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Oklahoma State Pension Commission

Calendar Year 2014 Fee Analysis

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Within Public Markets (Both Equity & Fixed) there are 3 general types of Fee structures:

1. Flat Fee

- A flat basis point fee that is charged no matter the size of the mandate
- Typically used for passive or indexed mandates

2. Tier or Asset-Based Fee (Declining Marginal Rate Fee Structure)

- A fee schedule that includes breakpoints or “Tiers” based on the size of the mandate
- The breakpoints will provide lower fees as the amount of assets grows
- These fee structures are offered by passive and active managers and are the most prominently used (100 bps on the first \$50 mm, 75 bps on the next \$50 mm, with 50 bps on assets over \$100mm)

3. Performance-Based Fee

- A fee schedule that includes the ability for the manager to profit from the performance of a portfolio
- The fee is comprised of a base fee, which is substantially lower than the customary or normal fee, and a performance component that is earned or exceeded only when the manager earns a required excess returns (See Appendix for Formula)

Notes:

- Performance fees do not lead to better performance
- Clients may be able to negotiate better fees using the performance fee approach, since manager most-favored-nation restrictions are less binding
- When managers seriously underperform, the optics are better, but in rising markets fees can be noticeably higher

Within the private equity and hedge fund fees, there are different types of fee structures which depend on the type of vehicle:

1. Private Equity Fee Structures

- Fees are typically much higher than for public market assets
- Fees structures often include the following components:
 - Management Fee – Typically 1-2%
 - Performance Fee or “carry” – Typically 20% of performance above a preferred return payable after all capital is returned
 - Preferred return or “hurdle rate” which needs to be attained in order to earn the performance fee– Typically 6-10%
- Fees often paid on committed, not invested capital, although this is changing

2. Hedge Fund Fee Structures

- Fees are very high compared to traditional managers
- Fees are made up of two components:
 - Management Fee
 - A fixed fee usually determined as a percentage of assets
 - Typically between 1-3%
 - Performance Fee:
 - Based on net new performance
 - Generally subject to a “highwater mark” or max fee
 - Typically between 15-30% of performance, which can be either above a hurdle or simply a positive return

- **Competitive pressures are leading to lower fees**
- **In Public Markets, chronic manager underperformance has led to increased use of passive management**
- **In Alternatives, 1) Fees are coming down 2) Increasingly fees are being quoted on invested or drawn amounts, and 3) Non-zero hurdle rates are becoming more common**
- **Public Entities are facing greater political pressures on fees**

Fee Comparison from 2013 to 2014 – Using Monthly Average of Market Values

2014 FEES

	TEACHERS	PERS	FIRE	POLICE	LAW	JUDGES	WILDLIFE	Total
Total Average 2014 Market Values	\$13,866,374,147	\$8,379,012,777	\$2,322,912,528	\$2,043,737,106	\$852,437,003	\$294,594,426	\$95,607,513	\$27,854,675,500
Custody Fee	\$75,000	\$33,810	\$239,756	\$181,844	\$80,000	\$1,190	\$9,670	\$621,269
Securities Lending Income	(\$10,550,046)	(\$2,128,205)	(\$931,359)	(\$124,761)	(\$224,736)	(\$23,083)	\$0	(\$13,982,190)
Commission Recapture	(\$317,825)	(\$75,930)	(\$92,504)	(\$325,930)	\$0	\$0	\$0	(\$812,188)
Sub-Total (Custody - Net)	(\$10,792,870)	(\$2,170,325)	(\$784,107)	(\$268,847)	(\$144,736)	(\$21,893)	\$9,670	(\$14,173,108)
Investment Manager Fees (\$)	\$61,161,546	\$8,940,788	\$13,304,546	\$10,733,767	\$4,639,621	\$129,716	\$170,519	\$99,080,504
Investment Manager Fees (%)	0.44%	0.11%	0.57%	0.53%	0.54%	0.04%	0.18%	0.36%
Percent Passively Managed	5.5%	44.3%	23.4%	17.7%	13.5%	71.7%	0%	25.2%
Total Investment Return	8.1%	7.3%	6.9%	5.1%	6.7%	7.0%	7.9%	7.0%
Sub-Total Manager Fees	\$61,161,546	\$8,940,788	\$13,304,546	\$10,733,767	\$4,639,621	\$129,716	\$170,519	\$99,080,504
Investment Consultant Fee (\$)	\$702,000	\$272,499	\$245,000	\$676,464	\$110,000	\$7,501	\$0	\$2,013,464
Investment Consultant Fee (%)	0.01%	0.003%	0.01%	0.03%	0.01%	0.003%	0%	0.01%
Total Fee (\$)	\$51,070,676	\$7,042,962	\$12,765,439	\$11,141,384	\$4,604,885	\$115,325	\$180,189	\$86,920,860
Total Fee (%)	0.37%	0.08%	0.55%	0.55%	0.54%	0.04%	0.19%	0.31%

2013 FEES

	TEACHERS	PERS	FIRE	POLICE	LAW	JUDGES	WILDLIFE	Total
Total Average 2013 Market Values	\$11,824,768,743	\$7,819,653,311	\$1,941,864,583	\$2,003,057,675	\$680,118,166	\$270,967,885	\$91,778,088	\$24,632,208,452
Custody Fee	\$75,000	\$28,973	\$232,044	\$147,603	\$80,000	\$1,027	\$9,898	\$574,546
Securities Lending Income	(\$9,108,995)	(\$1,760,498)	(\$669,580)	(\$54,018)	(\$278,790)	(\$16,609)	-	(\$11,888,489)
Commission Recapture	(\$49,201)	(\$96,630)	(\$63,126)	(\$127,950)	(\$291,531)	-	-	(\$628,438)
Sub-Total (Custody - Net)	(\$9,083,196)	(\$1,828,155)	(\$500,662)	(\$34,364)	(\$490,321)	(\$15,582)	\$9,898	(\$11,942,381)
Investment Manager Fees (\$)	\$40,816,278	\$8,953,140	\$10,437,401	\$11,655,035	\$3,056,603	\$165,217	\$154,104	\$75,237,777
Investment Manager Fees (%)	0.35%	0.11%	0.54%	0.58%	0.45%	0.06%	0.17%	0.31%
Percent Passively Managed	11.8%	43.6%	25.8%	17.6%	19.5%	71.1%	0%	24.3%
Total Investment Return	24.0%	16.6%	21.3%	16.1%	16.8%	16.0%	15.5%	20.4%
Sub-Total Manager Fees	\$40,816,278	\$8,953,140	\$10,437,401	\$11,655,035	\$3,056,603	\$151,305	\$154,104	\$75,223,865
Investment Consultant Fee (\$)	\$702,000	\$272,391	\$249,817	\$625,813	\$110,000	\$7,609	N/A	\$1,967,630
Investment Consultant Fee (%)	0.01%	0.00%	0.01%	0.03%	0.02%	0.00%	-	0.01%
Total Fee (\$)	\$32,435,082	\$7,397,376	\$10,186,556	\$12,246,484	\$2,676,282	\$143,332	\$164,002	\$77,191,495
Total Fee (%)	0.27%	0.09%	0.52%	0.61%	0.39%	0.05%	0.18%	0.31%

OK Teachers Fee Overview

Manager	Asset Class/Style	2014 Total Annual Fees Paid	Average Monthly Market Value of Assets for 2014	Fees (%)	2014 Securities Lending Income	2014 Commission Recapture	2014 Investment Consultant Fee	2014 Custody Fee
Advisory Research, Inc.	All Cap Domestic Equity	\$1,461,150	\$455,192,400	0.32%				
Advisory Research, Inc.	Small Cap International Equity	\$1,240,616	\$212,942,367	0.58%	\$10,550,046	\$317,825	\$702,000	\$75,000
Advisory Research/FAMCO MLP	Master Limited Partnerships	\$1,773,058	\$346,469,360	0.51%				
AEW	Core Real Estate	\$1,710,682	\$201,944,936	0.85%				
American Realty	Non-Core Real Estate	\$3,498	\$6,358,900	0.06%				
Antheus	Non-Core Real Estate	\$159,010	\$6,718,753	2.37%				
Aronson Johnson Ortiz (AJO)	Mid Cap Domestic Equity	\$1,135,197	\$527,776,884	0.22%				
Causeway Capital Management LLC	Large Cap International Equity	\$1,751,114	\$540,100,132	0.32%				
Chickasaw Capital Management, LLC	Master Limited Partnerships	\$3,203,159	\$390,044,495	0.82%				
Cove Street Capital	Small Cap Domestic Equity	\$748,837	\$104,945,819	0.71%				
Dune	Non-Core Real Estate	\$159,010	\$11,662,545	1.36%				
Epoch	All Cap Domestic Equity	\$2,003,538	\$465,456,235	0.43%				
Epoch	Small Cap International Equity	\$1,526,997	\$205,919,007	0.74%				
Franklin Park	Private Equity	\$3,500,000	\$378,040,206	0.93%				
Frontier Capital Management	Small Cap Domestic	\$1,438,606	\$157,991,842	0.91%				
Frontier Capital Management	Mid Cap Domestic Equity	\$2,783,379	\$511,293,574	0.54%				
Geneva Capital Management LTD	Small Cap Domestic Equity	\$1,321,476	\$186,872,691	0.71%				
GreenOak	Non-Core Real Estate	\$339,306	\$9,911,239	3.42%				
Heitman	Core Real Estate	\$1,532,580	\$206,991,989	0.74%				
Hoisington	Core + Fixed Income	\$432,083	\$289,171,742	0.15%				
Hotchkis & Wiley	Large Cap Domestic Equity	\$1,686,123	\$579,095,395	0.29%				
Hotchkis & Wiley	Mid Cap Domestic Equity	\$2,580,667	\$506,753,813	0.51%				
L&B	Core Real Estate	\$795,625	\$184,557,731	0.43%				
L&B	Non-Core Real Estate	\$0	\$926,996	0.00%				
Landmark	Non-Core Real Estate	\$259,614	\$3,323,561	7.81%				
Loomis Sayles	Core + Fixed Income	\$893,119	\$609,205,366	0.15%				
Loomis Sayles	High Yield Fixed Income	\$1,252,600	\$256,409,180	0.49%				
Lord Abbett	Core + Fixed Income	\$997,250	\$600,859,122	0.17%				
Lord Abbett	High Yield Fixed Income	\$953,451	\$257,627,608	0.37%				
Mackay Shields	Core + Fixed Income	\$1,289,541	\$604,250,336	0.21%				
Mackay Shields	High Yield Fixed Income	\$1,132,886	\$256,242,201	0.44%				
Neumeier Poma Investments	Small Cap Domestic Equity	\$743,195	\$113,811,184	0.65%				
Northern Trust	Passive Domestic Equity	\$52,212	\$433,433,671	0.01%				
Northern Trust	Passive Large Cap International Equity	\$161,643	\$543,515,191	0.03%				
PIMCO	Special Opportunity	\$1,758,234	\$126,630,528	1.39%				
PIMCO	Special Opportunity	\$546,745	\$40,392,138	1.35%				
Sawgrass Asset Management	Large Cap Domestic Equity	\$1,820,815	\$528,314,943	0.34%				
Shapiro Capital Management	Small Cap Domestic Equity	\$5,443,801	\$666,235,388	0.82%				
State Street Global Advisors	Passive Domestic Equity	\$133,020	\$437,737,276	0.03%				
Swank/Cushing	Master Limited Partnerships	\$1,894,035	\$381,549,605	0.50%				
Thornburg Investment Management	International Equity	\$1,717,894	\$475,262,338	0.36%				
Wasatch Advisors	Small Cap International Equity	\$1,610,487	\$196,184,880	0.82%				
Wasatch Advisors	Small Cap Domestic Equity	\$1,653,880	\$182,652,219	0.91%				
Wellington Management	Small Cap International Equity	\$1,447,689	\$208,789,743	0.69%				
Wellington Management	Mid Cap Domestic Equity	\$2,113,724	\$456,808,620	0.46%				
Total		\$61,161,546	\$13,866,374,147	0.44%				

Asset Allocation Breakdown		
	2014 % of Total Fund	2013 % of Total Fund
Domestic Equity	46.4%	49.6%
% Active	40.9%	42.7%
% Passive	5.5%	6.9%
Domestic Fixed	20.9%	20.6%
% Active	20.9%	20.6%
% Passive	0.0%	0.0%
International Eq	15.4%	14.1%
% Active	9.3%	14.1%
% Passive	6.1%	0.0%
Global Fixed	0.0%	0.0%
% Active	0.0%	0.0%
% Passive	0.0%	0.0%
Other	17.3%	14.9%
Calendar Year Return	8.1%	24.0%

OK PERS Fee Overview

Manager	Asset Class/Style	2014 Total Annual Fees Paid	Average Monthly Market Value of Assets for 2014	Fees (%)	2014 Securities Lending Income	2014 Commission Recapture	2014 Investment Consultant Fee	2014 Custody Fee
BlackRock Financial	Fixed Income- Core	\$1,067,551	\$1,312,586,539	0.08%	\$2,128,205	\$75,930	\$272,499	\$33,810
Hoisington	Fixed Income- Long	\$341,806	\$228,853,565	0.15%				
BlackRock TIPS	Fixed Income- Tips Index	\$28,416	\$237,794,445	0.01%				
MetWest	Fixed Income- Core Plus	\$813,197	\$741,285,274	0.11%				
Mondrian	International- Value	\$1,977,756	\$545,180,871	0.36%				
Baillie Gifford	International- Growth	\$542,668	\$270,696,569	0.20%				
BlackRock ACWI x-US Growth	International- Growth Index	\$144,233	\$282,810,450	0.05%				
BlackRock ACWI x-US	ACWI x-US Index	\$455,926	\$924,799,325	0.05%				
BlackRock R1000 Index	US Index- Large Cap	\$144,004	\$1,910,137,300	0.01%				
BlackRock R1000 Growth Index	US Index Growth	\$13,863	\$203,860,532	0.01%				
Mellon	US Large Cap	\$125,000	\$479,713,280	0.03%				
SSgA	US Large Cap	\$140,200	\$476,261,612	0.03%				
AJO	US Large Cap- Value	\$482,429	\$224,447,527	0.21%				
UBS	US Small Cap- Growth	\$1,091,871	\$185,104,493	0.59%				
Barrow Hanley	US Small Cap- Value	\$978,291	\$185,762,350	0.53%				
DRZ	US Small Cap- Value	\$593,576	\$169,718,645	0.35%				
Total		\$8,940,788	\$8,379,012,777	0.11%				

Asset Allocation Breakdown		
	2014 % of Total Fund	2013 % of Total Fund
Domestic Equity	46.7%	45.7%
% Active	15.5%	20.2%
% Passive	31.2%	25.5%
Domestic Fixed	30.4%	29.5%
% Active	27.6%	29.5%
% Passive	2.8%	0.0%
Int'l Equity	22.6%	24.6%
% Active	12.3%	14.7%
% Passive	10.3%	9.9%
Other	0.3%	0.0%
Calendar Year Return	7.3%	16.6%

*Baillie Gifford entered portfolio in Sept 2013

OK Firefighters Fee Overview

Manager	Asset Class/Style	2014 Total Annual Fees Paid	Average Monthly MVA's for 2014	Fees (%)	2014 Securities Lending Income	2014 Commission Recapture	2014 Investment Consultant Fee	2014 Custody Fee
ANGELO GORDON NET LEASE REALTY III LP	REAL ESTATE	\$205,671	\$2,003,700	10.26%	\$931,359	\$92,504	\$245,000	\$239,756
ARDIAN	PRIVATE EQUITY SECONDARIES	\$416,438	\$7,314,667	5.69%				
ARONSON+ PARTNERS	LARGE CAP VALUE	\$262,377	\$86,707,250	0.30%				
ARTIO GLOBAL MANAGEMENT LLC	REMNANT	\$0	\$107,667	0.00%				
AZUL HOLDCO	REMNANT	\$0	\$1,103,000	0.00%				
BRANDYWINE GLOBAL FIXED	GLOBAL FIXED INCOME	\$1,175,394	\$160,298,833	0.73%				
CAPITAL DYNAMICS GLOBAL SECONDARIES IV LP	PRIVATE EQUITY SECONDARIES	\$0	\$25,516,000	0.00%				
CHAUTAUQUA INT EQUITY	INTERNATIONAL EQUITY	\$614,263	\$72,266,083	0.85%				
CLARIVEST EM EQUITY	EMERGING MARKETS	\$554,583	\$49,610,417	1.12%				
DUNE REAL ESTATE FUND III	REAL ESTATE	\$607,867	\$6,240,333	9.74%				
EARNEST PARTNERS	SMALL CAP VALUE	\$612,215	\$67,280,833	0.91%				
ENHANCED INVESTMENT TECHNOLOGIES	LARGE CAP CORE	\$476,757	\$142,216,417	0.34%				
FRED ALGER MANAGEMENT, INC.	LARGE CAP GROWTH	\$893,754	\$173,454,167	0.52%				
GARCIA HAMILTON & ASSOCIATES, LP	BONDS	\$49,490	\$61,040,200	0.08%				
GARRISON MIDDLE MKT FUNDING LP	OTHER FIXED INCOME	\$510,423	\$34,856,833	1.46%				
HALL CAPITAL III LP	REAL ESTATE	\$7,420	\$1,375,000	0.54%				
HERNDON CAPITAL	LARGE CAP VALUE	\$201,768	\$80,707,167	0.25%				
INTERNAL CASH ACCOUNT	CASH	\$0	\$18,160,417	0.00%				
JACKSON SQUARE PARTNERS(FORMERLY DELAWARE)	SMALL CAP GROWTH	\$276,303	\$69,075,667	0.40%				
JP MORGAN RE	REAL ESTATE	\$608,483	\$92,710,500	0.66%				
JPMCB SPECIAL SITUA PROP FUND	REAL ESTATE	\$105,436	\$40,827,000	0.26%				
LANDMARK RE VII	REAL ESTATE	\$185,440	\$1,289,500	14.38%				
LORD ABBETT	SMALL CAP GROWTH	\$434,106	\$68,904,917	0.63%				
MEDLEY OPPORTUNITY FUND II LP	OTHER FIXED INCOME	\$253,457	\$37,310,750	0.68%				
MESIROW	REAL ESTATE	\$227,285	\$3,939,778	5.77%				
ORLEANS CAPITAL MANAGEMENT	BONDS	\$18,132	\$25,079,833	0.07%				
POMONA CAPITAL FUND VIII	PRIVATE EQUITY SECONDARIES	\$1,091,530	\$10,665,000	10.23%				
PORTFOLIO ADV REAL ESTATE FD IV	REAL ESTATE	\$397,185	\$6,112,583	6.50%				
PORTFOLIO ADV REAL ESTATE FD V	REAL ESTATE	\$0	\$9,601,000	0.00%				
PORTFOLIO ADV REAL ESTATE III	REAL ESTATE	\$0	\$14,255,333	0.00%				
PRIVATE ADVISORS	LOW VOLATILITY HEDGE FUND	\$796,383	\$108,366,333	0.73%				
RIVER ROAD ASSET MGMT	SMALL CAP VALUE	\$315,961	\$63,214,000	0.50%				
SSGA EQUITY S&P FLAGSHIP	Passive - INDEXES	\$38,599	\$128,663,833	0.03%				
SSGA LEHMAN IM	Passive - INDEXES	\$21,024	\$70,078,333	0.03%				
SSGA MSCI ACWI US NONLENDING	Passive - INDEXES	\$95,636	\$101,015,000	0.09%				
SSGA NL FIXED INCOME FUND	Passive - INDEXES	\$20,479	\$70,096,667	0.03%				
SSGA RUSSELL SMCAP COMPLETE NL	Passive - INDEXES	\$27,441	\$58,971,500	0.05%				
SSGA S&P 500 EQUAL WEIGHT CTF	Passive - INDEXES	\$38,475	\$130,444,250	0.03%				
TA ASSOCIATES REALTY IX CORP	REAL ESTATE	\$331,867	\$9,527,167	3.48%				
TA ASSOCIATES REALTY VII	REAL ESTATE	\$0	\$12,643,833	0.00%				
THORNBURG INVESTMENT MGMT	REAL ESTATE	\$93,306	\$100,962,600	0.09%				
WASATCH EM EQUITY	EMERGING MARKETS	\$311,088	\$22,540,167	1.38%				
WCM INT EQTY	INTERNATIONAL EQUITY	\$1,028,511	\$76,358,000	1.35%				
Total		\$13,304,546	\$2,322,912,528	0.57%				

Asset Allocation Breakdown		
	2014 % of Total	2013 % of Total
	Fund	Fund
Domestic Equity	50.2%	55.8%
% Active	35.0%	40.4%
% Passive	15.2%	15.4%
Domestic Fixed	5.8%	2.7%
% Active	3.5%	0.0%
% Passive	2.3%	2.7%
International Eq	17.8%	13.5%
% Active	14.1%	13.5%
% Passive	3.7%	0.0%
International Fxd	12.5%	14.9%
% Active	10.3%	10.8%
% Passive	2.2%	4.1%
Other*	13.7%	13.1%
Calendar Year Return	6.9%	21.3%

*Includes L/S Equity

OK Police Fee Overview

Manager	Asset Class/Style	2014 Total Annual Fees Paid	Average Monthly MVA's for 2014	Fees (%)	Manager	Asset Class	2014 Total Annual Fees Paid	Average Monthly MVA's for 2014	Fees (%)	
ACCEL	Private Equity -Venture Capital	\$0	\$5,156,990		LEVINE LEICHTMAN III	Private Equity - Buyout	\$0	\$5,540,801		
ACTIS GLOBAL 4	Private Equity - Emerging Markets	\$135,000	\$1,522,214	8.87%	LEVINE LEICHTMAN IV	Private Equity - Buyout	\$79,275	\$6,883,878	1.15%	
AGINCOURT	Global Fixed Income - Core	\$309,407	\$171,906,807	0.18%	LEXINGTON CAPITAL PARTNERS VI-B	Private Equity - Fund of Funds	\$105,024	\$11,254,880	0.93%	
APOLLO FUND VIII	Private Equity - Buyout	\$88,930	\$425,562	20.90%	LIGHTSPEED VENTURE PARTNERS VI	Private Equity -Venture Capital	\$0	\$2,507,958		
ARSENAL I	Private Equity - Buyout	\$0	\$274,950		LOOMIS SAYLES	Global Fixed Income	\$310,360	\$93,672,492	0.33%	
ARSENAL II	Private Equity - Buyout	\$106,112	\$17,928,174	0.59%	MARATHON V	Private Equity - Buyout	\$118,740	\$5,214,327	2.28%	
ARSENAL III	Private Equity - Buyout	\$3,357	\$3,987,117	0.08%	MELLON CAP	Domestic Equity/Large Cap	\$47,077	\$447,891,918	0.01%	
ATTALUS LONG SHORT EQUITY	Long/Short Equity	\$0	\$1,205,343		MIDTOWN FUND III	Private Equity -Venture Capital	\$0	\$1,064,229	0.00%	
BARING FOCUSED INT'NL	International Equity	\$483,255	\$86,876,919	0.56%	MONDRIAN INVESTMENT	International Equity	\$564,372	\$122,214,114	0.46%	
BBT/OVERSEAS CAP, L.P.	Global Fixed Income	\$0	\$708,468	0.00%	NEWSTONE CAPITAL	Private Equity - Mezzanine	\$11,692	\$955,881	1.22%	
BLACKSTONE PROPERTY	Core Real Estate	\$1,692	\$4,832,542	0.04%	NEWSTONE CAPITAL Fund II	Private Equity - Mezzanine	\$103,313	\$3,228,087	3.20%	
BOSTON PARTNERS	Small-Mid Cap Value	\$767,841	\$123,446,065	0.62%	NT- RUSSELL 1000 INDEX	Domestic Equity/Large Cap	\$6,577	\$383,436,856	0.00%	
CALERA III (Semi Annual)	Private Equity - Buyout	\$14,413	\$6,914,739	0.21%	OAKTREE CAPITAL TRUST	Global Fixed Income	\$679,339	\$136,635,858	0.50%	
CALERA IV (Semi Annual)	Private Equity - Buyout	\$49,952	\$8,024,070	0.62%	OAKTREE EUROPEAN	Private Equity - Distressed	\$16,301	\$786,764	2.07%	
CERBERUS FUND III	Real Assets - Opportunistic	\$301,707	\$9,944,751	3.03%	OAKTREE FUND III	Private Equity - Distressed	\$0	\$45,931		
COLUMBUS SQUARE	Real Assets - Core	\$21,608	\$4,075,724	0.53%	OAKTREE FUND IV	Private Equity - Distressed	\$0	\$20,533		
CONTROL ACCOUNT	Cash & Cash Equivalent	\$0	\$15,143,969	0.00%	OAKTREE FUND IX	Private Equity - Distressed	\$119,982	\$4,942,691	2.43%	
CORTINA CAPITAL	Small/Mid Cap Growth	\$257,540	\$53,241,253	0.48%	OAKTREE FUND V	Private Equity - Distressed	\$7,106	\$353,996	2.01%	
ENCAP ENERGY CAPITAL FUND IX	Other	\$97,500	\$1,511,684	6.45%	OAKTREE FUND VI	Private Equity - Distressed	\$15,072	\$520,526	2.90%	
FIRST MARK CAP OPP I	Private Equity -Venture Capital	\$0	\$555,729	0.00%	OAKTREE FUND VII	Private Equity - Distressed	\$33,421	\$1,643,866	2.03%	
FIRST MARK I (FIRSTMARK CAP IV)	Private Equity -Venture Capital	\$68,886	\$15,304,706	0.45%	OAKTREE FUND VIIb	Private Equity - Distressed	\$21,307	\$1,582,526	1.35%	
FIRST MARK II (FIRSTMARK CAP V)	Private Equity -Venture Capital	\$86,021	\$3,333,100	2.58%	OAKTREE FUND VIII	Private Equity - Distressed	\$69,436	\$5,891,891	1.18%	
FIRSTMARK CAP II	Private Equity -Venture Capital	\$0	\$43,502	0.00%	OK INVEST	Cash	\$0	\$21,461,206		
FIRSTMARK CAP III	Private Equity -Venture Capital	\$77,592	\$221,599	35.01%	PAAMCO/ NEW PORT MESA, LLC	Low Volatility	\$1,569,947	\$190,452,603	0.82%	
GRESHAM INV.	Real Assets - Commodities	\$182,216	\$68,974,153	0.26%	PEAK PARTNERS, L.P.	Real Assets - Commodities	\$267,228	\$26,375,628	1.01%	
GROSVENOR (hedge Fund)	Long/Short Equity	\$1,410,727	\$172,050,370	0.82%	SIGULER GUFF	Private Equity - Distressed	\$16,009	\$1,950,269	0.82%	
GROSVENOR B (hedge Fund)	Long/Short Equity	\$0	\$101,870,941		SIGULER GUFF II (E)	Private Equity - Distressed	\$58,535	\$4,345,158	1.35%	
HALL CAPITAL III	Real Estate	\$0	\$687,683	0.00%	SIGULER GUFF III	Private Equity - Distressed	\$112,079	\$10,073,976	1.11%	
HM CAPITAL SECTOR	Private Equity - Buyout	\$0	\$152,821		SIGULER GUFF RE II	Real Assets - Opportunistic	\$133,767	\$3,400,000	3.93%	
JP MORGAN	Real Assets - Core	\$696,494	\$74,524,663	0.93%	SIGULER GUFF RE I	Real Assets - Opportunistic	\$100,000	\$8,977,206	1.11%	
KNIGHTSBRIDGE V.C. VI	Private Equity -Venture Capital	\$84,000	\$11,804,401	0.71%	SUN CAPITAL	Private Equity - Buyout	\$0	\$11,369,289		
Asset Allocation Breakdown					TA ASSOC REALTY FUND X	Real Assets - Opportunistic	\$173,396	\$14,614,758	1.19%	
2014 % of Total		2013 % of Total	2014 Securities	2014 Commission	2014 Investment	2014 Custody				
Fund		Fund	Lending Income	Recapture	Consultant Fee	Fee				
Domestic Equity		25.4%	30.9%	\$124,761	\$325,930	\$676,464	\$181,844			
% Active		7.7%	12.0%							
% Passive		17.7%	18.9%							
Domestic Fixed		14.1%	13.9%							
% Active		14.1%	13.9%							
% Passive		0.0%	0.0%							
International Eq		14.0%	13.3%							
% Active		14.0%	13.3%							
% Passive		0.0%	0.0%							
International Fxd		4.1%	4.3%							
% Active		4.3%	4.3%							
% Passive		0.0%	0.0%							
Other*		42.4%	37.6%							
Calendar Year Return		5.1%	16.1%							
					Total	\$10,733,767	\$2,043,737,106	0.53%		

*Includes L/S Equity

OK Law Fee Overview

Manager	Asset Class/Style	2014 Total Annual Fees Paid	Average Monthly MVA's for 2014	Fees (%)	2014 Securities Lending Income	2014 Commission Recapture	2014 Investment Consultant Fee	2014 Custody Fee
COLUMBUS CIRCLE	SMALL CAP EQUITY	\$280,930	\$56,141,667	0.50%	\$224,736	-	\$110,000	\$80,000
HOTCHKIS AND WILEY	LARGE CAP EQUITY	\$703,217	\$82,886,250	0.85%				
KENNEDY CAPITAL	SMALL CAP EQUITY	\$567,088	\$60,697,334	0.93%				
WADDELL AND REED	LARGE CAP EQUITY	\$383,157	\$79,335,833	0.48%				
NORTHERN TRUST	Passive LARGE CAP EQUITY*	\$36,634	\$50,380,083	0.07%				
NORTHERN TRUST	Passive BOND		\$71,123,833	0.00%				
TCW ASSET MNGT	CORE PLUS BOND	\$287,172	\$94,012,667	0.31%				
FRANKLIN TEMPLETON	INTERNATIONAL BOND	\$428,653	\$73,502,000	0.58%				
BARING	INTERNATIONAL EQUITY	\$163,212	\$32,878,500	0.50%				
MONDRIAN	INTERNATIONAL EQUITY	\$190,368	\$42,765,750	0.45%				
VONTOBEL	EMERGING INT	\$257,575	\$29,881,920	0.86%				
WASATCH ADVISORS	EMERGING INT	\$105,374	\$11,110,333	0.95%				
JP MORGAN	REAL ESTATE	\$458,737	\$45,551,833	1.01%				
UBS TRUMBULL	REAL ESTATE	\$136,374	\$14,310,000	0.95%				
GROSVENOR	LONG/SHORT EQUITY	\$641,130	\$85,484,000	0.75%				
PRIVATE EQUITY			\$22,375,000					
Total		4,639,621.05	\$852,437,003	0.54%				

	<u>2014 % of Total Fund</u>	<u>2013 % of Total Fund</u>
Domestic Equity	36.9%	39.5%
% Active	31.7%	32.9%
% Passive	5.2%	6.6%
Fixed Income	27.6%	27.4%
% Active	19.3%	19.2%
% Passive	8.3%	8.2%
Int'l Equity	12.9%	13.7%
% Active	12.9%	13.7%
% Passive	0.0%	0.0%
Other	22.6%	19.3%
Calendar Year Return	6.7%	16.8%

OK Judges & Justices Fee Overview

Manager	Asset Class/Style	2014 Total Annual Fees Paid	Average Monthly MVA's for 2014	Fees (%)	2014 Securities Lending Income	2014 Commission Recapture	2014 Investment Consultant Fee	2014 Custody Fee
BlackRock Financial	Fixed Income- Core	\$37,779	\$46,444,665	0.08%	\$23,083		\$7,501	\$1,190
Hoisington	Fixed Income- Long	\$13,145	\$8,801,425	0.15%				
BlackRock TIPS	Fixed Income- Tips Index	\$1,027	\$8,597,562	0.01%				
MetWest	Fixed Income- Core Plus	\$27,772	\$25,951,216	0.11%				
BlackRock R1000 Index	US Index- Large Cap	\$8,698	\$115,382,288	0.01%				
BlackRock R2000 Index	US Index- Small Cap	\$6,197	\$18,227,583	0.03%				
BlackRock ACWI x-US	ACWI x-US Index	\$35,096	\$71,189,687	0.05%				
Total		\$129,716	\$294,594,426	0.04%				

	2014 % of Total Fund	2013 % of Total Fund
Domestic Equity	46.3%	44.8%
% Active	0.0%	0.0%
% Passive	46.3%	44.8%
Domestic Fixed	30.8%	29.7%
% Active	27.9%	26.8%
% Passive	2.9%	2.9%
Int'l Equity	22.5%	25.0%
% Active	0.0%	0.0%
% Passive	22.5%	25.0%
Other	0.4%	0.4%
Calendar Year Return	7.0%	16.0%

OK Wildlife Fee Overview

Manager	Asset Class/Style	2014 Total Annual Fees Paid	Average Monthly MVA's for 2014	Fees (%)	2014 Securities Lending Income	2014 Commission Recapture	2014 Investment Consultant Fee	2014 Custody Fee
Bank of Oklahoma	Growth Equity	\$27,997	\$15,697,422	0.18%				\$9,670
Bank of Oklahoma	Core Equity	\$14,479	\$8,118,312	0.18%				
Bank of Oklahoma	Value Equity	\$23,412	\$13,127,004	0.18%				
Bank of Oklahoma	Small Cap	\$11,290	\$6,329,861	0.18%				
Bank of Oklahoma	Core Fixed	\$63,045	\$35,348,366	0.18%				
Bank of Oklahoma	Multi Cap	\$12,472	\$6,992,708	0.18%				
Bank of Oklahoma	International Equity	\$11,329	\$6,352,285	0.18%				
Bank of Oklahoma	Alternatives	\$6,495	\$3,641,555	0.18%				
Total		\$170,519	\$95,607,513	0.18%				

Asset Allocation Breakdown		
	2014 % of Total	2013 % of Total
	Fund	Fund
Domestic Equity	52.3%	49.6%
% Active	52.3%	49.6%
% Passive	0.0%	0.0%
Domestic Fixed	37.0%	37.4%
% Active	37.0%	37.4%
% Passive	0.0%	0.0%
Int'l Equity	5.8%	6.5%
% Active	5.8%	6.5%
% Passive	0.0%	0.0%
Other	4.9%	3.8%
Calendar Year Return	7.9%	15.5%

Appendix



Where:

- **BF** = **Base Fee, a substantial discount from the normal fee**
- **PF** = **Performance Fee**
- **NF** = **Normal Fee, manager's standard fee schedule for public fund**
- **RER** = **Required Excess Return, the premium to be earned above the benchmark or market rate of return to earn the normal fee**
- **PR** = **Portfolio Return**
- **MR** = **Benchmark, the market or other index return which represents the minimum performance standard**

$$(NF - BF) / (RER) \times (PR - MR - BF)$$

- (The Maximum Fee should be symmetrically balanced, i.e., the sum of the BF and the PF should equal the BF plus two times the sum of the NF minus the BF. In no event can the MF (PF plus the BF) exceed the BF plus two times the sum of the NF minus the BF)
- For the initial three quarters, the manager will receive a fee equal to the Base Fee. After the end of the fourth quarter under management an annualized fee calculation will be computed to award a performance fee due to the initial twelve-month period. If the Agreement is extended for the fifth through twelfth quarters, the annualized performance fee calculation will be made each quarter on a cumulative, annualized, basis. Thereafter, the performance fee calculation will be based on the cumulative, annualized returns for the immediately preceding twelve quarters.