CITY OF ATLANTA GENERAL EMPLOYEES' PENSION FUND

PERFORMANCE REPORT
PERIOD ENDING
DECEMBER 31, 2012

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GRAY & COMPANY

CAPITAL MARKET REVIEW

Fourth Quarter 2012

CAPITAL MARKET HEADLINES

The X-Files: The Monetary Policy Conspiracy

"The X-Files" was a television series based on two FBI agents investigating unsolved cases that tended to have a paranormal nature. Agent Fox Mulder searched for the super-natural explanation, while agent Dana Scully pursued scientific evidence to solve the case. In this case, the duo examines the actions of the world's central banks.

Setting: A conference room located in the basement of the J. Edgar Hoover FBI Building. Agent Mulder and Scully are sitting at a table covered with papers.

Agent Mulder believes he has uncovered the truth. He reviewed hours of press conference footage from the leaders of the central banks and read transcripts from central bank meetings. He conducted interviews with current and former staff members of the central banks and noted known conversations between these organizations. His theory is that the central banks have been infiltrated by an outside force – alien or otherwise.

His theory is based on the unprecedented stimulus efforts of the central banks, causing the expansion of their balance sheets. His research shows that the magnitude of their stimulus programs has vastly exceeded their responses to prior crises and recessions. In addition, the events that led to the credit crisis have central bank undertones - the loose credit standards around the world. He believes the Federal Reserve was the first to be corrupted, though he is unsure of the exact time and method. He highlights the policies adopted by the Fed and the similar programs implemented by the other central banks shortly thereafter. From the U.S. the corruption spread to Europe and the United Kingdom and finally Japan. He points to the change in leadership at the central banks and the subsequent change in policies - particular in the European Union and Japan. He further believes that these leaders may not even be aware of the outside entity's control; they may have been subjected to some sort of brainwashing. He hypothesizes that the mastermind behind the plot may be attempting to devalue the currencies of the economic powers to gain world dominance (possibly an organization with significant precious metal ownership). He cites the Bond movie "Goldfinger" as an example.

Agent Scully also believes she has identified the truth. She reviewed the actions of the central banks and economic theories. Her theory is that the central banks have adopted Keynesian macroeconomic policies to counter the effects of the credit crisis and subsequent global recession.

Her theory is based on the extraordinary circumstances that led to the credit crisis and the ensuing global recession. The mass amounts of liquidity provided by the central banks is classic Keynesian theory (utilizing fiscal and monetary polices to stabilize the economy during periods of an economic down turn). She offers the argument that the massive increase in stimulus during this period was necessitated by the credit crisis. The financial institutions were unable to provide liquidity to the markets due to the deterioration of their balance sheets (defaulting loans); the central banks provided capital and time for the banks to recover. The time line of events dictated that the Federal Reserve needed to be the first to act. Furthermore, Bernanke was a student of the Great Depression and the Fed's response to the current crisis was to prevent a repeat of the 1930's. The other central banks have adopted their policies based on the issues within their region; the success of the Fed's programs has encouraged the other leaders to implement similar initiatives. The turnover in leadership at the central banks is natural due to the politics associated with the position, the changing economic conditions, and the stress related to the role. She strongly rejects the idea of a sinister plot involving brainwashing to devalue currencies in order to control the world. There is no scientific evidence to support Mulder's outrageous claims. Though she admits that currency debasement may result (intended or unintended) and precious metals may be the beneficiary.

Mulder disputes the central banker's reliance on Keynesian theory to justify their actions. They understand the theory; however, they have abused it. During Keynes' time, governments tended to have a surplus during the growth stage of the business cycle, thereby supporting the use of monetary and fiscal polices to stimulate the economy during a recession. That is no longer the case; world economic powers are heavily in debt and cannot continue to support their economies. He realizes this - how is it the central banks do not?

Assistant Director Skinner (Mulder and Scully's boss) enters, interrupting their debate. He grabs the case file, scrambling to gather the papers on the table, and screams at Mulder for wasting the Bureau's resources and embarrassing the FBI. How dare he implicate the leaders of the central banks in some sort of conspiracy.

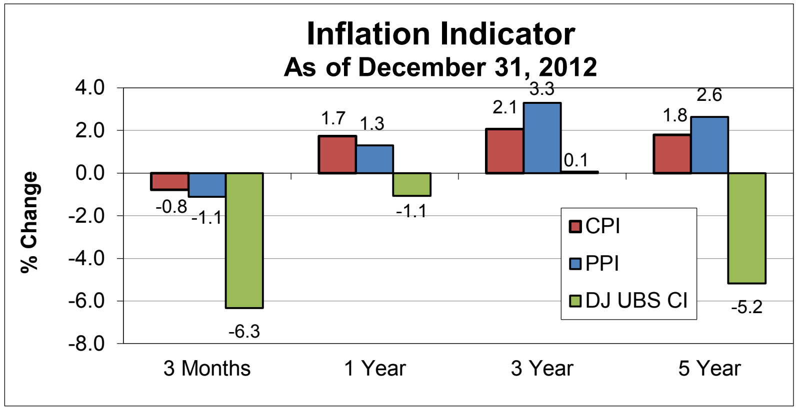
Setting: The steps of the Lincoln Memorial in the National Mall. Two men are talking - one is wearing an overcoat and hat and smoking a cigarette, the other is also wearing an overcoat with a balding head with a neatly groomed beard. Their voices are muffled, but you clearly hear the smoking man say, "I have taken care of your problem."

CAPITAL MARKET REVIEW

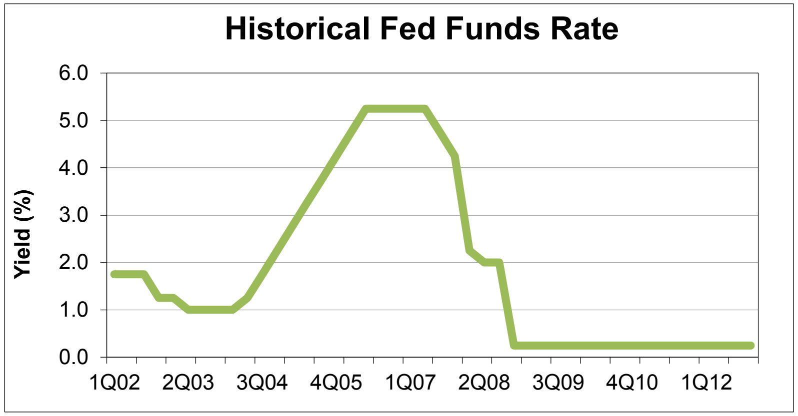
Politics as Usual: The presidential elections in November 2012 and the political grandstanding during the fiscal cliff debate in December 2012 stole the headlines in the fourth quarter, placing economic data on the back pages. The fiscal cliff resolution included the reinstatement of the full payroll tax, higher tax rates for upper income brackets, and higher capital gains taxes. The taxes hikes will hamper economic growth in 2013 as consumers will have less income to spend. However, the economy continued to improve at a very measured pace; the unemployment rate declined to 7.8% at year end (in January 2012 the rate was 8.5%) and the residential housing market improved with increasing transactions and rising prices.

Core inflation declined during the fourth quarter and remained below 2% for the year. Commodity prices were down significantly in the fourth quarter, ending the full year with a marginal loss. Grains and soft metals were a major factor in driving commodities lower. Gold prices came off their highs in October despite the depreciating U.S. dollar and the uncertainty in the political and economic markets. The Federal Reserve's monetary stimulus actions, however, continue to fuel increased inflation expectations.

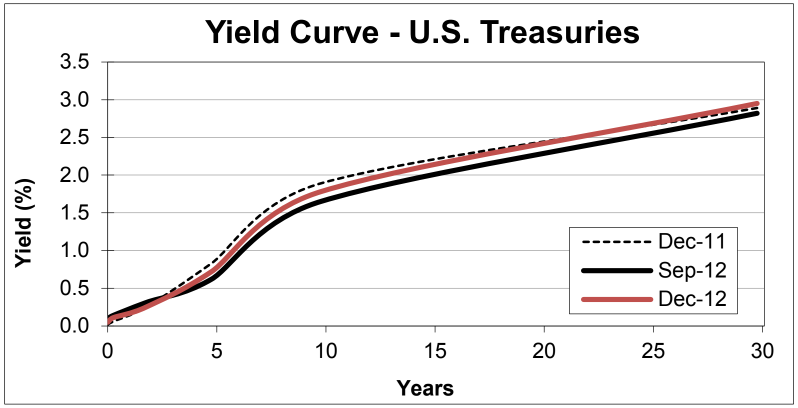
The Federal Reserve's unabashed commitment to its monetary easing program continued to help markets throughout the year. The central bank provided additional transparency, tying an increase in the federal funds rate to a 6.5% unemployment rate. The yield curve steepened in the quarter with rates ending slightly higher from their starting point on September 30th, but still remain well below historical averages.



Source: Bureau of Labor Statistics, Wilshire, and Dow Jones 12/31/2012



Source: Federal Reserve Bank of St. Louis MO 12/31/2012



Source: Federal Reserve Bank of St. Louis, MO 12/31/2012

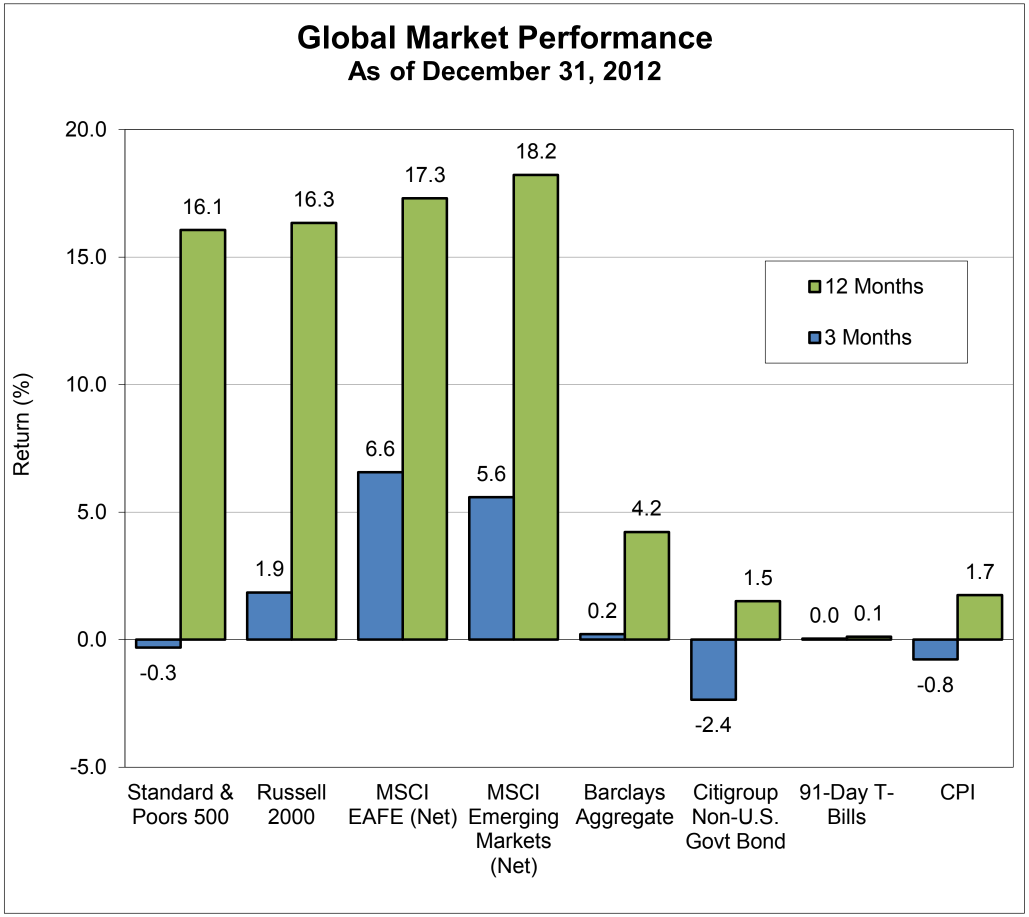
CAPITAL MARKET REVIEW

Joining the Party: The Bank of Japan initiated a program to devalue the Yen. The action was in response to changes in governmental leadership following the December 2012 elections; the party assuming control campaigned on fighting deflation. The Federal Reserve and European Central Bank continued to promote the benefits of their policies to spur economic growth and stabilize the markets.

The international equity markets enjoyed another strong quarter. Developed European countries and Japan led the way; the emerging markets also posted solid returns. The U.S. markets lagged with the S&P 500 posting a negative return. These impressive results were generated despite underwhelming global economic data. The markets are showing confidence in the ability of central banks to spur economic growth (or their ability to inflate prices of riskier assets as investors search for returns). Equities performed well in 2012, generating returns in the high teens; the emerging markets performed best, based partly on their stronger economic and fiscal position.

The global fixed income market's performance was dominated by Japan. The Bank of Japan's move to devalue the Yen caused sharp losses (in dollars) for Japanese bonds and drove the broad market indices lower. However, the European fixed income markets tended to generate modest gains and the U.S. market edged higher. Returns for U.S. investors were enhanced by the decline of the dollar versus most currencies.

With Japan's concerted effort to depreciate the Yen, all of the major central banks have fully embraced inflationary polices. At this time there appears to be a currency devaluation battle between the central banks. The weaker the currency, the more competitive a country is in the global economy, thereby promoting economic growth.



Source: Wilshire 12/31/2012

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U.S. EQUITY MARKET

Total Returns (%) - Periods Ending December 31, 2012	3 Months	1 Year	3 Years	5 Years
Standard & Poor's 500	(0.31)	16.06	10.89	1.67
Russell 1000	0.12	16.42	11.12	1.91
Russell 1000 Growth	(1.33)	15.26	11.35	3.13
Russell 1000 Value	1.53	17.50	10.86	0.59
S&P MidCap 400	3.61	17.88	13.63	5.15
Russell Midcap	2.88	17.26	13.15	3.56
S&P SmallCap 600	2.21	16.32	14.06	5.14
Russell 2000	1.85	16.34	12.25	3.55
Russell 2000 Growth	0.45	14.59	12.81	3.48
Russell 2000 Value	3.23	18.05	11.58	3.54
S&P 500 Sector Performance	**3 Months**	**1 Year**	**3 Years**	**5 Years**
Energy	(2.70)	4.78	9.87	(0.30)
Materials	2.73	14.85	8.46	0.11
Industrials	3.73	15.38	13.33	1.21
Con. Discretionary	2.18	24.29	18.99	9.61
Con. Staples	(1.99)	10.49	12.81	6.66
Health Care	0.08	17.78	11.01	4.73
Financials	5.93	28.79	6.41	(8.73)
Info Technology	(5.74)	14.72	9.11	3.76
Telecommunications	(6.04)	18.24	14.34	2.98
Utilities	(2.86)	1.34	8.84	0.49

Returns are annualized for periods greater than one year. Source: Wilshire 12/31/2012

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Not too Big, Not too Small: The majority of U.S. equity indexes withstood a sluggish start to the quarter and ended in positive territory. The S&P 500 was one of the exceptions with a return of -0.3%; the weak performance was primarily driven by poor performance in the Technology sector. Despite the continued uncertainty surrounding the economy, the equity markets generated double digit returns for 2012.

Mid Cap was the clear winner this quarter. Mid Cap out performed Small Cap, which in turn, out performed Large Cap. Value out paced Growth across the capitalization ranges for the second consecutive quarter. The return differential in style benchmarks was driven by the indexes exposure to the Financials and Technology sectors and the difference in performance between these sectors.

The Financials sector was the best performing sector this quarter, returning 5.93%. The diversified financial services and housing related sub-industries were the main drivers of the strong performance. The Telecom sector was the weakest performing sector and one of five sectors that generated negative returns. The economically sensitive sectors - Financials, Industrials, Materials, and Consumer Discretionary - out performed the broader market this fourth quarter.

2012 was a year of reversals in the equity markets. Financials was the worst performing sector in 2011 (down 17%) and the best performing sector in 2012 (up 29%). Utilities was the best performing sector in 2011 (up 20%) and the worst in 2012 (up 1%). Lastly, Value overtook Growth in 2012, which was a reversal from 2011.

U.S. FIXED INCOME MARKET

All Quiet on the Fed Front: The Federal Reserve continued with their quantitative easing program during the quarter, purchasing longer dated Treasury bonds and mortgage-backed securities to maintain interest rates at historic low levels. Their goal is to aid the labor and housing markets and promote stronger economic growth. The Fed is also providing greater transparency to the public, establishing a link between their monetary policies and their inflation and employment targets.

Yields on Treasuries have been trading in a narrow range since the announcement of QE III, ending the quarter near the higher end. At quarter-end, the 2-Year Treasury Notes yielded 0.25% (down 6 basis points from 9/30/12), 10-Year Treasury Bonds yielded 1.89% (up 13 basis points from 9/30/12), and 30-Year Treasury Bonds yielded 2.95% (up 13 basis points from 9/30/12).

The craving for high yielding (and riskier) fixed income securities continued this quarter, causing spread to contract across all credit quality categories with the exception of AAA. Credit was the best performing sector, led by high yield. During the quarter, Treasuries and Mortgages posted minor losses while TIPS generated positive results. For the year, high yield and investment grade corporates provided strong returns; the other major sectors trailed significantly.

Having survived the fiscal cliff, the market's attention remains on Washington and the approaching debt ceiling debate. Uncertainty seems to be a common theme.

Total Returns (%) - Periods Ending December 31, 2012

	3 Months	1 Year	3 Years	5 Years
Barclays 1-3 Yr Govt	0.07	0.51	1.49	2.49
Barclays Intm G/C	0.35	3.89	5.19	5.18
Barclays Aggregate	0.21	4.22	6.19	5.95
Barclays G/C	0.37	4.82	6.70	6.06
Barclays Long Govt	(0.71)	3.78	13.62	9.58
Barclays Govt	(0.06)	2.02	5.48	5.23
Barclays Credit	1.04	9.37	8.73	7.65
Barclays Mortgage	(0.20)	2.59	4.72	5.67
Barclays High Yield	3.29	15.81	11.86	10.33
Barclays U.S TIPS	0.69	6.98	8.90	7.04

Returns are annualized for periods greater than one year. Source: Barclays Capital.

Credit Spreads (in basis points)

	Sep-12	Dec-12	Change	10-Yr Avg.
Aaa	52	69	17	93
Aa	74	66	(8)	122
A	126	116	(10)	168
Baa	204	180	(24)	226
Ba	433	383	(50)	436
B	557	520	(37)	591
Caa	901	846	(55)	946

Source: Barclays Capital 12/31/2012

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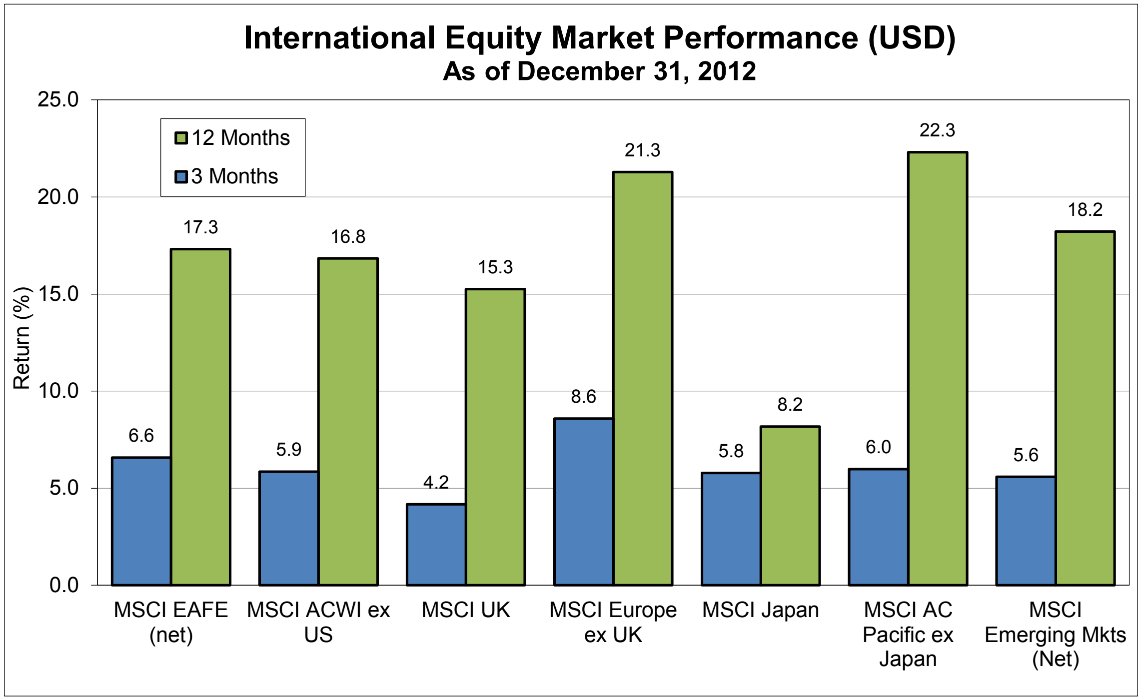
INTERNATIONAL EQUITY MARKET



MSCI Country Indexes (Net)
Three Months Ending December 31, 2012

	Return USD (%)	Return Local Currency (%)	Currency Effect (%)
France	10.8	8.2	2.7
Germany	8.5	5.9	2.6
Italy	9.3	6.6	2.7
Spain	9.6	6.9	2.7
Switzerland	8.0	5.2	2.8
UK	4.2	3.5	0.7
Europe Total	**7.0**	**5.1**	**1.9**
Australia	6.8	7.0	(0.2)
Hong Kong	5.7	5.6	0.0
Japan	5.8	17.6	(11.8)
Pacific Total	**5.9**	**12.6**	**(6.7)**
China	12.9	12.8	0.0
India	0.5	4.4	(3.9)
Brazil	3.5	4.4	(1.0)
Russia	2.5	0.7	1.8
Emerging Total	**5.6**	**5.3**	**0.3**

Source: MSCI 12/31/2012

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Continuance: Non-U.S. equity markets continued their good performance from the third quarter into the fourth quarter of 2012. In general, Developed and Emerging Markets generated mid to high single digit returns.

Developed Markets: European equities benefited from the explicit commitment of the European Central Bank to backstop the sovereign debt of faltering nations. Investor confidence was also boosted by cost cutting efforts in businesses and improved earnings. France was a standout in the region, returning just under 11% in the quarter, while the U.K was one of the weakest. Nevertheless, liquidity and solvency concerns still remain for individual countries. In Asia, the Japanese equity market had a strong finish to the year; the market responded to the growth oriented policies (fighting deflation and weakening the Yen) of the victorious party. Japan, however, is contending with anemic economic growth prospects and a poor demographic profile - the ratio of the working age to non-working age population continues to decline. Australia was the standout in the region behind solid demand pertaining to its commodities.

Emerging Markets: Emerging Markets rose during the quarter behind the strong performance of China. The world's second largest economy showed signs of economic stabilization, avoiding the hard landing predicted by some. The country's leadership is implementing new reforms to improve growth prospects. Elsewhere, the policies of the Brazilian government to spur growth generated moderately positive returns in their equity market.

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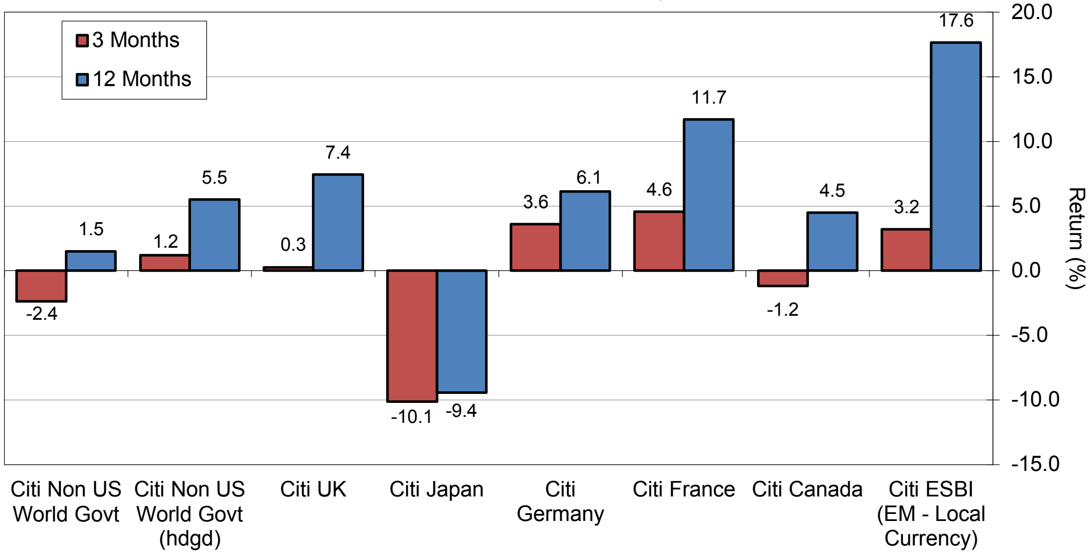
INTERNATIONAL BOND MARKET



Citigroup World Government Bond Indexes
Three Months Ending December 31, 2012

	Return USD (%)	Return Local Currency (%)	Currency Effect (%)
France	4.6	2.0	2.5
Germany	3.6	1.1	2.5
Ireland	6.8	4.2	2.6
Italy	7.8	5.2	2.6
Netherlands	4.3	1.7	2.5
Spain	8.2	5.6	2.6
Sweden	0.5	(0.3)	0.8
Switzerland	2.9	0.3	2.7
UK	0.3	(0.4)	0.7
European WGBI	4.6	2.4	2.2
Japan	(10.1)	(0.1)	(10.0)
Australia	(0.8)	(0.7)	(0.2)
Canada	(1.2)	(0.0)	(1.2)

Source: The Yield Book 12/31/2012

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Let the Good Times Roll: After an active third quarter, central banks continued to support the international fixed income markets with economic stimulus and fiscal relief efforts. The primary benefactors were the troubled nations in Europe.

In continental Europe the European Central Bank (ECB) sovereign assistance program helped ease funding pressures in the most troubled nations and generated strong returns in Italy and Spain. Greece appears content with the bail out process and committed to the European Union, at least for the time being. The Euro appreciated approximately 2.5% versus the dollar.

Economic growth resumed in the United Kingdom, ending their technical recession. However, the region continues to face economic challenges associated with slowing exports to Europe. The fear of a rating downgrade due to the weak growth expectations placed upward pressure on yields and generated negative returns (in local terms). The Pound Sterling appreciated 0.7% versus the dollar during the quarter.

The December elections in Japan saw a major shift in power, as the Liberal Democratic Party gained the Prime Minster post and a super-majority in the lower house. The party's platform was based on fighting deflation and weakening the Yen. With the polls predicting this outcome, yields moved slightly higher and the Yen depreciated versus the dollar, Euro, and Pound Sterling.

The emerging market debt benefited from investors' appetite for higher yields, gaining over 3% during the quarter. The majority of these nations enjoy relatively strong economic growth prospects and have sound fiscal policies. The demand for EM Debt securities has increased due to their attractive yields and potential for currency appreciation. For the year, emerging market debt was the best performing segment in the global fixed income markets.

SELECTED INDEX RETURNS - PERIODS ENDING DECEMBER 31, 2012

	Quarter	One Year	Three Years	Five Years	Ten Years
US EQUITIES					
Dow Jones Industrial Average	(1.8) %	10.2	10.9	2.6	7.3
Standard & Poors 500	(0.3)	16.1	10.9	1.7	7.1
Russell 3000	0.3	16.4	11.2	2.0	7.7
S&P MidCap 400	3.6	17.9	13.6	5.2	10.5
Russell Mid-Cap	2.9	17.3	13.2	3.6	10.7
S&P SmallCap 600	2.2	16.3	14.1	5.1	10.5
Russell 2000	1.9	16.3	12.3	3.6	9.7
Growth Stocks - Russell 3000 Growth	(1.2)	15.2	11.5	3.2	7.7
Value Stocks - Russell 3000 Value	1.7	17.6	10.9	0.8	7.5
US FIXED INCOME					
Barclays 1 - 3 Year Government	0.1 %	0.5	1.5	2.5	2.8
Barclays Intm Govt/Credit	0.4	3.9	5.2	5.2	4.6
Barclays Aggregate	0.2	4.2	6.2	6.0	5.2
Barclays Govt/Credit	0.4	4.8	6.7	6.1	5.3
Barclays Long Government	(0.7)	3.8	13.6	9.6	7.6
Barclays Government	(0.1)	2.0	5.5	5.2	4.7
Barclays Credit	1.0	9.4	8.7	7.7	6.2
Barclays Mortgage	(0.2)	2.6	4.7	5.7	5.1
Barclays High Yield	3.3	15.8	11.9	10.3	10.6
Barclays U.S TIPS	0.7	7.0	8.9	7.0	6.7
ML All Investment Grade Convertible Index					
INTERNATIONAL (Measured in US Dollars)					
MSCI EAFE (Net)	6.6 %	17.3	3.6	(3.7)	8.2
MSCI ACWI ex U.S. (Net)	5.9	16.8	3.9	(2.9)	9.7
MSCI Europe (Net)	7.0	19.1	3.3	(4.3)	8.4
MSCI Pacific (Net)	5.9	14.4	4.6	(2.0)	8.0
MSCI Emerging Markets (Net)	5.6	18.2	4.7	(0.9)	16.5
Citigroup Non-U.S. Govt Bond	(2.4)	1.5	4.0	5.2	6.4
REAL ESTATE					
NAREIT Index	2.2 %	20.2	18.0	5.6	11.0
NCREIF Property Index					
OTHER					
91-Day T-Bills	0.0 %	0.1	0.1	0.5	1.8
Consumer Price Index (percent change)	(0.8)	1.7	2.1	1.8	2.4
Producer Price Index (percent change)	(1.1)	1.3	3.3	2.6	3.4

Note: Returns for periods longer than 12 months are annualized. Indicies are not investments, are not managed and do not incur fees or expenses. It is not possible to invest in an index.

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Definitions:
BC (Barclays Capital) Treasury provides a measure of riskless return.
The **Dow Jones Industrial Averages** contains the stocks of 30 companies that are all major factors in their industries, and their stocks are widely held by individuals and institutional investors. As of December 31, 2008, The Dow® represented 27% of the float-adjusted market capitalization of the Dow Jones U.S. TSM Index, which provides near complete coverage of the U.S. stock market. The DJIA serves the same purpose today for which it was created in 1896 – to provide a clear, straightforward view of the stock market and, by extension, the U.S. economy.
The **S&P 500 Index** is a capitalization weighted index of the 500 largest publicly traded companies in the US and is widely accepted as the overall market proxy. It consists of 400 industrials, 40 utilities, 20 transportation stocks and 40 financial institutions issues when totaled covers approximately 75% of the US equities market.
The **Russell 3000 Index** measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.
The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 8% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership.
The **Russell 1000 Index** is composed of the 1000 largest companies in the Russell 3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. The average capitalization was approximately $12.1 billion; the median market capitalizationwas approximately $3.8 billion. The smallest company in the index had an approxaimate market capitalization of $1350.8 million.
The **S&P MidCap 400** provides investors with a benchmark for mid-sized companies. The index covers over 7% of the U.S. equity market, and seeks to remain an accurate measure of mid-sized companies, reflecting the risk and return characteristics of the broader mid-cap universe on an on-going basis
The **S&P SmallCap 600** covers approximately 3% of the domestic equities market. Measuring the small cap segment of the market that is typically renowned for poor trading liquidity and financial instability, the index is designed to be an efficient portfolio of companies that meet specific inclusion criteria to ensure that they are investable and financially viable.
The **Russell 3000 Growth Index** measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values.
The **Russell 3000 Value Index** measures the performance of the broad value segment of the U.S. equity universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values.
The **Russell 2000 Growth Index** measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.
The **Russell 2000 Value Index** measures the performance of small-cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.
The **Russell1000 Growth Index** is composed of those stocks in the Russell 1000 Index with greater than average growth orientation. The Russell Growth Index represents the universe of stocks from which most growth style money managers typically select.
The **Russell 1000 Value Index** is composed of those stocks in the Russell 1000 Index with less than average growth orientation. The Russell Value Index represents the universe of stocks from which most value style money managers typically select.
The **Barclays U.S. Aggregate Bond Index** is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS. The U.S. Aggregate rolls up into other Barclays Capital flagship indices such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt. The U.S. Aggregate Index was created in 1986, with index history backfilled to January 1, 1976.
The **Barclays Govt/Credit Index** is the non-securitized component of the U.S. Aggregate Index and was the first macro index launched by Barclays Capital. The U.S. Government/Credit Index includes Treasuries (i.e., public obligations of the U.S. Treasury that have remaining maturities of more than one year), government-related issues (i.e., agency, sovereign, supranational, and local authority debt), and corporates. The U.S. Government/Credit Index was launched on January 1, 1979, with index history backfilled to 1973, and is a subset of the U.S. Aggregate Index.
The **Barclays U.S. Government Index** is comprised of the U.S. Treasury and U.S. Agency Indices. The U.S. Government Index includes Treasuries (public obligations of the U.S. Treasury that have remaining maturities of more than one year) and U.S. agency debentures (publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government). The U.S. Government Index is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

DISCLOSURE

The **Barclays US Credit Index** comprises the US Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities. The US Credit Index was called the US Corporate Investment Grade Index until July 2000, when it was renamed to reflect its inclusion of both corporate and non-corporate issuers. Index history is available back to 1973. The US Credit Index is a subset of the US Government/Credit Index and the US Aggregate Index.

The **Barclays Capital U.S. MBS (Mortgage) Index** measures the performance of investment grade fixed-rate mortgage-backed pass-through securities of GNMA, FNMA, and FHLMC.

The **Barclays U.S. Corporate High-Yield Index** measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below. The index excludes emerging market debt. It was created in 1986, with history backfilled to July 1, 1983. The U.S. Corporate High-Yield Index is part of the U.S. Universal and Global High-Yield Indices.

The **Barclays U.S. TIPS** is a part of the Barclays Capital family of global inflation linked bond indices, the Barclays Capital US Government Inflation-linked bond index (US TIPS) measures the performance of the TIPS market. TIPS form the largest component of the Barclays Capital Global Inflation-Linked Bond Index. Inflation-linked indices include only capital indexed bonds with a remaining maturity of one year or more.

The **Barclays US Treasury 1-3yr term index™** measures the performance of short term government bonds issued the US Treasury. The index includes 2-Year and 3-Notes. Term Indices are a new concept in bond indexing developed by Barclays Capital. They have very similar yield, duration and risk/return characteristics to standard maturity based indices but are more compact and more liquid. Term indices use a standard market capitalisation weighting methodology but include only bonds near to their original term rather than selecting all bonds in a maturity range.

The **Barclays Capital Long Government/Credit Index** measures the investment return of all medium and larger public issues of U.S. Treasury, agency, investment-grade corporate, and investment-grade international dollar-denominated bonds with maturities longer than 10 years. The average maturity is approximately 20 years.

The **MSCI EAFE Index(net)** (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. As of May 27, 2010 the MSCI EAFE Index consisted of the following 22 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

The **MSCI ACWI ex U.S. (net)** (All Country World Index excluding the United States) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. As of May 27, 2010 the MSCI ACWI ex. US consisted of 44 country indices comprising 23 developed and 21 emerging market country indices. The developed market country indices included are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom. The emerging market country indices included are: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

The **MSCI United Kingdom Index** is a free float adjusted market capitalization index that is designed to measure large and mid cap United Kingdom equity market performance. The MSCI United Kingdom Index is member of the MSCI international equity index series and represents the United Kingdom's equity portion of the global benchmark MSCI ACWI (All Country World Index) Index.

The **MSCI Europe Index (net)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. As of June 2007, the MSCI Europe Index consisted of the following 16 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

MSCI Europe ex UK Index (net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe excluding the Un ited Kingdom. As of June 2007, the MSCI Europe Index consisted of the following 15 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden and Switzerland.

The **MSCI Pacific Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in the Pacific region. As of June 2007, the MSCI Pacific Index consisted of the following 5 Developed Market countries: Australia, Hong Kong, Japan, New Zealand, and Singapore

MSCI Pacific ex Japan Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the Far East, excluding Japan. As of March 2008 the MSCI Pacific ex Japan Index consisted of the following 9 developed and emerging market country indices: China, Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan, and Thailand.

The **MSCI Japan Index** is a free float adjusted market capitalization index that is designed to measure large and mid cap Japanese equity market performance. The MSCI Japan Index is member of the MSCI international equity index series and represents the Japanese equity portion of the global benchmark MSCI ACWI (All Country World Index) Index.

The **MSCI Emerging Markets Index (net)** is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. As of May 27, 2010 the MSCI Emerging Markets Index consisted of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

The Citigroup World Government Bond Ex-US Index measures the performance of developed countries' global fixed-income markets invested in debt issues of non-US governmental entities. The World Government Bond Index (WGBI) includes the 23 government bond markets of Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Malaysia, the Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States prior to its exclusion.

Citigroup World Government Bond Ex-US Index hedged measures the performance of **The Citigroup World Government Bond Ex-US Index** and computing the monthly currency-hedged return by using a rolling one-month forward exchange contract as a hedging instrument.

Citigroup UK Bond Index includes the government bond markets of the United Kingdom and satisfies size, credit, and barriers-to-entry requirements.

Citigroup Japan Bond Index consists of the government bond market of Japan and satisfies size, credit, and barriers-to-entry requirements.

Citigroup Germany Bond Index consists of the government bond market of Germany and satisfies size, credit, and barriers-to-entry requirements.

Citigroup France Bond Index consists of the government bond market of France and satisfies size, credit, and barriers-to-entry requirements.

Citigroup Canada Bond Index consists of the government bond market of Canada and satisfies size, credit, and barriers-to-entry requirements.

DISCLOSURE

The **FTSE NAREIT US Real Estate Index** is calculated by FTSE International Limited (FTSE).
The **NCREIF Property Index** reports quarterly and annual returns consisting of income and appreciation components. The index is based on data collected from the voting members of NCREIF. Specific property-type indices include apartment, office, retail, R&D/Office and Warehouse.
91-Day T-Bills provide a measure of riskless return.

Consumer Price Index is a government-issued index of the retail prices of basic household goods and services.
Producer Price Index is an index maintained by the U.S. Bureau of Labor Statistics that tracks the price of wholesale goods and commodities.
The **Dow Jones UBS Commodity Index** measures collateralized returns from a diversified basket of 19 commodity futures contracts from sectors spanning energy, precious metals, industrial metals, grains and livestock.

Moody's Long-Term Obligation Ratings:
Aaa Obligations rated **Aaa** are judged to be of the highest quality, with minimal credit risk.
Aa Obligations rated **Aa** are judged to be of high quality and are subject to very low credit risk.
A Obligations rated **A** are considered upper-medium grade and are subject to low credit risk.
Baa Obligations rated **Baa** are subject to moderate credit risk. They are considered medium grade and as such may possess certain speculative characteristics.
Ba Obligations rated **Ba** are judged to have speculative elements and are subject to substantial credit risk.
B Obligations rated **B** are considered speculative and are subject to high credit risk.
Caa Obligations rated **Caa** are judged to be of poor standing and are subject to very high credit risk.
Ca Obligations rated **Ca** are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
C Obligations rated **C** are the lowest rated class of bonds and are typically in default, with little prospect for recovery of principal or interest.

Standard Deviation is often used by investors to measure the risk of a stock or a stock portfolio. The basic idea is that the standard deviation is a measure of volatility: the more a stock's returns vary from the stock's average return, the more volatile the stock.

Treasuries: Treasury Securities are debt financed securities issued by the U.S. government. There are three primary types of treasury securities. They are Treasury Bills, Treasury Notes and Treasury Bonds. Treasury Bills (a.k.a. T-bill) mature in one year or less. Treasury Bills are commonly issued with maturities dates of 91 days, 6 months, or 1 year. **91-Day T-Bills** provide a measure of riskless return. Treasury Notes (a.k.a. T-Note) mature between one and ten years. Treasury notes are commonly issued with maturities dates of 2, 3, 5 or 7 years. Treasury Bonds (a.k.a. T-Bond) are commonly issued with maturity dates of ten and thirty years.

The **federal funds target rate** is determined by a meeting of the members of the Federal Open Market Committee. The **federal funds rate** is the interest rate at which private depository institutions (mostly banks) lend balances (federal funds) at the Federal Reserve to other depository institutions, usually overnight. It is the interest rate banks charge each other for loans.

The **European Central Bank** (ECB) is the institution of the European Union (EU) which administers the monetary policy of the 17 EU Eurozone member states. It is thus one of the world's most important central banks. The bank was established by the Treaty of Amsterdam in 1998, and is headquartered in Frankfurt, Germany.

The **eurozone, o**fficially the **euro area**, is an economic and monetary union (EMU) of 17 European Union (EU) member states that have adopted the euro currency as their sole legal tender. It currently consists of Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain.

The **euro** (sign: **€**) is the official currency of the eurozone.

The **pound sterling** (sign: £), commonly called the **pound**, is the official currency of the United Kingdom**.**

OVERVIEW

PORTFOLIO EVALUATION

- The total market value of the fund as of December 31, 2012 was $1.05 billion and had a return of 2.15% for the quarter.
- Over the past twelve months, the fund returned 13.80%.

INVESTMENT POLICY AND OBJECTIVES

- Fund is expected to outperform its actuarial target of 7.5% over one complete market cycle of 3 to 5 years.
- Annual performance is expected to outperform an index comprised of a 60% S&P 500, 10% MSCI EAFE, 25% BGI Aggregate index, 5% 91-Day T-Bill.
- 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

	Quarter
Beginning Market Value	**1,046,559,422**
Cash Flow In	24,310,919
Intrafund Transfers	0
Cash Flow Out	-41,917,082
Net Cash Flow	**-17,606,163**
Investment Performance	
Income	6,604,412
Asset Value Changes	15,664,093
Gross Performance	**22,268,505**
Ending Market Value	**1,051,221,764**

RECOMMENDATIONS

Atlanta General Employees Pension Fund
Executive Summary Table
Periods Ending December 31, 2012

Name	Value $(000)	% of Fund	Periods Ending 12/31/12 Cur Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	**1,051,222**	**100.0**	**2.15**	**13.80**	**7.22**	**9.65**	**5.19**	**5.77**	**7.14**
Net of Fee			2.06	13.41	6.83	9.28	4.85	5.46	6.82
Policy Index			0.48	12.47	7.33	9.84	5.17	6.06	7.11
Large Cap Composite	**281,306**	**26.8**	**-0.61**	**15.84**	**8.36**	**10.91**	**2.55**	**4.17**	**7.53**
Net of Fee			-0.66	15.61	8.14	10.64	2.23		
Standard & Poors 500			-0.38	15.98	8.83	10.86	1.66	4.12	7.10
GLOBALT Inc.	64,760	6.2	-1.31	15.88	7.00	9.45	2.41	3.80	7.09
Net of Fee			-1.41	15.41	6.57	9.05	2.00	3.39	6.67
Standard & Poors 500			-0.38	15.98	8.83	10.86	1.66	4.12	7.10
Morgan Stanley	70,510	6.7	-0.44	15.50	8.92	10.88	4.02	6.11	7.56
Net of Fee			-0.54	15.02	8.47	10.39	3.54	5.63	7.07
Standard & Poors 500			-0.38	15.98	8.83	10.86	1.66	4.12	7.10
Vanguard S&P 500 Index Fund	146,036	13.9	-0.39	15.98					
Net of Fee			-0.39	15.98					
Standard & Poors 500			-0.38	15.98					
Mid Cap Composite	**221,509**	**21.1**	**4.44**	**20.51**	**6.93**	**13.21**	**3.14**	**3.75**	**5.30**
Net of Fee			4.31	19.90	6.40	12.67	2.69		
Russell MidCap			2.88	17.26	7.44	13.15	3.56	5.45	10.65
Madison Square Investors	108,632	10.3	2.65	18.09	7.38	12.73	3.05		
Net of Fee			2.55	17.62	6.95	12.30	2.62		
Russell MidCap			2.88	17.26	7.44	13.15	3.56		
Ceredex MidCap Value	112,877	10.7	6.23	22.81	7.18				
Net of Fee			6.07	22.07	6.55				
Russell MidCap Value			3.92	18.48	8.10				

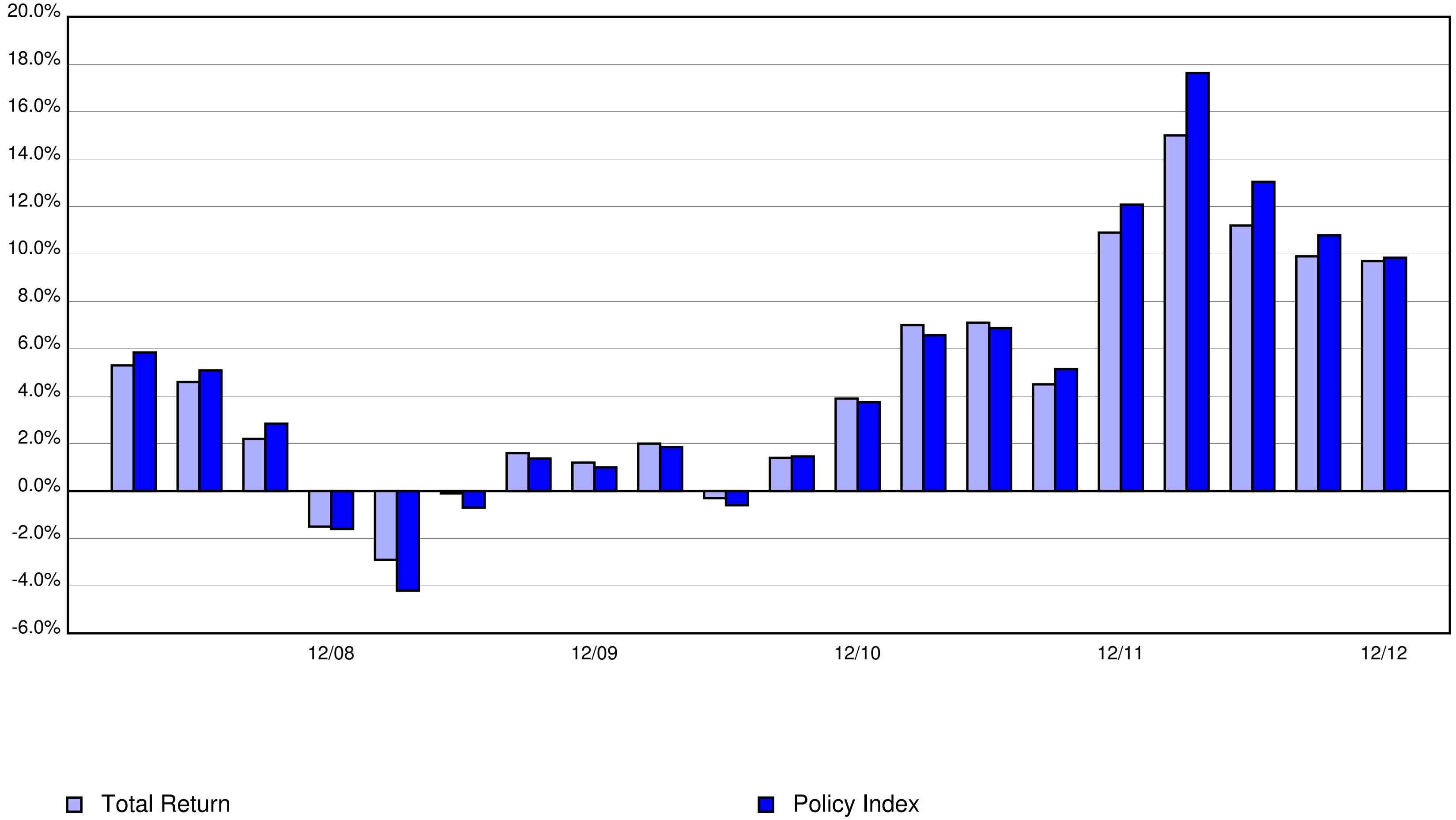
Atlanta General Employees Pension Fund
Executive Summary Table
Periods Ending December 31, 2012

Name	Value $(000)	% of Fund	Cur Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
			Periods Ending 12/31/12						
Small Cap Composite	**164,121**	**15.6**	**4.46**	**14.83**	**6.34**	**12.62**	**4.44**	**5.74**	**10.78**
Net of Fee			4.28	14.03	5.60	11.82	3.68		
Russell 2000			1.85	16.34	5.59	12.25	3.55	4.79	9.72
EARNEST Partners Small Cap	83,344	7.9	5.57	16.48	7.55	11.69	4.45	4.03	10.17
Net of Fee			5.42	15.83	6.95	11.04	3.84	3.42	9.51
Russell 2000			1.85	16.34	5.59	12.25	3.55	4.79	9.72
Jennison	80,777	7.7	3.34	13.17	5.79	13.72	4.58		
Net of Fee			3.12	12.23	4.91	12.77	3.68		
Russell 2000			1.85	16.34	5.59	12.25	3.55		
International Equity Composite	**109,292**	**10.4**	**6.60**	**19.91**	**4.87**				
Net of Fee			6.53	19.56	4.29				
Johnston	52,188	5.0	5.82	16.31	3.51				
Net of Fee			5.66	15.61	2.79				
MSCI ACWI ex US (Net)			5.85	16.83	0.41				
Artisan	57,104	5.4	7.33	23.04	6.00				
Net of Fee			7.33	23.04	6.00				
MSCI EAFE (Net)			6.57	17.31	1.52				
Fixed Income Composite	**250,486**	**23.8**	**0.32**	**5.00**	**6.16**	**6.34**	**6.50**	**6.30**	**5.42**
Net of Fee			0.27	4.78	5.94	6.13	6.28		
Barclays U.S. Aggregate			0.21	4.22	6.01	6.19	5.95	5.86	5.18
Atlanta Capital	79,745	7.6	0.09	3.54	4.32	4.58	5.10	5.35	4.54
Net of Fee			0.05	3.40	4.17	4.43	4.97	5.22	4.41
Barclays Int Govt/Credit			0.35	3.89	4.84	5.19	5.18	5.33	4.62

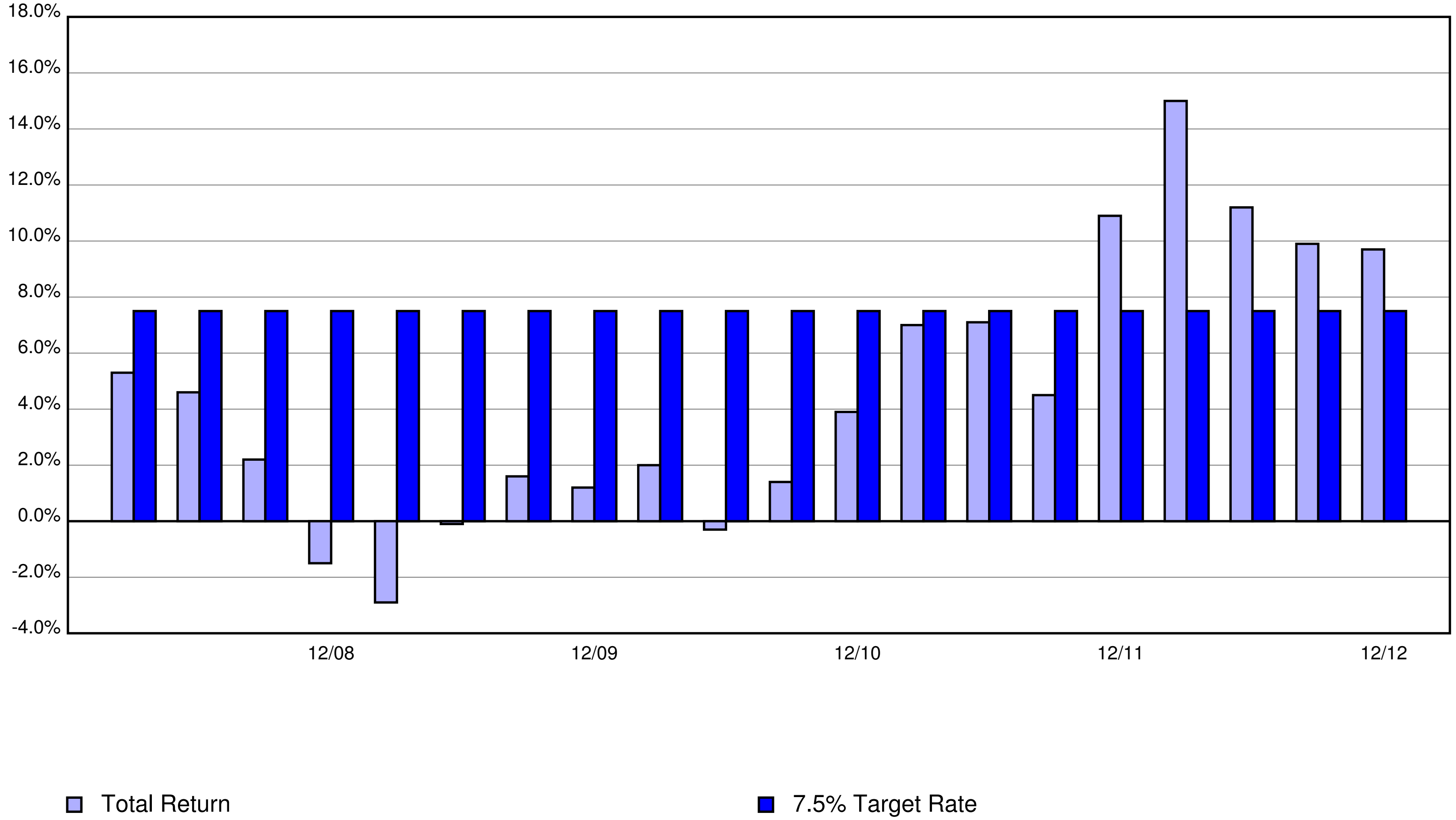
Atlanta General Employees Pension Fund
Executive Summary Table
Periods Ending December 31, 2012

Name	Value $(000)	% of Fund	Periods Ending 12/31/12 Cur Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
JP Morgan/Bank One	84,557	8.0	0.41	5.00	6.86	7.07	6.87	6.63	5.77
Net of Fee			0.34	4.72	6.57	6.78	6.57	6.35	5.50
Barclays U.S. Aggregate			0.21	4.22	6.01	6.19	5.95	5.86	5.18
Mesirow	86,185	8.2	0.45	6.37	7.10	7.24	7.45		
Net of Fee			0.40	6.16	6.88	7.04	7.24		
Barclays U.S. Aggregate			0.21	4.22	6.01	6.19	5.95		
BONY Enhanced Cash	23,732	2.3	0.01	0.02	0.02	0.05	0.46		
Net of Fee			0.01	0.02	0.02	0.05	0.42		
Cash Account	68	0.0	0.01	0.02	0.02	0.05	0.55		
Net of Fee			0.01	0.02	0.02	0.05	0.55		
Certificates of Deposit	198	0.0	0.00	0.00	0.00	0.00	0.00		
Net of Fee			0.00	0.00	0.00	0.00	0.00		
Security Lending	509	0.0	0.01	0.02	0.02	0.05	0.51		
Net of Fee			0.01	0.02	0.02	0.05	0.51		

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

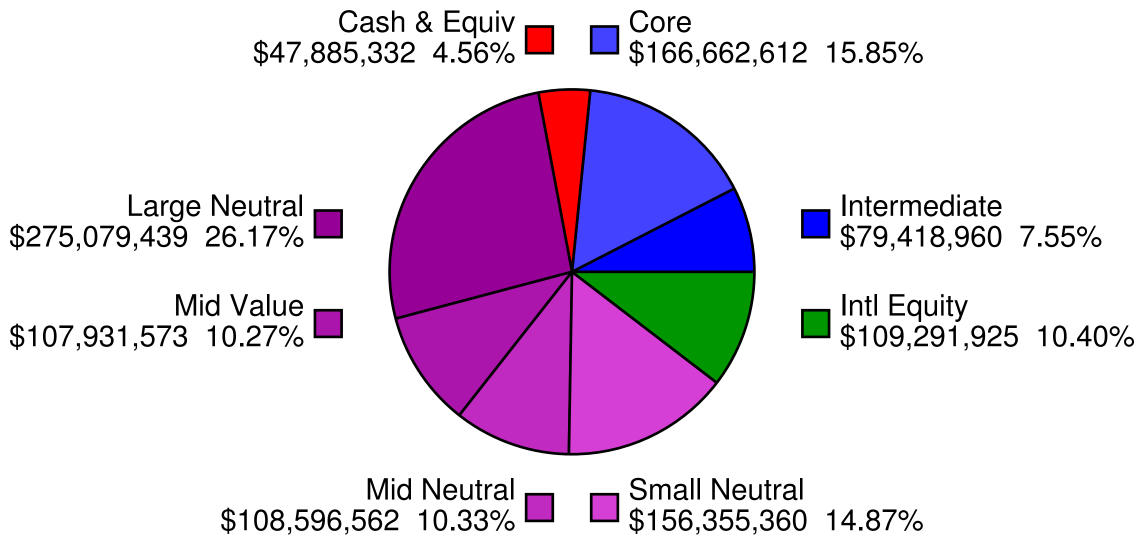


Atlanta General Employees Pension Fund
Performance Consistency
Total Fund Composite
3 Years Rolling



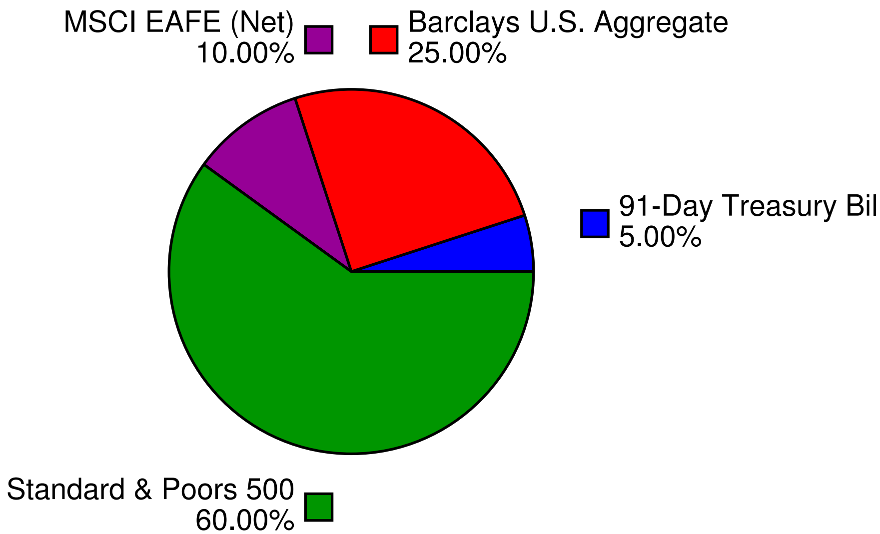
Atlanta General Employees Pension Fund
Asset And Policy Allocation
Total Fund Composite

December 31, 2012 $1,051,221,764



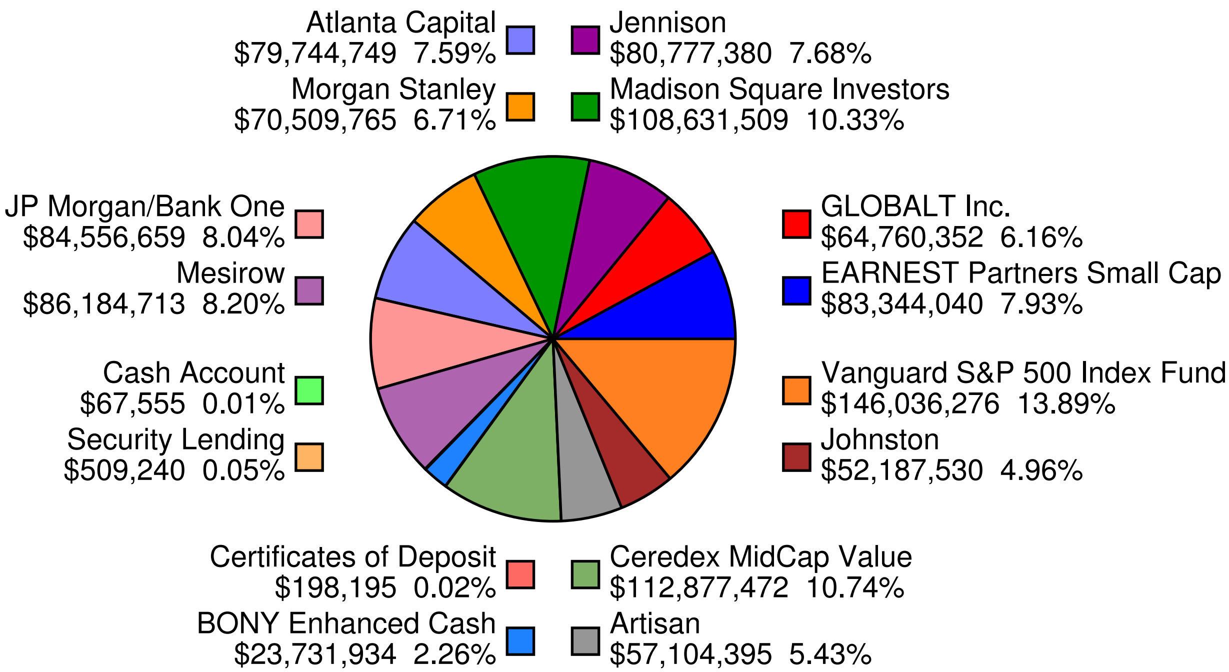
Atlanta General Employees Pension Fund
Asset And Policy Allocation
Total Fund Composite

December 31, 2012 Policy Index

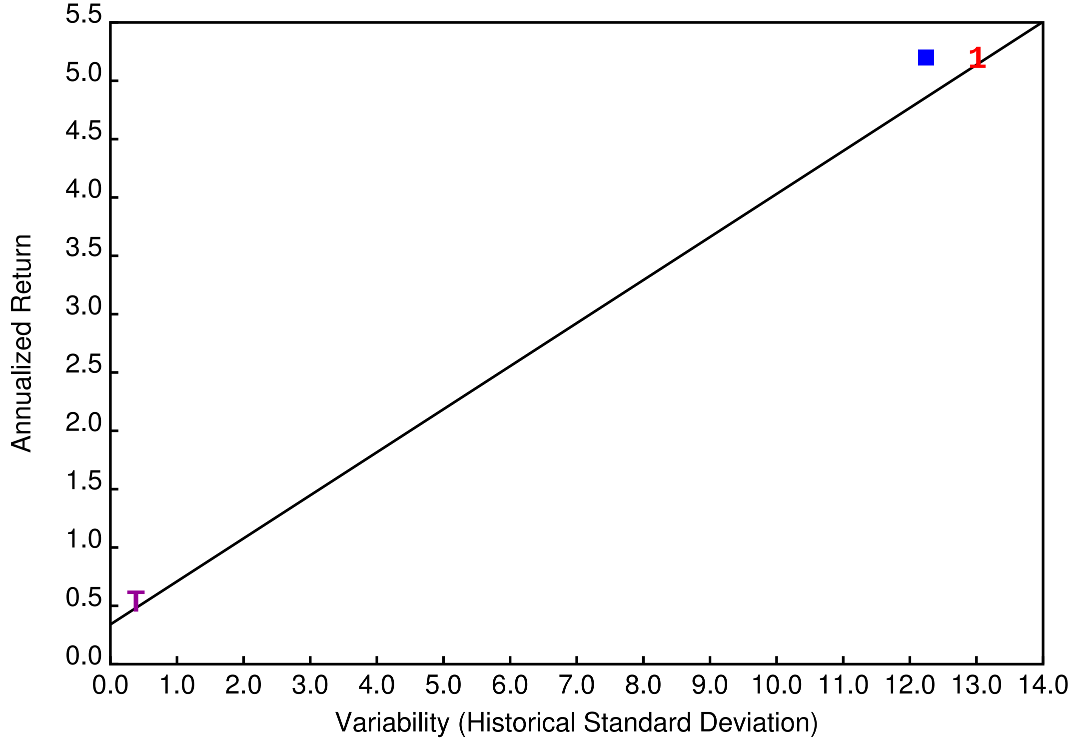


Atlanta General Employees Pension Fund
Total Fund Allocation By Manager
Total Fund Composite

December 31, 2012 $1,051,221,764



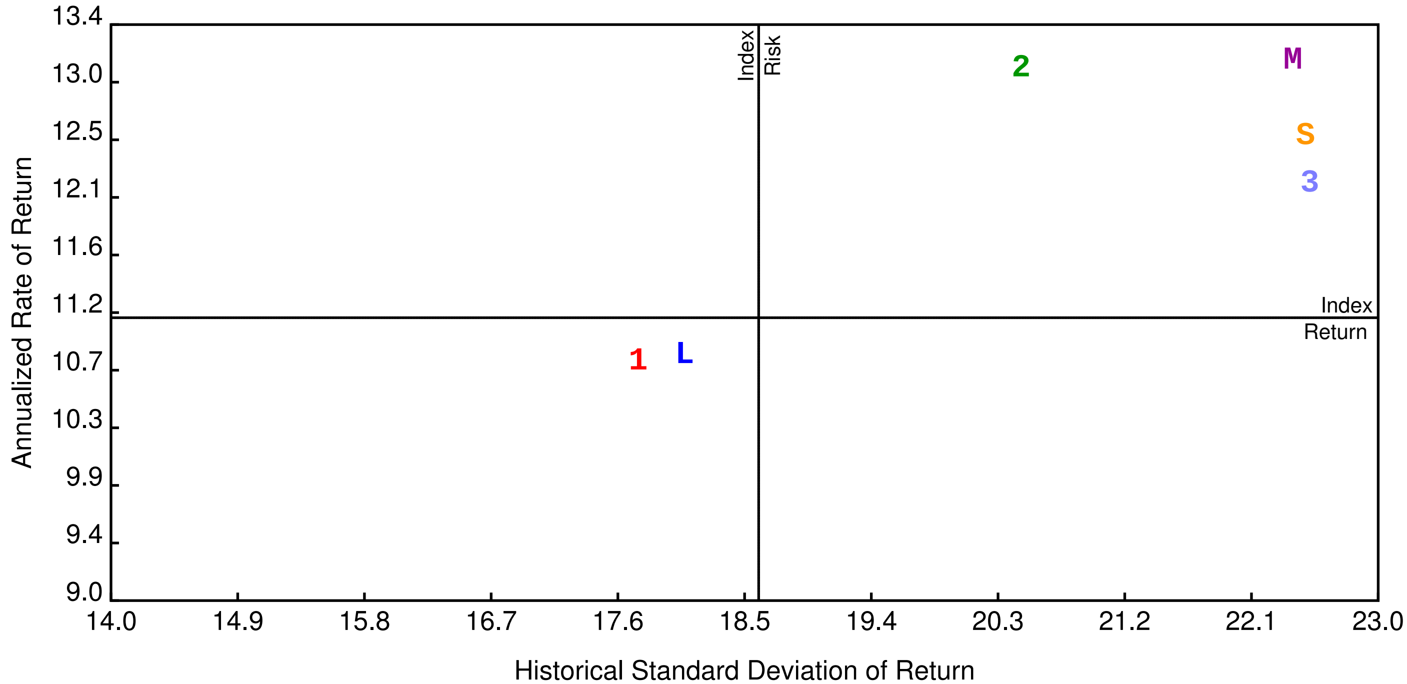
Atlanta General Employees Pension Fund
Quarterly Total Return Market Line Analysis
Periods from 12/07 to 12/12



	Annualized Return	Variability	Reward	Sharpe Ratio
■ Total Fund Composite	5.19	12.34	4.67	0.38
1 Policy Index	5.17	13.09	4.66	0.36
T 91-Day Treasury Bill	0.51	0.46	0.00	0.00

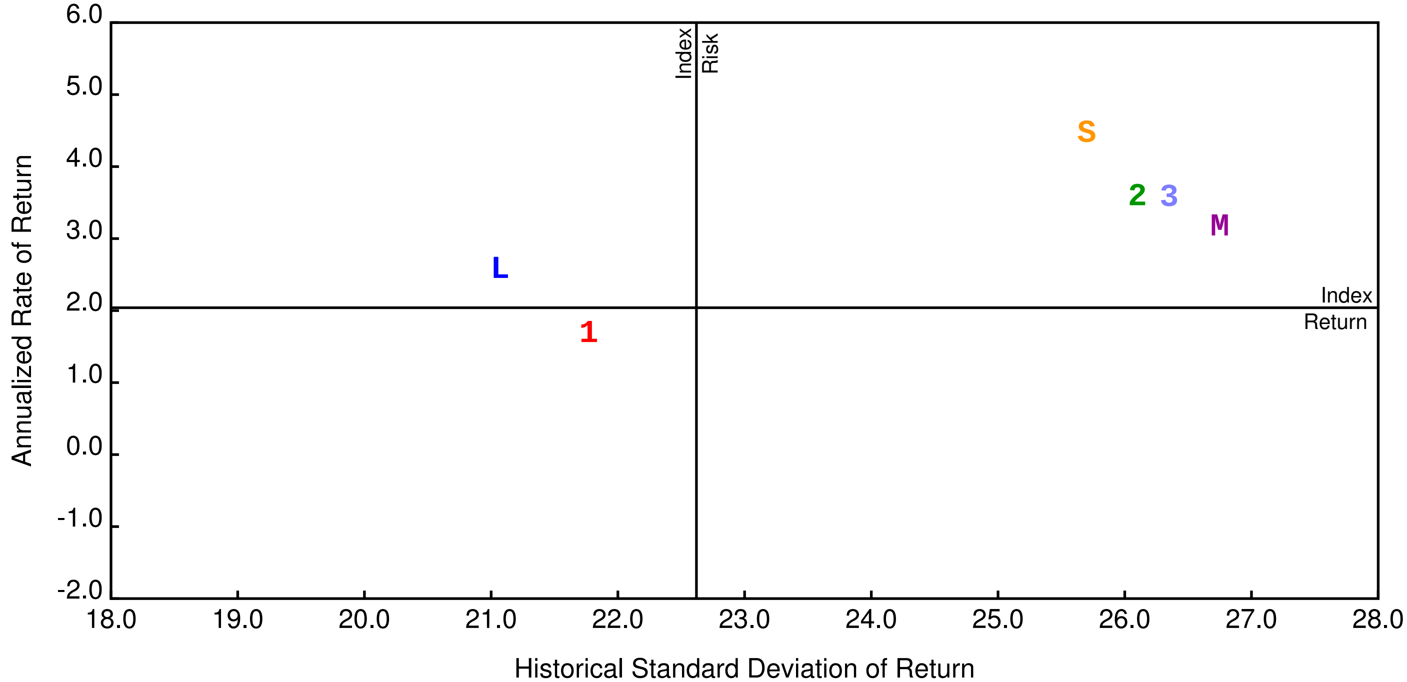
Sharpe Ratio = Reward / Variability

Atlanta General Employees Pension Fund
Return vs Risk
Total Returns
3 Years Ending 12/31/12



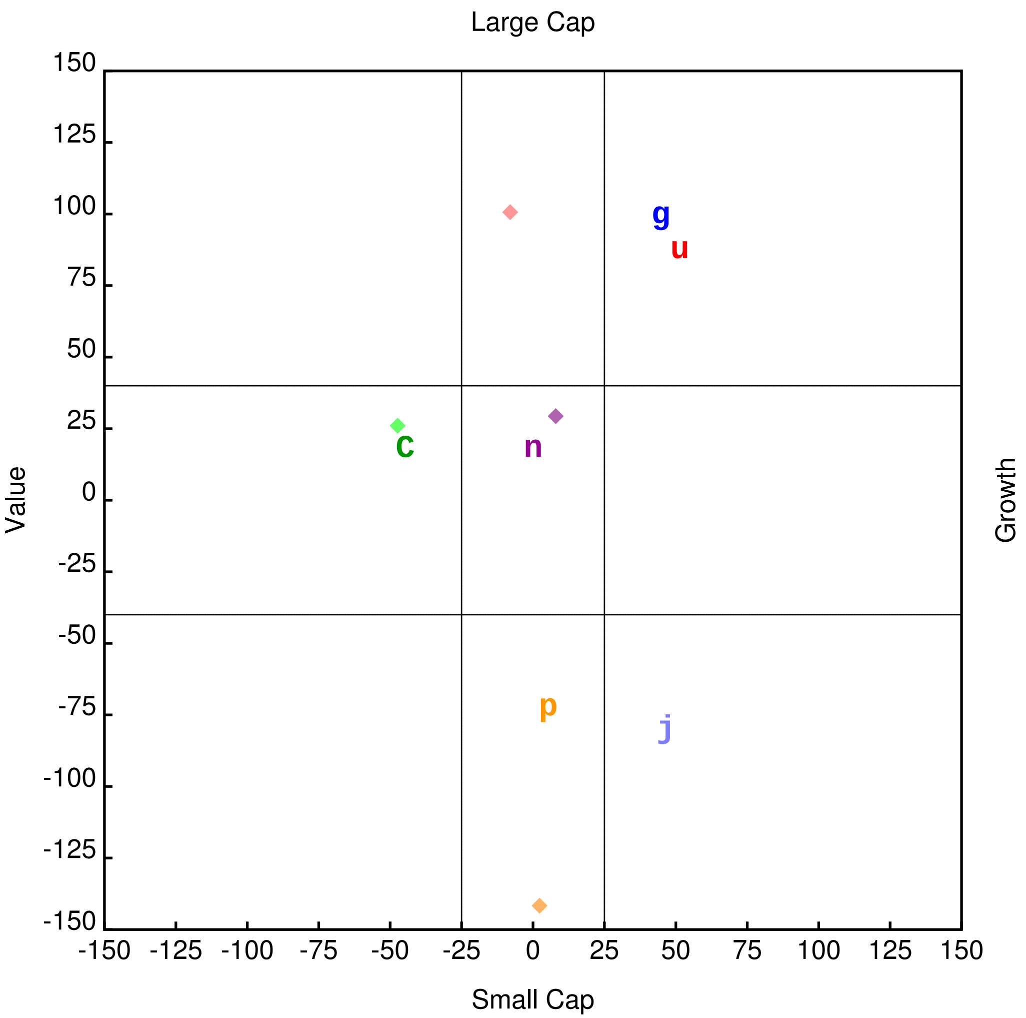
		Annualized Return	Standard Deviation
L	Large Cap Composite	10.91	18.11
1	Standard & Poors 500	10.86	17.78
M	Mid Cap Composite	13.21	22.43
2	Russell MidCap	13.15	20.50
S	Small Cap Composite	12.62	22.52
3	Russell 2000	12.25	22.55
	Russell 3000	11.21	18.60

Atlanta General Employees Pension Fund
Return vs Risk
Total Returns
5 Years Ending 12/31/12



		Annualized Return	Standard Deviation
L	Large Cap Composite	2.55	21.11
1	Standard & Poors 500	1.66	21.81
M	Mid Cap Composite	3.14	26.79
2	Russell MidCap	3.56	26.14
S	Small Cap Composite	4.44	25.74
3	Russell 2000	3.55	26.39
	Russell 3000	2.04	22.62

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



		Growth-Value	Size
g	GLOBALT Inc.	46.52	99.12
u	Morgan Stanley	53.18	87.01
n	Madison Square Investors	1.85	17.62
c	Ceredex MidCap Value	-42.95	17.50
p	EARNEST Partners Small Cap	7.12	-72.74
j	Jennison	48.35	-80.47
◆	Standard & Poors 500	-5.65	100.27
◆	Russell MidCap	10.29	29.00
◆	Russell MidCap Value	-45.05	25.66
◆	Russell 2000	4.61	-142.04

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

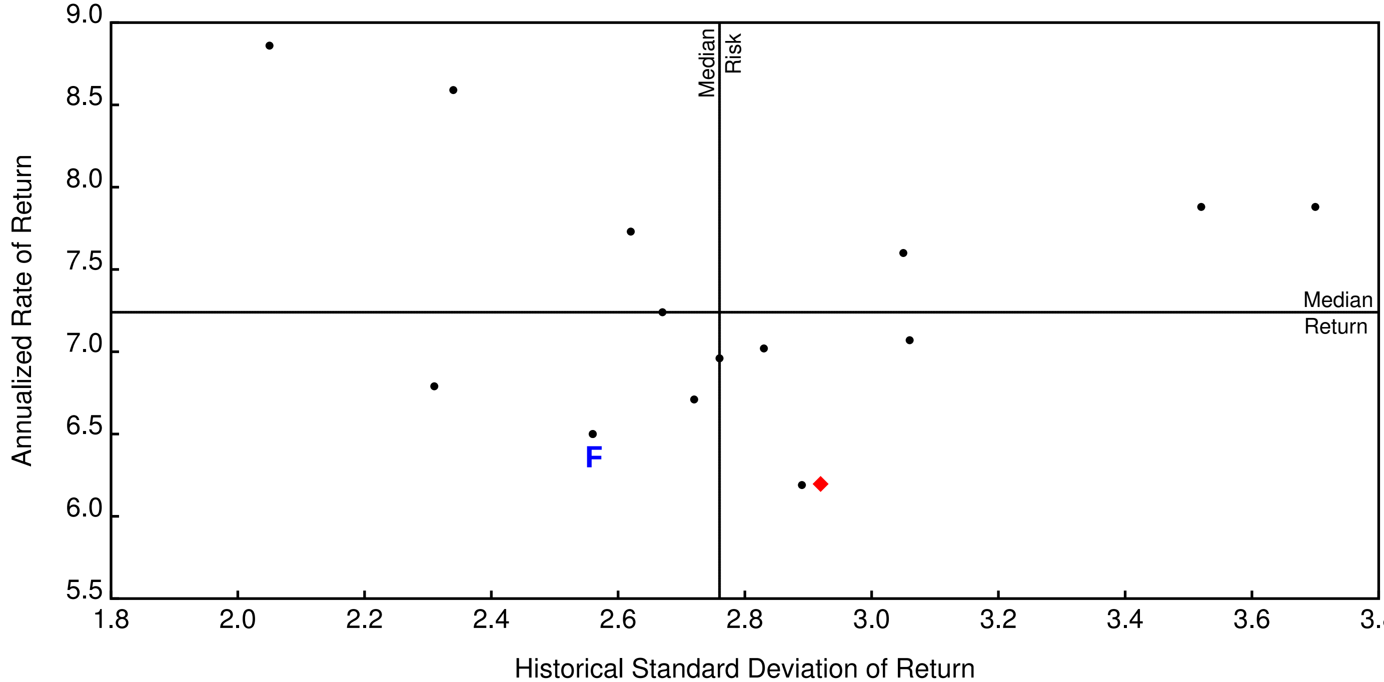
	Portfolio	Russell 3000
Total Number Of Securities	530	2,967
Equity Market Value	647,962,935	
Average Capitalization $(000)	29,501,592	87,232,912
Median Capitalization $(000)	4,248,058	1,014,379
Equity Segment Yield	1.53	2.13
Equity Segment P/E - Average	19.45	16.92
Equity Segment P/E - Median	16.56	15.11
Equity Segment Beta	1.21	1.04
Price/Book Ratio	2.10	2.11
Debt/Equity Ratio	47.92	73.42
Five Year Earnings Growth	5.49	7.72

Ten Best Performers	Quarterly Ret
Clearwire Corp New	114.07
Abercrombie & Fitch	41.99
Warnaco Group Inc	37.90
Ford Mtr Co Del	31.93
Polypore Intl Inc	31.54
Sanmina Corporation	30.39
Checkpoint Sys Inc	29.71
Delta Air Lines Inc	29.59
Tenet Healthcare Cor	29.47
Lumos Networks Corp	29.33

Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Apple Inc	6,876,087	1.37	-19.74
Raymond James Finl I	5,017,569	1.00	5.52
Cigna Corp	4,712,659	0.94	13.33
Eaton Vance Corp	4,071,067	0.81	15.03
McCormick & Co Inc	3,678,387	0.73	3.46
Oracle Systems Corp	3,625,216	0.72	6.22
Sba Communications C	3,599,081	0.72	12.91
Cabot Corp	3,374,192	0.67	9.39
Johnson Ctls Inc	3,303,320	0.66	12.82
Rockwell Automation	3,238,654	0.65	21.51

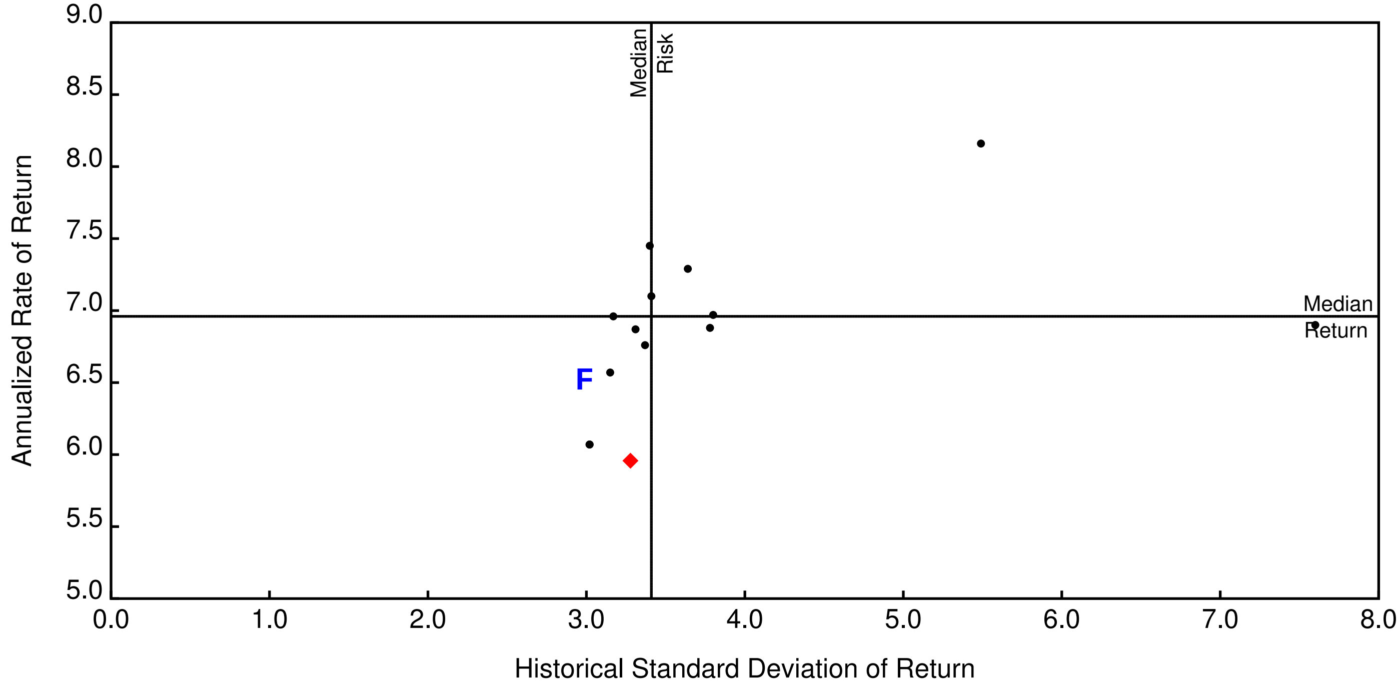
Ten Worst Performers	Quarterly Ret
Servicesource Intl L	-42.98
Best Buy Inc	-30.09
Herbalife Ltd	-30.06
Swift Energy Co	-26.29
Vertex Pharmaceutica	-25.04
Western Un Co	-24.60
Allscripts Healthcar	-24.22
Spirit Aerosystems H	-23.59
Ntelos Hldgs Corp	-22.15
Forest Oil Corp	-20.83

Atlanta General Employees Pension Fund
Return vs Risk
Total Returns of Core Portfolios
3 Years Ending 12/31/12



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
F	Fixed Income Composite	6.34	99	2.57	19
◆	Barclays U.S. Aggregate	6.19	100	2.93	65
	Median	7.24		2.76	

Atlanta General Employees Pension Fund
Return vs Risk
Total Returns of Core Portfolios
5 Years Ending 12/31/12



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
F	Fixed Income Composite	6.50	99	3.02	1
◆	Barclays U.S. Aggregate	5.95	100	3.32	27
	Median	6.96		3.41	

MARKET SECTOR DIVERSIFICATION

EQUITIES

Style

SECTOR FOCUS (U.S.)	Value	Market	Growth	Quantitative	Index
Large	Morgan Stanley		Globalt		Vanguard S&P 500 Index
Medium	Ceredex	Madison Square			
Small		Earnest Partners Jennison			

INTL EQUITY	Johnston/Artisan

FIXED INCOME

Style

SECURITY TYPE (U.S.)	Rate	Maturity Differential	Sector Allocation	Index
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				

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Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
GLOBALT Inc.							
Total Return	-1.31	15.88	7.00	9.45	2.41	3.80	7.09
Total Return (Net of Fees)	-1.41	15.41	6.57	9.05	2.00	3.39	6.67
Standard & Poors 500	-0.38	15.98	8.83	10.86	1.66	4.12	7.10
Variance	-0.92	-0.10	-1.83	-1.41	0.75	-0.32	-0.01

GLOBALT (Separately Managed)
Large Cap Growth Equity

OBJECTIVE

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

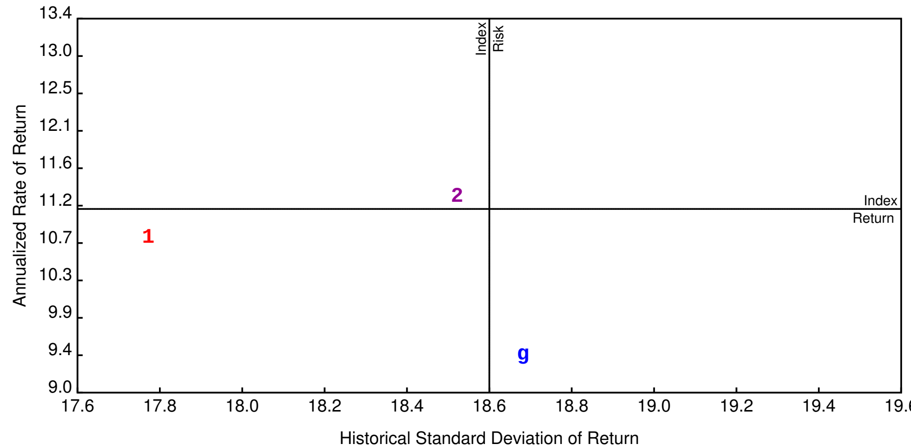
STRATEGY

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 Ration (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.

FEE SCHEDULE

0.60% on the first $10,000,000
0.40% on the next $40,000,000
0.30% on the next $50,000,000
0.25% thereafter

Return vs Risk
Total Returns



		Annualized Return	Standard Deviation
g	GLOBALT Inc.	9.45	18.69
1	Standard & Poors 500	10.86	17.78
2	Russell 1000 Growth	11.35	18.53
	Russell 3000	11.21	18.60

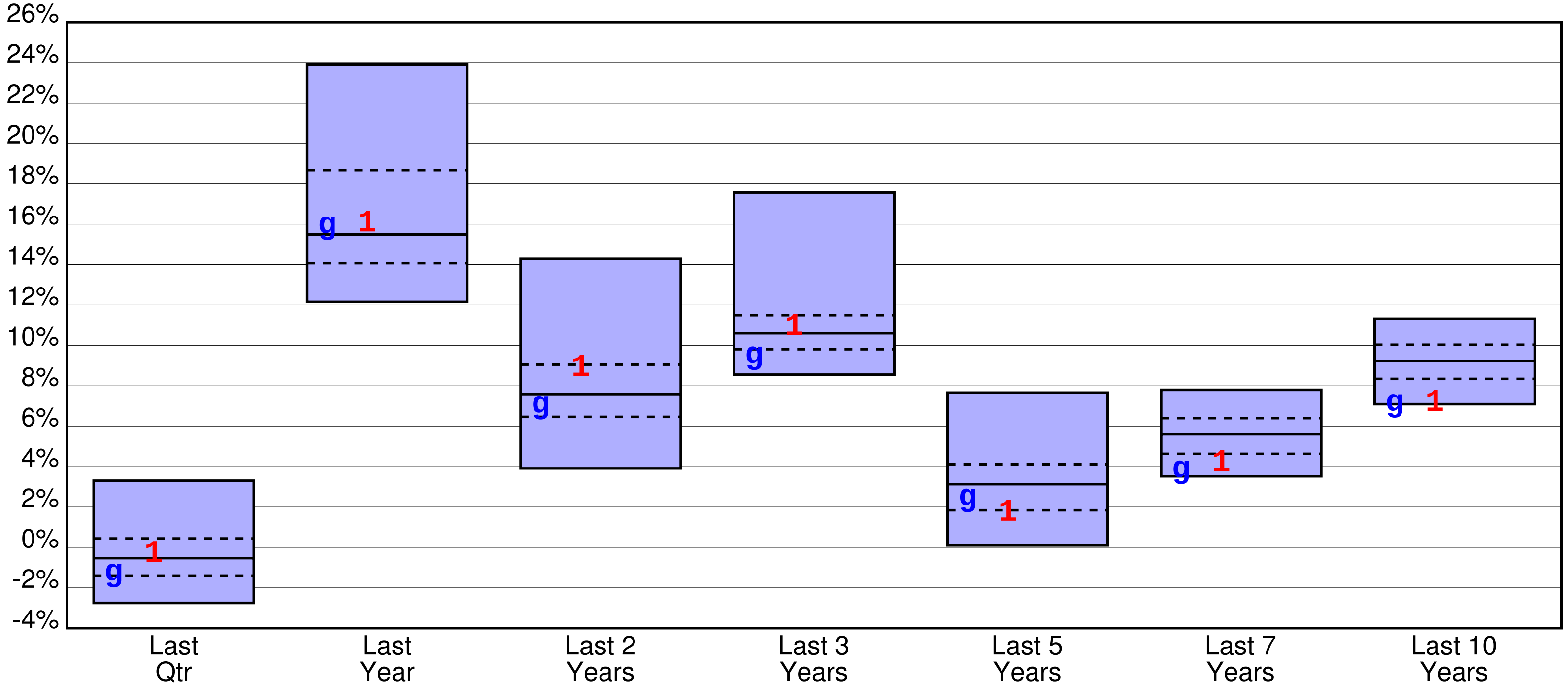
CONCLUSIONS/RECOMMENDATIONS

GLOBALT under performed the S&P 500 Index and ranked in the 72nd percentile of the Large Cap Growth Universe. In the Fourth quarter 2012, the under performance is primarily attributed to stock selection in Materials, as well as sector weighting decisions in the Financials and Information Technology sectors.

In the 5 and 7-year time periods, GLOBALT has mixed performance results versus the S&P 500 Index, but ranked in the bottom half of their peer group, failing to meet the performance expectations over the market cycle.

MANAGER TERMINATED

Atlanta General Employees Pension Fund
Large Growth Cumulative Performance Comparisons
Total Returns of Equity Portfolios
Periods Ending 12/12



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
5th Percentile	3.30	23.91	14.28	17.57	7.66	7.80	11.32
25th Percentile	0.44	18.68	9.05	11.50	4.11	6.40	10.03
Median	-0.53	15.49	7.59	10.60	3.13	5.60	9.22
75th Percentile	-1.40	14.07	6.46	9.81	1.84	4.63	8.34
95th Percentile	-2.75	12.15	3.91	8.55	0.10	3.52	7.09
g GLOBALT Inc.	-1.31 (72)	15.88 (43)	7.00 (64)	9.45 (80)	2.41 (70)	3.80 (90)	7.09 (99)
1 Standard & Poors 500	-0.38 (46)	15.98 (42)	8.83 (29)	10.86 (40)	1.66 (75)	4.12 (81)	7.10 (94)

Returns for periods greater than one year are annualized.

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

	Portfolio	Standard & Poors 500
Total Number Of Securities	60	500
Equity Market Value	61,485,685	
Average Capitalization $(000)	101,619,620	105,743,221
Median Capitalization $(000)	36,284,561	12,645,067
Equity Segment Yield	1.71	2.26
Equity Segment P/E - Average	14.37	15.62
Equity Segment P/E - Median	16.37	16.89
Equity Segment Beta	1.09	1.00
Price/Book Ratio	2.53	2.14
Debt/Equity Ratio	43.59	73.33
Five Year Earnings Growth	14.91	8.20

Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Apple Inc	4,051,028	6.59	-19.74
Coca Cola Co	2,120,625	3.45	-3.78
Google Inc	1,972,049	3.21	-5.98
Intl Business McHn	1,896,345	3.09	-7.25
Danaher Corp	1,622,218	2.64	1.41
Honeywell Intl Inc	1,567,074	2.55	6.96
Ebay Inc	1,486,723	2.42	5.39
Eli Lilly & Co	1,414,004	2.30	5.11
Qualcomm Inc	1,412,816	2.30	-0.36
General Elec Co	1,372,746	2.23	-6.74

	Weight		Return		Selection		
GICS Sectors	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	5.49	11.29	-1.47	-2.70	0.07	0.14	0.20
Materials	5.22	3.50	-8.60	2.73	-0.59	0.05	-0.54
Industrials	13.03	10.48	5.41	3.73	0.22	0.10	0.32
Consumer Discretionary	16.09	11.01	2.97	2.18	0.13	0.13	0.26
Consumer Staples	9.54	10.28	-3.97	-1.99	-0.19	0.01	-0.18
Health Care	10.14	11.99	0.63	0.08	0.06	-0.01	0.05
Financials	7.97	14.58	2.65	5.93	-0.26	-0.42	-0.68
Information Technology	32.11	20.09	-5.38	-5.74	0.12	-0.65	-0.53
Telecom. Services	0.40	3.28	0.61	-6.04	0.03	0.16	0.19
Utilities	0.00	3.51		-2.86	0.00	0.09	0.09
	100.00	100.00	-1.18	-0.36	-0.43	-0.38	-0.82

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 -0.20%
[Actual Return -1.38%] - [Buy Hold Return -1.18%]

Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Morgan Stanley							
Total Return	-0.44	15.50	8.92	10.88	4.02	6.11	7.56
Total Return (Net of Fees)	-0.54	15.02	8.47	10.39	3.54	5.63	7.07
Standard & Poors 500	-0.38	15.98	8.83	10.86	1.66	4.12	7.10
Variance	-0.16	-0.96	-0.36	-0.47	1.88	1.50	-0.03

MORGAN STANLEY (Separately Managed)
Large Cap Value Equity

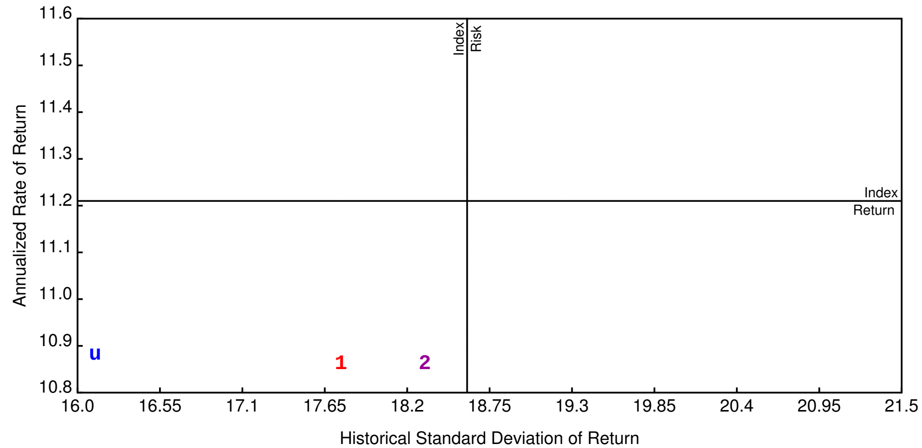
OBJECTIVE
Out perform the S&P 500 by 100 basis points net of management fees over a full market cycle (5 years).

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
Morgan Stanley 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

FEE SCHEDULE
0.50% on the first $20,000,000
0.45% on the next $15,000,000
0.35% thereafter

Return vs Risk
Total Returns



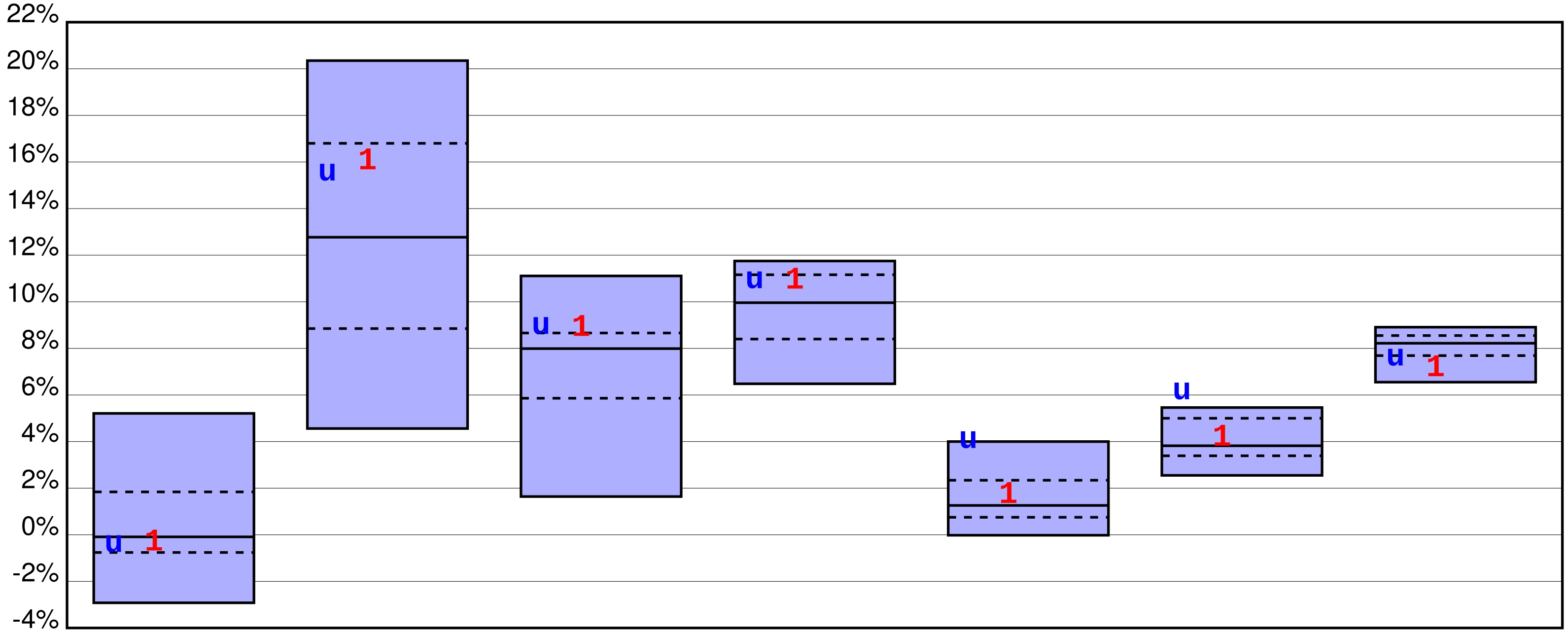
		Annualized Return	Standard Deviation
u	Morgan Stanley	10.88	16.14
1	Standard & Poors 500	10.86	17.78
2	Russell 1000 Value	10.86	18.34
	Russell 3000	11.21	18.60

CONCLUSIONS/RECOMMENDATIONS

Morgan Stanley under performed the S&P 500 in the fourth quarter 2012 and ranked in the 62nd percentile of their peer group. Poor stock selection in Consumer Discretionary and an underweighting to the Financials sector were the main contributors.

Over the 5-year and 7-year time periods, Morgan Stanley out performed the S&P 500 and placed in the top of their peer group, meeting performance expectations.

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



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
5th Percentile	5.21	20.35	11.11	11.75	4.00	5.46	8.91
25th Percentile	1.84	16.80	8.66	11.16	2.34	5.00	8.55
Median	-0.09	12.77	7.99	9.96	1.26	3.82	8.22
75th Percentile	-0.76	8.85	5.86	8.40	0.75	3.39	7.69
95th Percentile	-2.92	4.56	1.64	6.48	-0.02	2.55	6.55
u Morgan Stanley	-0.44 (62)	15.50 (43)	8.92 (18)	10.88 (36)	4.02 (1)	6.11 (1)	7.56 (80)
1 Standard & Poors 500	-0.38 (53)	15.98 (38)	8.83 (18)	10.86 (36)	1.66 (40)	4.12 (32)	7.10 (85)

Returns for periods greater than one year are annualized.

Atlanta General Employees Pension Fund
Equity Summary Statistics
Morgan Stanley
Period Ending 12/12

	Portfolio	Standard & Poors 500
Total Number Of Securities	42	500
Equity Market Value	67,557,478	
Average Capitalization $(000)	92,655,533	105,743,221
Median Capitalization $(000)	31,996,534	12,645,067
Equity Segment Yield	1.63	2.26
Equity Segment P/E - Average	16.28	15.62
Equity Segment P/E - Median	17.58	16.89
Equity Segment Beta	0.87	1.00
Price/Book Ratio	4.90	2.14
Debt/Equity Ratio	41.44	73.33
Five Year Earnings Growth	14.96	8.20

Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
McCormick & Co Inc	3,678,387	5.45	3.46
Apple Inc	2,825,059	4.18	-19.74
Oracle Systems Corp	2,758,896	4.09	6.22
Gilead Sciences Inc	2,475,265	3.67	10.73
Mastercard Inc	2,358,144	3.49	8.88
Ametek Inc New	2,291,770	3.39	6.15
Autozone Inc	2,126,580	3.15	-4.12
Accenture Plc Irelan	2,104,193	3.12	-3.93
American Express Co	1,960,068	2.90	1.44
Pepsico Inc	1,922,883	2.85	-2.56

	Weight		Return		Selection		
GICS Sectors	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	4.31	11.29	-6.93	-2.70	-0.18	0.16	-0.02
Materials	0.00	3.50		2.73	0.00	-0.11	-0.11
Industrials	8.79	10.48	4.39	3.73	0.06	-0.07	-0.01
Consumer Discretionary	21.09	11.01	-0.15	2.18	-0.49	0.26	-0.24
Consumer Staples	18.38	10.28	-3.24	-1.99	-0.23	-0.13	-0.36
Health Care	15.48	11.99	2.01	0.08	0.30	0.02	0.31
Financials	6.53	14.58	4.47	5.93	-0.09	-0.51	-0.60
Information Technology	25.42	20.09	-4.72	-5.74	0.26	-0.29	-0.03
Telecom. Services	0.00	3.28		-6.04	0.00	0.19	0.19
Utilities	0.00	3.51		-2.86	0.00	0.09	0.09
	100.00	100.00	-1.14	-0.36	-0.39	-0.39	-0.78

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 0.70%
[Actual Return -0.44%] - [Buy Hold Return -1.14%]

Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Vanguard S&P 500 Index Fund							
Total Return	-0.39	15.98					
Total Return (Net of Fees)	-0.39	15.98					
Standard & Poors 500	-0.38	15.98					
Variance	-0.00	0.00					

VANGUARD S&P 500 INDEX FUND
Large Cap Core Equity
(Mutual Fund)

OBJECTIVE

Seeks to track the performance of the S&P 500 Index.

STRATEGY

U.S. large-cap equity diversified across growth and value styles.

Passively managed, full-replication approach.

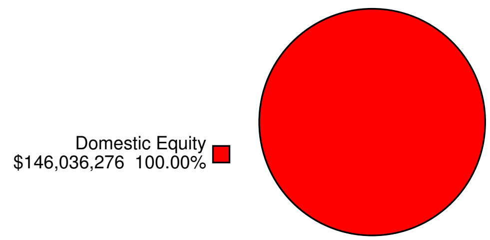
Fund remains fully invested.

Low expenses minimize net tracking error.

FEE SCHEDULE
0.04% on all assets

Asset Allocation
Vanguard S&P 500 Index Fund

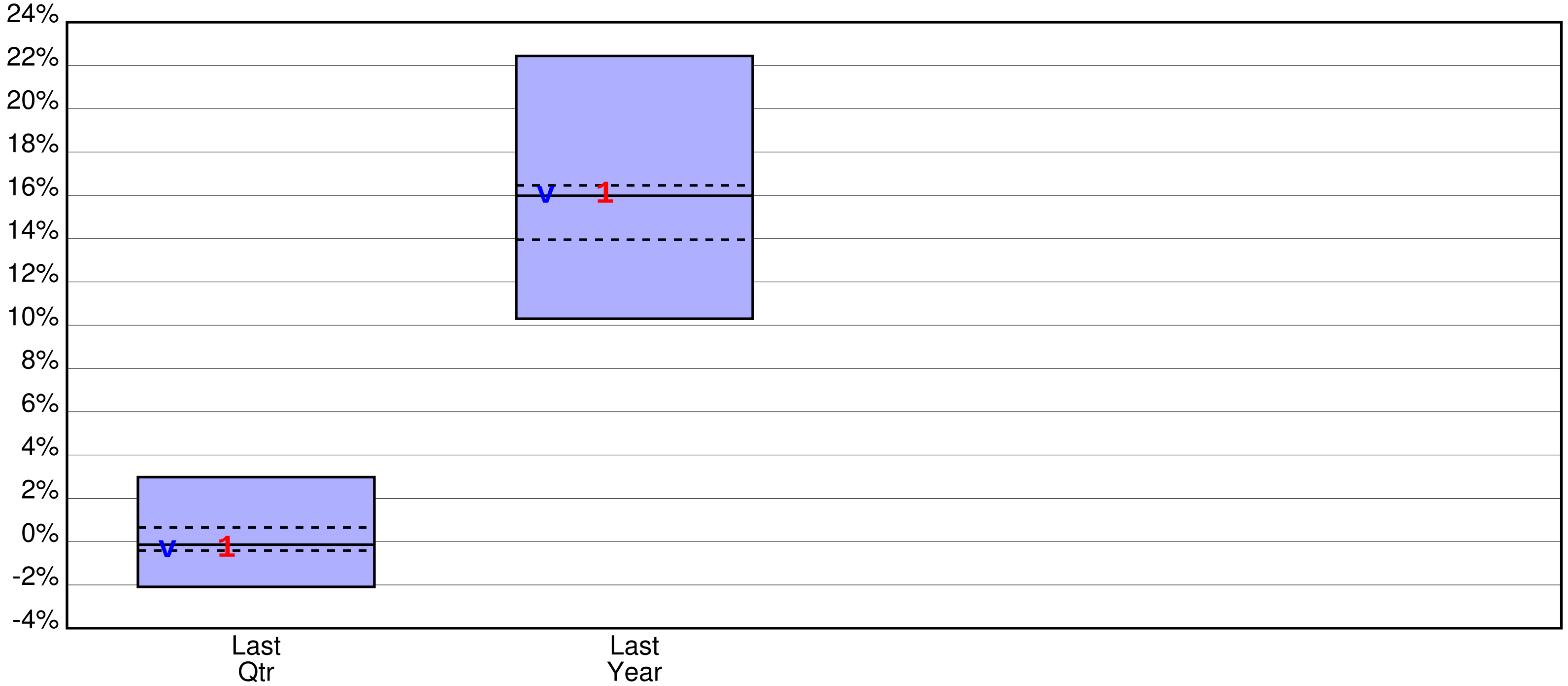
December 31, 2012 $146,036,276



CONCLUSIONS/RECOMMENDATIONS
Vanguard S&P 500 Index Fund tracked the S&P 500 Index during the fourth quarter 2012.

Over the past year, Manager has tracked the benchmark, meeting performance expectations.

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



	Last Qtr	Last Year
5th Percentile	2.98	22.44
25th Percentile	0.65	16.46
Median	-0.14	15.98
75th Percentile	-0.41	13.95
95th Percentile	-2.09	10.30
v Vanguard S&P 500 Index Fund	-0.39 (73)	15.98 (52)
1 Standard & Poors 500	-0.38 (65)	15.98 (52)

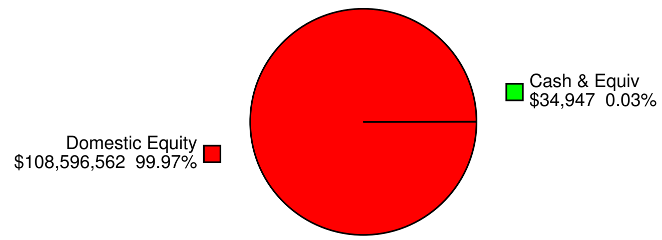
Returns for periods greater than one year are annualized.

Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Madison Square Investors							
Total Return	2.65	18.09	7.38	12.73	3.05		
Total Return (Net of Fees)	2.55	17.62	6.95	12.30	2.62		
Russell MidCap	2.88	17.26	7.44	13.15	3.56		
Variance	-0.23	0.83	-0.06	-0.42	-0.51		

Asset Allocation
Madison Square Investors
December 31, 2012 $108,631,509



MADISON SQUARE INVESTORS (NY LIFE)
Mid Cap Core Equity
(Separately Managed)

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

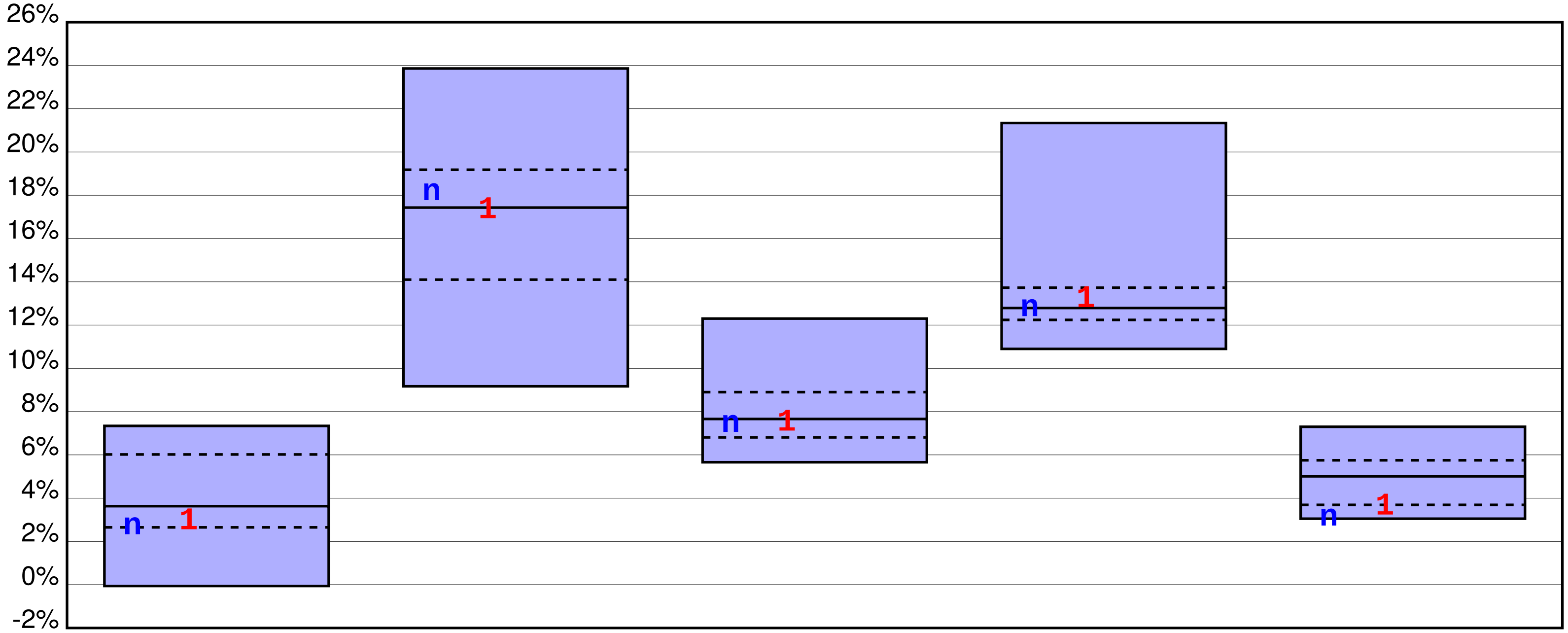
STRATEGY
New York Life attempts to add value based on their proprietary quantitative factor-based model. The manager enhances returns through bottom-up stock selection and trading techniques.

FEE SCHEDULE
0.52% on the first $10,000,000
0.47% on the next $15,000,000
0.42% on the next $25,000,000
0.37% on the next $50,000,000
0.27% thereafter

CONCLUSIONS/RECOMMENDATIONS
Madison Square Investors under performed the Russell MidCap Index by 23 bps during the fourth quarter 2012, placing them in the 75th percentile of their peer group. Overall stock selection was the main contributor to their under performance.

Over the 5 year time period, Madison Square under performed the Russell Mid Cap Index failing to meet their performance expectations for that time period.
MANAGER PLACED ON PROBATION 8/20/2012 AND MANAGER IS BEING REVIEWED THROUGH THE END OF FIRST QUARTER 2013.

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



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	7.34	23.86	12.30	21.34	7.30
25th Percentile	6.02	19.18	8.90	13.73	5.75
Median	3.63	17.43	7.66	12.79	5.01
75th Percentile	2.65	14.10	6.81	12.24	3.69
95th Percentile	-0.06	9.17	5.66	10.90	3.05
n Madison Square Investors	2.65 (75)	18.09 (32)	7.38 (62)	12.73 (54)	3.05 (99)
1 Russell MidCap	2.88 (67)	17.26 (55)	7.44 (59)	13.15 (37)	3.56 (88)

Returns for periods greater than one year are annualized.

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

	Portfolio	Russell MidCap
Total Number Of Securities	250	798
Equity Market Value	108,596,562	
Average Capitalization $(000)	8,454,911	8,854,739
Median Capitalization $(000)	5,180,571	4,302,110
Equity Segment Yield	1.55	1.71
Equity Segment P/E - Average	18.71	21.84
Equity Segment P/E - Median	16.15	17.37
Equity Segment Beta	1.23	1.17
Price/Book Ratio	1.84	2.11
Debt/Equity Ratio	50.23	76.74
Five Year Earnings Growth	2.37	5.13

Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Marathon Pete Corp	1,147,608	1.06	16.12
PPG Inds Inc	1,124,623	1.04	18.44
Valero Energy Corp N	1,081,775	1.00	8.33
Ventas Inc	1,036,167	0.96	4.98
Ingersoll-Rand Plc	945,340	0.87	7.36
Symantec Corp	924,474	0.85	4.50
Kroger Co	923,476	0.85	11.20
Murphy Oil Corp	868,954	0.80	16.59
Midcap Spdr Tr	863,180	0.80	3.67
Virgin Media Inc	859,619	0.79	24.97

	Weight		Return		Selection		
GICS Sectors	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	6.03	7.43	10.91	2.59	0.50	0.00	0.51
Materials	5.82	6.20	10.91	6.88	0.23	-0.02	0.22
Industrials	12.66	12.54	6.99	9.10	-0.27	0.01	-0.26
Consumer Discretionary	19.04	16.76	3.01	2.42	0.11	-0.01	0.10
Consumer Staples	4.68	6.20	5.61	3.18	0.11	-0.00	0.11
Health Care	12.98	10.11	-0.72	-0.57	-0.02	-0.10	-0.12
Financials	16.63	19.61	2.26	2.75	-0.08	0.00	-0.08
Information Technology	16.23	13.63	-1.23	0.14	-0.22	-0.07	-0.29
Telecom. Services	3.05	1.64	-5.86	2.54	-0.26	-0.00	-0.26
Utilities	2.88	5.89	-1.85	-0.42	-0.04	0.10	0.06
	100.00	100.00	2.86	2.88	0.07	-0.09	-0.02

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 -0.21%
[Actual Return 2.65%] - [Buy Hold Return 2.86%]

Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Ceredex MidCap Value							
Total Return	6.23	22.81	7.18				
Total Return (Net of Fees)	6.07	22.07	6.55				
Russell MidCap Value	3.92	18.48	8.10				
Variance	2.30	4.32	-0.91				

CEREDEX VALUE ADVISORS (Separately Managed)
Mid Cap Value Equity

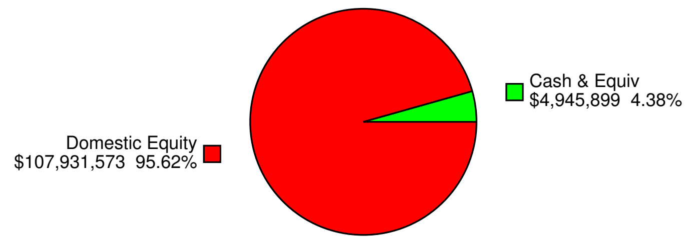
OBJECTIVE:
Out perform the Russell Mid Cap value by 100 basis points net of management fees over a full market cycle (5 years).

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:
Individual company characteristics are the dominant factors in the equity selection process. The strategy's investment philosophy emphasizes three key characteristics in selecting equities for portfolios: existence of a dividend, low valuation levels, and the existence of a fundamental catalyst that will cause a stock to appreciate upon recognition by the market. The strategy seeks to hold 100% domestic equity securities, and typically the portfolio holds 60-80 issues.

FEE SCHEDULE
0.60% on all assets

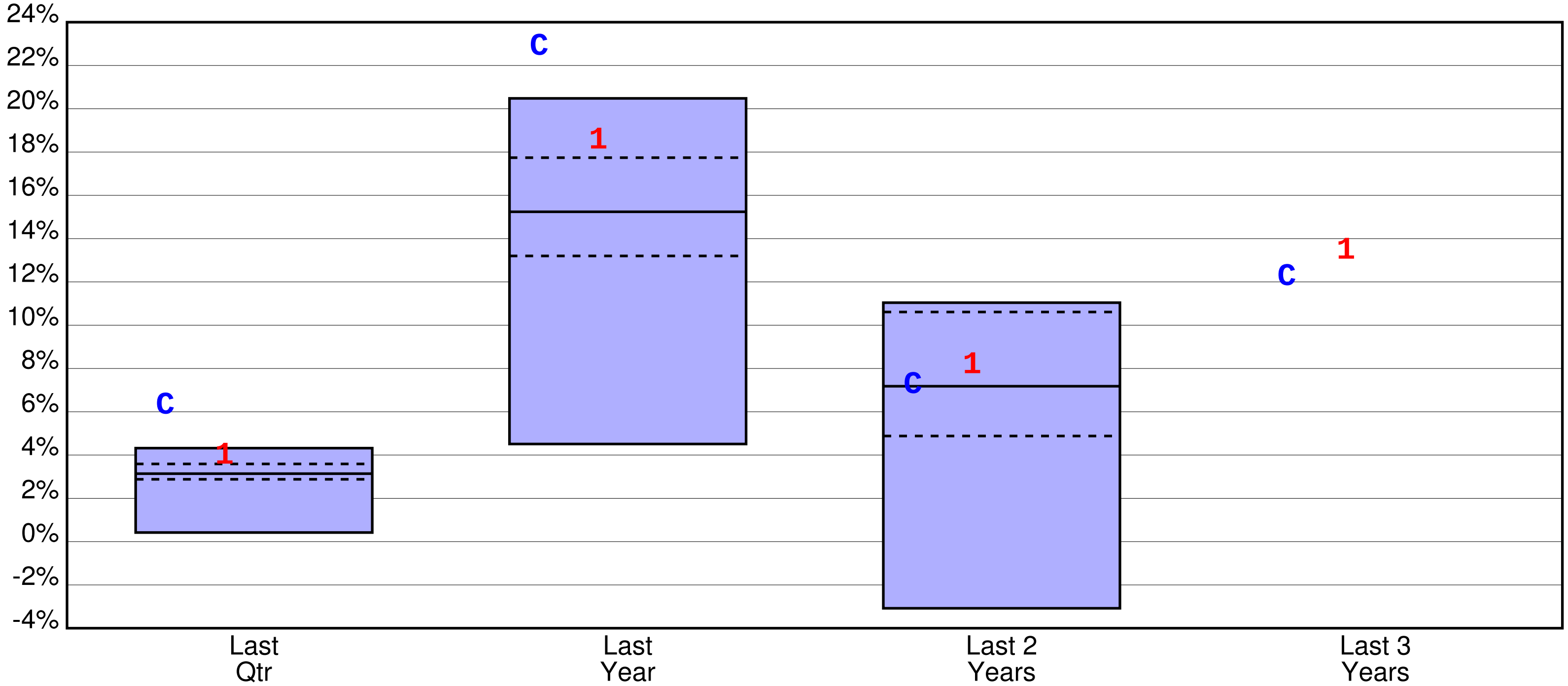
Asset Allocation
Ceredex MidCap Value
December 31, 2012 $112,877,472



CONCLUSIONS/RECOMMENDATIONS
Ceredex out performed the Russell MidCap Value Index by 230 bps in the fourth quarter 2012 and ranked in the top of their peer universe. Stock selection in Industrials, Consumer Discretionary, and Financials were the main contributors to the performance

Over a 2-yr time period, Ceredex has under performed the Russell MidCap.

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



	Last Qtr	Last Year	Last 2 Years	Last 3 Years
5th Percentile	4.32	20.48	11.04	
25th Percentile	3.59	17.74	10.61	
Median	3.14	15.24	7.18	
75th Percentile	2.88	13.20	4.88	
95th Percentile	0.42	4.51	-3.08	
C Ceredex MidCap Value	6.23 (1)	22.81 (1)	7.18 (51)	12.17
1 Russell MidCap Value	3.92 (12)	18.48 (14)	8.10 (47)	13.39

Returns for periods greater than one year are annualized.

Atlanta General Employees Pension Fund
Equity Summary Statistics
Ceredex MidCap Value
Period Ending 12/12

	Portfolio	Russell MidCap Value
Total Number Of Securities	71	564
Equity Market Value	107,931,573	
Average Capitalization $(000)	8,876,667	8,503,091
Median Capitalization $(000)	6,804,166	4,074,867
Equity Segment Yield	2.27	2.22
Equity Segment P/E - Average	18.70	21.00
Equity Segment P/E - Median	17.15	15.54
Equity Segment Beta	1.35	1.24
Price/Book Ratio	1.66	1.48
Debt/Equity Ratio	56.30	70.74
Five Year Earnings Growth	-2.04	1.31

Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Cigna Corp	4,020,192	3.73	13.33
Cabot Corp	3,374,192	3.13	9.39
Johnson Ctls Inc	3,303,320	3.06	12.82
Lazard Ltd	2,930,288	2.72	4.07
Qep Res Inc	2,908,947	2.70	-4.32
Joy Global Inc	2,901,990	2.69	14.12
Intersil Hldg Corp	2,802,849	2.60	-3.69
Allegheny Technologi	2,777,940	2.58	-4.22
Noble Energy Inc	2,777,502	2.58	10.03
Hanover Ins Group In	2,378,636	2.21	4.88

	Weight		Return		Selection		
GICS Sectors	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	11.34	9.13	1.35	4.50	-0.36	0.01	-0.34
Materials	10.96	6.15	6.69	6.41	0.03	0.12	0.15
Industrials	19.43	10.95	13.68	9.09	0.89	0.44	1.33
Consumer Discretionary	7.54	9.25	13.87	5.66	0.62	-0.03	0.59
Consumer Staples	4.09	4.79	5.43	6.82	-0.06	-0.02	-0.08
Health Care	10.42	7.15	0.96	1.96	-0.10	-0.06	-0.17
Financials	21.94	30.55	5.26	2.61	0.58	0.11	0.69
Information Technology	8.94	10.09	-2.10	3.73	-0.52	0.00	-0.52
Telecom. Services	1.04	1.51	-15.67	-2.76	-0.13	0.03	-0.10
Utilities	4.31	10.43	-0.16	-0.02	-0.01	0.24	0.23
	100.00	100.00	5.71	3.92	0.94	0.84	1.79

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 6.53%] - [Buy Hold Return 5.71%]

Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
EARNEST Partners Small Cap							
Total Return	5.57	16.48	7.55	11.69	4.45	4.03	10.17
Total Return (Net of Fees)	5.42	15.83	6.95	11.04	3.84	3.42	9.51
Russell 2000	1.85	16.34	5.59	12.25	3.55	4.79	9.72
Variance	3.72	0.14	1.97	-0.56	0.90	-0.76	0.46

EARNEST PARTNERS (Separately Managed)
Small Cap Core Equity

OBJECTIVE

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

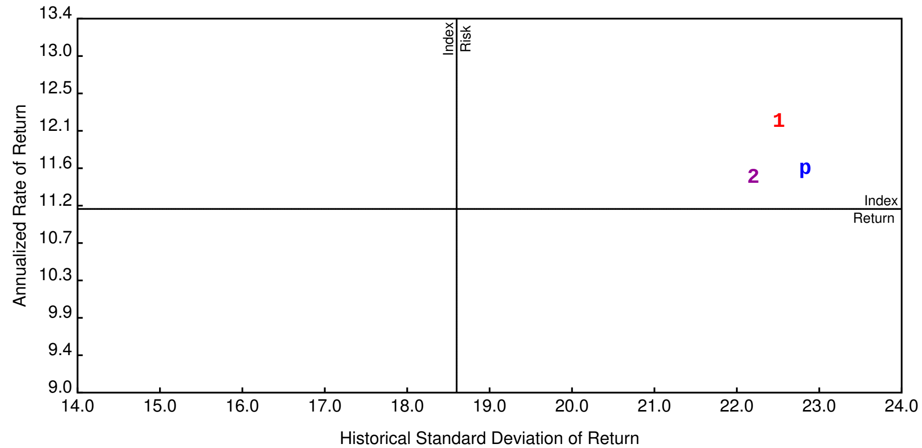
STRATEGY

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.

FEE SCHEDULE

0.80% on the first $10,000,000
0.65% on the next $10,000,000
0.50% thereafter

Return vs Risk
Total Returns



		Annualized Return	Standard Deviation
p	EARNEST Partners Small Cap	11.69	22.87
1	Russell 2000	12.25	22.55
2	Russell 2000 Value	11.58	22.24
	Russell 3000	11.21	18.60

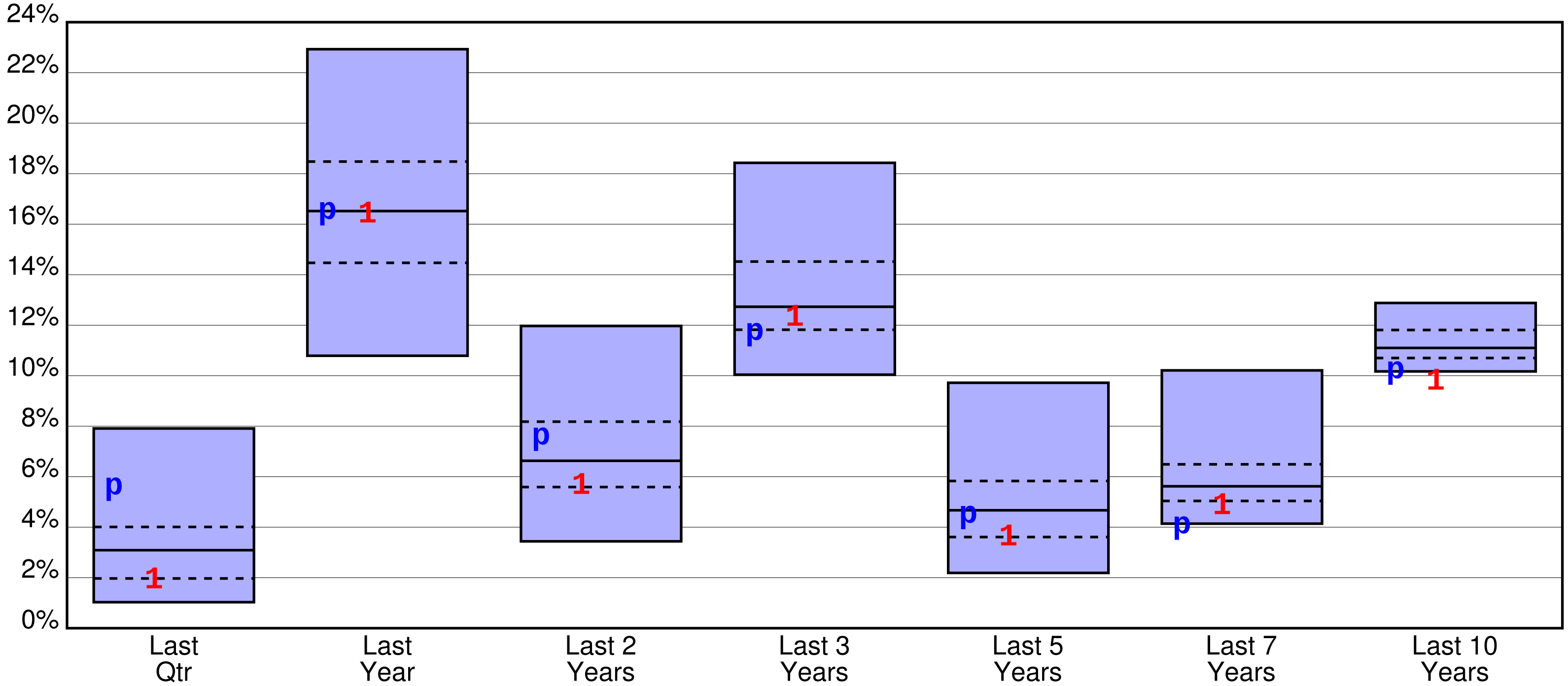
CONCLUSIONS/RECOMMENDATIONS

EARNEST Partners Small Cap Portfolio out performed the Russell 2000 Index and ranked in the 11th percentile of their peer group during the fourth quarter of 2012. Stock selection in Health Care and Information Technology contributed to the out performance for the quarter.

In the 7 year time period, Earnest Partners under performed the Russell 2000 Index and ranked in the bottom of their peer group, failing to meet performance expectations.

MANAGER PLACED ON PROBATION 11/7/2012 - 12/31/2012 AND WAS UP FOR REVIEW AT THE JANUARY 2013 BOARD MEETING.

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



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
5th Percentile	7.91	22.93	11.97	18.43	9.72	10.21	12.88
25th Percentile	4.01	18.48	8.18	14.52	5.83	6.49	11.81
Median	3.09	16.52	6.63	12.73	4.67	5.62	11.10
75th Percentile	1.97	14.47	5.59	11.82	3.61	5.04	10.70
95th Percentile	1.03	10.79	3.44	10.04	2.19	4.14	10.17
p EARNEST Partners Small Cap	5.57 (11)	16.48 (53)	7.55 (35)	11.69 (78)	4.45 (54)	4.03 (99)	10.17 (99)
1 Russell 2000	1.85 (79)	16.34 (55)	5.59 (75)	12.25 (66)	3.55 (75)	4.79 (85)	9.72 (100)

Returns for periods greater than one year are annualized.

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

	Portfolio	Russell 2000
Total Number Of Securities	51	1,976
Equity Market Value	79,103,410	
Average Capitalization $(000)	2,811,579	1,326,752
Median Capitalization $(000)	1,746,627	512,624
Equity Segment Yield	0.96	1.50
Equity Segment P/E - Average	27.69	29.98
Equity Segment P/E - Median	16.81	13.74
Equity Segment Beta	1.30	1.25
Price/Book Ratio	1.88	1.75
Debt/Equity Ratio	43.94	56.69
Five Year Earnings Growth	3.23	5.67

Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Lufkin Inds Inc	2,749,549	3.48	8.25
Raymond James Finl I	2,748,152	3.48	5.52
Sba Communications C	2,656,148	3.36	12.91
Hexcel Corp New	2,547,720	3.22	12.24
Whiting Pete Corp Ne	2,441,731	3.09	-8.46
United Nat Foods Inc	2,427,627	3.07	-8.31
Akamai Technologies	2,380,962	3.01	6.93
Monolithic Pwr Sys I	2,141,108	2.71	18.06
Franklin Elec Inc	2,057,827	2.60	3.03
Snap On Tools Corp	2,030,043	2.57	10.47

	Weight		Return		Selection		
GICS Sectors	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	12.17	6.11	-1.07	-0.87	-0.03	-0.16	-0.19
Materials	5.63	5.01	3.22	5.53	-0.13	0.02	-0.11
Industrials	19.10	14.71	8.19	9.55	-0.26	0.34	0.08
Consumer Discretionary	1.55	14.02	7.59	2.92	0.07	-0.14	-0.06
Consumer Staples	3.55	3.61	-8.31	-1.00	-0.26	0.00	-0.26
Health Care	12.18	13.36	7.91	-7.39	1.86	0.11	1.97
Financials	16.08	21.79	6.19	2.59	0.58	-0.04	0.54
Information Technology	25.18	16.98	9.17	2.23	1.75	0.03	1.78
Telecom. Services	3.15	0.76	12.91	-5.65	0.59	-0.18	0.41
Utilities	1.41	3.64	-1.65	-2.19	0.01	0.09	0.10
	100.00	100.00	6.09	1.84	4.18	0.07	4.25

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 -0.30%
[Actual Return 5.79%] - [Buy Hold Return 6.09%]

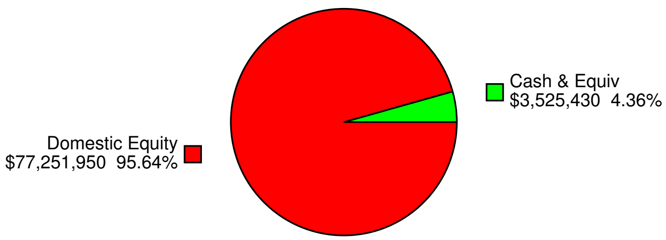
Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Jennison							
Total Return	3.34	13.17	5.79	13.72	4.58		
Total Return (Net of Fees)	3.12	12.23	4.91	12.77	3.68		
Russell 2000	1.85	16.34	5.59	12.25	3.55		
Variance	1.49	-3.17	0.20	1.47	1.02		

Asset Allocation
Jennison

December 31, 2012 $80,777,380



JENNISON (Separately Managed)
Small Cap Core Equity

OBJECTIVE

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

FEE SCHEDULE

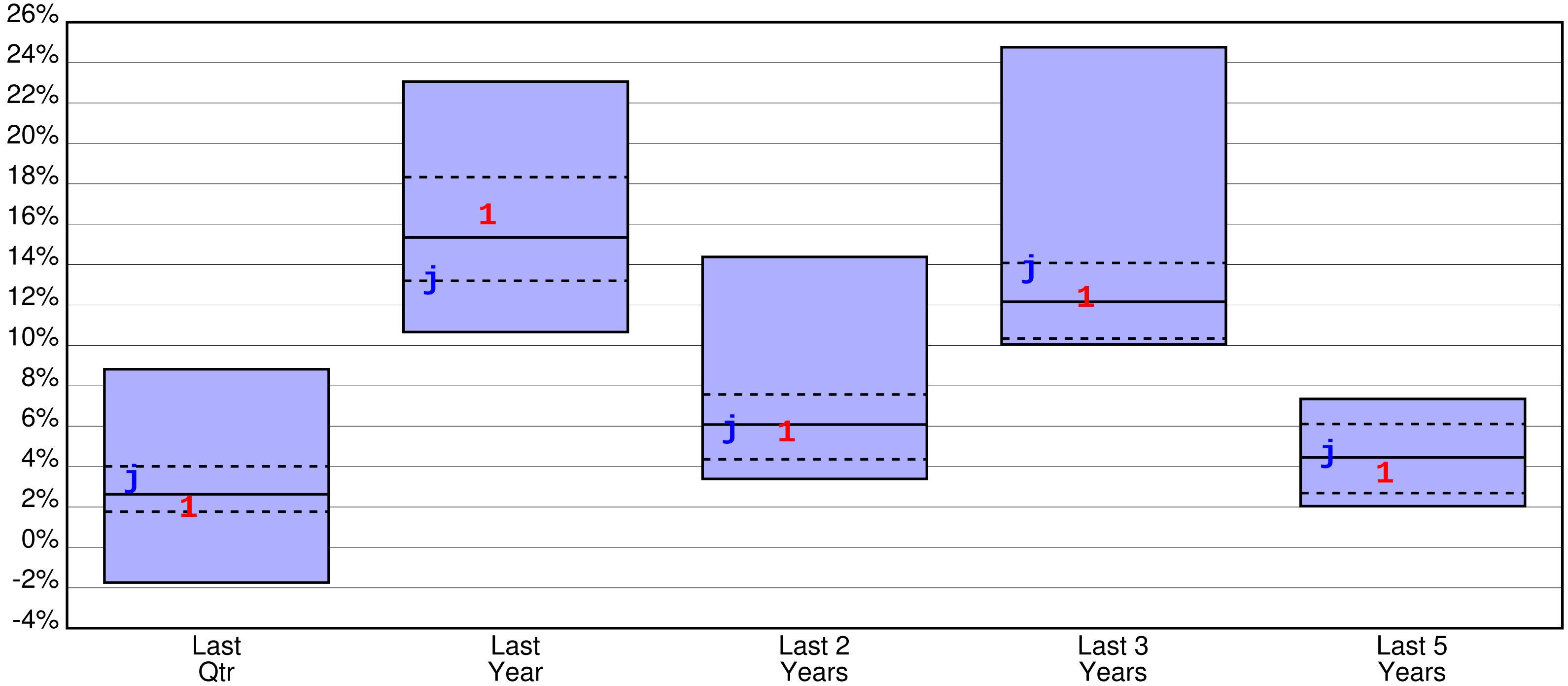
0.90% on the first $50,000,000
0.70% on the next $50,000,000
0.60% on the next $100,000,000
0.50% on the next $200,000,000
0.45% thereafter

CONCLUSIONS/RECOMMENDATIONS

In the fourth quarter 2012, Jennison out performed the Russell 2000, placing them in the 38th percentile of their universe. Their out performance can primarily be attributed to stock selection in the Health Care sector.

Over the 3 and 5-yr periods, Jennison out performed the Russell 2000 Index and placed within the top 25% and 45% respectively of their peer group.

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



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	8.82	23.06	14.38	24.76	7.35
25th Percentile	4.01	18.33	7.57	14.08	6.11
Median	2.63	15.34	6.08	12.16	4.45
75th Percentile	1.77	13.20	4.36	10.34	2.69
95th Percentile	-1.74	10.66	3.39	10.04	2.04
j Jennison	3.34 (38)	13.17 (75)	5.79 (55)	13.72 (25)	4.58 (45)
1 Russell 2000	1.85 (72)	16.34 (43)	5.59 (60)	12.25 (46)	3.55 (66)

Returns for periods greater than one year are annualized.

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

	Portfolio	Russell 2000
Total Number Of Securities	115	1,976
Equity Market Value	77,251,950	
Average Capitalization $(000)	2,592,270	1,326,752
Median Capitalization $(000)	1,570,331	512,624
Equity Segment Yield	0.81	1.50
Equity Segment P/E - Average	26.39	29.98
Equity Segment P/E - Median	16.56	13.74
Equity Segment Beta	1.30	1.25
Price/Book Ratio	2.30	1.75
Debt/Equity Ratio	45.68	56.69
Five Year Earnings Growth	6.48	5.67

Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
First Rep Bk San Fra	1,954,999	2.53	-4.30
Rosetta Resources In	1,730,257	2.24	-5.30
Rbc Bearings Inc	1,658,018	2.15	4.10
Air Methods Corp	1,637,031	2.12	-1.27
Tw Telecom Inc	1,607,055	2.08	-2.30
Biomarin Pharmaceuti	1,452,136	1.88	22.30
Wex Inc	1,430,447	1.85	8.10
Bok Finl Corp	1,385,517	1.79	-5.53
Cheesecake Factory I	1,308,636	1.69	-8.15
Cinemark Holdings In	1,210,356	1.57	16.76

	Weight		Return		Selection		
GICS Sectors	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	7.61	6.11	-3.24	-0.87	-0.18	-0.04	-0.22
Materials	3.96	5.01	2.72	5.53	-0.11	-0.04	-0.15
Industrials	18.12	14.71	8.27	9.55	-0.23	0.26	0.03
Consumer Discretionary	13.82	14.02	4.86	2.92	0.27	-0.00	0.27
Consumer Staples	2.78	3.61	-5.98	-1.00	-0.14	0.02	-0.11
Health Care	15.31	13.36	2.09	-7.39	1.45	-0.18	1.27
Financials	18.03	21.79	3.15	2.59	0.10	-0.03	0.07
Information Technology	15.98	16.98	4.32	2.23	0.33	-0.00	0.33
Telecom. Services	4.39	0.76	1.23	-5.65	0.30	-0.27	0.03
Utilities	0.00	3.64		-2.19	0.00	0.15	0.15
	100.00	100.00	3.50	1.84	1.79	-0.13	1.66

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 3.47%] - [Buy Hold Return 3.50%]

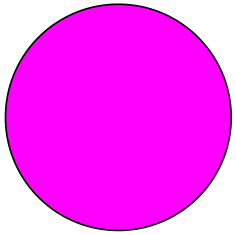
Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Johnston							
Total Return	5.82	16.31	3.51				
Total Return (Net of Fees)	5.66	15.61	2.79				
MSCI ACWI ex US (Net)	5.85	16.83	0.41				
Variance	-0.02	-0.51	3.11				

Asset Allocation
Johnston

December 31, 2012 $52,187,530



JOHNSTON
International Equity (Commingled)

OBJECTIVE

Out perform the MSCI ACWI ex US Index by 100 basis points net of management fees over a full market cycle (5 years).

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

STRATEGY

Johnston Asset Management's International Equity product focuses on high quality companies with strong secular growth purchased below fundamental value. The Goal of the portfolio is to generate a portfolio that has lower than market risks by identifying companies with unique characteristics such as:

- Strong secular growth in current and expected earnings
- Global or local market/niche leadership
- High Quality products and Management Approach
- Attractive price entry points

The portfolio utilizes a bottom up stock selection process resulting in a concentrated portfolio of 20 -30 holdings. Maximum Industry exposure is kept within 25% for each industry. The Portfolio attempts to hold a minimum of 6 countries. Portfolio Turnover is kept below 25%.

CONCLUSIONS/RECOMMENDATIONS

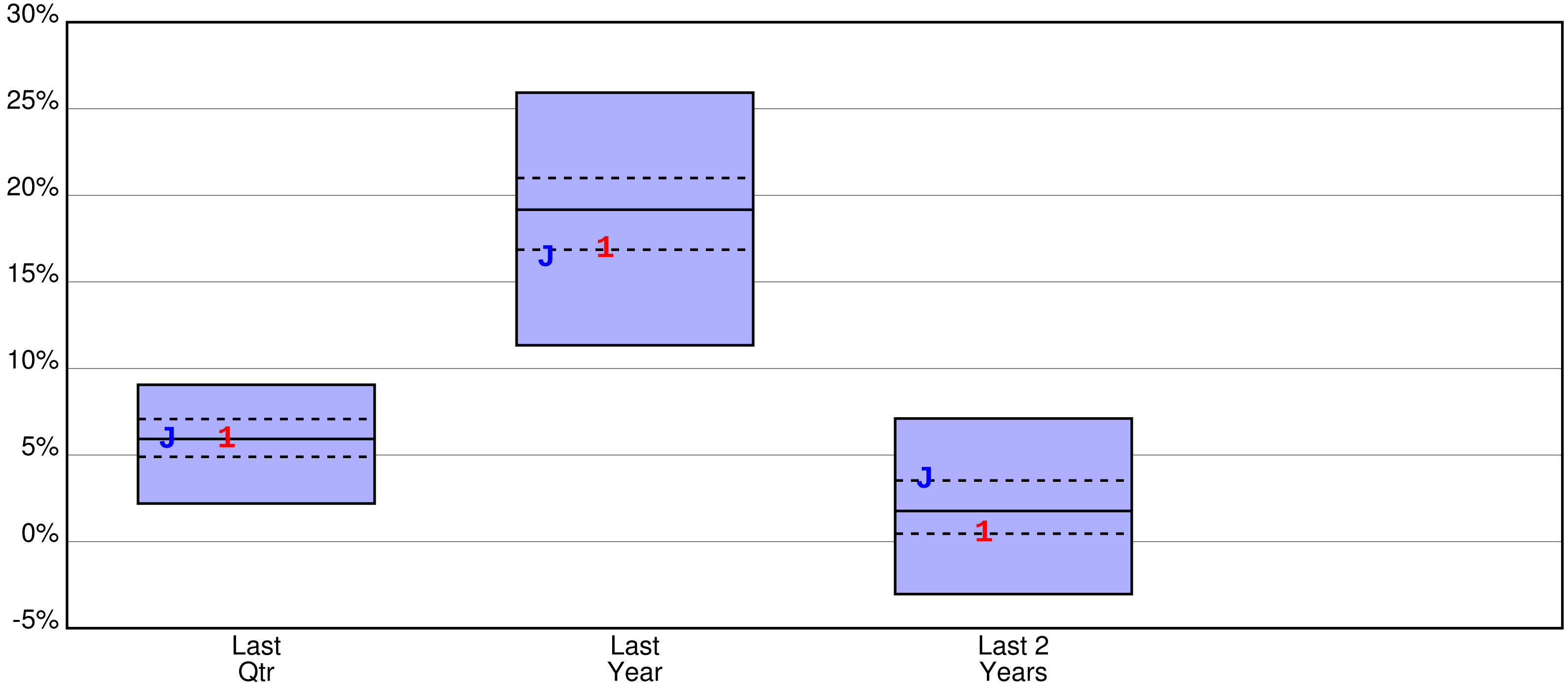
Johnston under performed the MSCI ACWI ex US (Net) during the fourth quarter 2012 and ranked in the 53rd percentile of their peer group.

Over the 2-year time period Johnston has out performed the MSCI ACWI ex US (Net) by 311 basis points and ranked in the top 26% of their peer group.

FEE SCHEDULE

0.75% on the first $25,000,000
0.60% on the next $50,000,000
0.50% thereafter

Atlanta General Employees Pension Fund
Cumulative Performance Comparison
Total Returns of International Equity Portfolios
Periods Ending 12/12



	Last Qtr	Last Year	Last 2 Years
5th Percentile	9.06	25.93	7.11
25th Percentile	7.08	21.00	3.53
Median	5.93	19.17	1.77
75th Percentile	4.90	16.86	0.46
95th Percentile	2.20	11.34	-3.03
J Johnston	5.82 (53)	16.31 (79)	3.51 (26)
1 MSCI ACWI ex US (Net)	5.85 (53)	16.83 (75)	0.41 (76)

Returns for periods greater than one year are annualized.

Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Artisan							
Total Return	7.33	23.04	6.00				
Total Return (Net of Fees)	7.33	23.04	6.00				
MSCI EAFE (Net)	6.57	17.31	1.52				
Variance	0.76	5.73	4.47				

ARTISAN PARTNERS (APHKX)
International Equity
(Mutual Fund)

OBJECTIVE
Out perform the MSCI EAFE Index by 100 basis points net of management fees over a full market cycle (5 years).

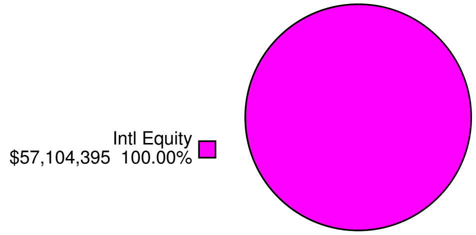
The manager is expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

STRATEGY
Artisan's International Equity Product focuses on undervalued, non-us companies in developed and emerging markets that are trading at a significant discount to their intrinsic value with the probability of high growth prospects over the long-term. They seek to invest in companies with a history of strong free cash flow, improving returns on capital and strong competitive positions within their respective industry. Strong balance sheets and shareholder focused companies are key criteria that are used in evaluating potential investment opportunities.

FEE SCHEDULE
1.02% on all assets

Asset Allocation
Artisan

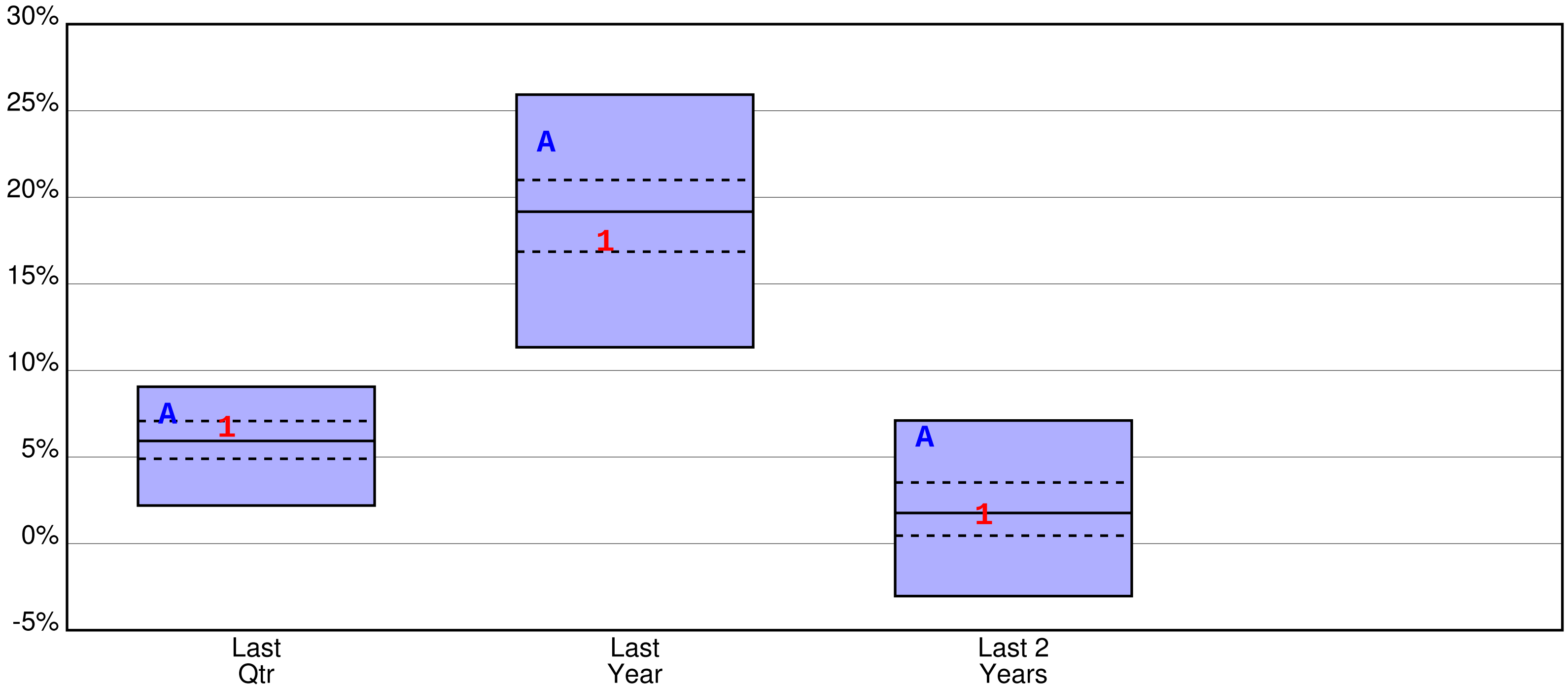
December 31, 2012 $57,104,395



CONCLUSIONS/RECOMMENDATIONS
Artisan out performed the MSCI EAFE (Net) during the fourth quarter 2012 and ranked in the 20th percentile of their peer group.

Over the longer 2-year time period Artisan has out performed the MSCI EAFE (Net) by 447 basis points and ranked in the top 9% of their peer group.

Atlanta General Employees Pension Fund
Cumulative Performance Comparison
Total Returns of International Equity Portfolios
Periods Ending 12/12



	Last Qtr	Last Year	Last 2 Years
5th Percentile	9.06	25.93	7.11
25th Percentile	7.08	21.00	3.53
Median	5.93	19.17	1.77
75th Percentile	4.90	16.86	0.46
95th Percentile	2.20	11.34	-3.03
A Artisan	7.33 (20)	23.04 (8)	6.00 (9)
1 MSCI EAFE (Net)	6.57 (38)	17.31 (70)	1.52 (54)

Returns for periods greater than one year are annualized.

Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Atlanta Capital							
Total Return	0.09	3.54	4.32	4.58	5.10	5.35	4.54
Total Return (Net of Fees)	0.05	3.40	4.17	4.43	4.97	5.22	4.41
Barclays Int Govt/Credit	0.35	3.89	4.84	5.19	5.18	5.33	4.62
Variance	-0.26	-0.35	-0.53	-0.62	-0.08	0.01	-0.08

ATLANTA CAPITAL (Separately Managed)
Intermediate Fixed Income

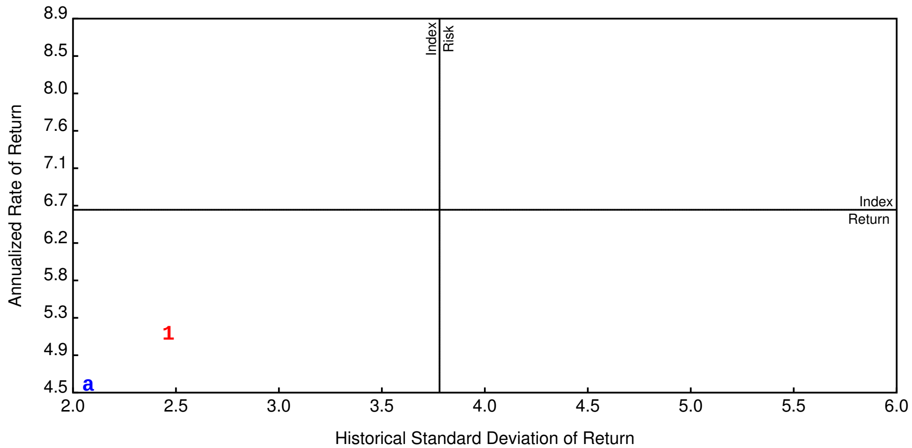
OBJECTIVE
Out perform the Barclays Intermediate Government/Credit Index by 50 basis points net of management fees over a full market cycle (5 years).

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.

FEE SCHEDULE
0.15% on the first $50,000,000
0.12% on the next $100,000,000
0.115% thereafter

Return vs Risk
Total Returns



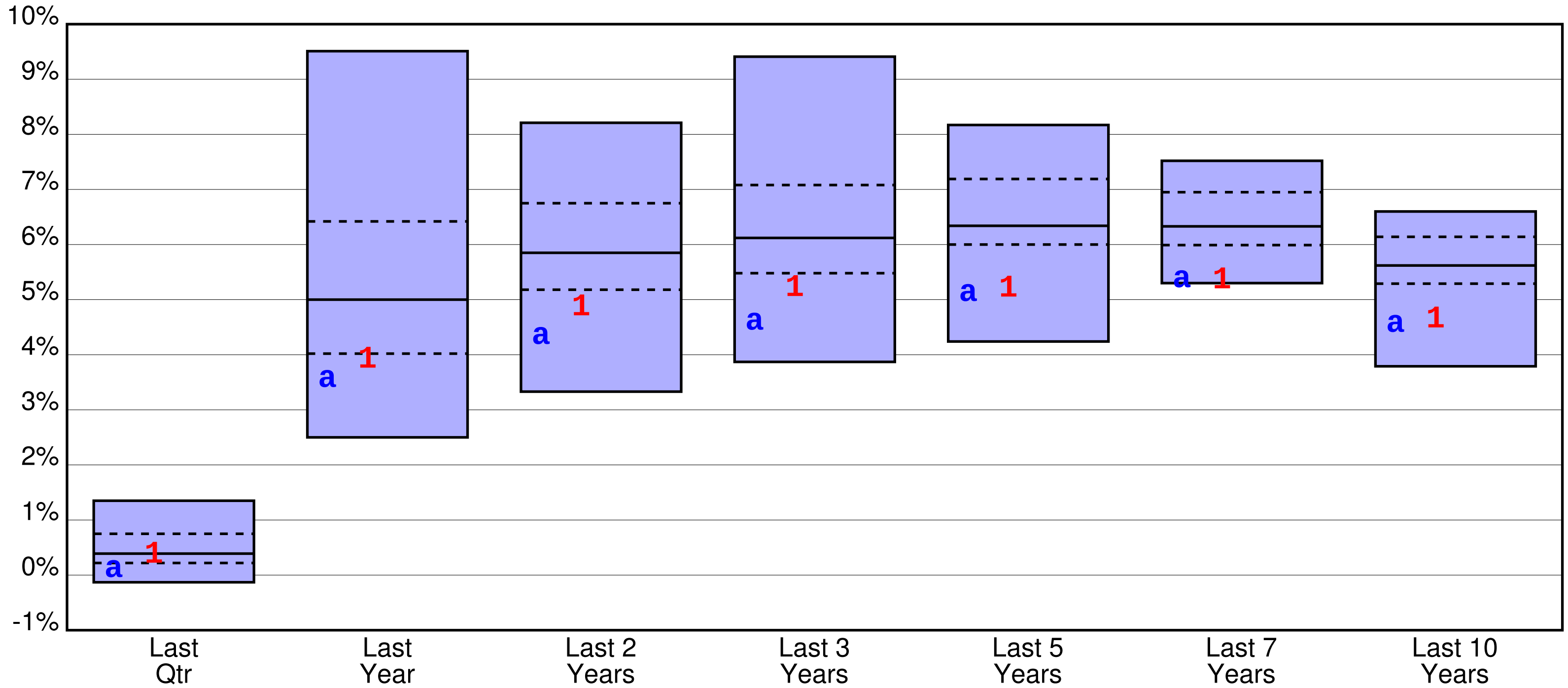
		Annualized Return	Standard Deviation
a	Atlanta Capital	4.58	2.09
1	Barclays Int Govt/Credit	5.19	2.48
	Barclays Govt/Credit	6.70	3.78

CONCLUSIONS/RECOMMENDATIONS
Atlanta Capital under performed the Barclays Int Gov/Credit Index during the fourth quarter 2012 and ranked in the 92nd percentile of their peer group.

In the 3 and 5 year time periods, Atlanta Capital has under performed the Barclays Intermediate Government/ Credit Index. The manager has failed to meet performance expectations.

MANAGER TERMINATED

Atlanta General Employees Pension Fund
Intermediate Term Cumulative Performance Comparisons
Total Returns of Fixed Income Portfolios
Periods Ending 12/12

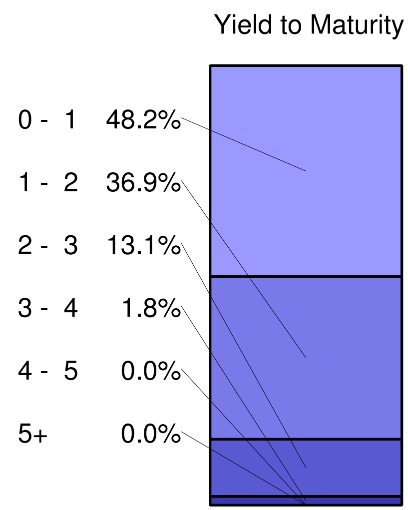


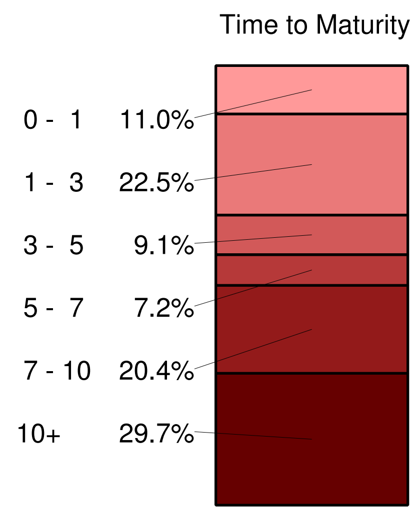
	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
5th Percentile	1.35	9.51	8.21	9.41	8.17	7.52	6.60
25th Percentile	0.75	6.42	6.75	7.08	7.19	6.95	6.14
Median	0.39	5.00	5.85	6.12	6.34	6.33	5.62
75th Percentile	0.22	4.02	5.18	5.48	6.00	5.99	5.29
95th Percentile	-0.13	2.50	3.33	3.87	4.24	5.30	3.79
a Atlanta Capital	0.09 (92)	3.54 (84)	4.32 (91)	4.58 (91)	5.10 (92)	5.35 (91)	4.54 (94)
1 Barclays Int Govt/Credit	0.35 (53)	3.89 (78)	4.84 (85)	5.19 (87)	5.18 (92)	5.33 (91)	4.62 (94)

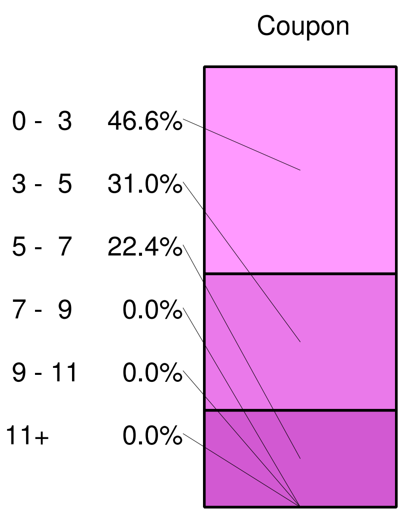
Returns for periods greater than one year are annualized.

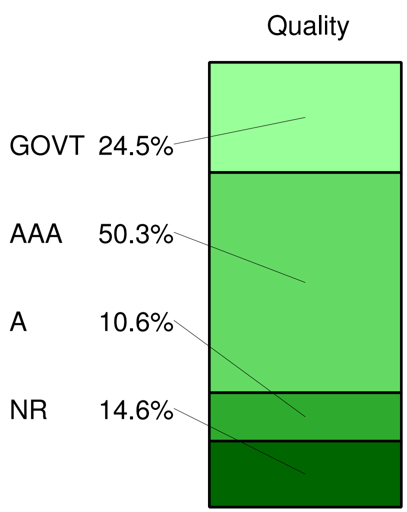
Atlanta General Employees Pension Fund
Fixed Income, Mortgage and Municipals Summary Statistics
Atlanta Capital
Quarter Ending 12/12

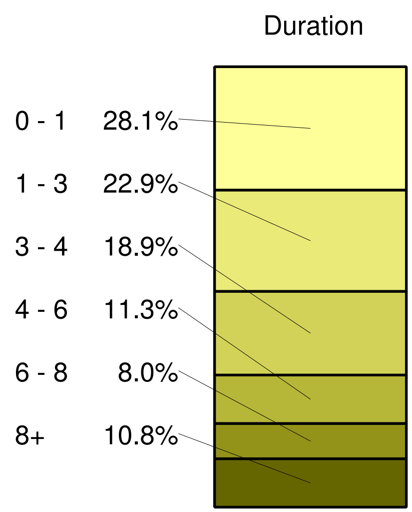
	Portfolio	Barclays Int Govt/Credit
Total Number Of Securities	56	4,480
Total Market Value	79,418,960	
Yield to Maturity	0.15	1.04
Time to Maturity	8.05	4.27
Current Coupon	3.10	2.77
Duration	3.33	3.91
Effective Convexity	0.09	0.19
Effective Duration	3.11	3.89
Effective Maturity	3.72	4.27

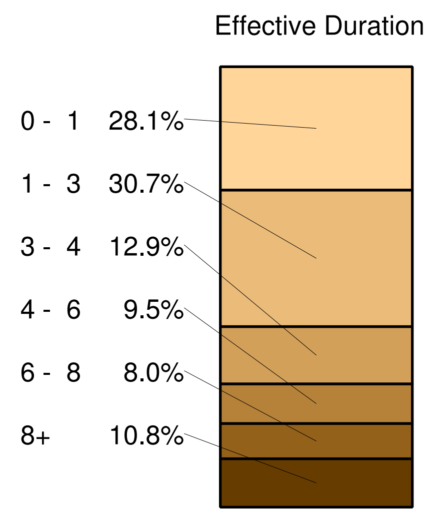












Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
JP Morgan/Bank One							
Total Return	0.41	5.00	6.86	7.07	6.87	6.63	5.77
Total Return (Net of Fees)	0.34	4.72	6.57	6.78	6.57	6.35	5.50
Barclays U.S. Aggregate	0.21	4.22	6.01	6.19	5.95	5.86	5.18
Variance	0.20	0.79	0.85	0.88	0.92	0.77	0.59

JP MORGAN (Separately Managed)
Core Fixed Income

OBJECTIVE

Out perform the Barclays U.S. Aggregate Index by 50 basis points net of management fees over a full market cycle (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.

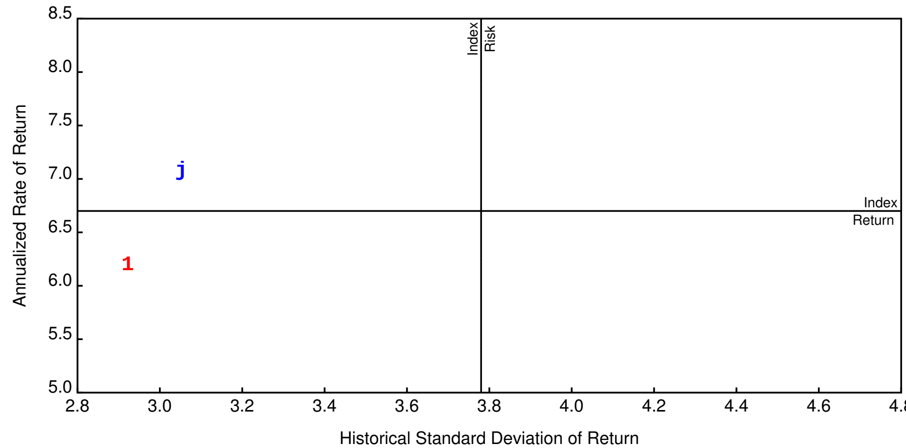
STRATEGY

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.

FEE SCHEDULE

0.28% on the first $75,000,000
0.20% thereafter

Return vs Risk
Total Returns



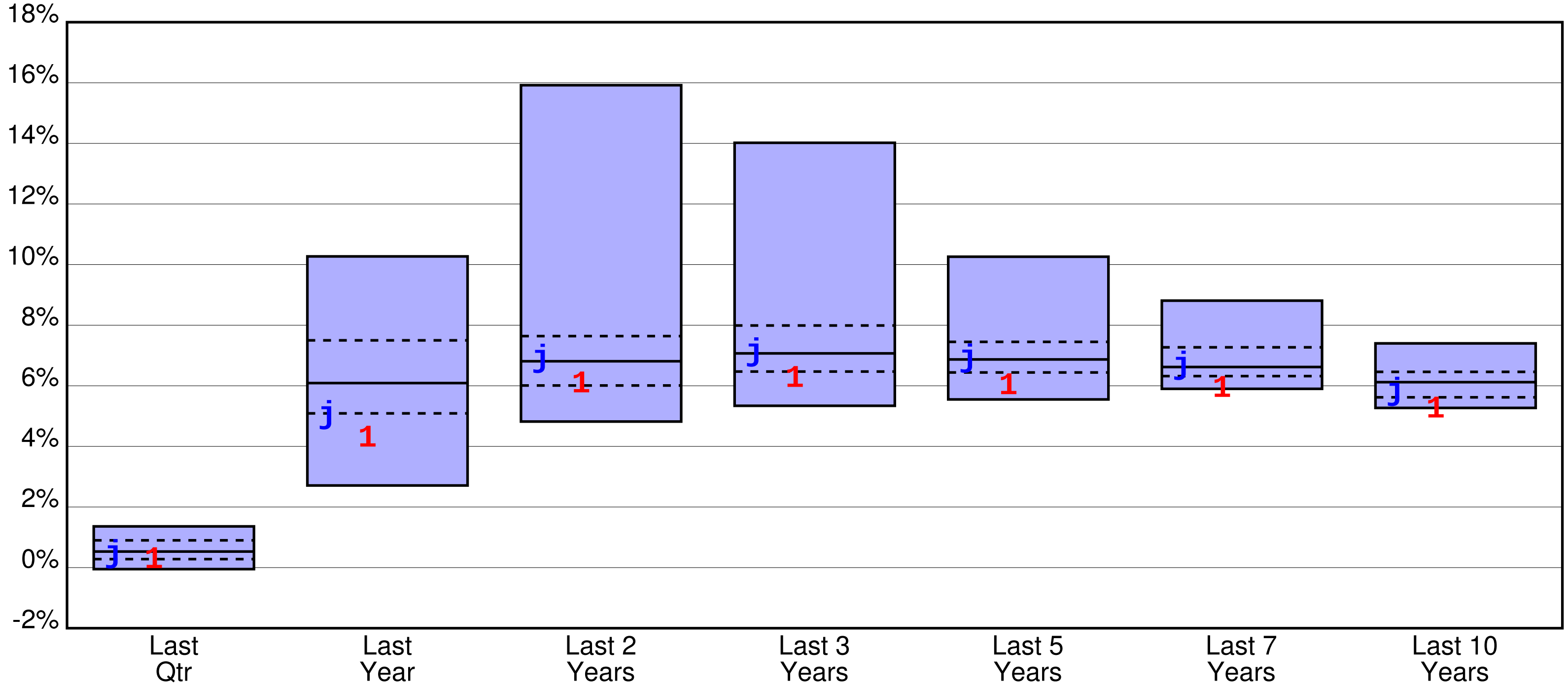
		Annualized Return	Standard Deviation
j	JP Morgan/Bank One	7.07	3.06
1	Barclays U.S. Aggregate	6.19	2.93
	Barclays Govt/Credit	6.70	3.78

CONCLUSIONS/RECOMMENDATIONS

JP Morgan out performed the Barclays U.S. Aggregate Index on a Net of Fee basis during the fourth quarter 2012, placing them in the 61st percentile of their peer group.

In the 5 and 7 year time period, JP Morgan out performed the Barclays U.S. Aggregate Index and ranked at or 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 12/12



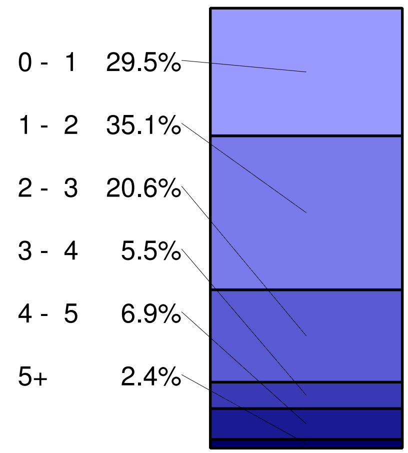
	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
5th Percentile	1.36	10.27	15.92	14.02	10.26	8.81	7.40
25th Percentile	0.90	7.50	7.64	7.99	7.45	7.27	6.46
Median	0.53	6.09	6.81	7.07	6.87	6.62	6.12
75th Percentile	0.28	5.09	6.01	6.47	6.44	6.32	5.62
95th Percentile	-0.05	2.71	4.82	5.34	5.55	5.90	5.27
j JP Morgan/Bank One	0.41 (61)	5.00 (77)	6.86 (47)	7.07 (50)	6.87 (50)	6.63 (45)	5.77 (61)
1 Barclays U.S. Aggregate	0.21 (85)	4.22 (87)	6.01 (75)	6.19 (81)	5.95 (88)	5.86 (99)	5.18 (99)

Returns for periods greater than one year are annualized.

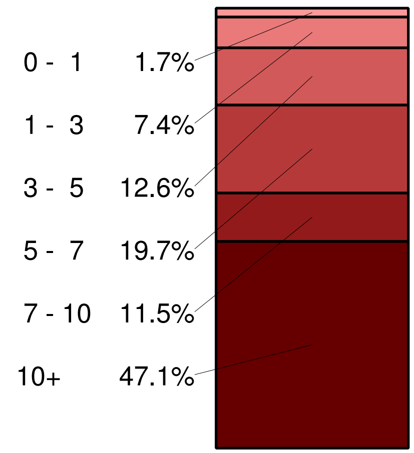
Atlanta General Employees Pension Fund
Fixed Income, Mortgage and Municipals Summary Statistics
JP Morgan/Bank One
Quarter Ending 12/12

	Portfolio	Barclays U.S. Aggregate
Total Number Of Securities	443	8,079
Total Market Value	81,926,396	16,972,699,926,528
Yield to Maturity	0.98	1.74
Time to Maturity	12.13	6.96
Current Coupon	4.37	3.57
Duration	5.20	5.08
Effective Convexity	0.40	-0.17
Effective Duration	4.87	5.06
Effective Maturity	6.63	6.96

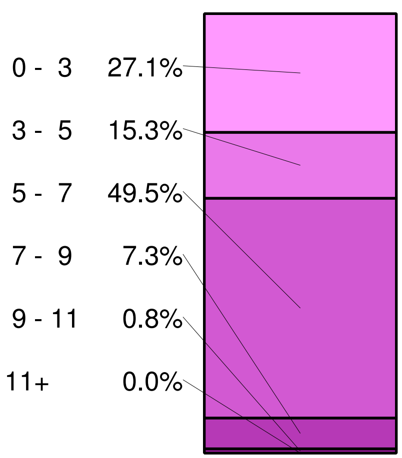
Yield to Maturity



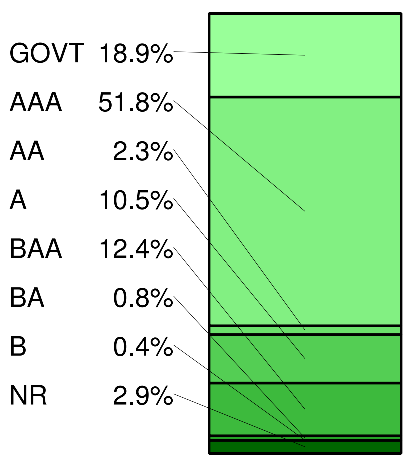
Time to Maturity



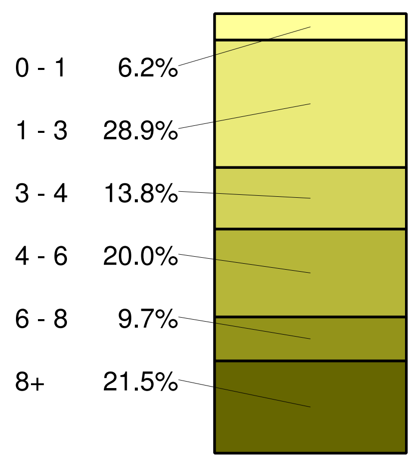
Coupon



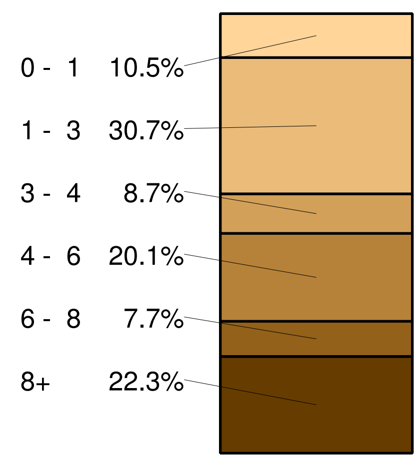
Quality



Duration



Effective Duration



Atlanta General Employees Pension Fund
December 31, 2012

Performance Summary Table
Periods Ending 12/31/12

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Mesirow							
Total Return	0.45	6.37	7.10	7.24	7.45		
Total Return (Net of Fees)	0.40	6.16	6.88	7.04	7.24		
Barclays U.S. Aggregate	0.21	4.22	6.01	6.19	5.95		
Variance	0.23	2.15	1.09	1.05	1.50		

MESIROW (Separately Managed)
Core Fixed Income

OBJECTIVE
Out perform the Barclays U.S. Aggregate Index by 50 basis points net of management fees over a full market cycle (5 years).

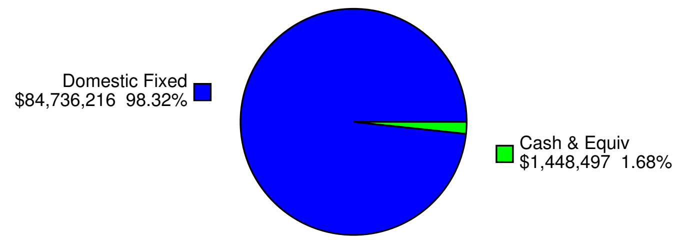
The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

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

FEE SCHEDULE
0.35% on the first $10,000,000
0.25% on the next $50,000,000
0.20% on the next $150,000,000
0.15% on the next $300,000,000
0.125% on the next $500,000,000
0.10% thereafter
*During the period from January 1, 2012 to December 31, 2013 the fee schedule above will discounted by 10%

Asset Allocation
Mesirow

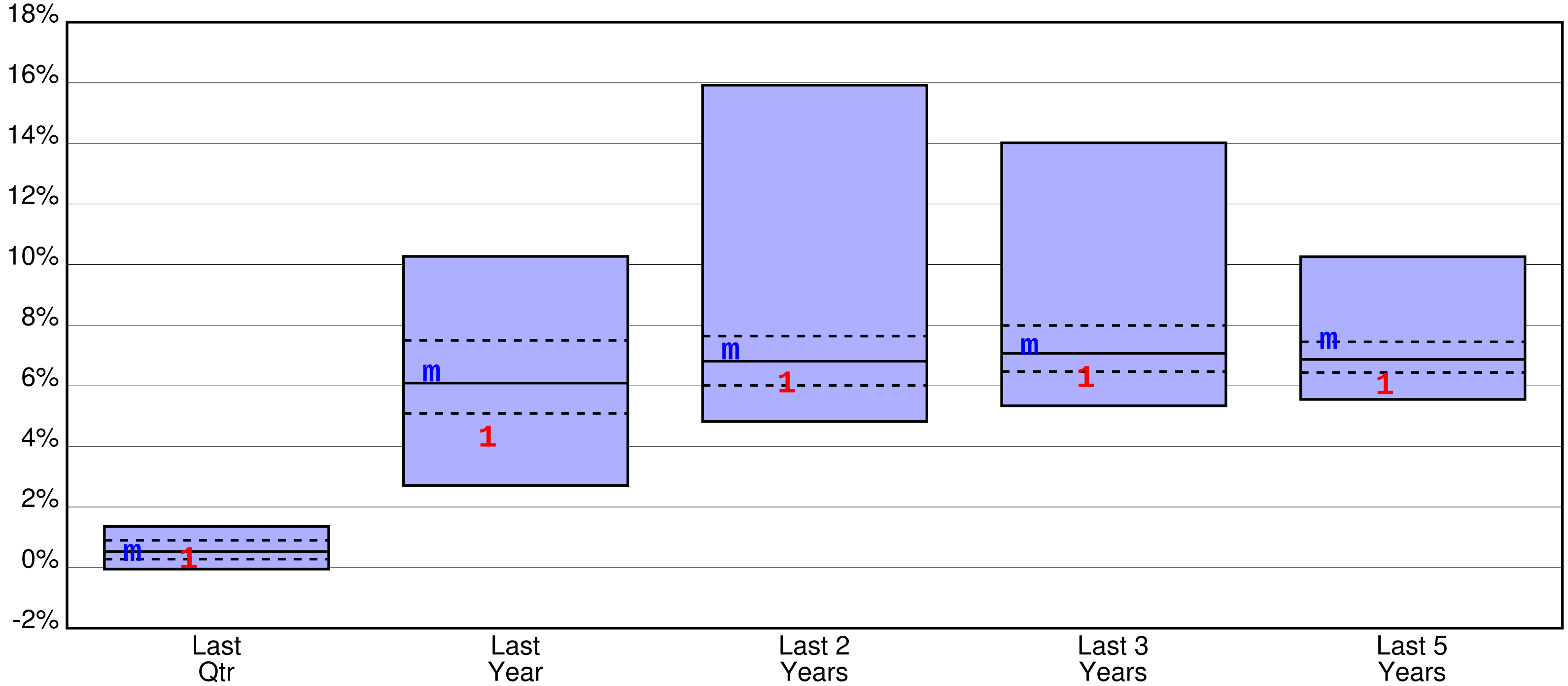
December 31, 2012 $86,184,713



CONCLUSIONS/RECOMMENDATIONS
Mesirow out performed the Barclays U.S. Aggregate Index by 23 basis points during the fourth quarter 2012 and placed in the 55th percentile of their peer group.

Over a 5 year time period, Mesirow has out performed the Barclays U.S. Aggregate and ranked in the 25th percentile of their peers, meeting performance expectations.

Atlanta General Employees Pension Fund
Fixed Income Core Cumulative Performance Comparisons
Total Returns of Fixed Income Portfolios
Periods Ending 12/12



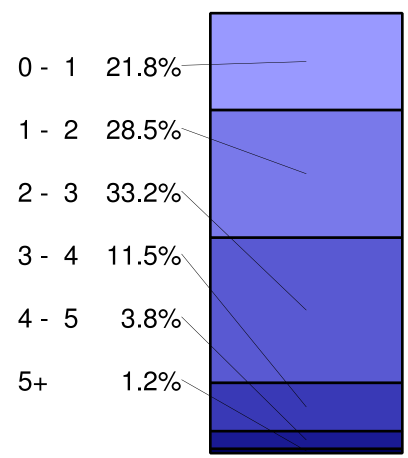
	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	1.36	10.27	15.92	14.02	10.26
25th Percentile	0.90	7.50	7.64	7.99	7.45
Median	0.53	6.09	6.81	7.07	6.87
75th Percentile	0.28	5.09	6.01	6.47	6.44
95th Percentile	-0.05	2.71	4.82	5.34	5.55
m Mesirow	0.45 (55)	6.37 (40)	7.10 (43)	7.24 (47)	7.45 (25)
1 Barclays U.S. Aggregate	0.21 (85)	4.22 (87)	6.01 (75)	6.19 (81)	5.95 (88)

Returns for periods greater than one year are annualized.

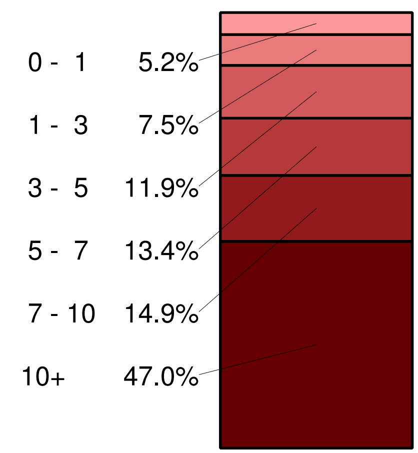
Atlanta General Employees Pension Fund
Fixed Income, Mortgage and Municipals Summary Statistics
Mesirow
Quarter Ending 12/12

	Portfolio	Barclays U.S. Aggregate
Total Number Of Securities	134	8,079
Total Market Value	84,736,216	16,972,699,926,528
Yield to Maturity	2.03	1.74
Time to Maturity	13.40	6.96
Current Coupon	4.92	3.57
Duration	5.68	5.08
Effective Convexity	0.53	-0.17
Effective Duration	5.32	5.06
Effective Maturity	7.36	6.96

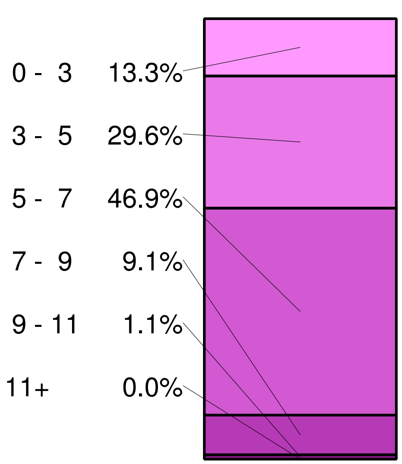
Yield to Maturity



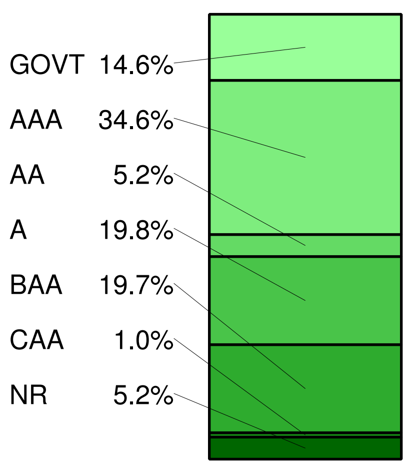
Time to Maturity



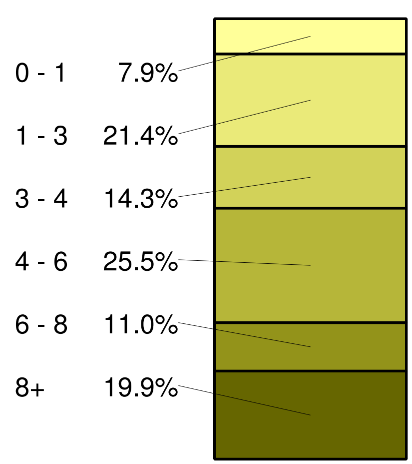
Coupon



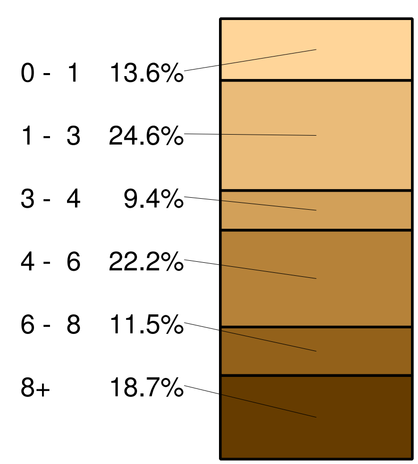
Quality



Duration



Effective Duration



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APPENDIX A
EQUITY COMMISSION REPORT

QUARTER	Madison Square Investors	Globalt	Earnest Small Cap	Morgan Stanley	Jennison	Ceredex	Total
Execution	$ 8,225	$ 11,319	$ 329	$ -	$ 12,968	$ 5,174	$ 38,015
Research	$ 6,801	$ -	$ 4,070	$ -	$ 5,802	$ 18,167	$ 34,840
Client Directed							
Bank Of New York (credits)	$ -	$ 3,307	$ -	$ -	$ 1,404	$ 5,280	$ 9,991
Bank Of New York (payments)	$ -	$ 7,263	$ -		$ 1,624	$ 7,591	$ 16,478
Manager Commission Recapture	$ -	$ 4,593	$ -	$ -	$ 1,950	$ 7,333	$ 13,876
Minority Directed/Georgia Brokers	$ 8,779	$ 6,726	$ 3,874	$ -	$ -	$ 14,956	$ 34,335
Total	$ 23,804	$ 11,319	$ 4,399	$ -	$ 20,720	$ 45,630	$ 105,872
Avg. cents per share	$0.01	$0.04	$0.03	$0.04	$0.03	$0.03	$0.02
% Minority Brokers/Georgia Brokers	36.9%	59.4%	88.1%	0.0%	0.0%	32.8%	32.4%

YTD	Madison Square Investors	Globalt	Earnest Small Cap	Morgan Stanley	Jennison	Ceredex	Total
Execution	$ 31,409	$ 86,196	$ 7,150	$ -	$ 47,721	$ 28,924	$ 201,400
Research	$ 32,040	$ -	$ 38,234	$ -	$ 16,471	$ 112,010	$ 198,755
Client Directed							
Bank of New York (credits)	$ 4,475	$ 23,100	$ 2,796	$ -	$ 6,901	$ 34,209	$ 71,481
Bank of New York (payments) *	$ 4,475	$ 19,793	$ 2,796		$ 5,497	$ 28,929	$ 61,491
Manager Commission Recapture	$ 6,289	$ 32,083	$ 1,197	$ -	$ 9,584	$ 47,513	$ 96,666
Minority Directed/Georgia Brokers	$ 41,098	$ 54,113	$ 28,813	$ -	$ -	$ 104,320	$ 228,344
Total	$ 110,836	$ 86,196	$ 45,385	$ -	$ 73,777	$ 292,767	$ 608,961
Avg. cents per share	$0.01	$0.04	$0.03	$0.04	$0.03	$0.03	$0.02
% Minority Brokers/Georgia Brokers	37.1%	62.8%	63.5%	0.0%	0.0%	35.6%	37.5%

*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.

	Quarter Ending 31-Dec-12
Execution	$ 11,319
Research	$ -
Client Directed Trading	
Majority Directed	$ -
Minority Directed	$ 6,726
Georgia Brokers	$ 4,034
Commission Recapture	$ 4,593
Total Comm. Dollars Paid	$ 11,319
Avg. cents per share	0.04
% Minority Brokers	59.4%

Commission Details

Person	Firm	Commission Dollars	Minority Background*
	BNY CONVERGEX	$4,593	
NATHAN LEWIS	SECURITY CAPITAL	$ 4,034	AA
HOLLIS COPELAND JR	WILLIAMS CAPITAL GROUP	$ 2,692	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 - Small Cap

	Quarter Ending 31-Dec-12
Execution	$ 329
Research	$ 4,070
Client Directed Trading	
Majority Directed	$ -
Minority Directed	$ 3,874
Georgia Brokers	$ -
Commission Recapture	$ -
Total Comm. Dollars Paid	$ 4,399
Avg. cents per share	0.04
% Minority Brokers	

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

Commission Details

Person	Firm	Commission Dollars	Minority Background*
TRADING DESK	Bass Trading International Group (501)	$ 328.72	
TRADING DESK	Loop Capital Markets (158)	$ 2,073.37	AA
TRADING DESK	MR Beal	$ 1,801.08	AA
TRADING DESK	Wells Fargo Securities (250)	$ 196.00	

* 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

	Quarter Ending 31-Dec-12
Execution	$ 12,968
Research	$ 5,802
Client Directed Trading	
Majority Directed	
Minority Directed	$ -
Georgia Brokers	$ -
Commission Recapture	$ 1,950
Total Comm. Dollars Paid	$ 20,720
Avg. cents per share	0.03
% Minority Brokers	0.0

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

* Jennison has been advised by their legal department that they cannot ask or verify race. They, however, have verified that each firm they trade with has a non-discriminatory hiring policy.

Commission Details

Person	Firm	Commission Dollars	Minority Background*
	BANK OF AMERICA - MERRILL LYNCH	$ 404	*
	BARCLAYS CAPITAL INC.	$ 206	*
	BLOOMBERG TRADEBOOK	$ 226	*
	BNY Convergex	$ 39	*
	BTIG, LLC	$ 1,336	*
	C.S. AES (NY TRADING)	$ 22	*
	CANACCORD GENUITY INC.	$ 83	*
	Cantor Fitzgerald & Co.	$ 64	*
	CITIGROUP GLOBAL MARKETS INC.	$ 305	*
	COWEN AND COMPANY, LLC	$ 36	*
	CREDIT AGRICOLE SECURITIES - CLSA	$ 33	*
	CREDIT SUISSE SECURITIES USA LLC	$ 1,567	*
	CRT Capital Group LLC- EQUITY ONLY	$ 35	*
	CRT Capital Group LLC- FIXED ONLY	$ 73	*
	DAHLMAN ROSE & COMPANY, LLC	$ 193	*
	DEUTSCHE BANK SECURITIES INC.	$ 213	*
	Fidelity Capital Markets	$ 419	*
	Goldman Sachs - BIDS	$ 300	*
	Goldman Sachs - REDI+ NY Trading	$ 37	*
	GOLDMAN, SACHS & CO.	$ 1,032	*
	ITG INC.	$ 169	*
	J.P. MORGAN SECURITIES LLC	$ 564	*
	JANNEY MONTGOMERY SCOTT LLC	$ 395	*
	JEFFERIES & COMPANY, INC.	$ 966	*
	JMP SECURITIES LLC	$ 124	*
	JonesTrading Institutional Service	$ 36	*
	KEEFE, BRUYETTE & WOODS, INC.	$ 95	*
	KNIGHT CAPITAL AMERICAS, L.P.	$ 3,752	*
	LAZARD CAPITAL MARKETS LLC	$ 367	*
	Lynch, Jones & Ryan LLC	$ 1,950	*
	MKM PARTNERS LLC	$ 193	*
	MORGAN STANLEY & CO. LLC	$ 1,099	*
	OPPENHEIMER & CO. INC.	$ 222	*
	PIPER JAFFRAY & CO.	$ 246	*
	RAYMOND JAMES & ASSOCIATES, INC.	$ 139	*
	RBC Capital Markets- ALGO	$ 302	*
	RENMAC RESEARCH (RAFFERTY)	$ 193	*
	ROBERT W. BAIRD & CO. INC	$ 354	*
	SANFORD C. BERNSTEIN & CO., LLC	$ 311	*
	STATE STREET GLOBAL MARKETS, LLC	$ 60	*
	STEPHENS INC.	$ 208	*
	STIFEL, NICOLAUS & COMPANY INC.	$ 88	*
	SUNTRUST ROBINSON HUMPHREY, INC.	$ 122	*
	SUSQUEHANNA FINANCIAL GROUP, LLP	$ 243	*
	Telsey (Island Trading)	$ 237	*
	TUDOR, PICKERING, HOLT & CO. INC	$ 128	*
	UBS Securities (F/K/A Warburg)	$ 249	*
	Weeden & Co., L.P.	$ 173	*
	WELLS FARGO SECURITIES, LLC	$ 720	*
	WILLIAM BLAIR & COMPANY LLC.	$ 339	*
	WOLFE TRAHAN SECURITIES	$ 51	*

*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

	Quarter Ending 31-Dec-12
Execution	$ 8,225
Research	$ 6,801
Client Directed Trading	
Majority Directed	$ -
Minority Directed	$ 8,779
Georgia Brokers	$ -
Commission Recapture	$ -
Total Comm. Dollars Paid	$ 23,804
Avg. cents per share	0.01
% Minority Brokers	36.9

Commission Details

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: Ceredex

	Quarter Ending 31-Dec-12
Execution	$ 5,174
Research	$ 18,167
Client Directed Trading	
Majority Directed	$ -
Minority Directed	$ 14,956
Georgia Brokers	$ 14,956
Commission Recapture	$ 7,333
Total Comm. Dollars Paid	$ 45,630
Avg. cents per share	0.03
% Minority Brokers	32.8%

Commission Details

Person	Firm	Commission Dollars	Minority Background*
Nathan Lewis	Security Capital Brokerage	$14,956	AA
	BNY Convergex	$ 7,333	

* 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
FIXED INCOME TRADES

QUARTER			YTD		
Mesirow			**Mesirow**		
TOTAL DOLLAR AMOUNT	$	9,745,617	TOTAL DOLLAR AMOUNT	$	29,180,060
% TO MINORITY OWNED FIRMS		0%	% TO MINORITY OWNED FIRMS		4%
% TO MAJORITY OWNED FIRMS		100%	% TO MAJORITY OWNED FIRMS		96%
% TO GEORGIA BROKERS		0%	% TO GEORGIA BROKERS		0%
JP Morgan			**JP Morgan**		
TOTAL DOLLAR AMOUNT	$	7,377,613	TOTAL DOLLAR AMOUNT	$	9,734,642
% TO MINORITY OWNED FIRMS		0%	% TO MINORITY OWNED FIRMS		0%
% TO MAJORITY OWNED FIRMS		100%	% TO MAJORITY OWNED FIRMS		100%
% TO GEORGIA BROKERS		0%	% TO GEORGIA BROKERS		0%
Atlanta Capital			**Atlanta Capital**		
TOTAL DOLLAR AMOUNT	$	30,349,857	TOTAL DOLLAR AMOUNT	$	97,638,754
NON-TREASURY/AGENCY TRADING VO	$	5,609,122	NON-TREASURY/AGENCY TRADING VOL.	$	39,728,637
% TO MINORITY OWNED FIRMS		0%	% TO MINORITY OWNED FIRMS		2%
% TO MAJORITY OWNED FIRMS		100%	% TO MAJORITY OWNED FIRMS		98%
% TO GEORGIA BROKERS		47%	% TO GEORGIA BROKERS		63%

Total dollar amount is based on total firm trades.

EXPLANATIONS OF BENCHMARKS
APPENDIX B

TARGET ASSET MIX

60% S&P 500, 10% MSCI EAFE, 25% BGI Aggregate, 5% 91-Day T-Bill
*New Target benchmark as of 1q2011

Indexes used to calculate target benchmarks:

Fixed Income:	Barclays Aggregate Bond Index
Large Cap. Equity:	S&P 500 (formerly Wilshire S&P 500 Buy and Hold ex South Africa)
Mid Cap. Equity:	Russell MidCap
Small Cap:	Russell 2000
International:	MSCI EAFE
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.

INDEX DEFINITIONS
APPENDIX C

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.

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.

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.

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.

UNIVERSE DEFINITIONS
APPENDIX D

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.

DEFINITIONS OF COMMON TERMS
APPENDIX E

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 the 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