, correct.

14 MR. PRICE: So you're picking mostly pretty good
15 guys. But, Gary, when you have 100 or 200 funds,
16 you're going to have a couple of black sheep.

17 MR. WEBSTER: But just a couple. Okay. So when I
18 did this presentation last year, I got up here and beat
19 my chest and told you how we were beating the rest of
20 the FRS, so turnabout is fair play. We've been lagging
21 the FRS over most time periods. Now, having said all
22 that, in our defense, we don't have a lot of equity,
23 and we really have a lot of exposure to equity in the
24 FRS. So if we're kind of approximating the FRS, that's
25 not too, too bad.

1 And you can see here, in terms of the
2 diversification, this shows you the three year
3 volatility of SI, the FRS and the FRS excluding SI. So
4 if you go the far bar, the dark green bar, that's the
5 FRS if we weren't in it. And the volatility of the
6 total fund would be 7.01 percent. If you include us,
7 which is the volatility of the total fund, it's 6.57
8 percent. So during this time period, we averaged
9 6.7 percent of the total FRS, and we lowered volatility
10 by 44 basis points.

11 MR. PRICE: But that has to be adjusted for
12 liquidity. You have none, and they have a lot of
13 liquidity. So, you know --

14 MR. WEBSTER: And that's fair.

15 MR. PRICE: I'm just pointing it out.

16 MR. WEBSTER: And one of the things, actually what
17 we're going to do is we proxied that in the past, where
18 we've proxied our illiquids using a high yield
19 benchmark. And what we find is our volatility is
20 probably about 50 percent higher if we do it. And it's
21 actually something -- one of the reasons why I hired
22 Mr. Reeves is that we're actually going to track that
23 over time to get a proxy, as if we were a mark to
24 market fund.

25 And on that similar vein, this is the correlation.

1 We looked at this on a lag basis, on a multiple lag
2 basis, and it looks somewhat similar. But the
3 correlation of our asset class with the rest of the FRS
4 is 33 percent. That explains in part why volatility
5 has fallen.

6 So on recent activity we were actually -- in the
7 quarter we were cash flow positive. \$16 million came
8 in the door. We hired three new funds, totaling
9 \$500 million. And actually, since the printing and
10 distribution of this packet, we've actually closed
11 another one this quarter. So we've hired three new
12 funds and \$450 million. And we have a robust pipeline
13 still. That's all I had. Are there any questions?

14 MR. PRICE: Thank you, Trent. Any questions?
15 There's a presentation in the book by Cambridge, which
16 is a rehash of what we just went through. Do we need
17 to run through that, or are we going to jump ahead to
18 the equities? Ash, what would you like?

19 MR. WILLIAMS: I'd say unless anyone feels the
20 need to go back --

21 MR. PRICE: I'm fine. Tab 4, Alison.

22 MR. COBB: Mr. Chairman, before we leave
23 strategic --

24 MR. PRICE: Yes.

25 MR. COBB: -- I guess I'd like to ask or make sort

1 of a macro comment but part question. At the last
 2 meeting, I think it was the consensus of all of us, but
 3 maybe a little bit disagreed by staff, that in Florida,
 4 in the Florida Growth Fund, that we could -- that we
 5 should consider making more direct investments. And
 6 the answer was that we weren't staffed up for it, and
 7 the consultant said they weren't staffed up for it.

8 Today we have heard two or three times about
 9 co-investing on debt money. We heard it on the fixed
 10 income, that since you're tracking a benchmark, you
 11 couldn't -- maybe it was unwise to take risk with
 12 lower -- and maybe we didn't have the capability.

13 So when you think about in strategic, with, what,
 14 11, 12 billion dollars, and I don't know what the --
 15 you said the average fee is about 2 percent.

16 MR. WEBSTER: 1.42 percent.

17 MR. COBB: 1.4? Excuse me. So what is that?
 18 What's 1.42 --

19 MR. PRICE: \$180 million.

20 MR. COLLINS: I think he said 149 at the start.

21 MR. WEBSTER: 149.

22 MR. COBB: So it's way over \$100 million. So the
 23 question is -- I'm impressed with our management team.
 24 I'm impressed with -- last meeting I was impressed with
 25 what we're doing in the Florida Growth Fund. Shouldn't

1 we be taking a little more risk and shouldn't we be
 2 seeking more special situations directly, and even if
 3 it means increased staff and increased capability and
 4 increased cost? But if you can save some 2 and 20 and
 5 one and a half and 15 in fees, it just seems to me --
 6 so I guess that's a judgment of one member of the
 7 committee, but I think I've heard it from all the
 8 members of the committee. So now it's a question to
 9 Ash. Should we be considering more staff, more risk,
 10 less fees as a strategy, particularly in strategic?

11 MR. WILLIAMS: I think the broad answer is yes.
 12 The narrow answer is it's a question of degrees. And
 13 to the extent we can do more internal management by
 14 leveraging primarily what we have to date that's been
 15 successful and proven in the liquid classes, that's
 16 probably the place to do it.

17 The places in the public fund -- and I mean that
 18 broadly, meaning pensions, sovereign wealth funds,
 19 endowments, et cetera. The places where you see direct
 20 investment activity in the private equity sphere, which
 21 is what the Florida Growth Fund would be, are primarily
 22 in Canada. And the structural difference you see with
 23 them is a relatively high number of staff people with
 24 incomes into the seven figures. I don't think that's
 25 ever going to happen in any U.S. public pension fund

1 for a range of reasons.

2 So I'd say the likelihood of us being able to take
3 on direct underwriting, entry value add and exit of
4 private equity investments in-house, not great. What
5 we have done, as a characteristic of the Florida Growth
6 Fund, that doesn't entirely set aside the fees but it
7 certainly mitigates them, just as it does in our
8 broader private equity book, is we're very active with
9 co-investments, which have a different set of
10 economics, far more advantageous to us than the
11 investments made in the funds themselves. So --

12 MR. COBB: But didn't I hear that in strategic
13 we're doing no co-investing? Didn't I hear that from
14 Trent?

15 MR. WEBSTER: That's correct, yes.

16 MR. WILLIAMS: But the growth fund would be an
17 exception to that, because the growth fund makes fund
18 investments, then it does co-investments in individual
19 investments that the funds have opened the door to, and
20 Hamilton Lane does the additional dilly on the
21 co-investment proposition. So there would be an
22 asterisk on that broad statement of Trent's and a
23 footnote relating to the growth fund.

24 MR. WEBSTER: And it is Hamilton Lane who is doing
25 the co-investing, not internal staff.

1 MR. COLLINS: Can I ask one question along those
2 lines? So I think it's easy these days to bash on
3 hedge funds, right? It's almost as easy to make fun of
4 somebody else who we all know Tweeting. It's just
5 low-hanging fruit. That said, there's a reason it's
6 low-hanging fruit, because they have not done a good
7 job and the fee structure is not great.

8 It seems to me, with the talent that we have
9 internally -- and I think it's interesting that you
10 have strategic investments and private equity, which
11 you think alternatives. It seems to me that we could
12 come up with a structure inside that can get us the
13 hedging benefits that we want out of the hedge funds
14 and just leave the hedge funds aside.

15 You know, third, fourth largest public pension
16 fund in the country and we're really investing in hedge
17 funds? You know why you're investing in hedge funds
18 and what you want out of them. It seems to me that we
19 could put a group together. And it's not like finding
20 and investing in a company. I agree with you, Ash.
21 Totally different doing private equity and doing direct
22 investments. But if you want to hedge, there's a lot
23 of ways to get to it where it doesn't take the
24 expertise that costs seven figures a year, I think.

25 MR. WEBSTER: Peter, can I say something? That's

1 one of the reasons why we don't have a lot of exposure
 2 to equity long-short. So most of our hedge fund
 3 investments are in things that are different. You know
 4 what I mean? So that are in different parts of the
 5 credit market than what Katy would invest in. I mean,
 6 the strategies that we have in terms of global macro
 7 are things we don't have anywhere else.

8 And so if you can add -- we don't formally track
 9 our hedge fund book, but it's plugging along about four
 10 and a half percent a year. And that's not bad. If you
 11 have something that -- and the correlation over the
 12 last few years has been falling. It's something like
 13 45 percent to the rest of the FRS. That's what you
 14 want.

15 Now, it's not -- I think people make the mistake.
 16 They'll say, oh, the S&P does this and hedge funds have
 17 done that. There's some valid criticism that's fair,
 18 considering the compensation. But if you can add
 19 strategies which provide diversification and provide a
 20 reasonable rate of return, then I think it's beneficial
 21 to the fund. So --

22 MR. COLLINS: At a certain cost, yes, I think
 23 that's right. But I think that the cost for the
 24 performance for the last few years -- I mean, AQR, the
 25 last three years is like 175 basis points,

1 1.75 percent. That's not great, and it cost a lot, I'm
 2 sure. Lightspeed, Luxor. I agree with you, it might
 3 be hard to find some event-driven strategies, and it's
 4 not just long-short stuff. But maybe that's just a
 5 market that, you know, we have an internal group that
 6 looks at commodities or looks at currencies or looks at
 7 something to get at it a different way.

8 MR. COBB: At the last meeting I discussed this
 9 with Vinny, who I think maybe was the one negative vote
 10 on what we were all talking about, greater
 11 participation, greater in-house, lesser fees. So I'd
 12 like Vinny to share what he did to me privately.

13 MR. OLMSTEAD: I think in the PE space, the skill
 14 sets and costs that are needed, the regional reputation
 15 that is needed in order to get into the deals, like
 16 some of the deals that you're into, are very, very high
 17 hurdles to get to, even if you had an internal staff.
 18 Perhaps you can get creative and take three great guys
 19 out of one fund and start a new fund and play along
 20 those lines. But I think hiring and getting a staff
 21 here that could compete in the PE or the venture world
 22 is just a really tough hurdle to get into, almost
 23 impossible.

24 I mean, there may be other creative ways to get
 25 there, you know, become a GP in a fund and an LP or

1 hire people away, but I think it would be a really
 2 tough hurdle. Then you ostracize some of your
 3 partnerships, which may be a dilemma also.

4 MR. DANIELS: Mr. Chairman?

5 MR. PRICE: Sure.

6 MR. DANIELS: I would agree with that. And I
 7 think you can take that to other areas as well. If you
 8 go into the hedge funds, a lot of those people have
 9 very deep knowledge and connections in the particular
 10 areas that they're dealing, that you couldn't replace
 11 that. So it's not just numbers.

12 I think what I've been pleased to see since I've
 13 been associated with the board is that for managing the
 14 amount of money we manage, I think we have the
 15 processes that go through these people to get us the
 16 best places we can be. And you can't always manage
 17 that or measure it by 1 in 20 or 50 basis points versus
 18 1 or whatever it is. I just think you can't duplicate
 19 it in-house very easily, to put that amount out and try
 20 to do it.

21 MR. WEBSTER: And can I make one last comment on
 22 Peter's point? Is that we were very cognizant, when we
 23 looked at the hedge funds, that we didn't want to be
 24 piling into a bunch of stuff we already had. So the
 25 average decline during the financial crisis when the

1 S&P fell 40 percent, for our hedge funds was 10, fell
 2 10. And that was a very cognizant decision, because we
 3 see we have a lot of this, right? We have a lot of
 4 equity. What do we need a lot of equity for? To try
 5 to find things, very cognizant, to protect ourselves.
 6 Now, perhaps at the time we should have been getting
 7 really leveraged up, right, if we had the foresight,
 8 but that's --

9 MR. COLLINS: We'll get to real estate later.

10 MR. JONES: Isn't part of the problem, Trent, that
 11 you're moving into so many opportunistic areas that
 12 it's hard to find somebody with expertise to go across
 13 all those areas, because they change like that? And
 14 so, I mean, if we'd staffed up for it, I mean, we'd
 15 need to start some recruiting. And we don't know what
 16 that's going to be next year. So it just seems like,
 17 you know, in terms of the long-term, we're much better
 18 to have the flexibility.

19 MR. WEBSTER: So the way we think about it is, in
 20 the graph earlier about the number of funds we have,
 21 typically we think the optimum number of funds that an
 22 internal portfolio manager can manage is about 20,
 23 right, or relationships is about 20. Private markets
 24 are a little different than the evergreen funds. But
 25 as we go out, we think we'll have somewhere between 100

1 to 120 relationships. So just do the 20. That's five,
2 six, maybe seven portfolio managers.

3 So the good thing about our group is that we do
4 have areas of specialization, but everybody has some
5 generalist ability as well. So we have pretty active
6 discussions within it. Hedge funds are an example. I
7 mean, there's, what, 8,000 hedge funds out there? But
8 the number who pass our screens are maybe 400 or 500.
9 You know what I mean? And so once you get to kind of
10 know them, you have a pretty good idea of who is out
11 there.

12 But, I mean, I hear you. I think it's an
13 excellent point. But, you know, we've got a very
14 talented group of staff now. We will need to add
15 people in the future. There's no doubt about it. But
16 I don't know if we need 12, for example, or 15, but six
17 or seven.

18 MR. PRICE: I think we've talked through that
19 pretty well. Thank you. Alison, you're going to talk
20 about equities.

21 MS. ROMANO: Good afternoon. We'll hit on four
22 key areas today. First I'll run through a market
23 review, really to frame the dynamics impacting
24 performance, because the market dynamics of any year
25 have really impacted how our managers have done. I'll

1 talk about high level performance, the sub-aggregates
2 and the drivers of that performance, and then Tim will
3 hit on where we've been spending our time to further
4 meet our objective. If nothing else, to leave you with
5 what the key takeaways are, it's been an incredibly
6 difficult period for active management, with these
7 violent shifts in the market.

8 For the most part, our managers have performed in
9 line with expectations, albeit in aggregate. We have
10 had a negative quarter. We've made some minor changes,
11 we're evaluating others, and we're being patient where
12 it's merited, because one quarter does not drive
13 long-term thinking in how we want to position our
14 aggregate.

15 On this first slide here, you all know the markets
16 well. You know it's been a good year for equities, up
17 7 percent through the third quarter. But that number
18 masks a lot of volatility. We've seen a lot of rapid
19 shifts in risk appetite and specifically in what
20 factors work and don't work. I just want to spend a
21 minute kind of going through what this year has
22 brought, because it really does impact performance.

23 So we had the January to early February period,
24 when it was risk off. Everything was down. The world
25 was ending. February it turned around. We had risk

1 on, with EM and small cap up. But keep in mind it was
2 risk on, sort of a -- I'll call it a conservative risk.
3 So it was the dividend yield stocks. It was certain
4 growth stocks but not necessarily all growth stocks.

5 April through Brexit, we sort of had this
6 range-bound volatile period leading into Brexit. We
7 had a little bit of a dip right after Brexit, and then
8 the market took off. And it was back to risk on,
9 emerging market, small cap, et cetera. And then as you
10 all know very well, post the election, we've really
11 seen, with kind of conviction in rate hikes and
12 deregulation, a complete trade-away from the
13 yield-driven names.

14 Now, the reason that this is important is because
15 whenever you have these risk on, risk off, this factor
16 working, that factor working, it's very hard for active
17 managers to outperform. And you can see on this slide
18 here just an example of how dramatic those shifts are.
19 So even taking the first bar graph there on the left,
20 world minimum volatility, so the lowest risk stocks by
21 a volatility measure outperformed the benchmark by
22 10 percent in the first half of the year and then
23 underperformed by over 5 percent in the third quarter.
24 So, again, very different market dynamics this quarter.

25 So what does that mean for our aggregate? Turning

1 to the next slide. It means that ultimately we were
2 down in this quarter, when neither quality or stability
3 were necessarily rewarded. We've eked out two BPS of
4 positive performance for the year, and over long
5 periods we continue to remain positive.

6 Breaking down that performance further, we
7 typically talk to you about long-term performance
8 because we are long-term focused. But for today I did
9 want to highlight third quarter performance, because
10 you can see these themes that I've discussed playing
11 out in how our managers performed.

12 So we continue to have our largest active exposure
13 where again we think we will be rewarded for that risk.
14 So in this case developed large cap, so non-U.S. large
15 cap managers, 20 percent of our asset class. They
16 continue to perform well. When we were here last
17 quarter, we talked about the struggles in our U.S.
18 large cap aggregate, that it had been underperforming.
19 And many of those managers underperformed because, like
20 I said before, utilities, minimum vol, those types of
21 stocks ran, and they underperformed because they don't
22 hold those.

23 Well, now we're in the third quarter, and those
24 U.S. large cap managers have done well because they're
25 value oriented and they are overweight beta as well.

1 So they've done well. We've seen a pull-back now in
2 our foreign developed managers. In total they've done
3 well. They outperformed the benchmark. But they, like
4 I said, tend to be quality focused. They are
5 underweight beta. They are underweight value. So when
6 the market started to run, they did okay, but they
7 didn't do as well as they had done in earlier parts of
8 the year. Yes.

9 MR. WENDT: Back to page four, is your quarter to
10 date just October, or is it October and November?

11 MS. ROMANO: This is through September 30th.

12 MR. WENDT: So quarter to date is a full quarter.

13 MS. ROMANO: Yes.

14 MR. WENDT: Today is December 5th, and so your
15 quarter to date is the third quarter of the year?

16 MS. ROMANO: Correct.

17 MR. WENDT: Okay. It seems to me that would be a
18 full quarter, right? Anyway, semantics. Sorry.

19 MS. ROMANO: So what we've seen, again, we saw a
20 recovery of the U.S. large cap managers for the
21 quarter, given their general positioning. And we've
22 some challenges in other aggregates. For instance,
23 we've talked about dedicated global managers, which
24 tend to be a little bit more defensive leaning and
25 quality biased there and in some cases dividend yield

1 focused, which didn't work in the quarter. So longer
2 term, all in all, again, for the year, three years,
3 longer period, our active managers in aggregate are
4 performing, but we've seen some volatility in those
5 sub-aggregates from quarter to quarter as the market
6 has shifted.

7 MR. PRICE: I have a question. On page five, on
8 the left side, if you go back one slide, on the left
9 side, performance by aggregate, that adds up to about
10 50 percent. Where is the other money?

11 MS. ROMANO: Passive. This is all the active.

12 MR. PRICE: Okay.

13 MR. TAYLOR: So the page that I'll cover, page 89
14 in the materials that you have, update on year-to-date
15 accomplishments. And just to point out, this is fiscal
16 year-to-date accomplishments. So since the beginning
17 of July, these are some things that the staff and we
18 have worked on together to accomplish.

19 Under "Provide Alpha," we have shifted a small
20 portion of our international passive assets to a
21 risk-controlled enhanced strategy. Here we're seeking
22 incremental, consistent, positive alpha. And we think
23 that will be a good move for us long-term. We've
24 initiated some enhancements in particular structures.
25 Those noted there, international small cap, domestic or

1 U.S. small cap and also U.S. large cap. This would be
2 inclusive of making some manager changes but also
3 making some adjustments to some aggregate account
4 values.

5 During this time we've also increased our exposure
6 or the notional value of our currency program. Our
7 currency program is now about two and a half years old.
8 It's done well in terms of performance. It's done well
9 in terms of operational, things of that nature, and we
10 were able to increase that value a bit.

11 Finally, under "Provide Alpha," we think we have
12 very low fees relative to our peers already. That
13 said, we did negotiate some fee concessions on select
14 strategies. We're going to continue this process.
15 It's an objective of ours. We are going to continue to
16 use our size, our long-term investment horizon to
17 negotiate and obtain attractive fee schedules. This is
18 something that's very important to us.

19 The next thing under "Provide Liquidity," there's
20 an error on the page, but it's actually not so bad I
21 have to correct it, because it does help me point out
22 something. So under "Provide Liquidity" it says we
23 have raised 2.1 billion in liquidity, bringing the
24 total to 3.9 billion year to date. Actually, we have
25 raised in the last two quarters \$3.9 billion. So just

1 in two quarters we've raised \$3.9 billion. In the last
2 12 months global equity has raised \$6 billion for
3 liquidity. This is to pay beneficiaries. This is to
4 pay DROP and so forth.

5 So the point here, we're a very large part of the
6 group, of the FRS, but we're very transparent, we're
7 very open, and we're very liquid. We can raise a lot
8 of money in a short amount of time very efficiently.
9 Not to say this isn't without cost, because we do pay
10 commissions. We pay some taxes and so forth, and
11 there's market impact, but we try to minimize that as
12 much as possible. So over the last year global equity,
13 ending September 30th, we've raised \$6 billion for
14 liquidity purposes.

15 MR. COLLINS: Mr. Chairman, I have one question
16 about that. Are you-all tactical in that at all, or do
17 you just sell across the entire spectrum?

18 MR. TAYLOR: We are tactical, I would say, in that
19 we look at our structure to see do we have a bit of an
20 overweight or a bit of an underweight. Are there
21 managers who have done well? Perhaps we want to take
22 some profits. So in terms of being strategic and
23 opportunistic, we use these. Even though they're going
24 to cost our asset class a bit in terms of performance,
25 we try to use it to address some of those structural

1 biases we might have.

2 The final thing that I will mention is enhancing
3 the operating efficiency to drive alpha. So we have a
4 very good internal trading desk. We've traded U.S.
5 equities for years. We've traded non-U.S. developed
6 market equities for the past three or so years. But we
7 are streamlining our trade process for other asset
8 classes. So our trade desk resides within global
9 equity, but we've been providing some services to other
10 asset classes, inclusive of fixed income, foreign
11 exchange, strategic, private equity, real estate and
12 the investment policy and asset allocation asset class
13 as well.

14 Here we streamlined it to basically -- we've got
15 all these asset classes communicating to our trade
16 desk. We want to make sure that communication is
17 consistent. That's efficient. That leads to an
18 efficient trade. Thank you all very much. Happy to
19 answer any questions you might have.

20 MR. PRICE: Gary?

21 MR. WENDT: I'm back on page five. I'm sorry.
22 This is silly again, but I'm fascinated by red numbers.
23 This is page five, and I'm looking down there,
24 performance by aggregate. And the further down you go,
25 the behinder you get. Is what you're doing about that

1 on the next page? I mean, you're 1.89 percent behind,
2 I guess, what is your benchmark, in small caps for
3 three years, 3.41 for one year, 1.42. What are you
4 doing about that? Is that on the next page?

5 MS. ROMANO: Yeah. So we in some cases are making
6 changes where we've had underperforming managers that
7 we don't have continued confidence in or are making
8 structures between -- for instance, if we have too much
9 on the growth side and want to have more value
10 exposure, we may reallocate.

11 In other cases we may be underperforming, but we
12 understand why. So there were headwinds this year for
13 our dedicated global managers because the market took
14 off quickly and they tend to be more offensive in
15 nature, and we will be patient with those because we
16 understand the market dynamics.

17 But certainly in U.S. small cap, in U.S. large cap
18 as well, we've taken a hard look, and there are changes
19 that have been made and some that are underway.

20 MR. WENDT: Just to get a sense, how many managers
21 would you have that would be managing U.S. small cap
22 equities? Is it three or 103?

23 MS. ROMANO: It's ten managers or ten strategies
24 on the U.S. small cap side and far fewer on the U.S.
25 large cap side.

1 MR. WENDT: Okay. Thank you.

2 MR. PRICE: Any other questions?

3 MR. WENDT: Seems to me we lost more money there
4 that we could possibly --

5 MR. PRICE: How large is that portfolio?

6 MR. TAYLOR: Back on page 88, page five, U.S.
7 small cap you'll actually see, this is the active
8 portion, so it's 2 percent of our asset class.

9 MR. PRICE: So 3 billion?

10 MR. TAYLOR: Yeah. So 2 percent of about 80,
11 something like that. And the U.S. large cap is about
12 6 percent of the asset class.

13 MR. PRICE: Fixed income review, Katy. Thank you.

14 MS. WOJCIECHOWSKI: A brief update. So I wouldn't
15 take the other side of Trent's bet that we won't get to
16 7 percent returns for investment grade fixed income in
17 the next 12 months. Almost 100 percent is baked in
18 that the Fed will raise rates, the Fed funds rate, in
19 December, a couple baked in for next year at this
20 point. We'll see. But it looks like post-election,
21 risk on, the world is happy. We've actually seen some
22 pickup in growth as well.

23 So while we had positive returns for fixed income
24 for the past 12 months, looking forward and over the
25 past quarter, for fixed income in general the benchmark

1 has been negative. We have had positive returns over
2 all periods at this point. And as you can see by the
3 green bar on the left, credit and especially long
4 credit has really driven returns and has had positive
5 returns over the past 12 months.

6 And as you can see on the left-hand chart on the
7 next page, the excess spreads in Treasuries that's
8 available in the market for us has been driven down
9 over the past 12 months, even at the same time as
10 you'll see debt in the world has been rising, just
11 global debt, mostly government debt. And there's a
12 huge supply-demand gap coming forward. And as the
13 world ages and as developed economies age, you will
14 see, I think, as rates rise, a greater demand for
15 especially long credit.

16 We're seeing it a little bit in the long, and it
17 will be interesting to hear from our consultants, but
18 in the longer pensions, a desire to immunize a little
19 bit, so buying long credit, buying 30-year debt has
20 been especially popular.

21 As you can see, we have very low risk on the next
22 page, low total risk. Volatility has been fairly
23 muted, even with all of the events going on, even with
24 the Italian election last night, things going forward,
25 our election. But we still see risk coming down

1 overall. So volatility muted. And our active risk has
2 not been -- has been going down over time as well.

3 MR. PRICE: What is that number? And this is
4 volatility.

5 MS. WOJCIECHOWSKI: Tracking error is what we
6 take, is our active risk. And we have a very low
7 budget to begin with. So 50 basis points is our
8 monitoring standard. It got cut off. I'm sorry. But
9 50 basis points is our monitoring standard. And that's
10 the budget that we have in active risk. And don't
11 forget that 50 percent of our portfolio is passive to
12 begin with, or actually 40 percent of our portfolio is
13 passive to begin with.

14 Just one more quick thing on this area. So a
15 couple of things that we talked about last quarter,
16 moving some more assets in-house was recommended. We
17 have in fact moved a small portion, 150 million back
18 in-house. We have put it into our active core
19 portfolio. It has continued to outperform, by the way.

20 We have also considered looking at some other
21 dedicated strategies. One of those was CLO, a
22 dedicated strategy. As Trent mentioned, they have
23 looked at some CLO debt as well. We at this point
24 prefer to just incorporate it into our benchmarked
25 strategy. That's where we are on that.

1 Unless you have any questions on that, I'm just
2 going to jump into securities lending, a brief review
3 on that.

4 MR. PRICE: This is equities and bonds?

5 MS. WOJCIECHOWSKI: This is everything that we
6 lend out at the board, yes. In the fixed income group
7 we are responsible for that, because it's short-term
8 lending and borrowing. So I'm going to
9 introduce/reintroduce to some of you Cherie Jeffries.
10 She's our head of trading. She's also in charge of the
11 securities lending for the whole group.

12 MS. JEFFRIES: Good afternoon. The first two
13 slides are just for reference purposes, in case anyone
14 had any questions. And as Katy said, this is a really
15 high level review of the sec lending program. The
16 program exists to generate additional income with
17 extremely risk-controlled parameters.

18 The program itself is -- the collateral profile is
19 very conservative. What we do is we look at the
20 non-cash collateral, and it's only for Treasuries and
21 agencies. The cash collateral itself is only invested
22 in money market type securities. We have three
23 participants, which is fixed income, global equities
24 and real estate. We have multiple agents. We have
25 three agents that we deal with in our sec lending

1 program. Currently, as of June 30th, we had lendable
2 assets of 87 billion, and weighted average utilization,
3 a little over 11 percent.

4 The last page is as of June 30th. This is a
5 summary of our net earnings. This is the earnings that
6 we brought home after the split with our sec lending
7 agents. On the left side, that is a little over a
8 three year trend, month-to-month trend of our earnings,
9 and on the right-hand side is the annual net earnings
10 by calendar year.

11 MR. PRICE: So to do the math, roughly, say you're
12 trending at 50 million this year, on 80 billion how
13 many are loaned out? Eighty-seven qualifies to be
14 loaned. How many stocks and bonds do we have loaned
15 out today?

16 MS. WOJCIECHOWSKI: 12 percent.

17 MR. PRICE: 12 percent of 87? So 10. So lending
18 out 10 billion in securities nets you 50 million, so
19 that's 50 basis points, in a low rate environment.

20 MS. WOJCIECHOWSKI: But the first half of the year
21 is --

22 MR. PRICE: Okay.

23 MS. WOJCIECHOWSKI: -- so call it 35 to 40.

24 MR. PRICE: In a very low rate environment, so as
25 rates move up --

1 MS. WOJCIECHOWSKI: It should increase.

2 MS. JEFFRIES: Last fiscal year it was 40 basis
3 points.

4 MR. PRICE: And the 87 billion is what you are
5 indexing here basically. You're passive? Because you
6 don't have access --

7 MS. WOJCIECHOWSKI: -- our active core portfolio.

8 MR. PRICE: And you're active. But you don't have
9 access to the active run by others.

10 MS. WOJCIECHOWSKI: No. We do. We do access many
11 of their --

12 MR. PRICE: Separate accounts. Got you.

13 MR. COBB: When you said share with others, is
14 that a 50 -- what percent share?

15 MS. JEFFRIES: No. It depends on the sec lending
16 agent. Typically, it's like a 90-10 percent. It also
17 depends on the asset class. It could be an 85-15.

18 MR. COBB: We get 80 to 90 percent because we're
19 taking all the risk. They're just doing
20 administrative.

21 MS. JEFFRIES: Yes. We get the higher end of
22 that.

23 MR. PRICE: How many of the securities loaned are
24 loaned for longer than very short periods of time? If
25 you make commitments for three months or six months,

1 they can keep the securities borrowed?

2 MS. JEFFRIES: No. These are loaned just for
3 overnight.

4 MR. WILLIAMS: And it's worthwhile to know that
5 the program as it sits today was completely
6 restructured and dramatically de-risked in -- when did
7 we do that? Was that '09, '10?

8 MS. WOJCIECHOWSKI: Yeah.

9 MR. WILLIAMS: So we're not hanging out a lot.
10 So, Ambassador, your comment about you're taking all
11 the risk, that's true, but the amount of risk we're
12 taking is not a whole lot.

13 MS. WOJCIECHOWSKI: Right. We minimize it.

14 MR. COLLINS: So in that restructuring, Ash, were
15 you limiting what type of securities or how large of
16 companies, how much float there was? I mean, are there
17 parameters around that?

18 MS. JEFFRIES: The main risk you have on sec
19 lending is your reinvestment of cash collateral. And
20 in '09 they went straight to an overnight repo. In the
21 past two years we've had to expand that a little bit.
22 As you know, regulation has really restricted the banks
23 from the overnight repo transactions. And so we've
24 expanded a little bit, where we still maintain
25 50 percent in liquid securities, which is overnight

1 repo or money market, as a Morgan Stanley government
2 money market fund. Then we can go out 30 percent in a
3 three-year T-bill, or Treasury, as long as it's -- not
4 a three-year, a three-month Treasury, T-bills, and then
5 45 days out in a repo, with the remaining, what's left.

6 MR. PRICE: Any other questions? Yes, Gary.

7 MR. WENDT: What causes the big blips that
8 happened there a couple of times in the last two years?

9 MS. JEFFRIES: So the big blips are arbitrage
10 opportunities. And typically it has to do with
11 dividends and the foreign dividend arbitrage
12 opportunities. And what you're seeing is in 2013, they
13 happen mainly in the spring, you have a little blip in
14 the fall. As budgets continue to be constrained,
15 especially in the European regions, tax harmonization,
16 regulations, they're pulling those back. And so you
17 don't have as much advantage on these arbitrage
18 opportunities as we did in 2013 and 2014. And that's
19 why you see those little blips not be as peakish as we
20 saw in those later --

21 MR. COLLINS: Last question. So you individually
22 run the securities lending program?

23 MS. JEFFRIES: Sarah Jane Gainey assists me, and
24 then Katy oversees it and then --

25 MR. COLLINS: So are you the -- are you hitting

1 the bid or are you making that decision on the --

2 MS. WOJCIECHOWSKI: We don't do the reinvestment.
3 We have agents that are (inaudible).

4 MR. COLLINS: So they're finding what's out there.
5 They're putting your capital to work, and you're not
6 pulling the trigger on any of it.

7 MS. JEFFRIES: Correct.

8 MR. COLLINS: You just establish the relationship
9 with them and give them a pool of capital or pool of
10 securities with which to do that.

11 MS. JEFFRIES: Right. It's like monitoring an
12 external manager program.

13 MR. PRICE: It's called the box. So the
14 securities are in the box. The harder they are to
15 borrow, the more they get paid. There are some real
16 anomalies. You know, you get huge fees to borrow, for
17 instance, companies that are likely to go bankrupt,
18 whereas most companies you get almost nothing. You
19 lend them for free.

20 MR. WILLIAMS: Finding the borrow in and of itself
21 in that situation is a big deal.

22 MR. PRICE: So Valiant, Sears-Roebuck for years,
23 you know, huge fees to lend out Sears. I don't know if
24 you lend any Sears. Thank you.

25 MS. WOJCIECHOWSKI: Valiant was one of

1 (inaudible).

2 MR. PRICE: So are you long Valiant in the
3 portfolio?

4 MS. WOJCIECHOWSKI: You have to speak to these
5 guys.

6 MR. PRICE: How many Valiant are you long?

7 MR. TAYLOR: In terms of the equity portfolio, it
8 would be underweight. We might have a bit of exposure
9 via a passive index fund.

10 MR. PRICE: And do you have any Valiant bonds in
11 the portfolio?

12 MR. TAYLOR: No.

13 MR. PRICE: No. Good, great. Any other questions
14 on securities lending? We can jump ahead to real
15 estate. Steve, if you'd like to start.

16 MR. SPOOK: Good afternoon. So as you can see
17 from the first slide, which is total real estate,
18 2015-16 was another good year for the real estate
19 portfolio. I've only got three periods here, one year,
20 three year and five year returns. If I took it on out
21 ten years, since inception, that trend would pretty
22 much be the same. One year, we had 70 basis points of
23 outperformance, and every longer period after that it
24 actually increased, which we really do take real estate
25 as a long-term asset class, so that's important.

1 The next slide is principal investments, which is
 2 again our direct-owned portfolio. And again
 3 outperformance over all periods there, including the
 4 pure ODCE and then our primary benchmark, which is ODCE
 5 and public market based.

6 Then the other part of the portfolio is externally
 7 managed, which is comprised of our commingled funds,
 8 and 10 percent of the total portfolio is invested in
 9 REITs. And once again, that outperformed over all
 10 periods of time.

11 This next slide is just to show where we are
 12 versus our target. We're at 9.4 percent. Our target
 13 is 10 percent. As far as the private market, we target
 14 20 percent non-core, 80 percent core. And we're right
 15 on top of that. REITs, target is 10 percent, and we're
 16 right on top of that, too.

17 Property types, it looks like we're a little bit
 18 below most of the main property types, and the reason
 19 for that is we have some pretty good exposure to
 20 agriculture, medical office, student housing, senior
 21 housing, and those have been very good investments for
 22 us.

23 MR. WENDT: These are exposures that you have set
 24 for yourselves, right?

25 MR. SPOOK: Yes. Geographic, we're within our

1 range of the ODCE plus or minus 15 percent. The ODCE
 2 does not include international. We've got a little bit
 3 over 4 percent in international.

4 Recent activity, we recently acquired a
 5 66-property self-storage portfolio, spread across the
 6 country. Kind of fits with our philosophy at this
 7 point in the cycle of countercyclical types of
 8 investments.

9 Two dispositions of note occurred after this
 10 report was prepared and turned in. So we talked before
 11 in this council about San Francisco and our large
 12 high-rise building there. That closed last week and
 13 got back in excess of \$500 million in equity there.
 14 And also within the last couple of weeks we closed a
 15 large Santa Monica office building, where we got an
 16 unsolicited bid for that and sold that for
 17 \$360 million.

18 MR. COLLINS: What was the cap rate on that?

19 MR. SPOOK: The cap rate on that one was
 20 3.2 percent. That was not a real estate buyer. It was
 21 a corporate user, so they weren't underwriting to a
 22 particular return. It was a chairman. He saw the
 23 building, said, I want to be there, paid whatever he --

24 MR. COLLINS: Do we have any more of those assets?

25 MR. SPOOK: It was a great story because we owned

1 it for 15 months and got a really good profit. So
 2 during the quarter or since the last IAC meeting, we've
 3 made two commitments to commingled funds. One is a
 4 global closed-end fund, 75 million. And the other is a
 5 domestic closed-end fund for 50 million. And redeemed
 6 62 and a half million from one of our open-end funds.

7 Present real estate market environment, we think
 8 that there's still a lot of support for real estate,
 9 despite interest rates having moved up. Very little
 10 new supply, with the exception of maybe multifamily
 11 coming to the market. Yields, even though they've --
 12 cap rates have compressed tremendously, still -- even
 13 with the rise in interest rates, still attractive. And
 14 foreign money continues to come into the country.
 15 Construction financing is very difficult to obtain.

16 Having said that, pricing has reached a point
 17 where we don't think we're going to see any more cap
 18 rate compression. So any appreciation we see we're
 19 going to have to see from NOI growth.

20 MR. WENDT: I didn't hear what you said.

21 MR. SPOOK: Any appreciation, significant
 22 appreciation we continue to see going forward is
 23 probably not going to be from cap rate compression but
 24 will be from NOI growth.

25 MR. PRICE: How is your leverage against your

1 owned properties, directly owned properties?

2 MR. SPOOK: It's increased since the last time we
 3 spoke.

4 MR. PRICE: Can you quantify that?

5 MR. SPOOK: We're up to just above 23 percent.

6 MR. PRICE: So you're up a bit.

7 MR. SPOOK: Some of that was helped by selling
 8 some large properties that did not have debt on them.
 9 And then for instance, this self-storage portfolio did
 10 have debt on it, but the net effect was a move upwards
 11 of a couple hundred basis points.

12 MR. PRICE: Twenty-three percent of your NAV.
 13 What do you think your NAV is?

14 MR. SPOOK: Yes. NAV, total NAV is 13 million.
 15 Direct-owned is 65 percent of that.

16 MR. PRICE: Got you. Thank you. Any real estate
 17 questions?

18 MR. COLLINS: One question. So as interest rates
 19 start to rise, what are your thoughts on the
 20 correlation in the cap rates, given that rent growth
 21 will probably lag?

22 MR. SPOOK: Right. So I think it depends on the
 23 type of property. Value add investors typically are
 24 looking for 60, 65 percent leverage. So leverage is a
 25 big part of their return. We're in the market with

1 three separate assets currently. Value add investors,
2 core-plus investors were, for the most part, the buyer
3 pool. And when the Treasury went up 30, 40 basis
4 points, their bids came down by a couple million. So
5 we're seeing that there. On true core, where there's
6 very little leverage, we haven't seen a real effect
7 yet. I think there's still a big enough spread between
8 cap rates and even where Treasuries are now that we'd
9 have to see a little bit more movement to see cap rate
10 expansion. I don't think we're going to see cap rates
11 going down any further.

12 MR. COLLINS: And since you think that your future
13 yield will come from rent growth, how long do you think
14 that takes? Because really, I mean, rent growth,
15 except for some pretty incredible areas, has been
16 relatively flat, except for multifamily in the last
17 probably three or four years.

18 MR. SPOOK: We've been seeing steady increases.
19 And particularly, in the last year or so, industrial
20 has been kind of the hot property type, and rents have
21 been soaring there. Multifamily definitely is very
22 positive rent growth. It's slowing, just mainly
23 because of new supply. So office, it's a little
24 tougher to achieve that immediately because of the
25 longer-term leases. Apartments you can mark to market

1 much faster. Hotels, which we don't own, you can mark
2 to market tomorrow.

3 And just another word on the debt, if interest
4 rates continue to increase, I would imagine it would
5 have a positive impact on our portfolio because we do
6 mark our debt to market. And so we have pretty low
7 rate debt. And so that's going to be a positive going
8 forward.

9 MR. PRICE: Thank you. If there are no other
10 questions on real estate, we're going to have a
11 discussion about our private equity class, otherwise
12 known as LBOs.

13 MR. BRADLEY: Thank you. I'll start with a quick
14 update on the market. 2016 has been another good year
15 for the private equity industry. Fundraising remains
16 strong. However, the pace of deal flow has been slow.
17 And so we're seeing our GPs having no problems raising
18 capital, but they are being careful in this market in
19 how they deploy it.

20 Leverage multiples continue to trend down. In the
21 middle market, leverage averaged 4.9 times EBITDA in
22 2016, which is down from 5.3 times in 2014 and 2015.
23 Purchase price multiples have not retreated, and thus
24 equity contributions have also increased to fill that
25 gap. They're averaging about 45 percent today in the

1 middle market. Asian and European markets have also
2 had a strong year. Both have seen increases in
3 fundraising as we close out the year, as well as strong
4 deal flow.

5 And, lastly, we've seen distributions in private
6 equity slow down a bit, and 2016 has been trending
7 slightly behind 2015 and 2014 levels. The prior two
8 years will likely prove to be peaks in this current
9 cycle. And there's probably many reasons for that,
10 with one of the biggest being that record liquidity
11 from GPs over the last few years have left them with
12 fairly young portfolios. And so we can see that when
13 we look through our private equity portfolio, where the
14 average age of our underlying portfolio companies is
15 slightly less than three years.

16 There's been no change in our allocations or our
17 targets from last quarter. Long-term trends will see
18 us draw down our venture exposure closer to its target,
19 while also increasing our distressed and secondary
20 exposure.

21 I move on to the sectors. From a sector
22 perspective, the portfolio's exposure remains similar
23 to that of the private equity industry benchmark, while
24 being overweight technology and underweight financials
25 relative to our public market benchmark.

1 Geographically, no change here as well. The portfolio
2 remains largely tilted towards the U.S.

3 Moving on to performance, here's the performance
4 of the asset class versus its primary benchmark, which
5 again is the global equity benchmark, plus a 300 basis
6 point illiquidity premium. Performance of the asset
7 class remains strong, exceeding its benchmark over all
8 time periods.

9 I move on to the sub-strategies. Here you can see
10 the various sub-strategies within the portfolio. This
11 is versus the secondary, our peer benchmark. And we've
12 seen strong long-term performance from all
13 sub-strategies, with the exception of the non-U.S.
14 growth equity portfolio. And then over the short term
15 we've had standouts. Yes, Gary?

16 MR. WENDT: Before you get too far past the page,
17 I see you don't have numbers on the pages -- I guess
18 it's that one. It was the one with the red and the
19 orange.

20 MR. BRADLEY: Yes.

21 MR. WENDT: One year benchmark, minus, negative.
22 Can you tell me why the benchmark for private equity --

23 MR. BRADLEY: So this would be versus the public
24 market plus the 300 basis point premium. And so this
25 benchmark also runs through June 30. And so it --

1 MR. WENDT: The public market was down four?

2 MR. BRADLEY: June 30, 2015, through June 30,
3 2016, it was, yes.

4 MR. WENDT: Okay.

5 MR. COLLINS: That's garnet and gold, by the way.

6 MR. BRADLEY: It is garnet and gold. Peter, thank
7 you for noticing that. I think on here I was just
8 mentioning, on the short term, standouts for us have
9 been our non-U.S. buyout portfolio as well as our
10 distressed portfolio.

11 And then to close it out with our commitment
12 activity, the third quarter was slow for us in terms of
13 new commitments. We committed \$195 million to three
14 funds during the quarter, which brings our total to
15 1.15 billion in 18 funds. We can see the breakout of
16 which is \$975 million to 14 buyout funds and
17 \$175 million to four venture funds.

18 MR. PRICE: Thank you. The private equity
19 performance lag is longer than the other segments of
20 the portfolio. You just get letters in later, right?
21 So that's why you have September, or June 30 --

22 MR. BRADLEY: That's how we would show it with
23 June 30, which would match the benchmark with --

24 MR. PRICE: -- Ash's Friday night look, flash
25 report on the portfolio. Okay. Defined benefit.

1 Joan?

2 MS. HASEMAN: Defined contribution.

3 MR. PRICE: Defined contribution.

4 MS. HASEMAN: Here is our snapshot for the period
5 ending September 30th. Our assets are up to 9.2, from
6 June 30th of 8.9, about a \$300 million increase.
7 Returns, I'll defer to our experts beside me, but so
8 far third quarter is about 3.91 percent and for the
9 calendar year at 6.36 percent. As of close on 11/30 we
10 were at 6.47 for the calendar year.

11 Our membership continues to grow slowly, 170,532.
12 Average account balance is a little over 54,000.
13 Average years of service is about six, which we're glad
14 to see that. It means members are vesting in any
15 defined benefit transfer over, which is always a good
16 thing to see them being able to vest in that. We do
17 have a number that are coming in now with an eight year
18 vesting requirement. So we're hoping we'll see that
19 vesting year come up a little bit.

20 Our retirees sit at 108,000, a little over. And
21 distributions, again, are quite significant out of the
22 plan, at about \$10 billion, which exceeds the --

23 MR. PRICE: Over what period of time?

24 MS. HASEMAN: That's since inception to date.

25 MR. PRICE: Which inception was --

1 MS. HASEMAN: 2002, so about 14-plus years. The
2 good thing, and I just want to point out again, is that
3 these are rollovers, the majority of them, which is
4 always a good thing, when we're seeing our members be
5 smart about what they're doing with their assets.

6 Assets under management, this is the allocation
7 based on our members, their decisions about where they
8 want their money invested. It does take into
9 consideration our retirement date funds and the
10 allocations within those asset classes. But for the
11 most part, you can see retirement dates are taking
12 about 43 percent of our total assets, and then kind of
13 a nice, I think, stretch across all of the asset
14 classes.

15 MR. PRICE: Those are typically more equity or
16 more debt?

17 MS. HASEMAN: I'm sorry. Which one?

18 MR. PRICE: The retirement funds.

19 MS. HASEMAN: They stretch across a variety --
20 target date funds.

21 MR. COLLINS: Is it like a 60-40 split or 80-20,
22 or does it change with the age?

23 MS. HASEMAN: It does. It changes over time.
24 Every five years there's a different allocation.

25 MR. PRICE: But higher rates will be great for

1 you. Right.

2 MS. HASEMAN: Yes. And just a snapshot on our
3 financial guidance --

4 MR. COLLINS: One question there, Mr. Chairman.
5 On self-directed, because we had this conversation a
6 couple of years ago, that continues to creep up a
7 little?

8 MS. HASEMAN: It is. And we expect it to -- you
9 know, this is not an unusual number for any large
10 public plan that offers a self-directed brokerage
11 account. We're not shocked by any of the numbers that
12 we're seeing.

13 MR. COLLINS: Any idea of what that translates
14 into in terms of numbers? I forget the total number of
15 participants.

16 MS. HASEMAN: Of participants?

17 MR. COLLINS: Yeah.

18 MS. HASEMAN: About 1, 2 percent of our
19 membership, so 1700 members, plus or minus.

20 MR. WENDT: Any idea what the return is on that
21 money --

22 MS. HASEMAN: No. We do not get into --

23 MR. COLLINS: They always beat their benchmark,
24 though.

25 MS. HASEMAN: Whatever they set it to be.

1 MR. WILLIAMS: They use a lot of leverage.

2 MS. HASEMAN: On the financial guidance program,
3 again, we're seeing an increase in the number of calls
4 to our financial planners. Our workshops are
5 increasing. Attendance overall is increasing, which
6 we're really happy to see.

7 Highlights for the year, we did a new hire design.
8 This is the information we send out to our new hires.
9 We introduced it in September of this year. So
10 hopefully we'll see some impact over the next three to
11 six months and see how well we did with it.

12 Additionally, we are now conducting joint employer
13 training workshops with the Division of Retirement.
14 Rather than a two-day thing that can kind of get very
15 tiring very fast for participants, we now split the day
16 with the division, having them help employers with the
17 DB side and understanding what their roles are and then
18 half a day with the DC plan.

19 Annuity purchases, we've seen an increase in this
20 since we moved over to a new provider, Met Life.
21 Anything is better than nothing, so we're always
22 pleased to see a continued interest in that, and so
23 hopefully we'll see this continue to grow as well. And
24 that's my presentation.

25 MR. PRICE: Any questions?

1 MR. WENDT: I'm interested in trends. Your
2 members are 170,000. What was it a year ago? What's
3 the change?

4 MS. HASEMAN: Elections -- I don't have the exact
5 number of where we were a year ago, but I would say
6 we're holding 18 percent of the total membership in the
7 FRS. That number has risen from 17 to 18 over the last
8 year. I can certainly provide some history there if
9 you'd like to see that.

10 MR. WENDT: I'm just curious about your trends.
11 You're saying everything is kind of stable?

12 MS. HASEMAN: Yeah.

13 MR. WENDT: Hire 100 new people, 18 decide to go
14 into this?

15 MS. HASEMAN: And 60 percent of them are
16 defaulting to the pension plan, and the rest are making
17 an active choice.

18 MR. WENDT: It would be interesting to know what
19 the other guys that are investing for themselves are
20 doing as a return versus us.

21 MR. PRICE: Thank you very much. Behind Joan's
22 presentation there's a corporate governance book.

23 MR. COBB: Mr. Chairman.

24 MR. PRICE: Yes.

25 MR. COBB: Before we leave investment performance,

1 I'd like to ask Ash. In several years, I don't think
2 we've ever once talked about the Lawton Chiles fund.
3 And so I noticed, A, it's small. It's only 600
4 million. But I notice that we have 73 percent
5 equities. We have no hedge funds. And we have by far
6 the best performance of all the funds we manage.

7 And so how come we have a different mix and
8 allocation for the Lawton Chiles, and is this the same
9 team that manages their portion of the Lawton Chiles?
10 So can you give us a sense for -- just give us a quick
11 brief on Lawton Chiles.

12 MR. WILLIAMS: Sure. So the Lawton Chiles
13 endowment is covered under major mandates. Kristen and
14 Katie will be talking about it in a moment. And it is
15 managed under global equities. It's an interesting
16 conundrum because the Chiles endowment at inception --
17 this was funded with dollars out of the settlement some
18 years ago where states sued big tobacco and said, Hey,
19 you caused us to have a lot of Medicaid liability
20 through your product's consumption leading to diseases,
21 so you should pay the states and make us whole.

22 And that led to proceeds in the billions of
23 dollars, of which Florida's share initially was, as I
24 remember, about \$2 billion, I think. And the mandate
25 statutorily was that the SBA would invest these

1 proceeds and invest them as a perpetual endowment. The
2 surprise was that the legislature then, in times of
3 stress, met some of its spending needs by taking large
4 sums of money out of the Lawton Chiles endowment. So
5 it went from a multi-billion-dollar endowment down to a
6 few hundred million.

7 And on more than one occasion the SBA has been to
8 the legislature and said, you know, the whole idea of a
9 perpetual endowment is that you have a very modest and
10 sustainable spending assumption. And most of what
11 we -- what we fund annually out of the Chiles endowment
12 is money that goes to smoking education and
13 anti-smoking health education. You've seen ads on TV
14 from Smoke Free Florida. That's the money coming from
15 the Chiles endowment paying for that.

16 The legislature has been unwilling to change that
17 and instructed us to continue to invest as a perpetual
18 endowment, hence the full global equity allocation.
19 And it's all done through a single manager. Contrary
20 to the view, however, that this has consistently been a
21 fabulous strategy that's outperformed everything else,
22 it's actually had some periods where that hasn't been
23 the case, and there's been heightened volatility and
24 some underperformance.

25 We worked with the manager through global equity

1 to narrow down the risk being taken. That's now
 2 completely back in bounds. And the manager is one that
 3 we have a longstanding relationship with and a lot of
 4 confidence in. So it's worked well. It's a small pool
 5 of capital, which doesn't accommodate the breadth of
 6 activity that we're doing in the overall portfolio.
 7 And one never knows when it's going to get tapped again
 8 for a large contribution for some other use through the
 9 appropriations process.

10 MR. PRICE: Thank you. It's time now for a
 11 mandate review of the portfolio. Kristen. Thank you.

12 MS. DOYLE: Great. Thank you. Good to be here
 13 today. I have with me Katie Comstock, who some of you
 14 may have seen here over the years. She's been working
 15 with the State Board for about seven years in a
 16 different number of types of roles. But you'll start
 17 to see her a little bit more often at these meetings.
 18 So I just wanted to make sure I introduced Katie, since
 19 she hasn't historically always been here.

20 So we're going to spend just a few minutes walking
 21 through performance, and this all through the end of
 22 the quarter, 9/30/2016. Please, of course, stop us if
 23 you have questions. I'll start with the defined
 24 benefit plan, but I just wanted to make one comment.
 25 You've heard a lot of information from the folks that

1 are actually managing these portfolios on a daily basis
 2 and heard a lot about the last year. It's been a
 3 pretty difficult environment to be an investor.
 4 There's been a lot of uncertainty, a lot of political
 5 disruption and a lot of just volatility in general.
 6 And what you'll see as we go through is the performance
 7 has continued to be very strong, both on an absolute
 8 and a relative basis, across all the major mandates.
 9 And in the cases where we compare to peers, it's been
 10 favorable on that front as well.

11 So I'll just start with this chart here. This is
 12 the change in market value. The two columns are the
 13 same. We'll look at the third quarter. The third
 14 quarter and fiscal year to date periods are the same.
 15 But what I wanted to point out is that over the
 16 quarter, \$2 billion of net benefit payments have been
 17 paid out of the fund. But the fund grew by about
 18 3 billion, because 5 billion plus was made in
 19 investment earnings over that period.

20 These are the returns that generated that \$5
 21 billion, so you can see for the quarter that the
 22 performance of the DB plan was up about 3.8 percent,
 23 matching its performance benchmark, which is the blue
 24 bars that you see here on this chart. The FRS
 25 outperformed over all periods except for that one year

1 period, and the main driver of that was
 2 underperformance of the private equity portfolio
 3 relative to its benchmark, which was touched on when
 4 John went through his presentation, is the global
 5 equity benchmark, the MSCI ACWI IMI, plus 300 basis
 6 points.

7 So for the one year period ended September 30th,
 8 that benchmark was up 15 percent. And so when we think
 9 about private equity having lagged valuations and
 10 having a much longer-term investment strategy,
 11 investment horizon, there is going to be some noise
 12 around the benchmark over shorter periods of time when
 13 we have huge positive returns or huge negative returns.

14 We also compare the performance over longer-term
 15 periods, 20, 25 years, 30 years relative to what we
 16 call the absolute nominal target rate of return, which
 17 is the CPI plus 5 percent. And we've consistently seen
 18 the FRS outperforming that benchmark over the longer
 19 periods of time.

20 And then relative to peers, so just looking at
 21 asset allocation briefly relative to peers, so
 22 consistent with what we've reported in other quarters,
 23 the FRS continues to have an overweight to public
 24 equities, a slight underweight to fixed income, an
 25 overweight to real estate and then a continued

1 underweight to what the TUCS universe calls
 2 alternatives, which is really anything that isn't in
 3 one of those other slices. So you could compare that
 4 to strategic investments and private equity. So we
 5 continue to be a little bit underweight to that
 6 alternatives area, but we know that we have a target of
 7 about 12 percent to strategic investments. So if we
 8 got to that 12 percent target, which we're moving
 9 towards, we would be much more in line with peers.

10 MR. PRICE: You're a little more weighted to
 11 foreign equities here versus TUCS.

12 MS. DOYLE: That's a great point. Yeah. I didn't
 13 point that out.

14 MR. PRICE: How has that worked since the
 15 election?

16 MS. DOYLE: Whether this was a result of the
 17 election or not, there has been somewhat of a reversal,
 18 where we've started to see things like emerging markets
 19 and developed equities performing better and actually
 20 in some quarters performing better than U.S. equities.
 21 So it's starting to flip a little bit from that trend
 22 where we've seen U.S. equities just dramatically
 23 outperform the rest of the world.

24 So here are the results. So this is where we
 25 compare the FRS. This is a gross return, just to

1 remind everybody. Typically we show net of fee
 2 returns. The universe doesn't provide net of fee
 3 returns, so in order to be apples to apples, we use the
 4 gross return relative to the median defined benefit
 5 plan in this universe, which is the top ten largest
 6 defined benefit plans in the United States.

7 So the FRS outperformed that median fund return
 8 for all periods that you see here except for that
 9 three year period, where it was under the median return
 10 by about 30 basis points.

11 In terms of ranks, those are here. So very strong
 12 performance relative to peers over all of these
 13 trailing periods, again, with the exception of that
 14 three year period, where we're sort of down in that --
 15 close to the bottom quartile for that period.

16 Any questions on the pension plan performance?

17 MR. PRICE: So what do you think of our mix? Do
 18 you have recommendations based on the mix, with rates
 19 changing, the move in emerging markets, our election?

20 MS. DOYLE: So typically we look at that -- we
 21 take a deeper dive into asset allocation towards the
 22 beginning of the year, where we would look at your
 23 assets and your liabilities to make sure that we're
 24 comfortable with the risk level that you have, meaning
 25 how much do you have in return-seeking assets versus

1 risk-reducing assets.

2 However, a couple of comments. We still feel that
 3 having a global orientation within public equities is
 4 the most efficient way to build that type of portfolio.
 5 The fact that you have a strategic investments
 6 allocation, where you're sort of able to be
 7 opportunistic and go anywhere and invest in many
 8 different things and implement those ideas, as quickly
 9 as you can be at \$140 billion, we would not make a
 10 recommendation any differently there.

11 In terms of fixed income, I think we'll probably
 12 begin to have some more conversations. We've obviously
 13 recommended that you have this intermediate
 14 orientation, so it would be a hedge, somewhat of a
 15 hedge against a rising rate environment. But to the
 16 extent that we get away from that and we're not so
 17 concerned about rising rates causing an impairment in
 18 terms of valuations in the fixed income, maybe there's
 19 some opportunity to make some changes there.

20 So I guess the short answer to your question is no
 21 changes at this time, but of course all of these
 22 changing market environments are going to cause us to
 23 have those conversations.

24 MR. COLLINS: On that fixed income comment
 25 specifically, you know, the looking out, the duration,

1 are you having those conversations more with people, or
2 has it not really started yet, or where is that? On a
3 scale of one to five, one being, you know, it's there,
4 and five being, hey, we're going to do something about
5 it, where are you generally at Aon about that?

6 MS. DOYLE: For our total return investors, so
7 like for public pensions or for foundations,
8 endowments, we're at a one still. But in terms of
9 corporate plans that are more actively managing their
10 hedge, we've started to make some slight changes there.

11 The other thing that -- we have medium-term views,
12 where we have these views of markets out of the one to
13 three year period. And one of the areas that we've
14 also spent a lot of time looking at is sort of that
15 relationship between TIPS and Treasuries and which one
16 do we prefer in a given market environment. And right
17 now we still have a view that you would rather hold a
18 TIP than you would rather hold a Treasury, but as the
19 environment changes, that might also change.

20 MR. PRICE: So can you discuss rates drifting
21 higher and how it impacts our underfunding with our
22 future liabilities and then how we should all talk
23 about that and the mix of fixed income and higher
24 rates?

25 MS. DOYLE: Well, so unlike a corporate plan,

1 where it's going to have -- a rising rate environment
2 is going to have a direct impact on your liabilities
3 because they're valued at the -- sort of like a
4 corporate bond yield rate, here I think what it will do
5 is it's going to change the expectation that we have in
6 terms of what you're going to return on your assets
7 over the next -- when we do the asset-liability study,
8 for example, we'll look at the expected return. Our
9 expected returns on bonds and on cash has been pretty
10 low lately.

11 And so as we see a rising rate environment, that's
12 going to -- it's going to have two effects. It's going
13 to increase the yield that we think you're going to be
14 able to get on those investments. It's going to have
15 some capital loss associated with it. But I think that
16 will be the real impact that you'll see here, because
17 here we're valuing the liabilities at a 7.65 percent
18 rate that's set separately.

19 MR. PRICE: So that's what I want to get to, is
20 how is our unfunded liability going to shrink in a
21 rising rate environment, if it's going to shrink.

22 MS. DOYLE: It will shrink to the extent that you
23 have a -- it helps your assets earn a higher return
24 than what you are expecting, what you're discounting
25 your liabilities at.

1 MR. WILLIAMS: The thing I would add to that is
 2 there is some corollary between the corporate side of
 3 liabilities that Kristen just referred to, in that for
 4 credit rating purposes, the rating agencies now, to
 5 normalize and protect against states using what may be
 6 rosy investment return assumptions to shrink
 7 liabilities, the rating agencies now use a sort of
 8 10-year corporate bond kind of a rating for credit
 9 purposes.

10 So from that standpoint, the rising rates invest
 11 us immediately and directly. I think Kristen is
 12 otherwise exactly right. The best thing we can do is
 13 take advantage of those rates to get better yields on
 14 our book and therefore better aggregate returns.

15 And on the business of the netting out between
 16 rising rates potentially costing us some money on some
 17 fixed income obligations, we modeled that back in '13,
 18 when everybody, including me I'll admit, thought that
 19 rates were going to rise dramatically. Of course, they
 20 didn't. The opposite was true and we were all wrong.
 21 But we modeled that out and said, okay, back in -- at
 22 that point in time, if we model a 100 basis point rise
 23 in rates, what does it do. And the answer was, it will
 24 cost us a billion dollars on our credit portfolio. It
 25 will gain us 9 billion on our equity portfolio, because

1 the conditions that lead to rising rates tend to be
 2 good for top line and bottom line growth, unless it
 3 comes as a sudden shock. But if it's gradual and
 4 incremental, it's a good business environment that gets
 5 you there, so it's a good thing. And on net it's a
 6 benefit to us.

7 MR. WENDT: Do you think we should be moving some
 8 of our fixed income assets, though, into the global
 9 equity portfolio?

10 MR. WILLIAMS: May I, Mr. Chair? I'd defer to
 11 your view on that, but I think the look we took at
 12 this -- okay. Well, I'll give you my view. The look
 13 we took at that question a while ago, when we did make
 14 a substantial reduction in what we're doing in fixed
 15 income, about a 600 basis point reduction, and that was
 16 back when rates were still falling, fooled all of us, I
 17 think we've done what we need to do. And we've done
 18 two things.

19 Number one, we reduced our absolute exposure in
 20 fixed by about 600 basis points. Number two, we
 21 changed our benchmark from the Barclay's Aggregate to
 22 the Barclay's Intermediate Aggregate, which
 23 significantly shortened duration and therefore reduced
 24 our exposure to rising rates.

25 That has cost us money, to be honest with you,

1 over time. And I think our view is the percentage of
 2 fixed income we have now -- fixed income at the end of
 3 the day is there to be as much a source of liquidity
 4 for rebalancing if there's any sort of upset in equity
 5 markets as it is anything else.

6 And it's sort of like the analogy of the lifeboat
 7 on the cruise ship or the yacht. I mean, you don't
 8 want to give up the space to store the lifeboats. But
 9 on the other hand, if you need them, you're really
 10 going to need them, and it's going to be worth carrying
 11 that drag for a period of time to have the optionality
 12 when you have to have it.

13 MR. WENDT: So your answer is no.

14 MR. WILLIAMS: Yes, sir. Good summary.

15 MS. DOYLE: We'll move on and touch on the other
 16 major mandates, if there are no other questions.

17 MS. COMSTOCK: Good afternoon. Thanks for having
 18 me. As Kristen mentioned, I'll touch on the rest of
 19 the major mandates that the SBA covers, beginning with
 20 the investment plan shown here. The table at the top
 21 of the page shows performance through the end of
 22 September. And what we're looking at here is
 23 aggregated performance of where participants have
 24 allocated their assets, relative to a benchmark at the
 25 same weighting of those funds' specific benchmarks.

1 So the important numbers here are that last row at
 2 the bottom, which looks at the relative performance and
 3 gives us a sense of how the investment options in the
 4 plan are performing relative to the benchmark, are they
 5 outperforming or underperforming.

6 So you can see over the one year period some
 7 modest underperformance. This was mainly driven by a
 8 U.S. large cap equity fund, which Alison and Tim had
 9 covered. As we saw, some sector rotation in the third
 10 quarter. That fund did bounce back and outperformed by
 11 130 basis points. Still, over the one year period it
 12 had an unfavorable impact. However, over the longer
 13 term, relative returns look favorable, outperforming
 14 over the three, five and ten year period.

15 And if you look under the hood even further, each
 16 asset class, with the exception of the real assets
 17 fund, in aggregate actually outperformed its specific
 18 benchmark. So strong performance from the underlying
 19 investment options.

20 The table on the bottom is a comparison with
 21 peers. This reflects data from the CEM Benchmarking
 22 report. This is a report that comes out on an annual
 23 basis and compares the FRS investment plan statistics
 24 with other corporate and public defined contribution
 25 plans in the United States.

1 So two numbers I'll point out here. This is --
2 first, this is updated data from the last report. This
3 also reflects returns and information as of
4 December 2015. So it's not going to line up with the
5 table at the top.

6 The first number is the five year average return.
7 The FRS investment plan modestly underperformed the
8 median plan here. This is largely a function of where
9 participants are allocating their assets. When we look
10 at the peer data, the peers have a greater allocation
11 to U.S. equity, which over this five year period ending
12 2015, U.S. equities were up about 12 percent. The FRS
13 had a greater allocation to non-U.S. relative to peers,
14 as well as modestly to bonds, both of which were up
15 about more in the lines of 3 percent. So that was a
16 bit of a headwind.

17 The other number I want to point out was expense
18 ratio. This reflects the total cost of the FRS
19 investment plan, including both expense ratios of the
20 options as well as administrative costs. The
21 difference between this and peers is largely from the
22 fee that goes to plan participant advice.

23 Two things to note here. One is, when we look
24 under the hood at these numbers --

25 MR. COLLINS: Did you say plan participant advice?

1 MS. COMSTOCK: Yes. The advice that --

2 MR. COLLINS: So the consultants are costing us
3 too much money?

4 MS. DOYLE: No, definitely not. Do you want to
5 describe maybe --

6 MS. HASEMAN: It's the financial guidance program.
7 It's a program that's offered to all of our FRS
8 members. It's a program that is not --

9 MR. WILLIAMS: Beneficiary education.

10 MS. HASEMAN: So it includes the advice that a lot
11 of plan sponsors don't offer their members.

12 MR. COBB: So what do the participants actually
13 pay?

14 MS. HASEMAN: Nothing.

15 MR. OLMSTEAD: What percentage?

16 MS. DOYLE: Nothing for the advice that she was
17 talking about. But it's going to depend on what funds
18 they're in. That's going to drive what the participant
19 is paying. And two quarters ago we did the defined
20 contribution deep dive, and we showed the fees of each
21 of the underlying fund options and how they compare to
22 average mutual fund fees. And they are all
23 significantly below what retail investors would pay for
24 the same type of mutual funds.

25 MR. PRICE: Are these fees in Ash's budget?

1 MS. HASEMAN: No. Separate budget. But our
2 investment management fees are paid by the members, but
3 they're negotiated, and they're very, very low fees
4 compared to most other defined contribution plans. The
5 fees that make us jump a little bit higher than our
6 peers is the cost of running the advice program that we
7 provide to all of our members. Our active members do
8 not pay anything for advice. It's a free service
9 offered to them, paid for by the State.

10 MR. COLLINS: So if it's paid for by the State --

11 MS. HASEMAN: CEM asks us to report the cost of
12 what we pay, the plan sponsor pays. And that's the
13 cost that you see. It's about 9 basis points, is about
14 the cost of our -- that we show CEM.

15 MR. COLLINS: So everybody else's advice program
16 is much cheaper than ours?

17 MS. HASEMAN: Yes, or not as extensive as ours.

18 MR. PRICE: Or nonexistent.

19 MS. HASEMAN: Is not as good or nonexistent
20 altogether. They may have a zero allocation to advice.

21 MS. COMSTOCK: The other point I wanted to note
22 was that this number came down from last year's report,
23 from 37 basis points to 36 basis points, 37 to 36 basis
24 points.

25 If there are no questions, I'll move on to the CAT

1 Fund performance. Just as a quick reminder, these
2 funds, their primary goals are for liquidity and safety
3 and then, thirdly, incremental return. So you'll see
4 modest returns continue in this low interest rate
5 environment. On a relative basis, performance does
6 continue to be favorable. So modest underperformance
7 over the one year period, but over all other trailing
8 periods returns have been favorable relative to their
9 benchmarks.

10 MR. WENDT: What was the cost of this last
11 hurricane that came through? I assume it didn't get
12 anywhere close to the CAT, right?

13 MR. WILLIAMS: Correct. No claims as yet.

14 MR. WENDT: Does anybody know how much the cost
15 was?

16 MR. WILLIAMS: To us?

17 MR. WENDT: Yes. Well, in total to the insurance
18 companies. I assume it didn't get to the State at all.

19 MR. WILLIAMS: That's correct. I don't have a
20 number off the top of my head of the claims. The CAT
21 Fund is a few paces away. I can get it for you pretty
22 fast.

23 MR. WENDT: Thank you.

24 MS. COMSTOCK: The next mandate is the Lawton
25 Chiles Endowment Fund, which you spoke about earlier.

1 Continue to see strong absolute and relative
 2 performance, largely due most recently to the
 3 70 percent, roughly 70 percent that's allocated to
 4 global equities. The endowment ended, as was mentioned
 5 earlier, at \$640 million, which was up 30 million over
 6 the quarter, which reflects a 4.6 percent return, again
 7 outperforming over all time periods here due to the
 8 active management within the global equity asset class.

9 And then, lastly, Florida PRIME. Florida PRIME is
 10 also invested in high quality short-term bonds, with
 11 the primary goal of liquidity and safety. Again, muted
 12 returns here. We continue to see, however, strong
 13 relative performance to its benchmark, which is a peer
 14 group of other government investment pools.

15 MR. PRICE: Do you know what it's yielding today?

16 MS. DOYLE: I don't know that off the top of my
 17 head.

18 MS. COMSTOCK: I believe it's 81 basis points.

19 MR. PRICE: 81?

20 MS. COMSTOCK: Yeah.

21 MR. COBB: Eighteen basis points for the --

22 MS. COMSTOCK: Eighty-one basis points at the end
 23 of September.

24 MR. COLLINS: What do we charge for this service,
 25 for Florida PRIME? What do we charge the people that

1 participate for the Florida PRIME?

2 MR. WILLIAMS: Right now nothing. We're
 3 offsetting their fees with the remainder of the
 4 liquidity charges paid in Q4 of '07. That will run out
 5 in about a year. The charge we were levying before
 6 that was still extremely modest, half a basis point,
 7 something like that.

8 MR. PRICE: They're all municipalities.

9 MR. WILLIAMS: Correct, and other public entities,
 10 universities, et cetera.

11 MS. COMSTOCK: Those are the last major mandates
 12 that we had covered and prepared remarks, but happy to
 13 take any questions.

14 MR. PRICE: Any questions of Katie? Thank you
 15 very much. Are there any questions from the audience
 16 or comments from the audience -- you're invited -- of
 17 this group? No? No questions from the audience. Ash,
 18 do you have any closing remarks?

19 MR. WILLIAMS: I just want to thank all of you for
 20 your service and support and wisdom. Thank you.

21 MR. PRICE: The meeting is adjourned. Thank you
 22 very much.

23 (Off the record)

24 MR. PRICE: The meeting dates for 2017 are Monday,
 25 March 6th; Monday, June 5th; Monday, September 25th;

1 and Monday, December 4th, 2017. Those are the IAC
2 meeting dates. Thank you.

3 (Whereupon, the meeting was concluded at 3:40 p.m.)
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ACCURATE STENOGRAPHY REPORTERS, INC.


1
2 CERTIFICATE OF REPORTER
3

4 STATE OF FLORIDA)

5 COUNTY OF LEON)
6

7 I, Jo Langston, Registered Professional Reporter,
8 do hereby certify that the foregoing pages 3 through 123,
9 both inclusive, comprise a true and correct transcript of
10 the proceeding; that said proceeding was taken by me
11 stenographically and transcribed by me as it now appears;
12 that I am not a relative or employee or attorney or counsel
13 of the parties, or a relative or employee of such attorney
14 or counsel, nor am I interested in this proceeding or its
15 outcome.

16 IN WITNESS WHEREOF, I have hereunto set my hand
17 this 21st day of December 2016.
18
19
20

21 
22 JO LANGSTON
23 Registered Professional Reporter
24
25

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ATTORNEY GENERAL**

**ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO**

MEMORANDUM

To: Board of Trustees
From: Mark Peterson, Chairman
Participant Local Government Advisory Council (PLGAC)
Date: February 17, 2017
Subject: Quarterly Update – Florida PRIME™

The Participant Local Government Advisory Council (the "Council") last met on December 1, 2016 and will meet next on March 23, 2017. Over the prior quarter, the Council continued to oversee the operations and investment management of Florida PRIME™.

CASH FLOWS / PERFORMANCE

- During the 4th quarter of 2016, Florida PRIME™ delivered an aggregate \$17.3 million in investment earnings. As the pool's participant yield roughly doubled during calendar year 2016, participant earnings grew rapidly and totaled \$43.6 million for the year—a growth rate of 145 percent over the 2015 figure.
- Over the quarter ending December 31, 2016 participant deposits totaled \$9.2 billion; participant withdrawals totaled \$5.6 billion; providing a net increase in the fund's net asset value (NAV) of approximately \$3.5 billion.
- Performance of Florida PRIME™ has been consistently strong over short-term and long-term time periods. For the period ending December 31, 2016, Florida PRIME™ generated *excess* returns (performance above the pool's benchmark) of approximately 28 basis points (0.28 percent) over the last 12 months, 17 basis points (0.17 percent) over the last three years, and 17 basis points (0.17 percent) over the last five years.
- Florida PRIME has outperformed all other government investment pools statewide—at times, outpacing other GIP yields with spreads of over 25 basis points.
- Through the five year period ending December 31, 2016, Florida PRIME™ was ranked as the highest performing investment vehicle among all registered money market funds within iMoneyNet's First Tier Institutional Fund Universe.
- During the calendar year 2016, over two dozen new participants made investments, one of the highest increases during the last 5 years.

POOL CHARACTERISTICS

- As of December 31, 2016, the total market value of Florida PRIME™ was approximately \$10.55 billion, approximately \$2.1 billion higher than at year-end 2015—a growth rate of 24.7 percent.
- As of December 31, 2016, the investment pool had a seven-day SEC Yield equal to 0.94 percent, a Weighted Average Maturity (WAM) equal to 46.1 days, and a Weighted Average Life (WAL or Spread WAM) equal to 59.7 days.



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**ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO**

Date: January 30, 2017

To: Board of Trustees

From: Mark Thompson, Audit Committee Chair 

Subject: Quarterly Audit Committee Report

The State Board of Administration's Audit Committee met on January 30, 2017. Please see the attached agendas for the items discussed. Also please see the attached Office of Internal Audit Quarterly Report presented to the Audit Committee at the meeting.

STATE BOARD OF ADMINISTRATION
Audit Committee Closed Meeting
Agenda
January 30, 2017
9:00 A.M. to 9:30 A.M.

1. Call to Order
2. Presentation by the Chief Technology Officer (CTO) and the Office of Internal Audit (OIA) of the results related to SBA's Information Technology General Controls Advisory (ITGC)
3. Request for Quote (RFQ) for the State Board of Administration Network Security
 - a. Draft RFQ
 - b. Proposed members of the selection committee
 - c. Proposed universe of providers
4. RMC presentation of Confidential Risk Assessment Results
5. Recess

STATE BOARD OF ADMINISTRATION
Audit Committee Open Meeting
Agenda
January 30, 2017
9:30 A.M. – Noon

1. Call to Order
2. Approval of the minutes of meeting held on November 14, 2016
3. Opening remarks of the Audit Committee Chair
4. SBA Executive Director & CIO status report
 - SBA Update: investment performance, risks, opportunities and challenges
5. RFQ for Real Estate Pool of Firms to Provide Audit, Tax and Other AUP services
 - a. Approval for final selection of respondents
6. Office of Internal Audit Quarterly Report
7. Chief Risk & Compliance Officer Quarterly Report
 - a. Compliance activities
 - b. Enterprise Risk Management activities
8. Approval of the Committee's annual independence statement
9. Election of the Committee's Chair and Vice Chair
10. Other items of interest
11. Adjournment



Office of Internal Audit (OIA) Fiscal Year 2016–2017 Quarterly Report to the Audit Committee

January 30, 2017



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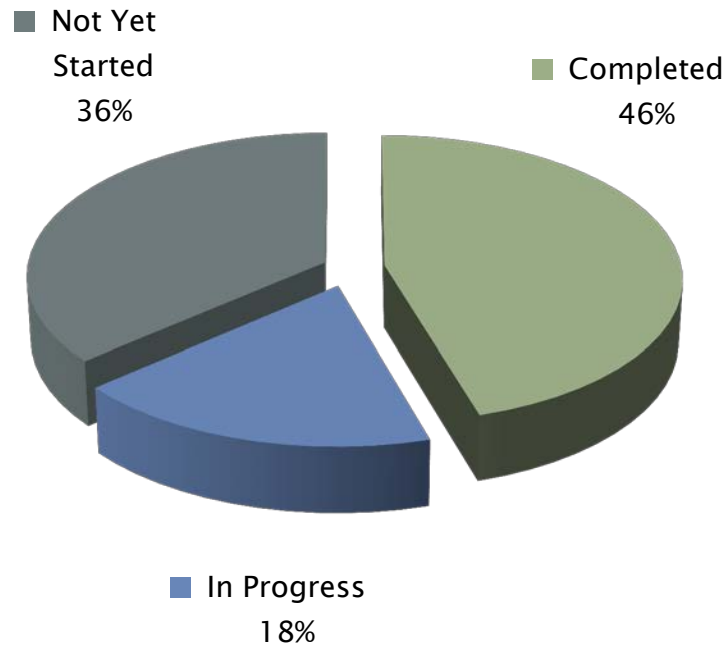
Status of the FY 2016–17 Annual Audit Plan





Status of the FY 2016–17 Annual Audit Plan

Internal Audit and Advisory Engagements



| <u>Projects Status</u> | <u>Type</u> | <u>Planned Timing</u> |
|---|------------------------------|-----------------------|
| Completed | | |
| Trust Services – carry over | OIA Operational Audit | Q1 |
| 4 th Quarter Follow-up – FY 15-16 | OIA Follow-up Audit | Q1 |
| Global Equity Trading Activities (Appendix A) | OIA Operational Audit | Q1/Q2 |
| Information Technology General Controls | OIA Advisory | Q1/Q2 |
| 2nd Quarter Follow-up - FY 16-17 (Appendix B) | OIA Follow-up Audit | Q3 |
| In Progress | | |
| Derivatives Audit | Co-sourced Operational Audit | Q2/Q3 |
| Recommendation/Action Plan Monitoring | OIA Project Management | Ongoing |
| Not Started | | |
| Internal Controls over Financial Reporting | OIA Advisory | Q3/Q4 |
| Real Estate, commingled | OIA Operational Audit | Q3/Q4 |
| 3 rd Quarter Follow-up – FY16-17 | OIA Follow-up Audit | Q4 |
| Data Analytics Projects | OIA Continuous Audits | TBD |

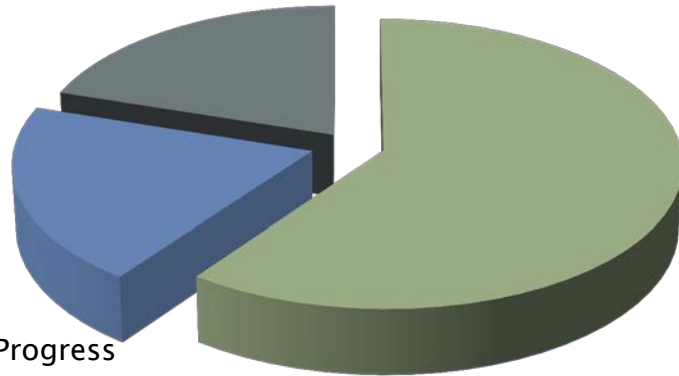
Highlighted: Completed since prior quarterly report.

Status of the FY 2016–17 Annual Audit Plan

External Engagement Oversight



■ Not Yet
Started
20%



■ In Progress
20%

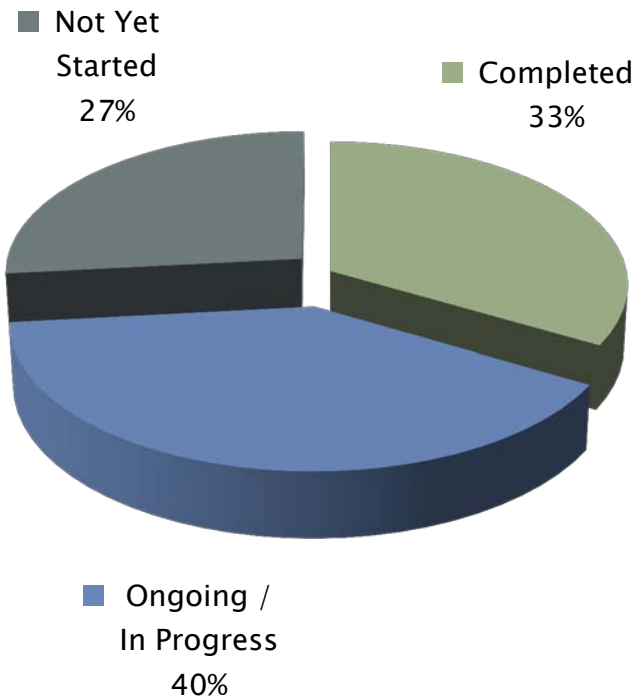
■ Completed
60%

| <u>Project Status</u> | <u>Type</u> | <u>Planned Timing</u> |
|---|------------------------------------|-----------------------|
| Completed | | |
| OPPAGA's review of Florida Growth Fund Initiative (Appendix E) | External Operational Audit | Q1/Q2 |
| OPPAGA's biennial review of SBA Investment Management (Appendix D) | External Operational Audit | Q1/Q2/Q3 |
| Florida Hurricane Catastrophe Fund | External Financial Statement Audit | Q1/Q2 |
| FRS Trust Fund | External Financial Statement Audit | Q1/Q2 |
| FRS Investment Plan Trust Fund | External Financial Statement Audit | Q1/Q2 |
| Auditor General financial statement audit of Florida PRIME (Appendix C) | External Financial Statement Audit | Q1/Q2 |
| In Progress | | |
| Auditor General financial statement audit as part of the statewide CAFR | External Financial Statement Audit | Q2/Q3 |
| Auditor General IT operational audit of selected financial systems | External Operational Audit | Q2/Q3 |
| Not Started | | |
| Paragon Solutions, Inc. | SSAE 18 | Q3/Q4 |
| Network Security, outsourced | External IT Audit | Q3 |

Highlighted: Completed since prior quarterly report.

Status of the FY 2016–17 Annual Audit Plan

Special Projects, Risk Assessments, and Other Activities



Highlighted: Completed since prior quarterly report.

| <u>Project Status</u> | <u>Type</u> | <u>Planned Timing</u> |
|---|-----------------------|-----------------------|
| Completed | | |
| ITN – FRS audit | OIA Special Projects | FY 2015-16 |
| FHCF audit contract extension | OIA Special Projects | FY 2015-16 |
| Annual Quality Assessment Review – carry over | OIA Special Projects | Q1 |
| RFQ – FHCF Audit and Paragon Agreed Upon Procedures | OIA Special Projects | Q1/Q2 |
| RFQ – Real Estate Pool | OIA Special Projects | Q2/Q3 |
| Ongoing/In Progress | | |
| Implementation of Data Analytics Program, including IDEA enhancements | OIA Special Projects | Ongoing |
| Special requests from SBA management and/or Audit Committee | OIA Special Projects | Ongoing |
| WorkSmart Portal Initiative | OIA Special Projects | Ongoing |
| OIA process improvement initiatives, including QAR identified initiatives | OIA Quality Assurance | Ongoing |
| Annual Risk Assessment | OIA Risk Assessment | Q2/Q3/Q4 |
| RFQ – Network Security | OIA Special Projects | Q3/Q4 |
| Not Yet Started | | |
| RFQ – Triennial GRC Assessment | OIA Special Projects | Q3 |
| Annual Quality Assessment Review | OIA Quality Assurance | Q4 |
| 3 rd Quarter Risk Assessment Update | OIA Risk Assessment | Q3 |
| Annual Audit Plan | OIA Risk Assessment | Q3 |



Presentation of OIA Reports Issued and Status of Management Action Plans/Recommendations



Global Equity Internal Trading Operational Audit

We assessed the existence, adequacy and effectiveness of key controls, the efficiency of GE internal trading operations within the FRS Pension Fund mandate, and compliance with relevant policies and procedures for the period March 1, 2016 – July 31, 2016. We also performed data analytics on select data for the period March 1, 2016 – July 31, 2016. Our audit focused on the below processes. *For detailed flowcharts of these processes, see the appendix included in the report.*

| Primary Processes | Primary Systems Used |
|--|---|
| Front office – trade execution and monitoring | CRD; Bloomberg (informational); Financial Information Exchange (FIX); Abel Noser (monitoring) |
| Middle office – compliance | CRD; Eagle STAR (STAR) and Eagle PACE (PACE) |
| Back office – settlement, record-keeping, and reconciliation | OMGEO settlement systems; STAR; Bank of New York Mellon (BNYM); PeopleSoft Financials (PSF) |

| Legend for Control Effectiveness Rating | # of Key Controls |
|---|-------------------|
| Effective | 12 |
| Improvement Needed | 6 |
| Not Effective | 0 |
| Not Tested (tested by EY) | 11 |
| Total Key Controls | 29 |



| Observations: | | Status of Action Plan: |
|---------------|--------------------|-------------------------|
| 1 | High | In progress |
| 2 | Medium | 1 closed; 1 in progress |
| 1 | Low | In progress |
| 4 | Total Observations | |

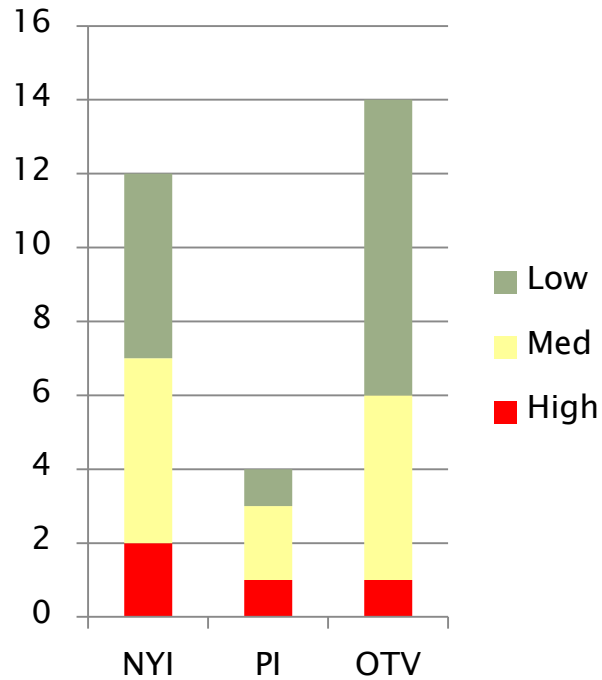


New and Closed Action Plans/Recommendations

Audit and Advisory Engagements

| # of Recs | Source | |
|---|--|--|
| <i>New action plans and recommendations</i> | | |
| 14 | OIA Report 2017-02 Information Technology General Controls Advisory | |
| 4 | OIA Report 2017-03 Global Equity Trading Activities Operational Audit (Appendix A) | |
| 1 | OIA Report 2017-06 Fiscal Year 2016-17 Second Quarter Follow-up Audit (Appendix B) | |
| 19 | <i>Total action plans/recommendations added to the database</i> | |
| <i>Closed action plans and recommendations:</i> | | |
| (1) | OIA Report 2017-03 Global Equity Trading Activities Operational Audit | Closed prior to issuance |
| (1) | Data Loss Prevention (Ernst & Young) | Closed as part of the ITGC Advisory |
| (1) | OIA Report 2013-07 Strategic Investments Operational Audit | Reported in the OIA’s 2nd Quarter Follow-up Audit (Appendix B) |
| (2) | OIA Report 2015-03 Travel Services Operational Audit | |
| (2) | OIA Report 2015-10 Florida PRIME Access Controls | |
| (2) | OIA Report 2015-13 WIRE Application Access Controls Audit | |
| (3) | 2015-083 Auditor General Operational Audit (Auditor General) | |
| (12) | <i>Total action plans/recommendations closed in the database</i> | |
| 7 | Total Change for both Audit and Advisory Action Plans/Recommendations | |

Status of Management Action Plans–Audit Projects



For details, see [Appendix F](#).

| Report Title | Report Date |
|--|-------------|
| Network Security Assessment 2015 (Ernst & Young) | 02/13/2015 |
| Post-implementation assessment of the Charles River Investment Management Solution (Ernst & Young) | 02/13/2015 |
| Travel Services Operational Audit (OIA) | 02/13/2015 |
| Florida PRIME Application Access Controls Audit (OIA) | 07/10/2015 |
| Accounts Payable Continuous Audit (OIA) | 08/07/2015 |
| Fixed Income Trading Activities Operational Audit (OIA) | 01/29/2016 |
| Network Security Assessment 2016 (Ernst and Young) | 04/29/2016 |
| Trust Services Operational Audit (OIA) | 07/25/2016 |
| Global Equity Internal Trading Activities Operational Audit (OIA) | 01/18/2017 |
| Fiscal Year 2016-17 Second Quarter Follow-up Audit | 01/19/2017 |

| Risk Rating | | | |
|-------------|-----|-----|-------|
| High | Med | Low | Total |
| | 2 | | 2 |
| 1 | | | 1 |
| | | 1 | 1 |
| | 1 | | 1 |
| | 2 | | 2 |
| | 1 | 1 | 2 |
| 1 | 3 | 11 | 15 |
| 1 | 1 | | 2 |
| 1 | 1 | 1 | 3 |
| | 1 | | 1 |
| 4 | 12 | 14 | 30 |

| Status | | | |
|--------|------|-----|-------|
| NYI | PIRP | OTV | Total |
| | 1 | 1 | 2 |
| | 1 | | 1 |
| 1 | | | 1 |
| | | 1 | 1 |
| 2 | | | 2 |
| | 2 | | 2 |
| 3 | | 12 | 15 |
| 2 | | | 2 |
| 3 | | | 3 |
| 1 | | | 1 |
| 12 | 4 | 14 | 30 |

Legend:

NYI - Not Yet Implemented

PIRP - Partially Implemented and the Remainder is in Progress

OTV - OIA to Verify

Management Action Plans relating to findings from audits performed by internal or external auditors. The OIA monitors and performs follow-up procedures on the management action plans in accordance with the IIA Standard 2500. A1. In certain cases, follow-up procedures are performed by external auditors.



Status of Recommendations – Advisory Projects

| Report Title | Report Date |
|---|-------------|
| Office of Defined Contribution Programs Advisory Engagement (OIA) | 03/02/2016 |
| Information Technology General Controls Advisory Engagement (OIA) | 01/20/2017 |

| Status | | | |
|---------|----|-----|-----------|
| Pending | PI | IMP | Total |
| | | 1 | 1 |
| 6 | 5 | 3 | 14 |
| 6 | 5 | 4 | 15 |

Legend:

- Pending - Further management discussion needed
- PI - Partially Implemented, as represented by SBA management
- IMP - Implemented, as represented by SBA management

Advisory Recommendations made by OIA or external consultants resulting from an assessment of a program or activity such as governance, risk management, compliance, ethics, disaster recovery preparedness program, etc. The OIA monitors the disposition of these recommendations in accordance with the IIA Standard 2500.C1.

At the advice of the Audit Committee, the OIA closes Advisory Recommendations that management represented as “complete” once the OIA has considered those in the annual risk assessment. The next annual risk assessment will occur during Fiscal Year 2016-2017.



Other OIA Activities





Data Analytics Program Accomplishments & Timeline

Accomplishments to-date

OIA Project Support:

- Accounts Payable Audit
- Payroll Audit
- Fixed Income Trading Audit
- Trust Services Audit
- Global Equity Trading Audit
- Derivatives Audit

Obtained data from SBA systems:

- PeopleSoft Financials
- PeopleSoft HR
- Eagle STAR
- BNYM Workbench
- Charles River

Nov 2016 – February 2017

Trade Data Dashboard:

- Acquire trade data from EagleSTAR
- Utilize analytics performed in FI Trading, GE Trading & Derivatives audits to identify useful metrics
- Meet with stakeholders to vet the key metrics for the dashboard
- Utilize IDEA to write/run scripts and develop the dashboard for use by management and audit

2017 – Forward

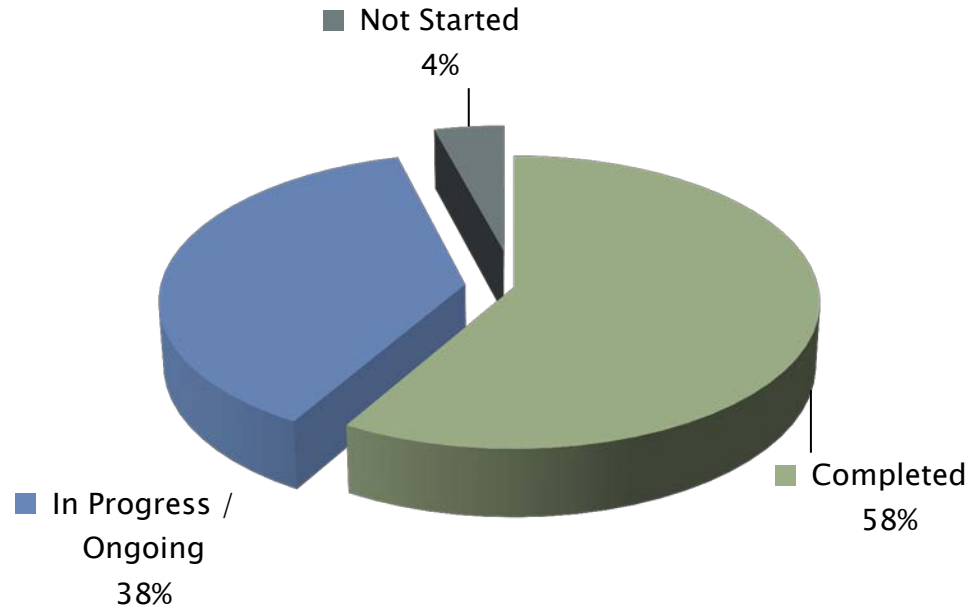
Continuous Monitoring:

- With management input, select other systems/processes for continuous monitoring
- Continue to build dashboards
- Continual improvements to refine data analytics metrics, techniques, and data presentation

Greater Efficiency and Effectiveness



Status of FY 2016–17 OIA Department Goals



| | Completed | In Progress / Ongoing | Not Yet Started |
|--|-----------|-----------------------|-----------------|
| Annual Audit Plan | 1 | 4 | 0 |
| Successfully deliver the fiscal year 2016-17 Audit Plan and budget. Enhance communication of the COSO internal control framework. | | | |
| Internal Audit Process | 4 | 2 | 0 |
| Focus on enhancing OIA processes, programs and procedures, resulting in more efficient operation of the department administration and the effective development and utilization of department resources. | | | |
| Use of Technology | 3 | 1 | 1 |
| Implement audit technology solutions to enhance department effectiveness and efficiency. | | | |
| People | 6 | 2 | 0 |
| Evaluate staffing and development needs. | | | |

Timing of RFQs and ITNs

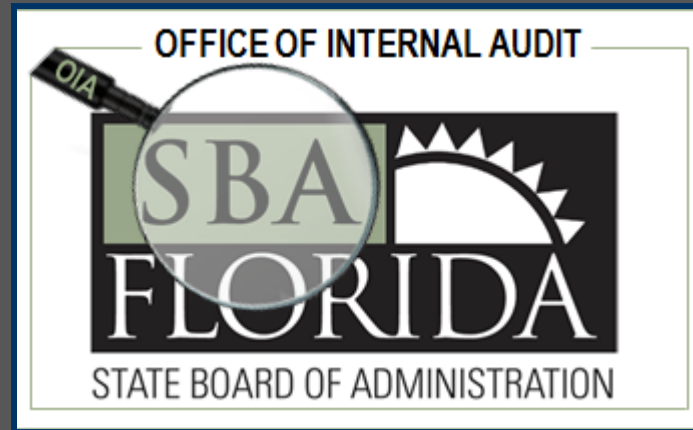
| Current Service Provided | Current/ Previous Auditor(s) | Current/ Previous Period Ending | Current/ Previous Cost | Current/ Previous selection | Proposed selection | RFQ/ITN recommended draft ITN target date | Estimated start of work for new contract period | Comments |
|--|--|--|------------------------|-----------------------------|--------------------|---|---|--|
| SBA Pool of Auditors | EY KPMG McGladrey Crowe Horwath CliftonLarsonAllen | March 17, 2016 | N/A | RFQ | N/A | N/A | N/A | As approved by the Audit Committee on 12/23/15, we will issue RFQs as needed on a project by project basis targeting firms with specific expertise |
| FHCF Audit | KPMG | June 30, 2016 | \$75,000 | Pool of Auditors | RFQ | August 1, 2016 | Feb 2017 – May 2017 | Extended for 6/30/16 FYE |
| FHCF SSAE 16 or Agreed Upon Procedures | KPMG | February 28, 2016 | \$50,000 | Pool of Auditors | RFQ | August 1, 2016 | Feb 2017 – May 2017 | Combined RFQ for Audit and SSAE 16 or Agreed Upon Procedures |
| Real Estate Audit & Tax Services | EY | March 31, 2015 | \$1,255,310 | RFQ | RFQ | November 1, 2016 | Various | Recommend pool of auditors solely for real estate audits, to be used by SBA management when selecting firms for real estate services |
| IT: Network Security | EY | Nov 2016 – Feb 2017 (Point of time) | \$60,000 | Pool of Auditors | RFQ | January 1, 2017 | May-June 2017 | |
| Triennial GRC Review | Crowe Horwath | February 2, 2015 | \$135,000 | Pool of Auditors | RFQ | April 1, 2017 | Aug-Sept 2017 | |
| FRS Audit | Crowe Horwath | June 30, 2021 | \$194,500 | ITN | ITN | October 2021 | Feb 2022 – May 2022 | |



Other items for discussion

- ▶ Initial meeting held with new FRS auditors – Crowe Horwath
- ▶ Annual Risk Assessment
 - Joint process in December 2016 with RMC
 - Joint interviews in 3rd Quarter
 - Update OIA risk assessment and develop FY 2017–18 Annual Audit Plan in 3rd Quarter
- ▶ Audit Committee Dates for 2017
 - January 30, 2017
 - April 17, 2017
 - July 31, 2017
 - ~~October 30, 2017~~ Proposing change to November 6th or 13th

Questions/Comments





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**PAM BONDI
ATTORNEY GENERAL**

**ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO**

MEMORANDUM

To: Ash Williams
From: Michael McCauley
Date: February 20, 2017
Subject: Quarterly Standing Report - 4Q 2016 / Investment Programs & Governance

GLOBAL EQUITY PROXY VOTING & OPERATIONS

During the 4th quarter of 2016, the SBA cast votes at 1,113 public companies, voting 7,042 individual ballot items including director elections, audit firm ratification, executive compensation plans, merger & acquisitions, and a variety of other management and shareowner proposals. The table below provides major statistics on the SBA's proxy voting activities during the quarter ending on December 31, 2016:

| | |
|---|--|
| Votes in Favor 80% | Votes Aligned to Management's Recommendation 82.2% |
| Most Voted Market (# of Votes) U.S. (221) | Total Eligible Ballot Items (All Markets) 7,042 |

CORPORATE GOVERNANCE & PROXY VOTING OVERSIGHT GROUP

The most recent meeting of the Corporate Governance & Proxy Voting Oversight Group (Proxy Committee) was on December 15, 2016, and the Committee is scheduled to meet next on March 27, 2017. The Proxy Committee continues to discuss ongoing governance issues including the volume and trends for recent SBA proxy votes, company-specific voting scenarios, corporate governance policies, governance-related investment factors, major regulatory developments and individual company research related to the Protecting Florida's Investments Act (PFIA) and recent statutory investment requirements implemented for Israel and Northern Ireland.

NOTABLE RESEARCH & GOVERNANCE TRENDS

Snap, Inc. Initial Public Offering (IPO)—on February 3, 2017, the SBA co-signed an investor letter from the Council of Institutional Investors (CII) to Snap, Inc. outlining concerns with the planned share structure as part of the firm's initial public offerings (IPO). Snap, Inc. will have a triple-class share structure with unequal voting rights. The CII group letter is critical of the IPO's Class A shares that will be issued without any voting rights. When it goes public, Snap, Inc. will have three classes of common stock: Class A common stock (zero voting rights), Class B common stock (one vote per share), and Class C common stock (ten votes per share). Notably, investors in Class A common stock will

not have any ability to influence the board of directors or the firm's corporate governance practices through proxy voting or the nomination of directors. The company's founders currently have significant voting power and will have de facto control of the outcome of all matters submitted to shareowners for approval. This will be the first time a company has ever completed an initial public offering of non-voting stock on a U.S. stock exchange. The company's filing document notes, "Voting structures may result in a lower trading price or greater fluctuations in the trading price of our Class A common stock as compared to the trading price if the Class A common stock had voting rights." Due to the lack of voting rights attached to Class A shares, shareowners will be exempt from the beneficial ownership filings under Sections 13(d), 13(g), and 16 with the Securities and Exchange Commission (SEC) and will be prohibited from submitting shareowner resolutions under Rule 14a-8 of the Exchange Act.

Investor Stewardship Group (ISG)—on January 31, 2017, a coalition of sixteen investors with collectively \$17 trillion in assets under management premiered the ISG's Framework for U.S. Stewardship and Governance which represents a set of six fundamental governance principles for U.S. listed companies and stewardship principles for U.S. institutional investors. The initiative establishes a set of best practices in asset stewardship and corporate governance which will serve as the foundation of U.S. institutional investor and boardroom conduct. A multitude of renowned empirical studies have highlighted a causal relationship between companies with high governance standards and increased shareholder returns. The Framework is the first corporate governance code of best practices that has been developed for the U.S. equity market.

The ISG comprises the following organizations: BlackRock, CalSTRS, Cal Regents, Florida SBA, GIC Private Limited (Singapore's Sovereign Wealth Fund), Legal and General Investment Management, MFS Investment Management, MN Netherlands, PGGM, Royal Bank of Canada (Asset Management), State Street Global Advisors, T.Rowe Price Associates, Inc., TIAA, Wellington Asset Management, Washington State Investment Board (WSIB), ValueAct Capital, and The Vanguard Group. The Framework is intended as a "comply or explain" format, similar to several European markets' governance codes—whereby firms either meet the Framework's requirements or provide shareowners with an explanation on why non-compliance is necessary. The Framework has an implementation date of January 1, 2018. The ISG is inviting every institutional investor and asset management firm in the U.S., including international investors operating in this market, to join by signing the principles at www.isgframework.org.

The six governance principles within the Framework include: (1) Boards are accountable to shareholders; (2) Shareholders should be entitled to voting rights in proportion to their economic interest; (3) Boards should be responsive to shareholders and be proactive in order to understand their perspectives; (4) Boards should have a strong, independent leadership structure; (5) Boards should adopt structures and practices that enhance their effectiveness; and (6) Boards should develop management incentive structures that are aligned with the long-term strategy of the company. The six stewardship principles within the Framework include: (1) Institutional investors are accountable to those whose money they invest; (2) Institutional investors should demonstrate how they evaluate corporate governance factors with respect to the companies in which they invest; (3) Institutional investors should disclose, in general terms, how they manage potential conflicts of interest that may arise in their proxy voting and engagement activities; (4) Institutional investors are responsible for proxy voting decisions and should monitor the relevant activities and policies of third parties that advise them on those decisions; (5) Institutional investors should address and attempt to resolve differences with companies in a constructive and pragmatic manner; (6) Institutional investors should work together, where appropriate, to encourage the adoption and implementation of the Company and Stewardship Principles.

Management Bias in Voting Process—a recent study analyzing the success of investor-submitted shareowner resolutions found a striking pattern of resolutions rejected by a narrow margin of less than one percent. The authors estimate that 11 percent of closely-contested shareowner proposals rejected by investors would have passed if management had not been able to systematically affect the voting results. The authors state, "[Managers] also have more discretion over the amount and the quality of information that voters can access. What is somewhat less known is that the management of big U.S. corporations also has an extraordinary advantage in the campaigning process as it holds privileged access to the identity of voters and to partial vote tallies in real time." The study

demonstrated that the voting influence by management was stronger for shareowner resolutions that were more likely to be implemented if passed and for those that received favorable review by outside proxy advisors.

Study Finds “Overpaid” CEO Firms Impair Short-Term Value—companies that pay their CEOs above their direct peers may reduce shareowner value over a 24 month time period, according to an analysis by investor advocacy group As You Sow. In its report, the group found the 10 most “overpaid” CEOs underperformed the S&P 500 Index by 10.5 percentage points over two years. This same group’s total-shareowner-returns (TSR) declined by 5.7 percent over the same timeframe. The study reviewed compensation levels at each company in the S&P 500 index by calculating a set of linear regressions used to predict standard levels for executive compensation. CEO’s labeled as “overpaid” received compensation above the predicted value, with a link between lower corporate performance and higher pay levels. The study also reviewed the proxy voting decisions among a wide array of investor organizations, including public pension funds, mutual funds, and other institutional asset managers. Pension funds’ were found to approve far fewer pay packages for the CEOs among the most overpaid than mutual funds. The SBA was included in the study and was found to vote against pay packages at the most “overpaid” companies in which it invests 82 percent of the time, among the lowest support levels of all public pension funds and faring well in comparison to peers.

LEADERSHIP & SPEAKING EVENTS

Staff periodically participates in and often is an invited presenter at investor and other governance conferences. Typically these events include significant involvement by corporate directors, senior members of management, and other key investor or regulatory stakeholders. The following items detail involvement at events that occurred recently:

- In January 2017, SBA staff participated as a panel speaker at the PwC Corporate Directors Exchange in south Florida. Attended by over 200 corporate directors, the discussion focused on how institutional investors approach corporate engagement, the most effective tactics used by investors to assess board composition and performance, and the role of activist investors in the U.S. stock market.
- In February 2017, staff participated on a conference panel focused on corporate governance, company engagements and the upcoming proxy season at the 35th annual Federal Securities Institute. The conference is largely attended by company representatives and legal advisors for information on corporate law across a variety of areas, including the evolution of securities laws and court decisions, trends in merger and acquisition deals, issues in raising equity or debt capital, and company accounting disclosures.

HIGHLIGHTED PROXY VOTES

Tesla Motors (United States)—after direct engagement with the company in mid-November, SBA staff voted to support the proposed acquisition of SolarCity. Tesla proposed the acquisition as part of larger efforts to integrate its vehicle and electric battery manufacturing operations with a solar company, hoping to achieve the long-term vision of becoming a company that provides integrated, sustainable energy solutions. Based on the acquisition’s valuation, Tesla paid close to a zero premium for SolarCity, with cost synergies estimated to be around \$150 million annually. Proxy advisors supported the proposed acquisition, noting Tesla’s proven transactional history with SolarCity and exposure to its vast customer base and solar products. To mitigate concerns surrounding board independence and cross ownership by CEO Elon Musk, an independent subset of disinterested Tesla directors reviewed and approved the transaction. Shortly after investors approved the deal, the company dropped the word “Motors” from its name, and is now known simply as Tesla, Inc.

National Fuel Gas Co. (United States)—on November 10, 2016, Gamco Investors attempted to use a proxy access mechanism to nominate a board member at National Fuel Gas Co., ostensibly the first triggering of the director nomination protocol within the U.S. equity market. A shareowner with a 7.8 percent stake in the company, Mario Gabelli, Gamco's CEO was quoted saying, “We are doing it [nominating a director] on a very friendly basis and only asking for one director.” National Fuel had formulated and adopted a proxy access bylaw in March 2016 that allowed investors owning at least 3 percent of the outstanding shares for three years or longer to nominate up to 20 percent

of the board of directors. Under the bylaw, shareowners must make certain representations and warranties including, “that an Eligible Stockholder: (i) acquired the Proxy Access Request Required Shares in the ordinary course of business and not with the intent to change or influence control of the Corporation, and does not presently have such intent....” Ultimately, National Fuel rejected the Gamco director nominee because it did not comply with the terms and conditions set forth in the bylaws. As noted by corporate governance researcher Paul Hodgson, the issue of “intent to change or influence control” is very well defined, and “it means where a shareholder has the intent of effecting a sale of most of the company’s assets or where there is a contested director election.” Gamco’s statement did cite an investor resolution to spinoff one of National Fuel’s businesses. Dating back to 2011, Gamco previously submitted 13D regulatory filings indicating an intent to possibly influence the firm’s management decisions. Some market observers viewed Gamco’s efforts as more akin to a proxy contest than the true use of proxy access.

GLOBAL REGULATORY & MARKET DEVELOPMENTS

U.S. Government Accountability Office (GAO)

In November 2016, the GAO issued a report to the Chairman of the Subcommittee on Economic Policy, Committee on Banking, Housing, and Urban Affairs, U.S. Senate covering proxy advisory firms’ role in voting and corporate governance practices. As stated by the GAO report, “Some members of Congress, industry associations, and academics have raised issues about proxy advisory firms’ influence on voting and corporate governance, the level of transparency in their methods, and the level of regulatory oversight.” The GAO report evaluated the influence proxy advisory firms may have on voting and corporate governance, how firms develop and apply policies to make vote recommendations, and the SEC’s oversight activities. The report concluded that the influence of proxy advisory firms has indeed grown over the last several years due to higher stock ownership among institutional investors and the existence of more complex proxy voting issues. The study also indicated there are mixed views on the extent of proxy advisors’ influence and also that many smaller investment organizations are more likely follow the opinion of governance researchers.

U.S. Department of Labor (DOL)

In late December, the DOL issued Interpretive Bulletin 2016-1 (IB 2016-1, or “Bulletin”) addressing how the Employee Retirement Income Security Act’s (ERISA) fiduciary responsibility rules apply to proxy voting, maintenance and compliance with investment policy statements, and active engagement with corporate management by plan fiduciaries, as well as other legal rights of shareowners. The DOL issued the Bulletin in part to clarify perceived misunderstandings that may have discouraged ERISA plan fiduciaries from voting proxies and engaging in other shareowner engagement activities. At the heart of the DOL’s guidance are the dual obligations of prudence and loyalty requiring fiduciaries to vote proxies on issues that may affect the plan’s investments, while simultaneously balancing the inherent cost or administrative challenges of voting proxies. Under the Bulletin, fiduciaries are advised to analyze the cost of shareowner activity and the economic benefit associated with such activity, but are not required to do so prior to making voting decisions. The Groom Law Group, a distinguished fiduciary legal counsel, noted, “Importantly, a plan fiduciary need not engage in a cost benefit analysis before voting proxies. Rather, the plan fiduciary need only consider whether the issue up for vote would have an effect on the value of the plan’s investment against the cost of voting shares. Thus, when considering whether the cost of voting shares would prohibit the plan fiduciary from taking action, plan fiduciaries need not consider whether the plan’s individual exercise of its voting rights would affect the value of the plan’s investment but rather whether the votes of all shareholders would affect the value of the plan’s investment.” The Bulletin also recognized the significant trend toward investing passively, using broad stock indices, which is viewed as a general factor underscoring the materiality of proxy voting and shareowner engagement. Lastly, the Bulletin directs fiduciary to maintain written proxy voting policies as part of a comprehensive statement of investment policy. Prior coverage of the DOL’s regulations was included in the SBA’s 2016 Annual Corporate Governance Summary on Page 69.

Comment Letter to the U.S. Securities and Exchange Commission (SEC)

On January 11, 2017, SBA staff submitted comments to the SEC on a proposed rule for adoption of “universal” proxy, which would allow dissident and management nominees in the rare instances of proxy contests to appear on the same ballot and allow investors to more efficiently choose their preferred candidates. Currently investors are only

able to choose one card to vote from and may back nominees only from that card, unless they attend the meeting in person. The proposed rule is something that large investors agree nearly unanimously on implementing, and it has been supported for years by CII, prior SBA comment letters and other funds in countless comment letters on related issues. The Securities Industry and Financial Markets Association (SIFMA) also came out in support of the SEC's rule. SIFMA did recommend several logistical requirements aimed at improving disclosures oriented to retail investors. The Business Roundtable, a group of CEOs from leading U.S. companies, is opposed to the rule. In a letter to the SEC, the Roundtable suggested the rule would be confusing and potentially lead to an increase in the number of proxy contests and created a "false equivalency" between incumbent and dissident nominees. Main elements of the proposed universal proxy rule include: (1) investors would be provided with a universal proxy card that includes the names of both management and dissident nominees, allowing them to vote for the combination of nominees of their choice; (2) the rule would change the definition of a 'bona fide nominee' in Rule 14a-4(d) to include a person who agrees to be named in any proxy statement; (3) proxy contestants would have to notify each other of their respective director candidates; (4) dissident investors would be required to give a company the names of the nominees for whom it intends to solicit proxies no later than 60 calendar days prior to the anniversary of the previous year's annual meeting date (a 50 calendar day notice for the company to do so); and (5) dissident investors would have to solicit shareowners representing at least a majority of the voting power of shares entitled to vote on the election of directors. Future action on the proposed rule is uncertain and will be dependent on the views of newly appointed members to the SEC.

Continental Europe

On December 9, 2016, the Shareholder Rights Directive was tentatively approved by the European Union, which will mandate annual shareowner votes on related-party transactions as well as both forward-looking and retrospective advisory votes on executive pay. Individual member countries could require binding votes on executive compensation. As well, investors and asset managers would be required to disclose their engagement policies on a "comply or explain" basis. Proxy advisors would need to disclose additional information on their research methodology and report on a code of conduct. Related to the Directive regulations, companies in France will now be required to hold binding votes on corporate pay policies beginning in 2018, including a separate retrospective vote on compensation payments that is binding. These requirements are among the most stringent of any equity market worldwide.

Japan

In late January 2017, Hermes Equity Ownership Service (EOS) sent a letter on behalf of its clients to Japan's Financial Services Agency (FSA) raising concerns with the prevailing practice of cross-shareholdings in Japan. Backed by several large global investors, the letter stated that many companies still believe it to be acceptable to hold shares of other companies to maintain long-term business relationships and listed a number of reasons why the practice is problematic. These include obstruction to fair competition and the effect of cross-shareholdings on governance practices and shareholder rights, which many companies appear to fail to understand. Many global investors view such practices as a deterrent to investments in Japanese companies and a major obstacle to the growth of the Japanese market. Hermes encouraged the FSA to strengthen the disclosure requirements for cross-shareholdings. The SBA is a client of Hermes EOS and was a signatory on the letter.

SBA staff also responded to an investor survey from Tokyo Stock Exchange (TSE) in late January 2017, asking for input by foreign investors on how to improve the outside director requirements of the Companies Act ("Act") of Japan. The Act, originally implemented in 2015 did not mandate that listed companies appoint an outside director. However, it did include a provision requiring the Japanese government to consider by May 2017 whether or not appointment of an outside director should be made compulsory based on a review of listed firms' experience appointing outside directors. The TSE will use the survey results to inform its views on the current condition of the outside director system in Japan when it reports to the Legislative Council of the Ministry of Justice later in the year. Previously, the TSE supported the requirement that all listed companies be required to appoint at least one outside director. As noted by the TSE, since the enforcement of the Companies Act of 2015, more than 98 percent of 1st and 2nd Section companies have appointed outside directors, as defined under the Companies Act. Since the Japanese Corporate Governance Code was enforced in 2015, 97.1 percent of 1st Section companies and 91.2 percent of 2nd

Section companies have appointed at least one outside director satisfying TSE independence criteria, which include not being related to major clients, and two or more outside directors satisfying the TSE independence criteria at 79.7 percent and 56.0 percent of 1st and 2nd Section companies, respectively. The TSE noted that the appointment ratio for outside directors satisfying TSE's independence criteria is also expected to continue rising. In its response to the TSE, SBA staff supported efforts for market-wide requirements for board independence, regardless of company size, industry classification, or capitalization. SBA staff noted that outside directors are an important governance feature for Japanese firms, providing investors with an objective segment on the board to oversee the actions of corporate management and that true independence can only be achieved when conflicts of interests are avoided. If outside directors have ties to the firms on which boards they serve, their independence may be impaired. SBA staff believes that most markets should have independent board representation that meets a minimum two-thirds of the board threshold, defining independence as directors having no business, financial or personal affiliation with the firm other than being a member of its board of directors. Citing SBA corporate governance policy, "directors or nominees that are affiliated with outside companies that conduct business with the company, have significant outside links to senior management, were previously employed by the company or are engaged directly or indirectly in related-party transactions are highly likely to be considered non-independent, depending on the materiality of the circumstances."

United Kingdom

On February 17, 2017, SBA staff submitted a comment letter to the Corporate Governance Reform Team of the Department for Business, Energy & Industrial Strategy outlining preferred corporate governance practices in response to its "Green Paper." Among the proposed governance rules, the SBA supported: (1) making all or some elements of the executive pay package subject to a binding vote; (2) enabling shareowners to hold managers accountable for performance on an annual basis; (3) the introduction of stronger consequences for companies failing their annual advisory votes on the remuneration report; (4) mandatory disclosure of investors' proxy voting records at annual shareowner meetings; (5) requiring the chairs of remuneration committees to have served for at least 12 months on a remuneration committee before taking up the role; and (6) making retrospective disclosures of all bonus targets within a specified timeframe a reporting requirement. In its response, the SBA echoed comments made by the Council of Institutional Investors (CII) and Hermes EOS, which elaborated the differences between the United States (US) and the UK regarding shareowner voting and other rights.



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ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

MEMORANDUM

To: Ashbel C. Williams, Executive Director & CIO

From: Maureen M. Hazen, General Counsel *Maureen M. Hazen*

Date: February 16, 2017

Subject: Office of General Counsel: Standing Report
For Period November 7, 2016 – February 3, 2017

SBA Agreements.

During the period covered by this report, the General Counsel's Office drafted, reviewed and negotiated: (i) 18 new agreements – including 2 Private Equity investments, 2 Strategic Investments, 3 Real Estate investments and/or investment management agreements, and 1 investment management agreement for Global Equity; (ii) 127 contract amendments, addenda or renewals; and (iii) 4 contract or related terminations.

SBA Litigation.

(a) Passive. As of February 3, 2017, the SBA was monitoring (as an actual or putative passive member of the class) 601 securities class actions. From November 1, 2016 – January 31, 2017, the SBA collected recoveries in the amount of \$1,628,241.87 as a passive member in 41 securities class actions.

(b) Active.

(i) In re Tribune Litigation. On January 24, 2012, the SBA was served a complaint (along with other defendants) now pending in the U.S. Bankruptcy Court, Southern District of New York by the Official Committee of Unsecured Creditors of the Tribune Company alleging damages for fraudulent conveyance and requesting the return of proceeds received by all defendant investors in a leveraged buy-out of the Tribune Company (which subsequently declared bankruptcy). Pursuant to a plan approved in the bankruptcy proceeding, the claim was transferred to the U.S. District Court, Southern District of New York (the "Court") and consolidated with additional parallel cases for multi-district litigation. The SBA received approximately \$11 million in connection with this leveraged buy-out. Several amended complaints have been filed in the action in which the SBA was originally served in January, 2012 (the "FitzSimmons Action"), and the parties are awaiting the Court's ruling on a global motion to dismiss. If the Fitzsimmons Action survives the global motion to dismiss, the Court has indicated that it will hear

individualized motions, such as sovereign immunity. If necessary, the SBA will seek dismissal on sovereign immunity grounds at the appropriate time.

(c) FRS Investment Plan. During the period from November 7, 2016 through February 3, 2017, the General Counsel's Office monitored and/or managed the following cases for the Florida Retirement System Investment Plan (the "Investment Plan"). The SBA issued ten (10) Final Orders, received notice of filing of ten (10) new cases (one of which was transferred to DOAH), and continued to litigate nine (9) cases that were pending during the periods covered by previous reports, including defending one (1) appellate case and two (2) cases in front of DOAH.

Other Matters.

(a) Public Records. During the period covered by this report, the General Counsel's Office received 20 new public records requests and provided responses to 17 requests. As of the date of this report, the General Counsel's Office continues to work on 8 open requests.

(b) SBA Rule Activities.

(i) Amendments To Rule 19-11.002, F.A.C (Beneficiary Designations and Distributions For the FRS Investment Plan). The amendments to this rule recognize, and provide information concerning, the new In-Line-of-Duty Death Benefit enacted during the 2016 Legislative Session and to clarify certain information set forth currently in the rule concerning beneficiary designations. These rule amendments initially were filed with the Office of Financial and Regulatory Reform ("OFARR"), and no comments were received. The Trustees approved filing a Notice of Proposed Rule on August 2, 2016 and further approved the filing of the rule amendments for adoption if no member of the public timely requests a rule hearing. The rule was filed with the Joint Administrative Procedures Committee ("JAPC") for review and comments, and JAPC only had a few minor non-substantive revisions. No member of the public requested a rule hearing after the Notice of Proposed Rule was filed in the Florida Administrative Register. The rule was filed for adoption effective February 9, 2017.

(ii) Creation Of New Rule - Rule 19-11.014, F.A.C. (Benefits Payable For Investment Plan Member Disability and In-Line-Of-Duty Death Benefits). New Rule 19-11.014 was created to set forth information regarding what happens if an Investment Plan member applies to receive a disability benefit in lieu of benefits payable under Section 121.591, Florida Statutes. The new rule also sets forth information as to the In-Line-of-Duty Death benefits available to the spouse and unmarried children of Special Risk Investment Plan members that were killed in the line of duty on or after July 1, 2013, as provided in recently enacted Section 121.591(4), Florida Statutes (2016). This rule was filed with the OFARR, and no comments were received. The Trustees approved filing a Notice of Proposed Rule on August 2, 2016 and further approved the filing of the rule amendments for adoption if no member of the public timely requests a rule hearing. The rule was filed with the JAPC for review and comments, and JAPC only had a few minor non-substantive revisions. No member of the public requested a rule hearing after the Notice of Proposed Rule was filed in the Florida Administrative Register. The rule was filed for adoption effective February 9, 2017.

(iii) Amendments To Rule 19-7.002, F.A.C (Investment Policy Statements). The purpose and effect of the proposed rule amendments to Rule 19-7.002, F.A.C. is to adopt the revised Investment Policy Statement for the Local Government Surplus Funds Trust Fund approved and made effective by the Trustees on August 2, 2016. These rule amendments initially were filed with the OFARR, and no comments were received. The SBA then filed a Notice of Rule Development. The Trustees approved filing a Notice of Proposed Rule on September 20, 2016 and further approved the filing of the rule amendments for adoption if no member of the public timely requests a rule hearing. The rule was filed with JAPC for review and comments, and JAPC provided no comments. No member of the public

requested a rule hearing after the Notice of Proposed Rule was filed in the Florida Administrative Register. The rule was filed for adoption effective February 9, 2017.

(iv) Amendments To Rules in Rule Chapter 19-11.

19-11.001: Definitions
19-11.003: Distributions from FRS Investment Plan Accounts
19-11.004: Excessive Trading in the FRS Investment Plan
19-11.005: FRS Investment Plan Complaint Procedures
19-11.006: Enrollment Procedures for New Hires
19-11.007: Second Election Enrollment Procedures for the FRS Retirement Programs
19-11.008: Forfeitures
19-11.009: Reemployment with an FRS-covered Employer after Retirement
19-11.010: FRS Investment Plan: Privacy
19-11.011: Employer and Employee Contributions and ABO or Present Value Transfer Procedures
19-11.012: Rollovers or Plan to Plan Transfers to or from the FRS Investment Plan
19-11.013: FRS Investment Plan Self-Directed Brokerage Account

The proposed amendments initially were filed with OFARR, and no comments were received. The SBA subsequently filed a Notice of Rule Development. The amendments were approved for filing by the Trustees on October 25, 2016. The SBA then re-submitted the amendments to OFARR for final approval. The SBA filed a Notice of Proposed Rule and submitted the rules to JAPC for review and comment. JAPC requested a Notice of Change be filed to clarify some information for the benefit of members. The SBA prepared and filed the Notice of Change (with JAPC's approval). These rules will be filed for adoption shortly.

The amendments are as follows: Rule 19-11.001 is being amended to add new definitions for "death in the line of duty" and "special risk member; to clarify other definitions; and to correct some typographical errors. Rule 19-11.003 is being amended to clarify certain information regarding Required Minimum Distributions (RMDs) and to add new information concerning pending distributions. Rule 19-11.004 is being amended to clarify certain information. Rule 19-11.005 is being amended to make some clarifications and to indicate how copies of issued Final Orders can be obtained. Rule 19-11.006 is being amended to adopt the latest versions of the applicable enrollment forms; and to indicate that an employee who terminates employment prior to making a retirement plan choice will be given another opportunity to make a plan choice if the employee returns to FRS-covered employment in the future. Rule 19-11.007 is being amended to adopt the latest versions of the Second Election enrollment forms; to clarify information set forth regarding a member who is on unpaid leave of absence or summer break to indicate that a second election form can only be submitted by such member during the month that the member is actively working and earning salary and service credit; and to indicate that any person that transfers to the Investment Plan and provides a cell phone number or email address will be deemed to have consented to electronic delivery of documents through the MyFRS.com website. Rule 19-11.008 is being amended to indicate the any unvested account balances will be transferred to a suspense account which is invested in the FIAM Intermediate Duration Pool Fund. Rule 19-11.009 is being amended to indicate that if a member receives an invalid distribution, the member may elect to terminate employment rather than to pay back the invalid distribution. Rule 19-11.010 is being amended to state that a power of attorney may be submitted by electronic means or by hard copy. Rule 19-11.011 is being amended to indicate how employer errors and corrections will be made and resolved; and to indicate that the Division of Retirement is responsible for monitoring the federally-mandated annual salary that may be applied towards retirement. Rule 19-11.012, F.A.C. is being amended to adopt the latest version of the rollover forms. Rule 19-11.013, F.A.C. is being amended to set forth how the Self-Directed Brokerage Account enrollment form can be obtained and to make a few clarifications.

(v) Amendments to Rule Chapter 19-13. The SBA initially filed the proposed amendments initially were filed with OFARR, and no comments were received. A Notice of Rule Development subsequently was filed. The amendments were approved for filing by the Trustees on October 25, 2017. The amendments then were re-submitted to OFARR for final approval. A Notice of Proposed Rule was filed. No member of the public requested a rule hearing. As such, the rules were filed for adoption, effective January 18, 2017. The amendments updated certain information regarding the duties and responsibilities of the SBA, the Division of Retirement ("Division"), participating employers and the SBA's third party vendors concerning the FRS Investment Plan contained in Rule Chapter 19-13. Special mention is made of the fact that the Division will administer the new in-line- of-duty death benefits for Investment Plan members.



STATE BOARD OF ADMINISTRATION
OF FLORIDA

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ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

MEMORANDUM

DATE: February 16, 2017
TO: Board of Trustees
FROM: Ken Chambers, ^{KC}Inspector General
SUBJECT: Quarterly Report on SBA Inspector General Activities

The SBA Inspector General (IG) is responsible for serving as the organization's ethics officer; conducting internal investigations; overseeing investment protection principles (IPP) compliance; and handling special projects as directed by the Executive Director.

Ethics and Training

- Mandatory ethics training and certification of compliance are required for all SBA employees on an annual basis. The on-line training covers gifts, conflicts of interest, financial disclosure, outside employment, lobbyist/principal restrictions, honorarium related events, etc. In addition to ethics training, mandatory training is annually required for all employees in the areas of sexual harassment, information security, personal investment activity, and insider trading. For 2017, two new courses have been added; incident management framework and acceptable use of information technology resources. Every other year, employees are also required to complete training courses for public records and the Sunshine Law. The deadline for completing the courses is June 30, 2017. All new employees are required to take all of the mandatory training courses within 30 days of their start date. Additionally, new employees are required to take a fiduciary responsibility course (for existing employees, this course is required every four years).
- During the period November 11, 2016 to February 16, 2017, no instances were reported to the Inspector General concerning non-compliance with the SBA gift policy.

Investment Protection Principles Compliance

In September 2002, the Trustees of the SBA adopted Investment Protection Principles (IPPs) for broker-dealers and investment managers in the wake of Wall Street scandals involving tainted equity research and conflicts of interest. The IPPs are geared toward promoting independence, transparency and regulatory compliance, and adherence to the highest standards of ethics and professionalism. On an annual basis, written certification is required from equity, fixed income and real estate investment managers, and broker-dealers. Additionally, annual certifications have been developed for the investment services related consulting firms engaged by the SBA. These consulting firms are required to certify their compliance with certain independence and disclosure principles.

Consultant Independence and Disclosure Certifications for 2016 were submitted to all applicable SBA consultants in January. The certifications have been received from all consultants, indicating full compliance with the principles. The IPP certifications for the equity, fixed income and real estate investment managers were disseminated in February. Some of the certifications have been completed and returned, and the compliance results for all of the investment managers will be included in the next Trustee's report.

SBA Fraud Hotline

Since July 2006, The Network Inc. has been the independent provider of SBA Fraud Hotline services. Through an 800 number, SBA employees may anonymously report tips or information related to fraud, theft, or financial misconduct. The telephone number and information is prominently displayed on the SBA intranet home page. Additionally, the hotline information is available on the SBA internet site as part of the SBA Internal Control and Fraud Policy.

To date, no reports or tips have been received by the Hotline for 2017.

Investment Advisory Council Disclosures

As per Chapter 215.444, Florida Statutes, all current IAC members are required to complete an annual Conflict Disclosure Statement. The disclosure statements were recently disseminated to the current council members and to date, all but two have been completed and returned.

cc: Ash Williams



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ATTORNEY GENERAL

ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

DATE: February 17, 2017

TO: Ash Williams, Executive Director & CIO

FROM: Karen Chandler, Chief Risk & Compliance Officer

SUBJECT: Trustee Update – March 2017

The role of the Risk Management and Compliance (RMC) unit is to assist the Executive Director & CIO in maintaining an appropriate and effective risk management and compliance program to identify, monitor and mitigate key investment and operational risks. RMC plays a critical role in developing and enhancing the enterprise-wide system of internal controls. RMC proactively works with the Executive Director & CIO and designees to ensure issues are promptly and thoroughly addressed by management.

SBA senior management has created a culture of risk management and compliance through the governance structure, allocation of budgetary resources, policies and associated training and awareness. Management is committed to ethical practices and to serving the best interests of the SBA's clients. The SBA's mission statement further supports this culture: *"To provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary and professional standards."*

The following is a brief status report of RMC activities and initiatives completed or in progress during the period November 15, 2016 through February 17, 2017:

- No material compliance exceptions were reported during the period.
- The Risk and Compliance Committee (RCC) held a special meeting on December 20, 2016 to discuss preliminary results of the annual risk assessment and management plans for mitigation. Enterprise Risk Management Framework updates were made to the Investment Management Risk definition to more clearly delineate Policy Risk and Inherent Risk. Cross-functional management teams met to develop initiatives for further risk mitigation which are being considered as part of the strategic planning and budgeting processes currently underway.
- The regular quarterly meeting of the RCC was held on January 11, 2017. The RCC updated management action plans based on framework changes and results of the recent annual risk assessment. The RCC also adjusted risk appetites, as needed, based on new considerations. Further framework modifications were approved to provide for more enhanced focus on risks and mitigation plans.

- Negotiations continue for periodic upgrades to the Charles River system. These upgrades would ensure the SBA is utilizing the latest technology with respect to both the Global Equity trading and compliance modules.
- Efforts continue on enhancements to third-party contract risk assessments and oversight. These enhancements include expanding reviews of Service Organization Control reports and other strategic initiatives.
- Focus on additional technology enhancements and process automation continues with additional functionality now in place. On-demand performance reporting was designed, tested, and implemented as a cross-functional effort between the RMC and Information Technology units. All SBA staff can now generate the most current performance data via reports designed by RMC through the WorkSmart Portal. RMC will enhance reporting as needed to ensure access to the most timely and accurate data. RMC has also implemented additional data feed process enhancements in collaboration with the Independent Performance Measurement Provider. A cross-functional group has been assembled to evaluate opportunities for additional process efficiencies in operational areas of the SBA affecting performance measurement.
- A peer benchmarking analysis is in progress for the Compliance and External Investment Management Oversight functions to gain additional insight into leading practices of SBA peers.
- RMC is currently interviewing to fill a new Senior Quantitative Investment Analyst III position. This position will primarily focus on highly technical processes such as report automation and enhancing quantitative investment analysis models, and requires an extensive amount of experience in programming and data analytics.
- RMC hired an intern to provide assistance with various projects including automation, insurance coverage options, third-party risk management, and risk assessments. Additional interns will be hired to conduct research and assist in projects across RMC functions. The SBA internship program facilitates the development of professional and technical skills of students enrolled in an accredited college or university who meet eligibility requirements.



State Board of Administration of Florida

Major Mandate Review Fourth Quarter 2016

Table of Contents

1. Executive Summary
2. Pension Plan Review
3. Investment Plan Review
4. CAT Fund Review
5. Lawton Chiles Endowment Fund Review
6. Florida PRIME Review
7. Appendix

Executive Summary

- The major mandates each produced generally strong returns relative to their respective benchmarks over both short- and long-term time periods ending December 31, 2016.
- The Pension Plan outperformed its Performance Benchmark during the fourth quarter and over the trailing one-, three-, five-, ten-, and fifteen-year periods.
 - Over the long-term, Global Equity is the leading source of value added, followed by Strategic Investments, Fixed Income and Real Estate.
 - Over the trailing five- and ten-year periods, the Pension Plan's return ranked in the top half of the TUCS Top Ten Defined Benefit Plan universe.
- The FRS Investment Plan modestly trailed the Total Plan Aggregate Benchmark during the trailing one-year period, but has outperformed over the trailing three-, five-, and ten-year periods.
- The Lawton Chiles Endowment Fund outperformed its benchmark during the fourth quarter and over the trailing one-, three-, five-, and ten-year periods.
- The CAT Funds' performance is mixed over short-term periods, yet continues to be favorable over the long-term, outperforming the benchmark over the trailing three-, five-, and ten-year time periods.
- Florida PRIME has continued to outperform its benchmark over both short and long time periods.

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Pension Plan: Executive Summary

- The Pension Plan assets totaled \$144.4 billion as of December 31, 2016 which represents a \$0.2 billion decrease since last quarter.
- The Pension Plan, when measured against the Performance Benchmark, outperformed its return during the fourth quarter and over the trailing one-, three-, five-, ten-, and fifteen-year periods.
- Relative to the Absolute Nominal Target Rate of Return, the Pension Plan matched its return over the trailing one-year period, underperformed over the trailing three-, ten-, and fifteen-year periods, and outperformed over the trailing five-, twenty-, twenty-five-, and thirty-year time periods.
- The Pension Plan is well-diversified across six broad asset classes, and each asset class is also well-diversified.
 - Public market asset class investments do not significantly deviate from their broad market-based benchmarks, e.g., sectors, market capitalizations, global regions, credit quality, duration, and security types.
 - Private market asset classes are well-diversified by vintage year, geography, property type, sectors, investment vehicle/asset type, and investment strategy.
 - Asset allocation is monitored on a daily basis to ensure that the actual asset allocation of the Pension Plan remains close to the long-term policy targets set forth in the Investment Policy Statement.
- Aon Hewitt Investment Consulting and SBA staff revisit the plan design annually through informal and formal asset allocation and asset liability reviews.
- Adequate liquidity exists within the asset allocation to pay the monthly obligations of the Pension Plan consistently and on a timely basis.

FRS Pension Plan Change in Market Value

Periods Ending 12/31/2016

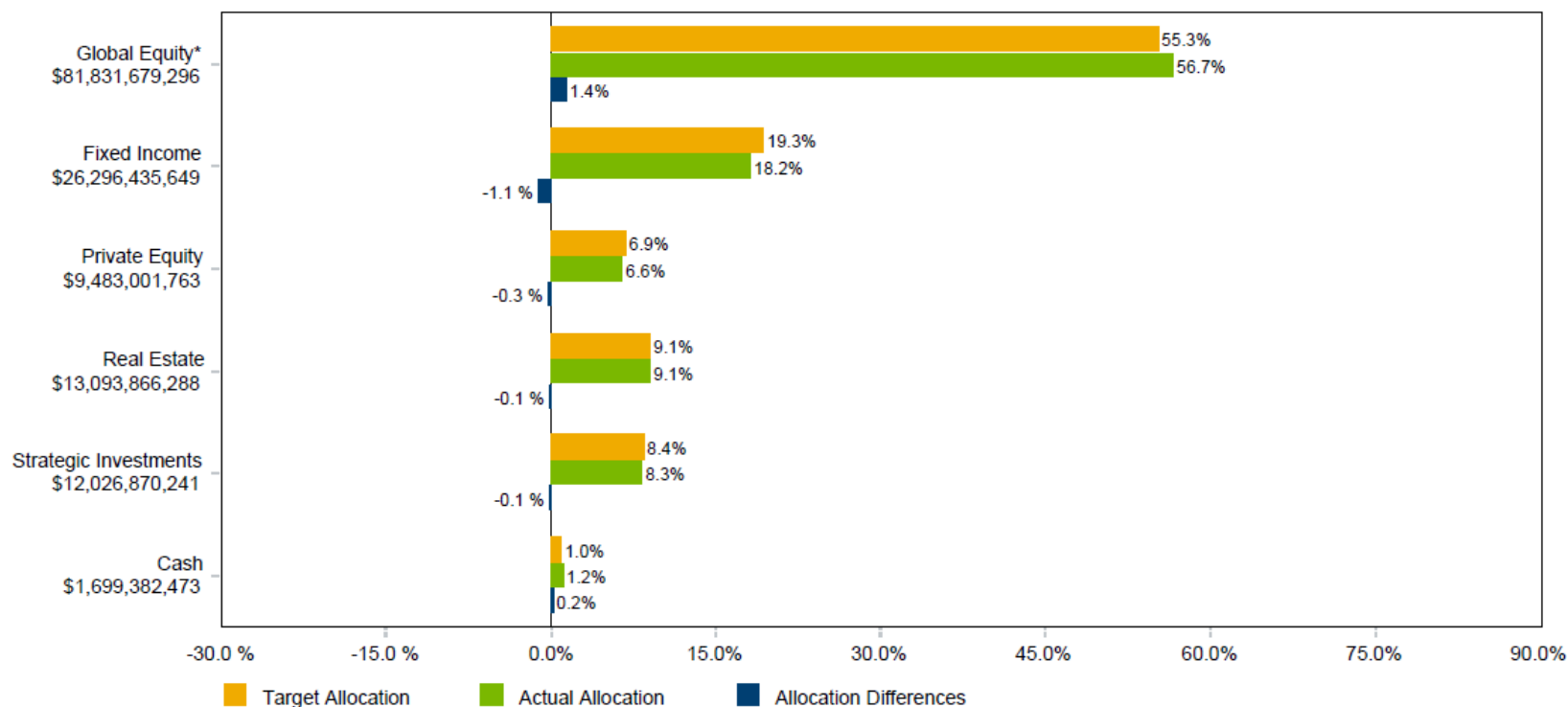
| Summary of Cash Flows | | |
|--|-------------------|-------------------|
| | Fourth Quarter | Fiscal YTD* |
| Beginning Market Value | \$144,672,540,559 | \$141,321,201,894 |
| +/- Net Contributions/(Withdrawals) | (\$1,509,050,457) | (\$3,526,138,847) |
| Investment Earnings | \$1,267,745,610 | \$6,636,172,665 |
| = Ending Market Value | \$144,431,235,712 | \$144,431,235,712 |
| Net Change | (\$241,304,847) | \$3,110,033,819 |

*Period July 2016 – December 2016

Asset Allocation as of 12/31/2016

Total Fund Assets = \$144.4 Billion

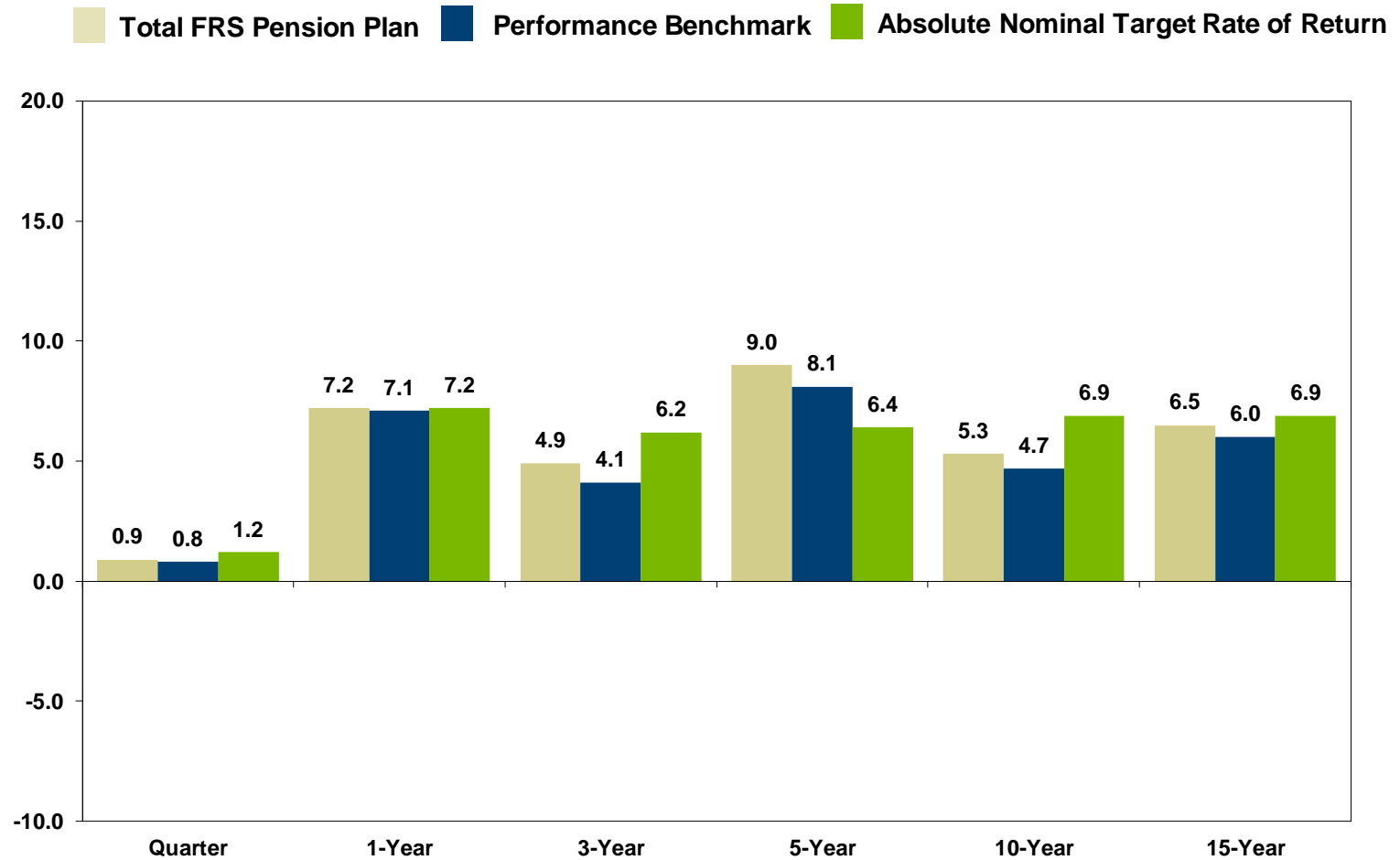
| | Market Value (\$) | Current Allocation (%) | Target Allocation (%) | Minimum Allocation (%) | Maximum Allocation (%) |
|-----------------------|-------------------|------------------------|-----------------------|------------------------|------------------------|
| Total Fund | 144,431,235,711 | 100.0 | 100.0 | | |
| Global Equity* | 81,831,679,296 | 56.7 | 55.3 | 45.0 | 70.0 |
| Fixed Income | 26,296,435,649 | 18.2 | 19.3 | 10.0 | 26.0 |
| Private Equity | 9,483,001,763 | 6.6 | 6.9 | 2.0 | 9.0 |
| Real Estate | 13,093,866,288 | 9.1 | 9.1 | 4.0 | 16.0 |
| Strategic Investments | 12,026,870,241 | 8.3 | 8.4 | 0.0 | 16.0 |
| Cash | 1,699,382,473 | 1.2 | 1.0 | 0.3 | 5.0 |



* Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic Equities, Foreign Equities, and Global Equities components.

FRS Pension Plan Investment Results

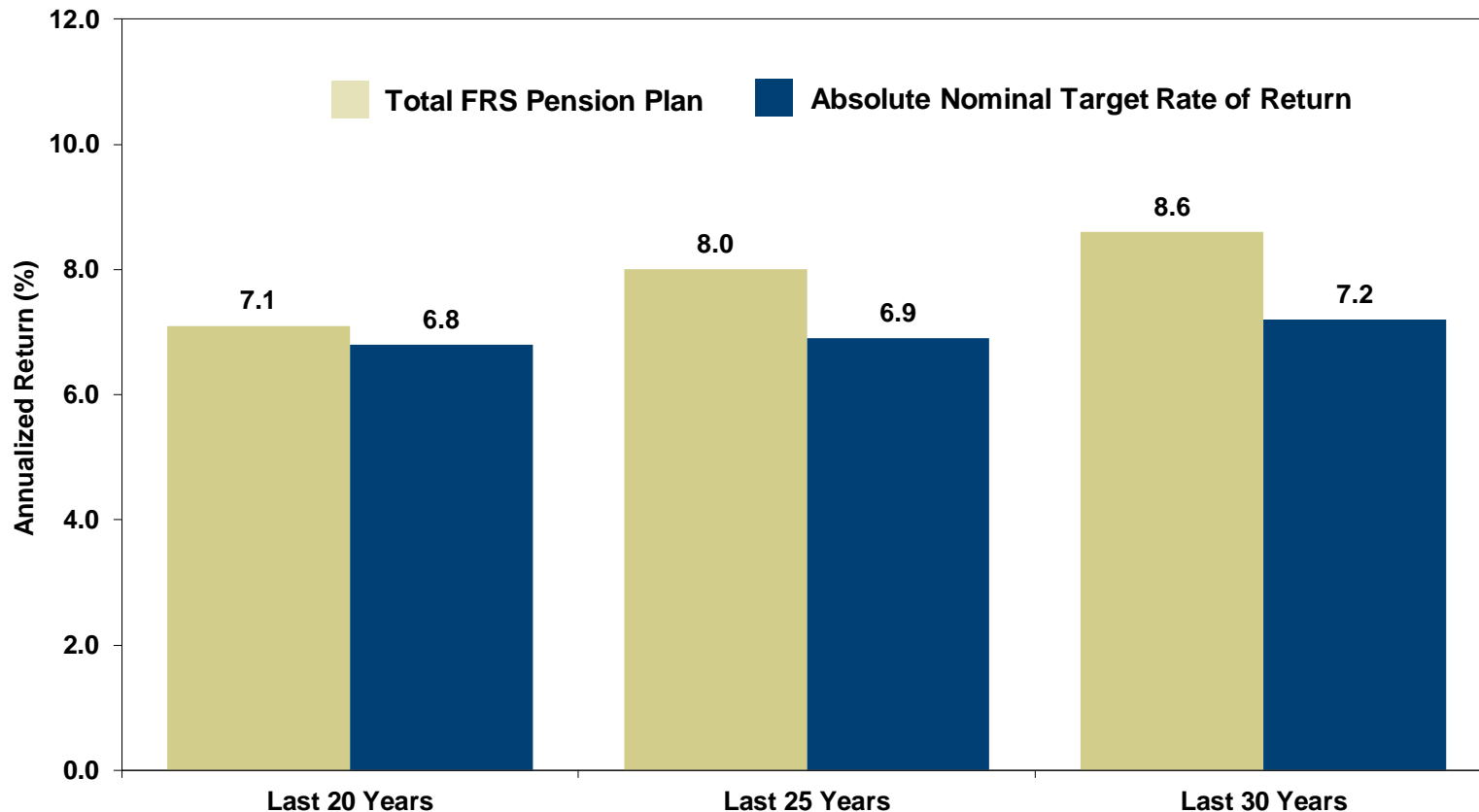
Periods Ending 12/31/2016



FRS Pension Plan Investment Results

Periods Ending 12/31/2016

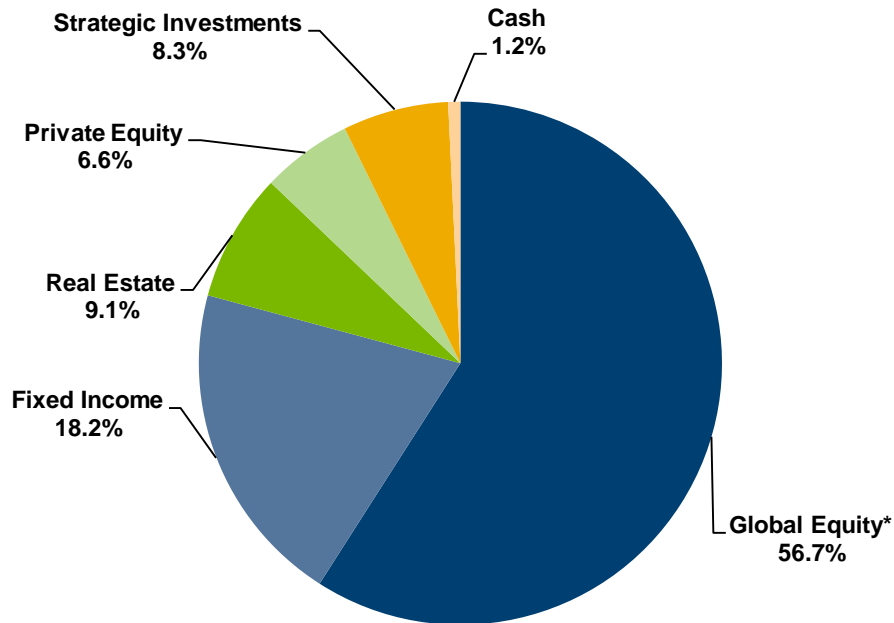
Long-Term FRS Pension Plan Performance Results vs. SBA's Long-Term Investment Objective



Comparison of Asset Allocation (TUCS Top Ten) As of 12/31/2016

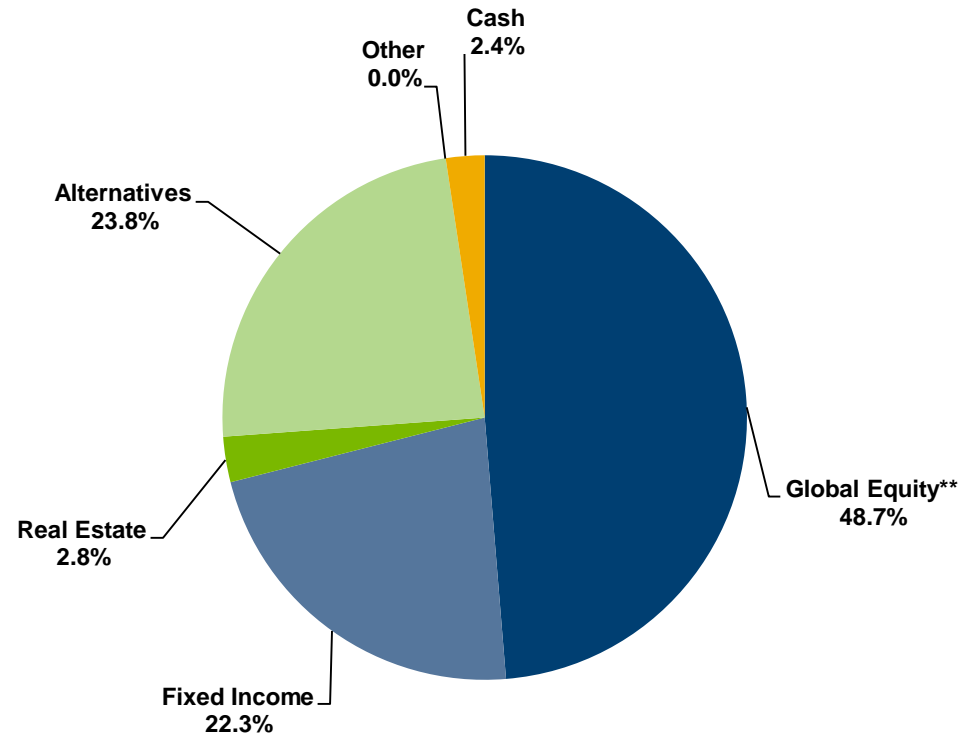
FRS Pension Plan vs. Top Ten Defined Benefit Plans

FRS TOTAL FUND



*Global Equity Allocation: 27.0% Domestic Equities; 23.4% Foreign Equities; 5.4% Global Equities; 0.9% Global Equity Liquidity Account. Percentages are of the Total FRS Fund.

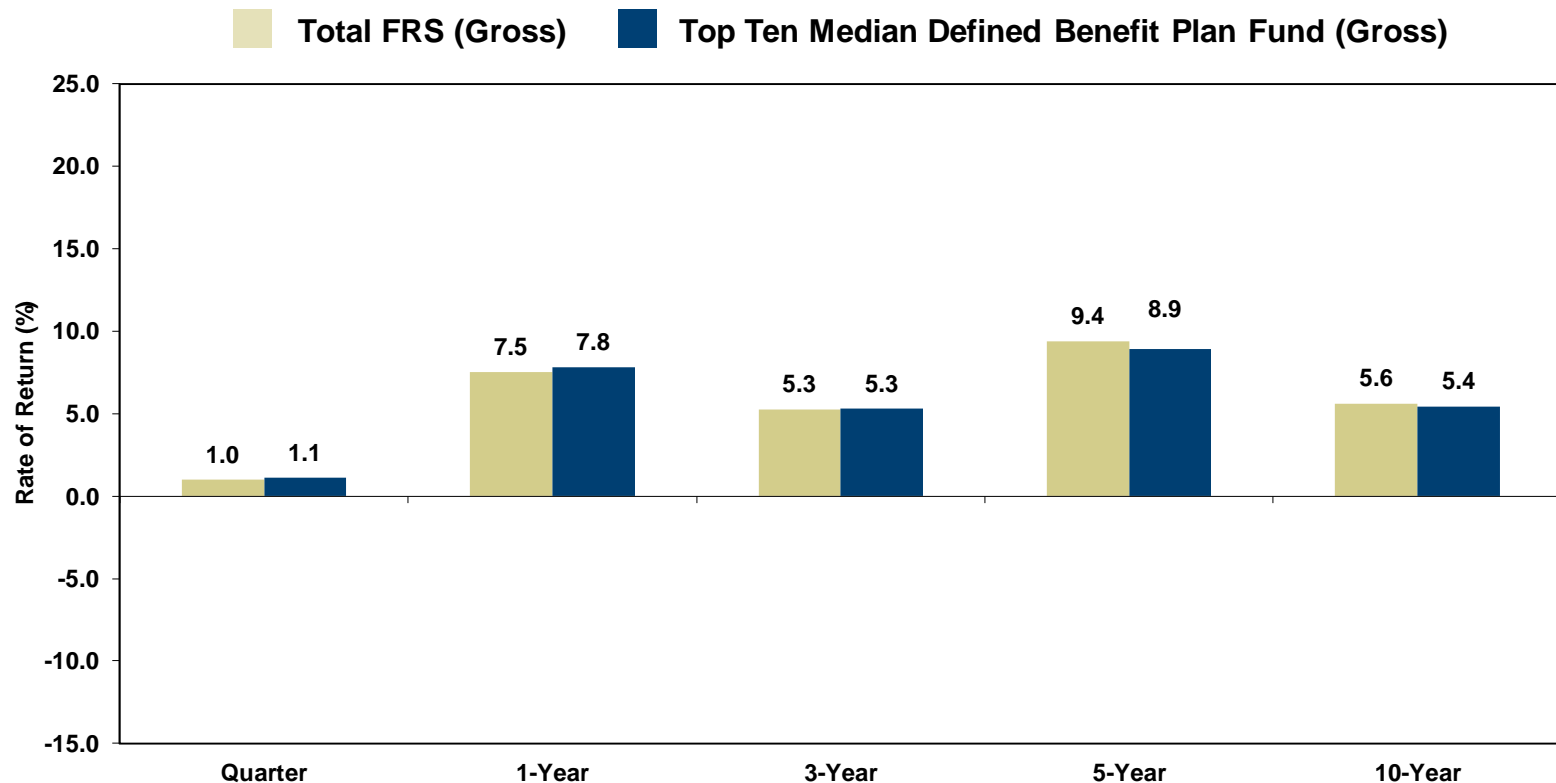
TUCS TOP TEN



**Global Equity Allocation: 31.7% Domestic Equities; 17.1% Foreign Equities.

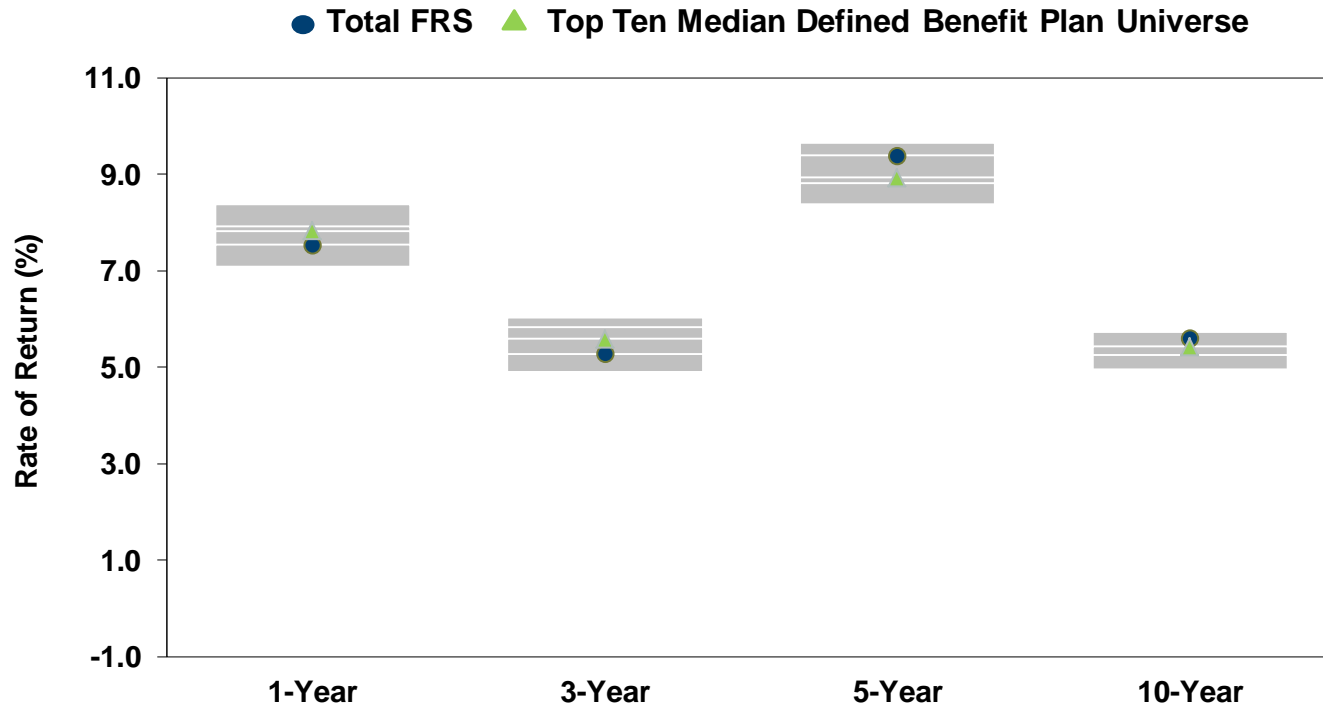
Note: The TUCS Top Ten Universe includes \$1,350.6 billion in total assets. The median fund size was \$132.5 billion and the average fund size was \$135.1 billion.

FRS Results Relative to TUCS Top Ten Defined Benefit Plans Periods Ending 12/31/2016



Note: The TUCS Top Ten Universe includes \$1,350.6 billion in total assets. The median fund size was \$132.5 billion and the average fund size was \$135.1 billion.

Top Ten Defined Benefit Plans FRS Universe Comparison (TUCS) Periods Ending 12/31/2016



FRS Percentile Ranking

75

75

37

37

Note: The TUCS Top Ten Universe includes \$1,350.6 billion in total assets. The median fund size was \$132.5 billion and the average fund size was \$135.1 billion.

Investment Plan: Executive Summary

- The FRS Investment Plan outperformed the Total Plan Aggregate Benchmark over the trailing three-, five-, and ten-year periods. This suggests strong relative performance of the underlying fund options in which participants are investing.
- The FRS Investment Plan's total expense ratio is slightly higher, on average, when compared to a defined contribution peer group and is lower than the average corporate and public defined benefit plan, based on year-end 2015 data. The total FRS Investment Plan expense ratio includes investment management fees, as well as administration, communication and education costs. Communication and education costs are not charged to FRS Investment Plan members; however, these and similar costs may be charged to members of plans within the peer group.
- Management fees are lower than the median as represented by Morningstar's mutual fund universe for every investment category.
- The FRS Investment Plan offers an appropriate number of fund options that span the risk and return spectrum.
- The Investment Policy Statement is revisited periodically to ensure that the structure and guidelines of the FRS Investment Plan are appropriate, taking into consideration the FRS Investment Plan's goals and objectives.

Total Investment Plan Returns & Cost

Periods Ending 12/31/2016*

| | One-Year | Three-Year | Five-Year | Ten-Year |
|--|-------------|-------------|-------------|-------------|
| FRS Investment Plan | 8.0% | 4.0% | 7.4% | 4.5% |
| <i>Total Plan Aggregate Benchmark**</i> | 8.5% | 3.9% | 7.1% | 4.1% |
| FRS Investment Plan vs. Total Plan Aggregate Benchmark | -0.5 | 0.1 | 0.3 | 0.4 |

Periods Ending 12/31/2015***

| | Five-Year Average Return**** | Five-Year Net Value Added | Expense Ratio |
|------------------------------------|------------------------------|---------------------------|-------------------|
| FRS Investment Plan | 5.6% | 0.1% | 0.36%***** |
| <i>Peer Group</i> | 6.3 | 0.2 | 0.27 |
| FRS Investment Plan vs. Peer Group | -0.7 | -0.1 | 0.09 |

*Returns shown are net of fees.

**Aggregate benchmark returns are an average of the individual portfolio benchmark returns at their actual weights.

***Source: 2015 CEM Benchmarking Report. Peer group for the Five-Year Average Return and Value Added represents the U.S. Median plan return based on the CEM 2015 Survey that included 136 U.S. defined contribution plans with assets ranging from \$64 million to \$46.4 billion. Peer group for the Expense Ratio represents a custom peer group for FSBA of 15 DC plans including corporate and public plans with assets between \$2.1 - \$15.9 billion.

****Returns shown are gross of fees.

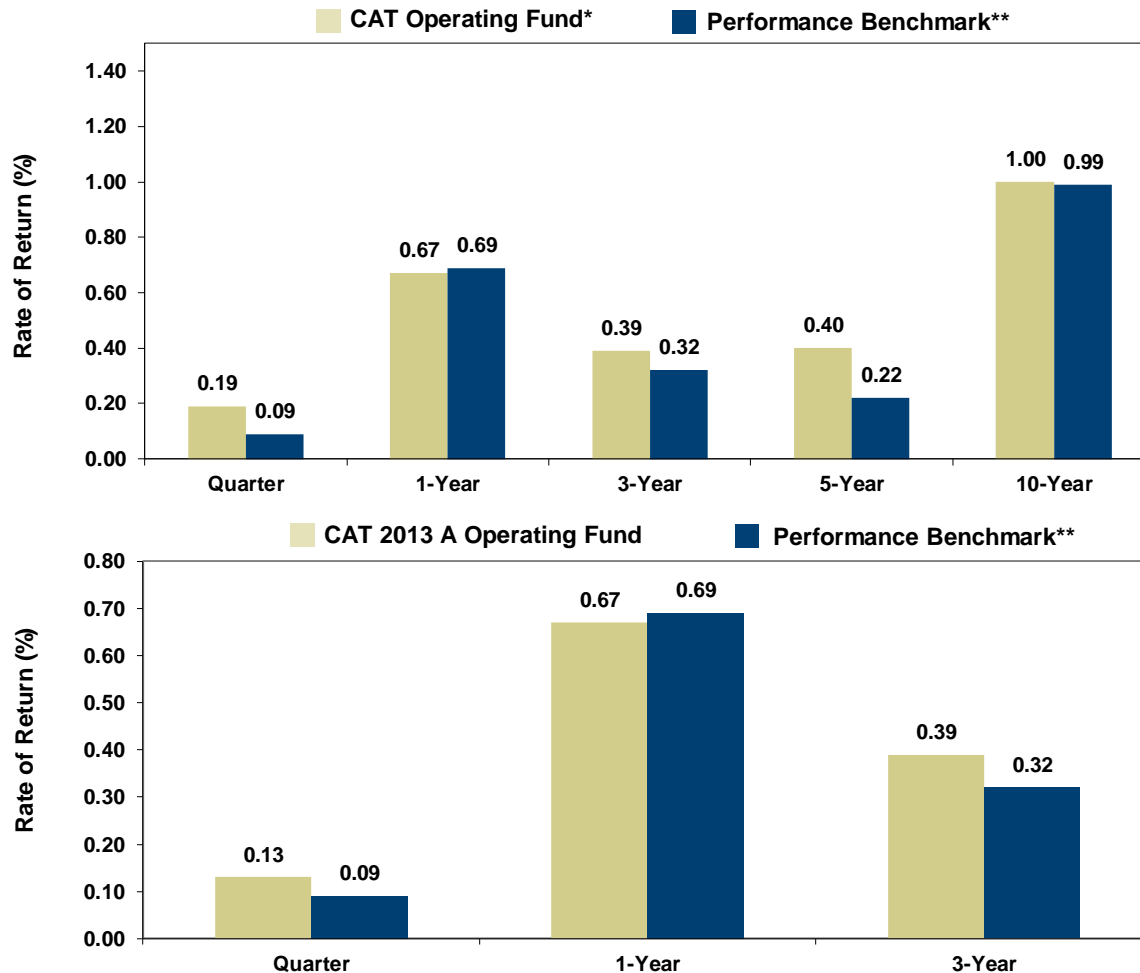
*****The total FRS Investment Plan expense ratio includes investment management fees, as well as administration, communication and education costs. These latter costs are not charged to FRS Investment Plan members; however, these and similar costs may be charged to members of plans within the peer group utilized above.

CAT Fund: Executive Summary

- Returns on an absolute basis continue to be modest given the current low interest rate environment.
- Performance on a relative basis has been favorable over both short- and long-term periods, as the CAT Funds outperformed during the quarter and over the trailing three-, five-, and ten-year time periods. The CAT Funds modestly trailed over the one-year period.
- The CAT Funds are adequately diversified across issuers within the short-term bond market.
- The Investment Policy Statement appropriately constrains the CAT Funds to invest in short-term and high quality bonds to minimize both interest rate and credit risk.
- Adequate liquidity exists to address the cash flow obligations of the CAT Funds.
- The Investment Policy Statement is revisited periodically to ensure that the structure and guidelines of the CAT Funds are appropriate, taking into consideration the CAT Funds' goals and objectives.

CAT Funds Investment Results

Periods Ending 12/31/2016



*CAT Operating Fund: Beginning March 2008, the returns for the CAT Fund reflect marked-to-market returns. Prior to that time, cost-based returns are used.

**Performance Benchmark: The CAT Fund was benchmarked to the IBC First Tier through February 2008. From March 2008 to December 2009, it was the Merrill Lynch 1-Month LIBOR. From January 2010 to June 2010, it was a blend of the average of the 3-Month Treasury Bill rate and the iMoneyNet First Tier Institutional Money Market Funds Gross Index. From July 2010 to September 2014, it was a blend of the average of the 3-Month Treasury Bill rate and the iMoneyNet First Tier Institutional Money Market Funds Net Index. Effective October 2014, it is a blend of the average of the Merrill Lynch 1-Yr US Treasury Bill Index and the iMoneyNet First Tier Institutional Money Market Funds Net Index.

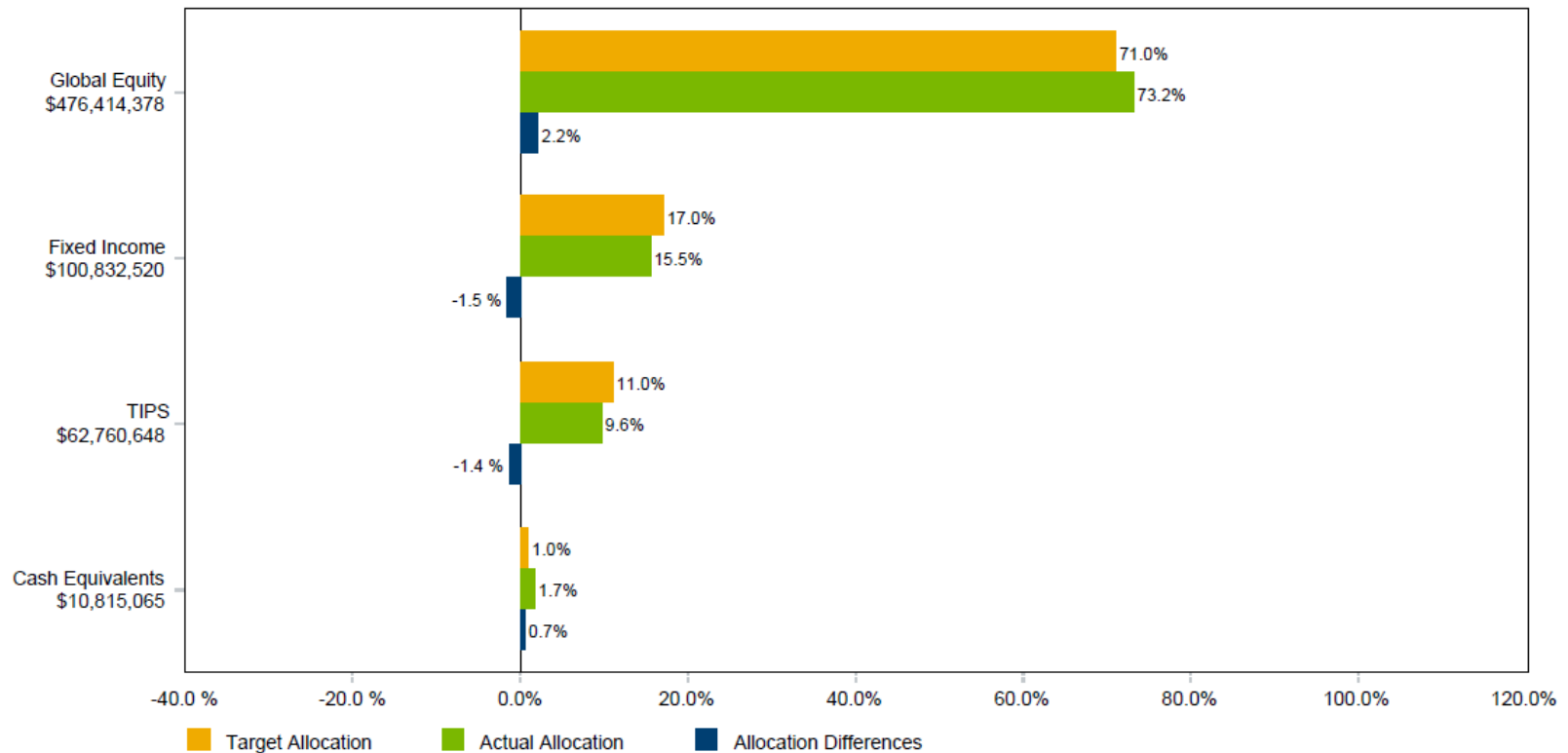
Lawton Chiles Endowment Fund: Executive Summary

- Established in July 1999, the Lawton Chiles Endowment Fund (LCEF) was created to provide a source of funding for child health and welfare programs, elder programs and research related to tobacco use.
 - The investment objective is to preserve the real value of the net contributed principal and provide annual cash flows for appropriation.
 - The Endowment's investments are diversified across various asset classes including global equity, fixed income, inflation-indexed bonds (TIPS) and cash.
- The Endowment assets totaled \$650.8 million as of December 31, 2016.
- The Endowment's return outperformed its Target during the fourth quarter and over the trailing one-, three-, five-, and ten-year time periods.

Asset Allocation as of 12/31/2016

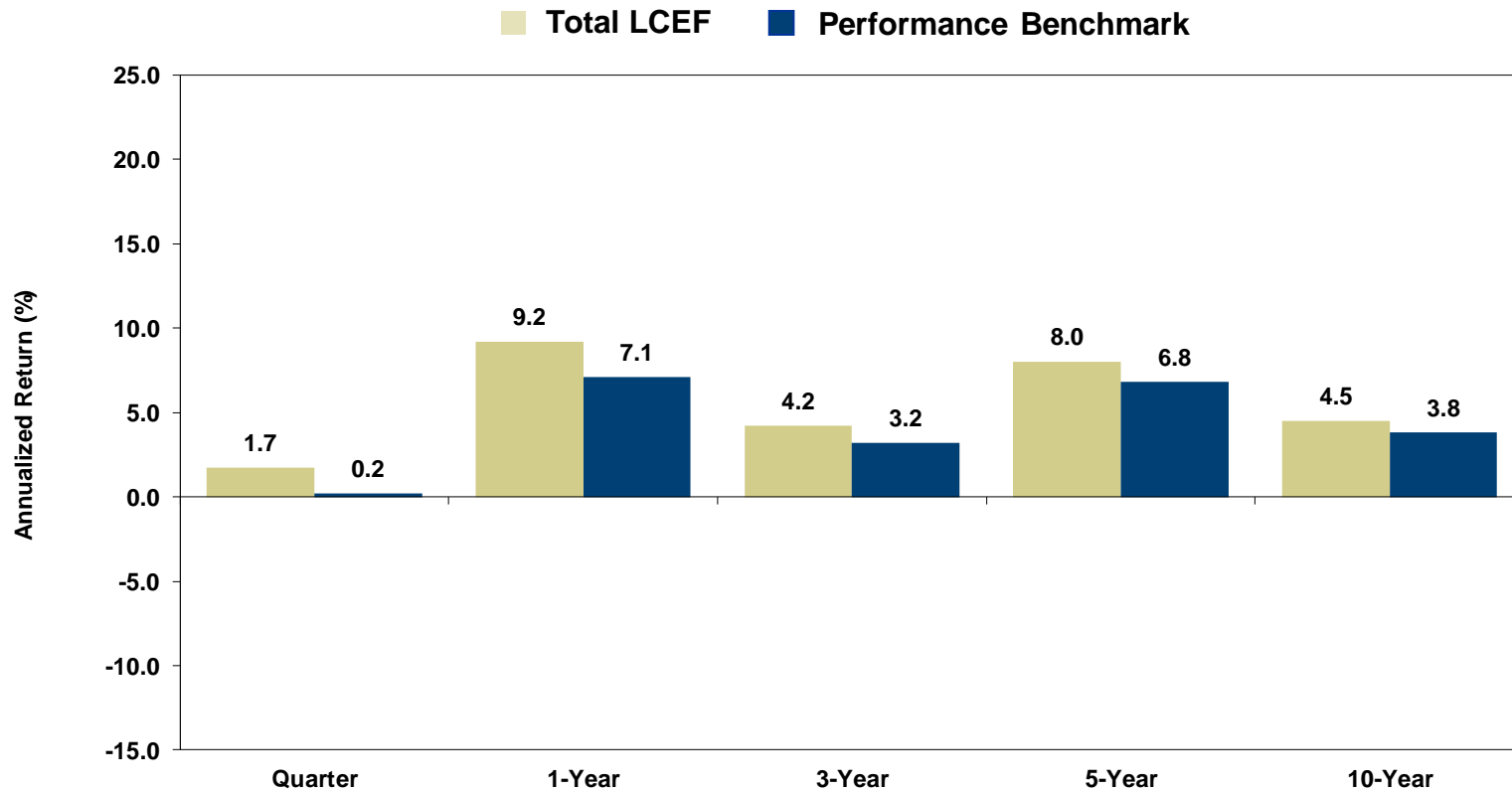
Total LCEF Assets = \$650.8 Million

| | Market Value (\$) | Current Allocation (%) | Target Allocation (%) | Minimum Allocation (%) | Maximum Allocation (%) |
|------------------|-------------------|------------------------|-----------------------|------------------------|------------------------|
| LCEF Total Fund | 650,822,611 | 100.0 | 100.0 | | |
| Global Equity | 476,414,378 | 73.2 | 71.0 | 61.0 | 81.0 |
| Fixed Income | 100,832,520 | 15.5 | 17.0 | 12.0 | 22.0 |
| TIPS | 62,760,648 | 9.6 | 11.0 | 6.0 | 16.0 |
| Cash Equivalents | 10,815,065 | 1.7 | 1.0 | 0.0 | 10.0 |



LCEF Investment Results

Periods Ending 12/31/2016



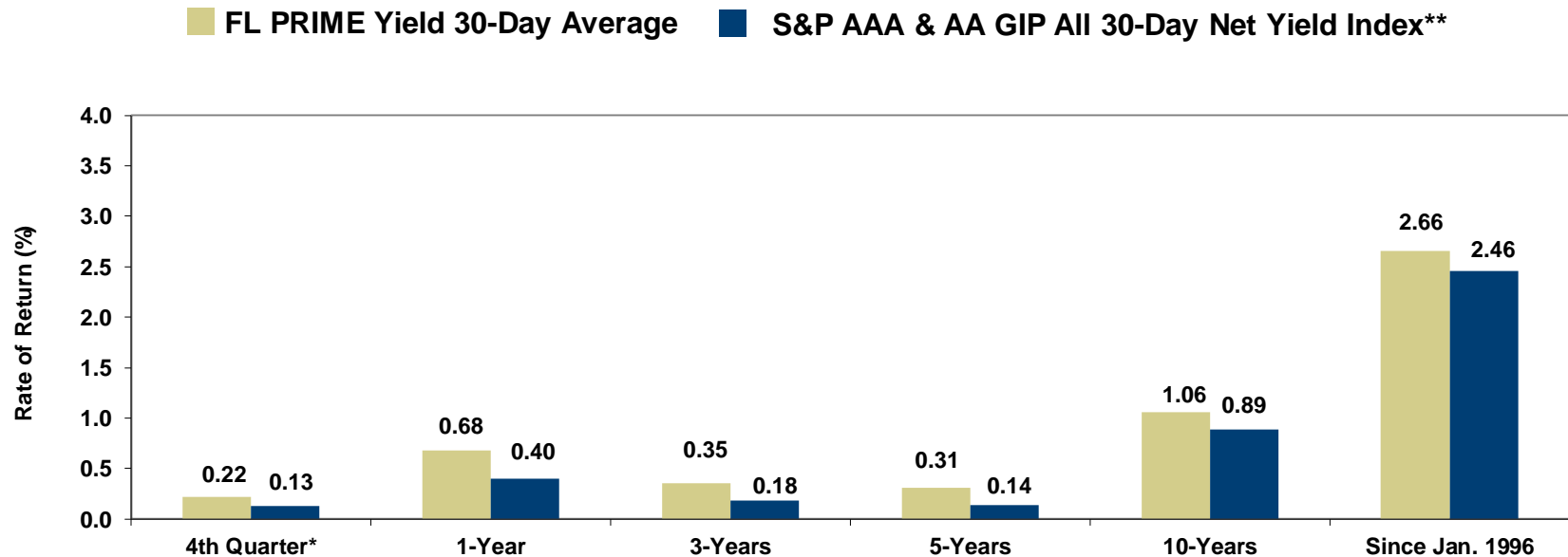
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Florida PRIME: Executive Summary

- The purpose of Florida PRIME is safety, liquidity, and competitive returns with minimal risk for participants.
- The Investment Policy Statement appropriately constrains Florida PRIME to invest in short-term and high quality bonds to minimize both interest rate and credit risk.
- Florida PRIME is adequately diversified across issuers within the short-term bond market, and adequate liquidity exists to address the cash flow obligations of Florida PRIME.
- Performance of Florida PRIME has been strong over short- and long-term time periods, outperforming its performance benchmark during the fourth quarter and over the trailing one-, three-, five-, and ten-year time periods.
- As of December 31, 2016, the total market value of Florida PRIME was \$10.5 billion.
- Aon Hewitt Investment Consulting, in conjunction with SBA staff, compiles an annual best practices report that includes a full review of the Investment Policy Statement, operational items, and investment structure for Florida PRIME.

Florida PRIME Investment Results

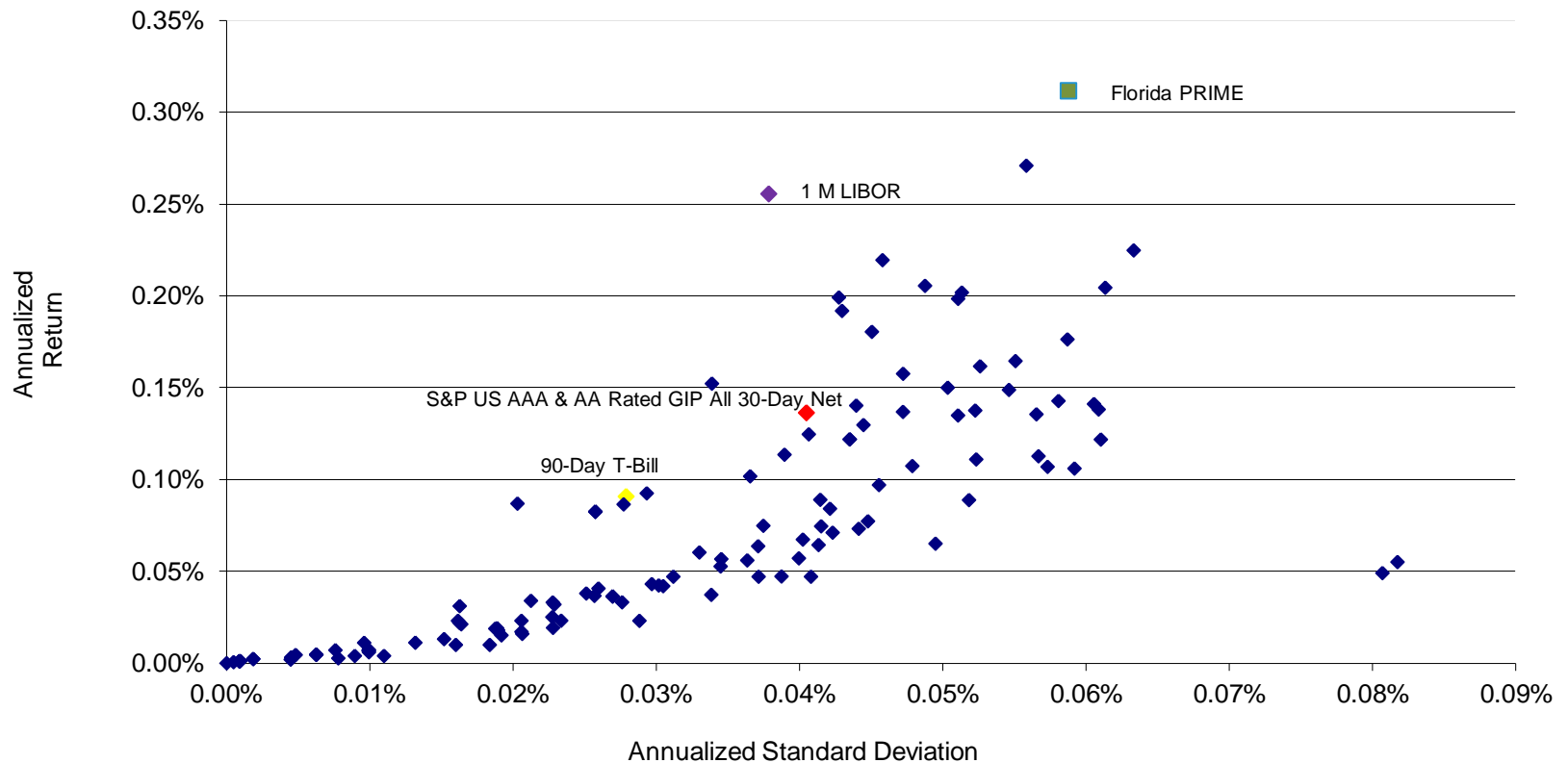
Periods Ending 12/31/2016



*Returns less than one year are not annualized.

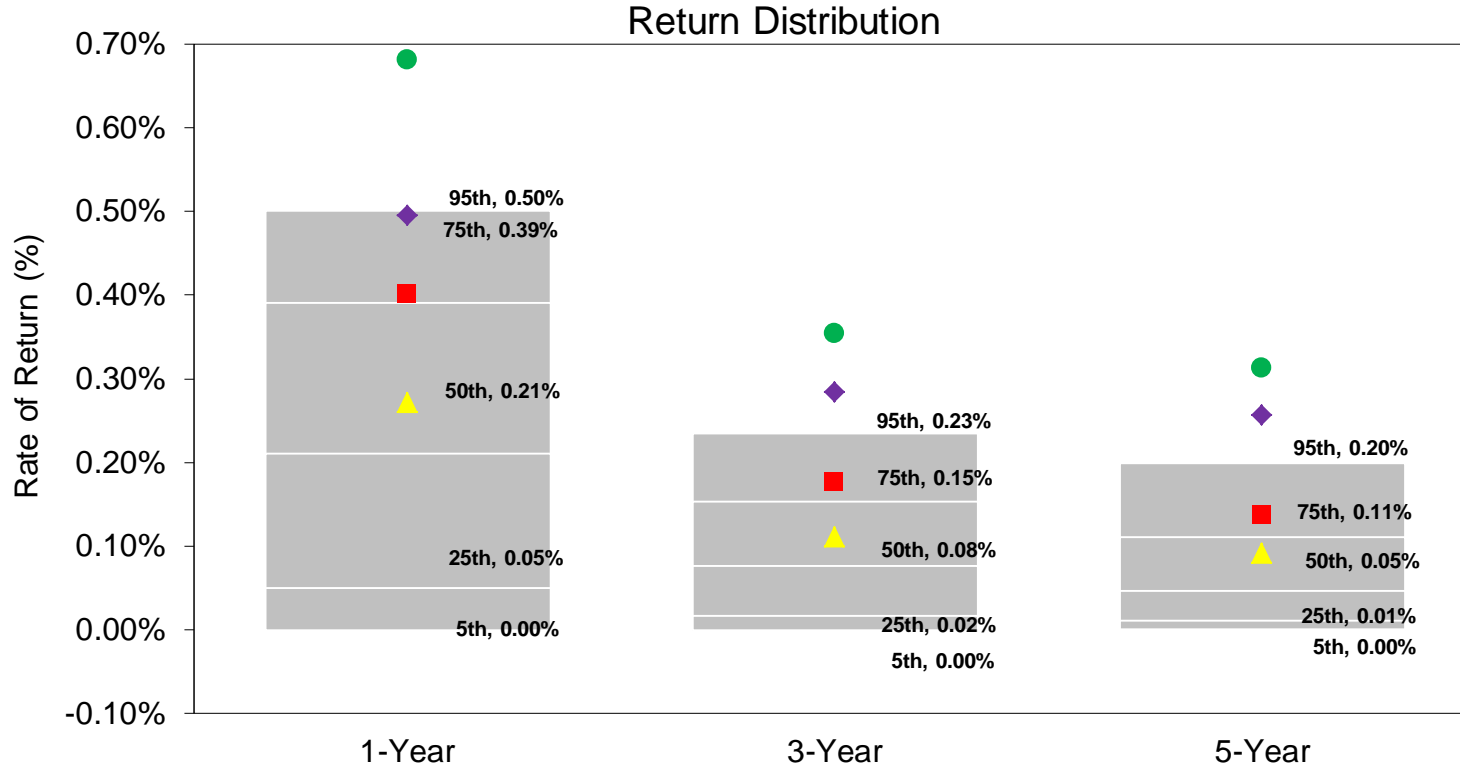
**S&P AAA & AA GIP All 30-Day Net Yield Index for all time periods shown.

Florida PRIME Risk vs. Return 5 Years Ending 12/31/2016



Return Distribution

Periods Ending 12/31/2016



● FL PRIME

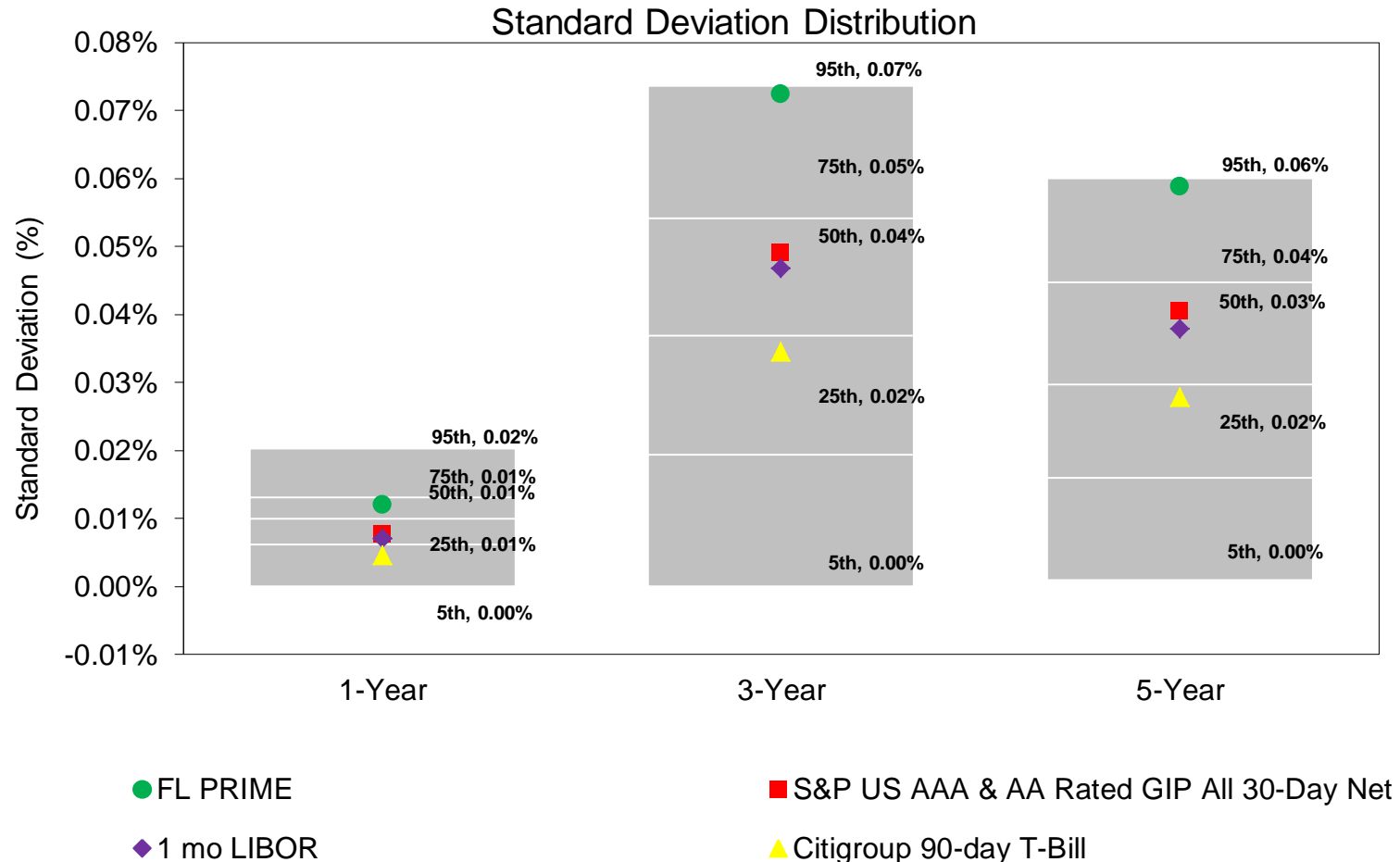
◆ 1 mo LIBOR

■ S&P US AAA & AA Rated GIP All 30-Day Net

▲ Citigroup 90-day T-Bill

Standard Deviation Distribution

Periods Ending 12/31/2016



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Appendix

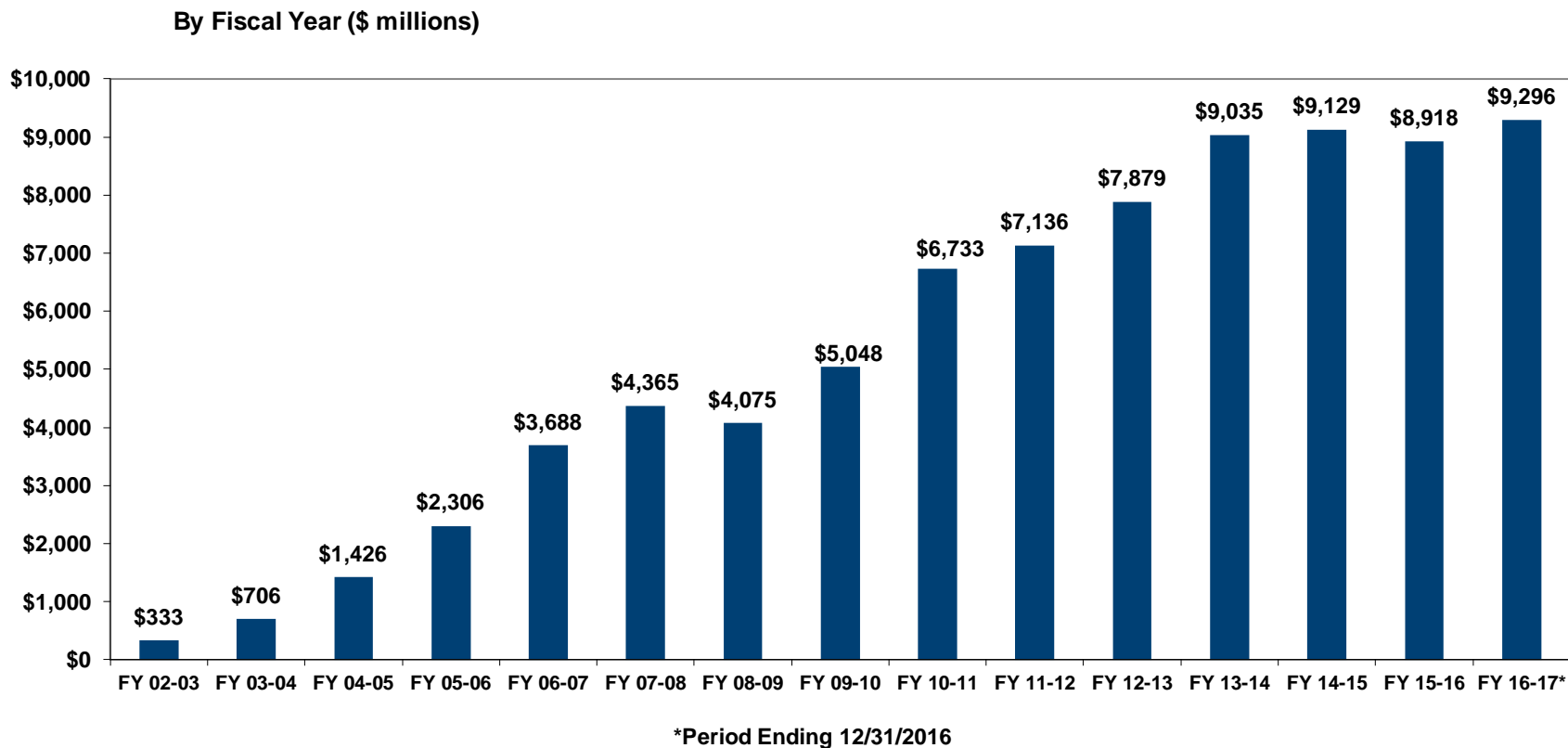
FRS Investment Plan Costs

| Investment Category | Investment Plan Fee* | Average Mutual Fund Fee** |
|----------------------|----------------------|---------------------------|
| Large Cap Equity | 0.18% | 0.83% |
| Small-Mid Cap Equity | 0.66% | 1.02% |
| International Equity | 0.32% | 0.99% |
| Diversified Bonds | 0.15% | 0.60% |
| Target Date | 0.11% | 0.61% |
| Money Market | 0.06% | 0.14% |

*Average fee of multiple products in category as of 12/31/2016.

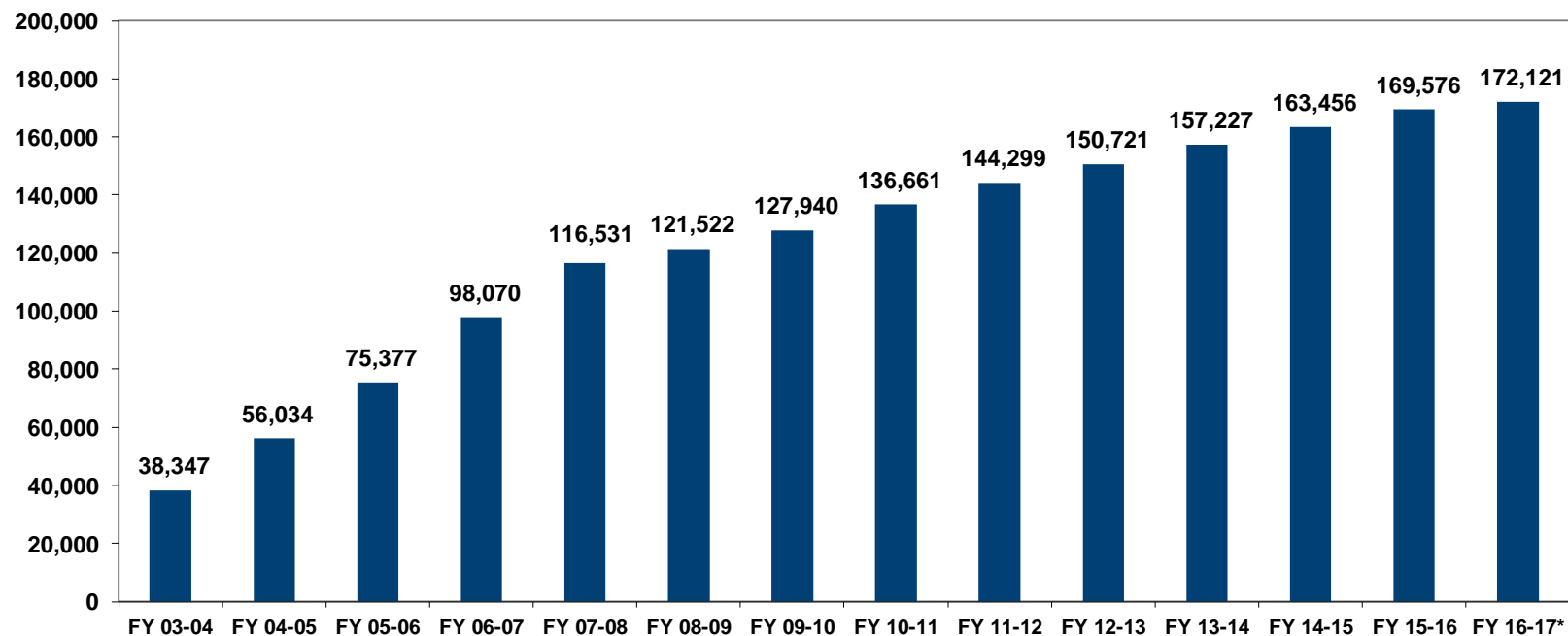
**Source: AHIC's annual mutual fund expense analysis as of 12/31/2015.

Investment Plan Fiscal Year End Assets Under Management



Source: Investment Plan Administrator

Investment Plan Membership



*Period Ending 12/31/2016

Source: Investment Plan Administrator

Florida Hurricane Catastrophe Fund Background

- The purpose of the Florida Hurricane Catastrophe Fund (FHCF) is to provide a stable, ongoing and timely source of reimbursement to insurers for a portion of their hurricane losses.
- Both the CAT Fund (Operating Fund) and the CAT 2013 A Fund are internally managed portfolios benchmarked to a blend of the average of the Merrill Lynch 1-Yr US Treasury Bill Index and the iMoneyNet First Tier Institutional Money Market Funds Net Index.
- As of December 31, 2016, the total value of all FHCF accounts was \$16.5 billion.

CAT Operating Fund Characteristics

Period Ending 12/31/2016

| Maturity Analysis | |
|------------------------------|---------------|
| 1 to 30 Days | 34.1% |
| 31 to 60 Days | 13.3 |
| 61 to 90 Days | 8.7 |
| 91 to 120 Days | 7.1 |
| 121 to 150 Days | 5.9 |
| 151 to 180 Days | 2.5 |
| 181 to 270 Days | 8.5 |
| 271 to 365 Days | 0.7 |
| 366 to 455 Days | 2.9 |
| >= 456 Days | 16.3 |
| Total % of Portfolio: | 100.0% |

| Bond Rating Analysis | |
|------------------------------|---------------|
| AAA | 42.8% |
| AA | 40.2 |
| A | 17.1 |
| Baa | 0.0 |
| Other | 0.0 |
| Total % of Portfolio: | 100.0% |

CAT 2013 A Fund Characteristics

Period Ending 12/31/2016

| Maturity Analysis | |
|------------------------------|---------------|
| 1 to 30 Days | 20.0% |
| 31 to 60 Days | 8.3 |
| 61 to 90 Days | 14.7 |
| 91 to 120 Days | 5.0 |
| 121 to 150 Days | 5.6 |
| 151 to 180 Days | 1.7 |
| 181 to 270 Days | 8.4 |
| 271 to 365 Days | 8.3 |
| 366 to 455 Days | 5.0 |
| >= 456 Days | 23.2 |
| Total % of Portfolio: | 100.0% |

| Bond Rating Analysis | |
|------------------------------|---------------|
| AAA | 74.8% |
| AA | 13.4 |
| A | 11.9 |
| Baa | 0.0 |
| Other | 0.0 |
| Total % of Portfolio: | 100.0% |

CAT 2016 A Fund Characteristics

Period Ending 12/31/2016

| Maturity Analysis | |
|------------------------------|---------------|
| 1 to 30 Days | 18.2% |
| 31 to 60 Days | 12.1 |
| 61 to 90 Days | 9.9 |
| 91 to 120 Days | 8.3 |
| 121 to 150 Days | 2.9 |
| 151 to 180 Days | 0.0 |
| 181 to 270 Days | 14.3 |
| 271 to 365 Days | 9.6 |
| 366 to 455 Days | 2.1 |
| >= 456 Days | 22.7 |
| Total % of Portfolio: | 100.0% |

| Bond Rating Analysis | |
|------------------------------|---------------|
| AAA | 70.2% |
| AA | 21.0 |
| A | 8.8 |
| Baa | 0.0 |
| Other | 0.0 |
| Total % of Portfolio: | 100.0% |

Florida PRIME Characteristics

Quarter Ending 12/31/2016

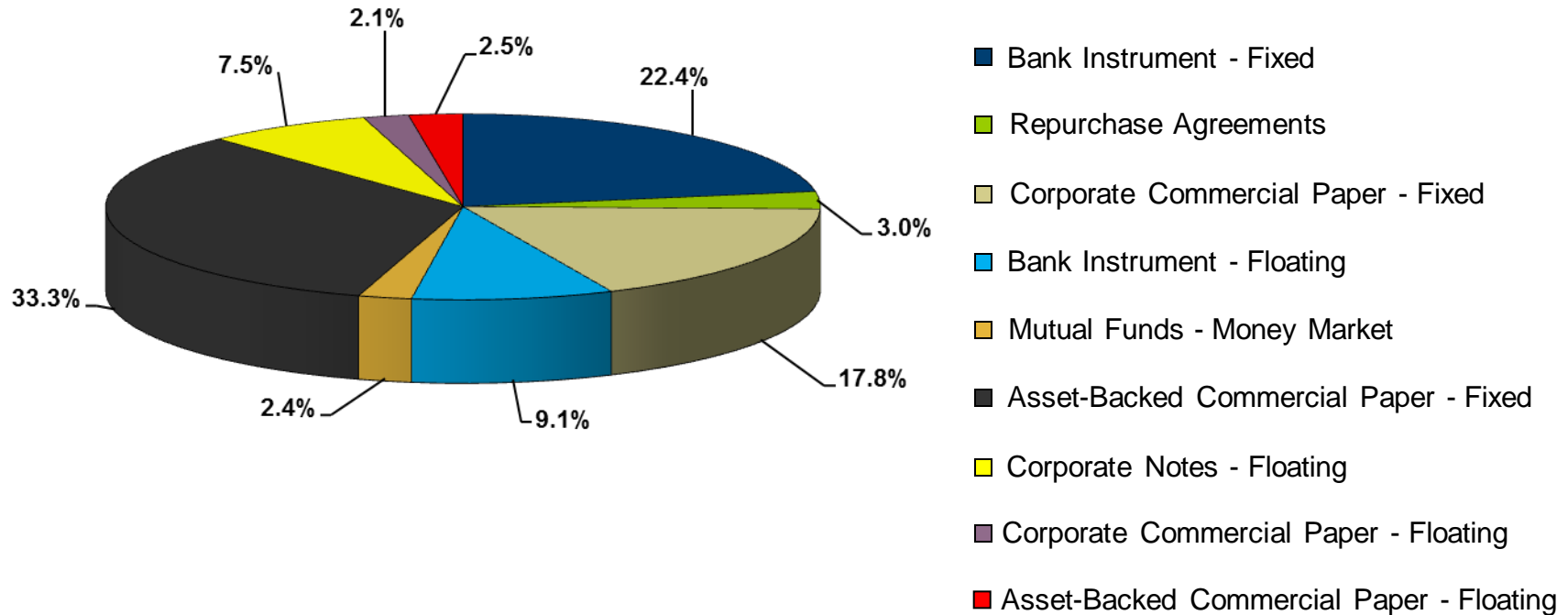
| Cash Flows as of 12/31/2016 | Fourth Quarter | Fiscal YTD* |
|------------------------------------|------------------------|------------------------|
| Opening Balance | \$7,015,873,868 | \$7,789,430,976 |
| Participant Deposits | \$9,164,304,549 | \$12,263,062,398 |
| Gross Earnings | \$17,393,550 | \$30,921,200 |
| Participant Withdrawals | (\$5,649,679,381) | (\$9,535,521,990) |
| Fees | \$0 | \$0 |
| Closing Balance (12/31/2016) | \$10,547,892,586 | \$10,547,892,586 |
| Change | \$3,532,018,718 | \$2,758,461,610 |

*Period July 2016 – December 2016

Florida PRIME Characteristics

Quarter Ending 12/31/2016

Portfolio Composition

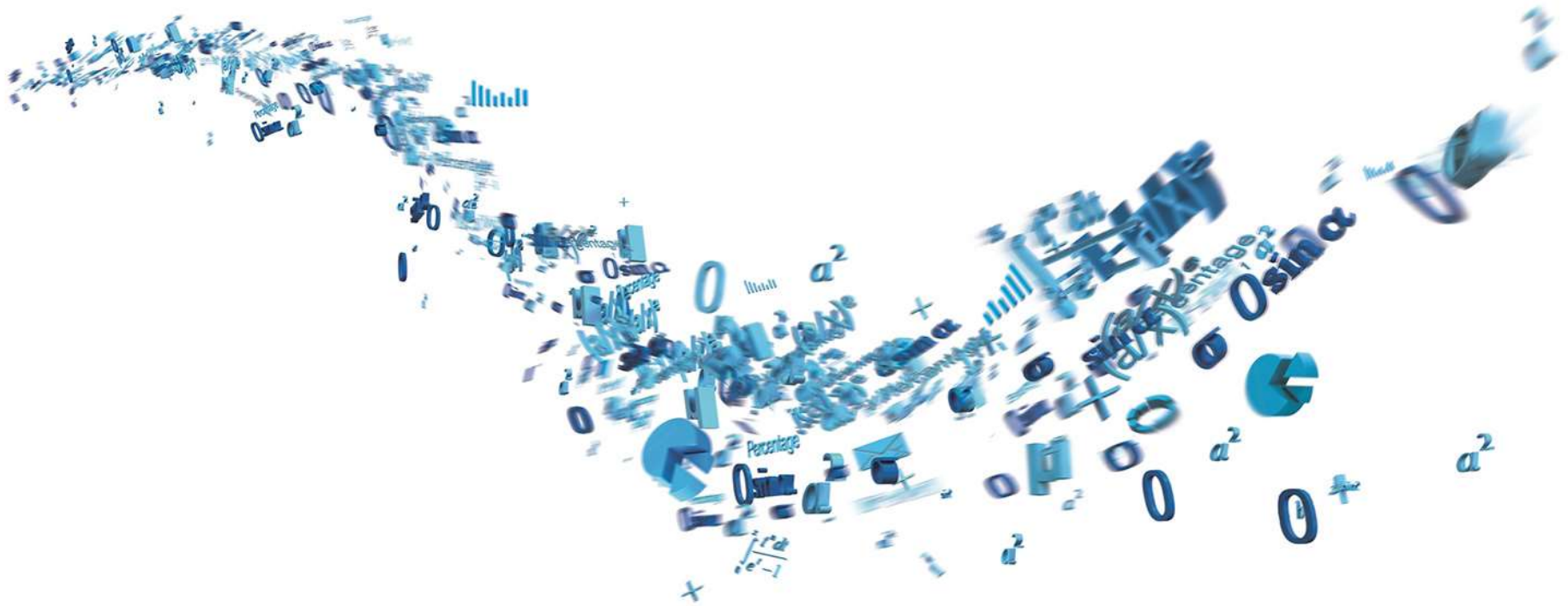


Florida PRIME Characteristics

Period Ending 12/31/2016

| Effective Maturity Schedule | |
|------------------------------------|---------------|
| 1-7 Days | 41.6% |
| 8 - 30 Days | 16.8% |
| 31 - 90 Days | 24.3% |
| 91 - 180 Days | 13.3% |
| 181+ Days | 4.1% |
| Total % of Portfolio: | 100.0% |

| S & P Credit Quality Composition | |
|---|---------------|
| A-1+ | 63.1% |
| A-1 | 36.9% |
| Total % of Portfolio: | 100.0% |



FRS Pension Plan | Fourth Quarter 2016

Quarterly Investment Review

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Market Environment

Market Highlights

| Returns of the Major Capital Markets | | | | | |
|---|---------------------------|--------|---------------------|---------------------|----------------------|
| | Periods Ending 12/31/2016 | | | | |
| | Fourth Quarter | 1-Year | 3-Year ¹ | 5-Year ¹ | 10-Year ¹ |
| Equity | | | | | |
| MSCI All Country World IMI | 1.27% | 8.36% | 3.25% | 9.61% | 3.84% |
| MSCI All Country World | 1.19% | 7.86% | 3.13% | 9.36% | 3.56% |
| Dow Jones U.S. Total Stock Market | 4.13% | 12.62% | 8.36% | 14.60% | 7.18% |
| Russell 3000 | 4.21% | 12.74% | 8.43% | 14.67% | 7.07% |
| S&P 500 | 3.82% | 11.96% | 8.87% | 14.66% | 6.95% |
| Russell 2000 | 8.83% | 21.31% | 6.74% | 14.46% | 7.07% |
| MSCI All Country World ex-U.S. IMI | -1.57% | 4.41% | -1.44% | 5.35% | 1.22% |
| MSCI All Country World ex-U.S. | -1.26% | 4.50% | -1.78% | 5.00% | 0.96% |
| MSCI EAFE | -0.71% | 1.00% | -1.60% | 6.53% | 0.75% |
| MSCI EAFE (Local Currency) | 7.07% | 5.35% | 5.53% | 11.84% | 2.20% |
| MSCI Emerging Markets | -4.16% | 11.19% | -2.55% | 1.28% | 1.84% |
| Fixed Income | | | | | |
| Bloomberg Barclays Global Aggregate | -7.07% | 2.09% | -0.19% | 0.21% | 3.29% |
| Bloomberg Barclays Aggregate | -2.98% | 2.65% | 3.03% | 2.23% | 4.35% |
| Bloomberg Barclays Long Gov't | -11.50% | 1.42% | 7.71% | 2.57% | 6.60% |
| Bloomberg Barclays Long Credit | -5.40% | 10.22% | 6.98% | 5.20% | 6.87% |
| Bloomberg Barclays Long Gov't/Credit | -7.84% | 6.67% | 7.16% | 4.06% | 6.85% |
| Bloomberg Barclays US TIPS | -2.41% | 4.68% | 2.26% | 0.89% | 4.36% |
| Bloomberg Barclays High Yield | 1.75% | 17.13% | 4.66% | 7.37% | 7.46% |
| Citi Group Non-U.S. WGBI | -10.84% | 1.81% | -2.18% | -1.94% | 2.54% |
| JP Morgan EMBI Global (Emerging Markets) | -4.21% | 10.19% | 5.59% | 5.44% | 6.75% |
| Commodities | | | | | |
| Bloomberg Commodity Index | 2.66% | 11.77% | -11.26% | -8.95% | -5.58% |
| Goldman Sachs Commodity Index | 5.76% | 11.37% | -20.60% | -13.13% | -8.10% |
| Hedge Funds | | | | | |
| HFRI Fund-Weighted Composite ² | 1.31% | 5.57% | 2.44% | 4.53% | 3.37% |
| HFRI Fund of Funds ² | 0.83% | 0.48% | 1.18% | 3.41% | 1.31% |
| Real Estate | | | | | |
| NAREIT U.S. Equity REITS | -2.89% | 8.52% | 13.38% | 12.01% | 5.08% |
| NCREIF NFI - ODCE ³ | 2.07% | 8.72% | 12.05% | 12.20% | 5.81% |
| Infrastructure | | | | | |
| Macquarie Global Infrastructure - North America | -2.80% | 9.30% | 2.95% | 5.60% | 3.08% |

MSCI Indices show net returns.

All other indices show total returns.

¹ Periods are annualized.

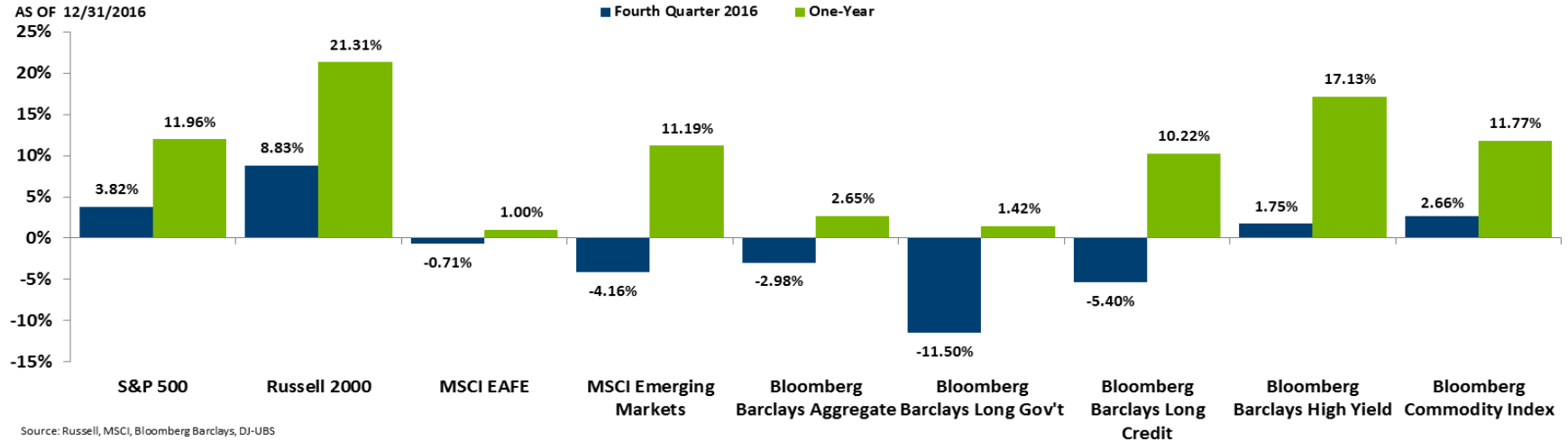
² Latest 5 months of HFR data are estimated by HFR and may change in the future.

³ Fourth quarter results are preliminary.

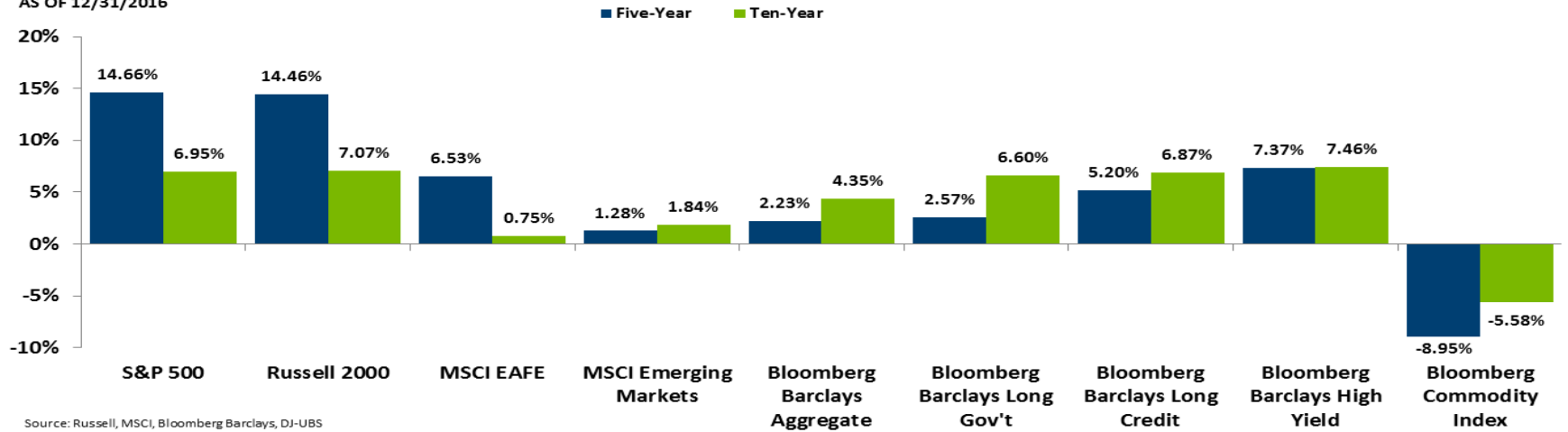
⁴ Source: Burgiss Private IQ. Benchmark is as of 06/30/2016

Market Highlights

SHORT TERM RETURNS AS OF 12/31/2016

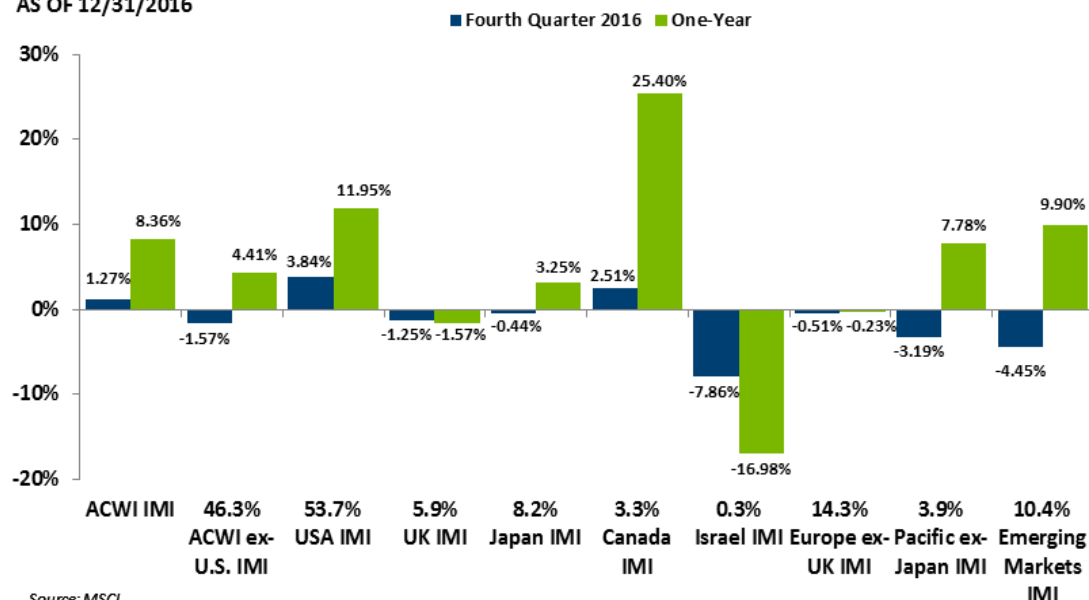


LONG TERM ANNUALIZED RETURNS AS OF 12/31/2016



Global Equity Markets

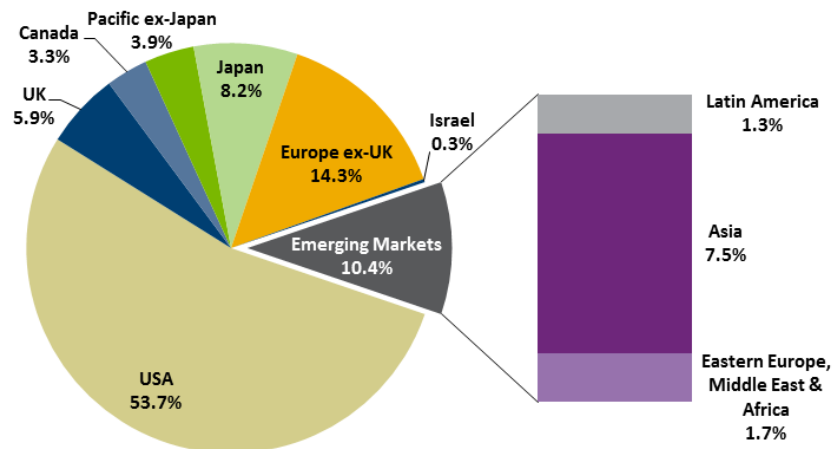
GLOBAL MSCI IMI INDEX RETURNS
AS OF 12/31/2016



- Global equity markets rose against a backdrop of political uncertainty in the form of the US Presidential elections, Italian constitutional referendum and ongoing Brexit discussions. Markets entered positive territory towards the end of the quarter on the hopes of Trump's fiscal reforms policies and rising crude oil prices.
- Global equity markets returned 1.27% in Q4 2016 with only US and Canada regions generating positive returns. US was the best performing market with a return of 3.84% over the quarter as strong Q3 2016 GDP data and growing inflation expectations over promises of greater fiscal spending under Trump's administration supported equities. The US Federal Reserve (Fed) raised the federal fund rate target by 25bps to 0.50-0.75% and indicated a faster pace of tightening in 2017.

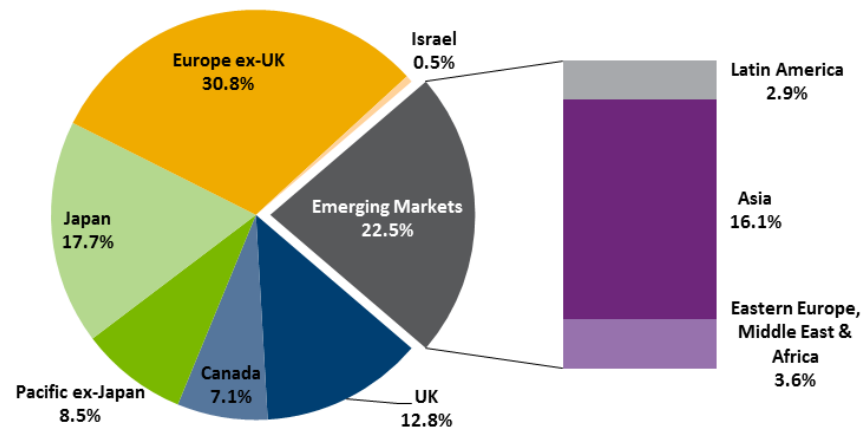
Global Equity Markets

MSCI ALL COUNTRY WORLD IMI INDEX
GEOGRAPHIC ALLOCATION AS OF 12/31/2016



Source: MSCI

MSCI ALL COUNTRY WORLD EX-U.S. IMI INDEX
GEOGRAPHIC ALLOCATION AS OF 12/31/2016

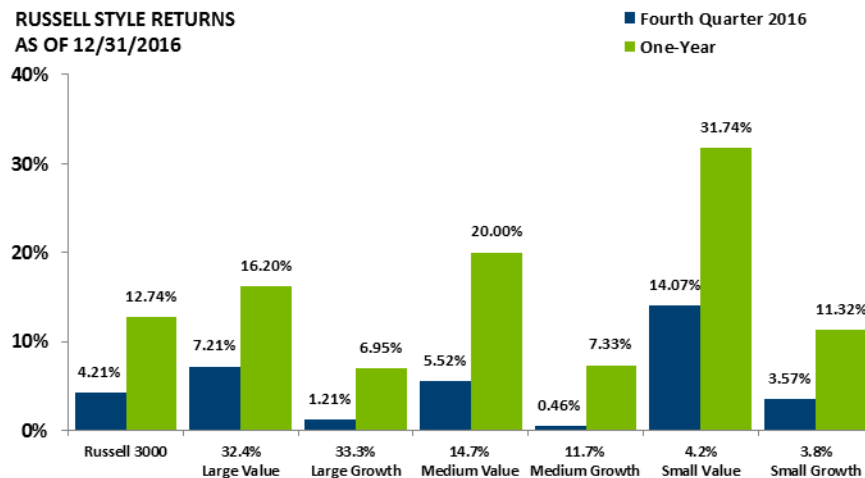


Source: MSCI

- The two exhibits on this slide illustrate the percentage that each country/region represents of the global equity market as measured by the MSCI All Country World IMI Index and the MSCI All Country World ex-U.S. IMI Index.

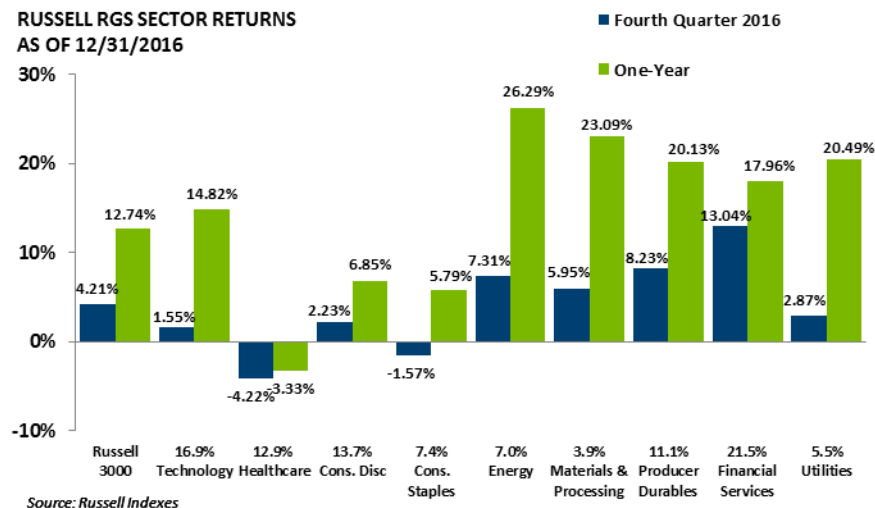
U.S. Equity Markets

**RUSSELL STYLE RETURNS
AS OF 12/31/2016**



Source: Russell Indexes

**RUSSELL RGS SECTOR RETURNS
AS OF 12/31/2016**

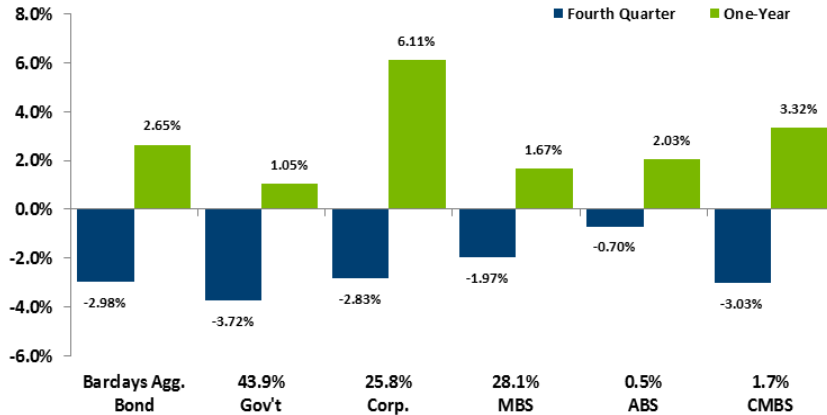


Source: Russell Indexes

- The Russell 3000 Index returned 4.21% during the fourth quarter and returned 12.74% over the one-year period.
- During the fourth quarter, the financial services sector was the strongest performer, posting returns of 13.04%. The healthcare and consumer staples sectors were the weakest performers, with returns of -4.22% and -1.57% respectively.
- Performance across the market capitalization spectrum was positive over the quarter. Small cap stocks outperformed the other segments in Growth and Value stocks. Value stocks continued their outperformance relative to Growth stocks over 2016 across the capitalizations.

U.S. Fixed Income Markets

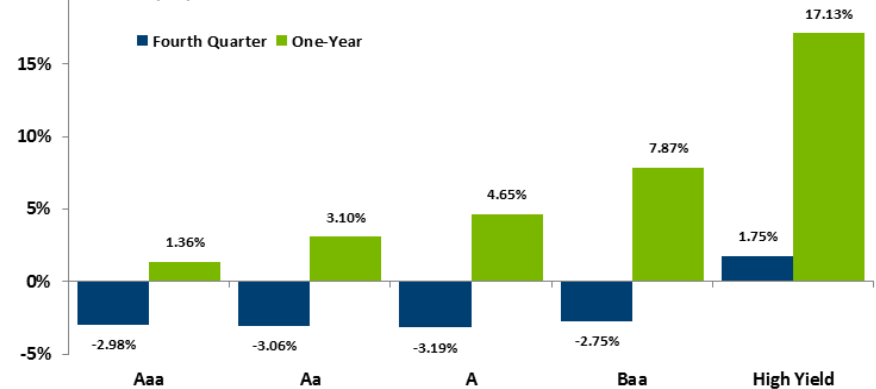
BLOOMBERG BARCLAYS AGGREGATE RETURNS BY SECTOR
AS OF 12/31/2016



Source: Bloomberg Barclays Live

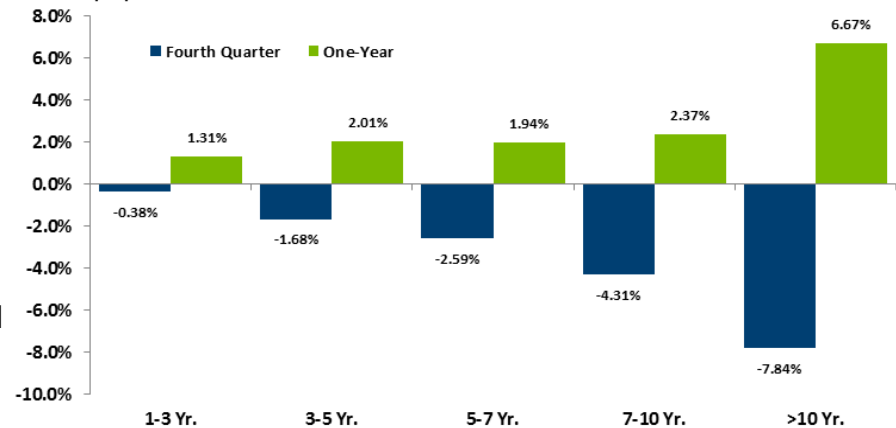
- The Bloomberg Barclays Aggregate Bond Index fell 2.98% in the fourth quarter. ABS bonds fell by the least with a return of -0.70% whilst Government bonds fell by the most, returning -3.72%.
- High yield bonds outperformed all investment grade corporate bonds, as high yield spreads fell by 71bps (according to the Bloomberg Barclays Live indices).
- Shortest duration bonds outperformed all other bonds in different maturities. This particularly benefitted high yield bonds which typically have low duration.

BLOOMBERG BARCLAYS AGGREGATE RETURNS BY QUALITY AND HIGH YIELD RETURNS
AS OF 12/31/2016



Source: Bloomberg Barclays Live

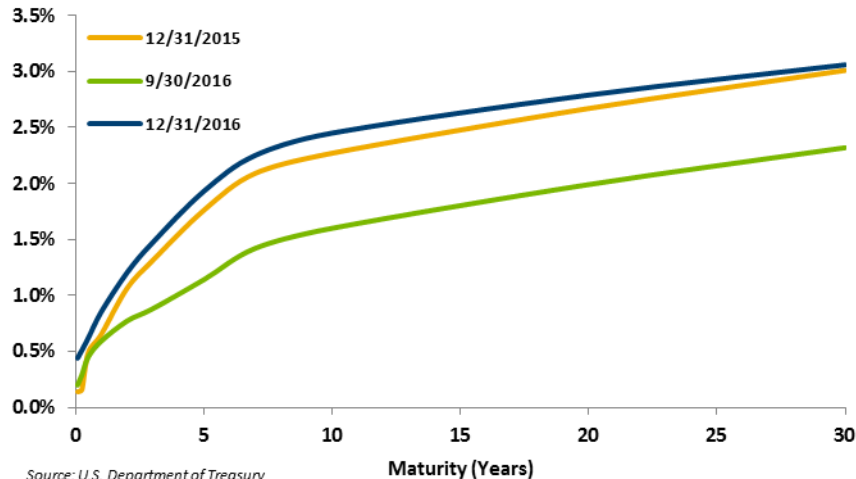
BLOOMBERG BARCLAYS AGGREGATE RETURNS BY MATURITY
AS OF 12/31/2016



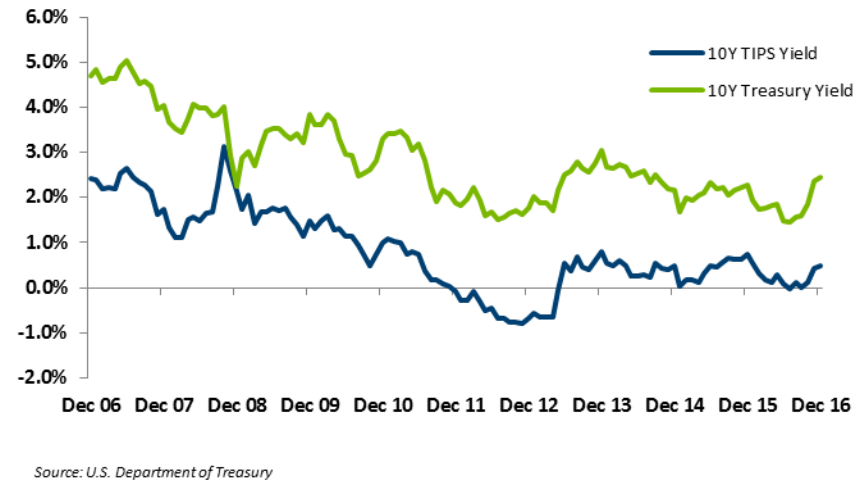
Source: Bloomberg Barclays Live

U.S. Fixed Income Markets

U.S. TREASURY YIELD CURVE



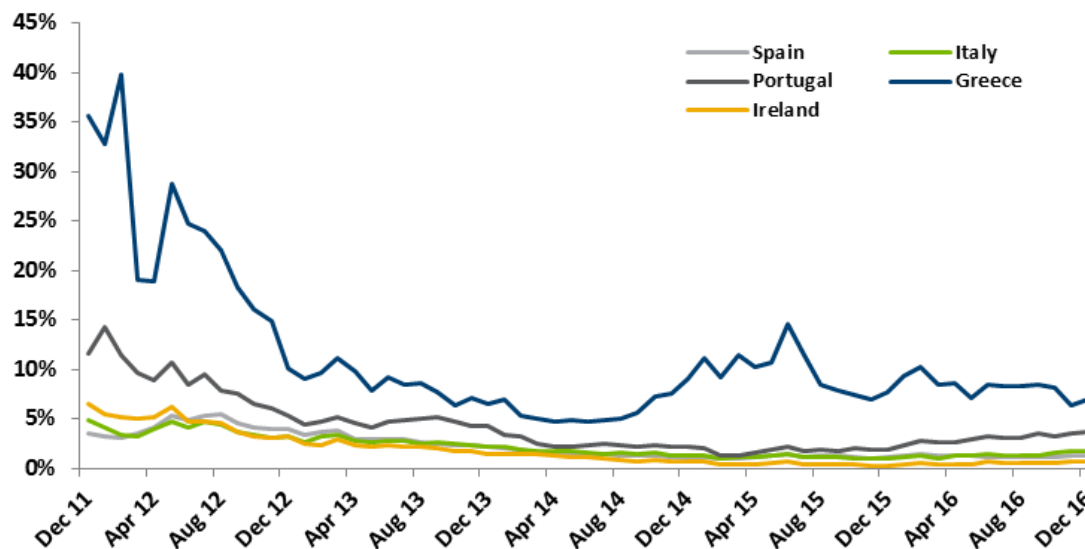
U.S. 10-YEAR TREASURY AND TIPS YIELDS



- The Treasury yield curve shifted upwards over the fourth quarter with yields rising across the curve. The yield curve also steepened over the quarter, driven by long maturity bonds rising faster than short maturity bonds.
- The Fed's decision to increase the target federal funds range by 25bps to 0.5-0.75% alongside higher breakeven inflation drove yields higher.
- The 10-year U.S. Treasury yield ended the quarter at 2.45%, 85 basis points higher than its level at the beginning of the quarter.
- The 10-year TIPS yield rose by 50 basis points over the quarter and ended the period at 0.50%.

European Fixed Income Markets

**EUROZONE PERIPHERAL BOND SPREADS
(10-YEAR SPREADS OVER GERMAN BUNDS)**



Source: DataStream

- In the Eurozone, government bond yields rose across the region with the exception of Greece. Bond spreads widened as the peripheral government bond yields rose at a faster pace than the core government bond yields. German bund yields moved into positive territory after several months of negative yields, and ended the quarter at 0.11%.
- Portuguese bond yields continued to rise due to concerns over the government's finances (the European Commission warned Portugal's 2017 draft budget for non-compliance issues) and a weakening of the economy.
- Italian government bond yields rose sharply as concerns over the rescue of the debt-heavy major bank Monte dei Paschi di Siena and Italian referendum weighed heavily on the European bond market. However, the Italian government's intervention to rescue the struggling banking sector towards the end of the quarter failed to stop the bond rout.
- Greek bond yields fell on the hopes of debt relief measures. However, this was later put on hold by the country's creditors following the government's decision to spend additional funds on pensions.

Credit Spreads

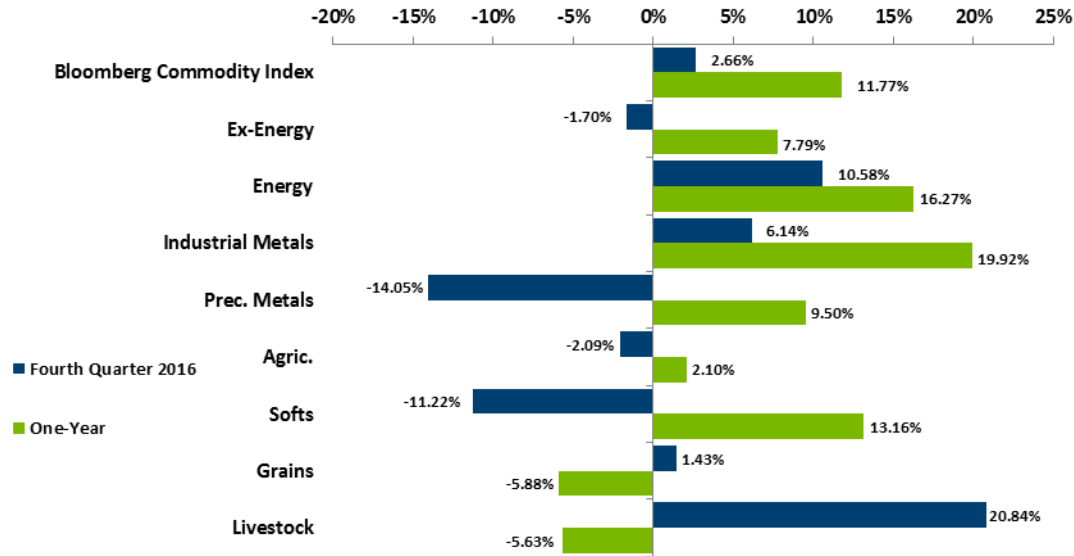
| Spread (bps) | 12/31/2016 | 9/30/2016 | 12/31/2015 | Quarterly Change (bps) | 1-Year Change (bps) |
|-------------------------|------------|-----------|------------|------------------------|---------------------|
| U.S. Aggregate | 43 | 47 | 56 | -4 | -13 |
| Long Gov't | 3 | 3 | 4 | 0 | -1 |
| Long Credit | 167 | 195 | 225 | -28 | -58 |
| Long Gov't/Credit | 104 | 118 | 138 | -14 | -34 |
| MBS | 15 | 14 | 24 | 1 | -9 |
| CMBS | 75 | 84 | 121 | -9 | -46 |
| ABS | 59 | 55 | 72 | 4 | -13 |
| Corporate | 123 | 138 | 165 | -15 | -42 |
| High Yield | 409 | 480 | 660 | -71 | -251 |
| Global Emerging Markets | 288 | 299 | 389 | -11 | -101 |

Source: Barclays Live

- During the fourth quarter, credit spreads were mixed across all the areas of the bond market.
- ABS bonds spreads (4 basis points) rose by the most over the quarter, followed by MBS bonds (1 basis point), whereas high yield spreads (-71 basis points) and long-dated credit (-28 basis points) fell by the most over the quarter.

Commodities

COMMODITY RETURNS
AS OF 12/31/2016

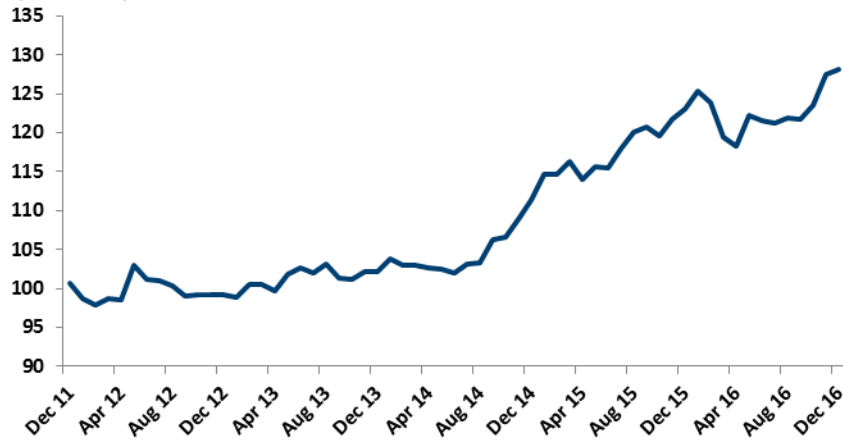


Source: Dow Jones-UBS

- The Bloomberg Commodity Index rose during the fourth quarter, returning 2.66%.
- Over the quarter, the best performing segment was Livestock with a return 20.84%, followed by the Energy sector which returned 10.58%.
- Precious Metals was the worst performing sector during the quarter with a return of -14.05%.

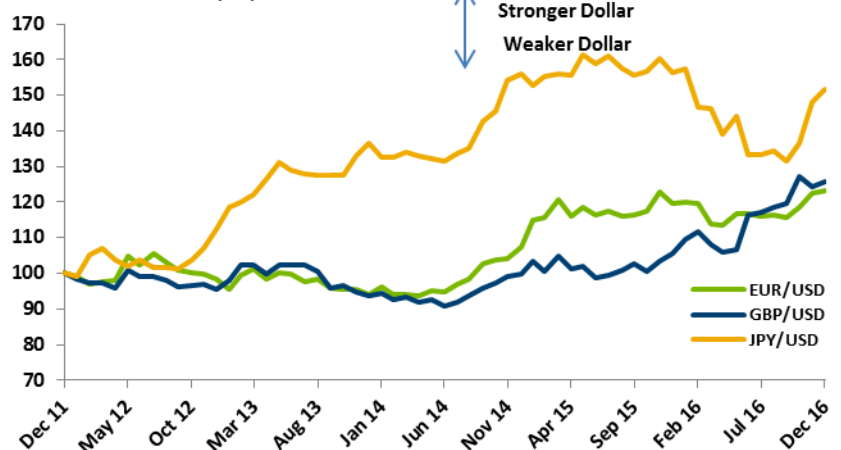
Currency

TRADE WEIGHTED U.S. DOLLAR INDEX
(1997 = 100)



Source: Federal Reserve

U.S. DOLLAR RELATIVE TO EUR, GBP AND JPY
REBASED TO 100 AT 06/30/2011

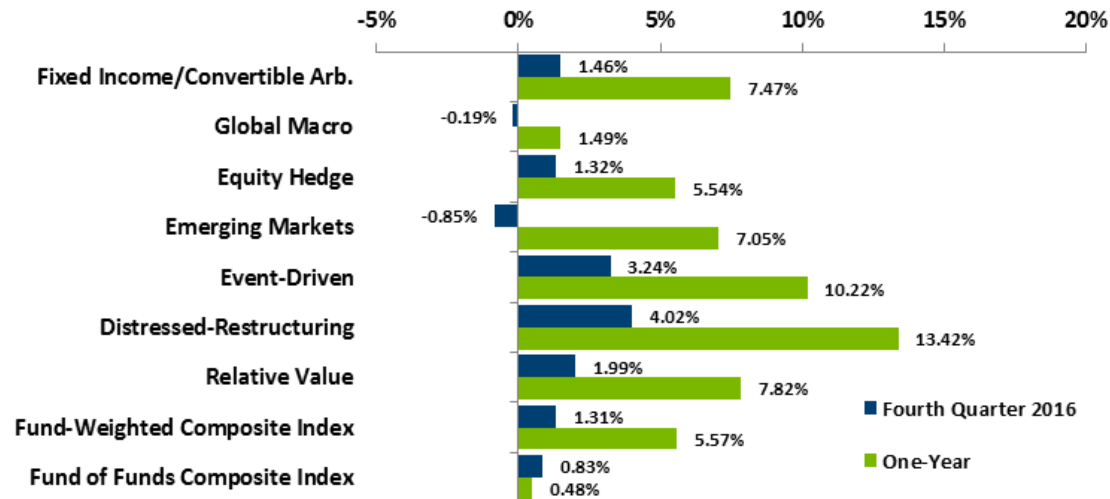


Source: DataStream

- As measured through the broad trade weighted U.S. dollar index, the U.S. dollar rose sharply over the quarter.
- The US dollar appreciated sharply against all major currencies as expectations of greater fiscal spending and increased number of future interest rate hikes led to significant US dollar inflows. The pound was dragged down by worries over the possibility of a hard-Brexit. The yen depreciated sharply against the dollar owing to the divergent monetary policy stances by the two central banks.

Hedge Fund

HEDGE FUND PERFORMANCE AS OF 12/31/2016



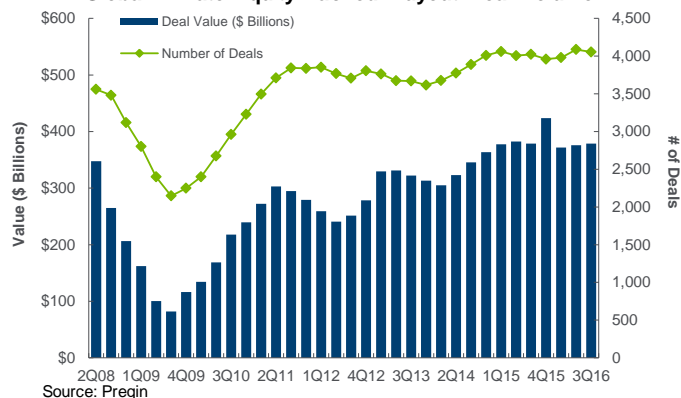
Note: Latest 5 months of HFR data are estimated by HFR and may change in the future.

Source: HFR

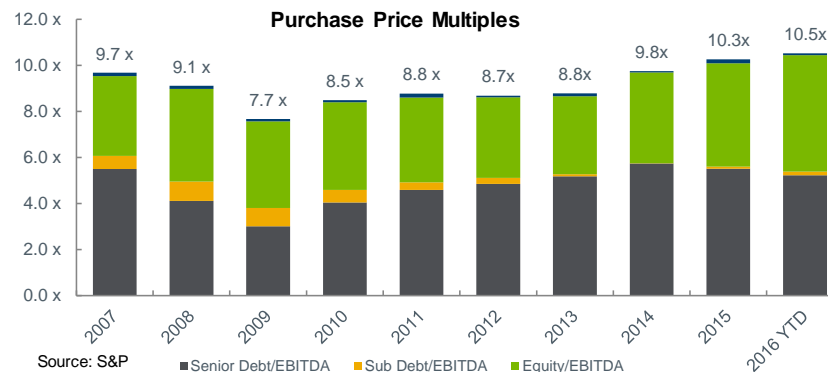
- Hedge fund performance was positive across all strategies with the exception of Global Macro and Emerging Markets.
- The HFRI Fund-Weighted Composite Index and the HFRI Fund of Funds Composite Index produced returns of 1.31% and 0.83%, respectively, during the quarter.
- Distressed-Restructuring was the best performer, with a return of 4.02% in the fourth quarter.

Private Equity Market Overview – Third Quarter 2016

LTM Global Private Equity-Backed Buyout Deal Volume



Purchase Price Multiples



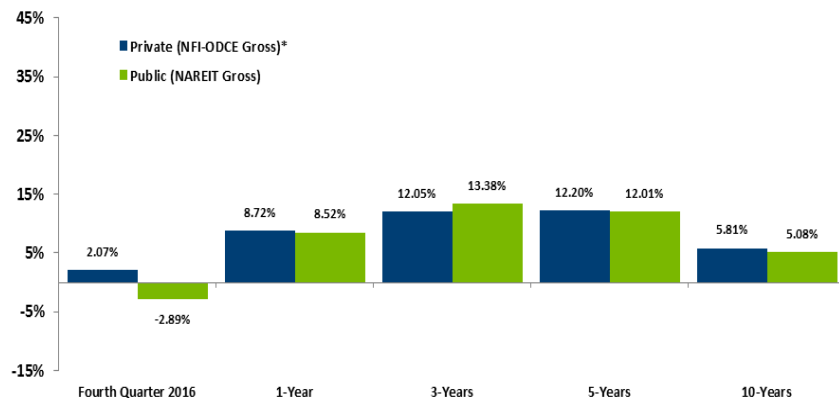
- Fundraising:** In 3Q 2016, \$108.4 billion was raised by 243 funds, which was down 21.3% on a capital basis and 13.2% by number of deals from the prior quarter. On a YTD basis, private equity fundraising totaled \$357.2 billion, which was up 6.8% year on year ¹. Dry powder was up roughly 4.5% compared to 2Q 2016's peak of \$1.2 trillion and remained well above the five year average level of \$910.4 billion ¹.
- Buyout:** Global private equity-backed buyout deals totaled \$90.6 billion in the third quarter, which was down 9.2% from the prior quarter, but above the five year quarterly average of \$82.7 billion ¹. At the end of 3Q 2016, average purchase price multiples for all U.S. LBOs were 10.5x EBITDA, up from 10.1x as of the end of 2Q 2016. Both large cap and middle-market purchase price multiples increased on a YTD basis quarter over quarter. Middle-market purchase price multiples increased from 8.2x through 1H 2016 to 9.9x through 3Q 2016 ². The weighted average purchase price multiple across all European transaction sizes averaged 10.1x EBITDA through 3Q 2016. Purchase prices for transactions of €1.0 billion or more decreased slightly from 11.0x in 2Q 2016 to 10.9x in 3Q 2016. Transactions between €500.0 million and €1.0 billion were up 0.1x quarter over quarter, and stood at 10.6x ². Globally, exit value totaled \$87.9 billion on 448 deals in 3Q 2016, down 6.7% and 7.4%, respectively, from 2Q 2016 ¹.
- Venture:** \$10.6 billion of capital was deployed across 891 deals in the third quarter compared to \$15.6 billion across 999 deals in 2Q 2016 ³. This was 36.4% lower than 3Q 2015 on a capital basis, but remains flat with the five year quarterly average level. Total U.S. venture-backed exit activity slowed by 2.3% during the quarter, totaling \$14.6 billion across 162 completed transactions. YTD U.S. exit value stood at \$38.6 billion compared to \$49.0 billion in 2015 ⁴.
- Mezzanine:** 15 funds closed on \$4.7 billion during the quarter, up from 2Q 2016's total of \$2.5 billion raised by six funds. This was down compared to 3Q 2015's total of \$5.1 billion raised by nine funds, but was 31.1% higher than the five year quarterly average. Estimated dry powder was \$50.7 billion at the end of 3Q 2016, up 9.9% from 2Q 2016 ¹. Fundraising remains competitive with an estimated 74 funds in market targeting \$32.9 billion of commitments in addition to continued market participation from private lending platforms and business development companies (BDCs) ¹.
- Distressed Debt:** High-yield defaults slowed in 3Q to \$10.1 billion compared to \$34.7 billion a quarter ago. YTD defaults totaled \$63.5 billion through 3Q 2016, significantly above 2015's full year total of \$48.3 billion. The LTM U.S. high-yield default rate was 4.9% as of August 2016, which was flat relative to 2Q 2016 ⁵. Default rates are expected to decline due to the stabilization of crude oil prices and improved conditions in the high yield market ⁵. Distressed debt and bankruptcy restructuring activity totaled \$115.8 billion in 3Q 2016, bringing 3Q 2016 YTD activity to \$168.4 billion, which was up 67.0% from the same period a year ago. U.S. activity accounted for \$97.4 billion on a YTD basis, representing a 200.5% increase from 3Q 2015 ⁶.
- Secondaries:** Nine funds raised \$3.3 billion during the third quarter, down from \$13.0 billion by nine funds in 2Q 2016. On an LTM basis, secondary capital raised totaled \$28.2 billion, up from the \$21.0 billion five year annual average ¹. The average discount rate for all private equity sectors decreased quarter over quarter from 8.6% to 8.5% and remains very favorable for potential sellers ⁷.
- Infrastructure:** \$22.9 billion of capital was raised by 17 funds in 3Q 2016 compared to \$6.6 billion of capital closed on by 10 partnerships in 2Q 2016. At the end of the quarter, dry powder stood at \$139.0 billion, down slightly from last quarter's record total of \$142.0 billion ¹. Infrastructure managers completed 280 deals with an estimated aggregate deal value of \$108.4 billion in 3Q 2016 compared to 313 deals totaling \$154.6 billion a quarter ago ¹.
- Natural Resources:** During 3Q 2016, 10 funds closed on \$9.7 billion compared to nine funds totaling \$3.9 billion in 2Q 2016. Energy and utilities industry managers completed an estimated 143 deals totaling a reported \$18.0 billion through 3Q 2016, representing 77.2% of 2015's full year deal value ¹.

Sources: ¹ Preqin ² Standard & Poor's ³ PWC / National Venture Capital Association (NVCA) MoneyTree Report ⁴ PitchBook ⁵ Fitch Ratings ⁶ Thomson Reuters ⁷ UBS

Notes: FY: Fiscal year ended 12/31; YTD: Year to date; LTM: Last twelve months (aka trailing twelve months); PPM: Purchase Price Multiples: Total Purchase Price / EBITDA.

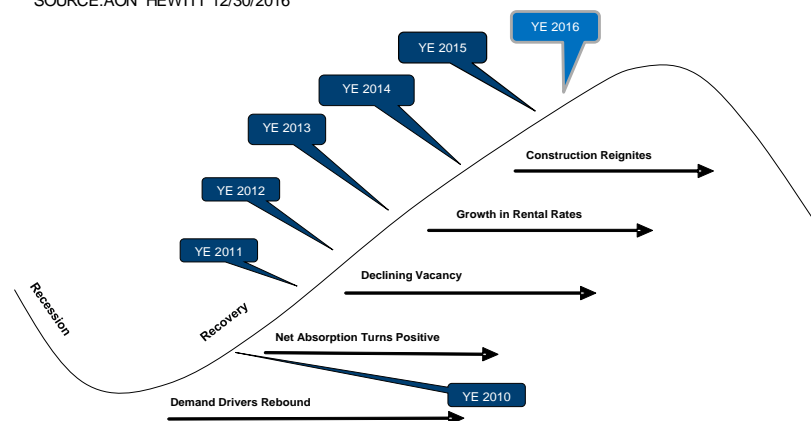
U.S. Commercial Real Estate Markets

PRIVATE VS. PUBLIC REAL ESTATE RETURNS AS OF 12/31/2016



*Fourth quarter returns are preliminary
Sources: NCREIF, NAREIT

Stages of Fundamental Recovery in the Real Estate Market Cycle SOURCE: AON HEWITT 12/30/2016



- U.S. private market real estate performed well on a relative basis in 2016, despite its clear moderating trend following five years of above average performance. The NFI-ODCE is now performing back in line with the sector's long term average, registering 8.72%* for the calendar year. Income growth for the year (4.48%)* outpaced appreciation (4.09%)* as expected, illustrating that income growth has become the larger driver of sector returns at this mature point in the real estate cycle. We expect these trends to continue in 2017.
- The U.S. REIT sector posted similar gains for the year, up 8.5% (FTSE NAREIT Equity REIT Index), but it was a bumpy road with elevated volatility quarter to quarter. In the fourth quarter REITs declined by 2.9%; this was led by interest rate concerns and mid-quarter jitters over the U.S. presidential election. Post-election enthusiasm for better economic growth appeared to buoy the sector as it rallied ahead of the broader equity markets late in the quarter. U.S. REITs ended the year trading at an approximate 1.5% premium to NAVs, although excluding the healthcare and net lease sectors, the REIT sector ended the year at an approximate 4% discount to private market valuations.
- Capital flows were robust throughout 2016, exceeding \$100bn in final closings for the fourth year in a row. Current signs indicate that the asset class should continue to attract significant levels of new capital in 2017. Notable trends in 2016 included a significant increase in average Fund size, while the number of final closings fell. There was increased investment in Real Estate Debt funds, while capital closed for Opportunistic funds fell significantly.
- Dry powder for higher risk investments currently stands at an all time peak. While this should help support current sector pricing for a bit longer, moderating trends in underlying fundamentals (for example rent growth), supply-demand balance, interest rates, and economic tailwinds raise investment risk levels at this mature point in the cycle. The outcome of the U.S. election and Brexit, as well as other potential leadership changes in Europe, have also added further risk in relation to political uncertainty globally. To-date, U.S. real estate has not illustrated any fundamental adjustments from these cumulative factors with the exception of a handful of firms with international exposure; if anything, the U.S. continues to benefit as a global safe(r) haven.
- As we enter 2017, the U.S. real estate cycle is mature, and thus more susceptible to bumps along the road. While solid income returns are forecasted to continue to support attractive relative returns against many other asset classes, portfolio construction consideration is essential. At this point in the cycle, appropriate risk mitigation measures should be a staple in all investment portfolios as new investments will likely be required to ride out a cyclical downturn.

*Indicates preliminary NFI-ODCE data gross of fees

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Total Fund

Highlights

Executive Summary

- Performance of the Pension Plan, when measured against the Performance Benchmark, has been strong over short- and long-term time periods.
- Performance relative to peers is also competitive over short- and long-term time periods.
- The Pension Plan is well-diversified across six broad asset classes, and each asset class is also well-diversified.
- Public market asset class investments do not significantly deviate from their broad market based benchmarks, e.g., sectors, market capitalizations, global regions, credit quality, duration, and security types.
- Private market asset classes are well-diversified by vintage year, geography, property type, sectors, investment vehicle/asset type, or investment strategy.
- Asset allocation is monitored on a daily basis to ensure the actual asset allocation of the plan remains close to the long-term policy targets set forth in the Investment Policy Statement.
- Aon Hewitt Investment Consulting and SBA staff revisit the plan design annually through informal and formal asset allocation and asset liability reviews.
- Adequate liquidity exists within the asset allocation to pay the monthly obligations of the Pension Plan consistently and on a timely basis.

Performance Highlights

- During the fourth quarter, the Total Fund outperformed the Performance Benchmark. The Total Fund outperformed the Performance Benchmark during the trailing one-, three-, five-, and ten-year periods.

Asset Allocation

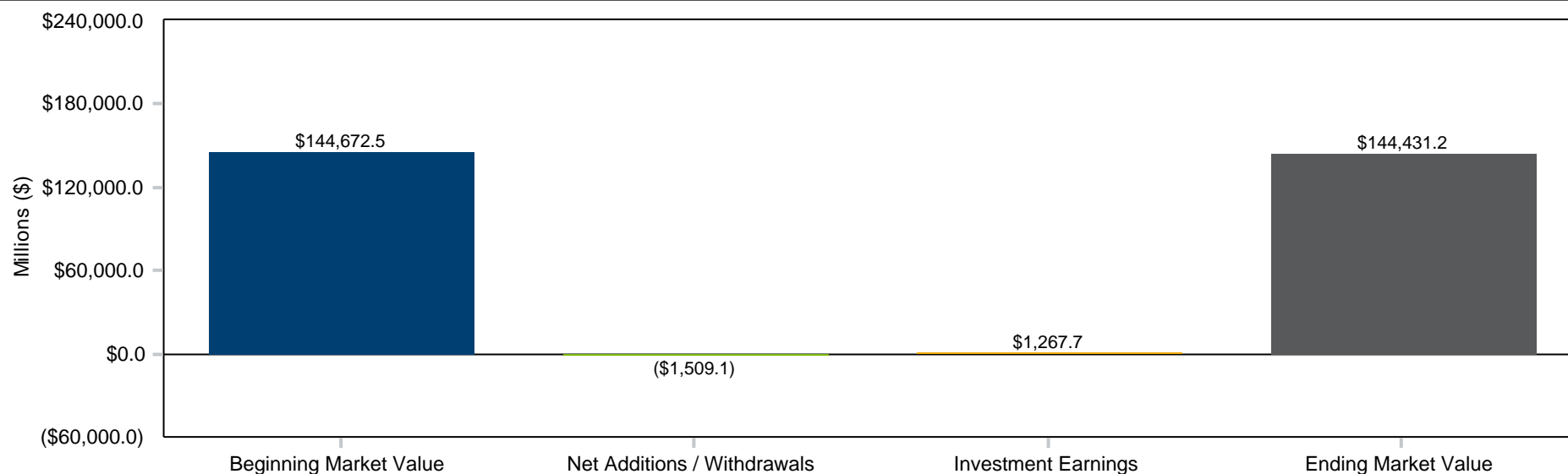
- The Fund assets total \$144.3 billion as of December 31, 2016, which represents a \$0.2 billion decrease since last quarter.
- Actual allocations for all asset classes were within their respective policy ranges at quarter-end.
- The Fund was modestly overweight to global equity and cash, with corresponding underweights to fixed income, private equity, and strategic investments.

Total Fund

As of December 31, 2016

Total Plan Asset Summary

Change in Market Value From October 1, 2016 to December 31, 2016



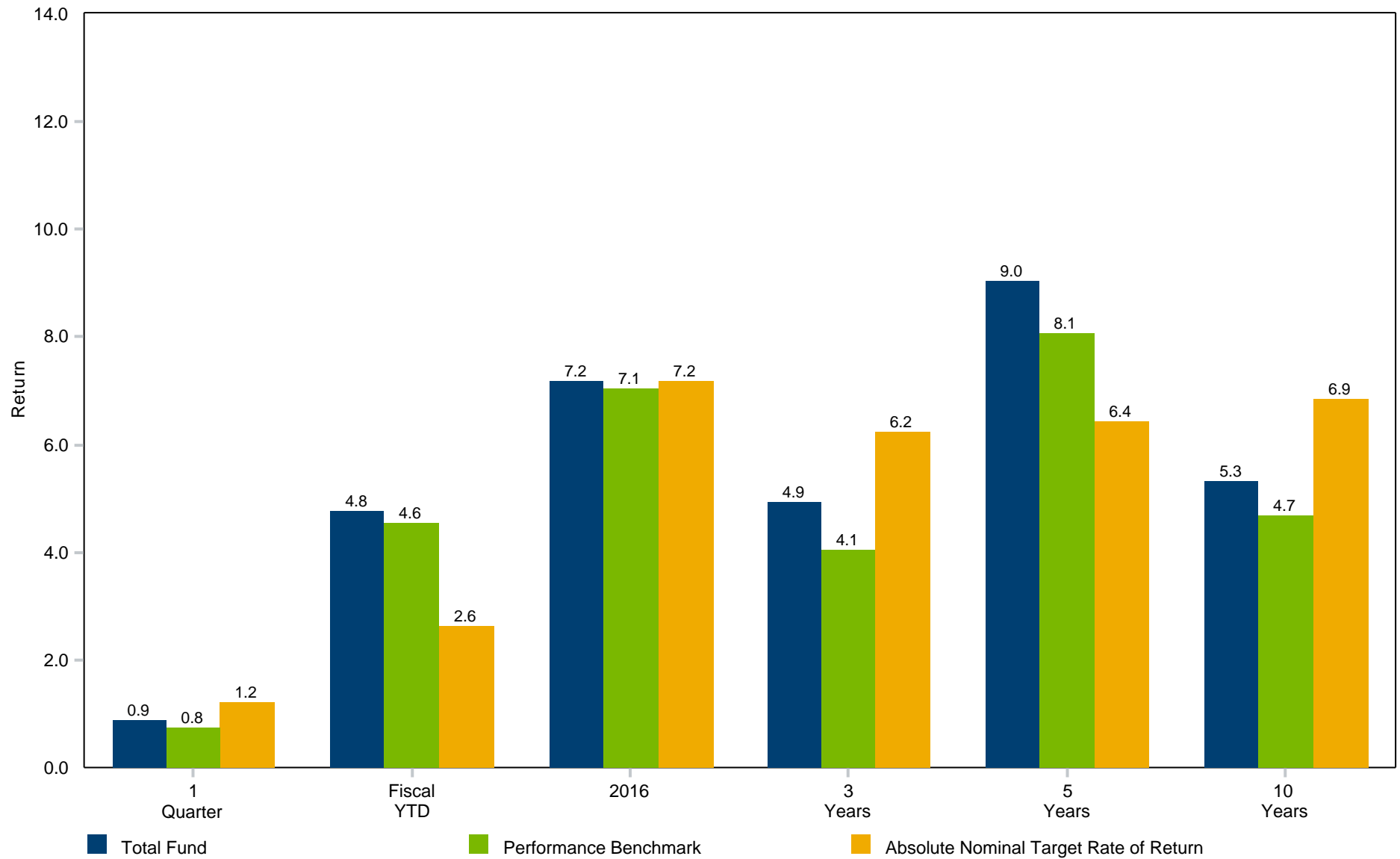
Summary of Cash Flow

| Total Fund | 1 Quarter | Fiscal YTD* |
|---------------------------|-----------------|-----------------|
| Beginning Market Value | 144,672,540,559 | 141,420,636,601 |
| + Additions / Withdrawals | -1,509,050,457 | -3,526,138,847 |
| + Investment Earnings | 1,267,745,609 | 6,536,737,957 |
| = Ending Market Value | 144,431,235,711 | 144,431,235,711 |

*Period July 2016 - December 2016

Total Plan Performance Summary

Return Summary



As of December 31, 2016

Asset Allocation & Performance

| | Allocation | | | Performance(%) | | | | | |
|---|-------------------|-------|-----------|----------------|------------|-----------|-----------|-----------|----------|
| | Market Value (\$) | % | Policy(%) | 1 Quarter | Fiscal YTD | 2016 | 3 Years | 5 Years | 10 Years |
| Total Fund | 144,431,235,711 | 100.0 | 100.0 | 0.9 (44) | 4.8 (38) | 7.2 (60) | 4.9 (24) | 9.0 (14) | 5.3 (24) |
| Performance Benchmark | | | | 0.8 (53) | 4.6 (46) | 7.1 (62) | 4.1 (63) | 8.1 (42) | 4.7 (60) |
| Absolute Nominal Target Rate of Return | | | | 1.2 (25) | 2.6 (91) | 7.2 (59) | 6.2 (1) | 6.4 (89) | 6.9 (1) |
| Global Equity* | 81,831,679,296 | 56.7 | 55.3 | 1.2 | 6.7 | 8.0 | 3.8 | 10.5 | 4.5 |
| Asset Class Target | | | | 1.3 | 6.9 | 8.3 | 3.3 | 9.7 | 3.8 |
| Domestic Equities | 38,991,941,099 | 27.0 | | 4.3 (30) | 8.9 (40) | 11.9 (59) | 8.2 (23) | 14.6 (18) | 7.2 (19) |
| Asset Class Target | | | | 4.2 (33) | 8.8 (42) | 12.7 (46) | 8.4 (20) | 14.7 (15) | 7.1 (20) |
| Foreign Equities | 33,747,701,531 | 23.4 | | -2.2 (48) | 4.6 (46) | 4.1 (37) | -0.8 (34) | 6.4 (38) | 2.4 (8) |
| Asset Class Target | | | | -1.6 (28) | 5.4 (20) | 4.3 (32) | -1.4 (68) | 5.5 (65) | 1.3 (61) |
| Global Equities | 7,829,645,312 | 5.4 | | 0.8 | 4.4 | 6.4 | 3.7 | 10.3 | 3.7 |
| Benchmark | | | | 1.7 | 6.8 | 7.6 | 3.6 | 10.1 | 4.1 |
| Fixed Income | 26,296,435,649 | 18.2 | 19.3 | -1.9 (46) | -1.5 (68) | 2.3 (89) | 2.6 (79) | 2.5 (69) | 4.6 (56) |
| Asset Class Target | | | | -2.0 (53) | -1.7 (78) | 2.0 (93) | 2.4 (87) | 1.9 (86) | 4.2 (75) |
| Private Equity | 9,483,001,763 | 6.6 | 6.9 | 3.1 | 7.8 | 11.1 | 14.2 | 14.0 | 9.2 |
| Asset Class Target | | | | 3.2 | 7.6 | 11.3 | 6.5 | 14.5 | 9.2 |
| Real Estate | 13,093,866,288 | 9.1 | 9.1 | 1.7 (50) | 4.1 (37) | 10.0 (21) | 12.0 (24) | 13.4 (12) | 6.9 |
| Asset Class Target | | | | 1.1 (71) | 3.1 (66) | 8.9 (50) | 11.1 (55) | 11.3 (53) | 5.3 |
| Strategic Investments | 12,026,870,241 | 8.3 | 8.4 | 2.5 | 4.9 | 6.6 | 6.4 | 10.0 | |
| Short-Term Target | | | | 1.5 | 3.4 | 4.7 | 4.1 | 6.5 | |
| Cash | 1,699,382,473 | 1.2 | 1.0 | 0.1 | 0.2 | 0.4 | 0.3 | 0.3 | 0.2 |
| iMoneyNet First Tier Institutional Money Market Funds Net Index | | | | 0.1 | 0.2 | 0.3 | 0.1 | 0.1 | 1.0 |

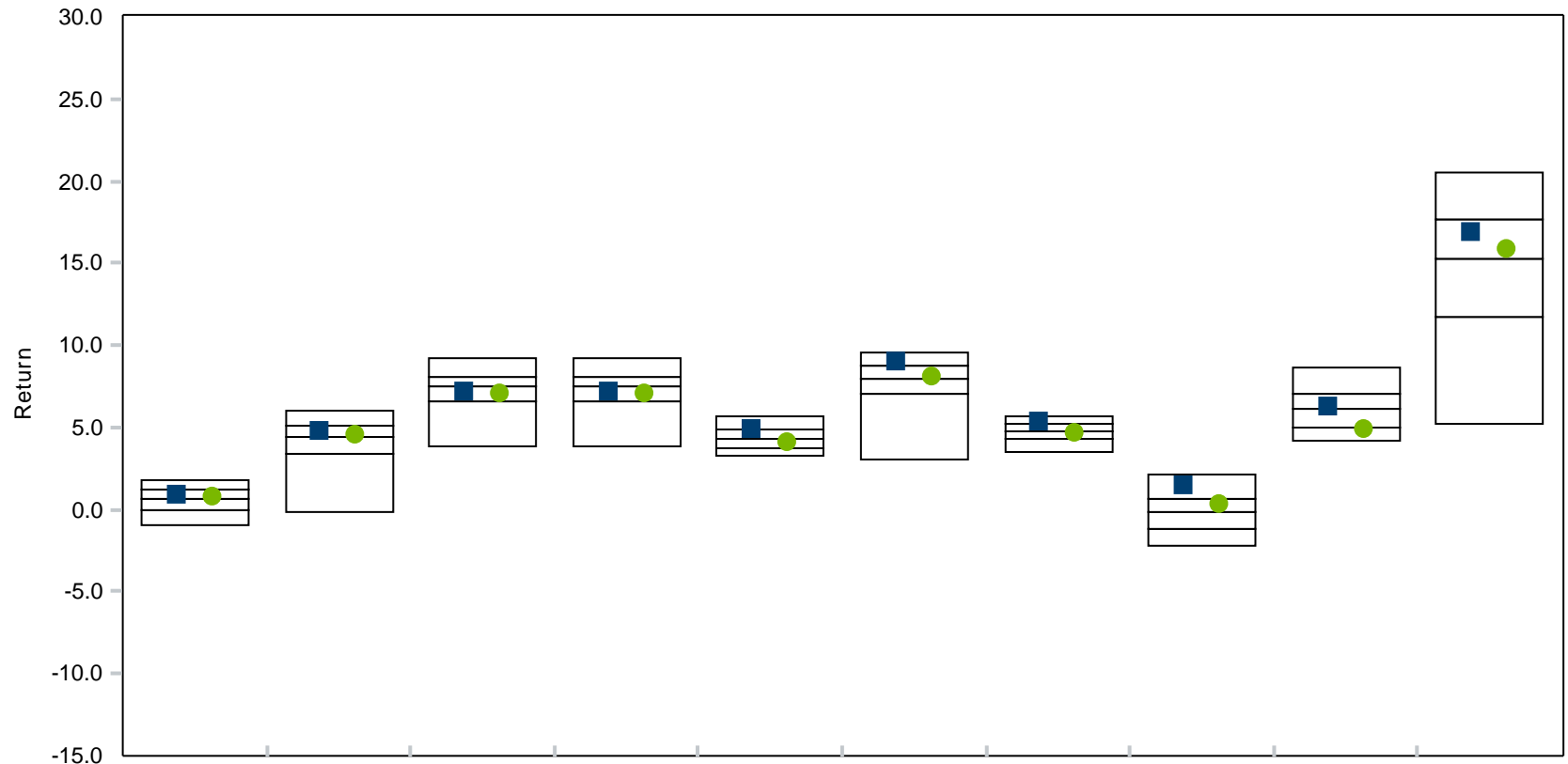
Benchmark and universe descriptions can be found in the Appendix.

* Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic Equities, Foreign Equities, and Global Equities components.

As of December 31, 2016

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-Total Fund

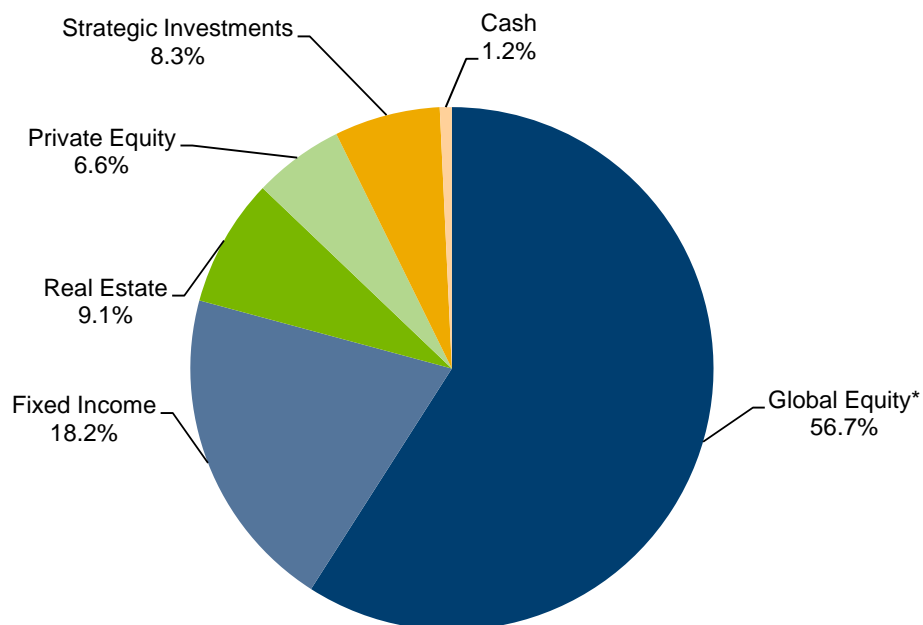


| | 1 Quarter | Fiscal YTD | 2016 | 1 Year | 3 Years | 5 Years | 10 Years | 2015 | 2014 | 2013 |
|-------------------------|--------------|---------------|----------|-----------|------------|------------|-------------|----------|----------|-----------|
| ■ Total Fund | 0.9 (39) | 4.8 (36) | 7.2 (61) | 7.2 (61) | 4.9 (24) | 9.0 (14) | 5.3 (23) | 1.5 (12) | 6.2 (48) | 16.9 (33) |
| ● Performance Benchmark | 0.8 (46) | 4.6 (43) | 7.1 (64) | 7.1 (64) | 4.1 (60) | 8.1 (42) | 4.7 (59) | 0.3 (33) | 4.9 (80) | 15.9 (41) |
| 5th Percentile | 1.8 | 6.0 | 9.2 | 9.2 | 5.7 | 9.6 | 5.6 | 2.1 | 8.6 | 20.5 |
| 1st Quartile | 1.2 | 5.1 | 8.1 | 8.1 | 4.9 | 8.7 | 5.2 | 0.7 | 7.1 | 17.7 |
| Median | 0.6 | 4.4 | 7.5 | 7.5 | 4.3 | 7.9 | 4.8 | -0.2 | 6.1 | 15.3 |
| 3rd Quartile | 0.0 | 3.4 | 6.6 | 6.6 | 3.7 | 7.0 | 4.3 | -1.2 | 5.0 | 11.8 |
| 95th Percentile | -0.9 | -0.2 | 3.8 | 3.8 | 3.3 | 3.0 | 3.5 | -2.2 | 4.2 | 5.2 |
| Population | 85 | 85 | 83 | 83 | 81 | 80 | 73 | 95 | 78 | 67 |

Parentheses contain percentile rankings.

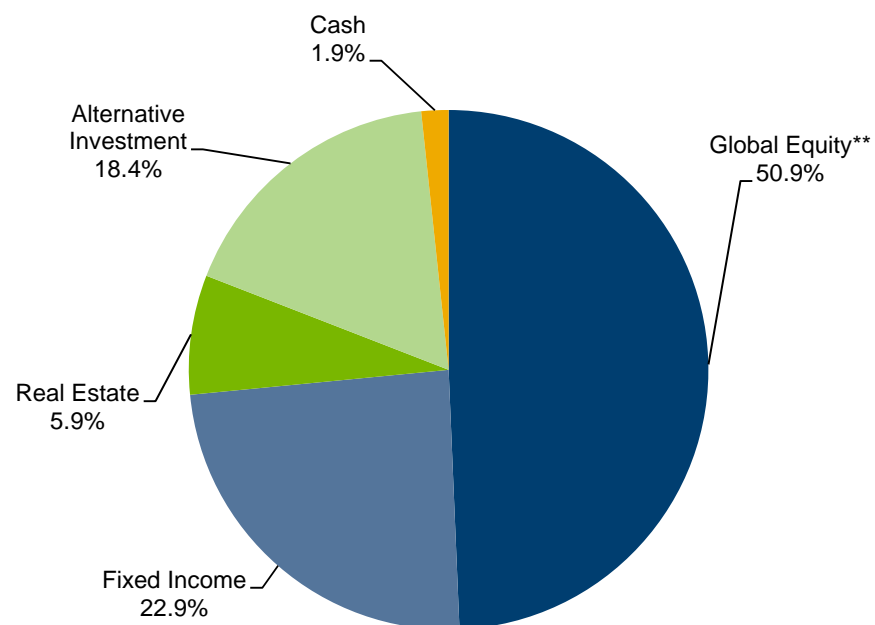
Universe Asset Allocation Comparison

Total Fund



*Global Equity Allocation: 27.0% Domestic Equities; 23.4% Foreign Equities; 5.4% Global Equities; 0.9% Global Equity Liquidity Account. Percentages are of the Total FRS Fund.

BNY Mellon Public Funds > \$1B Net Universe

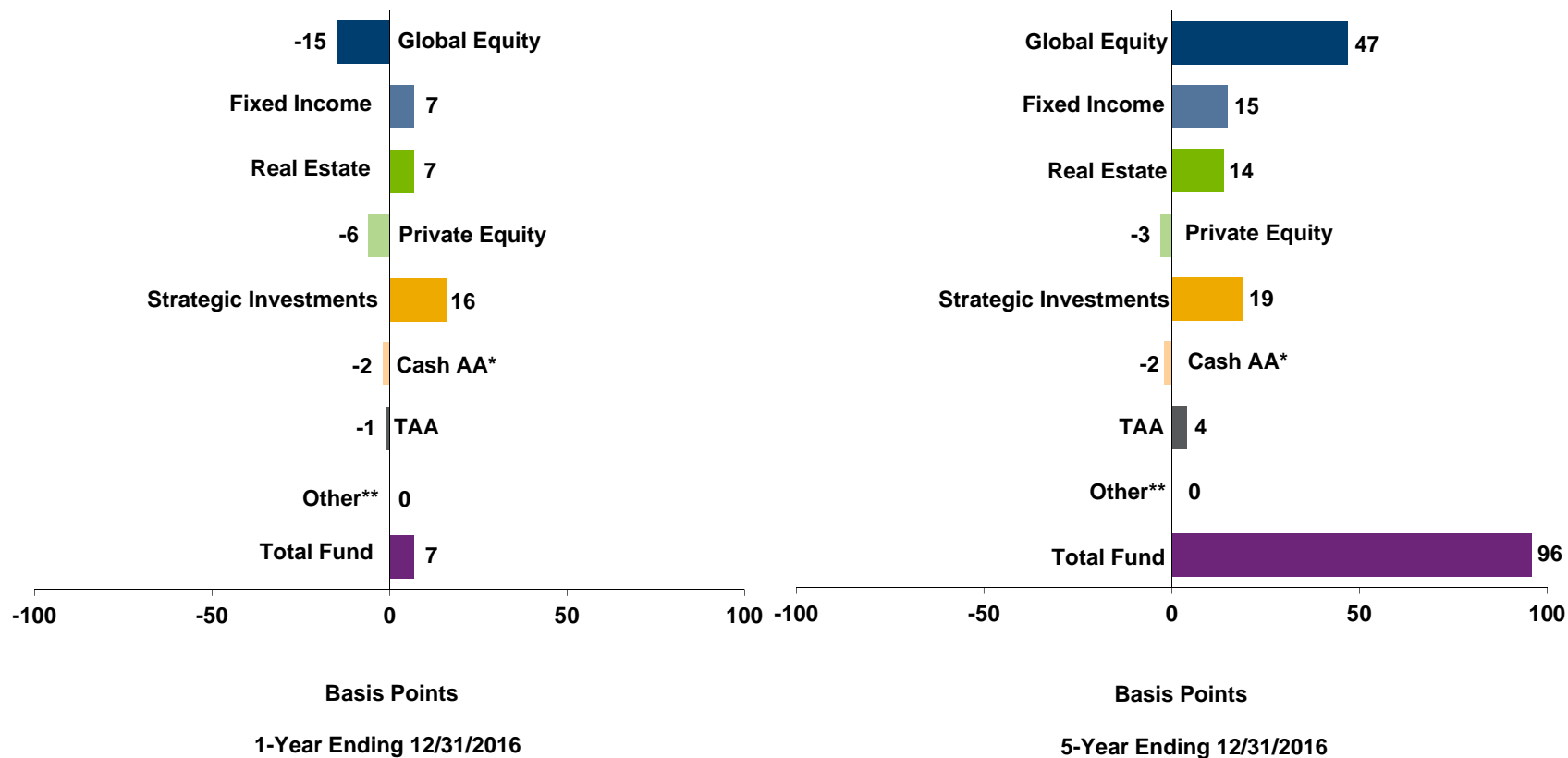


**Global Equity Allocation: 31.1% Domestic Equities; 19.8% Foreign Equities.

Total Fund

As of December 31, 2016

Attribution

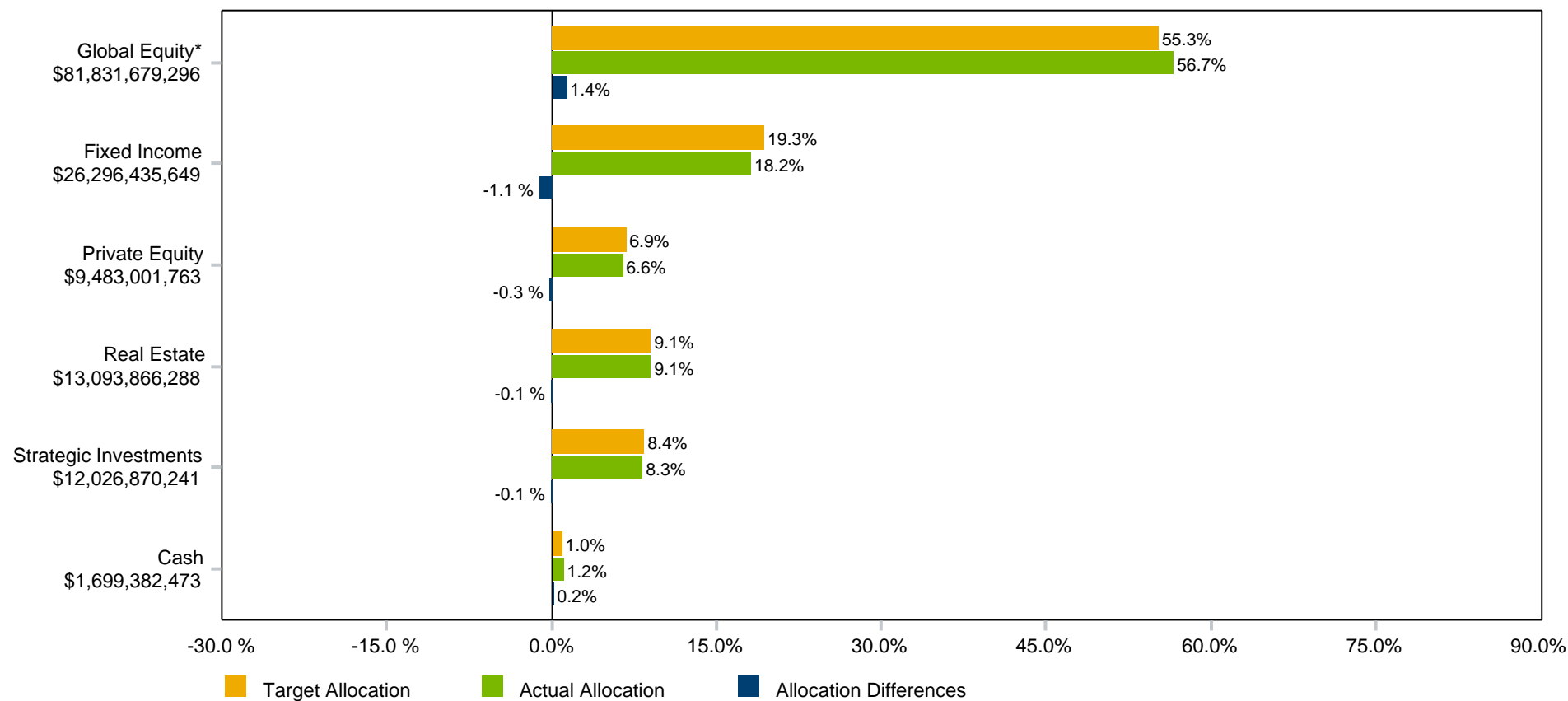


*Cash AA includes Cash and Central Custody, Securities Lending Account income from 12/2009 to 3/2013 and unrealized gains and losses on securities lending collateral beginning June 2013, TF STIPFRS NAV Adjustment Account, and the Cash Expense Account.

**Other includes legacy accounts and unexplained differences due to methodology.

Asset Allocation Compliance

| | Market Value (\$) | Current Allocation (%) | Target Allocation (%) | Minimum Allocation (%) | Maximum Allocation (%) |
|-----------------------|-------------------|------------------------|-----------------------|------------------------|------------------------|
| Total Fund | 144,431,235,711 | 100.0 | 100.0 | | |
| Global Equity* | 81,831,679,296 | 56.7 | 55.3 | 45.0 | 70.0 |
| Fixed Income | 26,296,435,649 | 18.2 | 19.3 | 10.0 | 26.0 |
| Private Equity | 9,483,001,763 | 6.6 | 6.9 | 2.0 | 9.0 |
| Real Estate | 13,093,866,288 | 9.1 | 9.1 | 4.0 | 16.0 |
| Strategic Investments | 12,026,870,241 | 8.3 | 8.4 | 0.0 | 16.0 |
| Cash | 1,699,382,473 | 1.2 | 1.0 | 0.3 | 5.0 |



* Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic Equities, Foreign Equities, and Global Equities components.

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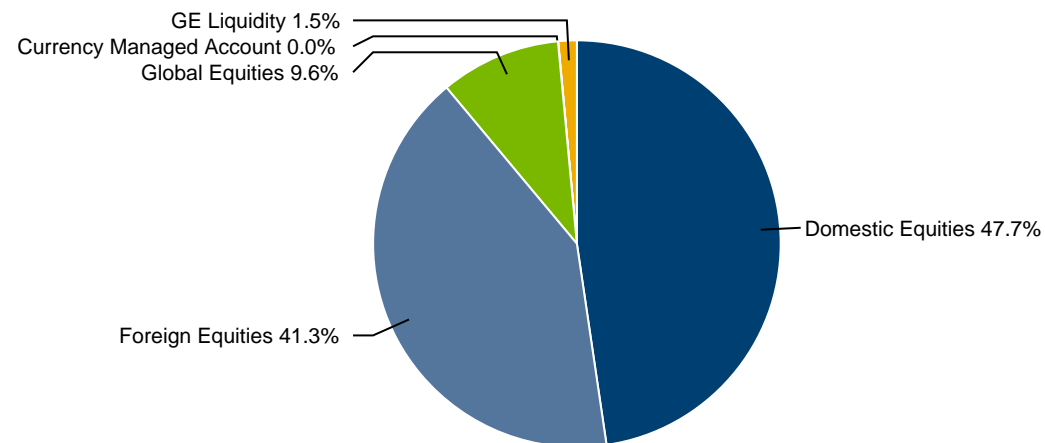


Global Equity

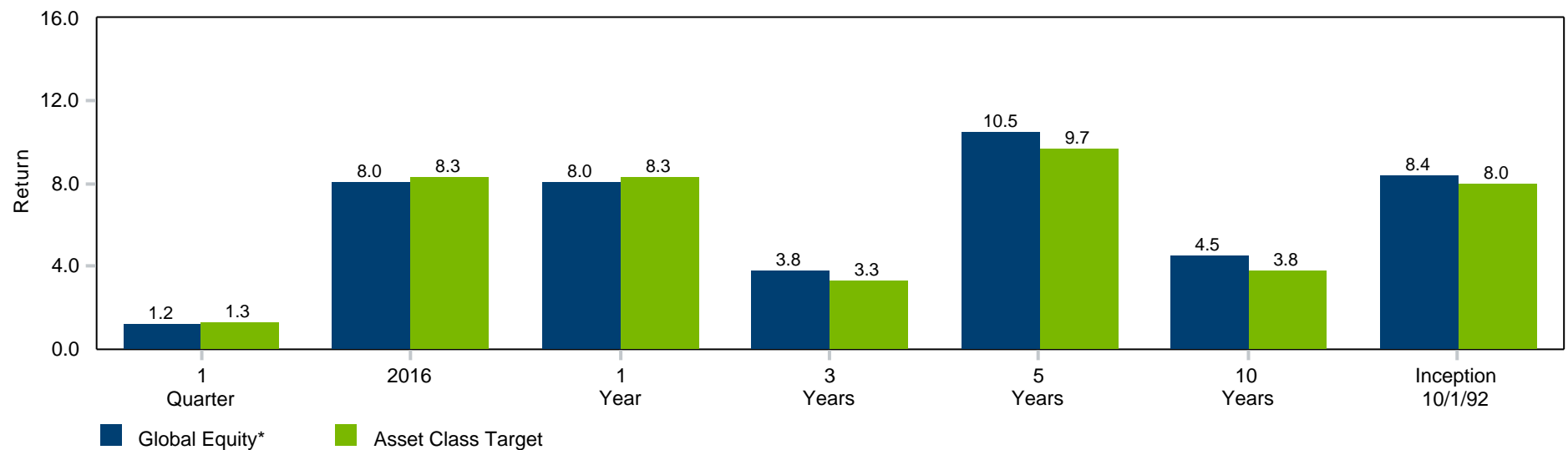
Global Equity* Portfolio Overview

Current Allocation

December 31, 2016 : \$81,831M



Return Summary



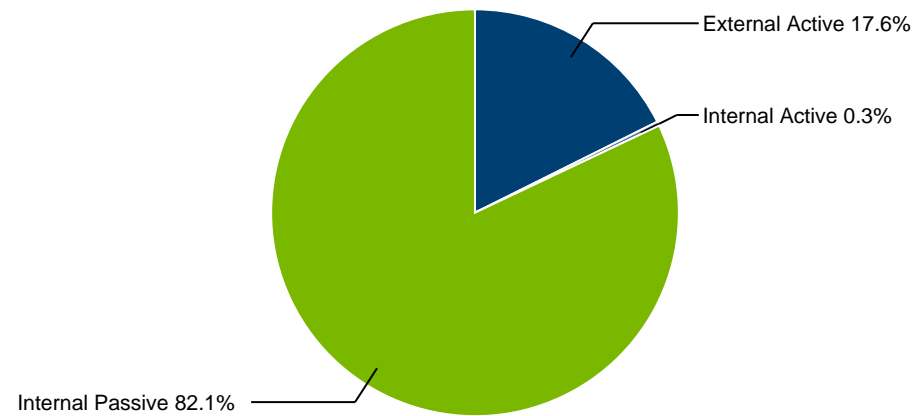
* Global Equity became an asset class in July 2010. The historical return series prior to July 2010 was derived from the underlying Domestic Equities, Foreign Equities, and Global Equities components.



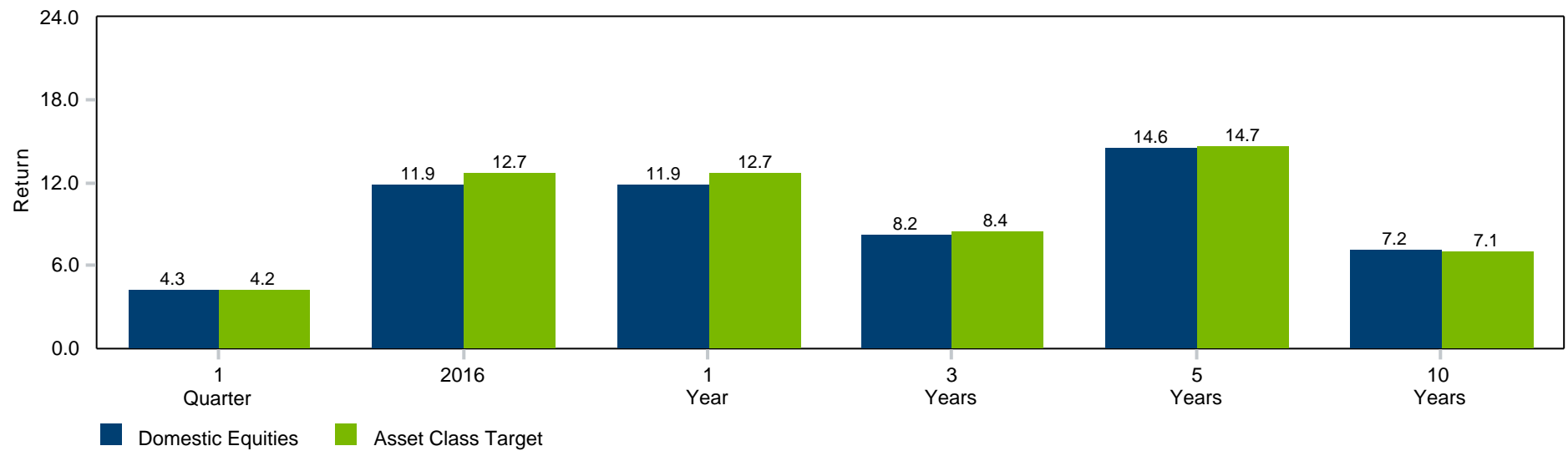
Domestic Equities Portfolio Overview

Current Allocation

December 31, 2016 : \$38,992M



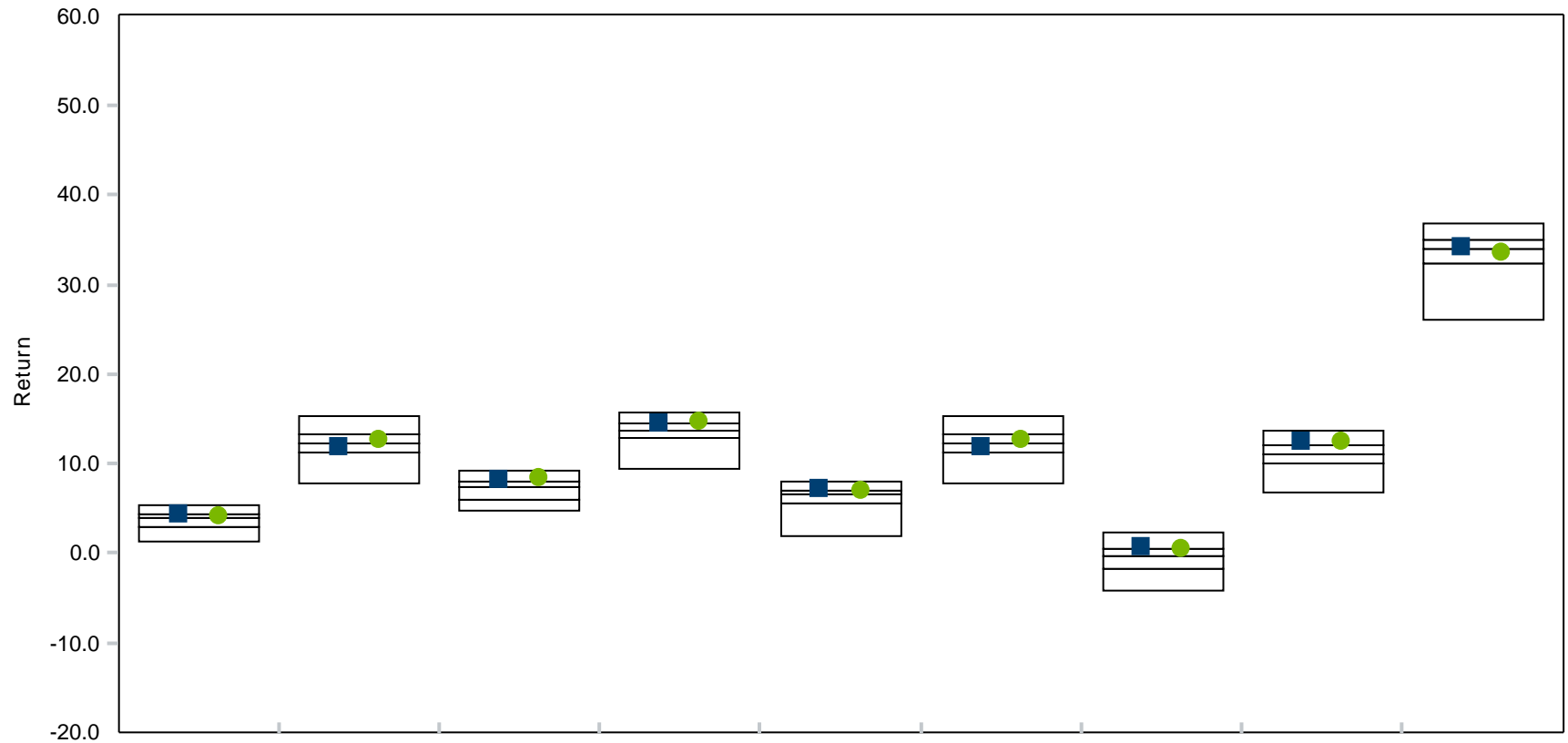
Return Summary



As of December 31, 2016

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-US Equity Segment



| | 1 Quarter | 1 Year | 3 Years | 5 Years | 10 Years | 2016 | 2015 | 2014 | 2013 |
|----------------------|--------------|-----------|------------|------------|-------------|-----------|----------|-----------|-----------|
| ■ Domestic Equities | 4.3 (30) | 11.9 (59) | 8.2 (23) | 14.6 (18) | 7.2 (19) | 11.9 (59) | 0.6 (24) | 12.4 (18) | 34.1 (50) |
| ● Asset Class Target | 4.2 (33) | 12.7 (46) | 8.4 (20) | 14.7 (15) | 7.1 (20) | 12.7 (46) | 0.5 (27) | 12.6 (18) | 33.6 (52) |
| 5th Percentile | 5.3 | 15.4 | 9.2 | 15.8 | 8.1 | 15.4 | 2.3 | 13.6 | 36.9 |
| 1st Quartile | 4.4 | 13.3 | 8.1 | 14.4 | 7.0 | 13.3 | 0.5 | 12.0 | 35.1 |
| Median | 4.0 | 12.4 | 7.5 | 13.7 | 6.7 | 12.4 | -0.3 | 11.1 | 34.0 |
| 3rd Quartile | 2.9 | 11.2 | 6.0 | 12.9 | 5.7 | 11.2 | -1.8 | 10.1 | 32.3 |
| 95th Percentile | 1.4 | 7.9 | 4.7 | 9.5 | 1.9 | 7.9 | -4.2 | 6.8 | 26.1 |
| Population | 51 | 51 | 50 | 42 | 21 | 51 | 63 | 39 | 34 |

Parentheses contain percentile rankings.

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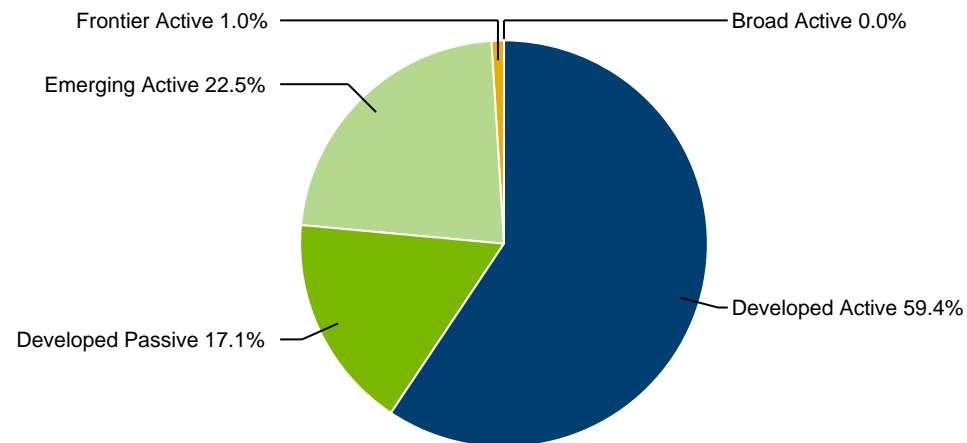


Foreign Equities

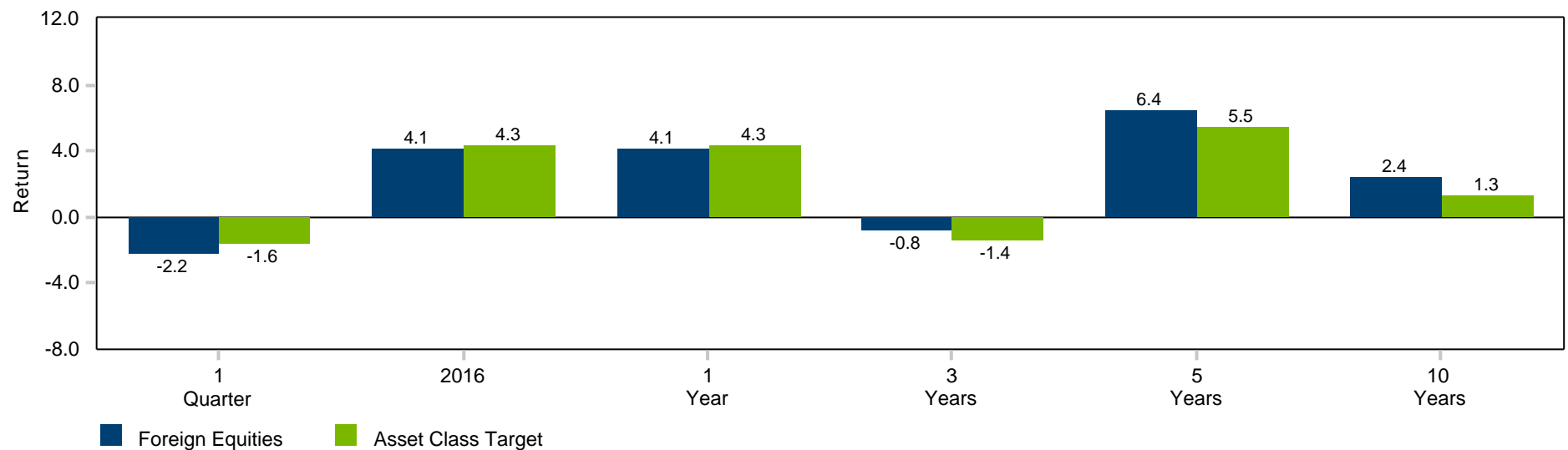
Foreign Equities Portfolio Overview

Current Allocation

December 31, 2016 : \$33,748M



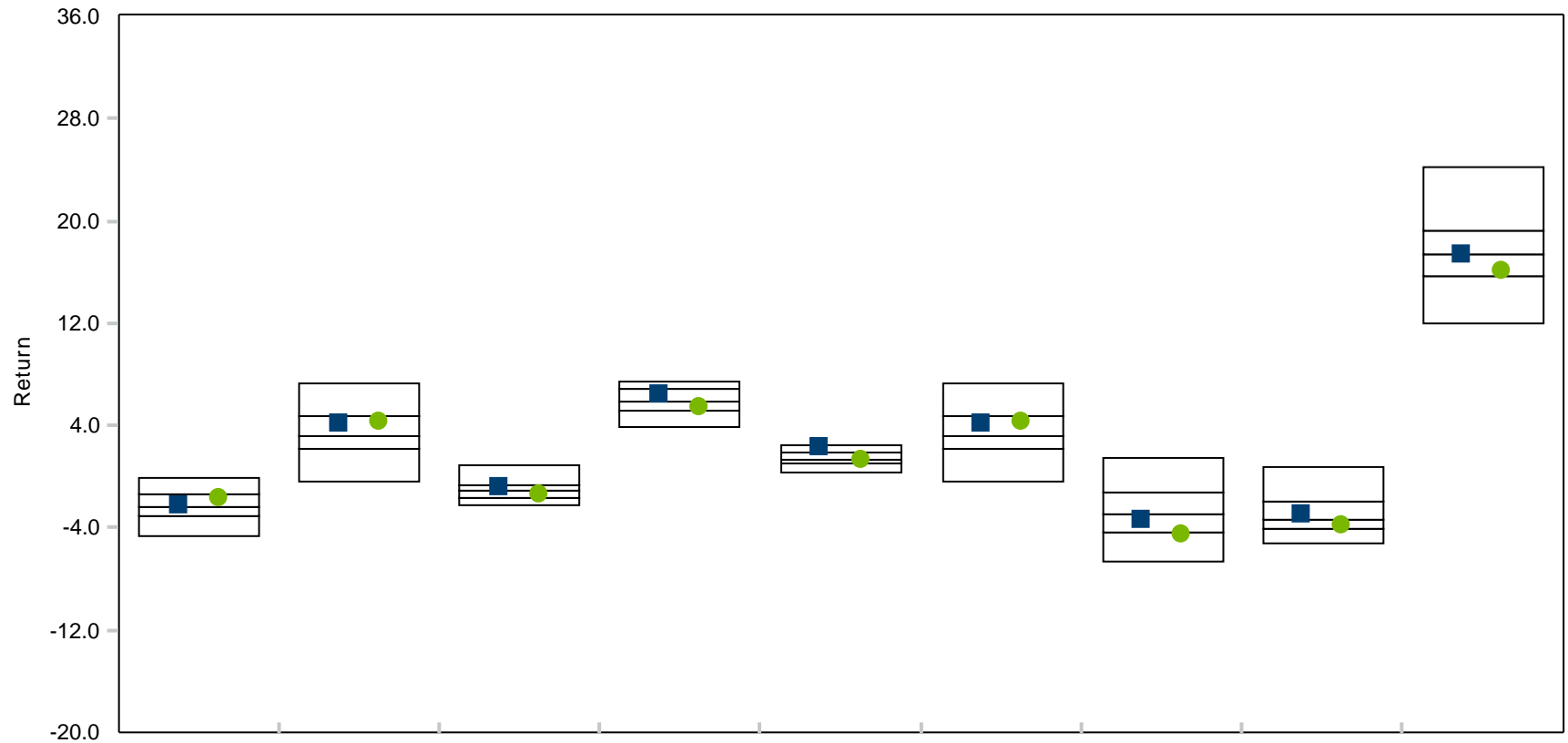
Return Summary



As of December 31, 2016

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-Intl. Equity Segment



| | 1 Quarter | 1 Year | 3 Years | 5 Years | 10 Years | 2016 | 2015 | 2014 | 2013 |
|----------------------|--------------|-----------|------------|------------|-------------|----------|-----------|-----------|-----------|
| ■ Foreign Equities | -2.2 (48) | 4.1 (37) | -0.8 (34) | 6.4 (38) | 2.4 (8) | 4.1 (37) | -3.4 (56) | -3.0 (39) | 17.4 (55) |
| ● Asset Class Target | -1.6 (28) | 4.3 (32) | -1.4 (68) | 5.5 (65) | 1.3 (61) | 4.3 (32) | -4.5 (79) | -3.7 (68) | 16.0 (74) |
| 5th Percentile | 0.0 | 7.3 | 0.9 | 7.4 | 2.5 | 7.3 | 1.4 | 0.7 | 24.2 |
| 1st Quartile | -1.4 | 4.7 | -0.6 | 6.9 | 1.9 | 4.7 | -1.3 | -1.9 | 19.2 |
| Median | -2.4 | 3.2 | -1.0 | 5.9 | 1.3 | 3.2 | -2.9 | -3.4 | 17.4 |
| 3rd Quartile | -3.0 | 2.2 | -1.6 | 5.2 | 1.0 | 2.2 | -4.3 | -4.1 | 15.6 |
| 95th Percentile | -4.7 | -0.4 | -2.2 | 3.9 | 0.3 | -0.4 | -6.6 | -5.2 | 12.0 |
| Population | 50 | 50 | 46 | 38 | 21 | 50 | 58 | 38 | 33 |

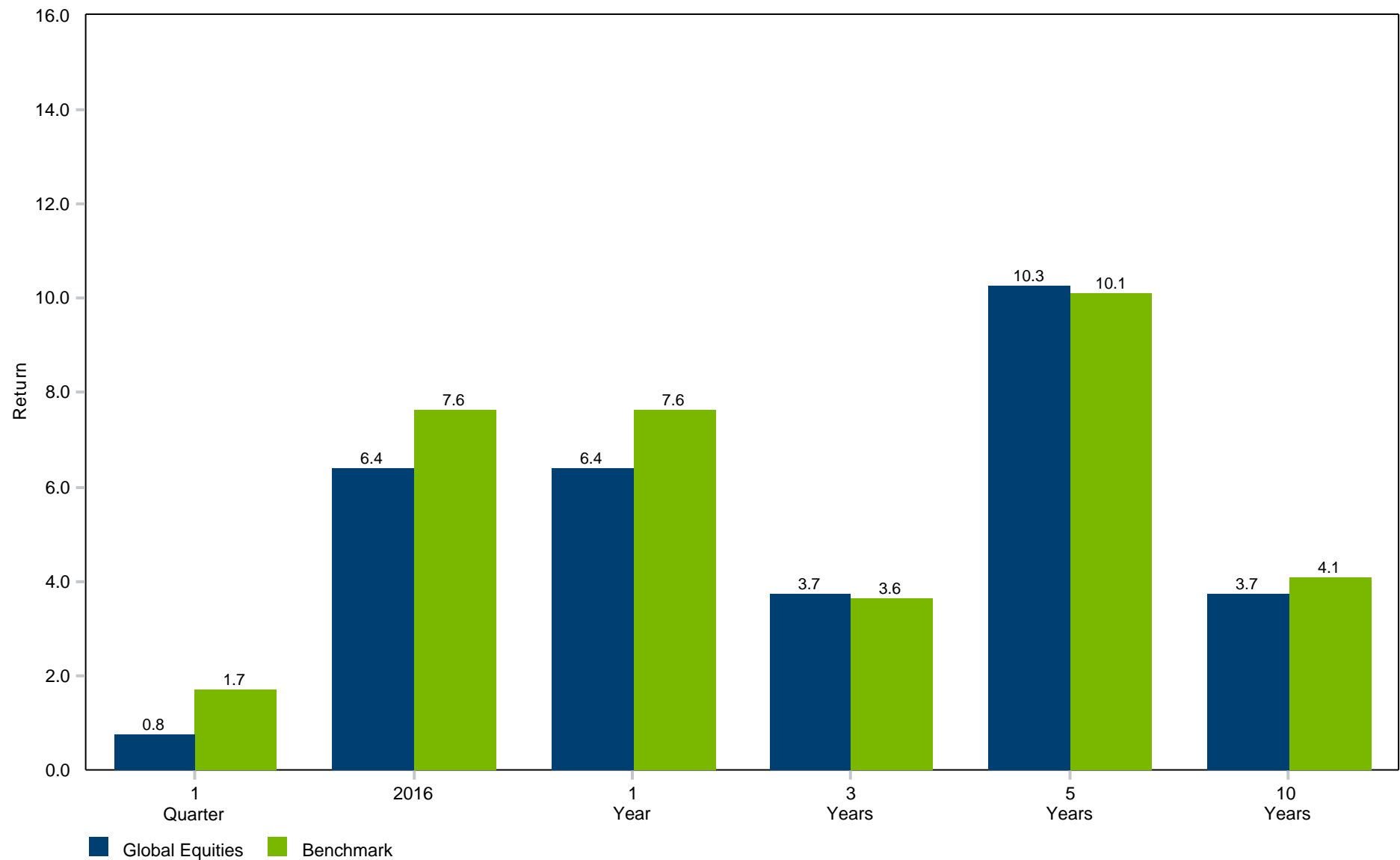
Parentheses contain percentile rankings.

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Global Equities Performance Summary

Return Summary



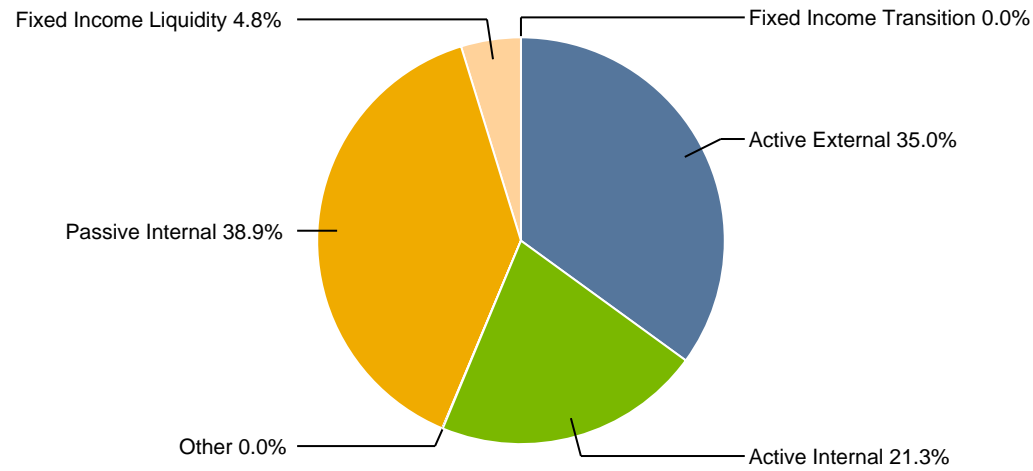


Fixed Income

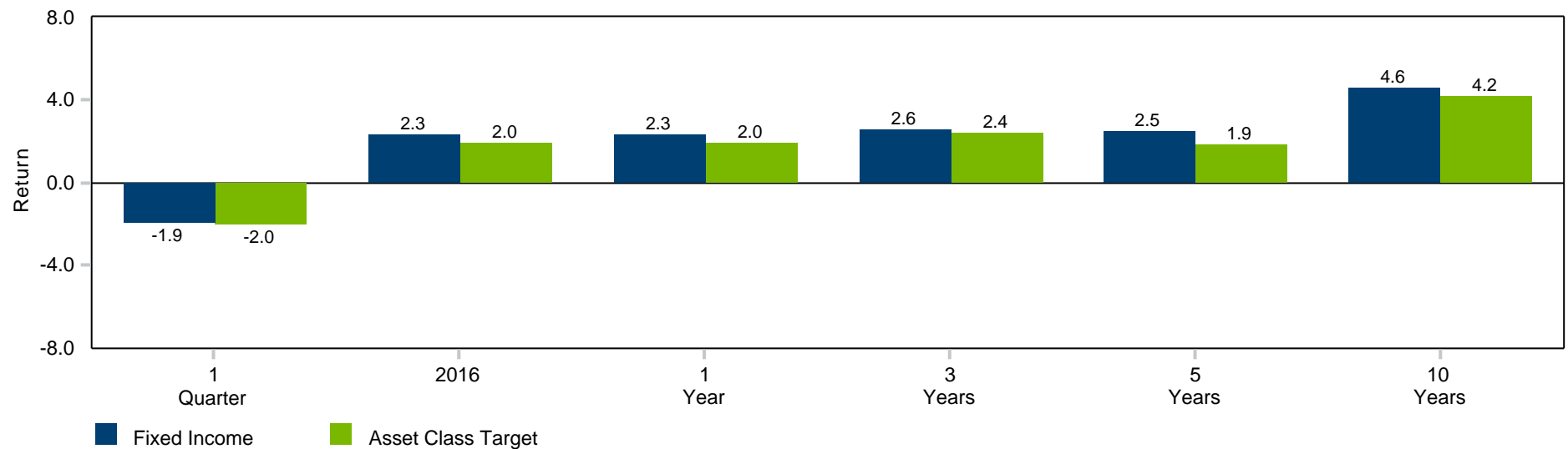
Fixed Income Portfolio Overview

Current Allocation

December 31, 2016 : \$26,296M



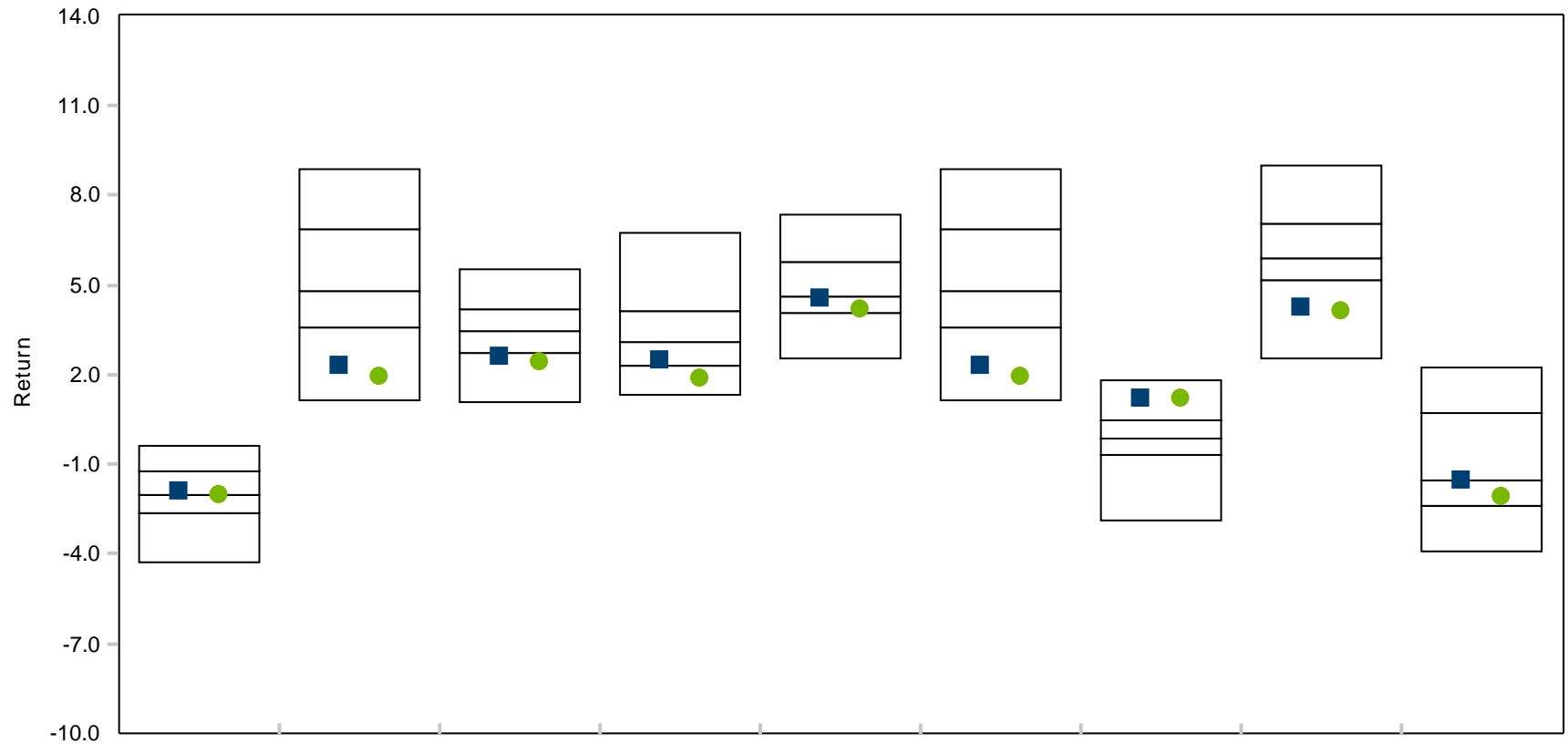
Return Summary



As of December 31, 2016

Plan Sponsor Peer Group Analysis

All Public Plans > \$1B-US Fixed Income Segment



| | 1 Quarter | 1 Year | 3 Years | 5 Years | 10 Years | 2016 | 2015 | 2014 | 2013 |
|----------------------|--------------|-----------|------------|------------|-------------|----------|---------|----------|-----------|
| ■ Fixed Income | -1.9 (46) | 2.3 (89) | 2.6 (79) | 2.5 (69) | 4.6 (56) | 2.3 (89) | 1.2 (9) | 4.3 (86) | -1.5 (50) |
| ● Asset Class Target | -2.0 (53) | 2.0 (93) | 2.4 (87) | 1.9 (86) | 4.2 (75) | 2.0 (93) | 1.2 (9) | 4.1 (87) | -2.1 (67) |
| 5th Percentile | -0.4 | 8.9 | 5.5 | 6.8 | 7.3 | 8.9 | 1.8 | 9.0 | 2.3 |
| 1st Quartile | -1.2 | 6.9 | 4.2 | 4.1 | 5.8 | 6.9 | 0.5 | 7.1 | 0.7 |
| Median | -2.0 | 4.8 | 3.5 | 3.1 | 4.6 | 4.8 | -0.1 | 5.9 | -1.5 |
| 3rd Quartile | -2.6 | 3.6 | 2.7 | 2.3 | 4.1 | 3.6 | -0.7 | 5.2 | -2.4 |
| 95th Percentile | -4.3 | 1.2 | 1.1 | 1.4 | 2.6 | 1.2 | -2.9 | 2.5 | -3.9 |
| Population | 52 | 52 | 51 | 44 | 23 | 52 | 55 | 39 | 36 |

Parentheses contain percentile rankings.

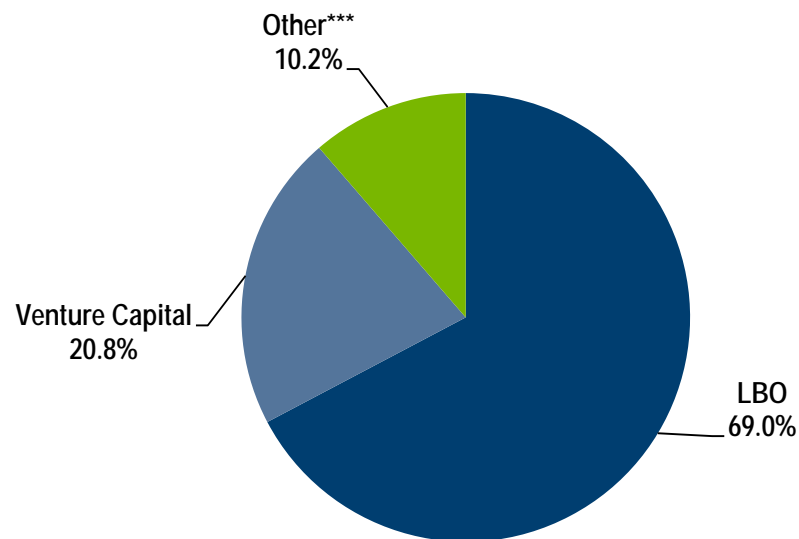
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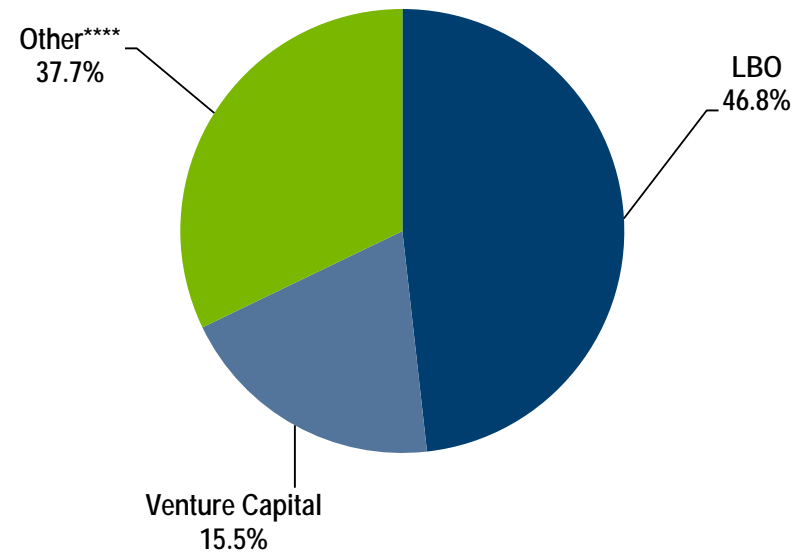
Private Equity

Overview

FRS Private Equity by Market Value*



Preqin Private Equity Strategies by Market Value**



*Allocation data is as of December 31, 2016.

**Allocation data is as of June 30, 2015, from the Preqin database.

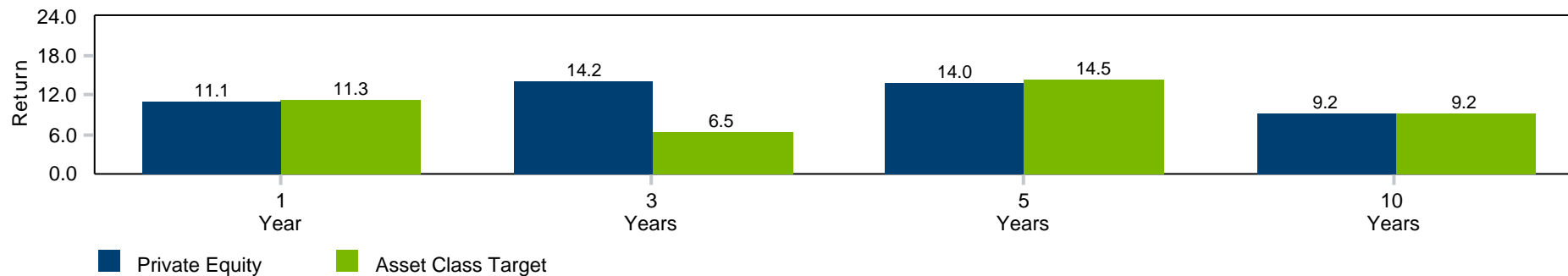
***Other for the FRS Private Equity consists of Growth Capital, Secondary, PE Cash, and PE Transition.

****Other for the Preqin data consists of Distressed PE, Growth, Mezzanine, and other Private Equity/Special Situations.

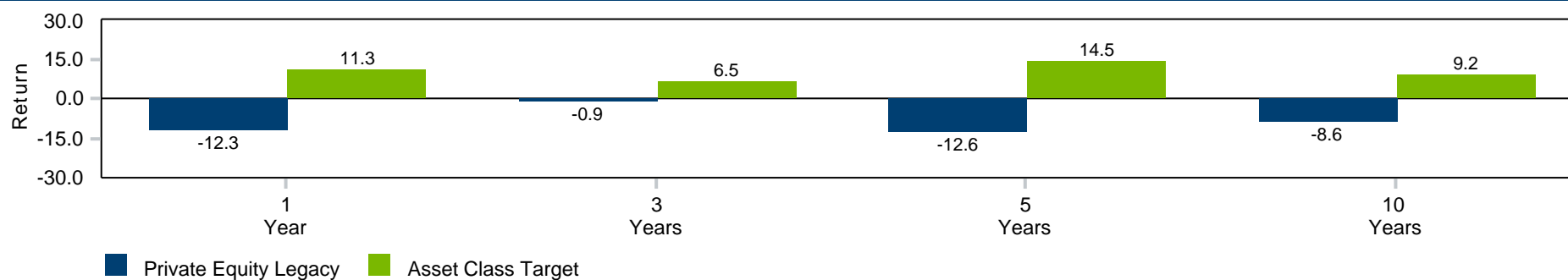
Preqin universe is comprised of 10,000 private equity funds representing \$3.8 trillion.

Time-Weighted Investment Results

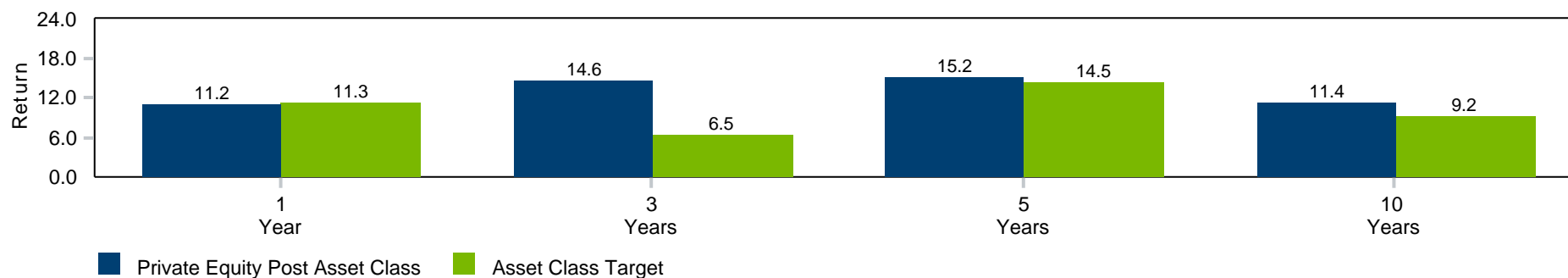
Private Equity Return Summary as of December 31, 2016



Private Equity Legacy Return Summary as of December 31, 2016



Private Equity Post Asset Class Return Summary as of December 31, 2016

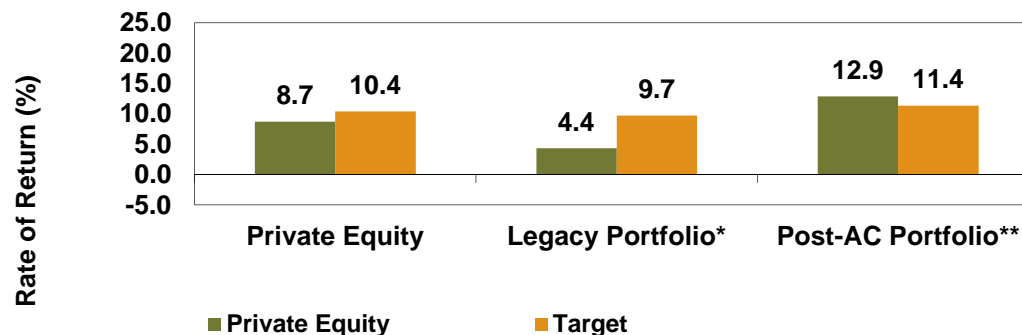


Private Equity

Dollar-Weighted Investment Results

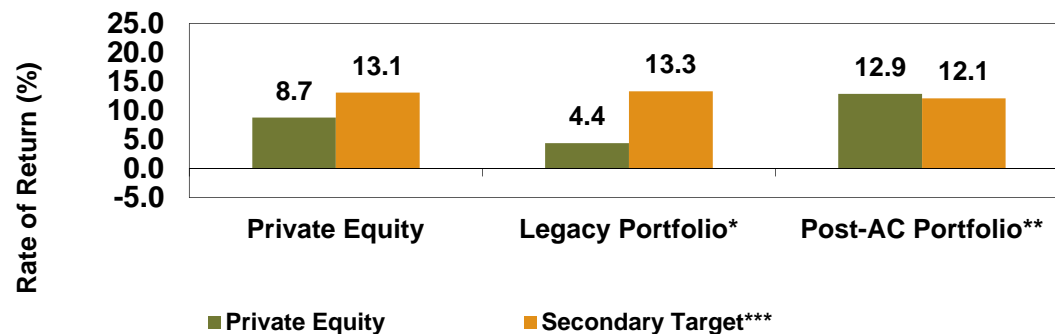
As of December 31, 2016

Since Inception



As of December 31, 2016

Since Inception



*The Inception Date for the Legacy Portfolio is January 1989.

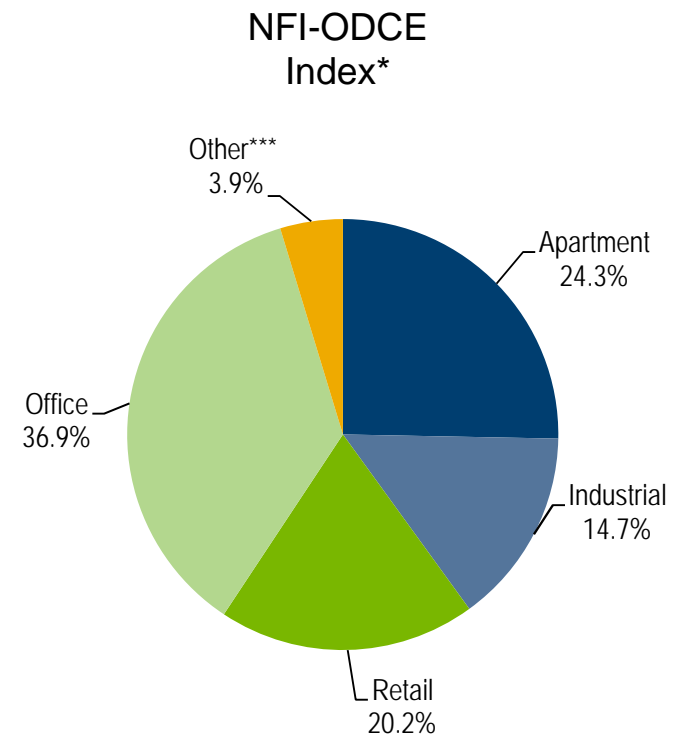
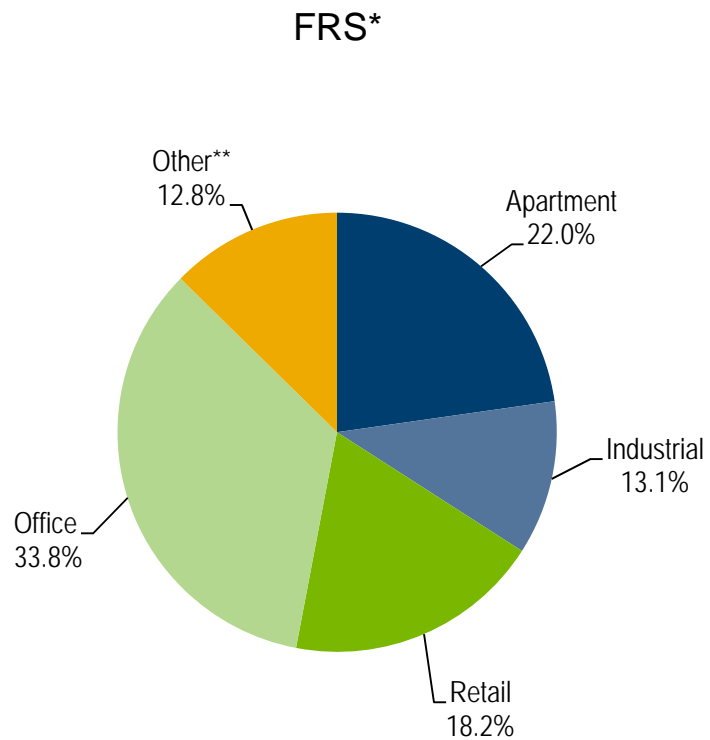
**The Inception Date for the Post-AC Portfolio is September 2000.

***The Secondary Target is a blend of the Cambridge Associates Private Equity Index and the Cambridge Associates Venture Capital Index based on actual ABAL weights. Secondary Target data is on a quarterly lag.



Real Estate

Overview



*Property Allocation data is as of September 30, 2016. The FRS chart includes only the FRS private real estate assets. Property type information for the REIT portfolios is not included.

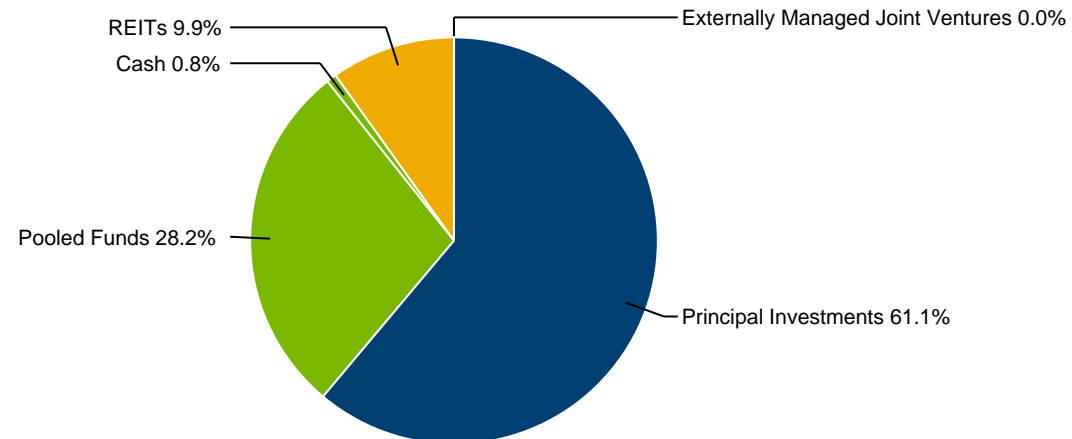
**Other for the FRS consists of Hotel, Land, Preferred Equity, Agriculture, Self-Storage and Senior Housing.

***Other for the NFI-ODCE Index consists of Hotel, Senior Living, Health Care, Mixed Use, Single Family Residential, Parking, Timber/Agriculture, Land and Infrastructure.

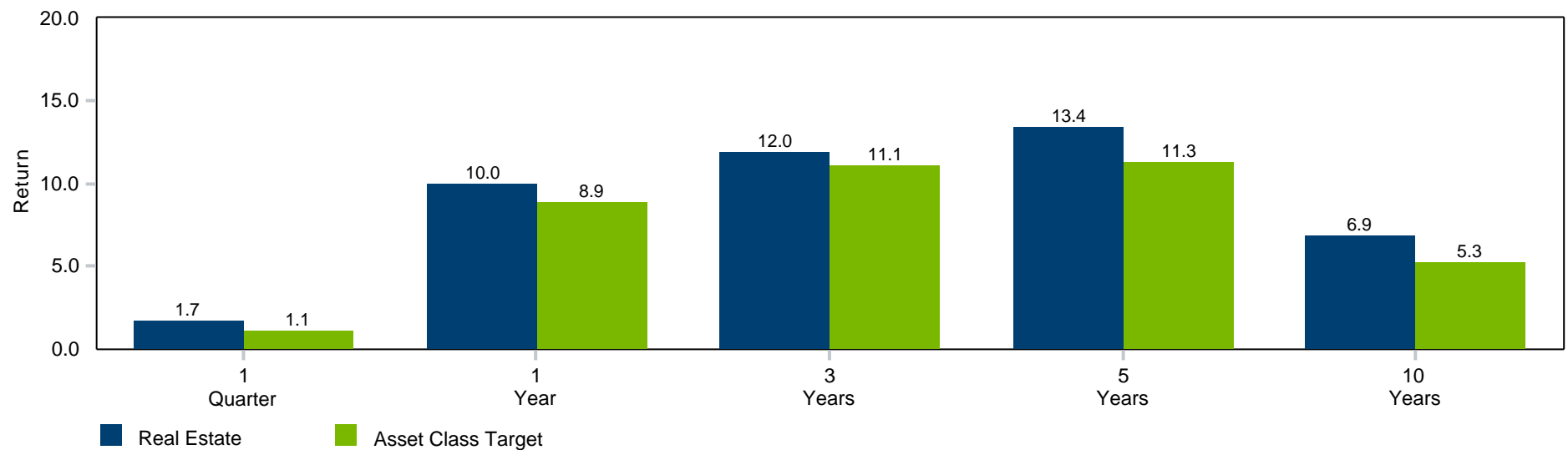
Real Estate Portfolio Overview

Current Allocation

December 31, 2016 : \$13,094M

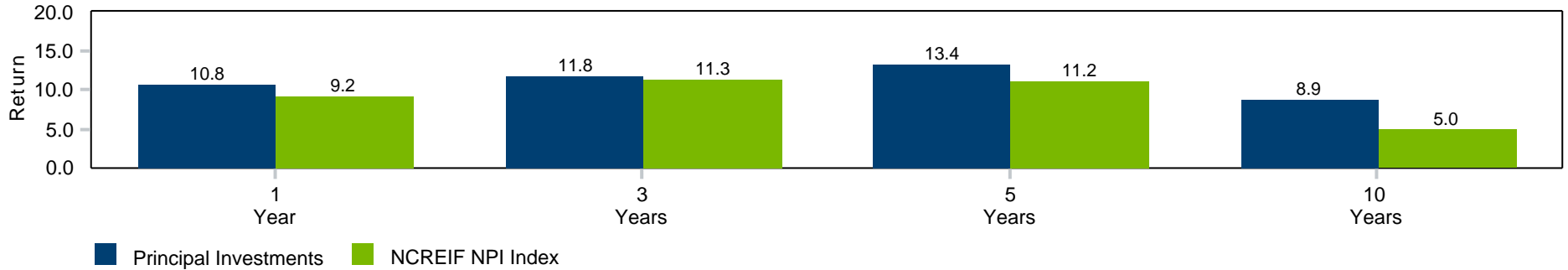


Return Summary

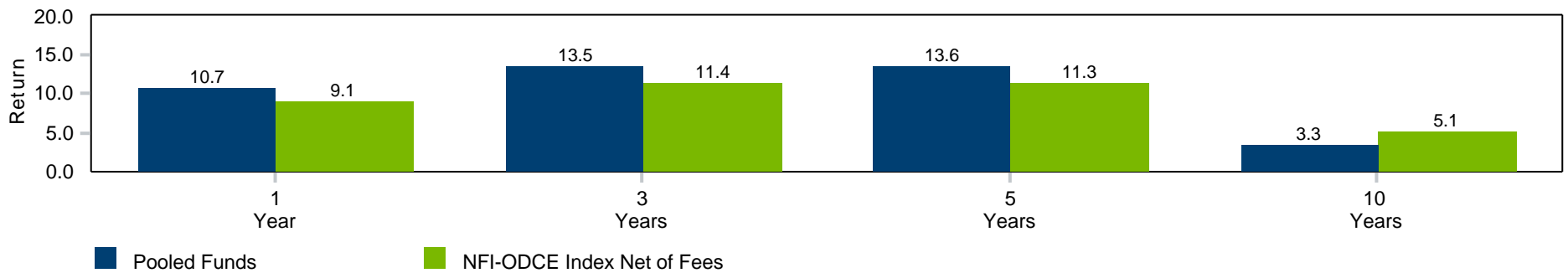


Real Estate

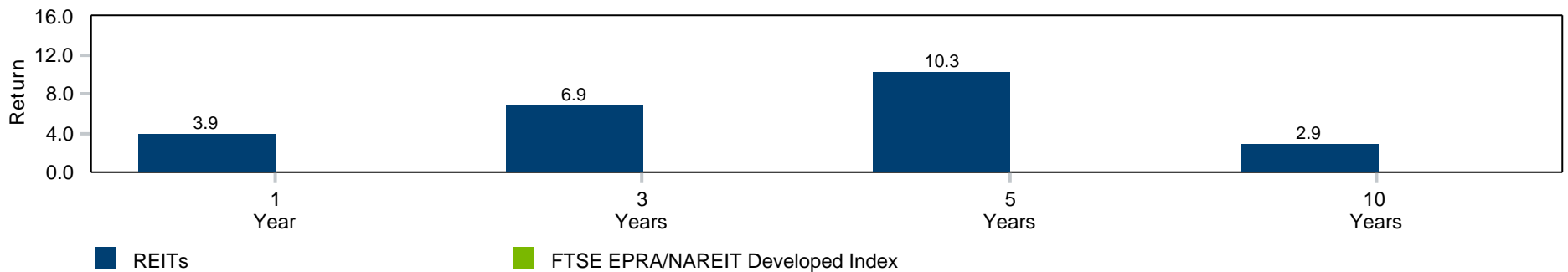
Principal Investments Return Summary as of December 31, 2016



Pooled Funds Return Summary as of December 31, 2016



REITs Return Summary as of December 31, 2016

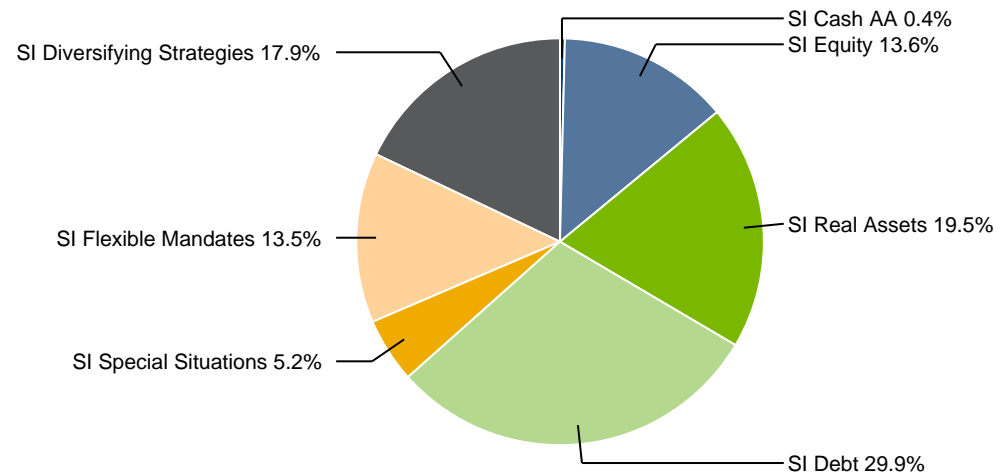




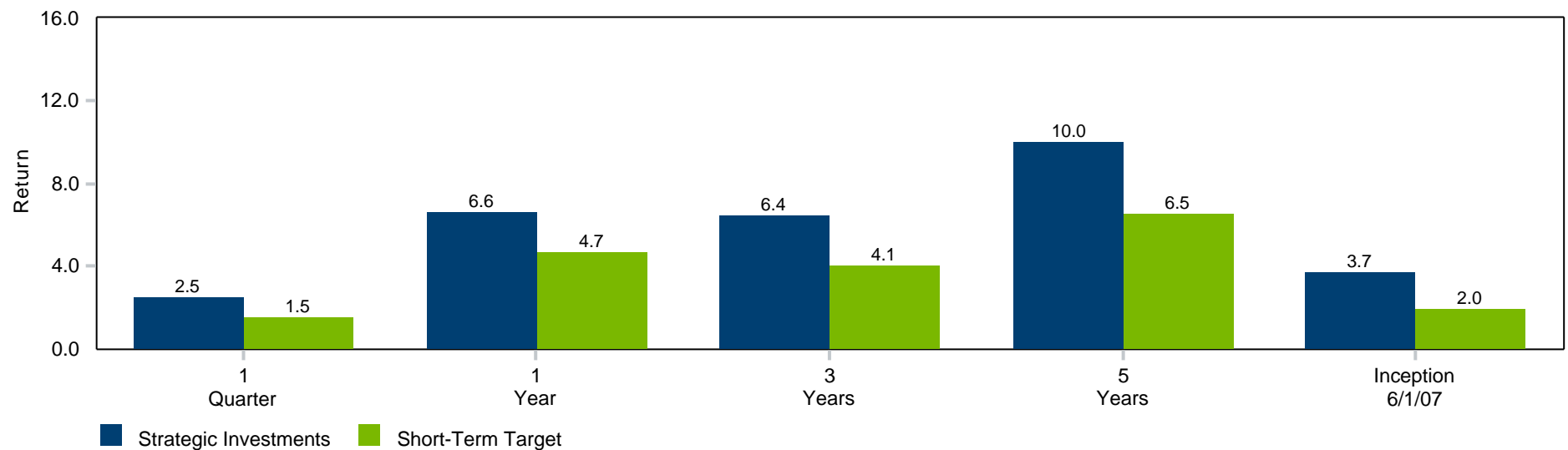
Strategic Investments Portfolio Overview

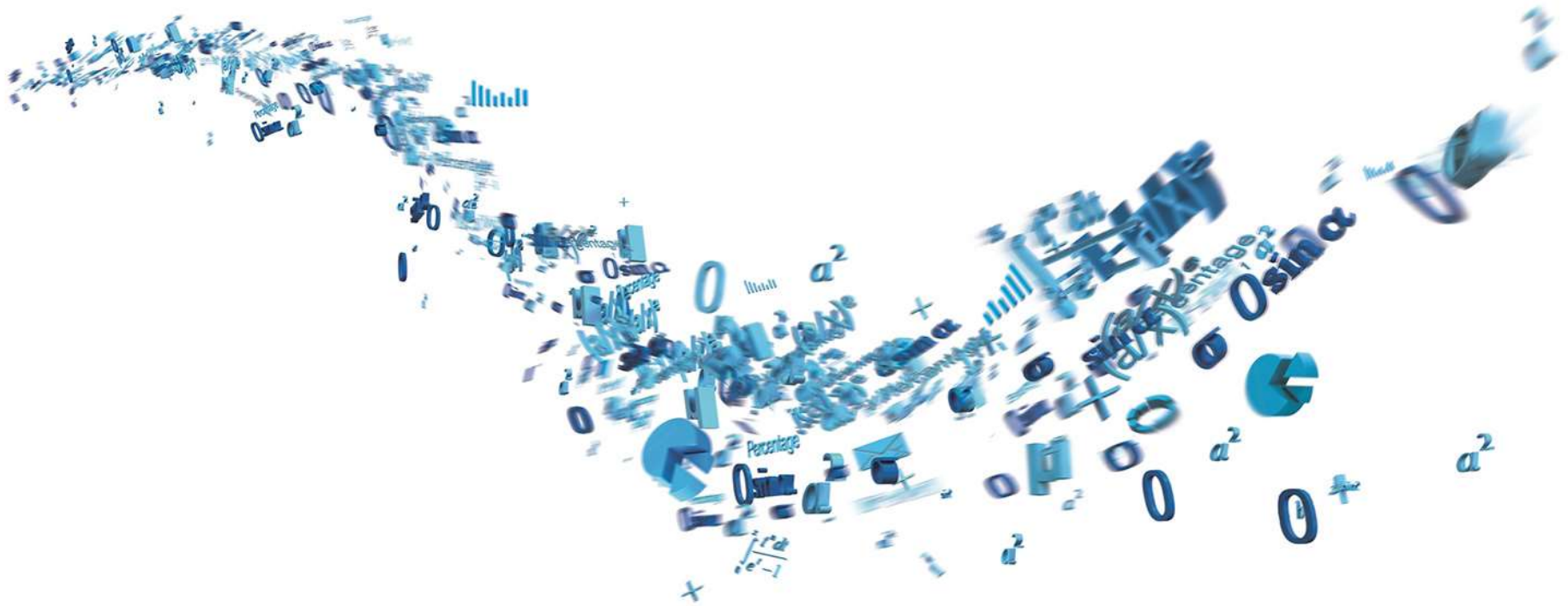
Current Allocation

December 31, 2016 : \$12,027M



Return Summary

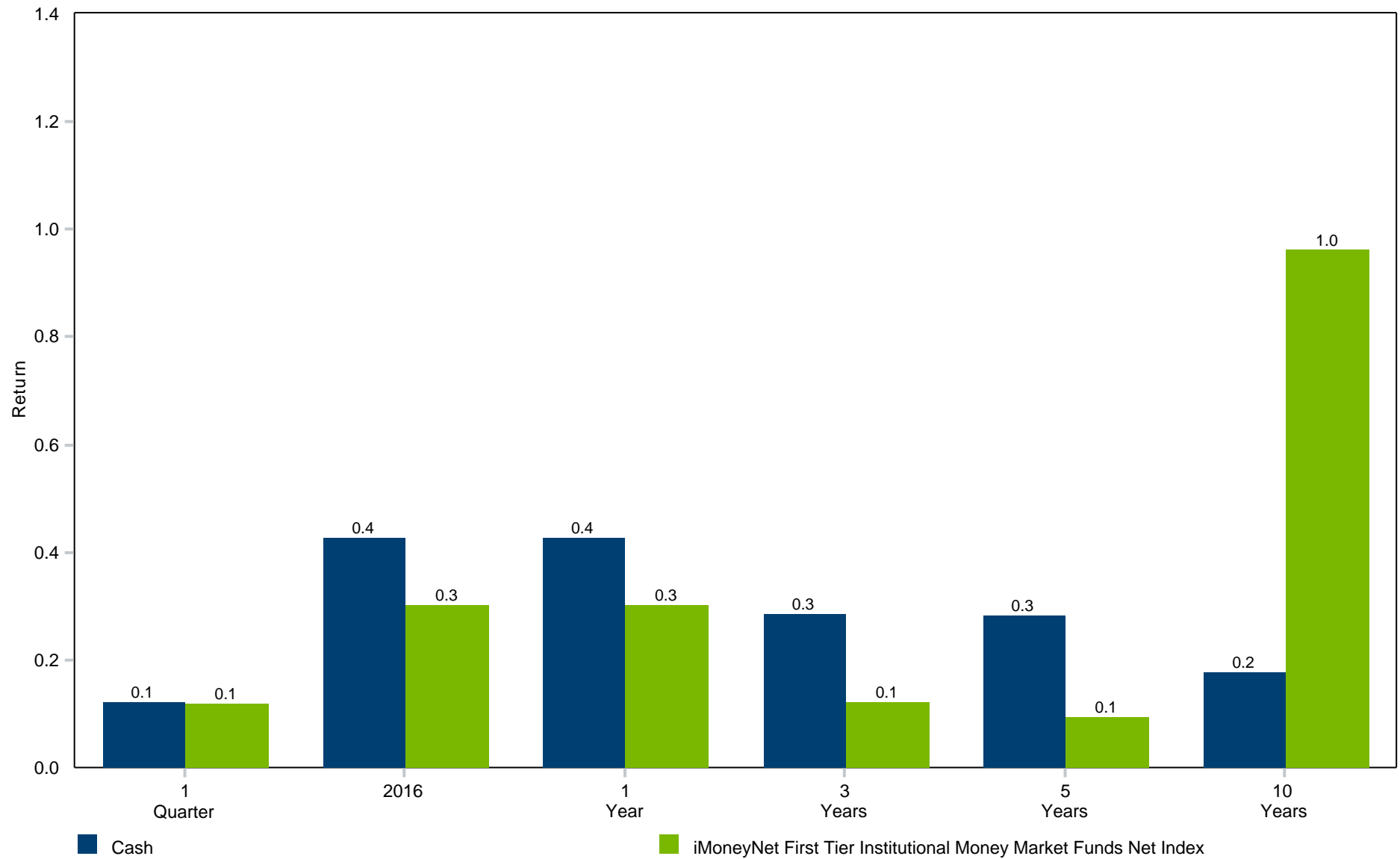




Cash

Cash Performance Summary

Return Summary





Appendix

Total FRS Assets

Performance Benchmark - A combination of the Global Equity Target, the Barclays Capital U.S. Intermediate Aggregate Index, the Private Equity Target Index, the Real Estate Investments Target Index, the Strategic Investments Target Benchmark, and the iMoneyNet First Tier Institutional Money Market Funds Net Index. The short-term target policy allocations to the Strategic Investments, Real Estate and Private Equity asset classes are floating and based on the actual average monthly balance of the Global Equity asset class. Please refer to section VII. Performance Measurement in the FRS Defined Benefit Plan Investment Policy Statement for more details on the calculation of the Performance Benchmark. Prior to October 1, 2013, the Performance benchmark was a combination of the Global Equity Target, the Barclays Aggregate Bond Index, the Private Equity Target Index, the Real Estate Investments Target Index, the Strategic Investments Target Benchmark, and the iMoneyNet First Tier Institutional Money Market Funds Net Index. The short-term target policy allocations to the Strategic Investments, Real Estate and Private Equity asset classes are floating and based on the actual average monthly balance of the Global Equity asset class. Prior to July 2010, the Performance Benchmark was a combination of the Russell 3000 Index, the Foreign Equity Target Index, the Strategic Investments Target Benchmark, the Barclays Aggregate Bond Index, the Real Estate Investments Target Index, the Private Equity Target Index, the Barclays U.S. High Yield Ba/B 2% Issuer Capped Index, and the iMoneyNet First Tier Institutional Money Market Funds Gross Index. During this time, the short-term target policy allocations to Strategic Investments, Real Estate and Private Equity asset classes were floating and based on the actual average monthly balance of the Strategic Investments, Real Estate and Private Equity asset classes. The target weights shown for Real Estate and Private Equity were the allocations that the asset classes were centered around. The actual target weight floated around this target month to month based on changes in asset values.

Total Global Equity

Performance Benchmark - A custom version of the MSCI All Country World Investable Market Index, adjusted to exclude companies divested under the provisions of the Protecting Florida's Investments Act (PFIA). Prior to July 2010, the asset class benchmark is a weighted average of the underlying Domestic Equities, Foreign Equities and Global Equities historical benchmarks.

Total Domestic Equities

Performance Benchmark - The Russell 3000 Index. Prior to July 1, 2002, the benchmark was the Wilshire 2500 Stock Index. Prior to January 1, 2001, the benchmark was the Wilshire 2500 Stock Index ex-Tobacco. Prior to May 1, 1997, the benchmark was the Wilshire 2500 Stock Index. Prior to September 1, 1994, the benchmark was the S&P 500 Stock Index.

Total Foreign Equities

Performance Benchmark - A custom version of the MSCI ACWI ex-U.S. Investable Market Index adjusted to exclude companies divested under the PFIA. Prior to April 1, 2008, it was the MSCI All Country World Index ex-U.S. Investable Market Index. Prior to September 24, 2007, the target was the MSCI All Country World ex-U.S. Free Index. Prior to November 1, 1999, the benchmark was 85% MSCI Europe, Australasia and Far East (EAFE) Foreign Stock Index and 15% IFCI Emerging Markets Index with a half weight in Malaysia. Prior to March 31, 1995, the benchmark was the EAFE Index.

Total Global Equities

Performance Benchmark - Aggregated based on each underlying manager's individual benchmark. The calculation accounts for the actual weight and the benchmark return. The benchmarks used for the underlying managers include both the MSCI FSB All Country World ex-Sudan ex-Iran Net Index and MSCI FSB All Country World ex-Sudan ex-Iran Net Investable Market Index (IMI).

Appendix

Total Fixed Income

Performance Benchmark - The Barclays Capital U.S. Intermediate Aggregate Index. Prior to October 1, 2013, it was the Barclays U.S. Aggregate Bond Index. Prior to June 1, 2007, it was the Fixed Income Management Aggregate (FIMA). Prior to July 1, 1999, the benchmark was the Florida High Yield Extended Duration Index. Prior to July 31, 1997, the benchmark was the Florida Extended Duration Index. Prior to July 1, 1989, the Salomon Brothers Broad Investment-Grade Bond Index was the benchmark. For calendar year 1985, the performance benchmark was 70% Shearson Lehman Extended Duration and 30% Salomon Brothers Mortgage Index.

Total Private Equity

Performance Benchmark - The MSCI All Country World Investable Market Index (ACWI IMI), adjusted to reflect the provisions of the Protecting Florida's Investments Act, plus a fixed premium return of 300 basis points per annum. Prior to July 1, 2014, the benchmark was the domestic equities target index return (Russell 3000 Index) plus a fixed premium return of 300 basis points per annum. Prior to July 1, 2010, it was the domestic equities target index return plus a fixed premium return of 450 basis points per annum. Prior to November 1, 1999, Private Equities was part of the Domestic Equities asset class and its benchmark was the domestic equities target index return plus 750 basis points.

Total Real Estate

Performance Benchmark - The core portion of the asset class is benchmarked to an average of the National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index- Open-ended Diversified Core Equity, net of fees, weighted at 76.5%, and the non-core portion of the asset class is benchmarked to an average of the National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index- Open-ended Diversified Core Equity, net of fees, weighted at 13.5%, plus a fixed return premium of 150 basis points per annum, and the FTSE EPRA/NAREIT Developed Index, in dollar terms, net of withholding taxes on non-resident institutional investors, weighted at 10%. Prior to July 1, 2014, the benchmark was a combination of 90% NCREIF ODCE Index, net of fees, and 10% FTSE EPRA/NAREIT Developed Index, net of fees. Prior to July 1, 2010, it was a combination of 90% NCREIF ODCE Index, gross of fees, and 10% Dow Jones U.S. Select RESI. Prior to June 1, 2007, it was the Consumer Price Index plus 450 basis points annually. Prior to July 1, 2003, the benchmark was the Dow Jones U.S. Select Real Estate Securities Index Un-Levered. Prior to November 1, 1999, the benchmark was the Russell-NCREIF Property Index.

Total Strategic Investments

Performance Benchmark - Long-term, 5% plus the contemporaneous rate of inflation or CPI. Short-term, a weighted aggregation of individual portfolio level benchmarks.

Total Cash

Performance Benchmark - The iMoneyNet First Tier Institutional Money Market Funds Net Index. Prior to July 1, 2010, it was the iMoneyNet First Tier Institutional Money Market Funds Gross Index. Prior to June 1, 2007, it was the return of the Merrill Lynch 90-Day (Auction Average) Treasury Bill Yield Index.

Appendix

Description of Benchmarks

Barclays Capital U.S. Intermediate Aggregate Bond Index - A market value-weighted index consisting of U.S. Treasury securities, corporate bonds and mortgage-related and asset-backed securities with one to ten years to maturity and an outstanding par value of \$250 million or greater.

Consumer Price Index (CPI) - The CPI, an index consisting of a fixed basket of goods bought by the typical consumer and used to measure consumer inflation.

FTSE EPRA/NAREIT Developed Index - An index designed to represent general trends in eligible real estate equities worldwide. Relevant real estate activities are defined as the ownership, disposure and development of income-producing real estate. This index covers the four primary core asset classes (Industrial, Retail, Office, and Apartment).

iMoneyNet First Tier Institutional Money Market Funds Net Index - An average of non-governmental institutional funds that do not hold any second tier securities. It includes money market mutual funds, net of fees, that invest in commercial paper, bank obligations and short-term investments in the highest ratings category and is open to corporations and fiduciaries only.

MSCI All Country World Investable Market Index - A free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed and emerging markets. This investable market index contains constituents from the large, mid, and small cap size segments and targets a coverage range around 99% of free-float adjusted market capitalization.

NCREIF ODCE Property Index - The NCREIF ODCE is a capitalization-weighted, gross of fee, time-weighted return index. The index is a summation of open-end funds, which NCREIF defines as infinite-life vehicles consisting of multiple investors who have the ability to enter or exit the fund on a periodic basis, subject to contribution and/or redemption requests.

Russell 3000 Index - A capitalization-weighted stock index consisting of the 3,000 largest publicly traded U.S. stocks by capitalization. This represents most publicly traded, liquid U.S. stocks.

Appendix

Description of Universes

Total Fund - A universe comprised of 66 total fund portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics and Investment Metrics. Aggregate assets in the universe comprised \$1.3 trillion as of quarter-end and the average market value was \$14.8 billion.

Domestic Equity - A universe comprised of 51 total domestic equity portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$262.3 billion as of quarter-end and the average market value was \$3.5 billion.

Foreign Equity - A universe comprised of 50 total international equity portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$205.5 billion as of quarter-end and the average market value was \$2.7 billion.

Fixed Income - A universe comprised of 52 total fixed income portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$293.1 billion as of quarter-end and the average market value was \$3.5 billion.

Real Estate - A universe comprised of 43 total real estate portfolio returns, net of fees, of public defined benefit plans calculated and provided by BNY Mellon Performance & Risk Analytics. Aggregate assets in the universe comprised \$75.4 billion as of quarter-end and the average market value was \$996.6 million.

Private Equity - An appropriate universe for private equity is unavailable.

Strategic Investments - An appropriate universe for strategic investments is unavailable.

Appendix

Explanation of Exhibits

Quarterly and Cumulative Excess Performance - The vertical axis, excess return, is a measure of fund performance less the return of the primary benchmark. The horizontal axis represents the time series. The quarterly bars represent the underlying funds' relative performance for the quarter.

Ratio of Cumulative Wealth Graph - An illustration of a portfolio's cumulative, un-annualized performance relative to that of its benchmark. An upward-sloping line indicates superior fund performance versus its benchmark. Conversely, a downward-sloping line indicates underperformance by the fund. A flat line is indicative of benchmark-like performance.

Performance Comparison - Plan Sponsor Peer Group Analysis - An illustration of the distribution of returns for a particular asset class. The component's return is indicated by the circle and its performance benchmark by the triangle. The top and bottom borders represent the 5th and 95th percentiles, respectively. The solid line indicates the median while the dotted lines represent the 25th and 75th percentiles.

Disclaimers and Notes

Disclaimers:

- § Please review this report and notify Aon Hewitt Investment Consulting (AHIC) with any issues or questions you may have with respect to investment performance or any other matter set forth herein.
- § The client portfolio market value data presented in this report has been obtained from the custodian. AHIC has compared this information to the investment managers' reported returns and believes the information to be accurate. AHIC has not conducted additional audits and cannot warrant its accuracy or completeness.
- § The mutual fund information found in this report is provided by Lipper Inc. and AHIC cannot warrant its accuracy or timeliness.
- § Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.
- § The Greenwich Quality Leaders Awards are based on quality ratings provided by clients of investment consultants and asset managers. Between July and October 2015, Greenwich Associates conducted 1,341 interviews with senior professionals at corporate and union funds, public funds, endowments and foundations, insurance general accounts, and healthcare organizations with either pension or investment pool assets greater than \$150 million. Study participants were asked to provide quantitative and qualitative evaluations of their investment consultants. Based on those responses, Greenwich Associates calculates a score on the Greenwich Quality Index for each consultant named. Consultants with scores that top those awarded to competitors by a statistically significant margin are named Greenwich Quality Leaders. Visit the Greenwich Associates website (<https://www.greenwich.com/asset-management/leading-investment-consultants-form-deep-advisory-relationships>) to read a copy of the full report and to learn more about the methodology.

Notes:

- § The rates of return contained in this report are shown on an after-fees basis unless otherwise noted. They are geometric and time weighted. Returns for periods longer than one year are annualized.
- § Universe percentiles are based upon an ordering system in which 1 is the best ranking and 100 is the worst ranking.
- § Due to rounding throughout the report, percentage totals displayed may not sum up to 100.0%. Additionally, individual fund totals in dollar terms may not sum up to the plan totals.

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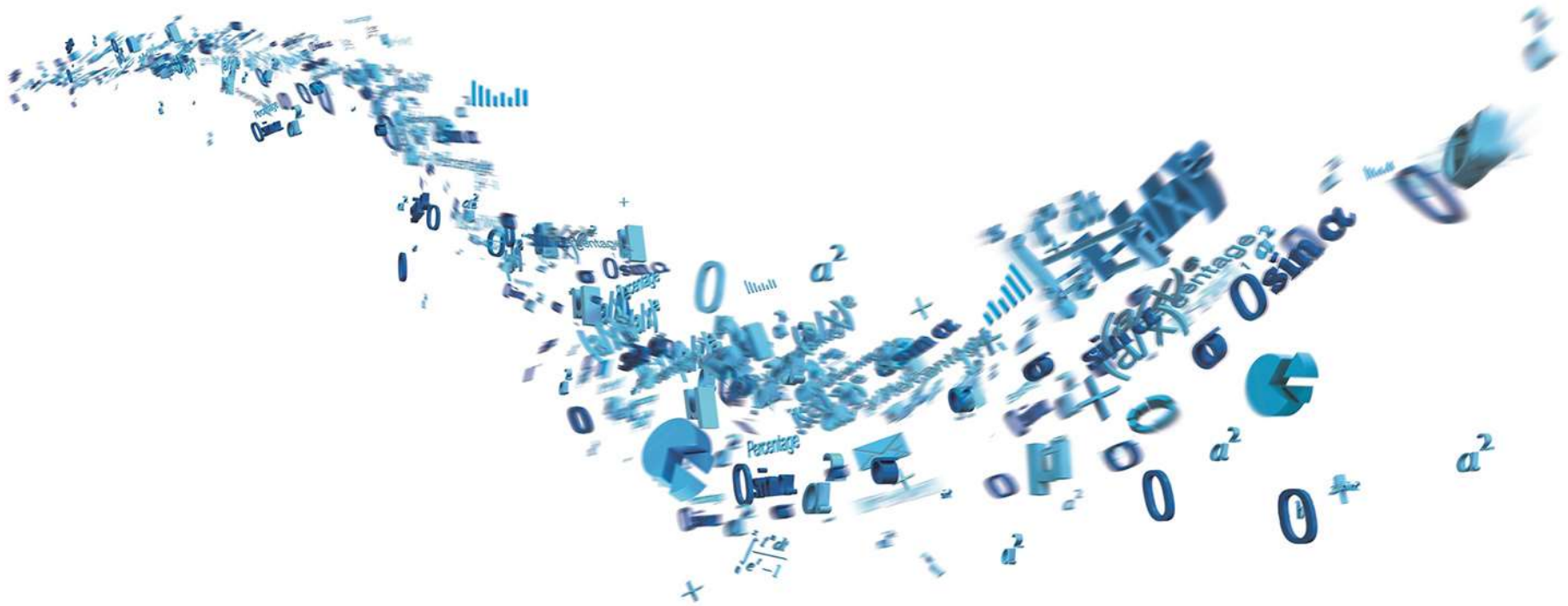


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FRS Investment Plan

As of December 31, 2016

Asset Allocation & Performance

| | Allocation | | Performance(%) | | | | |
|--------------------------------|-------------------|-------|----------------|----------|----------|----------|----------|
| | Market Value (\$) | % | 1 Quarter | 2016 | 3 Years | 5 Years | 10 Years |
| FRS Investment Plan | 9,295,718,798 | 100.0 | 1.4 | 8.0 | 4.0 | 7.4 | 4.5 |
| Total Plan Aggregate Benchmark | | | 1.5 | 8.5 | 3.9 | 7.1 | 4.1 |
| Retirement Date | 3,958,755,639 | 42.6 | | | | | |
| FRS Retirement Fund | 377,535,286 | 4.1 | -0.9 (94) | 6.2 (48) | 2.6 (80) | 4.4 (81) | - |
| Retirement Custom Index | | | -0.9 (93) | 6.2 (48) | 2.6 (80) | 3.9 (91) | - |
| FRS 2015 Retirement Date Fund | 341,151,907 | 3.7 | -0.6 (77) | 6.7 (45) | 2.8 (85) | 5.0 (96) | - |
| 2015 Retirement Custom Index | | | -0.6 (82) | 6.5 (51) | 2.8 (86) | 4.7 (97) | - |
| FRS 2020 Retirement Date Fund | 559,071,375 | 6.0 | -0.2 (51) | 7.4 (19) | 3.1 (74) | 6.2 (66) | - |
| 2020 Retirement Custom Index | | | -0.2 (57) | 7.1 (31) | 3.1 (80) | 5.9 (76) | - |
| FRS 2025 Retirement Date Fund | 585,992,315 | 6.3 | 0.3 (40) | 8.0 (16) | 3.5 (73) | 7.4 (71) | - |
| 2025 Retirement Custom Index | | | 0.2 (44) | 7.6 (19) | 3.4 (81) | 7.1 (75) | - |
| FRS 2030 Retirement Date Fund | 524,026,566 | 5.6 | 0.6 (44) | 8.5 (17) | 3.8 (65) | 8.7 (55) | - |
| 2030 Retirement Custom Index | | | 0.6 (48) | 8.0 (36) | 3.6 (77) | 8.4 (58) | - |
| FRS 2035 Retirement Date Fund | 484,047,541 | 5.2 | 1.1 (40) | 9.1 (18) | 3.9 (66) | 9.7 (47) | - |
| 2035 Retirement Custom Index | | | 0.8 (51) | 8.3 (46) | 3.6 (78) | 9.3 (52) | - |
| FRS 2040 Retirement Date Fund | 414,289,620 | 4.5 | 1.2 (42) | 9.2 (19) | 3.9 (70) | 9.7 (48) | - |
| 2040 Retirement Custom Index | | | 1.0 (59) | 8.6 (45) | 3.6 (78) | 9.4 (57) | - |
| FRS 2045 Retirement Date Fund | 392,356,079 | 4.2 | 1.3 (43) | 9.4 (22) | 4.0 (74) | 9.8 (62) | - |
| 2045 Retirement Custom Index | | | 1.2 (50) | 8.9 (37) | 3.7 (78) | 9.5 (71) | - |
| FRS 2050 Retirement Date Fund | 209,468,756 | 2.3 | 1.3 (49) | 9.5 (23) | 4.0 (70) | 9.8 (61) | - |
| 2050 Retirement Custom Index | | | 1.2 (53) | 8.9 (37) | 3.7 (74) | 9.5 (67) | - |
| FRS 2055 Retirement Date Fund | 70,816,196 | 0.8 | 1.2 (60) | 9.3 (30) | 4.0 (75) | 9.8 (80) | - |
| 2055 Retirement Custom Index | | | 1.2 (62) | 8.9 (33) | 3.7 (79) | 9.5 (84) | - |

As of December 31, 2016

Asset Allocation & Performance

| | Allocation | | Performance(%) | | | | |
|--|----------------------|-------------|------------------|------------------|-----------------|------------------|-----------------|
| | Market Value (\$) | % | 1 Quarter | 2016 | 3 Years | 5 Years | 10 Years |
| Cash | 977,753,628 | 10.5 | 0.2 (3) | 0.6 (1) | 0.3 (1) | 0.3 (1) | 1.0 (4) |
| FRS Money Market Fund | 977,753,628 | 10.5 | 0.2 (3) | 0.6 (1) | 0.3 (1) | 0.3 (1) | 1.0 (4) |
| iMoneyNet 1st Tier Institutional Net Index | | | 0.1 (12) | 0.3 (24) | 0.1 (20) | 0.1 (21) | 1.0 (9) |
| Real Assets | 90,705,762 | 1.0 | | | | | |
| FRS Real Assets Fund | 90,705,762 | 1.0 | -1.3 | 6.0 | 0.3 | 0.0 | - |
| FRS Custom Real Assets Index | | | -1.1 | 6.2 | 0.9 | -0.1 | - |
| Fixed Income | 681,080,409 | 7.3 | -2.1 (99) | 4.7 (9) | 3.2 (3) | 2.9 (28) | 4.8 (10) |
| Total Bond Index | | | -2.1 (99) | 4.3 (10) | 3.1 (4) | 2.5 (39) | 4.4 (15) |
| FRS U.S. Bond Enhanced Index Fund | 246,747,601 | 2.7 | -3.0 (32) | 2.7 (6) | 3.2 (37) | 2.4 (24) | 4.6 (39) |
| Blmbg. Barc. U.S. Aggregate | | | -3.0 (31) | 2.6 (7) | 3.0 (37) | 2.2 (26) | 4.3 (46) |
| FIAM Intermediate Duration Pool Fund | 113,710,984 | 1.2 | -2.0 (92) | 3.1 (31) | 2.5 (18) | 2.3 (41) | 4.0 (27) |
| Blmbg. Barc. U.S. Intermediate Aggregate | | | -2.0 (93) | 2.0 (71) | 2.4 (18) | 1.9 (64) | 4.0 (29) |
| FRS Core Plus Fixed Income Fund | 320,621,824 | 3.4 | -2.1 (34) | 5.7 (28) | 3.4 (42) | 4.4 (20) | - |
| FRS Custom Core-Plus Fixed Income Index | | | -2.2 (40) | 4.9 (43) | 3.4 (47) | 3.7 (40) | - |
| Domestic Equity | 2,531,034,250 | 27.2 | 5.4 (29) | 13.7 (26) | 8.5 (14) | 15.1 (16) | 7.8 (17) |
| Total U.S. Equities Index | | | 5.2 (31) | 14.9 (21) | 8.3 (18) | 14.7 (25) | 7.1 (29) |
| FRS U.S. Stock Market Index Fund | 816,922,397 | 8.8 | 4.2 (37) | 12.9 (27) | 8.5 (17) | 14.8 (20) | 7.2 (31) |
| Russell 3000 Index | | | 4.2 (37) | 12.7 (27) | 8.4 (20) | 14.7 (23) | 7.1 (33) |
| FRS U.S. Large Cap Equity Fund | 846,200,002 | 9.1 | 5.1 (31) | 9.3 (56) | 8.2 (34) | 15.1 (16) | - |
| Russell 1000 Index | | | 3.8 (48) | 12.1 (32) | 8.6 (22) | 14.7 (26) | - |
| FRS U.S. Small/Mid Cap Equity Fund | 867,911,851 | 9.3 | 7.8 (31) | 19.9 (24) | 8.8 (15) | 16.0 (10) | - |
| FRS Custom Small/Mid Cap Index | | | 6.1 (45) | 19.6 (25) | 7.3 (36) | 11.7 (79) | - |

As of December 31, 2016

Asset Allocation & Performance

| | Allocation | | Performance(%) | | | | |
|--|-------------------|-----|----------------|----------|-----------|-----------|----------|
| | Market Value (\$) | % | 1 Quarter | 2016 | 3 Years | 5 Years | 10 Years |
| International/Global Equity | 612,954,874 | 6.6 | -1.9 (35) | 4.5 (42) | -0.5 (30) | 7.3 (26) | 2.4 (29) |
| Total Foreign and Global Equities Index | | | -1.2 (27) | 4.9 (39) | -0.9 (34) | 6.5 (37) | 1.2 (49) |
| FRS Foreign Stock Index Fund | 243,463,721 | 2.6 | -1.6 (33) | 5.3 (37) | -1.3 (42) | 6.4 (40) | 1.2 (49) |
| MSCI All Country World ex-U.S. IMI Index | | | -1.6 (32) | 4.4 (42) | -1.6 (46) | 6.1 (46) | 0.9 (58) |
| American Funds New Perspective Fund | 224,861,654 | 2.4 | -1.8 (70) | 2.2 (80) | 3.8 (32) | 11.5 (22) | 6.0 (20) |
| MSCI All Country World Index Net | | | 1.2 (41) | 7.9 (45) | 3.1 (40) | 9.4 (47) | 3.3 (59) |
| American Funds Euro-Pacific Growth Fund | 144,629,499 | 1.6 | -4.1 (93) | 1.0 (60) | -0.6 (6) | 7.2 (14) | 3.0 (8) |
| MSCI All Country World ex-U.S. Index | | | -1.2 (49) | 5.0 (20) | -1.3 (12) | 5.5 (61) | 0.6 (47) |
| FRS Self-Dir Brokerage Acct | 443,434,237 | 4.8 | | | | | |

The returns for the Retirement Date Funds, Real Assets Fund, Core Plus Fixed Income Fund, U.S. Large Cap Equity Fund, and U.S. Small/Mid Cap Equity Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.

Note: The SDBA opened for members on 1/2/14. No performance calculations will be made for the SDBA.

As of December 31, 2016

Asset Allocation & Performance

| | Performance(%) | | | | | | | | |
|--------------------------------|----------------|------------|----------|-----------|-----------|-----------|-----------|-----------|-------|
| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
| FRS Investment Plan | 8.0 | -0.9 | 4.9 | 15.2 | 10.5 | 0.7 | 10.6 | 18.4 | -23.2 |
| Total Plan Aggregate Benchmark | 8.5 | -1.3 | 4.9 | 14.6 | 9.7 | 0.9 | 10.2 | 16.8 | -23.4 |
| Retirement Date | | | | | | | | | |
| FRS Retirement Fund | 6.2 (48) | -2.6 (100) | 4.4 (83) | 3.5 (96) | 10.7 (56) | 3.4 (9) | 11.5 (52) | 20.0 (82) | - |
| Retirement Custom Index | 6.2 (48) | -1.8 (95) | 3.6 (90) | 3.4 (96) | 8.5 (74) | 5.0 (1) | 9.9 (80) | 19.1 (84) | - |
| FRS 2015 Retirement Date Fund | 6.7 (45) | -2.5 (98) | 4.4 (76) | 5.5 (86) | 11.3 (43) | 2.1 (20) | 11.5 (62) | 21.8 (67) | - |
| 2015 Retirement Custom Index | 6.5 (51) | -1.8 (92) | 3.7 (92) | 5.7 (85) | 9.6 (88) | 3.2 (1) | 10.4 (85) | 22.2 (65) | - |
| FRS 2020 Retirement Date Fund | 7.4 (19) | -2.1 (92) | 4.4 (79) | 9.6 (75) | 12.4 (38) | 0.6 (38) | 12.2 (64) | 24.5 (55) | - |
| 2020 Retirement Custom Index | 7.1 (31) | -1.6 (82) | 3.9 (88) | 9.7 (75) | 11.0 (74) | 1.5 (21) | 11.2 (86) | 24.2 (58) | - |
| FRS 2025 Retirement Date Fund | 8.0 (16) | -1.7 (80) | 4.5 (86) | 13.7 (74) | 13.5 (43) | -0.7 (35) | 12.5 (88) | 26.4 (64) | - |
| 2025 Retirement Custom Index | 7.6 (19) | -1.5 (75) | 4.2 (91) | 13.8 (74) | 12.4 (73) | -0.3 (26) | 11.8 (93) | 26.3 (65) | - |
| FRS 2030 Retirement Date Fund | 8.5 (17) | -1.3 (60) | 4.5 (83) | 18.1 (54) | 14.6 (34) | -2.1 (50) | 13.0 (86) | 29.0 (48) | - |
| 2030 Retirement Custom Index | 8.0 (36) | -1.5 (63) | 4.4 (83) | 18.2 (52) | 13.8 (53) | -2.0 (49) | 12.5 (91) | 29.2 (47) | - |
| FRS 2035 Retirement Date Fund | 9.1 (18) | -1.4 (46) | 4.4 (84) | 22.0 (38) | 15.8 (23) | -3.0 (46) | 13.7 (80) | 29.8 (58) | - |
| 2035 Retirement Custom Index | 8.3 (46) | -1.7 (63) | 4.3 (85) | 22.0 (38) | 15.2 (46) | -3.1 (47) | 13.3 (89) | 30.1 (57) | - |
| FRS 2040 Retirement Date Fund | 9.2 (19) | -1.4 (52) | 4.4 (83) | 22.3 (48) | 15.8 (36) | -3.0 (38) | 13.7 (79) | 29.8 (54) | - |
| 2040 Retirement Custom Index | 8.6 (45) | -1.7 (66) | 4.3 (84) | 22.4 (48) | 15.2 (50) | -3.1 (38) | 13.3 (85) | 30.1 (53) | - |
| FRS 2045 Retirement Date Fund | 9.4 (22) | -1.5 (48) | 4.4 (82) | 22.3 (60) | 15.8 (38) | -3.0 (26) | 13.7 (86) | 29.8 (65) | - |
| 2045 Retirement Custom Index | 8.9 (37) | -1.7 (59) | 4.3 (83) | 22.4 (60) | 15.2 (68) | -3.1 (26) | 13.3 (89) | 30.1 (63) | - |
| FRS 2050 Retirement Date Fund | 9.5 (23) | -1.5 (55) | 4.4 (82) | 22.3 (53) | 15.8 (36) | -3.0 (20) | 13.7 (84) | 29.8 (73) | - |
| 2050 Retirement Custom Index | 8.9 (37) | -1.7 (62) | 4.3 (82) | 22.4 (53) | 15.2 (58) | -3.1 (20) | 13.3 (87) | 30.1 (70) | - |
| FRS 2055 Retirement Date Fund | 9.3 (30) | -1.4 (54) | 4.4 (80) | 22.3 (73) | 15.8 (45) | - | - | - | - |
| 2055 Retirement Custom Index | 8.9 (33) | -1.7 (68) | 4.3 (80) | 22.4 (72) | 15.2 (75) | - | - | - | - |

As of December 31, 2016

Asset Allocation & Performance

| | Performance(%) | | | | | | | | |
|--|------------------|-----------------|------------------|------------------|------------------|-----------------|------------------|------------------|-------------------|
| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 |
| Cash | 0.6 (1) | 0.2 (4) | 0.1 (1) | 0.2 (1) | 0.3 (1) | 0.2 (1) | 0.3 (2) | 0.3 (34) | 2.4 (41) |
| FRS Money Market Fund | 0.6 (1) | 0.2 (4) | 0.1 (1) | 0.2 (1) | 0.3 (1) | 0.2 (1) | 0.3 (2) | 0.3 (34) | 2.4 (41) |
| iMoneyNet 1st Tier Institutional Net Index | 0.3 (24) | 0.0 (26) | 0.0 (23) | 0.0 (23) | 0.1 (23) | 0.1 (23) | 0.2 (7) | 0.7 (3) | 3.0 (5) |
| Real Assets | | | | | | | | | |
| FRS Real Assets Fund | 6.0 | -7.9 | 3.2 | -9.1 | 9.1 | 7.4 | 11.7 | 16.0 | - |
| FRS Custom Real Assets Index | 6.2 | -5.0 | 1.8 | -8.9 | 6.6 | 4.6 | 13.0 | 17.2 | - |
| Fixed Income | 4.7 (9) | 0.3 (77) | 4.7 (3) | -1.1 (86) | 6.0 (38) | 6.7 (1) | 7.6 (32) | 11.7 (57) | 1.4 (51) |
| Total Bond Index | 4.3 (10) | 0.1 (85) | 4.9 (2) | -1.2 (88) | 4.8 (64) | 7.4 (1) | 7.0 (37) | 8.9 (79) | 1.9 (49) |
| FRS U.S. Bond Enhanced Index Fund | 2.7 (6) | 0.7 (33) | 6.2 (35) | -2.0 (16) | 4.4 (14) | 7.9 (67) | 6.7 (48) | 6.5 (6) | 5.9 (87) |
| Blmbg. Barc. U.S. Aggregate | 2.6 (7) | 0.5 (43) | 6.0 (36) | -2.0 (17) | 4.2 (15) | 7.8 (67) | 6.5 (49) | 5.9 (7) | 5.2 (89) |
| FIAM Intermediate Duration Pool Fund | 3.1 (31) | 0.9 (31) | 3.4 (22) | -0.5 (61) | 4.9 (60) | 5.9 (12) | 7.0 (37) | 11.9 (56) | -1.7 (56) |
| Blmbg. Barc. U.S. Intermediate Aggregate | 2.0 (71) | 1.2 (17) | 4.1 (6) | -1.0 (84) | 3.6 (80) | 6.0 (11) | 6.1 (50) | 6.5 (86) | 4.9 (11) |
| FRS Core Plus Fixed Income Fund | 5.7 (28) | 0.1 (47) | 4.6 (88) | 0.8 (21) | 11.1 (17) | 4.6 (88) | 10.1 (28) | 21.6 (20) | - |
| FRS Custom Core-Plus Fixed Income Index | 4.9 (43) | 0.2 (42) | 5.1 (79) | 0.8 (20) | 7.8 (51) | 7.6 (33) | 9.1 (42) | 18.7 (31) | - |
| Domestic Equity | 13.7 (26) | 0.7 (32) | 11.5 (43) | 35.2 (45) | 16.9 (33) | 0.3 (37) | 20.4 (25) | 30.9 (52) | -36.5 (32) |
| Total U.S. Equities Index | 14.9 (21) | -0.5 (44) | 11.1 (47) | 34.0 (54) | 16.5 (36) | -0.1 (39) | 19.3 (31) | 28.4 (65) | -36.5 (32) |
| FRS U.S. Stock Market Index Fund | 12.9 (27) | 0.6 (51) | 12.6 (33) | 33.6 (40) | 16.5 (39) | 1.0 (40) | 17.1 (17) | 28.6 (50) | -37.2 (50) |
| Russell 3000 Index | 12.7 (27) | 0.5 (52) | 12.6 (34) | 33.6 (40) | 16.4 (40) | 1.0 (40) | 16.9 (18) | 28.3 (51) | -37.3 (52) |
| FRS U.S. Large Cap Equity Fund | 9.3 (56) | 2.7 (30) | 12.8 (42) | 36.4 (22) | 17.2 (24) | 1.2 (45) | 17.8 (19) | 30.5 (36) | - |
| Russell 1000 Index | 12.1 (32) | 0.9 (43) | 13.2 (33) | 33.1 (47) | 16.4 (32) | 1.5 (41) | 16.1 (31) | 28.4 (43) | - |
| FRS U.S. Small/Mid Cap Equity Fund | 19.9 (24) | -1.1 (37) | 8.6 (28) | 37.1 (45) | 18.7 (26) | -0.9 (37) | 29.6 (25) | 37.0 (41) | - |
| FRS Custom Small/Mid Cap Index | 19.6 (25) | -4.2 (72) | 7.7 (34) | 22.0 (98) | 15.3 (52) | 1.1 (22) | 21.3 (86) | 26.4 (86) | - |

As of December 31, 2016

Asset Allocation & Performance

| | Performance(%) | | | | | | | | | | | | | | | | | |
|--|----------------|------|------|------|------|------|------|------|------|------|-------|------|------|------|------|------|-------|------|
| | 2016 | | 2015 | | 2014 | | 2013 | | 2012 | | 2011 | | 2010 | | 2009 | | 2008 | |
| International/Global Equity | 4.5 | (42) | -2.6 | (48) | -3.2 | (42) | 21.6 | (33) | 18.6 | (53) | -11.3 | (23) | 10.1 | (73) | 34.8 | (62) | -40.9 | (20) |
| Total Foreign and Global Equities Index | 4.9 | (39) | -4.4 | (55) | -3.0 | (40) | 20.6 | (38) | 16.6 | (72) | -11.3 | (23) | 10.1 | (73) | 32.4 | (69) | -42.8 | (30) |
| FRS Foreign Stock Index Fund | 5.3 | (37) | -4.4 | (55) | -4.5 | (54) | 20.5 | (39) | 17.6 | (63) | -11.8 | (27) | 9.2 | (77) | 32.3 | (69) | -42.5 | (28) |
| MSCI All Country World ex-U.S. IMI Index | 4.4 | (42) | -4.6 | (55) | -4.2 | (50) | 21.0 | (36) | 16.4 | (72) | -12.2 | (30) | 8.9 | (78) | 33.7 | (66) | -43.6 | (35) |
| American Funds New Perspective Fund | 2.2 | (80) | 5.6 | (13) | 3.7 | (42) | 27.1 | (41) | 21.0 | (15) | -7.4 | (45) | 13.0 | (56) | 37.7 | (44) | -37.7 | (30) |
| MSCI All Country World Index Net | 7.9 | (45) | -2.4 | (54) | 4.2 | (38) | 22.8 | (60) | 16.3 | (39) | -5.5 | (34) | 11.8 | (61) | 30.0 | (66) | -40.7 | (43) |
| American Funds Euro-Pacific Growth Fund | 1.0 | (60) | -0.5 | (23) | -2.3 | (13) | 20.6 | (49) | 19.6 | (29) | -13.3 | (56) | 9.8 | (32) | 39.6 | (9) | -40.3 | (19) |
| MSCI All Country World ex-U.S. Index | 5.0 | (20) | -5.3 | (78) | -3.4 | (16) | 15.8 | (75) | 17.4 | (59) | -13.3 | (58) | 11.6 | (16) | 32.5 | (38) | -43.1 | (63) |
| FRS Self-Dir Brokerage Acct | | | | | | | | | | | | | | | | | | |

The returns for the Retirement Date Funds, Real Assets Fund, Core Plus Fixed Income Fund, U.S. Large Cap Equity Fund, and U.S. Small/Mid Cap Equity Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.

Note: The SDBA opened for members on 1/2/14. No performance calculations will be made for the SDBA.

FRS Investment Plan

As of December 31, 2016

Asset Allocation

| Asset Allocation as of 12/31/2016 | | | | | | | | |
|--|-------------------------|-------------------------|-------------------------|-----------------------|-----------------------|-----------------------|-------------------------|---------------|
| | U.S. Equity | Non-U.S. Equity | U.S. Fixed Income | Real Assets | Cash | Brokerage | Total | % of Total |
| FRS Retirement Fund | 59,273,040 | 54,742,616 | 136,667,773 | 126,851,856 | | | 377,535,286 | 4.1% |
| FRS 2015 Retirement Date Fund | 61,748,495 | 56,972,368 | 116,332,800 | 106,098,243 | | | 341,151,907 | 3.7% |
| FRS 2020 Retirement Date Fund | 135,295,273 | 125,231,988 | 178,902,840 | 119,641,274 | | | 559,071,375 | 6.0% |
| FRS 2025 Retirement Date Fund | 175,797,694 | 161,733,879 | 169,351,779 | 79,108,963 | | | 585,992,315 | 6.3% |
| FRS 2030 Retirement Date Fund | 182,361,245 | 168,212,528 | 130,482,615 | 42,970,178 | | | 524,026,566 | 5.6% |
| FRS 2035 Retirement Date Fund | 188,778,541 | 174,257,115 | 99,713,793 | 21,298,092 | | | 484,047,540 | 5.2% |
| FRS 2040 Retirement Date Fund | 176,901,668 | 163,644,400 | 64,629,181 | 9,114,372 | | | 414,289,620 | 4.5% |
| FRS 2045 Retirement Date Fund | 174,990,811 | 161,258,349 | 47,082,730 | 9,024,190 | | | 392,356,079 | 4.2% |
| FRS 2050 Retirement Date Fund | 93,423,065 | 86,091,659 | 25,136,251 | 4,817,781 | | | 209,468,755 | 2.3% |
| FRS 2055 Retirement Date Fund | 31,584,024 | 29,105,457 | 8,497,944 | 1,628,773 | | | 70,816,196 | 0.8% |
| Total Retirement Date Funds | \$ 1,280,153,855 | \$ 1,181,250,357 | \$ 976,797,705 | \$ 520,553,721 | \$ - | \$ - | \$ 3,958,755,639 | 42.6% |
| FRS Money Market Fund | | | | | 977,753,628 | | 977,753,628 | 10.5% |
| Total Cash | \$ - | \$ - | \$ - | \$ - | \$ 977,753,628 | \$ - | \$ 977,753,628 | 10.5% |
| FRS Real Assets Fund | | | | 90,705,762 | - | | 90,705,762 | 1.0% |
| Total Real Assets | \$ - | \$ - | \$ - | \$ 90,705,762 | \$ - | \$ - | \$ 90,705,762 | 1.0% |
| FRS U.S. Bond Enhanced Index Fund | | | 246,747,601 | | | | 246,747,601 | 2.7% |
| FIAM Intermediate Duration Pool Fund | | | 113,710,984 | | | | 113,710,984 | 1.2% |
| FRS Core Plus Fixed Income Fund | | | 320,621,824 | | | | 320,621,824 | 3.4% |
| Total Fixed Income | \$ - | \$ - | \$ 681,080,409 | \$ - | \$ - | \$ - | \$ 681,080,409 | 7.3% |
| FRS U.S. Stock Market Index Fund | 816,922,397 | | | | | | 816,922,397 | 8.8% |
| FRS U.S. Large Cap Equity Fund | 846,200,002 | | | | | | 846,200,002 | 9.1% |
| FRS U.S. Small/Mid Cap Equity Fund | 867,911,850 | | | | | | 867,911,850 | 9.3% |
| Total Domestic Equity | \$ 2,531,034,250 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,531,034,250 | 27.2% |
| FRS Foreign Stock Index Fund | | 243,463,721 | | | | | 243,463,721 | 2.6% |
| American Funds New Perspective Fund | | 224,861,654 | | | | | 224,861,654 | 2.4% |
| American Funds Euro-Pacific Growth Fund | | 144,629,499 | | | | | 144,629,499 | 1.6% |
| Total International/Global Equity | \$ - | \$ 612,954,874 | \$ - | \$ - | \$ - | \$ - | \$ 612,954,874 | 6.6% |
| FRS Self-Dir Brokerage Acct | | | | | | 443,434,236 | 443,434,236 | 4.8% |
| Total Self-Dir Brokerage Acct | | | | | | \$ 443,434,236 | \$ 443,434,236 | 4.8% |
| Total Portfolio | \$ 3,811,188,105 | \$ 1,794,205,231 | \$ 1,657,878,114 | \$ 611,259,483 | \$ 977,753,628 | \$ 443,434,236 | \$ 9,295,718,798 | 100.0% |
| Percent of Total | 41.00% | 19.30% | 17.83% | 6.58% | 10.52% | 4.77% | 100.0% | |

The returns for the Retirement Date Funds, Real Assets Fund, Core Plus Fixed Income Fund, U.S. Large Cap Equity Fund, and U.S. Small/Mid Cap Equity Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.

Note: The SDBA opened for members on 1/2/14. No performance calculations will be made for the SDBA.

As of December 31, 2016

Multi Timeperiod Statistics

| | 3 Years Return | 3 Years Standard Deviation | 3 Years Sharpe Ratio | 3 Years Tracking Error | 3 Years Information Ratio | 3 Years Up Market Capture | 3 Years Down Market Capture |
|---|----------------------|-------------------------------------|-------------------------------|---------------------------------|------------------------------------|---------------------------------------|---|
| FRS Investment Plan | 3.95 | 7.38 | 0.54 | 0.48 | 0.06 | 99.82 | 99.32 |
| FRS Retirement Fund | 2.60 | 5.10 | 0.50 | 0.84 | 0.00 | 102.36 | 103.57 |
| FRS 2015 Retirement Date Fund | 2.78 | 5.51 | 0.50 | 0.76 | 0.03 | 101.79 | 102.26 |
| FRS 2020 Retirement Date Fund | 3.14 | 6.33 | 0.50 | 0.59 | 0.11 | 101.63 | 101.43 |
| FRS 2025 Retirement Date Fund | 3.53 | 7.12 | 0.50 | 0.51 | 0.32 | 100.33 | 98.29 |
| FRS 2030 Retirement Date Fund | 3.79 | 7.98 | 0.49 | 0.47 | 0.40 | 100.97 | 99.18 |
| FRS 2035 Retirement Date Fund | 3.94 | 9.00 | 0.46 | 0.53 | 0.65 | 102.20 | 99.61 |
| FRS 2040 Retirement Date Fund | 3.94 | 9.37 | 0.44 | 0.55 | 0.49 | 101.08 | 98.84 |
| FRS 2045 Retirement Date Fund | 4.01 | 9.47 | 0.45 | 0.65 | 0.39 | 100.12 | 97.73 |
| FRS 2050 Retirement Date Fund | 4.01 | 9.49 | 0.45 | 0.64 | 0.41 | 100.29 | 97.94 |
| FRS 2055 Retirement Date Fund | 3.99 | 9.48 | 0.45 | 0.63 | 0.39 | 100.14 | 97.88 |
| FRS Money Market Fund | 0.32 | 0.06 | 4.82 | 0.03 | 7.71 | 259.90 | N/A |
| FRS Real Assets Fund | 0.25 | 6.47 | 0.05 | 1.93 | -0.30 | 110.66 | 119.65 |
| FRS U.S. Bond Enhanced Index Fund | 3.17 | 3.03 | 1.00 | 0.10 | 1.35 | 102.10 | 99.26 |
| FIAM Intermediate Duration Pool Fund | 2.46 | 2.30 | 1.01 | 0.60 | 0.06 | 105.40 | 111.01 |
| FRS Core Plus Fixed Income Fund | 3.44 | 3.14 | 1.05 | 0.52 | 0.16 | 107.05 | 113.09 |
| FRS U.S. Stock Market Index Fund | 8.54 | 11.04 | 0.79 | 0.04 | 2.71 | 100.31 | 99.64 |
| FRS U.S. Large Cap Equity Fund | 8.16 | 12.13 | 0.70 | 2.96 | -0.09 | 103.58 | 109.20 |
| FRS U.S. Small/Mid Cap Equity Fund | 8.80 | 13.56 | 0.68 | 2.04 | 0.71 | 103.77 | 96.06 |
| FRS Foreign Stock Index Fund | -1.31 | 12.29 | -0.06 | 1.49 | 0.15 | 97.10 | 95.96 |
| American Funds New Perspective Fund | 3.80 | 11.03 | 0.38 | 2.97 | 0.21 | 94.76 | 88.29 |
| American Funds Euro-Pacific Growth Fund | -0.60 | 11.20 | -0.01 | 4.25 | 0.13 | 81.61 | 78.95 |

The returns for the Retirement Date Funds, Real Assets Fund, Core Plus Fixed Income Fund, U.S. Large Cap Equity Fund, and U.S. Small/Mid Cap Equity Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.

As of December 31, 2016

Multi Timeperiod Statistics

| | 5 Years Return | 5 Years Standard Deviation | 5 Years Sharpe Ratio | 5 Years Tracking Error | 5 Years Information Ratio | 5 Years Up Market Capture | 5 Years Down Market Capture |
|---|----------------------|-------------------------------------|-------------------------------|---------------------------------|------------------------------------|---------------------------------------|---|
| FRS Investment Plan | 7.41 | 6.82 | 1.07 | 0.43 | 0.61 | 101.56 | 99.05 |
| FRS Retirement Fund | 4.36 | 5.19 | 0.83 | 1.78 | 0.25 | 111.43 | 111.51 |
| FRS 2015 Retirement Date Fund | 4.98 | 5.59 | 0.88 | 1.42 | 0.22 | 107.20 | 107.66 |
| FRS 2020 Retirement Date Fund | 6.22 | 6.41 | 0.96 | 1.02 | 0.31 | 105.29 | 105.28 |
| FRS 2025 Retirement Date Fund | 7.44 | 7.25 | 1.01 | 0.65 | 0.44 | 102.71 | 101.21 |
| FRS 2030 Retirement Date Fund | 8.65 | 8.20 | 1.04 | 0.45 | 0.56 | 101.43 | 99.65 |
| FRS 2035 Retirement Date Fund | 9.67 | 9.26 | 1.03 | 0.50 | 0.60 | 101.47 | 99.53 |
| FRS 2040 Retirement Date Fund | 9.73 | 9.48 | 1.02 | 0.51 | 0.50 | 100.94 | 98.99 |
| FRS 2045 Retirement Date Fund | 9.78 | 9.54 | 1.02 | 0.58 | 0.43 | 100.48 | 98.18 |
| FRS 2050 Retirement Date Fund | 9.78 | 9.55 | 1.01 | 0.57 | 0.44 | 100.56 | 98.33 |
| FRS 2055 Retirement Date Fund | 9.77 | 9.55 | 1.01 | 0.56 | 0.43 | 100.49 | 98.29 |
| FRS Money Market Fund | 0.30 | 0.05 | 5.46 | 0.02 | 9.45 | 315.31 | N/A |
| FRS Real Assets Fund | -0.02 | 6.39 | 0.01 | 2.02 | 0.03 | 107.15 | 106.49 |
| FRS U.S. Bond Enhanced Index Fund | 2.37 | 2.93 | 0.77 | 0.12 | 1.14 | 102.27 | 99.37 |
| FIAM Intermediate Duration Pool Fund | 2.34 | 2.28 | 0.97 | 0.59 | 0.65 | 114.07 | 108.31 |
| FRS Core Plus Fixed Income Fund | 4.38 | 3.38 | 1.25 | 0.84 | 0.78 | 115.43 | 112.25 |
| FRS U.S. Stock Market Index Fund | 14.75 | 10.65 | 1.34 | 0.04 | 1.67 | 100.22 | 99.72 |
| FRS U.S. Large Cap Equity Fund | 15.12 | 11.92 | 1.24 | 2.94 | 0.18 | 106.82 | 111.86 |
| FRS U.S. Small/Mid Cap Equity Fund | 15.96 | 12.76 | 1.22 | 2.83 | 1.39 | 118.11 | 101.48 |
| FRS Foreign Stock Index Fund | 6.39 | 13.08 | 0.53 | 1.40 | 0.18 | 98.51 | 96.11 |
| American Funds New Perspective Fund | 11.46 | 11.17 | 1.02 | 2.72 | 0.69 | 101.68 | 85.71 |
| American Funds Euro-Pacific Growth Fund | 7.22 | 12.00 | 0.63 | 3.68 | 0.40 | 91.77 | 78.50 |

The returns for the Retirement Date Funds, Real Assets Fund, Core Plus Fixed Income Fund, U.S. Large Cap Equity Fund, and U.S. Small/Mid Cap Equity Fund use prehire data for all months prior to 7/1/2014, actual live data is used thereafter.



Appendix

As of December 31, 2016

Benchmark Descriptions

Retirement Date Benchmarks - A weighted average composite of the underlying components' benchmarks for each fund.

iMoneyNet 1st Tier Institutional Net Index - An index made up of the entire universe of money market mutual funds. The index currently represents over 1,300 funds, or approximately 99 percent of all money fund assets.

FRS Custom Real Assets Index - A monthly weighted composite of underlying indices for each TIPS and Real Assets fund. These indices include Barclays U.S. TIPS Index, MSCI World-AC World Index and the Bloomberg Commodity Total Return Index, NAREIT Developed Index, S&P Global Infrastructure Index, S&P Global Natural Resources Index.

Total Bond Index - A weighted average composite of the underlying benchmarks for each bond fund.

Barclays Aggregate Bond Index - A market value-weighted index consisting of government bonds, SEC-registered corporate bonds and mortgage-related and asset-backed securities with at least one year to maturity and an outstanding par value of \$250 million or greater. This index is a broad measure of the performance of the investment grade U.S. fixed income market.

Barclays Intermediate Aggregate Bond Index - A market value-weighted index consisting of U.S. Treasury securities, corporate bonds and mortgage-related and asset-backed securities with one to ten years to maturity and an outstanding par value of \$250 million or greater.

FRS Custom Core-Plus Fixed Income Index - A monthly rebalanced blend of 80% Barclays U.S. Aggregate Bond Index and 20% Barclays U.S. High Yield Ba/B 1% Issuer Constrained Index.

Total U.S. Equities Index - A weighted average composite of the underlying benchmarks for each domestic equity fund.

Russell 3000 Index - A capitalization-weighted index consisting of the 3,000 largest publicly traded U.S. stocks by capitalization. This index is a broad measure of the performance of the aggregate domestic equity market.

Russell 1000 Index - An index that measures the performance of the largest 1,000 stocks contained in the Russell 3000 Index.

FRS Custom Small/Mid Cap Index - A monthly rebalanced blend of 45% S&P 400 Index, 30% Russell 2000 Index and 25% Russell 2000 Value Index.

Total Foreign and Global Equities Index - A weighted average composite of the underlying benchmarks for each foreign and global equity fund.

MSCI All Country World ex-U.S. IMI Index - A capitalization-weighted index of stocks representing 22 developed country stock markets and 23 emerging countries, excluding the U.S. market.

MSCI All Country World Index - A capitalization-weighted index of stocks representing approximately 46 developed and emerging countries, including the U.S. and Canadian markets.

MSCI All Country World ex-U.S. Index - A capitalization-weighted index consisting of 23 developed and 21 emerging countries, but excluding the U.S.

As of December 31, 2016

Descriptions of Universes

Retirement Date Funds - Target date universes calculated and provided by Lipper.

FRS Money Market Fund - A money market universe calculated and provided by Lipper.

FRS U.S. Bond Enhanced Index Fund - A long-term bond fixed income universe calculated and provided by Lipper.

FIAM Intermediate Duration Pool Fund - A broad intermediate-term fixed income universe calculated and provided by Lipper.

FRS Core Plus Fixed Income Fund - A core plus bond fixed income universe calculated and provided by Lipper.

FRS U.S. Stock Market Index Fund - A large cap blend universe calculated and provided by Lipper.

FRS U.S. Large Cap Equity Fund - A large cap universe calculated and provided by Lipper.

FRS U.S. Small/Mid Cap Equity Fund - A small/mid cap universe calculated and provided by Lipper.

FRS Foreign Stock Index Fund - A foreign blend universe calculated and provided by Lipper.

American Funds New Perspective Fund - A global stock universe calculated and provided by Lipper.

American Funds Euro-Pacific Growth Fund - A foreign large blend universe calculated and provided by Lipper.

Disclaimers and Notes

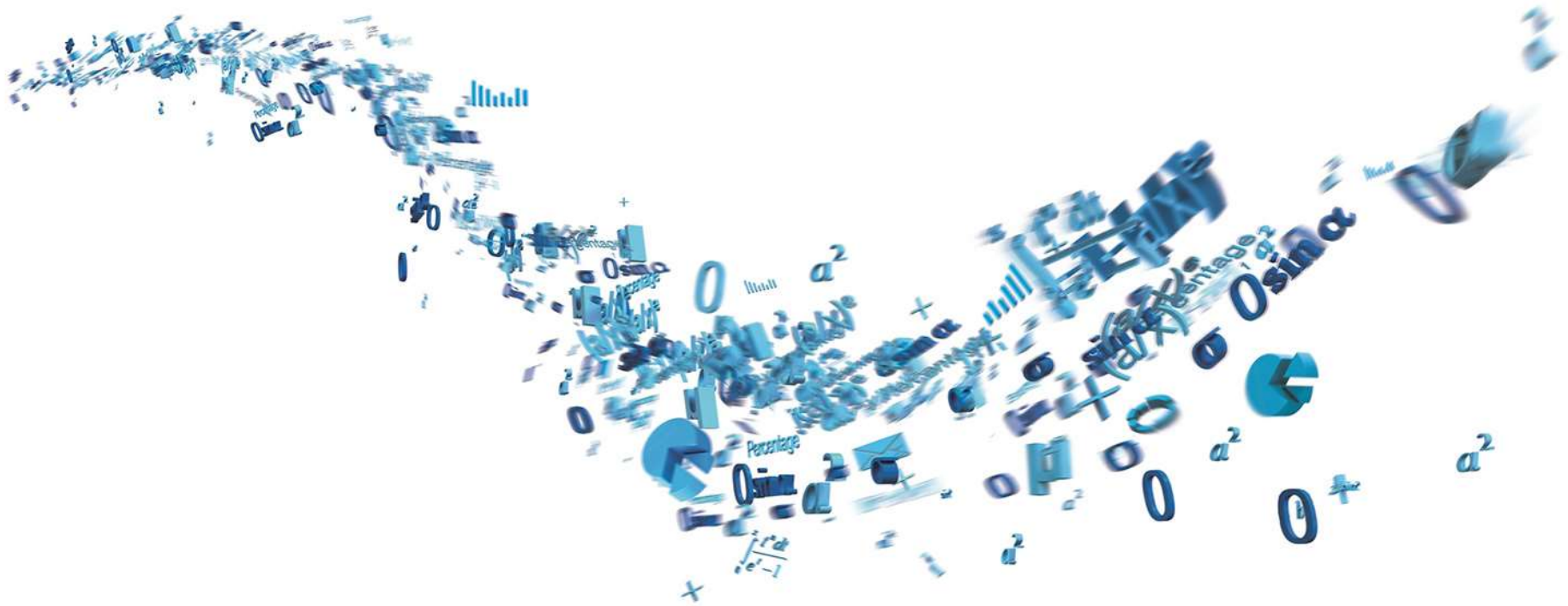
Disclaimers:

- § Please review this report and notify Aon Hewitt Investment Consulting (AHIC) with any issues or questions you may have with respect to investment performance or any other matter set forth herein.
- § The client portfolio market value data presented in this report has been obtained from the custodian. AHIC has compared this information to the investment managers' reported returns and believes the information to be accurate. AHIC has not conducted additional audits and cannot warrant its accuracy or completeness.
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Notes:

- § The rates of return contained in this report are shown on an after-fees basis unless otherwise noted. They are geometric and time weighted. Returns for periods longer than one year are annualized.
- § Universe percentiles are based upon an ordering system in which 1 is the best ranking and 100 is the worst ranking.
- § Due to rounding throughout the report, percentage totals displayed may not sum up to 100.0%. Additionally, individual fund totals in dollar terms may not sum up to the plan totals.

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Lawton Chiles Endowment Fund | Fourth Quarter 2016

Quarterly Investment Review

Visit the Aon Hewitt Retirement and Investment Blog (<http://retirementandinvestmentblog.aon.com>); sharing our best thinking.

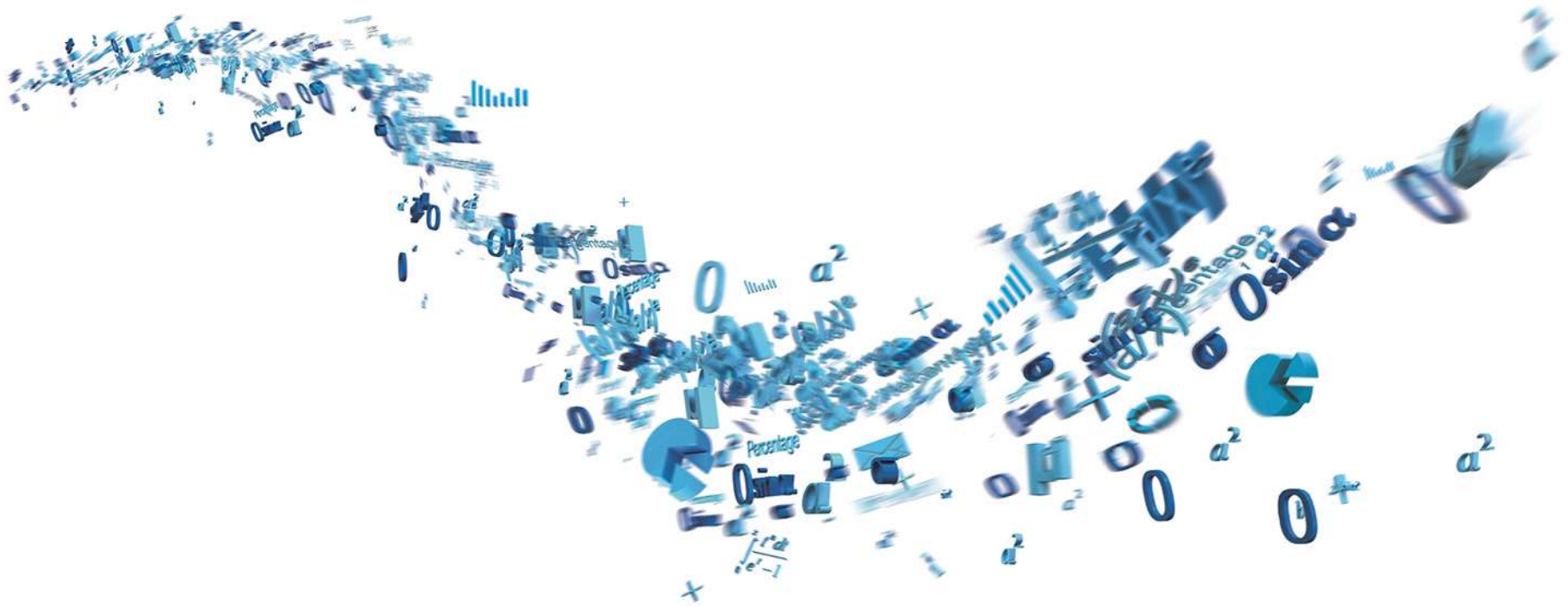


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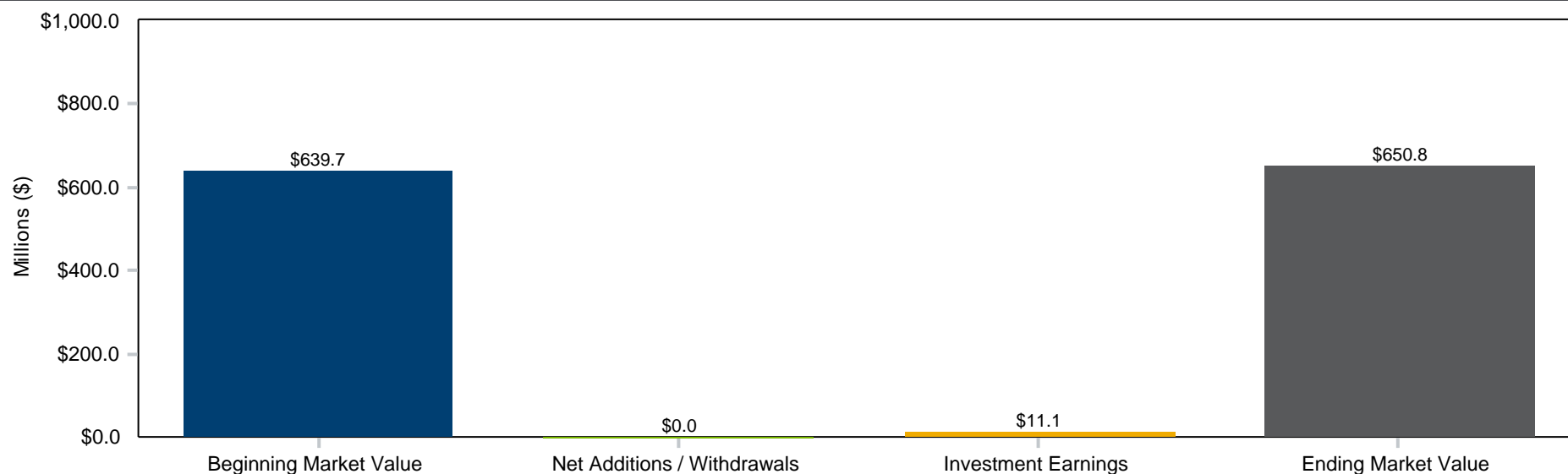
| | | |
|---|-----------------|---|
| 1 | LCEF Total Fund | 1 |
| 2 | Appendix | 9 |

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LCEF Total Fund

Total Plan Asset Summary

Change in Market Value
From October 1, 2016 to December 31, 2016

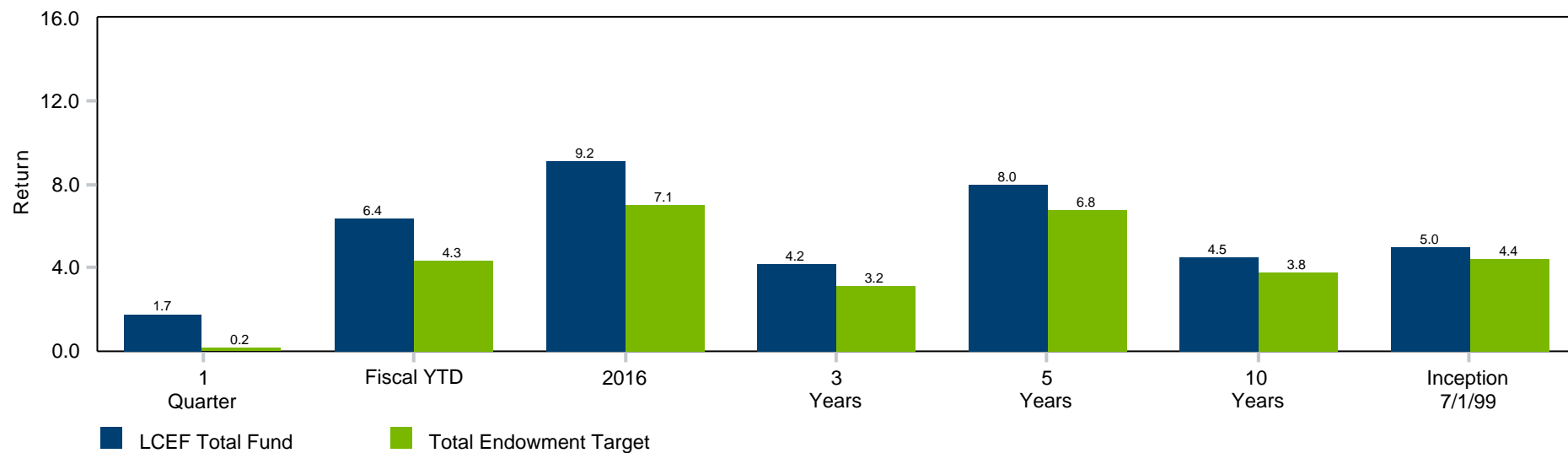
Summary of Cash Flow

| | 1 Quarter | Fiscal YTD* |
|---------------------------|--------------|-------------|
| LCEF Total Fund | | |
| Beginning Market Value | 639,692,685 | 611,715,263 |
| + Additions / Withdrawals | - | - |
| + Investment Earnings | 11,129,926 | 39,107,348 |
| = Ending Market Value | 650,822,611 | 650,822,611 |

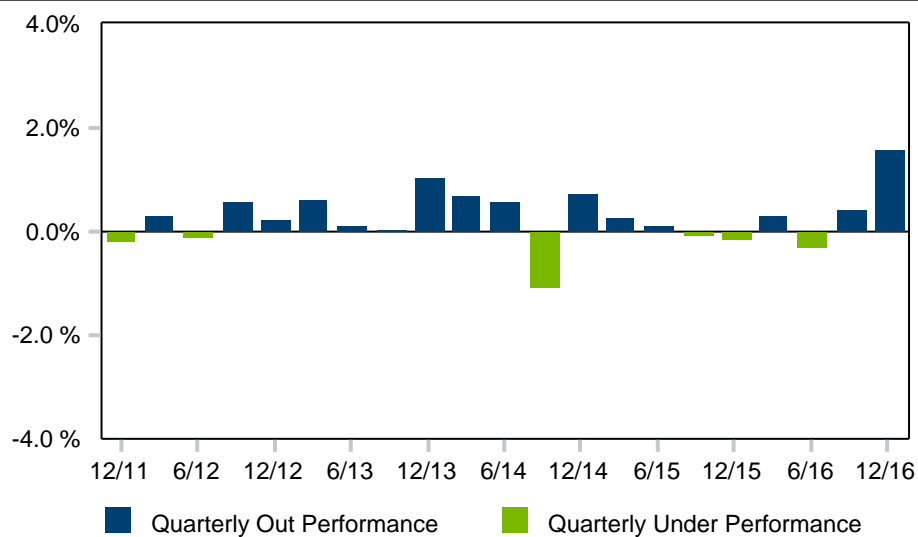
*Period July 2016 - December 2016

Total Plan Performance Summary

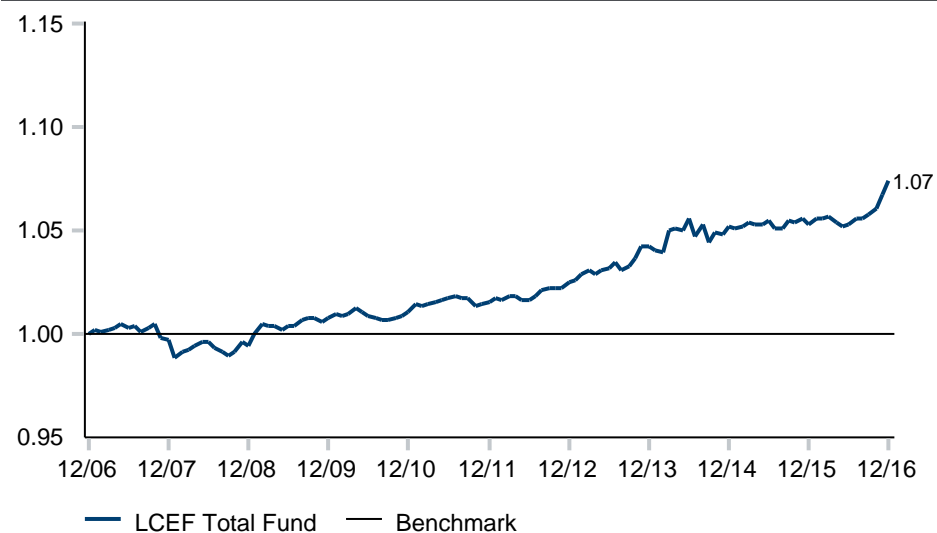
Return Summary



Quarterly Excess Performance



Ratio of Cumulative Wealth - 10 Years



As of December 31, 2016

Asset Allocation & Performance

| | Allocation | | | Performance(%) | | | | | | |
|---|-------------------|-------|-----------|----------------|------------|----------|----------|----------|----------|--|
| | Market Value (\$) | % | Policy(%) | 1 Quarter | Fiscal YTD | 2016 | 3 Years | 5 Years | 10 Years | |
| LCEF Total Fund | 650,822,611 | 100.0 | 100.0 | 1.7 (15) | 6.4 (6) | 9.2 (3) | 4.2 (25) | 8.0 (35) | 4.5 (54) | |
| Total Endowment Target | | | | 0.2 (74) | 4.3 (50) | 7.1 (24) | 3.2 (63) | 6.8 (77) | 3.8 (82) | |
| Global Equity* | 476,414,378 | 73.2 | 71.0 | 3.4 | 9.8 | 11.4 | 4.8 | 12.0 | 5.6 | |
| Global Equity Target | | | | 1.3 | 7.0 | 8.4 | 3.2 | 10.3 | 4.6 | |
| Fixed Income | 100,832,520 | 15.5 | 17.0 | -3.0 (75) | -2.6 (78) | 2.7 (62) | 3.1 (29) | 2.4 (56) | 4.4 (53) | |
| Blmbg. Barc. U.S. Aggregate | | | | -3.0 (75) | -2.5 (77) | 2.6 (62) | 3.0 (29) | 2.2 (58) | 4.3 (57) | |
| TIPS | 62,760,648 | 9.6 | 11.0 | -2.4 | -1.4 | 4.8 | 2.3 | 1.0 | 4.7 | |
| Barclays U.S. TIPS | | | | -2.4 | -1.5 | 4.7 | 2.3 | 0.9 | 4.4 | |
| Cash Equivalents | 10,815,065 | 1.7 | 1.0 | 0.2 | 0.4 | 0.7 | 0.5 | 0.6 | 1.3 | |
| S&P US AAA & AA Rated GIP 30D Net Yield Index | | | | 0.1 | 0.2 | 0.4 | 0.2 | 0.1 | 0.9 | |

Benchmark and universe descriptions are provided in the Appendix.

*Global Equity became an asset class in September 2012 by merging the Domestic Equities and Foreign Equities asset classes. The return series prior to September 2012 is a weighted average of Domestic Equities' and Foreign Equities' historical performance.

As of December 31, 2016

Calendar Year Performance

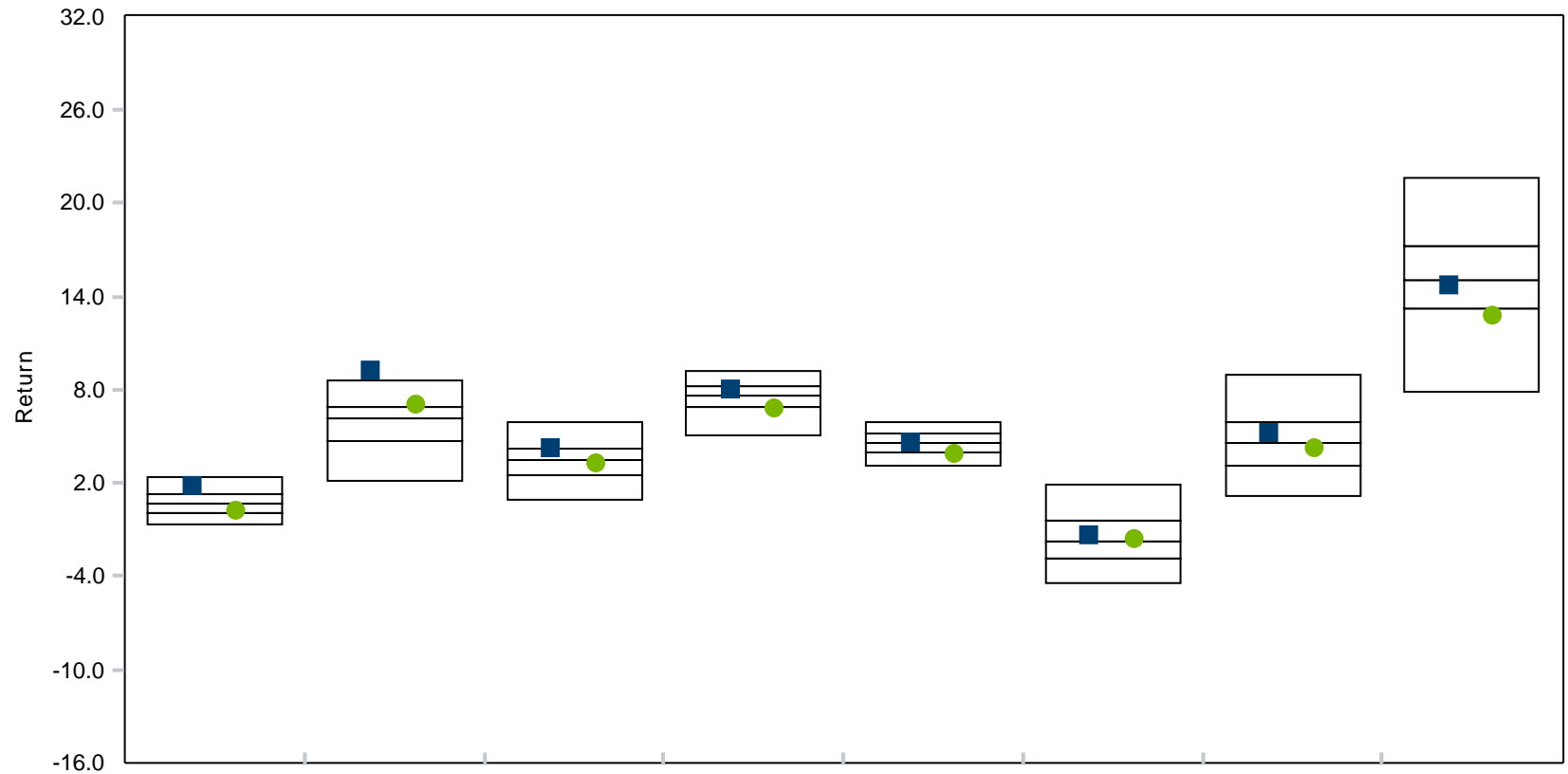
| | Performance(%) | | | | | | | | | |
|---|----------------|-----------|----------|-----------|-----------|----------|-----------|-----------|------------|----------|
| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
| LCEF Total Fund | 9.2 (3) | -1.4 (45) | 5.2 (40) | 14.7 (53) | 13.2 (21) | 1.9 (14) | 14.0 (14) | 21.2 (48) | -29.2 (75) | 6.3 (84) |
| Total Endowment Target | 7.1 (24) | -1.6 (48) | 4.3 (54) | 12.8 (77) | 12.2 (46) | 1.5 (17) | 13.7 (17) | 19.6 (59) | -28.9 (73) | 6.5 (80) |
| Global Equity* | 11.4 | -1.9 | 5.3 | 27.1 | 20.4 | -1.1 | 17.0 | 30.8 | -39.6 | 6.8 |
| Global Equity Target | 8.4 | -2.4 | 3.9 | 24.1 | 19.4 | -2.2 | 16.1 | 30.5 | -39.2 | 7.2 |
| Fixed Income | 2.7 (62) | 0.6 (33) | 6.0 (18) | -1.8 (76) | 4.6 (83) | 7.6 (39) | 7.0 (74) | 4.6 (96) | 5.8 (5) | 7.3 (40) |
| Blmbg. Barc. U.S. Aggregate | 2.6 (62) | 0.5 (34) | 6.0 (19) | -2.0 (78) | 4.2 (88) | 7.8 (37) | 6.5 (77) | 5.9 (87) | 5.2 (15) | 7.0 (51) |
| TIPS | 4.8 | -1.2 | 3.5 | -8.7 | 7.2 | 13.6 | 6.1 | 13.3 | -2.0 | 12.4 |
| Barclays U.S. TIPS | 4.7 | -1.4 | 3.6 | -8.6 | 7.0 | 13.6 | 6.3 | 11.4 | -2.4 | 11.6 |
| Cash Equivalents | 0.7 | 0.5 | 0.2 | 0.2 | 1.3 | 0.1 | 2.0 | 2.6 | 0.5 | 5.4 |
| S&P US AAA & AA Rated GIP 30D Net Yield Index | 0.4 | 0.1 | 0.0 | 0.1 | 0.1 | 0.2 | 0.3 | 0.7 | 2.3 | 4.7 |

*Global Equity became an asset class in September 2012 by merging the Domestic Equities and Foreign Equities asset classes. The return series prior to September 2012 is a weighted average of Domestic Equities' and Foreign Equities' historical performance.

As of December 31, 2016

Plan Sponsor Peer Group Analysis

All Endowments-Total Fund

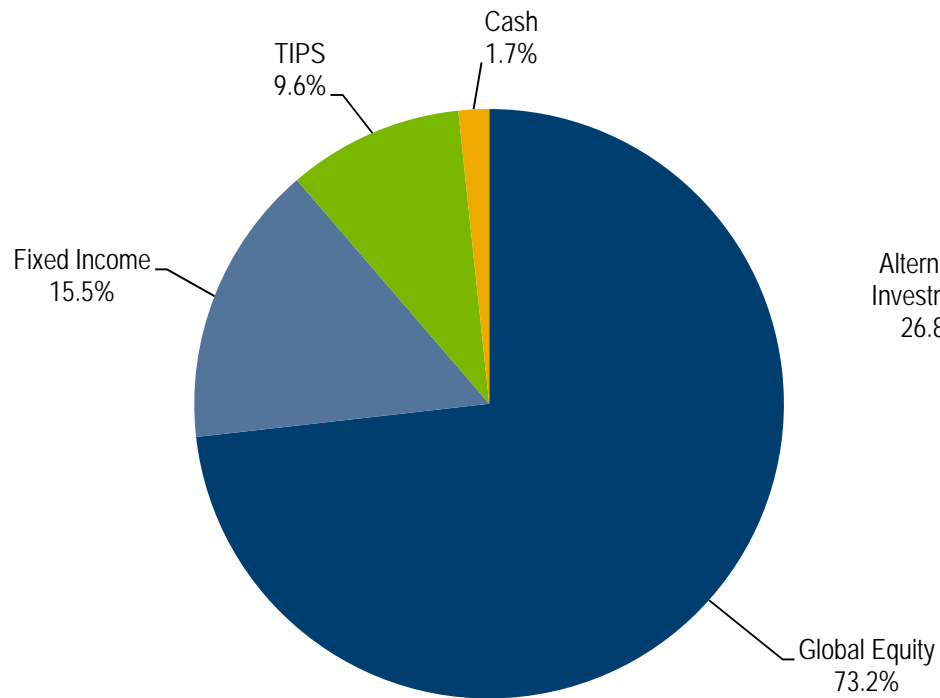


| | 1 Quarter | 1 Year | 3 Years | 5 Years | 10 Years | 2015 | 2014 | 2013 |
|--------------------------|--------------|-----------|------------|------------|-------------|-----------|----------|-----------|
| ■ LCEF Total Fund | 1.7 (15) | 9.2 (3) | 4.2 (25) | 8.0 (35) | 4.5 (54) | -1.4 (45) | 5.2 (40) | 14.7 (53) |
| ● Total Endowment Target | 0.2 (74) | 7.1 (24) | 3.2 (63) | 6.8 (77) | 3.8 (82) | -1.6 (48) | 4.3 (54) | 12.8 (77) |
| 5th Percentile | 2.4 | 8.6 | 6.0 | 9.2 | 6.0 | 1.9 | 9.0 | 21.7 |
| 1st Quartile | 1.3 | 7.0 | 4.2 | 8.2 | 5.2 | -0.4 | 6.0 | 17.2 |
| Median | 0.7 | 6.1 | 3.5 | 7.6 | 4.6 | -1.7 | 4.5 | 15.1 |
| 3rd Quartile | 0.1 | 4.7 | 2.6 | 6.9 | 4.0 | -2.9 | 3.1 | 13.2 |
| 95th Percentile | -0.6 | 2.2 | 1.0 | 5.1 | 3.1 | -4.5 | 1.2 | 7.8 |
| Population | 158 | 156 | 146 | 130 | 96 | 322 | 307 | 298 |

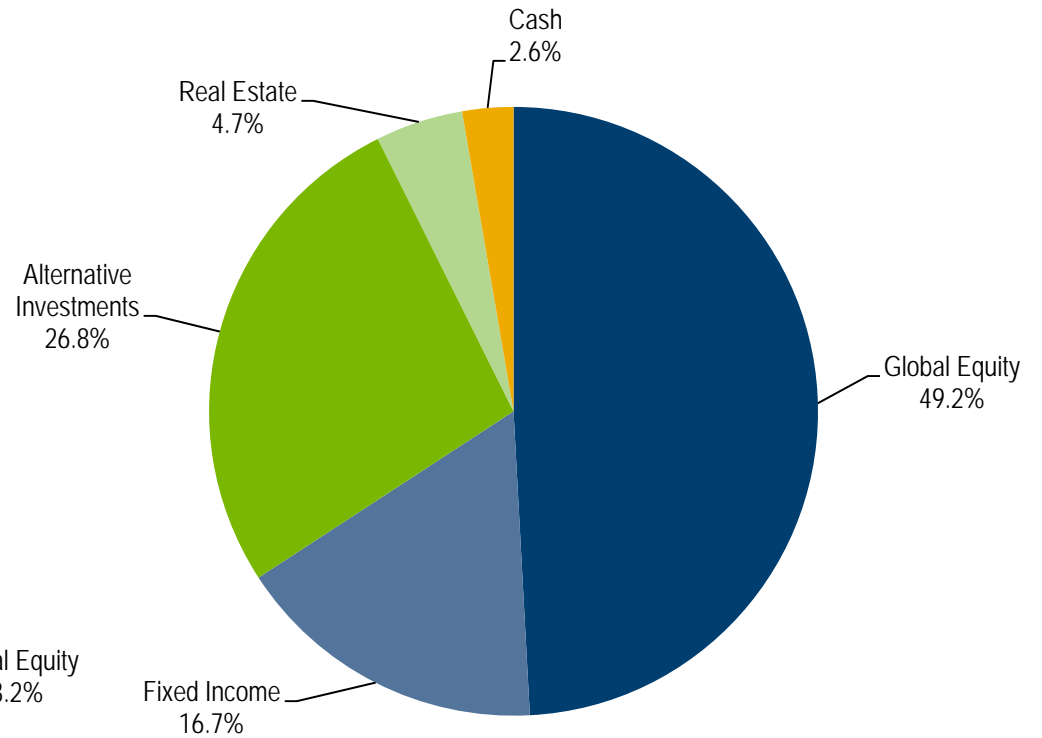
Parentheses contain percentile rankings.

Universe Asset Allocation Comparison

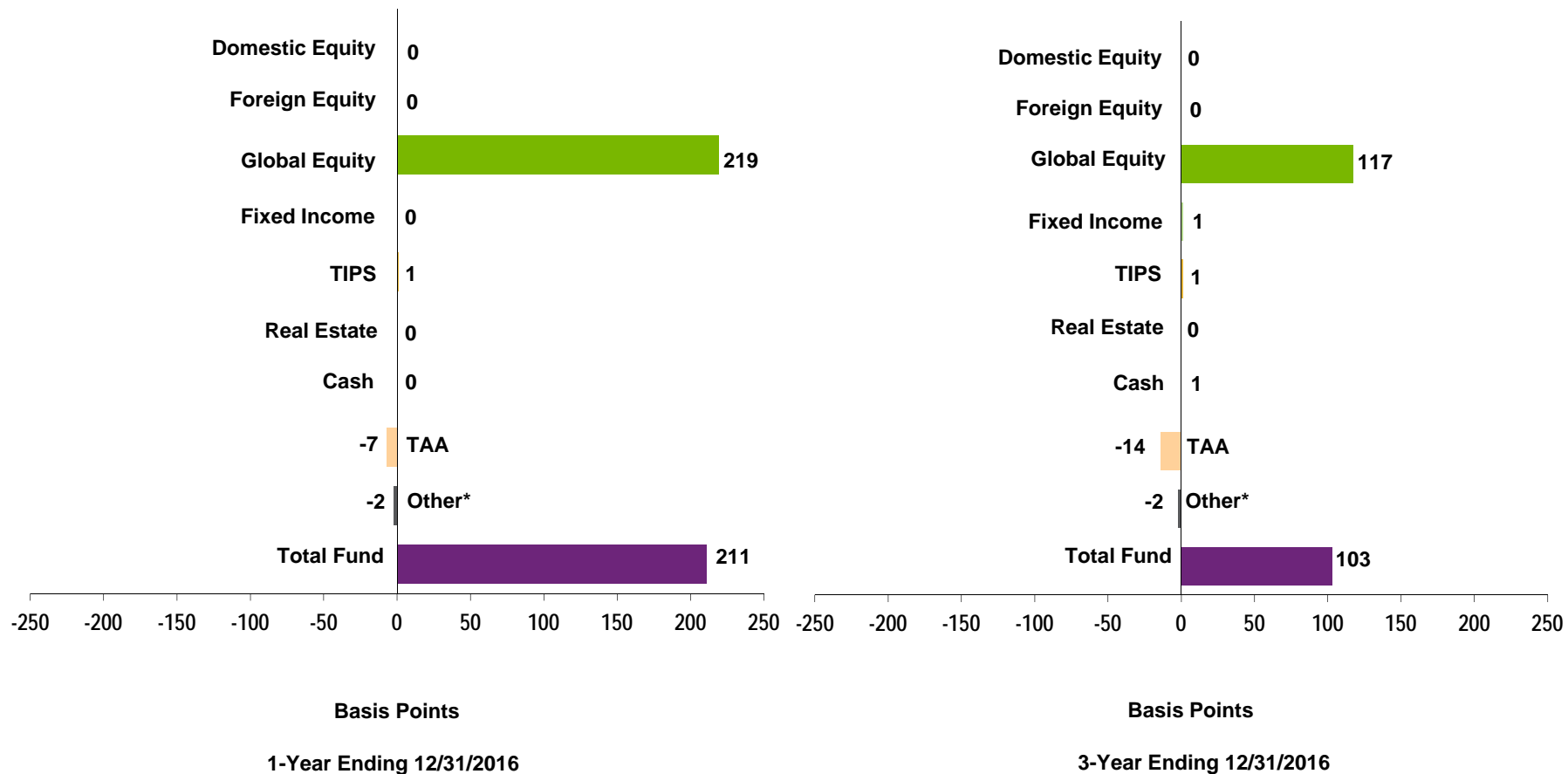
LCEF Total Fund



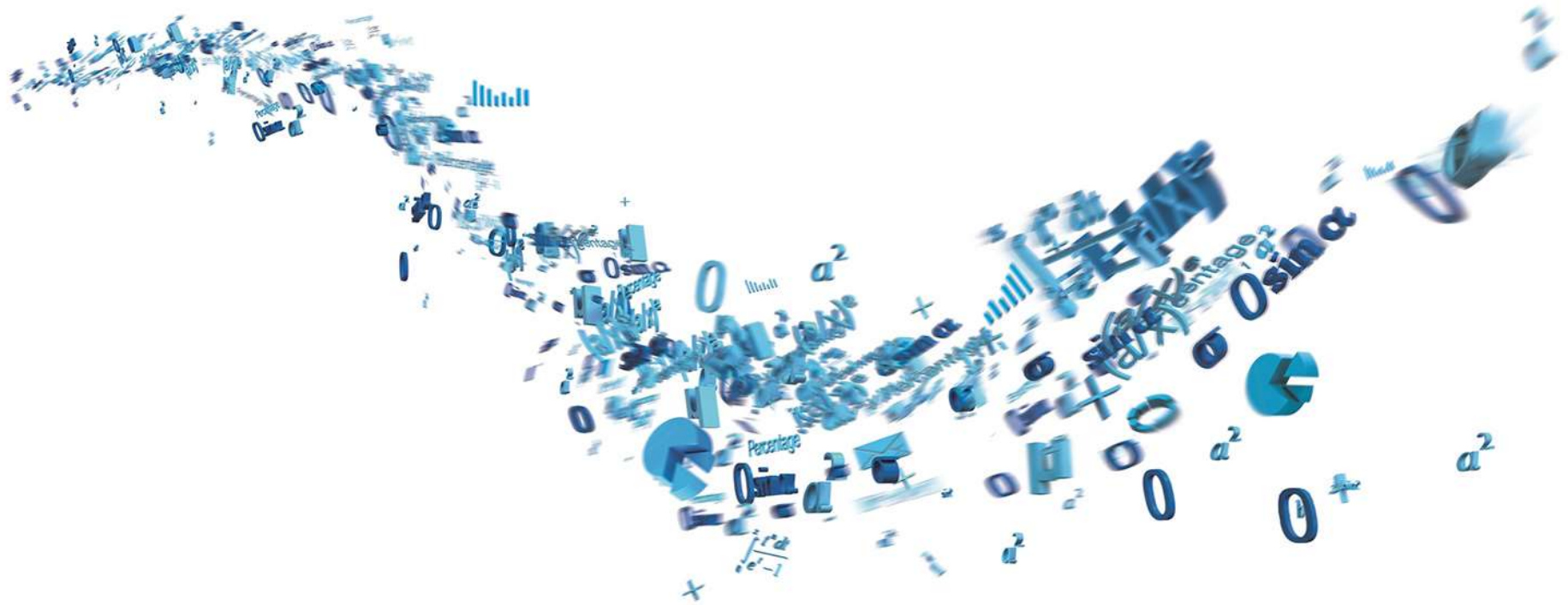
BNY Mellon Endowment Universe



Attribution



*Other includes differences between official performance value added due to methodology and extraordinary payouts.



Appendix

As of December 31, 2016

Benchmark Descriptions

LCEF Total Fund

Total Endowment Target - A weighted blend of the individual asset class target benchmarks.

Total Global Equity

MSCI ACWI IMI ex-Tobacco - From 7/1/2014 forward, a custom version of the MSCI ACWI IMI excluding tobacco-related companies. From 10/1/2013 to 6/30/2014, a custom version of the MSCI ACWI IMI adjusted to reflect a 55% fixed weight in the MSCI USA IMI and a 45% fixed weight in the MSCI ACWI ex-USA IMI, and excluding certain equities of tobacco-related companies. From 9/1/2012 to 9/30/2013, a custom version of the MSCI ACWI IMI excluding tobacco-related companies. Prior to 9/1/2012, the benchmark is a weighted average of both the Domestic Equities and Foreign Equities historical benchmarks.

Total Domestic Equities

Russell 3000 Index ex-Tobacco - Prior to 9/1/2012, an index that measures the performance of the 3,000 stocks that make up the Russell 1000 and Russell 2000 Indices, while excluding tobacco companies.

Total Foreign Equities

MSCI ACWI ex-US IMI ex-Tobacco - Prior to 9/1/2012, a capitalization-weighted index representing 44 countries, but excluding the United States. The index includes 23 developed and 21 emerging market countries, and excludes tobacco companies.

Total Fixed Income

Barclays Aggregate Bond Index - A market value-weighted index consisting of the Barclays Credit, Government, and Mortgage-Backed Securities Indices. The index also includes credit card, auto, and home equity loan-backed securities. This index is the broadest available measure of the aggregate investment grade U.S. fixed income market.

Total TIPS

Barclays U.S. TIPS - A market value-weighted index consisting of U.S. Treasury Inflation-Protected Securities with one or more years remaining until maturity with total outstanding issue size of \$500 million or more.

Total Cash Equivalents

S&P U.S. AAA & AA Rated GIP 30-Day Net Yield Index - An unmanaged, net-of-fees, market index representative of the Local Government Investment Pool. On 10/1/2011, the S&P U.S. AAA & AA Rated GIP 30-Day Net Yield Index replaced the S&P U.S. AAA & AA Rated GIP 30-Day Gross Yield Index, which was previously used from 4/30/08 - 9/30/11. Prior to 4/30/08, it was the average 3-month T-bill rate.

As of December 31, 2016

Universe Descriptions

LCEF Total Fund

A universe comprised of 158 total endowment portfolio returns, net of fees, calculated and provided by BNY Mellon Performance & Risk Analytics and Investment Metrics. Aggregate assets in the universe comprised \$407.4 billion as of quarter-end and the average market value was \$1.2 billion.

Total Fixed Income

A universe comprised of 43 total fixed income portfolio returns, net of fees, of endowment plans calculated and provided by BNY Mellon Performance & Risk Analytics and Investment Metrics. Aggregate assets in the universe comprised \$15.1 billion as of quarter-end and the average market value was \$351.1 million.

Explanation of Exhibits

Quarterly and Cumulative Excess Performance - The vertical axis, excess return, is a measure of fund performance less the return of the primary benchmark. The horizontal axis represents the time series. The quarterly bars represent the underlying funds' relative performance for the quarter.

Ratio of Cumulative Wealth Graph - An illustration of a portfolio's cumulative, un-annualized performance relative to that of its benchmark. An upward-sloping line indicates superior fund performance versus its benchmark. Conversely, a downward-sloping line indicates underperformance by the fund. A flat line is indicative of benchmark-like performance.

Performance Comparison - Plan Sponsor Peer Group Analysis - An illustration of the distribution of returns for a particular asset class. The component's return is indicated by the circle and its performance benchmark by the triangle. The top and bottom borders represent the 5th and 95th percentiles, respectively. The solid line indicates the median while the dotted lines represent the 25th and 75th percentiles.

Disclaimers and Notes

Disclaimers:

- § Please review this report and notify Aon Hewitt Investment Consulting (AHIC) with any issues or questions you may have with respect to investment performance or any other matter set forth herein.
- § The client portfolio market value data presented in this report has been obtained from the custodian. AHIC has compared this information to the investment managers' reported returns and believes the information to be accurate. AHIC has not conducted additional audits and cannot warrant its accuracy or completeness.
- § The mutual fund information found in this report is provided by Lipper Inc. and AHIC cannot warrant its accuracy or timeliness.
- § Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.
- § The Greenwich Quality Leaders Awards are based on quality ratings provided by clients of investment consultants and asset managers. Between July and October 2015, Greenwich Associates conducted 1,341 interviews with senior professionals at corporate and union funds, public funds, endowments and foundations, insurance general accounts, and healthcare organizations with either pension or investment pool assets greater than \$150 million. Study participants were asked to provide quantitative and qualitative evaluations of their investment consultants. Based on those responses, Greenwich Associates calculates a score on the Greenwich Quality Index for each consultant named. Consultants with scores that top those awarded to competitors by a statistically significant margin are named Greenwich Quality Leaders. Visit the Greenwich Associates website (<https://www.greenwich.com/asset-management/leading-investment-consultants-form-deep-advisory-relationships>) to read a copy of the full report and to learn more about the methodology.

Notes:

- § The rates of return contained in this report are shown on an after-fees basis unless otherwise noted. They are geometric and time weighted. Returns for periods longer than one year are annualized.
- § Universe percentiles are based upon an ordering system in which 1 is the best ranking and 100 is the worst ranking.
- § Due to rounding throughout the report, percentage totals displayed may not sum up to 100.0%. Additionally, individual fund totals in dollar terms may not sum up to the plan totals.