

MANAGED FUNDS ASSOCIATION

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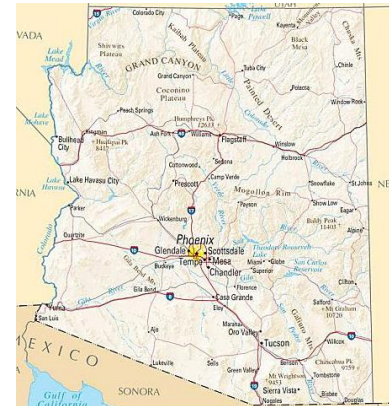


HEDGE FUND INVESTMENTS IN ARIZONA

Across the state of Arizona, hedge funds are helping people attain retirement security and young people get a quality education.

Institutional investors – like pensions and university 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 wealthy investors. Globally, 65% of hedge fund assets come from institutional investors.¹



Hedge Funds Help Build Retirement Security

Arizona Public Safety Personnel Retirement System (PSPRS)

- As of June 30, 2012, PSPRS had 18,542 active members.
- As of Jun 30, 2012, PSPRS had invested \$230.2 million of their \$6.6 billion in total investments to their absolute return portfolio, which includes hedge funds.²

Wells Fargo

- Wells Fargo in Arizona is headquartered in Phoenix and employs about 14,000 workers.³
- As of December 31, 2012, Wells Fargo allocated \$258 million of its \$9.6 billion pension plan assets to multi-strategy hedge funds.⁴

United Parcel Service (UPS)

- UPS employs 3,170 people throughout Arizona.⁵
- As of December 31, 2012 UPS invested more than \$2.8 billion, or 11.1%, of its \$25 billion total assets in hedge funds.⁶

Lockheed Martin

- Lockheed Martin in Arizona is headquartered in Goodyear, and has 1,000 employees in Arizona.⁷
- As of December 31, 2012, Lockheed invested \$806 million of its \$32 billion in total pension plan assets in hedge funds.⁸

Verizon Wireless

- Verizon Wireless, located in Chandler, employs 2,500 people in Arizona.⁹
- In 2011, Verizon invested more than \$2.3 billion in hedge funds, which comprises more than 9.5% of its \$24 billion pension plan.¹⁰

ACS (A Xerox Company)

- ACS employs 1,800 people at its Arizona headquarters in Phoenix.¹¹
- As of December 31, 2011, Xerox allocated \$3 million of its \$8.2 billion in assets to hedge funds.¹²

Hedge Funds Help Ensure Educational Opportunities

Arizona State University Foundation (ASUF)

- In 2012, the Arizona State University Foundation invested more than \$78 million, or 13.5%, of its \$579 million total investments in hedge funds.¹³ These assets which help close gaps between state funding and tuition, costs for research, the operating expenses associated with libraries, student services and athletic facilities.¹⁴

Improving Arizona's Communities Through Foundations

Arizona Community Foundation

- The Arizona Community Foundation has been in existence for 34 years, providing flexible giving opportunities for donors, major funding for nonprofits and students, and leadership around key community issues.¹⁵
- As of March 31, 2012, the Arizona Community Foundation invested more than \$29 million, or 6.5%, of its \$441.4 million of investments in hedge funds.¹⁶

*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.

² "Public Safety Personnel Retirement System: 4th Comprehensive Annual Financial Report 2012." PSPRS.com, pp. 13. http://www.psprs.com/Admin_Investments_and_Finance/Reports/FY'12%20Financial%20Report.pdf. Pp. 13.

³ "Arizona Republic 100 State's biggest employers." AZDataPages.com.

<http://www.azdatapages.com/datacenter/business/arizona-republic-top-100.html?fcompany=Wells+Fargo+%26+Co.&Search=+++Search+++>.

⁴ "Wells Fargo 2012 Annual Report," Wells Fargo, December 31, 2012, pg. 230,

https://www.wellsfargo.com/downloads/pdf/invest_relations/2012-annual-report.pdf.

⁵ "Arizona Republic 100 State's biggest employers." AZDataPages.com.

<http://www.azdatapages.com/datacenter/business/arizona-republic-top-100.html?fcompany=Wells+Fargo+%26+Co.&Search=+++Search+++>.

⁶ "UPS 2012 Annual Report," UPS, March 11, 2012, pp. 72, <http://thomson.mobular.net/thomson/7/3275/4724/>.

⁷ "Arizona Republic 100 State's biggest employers." AZDataPages.com.

<http://www.azdatapages.com/datacenter/business/arizona-republic-top-100.html?fcompany=Wells+Fargo+%26+Co.&Search=+++Search+++>.

⁸ Lockheed Martin Corporation 2012 Annual Report, December 31, 2012, under: "Fair Value of Plan Assets," p. 78,

<http://www.lockheedmartin.com/content/dam/lockheed/data/corporate/documents/2012-Annual-report.pdf>.

⁹ "Arizona Republic 100 State's biggest employers." AZDataPages.com.

<http://www.azdatapages.com/datacenter/business/arizona-republic-top-100.html?fcompany=Wells+Fargo+%26+Co.&Search=+++Search+++>.

¹⁰ "Verizon Communications 2011 Annual Report," Verizon, November 1, 2012, p. 72

http://www2.verizon.com/investor/app_resources/interactiveannual/2011/downloads/11_vz_ar.pdf

¹¹ "Arizona Republic 100 State's biggest employers." AZDataPages.com.

<http://www.azdatapages.com/datacenter/business/arizona-republic-top-100.html?fcompany=Wells+Fargo+%26+Co.&Search=+++Search+++>.

¹² "2011 Annual Report." Xerox.com, pp. 89." http://www.xerox.com/assets/pdf/2011_Annual_Report.pdf.

¹³ "Arizona State University Foundation: Combined Financial Statements." AnnualReport.ASU.edu pp. 18.

http://www.asufoundation.org/s/1469/images/gid2/editor_documents/asu_foundation_audited_financial_report_2012.pdf.

¹⁴ "Arizona State University Foundation: Combined Financial Statements." AnnualReport.ASU.edu pp. 3.

http://www.asufoundation.org/s/1469/images/gid2/editor_documents/asu_foundation_audited_financial_report_2012.pdf.

¹⁵ "Arizona Community Foundation: Understanding the Arizona Community Foundation." AZFoundation.org.

<http://www.azfoundation.org/static/about/intro.shtml>.

¹⁶ "The Arizona Community Foundation, Inc.: Combined Financial Statements." AZFoundation.org, pp. 21.

http://www.azfoundation.org/files/ACF_FY12_CombinedFinancialStmts.pdf.