

MBZ & Related Entities
Polk Assisted Investment Returns:
Inception through 2012

	Annualized
Hedge Fund Returns (since inception)	8.64%
HFRI FOF Index (over same time period)	0.77%
Private Equity Returns (since inception)	18.78%
S&P 500 (over same time period)	7.23%
Fixed Income Returns (since inception)	4.19%
Blended FI Index (over same time period)	4.71%

	MV	YEAR	MV	YEAR	MV	YEAR	MV	YEAR	MV	YEAR	SINCE	INCEPTION
	12/31/08	ENDING	12/31/09	ENDING	12/31/10	ENDING	12/31/11	ENDING	12/31/12	ENDING	INCRP	DATE
		2008		2009		2010		2011		2012	to 12/31/12	
Double Black Diamond Class C (AIP) 1996 TR					1,144,013	3.33%	1,127,884	-3.38%	1,263,367	9.92%	4.07%	08/31/10
HBK Fund II LP (AIP) 1996 TR (AIP)					1,159,178	5.05%	1,256,393	5.98%	1,356,558	5.91%	7.33%	08/31/10
Dialectic Antithesis Partners (AIP) 1996 TR (AIP)					824,838	-18.15%	1,000,822	19.12%			-9.15%	08/31/10
Seligman Tech Spectrum Fund (AIP) 1996 TR (AIP)					1,257,831	13.65%	1,254,573	-2.23%	1,046,773	-3.57%	3.04%	08/31/10
Millenium USA LP (AIP) 1996 TR (AIP)					1,183,906	6.94%	1,286,614	6.61%	1,359,645	3.64%	7.43%	08/31/10
Mariner Tricadia Credit Strat (AIP) 1996 TR (AIP)					1,051,784	4.50%	1,043,253	-2.80%	1,178,109	10.82%	5.22%	08/31/10
Owl Creek II LP (AIP) 1996 TR (AIP)					620,416	2.73%	36,689	-10.84%			-13.91%	08/31/10
Boronia Diversified Fund (AIP) 1996 TR (AIP)					720,979	2.32%	657,408	-10.74%	390,086	-6.44%	-6.51%	08/31/10
Man AHL Diversified II USA 1996 TR (AIP)					528,739	5.06%	489,253	-9.39%	452,788	-9.38%	-6.12%	08/31/10
York Credit Opportunity Fund (AIP) 1996 TR (AIP)					1,170,598	5.73%	1,153,083	-3.45%	1,265,237	7.64%	4.14%	08/31/10
GEN Realty Securities LP (AIP) 1996 TR (AIP)					1,138,292	2.81%	1,162,286	0.09%	1,202,699	1.45%	1.87%	08/31/10
Ivory Flagship Fund LP (AIP) 1996 TR (AIP)					1,138,536	2.83%	1,099,776	-5.36%			-1.89%	08/31/10
MQ Asia Long Short Pd Offshore (AIP) MBZ Exempt (AIP)									629,389	1.80%	1.80%	02/01/12
LIM Asia Multi-Strategy Fund (AIP)									1,046,415	4.14%	4.14%	06/30/12
Seligman Tech Spectrum Fund (AIP) MBZ CRUT (AIP)					1,143,412	13.64%	1,139,153	-2.34%	561,968	-6.08%	1.83%	08/31/10
Kaiser Trading Fund SPC Ltd. (AIP) MBZ CRUT (AIP)					1,002,628	-0.41%	944,191	-7.78%			-2.69%	08/31/10
Ivory Offshore Flagship Fund (AIP) MBZ CRUT (AIP)					1,034,435	2.77%	997,124	-5.56%			-2.04%	08/31/10
OMG Opportunities Trading Fund (AIP) MBZ CRUT (AIP)					500,472	-0.57%	483,522	-5.36%			-4.27%	08/31/10
York Credit Opp Unit Trust (AIP) MBZ CRUT (AIP)					1,067,228	6.04%	1,047,699	-3.78%	1,248,948	17.05%	7.93%	08/31/10
Millenium Int'l Ltd - Class EE (AIP) MBZ CRUT (AIP)					1,075,252	6.84%	1,165,350	6.31%	1,226,423	3.20%	7.07%	08/31/10
Dialectic Antithesis Partners (AIP) MBZ CRUT (AIP)					825,674	-18.06%	1,008,633	19.93%			-8.34%	08/31/10
MQ Asia Long Short Pd Offshore (AIP) MBZ CRUT (AIP)					534,532	6.49%	583,100	7.02%	688,830	2.38%	6.85%	08/31/10
Pharo Macro Fund Ltd. (AIP) MBZ CRUT (AIP)					1,044,769	3.80%	963,854	-9.68%			-4.83%	08/31/10
HBK Offshore Fund II Ltd. (AIP) MBZ CRUT (AIP)					526,722	4.93%	571,275	6.39%	615,404	5.67%	7.35%	08/31/10
Oz Overseas Fund Ltd. (AIP) MBZ CRUT (AIP)					2,099,945	4.33%	2,083,024	-2.79%	2,184,994	10.02%	4.82%	08/31/10
Boronia Diversified Fund (AIP) MBZ CRUT (AIP)					515,032	2.33%	469,745	-10.71%	450,012	-6.17%	-6.38%	08/31/10
Owl Creek Overseas Fund (AIP) MBZ CRUT (AIP)					514,687	2.26%	31,522	-21.38%			-14.31%	08/31/10
Mariner Tricadia Credit Strat (AIP) MBZ CRUT (AIP)					1,051,825	4.50%	1,043,372	-2.79%	1,177,962	10.79%	5.21%	08/31/10
Double Black Diamond Class C (AIP) MBZ CRUT (AIP)					1,036,361	2.96%	1,017,066	-3.83%	1,661,534	8.92%	3.30%	08/31/10
LIM Asia Multi-Strategy Fund (AIP) MBZ CRUT (AIP)									1,037,203	2.19%	2.19%	03/30/12
Taconic Opportunity Fund (AIP) MBZ CRUT (AIP)									1,054,738	4.20%	4.20%	03/30/12
QPR VICTORIA FUND LTD (MBZ CRUT)									1,684,071	11.21%	11.21%	06/29/12
AIP Custom HF Solutions							6,122,669	53.37%	11,786,794	37.89%	64.76%	06/09/11
GS Hedge Fund Seeding Strategy									3,021,970	3.98%	3.98%	02/27/12
American Steadfast LP					5,463,973	11.67%	5,578,572	2.10%	5,941,998	6.51%	7.55%	04/07/10
Blackstone Offshore Fund							1,783,009	-4.31%	2,291,725	4.51%	0.00%	01/07/11
COMPOSITE TOTAL					31,376,057	8.27%	38,600,914	2.76%	47,745,660	11.85%	8.64%	04/01/10
HFRI FUND OF FUNDS						3.30%		-5.72%		4.78%	0.77%	

	MV	YEAR	MV	YEAR	MV	YEAR	MV	YEAR	MV	YEAR	SINCE	INCEPTION
	12/31/08	ENDING	12/31/09	ENDING	12/31/10	ENDING	12/31/11	ENDING	12/31/12	ENDING	INCRP	DATE
		2008		2009		2010		2011		2012		
GOLDMAN SACHS MLP									5,438,298	7.96%	7.96%	01/13/12
DST GLOBAL III									2,734,705	-3.80%	-3.80%	02/02/12
LEGACY CAPITAL							594,808	-18.07%	6,462,286	31.78%	6.79%	10/17/11
QUELLOS CO-INVESTMENT FUND II LP	9,382,911	7.39%	20,553,620	28.28%	46,616,452	23.29%	52,926,992	9.03%	44,327,204	11.89%	18.70%	09/08/08
QUELLOS CO-INVESTMENT FUND II LP CTR	1,435,303	16.70%	3,450,343	33.51%	11,568,892	28.96%	10,279,181	-0.48%	5,977,490	12.73%	22.02%	11/25/08
QUELLOS CO-INVESTMENT FUND III							14,724,207	13.64%	33,991,534	5.17%	16.51%	10/24/11
QUELLOS CO-INVESTMENT FUND III LP (MBZ CRT)							2,238,383		10,027,543	6.43%	6.43%	12/09/11
GLILOT CAPITAL PARTNERS							52,500	0.00%	175,000	0.00%	0.00%	03/21/11
MORGAN STANLEY CREDIT PARTNERS ONSHORE					3,029,810	0.38%	5,141,345	13.46%	5,953,319	14.71%	10.54%	04/20/10
MORGAN STANLEY CREDIT PARTNERS OFFSHORE					3,029,810	0.40%	5,141,336	11.89%	5,953,303	14.71%	9.98%	04/20/10
COMPOSITE TOTAL	10,818,214	8.54%	24,003,963	29.41%	64,511,944	23.25%	91,573,515	8.20%	121,998,136	10.92%	18.78%	09/08/08
S&P 500		-21.94%		26.46%		15.06%		2.11%		16.00%	7.23%	

	MV 12/31/08	YEAR ENDING 2008	MV 12/31/09	YEAR ENDING 2009	MV 12/31/10	YEAR ENDING 2010	MV 12/31/11	YEAR ENDING 2011	MV 12/31/12	YEAR ENDING 2012	SINCE INCEP	INCEPTION DATE
GLADKIN SHEFF BC 1-5 YR									9,936,870	1.06%	1.06%	09/28/12
MUNI BONDS LT BC MUNI BDS INDEX	14,029,767	-5.58%	15,690,854	17.40%	15,328,934	1.58%	12,443,189	11.52%	9,117,713	4.32%	0.20%	02/29/08
MUNI BONDS INTERM TERM BC MUNI 3-15YR		0.93%	3,496,578	-0.26%	22,614,673	2.08%	24,122,122	10.87%	23,858,020	5.75%	6.88%	11/23/09
MUNI BONDS ST BC MUNI 1-5 YR	31,429,041	2.91%	60,066,835	4.37%	20,450,488	1.72%	5,002,018	1.34%	1,137,626	0.72%	2.60%	09/30/08
MCDONNELL BC MUNI 1-5 YR		2.93%	55,009,935	0.91%	46,192,472	2.76%	23,382,065	5.41%		2.00%	4.03%	08/21/09
SEIX BC 1-5 YR			98,136,993	12.00%	76,294,897	5.47%	71,040,514	2.95%	68,813,105	4.52%	3.29%	01/31/09
DOUBLELINE BC AGGREGATE BOND				4.44%		4.08%	4,963,986	9.07%	19,288,646	9.07%	4.21%	12/16/11
LORD ABBETT SHORT DURATION BC 1-5 YR									41,822,964	0.46%	0.46%	08/17/12
CCA BC MUNI BDS INDEX					5,284,904	5.70%	10,738,468	6.06%	11,012,075	2.55%	5.73%	06/30/10
TEMPLETON GLOBAL BOND BC AGGREGATE BOND					2,190,933	9.55%	9,676,968	-1.76%	13,246,991	16.02%	6.53%	05/25/10
COMPOSITE TOTAL	45,458,808	-3.93%	232,401,195	11.12%	188,357,301	3.65%	161,369,331	4.73%	198,234,010	5.21%	4.19%	02/29/08
BLENDED BENCHMARK		2.34%		7.40%		2.81%		5.98%		4.29%	4.71%	

Highlighted Fields indicate partial year investments
Highlighted Fields indicate mid-2012 redemptions

This performance report has been prepared for informational purposes only and is not intended to be a substitute for the official account statements that you receive from Morgan Stanley Smith Barney LLC, or other third party investment managers or custodians included in this consolidated report. The information in this report is approximate and subject to adjustment, updating and correction and should not be relied upon for taking any action without first confirming its accuracy and completeness. Morgan Stanley Smith Barney LLC is not responsible for any clerical, computational or other inaccuracies, errors or omissions. Morgan Stanley Smith Barney LLC obtains market values and other data from various standard quotation services and other sources, which we believe to be reliable. However, we do not warrant or guarantee the accuracy or completeness of any such information. The values that a client actually receives in the market for any investment may be higher or lower than the values reflected in this report. The values of securities and other investments not actively traded may be estimated or may not be available. To the extent there are any discrepancies between your regular account statement and this report, you should rely on the regular account statement. Market values displayed in a regular account statement may differ from the values displayed in this report due to, among other things, the use of different reporting methods, delays, market conditions and interruptions. The figures in this report may not include all relevant costs (i.e., fees, commissions and taxes). The information in this report should not be considered as the sole basis for any investment decision.

Past results are not necessarily indicative of future results. Historically, broadly diversified portfolios have produced gains and losses due to changes within the equity, interest rate, credit, currency, commodity, and related derivatives markets. Additionally, gains and losses are impacted to varying degrees by investment acumen, market volatility, corporate activity, security selection, regulatory oversight, trading volume, and money flows. These elements and/or their rate of change may not be present in the future and thus future performance may be impacted. The information contained in this report is not intended to constitute investment, legal, tax, accounting or other professional advice. We recommend that clients contact their tax advisors to determine the appropriate information to be used in the preparation of their tax returns.

For securities not purchased through, or custodied at, Morgan Stanley Co. Incorporated, any data or information included in this report has been derived or provided either by you or another financial institution, for which we are not responsible. To the extent that positions are not custodied at Morgan Stanley Co. Incorporated, they may not be covered by SIPC. This performance report has been prepared for informational purposes only and is not intended to be a substitute for the official account statements that you receive from Morgan Stanley Smith Barney LLC, or other third party investment managers or custodians included in this consolidated report. The information in this report is approximate and subject to adjustment, updating and correction and should not be relied upon for taking any action without first confirming its accuracy and completeness. Morgan Stanley Smith Barney LLC is not responsible for any clerical, computational or other inaccuracies, errors or omissions. Morgan Stanley Smith Barney LLC obtains market values and other data from various standard quotation services and other sources, which we believe to be reliable. However, we do not warrant or guarantee the accuracy or completeness of any such information. The values that a client actually receives in the market for any investment may be higher or lower than the values reflected in this report. The values of securities and other investments not actively traded may be estimated or may not be available. To the extent there are any discrepancies between your regular account statement and this report, you should rely on the regular account statement. Market values displayed in a regular account statement may differ from the values displayed in this report due to, among other things, the use of different reporting methods, delays, market conditions and interruptions. The figures in this report may not include all relevant costs (i.e., fees, commissions and taxes). The information in this report should not be considered as the sole basis for any investment decision. This Performance Report reflects Corporate Actions (such as dividends and stock splits) as soon as they are declared with respect to the underlying holding rather than when received in order to ensure that your portfolio more fairly reflects your net asset position at all times. The corporate actions are based on information supplied to us by third party sources, for which Morgan Stanley Smith Barney LLC assumes no responsibility.

Charts and graphs are for illustrative purposes only and are not intended to represent the performance of any Morgan Stanley Smith Barney offering. Investments and Services offered through Morgan Stanley Smith Barney LLC, member SIPC.

In some cases, this report may show the combined performance of brokerage accounts and advisory accounts. Accounts in this report may have had different investment objectives, been subject to different rules and restrictions, and incurred different types of fees, mark-ups, commissions, and other charges. Benchmarks included in this consolidated report may not be the ones primarily associated with the investment objectives of the account(s) and may be used for informational purposes only. Accordingly, the performance results for this portfolio may blend the performance of assets and strategies that may not have been available in all of your accounts at all times during the reporting period.

Fee Equals 4.1 bps on Policy Assets, which includes reporting

MBZ & Related Entities: Estimated 2010 Fees

	12/31/10 Market Value	INCEPTION DATE	MANAGER FEE	MANAGER PARTICIPATION FEE	2010 MS ADVISOR FEE	NEGOTIATED FEE DISCOUNTS	NOTES
CASH							
Cash	2,906,597	N/A	0.00%	0.00%	0.00%		
Total CASH	2,906,597	N/A					
FIXED INCOME							
Morgan Stanley Muni Bonds**	58,394,095	02/27/08	0.00%	0.00%	0.00%		----- NEW ISSUE BONDS MANAGED BY IRA MARK -----
McDonnell Short Term Munis	46,192,472	08/21/09	0.15%	0.00%	0.05%	-	
Selk	76,294,897	01/31/09	0.30%	0.00%	0.05%	-	
CCA	5,216,452	06/30/10	1.00%	10.00%	0.00%	-	
Templeton Global Bond	2,190,933	05/25/10	0.69%	0.00%	0.25%	-	
Total FIXED INCOME	188,288,849	01/31/09			66,721		
HEDGE FUND							
AIP Onshore/Offshore Hedge Funds*	25,911,233	08/31/10	0.50%	0.00%	0.50%	10% Carry	negotiated discount (no participation)
American Steadfast LP	5,463,973	04/01/10	0.75%	15.00%	0.00%	0.50%	MS advisor fee discount
Total HEDGE FUND	31,375,206	04/01/10			129,556		
EQUITY / PRIVATE EQUITY							
Quellos Co-Investment Fund II	50,623,777	01/01/08	0.50%	5.00%	0.00%	10% Carry	negotiated discount (normal carry 15%)
Morgan Stanley Credit Partners Onshore	2,952,522	04/20/10	0.50%	15.00%	0.50%	-	
Morgan Stanley Credit Partners Offshore	2,151,785	04/20/10	0.50%	15.00%	0.50%	-	
Total PRIVATE EQUITY	55,728,084	03/31/10			25,522		
Consolidated Performance Report					-	200,000	
TOTAL	278,298,736	01/31/09			221,799		

Fee equals 8 bps on Assets Invested since 2008

Fee Equals 4.1 bps on Policy Assets, which includes reporting

* underlying manager fees are approximately 1.7% + 20% participation of profit

** Legacy relationship, managed by Ira Mark. Polk Team receives no fees

This performance report has been prepared for informational purposes only and is not intended to be a substitute for the official account statements that you receive from Morgan Stanley Smith Barney LLC, or other third party investment managers or custodians included in this consolidated report. The information in this report is approximate and subject to adjustment, updating and correction and should not be relied upon for taking any action without first confirming its accuracy and completeness. Morgan Stanley Smith Barney LLC is not responsible for any clerical, computational or other inaccuracies, errors or omissions. Morgan Stanley Smith Barney LLC obtains market values and other data from various standard quotation services and other sources,

which we believe to be reliable. However, we do not warrant or guarantee the accuracy or completeness of any such information. The values that a client actually receives in the market for any investment may be higher or lower than the values reflected in this report. The values of securities and other investments not actively traded may be estimated or may not be available. To the extent there are any discrepancies between your regular account statement and this report, you should rely on the regular account statement. Market values displayed in a regular account statement may differ from the values displayed in this report due to, among other things, the use of different reporting methods, delays, market conditions and interruptions. The figures in this report may not include all relevant costs (i.e., fees, commissions and taxes). The information in this report should not be considered as the sole basis for any investment decision.

Past results are not necessarily indicative of future results. Historically, broadly diversified portfolios have produced gains and losses due to changes within the equity, interest rate, credit, currency, commodity, and related derivatives markets. Additionally, gains and losses are impacted to varying degrees by investment acumen, market volatility, corporate activity, security selection, regulatory oversight, trading volume, and money flows. These elements and/or their rate of change may not be present in the future and thus future performance may be impacted. The information contained in this report is not intended to constitute investment, legal, tax, accounting or other professional advice. We recommend that clients contact their tax advisors to determine the appropriate information to be used in the preparation of their tax returns.

For securities not purchased through, or custodied at, Morgan Stanley Co. Incorporated, any data or information included in this report has been derived or provided either by you or another financial institution, for which we are not responsible. To the extent that positions are not custodied at Morgan Stanley Co. Incorporated, they may not be covered by SIPC. This performance report has been prepared for informational purposes only and is not intended to be a substitute for the official account statements that you receive from Morgan Stanley Smith Barney LLC, or other third party investment managers or custodians included in this consolidated report. The information in this report is approximate and subject to adjustment, updating and correction and should not be relied upon for taking any action without first confirming its accuracy and completeness. Morgan Stanley Smith Barney LLC is not responsible for any clerical, computational or other inaccuracies, errors or omissions. Morgan Stanley Smith Barney LLC obtains market values and other data from various standard quotation services and other sources, which we believe to be reliable. However, we do not warrant or guarantee the accuracy or completeness of any such information. The values that a client actually receives in the market for any investment may be higher or lower than the values reflected in this report. The values of securities and other investments not actively traded may be estimated or may not be available. To the extent there are any discrepancies between your regular account statement and this report, you should rely on the regular account statement. Market values displayed in a regular account statement may differ from the values displayed in this report due to, among other things, the use of different reporting methods, delays, market conditions and interruptions. The figures in this report may not include all relevant costs (i.e., fees, commissions and taxes). The information in this report should not be considered as the sole basis for any investment decision. This Performance Report reflects Corporate Actions (such as dividends and stock splits) as soon as they are declared with respect to the underlying holding rather than when received in order to ensure that your portfolio more fairly reflects your net asset position at all times. The corporate actions are based on information supplied to us by third party sources, for which Morgan Stanley Smith Barney LLC assumes no responsibility.

Charts and graphs are for illustrative purposes only and are not intended to represent the performance of any Morgan Stanley Smith Barney offering. Investments and Services offered through Morgan Stanley Smith Barney LLC, member SIPC.

In some cases, this report may show the combined performance of brokerage accounts and advisory accounts. Accounts in this report may have had different investment objectives, been subject to different rules and restrictions, and incurred different types of fees, mark-ups, commissions, and other charges. Benchmarks included in this consolidated report may not be the ones primarily associated with the investment objectives of the account(s) and may be used for informational purposes only. Accordingly, the performance results for this portfolio may blend the performance of assets and strategies that may not have been available in all of your accounts at all times during the reporting period.

Fee Equals 5.5 bps on Policy Assets, which includes reporting

MBZ & Related Entities: Estimated 2011 Fees

	12/31/11 Market Value	INCEPTION DATE	MANAGER FEE	MANAGER PARTICIPATION FEE	2011 MS ADVISOR FEE	NEGOTIATED FEE DISCOUNTS	NOTES
CASH							
Cash	33,791,910	N/A	0.00%	0.00%	0.00%		
Total CASH	33,791,910	N/A					
FIXED INCOME							
Morgan Stanley Muni Bonds**	41,567,329	02/27/08	0.00%	0.00%	0.00%		----- NEW ISSUE BONDS MANAGED BY IRA MARK -----
Seix	71,040,514	01/31/09	0.30%	0.00%	0.05%	-	
Doubleline	4,963,986	12/16/11	0.51%	0.00%	0.25%	-	
McDonnell Municipal Bonds	23,382,065	08/21/09	0.15%	0.00%	0.05%	-	
CCA	10,738,468	06/30/10	1.00%	10.00%	0.00%	-	
Templeton Global Bond	9,676,968	05/25/10	0.69%	0.00%	0.25%	-	
Total FIXED INCOME	161,369,330	01/31/09			83,814		
HEDGE FUND							
AIP Onshore/Offshore Hedge Funds*	25,116,664	08/31/10	0.50%	0.00%	0.50%	10% Carry	negotiated discount (no participation)
AIP Custom HF Solutions*	5,815,971	06/09/11	0.50%	10.00%	0.50%	-	
American Steadfast LP	5,578,572	04/01/10	0.75%	15.00%	0.00%	0.50%	MS advisor fee discount
Blackstone Strategic Alliance Fund	1,783,009	01/07/11	1.00%	10.00%	0.00%	-	
Total HEDGE FUND	38,294,216	04/01/10			154,663		
EQUITY / PRIVATE EQUITY							
Legacy Capital	1,298,580	10/17/11	1.00%	10.00%	0.00%	-	
Quellos Co-Investment Fund II	59,397,135	01/01/08	0.50%	5.00%	0.00%	10% Carry	negotiated discount (normal carry 15%)
Quellos Co-Investment Fund III	15,464,498	10/24/11	0.00%	10.00%	0.00%	0.5% and 5% Carry	negotiated discount (normal mgmt fee is 0.5%, normal carry is 15%)
Giliot Capital Partners	87,500	03/21/11	2.00%	0.00%	0.00%	-	
Morgan Stanley Credit Partners Onshore	5,426,732	04/20/10	0.50%	15.00%	0.50%	-	
Morgan Stanley Credit Partners Offshore	5,497,414	04/20/10	0.50%	15.00%	0.50%	-	
Total PRIVATE EQUITY	87,171,859	03/31/10			54,621		
Consolidated Performance Report						200,000	
TOTAL	320,627,315	01/31/09			293,098		

Fee equals 9.1 bps on Assets Invested since 2008

Fee Equals 5.5 bps on Policy Assets, which includes reporting

* underlying manager fees are approximately 1.7% + 20% participation of profits

** Legacy relationship, managed by Ira Mark. Polk Team receives no fees

This performance report has been prepared for informational purposes only and is not intended to be a substitute for the official account statements that you receive from Morgan Stanley Smith Barney LLC, or other third party investment managers or custodians included in this consolidated report. The information in this report is approximate and subject to adjustment, updating and correction and should not be relied upon for taking any action without first confirming its accuracy and completeness. Morgan Stanley Smith Barney LLC is not responsible for any clerical, computational or other inaccuracies, errors or omissions. Morgan Stanley Smith Barney LLC obtains market values and other data from various standard quotation services and other sources,

which we believe to be reliable. However, we do not warrant or guarantee the accuracy or completeness of any such information. The values that a client actually receives in the market for any investment may be higher or lower than the values reflected in this report. The values of securities and other investments not actively traded may be estimated or may not be available. To the extent there are any discrepancies between your regular account statement and this report, you should rely on the regular account statement. Market values displayed in a regular account statement may differ from the values displayed in this report due to, among other things, the use of different reporting methods, delays, market conditions and interruptions. The figures in this report may not include all relevant costs (i.e., fees, commissions and taxes). The information in this report should not be considered as the sole basis for any investment decision.

Past results are not necessarily indicative of future results. Historically, broadly diversified portfolios have produced gains and losses due to changes within the equity, interest rate, credit, currency, commodity, and related derivatives markets. Additionally, gains and losses are impacted to varying degrees by investment acumen, market volatility, corporate activity, security selection, regulatory oversight, trading volume, and money flows. These elements and/or their rate of change may not be present in the future and thus future performance may be impacted. The information contained in this report is not intended to constitute investment, legal, tax, accounting or other professional advice. We recommend that clients contact their tax advisors to determine the appropriate information to be used in the preparation of their tax returns.

For securities not purchased through, or custodied at, Morgan Stanley Co. Incorporated, any data or information included in this report has been derived or provided either by you or another financial institution, for which we are not responsible. To the extent that positions are not custodied at Morgan Stanley Co. Incorporated, they may not be covered by SIPC. This performance report has been prepared for informational purposes only and is not intended to be a substitute for the official account statements that you receive from Morgan Stanley Smith Barney LLC, or other third party investment managers or custodians included in this consolidated report. The information in this report is approximate and subject to adjustment, updating and correction and should not be relied upon for taking any action without first confirming its accuracy and completeness. Morgan Stanley Smith Barney LLC is not responsible for any clerical, computational or other inaccuracies, errors or omissions. Morgan Stanley Smith Barney LLC obtains market values and other data from various standard quotation services and other sources, which we believe to be reliable. However, we do not warrant or guarantee the accuracy or completeness of any such information. The values that a client actually receives in the market for any investment may be higher or lower than the values reflected in this report. The values of securities and other investments not actively traded may be estimated or may not be available. To the extent there are any discrepancies between your regular account statement and this report, you should rely on the regular account statement. Market values displayed in a regular account statement may differ from the values displayed in this report due to, among other things, the use of different reporting methods, delays, market conditions and interruptions. The figures in this report may not include all relevant costs (i.e., fees, commissions and taxes). The information in this report should not be considered as the sole basis for any investment decision. This Performance Report reflects Corporate Actions (such as dividends and stock splits) as soon as they are declared with respect to the underlying holding rather than when received in order to ensure that your portfolio more fairly reflects your net asset position at all times. The corporate actions are based on information supplied to us by third party sources, for which Morgan Stanley Smith Barney LLC assumes no responsibility.

Charts and graphs are for illustrative purposes only and are not intended to represent the performance of any Morgan Stanley Smith Barney offering. Investments and Services offered through Morgan Stanley Smith Barney LLC, member SIPC.

In some cases, this report may show the combined performance of brokerage accounts and advisory accounts. Accounts in this report may have had different investment objectives, been subject to different rules and restrictions, and incurred different types of fees, mark-ups, commissions, and other charges. Benchmarks included in this consolidated report may not be the ones primarily associated with the investment objectives of the account(s) and may be used for informational purposes only. Accordingly, the performance results for this portfolio may blend the performance of assets and strategies that may not have been available in all of your accounts at all times during the reporting period.

Fee Equals 7.5 bps on Policy Assets, which includes reporting

MBZ & Related Entities: Estimated 2012 Fees

	12/31/12 Market Value	INCEPTION DATE	MANAGER FEE	MANAGER PARTICIPATION FEE	2012 MS ADVISOR FEE	NEGOTIATED FEE DISCOUNTS	NOTES
CASH							
Cash	34,669,920	N/A	0.00%	0.00%	0.00%		
Total CASH	34,669,920	N/A					
FIXED INCOME							
Gluskin Sheff	9,936,870	09/28/12	0.75%	0.00%	0.00%	0.250%	negotiated discount
Morgan Stanley Muni Bonds**	34,113,359	02/27/08	0.00%	0.00%	0.00%		----- NEW ISSUE BONDS MANAGED BY IRA MARK -----
Seix	68,813,105	01/31/09	0.30%	0.00%	0.00%		
Doubleline	19,288,646	12/16/11	0.51%	0.00%	0.25%		
Lord Abbett Short Duration***	40,822,964	08/17/12	0.44%	0.00%	0.15%		
CCA	11,011,064	06/30/10	1.00%	10.00%	0.00%		
Templeton Global Bond	13,246,991	05/25/10	0.69%	0.00%	0.25%		
Total FIXED INCOME	197,232,999	01/31/09			176,980		
HEDGE FUND							
AIP Onshore/Offshore Hedge Funds*	24,696,138	08/31/10	0.50%	0.00%	0.50%	10% Carry	negotiated discount (no participation)
AIP Custom HF Solutions*	11,786,794	06/09/11	0.50%	10.00%	0.50%		
GS Hedge Fund Seeding Strategy	3,021,970	02/27/12	1.25%	20.00%	0.00%		
American Steadfast LP	5,941,998	04/01/10	0.75%	15.00%	0.00%	0.50%	MS advisor fee discount
Blackstone Strategic Alliance Fund	2,298,697	01/07/11	1.00%	10.00%	0.00%		
Total HEDGE FUND	47,745,597	04/01/10			182,415		
EQUITY / PRIVATE EQUITY							
Goldman Sachs MLP	5,438,298	01/13/12	1.00%	0.00%	0.00%		
DST Global III	2,902,678	02/02/12	1.50%	20.00%	0.00%	0.50%	early participation discount
Legacy Capital	4,556,464	10/17/11	1.00%	10.00%	0.00%		
Quellos Co-Investment Fund II	45,881,060	01/01/08	0.50%	5.00%	0.00%	10% Carry	negotiated discount (normal carry 15%)
Quellos Co-Investment Fund III	42,511,493	10/24/11	0.00%	10.00%	0.00%	0.5% and 5% Carry	negotiated discount (normal mgmt fee is 0.5%, normal carry is 15%)
Gillot Capital Partners	175,000	03/21/11	2.00%	0.00%	0.00%		
Morgan Stanley Credit Partners Onshore	5,721,733	04/20/10	0.50%	15.00%	0.50%		
Morgan Stanley Credit Partners Offshore	5,721,743	04/20/10	0.50%	15.00%	0.50%		
Total PRIVATE EQUITY	112,908,469	03/31/10			57,217		
Consolidated Performance Report							200,000
TOTAL	392,556,985	01/31/09			416,612		

Fee equals 10.6 bps on Assets Invested since 2008

Fee Equals 7.5 bps on Policy Assets, which includes reporting

- * underlying manager fees are approximately 1.7% + 20% participation of profits
- ** Legacy relationship, managed by Ira Mark. Polk Team receives no fees
- *** Fund company pays a dealer concession

This performance report has been prepared for informational purposes only and is not intended to be a substitute for the official account statements that you receive from Morgan Stanley Smith Barney LLC, or other third party investment managers or custodians included in this consolidated report. The information in this report is approximate and subject to adjustment, updating and correction and should not be relied upon for taking any action without first confirming its accuracy and completeness. Morgan Stanley Smith Barney LLC is not responsible for any clerical,

computational or other inaccuracies, errors or omissions. Morgan Stanley Smith Barney LLC obtains market values and other data from various standard quotation services and other sources, which we believe to be reliable. However, we do not warrant or guarantee the accuracy or completeness of any such information. The values that a client actually receives in the market for any investment may be higher or lower than the values reflected in this report. The values of securities and other investments not actively traded may be estimated or may not be available. To the extent there are any discrepancies between your regular account statement and this report, you should rely on the regular account statement. Market values displayed in a regular account statement may differ from the values displayed in this report due to, among other things, the use of different reporting methods, delays, market conditions and interruptions. The figures in this report may not include all relevant costs (i.e., fees, commissions and taxes). The information in this report should not be considered as the sole basis for any investment decision.

Past results are not necessarily indicative of future results. Historically, broadly diversified portfolios have produced gains and losses due to changes within the equity, interest rate, credit, currency, commodity, and related derivatives markets. Additionally, gains and losses are impacted to varying degrees by investment acumen, market volatility, corporate activity, security selection, regulatory oversight, trading volume, and money flows. These elements and/or their rate of change may not be present in the future and thus future performance may be impacted. The information contained in this report is not intended to constitute investment, legal, tax, accounting or other professional advice. We recommend that clients contact their tax advisors to determine the appropriate information to be used in the preparation of their tax returns.

For securities not purchased through, or custodied at, Morgan Stanley Co. Incorporated, any data or information included in this report has been derived or provided either by you or another financial institution, for which we are not responsible. To the extent that positions are not custodied at Morgan Stanley Co. Incorporated, they may not be covered by SIPC. This performance report has been prepared for informational purposes only and is not intended to be a substitute for the official account statements that you receive from Morgan Stanley Smith Barney LLC, or other third party investment managers or custodians included in this consolidated report. The information in this report is approximate and subject to adjustment, updating and correction and should not be relied upon for taking any action without first confirming its accuracy and completeness. Morgan Stanley Smith Barney LLC is not responsible for any clerical, computational or other inaccuracies, errors or omissions. Morgan Stanley Smith Barney LLC obtains market values and other data from various standard quotation services and other sources, which we believe to be reliable. However, we do not warrant or guarantee the accuracy or completeness of any such information. The values that a client actually receives in the market for any investment may be higher or lower than the values reflected in this report. The values of securities and other investments not actively traded may be estimated or may not be available. To the extent there are any discrepancies between your regular account statement and this report, you should rely on the regular account statement. Market values displayed in a regular account statement may differ from the values displayed in this report due to, among other things, the use of different reporting methods, delays, market conditions and interruptions. The figures in this report may not include all relevant costs (i.e., fees, commissions and taxes). The information in this report should not be considered as the sole basis for any investment decision. This Performance Report reflects Corporate Actions (such as dividends and stock splits) as soon as they are declared with respect to the underlying holding rather than when received in order to ensure that your portfolio more fairly reflects your net asset position at all times. The corporate actions are based on information supplied to us by third party sources, for which Morgan Stanley Smith Barney LLC assumes no responsibility.

Charts and graphs are for illustrative purposes only and are not intended to represent the performance of any Morgan Stanley Smith Barney offering. Investments and Services offered through Morgan Stanley Smith Barney LLC, member SIPC.

In some cases, this report may show the combined performance of brokerage accounts and advisory accounts. Accounts in this report may have had different investment objectives, been subject to different rules and restrictions, and incurred different types of fees, mark-ups, commissions, and other charges. Benchmarks included in this consolidated report may not be the ones primarily associated with the investment objectives of the account(s) and may be used for informational purposes only. Accordingly, the performance results for this portfolio may blend the performance of assets and strategies that may not have been available in all of your accounts at all times during the reporting period.