

NEW CENTURY
PARTNERS

**U. A. LOCAL NO. 467 PENSION TRUST FUND,
DEFINED BENEFIT PLAN**

QUARTERLY PRESENTATION OF INVESTMENTS

TUESDAY, 10 SEPTEMBER 2013

4 September 2013

**ECONOMIC / MARKET
COMMENTARY**

Wall Street firms are coming to the opinion that a “Yes” vote to strike Syria will mean that (1) Congress will approve a temporary extension of spending authority when we approach the latest confrontation with the debt ceiling limitations in mid-October, (2) the GOP will not put themselves in a position of being accused of shutting down the government over the funding of “Obamacare,” and (3) Congress could well soften sequestration cuts. Basically, what is expected is that Congress will hold true to its political instincts and essentially “punt” these issues beyond the November 2014 elections.

In addition, the U.S. economy expanded at a “modest to moderate” pace in most of the country between early July and late August according to the latest Federal Reserve minutes, supporting the prospect of a pullback in monetary stimulus. In spite of the glaring statistic that the Labor Force Participation Rate (63.4%) is at its lowest level since 1979, the GDP continues to plug along at the 1.00% - 2.00% level, which gives the Fed the impetus to talk about gradually increasing the artificially low interest rates that have been in force for the past four years. Again, politics may prevail and any such pullback in monetary stimulus may also have to await the November 2014 elections.

What all of this suggests is that, given no big surprises, the stock market should be able to continue its upward momentum.

PORTFOLIO ACTIVITY

MUTUAL FUNDS & STOCKS

During the last quarter, the typically fairly quiet months of summer, mutual fund activity in the portfolio was also fairly quiet:

Mutual Funds Sold	Realized Gain
<ul style="list-style-type: none">• Alger Capital Appreciation	\$ 1,062,351

Mutual Funds Purchased:	Amount
<ul style="list-style-type: none">• Primecap Odyssey Growth	\$17,500,000

Mutual Fund Dividends Received and Reinvested:	
<ul style="list-style-type: none">• Vanguard Total Stock Market	\$ 130,560
<ul style="list-style-type: none">• DFA U.S. Small Cap Value	\$ 14,726

VENTURE CAPITAL / PRIVATE EQUITY PARTNERSHIPS

Capital contributions paid out (i.e., purchases) during the last 3 months:

<ul style="list-style-type: none">• Brentwood Associates V	\$ 952,409
<ul style="list-style-type: none">• Madison Dearborn Capital Partners V	\$ 14,259
<ul style="list-style-type: none">• Madison Dearborn Capital Partners VI	\$ 721,106
<ul style="list-style-type: none">• Friedman Fleischer & Lowe III	\$ 26,292

- New Enterprise Associates 12 \$ 50,000

TOTAL: **\$1,764,066**

Cash distributions received during the last 3 months:

- Madison Dearborn Capital Partners V \$ 224,910
- Friedman Fleischer & Lowe III \$ 168,445
- Pantheon USA VI \$ 105,000
- Pantheon Europe IV \$ 105,080

TOTAL: **\$ 603,435**

Stocks distributed during last three months:

- 4,154 Boingo Wireless (New Enterprise Associates 10)
- 25,740 Groupon (New Enterprise Associates 12)
- 2,298 Workday (New Enterprise Associates 12)

Second Quarter Updates from General Partners:

VALUEACT CAPITAL

For the quarter ended June 30, 2013, ValueAct appreciated 3.1% in value for the quarter and appreciated 13.1% for the six month ended June 30th, after fees and expenses. The S&P 500 Index appreciated 2.9% for the second quarter and appreciated 13.8% for the six months, while the MSCI World Index appreciated 0.8% in the second quarter and appreciated 8.8% for the six months.

Since its inception in October 2000, ValueAct has appreciated 16.6% on a net annualized basis (time-weighted calculation), while the Standard and Poor's 500 has appreciated 2.8%

and the MSCI World Index has appreciated 3.3% over the same period (returns for both indices are annualized with dividends reinvested).

As of the end of the second quarter, the core public company positions were:

Adobe Systems, a diversified software company.

CBRE Group, the world's largest real estate services firm.

MICROS Systems, a point of sale software and hardware provider for the retail and hospitality industries.

Microsoft *, a multinational, predominantly software company.

Motorola Solutions, provides business communication products and services to enterprises and governments.

MSCI, a leading provider of investment decision support tools.

Rockwell Collins, primarily provides avionics and information technology systems and services to governmental agencies and aircraft manufacturers.

Valeant Pharmaceuticals International, an international pharmaceutical company.

Willis Group Holding, the world's third-largest multinational insurance brokerage company.

* A beneficial owner of 0.8 percent of the outstanding shares of Microsoft (and, at 64.8 million shares, one of the company's largest shareholders), ValuAct Capital has recently entered into a "cooperation agreement" with Microsoft that provides for regular meetings between Mason Morfit, president of ValueAct Capital, and also includes having Morfit joining the Microsoft Board of Directors.

MADISON DEARBORN CAPITAL PARTNERS

- **Madison Dearborn V, L.P. ("MDCP V")**

MDCP V has invested \$5.8 billion, which, at June 30, 2013, is valued at \$7.8 billion. It currently holds positions in the following companies:

Asurion, a provider of insurance for phones and home electronics.

CDW, a provider of technology products and services for business, government, and

education.

LA Fitness, a health club chain with over 500 clubs across the United States and Canada.

Nuveen Investments, an investment management firm.

Sorenson Communications, provides products and services for deaf and hard-of-hearing individuals.

Topps, manufactures chewing gum, candy, and collectibles.

Univision, an American Spanish media company.

MDCP V also recently sold Yankee Candle to Jarden for \$1.75 billion, or 2x MDCP V's cost when it bought the company in 2007.

- **Madison Dearborn VI, (MDCP VI")**

MDCP VI has invested \$2.1 billion, which at June 30, 2013 is valued at \$3.2 billion. It currently hold positions in the following companies:

Aderant Holdings, a provider of enterprise software solutions to law firms.

EVO Payments International, a financial services company providing services as a merchant acquirer and a payment processor.

Fieldglass, a Chicago-based provider of vendor management software systems.

Quickplay Media, a provider of managed services for the distribution of premium multi-screen video to IP-connected devices.

Sage Products, a manufacturer and distributor of health and personal care products.

Schrader International, a provider of vehicle sensors and tire valves.

Things Remembered, a retail chain that sells sentimental keepsakes online and in malls across American

The following companies have been sold from both the MDCP MDCP V and the MDCP VI portfolios:

BWAY, the leading manufacturer of general line metal and rigid plastic containers in North America (acquired in June 2010 and sold in October 2012 at 1.75x invested capital and an IRR of 37.8%).

NextG Networks, a provider of antenna systems to wireless carriers (acquired in June 2009 and sold in December 2011 at 2.5x invested capital and an IRR of 41.8%).

TransUnion, a global leader in credit information (acquired in June 2010 and sold in February 2012 at 2.2x invested capital and an IRR of 51.8%).

Wind Telecom, an international wireless and wireline telecommunications company (acquired in June 2008 and sold in August 2012 at 1.33x invested capital and an IRR of 8.1%).

The Q2 2013 report from Friedman Fleischer & Lowe partnerships will not be issued until next week. Therefore, an overview of those reports will be provided in the next Quarterly Report.

New Century Partners
PORTFOLIO APPRAISAL
U. A. Local No. 467 Pension Trust Fund,
Defined Benefit Plan
August 31, 2013

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets
COMMON STOCK						
4,154	Boingo Wirless	3.00	12,474	7.15	29,701	0.0
25,740	Groupon	0.00	0	10.16	261,518	0.1
6,894	Workday, Inc.	3.30	22,750	72.53	500,022	0.2
			35,224		791,241	0.3
MUTUAL FUNDS (Equity)						
179,243.592	Brown Mgt. Small Company	55.79	10,000,000	63.99	11,469,797	4.1
342,934.884	DFA U.S. Small Cap Value	29.20	10,014,726	31.69	10,867,606	3.8
565,693.153	Fidelity Capital Appreciation	29.02	16,417,599	34.30	19,403,275	6.9
321,288.395	Oakmark	48.49	15,580,497	57.72	18,544,766	6.6
1,066,908.113	Primecap Odyssey Aggressive Growth	20.62	22,000,000	26.44	28,209,051	10.0
828,598.485	Primecap Odyssey Growth	21.12	17,500,000	21.83	18,088,305	6.4
565,583.803	T. Rowe Price New Horizon	36.76	20,791,197	42.76	24,184,363	8.6
428,082.192	Vanguard Selected Value	23.36	10,000,000	25.81	11,048,801	3.9
724,720.765	Vanguard Total Stock Market Index	35.18	25,494,386	39.87	28,894,617	10.2
			147,798,405		170,710,582	60.5
REAL ESTATE SECURED NOTES & BONDS						
788,277	Local 442 Note 7.00% 12-01-16	1.00	788,277	1.00	788,277	0.3
3,703,761	OCP, LLC Note 8.50% 09-01-19	1.00	3,703,761	1.15	4,247,446	1.5
5,272,190	South Wavecrest, LLC Note 8.50% 09-01-19	1.00	5,272,190	1.15	6,046,108	2.1
			9,764,228		11,081,831	3.9
REAL ESTATE LOANS						
4,072,100	Golf Course Second 10.00% 12-31-10	1.00	4,072,100	3.21	13,052,627	4.6

Please refer to "Performance" section of this report for a full report of Venture Capital & Private Equity investment performance.

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Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets
4,005,000	Carnoustie Loan 8.50% 03-16-12	1.00	4,005,000	1.44	5,761,838	2.0
			8,077,100		18,814,465	6.7
REAL ESTATE PARTNERSHIPS						
3,994,283	Ocean Colony Partners, L.P.	1.00	3,994,283	1.78	7,090,898	2.5
VENTURE CAPITAL						
7,407,977	New Enterprise Associates 10, L.P.	1.00	7,407,977	0.41	3,056,876	1.1
2,614,211	New Enterprise Associates 11, L.P.	1.00	2,614,211	1.57	4,100,081	1.5
4,589,234	New Enterprise Associates 12, L.P.	1.00	4,589,234	1.07	4,921,834	1.7
447,681	New Enterprise Associates 8A, L.P.	1.00	447,681	0.26	117,689	0.0
1,791,392	New Enterprise Associates 9, L.P.	1.00	1,791,392	0.24	423,705	0.2
877,632	New Enterprise Associates VI, L.P.	1.00	877,631	0.03	29,388	0.0
990,313	New Enterprise Associates VII, L.P.	1.00	990,313	0.03	26,096	0.0
1,580,627	New Enterprise Associates VIII, L.P.	1.00	1,580,627	0.15	239,125	0.1
902,687	Rosewood Capital III, L.P.	1.00	902,687	0.08	73,517	0.0
			21,201,753		12,988,311	4.6
PRIVATE EQUITY						
952,409	Brentwood Associates Private Equity V	1.00	952,409	1.00	952,409	0.3
5,076,859	Friedman Fleischer & Lowe II, L.P.	1.00	5,076,859	0.96	4,890,906	1.7
6,904,785	Friedman Fleischer & Lowe III, L.P.	1.00	6,904,785	1.16	7,993,810	2.8
3,498,419	Friedman Fleischer & Lowe, L.P.	1.00	3,498,419	0.82	2,873,413	1.0
7,969,928	Madison Dearborn Capital Partners V, L.P.	1.00	7,969,928	1.10	8,771,650	3.1

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Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets
4,416,174	Madison Dearborn Capital Partners VI, L.P.	1.00	4,416,174	1.03	4,549,241	1.6
2,182,842	Pantheon Europe Fund IV, L.P.	1.00	2,182,842	1.04	2,262,670	0.8
1,829,263	Pantheon USA Fund VI, L.P.	1.00	1,829,263	1.31	2,400,989	0.9
10,000,000	ValueAct Capital Partners II, L.P.	1.00	10,000,000	2.05	20,460,243	7.2
			42,830,680		55,155,331	19.5
CASH AND EQUIVALENTS						
	Morgan Stanley Bank Deposit Program		63,650		63,650	0.0
	Morgan Stanley Institutional MMF		4,273,339		4,273,339	1.5
	Wilmington Trust Money Market Fund		1,410,609		1,410,609	0.5
			5,747,598		5,747,598	2.0
TOTAL PORTFOLIO			239,449,271		282,380,258	100.0

Please refer to "Performance" section of this report for a full report of Venture Capital & Private Equity investment performance.

**Summary of Investments by U. A. Local No. 467 Pension Trust Fund
in Venture Capital and Private Equity Partnerships**

Partnership	Date of Commitment	Amount of Commitment	Commitment Invested to Date	Balance of Commitment To Be Invested	Cash Received & Stocks Received and Sold	Stocks Received and Held 08/31/13	Partnership Interest 8/31/13	6/30/13		Total Value as a Multiple of Cost	IRR Inception - 6/30/13	
								# Funds	# Portfolio Companies - Public - Private			
New Enterprise Associates V	Sep-90	1,000,000	1,000,000	0	2,539,933	0	Liquidated 12-18-06	0	0	0	2.5	31.17%
New Enterprise Associates VI	Dec-93	2,000,000	2,000,000	0	15,103,805	0	29,388	1	0	0	7.6	65.70%
Rosewood Capital	Nov-94	2,000,000	1,929,532	0	2,569,424	0	Liquidated 09-30-10	0	0	0	1.3	6.39%
New Enterprise Associates VII	Dec-96	2,000,000	2,000,000	0	2,878,342	0	26,096	1	0	3	1.5	63.68%
Rosewood Capital III	Aug-97	2,000,000	1,704,971	0	1,213,565	0	73,517	1	1	1	0.8	-3.65%
New Enterprise Associates VIII	Oct-98	2,000,000	2,000,000	0	2,129,028	0	239,125	1	1	12	1.2	31.59%
Friedman Fleischer & Lowe	Apr-99	10,000,000	10,000,000	0	29,876,360	0	2,873,413	1	0	1	3.3	33.14%
New Enterprise Associates 9	Nov-99	2,000,000	1,960,000	40,000	492,229	0	423,705	1	3	13	0.5	-7.32%
New Enterprise Associates 10	Oct-00	10,000,000	9,850,000	150,000	7,839,057	29,701	3,056,876	1	11	26	1.1	3.99%
New Enterprise Associates 8A	Jul-01	535,714	535,714	0	298,266	0	117,689	1	1	12	0.8	-2.92%
New Enterprise Associates 11	Mar-04	4,000,000	3,800,000	200,000	3,271,956	0	4,100,081	1	9	25	1.9	13.85%
Friedman Fleischer & Lowe II	May-04	10,000,000	8,929,149	1,070,851	10,869,903	0	4,890,906	1	0	4	1.8	14.11%
Pantheon USA VI	Nov-04	3,000,000	2,670,343	329,657	1,431,589	0	2,400,989	63	N/A	N/A	1.4	7.00%
Pantheon Europe IV	Sep-05	3,000,000	2,716,669	283,331	1,037,175	0	2,262,670	46	N/A	N/A	1.2	4.20%
Madison Dearborn Capital Partners V	Feb-06	10,000,000	9,429,969	570,031	5,359,025	0	8,771,650	1	0	7	1.5	4.88%
New Enterprise Associates 12	Apr-06	5,000,000	4,875,000	125,000	1,519,156	761,540	4,921,834	1	6	78	1.5	10.63%
ValueAct AllCap Partners, L.P.	Nov-07	10,000,000	10,000,000	0	3,039	0	20,460,243	1	9	2	2.0	13.43%
Madison Dearborn Capital Partners VI	May-08	10,000,000	6,908,962	3,091,038	4,480,112	0	4,549,241	1	0	5	1.3	14.32%
Friedman Fleischer & Lowe III	Oct-08	10,000,000	7,819,456	2,180,544	3,601,535	0	7,993,810	1	0	11	1.5	11.20%
Brentwood Associates V	Jul-13	10,000,000	952,409	9,047,591	0	0	952,409	1	0	1	1.0	N/A
TOTALS			91,082,174	17,088,043	96,513,499	791,241	68,143,642	121	32	182	1.8	33.76%

Performance & Allocation By Asset Class
From 12-31-12 To 08-31-13

U.A. Local No. 467 Pension Trust Fund, Defined Benefit Plan

Asset Class	Market Value			
	12/31/12	8/31/13	\$ Difference % Change	
Cash & Equivalents	21,160,585	5,747,598	-15,412,987	
Stocks	0	791,241	791,241	
Mutual Funds (Equity)	127,067,774	170,710,582	43,642,808	
Private Equity	49,204,723	55,155,331	5,950,608	
Venture Capital	11,373,225	12,988,311	1,615,086	
Real Estate Secured Notes & Bonds	13,075,820	11,081,831	-1,993,989	
Real Estate Loans	17,800,285	18,814,465	1,014,180	
Real Estate Partnerships	7,968,476	7,090,898	-877,578	
TOTAL PORTFOLIO VALUE	247,650,888	282,380,258	34,729,370	14.02%
YTD Withdrawals	-1,256,300	0		
YTD Contributions	0	0		

Internal Rate of Return <i>(Discounted Cash Flow Method)</i>	Cash & Equivalents	Bonds	Equities	Private Equity	Venture Capital	TOTAL "NCP" PORTFOLIO
	Asset Class Percentage of Total Portfolio	0.09%	0.00%	20.48%	9.77%	15.39%
	2.00%	0.00%	60.80%	19.50%	4.60%	86.90%

* Total portfolio also includes 13.1% in real estate investments.

Comparative Benchmarks	2013 YTD Returns
Dow Jones Industrial Average	13.02%
S&P 500	14.50%
S&P MidCap 400	16.02%
Nasdaq Composite Index	18.89%
S&P SmallCap 600	21.36%
MSCI / Barra Developed World ex USA Stock Index	4.85%
Barclays Capital U.S. Aggregate Bond Index	-3.20%

NOTE: The Actuarial Assumption for the U.A. Local No. 467 Pension Trust Fund, Defined Benefit Plan is 7.00%.