

## PREFERENCE FUNDS STRUCTURE

Preference Fund Investment Manager	Policy Weight	Underlying Manager Benchmark	Style
<b>Core Bond</b>			
JP MORGAN	50.0%	Barclays Aggregate	Active Core
PRUDENTIAL INVESTMENT MANAGEMENT	50.0%	Barclays Aggregate	Active Core
<b>High Yield Bond</b>			
CREDIT SUISSE	40.0%	Credit Suisse Leveraged Loans	Active management, focus on BB & B rated bank loans
LOOMIS SAYLES	60.0%	Merrill Lynch US High Yield BB/B Constrained	Active management, focus on BB & B rated High Yield
<b>Domestic Equity</b>			
BLACKROCK	50.0%	Russell 1000	Passive Large Core
RHUMBLINE	15.0%	S&P 500	Passive equal-weighted index
JACOBS LEVY	15.0%	Russell 1000	Short Extension Large Cap
CENTER SQUARE	10.0%	FTSE NAREIT	Real Estate Investment Trust
PEREGRINE CAPITAL MANAGEMENT	5.0%	Russell 2000 Growth	Active Small Cap Growth
WELLINGTON MANAGEMENT	5.0%	Russell 2000 Value	Active Small Cap Value
<b>International Equity</b>			
BLACKROCK	33.0%	MSCI World Ex-U.S.	Passive Developed Markets
MARATHON LONDON	13.5%	MSCI EAFE	Active Core EAFE
MFS INSTITUTIONAL ADVISORS	13.5%	MSCI EAFE	Active Core EAFE
ABERDEEN ASSET MANAGEMENT	15%	MSCI Emerging Markets	Active Emerging Markets
INVESCO ASSET MANAGEMENT	15%	MSCI Emerging Markets	Active Emerging Markets
AQR CAPITAL MANAGEMENT	10.0%	MSCI EAFE Small Cap Market	Active Small Cap Market

The preference funds consist of four asset classes - core bonds, high yield bonds, domestic equities and international equities. The LCMS Foundation's Board of Trustees has selected professional investment managers for each component of each preference fund. NEPC is the investment advisor for the Foundation's Board of Trustees, Board Investment Committee and Management Investment Committee. The four preference funds and their composition are shown above.

