

Deferred  
Compensation  
Plan Review  
Through 06/30/2017

*August 8, 2017*

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**State of Vermont 457 Plan**



# Plan Review

For the Period From April 1, 2017 to June 30, 2017

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## Plan Summary (in millions)

### Total Assets

◆ Assets at June 30, 2017	\$453.00
◆ Less assets at March 31, 2017	<u>\$443.58</u>
◆ Asset change for the quarter	\$9.42

### Asset Components

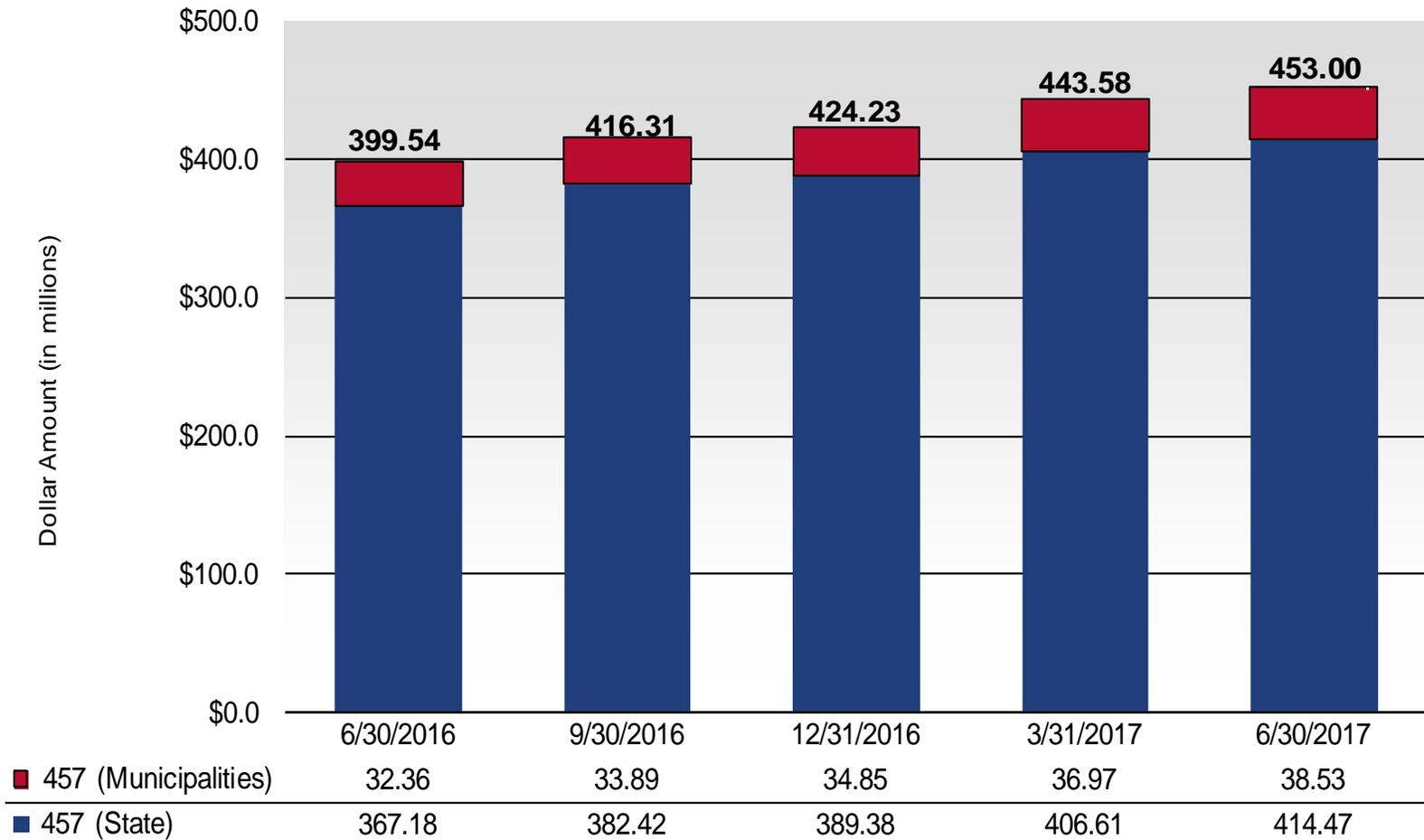
◆ Contributions for the quarter	\$5.53
◆ Less distributions for the quarter	-\$6.61
◆ Net investment gain for the quarter	<u>\$10.50</u>
◆ Asset change for the quarter	\$9.42

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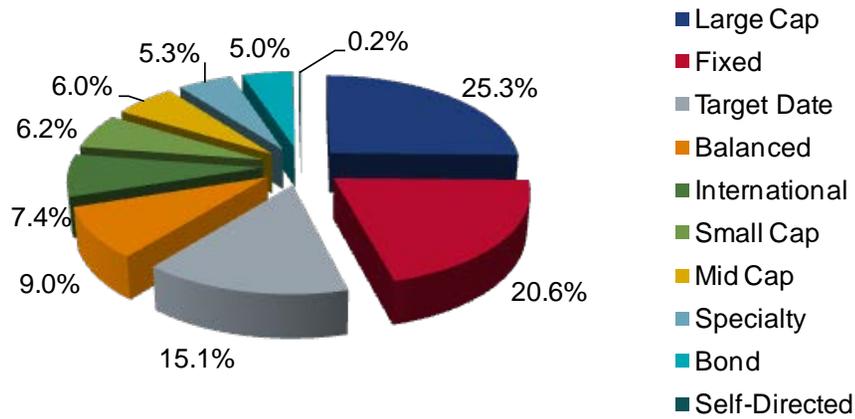
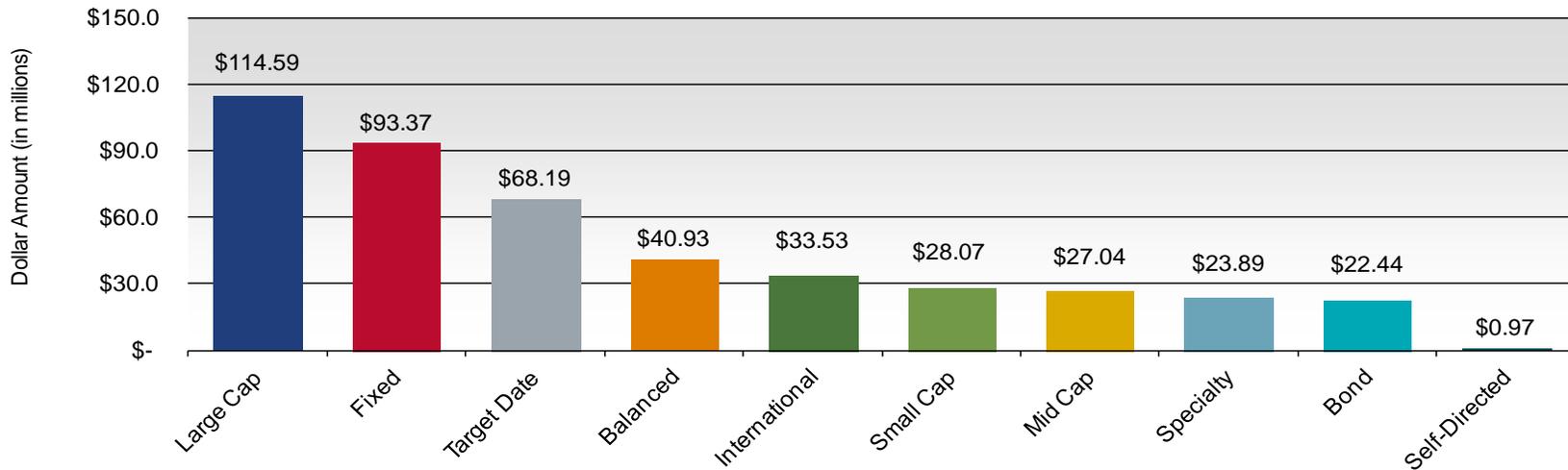
## Plan Summary

- ◆ Plan assets were at \$453.00 million as of June 30, 2017
- ◆ Plan assets grew by \$9.42 million (2.1%) from April 1, 2017 to June 30, 2017
- ◆ Contributions were \$5.53 million from April 1, 2017 to June 30, 2017
- ◆ From April 1, 2017 to June 30, 2017 there were 7,234 participants

# Asset Growth



# Assets by Asset Class



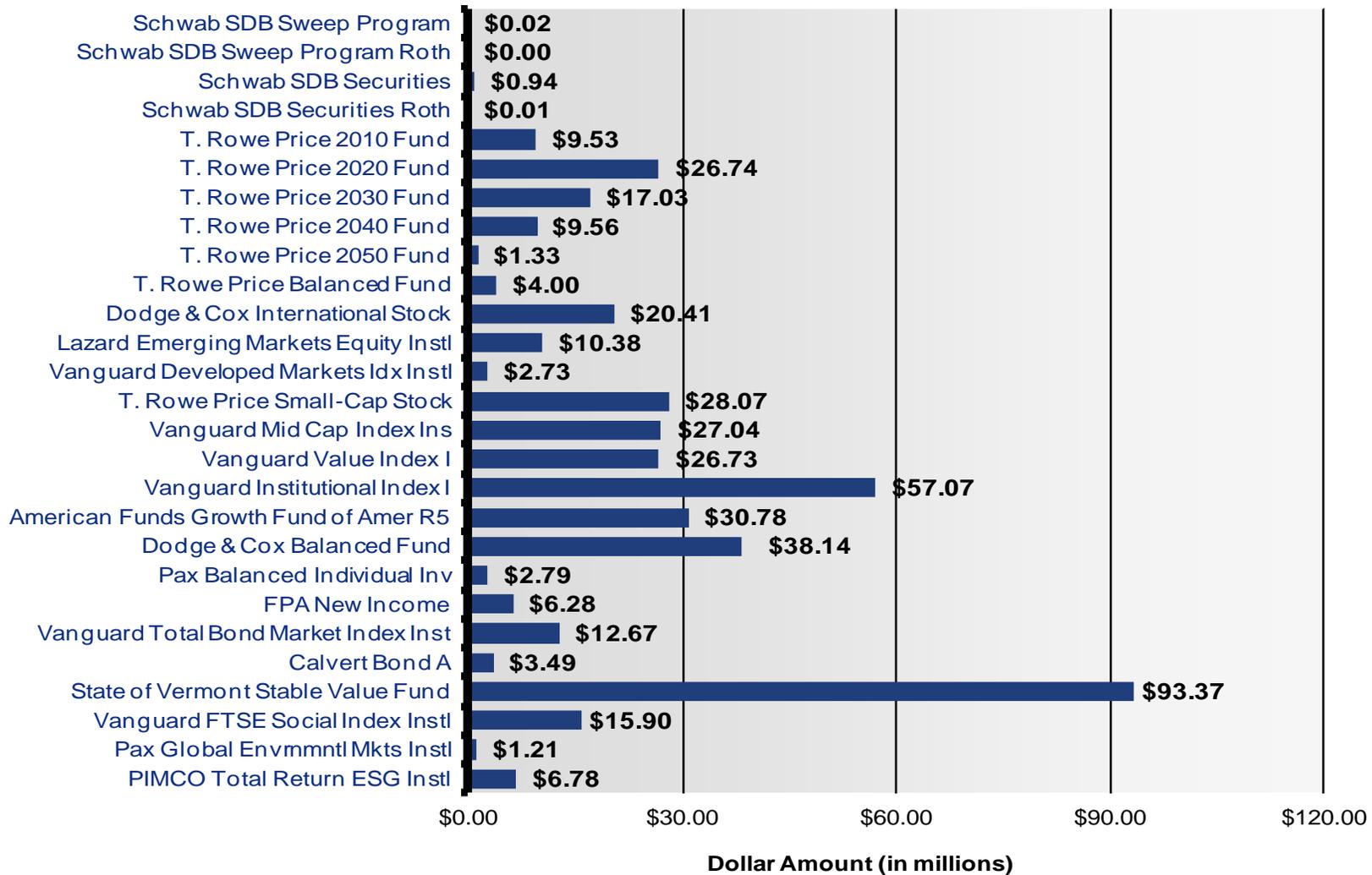
## Percentage of Assets by Asset Class

<b>457 (State)</b>	Self Directed	Target Date	Internat'l	Small Cap	Mid Cap	Large Cap	Balanced	Bond	Fixed	Specialty
4/1/2016 to 6/30/2016	0.3%	13.7%	6.4%	6.5%	5.8%	25.6%	9.6%	4.2%	22.0%	6.0%
7/1/2016 to 9/30/2016	0.3%	13.7%	6.7%	6.6%	5.8%	25.6%	9.6%	4.5%	21.3%	5.9%
10/1/2016 to 12/31/2016	0.3%	13.4%	6.5%	6.9%	5.9%	25.8%	9.9%	4.8%	21.3%	5.3%
1/1/2017 to 3/31/2017	0.2%	13.7%	6.9%	6.4%	6.1%	25.8%	9.6%	4.8%	20.9%	5.5%
4/1/2017 to 6/30/2017	0.2%	13.9%	7.4%	6.3%	6.0%	25.8%	9.2%	5.0%	20.8%	5.3%

<b>457 (Municipalities)</b>	Self Directed	Target Date	Internat'l	Small Cap	Mid Cap	Large Cap	Balanced	Bond	Fixed	Specialty
4/1/2016 to 6/30/2016	0.0%	28.4%	5.8%	4.6%	6.4%	18.4%	7.9%	4.1%	18.6%	5.9%
7/1/2016 to 9/30/2016	0.0%	28.3%	6.0%	4.7%	5.8%	19.1%	7.8%	4.6%	17.9%	5.7%
10/1/2016 to 12/31/2016	0.0%	27.7%	6.1%	5.6%	6.0%	19.5%	7.8%	4.3%	18.2%	4.8%
1/1/2017 to 3/31/2017	0.0%	28.2%	6.7%	5.1%	6.2%	19.6%	7.8%	4.1%	16.9%	5.4%
4/1/2017 to 6/30/2017	0.0%	27.5%	7.0%	4.8%	5.9%	20.1%	7.3%	4.3%	18.5%	4.6%

<b>Combined</b>	Self Directed	Target Date	Internat'l	Small Cap	Mid Cap	Large Cap	Balanced	Bond	Fixed	Specialty
4/1/2016 to 6/30/2016	0.2%	14.9%	6.3%	6.4%	5.8%	25.0%	9.5%	4.2%	21.7%	6.0%
7/1/2016 to 9/30/2016	0.2%	14.9%	6.6%	6.4%	5.8%	25.1%	9.5%	4.5%	21.0%	5.9%
10/1/2016 to 12/31/2016	0.2%	14.6%	6.4%	6.8%	5.9%	25.3%	9.7%	4.8%	21.1%	5.3%
1/1/2017 to 3/31/2017	0.2%	14.9%	6.9%	6.3%	6.1%	25.3%	9.5%	4.8%	20.6%	5.5%
4/1/2017 to 6/30/2017	0.2%	15.1%	7.4%	6.2%	6.0%	25.3%	9.0%	5.0%	20.6%	5.3%

# Assets by Investment Option



# Asset Distribution by Fund – 457 (State) Plan

Active Participants:  
 6/30/2016 **6,165**  
 9/30/2016 **6,183**  
 12/31/2016 **6,196**  
 3/31/2017 **6,269**  
 6/30/2017 **6,317**

Average Account Balance per Participant:  
 6/30/2016 **\$59,559**  
 9/30/2016 **\$61,850**  
 12/31/2016 **\$62,843**  
 3/31/2017 **\$64,860**  
 6/30/2017 **\$65,611**

Average Number of Investment Options per Participant:  
 6/30/2016 **5.2**  
 9/30/2016 **5.3**  
 12/31/2016 **5.3**  
 3/31/2017 **5.4**  
 6/30/2017 **5.6**

Asset Class/Fund Name	3/31/2017			6/30/2017		
	Amount	Pct	Accts	Amount	Pct	Accts
<b>Self-Directed</b>						
Schw ab SDB Sweep Program	7,344	0.0%	6	19,121	0.0%	9
Schw ab SDB Sweep Program Roth	2	0.0%	1	21	0.0%	2
Schw ab SDB Securities	949,587	0.2%	7	944,801	0.2%	9
Schw ab SDB Securities Roth	2,308	0.0%	1	5,801	0.0%	2
	<b>959,242</b>	<b>0.2%</b>		<b>969,745</b>	<b>0.2%</b>	
<b>Target Date</b>						
T. Rowe Price 2010 Fund	8,217,872	2.0%	269	8,305,644	2.0%	260
T. Rowe Price 2020 Fund	21,888,713	5.4%	565	22,324,193	5.4%	548
T. Rowe Price 2030 Fund	13,229,404	3.3%	505	14,011,439	3.4%	507
T. Rowe Price 2040 Fund	8,023,641	2.0%	402	8,431,644	2.0%	399
T. Rowe Price 2050 Fund	1,062,224	0.3%	93	1,138,370	0.3%	98
T. Rowe Price Balanced Fund	3,348,396	0.8%	216	3,381,518	0.8%	210
	<b>55,770,250</b>	<b>13.7%</b>		<b>57,592,808</b>	<b>13.9%</b>	
<b>International</b>						
Dodge & Cox International Stock	18,787,147	4.6%	2,604	18,875,056	4.6%	2,684
Lazard Emerging Markets Equity Instl	8,518,607	2.1%	2,125	9,464,173	2.3%	2,405
Vanguard Developed Markets Idx Instl	762,070	0.2%	635	2,490,955	0.6%	1,826
	<b>28,067,823</b>	<b>6.9%</b>		<b>30,830,184</b>	<b>7.4%</b>	
<b>Small-Cap</b>						
T. Rowe Price Small-Cap Stock	26,001,012	6.4%	2,596	26,222,715	6.3%	2,707
	<b>26,001,012</b>	<b>6.4%</b>		<b>26,222,715</b>	<b>6.3%</b>	
<b>Mid-Cap</b>						
Vanguard Mid Cap Index Ins	24,889,465	6.1%	2,628	24,762,012	6.0%	2,715
	<b>24,889,465</b>	<b>6.1%</b>		<b>24,762,012</b>	<b>6.0%</b>	
<b>Large-Cap</b>						
Vanguard Value Index I	25,472,244	6.3%	2,659	25,284,808	6.1%	2,725
Vanguard Institutional Index I	53,789,477	13.2%	3,095	53,520,425	12.9%	3,168
American Funds Growth Fund of Amer R5	25,617,653	6.3%	2,596	28,028,263	6.8%	2,795
	<b>104,879,374</b>	<b>25.8%</b>		<b>106,833,497</b>	<b>25.8%</b>	
<b>Balanced</b>						
Dodge & Cox Balanced Fund	36,415,077	9.0%	1,238	35,883,889	8.7%	1,212
Pax Balanced Individual Inv	2,803,319	0.7%	1,296	2,248,945	0.5%	936
	<b>39,218,396</b>	<b>9.6%</b>		<b>38,132,834</b>	<b>9.2%</b>	
<b>Bond</b>						
FPA New Income	6,167,154	1.5%	418	6,039,093	1.5%	408
Vanguard Total Bond Market Index Inst	10,763,773	2.6%	1,798	11,575,743	2.8%	1,905
Calvert Bond A	2,723,657	0.7%	1,113	3,177,174	0.8%	1,347
	<b>19,654,584</b>	<b>4.8%</b>		<b>20,792,010</b>	<b>5.0%</b>	
<b>Fixed</b>						
State of Vermont Stable Value Fund	84,920,329	20.9%	3,843	86,223,901	20.8%	3,913
	<b>84,920,329</b>	<b>20.9%</b>		<b>86,223,901</b>	<b>20.8%</b>	
<b>Specialty</b>						
Vanguard FTSE Social Index Instl	14,842,972	3.7%	611	14,882,522	3.6%	606
Pax Global Envrnmntl Mkts Instl	1,371,568	0.3%	1,086	1,085,001	0.3%	113
PIMCO Total Return ESG Instl	6,030,116	1.5%	1,675	6,138,294	1.5%	1,657
	<b>22,244,656</b>	<b>5.5%</b>		<b>22,105,817</b>	<b>5.3%</b>	
	<b>406,605,131</b>	<b>100.0%</b>		<b>414,465,522</b>	<b>100.0%</b>	

# Asset Distribution by Fund – 457 (Muni) Plan

**Active Participants:**

6/30/2016	<b>882</b>
9/30/2016	<b>901</b>
12/31/2016	<b>902</b>
3/31/2017	<b>908</b>
6/30/2017	<b>917</b>

**Average Account**

**Balance per Participant:**

6/30/2016	<b>\$36,691</b>
9/30/2016	<b>\$37,615</b>
12/31/2016	<b>\$38,642</b>
3/31/2017	<b>\$40,717</b>
6/30/2017	<b>\$42,020</b>

**Average Number of Investment Options per Participant:**

6/30/2016	<b>5.0</b>
9/30/2016	<b>5.1</b>
12/31/2016	<b>5.2</b>
3/31/2017	<b>5.3</b>
6/30/2017	<b>5.4</b>

Asset Class/Fund Name	3/31/2017			6/30/2017		
	Amount	Pct	Accts	Amount	Pct	Accts
<b>Target Date</b>						
T. Rowe Price 2010 Fund	1,200,787	3.2%	43	1,227,760	3.2%	42
T. Rowe Price 2020 Fund	4,514,906	12.2%	117	4,418,214	11.5%	117
T. Rowe Price 2030 Fund	2,862,342	7.7%	95	3,016,523	7.8%	95
T. Rowe Price 2040 Fund	1,076,481	2.9%	67	1,125,658	2.9%	66
T. Rowe Price 2050 Fund	174,901	0.5%	17	190,435	0.5%	17
T. Rowe Price Balanced Fund	607,669	1.6%	35	615,773	1.6%	35
	<b>10,437,086</b>	<b>28.2%</b>		<b>10,594,362</b>	<b>27.5%</b>	
<b>International</b>						
Dodge & Cox International Stock	1,580,994	4.3%	360	1,533,544	4.0%	368
Lazard Emerging Markets Equity Instl	810,438	2.2%	300	920,714	2.4%	348
Vanguard Developed Markets Idx Instl	68,716	0.2%	100	240,731	0.6%	280
	<b>2,460,148</b>	<b>6.7%</b>		<b>2,694,989</b>	<b>7.0%</b>	
<b>Small-Cap</b>						
T. Rowe Price Small-Cap Stock	1,872,705	5.1%	345	1,844,291	4.8%	359
	<b>1,872,705</b>	<b>5.1%</b>		<b>1,844,291</b>	<b>4.8%</b>	
<b>Mid-Cap</b>						
Vanguard Mid Cap Index Ins	2,303,163	6.2%	398	2,273,281	5.9%	407
	<b>2,303,163</b>	<b>6.2%</b>		<b>2,273,281</b>	<b>5.9%</b>	
<b>Large-Cap</b>						
T. Rowe Price Equity Income Fund	691	0.0%	4	0	0.0%	-
Vanguard Value Index I	1,407,052	3.8%	342	1,449,987	3.8%	350
Vanguard Institutional Index I	3,527,595	9.5%	406	3,551,354	9.2%	415
American Funds Growth Fund of Amer R5	2,303,922	6.2%	351	2,755,206	7.2%	381
	<b>7,239,260</b>	<b>19.6%</b>		<b>7,756,546</b>	<b>20.1%</b>	
<b>Balanced</b>						
Dodge & Cox Balanced Fund	2,314,303	6.3%	117	2,253,367	5.8%	118
Pax Balanced Individual Inv	570,466	1.5%	195	543,825	1.4%	154
	<b>2,884,769</b>	<b>7.8%</b>		<b>2,797,192</b>	<b>7.3%</b>	
<b>Bond</b>						
FPA New Income	242,656	0.7%	30	238,767	0.6%	29
Vanguard Total Bond Market Index Inst	1,012,061	2.7%	277	1,096,470	2.8%	286
Calvert Bond A	278,200	0.8%	167	313,970	0.8%	187
	<b>1,532,918</b>	<b>4.1%</b>		<b>1,649,207</b>	<b>4.3%</b>	
<b>Fixed</b>						
State of Vermont Stable Value Fund	6,243,221	16.9%	509	7,143,435	18.5%	518
	<b>6,243,221</b>	<b>16.9%</b>		<b>7,143,435</b>	<b>18.5%</b>	
<b>Specialty</b>						
Vanguard FTSE Social Index Instl	1,182,206	3.2%	70	1,017,433	2.6%	70
Pax Global Envrnmntl Mkts Instl	182,454	0.5%	170	120,112	0.3%	23
PIMCO Total Return ESG Instl	633,409	1.7%	269	641,853	1.7%	270
	<b>1,998,069</b>	<b>5.4%</b>		<b>1,779,399</b>	<b>4.6%</b>	
	<b>36,971,339</b>	<b>100.0%</b>		<b>38,532,703</b>	<b>100.0%</b>	

# Asset Distribution by Fund - Combined

## Total Active Accounts:

6/30/2016	7,047
9/30/2016	7,084
12/31/2016	7,098
3/31/2017	7,177
6/30/2017	7,234

## Average Account

### Balance per Account:

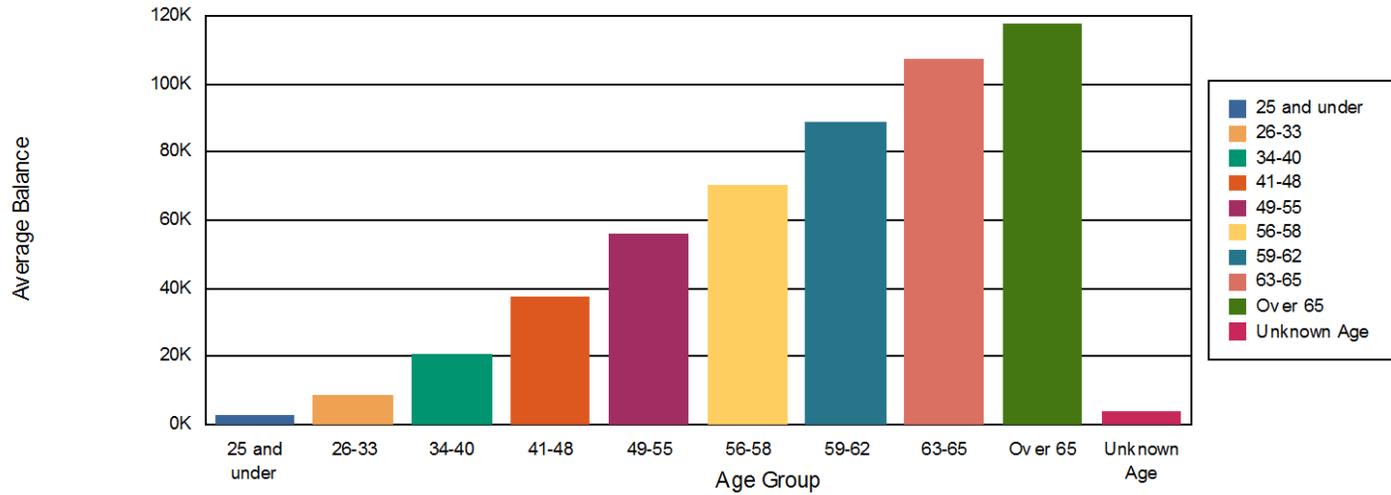
6/30/2016	\$56,697
9/30/2016	\$58,768
12/31/2016	\$59,768
3/31/2017	\$61,805
6/30/2017	\$62,621

### Average Number of Investment Options per Account:

6/30/2016	5.2
9/30/2016	5.3
12/31/2016	5.3
3/31/2017	5.4
6/30/2017	5.5

Asset Class/Fund Name	3/31/2017			6/30/2017		
	Amount	Pct	Accts	Amount	Pct	Accts
<b>Self-Directed</b>						
Schw ab SDB Sw eep Program	7,344	0.0%	6	19,121	0.0%	9
Schw ab SDB Sw eep Program Roth	2	0.0%	1	21	0.0%	2
Schw ab SDB Securities	949,587	0.2%	7	944,801	0.2%	9
Schw ab SDB Securities Roth	2,308	0.0%	1	5,801	0.0%	2
	<b>959,242</b>	<b>0.2%</b>		<b>969,745</b>	<b>0.2%</b>	
<b>Target Date</b>						
T. Row e Price 2010 Fund	9,418,659	2.1%	312	9,533,404	2.1%	302
T. Row e Price 2020 Fund	26,403,619	6.0%	682	26,742,407	5.9%	665
T. Row e Price 2030 Fund	16,091,746	3.6%	600	17,027,962	3.8%	602
T. Row e Price 2040 Fund	9,100,122	2.1%	469	9,557,302	2.1%	465
T. Row e Price 2050 Fund	1,237,125	0.3%	110	1,328,804	0.3%	115
T. Row e Price Balanced Fund	3,956,065	0.9%	251	3,997,291	0.9%	245
	<b>66,207,336</b>	<b>14.9%</b>		<b>68,187,170</b>	<b>15.1%</b>	
<b>International</b>						
Dodge & Cox International Stock	20,368,140	4.6%	2,964	20,408,600	4.5%	3,052
Lazard Emerging Markets Equity Instl	9,329,045	2.1%	2,425	10,384,887	2.3%	2,753
Vanguard Developed Markets Idx Instl	830,786	0.2%	735	2,731,686	0.6%	2,106
	<b>30,527,971</b>	<b>6.9%</b>		<b>33,525,173</b>	<b>7.4%</b>	
<b>Small-Cap</b>						
T. Row e Price Small-Cap Stock	27,873,717	6.3%	2,941	28,067,006	6.2%	3,066
	<b>27,873,717</b>	<b>6.3%</b>		<b>28,067,006</b>	<b>6.2%</b>	
<b>Mid-Cap</b>						
Vanguard Mid Cap Index Ins	27,192,627	6.1%	3,026	27,035,293	6.0%	3,122
	<b>27,192,627</b>	<b>6.1%</b>		<b>27,035,293</b>	<b>6.0%</b>	
<b>Large-Cap</b>						
T. Row e Price Equity Income Fund	691	0.0%	4	0	0.0%	-
Vanguard Value Index I	26,879,296	6.1%	3,001	26,734,795	5.9%	3,075
Vanguard Institutional Index I	57,317,073	12.9%	3,501	57,071,779	12.6%	3,583
American Funds Grow th Fund of Amer R5	27,921,575	6.3%	2,947	30,783,469	6.8%	3,176
	<b>112,118,635</b>	<b>25.3%</b>		<b>114,590,043</b>	<b>25.3%</b>	
<b>Balanced</b>						
Dodge & Cox Balanced Fund	38,729,380	8.7%	1,355	38,137,256	8.4%	1,330
Pax Balanced Individual Inv	3,373,784	0.8%	1,491	2,792,770	0.6%	1,090
	<b>42,103,165</b>	<b>9.5%</b>		<b>40,930,026</b>	<b>9.0%</b>	
<b>Bond</b>						
FPA New Income	6,409,810	1.4%	448	6,277,861	1.4%	437
Vanguard Total Bond Market Index Inst	11,775,834	2.7%	2,075	12,672,213	2.8%	2,191
Calvert Bond A	3,001,857	0.7%	1,280	3,491,144	0.8%	1,534
	<b>21,187,502</b>	<b>4.8%</b>		<b>22,441,217</b>	<b>5.0%</b>	
<b>Fixed</b>						
State of Vermont Stable Value Fund	91,163,550	20.6%	4,352	93,367,336	20.6%	4,431
	<b>91,163,550</b>	<b>20.6%</b>		<b>93,367,336</b>	<b>20.6%</b>	
<b>Specialty</b>						
Vanguard FTSE Social Index Instl	16,025,178	3.6%	681	15,899,956	3.5%	676
Pax Global Envrnmntl Mkts Instl	1,554,022	0.4%	1,256	1,205,113	0.3%	136
PIMCO Total Return ESG Instl	6,663,525	1.5%	1,944	6,780,147	1.5%	1,927
	<b>24,242,725</b>	<b>5.5%</b>		<b>23,885,216</b>	<b>5.3%</b>	
	<b>443,576,470</b>	<b>100.0%</b>		<b>452,998,224</b>	<b>100.0%</b>	

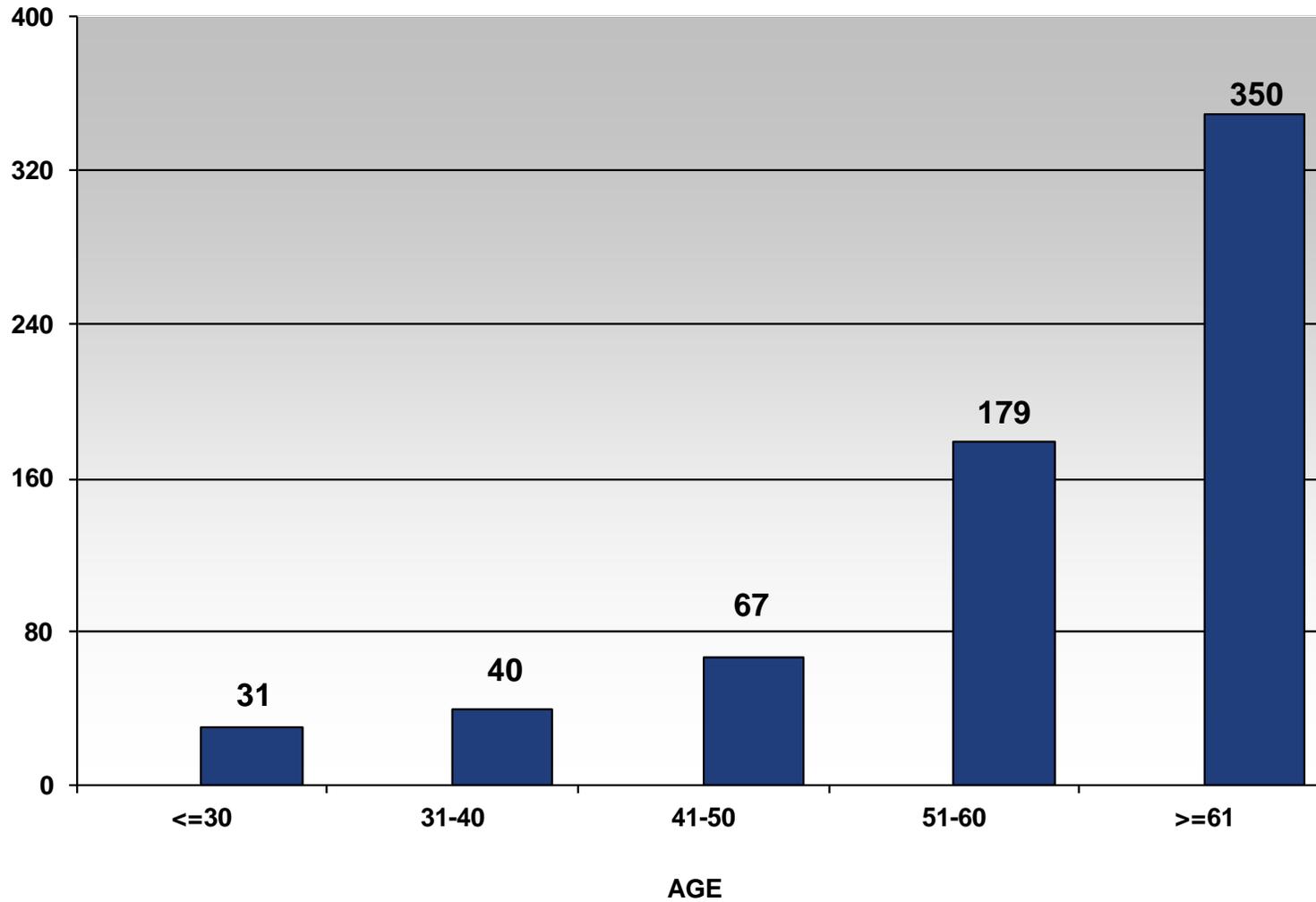
# Average Participant Balance by Age



Participants With			
Age Group	Balances	Total Balance	Average Balance
25 and under	81	\$219,374.09	\$2,708.32
26-33	600	\$5,278,048.58	\$8,796.75
34-40	757	\$15,833,863.75	\$20,916.60
41-48	1,234	\$46,052,977.42	\$37,320.08
49-55	1,343	\$75,295,960.63	\$56,065.50
56-58	632	\$44,581,337.80	\$70,540.09
59-62	832	\$73,706,903.33	\$88,590.03
63-65	556	\$59,636,081.04	\$107,259.14
Over 65	1,124	\$132,321,554.61	\$117,723.80
Unknown Age	18	\$72,396.48	\$4,022.03
<b>Summary</b>	<b>7,177</b>	<b>\$452,998,497.73</b>	<b>\$63,118.09</b>

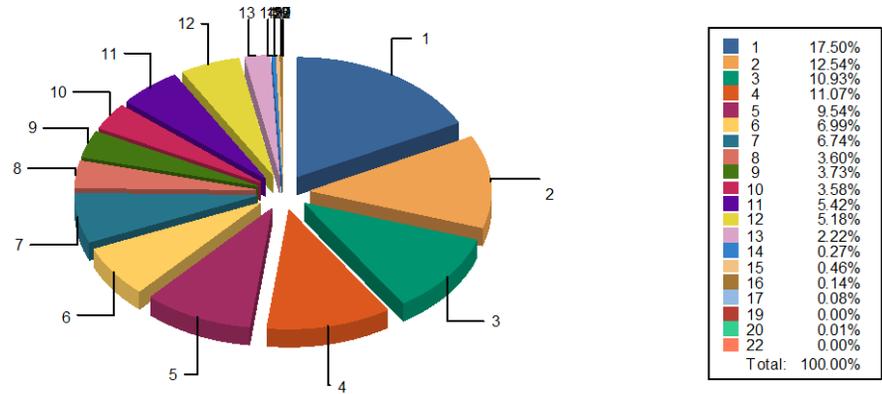
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## Age Breakdown of Participants Invested 100% in Stable Value Fund



# Investment Diversification

Diversification by Number of Investments

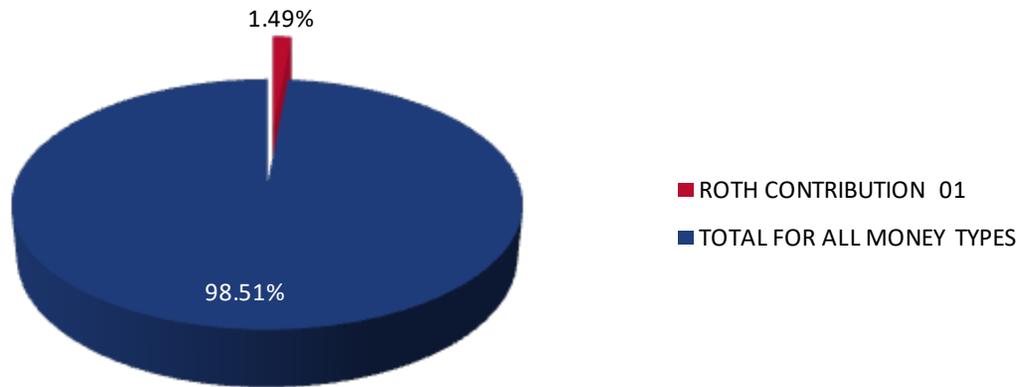


Category	Value	Percent of Assets	Participants With Balances
1 Investment	\$79,253,212.44	17.50%	1,884
2 Investments	\$56,789,977.97	12.54%	912
3 Investments	\$49,507,350.41	10.93%	612
4 Investments	\$50,164,627.71	11.07%	505
5 Investments	\$43,229,841.75	9.54%	373
6 Investments	\$31,643,462.24	6.99%	255
7 Investments	\$30,533,841.53	6.74%	180
8 Investments	\$16,304,251.24	3.60%	118
9 Investments	\$16,900,496.63	3.73%	115
10 Investments	\$16,209,717.28	3.58%	327
11 Investments	\$24,565,945.90	5.42%	653
12 Investments	\$23,464,763.48	5.18%	806
13 Investments	\$10,045,616.87	2.22%	399
14 Investments	\$1,244,260.09	0.27%	14
15 Investments	\$2,067,186.52	0.46%	12
16 Investments	\$638,317.86	0.14%	3
17 Investments	\$354,585.48	0.08%	4
19 Investments	\$17,170.63	0.00%	2
20 Investments	\$52,353.83	0.01%	2
22 Investments	\$11,517.87	0.00%	1
<b>Total Summary</b>	<b>\$452,998,497.73</b>	<b>100.00%</b>	<b>7,177</b>
<b>Average Number of Investments per Participant: 5.59</b>			

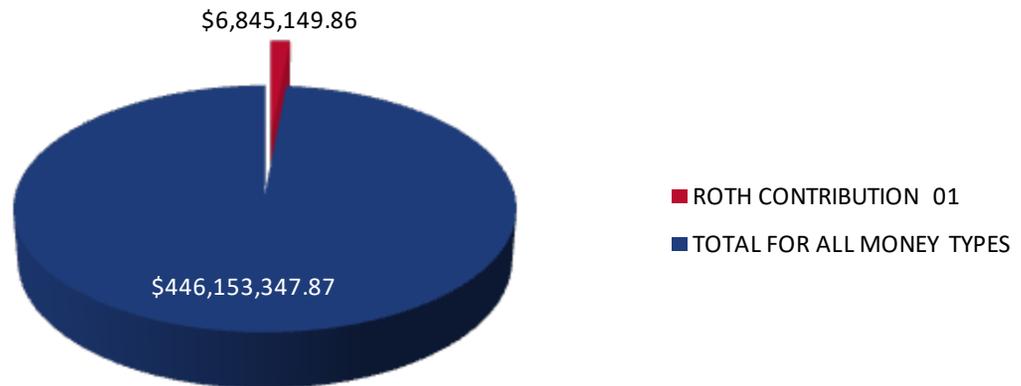
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# Asset Distribution – Roth vs Regular

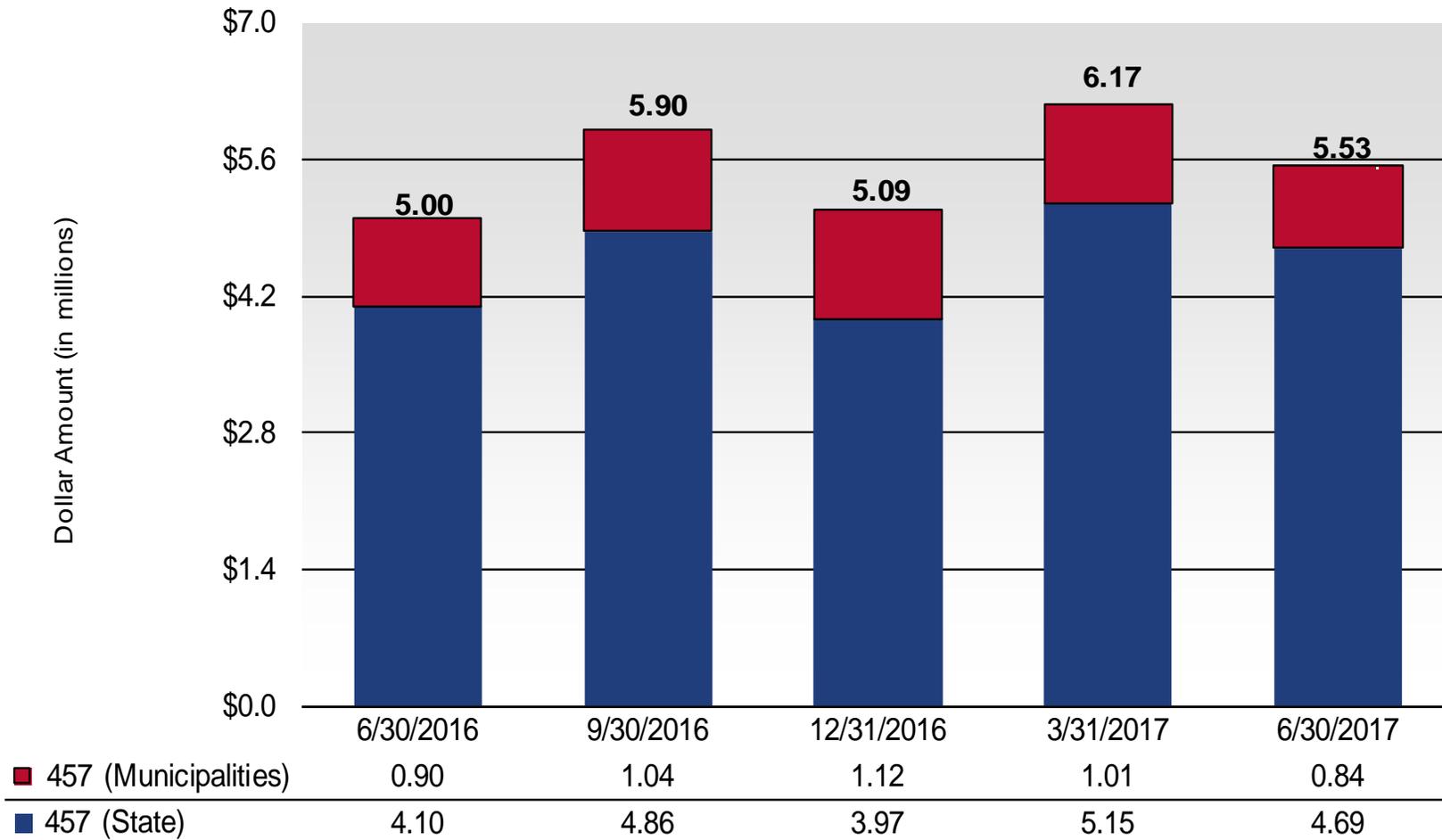
### Percentage of Assets



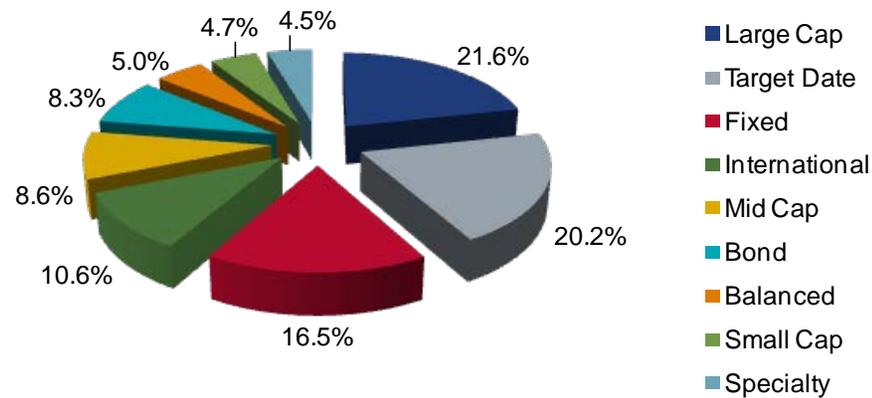
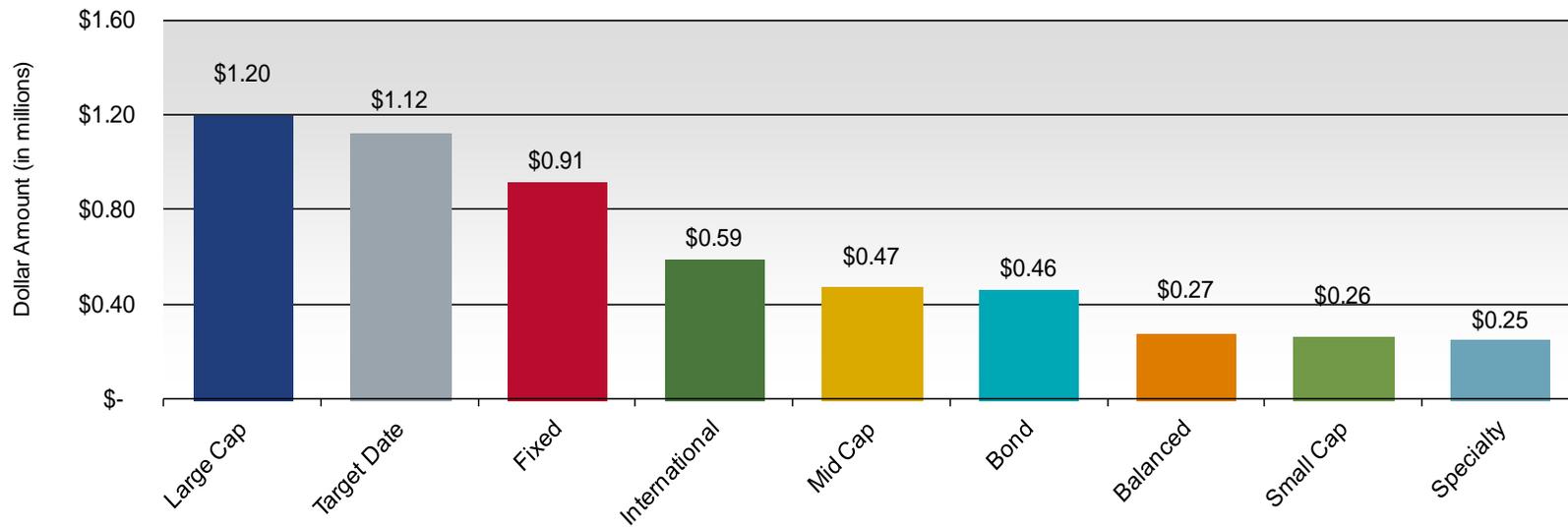
### Assets in Dollars



# Contribution History



# Contributions by Asset Class



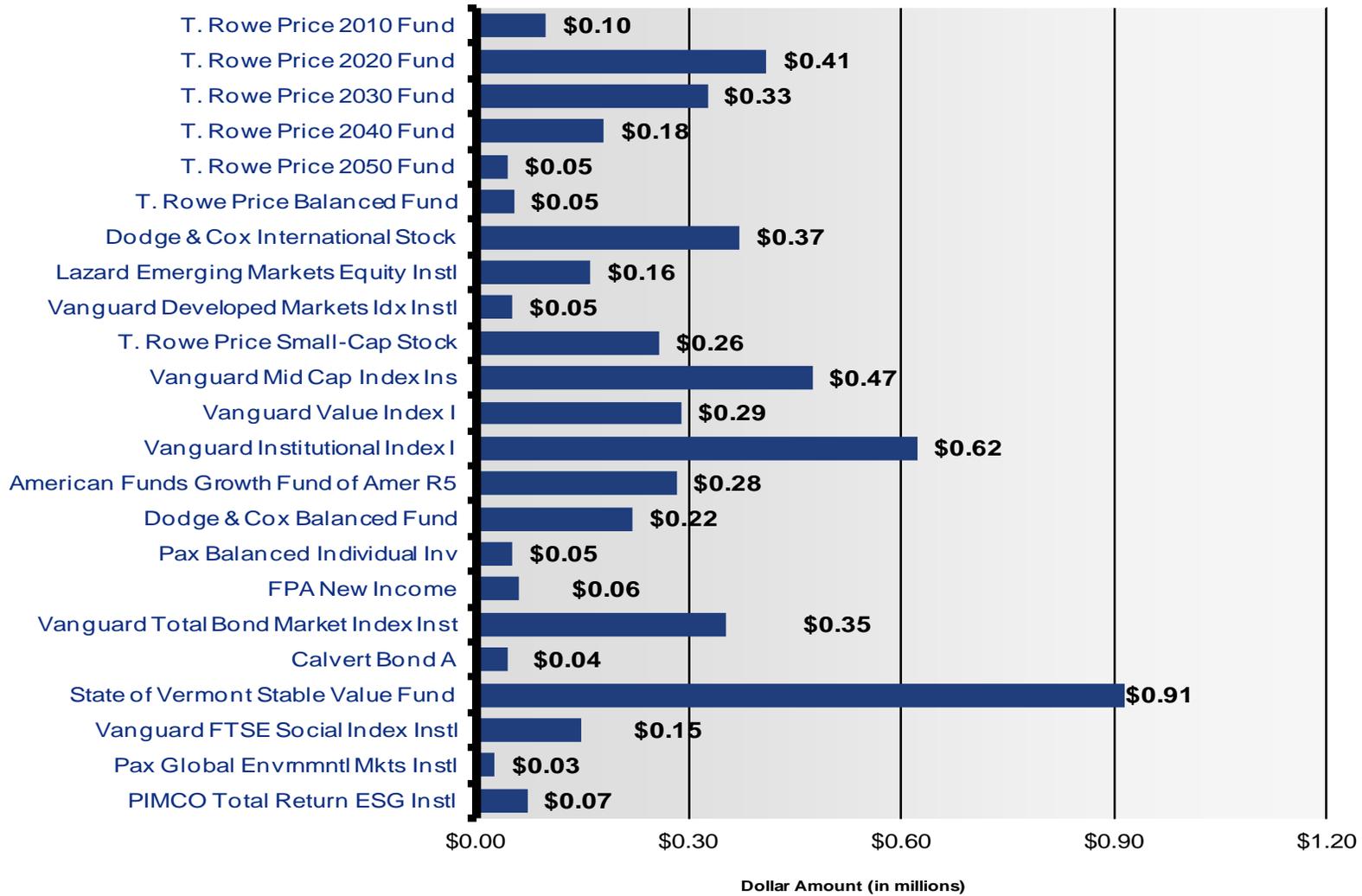
## Percentage of Contributions by Asset Class

<b>457 (State)</b>	Target Date	Internat'l	Small Cap	Mid Cap	Large Cap	Balanced	Bond	Fixed	Specialty	
	4/1/2016 to 6/30/2016	19.6%	9.2%	5.5%	11.4%	24.1%	5.5%	5.7%	13.1%	5.9%
	7/1/2016 to 9/30/2016	27.7%	9.5%	5.5%	7.7%	19.6%	5.5%	5.9%	13.1%	5.4%
	10/1/2016 to 12/31/2016	21.5%	9.5%	5.6%	9.0%	21.8%	6.0%	7.8%	13.5%	5.3%
	1/1/2017 to 3/31/2017	20.2%	10.4%	5.8%	8.8%	22.2%	6.3%	7.3%	14.2%	4.7%
	4/1/2017 to 6/30/2017	18.6%	10.8%	4.8%	8.5%	21.9%	5.2%	8.9%	16.8%	4.4%

<b>457 (Municipalities)</b>	Target Date	Internat'l	Small Cap	Mid Cap	Large Cap	Balanced	Bond	Fixed	Specialty	
	4/1/2016 to 6/30/2016	26.8%	7.9%	4.6%	7.9%	17.0%	4.2%	4.6%	20.6%	6.3%
	7/1/2016 to 9/30/2016	22.2%	5.8%	3.0%	6.2%	14.2%	2.7%	13.3%	27.6%	5.1%
	10/1/2016 to 12/31/2016	22.1%	7.3%	3.3%	6.7%	15.8%	2.6%	3.6%	34.8%	3.8%
	1/1/2017 to 3/31/2017	46.9%	6.8%	3.3%	6.6%	14.9%	2.8%	3.6%	10.9%	4.2%
	4/1/2017 to 6/30/2017	29.3%	9.5%	3.8%	8.8%	19.7%	3.8%	4.9%	15.1%	5.0%

<b>Combined</b>	Target Date	Internat'l	Small Cap	Mid Cap	Large Cap	Balanced	Bond	Fixed	Specialty	
	4/1/2016 to 6/30/2016	20.9%	9.0%	5.3%	10.8%	22.8%	5.2%	5.5%	14.5%	6.0%
	7/1/2016 to 9/30/2016	26.7%	8.9%	5.1%	7.4%	18.7%	5.0%	7.2%	15.7%	5.4%
	10/1/2016 to 12/31/2016	21.6%	9.0%	5.1%	8.5%	20.5%	5.3%	6.9%	18.2%	5.0%
	1/1/2017 to 3/31/2017	24.6%	9.8%	5.4%	8.4%	21.0%	5.8%	6.7%	13.7%	4.6%
	4/1/2017 to 6/30/2017	20.2%	10.6%	4.7%	8.6%	21.6%	5.0%	8.3%	16.5%	4.5%

# Contributions by Investment Option



# Contributions by Fund – 457 (State) Plan

<b>Contributing Participants:</b>	
6/30/2016	<b>3,600</b>
9/30/2016	<b>3,614</b>
12/31/2016	<b>3,630</b>
3/31/2017	<b>3,695</b>
6/30/2017	<b>3,734</b>
<b>Average Annual Contributions per Participant:</b>	
6/30/2016	<b>\$1,138</b>
9/30/2016	<b>\$1,345</b>
12/31/2016	<b>\$1,094</b>
3/31/2017	<b>\$1,394</b>
6/30/2017	<b>\$1,257</b>
<b>Average Number of Investment Options per Participant:</b>	
6/30/2016	<b>6.2</b>
9/30/2016	<b>6.2</b>
12/31/2016	<b>6.1</b>
3/31/2017	<b>6.6</b>
6/30/2017	<b>6.3</b>

Asset Class/Fund Name	1/1/2017 to 3/31/2017			4/1/2017 to 6/30/2017		
	Amount	Pct	Accts	Amount	Pct	Accts
<b>Target Date</b>						
T. Rowe Price 2010 Fund	154,251	3.0%	125	81,114	1.7%	121
T. Rowe Price 2020 Fund	307,079	6.0%	338	320,055	6.8%	325
T. Rowe Price 2030 Fund	326,696	6.3%	345	243,034	5.2%	344
T. Rowe Price 2040 Fund	181,636	3.5%	251	153,046	3.3%	247
T. Rowe Price 2050 Fund	40,195	0.8%	66	35,654	0.8%	68
T. Rowe Price Balanced Fund	31,204	0.6%	62	38,985	0.8%	59
	<b>1,041,061</b>	<b>20.2%</b>		<b>871,888</b>	<b>18.6%</b>	
<b>International</b>						
Dodge & Cox International Stock	395,200	7.7%	1,836	321,020	6.8%	1,922
Lazard Emerging Markets Equity Instl	130,217	2.5%	1,569	139,363	3.0%	1,845
Vanguard Developed Markets Idx Instl	11,509	0.2%	498	46,722	1.0%	1,528
	<b>536,926</b>	<b>10.4%</b>		<b>507,105</b>	<b>10.8%</b>	
<b>Small-Cap</b>						
T. Rowe Price Small-Cap Stock	297,309	5.8%	1,930	226,687	4.8%	1,931
	<b>297,309</b>	<b>5.8%</b>		<b>226,687</b>	<b>4.8%</b>	
<b>Mid-Cap</b>						
Vanguard Mid Cap Index Ins	453,816	8.8%	1,908	400,195	8.5%	1,992
	<b>453,816</b>	<b>8.8%</b>		<b>400,195</b>	<b>8.5%</b>	
<b>Large-Cap</b>						
T. Rowe Price Equity Income Fund	155,118	3.0%	1,775	0	0.0%	-
Vanguard Value Index I	112,205	2.2%	1,790	262,478	5.6%	1,904
Vanguard Institutional Index I	647,078	12.6%	2,016	527,402	11.2%	2,089
American Funds Growth Fund of Amer R5	228,378	4.4%	1,843	240,018	5.1%	1,949
	<b>1,142,779</b>	<b>22.2%</b>		<b>1,029,897</b>	<b>21.9%</b>	
<b>Balanced</b>						
Dodge & Cox Balanced Fund	269,950	5.2%	518	199,288	4.2%	499
Pax Balanced Individual Inv	56,554	1.1%	1,201	43,140	0.9%	993
	<b>326,504</b>	<b>6.3%</b>		<b>242,428</b>	<b>5.2%</b>	
<b>Bond</b>						
FPA New Income	63,709	1.2%	143	59,648	1.3%	133
Vanguard Total Bond Market Index Inst	265,934	5.2%	1,486	322,150	6.9%	1,579
Calvert Bond A	46,759	0.9%	1,020	37,971	0.8%	1,009
	<b>376,402</b>	<b>7.3%</b>		<b>419,768</b>	<b>8.9%</b>	
<b>Fixed</b>						
State of Vermont Stable Value Fund	732,877	14.2%	1,931	786,782	16.8%	1,997
	<b>732,877</b>	<b>14.2%</b>		<b>786,782</b>	<b>16.8%</b>	
<b>Specialty</b>						
Vanguard FTSE Social Index Instl	132,401	2.6%	260	126,211	2.7%	253
Pax Global Envrnmntl Mkts Instl	45,037	0.9%	1,317	24,161	0.5%	711
PIMCO Total Return ESG Instl	66,362	1.3%	149	57,021	1.2%	144
	<b>243,800</b>	<b>4.7%</b>		<b>207,392</b>	<b>4.4%</b>	
	<b>5,151,476</b>	<b>100.0%</b>		<b>4,692,143</b>	<b>100.0%</b>	

# Contributions by Fund – 457 (Muni) Plan

Contributing Participants:	
6/30/2016	616
9/30/2016	629
12/31/2016	626
3/31/2017	628
6/30/2017	632
Average Annual Contributions per Participant:	
6/30/2016	\$1,462
9/30/2016	\$1,650
12/31/2016	\$1,787
3/31/2017	\$1,614
6/30/2017	\$1,330
Average Number of Investment Options per Participant:	
6/30/2016	5.7
9/30/2016	5.6
12/31/2016	5.6
3/31/2017	5.9
6/30/2017	5.7

Asset Class/Fund Name	1/1/2017 to 3/31/2017			4/1/2017 to 6/30/2017		
	Amount	Pct	Accts	Amount	Pct	Accts
<b>Target Date</b>						
T. Rowe Price 2010 Fund	19,216	1.9%	27	18,575	2.2%	25
T. Rowe Price 2020 Fund	348,565	34.4%	79	90,642	10.8%	80
T. Rowe Price 2030 Fund	56,463	5.6%	74	83,332	9.9%	74
T. Rowe Price 2040 Fund	28,621	2.8%	45	28,666	3.4%	43
T. Rowe Price 2050 Fund	7,862	0.8%	13	9,863	1.2%	13
T. Rowe Price Balanced Fund	14,601	1.4%	17	15,215	1.8%	17
	<b>475,327</b>	<b>46.9%</b>		<b>246,294</b>	<b>29.3%</b>	
<b>International</b>						
Dodge & Cox International Stock	52,759	5.2%	280	51,351	6.1%	285
Lazard Emerging Markets Equity Instl	15,590	1.5%	235	22,871	2.7%	277
Vanguard Developed Markets Idx Instl	456	0.0%	72	5,515	0.7%	226
	<b>68,805</b>	<b>6.8%</b>		<b>79,737</b>	<b>9.5%</b>	
<b>Small-Cap</b>						
T. Rowe Price Small-Cap Stock	32,952	3.3%	275	32,061	3.8%	278
	<b>32,952</b>	<b>3.3%</b>		<b>32,061</b>	<b>3.8%</b>	
<b>Mid-Cap</b>						
Vanguard Mid Cap Index Ins	66,719	6.6%	314	74,324	8.8%	319
	<b>66,719</b>	<b>6.6%</b>		<b>74,324</b>	<b>8.8%</b>	
<b>Large-Cap</b>						
T. Rowe Price Equity Income Fund	18,651	1.8%	260	0	0.0%	-
Vanguard Value Index I	8,453	0.8%	244	27,568	3.3%	272
Vanguard Institutional Index I	87,953	8.7%	303	95,065	11.3%	309
American Funds Growth Fund of Amer R5	35,889	3.5%	279	43,283	5.1%	289
	<b>150,945</b>	<b>14.9%</b>		<b>165,916</b>	<b>19.7%</b>	
<b>Balanced</b>						
Dodge & Cox Balanced Fund	19,293	1.9%	53	22,352	2.7%	53
Pax Balanced Individual Inv	9,323	0.9%	181	9,524	1.1%	143
	<b>28,616</b>	<b>2.8%</b>		<b>31,876</b>	<b>3.8%</b>	
<b>Bond</b>						
FPA New Income	2,665	0.3%	9	2,572	0.3%	8
Vanguard Total Bond Market Index Inst	26,909	2.7%	229	32,258	3.8%	235
Calvert Bond A	7,213	0.7%	145	6,529	0.8%	143
	<b>36,788</b>	<b>3.6%</b>		<b>41,359</b>	<b>4.9%</b>	
<b>Fixed</b>						
State of Vermont Stable Value Fund	110,932	10.9%	290	126,631	15.1%	296
	<b>110,932</b>	<b>10.9%</b>		<b>126,631</b>	<b>15.1%</b>	
<b>Specialty</b>						
Vanguard FTSE Social Index Instl	22,096	2.2%	42	23,260	2.8%	40
Pax Global Envrnmntl Mkts Instl	6,941	0.7%	200	3,615	0.4%	123
PIMCO Total Return ESG Instl	13,587	1.3%	35	15,551	1.8%	32
	<b>42,624</b>	<b>4.2%</b>		<b>42,426</b>	<b>5.0%</b>	
	<b>1,013,708</b>	<b>100.0%</b>		<b>840,625</b>	<b>100.0%</b>	

# Contributions by Fund - Combined

## Total Accounts

### Receiving Contributions:

6/30/2016	<b>4,216</b>
9/30/2016	<b>4,243</b>
12/31/2016	<b>4,256</b>
3/31/2017	<b>4,323</b>
6/30/2017	<b>4,366</b>

### Average

#### Contributions per Account:

6/30/2016	<b>\$1,186</b>
9/30/2016	<b>\$1,390</b>
12/31/2016	<b>\$1,196</b>
3/31/2017	<b>\$1,426</b>
6/30/2017	<b>\$1,267</b>

#### Average Number of Investment Options per Account:

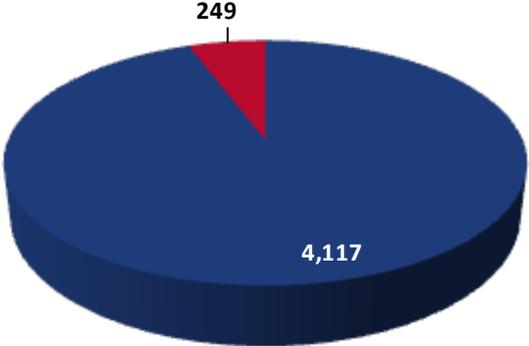
6/30/2016	<b>6.1</b>
9/30/2016	<b>6.1</b>
12/31/2016	<b>6.1</b>
3/31/2017	<b>6.5</b>
6/30/2017	<b>6.2</b>

Asset Class/Fund Name	1/1/2017 to 3/31/2017			4/1/2017 to 6/30/2017		
	Amount	Pct	Accts	Amount	Pct	Accts
<b>Target Date</b>						
T. Rowe Price 2010 Fund	173,467	2.8%	152	99,690	1.8%	146
T. Rowe Price 2020 Fund	655,644	10.6%	417	410,697	7.4%	405
T. Rowe Price 2030 Fund	383,159	6.2%	419	326,365	5.9%	418
T. Rowe Price 2040 Fund	210,257	3.4%	296	181,712	3.3%	290
T. Rowe Price 2050 Fund	48,056	0.8%	79	45,517	0.8%	81
T. Rowe Price Balanced Fund	45,805	0.7%	79	54,201	1.0%	76
	<b>1,516,388</b>	<b>24.6%</b>		<b>1,118,182</b>	<b>20.2%</b>	
<b>International</b>						
Dodge & Cox International Stock	447,960	7.3%	2,116	372,371	6.7%	2,207
Lazard Emerging Markets Equity Instl	145,807	2.4%	1,804	162,234	2.9%	2,122
Vanguard Developed Markets Idx Instl	11,965	0.2%	570	52,238	0.9%	1,754
	<b>605,732</b>	<b>9.8%</b>		<b>586,842</b>	<b>10.6%</b>	
<b>Small-Cap</b>						
T. Rowe Price Small-Cap Stock	330,261	5.4%	2,205	258,748	4.7%	2,209
	<b>330,261</b>	<b>5.4%</b>		<b>258,748</b>	<b>4.7%</b>	
<b>Mid-Cap</b>						
Vanguard Mid Cap Index Ins	520,535	8.4%	2,222	474,519	8.6%	2,311
	<b>520,535</b>	<b>8.4%</b>		<b>474,519</b>	<b>8.6%</b>	
<b>Large-Cap</b>						
T. Rowe Price Equity Income Fund	173,769	2.8%	2,035	0	0.0%	-
Vanguard Value Index I	120,658	2.0%	2,034	290,045	5.2%	2,176
Vanguard Institutional Index I	735,031	11.9%	2,319	622,467	11.3%	2,398
American Funds Growth Fund of Amer R5	264,266	4.3%	2,122	283,301	5.1%	2,238
	<b>1,293,725</b>	<b>21.0%</b>		<b>1,195,813</b>	<b>21.6%</b>	
<b>Balanced</b>						
Dodge & Cox Balanced Fund	289,243	4.7%	571	221,640	4.0%	552
Pax Balanced Individual Inv	65,877	1.1%	1,382	52,664	1.0%	1,136
	<b>355,120</b>	<b>5.8%</b>		<b>274,305</b>	<b>5.0%</b>	
<b>Bond</b>						
FPA New Income	66,374	1.1%	152	62,219	1.1%	141
Vanguard Total Bond Market Index Inst	292,843	4.7%	1,715	354,408	6.4%	1,814
Calvert Bond A	53,972	0.9%	1,165	44,500	0.8%	1,152
	<b>413,190</b>	<b>6.7%</b>		<b>461,127</b>	<b>8.3%</b>	
<b>Fixed</b>						
State of Vermont Stable Value Fund	843,809	13.7%	2,221	913,413	16.5%	2,293
	<b>843,809</b>	<b>13.7%</b>		<b>913,413</b>	<b>16.5%</b>	
<b>Specialty</b>						
Vanguard FTSE Social Index Instl	154,498	2.5%	302	149,471	2.7%	293
Pax Global Envrnmntl Mkts Instl	51,977	0.8%	1,517	27,775	0.5%	834
PIMCO Total Return ESG Instl	79,949	1.3%	184	72,572	1.3%	176
	<b>286,424</b>	<b>4.6%</b>		<b>249,818</b>	<b>4.5%</b>	
	<b>6,165,184</b>	<b>100.0%</b>		<b>5,532,768</b>	<b>100.0%</b>	

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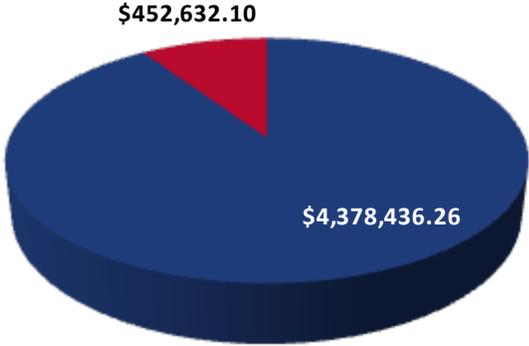
# Contributions – Roth vs Regular

### Contributing Participants



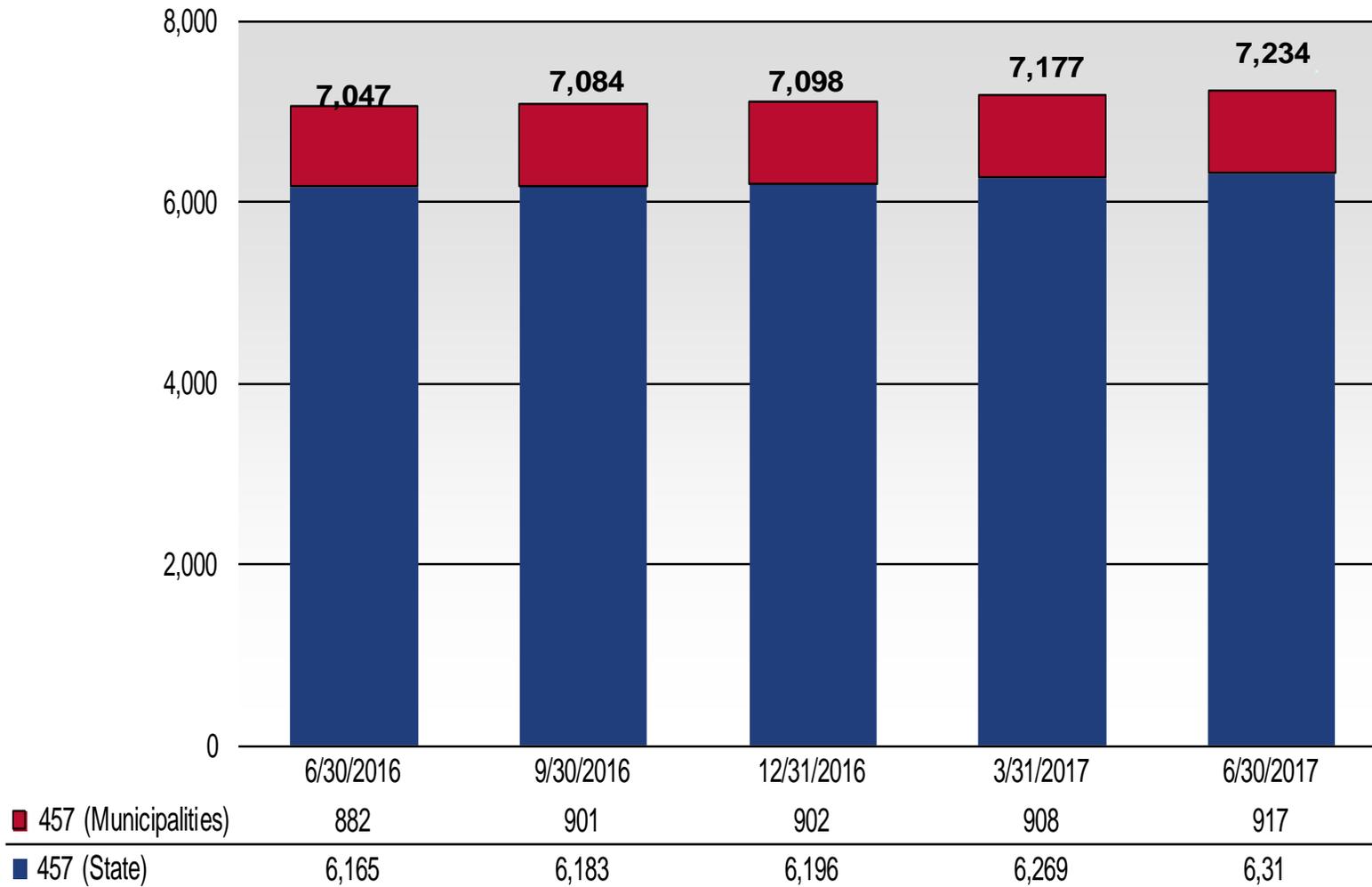
■ Regular Contributions   ■ Roth Contributions

### Contributions in Dollars



■ Regular Contributions   ■ Roth Contributions

# Plan Participation



# Benefit Payment Distribution – 457 (State) Plan

	1/1/2017 to 3/31/2017			4/1/2017 to 6/30/2017		
	Amount	Pct	Count	Amount	Pct	Count
<b><u>Full Withdrawals</u></b>						
Death	75,397	1.8%	2	135,900	2.1%	3
QDRO	32,209	0.8%	1	15,827	0.2%	1
Retirement	1,218,509	28.7%	20	3,509,018	54.9%	27
Separation of Service	862,901	20.3%	25	1,133,327	17.7%	21
<b>Total Full Withdrawals:</b>	<b>2,189,016</b>	<b>51.6%</b>	<b>48</b>	<b>4,794,072</b>	<b>75.0%</b>	<b>52</b>
<b><u>Partial Withdrawals</u></b>						
Benefit Payment	0	0.0%	0	2,331	0.0%	1
Death	6,838	0.2%	3	107,331	1.7%	1
De minimis	11,182	0.3%	3	6,767	0.1%	2
Hardship	3,792	0.1%	2	12,072	0.2%	2
In Service	2,680	0.1%	1	0	0.0%	0
Min Distr	73,387	1.7%	11	35,550	0.6%	5
Retirement	906,012	21.3%	49	529,289	8.3%	40
Separation of Service	266,327	6.3%	16	129,601	2.0%	12
Service Credit	8,407	0.2%	2	45,425	0.7%	4
<b>Total Partial Withdrawals:</b>	<b>1,278,624</b>	<b>30.1%</b>	<b>87</b>	<b>868,366</b>	<b>13.6%</b>	<b>67</b>
<b><u>Periodic Payments</u></b>						
Beneficiary Payment	126,552	3.0%	20	34,126	0.5%	15
Death	846	0.0%	1	846	0.0%	1
Minimum Distribution	238,851	5.6%	99	308,039	4.8%	107
Retirement	410,248	9.7%	121	385,241	6.0%	126
<b>Total Periodic Payments:</b>	<b>776,497</b>	<b>18.3%</b>	<b>241</b>	<b>728,252</b>	<b>11.4%</b>	<b>249</b>
	<b>4,244,137</b>	<b>100.0%</b>	<b>376</b>	<b>6,390,689</b>	<b>100.0%</b>	<b>368</b>

# Benefit Payment Distribution – 457 (Muni) Plan

	1/1/2017 to 3/31/2017			4/1/2017 to 6/30/2017		
	Amount	Pct	Count	Amount	Pct	Count
<b><u>Full Withdrawals</u></b>						
Retirement	134,192	30.1%	2	103,222	47.9%	2
Separation of Service	228,761	51.4%	5	29,810	13.8%	2
<b>Total Full Withdrawals:</b>	<b>362,953</b>	<b>81.5%</b>	<b>7</b>	<b>133,032</b>	<b>61.7%</b>	<b>4</b>
<b><u>Partial Withdrawals</u></b>						
In Service	19,403	4.4%	2	0	0.0%	0
Min Distr	14,664	3.3%	1	0	0.0%	0
Retirement	25,750	5.8%	2	18,692	8.7%	1
Service Credit	2,361	0.5%	1	58,306	27.0%	2
<b>Total Partial Withdrawals:</b>	<b>62,178</b>	<b>14.0%</b>	<b>6</b>	<b>76,998</b>	<b>35.7%</b>	<b>3</b>
<b><u>Periodic Payments</u></b>						
Minimum Distribution	15,852	3.6%	4	1,371	0.6%	2
Retirement	4,245	1.0%	4	4,245	2.0%	4
<b>Total Periodic Payments:</b>	<b>20,097</b>	<b>4.5%</b>	<b>8</b>	<b>5,616</b>	<b>2.6%</b>	<b>6</b>
	<b>445,228</b>	<b>100.0%</b>	<b>21</b>	<b>215,646</b>	<b>100.0%</b>	<b>13</b>

# Benefit Payment Distribution - Combined

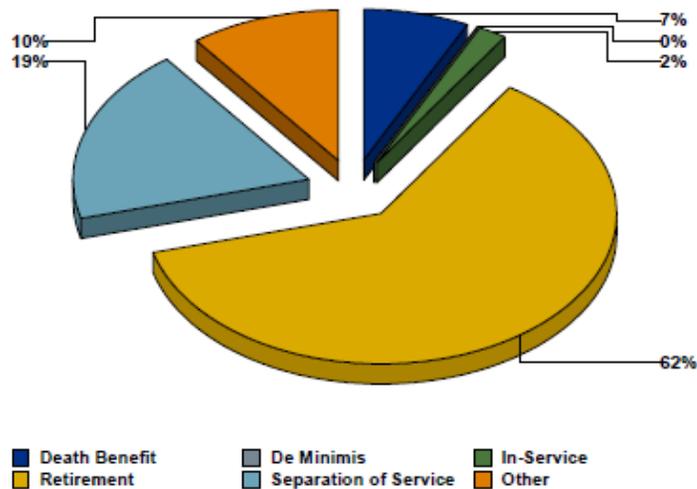
	1/1/2017 to 3/31/2017			4/1/2017 to 6/30/2017		
	Amount	Pct	Count	Amount	Pct	Count
<b><u>Full Withdrawals</u></b>						
Death	75,397	1.6%	2	135,900	2.1%	3
QDRO	32,209	0.7%	1	15,827	0.2%	1
Retirement	1,352,701	28.8%	22	3,612,240	54.7%	29
Separation of Service	1,091,661	23.3%	30	1,163,138	17.6%	23
<b>Total Full Withdrawals:</b>	<b>2,551,969</b>	<b>54.4%</b>	<b>55</b>	<b>4,927,104</b>	<b>74.6%</b>	<b>56</b>
<b><u>Partial Withdrawals</u></b>						
Benefit Payment	0	0.0%	0	2,331	0.0%	1
Death	6,838	0.1%	3	107,331	1.6%	1
De minimis	11,182	0.2%	3	6,767	0.1%	2
Hardship	3,792	0.1%	2	12,072	0.2%	2
In Service	22,082	0.5%	3	0	0.0%	0
Min Distr	88,051	1.9%	12	35,550	0.5%	5
Retirement	931,762	19.9%	51	547,981	8.3%	41
Separation of Service	266,327	5.7%	16	129,601	2.0%	12
Service Credit	10,768	0.2%	3	103,731	1.6%	6
<b>Total Partial Withdrawals:</b>	<b>1,340,801</b>	<b>28.6%</b>	<b>93</b>	<b>945,364</b>	<b>14.3%</b>	<b>70</b>
<b><u>Periodic Payments</u></b>						
Beneficiary Payment	126,552	2.7%	20	34,126	0.5%	15
Death	846	0.0%	1	846	0.0%	1
Minimum Distribution	254,703	5.4%	103	309,410	4.7%	109
Retirement	414,493	8.8%	125	389,486	5.9%	130
<b>Total Periodic Payments:</b>	<b>796,594</b>	<b>17.0%</b>	<b>249</b>	<b>733,868</b>	<b>11.1%</b>	<b>255</b>
	<b>4,689,365</b>	<b>100.0%</b>	<b>397</b>	<b>6,606,335</b>	<b>100.0%</b>	<b>381</b>

# Full Account Distribution by Reason in Dollars

An overview of your plan's distribution activity is shown here, including distribution reasons, number of distributions and percentage of rollovers / transfers versus payment to self.

## Reasons for Distribution As of 06/30/2017

Percentages are based on dollar amount of distributions.



## Distributions

	<u>Number</u>	<u>Amount</u>	<u>Percentage of Distribution Amounts Rolled Over / Transferred</u>
07/01/2016 to 06/30/2017	1,199	\$23,850,935	61.31%
07/01/2015 to 06/30/2016	1,152	\$21,407,785	58.43%
07/01/2014 to 06/30/2015	1,134	\$19,764,056	57.12%

## Industry Average

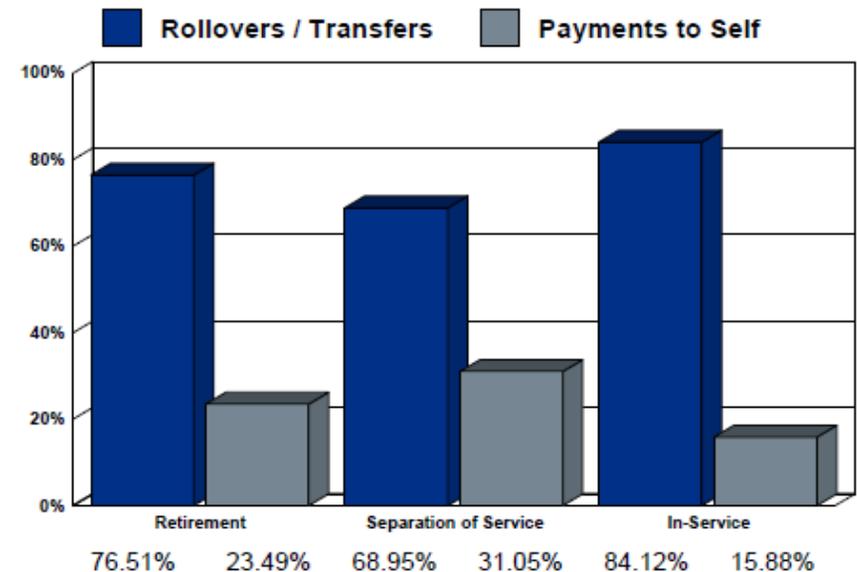
According to a national study of rollover opportunities for those participants between age 55-70, 25% will leave the money in plan, 18% will roll the money to an IRA, 3% will take other action (cash out, transfer to new employer), 29% have considered but not made a decision and 25% have not considered.\*

\*Source: LIMRA, *Opportunities in the Rollover Market (2015)*

## Comparing Common Distribution Reasons

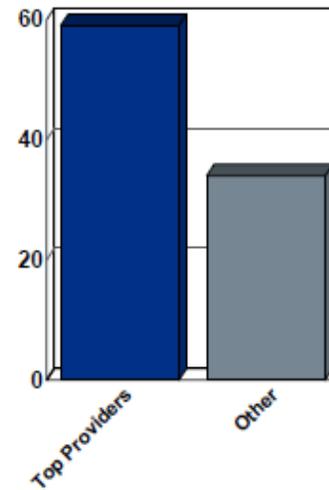
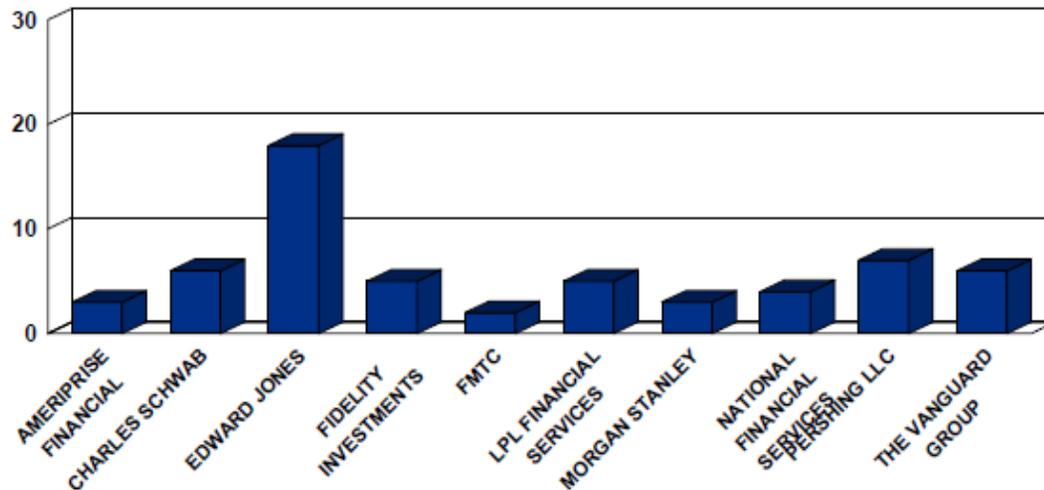
As of 06/30/2017

Percentages are based on dollar amount of distributions.



# Full Withdrawal Rollover IRA Summary by Top Ten Providers

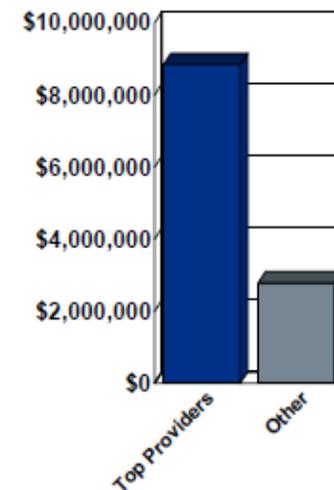
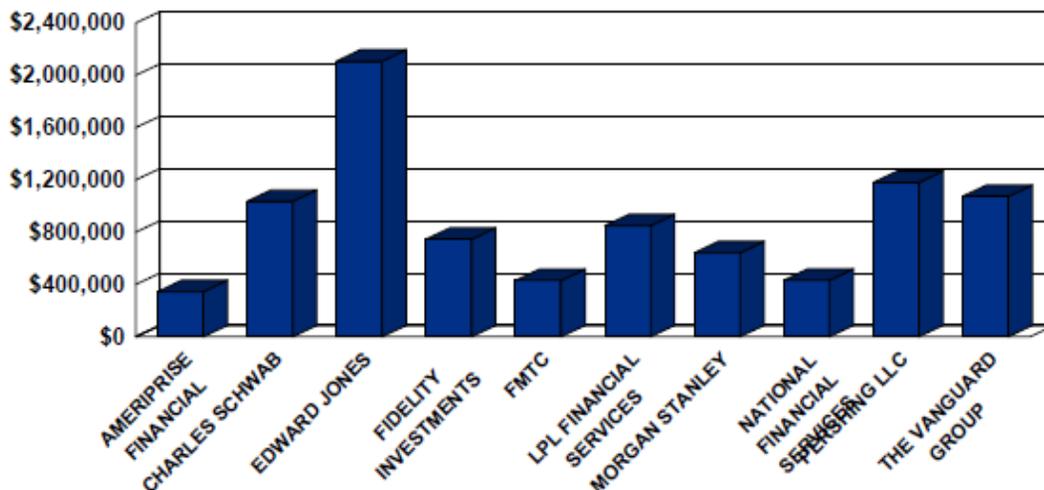
## Full Withdrawal Rollover IRA Summary by Top Providers by Number of Participants



### Participant Distributions

The top providers represent **63.44%** of total participants withdrawn and rolled to an IRA.

## Full Withdrawal Rollover IRA Summary by Top Providers by Dollars



### Percentage of Assets

The top providers represent **76.03%** of total assets withdrawn and rolled to an IRA.

# KeyTalk<sup>®</sup> Statistics - Combined

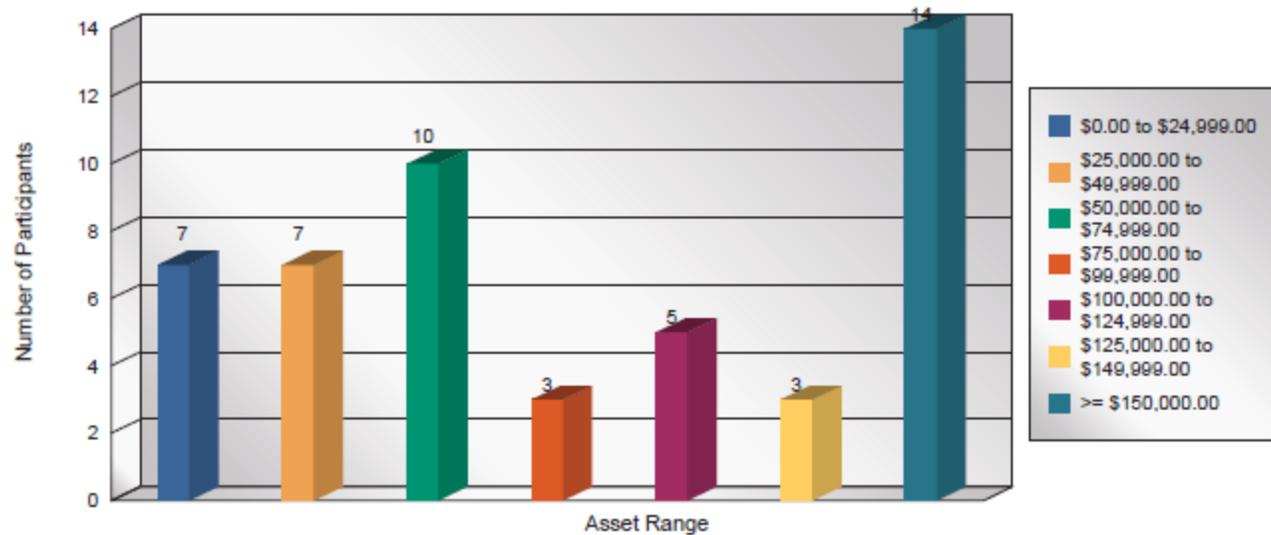
Category	Plan Totals			
	1/1/2017 to 3/31/2017		4/1/2017 to 6/30/2017	
	Total	Pct	Total	Pct
Inq Acct Bal	26	27.1%	22	88.0%
Inq Alloc	1	1.0%	1	4.0%
Inq Tran Hist	1	1.0%	1	4.0%
Change Passcode	68	70.8%	1	4.0%
<b>GRAND TOTAL</b>	<b>96</b>	<b>100.0%</b>	<b>25</b>	<b>100.0%</b>

Avg Unique Callers Per Month	152	114
Avg Total Calls Per Month	275	189
Avg Rolled to Customer Service Per Month	173	117
Pct Transferred to CSR	62.9%	61.9%

# Internet Statistics - Combined

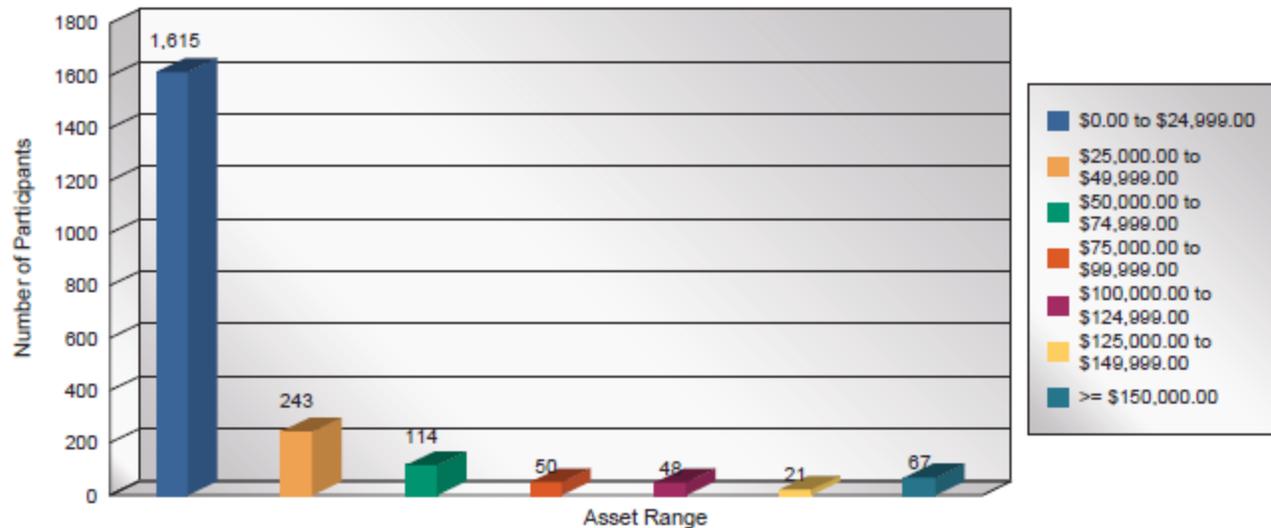
Category	Plan Totals			
	1/1/2017 to 3/31/2017		4/1/2017 to 6/30/2017	
	Total	Pct	Total	Pct
Account And Certificates Overview	3,532	19.2%	3,353	19.8%
Allocation And Asset Allocation	461	2.5%	328	1.9%
Disbursement Summary	320	1.7%	220	1.3%
Fund Overview And Prospectus	301	1.6%	215	1.3%
Inq Acct Bal	398	2.2%	239	1.4%
Inq Asset Alloc	25	0.1%	15	0.1%
Inq Asset Alloc Comparison	35	0.2%	24	0.1%
Inq Bal Comparison	374	2.0%	268	1.6%
Inq Bal History	768	4.2%	586	3.5%
Inq Bene	114	0.6%	78	0.5%
Inq Fund Overview	118	0.6%	89	0.5%
Inq Fund Prospectus	77	0.4%	36	0.2%
Inq Fund Returns	414	2.3%	314	1.8%
Inq Funds Trnd	485	2.6%	367	2.2%
Inq Managed Account-Ibbotson	14	0.1%	5	0.0%
Inq O/L Forms	180	1.0%	150	0.9%
Inq Per Rate Return	1,040	5.7%	775	4.6%
Inq Rates	1	0.0%	3	0.0%
Inq Tran Hist	4,737	25.8%	5,102	30.1%
Inq Uval	382	2.1%	503	3.0%
Inquire Address	223	1.2%	182	1.1%
Learn About Managed Accounts	53	0.3%	26	0.2%
Managed Account Enrollment	35	0.2%	32	0.2%
Managed Account Link	85	0.5%	95	0.6%
Ricp Current Projection	399	2.2%	361	2.1%
Ricp Future Withdrawal	47	0.3%	44	0.3%
Ricp Save	94	0.5%	94	0.6%
Statement On Demand And Quarterly	963	5.2%	672	4.0%
Transaction Downloads	1,887	10.3%	2,138	12.6%
Address Change	13	0.1%	9	0.1%
Allocation	40	0.2%	40	0.2%
Beneficiaries	22	0.1%	14	0.1%
Change Passcode	111	0.6%	90	0.5%
Elec Filing Cabinet	38	0.2%	33	0.2%
Email Address	356	1.9%	291	1.7%
Fund To Fund Trf	85	0.5%	62	0.4%
Indic Data	74	0.4%	54	0.3%
Order Passcode	5	0.0%	6	0.0%
Rebalancer	20	0.1%	17	0.1%
Registration	52	0.3%	45	0.3%
<b>GRAND TOTAL</b>	<b>18,378</b>	<b>100.0%</b>	<b>16,975</b>	<b>100.0%</b>
Avg Distinct Visitors Per Month	1,349		1,241	
Avg Number of Successful Logins Per Month	9,083		8,430	
Average # of Logins per Visitor	6.7		6.8	

**Number of Participants by Asset Range**  
For ADVICE



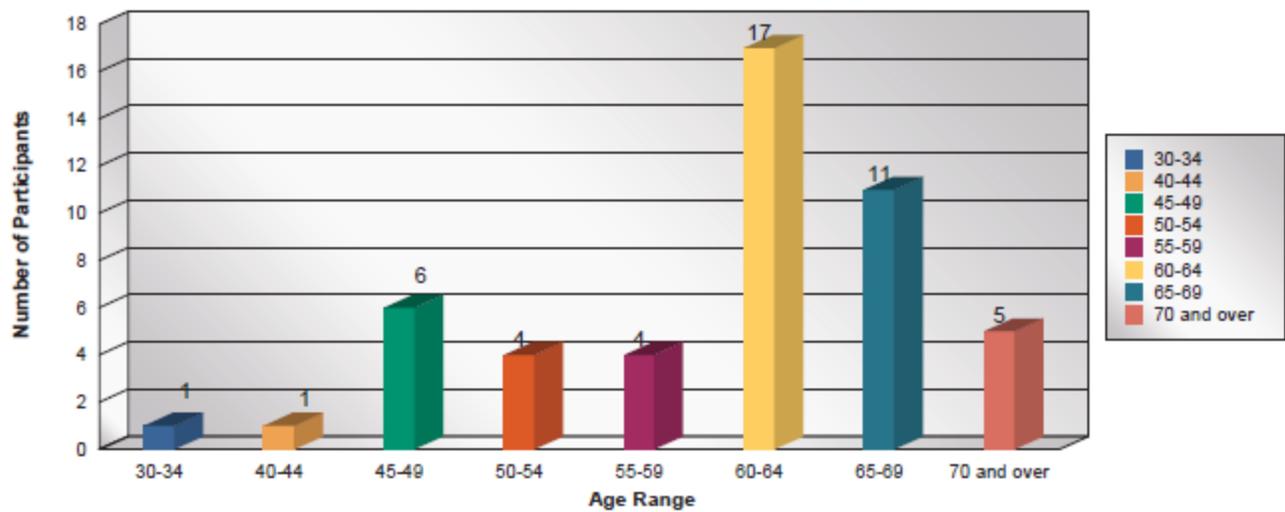
Asset Range	Participants	Assets	%Grand Total
\$0.00 to \$24,999.00	7	\$30,878	0.05%
\$25,000.00 to \$49,999.00	7	\$264,285	0.43%
\$50,000.00 to \$74,999.00	10	\$615,633	0.99%
\$75,000.00 to \$99,999.00	3	\$259,979	0.42%
\$100,000.00 to \$124,999.00	5	\$562,309	0.91%
\$125,000.00 to \$149,999.00	3	\$432,796	0.70%
>= \$150,000.00	14	\$4,368,252	7.06%
<b>Total Participants in ADVICE:</b>	<b>49</b>	<b>\$6,534,133</b>	<b>100.00%</b>

**Number of Participants by Asset Range**  
For MANAGED ACCOUNTS



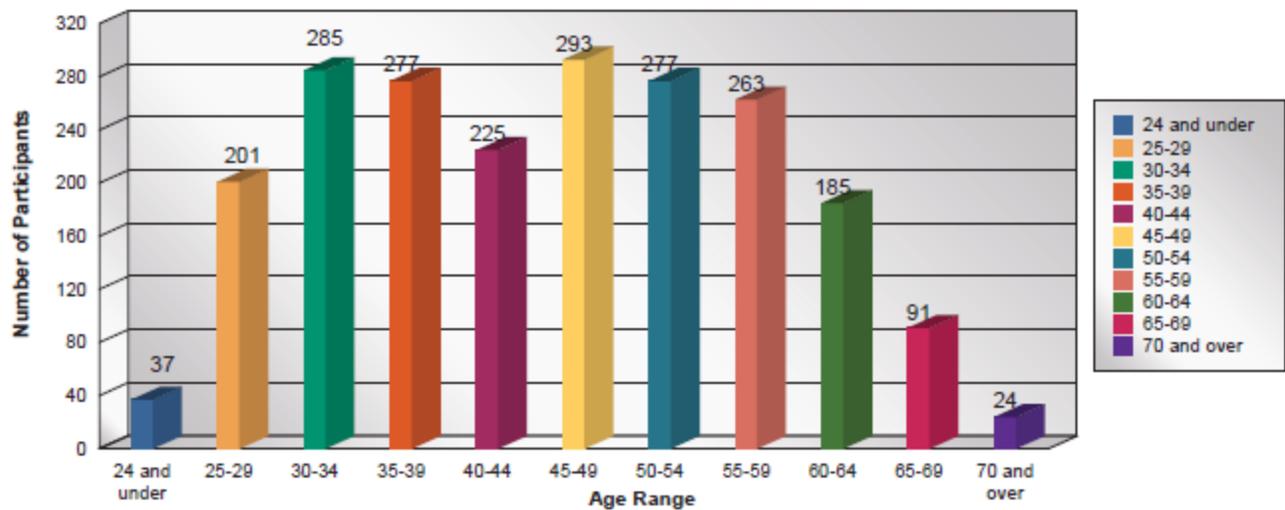
Asset Range	Participants	Assets	%Grand Total
\$0.00 to \$24,999.00	1,615	\$10,656,367	17.21%
\$25,000.00 to \$49,999.00	243	\$8,515,251	13.75%
\$50,000.00 to \$74,999.00	114	\$6,915,623	11.17%
\$75,000.00 to \$99,999.00	50	\$4,335,541	7.00%
\$100,000.00 to \$124,999.00	48	\$5,231,850	8.45%
\$125,000.00 to \$149,999.00	21	\$2,835,887	4.58%
>= \$150,000.00	67	\$16,882,308	27.27%
<b>Total Participants in MANAGED ACCOUNTS:</b>	<b>2,158</b>	<b>\$55,372,826</b>	<b>100.00%</b>
<b>All Services Grand Total:</b>	<b>2,207</b>	<b>\$61,906,959</b>	

**Number of Participants in each Age Range**  
For ADVICE



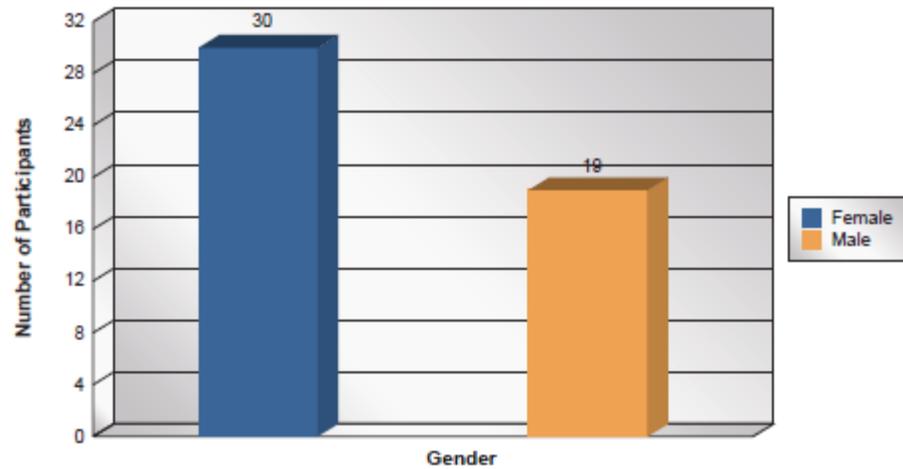
Age Range	Number of Participants
30-34	1
40-44	1
45-49	6
50-54	4
55-59	4
60-64	17
65-69	11
70 and over	5
<b>Total Participants ADVICE:</b>	<b>49</b>

**Number of Participants in each Age Range  
For MANAGED ACCOUNTS**

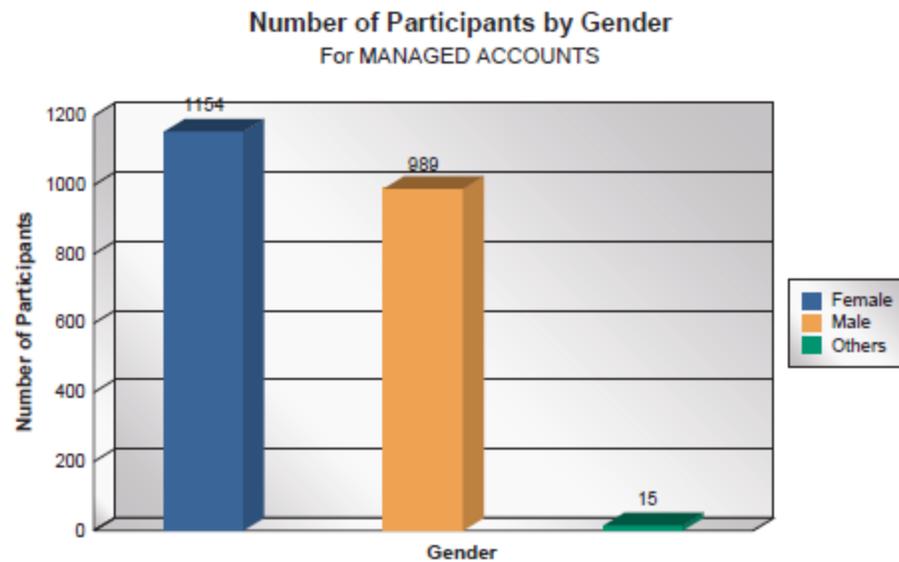


Age Range	Number of Participants
24 and under	37
25-29	201
30-34	285
35-39	277
40-44	225
45-49	293
50-54	277
55-59	263
60-64	185
65-69	91
70 and over	24
<b>Total Participants MANAGED ACCOUNTS:</b>	<b>2,158</b>
<b>All Services Grand Total:</b>	<b>2,207</b>

**Number of Participants by Gender**  
For ADVICE



Gender	Participants
Total Participants Female :	30
Total Participants Male :	19
Total Participants ADVICE:	<hr/> 49



Gender	Participants
Total Participants Female :	1,154
Total Participants Male :	989
Total Participants Others :	15
<b>Total Participants MANAGED ACCOUNTS:</b>	<u>2,158</u>
<b>All Services Grand Total:</b>	<u><u>2,207</u></u>

---

## Government Relationships

Great-West has one of the strongest track records in the industry on renewing existing client relationships and adding new client relationships. Attached is a list of just a few of those recently renewed or new relationships we have formed.

### **Renewed Relationships:**

- State of Florida
- Gwinnett County (Georgia)
- West Virginia Teacher's Defined Contribution Retirement System
- City of Hosuton

### **New Relationships:**

- San Diego Schools
- Washington State Plan



## Current Ratings

Rating	Rating Service	Current Rating	Outlook
<b>A+</b>	<b>A.M. Best Company, Inc.</b> -Financial Strength	<b>Superior</b> Highest of ten categories	<b>Stable</b>
<b>AA</b>	<b>Standard &amp; Poor's Ratings Services</b> -Financial Strength	<b>Very Strong</b> Second highest of nine categories	<b>Stable</b>
<b>AA</b>	<b>Fitch Ratings</b> -Financial Strength	<b>Very Strong</b> Second highest of nine categories	<b>Stable</b>
<b>Aa3</b>	<b>Moody's Investors Service</b> -Financial Strength	<b>Excellent</b> Second highest of nine categories	<b>Stable</b>

*These are current ratings for Great-West Life & Annuity Insurance Company. These ratings are subject to change. These ratings do not pertain to the investment performance of the underlying fund, other insurance affiliates or subsidiaries, or non-insurance affiliates or subsidiaries of the company.*



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## Five Year Financial Rating History

	Fitch	Moody's	S&P	A.M. Best
2016	AA	Aa3	AA	A+
2015	AA	Aa3	AA	A+
2014	AA	Aa3	AA	A+
2013	AA	Aa3	AA	A+
2012	AA+	Aa3	AA	A+

## Total Plan Field Activity for the State

Field Activity	1st Quarter 2017	2nd Quarter 2017	3rd Quarter 2017	4th Quarter 2017	YTD Totals (01/01/17- 06/30/2017)
Group Meetings	13	11			24
Total Appointments	397	401			798
New Enrollments	78	90			168
Increases by AE	114	113			227
Deferred Changes through Montpelier Office	42	31			73
Amount of Roll-ins	\$554,684	\$701,700			\$1,256,384

## Total Plan Field Activity for Municipalities/Schools

Field Activity	1st Quarter 2017	2nd Quarter 2017	3rd Quarter 2017	4th Quarter 2017	YTD Totals (01/01/17 - 06/30/2017)
Group Meetings	2	1			3
Total Appointments	62	42			104
New Enrollments	1	2			3
Increases by AE	17	9			26
Amount of Roll-ins	\$289,680	\$0			\$289,680

## Total Plan Field Activity for the State and Municipalities/Schools

Field Activity	1st Quarter 2017	2nd Quarter 2017	3rd Quarter 2017	4th Quarter 2017	YTD Totals (01/01/17 - 06/30/2017)
Group Meetings	15	12			27
Total Appointments	459	443			902
New Enrollments	79	92			171
Managed Accounts (New)	65	76			141
Increases by AE	131	122			253
Total Managed Amounts	\$2,233,352	\$2,232,095			\$4,465,447
Deferred Changes through Montpelier Office	42	31			73
Amount of Roll-ins	\$844,364	\$701,700			\$1,546,064

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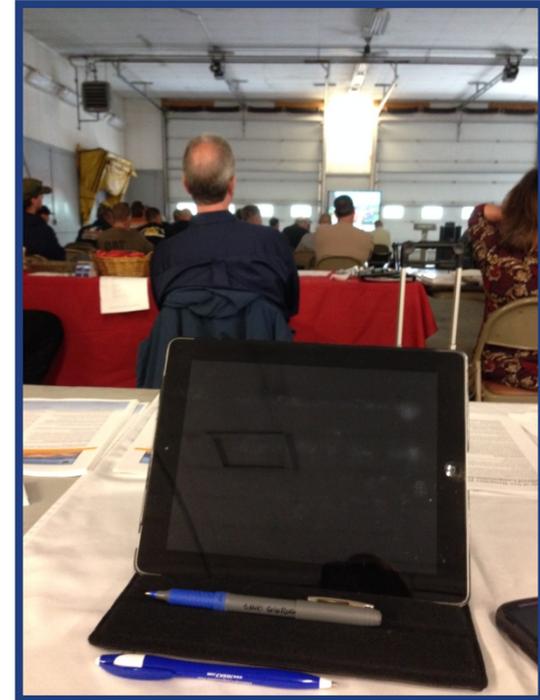
## Local Office Activity 2<sup>nd</sup> Quarter 2017

- ✓1032 Calls Logged
- ✓46 Walk-ins

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## 2017 Quarter 2 Number of Group Meetings by Type

Account Retention	1
Account Review/Asset Allocation	8
Key Contact(s)	2
Reality Investing	1
Retiree Meeting	2



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## Reps on the Road

The local field staff meets with participants every day for many reasons. Below are the types individual meetings the reps held in Q2

◆ Account Retention	84
◆ Account Review/Asset Allocation	179
◆ Beneficiary Form Received	8
◆ Contribution Restart/Increase/Catch-up	66
◆ Enrollment	95
◆ Hardship Discussion	1
◆ Retiree Meeting	2
◆ Reality Investing	92
◆ Rollover Discussion	13



## Total Plan Field Activity For Supervisory Union

Field Activity	1st Quarter 2017	2nd Quarter 2017	3rd Quarter 2017	4th Quarter 2017	YTD Totals (01/01/17 - 06/30/17)
Group Meetings	2	6			8
Total Appointments	199	97			296
New Enrollments	63	52			115
Increases by AE	26	15			41
Managed Amounts by AE Annualized Contributions	\$1,764,390	\$1,609,622			\$3,374,012
Managed Account Participants - New	60	48			108
Roll Ins	\$949,970	\$435,944			\$1,385,914

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## DISCLOSURES

Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker dealers.

GWFS Equities, Inc., Member FINRA/SIPC, is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company. Empower Retirement refers to the products and services offered in the retirement markets by Great-West Life & Annuity Insurance Company (GWL&A), Corporate Headquarters: Greenwood Village, CO; Great-West Life & Annuity Insurance Company of New York, Home Office: White Plains, NY; and their subsidiaries and affiliates. The trademarks, logos, service marks, and design elements used are owned by their respective owners and are used by permission.





**EMPOWER**

RETIREMENT™



# FUND PERFORMANCE REVIEW

## **State of Vermont Deferred Compensation Plan - 98980-01**

Reporting Period Ending June 30, 2017

The analytical material contained herein merely describes the process that Great West Financial applies in evaluating funds. It may or may not be based on the plan's current investment policy and is not intended to be used by plan sponsors as a primary basis for deciding whether to make a particular fund available under the plan. Funds listed on the Fund Performance Review are designed to meet stated investment objectives and risk profiles, but do not constitute investment advice from Great West Financial or its affiliate. Plan fiduciaries should review the educational material provided and consult with their investment advisers if necessary to make the investment decision. Neither Great West Financial, nor its representatives, agents or affiliates are permitted to give legal, ERISA, or tax advice. Any discussion of these matters included or related to this document or other educational information is provided for informational purposes only. Such discussion does not purport to be complete or to cover every situation. Current tax and ERISA law are subject to interpretation and legislative change. The appropriateness of any product for any specific taxpayer may vary depending on the particular set of facts and circumstances. You should consult with and rely on your own legal and tax advisers.

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**Not intended as an offer or solicitation.**

AMXXXX-XXXX

# FUND PERFORMANCE REVIEW



## IMPORTANT DISCLOSURES:

The Fund Performance Review is compiled at the request of the Plan Sponsor and/or broker. It is designed as a high level analytical tool to aide plan sponsors in carrying out their fiduciary responsibilities; it is not intended as investment advice. Plan Sponsors may wish to review the enclosed material with their investment adviser, consultant or broker, if necessary, prior to making final investment decisions.

Funds listed on the Fund Performance Review are designed to meet stated investment objectives and risk profiles. Risks associated with the investment options can vary significantly and the relative risks of investment categories may change under certain economic conditions. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be more or less than their original cost. Current performance may be lower or higher than performance data shown due to market activity. Past performance is not a guarantee of future results.

- OBJECTIVE:**
- \* To quantify historical fund performance relative to peer group benchmarks.
  - \* To identify funds that have consistently underperformed over the long-term.
  - \* To assist in identifying style drift and discern gaps within the plan portfolio.

- FUNDAMENTALS:**
- \* An objective analysis based on set criteria.
  - \* Based on long-term and risk-adjusted performance.
  - \* Comparison against peer group of similar funds as determined by *Morningstar, Inc.*

- SOURCE:**
- \* Statistics are derived from an independent third-party source: primarily Morningstar® Direct<sup>SM</sup>

- SCOPE:**
- \* The Fund Performance Review is designed as a high level analytical tool to aide plan sponsors in carrying out their fiduciary responsibilities; it is not intended as investment advice.

The purpose of this document is to provide investment-related information only for the plan sponsor in its role as a fiduciary to the Plan, not as investment advice for plans or plan participants. Although the data contained in this report is from reliable sources, Advised Assets Group, LLC cannot guarantee its completeness or accuracy. Risks associated with investment options can vary significantly with each particular Investment category and the relative risks of categories may change under certain economic conditions. The investment return and principal of an investment will fluctuate so that an investor's shares, when redeemed, may be more or less than their original cost.

**Current performance may be lower or higher than performance data shown due to market volatility. Past performance is no guarantee of future returns.**

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# FUND PERFORMANCE REVIEW (FPR): CRITERIA



**OVERALL RATING:** Based on performance, risk-adjusted performance and the Overall Morningstar Rating.

**Return Composite:** Determined by taking the equal-weighted average of the 3-, 5- and 10-year category return percentiles.

**Sharpe Composite:** Calculated by averaging the 3- and 5-year category sharpe percentiles.

**Overall Composite:** The equally-weighted average of the Return Composite and Sharpe Composite.

**Overall Morningstar Rating™:** Represents a measure of an investment's risk-adjusted return, relative to similar investments.

The Overall Composite is the sole determinate for the Overall Rating for funds that do not have an Overall Morningstar Category Rating.

Overall Composite		Overall Morningstar Rating	Overall Rating
> 50.0%	AND	⑤, ④, or ③	Above
≥ 50.0%	OR	⑤, ④, or ③	Neutral
< 50.0%	AND	①, or ②	Below
< 25.0%			Below

**LONG-TERM ROLLING ANALYSIS:** Based on the accumulated trailing 12 quarter "Overall Ratings".

Consecutive number of Quarters Receiving a Below Rating		Total number of Quarters Below out of trailing 12 quarters	Long-Term Rolling Analysis *
< 4 Quarters	AND	< 7 Quarters	Pass
≥ 4 Quarters	OR	≥ 7 Quarters	Fail
OR			
Overall Rating: < 25.0%			Fail

\*'Pass' and 'Fail' ratings in the long-term rolling analysis are not available for target date funds or Great-West SecureFoundation funds. Morningstar's category classification system has not evolved to address differences in target-date glidepaths. The current system separates funds only by target retirement date and does not consider the level of equity in the glidepath (i.e. how aggressive or conservative the glidepath is versus peers). Plans should consider how their demographics align with their chosen target date glidepath rather than attempt to "time the market" by changing glidepaths based on peer performance rankings. All target-date funds will receive an 'N/A' rating in the FPR. The Great-West SecureFoundation funds will also receive an 'N/A' rating in the FPR. These funds are unique in that they also require the purchase of a Guaranteed Lifetime Withdrawal Benefit (Guarantee) either as a fixed deferred annuity contract, a certificate to a group fixed deferred annuity contract, or a rider to a variable annuity contract. The Guarantee provides guaranteed retirement income for the life of a designated person(s), provided certain conditions are met. Plan Sponsors that seek this feature should take a long-term, holistic view with these funds as this benefit does not show up in peer group performance rankings as measured and scored through the FPR process.

For expanded definitions of the Composites, Sharpe Ratio and Ratings, please refer to the corresponding glossary. Information for this fund evaluation was received from what we believe to be reliable sources, but we cannot absolutely guarantee accuracy. The performance data quoted within represents past performance and is not a guarantee or indication of future investment results. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of the funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages). The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures with its three-, five-, and then-year (if-applicable) Morningstar Rating metrics. Past Performance is no guarantee of future results.

## Performance Summary: State of Vermont

period ended 06/30/2017

Morningstar Category	Ticker Symbol	Fund Name	Overall Rating <sup>1</sup>					Long-Term Rolling Analysis <sup>2</sup>			
			Composite %'s			Mstar Rating		Consecutive Quarters Below	# of Quarters Below out of trailing 12		
			Overall	Return	Sharpe						
<b>Intl</b>	Diversified Emerging Mkts	LZEMX	Lazard Emerging Markets Equity Instl	30.1	38.7	21.5	3	Neutral	0	0 out of 12	Pass
	Foreign Large Blend	DODFX	Dodge & Cox International Stock	60.9	69.3	52.5	3	Above	0	1 out of 12	Pass
	World Small/Mid Stock	PGINX	Pax Global Environmental Mrkts Instl	63.5	65.5	61.5	4	Above	0	0 out of 12	Pass
<b>Small-Cap</b>	Small Growth	OTCFX	T. Rowe Price Small-Cap Stock	73.2	73.3	73.0	4	Above	0	0 out of 12	Pass
<b>Large-Cap</b>	Large Growth	RGAFX	American Funds Growth Fund of Amer R5	76.1	65.7	86.5	4	Above	0	0 out of 12	Pass
<b>Asst All/Other</b>	Allocation--50% to 70% Equity	DODBX	Dodge & Cox Balanced	88.5	91.0	86.0	4	Above	0	0 out of 12	Pass
	Allocation--50% to 70% Equity	PAXWX	Pax Balanced Individual Investor	50.0	43.0	57.0	3	Neutral	0	2 out of 12	Pass
	Allocation--30% to 50% Equity	TRRIX	T. Rowe Price Retirement Balanced	60.2	57.3	63.0	3	Above	0	0 out of 12	Pass
	Target-Date 2000-2010	TRRAX	T. Rowe Price Retirement 2010	76.9	89.3	64.5	4	Above	0	0 out of 12	N/A
	Target-Date 2020	TRRBX	T. Rowe Price Retirement 2020	84.7	97.3	72.0	5	Above	0	0 out of 12	N/A
	Target-Date 2030	TRRCX	T. Rowe Price Retirement 2030	90.1	95.7	84.5	5	Above	0	0 out of 12	N/A
	Target-Date 2040	TRRDY	T. Rowe Price Retirement 2040	91.8	96.0	87.5	5	Above	0	0 out of 12	N/A
	Target-Date 2050	TRRMX	T. Rowe Price Retirement 2050	92.1	94.7	89.5	5	Above	0	0 out of 12	N/A
<b>Bond</b>	Intermediate-Term Bond	CSIBX	Calvert Bond A	56.2	55.3	57.0	3	Above	0	0 out of 12	Pass
	Intermediate-Term Bond	PTSAX	PIMCO Total Return ESG Institutional	54.8	69.7	40.0	4	Above	0	0 out of 12	Pass
	Nontraditional Bond	FPNIX	FPA New Income	56.3	20.0	92.5	2	Neutral	0	0 out of 12	Pass
<b>Index Funds</b>	Foreign Large Blend	VTMNX	Vanguard Developed Markets Index Instl (Idx)	73.8	74.0	73.5	4	N/A	N/A	0 out of 12	Pass
	Mid-Cap Blend	VMCIX	Vanguard Mid Cap Index Institutional (Idx)	82.4	77.3	87.5	4	N/A	N/A	0 out of 12	Pass
	Large Blend	VFTNX	Vanguard FTSE Social Index I (Idx)	91.1	85.7	96.5	4	N/A	N/A	0 out of 12	Pass
	Large Blend	VINIX	Vanguard Institutional Index I (Idx)	87.8	84.0	91.5	4	N/A	N/A	0 out of 12	Pass
	Large Value	VIVIX	Vanguard Value Index I (Idx)	86.5	81.0	92.0	4	N/A	N/A	0 out of 12	Pass
	Intermediate-Term Bond	VTBIX	Vanguard Total Bond Market Index I (Idx)	43.3	48.0	38.5	3	N/A	N/A	0 out of 12	Pass

Data Source: Morningstar® Direct<sup>SM</sup>

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# Return Analysis: State of Vermont

period ended 06/30/2017

Fund Name	2nd Qtr	2nd Qtr	Performance vs. Benchmark (Annualized Returns and Return Percentiles %)								Incept. Date	
	2017	2017	1 Year	1 Year	3 Year	3 Year	5 Year	5 Year	10 Year	10 Year		
	Return	Percentile	Return	Percentile	Return	Percentile	Return	Percentile	Return	Percentile		
<b>Intl</b>	Diversified Emerging Mkts Peer Group	6.06	50	22.11	50	0.82	50	3.98	50	1.65	50	
	Lazard Emerging Markets Equity Instl	2.16	5	19.32	34	-1.60	16	3.12	28	2.49	72	7/15/1994
	Foreign Large Blend Peer Group	6.24	50	19.33	50	1.11	50	7.93	50	0.86	50	
	Dodge & Cox International Stock	4.75	6	30.37	98	0.64	33	10.23	92	2.34	83	5/1/2001
	World Small/Mid Stock Peer Group	5.74	50	20.89	50	5.57	50	11.50	50	4.17	50	
Pax Global Environmental Mrkts Instl	8.04	88	22.93	71	6.04	59	13.10	72	N/A	N/A	3/27/2008	
<b>Small-Cap</b>	Small Growth Peer Group	4.28	50	22.66	50	7.02	50	13.00	50	7.31	50	
	T. Rowe Price Small-Cap Stock	2.37	17	20.74	26	7.63	60	13.84	68	8.98	92	6/1/1956
<b>Large-Cap</b>	Large Growth Peer Group	5.01	50	20.12	50	9.31	50	14.23	50	7.71	50	
	American Funds Growth Fund of Amer R5	3.96	26	21.82	69	10.11	65	15.88	86	7.55	46	5/15/2002
<b>Asst All/Other</b>	Allocation--50% to 70% Equity Peer Group	2.54	50	10.82	50	4.48	50	8.27	50	5.13	50	
	Dodge & Cox Balanced	1.56	10	20.02	98	6.92	96	12.72	99	6.01	78	6/26/1931
	Pax Balanced Individual Investor	2.64	58	9.54	27	4.78	60	8.32	51	3.97	18	8/10/1971
	Allocation--30% to 50% Equity Peer Group	2.04	50	7.42	50	3.12	50	5.77	50	4.49	50	
	T. Rowe Price Retirement Balanced	2.00	46	7.69	56	3.44	63	5.86	52	4.64	57	9/30/2002
	Target-Date 2000-2010 Peer Group	2.05	50	7.26	50	3.46	50	5.88	50	4.04	50	
	T. Rowe Price Retirement 2010	2.39	83	8.69	82	4.02	82	7.10	93	4.77	93	9/30/2002
	Target-Date 2020 Peer Group	2.46	50	9.12	50	3.81	50	7.18	50	4.15	50	
	T. Rowe Price Retirement 2020	3.36	97	12.67	96	5.10	96	9.27	98	5.29	98	9/30/2002
	Target-Date 2030 Peer Group	3.13	50	12.72	50	4.76	50	9.00	50	4.25	50	
	T. Rowe Price Retirement 2030	4.23	98	16.29	93	6.01	96	11.01	95	5.65	96	9/30/2002
	Target-Date 2040 Peer Group	3.59	50	15.52	50	5.26	50	10.07	50	4.53	50	
	T. Rowe Price Retirement 2040	4.72	98	18.85	98	6.51	96	11.93	96	5.95	96	9/30/2002
	Target-Date 2050 Peer Group	3.74	50	16.10	50	5.44	50	10.53	50	4.54	50	
T. Rowe Price Retirement 2050	4.84	98	19.15	98	6.60	96	12.00	95	5.98	93	12/29/2006	
<b>Bond</b>	Intermediate-Term Bond Peer Group	1.48	50	0.72	50	2.28	50	2.44	50	4.50	50	
	Calvert Bond A	1.82	85	1.83	76	2.64	73	2.76	67	3.96	26	8/24/1987
	PIMCO Total Return ESG Institutional	1.52	55	1.89	78	2.45	61	2.51	54	5.65	94	5/1/1991
	Nontraditional Bond Peer Group	1.27	50	6.00	50	1.88	50	2.82	50	3.88	50	
	FPA New Income	0.60	20	2.33	13	1.34	36	1.40	12	2.44	12	7/11/1984
<b>Index Funds</b>	Vanguard Developed Markets Index Instl (Idx)	6.38	60	20.17	68	1.86	70	9.11	82	1.41	70	1/4/2001
	Vanguard Mid Cap Index Institutional (Idx)	2.78	81	17.25	47	8.09	80	14.79	87	7.51	65	5/21/1998
	Vanguard FTSE Social Index I (Idx)	3.59	80	21.47	90	10.32	97	16.51	98	6.78	62	1/14/2003
	Vanguard Institutional Index I (Idx)	3.08	64	17.86	58	9.59	91	14.60	80	7.18	81	7/31/1990
	Vanguard Value Index I (Idx)	1.82	50	16.51	50	8.76	91	14.40	87	5.85	65	7/2/1998
	Vanguard Total Bond Market Index I (Idx)	1.48	51	-0.43	18	2.44	61	2.15	34	4.48	49	9/18/1995

Investment options available in the plan may be through mutual funds, collective trusts, separately managed accounts and/or a group fixed and variable annuity contract. Current performance may be lower or higher than performance data shown. Performance data quoted represents past performance and is not a guarantee or prediction of future results. The investment return and principal value of an investment will fluctuate so that, when redeemed shares/units may be worth more or less than their original cost. For performance data current to the most recent month-end, please visit [www.empower-retirement.com/participant](http://www.empower-retirement.com/participant). Total return performance shown above represents that of the underlying fund and does not include a deduction for any applicable annuity contract of administrative fees/expenses. Performance numbers shown above would be less after applicable fee/expenses are deducted.

Data Source: Morningstar® Direct<sup>SM</sup>

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# Sharpe Ratio and Expense Analysis: State of Vermont

period ended 06/30/2017

	Fund Name	Sharpe Ratios and Percentiles %				Standard Deviation		Expense Ratio	Expense Percentile %	Manager Tenure (yrs)	Fund Size \$MM
		3 Yr Ratio	3 Yr %	5 Yr Ratio	5 Yr %	3 Yr	5 Yr				
<b>Intl</b>	Diversified Emerging Mkts Peer Group	0.11	50	0.34	50	14.78	13.83	1.38	50		
	Lazard Emerging Markets Equity Instl	-0.03	19	0.26	24	16.91	15.67	1.09	80	23	13,028
	Foreign Large Blend Peer Group	0.13	50	0.73	50	11.75	11.27	1.02	50		
	Dodge & Cox International Stock	0.10	35	0.78	70	14.55	13.43	0.64	83	16	61,541
	World Small/Mid Stock Peer Group	0.49	50	1.02	50	11.91	11.33	1.36	50		
	Pax Global Environmental Mrkts Instl	0.51	55	1.12	68	12.41	11.45	0.98	84	9	483
<b>Small-Cap</b>	Small Growth Peer Group	0.52	50	0.94	50	14.99	13.89	1.17	50		
	T. Rowe Price Small-Cap Stock	0.59	66	1.09	80	13.68	12.44	0.90	83	1	9,357
<b>Large-Cap</b>	Large Growth Peer Group	0.81	50	1.26	50	11.61	10.92	0.99	50		
	American Funds Growth Fund of Amer R5	0.92	77	1.51	96	10.86	10.02	0.39	97	24	163,394
<b>Asst All/Other</b>	Allocation--50% to 70% Equity Peer Group	0.64	50	1.25	50	6.83	6.44	1.01	50		
	Dodge & Cox Balanced	0.78	79	1.53	93	8.79	7.94	0.53	93	32	15,792
	Pax Balanced Individual Investor	0.70	62	1.26	52	6.58	6.37	0.93	60	19	1,935
	Allocation--30% to 50% Equity Peer Group	0.60	50	1.18	50	5.01	4.81	1.00	50		
	T. Rowe Price Retirement Balanced	0.68	65	1.24	61	4.78	4.54	0.57	93	15	2,794
	Target-Date 2000-2010 Peer Group	0.70	50	1.25	50	4.81	4.58	0.68	50		
	T. Rowe Price Retirement 2010	0.70	55	1.30	74	5.45	5.27	0.59	61	15	5,428
	Target-Date 2020 Peer Group	0.64	50	1.22	50	5.87	5.79	0.80	50		
	T. Rowe Price Retirement 2020	0.70	68	1.32	76	7.15	6.80	0.66	64	15	25,650
	Target-Date 2030 Peer Group	0.60	50	1.18	50	7.75	7.30	0.82	50		
	T. Rowe Price Retirement 2030	0.69	84	1.32	85	8.57	8.07	0.72	61	15	27,339
	Target-Date 2040 Peer Group	0.58	50	1.16	50	9.09	8.42	0.85	50		
	T. Rowe Price Retirement 2040	0.68	88	1.29	87	9.63	8.97	0.76	58	15	19,305
	Target-Date 2050 Peer Group	0.58	50	1.16	50	9.39	8.76	0.87	50		
T. Rowe Price Retirement 2050	0.69	90	1.29	89	9.64	8.96	0.76	59	11	8,182	
<b>Bond</b>	Intermediate-Term Bond Peer Group	0.72	50	0.78	50	2.86	2.94	0.69	50		
	Calvert Bond A	0.79	63	0.79	51	3.04	3.29	0.88	29	5	892
	PIMCO Total Return ESG Institutional	0.69	44	0.70	36	3.21	3.34	0.50	76	3	1,047
	Nontraditional Bond Peer Group	0.60	50	0.90	50	3.06	2.82	1.12	50		
	FPA New Income	1.44	90	1.64	95	0.76	0.75	0.49	97	13	4,997
<b>Index Funds</b>	Vanguard Developed Markets Index Instl (Idx)	0.19	69	0.81	78	11.68	11.35	0.06	99	4	88,609
	Vanguard Mid Cap Index Institutional (Idx)	0.73	87	1.36	88	11.24	10.44	0.05	99	19	86,740
	Vanguard FTSE Social Index I (Idx)	0.93	94	1.54	99	11.01	10.17	0.12	96	2	3,167
	Vanguard Institutional Index I (Idx)	0.91	91	1.46	92	10.35	9.56	0.04	98	17	228,906
	Vanguard Value Index I (Idx)	0.85	90	1.44	94	10.15	9.55	0.05	99	23	56,942
	Vanguard Total Bond Market Index I (Idx)	0.71	47	0.66	30	3.12	3.00	0.04	98	4	183,445

A Percentile Ranking of 100% represents the highest performance whereas 0% represents the lowest.

Expense refers to the Prospectus Net Expense Ratio

Data Source: Morningstar® Direct<sup>SM</sup>

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# Annual Returns and Statistics: State of Vermont

period ended 06/30/2017

Fund Name	Calendar Year Returns					Modern Portfolio Theory Statistics ( 3 year)			Portfolio Construction			
	2016	2015	2014	2013	2012	Alpha	Beta	R2	Turnover Ratio	Number of Holdings	% in top 10 holdings	
	<b>Intl</b>	Diversified Emerging Mkts Peer Group	8.86	-13.89	-3.21	-1.27	19.20					
	Lazard Emerging Markets Equity Instl	20.52	-20.16	-4.16	-0.80	22.36	-2.55	1.00	91	12	80	32%
	Foreign Large Blend Peer Group	0.98	-1.27	-5.41	20.34	17.93						
	Dodge & Cox International Stock	8.26	-11.35	0.08	26.31	21.03	1.83	1.04	91	17	77	29%
	World Small/Mid Stock Peer Group	7.01	0.27	-0.08	30.70	19.25						
	Pax Global Environmental Mrkts Instl	10.91	-1.21	-2.53	32.37	19.47	-0.41	1.39	89	30	50	31%
<b>Small-Cap</b>	Small Growth Peer Group	10.65	-2.14	3.25	41.19	14.19						
	T. Rowe Price Small-Cap Stock	18.57	-3.18	6.90	37.65	18.01	1.10	0.95	98	38	286	10%
<b>Large-Cap</b>	Large Growth Peer Group	2.83	4.62	10.56	34.58	15.64						
	American Funds Growth Fund of Amer R5	8.75	5.65	9.61	34.20	20.92	-0.01	0.94	93	31	364	26%
<b>Asst All/Other</b>	Allocation--50% to 70% Equity Peer Group	6.85	-1.13	6.06	17.15	12.19						
	Dodge & Cox Balanced	16.56	-2.87	8.87	28.37	18.32	0.98	0.79	90	24	403	23%
	Pax Balanced Individual Investor	5.79	-0.53	8.00	16.34	11.28	-1.27	0.62	94	49	6	99%
	Allocation--30% to 50% Equity Peer Group	5.96	-1.44	4.51	9.50	10.54						
	T. Rowe Price Retirement Balanced	6.48	-0.74	3.91	9.15	10.05	0.46	0.80	98	12	17	93%
	Target-Date 2000-2010 Peer Group	5.71	-0.86	4.59	10.06	10.16						
	T. Rowe Price Retirement 2010	7.11	-0.76	4.99	11.93	12.44	0.65	0.92	98	14	17	92%
	Target-Date 2020 Peer Group	6.37	-1.16	5.27	13.23	11.92						
	T. Rowe Price Retirement 2020	7.41	-0.31	5.63	18.05	15.01	1.03	0.90	98	16	19	84%
	Target-Date 2030 Peer Group	7.42	-1.31	5.77	18.74	14.05						
	T. Rowe Price Retirement 2030	7.69	-0.02	6.05	23.09	16.82	1.26	0.84	98	16	19	84%
	Target-Date 2040 Peer Group	8.14	-1.50	5.97	22.01	15.19						
	T. Rowe Price Retirement 2040	7.63	0.17	6.18	25.93	17.55	1.25	0.94	97	15	19	87%
	Target-Date 2050 Peer Group	8.45	-1.51	6.07	23.26	15.63						
	T. Rowe Price Retirement 2050	7.71	0.19	6.19	25.90	17.55	1.33	0.94	97	13	19	88%
<b>Bond</b>	Intermediate-Term Bond Peer Group	2.96	0.06	5.57	-1.69	6.61						
	Calvert Bond A	3.63	0.01	6.10	-2.61	7.67	0.57	0.35	93	154	285	20%
	PIMCO Total Return ESG Institutional	2.96	0.41	4.54	-2.07	9.69	-0.10	0.73	80	557	667	67%
	Nontraditional Bond Peer Group	4.53	-1.18	1.92	0.60	8.60						
	FPA New Income	2.53	0.15	1.32	0.67	2.18	0.67	0.13	46	44	463	12%
<b>Index Funds</b>	Vanguard Developed Markets Index Instl (Idx)	2.46	-0.17	-5.72	22.15	18.70	0.74	0.93	97	11	3815	9%
	Vanguard Mid Cap Index Institutional (Idx)	11.23	-1.33	13.78	35.17	16.01	0.07	0.99	99	15	358	8%
	Vanguard FTSE Social Index I (Idx)	10.34	1.27	15.85	37.09	17.84	0.65	1.04	98	16	441	24%
	Vanguard Institutional Index I (Idx)	11.93	1.37	13.65	32.35	15.98	-0.02	1.00	100	5	512	19%
	Vanguard Value Index I (Idx)	16.87	-0.85	13.19	33.07	15.20	1.58	0.96	99	7	334	27%
	Vanguard Total Bond Market Index I (Idx)	2.61	0.41	5.90	-2.14	4.18	-0.18	1.07	99	61	17445	4%

A Percentile Ranking of 100% represents the highest performance whereas 0% represents the lowest.

The Fund Performance Review is a proprietary high level analytical tool that is used to evaluate fund performance and is not intended as an offer or solicitation of securities, or as investment advice.

Investment options available in the plan may be through mutual funds and/or a group fixed and variable annuity contract. *Current performance may be lower or higher than performance data shown.*

*Performance data quoted represents past performance and is not a guarantee or prediction of future results. The investment return and principal value of an investment will fluctuate so that,*

*when redeemed, shares/units may be worth more or less than their original cost.* Total return performance shown above represents that of the underlying fund and does not include a deduction

for any applicable annuity contract of administrative fees/expenses. Performance numbers shown above would be less after applicable fee/expenses are deducted.

Data Source: Morningstar® Direct<sup>SM</sup>

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# Index Performance

period ending 06/30/2017

	Index	Total Return 1 Year	Total Return Annlzd 3 Year	Total Return Annlzd 5 Year	Total Return Annlzd 10 Year	Annual Return 2016	Annual Return 2015	Annual Return 2014	Annual Return 2013	Annual Return 2012
<b>International</b>	MSCI EMF ID	21.18	-1.28	1.52	-0.47	8.58	-16.96	-4.63	-4.98	15.15
	MSCI Eafe Ndr_D	20.27	1.15	8.69	1.03	1.00	-0.81	-4.90	22.78	17.32
	MSCI World Ndr_D	18.20	5.24	11.38	3.97	7.51	-0.87	4.94	26.68	15.83
<b>Small-Cap</b>	Russell 2000 Growth	24.40	7.64	13.98	7.82	11.32	-1.38	5.60	43.30	14.59
	Russell 2000	24.60	7.36	13.70	6.92	21.31	-4.41	4.89	38.82	16.35
	Russell 2000 Value	24.86	7.02	13.39	5.92	31.74	-7.47	4.22	34.52	18.05
<b>Mid-Cap</b>	Russell Midcap Growth	17.05	7.83	14.19	7.87	7.33	-0.20	11.90	35.74	15.81
	Standard & Poor's Midcap 400	18.57	8.53	14.92	8.56	20.74	-2.18	9.77	33.50	17.88
	Russell Midcap Value	15.93	7.46	15.14	7.23	20.00	-4.78	14.75	33.46	18.51
<b>Large-Cap</b>	Russell 1000 Growth	20.42	11.11	15.30	8.91	7.08	5.67	13.05	33.48	15.26
	Standard & Poor's 500 TR	17.90	9.61	14.63	7.18	11.96	1.38	13.69	32.39	16.00
	Russell 1000 Value	15.53	7.36	13.94	5.57	17.34	-3.83	13.45	32.53	17.51
<b>Bond</b>	BBgBarc US Aggregate Bond	-0.31	2.48	2.21	4.48	2.65	0.55	5.97	-2.02	4.21
	BBgBarc US Capital Credit	1.84	3.40	3.68	5.61	5.63	-0.77	7.53	-2.01	9.37
	BBgBarc US Mortgage-Backed	-0.06	2.17	2.00	4.31	1.67	1.51	6.08	-1.41	2.59
	BBgBarc US Government Bond	-2.18	1.99	1.30	3.93	1.05	0.86	4.92	-2.60	2.02
	BBgBarc US 1-3 Year Government	-0.07	0.71	0.65	2.01	0.87	0.57	0.64	0.37	0.51

MSCI EMF ID	A capitalization-weighted index of stocks from 26 emerging markets that only includes issues that may be traded by foreign investors. The reported returns reflect equities priced in US dollars and do not include the effects of reinvested dividends.
MSCI EAFE Ndr_D	Widely accepted as a benchmark for international stock performance, the EAFE Index is an aggregate of 21 individual country indexes that collectively represent many of the major markets of the world.
MSCI World Ndr_D	Includes all 23 MSCI developed market countries. Ndr_D indexes are calculated daily and take into account actual dividends reinvested daily before withholding taxes, but exclude special tax credits declared by companies.
Russell 2000 Growth	Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratios and higher forecasted growth values.
Russell 2000	Consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 7% of the Russell 3000 total market capitalization.
Russell 2000 Value	Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratios and lower forecasted growth values.
Russell Mid Cap Growth	Market-weighted total return index that measures the performance of companies within the Russell Midcap Index having higher price-to-book ratios and higher forecasted growth values.
Standard & Poor's Midcap 400	Includes approximately 10% of the capitalization of U.S. equity securities. These are comprised of stocks in the middle capitalization range.
Russell Mid Cap Value	Market-weighted total return index that measures the performance of companies within the Russell Midcap Index having lower price-to-book ratios and lower forecasted growth values.
Russell 1000 Growth	Market-weighted total return index that measures the performance of companies within the Russell 1000 Index having higher price-to-book ratios and higher forecasted growth values.
Standard & Poor's 500	A market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market. It measures the movement of the largest issues. Standard and Poor's chooses the member companies for the 500 based on market size, liquidity and industry group representation.
Russell 1000 Value	Market-weighted total return index that measures the performance of companies within the Russell 1000 Index having lower price-to-book ratios and lower forecasted growth values.
BBgBarc US Aggregate Bond	Composed of the Bloomberg Barclays Govt/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index.
BBgBarc US Capital Credit	Listed for corporate bond-general and high-quality funds. This index tracks the returns of all publicly issued, fixed-rate, nonconvertible, dollar-denominated, SEC-registered, investment-grade corporate debt.
BBgBarc US Mortgage-Backed	Includes 15- and 30-year fixed-rate securities backed by mortgage pools of the Government National Mortgage Association (GNMA).
BBgBarc US Government Bond	Listed for government-bond general and Treasury funds because it tracks the returns of U.S. Treasuries, agency bonds, and one- to three-year U.S. government obligations. This index is effective for tracking portfolios holding non-mortgage government securities.
BBgBarc US 1-3 Year Governme	Comprised of both the Treasury Bond index (all public obligations of the U.S. Treasury, excluding flower bonds and foreign-targeted issues) and the Agency Bond Index (all publicly issued debt of U.S. Government agencies and quasi-federal corporations and corporate-debt guaranteed by the U.S. Government).

A benchmark index is not actively managed, does not have a defined investment objective and does not incur fees or expenses. Therefore, performance of a fund will generally be less than its benchmark index. You cannot invest directly in a benchmark index.

Data Source: Morningstar® Direct<sup>SM</sup>

S&P 500® Index is a registered trademark of Standard & Poor's Financial Services LLC ("Standard & Poor's"), and is an unmanaged index considered indicative of the domestic Large-Cap equity market.

S&P 400® Index is a registered trademark of Standard & Poor's Financial Services LLC ("Standard & Poor's"), and is an unmanaged index considered indicative of the domestic Mid-Cap equity market.

Please refer to the Appendix page for additional disclosures

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Not intended as an offer or solicitation of securities.

*Prior to selecting investment options for your plan, plan sponsors should consider the investment objectives, risks, fees and expenses carefully. For this and other important information, you may obtain prospectuses for mutual funds, any applicable annuity contract and the annuity's underlying funds and/or additional disclosure documents for investment options exempt from SEC registration from your registered representative. Read these materials carefully before making a selection.*

**About investment risk:**

Equity securities of small-sized and medium-sized companies may be more volatile than securities of larger, more established companies. Foreign investments involve special risks, including currency fluctuations and political developments. Equity securities of companies located in emerging markets involve greater risks than investing in more established markets, including currency fluctuations, political developments and share illiquidity. Real estate securities involve greater risks than other non-diversified investments, including, but not limited to: declining property values, varying economic conditions, changes in zoning laws, or losses from casualty. Real estate securities that invest in foreign real estate involve additional risk, including currency fluctuations and political developments. Specialty funds invest in a limited number of companies and are generally non-diversified. As a result, changes in market value of a single issuer could cause greater volatility than with a more diversified fund. Commodities may have greater volatility than traditional securities. The value of commodities may be affected by changes in overall market movements, changes in interest rates or sectors affecting a particular industry or commodity, and international economic, political and regulatory developments. Alternative investments generally invest in non-traditional asset categories or strategies. As a result, such investments are subject to unique risks and may be more speculative than traditional investments. These investments may also have direct or indirect exposure to derivatives, which may be more volatile and less liquid than traditional securities. As a result, the option could suffer losses on its derivative positions.

Asset allocation funds are subject to the risks of the underlying investments, which can be a mix of stocks/stock funds, bonds/bond funds and other types of investments. Depending on the types of investments in this fund, an investor may face the following risks. Stock values fluctuate in response to the activities of the general market, individual companies and economic conditions. Bond values fluctuate in response to the financial condition of individual issuers, general market and economic conditions, and changes in interest rates. In general, when interest rates rise, bond values fall and investors may lose principal value. Compared to higher-rated securities, high yield bond investment options are subject to greater risk, including the risk of default. U.S.

The date in a target date fund's name is the approximate date when investors plan to start withdrawing their money (generally assumed at age 65). The principal value of the fund(s) is not guaranteed at any time, including at the time of the target date and/or withdrawal.

*It is possible to lose money by investing in a money market fund. Although the fund seeks to preserve the value of your investment at \$1 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.*



### **About Overall Morningstar Rating™**

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return (including the effects of sales charges, loads and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Past performance is no guarantee of future results.

### **About Morningstar Rankings**

Peer groups are created using Morningstar's category classification system. Peer groups are the combination of all share classes of all mutual funds in Morningstar's Open End Fund database (in a given asset class), all collective investment trusts in Morningstar's Separate Accounts/CITs database (in the same asset class), and all funds in Morningstar's Insurance and Pension Funds database (in the same asset class). As an example, the Large Blend peer group is created as a combination of all share classes of all mutual funds in Morningstar's US Fund Large Blend category, all collective investment trusts in Morningstar's US SA Large Blend category, and all funds in Morningstar's US Insurance Large Blend category.

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Shares of the series of Great-West Funds, Inc. are not available to the general public but are offered only to insurance company separate accounts for certain variable annuity contracts and variable life policies, to individual retirement account (IRA) custodians or trustees, to plan sponsors of qualified retirement plans and to college savings programs.

Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker-dealers. GWFS Equities, Inc., Member FINRA/SIPC, is a wholly owned subsidiary of Great-West Life & Annuity Insurance Company (GWL&A).

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Certain Great-West funds are managed by sub-advisers who manage other mutual funds having similar names and investment objectives. While their investment management may be similar to, or modeled after, those other mutual funds, the Great-West funds are not directly related to any other mutual funds. Consequently, the investment performance and other features of other mutual funds and any similarly named Great-West Fund may differ substantially.

Putnam funds are managed by Putnam Investment Management. Putnam mutual funds are distributed by Putnam Retail Management. Putnam is affiliated with GWL&A and its subsidiaries.

# APPENDIX - GLOSSARY



**12b-1 Fee** The maximum annual charge deducted from fund assets to pay for distribution and marketing costs. Although usually set on a percentage basis, this amount will occasionally be a flat figure.

**Actively managed** A fund attempts to add portfolio value through such active investment techniques as sector allocation (top-down) and/or security selection (bottom-up).

**Aggressive Growth** (Objective) Funds that seek high growth of capital. Investments may include smaller companies, companies in newly-emerging industries or in

**Alpha** is the coefficient that measures the portion of an investment's return arising from non-market or unsystematic risk. In actively managed portfolio. Alpha is considered to be the value added by the manager through sector or security selection. A negative alpha would indicate that active management had produced less-than-market returns.

**Annual Returns** Total returns calculated on a calendar -year basis. The annual return for a fund will be the same as its trailing 12-month total return only at year-end

**Annualized Returns** Returns for periods longer than one year are expressed as "annualized returns." This is equivalent to the compound rate of return which, over a certain period of time, would produce a fund's total return over that same period.

**Asset Allocation** (Objective) Funds that seek high total return by investing in a mix of equities, fixed-income securities and money market instruments.

**Barclays Capital Aggregate Index** Composed of the Barclays Capital Govt/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. The returns published for the index are total returns, which include reinvestment of dividends.

**Barclays Capital Government Bond Index** Listed for government-bond general and Treasury funds. Because it tracks the returns of U.S. Treasuries, agency bonds, and one- to three-year U.S. government obligations, this index is effective for tracking portfolios holding non-mortgage government securities. The returns published for the index are total returns, which include reinvestment of dividends.

**Basis Point** One-hundredth of a percentage point. For example, 50 basis points equals .50%.

**Beta** also known as market or systematic risk, beta is the coefficient that measures an investment's volatility relative to "the market" (the S & P 500 Index has a beta of 1.00) as a whole. Portfolios with a beta greater than 1.00 will move higher or lower than the market as a whole, while those with betas of less than 1.00 will move less than the market.

**Bond funds** Contrary to individual bonds, which offer a guaranteed rate of return, bond funds are variable funds and their returns may rise or fall depending on market conditions.

Funds with 70% or more of their assets invested in bonds are classified as Bond Funds. Bond funds are divided into two main groups: Taxable

Bond and Municipal Bond. Taxable Bond Fund categories include the following: Long-Term Government, Intermediate-Term Government, Short-Term Government, Long-Term Bond, Intermediate-Term Bond, Short-Term Bond, Ultrashort-Bond, International- Bond, High-Yield Bond, Emerging-Markets Bond and Multisector Bond.

**Capital Appreciation** The market rise in share value of a company as it experiences growth in earnings and/or assets. By extension, funds will experience capital appreciation as the underlying securities in their portfolios appreciate in value.

**Capitalization** The total market value of all stock issued by a company. Funds are frequently categorized by the market capitalization of the stocks in their portfolios; i.e., "small cap" generally refers to companies valued by the market at less than \$1 billion, "Mid-cap" to companies valued between \$1 billion and \$5 billion, and "Large-cap" to companies valued at more than \$5 billion.

**Corporate Bond--General** (Objective) Funds that seek income by investing in fixed-income securities. Funds with this objective may hold a variety of issues, including but not limited to government bonds, high-quality corporates, mortgages, asset-backed, bank loans and junk bonds.

# APPENDIX - GLOSSARY (CONT.)



**Corporate Bond--High Yield** (Objective) Funds that seek income by generally investing 65% or more of their assets in bonds rated below BBB. The price of these issues is generally affected more by the condition of the issuing company (similar to a stock) than by the interest-rate fluctuation that usually causes bond prices to move up and down.

**Diversification** The investment practice of spreading assets in a portfolio among a number of different companies, industries, sectors and/or instruments. Under Modern Portfolio Theory, the practice of diversification may assist an investor in reducing overall portfolio risk and evening out portfolio returns.

**Domestic equity funds** are placed in a category based on the style and size of the stocks they typically own. The style and size parameters are based on the divisions used in the investment style box: Value, Blend, or Growth style and Small, Medium, or Large median market capitalization.

**Duration** A measure of the sensitivity of the price of a fixed-income security to a change in interest rates. Duration is expressed as a number of years. Duration is a measure of interest rate risk. The larger the duration number, the greater the interest rate risk or reward for bond prices.

**Equity-Income** (Objective) Funds that are expected to pursue current income by investing at least 65% of their assets in dividend-paying equity securities.

**Excess Returns** The percentage of fund assets paid for operating and administrative expenses, as well as management fees. Fund expenses are reflected in a Fund's NAV.

**Expense Ratio** The percentage of fund assets paid for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio.

**Foreign Stock Category** An international fund having no more than 10% of stocks invested in the United States.

**Fund of Funds** A fund that specializes in buying shares in other mutual funds rather than individual securities. Quite often this type of fund is not discernible from its name alone, but rather through prospectus wording (i.e.: the fund's charter).

**Government Bond--General** (Objective) Offerings that pursue income by investing in a combination of mortgage-backed securities, Treasuries, and agency securities.

**Growth** (Objective) Funds that pursue capital appreciation by investing primarily in equity securities. Current income, if considered at all, is a secondary concern.

**Growth and Income** (Objective) Growth of capital and current income are near-equal objectives for these funds. Investments are typically selected for both appreciation potential and dividend-paying ability.

**Index Fund** A fund that tracks a particular index and attempts to match returns. While an index typically has a much larger portfolio than a mutual fund, the fund's management may study the index's movements to develop a representative sampling, and match sectors proportionately.

**Information Ratio** Is an alternative to the Sharpe Ratio for measuring the risk-adjusted performance of a portfolio. It is calculated by subtracting the benchmark (usually an index) from the return of the portfolio as a whole, then dividing by the tracking error (standard deviation of the difference between portfolio returns and the returns of the index). The higher the Information Ratio, the better the more consistent a manager is.

**International Equity Funds** with 40% or more of their equity holdings in foreign stocks (on average over three years) are placed in the international equity class. These categories include Europe, Japan, International Hybrid, Latin America, Diversified Pacific, Pacific ex. Japan, Specialty Precious Metals, Diversified Emerging Markets, World Stock, and Foreign Stock. Foreign investments involve special risks, including currency fluctuations and political developments.

# APPENDIX - GLOSSARY (CONT.)



**Life Cycle** These funds are geared toward investors of a certain age or with a specific time horizon for investing. Typically they are grouped together in sets (i.e. conservative, moderate, and aggressive portfolios).

**Management Fees** The management fee is the percentage deducted from fund assets to pay an advisor or subadvisor. Often, as the fund's net assets grow, the percentage deducted for management fees decreases. For example, a particular fund may report a management fee of 0.40% on the first \$500 million in assets, 0.35% on all assets between \$500 million and \$1 billion, and 0.30% on assets in excess of \$1 billion. Thus, if the fund contains \$1.5 billion in total net assets, the advisor scales back its management fees accordingly. Alternatively, the fund may compute the fee as a flat percentage of average net assets. The management fee might also come in the form of a group fee (G), a performance fee (P), or a gross income fee (I). Note: The management fee is just one (albeit a major) component of a fund's costs. The overall expense ratio is the most useful number for investors. Actual fees are also noted in this section.

**Morningstar Category** identifies funds based on their actual investment styles as measured by their underlying portfolio holdings (portfolio statistics and compositions over the past three years). If the fund is new and has no portfolio, we estimate where it will fall before assigning a more permanent category. When necessary, we may change a category assignment based on current information.

**MSCI EAFE Ndr\_D** Listed for foreign stock funds (EAFE refers to Europe, Australasia, and Far East). Widely accepted as a benchmark for international stock performance, the EAFE Index is an aggregate of 21 individual country indexes that collectively represent many of the major markets of the world. Ndr\_D indexes are calculated daily and take into account actual dividends reinvested daily before withholding taxes, but exclude special tax credits declared by companies. In addition, Ndr\_D indexes subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty. The returns published for the index are total returns, which include reinvestment of dividends.

**MSCI World Ndr\_D** Includes all 23 MSCI developed market countries. Ndr\_D indexes are calculated daily and take into account actual dividends reinvested daily before withholding taxes, but exclude special tax credits declared by companies. In addition, Ndr\_D indexes subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty.

**Mutual fund** An investment option that pools money from many shareholders and invests it in a group of stocks, bonds, or other securities. Also known as an open-end investment management company, mutual funds are securities required to be registered with the SEC.

**NAV** Stands for net asset value, which is the fund's share price. Funds compute this value by dividing the total net assets by the total number of shares.

**Net Assets** The month-end net assets of the mutual fund, recorded in millions of dollars. Net-asset figures are useful in gauging a fund's size, agility, and popularity. They help determine whether a small company fund, for example, can remain in its investment-objective category if its asset base reaches an ungainly size.

**Prospectus** A fund's formal written statement, generally issued on an annual basis. In this statement the fund sets forth its proposed purposes and goals, and other facts (e.g.: history and investment objective) that an investor should know in order to make an informed decision.

**Prospectus Objective** Indicates a particular fund's investment goals, based on the wording in a fund's prospectus.

**R-squared (R<sup>2</sup>)** measures the degree to which movement in one variable is related to the movement in another variable. Portfolios with a high R-squared will react similarly to various market conditions. By combining investments with low correlations, an investor can reduce the overall risk within a portfolio.

**Risk** Basically there are four types of risk: 1) inflation risk means your money may not earn enough in the long run because as prices go up the value of your money goes down; 2) market risk means you could lose money because the price of a stock may go down; 3) credit risk means a company or organization that borrowed your money may not be able to pay it back; and 4) interest rate risk means you could lose money because as interest rates go up the value of bond investments goes down.

# APPENDIX - GLOSSARY (CONT.)



**Russell 1000** Consists of the 1000 largest companies within the Russell 3000 index. Also known as the Market-Oriented Index, because it represents the group of stocks from which most active money managers choose. The returns published for the index are total returns, which include reinvestment of dividends.

**Russell 1000 Growth** Market-capitalization weighted index of those firms in the Russell 1000 with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 includes the largest 1000 firms in the Russell 3000, which represents approximately 98% of the investable US equity market.

**Russell 1000 Value** Market-capitalization weighted index of those firms in the Russell 1000 with lower price-to-book ratios and lower forecasted growth values. The Russell 1000 includes the largest 1000 firms in the Russell 3000, which represents approximately 98% of the investable US equity market.

**Russell 2000** Consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 7% of the Russell 3000 total market capitalization. The returns published for the index are total returns, which include reinvestment of dividends.

**Russell 2000 Growth** Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratios and higher forecasted growth values. The Russell 2000 Index includes the 2000 firms from the Russell 3000 Index with the smallest market capitalizations. The Russell 3000 Index represents 98% of the of the investable US equity market.

**Russell 2000 Value** Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Index includes the 2000 firms from the Russell 3000 Index with the smallest market capitalizations. The Russell 3000 Index represents 98% of the of the investable US equity market.

**Share Classes** Shares of the same fund that offer different shareholder rights and obligations, such as different fee and load charges. Common share classes are A (front-end load), B (deferred fees), C (no sales charge and a relatively high annual 12b-1 fee, such as 1.00%). Multi-class funds hold the same investment portfolio for all classes, and differ only in their surrounding fee structure.

**Sharpe Ratio** measures the risk-adjusted performance of a portfolio. It is calculated by subtracting the risk-free rate of return (i.e., the return on treasury bills) from the return of the portfolio as a whole, then dividing by the standard deviation of the returns. The higher the Sharpe Ratio, the better the risk-adjusted performance of the portfolio.

**Sortino Ratio** is similar to the Sharpe Ratio, except that it uses downside deviation for the denominator instead of standard deviation. This alternative to the Sharpe Ratio provides a risk-adjusted measure of a security or fund's performance without penalizing it for upward price movements.

**Standard Deviation** A statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that are most likely for a given fund. When a fund has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

**Tax-deferred earnings** You don't have to pay taxes on any earnings in your defined contribution plan until you withdraw your money. The money in a defined contribution plan can grow faster than with other types of savings plans, because the earnings you accumulate, if any, are also tax-deferred.

**Turnover Ratio** A measure of the percentage of holdings that have been "turned over" -- replaced with other holdings -- within a portfolio during the course of a year.

**Variable funds** Investments that fluctuate with market conditions. Unlike guaranteed investments, such as bonds or CDs, variable funds don't guarantee a specific rate of return. They do offer potential for higher earnings in return for higher degree of market risk.

**World Stock Category** An international fund having more than 10% of stocks invested in the US. Also known as global funds. Foreign Investments involve special risks, including currency fluctuations and political developments.



State of Vermont

# Investment Options

*a t a g l a n c e*

## Variable Investment Options - Objectives & Strategies

### Asset Allocation Funds<sup>1,2</sup>

**T. Rowe Price Retirement Balanced Fund** - Seeks to provide the highest total return over time consistent with an emphasis on both capital growth and income. The fund pursues its objective by investing in a diversified portfolio of other T. Rowe Price stock and bond funds that represent various asset classes and sectors. The fund's "neutral allocations," which are what T. Rowe Price considers broadly appropriate for investors during their retirement years, are 40% stock funds and 60% bond funds.

**T. Rowe Price Retirement 2010 Fund** - Seeks to provide the highest total return over time consistent with an emphasis on both capital growth and income through investments in a combination of T. Rowe Price stock and bond funds. At the target date, the fund's allocation to stocks was approximately 55% of its assets. The fund's exposure to stocks will continue to decline until approximately 30 years after its target date, when its allocation to stocks will remain fixed at approximately 20% of its assets and the remainder will be invested in bonds.

**T. Rowe Price Retirement 2020 Fund** - Seeks to provide the highest total return over time consistent with an emphasis on both capital growth and income through investments in a combination of T. Rowe Price stock and bond funds. At the target date, the fund's allocation to stocks is anticipated to be approximately 55% of its assets. The fund's exposure to stocks will continue to decline until approximately 30 years after its target date, when its allocation to stocks will remain fixed at approximately 20% of its assets and the remainder will be invested in bonds.

**T. Rowe Price Retirement 2030 Fund** - Seeks to provide the highest total return over time consistent with an emphasis on capital growth and income through investments in a combination of T. Rowe Price stock and bond funds. At the target date, the fund's allocation to stocks is anticipated to be approximately 55% of its assets. The fund's exposure to stocks will continue to decline until approximately 30 years after its target date, when its allocation to stocks will remain fixed at approximately 20% of its assets and the remainder will be invested in bonds.

**T. Rowe Price Retirement 2040 Fund** - Seeks to provide the highest total return over time consistent with an emphasis on both capital growth and income through investments in a combination of T. Rowe Price stock and bond funds. At the target date, the fund's allocation to stocks is anticipated to be approximately 55% of its assets. The fund's exposure to stocks will continue to decline until approximately 30 years after its target date, when its allocation to stocks will remain fixed at approximately 20% of its assets and the remainder will be invested in bonds.

**T. Rowe Price Retirement 2050 Fund** - Seeks to provide the highest total return over time consistent with an emphasis on both capital growth and income through investments in a combination of T. Rowe Price stock and bond funds. At the target date, the fund's allocation to stocks is anticipated to be approximately 55% of its assets. The fund's exposure to stocks will continue to decline until approximately 30 years after its target date, when its allocation to stocks will remain fixed at approximately 20% of its assets and the remainder will be invested in bonds.

### International Stock Funds<sup>3</sup>

**Dodge and Cox International Fund A - (Foreign Large Blend)** The investment seeks long-term growth of principal and income. The Fund generally invests at least 80% of assets in a diversified portfolio of equity securities issued by non-U.S. companies from at least three different countries, including emerging markets. The Fund invests primarily in medium-to-large well established companies that, in Dodge & Cox's opinion, appear to be temporarily undervalued by the stock market but have a favorable outlook for long-term growth.

**Lazard Emerging Markets Inst** - (Diversified Emerging Markets) The investment seeks long-term capital appreciation. The Fund normally invests at least 80% of assets in equity securities of companies whose principal business activities are located in emerging market countries represented by the Morgan Stanley Capital International ("MSCI®") Emerging Markets® Index.<sup>4</sup>

### Small Company Stock Funds<sup>5</sup>

**T. Rowe Price Small-Cap Stock Fund** - (Small Growth) The Fund seeks to provide long-term capital growth by investing primarily in stocks of small companies. The fund will normally invest at least 80% of its net assets (including any borrowings for investment purposes) in stocks of small companies.

### Mid-Sized Company Stock Funds<sup>6</sup>

**American Funds Growth Fund of America R5 - (Large Growth)** Seeks to provide growth of capital. The Fund seeks to meet this objective by investing principally in common stocks seeks to invest in companies that appear to offer superior opportunities for growth of capital. The fund may invest a portion of its assets in securities of issuers domiciled outside the United States.

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<sup>1</sup> The principal value of the Retirement Funds is not guaranteed at any time, including at or after the target date, which is the approximate date when investors turn age 65.

<sup>2</sup> Asset allocation and balanced investment options and models are subject to the risks of the underlying funds, which can be a mix of stocks/stock funds and bonds/bond funds. Asset allocation funds are generally subject to a fund operating expense at the fund level, as well as prorated fund operating expenses of each underlying fund in which they invest. For more information, see the prospectus and/or disclosure documents.

<sup>3</sup> Foreign investments involve special risks, including currency fluctuations and political developments. Equity securities of companies located in emerging markets involve greater risks than investing in more established markets, including currency fluctuations, political developments and share illiquidity.

<sup>4</sup> A benchmark index is not actively managed, does not have a defined investment objective, and does not incur fees or expenses. Therefore, performance of a fund will generally be less than its benchmark index. You cannot invest directly in a benchmark index.

<sup>5</sup> Equity securities of small-sized companies may be more volatile than securities of larger, more established companies.

<sup>6</sup> Equity securities of medium-sized companies may be more volatile than securities of larger, more established companies.

# Variable Investment Options - Objectives & Strategies (continued)

## Large Company Stock Funds

**Vanguard Institutional Index Fund - (Large Blend)** The Fund employs an indexing investment approach designed to track the performance of the Standard & Poor's 500® Index<sup>7</sup>, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. The Fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the Index, holding each stock in approximately the same proportion as its weighting in the Index.

## Balanced Funds<sup>2</sup>

**Dodge & Cox Balanced Fund** - The fund seeks regular income, conservation of principal and an opportunity for long-term growth of principal and income by investing in a diversified portfolio of common stocks, preferred stocks and fixed income securities.

## Bond Funds<sup>8</sup>

**Calvert Bond Fund A** - The Fund seeks to provide as high a level of current income as is consistent with prudent investment risk and preservation of capital through investment in bonds and other debt securities meeting the Fund's investment criteria, including financial, sustainability and social responsibility factors. This objective may be changed by the Fund's Board of Trustees without shareholder approval.

**FPA New Income Fund** - Seeks current income and long-term total return. Capital preservation is also a consideration. The Fund invests primarily in fixed-income securities, with an emphasis on obligations issued or guaranteed by the U.S. Government and its agencies and instrumentalities. In addition to Government securities, the Fund also invests in highly-rated (as rated by a Nationally Recognized Statistical Rating Organization) non-convertible corporate debt securities, commercial paper and repurchase agreements.

**Vanguard Total Bond Market Index Inst** - Seeks the performance of a broad, market-weighted bond index. The fund employs an indexing investment approach designed to track the performance of the Barclays U.S. Aggregate Float Adjusted Index. This index represents a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States-including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities-all with maturities of more than 1 year. All of the fund's investments will be selected through the sampling process, and at least 80% of the fund's assets will be invested in bonds held in the index.

## Socially Responsible<sup>9</sup>

**PAX World Global Environmental Markets Inst<sup>3</sup>** - (World Stock) The investment seeks long term growth of capital. The fund follows a sustainable investing approach, combining rigorous financial analysis with equally rigorous environmental, social and governance (ESG) analysis in order to identify investments. It will invest primarily in equity securities of companies located around the world, including at least 40% of its net assets in securities of non-U.S. issuers, including those located in emerging markets. The fund invests in environmental markets-companies whose businesses and technologies focus on environmental markets.

**PAX World Balanced Fund<sup>2</sup>** - The investment seeks income and conservation of principal and long term growth of capital is the secondary objective. The Balanced Fund normally expects to invest approximately 60-75% of its assets in equity securities and approximately 25-40% of its assets in debt securities, though this allocation may vary somewhat depending on market conditions. The Fund may invest in equity securities of companies with any market capitalization. The Balanced Fund expects that the debt portion of its investment portfolio will consist primarily of debt securities, including mortgage-related securities, issued or guaranteed by the U.S. government or its agencies and instrumentalities with short-to intermediate-term maturities and corporate bonds that are, at the time of purchase, rated at least investment grade or unrated and determined by the Balanced Fund's portfolio manager to be of comparable quality.

**Vanguard FTSE Social Index Fund Inst** - (Large Blend) The investment seeks to track the performance of the FTSE4Good US Select Index.<sup>4</sup> The Index is comprised of large and mid-cap stocks that have been screened for certain social and environmental criteria by the Index sponsor, which is independent of Vanguard. The Fund attempts to replicate the Index by investing all, or substantially all, of its assets in the stocks that make up the Index.

**PIMCO Total Return III Inst<sup>1</sup> Fund<sup>6</sup>** - The investment seeks maximum total return, consistent with preservation of capital and prudent investment management. The Fund normally invests at least 65% of its total assets in a diversified portfolio of fixed income instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts, or swap agreements. It invests primarily in investment grade securities, but may invest up to 10% of its total assets in high yield securities. The Fund may invest up to 15% of its total assets in securities and instruments that are economically tied to emerging market countries.

## Fixed Investment Options and Objective

**Vermont Stable Value Fund** - Seeks a consistent return while minimizing the Fund's exposure to credit risk.

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<sup>7</sup> S&P 500® Index is a registered trademark of Standard & Poor's Financial Services LLC, and is an unmanaged index considered indicative of the domestic Large-Cap equity market.

<sup>8</sup> A bond fund's yield, share price and total return change daily and are based on changes in interest rates, market conditions, economic and political news and the quality and maturity of its investments. In general, bond prices fall when interest rates rise and vice versa.

<sup>9</sup> Specialty funds invest in a limited number of companies and are generally non-diversified. As a result, changes in market value of a single issuer could cause greater volatility than with a more diversified fund.

## Performance Returns for State of Vermont

Current performance may be lower or higher than performance data shown. Performance data quoted represents past performance and is not a guarantee or prediction of future results. For performance data current to the most recent month-end, please visit [www.vermont457.com](http://www.vermont457.com). The investment return and principal value of an investment will fluctuate so that, when redeemed, shares/units may be worth more or less than their original cost.

Please consider the investment objectives, risks, fees and expenses carefully before investing. For this and other important information you may obtain mutual fund prospectuses and disclosure documents from your registered representative. Read them carefully before investing.

Investment Options	Average Annual Performance as of 06/30/2017 <sup>10</sup>							Inception Date
	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Expense Ratio <sup>11</sup>	
T. Rowe Price Retirement 2050 Fund <sup>1,2</sup>	12.10%	19.15%	6.60%	12.00%	5.98%	6.53%	0.76%	12-29-06
T. Rowe Price Retirement 2040 Fund <sup>1,2</sup>	11.93%	18.85%	6.51%	11.93%	5.95%	9.69%	0.76%	09-30-02
T. Rowe Price Retirement 2030 Fund <sup>1,2</sup>	10.56%	16.29%	6.01%	11.01%	5.65%	9.44%	0.72%	09-30-02
T. Rowe Price Retirement 2020 Fund <sup>1,2</sup>	8.53%	12.67%	5.10%	9.27%	5.29%	8.69%	0.66%	09-30-02
T. Rowe Price Retirement 2010 Fund <sup>1,2</sup>	6.22%	8.69%	4.02%	7.10%	4.77%	7.63%	0.59%	09-30-02
T. Rowe Price Retirement Balanced Fund <sup>2</sup>	5.46%	7.69%	3.44%	3.86%	4.64%	6.35%	0.57%	09-30-02
Dodge & Cox International Stock Fund A <sup>3</sup>	14.51%	30.37%	0.64%	10.23%	2.34%	7.80%	0.64%	05-01-01
Lazard Emerging Markets Inst <sup>1,3</sup>	12.78%	19.32%	-1.60%	3.12%	2.49%	6.96%	1.09%	07-15-94
PAX World Global Envrnmntl Mkts Instl <sup>3</sup>	15.31%	22.93%	6.04%	13.10%	N/A	6.08%	1.04%	03-27-08
T. Rowe Price Small-Cap Stock Fund <sup>5</sup>	5.94%	20.74%	7.63%	13.84%	8.98%	12.99%	0.90%	06-01-56
Vanguard Mid Cap Index Fund Inst <sup>6</sup>	9.14%	17.25%	8.09%	14.79%	7.51%	9.91%	0.05%	05-21-98
American Funds Growth Fund of Amer R5	12.45%	21.82%	10.11%	15.88%	7.55%	8.78%	0.39%	05-15-02
Vanguard FTSE Social Index Fund Inst <sup>1</sup>	10.95%	21.47%	10.32%	16.51%	6.78%	8.28%	0.12%	01-14-03
Vanguard Institutional Index Fund	9.32%	17.86%	9.59%	14.60%	7.18%	9.68%	0.04%	07-31-90
Dodge & Cox Balanced Fund <sup>2</sup>	5.36%	20.02%	6.92%	12.72%	6.01%	9.84%	0.53%	06-26-31
PAX World Balanced Fund <sup>2</sup>	6.27%	9.54%	4.78%	8.32%	3.97%	8.25%	0.93%	11-30-71
Calvert Bond Fund A <sup>8</sup>	2.95%	1.83%	2.64%	2.76%	3.96%	6.23%	0.88%	08-24-87
FPA New Income Fund <sup>8</sup>	1.21%	2.33%	1.34%	1.40%	2.44%	6.92%	0.58%	04-01-69
PIMCO Total Return III Instl Fund <sup>8</sup>	2.97%	1.89%	2.45%	2.51%	5.65%	6.81%	0.55%	05-01-91
Vanguard Total Bond Market Index Inst <sup>8</sup>	2.40%	-0.43%	2.44%	2.15%	4.48%	5.26%	0.04%	09-18-95
Vermont Stable Value Fund <sup>12</sup>	1.11%	2.21%	2.19%	2.30%	N/A	2.52%	0.14%	12-31-10

The returns listed above are for the current Stable Value Fund managed by ICMA-RC. The underlying fund manager was changed on June 19<sup>th</sup> 2012. Your actual returns prior to June 19<sup>th</sup> 2012 may be different. A more detailed explanation of this change, and of changes that occurred to the Vermont Stable Value Fund, can be found on the "Retirement Systems" section of the Vermont State Treasurer's website at [www.vermonttreasurer.gov/retirement](http://www.vermonttreasurer.gov/retirement).

### Core securities, when offered, are offered through GWFS Equities, Inc. and/or other broker dealers.

Empower Retirement<sup>11</sup> refers to the products and services offered in the retirement markets by Great-West Life & Annuity Insurance Company (GWL&A), Corporate Headquarters: Greenwood Village, CO; Great-West Life & Annuity Insurance Company of New York, Home Office: White Plains, NY; and their subsidiaries and affiliates. The trademarks, logos, service marks, and design elements used are owned by GWL&A.

The average annual and calendar year returns for the mutual funds reflect actual total returns for each fund, net of fund operating expenses. Administrative fees will reduce the overall rate of return. Funds may impose redemption fees and/or transfer restrictions, if assets are held for less than the published holding period. For more information, see the fund's prospectus and/or disclosure documents. GWFS Equities, Inc., or one or more of its affiliates, may receive a fee from the investment option provider for providing certain recordkeeping, distribution and administrative services. Although data is gathered from reliable sources, including but not limited to Morningstar, Inc., the completeness or accuracy of the data cannot be guaranteed. Where data is obtained from Morningstar: ©2014 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

<sup>10</sup> The average annual and calendar year returns for the mutual funds reflect actual total returns for each fund, net of fund operating expenses. Administrative fees will reduce the overall rate of return.

<sup>11</sup> Actual fund operating expenses may be less if the fund currently offers a waiver or reimbursement of a portion of this expense.

<sup>12</sup> Please note that returns for the Vermont Stable Value Fund are annualized.

**Calendar Year<sup>9</sup>**

<b>Investment Options</b>	<b>Ticker</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>Inception Date</b>
T. Rowe Price Retirement 2050 Fund <sup>1,2</sup>	TRRMX	7.71%	0.19%	6.19%	25.90%	17.55%	09-30-02
T. Rowe Price Retirement 2040 Fund <sup>1,2</sup>	TRRDY	7.63%	0.17%	6.18%	25.93%	17.55%	09-30-02
T. Rowe Price Retirement 2030 Fund <sup>1,2</sup>	TRRCX	7.69%	-0.02%	6.05%	23.09%	16.82%	09-30-02
T. Rowe Price Retirement 2020 Fund <sup>1,2</sup>	TRRBX	7.41%	-0.31%	5.63%	18.05%	15.01%	09-30-02
T. Rowe Price Retirement 2010 Fund <sup>1,2</sup>	TRRAX	7.11%	-0.76%	4.99%	11.93%	12.44%	09-30-02
T. Rowe Price Retirement Balanced Fund <sup>2</sup>	TRRIX	6.48%	-0.74%	3.91%	9.15%	10.05%	09-30-02
Dodge & Cox International Stock Fund A <sup>3</sup>	DODFX	8.26%	-11.35%	0.08%	26.31%	21.03%	05-01-01
Lazard Emerging Markets Inst <sup>3</sup>	LZEMX	20.52%	-20.16%	-4.16%	-0.80%	22.36%	07-15-94
PAX World Global Environmtl Mkts Inst <sup>3</sup>	PGINX	10.91%	-1.21%	-2.53%	32.37%	19.47%	03-27-08
T. Rowe Price Small-Cap Stock Funds	OTCFX	18.57%	-3.18%	6.90%	37.65%	18.01%	06-01-56
Vanguard Mid-Cap Index Fund Inst <sup>6</sup>	VMCIX	11.23%	-1.33%	13.78%	35.17%	16.01%	05-21-98
American Fund Growth Fund of America R <sup>5</sup>	RGAFX	8.75%	5.65%	9.61%	34.20%	20.92%	05-15-02
Vanguard FTSE Social Index Fund Inst <sup>1</sup>	VFTNX	10.34%	1.27%	15.85%	37.09%	17.84%	01-14-03
Vanguard Institutional Index Fund	VINIX	11.93%	1.37%	13.65%	32.35%	15.98%	07-31-90
Dodge & Cox Balanced Fund <sup>2</sup>	DODBX	16.56%	-2.87%	8.87%	28.37%	18.32%	06-26-31
Pax World Balanced Fund <sup>2</sup>	PAXWX	5.79%	-0.53%	8.00%	16.34%	11.28%	11-30-71
Calvert Bond Fund A <sup>8</sup>	CSIBX	3.63%	0.01%	6.10%	-2.61%	7.67%	08-24-87
FPA New Income Funds	FPNIX	2.53%	0.15%	1.32%	0.67%	2.18%	04-01-69
PIMCO Total Return III Inst <sup>1</sup> Funds	PTSAX	2.96%	0.41%	4.54%	-2.07%	9.69%	05-01-91
Vanguard Total Bond Market Index Inst <sup>8</sup>	VBTIX	2.61%	0.41%	5.91%	-2.14%	4.18%	01-02-98
Vermont Stable Value Fund <sup>11</sup>	N/A	2.14%	2.19%	2.23%	2.44%	2.88%	01-02-98