UUCEF INVESTOR CALL

NOVEMBER 27, 2012

2:00 PM EST

Presenters:
Carol McMullen, Chair, UUA Investment Committee
Tim Brennan, UUA Treasurer & CFO

Call 800-617-4268 (US toll free)

Passcode: 73886534#

Press *6 to mute/unmute

Agenda

1. Performance review to 9/30/12
2. September performance report
3. November 9th and 15th Investment Committee call, meeting and actions
4. Questions and answers

Unitarian Universalist Association

Total Fund Performance Summary

Period Ending September 30, 2012

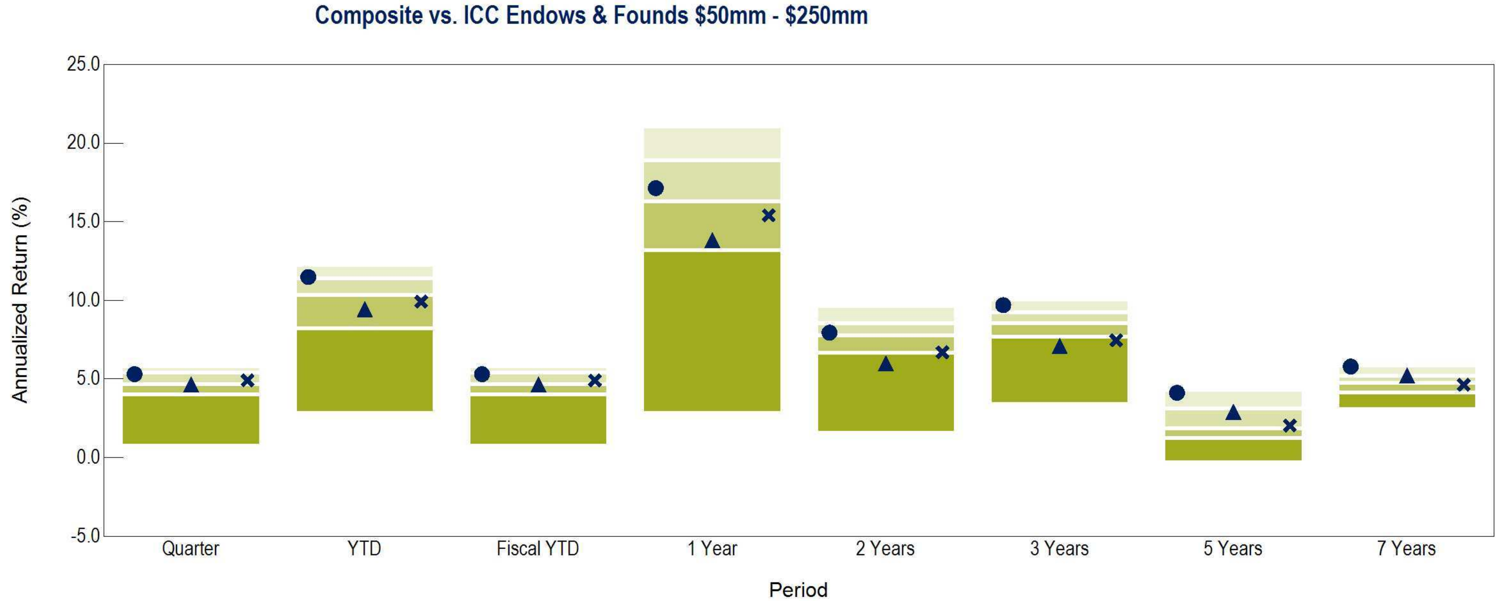
	Market Value ($)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Composite	**146,946,907**	**5.3**	**11.5**	**5.3**	**17.1**	**9.7**	**4.1**	**5.8**	**8.7**
Allocation Index		*4.7*	*9.4*	*4.7*	*13.8*	*7.1*	*2.9*	*5.2*	*8.0*
Policy Index		*4.9*	*9.9*	*4.9*	*15.4*	*7.5*	*2.0*	*4.6*	*--*
Domestic Equity Composite	**29,506,627**	**6.5**	**18.2**	**6.5**	**31.5**	**17.4**	**5.2**	**6.2**	**10.5**
S&P 500		*6.4*	*16.4*	*6.4*	*30.2*	*13.2*	*1.1*	*4.5*	*8.0*
International Equity Composite	**30,971,484**	**6.8**	**10.2**	**6.8**	**15.9**	**1.4**	**-4.9**	**3.1**	**9.9**
MSCI ACWI ex USA		*7.4*	*10.4*	*7.4*	*14.5*	*3.2*	*-4.1*	*3.3*	*9.8*
Fixed Income Composite	**39,626,086**	**4.2**	**9.8**	**4.2**	**12.9**	**9.8**	**8.3**	**7.3**	**7.2**
Barclays Aggregate		*1.6*	*4.0*	*1.6*	*5.2*	*6.2*	*6.5*	*5.9*	*5.3*
GTAA Composite	**36,431,853**	**5.1**	**11.4**	**5.1**	**16.0**	**10.2**	**--**	**--**	**--**
65% MSCI ACWI (Net) / 35% BC Agg		*5.0*	*9.9*	*5.0*	*15.6*	*7.3*	*1.4*	*4.8*	*7.8*
Hedge Fund Composite	**6,863,749**	**2.6**	**4.0**	**2.6**	**6.6**	**6.1**	**--**	**--**	**--**
HFRI Fund of Funds Composite Index		*2.4*	*3.4*	*2.4*	*2.9*	*1.5*	*-1.6*	*1.7*	*3.6*
Cash	**2,189,230**								
91 Day T-Bills									
Community Development	**1,357,878**	**0.6**	**1.8**	**0.6**	**1.9**	**1.9**	**2.2**	**--**	**--**
91 Day T-Bills		*0.0*	*0.1*	*0.0*	*0.1*	*0.1*	*0.5*	*1.7*	*1.7*

Notes:

All performance is gross of fees

Total Fund Return Summary (Gross of Fees) vs. Peer Universe

Period Ending September 30, 2012



Return (Rank)	Quarter		YTD		Fiscal YTD		1 Year		2 Years		3 Years		5 Years		7 Years	
5th Percentile	5.8		12.2		5.8		21.1		9.6		10.0		4.3		5.8	
25th Percentile	5.4		11.4		5.4		18.9		8.6		9.2		3.1		5.2	
Median	4.7		10.4		4.7		16.3		7.8		8.6		1.9		4.8	
75th Percentile	4.0		8.2		4.0		13.2		6.7		7.7		1.3		4.2	
95th Percentile	0.8		2.9		0.8		2.8		1.6		3.4		-0.3		3.1	
# of Portfolios	40		39		40		38		36		35		32		31	
● Composite	5.3	(31)	11.5	(23)	5.3	(31)	17.1	(42)	7.9	(43)	9.7	(16)	4.1	(6)	5.8	(6)
▲ Allocation Index	4.7	(52)	9.4	(64)	4.7	(52)	13.8	(73)	6.0	(80)	7.1	(79)	2.9	(28)	5.2	(27)
× Policy Index	4.9	(47)	9.9	(59)	4.9	(47)	15.4	(63)	6.7	(75)	7.5	(78)	2.0	(46)	4.6	(63)

Policy Index: *Calculated by taking the target asset class weights times the return of the respective passive benchmark (re-balanced monthly). Measures the effectiveness of Plan Structure.*

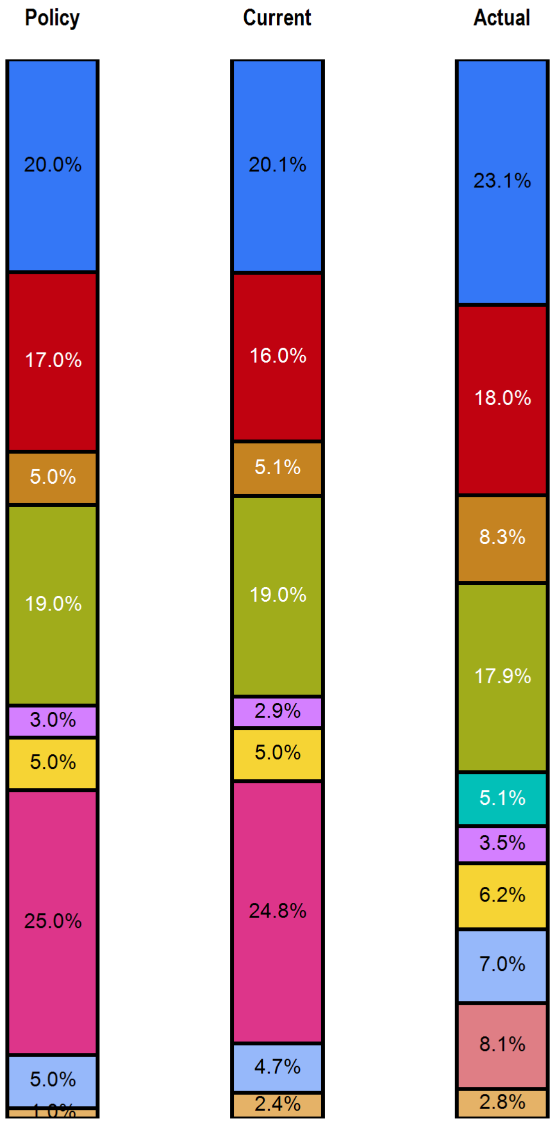
Allocation Index: *Calculated by taking the actual asset class weights times the return of the respective passive benchmark. Measures the effectiveness of deviating from target weights.*

Composite: *Actual fund return. When compared to the allocation index, it measures the effectiveness of the active managers.*

Unitarian Universalist Association

Total Fund Asset Allocation vs. Policy Targets

Period Ending September 30, 2012



Asset Allocation vs. Target

	Current	Policy	Current	Actual
Equity - Domestic	$29,506,627	20.0%	20.1%	23.1%
Equity - International	$23,459,978	17.0%	16.0%	18.0%
Equity - Emerging	$7,511,505	5.0%	5.1%	8.3%
Fixed Income - Domestic	$27,925,131	19.0%	19.0%	17.9%
High Yield	--	--	--	5.1%
Fixed Income - Emerging	$4,300,000	3.0%	2.9%	3.5%
Fixed Income - Global	$7,400,956	5.0%	5.0%	6.2%
Balanced - GAA	$36,431,853	25.0%	24.8%	--
Hedge Funds	$6,863,749	5.0%	4.7%	7.0%
Real Assets	--	--	--	8.1%
Cash	$3,547,108	1.0%	2.4%	2.8%
Total	**$146,946,907**	**100.0%**	**100.0%**	**100.0%**

Notes:

Policy Allocation: *Target asset allocation based on the investment policy statement.*

Current Allocation: *Period ending asset allocation that includes Global Asset Allocation as its own asset class.*

Actual Allocation: *Period ending asset allocation that breaks Global Asset Allocation into the underlying asset classes.*

*** Global Asset Allocation weights are preliminary**

Composite

Performance Summary

As of September 30, 2012

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	3 Mo (%)	YTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Return (%)	Since
				Ending September 30, 2012							Inception	
Composite	**146,946,907**	**100.0**	**100.0**	**2.2**	**5.3**	**11.5**	**5.3**	**17.1**	**9.7**	**4.1**	**7.2**	**Jan-96**
Allocation Index				*2.0*	*4.7*	*9.4*	*4.7*	*13.8*	*7.1*	*2.9*	*--*	*Jan-96*
Policy Index				*2.1*	*4.9*	*9.9*	*4.9*	*15.4*	*7.5*	*2.0*	*--*	*Jan-96*
Domestic Equity Composite	**29,506,627**	**20.1**	**20.0**	**3.1**	**6.5**	**18.2**	**6.5**	**31.5**	**17.4**	**5.2**	**8.9**	**Jul-02**
S&P 500				*2.6*	*6.4*	*16.4*	*6.4*	*30.2*	*13.2*	*1.1*	*5.8*	*Jul-02*
International Equity Composite	**30,971,484**	**21.1**	**22.0**	**3.3**	**6.8**	**10.2**	**6.8**	**15.9**	**1.4**	**-4.9**	**7.1**	**Jul-02**
MSCI ACWI ex USA				*3.7*	*7.4*	*10.4*	*7.4*	*14.5*	*3.2*	*-4.1*	*7.3*	*Jul-02*
Fixed Income Composite	**39,626,086**	**27.0**	**27.0**	**1.2**	**4.2**	**9.8**	**4.2**	**12.9**	**9.8**	**8.3**	**6.0**	**Jul-02**
Barclays Aggregate				*0.1*	*1.6*	*4.0*	*1.6*	*5.2*	*6.2*	*6.5*	*5.7*	*Jul-02*
GTAA Composite	**36,431,853**	**24.8**	**25.0**	**1.7**	**5.1**	**11.4**	**5.1**	**16.0**	**10.2**	**--**	**6.3**	**Jan-08**
65% MSCI ACWI (Net) / 35% BC Agg				*2.1*	*5.0*	*9.9*	*5.0*	*15.6*	*7.3*	*1.4*	*1.5*	*Jan-08*
Hedge Fund Composite	**6,863,749**	**4.7**	**5.0**	**1.2**	**2.6**	**4.0**	**2.6**	**6.6**	**6.1**	**--**	**7.3**	**Aug-09**
HFRI Fund of Funds Composite Index				*0.8*	*2.3*	*3.3*	*2.3*	*2.8*	*1.5*	*-1.6*	*2.3*	*Aug-09*
Cash	**2,189,230**	**1.5**	**0.0**									
91 Day T-Bills												
Community Development	**1,357,878**	**0.9**	**1.0**	**0.1**	**0.6**	**1.8**	**0.6**	**1.9**	**1.9**	**2.2**	**2.2**	**Jul-07**
91 Day T-Bills				*0.0*	*0.0*	*0.1*	*0.0*	*0.1*	*0.1*	*0.5*	*0.7*	*Jul-07*

Notes:
- All performance is gross of fees.
- Fiscal Year End: 6/30

Supplemental Information

Fund oversight

- UUA Board of Trustees – ultimate fiduciaries
- Investment Committee – includes investment professionals
- Committee on Socially Responsible Investing
- UUA Treasurer – management, rebalancing
- Investment consultant – New England Pension Consultants
- SRI analyst – Jantzi Sustainalytics
- Specialized investment managers
- Custodian – State Street Bank
- Reporting – NRS Trust Product Administration
- Auditors – CBIZ Tofias/Mayer, Hoffman, McCann

Investment objective

To achieve consistent returns within a moderate risk tolerance over the long term, sufficient to allow Congregations to take regular distributions and maintain the value of principal after adjustment for inflation and after all expenses.

UU Common Endowment Fund
Key Characteristics

- Long-term investment fund
- Diversified portfolio
- Managed by specialist professional investment managers
- Managed to reflect UU values while achieving financial goals – “Risk, Return, Justice”
- Open to congregations, districts, and other UU organizations

Portfolio Diversification

Across Asset Classes:

- Domestic equities: large cap, small cap, growth, value
- International equities: developed, emerging
- Fixed income: domestic core plus, high yield, global sovereigns, opportunistic
- Global asset allocation funds
- Fund of hedge funds

Asset Allocation Targets

Asset Class	*Target Allocation*
Domestic equity	20%
International equity	22%
Fixed income	27%
Global asset allocation	25%
Fund of hedge funds	5%
Community investments	1%
Cash	0%

Responsible Committees

Investment Committee

- Carol McMullen , Chair
- Arnold Bradburd
- Robert Friedman
- Rev. Clyde Grubbs (UUA Board of Trustees liaison)
- Julie Skye
- Tim Brennan, Treasurer
- Dan Brody, Financial Advisor

Committee on SRI

- Glenn Farley, Chair
- Simon Billenness
- Kimberly Gladman
- Rev. Clyde Grubbs (UUA Board of Trustees liaison)
- David Stewart
- Marva Williams
- Tim Brennan, Treasurer
- Dan Brody, Financial Advisor

See Investor Information Memorandum for background information.

Contact Information

For specific questions about the UUCEF please contact:

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  tbrennan@uua.org