CanterburyConsulting

Quarterly Asset Class Report

Private Equity

Canterbury Consulting ("CCI") is an SEC registered Investment Adviser. Information pertaining to CCI's advisory operations, services, and fees is set forth in CCI's current Form ADV Part 2 (Brochure), a copy of which is available upon request and at www.adviserinfo.sec.gov. Information provided through CCI's Quarterly Outlook related to market or asset class performance figures is believed to be derived from reliable sources. However, CCI assumes no responsibility for their content or the manner in which the viewer utilizes such information. The performance information presented in certain charts or tables is for informational purpose only and represents historical performance based on available market data results for the quarterly period shown above and does not reflect any performance related to trading in actual accounts. Any recommendations or statement made in the Quarterly Outlook is not to be construed as specific investment advice. The viewer should be aware of the inherent limitations of data derived from the retroactive application of historical data developed with the benefit of hindsight and that actual results may differ. Actual performance with client accounts would be materially less than the stated performance results for the same period when including the deduction of advisory fees, brokerage or other commissions, and any other expenses that a client would have paid.

canterburyconsulting.com

September 30, 2015

Role in the Portfolio

Canterbury Consulting recommends a diversified portfolio of private capital strategies. Consistently committing to private capital drives long-term asset growth, net of inflation, by taking advantage of the illiquidity premium derived from inefficient markets and superior manager selection

— Canterbury blends strategic and opportunistic approaches to construct private capital portfolios that are diversified by sector, geography, and vintage year

- Strategic: using various market inputs to form a baseline, we create a recommended model portfolio allocation
- Opportunistic: we combine top-down and bottom-up analysis to achieve excess risk-adjusted returns through market intelligence and superior manager selection

Role	Asset Categories	Risks
Growth	**Public and Private Equity**	**Market Decline**
Capital Preservation	Fixed Income, Hedge Funds	Rising Interest Rates, Highly Correlated Markets
Inflation Protection	Real Assets: Real Estate, Commodities	Deflation

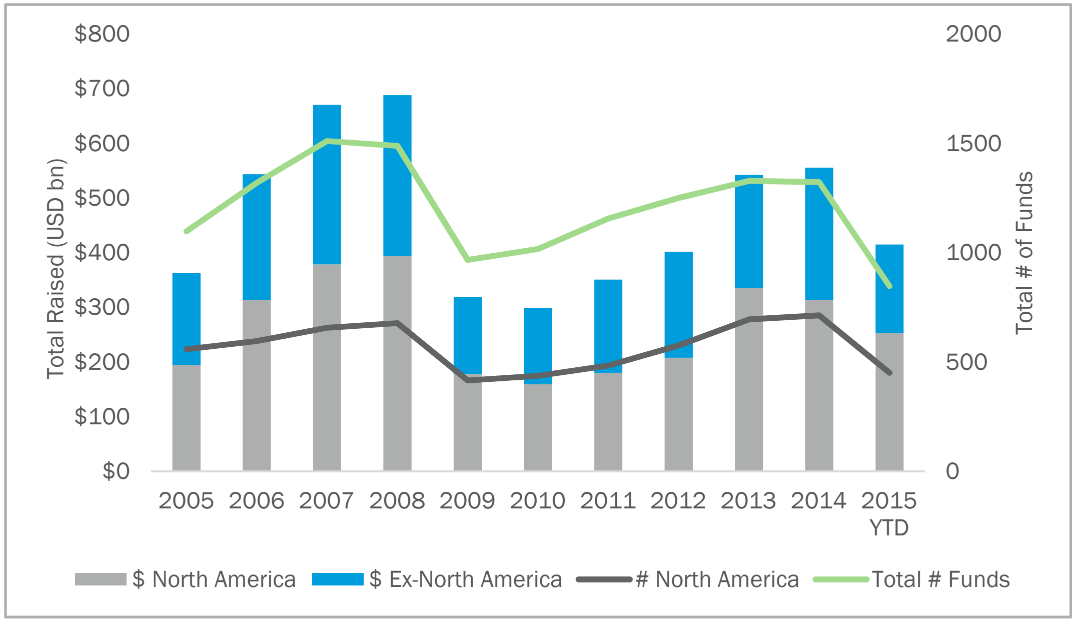
— Over a full market cycle, private equity is expected to generate above-market returns commensurate with risks associated with the asset class (i.e., illiquidity, time horizon, etc.)

— Given the length of the time required to deploy capital and constant evolution of the opportunity set, investors in private equity must commit consistently across cycles and avoid “market timing” in order to generate returns

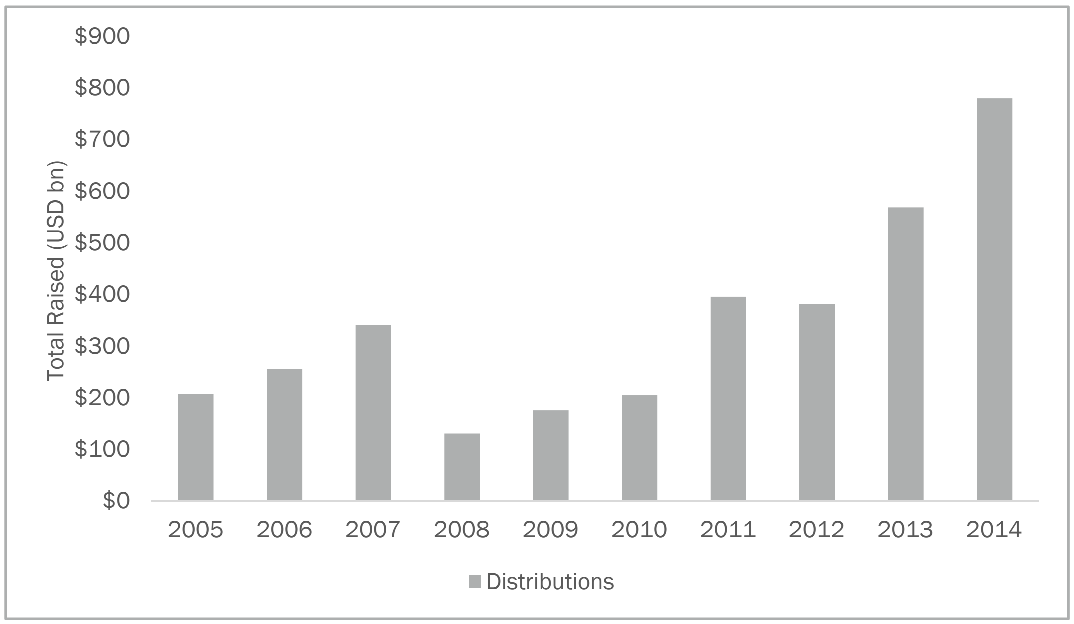
Fundraising & Distributions

Private Equity

Global Fundraising



Fund Distributions



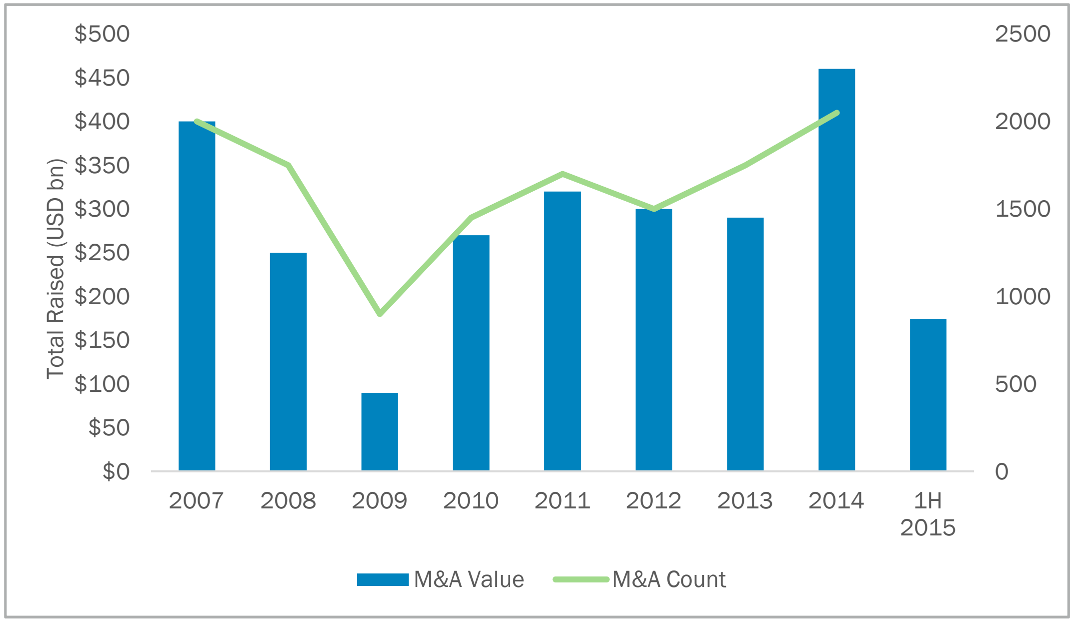
- Based on 3Q 2015 activity, total capital raised for new funds is tracking to 2014 levels
- As discussed in previous quarters, the trend of fewer funds raising larger amounts of capital persists.
    - This is further evidenced by the projected 15% decrease in total number of funds raised globally in 2015E.
- Based on FY 2014 estimates, global distributions reached record levels last year, which impacted both the velocity of new commitments and access to funds this year as investors sought to re-deploy capital

Source: Preqin, reported as of October 2015

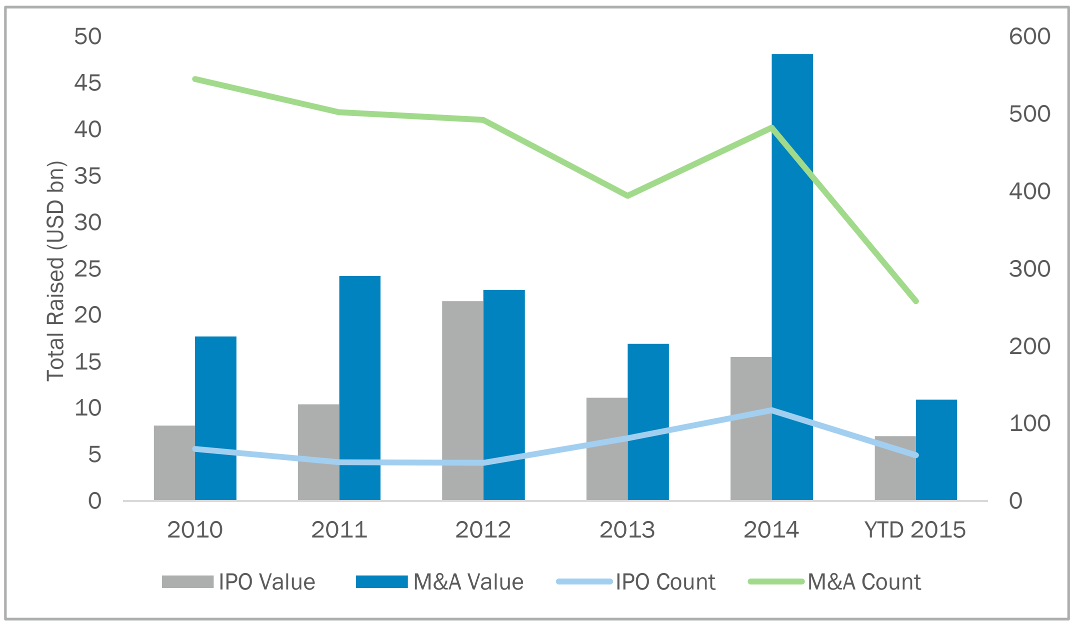
Exit Activity

Private Equity

Private Equity-Backed



Venture-Backed



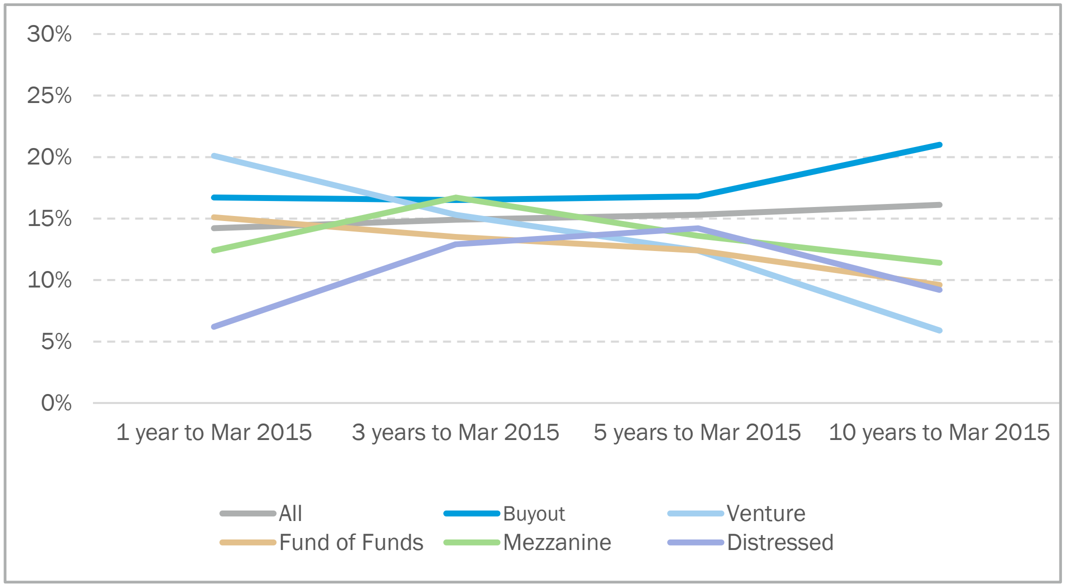
- After a banner year in 2014, global private equity-backed M&A activity has declined in 2015 due to market uncertainty
  - Total M&A volumes in 1H 2015 have declined approximately 35% percent over the same time period during the previous
- Market conditions have also adversely impacted venture-backed companies, as evidenced by a slowdown in IPO and M&A activity through 3Q 2015
- While the increase in volatility and uncertainty may impact future exit activity, it will also provide attractive opportunities to deploy capital

Source: NVCA, MergerMarket (based on disclosed M&A values)

Horizon Performance

Private Equity

Horizon IRRs by Strategy



- Although short-term performance is not meaningful in private equity, it is evident all strategies benefited from the "rising tide" of valuations seen over the past 12 months
  - Buyout performance has been strong over the long term, while venture has benefited from the current valuation environment
  - Given market strength of the past few years, distressed strategies have underperformed on a relative basis in the short-term

Source: Preqin, reported as of October 2015