



NEPC, LLC

YOU DEMAND MORE. So do we.<sup>SM</sup>



## Vermont Pension Investment Committee

---

### Third Quarter Municipal Employees Investment Performance Analysis

November 24<sup>th</sup>, 2015

Douglas W. Moseley, Partner  
Christopher Levell, ASA, CFA, CAIA, Partner  
Richard M. Charlton, Chairman  
Nedelina Petkova, Analyst

255 State Street, Boston, MA 02109 | TEL: 617.374.1300 | FAX: 617.374.1313 | [www.nepc.com](http://www.nepc.com)

BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | SAN FRANCISCO

# NEPC Update



# NEPC Updates

September 30, 2015

## Highlights of Third Quarter Happenings at NEPC

### NEPC Recognitions



- Two of NEPC's Partners were named on the *Chief Investment Officer* magazine's (CIO) annual ranking of the world's most influential investment consultants. NEPC's Chief Investment Officer, **Tim McCusker**, was named **the most influential general consultant on the 2015** list of Knowledge Brokers. **KC Connors**, Head of NEPC's Philanthropic Practice Team, **ranked 10th on the 2015 Knowledge Brokers – Specialist list**. The lists are CIO's annual rankings of the most influential investment consultants worldwide<sup>1</sup>.



### NEPC Client Recognitions

- Two of our clients were recognized for their work in the healthcare industry by *Institutional Investor* on October 7th. Mary O'Reilly, Director, Treasury and Investments at Rochester Health, received the II Investor Intelligence Award for Asset Allocation, and Joshua Rabuck, Executive Director, Investments at Indiana University Health, was accorded the II Investor Intelligence Award for Risk Management.

### NEPC Research

#### Recent White Papers

- Best Practices: Managing Risk in Corporate VEBA and SERP Plans* (October 2015) - Mike Valchine, CAIA, CIPM, Senior Consultant
- NEPC's 2015 Defined Contribution Plan & Fee Survey: What a Difference a Decade Makes* (October 2015) – Ross Bremen, CFA, Partner
- Market Chatter – Has the China Bubble Burst?* (July 2015)
- Market Chatter – China's Devaluation of the Yuan* (August 2015)
- 2015 Third Quarter Market Thoughts*

### Upcoming/Recent Events

- Healthcare Defined Contribution Fee Survey Results** - Tuesday, November 3, 2015, 3:00 to 4:00 p.m. (EST)
- NEPC's 2015 Defined Benefit Plan Trends Webinar** - Wednesday, October 21, 2015, 2:00 - 3:00 p.m. (EST)
- NEPC, Newton Capital Management, and the Centre for Endowment Asset Management are hosting a special event that delves into the influence of British economist John Maynard Keynes on the U.S. Endowment Model on October 15, 2015 in Boston, MA.

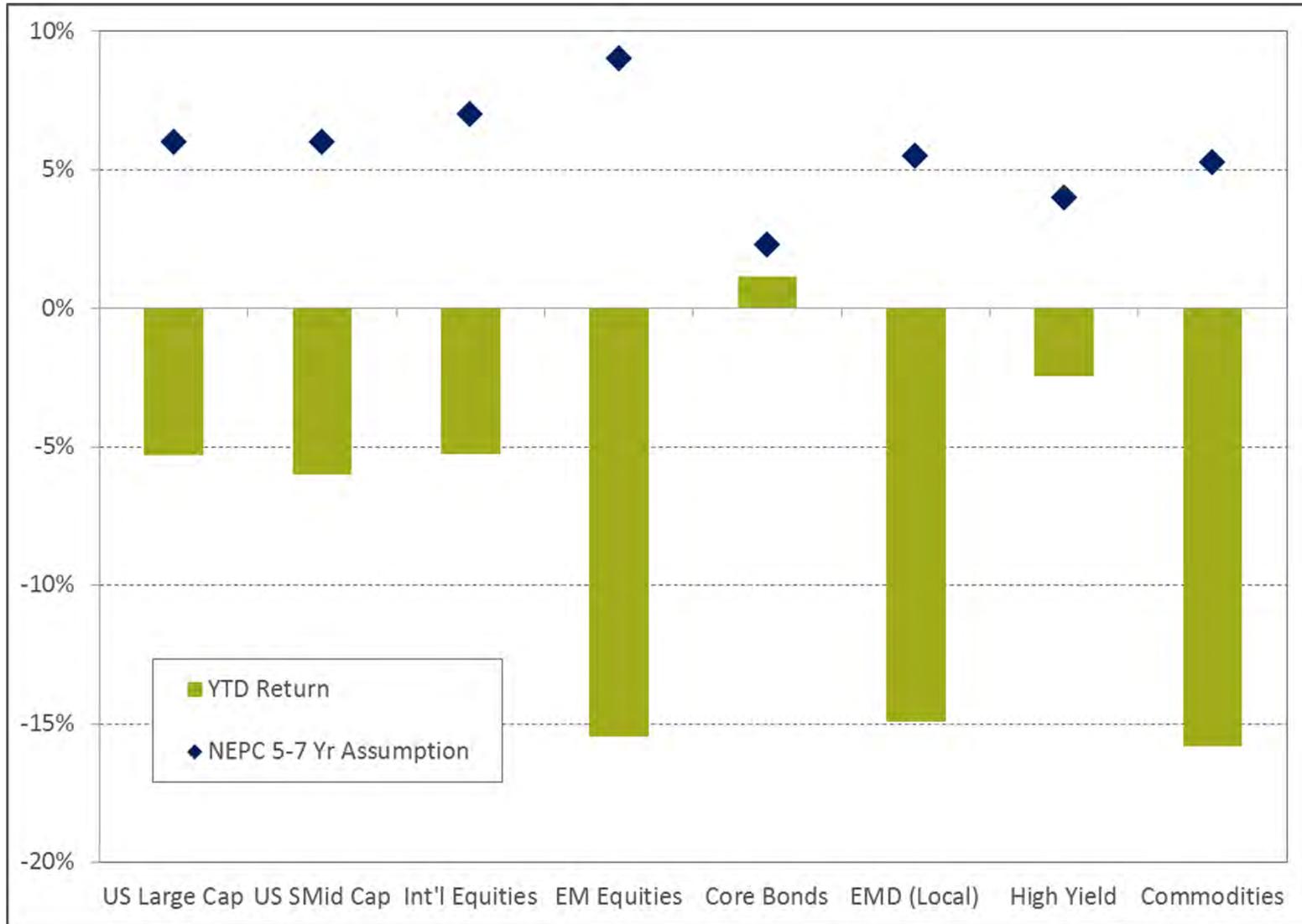
<sup>1</sup>CIO Magazine interviews pension and non-profit CIOs, asset managers and former consultants, to approximate what it calls "the hierarchy of today's institutional consultant industry." The results should not be considered a recommendation of any specific firm or individual consultant. For more information, please visit CIO Magazine's web site at <http://www.ai-cio.com/2015-knowledge-brokers/>. Past performance is no guarantee of future results

# Market Update

- **A wave of volatility spread across global markets during the quarter**
  - Concerns of an economic slowdown in China sparked a rapid decline in global risk assets with commodities and emerging markets suffering the most
  - A severe global growth downturn remains a low probability tail-risk for capital markets
- **US economy continues to expand albeit at a slow pace**
  - Overall conditions are supportive for growth but a strong US dollar creates challenges
  - Benefits of low oil prices slowly compound for US consumers
- **Fed Funds rate increase...**
  - Timing is less relevant, of importance is the path of Fed policy tightening relative to expectations and long-term policy (L-T policy rate of 2% or 4%)
  - Current Fed willingness to tighten monetary policy balanced between disruptive effects of a stronger dollar and inflation conditions of US economy
- **Accommodative global monetary policies flow through to markets**
  - QE continues to support improving economic conditions in Europe and Japan
  - China policy responses broadly simulative with plenty of dry powder for further easing
- **Cyclical weak growth is not a financial crisis for the emerging markets**
  - Negative returns in EM reflect the economic rebalances and adjustments necessary to generate sustainable growth and economic success
  - Political and economic reform initiatives drive the outlook for improved economic and earnings growth for countries willing to reform

- **Risk-return profile of US high yield is attractive relative to US equities**
  - High yield credit spreads now exceed long-term averages with yields near 2012 levels
  - Make use of dynamic credit strategies as disruptions in credit markets move rapidly
  - Dollar strength is a headwind for equity earnings growth and profit margin expansion
- **Recommend an overweight exposure to developed market equities**
  - Suggest investors opportunistically exploit potential volatility to add to the overweight
  - Long-term opportunity remains as earnings improve off cyclical lows in Europe/Japan
  - Offers a more favorable return outlook with superior valuations relative to US equities
- **Recommend at minimum a market weight exposure to EM equities**
  - Reasonable equity valuations, depressed currencies, and the attractiveness of long-term fundamentals represent a solid investment foundation
  - Volatility likely to continue as falling commodity prices, trade linkages to China, and external debt levels pose idiosyncratic country risks
  - Encourage the use of benchmark agnostic strategies with a bias towards small-cap and consumer focused strategies
- **Inflation expectations at historical lows but value opportunities can be found in inflation-sensitive assets**
  - Encourage patience as volatility and opportunities evolve in commodity markets
  - Private strategies are evolving but provide compelling return opportunities

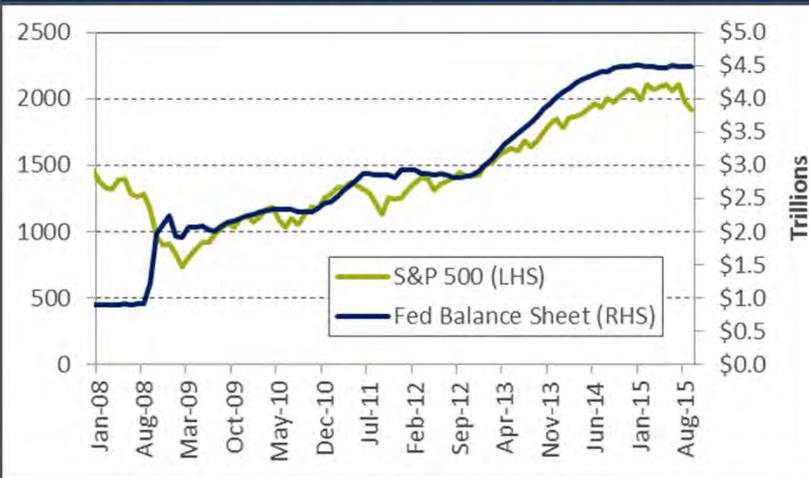
## Year to Date Performance – Few Places to Hide



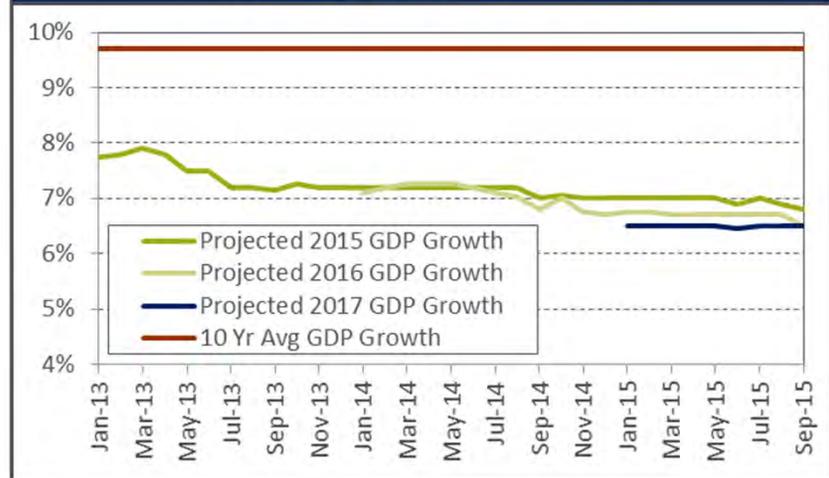
Source: Morningstar Direct, NEPC

## Global Risks are Diverse and Unique

### Equities have struggled since end of QE3



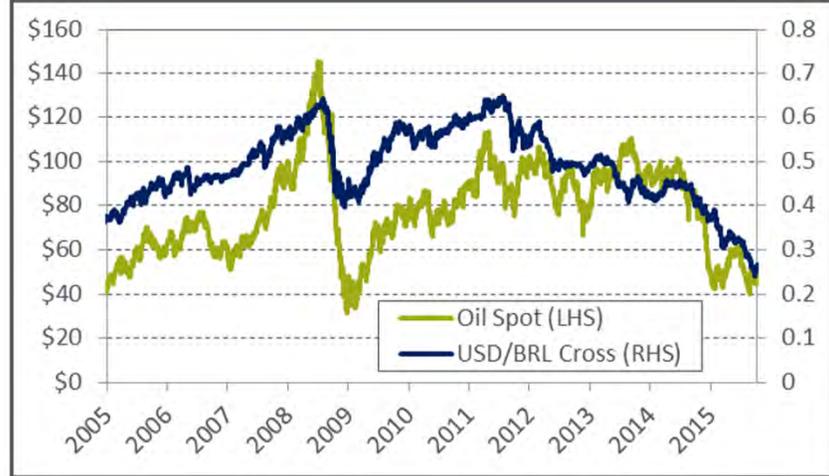
### Slowing growth in China



### ECB and BoJ in the midst of sizeable easing programs

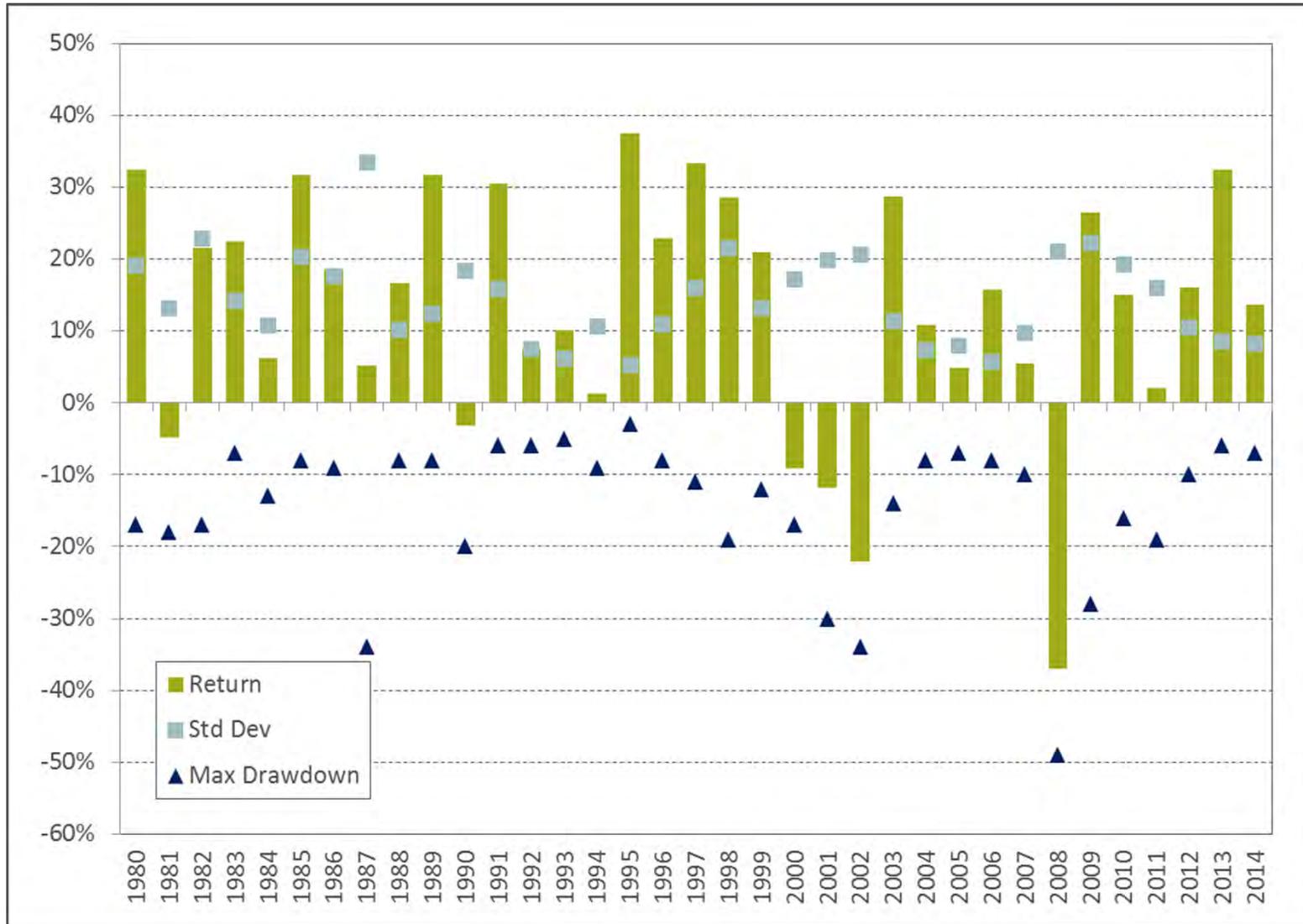


### Commodity glut threatening export reliant Lat Am countries



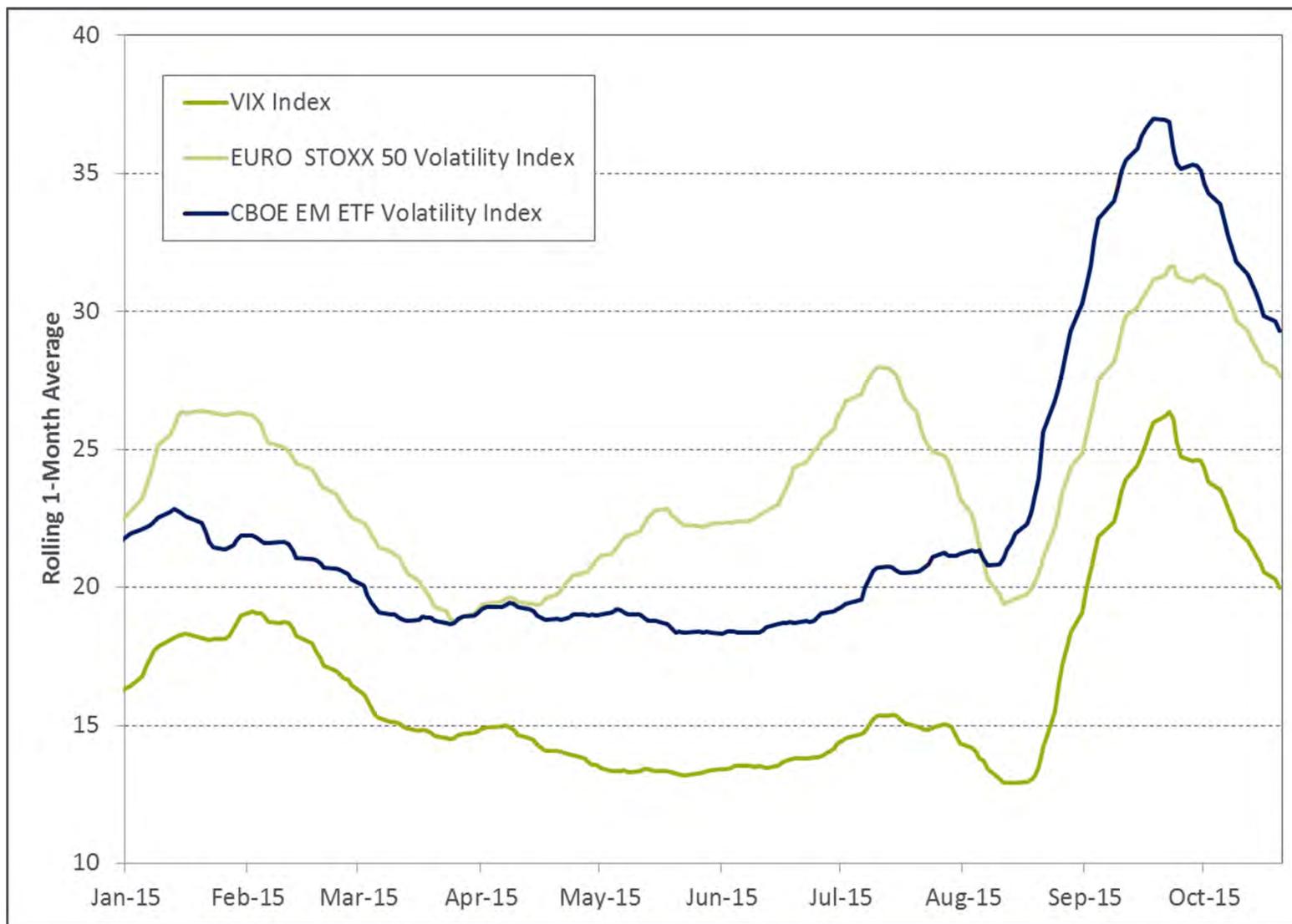
Sources: Standard & Poors, The Federal Reserve, ECB, BoJ, Bloomberg Energy, Bloomberg

## S&P 500 Intra-Year Drawdowns of Current Magnitude Relatively Common



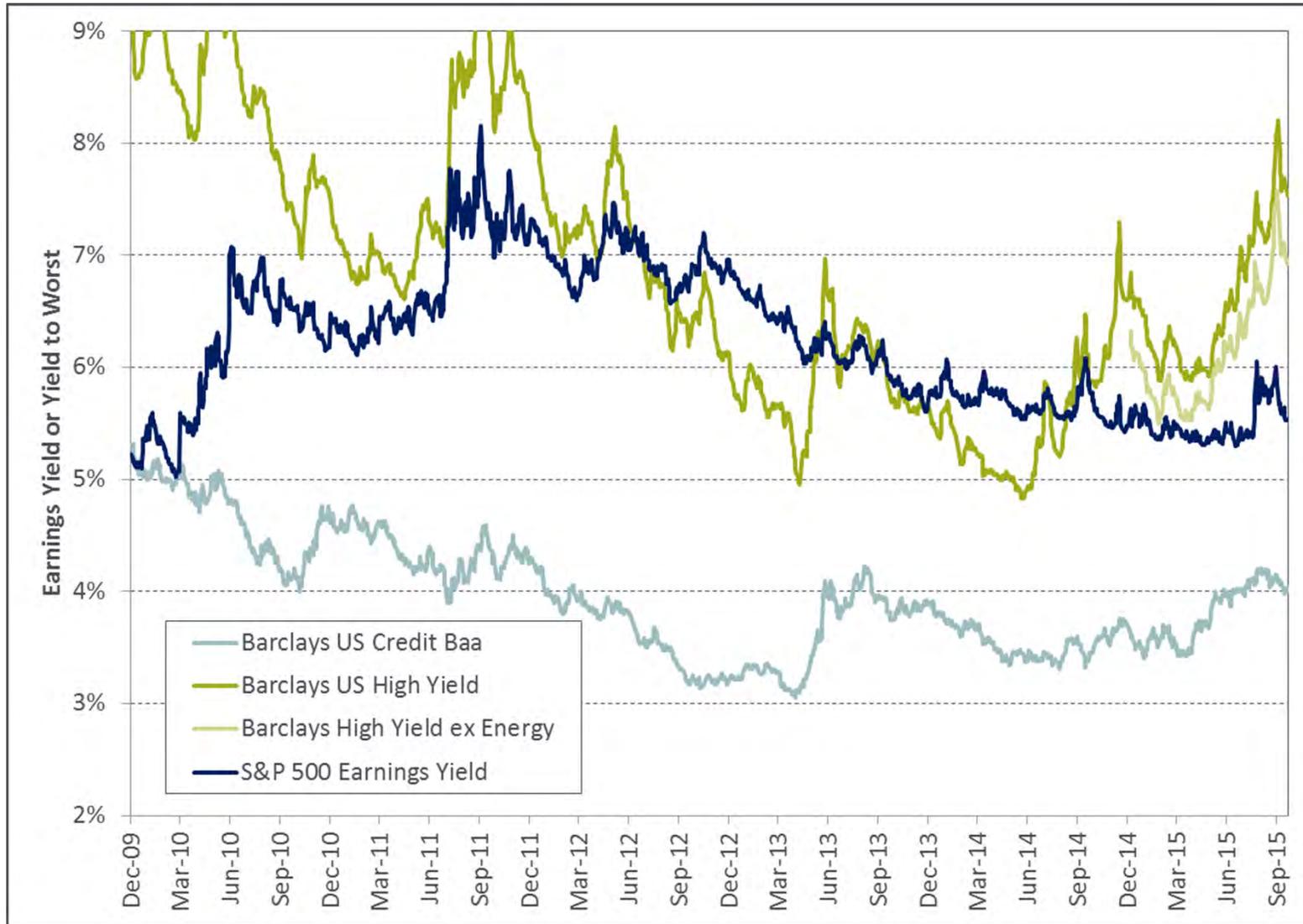
Source: Standard & Poors, Bloomberg

## Increase in Global Volatility Finally Caught Up with Equities



Source: Deutsche Borse, Goldman Sachs, CBOE, Bloomberg

## High Yield Issues Now Yielding >7% in Otherwise Low Yield World

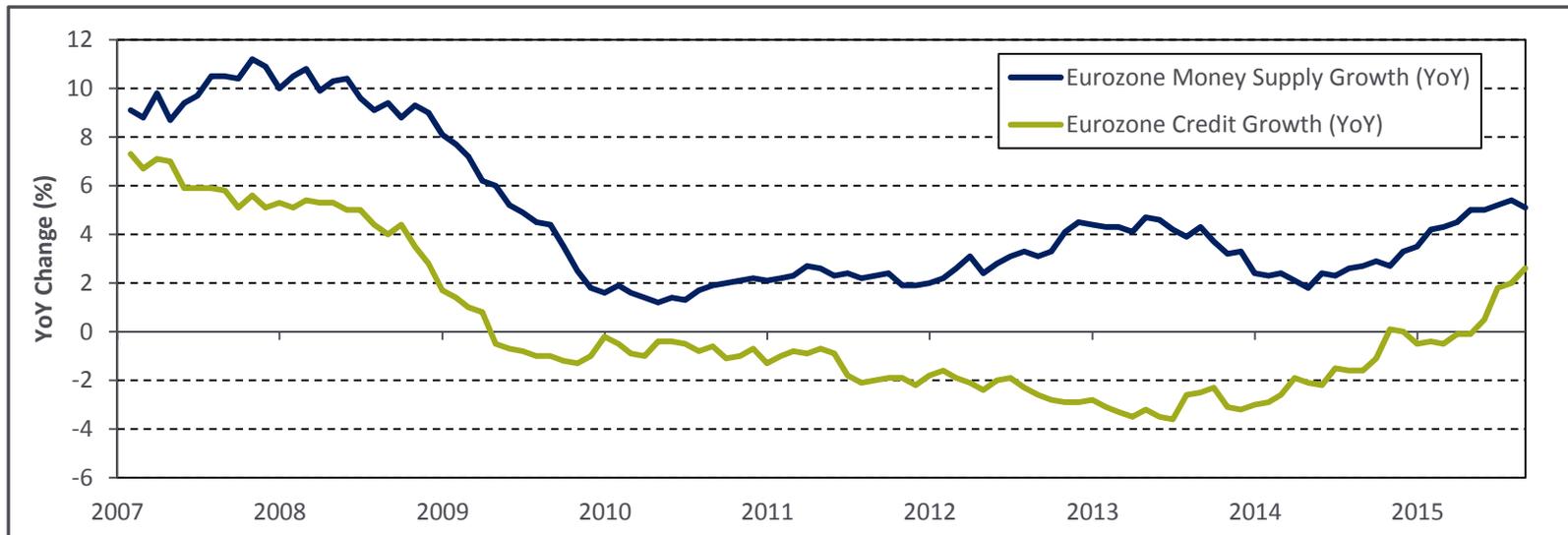
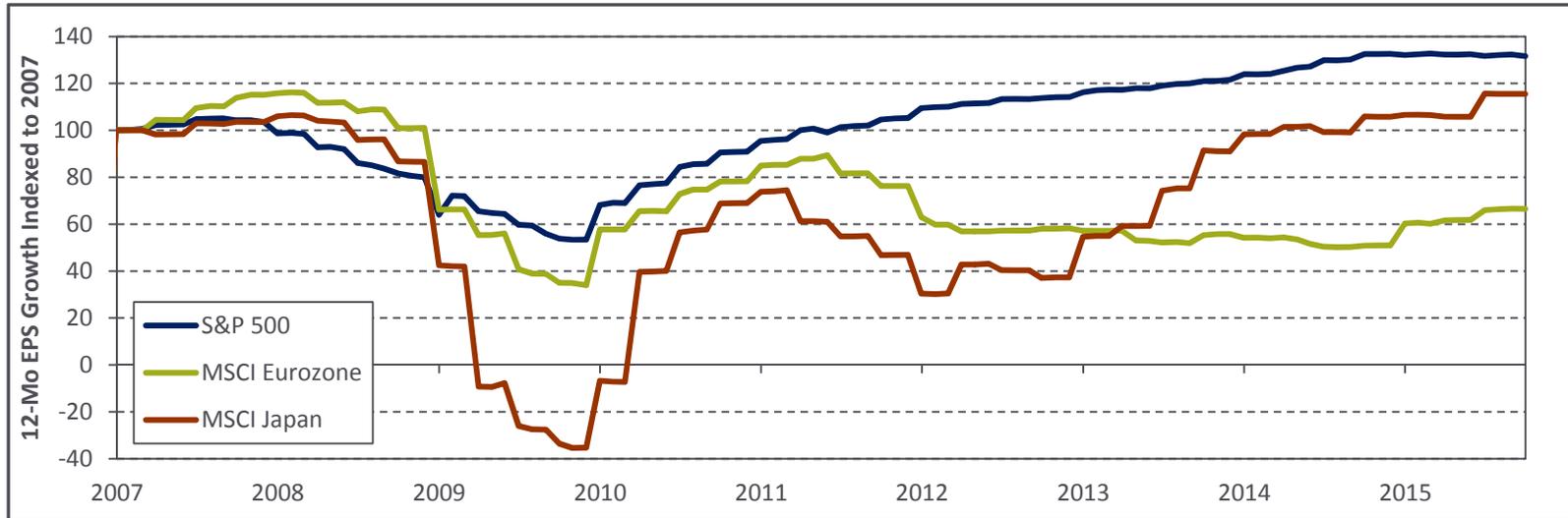


Source: Barclays, Standard & Poors, Bloomberg



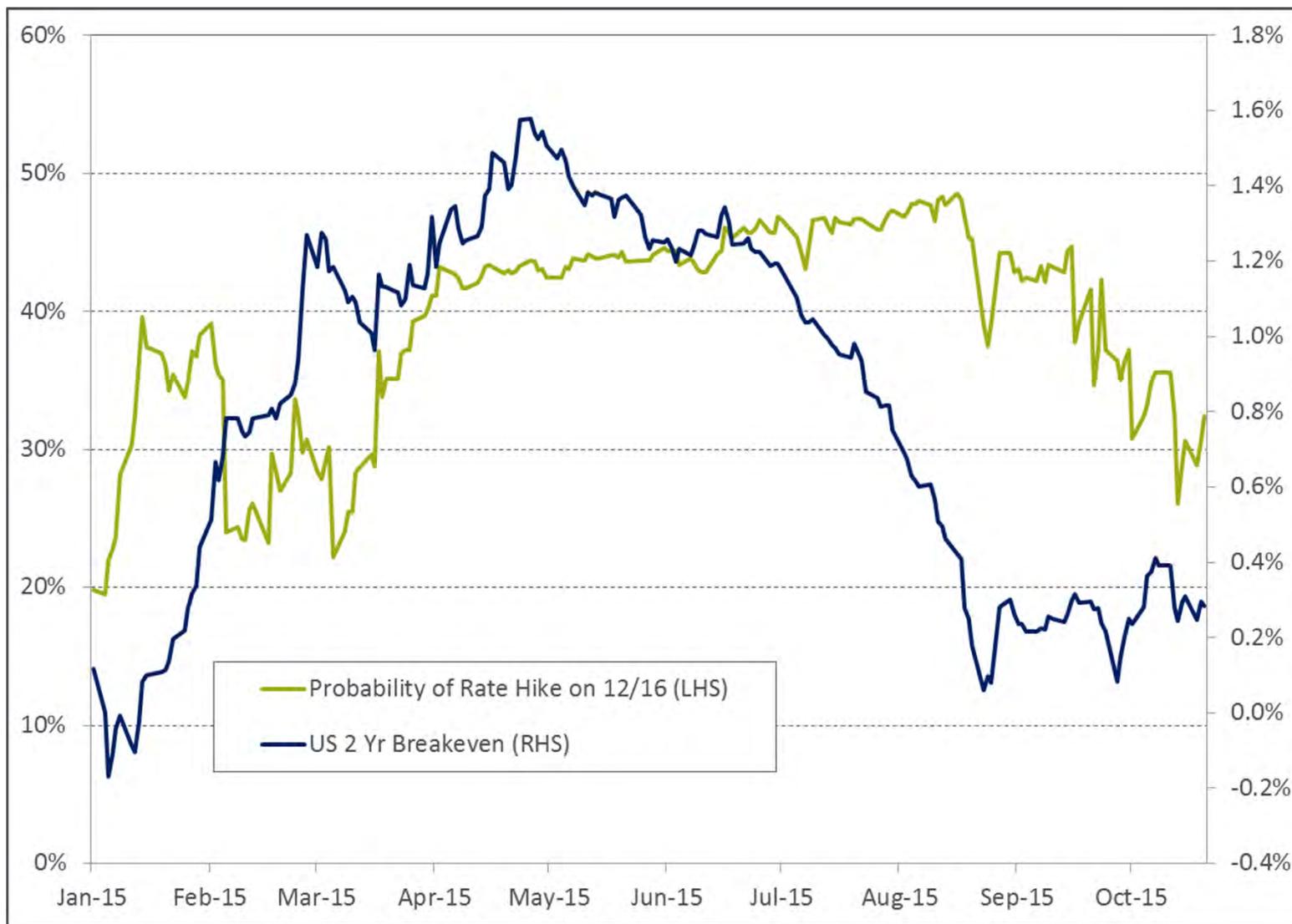
NEPC, LLC

## Japan Earnings Recovery is Well Underway, Conditions Supportive for Improvement in Europe



Sources: Standard & Poors, MSCI, Bloomberg

## Near Term Inflation Expectations Have Declined as a Rate Hike Has Been Pushed Further Out



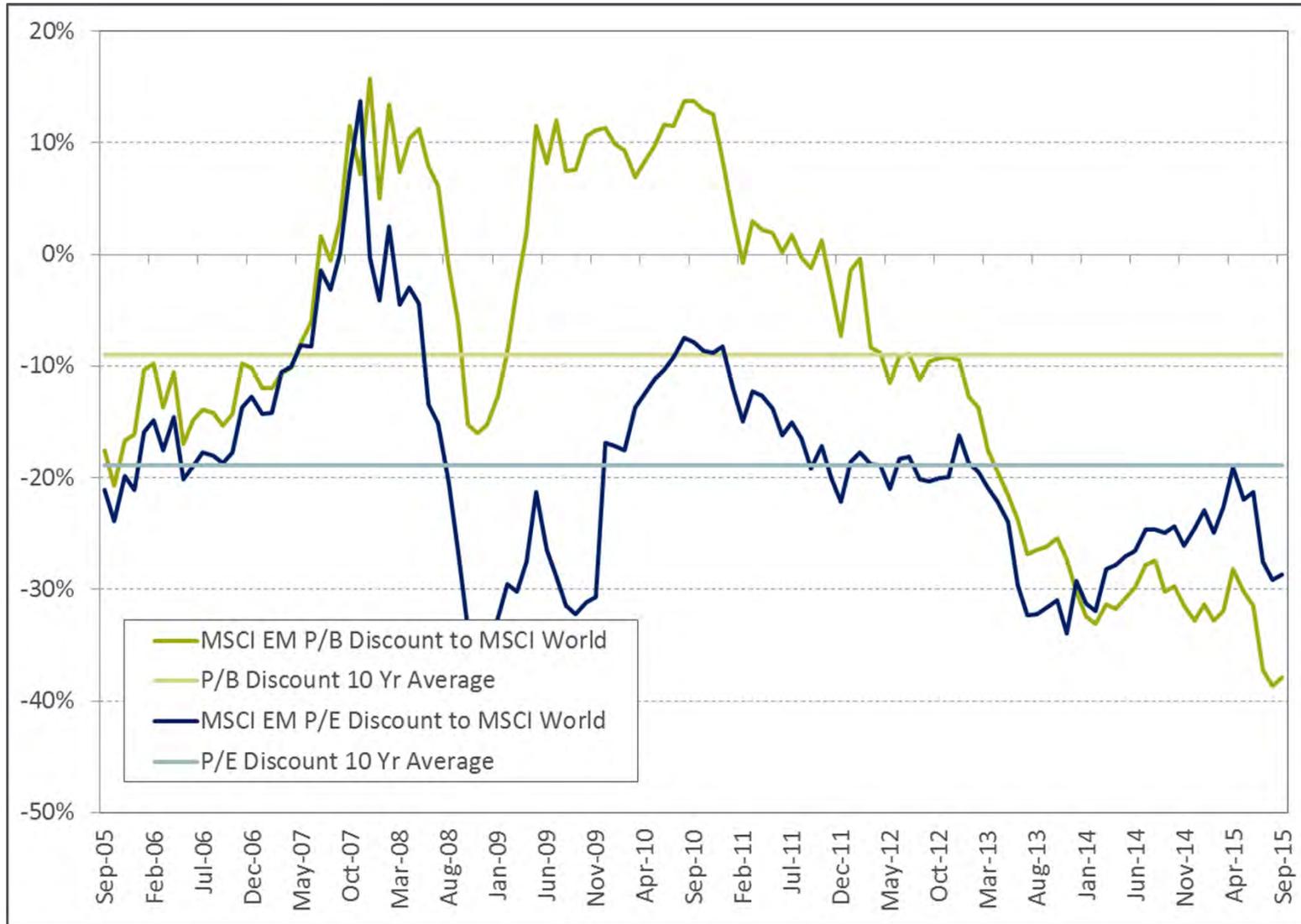
Source: Bloomberg

## Commodity Price Weakness Has Been Challenging for EM Currencies



Source: MSCI, Bloomberg

## EM Equities Trading at Large Discounts Relative to Developed Equities



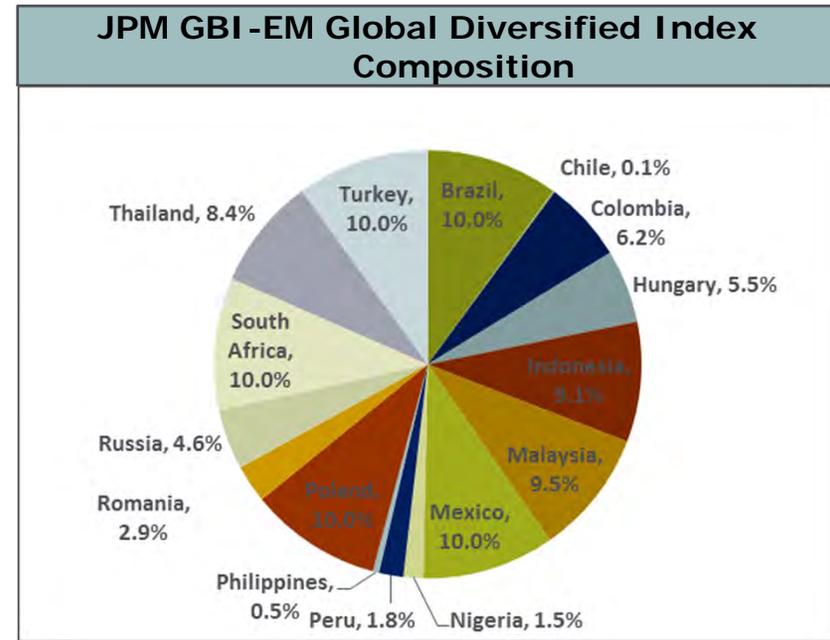
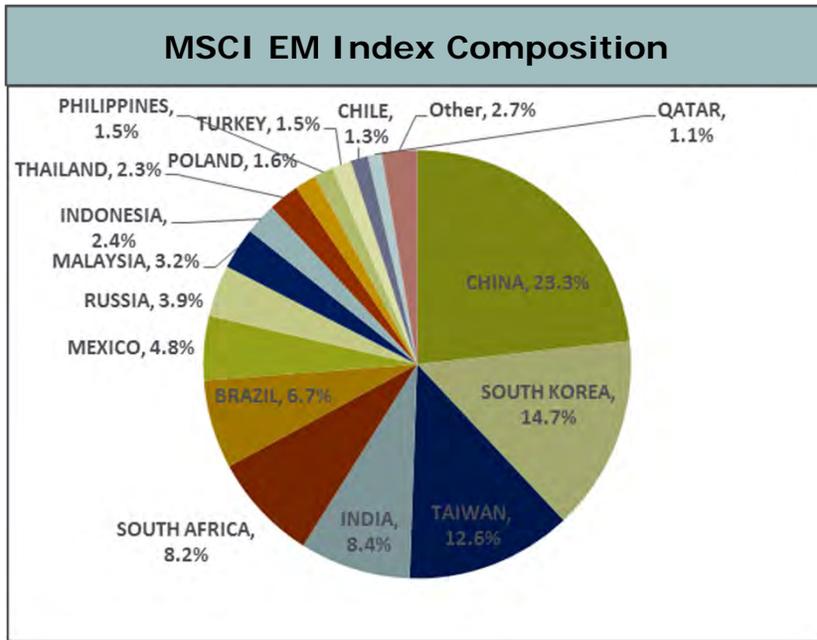
Source: MSCI, Bloomberg



NEPC, LLC

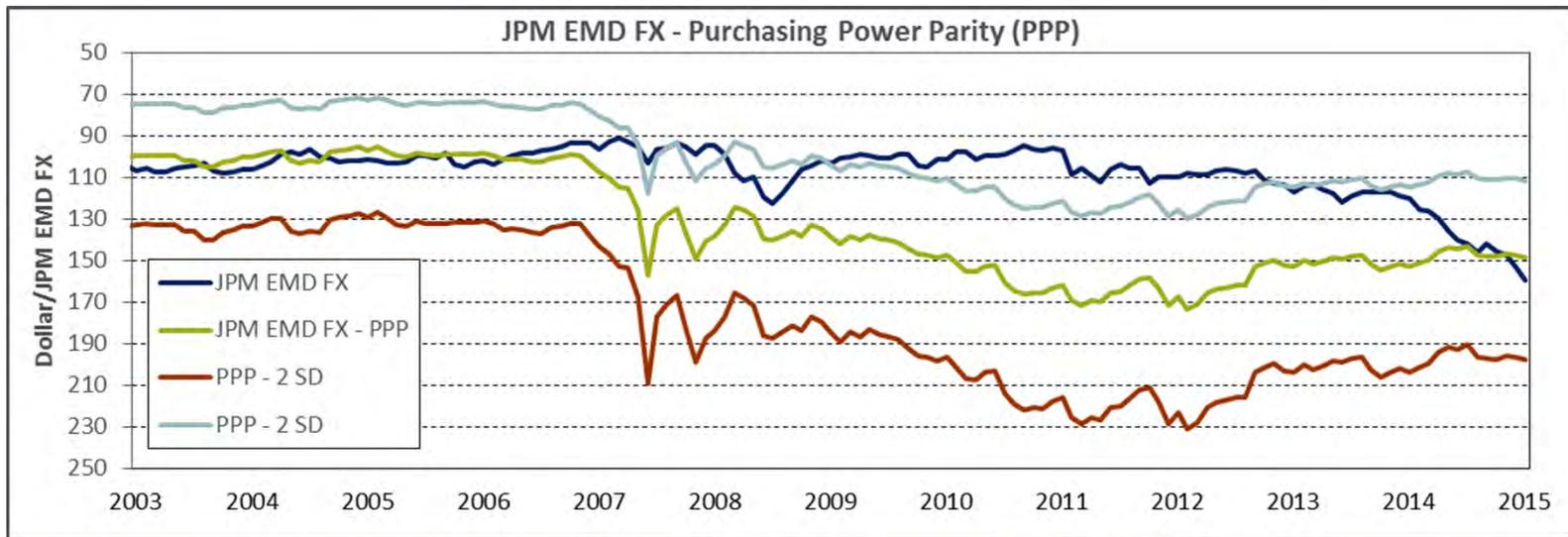
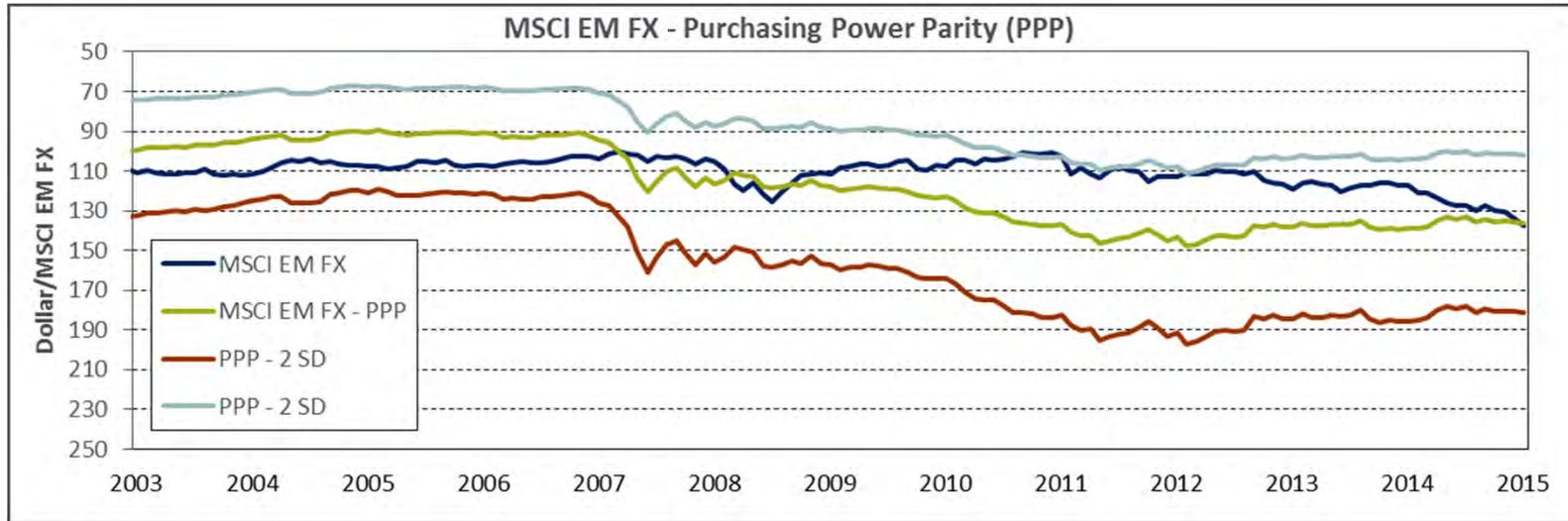
# Market Focus: Emerging Market Currencies

## Currency Risks are Not Only Unique by Country but also Vary Across Indices



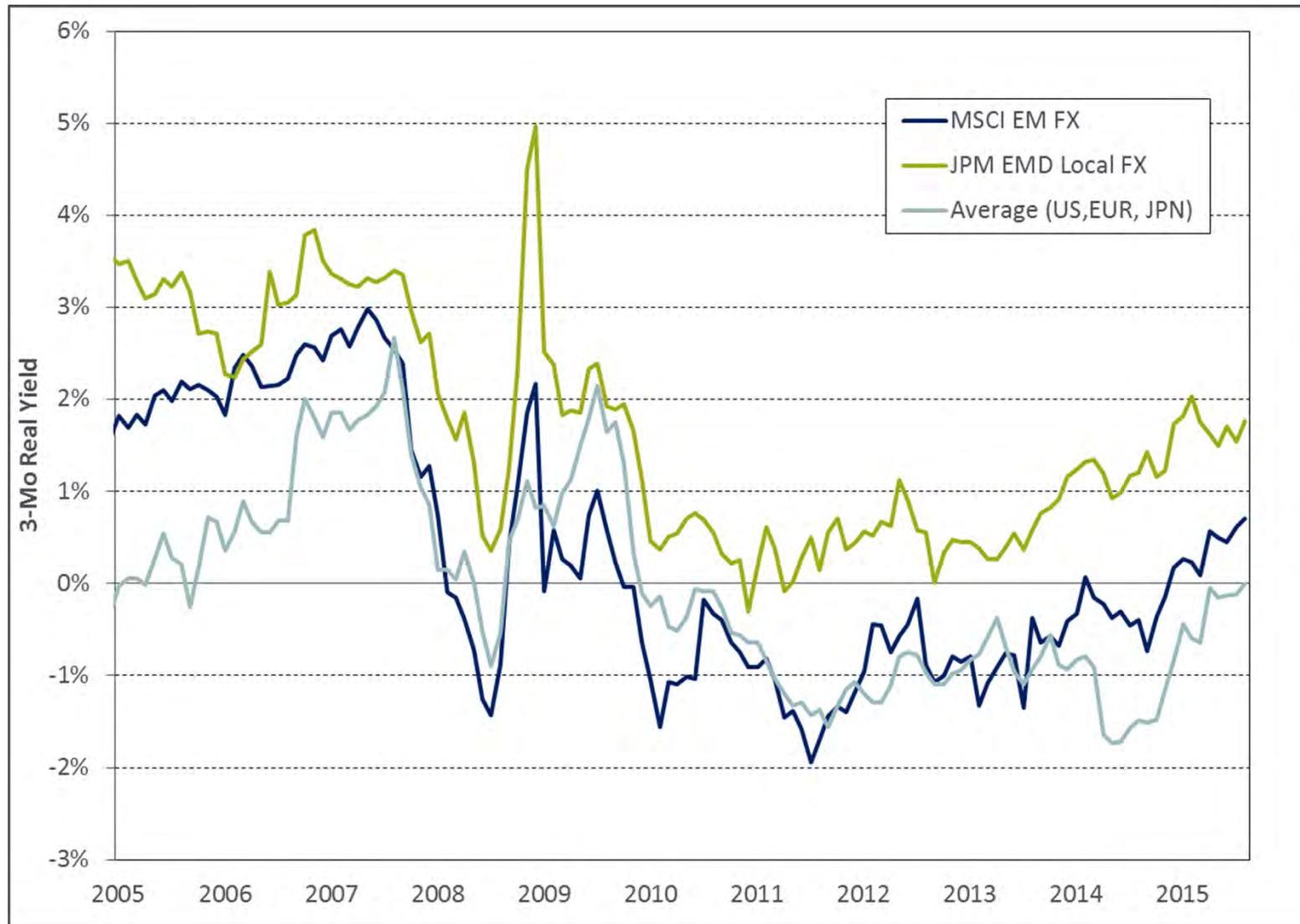
- **MSCI EM Index dominated by Asia**
  - Lots of countries with sensitivity to Chinese growth and competitiveness
  - Despite possibility for further depreciation, most currencies appear cheap or reasonably valued
- **Debt indices more concentrated in Latin/South America with exposure to balance of payments challenged countries**
  - Currencies of major commodity exporters are sensitive to oil and other commodity price weakness – but also stand to benefit from a rebound
  - Structural issues in Turkey and Brazil pose significant challenges but with less contagion risk

## Local Currency FX Valuation at Cheapest Levels in Over 10 Years



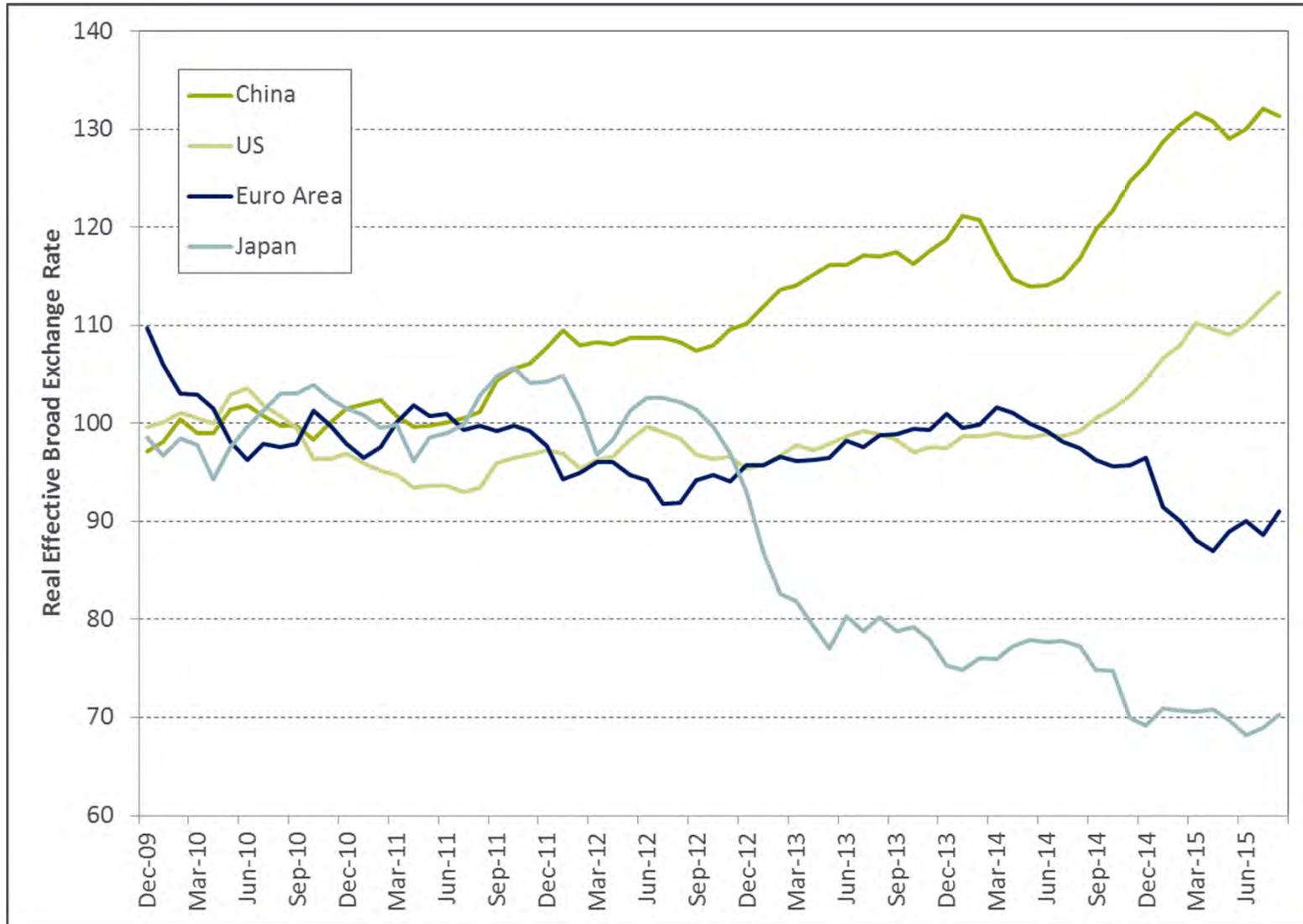
Source: MSCI, JP Morgan, Bloomberg

## Higher Real Rates Provide a Foundation for Currency Returns



Source: MSCI, JP Morgan, Bloomberg

## Risk of Further Devaluation of Chinese Yuan Remains



Source: Bank for International Settlements, Bloomberg

## Index Performance Summary as of 10/31/2015

	2008	2009	2010	2011	2012	2013	2014	Q1	Q2	Q3	OCT	YTD
<b>S&amp;P 500</b>	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.0%	0.3%	-6.4%	8.4%	2.7%
<b>JPM EMBI Glob Div</b>	-12.0%	29.8%	12.2%	7.4%	17.4%	-5.3%	7.4%	2.0%	-0.3%	-1.7%	2.7%	2.7%
<b>Russell 1000</b>	-37.6%	28.4%	16.1%	1.5%	16.4%	33.1%	13.2%	1.6%	0.1%	-6.8%	8.1%	2.4%
<b>Barclays Municipal</b>	-2.5%	12.9%	2.4%	10.7%	6.8%	-2.6%	9.1%	1.0%	-0.9%	1.7%	0.4%	2.2%
<b>MSCI EAFE</b>	-43.4%	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	4.9%	0.6%	-10.2%	7.8%	2.1%
<b>FTSE NAREIT Equity REITs</b>	-37.7%	28.0%	28.0%	8.3%	18.1%	2.5%	30.1%	4.8%	-10.0%	2.0%	5.9%	1.9%
<b>Barclays US Agg Interm</b>	4.9%	6.5%	6.2%	6.0%	3.6%	-1.0%	4.1%	1.3%	-0.7%	1.1%	-0.1%	1.7%
<b>Credit Suisse Lev Loan</b>	-28.8%	44.9%	10.0%	1.8%	9.4%	6.2%	2.1%	2.1%	0.8%	-1.2%	-0.1%	1.5%
<b>Barclays US Agg Bond</b>	5.2%	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	1.6%	-1.7%	1.2%	0.0%	1.1%
<b>Barclays US Gov/Cred 1-3Yr</b>	5.0%	3.8%	2.8%	1.6%	1.3%	0.6%	0.8%	0.6%	0.1%	0.3%	0.0%	1.0%
<b>MSCI ACWI</b>	-42.2%	34.6%	12.7%	-7.4%	16.1%	22.8%	4.2%	2.3%	0.4%	-9.5%	7.9%	0.3%
<b>Barclays US Corp High Yield</b>	-26.2%	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	2.5%	0.0%	-4.9%	2.8%	0.2%
<b>Credit Suisse Hedge Fund</b>	-19.1%	18.6%	11.0%	-2.5%	7.7%	9.7%	4.1%	2.5%	-0.5%	-2.5%	N/A	-0.6%
<b>Russell 2500</b>	-36.8%	34.4%	26.7%	-2.5%	17.9%	36.8%	7.1%	5.2%	-0.3%	-10.3%	5.6%	-0.7%
<b>Barclays US Gov/Cred Long</b>	8.4%	1.9%	10.2%	22.5%	8.8%	-8.8%	19.3%	3.4%	-7.6%	2.2%	0.4%	-2.0%
<b>Citi WGBI</b>	10.9%	2.6%	5.2%	6.4%	1.7%	-4.0%	-0.5%	-2.5%	-1.6%	1.7%	0.0%	-2.4%
<b>Russell 2000</b>	-33.8%	27.2%	26.9%	-4.2%	16.4%	38.8%	4.9%	4.3%	0.4%	-11.9%	5.6%	-2.5%
<b>Barclays US Long Credit</b>	-3.9%	16.8%	10.7%	17.1%	12.7%	-6.6%	16.4%	3.1%	-7.3%	0.5%	1.0%	-3.0%
<b>Barclays US Strips 20+ Yr</b>	59.5%	-36.0%	10.9%	58.5%	3.0%	-21.0%	46.4%	5.5%	-14.3%	7.6%	-0.3%	-3.0%
<b>MSCI EM</b>	-53.3%	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	2.2%	0.7%	-17.9%	7.1%	-9.5%
<b>JPM GBI-EM Glob Div</b>	-5.2%	22.0%	15.7%	-1.8%	16.8%	-9.0%	-5.7%	-4.0%	-1.0%	-10.5%	4.5%	-11.1%
<b>Bloomberg Commodity</b>	-35.7%	18.9%	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-5.9%	4.7%	-14.5%	-0.5%	-16.2%
<b>Alerian MLP</b>	-36.9%	76.4%	35.9%	13.9%	4.8%	27.6%	4.8%	-5.2%	-6.1%	-22.1%	9.7%	-24.0%

Source: Morningstar Direct

# State Municipal Employees' Retirement System

# Vermont Municipal Employees

## Total Fund Performance Summary

	Market Value	3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank
<b>Municipal Composite</b>	<b>\$497,513,227</b>	<b>-5.3%</b>	<b>61</b>	<b>-3.3%</b>	<b>70</b>	<b>-3.3%</b>	<b>93</b>	<b>4.0%</b>	<b>93</b>	<b>5.9%</b>	<b>90</b>
<i>Policy Index</i>		-4.5%	31	-2.7%	53	-2.4%	82	3.9%	95	5.1%	95
<i>Allocation Index</i>		-4.9%	44	-3.2%	67	-2.8%	85	3.9%	95	5.1%	95
<i>InvestorForce Public DB Gross Median</i>		-5.0%		-2.6%		-0.6%		6.9%		7.5%	

### 3 Years Ending September 30, 2015

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Municipal Composite	3.98%	93	5.78%	40	0.68	95	1.13	94
Policy Index	3.89%	95	5.13%	11	0.75	92	1.31	89
Allocation Index	3.88%	95	5.29%	18	0.73	92	1.20	92

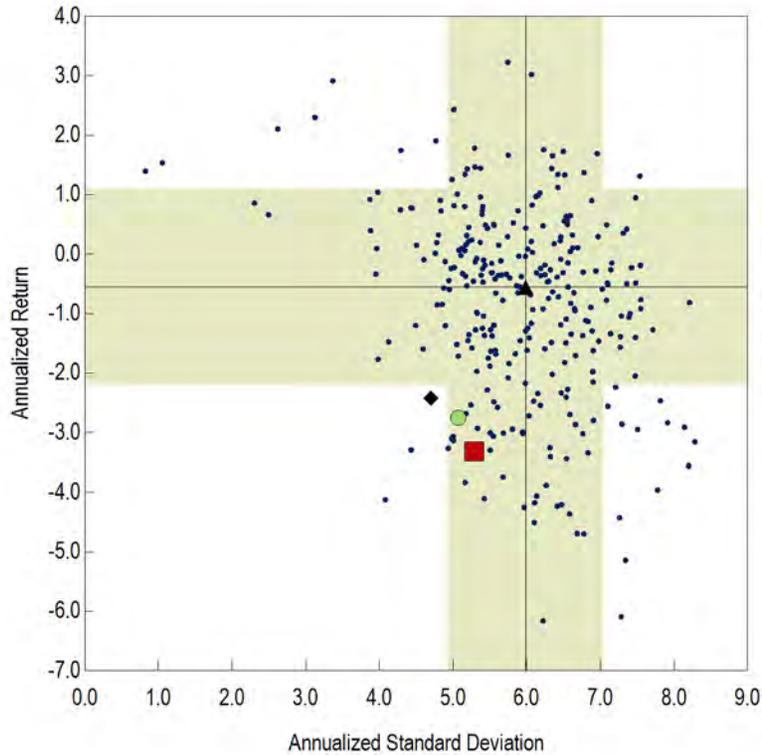
### 5 Years Ending September 30, 2015

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Municipal Composite	5.92%	90	6.88%	32	0.85	85	1.32	73
Policy Index	5.15%	95	6.54%	23	0.78	92	1.19	87
Allocation Index	5.13%	95	6.58%	23	0.77	92	1.17	87

### Actual vs Target Allocation (%)



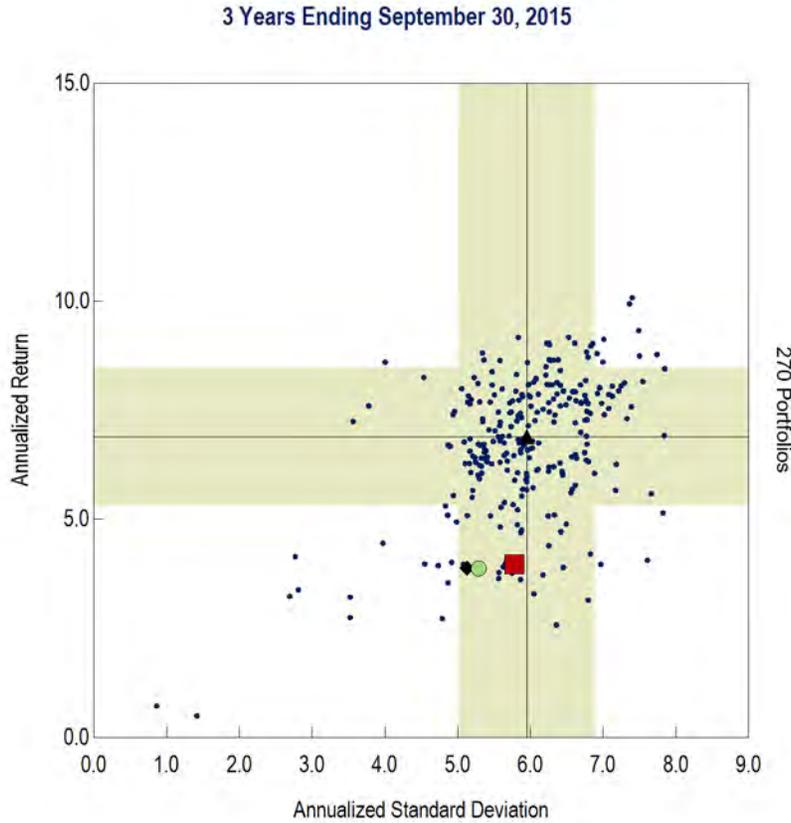
1 Years Ending September 30, 2015



- Municipal Composite
- ◆ Policy Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

1 Year Ending September 30, 2015

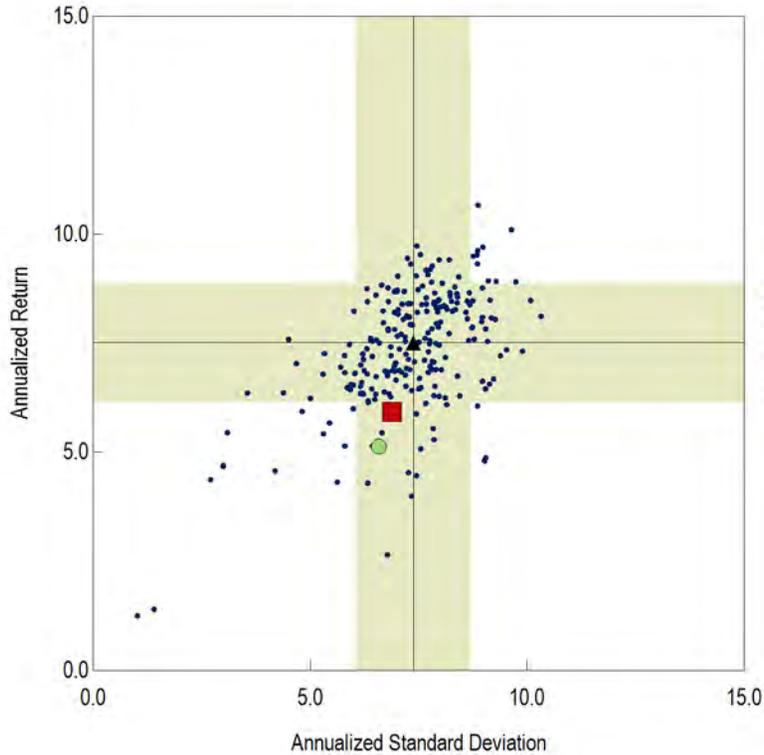
	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Municipal Composite	-3.32%	93	5.28%	24	-0.63	94
Policy Index	-2.43%	82	4.70%	8	-0.52	90
S&P 500	-0.61%	52	11.01%	99	-0.06	42
60% MSCI ACWI (Net)/40% CITI WGBI	-5.37%	99	6.54%	74	-0.82	99
Citi WGBI	-3.83%	94	3.30%	2	-1.16	99
MSCI ACWI	-6.66%	99	11.17%	99	-0.60	92
MSCI ACWI ex USA	-12.16%	99	12.76%	99	-0.95	99
InvestorForce Public DB Gross Median	-0.55%	--	5.99%	--	-0.10	--



3 Years Ending September 30, 2015

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Municipal Composite	3.98%	93	5.78%	40	0.68	95
Policy Index	3.89%	95	5.13%	11	0.75	92
S&P 500	12.40%	1	9.74%	99	1.27	28
60% MSCI ACWI (Net)/40% CITI WGBI	3.04%	99	6.68%	80	0.45	99
Citi WGBI	-2.85%	99	4.29%	4	-0.67	99
MSCI ACWI	6.95%	49	10.03%	99	0.69	95
MSCI ACWI ex USA	2.34%	99	11.61%	99	0.20	99
InvestorForce Public DB Gross Median	6.90%	--	5.95%	--	1.16	--

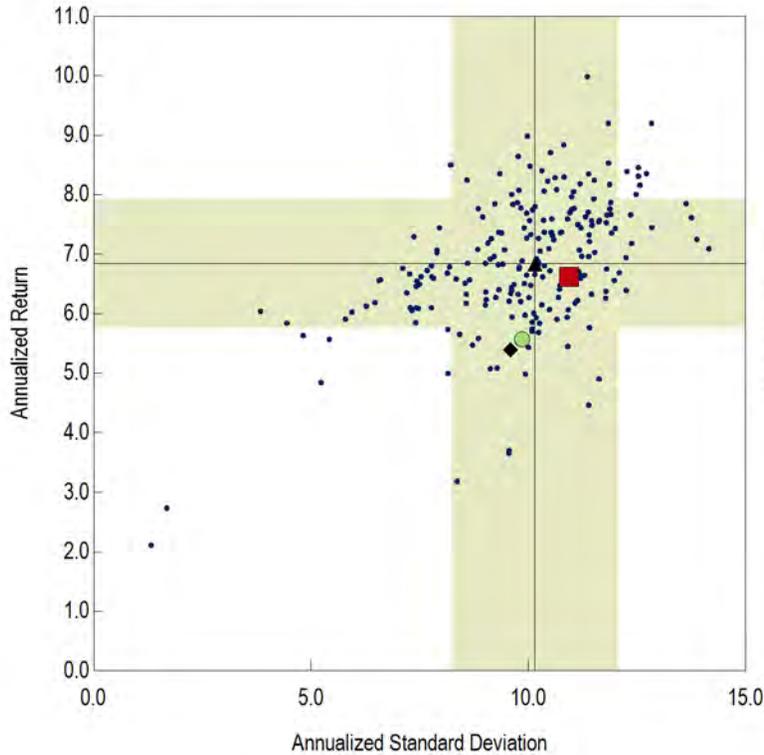
5 Years Ending September 30, 2015



5 Years Ending September 30, 2015

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Municipal Composite	5.92%	90	6.88%	32	0.85	85
Policy Index	5.15%	95	6.54%	23	0.78	92
S&P 500	13.34%	1	11.51%	99	1.16	22
60% MSCI ACWI (Net)/40% CITI WGBI	4.16%	99	8.65%	85	0.48	99
Citi WGBI	-0.19%	99	4.96%	5	-0.05	99
MSCI ACWI	6.82%	70	13.08%	99	0.52	99
MSCI ACWI ex USA	1.82%	99	15.13%	99	0.12	99
InvestorForce Public DB Gross Median	7.51%	--	7.38%	--	1.02	--

7 Years Ending September 30, 2015

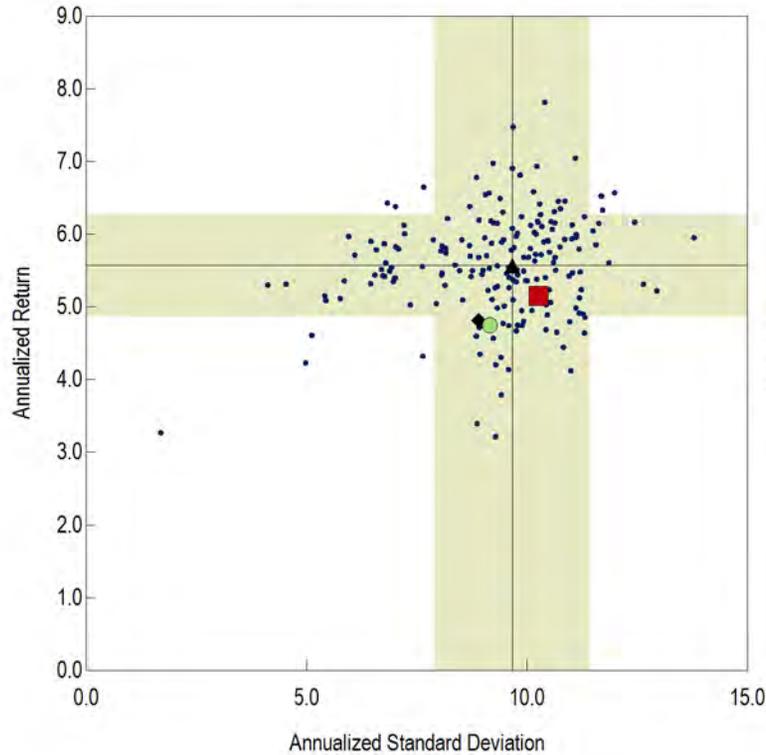


- Municipal Composite
- ◆ Policy Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

7 Years Ending September 30, 2015

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Municipal Composite	6.62%	61	10.93%	69	0.60	78
Policy Index	5.39%	95	9.59%	34	0.55	89
S&P 500	9.75%	1	16.16%	99	0.60	78
60% MSCI ACWI (Net)/40% CITI WGBI	4.93%	97	12.04%	93	0.40	99
Citi WGBI	2.43%	99	6.67%	6	0.35	99
MSCI ACWI	6.03%	84	17.92%	99	0.33	99
MSCI ACWI ex USA	3.20%	99	20.07%	99	0.16	99
InvestorForce Public DB Gross Median	6.84%	--	10.15%	--	0.68	--

10 Years Ending September 30, 2015

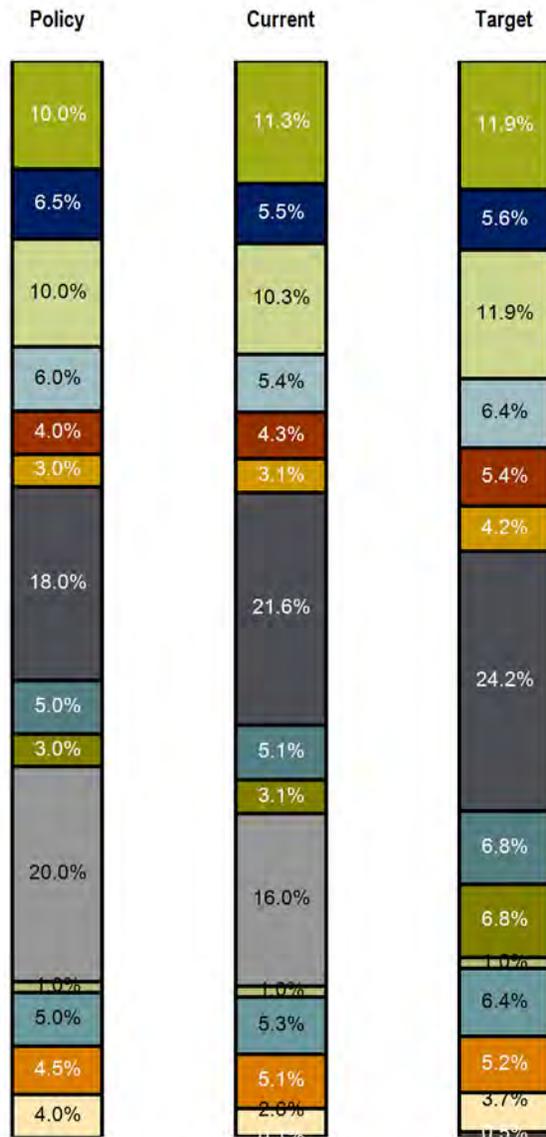


- Municipal Composite
- ◆ Policy Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

10 Years Ending September 30, 2015

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Municipal Composite	5.15%	76	10.25%	68	0.39	80
Policy Index	4.82%	88	8.89%	30	0.41	74
S&P 500	6.80%	4	14.90%	99	0.38	83
60% MSCI ACWI (Net)/40% CITI WGBI	4.44%	95	11.04%	88	0.29	99
Citi WGBI	3.37%	99	6.54%	7	0.33	93
MSCI ACWI	4.58%	94	16.75%	99	0.20	99
MSCI ACWI ex USA	3.03%	99	19.03%	99	0.10	99
InvestorForce Public DB Gross Median	5.57%	--	9.66%	--	0.47	--

Total Fund Asset Allocation vs. Policy Targets



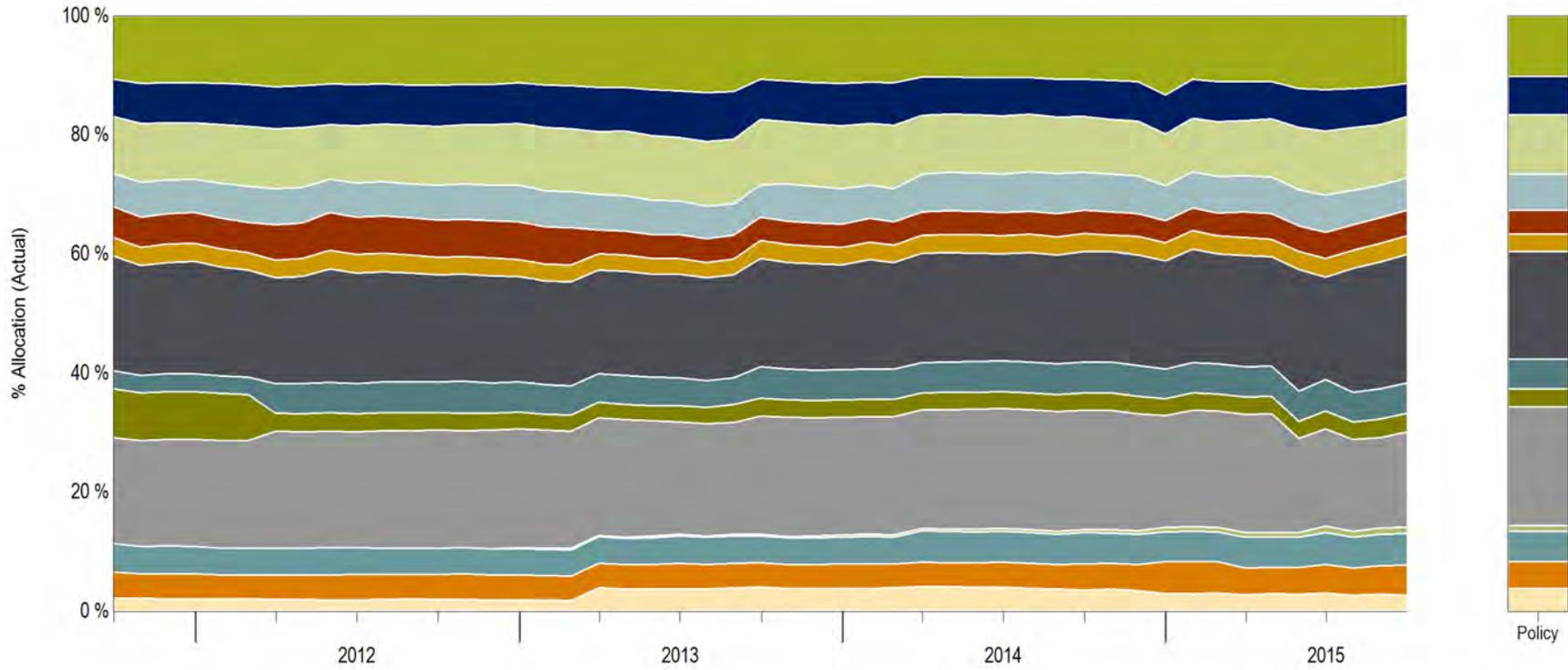
- Large Cap Equity
- Small/Mid Cap Equity
- International Equity
- Emerging Markets Equity
- High Yield
- TIPS
- Diversified Bond
- Emerging Market Debt
- Global Bonds
- Balanced - GAA
- Private Equity
- Hedge Funds
- Real Estate
- Commodities
- Cash

Asset Allocation vs. Target

	Current	Policy	Current	Difference*
Large Cap Equity	\$56,432,641	10.0%	11.3%	1.3%
Small/Mid Cap Equity	\$27,589,990	6.5%	5.5%	-1.0%
International Equity	\$51,271,901	10.0%	10.3%	0.3%
Emerging Markets Equity	\$26,795,013	6.0%	5.4%	-0.6%
High Yield	\$21,599,375	4.0%	4.3%	0.3%
TIPS	\$15,574,586	3.0%	3.1%	0.1%
Diversified Bond	\$107,391,728	18.0%	21.6%	3.6%
Emerging Market Debt	\$25,515,075	5.0%	5.1%	0.1%
Global Bonds	\$15,562,162	3.0%	3.1%	0.1%
Balanced - GAA	\$79,678,409	20.0%	16.0%	-4.0%
Private Equity	\$5,138,552	1.0%	1.0%	0.0%
Hedge Funds	\$26,369,623	5.0%	5.3%	0.3%
Real Estate	\$25,125,867	4.5%	5.1%	0.6%
Commodities	\$13,114,369	4.0%	2.6%	-1.4%
Cash	\$353,937	--	0.1%	0.1%
<b>Total</b>	<b>\$497,513,227</b>	<b>100.0%</b>	<b>100.0%</b>	

\*Difference between Policy and Current Allocation

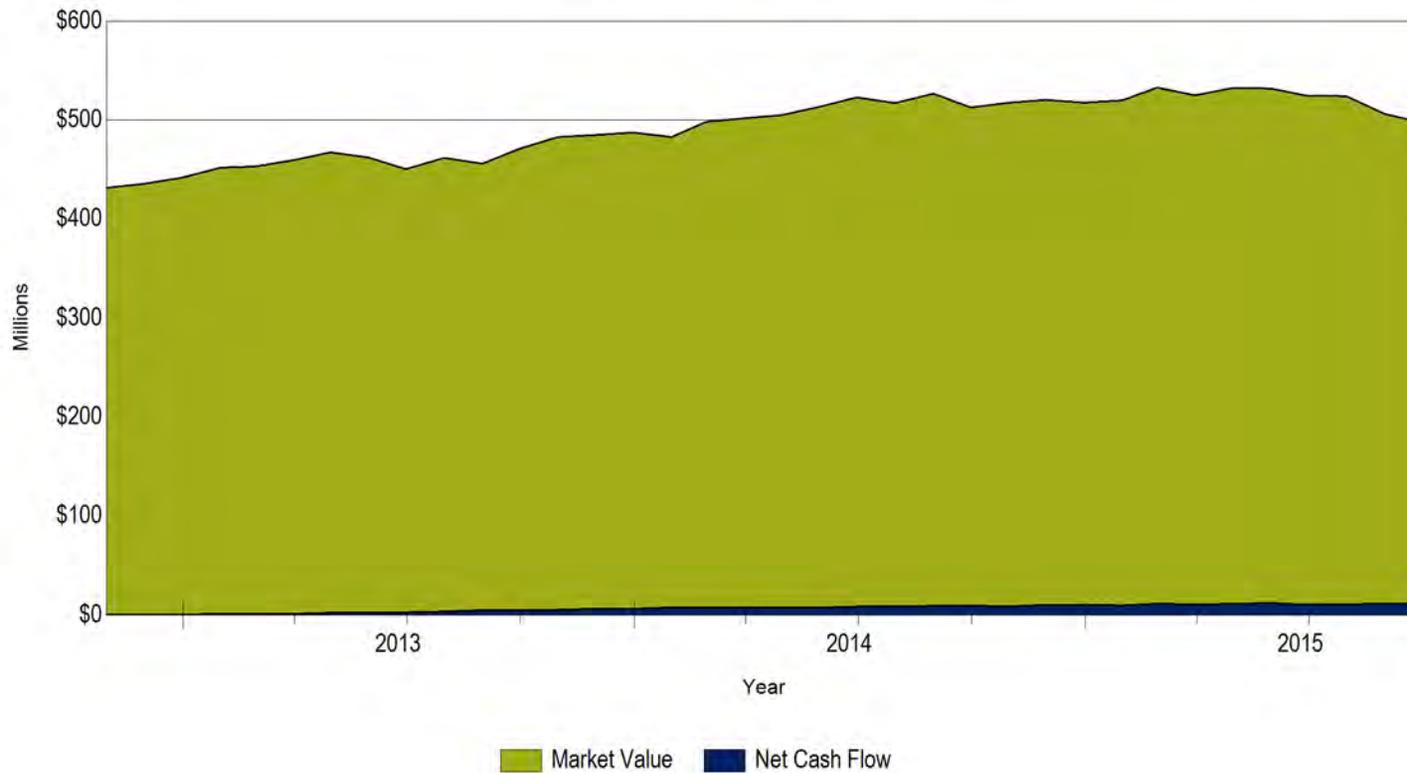
Asset Allocation History



- |   |  |   |   |  |
|---|--|---|---|--|
| <span style="color: #92D050;">■</span> Large Cap Equity     | <span style="color: #A6C9E0;">■</span> Emerging Markets Equity | <span style="color: #444444;">■</span> Diversified Bond     | <span style="color: #A9A9A9;">■</span> Balanced - GAA | <span style="color: #FF8C00;">■</span> Real Estate |
| <span style="color: #000080;">■</span> Small/Mid Cap Equity | <span style="color: #8B0000;">■</span> High Yield              | <span style="color: #4682B4;">■</span> Emerging Market Debt | <span style="color: #BDB76B;">■</span> Private Equity | <span style="color: #FFD700;">■</span> Commodities |
| <span style="color: #E0E0E0;">■</span> International Equity | <span style="color: #FFD700;">■</span> TIPS                    | <span style="color: #808000;">■</span> Global Bonds         | <span style="color: #4682B4;">■</span> Hedge Funds    | <span style="color: #654321;">■</span> Cash        |

Total Fund Asset Growth Summary

3 Years Ending September 30, 2015



	Last Three Months	Year-To-Date	One Year	Three Years
Beginning Market Value	\$524,466,210	\$517,565,474	\$512,639,692	\$432,316,924
- Withdrawals	-\$12,095,354	-\$84,509,401	-\$104,379,536	-\$179,178,503
+ Contributions	\$12,911,789	\$85,630,591	\$106,134,342	\$190,469,309
= Net Cash Flow	\$816,435	\$1,121,190	\$1,754,806	\$11,290,806
+ Net Investment Change	-\$27,769,418	-\$21,173,437	-\$16,881,272	\$53,905,497
= Ending Market Value	\$497,513,227	\$497,513,227	\$497,513,227	\$497,513,227

## Vermont Municipal Employees

### Total Fund Asset Growth Summary by Manager

	Quarter Ending September 30, 2015					Ending Market Value
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	
Aberdeen	\$31,438,569	-\$60,238	\$60,238	\$0	-\$4,643,556	\$26,795,013
Acadian	\$20,773,339	-\$25,651	\$1,225,651	\$1,200,000	-\$1,614,326	\$20,359,013
Allianz Structured Alpha	\$14,339,812	-\$51,834	\$0	-\$51,834	\$233,045	\$14,521,023
AQR Global Risk Premium	\$39,702,785	-\$39,703	\$39,703	\$0	-\$3,017,698	\$36,685,086
BlackRock TIPS	\$15,766,295	-\$3,036	\$3,036	\$0	-\$191,709	\$15,574,586
Champlain	\$11,700,094	-\$23,740	\$23,740	\$0	-\$1,097,069	\$10,603,026
GAM	\$58,448	\$0	\$13,027	\$13,027	-\$3,292	\$68,182
GAM Unconstrained Bond	\$21,309,055	-\$3,164	\$2,003,164	\$2,000,000	-\$511,176	\$22,797,879
Grosvenor	\$26,984,597	\$0	\$0	\$0	-\$683,156	\$26,301,441
Guggenheim	\$17,586,105	-\$21,554	\$21,554	\$0	-\$655,190	\$16,930,915
Harbourvest Dover VIII Fund	\$2,195,970	\$0	\$0	\$0	-\$91,404	\$2,104,566
Harbourvest Partners IX Buyout Fund	\$1,333,547	\$0	\$74,536	\$74,536	-\$57,952	\$1,350,131
Harbourvest Partners IX Credit Opportunities	\$189,105	-\$19,826	\$0	-\$19,826	-\$1,308	\$167,971
Harbourvest Partners IX Venture Fund	\$1,143,290	\$0	\$67,595	\$67,595	\$74,409	\$1,285,294
HIPEP VII	\$173,419	\$0	\$58,529	\$58,529	-\$1,359	\$230,589
KDP	\$4,879,893	-\$7,613	\$7,613	\$0	-\$211,434	\$4,668,460
Mellon Dynamic Growth	\$12,421,174	-\$20,102	\$20,102	\$0	-\$809,162	\$11,612,012
Mondrian	\$20,751,933	-\$19,661	\$1,219,661	\$1,200,000	-\$2,110,813	\$19,841,120
Mondrian GFI	\$15,422,936	-\$12,363	\$12,363	\$0	\$139,226	\$15,562,162
Morgan Stanley Prime Property	\$10,917,007	-\$35,431	\$0	-\$35,431	\$426,487	\$11,308,064
PIMCO All Asset	\$29,950,458	-\$66,132	\$4,000,000	\$3,933,868	-\$2,503,151	\$31,381,174
PIMCO Core Plus	\$28,766,901	-\$2,821,169	\$21,169	-\$2,800,000	\$118,371	\$26,085,272
PIMCO Unconstrained	\$13,521,703	-\$42,430	\$42,430	\$0	-\$428,415	\$13,093,289
RREEF America REIT III	\$1,949,176	-\$591,795	\$0	-\$591,795	-\$68,612	\$1,288,769
Schroder	\$15,190,818	\$0	\$0	\$0	-\$2,076,450	\$13,114,369

## Vermont Municipal Employees

### Total Fund Asset Growth Summary by Manager

	Quarter Ending September 30, 2015					
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value
Siguler Guff	\$2,155,479	\$0	\$799,936	\$799,936	-\$17,088	\$2,938,327
SSgA ACWI Ex US	\$12,598,714	-\$1,863	\$1,863	\$0	-\$1,526,946	\$11,071,768
SSgA Barclays Aggregate Index	\$16,077,071	-\$1,393	\$1,393	\$0	\$198,271	\$16,275,342
SSgA Russell 2000 Growth	\$7,335,105	-\$3,751,845	\$1,845	-\$3,750,000	-\$946,649	\$2,638,456
SSgA S&P 400	\$4,047,072	-\$810	\$810	\$0	-\$342,768	\$3,704,303
SSgA S&P 500 Cap-Wgt	\$47,011,458	-\$3,803,550	\$1,003,550	-\$2,800,000	-\$3,053,080	\$41,158,378
SSgA S&P 500 Equal-Wgt	\$14,953,884	-\$2,167	\$1,502,167	\$1,500,000	-\$1,180,729	\$15,273,155
T. Rowe	\$1,107	\$0	\$0	\$0	\$0	\$1,107
Transwestern / Aslan III	\$94,178	-\$60,494	\$0	-\$60,494	\$705	\$34,389
UBS Trumbull	\$9,239,376	-\$25,331	\$25,331	\$0	\$316,942	\$9,556,318
Vermont Cash	\$275,614	-\$559,103	\$637,426	\$78,323	\$0	\$353,937
Wellington	\$11,859,485	-\$23,356	\$23,356	\$0	-\$1,215,280	\$10,644,205
Wellington DAS	\$13,923,258	\$0	\$0	\$0	\$695,666	\$14,618,924
Wellington OIF	\$136	\$0	\$0	\$0	\$0	\$136
Wellington Opportunistic EMD	\$26,427,846	\$0	\$0	\$0	-\$912,771	\$25,515,075
<b>Total</b>	<b>\$524,466,210</b>	<b>-\$12,095,354</b>	<b>\$12,911,789</b>	<b>\$816,435</b>	<b>-\$27,769,418</b>	<b>\$497,513,227</b>

# Vermont Municipal Employees

## Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
<b>Municipal Composite</b>	<b>497,513,227</b>	<b>100.0</b>	<b>100.0</b>	<b>-5.3</b>	<b>61</b>	<b>-3.3</b>	<b>70</b>	<b>-3.3</b>	<b>93</b>	<b>4.0</b>	<b>93</b>	<b>5.9</b>	<b>90</b>
<i>Policy Index</i>				-4.5	31	-2.7	53	-2.4	82	3.9	95	5.1	95
<i>Allocation Index</i>				-4.9	44	-3.2	67	-2.8	85	3.9	95	5.1	95
<i>InvestorForce Public DB Gross Median</i>				-5.0		-2.6		-0.6		6.9		7.5	
<b>Large Cap Comp</b>	<b>56,432,641</b>	<b>11.3</b>	<b>11.0</b>	<b>-6.7</b>	<b>44</b>	<b>-5.7</b>	<b>57</b>	<b>-0.8</b>	<b>54</b>	<b>13.0</b>	<b>48</b>	<b>13.5</b>	<b>43</b>
<i>S&amp;P 500</i>				-6.4	39	-5.3	53	-0.6	52	12.4	56	13.3	47
<i>eA US Large Cap Equity Gross Median</i>				-7.1		-5.1		-0.4		12.9		13.2	
SSgA S&P 500 Cap-Wgt	41,158,378	8.3	8.0	-6.4	38	-5.2	52	-0.5	52	12.5	56	13.4	47
<i>S&amp;P 500</i>				-6.4	39	-5.3	53	-0.6	52	12.4	56	13.3	47
SSgA S&P 500 Equal-Wgt	15,273,155	3.1	3.0	-7.8	64	-7.2	73	-1.6	58	14.2	27	13.7	40
<i>S&amp;P 500 Equal Weighted</i>				-7.5	59	-6.9	70	-1.2	56	14.3	26	13.8	38
T. Rowe	1,107	0.0	0.0										
<b>Small/Mid Cap Comp</b>	<b>27,589,990</b>	<b>5.5</b>	<b>5.0</b>	<b>-10.2</b>	<b>53</b>	<b>-4.3</b>	<b>42</b>	<b>4.0</b>	<b>27</b>	<b>13.5</b>	<b>42</b>	<b>13.9</b>	<b>36</b>
<i>Russell 2000</i>				-11.9	75	-7.7	77	1.2	50	11.0	73	11.7	74
<i>eA US Small-Mid Cap Equity Gross Median</i>				-10.0		-4.8		1.1		13.1		13.3	
SSgA S&P 400	3,704,303	0.7	0.5	-8.5	52	-4.6	56	1.4	51	13.2	62	--	--
<i>S&amp;P 400 MidCap</i>				-8.5	53	-4.7	56	1.4	51	13.1	63	12.9	60
<i>eA US Mid Cap Equity Gross Median</i>				-8.2		-4.0		1.6		13.8		13.4	
Champlain	10,603,026	2.1	2.0	-9.4	64	-3.1	41	1.8	47	14.2	44	14.1	39
<i>Russell 2500</i>				-10.3	80	-6.0	70	0.4	60	12.4	74	12.7	67
<i>eA US Mid Cap Equity Gross Median</i>				-8.2		-4.0		1.6		13.8		13.4	
Wellington	10,644,205	2.1	2.0	-10.2	58	-5.3	29	6.1	6	12.8	43	13.8	29
<i>Russell 2000 Value</i>				-10.7	67	-10.1	77	-1.6	64	9.2	83	10.2	83
<i>eA US Small Cap Value Equity Gross Median</i>				-9.8		-6.7		0.5		12.2		12.5	
SSgA Russell 2000 Growth	2,638,456	0.5	0.5	-13.0	67	-5.4	60	4.1	50	12.8	55	13.3	67
<i>Russell 2000 Growth</i>				-13.1	68	-5.5	60	4.0	51	12.8	55	13.3	67
<i>eA US Small Cap Growth Equity Gross Median</i>				-11.7		-3.8		4.1		13.4		14.3	

Fiscal Year End is 6/30

Report is Gross of manager fees, except where otherwise noted

# Vermont Municipal Employees

## Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
<b>Int'l Equity Comp</b>	<b>51,271,901</b>	<b>10.3</b>	<b>10.0</b>	<b>-9.7</b>	<b>59</b>	<b>-4.9</b>	<b>73</b>	<b>-8.4</b>	<b>76</b>	<b>6.3</b>	<b>63</b>	<b>4.8</b>	<b>69</b>
MSCI EAFE				-10.2	72	-5.3	77	-8.7	79	5.6	72	4.0	83
eA All EAFE Equity Gross Median				-9.2		-2.7		-5.2		7.1		5.9	
Acadian	20,359,013	4.1	4.0	-7.8	26	-2.6	47	-5.3	53	8.3	36	6.0	49
Mondrian	19,841,120	4.0	4.0	-10.2	70	-5.3	77	-9.5	84	6.1	66	4.9	69
MSCI EAFE				-10.2	72	-5.3	77	-8.7	79	5.6	72	4.0	83
SSgA ACWI Ex US	11,071,768	2.2	2.0	-12.1	83	-8.5	88	-12.0	89	2.6	86	2.1	93
MSCI ACWI ex USA				-12.2	83	-8.6	89	-12.2	90	2.3	89	1.8	97
eA ACWI ex-US All Cap Equity Gross Median				-10.7		-4.9		-6.1		5.7		5.2	
<b>Emerging Market Comp</b>	<b>26,795,013</b>	<b>5.4</b>	<b>6.0</b>	<b>-14.8</b>	<b>27</b>	<b>-13.8</b>	<b>47</b>	<b>-18.3</b>	<b>69</b>	<b>-5.1</b>	<b>79</b>	<b>--</b>	<b>--</b>
Aberdeen	26,795,013	5.4	6.0	-14.8	27	-13.8	47	-18.3	69	-5.1	79	-0.8	40
MSCI Emerging Markets				-17.9	81	-15.5	69	-19.3	73	-5.3	81	-3.6	83
eA Emg Mkts Equity Gross Median				-16.3		-14.0		-16.8		-2.6		-1.8	
<b>US Fixed Income</b>	<b>144,565,689</b>	<b>29.1</b>	<b>24.0</b>	<b>-0.5</b>	<b>80</b>	<b>0.7</b>	<b>62</b>	<b>2.0</b>	<b>52</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Barclays Aggregate				1.2	23	1.1	50	2.9	26	1.7	66	3.1	62
eA All US Fixed Inc Gross Median				0.6		1.1		2.1		2.1		3.6	
<b>Diversified Fixed</b>	<b>107,391,728</b>	<b>21.6</b>	<b>20.0</b>	<b>0.4</b>	<b>59</b>	<b>1.2</b>	<b>47</b>	<b>3.3</b>	<b>17</b>	<b>2.4</b>	<b>43</b>	<b>4.1</b>	<b>41</b>
Barclays Aggregate				1.2	23	1.1	50	2.9	26	1.7	66	3.1	62
eA All US Fixed Inc Gross Median				0.6		1.1		2.1		2.1		3.6	
Allianz Structured Alpha	14,521,023	2.9	2.0	1.6	6	5.2	1	10.7	1	7.4	1	8.3	1
Citigroup 10 Year Treasury				2.9	1	2.4	3	6.0	1	1.4	95	3.8	39
PIMCO Core Plus	26,085,272	5.2	5.0	0.1	97	1.0	75	2.6	73	1.4	95	3.4	68
Barclays Aggregate				1.2	37	1.1	66	2.9	54	1.7	79	3.1	82
PIMCO Unconstrained	13,093,289	2.6	2.5	-3.1	99	-2.7	99	-2.8	99	-0.3	99	--	--
25% HY, 25% EMD, 50% BC Agg				-1.1	99	-0.1	99	0.1	99	1.9	65	4.2	12
3-Month Libor Total Return USD				0.1	97	0.2	98	0.3	99	0.3	99	0.3	99
Wellington DAS	14,618,924	2.9	3.0	5.0	1	5.3	1	11.1	1	5.6	1	8.1	1
Wellington Custom Benchmark				3.6	1	3.3	1	7.7	1	2.5	20	6.0	1
SSgA Barclays Aggregate Index	16,275,342	3.3	3.0	1.2	37	--	--	--	--	--	--	--	--
Barclays Aggregate				1.2	37	1.1	66	2.9	54	1.7	79	3.1	82
3-Month Libor Total Return USD				0.1	97	0.2	98	0.3	99	0.3	99	0.3	99
eA US Core Fixed Inc Gross Median				1.1		1.3		3.0		2.0		3.6	
GAM Unconstrained Bond	22,797,879	4.6	4.5	-2.3	99	--	--	--	--	--	--	--	--
3-Month LIBOR + 3%				0.8	77	2.5	2	3.3	32	3.3	5	3.3	71
eA US Core Fixed Inc Gross Median				1.1		1.3		3.0		2.0		3.6	

Wellington DAS is Net of Fees. Allianz is net of fees from inception to Q3 2012, and grossed up quarterly since GAM Unconstrained Bond was funded in June 2015

# Vermont Municipal Employees

## Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
<b>High Yield Comp</b>	<b>21,599,375</b>	<b>4.3</b>	<b>4.0</b>	<b>-3.9</b>	<b>46</b>	<b>-0.5</b>	<b>36</b>	<b>-1.7</b>	<b>47</b>	<b>4.4</b>	<b>38</b>	<b>6.7</b>	<b>39</b>
Barclays High Yield				-4.9	71	-2.5	77	-3.4	73	3.5	67	6.1	64
eA US High Yield Fixed Inc Gross Median				-4.0		-0.9		-2.0		4.1		6.5	
KDP	4,668,460	0.9	1.0	-4.3	58	-1.7	63	-2.0	51	3.0	86	5.5	84
Barclays High Yield				-4.9	71	-2.5	77	-3.4	73	3.5	67	6.1	64
BofA Merrill Lynch US High Yield BB-B Rated				-4.3	58	-1.7	64	-2.1	52	3.7	62	6.0	68
Guggenheim	16,930,915	3.4	3.0	-3.7	45	-0.1	27	-1.6	47	--	--	--	--
Barclays High Yield				-4.9	71	-2.5	77	-3.4	73	3.5	67	6.1	64
eA US High Yield Fixed Inc Gross Median				-4.0		-0.9		-2.0		4.1		6.5	
<b>TIPS</b>	<b>15,574,586</b>	<b>3.1</b>	<b>3.0</b>										
BlackRock TIPS	15,574,586	3.1	3.0	-1.2	--	-0.8	--	-0.9	--	-1.9	--	2.5	--
Barclays US TIPS				-1.1	--	-0.8	--	-0.8	--	-1.8	--	2.5	--
<b>Global Fixed Income Comp</b>	<b>15,562,162</b>	<b>3.1</b>	<b>3.0</b>	<b>0.9</b>	<b>16</b>	<b>-1.3</b>	<b>42</b>	<b>-3.0</b>	<b>56</b>	<b>-3.7</b>	<b>96</b>	<b>0.3</b>	<b>91</b>
Citi WGBI				1.7	6	-2.4	63	-3.8	67	-2.9	92	-0.2	95
eA All Global Fixed Inc Gross Median				-0.9		-1.9		-2.7		1.7		3.0	
Mondrian GFI	15,562,162	3.1	3.0	0.9	16	-1.3	42	-3.0	56	-3.7	96	-0.3	96
Citi WGBI				1.7	6	-2.4	63	-3.8	67	-2.9	92	-0.2	95
<b>Emerging Market Debt</b>	<b>25,515,075</b>	<b>5.1</b>	<b>5.0</b>										
Wellington Opportunistic EMD	25,515,075	5.1	5.0	-3.5	32	-2.8	47	-3.7	37	0.5	38	4.5	30
JP Morgan EMBI Global TR				-2.0	12	-0.3	17	-2.0	22	0.5	36	4.4	33
eA All Emg Mkts Fixed Inc Gross Median				-4.9		-3.5		-6.9		-0.8		3.1	
<b>Total Real Estate</b>	<b>25,125,867</b>	<b>5.1</b>	<b>6.0</b>	<b>2.7</b>	<b>--</b>	<b>8.2</b>	<b>--</b>	<b>12.0</b>	<b>--</b>	<b>13.5</b>	<b>--</b>	<b>--</b>	<b>--</b>
NCREIF Property Index				3.1	--	10.1	--	13.5	--	11.9	--	12.5	--
NCREIF ODCE				3.7	--	11.3	--	14.9	--	13.4	--	14.0	--
Morgan Stanley Prime Property	11,308,064	2.3	2.0	3.9	--	9.4	--	14.3	--	15.1	--	15.3	--
UBS Trumbull	9,556,318	1.9	2.0	3.4	--	6.9	--	10.1	--	10.3	--	11.2	--
RREEF America REIT III	1,288,769	0.3	0.5	-5.0	--	9.6	--	12.3	--	18.5	--	25.7	--
Transwestern / Aslan III	34,389	0.0	0.5	2.1	--	3.4	--	26.2	--	29.6	--	9.6	--
Siguler Guff	2,938,327	0.6	1.0	-0.6	--	6.8	--	6.6	--	--	--	--	--

Wellington Opportunistic EMD is Net of manager fees

Real Estate is as of Q3 2015. Siguler Guff is based on preliminary data

## Vermont Municipal Employees

### Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
<b>Hedge Fund Comp</b>	<b>26,369,623</b>	<b>5.3</b>	<b>5.0</b>	<b>-2.5</b>	<b>38</b>	<b>-0.6</b>	<b>43</b>	<b>-0.9</b>	<b>54</b>	<b>6.0</b>	<b>34</b>	<b>--</b>	<b>--</b>
<i>eV Alt Fund of Funds - Multi-Strategy Median</i>				-3.3		-1.1		-0.4		5.0		3.9	
Grosvenor	26,301,441	5.3	5.0	-2.5	38	-0.1	36	0.4	41	6.8	23	--	--
GAM	68,182	0.0	0.0										
<b>GAA Comp</b>	<b>79,678,409</b>	<b>16.0</b>	<b>16.0</b>	<b>-7.7</b>	<b>85</b>	<b>-5.9</b>	<b>77</b>	<b>-6.9</b>	<b>78</b>	<b>1.3</b>	<b>87</b>	<b>4.3</b>	<b>64</b>
<i>eA Global TAA Gross Median</i>				-5.4		-4.3		-3.3		3.6		5.1	
Mellon Dynamic Growth	11,612,012	2.3	2.0	-6.5	68	-1.0	13	4.3	2	6.1	15	7.1	18
<i>Mellon Dynamic Growth Benchmark</i>				-5.5	54	-5.1	60	-5.1	64	3.4	58	4.6	62
AQR Global Risk Premium	36,685,086	7.4	8.0	-7.6	82	-6.4	79	-8.0	84	0.4	90	5.1	51
<i>60% MSCI World / 40% CITI WGBI</i>				-4.4	35	-4.2	49	-4.1	59	4.3	42	5.4	49
PIMCO All Asset	31,381,174	6.3	6.0	-8.4	89	-8.1	91	-10.5	96	-0.7	92	3.0	77
<i>PIMCO All Asset Index</i>				-1.0	9	-0.2	10	0.5	15	1.9	77	4.2	65
<i>CPI + 5% (Seasonally Adjusted)</i>				1.1	1	4.3	1	5.0	1	6.0	15	6.8	19
Wellington OIF	136	0.0	0.0	0.0	1	6.7	1	5.7	1	7.6	6	5.3	49
<i>65% MSCI ACWI (Net) / 35% BC Agg</i>				-5.8	58	-4.1	49	-3.2	50	5.2	28	5.7	33
<b>Commodities</b>	<b>13,114,369</b>	<b>2.6</b>	<b>3.0</b>										
Schroder	13,114,369	2.6	3.0	-13.7	--	-17.4	--	-33.2	--	-18.4	--	-8.9	--
<i>Bloomberg Commodity Index</i>				-14.5	--	-15.8	--	-26.0	--	-16.0	--	-8.9	--
<b>Cash</b>	<b>353,937</b>	<b>0.1</b>	<b>0.0</b>										
Vermont Cash	353,937	0.1	0.0	0.0	--	0.0	--	0.0	--	0.0	--	0.1	--
<i>91 Day T-Bills</i>				0.0	--	0.0	--	0.0	--	0.0	--	0.0	--
<b>Private Equity</b>	<b>5,138,552</b>	<b>1.0</b>	<b>3.0</b>	<b>-1.5</b>	<b>--</b>	<b>11.0</b>	<b>--</b>	<b>23.0</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Cambridge Associates US All PE</i>				0.0	--	6.5	--	7.4	--	14.2	--	14.5	--
Harbourvest Partners IX Credit Opportunities	167,971	0.0											
Harbourvest Partners IX Venture Fund	1,285,294	0.3											
Harbourvest Partners IX Buyout Fund	1,350,131	0.3											
Harbourvest Dover VIII Fund	2,104,566	0.4											

Harbourvest is based on estimated Q3 2015 Capital Account Statement

PIMCO All Asset Index: 40% BC Agg / 30% TIPS / 10% S&P500 / 10% BC HY / 10% JPM EMBI+

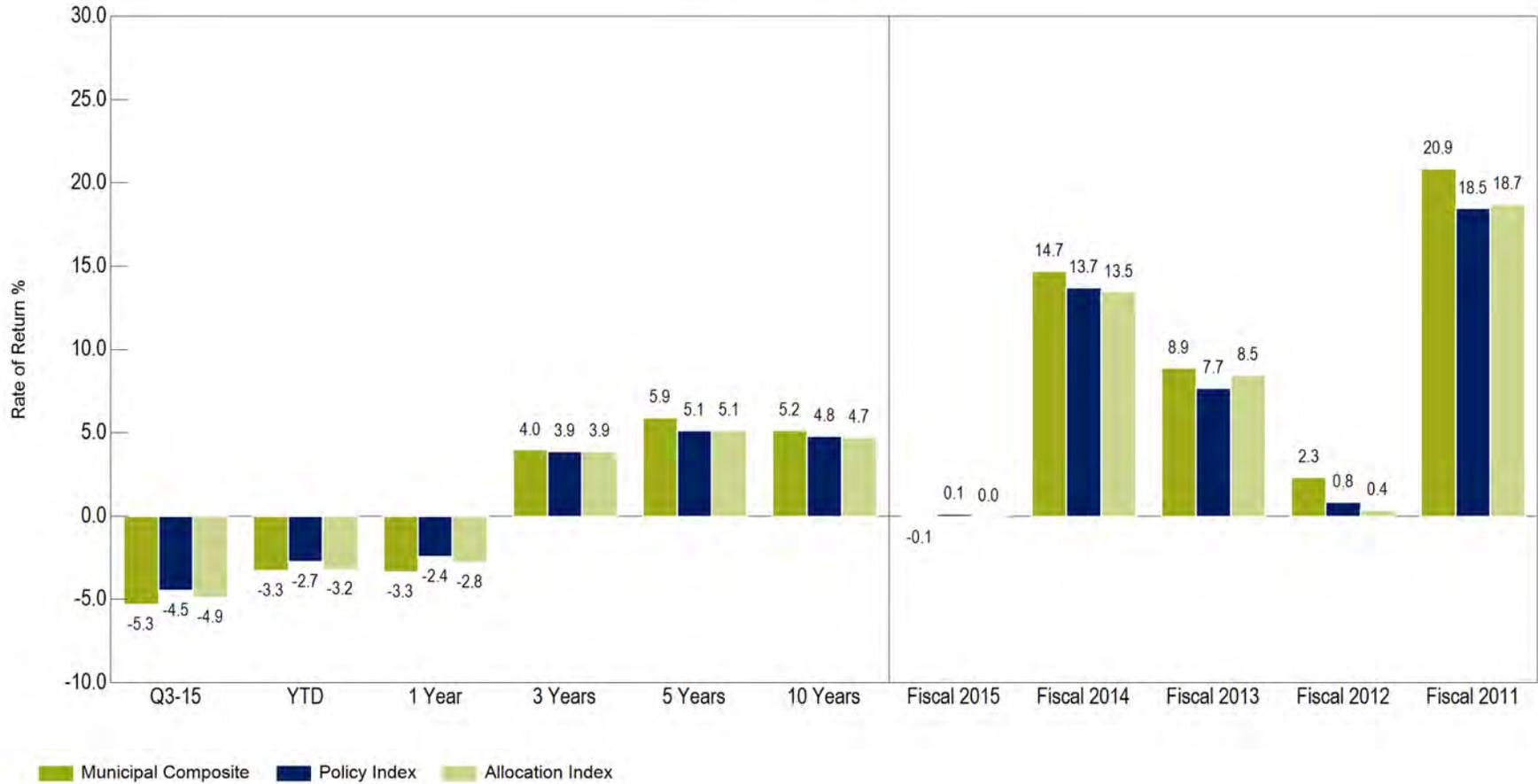
Mellon Dynamic Growth Benchmark: 60% MSCI All Country World Index IMI/ 40% Citigroup GDP Weighted

Hedge Fund Comp and Commodities are Net of Manager Fees

Wellington OIF is Net of Manager Fees

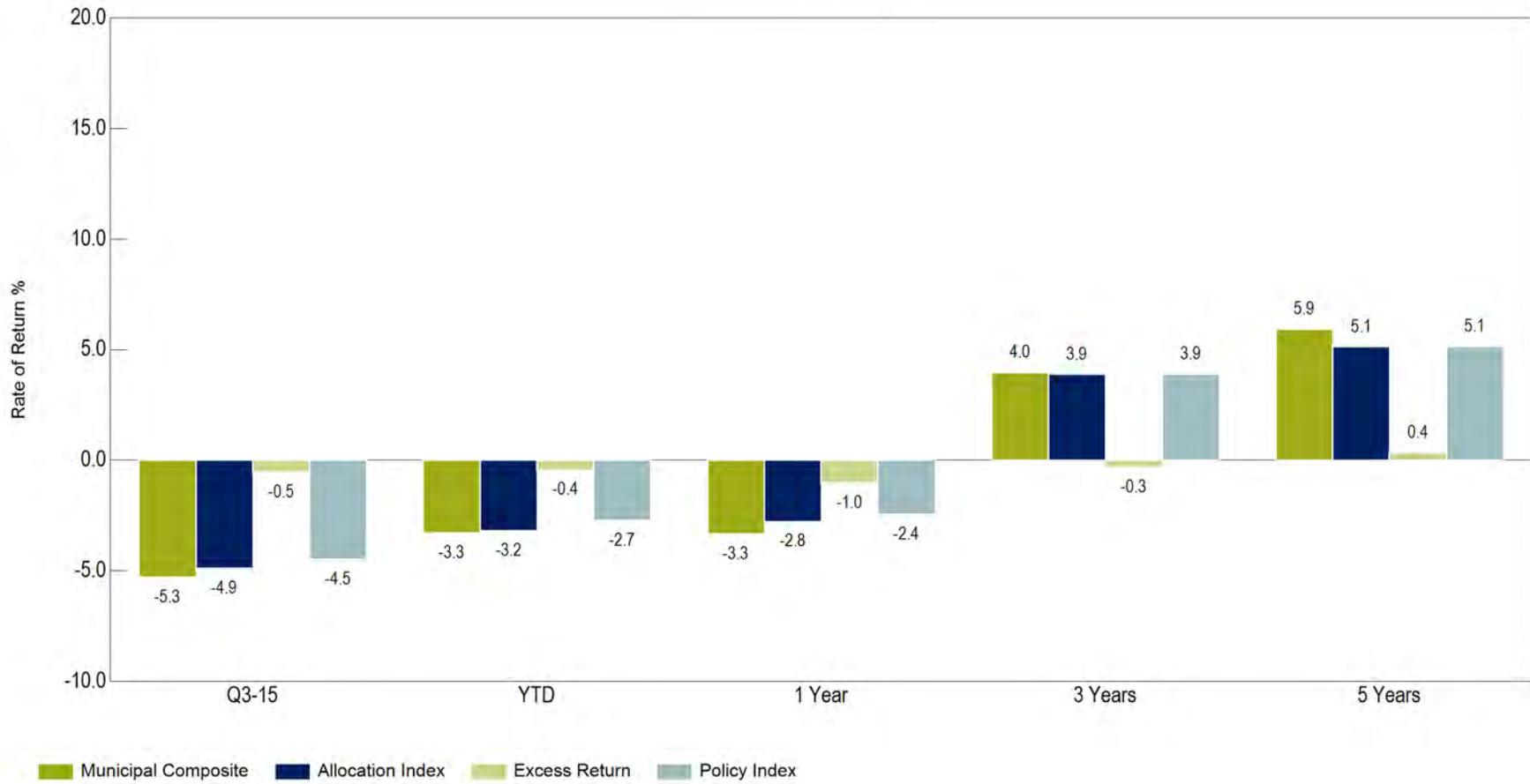
Vermont Municipal Employees  
**Total Fund Return Summary**

Return Summary Gross

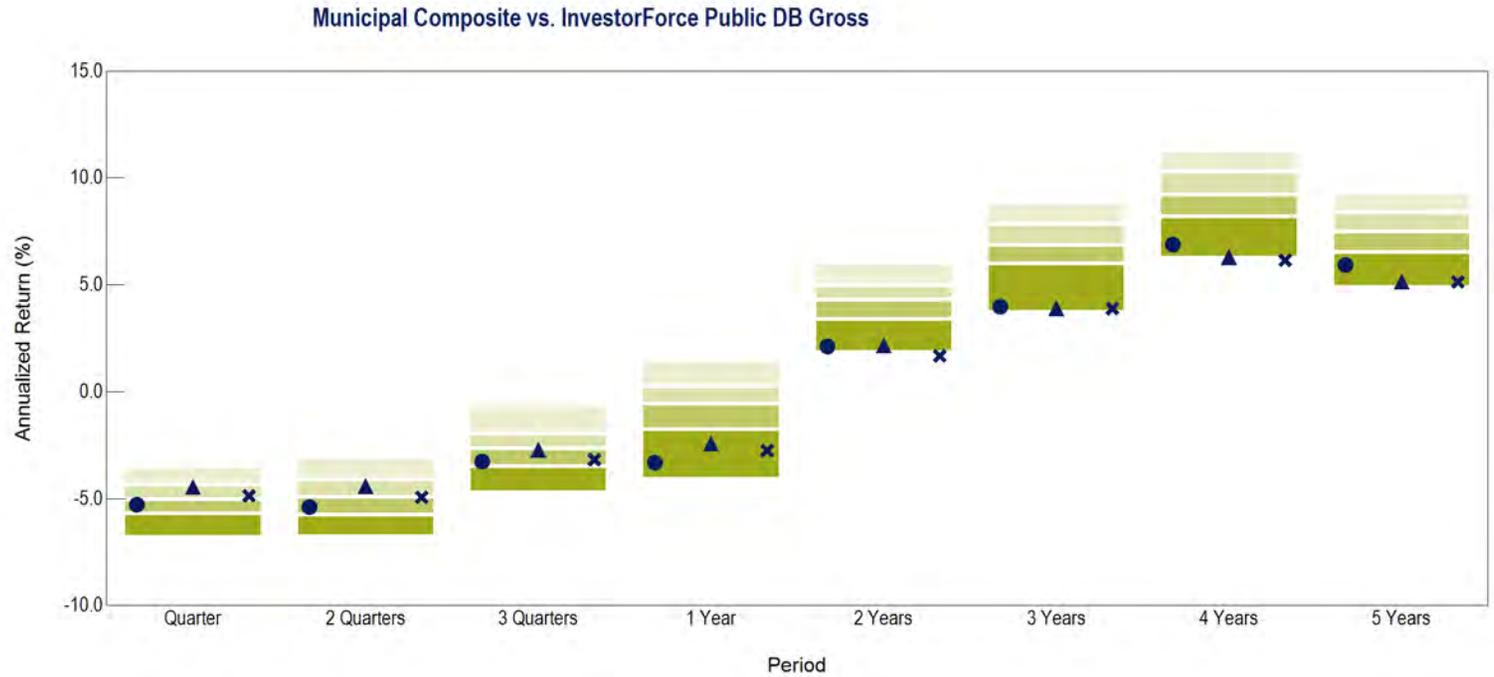


Vermont Municipal Employees  
**Total Fund Return Summary**

Return Summary Gross

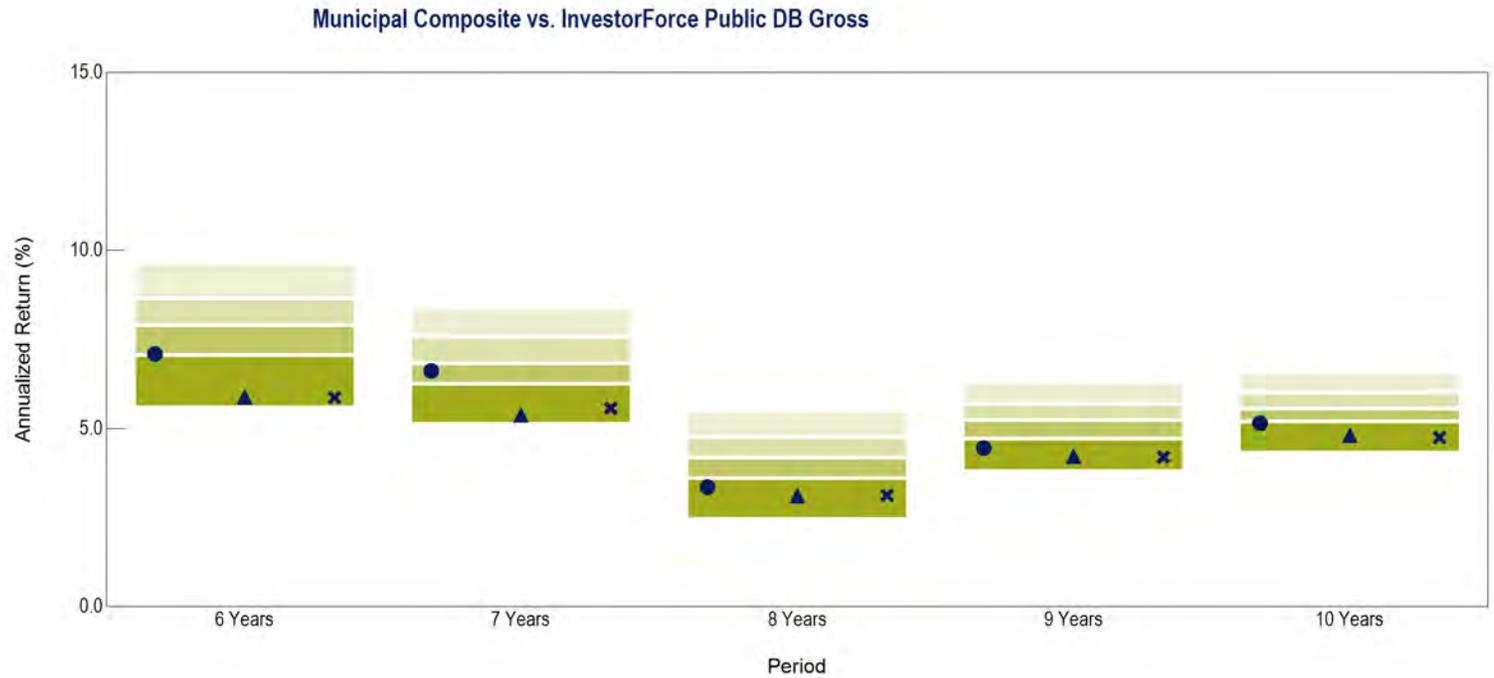


Total Fund Return Summary vs. Peer Universe



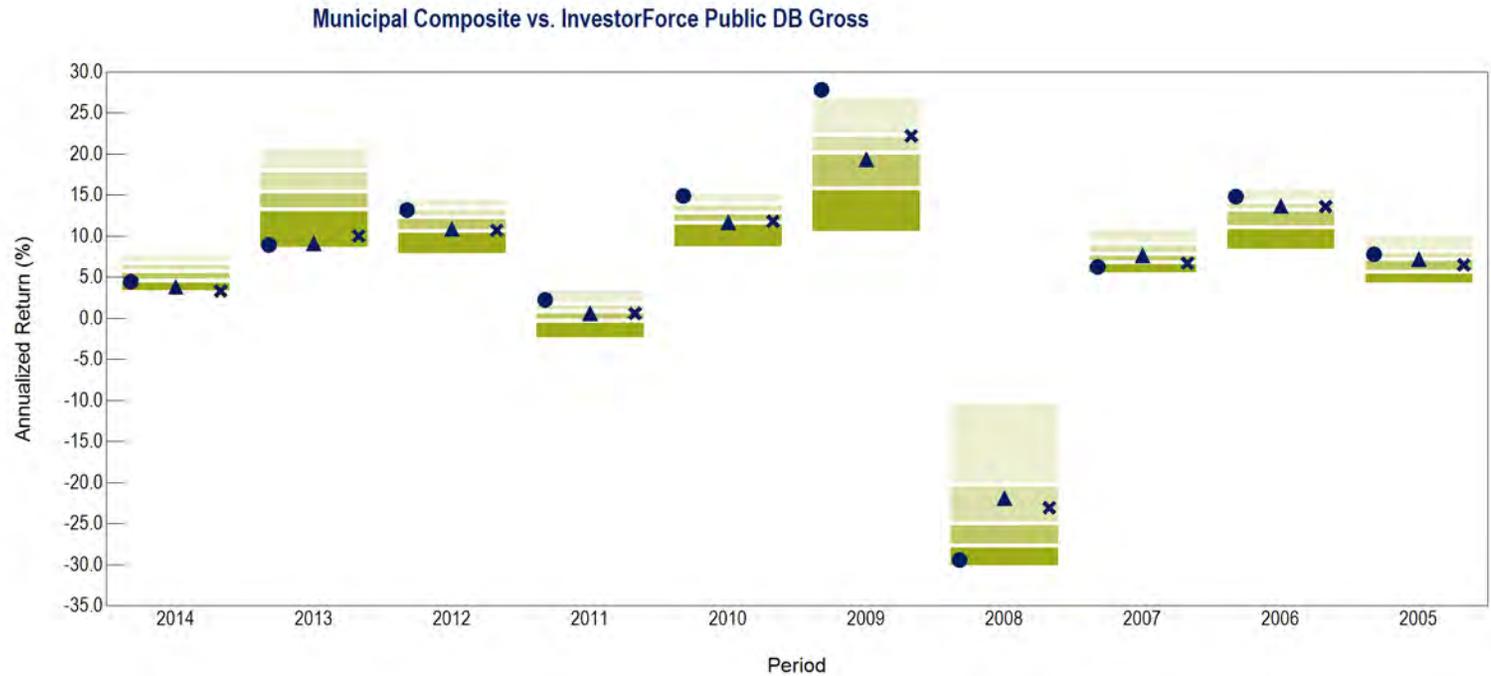
	Return (Rank)		Return (Rank)		Return (Rank)		Return (Rank)		Return (Rank)		Return (Rank)		Return (Rank)	
5th Percentile	-3.5	(61)	-3.0	(68)	-0.6	(70)	1.5	(93)	6.0	(93)	8.8	(93)	11.3	(92)
25th Percentile	-4.3	(31)	-4.1	(34)	-1.9	(53)	0.3	(82)	5.0	(92)	7.9	(95)	10.3	(96)
Median	-5.0	(44)	-4.9	(52)	-2.6	(67)	-0.6	(85)	4.3	(96)	6.9	(95)	9.2	(96)
75th Percentile	-5.7		-5.7		-3.5		-1.7		3.4		6.0		8.2	
95th Percentile	-6.8		-6.8		-4.7		-4.1		1.9		3.8		6.3	
# of Portfolios	311		311		303		300		281		270		257	
● Municipal Composite	-5.3	(61)	-5.4	(68)	-3.3	(70)	-3.3	(93)	2.1	(93)	4.0	(93)	6.9	(92)
▲ Policy Index	-4.5	(31)	-4.4	(34)	-2.7	(53)	-2.4	(82)	2.2	(92)	3.9	(95)	6.3	(96)
× Allocation Index	-4.9	(44)	-4.9	(52)	-3.2	(67)	-2.8	(85)	1.7	(96)	3.9	(95)	6.1	(96)

Total Fund Return Summary vs. Peer Universe



	Return (Rank)									
5th Percentile	9.6		8.4		5.5		6.3		6.6	
25th Percentile	8.7		7.6		4.8		5.7		6.0	
Median	7.9		6.8		4.2		5.3		5.6	
75th Percentile	7.1		6.3		3.6		4.7		5.2	
95th Percentile	5.6		5.1		2.5		3.8		4.3	
# of Portfolios	226		224		211		203		196	
● Municipal Composite	7.1	(74)	6.6	(61)	3.4	(82)	4.5	(86)	5.2	(76)
▲ Policy Index	5.9	(95)	5.4	(95)	3.1	(85)	4.2	(90)	4.8	(88)
× Allocation Index	5.9	(95)	5.6	(93)	3.1	(85)	4.2	(91)	4.7	(89)

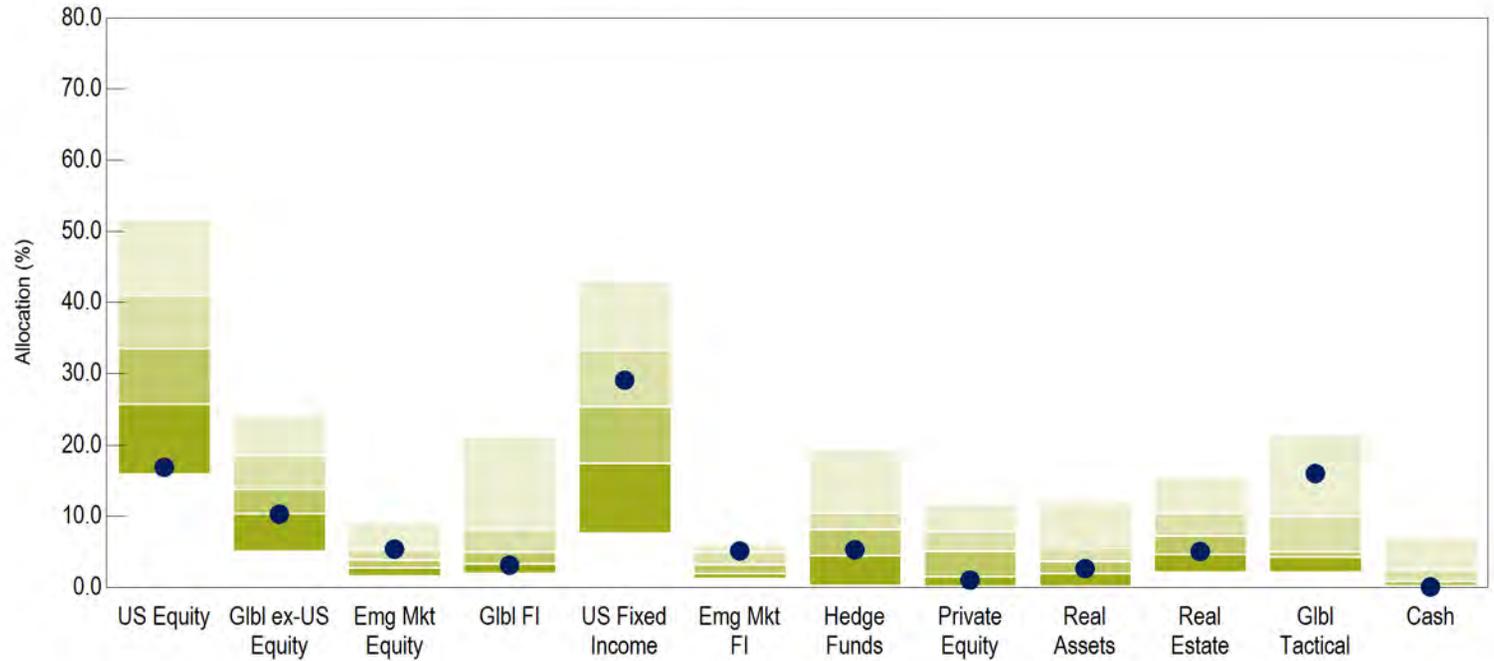
Total Fund Return Summary vs. Peer Universe



	Return (Rank)										
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	
5th Percentile	8.0	20.8	14.6	3.6	15.4	27.0	-10.1	11.0	15.9	10.2	
25th Percentile	6.8	18.0	13.4	1.9	14.0	22.4	-20.1	9.1	14.2	8.2	
Median	5.8	15.5	12.4	0.9	12.9	20.2	-24.9	7.9	13.2	7.3	
75th Percentile	4.6	13.3	10.7	-0.3	11.7	15.9	-27.6	6.9	11.2	5.7	
95th Percentile	3.2	8.5	7.8	-2.5	8.6	10.5	-30.3	5.4	8.3	4.2	
# of Portfolios	248	231	236	206	188	184	181	177	171	158	
● Municipal Composite	4.5 (80)	8.9 (93)	13.2 (28)	2.2 (17)	14.9 (12)	27.8 (4)	-29.4 (89)	6.3 (87)	14.8 (18)	7.8 (33)	
▲ Policy Index	3.8 (91)	9.1 (93)	10.9 (73)	0.6 (60)	11.7 (75)	19.3 (55)	-21.9 (30)	7.7 (53)	13.7 (35)	7.2 (51)	
× Allocation Index	3.3 (95)	10.0 (92)	10.7 (74)	0.6 (60)	11.8 (72)	22.2 (27)	-23.0 (37)	6.7 (81)	13.6 (40)	6.5 (61)	

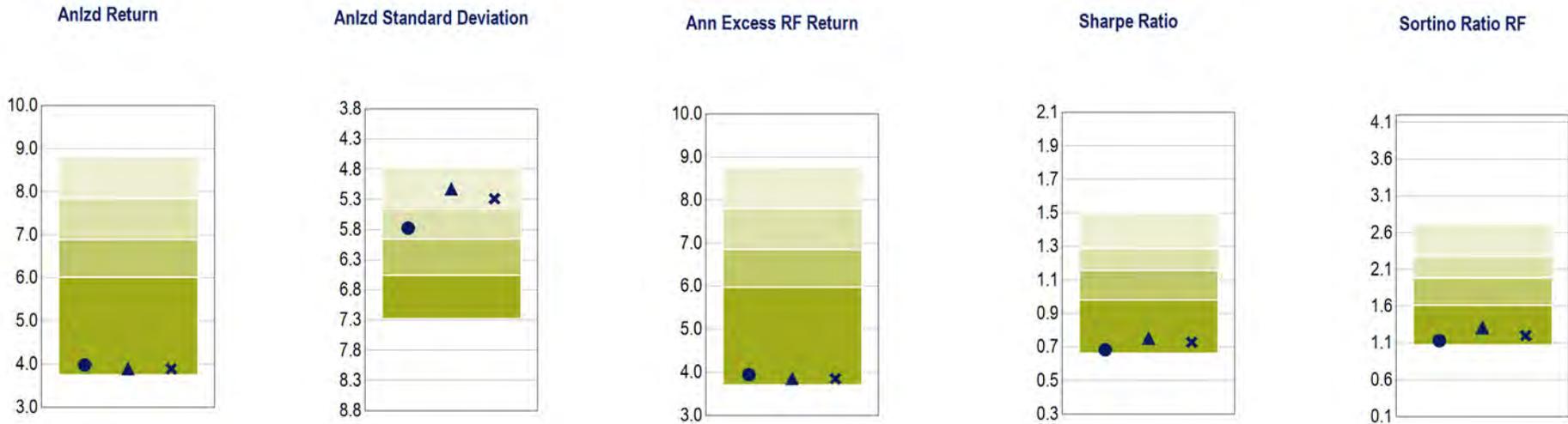
Total Fund Allocation vs. Peer Universe

Total Plan Allocation vs. InvestorForce Public DB Gross  
As of September 30, 2015



	Allocation (Rank)												
5th Percentile	51.7	24.1	9.1	21.1	42.9	6.2	19.4	11.8	12.0	15.4	21.5	7.1	--
25th Percentile	41.0	18.6	5.4	8.2	33.4	5.0	10.6	7.9	5.6	10.5	10.1	2.5	--
Median	33.6	13.9	3.9	5.1	25.4	3.4	8.2	5.2	3.8	7.4	5.1	1.0	--
75th Percentile	25.8	10.5	2.8	3.4	17.6	2.1	4.6	1.7	2.1	4.7	4.4	0.3	--
95th Percentile	16.0	5.2	1.7	2.1	7.7	1.3	0.4	0.3	0.3	2.2	2.3	0.0	--
# of Portfolios	271	264	108	43	225	43	83	81	64	192	69	252	--
● Municipal Composite	16.9 (95)	10.3 (77)	5.4 (26)	3.1 (81)	29.1 (38)	5.1 (23)	5.3 (62)	1.0 (87)	2.6 (70)	5.1 (72)	16.0 (11)	0.1 (87)	--

Municipal Composite vs. IFx Public DB Gross  
3 Years



● Municipal Composite	
Value	3.98
%tile	93
▲ Policy Index	
Value	3.89
%tile	95
× Allocation Index	
Value	3.88
%tile	95
Universe	
5th %tile	8.81
25th %tile	7.86
Median	6.90
75th %tile	6.02
95th %tile	3.76

● Municipal Composite	
Value	5.78
%tile	40
▲ Policy Index	
Value	5.13
%tile	11
× Allocation Index	
Value	5.29
%tile	18
Universe	
5th %tile	4.76
25th %tile	5.45
Median	5.95
75th %tile	6.55
95th %tile	7.27

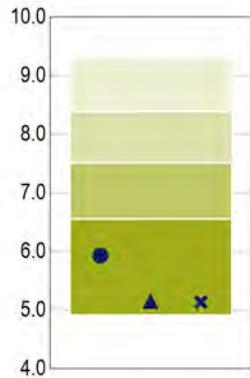
● Municipal Composite	
Value	3.94
%tile	93
▲ Policy Index	
Value	3.86
%tile	95
× Allocation Index	
Value	3.85
%tile	95
Universe	
5th %tile	8.77
25th %tile	7.82
Median	6.86
75th %tile	5.99
95th %tile	3.72

● Municipal Composite	
Value	0.68
%tile	95
▲ Policy Index	
Value	0.75
%tile	92
× Allocation Index	
Value	0.73
%tile	92
Universe	
5th %tile	1.50
25th %tile	1.29
Median	1.16
75th %tile	0.98
95th %tile	0.66

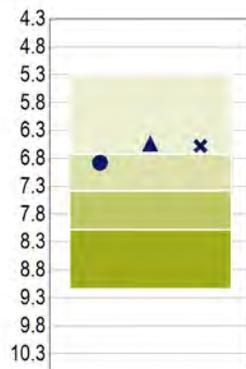
● Municipal Composite	
Value	1.13
%tile	94
▲ Policy Index	
Value	1.31
%tile	89
× Allocation Index	
Value	1.20
%tile	92
Universe	
5th %tile	2.72
25th %tile	2.29
Median	1.99
75th %tile	1.62
95th %tile	1.07

Municipal Composite vs. IFx Public DB Gross  
5 Years

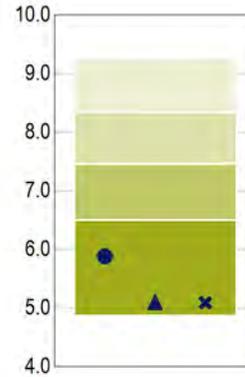
Anlzd Return



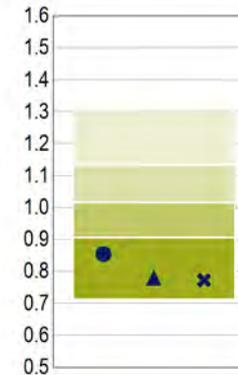
Anlzd Standard Deviation



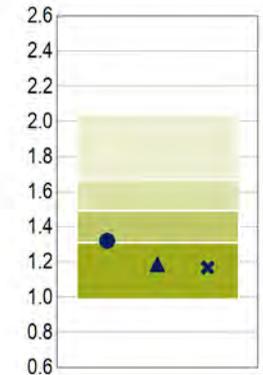
Ann Excess RF Return



Sharpe Ratio



Sortino Ratio RF



● Municipal Composite	
Value	5.92
%tile	90
▲ Policy Index	
Value	5.15
%tile	95
× Allocation Index	
Value	5.13
%tile	95
Universe	
5th %tile	9.31
25th %tile	8.40
Median	7.51
75th %tile	6.56
95th %tile	4.92

● Municipal Composite	
Value	6.88
%tile	32
▲ Policy Index	
Value	6.54
%tile	23
× Allocation Index	
Value	6.58
%tile	23
Universe	
5th %tile	5.30
25th %tile	6.71
Median	7.38
75th %tile	8.07
95th %tile	9.13

● Municipal Composite	
Value	5.88
%tile	90
▲ Policy Index	
Value	5.10
%tile	95
× Allocation Index	
Value	5.08
%tile	95
Universe	
5th %tile	9.26
25th %tile	8.35
Median	7.47
75th %tile	6.51
95th %tile	4.87

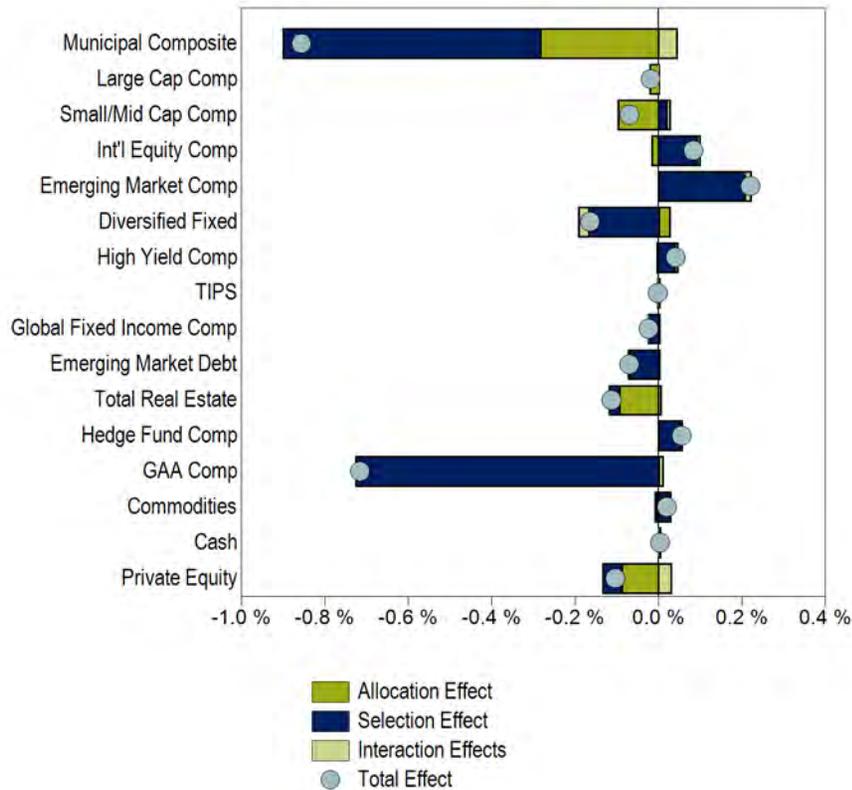
● Municipal Composite	
Value	0.85
%tile	85
▲ Policy Index	
Value	0.78
%tile	92
× Allocation Index	
Value	0.77
%tile	92
Universe	
5th %tile	1.31
25th %tile	1.13
Median	1.02
75th %tile	0.91
95th %tile	0.71

● Municipal Composite	
Value	1.32
%tile	73
▲ Policy Index	
Value	1.19
%tile	87
× Allocation Index	
Value	1.17
%tile	87
Universe	
5th %tile	2.04
25th %tile	1.67
Median	1.50
75th %tile	1.31
95th %tile	0.99

# Vermont Municipal Employees

## Total Fund Attribution Analysis

Attribution Effects Relative to Policy Index  
3 Months Ending September 30, 2015



Attribution Summary  
3 Months Ending September 30, 2015

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	-6.7%	-6.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Small/Mid Cap Comp	-10.2%	-10.6%	0.4%	0.0%	-0.1%	0.0%	-0.1%
Int'l Equity Comp	-9.7%	-10.6%	0.9%	0.1%	0.0%	0.0%	0.1%
Emerging Market Comp	-14.8%	-17.9%	3.1%	0.2%	0.0%	0.0%	0.2%
Diversified Fixed	0.4%	1.2%	-0.9%	-0.2%	0.0%	0.0%	-0.2%
High Yield Comp	-3.9%	-4.9%	1.0%	0.0%	0.0%	0.0%	0.0%
TIPS	-1.2%	-1.1%	-0.1%	0.0%	0.0%	0.0%	0.0%
Global Fixed Income Comp	0.9%	1.7%	-0.8%	0.0%	0.0%	0.0%	0.0%
Emerging Market Debt	-3.5%	-2.0%	-1.4%	-0.1%	0.0%	0.0%	-0.1%
Total Real Estate	2.7%	3.1%	-0.4%	0.0%	-0.1%	0.0%	-0.1%
Hedge Fund Comp	-2.5%	-3.6%	1.0%	0.1%	0.0%	0.0%	0.1%
GAA Comp	-7.7%	-3.2%	-4.5%	-0.7%	0.0%	0.0%	-0.7%
Commodities	-13.7%	-14.5%	0.8%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Private Equity	-1.5%	0.0%	-1.5%	0.0%	-0.1%	0.0%	-0.1%
<b>Total</b>	<b>-5.3%</b>	<b>-4.5%</b>	<b>-0.9%</b>	<b>-0.6%</b>	<b>-0.3%</b>	<b>0.0%</b>	<b>-0.9%</b>

Note: Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total returns shown may vary from the calculated returns shown on the performance report.

The target return shown for each composite is a custom index, based on aggregated policy indices. This policy index asset weights the underlying policy indices of each option in the plan and the respective benchmark.

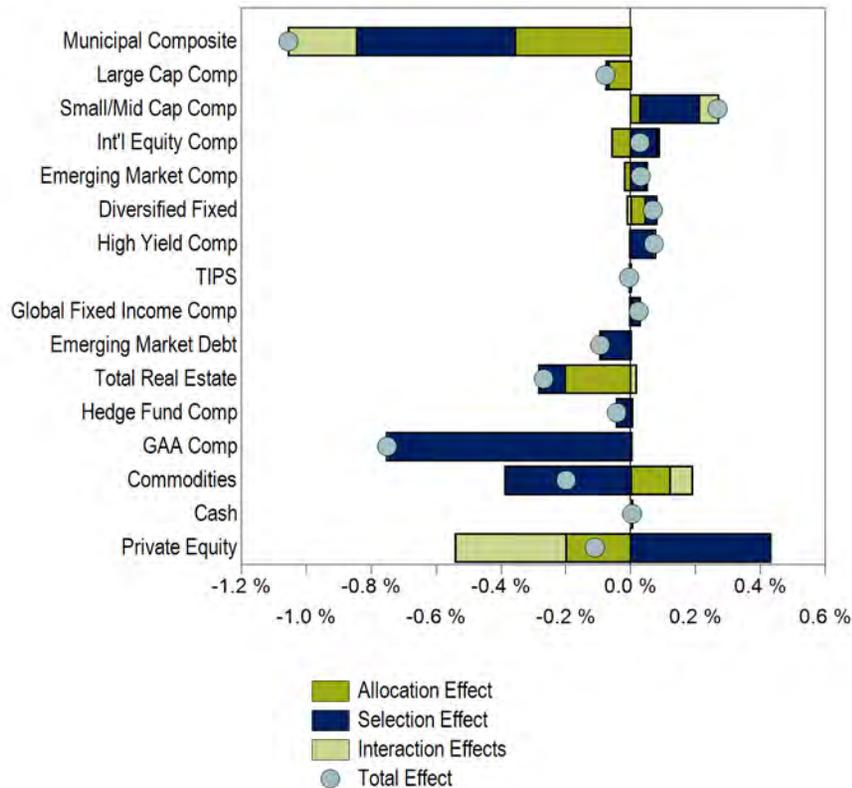
The allocation, selection, and interaction effects are calculated using the custom index described above along with the policy or target weight of each composite.

May not add up due to rounding.

# Vermont Municipal Employees

## Total Fund Attribution Analysis

Attribution Effects Relative to Policy Index  
1 Year Ending September 30, 2015



Attribution Summary  
1 Year Ending September 30, 2015

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	-0.8%	-0.7%	-0.1%	0.0%	-0.1%	0.0%	-0.1%
Small/Mid Cap Comp	4.0%	0.1%	3.9%	0.2%	0.0%	0.1%	0.3%
Int'l Equity Comp	-8.4%	-9.2%	0.8%	0.1%	-0.1%	0.0%	0.0%
Emerging Market Comp	-18.3%	-19.3%	1.0%	0.0%	0.0%	0.0%	0.0%
Diversified Fixed	3.3%	2.9%	0.3%	0.0%	0.0%	0.0%	0.1%
High Yield Comp	-1.7%	-3.4%	1.7%	0.1%	0.0%	0.0%	0.1%
TIPS	-0.9%	-0.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Global Fixed Income Comp	-3.0%	-3.8%	0.8%	0.0%	0.0%	0.0%	0.0%
Emerging Market Debt	-3.7%	-2.0%	-1.8%	-0.1%	0.0%	0.0%	-0.1%
Total Real Estate	12.0%	13.5%	-1.5%	-0.1%	-0.2%	0.0%	-0.3%
Hedge Fund Comp	-0.9%	0.0%	-0.9%	0.0%	0.0%	0.0%	0.0%
GAA Comp	-6.9%	-2.2%	-4.8%	-0.7%	0.0%	0.0%	-0.8%
Commodities	-33.2%	-26.0%	-7.2%	-0.4%	0.1%	0.1%	-0.2%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Private Equity	23.0%	7.4%	15.6%	0.4%	-0.2%	-0.3%	-0.1%
<b>Total</b>	<b>-3.5%</b>	<b>-2.4%</b>	<b>-1.1%</b>	<b>-0.5%</b>	<b>-0.4%</b>	<b>-0.2%</b>	<b>-1.1%</b>

Note: Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total returns shown may vary from the calculated returns shown on the performance report.

The target return shown for each composite is a custom index, based on aggregated policy indices. This policy index asset weights the underlying policy indices of each option in the plan and the respective benchmark.

The allocation, selection, and interaction effects are calculated using the custom index described above along with the policy or target weight of each composite.

May not add up due to rounding.

# Vermont Municipal Employees

## Total Fund Risk Statistics

3 Years Ending September 30, 2015

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Municipal Composite	100.00%	3.98%	93	5.78%	40	-0.37%	80	0.68	95	1.13	94	0.91%	40
Policy Index	--	3.89%	95	5.13%	11	0.00%	61	0.75	92	1.31	89	0.00%	1
US Equity	16.89%	--	--	--	--	--	--	--	--	--	--	--	--
Russell 3000	--	12.53%	56	9.93%	19	0.00%	52	1.26	35	2.42	33	0.00%	1
Large Cap Comp	11.34%	13.02%	48	9.83%	27	0.53%	47	1.32	35	2.61	25	0.69%	1
S&P 500	--	12.40%	56	9.74%	23	0.00%	58	1.27	45	2.43	37	0.00%	1
Small/Mid Cap Comp	5.55%	13.49%	42	11.95%	45	3.96%	46	1.13	38	2.55	20	2.87%	1
Russell 2000	--	11.02%	73	13.59%	82	0.00%	85	0.81	82	1.52	79	0.00%	1
Int'l Equity Comp	10.31%	6.31%	63	11.68%	66	0.87%	67	0.54	65	1.08	53	1.98%	9
MSCI EAFE	--	5.63%	72	11.94%	79	0.00%	78	0.47	75	0.84	74	0.00%	1
Emerging Market Comp	5.39%	-5.06%	79	13.74%	61	-0.20%	82	-0.37	78	-0.56	80	5.31%	70
MSCI Emerging Markets	--	-5.27%	81	13.75%	62	0.00%	79	-0.39	82	-0.58	81	0.00%	1
US Fixed Income	29.06%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays Aggregate	--	1.71%	66	2.90%	58	0.00%	83	0.58	81	0.95	75	0.00%	1
Diversified Fixed	21.59%	2.35%	43	3.39%	69	0.45%	63	0.68	70	1.09	63	1.10%	25
Barclays Aggregate	--	1.71%	66	2.90%	58	0.00%	83	0.58	81	0.95	75	0.00%	1
High Yield Comp	4.34%	4.35%	38	3.92%	19	1.51%	29	1.10	27	1.70	34	1.22%	56
Barclays High Yield	--	3.51%	67	4.75%	64	0.00%	75	0.73	73	1.29	68	0.00%	1
TIPS	3.13%	-1.87%	80	5.15%	81	-0.02%	65	-0.37	64	-0.48	68	0.18%	9
Barclays US TIPS	--	-1.83%	77	5.11%	78	0.00%	58	-0.37	55	-0.48	65	0.00%	1
Global Fixed Income Comp	3.13%	-3.70%	96	4.34%	53	-1.03%	96	-0.86	99	-1.30	99	1.64%	11
Citi WGBI	--	-2.85%	92	4.29%	51	0.00%	91	-0.67	95	-0.91	95	0.00%	1
Emerging Market Debt	5.13%	0.45%	38	6.58%	28	-0.03%	37	0.06	37	0.09	37	1.35%	12
JP Morgan EMBI Global TR	--	0.51%	36	6.87%	37	0.00%	36	0.07	36	0.10	36	0.00%	1
Total Real Estate	5.05%	13.46%	--	5.51%	--	0.31%	--	2.44	--	1,775.28	--	1.70%	--
NCREIF Property Index	--	11.90%	--	4.76%	--	0.00%	--	2.49	--	1,568.72	--	0.00%	--
Hedge Fund Comp	5.30%	6.00%	34	3.67%	41	1.94%	34	1.63	28	3.56	18	1.44%	7
HFRI Fund of Funds Composite Index	--	4.17%	67	3.47%	31	0.00%	65	1.19	52	2.01	49	0.00%	1
GAA Comp	16.02%	1.33%	87	7.55%	61	-1.72%	87	0.17	86	0.24	89	3.48%	34
60% MSCI ACWI (Net)/40% CITI WGBI	--	3.04%	63	6.68%	41	0.00%	66	0.45	60	0.95	50	0.00%	1
Commodities	2.64%	-18.35%	--	14.06%	--	-1.02%	--	-1.31	--	-1.87	--	4.66%	--

# Vermont Municipal Employees

## Total Fund Risk Statistics

5 Years Ending September 30, 2015

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Municipal Composite	100.00%	5.92%	90	6.88%	32	0.54%	24	0.85	85	1.32	73	0.82%	15
Policy Index	--	5.15%	95	6.54%	23	0.00%	58	0.78	92	1.19	87	0.00%	1
US Equity	16.89%	--	--	--	--	--	--	--	--	--	--	--	--
Russell 3000	--	13.28%	51	11.94%	24	0.00%	42	1.11	30	1.77	29	0.00%	1
Large Cap Comp	11.34%	13.54%	43	12.04%	43	-0.38%	50	1.12	41	1.81	39	0.97%	1
S&P 500	--	13.34%	47	11.51%	25	0.00%	43	1.16	35	1.91	29	0.00%	1
Small/Mid Cap Comp	5.55%	13.92%	36	14.28%	34	3.52%	38	0.97	32	1.60	25	2.73%	1
Russell 2000	--	11.73%	74	15.96%	77	0.00%	86	0.73	80	1.18	72	0.00%	1
Int'l Equity Comp	10.31%	4.84%	69	14.30%	23	1.13%	67	0.33	65	0.51	62	2.08%	9
MSCI EAFE	--	3.98%	83	15.23%	65	0.00%	86	0.26	85	0.39	82	0.00%	1
Emerging Market Comp	5.39%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	-3.57%	83	17.78%	61	0.00%	83	-0.20	84	-0.30	86	0.00%	1
US Fixed Income	29.06%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays Aggregate	--	3.10%	62	2.77%	51	0.00%	85	1.10	74	1.84	66	0.00%	1
Diversified Fixed	21.59%	4.12%	41	3.22%	64	0.90%	48	1.26	54	2.14	45	1.44%	31
Barclays Aggregate	--	3.10%	62	2.77%	51	0.00%	85	1.10	74	1.84	66	0.00%	1
High Yield Comp	4.34%	6.67%	39	5.10%	22	1.55%	25	1.30	23	2.03	39	1.33%	50
Barclays High Yield	--	6.15%	64	6.04%	67	0.00%	74	1.01	71	1.72	67	0.00%	1
TIPS	3.13%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays US TIPS	--	2.55%	52	5.20%	77	0.00%	71	0.48	66	0.70	49	0.00%	1
Global Fixed Income Comp	3.13%	0.25%	91	5.18%	54	0.44%	90	0.04	90	0.06	90	1.85%	12
Citi WGBI	--	-0.19%	95	4.96%	44	0.00%	96	-0.05	96	-0.06	96	0.00%	1
Emerging Market Debt	5.13%	--	--	--	--	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	--	4.40%	33	7.11%	20	0.00%	30	0.61	26	0.89	23	0.00%	1
Total Real Estate	5.05%	--	--	--	--	--	--	--	--	--	--	--	--
NCREIF Property Index	--	12.55%	--	5.06%	--	0.00%	--	2.47	--	1,111.45	--	0.00%	--
Hedge Fund Comp	5.30%	--	--	--	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index	--	2.69%	76	3.94%	39	0.00%	77	0.67	70	0.98	63	0.00%	1
GAA Comp	16.02%	4.28%	64	8.41%	54	0.53%	70	0.50	68	0.73	69	3.32%	16
60% MSCI ACWI (Net)/40% CITI WGBI	--	4.16%	65	8.65%	57	0.00%	72	0.48	69	0.73	69	0.00%	1
Commodities	2.64%	--	--	--	--	--	--	--	--	--	--	--	--

# VPIC Allocation Comparison

Total Fund Return Summary vs. Peer Universe

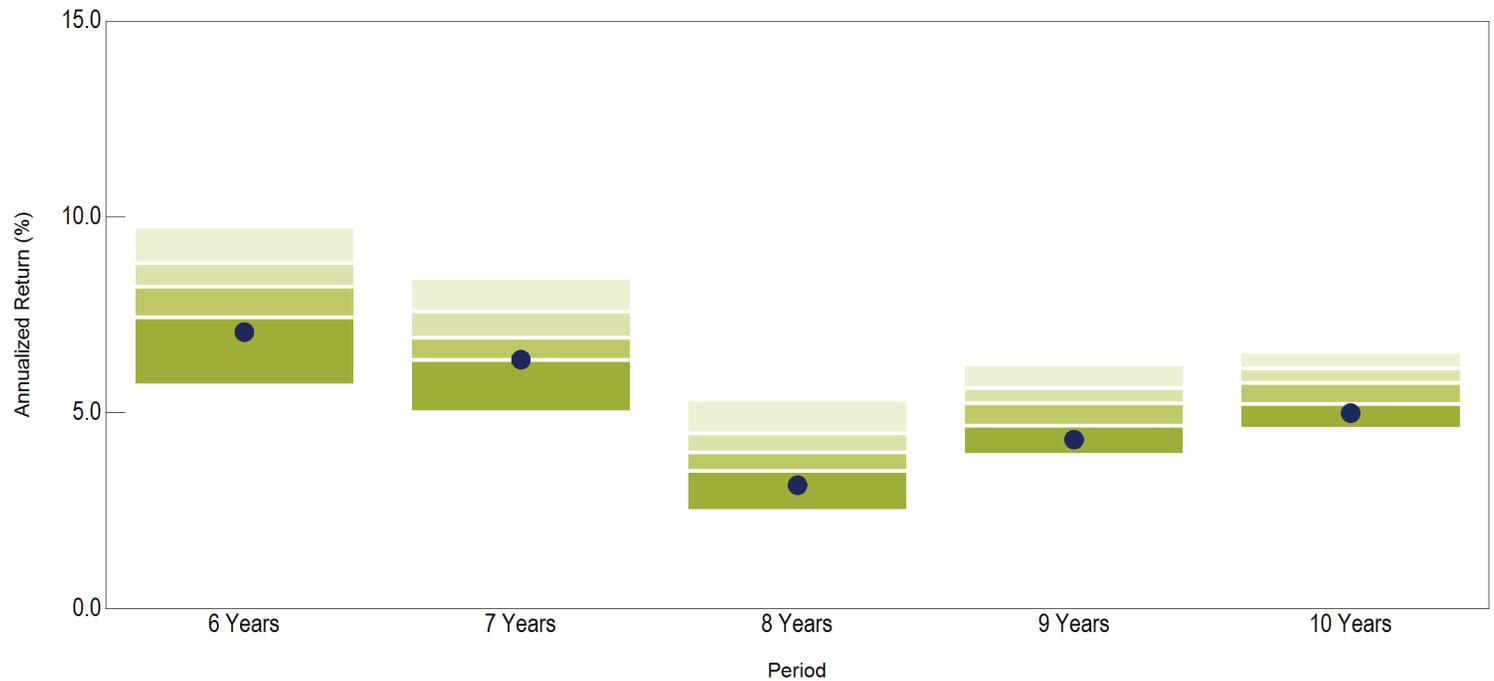
VPIC Composite vs. InvestorForce Public DB > \$1B Gross  
Ending September 30, 2015



	Return (Rank)							
	Quarter	2 Quarters	3 Quarters	1 Year	2 Years	3 Years	4 Years	5 Years
5th Percentile	-3.4	-2.7	0.0	1.7	6.1	9.0	11.2	9.4
25th Percentile	-4.3	-3.8	-1.5	0.2	5.2	8.1	10.4	8.6
Median	-4.9	-4.6	-2.3	-0.6	4.5	7.4	9.6	7.8
75th Percentile	-5.6	-5.4	-3.0	-1.6	3.7	6.1	8.4	7.0
95th Percentile	-6.6	-6.4	-4.0	-3.4	2.1	4.0	5.8	5.4
# of Portfolios	93	93	87	87	84	82	81	80
● Composite	-5.2 (62)	-5.1 (65)	-3.0 (75)	-3.1 (91)	2.2 (92)	3.9 (96)	6.8 (92)	5.9 (91)

Total Fund Return Summary vs. Peer Universe

VPIC Composite vs. InvestorForce Public DB > \$1B Gross  
Ending September 30, 2015



	Return (Rank)		6 Years		7 Years		8 Years		9 Years		10 Years	
5th Percentile			9.7	(85)	8.4	(76)	5.3	(82)	6.2	(90)	6.6	(81)
25th Percentile			8.8		7.6		4.5		5.7		6.2	
Median			8.2		6.9		4.0		5.3		5.8	
75th Percentile			7.4		6.4		3.5		4.7		5.2	
95th Percentile			5.7		5.0		2.5		3.9		4.6	
# of Portfolios			69		69		67		66		63	
● Composite			7.1	(85)	6.4	(76)	3.2	(82)	4.3	(90)	5.0	(81)

Total Fund Return Summary vs. Peer Universe

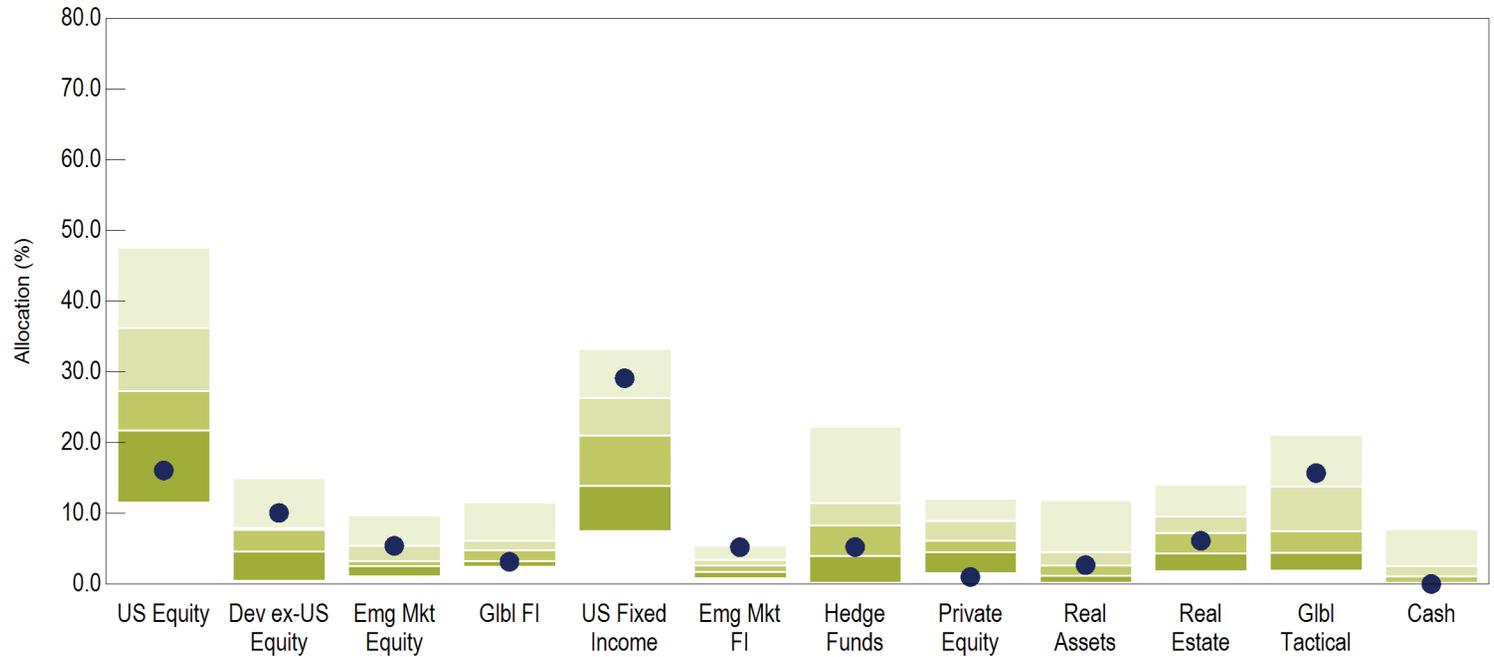
VPIC Composite vs. InvestorForce Public DB > \$1B Gross  
Ending September 30, 2015



	Return (Rank)									
5th Percentile	8.5	20.2	14.7	3.3	15.7	27.7	-21.0	11.0	16.6	11.2
25th Percentile	6.8	17.0	13.9	1.6	14.2	22.5	-24.9	9.5	15.0	8.8
Median	5.7	15.0	13.0	0.8	13.5	20.5	-26.7	8.6	13.9	7.9
75th Percentile	4.9	12.0	12.1	0.1	12.5	18.1	-28.3	7.4	12.9	7.3
95th Percentile	3.1	8.7	9.2	-0.9	10.2	13.4	-30.2	6.2	11.2	5.7
# of Portfolios	79	67	74	68	66	66	65	64	64	58
● Composite	4.5 (82)	8.5 (96)	13.2 (43)	2.2 (12)	14.9 (14)	26.8 (8)	-29.8 (93)	6.3 (92)	15.3 (21)	6.2 (91)

Total Fund Allocation vs. Peer Universe

VPIC Composite vs. InvestorForce Public DB > \$1B Gross  
As of September 30, 2015



	Allocation (Rank)												
5th Percentile	47.6	15.0	9.7	11.6	33.2	5.5	22.3	12.1	12.0	14.1	21.1	7.8	--
25th Percentile	36.3	8.0	5.6	6.2	26.4	3.5	11.6	9.0	4.6	9.6	13.9	2.7	--
Median	27.4	7.8	3.4	4.9	21.1	2.8	8.4	6.3	2.8	7.3	7.6	1.2	--
75th Percentile	21.8	4.7	2.6	3.4	14.0	1.8	4.1	4.7	1.3	4.5	4.6	0.3	--
95th Percentile	11.7	0.6	1.2	2.5	7.6	0.9	0.3	1.7	0.3	1.9	2.0	-0.3	--
# of Portfolios	84	14	33	23	78	19	37	43	23	74	18	76	--
● Composite	16.1 (90)	10.1 (18)	5.4 (35)	3.2 (80)	29.1 (15)	5.2 (10)	5.3 (64)	1.0 (99)	2.7 (54)	6.1 (59)	15.7 (16)	0.0 (91)	--

# VPIC Composite

## Total Fund Performance - Gross

	Ending September 30, 2015												Market Value (\$)
	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	
<b>VPIC Composite</b>	-5.2	62	-3.0	75	-3.1	91	3.9	96	5.9	91	5.0	81	3,765,715,652
<i>60% MSCI World / 40% CITI WGBI</i>	-4.4	27	-4.2	97	-4.1	99	4.3	91	5.4	96	4.9	86	
<i>InvestorForce Public DB &gt; \$1B Gross Median</i>	-4.9		-2.3		-0.6		7.4		7.8		5.8		
<b>Vermont State Teachers</b>	-5.0	51	-2.8	56	-3.0	88	3.9	95	5.9	91	4.9	86	1,598,628,275
<i>Allocation Index</i>	-4.9	44	-3.2	69	-2.8	86	3.7	96	5.0	95	4.5	95	
<i>Policy Index</i>	-4.4	27	-2.7	51	-2.4	82	3.9	94	5.2	95	4.5	94	
<i>InvestorForce Public DB Gross Median</i>	-5.0		-2.6		-0.6		6.9		7.5		5.6		
<b>Vermont State Employees</b>	-5.3	61	-3.1	64	-3.2	91	4.0	94	5.9	90	5.1	81	1,523,737,201
<i>Allocation Index</i>	-4.9	44	-3.2	68	-2.8	85	3.8	95	5.1	95	4.7	92	
<i>Policy Index</i>	-4.5	31	-2.7	53	-2.4	82	3.9	95	5.1	95	4.7	90	
<i>InvestorForce Public DB Gross Median</i>	-5.0		-2.6		-0.6		6.9		7.5		5.6		
<b>Vermont Municipal Employees</b>	-5.3	61	-3.3	70	-3.3	93	4.0	93	5.9	90	5.2	76	497,513,227
<i>Allocation Index</i>	-4.9	44	-3.2	67	-2.8	85	3.9	95	5.1	95	4.7	89	
<i>Policy Index</i>	-4.5	31	-2.7	53	-2.4	82	3.9	95	5.1	95	4.8	88	
<i>InvestorForce Public DB Gross Median</i>	-5.0		-2.6		-0.6		6.9		7.5		5.6		
<b>City of Burlington</b>	-5.2	59	-3.0	60	-3.0	90	4.0	94	5.9	91	4.7	92	145,836,950
<i>Allocation Index</i>	-4.9	44	-3.2	69	-2.8	85	3.7	96	--	--	--	--	
<i>Policy Index</i>	-4.5	31	-2.7	53	-2.4	82	3.9	95	5.1	95	4.3	96	
<i>60% MSCI World / 40% CITI WGBI</i>	-4.4	26	-4.2	89	-4.1	96	4.3	90	5.4	94	4.9	87	
<i>InvestorForce Public DB Gross Median</i>	-5.0		-2.6		-0.6		6.9		7.5		5.6		

## VPIC Composite

### Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
<b>Composite</b>	<b>3,765,715,652</b>	<b>100.0</b>	<b>100.0</b>	<b>-5.2</b>	<b>62</b>	<b>-3.0</b>	<b>75</b>	<b>-3.1</b>	<b>91</b>	<b>3.9</b>	<b>96</b>	<b>5.9</b>	<b>91</b>
<i>InvestorForce Public DB &gt; \$1B Gross Median</i>				-4.9		-2.3		-0.6		7.4		7.8	
<b>Total Equity</b>	<b>1,189,650,728</b>	<b>31.6</b>	<b>32.0</b>	<b>-9.7</b>	<b>67</b>	<b>-6.8</b>	<b>73</b>	<b>-5.6</b>	<b>71</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>MSCI ACWI</i>				-9.4	64	-7.0	75	-6.7	76	7.0	77	6.8	78
<i>eA All Global Equity Gross Median</i>				-8.5		-4.6		-3.2		9.0		9.0	
<b>US Equity</b>	<b>605,534,839</b>	<b>16.1</b>	<b>16.0</b>	<b>-7.9</b>	<b>46</b>	<b>-5.1</b>	<b>50</b>	<b>0.9</b>	<b>47</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Russell 3000</i>				-7.2	37	-5.4	55	-0.5	59	12.5	56	13.3	51
<i>eA All US Equity Gross Median</i>				-8.2		-5.2		0.5		12.9		13.3	
<b>Large Cap Comp</b>	<b>418,002,936</b>	<b>11.1</b>	<b>11.0</b>	<b>-6.7</b>	<b>44</b>	<b>-5.7</b>	<b>57</b>	<b>-0.8</b>	<b>53</b>	<b>13.0</b>	<b>48</b>	<b>13.5</b>	<b>43</b>
<i>S&amp;P 500</i>				-6.4	39	-5.3	53	-0.6	52	12.4	56	13.3	47
<i>eA US Large Cap Equity Gross Median</i>				-7.1		-5.1		-0.4		12.9		13.2	
<b>SSgA S&amp;P 500 Cap-Wgt</b>	<b>306,290,574</b>	<b>8.1</b>	<b>8.0</b>	<b>-6.4</b>	<b>38</b>	<b>-5.2</b>	<b>52</b>	<b>-0.5</b>	<b>52</b>	<b>12.5</b>	<b>56</b>	<b>13.4</b>	<b>47</b>
<i>S&amp;P 500</i>				-6.4	39	-5.3	53	-0.6	52	12.4	56	13.3	47
<b>SSgA S&amp;P 500 Equal-Wgt</b>	<b>111,705,555</b>	<b>3.0</b>	<b>3.0</b>	<b>-7.7</b>	<b>62</b>	<b>-7.1</b>	<b>71</b>	<b>-1.5</b>	<b>58</b>	<b>14.3</b>	<b>26</b>	<b>13.7</b>	<b>40</b>
<i>S&amp;P 500 Equal Weighted</i>				-7.5	59	-6.9	70	-1.2	56	14.3	26	13.8	38
<b>T. Rowe</b>	<b>6,807</b>	<b>0.0</b>	<b>0.0</b>										
<i>S&amp;P 500</i>													

All sub-composite returns for the total plan are based off TRS returns up to 4/31/2012, and include all plans thereafter.

Note: Returns are gross of manager fees except where noted. Results for periods longer than one year are annualized.

Fiscal Year End is 6/30

VPIC Composite

Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
<b>Small/Mid Cap Comp</b>	<b>187,531,903</b>	<b>5.0</b>	<b>5.0</b>	<b>-10.1</b>	<b>53</b>	<b>-4.2</b>	<b>41</b>	<b>4.0</b>	<b>26</b>	<b>13.5</b>	<b>42</b>	<b>13.9</b>	<b>36</b>
<i>Russell 2000</i>				-11.9	75	-7.7	77	1.2	50	11.0	73	11.7	74
<i>eA US Small-Mid Cap Equity Gross Median</i>				-10.0		-4.8		1.1		13.1		13.3	
<b>SSgA S&amp;P 400</b>	<b>19,949,235</b>	<b>0.5</b>	<b>0.5</b>	<b>-8.5</b>	<b>52</b>	<b>-4.6</b>	<b>56</b>	<b>1.4</b>	<b>51</b>	<b>13.2</b>	<b>62</b>	<b>--</b>	<b>--</b>
<i>S&amp;P 400 MidCap</i>				-8.5	53	-4.7	56	1.4	51	13.1	63	12.9	60
<i>eA US Mid Cap Equity Gross Median</i>				-8.2		-4.0		1.6		13.8		13.4	
<b>Champlain</b>	<b>73,548,440</b>	<b>2.0</b>	<b>2.0</b>	<b>-9.4</b>	<b>64</b>	<b>-3.1</b>	<b>41</b>	<b>1.8</b>	<b>47</b>	<b>14.2</b>	<b>44</b>	<b>14.1</b>	<b>39</b>
<i>Russell 2500</i>				-10.3	80	-6.0	70	0.4	60	12.4	74	12.7	67
<i>eA US Mid Cap Equity Gross Median</i>				-8.2		-4.0		1.6		13.8		13.4	
<b>Wellington</b>	<b>76,719,756</b>	<b>2.0</b>	<b>2.0</b>	<b>-10.2</b>	<b>58</b>	<b>-5.3</b>	<b>29</b>	<b>6.1</b>	<b>6</b>	<b>12.8</b>	<b>43</b>	<b>13.8</b>	<b>29</b>
<i>Russell 2000 Value</i>				-10.7	67	-10.1	77	-1.6	64	9.2	83	10.2	83
<i>eA US Small Cap Value Equity Gross Median</i>				-9.8		-6.7		0.5		12.2		12.5	
<b>SSgA Russell 2000 Growth</b>	<b>17,314,472</b>	<b>0.5</b>	<b>0.5</b>	<b>-13.0</b>	<b>67</b>	<b>-5.4</b>	<b>60</b>	<b>4.1</b>	<b>50</b>	<b>12.8</b>	<b>55</b>	<b>13.3</b>	<b>67</b>
<i>Russell 2000 Growth</i>				-13.1	68	-5.5	60	4.0	51	12.8	55	13.3	67
<i>eA US Small Cap Growth Equity Gross Median</i>				-11.7		-3.8		4.1		13.4		14.3	

VPIC Composite

Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
<b>Int'l Equity Comp</b>	<b>379,720,531</b>	<b>10.1</b>	<b>10.0</b>	<b>-9.7</b>	<b>60</b>	<b>-5.0</b>	<b>73</b>	<b>-8.4</b>	<b>77</b>	<b>6.3</b>	<b>63</b>	<b>4.8</b>	<b>70</b>
MSCI EAFE				-10.2	72	-5.3	77	-8.7	79	5.6	72	4.0	83
eA All EAFE Equity Gross Median				-9.2		-2.7		-5.2		7.1		5.9	
<b>Acadian</b>	<b>147,297,668</b>	<b>3.9</b>	<b>4.0</b>	<b>-7.8</b>	<b>26</b>	<b>-2.6</b>	<b>47</b>	<b>-5.3</b>	<b>53</b>	<b>8.3</b>	<b>36</b>	<b>6.0</b>	<b>49</b>
<b>Mondrian</b>	<b>146,190,329</b>	<b>3.9</b>	<b>4.0</b>	<b>-10.2</b>	<b>70</b>	<b>-5.3</b>	<b>77</b>	<b>-9.5</b>	<b>84</b>	<b>6.1</b>	<b>66</b>	<b>4.9</b>	<b>69</b>
MSCI EAFE				-10.2	72	-5.3	77	-8.7	79	5.6	72	4.0	83
S&P EPAC LargeMidCap				-10.4	74	-5.0	74	-8.7	79	5.7	72	4.3	79
<b>SSgA ACWI Ex US</b>	<b>86,232,534</b>	<b>2.3</b>	<b>2.0</b>	<b>-12.1</b>	<b>83</b>	<b>-8.5</b>	<b>88</b>	<b>-12.0</b>	<b>89</b>	<b>2.6</b>	<b>86</b>	<b>2.1</b>	<b>93</b>
MSCI ACWI ex USA				-12.2	83	-8.6	89	-12.2	90	2.3	89	1.8	97
eA ACWI ex-US All Cap Equity Gross Median				-10.7		-4.9		-6.1		5.7		5.2	
<b>Emerging Market Comp</b>	<b>204,395,357</b>	<b>5.4</b>	<b>6.0</b>										
eA Emg Mkts Equity Gross Median													
<b>Aberdeen</b>	<b>204,395,357</b>	<b>5.4</b>	<b>6.0</b>	<b>-14.8</b>	<b>27</b>	<b>-13.8</b>	<b>47</b>	<b>-18.3</b>	<b>69</b>	<b>-5.1</b>	<b>79</b>	<b>-0.8</b>	<b>40</b>
MSCI Emerging Markets				-17.9	81	-15.5	69	-19.3	73	-5.3	81	-3.6	83
eA Emg Mkts Equity Gross Median				-16.3		-14.0		-16.8		-2.6		-1.8	

# VPIC Composite

## Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
<b>US Fixed Income</b>	<b>1,096,143,396</b>	<b>29.1</b>	<b>24.0</b>	<b>-0.5</b>	<b>80</b>	<b>0.7</b>	<b>62</b>	<b>2.0</b>	<b>52</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Barclays Aggregate				1.2	23	1.1	50	2.9	26	1.7	66	3.1	62
eA All US Fixed Inc Gross Median				0.6		1.1		2.1		2.1		3.6	
<b>Diversified Fixed Income</b>	<b>819,035,718</b>	<b>21.7</b>	<b>20.0</b>	<b>0.2</b>	<b>65</b>	<b>1.2</b>	<b>48</b>	<b>3.2</b>	<b>18</b>	<b>2.3</b>	<b>43</b>	<b>4.1</b>	<b>41</b>
Barclays Aggregate				1.2	23	1.1	50	2.9	26	1.7	66	3.1	62
eA All US Fixed Inc Gross Median				0.6		1.1		2.1		2.1		3.6	
<b>Allianz Structured Alpha</b>	<b>111,024,579</b>	<b>2.9</b>	<b>2.0</b>	<b>1.6</b>	<b>6</b>	<b>5.2</b>	<b>1</b>	<b>10.7</b>	<b>1</b>	<b>7.4</b>	<b>1</b>	<b>8.3</b>	<b>1</b>
Citigroup 10 Year Treasury				2.9	1	2.4	3	6.0	1	1.4	95	3.8	39
<b>SSgA Barclays Aggregate Index</b>	<b>122,547,318</b>	<b>3.3</b>	<b>3.0</b>	<b>1.2</b>	<b>37</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Barclays Aggregate				1.2	37	1.1	66	2.9	54	1.7	79	3.1	82
3-Month Libor Total Return USD				0.1	97	0.2	98	0.3	99	0.3	99	0.3	99
eA US Core Fixed Inc Gross Median				1.1		1.3		3.0		2.0		3.6	
<b>PIMCO Core Plus</b>	<b>200,742,919</b>	<b>5.3</b>	<b>5.0</b>	<b>0.1</b>	<b>97</b>	<b>1.0</b>	<b>73</b>	<b>2.6</b>	<b>70</b>	<b>1.5</b>	<b>95</b>	<b>3.4</b>	<b>68</b>
Barclays Aggregate				1.2	37	1.1	66	2.9	54	1.7	79	3.1	82
<b>PIMCO Unconstrained</b>	<b>100,891,365</b>	<b>2.7</b>	<b>2.5</b>	<b>-3.1</b>	<b>99</b>	<b>-2.7</b>	<b>99</b>	<b>-2.8</b>	<b>99</b>	<b>-0.3</b>	<b>99</b>	<b>--</b>	<b>--</b>
25% HY, 25% EMD, 50% BC Agg				-1.1	99	-0.1	99	0.1	99	1.9	65	4.2	12
3-Month Libor Total Return USD				0.1	97	0.2	98	0.3	99	0.3	99	0.3	99
<b>Wellington DAS</b>	<b>111,734,446</b>	<b>3.0</b>	<b>3.0</b>	<b>5.0</b>	<b>1</b>	<b>5.3</b>	<b>1</b>	<b>11.1</b>	<b>1</b>	<b>5.6</b>	<b>1</b>	<b>8.1</b>	<b>1</b>
Wellington Custom Benchmark				3.6	1	3.3	1	7.7	1	2.5	20	6.0	1
<b>GAM Unconstrained Bond</b>	<b>172,095,092</b>	<b>4.6</b>	<b>4.5</b>	<b>-2.3</b>	<b>99</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
3-Month LIBOR + 3%				0.8	77	2.5	2	3.3	32	3.3	5	3.3	71
eA US Core Fixed Inc Gross Median				1.1		1.3		3.0		2.0		3.6	
<b>High Yield Comp</b>	<b>158,712,794</b>	<b>4.2</b>	<b>4.0</b>	<b>-3.9</b>	<b>47</b>	<b>-0.5</b>	<b>38</b>	<b>-1.7</b>	<b>47</b>	<b>4.3</b>	<b>38</b>	<b>6.7</b>	<b>40</b>
eA US High Yield Fixed Inc Gross Median				-4.0		-0.9		-2.0		4.1		6.5	
<b>KDP</b>	<b>39,143,817</b>	<b>1.0</b>	<b>1.0</b>	<b>-4.3</b>	<b>58</b>	<b>-1.7</b>	<b>63</b>	<b>-2.0</b>	<b>51</b>	<b>3.0</b>	<b>86</b>	<b>5.5</b>	<b>84</b>
<b>Guggenheim</b>	<b>119,568,977</b>	<b>3.2</b>	<b>3.0</b>	<b>-3.7</b>	<b>45</b>	<b>-0.1</b>	<b>27</b>	<b>-1.6</b>	<b>47</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Barclays High Yield				-4.9	71	-2.5	77	-3.4	73	3.5	67	6.1	64
BofA Merrill Lynch US High Yield BB-B Rated				-4.3	58	-1.7	64	-2.1	52	3.7	62	6.0	68
eA US High Yield Fixed Inc Gross Median				-4.0		-0.9		-2.0		4.1		6.5	
<b>TIPS</b>	<b>118,394,884</b>	<b>3.1</b>	<b>3.0</b>	<b>-1.2</b>	<b>--</b>	<b>-0.8</b>	<b>--</b>	<b>-0.9</b>	<b>--</b>	<b>-1.9</b>	<b>--</b>	<b>2.5</b>	<b>--</b>
eA TIPS / Infl Indexed Fixed Inc Gross Median				-1.1	--	-0.8	--	-0.8	--	-1.8	--	2.5	--

Wellington DAS is Net of Fees. Allianz is Net of Fees from inception to Q3 2012, and Grossed up quarterly since  
 Wellington Custom Benchmark: 5/1/2002 - 5/31/2011 is the Barclays Aggregate; 6/1/2011 - Present is the Citigroup US Strips Index  
 GAM Unconstrained Bond was funded in June 2015

VPIC Composite

Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
<b>Global Fixed Income Comp</b>	<b>119,557,282</b>	<b>3.2</b>	<b>3.0</b>	<b>0.9</b>	<b>16</b>	<b>-1.3</b>	<b>42</b>	<b>-3.0</b>	<b>56</b>	<b>-3.7</b>	<b>96</b>	<b>0.3</b>	<b>91</b>
<i>eA All Global Fixed Inc Gross Median</i>				-0.9		-1.9		-2.7		1.7		3.0	
<b>Mondrian GFI</b>	<b>119,557,282</b>	<b>3.2</b>	<b>3.0</b>	<b>0.9</b>	<b>16</b>	<b>-1.3</b>	<b>42</b>	<b>-3.0</b>	<b>56</b>	<b>-3.7</b>	<b>96</b>	<b>-0.3</b>	<b>96</b>
<i>Citi WGBI</i>				1.7	6	-2.4	63	-3.8	67	-2.9	92	-0.2	95
<b>Emerging Market Debt</b>	<b>197,134,335</b>	<b>5.2</b>	<b>5.0</b>										
<i>eA All Emg Mkts Fixed Inc Gross Median</i>													
<b>Wellington Opportunistic EMD</b>	<b>197,134,335</b>	<b>5.2</b>	<b>5.0</b>	<b>-3.5</b>	<b>32</b>	<b>-2.8</b>	<b>47</b>	<b>-3.7</b>	<b>37</b>	<b>0.5</b>	<b>38</b>	<b>4.5</b>	<b>30</b>
<i>JP Morgan EMBI Global TR</i>				-2.0	12	-0.3	17	-2.0	22	0.5	36	4.4	33
<i>eA All Emg Mkts Fixed Inc Gross Median</i>				-4.9		-3.5		-6.9		-0.8		3.1	
<b>Total Real Estate</b>	<b>231,208,047</b>	<b>6.1</b>	<b>6.0</b>	<b>2.7</b>	<b>--</b>	<b>10.6</b>	<b>--</b>	<b>14.3</b>	<b>--</b>	<b>14.3</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Morgan Stanley Prime Property</b>	<b>106,230,220</b>	<b>2.8</b>	<b>2.0</b>	<b>3.8</b>	<b>--</b>	<b>11.9</b>	<b>--</b>	<b>17.0</b>	<b>--</b>	<b>16.1</b>	<b>--</b>	<b>15.9</b>	<b>--</b>
<b>UBS Trumbull</b>	<b>89,773,972</b>	<b>2.4</b>	<b>2.0</b>	<b>3.4</b>	<b>--</b>	<b>9.6</b>	<b>--</b>	<b>12.9</b>	<b>--</b>	<b>11.3</b>	<b>--</b>	<b>11.8</b>	<b>--</b>
<b>RREEF America REIT III</b>	<b>12,106,952</b>	<b>0.3</b>	<b>0.5</b>	<b>-4.9</b>	<b>--</b>	<b>9.4</b>	<b>--</b>	<b>12.1</b>	<b>--</b>	<b>18.6</b>	<b>--</b>	<b>25.7</b>	<b>--</b>
<b>Siguler Guff</b>	<b>22,773,844</b>	<b>0.6</b>	<b>1.0</b>	<b>-0.6</b>	<b>--</b>	<b>6.8</b>	<b>--</b>	<b>6.6</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Transwestern / Aslan III</b>	<b>323,059</b>	<b>0.0</b>	<b>0.5</b>	<b>2.1</b>	<b>--</b>	<b>6.0</b>	<b>--</b>	<b>6.1</b>	<b>--</b>	<b>22.3</b>	<b>--</b>	<b>5.7</b>	<b>--</b>
<i>NCREIF Property Index</i>				3.1	--	10.1	--	13.5	--	11.9	--	12.5	--
<i>NCREIF ODCE</i>				3.7	--	11.3	--	14.9	--	13.4	--	14.0	--
<b>Hedge Fund Comp</b>	<b>198,291,079</b>	<b>5.3</b>	<b>5.0</b>	<b>-2.5</b>	<b>38</b>	<b>-0.6</b>	<b>43</b>	<b>-0.9</b>	<b>54</b>	<b>6.0</b>	<b>34</b>	<b>--</b>	<b>--</b>
<i>eV Alt Fund of Funds - Multi-Strategy Median</i>				-3.3		-1.1		-0.4		5.0		3.9	
<b>Grosvenor</b>	<b>197,796,801</b>	<b>5.3</b>	<b>5.0</b>	<b>-2.5</b>	<b>38</b>	<b>-0.1</b>	<b>36</b>	<b>0.4</b>	<b>41</b>	<b>6.8</b>	<b>23</b>	<b>--</b>	<b>--</b>
<b>GAM</b>	<b>494,278</b>	<b>0.0</b>	<b>0.0</b>										
<i>HFRI Fund of Funds Composite Index</i>													

Wellington Opportunistic EMD is Net of manager fees  
 Real Estate is updated through Q2 2015. Siguler Guff data is preliminary  
 Hedge Fund Comp and Commodities are Net of Manager Fees

VPIC Composite

Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
<b>GAA Comp</b>	<b>591,549,415</b>	<b>15.7</b>	<b>16.0</b>	<b>-7.7</b>	<b>85</b>	<b>-5.9</b>	<b>77</b>	<b>-7.0</b>	<b>78</b>	<b>1.3</b>	<b>86</b>	<b>4.3</b>	<b>64</b>
<i>eA Global TAA Gross Median</i>				-5.4		-4.3		-3.3		3.6		5.1	
<b>Mellon Dynamic Growth</b>	<b>80,204,024</b>	<b>2.1</b>	<b>2.0</b>	<b>-6.5</b>	<b>68</b>	<b>-1.0</b>	<b>13</b>	<b>4.3</b>	<b>2</b>	<b>6.1</b>	<b>15</b>	<b>7.1</b>	<b>18</b>
<i>Mellon Dynamic Growth Benchmark</i>				-5.5	54	-5.1	60	-5.1	64	3.4	58	4.6	62
<b>AQR Global Risk Premium</b>	<b>286,380,510</b>	<b>7.6</b>	<b>8.0</b>	<b>-7.6</b>	<b>82</b>	<b>-6.4</b>	<b>79</b>	<b>-8.0</b>	<b>84</b>	<b>0.4</b>	<b>90</b>	<b>5.1</b>	<b>51</b>
<i>60% MSCI World / 40% CITI WGBI</i>				-4.4	35	-4.2	49	-4.1	59	4.3	42	5.4	49
<b>PIMCO All Asset</b>	<b>224,964,454</b>	<b>6.0</b>	<b>6.0</b>	<b>-8.4</b>	<b>89</b>	<b>-8.1</b>	<b>91</b>	<b>-10.5</b>	<b>96</b>	<b>-0.7</b>	<b>92</b>	<b>3.0</b>	<b>77</b>
<i>PIMCO All Asset Index</i>				-1.0	9	-0.2	10	0.5	15	1.9	77	4.2	65
<i>CPI + 5% (Seasonally Adjusted)</i>				1.1	1	4.3	1	5.0	1	6.0	15	6.8	19
<b>Wellington OIF</b>	<b>426</b>	<b>0.0</b>	<b>0.0</b>										
<i>65% MSCI World (Net) /35% BC Agg</i>													
<b>Commodities</b>	<b>101,712,669</b>	<b>2.7</b>	<b>3.0</b>										
<b>Schroder</b>	<b>101,712,669</b>	<b>2.7</b>	<b>3.0</b>	<b>-13.7</b>	<b>--</b>	<b>-17.4</b>	<b>--</b>	<b>-33.2</b>	<b>--</b>	<b>-18.3</b>	<b>--</b>	<b>-8.9</b>	<b>--</b>
<i>Bloomberg Commodity Index</i>				-14.5	--	-15.8	--	-26.0	--	-16.0	--	-8.9	--
<b>Cash</b>	<b>1,558,131</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>--</b>	<b>0.0</b>	<b>--</b>	<b>0.0</b>	<b>--</b>	<b>0.0</b>	<b>--</b>	<b>0.1</b>	<b>--</b>
<i>91 Day T-Bills</i>				0.0	--	0.0	--	0.0	--	0.0	--	0.0	--
<b>Private Equity</b>	<b>38,910,571</b>	<b>1.0</b>	<b>3.0</b>	<b>-3.0</b>	<b>--</b>	<b>8.8</b>	<b>--</b>	<b>20.1</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Cambridge Associates US All PE</i>				0.0	--	6.5	--	7.4	--	14.2	--	14.5	--
<b>Harbourvest Partners IX Credit Opportunities</b>	<b>1,281,305</b>	<b>0.0</b>	<b>--</b>										
<b>Harbourvest Partners IX Venture Fund</b>	<b>9,299,114</b>	<b>0.2</b>	<b>--</b>										
<b>Harbourvest Partners IX Buyout Fund</b>	<b>10,539,737</b>	<b>0.3</b>	<b>--</b>										
<b>Harbourvest Dover VIII Fund</b>	<b>15,998,492</b>	<b>0.4</b>	<b>--</b>										
<b>HIPEP VII</b>	<b>1,791,923</b>	<b>0.0</b>	<b>--</b>										

Harbourvest is based on estimated Capital Account Statements for Q3 2015

PIMCO All Asset Index: 40% BC Agg / 30% TIPS / 10% S&P500 / 10% BC HY / 10% JPM EMBI+

Mellon Dynamic Growth Benchmark: 60% MSCI All Country World Index IMI / 40% Citigroup GDP Weighted Wellington OIF is Net of Manager Fees



## VPIC Composite

### Total Fund Performance - Net

	Ending September 30, 2015						
	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Market Value (\$)
VPIC Composite	-5.3	-3.3	-3.5	3.5	5.5	4.7	3,765,715,652
Vermont State Teachers	-5.1	-3.2	-3.4	3.5	5.4	4.6	1,598,628,275
<i>Allocation Index</i>	-4.9	-3.2	-2.8	3.7	5.0	4.5	
<i>Policy Index</i>	-4.4	-2.7	-2.4	3.9	5.2	4.5	
Vermont State Employees	-5.4	-3.4	-3.6	3.5	5.5	4.7	1,523,737,201
<i>Allocation Index</i>	-4.9	-3.2	-2.8	3.8	5.1	4.7	
<i>Policy Index</i>	-4.5	-2.7	-2.4	3.9	5.1	4.7	
Vermont Municipal Employees	-5.4	-3.6	-3.7	3.5	5.5	4.8	497,513,227
<i>Allocation Index</i>	-4.9	-3.2	-2.8	3.9	5.1	4.7	
<i>Policy Index</i>	-4.5	-2.7	-2.4	3.9	5.1	4.8	
City of Burlington	-5.3	-3.3	-3.5	3.5	5.4	4.3	145,836,950
<i>Allocation Index</i>	-4.9	-3.2	-2.8	3.7	--	--	
<i>Policy Index</i>	-4.5	-2.7	-2.4	3.9	5.1	4.3	
60% MSCI World / 40% CITI WGBI	-4.4	-4.2	-4.1	4.3	5.4	4.9	

Net returns use one quarter lagged manager fees based on manager's invoices broken out using JPMorgan weights at the quarter end for which the fees were accrued. Net returns begin Q3 2012, and are gross before to inception except where otherwise noted.

VPIC Composite

Total Fund Performance Detail – Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
<b>Composite</b>	<b>3,765,715,652</b>	<b>100.0</b>	<b>100.0</b>	<b>-5.2</b>	<b>-3.0</b>	<b>-3.1</b>	<b>3.9</b>	<b>5.9</b>
<b>Total Equity</b>	<b>1,189,650,728</b>	<b>31.6</b>	<b>32.0</b>	<b>-9.7</b>	<b>-6.8</b>	<b>-5.6</b>	<b>--</b>	<b>--</b>
<i>MSCI ACWI</i>				-9.4	-7.0	-6.7	7.0	6.8
<b>US Equity</b>	<b>605,534,839</b>	<b>16.1</b>	<b>16.0</b>	<b>-7.9</b>	<b>-5.1</b>	<b>0.9</b>	<b>--</b>	<b>--</b>
<i>Russell 3000</i>				-7.2	-5.4	-0.5	12.5	13.3
<b>Large Cap Comp</b>	<b>418,002,936</b>	<b>11.1</b>	<b>11.0</b>	<b>-6.7</b>	<b>-5.7</b>	<b>-0.8</b>	<b>13.0</b>	<b>13.5</b>
<i>S&amp;P 500</i>				-6.4	-5.3	-0.6	12.4	13.3
<b>SSgA S&amp;P 500 Cap-Wgt</b>	<b>306,290,574</b>	<b>8.1</b>	<b>8.0</b>	<b>-6.4</b>	<b>-5.2</b>	<b>-0.5</b>	<b>12.5</b>	<b>13.4</b>
<i>S&amp;P 500</i>				-6.4	-5.3	-0.6	12.4	13.3
<b>SSgA S&amp;P 500 Equal-Wgt</b>	<b>111,705,555</b>	<b>3.0</b>	<b>3.0</b>	<b>-7.7</b>	<b>-7.1</b>	<b>-1.5</b>	<b>14.3</b>	<b>13.7</b>
<i>S&amp;P 500 Equal Weighted</i>				-7.5	-6.9	-1.2	14.3	13.8
<b>T. Rowe</b>	<b>6,807</b>	<b>0.0</b>	<b>0.0</b>					
<i>S&amp;P 500</i>								
<b>Small/Mid Cap Comp</b>	<b>187,531,903</b>	<b>5.0</b>	<b>5.0</b>	<b>-10.1</b>	<b>-4.2</b>	<b>4.0</b>	<b>13.5</b>	<b>13.9</b>
<i>Russell 2000</i>				-11.9	-7.7	1.2	11.0	11.7
<b>SSgA S&amp;P 400</b>	<b>19,949,235</b>	<b>0.5</b>	<b>0.5</b>	<b>-8.5</b>	<b>-4.6</b>	<b>1.4</b>	<b>13.2</b>	<b>--</b>
<i>S&amp;P 400 MidCap</i>				-8.5	-4.7	1.4	13.1	12.9
<b>Champlain</b>	<b>73,548,440</b>	<b>2.0</b>	<b>2.0</b>	<b>-9.4</b>	<b>-3.1</b>	<b>1.8</b>	<b>14.2</b>	<b>14.1</b>
<i>Russell 2500</i>				-10.3	-6.0	0.4	12.4	12.7
<b>Wellington</b>	<b>76,719,756</b>	<b>2.0</b>	<b>2.0</b>	<b>-10.2</b>	<b>-5.3</b>	<b>6.1</b>	<b>12.8</b>	<b>13.8</b>
<i>Russell 2000 Value</i>				-10.7	-10.1	-1.6	9.2	10.2
<b>SSgA Russell 2000 Growth</b>	<b>17,314,472</b>	<b>0.5</b>	<b>0.5</b>	<b>-13.0</b>	<b>-5.4</b>	<b>4.1</b>	<b>12.8</b>	<b>13.3</b>
<i>Russell 2000 Growth</i>				-13.1	-5.5	4.0	12.8	13.3

Fiscal Year End is 6/30

Report is Net of manager fees

Net returns use one quarter lagged manager fees based on manager's invoices broken out using JPMorgan weights at the quarter end for which the fees were accrued

Net returns begin Q3 2012, and are gross before to inception except where otherwise noted



September 30, 2015

VPIC Composite

Total Fund Performance Detail – Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
<b>Int'l Equity Comp</b>	<b>379,720,531</b>	<b>10.1</b>	<b>10.0</b>	<b>-9.7</b>	<b>-5.0</b>	<b>-8.4</b>	<b>6.3</b>	<b>4.8</b>
<i>MSCI EAFE</i>				-10.2	-5.3	-8.7	5.6	4.0
<b>Acadian</b>	<b>147,297,668</b>	<b>3.9</b>	<b>4.0</b>	<b>-7.8</b>	<b>-2.6</b>	<b>-5.3</b>	<b>8.3</b>	<b>6.0</b>
<b>Mondrian</b>	<b>146,190,329</b>	<b>3.9</b>	<b>4.0</b>	<b>-10.2</b>	<b>-5.3</b>	<b>-9.5</b>	<b>6.1</b>	<b>4.9</b>
<i>MSCI EAFE</i>				-10.2	-5.3	-8.7	5.6	4.0
<i>S&amp;P EPAC LargeMidCap</i>				-10.4	-5.0	-8.7	5.7	4.3
<b>SSgA ACWI Ex US</b>	<b>86,232,534</b>	<b>2.3</b>	<b>2.0</b>	<b>-12.1</b>	<b>-8.5</b>	<b>-12.0</b>	<b>2.6</b>	<b>2.1</b>
<i>MSCI ACWI ex USA</i>				-12.2	-8.6	-12.2	2.3	1.8
<b>Emerging Market Comp</b>	<b>204,395,357</b>	<b>5.4</b>	<b>6.0</b>					
<b>Aberdeen</b>	<b>204,395,357</b>	<b>5.4</b>	<b>6.0</b>	<b>-14.8</b>	<b>-13.8</b>	<b>-18.3</b>	<b>-5.1</b>	<b>-0.8</b>
<i>MSCI Emerging Markets</i>				-17.9	-15.5	-19.3	-5.3	-3.6
<b>US Fixed Income</b>	<b>1,096,143,396</b>	<b>29.1</b>	<b>24.0</b>	<b>-0.5</b>	<b>0.7</b>	<b>2.0</b>	<b>--</b>	<b>--</b>
<i>Barclays Aggregate</i>				1.2	1.1	2.9	1.7	3.1
<b>Diversified Fixed Income</b>	<b>819,035,718</b>	<b>21.7</b>	<b>20.0</b>	<b>0.2</b>	<b>1.2</b>	<b>3.2</b>	<b>2.3</b>	<b>4.1</b>
<i>Barclays Aggregate</i>				1.2	1.1	2.9	1.7	3.1
<b>Allianz Structured Alpha</b>	<b>111,024,579</b>	<b>2.9</b>	<b>2.0</b>	<b>1.6</b>	<b>5.2</b>	<b>10.7</b>	<b>7.4</b>	<b>8.3</b>
<i>Citigroup 10 Year Treasury</i>				2.9	2.4	6.0	1.4	3.8
<b>SSgA Barclays Aggregate Index</b>	<b>122,547,318</b>	<b>3.3</b>	<b>3.0</b>	<b>1.2</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Barclays Aggregate</i>				1.2	1.1	2.9	1.7	3.1
<i>3-Month Libor Total Return USD</i>				0.1	0.2	0.3	0.3	0.3
<b>PIMCO Core Plus</b>	<b>200,742,919</b>	<b>5.3</b>	<b>5.0</b>	<b>0.1</b>	<b>1.0</b>	<b>2.6</b>	<b>1.5</b>	<b>3.4</b>
<i>Barclays Aggregate</i>				1.2	1.1	2.9	1.7	3.1
<b>PIMCO Unconstrained</b>	<b>100,891,365</b>	<b>2.7</b>	<b>2.5</b>	<b>-3.1</b>	<b>-2.7</b>	<b>-2.8</b>	<b>-0.3</b>	<b>--</b>
<i>25% HY, 25% EMD, 50% BC Agg</i>				-1.1	-0.1	0.1	1.9	4.2
<i>3-Month Libor Total Return USD</i>				0.1	0.2	0.3	0.3	0.3
<b>Wellington DAS</b>	<b>111,734,446</b>	<b>3.0</b>	<b>3.0</b>	<b>5.0</b>	<b>5.3</b>	<b>11.1</b>	<b>5.6</b>	<b>8.1</b>
<i>Wellington Custom Benchmark</i>				3.6	3.3	7.7	2.5	6.0
<b>GAM Unconstrained Bond</b>	<b>172,095,092</b>	<b>4.6</b>	<b>4.5</b>	<b>-2.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>3-Month LIBOR + 3%</i>				0.8	2.5	3.3	3.3	3.3

Wellington Custom Benchmark: 5/1/2002 - 5/31/2011 is the Barclays Aggregate; 6/1/2011 - Present is the Citigroup US Strips Index  
 GAM Unconstrained Bond was funded in June 2015

VPIC Composite

Total Fund Performance Detail – Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
<b>High Yield Comp</b>	158,712,794	4.2	4.0	-3.9	-0.5	-1.7	4.3	6.7
KDP	39,143,817	1.0	1.0	-4.3	-1.7	-2.0	3.0	5.5
Guggenheim	119,568,977	3.2	3.0	-3.7	-0.1	-1.6	--	--
<i>Barclays High Yield</i>				-4.9	-2.5	-3.4	3.5	6.1
<i>BofA Merrill Lynch US High Yield BB-B Rated</i>				-4.3	-1.7	-2.1	3.7	6.0
<b>TIPS</b>	118,394,884	3.1	3.0					
BlackRock TIPS	118,394,884	3.1	3.0	-1.2	-0.8	-0.9	-1.9	2.5
<i>Barclays US TIPS</i>				-1.1	-0.8	-0.8	-1.8	2.5
<b>Global Fixed Income Comp</b>	119,557,282	3.2	3.0	0.9	-1.3	-3.0	-3.7	0.3
Mondrian GFI	119,557,282	3.2	3.0	0.9	-1.3	-3.0	-3.7	-0.3
<i>Citi WGBI</i>				1.7	-2.4	-3.8	-2.9	-0.2
<b>Emerging Market Debt</b>	197,134,335	5.2	5.0					
Wellington Opportunistic EMD	197,134,335	5.2	5.0	-3.5	-2.8	-3.7	0.5	4.5
<i>JP Morgan EMBI Global TR</i>				-2.0	-0.3	-2.0	0.5	4.4
<b>Total Real Estate</b>	231,208,047	6.1	6.0	2.7	10.6	14.3	14.3	--
Morgan Stanley Prime Property	106,230,220	2.8	2.0	3.8	11.9	17.0	16.1	15.9
UBS Trumbull	89,773,972	2.4	2.0	3.4	9.6	12.9	11.3	11.8
RREEF America REIT III	12,106,952	0.3	0.5	-4.9	9.4	12.1	18.6	25.7
Siguler Guff	22,773,844	0.6	1.0	-0.6	6.8	6.6	--	--
Transwestern / Aslan III	323,059	0.0	0.5	2.1	6.0	6.1	22.3	5.7
<i>NCREIF Property Index</i>				3.1	10.1	13.5	11.9	12.5
<i>NCREIF ODCE</i>				3.7	11.3	14.9	13.4	14.0

Real Estate is updated through Q3 2014. Siguler Guff data is preliminary

VPIC Composite

Total Fund Performance Detail – Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
<b>Hedge Fund Comp</b>	<b>198,291,079</b>	<b>5.3</b>	<b>5.0</b>	<b>-2.5</b>	<b>-0.6</b>	<b>-0.9</b>	<b>6.0</b>	<b>--</b>
Grosvenor	197,796,801	5.3	5.0	-2.5	-0.1	0.4	6.8	--
GAM	494,278	0.0	0.0					
<i>HFRI Fund of Funds Composite Index</i>								
<b>GAA Comp</b>	<b>591,549,415</b>	<b>15.7</b>	<b>16.0</b>	<b>-7.7</b>	<b>-5.9</b>	<b>-7.0</b>	<b>1.3</b>	<b>4.3</b>
<b>Mellon Dynamic Growth</b>	<b>80,204,024</b>	<b>2.1</b>	<b>2.0</b>	<b>-6.5</b>	<b>-1.0</b>	<b>4.3</b>	<b>6.1</b>	<b>7.1</b>
<i>Mellon Dynamic Growth Benchmark</i>								
				-5.5	-5.1	-5.1	3.4	4.6
<b>AQR Global Risk Premium</b>	<b>286,380,510</b>	<b>7.6</b>	<b>8.0</b>	<b>-7.6</b>	<b>-6.4</b>	<b>-8.0</b>	<b>0.4</b>	<b>5.1</b>
<i>60% MSCI World / 40% CITI WGBI</i>								
				-4.4	-4.2	-4.1	4.3	5.4
<b>PIMCO All Asset</b>	<b>224,964,454</b>	<b>6.0</b>	<b>6.0</b>	<b>-8.4</b>	<b>-8.1</b>	<b>-10.5</b>	<b>-0.7</b>	<b>3.0</b>
<i>PIMCO All Asset Index</i>								
				-1.0	-0.2	0.5	1.9	4.2
<i>CPI + 5% (Seasonally Adjusted)</i>								
				1.1	4.3	5.0	6.0	6.8
<b>Wellington OIF</b>	<b>426</b>	<b>0.0</b>	<b>0.0</b>					
<i>65% MSCI World (Net) /35% BC Agg</i>								
<b>Commodities</b>	<b>101,712,669</b>	<b>2.7</b>	<b>3.0</b>					
<b>Schroder</b>	<b>101,712,669</b>	<b>2.7</b>	<b>3.0</b>	<b>-13.7</b>	<b>-17.4</b>	<b>-33.2</b>	<b>-18.3</b>	<b>-8.9</b>
<i>Bloomberg Commodity Index</i>								
				-14.5	-15.8	-26.0	-16.0	-8.9
<b>Cash</b>	<b>1,558,131</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>
<i>91 Day T-Bills</i>								
				0.0	0.0	0.0	0.0	0.0
<b>Private Equity</b>	<b>38,910,571</b>	<b>1.0</b>	<b>3.0</b>	<b>-3.0</b>	<b>8.8</b>	<b>20.1</b>	<b>--</b>	<b>--</b>
<i>Cambridge Associates US All PE</i>								
				0.0	6.5	7.4	14.2	14.5
<b>Harbourvest Partners IX Credit Opportunities</b>	<b>1,281,305</b>	<b>0.0</b>	<b>--</b>					
<b>Harbourvest Partners IX Venture Fund</b>	<b>9,299,114</b>	<b>0.2</b>	<b>--</b>					
<b>Harbourvest Partners IX Buyout Fund</b>	<b>10,539,737</b>	<b>0.3</b>	<b>--</b>					
<b>Harbourvest Dover VIII Fund</b>	<b>15,998,492</b>	<b>0.4</b>	<b>--</b>					
<b>HIPEP VII</b>	<b>1,791,923</b>	<b>0.0</b>	<b>--</b>					

Harbourvest is based on estimated Capital Account Statements for Q3 2015

PIMCO All Asset Index: 40% BC Agg / 30% TIPS / 10% S&P500 / 10% BC HY / 10% JPM EMBI+ Mellon CF GEA

Index: 60% MSCI All Country World Index IMI/ 40% Citigroup GDP Weighted



# VPIC Composite

## Total Fund Yearly Performance - Gross

	Ending September 30, 2015																	
	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank
<b>VPIC Composite</b>	4.5	82	8.5	96	13.2	43	2.2	12	14.9	14	26.8	8	-29.8	93	6.3	92	15.3	21
<i>InvestorForce Public DB &gt; \$1B Gross Median</i>	5.7		15.0		13.0		0.8		13.5		20.5		-26.7		8.6		13.9	
<b>Vermont State Teachers</b>	4.5	80	8.2	96	13.2	27	2.2	17	14.9	12	26.5	7	-30.1	93	6.3	84	15.7	7
<i>Allocation Index</i>	3.4	94	9.3	93	10.8	74	0.7	60	11.6	77	22.7	24	-25.2	55	6.5	82	14.8	18
<i>Policy Index</i>	3.8	91	9.1	93	10.9	73	0.6	60	11.7	75	19.3	55	-24.3	45	7.6	54	14.4	23
<i>InvestorForce Public DB Gross Median</i>	5.8		15.5		12.4		0.9		12.9		20.2		-24.9		7.9		13.2	
<b>Vermont State Employees</b>	4.5	79	8.7	95	13.1	29	2.2	17	14.9	12	27.4	5	-29.6	90	6.4	83	14.9	17
<i>Allocation Index</i>	3.4	94	9.8	92	10.6	76	0.5	61	11.9	71	22.6	24	-23.9	42	6.6	81	14.1	28
<i>Policy Index</i>	3.8	91	9.1	93	10.9	73	0.6	60	11.7	75	19.5	54	-22.5	34	7.6	54	13.9	31
<i>InvestorForce Public DB Gross Median</i>	5.8		15.5		12.4		0.9		12.9		20.2		-24.9		7.9		13.2	
<b>Vermont Municipal Employees</b>	4.5	80	8.9	93	13.2	28	2.2	17	14.9	12	27.8	4	-29.4	89	6.3	87	14.8	18
<i>Allocation Index</i>	3.3	95	10.0	92	10.7	74	0.6	60	11.8	72	22.2	27	-23.0	37	6.7	81	13.6	40
<i>Policy Index</i>	3.8	91	9.1	93	10.9	73	0.6	60	11.7	75	19.3	55	-21.9	30	7.7	53	13.7	35
<i>InvestorForce Public DB Gross Median</i>	5.8		15.5		12.4		0.9		12.9		20.2		-24.9		7.9		13.2	
<b>City of Burlington</b>	4.5	78	8.4	96	13.1	29	2.2	17	14.9	12	26.6	6	-30.3	96	5.5	94	13.4	46
<i>Policy Index</i>	3.8	91	9.1	93	10.9	73	0.6	60	11.7	75	19.3	55	-24.3	45	7.4	61	12.6	58
<i>60% MSCI World / 40% CITI WGBI</i>	3.1	96	13.9	70	10.6	76	-0.3	77	9.8	92	19.2	56	-22.7	36	10.3	13	14.7	20
<i>InvestorForce Public DB Gross Median</i>	5.8		15.5		12.4		0.9		12.9		20.2		-24.9		7.9		13.2	

VPIC Composite

Total Fund Yearly Performance - Gross

	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank
<b>Composite</b>	<b>4.5</b>	<b>82</b>	<b>8.5</b>	<b>96</b>	<b>13.2</b>	<b>43</b>	<b>2.2</b>	<b>12</b>	<b>14.9</b>	<b>14</b>	<b>26.8</b>	<b>8</b>	<b>-29.8</b>	<b>93</b>	<b>6.3</b>	<b>92</b>	<b>15.3</b>	<b>21</b>
<i>InvestorForce Public DB &gt; \$1B Gross Median</i>	5.7		15.0		13.0		0.8		13.5		20.5		-26.7		8.6		13.9	
<b>Total Equity</b>	<b>5.1</b>	<b>45</b>	<b>23.4</b>	<b>65</b>	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>MSCI ACWI</i>	4.2	54	22.8	66	16.1	61	-7.3	53	12.7	65	34.6	44	-42.2	55	11.7	50	21.0	61
<i>eA All Global Equity Gross Median</i>	4.6		26.2		17.2		-7.0		14.3		33.3		-41.3		11.6		22.5	
<b>US Equity</b>	<b>11.6</b>	<b>41</b>	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>Russell 3000</i>	12.6	33	33.6	64	16.4	45	1.0	39	16.9	61	28.3	60	-37.3	54	5.1	60	15.7	46
<i>eA All US Equity Gross Median</i>	10.3		35.6		16.0		-0.4		19.6		30.9		-36.9		6.8		15.1	
<b>Large Cap Comp</b>	<b>13.7</b>	<b>35</b>	<b>33.9</b>	<b>48</b>	<b>16.6</b>	<b>38</b>	<b>1.4</b>	<b>41</b>	<b>17.6</b>	<b>22</b>	<b>40.4</b>	<b>11</b>	<b>-40.3</b>	<b>81</b>	<b>4.6</b>	<b>74</b>	<b>16.2</b>	<b>40</b>
<i>S&amp;P 500</i>	13.7	35	32.4	62	16.0	45	2.1	34	15.1	47	26.5	56	-37.0	57	5.5	68	15.8	43
<i>eA US Large Cap Equity Gross Median</i>	12.5		33.6		15.6		0.4		14.8		28.0		-36.3		8.0		14.8	
<b>SSgA S&amp;P 500 Cap-Wgt</b>	<b>13.7</b>	<b>34</b>	<b>32.4</b>	<b>61</b>	<b>16.1</b>	<b>44</b>	<b>2.2</b>	<b>33</b>	--	--	--	--	--	--	--	--	--	--
<i>S&amp;P 500</i>	13.7	35	32.4	62	16.0	45	2.1	34	15.1	47	26.5	56	-37.0	57	5.5	68	15.8	43
<b>SSgA S&amp;P 500 Equal-Wgt</b>	<b>14.4</b>	<b>25</b>	<b>36.2</b>	<b>29</b>	<b>17.5</b>	<b>29</b>	<b>-0.1</b>	<b>56</b>	<b>22.0</b>	<b>5</b>	<b>46.7</b>	<b>4</b>	<b>-40.6</b>	<b>83</b>	<b>0.5</b>	<b>90</b>	<b>15.9</b>	<b>42</b>
<i>S&amp;P 500 Equal Weighted</i>	14.5	24	36.2	29	17.7	27	-0.1	56	21.9	5	46.3	5	-39.7	78	1.5	87	15.8	43
<b>T. Rowe</b>																		
<i>S&amp;P 500</i>																		

All sub-composite returns for the total plan are based off TRS returns up to 4/31/2012, and include all plans thereafter.

Note: Returns are gross of manager fees. Results for periods longer than one year are annualized.

VPIC Composite

Total Fund Yearly Performance - Gross

	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank
<b>Small/Mid Cap Comp</b>	<b>7.9</b>	<b>37</b>	<b>38.4</b>	<b>49</b>	<b>15.2</b>	<b>59</b>	<b>0.9</b>	<b>31</b>	<b>27.3</b>	<b>48</b>	<b>33.1</b>	<b>60</b>	<b>-34.0</b>	<b>21</b>	<b>1.8</b>	<b>73</b>	<b>10.9</b>	<b>71</b>
Russell 2000	4.9	64	38.8	45	16.3	49	-4.2	70	26.9	52	27.2	82	-33.8	21	-1.6	84	18.4	21
eA US Small-Mid Cap Equity Gross Median	6.5		38.2		16.0		-1.5		26.9		35.2		-38.1		8.8		13.9	
<b>SSgA S&amp;P 400</b>	<b>9.7</b>	<b>49</b>	<b>33.7</b>	<b>68</b>	<b>17.9</b>	<b>31</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
S&P 400 MidCap	9.8	49	33.5	70	17.9	31	-1.7	52	26.6	33	37.4	53	-36.2	30	8.0	59	10.3	72
eA US Mid Cap Equity Gross Median	9.3		35.8		16.1		-1.4		24.5		37.9		-40.1		9.7		13.7	
<b>Champlain</b>	<b>9.1</b>	<b>54</b>	<b>39.2</b>	<b>26</b>	<b>12.9</b>	<b>78</b>	<b>3.8</b>	<b>14</b>	<b>22.8</b>	<b>64</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Russell 2500	7.1	71	36.8	43	17.9	31	-2.5	60	26.7	33	34.4	66	-36.8	34	1.4	85	16.2	31
eA US Mid Cap Equity Gross Median	9.3		35.8		16.1		-1.4		24.5		37.9		-40.1		9.7		13.7	
<b>Wellington</b>	<b>8.0</b>	<b>27</b>	<b>34.9</b>	<b>77</b>	<b>16.9</b>	<b>51</b>	<b>1.8</b>	<b>16</b>	<b>28.3</b>	<b>39</b>	<b>32.6</b>	<b>50</b>	<b>-26.5</b>	<b>15</b>	<b>-2.1</b>	<b>45</b>	<b>20.5</b>	<b>33</b>
Russell 2000 Value	4.2	68	34.5	78	18.0	43	-5.5	69	24.5	72	20.6	85	-28.9	27	-9.8	82	23.5	14
eA US Small Cap Value Equity Gross Median	5.8		38.1		16.9		-3.3		26.9		32.0		-32.3		-2.9		18.7	
<b>SSgA Russell 2000 Growth</b>	<b>5.6</b>	<b>33</b>	<b>43.3</b>	<b>70</b>	<b>14.7</b>	<b>47</b>	<b>-3.0</b>	<b>61</b>	<b>29.2</b>	<b>44</b>	<b>34.2</b>	<b>60</b>	<b>-38.4</b>	<b>26</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Russell 2000 Growth	5.6	32	43.3	70	14.6	48	-2.9	60	29.1	46	34.5	59	-38.5	26	7.0	64	13.3	40
eA US Small Cap Growth Equity Gross Median	3.9		45.6		14.3		-1.5		28.6		36.5		-41.5		11.0		12.3	
<b>Int'l Equity Comp</b>	<b>-2.3</b>	<b>32</b>	<b>23.6</b>	<b>57</b>	<b>14.0</b>	<b>92</b>	<b>-9.2</b>	<b>22</b>	<b>9.4</b>	<b>71</b>	<b>25.4</b>	<b>92</b>	<b>-42.0</b>	<b>33</b>	<b>10.9</b>	<b>64</b>	<b>33.7</b>	<b>11</b>
MSCI EAFE	-4.9	70	22.8	65	17.3	77	-12.1	53	7.8	83	31.8	69	-43.4	45	11.2	62	26.3	61
eA All EAFE Equity Gross Median	-3.7		24.6		20.4		-12.0		11.7		36.5		-44.1		13.2		27.3	
<b>Acadian</b>	<b>-2.7</b>	<b>36</b>	<b>27.2</b>	<b>31</b>	<b>17.0</b>	<b>82</b>	<b>-13.0</b>	<b>60</b>	<b>14.6</b>	<b>34</b>	<b>27.7</b>	<b>85</b>	<b>-49.0</b>	<b>85</b>	<b>8.7</b>	<b>78</b>	<b>37.4</b>	<b>3</b>
<b>Mondrian</b>	<b>-1.6</b>	<b>25</b>	<b>23.9</b>	<b>55</b>	<b>9.8</b>	<b>99</b>	<b>-3.5</b>	<b>3</b>	<b>3.6</b>	<b>97</b>	<b>24.4</b>	<b>94</b>	<b>-37.1</b>	<b>11</b>	<b>12.4</b>	<b>55</b>	<b>31.1</b>	<b>22</b>
MSCI EAFE	-4.9	70	22.8	65	17.3	77	-12.1	53	7.8	83	31.8	69	-43.4	45	11.2	62	26.3	61
S&P EPAC LargeMidCap	-4.5	61	22.2	69	18.1	70	-11.7	47	9.2	73	34.3	59	-43.3	44	12.9	52	25.2	74
<b>SSgA ACWI Ex US</b>	<b>-3.6</b>	<b>62</b>	<b>15.5</b>	<b>82</b>	<b>17.2</b>	<b>75</b>	<b>-13.5</b>	<b>73</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
MSCI ACWI ex USA	-3.9	66	15.3	83	16.8	77	-13.7	73	11.2	75	41.4	41	-45.5	58	16.7	63	26.7	70
eA ACWI ex-US All Cap Equity Gross Median	-2.0		19.5		19.6		-11.5		15.0		38.7		-45.2		17.4		28.6	

VPIC Composite

Total Fund Yearly Performance - Gross

	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank
<b>Emerging Market Comp</b>																		
<i>eA Emg Mkts Equity Gross Median</i>																		
<b>Aberdeen</b>	-1.1	59	-5.9	94	26.4	11	-10.5	4	29.1	6	81.7	37	--	--	--	--	--	--
<i>MSCI Emerging Markets</i>	-2.2	74	-2.6	80	18.2	68	-18.4	48	18.9	64	78.5	57	-53.3	42	39.4	60	32.2	70
<i>eA Emg Mkts Equity Gross Median</i>	-0.1		1.0		20.9		-18.6		20.1		79.5		-54.0		40.5		34.2	
<b>US Fixed Income</b>	6.1	30	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>Barclays Aggregate</i>	6.0	33	-2.0	83	4.2	70	7.8	32	6.5	57	5.9	73	5.2	27	7.0	33	4.3	72
<i>eA All US Fixed Inc Gross Median</i>	4.2		-0.3		6.1		6.5		6.9		9.3		2.4		6.2		4.7	
<b>Diversified Fixed Income</b>	7.3	18	-2.1	84	7.2	41	8.6	21	9.5	26	21.5	19	-14.9	87	4.4	79	--	--
<i>Barclays Aggregate</i>	6.0	33	-2.0	83	4.2	70	7.8	32	6.5	57	5.9	73	5.2	27	7.0	33	4.3	72
<i>eA All US Fixed Inc Gross Median</i>	4.2		-0.3		6.1		6.5		6.9		9.3		2.4		6.2		4.7	
<b>Allianz Structured Alpha</b>	17.3	1	-0.5	18	11.8	1	7.3	67	12.7	1	22.6	2	--	--	--	--	--	--
<i>Citigroup 10 Year Treasury</i>	10.7	1	-7.8	99	4.2	89	17.0	1	8.1	26	-9.9	99	20.3	1	9.8	1	1.4	99
<b>SSgA Barclays Aggregate Index</b>	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>Barclays Aggregate</i>	6.0	52	-2.0	82	4.2	90	7.8	46	6.5	76	5.9	80	5.2	37	7.0	47	4.3	69
<i>3-Month Libor Total Return USD</i>	0.2	99	0.3	6	0.4	99	0.3	99	0.3	99	0.8	99	3.2	56	5.5	87	5.4	3
<i>eA US Core Fixed Inc Gross Median</i>	6.0		-1.4		5.9		7.7		7.3		8.9		4.1		6.9		4.5	
<b>PIMCO Core Plus</b>	5.4	75	-2.5	95	7.4	20	7.7	52	9.1	9	--	--	--	--	--	--	--	--
<i>Barclays Aggregate</i>	6.0	52	-2.0	82	4.2	90	7.8	46	6.5	76	5.9	80	5.2	37	7.0	47	4.3	69
<b>PIMCO Unconstrained</b>	3.0	95	-1.5	55	4.6	82	--	--	--	--	--	--	--	--	--	--	--	--
<i>25% HY, 25% EMD, 50% BC Agg</i>	5.0	83	-0.9	27	10.6	2	7.4	63	10.1	6	23.1	2	-7.1	95	5.5	86	7.6	1
<i>3-Month Libor Total Return USD</i>	0.2	99	0.3	6	0.4	99	0.3	99	0.3	99	0.8	99	3.2	56	5.5	87	5.4	3
<b>Wellington DAS</b>	14.0	1	-3.9	99	8.5	8	18.3	1	7.9	29	9.8	43	--	--	--	--	--	--
<i>Wellington Custom Benchmark</i>	13.3	1	-8.1	99	5.1	73	19.7	1	6.5	76	5.9	80	5.2	37	7.0	47	4.3	69
<b>GAM Unconstrained Bond</b>	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>3-Month LIBOR + 3%</i>	3.2	93	3.3	1	3.5	96	3.3	98	3.4	99	3.8	95	6.2	28	8.7	1	8.6	1
<i>eA US Core Fixed Inc Gross Median</i>	6.0		-1.4		5.9		7.7		7.3		8.9		4.1		6.9		4.5	

GAM Unconstrained Bond was funded in June 2015



VPIC Composite

Total Fund Yearly Performance - Gross

	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank
<b>High Yield Comp</b>	<b>2.9</b>	<b>43</b>	<b>7.6</b>	<b>52</b>	<b>14.9</b>	<b>62</b>	<b>5.7</b>	<b>37</b>	<b>14.0</b>	<b>71</b>	<b>41.2</b>	<b>65</b>	<b>-19.0</b>	<b>29</b>	<b>4.7</b>	<b>11</b>	--	--
eA US High Yield Fixed Inc Gross Median	2.5		7.6		15.5		4.9		14.9		45.0		-21.2		3.5		10.5	
<b>KDP</b>	<b>2.8</b>	<b>44</b>	<b>5.2</b>	<b>93</b>	<b>12.6</b>	<b>87</b>	<b>6.6</b>	<b>15</b>	<b>11.7</b>	<b>92</b>	--	--	--	--	--	--	--	--
<b>Guggenheim</b>	<b>2.9</b>	<b>43</b>	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Barclays High Yield	2.5	52	7.4	54	15.8	43	5.0	49	15.1	45	58.2	14	-26.2	81	1.9	89	11.8	28
BofA Merrill Lynch US High Yield BB-B Rated	3.5	27	6.3	80	14.7	65	5.4	45	14.5	64	46.1	49	-23.7	70	2.7	72	10.7	49
eA US High Yield Fixed Inc Gross Median	2.5		7.6		15.5		4.9		14.9		45.0		-21.2		3.5		10.5	
<b>TIPS</b>																		
eA TIPS / Infl Indexed Fixed Inc Gross Median																		
<b>BlackRock TIPS</b>	<b>3.5</b>	--	<b>-8.6</b>	--	<b>7.0</b>	--	<b>13.6</b>	--	<b>6.4</b>	--	--	--	--	--	--	--	--	--
Barclays US TIPS	3.6	--	-8.6	--	7.0	--	13.6	--	6.3	--	11.4	--	-2.4	--	11.6	--	0.4	--
<b>Global Fixed Income Comp</b>	<b>-0.7</b>	<b>85</b>	<b>-6.2</b>	<b>97</b>	<b>3.7</b>	<b>90</b>	<b>7.3</b>	<b>21</b>	<b>10.9</b>	<b>21</b>	<b>16.0</b>	<b>32</b>	<b>0.3</b>	<b>57</b>	<b>11.2</b>	<b>15</b>	--	--
eA All Global Fixed Inc Gross Median	2.5		0.2		9.5		5.0		7.3		10.6		1.4		8.7		6.1	
<b>Mondrian GFI</b>	<b>-0.7</b>	<b>85</b>	<b>-6.2</b>	<b>97</b>	<b>2.1</b>	<b>97</b>	<b>5.8</b>	<b>38</b>	<b>8.6</b>	<b>33</b>	<b>8.8</b>	<b>59</b>	<b>10.2</b>	<b>11</b>	<b>11.5</b>	<b>13</b>	<b>5.5</b>	<b>64</b>
Citi WGBI	-0.5	82	-4.0	86	1.6	98	6.4	33	5.2	85	2.6	97	10.9	9	11.0	17	6.1	51
<b>Emerging Market Debt</b>																		
eA All Emg Mkts Fixed Inc Gross Median																		
<b>Wellington Opportunistic EMD</b>	<b>6.1</b>	<b>20</b>	<b>-5.1</b>	<b>39</b>	<b>19.9</b>	<b>35</b>	<b>7.6</b>	<b>16</b>	<b>13.7</b>	<b>70</b>	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	5.5	27	-6.6	61	18.5	59	8.5	7	12.0	87	28.2	65	-10.9	52	6.3	73	9.9	95
eA All Emg Mkts Fixed Inc Gross Median	1.8		-6.1		19.1		2.6		14.5		30.7		-10.8		7.7		12.3	

VPIC Composite

Total Fund Yearly Performance - Gross

	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank
<b>Total Real Estate</b>	15.0	--	14.7	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Morgan Stanley Prime Property	15.5	--	17.4	--	12.6	--	16.8	--	15.8	--	-33.7	--	-4.7	--	16.2	--	18.4	--
UBS Trumbull	11.7	--	10.4	--	10.2	--	13.2	--	16.9	--	-22.3	--	-7.5	--	13.9	--	16.6	--
RREEF America REIT III	27.8	--	16.9	--	23.8	--	55.4	--	9.1	--	-64.1	--	-41.7	--	18.1	--	--	--
Siguler Guff	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Transwestern / Aslan III	2.2	--	49.9	--	13.8	--	-11.8	--	-41.9	--	-87.7	--	-26.0	--	3.5	--	-16.3	--
NCREIF Property Index	11.8	--	11.0	--	10.5	--	14.3	--	13.1	--	-16.9	--	-6.5	--	15.8	--	16.6	--
NCREIF ODCE	12.5	--	13.9	--	10.9	--	16.0	--	16.4	--	-29.8	--	-10.0	--	16.0	--	16.3	--
<b>Hedge Fund Comp</b>	2.4	60	14.1	22	9.3	24	-3.8	46	--	--	--	--	--	--	--	--	--	--
eV Alt Fund of Funds - Multi-Strategy Median	3.0		10.5		6.5		-4.0		6.1		13.9		-20.2		11.2		10.8	
<b>Grosvenor GAM</b>	3.4	44	15.2	16	8.5	29	-3.4	42	--	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index																		
<b>GAA Comp</b>	4.8	32	3.2	69	15.3	2	0.8	34	18.0	19	31.0	21	-26.3	61	5.7	87	--	--
eA Global TAA Gross Median	2.7		7.7		10.6		-0.8		14.6		23.4		-25.5		11.0		14.3	
<b>Mellon Dynamic Growth</b>	6.8	12	12.2	31	11.3	40	1.0	34	16.1	29	31.4	17	-36.0	92	1.7	95	--	--
Mellon Dynamic Growth Benchmark	3.5	43	10.3	40	11.5	37	-0.6	50	8.8	86	17.4	79	-22.4	46	7.9	60	--	--
<b>AQR Global Risk Premium</b>	8.3	5	-2.0	88	16.0	1	7.0	12	25.1	5	--	--	--	--	--	--	--	--
60% MSCI World / 40% CITI WGBI	3.1	45	13.9	24	10.6	51	-0.3	43	9.8	83	19.2	78	-22.7	46	10.3	52	14.7	47
<b>PIMCO All Asset</b>	1.7	70	1.7	74	16.5	1	3.4	17	14.7	50	24.1	44	-14.8	24	9.6	53	--	--
PIMCO All Asset Index	4.9	30	0.2	77	8.1	62	7.6	11	8.5	87	16.5	80	-6.7	14	7.7	61	6.0	99
CPI + 5% (Seasonally Adjusted)	5.7	21	6.6	54	6.9	69	8.2	11	6.5	94	8.0	92	5.0	1	9.3	53	7.6	99

Real Estate performance reported on a quarterly basis. NCREIF Property is available 25 days after quarter end

PIMCO All Asset Index: 40% BC Agg / 30% TIPS / 10% S&P500 / 10% BC HY / 10% JPM EMBI+

Mellon Dynamic Growth Benchmark: 60% MSCI All Country World Index IMI/ 40% Citigroup GDP Weighted



VPIC Composite

**Total Fund Yearly Performance - Gross**

	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank	
<b>Wellington OIF</b>																			
65% MSCI World (Net) /35% BC Agg																			
<b>Commodities</b>																			
<b>Schroder</b>	-23.6	--	-8.4	--	0.5	--	-6.8	99	17.1	53	--	--	--	--	--	--	--	--	--
Bloomberg Commodity Index	-17.0	--	-9.5	--	-1.1	--	-13.3	99	16.8	55	18.9	67	-35.6	30	16.2	94	2.1	56	
<b>Cash</b>	0.0	--	0.0	--	0.1	--	0.2	--	0.3	--	0.6	--	2.4	--	6.4	--	5.2	--	
91 Day T-Bills	0.0	--	0.0	--	0.1	--	0.0	--	0.1	--	0.1	--	1.3	--	4.4	--	5.0	--	
<b>Private Equity</b>	24.9	--	9.0	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Cambridge Associates US All PE	11.1	--	21.3	--	14.2	--	11.0	--	20.4	--	13.4	--	-22.4	--	19.7	--	28.7	--	
<b>Harbourvest Partners IX Credit Opportunities</b>																			
<b>Harbourvest Partners IX Venture Fund</b>																			
<b>Harbourvest Partners IX Buyout Fund</b>																			

## Private Equity Performance Analysis (as of 6/30/2015)

Investment	Vintage Year	Commitment	Qtr TD	YTD	1 Year	3 Year	5 Year	Inception
HarbourVest HIPEP VII	2014	15,000,000	3.67	-1.00	N/A	N/A	N/A	9.52
HarbourVest Partners Dover Street VIII	2012	25,000,000	11.70	12.21	28.81	N/A	N/A	42.20
HarbourVest Partners IX-Buyout	2012	24,000,000	5.28	7.15	17.55	N/A	N/A	16.25
HarbourVest Partners IX-Credit Opportunities	2012	4,000,000	7.24	4.34	12.91	N/A	N/A	19.33
HarbourVest Partners IX-Venture	2012	12,000,000	6.60	10.61	29.12	N/A	N/A	26.33
<b>Total: State of Vermont</b>		<b>80,000,000</b>	<b>8.26</b>	<b>9.74</b>	<b>24.84</b>	<b>N/A</b>	<b>N/A</b>	<b>28.09</b>

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
1 HarbourVest HIPEP VII	2014	15,000,000	1,275,000	13,725,000	0	0	1,347,649	1,347,649	72,649	9 %	0.00	1.06	9.52 %
2 HarbourVest Partners Dover Street V	2012	25,000,000	15,000,000	10,000,000	0	4,412,647	16,693,324	21,105,971	6,105,971	60 %	0.29	1.41	42.20 %
3 HarbourVest Partners IX-Buyout	2012	24,000,000	10,020,000	13,980,000	47,188	1,796,646	10,410,272	12,206,918	2,139,730	42 %	0.18	1.21	16.25 %
4 HarbourVest Partners IX-Credit Oppx	2012	4,000,000	1,460,000	2,540,000	10,265	422,812	1,442,516	1,865,328	395,063	37 %	0.29	1.27	19.33 %
5 HarbourVest Partners IX-Venture	2012	12,000,000	7,380,000	4,620,000	37,671	1,305,237	8,789,045	10,094,282	2,676,611	62 %	0.18	1.36	26.33 %
5 Total Partnerships		<b>80,000,000</b>	<b>35,135,000</b>	<b>44,865,000</b>	<b>95,124</b>	<b>7,937,342</b>	<b>38,682,806</b>	<b>46,620,148</b>	<b>11,390,024</b>	<b>44 %</b>	<b>0.23</b>	<b>1.32</b>	<b>28.09 %</b>

\*IRR performance numbers are as of 6/30/2015

\*Total Commitments do not include \$50 million commitment to HarbourVest Fund X approved in 1Q 2015 but not yet called.

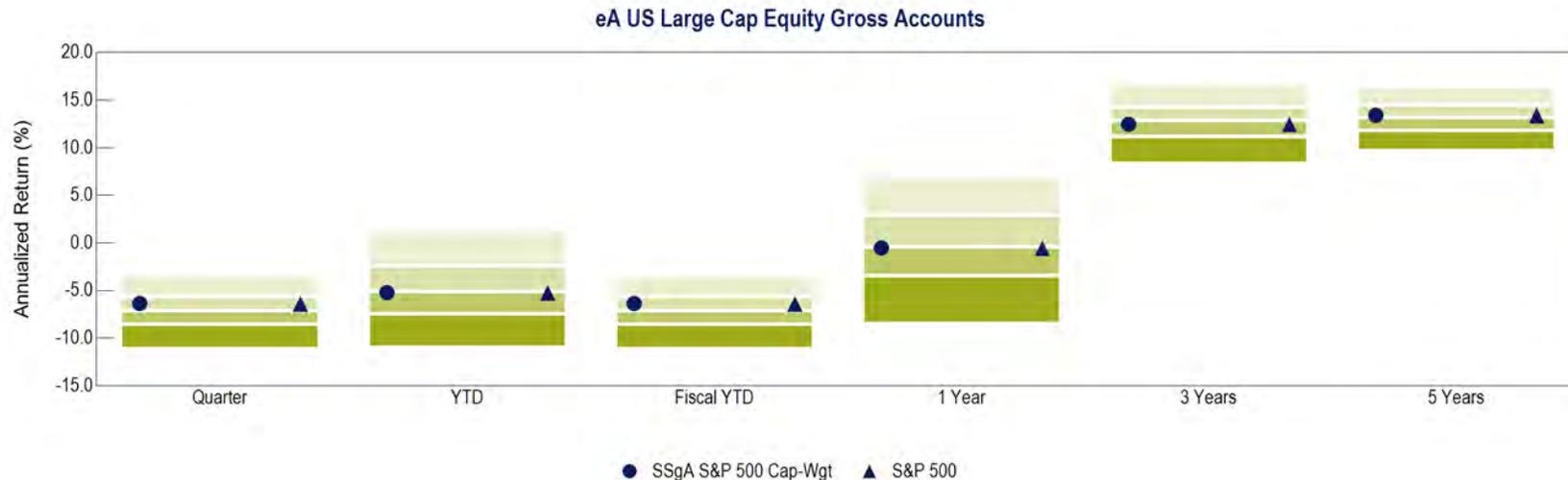
# Manager Characteristics

# SSgA S&P 500 Cap-Wgt

Using a replication process, we purchase each security for the Strategy in the same capitalization weight as it appears in the S&P 500 Index. Replication results in low turnover, accurate tracking, and low costs. SSgA's internal liquidity has allowed the firm to acquire many of the benchmark constituents for free. These free trading opportunities have allowed SSgA to gradually reduce security-level misweights while avoiding the open market. This process has resulted in portfolios that look and behave like the benchmark, and do so at a very low cost. SSgA's passive equity process objective is to remain fully invested in the equity market at all times. To accomplish this, it holds a small amount of unleveraged exchange-traded S&P 500® futures contracts to maintain full exposure. SSgA tends to hold approximately 1-3% of the strategy's value in suitable CFTC approved index futures contracts. This position in futures also allows the firm to accommodate cash flows into and out of the portfolio on a daily basis and to equitize dividend receivables to achieve closer tracking.

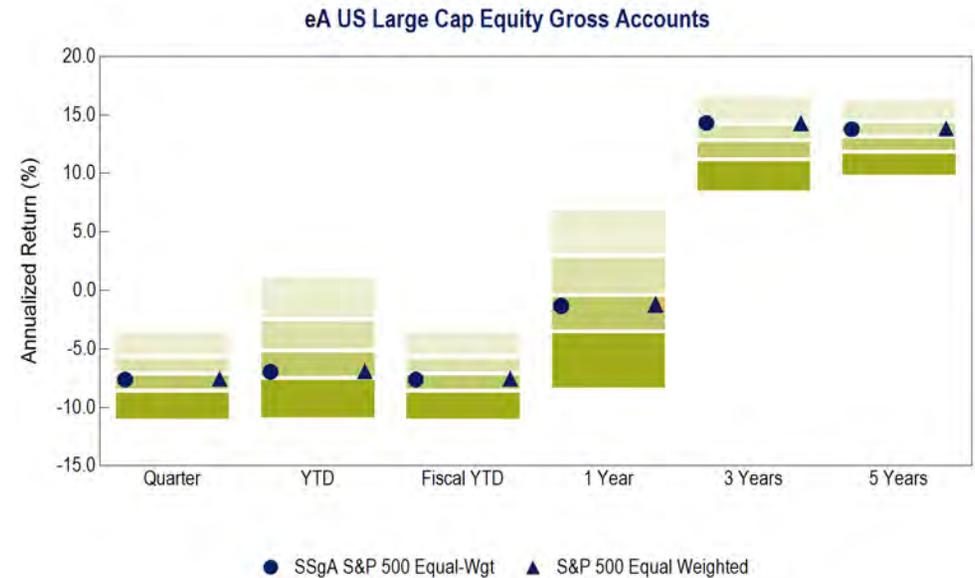
## Characteristics

	Portfolio	S&P 500
Number of Holdings	507	505
Weighted Avg. Market Cap. (\$B)	119.1	119.2
Median Market Cap. (\$B)	16.6	16.6
Price To Earnings	22.2	20.9
Price To Book	4.7	4.1
Price To Sales	3.3	3.0
Return on Equity (%)	19.0	18.3
Yield (%)	2.3	2.3
Beta	1.0	1.0
R-Squared	1.0	1.0

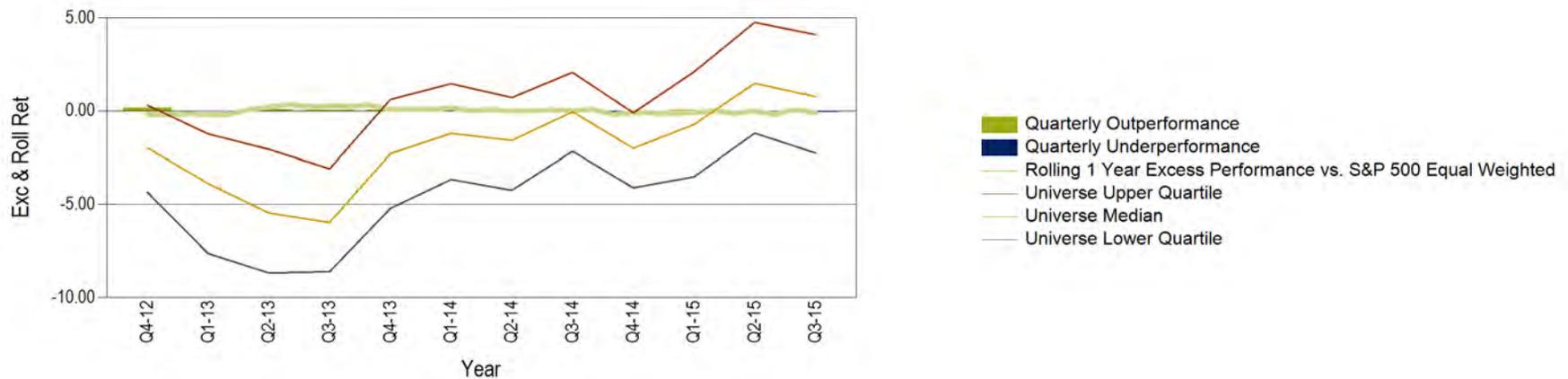


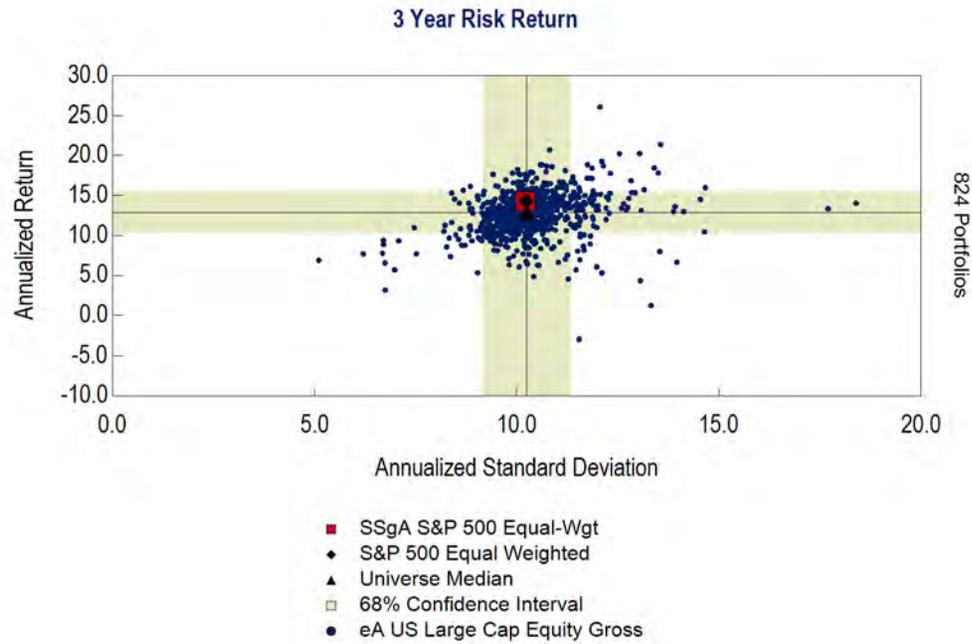
# SSgA S&P 500 Equal-Wgt

The Strategy is managed using a "passive" or "indexing" investment approach, by which SSgA attempts to match, before expenses, the performance of the Index. SSgA will typically attempt to invest in the securities comprising the Index, in the same proportions as they are represented in the Index. In some cases, it may not be possible or practicable to purchase all of the securities comprising the Index, or to hold them in the same weightings as they represent in the Index. In those circumstances, SSgA may employ a sampling or optimization technique to construct the portfolio in question. From time to time securities are added to or removed from the Index. SSgA may sell securities that are represented in the Index, or purchase securities that are not yet represented in the Index, in anticipation of their removal from or addition to the Index. The Strategy may at times purchase or sell futures contracts on the Index, or options on those futures, or engage in other transactions involving the use of derivatives, in lieu of investment directly in the securities making up the Index or to enhance the Strategy's replication of the Index return. The Strategy's return may not match the return of the Index.



### Annualized Excess Performance

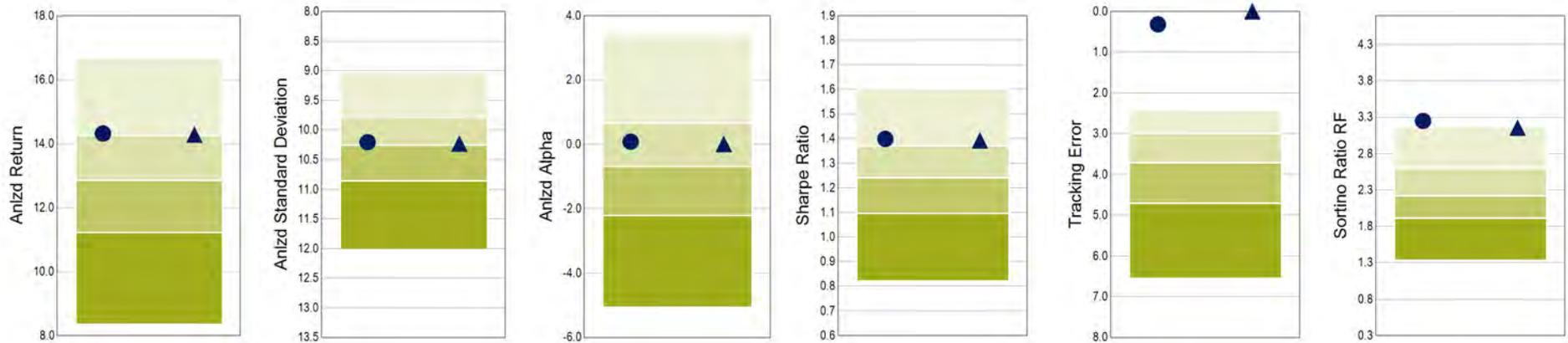




### Characteristics

	Portfolio	S&P 500
Number of Holdings	503	505
Weighted Avg. Market Cap. (\$B)	119.2	119.2
Median Market Cap. (\$B)	16.5	16.6
Price To Earnings	22.2	20.9
Price To Book	4.7	4.1
Price To Sales	3.3	3.0
Return on Equity (%)	19.1	18.3
Yield (%)	2.3	2.3
Beta	1.0	1.0
R-Squared	0.9	1.0

### 3 Year Risk Statistics



# SSgA S&P 400

The Strategy is managed using a "passive" or "indexing" investment approach, by which SSgA attempts to match, before expenses, the performance of the Index. SSgA will typically attempt to invest in the securities comprising the Index, in the same proportions as they are represented in the Index. In some cases, it may not be possible or practicable to purchase all of the securities comprising the Index, or to hold them in the same weightings as they represent in the Index. In those circumstances, SSgA may employ a sampling or optimization technique to construct the portfolio in question. From time to time securities are added to or removed from the Index. SSgA may sell securities that are represented in the Index, or purchase securities that are not yet represented in the Index, in anticipation of their removal from or addition to the Index. The Strategy may at times purchase or sell futures contracts on the Index, or options on those futures, or engage in other transactions involving the use of derivatives, in lieu of investment directly in the securities making up the Index or to enhance the Strategy's replication of the Index return. The Strategy's return may not match the return of the Index.

## Characteristics

	Portfolio	S&P 400 MidCap
Number of Holdings	400	400
Weighted Avg. Market Cap. (\$B)	4.8	4.9
Median Market Cap. (\$B)	3.4	3.4
Price To Earnings	24.6	23.1
Price To Book	3.7	3.2
Price To Sales	2.9	2.7
Return on Equity (%)	15.8	14.3
Yield (%)	1.8	1.7
Beta	1.0	1.0
R-Squared	1.0	1.0



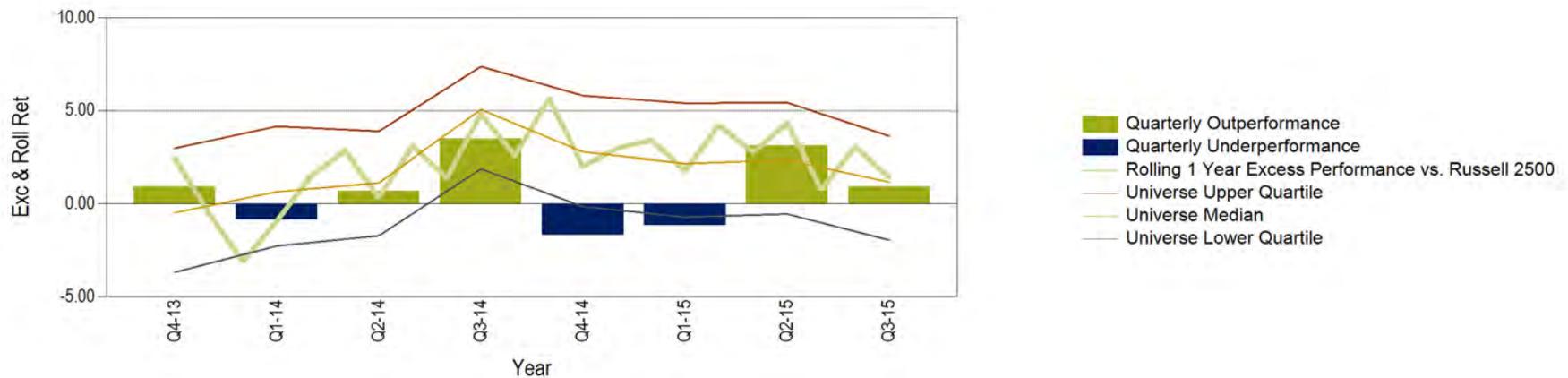
# Champlain

Champlain employs a fundamental, bottom-up approach to investing in equity assets. They believe that superior companies purchased at attractive valuations have the highest probability to wealth creation. Champlain seeks strong businesses with credible and sincere management and aims to buy shares of their stock at discounts to fair or intrinsic value. Portfolio construction applies sector weight guidelines and position size rules to manage risk. The portfolio will have some exposure to at least seven out of the eight largest sectors of the S&P 400, with a maximum weighting on 25% in any one sector. Individual positions will not represent more than 2% of the respective companies' outstanding shares and are limited to no more than 5% of assets under management. The portfolio typically holds 50-75 securities with average position sizes of 2%. The strategy's minimum market cap is \$1.5 billion at purchase and a maximum market cap of \$15 billion. In general, no more than 10% of portfolio in stocks with a market cap below \$2B and no more than 5% of portfolio in companies with market cap above \$20B.

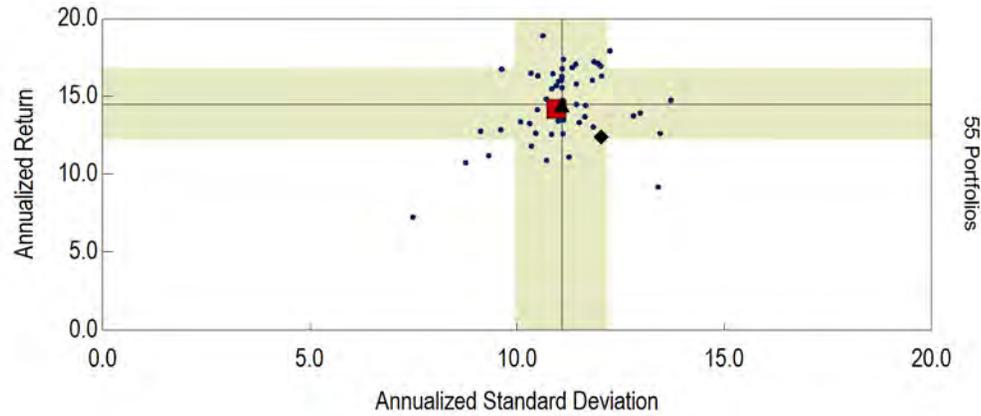
eA US Mid Cap Core Equity Gross Accounts



Annualized Excess Performance



## 3 Year Risk Return

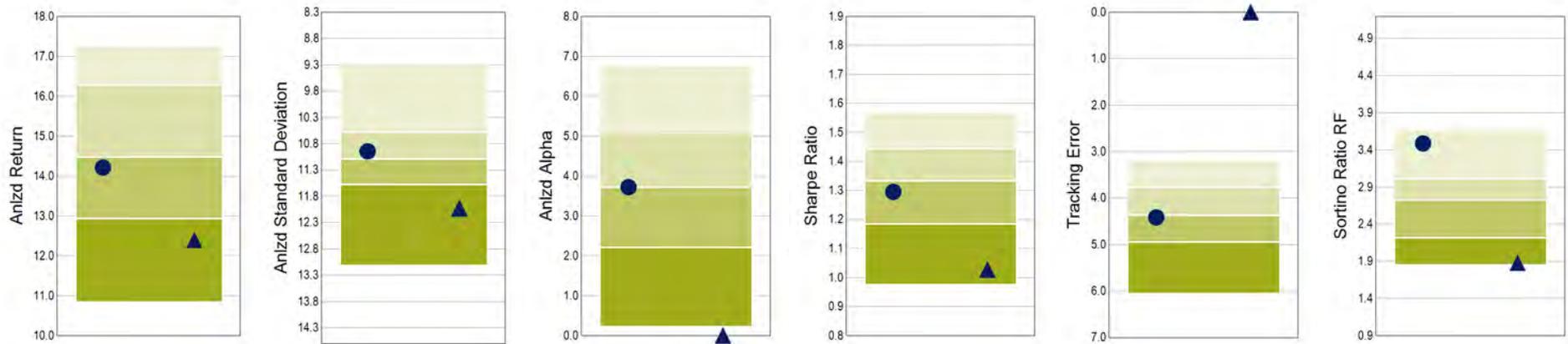


- Champlain
- ◆ Russell 2500
- ▲ Universe Median
- 68% Confidence Interval
- eA US Mid Cap Core Equity Gross

## Characteristics

	Portfolio	Russell 2500
Number of Holdings	59	2,476
Weighted Avg. Market Cap. (\$B)	7.7	3.9
Median Market Cap. (\$B)	5.4	1.0
Price To Earnings	24.7	23.0
Price To Book	4.1	3.1
Price To Sales	3.6	2.8
Return on Equity (%)	15.7	12.7
Yield (%)	1.4	1.5
Beta		1.0
R-Squared		1.0

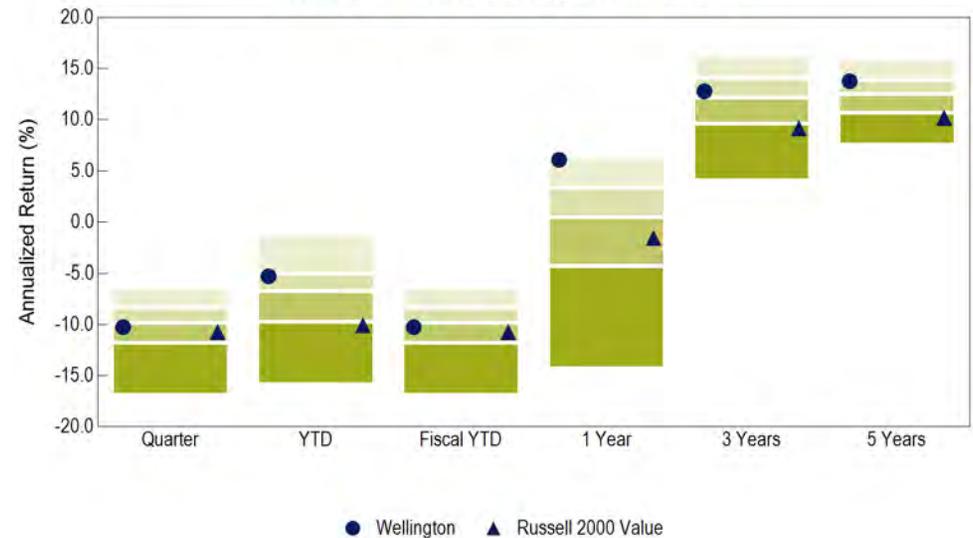
## 3 Year Risk Statistics



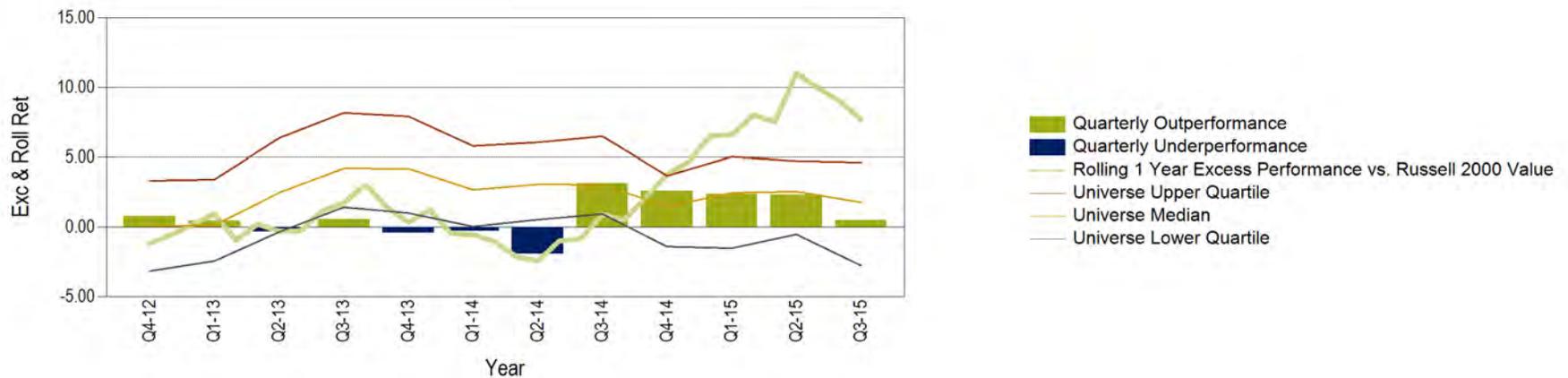
# Wellington

Wellington's investment objective is to seek long-term total returns in excess of the Russell 2000 Value Index by investing in conservatively-valued securities of high-quality, small cap companies. Wellington employ a bottom-up stock selection process that utilizes Wellington Management's proprietary, fundamental research to identify undervalued companies that have the potential for significant longer-term rewards. The investment universe consists of all stocks generally between US\$100 million and US\$2 billion in market capitalization. These stocks are reviewed for certain financial and valuation requirements that correspond with our investment process and philosophy. The Small Cap Value Team conducts their own proprietary research and leverages the broader research of the firm as appropriate. The Portfolio is expected to have a lower P/E ratio and other value-oriented characteristics relative to the overall small cap market, with a similar market capitalization. The return on equity is expected to be higher than the small cap value indexes, consistent with the high-quality focus.

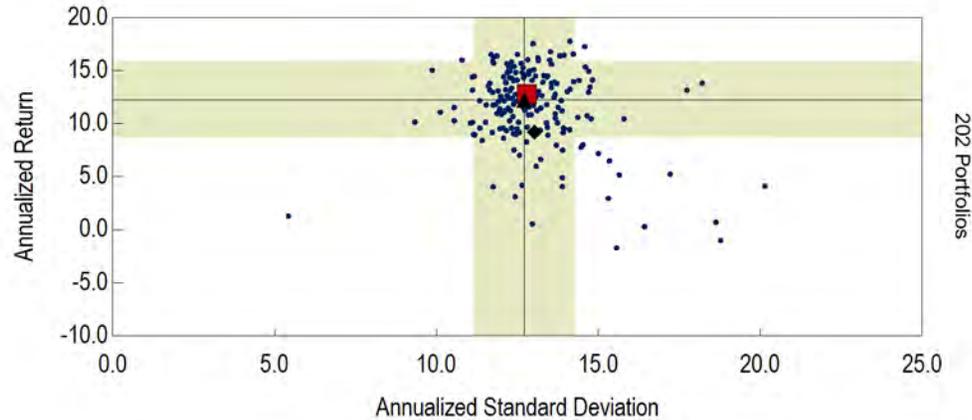
eA US Small Cap Value Equity Gross Accounts



Annualized Excess Performance



## 3 Year Risk Return

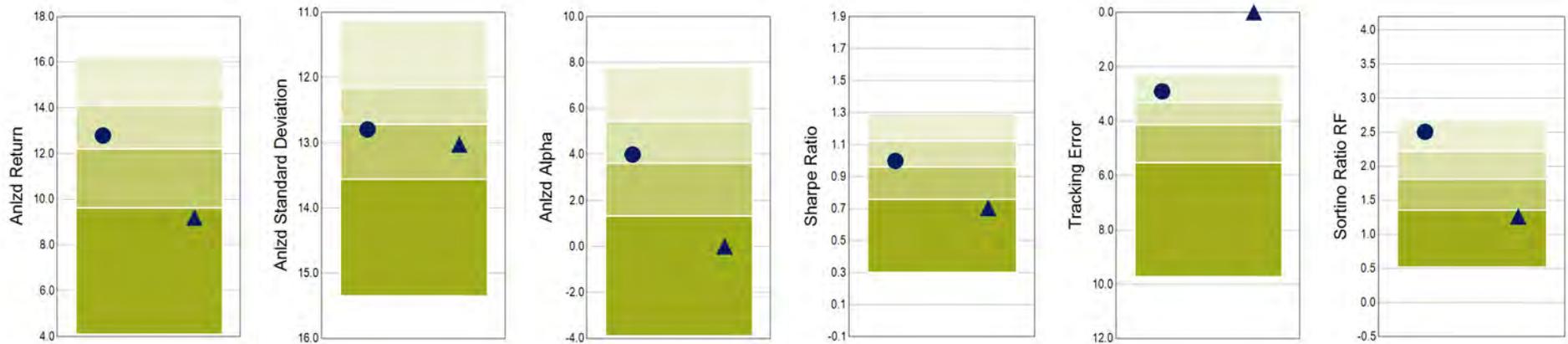


- Wellington
- ◆ Russell 2000 Value
- ▲ Universe Median
- 68% Confidence Interval
- eA US Small Cap Value Equity Gross

## Characteristics

	Portfolio	Russell 2000 Value
Number of Holdings	79	1,308
Weighted Avg. Market Cap. (\$B)	1.7	1.6
Median Market Cap. (\$B)	1.2	0.6
Price To Earnings	22.3	18.6
Price To Book	2.0	1.6
Price To Sales	1.9	2.6
Return on Equity (%)	9.0	7.7
Yield (%)	1.7	2.1
Beta		1.0
R-Squared		1.0

## 3 Year Risk Statistics



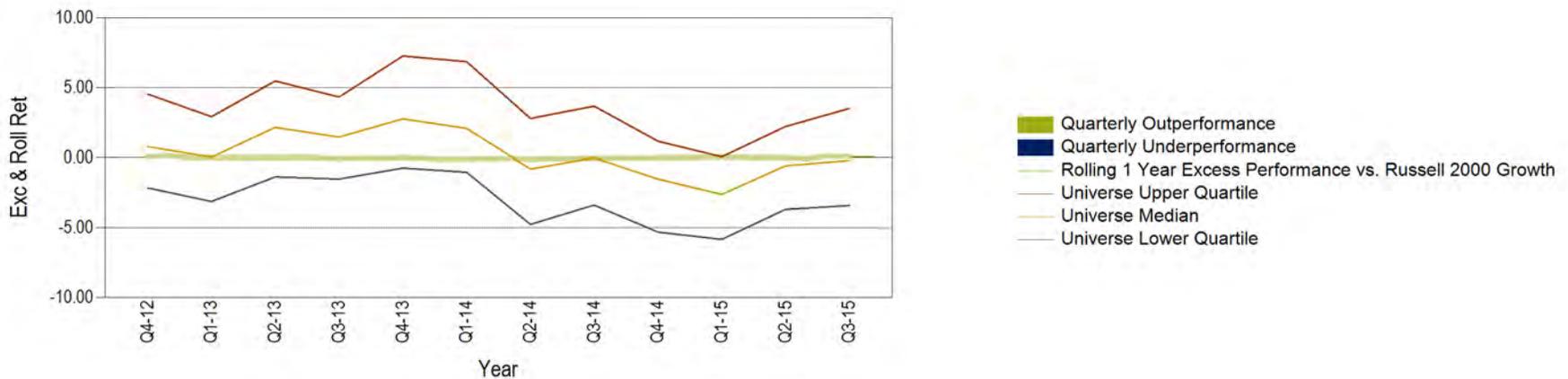
# SSgA Russell 2000 Growth

The Strategy is managed using a "passive" or "indexing" investment approach, by which SSgA attempts to match, before expenses, the performance of the Index. SSgA will typically attempt to invest in the securities comprising the Index, in the same proportions as they are represented in the Index. In some cases, it may not be possible or practicable to purchase all of the securities comprising the Index, or to hold them in the same weightings as they represent in the Index. In those circumstances, SSgA may employ a sampling or optimization technique to construct the portfolio in question. From time to time securities are added to or removed from the Index. SSgA may sell securities that are represented in the Index, or purchase securities that are not yet represented in the Index, in anticipation of their removal from or addition to the Index. The Strategy may at times purchase or sell futures contracts on the Index, or options on those futures, or engage in other transactions involving the use of derivatives, in lieu of investment directly in the securities making up the Index or to enhance the Strategy's replication of the Index return. The Strategy's return may not match the return of the Index.

eA US Small Cap Growth Equity Gross Accounts

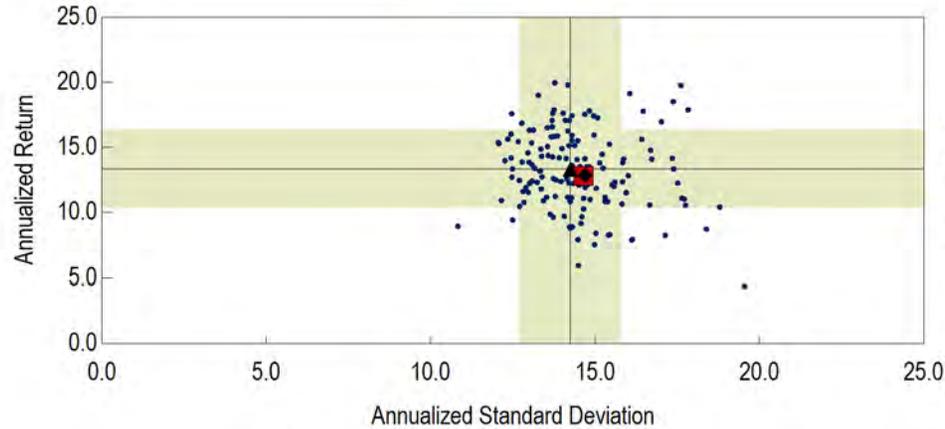


Annualized Excess Performance



# SSgA Russell 2000 Growth

### 3 Year Risk Return

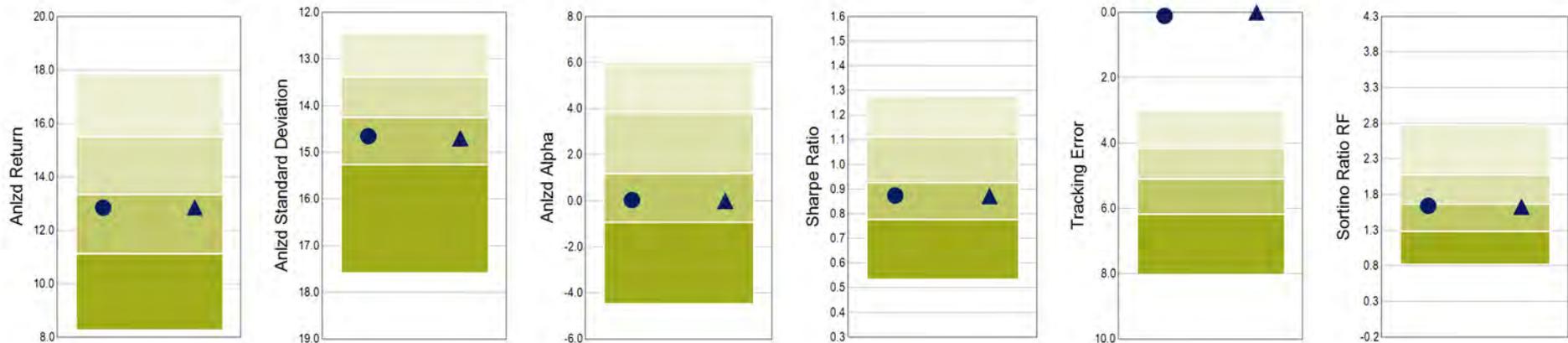


- SSgA Russell 2000 Growth
- ◆ Russell 2000 Growth
- ▲ Universe Median
- 68% Confidence Interval
- eA US Small Cap Growth Equity Gross

### Characteristics

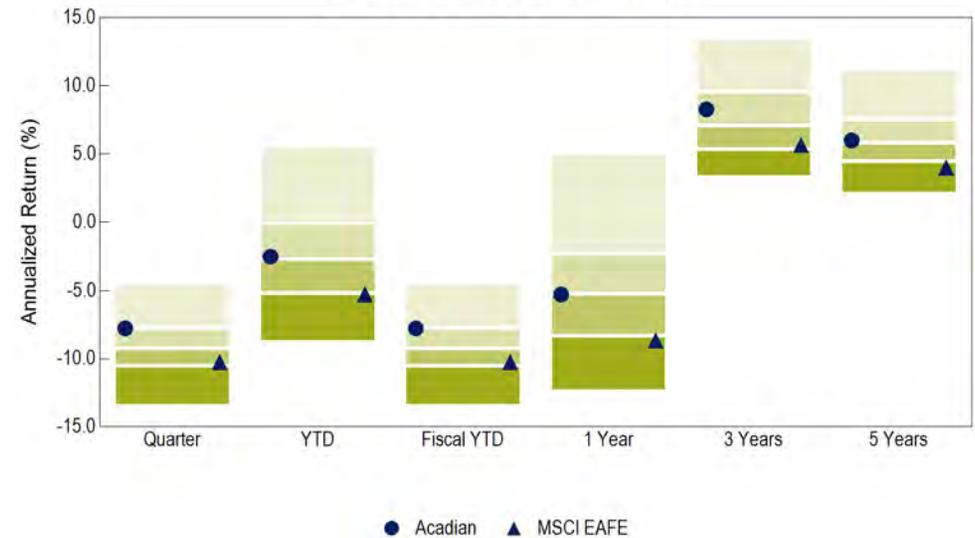
	Portfolio	Russell 2000 Growth
Number of Holdings	1,070	1,155
Weighted Avg. Market Cap. (\$B)	1.9	2.0
Median Market Cap. (\$B)	0.8	0.7
Price To Earnings	28.6	27.8
Price To Book	5.7	5.0
Price To Sales	3.6	3.3
Return on Equity (%)	17.4	16.2
Yield (%)	0.8	0.5
Beta		1.0
R-Squared		1.0

### 3 Year Risk Statistics

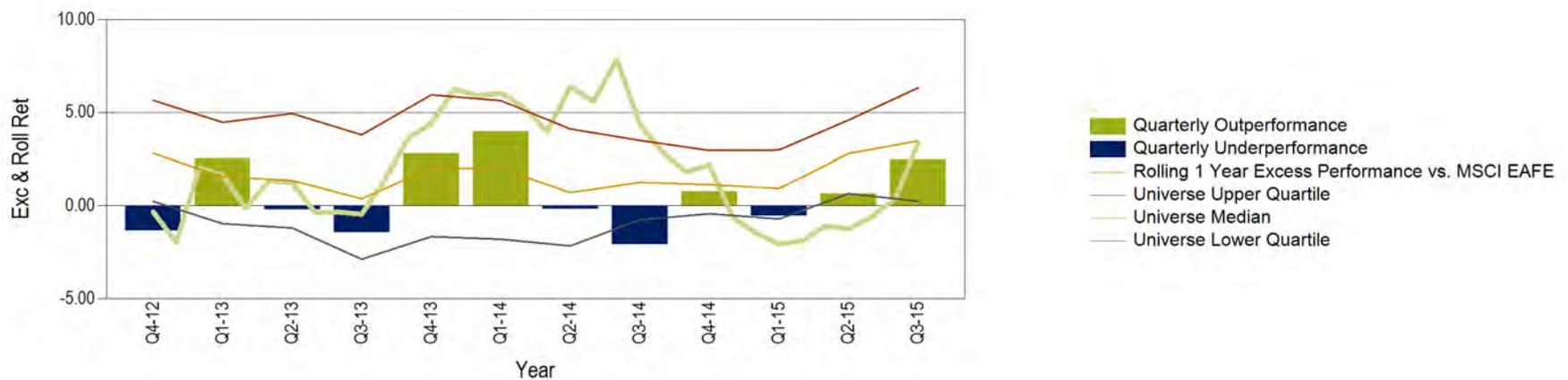


Acadian believes that the larger the pool of potential investments, the greater the potential opportunity an active manager has to add value. They believe that stocks and markets have many attributes that are related to potential outperformance, and that a successful investment approach must be multi-faceted and highly adaptable. They believe that objectivity is crucial to investment success. Acadian's quantitative process and extensive database allows them to apply their valuation techniques to over 40,000 stocks worldwide. They do not limit the universe other than to employ screens based on invest-ability and availability of data. For example, they only evaluate stocks that have sufficient daily trading volume to be appropriate for institutional investment. Other than these practical considerations, they consider our investment universe to encompass all institutionally investable stocks in the world.

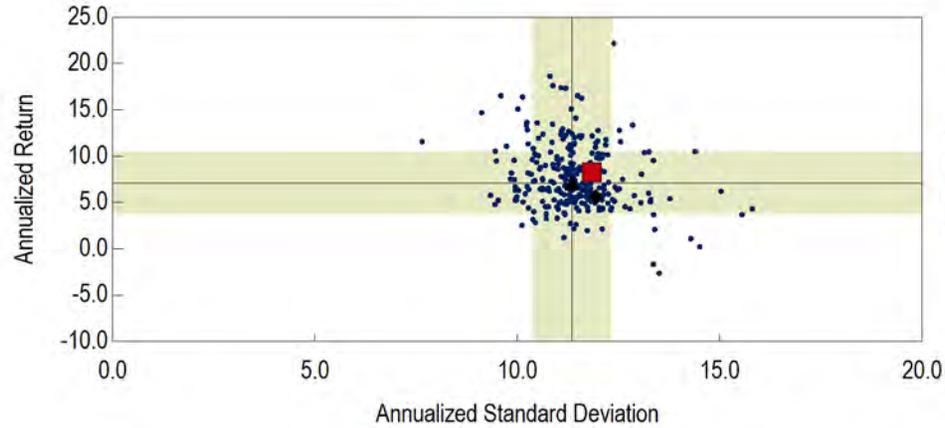
eA All EAFE Equity Gross Accounts



Annualized Excess Performance



3 Year Risk Return

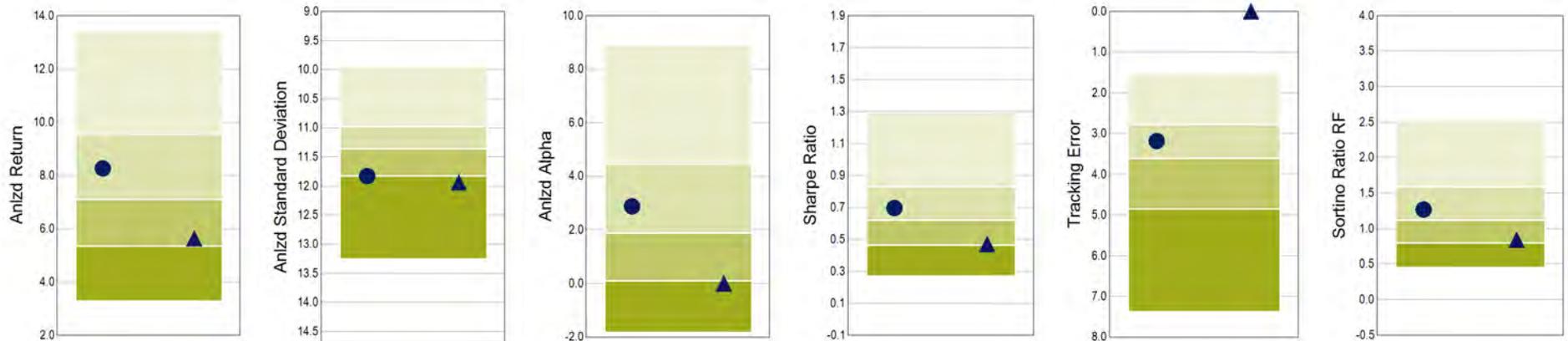


- Acadian
- ◆ MSCI EAFE
- ▲ Universe Median
- 68% Confidence Interval
- eA All EAFE Equity Gross

Characteristics

	Portfolio	MSCI EAFE
Number of Holdings	476	913
Weighted Avg. Market Cap. (\$B)	16.0	52.8
Median Market Cap. (\$B)	0.7	8.1
Price To Earnings	18.6	18.3
Price To Book	2.5	2.3
Price To Sales	1.5	2.1
Return on Equity (%)	15.0	14.5
Yield (%)	2.5	3.2
Beta		1.0
R-Squared		1.0

3 Year Risk Statistics



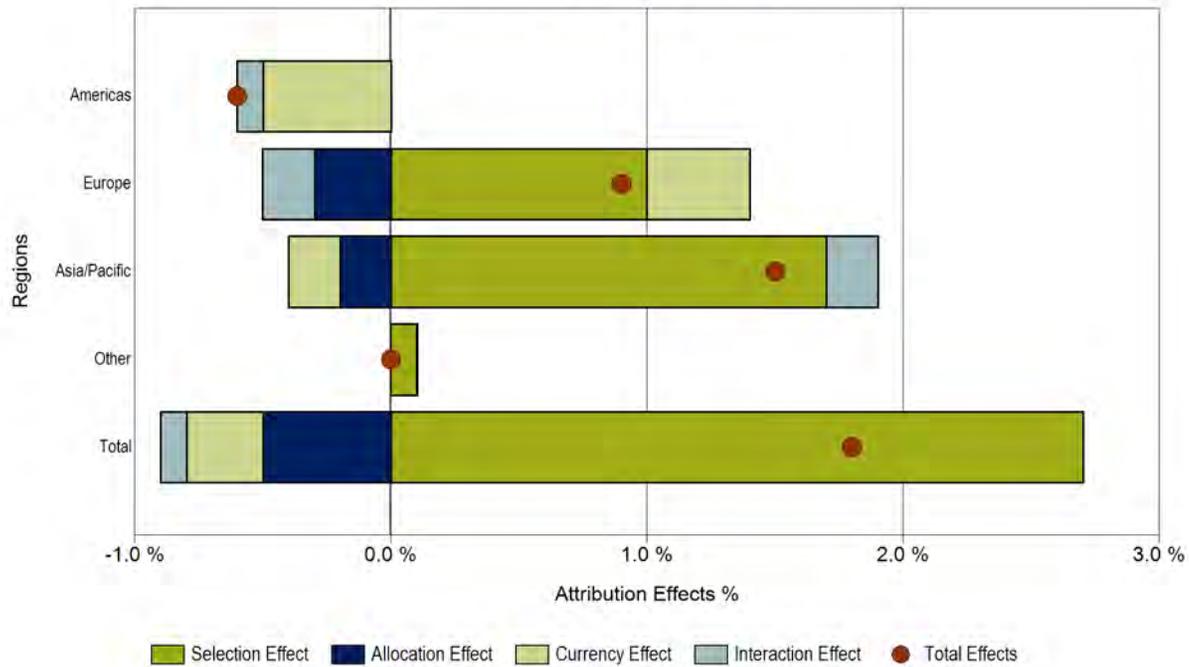
## Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>Americas</b>				
Brazil*	2.7%	0.0%	-28.7%	-33.6%
Canada	5.0%	0.0%	-12.8%	-14.1%
Mexico*	0.5%	0.0%	9.6%	-12.0%
United States	0.0%	0.0%	-2.3%	-6.9%
<b>Total-Americas</b>	<b>8.1%</b>	<b>0.0%</b>	<b>-16.6%</b>	<b>--</b>
<b>Europe</b>				
Austria	0.9%	0.2%	-9.4%	-8.9%
Belgium	1.0%	1.3%	2.1%	-7.9%
Denmark	0.3%	1.7%	2.9%	-2.4%
Finland	3.2%	0.8%	-16.5%	-5.5%
France	3.4%	9.7%	-4.4%	-6.4%
Germany	8.8%	8.9%	-3.0%	-11.4%
Greece*	0.1%	0.0%	27.3%	-35.8%
Ireland	1.7%	0.4%	5.5%	-3.1%
Italy	2.1%	2.4%	-1.7%	-4.3%
Netherlands	6.0%	2.8%	-13.7%	-8.8%
Norway	1.7%	0.6%	-14.4%	-19.1%
Poland*	0.6%	0.0%	-6.3%	-10.8%
Portugal	0.2%	0.2%	-6.6%	-11.4%
Spain	0.8%	3.5%	-4.7%	-11.1%
Sweden	5.1%	2.9%	-6.0%	-9.1%
Switzerland	3.8%	9.2%	-3.4%	-6.7%
United Kingdom	12.2%	20.3%	-8.5%	-10.0%
<b>Total-Europe</b>	<b>51.7%</b>	<b>64.8%</b>	<b>-6.9%</b>	<b>-8.7%</b>

## Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>AsiaPacific</b>				
Australia	8.3%	6.9%	1.6%	-15.3%
Hong Kong	0.2%	3.3%	-11.2%	-16.2%
Japan	24.9%	22.9%	2.7%	-11.8%
Korea*	2.5%	0.0%	-13.8%	-8.0%
Malaysia*	0.0%	0.0%	7.1%	-0.4%
New Zealand	0.2%	0.1%	3.4%	-6.9%
Singapore	2.9%	1.4%	-2.2%	-19.4%
Taiwan*	0.6%	0.0%	-8.5%	-7.3%
Thailand*	0.1%	0.0%	-6.7%	-7.7%
<b>Total-AsiaPacific</b>	<b>39.8%</b>	<b>34.6%</b>	<b>0.8%</b>	<b>-13.2%</b>
<b>Other</b>				
Israel	0.3%	0.6%	1.3%	-5.4%
Turkey*	0.1%	0.0%	-1.5%	-5.7%
<b>Total-Other</b>	<b>0.4%</b>	<b>0.6%</b>	<b>0.8%</b>	<b>-5.4%</b>
<b>Totals</b>				
Developed	92.9%	100.0%	2.5%	-10.3%
Emerging*	7.1%	0.0%	-8.9%	--

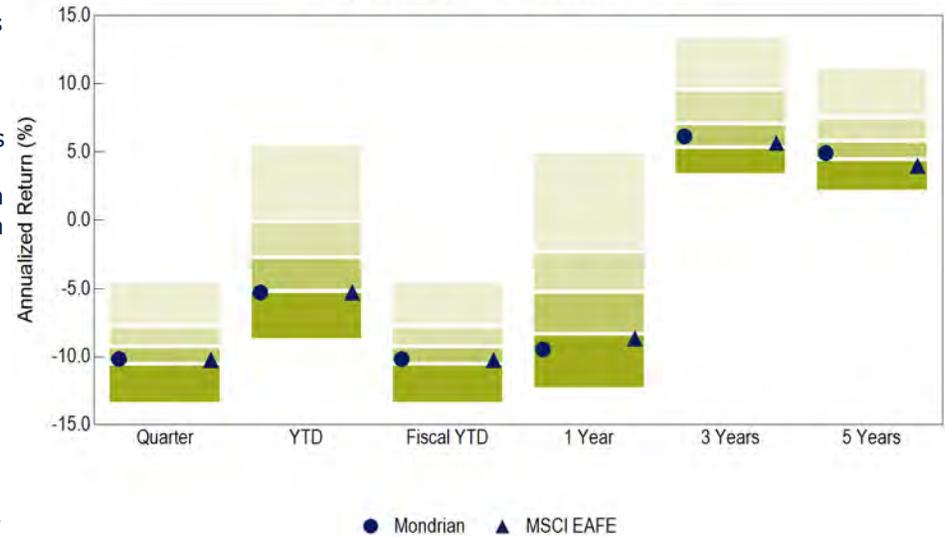
Acadian Performance Attribution vs. MSCI EAFE



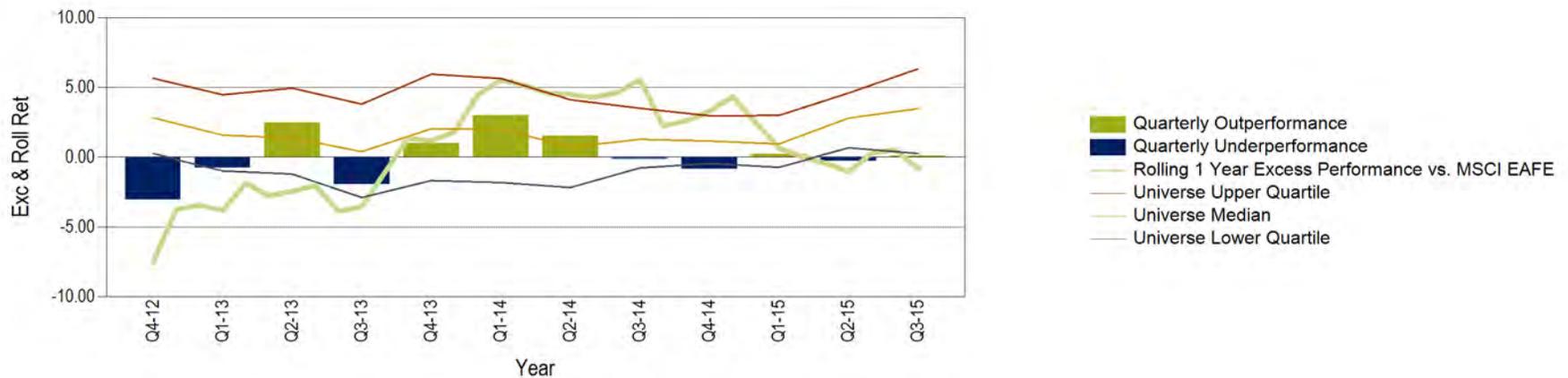
	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
<b>Totals</b>									
Americas	-16.6%	--	8.1%	0.0%	0.0%	0.0%	-0.5%	-0.1%	-0.6%
Europe	-6.9%	-8.7%	51.7%	64.8%	1.0%	-0.3%	0.4%	-0.2%	0.9%
Asia/Pacific	-8.9%	-13.2%	39.8%	34.6%	1.7%	-0.2%	-0.2%	0.2%	1.5%
Other	4.2%	-5.4%	0.4%	0.6%	0.1%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>-8.4%</b>	<b>-10.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.7%</b>	<b>-0.5%</b>	<b>-0.3%</b>	<b>-0.1%</b>	<b>1.8%</b>
<b>Totals</b>									
Developed	-7.7%	-10.2%	92.9%	100.0%	2.5%	0.0%	0.1%	-0.2%	2.5%
Emerging*	-17.9%	--	7.1%	0.0%	0.0%	0.0%	-0.4%	-0.2%	-0.6%

The firm is an active value-oriented defensive manager. The firm's value driven investment philosophy is based on the belief that investments need to be evaluated in terms of their fundamental long-term value. The firm believes that the value of a company lies in its future income stream as dividends represent the most direct form of cash flow to a shareholder. The firm uses an inflation adjusted dividend discount model to derive the underlying value of a company. This methodology is applied consistently to individual securities across all markets and industries. The universe spans markets covered in the MSCI Indices and those developing markets with adequate investor protection and good repatriation procedures. The firm will then narrow the universe to a list of more than 1000 securities on the basis of value criteria, and then further reduce this to a shorter list of approximately 250 securities annually, for detailed fundamental analysis. The screens include basic value characteristics such as price to book, price to cash flow ratio, price to earnings ratio, and yield, as well as liquidity considerations. A focus list of approximately 80 securities is then created from that list of approximately 250 through fundamental research and deliberations of the Equity Strategy Committee. It is this list of securities on which more detailed fundamental analysis and financial modeling is carried out utilizing the dividend discount model, which is based on an evaluation of a company's future income stream, which is then discounted in real terms.

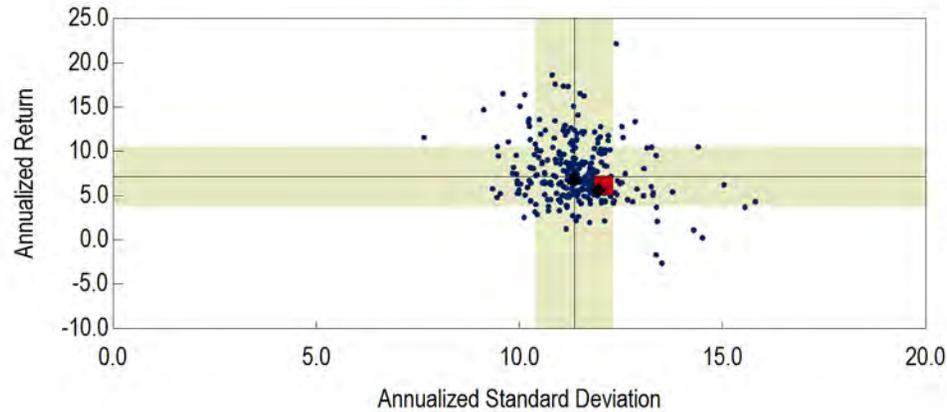
eA All EAFE Equity Gross Accounts



Annualized Excess Performance



## 3 Year Risk Return

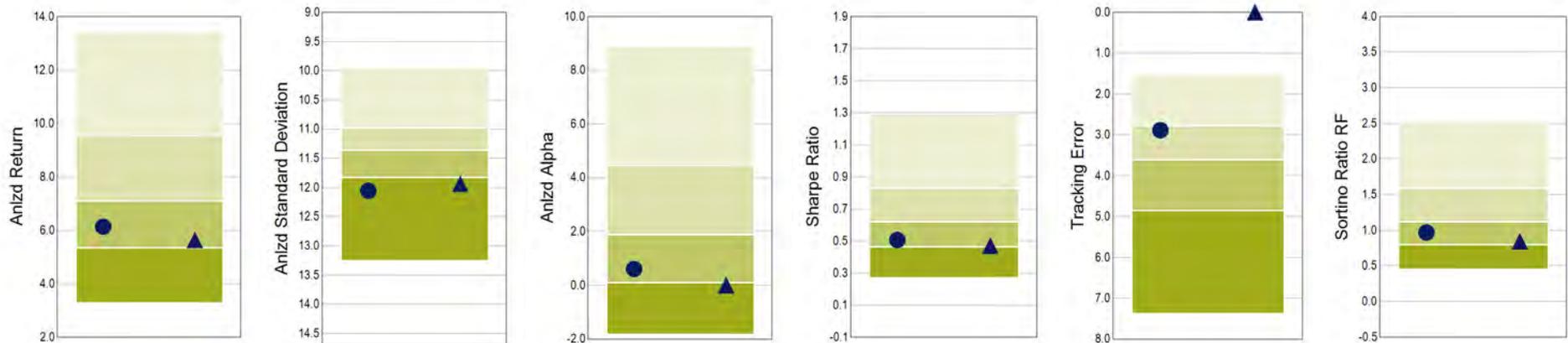


- Mondrian
- ◆ MSCI EAFE
- ▲ Universe Median
- 68% Confidence Interval
- eA All EAFE Equity Gross

## Characteristics

	Portfolio	MSCI EAFE
Number of Holdings	55	913
Weighted Avg. Market Cap. (\$B)	59.6	52.8
Median Market Cap. (\$B)	36.8	8.1
Price To Earnings	17.1	18.3
Price To Book	2.4	2.3
Price To Sales	1.6	2.1
Return on Equity (%)	12.1	14.5
Yield (%)	4.2	3.2
Beta		1.0
R-Squared		1.0

## 3 Year Risk Statistics



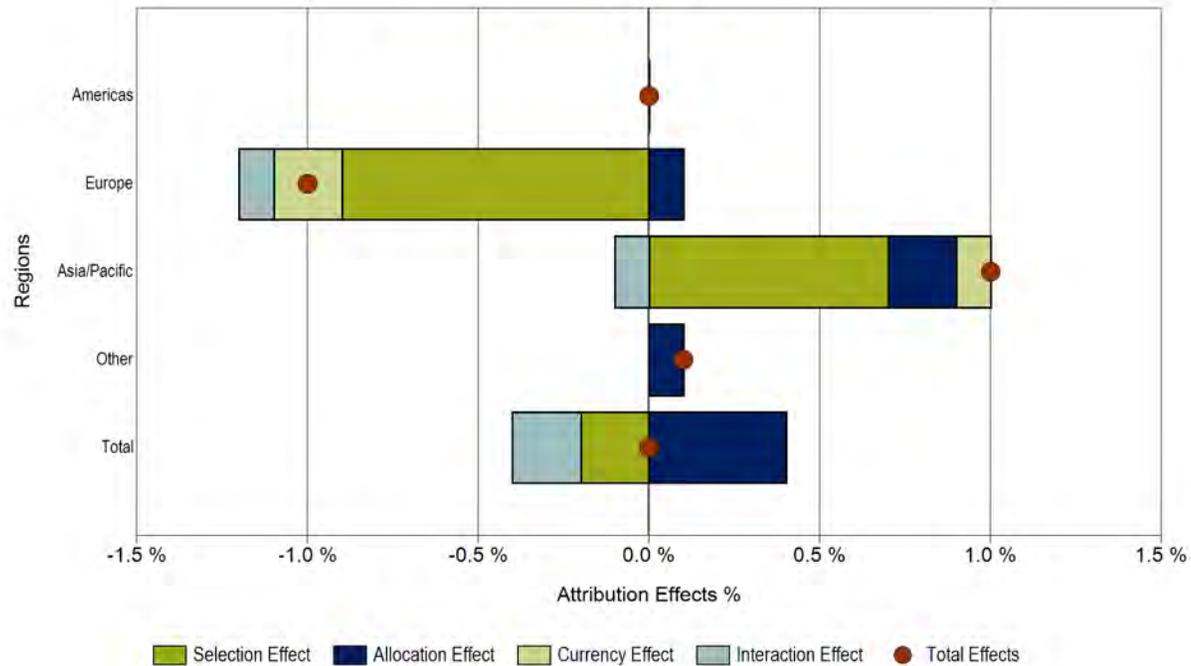
## Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>Europe</b>				
Denmark	0.1%	1.7%	0.5%	-2.4%
France	8.0%	9.7%	-8.2%	-6.4%
Germany	8.6%	8.9%	-16.9%	-11.4%
Italy	2.4%	2.4%	-9.1%	-4.3%
Netherlands	5.3%	2.8%	-3.5%	-8.8%
Norway	0.4%	0.6%	-9.1%	-19.1%
Spain	6.7%	3.5%	-8.5%	-11.1%
Sweden	3.7%	2.9%	-7.6%	-9.1%
Switzerland	13.4%	9.2%	-12.4%	-6.7%
United Kingdom	21.3%	20.3%	-9.6%	-10.0%
<b>Total-Europe</b>	<b>70.1%</b>	<b>64.8%</b>	<b>-10.2%</b>	<b>-8.7%</b>

## Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>AsiaPacific</b>				
Australia	1.3%	6.9%	-12.5%	-15.3%
Hong Kong	1.7%	3.3%	-5.9%	-16.2%
Japan	18.1%	22.9%	-8.6%	-11.8%
Singapore	5.8%	1.4%	-18.2%	-19.5%
Taiwan*	1.1%	0.0%	-13.3%	-16.9%
<b>Total-AsiaPacific</b>	<b>28.1%</b>	<b>34.6%</b>	<b>-10.8%</b>	<b>-13.2%</b>
<b>Other</b>				
Israel	1.9%	0.6%	-4.0%	-5.4%
<b>Total-Other</b>	<b>1.9%</b>	<b>0.6%</b>	<b>-4.0%</b>	<b>-5.4%</b>
<b>Totals</b>				
Developed	98.9%	100.0%	-10.2%	-10.2%
Emerging*	1.1%	0.0%	-13.3%	--

Mondrian Performance Attribution vs. MSCI EAFE

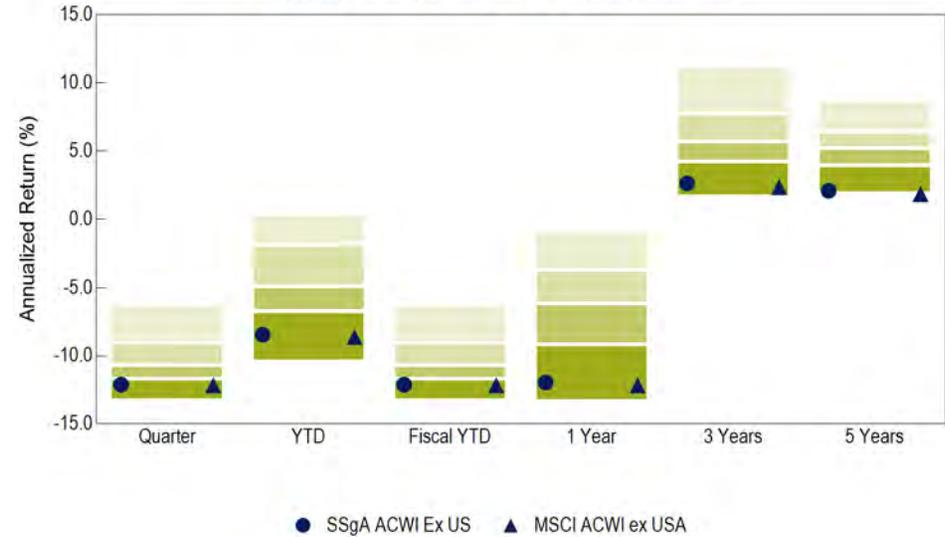


	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
<b>Totals</b>									
Americas	--	--	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Europe	-10.2%	-8.7%	70.1%	64.8%	-0.9%	0.1%	-0.2%	-0.1%	-1.0%
Asia/Pacific	-10.8%	-13.2%	28.1%	34.6%	0.7%	0.2%	0.1%	-0.1%	1.0%
Other	-4.0%	-5.4%	1.9%	0.6%	0.0%	0.1%	0.0%	0.0%	0.1%
<b>Total</b>	<b>-10.2%</b>	<b>-10.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.2%</b>	<b>0.4%</b>	<b>0.0%</b>	<b>-0.2%</b>	<b>0.0%</b>
<b>Totals</b>									
Developed	-10.2%	-10.2%	98.9%	100.0%	0.0%	0.0%	0.1%	0.0%	0.0%
Emerging*	-13.3%	--	1.1%	0.0%	0.0%	0.0%	-0.1%	0.0%	0.0%

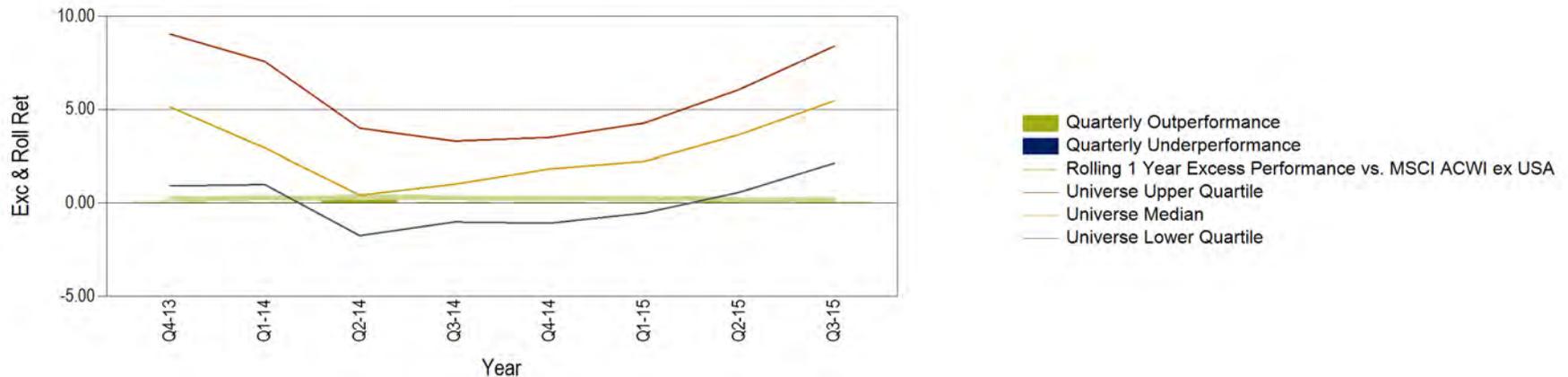
# SSgA ACWI Ex US

The MSCI ACWI ex US Index Strategy tends to hold each security that is held in the benchmark index, but the strategy will not be perfectly weighted in every index constituent on a daily basis. Holding securities in the perfect weights would require increased trading and therefore would incur costs. Thus, there will be securities in the fund that are either over- or under-weighted relative to the benchmark. The individual security mis-weights are very minimal, usually within 1 basis point. However, in aggregate, these small mis-weights can add up and result in tracking error if the mis-weighted securities' performance is volatile. SSgA seek to replicate the index by attempting to hold every security in the fund in its appropriate index weight. SSgA trade only when there is a change to the Index, when we have participant cash flows, or when we receive significant dividend income into the fund.

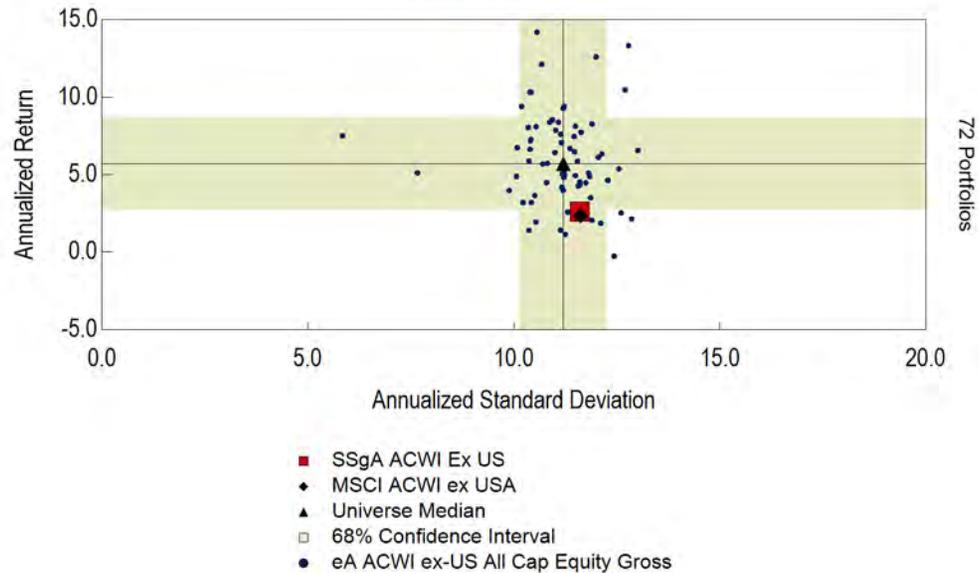
eA ACWI ex-US All Cap Equity Gross Accounts



Annualized Excess Performance



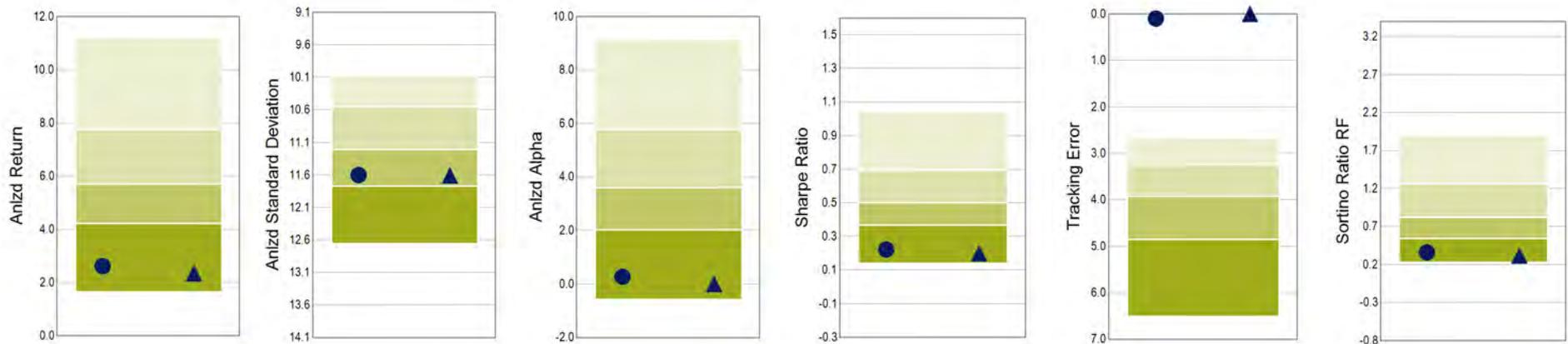
## 3 Year Risk Return



## Characteristics

	Portfolio	MSCI ACWI ex USA
Number of Holdings	1,891	1,843
Weighted Avg. Market Cap. (\$B)	47.6	47.5
Median Market Cap. (\$B)	6.1	6.2
Price To Earnings	18.8	18.0
Price To Book	2.9	2.3
Price To Sales	2.5	2.2
Return on Equity (%)	16.2	15.2
Yield (%)	3.2	3.2
Beta		1.0
R-Squared		1.0

## 3 Year Risk Statistics



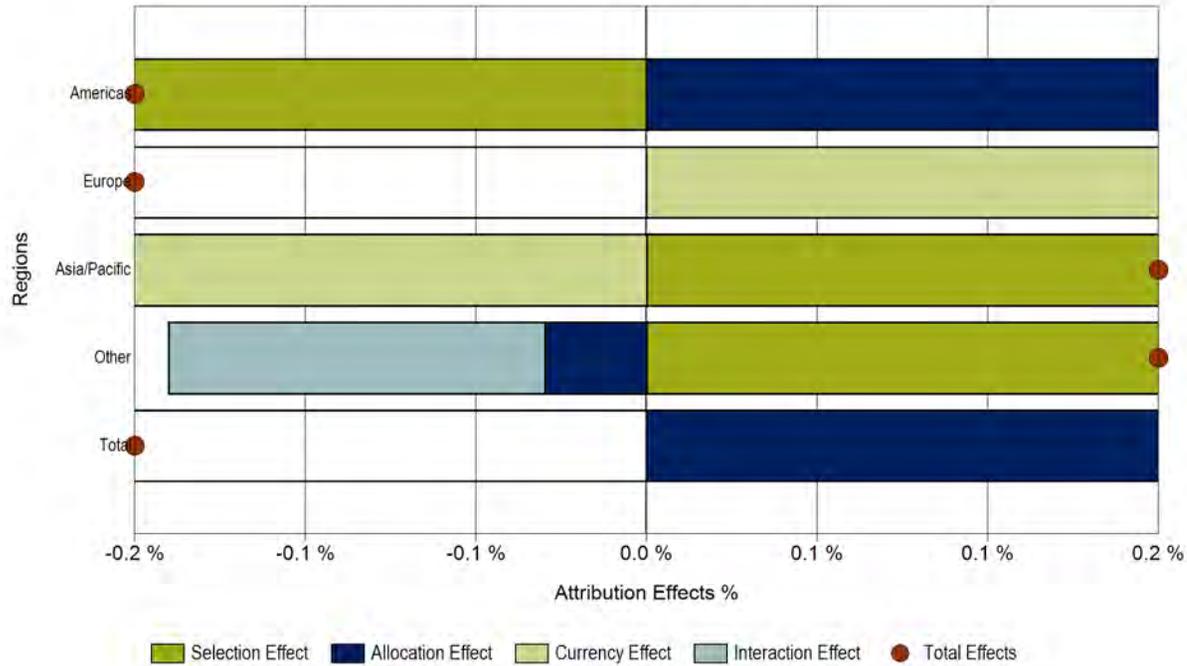
## Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>Americas</b>				
Canada	0.5%	6.6%	-16.8%	-14.0%
Chile*	4.2%	0.3%	-15.2%	-13.6%
Colombia*	5.2%	0.1%	-13.0%	-23.2%
Peru*	2.6%	0.1%	-42.6%	-21.5%
United States	24.4%	0.0%	-14.8%	-6.9%
<b>Total-Americas</b>	<b>36.9%</b>	<b>9.7%</b>	<b>-16.6%</b>	<b>-17.3%</b>
<b>Europe</b>				
Ireland	1.1%	0.3%	9.7%	-3.1%
Poland*	2.3%	0.3%	1.4%	-10.5%
Russia*	31.2%	0.8%	-21.3%	-14.2%
<b>Total-Europe</b>	<b>34.6%</b>	<b>47.7%</b>	<b>-18.8%</b>	<b>-8.8%</b>

## Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>AsiaPacific</b>				
China*	3.6%	5.4%	-32.4%	-22.0%
India*	11.6%	1.7%	-7.0%	-6.6%
Malaysia*	2.0%	0.7%	-13.6%	-18.2%
Taiwan*	9.6%	2.8%	-18.3%	-16.5%
<b>Total-AsiaPacific</b>	<b>26.7%</b>	<b>39.7%</b>	<b>-14.9%</b>	<b>-14.5%</b>
<b>Other</b>				
South Africa*	1.8%	1.7%	-9.3%	-18.6%
<b>Total-Other</b>	<b>1.8%</b>	<b>2.9%</b>	<b>-9.3%</b>	<b>-15.3%</b>
<b>Totals</b>				
Developed	26.0%	78.1%	-13.7%	-10.5%
Emerging*	74.0%	21.9%	-17.8%	-17.6%

SSgA ACWI Ex US Performance Attribution vs. MSCI ACWI ex USA

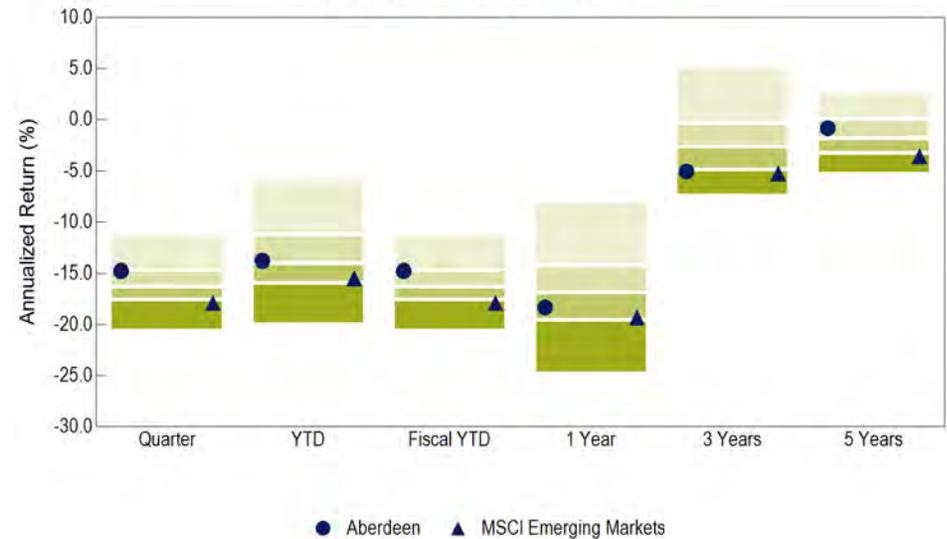


	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
<b>Totals</b>									
Americas	-16.6%	-17.3%	36.9%	9.7%	-0.5%	0.2%	-0.3%	-1.3%	-1.9%
Europe	-18.8%	-8.8%	34.6%	47.7%	-5.6%	-0.3%	0.9%	1.5%	-3.5%
Asia/Pacific	-14.9%	-14.5%	26.7%	39.7%	0.8%	0.4%	-0.5%	-0.3%	0.5%
Other	-9.3%	-15.3%	1.8%	2.9%	0.3%	0.0%	0.0%	-0.1%	0.2%
<b>Total</b>	<b>-16.8%</b>	<b>-12.1%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-4.9%</b>	<b>0.3%</b>	<b>0.1%</b>	<b>-0.1%</b>	<b>-4.7%</b>
<b>Totals</b>									
Developed	-13.7%	-10.5%	26.0%	78.1%	-3.8%	-0.3%	1.3%	2.5%	-0.2%
Emerging*	-17.8%	-17.6%	74.0%	21.9%	-0.6%	-1.2%	-1.3%	-1.4%	-4.4%

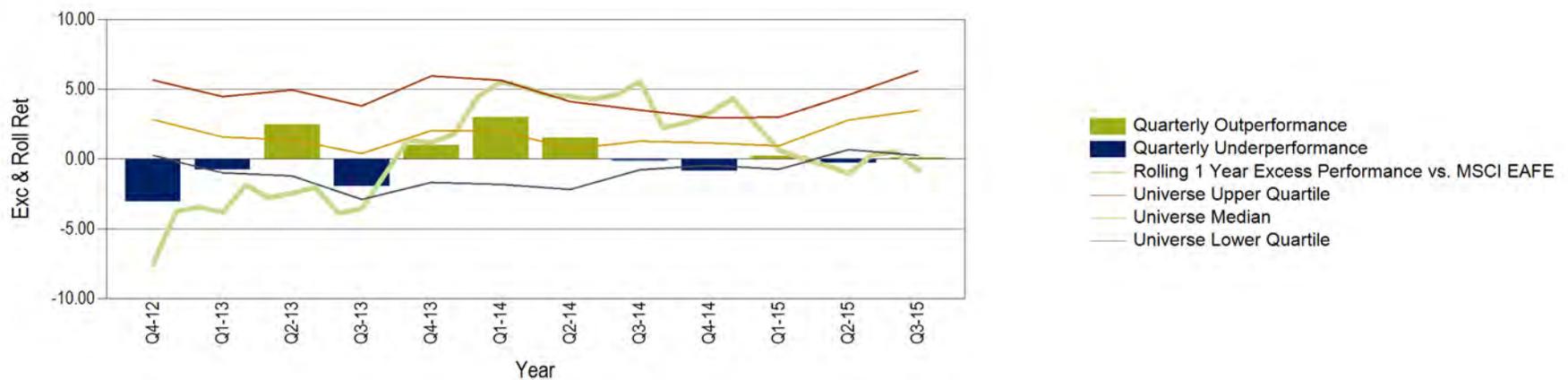
# Aberdeen

Aberdeen believes, given the inefficiency of markets, that competitive long-term returns are achieved by identifying high quality stocks at attractive valuations and holding for the long term. It is their belief that sound fundamentals drive stock prices over time. They employ a fundamental bottom-up investment approach based upon a rigorous and disciplined proprietary research effort which originates with direct company due diligence visits. Portfolios are constructed to maximize their level of exposure to the most attractive companies filtered from the stock selection process. They run a representative or model' unconstrained portfolio that contains approximately 30 - 70 stocks at any given time. Once a stock has received unanimous approval by the team, the senior investment team members then decide which portfolio category it should enter (i.e. country, regional, Global Emerging Markets) and at what weighting. The Head of Global Emerging Markets then has responsibility to ensure that the decision is implemented.

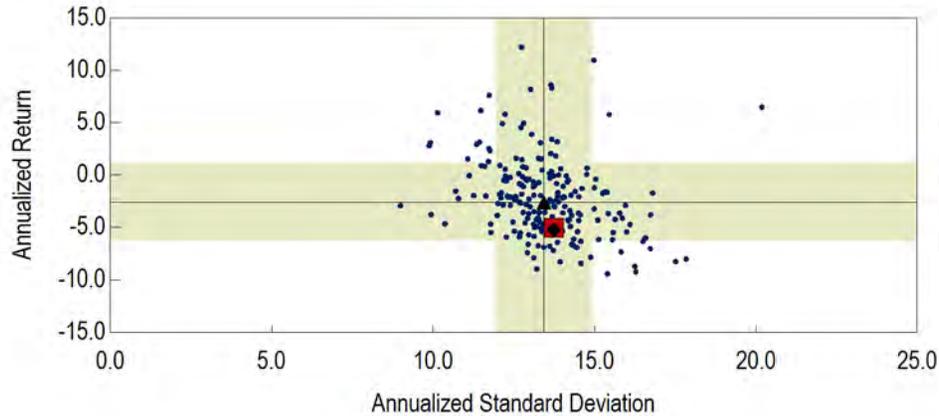
eA Emg Mkts Equity Gross Accounts



Annualized Excess Performance



3 Year Risk Return

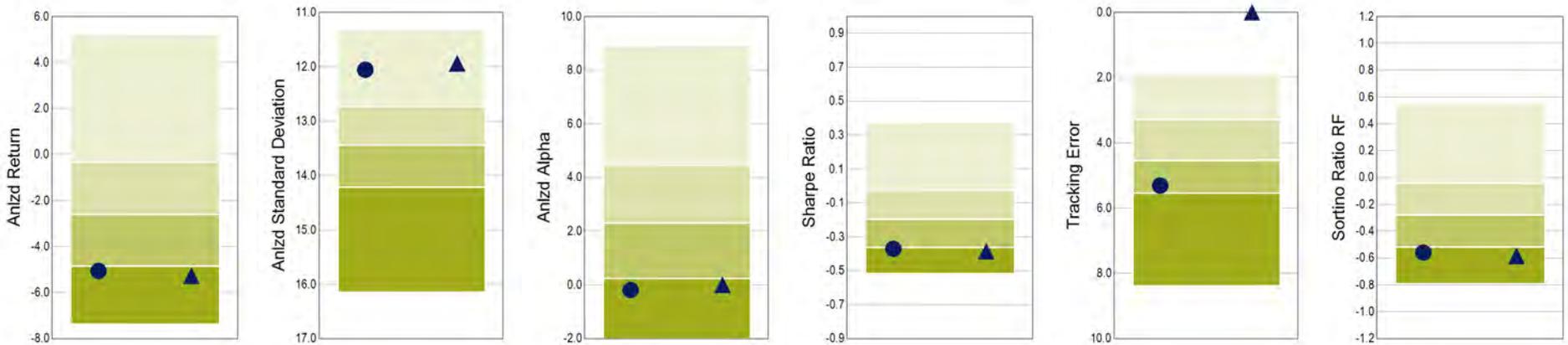


- Aberdeen
- ◆ MSCI Emerging Markets
- ▲ Universe Median
- 68% Confidence Interval
- eA Emg Mkts Equity Gross

Characteristics

	Portfolio	MSCI Emerging Markets
Number of Holdings	60	837
Weighted Avg. Market Cap. (\$B)	29.3	33.6
Median Market Cap. (\$B)	10.7	4.2
Price To Earnings	18.8	17.0
Price To Book	3.4	2.3
Price To Sales	2.8	2.5
Return on Equity (%)	19.2	17.2
Yield (%)	3.2	3.0
Beta		1.0
R-Squared		1.0

3 Year Risk Statistics



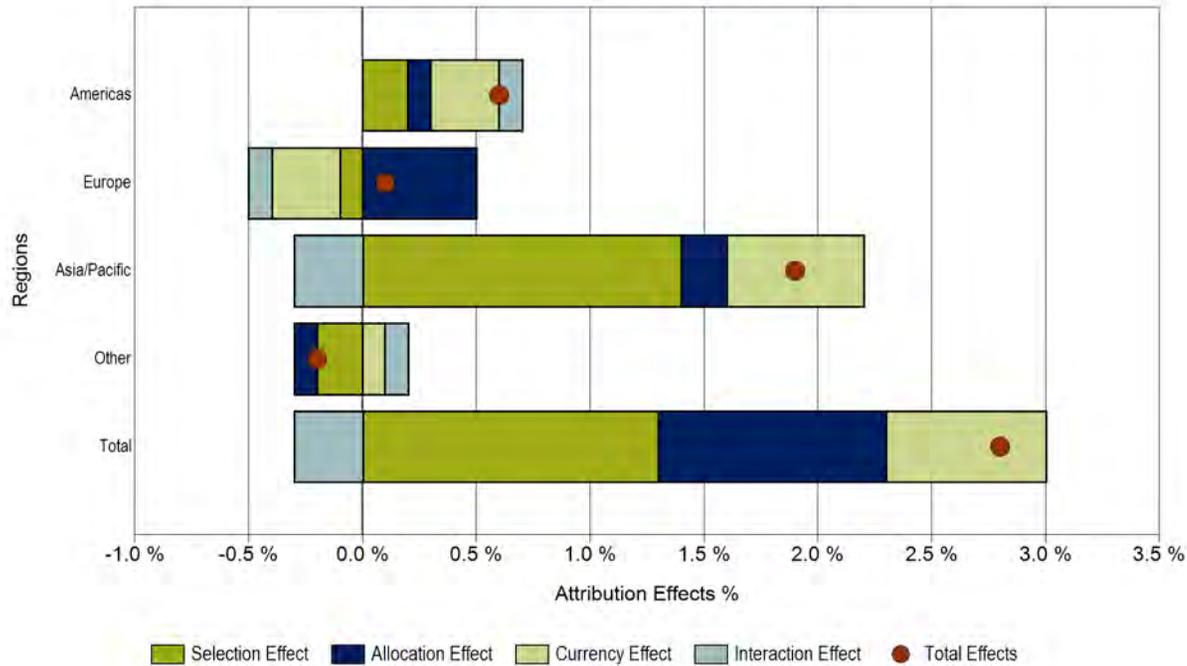
## Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>Americas</b>				
Brazil*	10.9%	7.6%	-29.3%	-33.6%
Chile*	1.1%	1.2%	-10.0%	-13.6%
Mexico*	7.9%	4.5%	-2.8%	-11.9%
United States	1.5%	0.0%	-10.8%	-6.9%
<b>Total-Americas</b>	<b>21.3%</b>	<b>14.3%</b>	<b>-17.2%</b>	<b>-24.2%</b>
<b>Europe</b>				
Hungary*	1.1%	0.2%	7.4%	-3.3%
Luxembourg	1.4%	0.0%	-10.8%	-17.6%
Poland*	1.7%	1.5%	-15.1%	-10.5%
Portugal	1.1%	0.0%	4.9%	-11.5%
Russia*	4.4%	3.8%	-18.0%	-14.2%
United Kingdom	4.7%	0.0%	-14.7%	-10.0%
<b>Total-Europe</b>	<b>14.3%</b>	<b>6.0%</b>	<b>-12.2%</b>	<b>-13.9%</b>

## Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>AsiaPacific</b>				
Australia	0.0%	0.0%	-29.5%	-15.3%
China*	1.8%	24.9%	-37.1%	-22.0%
Hong Kong	10.7%	0.0%	-14.7%	-16.2%
India*	15.6%	7.7%	-4.8%	-6.6%
Indonesia*	3.8%	2.3%	-31.1%	-24.2%
Korea*	5.6%	14.1%	-11.7%	-11.4%
Malaysia*	1.8%	3.2%	-22.9%	-18.2%
Philippines*	3.8%	1.4%	-13.3%	-10.2%
Taiwan*	4.4%	12.7%	-12.2%	-16.5%
Thailand*	4.7%	2.3%	-26.8%	-17.5%
<b>Total-AsiaPacific</b>	<b>52.4%</b>	<b>68.5%</b>	<b>-14.5%</b>	<b>-16.6%</b>
<b>Other</b>				
South Africa*	4.3%	7.9%	-23.8%	-18.6%
Turkey*	4.6%	1.5%	-17.3%	-19.5%
<b>Total-Other</b>	<b>8.9%</b>	<b>11.3%</b>	<b>-20.5%</b>	<b>-17.0%</b>
<b>Totals</b>				
Developed	19.4%	0.0%	-13.1%	--
Emerging*	77.4%	100.0%	-15.8%	-17.6%
Cash	3.2%		0.0%	

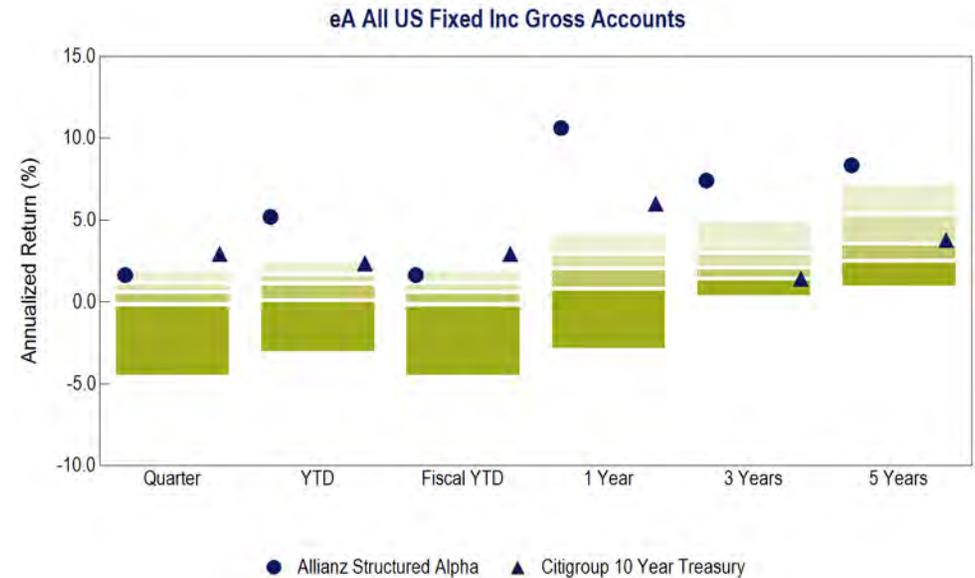
Aberdeen Performance Attribution vs. MSCI Emerging Markets



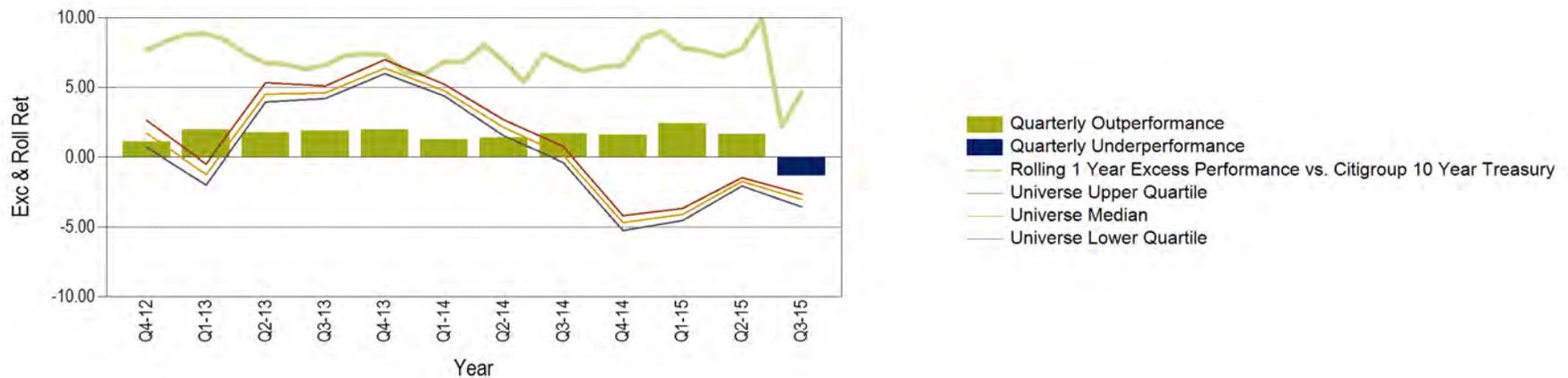
	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
<b>Totals</b>									
Americas	-17.2%	-24.2%	21.3%	14.3%	0.2%	0.1%	0.3%	0.1%	0.6%
Europe	-12.2%	-13.9%	14.3%	6.0%	-0.1%	0.5%	-0.3%	-0.1%	0.1%
Asia/Pacific	-14.5%	-16.6%	52.4%	68.5%	1.4%	0.2%	0.6%	-0.3%	1.9%
Other	-20.5%	-17.0%	8.9%	11.3%	-0.2%	-0.1%	0.1%	0.1%	-0.2%
Cash	0.0%	--	3.2%	0.0%	0.0%	0.4%	0.0%	0.0%	0.4%
<b>Total</b>	<b>-14.8%</b>	<b>-17.6%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.3%</b>	<b>1.0%</b>	<b>0.7%</b>	<b>-0.3%</b>	<b>2.8%</b>
<b>Totals</b>									
Developed	-13.1%	--	19.4%	0.0%	0.0%	0.0%	-0.4%	0.2%	-0.3%
Emerging*	-15.8%	-17.6%	77.4%	100.0%	2.0%	0.0%	1.2%	-0.4%	2.7%
Cash	0.0%	--	3.2%	0.0%	0.0%	0.4%	0.0%	0.0%	0.4%

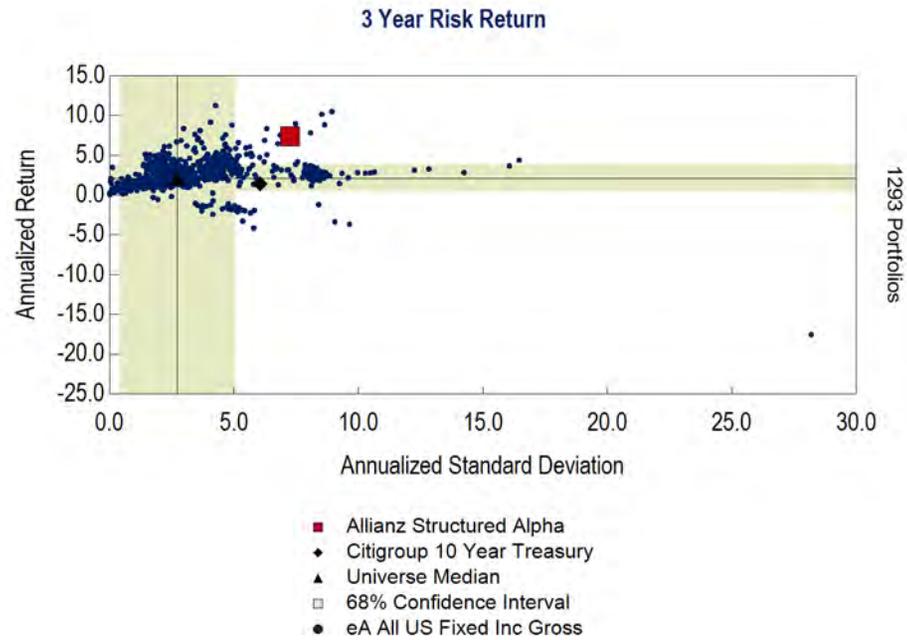
# Allianz Structured Alpha

Allianz uses an alpha enhancement strategy that targets a return stream with low or no correlation with the underlying BC Aggregate benchmark. The objective of the fund seeks to deliver 5% net of fees annually on top of the benchmark with a tracking error of 2-4%. The strategy analyzes historical behavior of the S&P 500 Index and develops a distribution of expected returns, then the fund constructions profit zones using puts and calls which at expiration the underlying ends up in the profit zone. Strategies containing the buying or selling of options may produce losses and profits similar to leverage and may exposure the account to risk related to the underlying security and the option itself.

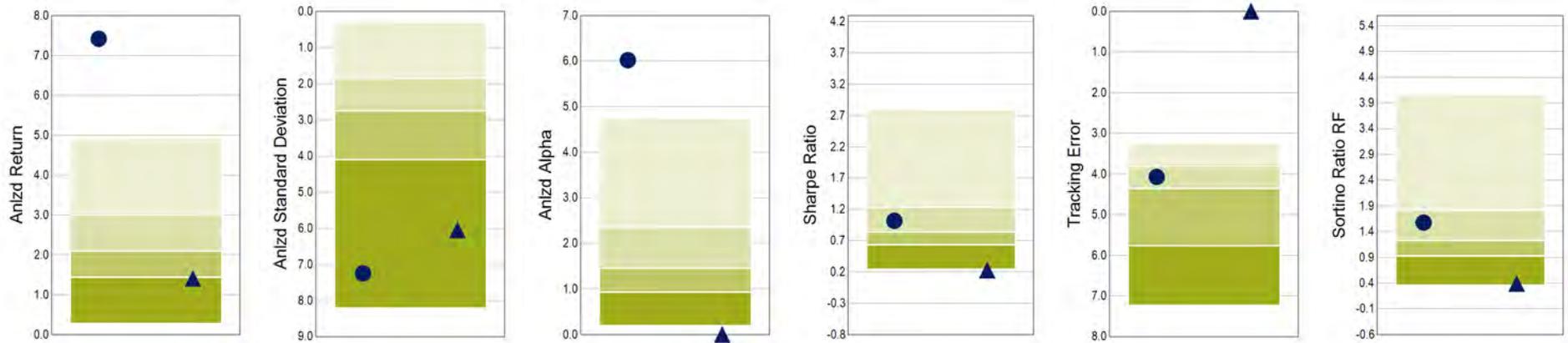


## Annualized Excess Performance



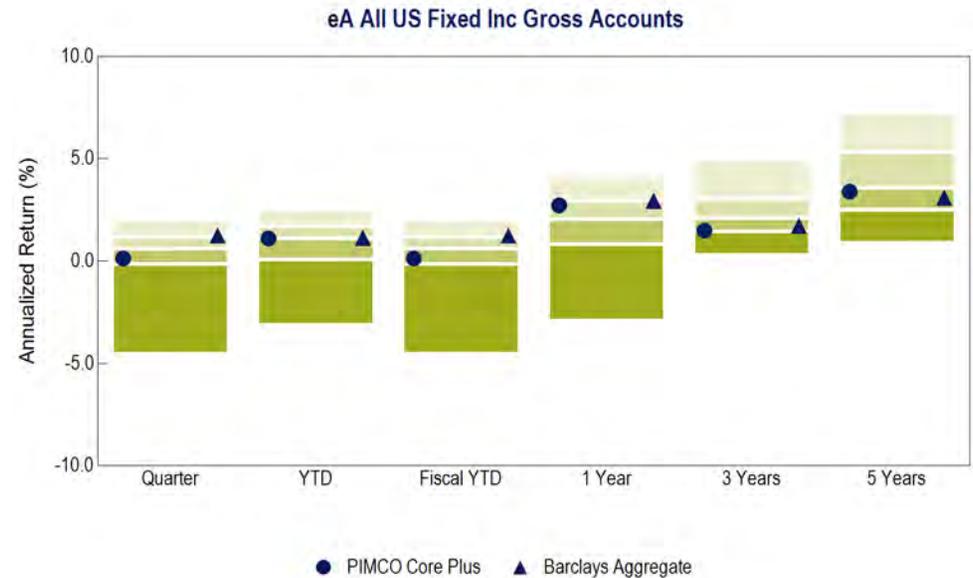


### 3 Year Risk Statistics

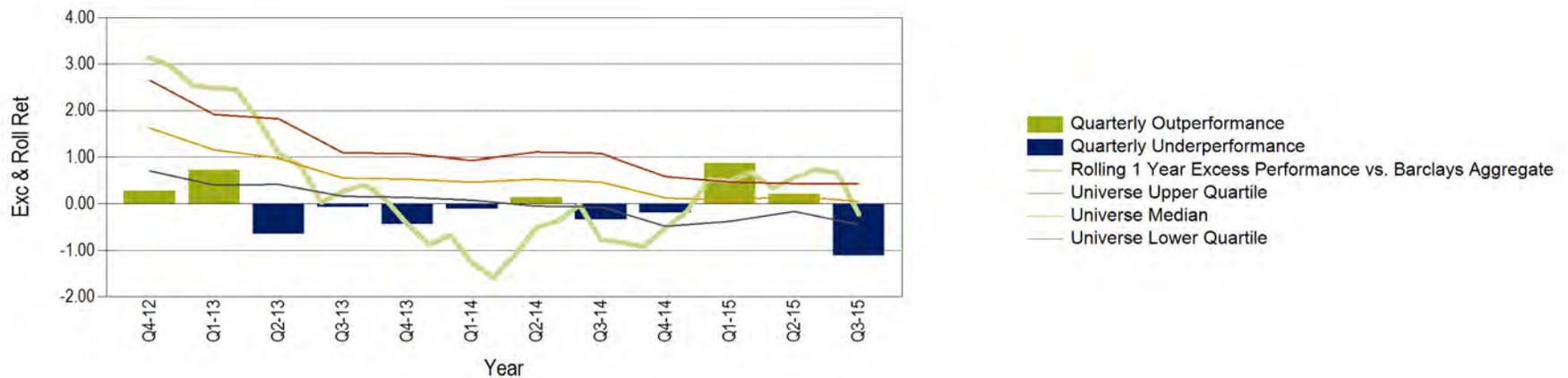


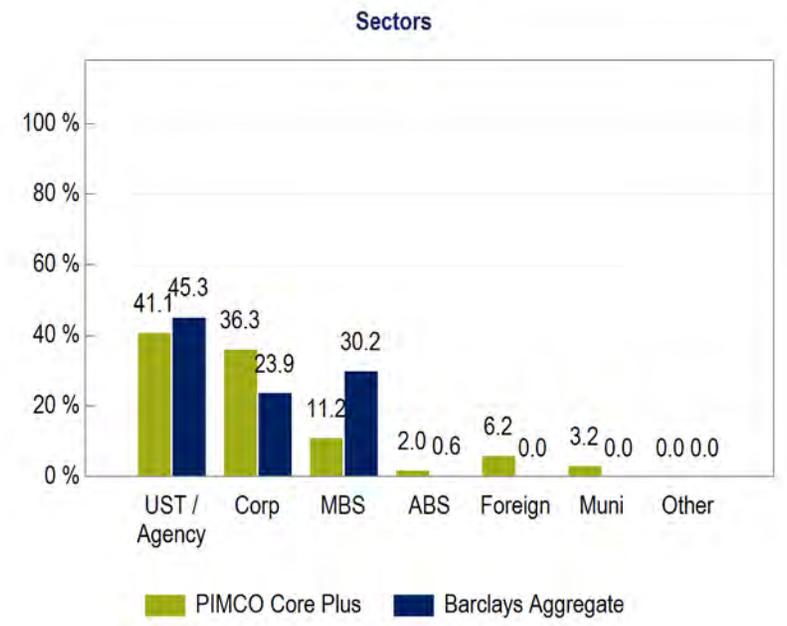
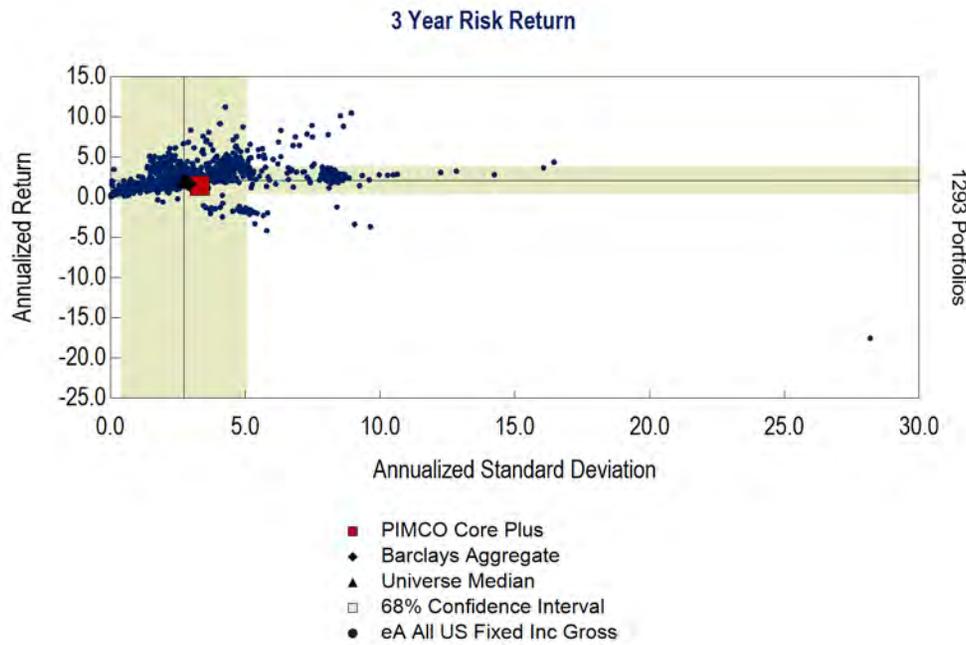
# PIMCO Core Plus

PIMCO's investment process expects to generate above-benchmark returns by building diversified, risk-averse portfolios based upon their long-term secular outlook. This is achieved by analyzing fundamental global trends in such areas as political factors, inflation, volatility, growth, and currency, amongst others. The three to five-year secular outlook is the core element of their decision-making process, and serves as a framework for portfolio implementation. In applying the secular outlook to the portfolio, such tools as duration position, yield curve posture and sector allocation are expressed to best represent the firm's view on the macro-economic environment. Bottom-up analysis of specific securities is also an important part of the firm's philosophy. Bonds are evaluated on a rich/cheap basis and fundamental research determines strong portfolio candidates.

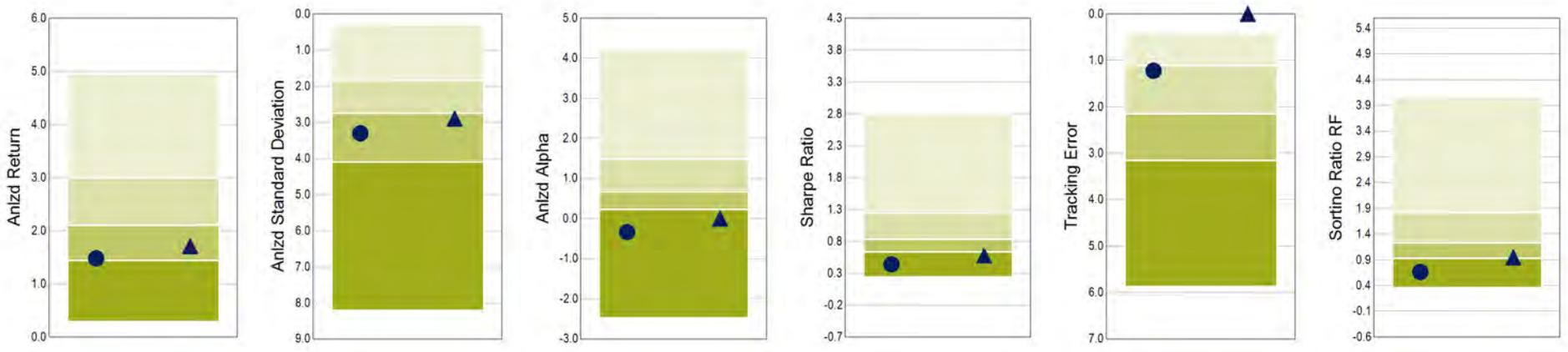


### Annualized Excess Performance

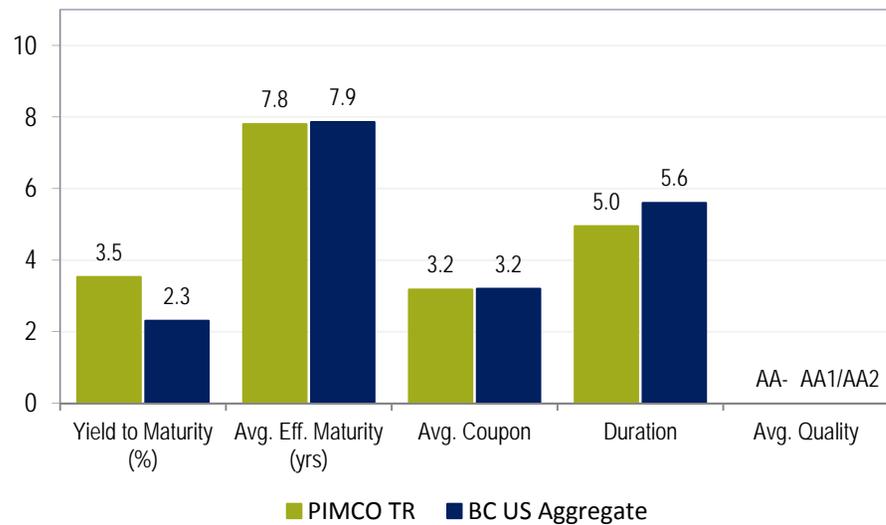




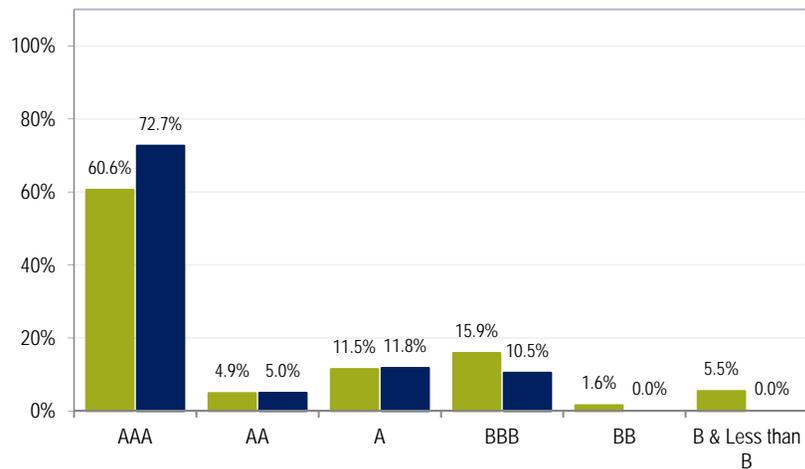
### 3 Year Risk Statistics



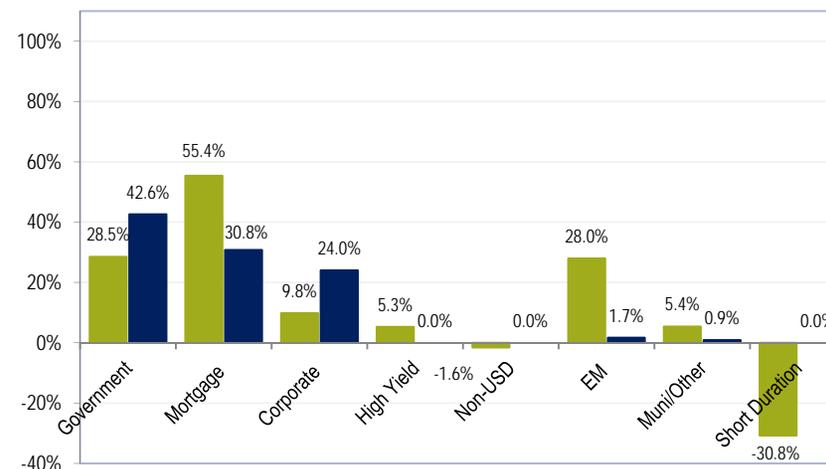
Characteristics



Quality Rating



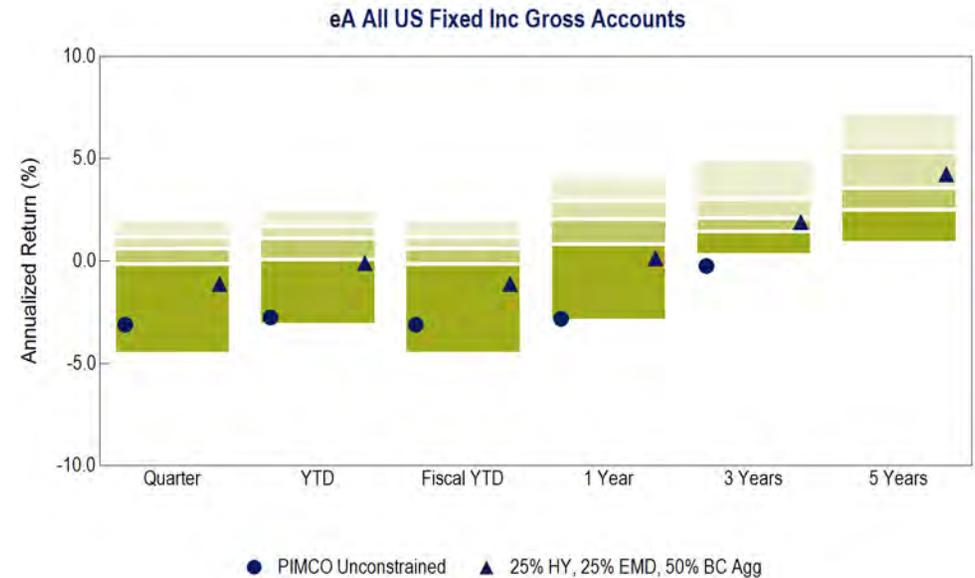
Sectors



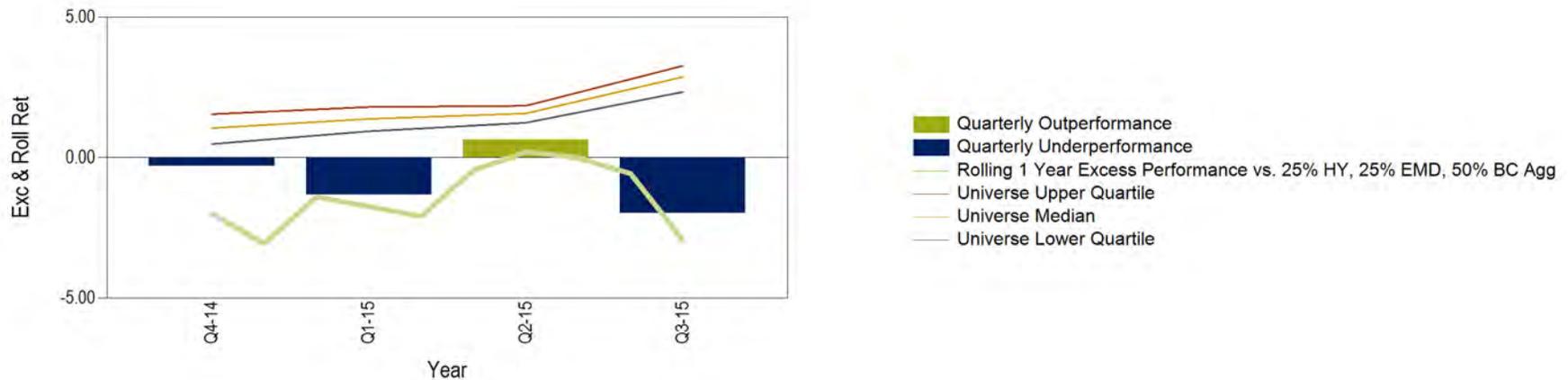
Source: PIMCO

# PIMCO Unconstrained

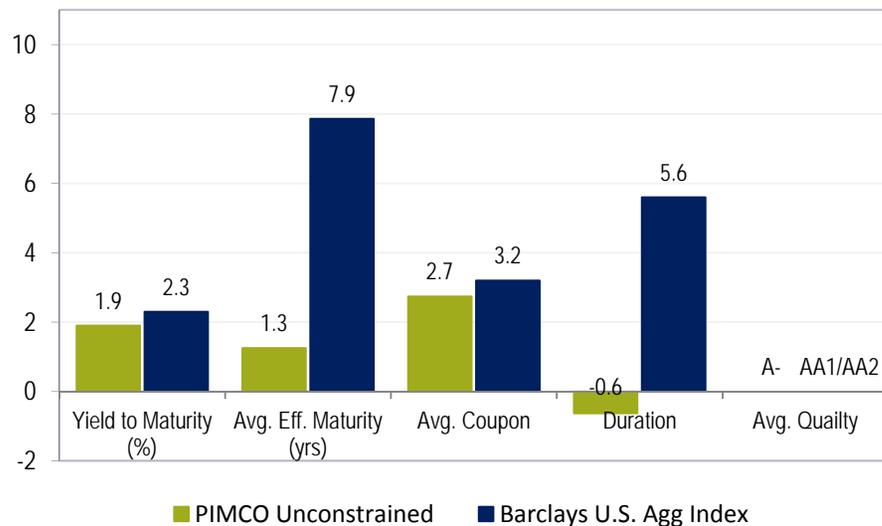
The PIMCO Unconstrained Bond Strategy is an absolute return-oriented, investment grade quality fixed income strategy that embodies PIMCO's secular thinking, global themes, and integrated investment process without the constraints of a benchmark or significant sector/instrument limitations. The strategy is designed to offer the traditional benefits of a core bond portfolio - seeks maximum long-term return consistent with capital preservation and prudent management- but with higher potential alpha and the potential to mitigate downside risk to a greater degree than what is reasonably possible from traditional active fixed income management approaches as the strategy allows for more manager discretion to adjust duration exposure, allocate across sectors and otherwise express the firm's active views. The strategy is governed by PIMCO's investment philosophy and unique, disciplined secular investment process, which focuses on long-term economic, social and political trends that may have lasting impacts on investment returns.



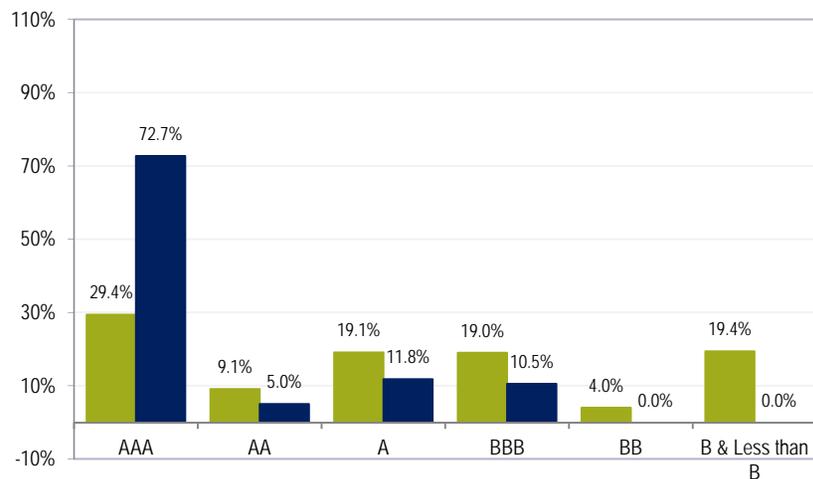
### Annualized Excess Performance



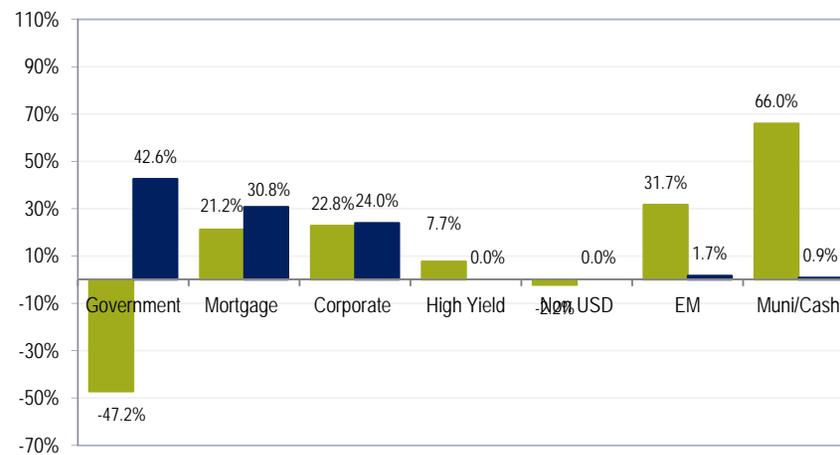
Characteristics



Quality Rating



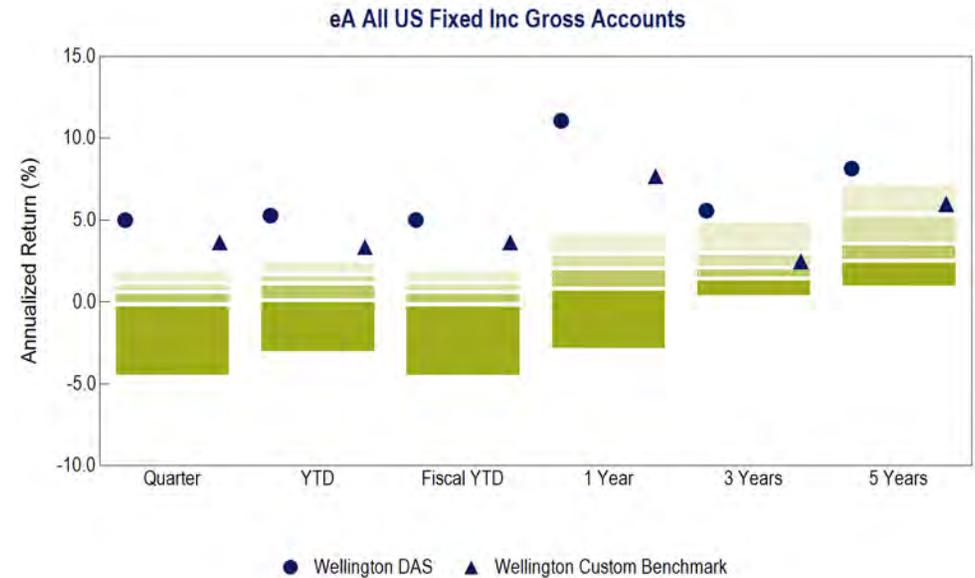
Sectors



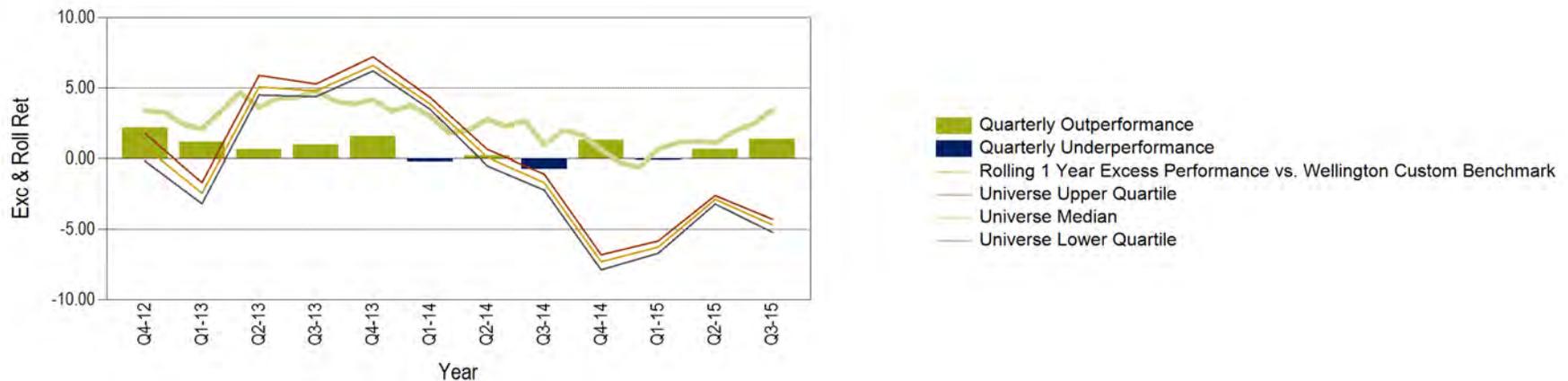
Source: PIMCO

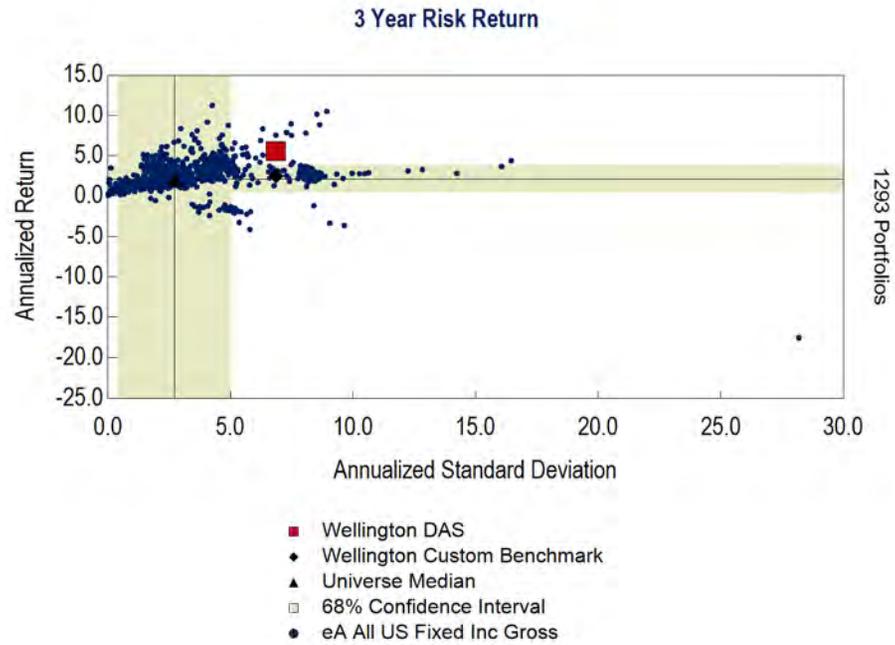
# Wellington DAS

The objective of the Diversified Alpha Strategies - Absolute Return (DAS) Portfolio is to provide positive absolute returns over cash or other market exposure (beta) over rolling 3-year periods with expected volatility of 3 to 6%. The DAS Portfolio aims to provide consistent returns by investing in diverse, market-neutral alpha sources that have low or negative correlations with each other. The mix of alpha sources is rebalanced periodically, and the target mix may change over time. The DAS Portfolio can be combined with desired market (beta) exposure through the use of derivative instruments. Drawing on a diversified basket of alpha sources from across a broad investment universe, rather than a single alpha source, should increase the efficiency of the return/risk ratio and increase the likelihood of achieving consistent returns. For this reason, the DAS Portfolio includes a variety of alpha sources: market neutral equity and fixed income strategies, overlay strategies (currency, fixed income, asset allocation), and long-only equity strategies from which they try to remove structural market risk through short equity index future or swap positions. The allocation to each alpha source is determined in a contribution to risk framework in the context of the expected aggregate DAS Portfolio characteristics. The target weights of the underlying alpha sources have been set using risk budgeting, with a goal of achieving a balanced contribution to risk across the alpha sources, rather than focusing only on the absolute or percent cash allocation.

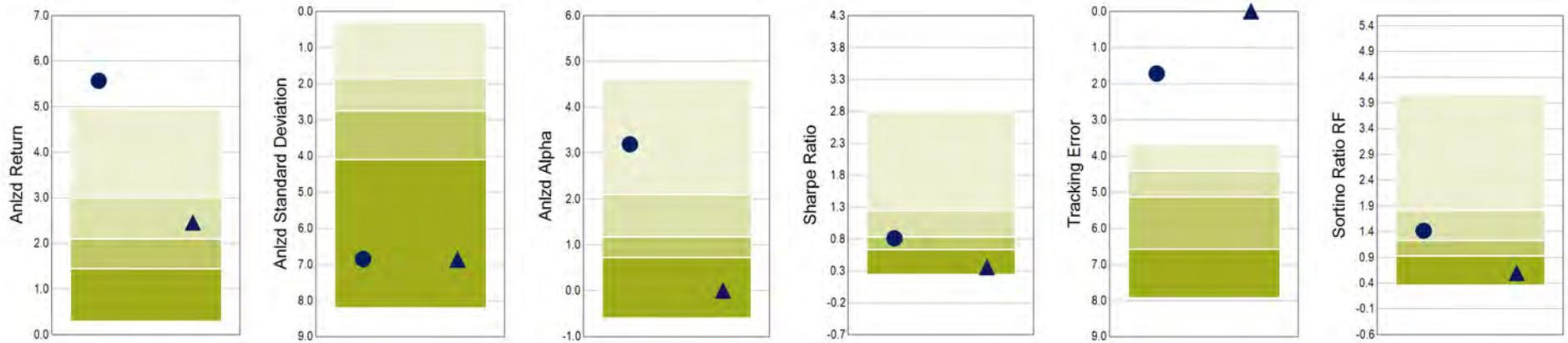


## Annualized Excess Performance





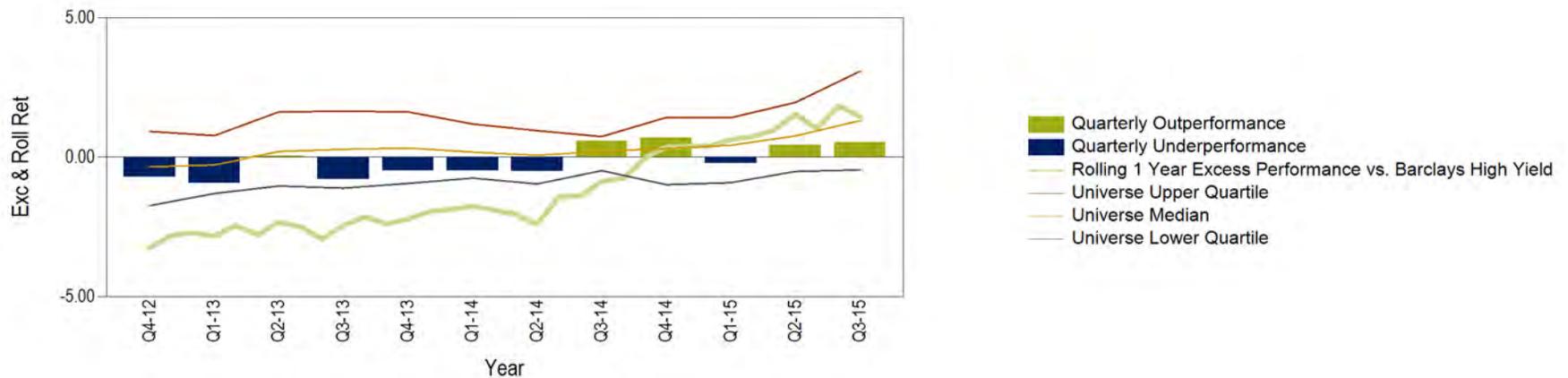
### 3 Year Risk Statistics

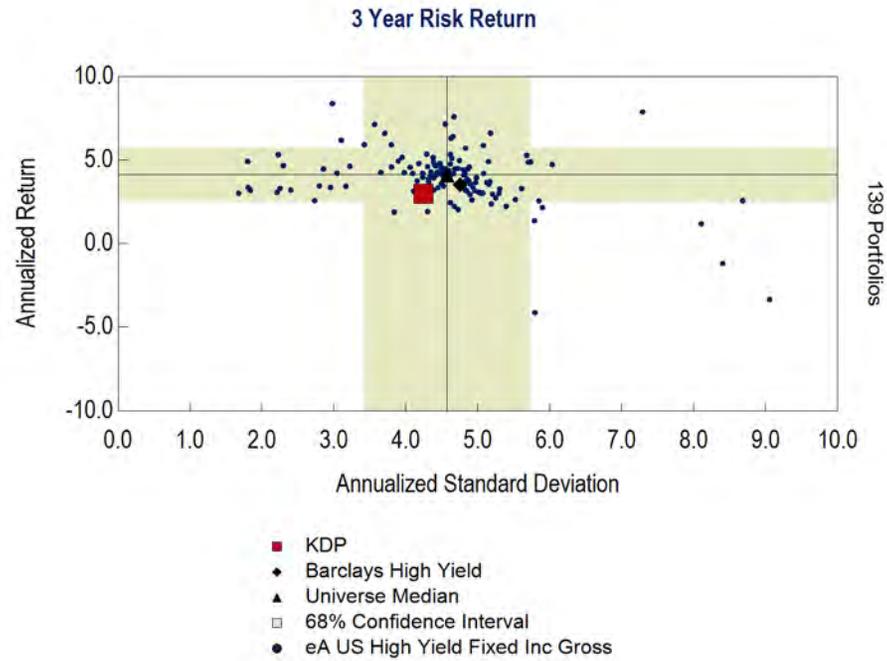


KDP believes that the key to delivering superior risk-adjusted returns lies in controlling credit risk. To do this the firm combines rigorous, bottom-up credit analysis with an active, top-down management approach that ensures a strong overall credit profile and broad portfolio diversification. KDP employs a value-oriented approach to investing that leverages our strong fundamental research capabilities, and seeks to take advantage of market inefficiencies and anomalies on an opportunistic basis in order to capture excess credit spread. KDP places a strong emphasis on issuer, industry and sector diversification, and tends to focus on larger companies, as they tend to be more resilient in times of difficulty and their securities tend to be more liquid. KDP uses a proprietary "Default Risk Ranking (DRR)" System to screen securities eligible for purchase in its portfolios. By assigning default risk probabilities to companies covered, the DRR system is used to identify securities that are overvalued or undervalued relative to the market. The firm minimizes portfolio volatility in part by investing in securities of companies that exhibit greater resilience in times of financial distress. KDP focuses on companies with good management, stable to improving earnings, good balance sheet liquidity and a strong competitive position in industries with favorable underlying fundamentals.

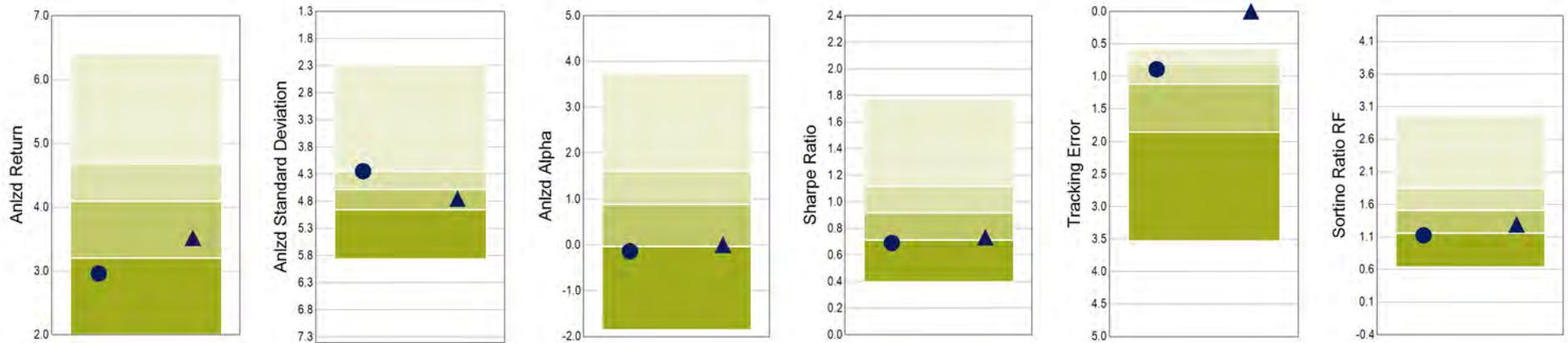


### Annualized Excess Performance

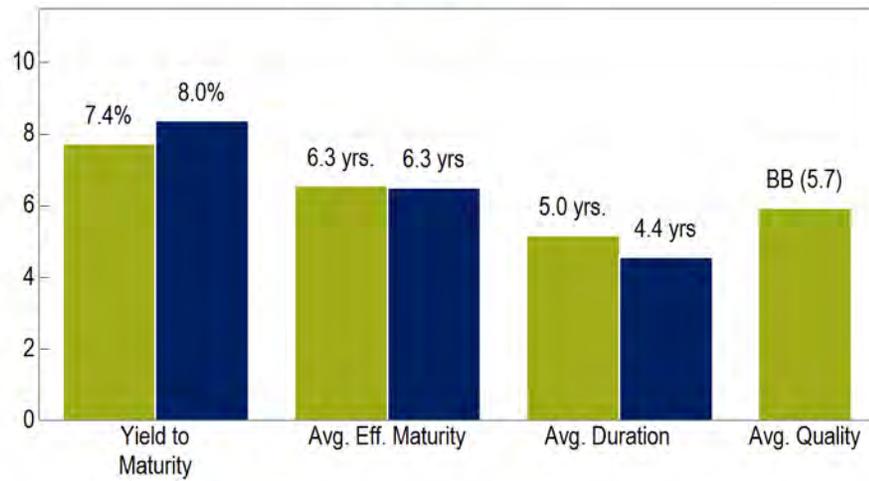




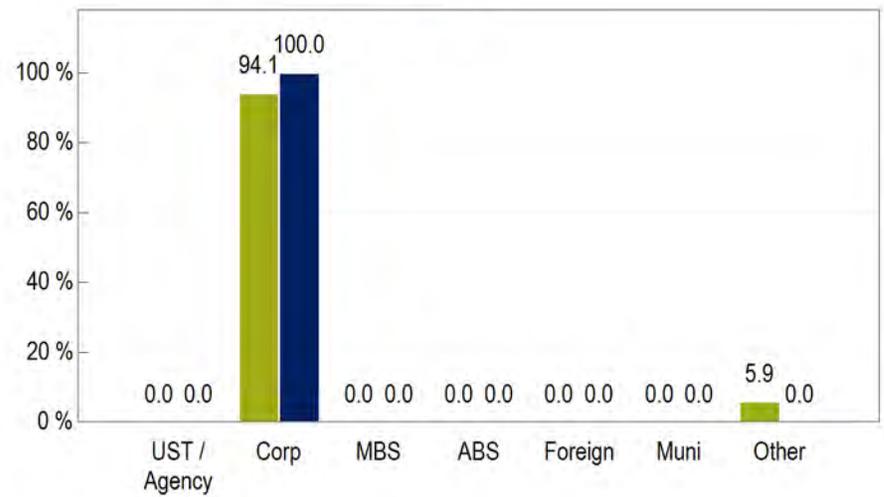
### 3 Year Risk Statistics



Characteristics



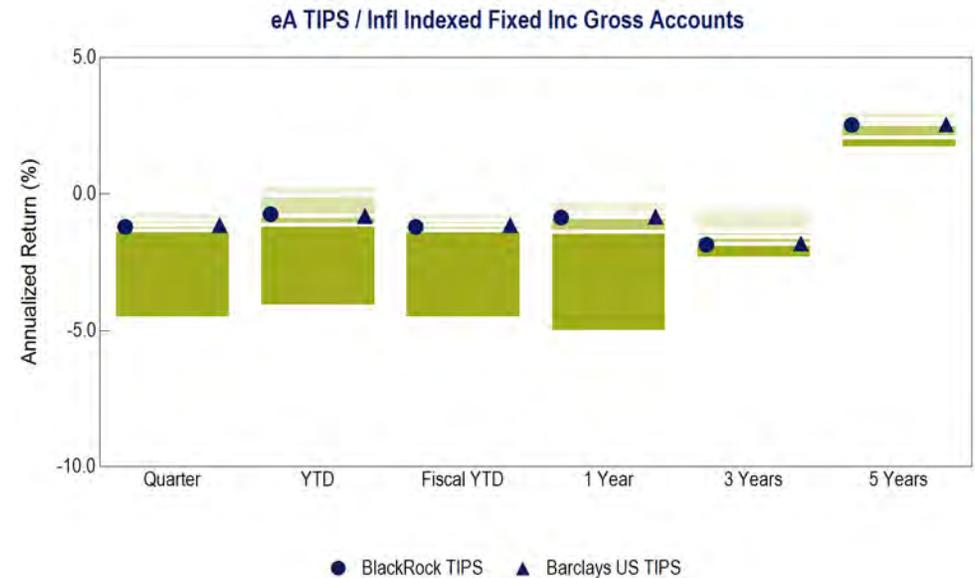
Sectors



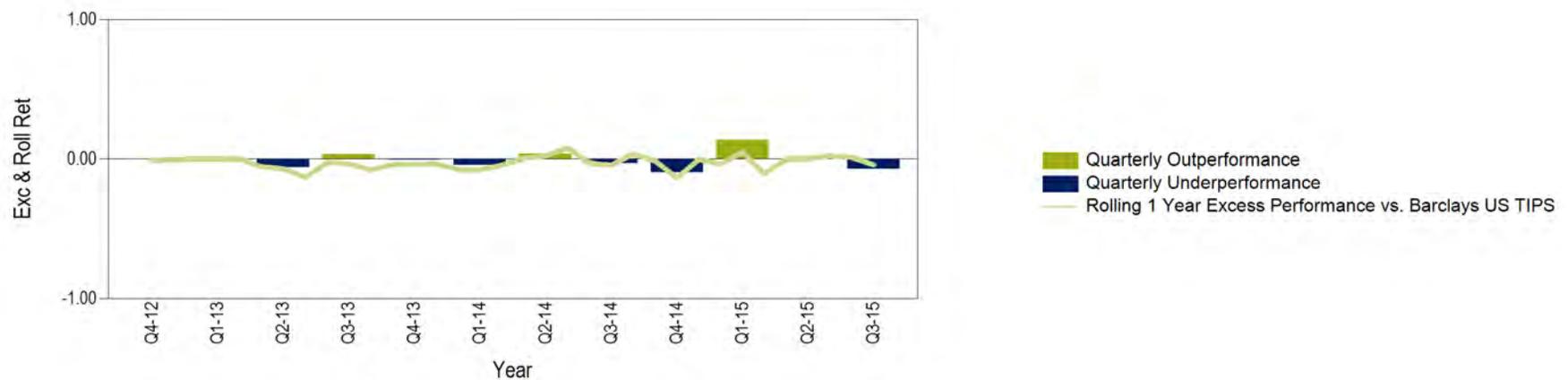
■ KDP ■ Barclays High Yield

# BlackRock TIPS

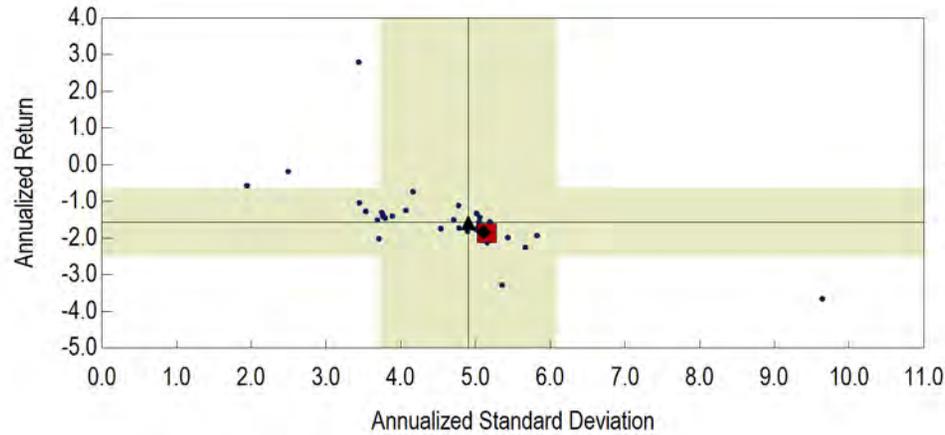
In the management of an inflation-linked bond portfolio, BlackRock will utilize multiple strategies to outperform the index. These include: duration and yield curve positioning, technical supply/demand anomalies related primarily to the ILB auction cycle, seasonal factors related to non-seasonally adjusted inflation-linked indices, break-even spread between ILBs and nominal securities, and, if applicable, sector and country allocation. The team compares nominal yields with real yields and factor in their views on inflation. If the yield spread is less than the inflation rate, then ILBs are considered to trade cheaply to nominal bonds and have greater relative value. The portfolio currently holds about 31 positions, out of 27-29 issues in the benchmark. Turnover is moderate, at around 100-150%.



## Annualized Excess Performance

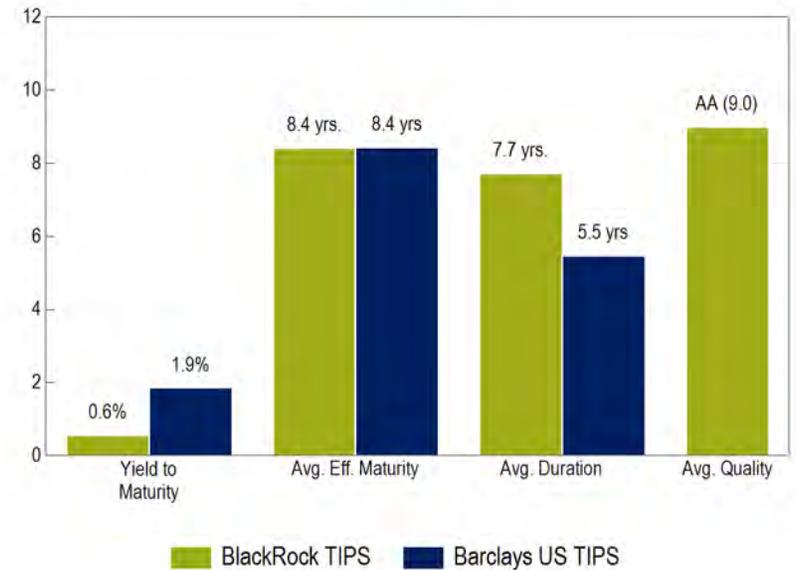


### 3 Year Risk Return

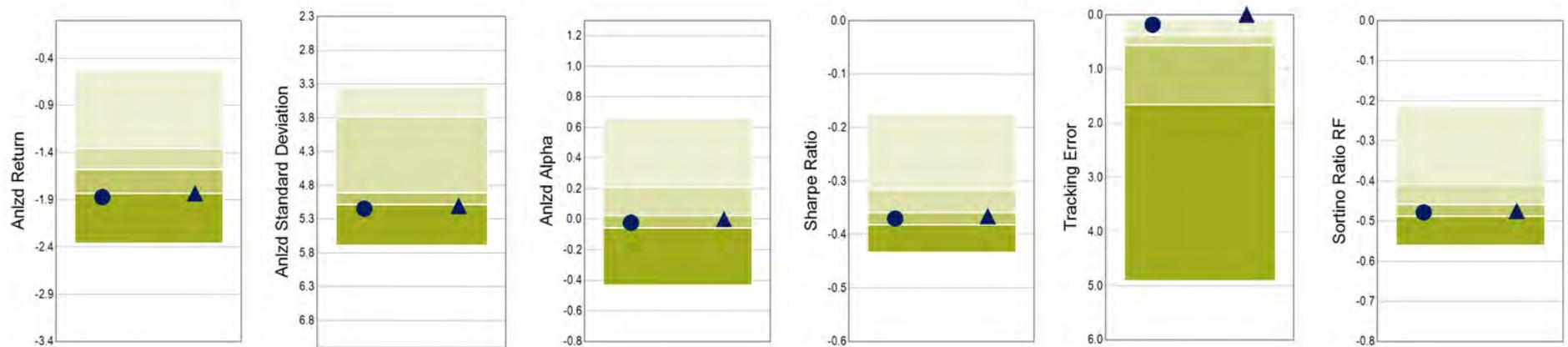


- BlackRock TIPS
- ◆ Barclays US TIPS
- ▲ Universe Median
- 68% Confidence Interval
- eA TIPS / Infl Indexed Fixed Inc Gross

### Characteristics

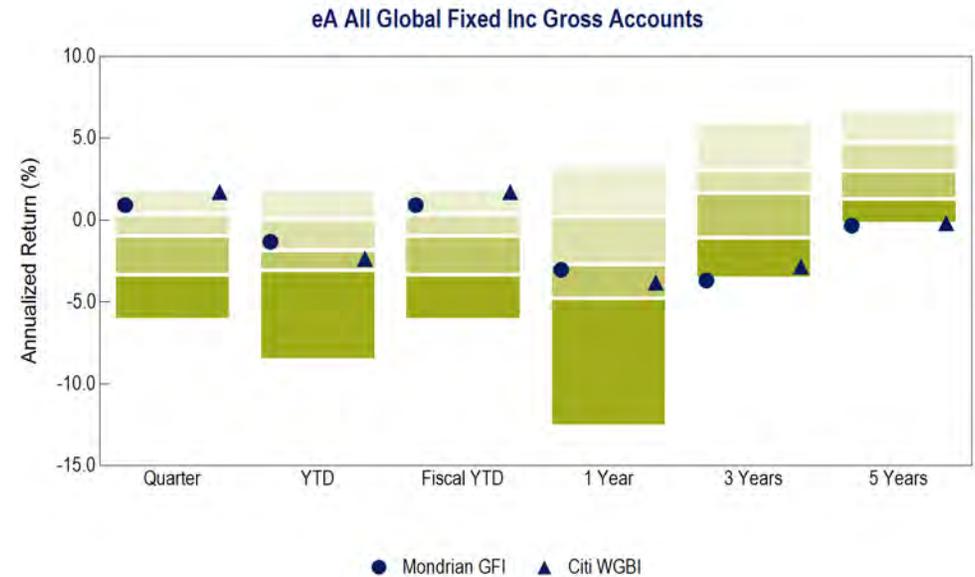


### 3 Year Risk Statistics

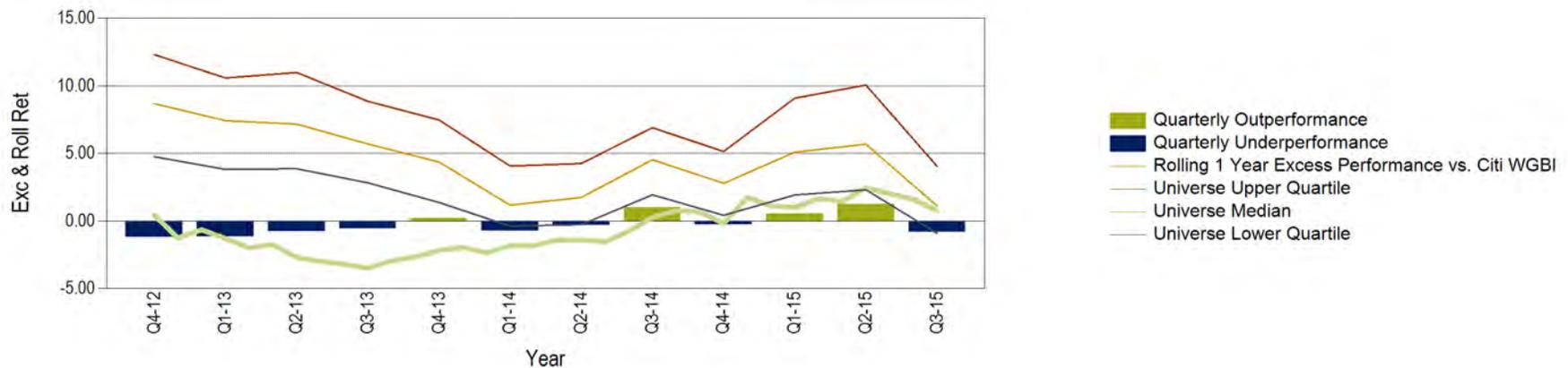


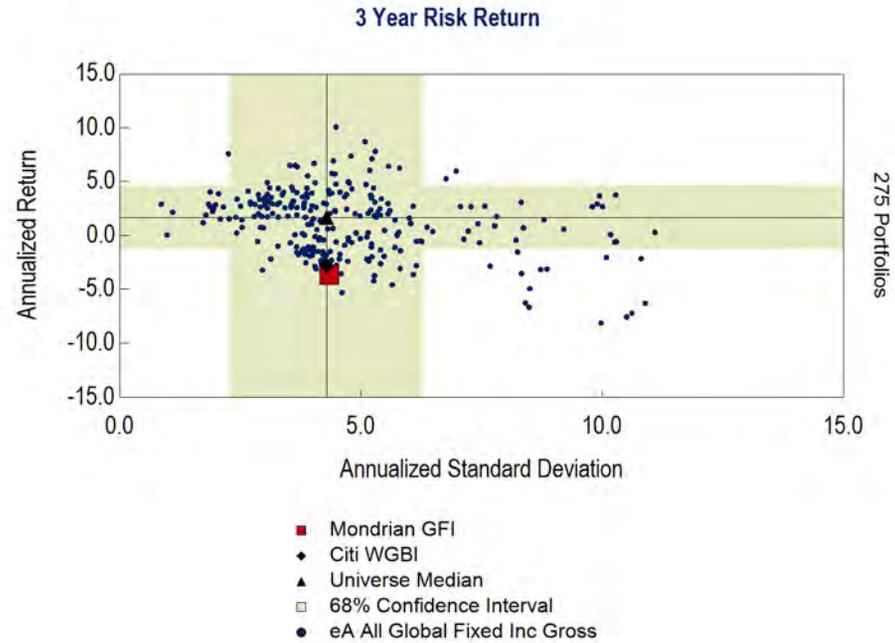
# Mondrian GFI

Bond yield for each market minus Mondrian's inflation forecast for that country. Mondrian will consider investing in the government debt of all countries within the Citigroup World Government Bond Index and other developed world bond markets. Within the emerging world most countries are researched and will include dollar denominated and local currency issuers. Mondrian's bond universe is constructed by selecting a range of bonds from the aforementioned regions at varying maturities, according to Mondrian's credit, liquidity and other specific criteria. A total of 150-200 issues are followed closely, although this list is not intended to be exhaustive. Mondrian bases its duration strategy on the size of potential long term "real" returns in a country's local market. This approach means that in practice, portfolio durations change gradually over time, and that Mondrian does not attempt to anticipate frequent interest rate changes. Mondrian's Credit Committee, chaired by John Kirk is responsible for sector recommendations in the various international markets. Each sector is assigned a prospective credit rating and current yield differentials where comparable government bonds are then assessed for their attractiveness. Mondrian seeks to add value through the use of non-governmental debt, although corporate bonds are a small part of the strategy and contribute a small portion to excess returns. Typically, sovereign and supranational issues comprise between 70% to 100% of a portfolio. High-quality foreign corporate debt is utilized, and may represent between 0% to 30% of a portfolio. In the case of corporate debt, the upper limit of 30% is strictly adhered to. A portfolio will typically hold between 30 and 40 securities.

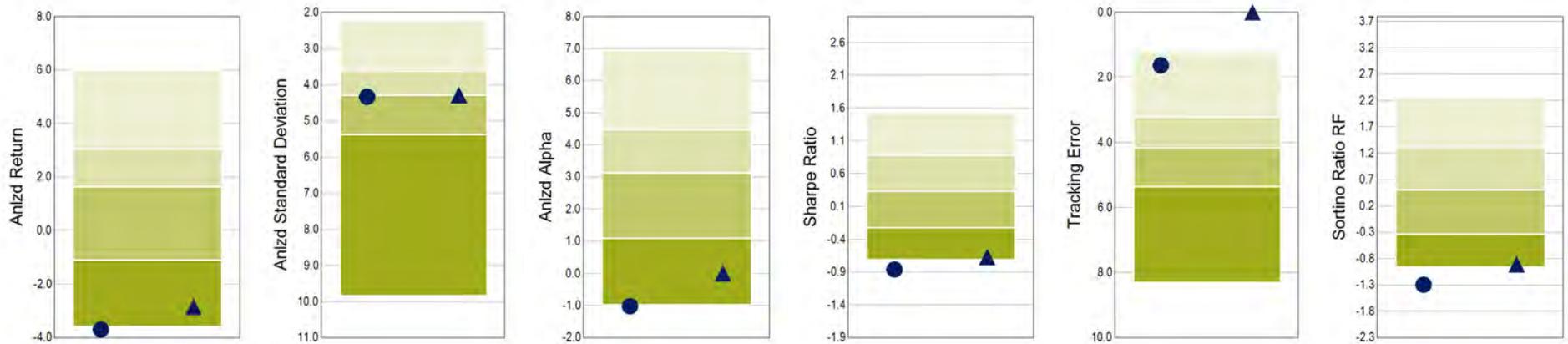


## Annualized Excess Performance

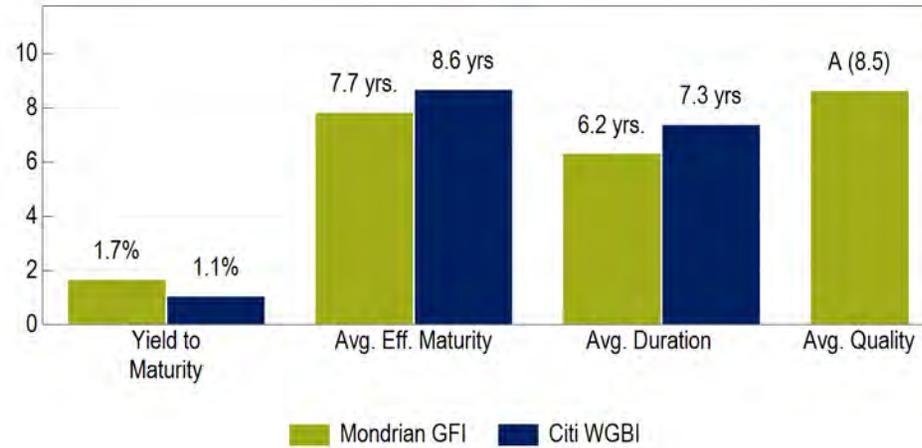




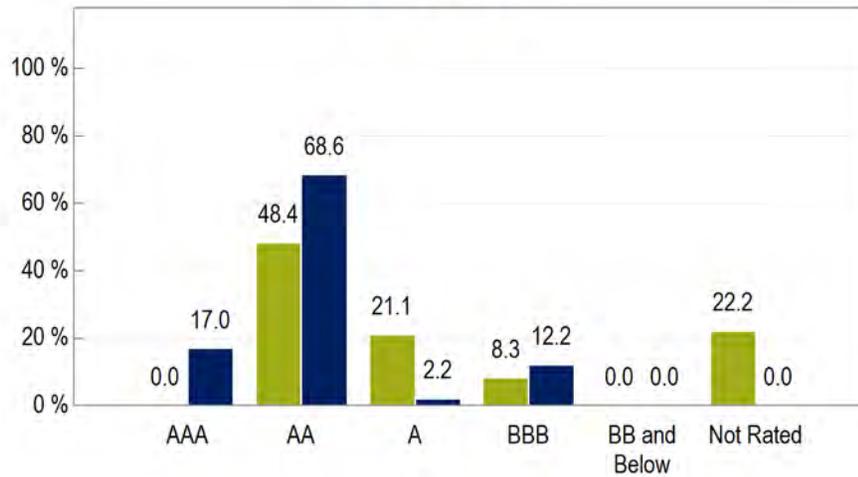
### 3 Year Risk Statistics



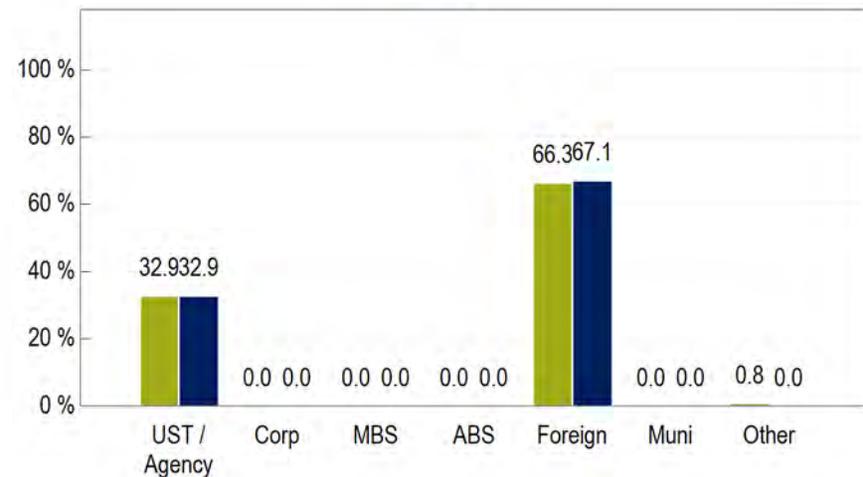
### Characteristics



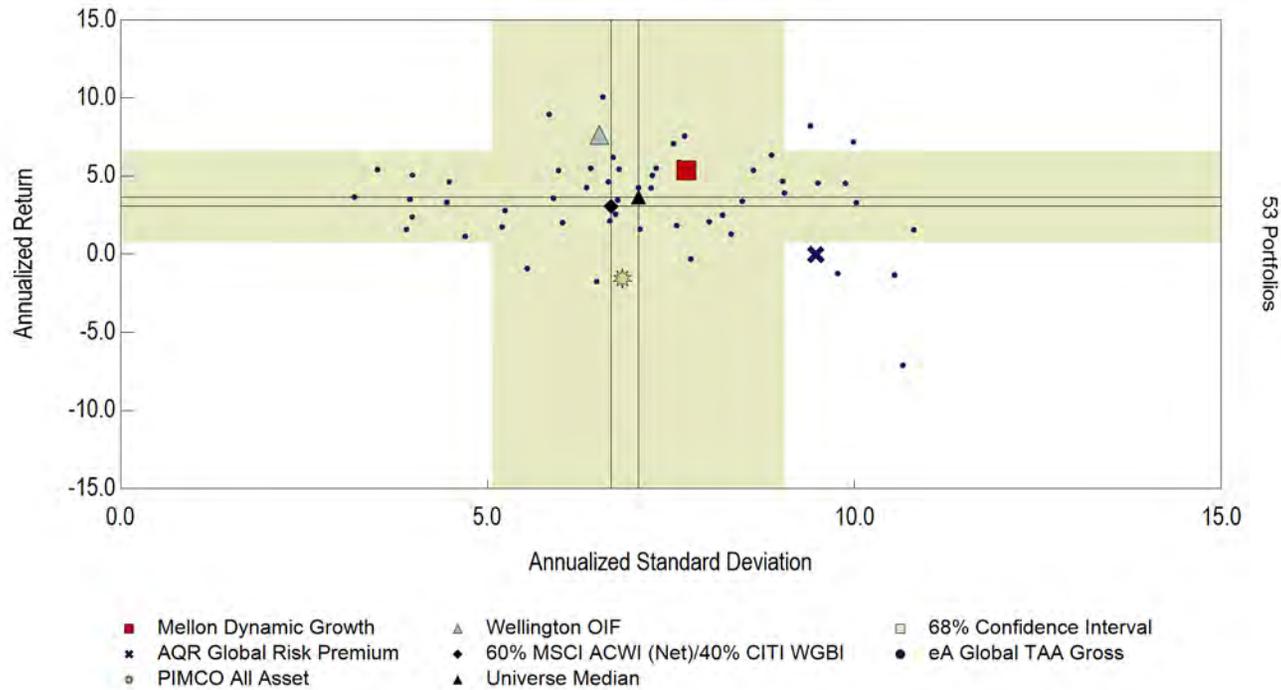
### Quality Ratings



### Sectors



Annualized Return vs. Annualized Standard Deviation  
3 Years Ending September 30, 2015

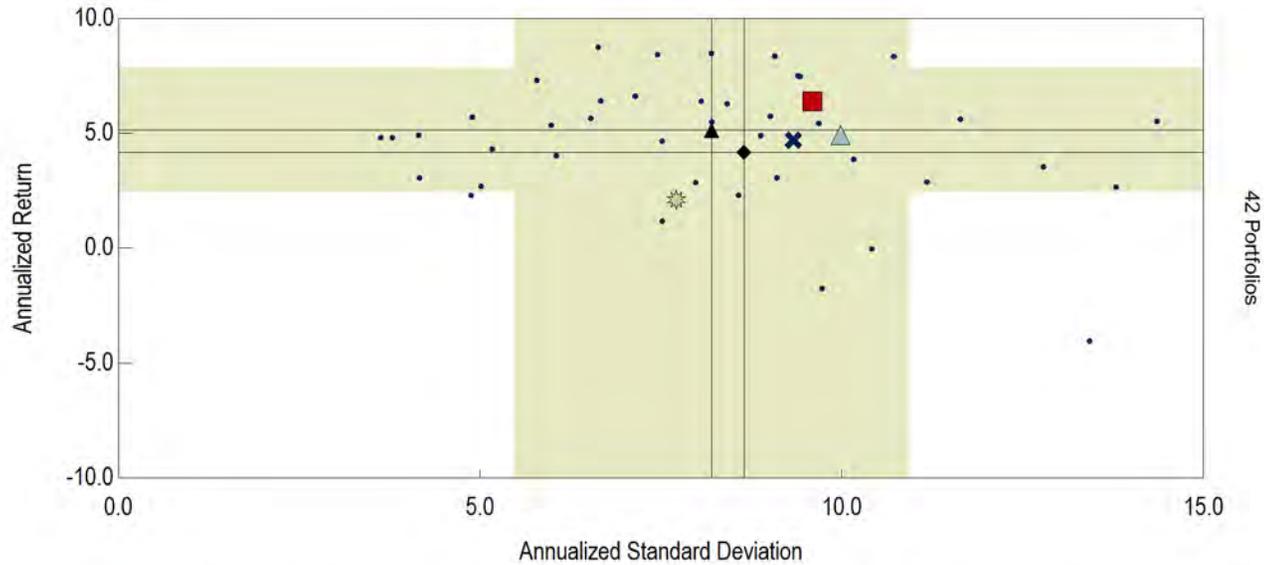


### Statistics Summary

3 Years Ending September 30, 2015

	Anlzd Return	Anlzd Standard Deviation
GAA Comp	0.82%	7.59%
Mellon Dynamic Growth	5.36%	7.71%
AQR Global Risk Premium	-0.05%	9.47%
PIMCO All Asset	-1.57%	6.84%
Wellington OIF	7.63%	6.52%

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending September 30, 2015



- Mellon Dynamic Growth
- ✱ AQR Global Risk Premium
- ⊙ PIMCO All Asset
- △ Wellington OIF
- ◆ 60% MSCI ACWI (Net)/40% CITI WGBI
- ▲ Universe Median
- 68% Confidence Interval
- eA Global TAA Gross

### Statistics Summary

5 Years Ending September 30, 2015

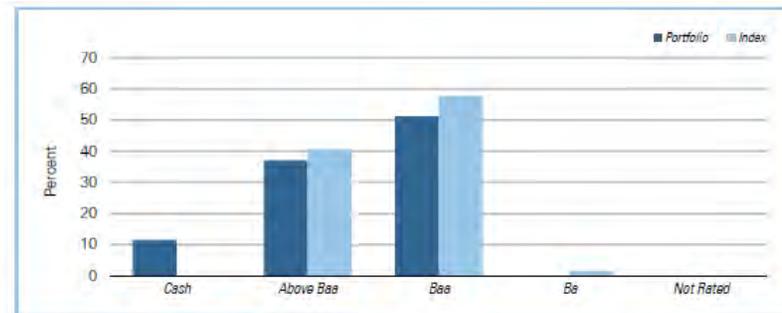
	Anlzd Return	Anlzd Standard Deviation
GAA Comp	3.70%	8.43%
Mellon Dynamic Growth	6.40%	9.59%
AQR Global Risk Premium	4.70%	9.33%
PIMCO All Asset	2.10%	7.71%
Wellington OIF	4.92%	9.98%

# Wellington Emerging Local Debt

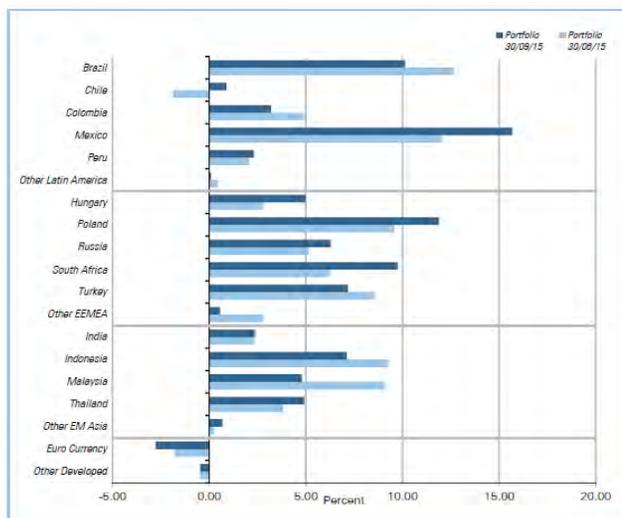
Portfolio Statistics

	Portfolio	Index
Yield - Total	7.00%	7.13%
Effective Duration	5.05 Yrs	4.89 Yrs
Corporate Exposure	1.05%	—
EM Currency Exposure	94.63%	100.00%
Average Quality	A3	Baa1

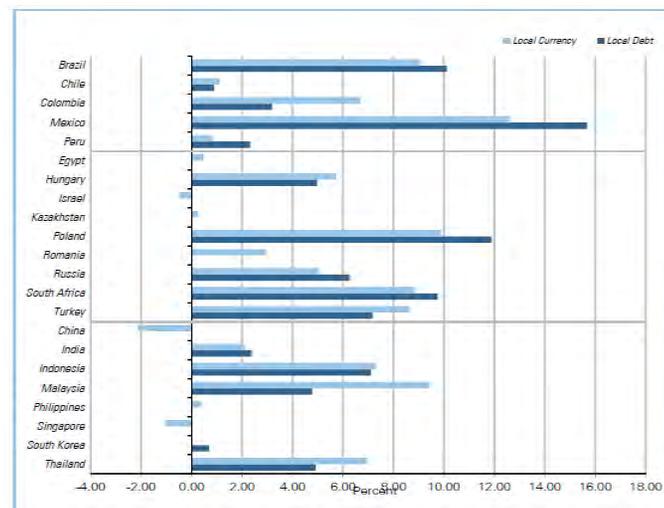
Quality Distribution



Comparative Country Weights



EM Local Market Exposure



Source: Wellington

## Wellington Opportunistic Emerging Market Debt

-The Opportunistic Emerging Markets Debt investment approach seeks to generate attractive returns relative to an emerging markets debt benchmark such as the J.P. Morgan Emerging Markets Bond Index Global (EMBI Global), or similar, independent of traditional benchmark constraints.

-Disciplined investment approach that integrates systematic research from both quantitative and fundamental perspective. Risk Management Due to the credit, currency, and local interest rate risks inherent in investing in these markets, and the structural complexity of some emerging markets debt instruments, a comprehensive system of risk controls is required to manage risks such as sovereign and corporate defaults, local currency volatility, and local debt yield curve inversions.

-The investment process begins with a thorough assessment of global economic, liquidity, and market conditions. Wellington combines comprehensive top-down quantitative and macroeconomic analysis with bottom-up sovereign credit research to identify key global factors and to determine the potential impact on emerging markets debt. The resulting market outlook determines the overall risk level of the portfolio.

-Opportunistic Emerging Markets Debt is an unconstrained, best ideas approach that takes advantage of investment opportunities in emerging markets sovereign, corporate, and local markets to generate attractive total returns. It is managed by the same team that has been responsible for the Emerging Markets Debt approach since its inception.

# Mellon Capital Global Alpha I (Global Asset Allocation)

## Equity Exposure

	Account/Fund	* Benchmark	Overweight/ (Underweight)
Australia	1.0%	1.5%	-0.5%
Canada	3.5%	2.0%	1.5%
France	5.7%	2.3%	3.4%
Germany	15.0%	2.0%	13.0%
Hong Kong	4.4%	0.7%	3.7%
Italy	-1.2%	0.6%	-1.8%
Japan	13.8%	5.2%	8.6%
Netherlands	3.1%	0.6%	2.5%
Spain	4.0%	0.8%	3.2%
Switzerland	0.4%	2.2%	-1.8%
United Kingdom	-12.5%	4.7%	-17.2%
United States	21.3%	35.1%	-13.7%
Other	2.3%	2.4%	0.0%
	<b>60.9%</b>	<b>60.0%</b>	<b>0.9%</b>

## Bond Exposure

	Account/Fund	* Benchmark	Overweight/ (Underweight)
Australia	-7.7%	1.3%	-8.9%
Canada	-3.7%	1.6%	-5.3%
Europe ex-UK	-22.9%	13.4%	-36.2%
Japan	14.8%	4.0%	10.7%
United Kingdom	4.6%	2.6%	2.0%
United States	46.6%	15.2%	31.3%
Other	2.1%	2.0%	0.1%
	<b>33.7%</b>	<b>40.0%</b>	<b>-6.3%</b>
	<b>5.5%</b>	<b>0.0%</b>	<b>5.5%</b>
	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

## Currency Exposure

	Account/Fund	* Benchmark	Overweight/ (Underweight)
Australia	8.6%	1.4%	7.3%
Canada	3.6%	1.8%	1.9%
Denmark	0.6%	0.4%	0.2%
Euro	-4.6%	9.0%	-13.6%
Japan	13.3%	4.6%	8.7%
New Zealand	-2.4%	0.0%	-2.5%
Norway	-10.0%	0.3%	-10.3%
Sweden	0.0%	0.6%	-0.5%
Switzerland	4.6%	1.4%	3.2%
United Kingdom	-7.0%	3.6%	-10.7%
United States	91.3%	75.1%	16.2%
Other	1.9%	1.8%	0.1%
	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>

Source: Mellon Capital Management

\*Benchmark is: 60% MSCI World Index Half-Hedged/ 40% Citi WGBI Half-Hedged

## Mellon Capital Global Alpha I (Global Asset Allocation)

### Performance & Attribution – 2015 Q3

Period	Strategy <sup>^</sup> Return	Benchmark <sup>****</sup> Return	Alpha	Global Stock/Bond Allocation	Equity Country Allocation	Bond Country Allocation	Currency Allocation	Benchmark Implementation <sup>***</sup>	Misc. <sup>**</sup>	Total Alpha
July-2015	0.80%	1.60%	-0.79%	-65	6	-32	8	5	-2	-80
August-2015	-5.04%	-4.03%	-1.01%	-57	-53	52	-43	2	-3	-101
September-2015	-3.16%	-1.92%	-1.23%	-16	-131	-4	29	3	-6	-124

### Performance & Attribution – Calendar Years & Annualized as of 09/30/2015

Period	Strategy <sup>^</sup> Return	Benchmark <sup>****</sup> Return	Alpha	Global Stock/Bond Allocation	Equity Country Allocation	Bond Country Allocation	Currency Allocation	Benchmark Implementation <sup>***</sup>	Misc. <sup>**</sup>	Total Alpha
Year to date 2015	-0.17%	-3.19%	3.02%	-112	245	263	-53	-3	-39	302
2014	6.53%	6.12%	0.41%	-18	-2	9	101	24	-74	41
2013	17.84%	15.12%	2.72%	334	-111	54	-54	5	45	272
2012	11.23%	11.17%	0.06%	-24	-46	216	-180	19	21	6
2011	0.86%	-0.75%	1.62%	-174	123	131	75	26	-20	161
2010	16.09%	8.78%	7.31%	-81	17	291	338	134	32	731
2009	31.42%	17.43%	13.99%	196	354	191	125	325	208	1399
2008	-36.00%	-22.36%	-13.64%	-970	-154	233	-421	-431	379	-1364
2007	1.63%	7.87%	-6.24%	108	-181	-208	-315	17	-44	-624
2006	20.79%	12.83%	7.95%	349	132	-32	225	38	84	796
2005	16.44%	7.14%	9.30%	298	398	140	-5	12	87	930
(Partial) 2004	14.41%	9.53%	4.88%	62	40	135	164	63	24	488
1 Year	3.86%	-1.63%	5.49%	-98	363	354	-29	6	-47	549
3 Years	8.10%	6.39%	1.71%	73	22	145	-57	10	-21	171
5 Years	8.26%	6.37%	1.90%	5	47	136	-3	15	-11	189
10 Years	5.85%	4.86%	0.99%	-30	52	115	-13	15	-40	99
Inception to date*	7.18%	5.41%	1.77%	-3	70	122	0	20	-32	177

Source: Mellon Capital Management



NEPC, LLC

September 30, 2015

# PIMCO All Asset

Fund Number	736											
Fund Name	All Asset Fund											
Total Fund Net Assets (\$US MM)	23,923.1											
	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	7/31/2015	8/31/2015	9/30/2015
<b>Third Pillar</b>	<b>80.91%</b>	<b>80.25%</b>	<b>82.04%</b>	<b>82.03%</b>	<b>78.71%</b>	<b>71.02%</b>	<b>74.17%</b>	<b>85.29%</b>	<b>85.75%</b>	<b>85.00%</b>	<b>85.20%</b>	<b>85.46%</b>
<b>Emerging Markets Equities</b>	<b>8.45%</b>	<b>10.18%</b>	<b>11.86%</b>	<b>11.49%</b>	<b>12.81%</b>	<b>13.05%</b>	<b>11.83%</b>	<b>13.66%</b>	<b>13.67%</b>	<b>13.04%</b>	<b>12.35%</b>	<b>13.09%</b>
RAE Fundamental PLUS EMG Fund	8.25%	9.98%	11.63%	7.33%	5.99%	4.69%	4.12%	4.75%	4.73%			
RAE Low Volatility PLUS EMG Fund	-	-	0.02%	3.97%	6.80%	8.34%	7.70%	8.92%	8.94%			
EqS Emerging Markets Fund	0.19%	0.20%	0.21%	0.19%	0.02%	0.02%	0.02%	-	-			
<b>Commodities and REITs</b>	<b>2.01%</b>	<b>4.46%</b>	<b>7.58%</b>	<b>8.25%</b>	<b>8.76%</b>	<b>8.19%</b>	<b>9.89%</b>	<b>9.08%</b>	<b>6.36%</b>	<b>5.83%</b>	<b>5.95%</b>	<b>6.10%</b>
CommoditiesPLUS™ Strategy Fund	1.77%	2.07%	2.79%	2.89%	3.03%	3.58%	3.06%	2.88%	2.19%			
CommodityRealReturn Strategy Fund®	0.06%	0.79%	1.35%	1.46%	1.66%	3.00%	3.97%	3.90%	2.18%			
RealEstateRealReturn Strategy Fund	0.18%	1.60%	3.45%	3.91%	4.06%	1.60%	2.86%	2.31%	1.99%			
<b>Emerging Markets Bonds</b>	<b>17.81%</b>	<b>19.06%</b>	<b>19.81%</b>	<b>19.88%</b>	<b>19.86%</b>	<b>20.32%</b>	<b>18.83%</b>	<b>20.82%</b>	<b>22.45%</b>	<b>22.19%</b>	<b>22.33%</b>	<b>22.15%</b>
Emerging Local Bond Fund	7.13%	7.35%	7.23%	7.27%	7.42%	9.50%	9.10%	9.00%	9.79%			
Emerging Markets Currency Fund	6.85%	7.22%	7.44%	7.22%	7.10%	8.33%	9.05%	11.50%	12.29%			
Emerging Markets Bond Fund	3.11%	3.48%	3.75%	3.96%	3.90%	1.92%	0.47%	0.24%	0.29%			
Emerging Markets Corporate Bond Fund	0.73%	1.00%	1.40%	1.44%	1.43%	0.57%	0.20%	0.07%	0.07%			
<b>Credit</b>	<b>32.95%</b>	<b>29.64%</b>	<b>27.50%</b>	<b>26.91%</b>	<b>21.84%</b>	<b>11.58%</b>	<b>14.21%</b>	<b>14.96%</b>	<b>15.23%</b>	<b>15.45%</b>	<b>16.05%</b>	<b>16.08%</b>
High Yield Fund	6.27%	5.50%	4.76%	4.61%	1.11%	0.43%	2.64%	2.85%	2.88%			
High Yield Spectrum Fund	4.11%	4.22%	4.32%	4.48%	3.69%	2.66%	2.90%	3.07%	3.20%			
Income Fund	10.29%	10.49%	10.66%	10.47%	10.28%	6.51%	6.21%	5.90%	6.01%			
Diversified Income Fund	3.62%	3.56%	3.59%	3.51%	3.21%	0.09%	0.10%	0.03%	0.21%			
Floating Income Fund	5.44%	3.34%	1.99%	1.92%	1.75%	0.28%	0.06%	0.29%	0.33%			
Senior Floating Rate Fund	3.08%	2.54%	2.19%	1.93%	1.79%	1.60%	2.30%	2.82%	2.61%			
Convertible Fund	0.13%	-	-	-	-	-	-	-	-			
European Convertible Fund	-	-	-	-	-	-	-	-	-			
<b>Global Bonds</b>	<b>5.38%</b>	<b>2.41%</b>	<b>1.07%</b>	<b>0.99%</b>	<b>1.21%</b>	<b>0.34%</b>	<b>0.35%</b>	<b>0.53%</b>	<b>1.07%</b>	<b>1.10%</b>	<b>1.18%</b>	<b>1.24%</b>
Foreign Bond Fund (Unhedged)	2.41%	0.65%	0.05%	0.05%	0.26%	0.29%	0.30%	0.30%	0.30%			
Global Advantage Strategy Fund	2.97%	1.76%	1.02%	0.94%	0.95%	0.04%	0.05%	0.23%	0.76%			
Global Bond Fund (Unhedged)	-	-	-	-	-	-	-	-	-			
<b>Inflation-Linked Bonds</b>	<b>0.08%</b>	<b>0.76%</b>	<b>0.72%</b>	<b>0.68%</b>	<b>0.90%</b>	<b>2.67%</b>	<b>2.73%</b>	<b>7.87%</b>	<b>7.88%</b>	<b>7.99%</b>	<b>7.82%</b>	<b>7.68%</b>
Real Return Fund	0.00%	0.32%	0.31%	0.24%	0.29%	1.24%	1.38%	1.31%	1.29%			
Real Return Asset Fund	0.00%	0.37%	0.34%	0.37%	0.53%	1.34%	1.27%	6.49%	6.50%			
Global Advantage® Inflation-Linked Bond ETF	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%			
<b>Alternative Strategies</b>	<b>14.23%</b>	<b>13.74%</b>	<b>13.49%</b>	<b>13.81%</b>	<b>13.34%</b>	<b>14.87%</b>	<b>16.33%</b>	<b>18.36%</b>	<b>19.09%</b>	<b>19.39%</b>	<b>19.53%</b>	<b>19.12%</b>
Unconstrained Bond Fund	6.16%	5.38%	3.84%	2.82%	2.53%	2.10%	1.79%	2.75%	2.44%			
Credit Absolute Return Fund	0.97%	2.01%	2.04%	2.96%	2.78%	1.10%	0.76%	0.52%	0.44%			
Mortgage Opportunities Fund	0.09%	0.54%	0.55%	0.56%	0.55%	0.57%	0.61%	0.65%	0.66%			
TRENDS Managed Futures Strategy Fund	-	-	-	0.15%	0.16%	0.18%	0.19%	0.20%	0.20%			
EqS Long/Short Fund	0.40%	0.43%	0.44%	0.46%	0.47%	0.47%	0.49%	0.36%	0.25%			
RAE Worldwide Long/Short PLUS Fund	-	-	-	-	-	-	3.08%	6.53%	7.49%			
RAE Fundamental Advantage PLUS Fund	2.85%	1.49%	2.28%	2.44%	2.62%	4.90%	4.84%	3.93%	3.75%			
RAE Worldwide Fundamental Adv PLUS Fund	3.75%	3.88%	4.34%	4.41%	4.24%	5.47%	4.57%	3.42%	3.86%			

Source: PIMCO

# PIMCO All Asset

	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	7/31/2015	8/31/2015	9/30/2015
<b>Second Pillar</b>	<b>10.12%</b>	<b>9.07%</b>	<b>5.42%</b>	<b>5.42%</b>	<b>9.05%</b>	<b>15.65%</b>	<b>13.80%</b>	<b>4.95%</b>	<b>6.15%</b>	<b>6.61%</b>	<b>6.88%</b>	<b>6.81%</b>
<b>US Core Bonds</b>	<b>2.78%</b>	<b>1.73%</b>	<b>0.78%</b>	<b>0.62%</b>	<b>3.10%</b>	<b>4.39%</b>	<b>4.58%</b>	<b>2.91%</b>	<b>3.17%</b>	<b>3.42%</b>	<b>3.70%</b>	<b>3.78%</b>
Total Return Fund	0.16%	0.86%	0.53%	0.62%	3.07%	2.37%	2.25%	1.04%	1.39%			
Investment Grade Corporate Bond Fund	2.62%	0.87%	0.25%	0.01%	0.02%	2.02%	2.34%	1.87%	1.78%			
Mortgage-Backed Securities Fund	-	-	-	-	-	-	-	-	-			
GNMA Fund	-	-	-	-	-	-	-	-	-			
<b>US Long Maturity Bonds</b>	<b>7.59%</b>	<b>6.52%</b>	<b>4.01%</b>	<b>4.21%</b>	<b>4.82%</b>	<b>10.94%</b>	<b>7.70%</b>	<b>1.28%</b>	<b>1.52%</b>	<b>1.75%</b>	<b>1.79%</b>	<b>1.94%</b>
Long-Term US Government Fund	0.66%	0.50%	0.05%	0.06%	0.27%	5.79%	3.91%	0.00%	0.00%			
Long Term Credit Fund	3.84%	3.85%	3.82%	4.11%	4.20%	3.35%	1.93%	0.50%	0.57%			
Long Duration Total Return Fund	3.08%	2.18%	0.14%	0.04%	0.35%	1.80%	1.86%	0.77%	0.95%			
<b>Short-Term Bonds</b>	<b>-0.25%</b>	<b>0.82%</b>	<b>0.63%</b>	<b>0.59%</b>	<b>1.13%</b>	<b>0.32%</b>	<b>1.52%</b>	<b>0.77%</b>	<b>1.46%</b>	<b>1.45%</b>	<b>1.39%</b>	<b>1.09%</b>
Low Duration Fund	-	0.83%	0.55%	0.61%	0.94%	0.26%	0.53%	0.24%	0.87%			
Low Duration Exchange Traded Fund	-	-	-	-	0.20%	0.21%	0.22%	0.23%	0.24%			
Short Term Fund	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-			
Government Money Market Fund	-	-	-	-	-	-	0.80%	0.33%	0.35%			
Net Short Duration Instruments	-0.25%	-0.02%	0.08%	-0.02%	-0.01%	-0.16%	-0.02%	-0.03%	-0.01%			
<b>First Pillar</b>	<b>8.97%</b>	<b>10.68%</b>	<b>12.54%</b>	<b>12.55%</b>	<b>12.24%</b>	<b>13.34%</b>	<b>12.03%</b>	<b>9.76%</b>	<b>8.10%</b>	<b>8.39%</b>	<b>7.92%</b>	<b>7.73%</b>
<b>US Equities</b>	<b>1.04%</b>	<b>1.14%</b>	<b>1.17%</b>	<b>1.16%</b>	<b>1.12%</b>	<b>2.41%</b>	<b>4.03%</b>	<b>2.78%</b>	<b>2.38%</b>	<b>2.37%</b>	<b>2.24%</b>	<b>2.17%</b>
RAE Fundamental PLUS Fund	0.08%	0.09%	0.10%	0.08%	0.03%	0.03%	0.55%	0.20%	0.21%			
RAE Low Volatility PLUS Fund	-	-	0.02%	0.16%	0.41%	1.72%	2.70%	1.93%	1.74%			
RAE Fundamental PLUS Small Fund	0.67%	0.75%	0.82%	0.83%	0.65%	0.63%	0.74%	0.64%	0.43%			
StocksPLUS® Small Fund	0.15%	0.17%	0.11%	0.07%	0.02%	0.02%	0.02%	-	-			
Fundamental IndexPLUS™	-	-	-	-	-	-	0.00%	-	-			
StocksPLUS® Fund	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	-	-			
StocksPLUS® Absolute Return Fund	0.12%	0.13%	0.11%	0.01%	0.01%	0.01%	0.01%	-	-			
<b>Developed ex-US Equities</b>	<b>7.92%</b>	<b>9.53%</b>	<b>11.37%</b>	<b>11.39%</b>	<b>11.12%</b>	<b>10.93%</b>	<b>8.00%</b>	<b>6.97%</b>	<b>5.73%</b>	<b>6.03%</b>	<b>5.68%</b>	<b>5.55%</b>
RAE Fundamental PLUS Intl Fund	5.26%	6.28%	6.91%	4.01%	3.16%	3.07%	3.01%	1.71%	1.60%			
RAE Low Volatility PLUS Intl Fund	-	-	0.02%	3.22%	5.73%	5.65%	3.79%	4.22%	4.13%			
StocksPLUS® International Fund (USD-Hedged)	0.18%	0.19%	0.21%	0.20%	0.01%	0.01%	0.01%	-	-			
StocksPLUS® International Fund (Unhedged)	0.56%	0.63%	0.64%	0.51%	0.02%	0.02%	0.02%	-	-			
EqS Global Dividend Fund	0.10%	0.11%	0.11%	0.12%	0.01%	0.01%	0.01%	-	-			
EqS Pathfinder Fund	1.82%	2.32%	3.48%	3.34%	2.19%	2.18%	1.16%	1.04%	-			

Source: PIMCO

- PIMCO's All Asset Fund uses a Fund of Mutual Funds approach. Investment funds are continuously reallocated between various PIMCO Mutual funds base on strategic allocation decisions made by the advisor to the investment manager. Because both by policy and practice fixed income related securities tend to dominate the All Asset Funds asset allocation, and also because historical risk return measures correlate highly to core fixed income portfolio's. This investment may be categorized as either global asset allocation or core fixed income.
- The underlying funds may at times invest in derivatives. Use of these instruments may involve risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk that a fund could not close out a position when it would be most advantageous to do so. Portfolios investing in derivatives can lose more than the principal amount invested.
- Shares of mutual funds that invest in Treasuries, TIPS and Government Bonds do not have the same guarantees as direct investments in these securities. Mortgage-backed securities are subject to prepayment risk. With corporate bonds there is no assurance that issuers will meet their obligations. An investment in high-yield securities generally involves greater risk to principal than an investment in higher-rated bonds. Investing in non-U.S. securities may entail risk as a result of non-U.S. economic and political developments, which may be increased when investing in emerging markets.
- No single fund may exceed 50% of the portfolio. There is a maximum exposure of 50% to StocksPLUS, StocksPLUS Total Return and International StocksPLUS TR Strategy Funds combined. There is a maximum exposure of 75% to CommodityRealReturn Strategy, Real Return, Real Return II, Real Return Asset and RealEstateRealReturn Strategy Funds combined.
- Leverage is permitted but is not expected to be used. Possible investment instruments are Stocks, Bonds, Currency, Commodities, Futures, Options, Options on Futures, and Swaps.
- The Fund is expected to outperform the Lehman Brothers U.S. TIPS 1-10 Year Index and CPI + 5% over a market cycle. The PIMCO All Asset Fund is a daily valued commingled fund.

# Wellington Opportunistic Fixed Income

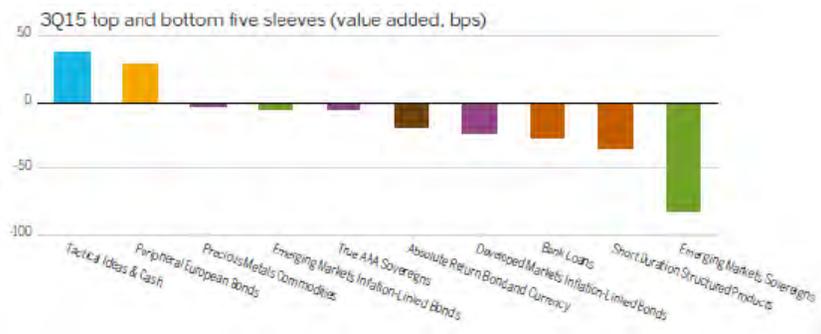
## Characteristics

	Portfolio	Benchmark
Yield to worst %	4.0	2.2
OAS (bps)	276	62
Duration – effective	4.9	5.4
Convexity – effective	0.8	-0.1

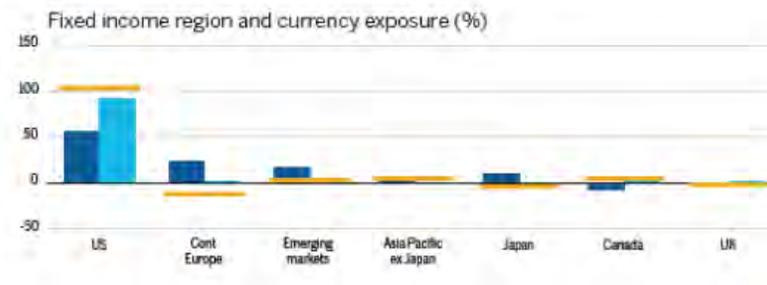
## Sector Allocation



## Top Relative Contributors and Detractors



## Regional Allocation

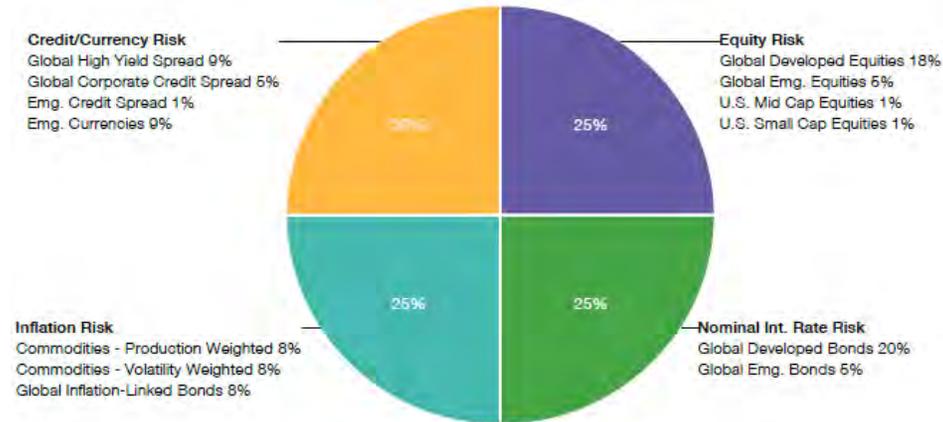


Source: Wellington

-The objective of the Opportunistic Investment Allocation approach is to outperform core markets by making timely investments in non-core areas that are attractively valued, have positive structural tailwinds, or are expected to benefit from the anticipated cyclical environment. Opportunistic Investment Allocation is an unconstrained, non-benchmark oriented investment approach.

-The Opportunistic Investment Allocation approach provides exposure to a variety of investment approaches that focus on non-core areas, such as non-US small cap, emerging markets equity, and sector funds. Non-core areas are inherently interesting as they are typically less efficient sectors of the market where active managers have a history of strong value added. However, a drawback to these investment areas is their high level of volatility. One source of high volatility is structural change, which results in instability of long-term performance characteristics. When performance characteristics are unstable over time it is difficult to address the asset class in a static long-term asset allocation policy. Assuming that historical performance characteristics are representative of future results often leads institutional investors to either buy these niche areas at high valuations (after positive structural surprises) or ignore (sell) them when they are out of favor (after a negative structural surprise). For these reasons, Wellington believes that allocations to these areas should not be strategic, but opportunistic in nature.

## Risk Allocation



## Estimated Exposure Breakdown

Long Exposure (% of NAV)	
<b>Equity Risk</b>	
Global Developed Equities	9%
Global Emerging Equities	3%
U.S. Mid Cap Equities	1%
U.S. Small Cap Equities	1%
<b>Total Equity Risk</b>	<b>13%</b>
<b>Nominal Interest Rate Risk</b>	
Global Developed Bonds	61%
Global Emerging Bonds	18%
<b>Total Nominal Interest Rate Risk</b>	<b>80%</b>
<b>Inflation Risk</b>	
Commodities - Production Weighted	5%
Commodities - Volatility Weighted	10%
Global Inflation-Linked Bonds	27%
<b>Total Inflation Risk</b>	<b>42%</b>
<b>Credit/Currency Risk</b>	
Global High Yield Spread	18%
Global Corporate Credit Spread	39%
Emerging Credit Spread	3%
Emerging Currencies	14%
<b>Total Credit/Currency Risk</b>	<b>73%</b>
<b>Total Fund Exposures</b>	<b>209%</b>

Long Exposure (% of NAV)	
<b>Equity Market Exposures</b>	
Americas	7%
Europe	2%
Asia ex-Japan	3%
Japan	1%
<b>Total Equity Market Exposures</b>	<b>13%</b>
<b>Bond Market Exposures - Nominal and Inflation-Linked</b>	
Americas	43%
Europe	43%
Asia	21%
<b>Total Bond Market Exposures</b>	<b>107%</b>
<b>Emerging Currency Exposures</b>	
Asia	5%
Europe	6%
Latin America	4%
Dollar Block ex-U.S.	0%
<b>Total Emerging Currency Exposures</b>	<b>14%</b>

Source: AQR



NEPC, LLC

September 30, 2015

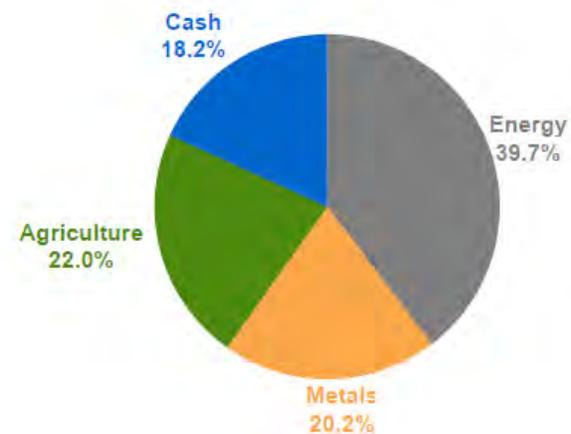
## AQR Global Risk Premium Fund

- The AQR Global Risk Premium Fund is equally risk weighted between four major asset classes or risk exposures: equities, interest rates, inflation, and alternative risk exposures - almost entirely spread/credit.
- By diversifying broadly & globally - across the broadest possible set of liquid risk-bearing assets, diversifying risk rather than capital - avoiding risk concentration by sizing broad risk exposures equally, the strategy develops a an efficient portfolio that is likely to outperform traditional asset allocations.
- Individual exposures are implemented through a variety of instruments, including: stock index futures and swaps, bond futures, interest rate swaps, global inflation-linked bonds, currency forwards, credit derivatives, and commodity futures & swaps.
- Implementation decisions include capital usage, liquidity, transaction costs, and counterparty exposure. Since the strategy is levered, there is limited available capital; therefore, derivative instruments such as swaps and futures, will be preferred to physical investment in a market, all else being equal.
- The majority of exposures are accessed synthetically - generally, over 70% of the funds capital is invested in cash funds through SSgA and Dreyfus. These are money market funds meant to preserve capital, not meant to chase a spread above LIBOR as an additional source of return.
- The fund attempts to maintain a healthy liquidity profile, both from a risk management standpoint and in order to fulfill the promise of monthly liquidity to investors.
- Implementation with the most liquid instruments will be preferred and will help in limiting transaction costs.
- Swap agreements and forwards take on counterparty risk. Counterparties are chosen based on analysis from a separate counterparty committee who determine approved counterparties across AQR's, limitations to exposures to each counterparty, as well as presenting AQR's credit worthiness to counterparties. Counterparty exposure is spread across several firms in order to minimize this risk.

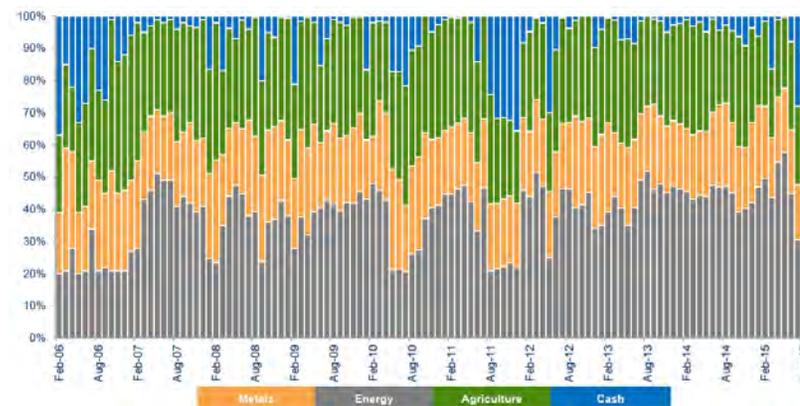
## Sector Exposure

	Futures	Equities	Other*	Total Exposure	Benchmark†	Difference
Energy 39.7%	Crude Oil	20.4		20.4	26.8	-4.4
	Gas Oil	2.0	2.0	2.0	2.0	0.1
	Gasoline	4.1		4.1	4.3	-0.1
	Heating Oil	4.2		4.2	4.0	0.2
	Natural Gas	5.9	1.1	7.0	5.7	1.2
	Coal					
Metals 20.2%	Aluminium	3.9		3.9	4.4	-0.5
	Copper	3.2		3.2	5.3	-2.1
	Gold	2.2	0.3	4.5	7.0	6.8
	Lead	0.5		0.5	0.7	-0.1
	Nickel	1.3		1.3	1.1	0.2
	Palladium				0.1	-0.1
	Platinum	0.3		0.3	0.5	-0.2
	Silver	2.4		2.4	2.4	
	Tin				0.3	-0.3
	Zinc	1.6		1.6	1.3	0.3
	Agriculture 22.0%	Canola	2.2		2.2	
Cocoa		2.3		2.3	1.6	0.7
Coffee		3.1		3.1	2.4	0.7
Corn		3.9		3.9	6.0	-2.1
Cotton		0.5		0.5	3.1	-2.6
Feeder Cattle					0.3	-0.3
Lean Hogs					1.6	-1.6
Live Cattle		1.2		1.2	4.0	-2.8
Lumber					0.3	-0.3
Oats					0.1	-0.1
Orange Juice					0.4	-0.4
Palm Oil		1.4		1.4		1.4
Rapeseed		1.5		1.5	0.3	1.2
Rough Rice					0.2	-0.2
Rubber		0.9		0.9	0.3	0.6
Soybean Meal					0.9	-0.9
Soybean Oil					1.2	-1.2
Soybeans				4.6	-4.6	
Sugar	3.0		3.0	3.2	-0.2	
Wheat	1.9		1.9	4.3	-2.4	
Cash 18.2%	Cash			18.2		18.2
	<b>TOTAL</b>	<b>73.9</b>	<b>3.4</b>	<b>4.6</b>	<b>100.0</b>	<b>100.0</b>

## Current Asset Allocation



## Historical Sector Asset Allocation



Source: Schroder

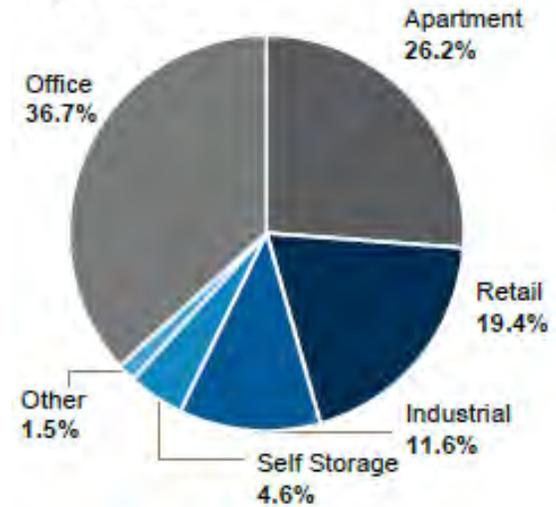
## Schroder Commodities

- The objective of the Schroders Commodities strategy is to provide investors with a diversified exposure to the Commodities asset class, through investments in commodity futures and commodity related equities.
- The strategy is a beta or beta-plus product and aims to use active management to exploit the inefficiencies inherent in the asset class.
- Schroders uses an active, long-only approach to commodities management. No leverage is used and all futures positions are fully collateralized through investments in T-bills of less than one year maturity. As a result of this policy, cash and cash collateral are not subject to any duration or credit risk.
- The strategy is benchmark unconstrained meaning investments are made based on in-house analysis and implemented when that analysis indicates an attractive risk/reward opportunity. Commodities are not included as a result of their weighting in an index. The focus of Schroders' fundamental commodity analysis is the determination of supply and demand and supply/demand balances and most importantly, how these balances may change in the future.
- Quantitative, technical and sentiment analyses support the fundamental analysis in terms of the timing and sizing of positions.
- The investment horizon for the strategy is three to 12 months.
- Schroders utilize strict diversification rules. Commodities are reviewed on an ongoing basis. A commodity will not be held unless the fundamental analysis is positive.
- The Schroders universe is comprised of over 60 commodities.
- Most exposures are held through futures positions although equities may be purchased; typically whereby a commodity does not have an associated futures contract.

Property sector Returns

%	THIRD QUARTER		
	INCOME	APPRECIATION	TOTAL
Office	1.3	2.2	3.5
Retail	1.1	2.3	3.4
Industrial	1.3	1.7	3.0
Self Storage	1.3	3.9	5.3
Apartment	0.9	2.5	3.4

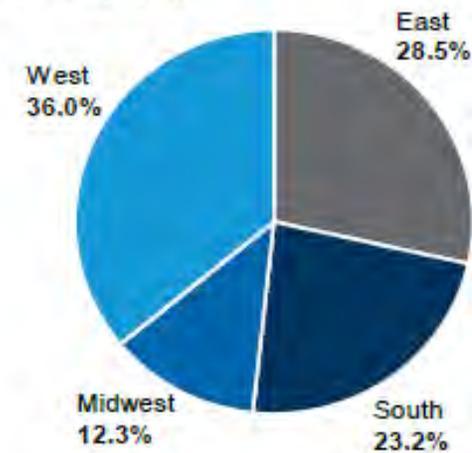
By Sector



Geographic Region Returns

%	THIRD QUARTER		
	INCOME	APPRECIATION	TOTAL
East	1.4	1.5	2.9
Midwest	1.0	1.5	2.5
South	1.0	3.0	4.0
West	1.2	3.0	4.2

By Geography



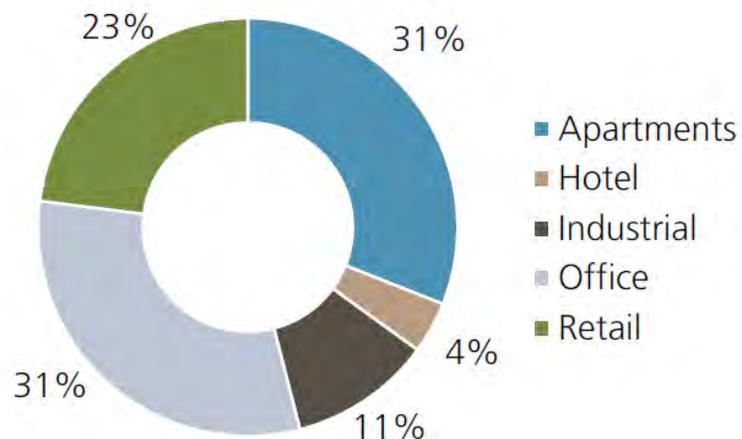
Source: Morgan Stanley



NEPC, LLC

September 30, 2015

Portfolio distribution by property type<sup>1</sup>



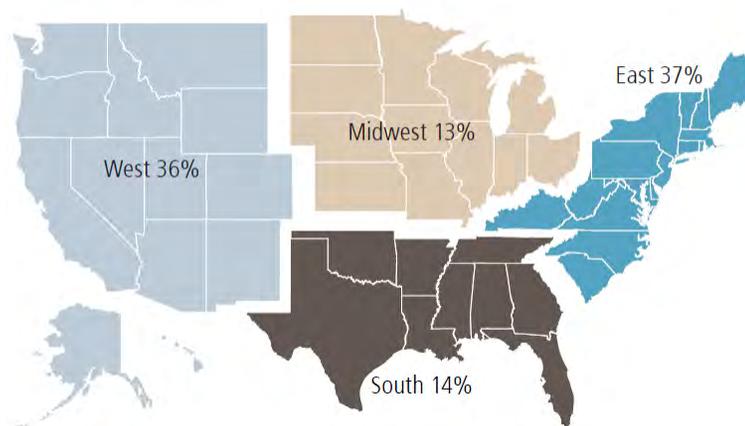
**Key statistics**

Gross asset value (GAV)	USD 21.0 bn
Net asset value (NAV)	USD 17.8 bn
Cash as a % of GAV	1.6%
Debt as % of GAV	13.8%
Number of investments	214
Number of investors	419
Deposits <sup>2</sup>	USD 444.2 m
Redemptions <sup>2</sup>	USD 166.0 m

**Returns (%)**

	Quarterly	One-year rolling
Income	1.20	5.04
Appreciation	2.23	7.62
Total (before fees)	3.43	12.94
Total (after fees)	3.17	11.83

Distribution by geographic division<sup>1</sup>



## Investment Summary

Net Asset Value <sup>2</sup>	\$208,059,270
Number of Shares Outstanding	16,109,897
Net Asset Value Per Share	\$12.91
Cash Balance of Fund	\$237,601,721
Debt <sup>3</sup>	\$214,280,897
Inception Date <sup>4</sup>	March 31, 2003
Redemption Shares Outstanding	5,654,868
Institutional Investors	117

## Property Information

### Diversification/Occupancy

	Real Estate Investments	Gross Real Estate Value (millions)	Percent of Value	Quarter-end Occupancy <sup>5</sup>
Retail	2	\$149.2	45%	97%
Office	11	127.4	38%	69%
Industrial	7	32.6	10%	88%
Development/ Land/Other	4	23.5	7%	N/A
<b>Total</b>	<b>24</b>	<b>\$332.7</b>	<b>100%</b>	<b>81%</b>

Note: Property diversification by type and geographic location based on gross real estate value and primary use of assets.

## Fund Performance

### Total Fund Returns

	Before Fees	After Fees
Third Quarter 2015	-5.0%	-5.3%
Trailing Four Quarters	12.0%	10.5%
Trailing Three Years	18.5%	17.1%
Return Since Inception	3.1%	1.7%

### Geographic Location



Source: Deutsche Asset & Wealth Management



NEPC, LLC

September 30, 2015

## Grosvenor Institutional Partners, LP

-Generating consistent returns with low volatility and avoiding capital losses and headline risk, is the overall investment philosophy duly embedded in the business ethos of the firm. In enacting this philosophy, Grosvenor consciously pursues proven fundamentally driven strategies that are relatively liquid and have historically maintained a low correlation to traditional markets. However, Grosvenor avoids Macro/CTAs and some leveraged strategies. Low correlation and low volatility would necessarily imply a low equity beta (currently 0.2) Returns are targeted at T bills +5-10% with volatility in 6-7% range. It fears posting mediocre returns of 2-3% suggesting that Grosvenor values top line performance as much as managing volatility.

-Broadly speaking, the GIP portfolio can be visualized as 45% Long/Short equity, 40% fixed income and 15% opportunistic. Currently, the strategy allocation stands as: Equity Hedge 44%, Long/Short credit (incl. structured credit and distressed) 32%, Relative Value/Arbitrage 7%, Risk Arbitrage & Diversified Event 6%, Macro-oriented/vol. arbitrage and tail risk strategies 3%, Cash 8%.

-Grosvenor follows a conventional portfolio construction process which begins by setting investment objectives -returns, volatility and correlation estimates- and strategy constraints and manager limits. Concurrently, the investment committee outlines its broad investment themes in the context of a bigger opportunity set.

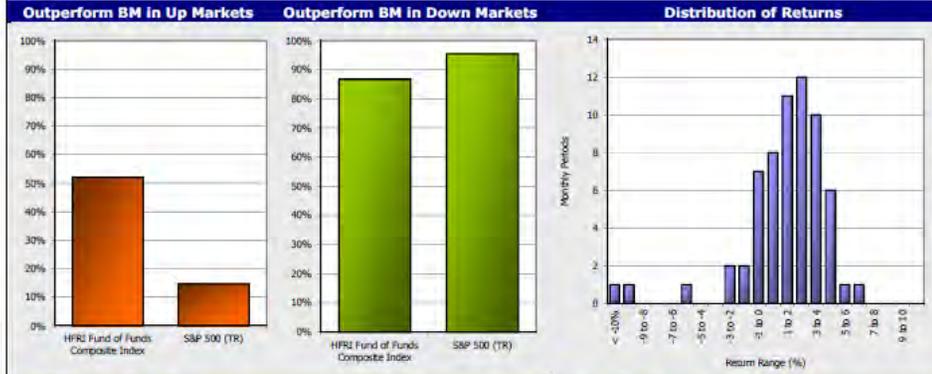
# Grosvenor Institutional Partners, LP



Grosvenor Institutional Partners, LP  
Grosvenor Capital Management, LP

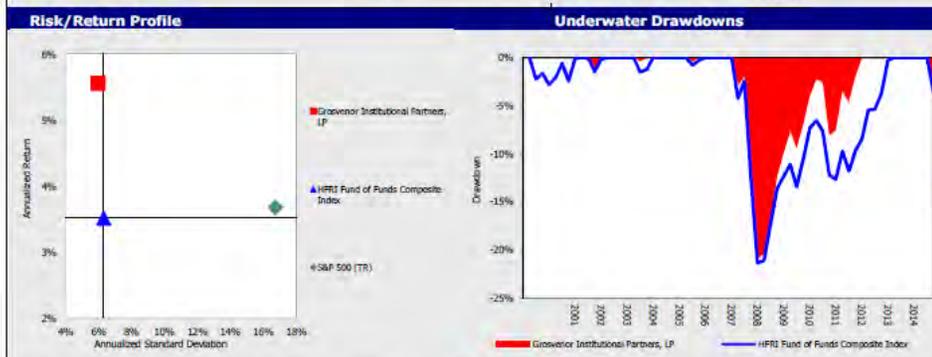
Benchmark 1 (BM1): HFRI Fund of Funds Composite Index  
Benchmark 2 (BM2): S&P 500 (TR)

Monthly Performance (%) Net of Fees														Statistical Analysis			
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns	Fund	BM1	BM2
2015	-0.4%	1.6%	0.5%	0.2%	0.9%	-0.3%	0.4%	-1.4%	-1.6%	-0.3%	0.6%	0.3%	-0.1%	Annualized Compound ROR	5.6%	3.5%	3.7%
2014	0.0%	1.6%	-0.1%	-0.6%	0.8%	1.1%	-0.7%	0.8%	-0.2%	-0.3%	0.6%	0.3%	3.3%	3 Yr Return	6.8%	4.2%	12.4%
2013	2.6%	0.6%	1.4%	0.8%	1.7%	-0.6%	1.7%	0.2%	1.7%	1.3%	1.6%	1.1%	15.2%	5 Yr Return	5.1%	2.7%	13.3%
2012	1.6%	1.8%	0.9%	-0.1%	-1.4%	0.4%	0.8%	1.2%	0.8%	0.5%	0.7%	1.2%	8.6%	Best Month	N/A	N/A	N/A
2011	0.9%	1.0%	0.0%	0.9%	-0.1%	-1.1%	-0.2%	-2.8%	-2.7%	1.7%	-0.7%	-0.6%	-3.7%	Worst Month	N/A	N/A	N/A
2010	0.7%	0.3%	1.6%	0.8%	-1.8%	-0.9%	0.7%	0.2%	1.7%	1.2%	0.5%	1.5%	6.5%	% Positive Months	N/A	N/A	N/A
2009	1.2%	0.0%	-0.6%	0.1%	2.7%	0.9%	2.2%	1.8%	2.3%	0.7%	1.0%	1.0%	13.9%	<b>Risk</b>			
2008	-2.4%	1.3%	-1.8%	0.2%	1.5%	-0.7%	-2.0%	-1.3%	-6.9%	-5.3%	-3.2%	-2.3%	-20.9%	Standard Deviation	6.0%	6.3%	16.7%
2007	1.7%	0.8%	1.4%	1.4%	2.3%	0.4%	0.8%	-2.1%	1.2%	2.7%	-0.6%	0.5%	10.7%	3 Yr Standard Deviation	4.0%	3.7%	9.4%
2006	1.9%	0.4%	1.5%	1.1%	-0.9%	-0.6%	0.0%	0.8%	0.5%	1.3%	1.7%	1.4%	9.4%	5 Yr Standard Deviation	5.0%	4.7%	13.1%
														Sharpe Ratio (3.5%)	0.4	0.0	0.1
														Sortino Ratio (7.0%)	-0.3	-0.6	-0.2
														Downside Deviation (7.0%)	5.3%	5.8%	13.2%
														Max Drawdown	-20.9%	-21.4%	-45.8%
														Months In Maximum Drawdown	12	12	18
														Months To Recover	48	63	36



Comparison To Benchmark(s)			
Monthly Alpha		0.6%	1.1%
Annualized Alpha		2.5%	4.6%
Beta		0.9	0.2
Correlation		0.9	0.6
R-Squared		82.7%	40.9%

Annual Returns			
2015-(YTD)	-0.1%	-0.9%	-5.3%
2014	3.3%	3.4%	13.7%
2013	15.2%	9.0%	32.4%
2012	8.6%	4.8%	16.0%
2011	-3.7%	-5.7%	2.1%
2010	6.5%	5.7%	15.1%



Latest Returns			
Last Month			
Last 3 Months	-2.5%	-3.5%	-6.4%
Last Year	0.5%	0.0%	-0.6%
2-Year	3.6%	3.0%	9.1%
3-Year	6.8%	4.2%	12.4%
4-Year	6.7%	3.9%	16.6%
5-Year	5.1%	2.7%	13.3%

Drawdown Analysis			
1	-20.9%	-21.4%	-45.8%
2	-2.5%	-3.5%	-43.8%
3	-1.2%	-2.8%	-6.4%
4	-0.4%	-1.5%	-2.8%
5	-0.4%	-1.5%	-0.4%

\*\*\*Past Performance is not indicative of future results. Ratios are calculated based on a risk-free rate of 3.5%. Actual ratios may vary depending on the actual risk-free rate and life of the fund\*\*\*

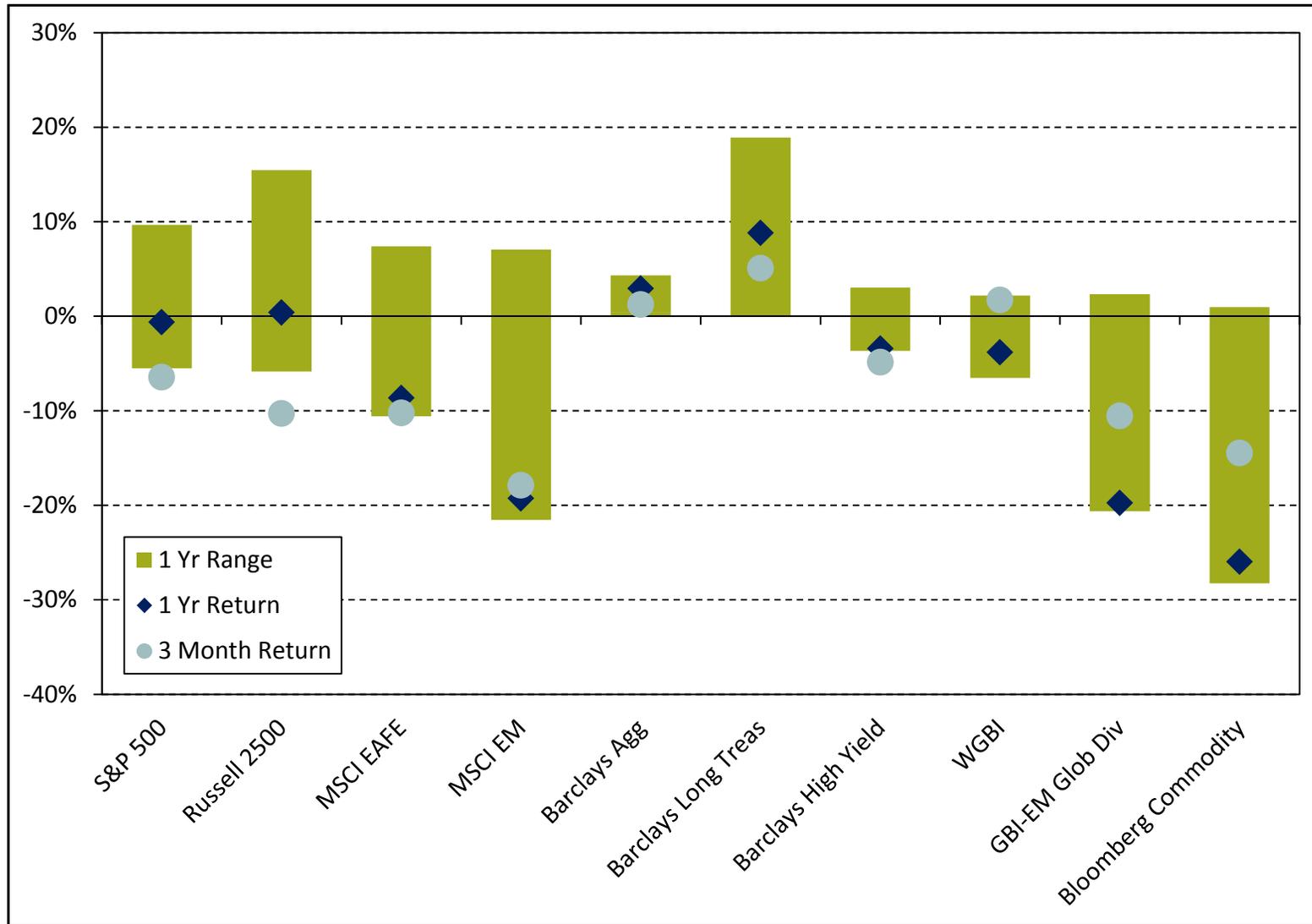
# Appendix

## Index Performance Summary as of 9/30/2015

	2008	2009	2010	2011	2012	2013	2014	Q1	Q2	JUL	AUG	SEPT	Q3	YTD
<b>Barclays Municipal</b>	-2.5%	12.9%	2.4%	10.7%	6.8%	-2.6%	9.1%	1.0%	-0.9%	0.7%	0.2%	0.7%	1.7%	1.8%
<b>Barclays US Agg Interm</b>	4.9%	6.5%	6.1%	6.0%	3.6%	-1.0%	4.1%	1.3%	-0.7%	0.5%	0.0%	0.7%	1.1%	1.7%
<b>Credit Suisse Lev Loan</b>	-28.8%	44.9%	10.0%	1.8%	9.4%	6.2%	2.1%	2.1%	0.8%	0.1%	-0.7%	-0.7%	-1.2%	1.6%
<b>Barclays US Agg Bond</b>	5.2%	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	1.6%	-1.7%	0.7%	-0.1%	0.7%	1.2%	1.1%
<b>Barclays US Gov/Cred 1-3Yr</b>	5.0%	3.8%	2.8%	1.6%	1.3%	0.6%	0.8%	0.6%	0.1%	0.1%	-0.1%	0.3%	0.3%	1.0%
<b>Credit Suisse Hedge Fund</b>	-19.1%	18.6%	10.9%	-2.5%	7.7%	9.7%	4.1%	2.5%	-0.5%	0.9%	-2.0%	-1.4%	-2.5%	-0.6%
<b>JPM EMBI Glob Div</b>	-12.0%	29.8%	12.2%	7.3%	17.4%	-5.3%	7.4%	2.0%	-0.3%	0.5%	-0.9%	-1.3%	-1.7%	-0.1%
<b>Citi WGBI</b>	10.9%	2.6%	5.2%	6.4%	1.6%	-4.0%	-0.5%	-2.5%	-1.5%	0.5%	0.5%	0.8%	1.7%	-2.4%
<b>Barclays US Gov/Cred Long</b>	8.4%	1.9%	10.2%	22.5%	8.8%	-8.8%	19.3%	3.4%	-7.6%	2.2%	-0.8%	0.8%	2.2%	-2.4%
<b>Barclays US Corp High Yield</b>	-26.2%	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	2.5%	0.0%	-0.6%	-1.7%	-2.6%	-4.9%	-2.5%
<b>Barclays US Strips 20+ Yr</b>	59.5%	-36.0%	10.9%	58.5%	3.0%	-21.0%	46.4%	5.5%	-14.3%	5.9%	0.1%	1.5%	7.6%	-2.7%
<b>FTSE NAREIT Equity REITs</b>	-37.7%	28.0%	28.0%	8.3%	18.1%	2.5%	30.1%	4.8%	-10.0%	5.6%	-6.2%	2.9%	2.0%	-3.8%
<b>Barclays US Long Credit</b>	-3.9%	16.8%	10.7%	17.1%	12.7%	-6.6%	16.4%	3.1%	-7.3%	1.5%	-1.3%	0.4%	0.5%	-3.9%
<b>Russell 1000</b>	-37.6%	28.4%	16.1%	1.5%	16.4%	33.1%	13.2%	1.6%	0.1%	1.9%	-6.0%	-2.7%	-6.8%	-5.2%
<b>MSCI EAFE</b>	-43.4%	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	4.9%	0.6%	2.1%	-7.4%	-5.1%	-10.2%	-5.3%
<b>S&amp;P 500</b>	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.0%	0.3%	2.1%	-6.0%	-2.5%	-6.4%	-5.3%
<b>Russell 2500</b>	-36.8%	34.4%	26.7%	-2.5%	17.9%	36.8%	7.1%	5.2%	-0.3%	-0.2%	-5.9%	-4.5%	-10.3%	-6.0%
<b>MSCI ACWI</b>	-42.2%	34.6%	12.7%	-7.3%	16.1%	22.8%	4.2%	2.3%	0.3%	0.9%	-6.9%	-3.6%	-9.5%	-7.0%
<b>Russell 2000</b>	-33.8%	27.2%	26.9%	-4.2%	16.3%	38.8%	4.9%	4.3%	0.4%	-1.2%	-6.3%	-4.9%	-11.9%	-7.7%
<b>JPM GBI-EM Glob Div</b>	-5.2%	22.0%	15.7%	-1.8%	16.8%	-9.0%	-5.7%	-4.0%	-1.0%	-2.6%	-5.4%	-3.0%	-10.5%	-14.9%
<b>MSCI EM</b>	-53.3%	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	2.2%	0.7%	-6.9%	-9.0%	-3.0%	-17.9%	-15.5%
<b>Bloomberg Commodity</b>	-35.6%	18.9%	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-5.9%	4.7%	-10.6%	-0.9%	-3.4%	-14.5%	-15.8%
<b>Alerian MLP</b>	-36.9%	76.4%	35.9%	13.9%	4.8%	27.6%	4.8%	-5.2%	-6.1%	-3.2%	-5.0%	-15.3%	-22.1%	-30.7%

Source: Morningstar Direct

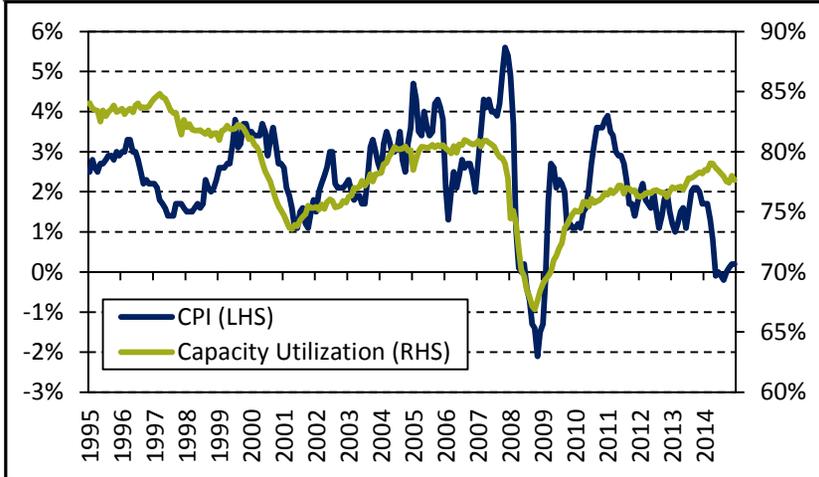
## Broad Market Performance Summary as of 9/30/2015



Source: Bloomberg, Standard and Poors, Russell, MSCI, Barclays, Citigroup, JP Morgan  
 \*1 Yr Range: Represents range of cumulative high/low daily index returns for an investment made one year ago

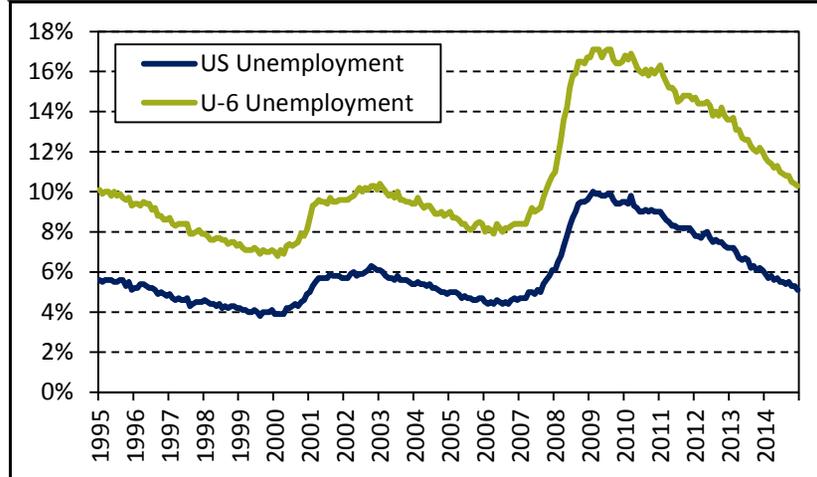
# US Economic Indicators

## Inflation has stayed low



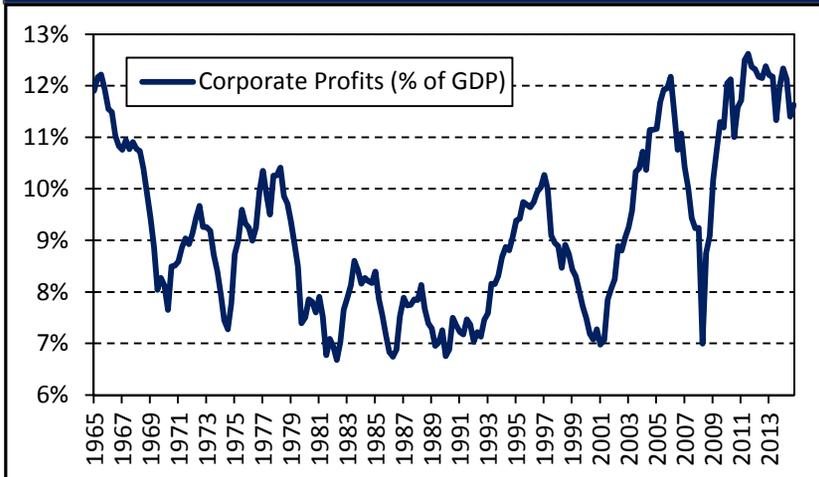
Source: Bloomberg, Federal Reserve, Bureau of Labor Statistics

## Unemployment steadily improving



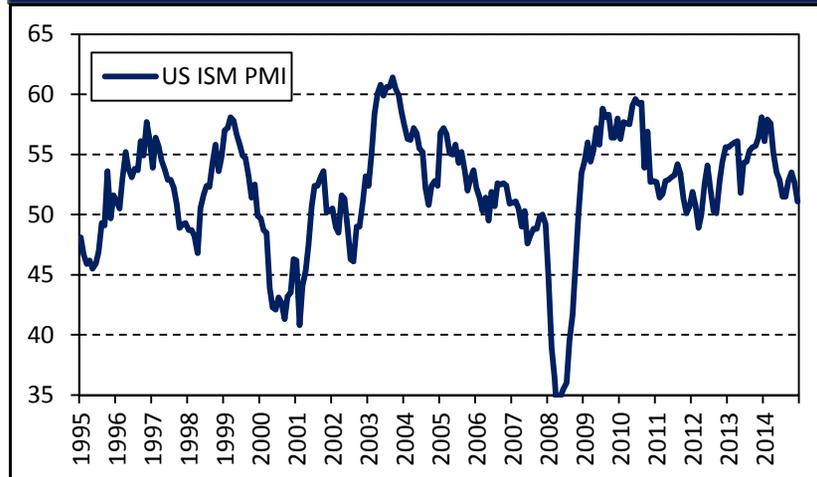
Source: Bloomberg, Bureau of Labor Statistics

## Corporate profits at secular highs



Source: Bloomberg, Bureau of Economic Analysis

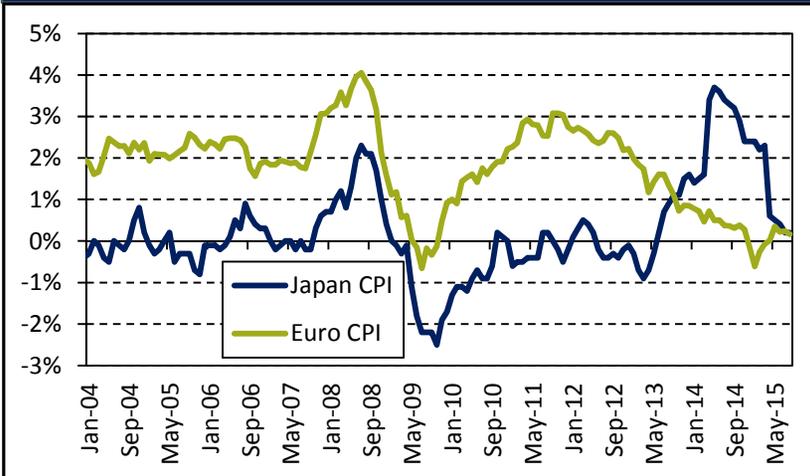
## Manufacturing above average but trending lower



Source: Bloomberg, Institute for Supply Management

# International Economic Indicators

## Inflation remains muted



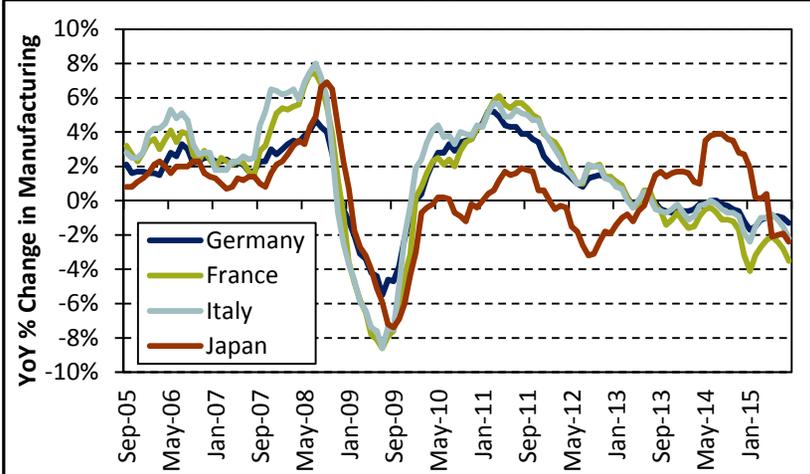
Source: Bloomberg, Japan Ministry of Internal Affairs and Communications, Eurostat

## Europe employment recovery lagging



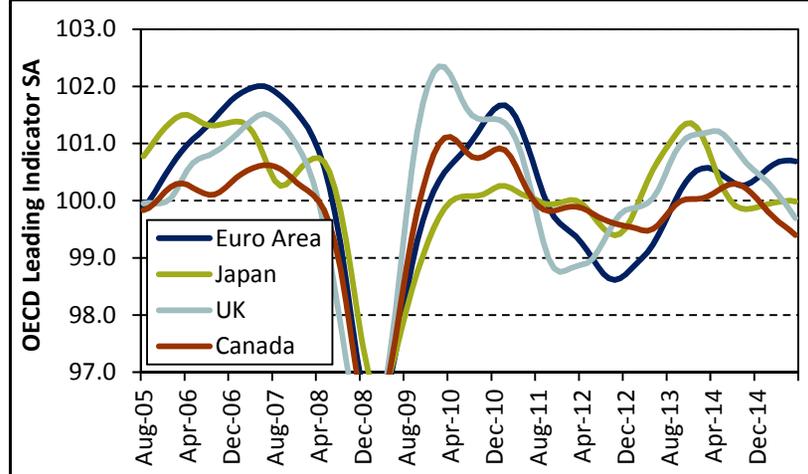
Source: Bloomberg, Japan Ministry of Internal Affairs and Communications, Eurostat

## Manufacturing in developed economies has lagged



Source: Bloomberg, OECD, Eurostat

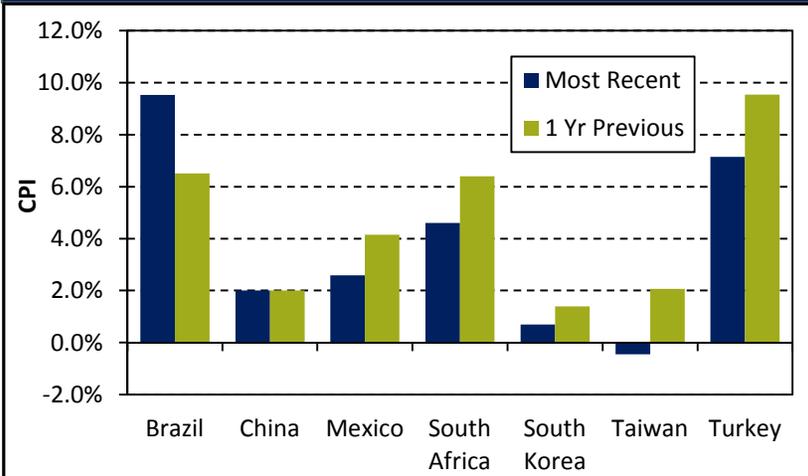
## Leading indicators mostly neutral



Source: Bloomberg, OECD

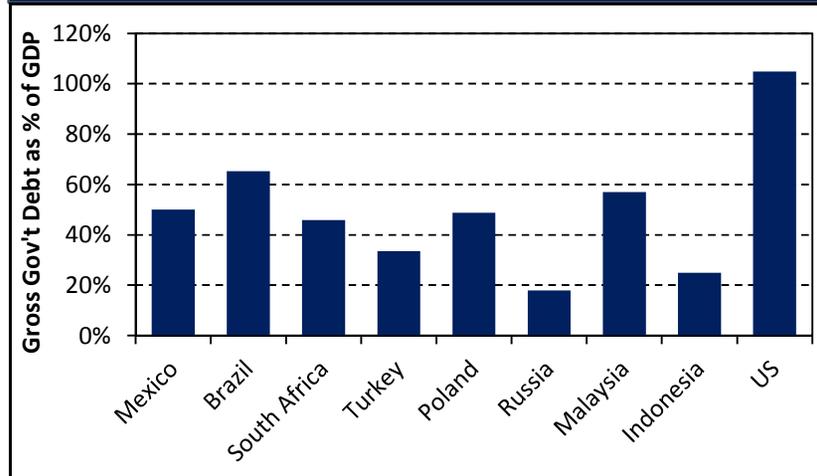
## Emerging Market Economic Indicators

### EM inflation is varied by country



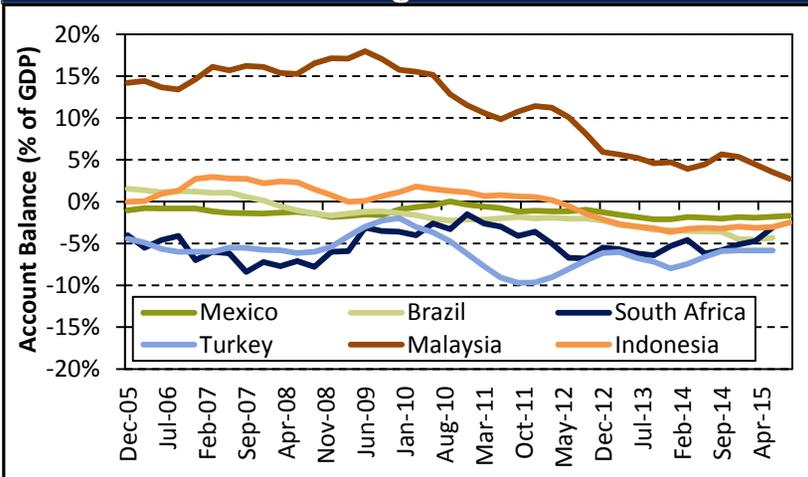
Source: Bloomberg

### Relatively healthy Debt/GDP ratios



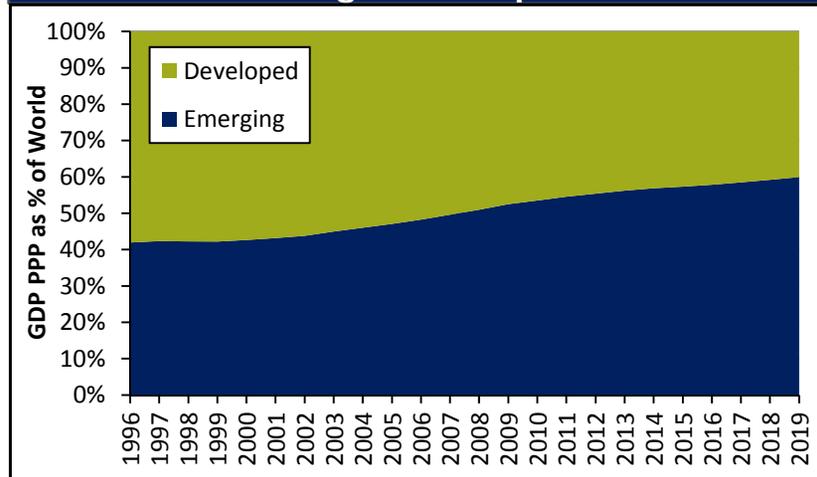
Source: Bloomberg, IMF

### Some improvement in account balance challenged countries



Source: Bloomberg

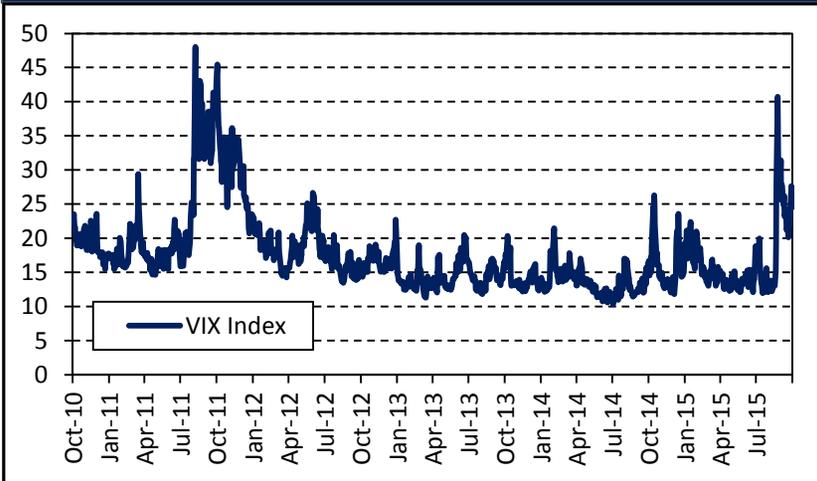
### Emerging economies make up >50% of global output



Source: Bloomberg, IMF

# Volatility

Equity volatility has seen recent spike



Source: Bloomberg, CBOE

Treasury rates experiencing periods of higher volatility



Source: Bloomberg, Merrill Lynch

Sustained uptick in currency volatilities



Source: Bloomberg, Deutsche Bank

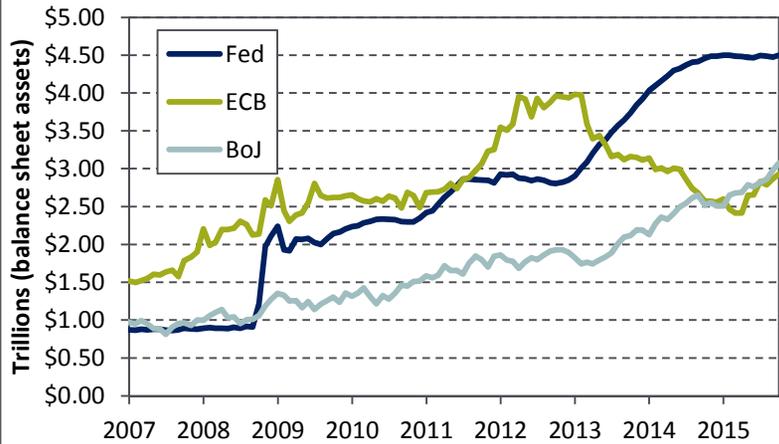
Commodity pricing volatility has increased



Source: Bloomberg, Merrill Lynch

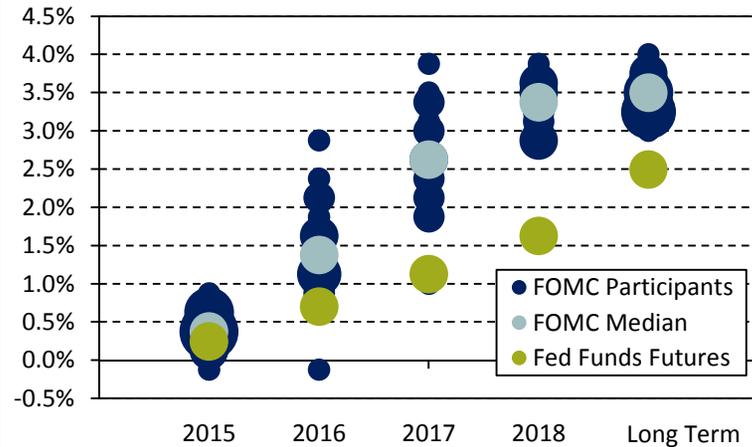
# Central Banks

## Major central bank policy divergence



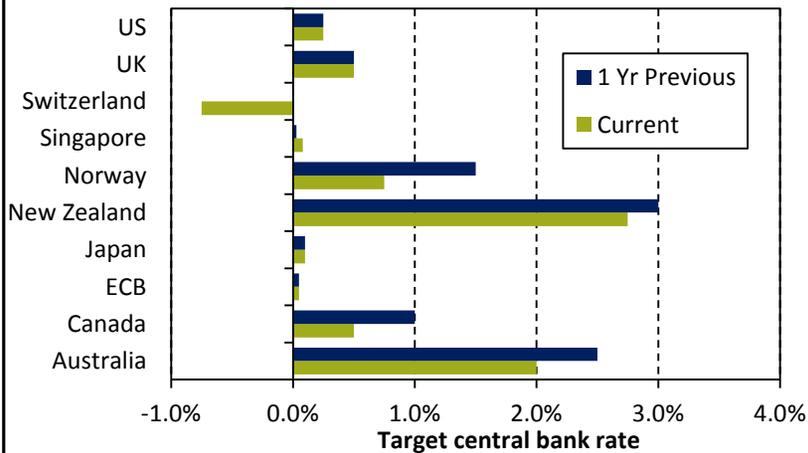
Source: Bloomberg, Federal Reserve, Bank of Japan, ECB, NEPC

## Fed's ideal rate of policy firming above market expectations



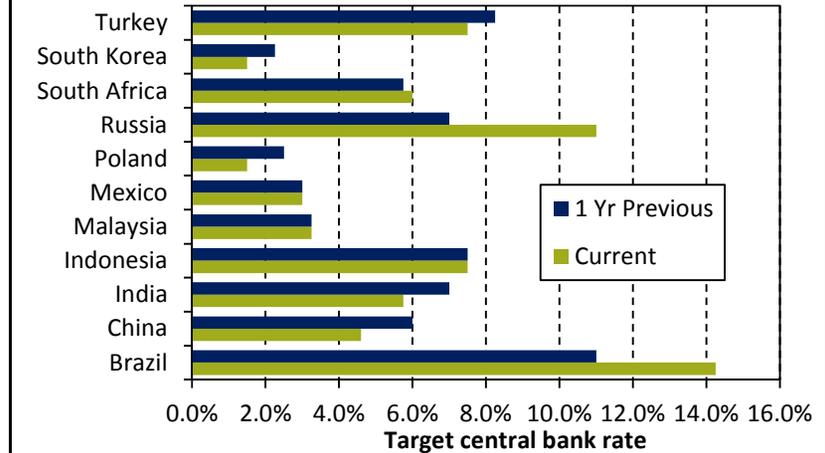
Source: Bloomberg, Federal Reserve, NEPC

## Many developed central banks have maintained low interest rates



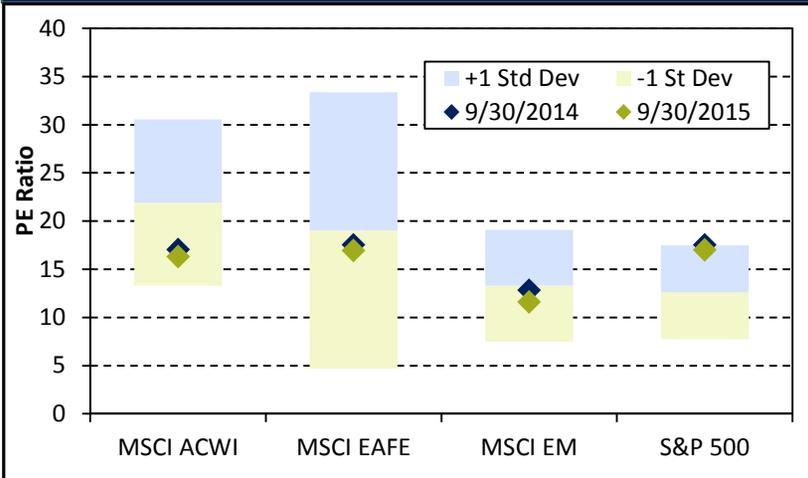
Source: Bloomberg

## EM central bank policies have varied by circumstance



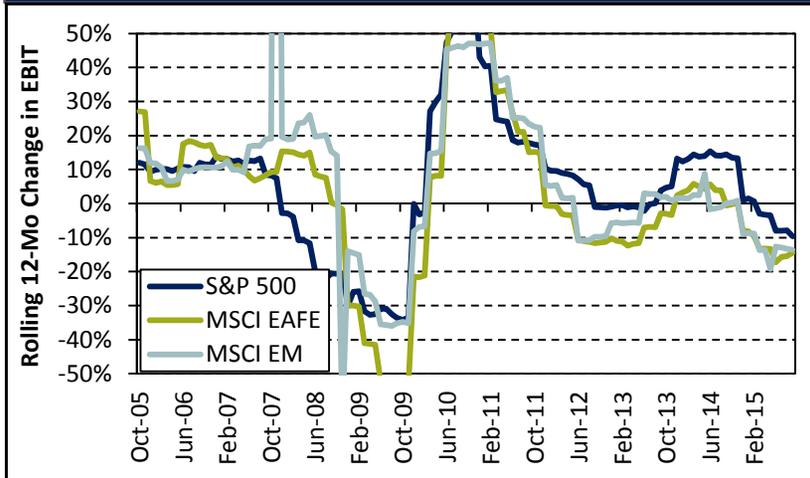
Source: Bloomberg

Global valuations are mixed



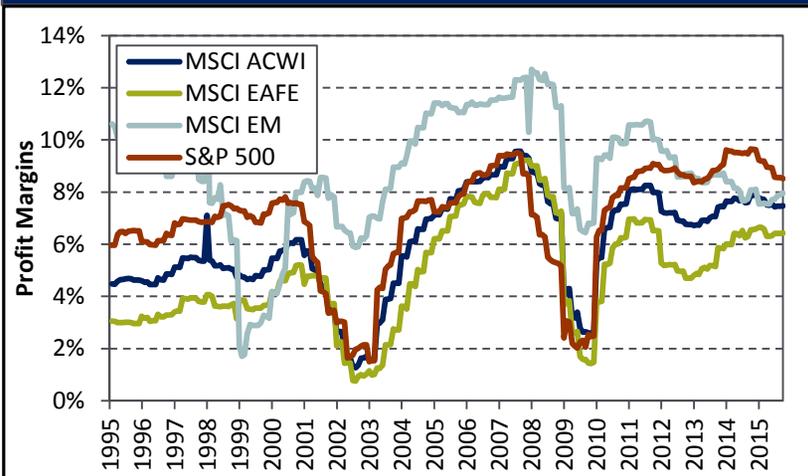
Source: Bloomberg, Standard and Poors, MSCI \*MSCI EAFE is ex UK Telecom

Earnings growth trending lower



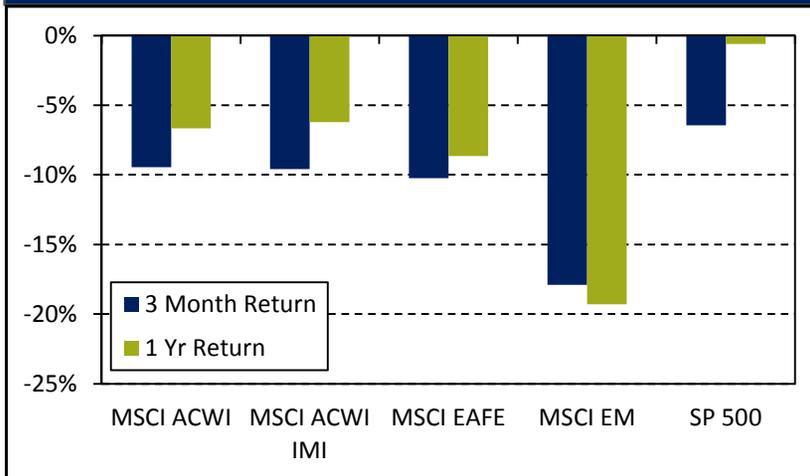
Source: Bloomberg, Standard and Poors, MSCI

Margins elevated, but largely a US story



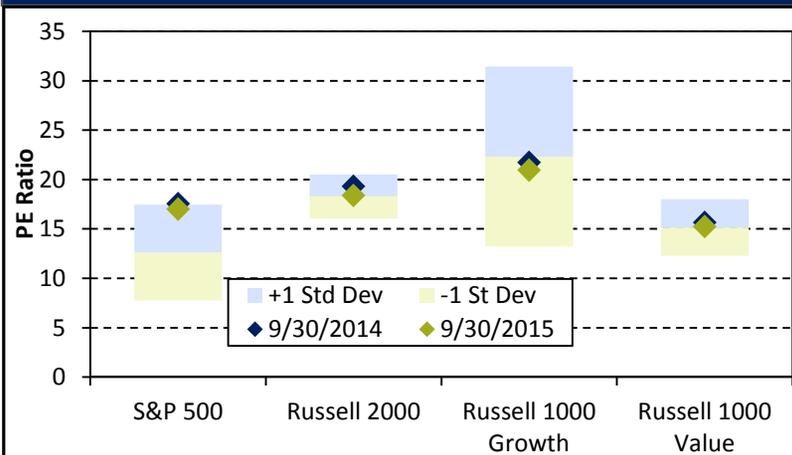
Source: Bloomberg, MSCI

Global equity returns mostly negative



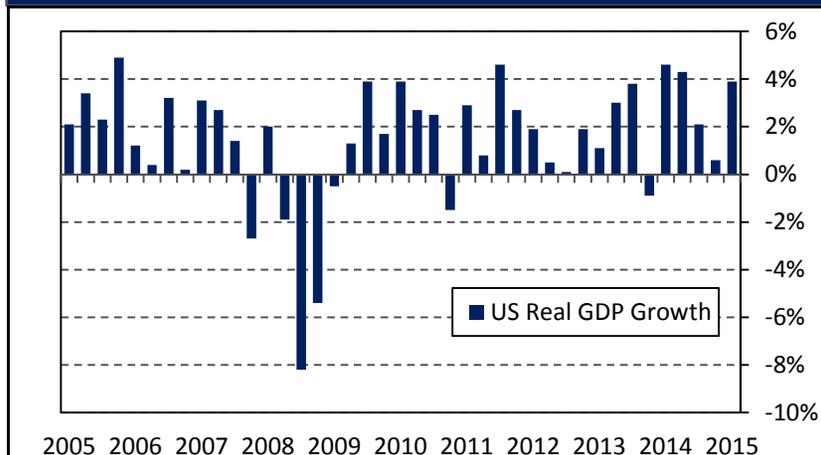
Source: Bloomberg, MSCI

Valuations near or above historical norms



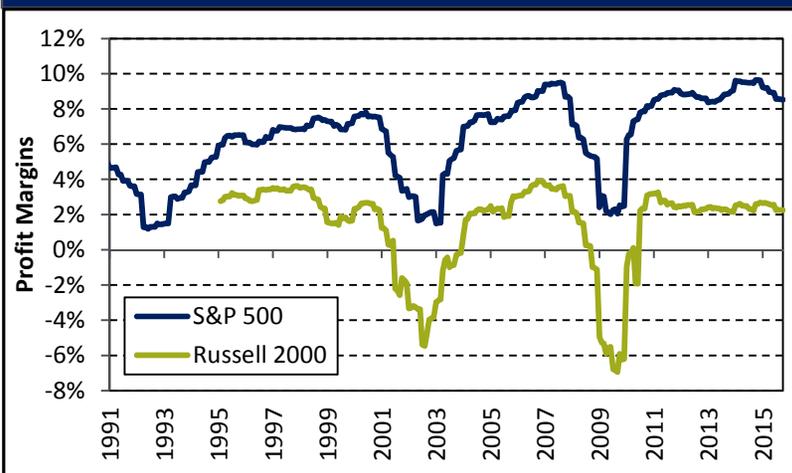
Source: Bloomberg, Standard and Poors, Russell \*Russell 2000 PE is index adjusted positive

Growth recovery marked by inconsistency



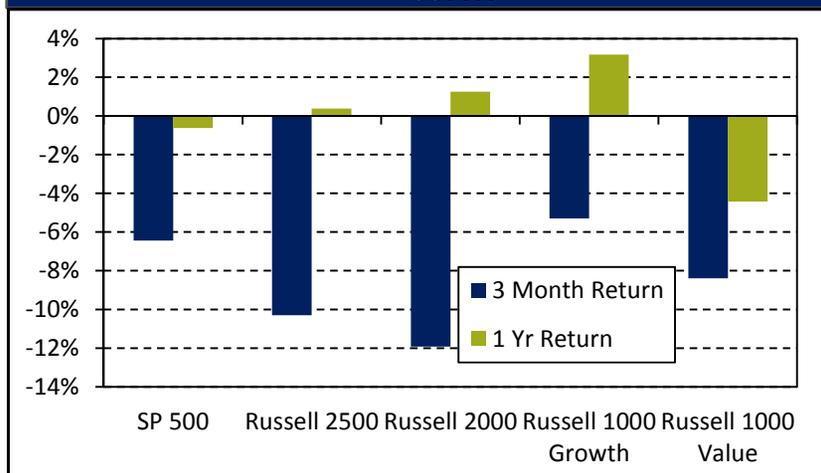
Source: Bloomberg, Bureau of Economic Analysis

Profit margins remain elevated



Source: Bloomberg, Standard and Poors, Russell

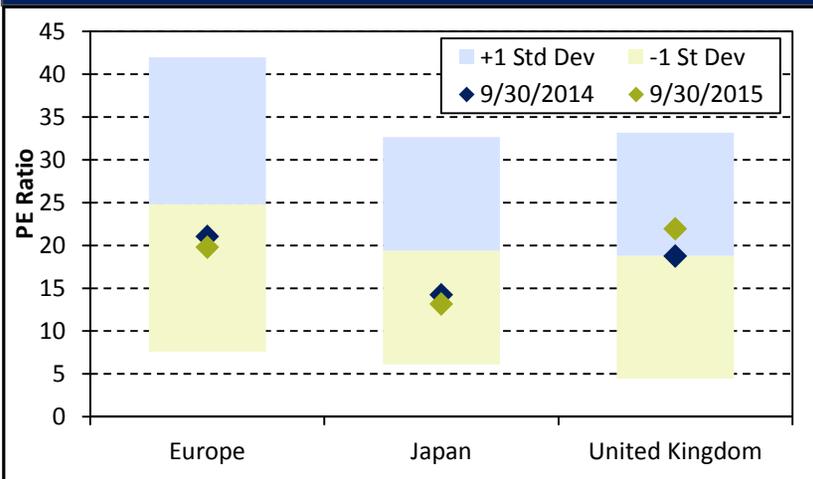
Trailing performance is negative in near term



Source: Bloomberg, Standard and Poors, Russell

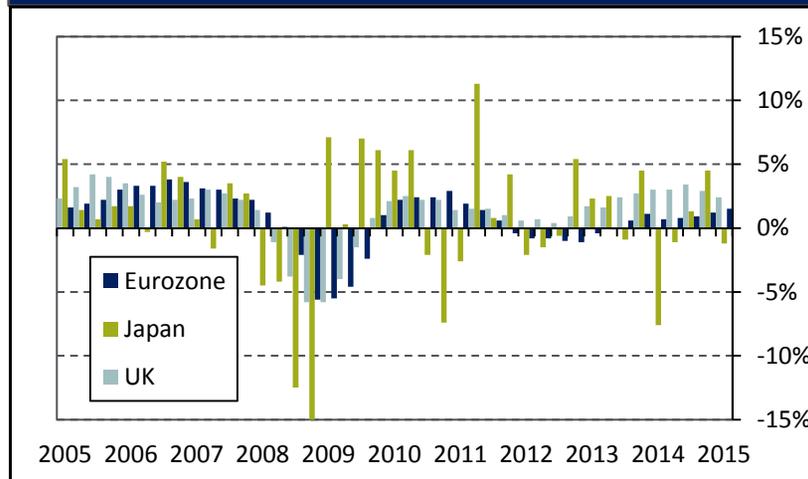
# International Equity

## PEs near historical medians



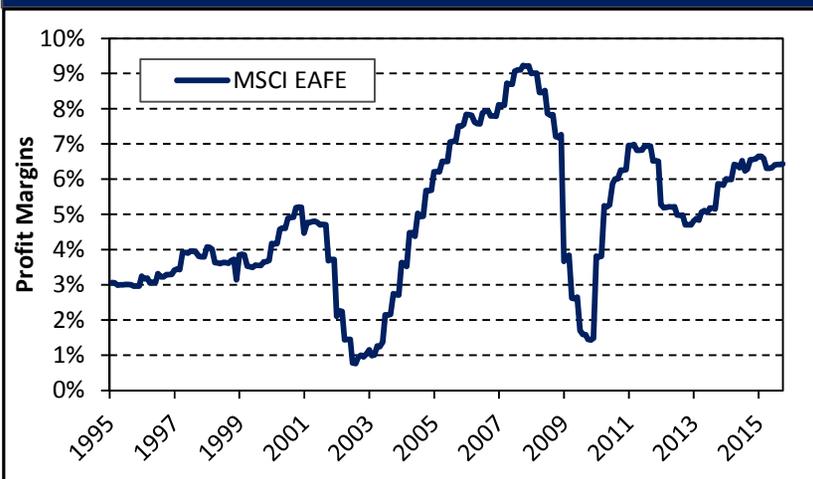
Source: Bloomberg, MSCI, FTSE \*UK represented by FTSE 100 Index

## Slow Global Growth



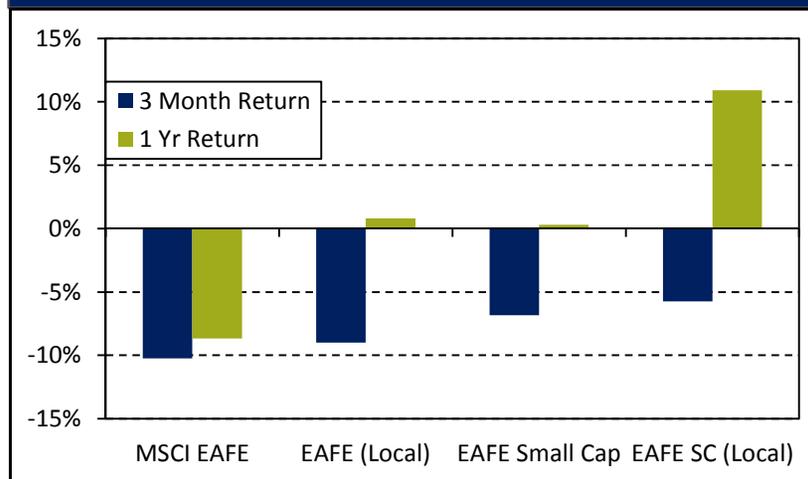
Source: Bloomberg

## Margins elevated but not at extremes



Source: Bloomberg, MSCI

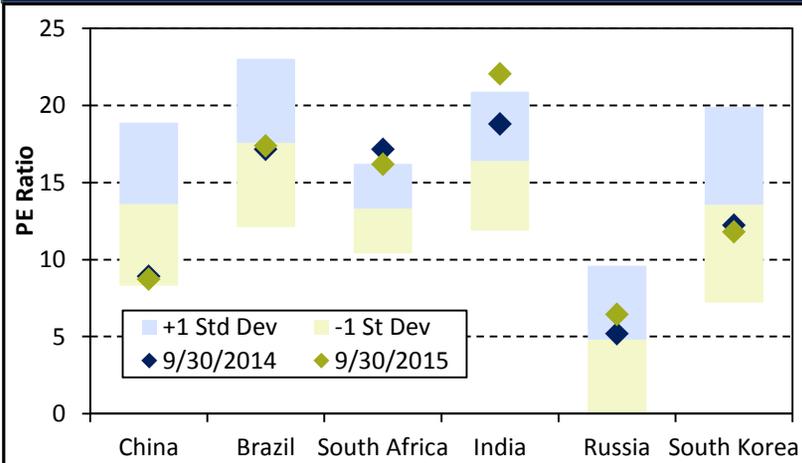
## Returns pulled lower by dollar strength



Source: Bloomberg, MSCI

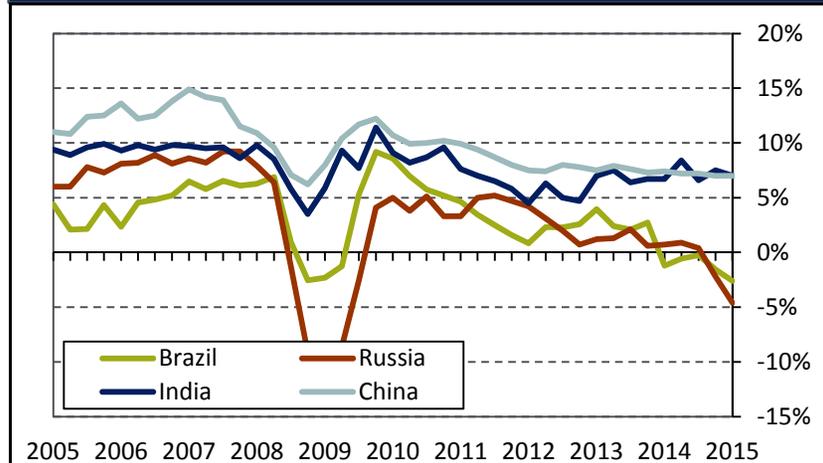
# Emerging Markets Equity

## Regional valuations show divergence



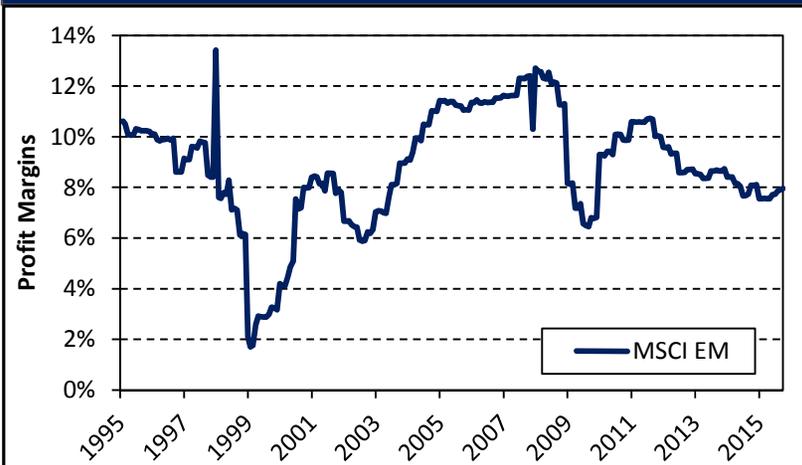
Source: Bloomberg, MSCI

## Slowing growth in major economies



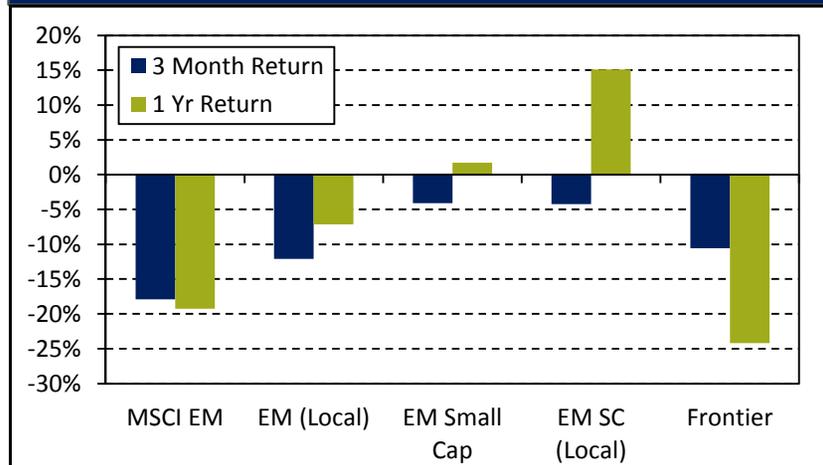
Source: Bloomberg

## Profit margins in line with history



Source: Bloomberg, MSCI

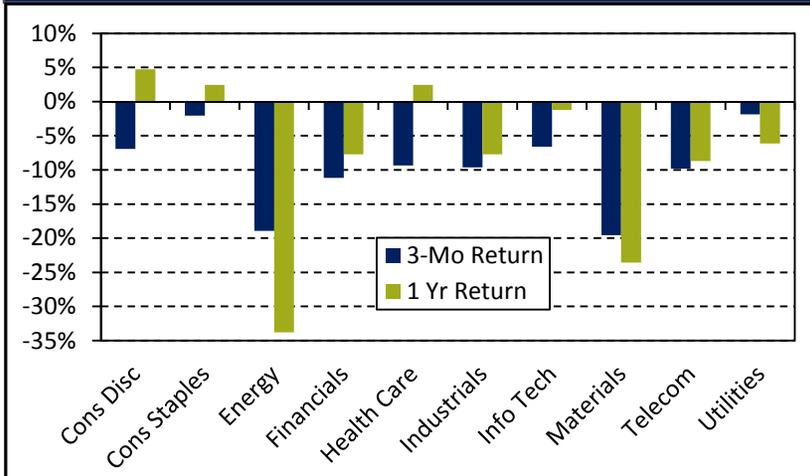
## EM returns especially negative



Source: Bloomberg, MSCI

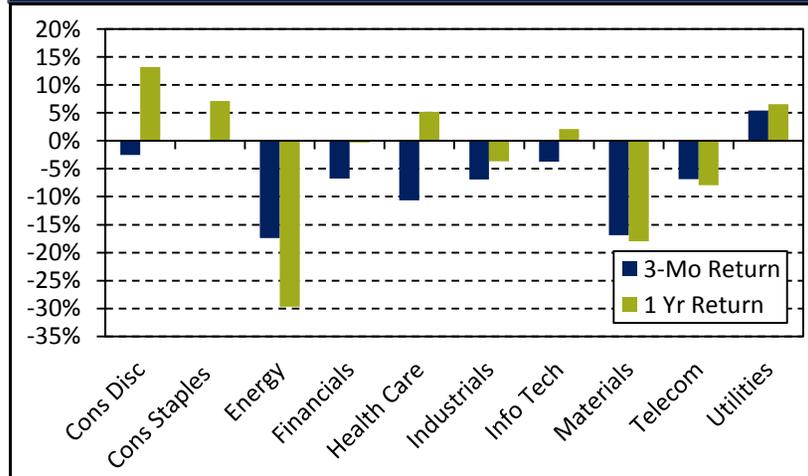
## Global Equity by Sector

### Energy returns sharply negative



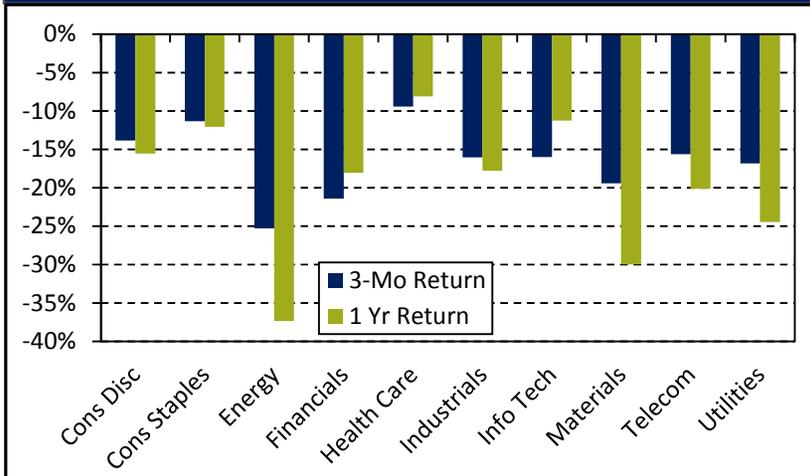
Source: Bloomberg, MSCI

### Divergence among S&P 500 sectors



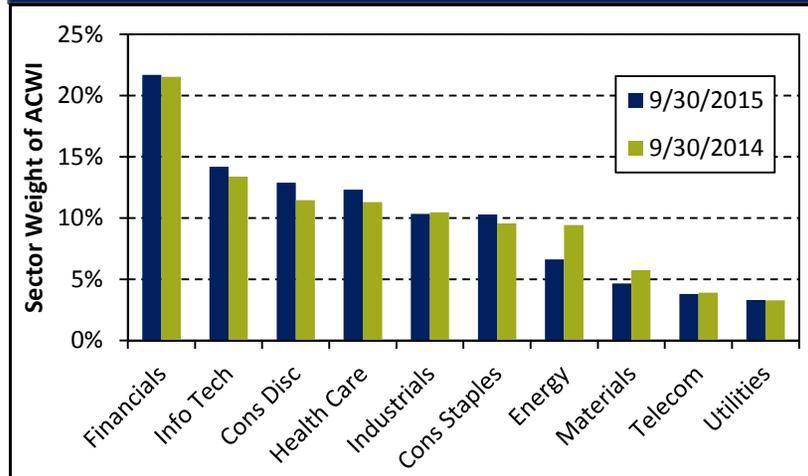
Source: Bloomberg, Standard and Poors

### Energy sensitivity especially pronounced in EM



Source: Bloomberg, MSCI

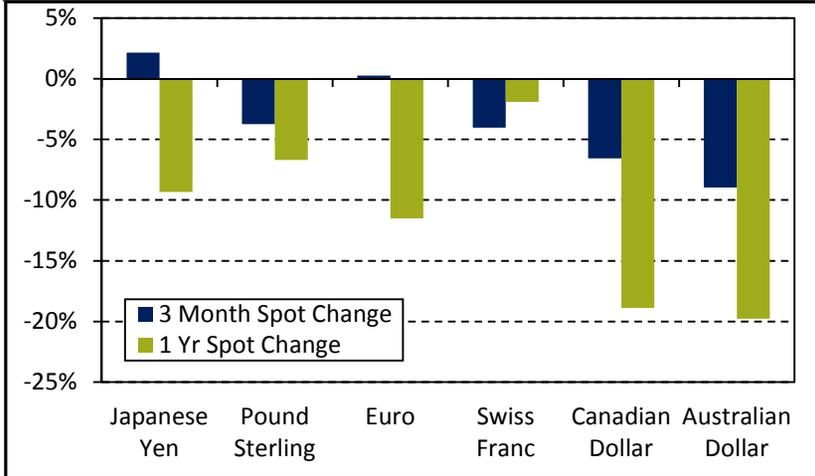
### Global energy sector weight has fallen



Source: Bloomberg, MSCI

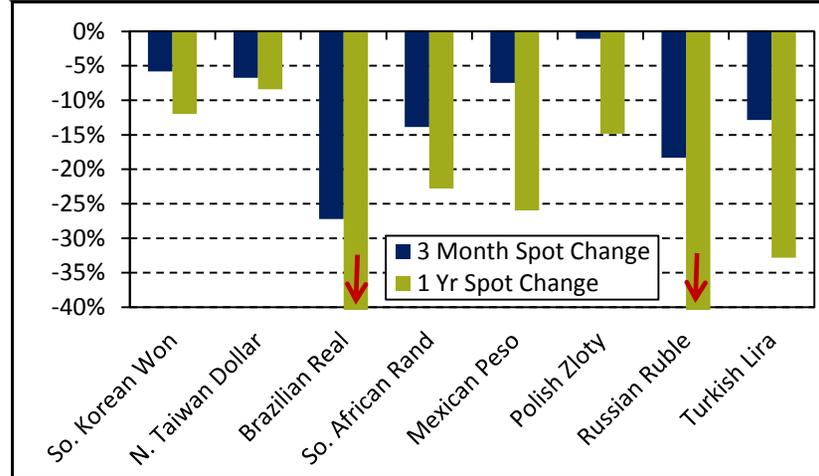
# Currencies

## Developed currencies mostly negative versus the dollar



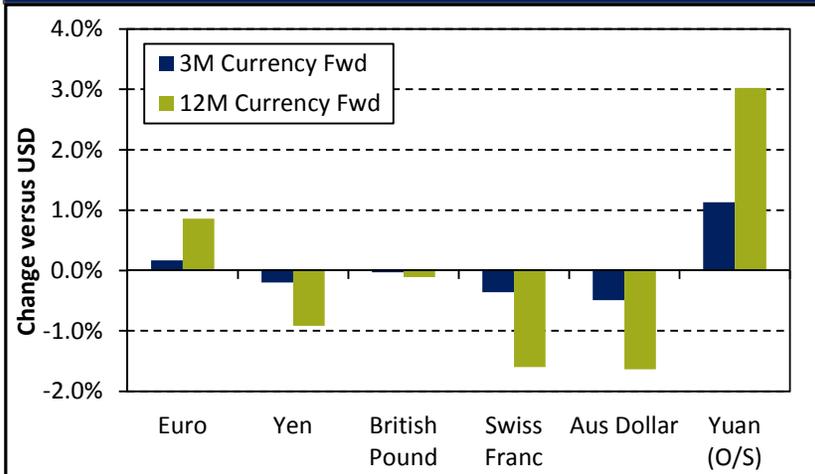
Source: Bloomberg

## EM currencies have suffered in unique fashions



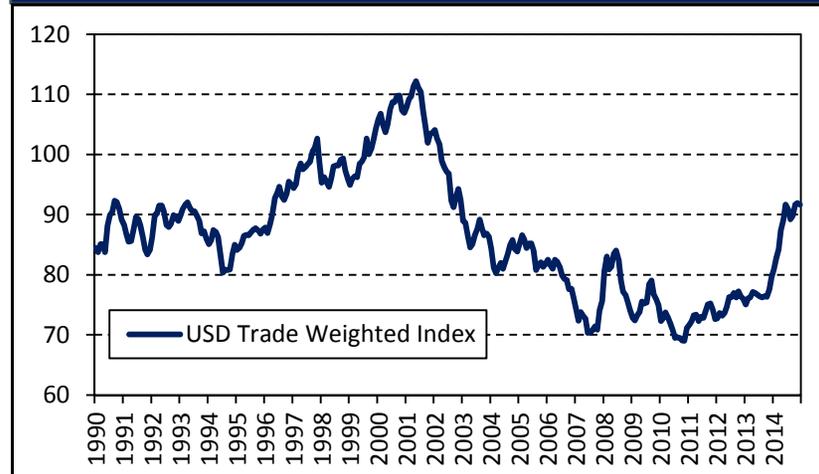
Source: Bloomberg

## Yen and GBP expected to decline versus USD



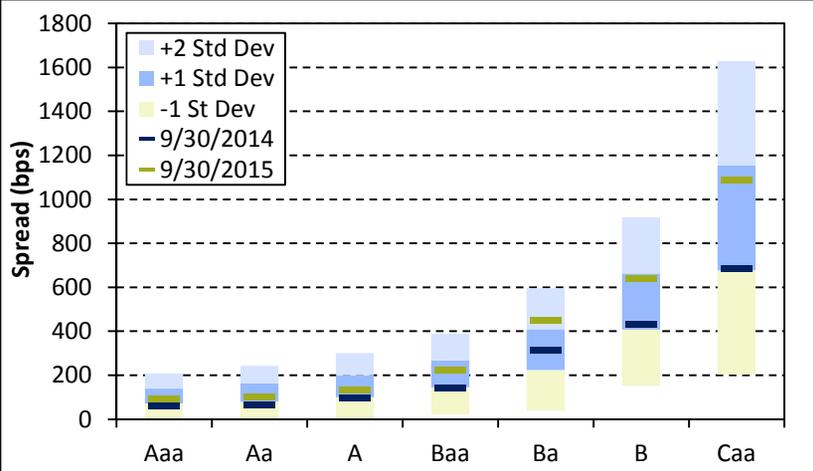
Source: Bloomberg

## Recent dollar strength pronounced



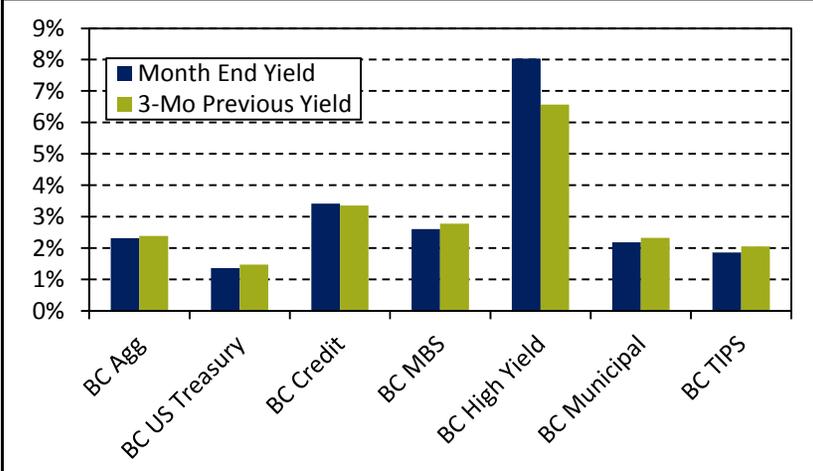
Source: Bloomberg, Federal Reserve

Spread levels drifting above historical medians



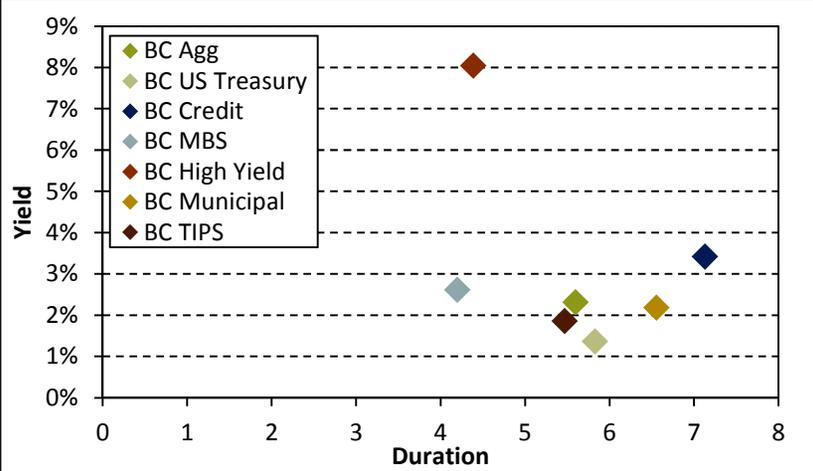
Source: Bloomberg, Barclays

High yield spreads have increased



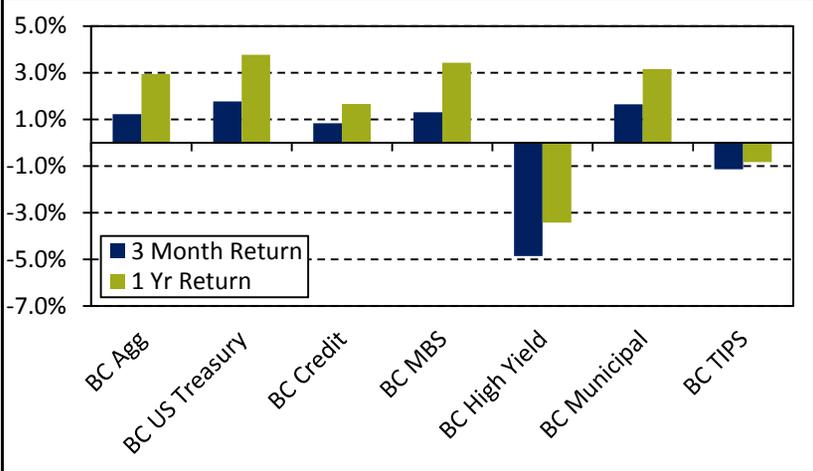
Source: Bloomberg, Barclays

Similar yield/duration tradeoff among major US indices



Source: Bloomberg, Barclays

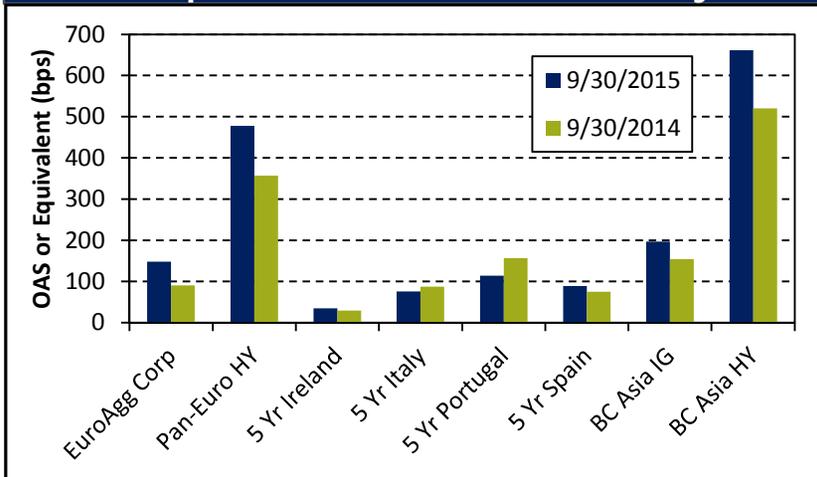
Negative high yield returns driven by energy distress



Source: Bloomberg, Barclays

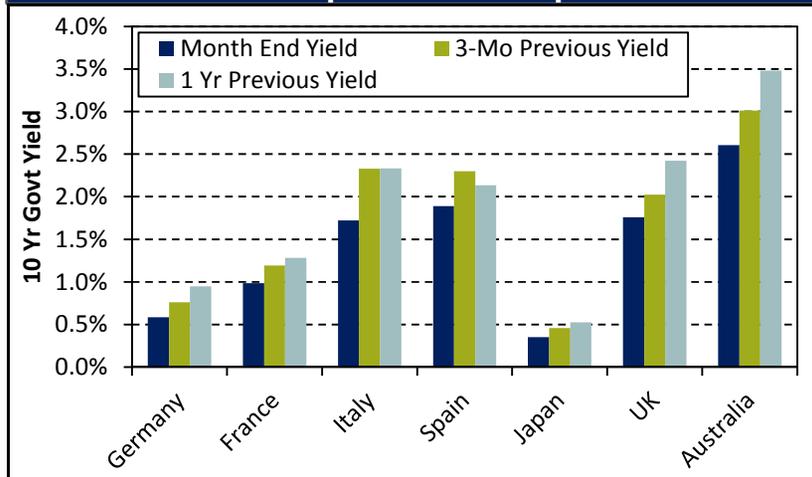
## International Developed Fixed Income

### European periphery yields at small premium relative to Germany



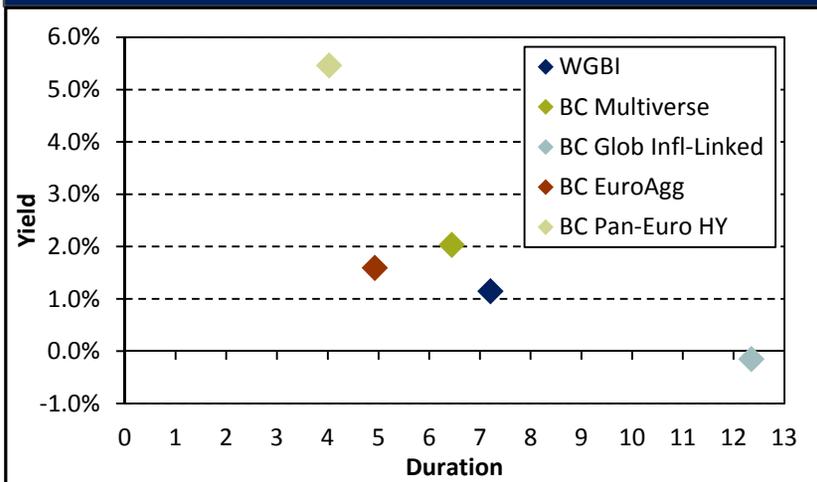
Source: Barclays, Bloomberg, \*European periphery spreads are over equivalent German Bund

### Global yields are at or near historic lows despite recent uptick



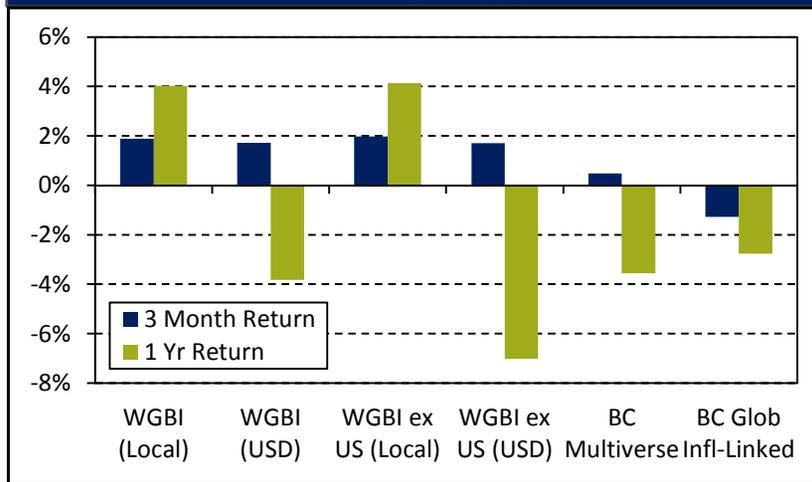
Source: Bloomberg

### Low global yields relative to duration



Source: Bloomberg, Citigroup, Barclays

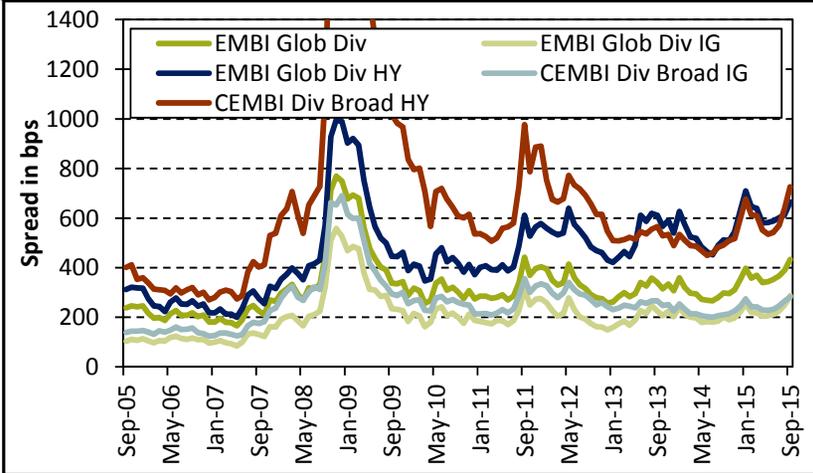
### Global bonds negative over one year in USD terms



Source: Bloomberg, Citigroup, Barclays

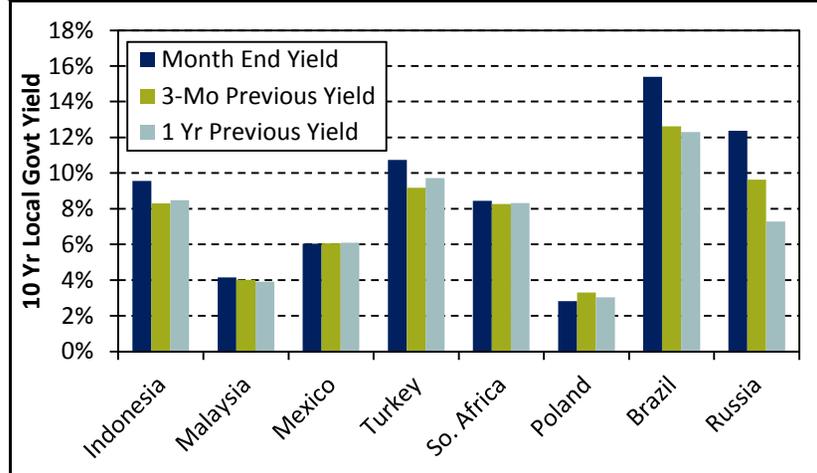
# Emerging Markets Fixed Income

## Spreads have widened slightly, still in line with history



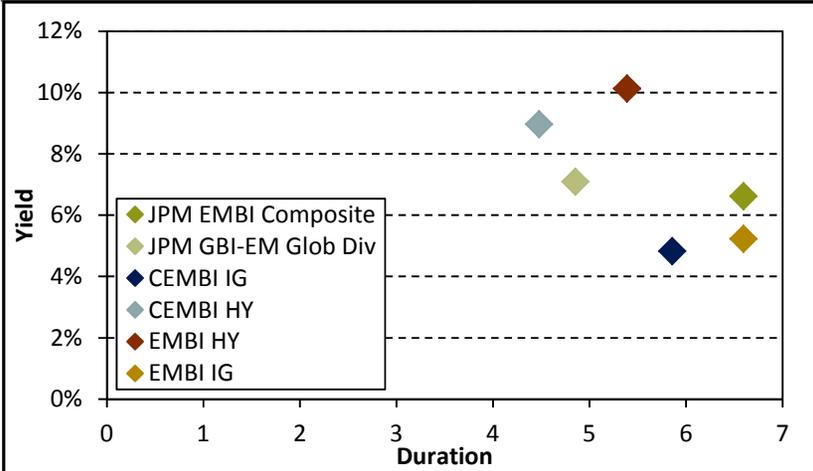
Source: Bloomberg, JP Morgan

## Emerging market bond yield changes have varied directionally



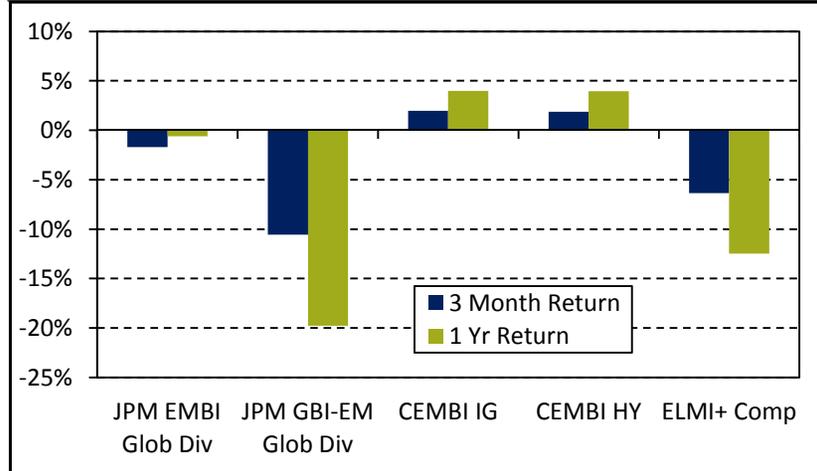
Source: Bloomberg

## EM yields higher versus global counterparts



Source: Bloomberg, JP Morgan

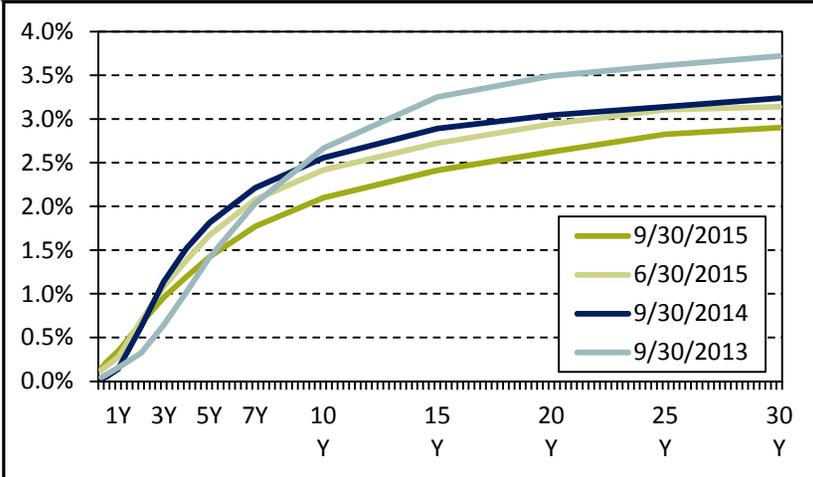
## Currency effect pronounced in EMD returns



Source: Bloomberg, JP Morgan

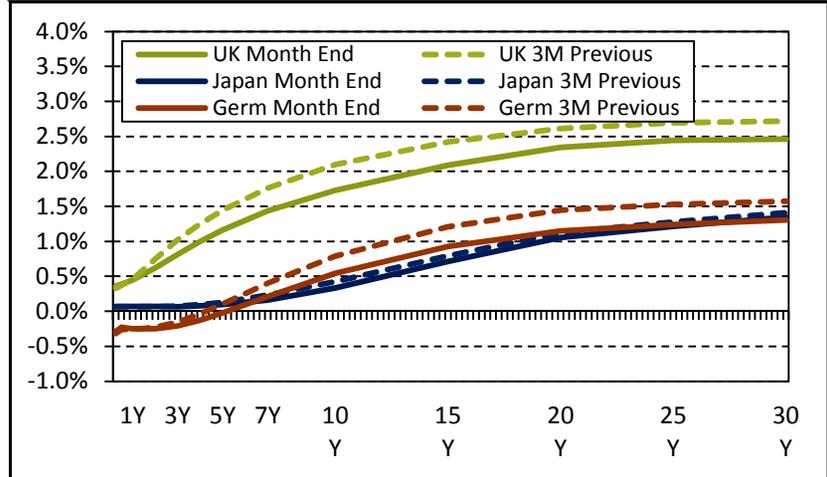
# Rates

## Treasury yield curve moderately lower versus Q2



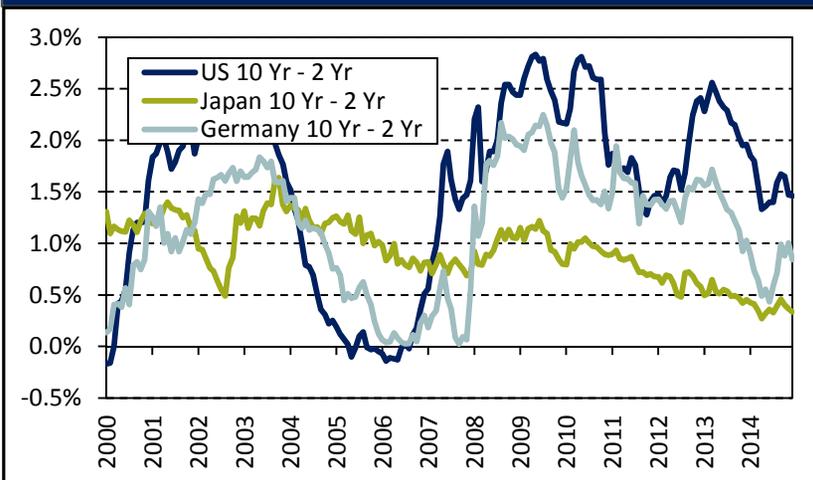
Source: Bloomberg

## German and UK curves have shifted downwards



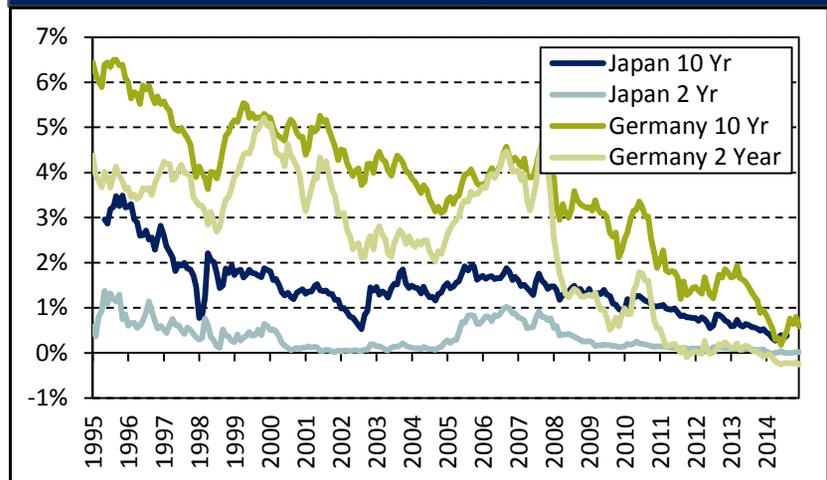
Source: Bloomberg

## Global yield curves have flattened



Source: Bloomberg

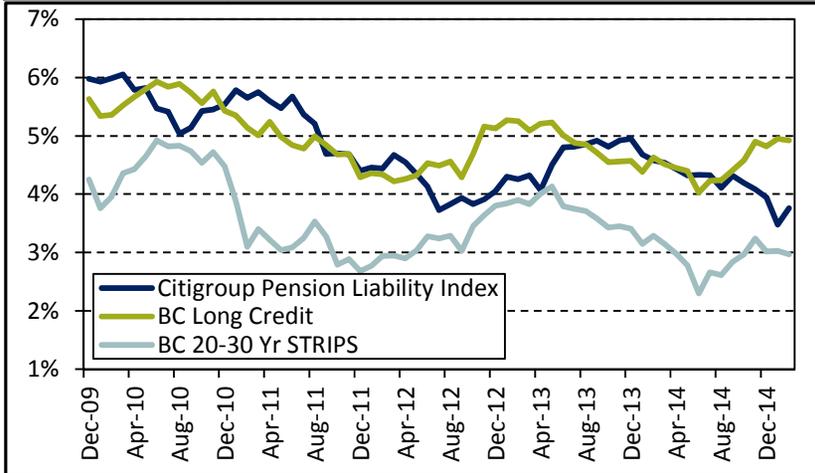
## Global yields have trended lower over long term



Source: Bloomberg

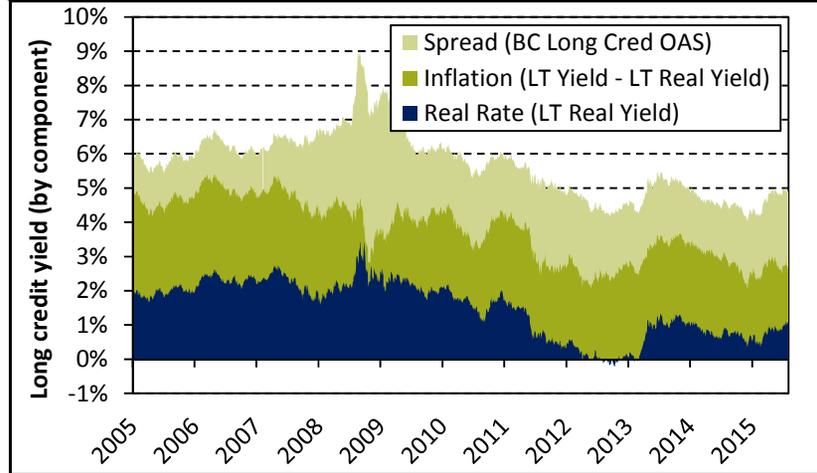
## Long Rates and Liability

### Long duration yields have fallen over last few years even with recent uptick



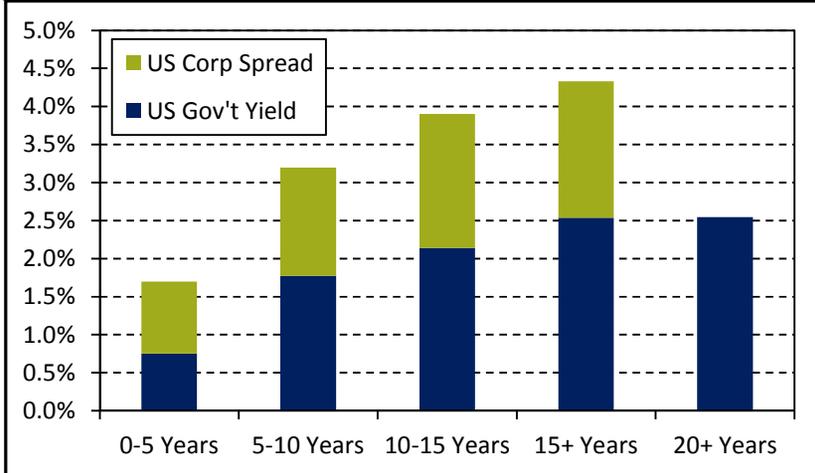
Source: Bloomberg, Citigroup, Barclays

### Lower yields driven by low inflation expectations and real rates



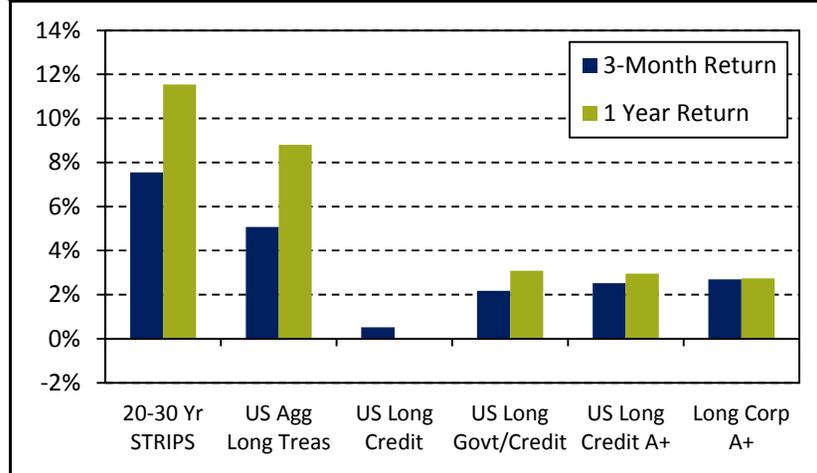
Source: Bloomberg, US Treasury, Barclays, NEPC

### Yields are low but spreads slightly above historic averages



Source: Bloomberg, BofA Merrill Lynch, Barclays \*No index for 20+ year corporate

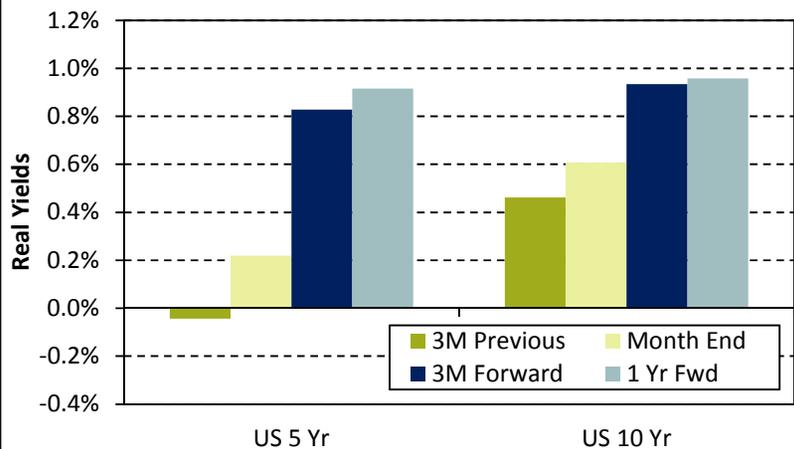
### Recent compression in rates has lead to positive returns



Source: Bloomberg, Barclays

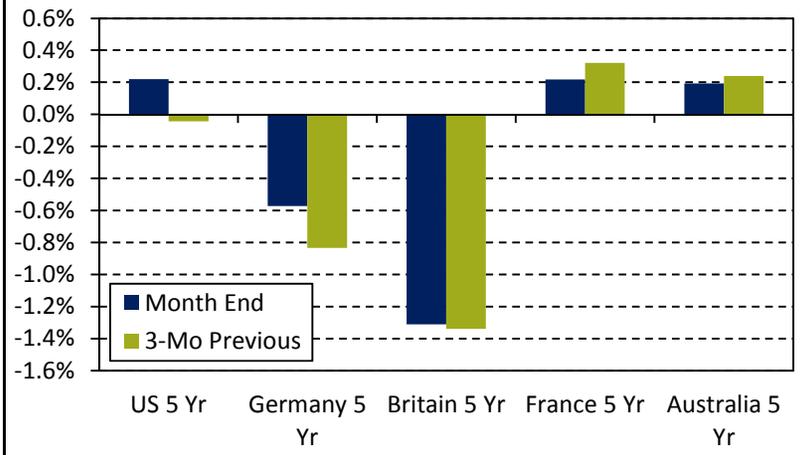
## Inflation and Real Rates

### US real yields have risen slightly



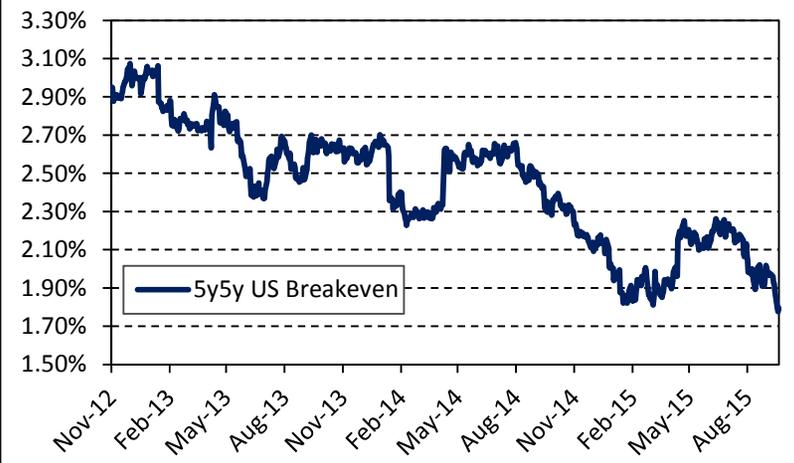
Source: Bloomberg

### Global real yields are flat to negative



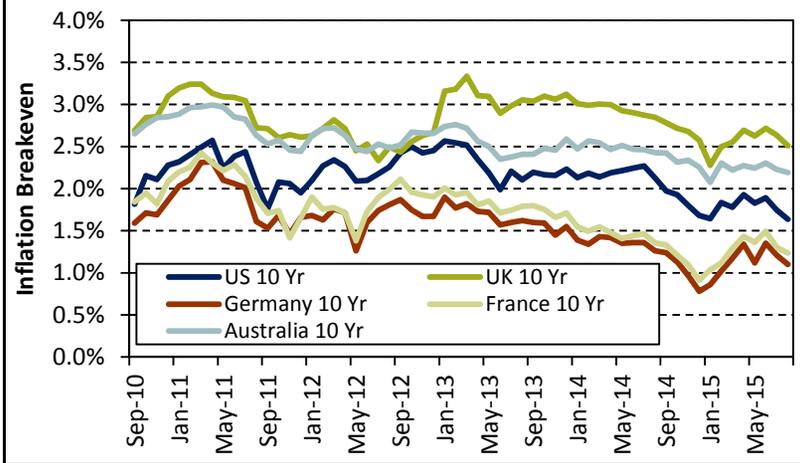
Source: Bloomberg

### US inflation expectations on downward trend



Source: Bloomberg

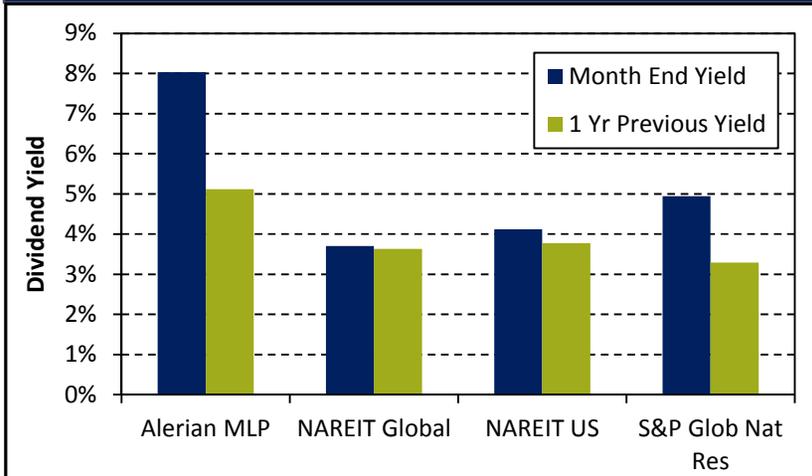
### Global inflation expectations remain subdued



Source: Bloomberg

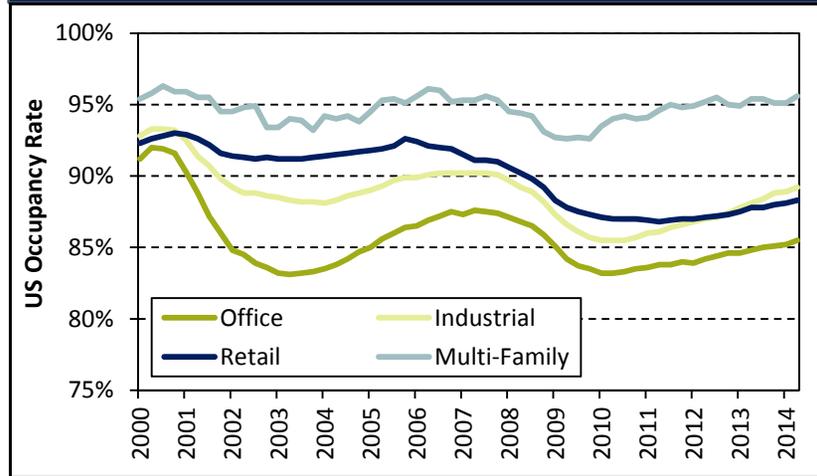
## Inflation Sensitive Growth Assets

### Yields slightly higher relative to last year



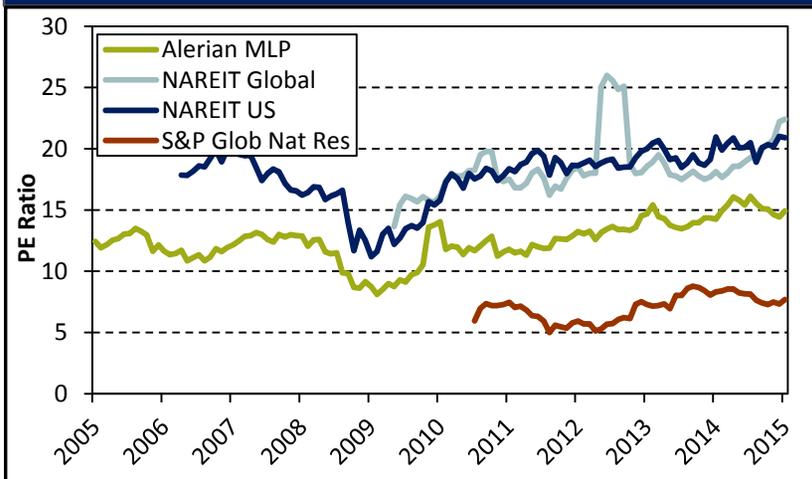
Source: Bloomberg, Alerian, Nareit, Standard and Poors

### Gradual recovery in occupancy rates



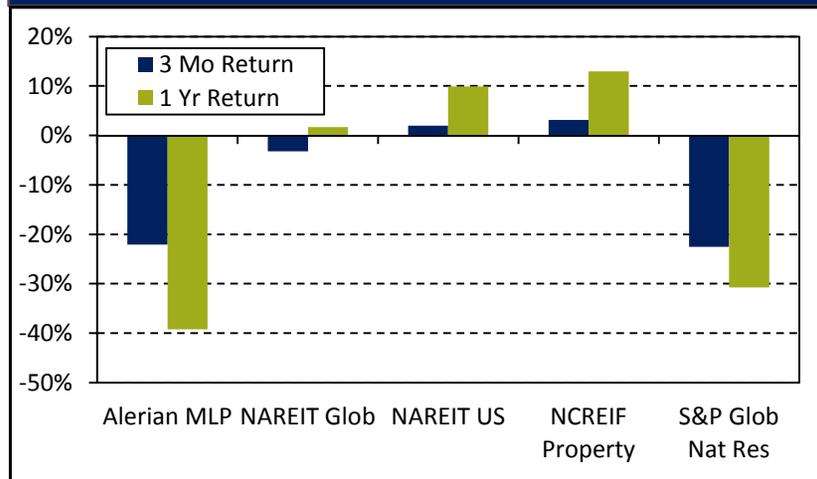
Source: Bloomberg, CB Richard Ellis

### PE Ratios near or above averages



Source: Bloomberg, US Census Bureau

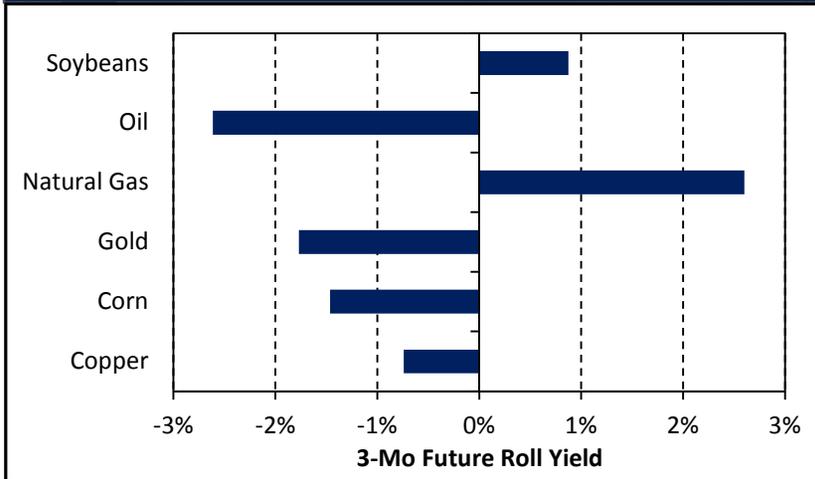
### Recent REIT selloff has cut into long rally



Source: Bloomberg, Alerian, Nareit, Standard and Poors

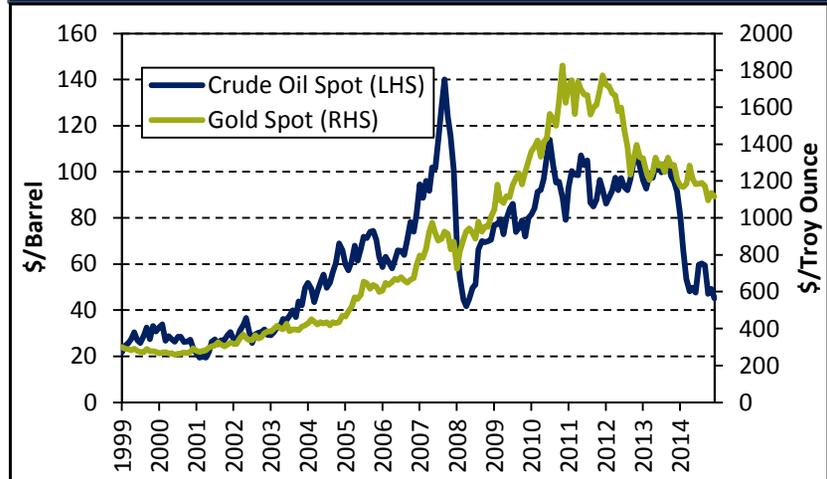
# Commodities

## Negative roll yields in major commodity futures



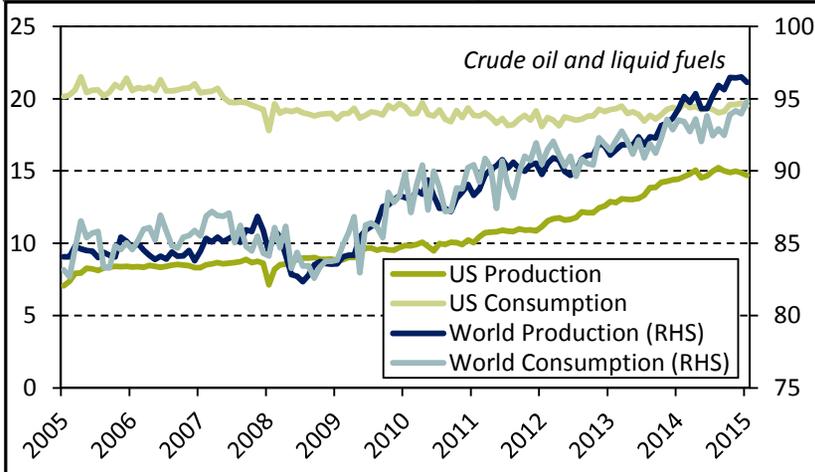
Source: Bloomberg

## Precipitous fall in oil prices



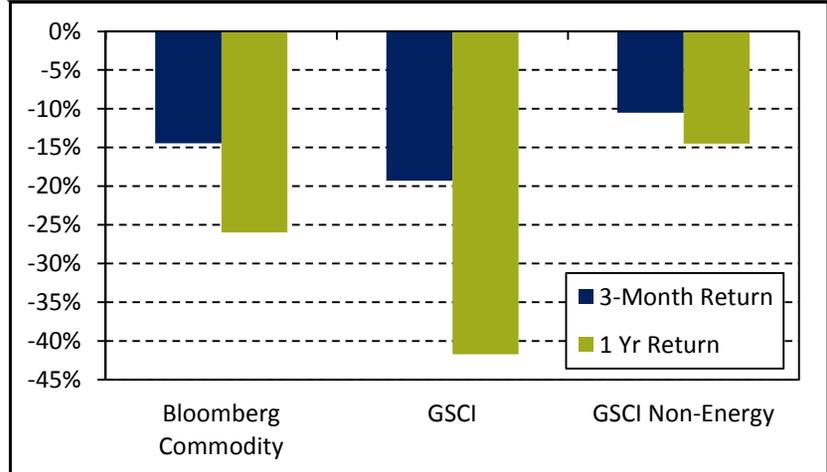
Source: Bloomberg

## US fuel production closing gap with consumption



Source: Bloomberg, US Department of Energy \*Crude oil and liquid fuels

## Commodity indices negative after oil-induced decline



Source: Bloomberg, Standard and Poors

## Glossary of Investment Terminology

The calculation methodology for each measure of performance is outlined below.

Measurement	Description	Equation
<b>Policy Target</b>	Measures policy allocation decisions.	= TARGET ASSET WEIGHTS X INDEX RETURNS
<b>Allocation Index</b>	Measures actual allocation decisions. Deviations from the policy target can be derived. (Allocation Index – Policy Index)	= ACTUAL ASSET WEIGHTS X INDEX RETURNS
<b>Composite (Total Return)</b>	Measures actual performance and can derive active management decisions. (Composite – Allocation Index)	= ACTUAL ASSET WEIGHTS X ACTUAL RETURNS

The calculation methodology for each measure of attribution is outlined below.

Measurement	Description	Equation
<b>Allocation Effect</b>	Measure the effects of overweighting or underweighting managers and asset classes.	= (ACTUAL MANAGER WEIGHT – POLICY TARGET WEIGHT) X POLICY INDEX RETURN
<b>Selection Effect</b>	Measures the managers' ability to add excess return relative to the policy index.	= (ACTUAL MANAGER RETURN – INDEX RETURN) X POLICY TARGET WEIGHT
<b>Interaction Effect</b>	Measures the cross correlation of both selection and allocation affects and is often referred to as an "error term".	= (ACTUAL MANAGER RETURN X (ACTUAL MANAGER WEIGHT – POLICY TARGET WEIGHT)) – ((MANAGER WEIGHT – POLICY TARGET WEIGHT) X INDEX RETURN)

## Glossary of Investment Terminology

**# Of Portfolios/Observations<sup>1</sup>** – The total number of data points that make up a specified universe

**Allocation Index<sup>3</sup>** - The allocation index measures the value added (or subtracted) to each portfolio by active management. It is calculated monthly: The portfolio asset allocation to each category from the prior month-end is multiplied by a specified market index.

**Asset Allocation Effect<sup>2</sup>** - Measures an investment manager's ability to effectively allocate their portfolio's assets to various sectors. The allocation effect determines whether the overweighting or underweighting of sectors relative to a benchmark contributes positively or negatively to the overall portfolio return. Positive allocation occurs when the portfolio is over weighted in a sector that outperforms the benchmark and underweighted in a sector that underperforms the benchmark. Negative allocation occurs when the portfolio is over weighted in a sector that underperforms the benchmark and under weighted in a sector that outperforms the benchmark.

**Agency Bonds (Agencies)<sup>3</sup>** - The full faith and credit of the United States government is normally not pledged to payment of principal and interest on the majority of government agencies issuing these bonds, with maturities of up to ten years. Their yields, therefore, are normally higher than government and their marketability is good, thereby qualifying them as a low risk-high liquidity type of investment. They are eligible as security for advances to the member banks by the Federal Reserve, which attests to their standing.

**Asset Backed Securities (ABS)<sup>3</sup>** - Bonds which are similar to mortgage-backed securities but are collateralized by assets other than mortgages; commonly backed by credit card receivables, auto loans, or other types of consumer financing.

**Attribution<sup>3</sup>** - Attribution is an analytical technique that allows us to evaluate the performance of the portfolio relative to the benchmark. A proper attribution tells us where value was added or subtracted as a result of the manager's decisions.

**Average Effective Maturity<sup>4</sup>** - For a single bond, it is a measure of maturity that takes into account the possibility that a bond might be called back to the issuer.

For a portfolio of bonds, average effective maturity is the weighted average of the maturities of the underlying bonds. The measure is computed by weighing each bond's maturity by its market value with respect to the portfolio and the likelihood of any of the bonds being called. In a pool of mortgages, this would also account for the likelihood of prepayments on the mortgages.

**Batting Average<sup>1</sup>** - A measurement representing an investment manager's ability to meet or beat an index.

*Formula: Divide the number of days (or months, quarters, etc.) in which the manager beats or matches the index by the total number of days (or months, quarters, etc.) in the period of question and multiply that factor by 100.*

**Brinson Fachler (BF) Attribution<sup>1</sup>** - The BF methodology is a highly accepted industry standard for calculating the allocation, selection, and interaction effects within a portfolio that collectively explains a portfolio's underlying performance. The main advantage of the BF methodology is that rather than using the overall return of the benchmark, it goes a level deeper than BHB and measures whether the benchmark sector, country, etc. outperformed/or underperformed the overall benchmark.

**Brinson Hood Beebower (BHB) Attribution<sup>1</sup>** - The BHB methodology shows that excess return must be equal to the sum of all other factors (i.e., allocation effect, selection effect, interaction effect, etc.). The advantage to using the BHB methodology is that it is a highly accepted industry standard for calculating the allocation, selection, and interaction effects within a portfolio that collectively explains a portfolio's underlying performance.

**Corporate Bond (Corp)<sup>4</sup>** - A debt security issued by a corporation and sold to investors. The backing for the bond is usually the payment ability of the company, which is typically money to be earned from future operations. In some cases, the company's physical assets may be used as collateral for bonds.

**Correlation<sup>1</sup>** - A range of statistical relationships between two or more random variables or observed data values. A correlation is a single number that describes the degree of relationship between variables.

Data Source: <sup>1</sup>InvestorForce, <sup>2</sup>Interaction Effect Performance Attribution, <sup>3</sup>NEPC, LLC, <sup>4</sup>Investopedia, <sup>5</sup>Hedgeco.net

## Glossary of Investment Terminology

**Coupon<sup>4</sup>** – The interest rate stated on a bond when it is issued. The coupon is typically paid semiannually. This is also referred to as the "coupon rate" or "coupon percent rate."

**Currency Effect<sup>1</sup>** - Is the effect that changes in currency exchange rates over time affect excess performance.

**Derivative Instrument<sup>3</sup>** - A financial obligation that derives its precise value from the value of one or more other instruments (or assets) at the same point of time. For example, the relationship between the value of an S&P 500 futures contract (the derivative instrument in this case) is determined by the value of the S&P 500 Index and the value of a U.S. Treasury bill that matures at the expiration of the futures contract.

**Downside Deviation<sup>1</sup>** - Equals the standard deviation of negative return or the measure of downside risk focusing on the standard deviation of negative returns.

*Formula:*

*Annualized Standard Deviation (Fund Return - Average Fund Return) where average fund return is greater than individual fund returns, monthly or quarterly.*

**Duration<sup>3</sup>** - Duration is a measure of interest rate risk. The greater the duration of a bond, or a portfolio of bonds, the greater its price volatility will be in response to a change in interest rates. A bond's duration is inversely related to interest rates and directly related to time to maturity.

**Equity/Debt/Cash Ratio<sup>1</sup>** – The percentage of an investment or portfolio that is in Equity, Debt, and/or Cash (i.e. A 7/89/4 ratio represents an investment that is made up of 7% Equity, 89% Debt, and 4% Cash).

**Foreign Bond<sup>3</sup>** - A bond that is issued in a domestic market by a foreign entity, in the domestic market's currency. A foreign bond is most often issued by a foreign firm to raise capital in a domestic market that would be most interested in purchasing the firm's debt. For foreign firms doing a large amount of business in the domestic market, issuing foreign bonds is a common practice.

**Hard Hurdle<sup>5</sup>** – is a hurdle rate that once beaten allows a fund manager to charge a performance fee on only the funds above the specified hurdle rate.

**High-Water Mark<sup>4</sup>** - The highest peak in value that an investment fund/account has reached. This term is often used in the context of fund manager compensation, which is performance based. Some performance-based fees only get paid when fund performance exceeds the high-water mark. The high-water mark ensures that the manager does not get paid large sums for poor performance.

**Hurdle Rate<sup>4</sup>** - The minimum rate of return on an investment required, in order for a manager to collect incentive fees from the investor, which is usually tied to a benchmark.

**Interaction Effects<sup>2</sup>** - The interaction effect measures the combined impact of an investment manager's selection and allocation decisions within a sector. For example, if an investment manager had superior selection and over weighted that particular sector, the interaction effect is positive. If an investment manager had superior selection, but underweighted that sector, the interaction effect is negative. In this case, the investment manager did not take advantage of the superior selection by allocating more assets to that sector. Since many investment managers consider the interaction effect to be part of the selection or the allocation, it is often combined with the either effect.

**Median<sup>3</sup>** - The value (rate of return, market sensitivity, etc.) that exceeds one-half of the values in the population and that is exceeded by one-half of the values. The median has a percentile rank of 50.

**Modified Duration<sup>3</sup>** - The percentage change in the price of a fixed income security that results from a change in yield.

**Mortgage Backed Securities (MBS)<sup>3</sup>** - Bonds which are a general obligation of the issuing institution but are also collateralized by a pool of mortgages.

**Municipal Bond (Muni)<sup>4</sup>** - A debt security issued by a state, municipality or county to finance its capital expenditures.

**Net Investment Change<sup>1</sup>** – Is the change in an investment after accounting for all Net Cash Flows.

**Performance Fee<sup>4</sup>** - A payment made to a fund manager for generating positive returns. The performance fee is generally calculated as a percentage of investment profits, often both realized and unrealized.

Data Source: <sup>1</sup>InvestorForce, <sup>2</sup>Interaction Effect Performance Attribution, <sup>3</sup>NEPC, LLC, <sup>4</sup>Investopedia, <sup>5</sup>Hedgeco.net

## Glossary of Investment Terminology

**Policy Index<sup>3</sup>** - A custom benchmark designed to indicate the returns that a passive investor would earn by consistently following the asset allocation targets set forth in this investment policy statement.

**Price to Book (P/B)<sup>4</sup>** - A ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share, also known as the "price-equity ratio".

**Price to Earnings (P/E)<sup>3</sup>** - The weighted equity P/E is based on current price and trailing 12 months earnings per share (EPS).

**Price to Sales (P/S)<sup>4</sup>** - A ratio for valuing a stock relative to its own past performance, other companies, or the market itself. Price to sales is calculated by dividing a stock's current price by its revenue per share for the trailing 12 months.

**Return on Equity (ROE)<sup>4</sup>** - The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.

**Selection (or Manager) Effect<sup>2</sup>** - Measures the investment manager's ability to select securities within a given sector relative to a benchmark. The over or underperformance of the portfolio is weighted by the benchmark weight, therefore, selection is not affected by the manager's allocation to the sector. The weight of the sector in the portfolio determines the size of the effect—the larger the sector, the larger the effect is, positive or negative.

**Soft Hurdle rate<sup>5</sup>** – is a hurdle rate that once beaten allows a fund manager to charge a performance fee based on the entire annualized return.

**Tiered Fee<sup>1</sup>** – A fee structure that is paid to fund managers based on the size of the investment (i.e. 1.00% fee on the first \$10M invested, 0.90% on the next \$10M, and 0.80% on the remaining balance).

**Total Effects<sup>2</sup>** - The active management (total) effect is the sum of the selection, allocation, and interaction effects. It is also the difference between the total portfolio return and the total benchmark return. You can use the active management effect to determine the amount the investment manager has added to a portfolio's return.

**Total Return<sup>1</sup>** - The actual rate of return of an investment over a specified time period. Total return includes interest, capital gains, dividends, and distributions realized over a defined time period.

**Universe<sup>3</sup>** - The list of all assets eligible for inclusion in a portfolio.

**Upside Deviation<sup>1</sup>** – Standard Deviation of Positive Returns

**Weighted Avg. Market Cap.<sup>4</sup>** - A stock market index weighted by the market capitalization of each stock in the index. In such a weighting scheme, larger companies account for a greater portion of the index. Most indexes are constructed in this manner, with the best example being the S&P 500.

**Yield (%)<sup>3</sup>** - The current yield of a security is the current indicated annual dividend rate divided by current price.

**Yield to Maturity<sup>3</sup>** -The discount rate that equates the present value of cash flows, both principal and interest, to market price.

Data Source: <sup>1</sup>InvestorForce, <sup>2</sup>Interaction Effect Performance Attribution, <sup>3</sup>NEPC, LLC, <sup>4</sup>Investopedia, <sup>5</sup>Hedgeco.net

## Glossary of Investment Terminology—Risk Statistics

**Alpha** - Measures the relationship between the fund performance and the performance of another fund or benchmark index and equals the excess return while the other fund or benchmark index is zero.

**Alpha Jensen** - The average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return. Also known as the abnormal return or the risk adjusted excess return.

**Annualized Excess Return over Benchmark** - Annualized fund return minus the annualized benchmark return for the calculated return.

**Annualized Return** - A statistical technique whereby returns covering periods greater than one year are converted to cover a 12 month time span.

**Beta** - Measures the volatility or systematic risk and is equal to the change in the fund's performance in relation to the change in the assigned index's performance.

**Information Ratio** - A measure of the risk adjusted return of a financial security, asset, or portfolio.

*Formula:*  
 $(\text{Annualized Return of Portfolio} - \text{Annualized Return of Benchmark}) / \text{Annualized Standard Deviation}(\text{Period Portfolio Return} - \text{Period Benchmark Return})$ . To annualize standard deviation, multiply the deviation by the square root of the number of periods per year where monthly returns per year equals 12 and quarterly returns is four periods per year.

**R-Squared** – Represents the percentage of a fund's movements that can be explained by movements in an index. R-Squared values range from 0 to 100. An R-Squared of 100 denotes that all movements of a fund are completely explained by movements in the index.

**Sharpe Ratio** - A measure of the excess return or risk premium per unit of risk in an investment asset or trading strategy.

**Sortino Ratio** - A method to differentiate between good and bad volatility in the Sharpe Ratio. The differentiation of up and down volatility allows the calculation to provide a risk adjusted measure of a security or fund's performance without upward price change penalties.

*Formula:*  
 $\text{Calculation Average } (X-Y) / \text{Downside Deviation } (X-Y) * 2$   
Where X=Return Series Y = Return Series Y which is the risk free return (91 day T-bills)

**Standard Deviation** - The standard deviation is a statistical term that describes the distribution of results. It is a commonly used measure of volatility of returns of a portfolio, asset class, or security. The higher the standard deviation the more volatile the returns are.

*Formula:*  
 $(\text{Annualized Return of Portfolio} - \text{Annualized Return of Risk Free}) / \text{Annualized Standard Deviation (Portfolio Returns)}$

**Tracking Error** - Tracking error, also known as residual risk, is a measure of the degree to which a portfolio tracks its benchmark. It is also a measure of consistency of excess returns. Tracking error is computed as the annualized standard deviation of the difference between a portfolio's return and that of its benchmark.

*Formula:*  
 $\text{Tracking Error} = \text{Standard Deviation } (X-Y) * \sqrt{(\# \text{ of periods per year})}$   
Where X = periods portfolio return and Y = the period's benchmark return  
For monthly returns, the periods per year = 12  
For quarterly returns, the periods per year = 4

**Treynor Ratio** - A risk-adjusted measure of return based on systematic risk. Similar to the Sharpe ratio with the difference being the Treynor ratio uses beta as the measurement of volatility.

*Formula:*  
 $(\text{Portfolio Average Return} - \text{Average Return of Risk-Free Rate}) / \text{Portfolio Beta}$

**Up/Down Capture Ratio** - A measure of what percentage of a market's returns is "captured" by a portfolio. For example, if the market declines 10% over some period, and the manager declines only 9%, then his or her capture ratio is 90%. In down markets, it is advantageous for a manager to have as low a capture ratio as possible. For up markets, the higher the capture ratio the better. Looking at capture ratios can provide insight into how a manager achieves excess returns. A value manager might typically have a lower capture ratio in both up and down markets, achieving excess returns by protecting on the downside, whereas a growth manager might fall more than the overall market in down markets, but achieve above-market returns in a rising market.

$\text{Upside Capture} = \text{Total Return (Fund Returns)} / \text{Total Returns (BM Return)}$  when Period Benchmark Return is  $\geq 0$

$\text{Downside Capture} = \text{Total Return (Fund Returns)} / \text{Total Returns (BM Return)}$  when Benchmark  $< 0$

Data Source: InvestorForce

## Information Disclaimer and Reporting Methodology

### Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodian bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may be preliminary and subject to change.
- This report is provided as a management aid for the client's internal use only. Information contained in this report does not constitute a recommendation by NEPC.
- This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

### Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC generally reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.