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## Carriage Museum of America

12/29/2014 through 6/30/2016  
Portfolio Holdings and Performance

Accounts  
DXH000074 - CARRIAGE MUSEUM OF AMERICA



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**Portfolio Overview**

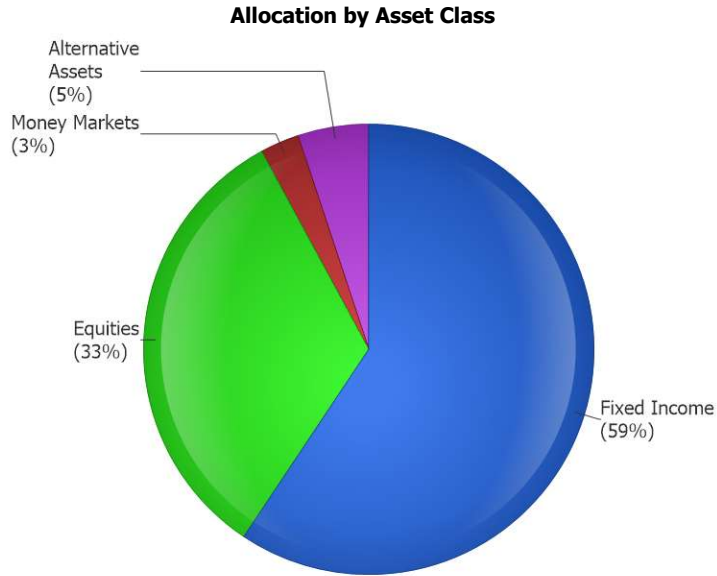
**Portfolio Class and Segment Detail**

**Portfolio Holdings and Income Summary**

**Realized Gain Loss Summary**



### Portfolio Overview



#### Portfolio Value Summary

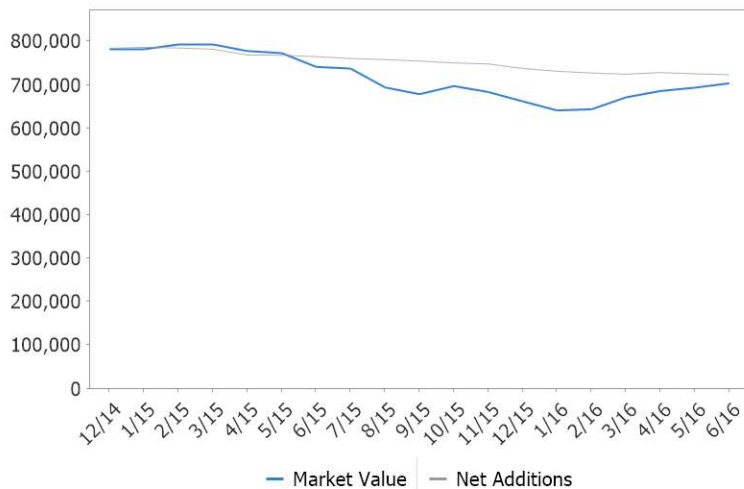
	Year to Date	Last 12 Months	Last 3 Years	Since Inception
<b>Beginning Market Value</b>	662,381	741,776	0	0
<b>Net Additions</b>	-14,484	-41,859	723,620	723,620
<b>Gain/Loss</b>	56,126	4,106	-19,597	-19,597
<b>Ending Market Value</b>	704,023	704,023	704,023	704,023
<b>Return</b>	8.1 %	-0.1 %	-2.5 % <sup>1 2</sup>	-2.5 % <sup>1</sup>

<sup>1</sup> Annualized Return  
<sup>2</sup> Not Held Entire Period

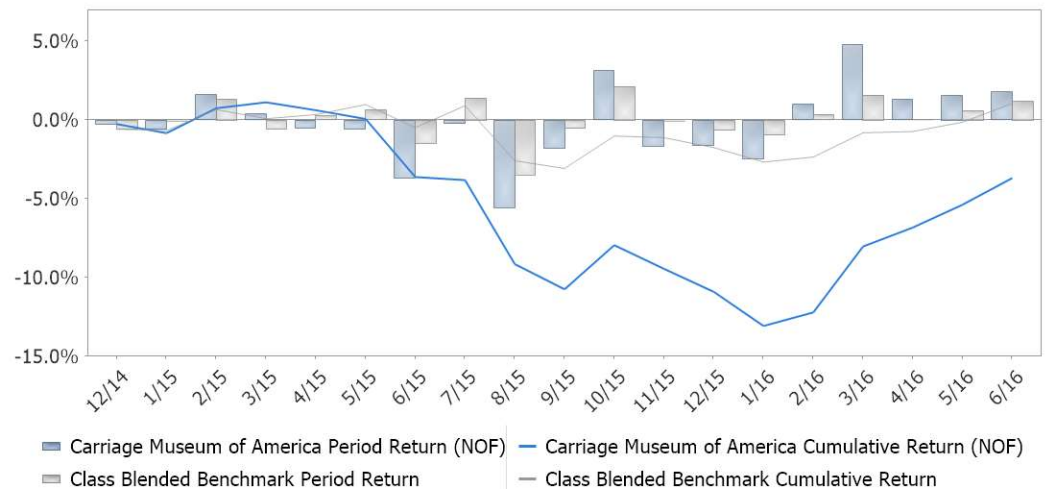
	Year to Date Benchmark	Last 12 Months Benchmark	Last 3 Years Benchmark	Since Inception Benchmark
S&P 500 TOTAL RETURN INDEX	3.8 %	4.0 %	2.4 % <sup>1</sup>	2.4 % <sup>1</sup>
60% S&P 500/40% BC AG BOND	4.6 %	5.2 %	3.4 % <sup>1</sup>	3.4 % <sup>1</sup>
BARCLAYS CAP US AGGR BD IND...	5.5 %	5.0 %	4.2 % <sup>1</sup>	4.2 % <sup>1</sup>

<sup>1</sup> Annualized Return

#### Net Additions and Market Value Since Inception



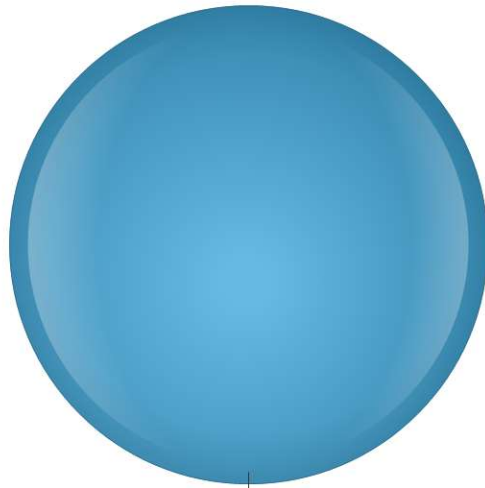
#### Portfolio Performance Since Inception





### Portfolio Overview

#### Allocation by Account



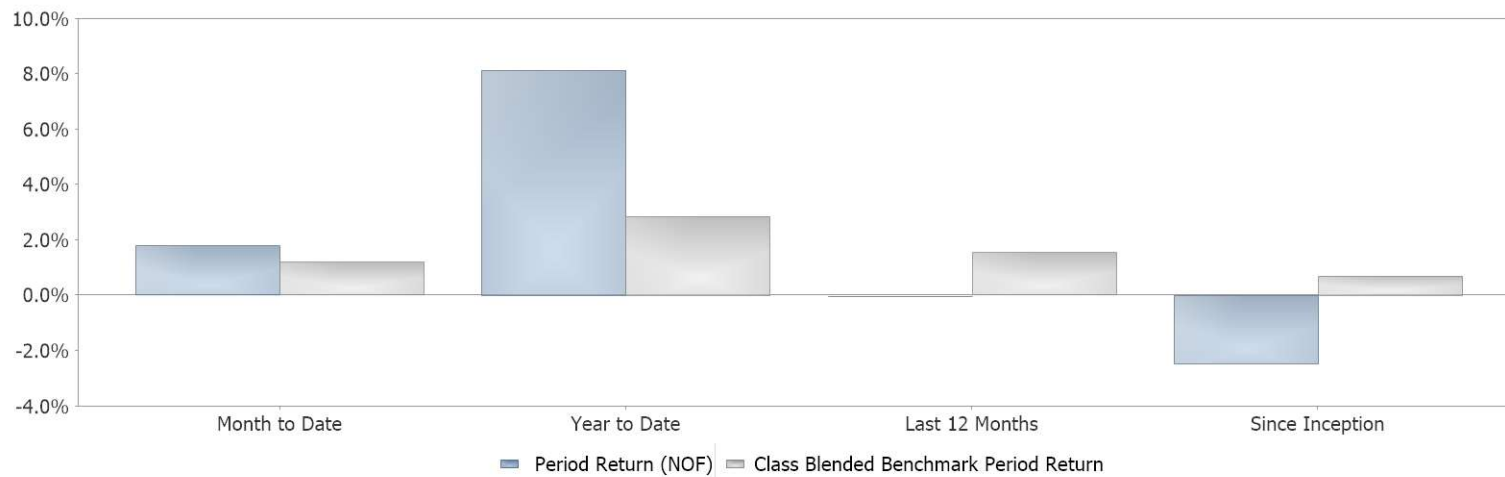
DXH000074  
 - CARRIAGE  
 MUSEUM OF AMERIC  
 (100%)

#### Summary of Portfolio Accounts

	6/30/2016 Market Value	Allocation	Year to Date Return	Last 12 Months Return	Last 3 Years Return	Since Inception Return
<b>Carriage Museum of America</b>	<b>704,023</b>	<b>100.0 %</b>	<b>8.1 %</b>	<b>-0.1 %</b>	<b>-2.5 %</b> <sup>1 2</sup>	<b>-2.5 %</b> <sup>1</sup>
CARRIAGE MUSEUM OF AMERIC	704,023	100.0 %	8.1 %	-0.1 %	-2.5 % <sup>1 2</sup>	-2.5 % <sup>1</sup>

<sup>1</sup> Annualized Return  
<sup>2</sup> Not Held Entire Period

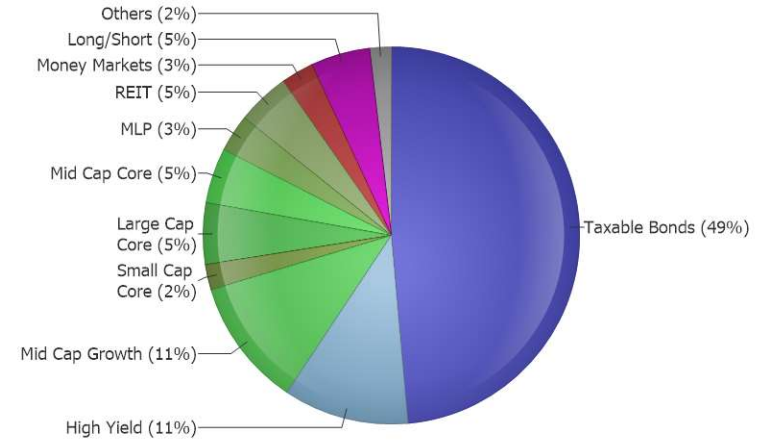
#### Portfolio Returns



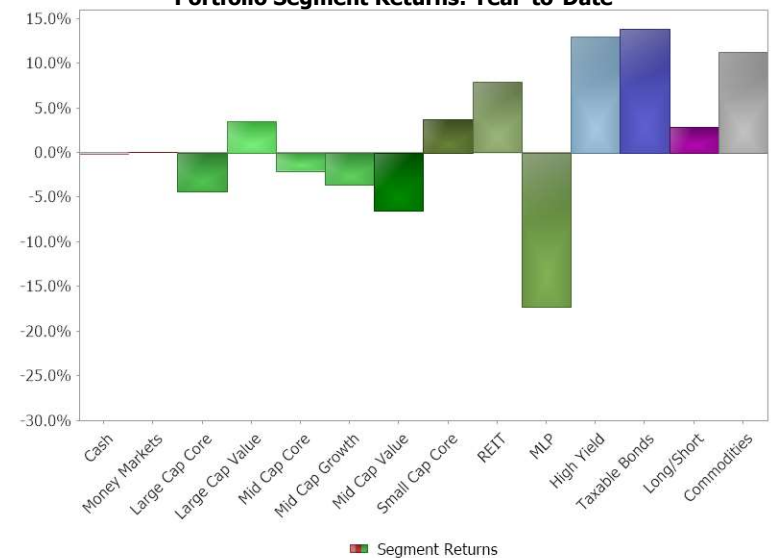
Portfolio Class and Segment Detail

	6/30/2016 Market Value	Allocation	Year to Date Return	Last 12 Months Return
<b>Carriage Museum of America</b>	<b>704,023</b>	<b>100.0 %</b>	<b>8.1 %</b>	<b>-0.1 %</b>
Class Blended Benchmark			2.9 %	1.5 %
Money Markets	19,705	2.8 %	0.0 %	0.0 %
90 DAY TREASURY BILL			0.1 %	0.2 %
Cash	0	0.0 %	0.0 %	0.0 %
Money Markets	19,705	2.8 %	0.0 %	0.0 %
Equities	230,526	32.7 %	-2.7 %	-23.9 %
S&P 500 TOTAL RETURN INDEX			3.8 %	4.0 %
International	0	0.0 %	--	-1.5 % <sup>2</sup>
Large Cap Core	37,080	5.3 %	-4.3 %	-3.6 % <sup>2</sup>
Large Cap Growth	0	0.0 %	--	-10.8 % <sup>2</sup>
Large Cap Value	13,076	1.9 %	3.6 %	-1.7 %
Mid Cap Core	33,276	4.7 %	-2.0 % <sup>2</sup>	8.8 % <sup>2</sup>
Mid Cap Growth	77,301	11.0 %	-3.5 %	-10.0 %
Mid Cap Value	0	0.0 %	-6.5 % <sup>2</sup>	-12.6 % <sup>2</sup>
Small Cap Core	15,384	2.2 %	3.7 % <sup>2</sup>	-6.3 % <sup>2</sup>
Small Cap Growth	0	0.0 %	--	-10.8 % <sup>2</sup>
Small Cap Value	0	0.0 %	--	-8.8 % <sup>2</sup>
REIT	31,797	4.5 %	7.9 % <sup>2</sup>	7.9 % <sup>2</sup>
Master Limited Partnership	22,613	3.2 %	-17.2 % <sup>2</sup>	-60.4 % <sup>2</sup>
Fixed Income	417,889	59.4 %	13.1 %	16.5 %
BARCLAYS CAPITAL AGGREGATE BOND COMPOSITE INDEX			5.3 %	6.0 %
High Yield	75,770	10.8 %	13.0 %	1.4 %
Taxable Bonds	342,119	48.6 %	13.9 %	22.7 %
Alternative Assets	35,903	5.1 %	2.9 %	1.3 %
*HFRX GLOBAL HEDGE FUND INDEX (HFRXGL)			-1.0 %	-5.8 %
Long/Short	35,903	5.1 %	2.9 %	1.3 %
Commodities	0	0.0 %	11.3 % <sup>2</sup>	11.3 % <sup>2</sup>
BLMBG COMMODITY TR COMT			-2.6 %	-2.6 %
Commodities	0	0.0 %	11.3 % <sup>2</sup>	11.3 % <sup>2</sup>
Balanced	0	0.0 %	--	-2.7 % <sup>2</sup>
70% S&P 500 30% BARCLAYS AG BOND			--	-2.4 %
Balanced	0	0.0 %	--	-2.7 % <sup>2</sup>

Portfolio Allocation by Segment



Portfolio Segment Returns: Year-to-Date





6/30/2016  
Market Value

Allocation

Year to  
Date  
Return

Last 12  
Months  
Return

<sup>2</sup> Not Held Entire Period

Date Range: 12/29/2014 - 6/30/2016

**Portfolio Holdings**

	Ticker	Units	Cost Basis	Unit Cost	6/30/2016 Market Value	Price	Unrealized Gain/Loss	% Gain/Loss	Yield	Projected Annual Income	Last 3 Months Return	Year to Date Return	
<b>Carriage Museum of America</b>			<b>644,437</b>		<b>704,023</b>		<b>59,586</b>	<b>9.2 %</b>	<b>6.1 %</b>	<b>42,773</b>	<b>4.7 %</b>	<b>8.1 %</b>	
<b>Money Markets</b>			<b>19,705</b>		<b>19,705</b>		<b>0</b>	<b>N/A</b>	<b>--</b>	<b>2</b>	<b>0.0 %</b>	<b>0.0 %</b>	
<b>Money Markets</b>			<b>19,705</b>		<b>19,705</b>		<b>0</b>	<b>N/A</b>	<b>--</b>	<b>2</b>	<b>0.0 %</b>	<b>0.0 %</b>	
	FIDELITY TREASURY FUND CAPITAL	FSRXX	19,705	19,705	1.00	19,705	1.00	0	N/A	--	2	0.0 %	0.0 %
<b>Equities</b>			<b>223,643</b>		<b>230,526</b>		<b>6,883</b>	<b>3.1 %</b>	<b>5.1 %</b>	<b>11,760</b>	<b>5.3 %</b>	<b>-2.7 %</b>	
<b>Large Cap Core</b>			<b>34,001</b>		<b>37,080</b>		<b>3,079</b>	<b>9.1 %</b>	<b>3.5 %</b>	<b>1,291</b>	<b>7.8 %</b>	<b>-4.3 %</b>	
	AMERICAN EXPRESS CO COM	AXP	22	1	0.05	1,337	60.76	1,336	113,181.4 %	1.9 %	26	-0.6 %	-11.8 %
	PIMCO STOCKPLUS LONG DURATION FUN...	PSLDX	4,843	34,000	7.02	35,744	7.38	1,744	5.1 %	3.5 %	1,266	--	--
<b>Large Cap Value</b>			<b>14,000</b>		<b>13,076</b>		<b>-924</b>	<b>-6.6 %</b>	<b>2.6 %</b>	<b>339</b>	<b>0.6 %</b>	<b>3.6 %</b>	
	SUNAMERICA FOCUSED DIVIDEND STRAT...	FDSAX	790	14,000	17.72	13,076	16.55	-924	-6.6 %	2.6 %	339	0.6 %	8.9 %
<b>Mid Cap Core</b>			<b>33,960</b>		<b>33,276</b>		<b>-684</b>	<b>-2.0 %</b>	<b>0.8 %</b>	<b>251</b>	<b>--</b>	<b>--</b>	
	TRIM TABS FLOAT SHRINK	TTFS	600	33,960	56.60	33,276	55.46	-684	-2.0 %	0.8 %	251	--	--
<b>Mid Cap Growth</b>			<b>76,650</b>		<b>77,301</b>		<b>651</b>	<b>0.8 %</b>	<b>6.2 %</b>	<b>4,795</b>	<b>4.4 %</b>	<b>-3.5 %</b>	
	GABELLI HEALTHCARE & WELLNESS TR SHS	GRX	4,667	46,780	10.02	49,797	10.67	3,017	6.4 %	4.9 %	2,427	9.4 %	6.8 %
	Tekla Life Sciences Investors	HQL	1,600	29,870	18.67	27,504	17.19	-2,366	-7.9 %	8.6 %	2,368	--	--
<b>Small Cap Core</b>			<b>15,045</b>		<b>15,384</b>		<b>339</b>	<b>2.3 %</b>	<b>5.8 %</b>	<b>888</b>	<b>--</b>	<b>--</b>	
	HANCOCK JOHN BK & THRIFT OPP FD SH BEN	BTO	600	15,045	25.07	15,384	25.64	339	2.3 %	5.8 %	888	--	--
<b>REIT</b>			<b>29,895</b>		<b>31,797</b>		<b>1,901</b>	<b>6.4 %</b>	<b>6.2 %</b>	<b>1,959</b>	<b>--</b>	<b>--</b>	
	COHEN & STEERS TOTAL RETURN FD COM	RFI	1,135	15,005	13.22	15,879	13.99	874	5.8 %	6.9 %	1,090	--	--
	POWERSHARES KBW PREMIUM YIELD EQUI...	KBWY	450	14,891	33.09	15,918	35.37	1,028	6.9 %	5.5 %	869	--	--
<b>Master Limited Partnership</b>			<b>20,093</b>		<b>22,613</b>		<b>2,520</b>	<b>12.5 %</b>	<b>9.9 %</b>	<b>2,237</b>	<b>--</b>	<b>--</b>	
	KAYNE ANDERSON ENERGY DEV CO COM	KED	1,165	20,093	17.25	22,613	19.41	2,520	12.5 %	9.9 %	2,237	--	--
<b>Fixed Income</b>			<b>366,088</b>		<b>417,889</b>		<b>51,800</b>	<b>14.1 %</b>	<b>7.0 %</b>	<b>29,311</b>	<b>5.6 %</b>	<b>13.1 %</b>	
<b>High Yield</b>			<b>72,874</b>		<b>75,770</b>		<b>2,896</b>	<b>4.0 %</b>	<b>10.6 %</b>	<b>8,017</b>	<b>8.3 %</b>	<b>13.0 %</b>	
	BLACKROCK LIMITED DURATION INCOME ...	BLW	1,400	19,916	14.23	21,350	15.25	1,434	7.2 %	6.8 %	1,462	5.0 %	--
	GUGGENHEIM STRATEGIC OPP FD COM SBI	GOF	3,000	52,958	17.65	54,420	18.14	1,462	2.8 %	12.0 %	6,556	10.1 %	14.9 %
<b>Taxable Bonds</b>			<b>293,215</b>		<b>342,119</b>		<b>48,904</b>	<b>16.7 %</b>	<b>6.2 %</b>	<b>21,294</b>	<b>5.1 %</b>	<b>13.9 %</b>	
	BLACKROCK FLOATING RATE INCOME ST...	FRA	4,885	60,035	12.29	64,238	13.15	4,203	7.0 %	5.6 %	3,576	2.0 %	--
	GUGGENHEIM BLD AMR BDS MANG DR COM	GBAB	2,000	43,725	21.86	46,800	23.40	3,075	7.0 %	7.1 %	3,316	3.1 %	--
	NUVEEN BUILD AMER BD FD COM	NBB	9,200	169,454	18.42	209,852	22.81	40,398	23.8 %	5.9 %	12,365	6.6 %	16.4 %
	PIMCO DYNAMIC INCOME FD SHS	PDI	770	20,001	25.98	21,229	27.57	1,228	6.1 %	9.6 %	2,037	7.6 %	--
<b>Alternative Assets</b>			<b>35,000</b>		<b>35,903</b>		<b>903</b>	<b>2.6 %</b>	<b>4.7 %</b>	<b>1,700</b>	<b>-1.3 %</b>	<b>2.9 %</b>	



Date Range: 12/29/2014 - 6/30/2016

	<u>Ticker</u>	<u>Units</u>	<u>Cost Basis</u>	<u>Unit Cost</u>	<u>6/30/2016 Market Value</u>	<u>Price</u>	<u>Unrealized Gain/Loss</u>	<u>% Gain/Loss</u>	<u>Yield</u>	<u>Projected Annual Income</u>	<u>Last 3 Months Return</u>	<u>Year to Date Return</u>
<b>Long/Short</b>			<b>35,000</b>		<b>35,903</b>		<b>903</b>	<b>2.6 %</b>	<b>4.7 %</b>	<b>1,700</b>	<b>-1.3 %</b>	<b>2.9 %</b>
AQR LONG-SHORT EQUITY FUND CLASS I	QLEIX	2,912	35,000	12.02	35,903	12.33	903	2.6 %	4.7 %	1,700	-1.3 %	1.7 %



Date Range: 12/29/2014 - 6/30/2016

**Realized Gain Loss Summary**

		<u>Trade Date</u>	<u>Open Date</u>	<u>Units Sold</u>	<u>Cost Basis</u>	<u>Gross Proceeds</u>	<u>Short Term Gain</u>	<u>Long Term Gain</u>	<u>Total Gain</u>	<u>% Gain Loss</u>
<b>DXH000074 - CARRIAGE MUSEUM OF AMERICA</b>					<b>377,555.41</b>	<b>310,134.45</b>	<b>-59,876.47</b>	<b>-7,544.49</b>	<b>-67,420.96</b>	<b>-17.86</b>
BSL	BLACKSTONE GSO FLTING RTE FUND COM	4/5/2016	12/13/2013	2,600.000	47,138.60	39,650.69	0.00	-7,487.91	-7,487.91	-15.88
BSL	BLACKSTONE GSO FLTING RTE FUND COM	4/5/2016	5/5/2014	1,000.000	18,139.79	15,250.27	0.00	-2,889.52	-2,889.52	-15.93
FSD	FIRST TRUST HIGH INCOME LONG SHORT FUND	3/3/2016	4/20/2015	1,100.000	18,248.89	15,619.65	-2,629.24	0.00	-2,629.24	-14.41
FSD	FIRST TRUST HIGH INCOME LONG SHORT FUND	3/3/2016	4/20/2015	400.000	6,635.96	5,680.15	-955.81	0.00	-955.81	-14.40
GDV	GABELLI DIV AND INC TR	3/16/2016	7/22/2013	500.000	9,981.04	8,882.91	0.00	-1,098.13	-1,098.13	-11.00
GDV	GABELLI DIV AND INC TR	3/16/2016	10/17/2013	500.000	9,933.92	8,882.90	0.00	-1,051.02	-1,051.02	-10.58
WSTAX	IVY FDS INC SCIENCE & TECH FD	1/11/2016	N/A <sup>1</sup>	250.537	14,000.00	11,564.79	-2,435.21	0.00	-2,435.21	-17.39
KMF	KAYNE ANDERSON MIDSTREAM ENERGY FD COM USD0.001	1/13/2016	4/20/2015	1,000.000	33,738.00	9,052.93	-24,685.07	0.00	-24,685.07	-73.17
NBB	NUVEEN BUILD AMER BD FD COM	4/19/2016	9/25/2013	2,000.000	36,400.00	43,618.44	0.00	7,218.44	7,218.44	19.83
NBB	NUVEEN BUILD AMER BD FD COM	4/19/2016	12/12/2013	300.000	5,400.00	6,542.77	0.00	1,142.77	1,142.77	21.16
JLS	NUVEEN MTG OPPORTUNITY TERM FD COM	5/11/2016	12/16/2015	2,000.000	45,215.60	45,852.20	636.60	0.00	636.60	1.41
PCI	PIMCO DYNAMIC CREDITINCOME FUND COM SHS	3/8/2016	12/16/2015	1,000.000	18,241.00	17,463.31	-777.69	0.00	-777.69	-4.26
PMVYX	PUTNAM MULTI CAP VALUE FUND CL Y	1/11/2016	N/A <sup>1</sup>	1,399.005	25,665.27	22,286.15	0.00	-3,379.12	-3,379.12	-13.17
SMM	SALIENT MIDSTREAM & MLP FD SH BEN INT	1/13/2016	4/30/2015	1,000.000	22,908.66	7,039.87	-15,868.79	0.00	-15,868.79	-69.27
SMM	SALIENT MIDSTREAM & MLP FD SH BEN INT	1/13/2016	7/28/2015	1,000.000	18,118.57	6,901.17	-11,217.40	0.00	-11,217.40	-61.91
HQL	Tekla Life Sciences Investors	2/8/2016	12/16/2015	750.000	17,943.75	12,626.46	-5,317.29	0.00	-5,317.29	-29.63
DNO	UNITED STATES SHORT OIL FUND, LP	1/13/2016	1/6/2016	340.000	29,846.36	33,219.79	3,373.43	0.00	3,373.43	11.30

<sup>1</sup> Custodian does not provide tax lot level breakout for positions using Average Cost methodology



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Unless otherwise indicated account performance is shown net of any fees deducted from such accounts. To the extent fees are not deducted from an account or from another account, it will overstate the performance associated with such account or understate the performance associated with such other account. The deduction of such fees will reduce returns, and since fees are deducted monthly or quarterly, the compounding effect will be to increase the impact of fees by an amount directly related to gross account performance. Many factors affect investment performance, including changes in market conditions and interest rates, and in response to other economic, political or financial developments. **Past performance is not a guide to or indicative of future results.**

#### Manager Compression

In the case of an account managed by a third-party manager, manager compression allows for all of the assets in that account to be attributed to that manager's investment style or strategy, rather than attributing each security held in that account to its class or segment benchmark. For example, if a manager holds a 2% cash position, manager compression allows for that cash position to be included in the managers overall style or strategy, rather than being attributed to the cash asset class.

#### Benchmarks

The benchmarks depicted herein are broad-based indices that have been provided for comparative purposes only and have been selected because they are well known and are easily recognizable by investors. However, the investment activities and performance of your account(s) and portfolio may be considerably more volatile than the performance of any of the referenced indices. Unlike your account(s) and portfolio, the indices presented herein are unmanaged and, as a result, management fees, transaction costs and other expenses associated with the active management of your account(s) and portfolio are not reflected. Furthermore, each index is limited in that it does not necessarily reflect the universe of investments it professes to represent, the method in which return information is calculated may not be the same as that used to calculate the same information for other indices or your account(s) or portfolio, your account(s) or portfolio may be invested in substantially fewer securities than the number of securities comprising an index, and index returns may be subject to certain biases, including (in the case of certain indices) survivorship bias (i.e., the possibility that the returns could be biased because successful funds might close to new investors and stop reporting and unsuccessful funds might cease operations and stop reporting) and selection bias (i.e., the possibility that only successful funds will elect to report into the index or that they will do so only during the years they have good performance).

The indices depicted herein have been selected based upon our subjective determination of the appropriate benchmark for your account(s) and portfolio based upon our understanding of the style of investment being pursued by yourself or the manager(s) of your account(s). Comparisons to other benchmarks may reflect poorly on the performance of your account(s) and the portfolio in that the performance of your account(s) and portfolio may lag the performance of such other benchmarks. Comparisons to benchmarks have limitations because benchmarks

have volatility and other material characteristics that may differ from the investments depicted herein. Because of these differences, benchmarks should not be relied upon as an accurate measure of comparison. The following benchmarks may be used in this report:

*Target Benchmark.* The target benchmark represents one or a blend of a group of the indices set forth below, selected by USCA in consultation with you, as a target benchmark against which to measure the performance of your portfolio. Prior to April 1, 2008, the data comprising the Target Benchmark reflects an asset weighted benchmark historically used by USCA to assess the performance of your portfolio, the details of which are available upon request.

*Class Blended Benchmark.* The class blended benchmark is an asset-weighted benchmark. Each of the securities in your portfolio is classified as a cash, fixed income, domestic equity, international equity, master limited partnership (MLP), real estate investment trust (REIT), hedge fund or private equity investment, and an asset-weighted blended benchmark is created utilizing the applicable indices set forth below.

*Segment Blended Benchmark.* The segment blended benchmark is an asset-weighted benchmark, similar to the class blended benchmark, but more granular in its classification schema, and an asset-weighted blended benchmark is created utilizing the applicable indices set forth below. As an example, the domestic equity class is further broken out in the segment classification schema by capitalization (small, mid, large) and by style (growth, value, core).

*3-Month US Treasury Bill.* The 3-Month U.S. Treasury Bill reflects the average discount rate applied to 91-day U.S. Treasury Bills issued during each month. Treasury Bills are issued in terms of one year or less. Treasury Bills are sold at a discount from face value and don't pay interest before maturity. The discount rate is the difference between the purchase price of the bill and the amount that is paid to you either at maturity (this amount is the face value) or when you sell the bill prior to maturity.

*Cambridge Associates U.S. Private Equity Index.* The Cambridge Associates LLC U.S. Private Equity Index ® is based on returns data compiled on funds representing over 70% of the total dollars raised by U.S. leveraged buyout, subordinated debt and special situation managers between 1986 and 2005. Cambridge Associates LLC calculates the pooled net time-weighted return by quarter from March 31, 1986 through the most recent quarter. The pooled means represent the time-weighted rates of return calculated on the aggregate of all cash flows and market values as reported by our General Partners to Cambridge Associates LLC in their quarterly and annual audited financial reports. Net returns exclude all management fees, expenses and performance fees that take the form of a carried interest. Due to data availability constraints, the index used in this report represents the most recent historical quarterly data provided by Cambridge Associates LLC; however, such data is typically delayed by several quarters. Accordingly, where data has not been released with respect to the index, we will utilize the monthly performance of the S&P 500 Index until such time as the data is released.

*Cambridge Associates U.S. Venture Capital Index.* The Cambridge Associates LLC U.S. Private Equity Index ® is based on returns data compiled on funds representing over 70% of the total dollars raised by U.S. leveraged buyout, subordinated debt and special situation managers between 1986 and 2005. Cambridge Associates LLC calculates the pooled net time-weighted return by quarter from March 31, 1986 through the most recent quarter. The pooled means represent the time-weighted rates of return calculated on the aggregate of all cash flows and market values as reported by our General Partners to Cambridge Associates LLC in their quarterly and annual audited financial reports. Net returns exclude all management fees, expenses and performance fees that take the form of a carried interest.

*Citigroup® MLP Index.* The index includes natural resource-related MLPs that meet minimum size thresholds based on market capitalization. Represented are companies whose primary business is the exploration, development, mining or production, processing, refining, transportation, or the marketing of minerals or natural resources. Only natural resource-related MLPs with a total market capitalization of at least \$500 million are added as components during the quarterly index rebalancing. Once included in the index, MLPs are retained as components unless their total market capitalization drops below \$300 million.

*CSFB Managed Futures Index.* The CSFB/Tremont Hedge Fund Indices consists of a composite index and the following 10 style-based sub-indices: convertible arbitrage, dedicated short bias, emerging markets, equity market-neutral, event-driven, fixed-income arbitrage, global macro, long-short equity, managed futures and multi-strategy. Funds are drawn from the TASS database, which tracks approximately 3,000 funds worldwide, including funds that are closed to new investment, but excluding fund of funds. Funds included in the index must have timely and accurate monthly NAV reporting, a minimum of US \$50 million under management, current audited financial statements and at least a 12-month track record. Each index is asset weighted, calculated and rebalanced monthly, and returns are net of all fees. The CSFB Managed Futures Index includes funds that employ strategies that invest in listed financial and commodity futures markets and currency markets around the world. The managers are usually referred to as Commodity Trading Advisors, or CTAs. Trading disciplines are generally systematic or discretionary. Systematic traders tend to use price and market specific information (often technical) to make trade decisions, while discretionary managers use a judgmental approach.



**Dow Jones Wilshire REIT Index.** The Wilshire REIT Index measures U.S. publicly traded Real Estate Investment Trusts. This index is a subset of the Wilshire Real Estate Securities Index (WRESI). The beginning date, January 1, 1978, was selected because it coincides with the Russell/NCREIF Property Index start date. To be included in the index, a company must be an equity owner and operator of commercial (or residential) real estate. Security types excluded from the index include: mortgage REITs, healthcare REITs, net-lease REITs, real estate finance companies, home builders, large landowners and sub-dividers, and hybrid REITs. Companies that have more than 25% of their assets in direct mortgage investments will not be included in the indexes. A company must have a minimum total market capitalization of at least \$200 million at the time of its inclusion, and at least 75% of the company's total revenue must be derived from the ownership and operation of real estate assets. The liquidity of the company's stock must be commensurate with that of other institutionally held real estate securities. The index is weighted by both full market capitalization and float-adjusted market capitalization.

**Dow Jones AIG Commodity Index.** The Dow Jones – AIG Commodity Index is composed of commodities traded on U.S. exchanges, with the exception of aluminum, nickel and zinc, which trade on the London Metal Exchange (LME). Trading hours for the U.S. commodity exchanges are between 8:00 am and 3:00 pm ET. A daily settlement price for the index is published at approximately 5:00 pm ET. Indexes in the DJ-AIGCI family are calculated on both an excess return and total return basis. The excess return indexes reflect the return of underlying commodity futures price movements only, whereas the total return indexes reflect the theoretical return on fully-collateralized futures positions. Included in the DJ-AIGCI family are sub-indexes representing the major commodity sectors within the broad index: Energy (including petroleum and natural gas), Petroleum (including crude oil, heating oil and unleaded gasoline), Precious Metals, Industrial Metals, Grains, Livestock, Softs, Agriculture and ExEnergy. Also available are single commodity indexes on all of the individual components of the DJ-AIGCI, plus cocoa, lead, platinum and tin.

**Dow Jones Precious Metals Index.** The Dow Jones Precious Metals Index represents the performance of U.S.-trading stocks of companies engaged in the exploration of gold, silver and platinum-group metals. The companies included within this composite index must be categorized into either the Gold Mining Subsector or the Platinum & Precious Metals Subsector of the Industry Classification Benchmark (ICB). Securities must be U.S.-listed stocks or ADRs, and must pass screens designed to eliminate the very smallest and least-liquid stocks.

**Dow Jones AIG Livestock Index.** The Dow Jones-AIG Livestock Total Return Sub-Index is a sub-index of the Dow Jones-AIG Commodity Index and reflects the returns that are potentially available through an unleveraged investment in the futures contracts on physical commodities comprising the Index plus the rate of interest that could be earned on cash collateral invested in specified Treasury Bills. The Index is currently composed of two livestock commodities contracts (lean hogs and live cattle) traded on U.S. exchanges.

**HFRI Fund of Funds Composite Index.** The funds in this index invest with multiple managers through funds or managed accounts. The strategy designs a diversified portfolio of managers with the objective of significantly lowering the risk (volatility) of investing with an individual manager. The Fund of Funds manager has discretion in choosing which strategies to invest in for the portfolio. A manager may allocate funds to numerous managers within a single strategy, or with numerous managers in multiple strategies. The minimum investment in a Fund of Funds may be lower than an investment in an individual hedge fund or managed account. The investor has the advantage of diversification among managers and styles with significantly less capital than investing with separate managers.

**HFRI FOF Conservative Index.** A subset of the HFRI Fund of Funds Composite Index, fund of funds classified as "Conservative" seek consistent returns by primarily investing in funds that generally engage in more "conservative" strategies (e.g., Equity Market Neutral, Fixed Income Arbitrage and Convertible Arbitrage) and/or exhibit a lower historical annual standard deviation than the HFRI Fund of Funds Composite Index. A fund of funds in the HFRI FOF: Conservative Index shows generally consistent performance regardless of market conditions. The HFRI Fund of Funds Composite Index is published by Hedge Fund Research, Inc. and is fund weighted (equal weighted). To be included in the index a fund must report returns, net of all fees, as well as assets under management, on a monthly basis. There is no minimum asset size or length of time a fund must be actively trading in order to be included in the index. If a fund liquidates or closes, that fund's performance will be included in the index as of that fund's last reported performance update. Fund of funds included in the index are those that invest their assets with a diversified set of managers through funds or managed accounts with the objective of significantly lowering the risk (volatility) of investing with an individual manager. Each fund of funds manager has the discretion to choose in which strategies to invest, and may allocate funds to numerous managers within a single strategy, or with numerous managers in multiple strategies.

**HFRI Equity Hedge Index.** The HFRI Equity Hedge Index is published by Hedge Fund Research, Inc. and is fund weighted (equal weighted). To be included in the index a fund must report returns, net of all fees, and assets under management in USD, on a monthly basis. A fund must also have at least \$50 million under management or have been actively trading for at least twelve months. In cases where a manager lists mirrored-performance funds, only the fund with the larger asset size is included in the HFRI. If a fund liquidates/closes, that fund's performance will be included in the HFRI as of that fund's last reported performance update. The strategy of funds in the index consists of a core holding of long equities hedged at all times with short sales of stocks and/or stock index options. Some managers maintain a substantial portion of assets within a hedged structure and commonly employ leverage. Where short sales are used, hedged assets may be comprised of an equal dollar value of long and short stock positions. Other variations use short sales unrelated to long holdings and/or puts on the S&P 500

index and put spreads. Conservative funds mitigate market risk by maintaining market exposure from zero to 100 percent. Aggressive funds may magnify market risk by exceeding 100 percent exposure and, in some instances, maintain a short exposure. In addition to equities, some funds may have limited assets invested in other types of securities.

*HFRI Event-Driven Index.* The funds in this index invest in opportunities created by significant transactional events, such as spin-offs, mergers and acquisitions, bankruptcy reorganizations, recapitalizations and share buybacks. The portfolio of some Event-Driven managers may shift in majority weighting between Risk Arbitrage and Distressed Securities, while others may take a broader scope. Instruments include long and short common and preferred stocks, as well as debt securities and options. Leverage may be used by some managers. Fund managers may hedge against market risk by purchasing S&P put options or put option spreads.

*HFRI Relative Value Arbitrage Index.* The funds in this index attempt to take advantage of relative pricing discrepancies between instruments including equities, debt, options and futures. Managers may use mathematical, fundamental, or technical analysis to determine misvaluations. Securities may be mispriced relative to the underlying security, related securities, groups of securities, or the overall market. Many funds use leverage and seek opportunities globally. Arbitrage strategies include dividend arbitrage, pairs trading, options arbitrage and yield curve trading.

*HFRI Fixed Income: Arbitrage Index.* The funds in this index employ a market neutral hedging strategy that seeks to profit by exploiting pricing inefficiencies between related fixed income securities while neutralizing exposure to interest rate risk. Fixed Income Arbitrage is a generic description of a variety of strategies involving investment in fixed income instruments, and weighted in an attempt to eliminate or reduce exposure to changes in the yield curve. Managers attempt to exploit relative mispricing between related sets of fixed income securities. The generic types of fixed income hedging trades include: yield-curve arbitrage, corporate versus Treasury yield spreads, municipal bond versus Treasury yield spreads and cash versus futures.

*Lehman Aggregate Bond Index.* The Lehman Brothers Aggregate Bond Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. To qualify for inclusion in the index, generally a security must have at least one year to final maturity, it must have at least \$150 million par amount outstanding, it must be rated investment grade (except for U.S. government or agency securities, which are generally not formally rated), it must be fixed rate (although it can carry a variable coupon), it must be dollar denominated and nonconvertible, and it must be publicly issued (although 144A securities with registration rights are also included).

*Lehman Global Aggregate Index.* The Lehman Brothers Global Aggregate Bond index covers the most liquid portion of the global investment grade fixed -rate bond market, including government, credit and collateralized securities.

*Lehman Government/Credit Index.* The Lehman Brothers Government/Credit Bond Index is an unmanaged index which includes non-convertible bonds publicly issued by the U.S. government or its agencies; corporate bonds guaranteed by the U.S. government and quasi-federal corporations; and publicly issued, fixed rate, non-convertible domestic bonds of companies in industry, public utilities, and finance.

*Lehman High Yield Credit Index.* The Lehman Brothers High Credit Yield Index covers the universe of fixed rate, non-investment grade debt. Pay-in-kind (PIK) bonds, Eurobonds, and debt issues from countries designated as emerging markets (e.g., Argentina, Brazil, Venezuela, etc.) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-emerging countries are included. Original issue zeros, step-up coupon structures, and 144-As are also included. The index includes both corporate and non-corporate sectors. The corporate sectors are Industrial, Utility, and Finance, which include both U.S. and non-U.S. corporations. The Yankee sector has been discontinued as of July 1, 2000. The bonds in the former Yankee sector have not been removed from the index, but have been reclassified into other sectors.

*Lehman Intermediate Government/Credit Index.* The Lehman Brothers Intermediate Government/Credit Bond Index is a total return index consisting of investment grade corporate debt issues as well as debt issues of U.S. government agencies and the U.S. Treasury. The debt issues all maintain maturities within a range of one to ten years.

*Lehman Municipal Bond Index.* The Lehman Brothers Municipal Bond Index is one of a number of broad market performance benchmarks for the tax exempt bond market. To be included in the Lehman Brothers Municipal Bond Index, bonds must have a minimum credit rating of at least Baa. They must have an outstanding par value of at least \$3 million and be issued as part of a transaction of at least \$50 million. The bonds must have been issued after December 31, 1990 and have a remaining maturity of at least one year. Taxable municipal bonds, bonds with floating rates, derivatives, and certificates of participation are excluded.



*MSCI EAFE Index.* The MSCI EAFE® Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US & Canada. As of May 2005 the MSCI EAFE Index consisted of the following 21 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

*MSCI EAFE Value Index.* The MSCI EAFE Value Index is a subset of the MSCI EAFE Index, and constituents of the Index include securities from Europe, Australasia (Australia and Asia) and the Far East. The Index generally represents approximately 50% of the free float-adjusted market capitalization of the MSCI EAFE Index and consists of those securities classified by MSCI Inc. as most representing the value style.

*MSCI EAFE Growth Index.* The MSCI EAFE Growth Index is a subset of the MSCI EAFE Index, and constituents of the Index include securities from Europe, Australasia (Australia and Asia) and the Far East. The Index generally represents approximately 50% of the free float-adjusted market capitalization of the MSCI EAFE Index and consists of those securities classified by MSCI Inc. as most representing the growth style.

*MSCI Emerging Markets (EMF) Index.* The MSCI Emerging Markets Index SM is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. As of May 2005 the MSCI Emerging Markets Index consisted of the following 26 emerging market country indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, Turkey and Venezuela.

*MSCI World Index.* The MSCI World Index SM is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance. As of May 2005 the MSCI World Index consisted of the following 23 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States.

*Russell 1000 Index.* The Russell 1000® Index measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. As of the latest reconstitution, the average market capitalization was approximately \$13.0 billion; the median market capitalization was approximately \$4.6 billion. The smallest company in the index had an approximate market capitalization of \$1.8 billion.

*Russell 1000 Growth Index.* The Russell 1000® Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

*Russell 1000 Value Index.* The Russell 1000® Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

*Russell 2000 Index.* The Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. As of the latest reconstitution, the average market capitalization was approximately \$664.9 million; the median market capitalization was approximately \$539.5 million. The largest company in the index had an approximate market capitalization of \$1.8 billion.

*Russell 2000 Growth Index.* The Russell 2000® Growth Index measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. *Russell 2000 Value Index.* The Russell 2000® Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

*Russell 3000 Index.* The Russell 3000® Index measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market. As of the latest reconstitution, the average market capitalization was approximately \$4.8 billion; the median market capitalization was approximately \$944.7 million. The index had a total market capitalization range of approximately \$386.9 billion to \$182.6 million.

*Russell 3000 Growth Index.* The Russell 3000 Growth Index measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values.

*Russell 3000 Value Index.* The Russell 3000 Value Index measures the performance of the broad value segment of the U.S. equity universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values.

*Russell Midcap Index.* The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell Midcap Index is a subset of the Russell 1000® Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap Index represents approximately 31% of the total market capitalization of the Russell 1000 companies. The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe.

*Russell Midcap Value Index.* The Russell Midcap Value Index measures the performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values.

*Russell Midcap Growth Index.* The Russell Midcap® Growth Index measures the performance of those Russell 1000 companies with higher price-to book ratios and higher forecasted growth values.

*S&P 500 Index.* Recognized as a gauge of the U.S. equities market, the Standard & Poor's 500 Index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. Although the S&P 500 focuses on the large-cap segment of the market, with over 80% coverage of U.S. equities, it may also be considered a proxy for the total U.S. equity market.

## Statistics

The following statistics may be used in this report:

*Alpha.* Alpha measures the difference between an investment's actual returns and its expected performance, given its level of risk (as measured by its beta). A positive alpha figure indicates the investment has performed better than its beta would predict. In contrast, a negative alpha indicates an investment has underperformed. Many investors view alpha as a measurement of the value added or subtracted by an investment manager.

*Beta.* Beta is the slope of a regression line. Beta measures the risk of a particular investment relative to the selected benchmark (the "selected benchmark" can be any index or investment you specify). It describes the sensitivity of the investment to the benchmark. For example, an investment which has a beta of .5 to a benchmark will tend to move in the same direction as the benchmark, but only half as much as the benchmark.

*Return.* The returns set forth herein are Time Weighted Returns. Time Weighted Return (TWR) is a method of measuring the total compound return of your account. TWR measures the performance of a dollar contributed to your account(s) for the complete measurement period. TWR seeks to eliminate the timing effect of the additions to and redemptions from your account(s). TWR is calculated by breaking the measurement period into shorter subperiods, calculating the return for the sub-period, and compounding them together to derive the TWR for the total period.

*Sharpe Ratio.* A return/risk measure developed by William Sharpe. Return (numerator) is defined as the incremental average return of an investment over the risk free rate (note that the historical return of the 3-Month U.S. Treasury Bill has been used as a proxy for the risk-free rate). Risk (denominator) is defined as the standard deviation of the applicable investment's returns. A high Sharpe Ratio indicates that the portfolio is benefiting from taking risk.

*Sortino Ratio.* A variation of the Sharpe ratio which differentiates harmful volatility from volatility in general by replacing standard deviation with downside deviation in the denominator. Thus the Sortino Ratio is calculated by subtracting the minimum acceptable return (defined as 0%) from the return of the investment and then dividing by the downside deviation. Downside deviation is the volatility of returns below the minimal acceptable return.

*Standard Deviation.* Standard deviation measures the dispersal or uncertainty in a random variable (in this case, investment returns). It measures the degree of variation of returns around the mean (average) return. The higher the volatility of investment returns, the higher the standard deviation will be. For this reason, standard deviation is often used as a measure of investment risk. A low standard deviation would imply a portfolio with less volatile returns and therefore less inherent risk.