

**CITY OF ATLANTA GENERAL EMPLOYEES  
PENSION FUND**

**PERFORMANCE REPORT  
PERIOD ENDING  
DECEMBER 31, 2009**

**Gray & Company**  
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This report was prepared by Gray & Company Investment Management Consulting using market index and universe data provided by the Wilshire Cooperative, as well as information provided by and received from the client. Past investment performance results are not indicative of future performance results. Gray & Co. does not warrant the accuracy of data provided to us by others, although we do take reasonable care to obtain and utilize only reliable information.



GRAY & COMPANY

# **CAPITAL MARKET REVIEW**

**Fourth Quarter 2009**

# CAPITAL MARKET HEADLINES

## A DECADE IN REVIEW

### The Double Bubble Decade

The decade opened with such grand ambitions. Clicks were replacing bricks, value was dead, and Y2K left us with bottled water and canned goods in the basement. The "new economy" did not last long into the new decade; the tech bubble burst and a bear market ensued for equities over the next two plus years. The equity market emerged from the depths with a more traditional focus - corporate earnings and cash flows.

However, a new bubble developed in the housing market. Low interest rates fueled mortgage financing. Homeowners cashed out equity to increase consumption, traded up to larger houses, bought vacation properties, and speculated in the real estate markets. The demand for real estate drove prices higher. With expectations for continued appreciation and eager buyers packaging the loans into new investments, lending standards were relaxed and the bubble expanded. Eventually, borrowers were unable to repay the obligations and the bubble burst. Due to the securitization of the loans, the effects touched every region of the world. Credit markets froze and equities declined sharply. Intervention by governments and central banks prevented a complete collapse of the financial markets.

The impact of the Tech Wreck and Mortgage Crisis led to the worst decade for U.S equities in over a 150 years; the S&P 500 Index returned -0.95% (annualized). Developed countries around the globe suffered similar losses this decade, the MSCI EAFE Index returned -1.04% (local currency, annualized).

### The Emerging Leaders

The decade brought new economic powers to the forefront - the BRIC nations (Brazil, Russia, India, and China) and other emerging countries. The driving forces behind their development was 1) the growing global demand for natural resources, and 2) the ability to provide goods and services to the developed world at a lower cost. These exports led to the creation of a middle class in the nations. For these countries to continue to prosper, they may need to reduce their dependence on consumption from the U.S. and Europe.

To highlight the strength of these countries during the decade, their equity markets as represented by the MSCI Emerging Market Index returned 9.78% (in dollars, annualized).

<b>2000</b>	<b>Y2K Is Not-Event; Tech Bubble Bursts</b> S&P 500: -9.1%
<b>2001</b>	<b>September 11, 2001</b> S&P 500: -11.9%
<b>2002</b>	<b>1st Bear Market Ends</b> S&P 500: -22.1%
<b>2003</b>	<b>Iraq - Part II</b> S&P 500: 28.7%
<b>2004</b>	<b>S&amp;P 500: 10.9%</b>
<b>2005</b>	<b>S&amp;P 500: 4.9%</b>
<b>2006</b>	<b>S&amp;P 500: 15.8%</b>
<b>2007</b>	<b>Housing Market/Sub Prime Mortgage Crisis</b> S&P 500: 5.5%
<b>2008</b>	<b>Global Financial Markets Collapse</b> S&P 500: -37.0%
<b>2009</b>	<b>Markets Rebound</b> S&P 500: 26.5%

### Decade Awards:

**Rookie - Google**

**Comeback Player - Apple**

**Most Valuable Player - U.S. Consumer**  
(May have come at the expense of future generations.)

**Most Valuable Lesson - Leverage Is Dangerous**

**Companies That Did Not Survive the Decade**  
Anheuser-Busch, Gillette, Enron, Lehman Brothers, Merrill Lynch, WorldCom, and Others

# CAPITAL MARKET REVIEW

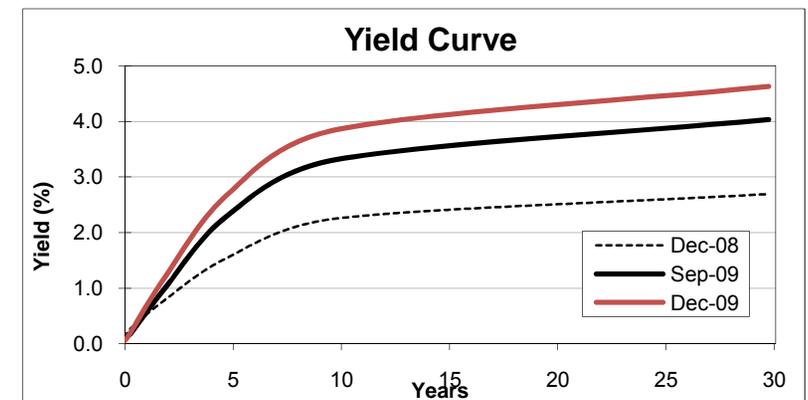
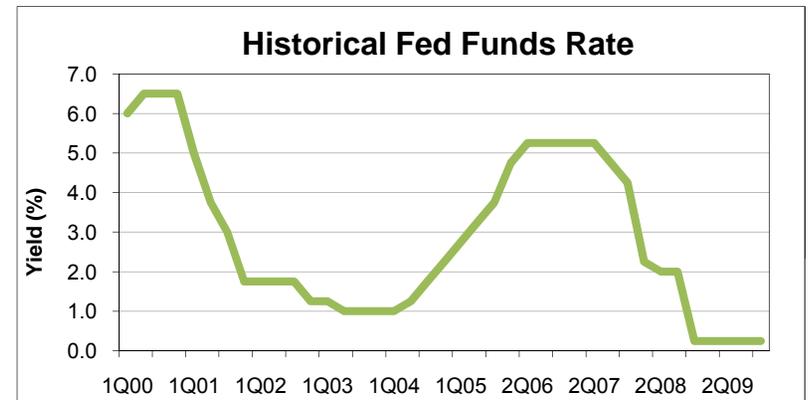
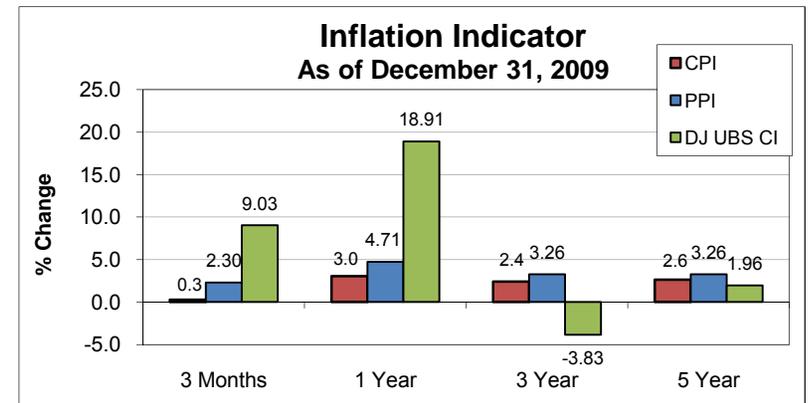
**Heavy Dosage:** A heavy dose of fiscal and monetary medicine moved the U.S. economy from the intensive care unit into recovery in 2009. The estimated government stimulus of 20% of GDP pushed the economy into positive growth territory. To put that 20% in perspective, since WWII the federal government has never used a level of stimulus that exceeded 2.9% of GDP. Now that the medicine has taken effect, the pundits are left to ponder whether growth can be sustained without the stimulus programs. Factors included in the debate are an anemic job growth environment, a debt laden federal government, and inflation potentially knocking at the front door.

The ever present inflation verses deflation battle continues. Producer prices followed commodity prices higher for the quarter but didn't appear to impact inflation, as CPI remained relatively flat. Shorter-term core inflation expectations are subdued in the wake of high unemployment, but headline inflation, which includes food and energy, is expected to push higher.

The Federal Reserve maintained the Fed Funds Rate at 0.25% during the quarter and reiterated their low rate intention for the foreseeable future. The current policy will likely remain in place until the economic recovery is well entrenched.

There has been a lot of talk this year about raising rates and the unwinding of several stimulus programs in the advent of the alphabet soup of government programs created to stabilize the economy. At some point that talk will turn to action. While it's not known if action will be taken in six months or twelve months or later, when it does occur it's a good bet that there will be a pullback in the markets.

In the meantime, the yield curve shifted upward from last quarter. Concerns surrounding the supply in Treasuries, inflation, and the hunt for higher yielding investments lessened demand for Treasuries.



# CAPITAL MARKET REVIEW

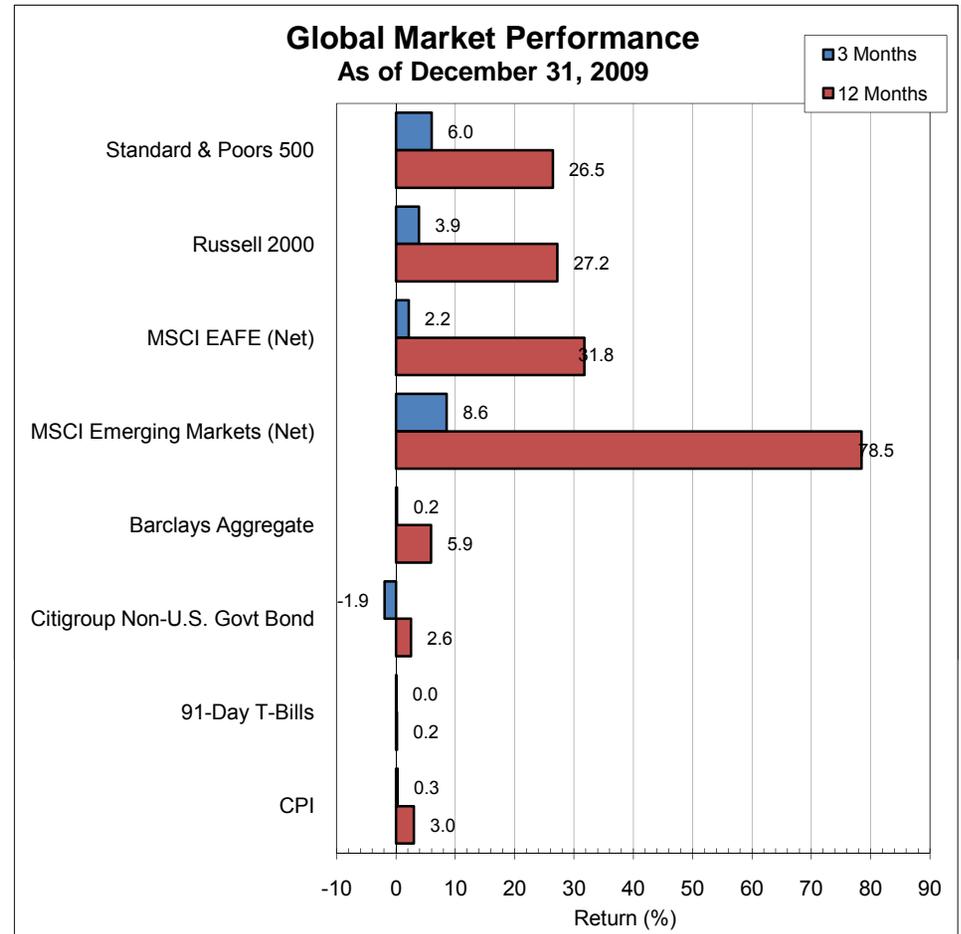
**A Return to Growth:** Most major economies returned to positive GDP growth in the fourth quarter, with many developing countries experiencing sharp increases in economic activity. The equity and credit markets benefited from the positive news. Furthermore, the government programs have improved the liquidity and stability in the capital markets and mended the banking industry.

The equity markets posted another positive quarter, although somewhat muted in comparison to the double digit returns from the second and third quarters. Emerging markets continued to lead the equity recovery, rising over 75% in the past year. Volatility measures and country correlations are returning to pre-crisis levels.

The fixed income markets continued the rotation from low yielding assets (cash and government bonds) into corporate securities. Yield curves shifted higher and credit spreads narrowed around the globe, netting weak results for bond investors.

Prices in other asset classes appear to be stabilizing. Private equity and real estate has been impacted by the decline in the capital markets, expectations from existing investments are for lower returns and extended maturities.

Policy makers must develop strategies to extract the federal assistance from the markets without upsetting the economic balance. Sustainable economic growth will depend on the consumption of the private sector.



# U.S. EQUITY MARKET

Total Returns - Periods Ending December 31, 2009				
	3 Months	1 Year	3 Years	5 Years
<b>Standard &amp; Poors 500</b>	6.04	26.45	(5.62)	0.42
<b>S&amp;P MidCap 400</b>	5.56	37.38	(1.83)	3.27
<b>S&amp;P SmallCap 600</b>	5.12	25.58	(4.79)	1.36
<b>Russell 1000</b>	6.07	28.42	(5.36)	0.79
<b>Russell 1000 Growth</b>	7.94	37.21	(1.88)	1.64
<b>Russell 1000 Value</b>	4.22	16.69	(8.96)	(0.26)
<b>Russell 2000</b>	3.88	27.19	(6.06)	0.51
<b>Russell 2000 Growth</b>	4.14	34.48	(4.00)	0.88
<b>Russell 2000 Value</b>	3.63	20.57	(8.22)	(0.01)
S&P 500 Sector Performance				
	3 Months	1 Year	3 Years	5 Years
<b>Energy</b>	5.57	14.05	(0.03)	10.35
<b>Materials</b>	7.32	47.86	(1.46)	3.28
<b>Industrials</b>	5.40	20.88	(6.49)	(1.13)
<b>Con. Discretionary</b>	8.92	41.05	(6.69)	(1.90)
<b>Con. Staples</b>	4.99	14.86	3.23	5.40
<b>Health Care</b>	8.72	19.31	(0.58)	2.36
<b>Financials</b>	(3.15)	16.81	(24.70)	(11.48)
<b>Info Technology</b>	10.83	61.96	2.57	3.41
<b>Telecommunications</b>	9.82	11.38	(5.01)	2.10
<b>Utilities</b>	7.25	11.90	(1.73)	6.13

Returns are annualized for periods greater than one year.

**Shifting Focus:** The equity markets continued their advancement in the fourth quarter but at a slower rate (as compared to the double digit returns of the second and third quarters). Up to this point the rally had been driven by liquidity and optimism. In the fourth quarter it appears that economic growth and fundamentals may be moving from the back row to sit front and center.

The S&P 500 increased 6% for the quarter. The other indices also experienced similar single digit returns. Although 2009 was a banner year, with most indices returning greater than 20% for the year, the markets still remain below their record highs.

All cap ranges and styles rose again this quarter. However, Large Cap out performed Small/Mid Cap, which had been leading the market in the two previous quarters. In another shift, Growth was the preferred style across all market capitalizations.

Over the past year, Mid Cap/Small Cap out performed Large Cap. Growth stocks beat Value; the difference is primarily due to sector weights in Financials (under) and Technology (over). Technology has benefited handsomely in this cyclical recovery. Coming off the lows in March, Small Cap had outpaced Large Cap - as has generally been the case in prior periods.

Technology was the strongest performing sector. Financials, reversed course this quarter and was the worst performer (the only sector with negative returns). Also of note, Telecommunications, which was the worst performing sector for the two previous quarters, was the second best performing sector. For the year, the Technology sector was by far the best performer. Effective cost cutting, low leverage, and relatively high levels of free cash flow were the primary drivers for the outperformance in Technology.

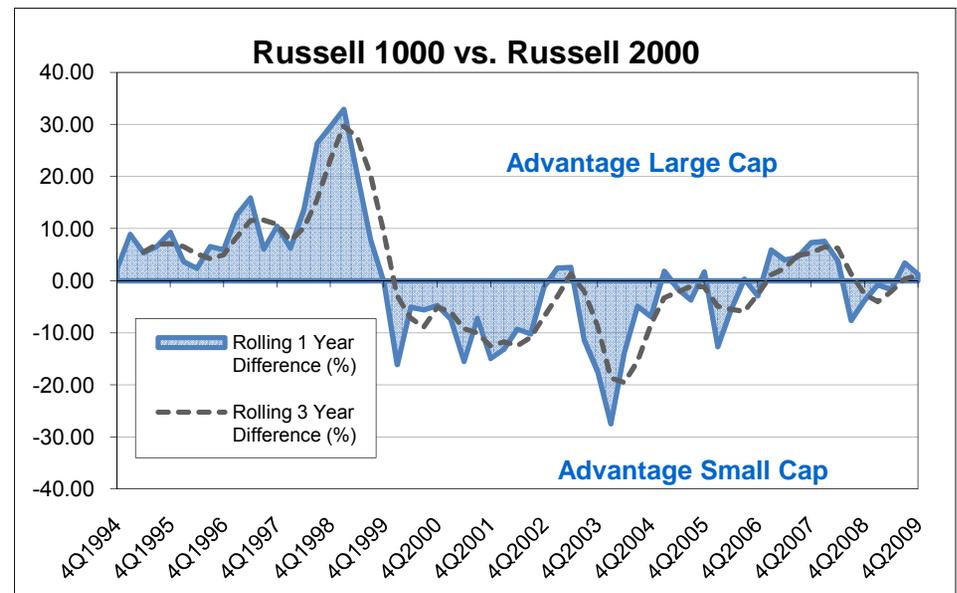
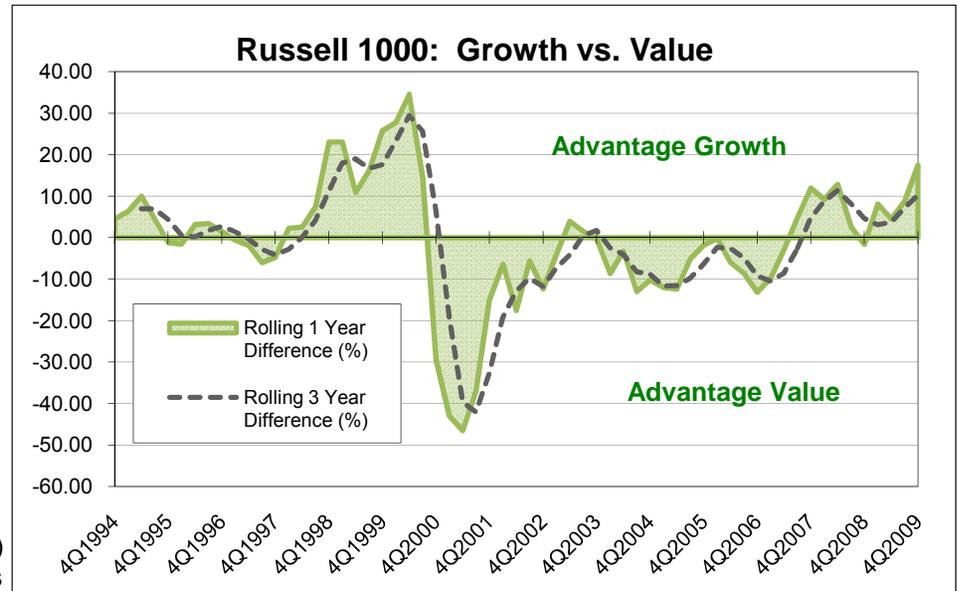
# U.S. EQUITY MARKET

**Higher Cap & Growth Takes The Reins:** As a sign that the cyclical recovery may be entering a consolidation phase and moving towards a late-recovery stage, Large Cap outperformed Small Cap. Large Cap actually maintains a slight advantage over the past year despite Small Cap's strong results since March. The Russell 1000 Growth outperformed the Russell 1000 Value this quarter and is now outpacing the value index over the past one, three and five year periods.

Historically, the style and capitalization shifts appear to be related - the outperformance of Growth coincides with an advantage for Large Cap. This relationship was maintained this quarter with Large Cap overtaking Small Cap. Last year's performance was heavily influenced by the market's collapse following Lehman's bankruptcy - small caps and financials (value) were particularly devastated in the aftermath. This year's performance was heavily influenced by the market's realization that fears of a financial collapse, while warranted, had not come to fruition.

The late-recovery stage sectors performed best this quarter (Technology and Telecommunications). Early recovery stage sectors (Industrials and Materials) performed moderately for the quarter. The slowing/recessionary stage sectors (Health Care and Consumer Staples) were mixed; Health Care performed well, while Consumer Staples was the second worst performing sector.

The Energy sector, largely affected by the price of oil, is tied to global infrastructure demands and will likely be positively correlated to the health of the continued global recovery. Financials hit the brakes for the quarter as the only sector achieving negative returns. Regulatory, capital reserve, and loan loss concerns continue to hamper the banking segment of the financial industry.



## U.S. FIXED INCOME MARKET

**A Full Reversal:** Spreads narrowed for the third consecutive quarter after the extreme flight to quality that occurred near the end of 2008. In 2008 Treasuries out performed Credit by over 1500 basis points; this year Credit out performed Treasuries by 1800 basis points.

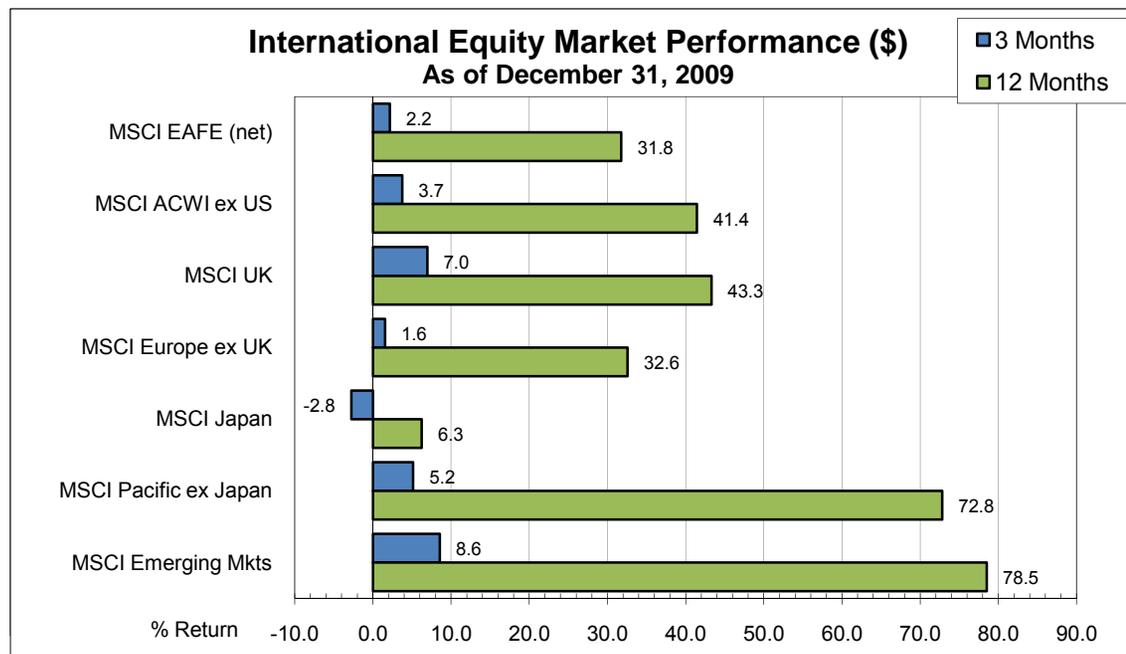
During the quarter, the brief autumn rally in Treasuries ended and the yield curve steepened. The loss in Treasuries (their second in the past three quarters) is partly attributed to the slowing of governmental intervention in markets and the fear of new supply. TIPS were the exception, which saw renewed interest as fears of inflation grow.

With growing evidence of the economic recovery and a search for higher yields, investors continued the rotation into Corporates. High Yield posted the best returns and Credit was up over 1%. After three consecutive quarters of incredible tightening of spreads, the yield advantage of Credit is near 10-Year averages.

In 2010, the fixed income market faces the withdrawal of the Government's intervention and an increase in Treasury issuance to finance the growing national debt. The market will also be influenced by the Federal Reserve's actions, as it manages the difficult task of balancing expansionary policies with inflation control.

Total Returns - Periods Ending December 31, 2009				
	3 Months	1 Year	3 Years	5 Years
<b>Barclays Aggregate</b>	0.20	5.93	6.04	4.97
<b>Barclays Intm G/C</b>	0.30	5.24	5.90	4.66
<b>Barclays G/C</b>	(0.21)	4.53	5.82	4.71
<b>Barclays Govt</b>	(1.00)	(2.19)	6.10	4.87
<b>Barclays Credit</b>	1.04	16.05	5.74	4.68
<b>Barclays Mortgage</b>	0.56	5.89	7.00	5.75
<b>Barclays High Yield</b>	6.20	58.21	5.98	6.47
<b>Barclays U.S TIPS</b>	1.77	11.41	6.69	4.65
<b>Barclays 1-3 Yr Govt</b>	0.08	1.41	5.03	4.18
<b>Barclays Long Govt</b>	(5.08)	(12.18)	5.71	5.15
<i>Returns are annualized for periods greater than one year.</i>				
Credit Spreads (in basis points)				
	Sep-09	Dec-09	Change	10-Yr Avg.
<b>Aaa</b>	81	55	(26)	79
<b>Aa</b>	144	107	(37)	103
<b>A</b>	204	159	(45)	133
<b>Baa</b>	288	221	(67)	206
<b>Ba</b>	580	482	(98)	401
<b>B</b>	745	622	(123)	670
<b>Caa</b>	984	922	(62)	1290

# INTERNATIONAL EQUITY MARKET



## MSCI Country Indexes (Net) Three Months Ending December 31, 2009

	Return US\$ (%)	Local Currency (%)	Currency Effect (%)
France	2.1	4.0	-1.9
Germany	2.2	4.1	-1.9
Italy	-2.7	-0.8	-1.8
Spain	1.3	3.2	-1.9
Switzerland	3.8	3.4	0.4
UK	6.7	5.9	0.8
<b>Europe Total</b>	<b>3.2</b>	<b>4.0</b>	<b>-0.7</b>
Australia	4.9	3.0	2.0
Hong Kong	3.6	3.6	0.0
Japan	-2.8	1.1	-3.9
<b>Pacific Total</b>	<b>0.1</b>	<b>2.1</b>	<b>-2.0</b>
China	9.6	9.6	-0.1
India	7.7	4.2	3.5
Brazil	12.9	10.5	2.4
Mexico	13.7	9.9	3.8
<b>Emerging Total</b>	<b>8.6</b>	<b>7.2</b>	<b>1.4</b>

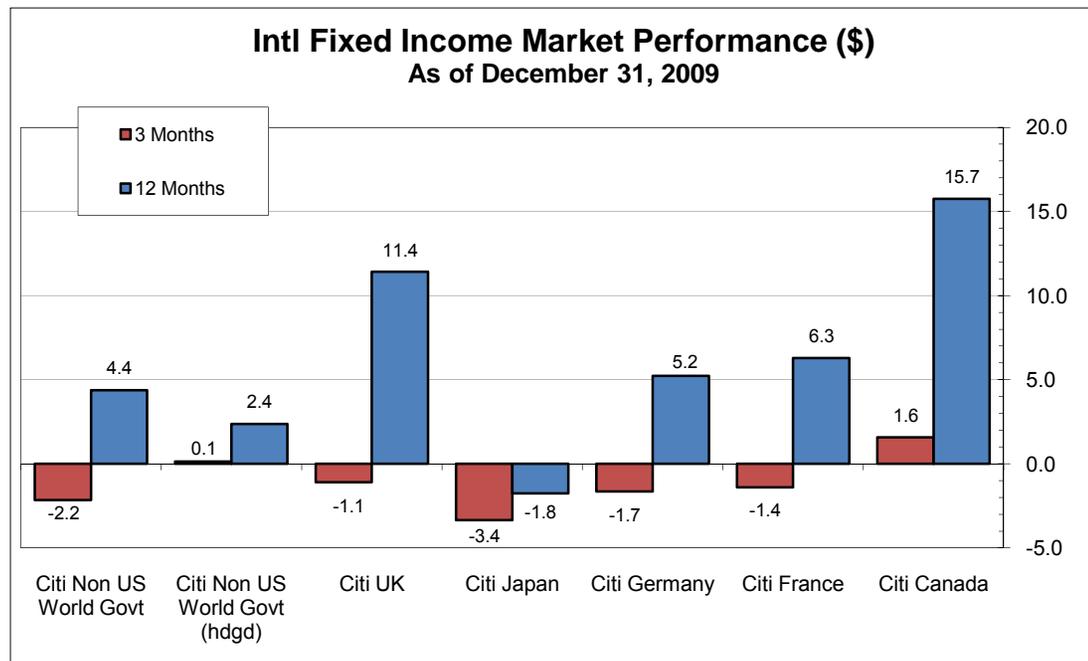
**Continuation:** Economic conditions around the globe continued to improve and the emerging markets led the way. International equity markets continued to rally, but just like the U.S., the torrid pace slowed in the fourth quarter. Optimism continued as governments and central banks around the world signaled that accommodative monetary policies will remain in place for an extended period. It is believed that the emerging markets will be the primary driver of future global economic growth.

Most European markets exhibited positive results in the quarter. The United Kingdom performed fairly well as financial conditions have improved and home prices have inched up. However, the UK economy continues to face obstacles as private and public debt remain high and the specter of government spending cuts and increased taxes looms.

Japan once again recorded the weakest performance of the major developed nations. Demand for the yen and political uncertainty surrounding the recent election continue to worry investors. The strong currency is seen as a hindrance to economic growth, as many of the nation's corporations depend on exports.

The Emerging Markets enjoyed a solid quarter after their stellar returns in the two previous quarters. Once again, these markets benefited from effective stimulus programs, low interest rates, low debt-to-GDP ratios, solid economic growth, and significant exposure to commodities sectors (Energy and Materials). These markets also benefited from investors' sentiments that these countries serve as a hedge against a declining U.S. dollar and higher inflation rates. The BRIC countries currently account for more than 50% of the total population in emerging markets; according to the IMF, the forecasted 2010 GDP growth rates in China and India are at 9.0% and 6.4%, respectively.

# INTERNATIONAL BOND MARKET



## Citigroup World Government Bond Indexes Three Months Ending December 31, 2009

	Return		
	Return US\$ (%)	Local Currency (%)	Currency Effect (%)
Austria	-1.5	0.4	-1.9
Belgium	-1.3	0.6	-1.9
Denmark	-1.9	-0.1	-1.8
France	-1.4	0.5	-1.9
Germany	-1.7	0.2	-1.8
Ireland	-1.9	-0.1	-1.8
Italy	-0.9	1.0	-1.9
Netherlands	-1.3	0.6	-1.9
Spain	-2.2	-0.3	-1.8
Sweden	-0.7	1.4	-2.1
Switzerland	1.5	1.1	0.4
UK	-1.1	-2.1	1.0
<b>Europe Total</b>	<b>-1.8</b>	<b>0.1</b>	<b>-1.8</b>
Japan	-3.4	0.5	-3.8
Australia	2.6	0.7	1.9
Canada	1.6	-0.8	2.4

**Yield Curves Rise and Spreads Tighten:** A mixture of good and bad news affected the international fixed income markets. With the global recession ending, default expectations declined and investors rotated toward higher yielding corporate and emerging market securities. However, the fiscal policies, particularly in heavily indebted nations, weighed on governmental issues and yields rose.

With inflation under control, the European Central Bank (ECB) maintained their low rate/economic growth policies, holding the target rate at 1.0% and providing liquidity; however, pressure is growing for fiscal tightening. The major headline during the quarter was the downgrade of Greece, causing a sell off of their government bonds. The turmoil spread across the continent and impacted government bonds of most nations. In the U.K. economic data showed little improvement and inflation rose towards the 2.0% target set by the Bank of England. The central bank continued to be accommodative (and appears willing to be for some time), keeping the target rate at 0.5% and increasing the Asset Purchase program by £25 billion. Supply concerns pushed rates higher and the U.K was the worst performing government bond market this quarter. The Euro weakened against the dollar and the Pound Sterling appreciated.

Despite economic improvements in Japan, domestic consumption remained weak and consumer prices continued to decline. The government announced the nation was experiencing a deflationary period and the Bank of Japan reacted with a plan to inject over \$100 billion into the system. Supply concerns to cover governmental stimulus programs initially drove yields higher, but yields declined by the end of the quarter to finish almost unchanged. The Yen appreciated during the Dubai crisis, but retreated by quarter-end amid intervention threats.

Emerging market bonds enjoyed another strong quarter relative to the developed markets, although the returns were varied by country. The JP Morgan EMBI (\$ denominated debt) advanced 1.5%.

## SELECTED INDEX RETURNS - PERIODS ENDING DECEMBER 31, 2009

	Quarter	One Year	Three Years	Five Years	Ten Years
<b>US EQUITIES</b>					
Dow Jones Industrial Average	8.1 %	22.6	(3.1)	2.0	1.3
Standard & Poors 500	6.0	26.5	(5.6)	0.4	(1.0)
Russell 3000	5.9	28.3	(5.4)	0.8	(0.2)
S&P MidCap 400	5.6	37.4	(1.8)	3.3	6.4
Russell Mid-Cap	5.9	40.5	(4.6)	2.4	5.0
S&P SmallCap 600	5.1	25.6	(4.8)	1.4	6.4
Russell 2000	3.9	27.2	(6.1)	0.5	3.5
Growth Stocks - Russell 3000 Growth	7.6	37.0	(2.1)	1.6	(3.8)
Value Stocks - Russell 3000 Value	4.2	19.7	(8.9)	(0.3)	2.9
<b>US FIXED INCOME</b>					
Barclays Aggregate	0.2 %	5.9	6.0	5.0	6.3
Barclays Intm Govt/Credit	0.3	5.2	5.9	4.7	5.9
Barclays Govt/Credit	(0.2)	4.5	5.8	4.7	6.3
Barclays Government	(1.0)	(2.2)	6.1	4.9	6.2
Barclays Credit	1.0	16.1	5.7	4.7	6.6
Barclays Mortgage	0.6	5.9	7.0	5.8	6.4
Barclays High Yield	6.2	58.2	6.0	6.5	6.7
Barclays U.S TIPS	1.8	11.4	6.7	4.7	7.7
Barclays 1-3 Yr Government	0.1	1.4	5.0	4.2	4.7
Barclays Long Government	(5.1)	(12.2)	5.7	5.2	7.7
<b>INTERNATIONAL (Measured in US Dollars)</b>					
MSCI EAFE (Net)	2.2 %	31.8	(6.0)	3.5	1.2
MSCI ACWI ex U.S. (Net)	3.7	41.4	(3.5)	5.8	2.7
MSCI Europe (Net)	3.2	35.8	(6.1)	3.9	2.0
MSCI Pacific (Net)	0.1	24.2	(6.0)	2.7	(0.6)
MSCI Emerging Markets (Net)	8.6	78.5	5.1	15.5	9.8
Citigroup Non-U.S. Govt Bond	(1.9)	2.6	8.1	4.5	6.6
<b>REAL ESTATE</b>					
NAREIT Index	8.3 %	27.5	(13.1)	(0.9)	10.2
NCREIF Property Index					
<b>OTHER</b>					
91-Day T-Bills	0.0 %	0.2	2.4	3.0	3.0
Consumer Price Index (percent change)	0.3	3.0	2.4	2.6	2.6
Producer Price Index (percent change)	2.3	4.7	3.3	3.3	2.8

Note: Returns for periods longer than 12 months are annualized.

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## OVERVIEW

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### PORTFOLIO EVALUATION

- ♦ The total market value of the fund as of December 31, 2009 was \$962.46 million and had a return of 2.73% for the quarter.
- ♦ Over the past twelve months, the fund returned 17.62%.

### INVESTMENT POLICY AND OBJECTIVES

- ♦ Fund is expected to outperform its actuarial target of 8% over one complete market cycle of 3 to 5 years.
- ♦ Annual performance is expected to outperform an index comprised of a 25% S&P 500, 20% Midcap, 10% Smallcap, 30% BGI Aggregate index, and 15% BGI Intermediate Govt/Credit.
- ♦ The fund is expected to remain fully funded with respect to the actuarial accrued liability.
- ♦ All investment managers are expected to rank in the top 40% of their respective universes.

### PLAN RECONCILIATION

	<u>Quarter</u>
<b><u>Beginning Market Value</u></b>	<b>962,398,150</b>
Cash Flow In	21,211,213
Intrafund Transfers	-7,000,930
Cash Flow Out	<u>-39,216,714</u>
<b>Net Cash Flow</b>	<b>-25,006,431</b>
<b>Investment Performance</b>	
Income	7,727,037
Asset Value Changes	<u>17,339,894</u>
<b>Gross Performance</b>	<b>25,066,931</b>
<b><u>Ending Market Value</u></b>	<b><u>962,458,650</u></b>

### RECOMMENDATIONS

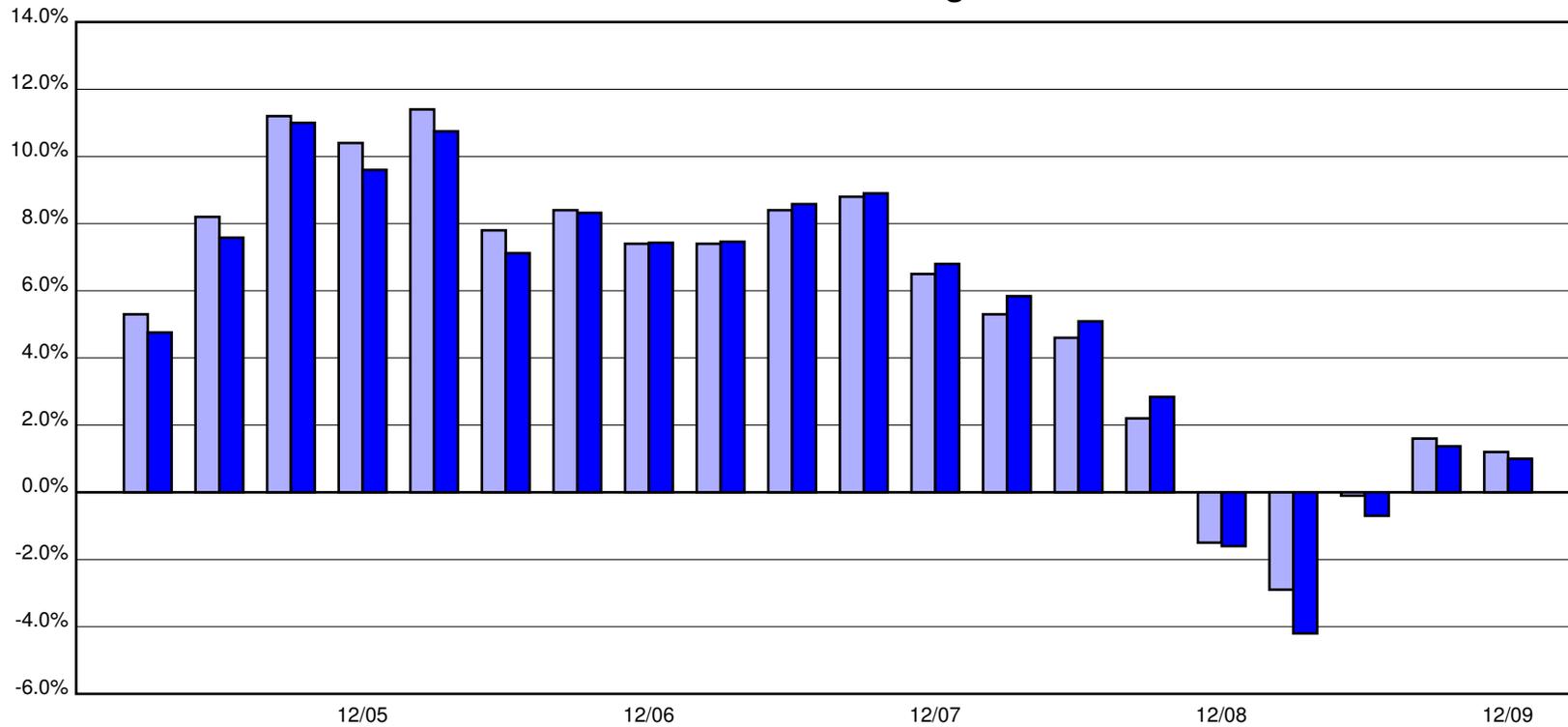
Atlanta General Employees Pension Fund  
Executive Summary Table  
Periods Ending December 31, 2009

Name	Value \$(000)	% of Fund	Periods Ending 12/31/09						
			Cur Qtr	2 Qtrs	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>Total Fund Composite</b>	<b>962,459</b>	<b>100.0</b>	<b>2.73</b>	<b>12.00</b>	<b>17.62</b>	<b>-1.17</b>	<b>1.23</b>	<b>3.34</b>	<b>3.78</b>
Policy Index			3.11	14.91	19.51	-1.46	1.01	3.42	3.04
<b>Large Cap Composite</b>	<b>215,772</b>	<b>22.4</b>	<b>5.71</b>	<b>20.27</b>	<b>31.56</b>	<b>-8.83</b>	<b>-3.87</b>	<b>0.61</b>	<b>0.92</b>
Standard & Poors 500			6.04	22.58	26.45	-10.74	-5.62	0.42	-0.95
EARNEST Partners Large Cap	62,622	6.5	5.70	23.52	37.45	-9.95	-5.25	1.58	1.30
Standard & Poors 500			6.04	22.58	26.45	-10.74	-5.62	0.42	-0.95
GLOBALT Inc.	69,707	7.2	5.63	20.94	35.78	-7.31	-1.43	0.83	-1.96
Standard & Poors 500			6.04	22.58	26.45	-10.74	-5.62	0.42	-0.95
New Amsterdam Partners	62,738	6.5	5.61	16.95	25.42	-10.70	-5.71	-0.15	1.76
Standard & Poors 500			6.04	22.58	26.45	-10.74	-5.62	0.42	-0.95
Union Heritage Capital	20,704	2.2	6.33	18.84	21.17	-5.49	-0.51	1.52	2.57
Standard & Poors 500			6.04	22.58	26.45	-10.74	-5.62	0.42	-0.95
<b>Mid Cap Composite</b>	<b>156,560</b>	<b>16.3</b>	<b>5.03</b>	<b>27.47</b>	<b>35.01</b>	<b>-10.31</b>	<b>-6.52</b>	<b>-1.54</b>	<b>1.83</b>
S&P Midcap 400			5.56	26.65	37.38	-6.40	-1.83	3.27	6.35
Madison Square Investors	52,947	5.5	4.97	27.50	38.19	-9.93	-4.93		
Russell MidCap			5.93	27.76	40.47	-9.32	-4.60		
IShares Russell Mid Cap Value Fund	52,132	5.4	4.84	28.52	31.70				
Russell MidCap Value			5.20	30.05	34.20				
Wellington Mgmt	51,480	5.3	5.29	26.40	35.22	-10.45	-5.57		
S&P Midcap 400			5.56	26.65	37.38	-6.40	-1.83		
<b>Small Cap Composite</b>	<b>83,306</b>	<b>8.7</b>	<b>5.70</b>	<b>25.05</b>	<b>34.04</b>	<b>-6.74</b>	<b>-3.41</b>	<b>2.61</b>	<b>7.96</b>
Russell 2000			3.88	23.91	27.19	-8.24	-6.06	0.51	3.51

Atlanta General Employees Pension Fund  
Executive Summary Table  
Periods Ending December 31, 2009

Name	Value \$(000)	% of Fund	Periods Ending 12/31/09						
			Cur Qtr	2 Qtrs	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
EARNEST Partners Small Cap	39,286	4.1	5.26	25.19	35.22	-5.54	-5.13	-0.25	9.91
Russell 2000			3.88	23.91	27.19	-8.24	-6.06	0.51	3.51
Jennison	44,020	4.6	6.10	24.92	32.99	-7.78	-2.73		
Russell 2000			3.88	23.91	27.19	-8.24	-6.06		
<b>Fixed Income Composite</b>	<b>467,888</b>	<b>48.6</b>	<b>0.24</b>	<b>3.63</b>	<b>7.01</b>	<b>6.74</b>	<b>6.79</b>	<b>5.55</b>	<b>6.14</b>
Barclays U.S. Aggregate			0.20	3.95	5.93	5.59	6.04	4.97	6.33
Atlanta Capital	153,329	15.9	0.07	2.33	3.32	5.89	6.41	5.17	
Barclays Int Govt/Credit			0.30	3.56	5.24	5.16	5.90	4.66	
JP Morgan/Bank One	156,690	16.3	0.10	3.37	6.77	6.56	6.85	5.63	
Barclays U.S. Aggregate			0.20	3.95	5.93	5.59	6.04	4.97	
Mesirow	157,869	16.4	0.53	5.21	11.12	7.77	7.05		
Barclays U.S. Aggregate			0.20	3.95	5.93	5.59	6.04		
BONY Enhanced Cash	25,400	2.6	0.05	0.08	0.15	1.08			
Cash Account	11,875	1.2	0.18	0.22	0.36	1.27			
Certificates of Deposit	198	0.0	0.00	0.00	0.00	0.00			
Security Lending	1,460	0.2	0.02	0.06	0.21	1.21			

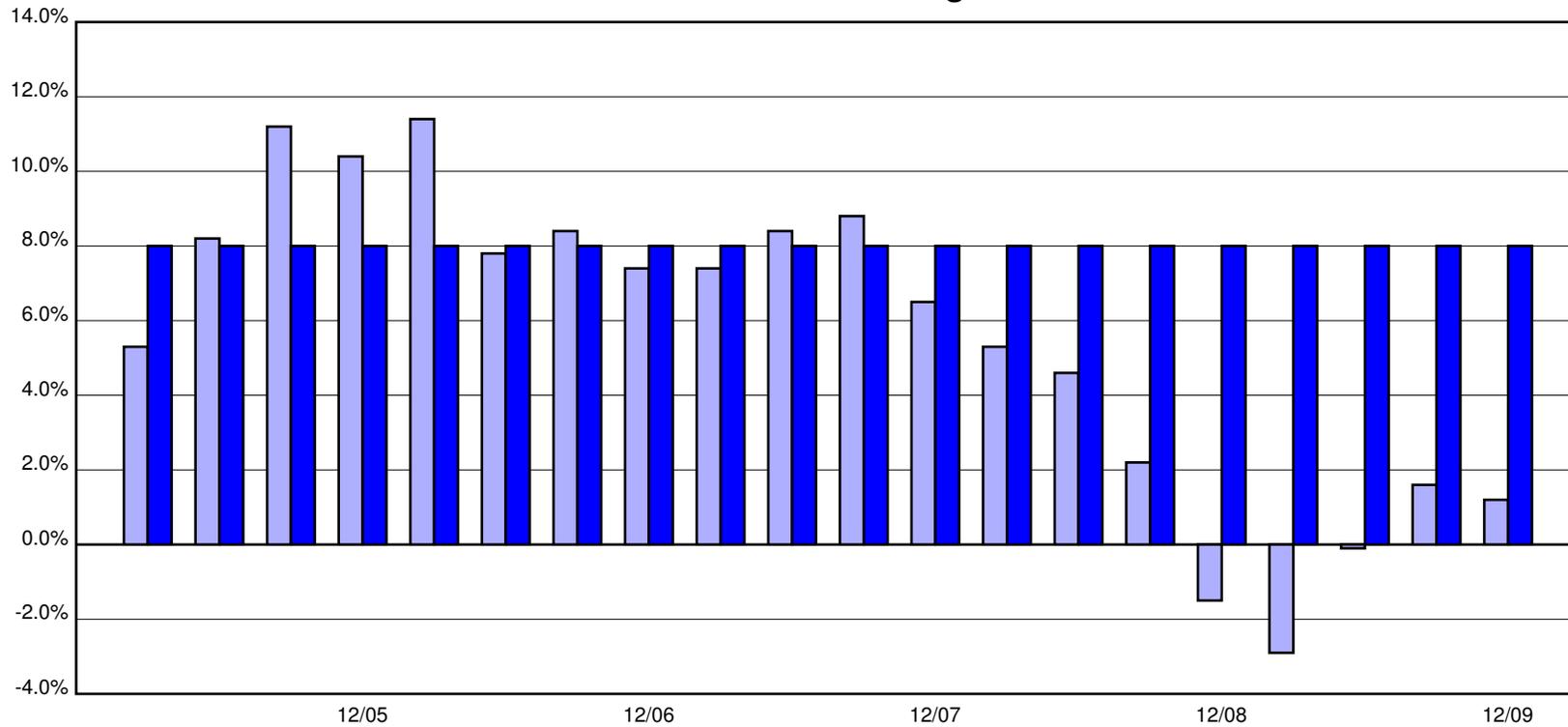
# Atlanta General Employees Pension Fund Performance Consistency Total Fund Composite 3 Years Rolling



□ Total Return

■ Policy Index

# Atlanta General Employees Pension Fund Performance Consistency Total Fund Composite 3 Years Rolling



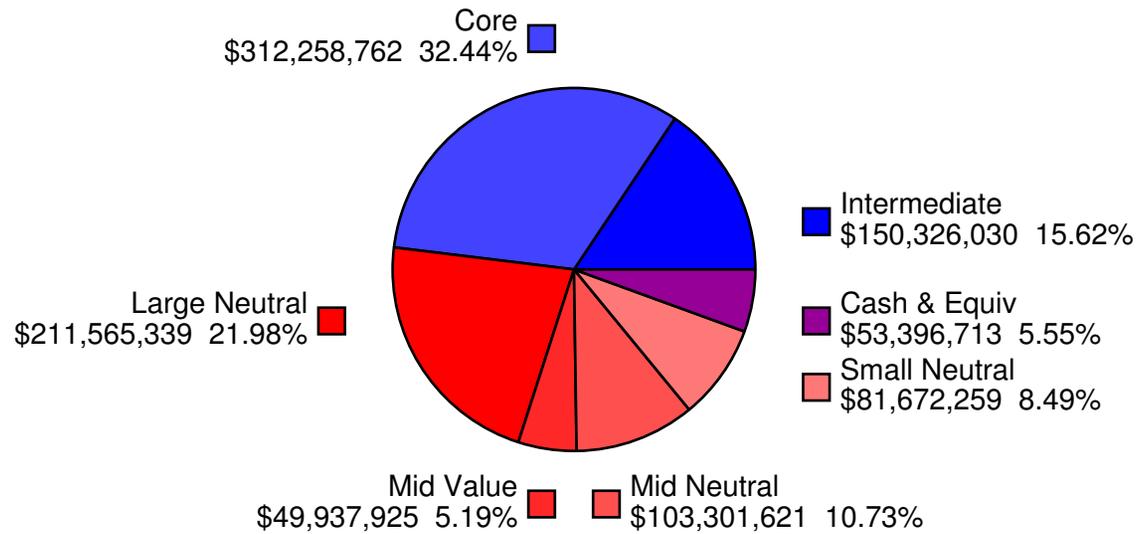
□ Total Return

■ 8.0% Rate of Return

# Atlanta General Employees Pension Fund Asset And Policy Allocation Total Fund Composite

December 31, 2009

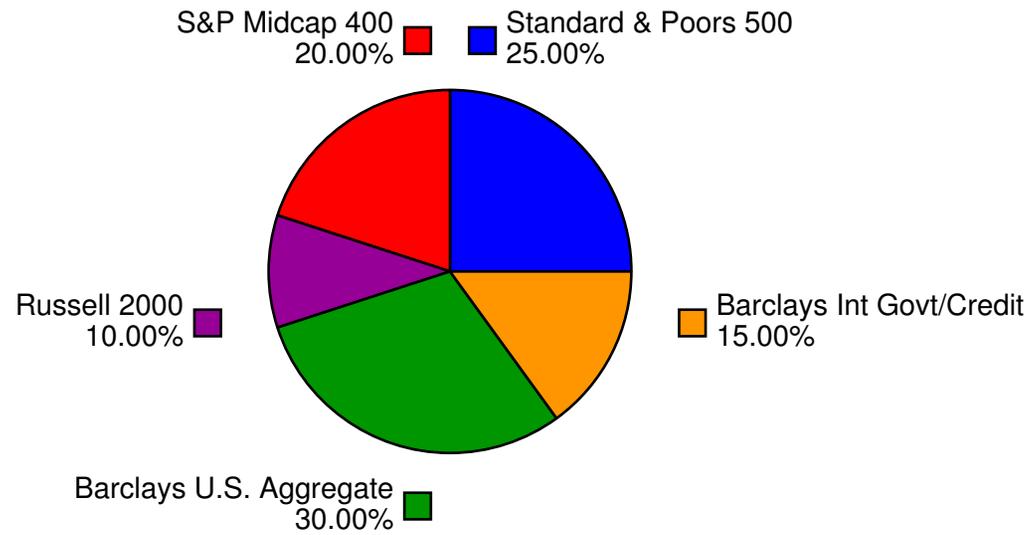
\$962,458,650



# Atlanta General Employees Pension Fund Asset And Policy Allocation Total Fund Composite

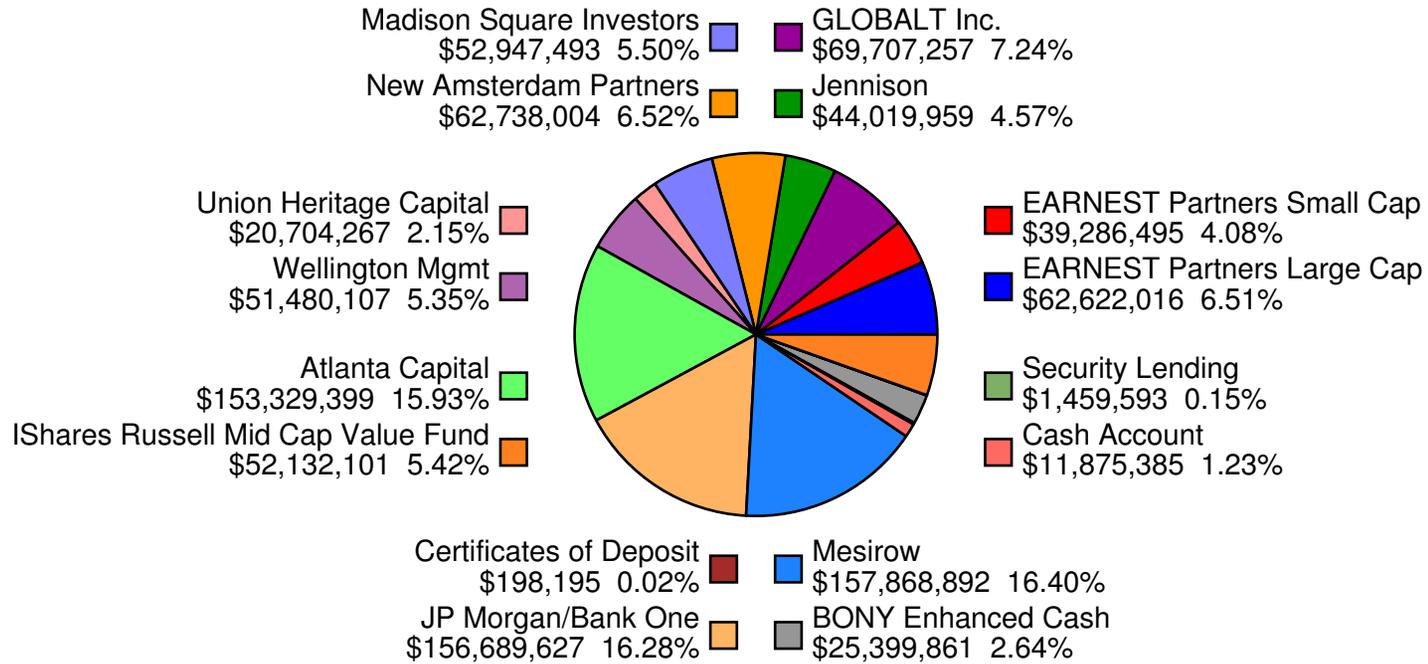
December 31, 2009

Policy Index

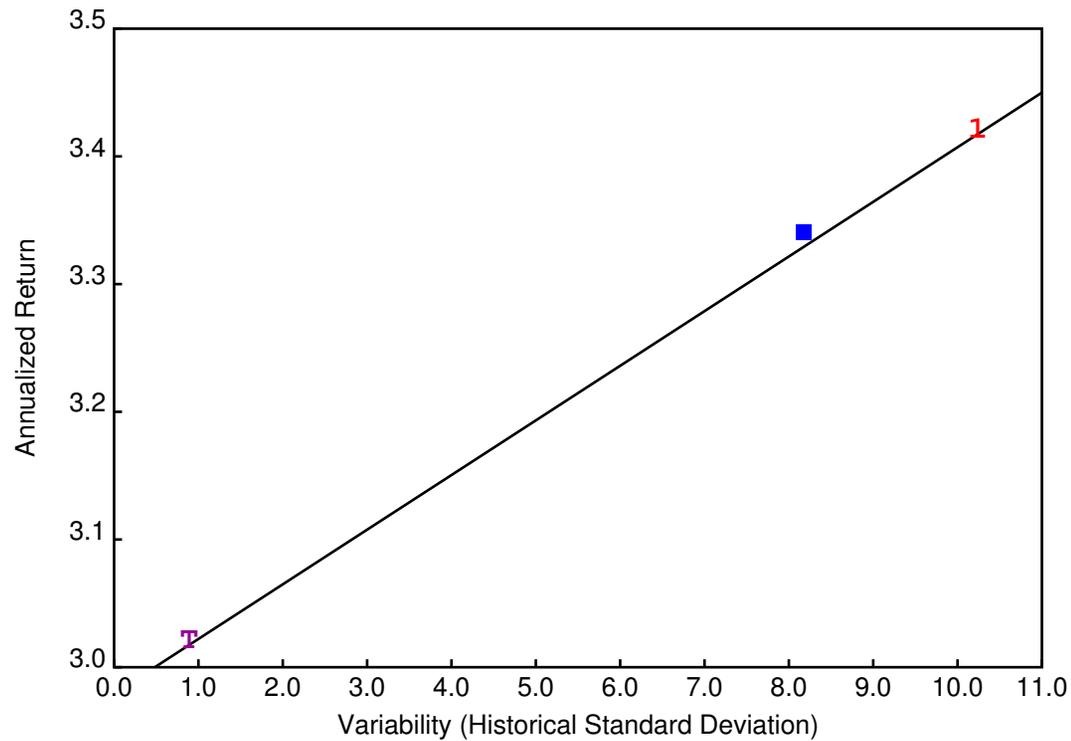


# Atlanta General Employees Pension Fund Total Fund Allocation By Manager Total Fund Composite

December 31, 2009      \$962,458,650



## Atlanta General Employees Pension Fund Quarterly Total Return Market Line Analysis Periods from 12/04 to 12/09



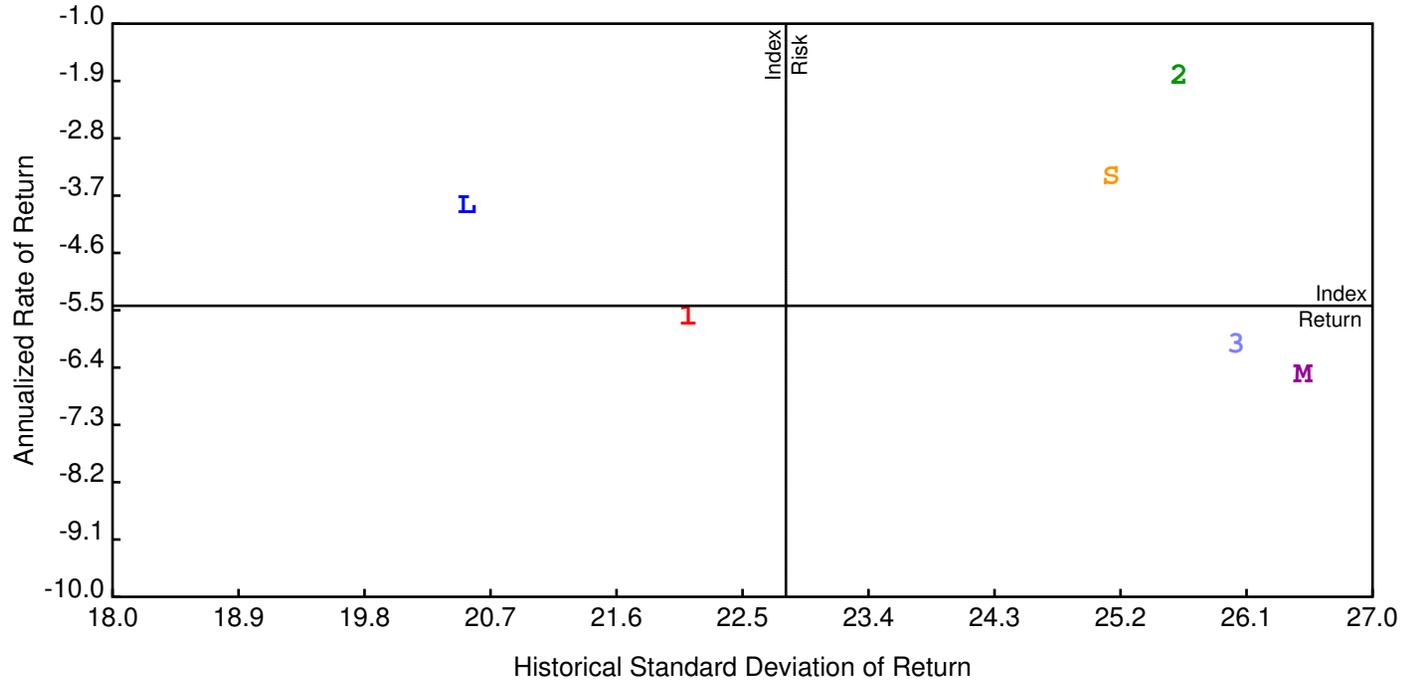
	Annualized Return	Variability	Reward	Sharpe Ratio
■ Total Fund Composite	3.34	8.25	0.33	0.04
1 Policy Index	3.42	10.30	0.40	0.04
T 91-Day Treasury Bill	3.02	0.95	0.00	0.00

# Atlanta General Employees Pension Fund

## Return vs Risk

### Total Returns

#### 3 Years Ending 12/31/09



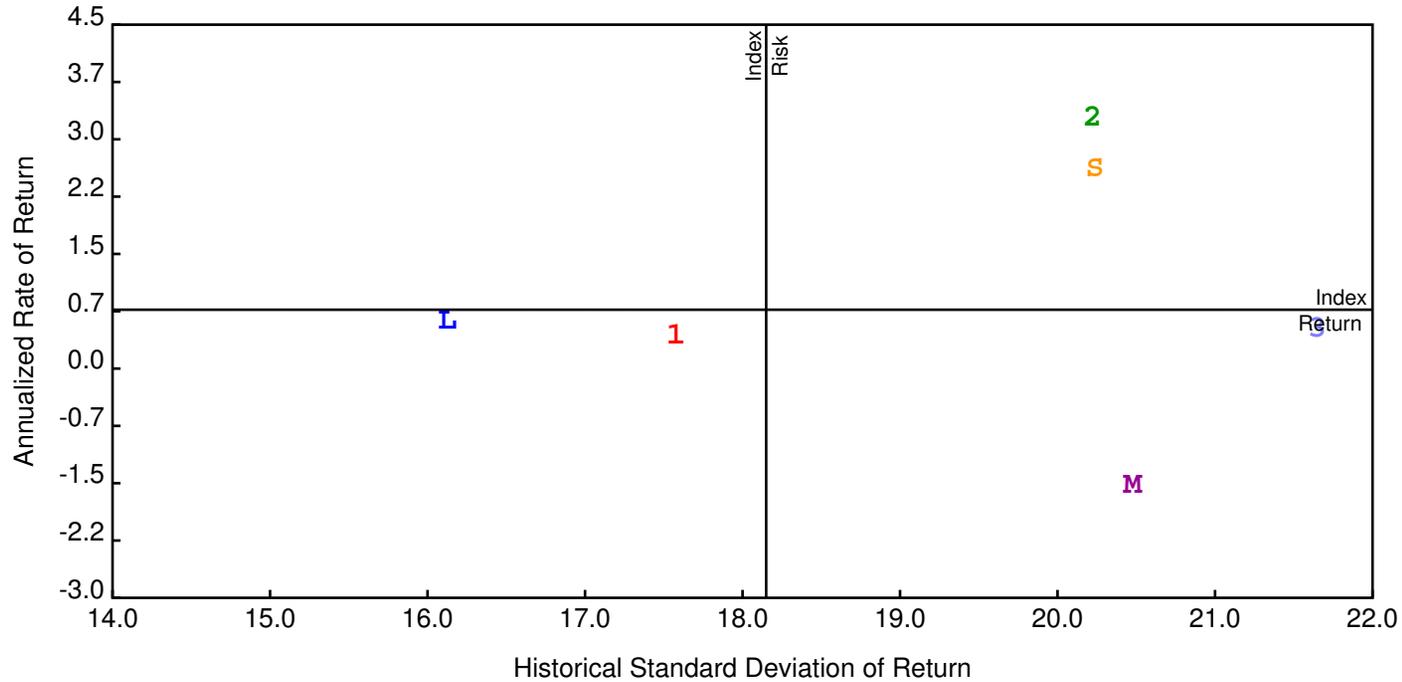
	Annualized Return	Standard Deviation
<b>L</b> Large Cap Composite	-3.87	20.57
<b>1</b> Standard & Poors 500	-5.62	22.15
<b>M</b> Mid Cap Composite	-6.52	26.54
<b>2</b> S&P Midcap 400	-1.83	25.65
<b>S</b> Small Cap Composite	-3.41	25.17
<b>3</b> Russell 2000	-6.06	26.06
Russell 3000	-5.43	22.81

# Atlanta General Employees Pension Fund

## Return vs Risk

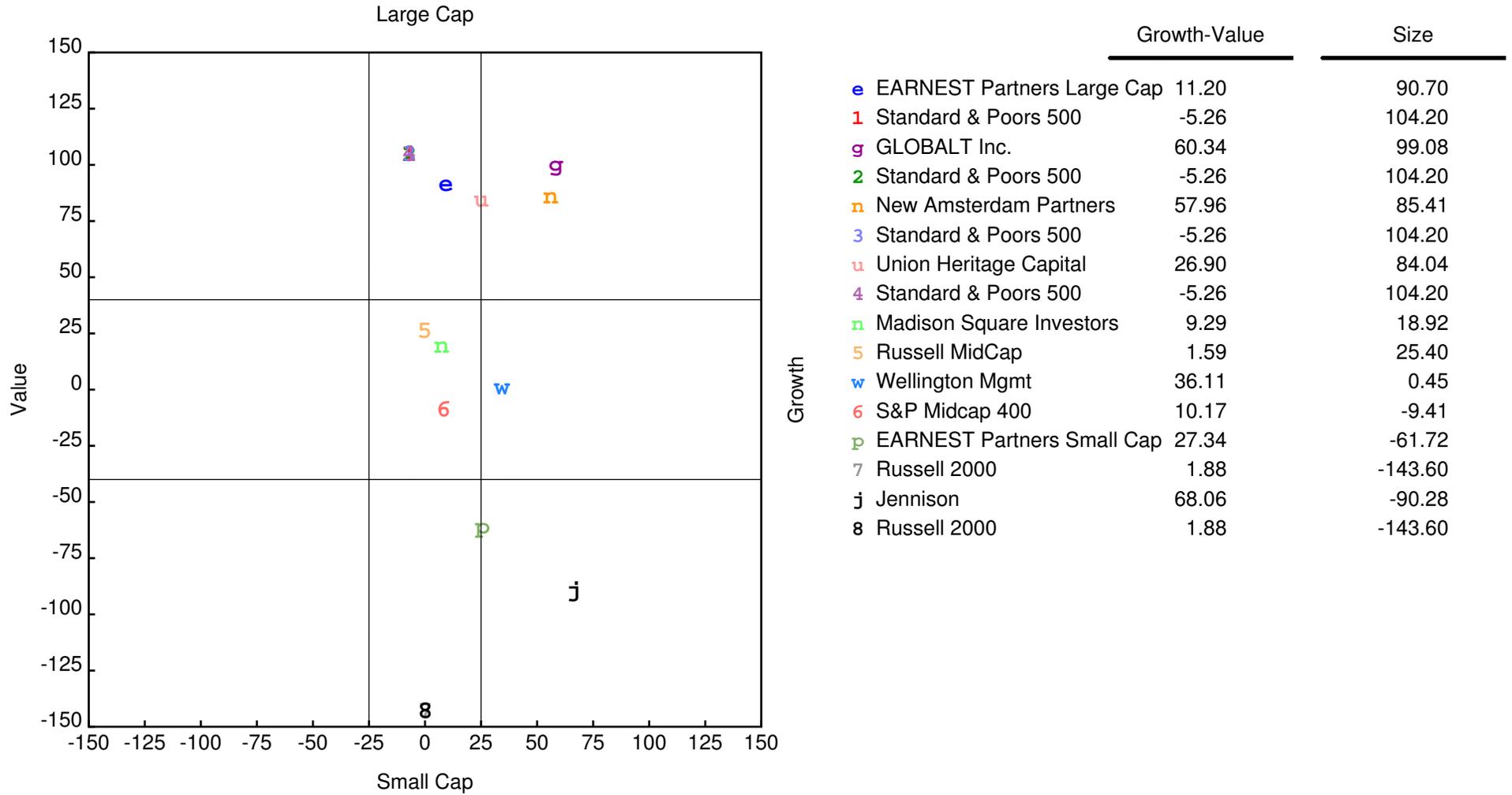
### Total Returns

#### 5 Years Ending 12/31/09



	Annualized Return	Standard Deviation
L Large Cap Composite	0.61	16.16
1 Standard & Poors 500	0.42	17.61
M Mid Cap Composite	-1.54	20.51
2 S&P Midcap 400	3.27	20.25
S Small Cap Composite	2.61	20.27
3 Russell 2000	0.51	21.68
Russell 3000	0.77	18.15

# Atlanta General Employees Pension Fund Equity Style Map Quarter Ended 12/31/09



Atlanta General Employees Pension Fund  
Equity Summary Statistics  
Total Fund Composite  
Period Ending 12/09

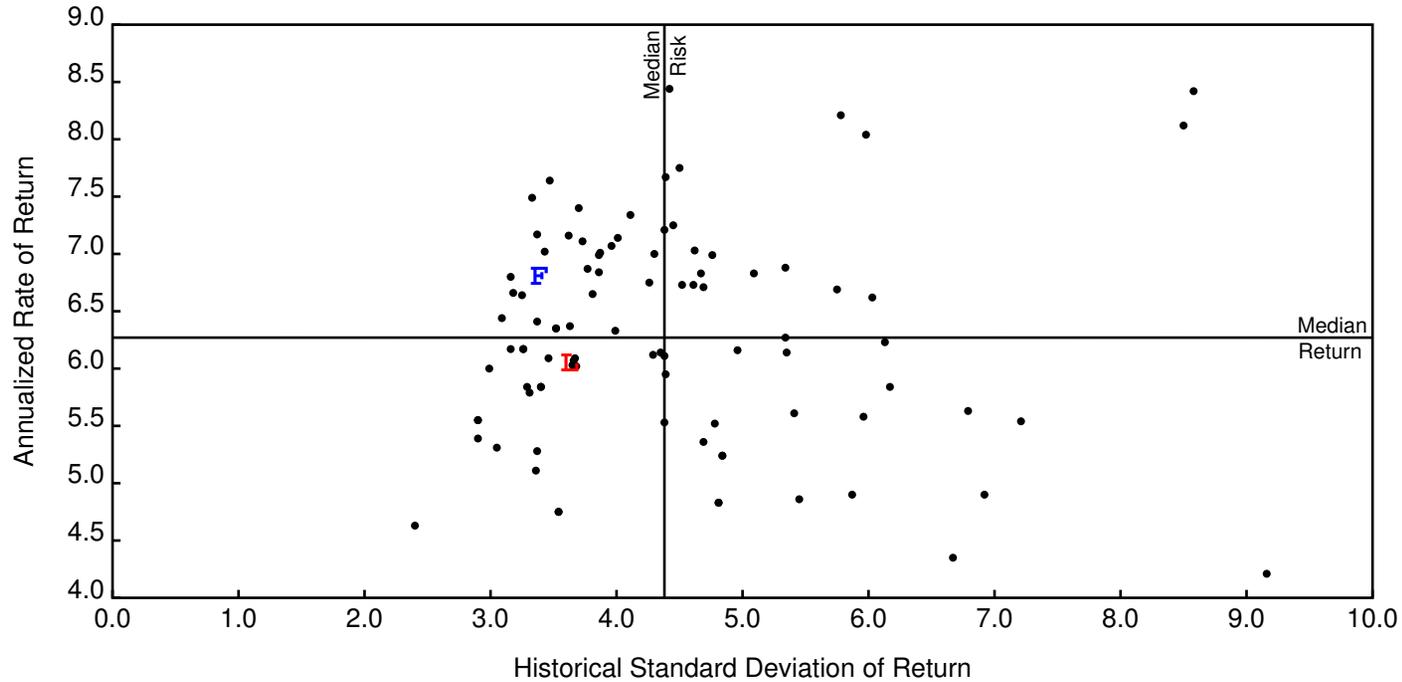
	Portfolio	Russell 3000	Ten Best Performers	Quarterly Ret
Total Number Of Securities	597	2,971	Bucyrus Intl Inc New	58.34
Equity Market Value	446,477,145		Health Net Inc.	51.23
Average Capitalization \$(000)	29,707,366	67,819,991	Massey Energy Corp	50.86
Median Capitalization \$(000)	3,846,977	750,134	Nu Skin Enterprises	45.62
Equity Segment Yield	1.18	1.83	Trw Automotive Hldgs	42.57
Equity Segment P/E - Average	36.48	35.61	Black & Decker Mfg	40.32
Equity Segment P/E - Median	15.92	13.82	Lufkin Inds Inc	38.24
Equity Segment Beta	1.11	1.04	Ims Health Inc	37.44
Price/Book Ratio	2.27	2.10	McGraw Hill Inc	34.26
Debt/Equity Ratio	43.66	45.78	F5 Networks Inc	33.69
Five Year Earnings Growth	10.62	8.84		

Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret	Ten Worst Performers	Quarterly Ret
Intl Business McHn	6,243,930	1.59	9.93	Dycom Inds Inc	-34.72
Goldman Sachs Group	4,947,012	1.26	-8.22	Digital Riv Inc	-33.06
Cisco Sys Inc	4,261,320	1.09	1.70	Citigroup Inc	-31.61
Express Scripts Inc	3,811,821	0.97	11.43	Investment Technolog	-29.44
Intel Corp	3,631,200	0.93	5.03	Seattle Genetics Inc	-27.58
Corning Inc	3,176,495	0.81	26.51	Seahawk Drilling Inc	-27.50
Qualcomm Inc	3,080,916	0.79	3.23	Thq Inc	-26.32
Honeywell Intl Inc	2,928,240	0.75	6.33	General Cable Corp D	-24.85
Northern Tr Corp	2,771,960	0.71	-9.37	MGM Grand Inc	-24.25
Disney Walt Prodtns	2,709,000	0.69	18.76	Valueclick Inc	-23.28

# Atlanta General Employees Pension Fund

## Return vs Risk

### Total Returns of Core Portfolios 3 Years Ending 12/31/09

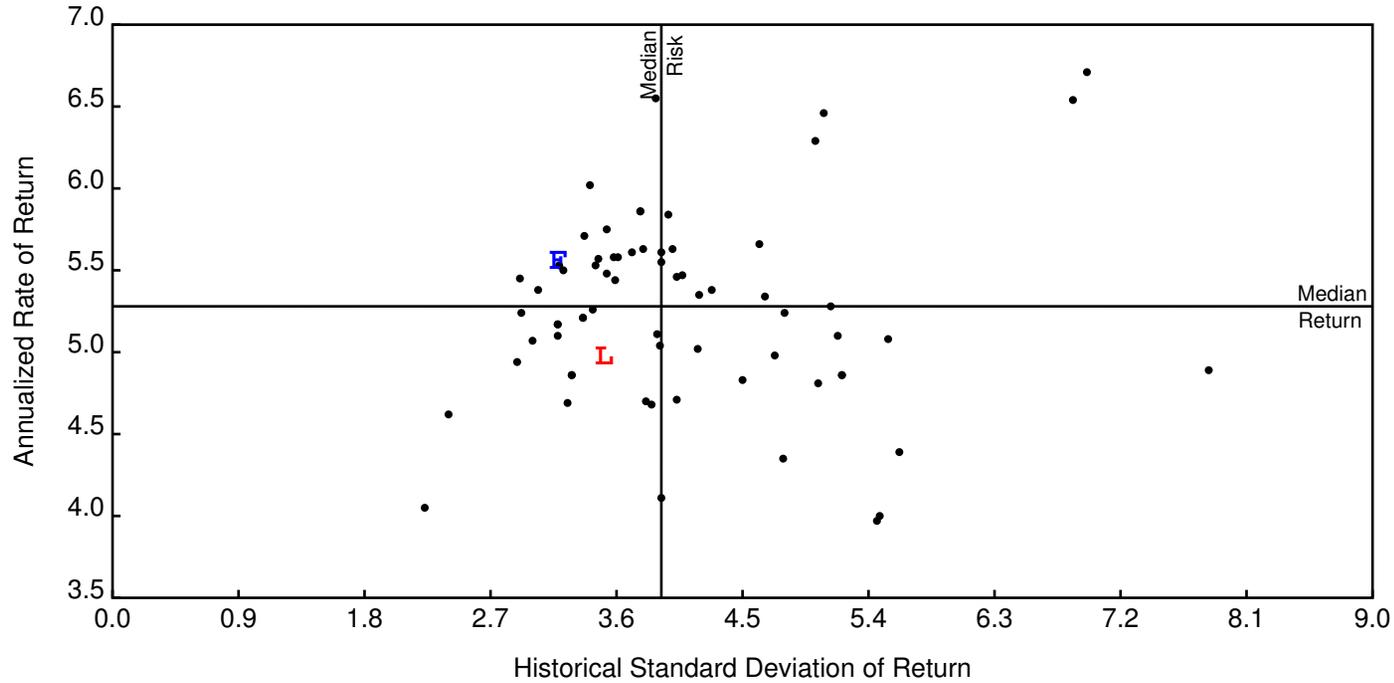


	Annualized Return		Standard Deviation	
	Value	Rank	Value	Rank
F Fixed Income Composite	6.79	32	3.43	23
L Barclays U.S. Aggregate	6.04	62	3.67	33
Median	6.27		4.38	

# Atlanta General Employees Pension Fund

## Return vs Risk

### Total Returns of Core Portfolios 5 Years Ending 12/31/09



	Annualized Return		Standard Deviation	
	Value	Rank	Value	Rank
F Fixed Income Composite	5.55	29	3.22	17
L Barclays U.S. Aggregate	4.97	70	3.55	34
Median	5.28		3.92	

## MARKET SECTOR DIVERSIFICATION

### EQUITIES

#### Style

		Value	Market	Growth	Quantitative	Index
U.S. S E C T O R I A L S	Large	Earnest Partners Union - Heritage		Globalt New Amst.		
	Medium	Madison Square Ishares Russell MCV Wellington		Madison Square  Wellington		
	Small	Earnest Partners	Jennison			
Non-U.S.	Large					
	Small					

### FIXED INCOME

#### Style

		Rate	Maturity Differential	Sector Allocation	Index
U.S. S E C U R I T Y P R E	U.S. Govt.	Atlanta Capital JP Morgan	Atlanta Capital	Atlanta Capital JP Morgan Mesirow	
	Mortgage	Atlanta Capital JP Morgan	Atlanta Capital	Atlanta Capital JP Morgan Mesirow	
	Asset Backed	Atlanta Capital JP Morgan	Atlanta Capital	Atlanta Capital JP Morgan Mesirow	
	Corporates	Atlanta Capital JP Morgan	Atlanta Capital	Atlanta Capital JP Morgan Mesirow	
	Euro Dollar				
	High Yield				
	Private Placements				

# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>EARNEST Partners Large Cap</b>							
Total Return	5.70	37.45	37.45	-9.95	-5.25	1.58	1.30
Total Return (Net of Fees)	5.59	36.89	36.89	-10.32	-5.60	1.24	1.02
Standard & Poors 500	6.04	26.45	26.45	-10.74	-5.62	0.42	-0.95
Variance	-0.34	11.01	11.01	0.79	0.37	1.16	2.25
Russell 1000 Value	4.22	19.69	19.69	-13.06	-8.96	-0.26	2.47

## EARNEST PARTNERS Large Cap Value Equity

### OBJECTIVE

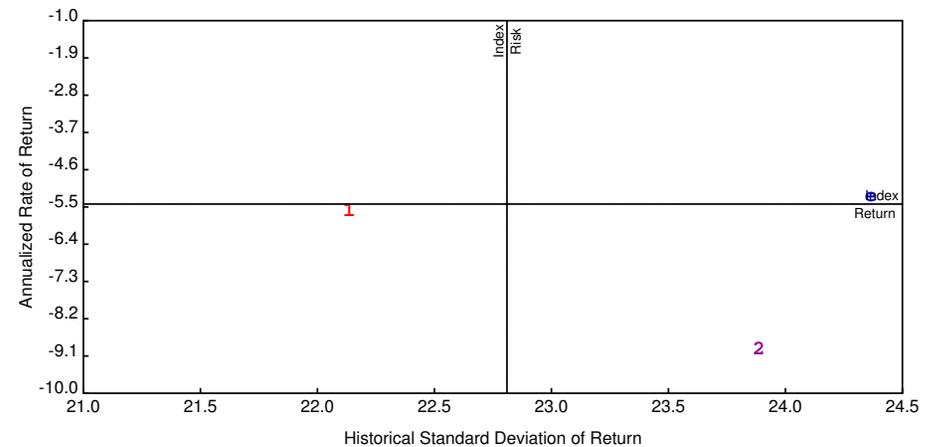
Out perform the S&P 500 by 100 basis points net of management fees over a full market cycle (approximately 5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

### STRATEGY

EARNEST Partners attempts to add value based on their proprietary research and modeling (Return Pattern Recognition) techniques. The model identifies five critical indicators: 1) Growth, 2) Profitability, 3) Valuation, 4) Operating Trends, and 5) Market Trends.

Return vs Risk  
Total Returns



	Annualized Return	Standard Deviation
<span style="color: blue;">■</span> EARNEST Partners Large Cap	-5.25	24.38
<span style="color: red;">■</span> Standard & Poors 500	-5.62	22.15
<span style="color: magenta;">■</span> Russell 1000 Value	-8.96	23.90
<span style="color: black;">■</span> Russell 3000	-5.43	22.81

### CONCLUSIONS/RECOMMENDATIONS

Earnest Partners stock selection and sector weighting produced performance below the S&P 500 but outperformed Russell 1000 Value and the median of their peer group in the fourth quarter of 2009.

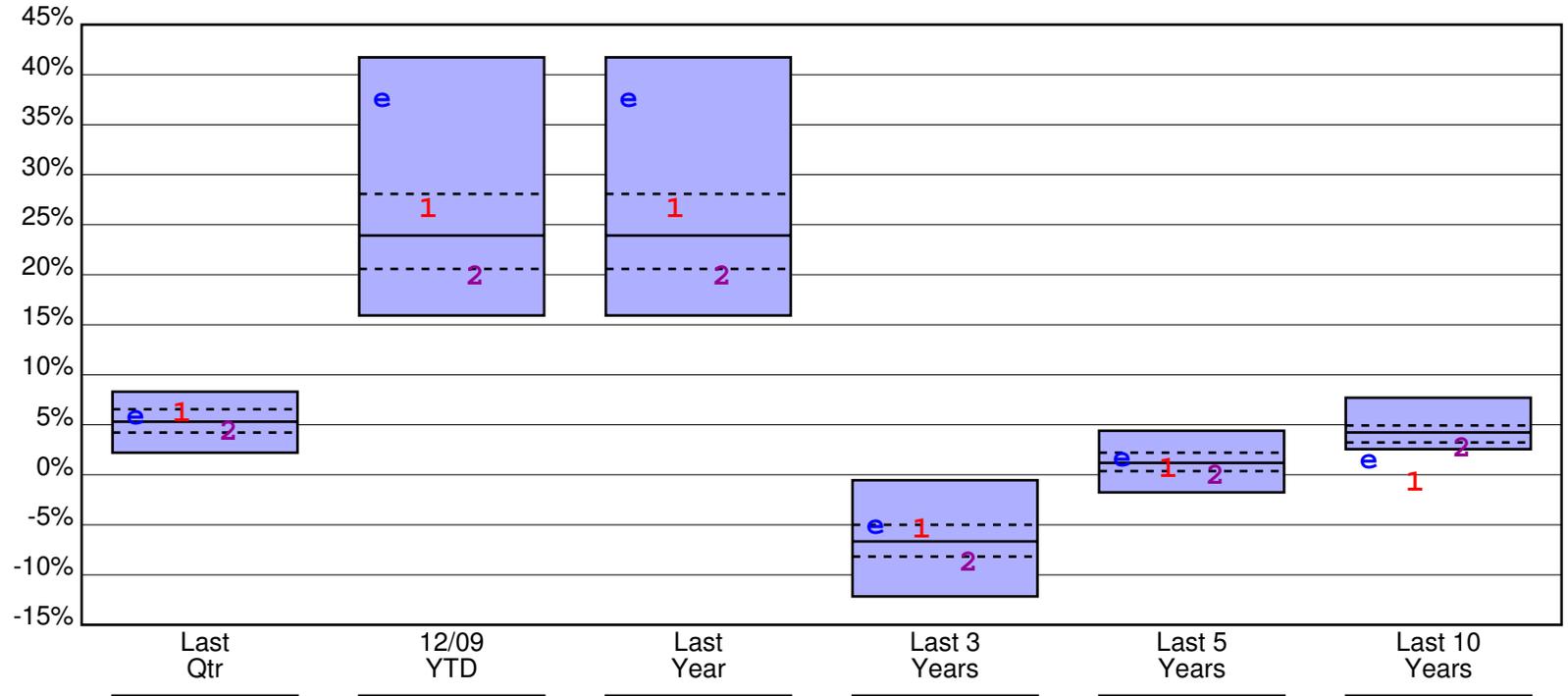
Long term, manager has performed above the S&P 500 and has mixed results compared to the median of their peer group.

# Atlanta General Employees Pension Fund

## Large Value Cumulative Performance Comparisons

### Total Returns of Equity Portfolios

#### Periods Ending 12/09



	Last Qtr	12/09 YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
5th Percentile	8.30	41.73	41.73	-0.54	4.40	7.70
25th Percentile	6.55	28.08	28.08	-5.00	2.21	4.93
Median	5.31	23.92	23.92	-6.66	1.19	4.23
75th Percentile	4.22	20.58	20.58	-8.18	0.37	3.23
95th Percentile	2.21	15.93	15.93	-12.16	-1.76	2.56
<b>e</b> EARNEST Partners Large Cap	5.70 (41)	37.45 (10)	37.45 (10)	-5.25 (29)	1.58 (38)	1.30 (99)
<b>1</b> Standard & Poors 500	6.04 (33)	26.45 (31)	26.45 (31)	-5.62 (36)	0.42 (72)	-0.95 (100)
<b>2</b> Russell 1000 Value	4.22 (75)	19.69 (84)	19.69 (84)	-8.96 (84)	-0.26 (87)	2.47 (95)

**Atlanta General Employees Pension Fund**  
**Equity Summary Statistics**  
**EARNEST Partners Large Cap**  
**Period Ending 12/09**

	Portfolio	Standard & Poors 500	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	45	500	Goldman Sachs Group	2,245,572	3.70	-8.22
Equity Market Value	60,705,613		Freeport-McMoran Cop	2,216,004	3.65	17.02
Average Capitalization \$(000)	44,591,535	81,925,636	Apache Corp	2,142,841	3.53	12.51
Median Capitalization \$(000)	26,663,030	8,989,788	Devon Energy Corp	1,969,800	3.25	9.16
Equity Segment Yield	1.32	1.94	Intel Corp	1,933,920	3.19	5.03
Equity Segment P/E - Average	240.07	30.79	J P Morgan Chase & C	1,920,987	3.17	-4.79
Equity Segment P/E - Median	14.97	16.15	Intl Business McHn	1,911,140	3.15	9.93
Equity Segment Beta	1.05	1.00	Occidental Pete Corp	1,895,455	3.13	4.21
Price/Book Ratio	2.13	1.96	American Tower Sys C	1,879,635	3.10	18.71
Debt/Equity Ratio	57.18	71.66	General Dynamics Cor	1,813,322	2.99	6.14
Five Year Earnings Growth	10.39	10.01				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	17.74	11.70	6.06	5.57	0.09	-0.03	0.05
Materials	3.34	3.50	17.02	7.32	0.32	-0.00	0.32
Industrials	7.29	10.20	5.55	5.40	0.01	0.02	0.03
Consumer Discretionary	12.45	9.17	5.56	8.92	-0.42	0.09	-0.33
Consumer Staples	1.26	11.54	8.99	4.99	0.05	0.12	0.17
Health Care	11.66	13.11	6.75	8.72	-0.23	-0.04	-0.27
Financials	19.67	15.23	-2.27	-3.15	0.17	-0.41	-0.24
Information Technology	19.94	18.65	9.17	10.83	-0.33	0.06	-0.27
Telecom. Services	2.80	3.17	18.71	9.82	0.25	-0.01	0.23
Utilities	3.86	3.72	8.69	7.25	0.06	0.00	0.06
	100.00	100.00	5.88	6.12	-0.03	-0.21	-0.24

Stock Selection Return Attribution  
[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]  
Sector Selection Return Attribution  
[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]  
Trading Effect -0.00%  
[ Actual Return 5.88% ] - [ Buy Hold Return 5.88% ]

# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>GLOBALT Inc.</b>							
Total Return	5.63	35.78	35.78	-7.31	-1.43	0.83	-1.96
Total Return (Net of Fees)	5.53	35.07	35.07	-7.73	-1.86	0.42	-2.35
Standard & Poors 500	6.04	26.45	26.45	-10.74	-5.62	0.42	-0.95
Variance	-0.40	9.33	9.33	3.43	4.19	0.41	-1.01
Russell 1000 Growth	7.94	37.21	37.21	-8.09	-1.88	1.64	-3.98

## GLOBALT Large Cap Growth Equity

### OBJECTIVE

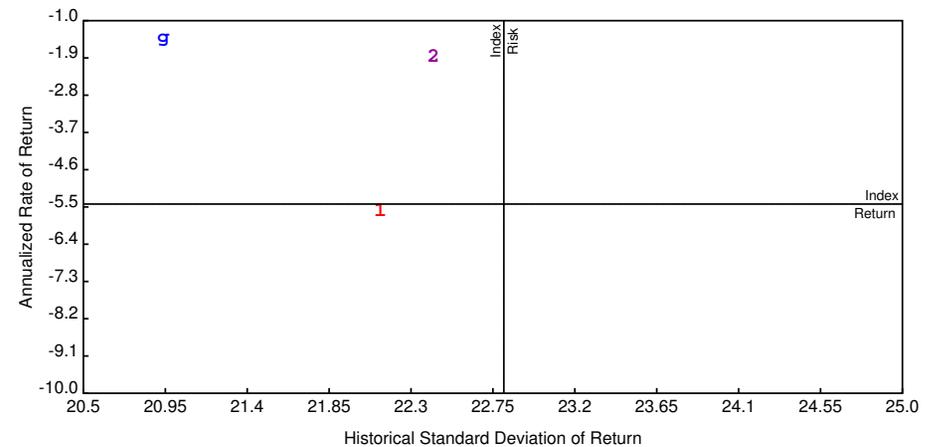
Out perform the S&P 500 by 100 basis points net of management fees over a full market cycle (approximately 5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

### STRATEGY

GLOBALT attempts to add value based on their proprietary quantitative and fundamental analysis. Their research focuses on identify stocks with three key characteristics: 1) Positive Earnings Revisions, 2) Strong Foreign Revenues, and 3) Low P/E Ratio (as compared against peer group and relative index). Companies must derive at 20% (portfolio average is greater than 50%) of revenues from outside the U.S.

Return vs Risk  
Total Returns



	Annualized Return	Standard Deviation
<b>g</b> GLOBALT Inc.	-1.43	20.96
<b>1</b> Standard & Poors 500	-5.62	22.15
<b>2</b> Russell 1000 Growth	-1.88	22.44
Russell 3000	-5.43	22.81

### CONCLUSIONS/RECOMMENDATIONS

GLOBALT's stock selection hurt relative performance compared to the S&P 500 Index. In the fourth quarter 2009, Manager underperformed the median of their peers and the Russell 1000 Growth Index.

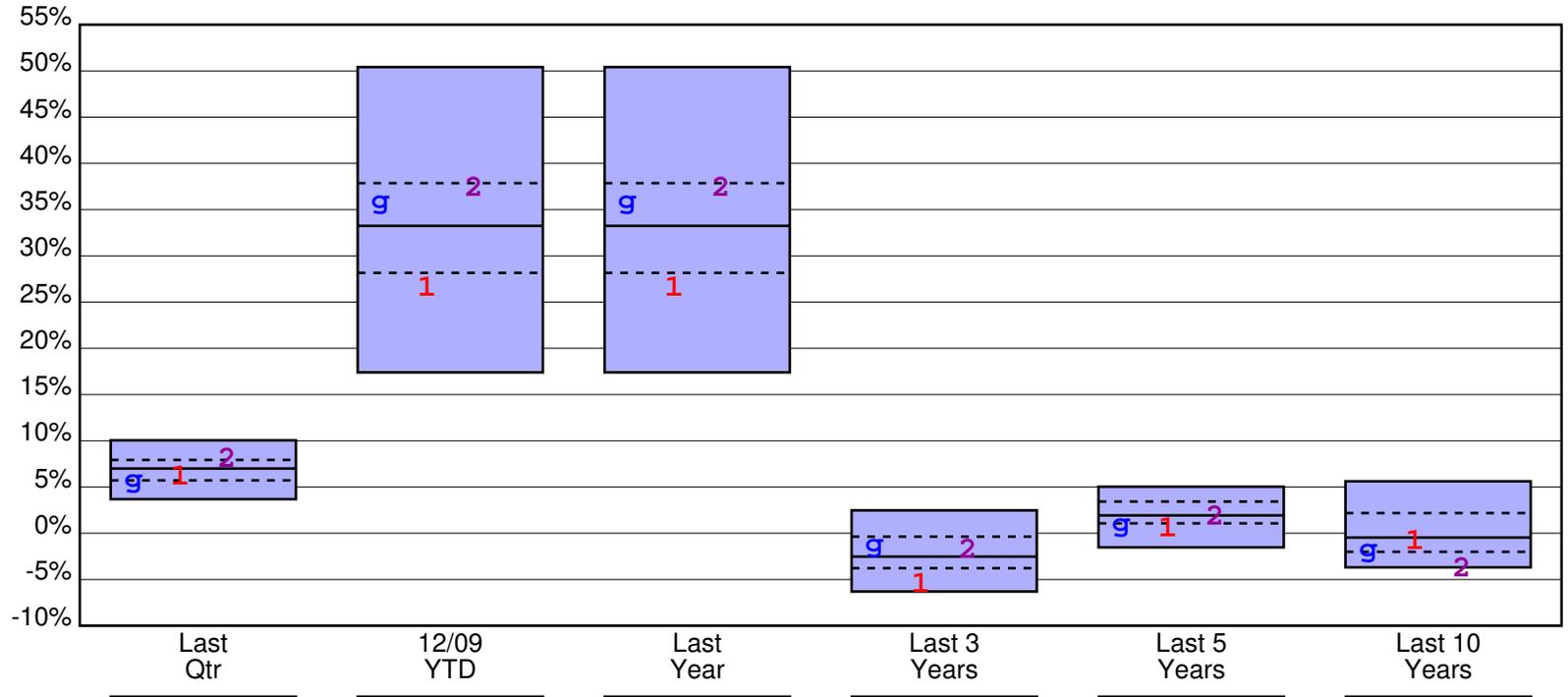
Long term, manager has met their objective compared to the S&P 500 in most periods and has experienced mixed results compared to the median of their peer group.

# Atlanta General Employees Pension Fund

## Large Growth Cumulative Performance Comparisons

### Total Returns of Equity Portfolios

#### Periods Ending 12/09



5th Percentile  
25th Percentile  
Median  
75th Percentile  
95th Percentile

	Last Qtr	12/09 YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
5th Percentile	10.05	50.42	50.42	2.48	5.04	5.62
25th Percentile	7.93	37.86	37.86	-0.36	3.43	2.19
Median	7.00	33.24	33.24	-2.53	1.93	-0.46
75th Percentile	5.72	28.16	28.16	-3.78	1.07	-2.01
95th Percentile	3.69	17.40	17.40	-6.30	-1.52	-3.69
<b>g</b> GLOBALT Inc.	5.63 (76)	35.78 (35)	35.78 (35)	-1.43 (38)	0.83 (80)	-1.96 (69)
<b>1</b> Standard & Poors 500	6.04 (69)	26.45 (82)	26.45 (82)	-5.62 (89)	0.42 (86)	-0.95 (55)
<b>2</b> Russell 1000 Growth	7.94 (24)	37.21 (27)	37.21 (27)	-1.88 (44)	1.64 (54)	-3.98 (97)

**Atlanta General Employees Pension Fund**  
**Equity Summary Statistics**  
**GLOBALT Inc.**  
**Period Ending 12/09**

	Portfolio	Standard & Poors 500	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	60	500	Intl Business McHn	2,748,900	4.29	9.93
Equity Market Value	69,197,996		Cisco Sys Inc	2,726,766	4.26	1.70
Average Capitalization \$(000)	72,315,395	81,925,636	Coca Cola Co	2,091,900	3.26	6.91
Median Capitalization \$(000)	22,802,633	8,989,788	Wal Mart Stores Inc	2,009,720	3.14	9.43
Equity Segment Yield	1.29	1.94	Apple Computer Inc	1,982,084	3.09	13.75
Equity Segment P/E - Average	25.63	30.79	Qualcomm Inc	1,979,928	3.09	3.23
Equity Segment P/E - Median	19.24	16.15	Corning Inc	1,913,621	2.99	26.51
Equity Segment Beta	0.98	1.00	Honeywell Intl Inc	1,795,360	2.80	6.33
Price/Book Ratio	3.10	1.96	Intel Corp	1,697,280	2.65	5.03
Debt/Equity Ratio	36.52	71.66	Microsoft Corp	1,628,166	2.54	18.28
Five Year Earnings Growth	11.86	10.01				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	8.06	11.70	8.11	5.57	0.20	0.02	0.23
Materials	2.13	3.50	7.68	7.32	0.01	-0.02	-0.01
Industrials	9.66	10.20	3.30	5.40	-0.20	0.00	-0.20
Consumer Discretionary	7.30	9.17	-1.02	8.92	-0.73	-0.05	-0.78
Consumer Staples	11.62	11.54	3.36	4.99	-0.19	-0.00	-0.19
Health Care	15.64	13.11	4.78	8.72	-0.62	0.07	-0.55
Financials	6.07	15.23	0.16	-3.15	0.20	0.85	1.05
Information Technology	38.19	18.65	10.67	10.83	-0.06	0.92	0.86
Telecom. Services	1.34	3.17	15.99	9.82	0.08	-0.07	0.01
Utilities	0.00	3.72		7.25	0.00	-0.04	-0.04
	100.00	100.00	6.50	6.12	-1.30	1.68	0.38

Stock Selection Return Attribution  
[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]  
Sector Selection Return Attribution  
[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]  
Trading Effect -0.82%  
[ Actual Return 5.68% ] - [ Buy Hold Return 6.50% ]

# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>New Amsterdam Partners</b>							
Total Return	5.61	25.42	25.42	-10.70	-5.71	-0.15	1.76
Total Return (Net of Fees)	5.53	25.04	25.04	-10.96	-5.99	-0.45	1.46
Standard & Poors 500	6.04	26.45	26.45	-10.74	-5.62	0.42	-0.95
Variance	-0.43	-1.03	-1.03	0.04	-0.09	-0.57	2.71
Russell 1000 Growth	7.94	37.21	37.21	-8.09	-1.88	1.64	-3.98

## NEW AMSTERDAM PARTNERS Large Cap Growth Equity

### OBJECTIVE

Out perform the S&P 500 by 100 basis points net of management fees over a full market cycle (approximately 5 years).

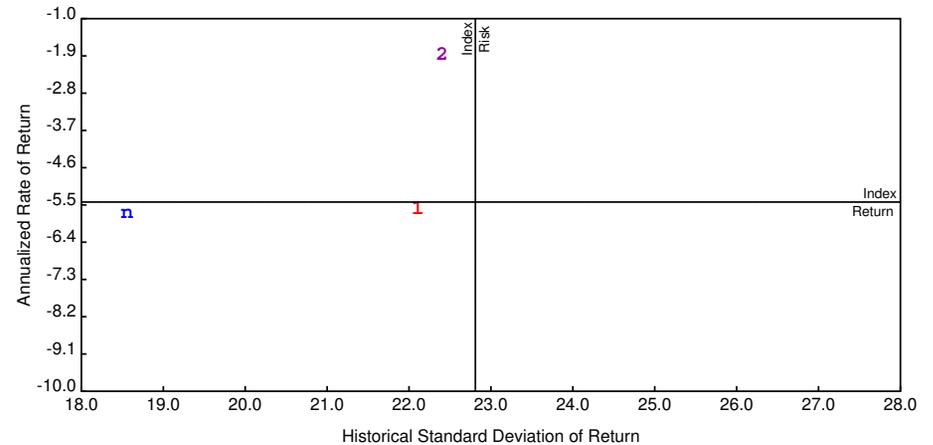
The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

### STRATEGY

New Amsterdam utilizes a bottom-up, growth a a reasonable price approach. The manager attempts to identify securities with the following characteristics:

- 1) 5 Years of Complete Accounting Data
- 2) Good Liquidity
- 3) Sufficient Wall Street Coverage
- 4) Strong Growth Rates, ROE, and Cash Flows
- 5) Strong Earnings Momentum Estimates

Return vs Risk  
Total Returns



	Annualized Return	Standard Deviation
n New Amsterdam Partners	-5.71	18.60
1 Standard & Poors 500	-5.62	22.15
2 Russell 1000 Growth	-1.88	22.44
Russell 3000	-5.43	22.81

### CONCLUSIONS/RECOMMENDATIONS

New Amsterdam's stock selection hurt performance compared to the S&P 500 and the median of their peer group in the fourth quarter of 2009.

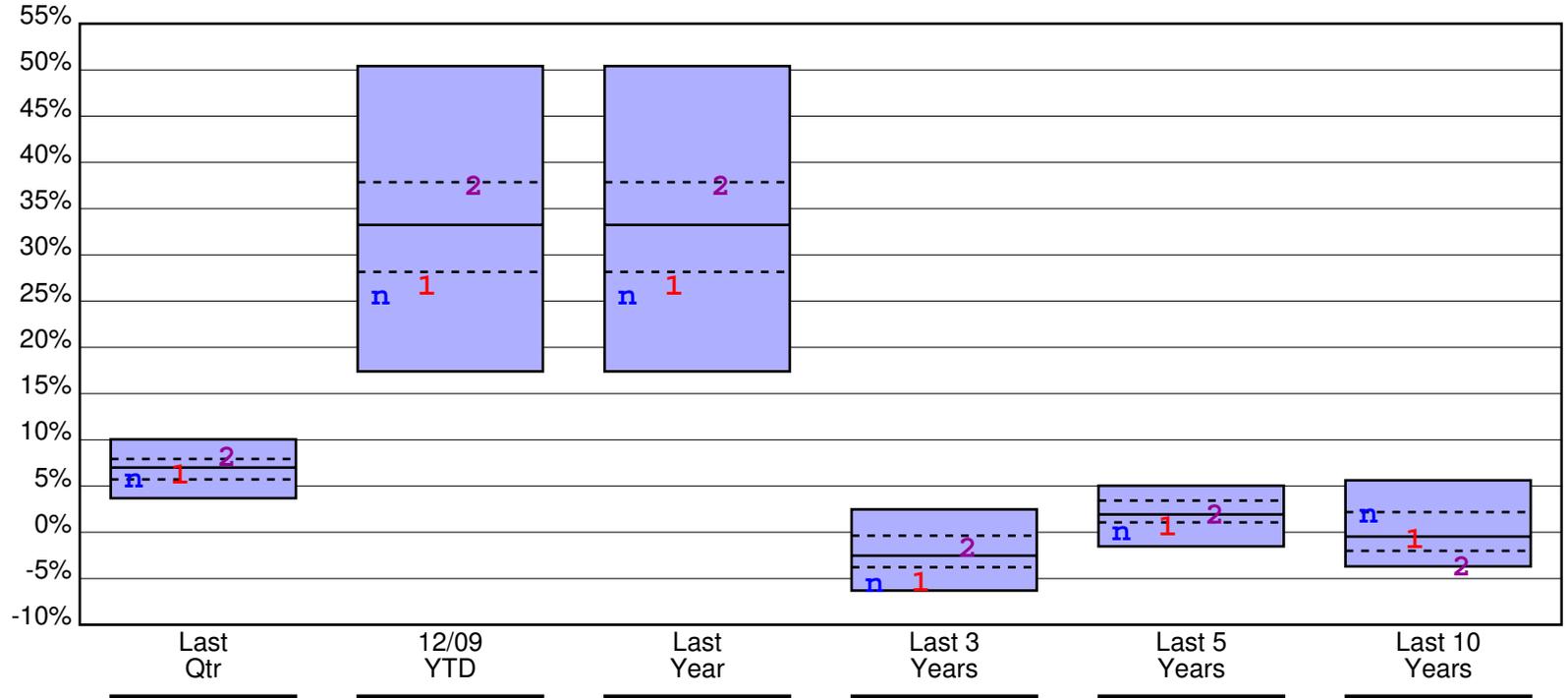
Long term, manager has experienced mixed results compared to the S&P 500 Index and the median of their peer group.

# Atlanta General Employees Pension Fund

## Large Growth Cumulative Performance Comparisons

### Total Returns of Equity Portfolios

#### Periods Ending 12/09



	Last Qtr	12/09 YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
5th Percentile	10.05	50.42	50.42	2.48	5.04	5.62
25th Percentile	7.93	37.86	37.86	-0.36	3.43	2.19
Median	7.00	33.24	33.24	-2.53	1.93	-0.46
75th Percentile	5.72	28.16	28.16	-3.78	1.07	-2.01
95th Percentile	3.69	17.40	17.40	-6.30	-1.52	-3.69
<b>n</b> New Amsterdam Partners	5.61 (77)	25.42 (85)	25.42 (85)	-5.71 (89)	-0.15 (90)	1.76 (25)
<b>1</b> Standard & Poors 500	6.04 (69)	26.45 (82)	26.45 (82)	-5.62 (89)	0.42 (86)	-0.95 (55)
<b>2</b> Russell 1000 Growth	7.94 (24)	37.21 (27)	37.21 (27)	-1.88 (44)	1.64 (54)	-3.98 (97)

**Atlanta General Employees Pension Fund**  
**Equity Summary Statistics**  
**New Amsterdam Partners**  
**Period Ending 12/09**

	Portfolio	Standard & Poors 500	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	45	500	Express Scripts Inc	2,014,285	3.22	11.43
Equity Market Value	62,571,325		Lowes Cos Inc	1,924,997	3.08	12.16
Average Capitalization \$(000)	38,635,743	81,925,636	US Bancorp Del	1,731,019	2.77	3.20
Median Capitalization \$(000)	23,741,302	8,989,788	Hewlett Packard Co	1,730,736	2.77	9.28
Equity Segment Yield	1.39	1.94	Coach Inc	1,727,869	2.77	11.20
Equity Segment P/E - Average	19.42	30.79	Deere & Co	1,703,835	2.73	26.67
Equity Segment P/E - Median	17.92	16.15	Texas Instrs Inc	1,670,446	2.67	10.57
Equity Segment Beta	1.05	1.00	Nike Inc	1,638,536	2.62	2.54
Price/Book Ratio	2.95	1.96	Goldman Sachs Group	1,620,864	2.59	-8.22
Debt/Equity Ratio	47.65	71.66	Danaher Corp	1,616,800	2.59	11.76
Five Year Earnings Growth	14.63	10.01				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	10.86	11.70	7.96	5.57	0.26	0.00	0.26
Materials	5.53	3.50	2.40	7.32	-0.27	0.02	-0.25
Industrials	11.55	10.20	10.70	5.40	0.61	-0.01	0.60
Consumer Discretionary	14.10	9.17	8.27	8.92	-0.09	0.14	0.05
Consumer Staples	8.63	11.54	3.88	4.99	-0.10	0.03	-0.06
Health Care	11.32	13.11	8.11	8.72	-0.07	-0.05	-0.12
Financials	12.58	15.23	0.46	-3.15	0.45	0.25	0.70
Information Technology	20.59	18.65	7.36	10.83	-0.72	0.09	-0.62
Telecom. Services	2.51	3.17	11.22	9.82	0.04	-0.02	0.01
Utilities	2.33	3.72	13.16	7.25	0.14	-0.02	0.12
	100.00	100.00	6.81	6.12	0.26	0.44	0.70

Stock Selection Return Attribution  
[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]  
Sector Selection Return Attribution  
[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]  
Trading Effect -1.18%  
[ Actual Return 5.63% ] - [ Buy Hold Return 6.81% ]

# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>Union Heritage Capital</b>							
Total Return	6.33	21.17	21.17	-5.49	-0.51	1.52	2.57
Total Return (Net of Fees)	6.20	20.57	20.57	-5.95	-0.97	1.05	2.09
Standard & Poors 500	6.04	26.45	26.45	-10.74	-5.62	0.42	-0.95
Variance	0.16	-5.88	-5.88	4.79	4.64	0.63	3.05
Russell 1000 Value	4.22	19.69	19.69	-13.06	-8.96	-0.26	2.47

## UNION HERITAGE CAPITAL Large Cap Value Equity

### OBJECTIVE

Out perform the S&P 500 by 100 basis points net of management fees over a full market cycle (approximately 5 years).

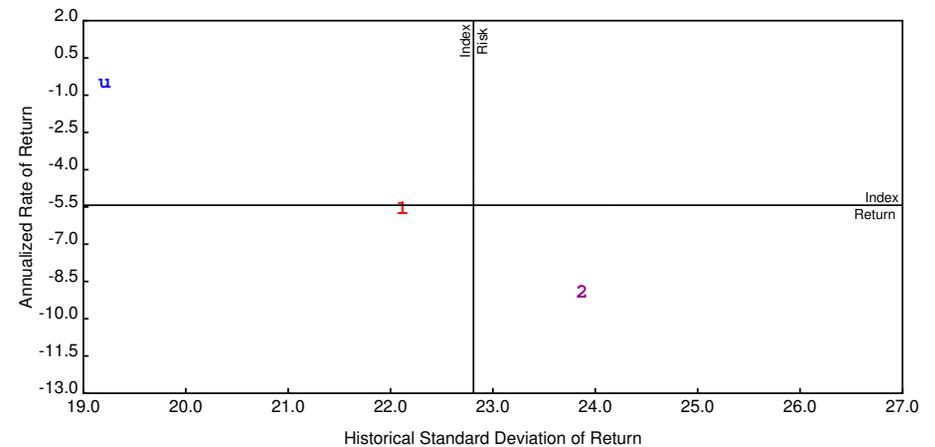
The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

### STRATEGY

Union Heritage utilizes a bottom-up, growth a a reasonable price approach. The manager attempts to identify securities with the following characteristics:

- 1) Undervalued P/E Assessment
- 2) Strong Earnings Momentum
- 3) EPS Growth above 10%
- 4) Market Capitalization Range - \$2 to \$70 Billion

Return vs Risk  
Total Returns



	Annualized Return	Standard Deviation
u Union Heritage Capital	-0.51	19.24
1 Standard & Poors 500	-5.62	22.15
2 Russell 1000 Value	-8.96	23.90
Russell 3000	-5.43	22.81

### CONCLUSIONS/RECOMMENDATIONS

Union Heritage performed in the top half of the Total Equity Universe in the fourth quarter 2009. Strong stock selection in the Information Technology, Consumer Staples, and Utilities sectors produced returns well above the median of their peer group. Manager ranked in-line with the Standard & Poors 500 Index.

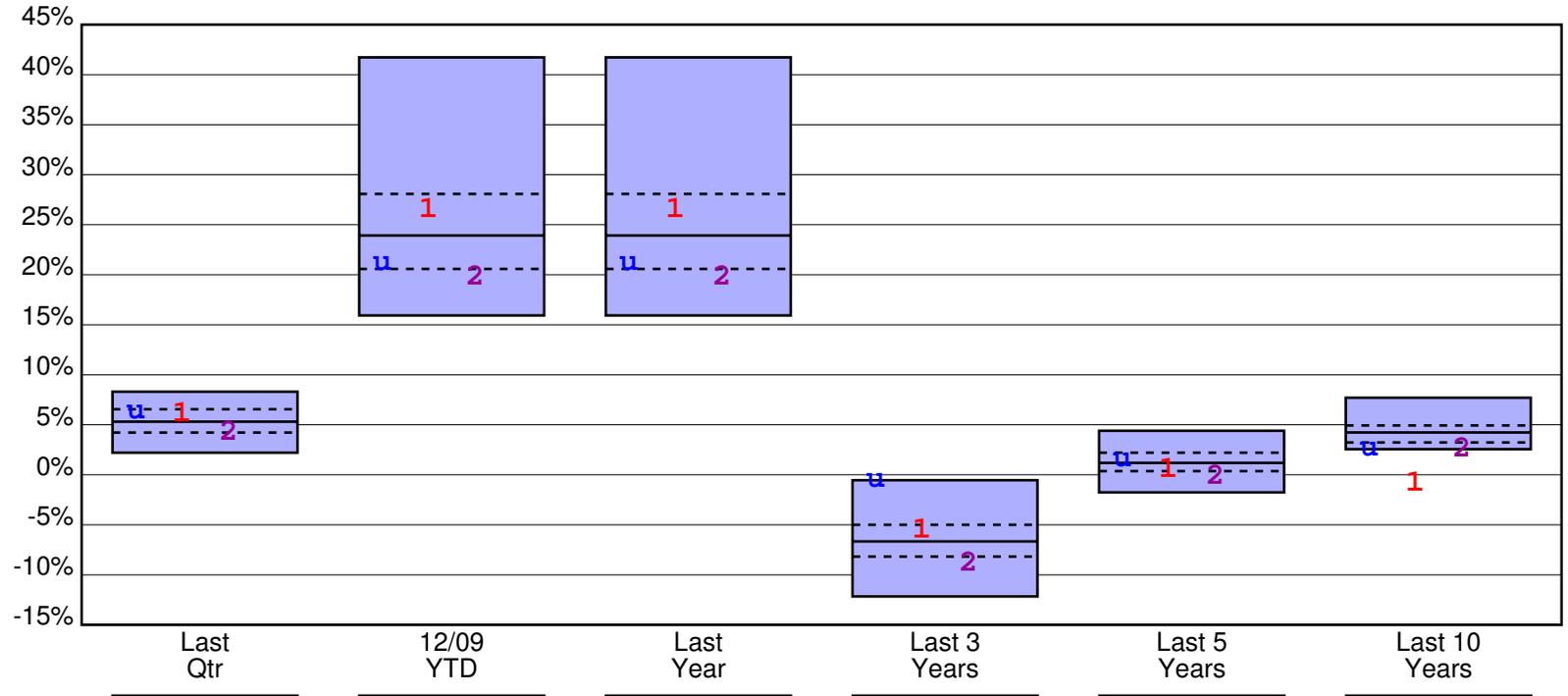
Long term, manager has exceeded their objective regarding the S&P 500 in most periods and has mixed results compared to the median of their peer group.

# Atlanta General Employees Pension Fund

## Large Value Cumulative Performance Comparisons

### Total Returns of Equity Portfolios

#### Periods Ending 12/09



	Last Qtr	12/09 YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
5th Percentile	8.30	41.73	41.73	-0.54	4.40	7.70
25th Percentile	6.55	28.08	28.08	-5.00	2.21	4.93
Median	5.31	23.92	23.92	-6.66	1.19	4.23
75th Percentile	4.22	20.58	20.58	-8.18	0.37	3.23
95th Percentile	2.21	15.93	15.93	-12.16	-1.76	2.56
<b>u</b> Union Heritage Capital	6.33 (29)	21.17 (71)	21.17 (71)	-0.51 (4)	1.52 (40)	2.57 (93)
<b>1</b> Standard & Poors 500	6.04 (33)	26.45 (31)	26.45 (31)	-5.62 (36)	0.42 (72)	-0.95 (100)
<b>2</b> Russell 1000 Value	4.22 (75)	19.69 (84)	19.69 (84)	-8.96 (84)	-0.26 (87)	2.47 (95)

**Atlanta General Employees Pension Fund**  
**Equity Summary Statistics**  
**Union Heritage Capital**  
**Period Ending 12/09**

	Portfolio	Standard & Poors 500	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	39	500	Autozone Inc	774,543	4.06	8.10
Equity Market Value	19,090,406		Oracle Systems Corp	757,977	3.98	18.04
Average Capitalization \$(000)	65,390,821	81,925,636	Occidental Pete Corp	740,285	3.88	4.21
Median Capitalization \$(000)	25,678,766	8,989,788	Microsoft Corp	688,848	3.61	18.28
Equity Segment Yield	1.56	1.94	Apollo Group Inc	666,380	3.50	-17.77
Equity Segment P/E - Average	18.17	30.79	Nike Inc	654,093	3.43	2.54
Equity Segment P/E - Median	16.56	16.15	Amphenol Corp New	646,520	3.39	22.60
Equity Segment Beta	0.81	1.00	Kellogg Co	601,160	3.15	8.83
Price/Book Ratio	3.50	1.96	Wal Mart Stores Inc	587,950	3.08	9.43
Debt/Equity Ratio	38.80	71.66	Fiserv Inc	572,064	3.00	0.58
Five Year Earnings Growth	9.65	10.01				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	9.13	11.70	4.96	5.57	-0.06	0.01	-0.04
Materials	0.00	3.50		7.32	0.00	-0.04	-0.04
Industrials	7.14	10.20	4.81	5.40	-0.04	0.02	-0.02
Consumer Discretionary	19.39	9.17	4.55	8.92	-0.85	0.29	-0.56
Consumer Staples	17.41	11.54	7.18	4.99	0.38	-0.07	0.32
Health Care	16.36	13.11	8.16	8.72	-0.09	0.08	-0.01
Financials	12.34	15.23	-0.35	-3.15	0.35	0.27	0.61
Information Technology	16.23	18.65	12.34	10.83	0.24	-0.11	0.13
Telecom. Services	0.00	3.17		9.82	0.00	-0.12	-0.12
Utilities	2.00	3.72	8.89	7.25	0.03	-0.02	0.01
	100.00	100.00	6.40	6.12	-0.03	0.32	0.28

Stock Selection Return Attribution  
[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]  
Sector Selection Return Attribution  
[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]  
Trading Effect 0.48%  
[ Actual Return 6.88% ] - [ Buy Hold Return 6.40% ]

# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>Madison Square Investors</b>							
Total Return	4.97	38.19	38.19	-9.93	-4.93		
Total Return (Net of Fees)	4.84	37.54	37.54	-10.36	-5.34		
Russell MidCap	5.93	40.47	40.47	-9.32	-4.60		
Variance	-0.96	-2.28	-2.28	-0.61	-0.33		

## MADISON SQUARE INVESTORS (NY LIFE) Mid Cap Core Equity

### OBJECTIVE

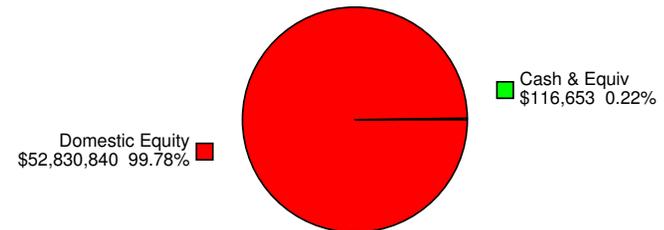
Out perform the Russell Mid Cap Index by 100 basis points net of management fees over a full market cycle (approximately 5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

### STRATEGY

New York Life attempts to add value based on their proprietary quantitative factor-based model. The manager enhances returns through bottom-up stock selection and trading techniques.

Asset Allocation  
Madison Square Investors  
December 31, 2009      \$52,947,493

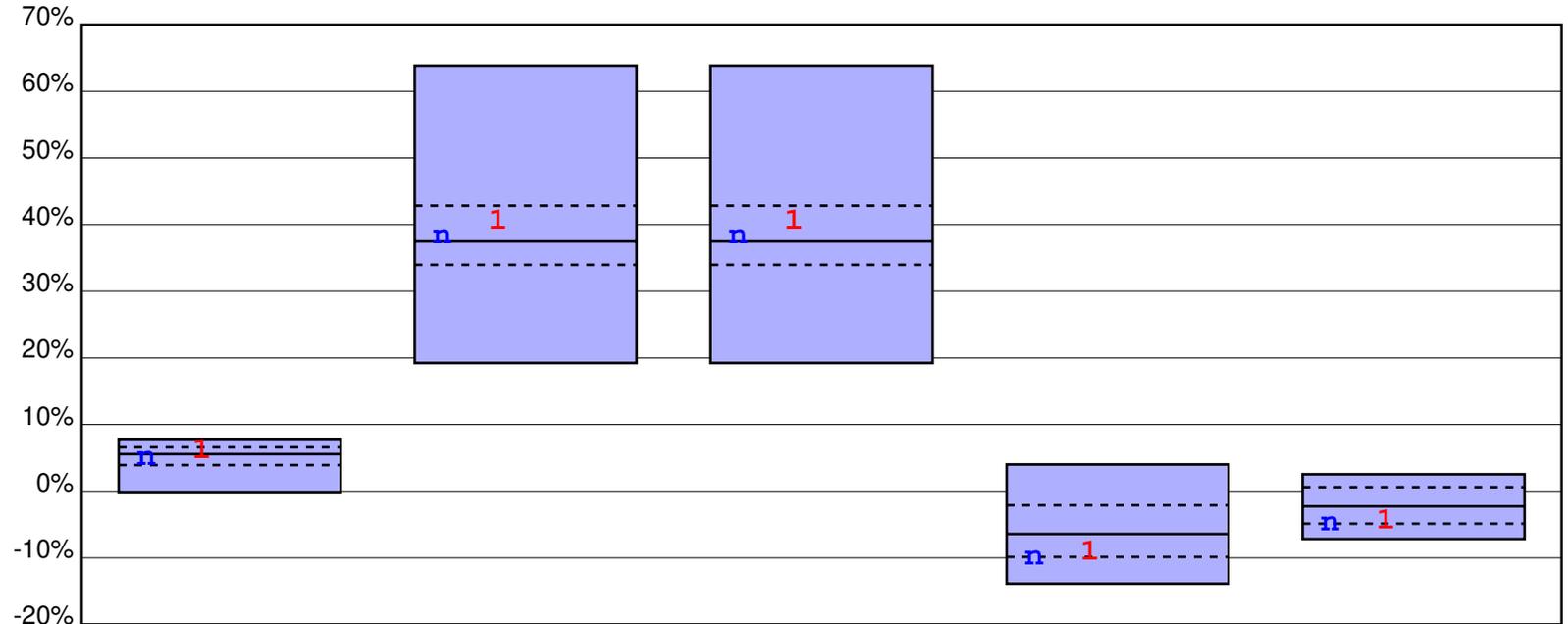


### CONCLUSIONS/RECOMMENDATIONS

Madison Square underperformed the Russell MidCap Index and placed Manager in the bottom half of the Universe. In the fourth quarter, an underweight in Utilities, Communications, and overweight in Consumer Discretionary stocks detracted from performance. Stock selection within the Financials sector also hurt relative performance.

Manager has underperformed the Russell MidCap Index and the median of their peer group over the last three years.

# Atlanta General Employees Pension Fund Midcap Neutral Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 12/09



	Last Qtr	12/09 YTD	Last Year	Last 2 Years	Last 3 Years
5th Percentile	7.85	63.85	63.85	4.01	2.54
25th Percentile	6.58	42.83	42.83	-2.11	0.61
Median	5.56	37.47	37.47	-6.42	-2.27
75th Percentile	3.92	33.97	33.97	-9.87	-4.87
95th Percentile	-0.12	19.23	19.23	-13.88	-7.17
<b>n</b> Madison Square Investors	4.97 (61)	38.19 (45)	38.19 (45)	-9.93 (75)	-4.93 (75)
<b>1</b> Russell MidCap	5.93 (32)	40.47 (32)	40.47 (32)	-9.32 (65)	-4.60 (65)

**Atlanta General Employees Pension Fund**  
**Equity Summary Statistics**  
**Madison Square Investors**  
**Period Ending 12/09**

	<u>Portfolio</u>	<u>Russell MidCap</u>	<u>Ten Largest Holdings</u>	<u>Mkt Value</u>	<u>% of Port</u>	<u>Quarterly Ret</u>
Total Number Of Securities	224	772	Affiliated Computer	1,358,186	2.53	10.19
Equity Market Value	52,830,840		Micron Technology In	585,510	1.09	28.78
Average Capitalization \$(000)	5,521,267	6,283,314	International Paper	561,898	1.04	20.59
Median Capitalization \$(000)	3,926,496	3,465,303	Western Digital Corp	559,204	1.04	20.86
Equity Segment Yield	1.27	1.58	Public Storage Inc	540,828	1.01	9.02
Equity Segment P/E - Average	67.02	78.87	Forest Labs Inc	527,535	0.98	9.07
Equity Segment P/E - Median	13.65	15.80	Quest Diagnostics In	517,940	0.96	15.69
Equity Segment Beta	1.22	1.19	Computer Sciences Co	506,494	0.94	9.14
Price/Book Ratio	1.86	1.96	Humana Inc	496,528	0.92	17.67
Debt/Equity Ratio	43.45	50.15	Annaly Mtg Mgmt Inc	482,556	0.90	-0.33
Five Year Earnings Growth	5.17	5.92				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	8.24	7.62	6.59	5.88	0.06	-0.00	0.06
Materials	7.09	6.16	9.71	7.75	0.14	0.02	0.16
Industrials	12.50	12.56	3.19	4.87	-0.21	0.00	-0.21
Consumer Discretionary	18.89	15.29	2.51	4.76	-0.42	-0.04	-0.47
Consumer Staples	4.38	6.62	3.07	3.37	-0.01	0.06	0.04
Health Care	9.39	8.67	11.29	8.48	0.26	0.02	0.28
Financials	15.06	19.14	-0.83	1.66	-0.37	0.17	-0.20
Information Technology	19.38	14.73	9.77	10.89	-0.22	0.23	0.01
Telecom. Services	1.03	1.76	10.84	12.60	-0.02	-0.05	-0.07
Utilities	4.03	7.45	-6.21	7.61	-0.56	-0.06	-0.61
	100.00	100.00	4.93	5.93	-1.35	0.35	-1.00

Stock Selection Return Attribution  
[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]  
Sector Selection Return Attribution  
[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]  
Trading Effect 0.03%  
[ Actual Return 4.96% ] - [ Buy Hold Return 4.93% ]

# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

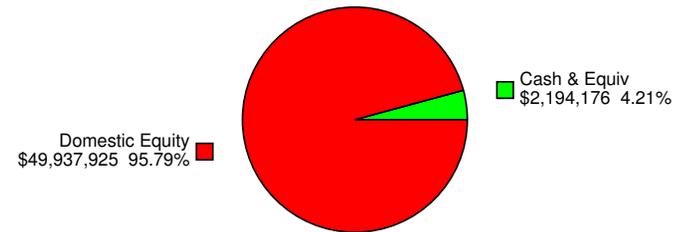
Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>IShares Russell Mid Cap Value Fund</b>							
Total Return	4.84	31.70	31.70				
Total Return (Net of Fees)	4.84	31.70	31.70				
Russell MidCap Value	5.20	34.20	34.20				
Variance	-0.36	-2.50	-2.50				

## IShares Russell Mid Cap Value Fund Mid Cap Core Equity

**OBJECTIVE:** Track the return of the Russell Midcap Value Index.

## Asset Allocation IShares Russell Mid Cap Value Fund

December 31, 2009      \$52,132,101

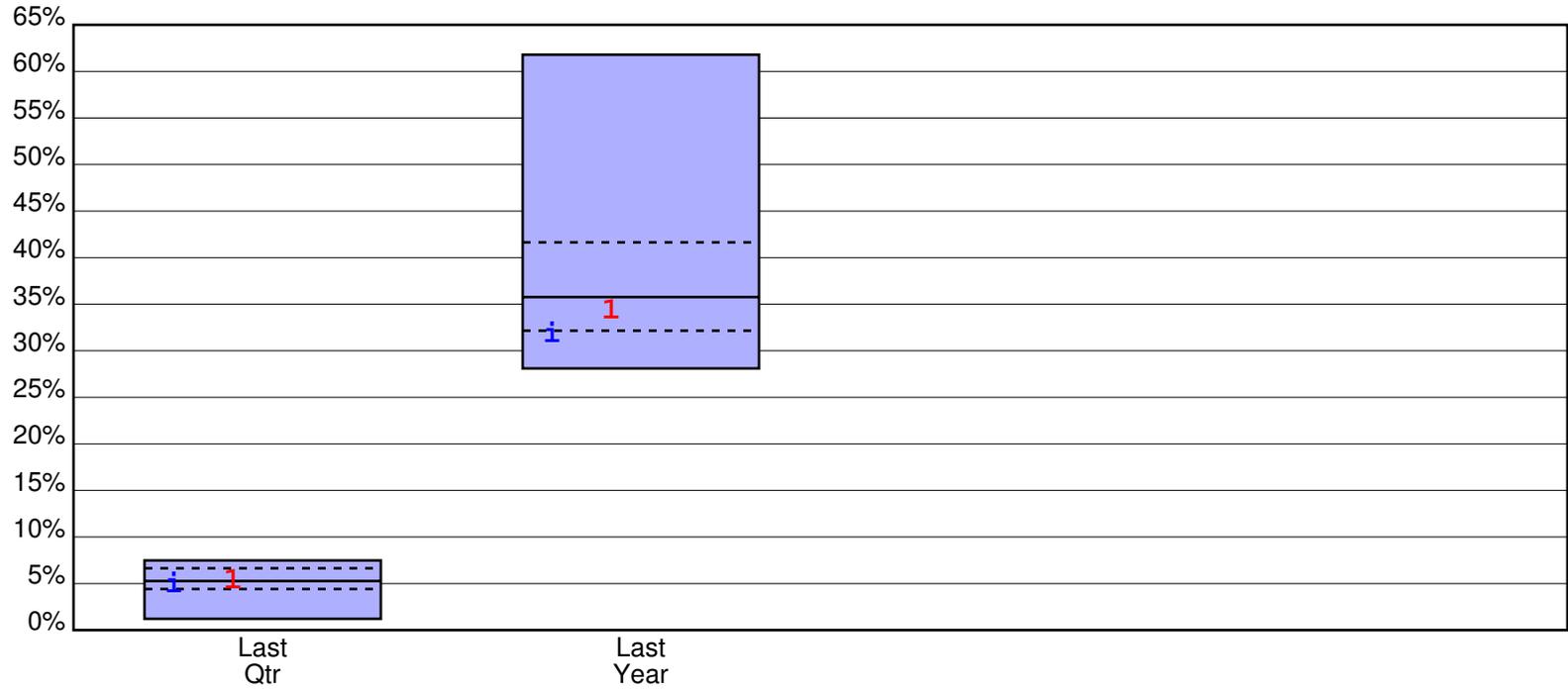


### CONCLUSIONS/RECOMMENDATIONS

The IShares underperformed the Russell MidCap Value and the median of MidCap Value Managers in the fourth quarter of 2009.

Ceredex has been hired to replace the IShares portfolio.

# Atlanta General Employees Pension Fund Midcap Value Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 12/09



	Last Qtr	Last Year
5th Percentile	7.48	61.80
25th Percentile	6.64	41.64
Median	5.27	35.77
75th Percentile	4.41	32.16
95th Percentile	1.21	28.10

<span style="color: blue;">i</span> IShares Russell Mid Cap Value F	4.84 (70)	31.70 (79)
<span style="color: red;">1</span> Russell MidCap Value	5.20 (62)	34.20 (50)

# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>Wellington Mgmt</b>							
Total Return	5.29	35.22	35.22	-10.45	-5.57		
Total Return (Net of Fees)	5.29	34.58	34.58	-10.98	-6.14		
S&P Midcap 400	5.56	37.38	37.38	-6.40	-1.83		
Variance	-0.27	-2.16	-2.16	-4.05	-3.73		

## WELLINGTON MGMT Mid Cap Core Equity

### OBJECTIVE

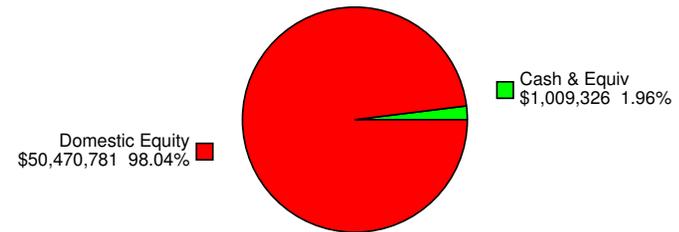
Out perform the S&P Mid Cap 400 Index by 100 basis points net of management fees over a full market cycle (approximately 5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

### STRATEGY

Wellington combines fundamental research with quantitative valuation techniques. The manager utilizes a disciplined portfolio construction process to ensure that the portfolio characteristics are consistent with the benchmark. The quantitative multi-factor model uses value and momentum themes to rank stocks within each sector. Factor selection and weights are developed by demonstrated long-term profitability and consistency of the factor within the sector.

Asset Allocation  
Wellington Mgmt  
December 31, 2009      \$51,480,107



### CONCLUSIONS/RECOMMENDATIONS

Wellington underperformed the S&P MidCap 400 Index and the median of their peers in the fourth quarter 2009. Underperformance is primarily attributed to poor stock selection in the Financials, Consumer Discretionary, and Industrials sectors.

Over the past three years, manager has underperformed the S&P Midcap 400 and the median of their peer group.

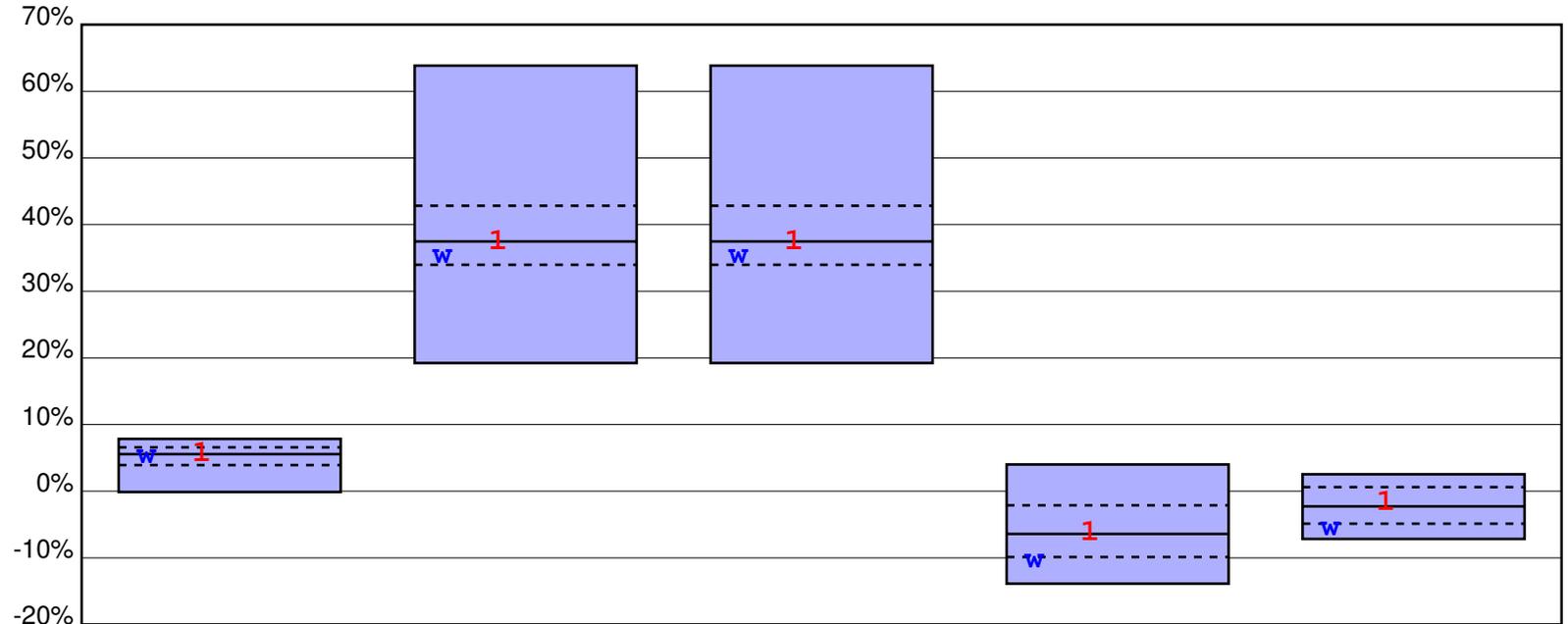
**Manager has been placed on probation.**

# Atlanta General Employees Pension Fund

## Midcap Neutral Cumulative Performance Comparisons

### Total Returns of Equity Portfolios

#### Periods Ending 12/09



	Last Qtr	12/09 YTD	Last Year	Last 2 Years	Last 3 Years
5th Percentile	7.85	63.85	63.85	4.01	2.54
25th Percentile	6.58	42.83	42.83	-2.11	0.61
Median	5.56	37.47	37.47	-6.42	-2.27
75th Percentile	3.92	33.97	33.97	-9.87	-4.87
95th Percentile	-0.12	19.23	19.23	-13.88	-7.17
<b>w</b> Wellington Mgmt	5.29 (56)	35.22 (72)	35.22 (72)	-10.45 (77)	-5.57 (78)
<b>1</b> S&P Midcap 400	5.56 (50)	37.38 (51)	37.38 (51)	-6.40 (47)	-1.83 (43)

**Atlanta General Employees Pension Fund**  
**Equity Summary Statistics**  
**Wellington Mgmt**  
**Period Ending 12/09**

	<u>Portfolio</u>	<u>S&amp;P Midcap 400</u>	<u>Ten Largest Holdings</u>	<u>Mkt Value</u>	<u>% of Port</u>	<u>Quarterly Ret</u>
Total Number Of Securities	169	400	Netflix Com Inc	1,034,978	2.04	19.43
Equity Market Value	50,470,781		Ross Stores Inc	781,593	1.54	-10.37
Average Capitalization \$(000)	3,897,440	2,978,735	Itt Educational Serv	731,215	1.44	-13.09
Median Capitalization \$(000)	3,330,300	2,265,108	UGI Corp New	717,234	1.42	-2.68
Equity Segment Yield	0.99	1.43	Everest Re Group Ltd	711,144	1.40	-1.75
Equity Segment P/E - Average	48.15	71.31	Beckman Coulter Inc	693,664	1.37	-4.82
Equity Segment P/E - Median	14.77	17.11	Oge Energy Corp	638,197	1.26	12.73
Equity Segment Beta	1.18	1.15	Alliance Data System	603,917	1.19	5.75
Price/Book Ratio	2.08	1.98	Parker Hannifin Corp	554,964	1.10	4.40
Debt/Equity Ratio	40.04	46.00	Nabors Industries Lt	538,494	1.06	4.74
Five Year Earnings Growth	8.63	5.09				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	8.85	6.56	9.31	5.37	0.35	-0.01	0.34
Materials	5.44	6.78	4.81	7.09	-0.12	-0.02	-0.14
Industrials	16.86	15.07	2.48	6.05	-0.60	0.01	-0.60
Consumer Discretionary	14.74	15.74	2.27	5.22	-0.43	0.01	-0.43
Consumer Staples	4.81	3.53	7.29	1.42	0.28	-0.06	0.23
Health Care	11.00	11.92	9.39	5.69	0.41	0.00	0.41
Financials	14.06	18.26	-1.64	4.88	-0.92	0.04	-0.88
Information Technology	15.51	15.53	12.24	5.90	0.98	-0.00	0.98
Telecom. Services	0.78	0.57	9.89	5.62	0.03	-0.00	0.03
Utilities	7.96	6.06	8.09	10.16	-0.16	0.08	-0.08
	100.00	100.00	5.61	5.75	-0.19	0.05	-0.14

Stock Selection Return Attribution  
[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]  
Sector Selection Return Attribution  
[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]  
Trading Effect -0.19%  
[ Actual Return 5.42% ] - [ Buy Hold Return 5.61% ]

# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>EARNEST Partners Small Cap</b>							
Total Return	5.26	35.22	35.22	-5.54	-5.13	-0.25	9.91
Total Return (Net of Fees)	5.13	34.52	34.52	-6.01	-5.64	-0.81	9.24
Russell 2000	3.88	27.19	27.19	-8.24	-6.06	0.51	3.51
Variance	1.39	8.03	8.03	2.70	0.93	-0.76	6.40
Russell 2000 Value	3.63	20.57	20.57	-7.43	-8.22	-0.01	8.27

## EARNEST PARTNERS Small Cap Value Equity

### OBJECTIVE

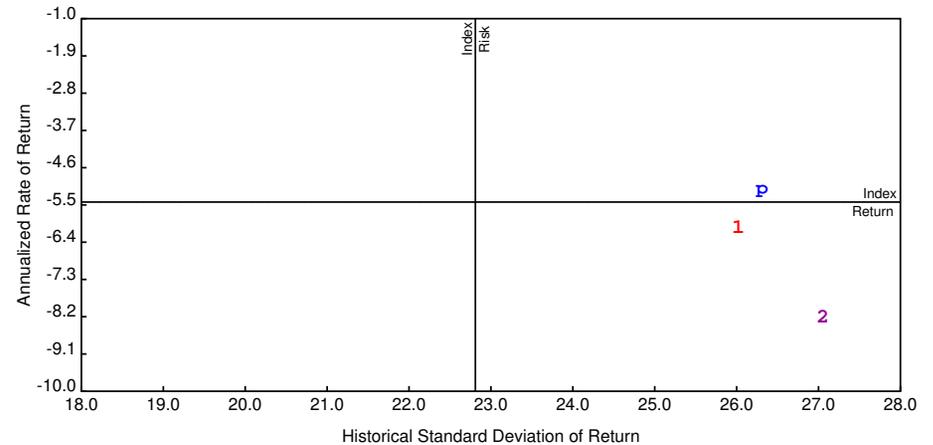
Out perform the Russell 2000 Index by 100 basis points net of management fees over a full market cycle (approximately 5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

### STRATEGY

EARNEST Partners attempts to add value based on their proprietary research and modeling (Return Pattern Recognition) techniques. The model identifies five critical indicators: 1) Growth, 2) Profitability, 3) Valuation, 4) Operating Trends, and 5) Market Trends.

Return vs Risk  
Total Returns



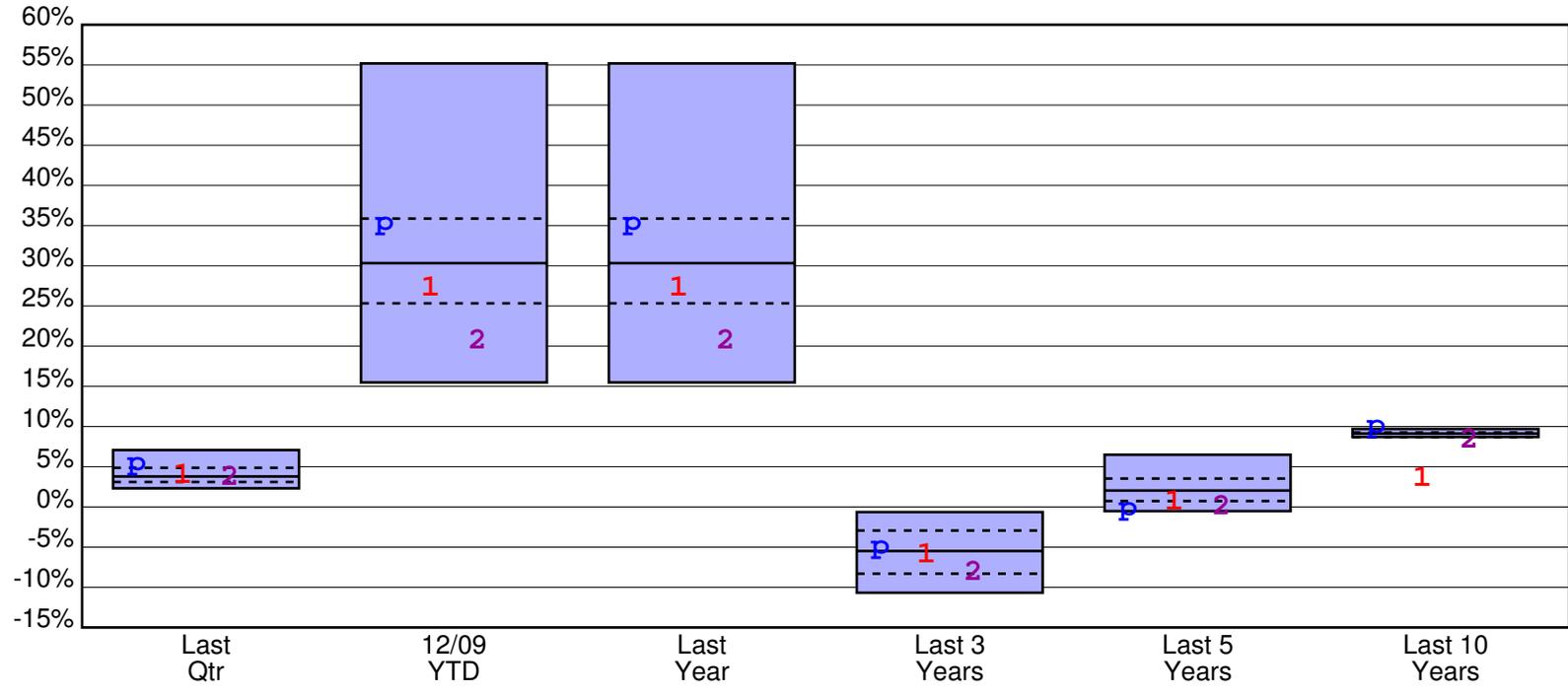
	Annualized Return	Standard Deviation
<b>p</b> EARNEST Partners Small Cap	-5.13	26.35
<b>1</b> Russell 2000	-6.06	26.06
<b>2</b> Russell 2000 Value	-8.22	27.09
Russell 3000	-5.43	22.81

### CONCLUSIONS/RECOMMENDATIONS

EARNEST Partners' stock selection delivered performance that was well above the Russell 2000 and ranked Manager in the top quartile of their peer group in the fourth quarter of 2009.

Long term, manager has mixed results with respect to their objectives compared to the Russell 2000 Index and the median of their peer group.

# Atlanta General Employees Pension Fund Small Value Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 12/09



	Last Qtr	12/09 YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
5th Percentile	7.08	55.19	55.19	-0.64	6.50	9.70
25th Percentile	4.87	35.88	35.88	-2.94	3.53	9.26
Median	3.79	30.34	30.34	-5.48	2.04	9.13
75th Percentile	3.11	25.34	25.34	-8.31	0.73	8.70
95th Percentile	2.32	15.49	15.49	-10.68	-0.52	8.70
<b>P</b> EARNEST Partners Small Cap	5.26 (20)	35.22 (30)	35.22 (30)	-5.13 (39)	-0.25 (91)	9.91 (1)
<b>1</b> Russell 2000	3.88 (48)	27.19 (57)	27.19 (57)	-6.06 (56)	0.51 (75)	3.51 (99)
<b>2</b> Russell 2000 Value	3.63 (54)	20.57 (91)	20.57 (91)	-8.22 (72)	-0.01 (75)	8.27 (99)

Returns for periods greater than one year are annualized.

**Atlanta General Employees Pension Fund**  
**Equity Summary Statistics**  
**EARNEST Partners Small Cap**  
**Period Ending 12/09**

	Portfolio	Russell 2000	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	48	2,007	Sanmina Sci Corp	1,396,674	3.62	28.26
Equity Market Value	38,591,571		Whiting Pete Corp Ne	1,321,825	3.43	24.09
Average Capitalization \$(000)	2,370,740	1,020,977	Cabot Oil & Gas Corp	1,242,315	3.22	22.02
Median Capitalization \$(000)	1,418,039	395,987	Blackboard Inc	1,207,374	3.13	20.14
Equity Segment Yield	0.70	1.22	Bucyrus Intl Inc New	1,138,674	2.95	58.34
Equity Segment P/E - Average	66.55	886.13	Raymond James Finl I	1,115,407	2.89	2.57
Equity Segment P/E - Median	15.85	11.90	Jefferies Group Inc	1,086,834	2.82	-12.85
Equity Segment Beta	1.31	1.26	St Mary Ld & Expl Co	1,068,288	2.77	5.64
Price/Book Ratio	1.55	1.65	Republic Svcs Inc	1,065,730	2.76	7.26
Debt/Equity Ratio	36.03	31.66	Sonicwall Inc	1,008,325	2.61	-9.40
Five Year Earnings Growth	9.33	3.52				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	12.59	4.94	13.54	6.91	0.83	0.24	1.08
Materials	3.43	4.41	-4.62	10.01	-0.50	-0.06	-0.56
Industrials	21.96	15.85	4.72	3.84	0.19	0.01	0.20
Consumer Discretionary	7.90	13.54	-0.45	3.72	-0.33	0.00	-0.33
Consumer Staples	2.01	3.37	11.79	7.75	0.08	-0.05	0.03
Health Care	11.90	14.03	6.25	2.60	0.43	0.02	0.46
Financials	14.21	20.21	2.25	1.81	0.06	0.12	0.18
Information Technology	24.13	19.44	2.45	3.13	-0.17	-0.03	-0.19
Telecom. Services	1.87	1.05	26.38	2.56	0.45	-0.01	0.44
Utilities	0.00	3.16		7.02	0.00	-0.10	-0.10
	100.00	100.00	4.93	3.74	1.05	0.13	1.19

Stock Selection Return Attribution  
[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]  
Sector Selection Return Attribution  
[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]  
Trading Effect 0.42%  
[ Actual Return 5.35% ] - [ Buy Hold Return 4.93% ]

# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>Jennison</b>							
Total Return	6.10	32.99	32.99	-7.78	-2.73		
Total Return (Net of Fees)	6.10	32.99	32.99	-7.78	-3.02		
Russell 2000	3.88	27.19	27.19	-8.24	-6.06		
Variance	2.22	5.81	5.81	0.46	3.33		

## JENNISON Small Cap Core Equity

### OBJECTIVE

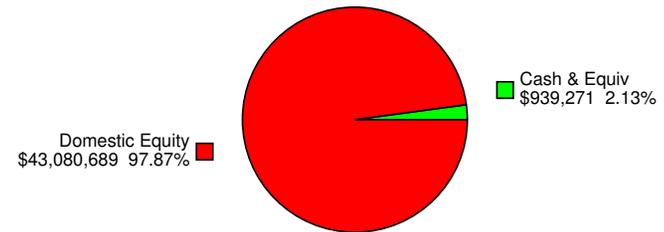
Out perform the Russell 2000 Index by 100 basis points net of management fees over a full market cycle (approximately 5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

### STRATEGY

Jennison uses a bottom-up, research intensive approach to construct diversified portfolios of companies with attractive valuations and projected superior earnings growth on an intermediate term basis.

Asset Allocation  
Jennison  
December 31, 2009      \$44,019,959

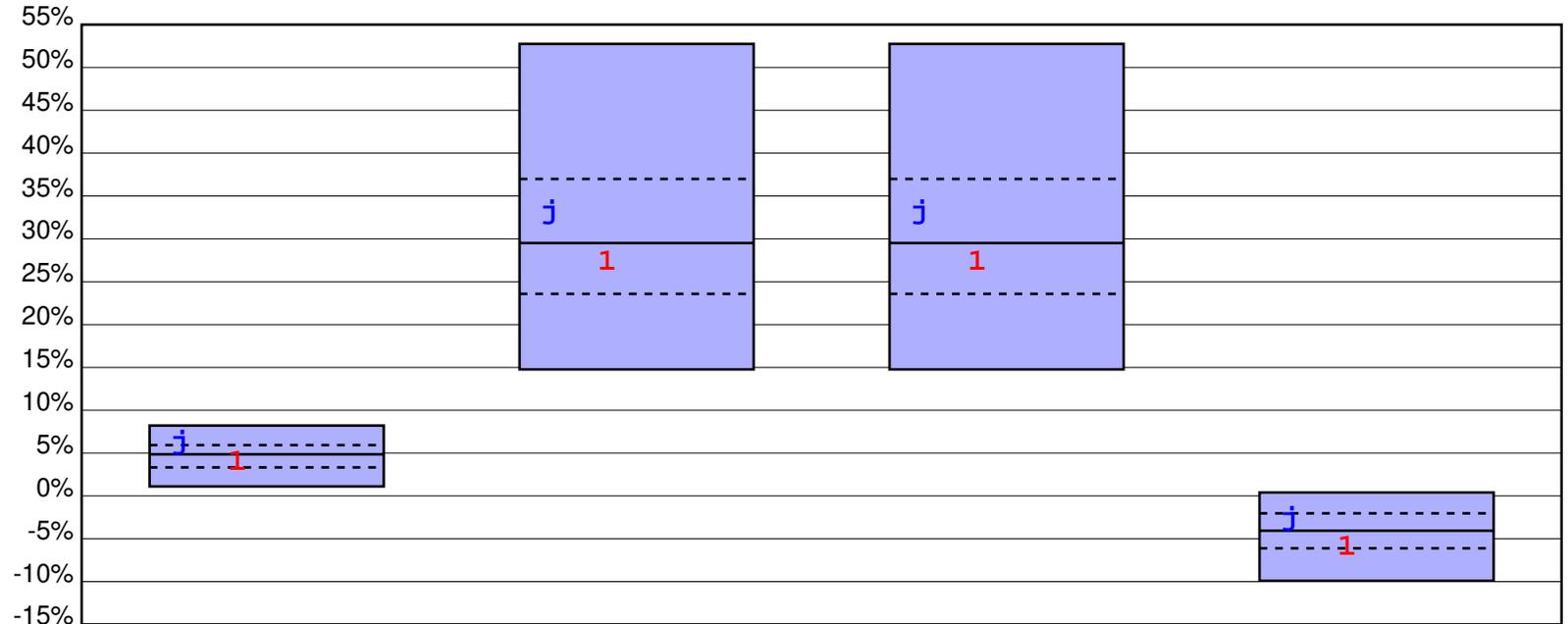


### CONCLUSIONS/RECOMMENDATIONS

In the fourth quarter 2009, Jennison outperformed the Russell 2000 and placed Manager in the top quartile of their universe. Their performance can primarily be attributed to strong stock selection and decisions in eight of the ten sectors in which manager invested.

Long term, manager has met the performance objective versus the benchmark and has performed above the median of their peer group in all time periods measured.

# Atlanta General Employees Pension Fund Small Neutral Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 12/09



	Last Qtr	12/09 YTD	Last Year	Last 3 Years
5th Percentile	8.21	52.75	52.75	0.41
25th Percentile	5.93	36.99	36.99	-2.03
Median	4.86	29.51	29.51	-4.05
75th Percentile	3.33	23.58	23.58	-6.10
95th Percentile	1.11	14.77	14.77	-9.91
<span style="color: blue;">j</span> Jennison	6.10 (20)	32.99 (39)	32.99 (39)	-2.73 (32)
<span style="color: red;">1</span> Russell 2000	3.88 (69)	27.19 (61)	27.19 (61)	-6.06 (72)

**Atlanta General Employees Pension Fund**  
**Equity Summary Statistics**  
**Jennison**  
**Period Ending 12/09**

	Portfolio	Russell 2000	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	111	2,007	Stancorp Finl Group	1,000,500	2.32	1.27
Equity Market Value	43,080,689		Wiley John & Sons In	999,676	2.32	20.81
Average Capitalization \$(000)	1,645,192	1,020,977	Integra Lifesciences	930,534	2.16	7.70
Median Capitalization \$(000)	1,243,941	395,987	Rbc Bearings Inc	878,313	2.04	4.29
Equity Segment Yield	0.88	1.22	Anixter Intl Inc	871,350	2.02	17.43
Equity Segment P/E - Average	33.65	886.13	Concho Res Inc	835,140	1.94	23.62
Equity Segment P/E - Median	18.75	11.90	United Nat Foods Inc	775,460	1.80	11.79
Equity Segment Beta	1.22	1.26	Netgear Inc	775,005	1.80	18.20
Price/Book Ratio	2.27	1.65	Berkley W R Corp	756,448	1.76	-2.29
Debt/Equity Ratio	43.70	31.66	Commscope Inc	753,452	1.75	-11.36
Five Year Earnings Growth	13.98	3.52				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	7.57	4.94	11.60	6.91	0.35	0.08	0.44
Materials	2.40	4.41	0.38	10.01	-0.23	-0.13	-0.36
Industrials	14.38	15.85	4.47	3.84	0.09	-0.00	0.09
Consumer Discretionary	12.02	13.54	6.77	3.72	0.37	0.00	0.37
Consumer Staples	6.00	3.37	9.70	7.75	0.12	0.11	0.22
Health Care	14.64	14.03	6.34	2.60	0.55	-0.01	0.54
Financials	13.20	20.21	0.53	1.81	-0.17	0.14	-0.03
Information Technology	21.15	19.44	5.29	3.13	0.46	-0.01	0.45
Telecom. Services	6.36	1.05	18.46	2.56	1.01	-0.06	0.95
Utilities	2.27	3.16	9.21	7.02	0.05	-0.03	0.02
	100.00	100.00	6.43	3.74	2.59	0.09	2.68

Stock Selection Return Attribution  
[ Portfolio Market Value Sector Percentage ] \* [ Portfolio Sector Return - Index Sector Return ]  
Sector Selection Return Attribution  
[ Portfolio Sector Percentage - Index Sector Percentage ] \* [ Index Sector Return - Index Total Return ]  
Trading Effect -0.22%  
[ Actual Return 6.21% ] - [ Buy Hold Return 6.43% ]

# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>Atlanta Capital</b>							
Total Return	0.07	3.32	3.32	5.89	6.41	5.17	
Total Return (Net of Fees)	0.07	3.23	3.23	5.79	6.30	5.05	
Barclays Int Govt/Credit	0.30	5.24	5.24	5.16	5.90	4.66	
Variance	-0.23	-1.92	-1.92	0.73	0.50	0.51	

## ATLANTA CAPITAL Intermediate Fixed Income

### OBJECTIVE

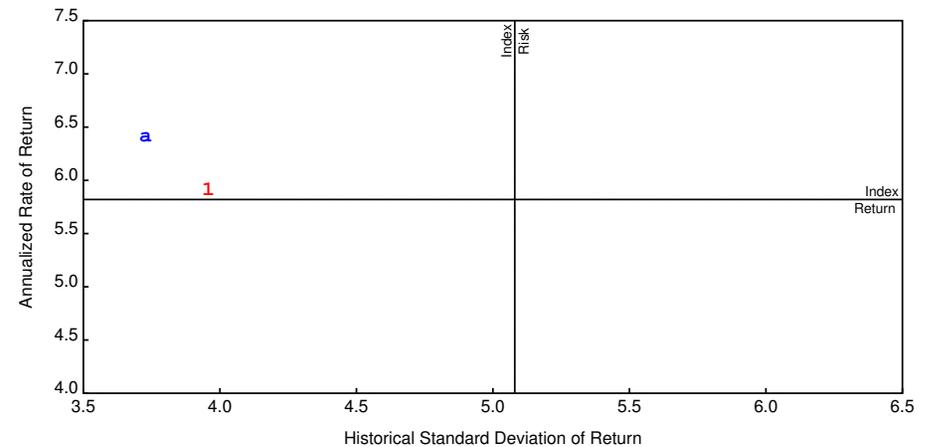
Out perform the BGI Intermediate Government/Credit Index by 50 basis points net of management fees over a full market cycle (approximately 5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

### STRATEGY

Atlanta Capital uses a risk-adjusted security assessment approach. The manager invests in Treasuries and Agencies to manage the duration and provide liquidity, short-term AAA rated mortgages asset-backed securities for additional return, and opportunistically to corporates when spreads compensate lenders for the risk.

Return vs Risk  
Total Returns



	Annualized Return	Standard Deviation
a Atlanta Capital	6.41	3.74
1 Barclays Int Govt/Credit	5.90	3.97
Barclays Govt/Credit	5.82	5.08

### CONCLUSIONS/RECOMMENDATIONS

Atlanta Capital's high quality bias and their underweight in the Corporate sector hurt their performance compared to the Barclays Intermediate Govt./Credit and the median of their peers in the fourth quarter.

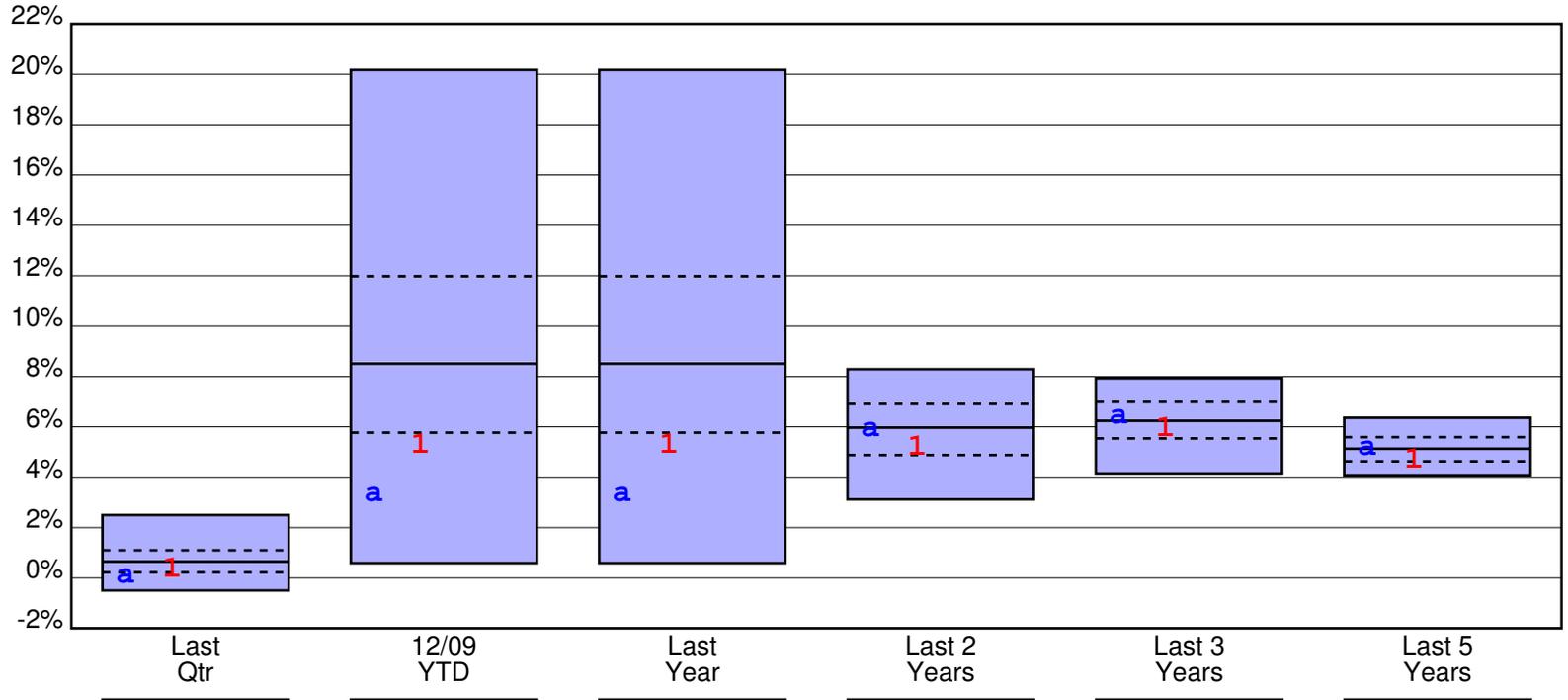
Long term, manager has met the performance objectives compared to the benchmark and has ranked in line with the median of their peer group.

# Atlanta General Employees Pension Fund

## Intermediate Term Cumulative Performance Comparisons

### Total Returns of Fixed Income Portfolios

#### Periods Ending 12/09



5th Percentile  
25th Percentile  
Median  
75th Percentile  
95th Percentile

	Last Qtr	12/09 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	2.50	20.17	20.17	8.29	7.93	6.36
25th Percentile	1.10	11.98	11.98	6.91	6.99	5.59
Median	0.65	8.51	8.51	5.97	6.24	5.13
75th Percentile	0.22	5.77	5.77	4.88	5.54	4.63
95th Percentile	-0.50	0.59	0.59	3.12	4.15	4.08

**a** Atlanta Capital

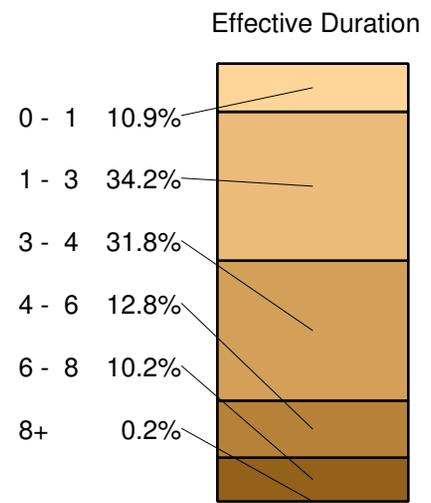
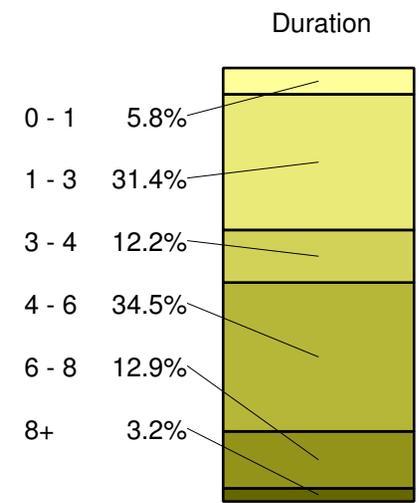
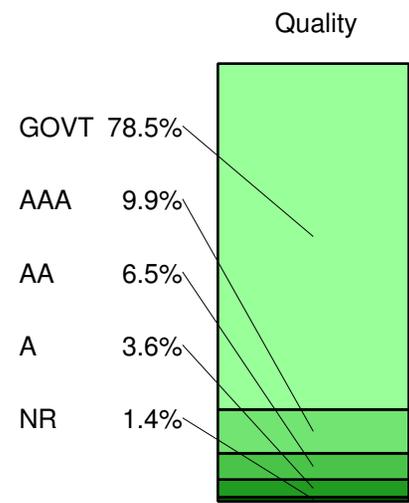
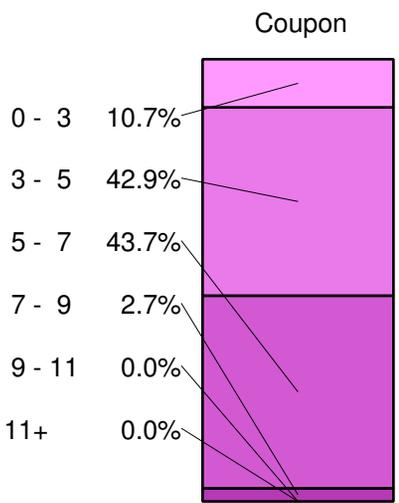
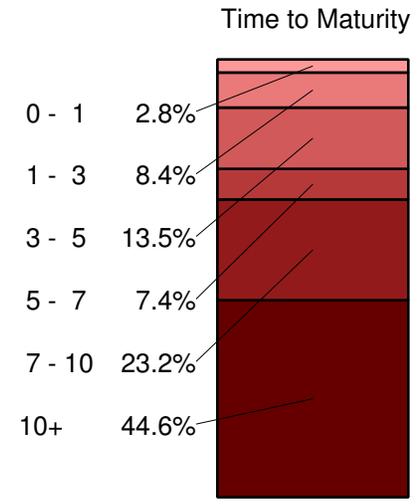
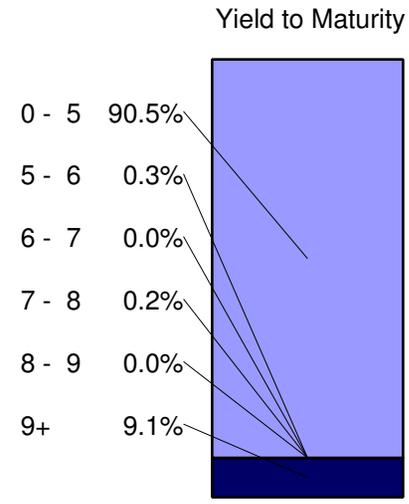
	0.07 (81)	3.32 (87)	3.32 (87)	5.89 (52)	6.41 (43)	5.17 (46)
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**1** Barclays Int Govt/Credit

	0.30 (70)	5.24 (77)	5.24 (77)	5.16 (70)	5.90 (67)	4.66 (74)
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# Atlanta General Employees Pension Fund Fixed Income, Mortgage and Municipals Summary Statistics Atlanta Capital Quarter Ending 12/09

	Portfolio	Barclays Int Govt/Credit
Total Number Of Securities	55	3,664
Total Market Value	150,326,030	
Yield to Maturity	4.45	2.76
Time to Maturity	13.14	4.40
Current Coupon	4.56	3.90
Duration	4.19	3.86
Effective Convexity	-0.33	0.19
Effective Duration	3.26	3.85
Effective Maturity	4.25	4.40



# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>JP Morgan/Bank One</b>							
Total Return	0.10	6.77	6.77	6.56	6.85	5.63	
Total Return (Net of Fees)	0.10	6.77	6.77	6.56	6.78	5.48	
Barclays U.S. Aggregate	0.20	5.93	5.93	5.59	6.04	4.97	
Variance	-0.10	0.84	0.84	0.98	0.81	0.66	

## JP MORGAN/BANK ONE Core Fixed Income

### OBJECTIVE

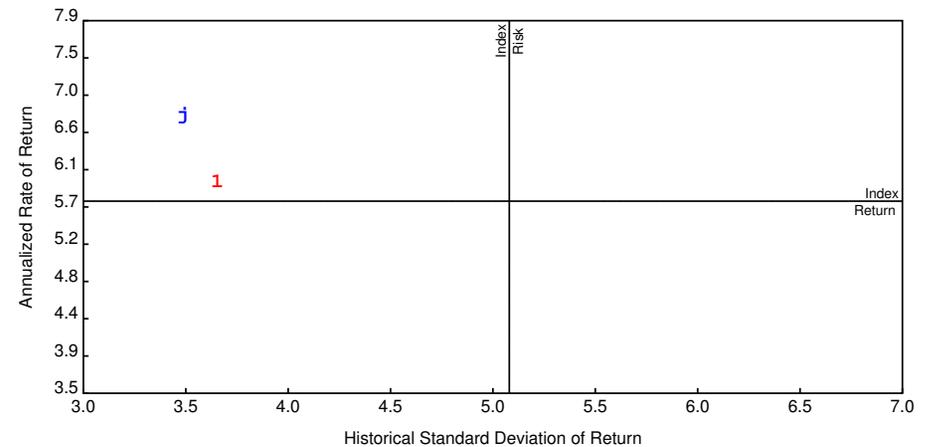
Out perform the BGI Aggregate Index by 50 basis points net of management fees over a full market cycle (approximately 5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

### STRATEGY

JP Morgan attempts to add value by identifying securities that are inefficiently priced through a bottom-up, value-oriented approach. Sector allocations are based on sector risk/return expectations and bottom-up research. Duration management is a function of controlling the risk of the portfolio control. Yield curve management emphasis relative risk/reward relationships. The manager may only invest in investment grade securities.

Return vs Risk  
Total Returns



	Annualized Return	Standard Deviation
j	6.85	3.50
1	6.04	3.67
Barclays Govt/Credit	5.82	5.08

### CONCLUSIONS/RECOMMENDATIONS

J.P. Morgan underperformed the Barclay's Aggregate and ranked below the median of their peer group in the fourth quarter of 2009.

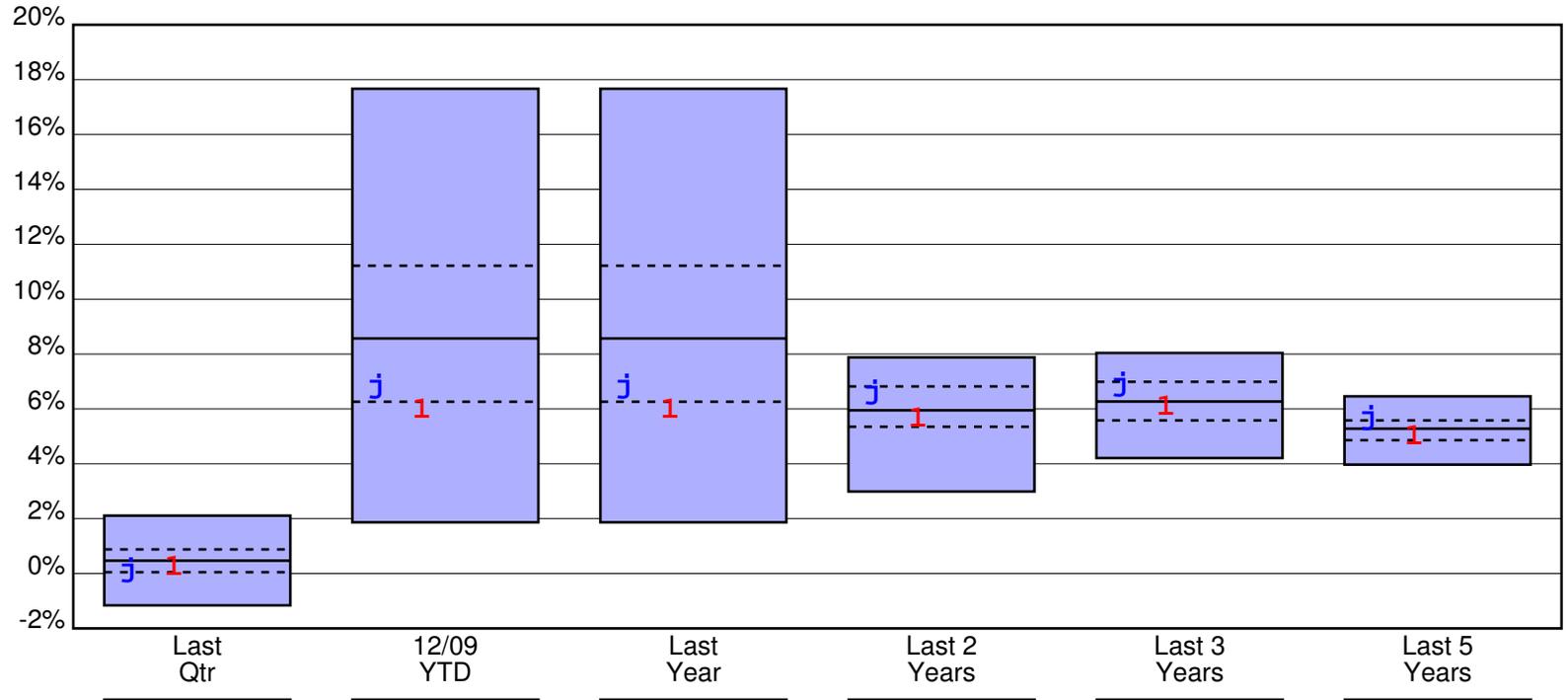
Long term, manager has met their performance objectives compared to the benchmark and ranks in the the top quartile of their peer group.

# Atlanta General Employees Pension Fund

## Fixed Income Core Cumulative Performance Comparisons

### Total Returns of Fixed Income Portfolios

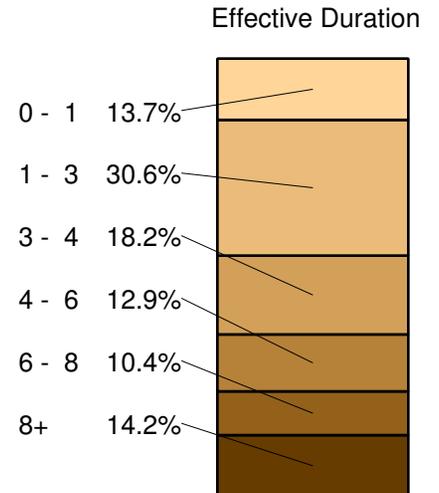
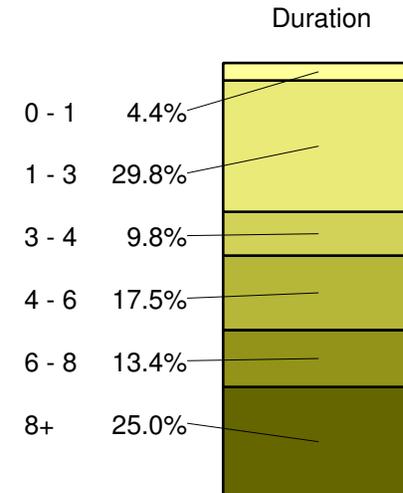
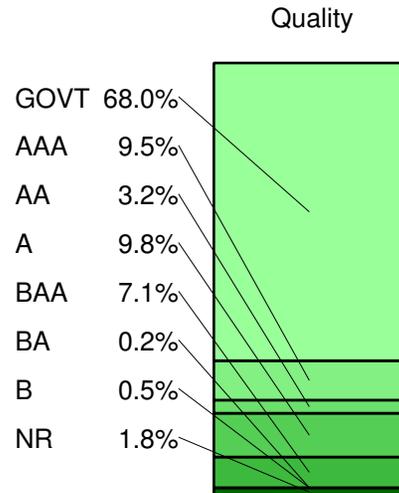
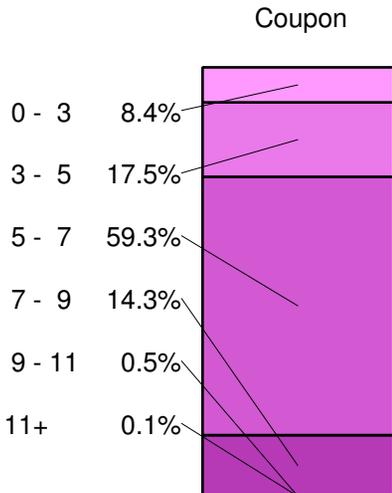
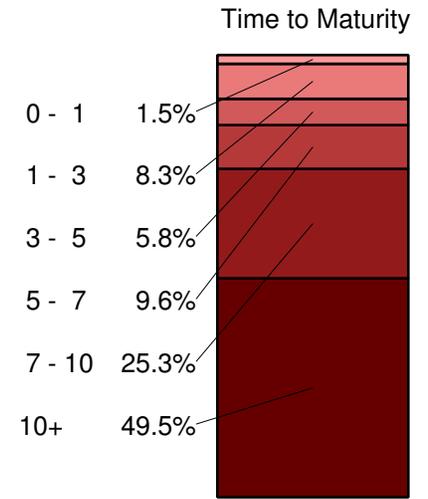
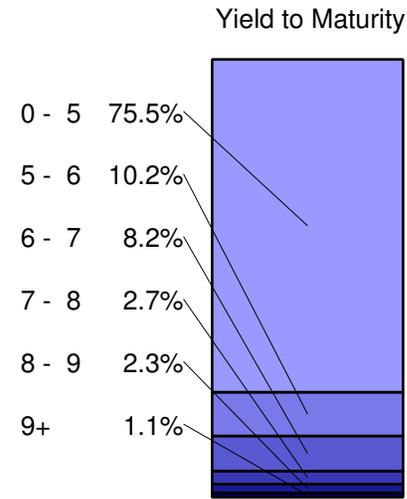
#### Periods Ending 12/09



	Last Qtr	12/09 YTD	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	2.11	17.67	17.67	7.88	8.04	6.46
25th Percentile	0.88	11.22	11.22	6.82	6.99	5.58
Median	0.47	8.57	8.57	5.95	6.27	5.28
75th Percentile	0.05	6.26	6.26	5.35	5.58	4.86
95th Percentile	-1.16	1.87	1.87	2.99	4.21	3.97
<b>j</b> JP Morgan/Bank One	0.10 (73)	6.77 (70)	6.77 (70)	6.56 (33)	6.85 (28)	5.63 (20)
<b>1</b> Barclays U.S. Aggregate	0.20 (71)	5.93 (79)	5.93 (79)	5.59 (66)	6.04 (62)	4.97 (70)

# Atlanta General Employees Pension Fund Fixed Income, Mortgage and Municipals Summary Statistics JP Morgan/Bank One Quarter Ending 12/09

	Portfolio	Barclays U.S. Aggregate
Total Number Of Securities	524	8,373
Total Market Value	155,815,987	
Yield to Maturity	4.03	3.68
Time to Maturity	13.05	6.84
Current Coupon	5.41	4.68
Duration	5.45	5.01
Effective Convexity	0.15	-0.23
Effective Duration	4.28	4.57
Effective Maturity	5.91	6.84



# Atlanta General Employees Pension Fund December 31, 2009

Performance Summary Table  
Periods Ending 12/31/09

Manager	1 Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	10 Yrs
<b>Mesirow</b>							
Total Return	0.53	11.12	11.12	7.77	7.05		
Total Return (Net of Fees)	0.47	10.92	10.92	7.53	6.80		
Barclays U.S. Aggregate	0.20	5.93	5.93	5.59	6.04		
Variance	0.33	5.19	5.19	2.18	1.00		

## MESIROW Core Fixed Income

### OBJECTIVE

Out perform the BGI Aggregate Index by 50 basis points net of management fees over a full market cycle (approximately 5 years).

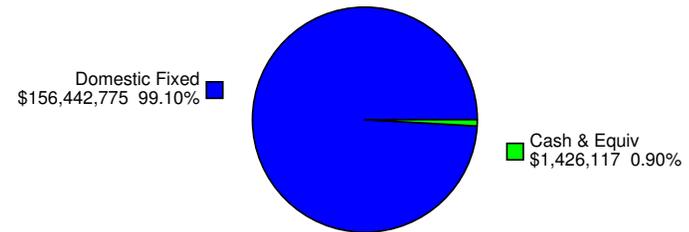
The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

### STRATEGY

Mesirow attempts to add value by focusing on sector and security analysis. Duration management and yield curve positioning are functions of longer-term analysis. The manager may only invest in investment grade securities.

## Asset Allocation Mesirow

December 31, 2009      \$157,868,892



### CONCLUSIONS/RECOMMENDATIONS

Mesirow's overweighted position in non-government sector of the market, particularly the corporate sectors and commercial mortgage-backed sectors delivered performance above the Barclay's Aggregate, and ranked Manager in-line with the median of their peer group in the fourth quarter of 2009.

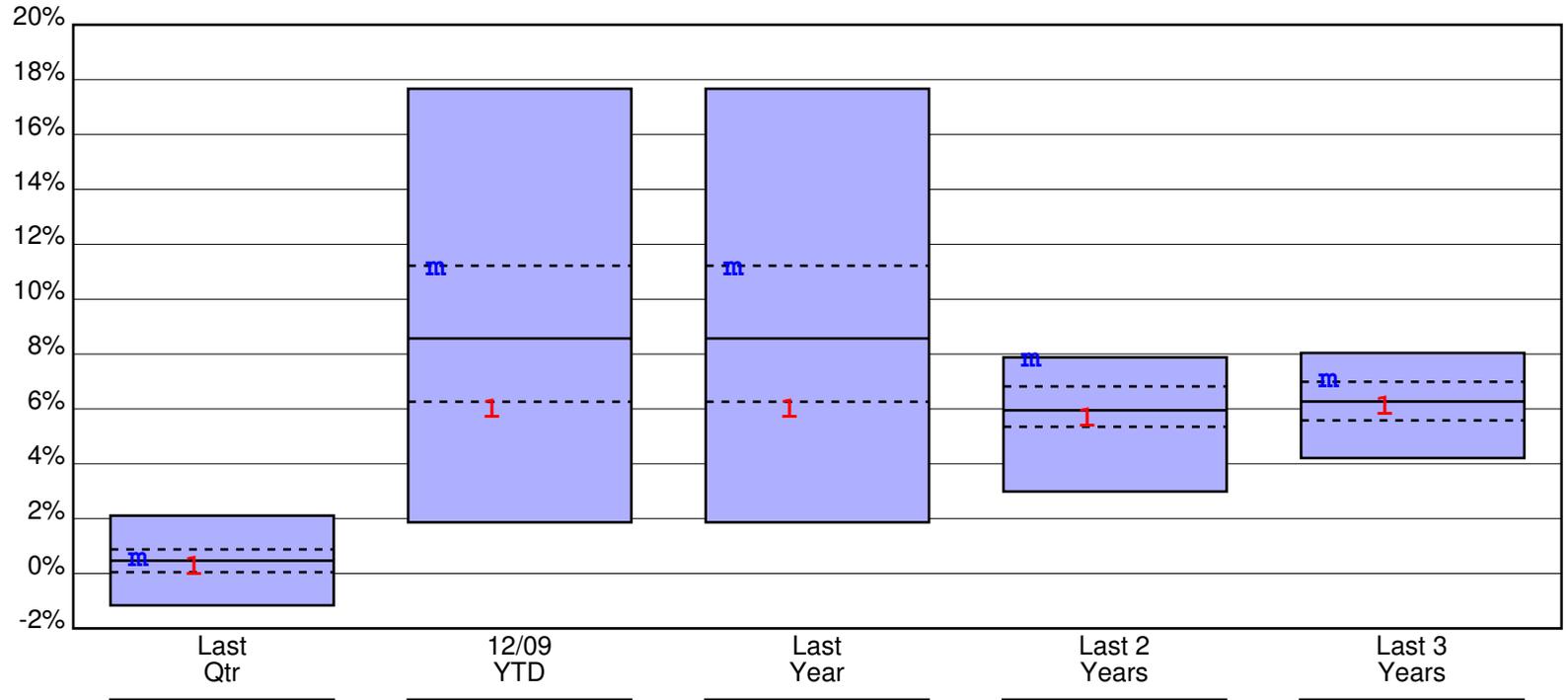
Long term, manager has exceeded their performance objectives compared to the benchmark and ranks well above the median of their peer group.

# Atlanta General Employees Pension Fund

## Fixed Income Core Cumulative Performance Comparisons

### Total Returns of Fixed Income Portfolios

#### Periods Ending 12/09

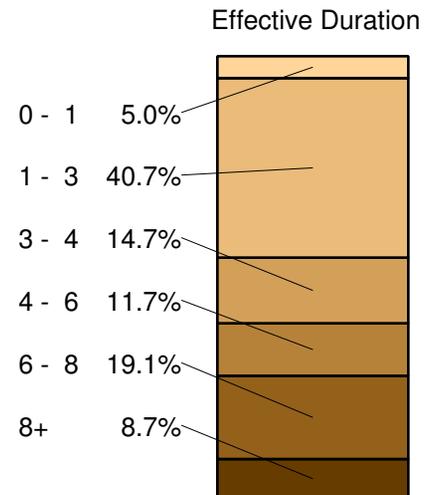
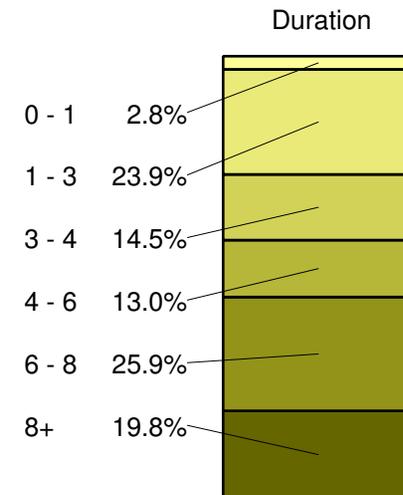
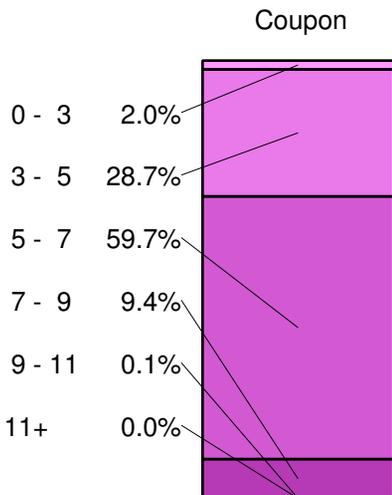
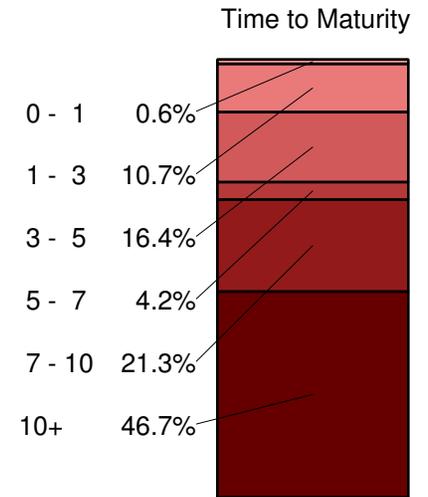
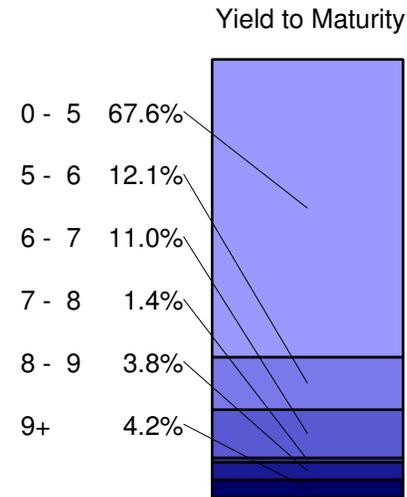


5th Percentile  
25th Percentile  
Median  
75th Percentile  
95th Percentile

	Last Qtr	12/09 YTD	Last Year	Last 2 Years	Last 3 Years
<b>m</b> Mesirow	0.53 (45)	11.12 (25)	11.12 (25)	7.77 (8)	7.05 (19)
<b>1</b> Barclays U.S. Aggregate	0.20 (71)	5.93 (79)	5.93 (79)	5.59 (66)	6.04 (62)

# Atlanta General Employees Pension Fund Fixed Income, Mortgage and Municipals Summary Statistics Mesirow Quarter Ending 12/09

	Portfolio	Barclays U.S. Aggregate
Total Number Of Securities	145	8,373
Total Market Value	156,442,775	
Yield to Maturity	4.86	3.68
Time to Maturity	14.15	6.84
Current Coupon	5.41	4.68
Duration	6.04	5.01
Effective Convexity	0.25	-0.23
Effective Duration	4.37	4.57
Effective Maturity	6.14	6.84



**APPENDIX A  
EQUITY COMMISSION REPORT**

QUARTER	emailed								Total
	Wellington	Madison Square Investors	Globalt	EARNEST Partners Large Cap    Small Cap		New Amsterdam	Union Heritage	Jennison	
Execution	\$ -	\$ 6,934	\$ 29,712	\$ -	\$ 520	\$ 6,308	\$ 1,356	\$ 13,518	\$ 58,348
Research	\$ -	\$ 3,232	\$ -	\$ 1,019	\$ 427	\$ 4,622	\$ 548	\$ 6,878	\$ 16,726
Client Directed									
Magna Securities	\$ 69	\$ -	\$ -	\$ -	\$ -	\$ 1,333	\$ 1,412	\$ -	\$ 2,814
Bank Of New York	\$ 628	\$ 7,467	\$ 11,272	\$ -	\$ -	\$ 1,816	\$ -	\$ 3,534	\$ 24,717
Commission Recapture	\$ 2,256	\$ 5,189	\$ 11,272	\$ -	\$ -	\$ 3,149	\$ 808	\$ 3,534	\$ 26,208
Minority Directed/Georgia Brokers	\$ -	\$ -	\$ 29,032	\$ -	\$ 235	\$ 10,931	\$ 604	\$ -	\$ 40,801
<b>Total</b>	<b>\$ 697</b>	<b>\$ 17,633</b>	<b>\$ 40,984</b>	<b>\$ 1,019</b>	<b>\$ 947</b>	<b>\$ 14,079</b>	<b>\$ 3,316</b>	<b>\$ 23,930</b>	<b>\$ 102,605</b>
Avg. cents per share	\$0.02	\$0.02	\$0.04	\$0.04	\$0.03	\$0.03	\$0.04	\$0.03	\$0.03
% Minority Brokers/Georgia Brokers	0.0%	0.0%	70.8%	0.0%	0.0%	77.6%	18.2%	0.0%	39.8%
YTD	Wellington	Madison Square Investors	Globalt	Earnest Partners Large Cap    Small Cap		New Amsterdam	Union Heritage	Jennison	Total
Execution	\$ 14,101	\$ 14,116	\$ 103,566	\$ 1,630	\$ 2,674	\$ 50,830	\$ 3,955	\$ 56,680	\$ 247,552
Research	\$ 960	\$ 6,822	\$ -	\$ 4,822	\$ 6,313	\$ 15,119	\$ 1,784	\$ 18,062	\$ 53,881
Client Directed									
Magna Securities	\$ 215	\$ -	\$ -	\$ 7,065	\$ -	\$ 15,075	\$ 2,151	\$ -	\$ 24,506
Bank of New York	\$ 1,284	\$ 7,467	\$ 40,740	\$ 1,750	\$ -	\$ 13,527	\$ -	\$ 12,955	\$ 77,723
Commission Recapture	\$ 3,132	\$ 7,480	\$ 40,740	\$ 3,393	\$ -	\$ 27,018	\$ 2,151	\$ 12,955	\$ 96,869
Minority Directed/Georgia Brokers	\$ -	\$ 2,167	\$ 85,988	\$ 9,587	\$ 15,694	\$ 49,088	\$ 2,151	\$ -	\$ 164,674
<b>Total</b>	<b>\$ 16,560</b>	<b>\$ 38,052</b>	<b>\$ 144,306</b>	<b>\$ 15,267</b>	<b>\$ 8,987</b>	<b>\$ 94,551</b>	<b>\$ 7,889</b>	<b>\$ 87,697</b>	<b>\$ 413,309</b>
Avg. cents per share	\$0.02	\$0.01	\$0.04	\$0.04	\$0.03	\$0.03	\$0.04	\$0.03	\$0.03
% Minority Brokers/Georgia Brokers	0.0%	5.7%	59.6%	34.5%	25.9%	51.9%	0.0%	0.0%	39.8%

\*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid. Earnest Partners have combined values for LJR MAGNA.

**APPENDIX A**  
**EQUITY COMMISSION DETAIL REPORT**

**Manager:** Union Heritage Capital Management

Commission Details

	<b>Quarter Ending 31-Dec-09</b>
Execution	\$ 1,356
Research	\$ 548
Client Directed Trading	
Majority Directed	\$ 1,096
Minority Directed	\$ 808
Georgia Brokers	\$ -
Commission Recapture	\$ 808
Total Comm. Dollars Paid	\$ 1,904
Avg. cents per share	0.04
% Minority Brokers	18.21%

<b>Person</b>	<b>Firm</b>	<b>Commission Dollars</b>	<b>Minority Background*</b>
Taino Roman	Magna Securities	\$ 808	AA
Jason Gatewood	CAPIS	\$ 1,096	

\* AA = African American  
AS = Asian American  
HS = Hispanic American  
WM = Women

\*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A**  
**EQUITY COMMISSION DETAIL REPORT**

**Manager:** GLOBALT, Inc.

Commission Details

<b>Quarter Ending 31-Dec-09</b>	
Execution	\$ 29,712
Research	\$ -
Client Directed Trading	
Majority Directed	\$ -
Minority Directed	\$ 18,440
Georgia Brokers	\$ 10,592
Commission Recapture	\$ 11,272
Total Comm. Dollars Paid	\$ 29,712
Avg. cents per share	0.04
% Minority Brokers	70.8%

<b>Person</b>	<b>Firm</b>	<b>Commission Dollars</b>	<b>Minority Background*</b>
Kandy Outlaw	Jackson Securities	\$5,936	AA
Jason Widener	BNY Convergenx	\$ 11,272	
Nathan Lewis	Security Capital	\$ 4,656	GA/AA
Hollis Copeland Jr	Williams Capital Group	\$ 7,848	AA

\* AA = African American  
AS = Asian American  
HS = Hispanic American  
WM = Women

\*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A**  
**EQUITY COMMISSION DETAIL REPORT**

**Manager:** EARNEST Partners - Large Cap

Commission Details

<b>Quarter Ending 31-Dec-09</b>	
Execution	\$ -
Research	\$ 1,019
Client Directed Trading	
Majority Directed	\$ 1,488
Minority Directed	\$ -
Georgia Brokers	\$ -
Commission Recapture	\$ -
Total Comm. Dollars Paid	\$ 1,488
Avg. cents per share	0.04
% Minority Brokers	0.0%

Person	Firm	Commission Dollars	Minority Background*
Tom Hayes	CAPITAL INST/SOFT DOLLAR	\$ 469.00	
D'ANNA HARDESTY	ROBINSON HUMPHREY	\$ 1,018.50	

\* AA = African American  
AS = Asian American  
HS = Hispanic American  
WM = Women

\*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A  
EQUITY COMMISSION DETAIL REPORT**

**Manager:** EARNEST Partners - Small Cap

Commission Details

<b>Quarter Ending 31-Dec-09</b>	
Execution	\$ 298
Research	\$ 193
Client Directed Trading	
Majority Directed	\$ 2,648
Minority Directed	\$ 235
Georgia Brokers	\$ -
Commission Recapture	\$ -
Total Comm. Dollars Paid	\$ 2,883
Avg. cents per share	0.03
% Minority Brokers	

Person	Firm	Commission Dollars	Minority Background*
Tom Hayes	BNY/ESI SECURITIES	\$ 1,480.50	
Trading Desk	LIQUIDNET	\$ 298.00	
Denney Ignarski	MR BEAL	\$ 911.75	AA
Jesse Ortiz	WM BLAIR	\$ 192.50	

\* AA = African American  
AS = Asian American  
HS = Hispanic American  
WM = Women

\*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A**  
**EQUITY COMMISSION DETAIL REPORT**

**Manager:** Jennison

Commission Details

<b>Quarter Ending 31-Dec-09</b>	
Execution	\$ 13,518
Research	\$ 6,878
Client Directed Trading	
Majority Directed	
Minority Directed	\$ -
Georgia Brokers	\$ -
Commission Recapture	\$ 3,534
Total Comm. Dollars Paid	\$ 23,929
Avg. cents per share	0.03
% Minority Brokers	0.0

Person	Firm	Commission Dollars	Minority Background*
N/A	N/A	N/A	N/A

\* AA = African American  
AS = Asian American  
HS = Hispanic American  
WM = Women

\*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A**  
**EQUITY COMMISSION DETAIL REPORT**

**Manager:** New Amsterdam Partners

Commission Details

<b>Quarter Ending 31-Dec-09</b>	
Execution	\$ 6,308
Research	\$ 4,622
Client Directed Trading	
Majority Directed	\$ -
Minority Directed	\$ -
Georgia Brokers	\$ -
Commission Recapture	\$ 3,149
<b>Total Comm. Dollars Paid</b>	<b>\$ 10,931</b>
Avg. cents per share	0.36
% Minority Brokers	60.9

\* AA = African American  
AS = Asian American  
HS = Hispanic American  
WM = Women

Person	Firm	Commission Dollars	Minority Background*
ADAM WHITE	BAIRD (ROBERT W.) & CO	\$ 12	
SCOTT CALDWELL	BNY CONVERGEX	\$ 2,744	
RICHARD DAY	CANTOR FITGERLD & CO	\$ 30	
KATHY CHEEVERS	CHEEVERS & CO	\$ 108	WM
DAVID ORLOFF	GOLDMAN SACHS & CO	\$ 124	
FRANK CAPPELLERI	INSTINET (NIGHTHAWK)	\$ 84	
SUJAL BHARUCHA	ITG (POSIT)	\$ 118	
KANDY OUTLAW	JACKSON SECURITIES	\$ 1,880	AA
STACEY LEE	LIQUIDNET	\$ 139	
STACEY LEE	LIQUIDNET SELECT	\$ 629	
SCOTT CALDWELL	LJR	\$ 1,816	
TAINO ROMAN	MAGNA SECURITIES CORP	\$ 1,333	AA
FRED MACEACHERO	MERRILL LYNCH ALGO TRADING	\$ 84	
MICHAEL GILL	MORGAN(JP SECURITIES)	\$ 308	
DON HACKMAN	NYFIX/WESTMINISTER	\$ 6	
IRENE ELMORE	SALOMON SMITH BARNEY	\$ 1,160	WM
MICHAEL DOLAN	SANFORD BERNSTEIN & CO	\$ 80	
MATT WADE	UBS PAINWEBBER	\$ 276	

\*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A**  
**EQUITY COMMISSION DETAIL REPORT**

**Manager:** Madison Square Investors

Commission Details

Quarter Ending 31-Dec-09	
Execution	\$ 6,934
Research	\$ 3,232
Client Directed Trading	
Majority Directed	\$ -
Minority Directed	\$ -
Georgia Brokers	\$ -
Commission Recapture	\$ 5,189
Total Comm. Dollars Paid	\$ 15,355
Avg. cents per share	0.02
% Minority Brokers	0.0

Person	Firm	Commission Dollars	Minority Background*
N/A	N/A	N/A	N/A

\* AA = African American  
AS = Asian American  
HS = Hispanic American  
WM = Women

\*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A**  
**EQUITY COMMISSION DETAIL REPORT**

**Manager:** Wellington

Commission Details

	Quarter Ending 31-Dec-09
Execution	\$ -
Research	\$ -
Client Directed Trading	
Majority Directed	
Minority Directed	\$ -
Georgia Brokers	\$ -
Commission Recapture	\$ 2,256
Total Comm. Dollars Paid	\$ 13,079
Avg. cents per share	0.02
% Minority Brokers	0.0

Person	Firm	Commission Dollars	Minority Background*
N/A	N/A	N/A	N/A

\* AA = African American  
AS = Asian American  
HS = Hispanic American  
WM = Women

Research Services utilized by Wellington Management are generated by broker/dealers who also provide execution services. The soft dollar commissions allocated to each broker for your fund are calculated based on the percent of the firmwide commissions applied to third-party research commission arrangements for each broker. The fund's total amount allocated in 3Q09 was \$823. The fund's total amount allocated YTD 2009 was \$2,500. Following applicable regulatory guidance, Wellington Management does not currently link proprietary research received from brokers to particular transactions. We are not aware of any definitive method or standards under bundled commission arrangements to either a) estimate the price or value of research received, or b) associate specific commission amounts with the value of research services received. As a result, the requested information would be estimated in ways that are non-standard and may not be comparable to other methods.

\*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A  
FIXED INCOME TRADES**

QUARTER		YTD	
<b>Mesirow</b>		<b>Mesirow</b>	
TOTAL DOLLAR AMOUNT	\$ 28,987,442	TOTAL DOLLAR AMOUNT	\$ 91,718,913
% TO MINORITY OWNED FIRMS	6%	% TO MINORITY OWNED FIRMS	3%
% TO MAJORITY OWNED FIRMS	94%	% TO MAJORITY OWNED FIRMS	97%
% TO GEORGIA BROKERS	0%	% TO GEORGIA BROKERS	0%
<b>Atlanta Capital</b>		<b>Atlanta Capital</b>	
TOTAL DOLLAR AMOUNT	\$ 14,407,431	TOTAL DOLLAR AMOUNT	\$ 104,584,571
NON-TREASURY/AGENCY TRADING VO	\$ -	NON-TREASURY/AGENCY TRADING VOL.	\$ 49,921,534
% TO MINORITY OWNED FIRMS	0%	% TO MINORITY OWNED FIRMS	3%
% TO MAJORITY OWNED FIRMS	100%	% TO MAJORITY OWNED FIRMS	97%
% TO GEORGIA BROKERS	39%	% TO GEORGIA BROKERS	42%
<b>JP Morgan</b>		<b>JP Morgan</b>	
TOTAL DOLLAR AMOUNT	N/A	TOTAL DOLLAR AMOUNT	N/A
% TO MINORITY OWNED FIRMS	0%	% TO MINORITY OWNED FIRMS	0%
% TO MAJORITY OWNED FIRMS	0%	% TO MAJORITY OWNED FIRMS	0%
% TO GEORGIA BROKERS	0%	% TO GEORGIA BROKERS	0%
Not Participating		Not Participating	

Total dollar amount is based on total firm trades.

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## EXPLANATIONS OF BENCHMARKS APPENDIX B

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### **TARGET ASSET MIX**

25% S&P 500, 20% Midcap, 10% Small Cap, 30% BGI Aggregate, 15% BGI Intermediate Govt/Credit

\*New Target benchmark as of 1q2007

Indexes used to calculate target benchmarks:

Fixed Income:	Barclays Aggregate Bond Index
Intermediate Fixed Income	Barclays Govt./Credit Intermediate
Large Cap. Equity:	S&P 500 (formerly Wilshire S&P 500 Buy and Hold ex South Africa)
Mid Cap. Equity:	S&P Midcap
Small Cap:	Russell 2000
Cash:	Salomon Brothers 90 T-Bill

### **COMPOSITE MEDIAN MANAGER**

A composite of median manager returns for each asset class weighted by the Target Asset Mix.

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## INDEX DEFINITIONS

### APPENDIX C

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#### **Barclays Aggregate Bond Index**

Composed of securities from Barclays Government/Corporate bond Index, Mortgage-Backed Securities index, and Yankee Bond Index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. Indexes are balanced monthly by market capitalization.

#### **Salomon Brothers 6- Month Certificate of Deposit Index**

Includes negotiable money-market securities certifying a six-month time deposit at a bank or thrift institution. The bank agrees to pay the amount deposited, plus interest, to the bearer on the date specified on the certificate. The minimum deposit is \$100,000.

#### **Russell Midcap Index**

Made up of medium-sized companies falling within the market capitalization range of approximately \$350 million to \$3.25 billion. Composed of 800 companies from the Russell 3000 Index that fall within Russell's medium to medium/small categories.

#### **Standard & Poor's 500 Index**

Covers 500 industrial, utility transportation and financial institutions in the US markets (mostly NYSE issues). The index represents about 75% of NYSE market capitalization and 30% of NYSE issues. It is a capitalization weighted index calculated on a total return basis with dividends reinvested.

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## UNIVERSE DEFINITIONS APPENDIX D

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### **US Balanced accounts**

Consists of investment advisor and bank portfolios. These are balanced, separately managed, fully discretionary, tax-free portfolios that have a minimum size of \$5 million. Employee benefit accounts are preferred. Portfolios include both equity and fixed income securities.

### **US Equity Accounts (broad)**

A combination of the Equity Pooled Accounts and Equity-Oriented Separate Account Universes. Consists of investment advisor, bank and insurance company portfolios. These are equity-oriented, fully discretionary, tax-free portfolios that are at least \$5 million in size. Pooled accounts are included from investment advisors if the advisor is (1) organized as a trust company or (2) a registered investment company acting as an advisor to a bank. Mutual funds can be included if they are gross of fees.

### **US Fixed Income Accounts (broad)**

A Combination of the Fixed-Income Pooled and Fixed-Income Separate Accounts Universe. Consists of investment advisor, bank and insurance company portfolios. These are fixed-income-oriented, fully discretionary, tax-free portfolios that are at least \$5 million in size. Pooled accounts are included from investment advisors if the advisor is (1) organized as a trust company or (2) a registered investment company acting as an advisor to a bank. Mutual funds can be included if they are gross of fees.

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## DEFINITIONS OF COMMON TERMS

### APPENDIX E

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#### **Alpha**

A measure of risk adjusted return. It is the y - intercept of the line based on ordinary least squares regression using the market's quarterly return as the independent variable and the manager's return as the dependent variable. Alpha measures the non-systematic return, which is the return which may not be attributable to the market. In simple terms, alpha is defined as the return earned by the manager over and above what the market earned.

#### **Relative Risk/Reward Ratio**

A measure of risk adjusted return relative to the market's risk adjusted return. It is calculated by first dividing the manager's return for the period by the manager's standard deviation for the period. This quotient is then divided by the quotient of the market's return for the period divided by the market's standard deviation for the period. The measure represents the manager's rate of return per unit of risk relative to the market's rate of return per unit of risk. A ratio above 1.0 indicates positive relative performance and a ratio below 1.0 indicates a negative relative performance.

#### **Standard Deviation**

A gauge of risk based on the volatility as measured by the dispersion of returns about their mean.

#### **Style**

Description of the investment strategy used to determine the investment decisions within an asset class.

#### **Universe**

A group of comparable investment styles. A Broad Universe, such as Broad Equity, refers to all styles in the Equity asset class. Style-specific universes such as Pure Small Cap, includes only styles with a high correlation to a Small Cap Index and low correlation to a large Cap index.