

**SUMMARY OF RELEVANT FACTS**  
**Town of Longboat Key Combined Retirement Plans**  
**As of September 30, 2016**

Distribution of Assets:		
<b>Equity</b>		
-Large Cap. Value	\$5,018,193.86	
-Large Cap. Growth	\$4,999,784.51	
-Large Cap. Core	\$1,520,333.50	
-Mid Cap. Value	\$846,648.15	
-Mid Cap. Growth	\$808,546.06	
-Small Cap. Value	\$845,671.22	
-Small Cap. Growth	\$820,626.65	
-International Value	\$2,449,309.54	
-International Growth	\$2,471,695.74	
<b>Total Equity</b>		<b>\$19,780,809.23</b>
-Fixed Income	\$10,357,003.65	
<b>Total Traditional Assets</b>		<b>\$30,137,812.88</b>
<b>Alternative Investments</b>		
-Core Private Real Estate	\$0.00	
-Master Limited Partnerships	\$1,676,498.72	
<b>Total Alternative Investments</b>		<b>\$1,676,498.72</b>
Cash (Deposit & Disbursement Acc't)	\$509,412.05	
<b>Total Portfolio</b>		<b>\$32,323,723.65</b>

Distribution by Percentages:		
	Policy	Current
<b>Equity</b>		
-Large Cap. Value	12.50%	15.52%
-Large Cap. Growth	12.50%	15.47%
-Large Cap. Core	10.00%	4.70%
-Mid Cap. Value	2.50%	2.62%
-Mid Cap. Growth	2.50%	2.50%
-Small Cap. Value	2.50%	2.62%
-Small Cap. Growth	2.50%	2.54%
-International Value	7.50%	7.58%
-International Growth	7.50%	7.65%
<b>Total Equity</b>	<b>60.00%</b>	<b>61.20%</b>
-Fixed Income	25.00%	32.04%
<b>Total Traditional Assets</b>	<b>85.00%</b>	<b>93.24%</b>
<b>Alternative Investments</b>		
-Core Private Real Estate	10.00%	0.00%
-Master Limited Partnerships	5.00%	5.19%
<b>Total Alternative Investments</b>	<b>15.00%</b>	<b>5.19%</b>
Cash (Deposit & Disbursement Acc't)	0.00%	1.58%
<b>Total Portfolio</b>	<b>100.00%</b>	<b>100.00%</b>

Deposit & Disbursement		
<b>Total Assets</b>	100.00%	\$509,412
Equity	0.00%	\$0
Cash	100.00%	\$509,412
<b>Fees</b>		<b>\$0</b>
Gain or (Loss) - Gross-of-Fees		\$24
Gain or (Loss) - Net-of-Fees		\$24

**Other Important Facts:**

Total Portfolio	\$32,323,724
Fees	(\$36,570)
Total Gain or (Loss) - Gross-of-Fees	\$855,923
Total Gain or (Loss) - Net-of-Fees	\$819,353

**Vanguard Large Cap Value ETF**

Total Assets	100.00%	\$5,018,194	100.00%	\$845,671
Equity	100.00%	\$5,018,073	98.72%	\$834,829
Cash	0.00%	\$121	1.28%	\$10,842
Fees		(\$3,016)		(\$1,303)
Gain or (Loss) - Gross-of-Fees		\$127,647		\$34,513
Gain or (Loss) - Net-of-Fees		\$124,631		\$33,210

**Kayne Anderson - Small Cap Value**

**Vanguard Large Cap Growth ETF**

Total Assets	100.00%	\$4,999,785	100.00%	\$820,627
Equity	99.99%	\$4,999,263	95.78%	\$786,029
Cash	0.01%	\$521	4.22%	\$34,598
Fees		(\$2,973)		(\$1,271)
Gain or (Loss) - Gross-of-Fees		\$215,229		\$40,632
Gain or (Loss) - Net-of-Fees		\$212,257		\$39,361

**Apex - Small Cap Growth**

**Futures Connors - Large Cap Core**

Total Assets	100.00%	\$1,520,334	100.00%	\$2,449,310
Equity	99.25%	\$1,508,944	97.20%	\$2,380,714
Cash	0.75%	\$11,390	2.80%	\$68,595
Fees		(\$2,108)		(\$3,523)
Gain or (Loss) - Gross-of-Fees		\$78,473		\$67,819
Gain or (Loss) - Net-of-Fees		\$76,365		\$64,297

**Lazard - International Value**

**Kennedy - Mid Cap Value**

Total Assets	100.00%	\$846,648	100.00%	\$2,471,696
Equity	98.09%	\$830,481	99.19%	\$2,451,663
Cash	1.91%	\$16,167	0.81%	\$20,032
Fees		(\$1,280)		(\$3,449)
Gain or (Loss) - Gross-of-Fees		\$59,750		\$179,502
Gain or (Loss) - Net-of-Fees		\$58,470		\$176,053

**Renaissance - International Growth**

**Congress - Mid Cap Growth**

Total Assets	100.00%	\$808,546	100.00%	\$10,357,004
Equity	99.15%	\$801,671	99.29%	\$10,283,106
Cash	0.85%	\$6,876	0.71%	\$73,898
Fees		(\$1,186)		(\$13,619)
Gain or (Loss) - Gross-of-Fees		\$13,668		\$25,690
Gain or (Loss) - Net-of-Fees		\$12,481		\$12,071

**Pacific - Fixed Income**

**AEW - Private Real Estate**

Total Assets	0.00%	\$0	100.00%	\$1,676,499
Equity	0.00%	\$0	99.50%	\$1,668,189
Cash	0.00%	\$0	0.50%	\$8,310
Fees		\$0		(\$2,842)
Gain or (Loss) - Gross-of-Fees		\$0		\$12,975
Gain or (Loss) - Net-of-Fees		\$0		\$10,133

**Center Coast - MLP**

**Breakdown of Returns**  
**Town of Longboat Key Combined Retirement Plans**  
**As of September 30, 2016**

<b>EQUITY</b>				
<b>Vanguard ETF (15.52%) Large Cap. Value</b>		<b>Gross-of-Fees</b>	<b>Net-of-Fees</b>	
		<b>Return</b>	<b>Return</b>	<b>Russell 1000 Value</b>
	Quarter	3.04	2.97	3.48
	Since 6/22/2016	3.33	3.25	
<b>Vanguard ETF (15.47%) Large Cap. Growth</b>		<b>Russell 1000 Growth</b>		
	Quarter	5.07	5.00	4.58
	Since 6/22/2016	4.67	4.59	
<b>Future Connors (4.7%) Large Cap. Core</b>		<b>S&amp;P 500</b>		
	Quarter	2.01	1.96	3.85
	Since 6/22/2016	3.45	3.39	
<b>Kennedy (2.62%) Mid Cap. Value</b>		<b>Russell Mid Cap Value</b>		
	Quarter	7.26	7.10	4.45
	Since 6/22/2016	5.84	5.67	
<b>Congress (2.5%) Mid Cap. Growth</b>		<b>Russell Mid Cap Growth</b>		
	Quarter	1.52	1.39	4.59
	Since 6/22/2016	2.70	2.54	
<b>Kayne Anderson (2.62%) Small Cap. Value</b>		<b>Russell 2000 Value</b>		
	Quarter	4.15	3.99	8.87
	Since 6/22/2016	6.24	6.06	
<b>Apex (2.54%) Small Cap. Growth</b>		<b>Russell 2000 Growth</b>		
	Quarter	4.85	4.69	9.22
	Since 6/22/2016	4.88	4.72	
<b>Lazard (7.580%) International Value</b>		<b>MSCI EAFE (Net)</b>		
	Quarter	2.71	2.57	6.43
	Since 6/22/2016	(0.18)	(0.33)	
<b>Renaissance (7.65%) International Growth</b>		<b>MSCI ACWI ex US (Net)</b>		
	Quarter	7.24	7.09	6.91
	Since 6/22/2016	3.03	2.88	
<b>FIXED INCOME</b>				
<b>Pacific Income Advisors (32.04%)</b>		<b>BC Gov/Credit Intm</b>		
	Quarter	0.25	0.12	0.16
	Since 6/22/2016	0.67	0.52	
<b>Alternatives Center Coast (5.19%)</b>		<b>Alerian MPL</b>		
	Quarter	0.80	0.63	1.07
	Since 6/22/2016	1.53	1.35	
<b>Time-Weighted Returns (TWR)</b>		<b>Policy Index</b>		
	Quarter	2.73	2.62	3.17
	Since 6/22/2016	3.00	2.88	

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

# QUARTERLY PERFORMANCE SUMMARY

Prepared for:

## Town of Longboat Key Retirement Plans

As of September 30, 2016

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# Capital Markets Overview: 3Q 2016

## Introduction

As of 3Q 2016

- Risk markets emerged from June's historic Brexit vote with a vengeance, surging to new highs in the beginning of July and holding those gains through the end of the third quarter. Japanese and emerging market equities were the top performers across asset classes, registering returns more than double that of the S&P 500. The laggards for the quarter included commodities and managed futures. For the one-year period ended September 30, 2016, global REITs and emerging market debt and equities generated the strongest returns.
- With a relatively quiet third quarter, the market is now gearing up for the uncertainty that the US Presidential election and the US Federal Reserve meeting may bring. While there may be some short-term market volatility surrounding these events, the GIC does not believe they will derail the gains risk markets have made year to date. The GIC puts a December Fed rate hike on the table, as they continue to monitor inflation expectations and labor market conditions.
- The Dow Jones Industrial Average increased 2.8% in the third quarter. The NASDAQ Composite Index was up 10.0% for the quarter. The S&P 500 Index increased 3.9% for the quarter.
- Seven of the 10 sectors within the S&P 500 generated positive returns in the third quarter of 2016. The top-performing sector was Technology, which was up 12.9%. Financials rose 4.6% and was also among the top-performing sectors. The biggest laggards were Utilities, which decreased 5.9%, and Telecom, which fell 5.6%.
- The bond market registered positive returns during the third quarter. The Barclays U.S. Aggregate Bond Index, a general measure of the bond market, increased 0.5% for the quarter.
- Morgan Stanley & Co. economists expect U.S. real GDP will be 1.7% in 2016 and 1.5% in 2017. They forecast global GDP growth to be 2.9% in 2016 and 3.2% in 2017.
- After posting strong second quarter returns, Commodities registered negative returns in the third quarter; the Bloomberg Commodity Index decreased 3.9%.
- For the third quarter of 2016, global mergers and acquisitions (M&A) deal volume was \$813 billion, compared to \$835 billion for the second quarter of 2016. Global M&A activity increased to \$4.3 trillion in 2015 from \$3.3 trillion in 2014.

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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# Capital Markets Overview: 3Q 2016

## The US Economy

As of 3Q 2016

The Department of Commerce estimated that Gross Domestic Product increased at an annual rate of 1.3% in the second quarter of 2016, in comparison to a 1.6% increase in the first quarter of 2016. Morgan Stanley & Co. economists forecast U.S. Real GDP will be 1.7% in 2016 and 1.5% in 2017.

The seasonally adjusted unemployment rate for August 2016 was 4.9%, which has held at that level since June 2016. Employment increased in health care while mining continued to lose jobs. The number of unemployed was essentially unchanged at 7.8 million. The number of long-term unemployed (those jobless for 27 weeks or more) was essentially unchanged as well at 2.0 million. These individuals accounted for 26.1% of the unemployed.

According to the most recent estimate from the Bureau of Economic Analysis, corporate profits decreased 0.6% between the first and second quarter of 2016, and fell 4.3% between the second quarter of 2015 and the second quarter of 2016.

Inflation remained low in the U.S. According to the Bureau of Labor Statistics; the seasonally adjusted Consumer Price Index was 0.0% in July and increased to 0.2% in August. Morgan Stanley & Co. economists forecast a 1.2% inflation rate for 2016 and 1.9% for 2017.

The Census Bureau reported that private-sector housing starts in August 2016 were at a seasonally adjusted annual rate of 1,142,000—0.9% above August 2015 housing starts. The rise in housing starts over the past several years indicates that despite some intermittent setbacks, the housing market is rebounding.

The Census Bureau also reported that seasonally adjusted retail and food services sales decreased 0.3% between July 2016 and August 2016, and increased 1.9% between August 2015 and August 2016.

In September, the Institute for Supply Management's Purchasing Managers' Index (PMI), a manufacturing sector index, increased as the PMI registered 51.5%, a 2.1-percentage-point uptick from the August reading of 49.4%. This index has registered above 50 for 6 out of the 7 last months, indicating an expansion in manufacturing. Overall, PMI has been above 43 for 85 consecutive months. Generally speaking, a PMI or NMI (ISM Non-Manufacturing Index) over 50 indicates that the sector is expanding and a PMI below 50 but over 43 indicates that the sector is shrinking but the overall economy is expanding.

The NMI decreased 4.1 points to 51.4 between August 2016 and July 2016. The index has now been above 50 for 78 consecutive months.

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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# Capital Markets Overview: 3Q 2016

## US Equity Markets

As of 3Q 2016

The Dow Jones Industrial Average increased 2.8% in the third quarter. The NASDAQ Composite Index was up 10.0% for the quarter. The S&P 500 Index increased 3.9% for the quarter.

Seven of the 10 sectors within the S&P 500 generated positive returns in the third quarter of 2016. The top-performing sector was Technology, which was up 12.9%. Financials rose 4.6% and was also among the top-performing sectors. The biggest laggards were Utilities, which decreased 5.9%, and Telecom, which fell 5.6%.

Growth-style stocks of large-cap companies increased during the third quarter. The large-cap Russell 1000 Growth Index rose 4.6%. The Russell 1000 Index, a large-cap index, increased 4.0% for the quarter. The Russell 1000 Value Index, also a large-cap index, increased 3.5% for the quarter.

The Russell Midcap Growth Index rose 4.6% for the quarter. The Russell Midcap Index also increased 4.5% for the quarter. The Russell Midcap Value Index increased 4.5% for the quarter. The Russell 2000 Growth Index, a small-cap index, increased 9.2% for the quarter. The small-cap Russell 2000 Index rose 9.0% for the quarter. The Russell 2000 Value Index, also a small-cap index, increased 8.8% for the quarter.

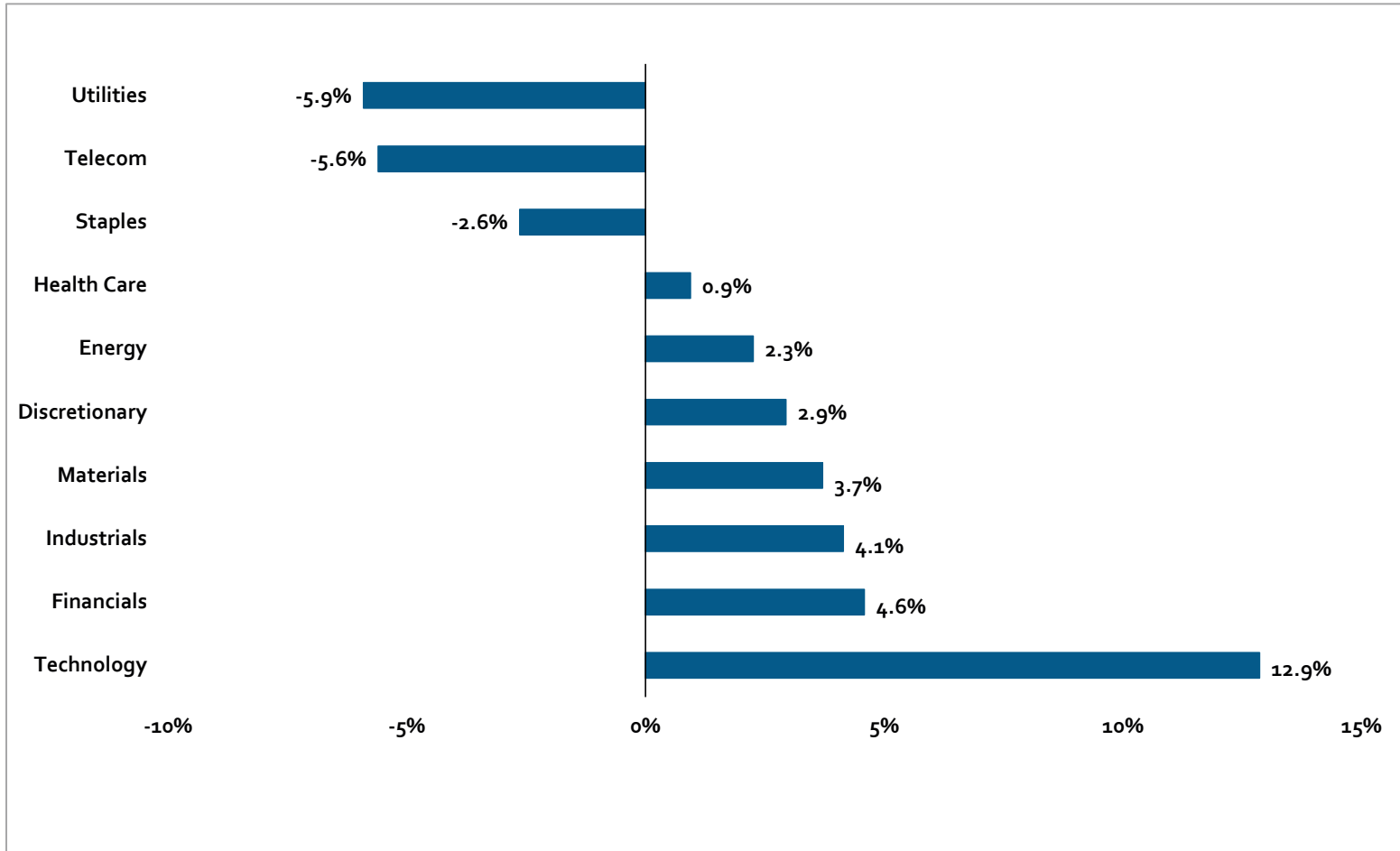
Key US Stock Market Index Returns (%) for the Period Ending 9/30/2016				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
S&P 500	3.9%	15.4%	16.4%	13.2%
Dow Jones	2.8%	15.5%	13.7%	12.3%
Russell 2000	9.0%	15.5%	15.8%	12.5%
Russell Midcap	4.5%	14.2%	16.7%	14.1%
Russell 1000	4.0%	14.9%	16.4%	13.2%

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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# S&P 500 Sectors

3Q 2016 Total Return  
As of September 30, 2016



Source: Bloomberg

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# Capital Markets Overview: 3Q 2016

## Global Equity Markets

As of 3Q 2016

In the third quarter, emerging markets (EM) and international developed regions both delivered positive returns. The MSCI EAFE Index (a benchmark for international developed markets) increased 6.5% for U.S.-currency investors and 6.1% for local-currency investors, as the U.S. dollar slightly strengthened in relation to the currencies of many nations in the index.

For the third quarter, the MSCI Emerging Markets Index increased 9.2% for U.S.-currency investors and 7.7% for local-currency investors, as the U.S. dollar strengthened in relation to the currencies of the nations in the index. The MSCI Europe Index increased 5.4% for U.S.-currency investors and 5.7% for local-currency investors during the third quarter of 2016.

The S&P 500 Index increased 3.9% for the quarter.

Emerging economy equity market indices were also up in the third quarter. The MSCI BRIC (Brazil, Russia, India and China) Index rose 11.6% for the quarter in U.S. dollar terms and 11.5% in terms of local currencies. In comparison, for the third quarter, the MSCI EM Asia Index was up 10.6% in U.S. dollar terms and 8.9% in local terms.

Key Global Equity Market Index Returns (%) for the Period Ending 9/30/2016				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
MSCI EAFE	6.5%	7.1%	7.9%	4.7%
MSCI EAFE Growth	5.0%	9.9%	9.1%	6.4%
MSCI EAFE Value	8.1%	4.2%	6.6%	3.0%
MSCI Europe	5.4%	3.1%	8.1%	4.4%
MSCI Japan	8.8%	12.5%	7.6%	5.4%
S&P 500	3.9%	15.4%	16.4%	13.2%
MSCI Emerging Markets	9.2%	17.2%	3.4%	2.6%

Source: FactSet, Bloomberg, Morgan Stanley Wealth Management GIC

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# Capital Markets Overview: 3Q 2016

## The US Bond Market

As of 3Q 2016

The bond market registered positive returns during the third quarter. The Barclays U.S. Aggregate Bond Index, a general measure of the bond market, increased 0.5% for the quarter.

Interest rates increased during the third quarter, as the yield on the 10-year U.S. Treasury note rose to a quarter-end 1.59% from 1.47% at the end of the 2Q 2016.

Riskier parts of the bond market such as U.S. high yield debt increased in the third quarter. The Barclays Capital High Yield Index, a measure of lower-rated corporate bonds, rose 5.6%.

Mortgage-backed securities also posted positive returns during the third quarter. The Barclays Capital Mortgage Backed Index increased 0.6% for the quarter. During the third quarter, the municipal bond market decreased. As a result, the Barclays Capital Muni Index generated a negative 0.3% return for the quarter.

Key US Bond Market Index Returns (%) for the Period Ending 9/30/2016				
INDEX IN USD	Quarter	12 Months	5-Years (Annualized)	7-Years (Annualized)
Barclays Capital US Aggregate	0.5%	5.2%	3.1%	4.1%
Barclays Capital High Yield	5.6%	12.7%	8.3%	8.7%
Barclays Capital Government/Credit	0.4%	5.8%	3.2%	4.2%
Barclays Capital Government	-0.3%	4.1%	2.2%	3.4%
Barclays Capital Intermediate Govt/Credit	0.2%	3.5%	2.4%	3.3%
Barclays Capital Long Govt/Credit	1.2%	14.7%	6.3%	8.2%
Barclays Capital Mortgage Backed Securities	0.6%	3.6%	2.6%	3.5%
Barclays Capital Muni	-0.3%	5.6%	4.5%	4.6%

Source: FactSet, Bloomberg, Morgan Stanley & Co. Research, Morgan Stanley Wealth Management GIC

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For example, on an advisory account with a 3% annual fee, if the gross annual performance is 6.00%, the compounding effect of the fees will result in a net performance of approximately 3.93% after one year, 1 after three years, and 21.23% after five years. **Conflicts of Interest:** GIMA's goal is to provide professional, objective evaluations in support of the Morgan Stanley Wealth Management investment advisory programs. We have policies and procedures to help us meet this goal. However, our business is subject to various conflicts of interest. For example, ideas and suggestions for which investment products should be evaluated by GIMA come from a variety of sources, including our Morgan Stanley Wealth Management Financial Advisors and their direct or indirect managers, and other business persons within Morgan Stanley Wealth Management or its affiliates. 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In addition, Morgan Stanley Wealth Management, MS & Co., managers and their affiliates provide a variety of services (including research, brokerage, asset management, trading, lending and investment banking services) for each other and for various clients, including issuers of securities that may be recommended for purchase or sale by clients or are otherwise held in client accounts, and managers in various advisory programs. Morgan Stanley Wealth Management, managers, MS & Co., and their affiliates receive compensation and fees in

connection with these services. Morgan Stanley Wealth Management believes that the nature and range of clients to which such services are rendered is such that it would be inadvisable to exclude categorically all of these companies from an account.

**Consider Your Own Investment Needs:** The model portfolios and strategies discussed in the material are formulated based on general client characteristics including risk tolerance. This material is not intended to be a client-specific suitability analysis or recommendation, or offer to participate in any investment. Therefore, clients should not use this profile as the sole basis for investment decisions. They should consider all relevant information, including their existing portfolio, investment objectives, risk tolerance, liquidity needs and investment time horizon. Such a suitability determination may lead to asset allocation results that are materially different from the asset allocation shown in this profile. Talk to your Financial Advisor about what would be a suitable asset allocation for you, whether CGCM is a suitable program for you. **No obligation to notify** – Morgan Stanley Wealth Management has no obligation to notify you when the model portfolios, strategies, or any other information, in this material changes.

**Please consider the investment objectives, risks, fees, and charges and expenses of mutual funds, ETFs, closed end funds, unit investment trusts, and variable insurance products carefully before investing. The prospectus contains this and other information about each fund. To obtain a prospectus, contact your Financial Advisor or Private Wealth Advisor or visit the Morgan Stanley website at [www.morganstanley.com](http://www.morganstanley.com). Please read it carefully before investing.**

#### KEY ASSET CLASS CONSIDERATIONS AND OTHER RISKS

Investing in the markets entails the risk of market volatility. The value of all types of investments, including stocks, mutual funds, exchange-traded funds (“ETFs”), closed-end funds, and unit investment trusts, may increase or decrease over varying time periods. To the extent the investments depicted herein represent **international securities**, you should be aware that there may be additional risks associated with international investing, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes, and differences in financial and accounting standards. These risks may be magnified in **emerging markets and frontier markets**. **Small- and mid-capitalization companies** may lack the financial resources, product diversification and competitive strengths of larger companies. In addition, the securities of small- and mid-capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies. The value of **fixed income securities** will fluctuate and, upon a sale, may be worth more or less than their original cost or maturity value. Bonds are subject to interest rate risk, call risk, reinvestment risk, liquidity risk, and credit risk of the issuer. **High yield bonds** are subject to additional risks such as increased risk of default and greater volatility because of the lower credit quality of the issues. In the case of **municipal bonds**, income is generally exempt from federal income taxes. Some income may be subject to state and local taxes and to the federal alternative minimum tax. Capital gains, if any, are subject to tax. **Treasury Inflation Protection Securities’ (TIPS)** coupon payments and underlying principal are automatically increased to compensate for inflation by tracking the consumer price index (CPI). While the real rate of return is guaranteed, TIPS tend to offer a low return. Because the return of TIPS is linked to inflation, TIPS may significantly underperform versus conventional U.S. Treasuries in times of low inflation. There is no guarantee that investors will receive par if TIPS are sold prior to maturity. The returns on a portfolio consisting primarily of **environmental, social, and governance-aware investments (“ESG”)** may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because ESG criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria. The companies identified and investment examples are for illustrative purposes only and should not be deemed a recommendation to purchase, hold or sell any securities or investment products. They are intended to demonstrate the approaches taken by managers who focus on ESG criteria in their investment strategy. There can be no guarantee that a client's account will be managed as described herein. As regards **Securities Based Lending**, you need to understand that: (1) Sufficient collateral must be maintained to support your loan(s) and to take future advances; (2) You may have to deposit additional cash or eligible securities on short notice; (3) Some or all of your securities may be sold without prior notice in order to maintain account equity at required maintenance levels. You will not be entitled to choose the securities that will be sold. These actions may interrupt your long-term investment strategy and may result in adverse tax consequences or in additional fees being assessed; (4) Morgan Stanley Bank, N.A., Morgan Stanley Private Bank, National Association or Morgan Stanley Smith Barney LLC (collectively referred to as “Morgan Stanley”) reserves the right not to fund any advance request due to insufficient collateral or for any other reason except for any portion of a securities based loan that is identified as a committed facility; (5) Morgan Stanley reserves the right to increase your collateral maintenance requirements at any time without notice; and (6) Morgan Stanley reserves the right to call securities based loans at any time and for any reason. **Options** and margin trading involve substantial risk and are not suitable for all investors. Besides the general investment risk of holding securities that may decline in value and the possible loss of principal invested, **closed-end funds** may have additional risks related to declining market prices relative to net asset values (NAVs), active manager underperformance and potential leverage. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and once issued, shares of closed-end funds are sold in the open market through a stock exchange. NAV is total assets less total liabilities divided by the number of shares outstanding. At the time an investor purchases shares of a closed-end fund, shares may have a market price that is above or below NAV. **Alternative investments** often are speculative and include a high degree of risk. Investors could lose all or a substantial amount of their investment. Alternative investments are suitable only for eligible, long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time. They may be highly illiquid and can engage in leverage and other speculative practices that may increase the volatility and risk of loss. Alternative Investments typically have higher fees than traditional investments. Investors should carefully review and consider potential risks before investing. Certain of these risks may include but are not limited to: Loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices; Lack of liquidity in that there may be no secondary market for a fund; Volatility of returns; Restrictions on transferring interests in a fund; Potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized; Absence of information regarding valuations and pricing; Complex tax structures and delays in tax reporting; Less regulation and higher fees than mutual funds; and Risks associated with the operations, personnel, and processes of the manager. Interests in alternative investment products are offered pursuant to the terms of the applicable offering memorandum, are distributed by Morgan Stanley Smith Barney LLC and certain of its affiliates. In Consulting Group’s advisory

programs, alternative investments are limited to US-registered mutual funds, separate account strategies and exchange-traded funds (ETFs) that seek to pursue alternative investment strategies or returns utilizing publicly traded securities. Investment products in this category may employ various investment strategies and techniques for both hedging and more speculative purposes such as short-selling, leverage, derivatives and options, which can increase volatility and the risk of investment loss. Alternative investments are not suitable for all investors. **Hedge Funds of Funds** and many funds of funds are private investment vehicles restricted to certain qualified private and institutional investors. They are often speculative and include a high degree of risk. Investors can lose all or a substantial amount of their investment. They may be highly illiquid, can engage in leverage and other speculative practices that may increase volatility and the risk of loss, and may be subject to large investment minimums and initial lockups. They involve complex tax structures, tax-inefficient investing and delays in distributing important tax information. Categorically, hedge funds and funds of funds have higher fees and expenses than traditional investments, and such fees and expenses can lower the returns achieved by investors. Funds of funds have an additional layer of fees over and above hedge fund fees that will offset returns. An investment in a **target date portfolio** is subject to the risks attendant to the underlying funds in which it invests, in these portfolios the funds are the Consulting Group Capital Market funds. A target date portfolio is geared to investors who will retire and/or require income at an approximate year. The portfolio is managed to meet the investor's goals by the pre-established year or "target date." A target date portfolio will transition its invested assets from a more aggressive portfolio to a more conservative portfolio as the target date draws closer. An investment in the target date portfolio is not guaranteed at any time, including, before or after the target date is reached. **Managed futures** investments are speculative, involve a high degree of risk, use significant leverage, are generally illiquid, have substantial charges, subject investors to conflicts of interest, and are suitable only for the risk capital portion of an investor's portfolio. Managed futures investments do not replace equities or bonds but rather may act as a complement in a well diversified portfolio. Managed Futures are complex and not appropriate for all investors. **Rebalancing** does not protect against a loss in declining financial markets. There may be a potential tax implication with a rebalancing strategy. **Asset allocation and diversification** do not assure a profit or protect against loss in declining financial markets.

**Tax laws are complex and subject to change. Morgan Stanley Smith Barney LLC ("Morgan Stanley"), its affiliates and Morgan Stanley Financial Advisors and private Wealth Advisors do not provide tax or legal advice and are not "fiduciaries" (under ERISA, the Internal Revenue Code or otherwise) with respect to the services or activities described herein except as otherwise provided in writing by Morgan Stanley. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a retirement plan or account, and (b) regarding any potential tax, ERISA and related consequences of any investments made under such plan or account.**

Insurance products are offered in conjunction with Morgan Stanley Smith Barney LLC's licensed insurance agency affiliates.

**Indices** are unmanaged. An investor cannot invest directly in an index. They are shown for illustration purposes only and do not show the performance of any specific investment. Reference to an index does not imply that the portfolio will achieve return, volatility or other results similar to the index. The composition of an index may not reflect the manner in which a portfolio is constructed in relation to expected or achieved returns, portfolio guidelines, restrictions, sectors, correlations, concentrations, volatility, or tracking error target, all of which are subject to change over time.

This material is not a financial plan and does not create an investment advisory relationship between you and your Morgan Stanley Financial Advisor. We are not your fiduciary either under the Employee Retirement Income Security Act of 1974 (ERISA) or the Internal Revenue Code of 1986, and any information in this report is not intended to form the primary basis for any investment decision by you, or an investment advice or recommendation for either ERISA or Internal Revenue Code purposes. Morgan Stanley Private Wealth Management will only prepare a financial plan at your specific request using Private Wealth Management approved financial planning signature.

We may act in the capacity of a broker or that of an advisor. As your broker, we are not your fiduciary and our interests may not always be identical to yours. Please consult with your Private Wealth Advisor to discuss our obligations to disclose to you any conflicts we may from time to time have and our duty to act in your best interest. We may be paid both by you and by others who compensate us based on what you buy. Our compensation, including that of your Private Wealth Advisor, may vary by product and over time.

Investment and services offered through Morgan Stanley Private Wealth Management, a division of Morgan Stanley Smith Barney LLC, Member SIPC.

**Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY**

**GLOBAL INVESTMENT COMMITTEE (GIC) ASSET ALLOCATION MODELS:** The Asset Allocation Models are created by Morgan Stanley Wealth Management's GIC. **HYPOTHETICAL MODEL PERFORMANCE (GROSS):** Hypothetical model performance results do not reflect the investment or performance of an actual portfolio following a GIC Strategy, but simply reflect actual historical performance of selected indices on a real-time basis over the specified period of time representing the GIC's strategic and tactical allocations as of the date of this report. The past performance shown here is simulated performance based on benchmark indices, not investment results from an actual portfolio or actual trading. There can be large differences between hypothetical and actual performance results achieved by a particular asset allocation or trading strategy. Hypothetical performance results do not represent actual trading and are generally designed with the benefit of hindsight. Actual performance results of accounts vary due to, for example, market factors (such as liquidity) and client-specific factors (such as investment vehicle selection, timing of contributions and withdrawals, restrictions and rebalancing schedules). Clients would not necessarily have obtained the performance results shown here if they had invested in accordance with any GIC Asset Allocation Model for the periods indicated. Despite the limitations of hypothetical performance, these hypothetical performance results allow clients and Financial Advisors to obtain a sense of the risk/return trade-off of different asset allocation constructs. The hypothetical performance results in this report are calculated using the returns of benchmark indices for the asset classes, and not the returns of securities, fund or other investment products. Models may contain allocations to Hedge Funds, Private Equity and Private Real Estate. The benchmark indices for these asset classes are not issued on a daily basis. When calculating model performance on a day for which no benchmark index data is issued, we have assumed straight line growth between the index levels issued before and



after that date. **FEES REDUCE THE PERFORMANCE OF ACTUAL ACCOUNTS:** None of the fees or other expenses (e.g. commissions, mark-ups, mark-downs, fees) associated with actual trading or accounts are reflected in the GIC Asset Allocation Models. The GIC Asset Allocation Models and any model performance included in this presentation are intended as educational materials. Were a client to use these models in connection with investing, any investment decisions made would be subject to transaction and other costs which, when compounded over a period of years, would decrease returns. Information regarding Morgan Stanley's standard advisory fees is available in the Form ADV Part 2, which is available at [www.morganstanley.com/adv](http://www.morganstanley.com/adv). The following hypothetical illustrates the compound effect fees have on investment returns: For example, if a portfolio's annual rate of return is 15% for 5 years and the account pays 50 basis points in fees per annum, the gross cumulative five-year return would be 101.1% and the five-year return net of fees would be 96.8%. Fees and/or expenses would apply to clients who invest in investments in an account based on these asset allocations, and would reduce clients' returns. The impact of fees and/or expenses can be material. **INSURANCE PRODUCTS AND ETF DISCLOSURES:** An investment in an **exchange-traded fund** involves risks similar to those of investing in a broadly based portfolio of equity securities traded on an exchange in the relevant securities market, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in stock and bond prices. **Variable annuities, mutual funds and ETFs are sold by prospectus only. The prospectus contains the investment objectives, risks, fees, charges and expenses, and other information regarding the variable annuity contract and the underlying investments, or the ETF, which should be considered carefully before investing. Prospectuses for both the variable annuity contract and the underlying investments, or the ETF, are available from your Financial Advisor. Please read the prospectus carefully before you invest. Variable annuities** are long-term investments designed for retirement purposes and may be subject to market fluctuations, investment risk, and possible loss of principal. All guarantees, including optional benefits, are based on the financial strength and claims-paying ability of the issuing insurance company and do not apply to the underlying investment options. Optional riders may not be able to be purchased in combination and are available at an additional cost. Some optional riders must be elected at time of purchase. Optional riders may be subject to specific limitations, restrictions, holding periods, costs, and expenses as specified by the insurance company in the annuity contract. If you are investing in a **variable annuity** through a tax-advantaged retirement plan such as an IRA, you will get no additional tax advantage from the variable annuity. Under these circumstances, you should only consider buying a variable annuity because of its other features, such as lifetime income payments and death benefits protection. Taxable distributions (and certain deemed distributions) are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal income tax penalty. Early withdrawals will reduce the death benefit and cash surrender value. **Equity securities** may fluctuate in response to news on companies, industries, market conditions and general economic environment. **Ultrashort-term fixed income** asset class is comprised of fixed income securities with high quality, very short maturities. They are therefore subject to the risks associated with debt securities such as credit and interest rate risk. **Master Limited Partnerships (MLPs):** Individual MLPs are publicly traded partnerships that have unique risks related to their structure. These include, but are not limited to, their reliance on the capital markets to fund growth, adverse ruling on the current tax treatment of distributions (typically mostly tax deferred), and commodity volume risk. The potential tax benefits from investing in MLPs depend on their being treated as partnerships for federal income tax purposes and, if the MLP is deemed to be a corporation, then its income would be subject to federal taxation at the entity level, reducing the amount of cash available for distribution to the fund which could result in a reduction of the fund's value. MLPs carry interest rate risk and may underperform in a rising interest rate environment. **Investing in commodities** entails significant risks. Commodity prices may be affected by a variety of factors at any time, including but not limited to, (i) changes in supply and demand relationships, (ii) governmental programs and policies, (iii) national and international political and economic events, war and terrorist events, (iv) changes in interest and exchange rates, (v) trading activities in commodities and related contracts, (vi) pestilence, technological change and weather, and (vii) the price volatility of a commodity. In addition, the commodities markets are subject to temporary distortions or other disruptions due to various factors, including lack of liquidity, participation of speculators and government intervention. **Physical precious metals** are non-regulated products. Precious metals are speculative investments, which may experience short-term and long term price volatility. The value of precious metals investments may fluctuate and may appreciate or decline, depending on market conditions. Unlike bonds and stocks, precious metals do not make interest or dividend payments. Therefore, precious metals may not be suitable for investors who require current income. Precious metals are commodities that should be safely stored, which may impose additional costs on the investor. **REITs** investing risks are similar to those associated with direct investments in real estate: property value fluctuations, lack of liquidity, limited diversification and sensitivity to economic factors such as interest rate changes and market recessions. Risks of **private real estate** include: illiquidity; a long-term investment horizon with a limited or nonexistent secondary market; lack of transparency; volatility (risk of loss); and leverage. Principal is returned on a monthly basis over the life of a **mortgage-backed security**. Principal prepayment can significantly affect the monthly income stream and the maturity of any type of MBS, including standard MBS, CMOs and Lottery Bonds.

**For index definitions to the indices referenced in this report please visit the following: <http://www.morganstanleyfa.com/public/projectfiles/id.pdf>**

**Asset-backed securities** generally decrease in value as a result of interest rate increases, but may benefit less than other fixed-income securities from declining interest rates, principally because of prepayments. **Yields** are subject to change with economic conditions. Yield is only one factor that should be considered when making an investment decision. **Credit ratings** are subject to change. **Floating-rate securities.** The initial interest rate on a floating-rate security may be lower than that of a fixed-rate security of the same maturity because investors expect to receive additional income due to future increases in the floating security's underlying reference rate. The reference rate could be an index or an interest rate. However, there can be no assurance that the reference rate will increase. Some floating-rate securities may be subject to call risk. Companies paying **dividends** can reduce or cut payouts at any time. **Nondiversification:** For a portfolio that holds a concentrated or limited number of securities, a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than a less concentrated portfolio. Portfolios that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than those that diversify among a broad range of sectors. **The indices selected by Morgan Stanley Wealth Management** to measure performance are representative of broad asset classes. Morgan Stanley Wealth Management retains the right to change representative indices at any time. Because of their narrow focus, **sector investments** tend to be more volatile than investments that diversify across many sectors and companies. **Growth investing** does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a

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company with more modest growth expectations. **Value investing** does not guarantee a profit or eliminate risk. Not all companies whose stocks are considered to be value stocks are able to turn their business around or successfully employ corrective strategies which would result in stock prices that do not rise as initially expected. Any type of **continuous or periodic investment plan** does not assure a profit and does not protect against loss in declining markets. Since such a plan involves continuous investment in securities regardless of fluctuating price levels of such securities, the investor should consider his financial ability to continue his purchases through periods of low price levels. **Duration**, the most commonly used measure of bond risk, quantifies the effect of changes in interest rates on the price of a bond or bond portfolio. The longer the duration, the more sensitive the bond or portfolio would be to changes in interest rates. This material is disseminated in the United States of America by Morgan Stanley Smith Barney LLC. Morgan Stanley Wealth Management is not acting as a municipal advisor to any municipal entity or obligated person within the meaning of Section 15B of the Securities Exchange Act (the "Municipal Advisor Rule") and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of the Municipal Advisor Rule. This material, or any portion thereof, may not be reprinted, sold or redistributed without the written consent of Morgan Stanley Smith Barney LLC.

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# Town of Longboat Key Combined Retirement Plan

## Asset Allocation & Time Weighted Performance

as of September 30, 2016

	Allocation		Performance(%)		
	Market Value (\$)	%	Current Quarter	Since Inception	Inception Date
<b>Total Fund</b>	<b>32,323,724</b>	<b>100.00</b>	<b>2.73</b>	<b>2.73</b>	<b>07/01/2016</b>
Policy Index			3.17	3.17	
<b>Domestic Equity</b>					
Vanguard - Large Cap Value	5,018,194	15.52	3.04	3.04	07/01/2016
Russell 1000 VL			3.48	3.48	
Vanguard - Large Cap Growth	4,999,785	15.47	5.07	5.07	07/01/2016
Russell 1000 Gr			4.58	4.58	
Future Connors - Covered Calls	1,520,334	4.70	2.01	2.01	07/01/2016
S&P 500 Total Return			3.85	3.85	
Kennedy - Mid Cap Value	846,648	2.62	7.26	7.26	07/01/2016
Russell Midcap Value			4.45	4.45	
Congress - Mid Cap Growth	808,546	2.50	1.52	1.52	07/01/2016
Russell Midcap Growth			4.59	4.59	
Kayne Anderson - Small Cap Value	845,671	2.62	4.15	4.15	07/01/2016
Russell 2000 VL			8.87	8.87	
Apex - Small Cap Growth	820,627	2.54	4.85	4.85	07/01/2016
Russell 2000 Gr			9.22	9.22	
<b>International Equity</b>					
Lazard - International Value	2,449,310	7.58	2.71	2.71	07/01/2016
MSCI EAFE Net			6.43	6.43	
Renaissance - International Growth	2,471,696	7.65	7.24	7.24	07/01/2016
MSCI AC World ex US Net			6.91	6.91	

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.



# Town of Longboat Key Combined Retirement Plan

## Asset Allocation & Time Weighted Performance

as of September 30, 2016

	Allocation		Performance(%)		
	Market Value (\$)	%	Current Quarter	Since Inception	Inception Date
<b>Fixed Income</b>					
Pacific Income - Fixed Income	10,357,004	32.04	0.25	0.25	07/01/2016
BC Gov/Cr Intm			0.16	0.16	
<b>Alternatives</b>					
Center Coast - MLPs	1,676,499	5.19	0.80	0.80	07/01/2016
Alerian MLP Index			1.07	1.07	
<b>Cash &amp; Equivalents</b>					
Cash	509,412	1.58	0.01	0.01	07/01/2016
90-Day T-Bills			0.07	0.07	

The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

**Town of Longboat Key Combined Retirement Plan**  
**Asset Allocation & Net Dollar Weighted Performance (IRR)**  
**as of September 30, 2016**

	%	Current Quarter	Since Inception	Inception Date
<b>Total Fund</b>	<b>100.00</b>	<b>2.57</b>	<b>2.57</b>	<b>06/30/2016</b>
<b>Domestic Equity</b>				
Vanguard - Large Cap Value	15.53	2.77	2.77	06/30/2016
Vanguard - Large Cap Growth	15.47	4.80	4.80	06/30/2016
Future Connors - Covered Calls	4.70	3.09	3.09	06/30/2016
Kennedy - Mid Cap Value	2.62	7.16	7.16	06/30/2016
Congress - Mid Cap Growth	2.50	1.52	1.52	06/30/2016
Kayne Anderson - Small Cap Value	2.62	4.00	4.00	06/30/2016
Apex - Small Cap Growth	2.54	4.86	4.86	06/30/2016
<b>International Equity</b>				
Lazard - International Value	7.58	2.63	2.63	06/30/2016
Renaissance - International Growth	7.65	7.36	7.36	06/30/2016
<b>Fixed Income</b>				
Pacific Income - Fixed Income	32.04	0.12	0.12	06/30/2016
<b>Alternatives</b>				
Center Coast - MLPs	5.19	0.60	0.60	06/30/2016
<b>Cash &amp; Equivalents</b>				
Cash	1.58	0.01	0.01	06/30/2016

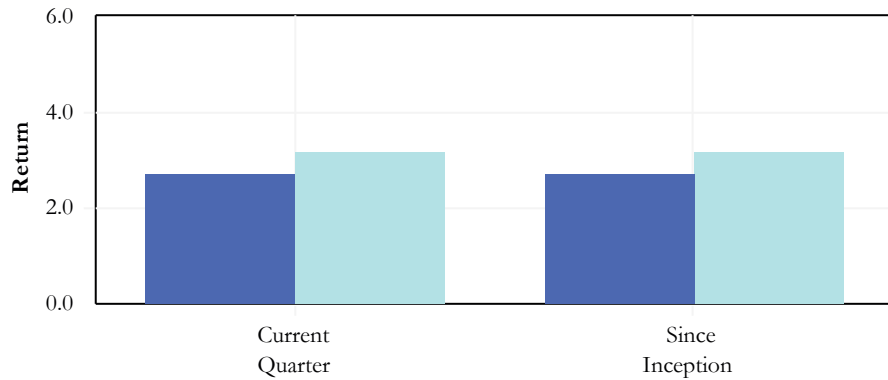
The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

# Town of Longboat Key Combined Retirement Plan

## Total Fund - Executive Summary

as of September 30, 2016

### Manager Performance Chart



### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Total Fund	2.73	2.73	07/01/2016
Policy Index	3.17	3.17	
Differences	-0.44	-0.44	

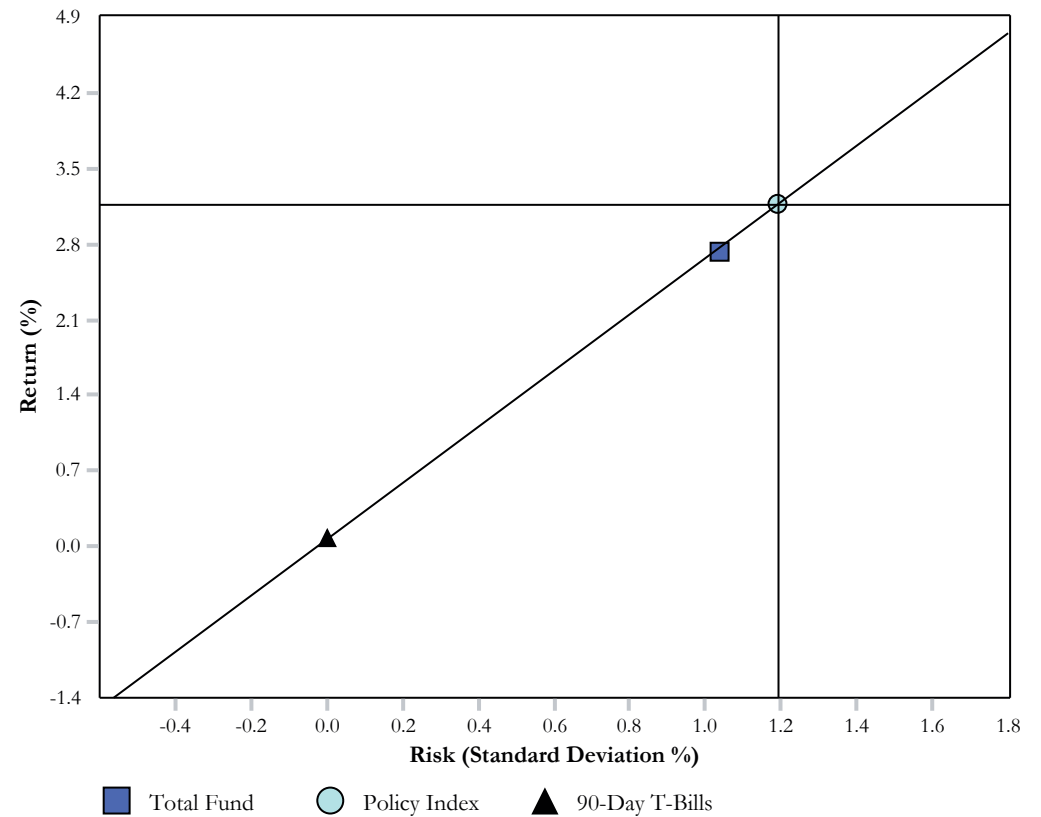
### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Total Fund			07/01/2016
Beginning Market Value	32,898	32,898	
Net Contributions	-1,393	-1,393	
Fees/Expenses	-37	-37	
Income	158	158	
Gain/Loss	698	698	
Ending Market Value	32,324	32,324	

### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Total Fund	2.73	1.04	0.87	-0.05	86.03	N/A	-0.01	0.85	1.00	07/01/2016
Policy Index	3.17	1.19	1.00	0.00	100.00	N/A	0.00	0.86	1.00	07/01/2016

### Manager Risk & Return



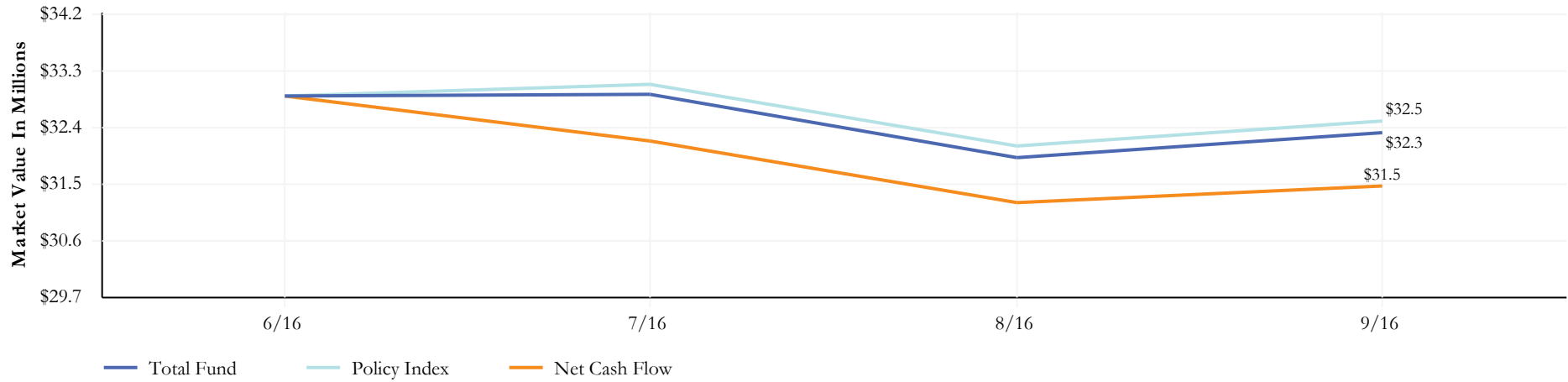
The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

# Town of Longboat Key Combined Retirement Plan

## Total Fund - Change in Assets & Distribution of Returns

as of September 30, 2016

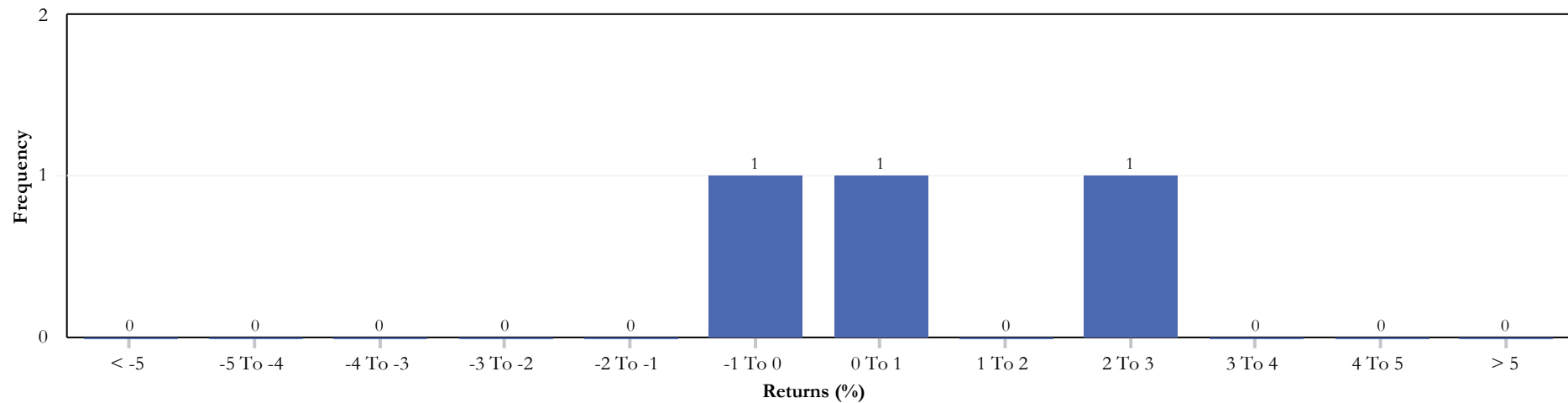
### Historic Change in Assets



### Quarterly Change in Assets

	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Income	Return On Investment	Market Value As of 09/30/2016
Total Fund	32,897.65	-	3,699.15	-5,092.43	-36.57	-	158.14	855.92	32,323.72

### Distribution of Returns



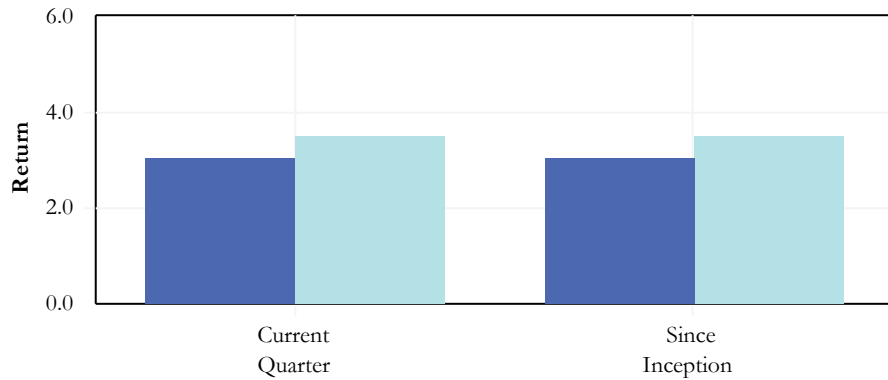
The prices, quotes, or statistics contained herein have been obtained from sources believed to be reliable, however, its accuracy cannot be guaranteed. Past performance is not a guarantee of future results.

# Town of Longboat Key Combined Retirement Plan

## Vanguard Large Cap Value - Executive Summary

as of September 30, 2016

### Manager Performance Chart



### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Vanguard - Large Cap Value	3.04	3.04	07/01/2016
Russell 1000 VL	3.48	3.48	
Differences	-0.44	-0.44	

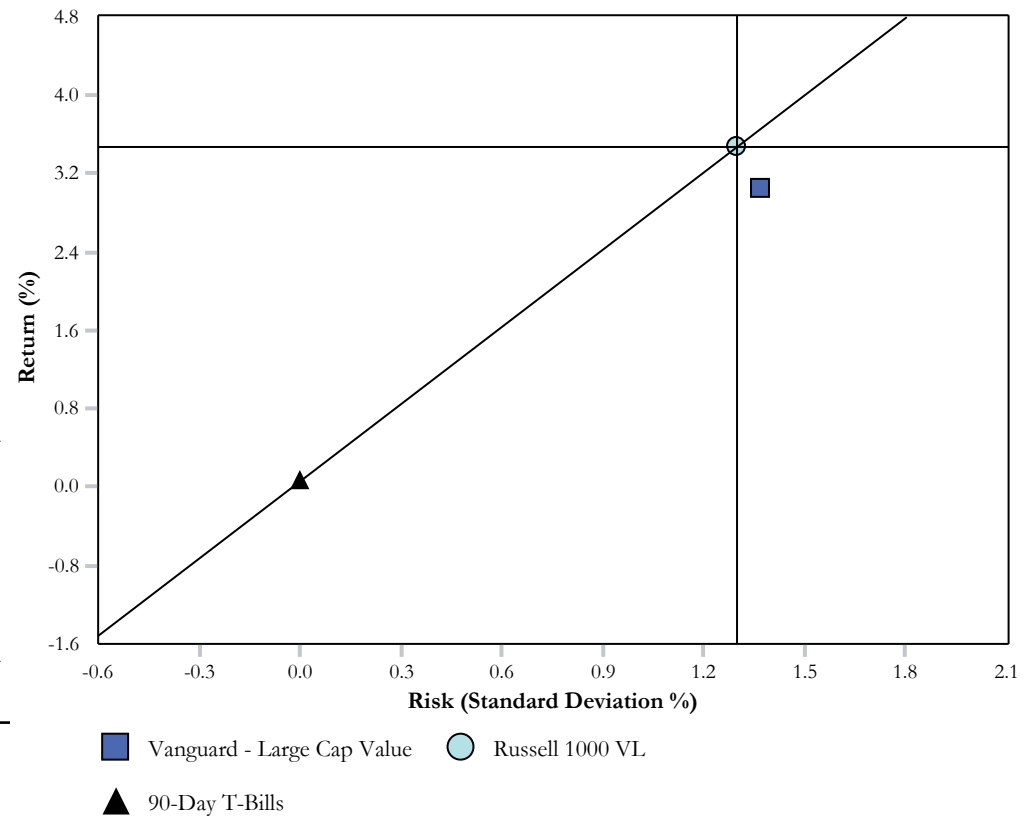
### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Vanguard - Large Cap Value			07/01/2016
Beginning Market Value	4,180	4,180	
Net Contributions	714	714	
Fees/Expenses	-3	-3	
Income	32	32	
Gain/Loss	96	96	
Ending Market Value	5,018	5,018	

### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Vanguard - Large Cap Value	3.04	1.37	1.06	-0.48	95.78	231.25	-0.21	0.72	1.00	07/01/2016
Russell 1000 VL	3.48	1.30	1.00	-0.21	100.00	100.00	0.00	0.87	1.00	07/01/2016

### Manager Risk & Return



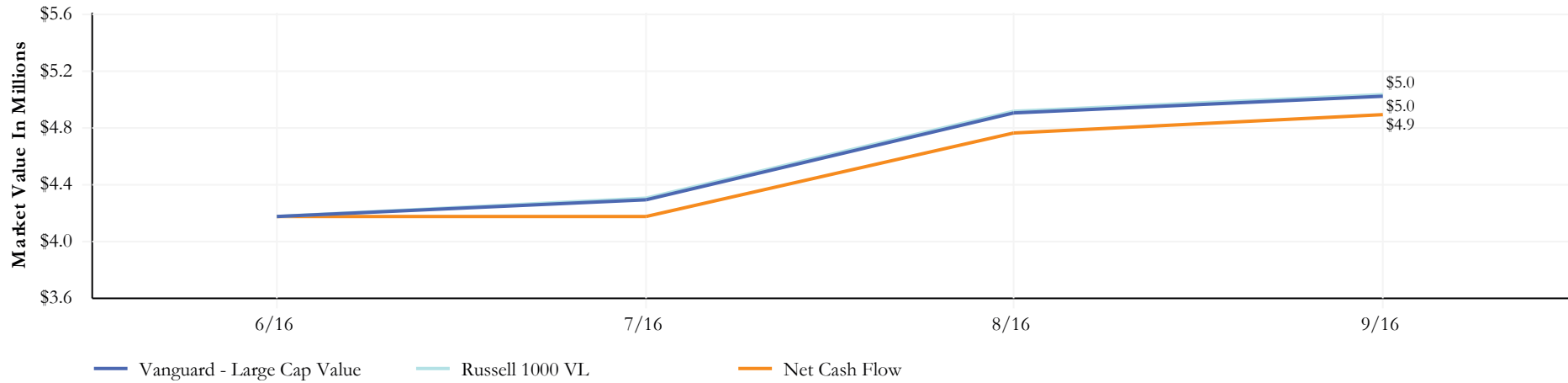
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# Town of Longboat Key Combined Retirement Plan

## Vanguard Large Cap Value - Change in Assets & Distribution of Returns

as of September 30, 2016

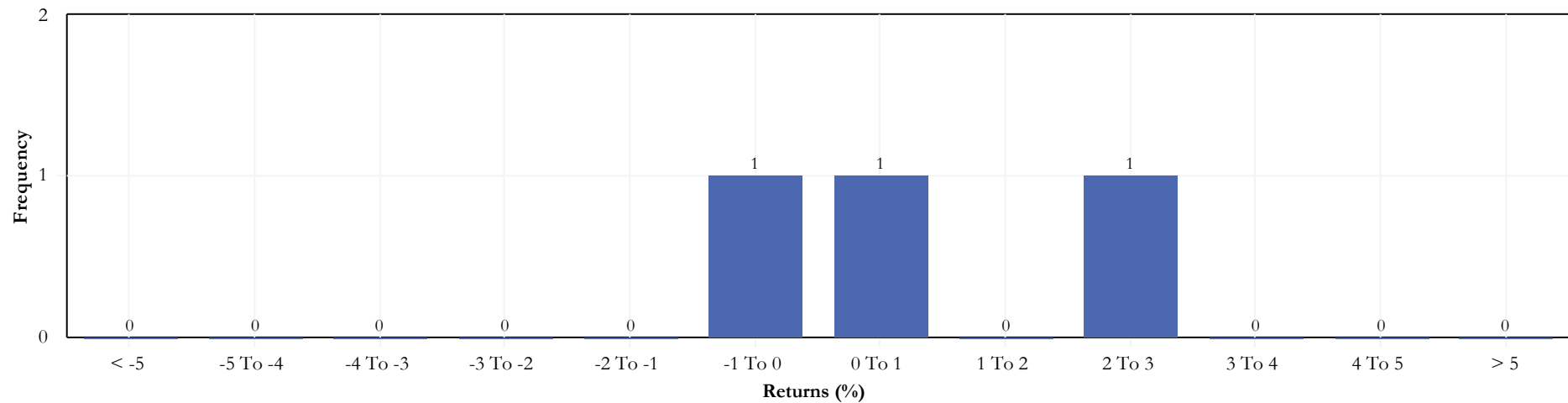
### Historic Change in Assets



### Quarterly Change in Assets

	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2016
Vanguard - Large Cap Value	4,179,968.16	-	893,594.63	-180,000.00	-3,016.22	-	127,647.29	5,018,193.86

### Distribution of Returns



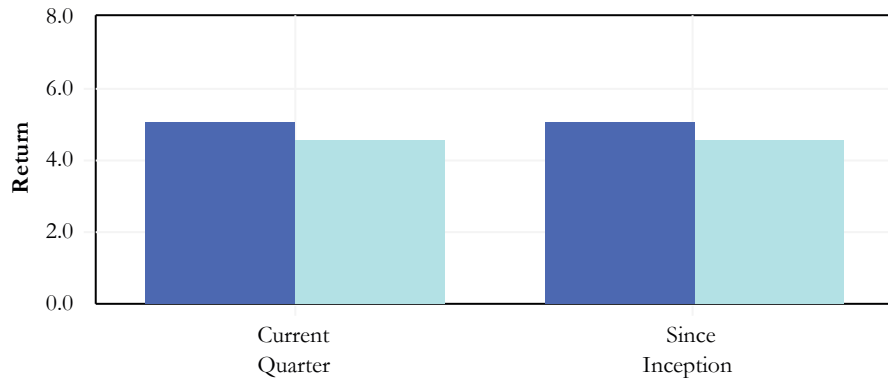
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# Town of Longboat Key Combined Retirement Plan

## Vanguard Large Cap Growth - Executive Summary

as of September 30, 2016

### Manager Performance Chart



### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Vanguard - Large Cap Growth	5.07	5.07	07/01/2016
Russell 1000 Gr	4.58	4.58	
Differences	0.49	0.49	

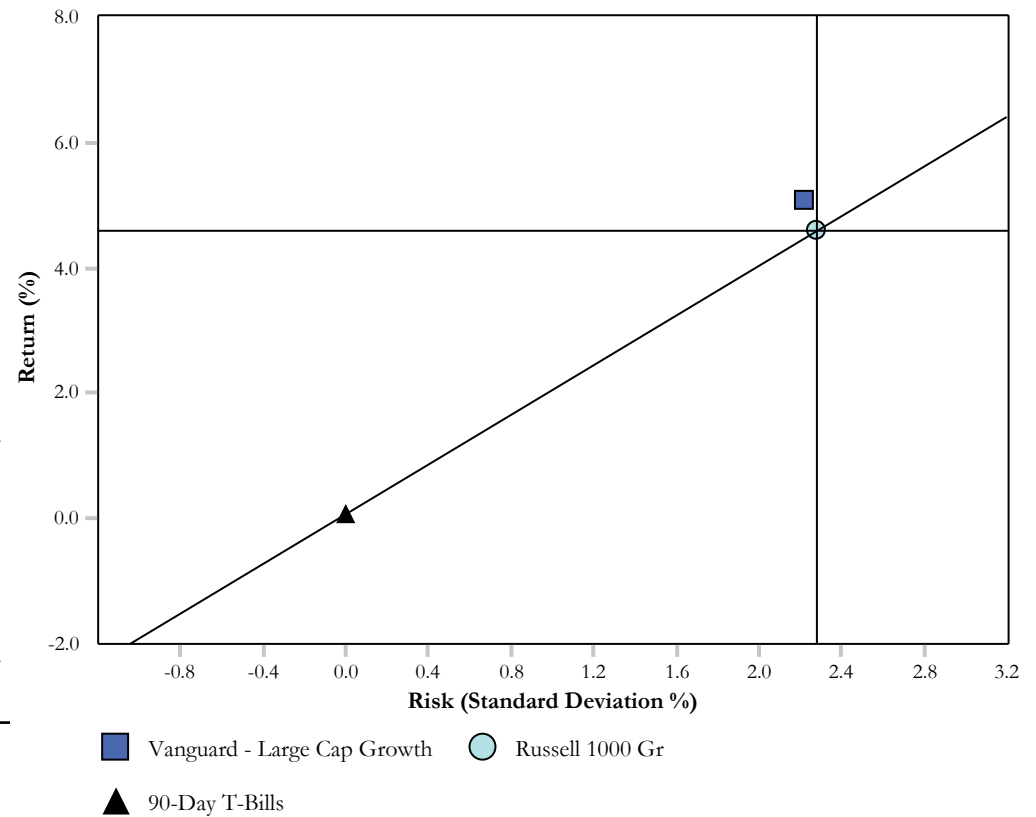
### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Vanguard - Large Cap Growth			07/01/2016
Beginning Market Value	4,145	4,145	
Net Contributions	642	642	
Fees/Expenses	-3	-3	
Income	16	16	
Gain/Loss	199	199	
Ending Market Value	5,000	5,000	

### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Vanguard - Large Cap Growth	5.07	2.22	0.97	-0.33	105.90	65.79	0.20	0.75	1.00	07/01/2016
Russell 1000 Gr	4.58	2.28	1.00	-0.50	100.00	100.00	0.00	0.66	1.00	07/01/2016

### Manager Risk & Return



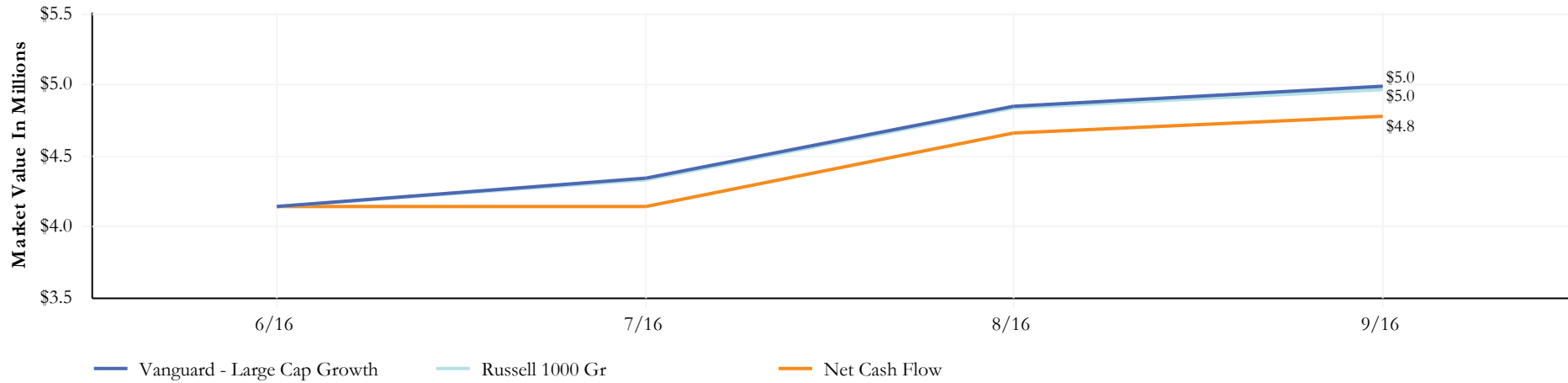
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# Town of Longboat Key Combined Retirement Plan

## Vanguard Large Cap Growth - Change in Assets & Distribution of Returns

as of September 30, 2016

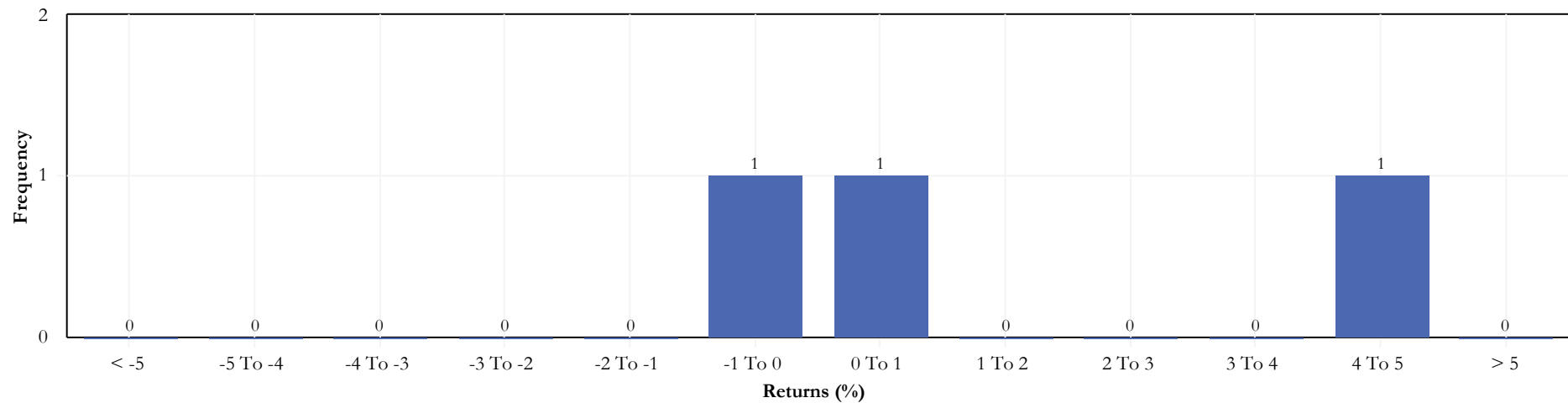
### Historic Change in Assets



### Quarterly Change in Assets

	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2016
Vanguard - Large Cap Growth	4,145,142.32	-	882,385.22	-240,000.00	-2,972.52	-	215,229.49	4,999,784.51

### Distribution of Returns



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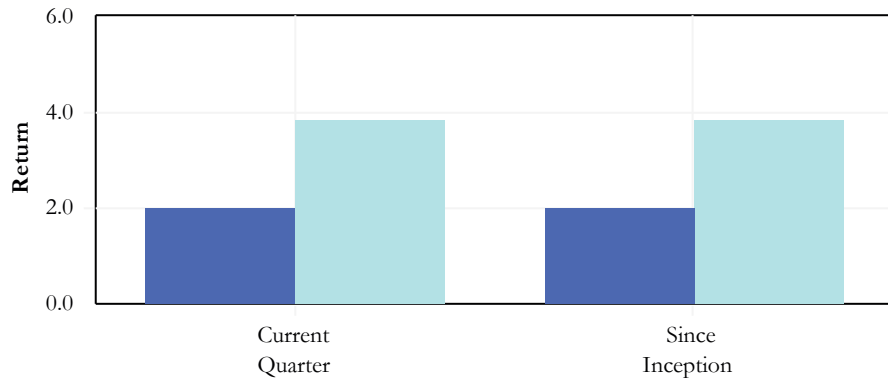


# Town of Longboat Key Combined Retirement Plan

## Future Connors Covered Call Strategy - Executive Summary

### as of September 30, 2016

#### Manager Performance Chart



#### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Future Connors - Covered Calls	2.01	2.01	07/01/2016
S&P 500 Total Return	3.85	3.85	
Differences	-1.84	-1.84	

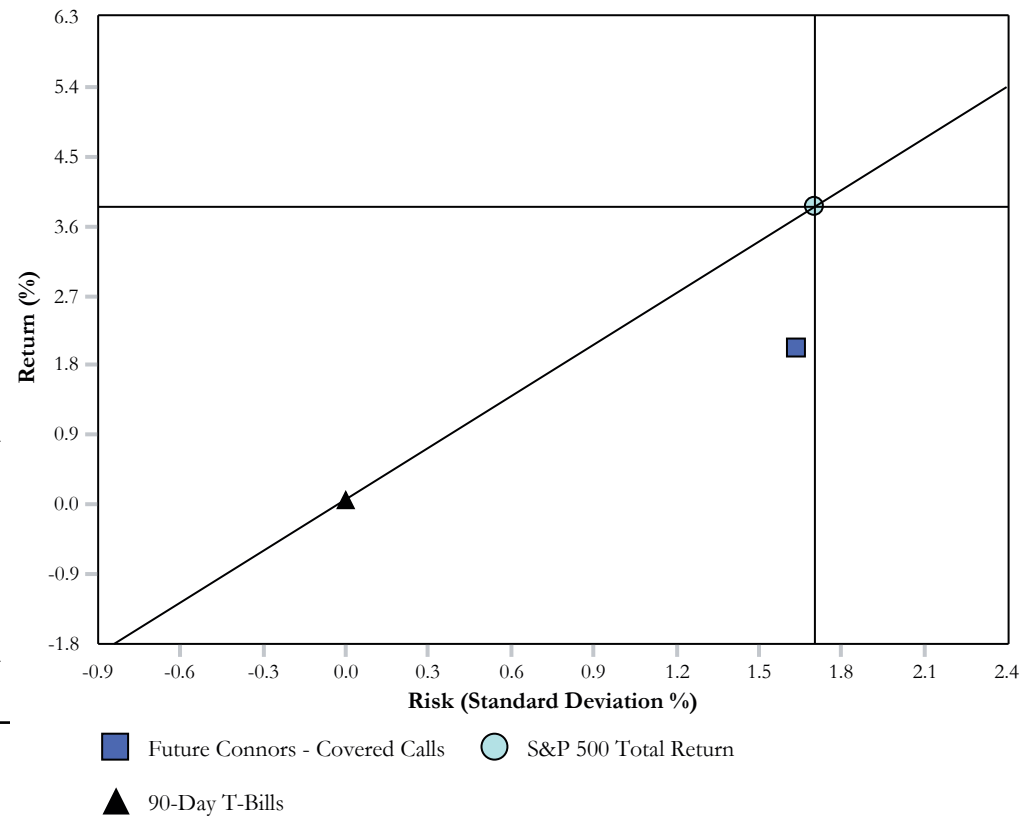
#### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Future Connors - Covered Calls			07/01/2016
Beginning Market Value	3,314	3,314	
Net Contributions	-1,871	-1,871	
Fees/Expenses	-2	-2	
Income	10	10	
Gain/Loss	68	68	
Ending Market Value	1,520	1,520	

#### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Future Connors - Covered Calls	2.01	1.64	0.92	-1.07	52.96	N/A	-0.50	0.40	0.91	07/01/2016
S&P 500 Total Return	3.85	1.70	1.00	0.00	100.00	N/A	0.00	0.74	1.00	07/01/2016

#### Manager Risk & Return



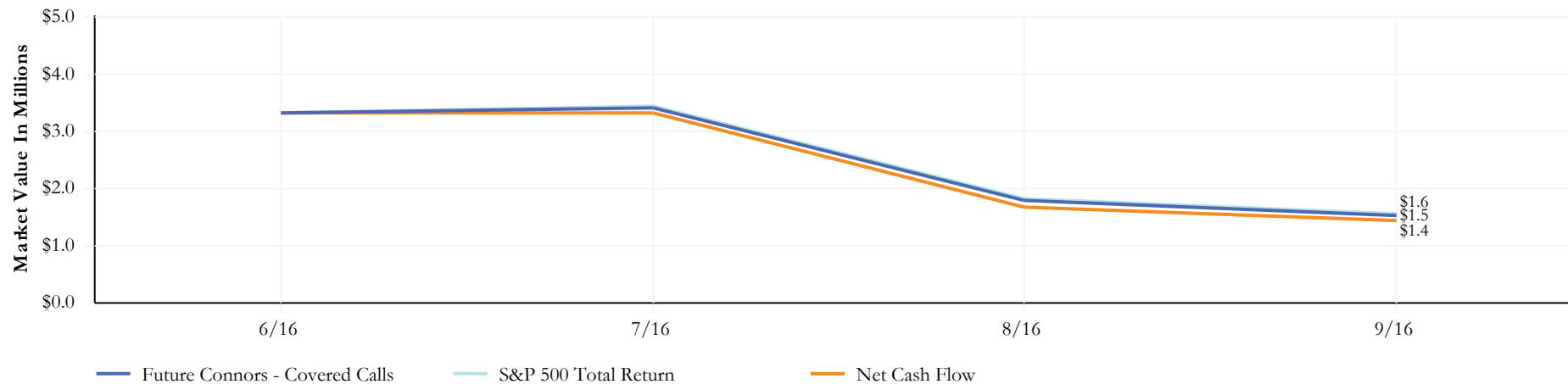
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# Town of Longboat Key Combined Retirement Plan

## Future Connors Covered Call Strategy - Change in Assets & Distribution of Returns

as of September 30, 2016

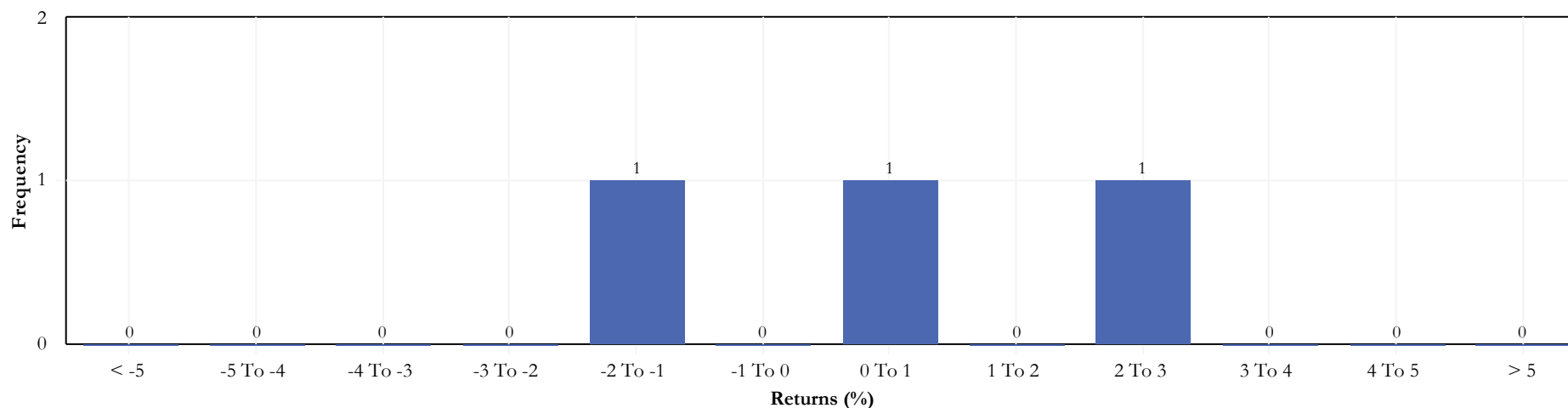
### Historic Change in Assets



### Quarterly Change in Assets

	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2016
Future Connors - Covered Calls	3,314,469.14	-	-	-1,870,500.17	-2,108.39	-	78,472.92	1,520,333.50

### Distribution of Returns

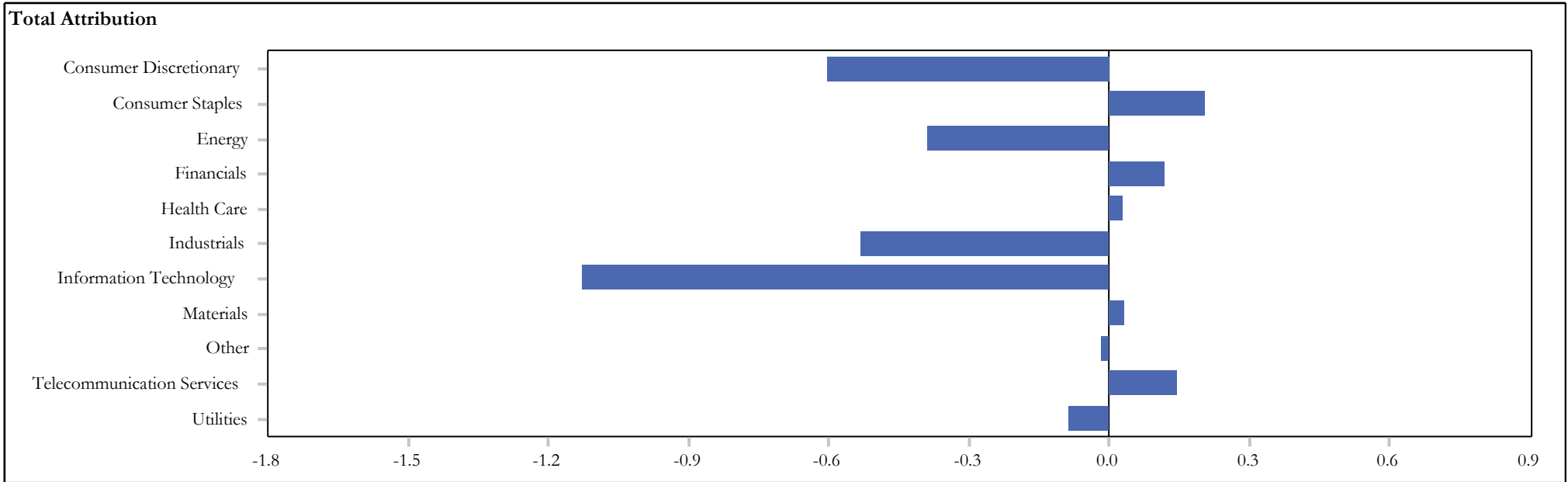
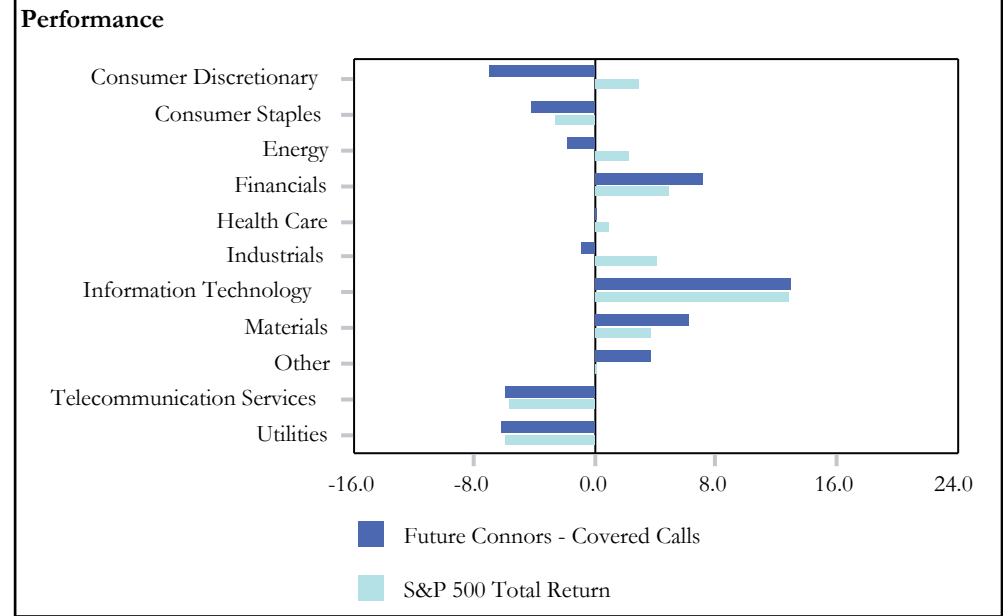
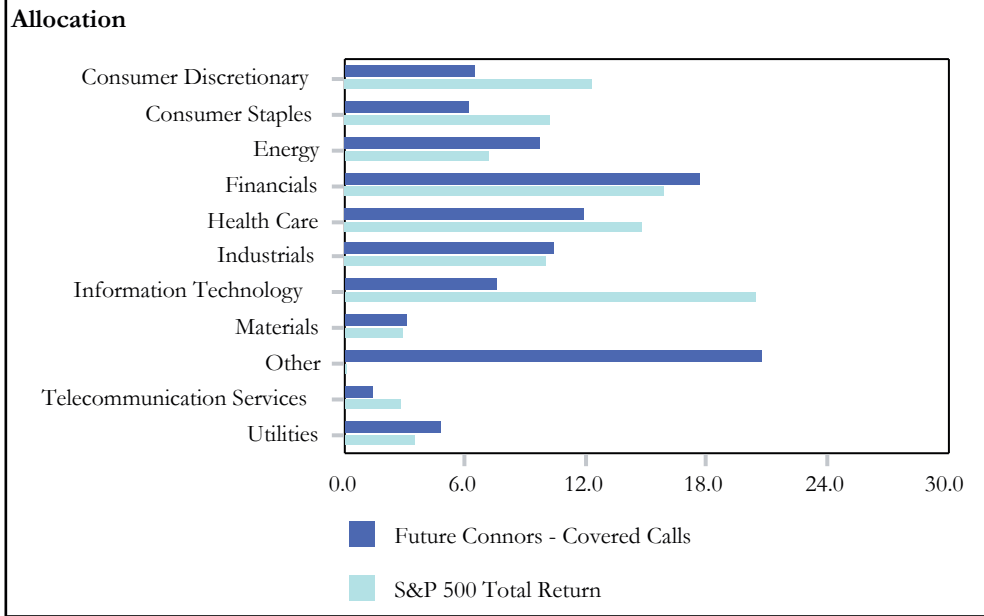


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# Town of Longboat Key Combined Retirement Plan

## Future Connors - Covered Calls - Quarterly Performance Attributes

### as of September 30, 2016



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**Town of Longboat Key Combined Retirement Plan**  
**Future Connors - Covered Calls - Quarterly Performance Attributes**  
**as of September 30, 2016**

	Allocation - 07/01/2016		Performance - Quarter Ending September 30, 2016		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	6.47	12.29	-7.05	3.00	0.05	-1.25	0.59	-0.61
Consumer Staples	6.15	10.24	-4.23	-2.64	0.29	-0.17	0.09	0.20
Energy	9.76	7.12	-1.86	2.25	0.10	-0.30	-0.19	-0.39
Financials	17.69	15.94	7.15	4.98	-0.19	0.35	-0.04	0.12
Health Care	11.92	14.83	0.18	0.98	0.11	-0.12	0.04	0.03
Industrials	10.43	10.01	-0.86	4.11	-0.01	-0.50	-0.02	-0.53
Information Technology	7.56	20.45	12.97	12.82	-1.12	0.03	-0.03	-1.13
Materials	3.12	2.89	6.25	3.77	-0.02	0.07	-0.02	0.03
Other	20.78	0.00	3.77	0.00	-0.02	0.00	0.00	-0.02
Telecommunication Services	1.38	2.80	-5.98	-5.60	0.15	-0.01	0.01	0.15
Utilities	4.75	3.44	-6.22	-5.93	-0.07	-0.01	-0.01	-0.09
Total	100.00	100.00	1.62	3.85	-0.73	-1.92	0.41	-2.23

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# Town of Longboat Key Combined Retirement Plan

## Future Connors - Covered Calls - Portfolio Characteristics

as of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	137,325,501.54	144,117,870.89
Median Mkt. Cap (\$000)	69,625,773.33	18,963,906.39
Price/Earnings ratio	17.56	19.72
Price/Book ratio	2.69	3.16
5 Yr. EPS Growth Rate (%)	5.67	7.76
Current Yield (%)	2.85	2.14
Beta	N/A	1.00
Number of Stocks	63	505
Debt to Equity	1.62	1.35

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
JPMorgan Chase & Co	4.96	1.28	3.68	8.00
Pfizer Inc	4.29	1.10	3.19	-2.99
Intel Corp	3.76	0.95	2.81	15.96
General Electric Co	3.72	1.42	2.30	-5.18
Wells Fargo & Co	3.37	1.07	2.30	-5.70
Microsoft Corp	3.06	2.39	0.67	13.27
Exxon Mobil Corp	3.04	1.93	1.11	-6.08
Occidental Petroleum Corp	2.74	0.30	2.44	-2.54
Merck & Co Inc.	2.72	0.92	1.80	9.14
SunTrust Banks Inc.	2.68	0.12	2.56	7.26
% of Portfolio	34.34	11.48		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
QUALCOMM Inc.	1.90	0.54	1.36	28.95
Invesco Ltd	0.97	0.07	0.90	23.59
Motorola Solutions Inc	0.96	0.07	0.89	16.25
Intel Corp	3.76	0.95	2.81	15.96
Prudential Financial Inc	1.64	0.19	1.45	15.50
International Paper Co	0.70	0.11	0.59	14.27
Microsoft Corp	3.06	2.39	0.67	13.27
Metlife Inc.	1.19	0.26	0.93	12.68
Union Pacific Corp	1.01	0.43	0.58	12.42
Merck & Co Inc.	2.72	0.92	1.80	9.14
% of Portfolio	17.91	5.93		

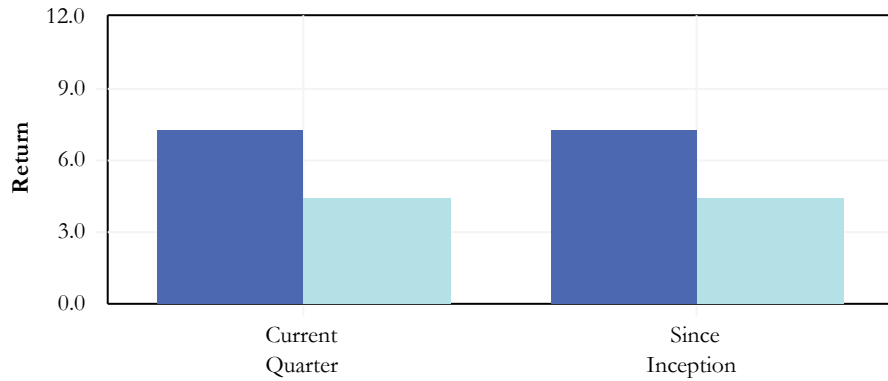
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Bristol-Myers Squibb Co	0.23	0.48	-0.25	-26.69
Dollar General Corp	2.25	0.10	2.15	-25.28
Kroger Co. (The)	1.21	0.15	1.06	-19.03
Reynolds American Inc	0.94	0.21	0.73	-11.77
Hess Corp	1.11	0.08	1.03	-10.30
Public Service Ent. Group	0.86	0.11	0.75	-9.30
CMS Energy Corp	1.06	0.06	1.00	-7.75
Exelon Corp	0.95	0.16	0.79	-7.61
Exxon Mobil Corp	3.04	1.93	1.11	-6.08
Verizon Communications Inc	1.96	1.13	0.83	-5.98
% of Portfolio	13.61	4.41		

# Town of Longboat Key Combined Retirement Plan

## Kennedy Mid Cap Value - Executive Summary

as of September 30, 2016

### Manager Performance Chart



### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Kennedy - Mid Cap Value	7.26	7.26	07/01/2016
Russell Midcap Value	4.45	4.45	
Differences	2.81	2.81	

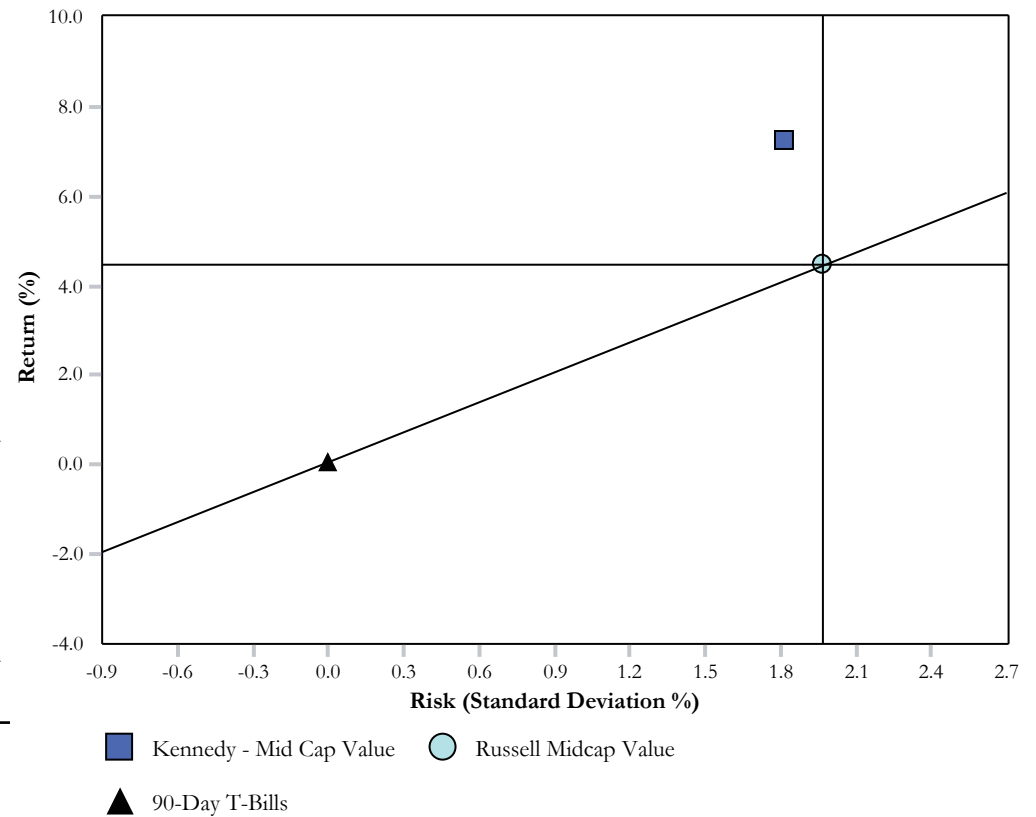
### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Kennedy - Mid Cap Value			07/01/2016
Beginning Market Value	843	843	
Net Contributions	-55	-55	
Fees/Expenses	-1	-1	
Income	3	3	
Gain/Loss	57	57	
Ending Market Value	847	847	

### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Kennedy - Mid Cap Value	7.26	1.82	0.92	0.00	138.16	-332.55	1.01	1.29	1.00	07/01/2016
Russell Midcap Value	4.45	1.97	1.00	-0.21	100.00	100.00	0.00	0.74	1.00	07/01/2016

### Manager Risk & Return



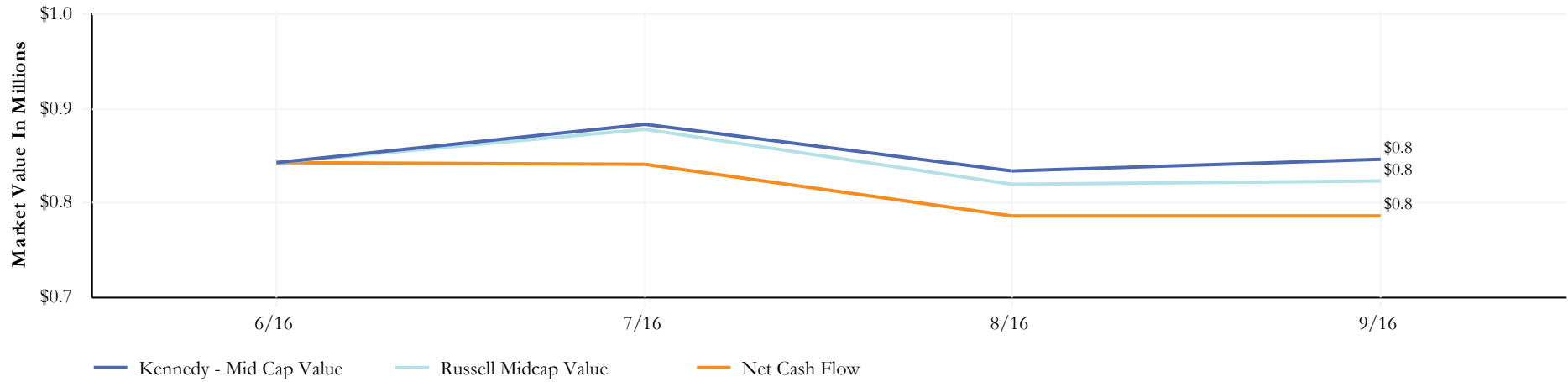
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# Town of Longboat Key Combined Retirement Plan

## Kennedy Mid Cap Value - Change in Assets & Distribution of Returns

as of September 30, 2016

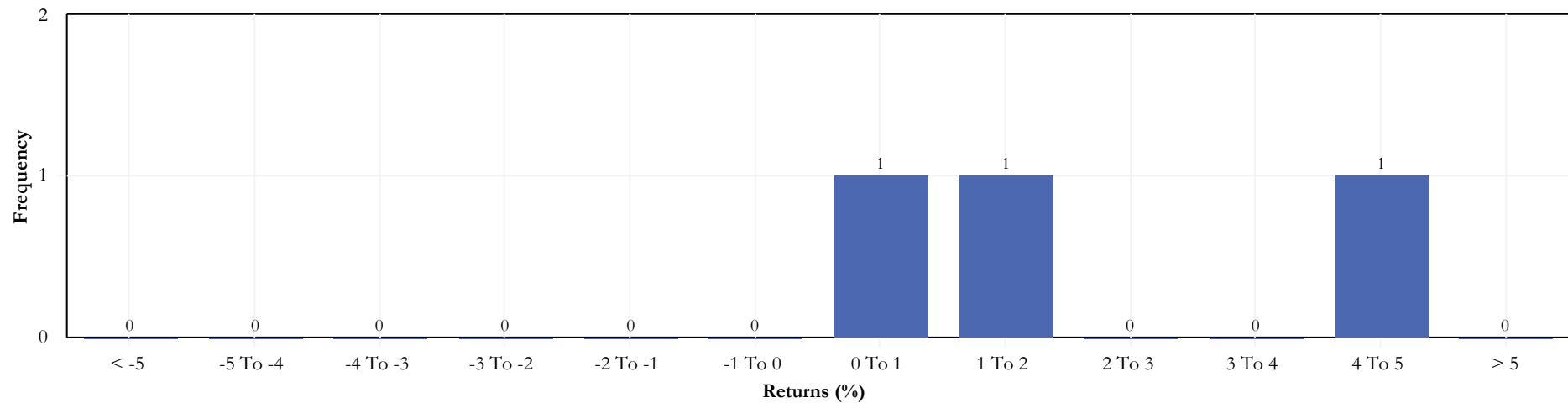
### Historic Change in Assets



### Quarterly Change in Assets

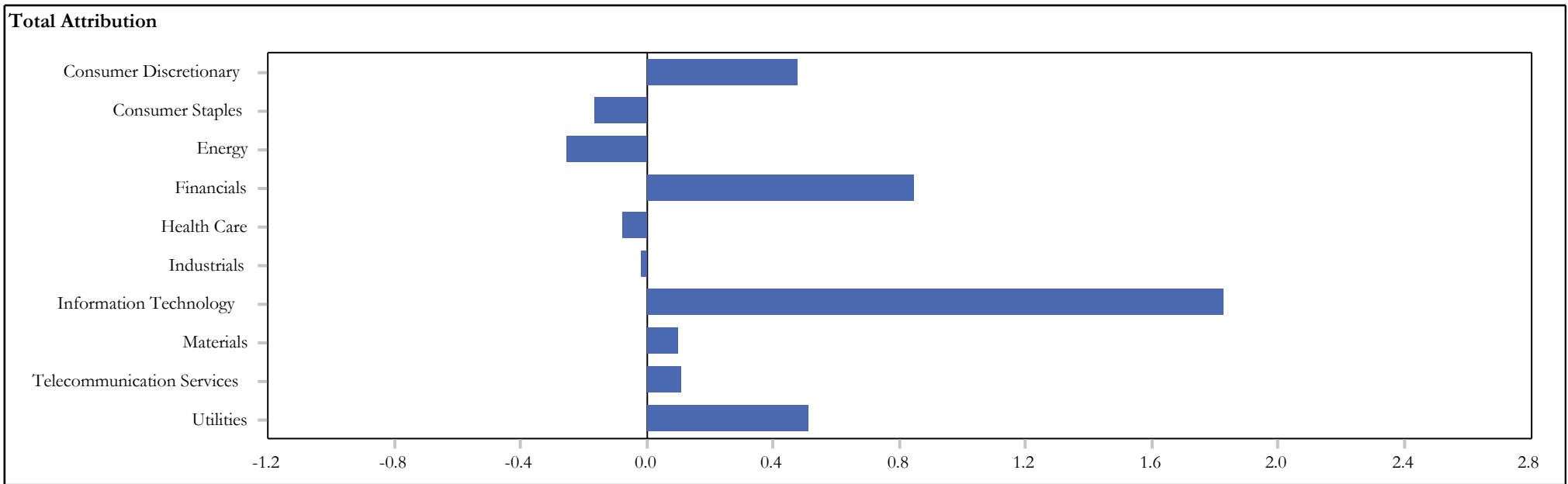
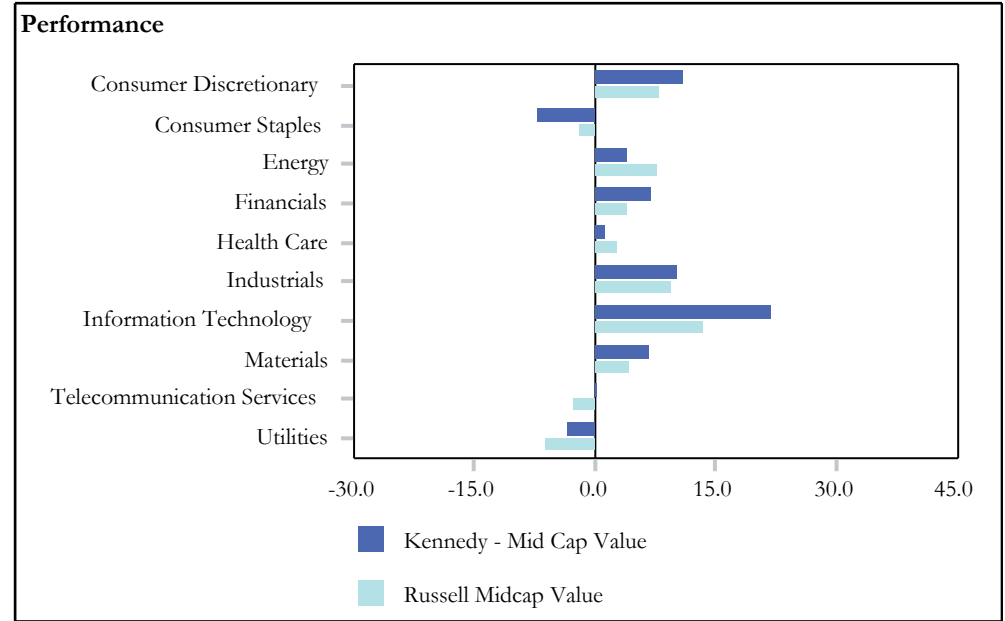
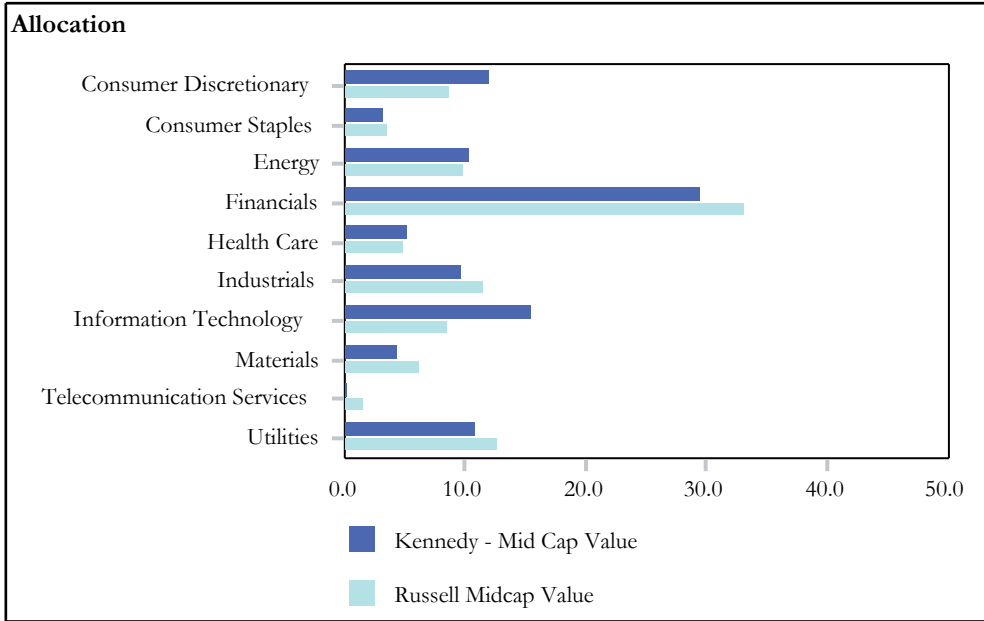
	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2016
Kennedy - Mid Cap Value	843,178.30	-	-	-55,000.00	-1,279.80	-	59,749.65	846,648.15

### Distribution of Returns



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**Town of Longboat Key Combined Retirement Plan  
Kennedy - Mid Cap Value - Quarterly Performance Attributes  
as of September 30, 2016**



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**Town of Longboat Key Combined Retirement Plan**  
**Kennedy - Mid Cap Value - Quarterly Performance Attributes**  
as of September 30, 2016

	Allocation - 07/01/2016		Performance - Quarter Ending September 30, 2016		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	11.92	8.64	10.94	8.05	0.14	0.24	0.09	0.48
Consumer Staples	3.06	3.42	-7.22	-1.89	0.03	-0.20	0.00	-0.16
Energy	10.22	9.83	3.91	7.85	0.10	-0.37	0.01	-0.25
Financials	29.53	33.18	6.93	4.09	0.01	0.95	-0.11	0.85
Health Care	5.21	4.79	1.22	2.82	-0.01	-0.06	-0.01	-0.08
Industrials	9.63	11.41	10.25	9.39	-0.10	0.11	-0.02	-0.02
Information Technology	15.37	8.43	21.95	13.39	0.61	0.68	0.54	1.83
Materials	4.31	6.17	6.69	4.37	0.01	0.15	-0.05	0.10
Telecommunication Services	0.00	1.51	0.00	-2.80	0.11	0.00	0.00	0.11
Utilities	10.75	12.61	-3.43	-6.07	0.21	0.35	-0.05	0.51
Total	100.00	100.00	7.78	4.42	1.11	1.85	0.40	3.36

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# Town of Longboat Key Combined Retirement Plan

## Kennedy - Mid Cap Value - Portfolio Characteristics

as of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	10,000,378.25	12,678,350.09
Median Mkt. Cap (\$000)	8,147,281.45	6,091,587.39
Price/Earnings ratio	20.54	18.20
Price/Book ratio	2.36	2.05
5 Yr. EPS Growth Rate (%)	9.38	6.70
Current Yield (%)	1.93	2.32
Beta	N/A	1.00
Number of Stocks	59	561
Debt to Equity	1.79	0.78

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Concho Resources Inc	2.95	0.59	2.36	15.16
Reinsurance Group of Amer.	2.89	0.21	2.68	11.74
ON Semiconductor Corp	2.68	0.14	2.54	39.68
Reliance Steel & Aluminum Co	2.35	0.15	2.20	-5.80
Zions Bancorporation	2.32	0.19	2.13	23.78
Helmerich & Payne Inc.	2.27	0.20	2.07	1.38
Torchmark Corp	2.20	0.23	1.97	3.35
Xcel Energy Inc.	2.18	0.64	1.54	-7.36
DTE Energy Co	2.17	0.51	1.66	-4.71
UGI Corp	2.16	0.24	1.92	0.51
% of Portfolio	24.17	3.10		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
NVIDIA Corp	1.12	0.00	1.12	46.02
ON Semiconductor Corp	2.68	0.14	2.54	39.68
Goodyear Tire & Rubber Co	2.03	0.26	1.77	26.18
Best Buy Co Inc	1.22	0.32	0.90	25.72
Westlake Chemical Corp	2.03	0.06	1.97	25.11
Western Digital Corp	1.94	0.50	1.44	24.79
Zions Bancorporation	2.32	0.19	2.13	23.78
Lincoln National Corp	1.76	0.26	1.50	21.98
Skyworks Solutions Inc	1.14	0.04	1.10	20.84
Jabil Circuit Inc	1.03	0.12	0.91	18.59
% of Portfolio	17.27	1.89		

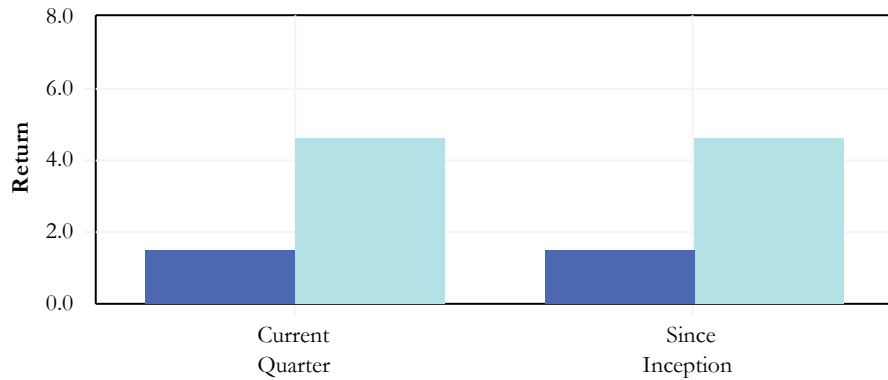
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Diamond Offshore Drilling Inc.	0.65	0.03	0.62	-27.62
Mylan NV	1.72	0.00	1.72	-11.84
Xcel Energy Inc.	2.18	0.64	1.54	-7.36
Reliance Steel & Aluminum Co	2.35	0.15	2.20	-5.80
Norwegian Cruise Line Holdings Ltd	1.25	0.17	1.08	-5.37
Hasbro Inc.	1.70	0.00	1.70	-4.95
DTE Energy Co	2.17	0.51	1.66	-4.71
DDR Corp	0.98	0.16	0.82	-2.87
OGE Energy Corp.	1.93	0.19	1.74	-2.63
Carlisle Companies Inc	1.51	0.14	1.37	-2.62
% of Portfolio	16.44	1.99		

# Town of Longboat Key Combined Retirement Plan

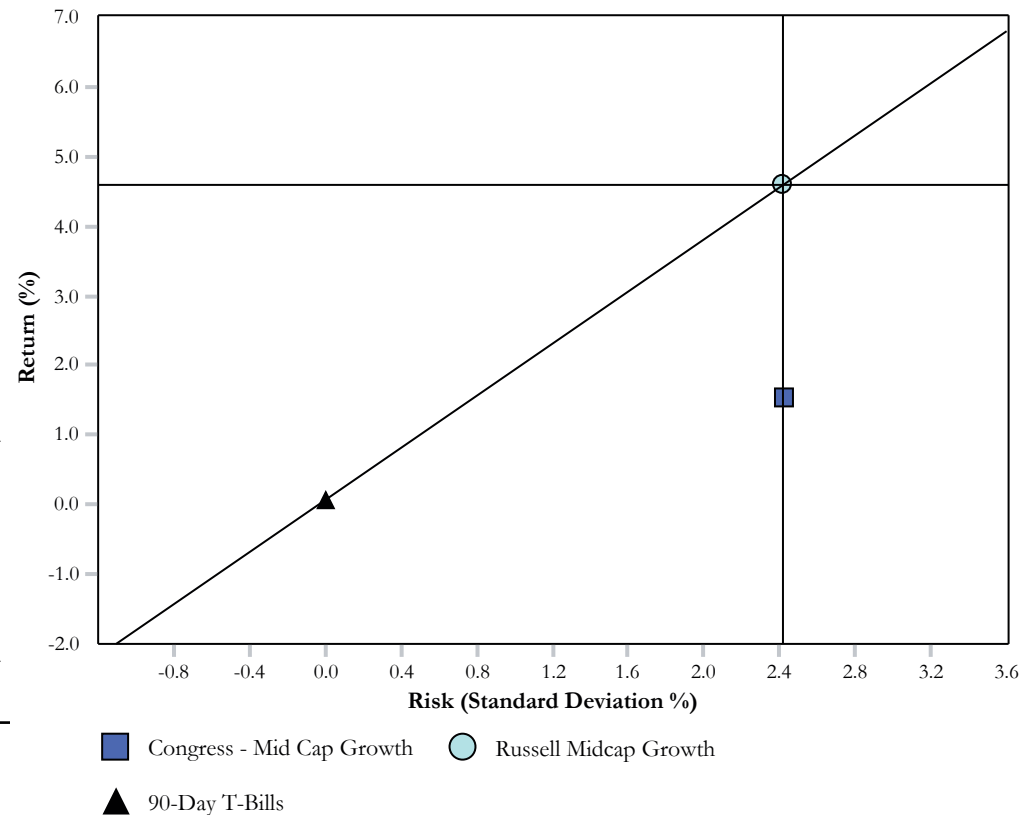
## Congress Mid Cap Growth - Executive Summary

as of September 30, 2016

### Manager Performance Chart



### Manager Risk & Return



### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Congress - Mid Cap Growth	1.52	1.52	07/01/2016
Russell Midcap Growth	4.59	4.59	
Differences	-3.07	-3.07	

### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Congress - Mid Cap Growth			07/01/2016
Beginning Market Value	846	846	
Net Contributions	-50	-50	
Fees/Expenses	-1	-1	
Income	3	3	
Gain/Loss	11	11	
Ending Market Value	809	809	

### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Congress - Mid Cap Growth	1.52	2.43	1.00	-2.35	80.11	687.21	-1.01	0.21	1.00	07/01/2016
Russell Midcap Growth	4.59	2.42	1.00	-0.34	100.00	100.00	0.00	0.63	1.00	07/01/2016

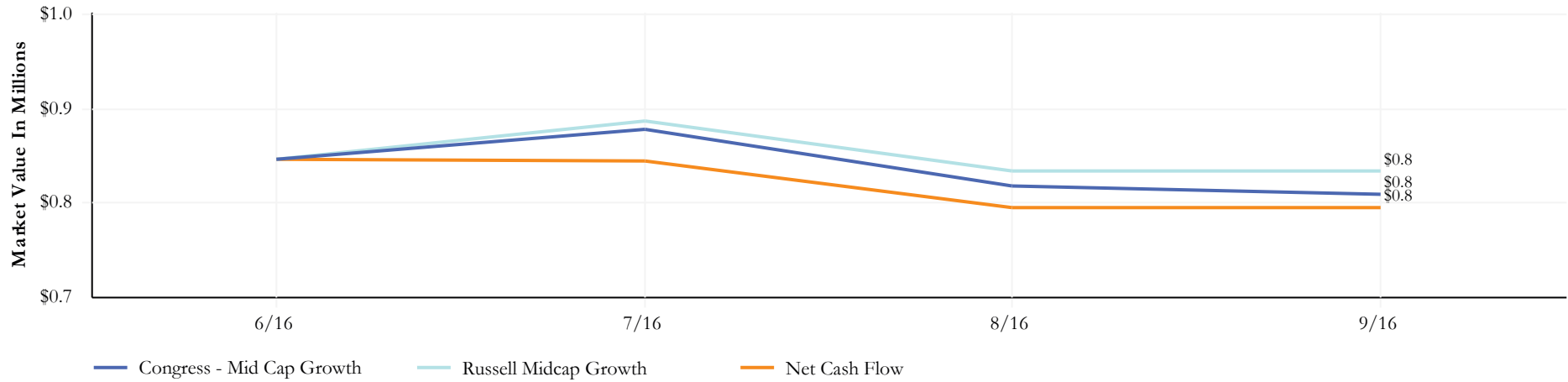
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# Town of Longboat Key Combined Retirement Plan

## Congress Mid Cap Growth - Change in Assets & Distribution of Returns

as of September 30, 2016

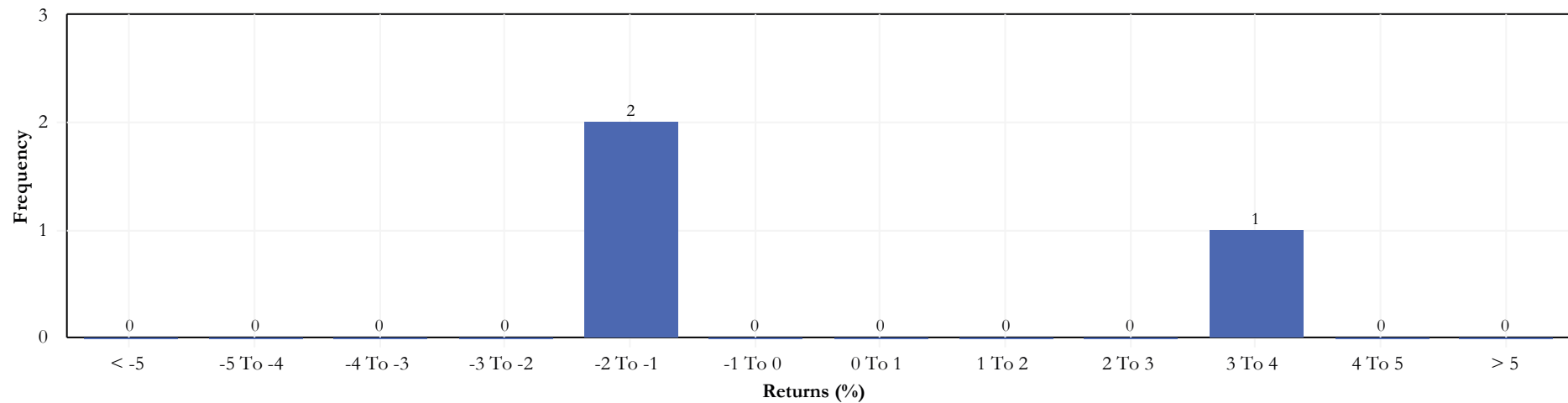
### Historic Change in Assets



### Quarterly Change in Assets

	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2016
Congress - Mid Cap Growth	846,064.59	-	-	-50,000.00	-1,186.26	-	13,667.73	808,546.06

### Distribution of Returns

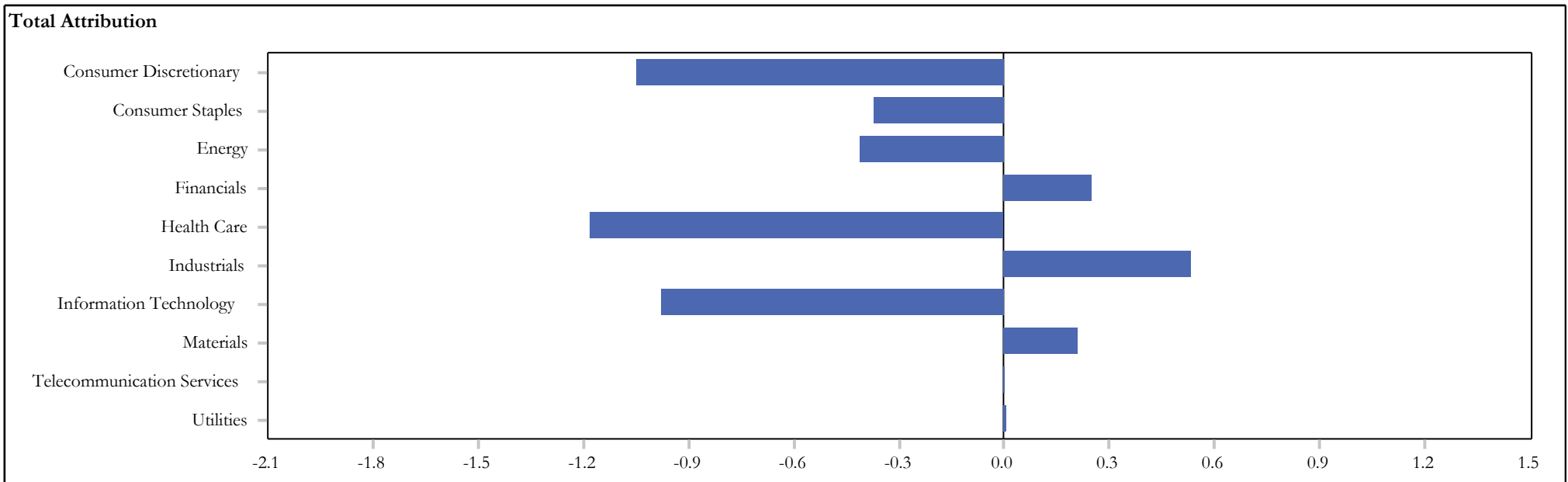
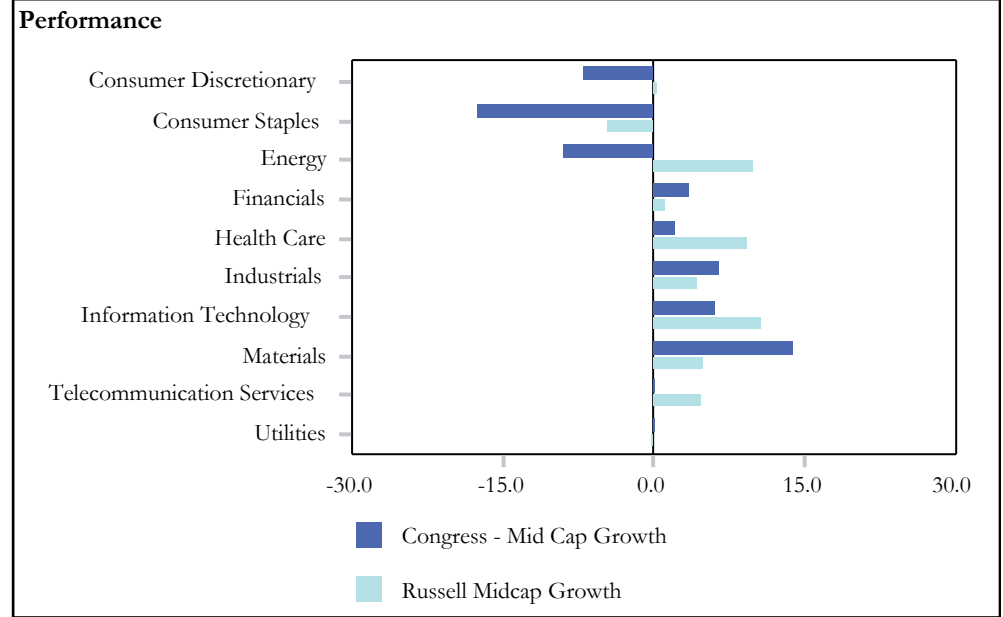
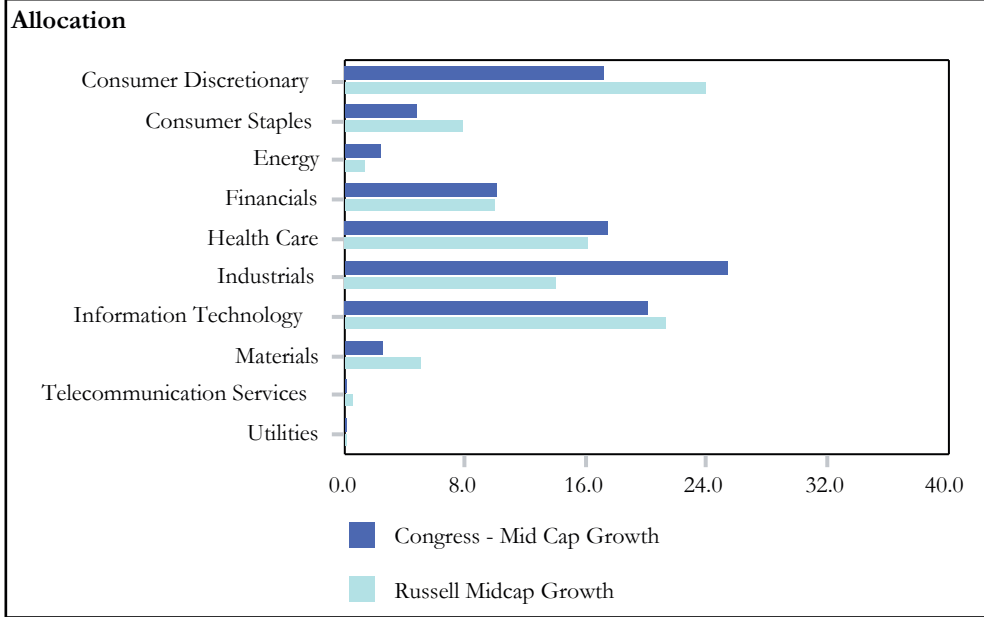


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# Town of Longboat Key Combined Retirement Plan

## Congress - Mid Cap Growth - Quarterly Performance Attributes

### as of September 30, 2016



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**Town of Longboat Key Combined Retirement Plan**  
**Congress - Mid Cap Growth - Quarterly Performance Attributes**  
as of September 30, 2016

	Allocation - 07/01/2016		Performance - Quarter Ending September 30, 2016		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	17.21	23.94	-6.91	0.46	0.29	-1.85	0.51	-1.05
Consumer Staples	4.71	7.76	-17.47	-4.58	0.29	-1.06	0.40	-0.37
Energy	2.39	1.33	-8.93	9.94	0.04	-0.25	-0.20	-0.41
Financials	10.13	9.91	3.65	1.14	-0.01	0.26	0.00	0.25
Health Care	17.48	16.13	2.11	9.38	0.07	-1.15	-0.10	-1.18
Industrials	25.37	14.01	6.62	4.38	-0.02	0.31	0.24	0.53
Information Technology	20.17	21.29	6.06	10.71	-0.07	-0.97	0.06	-0.98
Materials	2.54	4.99	13.92	4.99	-0.01	0.43	-0.21	0.21
Telecommunication Services	0.00	0.49	0.00	4.77	0.00	0.00	0.00	0.00
Utilities	0.00	0.14	0.00	-0.19	0.01	0.00	0.00	0.01
Total	100.00	100.00	1.62	4.61	0.59	-4.28	0.69	-2.99

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# Town of Longboat Key Combined Retirement Plan

## Congress - Mid Cap Growth - Portfolio Characteristics

as of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	7,153,043.73	13,188,099.35
Median Mkt. Cap (\$000)	6,601,377.40	6,794,671.04
Price/Earnings ratio	23.54	25.33
Price/Book ratio	4.41	5.04
5 Yr. EPS Growth Rate (%)	15.43	11.23
Current Yield (%)	0.86	1.12
Beta	N/A	1.00
Number of Stocks	41	464
Debt to Equity	1.24	0.60

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
B/E Aerospace Inc	2.97	0.19	2.78	12.38
Foot Locker Inc.	2.96	0.30	2.66	24.03
Mettler-Toledo International Inc	2.88	0.40	2.48	15.05
Synopsys Inc	2.85	0.03	2.82	9.74
Equifax Inc.	2.72	0.57	2.15	5.08
Cognex Corp	2.70	0.15	2.55	22.83
Middleby Corp (The)	2.68	0.25	2.43	7.26
International Flavors & Fragrances Inc	2.68	0.41	2.27	13.92
IPG Photonics Corp	2.67	0.09	2.58	2.94
Cintas Corp	2.67	0.36	2.31	14.75
% of Portfolio	27.78	2.75		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Foot Locker Inc.	2.96	0.30	2.66	24.03
Cognex Corp	2.70	0.15	2.55	22.83
Raymond James Fin. Inc.	2.65	0.00	2.65	18.49
Monolithic Power Systems Inc	2.56	0.00	2.56	18.13
Mettler-Toledo International Inc	2.88	0.40	2.48	15.05
Cintas Corp	2.67	0.36	2.31	14.75
International Flavors & Fragrances Inc	2.68	0.41	2.27	13.92
B/E Aerospace Inc	2.97	0.19	2.78	12.38
Dorman Products Inc	2.59	0.00	2.59	11.71
Masco Corp	2.40	0.27	2.13	11.23
% of Portfolio	27.06	2.08		

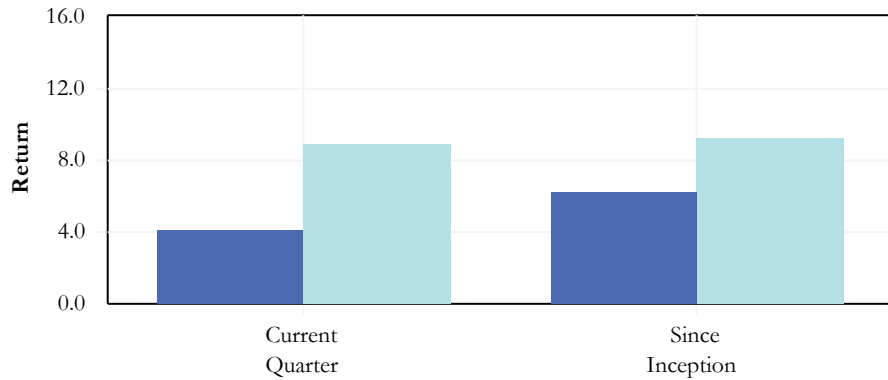
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
G III Apparel Group Ltd	1.71	0.00	1.71	-36.24
Hain Celestial Group Inc (The)	1.84	0.10	1.74	-28.48
Carter's Inc.	2.12	0.16	1.96	-18.28
Helen of Troy Ltd	2.19	0.00	2.19	-16.21
Cambrex Corp	2.19	0.00	2.19	-14.05
Texas Roadhouse Inc	2.19	0.00	2.19	-14.03
Genpact Ltd	2.33	0.13	2.20	-10.77
Manhattan Associates Inc	2.37	0.15	2.22	-10.15
Core Laboratories NV	2.38	0.00	2.38	-8.93
Henry Schein Inc	2.40	0.48	1.92	-7.82
% of Portfolio	21.72	1.02		

# Town of Longboat Key Combined Retirement Plan

## Kayne Anderson Small Cap Value - Executive Summary

as of September 30, 2016

### Manager Performance Chart



### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Kayne Anderson - Small Cap Value	4.15	4.15	07/01/2016
Russell 2000 VL	8.87	8.87	
Differences	-4.72	-4.72	

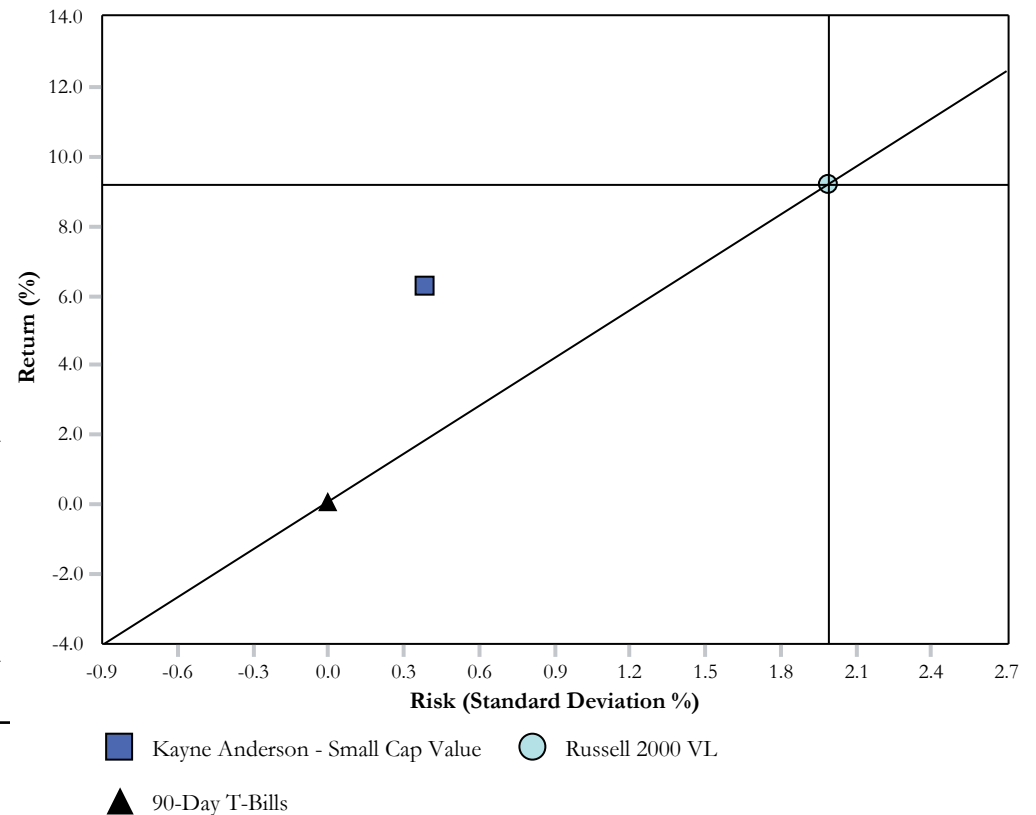
### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Kayne Anderson - Small Cap Value			07/01/2016
Beginning Market Value	847	847	
Net Contributions	-35	-35	
Fees/Expenses	-1	-1	
Income	3	3	
Gain/Loss	32	32	
Ending Market Value	846	846	

### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Kayne Anderson - Small Cap Value	4.15	0.31	-0.03	0.00	47.24	N/A	1.46	4.30	0.04	07/01/2016
Russell 2000 VL	8.87	1.90	1.00	0.00	100.00	N/A	0.00	1.51	1.00	07/01/2016

### Manager Risk & Return



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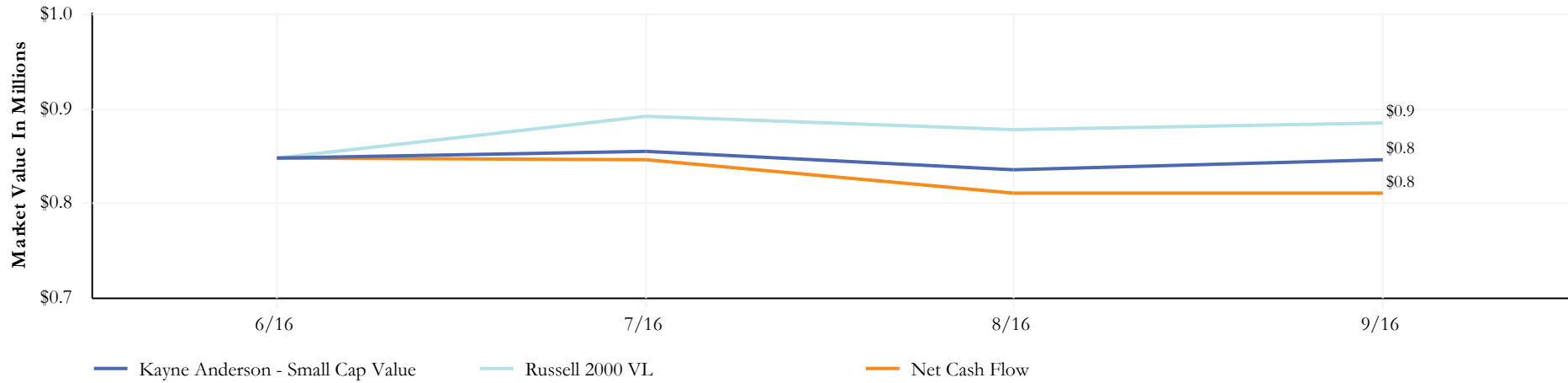


# Town of Longboat Key Combined Retirement Plan

## Kayne Anderson Small Cap Value - Change in Assets & Distribution of Returns

as of September 30, 2016

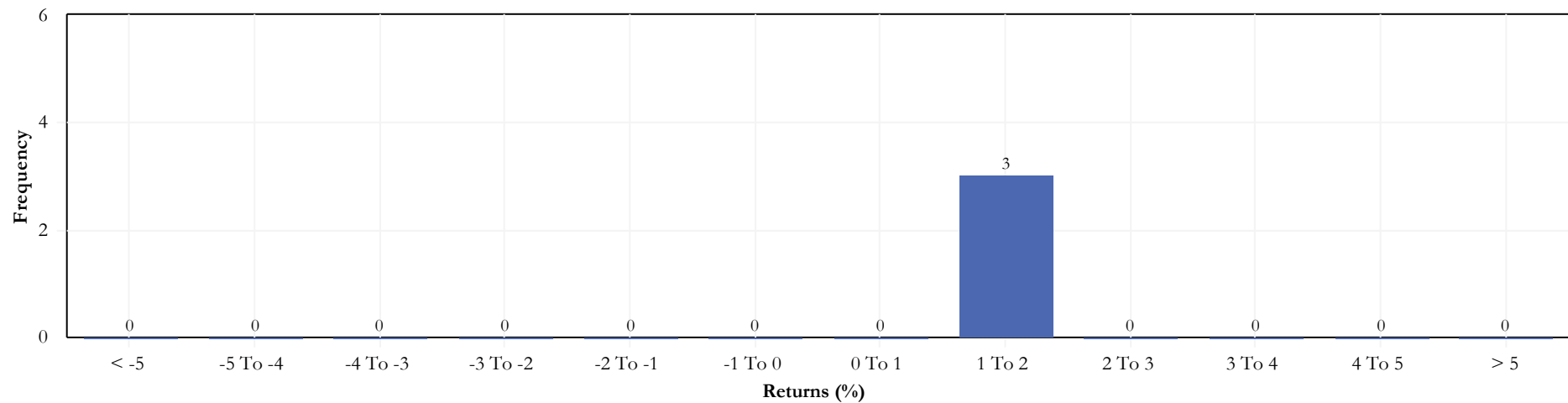
### Historic Change in Assets



### Quarterly Change in Assets

	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2016
Kayne Anderson - Small Cap Value	847,460.91	-	-	-35,000.00	-1,303.11	-	34,513.42	845,671.22

### Distribution of Returns

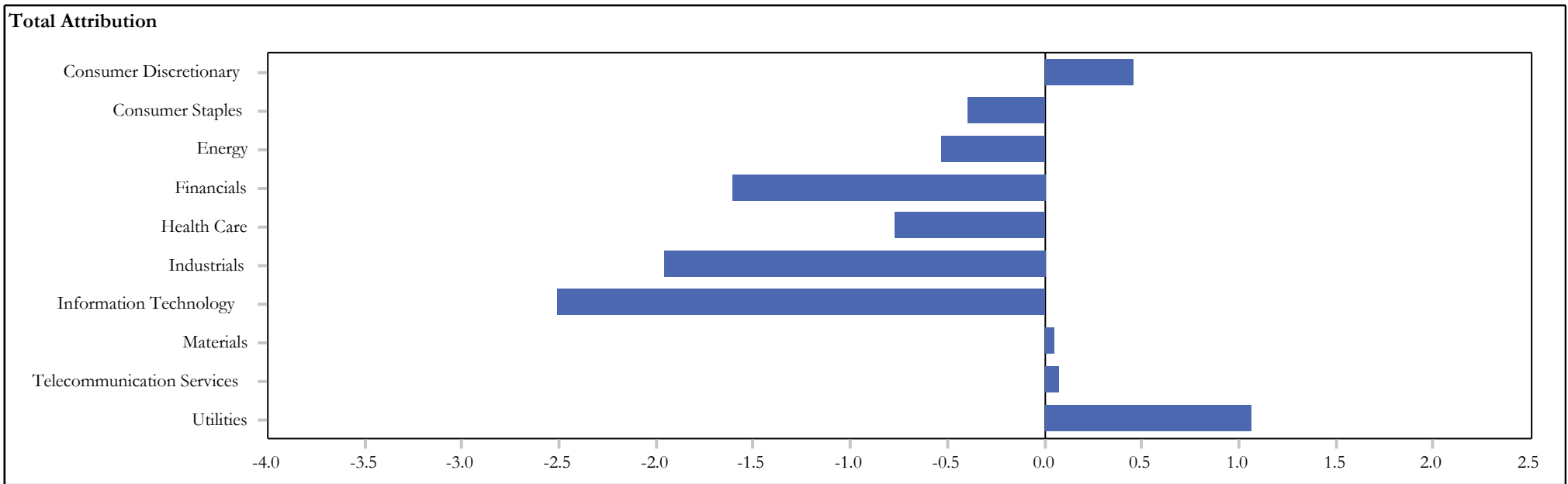
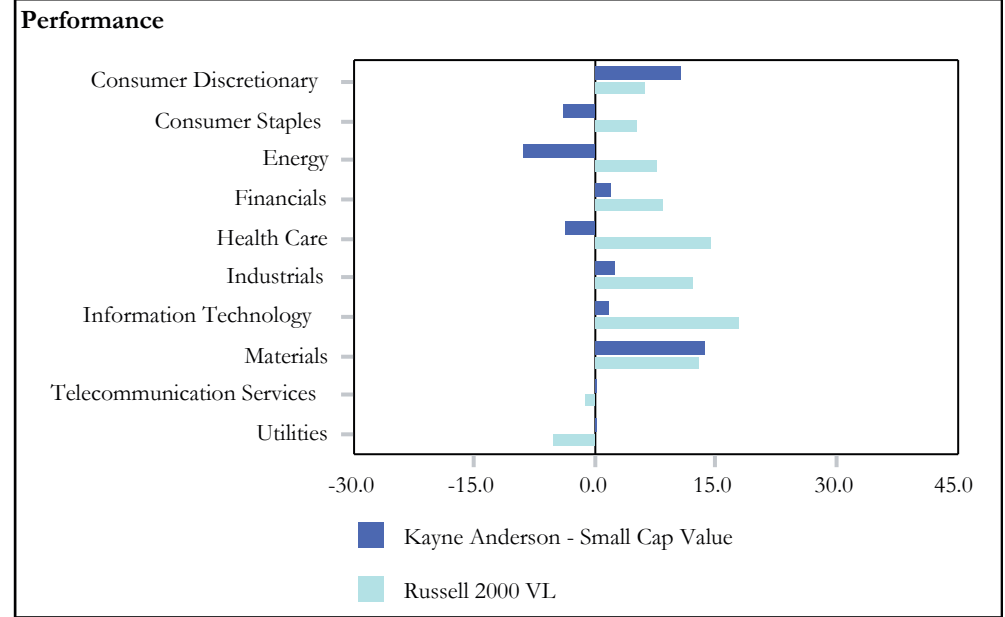
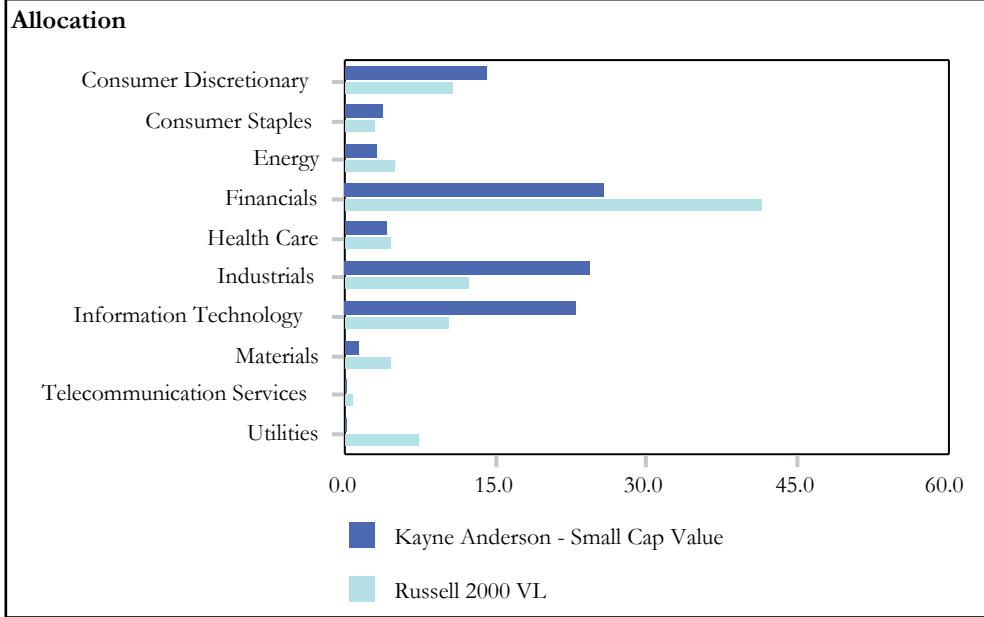


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# Town of Longboat Key Combined Retirement Plan

## Kayne Anderson - Small Cap Value - Quarterly Performance Attributes

### as of September 30, 2016



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**Town of Longboat Key Combined Retirement Plan**  
**Kayne Anderson - Small Cap Value - Quarterly Performance Attributes**  
**as of September 30, 2016**

	Allocation - 07/01/2016		Performance - Quarter Ending September 30, 2016		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	14.08	10.75	10.71	6.35	-0.09	0.46	0.08	0.46
Consumer Staples	3.79	2.97	-3.94	5.29	-0.03	-0.28	-0.08	-0.39
Energy	3.14	4.89	-8.93	7.63	0.01	-0.84	0.30	-0.53
Financials	25.93	41.48	2.13	8.44	0.08	-2.60	0.92	-1.60
Health Care	4.08	4.65	-3.60	14.34	-0.04	-0.83	0.11	-0.77
Industrials	24.48	12.34	2.42	12.10	0.41	-1.18	-1.19	-1.96
Information Technology	23.01	10.33	1.89	18.00	1.11	-1.61	-2.00	-2.51
Materials	1.48	4.55	13.60	12.87	-0.19	0.56	-0.33	0.05
Telecommunication Services	0.00	0.75	0.00	-1.12	0.08	0.00	0.00	0.08
Utilities	0.00	7.30	0.00	-5.11	1.06	0.00	0.00	1.06
Total	100.00	100.00	2.72	8.83	2.40	-6.32	-2.19	-6.12

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**Town of Longboat Key Combined Retirement Plan**  
**Kayne Anderson - Small Cap Value - Portfolio Characteristics**  
**as of September 30, 2016**

<b>Portfolio Characteristics</b>		
	<b>Portfolio</b>	<b>Benchmark</b>
Wtd. Avg. Mkt. Cap (\$000)	3,514,752.68	1,745,183.62
Median Mkt. Cap (\$000)	2,993,826.20	623,792.88
Price/Earnings ratio	22.21	17.11
Price/Book ratio	3.73	1.61
5 Yr. EPS Growth Rate (%)	8.30	6.93
Current Yield (%)	2.00	2.09
Beta	N/A	1.00
Number of Stocks	30	1,338
Debt to Equity	0.05	0.90

<b>Top Ten Equity Holdings</b>				
	<b>Portfolio Weight (%)</b>	<b>Benchmark Weight (%)</b>	<b>Active Weight (%)</b>	<b>Quarterly Return (%)</b>
Bank of Hawaii Corp	4.77	0.00	4.77	6.27
Cinemark Holdings Inc	4.71	0.00	4.71	5.74
RE/MAX Holdings Inc	4.37	0.09	4.28	9.13
Syntel Inc	4.36	0.00	4.36	-7.40
Core Laboratories NV	4.31	0.00	4.31	-8.93
Cheesecake Factory Inc. (The)	4.20	0.00	4.20	4.48
Thor Industries Inc.	4.07	0.00	4.07	30.83
Graco Inc.	3.96	0.00	3.96	-5.93
Landstar System Inc	3.94	0.00	3.94	-0.72
Monotype Imaging Holdings Inc	3.85	0.00	3.85	-9.78
% of Portfolio	42.54	0.09		

<b>Ten Best Performers</b>				
	<b>Portfolio Weight (%)</b>	<b>Benchmark Weight (%)</b>	<b>Active Weight (%)</b>	<b>Quarterly Return (%)</b>
Thor Industries Inc.	4.07	0.00	4.07	30.83
Cabot Microelectronics Corp	3.06	0.12	2.94	25.39
Cognex Corp	2.67	0.00	2.67	22.83
Scotts Miracle-Gro	2.33	0.00	2.33	19.84
CDW Corp	1.73	0.00	1.73	14.37
First Financial Bankshares Inc	3.02	0.10	2.92	11.68
RE/MAX Holdings Inc	4.37	0.09	4.28	9.13
Sun Hydraulics Corp	1.67	0.01	1.66	9.00
CLARCOR Inc.	1.87	0.00	1.87	7.23
Bank of Hawaii Corp	4.77	0.00	4.77	6.27
% of Portfolio	29.56	0.32		

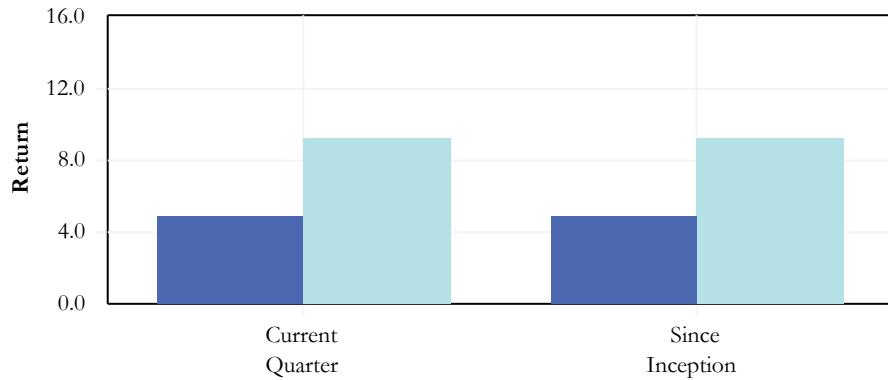
<b>Ten Worst Performers</b>				
	<b>Portfolio Weight (%)</b>	<b>Benchmark Weight (%)</b>	<b>Active Weight (%)</b>	<b>Quarterly Return (%)</b>
Sally Beauty Holdings Inc	2.83	0.00	2.83	-12.68
CEB Inc	3.15	0.00	3.15	-11.02
Monotype Imaging Holdings Inc	3.85	0.00	3.85	-9.78
Core Laboratories NV	4.31	0.00	4.31	-8.93
Badger Meter Inc.	3.55	0.00	3.55	-7.91
Syntel Inc	4.36	0.00	4.36	-7.40
Primerica Inc	3.71	0.00	3.71	-7.05
Graco Inc.	3.96	0.00	3.96	-5.93
HFF Inc	2.86	0.00	2.86	-4.12
WD-40 Co	3.56	0.00	3.56	-3.94
% of Portfolio	36.14	0.00		

# Town of Longboat Key Combined Retirement Plan

## Apex Small Cap Growth - Executive Summary

as of September 30, 2016

### Manager Performance Chart



### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Apex - Small Cap Growth	4.85	4.85	07/01/2016
Russell 2000 Gr	9.22	9.22	
Differences	-4.37	-4.37	

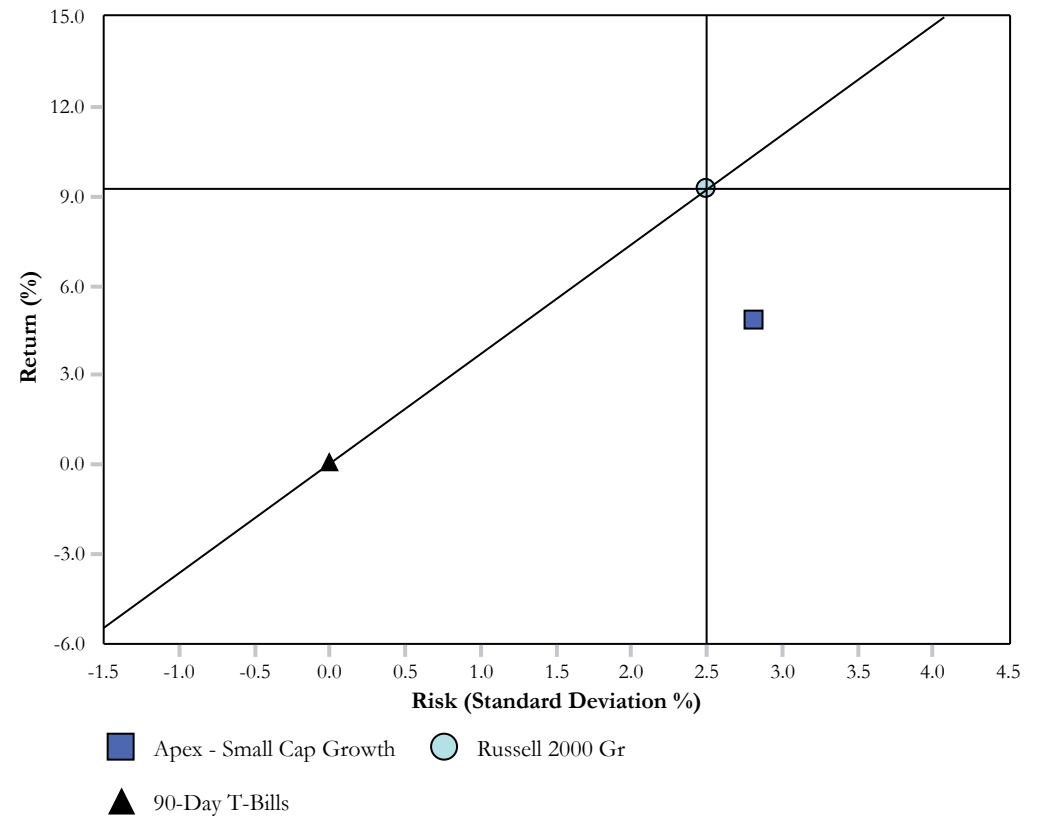
### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Apex - Small Cap Growth			07/01/2016
Beginning Market Value	836	836	
Net Contributions	-55	-55	
Fees/Expenses	-1	-1	
Income	1	1	
Gain/Loss	40	40	
Ending Market Value	821	821	

### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Apex - Small Cap Growth	4.85	2.81	1.11	-1.11	54.04	N/A	-1.72	0.57	0.97	07/01/2016
Russell 2000 Gr	9.22	2.50	1.00	0.00	100.00	N/A	0.00	1.20	1.00	07/01/2016

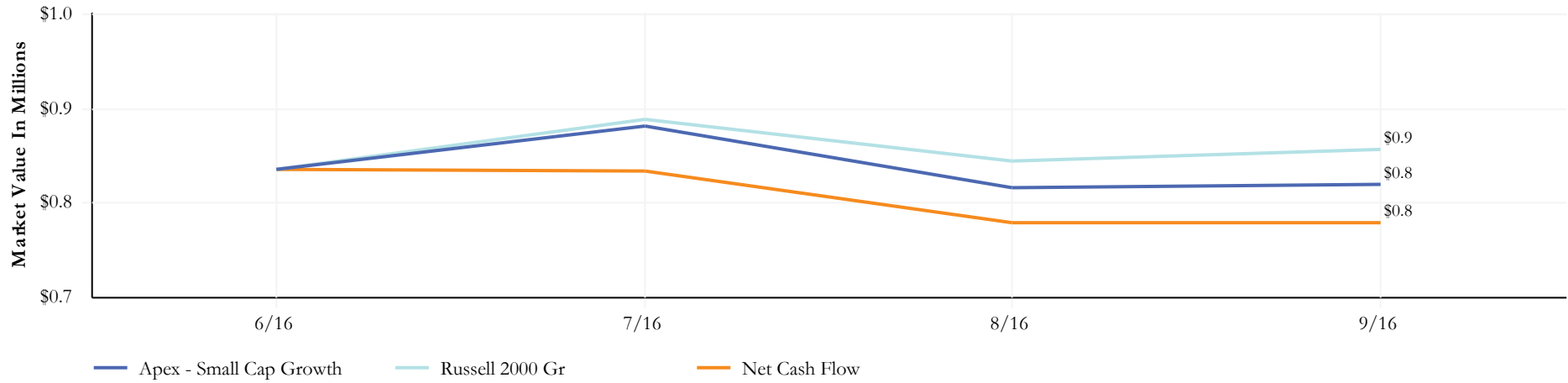
### Manager Risk & Return



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**Town of Longboat Key Combined Retirement Plan**  
**Apex Small Cap Growth - Change in Assets & Distribution of Returns**  
 as of September 30, 2016

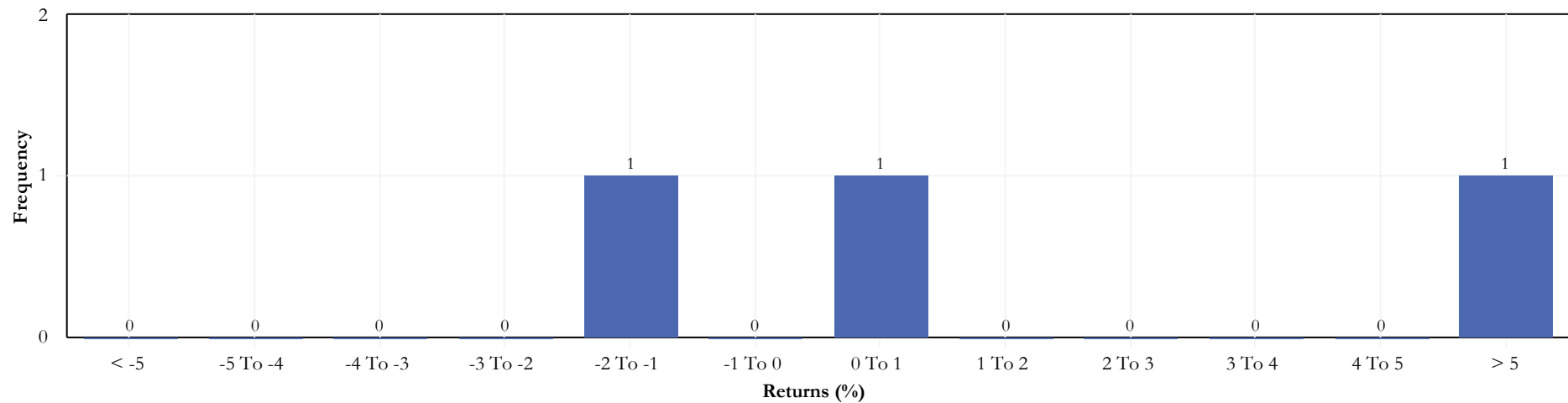
**Historic Change in Assets**



**Quarterly Change in Assets**

	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2016
Apex - Small Cap Growth	836,265.54	-	-	-55,000.00	-1,270.61	-	40,631.72	820,626.65

**Distribution of Returns**

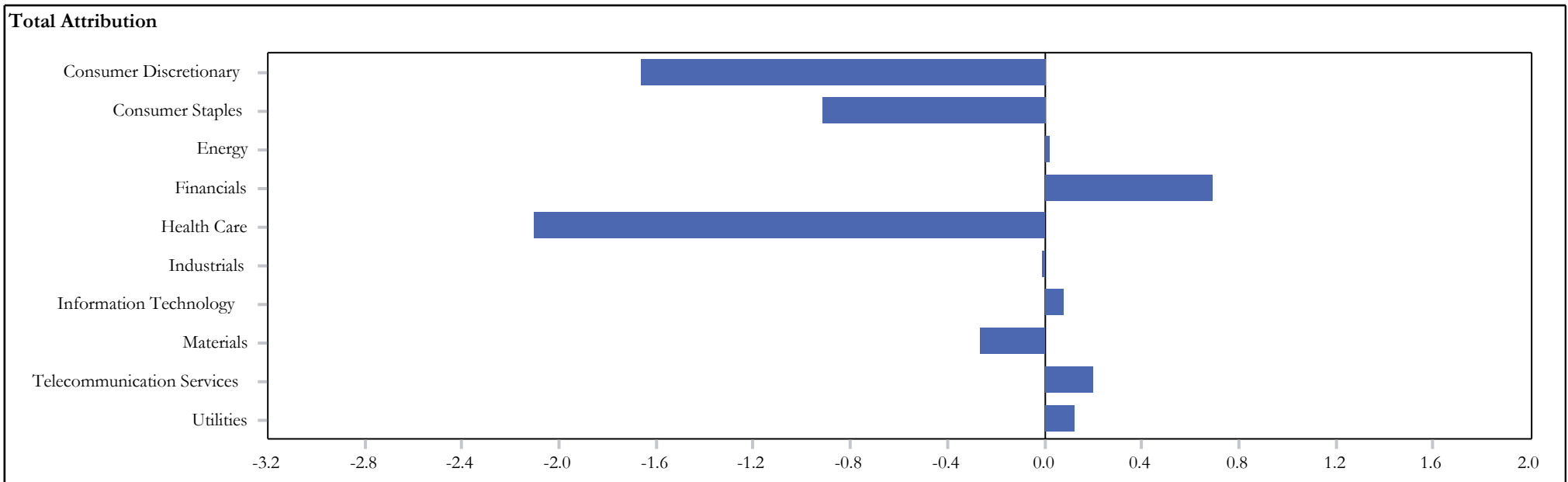
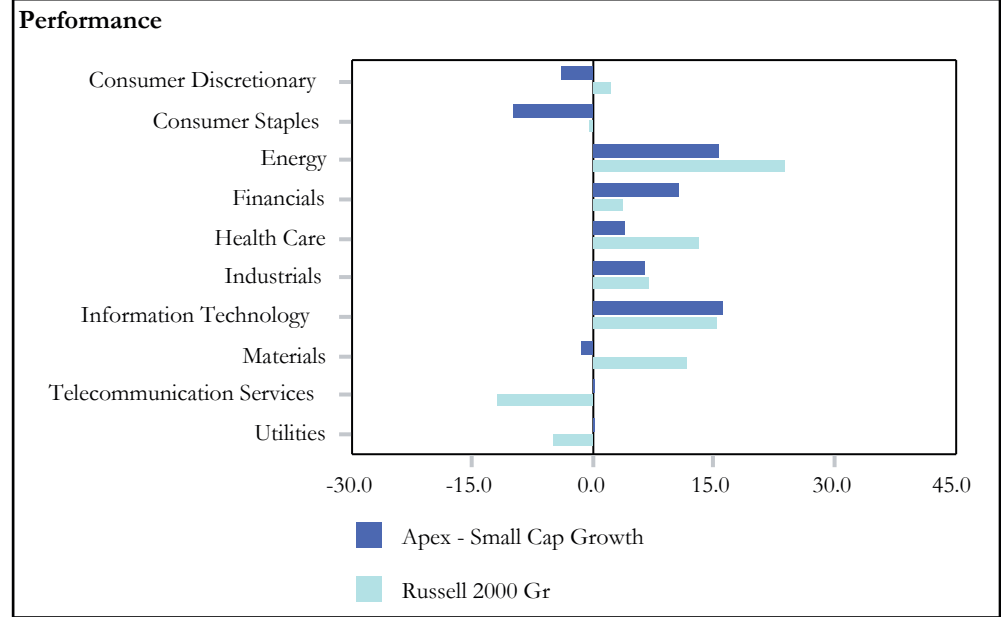
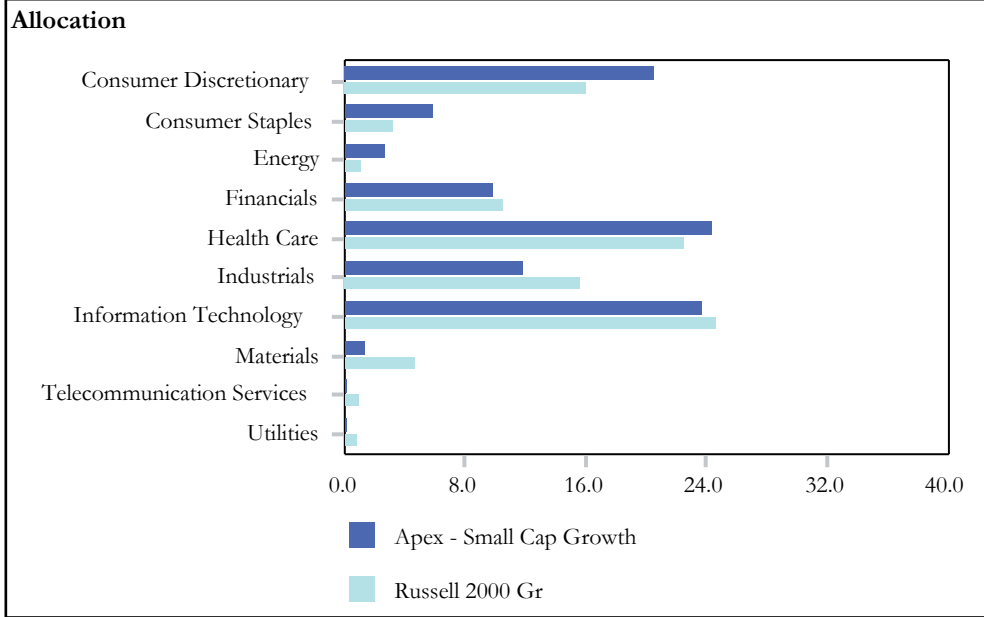


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# Town of Longboat Key Combined Retirement Plan

## Apex - Small Cap Growth - Quarterly Performance Attributes

### as of September 30, 2016



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**Town of Longboat Key Combined Retirement Plan**  
**Apex - Small Cap Growth - Quarterly Performance Attributes**  
**as of September 30, 2016**

	Allocation - 07/01/2016		Performance - Quarter Ending September 30, 2016		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	20.51	15.98	-3.96	2.23	-0.30	-1.06	-0.30	-1.66
Consumer Staples	5.84	3.21	-9.85	-0.44	-0.24	-0.31	-0.37	-0.92
Energy	2.71	1.03	15.79	24.00	0.24	-0.08	-0.13	0.02
Financials	9.84	10.48	10.73	3.82	0.03	0.74	-0.08	0.69
Health Care	24.39	22.54	4.07	13.30	0.02	-2.04	-0.09	-2.10
Industrials	11.77	15.69	6.44	6.99	0.05	-0.09	0.03	-0.01
Information Technology	23.68	24.66	16.07	15.44	-0.06	0.15	-0.01	0.08
Materials	1.26	4.69	-1.34	11.82	-0.08	-0.58	0.40	-0.27
Telecommunication Services	0.00	0.90	0.00	-11.98	0.20	0.00	0.00	0.20
Utilities	0.00	0.81	0.00	-4.99	0.12	0.00	0.00	0.12
Total	100.00	100.00	5.38	9.22	-0.03	-3.27	-0.55	-3.84

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# Town of Longboat Key Combined Retirement Plan

## Apex - Small Cap Growth - Portfolio Characteristics

as of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	2,536,767.05	1,992,460.93
Median Mkt. Cap (\$000)	2,138,304.33	846,843.16
Price/Earnings ratio	23.80	25.41
Price/Book ratio	3.55	3.79
5 Yr. EPS Growth Rate (%)	15.89	11.97
Current Yield (%)	0.64	0.83
Beta	N/A	1.00
Number of Stocks	86	1,154
Debt to Equity	0.45	0.33

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Euronet Worldwide Inc	2.97	0.00	2.97	18.27
Burlington Stores Inc	2.19	0.00	2.19	21.45
Cirrus Logic Inc.	1.89	0.38	1.51	37.02
Chemed Corp	1.83	0.26	1.57	3.68
Cambrex Corp	1.81	0.16	1.65	-14.05
Icon PLC	1.81	0.00	1.81	10.51
Medidata Solutions Inc	1.62	0.35	1.27	18.97
Trex Co Inc	1.60	0.20	1.40	30.72
Lithia Motors Inc.	1.60	0.26	1.34	34.81
MAXIMUS Inc.	1.58	0.42	1.16	2.23
% of Portfolio	18.90	2.03		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Radius Health Inc	0.43	0.20	0.23	47.18
Gigamon Inc	1.24	0.20	1.04	46.56
PRA Group Inc	1.04	0.00	1.04	43.08
Argan Inc	1.05	0.09	0.96	41.87
Shutterstock Inc	1.02	0.14	0.88	39.08
Cirrus Logic Inc.	1.89	0.38	1.51	37.02
Insulet Corp	0.88	0.27	0.61	35.38
ARRIS International plc	1.23	0.00	1.23	35.16
Lithia Motors Inc.	1.60	0.26	1.34	34.81
Alder BioPharmaceuticals Inc	0.68	0.18	0.50	31.24
% of Portfolio	11.06	1.72		

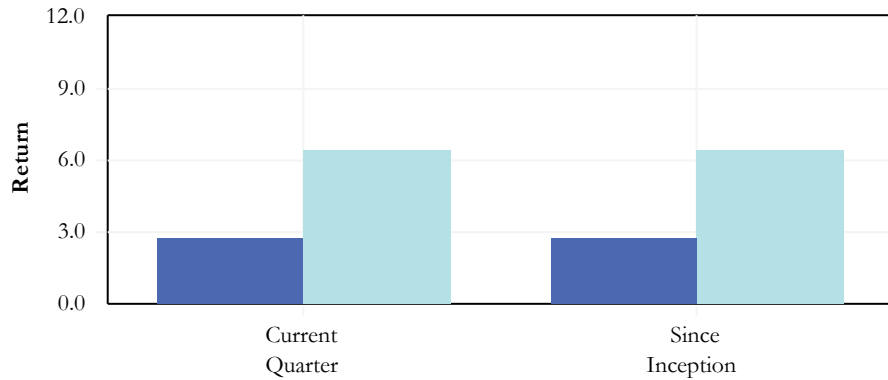
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
G III Apparel Group Ltd	0.95	0.11	0.84	-36.24
Criteo SA	0.64	0.00	0.64	-23.54
Core Mark Holding Co Inc	0.98	0.19	0.79	-23.47
Skechers U.S.A. Inc	1.40	0.00	1.40	-22.95
Cracker Barrel Old Country Store Inc	1.33	0.28	1.05	-20.71
AMN Healthcare Services Inc.	1.36	0.17	1.19	-20.27
Dave & Buster's Entertainment Inc	1.03	0.17	0.86	-16.26
Cambrex Corp	1.81	0.16	1.65	-14.05
Cal Maine Foods Inc	0.95	0.11	0.84	-13.04
Prestige Brands Holdings Inc	0.96	0.29	0.67	-12.87
% of Portfolio	11.41	1.48		

# Town of Longboat Key Combined Retirement Plan

## Lazard International Value - Executive Summary

as of September 30, 2016

### Manager Performance Chart



### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Lazard - International Value	2.71	2.71	07/01/2016
MSCI EAFE Net	6.43	6.43	
Differences	-3.72	-3.72	

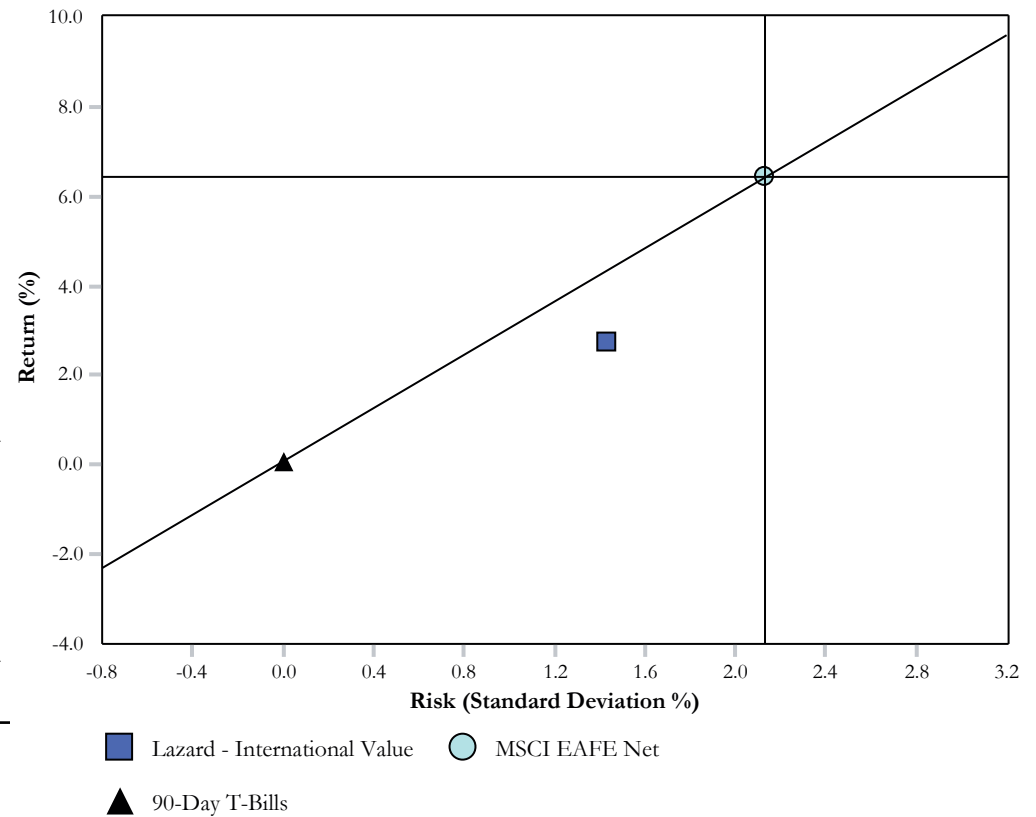
### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Lazard - International Value			07/01/2016
Beginning Market Value	2,499	2,499	
Net Contributions	-114	-114	
Fees/Expenses	-4	-4	
Income	6	6	
Gain/Loss	62	62	
Ending Market Value	2,449	2,449	

### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Lazard - International Value	2.71	1.44	0.45	-1.13	42.72	N/A	-0.06	0.61	0.46	07/01/2016
MSCI EAFE Net	6.43	2.14	1.00	0.00	100.00	N/A	0.00	0.98	1.00	07/01/2016

### Manager Risk & Return



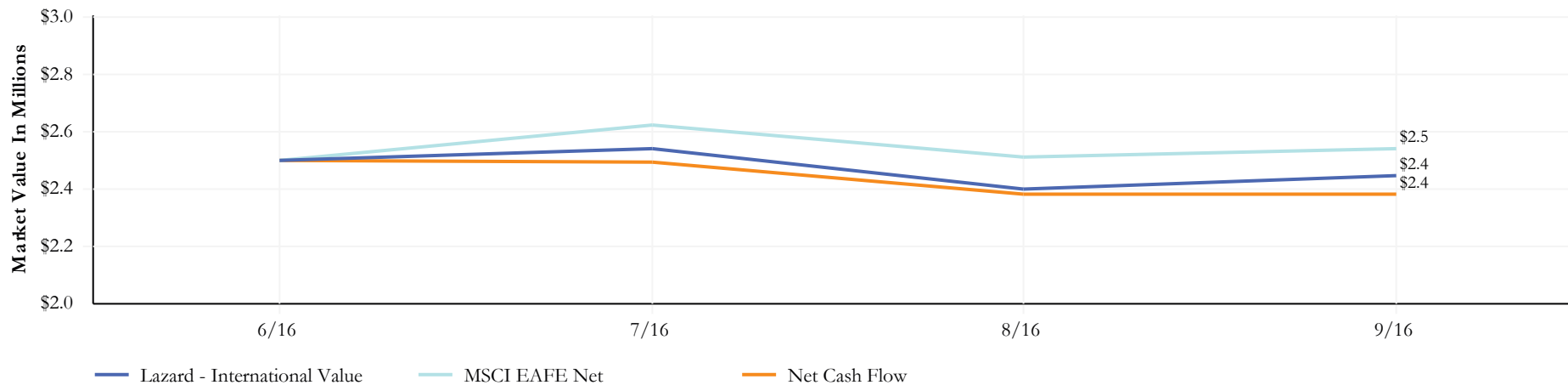
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# Town of Longboat Key Combined Retirement Plan

## Lazard International Value - Change in Assets & Distribution of Returns

as of September 30, 2016

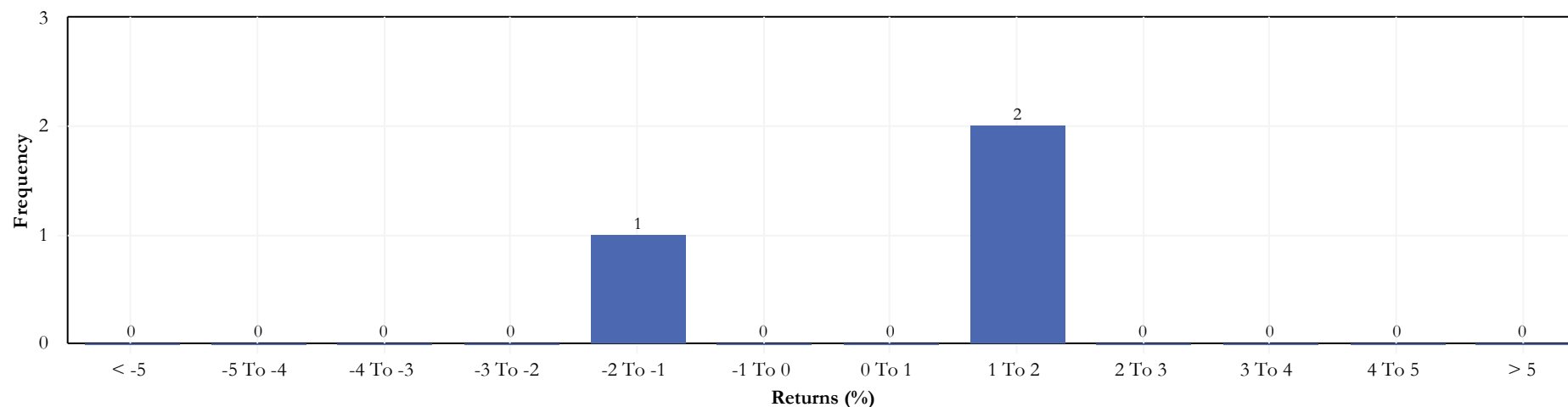
### Historic Change in Assets



### Quarterly Change in Assets

	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2016
Lazard - International Value	2,498,639.20	-	1,373.76	-115,000.01	-3,522.87	-	67,819.46	2,449,309.54

### Distribution of Returns

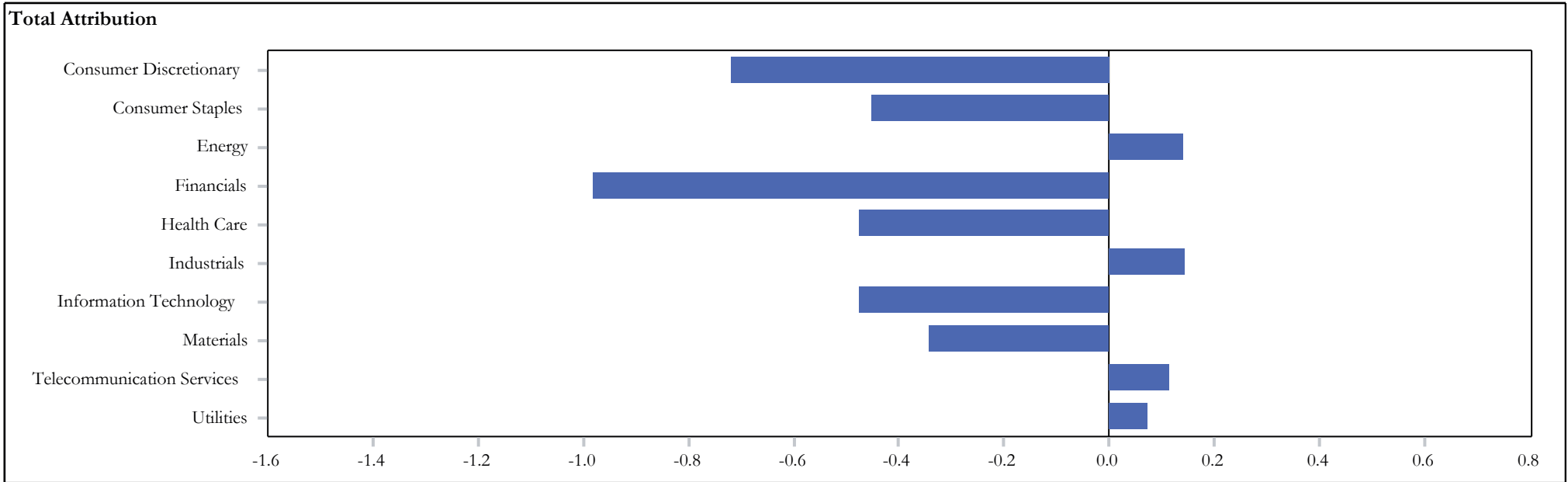
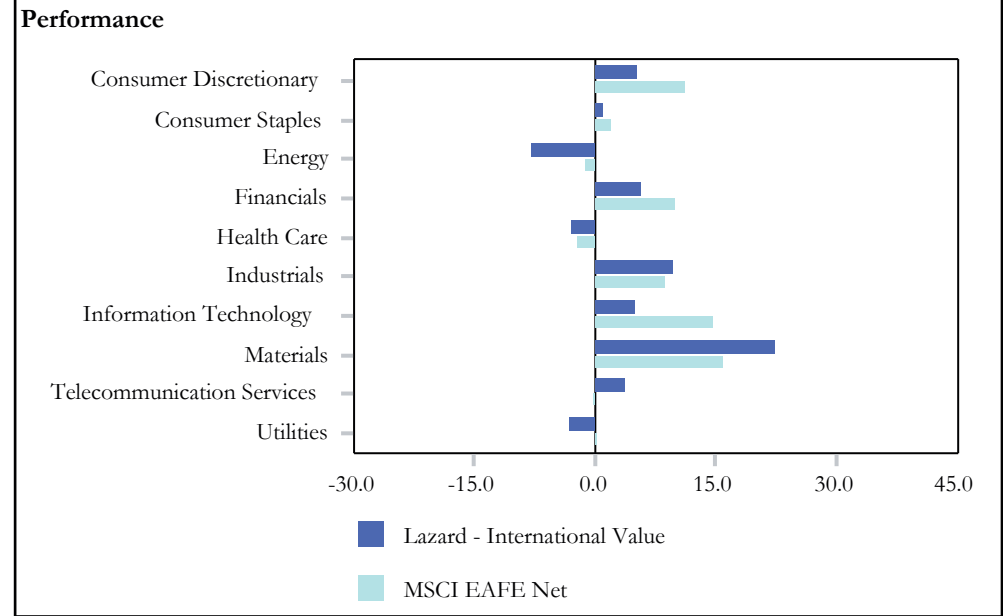
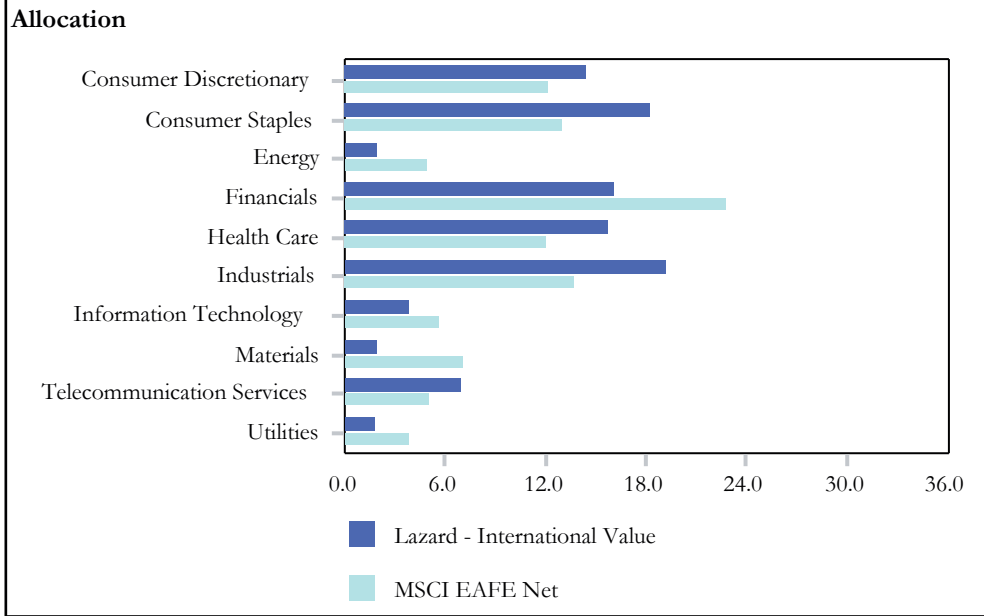


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# Town of Longboat Key Combined Retirement Plan

## Lazard - International Value - Quarterly Performance Attributes

### as of September 30, 2016



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**Town of Longboat Key Combined Retirement Plan**  
**Lazard - International Value - Quarterly Performance Attributes**  
as of September 30, 2016

	Allocation - 07/01/2016		Performance - Quarter Ending September 30, 2016		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	14.40	12.21	5.15	11.10	0.18	-0.70	-0.20	-0.72
Consumer Staples	18.28	12.94	0.99	2.04	-0.25	-0.14	-0.06	-0.45
Energy	1.88	4.93	-7.90	-1.21	0.27	-0.35	0.21	0.14
Financials	16.12	22.79	5.68	10.06	-0.22	-0.95	0.19	-0.98
Health Care	15.74	12.01	-3.01	-2.14	-0.35	-0.10	-0.03	-0.48
Industrials	19.17	13.73	9.61	8.81	0.11	0.10	-0.07	0.14
Information Technology	3.83	5.55	4.93	14.71	-0.15	-0.52	0.19	-0.48
Materials	1.91	7.06	22.40	15.95	-0.46	0.49	-0.37	-0.34
Telecommunication Services	6.86	4.98	3.75	-0.24	-0.15	0.21	0.05	0.11
Utilities	1.81	3.81	-3.07	0.17	0.13	-0.13	0.07	0.07
Total	100.00	100.00	3.61	6.59	-0.89	-2.09	-0.01	-2.98

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# Town of Longboat Key Combined Retirement Plan

## Lazard - International Value - Portfolio Characteristics

as of September 30, 2016

Portfolio Characteristics		
	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap (\$000)	53,050,663.57	55,178,958.88
Median Mkt. Cap (\$000)	26,740,051.18	9,183,997.95
Price/Earnings ratio	21.34	16.80
Price/Book ratio	3.10	2.25
5 Yr. EPS Growth Rate (%)	0.81	3.48
Current Yield (%)	2.48	3.38
Beta	N/A	1.00
Number of Stocks	53	927
Debt to Equity	1.19	1.08

Top Ten Equity Holdings				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Anheuser-Busch InBev SA/NV	4.32	0.85	3.47	-0.21
Novartis AG	4.17	1.42	2.75	-4.30
British American Tobacco	3.75	0.97	2.78	-0.38
Daiwa House Industry Co Ltd	3.21	0.12	3.09	-6.38
Kddi Corp	2.97	0.46	2.51	1.37
Prudential PLC	2.93	0.37	2.56	5.97
Japan Tobacco Inc	2.73	0.36	2.37	1.71
Shire PLC	2.68	0.47	2.21	5.39
Makita Corp	2.67	0.06	2.61	7.30
Unilever PLC	2.58	0.49	2.09	-0.30
% of Portfolio	32.01	5.57		

Ten Best Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Komatsu Ltd	1.41	0.17	1.24	31.39
Valeo SA	2.28	0.11	2.17	30.90
BHP Billiton Ltd	2.20	0.44	1.76	22.40
SAP AG	1.42	0.72	0.70	21.85
KBC Group SA	1.13	0.12	1.01	19.35
GEA Group AG	1.25	0.08	1.17	18.23
Sumitomo Mitsui Fin Gp	2.52	0.36	2.16	18.01
Ashtead Group PLC	0.97	0.07	0.90	17.99
Softbank Group Corp	2.00	0.50	1.50	14.14
Swedbank AB	1.86	0.17	1.69	13.47
% of Portfolio	17.04	2.74		

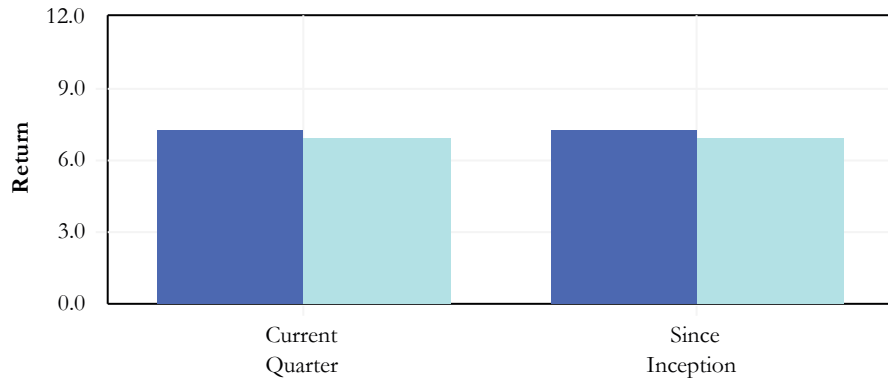
Ten Worst Performers				
	Portfolio Weight (%)	Benchmark Weight (%)	Active Weight (%)	Quarterly Return (%)
Ryohin Keikaku Co Ltd	1.57	0.04	1.53	-17.22
Signet Jewelers Ltd	1.06	0.00	1.06	-9.29
Eni SpA	1.92	0.30	1.62	-7.90
Teva Pharmaceutical	2.07	0.35	1.72	-7.81
Koninklijke Kpn NV	1.02	0.09	0.93	-7.12
Associated British Foods PLC	1.00	0.10	0.90	-7.08
Daiwa House Industry Co Ltd	3.21	0.12	3.09	-6.38
Novartis AG	4.17	1.42	2.75	-4.30
Informa Plc	1.89	0.00	1.89	-4.11
Red Electrica Corp SA	1.79	0.08	1.71	-3.07
% of Portfolio	19.70	2.50		

# Town of Longboat Key Combined Retirement Plan

## Renaissance International Growth - Executive Summary

as of September 30, 2016

### Manager Performance Chart



### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Renaissance - International Growth	7.24	7.24	07/01/2016
MSCI AC World ex US Net	6.91	6.91	
Differences	0.33	0.33	

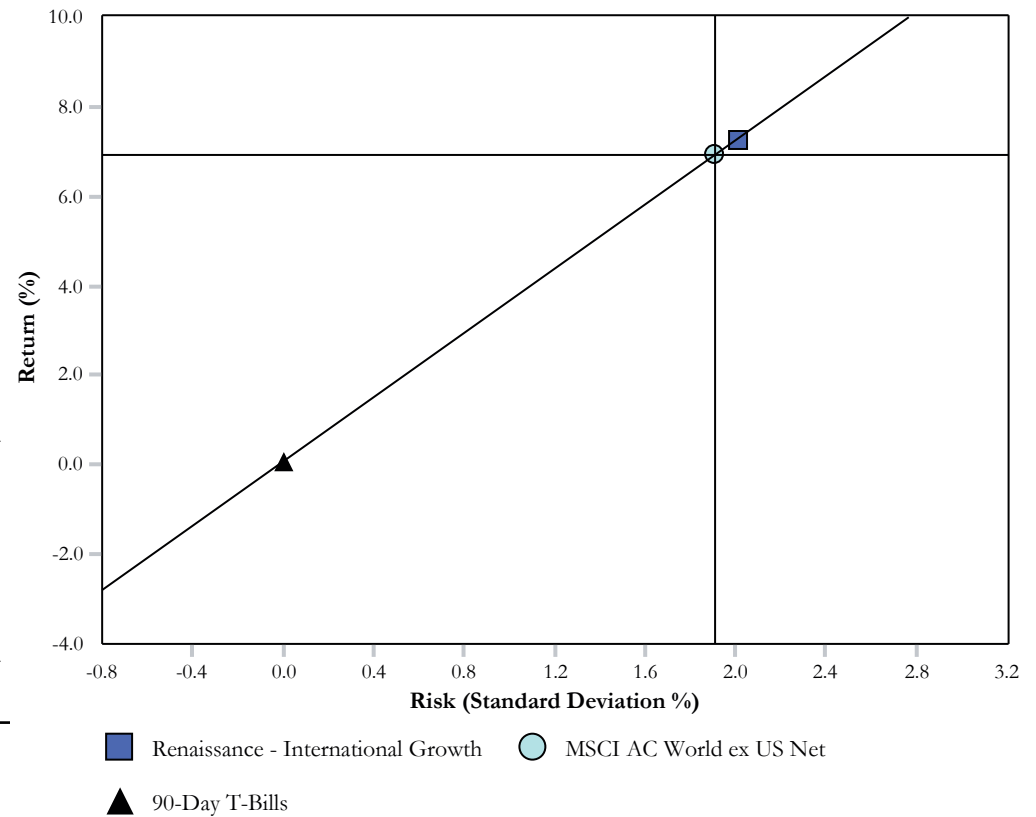
### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Renaissance - International Growth			07/01/2016
Beginning Market Value	2,485	2,485	
Net Contributions	-189	-189	
Fees/Expenses	-3	-3	
Income	6	6	
Gain/Loss	173	173	
Ending Market Value	2,472	2,472	

### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Renaissance - International Growth	7.24	2.01	1.03	0.00	104.71	N/A	0.04	1.17	0.95	07/01/2016
MSCI AC World ex US Net	6.91	1.91	1.00	0.00	100.00	N/A	0.00	1.18	1.00	07/01/2016

### Manager Risk & Return



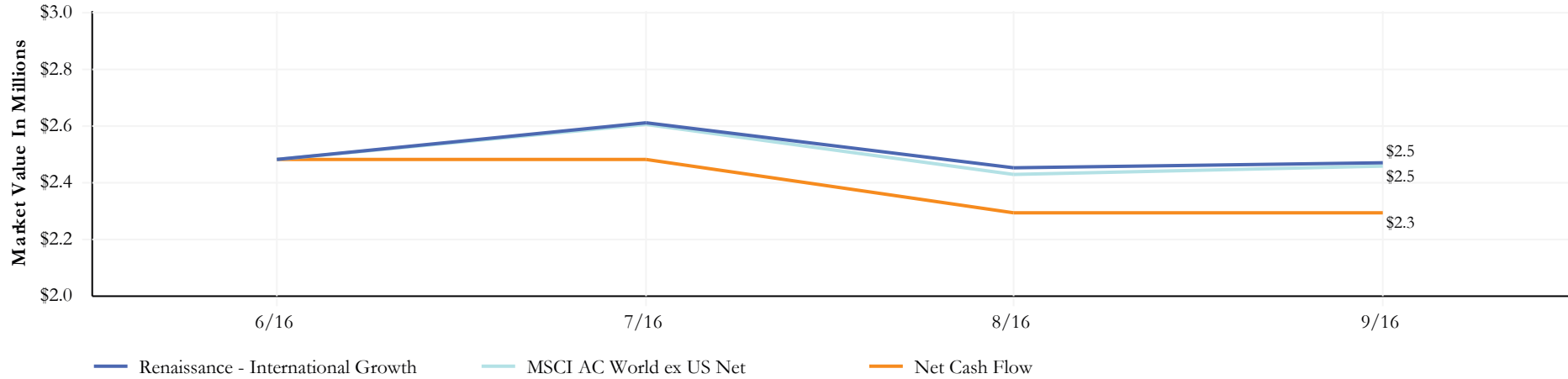
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# Town of Longboat Key Combined Retirement Plan

## Renaissance International Growth - Change in Assets & Distribution of Returns

as of September 30, 2016

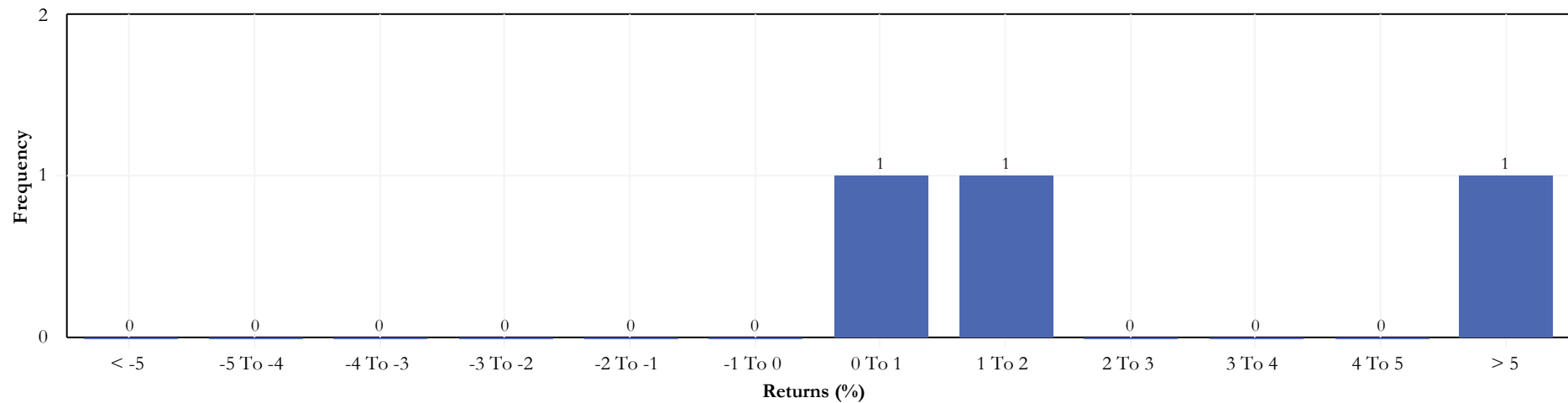
### Historic Change in Assets



### Quarterly Change in Assets

	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2016
Renaissance - International Growth	2,484,749.59	-	893.37	-190,000.01	-3,448.80	-	179,501.58	2,471,695.73

### Distribution of Returns



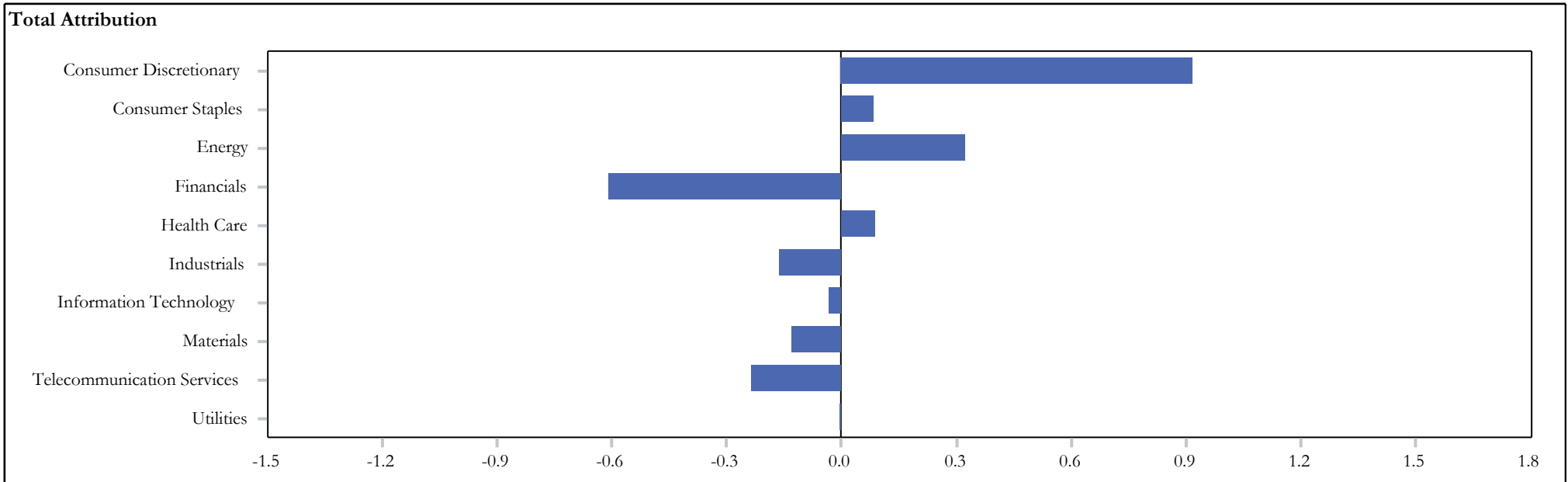
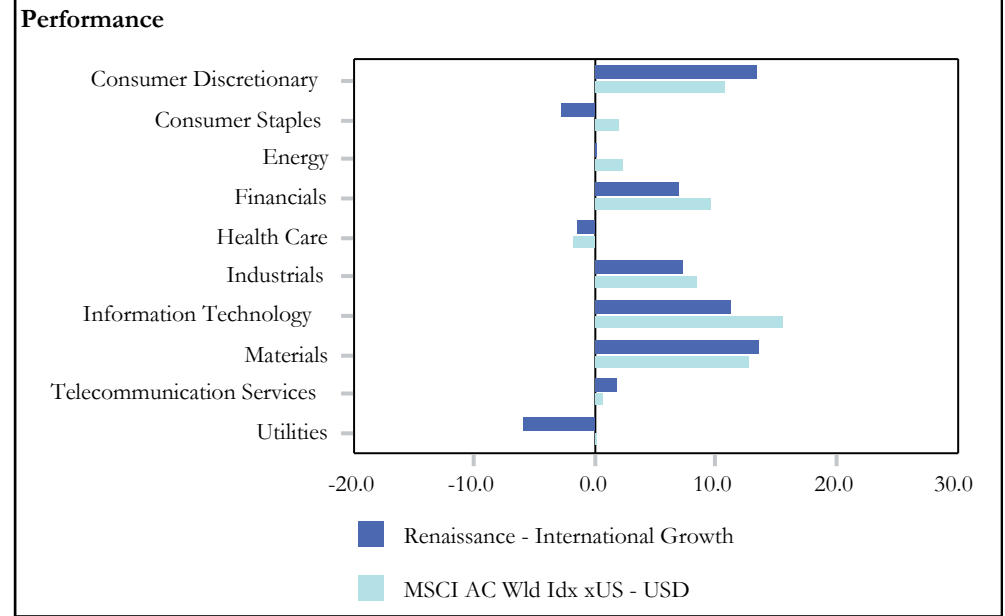
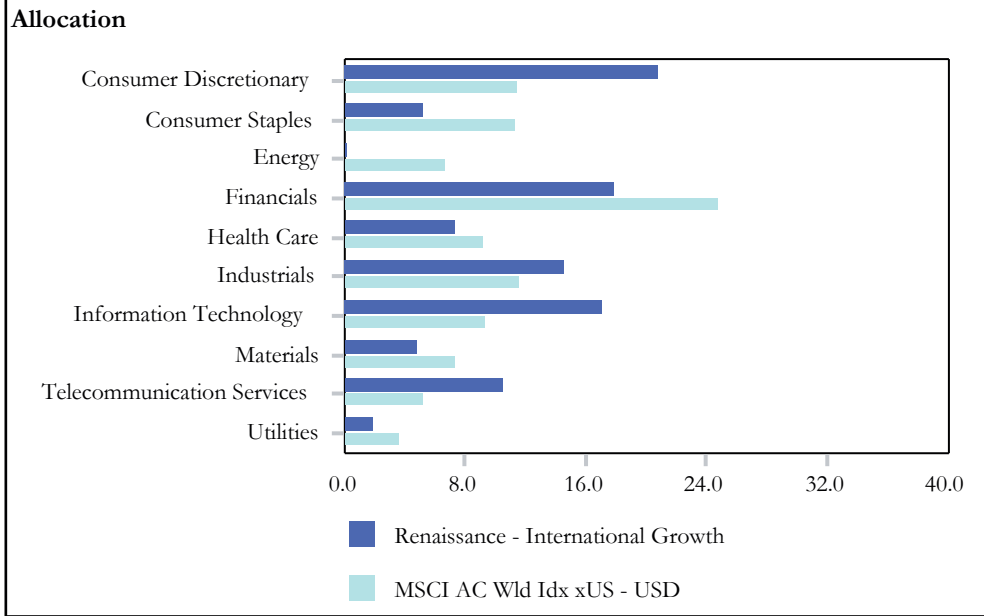
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# Town of Longboat Key Combined Retirement Plan

## Renaissance - International Growth - Quarterly Performance Attributes

### as of September 30, 2016



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**Town of Longboat Key Combined Retirement Plan**  
**Renaissance - International Growth - Quarterly Performance Attributes**  
as of September 30, 2016

	Allocation - 07/01/2016		Performance - Quarter Ending September 30, 2016		Attribution			
	Portfolio	Benchmark	Portfolio	Benchmark	Sector	Stock	Interaction	Total
Consumer Discretionary	20.81	11.43	13.38	10.72	0.40	0.29	0.23	0.92
Consumer Staples	5.23	11.31	-2.79	2.04	0.36	-0.57	0.30	0.08
Energy	0.00	6.60	0.00	2.42	0.32	0.00	0.00	0.32
Financials	17.86	24.76	6.95	9.56	-0.14	-0.64	0.17	-0.61
Health Care	7.32	9.12	-1.52	-1.75	0.12	0.06	-0.09	0.09
Industrials	14.53	11.58	7.40	8.48	0.03	-0.11	-0.09	-0.16
Information Technology	17.12	9.26	11.22	15.54	0.65	-0.37	-0.31	-0.03
Materials	4.76	7.27	13.67	12.75	-0.13	0.07	-0.06	-0.13
Telecommunication Services	10.45	5.16	1.81	0.63	-0.37	0.07	0.07	-0.24
Utilities	1.91	3.51	-5.98	0.28	0.11	-0.22	0.11	0.00
Total	100.00	100.00	7.33	7.10	1.34	-1.43	0.33	0.23

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**Town of Longboat Key Combined Retirement Plan**  
**Renaissance - International Growth - Portfolio Characteristics**  
as of September 30, 2016

<b>Portfolio Characteristics</b>	<b>Portfolio</b>	<b>Benchmark</b>
Wtd. Avg. Mkt. Cap (\$000)	30,917,390.44	53,829,526.68
Median Mkt. Cap (\$000)	17,860,475.91	7,127,664.68
Price/Earnings ratio	13.39	15.91
Price/Book ratio	2.67	2.26
5 Yr. EPS Growth Rate (%)	9.24	4.31
Current Yield (%)	2.33	3.15
Beta	N/A	1.00
Number of Stocks	55	1,853
Debt to Equity	0.76	0.99

<b>Top Ten Equity Holdings</b>	<b>Portfolio Weight (%)</b>	<b>Benchmark Weight (%)</b>	<b>Active Weight (%)</b>	<b>Quarterly Return (%)</b>
Netease Inc	2.43	0.11	2.32	25.07
China Lodging Group Ltd	2.38	0.00	2.38	23.77
NXP Semiconductors NV	2.27	0.17	2.10	30.22
Vestas Wind Systems A/S	2.16	0.10	2.06	21.84
Bridgestone Corp	2.13	0.14	1.99	14.86
Valeo SA	2.13	0.08	2.05	30.90
Toray Industries Inc	2.06	0.08	1.98	N/A
Carnival PLC	2.04	0.05	1.99	10.37
Manulife Financial Corp	2.04	0.16	1.88	4.34
Ryanair Holdings PLC	2.03	0.01	2.02	7.90
% of Portfolio	21.67	0.90		

<b>Ten Best Performers</b>	<b>Portfolio Weight (%)</b>	<b>Benchmark Weight (%)</b>	<b>Active Weight (%)</b>	<b>Quarterly Return (%)</b>
Valeo SA	2.13	0.08	2.05	30.90
NXP Semiconductors NV	2.27	0.17	2.10	30.22
Netease Inc	2.43	0.11	2.32	25.07
Infineon Technologies	2.02	0.11	1.91	23.80
China Lodging Group Ltd	2.38	0.00	2.38	23.77
Magna International Inc.	2.01	0.10	1.91	23.23
Colliers International Group Inc	1.81	0.00	1.81	23.23
Persimmon PLC	2.03	0.04	1.99	21.88
Vestas Wind Systems A/S	2.16	0.10	2.06	21.84
Arkema	1.98	0.04	1.94	20.68
% of Portfolio	21.22	0.75		

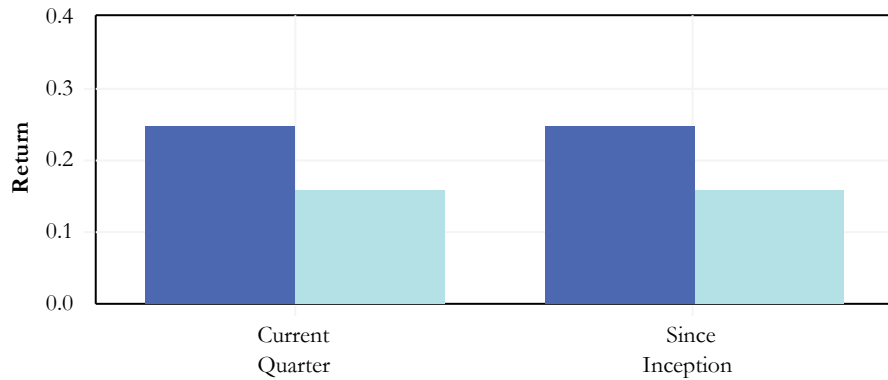
<b>Ten Worst Performers</b>	<b>Portfolio Weight (%)</b>	<b>Benchmark Weight (%)</b>	<b>Active Weight (%)</b>	<b>Quarterly Return (%)</b>
Wipro Ltd	1.51	0.03	1.48	-21.34
Jazz Pharmaceuticals Plc	1.72	0.00	1.72	-14.03
Pandora AS	1.72	0.08	1.64	-10.74
China Eastern Airlines Corp Ltd	1.64	0.00	1.64	-8.56
Teva Pharmaceutical	1.72	0.25	1.47	-7.81
Controladora Vuela Compania de Aviacion SA de CV	1.82	0.00	1.82	-6.96
Korea Electric Power Corp	1.63	0.07	1.56	-5.98
Heineken NV	1.83	0.12	1.71	-3.68
Grupo Financiero Banorte	1.75	0.07	1.68	-2.97
Nippon T&T	1.81	0.18	1.63	-2.70
% of Portfolio	17.15	0.80		

# Town of Longboat Key Combined Retirement Plan

## Pacific Income Advisors - Executive Summary

as of September 30, 2016

### Manager Performance Chart



### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Pacific Income - Fixed Income	0.25	0.25	07/01/2016
BC Gov/Cr Intm	0.16	0.16	
Differences	0.09	0.09	

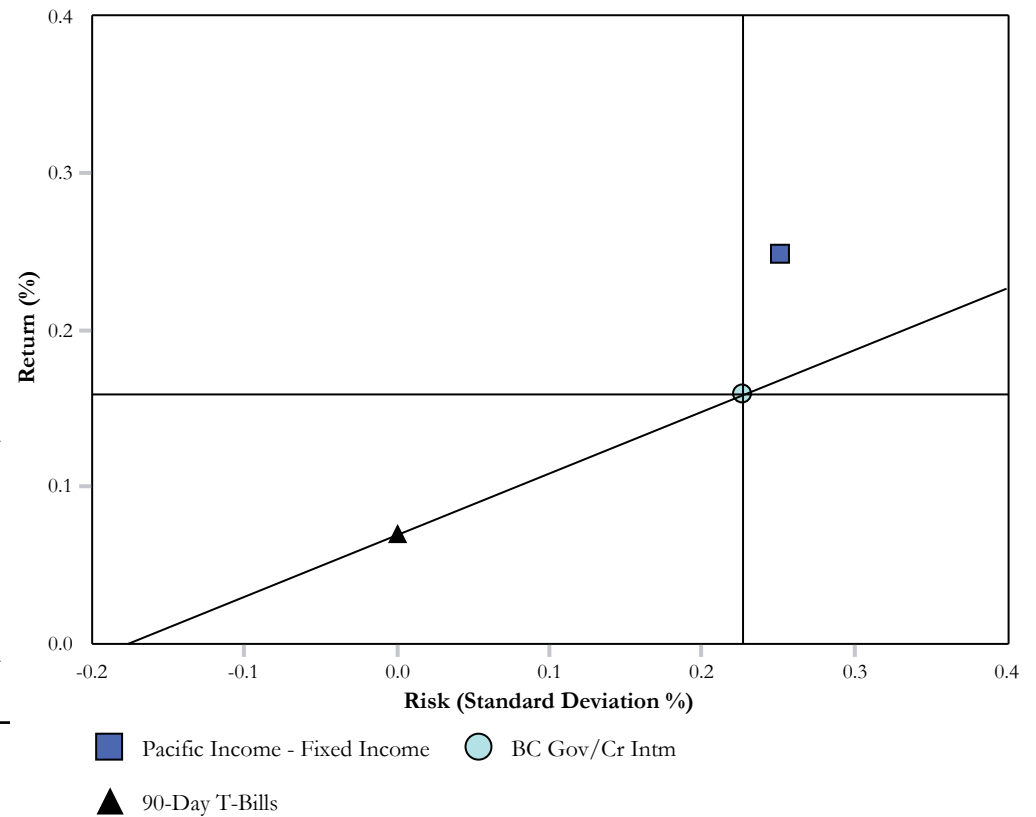
### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Pacific Income - Fixed Income			07/01/2016
Beginning Market Value	10,409	10,409	
Net Contributions	-64	-64	
Fees/Expenses	-14	-14	
Income	52	52	
Gain/Loss	-27	-27	
Ending Market Value	10,357	10,357	

### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Pacific Income - Fixed Income	0.25	0.25	1.02	-0.20	107.43	77.43	0.03	0.24	0.86	07/01/2016
BC Gov/Cr Intm	0.16	0.23	1.00	-0.26	100.00	100.00	0.00	0.13	1.00	07/01/2016

### Manager Risk & Return



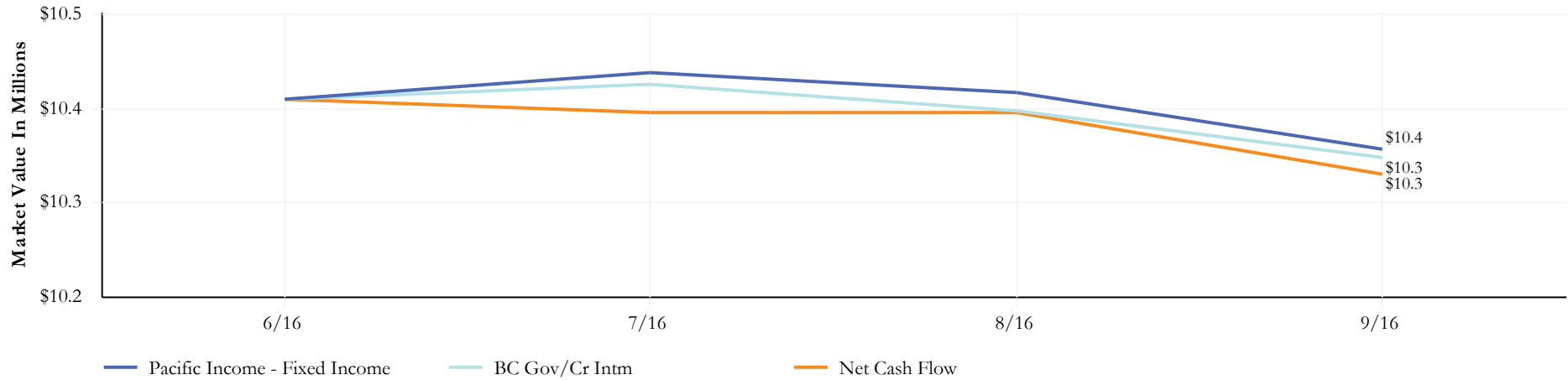
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# Town of Longboat Key Combined Retirement Plan

## Pacific Income Advisors - Change in Assets & Distribution of Returns

as of September 30, 2016

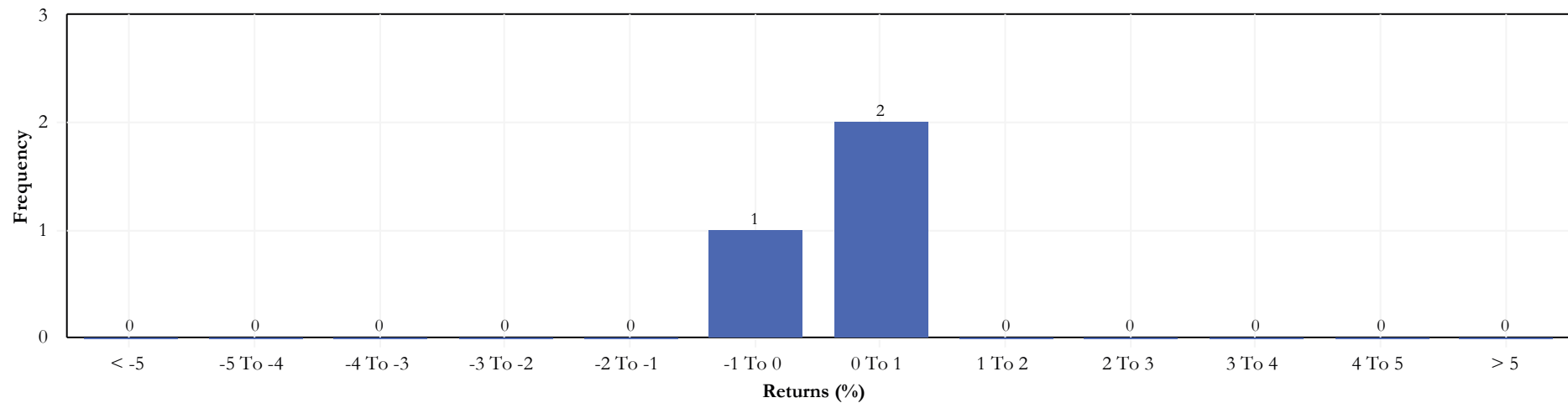
### Historic Change in Assets



### Quarterly Change in Assets

	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2016
Pacific Income - Fixed Income	10,409,255.71	-	5,677.11	-70,000.00	-13,619.38	-	25,690.21	10,357,003.65

### Distribution of Returns



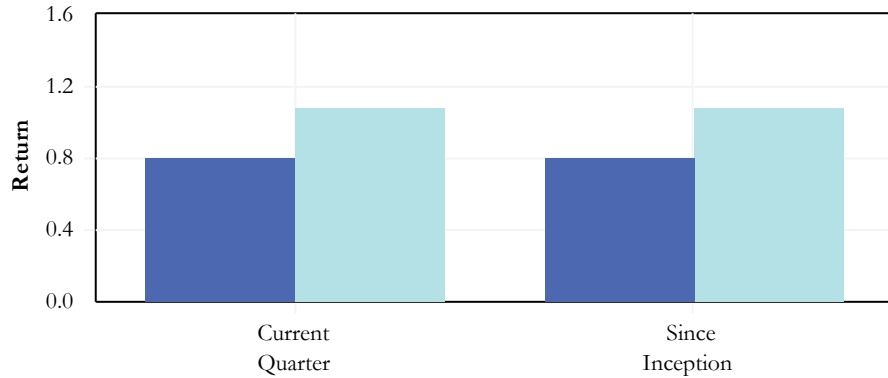
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# Town of Longboat Key Combined Retirement Plan

## Center Coast MLP - Executive Summary

as of September 30, 2016

### Manager Performance Chart



### Manager Annualized Performance

	Current Quarter	Since Inception	Inception Date
Center Coast - MLPs	0.80	0.80	07/01/2016
Alerian MLP Index	1.07	1.07	
Differences	-0.27	-0.27	

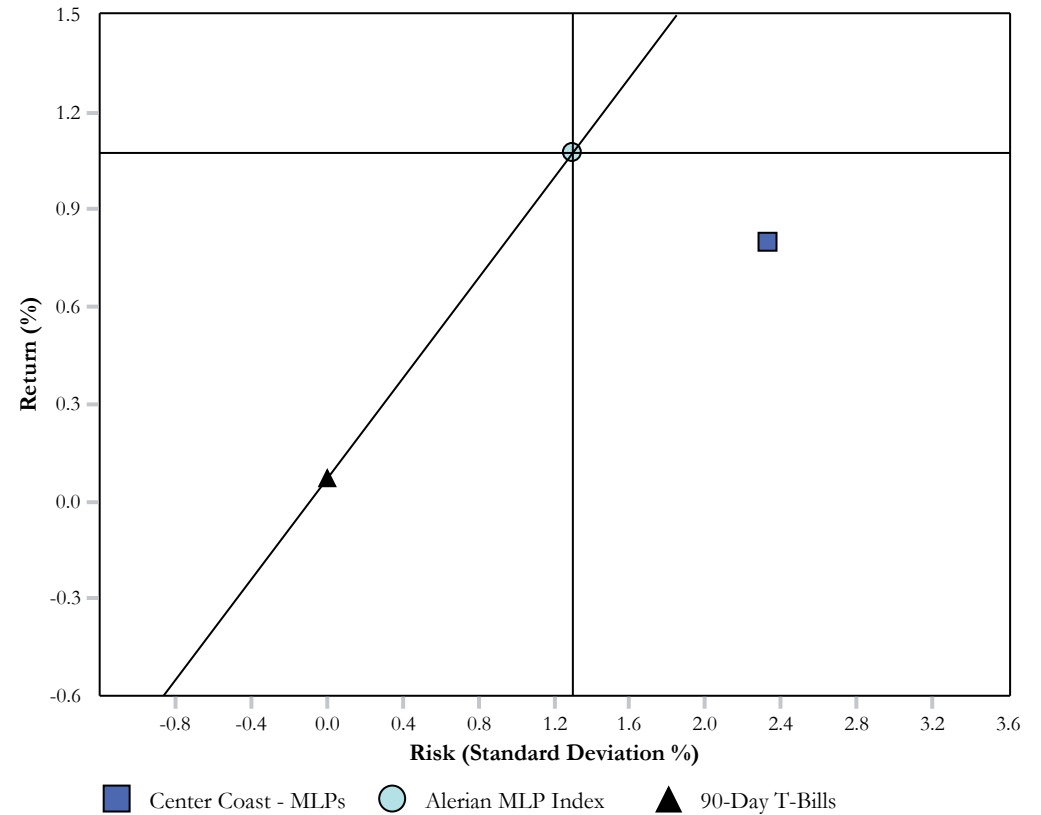
### Historic Asset Growth

	Current Quarter	Since Inception	Inception Date
Center Coast - MLPs			07/01/2016
Beginning Market Value	1,686	1,686	
Net Contributions	-20	-20	
Fees/Expenses	-3	-3	
Income	25	25	
Gain/Loss	-12	-12	
Ending Market Value	1,676	1,676	

### Modern Portfolio Statistics

	Return	Standard Deviation	Beta	Maximum Drawdown	Up Market Capture	Down Market Capture	Alpha	Sharpe Ratio	R-Squared	Inception Date
Center Coast - MLPs	0.80	2.33	1.47	-2.69	95.10	107.68	-0.25	0.12	0.67	07/01/2016
Alerian MLP Index	1.07	1.30	1.00	-1.32	100.00	100.00	0.00	0.26	1.00	07/01/2016

### Manager Risk & Return



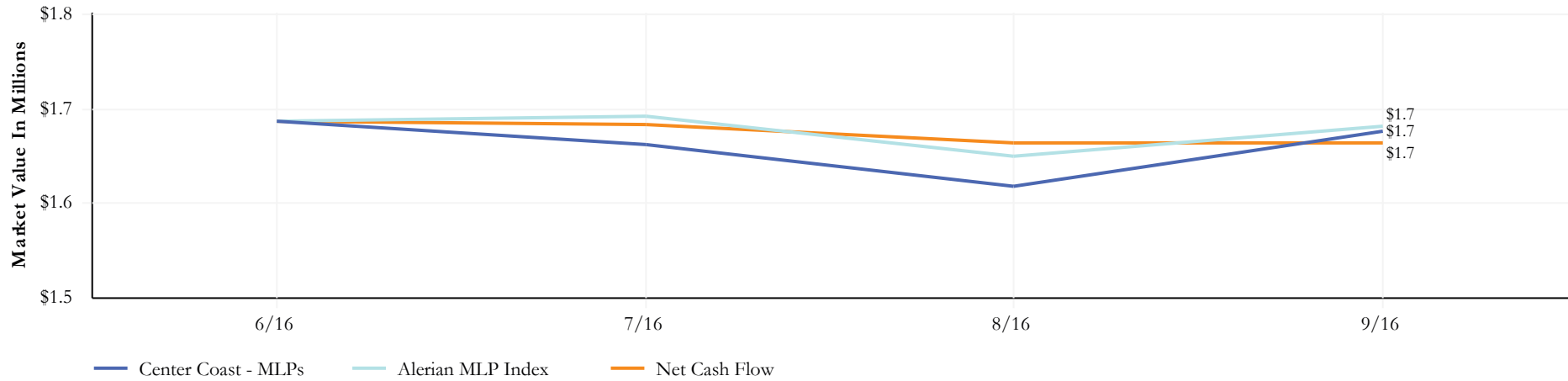
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# Town of Longboat Key Combined Retirement Plan

## Center Coast MLP - Change in Assets & Distribution of Returns

as of September 30, 2016

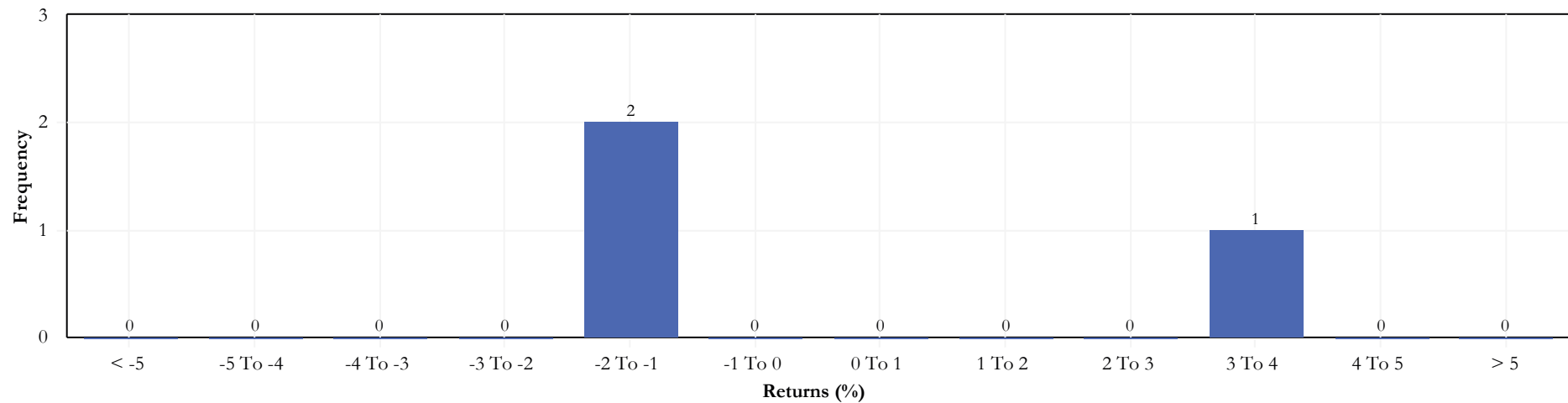
### Historic Change in Assets



### Quarterly Change in Assets

	Market Value As of 07/01/2016	Net Transfers	Contributions	Distributions	Fees	Expenses	Return On Investment	Market Value As of 09/30/2016
Center Coast - MLPs	1,686,327.80	-	37.88	-20,000.00	-2,842.26	-	12,975.30	1,676,498.72

### Distribution of Returns



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## Information Disclosures

*The performance data shown reflects past performance, which does not guarantee future results. Investment return and principal will fluctuate so that an investor's shares when redeemed may be worth more or less than original cost. Please note, current performance may be higher or lower than the performance data shown. For up to date month-end performance information, please contact your Financial Advisor or visit the funds' company website.*

*Investors should carefully consider the fund's investment objectives, risks, charges and expenses before investing. The prospectus and, if available the summary prospectus, contains this and other information that should be read carefully before investing. Investors should review the information in the prospectus carefully. To obtain a prospectus, please contact your Financial Advisor or visit the funds' company website.*

Past performance is no guarantee of future results.

Investing involves market risk, including possible loss of principal. **Growth investing** does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations. **Value investing** involves the risk that the market may not recognize that securities are undervalued and they may not appreciate as anticipated. **Small and mid-capitalization companies** may lack the financial resources, product diversification and competitive strengths of larger companies. The securities of small capitalization companies may not trade as readily as, and be subject to higher volatility than those of larger, more established companies. **Bond funds** and bond holdings have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the funds. The return of principal in bond funds, and in funds with significant bond holdings, is not guaranteed. **International securities'** prices may carry additional risks, including foreign economic, political, monetary and/or legal factors, changing currency exchange rates, foreign taxes and differences in financial and accounting standards. International investing may not be for everyone. These risks may be magnified in emerging markets. **Alternative investments**, including private equity funds, real estate funds, hedge funds, managed futures funds, and funds of hedge funds, private equity, and managed futures funds, are speculative and entail significant risks that can include losses due to leveraging or other speculative investment practices, lack of liquidity, volatility of returns, restrictions on transferring interests in a fund, potential lack of diversification, absence and/or delay of information regarding valuations and pricing, complex tax structures and delays in tax reporting, less regulation and higher fees than mutual funds and risks associated with the operations, personnel and processes of the advisor. **Master Limited Partnerships (MLPs)** are limited partnerships or limited liability companies that are taxed as partnerships and whose interests (limited partnership units or limited liability company units) are traded on securities exchanges like shares of common stock. Currently, most MLPs operate in the energy, natural resources or real estate sectors. Investments in MLP interests are subject to the risks generally applicable to companies in the energy and natural resources sectors, including commodity pricing risk, supply and demand risk, depletion risk and exploration risk; and MLP interests in the real estate sector are subject to



special risks, including interest rate and property value fluctuations, as well as risks related to general and economic conditions. Because of their narrow focus, MLPs maintain exposure to price volatility of commodities and/or underlying assets and tend to be more volatile than investments that diversify across many sectors and companies. MLPs are also subject to additional risks including: investors having limited control and rights to vote on matters affecting the MLP, limited access to capital, cash flow risk, lack of liquidity, dilution risk, conflict of interests, and limited call rights related to acquisitions.

**Mortgage backed securities** also involve prepayment risk, in that faster or slower prepayments than expected on underlying mortgage loans can dramatically alter the yield-to-maturity of a mortgage-backed security and prepayment risk includes the possibility that a fund may invest the proceeds at generally lower interest rates.

**Tax managed funds** may not meet their objective of being tax-efficient.

**Real estate** investments are subject to special risks, including interest rate and property value fluctuations, as well as risks related to general and economic conditions. **High yield** fixed income securities, also known as “junk bonds”, are considered speculative, involve greater risk of default and tend to be more volatile than investment grade fixed income securities.

Credit quality is a measure of a bond issuer’s creditworthiness, or ability to repay interest and principal to bondholders in a timely manner. The credit ratings shown are based on security rating as provided by Standard & Poor’s, Moody’s and/or Fitch, as applicable. Credit ratings are issued by the rating agencies for the underlying securities in the fund and not the fund itself, and the credit quality of the securities in the fund does not represent the stability or safety of the fund. Credit ratings shown range from AAA, being the highest, to D, being the lowest based on S&P and Fitch’s classification (the equivalent of Aaa and C, respectively, by Moody(s). Ratings of BBB or higher by S&P and Fitch (Baa or higher by Moody’s) are considered to be investment grade-quality securities. If two or more of the agencies have assigned different ratings to a security, the highest rating is applied. Securities that are not rated by all three agencies are listed as “NR”.

“**Alpha tilt strategies** comprise a core holding of stocks that mimic a benchmark type index such as the S&P 500 to which additional securities are added to help tilt the fund toward potentially outperforming the market in an effort to enhance overall investment returns. Tilt strategies are subject to significant timing risk and could potentially expose investors to extended periods of underperformance.”

**Custom Account Index:** The Custom Account Index is an investment benchmark based on your historical target allocations and/or manager selection that you may use to evaluate the performance of your account. The Custom Account index does take into consideration certain changes that may have occurred in your portfolio since the inception of your account, i.e., asset class and/or manager changes. However, in some circumstances, it may not be an appropriate benchmark for use with your specific account composition. For detailed report of the historical composition of this blend please contact your Financial Advisor.

## **Alternatives**

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Alternative investments often are speculative and include a high degree of risk. Investors could lose all or a substantial amount of their investment. Alternative investments are suitable only for eligible, long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time. They may be highly illiquid and can engage in leverage and other speculative practices that may increase the

volatility and risk of loss. Alternative Investments typically have higher fees than traditional investments. Investors should carefully review and consider potential risks before investing. Certain of these risks may include but are not limited to: • Loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative practices; • Lack of liquidity in that there may be no secondary market for a fund; • Volatility of returns; • Restrictions on transferring interests in a fund; • Potential lack of diversification and resulting higher risk due to concentration of trading authority when a single advisor is utilized; • Absence of information regarding valuations and pricing; • Complex tax structures and delays in tax reporting; • Less regulation and higher fees than mutual funds; and • Risks associated with the operations, personnel, and processes of the manager. As a diversified global financial services firm, Morgan Stanley Wealth Management engages in a broad spectrum of activities including financial advisory services, investment management activities, sponsoring and managing private investment funds, engaging in broker-dealer transactions and principal securities, commodities and foreign exchange transactions, research publication, and other activities. In the ordinary course of its business, Morgan Stanley Wealth Management therefore engages in activities where Morgan Stanley Wealth Management's interests may conflict with the interests of its clients, including the private investment funds it manages. Morgan Stanley Wealth Management can give no assurance that conflicts of interest will be resolved in favor of its clients or any such fund.

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As fees are deducted quarterly, the compounding effect will be to increase the impact of the fees by an amount directly related to the gross account performance. For example, for an account with an initial value of \$100,000 and a 2.5% annual fee, if the gross performance is 5% per year over a three year period, the compounding effect of the fees will result in a net annual compound rate of return of approximately 2.40% per year over a three year period, and the total value of the client's portfolio at the end of the three year period would be approximately \$115,762.50 without the fees and \$107,372.63 with the fees.

Please see the applicable Morgan Stanley Smith Barney LLC Form ADV Part 2A for more information including a description of the fee schedule. It is available at [www.morganstanley.com/ADV](http://www.morganstanley.com/ADV) <<http://www.morganstanley.com/ADV>> or from your Financial Advisor/Private Wealth Advisor.

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