

Summary of Investments

	Total Cost	Market Value	% of Total Portfolio	Current Yield	Estimated Annual Income
Cash/Cash Equivalent					
CASH & CASH EQUIVALENT	102,136.00	102,136.00	4.7	0.3	255.34
TOTAL Cash/Cash Equivalent	102,136.00	102,136.00	4.7	0.3	255.34
Equities					
FINANCIALS	417,449.69	525,436.42	24.1	2.5	13,378.30
INDUSTRIALS	221,661.56	353,956.05	16.3	0.8	2,980.10
MATERIALS	214,242.02	315,319.40	14.5	1.5	4,589.20
ENERGY	194,547.06	253,655.20	11.7	1.2	3,110.00
CONSUMER STAPLES	121,190.04	141,096.50	6.5	0.5	772.00
HEALTH CARE	54,767.59	126,261.00	5.8	0.6	802.20
CONSUMER DISCRETIONARY	109,450.20	125,571.05	5.8	0.5	681.20
INFORMATION TECHNOLOGY	64,101.46	99,324.00	4.6	2.1	2,071.00
UTILITIES	65,361.58	63,972.30	2.9	3.4	2,181.20
TELECOMMUNICATION SERVICES	19,505.75	62,104.00	2.9	0.0	0.00
TOTAL Equities	1,482,276.95	2,066,695.92	95.0	1.5	30,565.20
TOTAL Accruals	7,595.11	7,595.11	0.3		
TOTAL PORTFOLIO	1,592,008.06	2,176,427.03	100.0	1.4	30,820.54

Portfolio Performance (%) - Gross of Fees

	Latest Month	Latest 3 Months	Year To Date	1 Year	2 Year*	3 Year*	5 Year*	7 Year*	10 Year*	Since Inception*
TOTAL	-6.94	-8.79	-0.66	7.33	17.87	23.21	16.87	N/A	N/A	18.24
RUSSELL 2500 VALUE	-5.83	-6.40	0.96	9.88	18.40	22.81	15.16	N/A	N/A	15.45

*Annualized for periods more than one year

GW Capital, Inc. urges you to compare our firm's statement with the statement you receive directly from your qualified custodian. GW Capital, Inc. statements are reconciled with the custodian and prepared on a trade-date basis. Your custodian statement(s) may be prepared on a trade-date or settlement-date basis. Please contact us immediately with any questions.

Portfolio Appraisal

				Average		Current		%	Current	Estimated
	Cusip	Symbol	Quantity	Cost	Total Cost	Price	Market Value	Portfolio	Yield	Annual Income
Cash/Cash Equivalent										
TOTAL Cash/Cash Equivalent					102,136.00		102,136.00	4.7	0.3	255.34
Equities										
CONSUMER DISCRETIONARY					109,450.20		125,571.05	5.8	0.5	681.20
CIVEO CORPORATION	178787107	CVEO	1,310	22.86	29,950.66	11.61	15,209.10	0.7	4.5	681.20
HERTZ GLOBAL HOLDINGS	42805T105	HTZ	2,535	21.99	55,748.64	25.39	64,363.65	3.0	0.0	0.00
LIVE NATION ENTERTAINMENT INC	538034109	LYV	1,915	12.40	23,750.90	24.02	45,998.30	2.1	0.0	0.00
CONSUMER STAPLES					121,190.04		141,096.50	6.5	0.5	772.00
CASEY'S GENERAL STORES INC	147528103	CASY	965	63.96	61,718.24	71.70	69,190.50	3.2	1.1	772.00
DARLING INGREDIENTS INC.	237266101	DAR	3,925	15.15	59,471.80	18.32	71,906.00	3.3	0.0	0.00
ENERGY					194,547.06		253,655.20	11.7	1.2	3,110.00
OIL STATES INTERNATIONAL INC	678026105	OIS	1,105	56.35	62,262.47	61.90	68,399.50	3.1	0.0	0.00
ONEOK INC	682680103	OKE	800	13.36	10,691.51	65.55	52,440.00	2.4	3.5	1,840.00
TIDEWATER INC	886423102	TDW	1,270	49.54	62,910.13	39.03	49,568.10	2.3	2.6	1,270.00
WPX ENERGY INC	98212B103	WPX	3,460	16.96	58,682.95	24.06	83,247.60	3.8	0.0	0.00
FINANCIALS					417,449.69		525,436.42	24.1	2.5	13,378.30
ASSURED GUARANTY LTD	G0585R106	AGO	2,725	18.81	51,270.82	22.16	60,386.00	2.8	2.0	1,199.00
BANKUNITED INC	06652K103	BKU	2,070	30.73	63,616.42	30.49	63,114.30	2.9	2.8	1,738.80
CNO FINANCIAL GROUP	12621E103	CNO	2,760	4.63	12,777.93	16.96	46,809.60	2.2	1.4	662.40
GENWORTH FINANCIAL INC	37247D106	GNW	5,335	6.15	32,832.68	13.10	69,888.50	3.2	0.0	0.00
IRON MOUNTAIN	462846106	IRM	1,517	26.13	39,635.02	32.65	49,530.05	2.3	5.8	2,882.30
KEYCORP	493267108	KEY	4,500	8.91	40,104.60	13.33	59,985.00	2.8	2.0	1,170.00
MBIA INC	55262C100	MBI	5,529	13.57	75,007.97	9.18	50,756.22	2.3	0.0	0.00
OCWEN FINANCIAL	675746309	OCN	1,320	33.74	44,535.61	26.18	34,557.60	1.6	0.0	0.00
OMEGA HEALTHCARE	681936100	OHI	1,415	12.78	18,088.56	34.19	48,378.85	2.2	6.0	2,886.60
REDWOOD TRUST INC	758075402	RWT	2,535	15.61	39,580.08	16.58	42,030.30	1.9	6.8	2,839.20
HEALTH CARE					54,767.59		126,261.00	5.8	0.6	802.20
BROOKDALE SENIOR LIVING	112463104	BKD	2,825	6.89	19,458.77	32.22	91,021.50	4.2	0.0	0.00
HEALTHSOUTH CORP	421924309	HLS	955	36.97	35,308.82	36.90	35,239.50	1.6	2.3	802.20

Portfolio Appraisal

				Average		Current		%	Current	Estimated	
	Cusip	Symbol	Quantity	Cost	Total Cost	Price	Market Value	Portfolio	Yield	Annual Income	
Equities											
INDUSTRIALS					221,661.56		353,956.05	16.3	0.8	2,980.10	
	CINTAS CORP	172908105	CTAS	1,300	30.56	39,723.37	70.59	91,767.00	4.2	1.1	1,001.00
	FLUOR CORPORATION	343412102	FLR	650	45.70	29,705.62	66.79	43,413.50	2.0	1.3	546.00
	GENERAC HOLDINGS INC	368736104	GNRC	980	47.22	46,275.80	40.54	39,729.20	1.8	0.0	0.00
	MANPOWERGROUP INC	56418H100	MAN	535	46.82	25,047.68	70.10	37,503.50	1.7	1.4	524.30
	VERISK ANALYTICS	92345Y106	VRSK	1,290	29.34	37,848.61	60.89	78,548.10	3.6	0.0	0.00
	XYLEM INC	98419M100	XYL	1,775	24.26	43,060.48	35.49	62,994.75	2.9	1.4	908.80
INFORMATION TECHNOLOGY					64,101.46		99,324.00	4.6	2.1	2,071.00	
	KLA TENCOR	482480100	KLAC	815	35.77	29,155.64	78.78	64,205.70	3.0	2.5	1,630.00
	PLANTRONICS INC	727493108	PLT	735	47.55	34,945.82	47.78	35,118.30	1.6	1.3	441.00
MATERIALS					214,242.02		315,319.40	14.5	1.5	4,589.20	
	ASHLAND INC	044209104	ASH	470	56.86	26,724.77	104.10	48,927.00	2.2	1.3	639.20
	CROWN HOLDINGS INC	228368106	CCK	1,640	19.08	31,290.05	44.52	73,012.80	3.4	0.0	0.00
	DOMTAR CORP	257559203	UFS	1,630	43.89	71,542.53	35.13	57,261.90	2.6	4.3	2,445.00
	MEADWESTVACO CORP	583334107	MWV	1,505	14.83	22,313.89	40.94	61,614.70	2.8	2.4	1,505.00
	OWENS ILLINOIS	690768403	OI	2,860	21.81	62,370.78	26.05	74,503.00	3.4	0.0	0.00
TELECOMMUNICATION SERVICES					19,505.75		62,104.00	2.9	0.0	0.00	
	SBA COMMUNICATIONS	78388J106	SBAC	560	34.83	19,505.75	110.90	62,104.00	2.9	0.0	0.00
UTILITIES					65,361.58		63,972.30	2.9	3.4	2,181.20	
	QUESTAR CORP	748356102	STR	2,870	22.77	65,361.58	22.29	63,972.30	2.9	3.4	2,181.20
TOTAL Equities						1,482,276.95		2,066,695.92	95.0	1.5	30,565.20
TOTAL Accruals						7,595.11		7,595.11	0.3		
TOTAL PORTFOLIO						1,592,008.06		2,176,427.03	100	1.4	30,820.54

Purchases

Trade Date	Settle Date	Quantity	Security	Price	Com.	Fees	Amount	Broker	Clearing Broker
7/1/2014	7/7/2014	870	GENERAC HOLDINGS INC	47.20	17.40	0.00	41,084.36	William Blair & Co.	William Blair & Co. Equity #771
7/2/2014	7/8/2014	150	GENERAC HOLDINGS INC	47.18	3.00	0.00	7,080.38	William Blair & Co.	William Blair & Co. Equity #771
7/17/2014	7/22/2014	190	PLANTRONICS INC	46.81	3.80	0.00	8,898.35	Avondale Partners, LLC	National Financial Svcs #226
7/18/2014	7/23/2014	165	PLANTRONICS INC	47.57	3.30	0.00	7,852.96	Avondale Partners, LLC	National Financial Svcs #226
7/21/2014	7/24/2014	130	PLANTRONICS INC	47.42	2.60	0.00	6,166.88	Avondale Partners, LLC	National Financial Svcs #226
7/22/2014	7/25/2014	250	PLANTRONICS INC	48.09	5.00	0.00	12,027.63	Avondale Partners, LLC	National Financial Svcs #226
7/24/2014	7/29/2014	310	HEALTHSOUTH CORP	36.66	6.20	0.00	11,371.39	JMP Securities LLC	JP Morgan #352
7/25/2014	7/30/2014	645	HEALTHSOUTH CORP	37.09	12.90	0.00	23,937.43	JMP Securities LLC	JP Morgan #352
9/23/2014	9/26/2014	1,010	HERTZ GLOBAL HOLDINGS	26.89	10.10	0.00	27,172.43	Wells Fargo Sec's Algo	Wells Fargo #250
TOTAL Purchases					64.30	0.00	145,591.81		

Sales

Trade Date	Settle Date	Quantity	Security	Price	Com.	Fees	Amount	Broker	Clearing Broker
7/3/2014	7/9/2014	1,615	LIVE NATION ENTERTAINMENT INC	24.91	32.30	0.89	40,191.13	Stifel Nicolaus	Stifel Nicolaus # 793
7/9/2014	7/14/2014	20	ASHLAND INC	109.29	0.40	0.05	2,185.35	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	120	ASSURED GUARANTY LTD	22.75	2.40	0.07	2,726.93	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	90	BANKUNITED INC	33.48	1.80	0.07	3,011.33	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	125	BROOKDALE SENIOR LIVING	33.97	2.50	0.10	4,243.65	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	45	CASEY'S GENERAL STORES INC	69.65	0.90	0.07	3,133.28	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	55	CINTAS CORP	63.53	1.10	0.08	3,492.97	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	110	CIVEO CORPORATION	26.82	2.20	0.07	2,947.53	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	125	CNO FINANCIAL GROUP	17.51	2.50	0.05	2,186.20	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	70	CROWN HOLDINGS INC	51.02	1.40	0.08	3,569.92	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	175	DARLING INGREDIENTS INC.	20.50	3.50	0.08	3,583.92	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	65	DOMTAR CORP	41.65	1.30	0.06	2,705.89	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	30	FLUOR CORPORATION	78.10	0.60	0.06	2,342.19	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	40	GENERAC HOLDINGS INC	45.14	0.80	0.04	1,804.56	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	235	GENWORTH FINANCIAL INC	17.19	4.70	0.09	4,033.69	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	145	HERTZ GLOBAL HOLDINGS	28.47	2.90	0.10	4,124.43	BNYConvergex	Bank of New York #100

Sales

Trade Date	Settle Date	Quantity	Security	Price	Com.	Fees	Amount	Broker	Clearing Broker
7/9/2014	7/14/2014	75	IRON MOUNTAIN	35.31	1.50	0.06	2,646.69	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	195	KEYCORP	14.30	3.90	0.07	2,784.53	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	30	KLA TENCOR	74.46	0.60	0.05	2,233.15	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	80	LIVE NATION ENTERTAINMENT INC	24.24	1.60	0.05	1,937.55	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	20	MANPOWERGROUP INC	83.28	0.40	0.04	1,665.16	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	245	MBIA INC	9.52	4.90	0.06	2,327.44	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	60	MEADWESTVACO CORP	43.55	1.20	0.06	2,611.74	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	55	OCWEN FINANCIAL	36.45	1.10	0.05	2,003.60	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	45	OIL STATES INTERNATIONAL INC	62.95	0.90	0.07	2,831.78	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	55	OMEGA HEALTHCARE	37.01	1.10	0.05	2,034.43	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	30	ONEOK INC	66.57	0.60	0.05	1,996.45	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	120	OWENS ILLINOIS	34.14	2.40	0.10	4,094.10	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	125	QUESTAR CORP	24.26	2.50	0.07	3,029.31	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	105	REDWOOD TRUST INC	19.55	2.10	0.05	2,050.60	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	30	SBA COMMUNICATIONS	102.04	0.60	0.07	3,060.53	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	50	TIDEWATER INC	51.65	1.00	0.06	2,581.19	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	50	VERISK ANALYTICS	60.97	1.00	0.07	3,047.43	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	150	WPX ENERGY INC	22.51	3.00	0.08	3,372.67	BNYConvergex	Bank of New York #100
7/9/2014	7/14/2014	70	XYLEM INC	37.41	1.40	0.06	2,617.24	BNYConvergex	Bank of New York #100
7/22/2014	7/25/2014	275	IRON MOUNTAIN	34.75	5.50	0.22	9,549.29	William Blair & Co.	William Bliar & Co.Equity #771
7/23/2014	7/28/2014	255	SBA COMMUNICATIONS	104.33	2.55	0.59	26,600.88	Wells Fargo Sec's Algo	Wells Fargo #250
8/21/2014	8/26/2014	1,845	HERTZ GLOBAL HOLDINGS	30.15	36.90	1.23	55,581.61	Avondale Partners, LLC	National Financial Svcs #226
9/30/2014	10/3/2014	1,265	CIVEO CORPORATION	12.44	12.65	0.35	15,724.87	Wells Fargo Sec's Algo	Wells Fargo #250
TOTAL Sales					150.70	5.52	242,665.21		

Realized Gains and Losses

Sell Date	Shares	Security	Proceeds (\$)	Cost Basis (\$)	Gain or Loss	
					Short Term (\$)	Long Term (\$)
7/3/2014	1,615	LIVE NATION ENTERTAINMENT INC	40,191.13	17,676.83	0.00	22,514.30
7/9/2014	120	ASSURED GUARANTY LTD	2,726.93	2,124.54	0.00	602.39
7/9/2014	20	ASHLAND INC	2,185.35	1,138.94	0.00	1,046.41

Realized Gains and Losses

Sell Date	Shares	Security	Proceeds (\$)	Cost Basis (\$)	Gain or Loss	
					Short Term (\$)	Long Term (\$)
7/9/2014	125	BROOKDALE SENIOR LIVING	4,243.65	599.71	0.00	3,643.94
7/9/2014	90	BANKUNITED INC	3,011.33	2,768.73	242.60	0.00
7/9/2014	45	CASEY'S GENERAL STORES INC	3,133.28	2,659.54	0.00	473.74
7/9/2014	70	CROWN HOLDINGS INC	3,569.92	1,335.55	0.00	2,234.37
7/9/2014	125	CNO FINANCIAL GROUP	2,186.20	549.96	0.00	1,636.24
7/9/2014	55	CINTAS CORP	3,492.97	1,679.73	0.00	1,813.24
7/9/2014	110	CIVEO CORPORATION	2,947.53	1,672.03	0.00	1,275.50
7/9/2014	175	DARLING INGREDIENTS INC.	3,583.92	2,343.06	0.00	1,240.86
7/9/2014	30	FLUOR CORPORATION	2,342.19	1,156.00	0.00	1,186.19
7/9/2014	40	GENERAC HOLDINGS INC	1,804.56	1,888.94	-84.38	0.00
7/9/2014	235	GENWORTH FINANCIAL INC	4,033.69	2,073.48	0.00	1,960.21
7/9/2014	145	HERTZ GLOBAL HOLDINGS	4,124.43	1,493.63	0.00	2,630.80
7/9/2014	75	IRON MOUNTAIN	2,646.69	1,683.13	0.00	963.56
7/9/2014	195	KEYCORP	2,784.53	1,480.77	0.00	1,303.76
7/9/2014	30	KLA TENCOR	2,233.15	943.49	0.00	1,289.66
7/9/2014	80	LIVE NATION ENTERTAINMENT INC	1,937.55	875.63	0.00	1,061.92
7/9/2014	20	MANPOWERGROUP INC	1,665.16	928.55	0.00	736.61
7/9/2014	245	MBIA INC	2,327.44	3,562.57	-1,235.13	0.00
7/9/2014	60	MEADWESTVACO CORP	2,611.74	712.30	0.00	1,899.44
7/9/2014	55	OCWEN FINANCIAL	2,003.60	1,855.65	147.95	0.00
7/9/2014	55	OMEGA HEALTHCARE	2,034.43	703.09	0.00	1,331.34
7/9/2014	120	OWENS ILLINOIS	4,094.10	2,838.40	0.00	1,255.70
7/9/2014	45	OIL STATES INTERNATIONAL INC	2,831.78	1,783.67	0.00	1,048.11
7/9/2014	30	ONEOK INC	1,996.45	400.93	0.00	1,595.52
7/9/2014	105	REDWOOD TRUST INC	2,050.60	1,542.89	0.00	507.71
7/9/2014	30	SBA COMMUNICATIONS	3,060.53	766.47	0.00	2,294.06
7/9/2014	125	QUESTAR CORP	3,029.31	2,765.00	264.31	0.00
7/9/2014	50	TIDEWATER INC	2,581.19	2,011.45	0.00	569.74
7/9/2014	65	DOMTAR CORP	2,705.89	2,908.14	-202.25	0.00
7/9/2014	50	VERISK ANALYTICS	3,047.43	1,347.49	0.00	1,699.94
7/9/2014	150	WPX ENERGY INC	3,372.67	1,094.20	0.00	2,278.47

Realized Gains and Losses

Sell Date	Shares	Security	Proceeds (\$)	Cost Basis (\$)	Gain or Loss	
					Short Term (\$)	Long Term (\$)
7/9/2014	70	XYLEM INC	2,617.24	1,714.09	0.00	903.15
7/22/2014	275	IRON MOUNTAIN	9,549.29	5,829.02	0.00	3,720.27
7/23/2014	255	SBA COMMUNICATIONS	26,600.88	6,515.00	0.00	20,085.88
8/21/2014	1,845	HERTZ GLOBAL HOLDINGS	55,581.61	18,742.27	0.00	36,839.34
9/30/2014	1,265	CIVEO CORPORATION	15,724.87	24,175.52	-5,685.64	-2,765.01
TOTAL Realized Gains and Losses			242,665.21	128,340.38	-6,552.55	120,877.38

Income		
Pay Date	Security	Amount
7/2/2014	FLUOR CORPORATION	142.80
7/8/2014	HILLSHIRE BRANDS CO	166.25
7/15/2014	IRON MOUNTAIN	610.74
7/15/2014	BANKUNITED INC	453.60
7/15/2014	DOMTAR CORP	635.63
8/14/2014	ONEOK INC	460.00
8/15/2014	OMEGA HEALTHCARE	721.65
8/15/2014	CASEY'S GENERAL STORES INC	193.00
8/29/2014	CIVEO CORPORATION	334.75
9/2/2014	MEADWESTVACO CORP	376.25
9/2/2014	KLA TENCOR	407.50
9/3/2014	ASSURED GUARANTY LTD	299.75
9/8/2014	QUESTAR CORP	545.30
9/10/2014	PLANTRONICS INC	110.25
9/15/2014	ASHLAND INC	159.80
9/15/2014	KEYCORP	292.50
9/15/2014	TIDEWATER INC	317.50
9/24/2014	CNO FINANCIAL GROUP	165.60
9/24/2014	XYLEM INC	227.20
9/30/2014	REDWOOD TRUST INC	709.80
TOTAL DIVIDENDS		7,329.87
7/31/2014	JULY CASH & CASH EQUIVALENT INCOME	18.19
8/29/2014	AUGUST CASH & CASH EQUIVALENT INCOME	14.53
9/30/2014	SEPTEMBER CASH & CASH EQUIVALENT INCOME	22.08
TOTAL CASH & CASH EQUIVALENT		54.80
TOTAL INCOME		7,384.67

Quarterly Commentary

After shrugging off global political turmoil, tensions and sluggish economic growth here and abroad for the first part of the year, the US equity markets began to get choppy in the Third Quarter. The VIX, one of the more commonly used volatility measurements, showed signs of life after being dormant most of the year. Small Cap stocks, as represented by the Russell 2000 Index, had already worked to come back from a two-month, 10% slide from early March to mid-May, while many of the Larger Cap indices, such as the S&P 500, continued to break all-time highs. The Third Quarter saw some of the same with larger cap stocks gently piercing the ceiling of higher highs while Small Cap stocks began a downward trajectory that would result in another 10% plus correction from early July to early October.

In the past 20 years, the largest variance in a calendar quarter between US larger cap stocks (represented by the Russell 1000) and smaller cap stocks (represented by the Russell 2000) occurred during the infamous Long-Term Capital episode in the Third Quarter of 1998. Throw in another spread gap two quarters later and you have the two widest spreads between Large Cap and Small Cap stocks in 20 years, 984 bps and 954 bps, respectively. Fast forward more than 15 years and we now have the third largest spread with 801 bps in the Third Quarter of 2014. Last quarter even handily beats the spread during the Small Cap bear market of Third Quarter 2011 (Russell 2000 declined almost 22%, but the underperformance spread to the Russell 1000 was only 719 bps). As Large Cap investors can count their basis points earned last quarter, 112 bps for the S&P 500 or 65 bps for the Russell 1000, SMID cap investors must nurse their wounds on a minus 5.35% or minus 6.40% return for the Russell 2500 or 2500 Value, respectively.

Specific to the GW Capital portfolio, we were disappointed to underperform both the Russell 2500 and Russell 2500 Value last quarter. This was especially true given that our portfolio features an average-weighted market capitalization more than 50% above those benchmarks. Nonetheless, the underperformance resulted from detractions in Sector Allocation and Issue Selection, with Issue Selection holding a little more of the blame.

Starting with Sector Allocation, one area of detraction depends on the benchmark used. Against the Core Russell 2500, our underweight to Healthcare detracted. Against the Russell 2500 Value, the detraction came from our underweight to Financials. Our largest detraction on against both indices came from the portfolio's overweight to the underperforming Energy sector. There wasn't much meaningful positive contribution from other areas of Sector Allocation. On the plus side, there wasn't much egregious detraction either.

While the portfolio did not go unscathed from its Sector Allocation, most of the damage occurred within Issue Selection. Recognizing that the quarter was a bad one overall for smaller cap stocks, GW Capital's picks didn't help our cause. On an index relative basis, of particular duress were our holdings in Financials, Consumer Discretionary and Materials. In aggregate, the stocks held in each of those sectors had negative double digit returns. As might be expected, our worst performing stock came from the Consumer Discretionary area. Among the total portfolio, we had fourteen stocks fall more than 10% during the quarter. This included a couple that declined more than 30%. We had only eight stocks generate a positive return in the third quarter with only one of those in the double digits. The best performing stock was in the Industrials sector.

On the transactions front, we bought three new stocks and didn't sell any outright. However, we did see plenty of activity in trimming holdings as five stocks were pared back during the quarter (one of which is marked for near-term full sale). We added to one existing position.

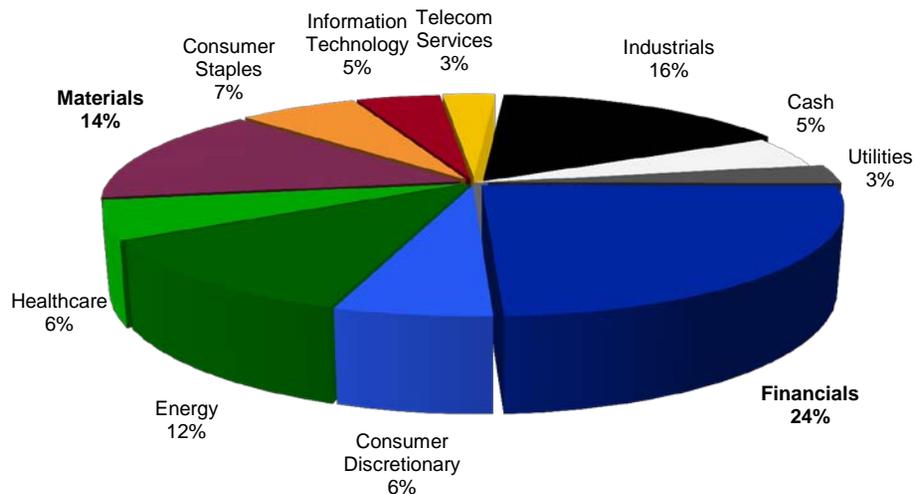
Quarterly Commentary

We remain entrenched to our economic outlook of Two steps forward – One and a half steps back. Our economic eye continues to be wary of China, with economic reports there remaining mixed and the country still in a longer-term, downward trend. We were somewhat taken aback by the reversal of the uptrend/stabilization we had been seeing in Europe. Some of the companies who had been discussing improvement were changing tune and pitching caution and pessimism. Geopolitical risks and easing rates and monetary policy in Europe and Japan have provided a tailwind for the US Dollar. We've seen an uptick in volatility measures for the US equity markets. Overall, the economy continues to be resilient. After 1st Quarter GDP reports bounced around from lower/lower to higher/lower and finally settled at negative 2.1%, we saw a big upward bounce in the 2nd Quarter that kept being revised higher, with 4.6 percent growth the latest report. With Small Cap stocks down for the quarter, it makes sense that we also saw corporate bond spreads widen by a decent amount, especially in High Yield. Although they remain below long-term historical averages, these spreads have definitely ricocheted off the bottom. While low yields and tight spreads generally bode well for the stock market, we have seen in the past how quickly those winds can shift and, when they do, smaller cap companies usually feel that pain first. Third Quarter 2014 was no exception.

GW Capital, Inc. is an investment adviser registered under the Investment Advisers Act of 1940. However, this registration does not imply a certain level of skill or training. Portfolio holdings percentages mentioned herein are for either a composite or a representative account of applicable composite managed by GW Capital. The representative accounts used herein may or may not be the same account. Our views expressed herein are subject to change and should not be construed as a recommendation or offer to buy or sell any security or invest in any sector, and are not designed or intended as basis or determination for making any investment decision for any security or sector. Our discussions should not be construed as an indication that an investment in a security has been or will be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of any security discussed herein. Any holdings discussed herein do not represent an account's entire portfolio, and represent only a small percentage of, or may not be included in, any account's portfolio holdings. There is no guarantee that the objectives stated herein will be achieved. Graphs, charts, and/or diagrams cannot, by themselves, be used to make investment decisions. For a complete list of GW Capital's past specific recommendations holdings report for the composite for the last year as of the current quarter end, and current holdings for the Composite as of the current quarter end, please contact Jennifer Wheat at (425) 455-4551. Although the statements of fact and data in this report have been obtained from, and are based upon, sources that the firm believes to be reliable, we do not guarantee their accuracy, and any such information may be incomplete or condensed. Past performance is not a guarantee of future results. Investing in stocks entails the risks of market volatility. The value of all types of stocks may increase or decrease over varying time periods. Small-capitalization companies may lack the financial resources, product diversification and competitive strengths of larger companies. In addition, the securities of small-capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies. Portfolios that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than portfolios that diversify among a broad range of sectors. Investors cannot invest directly in an index. The performance of unmanaged indexes reflects no deductions for fees, expenses or taxes which would affect performance of actively managed assets.

Sector Selection

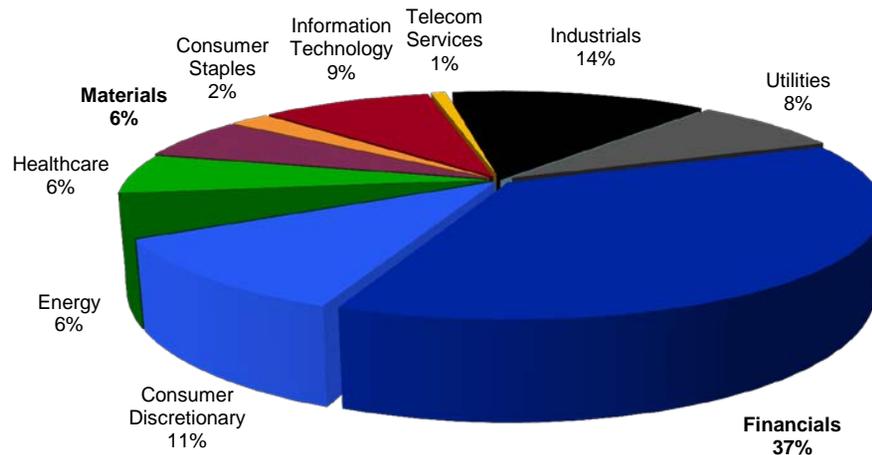
Ormond Beach General Employees Pension Plan



Largest Variances vs. Russell 2500 V

Materials: +8%
Financials: -13%

Russell 2500 Value*



* Source: Frank Russell Co. GICS Classification

Third Quarter Proxy Vote Record

Date Voted	Record Date	Shares Voted	Ticker	Issuer	Proposal Description	Vote	Vote Consistent With Guidelines	Reason Not Voted
July 1, 2014	May 12, 2014	2,950	BKD	BROOKDALE SENIOR LIVING INC	SPECIAL MEETING			
					TO APPROVE AN AMENDMENT TO BROOKDALE'S AMENDED AND RESTATED CERTIFICATE OF INCORPORATION TO INCREASE THE NUMBER OF AUTHORIZED SHARES OF BROOKDALE COMMON STOCK FROM 200 MILLION TO 400 MILLION, THE FULL TEXT OF WHICH IS ATTACHED AS ANNEX A TO THE JOINT PROXY STATEMENT / PROSPECTUS ACCOMPANYING THIS NOTICE (THE "CHARTER AMENDMENT" PROPOSAL)	FOR	YES	N/A
					TO APPROVE THE ISSUANCE OF BROOKDALE COMMON STOCK, PAR VALUE \$0.01 PER SHARE, PURSUANT TO THE AGREEMENT AND PLAN OF MERGER, DATED AS OF FEBRUARY 20, 2014 (THE "MERGER AGREEMENT"), BY AND AMONG BROOKDALE SENIOR LIVING INC., BROADWAY MERGER SUB CORPORATION AND EMERITUS CORPORATION AS THE SAME MAY BE AMENDED ... (DUE TO SPACE LIMITS, SEE PROXY STATEMENT FOR FULL PROPOSAL)	FOR	YES	N/A
July 24, 2014	June 13, 2014	1,320	TDW	TIDEWATER INC	TO APPROVE ANY MOTION TO ADJOURN THE BROOKDALE SPECIAL MEETING, IF NECESSARY OR APPROPRIATE, TO SOLICIT ADDITIONAL PROXIES (THE "BROOKDALE ADJOURNMENT" PROPOSAL)	FOR	YES	N/A
					ELECTION OF DIRECTORS - ALL	FOR	YES	N/A
					SAY ON PAY VOTE - AN ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION (AS DISCLOSED IN THE PROXY STATEMENT)	FOR	YES	N/A
July 28, 2014	September 18, 2014	965	CASY	CASEY'S GENERAL STORES INC	APPROVAL OF THE TIDEWATER INC 2014 STOCK INCENTIVE PLAN	FOR	YES	N/A
					RATIFICATION OF THE SELECTION OF DELOITTE & TOUCHE LLP AS INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING MARCH 31, 2015	FOR	YES	N/A
					ELECTION OF DIRECTORS - ALL	FOR	YES	N/A
					TO RATIFY THE APPOINTMENT OF KPMG LLP AS THE INDEPENDENT AUDITORS OF THE COMPANY FOR THE FISCAL YEAR ENDING APRIL 30, 2015	FOR	YES	N/A
					TO APPROVE, ON AN ADVISORY BASIS, THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS	FOR	YES	N/A