

Metropolitan West Capital Management, LLC

Mandate: U.S. EQUITY SMALL CAP VALUE MANAGER

Risk Category 9

OBJECTIVE

To manage U.S. equity portfolios for the Summit Program where the objective is to outperform the benchmark.

BACKGROUND

- Founded in 1997, Metropolitan West Capital Management, LLC (MetWest Capital) is minority owned by key employees. Its client roster includes the Government of Guam, Blue Cross/Blue Shield, University of Maine and the State of Idaho.
- On June 1, 2006, Evergreen Investments acquired a majority interest in MetWest Capital, a registered investment advisor. The existing principals retained minority ownership.

INVESTMENT PHILOSOPHY AND PROCESS

- MetWest Capital's investment approach is to identify the stocks of high quality, growing businesses that are selling at a discount to their "intrinsic" or true value.
- MetWest Capital thoroughly examines each business, as if they were buying the whole firm. A company must pass 3 additional levels of screening:
 - Must be a high quality business that has financial strength; capable, proven and properly motivated management; and improving business fundamentals.
 - The company must sell at the required discount to its intrinsic Value.
 - One or more positive catalysts must exist that will unlock the value and cause the stock price to move up to its intrinsic value within the investment horizon.

The resulting intrinsic value is what a prudent investor should pay for the entire enterprise. The investment professionals then compare the value to the company's stock price to determine if it presents an opportunity.
- MetWest Capital establishes a sell target when a security is purchased, based on the company's price discount to its intrinsic value. As the fundamentals change over time, they continuously re-evaluate the sell target based on the stock price relative to those fundamentals.

BIOGRAPHIES OF KEY PERSONNEL

Gary W. Lisenbee is President and Co-Lead Strategist for the Small Cap Intrinsic Value. He has 34 Years of investment experience, 9 of which are with MetWest Capital.

Samir Sikka is Senior Vice President and Co-Lead Strategist for the Small Cap Intrinsic Value. He has 10 Years of investment experience, 1 of which is with MetWest Capital.

Howard Gleicher, CFA is CEO & CIO with 21 Years experience, 9 of which are with MetWest Capital.

David M. Graham is Senior Vice President with 39 Years experience, 6 of which are with MetWest Capital.

Jeffrey Peck is Director of Research with 12 years experience, 3 of which are with MetWest Capital.

Jay Cunningham, CFA is Senior Vice President with 12 years of experience, 1 of which is with MetWest Capital.

Miguel E. Giaconi is Equity Analyst with 12 years experience, 3 of which are with MetWest Capital.

Ellie Chizmarova, CFA is Equity Analyst with 8 years experience, 6 of which are with MetWest Capital.

Pranav M. Rawal is Equity Analyst with 7 years experience, 2 of which are with MetWest Capital.

Steven M. Borowski is Managing Partner with 27 Years experience, 9 of which are with MetWest Capital.

SUMMARY

Location: Newport Beach, CA
 Founded: 1997
 Ownership: 28% by employees, 72% by Evergreen Investments
 Staff: 41
 Managers/Analysts: 13

Assets:
 ERISA \$2,017 million
 Unions/Taft-Hartley \$333 million
 Foundations/Endowments \$574 million
 Mutual Funds \$2,702 million
 Individual \$1,225 million
 TOTAL \$6,888 million

Portfolio Characteristics:

Style	Value
Earnings Growth	Similar to market
ROE	Similar to market
P/E	Lower than market
P/B	Lower than market
Yield	Similar to market
Debt/Equity	Similar to market

Turnover:
 Trailing 12 month <40%

	Style		
	Value	Blend	Growth
Large			
Medium	•		
Small	•		

The Summit Program



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