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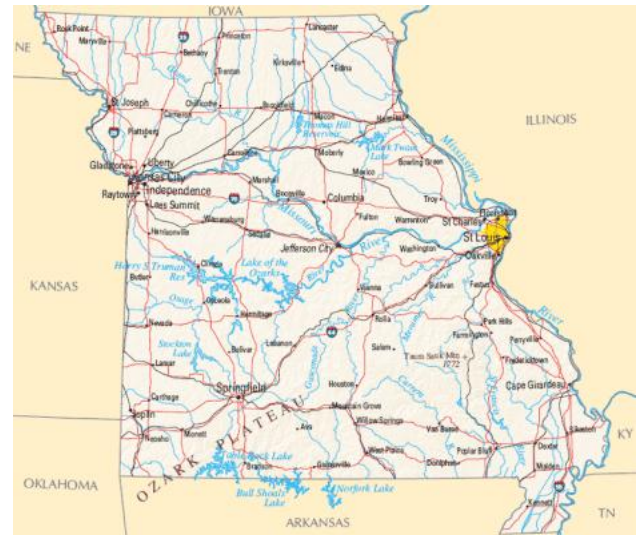


HEDGE FUND INVESTMENTS IN MISSOURI

Across the state of Missouri, hedge funds help build retirement security, expand access to higher education, and improve the quality of life in local communities.

Institutional investors – like public and corporate pensions, university endowments, and philanthropic foundations – use hedge funds to diversify their investment portfolios and manage risk. Ultimately, hedge funds are an important tool used by institutional investors to help meet their financial obligations.

Hedge funds are no longer exclusively used by individual wealthy investors. Globally, 65% of hedge fund assets come from institutional investors.¹



Hedge Funds Help Build Retirement Security

Missouri Public School and Education Employee Retirement System (PSRS/PEERS)

- PSRS/PEERS services over 220,000 active and retired members. Its \$30.6 billion in assets utilizes investment earnings as the primary source of funding.²
- In 2012, the system invested around \$4.6 billion, or 15 % of its assets in hedged assets.³

Missouri State Retirement Systems (MOSERS)

- As of June 30, 2012, MOSERS had 53,034 participants (34,646 active and 18,388 terminated/retired).⁴
- As of June 30, 2012 MOSERS allocated to hedge funds about \$2.45 billion,⁵ or about 32%, of its \$7.7 billion in assets.⁶

University of Missouri System

- The four universities that make up Missouri's University System have a large footprint in the state. As of 2011, the UM System had 31,844 employees and retirees living in the state.⁷
- As of March 31, 2012, the UM Retirement Fund was worth about \$2.7 billion and had invested about 5% of its assets, or \$135.6 million, in hedge funds.⁸

Boeing

- Boeing has around 14,742 employees, and 20,041 retirees in Missouri.⁹
- In 2012 Boeing invested \$2.5 billion in hedge funds, roughly 5% of the company's defined benefit plan, which totals \$50 billion.¹⁰

Ford Motor Company

- Ford has an assembly plant in Claycomo that employs approximately 4,438 Missourians.¹¹
- According to its 2012 Annual Report, Ford invested approximately \$3.1 billion, or about 7%, of its more than \$42 billion defined benefit plan assets in hedge funds.¹²

Tyson Foods

- With nearly 2,000 employees, Tyson is one of Missouri's largest employers and puts about 10% of Central Missouri to work every day.¹³
- According to its most recent financial report in 2012, Tyson's defined benefit plan allocated \$276 thousand of its nearly \$69 million total assets, to alternative investments, including hedge funds.¹⁴

Honeywell

- Honeywell International's Kansas City location employs 3,000 Missourians.¹⁵
- As of December 31, 2011 Honeywell invested \$60 million of its pension plans assets in hedge funds. Total assets are approximately \$12.8 billion.¹⁶

3M

- 3M has locations throughout the state of Missouri, in Columbia, Nevada and Springfield, employing approximately 1,000 Missourians.¹⁷¹⁸¹⁹²⁰
- In 2012, 3M Co. allocated \$1.3 billion of its \$12.1 billion pension plan (more than 10%) assets to hedge funds and hedge fund of funds.²¹

Allstate

- Allstate employs 65 Missourians and has a total of 221 agents in the state. The company insures 182,640 autos and 92,276 dwellings.²²
- As of December 31, 2011, Allstate invested \$324 million, or just over 6%, of its \$5.2 billion in pension plan assets in hedge funds.²³

Hedge Funds Help Ensure Educational Opportunities

University of Missouri System

- The University of Missouri System enrolls approximately 73,000 students across four campuses located in Columbia, Rolla, St. Louis, and Kansas City.²⁴
- The System's endowment funds are used for a number of services, including salary for chairs, professorships, and lectures, scholarships, and research support.²⁵

- As of June 30, 2012, the UM System's Balanced Pool of endowment assets totaled \$1.25 billion, and invested \$61.2 million, or about 5%, in hedge funds.²⁶

Missouri State University System

- The Missouri State University System is a public, comprehensive university system²⁷ that consists of one main campus in Springfield as well as three additional campuses in Mountain Grove, West Plains, and Dalian, China. As of 2012, MSU has more than 23,000 students enrolled.²⁸
- In Fiscal Year 2012, the Missouri State University System Foundation invested around \$3.7 million,²⁹ or about 6%, of its \$62.3 million endowment in hedge funds.³⁰ The subsequent funds have gone toward student scholarships, faculty endowments, building projects, athletic needs, and other campus improvements.³¹

Hedge Funds Help Improve the Quality of Life in Local Communities

The Hall Family Foundation

- The Hall Family Foundation is the foundation left by Joyce C. Hall, the founder of Hallmark Cards. It is a general charity that funds a multitude of goodwill causes, including advancement of social welfare and programs to help young children via grants.³²
- In 2011, The Hall Family Foundation allocated 34.8%, or approximately \$267.9 million, of their \$769.9 million in investments to alternative investments, including hedge funds.³³³⁴

*Data listed here is updated frequently and contains the most current information in public filings.

¹ "Prequin Special Report: Hedge Funds" pp. 16, October 2012, http://www.prequin.com/docs/reports/Prequin_Special_Report_Hedge_Funds_October_2012.pdf.

¹ Virginia Retirement System, "Comprehensive Annual Financial Report," pg. 2,

² "About PSRS/PEERS." PSRSMO.org. <http://www.psrsmo.org/AboutUs.html>.

³ "2012 Comprehensive Annual Financial Report," December 12, 2012, "financial section," p. 20

<https://www.psrsmo.org/Investments/2012-CAFR/CAFR2012-Financial.pdf>.

⁴ "Comprehensive Annual Financial Report Introductory Section," MOSERS.org, pp. 8,

<https://www.mosers.org/About-MOSERS/Annual-Report.aspx>.

⁵ "Comprehensive Annual Financial Report Investments Section," MOSERS.org, pp. 102,

<https://www.mosers.org/About-MOSERS/Annual-Report.aspx>.

⁶ "Comprehensive Annual Financial Report Investments Section," MOSERS.org, pp. 61,

<https://www.mosers.org/About-MOSERS/Annual-Report.aspx>.

⁷ "UM Facts." UMSystem.edu. https://uminfopoint.umsystem.edu/media/president/Facts_2012.pdf.

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- ⁸ "UM Retirement Plan - Performance." UMSystem.edu. <https://uminfopoint.umsystem.edu/media/fa/treasurer/retirement/CombinedRetiremMar2012.pdf>.
- ⁹ "Improving the Quality of Life in Missouri." Boeing.com. http://www.boeing.com/aboutus/govt_ops/state_cards/card_MO.pdf.
- ¹⁰ "The Boeing Company Annual Report," Boeing, March 4, 2012, pg. 89, http://www.boeing.com/companyoffices/financial/finreports/annual/2012/annual_report.pdf.
- ¹¹ "Plant Information." Ford.com. http://media.ford.com/article_display.cfm?article_id=28696.
- ¹² "One Ford: Ford Motor Company 2012 Annual Report," Ford.com, pp. FS-50, <http://corporate.ford.com/our-company/investors/reports-financial-information/us-sec-edgar-filings?releaseld=1244753690043>.
- ¹³ "Missouri: Real People. Real Opportunity." MissouriPartnership.com. <http://www.missouripartnership.com/Portals/O/Profiles/McMurrrough%20profile.pdf>.
- ¹⁴ "Tyson's Annual Report 2012," pp. 66, <http://ir.tyson.com/phoenix.zhtml?c=65476&p=irol-reportsAnnual>.
- ¹⁵ "State Profile: Largest Employers." ACINet.org. <http://www.acinet.org/oview6.asp?printer=&next=oview6&id=&nodeid=12&stfips=29&group=2>.
- ¹⁶ "Honeywell Annual Report," Honeywell.com, pp. 113, <http://investor.honeywell.com/phoenix.zhtml?c=94774&p=irol-reportsannual>.
- ¹⁷ http://solutions.3m.com/wps/portal/3M/en_US/about-3M/information/more-info/locations/Twenty/
- ¹⁸ "The Official Economic Development Site for the Springfield Metro Area: Major Employers." Business4Springfield.com. <http://www.business4springfield.com/data-profile/major-employers/>
- ¹⁹ "Nevada, Missouri Economic Development: Major Employers." http://216.119.127.205/?page_id=118
- ²⁰ "Missouri CORE: Connecting Our Regional Economy: Largest Employers by County." MissouriCore.com. <http://missouricore.com/explore-the-core/largest-employers-by-county/>
- ²¹ "3M 2011 Annual Report," 3M, March 21, 2012, pg. 83, http://solutions.3m.com/3MContentRetrievalAPI/BlobServlet?lmd=1340133270000&locale=en_US&assetType=MM_Image&assetId=1180611654372&blobAttribute=ImageFile.
- ²² "Allstate in Missouri." Allstate.com. http://www.allstate.com/content/refresh-attachments/citizenship/2004_csr_missouri.pdf.
- ²³ "Allstate 2011 Annual Report," Allstate, March 24, 2012, pg. 71, http://www.allstate.com/Allstate/content/refresh-attachments/annual-reports/Allstate_2011_Annual_Report.pdf.
- ²⁴ "Statewide Impact." UMSystem.edu. <http://www.umsystem.edu/impact>.
- ²⁵ "Endowment Funds." UMSystem.edu. <http://www.umsystem.edu/ums/fa/treasurer/endowment/>.
- ²⁶ "UM Balanced Pool Performance," <https://uminfopoint.umsystem.edu/media/fa/treasurer/endowment/CombinedEndowmMar2012.pdf>.
- ²⁷ "Missouri State University: Factbook." MissouriState.edu. <https://ws.missouristate.edu/factbook/generalinfo/systemoverview.asp>
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- ²⁹ "Missouri State University Foundation: 2011-2012 Financial Report." MissouriState.edu, pp.14 . http://www.missouristate.edu/assets/financialservices/FINAL_10.12.12.pdf.
- ³⁰ "Missouri State University Foundation: 2011-2012 Financial Report." MissouriState.edu, pp.12 . http://www.missouristate.edu/assets/financialservices/FINAL_10.12.12.pdf.
- ³¹ "Missouri State University Foundation: Fiscal Year 2012 Foundation Annual Report." MissouriState.edu, pp. 8. <http://www.pageturnpro.com/Missouri-State-University-Foundation/46048-Missouri-State-University-Foundation-Annual-Report-2012/default.html>.
- ³² "Our Founders." HallFamilyFoundation.org. <http://www.hallfamilyfoundation.org/aboutUs-ourFounders.aspx>.
- ³³ "Hall Family Foundation: Financial Highlights," HallFamilyFoundation.org, <http://www.hallfamilyfoundation.org/financial-highlights.aspx>.
- ³⁴ "Hall Family Foundation: Financial Highlights," HallFamilyFoundation.org, under "asset distribution," <http://www.hallfamilyfoundation.org/financial-highlights.aspx>.