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## Oklahoma State Pension Commission

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### Calendar Year 2015 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

## Private Equity/Hedge Fund Fee Overview

**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 2014 to 2015 – Using Monthly Average of Market Values

### 2015 FEES

	TEACHERS	PERS	FIRE	POLICE	LAW	JUDGES	WILDLIFE	Total
Total Average 2015 Market Values	\$13,881,907,405	\$8,510,287,049	\$2,218,638,870	\$2,197,496,324	\$848,632,166	\$296,710,041	\$97,595,071	<b>\$28,051,266,926</b>
Custody Fee	\$50,000	\$38,924	\$251,972	\$182,571	\$101,000	\$1,076	\$9,839	<b>\$635,382</b>
Securities Lending Income	(\$8,265,907)	(\$2,638,263)	(\$903,560)	\$0	(\$212,244)	\$0	\$0	<b>(\$12,019,973)</b>
Commission Recapture	(\$2,635,625)	(\$67,231)	(\$85,007)	(\$263,840)	\$0	\$0	\$0	<b>(\$3,051,702)</b>
Sub-Total (Custody - Net)	<b>(\$10,851,532)</b>	<b>(\$2,666,570)</b>	<b>(\$736,594)</b>	<b>(\$81,269)</b>	<b>(\$111,244)</b>	<b>\$1,076</b>	<b>\$9,839</b>	<b>(\$14,436,293)</b>
Investment Manager Fees (\$)	\$58,698,381	\$11,349,644	\$12,694,080	\$12,087,165	\$4,691,702	\$127,131	\$174,646	<b>\$99,822,750</b>
Investment Manager Fees (%)	0.42%	0.13%	0.57%	0.55%	0.55%	0.04%	0.18%	<b>0.36%</b>
Percent Passively Managed	9.2%	46.5%	22.5%	17.2%	13.5%	70.3%	10.6%	<b>27.1%</b>
Total Investment Return	<b>-2.9%</b>	<b>-0.8%</b>	2.1%	1.0%	<b>-0.4%</b>	<b>-1.1%</b>	0.1%	<b>-1.5%</b>
Sub-Total Manager Fees	\$58,698,381	\$11,349,644	\$12,694,080	\$12,087,165	\$4,691,702	\$127,131	\$174,646	<b>\$99,822,750</b>
Investment Consultant Fee (\$)	\$1,062,000	\$272,466	\$270,000	\$650,000	\$110,000	\$7,534	\$0	<b>\$2,372,000</b>
Investment Consultant Fee (%)	0.01%	0.003%	0.01%	0.03%	0.01%	0.003%	0%	<b>0.01%</b>
<b>Total Fee (\$)</b>	<b>\$48,908,850</b>	<b>\$8,955,540</b>	<b>\$12,227,486</b>	<b>\$12,655,896</b>	<b>\$4,690,459</b>	<b>\$135,741</b>	<b>\$184,485</b>	<b>\$87,758,457</b>
<b>Total Fee (%)</b>	<b>0.35%</b>	<b>0.11%</b>	<b>0.55%</b>	<b>0.58%</b>	<b>0.55%</b>	<b>0.05%</b>	<b>0.19%</b>	<b>0.31%</b>

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



# OK Teachers Fee Overview

Manager	Asset Class/Style	2015 Total Annual Fees Paid	Average Monthly Market Value of Assets for 2015	Fees (%)	2015 Securities Lending Income	2015 Commission Recapture	2015 Investment Consultant Fee	2015 Custody Fee
Advisory Research, Inc.	All Cap Domestic Equity	\$1,249,029	\$471,894,867	0.26%	\$8,265,907	\$2,635,625	\$1,062,000	\$50,000
Advisory Research, Inc.	Small Cap International Equity	\$1,208,733	\$193,084,291	0.63%				
Advisory Research/FAMCO MLP	Master Limited Partnerships	\$1,343,701	\$314,261,746	0.43%				
AEW	Core Real Estate	\$1,977,454	\$227,945,064	0.87%				
American Realty	Non-Core Real Estate	\$175,568	\$13,022,544	1.35%				
Antheus	Non-Core Real Estate	\$806,249	\$18,360,824	4.39%				
Aronson Johnson Ortiz (AJO)	Mid Cap Domestic Equity	\$1,149,347	\$565,305,794	0.20%				
Causeway Capital Management LLC	Large Cap International Equity	\$1,689,805	\$527,396,526	0.32%				
Chickasaw Capital Management, LLC	Master Limited Partnerships	\$2,175,703	\$354,967,460	0.61%				
Cove Street Capital	Small Cap Domestic Equity	\$739,082	\$107,168,916	0.69%				
Cushing	Master Limited Partnerships	\$1,486,871	\$340,382,136	0.44%				
Dune	Non-Core Real Estate	\$598,916	\$18,338,530	3.27%				
Epoch	All Cap Domestic Equity	\$2,152,531	\$505,661,514	0.43%				
Epoch	Small Cap International Equity	\$1,461,713	\$203,313,738	0.72%				
Franklin Park	Private Equity - Legacy	\$183,902	\$55,558,355	0.33%				
Franklin Park	Private Equity	\$3,606,409	\$448,608,168	0.80%				
Frontier Capital Management	Small Cap Domestic	\$1,461,978	\$163,041,134	0.90%				
Frontier Capital Management	Mid Cap Domestic Equity	\$2,963,814	\$551,406,954	0.54%				
Geneva Capital Management LTD	Small Cap Domestic Equity	\$1,473,667	\$211,330,820	0.70%				
GreenOak	Non-Core Real Estate	\$420,461	\$13,727,495	3.06%				
Heitman	Core Real Estate	\$1,802,263	\$232,946,416	0.77%				
Hoisington	Core + Fixed Income	\$460,759	\$327,578,747	0.14%				
Hotchkis & Wiley	Large Cap Domestic Equity	\$1,692,210	\$604,309,411	0.28%				
Hotchkis & Wiley	Mid Cap Domestic Equity	\$2,507,652	\$478,637,483	0.52%				
L&B	Core Real Estate	\$950,945	\$224,247,299	0.42%				
L&B	Non-Core Real Estate	\$49,998	\$9,280,116	0.54%				
Landmark	Non-Core Real Estate	\$350,000	\$4,655,992	7.52%				
Loomis Sayles	Core + Fixed Income	\$694,559	\$615,574,386	0.11%				
Loomis Sayles	High Yield Fixed Income	\$1,234,096	\$256,583,684	0.48%				
Lord Abbett	Core + Fixed Income	\$1,018,482	\$618,421,079	0.16%				
Lord Abbett	High Yield Fixed Income	\$968,035	\$262,004,105	0.37%				
Mackay Shields	Core + Fixed Income	\$650,726	\$609,097,985	0.11%				
Mackay Shields	High Yield Fixed Income	\$579,498	\$259,825,127	0.22%				
Neumeier Poma Investments	Small Cap Domestic Equity	\$822,834	\$127,689,340	0.64%				
Northern Trust	Passive Domestic Equity	\$50,000	\$303,415,613	0.02%				
Northern Trust	Large Cap International Equity	\$255,809	\$877,409,533	0.03%				
PIMCO	BRAVO I	\$693,653	\$68,332,526	1.02%				
PIMCO	BRAVO II	\$1,397,341	\$94,608,658	1.48%				
Sawgrass Asset Management	Large Cap Domestic Equity	\$1,889,437	\$572,901,406	0.33%				
Shapiro Capital Management	Small Cap Domestic Equity	\$5,098,406	\$626,624,341	0.81%				
Starwood	Non-Core Real Estate	*\$492,738	\$30,857	NM*				
State Street Global Advisors	Passive Domestic Equity	\$88,837	\$299,566,382	0.03%				
Wasatch Advisors	Small Cap International Equity	\$1,766,530	\$207,524,395	0.85%				
Wasatch Advisors	Small Cap Domestic Equity	\$1,746,603	\$203,962,581	0.86%				
Wellington Management	Small Cap International Equity	\$1,478,870	\$213,201,511	0.69%				
Wellington Management	Mid Cap Domestic Equity	\$2,125,905	\$478,701,558	0.44%				
<b>Total</b>		<b>\$58,698,381</b>	<b>\$13,881,907,405</b>	<b>0.42%</b>				

Asset Allocation Breakdown		
	2015 % of Total Fund	2014 % of Total Fund
<b>Domestic Equity</b>	<b>44.1%</b>	<b>46.4%</b>
% Active	41.1%	40.9%
% Passive	3.0%	5.5%
<b>Domestic Fixed</b>	<b>21.6%</b>	<b>20.9%</b>
% Active	21.6%	20.9%
% Passive	0.0%	0.0%
<b>International Eq</b>	<b>16.3%</b>	<b>15.4%</b>
% Active	10.1%	9.3%
% Passive	6.2%	6.1%
<b>Global Fixed</b>	<b>0.0%</b>	<b>0.0%</b>
% Active	0.0%	0.0%
% Passive	0.0%	0.0%
<b>Other</b>	<b>17.9%</b>	<b>17.3%</b>
<b>Calendar Year Return</b>	<b>-2.9%</b>	<b>8.1%</b>

## OK PERS Fee Overview

Manager	Asset Class/Style	2015 Total Annual Fees Paid	Average Monthly Market Value of Assets for 2015	Fees (%)	2015 Securities Lending Income	2015 Commission Recapture	2015 Investment Consultant Fee	2015 Custody Fee
BlackRock Financial	Constrained Core	\$1,090,178	\$1,355,952,876	0.08%	\$2,638,263	\$67,231	\$272,466	\$38,924
Hoisington	Interest Rate Sensitive	\$388,656	\$261,020,691	0.15%				
BlackRock TIPS	Interest Rate Sensitive	\$28,457	\$238,272,838	0.01%				
MetWest	Core Plus	\$774,875	\$764,921,669	0.10%				
Mondrian	International Equity Value	\$1,892,737	\$521,940,429	0.36%				
Baillie Gifford	International Equity Growth	\$899,678	\$271,503,319	0.33%				
BlackRock ACWI x-US Growth	International Equity Growth	\$141,535	\$277,521,669	0.05%				
BlackRock ACWI x-US	International Equity	\$437,767	\$887,969,349	0.05%				
BlackRock R1000 Index	US Equity Large Cap	\$140,630	\$1,861,086,757	0.01%				
BlackRock R1000 Growth Index	US Equity Large Cap	\$15,386	\$226,259,967	0.01%				
Mellon	US Equity Large Cap	\$125,000	\$515,174,643	0.02%				
SSgA	US Equity Large Cap	\$152,937	\$517,875,942	0.03%				
AJO	US Equity Large Cap	\$961,295	\$238,514,551	0.40%				
UBS	US Equity Small Cap	\$1,959,548	\$199,844,672	0.98%				
Barrow Hanley	US Equity Small Cap	\$1,011,478	\$192,396,403	0.53%				
DRZ	US Equity Small Cap	\$1,329,488	\$167,731,274	0.79%				
Price Edwards/Grand Centre	Property Management	\$0	\$12,300,000	0.00%				
<b>Total</b>		<b>\$11,349,644</b>	<b>\$8,510,287,049</b>	<b>0.13%</b>				

Asset Allocation Breakdown		
	2014 % of Total Fund	2014 % of Total Fund
<b>Domestic Equity</b>	<b>45.7%</b>	<b>46.7%</b>
% Active	15.3%	15.5%
% Passive	30.4%	31.2%
<b>Domestic Fixed</b>	<b>31.5%</b>	<b>30.4%</b>
% Active	28.7%	27.6%
% Passive	2.8%	2.8%
<b>Int'l Equity</b>	<b>22.4%</b>	<b>22.6%</b>
% Active	9.1%	12.3%
% Passive	13.3%	10.3%
<b>Other</b>	<b>0.4%</b>	<b>0.3%</b>
<b>Calendar Year Return</b>	<b>-0.8%</b>	<b>7.3%</b>

\*Baillie Gifford entered portfolio in Sept 2013

# OK Firefighters Fee Overview

Manager	Asset Class/Style	2015 Total Annual Fees Paid	Average Monthly MVA's for 2015	Fees (%)	2015 Securities Lending Income	2015 Commission Recapture	2015 Investment Consultant Fee	2015 Custody Fee
ALLIANZ GLOBAL INVESTORS DMAP (NEW - 7/1/15)	OTHER FIXED INCOME	\$71,013	\$49,097,000	0.14%	\$903,560	\$85,007	\$270,000	\$251,972
ANGELO GORDON NET LEASE REALTY III LP	REAL ESTATE	\$241,965	\$6,327,170	3.82%				
ARDIAN	PRIVATE EQUITY SECONDARIES	\$400,000	\$15,401,670	2.60%				
ARONSON+ PARTNERS	LARGE CAP VALUE	\$311,980	\$87,245,330	0.36%				
ARTIO GLOBAL MANAGEMENT LLC	REMNANT	\$0	\$30,420	0.00%				
AZUL HOLDCO	REMNANT	\$0	\$1,103,000	0.00%				
BRANDYWINE GLOBAL FIXED	GLOBAL FIXED INCOME	\$823,405	\$139,532,330	0.59%				
CAPITAL DYNAMICS GLOBAL SECONDARIES IV LP	PRIVATE EQUITY SECONDARIES	\$427,500	\$24,683,250	1.73%				
CHAUTAUQUA INT EQUITY	INTERNATIONAL EQUITY	\$658,520	\$88,016,420	0.75%				
CLARIVEST EM EQUITY	EMERGING MARKETS	\$373,840	\$46,437,580	0.81%				
DUNE REAL ESTATE FUND III	REAL ESTATE	\$278,565	\$9,792,420	2.84%				
EARNEST PARTNERS	SMALL CAP VALUE	\$1,023,063	\$65,109,670	1.57%				
ENHANCED INVESTMENT TECHNOLOGIES	LARGE CAP CORE	\$589,872	\$144,861,580	0.41%				
FRED ALGER MANAGEMENT, INC.	LARGE CAP GROWTH	\$964,302	\$186,122,170	0.52%				
GARCIA HAMILTON & ASSOCIATES, LP	BONDS	\$103,031	\$52,228,420	0.20%				
GARRISON MIDDLE MKT FUNDING LP	OTHER FIXED INCOME	\$541,759	\$39,476,500	1.37%				
HALL CAPITAL III LP	REAL ESTATE	\$46,339	\$2,125,750	2.18%				
HERNDON CAPITAL (TERMINATED)	LARGE CAP VALUE	\$130,312	\$75,769,000	0.17%				
INTERNAL CASH ACCOUNT	CASH	\$0	\$12,002,580	0.00%				
JACKSON SQUARE PARTNERS(FORMERLY DELAWARE)	SMALL CAP GROWTH	\$392,132	\$69,448,250	0.56%				
JP MORGAN RE	REAL ESTATE	\$1,062,666	\$121,769,500	0.87%				
JPMCB SPECIAL SITUA PROP FUND	REAL ESTATE	\$577,554	\$45,956,330	1.26%				
LANDMARK RE VII	REAL ESTATE	\$245,275	\$2,738,170	8.96%				
LORD ABBETT	SMALL CAP GROWTH	\$406,548	\$64,531,330	0.63%				
MEDLEY OPPORTUNITY FUND II LP	OTHER FIXED INCOME	\$452,466	\$42,628,830	1.06%				
MESIROW	REAL ESTATE	\$237,500	\$7,025,250	3.38%				
ORLEANS CAPITAL MANAGEMENT	BONDS	\$37,849	\$25,464,920	0.15%				
PERMAL FUND LLC (NEW - 6/1/15)	HEDGE FUND	\$222,833	\$74,241,570	0.30%				
POMONA CAPITAL FUND VIII	PRIVATE EQUITY SECONDARIES	\$500,000	\$15,093,080	3.31%				
PORTFOLIO ADV REAL ESTATE FD III	REAL ESTATE	\$386,225	\$11,271,920	3.43%				
PORTFOLIO ADV REAL ESTATE FD IV	REAL ESTATE		\$6,212,670	0.00%				
PORTFOLIO ADV REAL ESTATE FD V	REAL ESTATE		\$11,989,830	0.00%				
PRIVATE ADVISORS	LOW VOLATILITY HEDGE FUND	\$369,456	\$73,982,580	0.50%				
RIVER ROAD ASSET MGMT	SMALL CAP VALUE	\$453,814	\$63,016,830	0.72%				
SSGA EQUITY S&P FLAGSHIP	INDEXES	\$162,063	\$138,583,170	0.12%				
SSGA LEHMAN IM	INDEXES		\$47,431,170	0.00%				
SSGA MSCI ACWI US NONLENDING (LIQUIDATED TO F	INDEXES		\$86,033,800	0.00%				
SSGA NL FIXED INCOME FUND	INDEXES		\$47,621,170	0.00%				
SSGA RUSSELL SMCAP COMPLETE NL	INDEXES		\$58,449,080	0.00%				
SSGA S&P 500 EQUAL WEIGHT CTF	INDEXES		\$138,982,330	0.00%				
TA ASSOCIATES REALTY FUND VII	REAL ESTATE	\$202,236	\$12,016,750	1.68%				
TA REALTY ASSOCIATES IX CORP	REAL ESTATE		\$8,712,750	0.00%				
THORNBURG INVESTMENT MGMT	REMNANT	\$0	\$75,330	0.00%				
WASATCH EM EQUITY	EMERGING MARKETS	\$204,966	\$22,244,920	0.92%				
WCM INT EQTY	INTERNATIONAL EQUITY	\$1,180,291	\$92,070,250	1.28%				
<b>Total</b>		<b>\$12,694,080</b>	<b>\$2,218,638,870</b>	<b>0.57%</b>				

2015 Securities Lending Income	\$903,560
2015 Commission Recapture	\$85,007
2015 Investment Consultant Fee	\$270,000
2015 Custody Fee	\$251,972



# OK Police Fee Overview

Manager	Asset Class/Style	2015 Total Annual Fees Paid	Average Monthly MVA's for 2015	Fees (%)	Manager	Asset Class	2015 Total Annual Fees Paid	Average Monthly MVA's for 2015	Fees (%)
ACCEL	Private Equity -Venture Capital	NC	\$5,408,676		KNIGHTBRIDGE	Private Equity - Distressed	\$83,381	\$11,058,450	0.75%
ACTIS GLOBAL 4	Private Equity - Emerging Markets Focused	\$135,000	\$3,572,131	3.78%	LEVINE LEICHTMAN III	Private Equity - Buyout	NC	\$4,629,270	
AGINCOURT	Global Fixed Income - Core	\$291,764	\$154,831,078	0.19%	LEVINE LEICHTMAN IV	Private Equity - Buyout	\$59,820	\$4,912,759	1.22%
APOLLO FUND VIII	Private Equity - Buyout	\$66,194	\$1,401,131	4.72%	LEXINGTON CAPITAL PARTNERS VI-B	Private Equity - Fund of Funds	\$105,024	\$7,887,471	1.33%
ARCLIGHT ENERGY	Other	\$28,125	\$1,501,863	1.87%	LIGHTSPEED VENTURE PARTNERS VI	Private Equity -Venture Capital	NC	\$906,443	
ARSENAL I	Private Equity - Buyout	N/C	\$259,058		LOOMIS SAYLES	Global Fixed Income	\$295,501	\$88,103,433	0.34%
ARSENAL II	Private Equity - Buyout	\$12,710	\$12,886,750	0.10%	MARATHON V	Private Equity - Distressed	\$58,111	\$1,815,439	3.20%
ARSENAL III	Private Equity - Buyout	\$115,822	\$5,686,983	2.04%	MIDTOWN FUND III	Private Equity -Venture Capital	NC	\$632,220	
BARING FOCUSED INTERNATIONAL EQUITY	International Equity	\$387,618	\$96,903,897	0.40%	MONDRIAN INVESTMENT	International Equity	\$539,766	\$119,681,196	0.45%
BLACKSTONE PROPERTY	Core Real Estate	\$195,451	\$19,686,472	0.99%	NEWSTONE CAPITAL	Private Equity - Mezzanine	\$5,932	\$429,708	1.38%
BOSTON PARTNERS	Domestic Equity/Small-Mid Cap Value	\$551,070	\$92,127,152	0.60%	NEWSTONE CAPITAL Fund II	Private Equity - Mezzanine	\$98,438	\$2,996,763	3.28%
CALERA III (Semi Annual)	Private Equity - Buyout	NC	\$3,986,825		NT- RUSSELL 1000 INDEX	Domestic Equity/Large Cap	\$38,731	\$390,160,721	0.01%
CALERA IV (Semi Annual)	Private Equity - Buyout	\$84,534	\$5,518,111	1.53%	OAKTREE CAPITAL TRUST	Global Fixed Income	\$684,955	\$137,074,017	0.50%
CENTER OAK EQUITY I	Private Equity - Buyout	\$110,821	\$21,769	509%	OAKTREE EUROPEAN DISLOCATION	Private Equity - Distressed	\$34,858	\$2,122,095	1.64%
CERBERUS FUND III	Real Assets - Opportunistic	\$281,671	\$20,405,685	1.38%	OAKTREE FUND III	Private Equity - Distressed	NC	\$63,713	
COLUMBUS SQUARE	Real Assets - Core	\$22,751	\$4,213,081	0.54%	OAKTREE FUND IV	Private Equity - Distressed	NC	\$28,316	
CONTROL ACCOUNT	Cash & Cash Equivalent	NC	\$8,446,790		OAKTREE FUND IX	Private Equity - Distressed	\$120,000	\$6,942,334	1.73%
CORTINA CAPITAL	Small/Mid Cap Growth	\$604,336	\$65,605,970	0.92%	OAKTREE FUND V	Private Equity - Distressed	\$2,318	\$236,448	0.98%
ENCAP ENERGY CAP X	Other	\$90,313	\$287,767	31.38%	OAKTREE FUND VI	Private Equity - Distressed	\$10,911	\$295,375	3.69%
ENCAP ENERGY CAPITAL FUND IX	Other	\$55,741	\$3,134,299	1.78%	OAKTREE FUND VII	Private Equity - Distressed	\$30,687	\$1,264,966	2.43%
FIRST MARK CAP II Liquidating	Private Equity -Venture Capital	NC	\$46,300		OAKTREE FUND VIIb	Private Equity - Distressed	\$15,389	\$939,718	1.64%
FIRST MARK CAP III	Private Equity -Venture Capital	\$89,486	\$1,039,269	8.61%	OAKTREE FUND VIII	Private Equity - Distressed	\$52,555	\$4,341,999	1.21%
FIRST MARK CAP OPP I	Private Equity -Venture Capital	\$2,756	\$1,360,787	0.20%	OAKTREE FUND X	Private Equity - Distressed	\$5,784	\$833,564	0.69%
FIRST MARK I (FIRSTMARK CAP IV)	Private Equity -Venture Capital	\$58,886	\$22,471,469	0.26%	OVERSEAS CAP PARTNERS	Private Equity - Distressed	NC	\$708,468	
FIRST MARK II (FIRSTMARK CAP V)	Private Equity -Venture Capital	\$91,716	\$4,322,220	2.12%	PAAMCO/ NEW PORT MESA, LLC	Low Volatility	\$1,710,342	\$189,878,571	0.90%
FRANCISCO	Private Equity -Venture Capital	\$64,316	\$1,687,295	3.81%	PEAK PARTNERS, L.P.	Real Assets - Commodities	\$317,772	\$31,688,012	1.00%
GRESHAM INV.	Real Assets - Commodities	\$184,128	\$54,504,268	0.34%	SIGULER GUFF I	Private Equity - Distressed	\$15,244	\$1,355,664	1.12%
GROSVENOR (hedge Fund) CLASS B	Long/Short Equity	NC	\$119,196,793		SIGULER GUFF II (E)	Private Equity - Distressed	\$43,901	\$2,990,125	1.47%
GROSVENOR B (hedge Fund) CLASS A	Long/Short Equity	\$1,462,431	\$182,469,884	0.80%	SIGULER GUFF III	Real Assets - Opportunistic	\$89,663	\$7,185,298	1.25%
HALL CAPITAL III	Real Estate	\$17,823	\$1,065,469	1.67%	SIGULER GUFF RE I	Private Equity - Distressed	\$100,000	\$9,192,186	1.09%
JP MORGAN	Real Assets - Core	\$907,641	\$89,605,538	1.01%	SIGULER GUFF RE II	Real Assets - Opportunistic	\$100,000	\$4,080,758	2.45%
					SUN CAPITAL	Private Equity - Buyout	NC	\$11,398,670	
					TA ASSOC REALTY FUND X	Real Assets - Opportunistic	\$206,935	\$20,528,380	1.01%
					TCW/CRESCENT MEZZ L.P. III	Private Equity - Mezzanine	NC	\$699,999	
					TCW/CRESCENT MEZZ L.P. IV	Private Equity - Mezzanine	\$26,565	\$1,189,772	2.23%
					TCW/CRESCENT MEZZ L.P. V	Private Equity - Mezzanine	\$35,240	\$2,920,588	1.21%
					THOMPSON STREET	Private Equity - Buyout	\$70,534	\$4,204,621	1.68%
					THOMPSON STREET III	Private Equity - Buyout	\$150,000	\$5,607,521	2.67%
					VENTURE LENDING & LEASING	Private Equity -Venture Capital	NC	\$391,031	
					VONTOBEL	International Equity	\$572,980	\$66,938,919	0.86%
					WARBURG PINCUS X	Private Equity -Venture Capital	\$30,290	\$10,609,717	0.29%
					WARBURG PINCUS XI	Private Equity -Venture Capital	\$78,411	\$5,770,807	1.36%
					WARBURG PINCUS XII	Private Equity -Venture Capital	\$11,890	\$155,000	7.67%
					WASATCH ADVISOR/COMERICA	International Emerging Market Small	\$229,632	\$31,910,496	0.72%
					WEATHERGAGE VENTURE CAPITAL FUND I	Private Equity -Venture Capital	\$67,500	\$8,430,875	0.80%
					WEATHERGAGE VENTURE CAPITAL FUND II	Private Equity -Venture Capital	\$75,000	\$8,605,576	0.87%
					WEISS, PECK & GREER V	Private Equity -Venture Capital	NC	\$44,074	
					<b>Total</b>		<b>\$12,087,165</b>	<b>\$2,197,496,324</b>	<b>0.55%</b>

2015 Securities Lending Income	2015 Commission Recapture	2015 Investment Consultant Fee	2015 Custody Fee
\$0	\$263,840	\$650,000	\$182,571

## OK Law Fee Overview

Manager	Asset Class/Style	2015 Total Annual Fees Paid	Average Monthly MVA's for 2015	Fees (%)	2015 Securities Lending Income	2015 Commission Recapture	2015 Investment Consultant Fee	2015 Custody Fee
COLUMBUS CIRCLE	SMALL CAP	\$286,118	\$57,041,000	0.50%	\$212,244	\$294,715	\$110,000	\$101,000
HOTCHKIS AND WILEY	LARGE CAP	\$578,147	\$76,604,333	0.75%				
KENNEDY CAPITAL	SMALL CAP	\$557,704	\$59,700,500	0.93%				
WADDELL AND REED	LARGE CAP	\$383,923	\$79,944,000	0.48%				
NORTHERN TRUST	S&P 500	\$34,588	\$42,026,416	0.08%				
NORTHERN TRUST	BOND	(for both accounts)	\$73,449,250					
TCW ASSET MNGT	CORE PLUS BOND	\$303,137	\$97,248,667	0.31%				
FRANKLIN TEMPLETON	INTERNATIONAL BOND	\$427,070	\$72,418,167	0.59%				
BARING	INTERNATIONAL EQUITY	\$267,702	\$33,688,917	0.79%				
MONDRIAN	INTERNATIONAL EQUITY	\$241,097	\$41,662,583	0.58%				
VONTOBEL	EMERGING INT	\$237,450	\$29,221,833	0.81%				
WASATCH ADVISORS	EMERGING INT	\$101,485	\$10,942,333	0.93%				
JP MORGAN	REAL ESTATE	\$508,869	\$51,138,083	1.00%				
UBS TRUMBELL	REAL ESTATE	\$147,960	\$12,704,417	1.16%				
GROSVENOR	LONG/SHORT EQUITY	\$616,452	\$91,395,750	0.67%				
GRESHAM	COMMODITIES		\$19,445,917	0.00%				
<b>Total</b>		<b>4,691,702.42</b>	<b>\$848,632,166</b>	<b>0.55%</b>				

Asset Allocation Breakdown		
	2015 % of Total Fund	2014 % of Total Fund
<b>Domestic Equity</b>	<b>35.0%</b>	<b>36.9%</b>
% Active	30.1%	31.7%
% Passive	4.9%	5.2%
<b>Fixed Income</b>	<b>28.4%</b>	<b>27.6%</b>
% Active	19.8%	19.3%
% Passive	8.6%	8.3%
<b>Int'l Equity</b>	<b>17.4%</b>	<b>12.9%</b>
% Active	17.4%	12.9%
% Passive	0.0%	0.0%
<b>Other</b>	<b>19.2%</b>	<b>22.6%</b>
<b>Calendar Year Return</b>	<b>-0.4%</b>	<b>6.7%</b>

## OK Judges & Justices Fee Overview

Manager	Asset Class/Style	2015 Total Annual Fees Paid	Average Monthly MVA's for 2015	Fees (%)	2015 Securities Lending Income	2015 Commission Recapture	2015 Investment Consultant Fee	2015 Custody Fee
BlackRock Financial	Constrained Core	\$38,566	\$47,969,889	0.08%	\$0	\$0	\$7,534	\$1,076
Hoisington	Interest Rate Sensitive	\$14,798	\$9,934,801	0.15%				
BlackRock TIPS	Interest Rate Sensitive	\$1,029	\$8,614,858	0.01%				
MetWest	Core Plus	\$23,874	\$26,755,562	0.09%				
BlackRock R1000 Index	US Equity Large Cap	\$8,779	\$116,181,205	0.01%				
BlackRock R2000 Index	US Equity Small Cap	\$6,515	\$19,160,353	0.03%				
BlackRock ACWI x-US	International Equity	\$33,570	\$68,093,373	0.05%				
<b>Total</b>		<b>\$127,131</b>	<b>\$296,710,041</b>	<b>0.04%</b>				

Asset Allocation Breakdown		
	2015 % of Total Fund	2014 % of Total Fund
<b>Domestic Equity</b>	<b>45.2%</b>	<b>46.3%</b>
% Active	0.0%	0.0%
% Passive	45.2%	46.3%
<b>Domestic Fixed</b>	<b>32.1%</b>	<b>30.8%</b>
% Active	29.2%	27.9%
% Passive	2.9%	2.9%
<b>Int'l Equity</b>	<b>22.2%</b>	<b>22.5%</b>
% Active	0.0%	0.0%
% Passive	22.2%	22.5%
<b>Other</b>	<b>0.5%</b>	<b>0.4%</b>
<b>Calendar Year Return</b>	<b>-1.1%</b>	<b>7.0%</b>

## OK Wildlife Fee Overview

Manager	Asset Class/Style	2015 Total Annual Fees Paid	Average Monthly MVA's for 2015	Fees (%)	2015 Securities Lending Income	2015 Commission Recapture	2015 Investment Consultant Fee	2015 Custody Fee
Bank of Oklahoma	Cash/CashEquivalents	\$5,528	\$3,089,151	0.18%	\$	-	\$	\$9,839
Bank of Oklahoma	Individual Equity	\$23,982	\$13,401,535	0.18%				
Bank of Oklahoma	Growth Equity	\$13,685	\$7,647,184	0.18%				
Bank of Oklahoma	Core Equity	\$14,042	\$7,847,105	0.18%				
Bank of Oklahoma	Value Equity	\$9,906	\$5,535,394	0.18%				
Bank of Oklahoma	Small Cap	\$5,434	\$3,036,506	0.18%				
Bank of Oklahoma	Core Fixed	\$64,673	\$36,140,244	0.18%				
Bank of Oklahoma	Multi Cap	\$19,890	\$11,115,047	0.18%				
Bank of Oklahoma	International Equity	\$13,042	\$7,288,090	0.18%				
Bank of Oklahoma	Alternatives	\$4,464	\$2,494,815	0.18%				
	<b>Total</b>	<b>\$174,646</b>	<b>\$97,595,071</b>	<b>0.18%</b>				

Asset Allocation Breakdown		
	2015 % of Total	2014 % of Total
	Fund	Fund
<b>Domestic Equity</b>	<b>50.5%</b>	<b>52.3%</b>
% Active	39.9%	52.3%
% Passive	10.6%	0.0%
<b>Domestic Fixed</b>	<b>37.0%</b>	<b>37.0%</b>
% Active	37.0%	37.0%
% Passive	0.0%	0.0%
<b>Int'l Equity</b>	<b>9.8%</b>	<b>5.8%</b>
% Active	9.8%	5.8%
% Passive	0.0%	0.0%
<b>Other</b>	<b>2.7%</b>	<b>4.9%</b>
<b>Calendar Year Return</b>	<b>0.1%</b>	<b>7.9%</b>



# Appendix



## Performance Fee Formula

### 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.