Dahab Associates, Inc.
Request for Proposal – 2016

Large Cap Growth

Franklin Regional Retirement System

Company Name	Loomis, Sayles & Company, L.P.
Investment Style	Growth
Product Name	Large Cap Growth
Principal Address	One Financial Center, Boston, MA 02111
Telephone Number	617-346-9753
Email Address	john.meyer@loomissayles.com
Individual Completing this RFP	John H. Meyer, VP, CFA, CAIA
Position	Institutional Sales
Mailing Address (if different from above)	Same
Telephone Number (if different from above)	Same
Fax Number	617-350-6007
Date Completed	November 2, 2016

Firm Name	Loomis, Sayles & Company, L.P.

Summary

General Information:

Firm Name	Loomis, Sayles & Company, L.P.
Product Name	Large Cap Growth
City, State of firm's headquarters	Boston, MA
Name of Parent Company, or "Independent"	Boston, MA
Tax-Exempt Assets Under Management	Natixis Global Asset Management, L.P.
Total Assets Under Management	$239.7B
Year Founded	$245.2B
Year Registered	1926
Contact Name	John H. Meyer, VP, CFA, CAIA
Contact Number	617-346-9753
Contact Email	John.meyer@loomissayles.com

Which of the following types of products are available for this search? You may offer multiple product types if you choose. Indicate with an "X." There will be room to elaborate on the product offerings elsewhere in this document.

This selection should indicate that any minimum account sizes for the product are either met or waived for this search.

Separate Account	
Commingled Funds	X
Mutual Fund	

Equity Product Information:

Please provide the following figures for a representative account, with the data as of the end of 3rd Quarter 2016 only.
Do not submit the following data for any other quarter, even if footnoted as such. It is acceptable to submit preliminary data, if necessary.
Only provide statistics for indicated time-periods. **Do not put** "since inception" statistics in lieu of the requested time-period. If statistics for a given time period are not available, leave the response area blank.
All statistics must be **based on quarterly** numbers, never monthly, even when the question isn't explicit in that regard.
All statistics should be made with regard to the following benchmark: **Russell 1000 Growth**
Do not submit statistical data compared to any other benchmark, even if your product is traditionally benchmarked against a different index, **even** if you choose to indicate it as such.

Product Name	Large Cap Growth
Style (Core, Growth, Value) Please answer as to your firm's specific classification of this product.	Growth
Typical Number of Securities Held	30-40
Portfolio Turnover, 12-month rolling (%)	7.25%
P/E of typical portfolio- Estimate	23.17
P/E of typical portfolio- Trailing	23.71
5-year information ratio	3.74%
5-Year Tracking Error	0.82
5-year Upside Capture Ratio	112.25%
5-year Downside Capture Ratio	97.74%
5-year R-squared statistic	0.91
Strategy Inception	7/1/2006
Benchmark Used for Above and below statistics (Must be the required benchmark as indicated)	Russell 1000 Growth Index
Benchmark for product	Russell 1000 Growth Index
Total Assets In This Strategy	$27.4B
Soft/Hard Close Amount for the Strategy	The Large Cap Growth team believes that it can reasonably manage approximately $30 billion in assets, including assets managed in companion mutual funds. We evaluated the average liquidity of the portfolio holdings, the market impact of

trading, and our days-to-trade tolerance to determine this amount. The primary consideration is ensuring that our portfolio manager's ability to effectively execute the strategy is not compromised. We are also highly focused on servicing clients and allowing for adequate room for growth in those accounts, provided such growth is not seen as hindering the investment process.

When the strategy assets approach $28-30 billion, the Loomis Sayles Large Cap Growth strategy will initiate steps designed to slow the growth in strategy assets in an effort to help ensure the team's ability to efficiently manage future cash flow in the best interest of investors. The decision to close the strategy will be dependent in part on prevailing market conditions (e.g., liquidity) as we approach this target level of assets.

	3-Year	5-Year
Alpha	2.80	2.55
Batting Average (% of quarters beating benchmark)	0.50	0.55
Standard Deviation	12.48	12.38
Beta	1.05	1.01

Firm Affiliation

1. Is the firm independent? No.

2. Is the firm registered under the Investment Advisors Act of 1940? Yes.

3. Is the firm minority owned? If so, what percent? No.

4. Is the firm women owned? If so, what percent? No.

5. Is the firm a subsidiary of, or related in any way to:

A brokerage firm	X
Insurance company	
A bank	X
Other	X

6. What is the name of the parent company? Natixis Global Asset Management, L.P.

7. Please provide details of the ownership structure of the firm.

Loomis Sayles & Company, L.P. is structured as a limited partnership. It is a wholly-owned subsidiary of Natixis Global Asset Management, L.P., the US-based subsidiary of Natixis which is based in Paris.

8. If the firm is related in any fashion (financially or otherwise) to any other entity, explain.

Natixis Global Asset Management is headquartered in Boston and has several investment management affiliates and other securities-related firms both in and outside of the U.S. Please see Form ADV for a complete list of U.S. affiliates. In January 2007, Loomis Sayles formed a non-depository trust company in New Hampshire, Loomis Sayles Trust Company, LLC. This trust company serves as trustee to several collective investment vehicles and New Hampshire Investment Trusts.

General Background Information

1. Please indicate the types of accounts that your firm currently manages:

Domestic Equity	X
Fixed Income	X
Balanced	X
International	
Global	X

Socially Conscious	X
Hedge Fund of any type	X
Institutional Mutual Funds	X
Retail Mutual Funds	X

2. Please provide the location and function of each of the firm's offices.

Loomis Sayles is headquartered in Boston, Massachusetts and currently maintains additional offices in Chicago, Illinois; Detroit (Bloomfield Hills), Michigan; Pittsburgh, Pennsylvania; Orinda, California; Washington, DC; Columbus, Ohio; London, England; and Singapore.

Location	**Function**	**Total Employees**
Boston, MA - Headquarters	Portfolio Management, Research, Trading, Quantitative Research Risk Analysis, Administration, Legal & Compliance, Finance, Technology, Operations, Relationship Management	603
Orinda, CA (Includes Hermosa Beach, Pasadena and San Francisco)	Portfolio Management, Research, Trading, Administration, Relationship Management	25
Detroit (Bloomfield Hills), MI	Portfolio Management, Research, Relationship Management	13
London, UK	Research, Trading, Relationship Management	15
Singapore	Research, Relationship Management	9
Washington, DC	Relationship Management	3
Pittsburgh, PA	Relationship Management	1
Chicago, IL	Relationship Management	1
Columbus, OH	Relationship Management	1
Denver, CO	Relationship Management	1
Oregon	Relationship Management	1
Richmond / Middleburg, VA	Relationship Management	2
As of September 30, 2016		675

3. Please give a brief history of the firm.

In January 1926, Robert H. Loomis and Ralph T. Sayles formed a partnership and established Loomis Sayles as an investment management company in Boston, Massachusetts. In 1931, the partnership was liquidated in favor of a corporate structure, designed to reward employees as profits increased. Then in 1968, a majority interest in the firm was sold to New England Mutual Life Insurance Company (later to become New England Financial ("NEF"). After acquiring several other investment management firms, NEF created a holding company in 1993 that served as an umbrella organization for its asset management and distribution subsidiaries and affiliates, named New England Investment Companies (later renamed Nvest Companies, L.P. ("Nvest") in 1999). In 1993, Loomis Sayles restructured as a limited partnership.

In 1996, the Metropolitan Mutual Life Insurance Company ("MetLife") acquired NEF and in so doing acquired a substantial interest in our parent company, Nvest. In 2000, CDC IXIS Asset Management ("CDC IXIS AM") acquired our parent company, Nvest, and changed its name to CDC IXIS Asset Management North America, L.P. ("CDC IXIS AM NA"). In 2004, CDC IXIS AM and CDC IXIS AM NA changed their names to IXIS Asset Management and IXIS Asset Management North America, respectively. In 2006, IXIS Asset Management North America, L.P. became IXIS Asset Management US Group, L.P. On November 17, 2006, IXIS Asset Management Group officially announced that its principal shareholders, the Groupe Caisse d'Epargne and Groupe Banque Populaire, combined their asset management, investment banking, project finance and other banking service businesses to create a new Paris-listed company called Natixis.

The asset management business of Natixis, created from the combination of IXIS Asset Management Group and Natexis Asset Management, finalized its legal organization on June 29, 2007. IXIS Asset Management Group became Natixis Global Asset Management and its principal French asset management affiliate became Natixis Asset Management.

In 2008, Caisse Nationale des Caisses d'Epargne ("CNCE") and Banque Fédérale des Banques Populaires ("BFBP"), the two main shareholders of Natixis, announced their intention to merge to form a single entity. The agreement between the two firms was completed on July 31, 2009. The resulting entity, Groupe BPCE, is the second largest banking group in France and offers the single voice in governance and strategic direction for Natixis. Natixis remains a key holding of the combined banking groups, and NGAM remains a separate, majority-owned subsidiary of Natixis. These changes did not impact the management or operation of Loomis Sayles.

4. When was the firm founded?

1926

5.	When was it registered as an investment advisor?	1940
6.	When did the firm begin to manage tax exempt accounts?	1937

7. Describe the level of error and omission insurance coverage the firm carries.

We purchase insurance policies covering Professional Liability / Errors and Omissions (E&O), Directors' and Officers' Liability (D&O), Worker's Compensation, Commercial General Liability as well as Fidelity and ERISA Bonds. Errors and Omissions insurance coverage protects our firm and clients against investment counselor errors and omissions. Directors' and Officers' Liability insurance provides financial protection for the directors, officers and the corporate entity for any mismanagement of the corporation by the directors / officers, either individually or collectively. Our primary E&O and D&O coverage is with Chartis / National Union Fire Insurance Company in the amount of ten million dollars. We also carry excess E&O and D&O coverage beyond the ten million dollar primary policy up to $175 million on a shared basis with our affiliates.

Fidelity bond insurance protects the client against embezzlement or dishonesty by Loomis Sayles employees, and coverage amounts to a total of $15 million for any client. We have fidelity bond insurance for our firm and a separate policy for our mutual funds. ERISA bond insurance protects ERISA plans against embezzlement and dishonesty by Loomis Sayles employees. ERISA bond coverage for covered accounts is 10% of asset value up to a maximum of $500,000 per plan. Please contact us if further clarification or information is needed.

Loomis Sayles & Company, L.P. Primary Insurance Coverage

Insurance	US $ Amount	Carrier	Carrier Rating	Coverage Period	Deductible
Errors & Omissions	$10 M per claim and policy aggregate for E&O loss (tied to D&O and Fiduciary Liability totaling to $175M)	National Union Fire Insurance Co. of Pittsburgh, PA (AIG) *	AM Best A	9/30/15-9/30/16	$0 per claim for non-indemnifiable claims (Funds & Advisor) $500,000 per claim for indemnifiable claims (Funds) $1M per claim for indemnifiable clai (Advisor) $ per claim for Investigation Claims (Funds & Advisor) $1.5M per claim for Cost of Correcti (Funds & Advisor)
Director's & Officers Liability	$10 M per claim and policy aggregate for E&O loss (tied to E&O and Fiduciary Liability totaling to $175M)	National Union Fire Insurance Co. of Pittsburgh, PA (AIG) *	AM Best A	9/30/15-9/30/16	$0 per claim for non-indemnifiable claims $500,000 per claim for indemnifiable claims
Fidelity Bond	$15 M / $30 M	National Union Fire Insurance Co. of Pittsburgh, PA (AIG)	AM Best A	9/30/15-9/30/16	$100,000 per claim
Fiduciary	$10M per claim and policy aggregate for Fiduciary loss (tied to D&O and E&O totaling $175M)	National Union Fire Insurance Co. of Pittsburgh, PA (AIG)	AM Best A	9/30/15-9/30/16	$0 per claim for non-indemnifiable claims $100,000 per claim for indemnifiable claims
Employment Practice Liability	$10 M	National Union Fire Insurance Co. of Pittsburgh, PA (AIG)	AM Best A	9/30/15-9/30/16	$250,000
ERISA Bond	$500,000/plan * *	Federal Insurance Co. (Chubb) *	AM Best A ++	12/15/15-12/15/16	None
Cyber Liability	$10 M Sub-Limits: Regulatory Action: $5M Event Management: $5M	National Union Fire Insurance Co. of Pittsburgh, PA (AIG) *	AM Best A	9/30/15-9/30/16	$250,000 per claim 10 hour waiting period for business interruption
Excess Cyber Liability	$10M excess of primary $10M policy Regulatory Action: $5M xs $5M Event Management: $5M xs $5M	Federal Insurance Co. (Chubb)	AM Best A++	9/30/15-9/30/16	$250,000 per claim 10 hour waiting period for business interruption

* Primary coverage
* * or $5,000,000 if the plan holds employer securities as defined in ERISA section 407(d)(1), 29 U.S.C. s1107(d)(1)

8. Are you now the subject of a SEC or other regulatory body sanction? If so, explain.

No, we are not the subject of a sanction.

9. Has the firm ever been subject to a SEC or other regulatory body sanction? If so, explain.

No.

10. Discuss, in detail, any litigation brought against the firm in the last five years.

Pending Firm Litigation

The Loomis Sayles Credit Alpha Fund was named as a defendant along with all former shareholders of the Tribune Corporation (the "Company") that received cash in exchange for shares of the Company in a public-to-private leveraged buyout in 2007 (the "LBO"). The Fund received $1,190,000 for the shares it owned at the time of the LBO. Within one year of the LBO, the company filed for Chapter 11 bankruptcy. Pre-bankruptcy bondholders and unsecured creditors seek to recover all amounts paid to the shareholder defendants ("Defendants") in connection with the LBO, with pre-bankruptcy interest, alleging that the LBO constituted a fraudulent conveyance by the Company. The entirety of this litigation, consisting of approximately 40 lawsuits, has been consolidated in federal district court in New York. The Fund is a member of a joint defense group formed by Ropes & Gray, which represents several similarly situated defendants. A settlement offer, which would have involved Defendants agreeing to repay 57.2% of the proceeds received, was rejected on the advice of counsel as premature, at the high end of the range of reasonableness, and not in the best interests of the Fund. In April 2014, the presiding judge ordered Ropes & Gray, on behalf of shareholder defendants (including Loomis) to file a Global Motion to Dismiss. The motion was filed in May 2014. In March 2016, the United States Court of Appeals for the Second Circuit dismissed the plaintiffs' claim of constructive fraudulent conveyance arising under state law. The plaintiffs will likely seek an appeal of this decision to the Supreme Court of the United States. The plaintiff's second claim, for intentional fraudulent conveyance arising under federal law, remains in federal district court.

Past Firm Litigation

In December, 2011, a complaint was filed in the U.S. District Court for the District of Colorado naming Loomis Sayles as a co-defendant along with its affiliate, Natixis Distributors, L.P. The complaint alleged that the use by Loomis Sayles of a name for a mutual fund that it manages, and Natixis distributes, was likely to cause customer confusion, constituted unfair competition, and represented an infringement of a service mark registered by another investment advisor on the Principal Register of the United States Patent and Trademark Office. Loomis Sayles and Natixis entered into a settlement with the Plaintiff on August 3, 2012.

11. Please provide details on the financial condition of the firm.

Loomis Sayles is a financially stable and profitable organization. This financial stability will allow the firm to grow at a managed pace, without compromising existing client service.

12. Provide a breakdown of assets by type of Investment Strategy. (for example, Mid Cap Growth, Core Fixed Income, Emerging Markets, etc.) You may add additional rows to this table as needed.

Investment Strategy	# of Accounts	$ Value
Agency MBS	3	266mm
All Cap Growth	13	2.1B
Alpha Opportunities	1	5mm
Bank Loans	61	6.3B
Concentrated Equity	1	750k
Core Balanced Taxable	3	1mm

Core Balanced Tax-Exempt	1	116k
Core Disciplined Alpha	15	4.6B
Core Equity Taxable	3	2mm
Core Fixed Income	77	7.9B
Core Plus Fixed Income	178	25.3B
Core Plus Full Discretion	72	14.7B
Core Total Return	5	476mm
Corporate Disciplined Alpha	1	1.6B
Corvid Small Cap Core	1	1mm
Credit Asset	45	772mm
Credit Long/Short	3	570mm
Credit Opportunities	3	682mm
Dividend Income	2	35mm
DynamicFI	6	315mm
Emerging Market Debt	19	1.5B
Focused Value	2	69mm
Global Bond	94	17.3B
Global Credit Strategy	33	12.2B
Global Disciplined Alpha	6	1.1B
Global Equity Opps	7	2.5B
Global Growth	5	59mm
Global High Yield	1	314mm
Global High Yield Full Discr	2	289mm
High Grade Corporate Only	4	883mm
High Yield Conservative	42	2.5B
High Yield Full Discretion	120	11.5B
High Yield US	12	3.6B
Inflation Protected	2	40mm
Intermediate Dur FixedIncome	76	4.4B
Investment Grade Corporate	20	1.9B
Investment Grade Securitized	1	233mm
InvGradeIntermediate Corp Bd	16	16.5B
Large Cap Core	14	1.5B
Large Cap Growth	110	27.4B
Large Cap Value	73	3.3B
Long Corp Disciplined Alpha	1	618mm
Long Duration	8	579mm
Long Duration Corporate	21	5.5B
Long Duration Credit	8	3.2B

Long Duration Gov/Credit	18	4.8B
Long Short Equity	2	10mm
Mid Cap Core	6	39mm
Multi Asset Income	13	138mm
Multi-Asset Real Return	1	30mm
Multisector Full Discretion	107	40.9B
Municipal	1	54k
Securitized Credit	1	33mm
Short Duration Fixed Income	32	3.9B
Small Cap Growth	14	2.0B
Small Cap Value	13	1.9B
Small/Mid Cap	67	1.6B
SMID Growth	6	469mm
Strategic Alpha	53	4.4B
World Credit Asset	10	359mm
Grand Total	**1,535**	**245.2B**

13. Please provide a breakdown of the *FIRM'S* accounts & assets in the following table:

	# of Accounts	**$ Value**
Tax Exempt Assets:		
ERISA	315	40.1B
Public	247	38.0B
Taft-Hartley	333	15.6B
Endowment	11	456mm
Foundation	39	1.2B
Religious Order	44	1.7B
Other	311	32.4B
Total Tax-Exempt	1,300	129.5B
Taxable Assets:		
Personal Trusts	30	107mm
Commingled	2	16mm
Other	24	4.8B
Total Taxable	56	4.9B
Mutual Funds:		
Equity	50	26.6B
Fixed Income	129	84.2B
Money Market	-	-

Total Mutual Funds	179	110.8B
Overall Total	1,535	$245.2B

14. Provide a breakdown of the *PRODUCT'S* accounts & assets in the following table:

	# of Accounts	**$ Value**
Tax Exempt Assets:		
ERISA	10	607mm
Public	18	836mm
Taft-Hartley	25	1.3B
Endowment	-	-
Foundation	-	26mm
Religious Order	3	41mm
Other	34	6.5B
Total Tax-Exempt	90	9.9B
Taxable Assets:		
Personal Trusts	-	-
Commingled	-	-
Other	1	24mm
Total Taxable	1	24mm
Mutual Funds:		
Equity	17	17.3B
Fixed Income	-	-
Money Market	-	-
Total Mutual Funds	17	17.3B
Overall Total	108	27.4B

15. What are your firm's plans for growth of these assets?

Over the next five years, we seek to strengthen our role as a solutions provider for our clients by continuing to invest in our macroeconomic and quantitative research capabilities as well as expanding our research footprint overseas. We will continue to heighten client communication, enhance our product offering, and develop new products to help meet the imminent needs of the marketplace. We remain committed to only offer product capabilities that are organized around a small, decisive portfolio management team that are passionate about seeking alpha. We will continue to surround those teams with research and trading personnel that can add insight on a global basis but do not impinge on the teams' investment decision making.

We have continued to grow our assets under management. Senior management has confidence that the firm can sustain double-digit asset growth over the next five years, given (1) our excellent equity and fixed income product offerings, and (2) our far-reaching distribution efforts, including internal resources and our affiliates' resources. We believe this level of growth will allow us to make all needed investments in our products and uphold their high standing. We expect that market action and net new business will share equally in asset growth. As we grow, the firm is committed to effectively leveraging its most important asset, the capacity of its portfolio management teams. The firm has made and will continue to invest in product managers that can serve as portfolio manager surrogates in client-facing activities. Also Loomis Sayles will continue to utilize its trust company to create pooled vehicles that can house below-minimum accounts to ensure the portfolio teams can focus on idea generation and less on trade allocation.

We have devoted significant resources to the following areas:

- **Research** We have a research budget of $92 million for 2016 across our fixed income and equity platforms. This significant investment helps ensure that we can effectively compensate and retain key personnel, and provide access to cutting edge tools and services.
- **Risk Management and Monitoring** We have specialized analytical equity and fixed income groups dedicated to building and enhancing our proprietary risk management / monitoring tools.
- **New Products and Capabilities** New products typically emerge organically, evolving from the research of our dedicated sector teams who focus on identifying value and risk in each segment of the market. Our product teams then construct portfolios by selecting from the ideas and analysis generated by those sector teams. Presently, we see potential growth in emerging markets and alternatives and seek to expand our resources and recruitment in those areas.
- **Compliance** We have adopted an automated compliance system to better control client guideline restrictions. Our legal/compliance team works closely with investment teams to ensure compliance.
- **Communication** We maintain a corporate intranet where investment professionals have access to all research notes in real time. Our proprietary sales/marketing/client service tool (InSite) improves communication internally on client related matters.

16. Are there plans for limiting growth in any of the above areas?

We do not have a specific policy regarding strategy asset limits; rather, a periodic review of account loads and strategy capacity may signal the potential need to close a strategy. Each investment strategy introduces unique dynamics in this regard. The primary consideration is ensuring that our portfolio managers' ability to effectively execute the strategy is not compromised. We are also highly focused on servicing clients and allowing for adequate room for growth in those accounts, provided such growth is not seen as hindering the investment process. In strategies where asset class growth and market liquidity are potential concerns, we keep a close eye on trading impact and capitalize on our research and trading resources to identify additional sources of liquidity as appropriate.

Strategy Capacity- Large Cap Growth

The Large Cap Growth team believes that it can reasonably manage approximately $30 billion in assets, including assets managed in companion mutual funds. We evaluated the average liquidity of the portfolio holdings, the market impact of trading, and our days-to-trade tolerance to determine this amount. The primary consideration is ensuring that our portfolio manager's ability to effectively execute the strategy is not compromised. We are also highly focused on servicing clients and allowing for adequate room for growth in those accounts, provided such growth is not seen as hindering the investment process.

When the strategy assets approach $28-30 billion, the Loomis Sayles Large Cap Growth strategy will initiate steps designed to slow the growth in strategy assets in an effort to ensure the team's ability to efficiently manage future cash flow in the best interest of investors. The decision to close the strategy will be dependent in part on prevailing market conditions (e.g., liquidity) as we approach this target level of assets.

17. How does your firm plan to staff the growth of the firm described above?

Loomis Sayles has a firm-wide staffing plan that is updated regularly. Open positions range from senior investment professionals to junior administrative assistant roles. The firm is continuously looking for ways to add talent to our existing investment capabilities.

Our investment in research is the most important one we make on behalf of our clients. Recent staff growth has been strongest among our research teams. Going forward, the firm will continue to bolster its quantitative research capability and increase resources to support both existing products and new products. We believe successful strategy development, portfolio construction and investment implementation are best achieved through our specialized and disciplined team collaboration. Other staff additions will focus on support for new business in the back office, client service and technology.

Resource Allocation

Our top priority is seeking to produce favorable performance for our clients. As such, we consistently assess resource allocations to ensure best practices using the highest quality tools. Over the past few years, we have invested significantly in our technology systems, compliance infrastructure, and research capabilities. We measure our capacity to handle each task (credits per analyst, accounts per portfolio manager, accounts per client service professional, trades per trader, etc.) to determine each department's ability to meet the demands created by both the existing client base and any expected growth. Our Management Committee, comprised of members of the Board of Directors, makes resource allocation decisions accordingly.

We understand the added demands on our professionals that accompany growth, and therefore closely monitor each manager's client relationships. When growth occurs, management reviews staff levels to ensure a consistent application of the investment process and the highest levels of service. We undertake business planning for our investment strategies in order to anticipate asset growth, staffing needs and future technology enhancements. We carefully monitor trading so that it remains cost effective and positions can be established within a reasonable time period. Senior management continually assesses the capacity of every product to ensure that any growth potential does not negatively impact client performance and we make it a practice to set capacity targets.

18. Give five (5) references for your services.

Brian Meakin, Board Chairman
City of Livonia Employees Retirement System
33000 Civic Center Drive
Livonia, MI 48154-3097
Phone: 734-466-2254
Email: bmeakin@ci.livonia.mi.us
Inception: April 1972

Mr. Leo Griffin
Executive Director
Richmond Retirement System
900 East Broad Street
City Hall, Room 400
Richmond, VA 23219
Phone: 804-646-5835

Email: Leo.Griffin@richmondgov.com
Inception: October 1996

Mr. Roger T. Nagata
Fund Administrator
Hawaii Sheet Metal Workers
1405 North King Street
Room 403
Honolulu, HI 96817
Phone: 808-841-6106
Email: rogern@hawaii.rr.com
Inception: January 2004

William Taylor
Trustee
Pipe Trades District Council No 36 Pension Trust Fund
Suite 101
Fresno, CA 93727
Phone: 209-338-0751
Email: BillT@Local442.com
Inception: January 1996

19.	State the average size of the firm's 5 largest tax-exempt funds.	$3.7B

20. Indicate the number & assets of tax-exempt accounts the *FIRM* gained & lost in each category:

Gained	**2011**		**2012**		**2013**		**2014**		**2015**	
	#	**$**	**#**	**$**	**#**	**$**	**#**	**$**	**#**	**$**
Public	15	$1.6B	15	$1.2B	17	$965mm	14	1.0B	13	$961 mm
ERISA	36	$4.3	24	$1.7B	43	$1.7B	57	4.0B	71	$6.4B
Taft-Hartley	23	$243mm	33	$403mm	30	$653mm	28	876mm	38	$2.1B
Endowment	24	$523mm	14	$207mm	11	$368mm	6	96mm	6	$78mm
Foundation	0	0	0	0	0	0	0	0	0	0
Religious Order	7	$357mm	1	$10mm	11	$300mm	5	247mm	1	$65mm
Other	25	$1.2B	42	$3.4B	30	$4.1B	46	5.1B	59	$8.3B
Total	130	$8.2B	129	$7.0B	142	$8.1B	156	11.2B	188	$19.2 B

Lost	2011		2012		2013		2014		2015	
	#	$	#	$	#	$	#	$	#	$
Public	19	$1.1B	4	$145mm	6	$798mm	12	1.6B	15	$1.3B
ERISA	30	$1.8B	25	$1.5B	22	$319mm	31	1.0B	33	$2.6B
Taft-Hartley	15	$255mm	15	$270mm	10	$213mm	6	114mm	12	$309 mm
Endowment	37	$454mm	9	$79mm	18	$209mm	18	254mm	12	$82mm
Foundation	0	0	0	0	0	0	0	0	0	0
Religious Order	4	$29mm	3	$26mm	1	$10mm	7	118mm	2	$54mm
Other	54	$849mm	27	$1.6B	16	$441mm	20	600mm	48	$1.2B
Total	159	$4.5B	83	$3.7B	73	$2.0B	94	3.8B	122	$5.5B

21. Please discuss any unusually large number of accounts or assets lost.

An asset management firm of our size expects to experience a certain level of account losses as clients' objectives change with time, accounts are drawn down, funds are consolidated and assets are reallocated. The data above represents all firm wide accounts gained and lost.

22. Indicate the number & assets of tax-exempt accounts the *PRODUCT* gained & lost:

Gained	2011		2012		2013		2014		2015	
	#	$	#	$	#	$	#	$	#	$
Public	0	0	0	0	4	$81mm	5	$447mm	1	$2mm
ERISA	0	0	1	$40mm	1	$31mm	5	$365mm	6	$106mm
Taft-Hartley	0	0	0	0	3	$232mm	8	$168mm	5	$165mm
Endowment	0	0	0	0	1	$10mm	1	$15mm	2	$10mm
Foundation	-	-	-	-	-	-	-	-	-	-
Religious Order	0	0	0	0	0	0	1	$16mm	0	0
Other	1	$64mm	4	$12mm	6	$2.8B	15	$1.41B	12	$2.1B
Total	1	$64mm	5	$52mm	15	$3.2B	35	$2.7B	26	$2.4B

Lost	2011		2012		2013		2014		2015	
	#	$	#	$	#	$	#	$	#	$
Public	0	0	0	0	0	0	2	$11mm	0	0
ERISA	0	0	0	0	0	0	0	0	0	0
Taft-Hartley	0	0	0	0	0	0	0	0	0	0
Endowment	0	0	0	0	0	0	0	0	0	0
Foundation	-	-	-	-	-	-	-	-	0	0
Religious Order	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	1	$68mm	4	$99mm
Total	0	0	0	0	0	0	3	$79mm	4	$99mm

23. For the *PRODUCT*, please discuss any unusually large # of accounts or assets lost.

2015 LCG Lost Accounts: One account ($47 mil) was a corporate foundation where a new CEO reprioritized fund objectives and shifted assets to less liquid asset classes. One account ($14 mil) was a wrap account serviced by our affiliate Natixis. This account's assets, and additional assets, transferred to a new Large Cap Growth wrap account, where the team is now providing a model portfolio directly to the client. The third account was a wrap account with a small asset value of less than $200,000. The fourth account is a sub-advised mutual fund ($38 mil) that amicably resigned all accounts with Loomis Sayles due to distribution agreements.

2014 LCG Lost Accounts: One account ($68 mil) transferred internally at Loomis Sayles from our Large Cap Growth product into our All Cap Growth product, which is also managed by the Large Cap Growth Team. The other two accounts ($11 mil combined AUM) represents one client. The accounts closed due to a change in asset allocation.

In the following table, list the 5 clients (or all clients, if fewer than 5 in the strategy) with the most invested in the product (including clients that aren't included in the composite), and the requested details.

If the client is public (or you may disclose its name) please do. Otherwise state the type of client (e.g. Taft-Hartley, Foundation, Sub-Advisory, Mutual Fund, etc.).

For Vehicle, potential choices would include (but aren't limited to) Separate Account, Commingled Fund, CIT, Mutual Fund, etc.

	Client Name or Type	$ Invested	State (or Nation)	Investment Year	Vehicle	Included In Composite?
1	SMA/Wrap Account	$4,985M	USA	2010	Model Delivery	No
2	Sub-Advisory Client	$3,829M	USA	2013	Separate Account	Yes
3	Sub-Advisory Client	$3,349M	USA	2013	Separate Account	Yes
4	Sub-Advisory Client	$1,381M	USA	2010	Separate Account	Yes
5	Sub-Advisory Client	$966M	USA	2014	Separate Account	Yes

Investment Philosophy Implementation

1. Describe the structure of the product's investment team, including how many members the team has and the responsibilities of each member. Include an organizational chart which details the flow of information used in the decision making process.

Aziz Hamzaogullari, CFA, is the portfolio manager and founder of the Large Cap Growth team and its investment philosophy and process. He directs the research process for this strategy. The Large Cap Growth investment team has six dedicated research analysts who examine the businesses in assigned market sectors and industries from a long-term, growth-centric perspective. The Large Cap Growth team has a group process from idea generation through their seven-step fundamental research analysis. Mr. Hamzaogullari makes all final buy and sell decisions in the portfolio and is responsible for portfolio construction.

INVESTMENT TEAM

PORTFOLIO MANAGEMENT	AZIZ HAMZAOGULLARI, CFA* Portfolio Manager
Yrs of industry experience	23
Yrs with firm	6
Yrs with team	10

DEDICATED ANALYSTS	Brian Coyle, CFA*	Peter Linnard*	Rayon Ward, CFA*	Igor Chan, CFA	Larry Keegan, CFA	Ryan Hill
Yrs of industry experience	16	17	14	7	6	2
Yrs with firm	6	6	6	6	4	2
Yrs with team	10	10	10	6	2	2

PRODUCT MANAGEMENT	Hollie Briggs, CFA	John O'Shea, CFA	Adam Mushaweh, CFA
Yrs of industry experience	23	19	8
Yrs with firm	4	<1	4
Yrs with team	7	<1	2

FIRMWIDE RESOURCES

Equity Research
24 Senior Analysts
8 Analysts

Equity Trading
Director
4 Traders
Commission Mgt.
Coordinator/ Junior Trader

Macro Strategies
Director
Assoc. Director/
Senior Global Macro Strategist
Senior Equity Strategist
2 Economists
2 Analysts
Research Assistant

Sovereign Research
6 Senior Analysts
3 Analysts

Credit Research
Director
27 Senior Analysts
8 Analysts
9 Research Associates
7 Research Assistants

Securitized Research
Director
2 Strategists
4 Senior Analysts
2 Research Analysts**

Convertibles & Special Situations
Director
3 Senior Analysts
2 Research Associates

Quant. Research & Risk Analysis
2 Associate Directors
Quantitative Strategist
2 Analysts - Equity
6 Analysts - Fixed
2 Associates

As of 6/30/2016.

**These team members have been with the Large Cap Growth and All Cap Growth strategies since inception on July 1, 2006 and joined Loomis Sayles in 2010. All dedicated analysts have been with the Global Growth strategy since inception on January 1, 2016.*

***Includes one analyst with a Q3 start date*

2. How long have the key members of the team worked with this product? Have there been additions or departures in the last 3 years for the team managing the proposed product? Please explain.

Aziz Hamzaogullari and three of his dedicated analysts Brian Coyle, Peter Linnard and Rayon Ward have been responsible for this strategy since its inception July 1, 2006. In 2010, the team joined Loomis Sayles from Evergreen Investments. The strategy has a performance record dating to inception of the product on July 1, 2006. Igor Chan joined the Large Cap Growth team as a research associate in October 2010 and was promoted to analyst in 2013. Larry Keegan joined the Large Cap Growth team as a research associate in

November 2013 and was promoted to analyst in March 2016. Ryan Hill joined the Large Cap Growth team as a research analyst in June 2014.

To date, there have been no departures from this team.

3. What is the # of accounts and account volume (in $) that is handled by this team?

In addition to the Large Cap Growth strategy, the Large Cap Growth team also manages a US All Cap Growth, Global Growth and Long/Short Equity strategy. All strategies employ the same investment philosophy and process as our US Large Cap Growth strategy and are managed concurrently.

As of September 30, 2016

Large Cap Growth	**# Accounts**	**AUM ($M)**
Separate Accounts	61	19.6B
Commingled Accounts	22	747mm
Wrap/Model Delivery Accounts	25	7.0B
Total	102	27.4B

All Cap Growth	**# Accounts**	**AUM ($M)**
Separate Accounts	13	2.1B
Total	13	2.1B

Global Growth	**# Accounts**	**AUM ($M)**
Commingled Accounts	2	6mm
Separate Accounts	3	53mm
Total	5	59mm

The Long/Short Equity strategy consists of one fund with assets of $8mm.

4. Do the same groups manage equity, fixed income, & balanced portfolios at the firm?

No.

5. Does the firm employ a central trading desk?

Yes.

6. If yes, describe the trading operation & the traders' qualifications.

Loomis Sayles trading department is led by the Head of Trading, Chip Bankes, with 46 traders, including sector and regional specialists. On the equity side, Chip Bankes and John Caron, director of equity trading, oversee four experienced equity traders and a junior trader. The head of trading, director of equity trading, and the senior traders together have an average of 21 years of investment industry experience. Equity traders specialize by sector (US) and global region (where applicable) and each has an assigned back-up. We believe that these specialized responsibilities allow for:

- Better alignment with Loomis Sayles research and portfolio management teams

- Better alignment with sell-side trading desks, desk analysts, research analysts and syndicates
- A significant increase in our ability to add alpha through insight and analysis
- Individual trader growth opportunities

Equity Trading Team

Name	Role	Location	Year Started in Industry	Years of Industry Experience	Year Joined Firm	Years of Firm Experience
Rowland "Chip" Bankes	Head of Trading	Boston, MA	1988	27	2012	3
John Caron, CFA	Director of Equity Trading	Boston, MA	1993	22	2013	2
Dana Chamberlain	Senior Equity Trader	Boston, MA	1992	23	1997	18
Jennifer Nelson	Senior Equity Trader	Boston, MA	1996	19	1997	18
Heather Norton	Senior Equity Trader	Boston, MA	1991	24	1992	23
Timothy Zimmer	Senior Equity Trader	Boston, MA	1997	18	2001	14
Joanna Ritchie	Commission Management Coordinator/Junior Equity Trader	Boston, MA	2000	15	2002	9

Equity Trading Sector Responsibilities

Name	Sector
John Caron	Healthcare
Dana Chamberlain	Consumer
Jennifer Nelson	Technology
Heather Norton	Financials
Timothy Zimmer	Energy, Basic Materials, Utilities

7. Does the firm have an investment committee?

There is not an investment committee. Senior administrative executives are not involved in the day-to-day investment management process. Jae Park, the Chief Investment Officer of Loomis Sayles, oversees the investment teams.

The CIO provides general oversight of each investment team and strategy but is not involved in direct money management. The CIO ensures that risk management is integrated into the investment process occurring concurrently with investment decisions. The investment teams, which report to the CIO, are responsible for constructing portfolios that are appropriate given the investment objectives, investment restrictions, and risk tolerances of clients. In doing so, they rely on comprehensive, fundamental research in which risk assessment plays a key role. Portfolio managers make and implement investment decisions in client portfolios.

In addition, the Peer Evaluation Committee is chaired by the chief investment officer ("CIO"), led by the chief investment risk officer ("CIRO"), and conducts semi-annual meetings with each product team. The committee has responsibility for performing reviews of Loomis Sayles' investment management activities as it deems necessary and appropriate in order to: understand the investment activities of the investment teams; determine if those activities are consistent with the investment styles of the products and firm policies regarding risk or other parameters placed on its investment activities; and report any material investment-related risks to the Loomis Sayles Risk Management Committee, CEO or Board of Directors, as deemed necessary.

8. If yes, describe how it operates & the background/experience of the members.

N/A.

9. If applicable, how often does the investment committee meet?

N/A.

Equity Investment Philosophy

1. Please indicate which categories most correctly identify the equity investment style of the product:

Large Cap	X	Core	
Mid Cap		Bottom-Up	X
Small Cap		Top-Down	
Micro Cap		Momentum	
All Cap		Sector Rotator	
Value		Market Neutral	
Relative Value		Low P/E	
Deep Value		Quantitative	
Growth	X	Fundamental	X
GARP		Index Funds	

2. In one or two brief sentences, please state the product's investment philosophy.

We are an active manager with a long-term, private equity approach to investing. Through our proprietary, bottom-up research framework, we look to invest in those few high-quality businesses with sustainable competitive advantages and profitable growth when they trade at a significant discount to intrinsic value.

3. Describe the equity investment philosophy including how buy and sell decisions are made.

Our proprietary seven-step research framework is the cornerstone of our investment decision making process and drives our security selection. The research framework, detailed below, represents our long-standing insights about investing and is structured around three key criteria: quality, growth and valuation. Through the disciplined and thorough implementation of bottom-up, fundamental analysis we seek to understand the drivers, opportunities and limits of each business.

Our valuation analysis, which is at the heart of our research and decision-making, is only as good as our ability to understand and identify high-quality companies and evaluate the sustainability of profitable growth.

Quality

1. *Sustainable Competitive Advantage:*
   a) Identify unique elements of a company's business model (e.g., network effect, low-cost advantage, strong brand awareness and high switching costs).
   b) Can this company defend and sustain its competitive advantage over the long term?

2. *Competitive Analysis:*
   a) Identify unique elements of the industry: assess barriers to entry, industry rivalry, power of buyers and suppliers and substitution threats.
   b) Look for the strongest company in the value chain.

3. *Financial Analysis:*
   a) Assess balance sheet health (low or no debt is ideal), capital intensity, business mix and margin structure.
   b) Require sustainable, free cash flow growth, an ability to meet reinvestment needs and cash flow return on investment above the cost of capital.

4. *Management:*
   a) Partner with management teams who share our long-term perspective, manage the business

with vision and integrity, and whose incentive is aligned with long-term shareholder interests.

b) Evaluate management's ability to allocate capital to investments creating long-term value.

Growth

5. *Growth Drivers:*

a) Evaluate sources and sustainability of profitable growth.

b) Focus on long-term secular and structural growth drivers— dynamics that aren't likely to change in five years or more.

c) Forecast the growth rate independent of company guidance or Street expectations.

Valuation

6. *Intrinsic Value Ranges:*

a) A company's value depends on its long-term ability to generate profitable free cash flow growth.

b) The present value of future free cash flows is our core methodology for estimating intrinsic value.

c) Conduct sensitivity analysis of key variables to assess downside risk and focus on high-impact drivers of value.

d) Best-, base-, bear- and worst-case valuation scenarios guide the timing of buy / sell decisions and help guard against decision-making pitfalls.

7. *Expectations Analysis:*

a) Assess the valuation assumptions implied by the current stock price to differentiate fundamental drivers of value from market sentiment drivers of price. We seek to understand where and how our perspective diverges from that of the market.

All aspects of our investment thesis must be present simultaneously for us to make an investment. Often our research is completed well in advance of the opportunity to invest. We are patient investors and maintain coverage of high-quality businesses in order to take advantage of meaningful price dislocations if and when they occur.

In a typical year, we may analyze 30 companies and invest in only a select few. For example, in 2012 we bought five companies, in 2013 just one, in 2014 three, and in 2015 just one. We agree with Warren Buffett's assertion that risk comes from not knowing what you're doing. In part because we focus on fewer companies and make even fewer decisions, we believe we enjoy an analytical edge.

Portfolio Construction Process

We are a true, fundamental investment manager that builds our portfolio stock by stock. Sector allocations are the result of our bottom-up stock selection. Our portfolio construction process is represented graphically below.

Valuation drives timing and conviction drives weight

- Scale into new positions as price moves towards worst case and investment thesis remains intact
- Reward-to-risk and margin of safety increases
- Scale out of positions as price converges towards base case and investment thesis is realized

Scenario	Reward	Risk	Position Size
BEST	Minimum	Maximum	0%
BASE	Low	High	2.5% - 0%
BEAR	High	Low	0 - 2.5%
WORST	Maximum	Minimum	2.5 - 5.0%

BUILD

TRIM

5% maximum position size at cost; 8% maximum position size at market price

Based on the Team valuation criteria.

There is one last essential component to successfully implementing our portfolio construction process: it demands the temperament – and concomitant discipline – to be a contrarian who can buy into fear and sell into greed. It is not easy to stand alone, apart from the crowd. As Ben Graham said, "Have the courage of your knowledge and experience. If you have formed a conclusion from the facts and if you know your judgment is sound, act on it – even though others may hesitate or differ." [Quote footnote: Benjamin Graham, The Intelligent Investor: A Book of Practical Counsel, Fourth Revised Edition (New York: Harper & Row, 1973), p. 287]

Buy Discipline

When investing in a company, we look for the most attractive reward-to-risk opportunities. We seek to create a margin of safety by investing at a purchase price that is at a meaningful discount to our estimate of a company's intrinsic value. When buying a business, we require at least a 2:1 anticipated upside-to-downside, reward-to-risk opportunity. Holding all else equal, the larger the discount between market price and our estimate of intrinsic value, the greater we view our margin of safety. Investing with a margin of safety requires not only a disciplined understanding of a company's intrinsic value but a clear recognition of what the market price implies about consensus expectations for that company's value. Comparing the stock price we believe represents intrinsic value to the market price helps expose pricing inefficiencies.

We look to invest in a company when its stock price falls into our bear- and worst-case valuation scenarios due to a short-term market inefficiency. This can occur when short-term investors over-react to temporary, nonfundamental situations that in no way impact our long-term investment thesis. Counter to the buy discipline of many growth equity managers, we believe the risk of investing in a great company is actually lower after its stock price has fallen, assuming our long-term investment thesis remains intact. We also look for these businesses to have one or more of the following characteristics:

- The growth potential of the business is underestimated or misunderstood by the market and therefore not reflected in the current stock price
- The market has overreacted to short-term, non-secular events, creating a long-term buying opportunity by temporarily driving down the stock price
- The current stock price is below the estimated private equity market valuation

- The valuation for the business is low relative to the projected normalized cash flow

Ultimately, our job as an investment manager is to allocate capital to the most compelling reward-to-risk opportunities. Therefore, the more attractive we view the reward-to-risk opportunity, the larger our capital allocation and position weight. In comparison, we have observed that the largest positions of a cap-weighted benchmark may have the least margin of safety—or worse, market prices above intrinsic value—yet are given the largest capital allocations in many benchmark-centric portfolios.

Sell Discipline

In addition to the research-driven identification of attractive purchase candidates, there is a corollary identification of sell candidates. We believe that honest, close and continuous scrutiny of the underlying assumptions of our investment thesis plays a critical role in our investment analysis and portfolio management. With a discipline guided by intellectual honesty, our goal is to recognize and act quickly on any changes in circumstance or flaws in our analysis such as when we determine that:

- A critical underlying assumption is flawed.
- An unfavorable structural change has taken place within a given business, or within the markets in which it operates.
- We have lost confidence in company management.

Stocks may also become sell candidates when we believe:

- The stock price of a company approaches our estimate of intrinsic value; we typically trim our positions as price approaches intrinsic value because the upside potential decreases and the downside risk increases.
- The stock price fully reflects our estimate of intrinsic value; we typically sell a position completely when the price reaches our base case (intrinsic value).
- A position size becomes too large; initial buys will typically not exceed 5% of assets and holdings are unlikely to exceed 8%.
- A better risk-reward opportunity becomes available elsewhere.

We do not "let winners run" beyond our estimate of intrinsic value. Given our long-term investment horizon and our ongoing review of portfolio holdings, it is not uncommon for valuation scenarios to be modified from time to time whereby an increase in intrinsic value happily lengthens our holding period for a particular stock. This should not be misconstrued as "letting our winners run." We would maintain a position in this case because our desired upside-to- downside profile remains intact.

Analyzing and tracking all portfolio sell transactions helps us evaluate past investment decisions as a way of learning from successes and mistakes.

Below shows the frequency of the main reasons for selling a security from the portfolio since inception of the Composite (7/1/2006 to 9/30/2016):

- 25% Better Risk/Reward Opportunity
- 48% Reached Intrinsic Value
- 27% Team's Incorrect Investment Thesis

-All descriptions assume normal market conditions.

-Based on Team valuation criteria.

-The Manager for the Large Cap Growth Composite joined Loomis Sayles on May 19, 2010, and performance prior to that date was achieved at his prior firm.

4. When was the investment philosophy established?

Portfolio manager, Aziz Hamzaogullari, CFA is the founder of the strategy's investment philosophy, research framework and investment process. Aziz Hamzaogullari and three of his dedicated analysts Brian Coyle, Peter Linnard and Rayon Ward have been responsible for this strategy since its inception on July, 1 2006.

5. Has this philosophy been implemented for the last five years? If not, are the creators of the previous philosophy still with the firm?

The Large Cap Growth strategy has been managed by portfolio manager Aziz Hamzaogullari and three of his dedicated analysts, Brian Coyle, Peter Linnard and Rayon Ward, since its inception July 1, 2006.

Mr. Hamzaogullari joined Loomis Sayles on May 19, 2010, and performance prior to that date was achieved at his previous firm, Evergreen Investments. The three dedicated analysts, Brian Coyle, Peter Linnard and Rayon Ward joined shortly after, in June 2010.

6. What is considered to be the competitive advantage of the philosophy?

We believe our long-term investment horizon, our high active share, and our absolute-return approach to active risk management differentiate us from our competitors.

For investors, a major challenge is to identify those portfolio managers who are most likely to deliver superior risk-adjusted returns in the future. Understanding how an investment philosophy informs a manager's decision-making can provide meaningful insights into how and why a particular manager generates alpha. The search for alpha is the search for skill. We believe our alpha thesis, and our ability to consistently implement its tenets, constitutes a differentiated approach.

ALPHA THESIS: OUR TENETS, PROCESS, PROOF POINTS AS OF 6/30/2016

TENET	PROCESS	PROOF POINTS
Long-term investor	Time arbitrage	Low turnover: 15.5%*
Deep understanding	7-step research framework	High-conviction portfolio: 32 names
Quality	Difficult-to-replicate business models	High active share: 81.9%**
Growth	Secular drivers; sustainable, profitable growth	Growth Rate: 16.8%***
Valuation	Margin of safety†	Down-market capture: 14th percentile^ *since inception*
Absolute risk focus	Active risk management	Volatility rank: 32nd percentile^ Sharpe ratio rank: 2nd percentile^ Information ratio rank: 1st percentile^ *since inception*
We believe active investment management and active risk management are integral to alpha generation. Alpha rank: 2nd percentile^ *since inception*.		

**Turnover calculated on an annualized basis since inception (7/1/2006).*

***Active Share indicates the proportion of portfolio's holdings (by market value) that are different than the benchmark. A higher active share indicates a larger difference between the benchmark and the portfolio.*

****Growth rate is our internal estimate of cash flow growth over the next five years of the entire portfolio. Our estimates may differ from the estimates of other industry members. Growth rate does not imply any specific or positive return.*

†Holding all else equal, the larger the discount between market price of a particular security and our estimate of its intrinsic value, the greater we view our margin of safety. Margin of safety is not an indication of the fund's safety as all investments carry risk, including risk of loss.

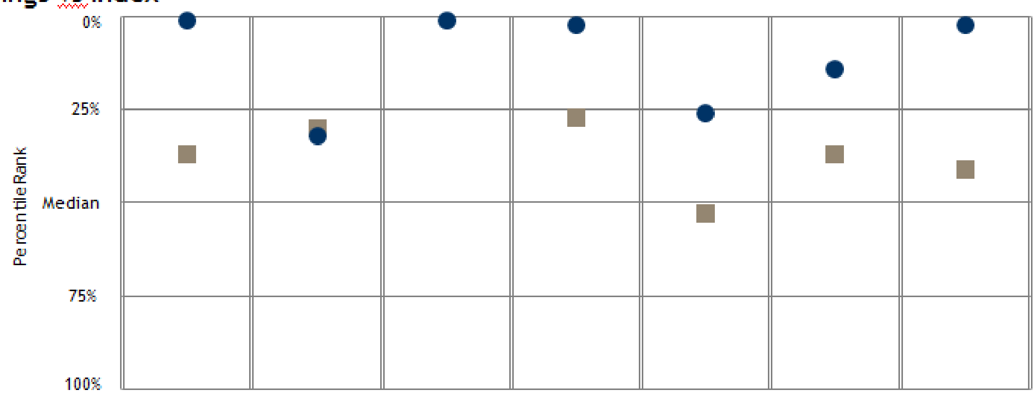
^Please refer to the Statistics and Rankings vs. Index chart below.

We believe that for any alpha thesis to potentially meet its objective, it should be founded on an enduring philosophy and persistent pricing anomalies. We think our alpha thesis is unlikely to be eroded through arbitrage because it is tied to perennial behavioral biases, not specific market conditions.

Our alpha thesis encapsulates a deeply held system of persistent beliefs, a rigorous, repeatable investment process and substantive proof points. As we see it, alpha generation and managing absolute levels of risk are inextricable goals, and each tenet of our alpha thesis is designed - individually and collectively - to promote this dual objective for our clients.

LARGE CAP GROWTH COMPOSITE INCEPTION (7/1/2006) THROUGH 6/30/2016

Statistics & rankings vs Index



	Gross Annualized Returns	Standard Deviation	Information Ratio	Sharpe Ratio	Up Market Capture	Down Market Capture	Alpha
Large Cap Growth	11.85	15.62	0.65	0.70	106.00	92.36	3.24
% Ranking*	**1st**	**32nd**	**1st**	**2nd**	**26th**	**14th**	**2nd**
Russell 1000 Growth	8.78	15.52	N/A	0.50	100.00	100.00	0.00
% Ranking	**37th**	**30th**	**N/A**	**27th**	**53rd**	**37th**	**41st**
Median	**8.40**	**16.13**	**-0.08**	**0.46**	**100.40**	**103.06**	**-0.36**

*Source: eASE Analytics System; eVestment Alliance is the ranking agency. *Ranking out of 266 observations. Annualized performance is calculated as the geometric mean of the product's returns with respect to one year. Returns-based data are gross of management fees and net of trading costs. The highest (or most favorable) percentile rank is 1, and the lowest (or least favorable) percentile rank is 100. Rankings are subject to change. Although we believe it is reliable, we cannot guarantee the accuracy of data from a third party source. This information cannot be copied or redistributed in any form. The Manager for the Large Cap Growth Composite joined Loomis Sayles on May 19, 2010, and performance prior to that date was achieved at his prior firm. As required by GIPS, the prior performance information is being included as part of the Loomis Sayles Large Cap Growth Composite.*

Past performance is no guarantee of future results.

Other Keys to Future Success:

Team Culture

Our investment team culture promotes intellectual honesty, curiosity and independent thinking. An environment in which all assumptions can be challenged by any member of our team can improve our understanding of each investment idea. All research work is vetted through team discussions and includes attempts to disprove the investment thesis as a way to test its validity. This practice helps us overcome the bias in human behavior toward overconfidence that could lead us to overstate the investment's potential and minimize downside risk.

Temperament

Actively managed portfolios differ from their benchmarks and reflect expectations that diverge from consensus. Importantly, our research framework helps us determine whether our view differs from the consensus, and if so, why. Our contrarian posture requires the ability to act counter to potentially irrational, herd-like and reflexive behavior in the marketplace triggered by emotions like fear and greed. Overcoming these instincts demands a resolve engendered by experience, a disciplined decision-making process, and the temperament to maintain positions that are at odds with popular opinion.

Discipline

All aspects of our investment thesis must be present simultaneously for us to make an investment. Often our research is completed well in advance of the opportunity to invest. We are patient investors and maintain coverage of high-quality businesses in order to take advantage of meaningful price dislocations if and when they occur.

Experience

Anyone could follow our seven-step process. Yet, each person would likely produce a different outcome. Why? Because we believe that investing is ultimately an art. While a disciplined research framework is foundational to a successful investment strategy, our process does not mechanically supply "the" answer. Rather, it leads us to ask a set of questions that help us discern, through our insights, whether a business meets our key investment criteria. Developing a deep understanding of each investment can also help us manage risk through knowledge. We agree with Warren Buffett's assertion that risk comes from not knowing what you're doing. In part, because we focus on fewer companies and make even fewer decisions, we believe we enjoy an analytical edge.

7. What changes have been made to the investment process in the past 5 years?

The underlying investment philosophy and process have been implemented consistently since the strategy's inception on July 1, 2006.

8. In what market environments is the strategy expected to outperform/underperform?

Markets where the hallmarks of our strategy – quality, fundamentals and valuation – are rewarded may offer favorable conditions for our strategy.

Narrow, momentum-based markets where concentration in a few sectors tends to lead to outsize returns offer conditions that may be unfavorable.

9. Please explain any significant quarterly underperformance over the past five years.

For purposes of this proposal, we are defining significant underperformance during a quarter as underperforming the benchmark (Russell 1000 Growth Index) by more than 300 bps. If fees were included, performance would be lower. Based on this definition, the first quarter of 2011 was the only quarter that the composite underperformed the benchmark by more than 300 basis points over the past five years. During 2011, the Large Cap Growth strategy returned 1.95% (gross of fees), underperforming the benchmark return of 2.64% by 69 basis points. SEI Investments, Oracle Corporation, and Expeditors International of Washington were the 3 largest detractors from performance. Visa Inc., Biogen Idec Inc., and Amgen Inc. were the top 3 contributors. Stock selection in the financials and consumer staples sectors detracted from relative performance. Stock selection in the information technology and healthcare sectors contributed.

In the industry, we often look at results on a quarterly or calendar year basis. However, we believe it's important to look at a longer period – at least three years - and to measure performance from data gathered on at least a monthly frequency. This will create a more statistically significant set of observations and thereby provide a more meaningful description of a manager's ability to perform in up and down markets.

Our focus on quality companies that we believe are well positioned to capture long-term growth and our risk management approach to seek to actively manage downside risk have historically generated attractive up-market and down-market capture statistics as well as strong risk-adjusted metrics and outperformance since inception on July 1, 2006 through December 31, 2015. Please refer to the Alpha Thesis and Peer Rankings on page 32 above.

Mr. Hamzaogullari, the portfolio manager for the Large Cap Growth Composite, joined Loomis Sayles on May 19, 2010, and performance prior to that date was achieved at his previous firm.

The primarily random nature of market volatility combined with innate human behavioral biases will continue to create pockets of mispricings in stocks. An index is incapable of discerning either. For alpha generation, the pursuit of greater upside potential and managing absolute levels of risk are inextricable goals. Each tenet of our alpha thesis is designed – individually and collectively – to promote this dual objective for our clients.

The example(s) above are being provided per request to illustrate the investment process for the strategy used by Loomis Sayles and do not represent all securities purchased, sold or recommended for client accounts. They may not be representative of the strategy's current or future investments. It should not be assumed that an investment in the securities identified was or will be profitable. The example(s) should not be considered specific investment recommendations or representative of other investments made by Loomis Sayles.

Past performance is no guarantee of future results.

- Gross returns are net of trading costs.

-This portfolio is actively managed and holdings are subject to change. Reference to specific securities or holdings should not be considered recommendations for action by investors.

-There is no guarantee that any investment objective will be realized or that the strategy will be able to generate any excess returns.

-Please refer to the attached Large Cap Growth Disclosure Statement for a description of the Loomis Sayles Large Cap Growth Composite.

10. Indicate the % of equity market capitalization as of the most recent quarter-end, as well as a range over the last three years.

	Current	3 year range
Micro Cap (<$100mm)	0.00%	0.00%
Small Cap ($100mm - $2b)	0.41%	0.30-1.39%
Mid Cap ($2b - $15b)	9.88%	9.88-22.36%
Large Cap (>$15b)	88.40%	75.00-88.40%

11. Indicate the median and average market capitalizations for the most recent quarter-end.

	(Product)	(Benchmark)
Median Market Cap	$89B	$9B
Average Market Cap	$122B	$24B

12. Please share some of the risk constraints that are used by the firm (e.g., maximum sector weightings, maximum % for an individual holding, tracking error, etc.)

We believe generating alpha requires both active investment management and active risk management. For us, risk management is an integral part of our investment process, not a separate overlay or optimization process. We believe you cannot have risk management at the portfolio level if risk is not first managed at the individual security level. The principal tenets of our active risk management are:

- Risk is defined as a permanent loss of capital, not tracking error or short-term relative underperformance; seek to actively manage our downside risk
- At the security level, incorporates an analysis of fundamental risk, financing risk and valuation risk
    - Fundamental risk or business risk: Knowing what you own; seek to develop a deep understanding of each investment through our 7-step research framework and quality

assessment
  - Financing risk or borrowing needs: Seek to identify profitable growth companies with sustainable cash flows to self-fund business investments needed for future growth
  - Valuation risk or overpaying for a company: Invest with a margin of safety
- At the portfolio level, we seek to enhance risk management by diversifying the business drivers to which our holdings are exposed

Because we define risk as a permanent loss of capital, we take an absolute-return approach to investing and seek to actively manage our downside risk. More commonly, risk is framed in terms of relative returns and tracking error versus a particular benchmark. We believe defining risk in relative terms obfuscates the fact that the benchmark itself is a risky asset. This is particularly true with cap-weighted indices because downside risk increases significantly when the stocks of a particular sector experience a run-up in prices that are above (in the case of a bubble, far above) their fundamental intrinsic value. If a portfolio manager ties his investment decisions to benchmark holdings and risk factors, he must necessarily take on this additional downside risk. Because our strategy is to invest in a stock only when its market price is at a significant discount to our estimate of a company's intrinsic value, we pursue both the possibility of greater upside potential and potentially lower downside risk.

At the portfolio level, in addition to the potential diversification benefit of our 30-40 stock portfolio, we seek to enhance risk management by diversifying the business drivers to which our holdings are exposed. Examples of business drivers include; growth in e-commerce, increased consumer spending in emerging markets, the shift to outsourcing and the ageing population. Because business drivers are imperfectly correlated, the positive impact of one may offset the negative impact of another. This fosters more efficient diversification of risk and helps us keep our attention focused on searching for those few stocks that meet our disciplined criteria. At any given time, there will be no more than 15-20% exposure to the same business driver.

Please find attached, "Risk Slides" for a bar chart of the portfolio's business driver exposures as of 30 June 2016.

Because our active risk management is integral to our philosophy and our bottom-up fundamental investment process, stock-specific risk is the primary source of risk since inception of the strategy while factor risks such as momentum and beta account for a much smaller portion.

Please find attached, "Risk Slides" for a pie chart of the portfolio's sources of risk since inception (1 July 2006) through 30 June 2016.

We believe one of the riskiest things investors can do is to invest in a business they do not thoroughly understand. As a bottom-up, fundamental investor, risk management is integrated with our analysis of business models, competitive advantages, operating efficiency, corporate management integrity, profitable growth and valuation analysis. In short, our active risk management process is an integral part of our active investment process.

Large Cap Growth Characteristics	**Portfolio**
# stocks (range) in a typical portfolio	30-40
Maximum Position Size	5% at cost and 8% at market
Sector Constraints	Up to 10% of the market value in any one sector or up to two times the % weighting of any one sector as defined by the S&P 500 or the Russell 1000 Growth indexes, whichever is higher, as determined at the time of purchase. We also may have a zero weight in a

	sector if there are no opportunities that meet our investment criteria.
Industry Limit	None
Expected long-term annualized turnover	0-25%
Cash position – maximum	5%
Cash position – typical	<2%
Tracking error constraints	None
International ADR stocks allowed? (Yes/No)	Yes. Maximum 20%.
US Exposure	No limit
Invest in ETFs (Yes/No)	No
Invest in Derivatives (Yes/No)	No
Liquidity Constraints	The team trades in a highly liquid segment of the equity market
IPOs utilized? (Yes/No)	Yes (rarely)
Estimated Product Capacity	$30 billion
Capitalization - minimum at purchase	$0.5 billion
Capitalization - maximum at purchase	No limit
Capitalization - maximum at market	No limit
Model portfolio used? (Yes/No)	Yes
Time to fully invest new account	1-3 days under normal market conditions
Currency hedging used? (Yes/No)	No
Emerging Markets exposure	No limit

13. Are your managers given an approved stock list?

No.

14. If so, how many securities are typically on that list?

N/A.

15. Are there provisions so that securities that are not on the approved list may be purchased?

N/A.

16. Does the product invest in ADRs? If so, what are the current and maximum exposures?

Yes. The ADR limit is 20%. As of 9/30/16, the ADR weight was 14.41%.

17. Does the product invest in foreign ordinary shares?

No.

18. Describe, in detail, the use of cash in the equity process.

The cash position is the residual of our portfolio construction process. It is not actively managed.

19. What range of cash is typical?

Cash equivalents in the Large Cap Growth approach may be up to a maximum of 5%, however, are typically less than 2%.

20. For the most recent period available please indicate the Product's top ten holdings:

	Name	Industry	%
(1)	Amazon.com Inc	Consumer Discretionary	6.89
(2)	Facebook Inc	Information Technology	6.36
(3)	Alphabet Inc*	Information Technology	5.51
(4)	Cisco Systems Inc	Information Technology	5.00
(5)	Visa Inc	Information Technology	4.88
(6)	Monster Beverage Corp	Consumer Staples	4.85
(7)	Oracle Corp	Information Technology	4.58
(8)	Alibaba Group Holding Ltd	Information Technology	4.25
(9)	Danone SA	Consumer Staples	3.71
(10)	Coca-Cola Co/The	Consumer Staples	3.69

% Total	49.71

Research

1.	What percentage of research is generated internally?	90%
2.	What percentage of research is obtained from outside sources?	10% (Third-party research is used only for historical and factual information such as market size, market share, or population statistics. All of the value added and forward-looking, fundamental analysis is performed by the portfolio manager and dedicated research team.)

3. Please describe how the research operation within your firm works.

Aziz Hamzaogullari, CFA, is the portfolio manager and founder of the Large Cap Growth team and its investment philosophy and process. He directs the research process for this strategy. The Large Cap Growth investment team has six dedicated research analysts who examine the businesses in assigned market sectors and industries from a long-term, growth-centric perspective. The Large Cap Growth team has a group process from idea generation through their seven-step fundamental research analysis. Mr. Hamzaogullari makes all final buy and sell decisions in the portfolio and is responsible for portfolio construction. These team members report directly to the portfolio manager and cover the following industries:

Brian Coyle, CFA, Equity Analyst

- Consumer discretionary, financials, industrials and information technology

Peter Linnard, Equity Analyst

- Consumer discretionary, energy, financials, health care, industrials and utilities

Rayon Ward, CFA, Equity Analyst

- Consumer discretionary, consumer staples and information technology

Igor Chan, CFA, Equity Analyst

- Industrials, materials

Ryan Hill, Equity Analyst

Larry Keegan, CFA, Equity Analyst

Portfolio manager Aziz Hamzaogullari is scrupulously involved with the team's research process and priorities. Analysts develop and write research reports according to our seven-step process. Our investment team culture promotes intellectual honesty, curiosity and independent thinking. An environment in which all assumptions can be challenged by any member of our team can improve our understanding of each investment idea. All research work is vetted through team discussions and includes attempts to disprove the investment thesis as a way to test its validity. This practice helps us overcome the bias in human behavior toward overconfidence that could lead us to overstate the investment's potential. It is crucial to clearly grasp what could go wrong with a company, not just what can go right, in order to minimize downside risk. This is a very important part of our process.

A disciplined, consistent adherence by all team members to our proprietary, seven-step research process is the foundation of our research quality. Each analyst dedicated to the Large Cap Growth strategy has been trained and mentored personally by Portfolio Manager, Aziz Hamzaogullari, to use our research framework.

We spend substantial time on research in an attempt to gain an analytical edge in our investment decisions. Because our analysis incorporates a five to ten year investment horizon, there is no rush to judgment in order to quickly capture near-term performance. In a typical year, we may analyze 30 companies and invest in only a select few. For example, in 2011 we bought two companies, in 2012 five and in 2013 just one and in 2014 we bought three.

We believe culture is an important contributor to quality research. Just as investment philosophy drives behaviors and results, so too, cultural philosophy drives team activities, interactions and output. Attributes of our culture include:

•Team-oriented, horizontal structure
•Group research process from idea generation through seven-step research process
•Process-focused investment approach
•Promote intellectual honesty and curiosity
•Seek information to disprove our investment thesis
•An awareness of behavioral biases
•'Mistakes' are part of process and culture
•Incentives aligned with investor return objectives

The research work for each portfolio candidate is vetted through team discussions. One objective of this peer review process is to attempt to disprove our investment thesis as a way to test its validity. Understanding that decision-making biases are inherent to human nature, we believe it is important to consciously work to avoid these traps. Attempting to disprove each investment thesis helps us guard against over-confidence and thereby improves research quality. An anchoring bias can also influence decision-making and negatively impact the quality of our research. Developing a range of valuation outcomes (our best, base, bear and worst cases) not only helps us understand the timing of investment decisions, it helps to keep us from anchoring on any one target price.

4. Please describe how your firm obtains and pays for outside research reports.

Loomis Sayles will only acquire research and brokerage products and services with soft dollars if they qualify as eligible products and services under the safe harbor of Section 28(e) of the Securities Exchange Act of 1934. Eligible research services and products that may be acquired by Loomis Sayles are those products and services that may provide advice, analysis or reports that will aid Loomis Sayles in carrying out its investment decision-making responsibilities. Eligible research must reflect the expression of reasoning or knowledge (having inherently intangible and non-physical attributes) and may include the following research items: traditional research reports; discussions with research analysts and corporate executives; seminars or conferences; financial and economic publications that are not targeted to a wide public audience; software that provides analysis of securities portfolios; market research including pre-trade and post-trade analytics; and market data. Eligible brokerage services and products that may be acquired by Loomis Sayles are those services or products that (i) are required to effect securities transactions; (ii) perform functions incidental to securities transactions; or (iii) is a service that is required by an applicable self regulatory organization ("SRO") or SEC rule(s). The brokerage and research products or services provided to Loomis Sayles by a particular broker dealer may include both (a) products and services created by such broker dealer, (b) products and services created by other broker-dealers, and (c) products and services created by a third party ("third-party services"). All soft dollar services are reviewed and approved by Loomis Sayles' Chief Compliance Officer.

5. Please name the three primary sources of data and/or analyses upon which your firm relies.

(1) Meetings with company management *

(2) Company financial statements*

Third-party data providers (Bloomberg, FactSet, CreditSuisse HOLT, etc.)*

*Information gathered as part of the research process comes from many sources including meetings with company management, on-site company visits, meetings with suppliers and competitors, trade shows, and conferences. At the firm level, face-to-face meetings with management (at our offices, company offices, or at conferences) represent approximately 1,500 annual contacts.

Third-party research is used only for historical and factual information such as market size, market share, or population statistics. All of the value added and forward-looking, fundamental analysis is performed by the portfolio manager and

(3) dedicated research team.

6. Who coordinates the firm's research effort & what are their qualifications for that position.

Aziz Hamzaogullari, the portfolio manager of the Large Cap Growth product, coordinates the research efforts for the strategy:

AZIZ HAMZAOGULLARI, CFA

Aziz Hamzaogullari is a vice president of Loomis, Sayles & Company and portfolio manager of the Loomis Sayles large cap, global and all cap growth strategies, including the Loomis Sayles Growth and Global Growth mutual funds and products outside the US. He is the head of the Loomis Sayles growth equity strategies team. Aziz joined Loomis Sayles in 2010 from Evergreen Investments where he was a senior portfolio manager. He joined Evergreen in 2001, was promoted to director of research in 2003 and portfolio manager in 2006. Aziz was head of Evergreen's Berkeley Street Growth Equity team and was the founder of the research and investment process. Prior to Evergreen, Aziz was a senior equity analyst and portfolio manager at Manning & Napier Advisors. He has 23 years of investment industry experience. Aziz earned a BS from Bilkent University, Turkey, and an MBA from George Washington University. He is also a member of the Boston Security Analysts Society.

Personnel

1. In the table below, indicate the appropriate number of employees employed in each category.

	2012	2013	2014	2015
Equity portfolio managers	10	12	12	12
Bond portfolio managers	23	25	29	29
Balanced fund managers	0	0	0	0
Equity research analysts	33	32	43	38
Bond research analysts	73	84	84	104
Economists	1	1	1	2
Management and Administrative (Compliance, Operations)	204	211	218	205
Computer professionals	52	55	58	57
Clerical	64	66	69	74
Other (Marketing, Client Service, Trading)	122	133	148	167
Total	582	619	662	688

2. Please provide biographical information on all key members of the proposed product's asset mgmt team, including years of experience with this asset class & years with the firm.

Large Cap Growth Team

Name	Title/Responsibilities	Years of Experience	Years at Firm	Years on Strategy
Aziz Hamzaogullari, CFA	VP, Portfolio Manager	23	6	10 – Since Inception
Brian Coyle, CFA	VP, Equity Analyst	16	6	10 – Since Inception
Peter Linnard	VP, Equity Analyst	17	6	10 – Since Inception
Rayon Ward, CFA	VP, Equity Analyst	14	6	10 – Since Inception
Igor Chan, CFA	VP, Equity Analyst	7	6	6
Ryan Hill	Equity Analyst	2	2	2
Larry Keegan, CFA	Equity Analyst	6	4	2
Hollie C. Briggs, CFA	VP, Product Manager	23	4	7
John O'Shea, CFA	VP, Product Manager	19	<1	<1
Adam Mushaweh, CFA	Associate Product Manager	8	4	2

Aziz Hamzaogullari, CFA

Aziz Hamzaogullari is a vice president of Loomis, Sayles & Company and portfolio manager of the Loomis Sayles large cap, global and all cap growth strategies, including the Loomis Sayles Growth and Global Growth mutual funds and products outside the US. He is the head of the Loomis Sayles growth equity strategies team. Aziz joined Loomis Sayles in 2010 from Evergreen Investments where he was a senior portfolio manager. He joined Evergreen in 2001, was promoted to director of research in 2003 and portfolio manager in 2006. Aziz was head of Evergreen's Berkeley Street Growth Equity team and was the founder of the research and investment process. Prior to Evergreen, Aziz was a senior equity analyst and portfolio manager at Manning & Napier Advisors. He has 23 years of investment industry experience. Aziz earned a BS from Bilkent University, Turkey, and an MBA from George Washington University. He is also a member of the Boston Security Analysts Society.

Brian P. Coyle, CFA

Brian Coyle is a vice president of Loomis, Sayles & Company and a senior equity analyst for the growth equity strategies team. He is responsible for covering information technology companies, internet retail companies and education services in the consumer discretionary sector, asset management and specialty finance companies in the financials sector, and consulting and human resource services companies in the industrials sector. Brian joined Loomis Sayles in 2010 from Evergreen Investments where he was an equity research analyst for the Berkeley Street Growth Equity team supporting the large cap growth and all cap growth strategies since their inception. He has 16 years of investment industry experience. Brian earned a BS and an MBA from Babson College. He is also a member of the Boston Security Analysts Society.

Peter V. Linnard

Peter Linnard is a vice president of Loomis, Sayles & Company and a senior equity analyst for the growth equity strategies team covering healthcare and levered financial companies. Peter joined Loomis Sayles in 2010 from Evergreen Investments where he was an equity research analyst for the Berkeley Street Growth Equity team, supporting the large cap growth and all cap growth strategies since their inception. He has 17 years of investment experience. Peter earned an undergraduate degree from the University of Massachusetts at Amherst and an MBA from Boston College.

Rayon K. Ward, CFA

Rayon Ward is a vice president of Loomis, Sayles & Company and a senior equity analyst for the growth equity strategies team covering consumer staples and consumer discretionary companies. He also covers hardware, semiconductor, and communication equipment companies in the information technology sector. Rayon joined Loomis Sayles in 2010 from Evergreen Investments where he was an equity research analyst for the Berkeley Street Growth Equity team supporting the large cap growth and all cap growth strategies since their inception. He has 14 years of investment industry experience. Rayon earned a BS in actuarial science and an MS in economics from the University of the West Indies, and an MS in finance from Bentley University. He is also a member of the Boston Security Analysts Society.

Igor M. Chan, CFA

Igor Chan is a vice president of Loomis, Sayles & Company and an equity analyst for the growth equity strategies team covering energy, industrials and materials companies. Igor joined Loomis Sayles in 2010 from EMC where he was a business operations analyst. He has seven years of investment industry experience. Igor earned a BS and an MS in finance from Bentley University. He is also a member of the Boston Security Analysts Society.

Ryan Hill

Ryan Hill is an equity analyst for the growth equity strategies team at Loomis, Sayles & Company covering healthcare companies. Ryan joined Loomis Sayles in 2014 after completing the MBA program at Duke University, during which time he interned for William Blair & Company in Chicago as an equity research analyst. Previously, Ryan was a mechanical engineer at Waters Corporation for three years where he invented a patent-pending carbon dioxide detection technology and later was a design engineer/technologist at GE Aviation for two years. Ryan earned a BS and an MS in mechanical engineering from Boston University.

Lawrence Keegan, CFA

Lawrence Keegan is an equity analyst for the growth equity strategies team at Loomis, Sayles & Company covering consumer staples and consumer discretionary companies. Lawrence joined Loomis Sayles in 2012 as a fixed income operations analyst and was promoted to equity research associate in 2013. In 2016, Lawrence was promoted to equity analyst. He has five years of investment industry experience. Lawrence earned a BA and an MBA with a concentration in finance from Suffolk University. He is also a member of the Boston Security Analysts Society.

Product Management Team

Dedicated Large Cap Growth product managers who are fully embedded with the investment team serve as investment strategy experts and business managers. Product managers represent the strategy in the majority of client and prospect meetings largely so that the investment team is able to remain focused on and dedicated to their primary responsibility, managing investor assets.

Hollie C. Briggs, CFA

Hollie Briggs is a vice president of Loomis, Sayles & Company and product manager for the growth equity strategies team where she supports the large cap, global and all cap growth strategies. Hollie joined Loomis Sayles in 2012 from Evergreen Investments where she was senior vice president and lead portfolio specialist for the Berkeley Street Growth Equity team supporting the large cap growth and all cap growth strategies. Prior to Evergreen, Hollie was a senior vice president and product specialist at Pyramis Global Advisors responsible for equity products in the 401(k) channel. Hollie has also held leadership roles in business development and marketing at John Hancock and Prudential Financial. She began her investment industry career as vice president and controller for the broker-dealer subsidiary at Wells Fargo. She has 23 years of investment industry experience. Hollie earned a BA from the University of California, Santa Cruz and an MA from Middlebury College. She is also a member of the Boston Security Analysts Society.

John P. O'Shea, CFA

John O'Shea is a vice president of Loomis, Sayles & Company and product manager for the growth equity strategies team where he supports the large cap, global and all cap growth strategies. John joined Loomis Sayles in 2016 from JPMorgan where he spent 12 years, most recently as an executive director on the manager selection team. Previously, he was a vice president in private equity for Rosemont Partners. He has 19 years of investment industry experience. John earned a BA from Dartmouth College and an MBA from New York University Stern School of Business. He is also a member of the New York Security Analysts Society.

Adam Mushaweh, CFA

Adam Mushaweh is an associate product manager for the growth equity strategies team at Loomis, Sayles & Company where he supports the large cap, global and all cap growth strategies. Adam joined Loomis Sayles in 2012 as a strategy analyst for the firm's risk oversight group and was promoted in 2013 to associate product manager. Previously, Adam conducted manager due diligence as an analyst at Old Mutual Asset Management. Adam began his career as a risk management consultant at KPMG Advisory. He has eight years of investment industry experience. Adam earned a BS and an MS in finance from Bentley University. He is also a member of the Boston Security Analysts Society.

3. In the last 3 years, how many professional employees have left the firm for any reason?

36 investment professionals have left the firm from 12/31/2013-9/30/2016.

There have been no departures from the Large Cap Growth Team since the inception of the strategy on July 1, 2006.

4. What qualifications are typical of the PMs, include yrs w/ firm, $ under mgmt & # of accounts.

We have the resources necessary to recruit an exceptional workforce. Investment professionals of all levels are attracted to our firm because of our long-standing reputation, research philosophy, and entrepreneurial, collegial and balanced work environment. We carefully screen candidates until we find an ideal match for an open position given its seniority level, responsibilities and the dynamics of the team.

As a fiduciary, we are firmly committed to hiring and retaining the brightest and most experienced investment professionals. The key qualifications for all investment professionals include:

- Educational achievement
- CFA designation or progress toward this designation
- Propensity for intense assessment and inquisitiveness
- Resourcefulness
- Passion for investing with the capacity and determination to deliver superior performance
- Ability to add to and draw from the firm's overall collegial environment

We follow a thorough interview process in order to find an ideal match for each position. After an initial screening, selected candidates customarily meet with several peers and representatives of senior management. We evaluate candidates based on objective, skill-based measures and subjective measures that reflect the hiring group's dynamics. In hiring portfolio managers, critical factors include a competitive track record in the strategy and a complementary philosophy and style.

Aziz Hamzaogullari, CFA, is the portfolio manager and founder of the Large Cap Growth product including its investment philosophy and process. In addition to the Large Cap Growth product, the Growth team also manages an All Cap Growth, Global Growth and Long/Short strategies. All strategies employ the same investment philosophy and process as our US Large Cap Growth strategy and are managed concurrently.

Mr. Hamzaogullari, the portfolio manager for the Large Cap Growth Composite, joined Loomis Sayles on May 19, 2010, and performance prior to that date was achieved at his previous firm.

As of September 30, 2016, Mr. Hamzaogullari managed 123 accounts with US$29.5B in assets under management.

5. Please describe the method of compensation employed for portfolio managers.

The following describes the compensation structure for the Large Cap Growth investment team, which includes the portfolio manager and research analysts.

Firm-level

The firm has a pre-bonus income sharing agreement with its parent company. The bonus pool available to Loomis Sayles employees is 50% of pre-bonus profit. Pre-bonus profit is split evenly between Loomis Sayles and its parent company.

Large Cap Growth-specific

Loomis Sayles' compensation for the Large Cap Growth team investment professionals has four components: a competitive base salary, an annual incentive bonus driven by investment performance, participation in long-term incentive plans, and a revenue sharing bonus if certain revenue thresholds and performance hurdles are met.

Maximum variable compensation potential is a multiple of base salary and reflects performance achievements relative to peers with similar disciplines. The performance review considers the asset class, manager experience, and maturity of the product. The Large Cap Growth team incentive compensation is based on trailing strategy performance and is weighted at one third for the three-year period, one third for the five-year period and one third for the ten-year period. All members of the investment team, including the portfolio manager and dedicated analysts, are compensated according to the same metric: overall performance of the strategy. A portion of the team's revenue is delivered in compensation if certain revenue thresholds and performance hurdles are met. The relative shares of this revenue bonus are distributed to team members as determined by the Chief Investment Officer and the Large Cap Growth portfolio manager.

Long-term Incentive Program

We also have two types of long-term incentive programs within which the Large Cap Growth portfolio manager participates. The first is a program that includes certain investment professionals and senior executives who receive a share of Loomis Sayles' annual earnings. Annual payments are deposited in an investment account for each participant and vest over two years. The second program is focused primarily on portfolio managers and generates an annual and a post-retirement payout upon retirement from the firm. The annual payment in this program is a function of revenue for the product.

6. Please describe the method of compensation employed for research analysts.

Please see answer to Question 5 above.

Client Service

1. Who would be the individual providing service for this client? Please provide a brief bio and description of responsibilities for this individual.

At Loomis Sayles, we place a high priority on providing effective client service through our dedicated client service group. Every client is assigned a portfolio manager, a client portfolio manager and a portfolio analyst. The client portfolio manager (CPM) serves as the client advocate in the investment process and is the primary client conduit for portfolio and investment information. Portfolio managers focus on direct implementation of an account's investment strategy. A client generally meets with their portfolio manager annually and with the client portfolio manager as often as necessary to ensure full investment transparency. The portfolio analyst (PA) is the person responsible for supporting the client portfolio manager in gathering and disseminating investment data and any reports that are needed to service the client.

Client administration managers (CAMs) also provide support to clients and client portfolio managers. The client administration manager collaborates with internal departments to facilitate internal and external management of clients' needs, and helps ensure all contractually required services are delivered to clients in a timely manner.

Product managers, who participate as observers in portfolio manager discussions, are well versed in the rationale for portfolio strategy and positioning. They are therefore well prepared to be one of the primary CPM & PA conduits for portfolio and investment information.

Our client service is tailored to each client's needs and begins with a thorough understanding of client objectives, risk profile and the role the product is expected to play in the client's investment strategy. We maintain a high standard of accountability both in tracking investment decisions and in communicating investment information to our clients. These proactive measures from our client service team keeps clients abreast of significant portfolio activity and of how managerial decisions reflect their portfolio objectives, our investment philosophy, and the investment environment. We also monitor the number of clients overseen by the portfolio manager and client portfolio manager to ensure a consistent application of the investment process and quality client service.

Loomis Sayles' eService is part of our continued effort to provide clients with convenient access to the most current account information. eService is a web-based application designed for fast, easy and paperless standardized reporting that enhances timely access to account information. Reporting generated by eService can be viewed, printed and saved in Adobe Acrobat PDF or Microsoft Excel format. Reports are available on eService shortly after month-end and historical reports are available for a trailing twelve-month period.

Our goal at Loomis Sayles has always been to offer the best service to our clients. Given the successful growth of our company over the past few years, we continue to expand our client service group as necessary in order to maintain this level of service. We are confident that these additional resources will allow us to form stronger relationships and better communications with our clients.

2. What information about investments made in the submitted product is available to institutional clients in this strategy? How regular/up-to-date is this information, and how detailed?

Portfolio managers, client portfolio managers, client administration managers and portfolio analysts communicate with clients through meetings, telephone calls, emails, letters and portfolio reporting. Our clients determine frequency and preferred mode of contact for these items. We provide clients with complete information on the management of their portfolios, the portfolio managers' investment thought-process and objectives. We believe clarity and depth of information builds trust and helps us to meet client needs. Loomis Sayles' eService is also used extensively as a method for delivering account-specific information to our clients. In addition, Loomis Sayles has dedicated resources that are responsible for producing topical “white papers,” research and webcasts that keep our clients informed about important market information.

3. Does your firm offer an online portal for accessing information about this product?

Yes. We developed Loomis Sayles' eService as part of our continued effort to provide clients with convenient access to the most current account information. eService is a web-based application designed for fast, easy and paperless standardized reporting. The following client reports are typically delivered via eService and can be viewed, printed and saved in Adobe Acrobat PDF or Microsoft Excel format:

- Equity characteristics
- Gain/loss
- Portfolio summary
- Purchase & sales
- Cash transactions
- Portfolio appraisal by industry
- Quarterly report ‘mailer’
- Monthly report ‘mailer’

Preliminary data is generally available on the third business day following month-end. Final data is available after our operational corrections period concludes on the seventh business day following month-end. Historical reports are available for a trailing twelve-month period.

4. How often does your firm create attribution reports for the portfolio (either on a perfunctory basis, or as solicited by clients).

Attribution analysis factors heavily in the portfolio monitoring process, which is conducted by the portfolio manager and the product management team. FactSet is utilized to decompose absolute and relative portfolio exposures (by holding/ industry/ sector/ market cap) and to generate portfolio attribution analysis. Attribution is analyzed on a regular basis.

The portfolio manager continually reviews attribution and risk reports to analyze performance in relation to the investment process. These reports help the team to understand what is driving performance and to evaluate any unintended risk.

Clients may opt to receive monthly reports that detail the market value, performance and characteristics of the portfolio. Holdings and transaction summaries may also be distributed monthly via eService or email. Quarterly reports, which include market commentary, performance, attribution, sector weights and characteristics, are also available via eService and/or email.

5. Would your firm have a representative accept invitations to present to the board on a regular basis (roughly once per year, though possibly more or less often?) Would your firm be willing to have a portfolio manager present to the board as part of those presentations?

Yes. Dedicated LCG product managers who are fully embedded within the investment team serve as investment strategy experts. Product managers represent the strategy in the majority of client and prospect meetings so that the investment team is able to remain focused on and dedicated to their primary responsibility, managing investor assets. Portfolio manager participation depends upon his availability.

Performance

1.	Is your firm in compliance with GIPS?	Yes.
2.	If yes to the above, has your GIPS compliance been audited?	Loomis Sayles prepares and presents Composite reports in compliance with the Global Investment Performance Standards (GIPS®). Loomis Sayles has been verified for the periods January 1, 1999 through December 31, 2014, by an independent verifier. A copy of the most recent verification report is available upon request.
3.	If yes to the above, who performed the audit?	ACA Performance Services, LLC of New York, NY verified the period from January 1, 2006 to December 31, 2014. PricewaterhouseCoopers LLC, of Boston, MA, had verified the prior period through December 31, 2005. A copy of the most recent verification report is available upon request.

Performance – as of 3Q16

Investment Style	Growth
Product Name Used For Performance	Large Cap Growth
Inception Date	July 1, 2006
Account Type	Composite
Benchmark Used	**Russell 1000 Growth Index**
Portfolio Manager/Team Leader	Aziz Hamzaogullari
Years Managing this Product	10

Only include **RETURNS FOR COMPLETE YEARS'** performance in the table below.
Do NOT place returns for partial years in the table below, even if noted as incomplete.
Partial years and their performance may **only** go in the indicated box above.

Only complete years may be included in the returns below. List incomplete years, if any, this product has had in the box to the right.	

Commingled Funds and Separate Accounts **must** provide Gross of Fees Returns
Mutual Funds **should** submit Gross of Fees numbers if you have access to those numbers, and must provide Net of Fees numbers at a minimum.
Never delete any of the below columns for any reason, even if you are leaving it blank.
These returns are **in addition** to the requirement to submit a complete quarterly returns since inception document, as described in the instructions section at the beginning of this RFP.

Are you providing Net of Fees instead of Gross of Fees returns below? Indicate with an "X" to the right **only** if yes. Otherwise, leave blank. (Only Mutual Fund submissions may do this)	

Period	Return Gross of Fees	Return Net of Fees	Preferred Benchmark Return	# of Accounts for Product	Assets ($) in Composite
2006					
2007	11.79	11.15	11.81		
2008	-28.04	-28.47	-38.44		
2009	41.24	40.45	37.21		
2010	14.13	13.57	16.71	9	$293mm
2011	1.95	1.56	2.64	9	$252mm
2012	19.77	19.31	15.26	9	$288mm
2013	36.83	36.37	33.48	22	$5.4B
2014	11.75	11.41	13.05	26	$9.0B
2015	11.00	10.58	5.67	39	$13.4B
1st Quarter 2016	-0.53	-0.63	0.74	40	$14.3B
2nd Quarter 2016	3.24	3.14	0.61	39	$15.9B
3rd Quarter 2016	8.50	8.39	4.58	43	$18.0B
Annualized 3-year	15.53	15.12	11.83	N/A	N/A
Annualized 5-year	19.68	19.25	16.60	N/A	N/A

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