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## Vermont State Teachers Retirement Plan



# Quarterly Plan Review

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

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# Plan Summary

## Total Assets

◆ Assets at June 30, 2017	\$94.05
◆ Less assets at March 31, 2017	<u>\$88.94</u>
◆ Asset change for the quarter	\$5.11

## Asset Components

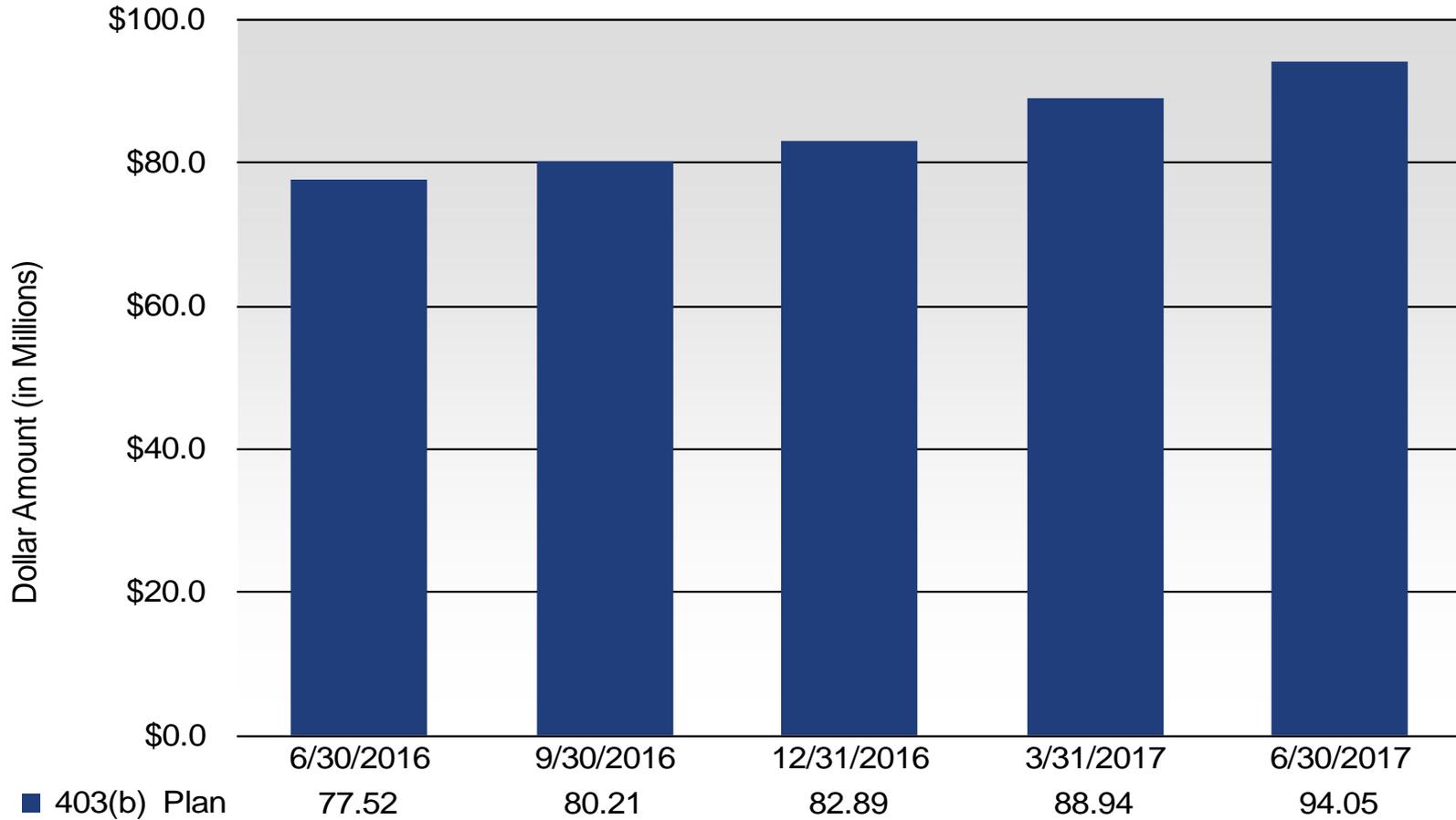
◆ Contributions for the quarter	\$3.69
◆ Less distributions for the quarter	-\$1.10
◆ Net investment gain for the quarter	<u>\$2.52</u>
◆ Asset change for the quarter	\$5.11

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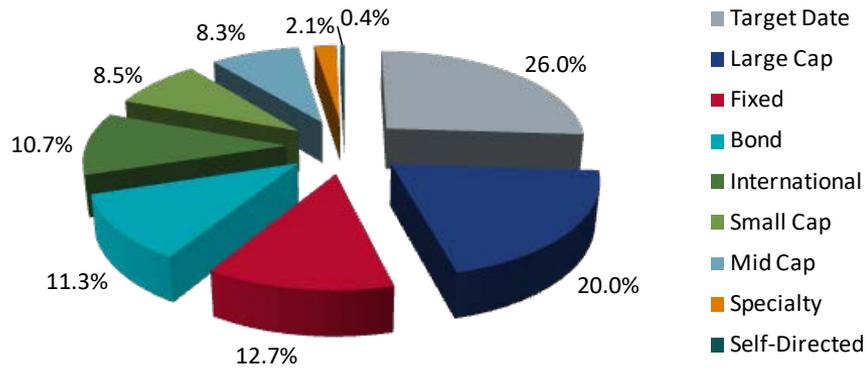
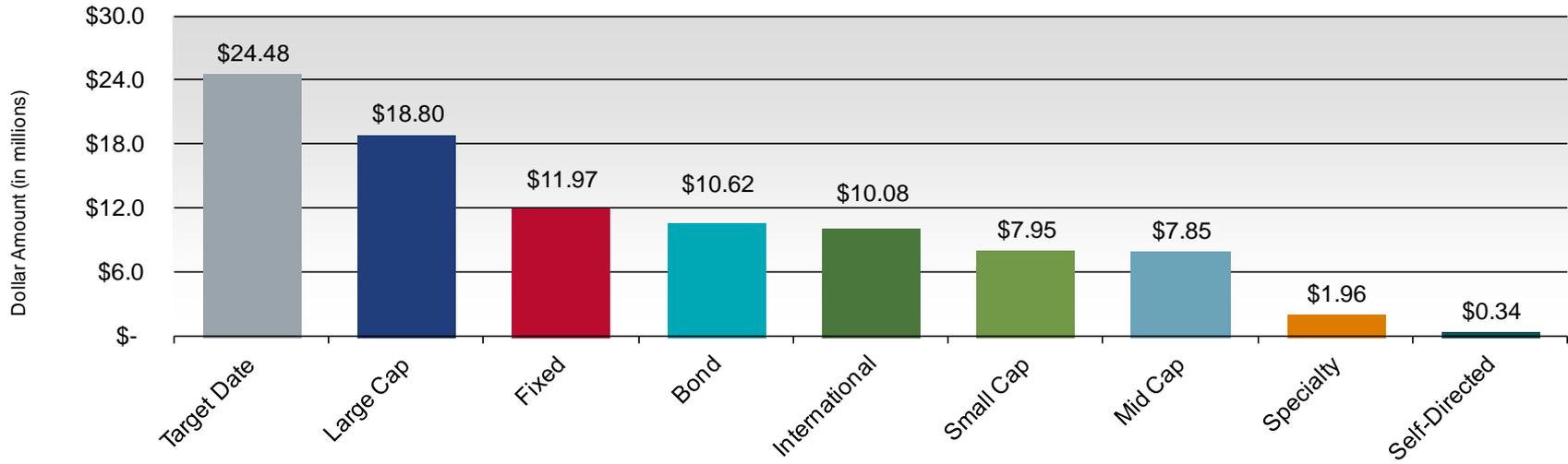
## Plan Summary

- ◆ Plan assets were at \$94.05 million as of June 30, 2017
- ◆ Plan assets grew by \$5.11 million (5.7%) from April 1, 2017 to June 30, 2017
- ◆ Contributions were \$3.69 million from April 1, 2017 to June 30, 2017
- ◆ From April 1, 2017 to June 30, 2017 there were 2,542 participants

# Asset Growth



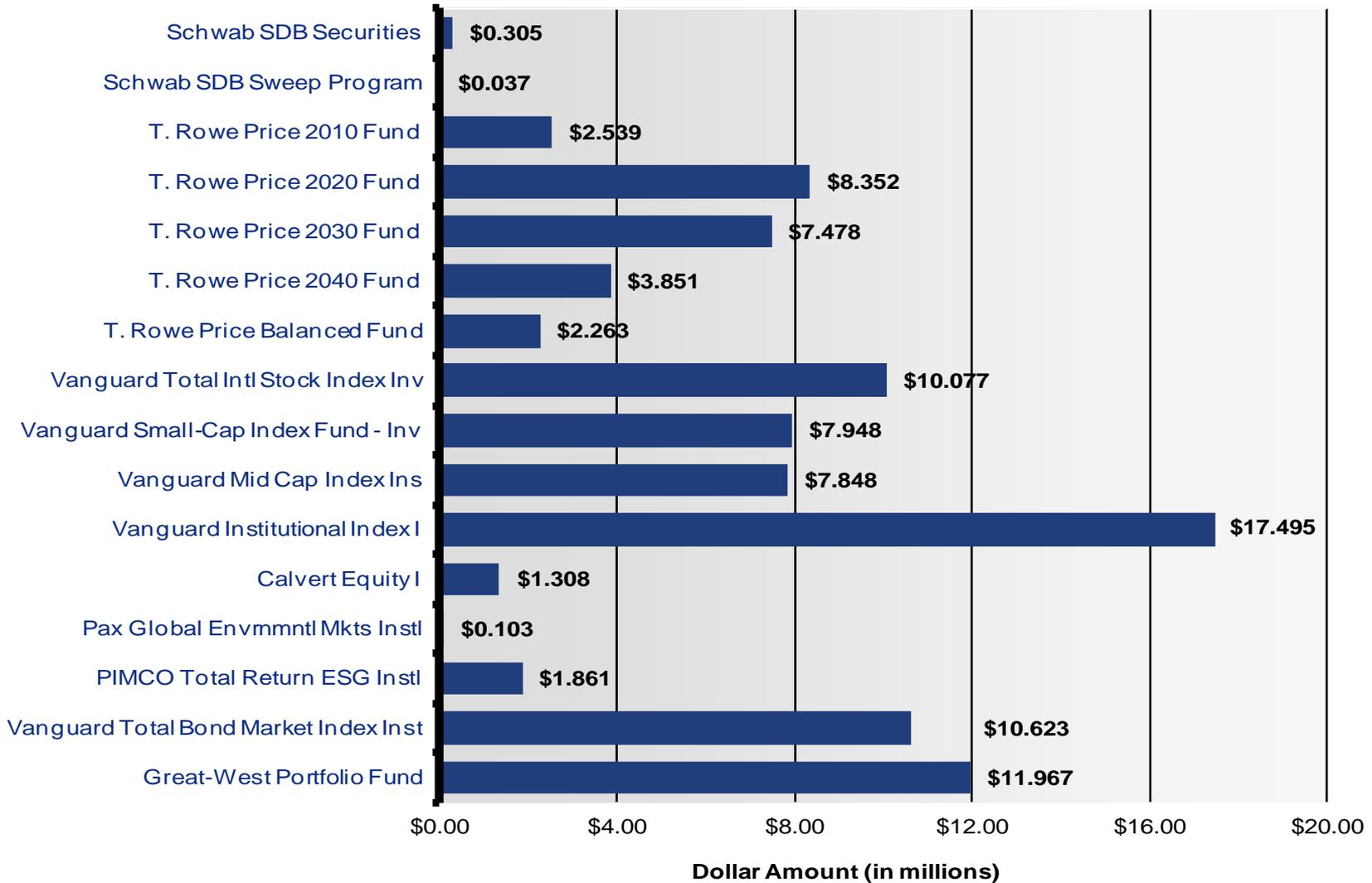
# Assets by Asset Class



## Percentage of Assets by Asset Class

<b>403(b) Plan</b>	Self Directed	Target Date	Internat'l	Small Cap	Mid Cap	Large Cap	Specialty	Bond	Fixed
4/1/2016 to 6/30/2016	0.4%	27.2%	8.7%	7.1%	9.6%	17.9%	6.4%	10.8%	11.9%
7/1/2016 to 9/30/2016	0.4%	27.3%	8.7%	6.7%	9.3%	17.9%	6.3%	12.3%	11.3%
10/1/2016 to 12/31/2016	0.4%	27.0%	8.4%	6.7%	9.5%	18.3%	5.4%	13.1%	11.3%
1/1/2017 to 3/31/2017	0.4%	26.5%	9.3%	7.2%	9.8%	19.5%	2.9%	12.7%	11.8%
4/1/2017 to 6/30/2017	0.4%	26.0%	10.7%	8.5%	8.3%	20.0%	2.1%	11.3%	12.7%

# Assets by Investment Options



# Asset Distribution by Fund

## Active Participants:

6/30/2016	<b>2,428</b>
9/30/2016	<b>2,473</b>
12/31/2016	<b>2,490</b>
3/31/2017	<b>2,499</b>
6/30/2017	<b>2,542</b>

## Average Account

### Balance per Participant:

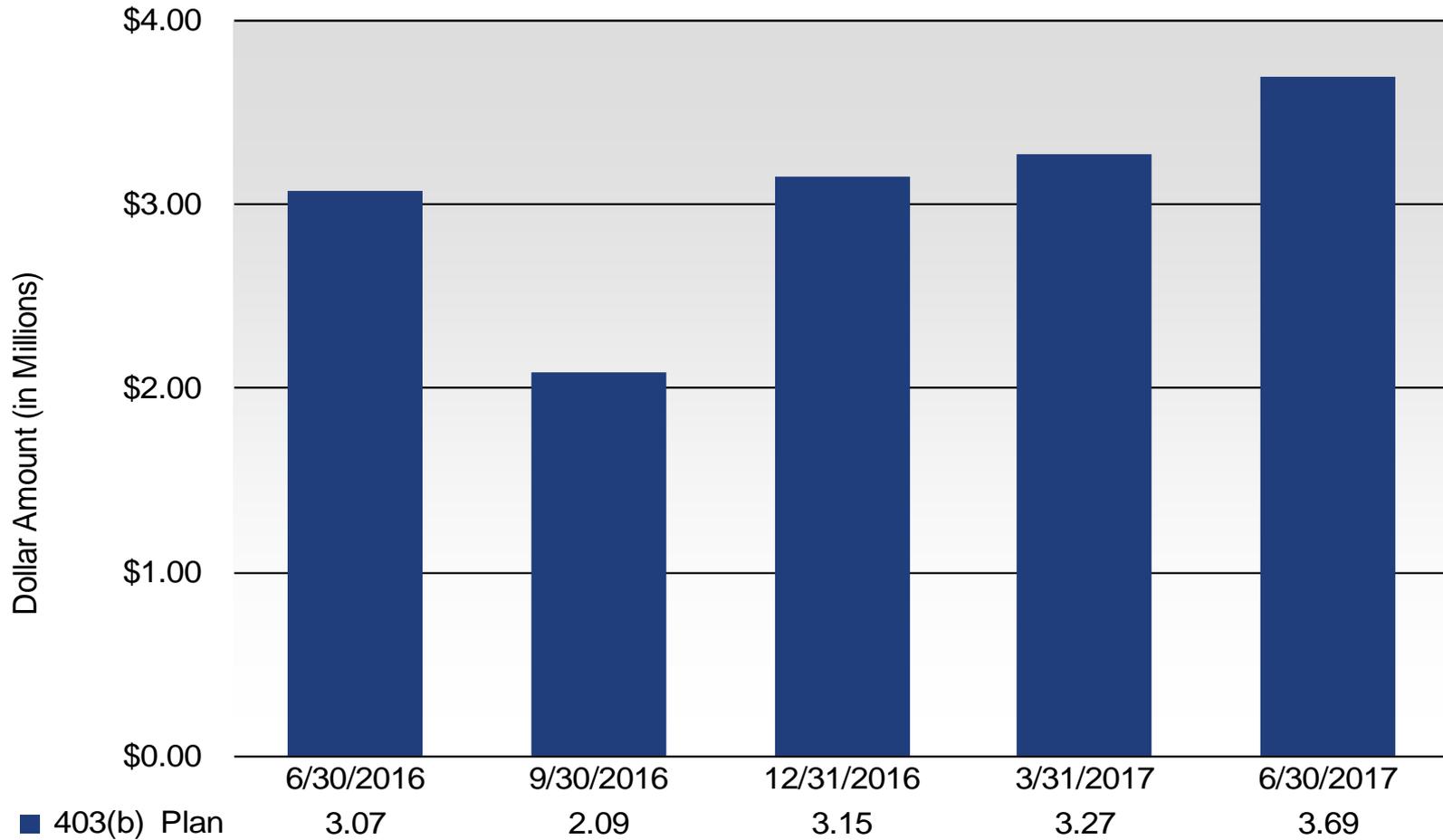
6/30/2016	<b>\$31,925</b>
9/30/2016	<b>\$32,434</b>
12/31/2016	<b>\$33,287</b>
3/31/2017	<b>\$35,590</b>
6/30/2017	<b>\$37,000</b>

## Average Number of Investment Options per Participant:

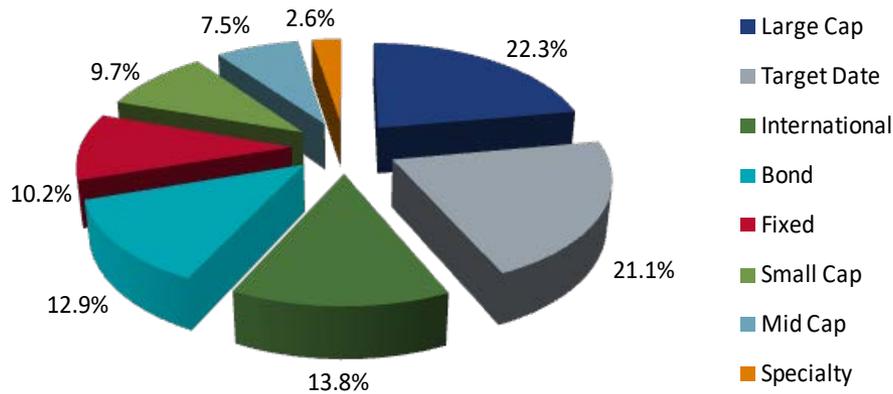
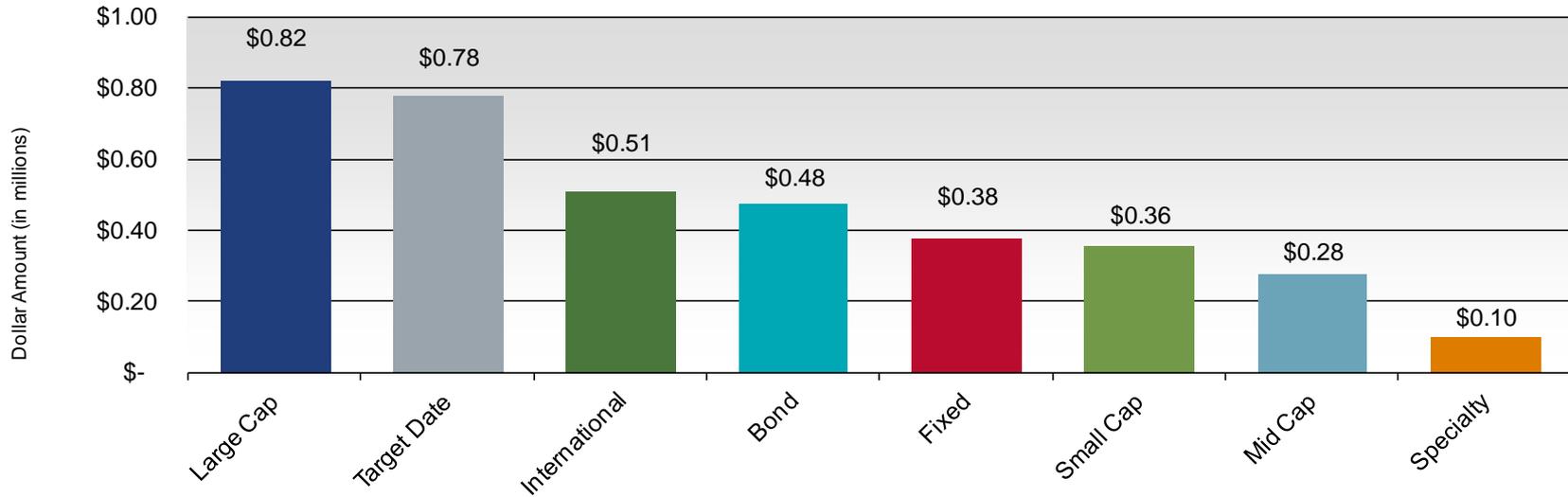
6/30/2016	<b>4.8</b>
9/30/2016	<b>4.9</b>
12/31/2016	<b>4.9</b>
3/31/2017	<b>4.8</b>
6/30/2017	<b>4.7</b>

Asset Class/Fund Name	3/31/2017			6/30/2017		
	Amount	Pct	Accts	Amount	Pct	Accts
<b>Self-Directed</b>						
Schw ab SDB Securities	294,939	0.3%	4	304,993	0.3%	4
Schw ab SDB Sw eep Program	34,817	0.0%	4	37,358	0.0%	4
	<b>329,756</b>	<b>0.4%</b>		<b>342,350</b>	<b>0.4%</b>	
<b>Target Date</b>						
T. Row e Price 2010 Fund	2,596,338	2.9%	74	2,538,970	2.7%	70
T. Row e Price 2020 Fund	8,247,866	9.3%	204	8,351,692	8.9%	199
T. Row e Price 2030 Fund	6,967,093	7.8%	208	7,478,271	8.0%	206
T. Row e Price 2040 Fund	3,552,757	4.0%	162	3,851,089	4.1%	162
T. Row e Price Balanced Fund	2,178,785	2.4%	151	2,262,707	2.4%	150
	<b>23,542,838</b>	<b>26.5%</b>		<b>24,482,729</b>	<b>26.0%</b>	
<b>International</b>						
Vanguard Total Intl Stock Index Inv	8,275,706	9.3%	1,573	10,076,605	10.7%	1,621
	<b>8,275,706</b>	<b>9.3%</b>		<b>10,076,605</b>	<b>10.7%</b>	
<b>Small-Cap</b>						
Vanguard Small-Cap Index Fund - Inv	6,368,719	7.2%	1,598	7,948,471	8.5%	1,644
	<b>6,368,719</b>	<b>7.2%</b>		<b>7,948,471</b>	<b>8.5%</b>	
<b>Mid-Cap</b>						
Vanguard Mid Cap Index Ins	8,714,892	9.8%	1,666	7,847,859	8.3%	1,713
	<b>8,714,892</b>	<b>9.8%</b>		<b>7,847,859</b>	<b>8.3%</b>	
<b>Large-Cap</b>						
Vanguard Institutional Index I	16,154,678	18.2%	1,614	17,494,513	18.6%	1,661
	<b>16,154,678</b>	<b>18.2%</b>		<b>17,494,513</b>	<b>18.6%</b>	
<b>Specialty</b>						
Calvert Equity I	1,224,433	1.4%	145	1,308,120	1.4%	143
Pax Global Envrnmtl Mkts Instl	911,409	1.0%	771	102,511	0.1%	43
PIMCO Total Return ESG Instl	1,652,595	1.9%	1,136	1,861,343	2.0%	1,146
	<b>3,788,438</b>	<b>4.3%</b>		<b>3,271,974</b>	<b>3.5%</b>	
<b>Bond</b>						
Vanguard Total Bond Market Index Inst	11,291,240	12.7%	1,496	10,622,985	11.3%	1,544
	<b>11,291,240</b>	<b>12.7%</b>		<b>10,622,985</b>	<b>11.3%</b>	
<b>Fixed</b>						
Great-West Portfolio Fund	10,472,883	11.8%	1,248	11,966,741	12.7%	1,536
	<b>10,472,883</b>	<b>11.8%</b>		<b>11,966,741</b>	<b>12.7%</b>	
	<b>88,939,150</b>	<b>100.0%</b>		<b>94,054,227</b>	<b>100.0%</b>	

# Contribution History



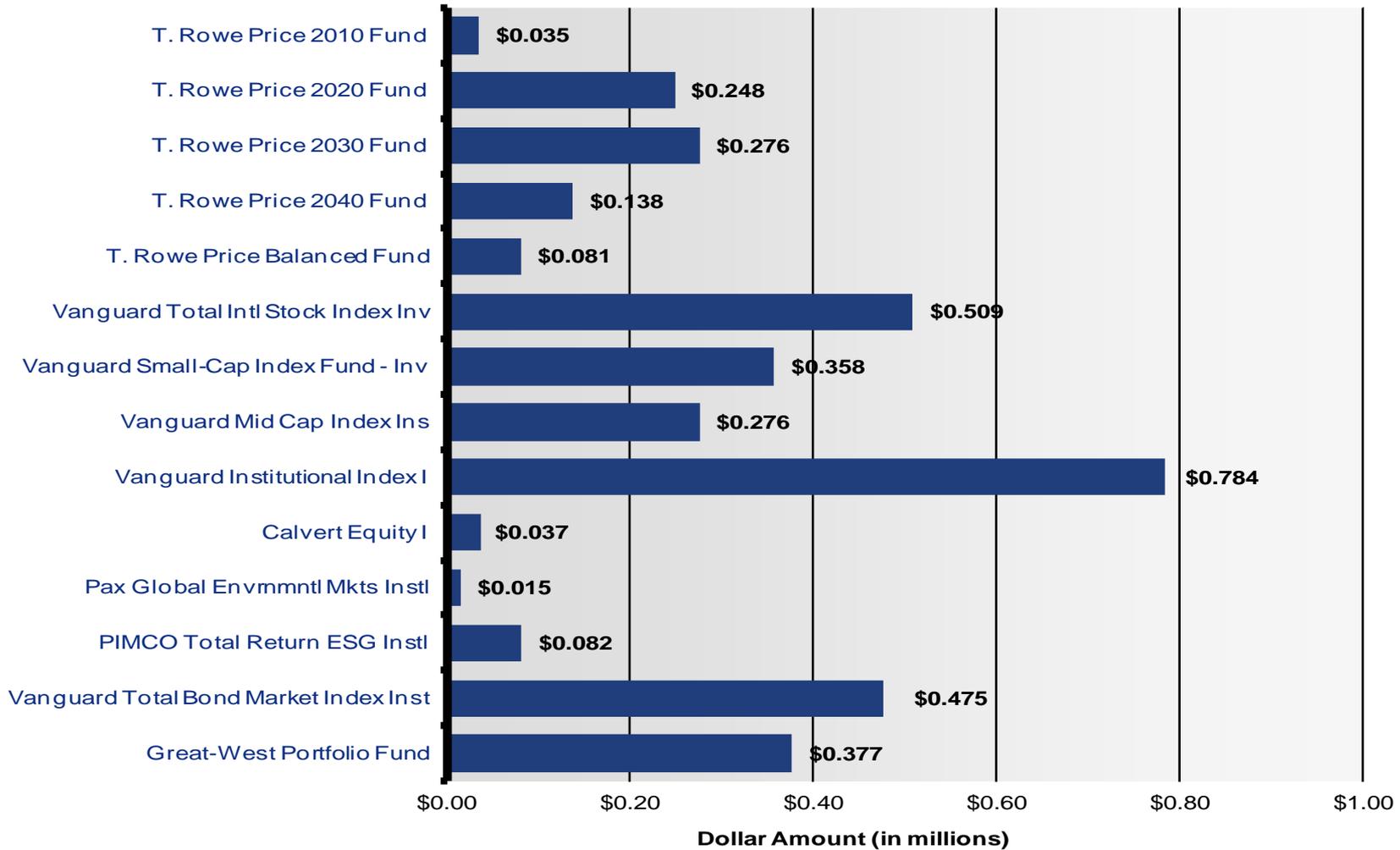
# Contribution by Asset Class



## Percentage of Contributions by Asset Class

<b>403(b) Plan</b>	Target Date	Internat'l	Small Cap	Mid Cap	Large Cap	Specialty	Bond	Fixed
4/1/2016 to 6/30/2016	24.3%	11.8%	7.6%	9.6%	18.8%	6.6%	11.4%	9.8%
7/1/2016 to 9/30/2016	26.3%	11.2%	7.3%	9.5%	19.0%	5.3%	12.9%	8.4%
10/1/2016 to 12/31/2016	26.0%	11.2%	8.5%	8.2%	17.9%	5.6%	14.8%	7.7%
1/1/2017 to 3/31/2017	17.3%	12.5%	6.6%	10.5%	21.8%	5.4%	19.0%	6.8%
4/1/2017 to 6/30/2017	21.1%	13.8%	9.7%	7.5%	22.3%	2.6%	12.9%	10.2%

# Contributions by Investment Option



# Contributions by Fund

## Contributing Participants:

6/30/2016	<b>1,753</b>
9/30/2016	<b>1,719</b>
12/31/2016	<b>1,735</b>
3/31/2017	<b>1,750</b>
6/30/2017	<b>1,796</b>

## Average

### Contributions per Participant:

6/30/2016	<b>\$1,750</b>
9/30/2016	<b>\$1,216</b>
12/31/2016	<b>\$1,816</b>
3/31/2017	<b>\$1,871</b>
6/30/2017	<b>\$2,055</b>

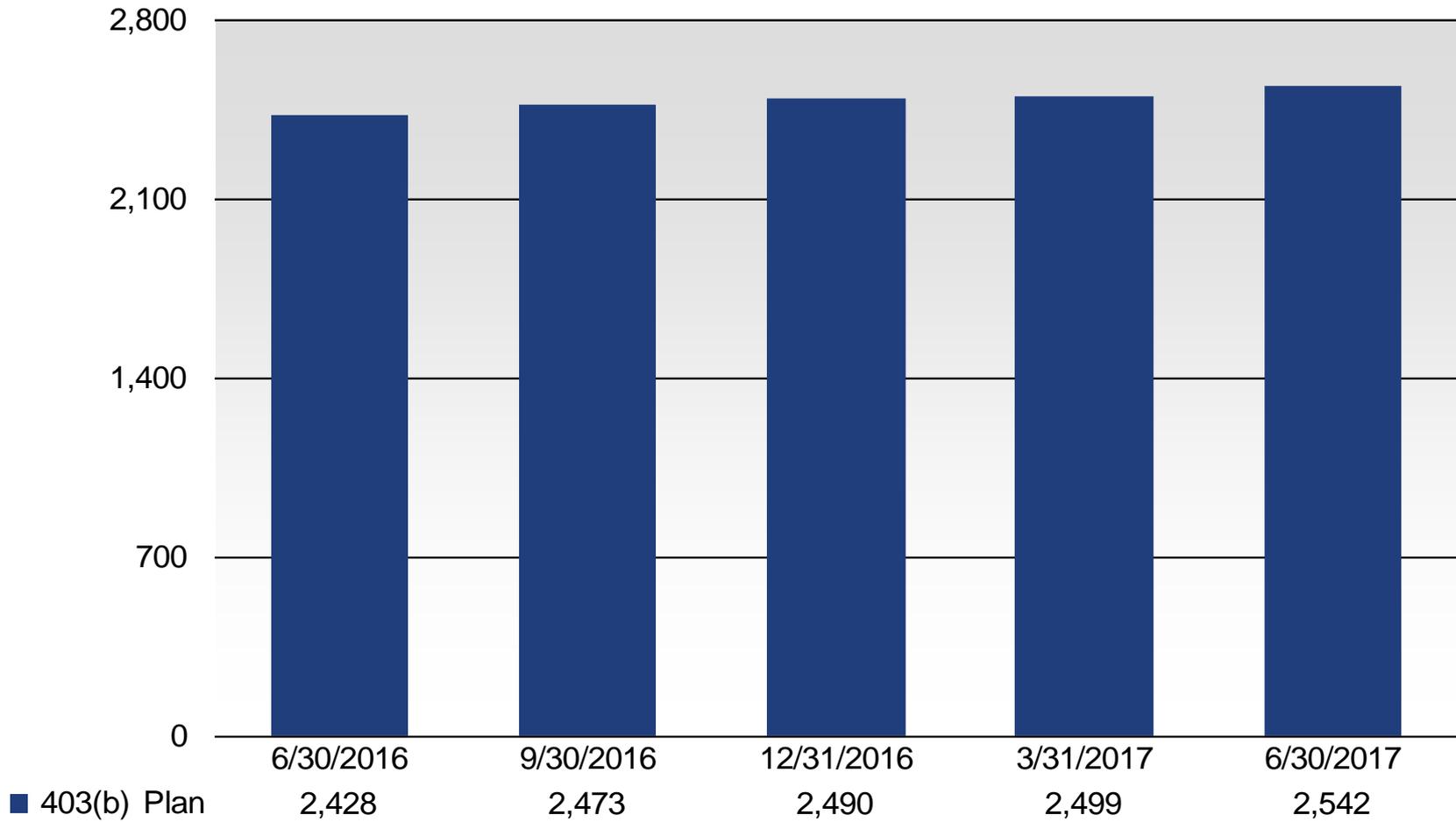
### Average Number of Investment Options per Participant:

6/30/2016	<b>5.0</b>
9/30/2016	<b>5.6</b>
12/31/2016	<b>5.0</b>
3/31/2017	<b>4.9</b>
6/30/2017	<b>4.7</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	35,191	1.1%	37	35,372	1.0%	34
T. Rowe Price 2020 Fund	182,914	5.6%	143	248,337	6.7%	145
T. Rowe Price 2030 Fund	197,329	6.0%	154	275,696	7.5%	153
T. Rowe Price 2040 Fund	96,722	3.0%	109	137,857	3.7%	112
T. Rowe Price Balanced Fund	55,656	1.7%	68	80,984	2.2%	65
	<b>567,812</b>	<b>17.3%</b>		<b>778,245</b>	<b>21.1%</b>	
<b>International</b>						
Vanguard Total Intl Stock Index Inv	408,899	12.5%	1,174	508,825	13.8%	1,223
	<b>408,899</b>	<b>12.5%</b>		<b>508,825</b>	<b>13.8%</b>	
<b>Small-Cap</b>						
Vanguard Small-Cap Index Fund - Inv	216,995	6.6%	1,198	357,613	9.7%	1,247
	<b>216,995</b>	<b>6.6%</b>		<b>357,613</b>	<b>9.7%</b>	
<b>Mid-Cap</b>						
Vanguard Mid Cap Index Ins	342,770	10.5%	1,233	275,680	7.5%	1,284
	<b>342,770</b>	<b>10.5%</b>		<b>275,680</b>	<b>7.5%</b>	
<b>Large-Cap</b>						
Vanguard Institutional Index I	704,035	21.5%	1,203	783,977	21.2%	1,255
	<b>704,035</b>	<b>21.5%</b>		<b>783,977</b>	<b>21.2%</b>	
<b>Specialty</b>						
Calvert Equity I	10,055	0.3%	101	37,483	1.0%	101
Pax Global Envrnmntl Mkts Instl	103,406	3.2%	918	15,317	0.4%	469
PIMCO Total Return ESG Instl	55,179	1.7%	131	82,090	2.2%	205
Calvert Equity Portfolio A	18,619	0.6%	102	0	0.0%	-
	<b>187,260</b>	<b>5.7%</b>		<b>134,891</b>	<b>3.7%</b>	
<b>Bond</b>						
Vanguard Total Bond Market Index Inst	622,631	19.0%	1,085	475,247	12.9%	1,136
	<b>622,631</b>	<b>19.0%</b>		<b>475,247</b>	<b>12.9%</b>	
<b>Fixed</b>						
Great-West Portfolio Fund	223,592	6.8%	841	376,999	10.2%	1,093
	<b>223,592</b>	<b>6.8%</b>		<b>376,999</b>	<b>10.2%</b>	
	<b>3,273,993</b>	<b>100.0%</b>		<b>3,691,478</b>	<b>100.0%</b>	

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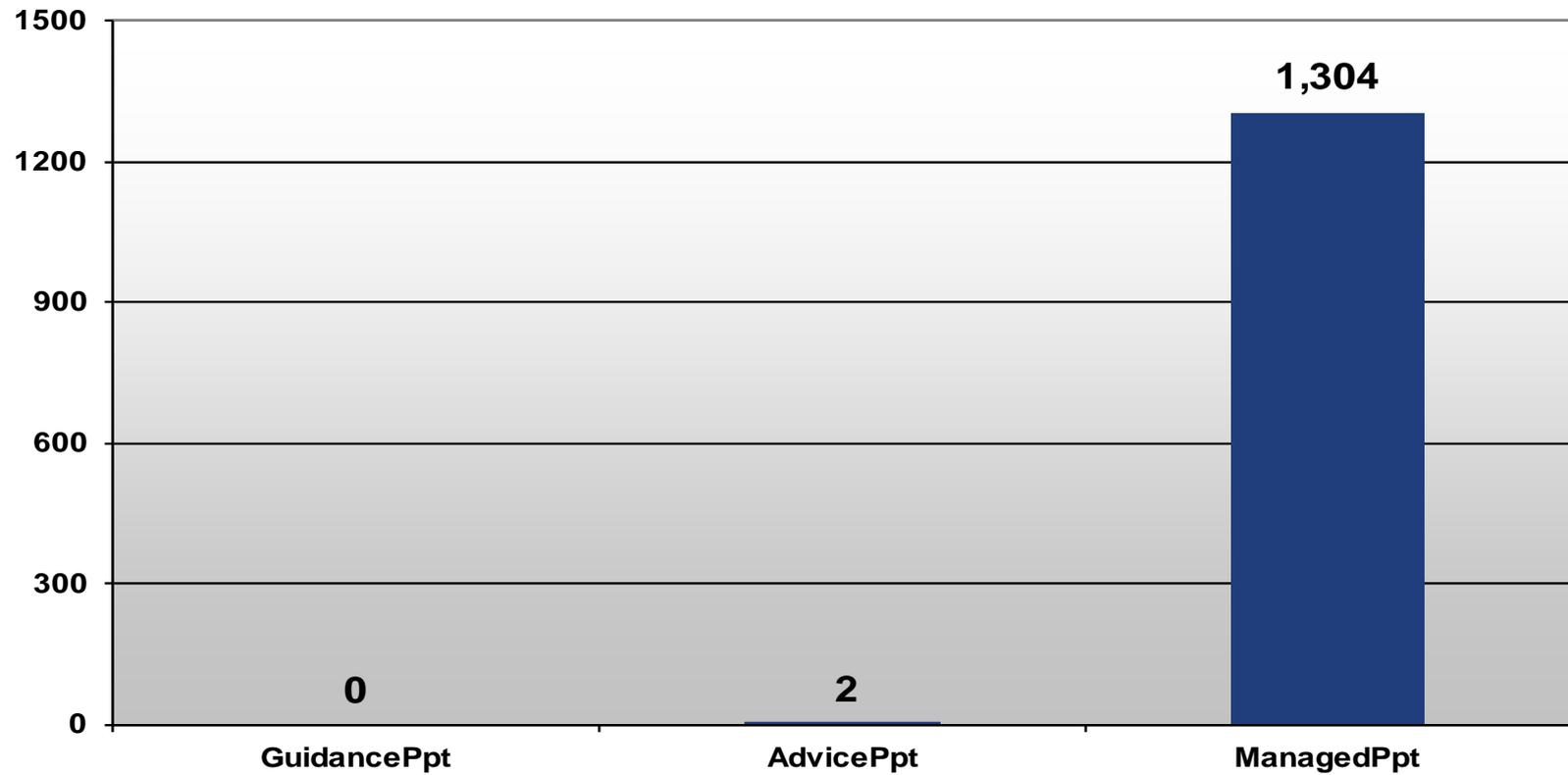
# Plan Participation



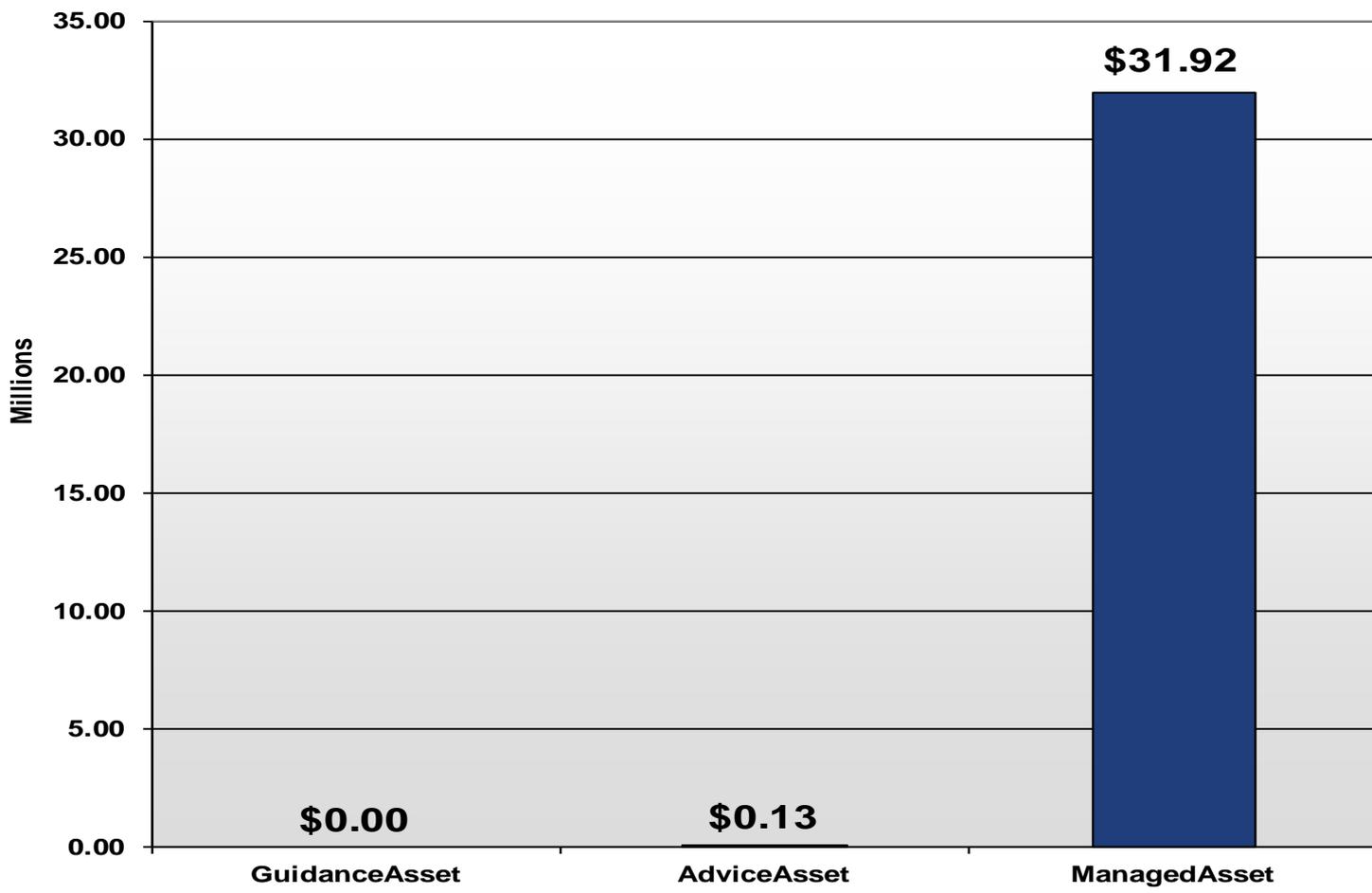
# Benefit Payment Distribution

	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	444,911	47.7%	6	174,392	15.8%	8
Separation of Service	179,011	19.2%	8	630,755	57.1%	17
<b>Total Full Withdrawals:</b>	<b>623,922</b>	<b>67.0%</b>	<b>14</b>	<b>805,146</b>	<b>72.9%</b>	<b>25</b>
<b><u>Partial Withdrawals</u></b>						
Age 59½	151,221	16.2%	4	172,380	15.6%	6
Contribution Exchange	39,443	4.2%	1	19,126	1.7%	1
Hardship	7,323	0.8%	2	14,402	1.3%	4
Loan	7,060	0.8%	1	10,100	0.9%	2
Minimum Distribution	0	0.0%	0	15,122	1.4%	3
Retirement	35,000	3.8%	2	6,649	0.6%	1
Separation of Service	0	0.0%	0	12,571	1.1%	3
Service Credit	40,000	4.3%	1	23,121	2.1%	3
<b>Total Partial Withdrawals:</b>	<b>280,047</b>	<b>30.1%</b>	<b>11</b>	<b>273,470</b>	<b>24.8%</b>	<b>23</b>
<b><u>Periodic Payments</u></b>						
Beneficiary Payment	2,550	0.3%	1	2,550	0.2%	1
Minimum Distribution	3,334	0.4%	5	6,114	0.6%	6
Retirement	21,925	2.4%	8	17,625	1.6%	8
<b>Total Periodic Payments:</b>	<b>27,809</b>	<b>3.0%</b>	<b>14</b>	<b>26,289</b>	<b>2.4%</b>	<b>15</b>
	<b>931,778</b>	<b>100.0%</b>	<b>39</b>	<b>1,104,905</b>	<b>100.0%</b>	<b>63</b>

## Service Utilization by Number of Participants



## Service Utilization by Assets



# 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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# FUND PERFORMANCE REVIEW

## **Vermont State Teachers Retirement System 403(b) Investment Program**

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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# FUND PERFORMANCE REVIEW



## IMPORTANT DISCLOSURES:

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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: Vermont State Teachers Retirement System 403(b) Investment Program

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> World Small/Mid Stock	PGINX	Pax Global Environmental Mkts Instl	63.5	65.5	61.5	4	Above	0	0 out of 12	Pass
<b>Large-Cap</b> Large Growth	CEYIX	Calvert Equity I	65.4	48.3	82.5	4	Above	0	0 out of 12	Pass
<b>Asst All/Other</b> Allocation--30% to 50% Equity Target-Date 2000-2010 Target-Date 2020 Target-Date 2030 Target-Date 2040 Target-Date 2050 Target-Date 2060+	TRRIX	T. Rowe Price Retirement Balanced	60.2	57.3	63.0	3	Above	0	0 out of 12	Pass
	TRRAX	T. Rowe Price Retirement 2010	76.9	89.3	64.5	4	Above	0	0 out of 12	N/A
	TRRBX	T. Rowe Price Retirement 2020	84.7	97.3	72.0	5	Above	0	0 out of 12	N/A
	TRRCX	T. Rowe Price Retirement 2030	90.1	95.7	84.5	5	Above	0	0 out of 12	N/A
	TRRDY	T. Rowe Price Retirement 2040	91.8	96.0	87.5	5	Above	0	0 out of 12	N/A
	TRRMX	T. Rowe Price Retirement 2050	92.1	94.7	89.5	5	Above	0	0 out of 12	N/A
	TRRLX	T. Rowe Price Retirement 2060	92.0	97.0	87.0	5	Above	0	0 out of 12	N/A
<b>Bond</b> Intermediate-Term Bond	PTSAX	PIMCO Total Return ESG Institutional	54.8	69.7	40.0	4	Above	0	0 out of 12	Pass
<b>Index Funds</b> Foreign Large Blend Small Blend Mid-Cap Blend Large Blend Intermediate-Term Bond	VGTSX	Vanguard Total Intl Stock Index Inv (Idx)	48.3	51.0	45.5	3	N/A	N/A	0 out of 12	Pass
	NAESX	Vanguard Small Cap Index Inv (Idx)	72.0	68.0	76.0	4	N/A	N/A	0 out of 12	Pass
	VMCIX	Vanguard Mid Cap Index Institutional (Idx)	82.4	77.3	87.5	4	N/A	N/A	0 out of 12	Pass
	VINIX	Vanguard Institutional Index I (Idx)	87.8	84.0	91.5	4	N/A	N/A	0 out of 12	Pass
	VBPIX	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>

Please refer to the Appendix page for additional disclosures.

## Return Analysis:

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>	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>Large-Cap</b>	Large Growth Peer Group	5.01	50	20.12	50	9.31	50	14.23	50	7.71	50	
	Calvert Equity I	5.48	61	15.58	12	9.23	49	13.44	35	8.09	61	11/1/1999
<b>Asst All/Other</b>	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
	Target-Date 2060+ Peer Group	3.78	50	16.69	50	5.92	50	11.20	50	N/A	50	
T. Rowe Price Retirement 2060	4.80	99	19.10	97	6.59	97	N/A	N/A	N/A	N/A	6/23/2014	
<b>Bond</b>	Intermediate-Term Bond Peer Group	1.48	50	0.72	50	2.28	50	2.44	50	4.50	50	
	PIMCO Total Return ESG Institutional	1.52	55	1.89	78	2.45	61	2.51	54	5.65	94	5/1/1991
<b>Index Funds</b>	Vanguard Total Intl Stock Index Inv (Idx)	5.83	24	20.01	63	1.28	55	7.60	39	1.13	59	4/29/1996
	Vanguard Small Cap Index Inv (Idx)	1.92	54	19.00	24	6.65	54	13.98	66	7.69	84	10/3/1960
	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 Institutional Index I (Idx)	3.08	64	17.86	58	9.59	91	14.60	80	7.18	81	7/31/1990
	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<sup>®</sup> Direct<sup>SM</sup>

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## Sharpe Ratio and Expense Analysis:

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>	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
<b>Large-Cap</b>	Large Growth Peer Group	0.81	50	1.26	50	11.61	10.92	0.99	50	
	Calvert Equity I	0.94	81	1.39	84	9.64	9.27	0.70	84	2
<b>Asst All/Other</b>	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
	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
	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
	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
	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
	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
	Target-Date 2060+ Peer Group	0.62	50	1.25	50	9.39	8.70	0.79	50	
	T. Rowe Price Retirement 2060	0.68	87	N/A	N/A	9.68	N/A	0.76	54	3
<b>Bond</b>	Intermediate-Term Bond Peer Group	0.72	50	0.78	50	2.86	2.94	0.69	50	
	PIMCO Total Return ESG Institutional	0.69	44	0.70	36	3.21	3.34	0.50	76	3
<b>Index Funds</b>	Vanguard Total Intl Stock Index Inv (Idx)	0.14	54	0.69	37	11.79	11.23	0.18	95	9
	Vanguard Small Cap Index Inv (Idx)	0.53	68	1.12	84	13.27	12.19	0.18	97	1
	Vanguard Mid Cap Index Institutional (Idx)	0.73	87	1.36	88	11.24	10.44	0.05	99	19
	Vanguard Institutional Index I (Idx)	0.91	91	1.46	92	10.35	9.56	0.04	98	17
	Vanguard Total Bond Market Index I (Idx)	0.71	47	0.66	30	3.12	3.00	0.04	98	4

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:

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>	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>Large-Cap</b>	Large Growth Peer Group	2.83	4.62	10.56	34.58	15.64						
	Calvert Equity I	2.71	4.19	11.57	31.17	16.14	-0.24	0.85	95	44	94	38%
<b>Asst All/Other</b>	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%
	Target-Date 2060+ Peer Group	8.51	-1.25	6.07	24.35	14.99						
	T. Rowe Price Retirement 2060	7.63	0.24	N/A	N/A	N/A	1.31	0.95	97	27	19	88%
<b>Bond</b>	Intermediate-Term Bond Peer Group	2.96	0.06	5.57	-1.69	6.61						
	PIMCO Total Return ESG Institutional	2.96	0.41	4.54	-2.07	9.69	-0.10	0.73	80	557	667	67%
<b>Index Funds</b>	Vanguard Total Intl Stock Index Inv (Idx)	4.65	-4.37	-4.24	15.04	18.14	0.48	0.94	98	3	6108	8%
	Vanguard Small Cap Index Inv (Idx)	18.17	-3.78	7.37	37.62	18.04	0.30	0.93	99	14	1437	3%
	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 Institutional Index I (Idx)	11.93	1.37	13.65	32.35	15.98	-0.02	1.00	100	5	512	19%
	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 Ndrtr_D	20.27	1.15	8.69	1.03	1.00	-0.81	-4.90	22.78	17.32
	MSCI World Ndrtr_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 Ndrtr_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 Ndrtr_D	Includes all 23 MSCI developed market countries. Ndrtr_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>

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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.*



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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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The principal underwriter of Great-West Funds, Inc. is GWFS Equities, Inc., Member FINRA/SIPC. Great-West Capital Management, LLC (GWCM) is the investment adviser. GWFS Equities, Inc., GWCM are subsidiaries of GWL&A. The Great-West Lifetime Funds, Great-West SecureFoundation Lifetime Funds, Great-West SecureFoundation Balanced Fund, and the Great-West Profile Funds may invest in funds advised by GWCM, funds that are sub-advised by affiliated and unaffiliated sub-advisers retained by GWCM or funds that are advised by affiliated and unaffiliated investment advisers of GWCM or in a fixed-interest contract issued and guaranteed by GWL&A.

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.

# Franklin Northeast Supervisory Union 403(b) Plan - 96520-01

## Non-Standardized Investment Performance as of 06/30/2017



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.VTRetirementSavings.com](http://www.VTRetirementSavings.com).

Please consider the investment objectives, risks, fees and expenses carefully before investing. For this and other important information about investments offered through your plan, you may obtain mutual fund prospectuses for registered investment options and/or disclosure documents from your registered representative or Plan website. For prospectuses related to investments in your Self-Directed Brokerage Account (SDBA), contact your SDBA provider. Read them carefully before investing.

For additional fund information, please refer to the Fund Fact Sheet or Prospectus.

INVESTMENT OPTION	Ticker	Gross/Net Expense Ratio	Inception Date	Returns as of Month Ending 06/30/2017						Returns as of Quarter Ending 06/30/2017					Calendar Year Returns		
				1 Month YTD	1 Year	3 Year	5 Year	10 Year/ Since Inception	3 Month	1 Year	3 Year	5 Year	10 Year/ Since Inception	2016	2015	2014	
<b>Asset Allocation</b>																	
T. Rowe Price 2010 Fund <sup>2,16</sup>	TRRAX	0.59 / 0.59	09-30-2002	0.22	6.22	8.69	4.02	7.10	4.77	2.39	8.69	4.02	7.10	4.77	7.11	-0.76	4.99
T. Rowe Price 2020 Fund <sup>2,16</sup>	TRRBX	0.66 / 0.66	09-30-2002	0.41	8.53	12.67	5.10	9.27	5.29	3.36	12.67	5.10	9.27	5.29	7.41	-0.31	5.63
T. Rowe Price 2030 Fund <sup>2,16</sup>	TRRCX	0.72 / 0.72	09-30-2002	0.57	10.56	16.29	6.01	11.01	5.65	4.23	16.29	6.01	11.01	5.65	7.69	-0.02	6.05
T. Rowe Price 2040 Fund <sup>2,16</sup>	TRRDY	0.76 / 0.76	09-30-2002	0.66	11.93	18.85	6.51	11.93	5.95	4.72	18.85	6.51	11.93	5.95	7.63	0.17	6.18
T. Rowe Price 2050 Fund <sup>2,16</sup>	TRRMX	0.76 / 0.76	12-29-2006	0.68	12.10	19.15	6.60	12.00	5.98	4.84	19.15	6.60	12.00	5.98	7.71	0.19	6.19
T. Rowe Price 2060 Fund <sup>2,16</sup>	TRRLX	0.76 / 0.76	06-23-2014	0.62	12.03	19.10	6.59	N/A	6.58	4.80	19.10	6.59	N/A	6.58	7.63	0.24	N/A
T. Rowe Price Balanced Fund <sup>2,16</sup>	TRRIX	0.57 / 0.57	09-30-2002	0.18	5.46	7.69	3.44	5.86	4.64	2.00	7.69	3.44	5.86	4.64	6.48	-0.74	3.91
<b>International</b>																	
Pax Global Envrnmntl Mkts Instl <sup>6,15,16</sup>	PGINX	1.04 / 0.98	03-27-2008	0.70	15.31	22.93	6.04	13.10	6.08	8.04	22.93	6.04	13.10	6.08	10.91	-1.21	-2.53
Vanguard Total Intl Stock Index Inv <sup>6,16</sup>	VGTSX	0.18 / 0.18	04-29-1996	0.52	14.72	20.01	1.28	7.60	1.13	5.83	20.01	1.28	7.60	1.13	4.65	-4.37	-4.24
MSCI EAFE Index <sup>1,3,5,10</sup>	N/A	- / -		-0.18	13.81	20.27	1.15	8.69	1.03	6.12	20.27	1.15	8.69	1.03	1.00	-0.81	-4.90
<b>Small Cap</b>																	
Vanguard Small-Cap Index Fund - Inv <sup>7,16</sup>	NAESX	0.18 / 0.18	10-03-1960	2.24	5.70	19.00	6.65	13.98	7.69	1.92	19.00	6.65	13.98	7.69	18.17	-3.78	7.37
Russell 2000 Index <sup>1,3,5,13</sup>	N/A	- / -		3.46	4.99	24.60	7.36	13.70	6.92	2.46	24.60	7.36	13.70	6.92	21.31	-4.41	4.89
<b>Mid Cap</b>																	
Vanguard Mid Cap Index Ins <sup>9,16</sup>	VMCIX	0.05 / 0.05	05-21-1998	0.64	9.14	17.25	8.09	14.79	7.51	2.78	17.25	8.09	14.79	7.51	11.23	-1.33	13.78
S & P MidCap 400 Index <sup>1,3,5,12</sup>	N/A	- / -		1.62	5.99	18.57	8.53	14.92	8.56	1.97	18.57	8.53	14.92	8.56	20.74	-2.18	9.77
<b>Large Cap</b>																	
Calvert Equity I <sup>16</sup>	CEYIX	0.72 / 0.70	11-01-1999	-0.53	12.88	15.58	9.23	13.44	8.09	5.48	15.58	9.23	13.44	8.09	2.71	4.19	11.57
Vanguard Institutional Index I <sup>16</sup>	VINIX	0.04 / 0.04	07-31-1990	0.62	9.32	17.86	9.59	14.60	7.18	3.08	17.86	9.59	14.60	7.18	11.93	1.37	13.65

## Franklin Northeast Supervisory Union 403(b) Plan - 96520-01 (Continued)

INVESTMENT OPTION	Ticker	Gross/Net Expense Ratio	Inception Date	Returns as of Month Ending 06/30/2017					Returns as of Quarter Ending 06/30/2017					Calendar Year Returns			
				1 Month YTD	1 Year	3 Year	5 Year	10 Year/ Since Inception	3 Month Year	1 Year	3 Year	5 Year	10 Year/ Since Inception	2016	2015	2014	
S & P 500 Index <sup>1,3,5,11</sup>	N/A	- / -		0.62	9.34	17.90	9.61	14.63	7.18	3.09	17.90	9.61	14.63	7.18	11.96	1.38	13.69
<b>Bond</b>																	
PIMCO Total Return ESG Instl <sup>8,16</sup>	PTSAX	0.55 / 0.50	05-01-1991	0.05	2.97	1.89	2.45	2.51	5.65	1.52	1.89	2.45	2.51	5.65	2.96	0.41	4.54
Vanguard Total Bond Market Index Inst <sup>8,16</sup>	VBPIX	0.04 / 0.04	09-18-1995	0.02	2.40	-0.43	2.44	2.15	4.48	1.48	-0.43	2.44	2.15	4.48	2.61	0.41	5.91
Barclays Capital Aggregate Bond Index <sup>1,3,5,14</sup>	N/A	- / -		-0.10	2.27	-0.31	2.48	2.21	4.48	1.45	-0.31	2.48	2.21	4.48	2.65	0.55	5.97
<b>Current Fixed Rate(s)</b>																	
Great-West Portfolio Fund: <sup>4,17</sup>																	1.35%

These returns and fund operating expenses are expressed as percentages. 3, 5 and 10 Year/Since Inception returns shown are annualized. For 10 Year/Since Inception, if the fund was not in existence for 10 years, returns shown are since inception. If the fund is less than one year old, returns are not annualized.

Performance returns reflect deduction for fund operating expenses. Your Plan may also assess an administrative fee which would further reduce the performance shown above.

For information related to investments in your Self-Directed Brokerage (SDB) account, contact Charles Schwab at [www.schwab.com](http://www.schwab.com) or 1-888-393-7272.

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.

Core securities (except those offered through the self-directed brokerage option), when offered, are offered through GWFS Equities, Inc., a wholly owned subsidiary of Great-West Financial. Securities available through Schwab Personal Choice Retirement Account(R) (PCRA) are offered through Charles Schwab & Co., Inc. (Member SIPC), a registered broker-dealer. Additional information can be obtained by calling (888) 393-7272. Charles Schwab & Co., Inc. and GWFS Equities, Inc. are separate and unaffiliated.

With the exception of the Self Directed Brokerage Account, securities, when offered, are offered through GWFS Equities, Inc., a wholly owned subsidiary of Great-West Life & Annuity Insurance Company. 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.

You will receive a separate statement from your Self-Directed Brokerage Account (SDBA) provider (depending on the provider and/or the activity within your SDBA) that will detail the investment holdings and activity within your SDBA, including any fees and charges imposed in connection with the SDBA.

Empower Retirement(TM) 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.

Expense ratios provided are the Funds' total annual operating expense ratios, gross of any fee waivers or expense reimbursement.

<sup>1</sup> Performance returns were not available at the time of production. Performance returns will be published once the information becomes available.

<sup>2</sup> Asset allocation/balanced investment options/models are subject to the risks of the underlying funds, which can be a mix of stocks/stock funds and bonds/bond funds. For more information, see the prospectus and/or disclosure documents.

<sup>3</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>4</sup> This fixed fund is offered through a group fixed and variable deferred annuity contract issued by Great-West Life & Annuity Insurance Company. A ticker symbol is not available for this investment option.

<sup>5</sup> Benchmark index returns are supplied by Morningstar, Inc. There may be another benchmark that is more specific to each of the funds listed under the broad asset class. Please refer to the fund's prospectus for more specific information as to the fund's actual benchmark index.

<sup>6</sup> Foreign funds involve special risks, including currency fluctuations and political developments.

<sup>7</sup> Equity securities of small-sized companies may be more volatile than securities of larger, more established companies.

<sup>8</sup> Compared to higher-rated securities, high yield bond investment options are subject to greater risk, including the risk of default. 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.

## Franklin Northeast Supervisory Union 403(b) Plan - 96520-01 (Continued)

<sup>9</sup> *Equity securities of medium-sized companies may be more volatile than securities of larger, more established companies.*

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<sup>11</sup> *S&P 500® Index is an unmanaged index considered indicative of the domestic Large-Cap equity market. "Standard & Poor's®", "S&P®", "S&P 500®", and "Standard & Poor's 500®" are registered trademarks of Standard & Poor's Financial Services LLC ("Standard & Poor's").*

<sup>12</sup> *S&P MidCap 400® Index is an unmanaged index considered indicative of the domestic Mid-Cap equity market. "Standard & Poor's®", "S&P®", "S&P 400®", and "Standard & Poor's 400®" are registered trademarks of Standard & Poor's Financial Services LLC ("Standard & Poor's").*

<sup>13</sup> *Russell 2000® Index is a trademark of Russell Investments and is an unmanaged index considered indicative of the domestic Small-Cap equity market.*

<sup>14</sup> *Barclays Capital U.S. Aggregate Bond Index is an unmanaged index representative of the broad bond market and is composed of government and corporate bonds, mortgage-backed bonds and asset-backed bonds.*

<sup>15</sup> *The Fund has a Contractual Expense Ratio Waiver in the amount of .06% which expires on 31-DEC-2018.*

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<sup>17</sup> *The Great-West Portfolio Fund is backed by the general assets of GWL&A.*

# Franklin Northeast Supervisory Union 403(b) Plan - 96520-01

## Investment Performance as of 06/30/2017



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.VTRetirementSavings.com](http://www.VTRetirementSavings.com).

Please consider the investment objectives, risks, fees and expenses carefully before investing. For this and other important information about investments offered through your plan, you may obtain mutual fund prospectuses for registered investment options and/or disclosure documents from your registered representative or Plan website. For prospectuses related to investments in your Self-Directed Brokerage Account (SDBA), contact your SDBA provider. Read them carefully before investing.

For additional fund information, please refer to the Fund Fact Sheet or Prospectus.

INVESTMENT OPTION	Ticker	Gross/Net Expense Ratio	Inception Date	Returns as of Month Ending 06/30/2017						Returns as of Quarter Ending 06/30/2017					Calendar Year Returns		
				1 Month YTD	1 Year	3 Year	5 Year	10 Year/ Since Inception	3 Month	1 Year	3 Year	5 Year	10 Year/ Since Inception	2016	2015	2014	
<b>Asset Allocation</b>																	
T. Rowe Price 2010 Fund <sup>2,16</sup>	TRRAX	0.59 / 0.59	09-30-2002	0.22	6.22	8.69	4.02	7.10	4.77	2.39	8.69	4.02	7.10	4.77	7.11	-0.76	4.99
T. Rowe Price 2020 Fund <sup>2,16</sup>	TRRBX	0.66 / 0.66	09-30-2002	0.41	8.53	12.67	5.10	9.27	5.29	3.36	12.67	5.10	9.27	5.29	7.41	-0.31	5.63
T. Rowe Price 2030 Fund <sup>2,16</sup>	TRRCX	0.72 / 0.72	09-30-2002	0.57	10.56	16.29	6.01	11.01	5.65	4.23	16.29	6.01	11.01	5.65	7.69	-0.02	6.05
T. Rowe Price 2040 Fund <sup>2,16</sup>	TRRDY	0.76 / 0.76	09-30-2002	0.66	11.93	18.85	6.51	11.93	5.95	4.72	18.85	6.51	11.93	5.95	7.63	0.17	6.18
T. Rowe Price 2050 Fund <sup>2,16</sup>	TRRMX	0.76 / 0.76	12-29-2006	0.68	12.10	19.15	6.60	12.00	5.98	4.84	19.15	6.60	12.00	5.98	7.71	0.19	6.19
T. Rowe Price 2060 Fund <sup>2,16</sup>	TRRLX	0.76 / 0.76	06-23-2014	0.62	12.03	19.10	6.59	N/A	6.58	4.80	19.10	6.59	N/A	6.58	7.63	0.24	N/A
T. Rowe Price Balanced Fund <sup>2,16</sup>	TRRIX	0.57 / 0.57	09-30-2002	0.18	5.46	7.69	3.44	5.86	4.64	2.00	7.69	3.44	5.86	4.64	6.48	-0.74	3.91
<b>International</b>																	
Pax Global Envrnmntl Mkts Instl <sup>6,15,16</sup>	PGINX	1.04 / 0.98	03-27-2008	0.70	15.31	22.93	6.04	13.10	6.08	8.04	22.93	6.04	13.10	6.08	10.91	-1.21	-2.53
Vanguard Total Intl Stock Index Inv <sup>6,16</sup>	VGTSX	0.18 / 0.18	04-29-1996	0.52	14.72	20.01	1.28	7.60	1.13	5.83	20.01	1.28	7.60	1.13	4.65	-4.37	-4.24
MSCI EAFE Index <sup>3,5,10</sup>	N/A	- / -		-0.18	13.81	20.27	1.15	8.69	1.03	6.12	20.27	1.15	8.69	1.03	1.00	-0.81	-4.90
<b>Small Cap</b>																	
Vanguard Small-Cap Index Fund - Inv <sup>7,16</sup>	NAESX	0.18 / 0.18	10-03-1960	2.24	5.70	19.00	6.65	13.98	7.69	1.92	19.00	6.65	13.98	7.69	18.17	-3.78	7.37
Russell 2000 Index <sup>3,5,13</sup>	N/A	- / -		3.46	4.99	24.60	7.36	13.70	6.92	2.46	24.60	7.36	13.70	6.92	21.31	-4.41	4.89
<b>Mid Cap</b>																	
Vanguard Mid Cap Index Ins <sup>9,16</sup>	VMCIX	0.05 / 0.05	05-21-1998	0.64	9.14	17.25	8.09	14.79	7.51	2.78	17.25	8.09	14.79	7.51	11.23	-1.33	13.78
S & P MidCap 400 Index <sup>3,5,12</sup>	N/A	- / -		1.62	5.99	18.57	8.53	14.92	8.56	1.97	18.57	8.53	14.92	8.56	20.74	-2.18	9.77
<b>Large Cap</b>																	
Calvert Equity I <sup>16</sup>	CEYIX	0.72 / 0.70	11-01-1999	-0.53	12.88	15.58	9.23	13.44	8.09	5.48	15.58	9.23	13.44	8.09	2.71	4.19	11.57
Vanguard Institutional Index I <sup>16</sup>	VINIX	0.04 / 0.04	07-31-1990	0.62	9.32	17.86	9.59	14.60	7.18	3.08	17.86	9.59	14.60	7.18	11.93	1.37	13.65

## Franklin Northeast Supervisory Union 403(b) Plan - 96520-01 (Continued)

INVESTMENT OPTION	Ticker	Gross/Net Expense Ratio	Inception Date	Returns as of Month Ending 06/30/2017					Returns as of Quarter Ending 06/30/2017					Calendar Year Returns			
				1 Month YTD	1 Year	3 Year	5 Year	10 Year/ Since Inception	3 Month Year	1 Year	3 Year	5 Year	10 Year/ Since Inception	2016	2015	2014	
S & P 500 Index <sup>3,5,11</sup>	N/A	- / -		0.62	9.34	17.90	9.61	14.63	7.18	3.09	17.90	9.61	14.63	7.18	11.96	1.38	13.69
<b>Bond</b>																	
PIMCO Total Return ESG Instl <sup>8,16</sup>	PTSAX	0.55 / 0.50	05-01-1991	0.05	2.97	1.89	2.45	2.51	5.65	1.52	1.89	2.45	2.51	5.65	2.96	0.41	4.54
Vanguard Total Bond Market Index Inst <sup>8,16</sup>	VBTIX	0.04 / 0.04	09-18-1995	0.02	2.40	-0.43	2.44	2.15	4.48	1.48	-0.43	2.44	2.15	4.48	2.61	0.41	5.91
Barclays Capital Aggregate Bond Index <sup>3,5,14</sup>	N/A	- / -		-0.10	2.27	-0.31	2.48	2.21	4.48	1.45	-0.31	2.48	2.21	4.48	2.65	0.55	5.97
<b>Current Fixed Rate(s)</b>																	
Great-West Portfolio Fund: <sup>4,17</sup> 1.35%																	

These returns and fund operating expenses are expressed as percentages. 3, 5 and 10 Year/Since Inception returns shown are annualized. For 10 Year/Since Inception, if the fund was not in existence for 10 years, returns shown are since inception. If the fund is less than one year old, returns are not annualized.

Returns reflect deduction of fund expenses. Your Plan may have higher or lower fund expenses and may assess a plan administrative fee that was not deducted in the returns shown.

For information related to investments in your Self-Directed Brokerage (SDB) account, contact Charles Schwab at [www.schwab.com](http://www.schwab.com) or 1-888-393-7272.

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.

Core securities (except those offered through the self-directed brokerage option), when offered, are offered through GWFS Equities, Inc., a wholly owned subsidiary of Great-West Financial. Securities available through Schwab Personal Choice Retirement Account(R) (PCRA) are offered through Charles Schwab & Co., Inc. (Member SIPC), a registered broker-dealer. Additional information can be obtained by calling (888) 393-7272. Charles Schwab & Co., Inc. and GWFS Equities, Inc. are separate and unaffiliated.

With the exception of the Self Directed Brokerage Account, securities, when offered, are offered through GWFS Equities, Inc., a wholly owned subsidiary of Great-West Life & Annuity Insurance Company. 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.

You will receive a separate statement from your Self-Directed Brokerage Account (SDBA) provider (depending on the provider and/or the activity within your SDBA) that will detail the investment holdings and activity within your SDBA, including any fees and charges imposed in connection with the SDBA.

Empower Retirement(TM) 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.

Expense ratios provided are the Funds' total annual operating expense ratios, gross of any fee waivers or expense reimbursement.

<sup>2</sup> Asset allocation/balanced investment options/models are subject to the risks of the underlying funds, which can be a mix of stocks/stock funds and bonds/bond funds. For more information, see the prospectus and/or disclosure documents.

<sup>3</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>4</sup> This fixed fund is offered through a group fixed and variable deferred annuity contract issued by Great-West Life & Annuity Insurance Company. A ticker symbol is not available for this investment option.

<sup>5</sup> Benchmark index returns are supplied by Morningstar, Inc. There may be another benchmark that is more specific to each of the funds listed under the broad asset class. Please refer to the fund's prospectus for more specific information as to the fund's actual benchmark index.

<sup>6</sup> Foreign funds involve special risks, including currency fluctuations and political developments.

<sup>7</sup> Equity securities of small-sized companies may be more volatile than securities of larger, more established companies.

<sup>8</sup> Compared to higher-rated securities, high yield bond investment options are subject to greater risk, including the risk of default. 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> Equity securities of medium-sized companies may be more volatile than securities of larger, more established companies.

## Franklin Northeast Supervisory Union 403(b) Plan - 96520-01 (Continued)

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<sup>13</sup> Russell 2000® Index is a trademark of Russell Investments and is an unmanaged index considered indicative of the domestic Small-Cap equity market.

<sup>14</sup> Barclays Capital U.S. Aggregate Bond Index is an unmanaged index representative of the broad bond market and is composed of government and corporate bonds, mortgage-backed bonds and asset-backed bonds.

<sup>15</sup> The Fund has a Contractual Expense Ratio Waiver in the amount of .06% which expires on 31-DEC-2018.

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<sup>17</sup> The Great-West Portfolio Fund is backed by the general assets of GWL&A.