

HERNDON CAPITAL[®]

Management

Presentation To:

**City of Miami General Employees' and Sanitation
Employees' Retirement Trust**

Friday, December 4, 2015

Derik D. Coffey – Portfolio Specialist
Marc V. Reid – Director of Marketing & Client Services

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WHO WE ARE

Herndon Capital Management, LLC

Herndon Capital Management, LLC is an institutional investment management firm specializing in large and mid capitalization equity strategies. Founded and registered with the SEC in 2001, the firm is an affiliate of the Atlanta Life Financial Group, a 110 year old financial services firm. The three lead portfolio managers have an ownership stake in the firm.

As of September 30, 2015, Herndon Capital Management managed approximately \$5.53 billion in institutional client assets. In addition, assets under advisement totaled approximately \$1.31 billion through Model Program participation. Assets under management and assets under advisement are \$6.84 billion.

Our institutional products allow us to provide investment solutions to our clients in both the domestic and international equity markets.



ASSETS BY CLIENT TYPE

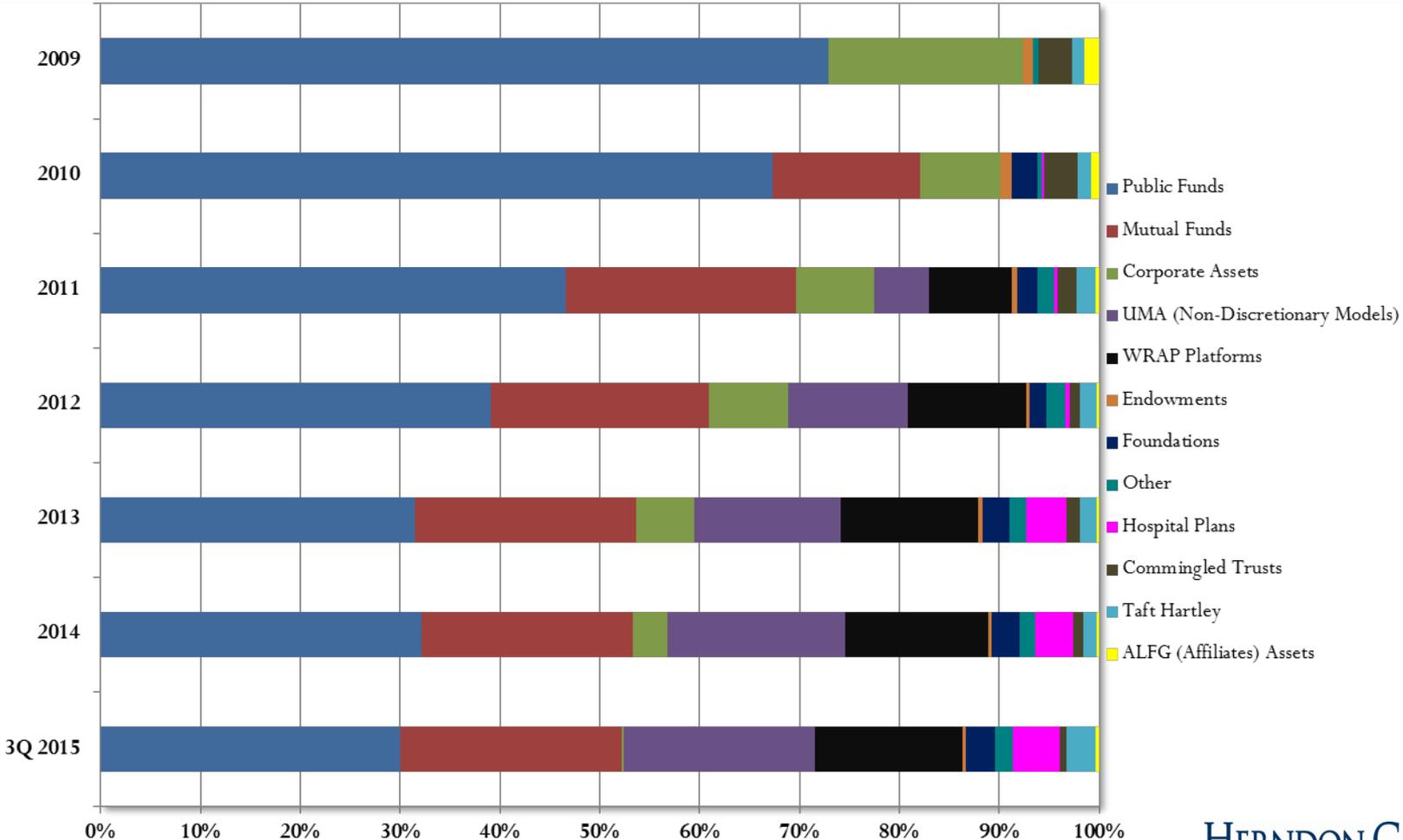
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As of September 30, 2015

Assets Under Management \$5.53 Billion (153 accounts)

Assets Under Advisement \$1.31 Billion (15 accounts)

Assets Under Management and Assets Under Advisement \$6.84 Billion (168 accounts)



REPRESENTATIVE CLIENT LIST

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DIRECT

- Chicago Transit Authority
- Cook County Employees' Annuity & Benefit Fund
- Dillard University
- Florida A&M University
- Retirement Plan for CTA Employees
- Shelby County, Tennessee, Retirement System
- Veterans of Foreign Wars
- Winthrop Rockefeller

SUB-ADVISORY

- Aston Funds' Aston Herndon LCV Fund
- Delaware Investments' Optimum LCV Fund
- Scotia Asset Management
- Nationwide Herndon Mid Cap Value Fund
- Nationwide Diverse Managers Fund

The clients listed above were selected to demonstrate a sample of clients within our various strategies. These clients have provided permission to use their names on a representative client list. Performance was not a criteria for inclusion on the provided client list.

For one-on-one use only.

Executive Committee

Investment
Management
&
Trading

Marketing &
Client
Services

Compliance

Operations

Accounting

Administrative
Services

INVESTMENT MANAGEMENT TEAM

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Lead Portfolio Managers	Sector Assignments	Domestic	International
Randell Cain, CFA - Value Equity	Consumer Discretionary	Anuja R. Singha, Ph.D., CFA Audley Mackel, IV	Anuja R. Singha, Ph.D., CFA Audley Mackel, IV
Drake Craig, CFA - Growth Equity	Consumer Staples	Anuja R. Singha, Ph.D., CFA Audley Mackel, IV	Anuja R. Singha, Ph.D., CFA Audley Mackel, IV
James Nelson, III, CFA - Growth Equity	Energy	Jazmin Williams	Jazmin Williams
Kenneth Holley, CFA - International Equity	Financial Services	Loren Compton-Williams	Loren Compton-Williams
Team Members	Healthcare	J. Keith Buchanan, CFA	Jason Kindland, CFA
J. Keith Buchanan, CFA, Sr. Investment Analyst	Industrials	J. Keith Buchanan, CFA	Jason Kindland, CFA
Derik Coffey, Portfolio Specialist	Information Technology	Jeremy Lopez, CFA	Jeremy Lopez, CFA
Loren Compton-Williams, Sr. Investment Analyst	Materials	Jazmin Williams	Jason Kindland, CFA
Kenneth Grimes, Deputy CIO	Telecom	Jason Kindland, CFA	Jason Kindland, CFA
Jason Kindland, CFA, Sr. Investment Analyst	Utilities	Jeremy Lopez, CFA	Jeremy Lopez, CFA
Jeremy Lopez, CFA, Sr. Investment Analyst			
Audley Mackel, IV, Investment Analyst			
Anuja R. Singha, Ph.D., CFA, Sr. Investment Analyst			
Jazmin Williams, Investment Analyst			

HERNDON CAPITAL MANAGEMENT US LARGE CAP VALUE

THIRD QUARTER 2015 REVIEW

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Third Quarter Review

For the second consecutive quarter, 7 out of 10 sectors outperformed the respective sector and/or the overall benchmark, the Russell 1000 Value; but, five sectors had a positive contribution to the portfolio. This balanced performance caused the portfolio to slightly miss outperforming the Russell 1000 Value for the quarter. The difference is that stock selection was positive while the shortfall came in sector allocation.

The lack of action by the Federal Reserve undermined confidence in the market that a better performing domestic economy warranted intervention in spite of challenges to the broader global economy. The latter concerns caused the Federal Reserve to approach raising rates in a more tepid fashion than the market anticipated. Inaction resulted in a market sell-off that negatively impacted most cyclical and growth-oriented areas.

In terms of higher rates, we still believe it is more a matter of when than if. So, like it or not, we have to be patient and stay positioned according to where the value happens to reside.

Performance for the Russell 1000 Value was balanced with five sectors outperforming – Utilities, Consumer Staples, Technology, Financials, and Telecom. Clearly, the interest rate sensitive sectors and the defensive areas benefited from a Federal Reserve that has continued to maintain a dovish posture to raising rates. Of the five sectors that outperformed, we were only overweight two – Consumer Staples and Technology.

The three sectors with the highest contribution for the quarter were Consumer Staples, Consumer Discretionary, and Industrials. In Consumer Staples, three out of four stocks outperformed the respective sector and all four outperformed the broader benchmark with leadership coming from Altria, the domestic tobacco company. This leadership was consistent with the more defensive orientation of the overall market. Consumer Discretionary also benefited from the expression of defensiveness via spending in US retail establishments. Two out of three stocks outperformed the sector as TJX Companies and Ross Stores showed the strength of the branded, off-price retail model having appeal to investors in the quarter. Finally, in Industrials, three out of five stocks outperformed the respective sector with Lockheed Martin generating solid gains as it has continued to execute well irrespective of a less than robust defense spending environment in the US.

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HERNDON CAPITAL MANAGEMENT US LARGE CAP VALUE THIRD QUARTER 2015 REVIEW

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The three sectors with the lowest level of contribution were Energy, Materials, and Utilities. As previously mentioned, pro cyclical sectors and stocks were trading well in anticipation of the Federal Reserve raising rates. Well, just like a child expecting dessert after dinner, the market acted quite ugly when it did not get what it wanted. The Materials and Energy sectors were sold off aggressively after the announcement of no action. We still see great value in both sectors and believe it is only a matter of time before the broader market joins with us.

Not surprisingly, in Energy, the weaker performers were in the exploration and production companies coupled with our sole driller, Noble Corporation. Our one international integrated company, Exxon Mobil, outperformed the Energy sector along with our refiners and single service company, Halliburton. Our diversification has been helpful overall, although our collective stock picks came up a bit short for the quarter.

All of our Materials holdings underperformed as concerns regarding market demand were fanned with the lack of Federal Reserve action and correlation to lower commodity prices. Similar to the diversification we have in Energy, we do not perceive our portfolio to be overly concentrated in any particular area of Materials except for stocks that we believe have fairly significant upside.

In Utilities, we were hurt by our lack of exposure to a sector that is populated primarily with companies with, what we believe are, egregious valuations for what the fundamentals are likely to produce; but, the stocks have been categorized as defensive and the market lusted for defensive stocks after the Federal Reserve gave little reason to find affinity elsewhere.

The stocks with the greatest positive contribution were CBOE Holdings (+17.65%), Lockheed Martin (+12.34%), Altria (+12.42%), TJX (+8.3%) and Campbell Soup (+7.1%). These stocks represent holdings from the Financials, Industrial, Consumer Discretionary and Consumer Staples sectors. Volatility drove appeal for CBOE's products and services. In contrast to the beginning of the year, uncertainty has driven up the movement of asset classes which has prompted investors to use CBOE for exposure and/or protection. As previously mentioned, Lockheed has been a stalwart since the sequestration process associated with the budget gridlock robbed the Department of Defense of expected spending. The company has continued to reconfigure the company for greater success through new products, services, and geographies.

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HERNDON CAPITAL MANAGEMENT US LARGE CAP VALUE THIRD QUARTER 2015 REVIEW

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Altria, a high yielding domestic company, was a poster child for where the market retreated during this period of uncertainty. As noted above, TJX benefited from the strength of the branded, off-appealing to investors while Campbell Soup also gained traction as investors took a more defensive posture.

The stocks with the greatest negative contribution were Continental Resources (-31.66%), Apache (-31.70%), SM Energy (-30.53%), CF Industries (-29.81%) and Waddell & Reed (-25.80%). First, what did not happen? These companies which represent holdings from the Energy, Materials and Financials sectors did not lose approximately 30% of revenues, earnings, or cash flow in the sector. So, what did happen? In our opinion, fear overwhelmed rational assessment of these companies as oil prices drifted lower and then higher for the first two. For the latter, concerns regarding demand for fertilizer related products arose despite population growth continuing to be positive as a precursor to future demand for the products CF will eventually produce. It would be easier to not own these types of companies, especially during challenging times. But, easy is not always prudent. We believe these are all solid companies that are still a part of our portfolio in spite of the market having a negative current assessment.

Please place the following trading summary in perspective. A great deal of trading was necessary to rebalance the portfolio early in the quarter as a result of the Russell reconstitution. From that point forward, the trading was quite low and more consistent with historical patterns.

Stocks eliminated due to sector adjustments and/or valuation/fundamental issues were Allergan, Endo International, Baxalta, Aflac, AES Corporation, Verizon, Baxter, EOG Resources, and Copa Holdings. These changes were primarily driven by the dynamic interrelationships of the sectors as we position the portfolio to exploit value creating opportunities. As we share regarding our investment philosophy, “We have a core process but no core holdings.”

Positions were initiated in Harris, Accenture, Alliance Data Systems, Mastercard, Hewlett-Packard, Noble Corporation, Chesapeake, Tesoro, Credit Acceptance Corporation, Mylan, and Jazz Pharmaceuticals. Each stock is purchased after first being identified as a value creating opportunity followed up with fundamental analysis to vet out the potential as a portfolio holding.

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HERNDON CAPITAL MANAGEMENT US LARGE CAP VALUE THIRD QUARTER 2015 REVIEW

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The result of this and related activity during the quarter was that we increased our exposure to Energy, Technology, Financials, and Materials. We decreased our exposure to Consumer Discretionary, Consumer Staples, Utilities, and Telecom. All other sectors essentially remained the same with the exception of market appreciation or depreciation.

All was related to our quest of seeking out *value creating opportunities* for our clients.

Fourth Quarter Outlook

We go into the fourth quarter with a marginal lead but a lead nonetheless over our benchmark, the Russell 1000 Value. It is a much more preferable position that we are in today than where we were last year when we were underperforming at this point. So, for our clients, we thank you for the confidence you have placed in us. Thus far, in 2015, it has been justified.

As we have said from the beginning, “We cannot predict the timing, duration or magnitude of outperformance. All we can do is position ourselves to achieve.” This year reflects those words.

But, the question that has clearly been on the minds of clients is, “Is this as good as it gets?”

To that question, we have to respond that we do not think so.

Our portfolio is tilted toward pro-cyclical companies with heavy exposure to multinational companies. Over the last year or so, it has not been a favorable place to be. Commodities have been weak. The dollar has been strong. And, interest rates have not risen. So, it would be polite to say we have been early although some might say we have been wrong.

It is never comfortable to be wrong.

But, we do not believe we are paid fees by our clients to be comfortable. We are paid fees to structure a portfolio that will outperform even if it is inconsistent with current, conventional wisdom. Thankfully, we have never put a time stamp on when such a portfolio will outperform. But, sometimes clients want to still hold us accountable for what we have said as well as what is well beyond our control.

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HERNDON CAPITAL MANAGEMENT US LARGE CAP VALUE THIRD QUARTER 2015 REVIEW

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So be it. We will try to have enough patience for us as well as enough for those clients who may be less patient. If anyone is feeling antsy, give us a call so we can help you to understand exactly what we are doing and why.

While Energy has been an albatross in terms of sector allocation, we have done well with our stock-picking. We have also done quite well across almost all of our other nine sectors. In fact, through the end of the quarter, for 2015, we have outperformed the respective sector in eight out of ten sectors, and, in one of the remaining two sectors, we have a positive contribution to the portfolio. Thus, overall, we are pleased with where we stand.

But, that question is still there, “Is this as good as it gets?”

We believe that the stimulus in the global economy will eventually begin to have a more positive impact. If so, we feel we are advantageously exposed and our clients will benefit even more than they have so far in 2015. If the stimulus coincides with rising interest rates, we believe that our portfolio is highly correlated with the sectors that should perform quite well during such a period of market performance and significantly underweight those that should lag.

As with many things in life, timing is everything. Our positioning has been consistent. We believe it shall be rewarded. And, more importantly, we believe we have the positioning because of where our process has found *value creating opportunities*. As the location of such opportunities changes, our portfolio will also change. Since 2002, we have only done it this way.

Randell A. Cain, Jr., CFA
Principal and Portfolio Manager
Herndon Capital Management
October 2, 2015

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13 Large Cap US Value Equity Investment Philosophy & Strategy

*“To everything there is a season...” (Ecclesiastes 3:1). True value is defined by companies that trade at a discount to what their fundamentals merit. Identifying sound companies out of favor with investors due to temporary conditions has historically proven to be a successful strategy as their true value is ultimately recognized in the marketplace. We call these companies *value creating opportunities*.*

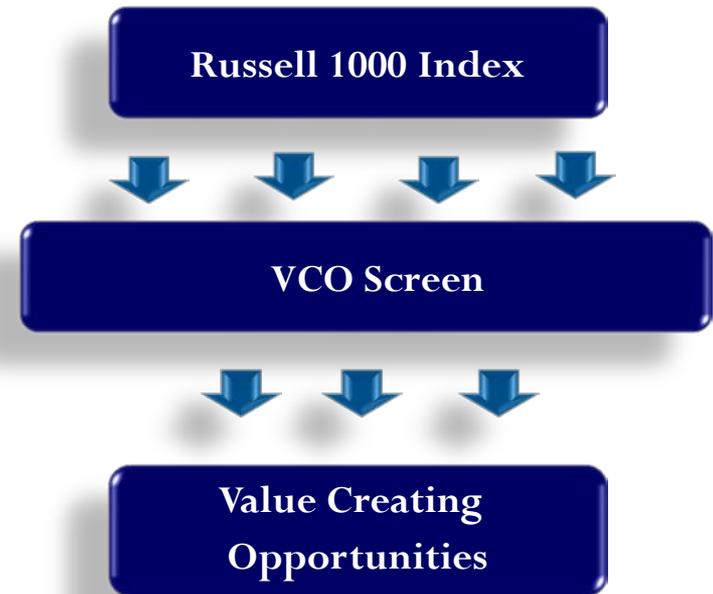
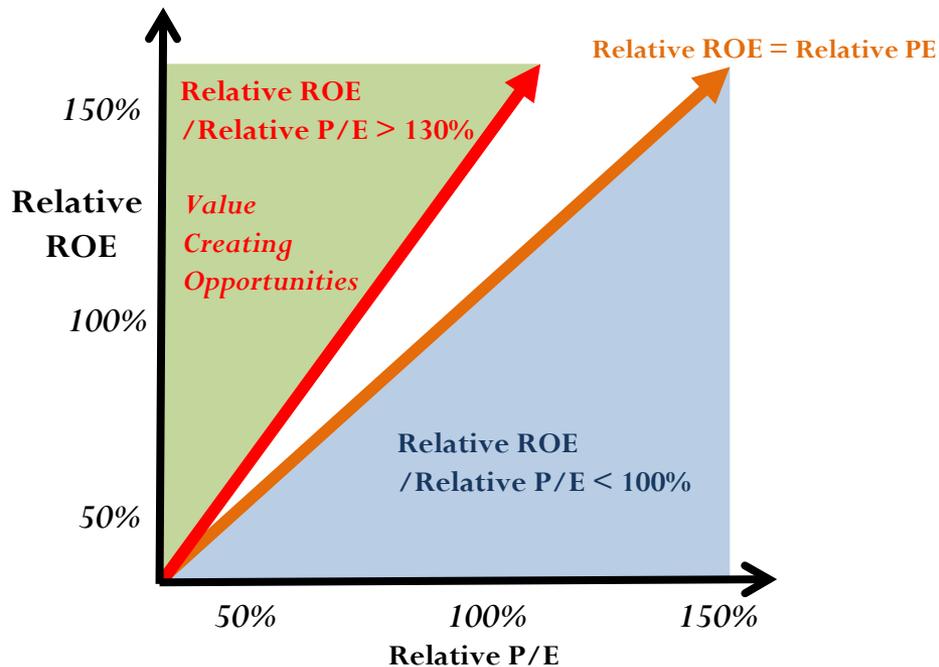
Our process identifies stocks based upon relative value versus the other stocks in the Russell 1000 universe. We combine fundamental analysis in a valuation-oriented framework with risk assessment. We do not want to own stocks merely because they appear “cheap”. We screen our value candidates for performance-based characteristics to avoid “value traps”. The stocks we own tend to have low valuation metrics, but they also have sound fundamental characteristics, hopefully leading to outperformance as their value is recognized in the market.

committed to excellence

STOCK SELECTION

Step 1: Identify Value Creating Opportunities

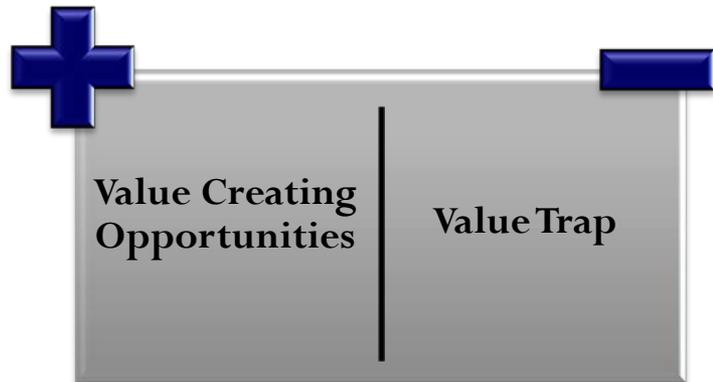
Screen for stocks with 30% or more upside based on relative fundamental (5 year average ROE) variance from relative valuation (relative P/E and/or relative P/CF).



STOCK SELECTION

Step 2: Qualify for Potential Inclusion

- Market capitalization \$1 billion and above
- S & P Quality Ranking of “C” or better



STOCK SELECTION

Step 3: Rank

Rank fundamental competitiveness versus overall portfolio:

<ul style="list-style-type: none"> • ROE/ROA/ROC • Earnings Purity • CF to Earnings • LTD/Capitalization • Dividend Analysis <ul style="list-style-type: none"> -Yield -Payout -Growth 	<ul style="list-style-type: none"> • Valuation <ul style="list-style-type: none"> -P/E -P/S -P/B -P/CF 	<ul style="list-style-type: none"> • Earnings Growth • Net Profit Margins • S&P Quality Ranking • Insider Trading • Beta
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STOCK SELECTION

Step 4: Fundamental Analysis - Analyze ranked companies on 4 dimensions to answer 4 questions.



Step 5: Purchase 1% initial position

SECTOR ALLOCATION

1) Calculate percentage of **Value Creating Opportunities** in Russell 1000 index

2) Calculate percentage of **Value Creating Opportunities** grouped by sector

3) Calculate relative sector weights of **Value Creating Opportunities**

4) Calculate absolute target sector weights of **Value Creating Opportunities** based on the Russell 1000 Value sectors

5) Adjust portfolio sectors to reflect current allocation of **Value Creating Opportunities**

SELL DISCIPLINE

Weekly Sector Adjustments:

- No longer a Value Creating Opportunity
- Weakest performer among Value Creating Opportunities

Profit taking

**Erosion of Fundamentals
(identified both fundamentally and quantitatively)**

Conviction Check at 25% decline from cost

RISK MANAGEMENT

PORTFOLIO PARAMETERS

Sector diversification rules:

Min/Max Sector weight +\ -10% of index weight

Security diversification rules:

Maximum weight 5% of portfolio

Fully invested:

Maximum cash position 5%

40-70 securities

Top 10 positions are earned not purchased

OUR INVESTMENT RESULTS

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Large Cap US Value Equity Characteristics as of 9/30/2015

Portfolio Fundamental Characteristics		
	Portfolio	R1000 Value
Price/Earnings Ratio (Trailing 12 mths)	13.5x	14.5x
Price/Earnings Ratio (Forward 12 mths)	14.9x	14.9x
S&P Quality Ranking	B+	B+
Dividend Yield	2.6%	2.5%
Weighted Avg Market Cap (\$bn)	\$69.3	\$99.2
Avg Market Cap (\$bn)	\$59.2	\$18.6
Median Market Cap (\$bn)	\$19.9	\$6.8
Avg Return on Equity (5yr)	36.5%	21.2%
Earnings LT Future Growth	8.0%	9.0%
LT Debt/Capitalization	47.0%	39.0%
Number of Securities	46	688
Active Share	91.7	—

Portfolio Performance Characteristics*	
	Portfolio
Rolling 3 Year Batting Average	81.0%
Upside Capture Ratio	106.3%
Downside Capture Ratio	83.9%
Tracking Error	6.10
Information Ratio	0.51
R-squared	0.88
Beta	0.95
Annualized <i>Since Inception</i> Turnover	65.6%

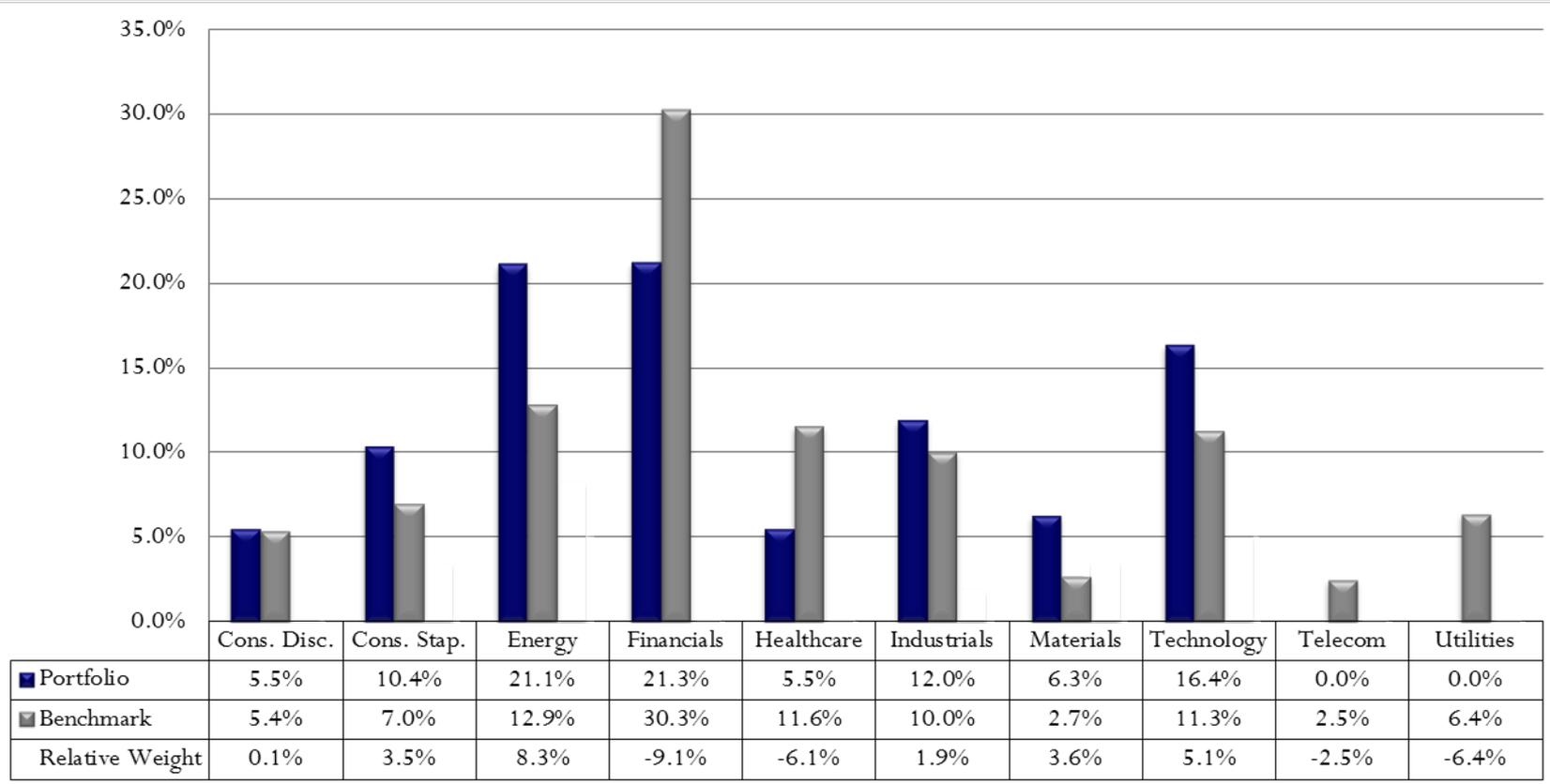
Top Ten Largest Holdings	
Security	Weight
LOCKHEED MARTIN	4.0%
CBOE HOLDINGS	3.9%
TJX COMPANIES INC	3.8%
ALTRIA GROUP INC	3.5%
CAMPBELL SOUP	3.4%
UNITED PARCEL SERVICES CL B	3.2%
MARATHON PETROLEUM	3.2%
APPLE INC	3.2%
PHILIP MORRIS INTL	3.0%
VALERO ENERGY CORP	2.8%
Total:	34.0%

*Performance Characteristics provided are since inception and represent the Large Cap Value representative portfolio. Please see APPENDIX for GIPS presentation. The Large Cap Value Equity Characteristics are shown as supplemental information only and complements the Large Cap Value Composite presentation which is located in the APPENDIX. For one-on-one use only.

OUR INVESTMENT RESULTS

21 Large Cap US Value Characteristics as of 09/30/2015

Sector Allocation*

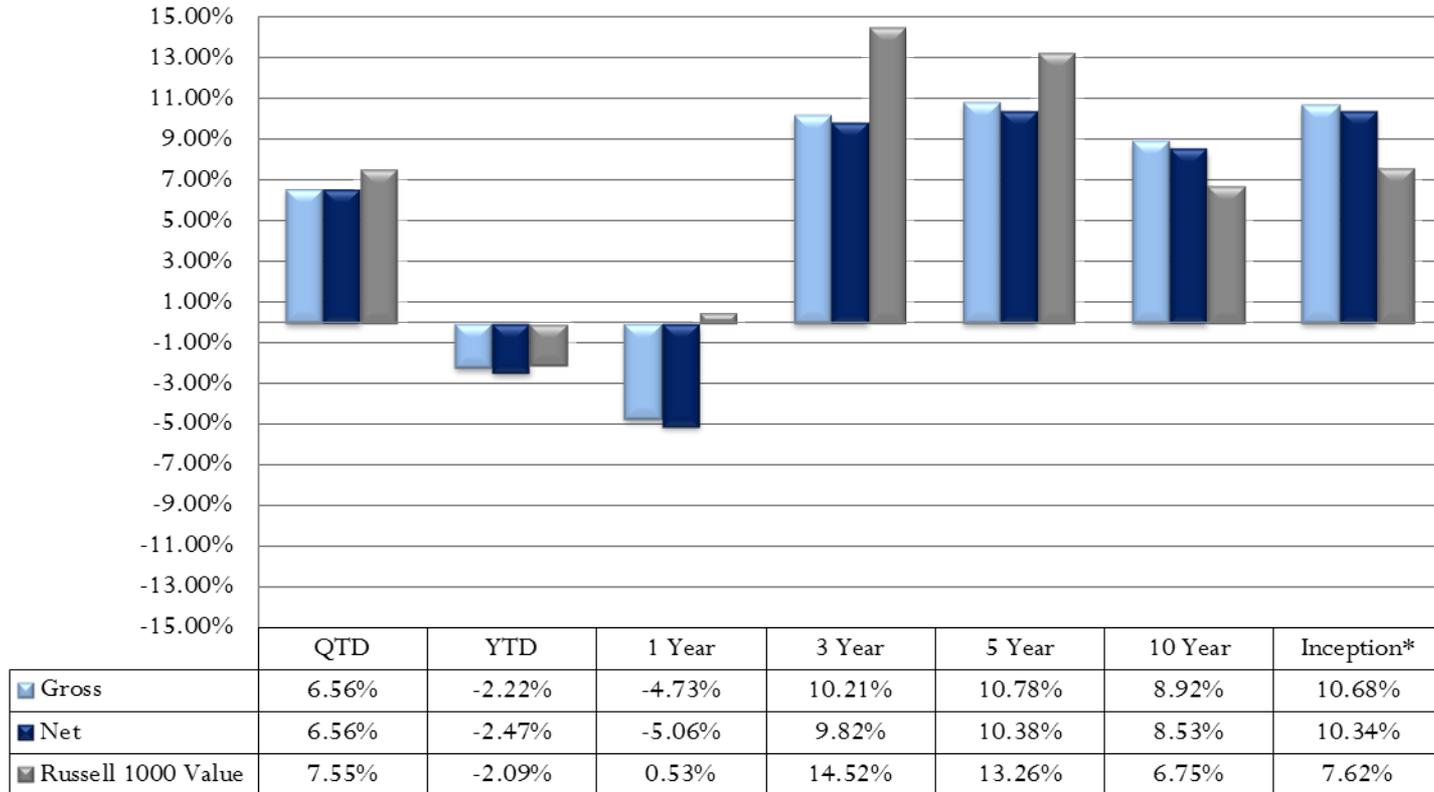


*Relative to the Russell 1000 Value

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OUR INVESTMENT RESULTS

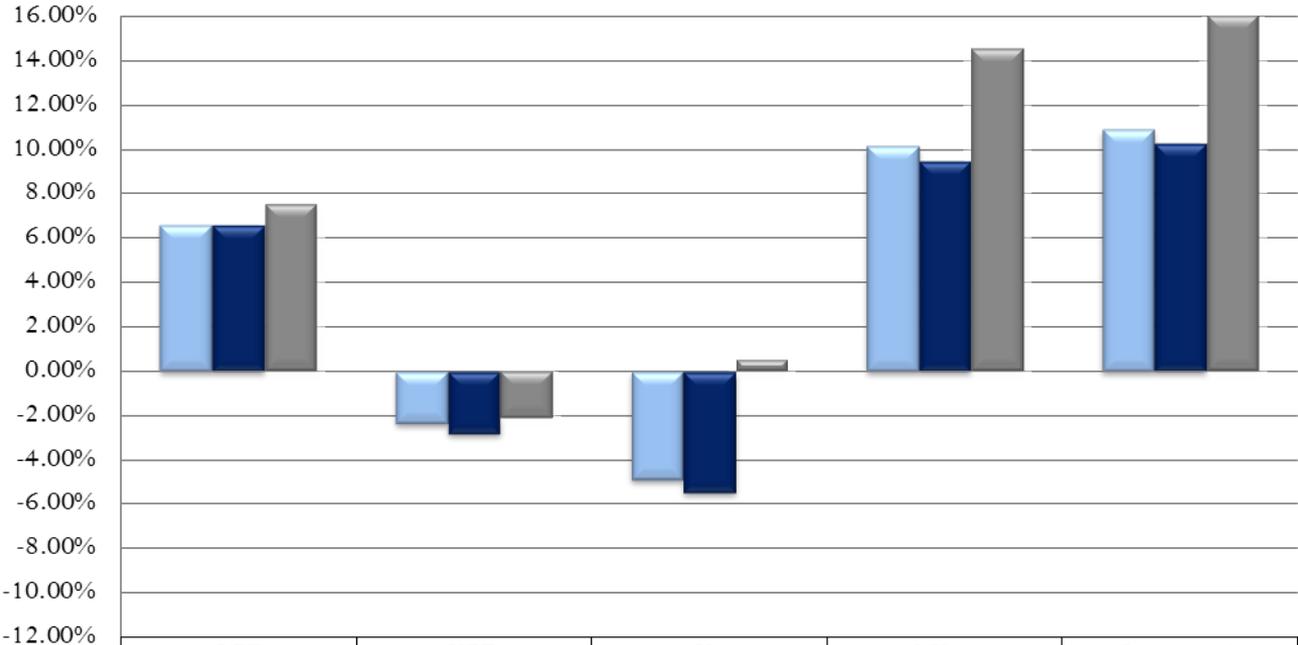
22 Large Cap US Value Equity Investment History as of 10/31/2015



*Since inception annualized 06/30/2002. See APPENDIX for performance disclosures. Past performance is not indicative of future success, and there is the possibility of lower returns or the possibility of loss. Preliminary performance is shown above. For one-on-one use only.

OUR INVESTMENT RESULTS

City of Miami GESE Retirement Trust : Equity Investment History *as of 10/31/2015*



	QTD	YTD	1 Year	3 Year	Inception*
Gross	6.60%	-2.36%	-4.90%	10.13%	10.92%
Net	6.60%	-2.81%	-5.48%	9.47%	10.27%
Russell 1000 Value	7.55%	-2.09%	0.53%	14.52%	16.02%

*Since inception annualized 05/23/2012. See APPENDIX for performance disclosures. Past performance is not indicative of future success, and there is the possibility of lower returns or the possibility of loss. Preliminary performance is shown above. For one-on-one use only.

OUR INVESTMENT RESULTS

24 Large Cap US Value Attribution Analysis: 6/30/2015 - 9/30/2015

Sector Name	Avg Port Wt	Avg Bmrk Wt	Port Return	Bmrk Return	Port Contrib	Bmrk Contrib	Alloc Effect	Select Effect	Total Effect
Total Rep Portfolio	100.00	100.00	-8.90	-8.40	-8.90	-8.40	-1.52	1.02	-0.50
Consumer Discretionary	100.00	100.00	-8.90	-8.40	-8.90	-8.40	-1.52	1.02	-0.50
Consumer Staples	10.47	6.84	5.61	-4.20	0.60	-0.28	0.17	0.93	1.10
Energy	20.92	13.24	-19.21	-17.75	-4.22	-2.47	-0.77	-0.29	-1.06
Financials	21.19	30.24	-7.03	-6.38	-1.50	-1.94	-0.19	-0.12	-0.32
Health Care	5.46	11.94	-18.41	-9.41	-1.25	-1.14	0.02	-0.60	-0.58
Industrials	12.14	10.04	-2.66	-9.43	-0.34	-0.95	0.00	0.77	0.77
Materials	6.42	2.83	-22.98	-18.50	-1.58	-0.55	-0.37	-0.30	-0.67
Information Technology	15.30	11.02	-6.76	-6.27	-0.85	-0.67	0.15	-0.02	0.12
Telecommunication Services	0.08	2.47	1.37	-7.56	0.01	-0.19	-0.02	0.01	-0.01
Utilities	0.12	5.97	-1.06	4.72	-0.02	0.23	-0.70	-0.05	-0.75
Cash	2.33	0.00	0.00	0.00	0.00	0.00	0.23	0.00	0.23

Past performance is not indicative of future success, and there is the possibility of lower returns or the possibility of loss. For one-on-one use only.

OUR INVESTMENT RESULTS

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Large Cap US Value Attribution Analysis: 12/31/2014 - 9/30/2015

Sector Name	Avg Port Wt	Avg Bmrk Wt	Port Return	Bmrk Return	Port Contrib	Bmrk Contrib	Alloc Effect	Select Effect	Total Effect
Total Rep Portfolio	100.00	100.00	-8.18	-8.96	-8.18	-8.96	-2.94	3.73	0.78
Consumer Discretionary	6.55	6.14	8.00	-6.87	0.50	-0.32	0.02	0.82	0.84
Consumer Staples	10.29	7.07	7.77	-8.09	0.67	-0.56	0.06	1.40	1.46
Energy	20.37	11.79	-19.68	-23.50	-4.32	-3.24	-1.40	1.00	-0.41
Financials	21.38	29.90	-12.01	-5.81	-2.65	-1.75	-0.33	-1.31	-1.65
Health Care	5.97	13.47	-1.80	-0.12	-0.08	0.22	-0.77	-0.01	-0.78
Industrials	11.31	10.13	-4.20	-9.07	-0.52	-0.90	0.00	0.57	0.57
Materials	6.32	2.89	-10.25	-18.74	-0.69	-0.56	-0.37	0.60	0.23
Information Technology	13.04	9.85	-8.09	-13.39	-0.97	-1.42	0.01	0.70	0.70
Telecommunication Services	1.02	2.24	3.35	-2.29	0.08	-0.08	-0.10	0.02	-0.08
Utilities	0.66	6.07	-16.05	-6.72	-0.20	-0.43	-0.26	-0.04	-0.30
Cash	3.09	0.00	0.00	0.00	0.00	0.00	0.26	0.00	0.26

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OUR INVESTMENT RESULTS

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Large Cap US Value Attribution Analysis: 10/01/2015 – 10/31/2015

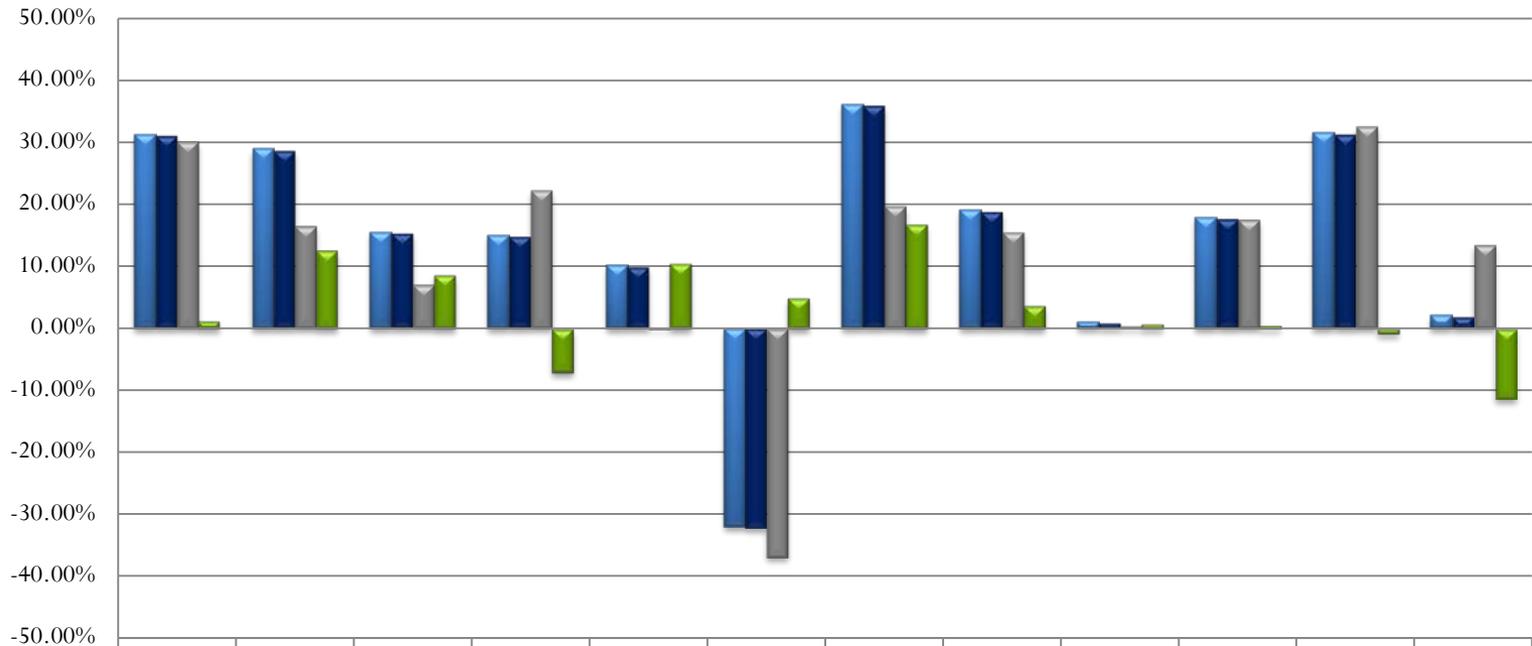
Sector Name	Avg Port Wt	Avg Bmrk Wt	Port Return	Bmrk Return	Port Contrib	Bmrk Contrib	Alloc Effect	Select Effect	Total Effect
Total Rep Portfolio	100.00	100.00	6.65	7.55	6.65	7.55	1.20	-2.10	-0.90
Consumer Discretionary	5.23	5.37	0.18	6.98	0.01	0.38	0.00	-0.37	-0.37
Consumer Staples	9.15	6.86	7.82	4.04	0.74	0.28	-0.08	0.34	0.26
Energy	21.09	13.42	11.54	11.65	2.44	1.52	0.35	-0.02	0.33
Financials	20.90	29.74	3.64	5.64	0.78	1.69	0.18	-0.43	-0.25
Health Care	8.11	11.46	8.38	7.52	0.73	0.86	0.05	0.18	0.23
Industrials	11.89	10.19	3.61	10.05	0.44	1.01	0.04	-0.77	-0.72
Materials	6.57	2.80	11.53	13.43	0.73	0.36	0.21	-0.12	0.09
Information Technology	15.74	11.48	4.87	10.54	0.79	1.18	0.14	-0.90	-0.76
Telecommunication Services	0.00	2.46	0.00	5.93	0.00	0.15	0.04	0.00	0.04
Utilities	0.00	6.21	0.00	1.58	0.00	0.10	0.38	0.00	0.38
Cash	1.34	0.00	0.00	0.00	0.00	0.00	-0.11	0.00	-0.11

Past performance is not indicative of future success, and there is the possibility of lower returns or the possibility of loss. For one-on-one use only.

OUR INVESTMENT RESULTS

27 Large Cap US Value Equity Investment History

Calendar Year

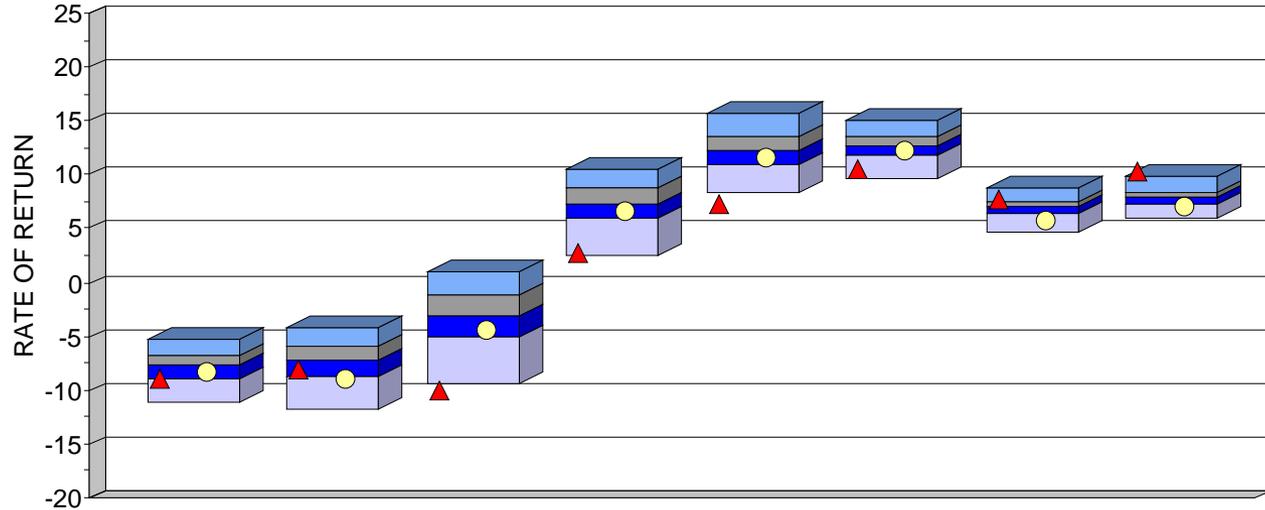


	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Gross	31.26%	29.00%	15.64%	15.20%	10.28%	-31.93%	36.35%	19.19%	1.15%	18.02%	31.71%	2.17%
Net	31.02%	28.63%	15.30%	14.81%	9.89%	-32.17%	35.87%	18.77%	0.79%	17.60%	31.22%	1.81%
Russell 1000 Value	30.03%	16.49%	7.05%	22.25%	-0.17%	-36.85%	19.69%	15.51%	0.39%	17.51%	32.53%	13.45%
Excess Performance	1.23%	12.51%	8.59%	-7.05%	10.45%	4.92%	16.66%	3.68%	0.76%	0.51%	-0.82%	-11.28%

See APPENDIX for performance disclosures. Past performance is not indicative of future success, and there is the possibility of lower returns or the possibility of loss. Preliminary composite performance is shown above. The excess return is calculated arithmetically. For one-on-one use only.

HERNDON CAPITAL LARGE CAP VALUE QUARTILE RANKING BAR PSN RBSA BROAD LARGE CAP VALUE PERIODS ENDING SEPTEMBER 30, 2015

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	Latest Quarter	Year To Date	1 Year	2 Years	3 Years	5 Years	10 Years	Since Inception
HIGH (0.05)	-5.20	-4.10	0.88	10.56	15.74	14.96	8.81	9.75
FIRST QUARTILE	-6.77	-5.99	-1.22	8.69	13.43	13.58	7.54	8.44
MEDIAN	-7.74	-7.24	-3.05	7.30	12.28	12.69	6.98	7.81
THIRD QUARTILE	-9.00	-8.80	-5.03	5.95	11.00	11.69	6.31	7.29
LOW (0.95)	-11.23	-11.87	-9.33	2.44	8.42	9.63	4.74	6.07
MEAN	-7.96	-7.41	-3.25	7.16	12.11	12.62	6.90	7.84
VALID COUNT	346	346	346	346	346	346	288	229

	Latest Quarter		Year To Date		1 Year		2 Years		3 Years		5 Years		10 Years		Since Inception	
	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK
▲ Herndon Capital Large Cap Value	-8.98	73	-8.18	62	-10.02	99	2.77	98	7.33	99	10.47	95	7.70	19	10.23	1
● Russell 1000 Value	-8.39	64	-8.96	79	-4.42	69	6.60	64	11.59	64	12.29	59	5.71	89	7.08	82

Source: PSN Enterprise, an Informa Investment Solutions product, is a money manager database.

Quartile Ranking Bar - The Quartile Ranking graph is used to rank the performance of PSN managers, market indexes or your own self-entered products against a universe. The range of returns/ other modern portfolio characteristics in the universe are represented by floating bars. Each bar is broken up into 4 quartiles. The upper quartile represents the top 25% of the managers in the particular universe for the particular time period (you can choose up to eight time periods). The managers, indexes and portfolios are plotted relative to the floating bars.

PSN RBSA Broad Large Cap Value - Includes all US equity products which Large Cap Value style allocation is greater than or equal to 50%. Moreover, products that pass the criteria will have also a five year Tracking Error (sample) calculated using Russell 1000 Value less than or equal to the median of the US Equity Universe. Universe is available on both gross and net of fee basis.

Shown as supplemental information only. See fully compliant performance disclosure. Past performance is not indicative of future success and there is the possibility of lower returns or the possibility of loss.

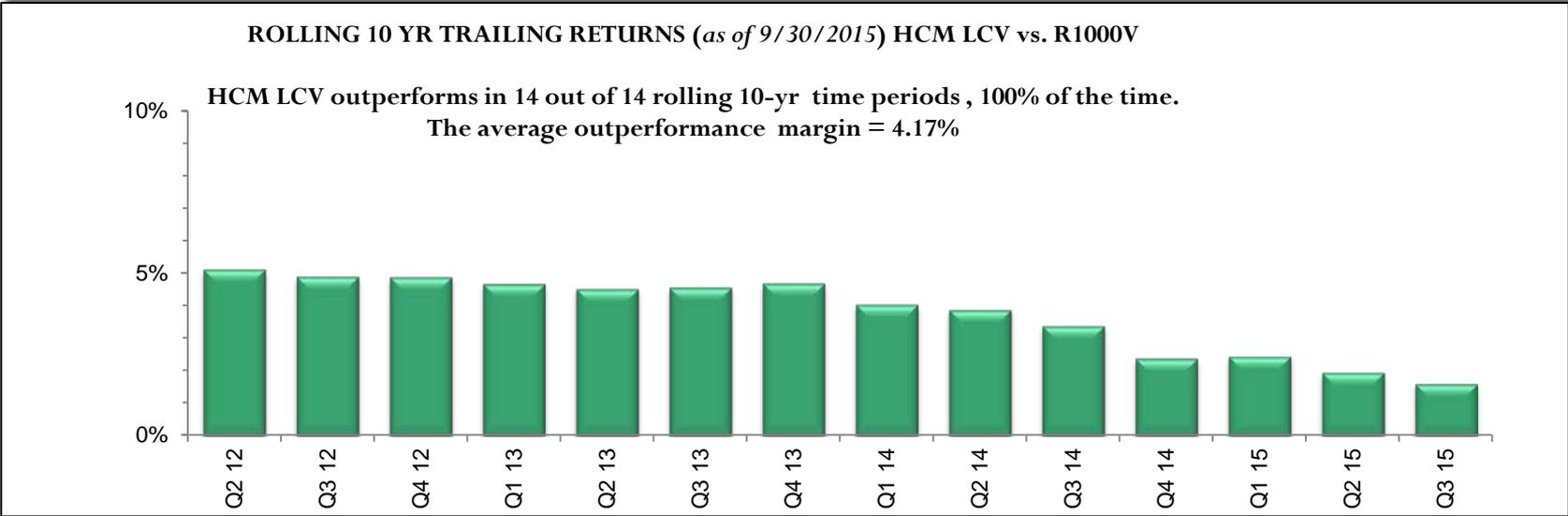
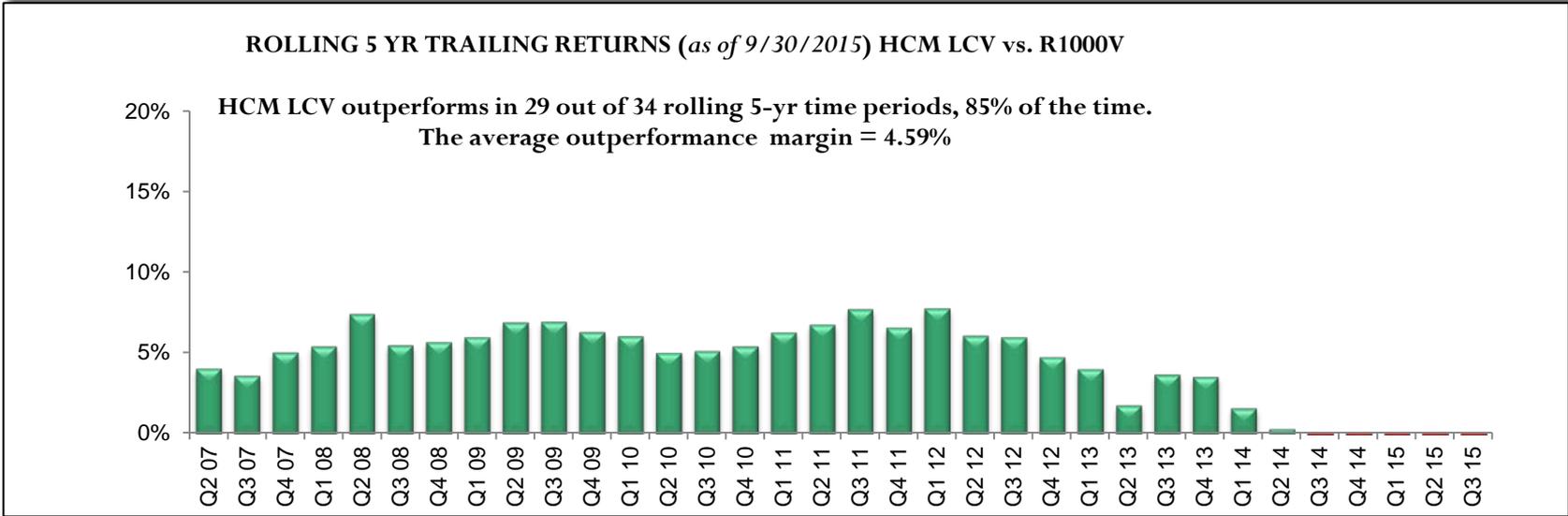
Large Cap US Value Equity Investment History

NET PERFORMANCE

YR	PRODUCT	QI	QII	QIII	QIV	YTD
2002	US VALUE			-16.59	7.39	-10.43
	RUSSELL 1000 VALUE			-18.77	9.22	-11.29
2003	US VALUE	-3.68	14.86	2.75	15.26	31.02
	RUSSELL 1000 VALUE	-4.86	17.27	2.06	14.19	30.03
2004	US VALUE	7.35	0.37	6.12	12.51	28.63
	RUSSELL 1000 VALUE	3.03	0.88	1.54	10.38	16.49
2005	US VALUE	2.06	5.06	6.25	1.20	15.30
	RUSSELL 1000 VALUE	0.09	1.67	3.88	1.27	7.05
2006	US VALUE	2.77	1.2	1.17	9.11	14.81
	RUSSELL 1000 VALUE	5.93	0.59	6.22	8.00	22.25
2007	US VALUE	1.52	9.72	-0.05	-1.28	9.89
	RUSSELL 1000 VALUE	1.24	4.93	-0.24	-5.80	-0.17
2008	US VALUE	-5.95	2.1	-12.64	-19.14	-32.17
	RUSSELL 1000 VALUE	-8.72	-5.31	-6.11	-22.18	-36.85
2009	US VALUE	-10.99	20.31	22.54	3.55	35.87
	RUSSELL 1000 VALUE	-16.77	16.70	18.24	4.22	19.69
2010	US VALUE	7.12	-11.92	12.92	11.48	18.77
	RUSSELL 1000 VALUE	6.78	-11.15	10.13	10.54	15.51
2011	US VALUE	7.57	2.38	-15.18	7.89	0.79
	RUSSELL 1000 VALUE	6.46	-0.50	-16.20	13.11	0.39
2012	US VALUE	17.09	-5.14	5.89	-0.02	17.60
	RUSSELL 1000 VALUE	11.12	-2.20	6.51	1.52	17.51
2013	US VALUE	10.89	0.17	5.01	12.49	31.22
	RUSSELL 1000 VALUE	12.31	3.20	3.94	10.01	32.53
2014	US VALUE	1.24	2.95	-0.22	-2.11	1.81
	RUSSELL 1000 VALUE	3.02	5.10	-0.19	4.98	13.45
2015	US VALUE	1.85	-1.14	-9.05		-8.42
	RUSSELL 1000 VALUE	-0.72	0.11	-8.39		-8.96

*Since Inception Annualized:	
US VALUE	9.88
RUSSELL 1000 VALUE	7.08

*Since inception annualized 06/30/2002. Past performance is not indicative of future success, and there is the possibility of lower returns or the possibility of loss. See APPENDIX for fully compliant performance disclosure. For one-on-one use only.



NET PERFORMANCE

*Calculation Methodology is arithmetic.
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Herndon Capital Management
PORTFOLIO APPRAISAL
City of Miami General Emp. & Sanitation Emp. Ret. Trust
Large Cap Value Portfolio, Inception: 5-23-2012
Account # LE3J
October 31, 2015

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<u>Quantity</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>
COMMON STOCK						
CONSUMER DISCRETIONARY						
2,786.00	ROSS STORES	36.05	100,428.53	50.58	140,915.88	0.7
10,724.00	TJX COMPANIES INC	40.57	435,072.68	73.19	784,889.56	3.7
2,642.00	YUM! BRANDS INC	70.48	186,208.16	70.91	187,344.22	0.9
			721,709.37		1,113,149.66	5.2
CONSUMER STAPLES						
12,900.00	ALTRIA GROUP INC	31.77	409,823.42	60.47	780,063.00	3.7
7,279.00	CAMPBELL SOUP	45.51	331,280.57	50.79	369,700.41	1.7
7,460.00	PHILIP MORRIS INTL	84.41	629,686.73	88.40	659,464.00	3.1
			1,370,790.72		1,809,227.41	8.5
ENERGY						
7,719.00	APACHE CORP	79.80	615,983.03	47.13	363,796.47	1.7
21,136.00	CHESAPEAKE ENERGY	11.62	245,594.49	7.13	150,699.68	0.7
11,967.00	CONTINENTAL RSCS	46.36	554,820.66	33.91	405,800.97	1.9
4,555.00	EXXON MOBIL CORP	82.62	376,344.40	82.74	376,880.70	1.8
15,127.00	HALLIBURTON CO	45.20	683,708.54	38.38	580,574.26	2.7
13,988.00	MARATHON PETR CORP COM	22.41	313,461.34	51.80	724,578.40	3.4
30,825.00	NOBLE CORP PLC SHS USD	13.82	425,969.61	13.47	415,212.75	1.9
11,035.00	SM ENERGY	75.87	837,210.84	33.35	368,017.25	1.7
4,611.00	TESORO	98.31	453,307.84	106.93	493,054.23	2.3
9,325.00	VALERO ENERGY CORP	48.09	448,428.02	65.92	614,704.00	2.9
			4,954,828.76		4,493,318.71	21.1
FINANCIALS						
5,595.00	AMERICAN EXPRESS	79.63	445,510.48	73.26	409,889.70	1.9
14,557.00	APARTMENT INVST/MGMT	27.23	396,379.41	39.19	570,488.83	2.7
11,605.00	CBOE HOLDINGS	27.58	320,068.81	67.04	777,999.20	3.6
933.00	CREDIT ACCEPTANCE CORP	229.86	214,461.06	189.09	176,420.97	0.8
9,636.00	DISCOVER FINANCIAL SERVICES	32.71	315,233.80	56.22	541,735.92	2.5

Herndon Capital Management
PORTFOLIO APPRAISAL
City of Miami General Emp. & Sanitation Emp. Ret. Trust
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October 31, 2015

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Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets
COMMON STOCK						
13,314.00	EATON VANCE	27.75	369,473.50	36.11	480,768.54	2.3
5,803.00	MCGRAW HILL FINL INC COM	46.61	270,450.89	92.64	537,589.92	2.5
5,129.00	MOODY'S	88.25	452,614.06	96.16	493,204.64	2.3
11,397.00	WADDELL & REED FINANCIAL	37.36	425,810.22	36.94	421,005.18	2.0
			3,210,002.24		4,409,102.90	20.7
HEALTH CARE						
10,365.00	ABBVIE INC. COM	62.70	649,926.98	59.55	617,235.75	2.9
4,300.00	GILEAD SCIENCES	84.96	365,333.96	108.13	464,959.00	2.2
4,302.00	JAZZ PHARMACEUTICALS P SHS USD	144.49	621,605.49	137.28	590,578.56	2.8
13,579.00	MYLAN N V SHS EURO	46.93	637,261.15	44.09	598,698.11	2.8
			2,274,127.58		2,271,471.42	10.7
INDUSTRIALS						
3,886.00	LOCKHEED MARTIN	84.02	326,505.87	219.83	854,259.38	4.0
5,233.00	ROCKWELL COLLINS INC	74.26	388,589.96	86.72	453,805.76	2.1
6,580.00	UNITED PARCEL SERVICES CL B	89.00	585,652.65	103.02	677,871.60	3.2
6,994.00	VERISK ANALYTICS INC.	65.04	454,904.96	71.61	500,840.34	2.3
			1,755,653.44		2,486,777.08	11.7
INFORMATION TECHNOLOGY						
2,228.00	ACCENTURE PLC CL A	98.02	218,378.25	107.20	238,841.60	1.1
726.00	ALLIANCE DATA SYSTEM	295.19	214,309.49	297.31	215,847.06	1.0
5,906.00	APPLE INC	71.13	420,111.07	119.50	705,767.00	3.3
2,850.00	HARRIS CORP	79.83	227,522.44	79.13	225,520.50	1.1
7,201.00	HEWLETT-PACKARD	30.49	219,592.23	26.96	194,138.96	0.9
4,559.00	MASTERCARD INC CL A	92.40	421,266.45	98.99	451,295.41	2.1
3,902.00	MICROSOFT CORP	34.60	134,993.96	52.64	205,401.28	1.0
6,683.00	WESTERN DIGITAL	34.51	230,630.33	66.82	446,558.06	2.1

Herndon Capital Management
PORTFOLIO APPRAISAL
City of Miami General Emp. & Sanitation Emp. Ret. Trust
Large Cap Value Portfolio, Inception: 5-23-2012
Account # LE3J
October 31, 2015

33

<u>Quantity</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>
COMMON STOCK						
27,819.00	WESTERN UNION	16.43	457,153.84	19.25	535,515.75	2.5
			2,543,958.06		3,218,885.62	15.1
MATERIALS						
8,330.00	CF INDUSTRIES HOLDINGS INC	44.66	372,038.34	50.77	422,914.10	2.0
5,284.00	LYONDELLBASELL INDUSTRIES SHS - A	80.23	423,923.89	92.91	490,936.44	2.3
1,244.00	NEWMARKET CORP COM	250.16	311,195.41	393.74	489,812.56	2.3
			1,107,157.64		1,403,663.10	6.6
	COMMON STOCK Total		17,938,227.82		21,205,595.90	99.4
CASH AND EQUIVALENTS						
	Dividend Accrual Account		30,428.30		30,428.30	0.1
	Reclaim Receivable - US		254.78		254.78	0.0
	State Street Bank - US Cash		88,172.37		88,172.37	0.4
			118,855.45		118,855.45	0.6
TOTAL PORTFOLIO			18,057,083.27		21,324,451.35	100.0

HCM TEAM MEMBERS

Executive Management Team

Randell Cain, Jr., CFA – Principal
Drake Craig, CFA – Principal/President
Kenneth Holley, CFA – Principal/CIO

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Administrative Services

Shawn Ayton – Director of Information Technology
Chanelle Belton – Administrative Assistant
Kathi Edwards – Chief of Staff
Lydia Hancock – Human Resources Manager
Tonya Lynch – Business Process Analyst
Matt Walker, CFA – Business Process Manager

Compliance

Todd Campbell – Senior Compliance Officer
Matt Carney – Compliance Manager
Annette Marshall, CSCP – Chief Compliance Officer
Colette Ray – Compliance Officer

Accounting

Nino Chiappetta – Director of Accounting
Vanita Johnson – Staff Accountant
Hanson Lewin – Accounting Manager of Expense
Varsha Telang – Account Manager of Revenue

Investments

J. Keith Buchanan, CFA – Senior Investment Analyst
Randell Cain, Jr., CFA – Principal/Portfolio Manager
Derik Coffey – Portfolio Specialist
Loren Compton-Williams – Senior Investment Analyst
Drake Craig, CFA – Principal/Portfolio Manager/President
Kenneth Grimes – Deputy CIO
Kenneth Holley, CFA – Principal/Portfolio Manager/CIO
Jason Kindland, CFA – Senior Investment Analyst
Jeremy Lopez, CFA – Senior Investment Analyst
Audley Mackel IV – Investment Analyst
James Nelson III, CFA – Co-Portfolio Manager / Director of Research
Anuja R. Singha, Ph.D., CFA - Senior Investment Analyst
Jazmin Williams – Investment Analyst

Marketing & Client Services

Lorraine Betts – Senior Reporting Analyst I
Antoinette Bing – Director of Marketing & Client Services
Alexandria Jenkins – Marketing and Client Services Associate
Walter Lindsay, Jr. – Senior Vice President of Marketing & Client Services
Kina McCanns – Marketing & Client Services Coordinator
Mondrell Moore – Senior Vice President of Marketing & Client Services
Anthony Pinkston – Reporting Analyst
Marc V. Reid – Director of Marketing & Client Services
S. Dawn Swift – Vice President of Marketing & Client Services
Marc Sydnor – Senior Vice President of Marketing & Client Services
Leah Williams – Marketing & Client Services Specialist
Christine Wizzard – Senior Reporting Analyst II

Operations

Ajay Anand- Operations Manager I
Shannon Barnes – Director of Operations
David Collins – Senior Operations Analyst
Kristine Dulski – Operations Analyst

Trading

Corey Beezhold – Equity Trader
Diane Bromfield – Senior Equity Trader
Shantell Hall – Wrap Trader
Kenneth Jackson – Head Trader

DERIK D. COFFEY**Portfolio Specialist****15 years experience**

Derik Coffey is a Portfolio Specialist for Herndon Capital Management focused primarily on the Large Cap Value and Mid Cap Value strategies.

Prior to joining Herndon Capital Management in 2013, Derik was an analyst at UBS Financial Services in the Investment Manager Research Group responsible for conducting ongoing due diligence on investment managers and searches on manager candidates. He was responsible for the strategies in the small and mid-cap space as well as general equity due diligence for Institutional Consultants. Prior to working in the Manager Research Group, Derik was business manager for the Investment Solutions at UBS business where he worked with senior management to coordinate financial and business activities for alternative investments, mutual funds, managed accounts, retirement, ETFs, UITs and institutional consulting businesses. Prior to joining UBS, Derik was an Assistant Vice President for Mergers & Acquisitions at New York Life Insurance where he focused on Insurance and Asset Management M&A. He started his career at Lehman Brothers as an analyst in the Global Mergers and Acquisitions group focused on technology and healthcare M&A.

Derik has 14 years of experience in finance, including 11 years of investment management experience. He graduated summa cum laude and earned a Bachelor of Arts in Political Science and Economics from Tuskegee University and a Master of Science in International Finance degree from Georgetown University's Edmund M. Walsh School of Foreign Service. He is currently registered as a Series 66 Investment Advisor Representative.

MARKETING & CLIENT SERVICES

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MARCV. REID

Director, Marketing & Client Services

20 years experience

Marc Reid is Herndon Capital Management's Director of Marketing and Client Service. Marc is charged with executing the long-term strategic growth efforts of the firm. His responsibilities include consultant relations, marketing and client services.

Marc brings 20 years of experience in the financial services industry to the firm. Previously, Marc served as Director of Client Services for NCM Capital Management Group where he managed client communication, reporting and requests with a focus on client retention. Additionally, he assisted with new business development. He identified, researched and qualified institutional investors for pipeline and oversaw the consultant database and RFP process. Prior to that he worked as a broker for a boutique firm where he made investment recommendations for stocks, mutual funds and insurance products.

Marc received a Bachelor of Arts in Economics from the University of North Carolina at Chapel Hill. He successfully passed the FINRA registration exams: Series 7, 65 and 63.

HERNDON CAPITAL MANAGEMENT, LLC
LARGE CAP U.S. VALUE COMPOSITE
ANNUAL DISCLOSURE PRESENTATION

Year End	Total Firm Assets (millions)	Composite Assets			Annual Performance Results				Annualized Ex-Post Standard Deviation Statistics	
		USD (millions)	% of Non- Fee-Paying	Number of Accounts	Composite Gross	Net	Russell 1000 Value	Composite Dispersion	Composite	Benchmark
2014	8,044	5,872	<1%	136	2.17%	1.81%	13.45%	0.44%	10.74%	9.20%
2013	8,704	6,197	<1%	143	31.71%	31.22%	32.53%	0.85%	13.55%	12.70%
2012	6,437	4,251	<1%	122	18.02%	17.60%	17.51%	0.32%	16.14%	15.51%
2011	4,368	2,999	<1%	94	1.15%	0.79%	0.39%	0.52%	20.02%	20.69%
2010	2,484	1,258	<1%	55	19.19%	18.77%	15.51%	0.37%		
2009	1,577	913	<1%	45	36.35%	35.87%	19.69%	0.63%		
2008	884	551	<1%	41	-31.93%	-32.17%	-36.85%	0.34%		
2007	1,093	615	<1%	27	10.28%	9.89%	-0.17%	0.22%		
2006	711	455	<1%	21	15.20%	14.81%	22.25%	0.15%		
2005	453	224	2%	12	15.64%	15.30%	7.05%	N.A.		
2004	156	44	9%	Five or fewer	29.00%	28.63%	16.49%	N.A.		
2003	54	9	24%	Five or fewer	31.26%	31.02%	30.03%	N.A.		
2002	52	2	100%	Five or fewer						

N. A. - Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year.

Large Cap U.S. Value Composite contains fully discretionary large cap U.S. value equity accounts. The goal of the product is to outperform the Russell 1000 Value Index over a market cycle (3-5 years) with an emphasis on quality and liquidity in a portfolio that is fully invested (5% or less cash) at all times. For comparison purposes, the composite is measured against the Russell 1000 Value Index. The Russell 1000 Value Index is used exclusively as our investment universe which we believe is made up of typically high quality companies covering a variety of sectors, industries, styles (growth, value, cyclical and stable), as well as market capitalizations. Our product requires a minimum market capitalization of \$1 billion.

Hemdon Capital Management, LLC (formerly Atlanta Life Investment Advisors, Inc.^(*)) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Hemdon Capital Management, LLC has been independently verified for the periods July 1, 2002 through December 31, 2013.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The Large Cap U.S. Value Composite has been examined for the periods July 1, 2002 through December 31, 2013. The verification and performance examination reports are available upon request.

Hemdon Capital Management, LLC is a registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Beginning April 1, 2014, composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow of at least 5% of portfolio assets. The temporary removal of such an account occurs at the beginning of the month in which the significant cash flow occurs and the account re-enters the composite at the beginning of the month after the cash flow. Additional information regarding the treatment of significant cash flows is available upon request. Less than one percent of composite assets are derived from our parent company, Atlanta Life Financial Group, which is non-fee paying. Past performance is not indicative of future success, and there is the possibility of lower returns or the possibility of loss.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income, including dividends. Net of fee performance was calculated using actual management fees. The annual composite dispersion presented is an asset-weighted standard deviation calculation for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows: \$0-10 million at 0.85%; \$10-25 million at 0.75%; \$25-50 million at 0.65%; \$50-100 million at 0.45%; balance at 0.40%. Actual investment advisory fees incurred by clients may vary.

Large Cap U.S. Value Composite was created June 30, 2002.

**) name change effective March 2010*