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Vermont Pension Investment Committee

First Quarter 2015 Investment Performance Analysis

May 26, 2015

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NEPC Update

Highlights of First Quarter Happenings at NEPC

NEPC Research

Recent White Papers Posted

- *Six Years Later: A Time for Moderation? NEPC's 2015 Asset Allocation (January 2015)* - NEPC's Asset Allocation Committee
- *A Primer on US Equity REITs and Their Role in an Institutional Investment Portfolio (April 2015)* - Sean Ruhmann, Director of Real Assets Research; Tim Bruce, Director of Traditional Research; Matt Ritter, Research Analyst, Real Assets Research; Larissa Davy, Research Associate, Traditional Research - The NEPC research paper provides an overview of US REITs and examines their place in institutional portfolios.



NEPC Client Recognitions

- We are immensely gratified to consistently achieve your favorable client satisfaction ratings in relation to our peers. Last year, you ranked NEPC #1 among the 10 largest firms in the investment consulting business, as measured by the Greenwich Quality Index (GQI). We remain the only firm among the 10 largest investment consultancies with rankings in the top three in 10 of the last 11 years, according to Greenwich Associates' annual survey of over 1,000 large plan sponsors regarding their investment consulting relationships.¹
- Orange County Employee Retirement System has won the Government Finance Officers Association's Award for Excellence in Government Finance, for its investment fee transparency and management initiatives.

Upcoming Events

- NEPC's 20th Annual Client Conference – May 19-20, 2015 in Boston at the Boston Convention & Exhibition Center (BCEC)
- Headline Speakers:
 - Liz Ann Sonders, Senior Vice President, Chair of the Investment Committee, Windhaven Investment Management, Inc.
 - Don Yaeger, Sports Journalist
 - Rick Rieder, Chief Investment Officer, Fundamental Fixed Income, BlackRock
- Register at www.nepc.com

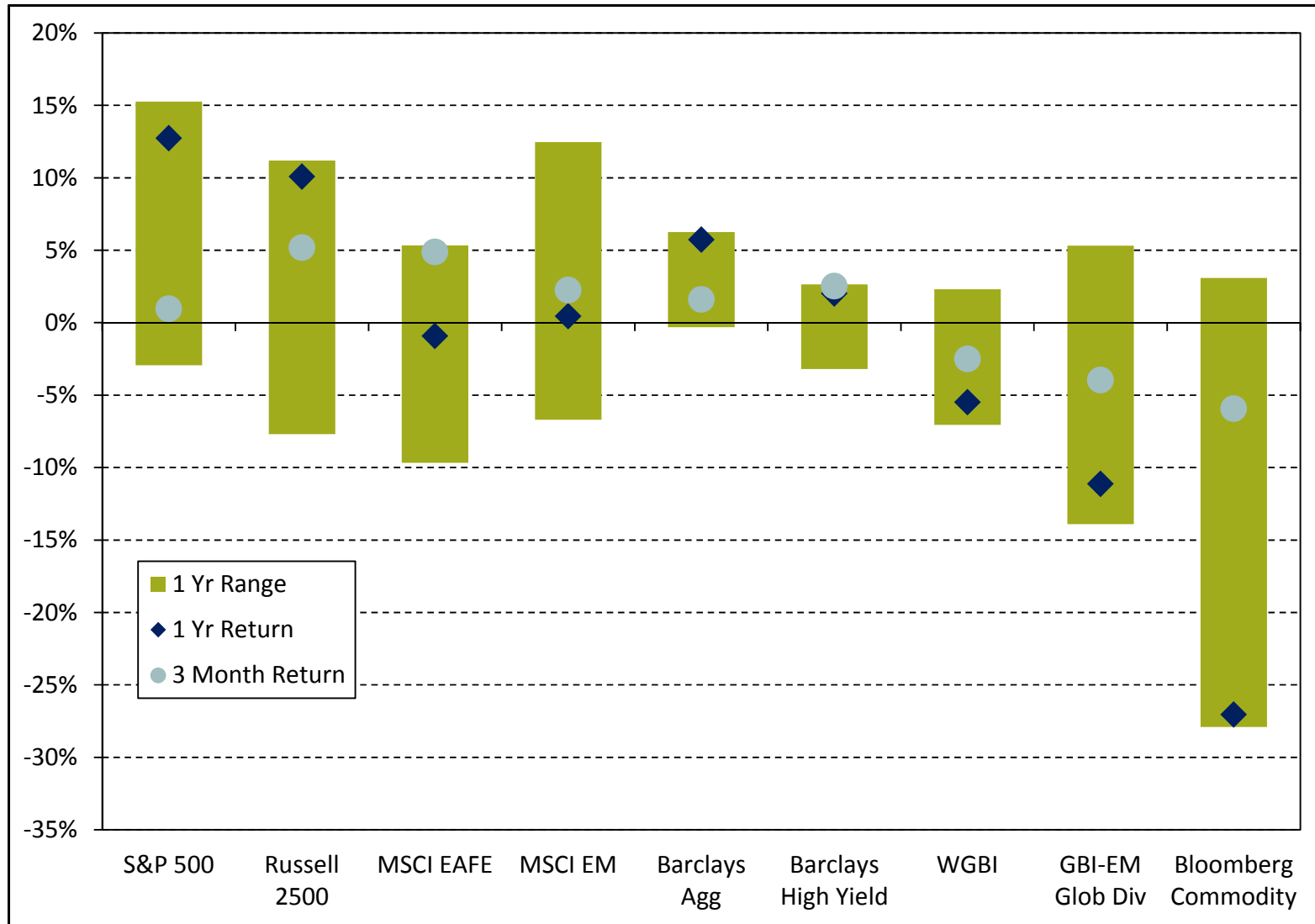
¹Source: Greenwich Associates, 2014 Evaluations by U.S. Institutional Investors. Greenwich Associates is an independent research firm. Its rankings do not represent an endorsement of NEPC. Past performance is no guarantee of future results.

Market Update

- **Continued US economic stability but tepid equity results**
 - Market was modestly positive and able to absorb rate volatility
 - Stronger dollar perhaps hurting corporate earnings
- **Global stimulation flowing through to markets**
 - Europe and Japan responding to Quantitative Easing
 - Local equities (up), rates (lower), and currencies (weaker) all responding as expected
- **US rates experience volatility**
 - Dragged down by global rate gravity in January
 - Reflecting economic divergence due to stronger US conditions in February
 - Moderating once again in March
- **A fairly mild quarter for Emerging markets**
 - Equities stronger than US
 - Currencies experiencing further (mild) weakness
- **Oil prices appeared to bottom but remained volatile**
 - Bottoming is not synonymous with stability
 - Volatility likely to continue
 - Many projects have been halted
 - Limited distress so far but credit conditions likely to weaken at sustained lower prices

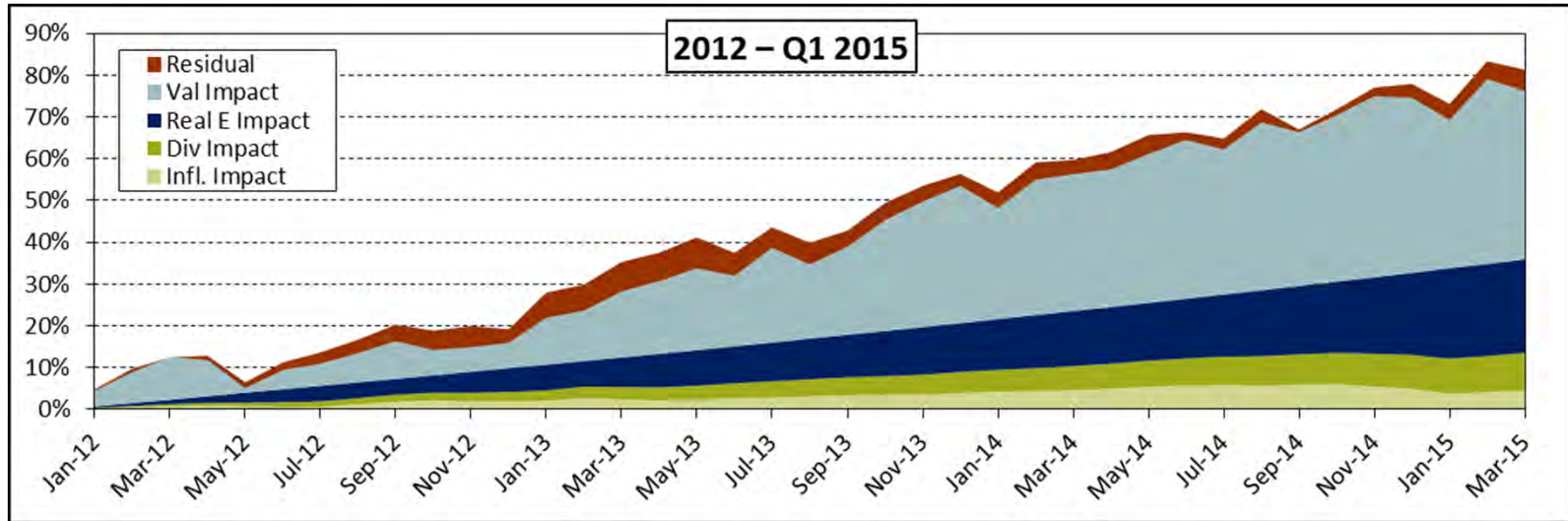
- **Future path of US equities**
 - When does equity market finally roll over?
 - Should we start to get more defensive?
 - Cash allocation? Defensive-oriented managers? Equity long-short?
- **QE in Europe and Japan**
 - Structural issues remain, how much of a pop can Euro/Japan equity markets provide?
 - How do we manage currency hedge timing now?
- **Early 2015 rate volatility**
 - A sign of things to come as market digests potential for rising Fed Funds?
 - Do fixed income allocations provide appropriate defensive characteristics?
 - Or should a barbell approach (cash/return-seeking plus long duration) be employed?
- **EM – quiet quarter**
 - Could further dollar strength lead to further currency weakness?
 - Consider a blended debt approach if not already in place
 - Consider active strategies that tilt towards energy importers (Asia) and away from energy exporters (Latin America/Russia)
- **Oil price volatility**
 - What's the path from here?
 - What's the opportunity?
 - Prepare dry powder to act on distressed opportunities

Broad Market Performance Summary as of 3/31/2015

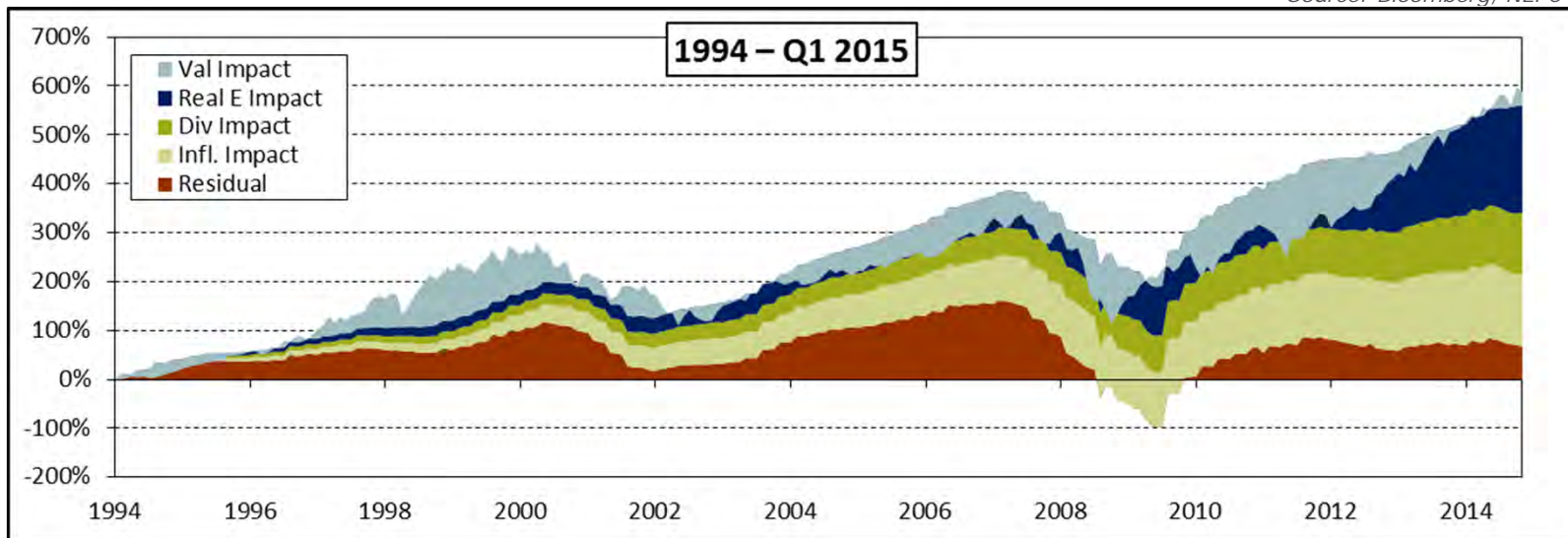


Source: Bloomberg, Standard and Poors, Russell, MSCI, Barclays, Citigroup, JP Morgan
 *1 Yr Range: Represents range of cumulative high/low daily index returns for an investment made one year ago

Building Blocks for US Equities

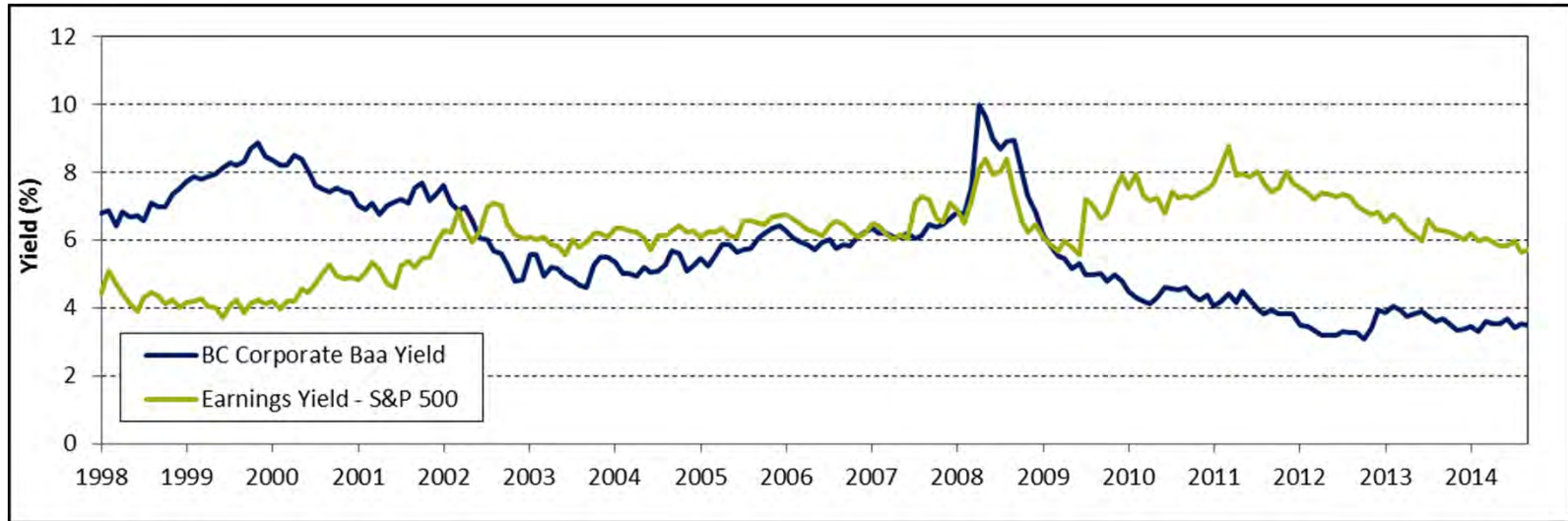


Source: Bloomberg, NEPC

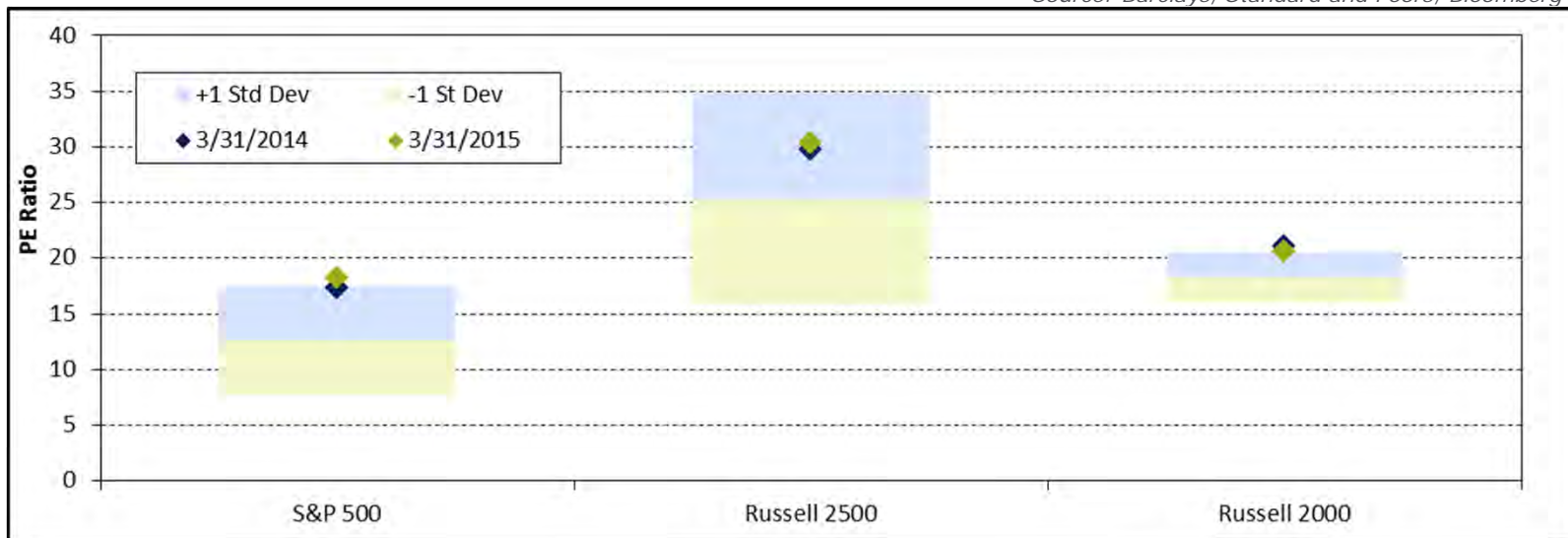


Source: Bloomberg, NEPC

US Equity... Relative Yield Attractiveness but High Valuations

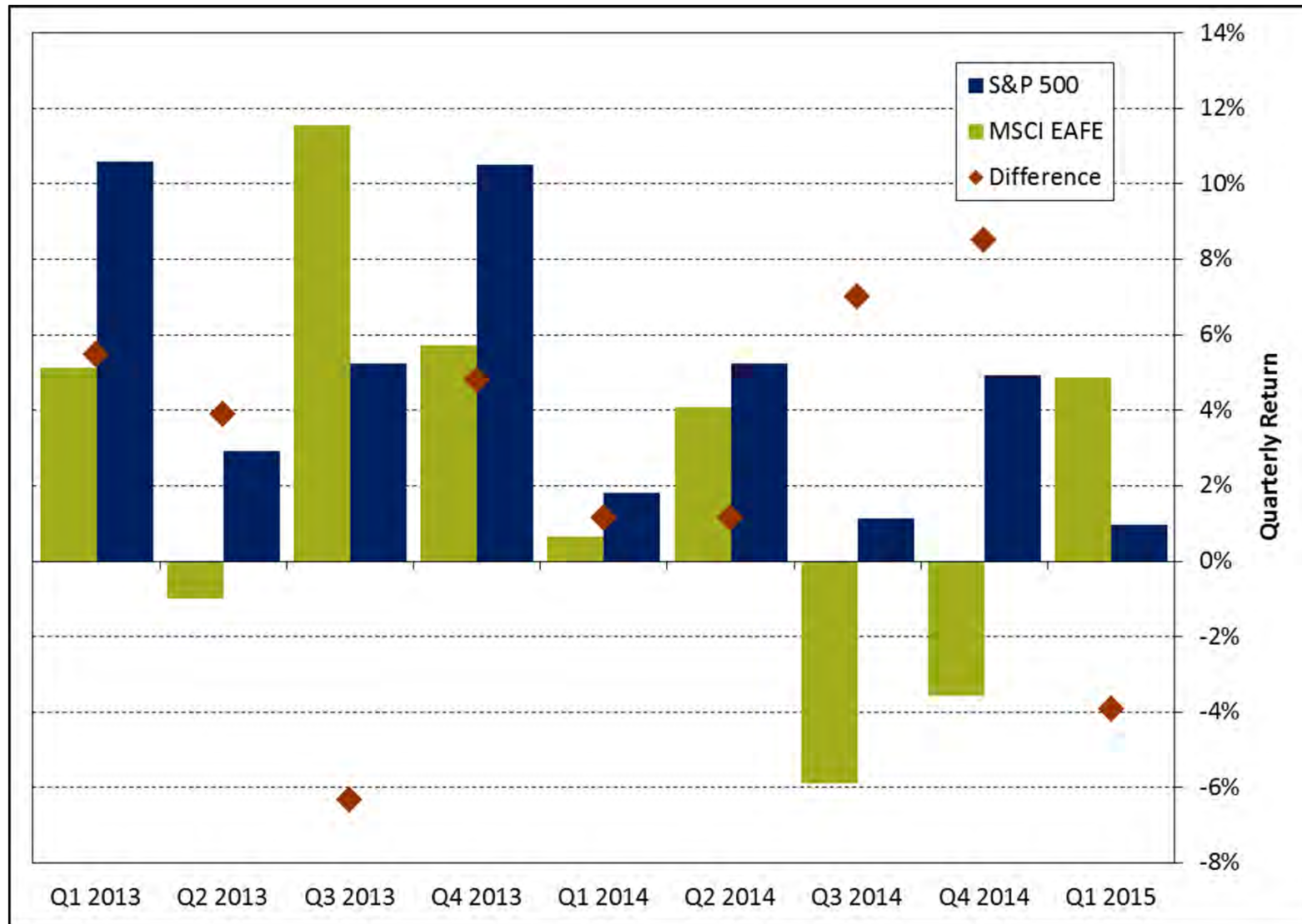


Source: Barclays, Standard and Poors, Bloomberg



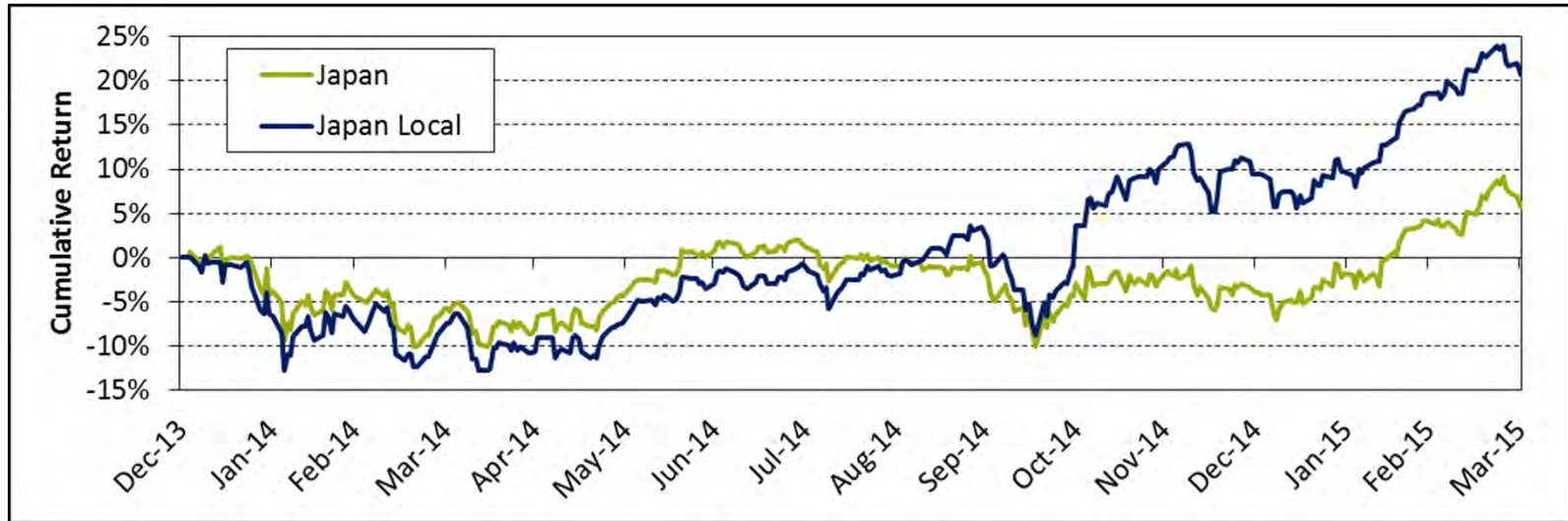
Source: Bloomberg, Standard and Poors, Russell *Russell 2000 PE is index adjusted positive **Standard deviations shown from median values since data inception

International Equity Outperformed Domestic in Q1, Reversing Recent Trend

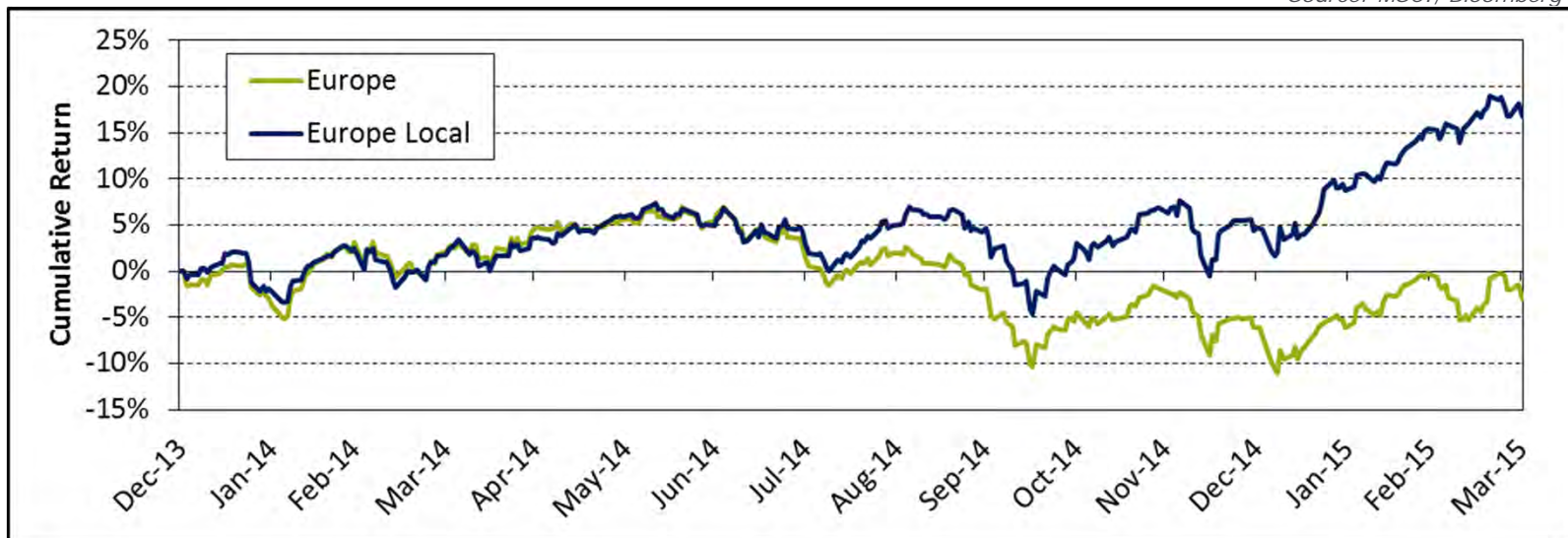


Source: Bloomberg

Significant Currency Drag Experienced in Performance of Developed Equity Markets

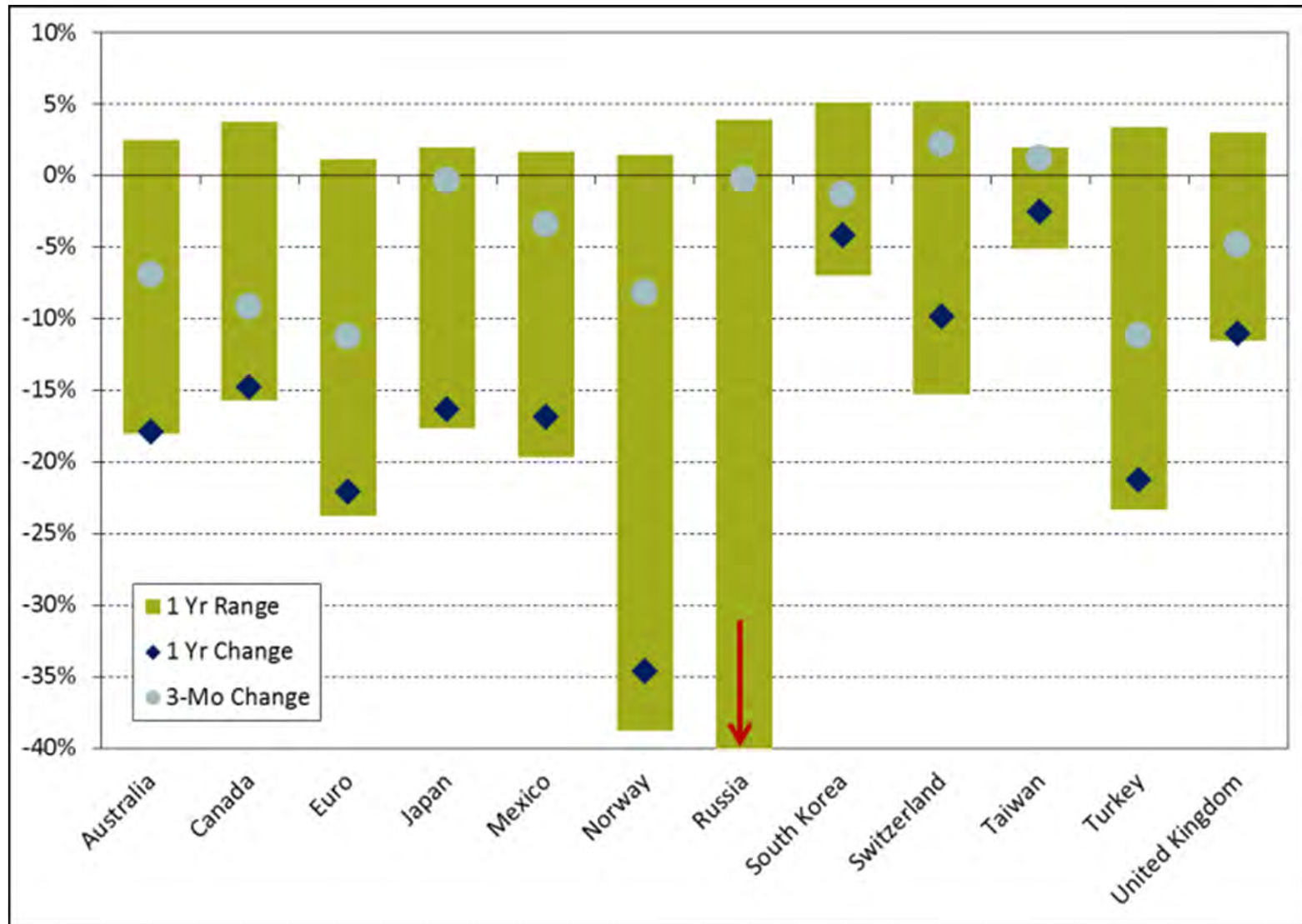


Source: MSCI, Bloomberg



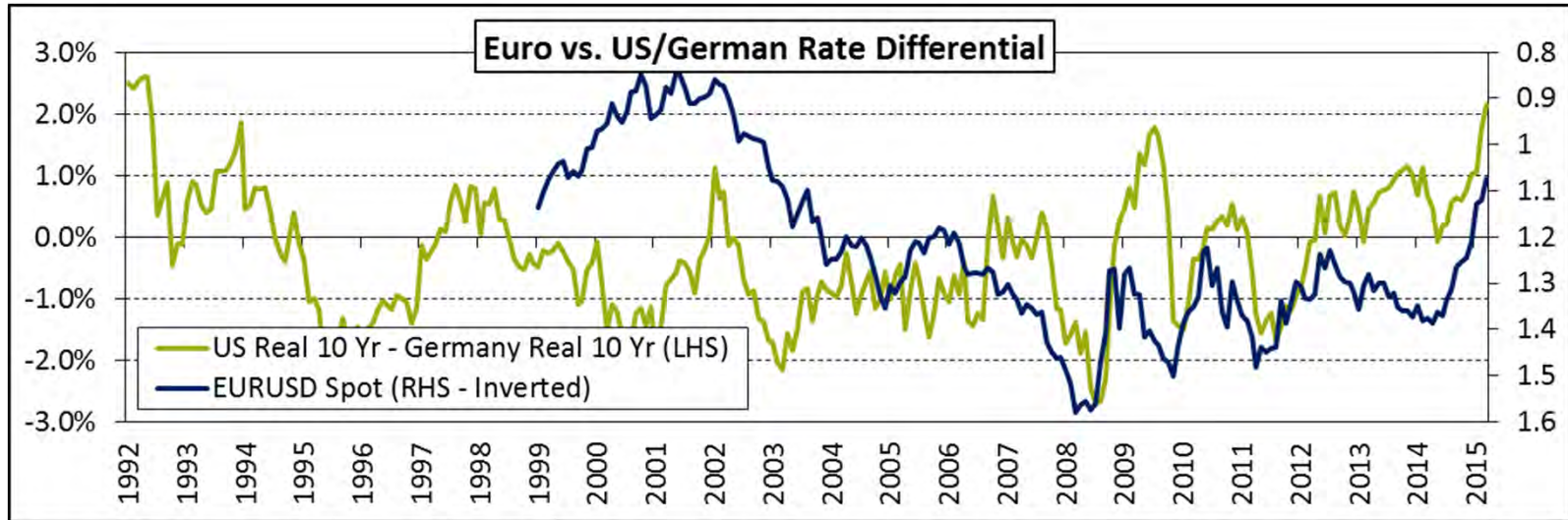
Source: MSCI, Bloomberg

Currencies Have Been Volatile (and mostly negative versus the US Dollar)

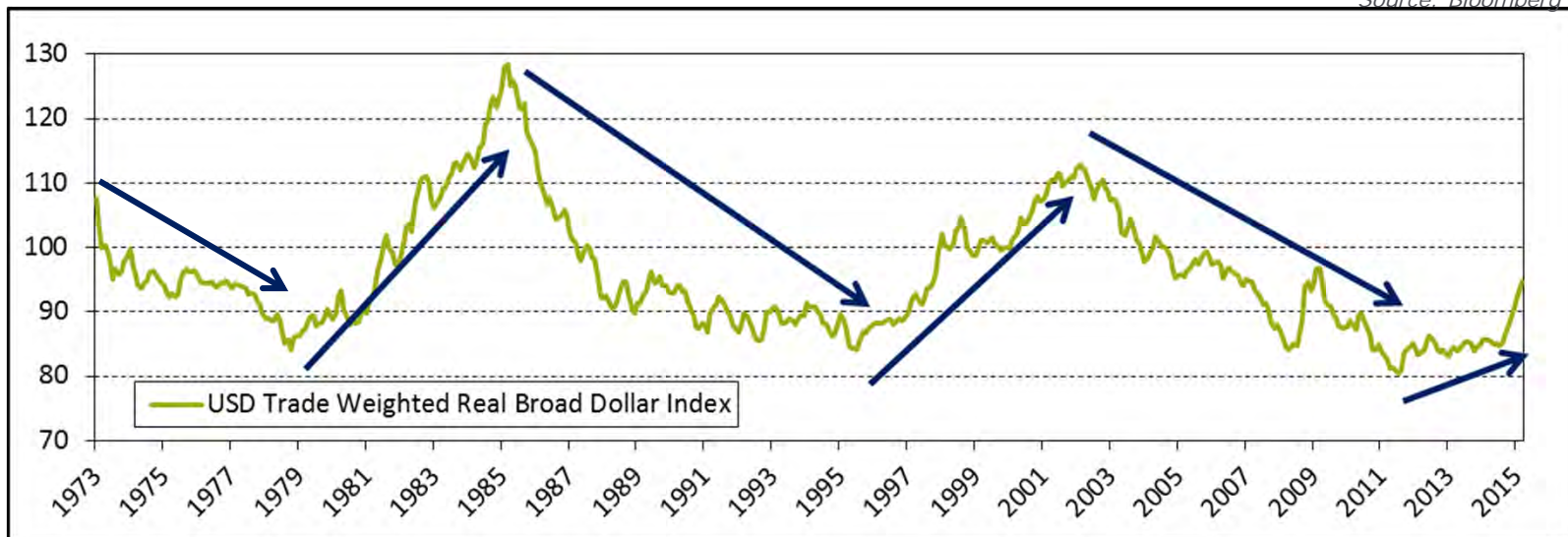


Source: Bloomberg

Currency Pressure Remains; Historic Movements Exhibit Persistence



Source: Bloomberg



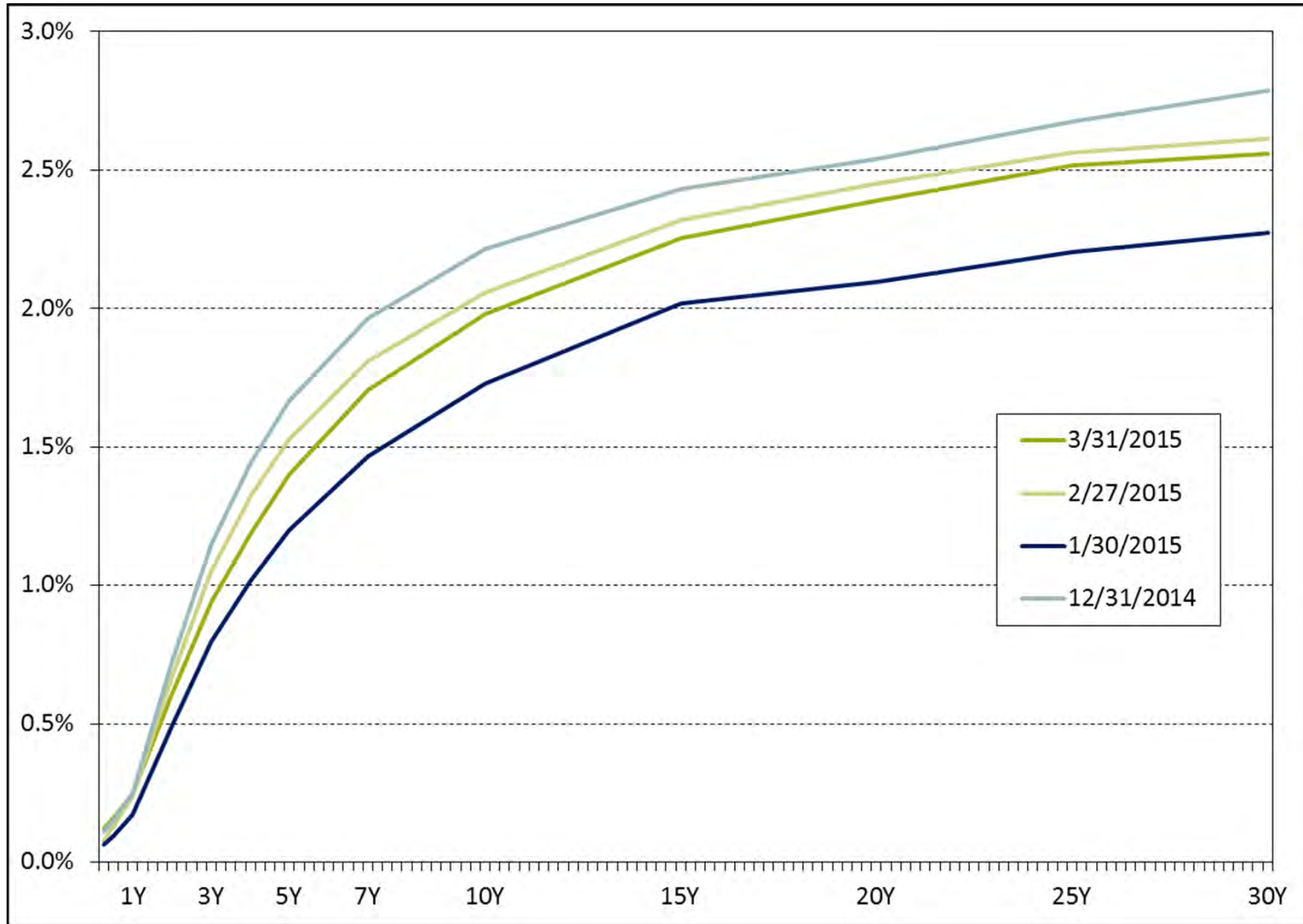
Source: Bloomberg

Negative or Near Negative Yields in Much of the Developed World

	Maturity (Years)									
	1	2	3	4	5	6	7	8	9	10
Switzerland	-0.89%	-0.86%	-0.80%	-0.60%	-0.40%	-0.30%	-0.24%	-0.20%	-0.13%	-0.07%
Germany	-0.24%	-0.26%	-0.22%	-0.17%	-0.10%	-0.08%	-0.03%	0.03%	0.10%	0.18%
Denmark	-0.70%	-0.48%	N/A	N/A	-0.26%	-0.01%	N/A	0.13%	N/A	0.26%
Finland	-0.22%	-0.22%	-0.13%	-0.07%	-0.02%	0.00%	0.03%	0.15%	0.18%	0.25%
Austria	-0.17%	-0.18%	-0.16%	-0.09%	-0.02%	0.01%	0.07%	0.17%	N/A	0.32%
Netherlands	N/A	-0.20%	-0.15%	-0.11%	-0.05%	0.04%	0.12%	0.20%	0.26%	0.34%
France	-0.17%	-0.17%	-0.12%	-0.03%	0.05%	0.09%	0.18%	0.28%	0.37%	0.47%
Sweden	-0.29%	-0.32%	N/A	-0.16%	0.03%	N/A	0.19%	0.31%	N/A	0.41%
Belgium	-0.18%	-0.17%	-0.11%	-0.03%	0.01%	0.08%	0.19%	0.27%	0.35%	0.44%
UK	0.37%	0.42%	0.79%	1.02%	1.19%	1.27%	1.42%	1.52%	1.60%	1.58%
Norway	N/A	0.83%	N/A	0.99%	N/A	1.21%	N/A	1.36%	1.39%	1.46%
Spain	0.01%	0.04%	0.19%	0.33%	0.53%	0.74%	0.85%	0.99%	1.14%	1.21%
Italy	0.01%	0.19%	0.26%	0.37%	0.54%	0.80%	0.93%	1.04%	1.18%	1.24%
Japan	0.03%	0.04%	0.06%	0.08%	0.14%	0.15%	0.17%	0.24%	0.31%	0.40%

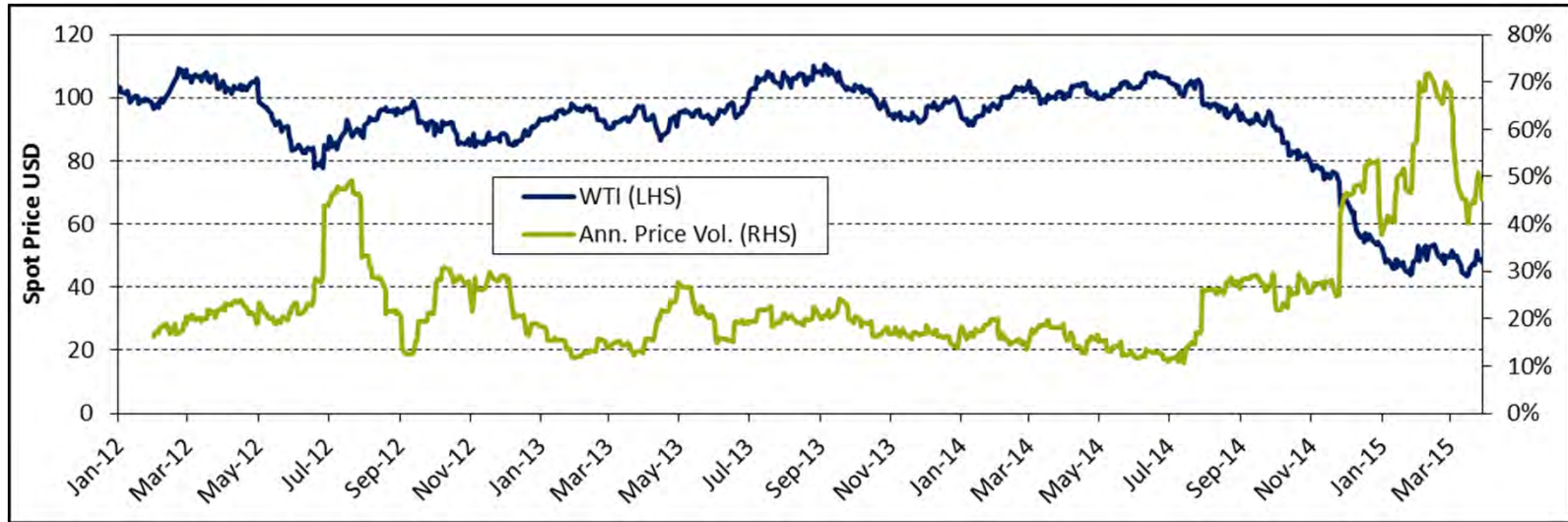
Source: Bloomberg

Treasury Curve Has Been in Flux, Seesawing in the First Quarter

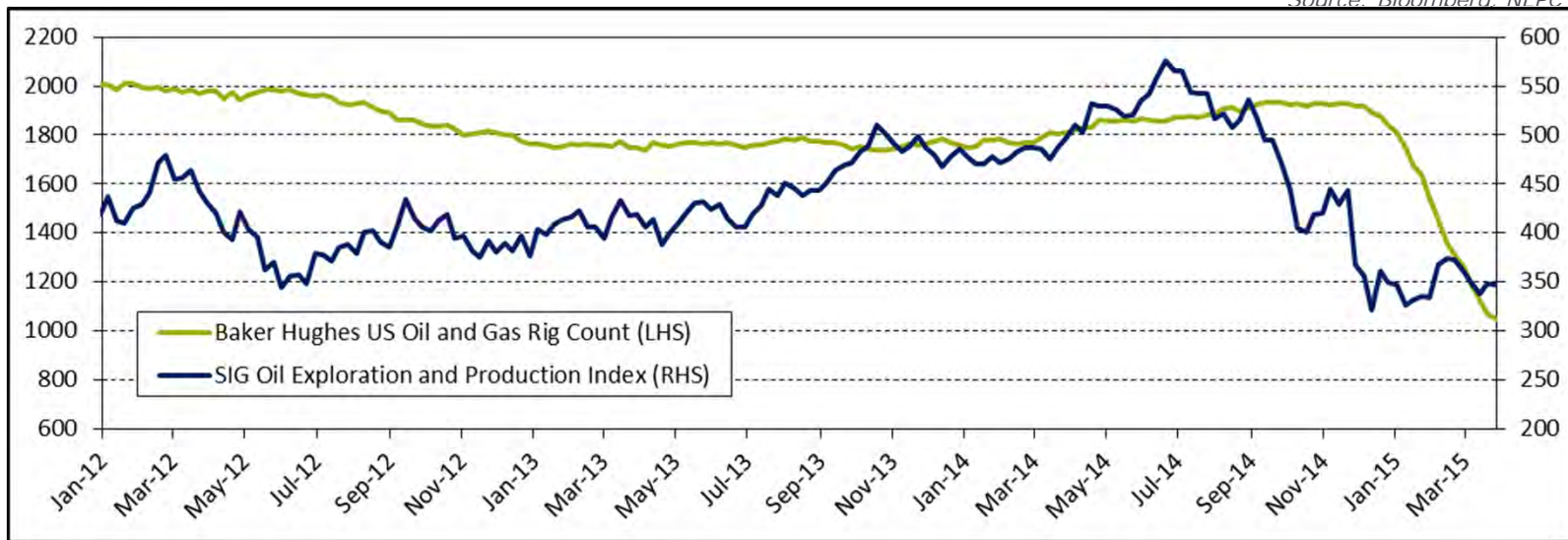


Source: Bloomberg

Energy Prices Appear to Find a Bottom... Project Plans Reflect Smaller Scale

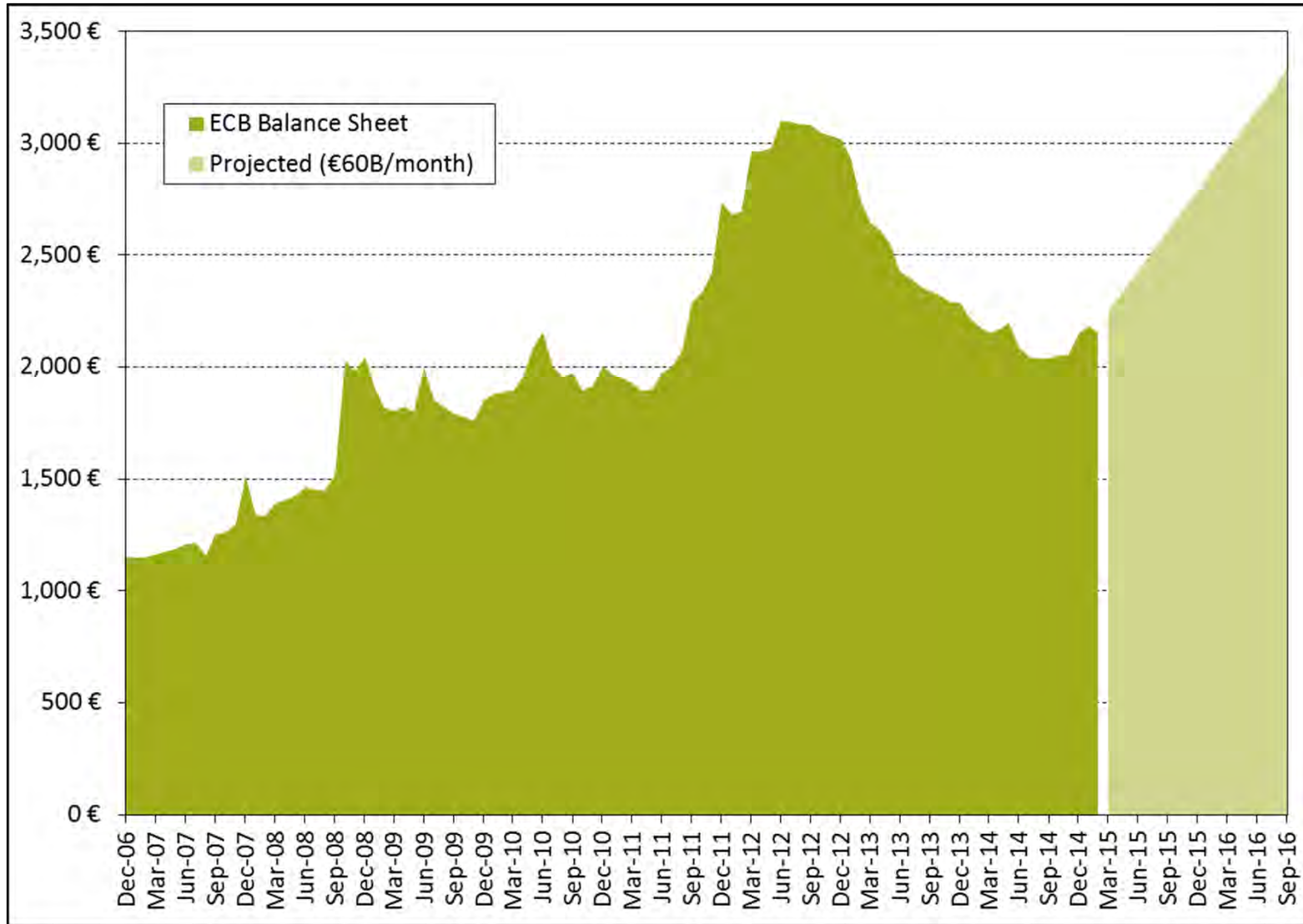


Source: Bloomberg, NEPC



Source: Baker Hughes, Philadelphia Stock Exchange, Bloomberg

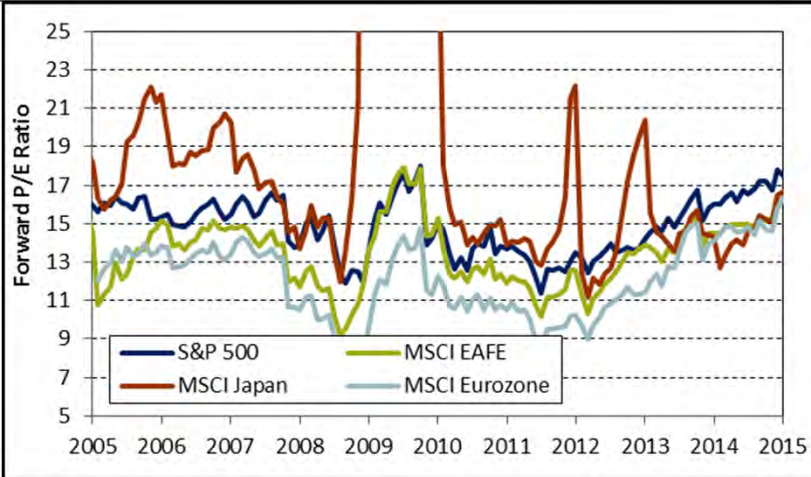
Launch of Quantitative Easing in Eurozone is a New Catalyst for International Equities



- **Favor international developed equities over the US and recommend a 50% strategic currency hedge for developed market currencies**
 - Encourage an equal weight exposure to international developed and US equities
 - If currency hedged, encourage larger international developed equity exposure relative to US equities
- **Catalysts are present to drive international equity markets above pre-financial crisis highs**
 - ECB's Q1 announcement of QE was nearly twice the size of markets expectations
 - ECB launched a €1.1T bond buying program, €60B a month through September 2016
 - Bank of Japan's unprecedented QE program remains open ended
- **Potential for increased earnings growth as underlying economic conditions improve in both the Eurozone and Japan**
 - Corporate earnings remain below pre-crisis highs, most acutely seen in Eurozone
 - Valuation measures are favorable relative to US equities with potential for markedly higher earnings growth
- **Increased exposure to international equities is not without concern**
 - Concerns of a Greece exit from the Eurozone remain a contagion risk
 - Lack of long-term political and economic reforms is greatest risk in Europe
 - QE pull back in Japan would be a serious shock to Yen and Japanese equity market
- **Secular belief in Emerging Markets continues, encourage an index market weight ($\approx 10\%$ of total equity exposure)**

Valuation Profile for International Developed Equity Markets

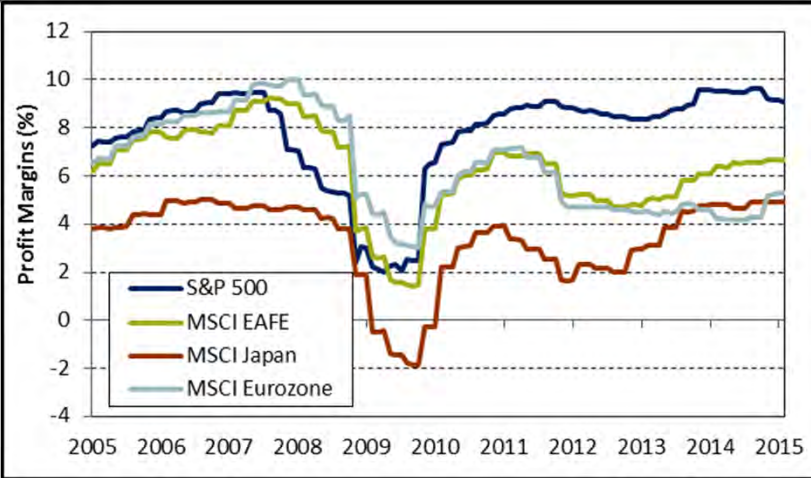
QE programs and earnings growth support Forward P/E's internationally



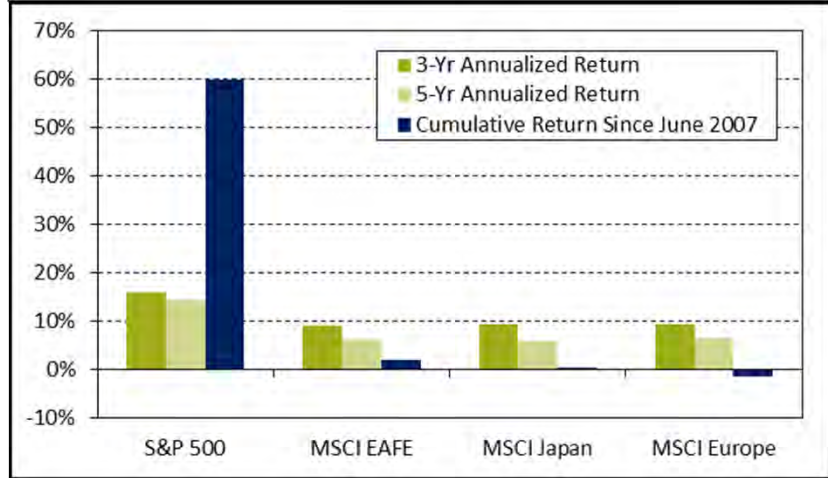
Earnings yield spread over credit favors Europe as ECB QE pushes yields lower



Dollar strength and oil decline support improvement in non-US profit margins



QE supports untapped potential for returns in international equity markets

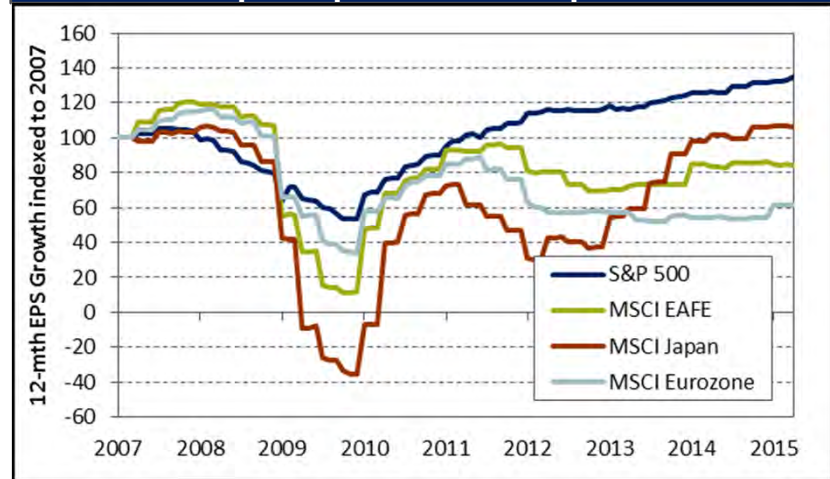


Earnings Profile for International Developed Equity Markets

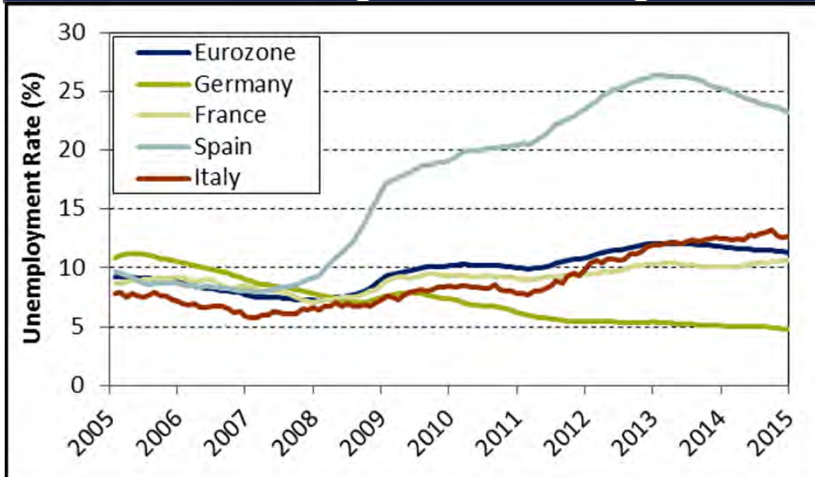
S&P 500 earnings have recovered dramatically, EAFE below 2007 levels



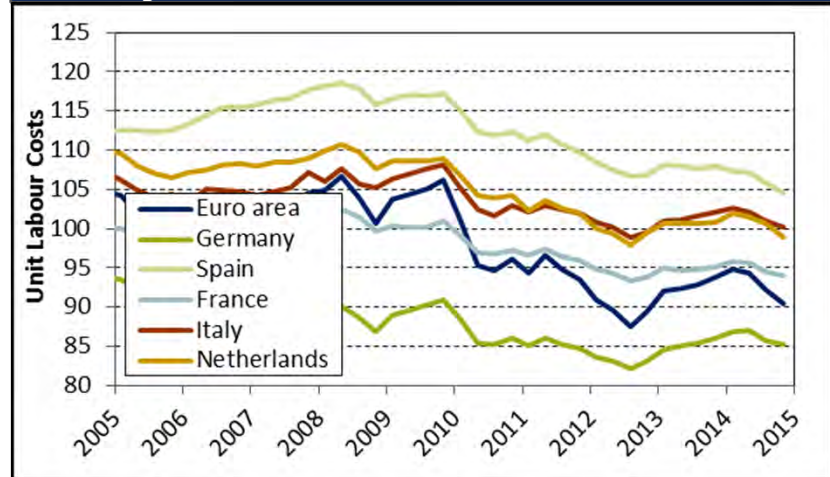
Japan earnings recovery is underway while Europe is poised for improvement



Marginal improvement in unemployment flows through to domestic growth



Improved economic competitiveness aided by modest reform and euro weakness



Index Performance Summary as of 4/30/2015

	2008	2009	2010	2011	2012	2013	2014	Q1	APR	YTD
MSCI EM	-53.3%	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	2.2%	7.7%	10.1%
MSCI EAFE	-43.4%	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	4.9%	4.1%	9.2%
MSCI ACWI	-42.2%	34.6%	12.7%	-7.4%	16.1%	22.8%	4.2%	2.3%	2.9%	5.3%
Barclays US Corp HY	-26.2%	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	2.5%	1.2%	3.8%
JPM EMBI Glob Div	-12.0%	29.8%	12.2%	7.4%	17.4%	-5.3%	7.4%	2.0%	1.6%	3.7%
Russell 2500	-36.8%	34.4%	26.7%	-2.5%	17.9%	36.8%	7.1%	5.2%	-1.8%	3.3%
Credit Suisse Hedge Fund	-19.1%	18.6%	11.0%	-2.5%	7.7%	9.7%	4.1%	2.5%	0.6%	2.5%
Russell 1000	-37.6%	28.4%	16.1%	1.5%	16.4%	33.1%	13.2%	1.6%	0.7%	2.3%
Credit Suisse Lev Loan	-28.8%	44.9%	10.0%	1.8%	9.4%	6.2%	2.1%	2.1%	0.4%	2.1%
S&P 500	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.0%	1.0%	1.9%
Russell 2000	-33.8%	27.2%	26.9%	-4.2%	16.4%	38.8%	4.9%	4.3%	-2.6%	1.7%
Barclays US Agg Interm	4.9%	6.5%	6.2%	6.0%	3.6%	-1.0%	4.1%	1.3%	0.0%	1.3%
Barclays US Agg Bond	5.2%	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	1.6%	-0.4%	1.2%
Barclays US Long Credit	-3.9%	16.8%	10.7%	17.1%	12.7%	-6.6%	16.4%	3.1%	-2.0%	1.0%
Barclays US Govt/Credit Long	8.4%	1.9%	10.2%	22.5%	8.8%	-8.8%	19.3%	3.4%	-2.4%	0.9%
Barclays US Govt/Credit 1-3 Yr	5.0%	3.8%	2.8%	1.6%	1.3%	0.6%	0.8%	0.6%	0.1%	0.7%
Alerian MLP	-36.9%	76.4%	35.9%	13.9%	4.8%	27.6%	4.8%	-5.2%	6.2%	0.6%
Barclays Municipal	-2.5%	12.9%	2.4%	10.7%	6.8%	-2.6%	9.1%	1.0%	-0.5%	0.5%
Barclays US Strips 20+ Yr	59.5%	-36.0%	10.9%	58.5%	3.0%	-21.0%	46.4%	5.5%	-5.6%	-0.4%
Bloomberg Commodity	-35.7%	18.9%	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-5.9%	5.7%	-0.6%
FTSE NAREIT Equity REITs	-37.7%	28.0%	28.0%	8.3%	18.1%	2.5%	30.1%	4.8%	-5.5%	-1.0%
JPM GBI EM Glob Div	-5.2%	22.0%	15.7%	-1.8%	16.8%	-9.0%	-5.7%	-4.0%	2.9%	-1.2%
Citi WGBI	10.9%	2.6%	5.2%	6.4%	1.7%	-4.0%	-0.5%	-2.5%	1.1%	-1.5%

Source: Morningstar Direct

What contributed or detracted from performance

- The S&P 500 returned just under 1% for the three months ended March 31st, while small-cap stocks, as measured by the Russell 2000 Index, gained 4.3% during the same period. Growth trumped value in each benchmark, helped by a strong showing by biotech. Small-cap equities benefitted from their domestic focus while a stronger dollar took a bite out of large-cap stocks.
 - SSgA S&P 500 Equal-Weighted returned 1.8%, bringing the Large Cap Composite return to 1.2% in the first quarter.
 - Champlain underperformed by 120 bps during the quarter with a return of 4.0% vs the Russell 2500 Index return of 5.2%.
 - Wellington Sm Cap returned 4.4% outperforming the Russell 2000 Value Index by 240 basis points, which gained 2.0% for the first quarter. This brought the Small/Mid Cap equity composite to 4.9% for the quarter.
- Monetary accommodation and increasing optimism in Japan led to gains of 5% for the EAFE Index during the quarter, outpacing domestic and emerging markets. Japan was the top performer, returning close to 10%, while New Zealand and Singapore trailed the pack, selling off roughly 1%. Emerging markets returned 2.2% in the first quarter, bolstered by gains in India and Russia. Russia was the top performer, with quarterly returns of 18%. Other commodity-driven markets, such as Brazil, lagged on the back of continued pressure on energy prices.
 - Acadian underperformed by 60 bps during the quarter with a return of 4.3% vs the MSCI EAFE Index return of 4.9%.
 - Aberdeen gained 3.1% for the quarter, outperforming the MSCI Emerging Markets index which returned 2.2% by 90 bps.
- Global sovereign debt gained in the first quarter as yields fell amid declining inflation and accommodative monetary policies. The ECB's €1 trillion government bond-buying program pushed yields in the Eurozone to record lows, while US Treasury yields also declined on renewed expectations of a delayed Fed rate hike. The yield on the 10-year US Treasury dropped 23 basis points to 1.94% at the end of March. The spread between two- and 10-year rates fell 12 basis points to 1.38%. Treasury Inflation-Protected Securities, or TIPS, returned 1.4% during the quarter, as measured by the Barclays US TIPS Index. The 10-year breakeven inflation rate increased 10 basis points to 1.78% as inflationary expectations inched up with the stabilization of oil prices. US investment-grade corporate bonds returned 2.3% during the quarter. The Barclays Long Duration Credit Index gained 3.1%, bolstered by falling Treasury yields. Agency mortgage-backed securities benefitted from a decrease in mortgage rates in January and March, and posted quarterly gains of 1.1%. High-yield bonds bounced back after two quarters of losses, returning 2.5%.
 - Allianz Structured Alpha was the strongest performer within the fixed income lineup, gaining 5.0% for the quarter.
 - Mondrian Global Fixed Income declined 2.0% but outperformed Citi WGBI Index' return of -2.5% by 50 bps.
- Commodities continued Their losing streak for the third straight quarter. The Bloomberg Commodity Index lost 5.9% in the three months ended March 31st as a stronger US dollar, anemic growth beyond the US, and excess supply extracted a toll. Lean hogs led the decline, posting losses of 23.7%; precious metals were the only group in the black at 1.3%. Volatility in the commodity sector trumped other asset classes, including equities, bonds and the US dollar.

State Municipal Employees' Retirement System

Vermont Municipal Employees

Total Fund Performance Summary

	Market Value	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank
Municipal Composite	\$529,437,522	2.2%	57	-0.1%	96	3.9%	93	7.4%	89	8.2%	74
<i>Policy Index</i>		1.7%	91	0.0%	95	3.5%	96	6.5%	95	7.0%	94
<i>Allocation Index</i>		1.9%	83	0.1%	95	3.4%	96	6.6%	95	6.9%	94
<i>InvestorForce Public DB Gross Median</i>		2.2%		2.9%		6.6%		9.5%		9.1%	

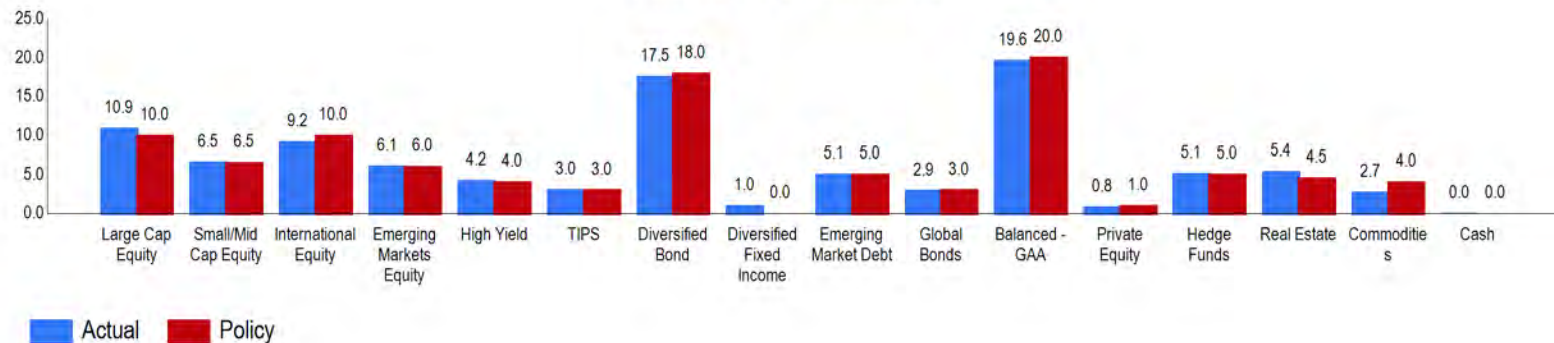
3 Years Ending March 31, 2015

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Municipal Composite	7.36%	89	5.84%	41	1.25	91	1.98	78
Policy Index	6.50%	95	5.43%	24	1.19	95	1.66	95
Allocation Index	6.64%	95	5.45%	24	1.21	94	1.67	95

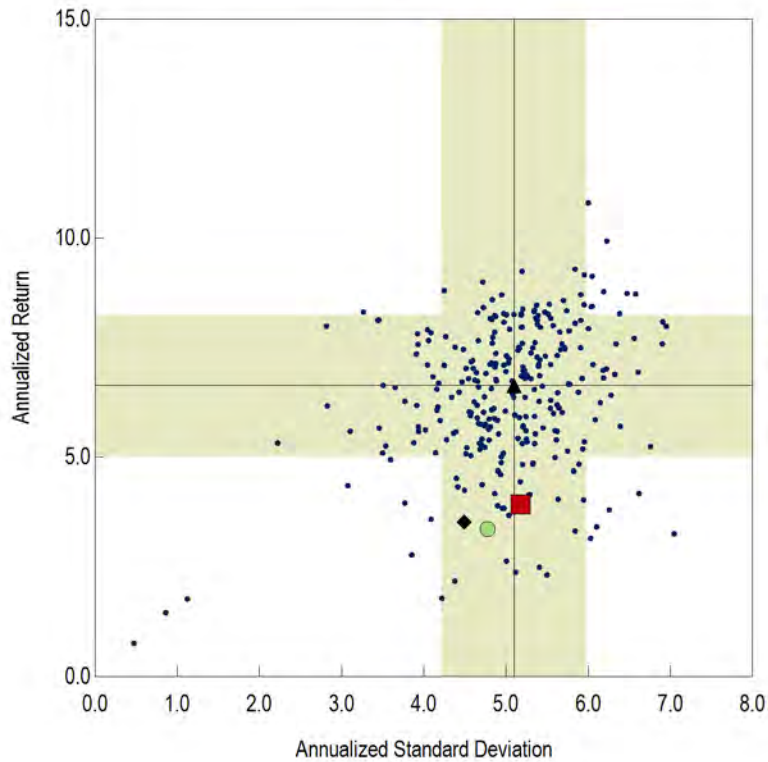
5 Years Ending March 31, 2015

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Municipal Composite	8.25%	74	7.55%	38	1.09	68	1.67	57
Policy Index	6.97%	94	7.27%	29	0.95	91	1.46	86
Allocation Index	6.93%	94	7.34%	30	0.94	92	1.42	88

Actual vs Target Allocation (%)



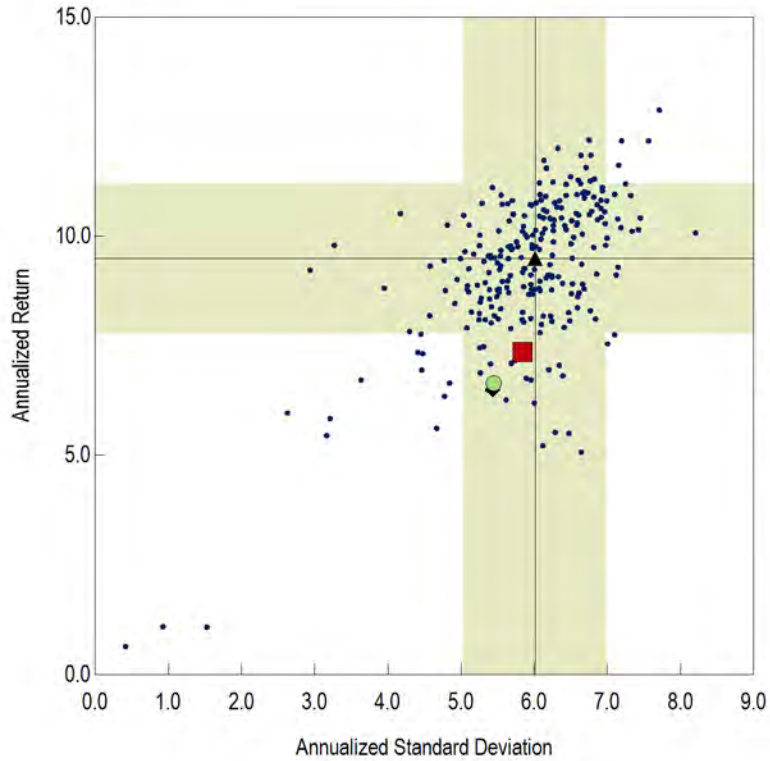
1 Years Ending March 31, 2015



1 Year Ending March 31, 2015

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Municipal Composite	3.94%	93	5.18%	54	0.76	95
Policy Index	3.53%	96	4.49%	20	0.78	94
S&P 500	12.73%	1	9.05%	99	1.40	40
60% MSCI ACWI (Net)/40% CITI WGBI	0.98%	99	6.02%	91	0.16	99
Citi WGBI	-5.50%	99	4.02%	10	-1.37	99
MSCI ACWI	5.42%	76	8.49%	99	0.64	97
MSCI ACWI ex USA	-1.01%	99	9.27%	99	-0.11	99
InvestorForce Public DB Gross Median	6.64%	--	5.10%	--	1.32	--

3 Years Ending March 31, 2015



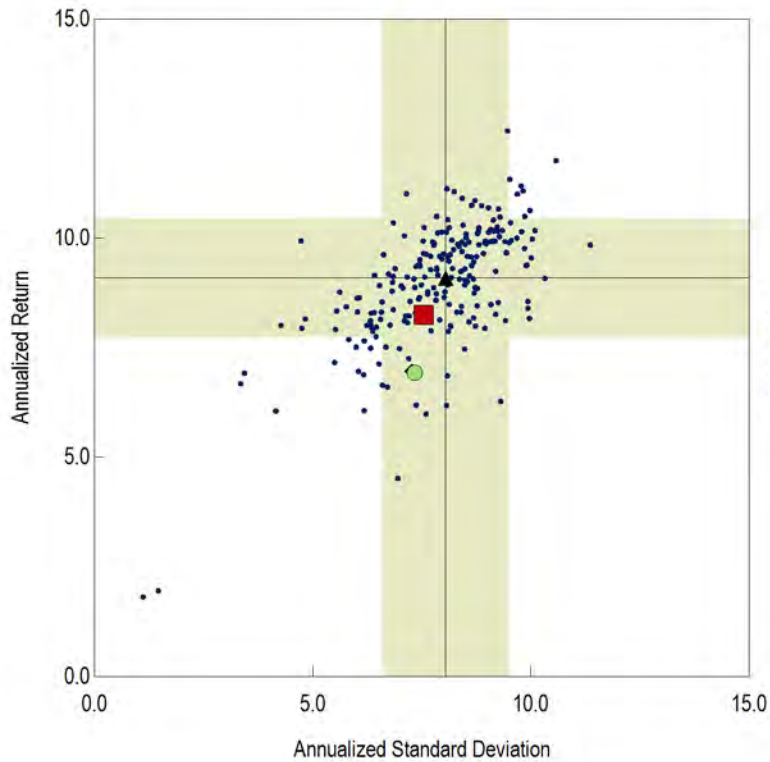
3 Years Ending March 31, 2015

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Municipal Composite	7.36%	89	5.84%	41	1.25	91
Policy Index	6.50%	95	5.43%	24	1.19	95
S&P 500	16.11%	1	9.59%	99	1.68	34
60% MSCI ACWI (Net)/40% CITI WGBI	5.75%	97	7.10%	95	0.80	99
Citi WGBI	-1.64%	99	4.26%	5	-0.40	99
MSCI ACWI	10.75%	17	10.56%	99	1.01	99
MSCI ACWI ex USA	6.40%	95	12.47%	99	0.51	99
InvestorForce Public DB Gross Median	9.49%	--	6.01%	--	1.59	--

Vermont Municipal Employees

Total Fund Risk/Return

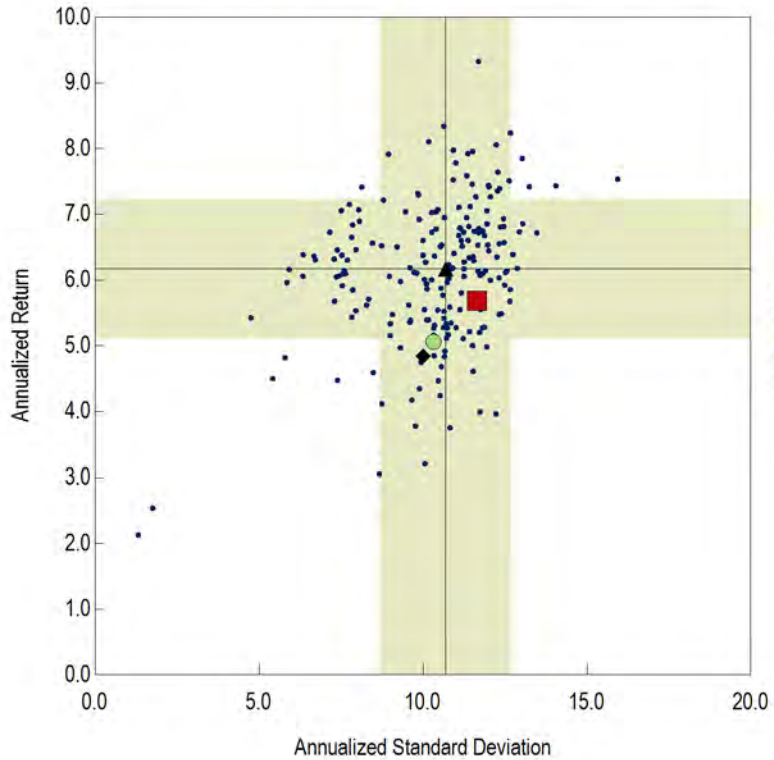
5 Years Ending March 31, 2015



5 Years Ending March 31, 2015

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Municipal Composite	8.25%	74	7.55%	38	1.09	68
Policy Index	6.97%	94	7.27%	29	0.95	91
S&P 500	14.47%	1	12.97%	99	1.11	59
60% MSCI ACWI (Net)/40% CITI WGBI	6.13%	98	9.64%	92	0.63	99
Citi WGBI	1.42%	99	5.31%	4	0.26	99
MSCI ACWI	9.00%	54	14.40%	99	0.62	99
MSCI ACWI ex USA	4.82%	99	16.25%	99	0.29	99
InvestorForce Public DB Gross Median	9.09%	--	8.05%	--	1.14	--

7 Years Ending March 31, 2015

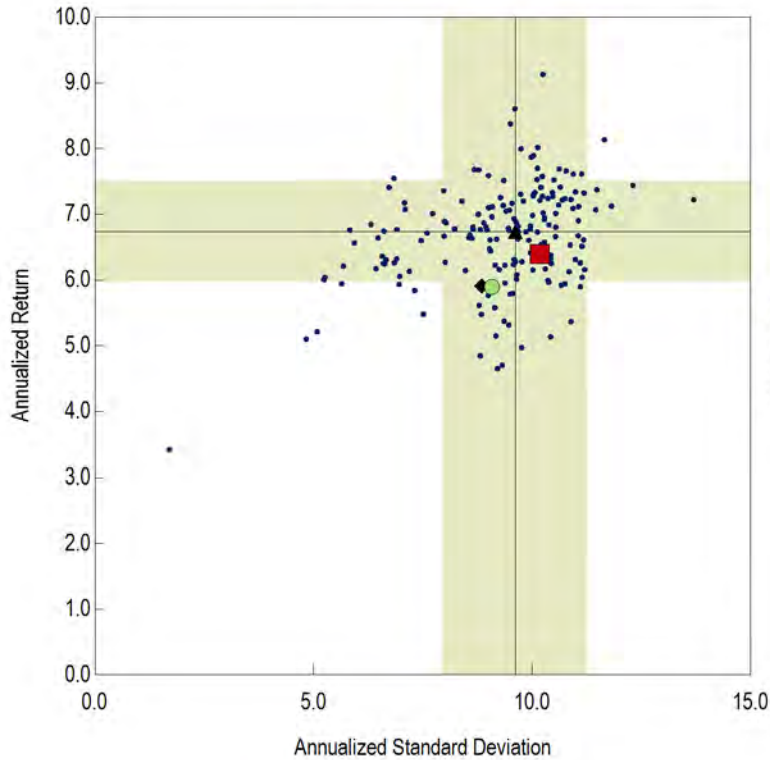


- Municipal Composite
- ◆ Policy Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

7 Years Ending March 31, 2015

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Municipal Composite	5.69%	69	11.65%	73	0.47	83
Policy Index	4.84%	91	10.02%	33	0.46	84
S&P 500	8.95%	1	16.74%	99	0.52	65
60% MSCI ACWI (Net)/40% CITI WGBI	3.62%	99	12.49%	93	0.27	99
Citi WGBI	1.35%	99	6.81%	5	0.17	99
MSCI ACWI	4.50%	94	18.73%	99	0.23	99
MSCI ACWI ex USA	1.24%	99	20.98%	99	0.05	99
InvestorForce Public DB Gross Median	6.17%	--	10.70%	--	0.56	--

10 Years Ending March 31, 2015

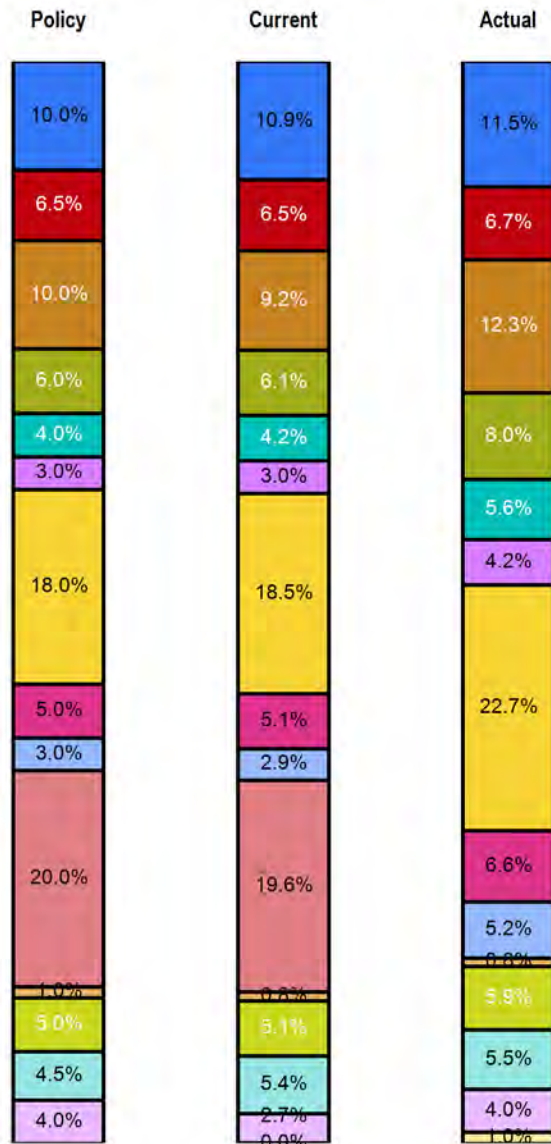


10 Years Ending March 31, 2015

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Municipal Composite	6.39%	66	10.18%	68	0.49	78
Policy Index	5.91%	89	8.84%	30	0.51	71
S&P 500	8.01%	3	14.76%	99	0.45	90
60% MSCI ACWI (Net)/40% CITI WGBI	5.43%	94	10.91%	89	0.37	98
Citi WGBI	3.09%	99	6.60%	8	0.26	99
MSCI ACWI	6.44%	65	16.56%	99	0.31	99
MSCI ACWI ex USA	5.46%	94	18.81%	99	0.22	99
InvestorForce Public DB Gross Median	6.74%	--	9.61%	--	0.57	--

Vermont Municipal Employees

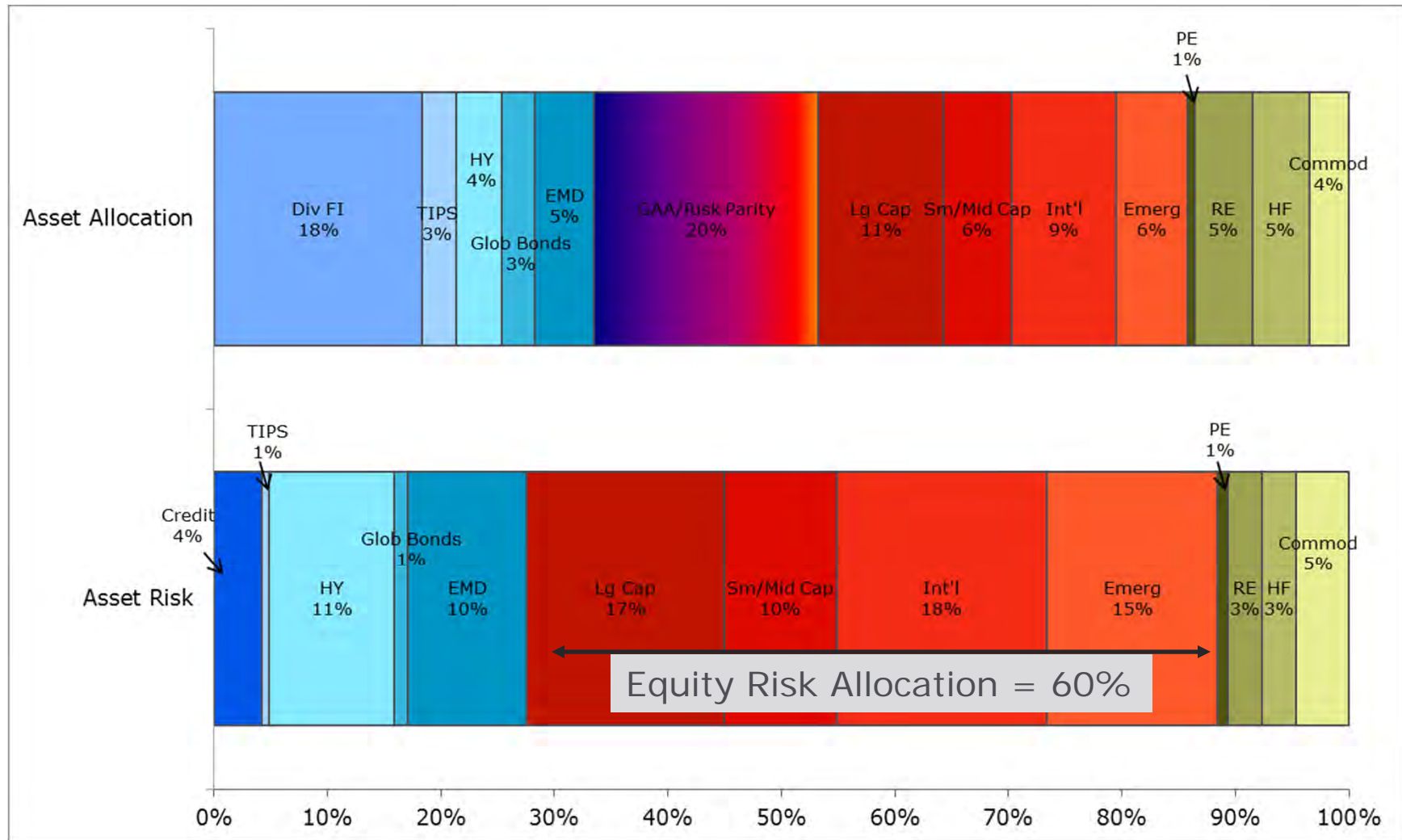
Total Fund Asset Allocation vs. Policy Targets



Asset Allocation vs. Target				
	Current	Policy	Current	Difference*
Large Cap Equity	\$57,643,338	10.0%	10.9%	0.9%
Small/Mid Cap Equity	\$34,673,366	6.5%	6.5%	0.0%
International Equity	\$48,566,402	10.0%	9.2%	-0.8%
Emerging Markets Equity	\$32,059,924	6.0%	6.1%	0.1%
High Yield	\$22,261,731	4.0%	4.2%	0.2%
TIPS	\$15,937,222	3.0%	3.0%	0.0%
Diversified Bond	\$98,121,262	18.0%	18.5%	0.5%
Emerging Market Debt	\$26,786,493	5.0%	5.1%	0.1%
Global Bonds	\$15,464,430	3.0%	2.9%	-0.1%
Balanced - GAA	\$103,852,613	20.0%	19.6%	-0.4%
Private Equity	\$4,226,174	1.0%	0.8%	-0.2%
Hedge Funds	\$26,945,262	5.0%	5.1%	0.1%
Real Estate	\$28,369,465	4.5%	5.4%	0.9%
Commodities	\$14,396,351	4.0%	2.7%	-1.3%
Cash	\$133,489	--	0.0%	0.0%
Total	\$529,437,522	100.0%	100.0%	

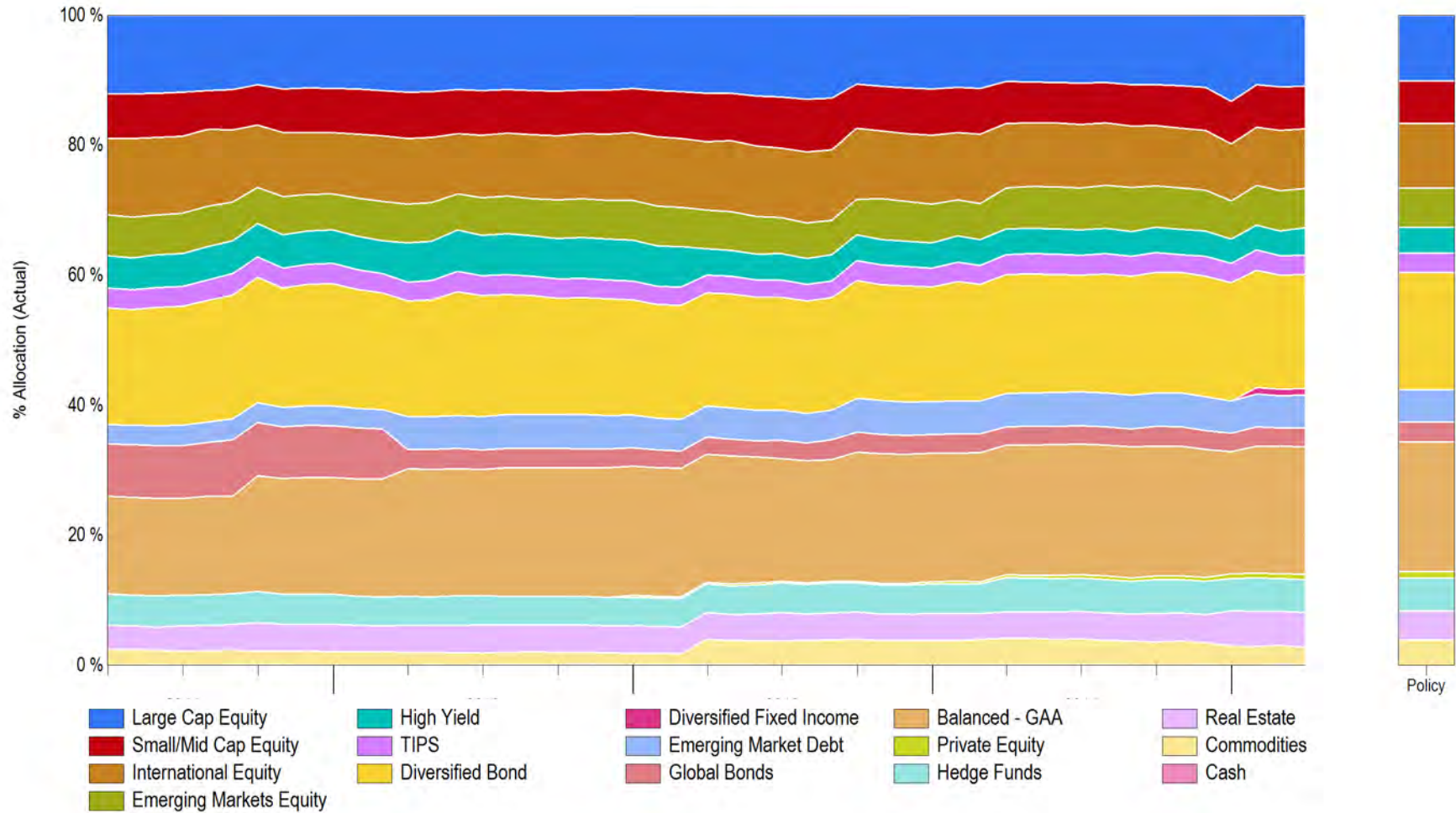
*Difference between Policy and Current Allocation

Total Plan Performance Analysis



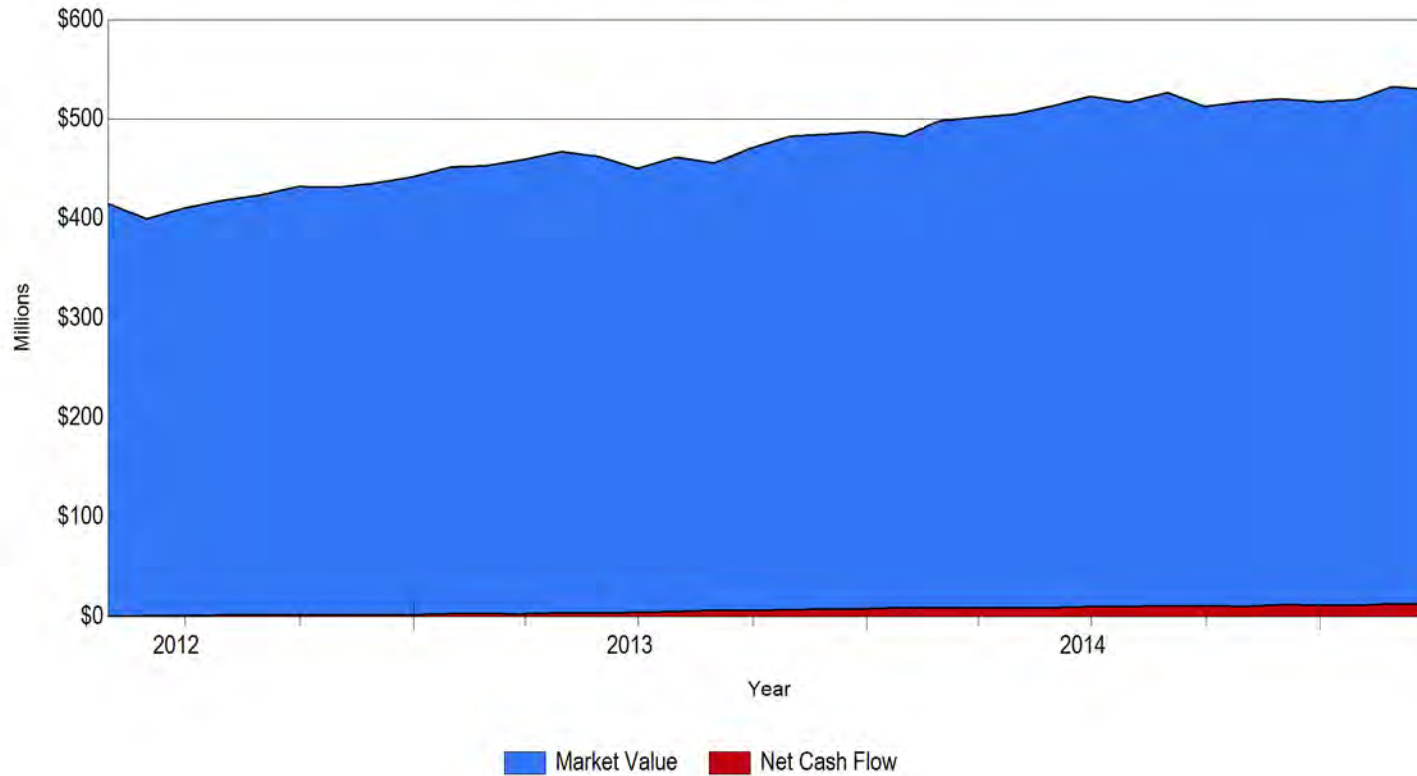
Total Fund Asset Allocation History

Asset Allocation History



Total Fund Asset Growth Summary

3 Years Ending March 31, 2015



	Last Three Months	Fiscal Year-To-Date	One Year	Three Years
Beginning Market Value	\$517,452,372	\$522,918,152	\$501,854,519	\$413,358,527
- Withdrawals	-\$20,087,715	-\$42,348,678	-\$45,260,262	-\$116,357,115
+ Contributions	\$20,838,833	\$44,725,754	\$48,585,568	\$128,763,350
= Net Cash Flow	\$751,117	\$2,377,077	\$3,325,306	\$12,406,235
+ Net Investment Change	\$11,241,538	\$4,149,798	\$24,265,202	\$103,680,266
= Ending Market Value	\$529,445,028	\$529,445,028	\$529,445,028	\$529,445,028

Vermont Municipal Employees

Total Fund Asset Growth Summary by Manager

	Quarter Ending March 31, 2015					Ending Market Value
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	
Aberdeen	\$31,081,641	-\$63,621	\$63,621	\$0	\$978,283	\$32,059,924
Acadian	\$19,654,908	-\$25,488	\$25,488	\$0	\$858,923	\$20,513,830
Allianz Structured Alpha	\$14,024,769	-\$64,525	\$0	-\$64,525	\$702,819	\$14,663,063
AQR Global Risk Premium	\$39,210,174	-\$38,355	\$38,355	\$0	\$1,551,011	\$40,761,185
BlackRock TIPS	\$15,694,587	\$0	\$2,776	\$2,776	\$239,860	\$15,937,222
Champlain	\$11,227,287	-\$21,256	\$21,256	\$0	\$449,402	\$11,676,688
GAM	\$5,482,027	-\$7,887	\$0	-\$7,887	\$134,128	\$5,608,268
Grosvenor	\$10,624,261	\$0	\$10,524,528	\$10,524,528	\$188,136	\$21,336,925
Guggenheim	\$14,997,033	-\$19,742	\$2,019,742	\$2,000,000	\$406,057	\$17,403,090
Harbourvest Dover VIII Fund	\$1,618,373	\$0	\$188,235	\$188,235	\$0	\$1,806,608
Harbourvest Partners IX Buyout Fund	\$1,011,975	\$0	\$102,308	\$102,308	\$0	\$1,114,283
Harbourvest Partners IX Credit Opportunities	\$185,318	\$0	\$0	\$0	\$0	\$185,318
Harbourvest Partners IX Venture Fund	\$935,701	\$0	\$57,450	\$57,450	\$0	\$993,151
HIPEP VII	\$68,284	\$0	\$58,529	\$58,529	\$0	\$126,813
KDP	\$4,748,505	-\$7,826	\$7,826	\$0	\$110,137	\$4,858,641
Mellon Dynamic Growth	\$10,784,386	-\$16,446	\$1,016,446	\$1,000,000	\$861,736	\$12,646,123
Mondrian	\$19,678,580	-\$18,934	\$18,934	\$0	\$999,549	\$20,678,129
Mondrian GFI	\$15,167,450	-\$11,852	\$611,852	\$600,000	-\$303,020	\$15,464,430
Morgan Stanley Prime Property	\$12,727,870	\$0	\$0	\$0	\$0	\$12,727,870
Permal	\$10,514,487	-\$10,524,528	\$0	-\$10,524,528	\$10,110	\$69
PIMCO All Asset	\$29,988,402	-\$67,324	\$0	-\$67,324	\$100,942	\$30,022,020
PIMCO Core Plus	\$34,504,577	-\$6,027,127	\$24,523	-\$6,002,605	\$692,223	\$29,194,195
PIMCO Unconstrained	\$34,416,023	-\$49,847	\$49,847	\$0	\$328,923	\$34,744,946
RREEF America REIT III	\$2,818,030	-\$427,079	\$0	-\$427,079	\$60,470	\$2,451,421
Schroder	\$15,878,462	\$0	\$0	\$0	-\$1,482,111	\$14,396,351

Vermont Municipal Employees

Total Fund Asset Growth Summary by Manager

	Quarter Ending March 31, 2015					Ending Market Value
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	
Siguler Guff	\$1,822,299	-\$17,021	\$0	-\$17,021	\$69,409	\$1,874,687
SSgA ACWI Ex US	\$7,122,699	-\$1,305	\$1,305	\$0	\$251,744	\$7,374,443
SSgA Barclays Aggregate Index	\$0	\$0	\$5,202,605	\$5,202,605	\$11,678	\$5,214,282
SSgA Russell 2000 Growth	\$8,440,652	-\$1,801,556	\$1,556	-\$1,800,000	\$539,276	\$7,179,928
SSgA S&P 400	\$3,884,096	-\$553	\$553	\$0	\$205,963	\$4,090,059
SSgA S&P 500 Cap-Wgt	\$42,077,695	-\$2,255	\$2,255	\$0	\$395,126	\$42,472,821
SSgA S&P 500 Equal-Wgt	\$14,818,970	-\$2,169	\$2,169	\$0	\$300,057	\$15,119,027
T. Rowe	\$51,650	-\$19,942	\$19,942	\$0	-\$161	\$51,490
Transwestern / Aslan III	\$113,885	-\$212	\$0	-\$212	\$78	\$113,750
UBS Trumbull	\$10,904,701	-\$23,093	\$0	-\$23,093	\$320,128	\$11,201,737
Vermont Cash	\$184,529	-\$801,665	\$750,625	-\$51,040	\$0	\$133,489
Wellington	\$11,236,556	-\$26,106	\$26,106	\$0	\$490,134	\$11,726,691
Wellington DAS	\$13,887,097	\$0	\$0	\$0	\$425,184	\$14,312,280
Wellington OIF	\$19,617,229	\$0	\$0	\$0	\$806,057	\$20,423,286
Wellington Opportunistic EMD	\$26,247,206	\$0	\$0	\$0	\$539,287	\$26,786,493
Total	\$517,452,372	-\$20,087,715	\$20,838,833	\$751,117	\$11,241,538	\$529,445,028

Vermont Municipal Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Municipal Composite	529,437,522	100.0	100.0	2.2	57	-0.1	96	3.9	93	7.4	89	8.2	74
<i>Policy Index</i>				1.7	91	0.0	95	3.5	96	6.5	95	7.0	94
<i>Allocation Index</i>				1.9	83	0.1	95	3.4	96	6.6	95	6.9	94
<i>InvestorForce Public DB Gross Median</i>				2.2		2.9		6.6		9.5		9.1	
Large Cap Comp	57,643,338	10.9	10.0	1.2	62	7.0	54	12.8	47	16.8	41	14.9	43
<i>S&P 500</i>				1.0	67	7.1	53	12.7	48	16.1	53	14.5	53
<i>eA US Large Cap Equity Gross Median</i>				1.8		7.3		12.5		16.3		14.5	
SSgA S&P 500 Cap-Wgt	42,472,821	8.0	7.0	0.9	67	7.2	52	12.8	47	16.2	52	--	--
<i>S&P 500</i>				1.0	67	7.1	53	12.7	48	16.1	53	14.5	53
SSgA S&P 500 Equal-Wgt	15,119,027	2.9	3.0	1.8	50	7.3	51	13.1	44	18.3	17	16.0	22
<i>S&P 500 Equal Weighted</i>				1.8	51	7.3	51	13.2	43	18.4	17	16.0	21
T. Rowe	51,490	0.0	0.0										
Small/Mid Cap Comp	34,673,366	6.5	5.0	4.9	55	9.0	29	11.7	33	17.4	43	16.4	39
<i>Russell 2000</i>				4.3	65	6.0	60	8.2	65	16.3	55	14.6	73
<i>eA US Small-Mid Cap Equity Gross Median</i>				5.2		6.9		9.8		16.8		15.8	
SSgA S&P 400	4,090,059	0.8	0.5	5.3	40	7.5	55	12.2	50	17.1	48	--	--
<i>S&P 400 MidCap</i>				5.3	40	7.5	54	12.2	50	17.0	49	15.7	57
<i>eA US Mid Cap Equity Gross Median</i>				4.6		8.0		12.1		16.9		16.0	
Champlain	11,676,688	2.2	2.0	4.0	61	7.3	58	11.8	53	16.9	51	16.4	41
<i>Russell 2500</i>				5.2	42	6.3	67	10.1	67	17.1	47	15.5	63
<i>eA US Mid Cap Equity Gross Median</i>				4.6		8.0		12.1		16.9		16.0	
Wellington	11,726,691	2.2	2.0	4.4	22	10.5	1	11.0	12	17.3	39	16.0	30
<i>Russell 2000 Value</i>				2.0	74	2.0	65	4.4	69	14.8	70	12.5	85
<i>eA US Small Cap Value Equity Gross Median</i>				3.2		3.6		7.1		16.5		15.1	
SSgA Russell 2000 Growth	7,179,928	1.4	0.5	6.6	45	10.2	37	12.1	25	17.7	47	16.6	59
<i>Russell 2000 Growth</i>				6.6	45	10.2	37	12.1	25	17.7	46	16.6	60
<i>eA US Small Cap Growth Equity Gross Median</i>				6.2		9.4		9.7		17.4		17.3	

Fiscal Year End is 6/30

Report is Gross of manager fees, except where otherwise noted



March 31, 2015

Vermont Municipal Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Int'l Equity Comp	48,566,402	9.2	9.0	4.5	63	-6.1	77	-1.5	68	9.5	61	7.3	65
MSCI EAFE				4.9	53	-4.8	65	-0.9	61	9.0	70	6.2	83
eA All EAFE Equity Gross Median				5.0		-3.6		-0.2		10.2		8.0	
Acadian	20,513,830	3.9	4.0	4.3	67	-6.6	83	-3.0	81	10.6	46	7.8	53
Mondrian	20,678,129	3.9	4.0	5.0	48	-5.6	73	-0.3	51	9.6	60	7.4	63
MSCI EAFE				4.9	53	-4.8	65	-0.9	61	9.0	70	6.2	83
SSgA ACWI Ex US	7,374,443	1.4	1.0	3.5	68	-5.7	80	-0.8	71	6.7	83	--	--
MSCI ACWI ex USA				3.5	70	-5.8	81	-1.0	72	6.4	84	4.8	93
eA ACWI ex-US All Cap Equity Gross Median				4.4		-2.9		1.0		9.1		8.1	
Emerging Market Comp	32,059,924	6.1	6.0	3.1	24	-5.7	60	0.5	64	--	--	--	--
Aberdeen	32,059,924	6.1	6.0	3.1	24	-5.7	60	0.5	64	1.9	57	5.9	21
MSCI Emerging Markets				2.2	38	-5.8	61	0.4	64	0.3	79	1.7	76
eA Emg Mkts Equity Gross Median				1.8		-4.8		2.2		2.4		3.2	
US Fixed Income	136,320,215	25.7	24.0	2.2	26	3.5	32	6.0	26	--	--	--	--
Barclays Aggregate				1.6	51	3.6	29	5.7	32	3.1	60	4.4	59
eA All US Fixed Inc Gross Median				1.6		2.4		4.1		3.7		4.9	
Diversified Fixed	98,121,262	18.5	17.0	2.2	25	4.7	13	7.3	15	4.5	39	5.8	34
Barclays Aggregate				1.6	51	3.6	29	5.7	32	3.1	60	4.4	59
eA All US Fixed Inc Gross Median				1.6		2.4		4.1		3.7		4.9	
Allianz Structured Alpha	14,663,063	2.8	2.0	5.0	1	13.1	1	17.7	1	11.5	1	9.6	1
Citigroup 10 Year Treasury				2.6	3	7.0	1	9.9	1	3.7	48	6.4	5
PIMCO Core Plus	29,194,195	5.5	5.0	2.4	4	3.8	33	6.1	32	3.6	55	5.2	37
Barclays Aggregate				1.6	71	3.6	53	5.7	54	3.1	82	4.4	81
PIMCO Unconstrained	34,737,440	6.6	6.0	0.6	99	0.9	99	2.7	97	1.7	99	--	--
25% HY, 25% EMD, 50% BC Agg				2.0	21	1.4	98	4.4	88	4.5	13	6.1	7
3-Month Libor Total Return USD				0.1	99	0.2	99	0.2	99	0.3	99	0.3	99
Wellington DAS	14,312,280	2.7	3.0	3.1	2	9.0	1	12.7	1	7.1	1	8.8	1
Wellington Custom Benchmark				3.2	1	8.6	1	12.0	1	5.1	6	6.9	3
SSgA Barclays Aggregate Index	5,214,282	1.0	1.0	--	--	--	--	--	--	--	--	--	--
Barclays Aggregate				1.6	71	3.6	53	5.7	54	3.1	82	4.4	81
3-Month Libor Total Return USD				0.1	99	0.2	99	0.2	99	0.3	99	0.3	99
eA US Core Fixed Inc Gross Median				1.8		3.6		5.8		3.7		5.0	

Allianz is Net of Fees from inception to Q3 2012, and Grossed up quarterly since
Wellington DAS is Net of Fees

Vermont Municipal Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
High Yield Comp	22,261,731	4.2	4.0	2.6	48	0.9	29	2.6	40	7.4	58	8.7	53
Barclays High Yield				2.5	55	-0.4	56	2.0	57	7.5	53	8.6	55
eA US High Yield Fixed Inc Gross Median				2.6		-0.1		2.2		7.5		8.8	
KDP	4,858,641	0.9	1.0	2.3	67	0.7	31	2.6	39	6.2	84	7.5	89
Barclays High Yield				2.5	55	-0.4	56	2.0	57	7.5	53	8.6	55
BofA Merrill Lynch US High Yield BB-B Rated				2.7	37	0.7	32	3.2	28	7.5	53	8.4	65
Guggenheim	17,403,090	3.3	3.0	2.7	36	1.0	28	2.6	41	--	--	--	--
Barclays High Yield				2.5	55	-0.4	56	2.0	57	7.5	53	8.6	55
eA US High Yield Fixed Inc Gross Median				2.6		-0.1		2.2		7.5		8.8	
TIPS	15,937,222	3.0	3.0										
BlackRock TIPS	15,937,222	3.0	3.0	1.6	--	-0.7	--	3.2	--	0.6	--	4.3	--
Barclays US TIPS				1.4	--	-0.7	--	3.1	--	0.6	--	4.3	--
Global Fixed Income Comp	15,464,430	2.9	3.0	-2.0	78	-6.3	78	-4.5	82	-2.3	94	2.1	89
Citi WGBI				-2.5	85	-7.6	86	-5.5	86	-1.6	93	1.4	93
eA All Global Fixed Inc Gross Median				0.5		-2.3		0.2		3.5		4.8	
Mondrian GFI	15,464,430	2.9	3.0	-2.0	78	-6.3	78	-4.5	82	-2.3	94	1.2	94
Citi WGBI				-2.5	85	-7.6	86	-5.5	86	-1.6	93	1.4	93
Emerging Market Debt	26,786,493	5.1	5.0										
Wellington Opportunistic EMD	26,786,493	5.1	5.0	2.1	26	-0.8	29	4.4	24	5.1	23	7.5	14
JP Morgan EMBI Global TR				2.1	26	-1.3	30	4.1	28	4.4	38	6.8	33
eA All Emg Mkts Fixed Inc Gross Median				0.8		-5.3		-0.4		3.5		5.9	
Total Real Estate	28,369,465	5.4	6.0										
NCREIF Property Index													
NCREIF ODCE													
Morgan Stanley Prime Property	12,727,870	2.4	2.0	0.0	--	8.7	--	12.1	--	14.0	--	15.2	--
UBS Trumbull	11,201,737	2.1	2.0	3.0	--	9.5	--	12.0	--	10.7	--	12.6	--
RREEF America REIT III	2,451,421	0.5	0.5	2.5	--	11.0	--	25.6	--	22.2	--	28.1	--
Transwestern / Aslan III	113,750	0.0	0.5	0.1	--	17.6	--	24.1	--	28.6	--	11.0	--
Siguler Guff	1,874,687	0.4	1.0	3.8	--	9.3	--	--	--	--	--	--	--

Wellington Opportunistic EMD is Net of manager fees

Real Estate is as of Q1 2015. Transwestern and Siguler Guff are based on preliminary data

Vermont Municipal Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Hedge Fund Comp	26,945,262	5.1	5.0	1.3	81	0.5	81	2.3	75	7.4	38	--	--
<i>eV Alt Fund of Funds - Multi-Strategy Median</i>				2.5		3.8		5.1		6.6		4.5	
Grosvenor	21,336,925	4.0	2.0	1.7	72	2.2	65	3.5	67	8.0	31	--	--
GAM	5,608,268	1.1	1.0	2.5	52	2.2	65	3.7	66	7.2	41	--	--
Permal	69	0.0	2.0	0.1	96	-2.2	94	0.1	94	6.7	49	--	--
<i>HFRI Fund of Funds Composite Index</i>				2.5	50	3.8	51	5.4	47	5.4	67	3.5	67
GAA Comp	103,852,613	19.6	20.0	3.3	26	-0.6	59	5.1	39	6.6	44	8.2	25
<i>eA Global TAA Gross Median</i>				2.1		0.8		3.7		6.3		6.4	
Mellon Dynamic Growth	12,646,123	2.4	2.5	7.8	1	15.6	1	20.7	1	10.6	13	10.2	11
<i>Mellon Dynamic Growth Benchmark</i>				0.7	75	-1.3	60	2.1	61	6.2	53	6.2	59
AQR Global Risk Premium	40,761,185	7.7	8.0	4.0	19	-1.3	60	6.6	28	6.8	39	10.3	10
<i>60% MSCI World / 40% CITI WGBI</i>				0.5	78	-2.2	66	1.7	62	6.9	38	7.1	36
PIMCO All Asset	30,022,020	5.7	5.0	0.3	80	-5.0	78	-0.6	77	4.3	66	6.8	41
<i>PIMCO All Asset Index</i>				1.6	65	1.5	42	4.5	42	4.0	68	5.7	64
<i>CPI + 5% (Seasonally Adjusted)</i>				1.0	69	3.0	29	5.0	39	6.0	56	6.7	42
Wellington OIF	20,423,286	3.9	4.5	4.1	18	-0.3	57	3.2	59	7.2	37	6.0	62
<i>65% MSCI ACWI (Net) / 35% BC Agg</i>				2.1	49	1.6	39	5.6	35	8.2	22	7.6	31
Commodities	14,396,351	2.7	4.0										
Schroder	14,396,351	2.7	4.0	-9.3	--	-35.2	--	-34.6	--	-14.9	--	-6.4	--
<i>Bloomberg Commodity Index</i>				-5.9	--	-27.1	--	-27.0	--	-11.5	--	-5.7	--
Cash	133,489	0.0	0.0										
Vermont Cash	133,489	0.0	0.0	0.0	--	0.0	--	0.0	--	0.0	--	0.1	--
<i>91 Day T-Bills</i>				0.0	--	0.0	--	0.0	--	0.0	--	0.1	--
Private Equity	4,226,174	0.8	3.0										
Harbourvest Partners IX Credit Opportunities	185,318	0.0											
Harbourvest Partners IX Venture Fund	993,151	0.2											
Harbourvest Partners IX Buyout Fund	1,114,283	0.2											
Harbourvest Dover VIII Fund	1,806,608	0.3											
HIPEP VII	126,813	0.0											

Harbourvest is based on final Capital Account Statements for Q4 2014, and cash adjusted through March for any Capital Calls or Distributions

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

Mellon Dynamic Growth Benchmark: 60% MSCI All Country World Index IMI/ 40% Citigroup GDP Weighted Hedge Fund Comp and Commodities are Net of Manager Fees

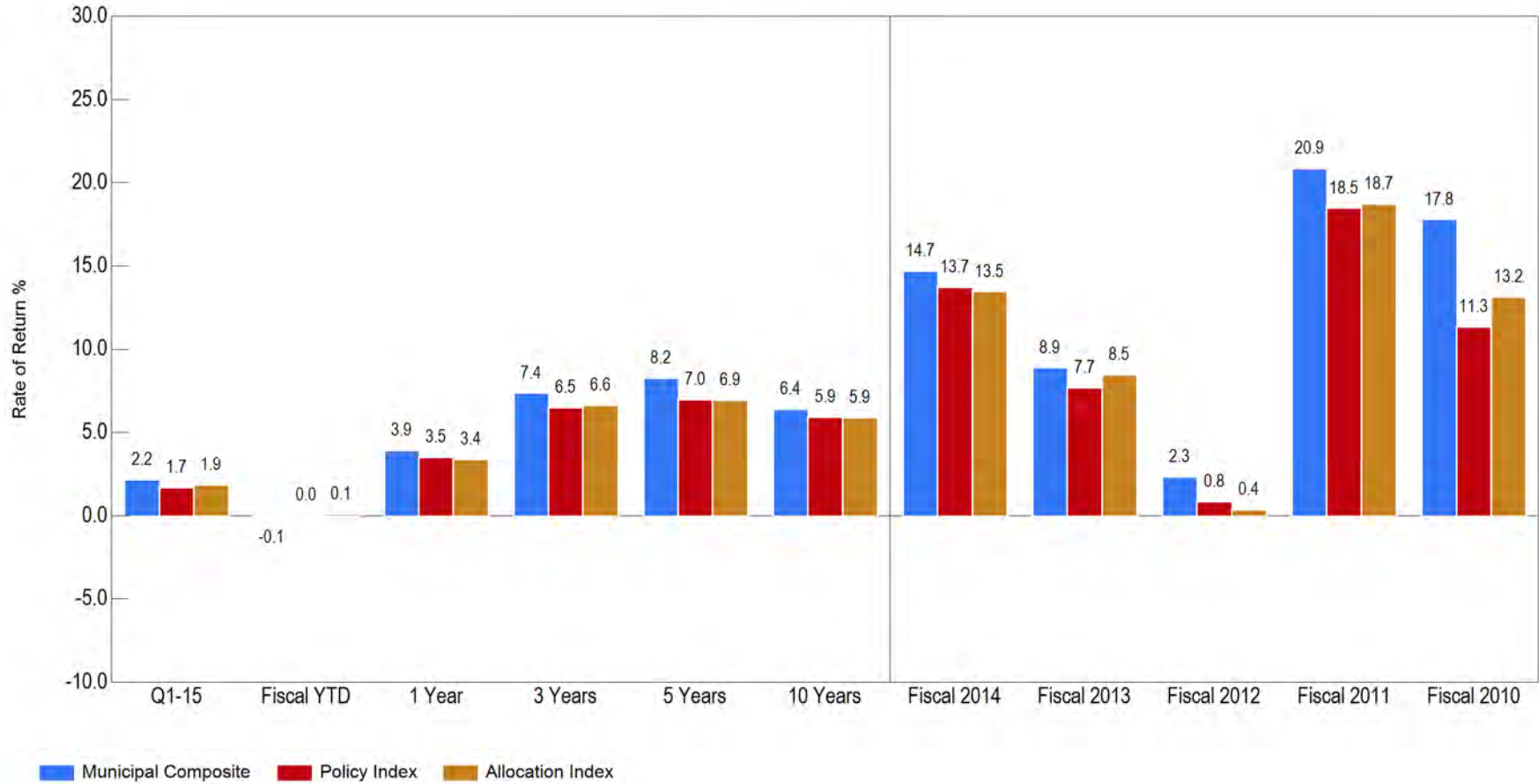
Wellington OIF is Net of Manager Fees



March 31, 2015

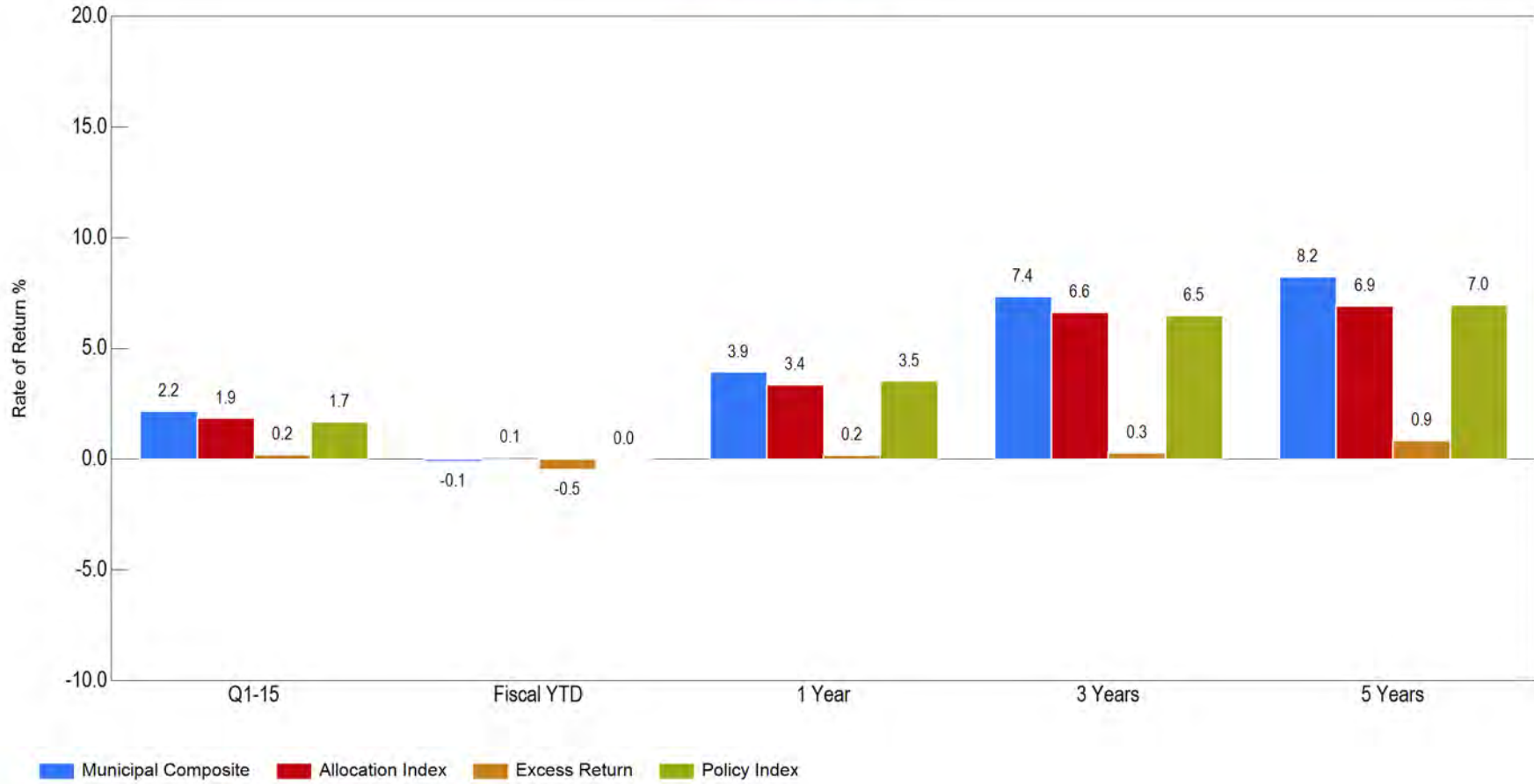
Vermont Municipal Employees
Total Fund Return Summary

Return Summary Gross

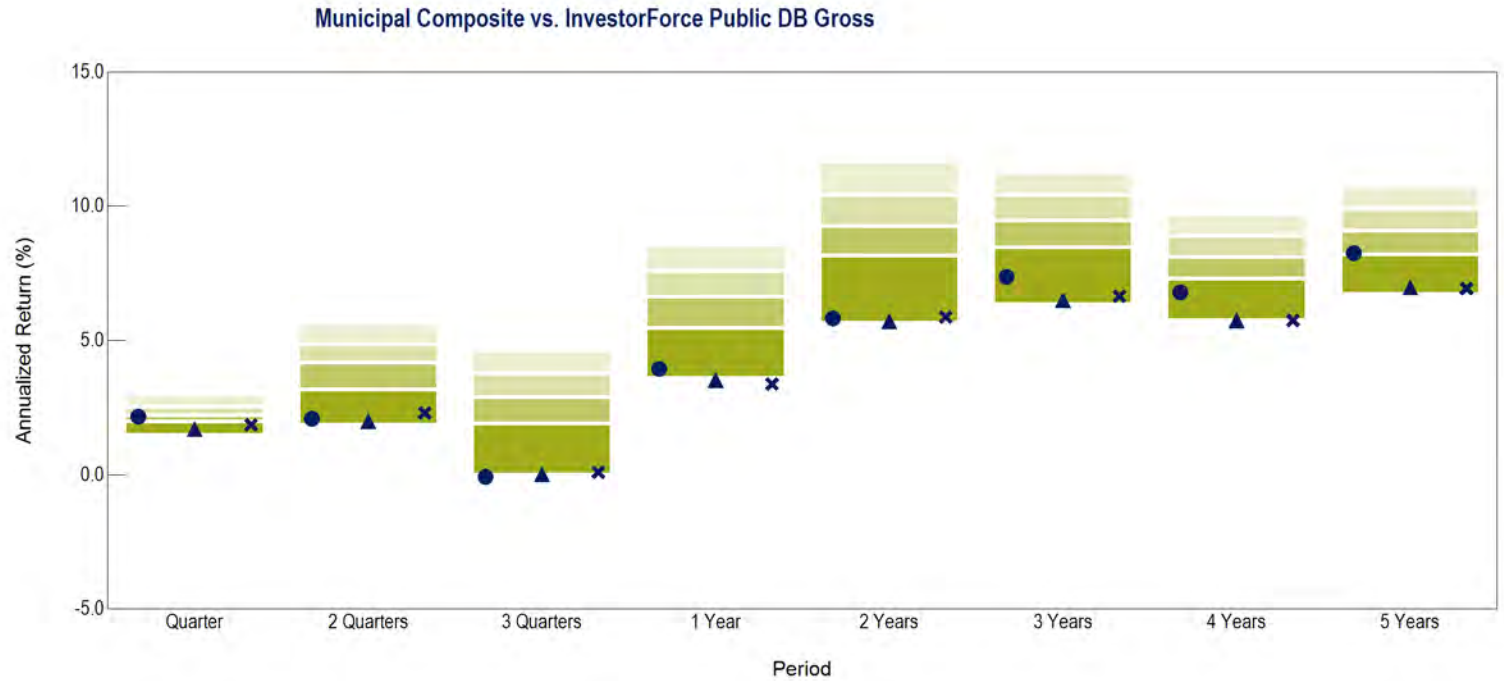


Vermont Municipal Employees
Total Fund Return Summary

Return Summary Gross

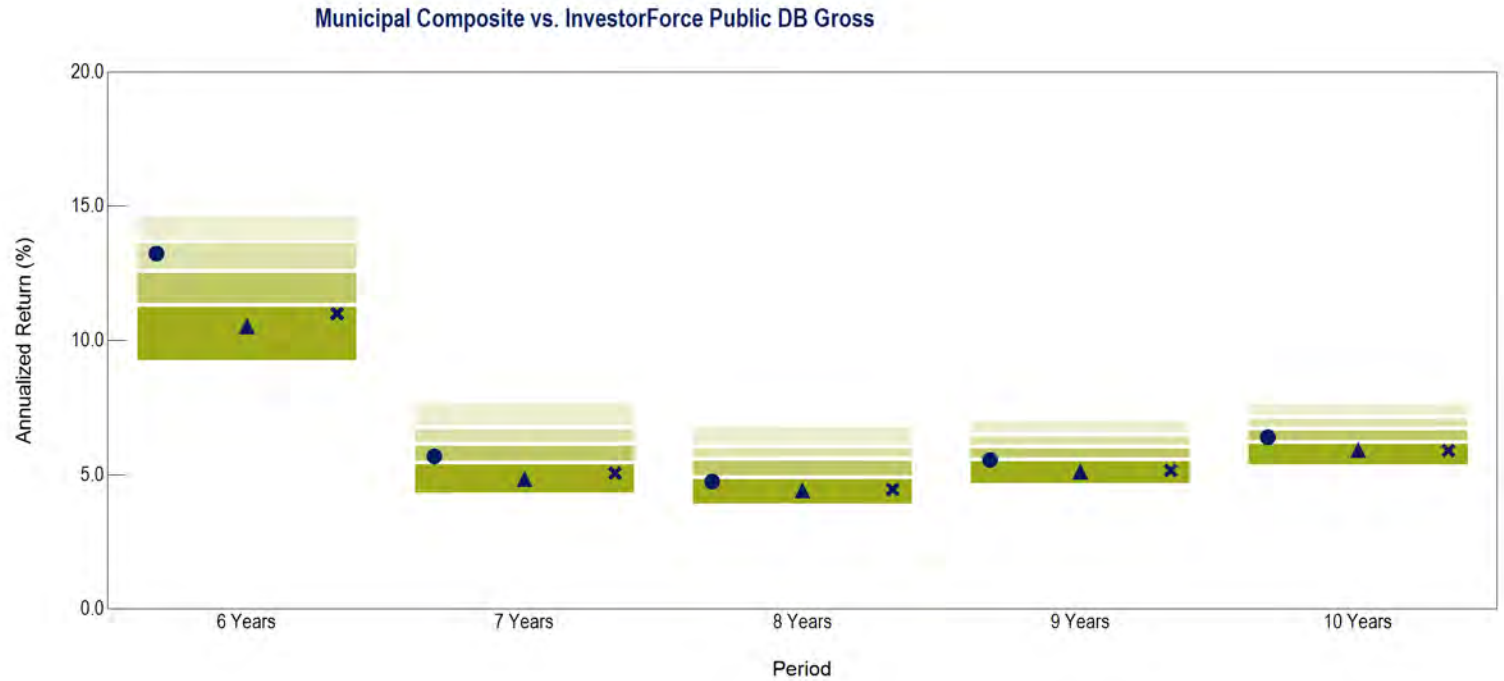


Total Fund Return Summary vs. Peer Universe



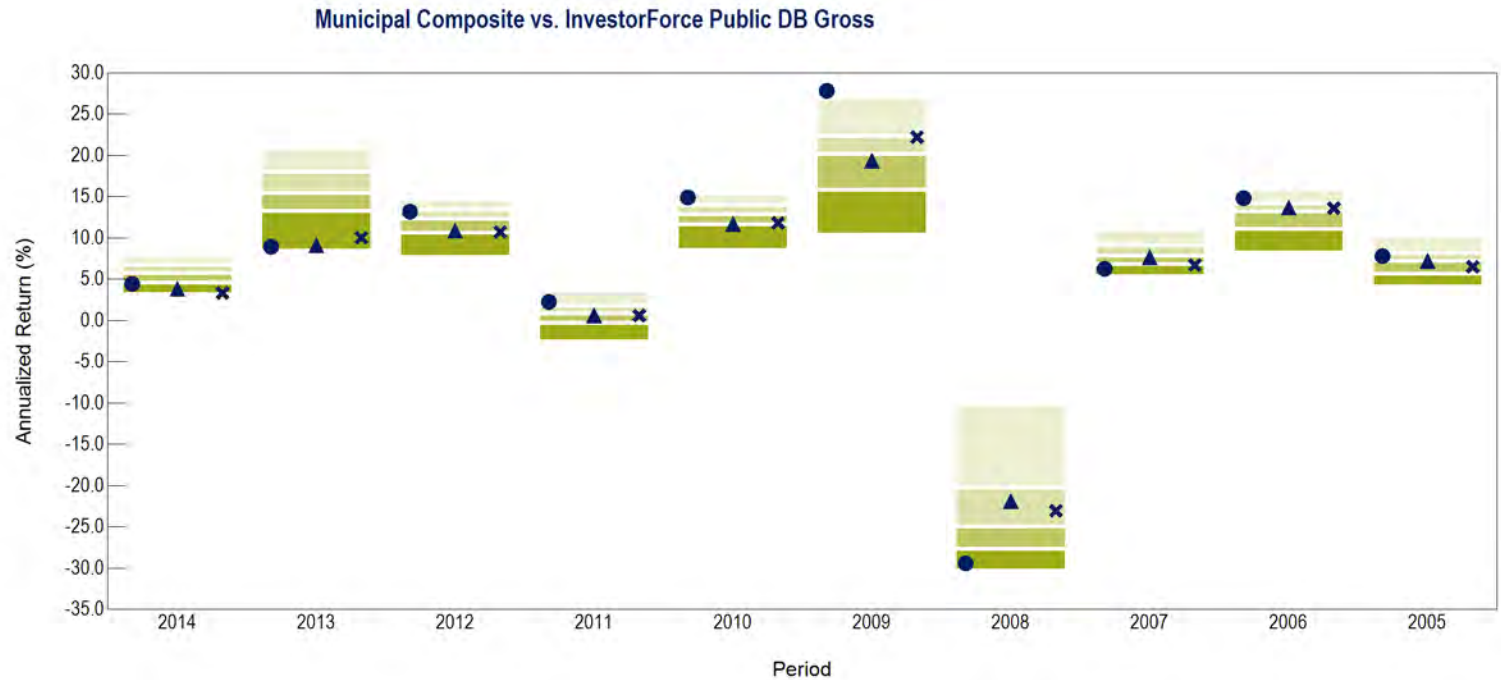
	Return (Rank)															
5th Percentile	3.0	5.6	4.6	8.6	11.7	11.3	9.7	10.7								
25th Percentile	2.6	4.9	3.8	7.6	10.4	10.4	8.9	9.9								
Median	2.2	4.2	2.9	6.6	9.3	9.5	8.1	9.1								
75th Percentile	2.0	3.2	1.9	5.5	8.2	8.5	7.3	8.2								
95th Percentile	1.5	1.9	0.0	3.6	5.7	6.4	5.8	6.7								
# of Portfolios	297	293	289	287	274	262	243	228								
● Municipal Composite	2.2	(57)	2.1	(93)	-0.1	(96)	3.9	(93)	5.8	(94)	7.4	(89)	6.8	(86)	8.2	(74)
▲ Policy Index	1.7	(91)	2.0	(94)	0.0	(95)	3.5	(96)	5.7	(95)	6.5	(95)	5.8	(96)	7.0	(94)
× Allocation Index	1.9	(83)	2.3	(91)	0.1	(95)	3.4	(96)	5.9	(94)	6.6	(95)	5.7	(96)	6.9	(94)

Total Fund Return Summary vs. Peer Universe



	Return (Rank)									
5th Percentile	14.7		7.7		6.8		7.1		7.7	
25th Percentile	13.7		6.8		6.1		6.5		7.2	
Median	12.6		6.2		5.6		6.1		6.7	
75th Percentile	11.3		5.5		4.9		5.6		6.2	
95th Percentile	9.2		4.3		3.9		4.6		5.3	
# of Portfolios	212		208		196		190		182	
● Municipal Composite	13.2	(35)	5.7	(69)	4.7	(80)	5.5	(77)	6.4	(66)
▲ Policy Index	10.5	(82)	4.8	(91)	4.4	(87)	5.1	(89)	5.9	(89)
× Allocation Index	11.0	(78)	5.1	(88)	4.5	(87)	5.2	(88)	5.9	(89)

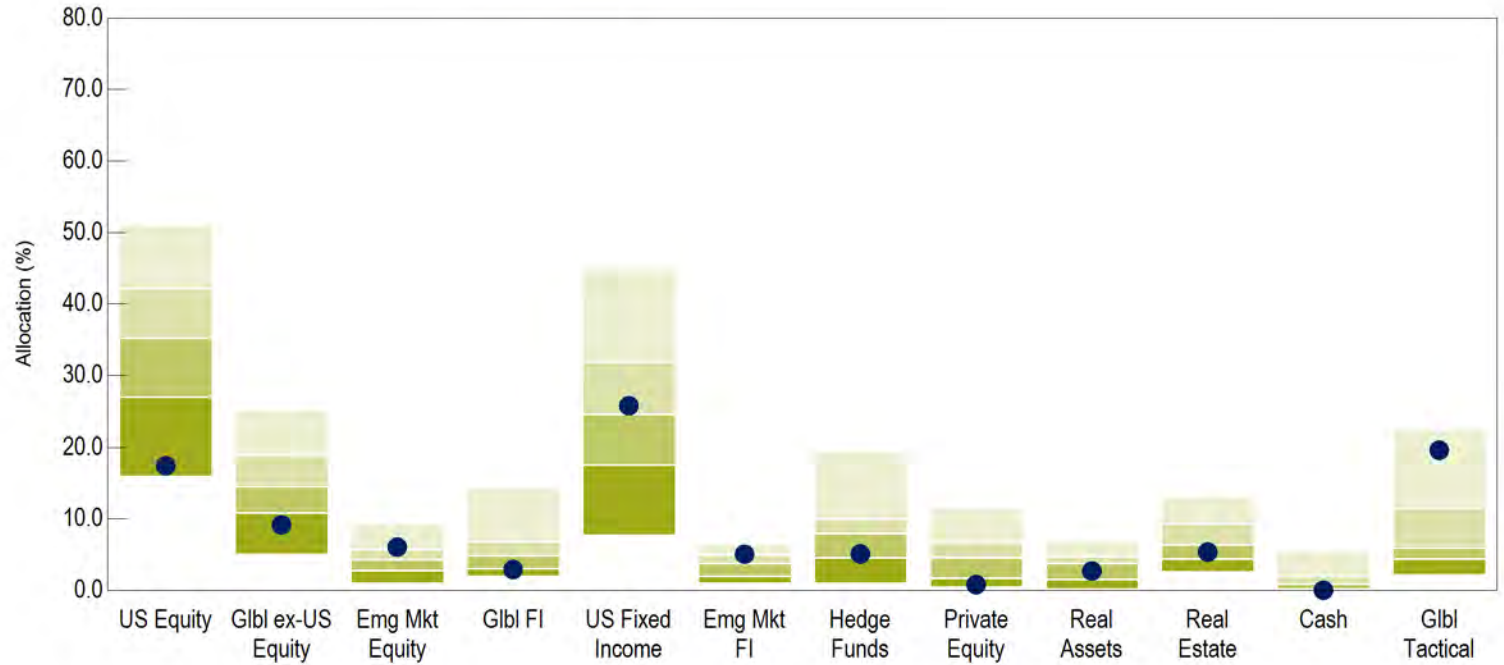
Total Fund Return Summary vs. Peer Universe



	Return (Rank)										
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	
5th Percentile	8.0	20.8	14.6	3.6	15.4	27.0	-10.1	11.0	15.9	10.2	
25th Percentile	6.8	18.0	13.4	1.9	14.0	22.4	-20.1	9.1	14.2	8.2	
Median	5.8	15.5	12.4	0.9	12.9	20.2	-24.9	7.9	13.2	7.3	
75th Percentile	4.6	13.3	10.7	-0.3	11.7	15.9	-27.6	6.9	11.2	5.7	
95th Percentile	3.2	8.5	7.8	-2.5	8.6	10.5	-30.3	5.4	8.3	4.2	
# of Portfolios	248	231	236	206	188	184	181	177	171	158	
● Municipal Composite	4.4 (80)	8.9 (93)	13.2 (28)	2.2 (17)	14.9 (12)	27.8 (4)	-29.4 (89)	6.3 (87)	14.8 (18)	7.8 (33)	
▲ Policy Index	3.8 (91)	9.1 (93)	10.9 (73)	0.6 (60)	11.7 (75)	19.3 (55)	-21.9 (30)	7.7 (53)	13.7 (35)	7.2 (51)	
× Allocation Index	3.3 (95)	10.0 (92)	10.7 (74)	0.6 (60)	11.8 (72)	22.2 (27)	-23.0 (37)	6.7 (81)	13.6 (40)	6.5 (61)	

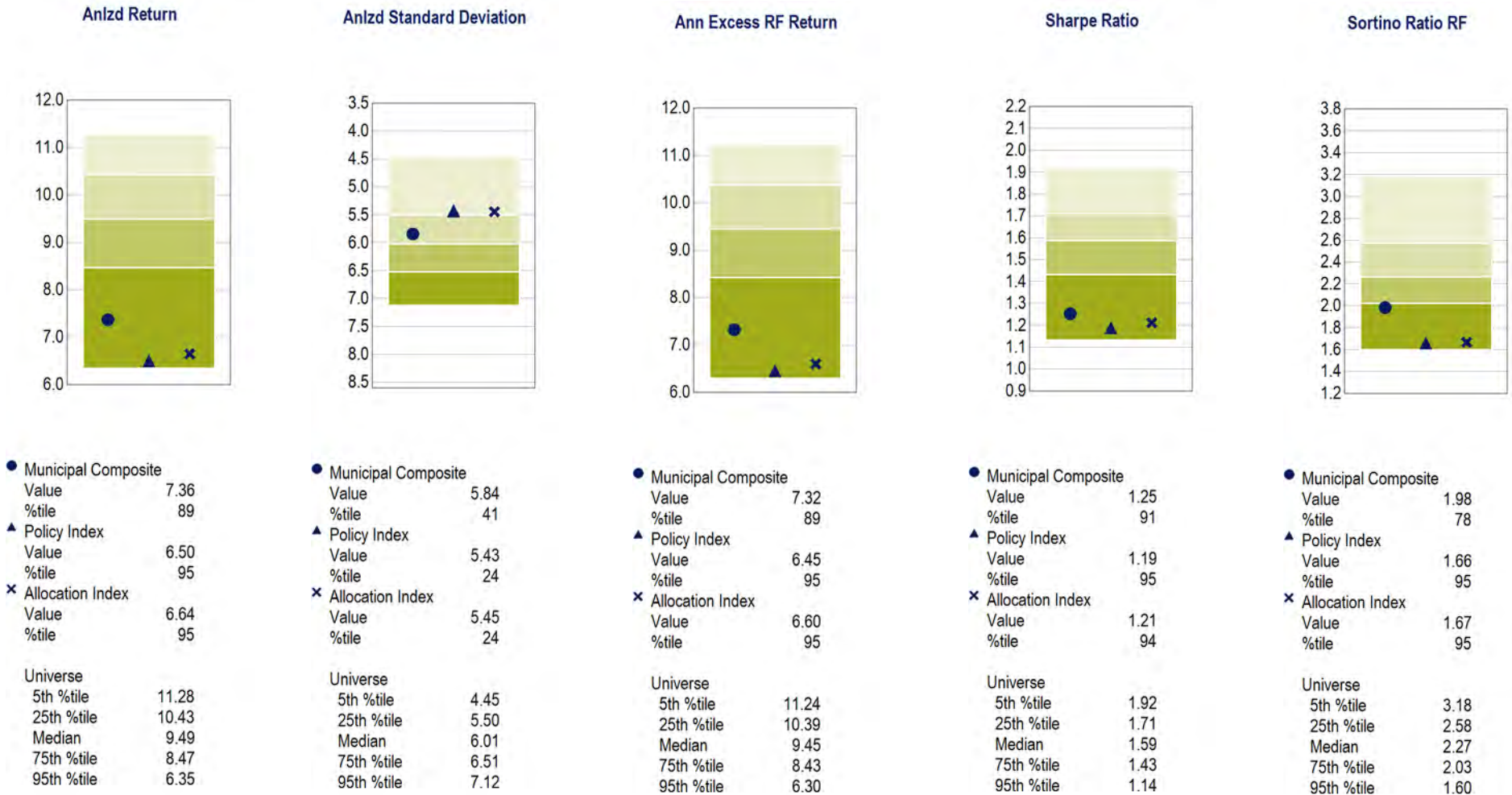
Total Fund Allocation vs. Peer Universe

Total Plan Allocation vs. InvestorForce Public DB Gross
As of March 31, 2015



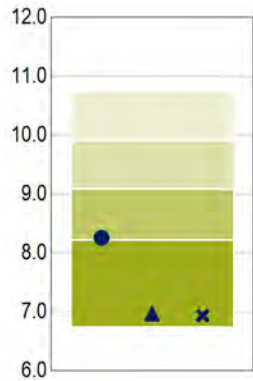
	Allocation (Rank)												
5th Percentile	51.0	25.2	9.3	14.4	44.8	6.4	19.5	11.5	6.9	13.1	5.4	22.5	--
25th Percentile	42.2	19.0	5.8	6.9	32.0	5.0	10.0	6.8	4.8	9.4	2.0	11.6	--
Median	35.3	14.6	4.4	4.9	24.6	3.8	8.0	4.7	3.8	6.4	0.9	6.0	--
75th Percentile	27.0	10.9	2.9	3.1	17.6	2.1	4.6	1.8	1.6	4.5	0.2	4.5	--
95th Percentile	16.0	5.1	1.1	2.1	7.7	1.1	1.0	0.5	0.3	2.7	0.0	2.3	--
# of Portfolios	274	265	110	57	240	47	93	77	51	184	241	70	--
● Municipal Composite	17.4 (94)	9.2 (86)	6.1 (20)	2.9 (82)	25.7 (46)	5.1 (22)	5.1 (68)	0.8 (94)	2.7 (61)	5.4 (66)	0.0 (90)	19.6 (9)	--

Municipal Composite vs. IFx Public DB Gross
3 Years

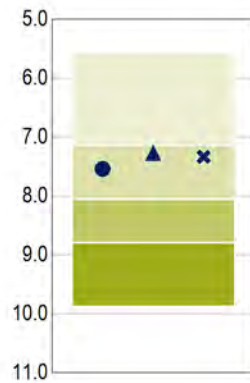


Municipal Composite vs. IFx Public DB Gross
5 Years

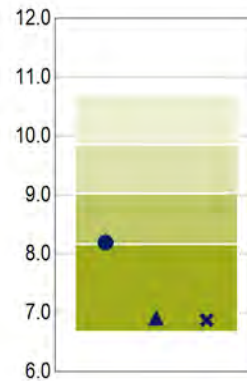
Anlzd Return



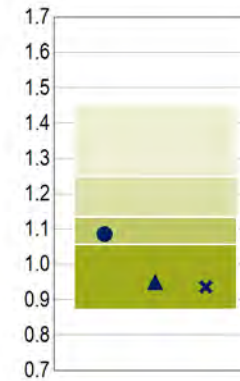
Anlzd Standard Deviation



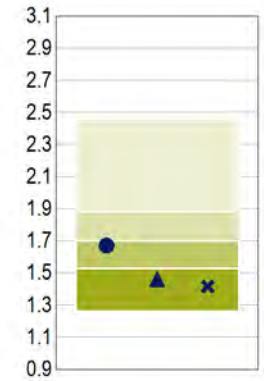
Ann Excess RF Return



Sharpe Ratio



Sortino Ratio RF



● Municipal Composite	
Value	8.25
%tile	74
▲ Policy Index	
Value	6.97
%tile	94
× Allocation Index	
Value	6.93
%tile	94
Universe	
5th %tile	10.75
25th %tile	9.91
Median	9.09
75th %tile	8.23
95th %tile	6.74

● Municipal Composite	
Value	7.55
%tile	38
▲ Policy Index	
Value	7.27
%tile	29
× Allocation Index	
Value	7.34
%tile	30
Universe	
5th %tile	5.57
25th %tile	7.12
Median	8.05
75th %tile	8.78
95th %tile	9.88

● Municipal Composite	
Value	8.19
%tile	74
▲ Policy Index	
Value	6.91
%tile	94
× Allocation Index	
Value	6.87
%tile	94
Universe	
5th %tile	10.69
25th %tile	9.85
Median	9.03
75th %tile	8.17
95th %tile	6.68

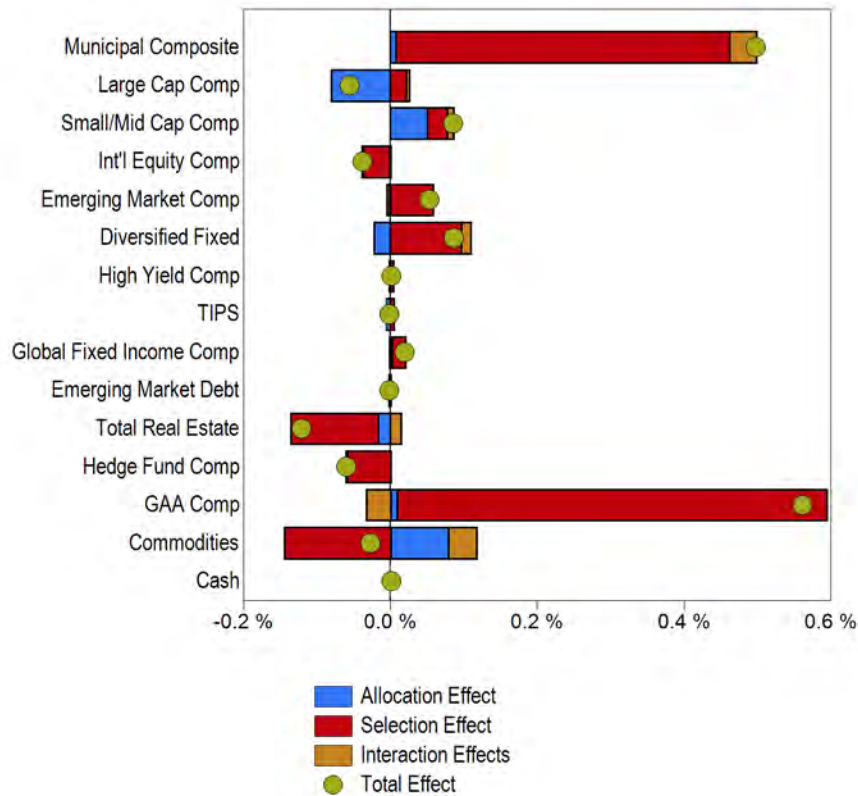
● Municipal Composite	
Value	1.09
%tile	68
▲ Policy Index	
Value	0.95
%tile	91
× Allocation Index	
Value	0.94
%tile	92
Universe	
5th %tile	1.45
25th %tile	1.25
Median	1.14
75th %tile	1.06
95th %tile	0.87

● Municipal Composite	
Value	1.67
%tile	57
▲ Policy Index	
Value	1.46
%tile	86
× Allocation Index	
Value	1.42
%tile	88
Universe	
5th %tile	2.46
25th %tile	1.89
Median	1.70
75th %tile	1.53
95th %tile	1.26

Vermont Municipal Employees

Total Fund Attribution Analysis

Attribution Effects Relative to Policy Index
3 Months Ending March 31, 2015

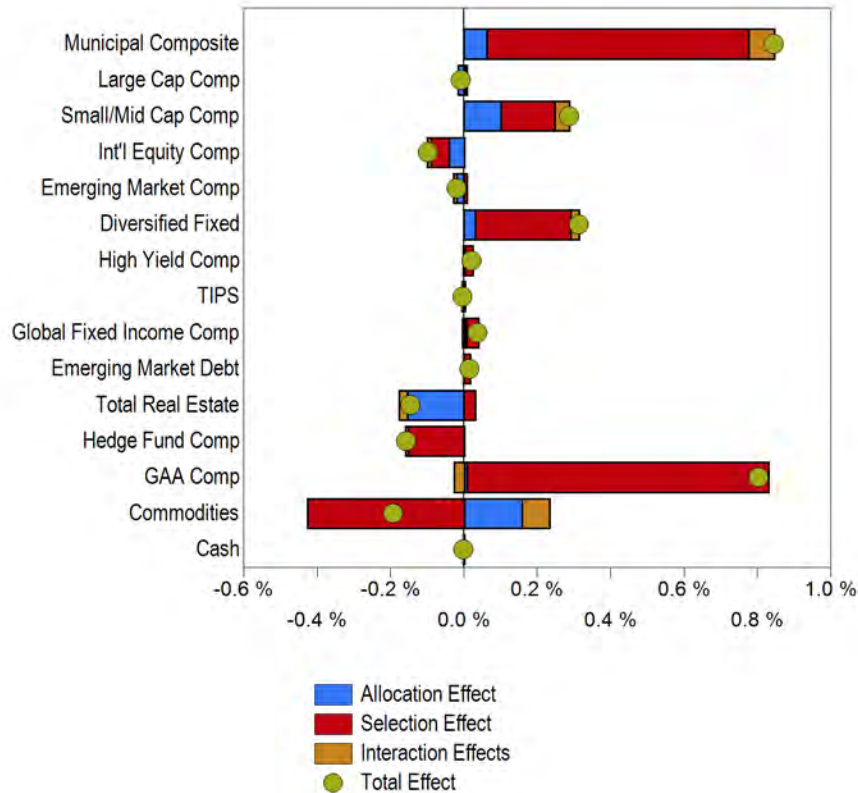


Attribution Summary
3 Months Ending March 31, 2015

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	1.2%	1.0%	0.2%	0.0%	-0.1%	0.0%	-0.1%
Small/Mid Cap Comp	4.9%	4.3%	0.6%	0.0%	0.1%	0.0%	0.1%
Int'l Equity Comp	4.5%	4.9%	-0.4%	0.0%	0.0%	0.0%	0.0%
Emerging Market Comp	3.1%	2.2%	0.9%	0.1%	0.0%	0.0%	0.1%
Diversified Fixed	2.2%	1.6%	0.6%	0.1%	0.0%	0.0%	0.1%
High Yield Comp	2.6%	2.5%	0.1%	0.0%	0.0%	0.0%	0.0%
TIPS	1.6%	1.4%	0.1%	0.0%	0.0%	0.0%	0.0%
Global Fixed Income Comp	-2.0%	-2.5%	0.6%	0.0%	0.0%	0.0%	0.0%
Emerging Market Debt	2.1%	2.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Real Estate	1.6%	3.6%	-1.9%	-0.1%	0.0%	0.0%	-0.1%
Hedge Fund Comp	1.3%	2.5%	-1.2%	-0.1%	0.0%	0.0%	-0.1%
GAA Comp	3.3%	0.4%	2.9%	0.6%	0.0%	0.0%	0.6%
Commodities	-9.3%	-5.9%	-3.4%	-0.1%	0.1%	0.0%	0.0%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	2.1%	1.5%	0.5%	0.5%	0.0%	0.0%	0.5%

Note: Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total returns shown may vary from the calculated returns shown on the performance report. The target return shown for each composite is a custom index, based on aggregated policy indices. This policy index asset weights the underlying policy indices of each option in the plan and the respective benchmark. The allocation, selection, and interaction effects are calculated using the custom index described above along with the policy or target weight of each composite. May not add up due to rounding.

Attribution Effects Relative to Policy Index
1 Year Ending March 31, 2015



Attribution Summary
1 Year Ending March 31, 2015

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	12.8%	12.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Small/Mid Cap Comp	11.7%	8.2%	3.4%	0.1%	0.1%	0.0%	0.3%
Int'l Equity Comp	-1.5%	-0.9%	-0.6%	0.0%	0.0%	0.0%	-0.1%
Emerging Market Comp	0.5%	0.4%	0.1%	0.0%	0.0%	0.0%	0.0%
Diversified Fixed	7.3%	5.7%	1.5%	0.3%	0.0%	0.0%	0.3%
High Yield Comp	2.6%	2.0%	0.6%	0.0%	0.0%	0.0%	0.0%
TIPS	3.2%	3.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Global Fixed Income Comp	-4.5%	-5.5%	1.0%	0.0%	0.0%	0.0%	0.0%
Emerging Market Debt	4.4%	4.1%	0.4%	0.0%	0.0%	0.0%	0.0%
Total Real Estate	13.5%	12.7%	0.8%	0.0%	-0.2%	0.0%	-0.1%
Hedge Fund Comp	2.3%	5.4%	-3.1%	-0.2%	0.0%	0.0%	-0.2%
GAA Comp	5.1%	1.0%	4.1%	0.8%	0.0%	0.0%	0.8%
Commodities	-34.6%	-27.0%	-7.5%	-0.4%	0.2%	0.1%	-0.2%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	3.7%	2.9%	0.9%	0.7%	0.1%	0.1%	0.8%

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

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

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

May not add up due to rounding.

Vermont Municipal Employees

Total Fund Risk Statistics

3 Years Ending March 31, 2015

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Municipal Composite	100.00%	7.36%	89	5.84%	41	0.44%	39	1.25	91	1.98	78	0.85%	30
Policy Index	--	6.50%	95	5.43%	24	0.00%	59	1.19	95	1.66	95	0.00%	1
US Equity	17.44%	16.97%	43	10.33%	33	-0.20%	49	1.64	32	2.88	23	1.59%	4
Russell 3000	--	16.43%	52	9.77%	19	0.00%	45	1.68	28	2.87	24	0.00%	1
Large Cap Comp	10.89%	16.75%	41	9.77%	31	0.38%	44	1.71	31	2.85	29	0.74%	1
S&P 500	--	16.11%	53	9.59%	24	0.00%	52	1.68	37	2.87	27	0.00%	1
Small/Mid Cap Comp	6.55%	17.38%	43	11.96%	47	3.12%	51	1.45	41	2.82	19	2.80%	1
Russell 2000	--	16.27%	55	13.41%	78	0.00%	81	1.21	73	2.16	57	0.00%	1
Int'l Equity Comp	9.17%	9.55%	61	12.75%	63	0.82%	68	0.74	66	1.01	58	1.96%	10
MSCI EAFE	--	9.02%	70	13.04%	77	0.00%	77	0.69	76	0.93	72	0.00%	1
Emerging Market Comp	6.06%	1.86%	57	14.53%	90	1.53%	57	0.12	57	0.17	56	4.18%	52
MSCI Emerging Markets	--	0.31%	79	13.32%	53	0.00%	79	0.02	79	0.02	79	0.00%	1
US Fixed Income	25.75%	4.65%	37	3.29%	68	1.31%	38	1.40	51	1.74	64	1.08%	25
Barclays Aggregate	--	3.10%	60	2.90%	56	0.00%	86	1.05	80	1.64	71	0.00%	1
Diversified Fixed	18.53%	4.51%	39	3.42%	69	0.99%	45	1.31	58	1.90	52	1.00%	22
Barclays Aggregate	--	3.10%	60	2.90%	56	0.00%	86	1.05	80	1.64	71	0.00%	1
High Yield Comp	4.20%	7.36%	58	3.52%	16	1.53%	19	2.08	19	3.11	34	1.26%	63
Barclays High Yield	--	7.46%	53	4.38%	57	0.00%	65	1.69	61	2.93	45	0.00%	1
TIPS	3.01%	0.61%	67	5.43%	82	-0.02%	66	0.10	67	0.13	62	0.16%	7
Barclays US TIPS	--	0.63%	66	5.39%	79	0.00%	62	0.11	63	0.14	61	0.00%	1
Global Fixed Income Comp	2.92%	-2.32%	94	4.49%	56	-0.71%	96	-0.53	98	-0.87	99	1.63%	11
Citi WGBI	--	-1.64%	93	4.26%	45	0.00%	94	-0.40	96	-0.55	96	0.00%	1
Emerging Market Debt	5.06%	5.15%	23	7.09%	33	1.07%	28	0.72	26	0.97	30	1.21%	9
JP Morgan EMBI Global TR	--	4.38%	38	7.53%	42	0.00%	42	0.58	40	0.86	35	0.00%	1
Total Real Estate	5.36%	13.81%	--	5.69%	--	0.55%	--	2.42	--	1,586.98	--	2.14%	--
NCREIF Property Index	--	11.46%	--	4.60%	--	0.00%	--	2.48	--	1,316.05	--	0.00%	--
Hedge Fund Comp	5.09%	7.40%	38	3.43%	34	1.97%	36	2.14	27	5.42	12	1.40%	7
HFRI Fund of Funds Composite Index	--	5.39%	67	3.10%	27	0.00%	67	1.72	45	3.27	38	0.00%	1
GAA Comp	19.62%	6.55%	44	7.33%	46	1.35%	54	0.89	56	1.14	57	3.61%	32
60% MSCI ACWI (Net)/40% CITI WGBI	--	5.75%	57	7.10%	44	0.00%	63	0.80	60	1.16	55	0.00%	1
Commodities	2.72%	-14.84%	--	13.59%	--	-3.15%	--	-1.10	--	-1.55	--	4.34%	--

Vermont Municipal Employees

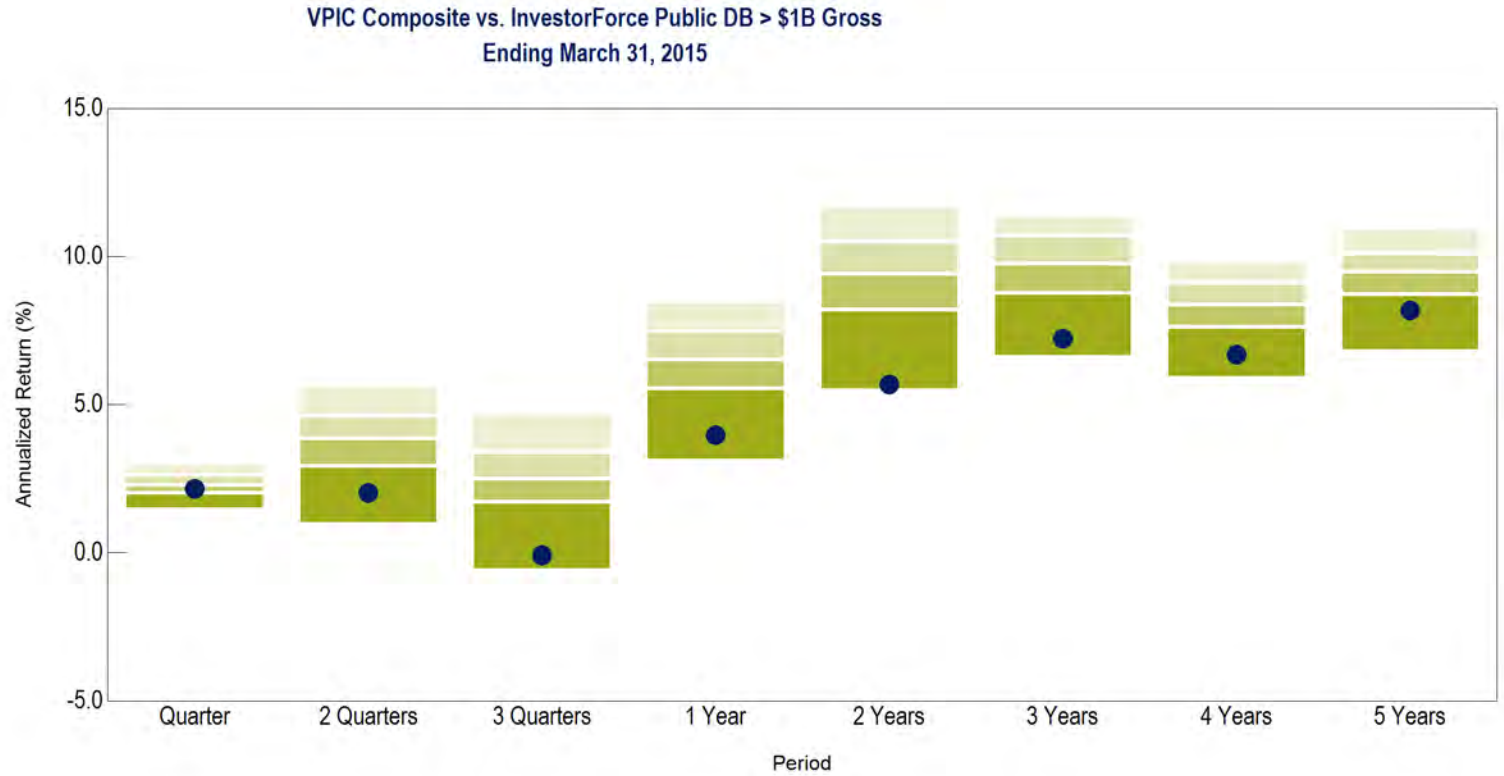
Total Fund Risk Statistics

5 Years Ending March 31, 2015

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Municipal Composite	100.00%	8.25%	74	7.55%	38	1.07%	15	1.09	68	1.67	57	0.85%	12
Policy Index	--	6.97%	94	7.27%	29	0.00%	59	0.95	91	1.46	86	0.00%	1
US Equity	17.44%	--	--	--	--	--	--	--	--	--	--	--	--
Russell 3000	--	14.71%	60	13.46%	28	0.00%	49	1.09	38	1.73	41	0.00%	1
Large Cap Comp	10.89%	14.86%	43	13.60%	50	-0.28%	53	1.09	46	1.71	49	1.03%	1
S&P 500	--	14.47%	53	12.97%	29	0.00%	48	1.11	41	1.79	38	0.00%	1
Small/Mid Cap Comp	6.55%	16.35%	39	15.67%	34	3.61%	41	1.04	36	1.78	27	3.03%	1
Russell 2000	--	14.57%	73	17.76%	81	0.00%	87	0.82	83	1.33	75	0.00%	1
Int'l Equity Comp	9.17%	7.26%	65	15.53%	23	1.53%	62	0.46	59	0.68	54	2.20%	11
MSCI EAFE	--	6.16%	83	16.58%	59	0.00%	86	0.37	85	0.55	84	0.00%	1
Emerging Market Comp	6.06%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	1.75%	76	18.08%	56	0.00%	78	0.09	77	0.14	75	0.00%	1
US Fixed Income	25.75%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays Aggregate	--	4.41%	59	2.80%	49	0.00%	85	1.55	65	2.53	58	0.00%	1
Diversified Fixed	18.53%	5.84%	34	3.31%	64	1.20%	41	1.75	46	2.88	39	1.51%	33
Barclays Aggregate	--	4.41%	59	2.80%	49	0.00%	85	1.55	65	2.53	58	0.00%	1
High Yield Comp	4.20%	8.70%	53	5.17%	20	1.71%	21	1.67	24	2.43	34	1.48%	58
Barclays High Yield	--	8.59%	55	6.27%	59	0.00%	72	1.36	72	2.09	64	0.00%	1
TIPS	3.01%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays US TIPS	--	4.29%	56	5.25%	73	0.00%	69	0.81	71	1.09	55	0.00%	1
Global Fixed Income Comp	2.92%	2.10%	89	5.72%	56	0.67%	87	0.36	85	0.62	80	2.01%	13
Citi WGBI	--	1.42%	93	5.31%	44	0.00%	95	0.26	91	0.37	91	0.00%	1
Emerging Market Debt	5.06%	--	--	--	--	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	--	6.83%	33	7.26%	19	0.00%	36	0.93	28	1.33	20	0.00%	1
Total Real Estate	5.36%	--	--	--	--	--	--	--	--	--	--	--	--
NCREIF Property Index	--	12.75%	--	5.15%	--	0.00%	--	2.46	--	923.72	--	0.00%	--
Hedge Fund Comp	5.09%	--	--	--	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index	--	3.52%	67	4.01%	30	0.00%	68	0.86	57	1.21	57	0.00%	1
GAA Comp	19.62%	8.18%	25	8.42%	39	3.27%	34	0.97	43	1.39	47	3.91%	29
60% MSCI ACWI (Net)/40% CITI WGBI	--	6.13%	60	9.64%	66	0.00%	74	0.63	64	0.96	66	0.00%	1
Commodities	2.72%	--	--	--	--	--	--	--	--	--	--	--	--

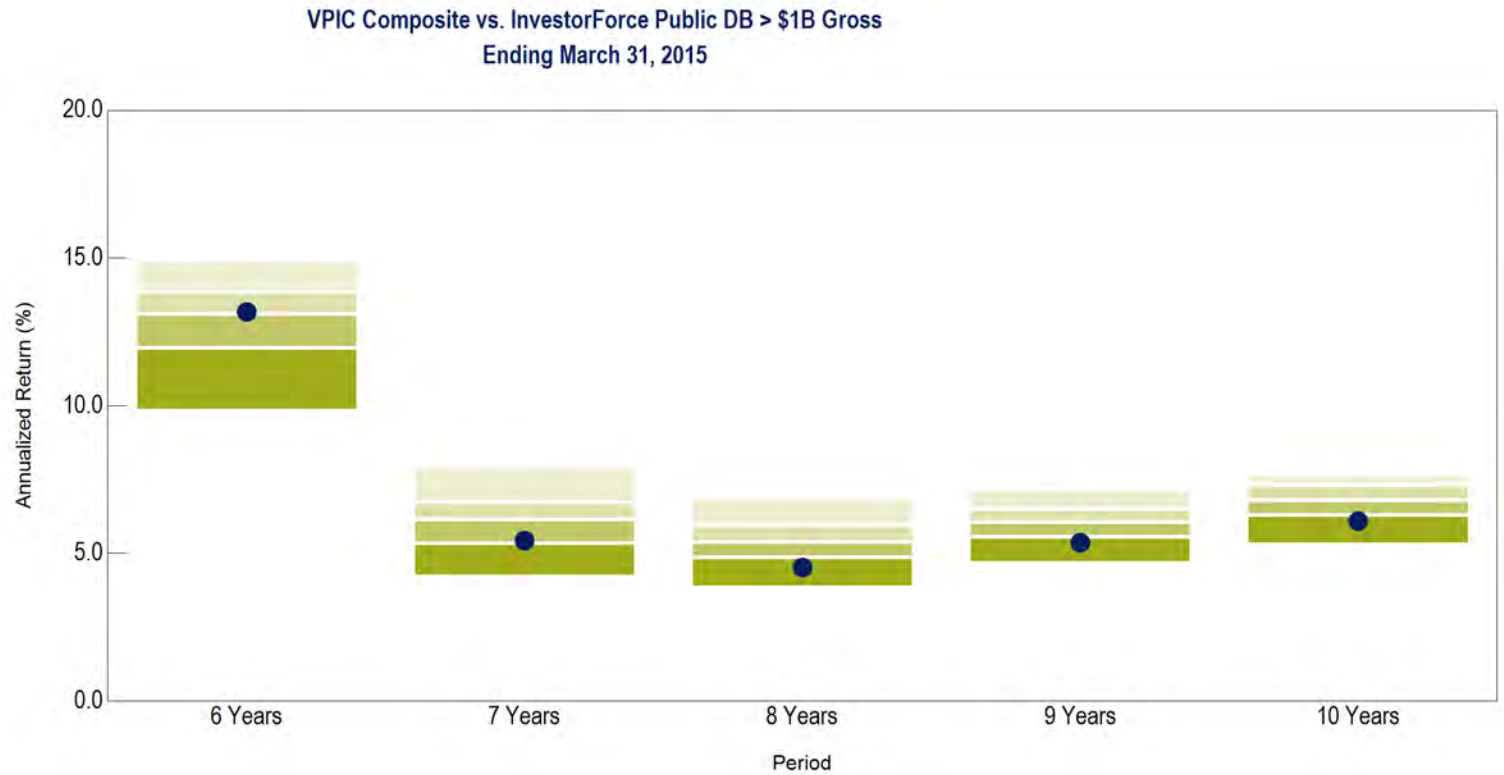
VPIC Allocation Comparison

Total Fund Return Summary vs. Peer Universe



	Return (Rank)															
5th Percentile	3.0	5.6	4.7	8.5	11.7	11.4	9.8	10.9								
25th Percentile	2.6	4.6	3.4	7.5	10.5	10.7	9.1	10.1								
Median	2.3	3.9	2.5	6.5	9.4	9.8	8.4	9.5								
75th Percentile	2.0	2.9	1.7	5.6	8.2	8.8	7.6	8.7								
95th Percentile	1.5	1.0	-0.6	3.1	5.5	6.6	5.9	6.8								
# of Portfolios	101	100	99	98	95	92	91	86								
● Composite	2.1	(60)	2.0	(89)	-0.1	(93)	4.0	(93)	5.7	(94)	7.2	(92)	6.7	(92)	8.2	(85)

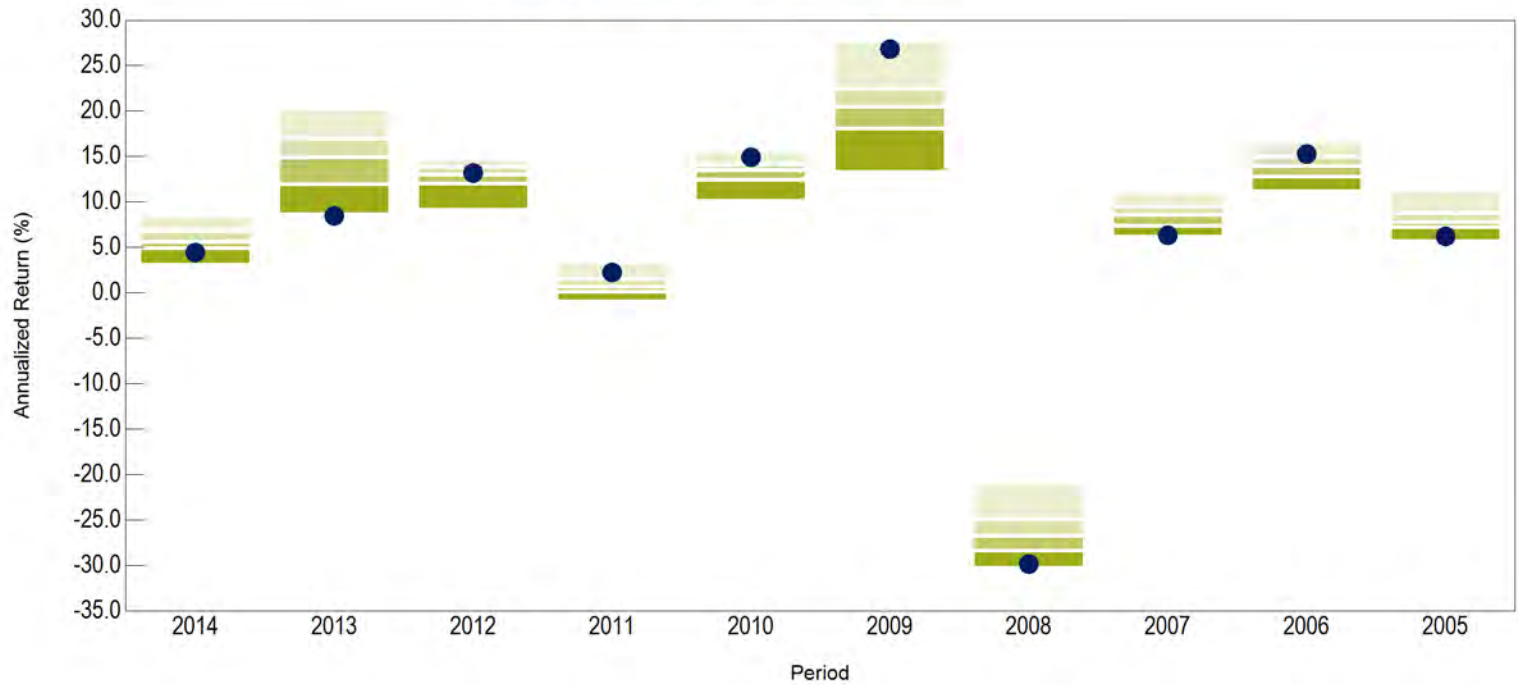
Total Fund Return Summary vs. Peer Universe



	Return (Rank)		6 Years		7 Years		8 Years		9 Years		10 Years	
5th Percentile			14.9	(48)	7.9	(72)	6.9	(85)	7.2	(82)	7.7	(86)
25th Percentile			13.9		6.7		6.0		6.5		7.3	
Median			13.1		6.2		5.4		6.1		6.8	
75th Percentile			12.0		5.4		4.9		5.6		6.3	
95th Percentile			9.8		4.2		3.9		4.7		5.3	
# of Portfolios			76		76		72		72		72	
● Composite			13.2	(48)	5.4	(72)	4.5	(85)	5.4	(82)	6.1	(86)

Total Fund Return Summary vs. Peer Universe

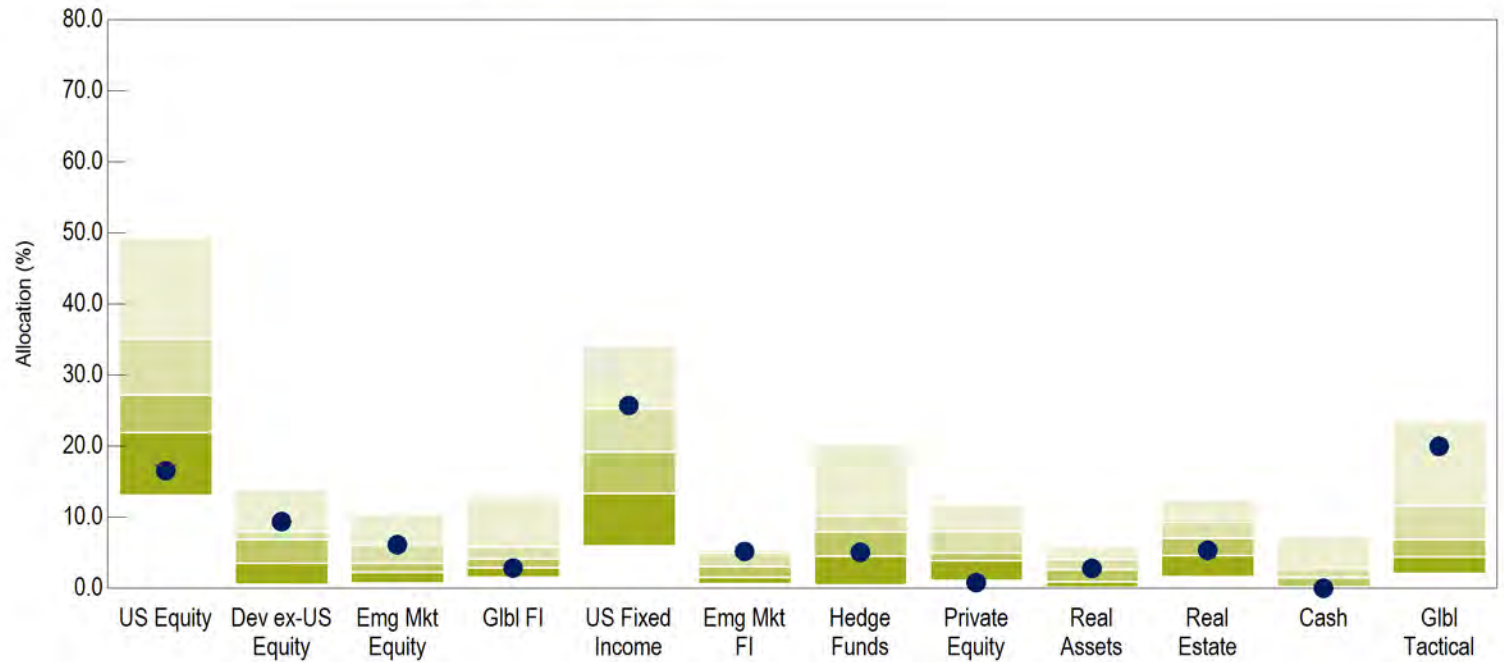
VPIC Composite vs. InvestorForce Public DB > \$1B Gross
Ending March 31, 2015



	Return (Rank)									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
5th Percentile	8.5	20.2	14.7	3.3	15.7	27.7	-21.0	11.0	16.6	11.2
25th Percentile	6.8	17.0	13.9	1.6	14.2	22.5	-24.9	9.5	15.0	8.8
Median	5.7	15.0	13.0	0.8	13.5	20.5	-26.7	8.6	13.9	7.9
75th Percentile	4.9	12.0	12.1	0.1	12.5	18.1	-28.3	7.4	12.9	7.3
95th Percentile	3.1	8.7	9.2	-0.9	10.2	13.4	-30.2	6.2	11.2	5.7
# of Portfolios	79	67	74	68	66	66	65	64	64	58
● Composite	4.4 (82)	8.5 (96)	13.2 (43)	2.2 (12)	14.9 (14)	26.8 (8)	-29.8 (93)	6.3 (92)	15.3 (21)	6.2 (91)

Total Fund Allocation vs. Peer Universe

VPIC Composite vs. InvestorForce Public DB > \$1B Gross
As of March 31, 2015



	Allocation (Rank)												
5th Percentile	49.3	14.0	10.5	12.8	34.2	5.4	20.2	11.7	5.8	12.4	7.3	23.5	--
25th Percentile	35.2	8.1	6.2	5.9	25.3	5.1	10.3	8.0	4.2	9.4	2.9	11.7	--
Median	27.4	7.0	3.7	4.3	19.3	3.2	8.1	5.1	2.7	7.1	1.6	7.0	--
75th Percentile	22.0	3.6	2.4	3.0	13.4	1.6	4.7	4.0	1.0	4.7	0.3	4.6	--
95th Percentile	13.1	0.7	0.9	1.7	6.0	0.8	0.6	1.2	0.2	1.8	0.0	2.2	--
# of Portfolios	90	17	39	33	89	25	50	49	27	80	81	21	--
● Composite	16.6 (91)	9.4 (18)	6.2 (29)	2.9 (81)	25.7 (23)	5.2 (12)	5.1 (68)	0.8 (98)	2.8 (50)	5.4 (70)	0.0 (93)	20.0 (8)	--

VPIC Composite

Total Fund Performance - Gross

	Ending March 31, 2015												Market Value (\$)
	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	
VPIC Composite	2.1	60	-0.1	93	4.0	93	7.2	92	8.2	85	6.1	86	3,975,427,699
60% MSCI World / 40% CITI WGBI	0.5	99	-2.2	99	1.7	99	6.9	94	7.1	95	5.7	92	
InvestorForce Public DB > \$1B Gross Median	2.3		2.5		6.5		9.8		9.5		6.8		
Vermont State Teachers	2.2	59	-0.1	96	4.0	93	7.1	91	8.1	81	6.0	86	1,658,731,350
Allocation Index	1.8	85	0.1	95	3.4	96	6.4	95	6.8	95	5.6	93	
Policy Index	1.7	91	0.0	95	3.5	96	6.5	95	7.0	94	5.6	92	
InvestorForce Public DB Gross Median	2.2		2.9		6.6		9.5		9.1		6.7		
Vermont State Employees	2.1	59	-0.1	96	3.9	93	7.3	90	8.2	76	6.2	78	1,631,697,758
Allocation Index	1.8	85	0.1	95	3.4	96	6.5	95	6.9	95	5.8	92	
Policy Index	1.7	91	0.0	95	3.5	96	6.5	95	7.0	94	5.8	91	
InvestorForce Public DB Gross Median	2.2		2.9		6.6		9.5		9.1		6.7		
Vermont Municipal Employees	2.2	57	-0.1	96	3.9	93	7.4	89	8.2	74	6.4	66	529,437,522
Allocation Index	1.9	83	0.1	95	3.4	96	6.6	95	6.9	94	5.9	89	
Policy Index	1.7	91	0.0	95	3.5	96	6.5	95	7.0	94	5.9	89	
InvestorForce Public DB Gross Median	2.2		2.9		6.6		9.5		9.1		6.7		
City of Burlington	2.1	59	-0.1	96	3.9	93	7.2	90	8.1	79	5.9	89	155,561,069
Allocation Index	1.8	86	0.1	95	3.4	96	6.6	95	--	--	--	--	
Policy Index	1.7	91	0.0	95	3.5	96	6.5	95	7.0	94	5.3	96	
60% MSCI World / 40% CITI WGBI	0.5	99	-2.2	99	1.7	99	6.9	92	7.1	94	5.7	92	
InvestorForce Public DB Gross Median	2.2		2.9		6.6		9.5		9.1		6.7		

VPIC Composite

Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Composite	3,975,427,699	100.0	100.0	2.1	60	-0.1	93	4.0	93	7.2	92	8.2	85
<i>InvestorForce Public DB > \$1B Gross Median</i>				2.3		2.5		6.5		9.8		9.5	
Total Equity	1,276,002,662	32.1	30.0	3.2	48	1.1	58	6.0	53	--	--	--	--
<i>MSCI ACWI</i>				2.3	68	0.4	62	5.4	58	10.7	76	9.0	75
<i>eA All Global Equity Gross Median</i>				3.1		1.8		6.2		12.7		10.9	
US Equity	657,945,733	16.6	15.0	2.5	59	7.8	44	12.4	41	--	--	--	--
<i>Russell 3000</i>				1.8	68	7.1	51	12.4	41	16.4	52	14.7	60
<i>eA All US Equity Gross Median</i>				3.2		7.2		11.4		16.5		15.2	
Large Cap Comp	416,268,689	10.5	10.0	1.2	62	7.0	54	12.8	47	16.8	40	14.9	43
<i>S&P 500</i>				1.0	67	7.1	53	12.7	48	16.1	53	14.5	53
<i>eA US Large Cap Equity Gross Median</i>				1.8		7.3		12.5		16.3		14.5	
SSgA S&P 500 Cap-Wgt	303,456,788	7.6	7.0	0.9	67	7.2	52	12.8	47	16.2	52	--	--
<i>S&P 500</i>				1.0	67	7.1	53	12.7	48	16.1	53	14.5	53
SSgA S&P 500 Equal-Wgt	112,495,386	2.8	3.0	1.8	50	7.3	51	13.1	44	18.3	17	16.0	22
<i>S&P 500 Equal Weighted</i>				1.8	51	7.3	51	13.2	43	18.4	17	16.0	21
T. Rowe	316,515	0.0	0.0										
<i>S&P 500</i>													

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

Note: Returns are gross of manager fees except where noted

Results for periods longer than one year are annualized

Fiscal Year End is 6/30

VPIC Composite

Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Small/Mid Cap Comp	241,677,044	6.1	5.0	4.9	55	9.0	29	11.6	33	17.3	44	16.3	39
<i>Russell 2000</i>				4.3	65	6.0	60	8.2	65	16.3	55	14.6	73
<i>eA US Small-Mid Cap Equity Gross Median</i>				5.2		6.9		9.8		16.8		15.8	
SSgA S&P 400	22,026,692	0.6	0.5	5.3	40	7.5	55	12.2	50	17.1	48	--	--
<i>S&P 400 MidCap</i>				5.3	40	7.5	54	12.2	50	17.0	49	15.7	57
<i>eA US Mid Cap Equity Gross Median</i>				4.6		8.0		12.1		16.9		16.0	
Champlain	80,917,161	2.0	2.0	4.0	61	7.3	58	11.8	53	16.9	51	16.4	41
<i>Russell 2500</i>				5.2	42	6.3	67	10.1	67	17.1	47	15.5	63
<i>eA US Mid Cap Equity Gross Median</i>				4.6		8.0		12.1		16.9		16.0	
Wellington	84,521,938	2.1	2.0	4.4	22	10.5	1	11.0	12	17.3	39	16.0	30
<i>Russell 2000 Value</i>				2.0	74	2.0	65	4.4	69	14.8	70	12.5	85
<i>eA US Small Cap Value Equity Gross Median</i>				3.2		3.6		7.1		16.5		15.1	
SSgA Russell 2000 Growth	54,211,253	1.4	0.5	6.6	45	10.2	37	12.1	25	17.7	47	16.6	59
<i>Russell 2000 Growth</i>				6.6	45	10.2	37	12.1	25	17.7	46	16.6	60
<i>eA US Small Cap Growth Equity Gross Median</i>				6.2		9.4		9.7		17.4		17.3	

VPIC Composite

Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Int'l Equity Comp	373,500,247	9.4	9.0	4.5	63	-6.1	77	-1.5	68	9.5	61	7.3	65
MSCI EAFE				4.9	53	-4.8	65	-0.9	61	9.0	70	6.2	83
eA All EAFE Equity Gross Median				5.0		-3.6		-0.2		10.2		8.0	
Acadian	157,700,165	4.0	4.0	4.3	67	-6.6	83	-3.0	81	10.6	46	7.8	53
Mondrian	157,162,666	4.0	4.0	5.0	48	-5.6	73	-0.3	51	9.6	60	7.4	63
MSCI EAFE				4.9	53	-4.8	65	-0.9	61	9.0	70	6.2	83
S&P EPAC LargeMidCap				5.2	42	-4.5	61	-0.1	49	9.3	65	6.7	74
SSgA ACWI Ex US	58,637,416	1.5	1.0	3.5	68	-5.7	80	-0.8	71	6.7	83	--	--
MSCI ACWI ex USA				3.5	70	-5.8	81	-1.0	72	6.4	84	4.8	93
eA ACWI ex-US All Cap Equity Gross Median				4.4		-2.9		1.0		9.1		8.1	
Emerging Market Comp	244,556,682	6.2	6.0										
eA Emg Mkts Equity Gross Median													
Aberdeen	244,556,682	6.2	6.0	3.1	24	-5.7	60	0.5	64	1.9	57	5.9	21
MSCI Emerging Markets				2.2	38	-5.8	61	0.4	64	0.3	79	1.7	76
eA Emg Mkts Equity Gross Median				1.8		-4.8		2.2		2.4		3.2	

VPIC Composite

Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
US Fixed Income	1,022,951,477	25.7	24.0	2.2	25	3.5	31	6.0	26	--	--	--	--
Barclays Aggregate				1.6	51	3.6	29	5.7	32	3.1	60	4.4	59
eA All US Fixed Inc Gross Median				1.6		2.4		4.1		3.7		4.9	
Diversified Fixed Income	738,157,912	18.6	17.0	2.2	25	4.8	13	7.3	15	4.5	39	5.8	34
Barclays Aggregate				1.6	51	3.6	29	5.7	32	3.1	60	4.4	59
eA All US Fixed Inc Gross Median				1.6		2.4		4.1		3.7		4.9	
Allianz Structured Alpha	112,110,592	2.8	2.0	5.0	1	13.1	1	17.7	1	11.5	1	9.7	1
Citigroup 10 Year Treasury				2.6	3	7.0	1	9.9	1	3.7	48	6.4	5
SSgA Barclays Aggregate Index	40,089,784	1.0	1.0	--	--	--	--	--	--	--	--	--	--
Barclays Aggregate				1.6	71	3.6	53	5.7	54	3.1	82	4.4	81
3-Month Libor Total Return USD				0.1	99	0.2	99	0.2	99	0.3	99	0.3	99
eA US Core Fixed Inc Gross Median				1.8		3.6		5.8		3.7		5.0	
PIMCO Core Plus	215,732,842	5.4	5.5	2.4	4	3.9	30	6.1	30	3.6	54	5.2	36
Barclays Aggregate				1.6	71	3.6	53	5.7	54	3.1	82	4.4	81
PIMCO Unconstrained	260,833,969	6.6	6.5	0.6	99	0.9	99	2.7	97	1.7	99	--	--
25% HY, 25% EMD, 50% BC Agg				2.0	21	1.4	98	4.4	88	4.5	13	6.1	7
3-Month Libor Total Return USD				0.1	99	0.2	99	0.2	99	0.3	99	0.3	99
Wellington DAS	109,390,726	2.8	3.0	3.1	2	9.0	1	12.7	1	7.1	1	8.8	1
Wellington Custom Benchmark				3.2	1	8.6	1	12.0	1	5.1	6	6.9	3
High Yield Comp	163,641,990	4.1	4.0	2.6	48	0.9	29	2.6	40	7.3	58	8.7	53
eA US High Yield Fixed Inc Gross Median				2.6		-0.1		2.2		7.5		8.8	
KDP	40,738,436	1.0	1.0	2.3	67	0.7	31	2.6	39	6.2	84	7.5	89
Guggenheim	122,903,554	3.1	3.0	2.7	36	1.0	28	2.6	41	--	--	--	--
Barclays High Yield				2.5	55	-0.4	56	2.0	57	7.5	53	8.6	55
BofA Merrill Lynch US High Yield BB-B Rated				2.7	37	0.7	32	3.2	28	7.5	53	8.4	65
eA US High Yield Fixed Inc Gross Median				2.6		-0.1		2.2		7.5		8.8	
TIPS	121,151,574	3.0	3.0										
eA TIPS / Infl Indexed Fixed Inc Gross Median													
BlackRock TIPS	121,151,574	3.0	3.0	1.6	--	-0.7	--	3.2	--	0.6	--	4.3	--
Barclays US TIPS				1.4	--	-0.7	--	3.1	--	0.6	--	4.3	--

Allianz is Net of Fees from inception to Q3 2012, and Grossed up quarterly since

Wellington Custom Benchmark: 5/1/2002 - 5/31/2011 is the Barclays Aggregate; 6/1/2011 - Present is the Citigroup US Strips Index

Wellington DAS is Net of Fees

VPIC Composite

Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Global Fixed Income Comp	113,793,001	2.9	3.0	-2.0	78	-6.3	78	-4.5	82	-2.3	94	2.1	89
<i>eA All Global Fixed Inc Gross Median</i>				0.5		-2.3		0.2		3.5		4.8	
Mondrian GFI	113,793,001	2.9	3.0	-2.0	78	-6.3	78	-4.5	82	-2.3	94	1.2	94
<i>Citi WGBI</i>				-2.5	85	-7.6	86	-5.5	86	-1.6	93	1.4	93
Emerging Market Debt	206,957,552	5.2	5.0										
<i>eA All Emg Mkts Fixed Inc Gross Median</i>													
Wellington Opportunistic EMD	206,957,552	5.2	5.0	2.1	26	-0.8	29	4.4	24	5.1	23	7.5	14
<i>JP Morgan EMBI Global TR</i>				2.1	26	-1.3	30	4.1	28	4.4	38	6.8	33
<i>eA All Emg Mkts Fixed Inc Gross Median</i>				0.8		-5.3		-0.4		3.5		5.9	
Total Real Estate	213,472,045	5.4	6.0	1.6	--	9.2	--	13.6	--	--	--	--	--
Morgan Stanley Prime Property	95,570,107	2.4	2.0	0.0	--	8.7	--	12.3	--	14.1	--	15.2	--
UBS Trumbull	84,110,789	2.1	2.0	3.0	--	9.5	--	12.2	--	10.7	--	12.7	--
RREEF America REIT III	18,407,051	0.5	0.5	2.5	--	11.0	--	25.8	--	22.3	--	28.2	--
Siguler Guff	14,529,981	0.4	1.0	3.8	--	9.3	--	--	--	--	--	--	--
Transwestern / Aslan III	854,117	0.0	0.5	0.1	--	-3.6	--	2.0	--	20.4	--	6.6	--
<i>NCREIF Property Index</i>				3.6	--	9.5	--	12.7	--	11.5	--	12.8	--
<i>NCREIF ODCE</i>				3.4	--	10.2	--	13.4	--	12.7	--	14.5	--
Hedge Fund Comp	202,377,558	5.1	5.0	1.3	81	0.5	81	2.3	75	7.4	38	--	--
<i>eV Alt Fund of Funds - Multi-Strategy Median</i>				2.5		3.8		5.1		6.6		4.5	
Grosvenor	161,713,017	4.1	2.0	1.7	72	2.2	65	3.5	67	8.0	31	--	--
GAM	40,664,022	1.0	1.0	2.5	52	2.2	65	3.7	66	7.2	41	--	--
Permal	519	0.0	2.0	0.1	96	-2.2	94	0.1	94	6.7	49	--	--
<i>HFRI Fund of Funds Composite Index</i>				2.5	52	3.7	51	5.3	47	5.4	67	3.5	67

Wellington Opportunistic EMD is Net of manager fees

Real Estate is updated through Q1 2015 - Siguler Guff and Transwestern data is preliminary

Hedge Fund Comp and Commodities are Net of Manager Fees

VPIC Composite

Total Fund Performance Detail - Gross

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
GAA Comp	794,769,505	20.0	20.0	3.3	26	-0.6	59	5.1	39	6.6	44	8.2	25
<i>eA Global TAA Gross Median</i>				2.1		0.8		3.7		6.3		6.4	
Mellon Dynamic Growth	87,346,614	2.2	2.5	7.8	1	15.6	1	20.7	1	10.6	13	10.2	11
<i>Mellon Dynamic Growth Benchmark</i>				0.7	75	-1.3	60	2.1	61	6.2	53	6.2	59
AQR Global Risk Premium	318,200,391	8.0	8.0	4.0	19	-1.3	60	6.6	28	6.8	39	10.3	10
<i>60% MSCI World / 40% CITI WGBI</i>				0.5	78	-2.2	66	1.7	62	6.9	38	7.1	36
PIMCO All Asset	230,197,408	5.8	5.0	0.3	80	-5.0	78	-0.6	76	4.3	66	6.8	41
<i>PIMCO All Asset Index</i>				1.6	65	1.5	42	4.5	42	4.0	68	5.7	64
<i>CPI + 5% (Seasonally Adjusted)</i>				1.0	69	3.0	29	5.0	39	6.0	56	6.7	42
Wellington OIF	159,025,091	4.0	4.5	4.1	18	-0.3	57	3.2	59	7.2	37	6.0	62
<i>65% MSCI World (Net) /35% BC Agg</i>				2.1	49	2.1	34	6.0	30	9.1	17	8.3	23
Commodities	111,655,490	2.8	4.0										
Schroder	111,655,490	2.8	4.0	-9.3	--	-35.2	--	-34.6	--	-14.8	--	-6.4	--
<i>Bloomberg Commodity Index</i>				-5.9	--	-27.1	--	-27.0	--	-11.5	--	-5.7	--
Cash	1,075,993	0.0	0.0	0.0	--	0.0	--	0.0	--	0.0	--	0.1	--
<i>91 Day T-Bills</i>				0.0	--	0.0	--	0.0	--	0.0	--	0.1	--
Private Equity	32,372,418	0.8	3.0										
<i>Cambridge Associates US All PE</i>													
Harbourvest Partners IX Credit Opportunities	1,413,624	0.0	--										
Harbourvest Partners IX Venture Fund	7,457,747	0.2	--										
Harbourvest Partners IX Buyout Fund	8,723,501	0.2	--										
Harbourvest Dover VIII Fund	13,802,546	0.3	--										
HIPEP VII	975,000	0.0	--										

Harbourvest is based on final Capital Account Statements for Q4 2014, and cash adjusted through March for any Capital Calls or Distributions

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

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

Wellington OIF is Net of Manager Fees

VPIC Composite

Total Fund Performance - Net

	Ending March 31, 2015						Market Value (\$)
	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	
VPIC Composite	2.0	-0.4	3.5	6.8	7.7	5.8	3,975,427,699
Vermont State Teachers	2.0	-0.4	3.6	6.7	7.7	5.7	1,658,731,350
<i>Allocation Index</i>	1.8	0.1	3.4	6.4	6.8	5.6	
<i>Policy Index</i>	1.7	0.0	3.5	6.5	7.0	5.6	
Vermont State Employees	2.0	-0.4	3.5	6.8	7.8	5.9	1,631,697,758
<i>Allocation Index</i>	1.8	0.1	3.4	6.5	6.9	5.8	
<i>Policy Index</i>	1.7	0.0	3.5	6.5	7.0	5.8	
Vermont Municipal Employees	2.0	-0.4	3.5	6.9	7.8	6.1	529,437,522
<i>Allocation Index</i>	1.9	0.1	3.4	6.6	6.9	5.9	
<i>Policy Index</i>	1.7	0.0	3.5	6.5	7.0	5.9	
City of Burlington	2.0	-0.4	3.5	6.7	7.7	5.6	155,561,069
<i>Allocation Index</i>	1.8	0.1	3.4	6.6	--	--	
<i>Policy Index</i>	1.7	0.0	3.5	6.5	7.0	5.3	
60% MSCI World / 40% CITI WGBI	0.5	-2.2	1.7	6.9	7.1	5.7	

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

VPIC Composite

Total Fund Performance Detail – Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Composite	3,975,427,699	100.0	100.0	2.1	-0.1	4.0	7.2	8.2
Total Equity	1,276,002,662	32.1	30.0	3.2	1.1	6.0	--	--
<i>MSCI ACWI</i>				2.3	0.4	5.4	10.7	9.0
US Equity	657,945,733	16.6	15.0	2.5	7.8	12.4	--	--
<i>Russell 3000</i>				1.8	7.1	12.4	16.4	14.7
Large Cap Comp	416,268,689	10.5	10.0	1.2	7.0	12.8	16.8	14.9
<i>S&P 500</i>				1.0	7.1	12.7	16.1	14.5
SSgA S&P 500 Cap-Wgt	303,456,788	7.6	7.0	0.9	7.2	12.8	16.2	--
<i>S&P 500</i>				1.0	7.1	12.7	16.1	14.5
SSgA S&P 500 Equal-Wgt	112,495,386	2.8	3.0	1.8	7.3	13.1	18.3	16.0
<i>S&P 500 Equal Weighted</i>				1.8	7.3	13.2	18.4	16.0
T. Rowe	316,515	0.0	0.0					
<i>S&P 500</i>								
Small/Mid Cap Comp	241,677,044	6.1	5.0	4.9	9.0	11.6	17.3	16.3
<i>Russell 2000</i>				4.3	6.0	8.2	16.3	14.6
SSgA S&P 400	22,026,692	0.6	0.5	5.3	7.5	12.2	17.1	--
<i>S&P 400 MidCap</i>				5.3	7.5	12.2	17.0	15.7
Champlain	80,917,161	2.0	2.0	4.0	7.3	11.8	16.9	16.4
<i>Russell 2500</i>				5.2	6.3	10.1	17.1	15.5
Wellington	84,521,938	2.1	2.0	4.4	10.5	11.0	17.3	16.0
<i>Russell 2000 Value</i>				2.0	2.0	4.4	14.8	12.5
SSgA Russell 2000 Growth	54,211,253	1.4	0.5	6.6	10.2	12.1	17.7	16.6
<i>Russell 2000 Growth</i>				6.6	10.2	12.1	17.7	16.6

Fiscal Year End is 6/30

Report is Net of manager fees

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



March 31, 2015

VPIC Composite

Total Fund Performance Detail – Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Int'l Equity Comp	373,500,247	9.4	9.0	4.5	-6.1	-1.5	9.5	7.3
<i>MSCI EAFE</i>				4.9	-4.8	-0.9	9.0	6.2
Acadian	157,700,165	4.0	4.0	4.3	-6.6	-3.0	10.6	7.8
Mondrian	157,162,666	4.0	4.0	5.0	-5.6	-0.3	9.6	7.4
<i>MSCI EAFE</i>				4.9	-4.8	-0.9	9.0	6.2
<i>S&P EPAC LargeMidCap</i>				5.2	-4.5	-0.1	9.3	6.7
SSgA ACWI Ex US	58,637,416	1.5	1.0	3.5	-5.7	-0.8	6.7	--
<i>MSCI ACWI ex USA</i>				3.5	-5.8	-1.0	6.4	4.8
Emerging Market Comp	244,556,682	6.2	6.0					
Aberdeen	244,556,682	6.2	6.0	3.1	-5.7	0.5	1.9	5.9
<i>MSCI Emerging Markets</i>				2.2	-5.8	0.4	0.3	1.7
US Fixed Income	1,022,951,477	25.7	24.0	2.2	3.5	6.0	--	--
<i>Barclays Aggregate</i>				1.6	3.6	5.7	3.1	4.4
Diversified Fixed Income	738,157,912	18.6	17.0	2.2	4.8	7.3	4.5	5.8
<i>Barclays Aggregate</i>				1.6	3.6	5.7	3.1	4.4
Allianz Structured Alpha	112,110,592	2.8	2.0	5.0	13.1	17.7	11.5	9.7
<i>Citigroup 10 Year Treasury</i>				2.6	7.0	9.9	3.7	6.4
SSgA Barclays Aggregate Index	40,089,784	1.0	1.0	--	--	--	--	--
<i>Barclays Aggregate</i>				1.6	3.6	5.7	3.1	4.4
<i>3-Month Libor Total Return USD</i>				0.1	0.2	0.2	0.3	0.3
PIMCO Core Plus	215,732,842	5.4	5.5	2.4	3.9	6.1	3.6	5.2
<i>Barclays Aggregate</i>				1.6	3.6	5.7	3.1	4.4
PIMCO Unconstrained	260,833,969	6.6	6.5	0.6	0.9	2.7	1.7	--
<i>25% HY, 25% EMD, 50% BC Agg</i>				2.0	1.4	4.4	4.5	6.1
<i>3-Month Libor Total Return USD</i>				0.1	0.2	0.2	0.3	0.3
Wellington DAS	109,390,726	2.8	3.0	3.1	9.0	12.7	7.1	8.8
<i>Wellington Custom Benchmark</i>				3.2	8.6	12.0	5.1	6.9

Wellington Custom Benchmark: 5/1/2002 - 5/31/2011 is the Barclays Aggregate; 6/1/2011 - Present is the Citigroup US Strips Index

VPIC Composite

Total Fund Performance Detail – Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
High Yield Comp	163,641,990	4.1	4.0	2.6	0.9	2.6	7.3	8.7
KDP	40,738,436	1.0	1.0	2.3	0.7	2.6	6.2	7.5
Guggenheim	122,903,554	3.1	3.0	2.7	1.0	2.6	--	--
<i>Barclays High Yield</i>				2.5	-0.4	2.0	7.5	8.6
<i>BofA Merrill Lynch US High Yield BB-B Rated</i>				2.7	0.7	3.2	7.5	8.4
TIPS	121,151,574	3.0	3.0					
BlackRock TIPS	121,151,574	3.0	3.0	1.6	-0.7	3.2	0.6	4.3
<i>Barclays US TIPS</i>				1.4	-0.7	3.1	0.6	4.3
Global Fixed Income Comp	113,793,001	2.9	3.0	-2.0	-6.3	-4.5	-2.3	2.1
Mondrian GFI	113,793,001	2.9	3.0	-2.0	-6.3	-4.5	-2.3	1.2
<i>Citi WGBI</i>				-2.5	-7.6	-5.5	-1.6	1.4
Emerging Market Debt	206,957,552	5.2	5.0					
Wellington Opportunistic EMD	206,957,552	5.2	5.0	2.1	-0.8	4.4	5.1	7.5
<i>JP Morgan EMBI Global TR</i>				2.1	-1.3	4.1	4.4	6.8
Total Real Estate	213,472,045	5.4	6.0	1.6	9.2	13.6	--	--
Morgan Stanley Prime Property	95,570,107	2.4	2.0	0.0	8.7	12.3	14.1	15.2
UBS Trumbull	84,110,789	2.1	2.0	3.0	9.5	12.2	10.7	12.7
RREEF America REIT III	18,407,051	0.5	0.5	2.5	11.0	25.8	22.3	28.2
Siguler Guff	14,529,981	0.4	1.0	3.8	9.3	--	--	--
Transwestern / Aslan III	854,117	0.0	0.5	0.1	-3.6	2.0	20.4	6.6
<i>NCREIF Property Index</i>				3.6	9.5	12.7	11.5	12.8
<i>NCREIF ODCE</i>				3.4	10.2	13.4	12.7	14.5

Real Estate is updated through Q1 2014 - Siguler Guff and Transwestern data is preliminary

VPIC Composite

Total Fund Performance Detail – Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Hedge Fund Comp	202,377,558	5.1	5.0	1.3	0.5	2.3	7.4	--
Grosvenor	161,713,017	4.1	2.0	1.7	2.2	3.5	8.0	--
GAM	40,664,022	1.0	1.0	2.5	2.2	3.7	7.2	--
Permal	519	0.0	2.0	0.1	-2.2	0.1	6.7	--
<i>HFRI Fund of Funds Composite Index</i>				2.5	3.7	5.3	5.4	3.5
GAA Comp	794,769,505	20.0	20.0	3.3	-0.6	5.1	6.6	8.2
Mellon Dynamic Growth	87,346,614	2.2	2.5	7.8	15.6	20.7	10.6	10.2
<i>Mellon Dynamic Growth Benchmark</i>				0.7	-1.3	2.1	6.2	6.2
AQR Global Risk Premium	318,200,391	8.0	8.0	4.0	-1.3	6.6	6.8	10.3
<i>60% MSCI World / 40% CITI WGBI</i>				0.5	-2.2	1.7	6.9	7.1
PIMCO All Asset	230,197,408	5.8	5.0	0.3	-5.0	-0.6	4.3	6.8
<i>PIMCO All Asset Index</i>				1.6	1.5	4.5	4.0	5.7
<i>CPI + 5% (Seasonally Adjusted)</i>				1.0	3.0	5.0	6.0	6.7
Wellington OIF	159,025,091	4.0	4.5	4.1	-0.3	3.2	7.2	6.0
<i>65% MSCI World (Net) /35% BC Agg</i>				2.1	2.1	6.0	9.1	8.3
Commodities	111,655,490	2.8	4.0					
Schroder	111,655,490	2.8	4.0	-9.3	-35.2	-34.6	-14.8	-6.4
<i>Bloomberg Commodity Index</i>				-5.9	-27.1	-27.0	-11.5	-5.7
Cash	1,075,993	0.0	0.0	0.0	0.0	0.0	0.0	0.1
<i>91 Day T-Bills</i>				0.0	0.0	0.0	0.0	0.1
Private Equity	32,372,418	0.8	3.0					
<i>Cambridge Associates US All PE</i>								
Harbourvest Partners IX Credit Opportunities	1,413,624	0.0	--					
Harbourvest Partners IX Venture Fund	7,457,747	0.2	--					
Harbourvest Partners IX Buyout Fund	8,723,501	0.2	--					
Harbourvest Dover VIII Fund	13,802,546	0.3	--					
HIPEP VII	975,000	0.0	--					

Harbourvest is based on final Capital Account Statements for Q4 2014, and cash adjusted through March for any Capital Calls or Distributions

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

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

VPIC Composite

Total Fund Yearly Performance - Gross

	Ending March 31, 2015																	
	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank
VPIC Composite	4.4	82	8.5	96	13.2	43	2.2	12	14.9	14	26.8	8	-29.8	93	6.3	92	15.3	21
<i>InvestorForce Public DB > \$1B Gross Median</i>	5.7		15.0		13.0		0.8		13.5		20.5		-26.7		8.6		13.9	
Vermont State Teachers	4.4	80	8.2	96	13.2	27	2.2	17	14.9	12	26.5	7	-30.1	93	6.3	84	15.7	7
<i>Allocation Index</i>	3.4	94	9.3	93	10.8	74	0.7	60	11.6	77	22.7	24	-25.2	55	6.5	82	14.8	18
<i>Policy Index</i>	3.8	91	9.1	93	10.9	73	0.6	60	11.7	75	19.3	55	-24.3	45	7.6	54	14.4	23
<i>InvestorForce Public DB Gross Median</i>	5.8		15.5		12.4		0.9		12.9		20.2		-24.9		7.9		13.2	
Vermont State Employees	4.4	80	8.7	95	13.1	29	2.2	17	14.9	12	27.4	5	-29.6	90	6.4	83	14.9	17
<i>Allocation Index</i>	3.4	94	9.8	92	10.6	76	0.5	61	11.9	71	22.6	24	-23.9	42	6.6	81	14.1	28
<i>Policy Index</i>	3.8	91	9.1	93	10.9	73	0.6	60	11.7	75	19.5	54	-22.5	34	7.6	54	13.9	31
<i>InvestorForce Public DB Gross Median</i>	5.8		15.5		12.4		0.9		12.9		20.2		-24.9		7.9		13.2	
Vermont Municipal Employees	4.4	80	8.9	93	13.2	28	2.2	17	14.9	12	27.8	4	-29.4	89	6.3	87	14.8	18
<i>Allocation Index</i>	3.3	95	10.0	92	10.7	74	0.6	60	11.8	72	22.2	27	-23.0	37	6.7	81	13.6	40
<i>Policy Index</i>	3.8	91	9.1	93	10.9	73	0.6	60	11.7	75	19.3	55	-21.9	30	7.7	53	13.7	35
<i>InvestorForce Public DB Gross Median</i>	5.8		15.5		12.4		0.9		12.9		20.2		-24.9		7.9		13.2	
City of Burlington	4.4	80	8.4	96	13.1	29	2.2	17	14.9	12	26.6	6	-30.3	96	5.5	94	13.4	46
<i>Policy Index</i>	3.8	91	9.1	93	10.9	73	0.6	60	11.7	75	19.3	55	-24.3	45	7.4	61	12.6	58
<i>60% MSCI World / 40% CITI WGBI</i>	3.1	96	13.9	70	10.6	76	-0.3	77	9.8	92	19.2	56	-22.7	36	10.3	13	14.7	20
<i>InvestorForce Public DB Gross Median</i>	5.8		15.5		12.4		0.9		12.9		20.2		-24.9		7.9		13.2	

VPIC Composite

Total Fund Yearly Performance - Gross

	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank
Composite	4.4	82	8.5	96	13.2	43	2.2	12	14.9	14	26.8	8	-29.8	93	6.3	92	15.3	21
<i>InvestorForce Public DB > \$1B Gross Median</i>	5.7		15.0		13.0		0.8		13.5		20.5		-26.7		8.6		13.9	
Total Equity	5.1	45	23.4	65	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>MSCI ACWI</i>	4.2	54	22.8	66	16.1	61	-7.3	53	12.7	65	34.6	44	-42.2	55	11.7	50	21.0	61
<i>eA All Global Equity Gross Median</i>	4.6		26.2		17.2		-7.0		14.3		33.3		-41.3		11.6		22.5	
US Equity	11.6	41	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>Russell 3000</i>	12.6	33	33.6	64	16.4	45	1.0	39	16.9	61	28.3	60	-37.3	54	5.1	60	15.7	46
<i>eA All US Equity Gross Median</i>	10.3		35.6		16.0		-0.4		19.6		30.9		-36.9		6.8		15.1	
Large Cap Comp	13.7	35	33.9	48	16.6	38	1.4	41	17.6	22	40.4	11	-40.3	81	4.6	74	16.2	40
<i>S&P 500</i>	13.7	35	32.4	62	16.0	45	2.1	34	15.1	47	26.5	56	-37.0	57	5.5	68	15.8	43
<i>eA US Large Cap Equity Gross Median</i>	12.5		33.6		15.6		0.4		14.8		28.0		-36.3		8.0		14.8	
SSgA S&P 500 Cap-Wgt	13.7	34	32.4	61	16.1	44	2.2	33	--	--	--	--	--	--	--	--	--	--
<i>S&P 500</i>	13.7	35	32.4	62	16.0	45	2.1	34	15.1	47	26.5	56	-37.0	57	5.5	68	15.8	43
SSgA S&P 500 Equal-Wgt	14.4	25	36.2	29	17.5	29	-0.1	56	22.0	5	46.7	4	-40.6	83	0.5	90	15.9	42
<i>S&P 500 Equal Weighted</i>	14.5	24	36.2	29	17.7	27	-0.1	56	21.9	5	46.3	5	-39.7	78	1.5	87	15.8	43
T. Rowe																		
<i>S&P 500</i>																		

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

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

VPIC Composite

Total Fund Yearly Performance - Gross

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

VPIC Composite

Total Fund Yearly Performance - Gross

	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank	
Emerging Market Comp																			
<i>eA Emg Mkts Equity Gross Median</i>																			
Aberdeen	-1.1	59	-5.9	94	26.4	11	-10.5	4	29.1	6	81.7	37	--	--	--	--	--	--	
<i>MSCI Emerging Markets</i>	-2.2	74	-2.6	80	18.2	68	-18.4	48	18.9	64	78.5	57	-53.3	42	39.4	60	32.2	70	
<i>eA Emg Mkts Equity Gross Median</i>	-0.1		1.0		20.9		-18.6		20.1		79.5		-54.0		40.5		34.2		
US Fixed Income	6.1	30	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
<i>Barclays Aggregate</i>	6.0	33	-2.0	83	4.2	70	7.8	32	6.5	57	5.9	73	5.2	27	7.0	33	4.3	72	
<i>eA All US Fixed Inc Gross Median</i>	4.2		-0.3		6.1		6.5		6.9		9.3		2.4		6.2		4.7		
Diversified Fixed Income	7.3	18	-2.1	84	7.2	41	8.6	21	9.5	26	21.5	19	-14.9	87	4.4	79	--	--	
<i>Barclays Aggregate</i>	6.0	33	-2.0	83	4.2	70	7.8	32	6.5	57	5.9	73	5.2	27	7.0	33	4.3	72	
<i>eA All US Fixed Inc Gross Median</i>	4.2		-0.3		6.1		6.5		6.9		9.3		2.4		6.2		4.7		
Allianz Structured Alpha	17.3	1	-0.5	18	11.8	1	7.3	67	12.7	1	22.6	2	--	--	--	--	--	--	
<i>Citigroup 10 Year Treasury</i>	10.7	1	-7.8	99	4.2	89	17.0	1	8.1	26	-9.9	99	20.3	1	9.8	1	1.4	99	
SSgA Barclays Aggregate Index	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
<i>Barclays Aggregate</i>	6.0	52	-2.0	82	4.2	90	7.8	46	6.5	76	5.9	80	5.2	37	7.0	47	4.3	69	
<i>3-Month Libor Total Return USD</i>	0.2	99	0.3	6	0.4	99	0.3	99	0.3	99	0.8	99	3.2	56	5.5	87	5.4	3	
<i>eA US Core Fixed Inc Gross Median</i>	6.0		-1.4		5.9		7.7		7.3		8.9		4.1		6.9		4.5		
PIMCO Core Plus	5.4	75	-2.5	95	7.4	20	7.7	52	9.1	9	--	--	--	--	--	--	--	--	
<i>Barclays Aggregate</i>	6.0	52	-2.0	82	4.2	90	7.8	46	6.5	76	5.9	80	5.2	37	7.0	47	4.3	69	
PIMCO Unconstrained	3.0	95	-1.5	55	4.6	82	--	--	--	--	--	--	--	--	--	--	--	--	
<i>25% HY, 25% EMD, 50% BC Agg</i>	5.0	83	-0.9	27	10.6	2	7.4	63	10.1	6	23.1	2	-7.1	95	5.5	86	7.6	1	
<i>3-Month Libor Total Return USD</i>	0.2	99	0.3	6	0.4	99	0.3	99	0.3	99	0.8	99	3.2	56	5.5	87	5.4	3	
Wellington DAS	14.0	1	-3.9	99	8.5	8	18.3	1	7.9	29	9.8	43	--	--	--	--	--	--	
<i>Wellington Custom Benchmark</i>	13.3	1	-8.1	99	5.1	73	18.0	1	6.5	76	5.9	80	5.2	37	7.0	47	4.3	69	

VPIC Composite

Total Fund Yearly Performance - Gross

	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank
High Yield Comp	2.9	43	7.6	52	14.9	62	5.7	37	14.0	71	41.2	65	-19.0	29	4.7	11	--	--
eA US High Yield Fixed Inc Gross Median	2.5		7.6		15.5		4.9		14.9		45.0		-21.2		3.5		10.5	
KDP	2.8	44	5.2	93	12.6	87	6.6	15	11.7	92	--	--	--	--	--	--	--	--
Guggenheim	2.9	43	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Barclays High Yield	2.5	52	7.4	54	15.8	43	5.0	49	15.1	45	58.2	14	-26.2	81	1.9	89	11.8	28
BofA Merrill Lynch US High Yield BB-B Rated	3.5	27	6.3	80	14.7	65	5.4	45	14.5	64	46.1	49	-23.7	70	2.7	72	10.7	49
eA US High Yield Fixed Inc Gross Median	2.5		7.6		15.5		4.9		14.9		45.0		-21.2		3.5		10.5	
TIPS																		
eA TIPS / Infl Indexed Fixed Inc Gross Median																		
BlackRock TIPS	3.5	--	-8.6	--	7.0	--	13.6	--	6.4	--	--	--	--	--	--	--	--	--
Barclays US TIPS	3.6	--	-8.6	--	7.0	--	13.6	--	6.3	--	11.4	--	-2.4	--	11.6	--	0.4	--
Global Fixed Income Comp	-0.7	85	-6.2	97	3.7	90	7.3	21	10.9	21	16.0	32	0.3	57	11.2	15	--	--
eA All Global Fixed Inc Gross Median	2.5		0.2		9.5		5.0		7.3		10.6		1.4		8.7		6.1	
Mondrian GFI	-0.7	85	-6.2	97	2.1	97	5.8	38	8.6	33	8.8	59	10.2	11	11.5	13	5.5	64
Citi WGBI	-0.5	82	-4.0	86	1.6	98	6.4	33	5.2	85	2.6	97	10.9	9	11.0	17	6.1	51
Emerging Market Debt																		
eA All Emg Mkts Fixed Inc Gross Median																		
Wellington Opportunistic EMD	6.1	20	-5.1	39	19.9	35	7.6	16	13.7	70	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	5.5	27	-6.6	61	18.5	59	8.5	7	12.0	87	28.2	65	-10.9	52	6.3	73	9.9	95
eA All Emg Mkts Fixed Inc Gross Median	1.8		-6.1		19.1		2.6		14.5		30.7		-10.8		7.7		12.3	
Total Real Estate	15.0	--	14.7	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Morgan Stanley Prime Property	15.5	--	17.4	--	12.6	--	16.8	--	15.8	--	-33.7	--	-4.7	--	16.2	--	18.4	--
UBS Trumbull	11.7	--	10.4	--	10.2	--	13.2	--	16.9	--	-22.3	--	-7.5	--	13.9	--	16.6	--
RREEF America REIT III	27.8	--	16.9	--	23.8	--	55.4	--	9.1	--	-64.1	--	-41.7	--	18.1	--	--	--
Siguler Guff	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Transwestern / Aslan III	2.2	--	49.9	--	13.8	--	-11.8	--	-41.9	--	-87.7	--	-26.0	--	3.5	--	-16.3	--
NCREIF Property Index	11.8	--	11.0	--	10.5	--	14.3	--	13.1	--	-16.9	--	-6.5	--	15.8	--	16.6	--
NCREIF ODCE	12.5	--	13.9	--	10.9	--	16.0	--	16.4	--	-29.8	--	-10.0	--	16.0	--	16.3	--

NCREIF Property Index is available 25 days after quarter end

VPIC Composite

Total Fund Yearly Performance - Gross

	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank
Hedge Fund Comp	2.4	60	14.1	22	9.3	24	-3.8	46	--	--	--	--	--	--	--	--	--	--
<i>eV Alt Fund of Funds - Multi-Strategy Median</i>	3.0		10.5		6.5		-4.0		6.1		13.9		-20.2		11.2		10.8	
Grosvenor	3.4	44	15.2	16	8.5	29	-3.4	42	--	--	--	--	--	--	--	--	--	--
GAM	1.6	68	14.0	22	8.3	31	-3.5	43	--	--	--	--	--	--	--	--	--	--
Permal	1.8	66	13.0	29	10.5	14	-5.5	66	--	--	--	--	--	--	--	--	--	--
<i>HFRI Fund of Funds Composite Index</i>	3.4	44	9.0	60	4.8	71	-5.7	68	5.7	55	11.5	62	-21.4	57	10.3	56	10.4	56
GAA Comp	4.8	32	3.2	69	15.3	2	0.8	34	18.0	19	31.0	21	-26.3	61	5.7	87	--	--
<i>eA Global TAA Gross Median</i>	2.7		7.7		10.6		-0.8		14.6		23.4		-25.5		11.0		14.3	
Mellon Dynamic Growth	6.8	12	12.2	31	11.3	40	1.0	34	16.1	29	31.4	17	-36.0	92	1.7	95	--	--
<i>Mellon Dynamic Growth Benchmark</i>	3.5	43	10.3	40	11.5	37	-0.6	50	8.8	86	17.4	79	-22.4	46	7.9	60	--	--
AQR Global Risk Premium	8.3	5	-2.0	88	16.0	1	7.0	12	25.1	5	--	--	--	--	--	--	--	--
<i>60% MSCI World / 40% CITI WGBI</i>	3.1	45	13.9	24	10.6	51	-0.3	43	9.8	83	19.2	78	-22.7	46	10.3	52	14.7	47
PIMCO All Asset	1.7	70	1.7	74	16.5	1	3.4	17	14.7	50	24.1	44	-14.8	24	9.6	53	--	--
<i>PIMCO All Asset Index</i>	4.9	30	0.2	77	8.1	62	7.6	11	8.5	87	16.5	80	-6.7	14	7.7	61	6.0	99
<i>CPI + 5% (Seasonally Adjusted)</i>	5.7	21	6.6	54	6.9	69	8.2	11	6.5	94	8.0	92	5.0	1	9.3	53	7.6	99
Wellington OIF	1.5	71	12.1	32	14.3	11	-13.8	98	17.8	20	36.8	14	--	--	--	--	--	--
<i>65% MSCI World (Net) /35% BC Agg</i>	5.4	23	15.9	15	11.9	29	-0.7	50	10.5	81	21.6	62	-26.9	64	8.4	55	14.4	48

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

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

VPIC Composite

Total Fund Yearly Performance - Gross

	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank	2006 (%)	Rank
Commodities																		
Schroder	-23.6	--	-8.4	--	0.5	--	-6.8	99	17.1	53	--	--	--	--	--	--	--	--
<i>Bloomberg Commodity Index</i>	-17.0	--	-9.5	--	-1.1	--	-13.3	99	16.8	55	18.9	67	-35.6	30	16.2	94	2.1	56
Cash	0.0	--	0.0	--	0.1	--	0.2	--	0.3	--	0.6	--	2.4	--	6.4	--	5.2	--
<i>91 Day T-Bills</i>	0.0	--	0.0	--	0.1	--	0.0	--	0.1	--	0.1	--	1.3	--	4.4	--	5.0	--
Private Equity																		
<i>Cambridge Associates US All PE</i>																		
Harbourvest Partners IX Credit Opportunities																		
Harbourvest Partners IX Venture Fund																		
Harbourvest Partners IX Buyout Fund																		
Harbourvest Dover VIII Fund																		
HIPEP VII																		

Glossary of Investment Terminology—Risk Statistics

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Data Source: InvestorForce

- **Past performance is no guarantee of future results.**
- **NEPC relies on the plan's custodian bank for portfolio pricing, calculation of accruals, and transaction information. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.**
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Vermont Pension Investment Committee

First Quarter 2015 Investment Performance Analysis

May 26, 2015

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

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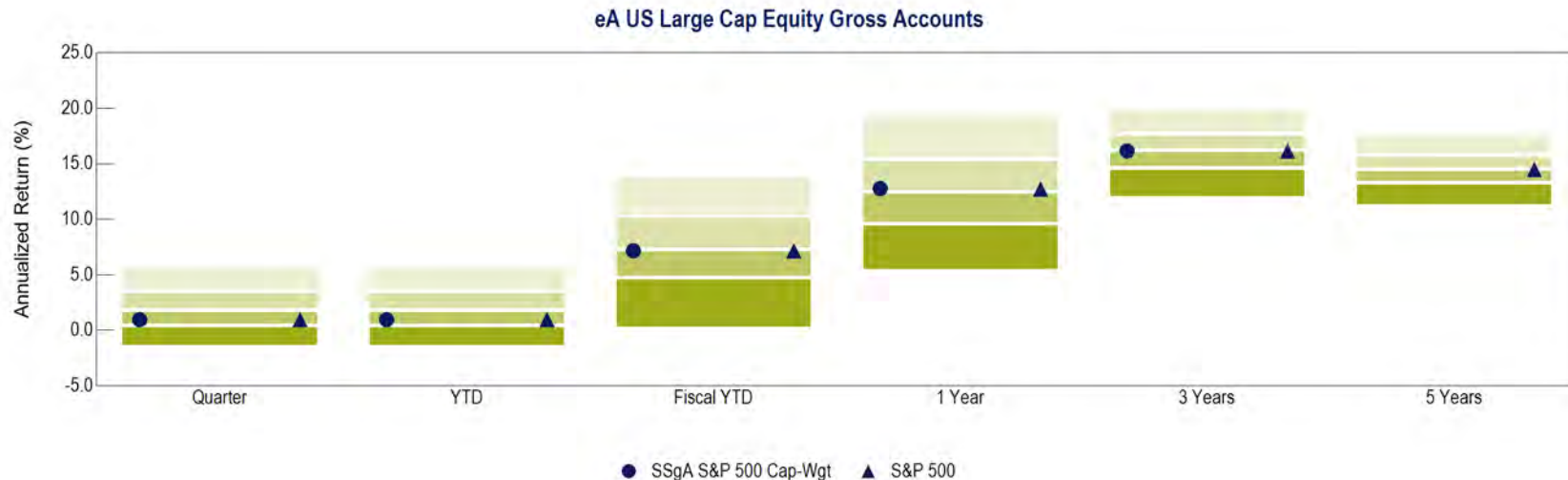
Manager Characteristics

SSgA S&P 500 Cap-Wgt

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

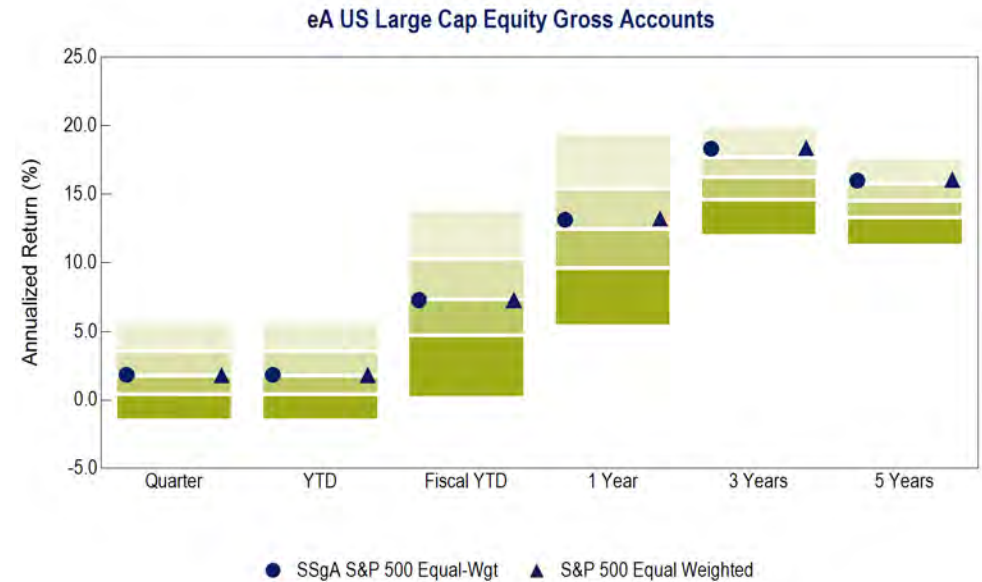
Characteristics

	Portfolio	S&P 500
Number of Holdings	502	502
Weighted Avg. Market Cap. (\$B)	126.2	126.1
Median Market Cap. (\$B)	18.6	18.6
Price To Earnings	23.1	21.9
Price To Book	4.6	4.4
Price To Sales	3.2	3.0
Return on Equity (%)	19.9	19.4
Yield (%)	2.0	2.0
Beta	1.0	1.0
R-Squared	1.0	1.0

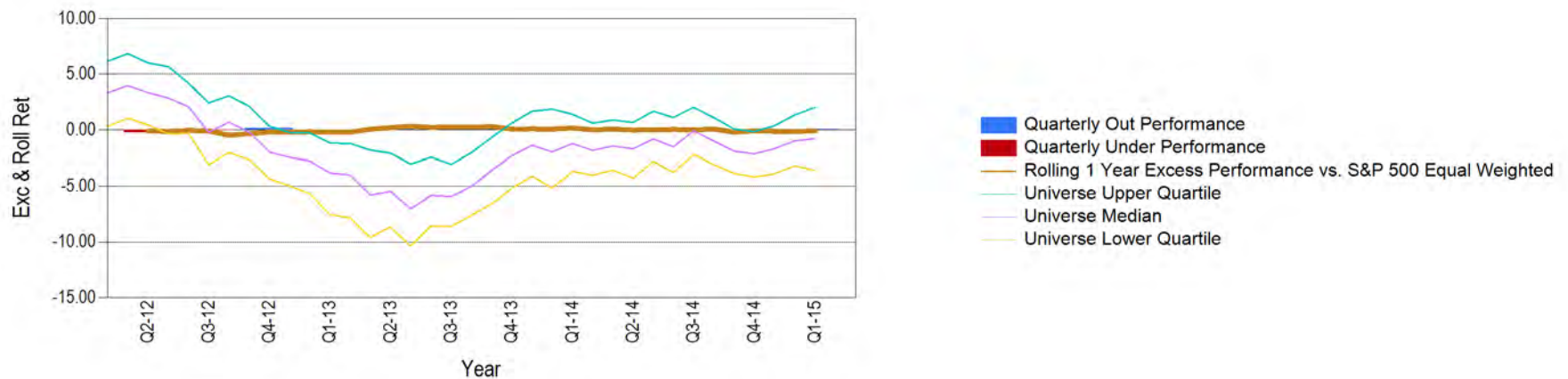


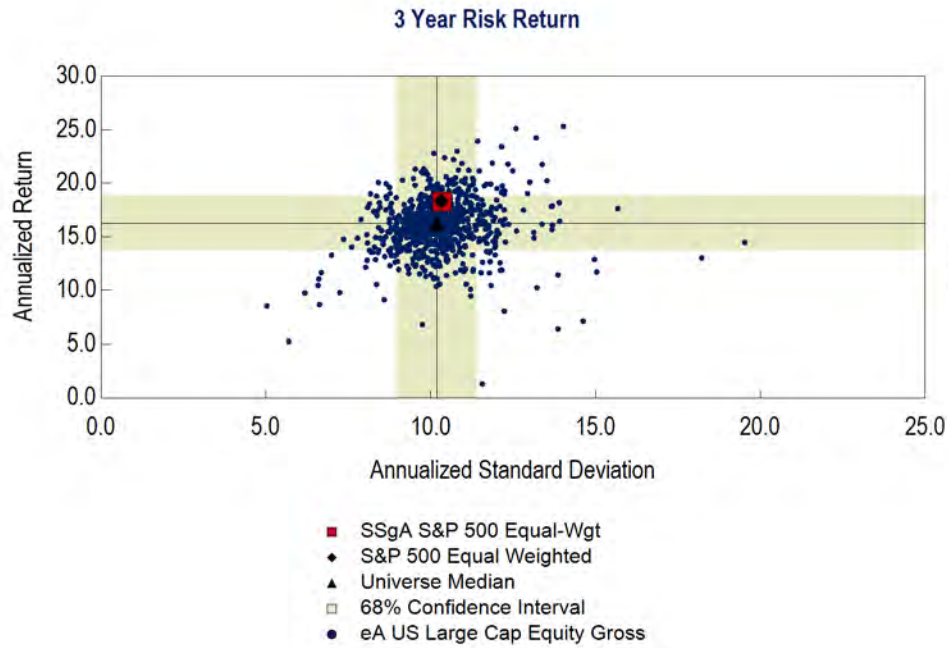
SSgA S&P 500 Equal-Wgt

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



Annualized Excess Performance

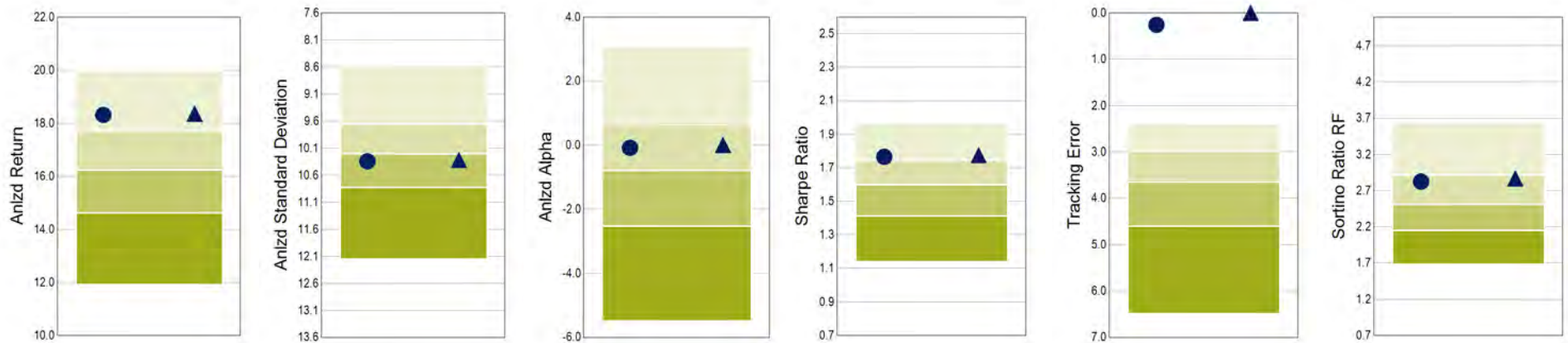




Characteristics

	Portfolio	S&P 500
Number of Holdings	502	502
Weighted Avg. Market Cap. (\$B)	126.2	126.1
Median Market Cap. (\$B)	18.6	18.6
Price To Earnings	23.1	21.9
Price To Book	4.6	4.4
Price To Sales	3.2	3.0
Return on Equity (%)	19.9	19.4
Yield (%)	2.0	2.0
Beta	1.1	1.0
R-Squared	1.0	1.0

3 Year Risk Statistics



SSgA S&P 400

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

Characteristics

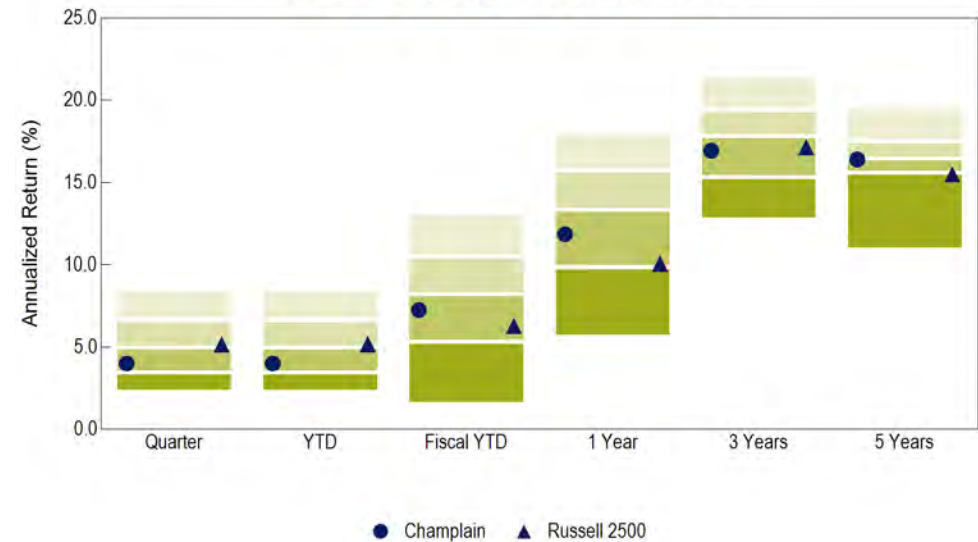
	Portfolio	S&P 400 MidCap
Number of Holdings	400	400
Weighted Avg. Market Cap. (\$B)	5.4	5.4
Median Market Cap. (\$B)	3.9	3.9
Price To Earnings	26.7	25.8
Price To Book	3.7	3.4
Price To Sales	2.9	2.6
Return on Equity (%)	15.4	14.2
Yield (%)	1.5	1.5
Beta	1.0	1.0
R-Squared	1.0	1.0



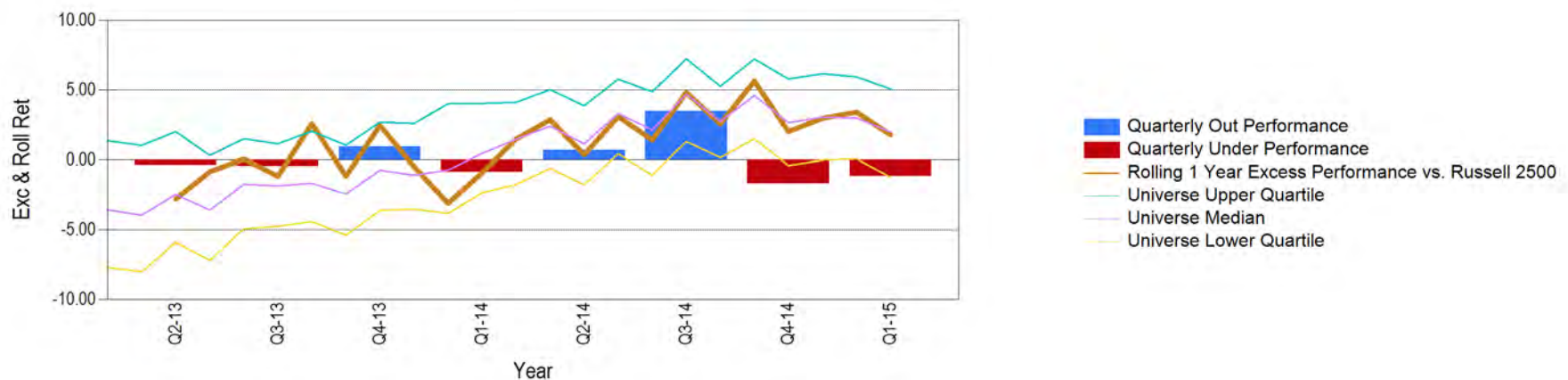
Champlain

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

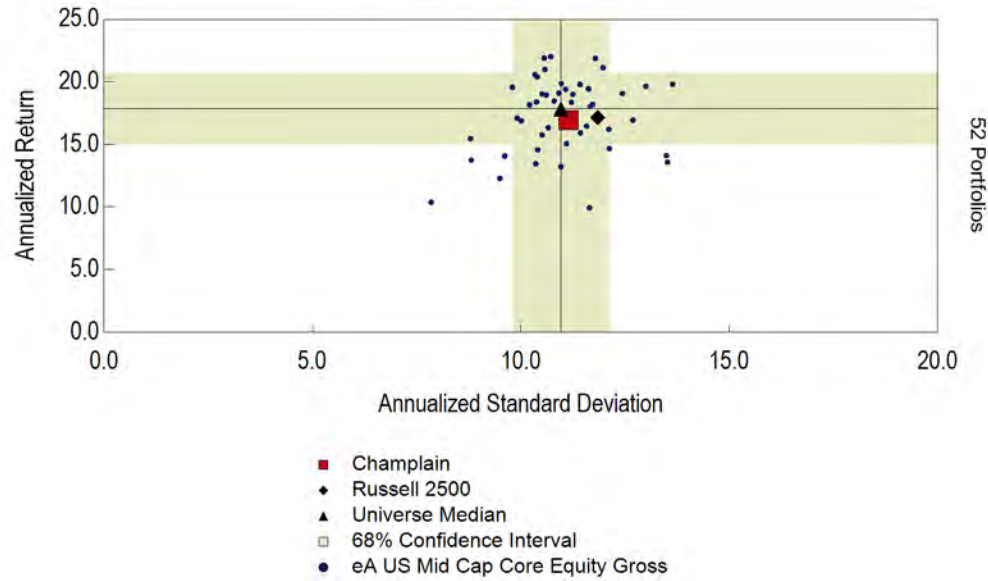
eA US Mid Cap Core Equity Gross Accounts



Annualized Excess Performance



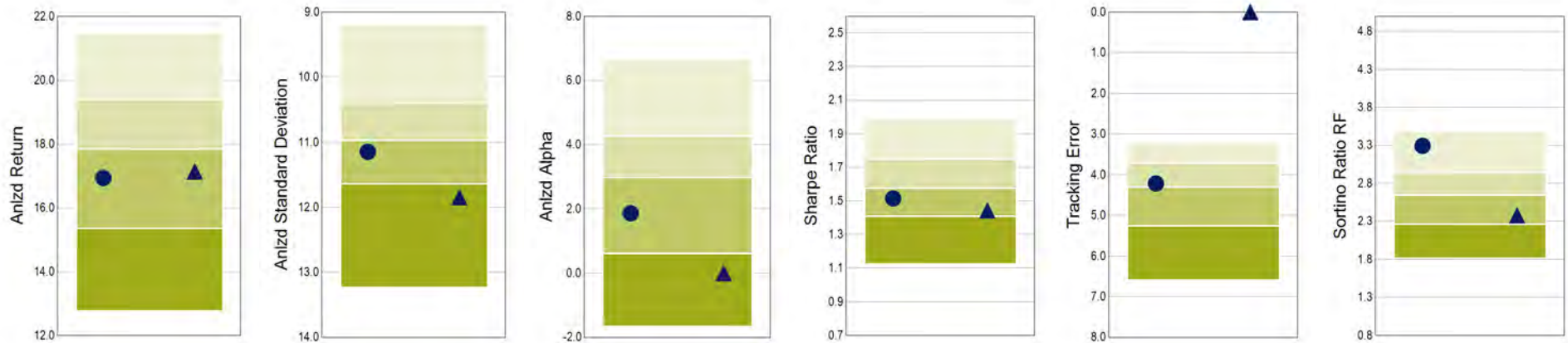
3 Year Risk Return



Characteristics

	Portfolio	Russell 2500
Number of Holdings	57	2,506
Weighted Avg. Market Cap. (\$B)	8.4	4.5
Median Market Cap. (\$B)	5.2	1.1
Price To Earnings	26.4	25.5
Price To Book	4.4	3.4
Price To Sales	3.6	2.8
Return on Equity (%)	19.5	12.9
Yield (%)	1.3	1.3
Beta		1.0
R-Squared		1.0

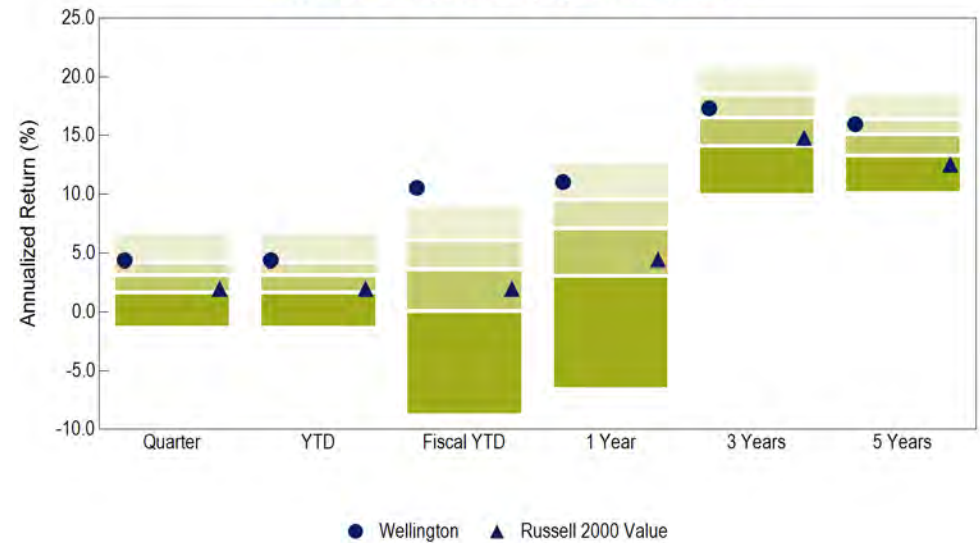
3 Year Risk Statistics



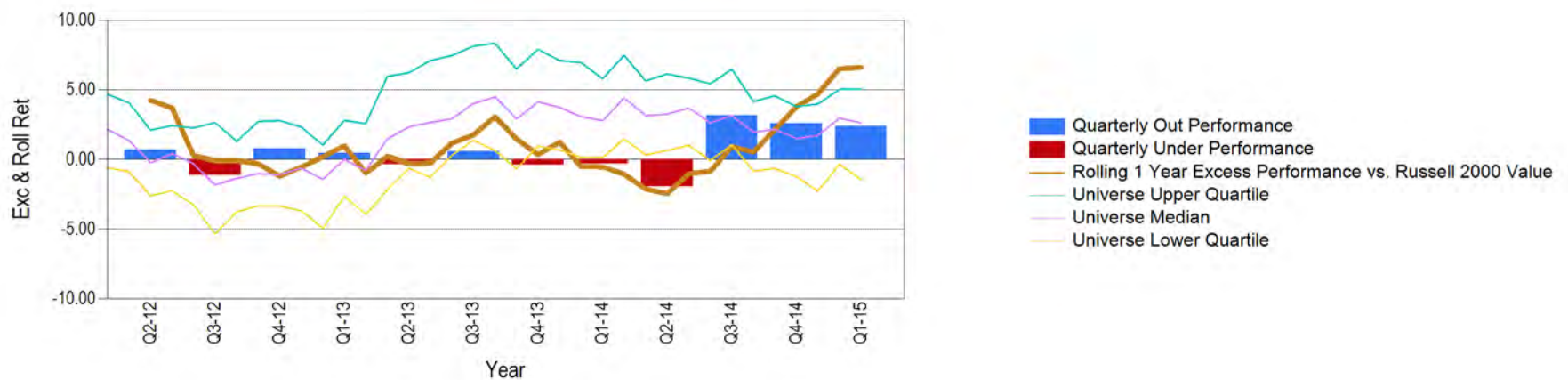
Wellington

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

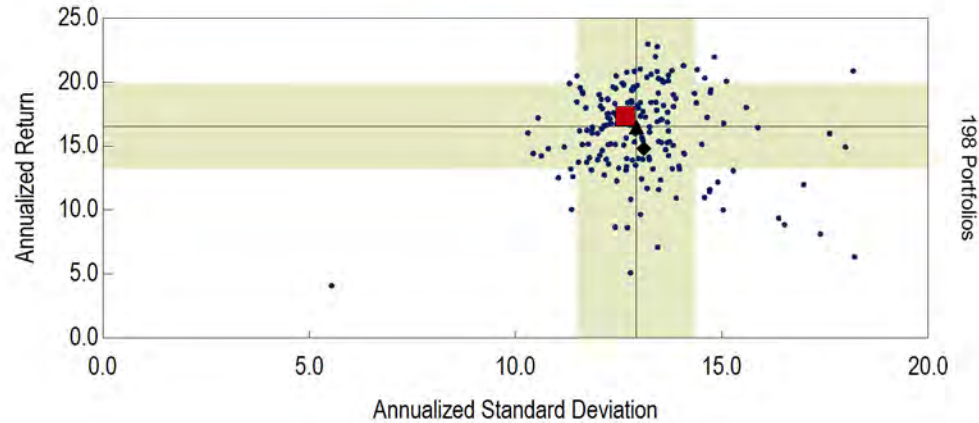
eA US Small Cap Value Equity Gross Accounts



Annualized Excess Performance



3 Year Risk Return

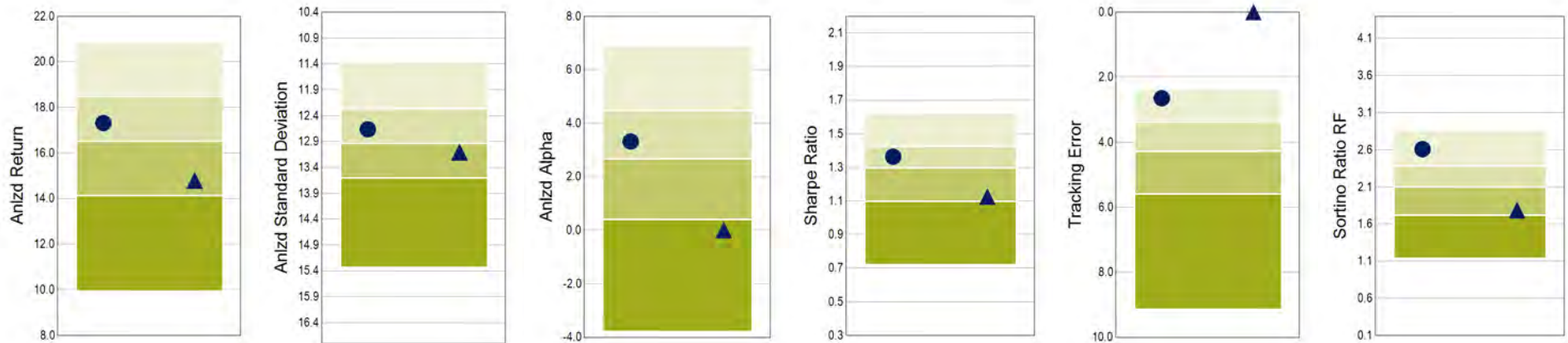


- Wellington
- ◆ Russell 2000 Value
- ▲ Universe Median
- 68% Confidence Interval
- eA US Small Cap Value Equity Gross

Characteristics

	Portfolio	Russell 2000 Value
Number of Holdings	75	1,357
Weighted Avg. Market Cap. (\$B)	1.9	1.8
Median Market Cap. (\$B)	1.4	0.6
Price To Earnings	26.4	22.3
Price To Book	2.4	1.8
Price To Sales	2.0	2.5
Return on Equity (%)	9.7	7.8
Yield (%)	1.4	1.7
Beta		1.0
R-Squared		1.0

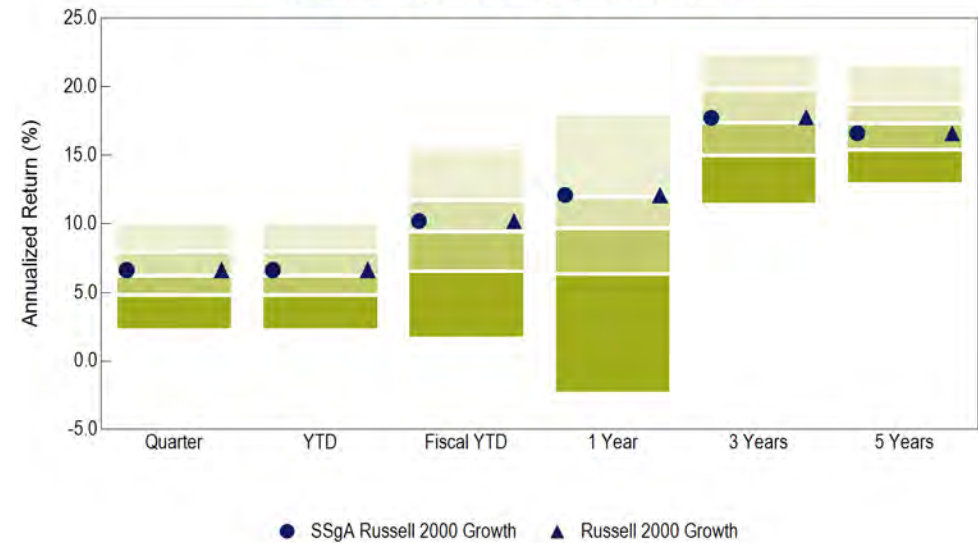
3 Year Risk Statistics



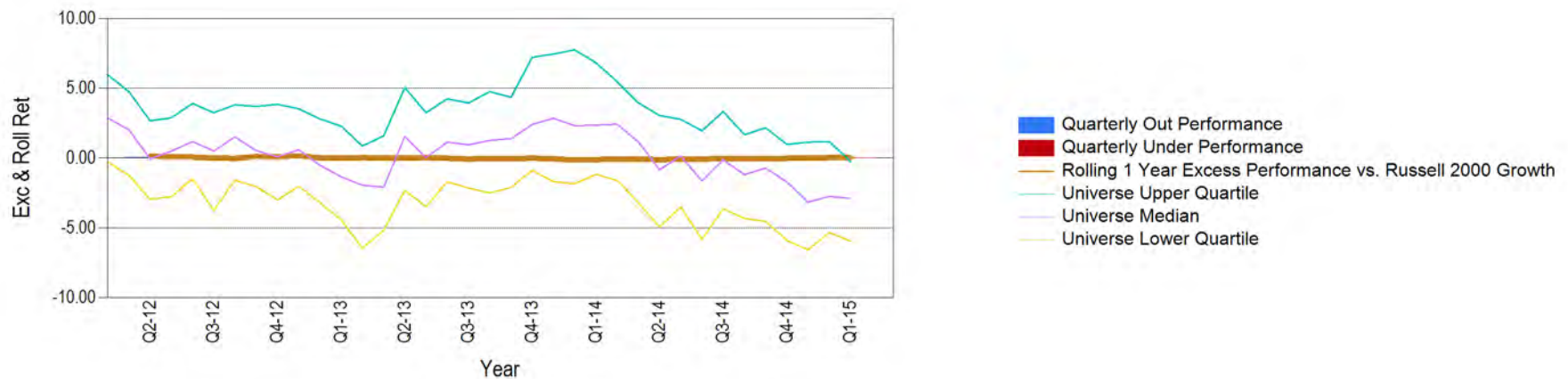
SSgA Russell 2000 Growth

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

eA US Small Cap Growth Equity Gross Accounts

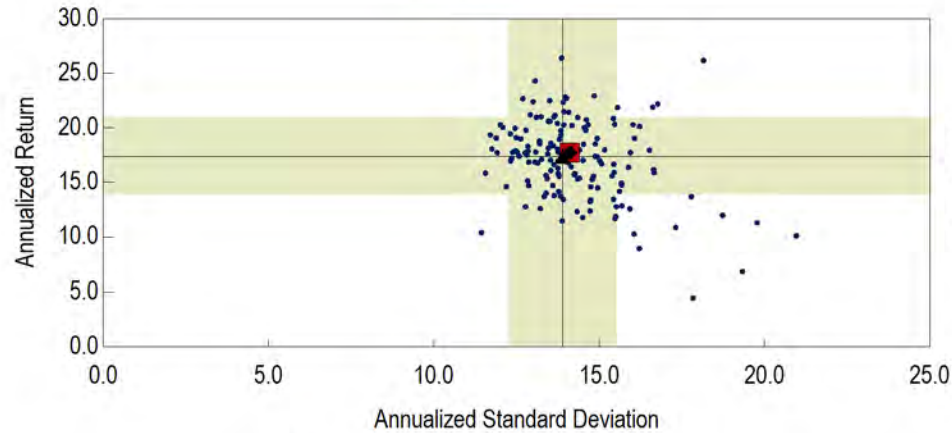


Annualized Excess Performance



SSgA Russell 2000 Growth

3 Year Risk Return

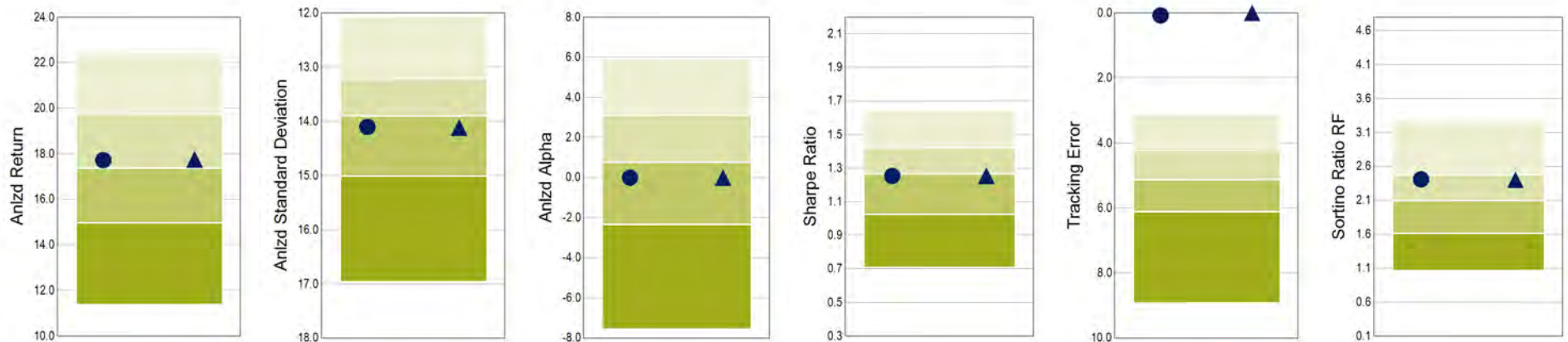


- SSgA Russell 2000 Growth
- ◆ Russell 2000 Growth
- ▲ Universe Median
- 68% Confidence Interval
- eA US Small Cap Growth Equity Gross

Characteristics

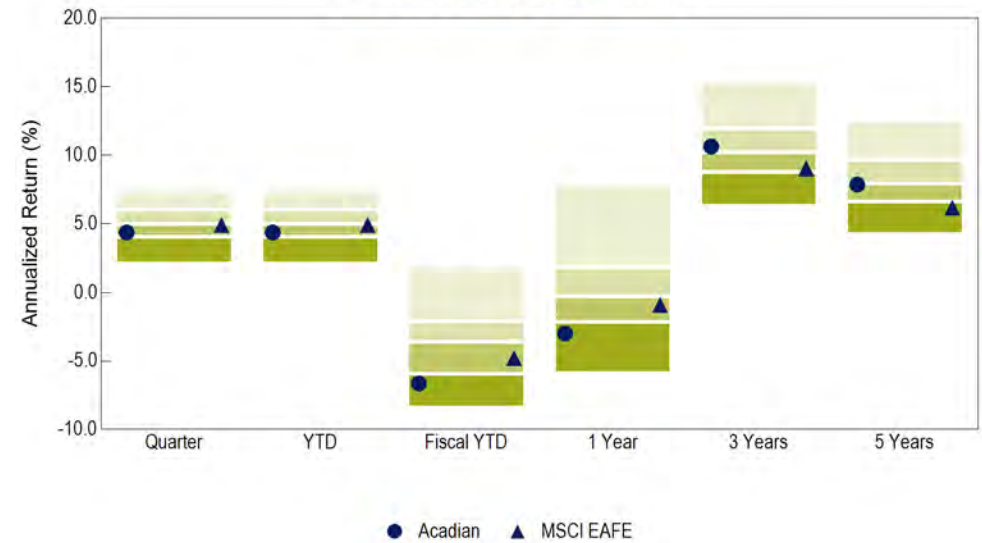
	Portfolio	Russell 2000 Growth
Number of Holdings	1,100	1,188
Weighted Avg. Market Cap. (\$B)	2.4	2.4
Median Market Cap. (\$B)	0.9	0.9
Price To Earnings	30.6	30.7
Price To Book	5.9	5.3
Price To Sales	4.0	3.3
Return on Equity (%)	17.9	16.6
Yield (%)	0.6	0.5
Beta		1.0
R-Squared		1.0

3 Year Risk Statistics

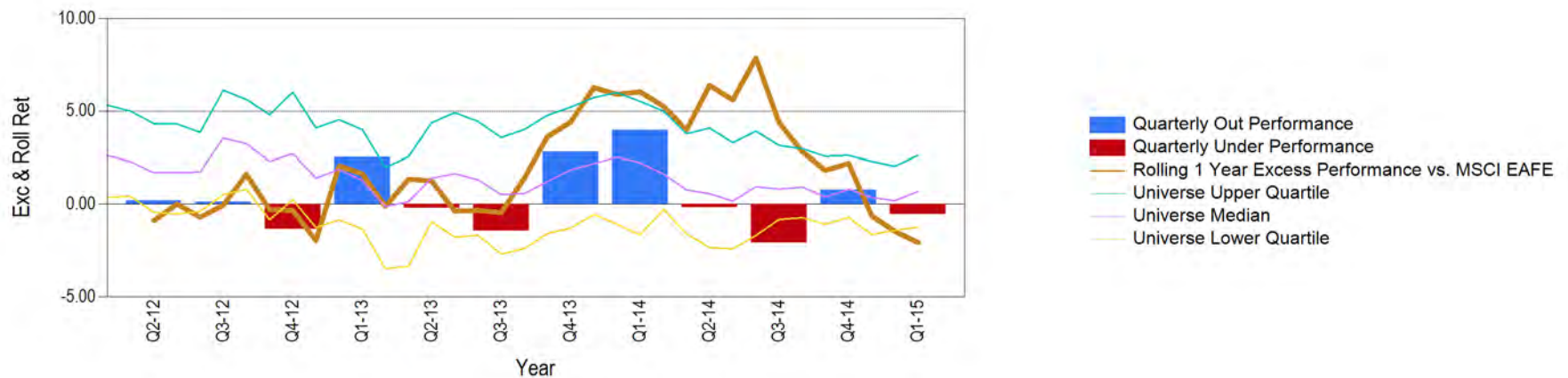


Acadian believes that the larger the pool of potential investments, the greater the potential opportunity an active manager has to add value. They believe that stocks and markets have many attributes that are related to potential outperformance, and that a successful investment approach must be multi-faceted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

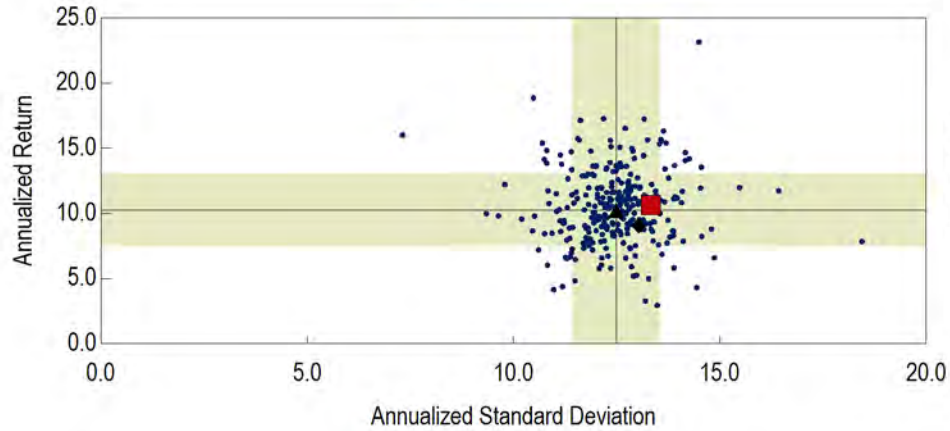
eA All EAFE Equity Gross Accounts



Annualized Excess Performance



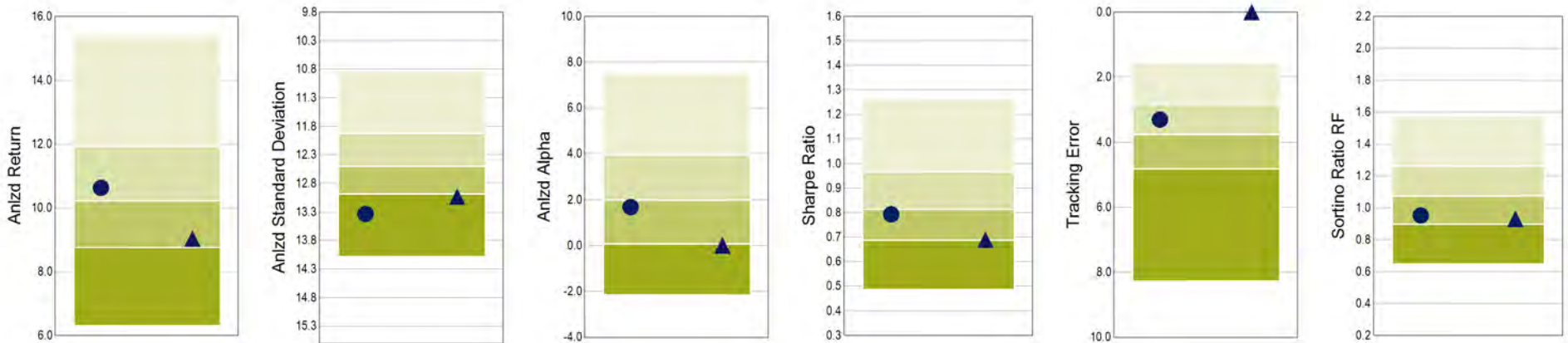
3 Year Risk Return



Characteristics

	Portfolio	MSCI EAFE
Number of Holdings	448	910
Weighted Avg. Market Cap. (\$B)	21.1	59.0
Median Market Cap. (\$B)	0.8	9.1
Price To Earnings	20.5	21.2
Price To Book	2.7	2.6
Price To Sales	1.3	2.0
Return on Equity (%)	15.0	14.3
Yield (%)	2.3	2.8
Beta		1.0
R-Squared		1.0

3 Year Risk Statistics



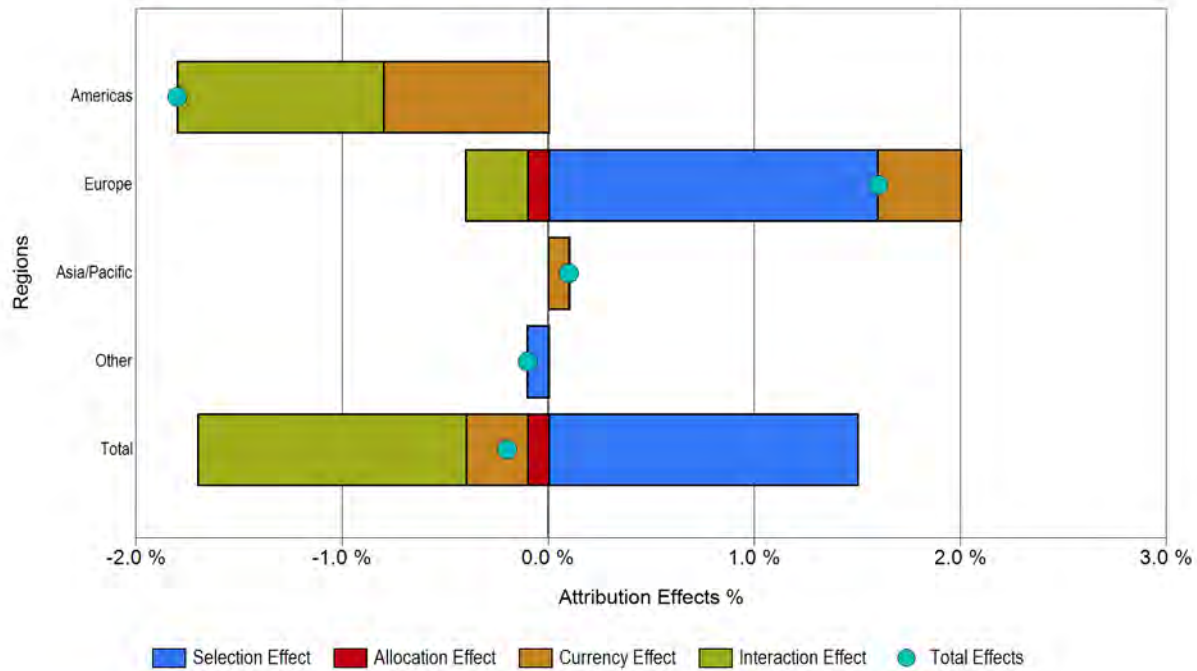
Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Americas				
Brazil*	3.0%	0.0%	-8.2%	-14.6%
Canada	6.2%	0.0%	-7.8%	-5.9%
Mexico*	0.6%	0.0%	6.9%	-1.9%
United States	0.0%	0.0%	3.4%	1.3%
Total-Americas	9.9%	0.0%	-6.9%	--
Europe				
Austria	1.1%	0.2%	3.5%	3.2%
Belgium	0.9%	1.3%	5.9%	5.9%
Denmark	1.5%	1.5%	11.9%	16.7%
Finland	2.0%	0.9%	14.1%	2.8%
France	4.2%	9.7%	15.0%	4.8%
Germany	8.4%	9.2%	5.8%	8.1%
Ireland	1.4%	0.3%	38.3%	3.9%
Italy	2.2%	2.3%	12.5%	6.8%
Netherlands	5.7%	2.8%	-4.7%	4.9%
Norway	2.8%	0.7%	3.6%	2.3%
Poland*	0.5%	0.0%	3.0%	-3.0%
Portugal	0.2%	0.1%	13.2%	7.3%
Spain	1.3%	3.5%	2.5%	-0.7%
Sweden	6.2%	3.1%	4.8%	5.6%
Switzerland	4.0%	9.3%	5.1%	5.1%
United Kingdom	12.6%	21.1%	-1.2%	-0.9%
Total-Europe	55.0%	65.9%	4.9%	3.5%

Country Allocation

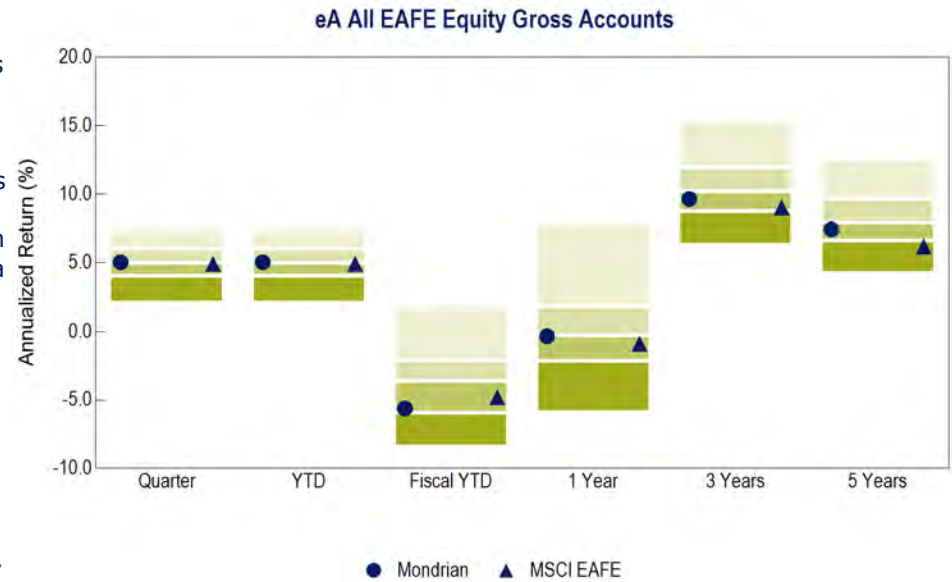
	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
AsiaPacific				
Australia	5.6%	7.5%	-6.0%	3.1%
Hong Kong	0.1%	3.1%	2.8%	6.0%
India*	1.5%	0.0%	19.4%	7.9%
Japan	21.6%	21.2%	4.8%	10.2%
Korea*	1.7%	0.0%	8.6%	2.4%
Malaysia*	0.0%	0.0%	1.6%	-2.6%
New Zealand	0.3%	0.2%	-0.8%	-1.3%
Singapore	3.1%	1.6%	-3.4%	-1.9%
Taiwan*	0.9%	0.0%	3.5%	1.0%
Thailand*	0.1%	0.0%	14.5%	3.4%
Total-AsiaPacific	35.1%	33.6%	3.1%	7.6%
Other				
Israel	0.4%	0.6%	10.4%	9.1%
South Africa*	0.1%	0.0%	-1.0%	4.6%
Turkey*	0.0%	0.0%	2.4%	-0.8%
Total-Other	0.5%	0.6%	7.5%	9.1%
Totals				
Developed	91.3%	100.0%	-0.5%	4.9%
Emerging*	8.7%	0.0%	3.3%	--

Acadian Performance Attribution vs. MSCI EAFE

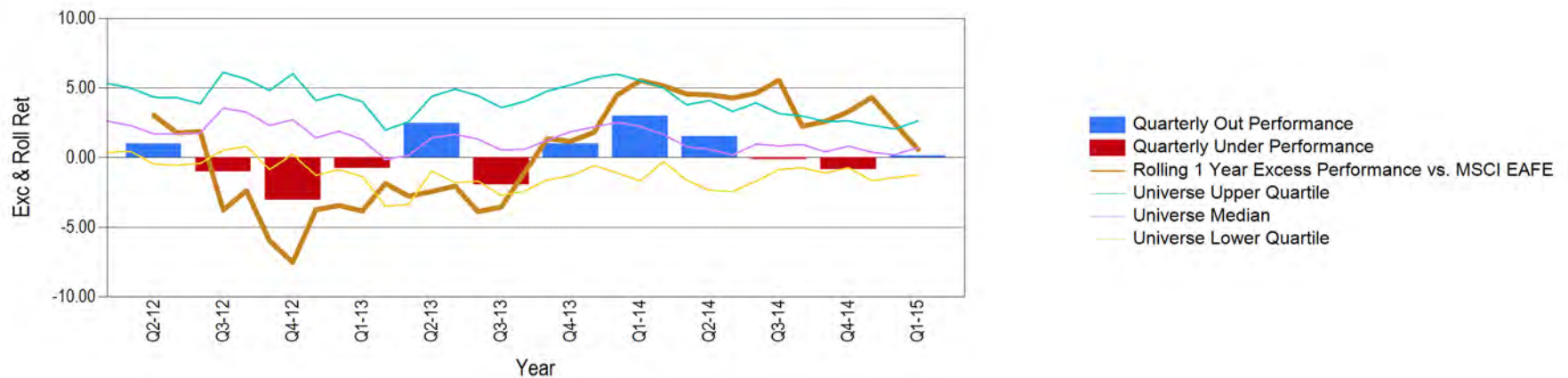


	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
Totals									
Americas	-6.9%	--	9.9%	0.0%	0.0%	0.0%	-0.8%	-1.0%	-1.8%
Europe	4.9%	3.5%	55.0%	65.9%	1.6%	-0.1%	0.4%	-0.3%	1.6%
Asia/Pacific	7.9%	7.6%	34.6%	33.6%	0.0%	0.0%	0.1%	0.0%	0.1%
Other	-0.9%	9.1%	0.5%	0.6%	-0.1%	0.0%	0.0%	0.0%	-0.1%
Total	4.7%	4.9%	100.0%	100.0%	1.5%	-0.1%	-0.3%	-1.3%	-0.2%
Totals									
Developed	5.1%	4.9%	91.4%	100.0%	0.8%	0.0%	0.0%	-0.1%	0.7%
Emerging*	0.7%	--	8.6%	0.0%	0.0%	0.0%	-0.3%	-0.6%	-0.9%

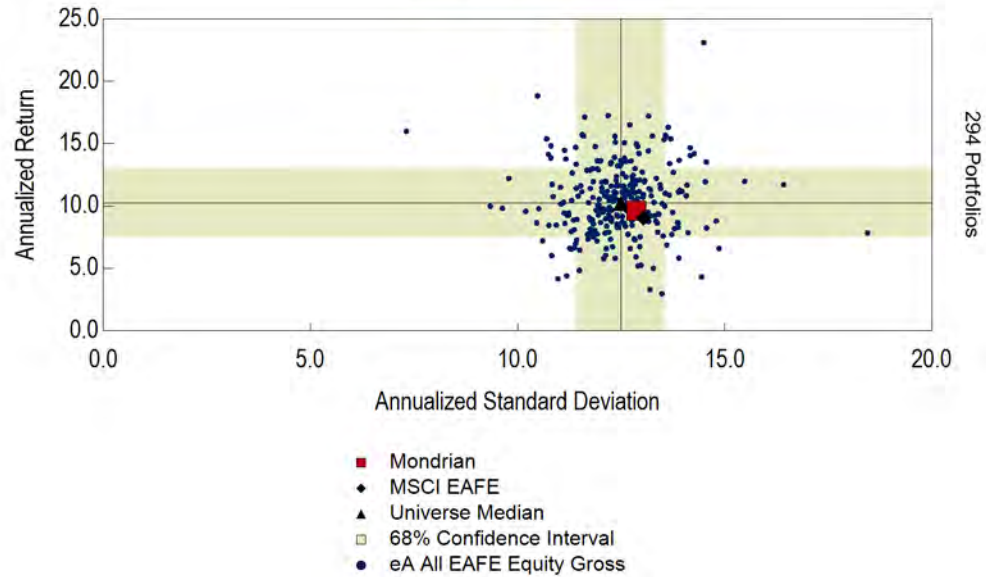
The firm is an active value-oriented defensive manager. The firm's value driven investment philosophy is based on the belief that investments need to be evaluated in terms of their fundamental long-term value. The firm believes that the value of a company lies in its future income stream as dividends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



Annualized Excess Performance



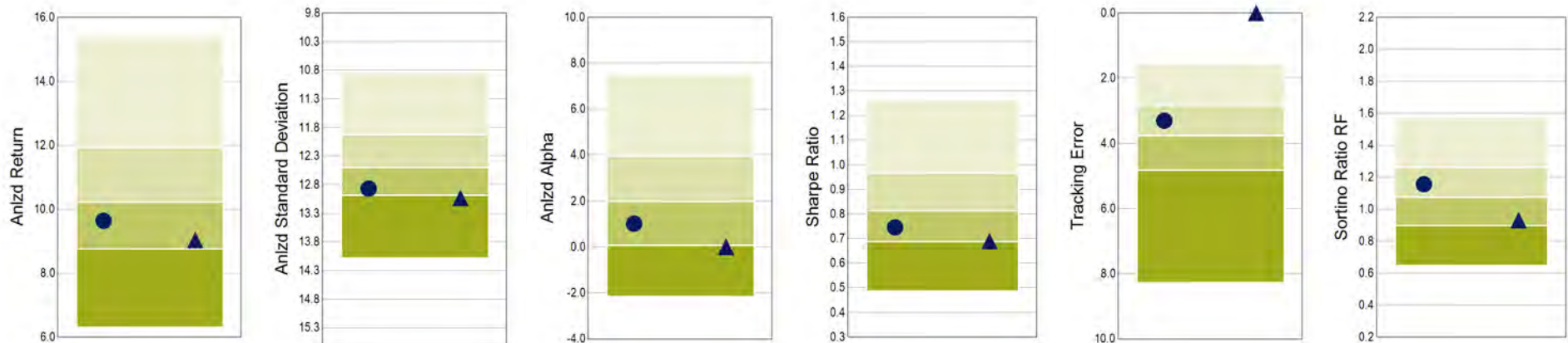
3 Year Risk Return



Characteristics

	Portfolio	MSCI EAFE
Number of Holdings	37	910
Weighted Avg. Market Cap. (\$B)	70.0	59.0
Median Market Cap. (\$B)	40.1	9.1
Price To Earnings	22.2	21.2
Price To Book	3.0	2.6
Price To Sales	1.7	2.0
Return on Equity (%)	13.7	14.3
Yield (%)	3.6	2.8
Beta		1.0
R-Squared		1.0

3 Year Risk Statistics



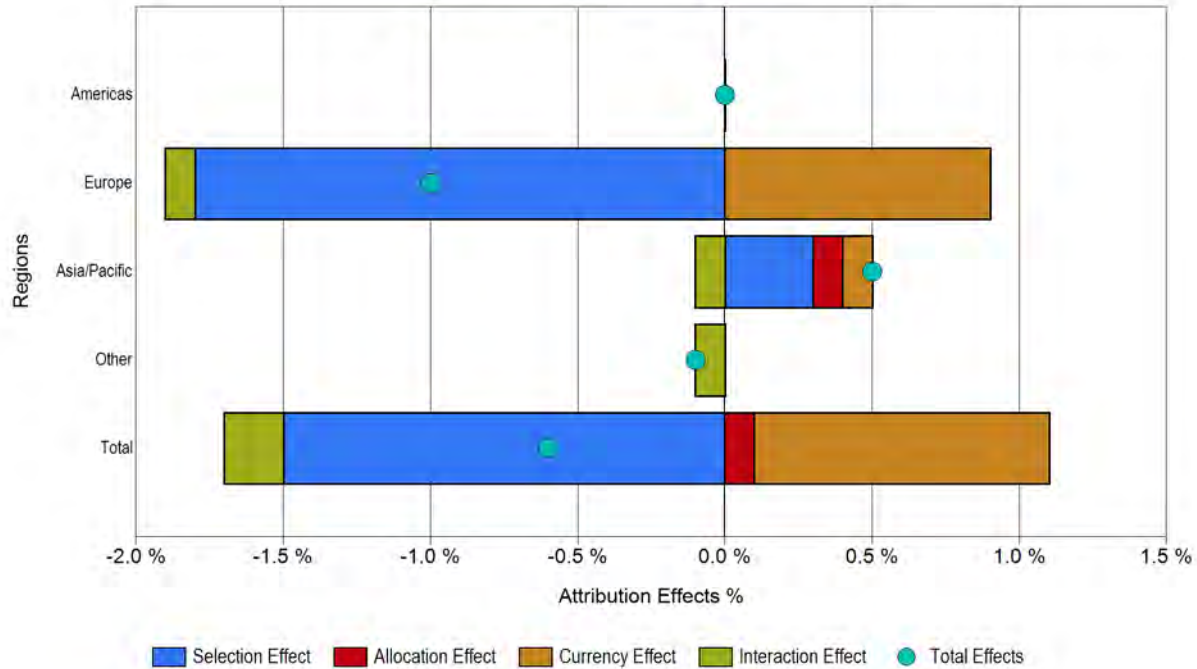
Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Europe				
France	11.2%	9.7%	-2.4%	4.8%
Germany	7.0%	9.2%	2.1%	8.1%
Italy	3.0%	2.3%	-1.3%	6.8%
Netherlands	4.3%	2.8%	10.4%	4.9%
Spain	1.6%	3.5%	-9.0%	-0.7%
Sweden	4.4%	3.1%	1.3%	5.6%
Switzerland	17.1%	9.3%	4.5%	5.1%
United Kingdom	20.8%	21.1%	3.5%	-0.9%
Total-Europe	69.5%	65.9%	2.4%	3.5%

Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
AsiaPacific				
Australia	3.9%	7.5%	11.0%	3.1%
Japan	17.0%	21.2%	10.0%	10.2%
Singapore	6.4%	1.6%	3.7%	-1.9%
Total-AsiaPacific	27.3%	33.6%	8.6%	7.6%
Other				
Israel	3.2%	0.6%	9.0%	9.1%
Total-Other	3.2%	0.6%	9.0%	9.1%
Totals				
Developed	100.0%	100.0%	4.3%	4.9%

Mondrian Performance Attribution vs. MSCI EAFE



	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
Totals									
Americas	--	--	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Europe	2.4%	3.5%	69.5%	65.9%	-1.8%	0.0%	0.9%	-0.1%	-1.0%
Asia/Pacific	8.6%	7.6%	27.3%	33.6%	0.3%	0.1%	0.1%	-0.1%	0.5%
Other	9.0%	9.1%	3.2%	0.6%	0.0%	0.0%	0.0%	-0.1%	-0.1%
Total	4.3%	4.9%	100.0%	100.0%	-1.5%	0.1%	1.0%	-0.2%	-0.6%
Totals									
Developed	4.3%	4.9%	100.0%	100.0%	-1.6%	0.0%	1.0%	0.0%	-0.6%

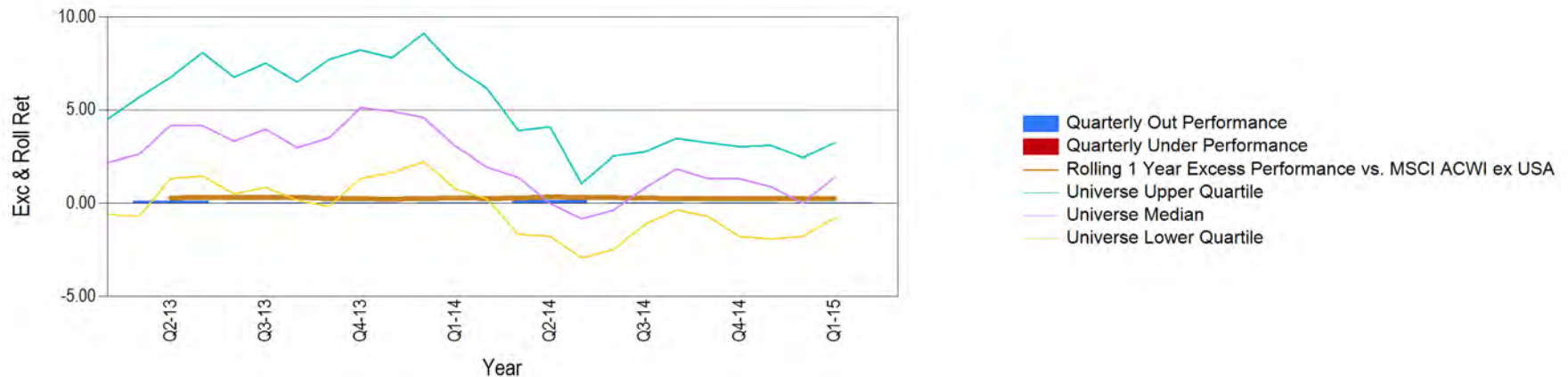
SSgA ACWI Ex US

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

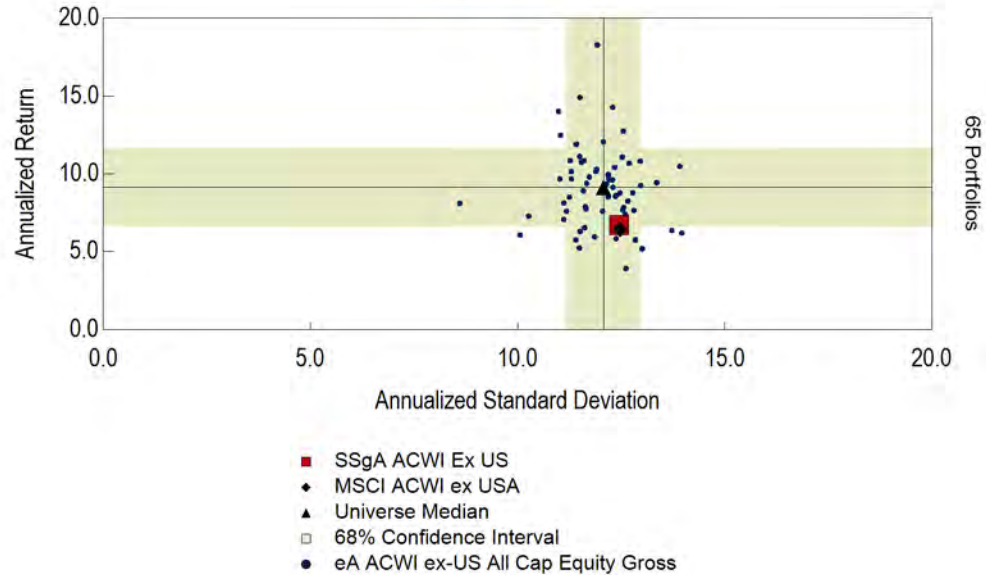
eA ACWI ex-US All Cap Equity Gross Accounts



Annualized Excess Performance



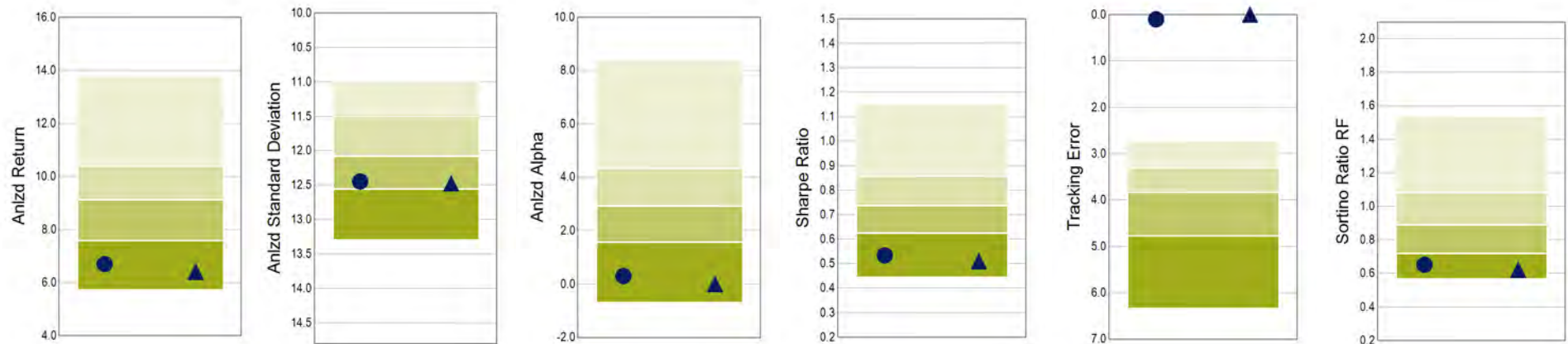
3 Year Risk Return



Characteristics

	Portfolio	MSCI ACWI ex USA
Number of Holdings	30	1,841
Weighted Avg. Market Cap. (\$B)	16.5	53.3
Median Market Cap. (\$B)	4.7	6.9
Price To Earnings	25.0	20.5
Price To Book	8.9	2.6
Price To Sales	4.8	2.1
Return on Equity (%)	11.6	15.3
Yield (%)	4.2	2.7
Beta		1.0
R-Squared		1.0

3 Year Risk Statistics



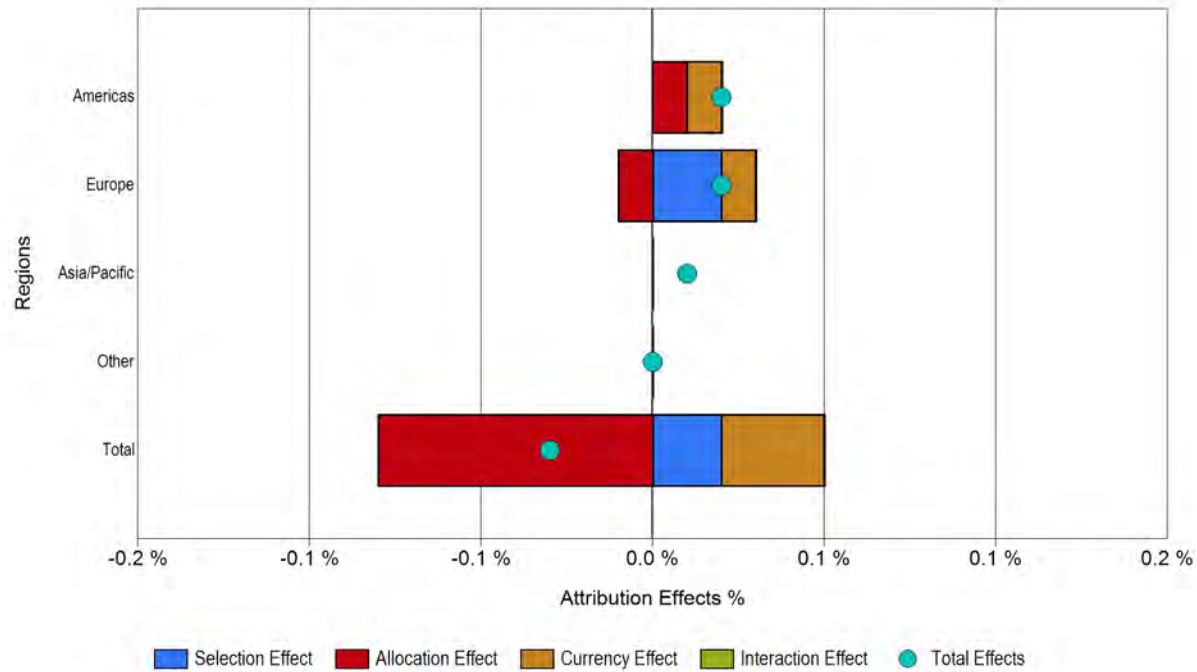
Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Americas				
Brazil*	1.9%	1.9%	-14.6%	-14.6%
Canada	7.4%	7.5%	-5.9%	-5.9%
Chile*	0.3%	0.3%	0.1%	0.1%
Colombia*	0.2%	0.2%	-19.1%	-19.1%
Mexico*	1.1%	1.1%	-1.9%	-1.9%
Peru*	0.1%	0.1%	-6.0%	-6.0%
Total-Americas	11.0%	11.1%	-7.1%	-7.1%
Europe				
Austria	0.1%	0.1%	3.2%	3.2%
Belgium	0.9%	0.9%	5.9%	5.9%
Czech Republic*	0.0%	0.0%	-3.1%	-3.1%
Denmark	1.1%	1.1%	16.7%	16.7%
Finland	0.6%	0.6%	2.8%	2.8%
France	6.8%	6.9%	4.8%	4.8%
Germany	6.5%	6.5%	8.1%	8.1%
Greece*	0.1%	0.1%	-29.3%	-29.3%
Hungary*	0.0%	0.0%	14.0%	14.0%
Ireland	0.1%	0.2%	-1.0%	3.9%
Italy	1.6%	1.6%	7.1%	6.8%
Luxembourg	0.2%	0.0%	-2.7%	3.5%
Netherlands	1.9%	2.0%	4.9%	4.9%
Norway	0.5%	0.5%	2.3%	2.3%
Poland*	0.3%	0.3%	-3.0%	-3.0%
Portugal	0.1%	0.1%	7.3%	7.3%
Russia*	0.7%	0.7%	15.5%	18.7%
Spain	2.4%	2.5%	-0.7%	-0.7%
Sweden	2.1%	2.2%	5.7%	5.6%
Switzerland	6.5%	6.6%	5.1%	5.1%
United Kingdom	14.7%	14.9%	-0.9%	-0.9%
Total-Europe	47.4%	47.9%	3.6%	3.6%

Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
AsiaPacific				
Australia	5.2%	5.3%	3.1%	3.1%
China*	4.7%	4.7%	8.3%	8.2%
Hong Kong	2.2%	2.2%	6.0%	6.0%
India*	1.5%	1.5%	5.5%	5.5%
Indonesia*	0.6%	0.6%	2.5%	2.5%
Japan	14.9%	15.0%	10.2%	10.2%
Korea*	3.2%	3.2%	4.0%	4.1%
Malaysia*	0.8%	0.8%	-1.5%	-1.5%
New Zealand	0.1%	0.1%	-1.3%	-1.3%
Philippines*	0.3%	0.3%	10.2%	10.2%
Singapore	1.1%	1.1%	-1.9%	-1.9%
Taiwan*	2.7%	2.7%	3.9%	3.9%
Thailand*	0.5%	0.5%	2.8%	2.4%
Total-AsiaPacific	38.0%	38.1%	6.7%	6.7%
Other				
Egypt*	0.1%	0.1%	1.5%	1.5%
Israel	0.4%	0.4%	9.1%	9.1%
Qatar*	0.2%	0.2%	-3.3%	-3.3%
South Africa*	1.7%	1.7%	3.3%	3.3%
Turkey*	0.4%	0.4%	-15.8%	-15.8%
United Arab Emirates*	0.1%	0.1%	-6.4%	-5.5%
Total-Other	2.9%	2.9%	0.6%	0.6%
Totals				
Developed	77.5%	78.4%	3.9%	3.9%
Emerging*	21.7%	21.6%	2.2%	2.3%
Cash	0.8%		0.0%	

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

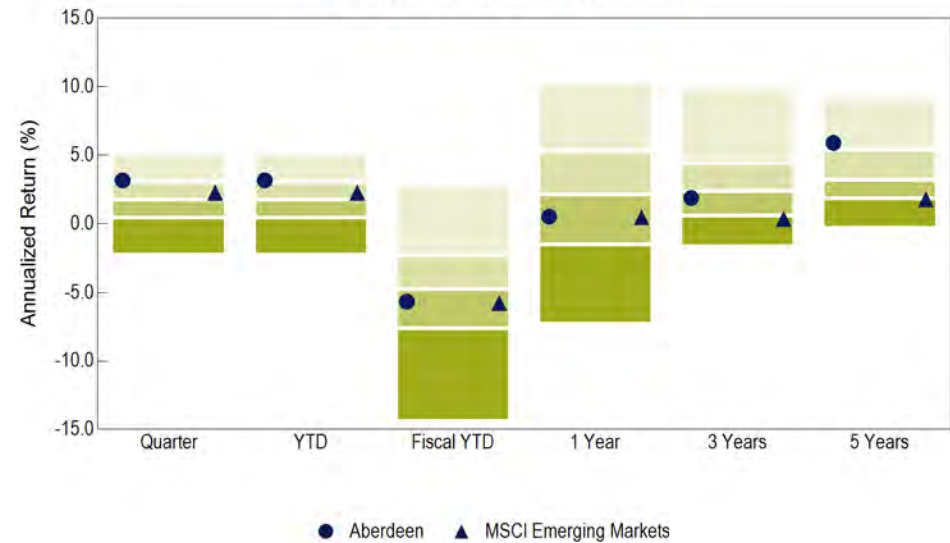


	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
Totals									
Americas	-7.1%	-7.1%	11.0%	11.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Europe	3.6%	3.6%	47.4%	47.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Asia/Pacific	6.7%	6.7%	38.0%	38.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.6%	0.6%	2.9%	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	--	0.8%	0.0%	0.0%	-0.1%	0.0%	0.0%	-0.1%
Total	3.5%	3.5%	100.0%	100.0%	0.0%	-0.1%	0.0%	0.0%	0.0%
Totals									
Developed	3.9%	3.9%	77.5%	78.4%	0.0%	0.0%	0.0%	0.0%	0.1%
Emerging*	2.2%	2.3%	21.7%	21.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	--	0.8%	0.0%	0.0%	-0.1%	0.0%	0.0%	-0.1%

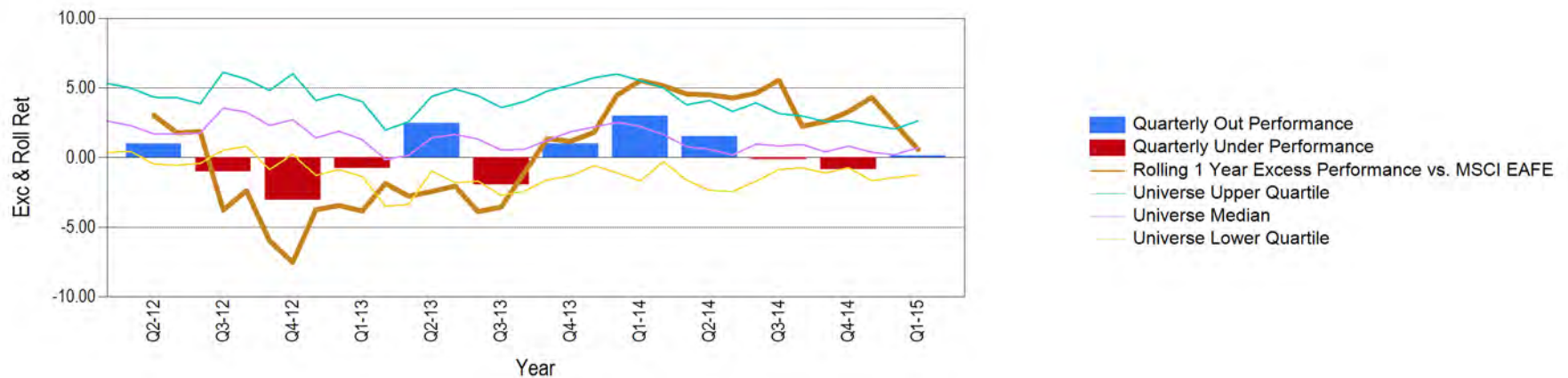
Aberdeen

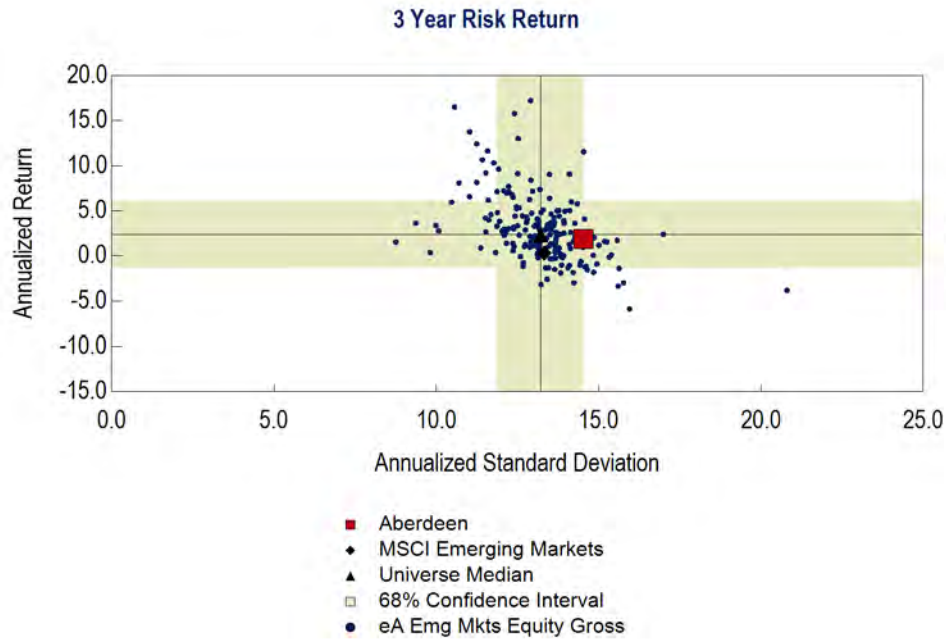
Aberdeen believes, given the inefficiency of markets, that competitive long-term returns are achieved by identifying high quality stocks at attractive valuations and holding for the long term. It is their belief that sound fundamentals drive stock prices over time. They employ a fundamental bottom-up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

eA Emg Mkts Equity Gross Accounts



Annualized Excess Performance

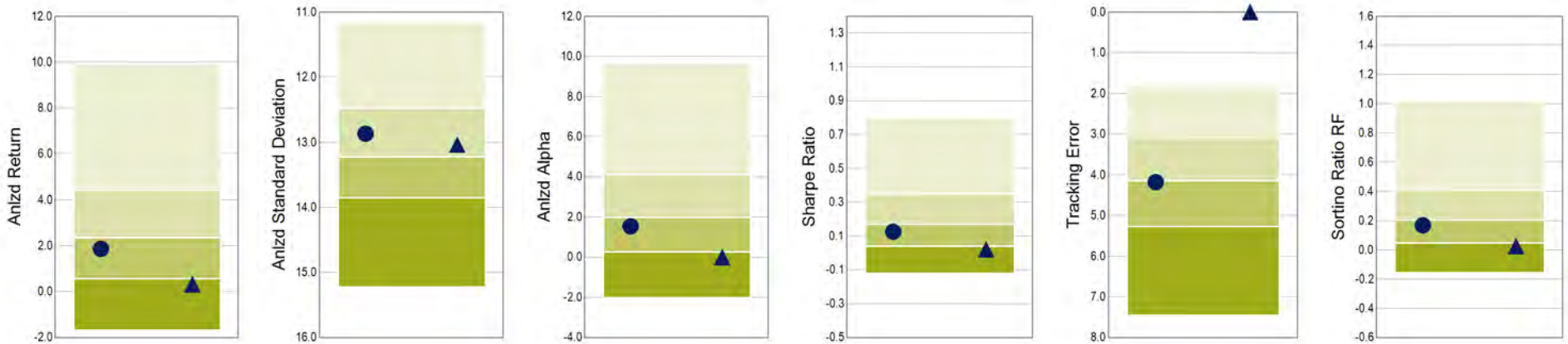




Characteristics

	Portfolio	MSCI Emerging Markets
Number of Holdings	60	836
Weighted Avg. Market Cap. (\$B)	33.5	40.1
Median Market Cap. (\$B)	14.1	4.8
Price To Earnings	21.7	19.0
Price To Book	4.0	2.6
Price To Sales	2.7	2.3
Return on Equity (%)	19.1	17.8
Yield (%)	2.6	2.5
Beta		1.0
R-Squared		1.0

3 Year Risk Statistics



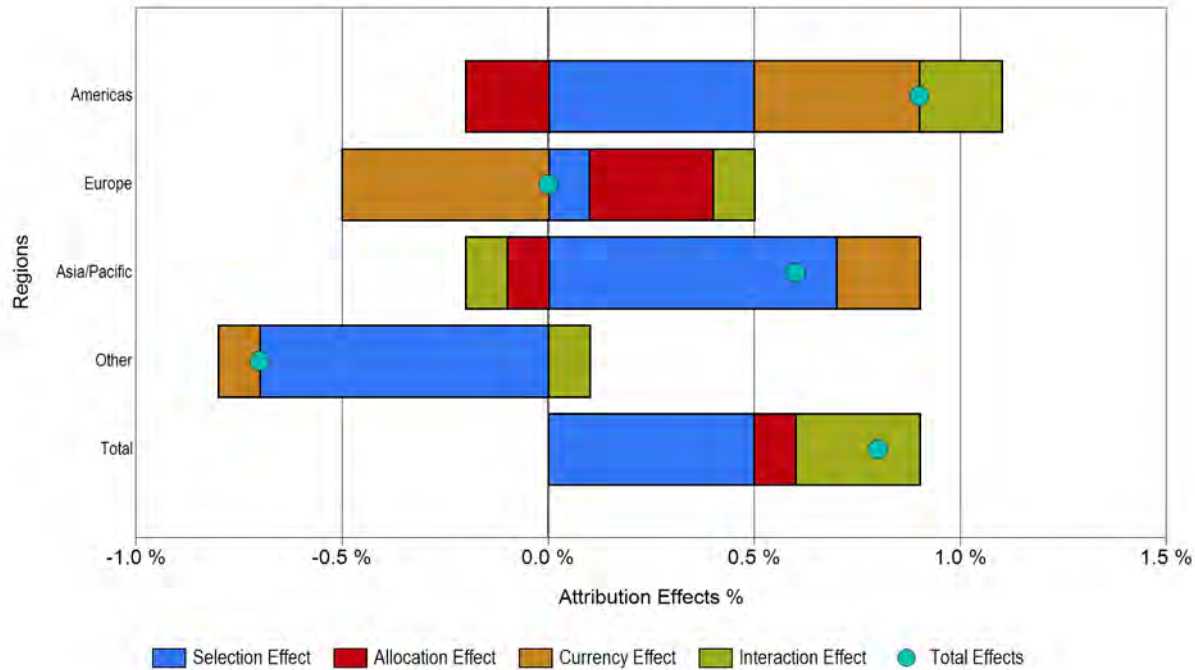
Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Americas				
Brazil*	11.4%	8.9%	-8.7%	-14.6%
Chile*	1.1%	1.4%	9.9%	0.1%
Mexico*	7.9%	4.9%	3.9%	-1.9%
United States	1.5%	0.0%	8.7%	1.3%
Total-Americas	21.9%	16.5%	-2.0%	-9.5%
Europe				
Hungary*	1.1%	0.2%	2.0%	14.0%
Luxembourg	1.8%	0.0%	-7.3%	2.3%
Poland*	2.0%	1.6%	-3.6%	-3.0%
Portugal	0.9%	0.0%	24.6%	7.3%
Russia*	2.4%	3.2%	18.4%	18.7%
United Kingdom	5.1%	0.0%	5.6%	-0.9%
Total-Europe	13.4%	5.7%	5.9%	7.6%

Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
AsiaPacific				
China*	5.3%	21.8%	7.2%	8.2%
Hong Kong	8.4%	0.0%	7.0%	6.0%
India*	15.6%	7.2%	5.6%	5.5%
Indonesia*	3.0%	2.8%	9.4%	2.5%
Korea*	6.4%	14.6%	6.8%	4.1%
Malaysia*	2.1%	3.6%	2.0%	-1.5%
Philippines*	4.1%	1.3%	12.1%	10.2%
Taiwan*	5.3%	12.6%	4.6%	3.9%
Thailand*	5.0%	2.4%	4.4%	2.4%
Total-AsiaPacific	55.2%	66.3%	6.5%	5.2%
Other				
South Africa*	3.9%	7.9%	4.3%	3.3%
Turkey*	5.7%	1.8%	-18.3%	-15.8%
Total-Other	9.5%	11.5%	-9.1%	-0.8%
Totals				
Developed	17.6%	0.0%	6.3%	--
Emerging*	82.4%	100.0%	2.4%	2.3%

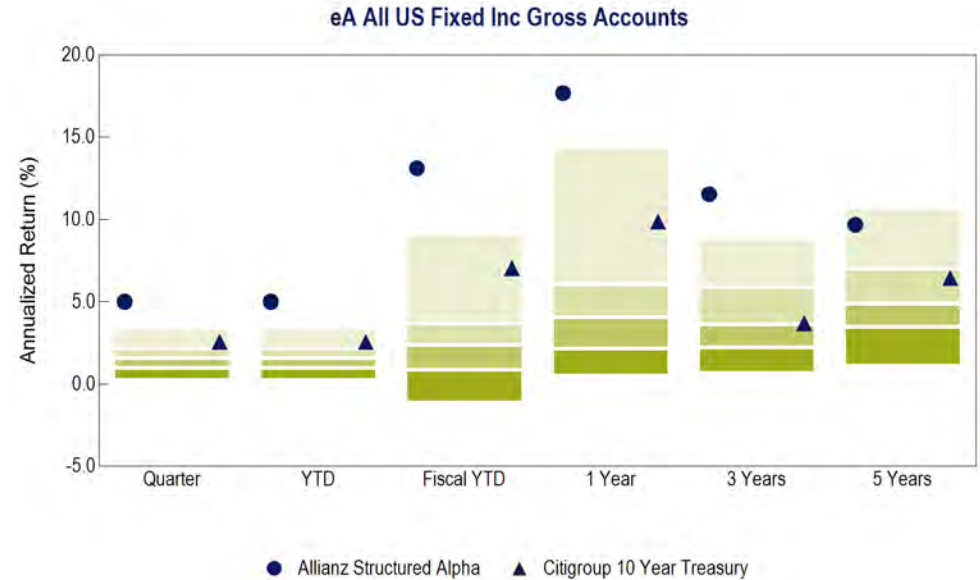
Aberdeen Performance Attribution vs. MSCI Emerging Markets



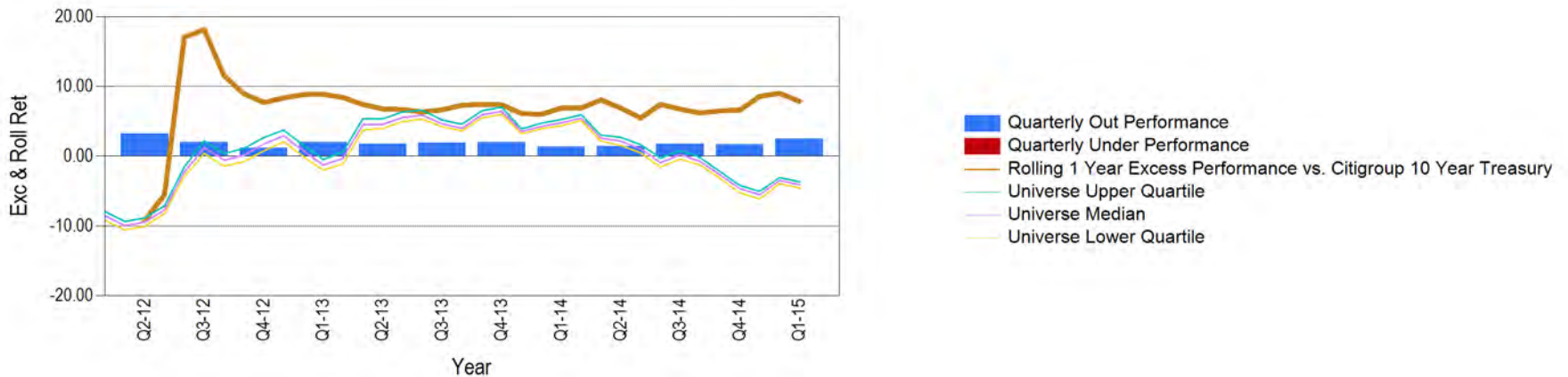
	Returns and Weights				Attribution Effects				Total Effects
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	
Totals									
Americas	-2.0%	-9.5%	21.9%	16.5%	0.5%	-0.2%	0.4%	0.2%	0.9%
Europe	5.9%	7.6%	13.4%	5.7%	0.1%	0.3%	-0.5%	0.1%	0.0%
Asia/Pacific	6.5%	5.2%	55.2%	66.3%	0.7%	-0.1%	0.2%	-0.1%	0.6%
Other	-9.1%	-0.8%	9.5%	11.5%	-0.7%	0.0%	-0.1%	0.1%	-0.7%
Total	3.0%	2.3%	100.0%	100.0%	0.5%	0.1%	0.0%	0.3%	0.8%
Totals									
Developed	6.3%	--	17.6%	0.0%	0.0%	0.0%	-0.4%	0.6%	0.2%
Emerging*	2.4%	2.3%	82.4%	100.0%	0.2%	0.0%	0.4%	0.0%	0.6%

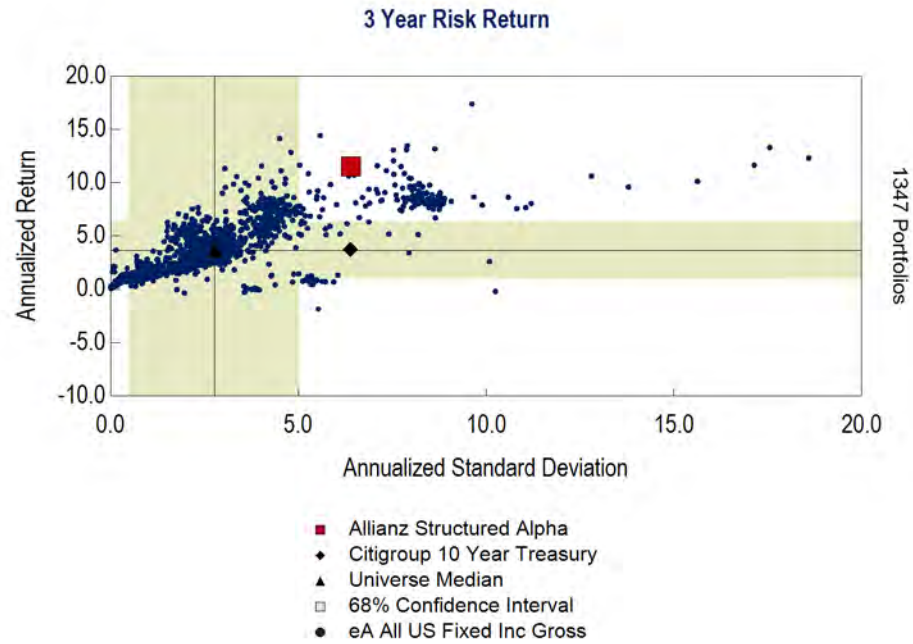
Allianz Structured Alpha

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

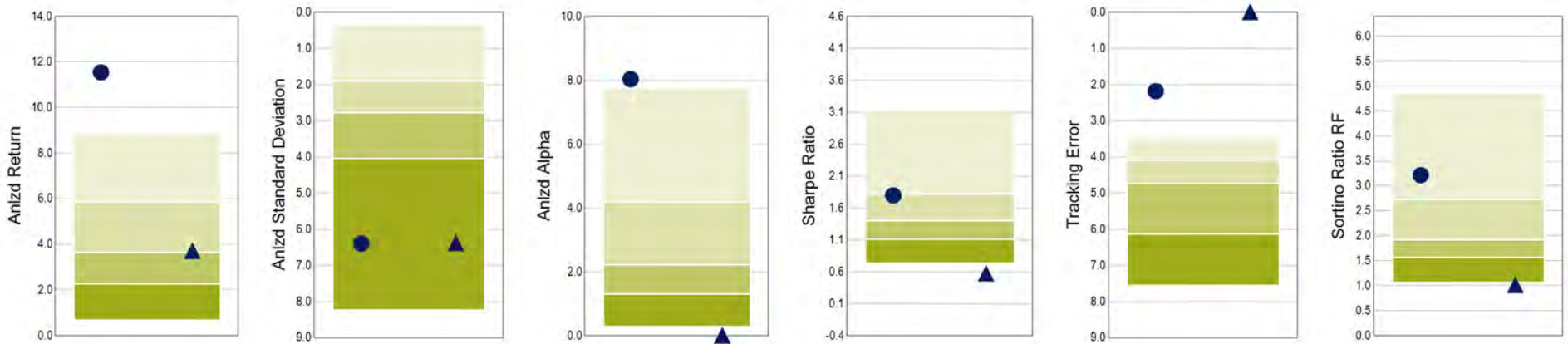


Annualized Excess Performance



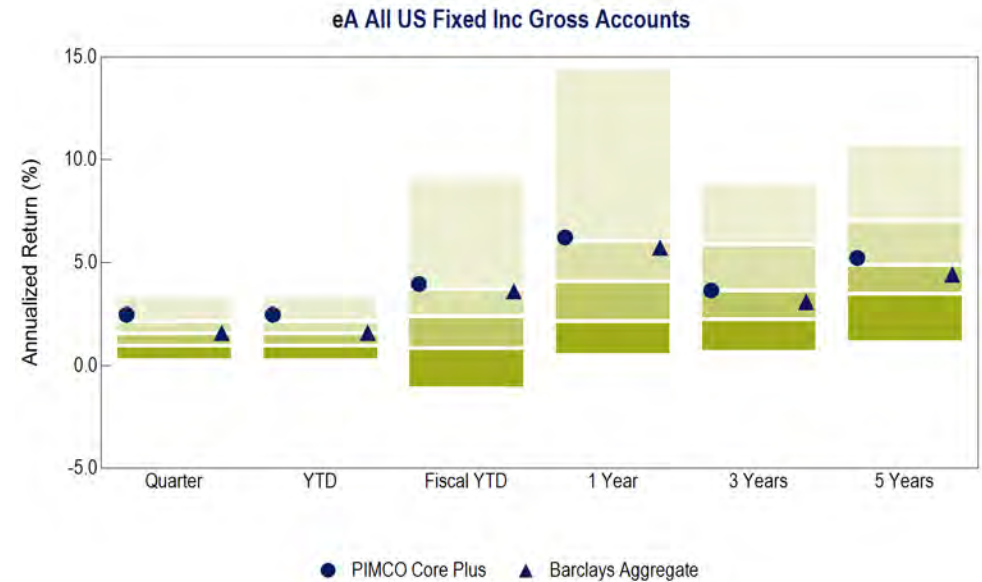


3 Year Risk Statistics

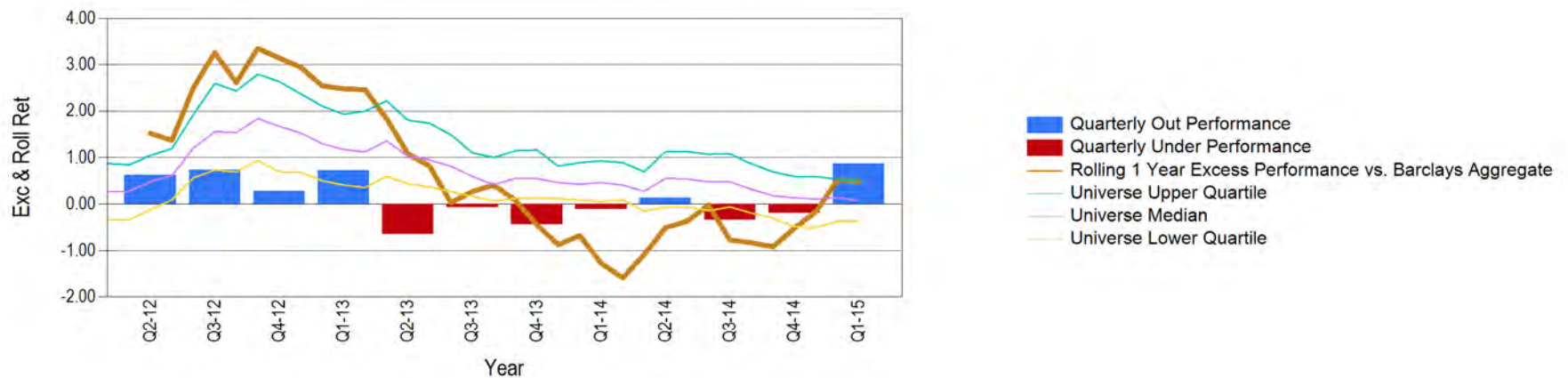


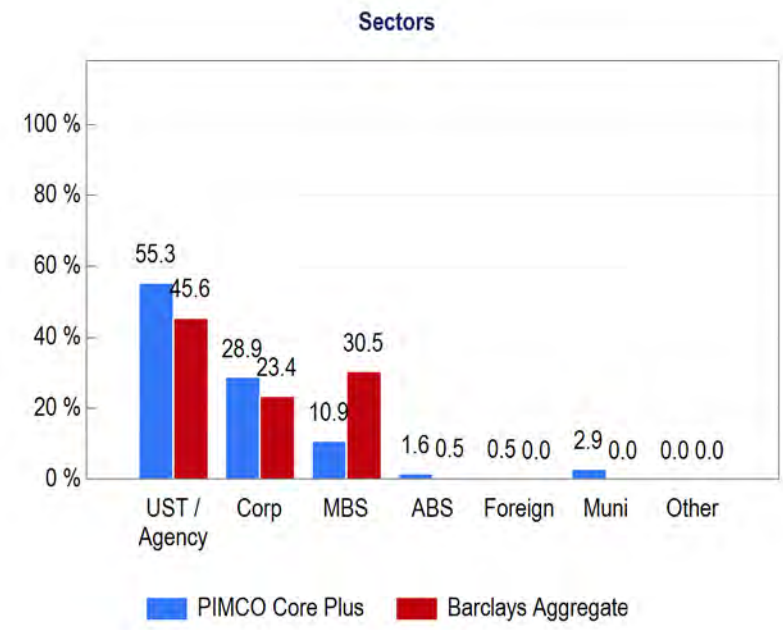
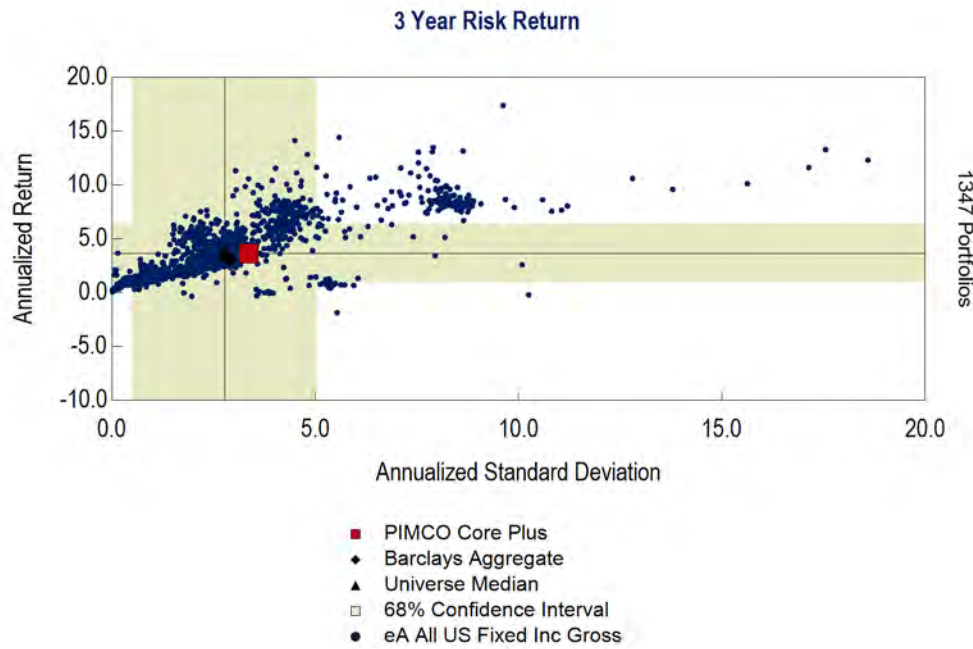
PIMCO Core Plus

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

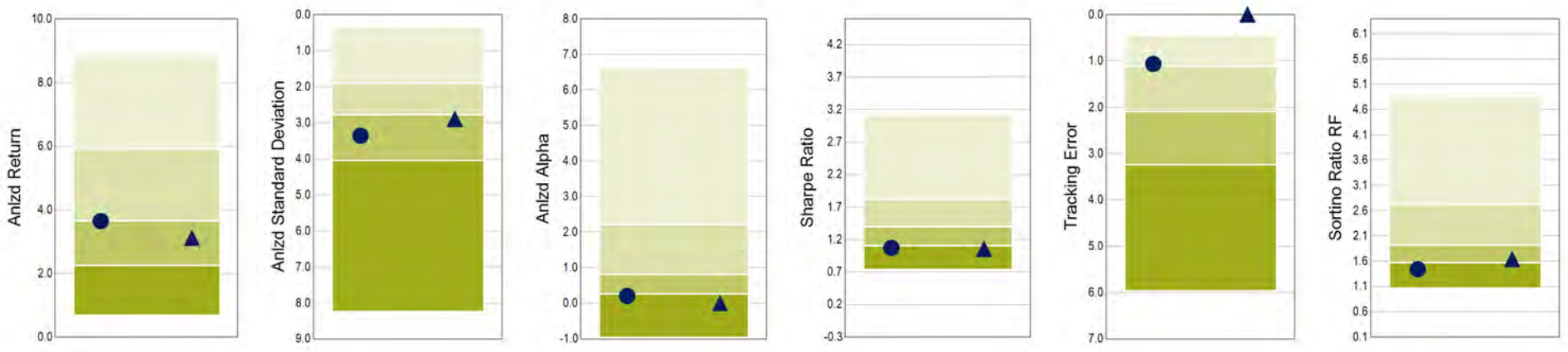


Annualized Excess Performance



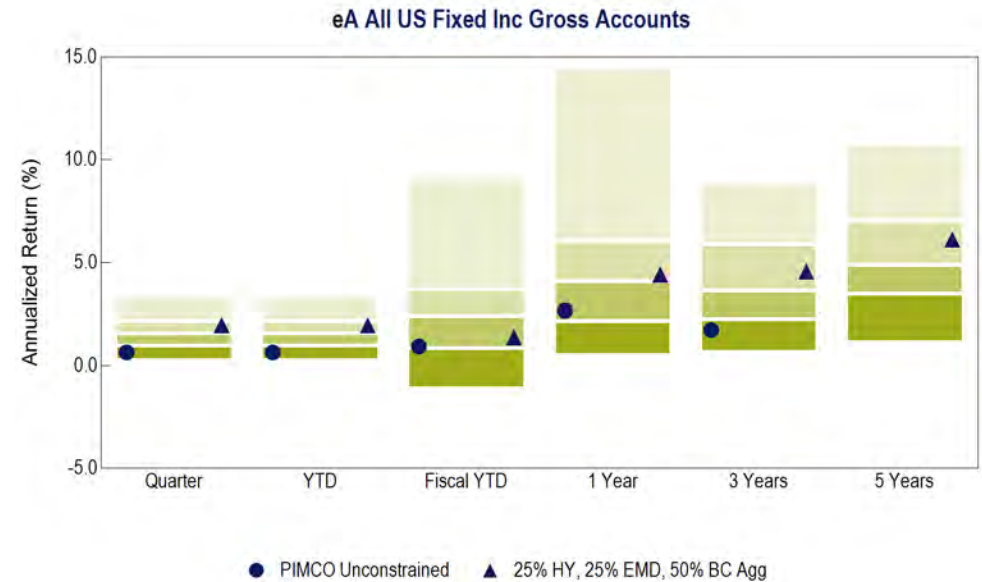


3 Year Risk Statistics

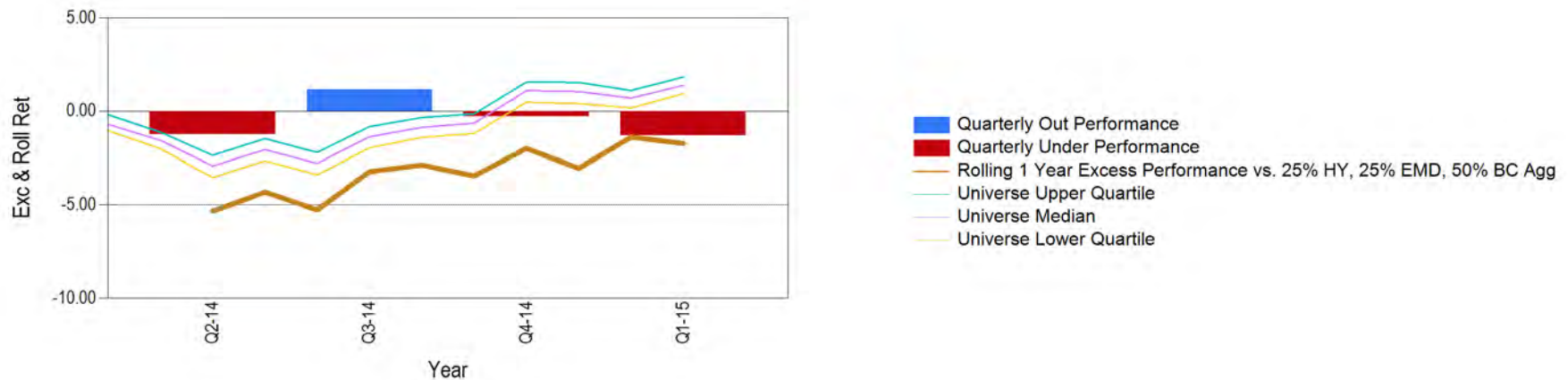


PIMCO Unconstrained

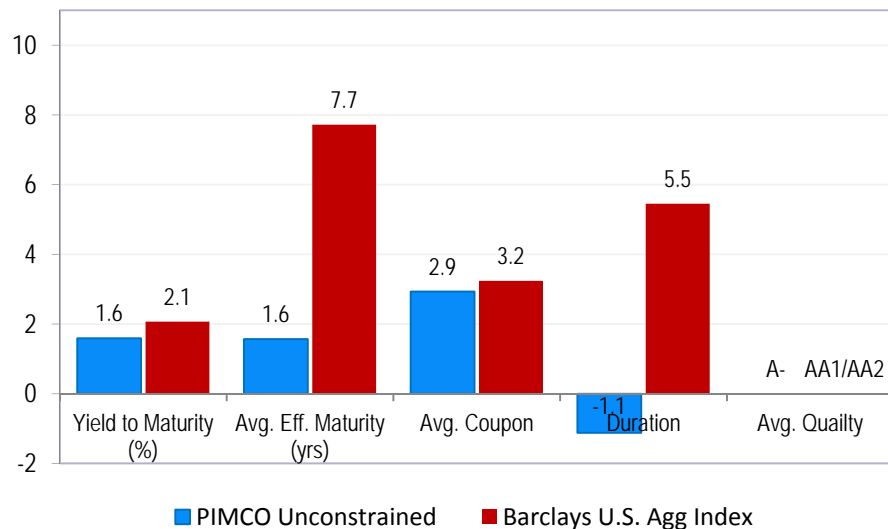
The PIMCO Unconstrained Bond Strategy is an absolute return-oriented, investment grade quality fixed income strategy that embodies PIMCO's secular thinking, global themes, and integrated investment process without the constraints of a benchmark or significant sector/instrument limitations. The strategy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



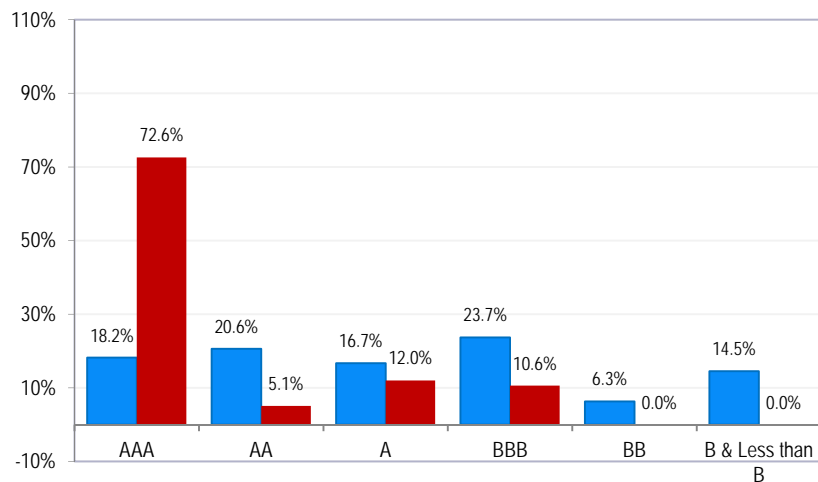
Annualized Excess Performance



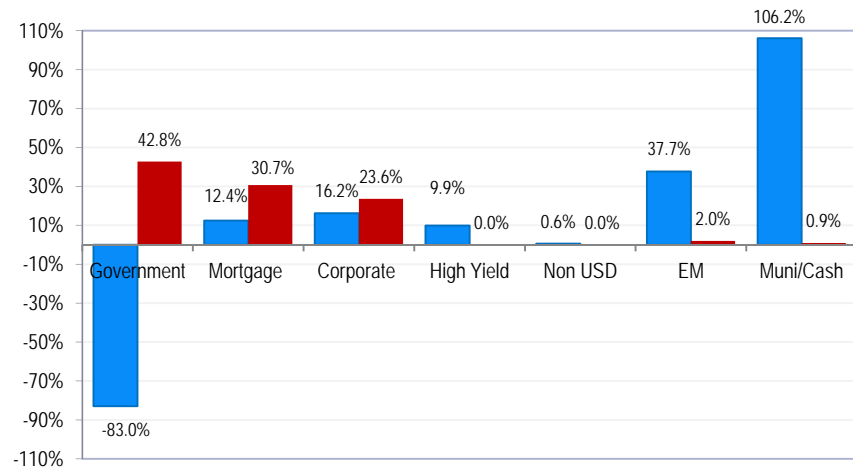
Characteristics



Quality Rating



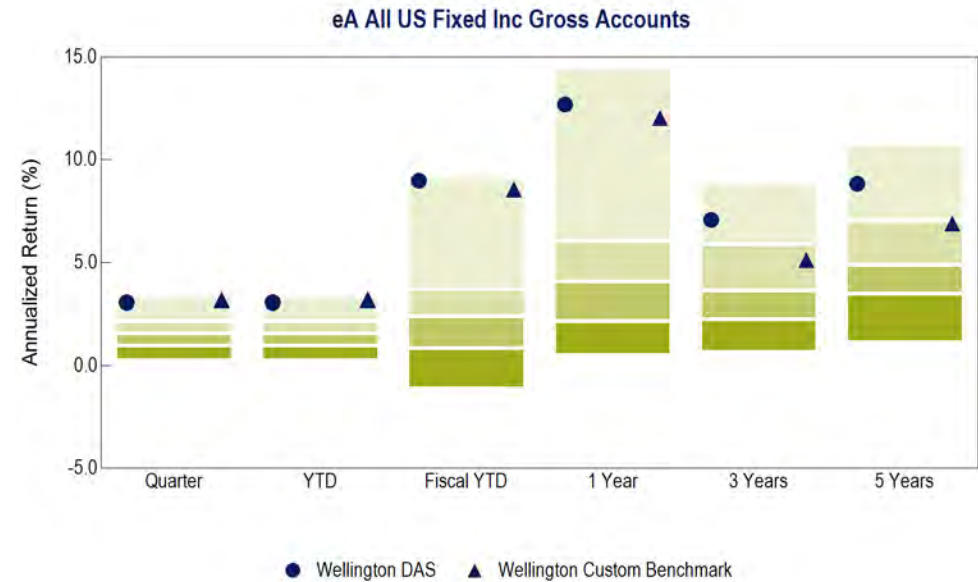
Sectors



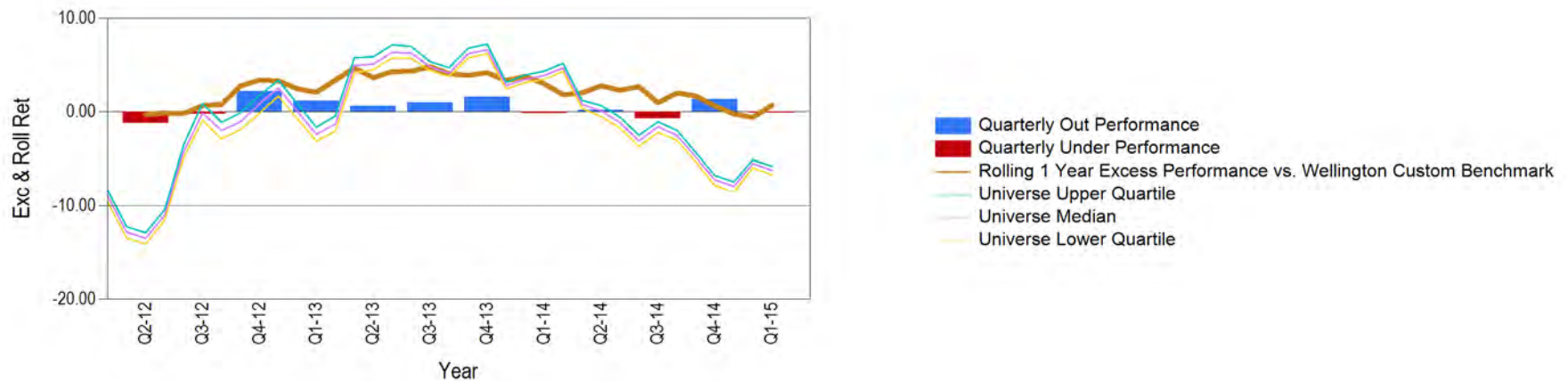
Source: PIMCO

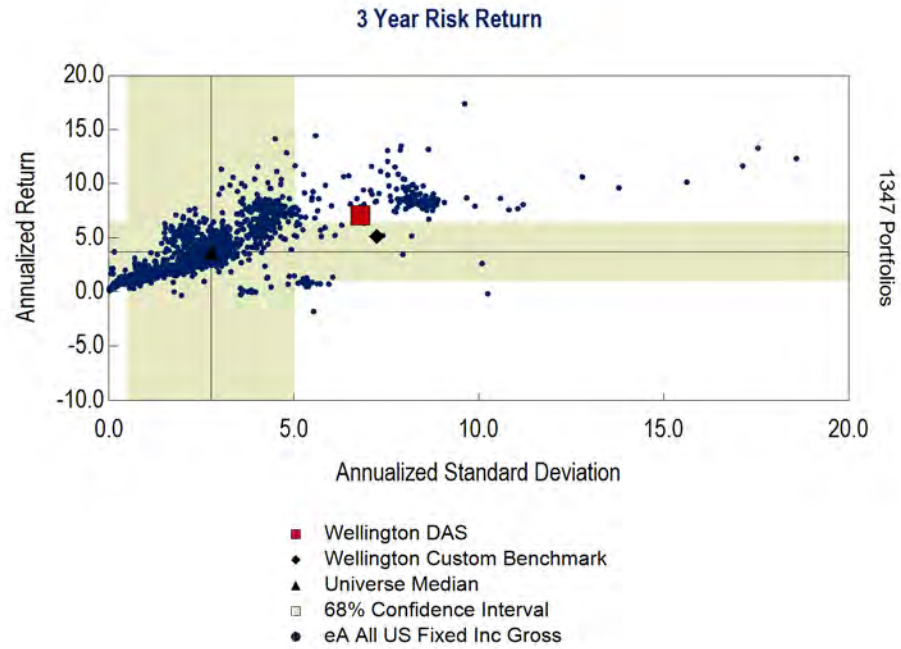
Wellington DAS

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

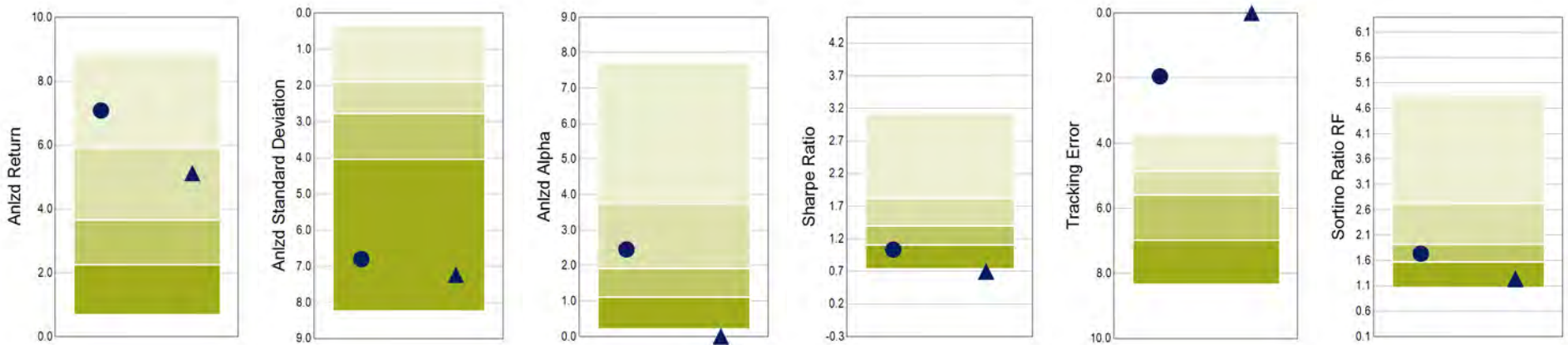


Annualized Excess Performance





3 Year Risk Statistics

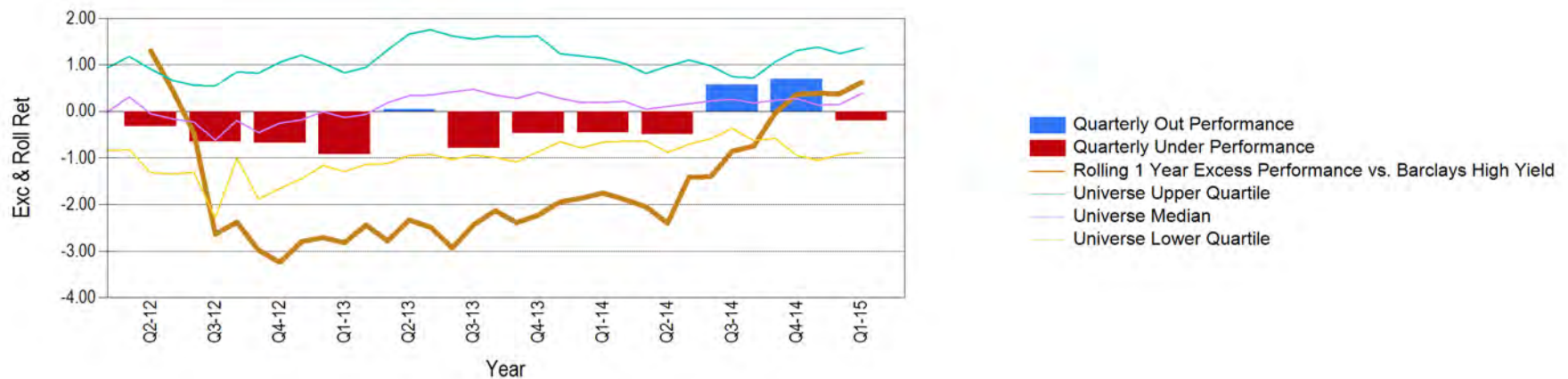


KDP believes that the key to delivering superior risk-adjusted returns lies in controlling credit risk. To do this the firm combines rigorous, bottom-up credit analysis with an active, top-down management approach that ensures a strong overall credit profile and broad portfolio diversification. KDP employs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

eA US High Yield Fixed Inc Gross Accounts

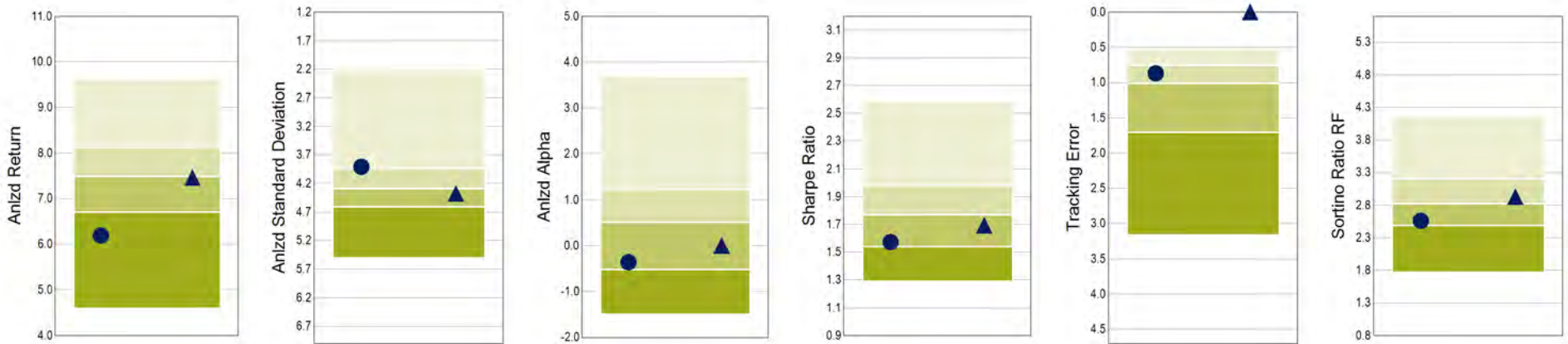


Annualized Excess Performance

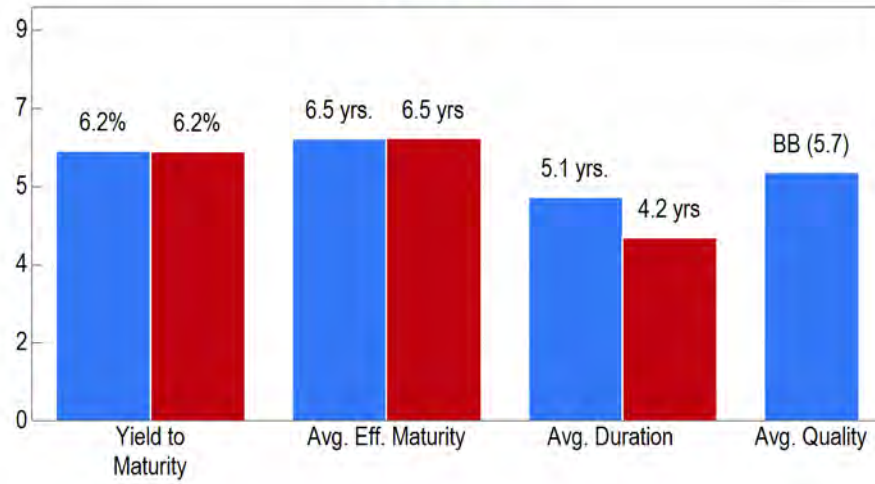




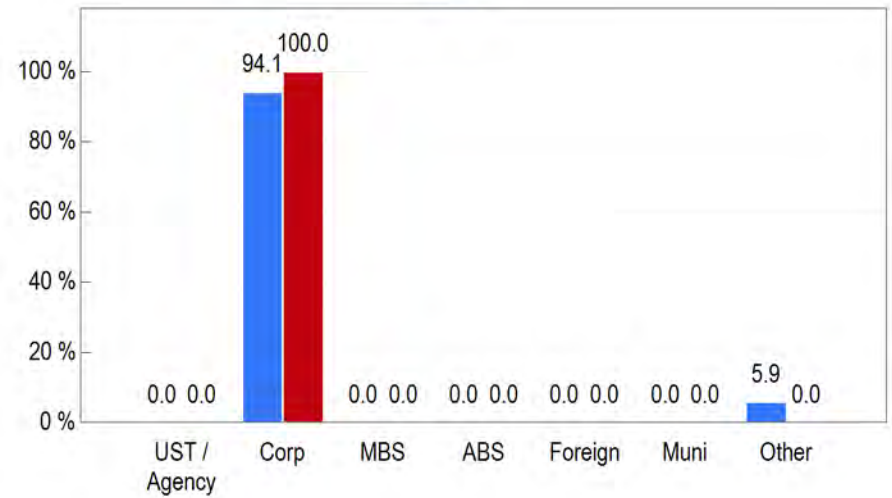
3 Year Risk Statistics



Characteristics



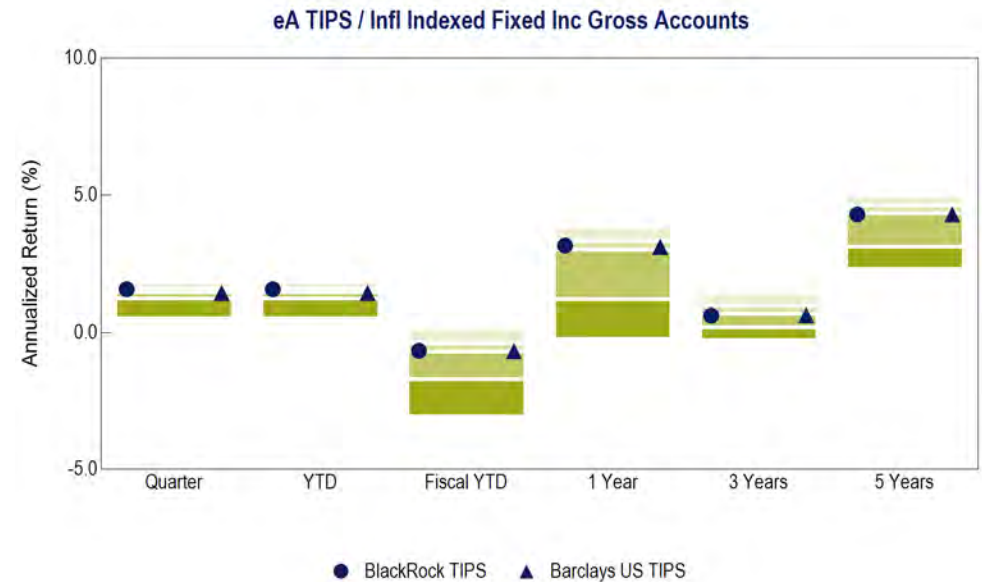
Sectors



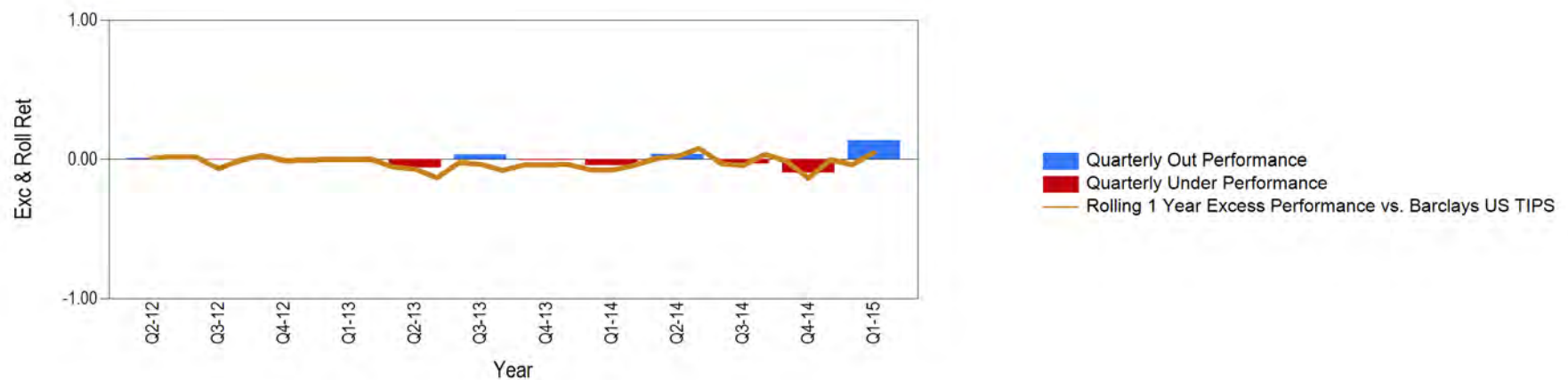
■ KDP ■ Barclays High Yield

BlackRock TIPS

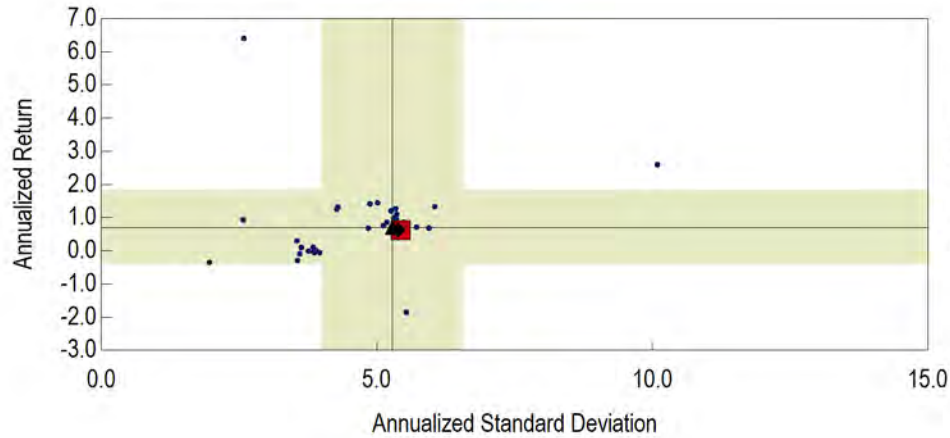
In the management of an inflation-linked bond portfolio, BlackRock will utilize multiple strategies to outperform the index. These include: duration and yield curve positioning, technical supply/demand anomalies related primarily to the ILB auction cycle, seasonal factors related to non-seasonally adjusted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



Annualized Excess Performance

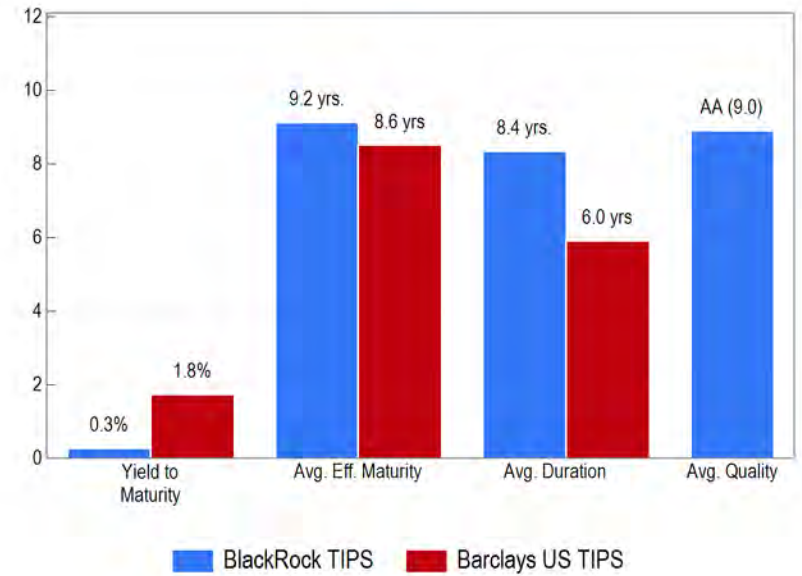


3 Year Risk Return

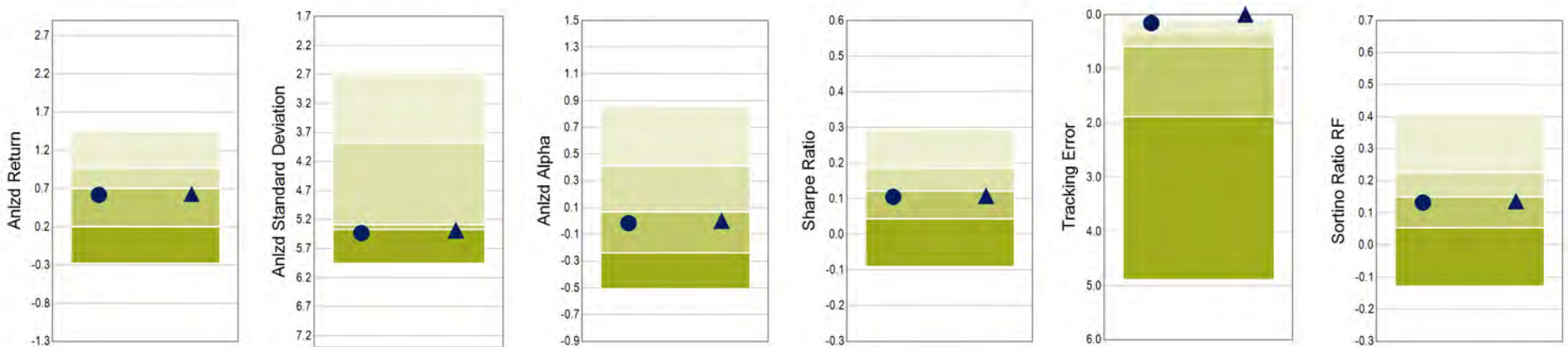


- BlackRock TIPS
- ◆ Barclays US TIPS
- ▲ Universe Median
- 68% Confidence Interval
- eA TIPS / Infl Indexed Fixed Inc Gross

Characteristics

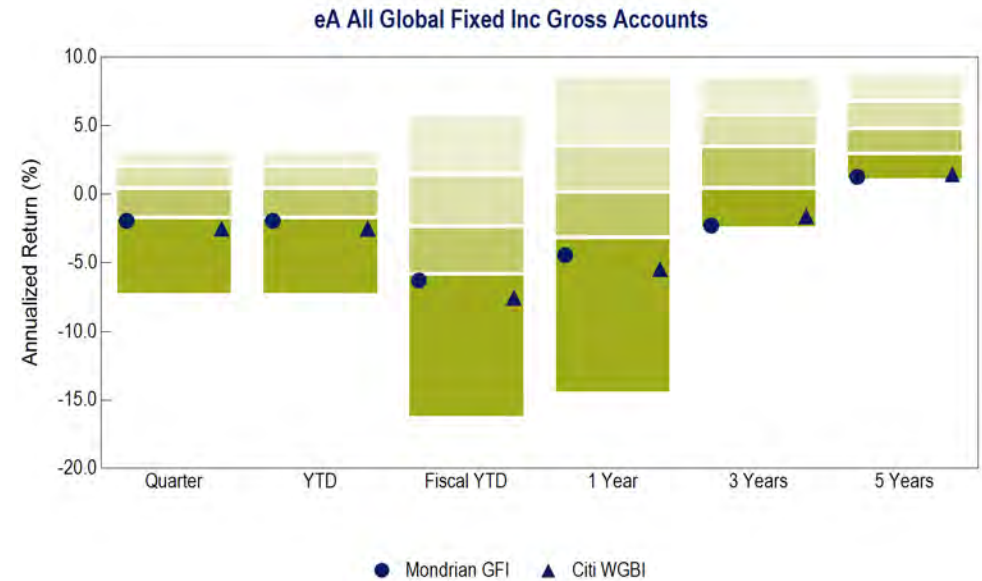


3 Year Risk Statistics

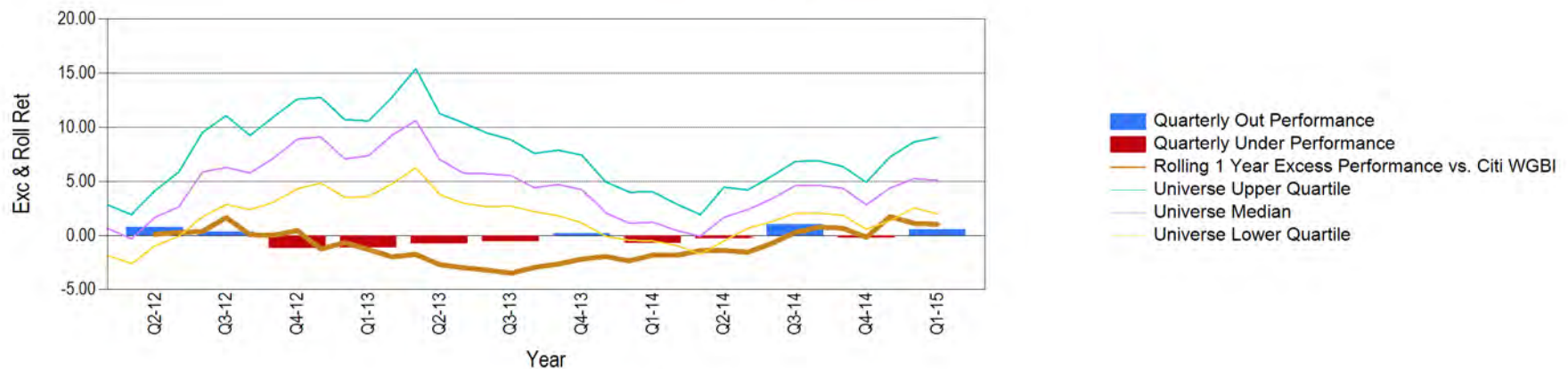


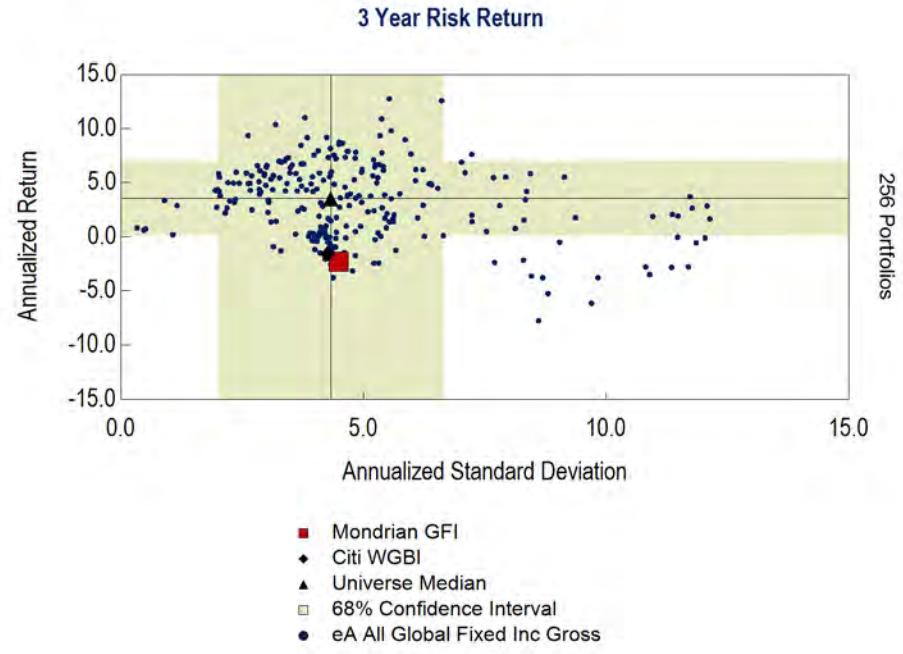
Mondrian GFI

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

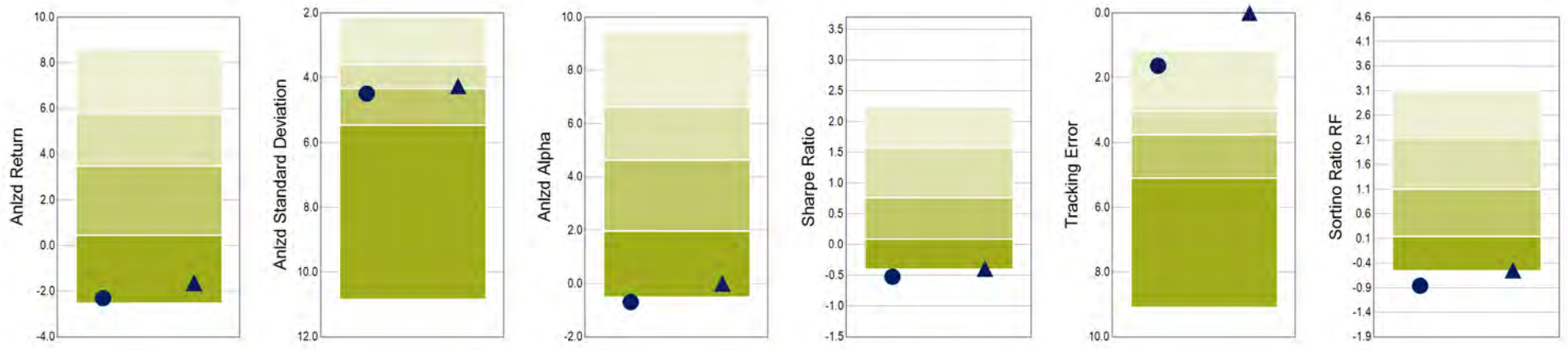


Annualized Excess Performance

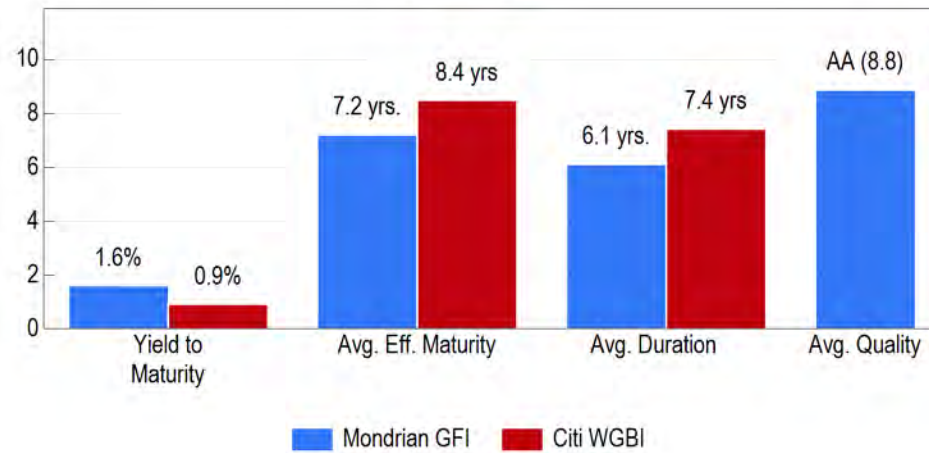




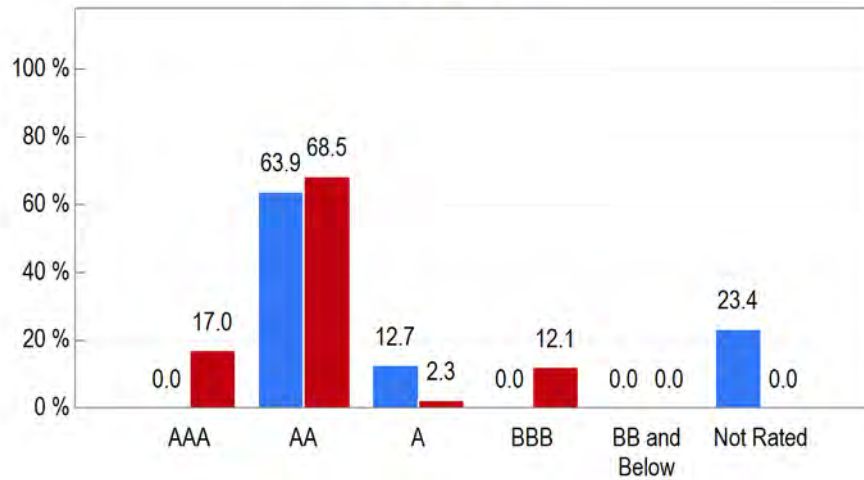
3 Year Risk Statistics



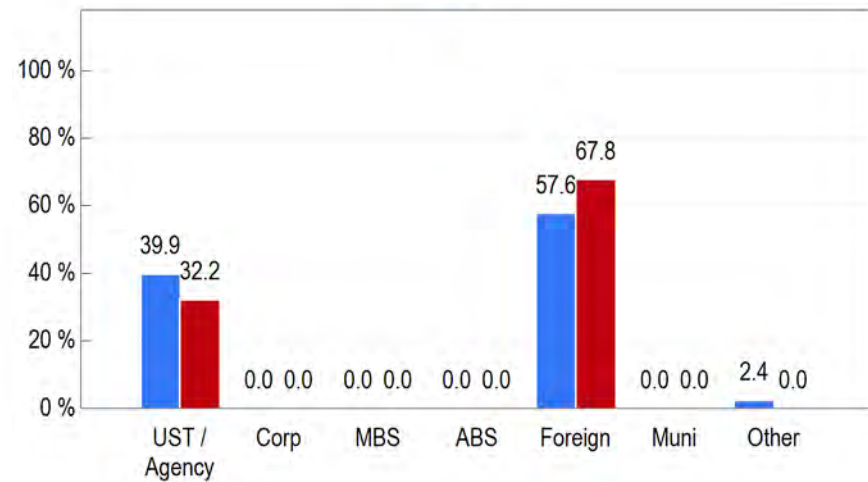
Characteristics



Quality Ratings



Sectors

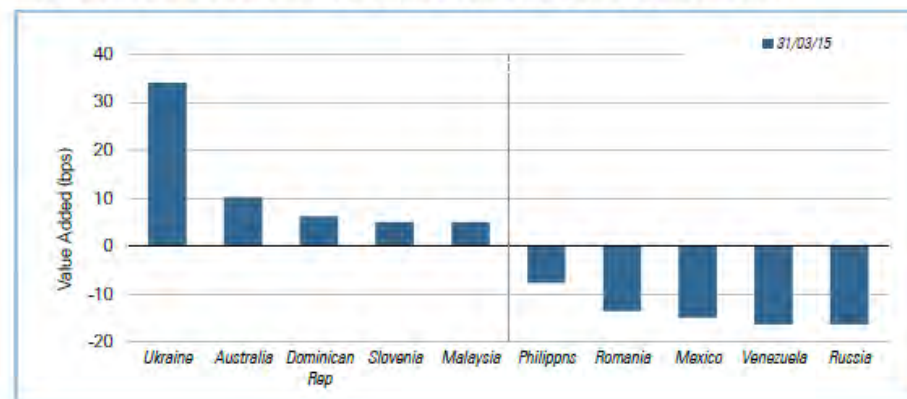


Wellington Opportunistic Emerging Market Debt

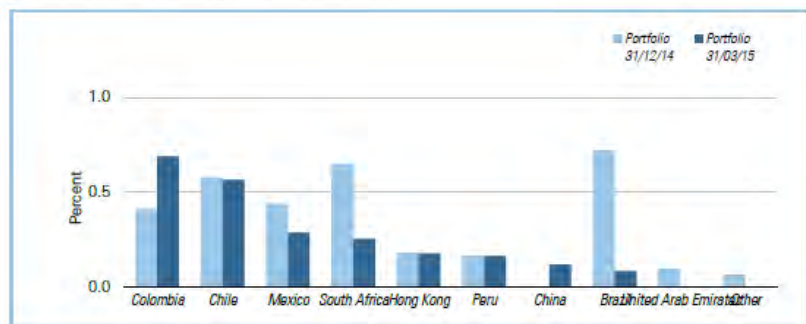
PORTFOLIO STATISTICS

	Portfolio	Index
Yield	4.60%	5.82%
Effective Duration	7.03 Yrs	7.09 Yrs
Spread Duration	7.37 Yrs	7.11 Yrs
Corporate Exposure	2.32%	—
EM Local Market Exposure	14.38%	—
EM Currency Exposure	3.70%	—
Average Quality	Baa3	Baa3

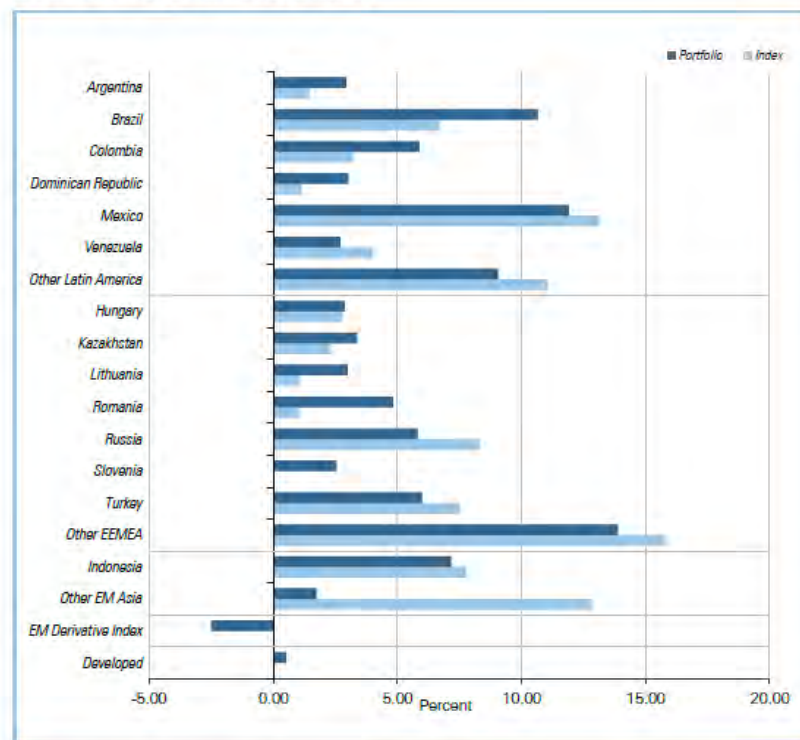
TOP/BOTTOM 5 COUNTRY CONTRIBUTORS TO PORTFOLIO ALPHA



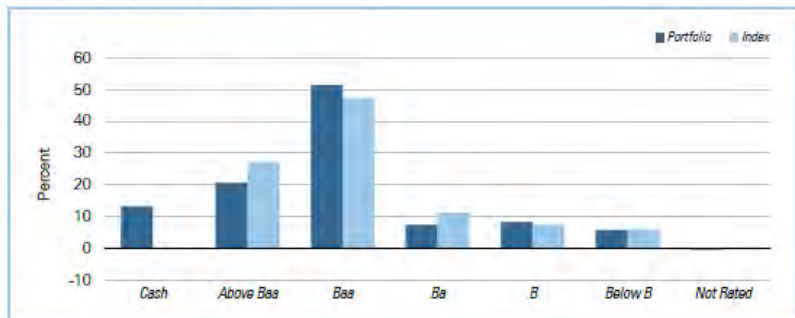
CORPORATE EXPOSURE BY COUNTRY



COUNTRY WEIGHTS VERSUS INDEX



QUALITY DISTRIBUTION



Source: Wellington Management

Wellington Opportunistic Emerging Market Debt

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

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

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

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

Mellon Capital Global Alpha I (Global Asset Allocation)

Equity Exposure

	Account/Fund	* Benchmark	Overweight/ (Underweight)
Australia	2.3%	1.7%	0.6%
Canada	1.3%	2.2%	-0.9%
France	1.1%	2.3%	-1.2%
Germany	8.5%	2.2%	6.3%
Hong Kong	4.5%	0.7%	3.8%
Italy	-4.1%	0.5%	-4.6%
Japan	19.8%	5.2%	14.6%
Netherlands	3.5%	0.6%	2.8%
Spain	2.6%	0.8%	1.8%
Switzerland	5.9%	2.2%	3.7%
United Kingdom	-6.0%	4.6%	-10.6%
United States	22.7%	34.5%	-11.9%
Other	2.5%	2.4%	0.0%
	64.5%	60.0%	4.5%

Bond Exposure

	Account/Fund	* Benchmark	Overweight/ (Underweight)
Australia	-7.1%	1.4%	-8.5%
Canada	-3.6%	1.6%	-5.2%
Europe ex-UK	-24.6%	13.1%	-37.7%
Japan	8.9%	4.4%	4.4%
United Kingdom	6.0%	2.3%	3.8%
United States	50.2%	15.2%	35.1%
Other	1.9%	2.0%	-0.1%
	31.8%	40.0%	-8.2%
	3.7%	0.0%	3.7%
	100.0%	100.0%	0.0%

Currency Exposure

	Account/Fund	* Benchmark	Overweight/ (Underweight)
Australia	-9.8%	1.5%	-11.4%
Canada	-8.0%	1.9%	-9.9%
Denmark	0.4%	0.3%	0.0%
Euro	9.3%	9.0%	0.3%
Japan	8.7%	4.8%	3.9%
New Zealand	15.8%	0.0%	15.8%
Norway	1.8%	0.3%	1.5%
Sweden	-1.4%	0.6%	-2.1%
Switzerland	-11.9%	1.4%	-13.3%
United Kingdom	-6.0%	3.4%	-9.4%
United States	97.3%	74.8%	22.5%
Other	3.8%	1.8%	1.9%
	100.0%	100.0%	0.0%

Source: Mellon Capital Management

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

Mellon Capital Global Alpha I (Global Asset Allocation)

Performance & Attribution – 2015 Q1

Period	Strategy [^] Return	Benchmark ^{****} Return	Alpha	Global Stock/Bond Allocation	Equity Country Allocation	Bond Country Allocation	Currency Allocation	Benchmark Implementation ^{***}	Misc. ^{**}	Total Alpha
January-2015	4.14%	-0.28%	4.42%	-47	192	152	160	-7	-9	442
February-2015	3.02%	3.14%	-0.12%	33	77	-134	9	-2	4	-12
March-2015	1.88%	-0.68%	2.57%	-14	132	55	90	-5	-3	256

Performance & Attribution – Calendar Years & Annualized as of 03/31/2015

Period	Strategy [^] Return	Benchmark ^{****} Return	Alpha	Global Stock/Bond Allocation	Equity Country Allocation	Bond Country Allocation	Currency Allocation	Benchmark Implementation ^{***}	Misc. ^{**}	Total Alpha
Year to date 2015	9.31%	2.15%	7.16%	-27	402	73	258	-13	23	716
2014	6.53%	6.12%	0.41%	-18	-2	9	101	24	-74	41
2013	17.84%	15.12%	2.72%	334	-111	54	-54	5	45	272
2012	11.23%	11.17%	0.06%	-24	-46	216	-180	19	21	6
2011	0.86%	-0.75%	1.62%	-174	123	131	75	26	-20	161
2010	16.09%	8.78%	7.31%	-81	17	291	338	134	32	731
2009	31.42%	17.43%	13.99%	196	354	191	125	325	208	1399
2008	-36.00%	-22.36%	-13.64%	-970	-154	233	-421	-431	379	-1364
2007	1.63%	7.87%	-6.24%	108	-181	-208	-315	17	-44	-624
2006	20.79%	12.83%	7.95%	349	132	-32	225	38	84	796
2005	16.44%	7.14%	9.30%	298	398	140	-5	12	87	930
(Partial) 2004	14.41%	9.53%	4.88%	62	40	135	164	63	24	488
1 Year	20.21%	6.71%	13.50%	-6	618	172	475	9	81	1350
3 Years	12.96%	9.13%	3.83%	85	93	92	86	12	15	383
5 Years	11.53%	7.91%	3.63%	-6	91	137	102	32	5	362
10 Years	7.79%	5.99%	1.80%	-1	87	103	8	15	-32	180
Inception to date*	8.39%	6.17%	2.22%	5	87	110	28	20	-28	222

Source: Mellon Capital Management



NEPC, LLC

March 31, 2015

PIMCO All Asset

Fund Number	736											
Fund Name	All Asset Fund											
Total Fund Net Assets (\$US MM)	30,066.4											
	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	
Short-Term Strategies:	0.3%	0.0%	0.2%	-0.2%	0.8%	0.6%	0.6%	1.1%	0.3%	1.5%	0.8%	
Government Money Market Fund	-	-	-	-	-	-	-	-	-	0.8%	-	
Low Duration Fund	0.2%	0.0%	0.0%	-	0.8%	0.6%	0.6%	0.9%	0.3%	0.5%	-	
Low Duration Exchange Traded Fund	-	-	-	-	-	-	-	0.2%	0.2%	0.2%	-	
Short Term Fund	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	
Net Short Duration Instruments	0.0%	0.0%	0.2%	-0.2%	0.0%	0.1%	0.0%	0.0%	-0.2%	0.0%	-	
US Core and Long Maturity Bond Strategies:	5.8%	10.8%	11.3%	10.4%	8.3%	4.8%	4.8%	7.9%	15.3%	12.3%	4.2%	
GNMA Fund	-	-	-	-	-	-	-	-	-	-	-	
Investment Grade Corporate Bond Fund	1.2%	2.8%	3.1%	2.6%	0.9%	0.3%	0.0%	0.0%	2.0%	2.3%	-	
Long Duration Total Return Fund	0.1%	1.8%	3.2%	3.1%	2.2%	0.1%	0.0%	0.4%	1.8%	1.9%	-	
Long Term Credit Fund	2.8%	3.7%	3.6%	3.8%	3.8%	3.8%	4.1%	4.2%	3.4%	1.9%	-	
Long-Term US Government Fund	0.0%	1.0%	0.7%	0.7%	0.5%	0.1%	0.1%	0.3%	5.8%	3.9%	-	
Mortgage-Backed Securities Fund	-	-	-	-	-	-	-	-	-	-	-	
Total Return Fund	1.7%	1.5%	0.7%	0.2%	0.9%	0.5%	0.6%	3.1%	2.4%	2.2%	-	
EM and Global Bond Strategies:	30.8%	28.7%	26.9%	26.8%	25.0%	24.5%	24.4%	24.3%	20.8%	19.3%	21.4%	
Diversified Income Fund	4.4%	4.3%	4.0%	3.6%	3.6%	3.6%	3.5%	3.2%	0.1%	0.1%	-	
Emerging Local Bond Fund	7.9%	7.4%	7.0%	7.1%	7.4%	7.2%	7.3%	7.4%	9.5%	9.1%	-	
Emerging Markets Bond Fund	4.0%	3.4%	3.1%	3.1%	3.5%	3.7%	4.0%	3.9%	1.9%	0.5%	-	
Emerging Markets Corporate Bond Fund	0.4%	0.8%	0.7%	0.7%	1.0%	1.4%	1.4%	1.4%	0.6%	0.2%	-	
Emerging Markets Currency Fund	8.0%	7.0%	6.6%	6.8%	7.2%	7.4%	7.2%	7.1%	8.3%	9.1%	-	
Foreign Bond Fund (Unhedged)	2.9%	2.7%	2.4%	2.4%	0.7%	0.1%	0.1%	0.3%	0.3%	0.3%	-	
Global Advantage Strategy Bond Fund	3.3%	3.2%	3.0%	3.0%	1.8%	1.0%	0.9%	0.9%	0.0%	0.0%	-	
Global Bond Fund (Unhedged)	-	-	-	-	-	-	-	-	-	-	-	
Credit Strategies:	30.4%	29.5%	29.1%	29.3%	26.1%	23.9%	23.4%	18.6%	11.5%	14.1%	14.9%	
Convertible Fund	2.1%	0.7%	0.3%	0.1%	-	-	-	-	-	-	-	
Floating Income Fund	6.7%	6.6%	6.2%	5.4%	3.3%	2.0%	1.9%	1.8%	0.3%	0.1%	-	
High Yield Fund	8.1%	6.2%	6.0%	6.3%	5.5%	4.8%	4.6%	1.1%	0.4%	2.6%	-	
High Yield Spectrum Fund	2.6%	3.0%	3.7%	4.1%	4.2%	4.3%	4.5%	3.7%	2.7%	2.9%	-	
Income Fund	8.8%	10.3%	10.0%	10.3%	10.5%	10.7%	10.5%	10.3%	6.5%	6.2%	-	
Senior Floating Rate Fund	2.1%	2.6%	2.8%	3.1%	2.5%	2.2%	1.9%	1.8%	1.6%	2.3%	-	
Inflation Related Strategies:	8.0%	2.5%	2.0%	2.1%	5.2%	8.3%	8.9%	9.7%	10.9%	12.6%	16.9%	
CommoditiesPLUS™ Strategy Fund	5.4%	2.4%	1.8%	1.8%	2.1%	2.8%	2.9%	3.0%	3.6%	3.1%	-	
CommodityRealReturn Strategy Fund®	1.8%	0.1%	0.1%	0.1%	0.8%	1.4%	1.5%	1.7%	3.0%	4.0%	-	
Global Advantage® Inflation-Linked Bond Exchange-Traded Fund	-	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	-	
Real Return Asset Fund	0.0%	0.0%	0.0%	0.0%	0.4%	0.3%	0.4%	0.5%	1.3%	1.3%	-	
Real Return Fund	0.0%	0.0%	0.0%	0.0%	0.3%	0.3%	0.2%	0.3%	1.2%	1.4%	-	
RealEstateRealReturn Strategy Fund	0.8%	-	-	0.2%	1.6%	3.4%	3.9%	4.1%	1.6%	2.9%	-	

Source: PIMCO

PIMCO All Asset

US Equity Strategies:	0.9%	0.9%	1.0%	1.0%	1.1%	1.2%	1.2%	1.1%	2.4%	4.0%	2.8%
Fundamental IndexPLUS@	-	-	-	-	-	-	-	-	-	-	-
Fundamental IndexPLUS@ AR	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.6%	
Low Volatility RAFI@-PLUS AR Fund	-	-	-	-	-	0.0%	0.2%	0.4%	1.7%	2.7%	
Small Cap StocksPLUS@ AR Strategy	0.1%	0.1%	0.1%	0.2%	0.2%	0.1%	0.1%	0.0%	0.0%	0.0%	
Small Company Fundamental IndexPLUS@ AR Strategy	0.6%	0.6%	0.6%	0.7%	0.7%	0.8%	0.8%	0.7%	0.6%	0.7%	
StocksPLUS@ Fund	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
StocksPLUS@ Absolute Return Fund	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	
Global Equity Strategies:	18.4%	17.8%	16.8%	16.4%	19.7%	23.2%	22.9%	23.9%	24.0%	19.8%	20.6%
EM Fundamental IndexPLUS@ AR Strategy Fund	10.1%	9.7%	8.9%	8.3%	10.0%	11.6%	7.3%	6.0%	4.7%	4.1%	
EMG Intl Low Volatility RAFI@-PLUS AR Fund	-	-	-	-	-	0.0%	4.0%	6.8%	8.3%	7.7%	
EqS Dividend Fund	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	
EqS Emerging Markets Fund	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.0%	0.0%	0.0%	
EqS Pathfinder Fund	1.8%	1.8%	1.8%	1.8%	2.3%	3.5%	3.3%	2.2%	2.2%	1.2%	
International Fundamental IndexPLUS@ AR Strategy Fund	5.4%	5.3%	5.1%	5.3%	6.3%	6.9%	4.0%	3.2%	3.1%	3.0%	
International StocksPLUS@ AR Strategy Fund (U.S. Dollar Hedged)	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.0%	0.0%	0.0%	
International StocksPLUS@ AR Strategy Fund (Unhedged)	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.5%	0.0%	0.0%	0.0%	
Intl Low Volatility RAFI@-PLUS AR Fund	-	-	-	-	-	0.0%	3.2%	5.7%	5.7%	3.8%	
Alternative Strategies:	5.4%	9.6%	12.7%	14.2%	13.7%	13.5%	13.8%	13.3%	14.9%	16.3%	18.4%
Credit Absolute Return Fund	0.2%	0.5%	0.5%	1.0%	2.0%	2.0%	3.0%	2.8%	1.1%	0.8%	
EqS Long/Short Fund	0.4%	0.3%	0.4%	0.4%	0.4%	0.4%	0.5%	0.5%	0.5%	0.5%	
Fundamental Advantage Absolute Return Strategy Fund	2.8%	4.1%	2.8%	2.9%	1.5%	2.3%	2.4%	2.6%	4.9%	4.8%	
Mortgage Opportunities Fund	-	-	-	0.1%	0.5%	0.5%	0.6%	0.5%	0.6%	0.6%	
TRENDS Managed Futures Strategy Fund	-	-	-	-	-	-	0.2%	0.2%	0.2%	0.2%	
Unconstrained Bond Fund	2.0%	3.8%	5.3%	6.2%	5.4%	3.8%	2.8%	2.5%	2.2%	1.8%	
Worldwide Fundamental Advantage AR Strategy Fund	-	0.8%	3.7%	3.7%	3.9%	4.3%	4.4%	4.2%	5.5%	4.6%	
Worldwide Long/Short Fundamental Strategy Fund	-	-	-	-	-	-	-	-	-	3.1%	
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The portfolio composition is presented to illustrate the underlying funds in which the PIMCO All Asset Fund invested as of the date shown and may not be representative of the current or future investments of the portfolio. The portfolio composition does not include the entire investment portfolio, which may change at any time. Small allocations may round to zero.

Investors should consider the investment objectives, risks, charges and expenses of the funds carefully before investing. This and other information are contained in the fund's prospectus and summary prospectus, if available, which may be obtained by contacting your PIMCO representative. Please read them carefully before you invest or send money.

Appendix

A word about risk: The Fund invests in other PIMCO funds and performance is subject to underlying investment weightings which will vary. Investing in the **bond market** is subject to certain risks including market, interest-rate, issuer, credit, and inflation risk; investments may be worth more or less than the original cost when redeemed. Investing in **foreign denominated and/or domiciled securities** may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. Commodities contain heightened risk including market, political, regulatory, and natural conditions, and may not be suitable for all investors. **Mortgage and asset-backed securities** may be sensitive to changes in interest rates, subject to early repayment risk, and their value may fluctuate in response to the market's perception of issuer creditworthiness; while generally supported by some form of government or private guarantee there is no assurance that private guarantors will meet their obligations. High-yield, lower-rated, securities involve greater risk than higher-rated securities; portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not. Investing in securities of smaller companies tends to be more volatile and less liquid than securities of larger companies. Inflation-linked bonds (ILBs) issued by a government are fixed-income securities whose principal value is periodically adjusted according to the rate of inflation; ILBs decline in value when real interest rates rise. **Equities** may decline in value due to both real and perceived general market, economic, and industry conditions. **Derivatives** and commodity-linked derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Commodity-linked derivative instruments may involve additional costs and risks such as changes in commodity index volatility or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Investing in derivatives could lose more than the amount invested. The cost of investing in the Fund will generally be higher than the cost of investing in a fund that invests directly in individual stocks and bonds. The Fund is non-diversified, which means that it may invest its assets in a smaller number of issuers than a diversified fund.

Source: PIMCO



NEPC, LLC

March 31, 2015

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

Wellington Opportunistic Fixed Income

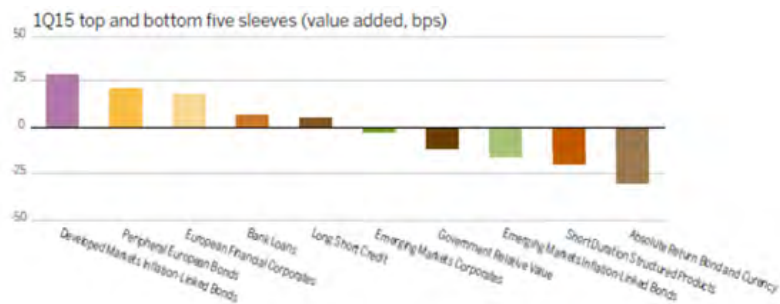
Characteristics

	Portfolio	Benchmark
Yield to worst %	2.7	1.9
OAS (bps)	188	42
Duration – effective	5.1	5.1
Convexity - effective	0.7	-0.1

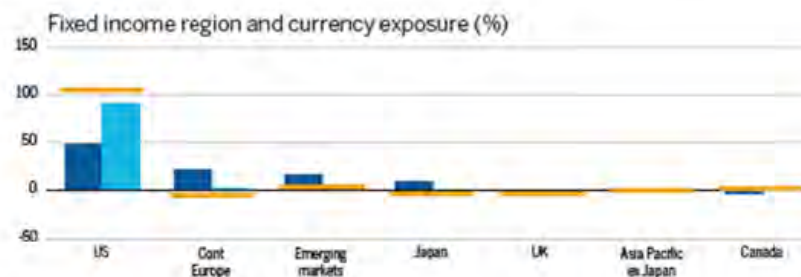
Sector Allocation



Top Relative Contributors and Detractors



Regional Allocation



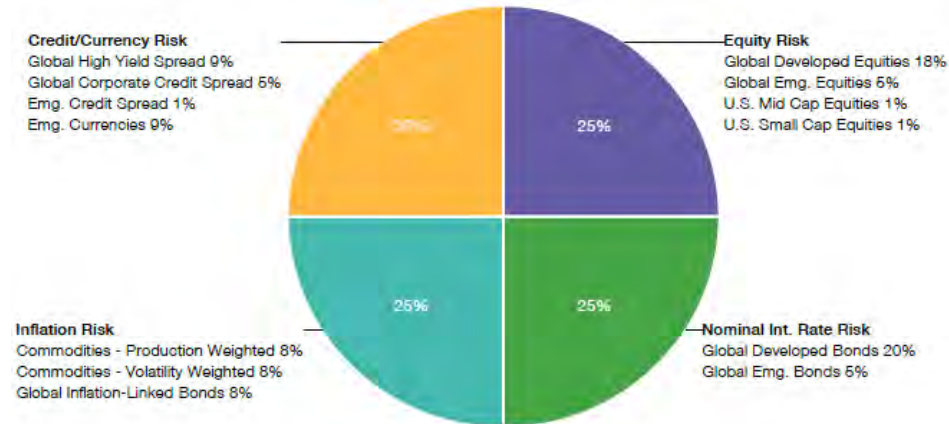
Source: Wellington



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

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

Risk Allocation



Estimated Exposure Breakdown

Long Exposure (% of NAV)		Long Exposure (% of NAV)	
Equity Risk		Equity Market Exposures	
Global Developed Equities	22%	Americas	17%
Global Emerging Equities	6%	Europe	6%
U.S. Mid Cap Equities	1%	Asia ex-Japan	6%
U.S. Small Cap Equities	1%	Japan	2%
Total Equity Risk	31%	Total Equity Market Exposures	31%
Nominal Interest Rate Risk		Bond Market Exposures - Nominal and Inflation-Linked	
Global Developed Bonds	90%	Americas	61%
Global Emerging Bonds	19%	Europe	59%
Total Nominal Interest Rate Risk	109%	Asia	26%
Inflation Risk		Total Bond Market Exposures	146%
Commodities - Production Weighted	7%	Emerging Currency Exposures	
Commodities - Volatility Weighted	15%	Asia	7%
Global Inflation-Linked Bonds	37%	Europe	9%
Total Inflation Risk	59%	Latin America	6%
Credit/Currency Risk		Dollar Block ex-U.S.	1%
Global High Yield Spread	29%	Total Emerging Currency Exposures	22%
Global Corporate Credit Spread	59%		
Emerging Credit Spread	4%		
Emerging Currencies	22%		
Total Credit/Currency Risk	114%		
Total Fund Exposures	313%		

Source: AQR

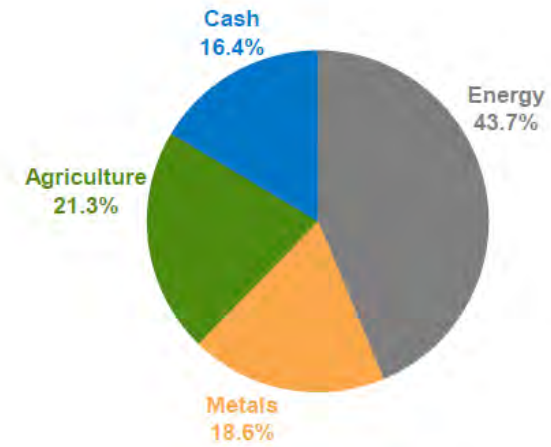
AQR Global Risk Premium Fund

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

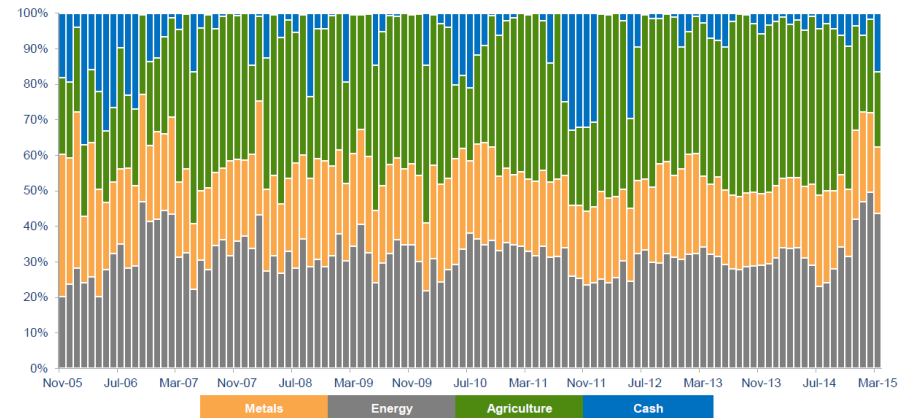
Sector Exposure

	Futures	Equities	Other*	Total Exposure	Benchmark†	Difference
Energy 43.7%	Crude Oil	25.5		25.5	26.8	-1.3
	Gas Oil	2.0		2.0	2.0	0.0
	Gasoline	3.6		3.6	4.7	-1.1
	Heating Oil	3.4		3.4	4.0	-0.6
	Natural Gas	7.1	1.4	8.5	5.6	2.9
	Coal	0.8		0.8		0.8
	Metals 18.6%	Aluminum	3.9		3.9	4.5
Copper		1.7		1.7	5.5	-3.8
Lead					0.7	-0.7
Nickel		2.1		2.1	1.1	1.0
Tin					0.3	-0.3
Zinc		0.9		0.9	1.3	-0.4
Gold		3.2	0.8	3.7	6.6	1.0
Silver		2.2		2.2	2.5	-0.3
Palladium					0.1	-0.1
Platinum					0.5	-0.5
Agriculture 21.3%	Corn	3.0		3.0	5.6	-2.7
	Oats				0.1	-0.1
	Rough Rice				0.2	-0.2
	Wheat	3.6		3.6	4.2	-0.6
	Canola	0.5		0.5		0.5
	Palm Oil	0.9		0.9		0.9
	Rapeseed				0.3	-0.3
	Soybeans	1.0		1.0	4.5	-3.6
	Soybean Meal				0.8	-0.8
	Soybean Oil	0.9		0.9	1.2	-0.3
	Cocoa				1.6	-1.6
	Coffee	2.1		2.1	2.4	-0.3
	Orange Juice				0.4	-0.4
	Sugar	0.5		1.9	3.0	-0.6
	Milk				0.0	0.0
	Live Cattle	2.4		2.4	4.1	-1.7
Lean Hogs	2.0		2.0	1.6	0.5	
Feeder Cattle				0.3	-0.3	
Cotton	2.6		2.6	3.0	-0.4	
Lumber				0.3	-0.3	
Rubber				0.3	-0.3	
Cash 16.4%	Cash			16.4	16.4	
TOTAL	75.8	2.2	5.6	100	100	0

Current Asset Allocation



Historical Sector Asset Allocation



Source: Schroder

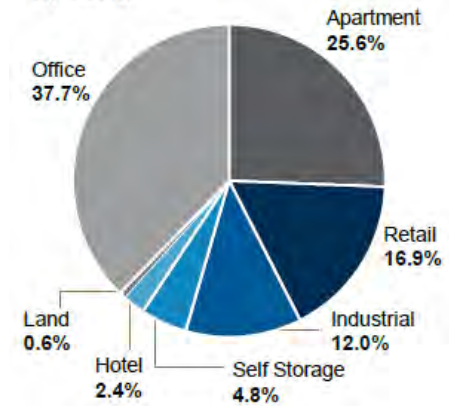
Schroder Commodities

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

Property sector Returns

%	FIRST QUARTER		
	INCOME	APPRECIATION	TOTAL
Office	1.2	1.8	3.0
Retail	1.1	1.6	2.7
Industrial	1.3	3.0	4.3
Self Storage	1.0	3.3	4.4
Apartment	0.8	2.6	3.4
Hotel	(0.5)	(0.5)	(1.0)

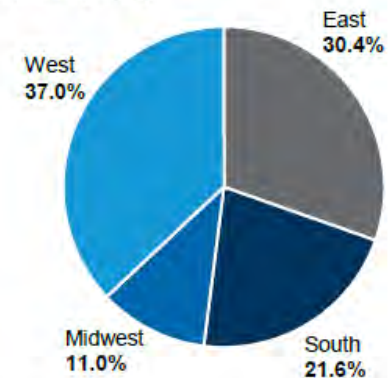
By Sector



Geographic Region Returns

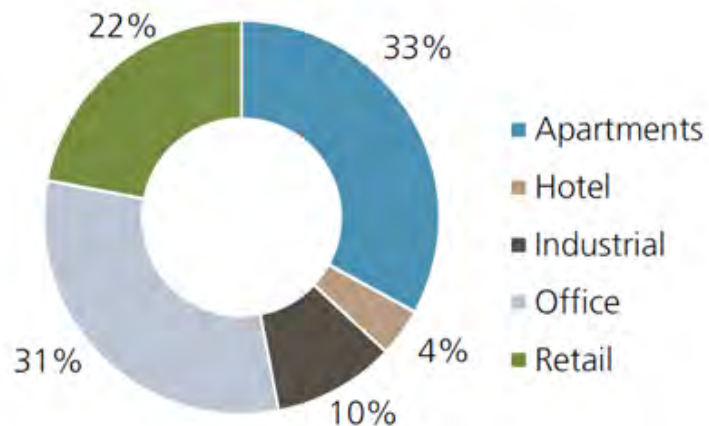
%	FIRST QUARTER		
	INCOME	APPRECIATION	TOTAL
East	1.1	1.4	2.5
Midwest	1.0	2.9	4.0
South	1.0	1.6	2.6
West	1.1	2.8	3.9

By Geography



Source: Morgan Stanley

Portfolio Distribution by Property Type

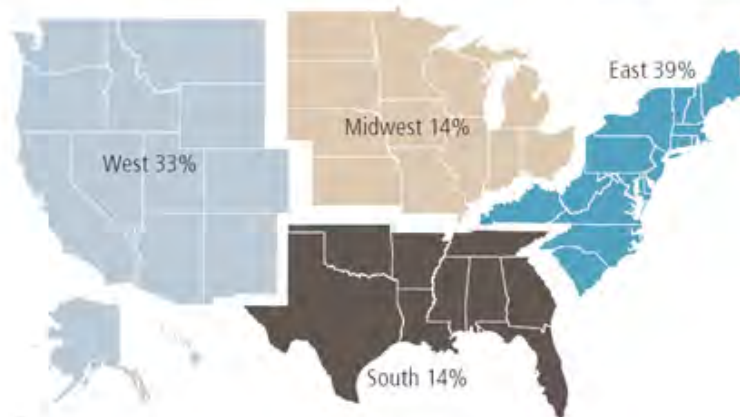


Key Statistics

Key statistics	
Gross asset value (GAV)	USD 19.5 bn
Net asset value (NAV)	USD 16.6 bn
Cash as a % of GAV	3.2%
Debt as % of GAV	13.5%
Number of investments	198
Number of investors	416
Deposits ²	USD 158.0 m
Redemptions ²	USD 58.5 m

Returns (%)	Quarterly	One-year rolling
Income	1.23	5.14
Appreciation	1.76	6.78
Total (before fees)	2.99	12.18
Total (after fees)	2.74	11.06

Distribution by Geographic Division



Source: UBS Realty Investors

Real Estate - RREEF America REIT III

RREEF America III is an open-end, value-add fund with the objective of generating returns of 300-500 BPS above a core unlevered real estate portfolio. The fund aims to achieve these returns by upgrading the physical condition, occupancy and operating characteristics of the properties in which it invests. RREEF III will invest across all property types focusing on major metropolitan markets in the United

Investment Summary

Net Asset Value ¹	\$517,391,914
Number of Shares Outstanding	16,109,897
Net Asset Value Per Share	\$32.12
Cash Balance of Fund	\$105,110,438
Debt ²	\$390,449,987
Inception Date ³	March 31, 2003
Redemption Shares Outstanding	5,654,868
Institutional Investors	117

Adjusted Share Price

Share price gross of distributions

Adjusted Share Price	
March 31, 2015	\$78.98
December 31, 2012	\$59.48

Property Information

Diversification/Occupancy

	Real Estate Investments	Gross Real Estate Value (millions)	Percent of Value	Quarter-end Occupancy ⁴
Retail	4	\$169.4	20%	84%
Office	20	463.4	54%	79%
Industrial	12	127.1	15%	88%
Development/Land/Other	6	90.3	11%	N/A
Total	42	\$850.2	100%	82%

Geographic Location



Grosvenor Institutional Partners, LP

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

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

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

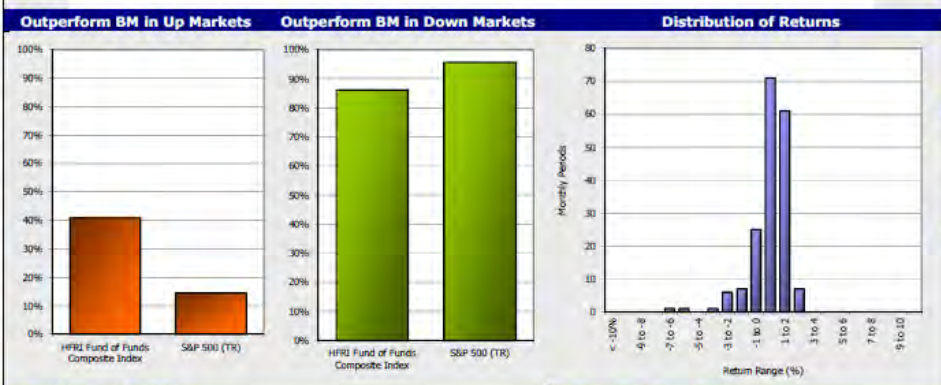
Grosvenor Institutional Partners, LP



Grosvenor Institutional Partners, LP
Grosvenor Capital Management, LP

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

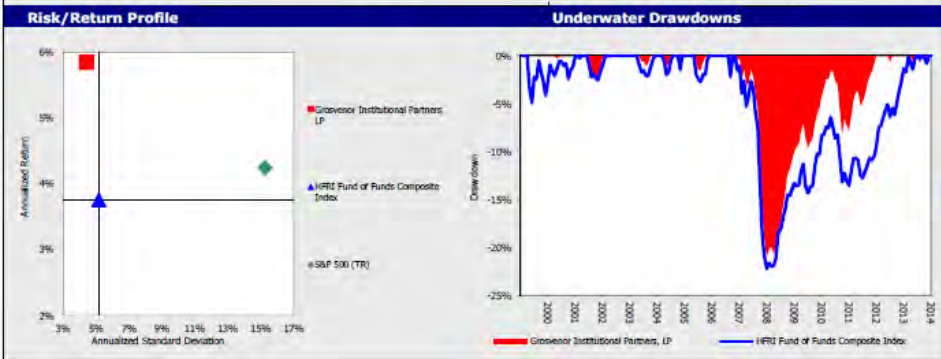
Monthly Performance (%) Net of Fees														Statistical Analysis		
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Fund	BM1	BM2
2014	0.0%	1.6%	-0.1%	-0.6%	0.8%	1.1%	-0.7%	0.8%	-0.2%	-0.3%	0.6%	0.2%	3.2%	5.8%	3.8%	4.2%
2013	2.6%	0.6%	1.4%	0.8%	1.7%	-0.6%	1.7%	0.2%	1.7%	1.3%	1.6%	1.1%	15.2%	8.9%	5.7%	20.4%
2012	1.6%	1.8%	0.9%	-0.1%	-1.4%	0.4%	0.8%	1.2%	0.8%	0.5%	0.7%	1.2%	8.6%	5.8%	3.3%	15.5%
2011	0.9%	1.0%	0.0%	0.9%	-0.1%	-1.1%	-0.2%	-2.8%	-2.7%	1.7%	-0.7%	-0.6%	-3.7%	2.7%	5.2%	10.9%
2010	0.7%	0.3%	1.6%	0.8%	-1.8%	-0.9%	0.7%	0.2%	1.7%	1.2%	0.5%	1.5%	6.5%	-6.9%	-6.5%	-16.8%
2009	1.2%	0.0%	-0.6%	0.1%	2.7%	0.9%	2.2%	1.8%	2.3%	0.7%	1.0%	1.0%	13.9%	77.2%	63.9%	61.7%
2008	-2.4%	1.3%	-1.8%	0.2%	1.5%	-0.7%	-2.0%	-1.3%	-6.9%	-5.3%	-3.2%	-2.3%	-20.9%			
2007	1.7%	0.8%	1.4%	1.4%	2.3%	0.4%	0.8%	-2.1%	1.2%	2.7%	-0.6%	0.5%	10.7%			
2006	1.9%	0.4%	1.5%	1.1%	-0.9%	-0.6%	0.0%	0.8%	0.5%	1.3%	1.7%	1.4%	9.4%			
2005	0.2%	1.2%	-0.3%	-1.0%	0.4%	1.2%	1.3%	0.9%	1.0%	-1.2%	1.3%	1.6%	6.8%			



Risk	Fund	BM1	BM2
Standard Deviation	4.4%	5.2%	15.3%
3 Yr Standard Deviation	3.0%	3.2%	9.1%
5 Yr Standard Deviation	3.8%	4.0%	13.0%
Sharpe Ratio (3.5%)	0.5	0.1	0.1
Sortino Ratio (7.0%)	-0.3	-0.7	-0.2
Downside Deviation (7.0%)	3.8%	4.5%	11.8%
Max Drawdown	-21.0%	-22.2%	-50.9%
Months In Maximum Drawdown	14	14	16
Months To Recover	48	66	37

Comparison To Benchmark(s)			
Monthly Alpha		0.3%	0.4%
Annualized Alpha		3.1%	5.1%
Beta		0.7	0.1
Correlation		0.9	0.5
R-Squared		73.1%	25.7%

Annual Returns			
2014-(YTD)	3.2%	3.4%	13.7%
2013	15.2%	9.0%	32.4%
2012	8.6%	4.8%	16.0%
2011	-3.7%	-5.7%	2.1%
2010	6.5%	5.7%	15.1%
2009	13.9%	11.5%	26.5%



Latest Returns			
Last Month	0.2%	0.3%	-0.3%
Last 3 Months	0.5%	1.0%	4.9%
Last Year	3.2%	3.4%	13.7%
2-Year	9.0%	6.1%	22.7%
3-Year	8.9%	5.7%	20.4%
4-Year	5.6%	2.7%	15.6%
5-Year	5.8%	3.3%	15.5%

Drawdown Analysis			
1	-21.0%	-22.2%	-50.9%
2	-2.4%	-4.9%	-44.7%
3	-2.1%	-2.7%	-6.8%
4	-1.5%	-2.5%	-6.6%
5	-1.2%	-2.2%	-5.0%

Permal Fixed Income Holdings

-PFIH is a global, multi-manager, multi-strategy diversified fixed income portfolio. Assets are invested in both credit (57%) and non-credit (41%) spread related strategies. Strategies in the credit spread portion are Developed Markets Fixed Income, Emerging Markets Fixed Income, and Hedged Fixed Income (managers that employ short positions). Strategies in the non-credit portion are Relative Value Arbitrage, Event-Driven, and Global Macro.

-The objective of PFIH is to deliver returns of 8-12% returns with 5-7% volatility. The fund typically invests with about 55-65 managers. Turnover is about 15%/year. This is lower (about 10%) within the group of established managers, and higher (30-35%) among new managers. Three of Permal's overriding philosophies are start small, diversify, and focus time and effort on existing positions.

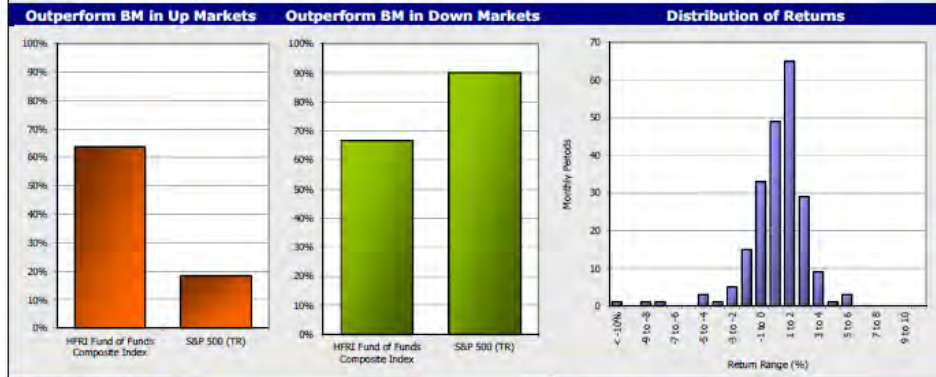
Permal Fixed Income Holdings N.V.



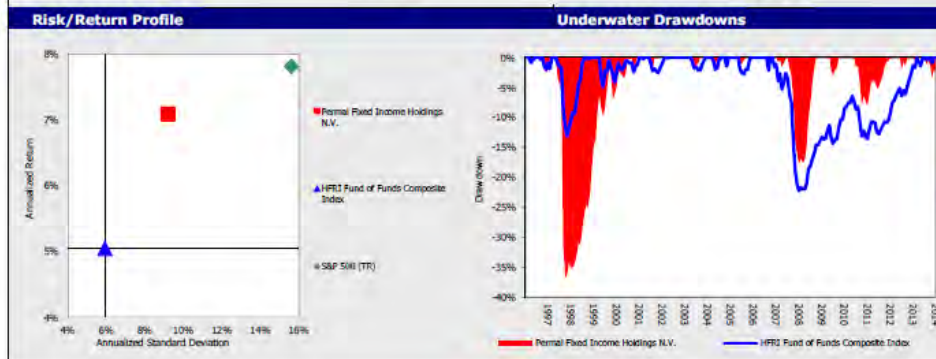
Permal Fixed Income Holdings N.V.
Permal Group Ltd.

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

Monthly Performance (%) Net of Fees														Statistical Analysis			
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns	Fund	BM1	BM2
2014	-0.6%	2.3%	0.0%	0.2%	0.9%	1.2%	-1.0%	0.5%	-0.8%	-2.0%	1.3%	-0.4%	1.5%	Annualized Compound ROR	7.1%	5.0%	7.8%
2013	2.6%	0.3%	1.7%	1.2%	1.6%	-2.0%	1.4%	-0.8%	1.4%	1.5%	1.4%	1.3%	12.2%	3 Yr Return	7.8%	5.7%	20.4%
2012	2.3%	2.0%	0.1%	-0.2%	-1.1%	0.1%	1.2%	0.9%	1.5%	0.8%	0.2%	1.8%	10.1%	5 Yr Return	6.0%	3.3%	15.5%
2011	1.4%	1.4%	0.1%	1.2%	-0.2%	-1.4%	0.3%	-3.0%	-4.0%	1.9%	-0.9%	-4.3%	5.9%	Best Month	5.9%	-4.3%	10.9%
2010	1.2%	0.7%	2.4%	2.1%	-2.3%	-0.7%	1.0%	0.4%	1.9%	2.1%	0.1%	2.2%	11.5%	Worst Month	-27.9%	-7.5%	-16.8%
2009	1.1%	-0.8%	0.5%	2.8%	5.5%	2.9%	3.3%	2.9%	2.9%	1.2%	1.4%	2.0%	28.6%	% Positive Months	72.2%	63.9%	63.0%
2008	-0.7%	0.2%	-1.0%	0.5%	0.8%	0.3%	-1.8%	-1.2%	-4.0%	-7.4%	-2.0%	-2.0%	-17.6%	Risk			
2007	1.5%	1.4%	0.6%	1.5%	0.9%	0.4%	0.7%	-1.9%	1.8%	2.2%	0.1%	0.0%	9.5%	Standard Deviation	9.2%	5.9%	15.6%
2006	2.3%	0.6%	1.0%	1.9%	-0.8%	-0.2%	0.7%	0.7%	0.3%	1.5%	1.4%	1.6%	11.6%	3 Yr Standard Deviation	4.1%	3.2%	9.1%
2005	-0.2%	1.4%	-0.6%	-0.4%	0.4%	1.7%	1.4%	1.3%	1.4%	-1.0%	1.7%	1.5%	8.8%	5 Yr Standard Deviation	4.9%	4.0%	13.0%
														Sharpe Ratio (3.5%)	0.4	0.3	0.3
														Sortino Ratio (7.0%)	0.0	-0.4	0.1
														Downside Deviation (7.0%)	8.1%	4.7%	11.6%
														Max Drawdown	-36.8%	-22.2%	-50.9%
														Months In Maximum Drawdown	5	14	16
														Months To Recover	33	66	37



Comparison To Benchmark(s)	Fund	BM1	BM2
Monthly Alpha		0.1%	0.4%
Annualized Alpha		1.5%	5.0%
Beta		1.1	0.3
Correlation		0.7	0.5
R-Squared		55.0%	23.4%



Annual Returns	Fund	BM1	BM2
2014-(YTD)	1.5%	3.4%	13.7%
2013	12.2%	9.0%	32.4%
2012	10.1%	4.8%	16.0%
2011	-4.3%	-5.7%	2.1%
2010	11.5%	5.7%	15.1%
2009	28.6%	11.5%	26.5%

Latest Returns	Fund	BM1	BM2
Last Month	-0.4%	0.3%	-0.3%
Last 3 Months	-1.1%	1.0%	4.9%
Last Year	1.5%	3.4%	13.7%
2-Year	6.7%	6.1%	22.7%
3-Year	7.8%	5.7%	20.4%
4-Year	4.7%	2.7%	15.6%
5-Year	6.0%	3.3%	15.5%

Drawdown Analysis	Fund	BM1	BM2
1	-36.8%	-22.2%	-50.9%
2	-17.7%	-13.1%	-44.7%
3	-8.1%	-4.9%	-15.4%
4	-3.3%	-2.7%	-6.8%
5	-3.0%	-2.5%	-6.6%

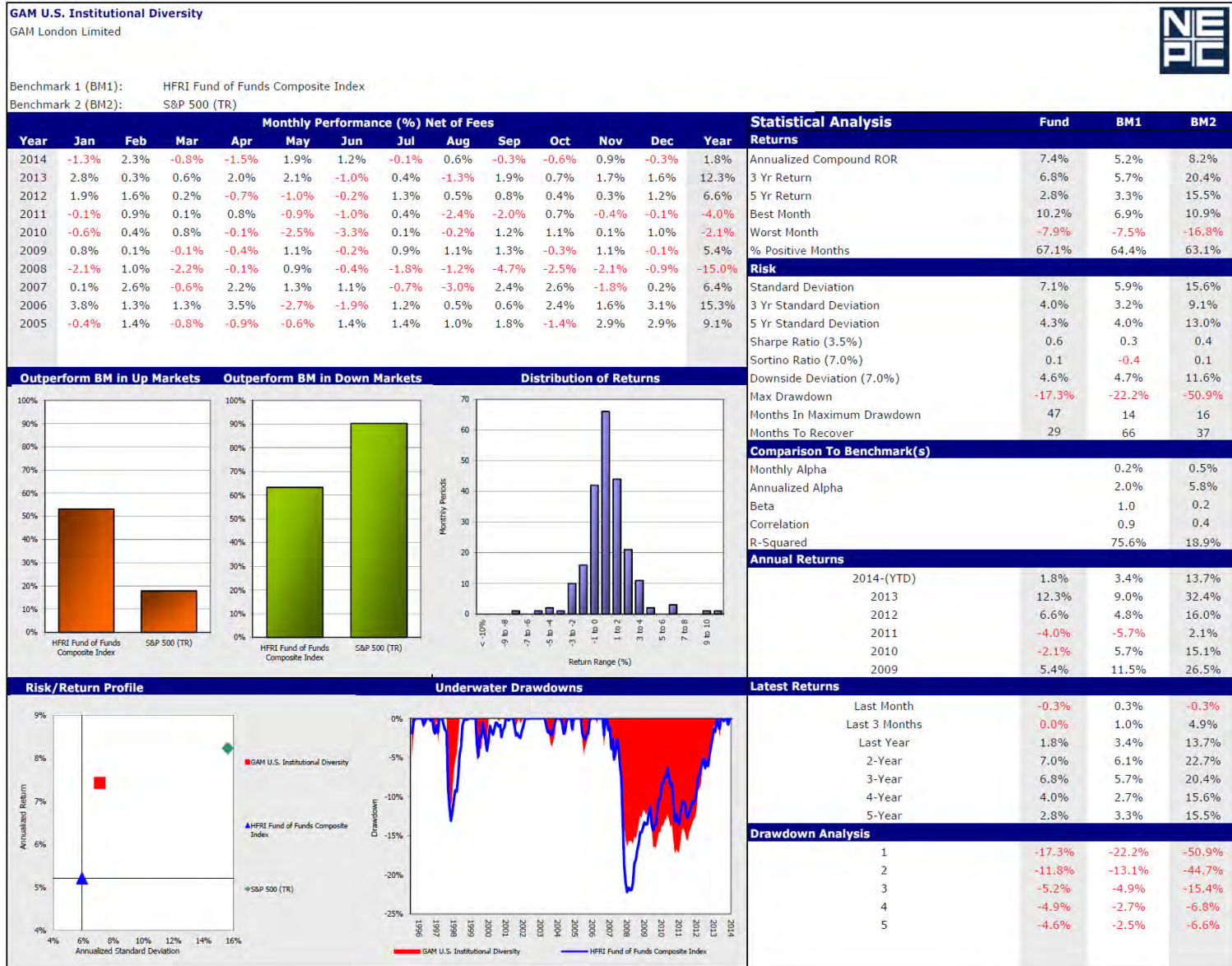
GAM U.S. Institutional Diversity

-The GAM Diversity strategy aims seeks to achieve absolute returns with diversification of risk and low correlation to traditional asset classes such as equities and bonds. GAM strategy targets net returns of 9-13% net per annum with 5-7% volatility and 0.2-0.6 correlation to the S&P 500 and 0.0-0.2 correlation to the Barclays Capital US Aggregate Bond Index.

-The GAM portfolio construction process combines the structural discipline of clear return and risk targets with the bottom-up assessment of opportunity and risk across markets and strategies within a unified portfolio construction framework. GAM would not deviate from the portfolio construction process unless GAM felt the returns and risk characteristics being generated were not meeting GAM's expectations. If this were to happen GAM would take steps to reevaluate the process and make adjustments.

-Asset allocation for GAM Multi-Manager's portfolios allows each investment manager to draw on the synthesized views of the specialist investment teams and apply them to his or her own portfolios as appropriate. The views of the specialist investment teams are formed and captured on a quarterly basis, when all senior Multi-Manager investment managers gather for the three-day Quarterly Investment Meeting (QIM). The purpose of the QIM is to review formally the prior quarter's investment results, assess opportunities and consider changes to strategic and tactical views.

GAM U.S. Institutional Diversity



Appendix

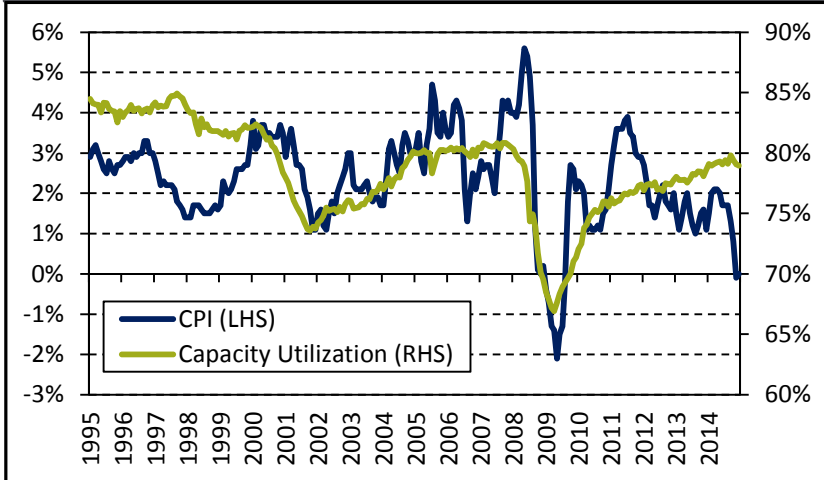
Index Performance Summary as of 3/31/2015

	2008	2009	2010	2011	2012	2013	2014	JAN	FEB	MAR	YTD
Barclays US Strips 20+ Yr	59.5%	-36.0%	10.9%	58.5%	3.0%	-21.0%	46.4%	13.8%	-8.5%	1.4%	5.5%
Russell 2500	-36.8%	34.4%	26.7%	-2.5%	17.9%	36.8%	7.1%	-2.0%	6.0%	1.3%	5.2%
MSCI EAFE	-43.4%	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	0.5%	6.0%	-1.5%	4.9%
FTSE NAREIT REITs	-37.7%	28.0%	28.0%	8.3%	18.1%	2.5%	30.1%	6.7%	-3.5%	1.7%	4.8%
Russell 2000	-33.8%	27.2%	26.9%	-4.2%	16.3%	38.8%	4.9%	-3.2%	5.9%	1.7%	4.3%
Barclays US Govt/Cred Long	8.4%	1.9%	10.2%	22.5%	8.8%	-8.8%	19.3%	6.4%	-3.4%	0.5%	3.4%
Barclays US Long Credit	-3.9%	16.8%	10.7%	17.1%	12.7%	-6.6%	16.4%	5.2%	-2.2%	0.2%	3.1%
Barclays US Corp High Yield	-26.2%	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	0.7%	2.4%	-0.5%	2.5%
MSCI ACWI	-42.2%	34.6%	12.7%	-7.3%	16.1%	22.8%	4.2%	-1.6%	5.6%	-1.5%	2.3%
MSCI EM	-53.3%	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	0.6%	3.1%	-1.4%	2.2%
Credit Suisse Lev Loan	-28.8%	44.9%	10.0%	1.8%	9.4%	6.2%	2.1%	0.3%	1.4%	0.4%	2.1%
JPM EMBI Global Div	-12.0%	29.8%	12.2%	7.3%	17.4%	-5.3%	7.4%	0.9%	0.9%	0.2%	2.0%
Credit Suisse Hedge Fund	-19.1%	18.6%	10.9%	-2.5%	7.7%	9.7%	4.1%	0.8%	1.1%	1.1%	1.9%
Barclays US Agg Bond	5.2%	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	2.1%	-0.9%	0.5%	1.6%
Russell 1000	-37.6%	28.4%	16.1%	1.5%	16.4%	33.1%	13.2%	-2.7%	5.8%	-1.2%	1.6%
Barclays US Agg Interm	4.9%	6.5%	6.1%	6.0%	3.6%	-1.0%	4.1%	1.4%	-0.5%	0.5%	1.3%
Barclays Municipal	-2.5%	12.9%	2.4%	10.7%	6.8%	-2.6%	9.1%	1.8%	-1.0%	0.3%	1.0%
S&P 500	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	-3.0%	5.7%	-1.6%	1.0%
Barclays US Govt/Cred 1-3 Yr	5.0%	3.8%	2.8%	1.6%	1.3%	0.6%	0.8%	0.5%	-0.2%	0.2%	0.6%
Citi WGBI	10.9%	2.6%	5.2%	6.4%	1.6%	-4.0%	-0.5%	-0.3%	-1.1%	-1.1%	-2.5%
JPM GBI EM Global Div	-5.2%	22.0%	15.7%	-1.8%	16.8%	-9.0%	-5.7%	0.3%	-1.3%	-3.0%	-4.0%
Alerian MLP	-36.9%	76.4%	35.9%	13.9%	4.8%	27.6%	4.8%	-3.1%	2.1%	-4.2%	-5.2%
Bloomberg Commodity	-35.6%	18.9%	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-3.3%	2.6%	-5.1%	-5.9%

Source: Morningstar Direct

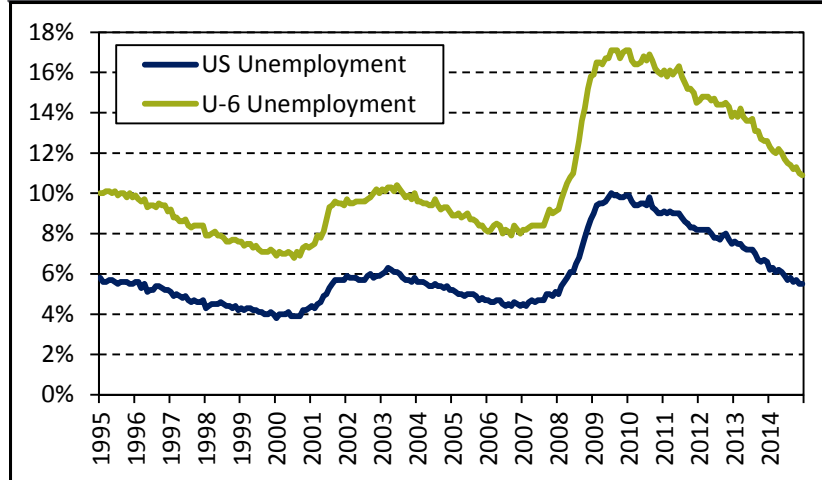
US Economic Indicators

Inflation has stayed low



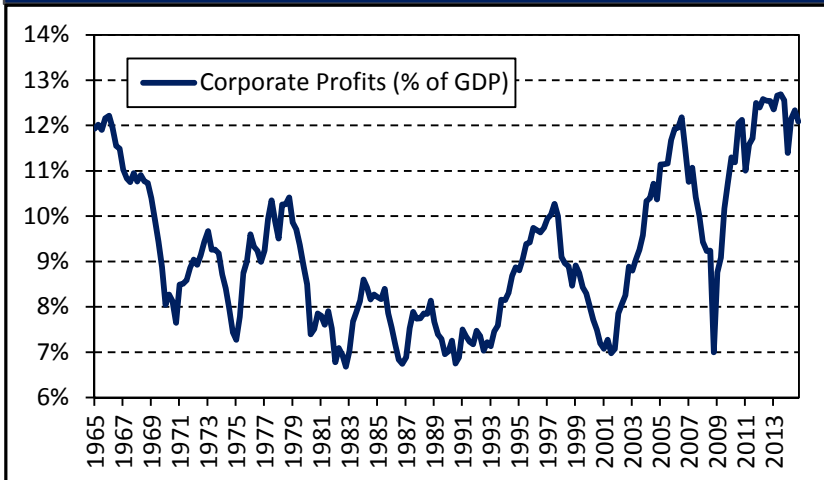
Source: Bloomberg, Federal Reserve, Bureau of Labor Statistics

Unemployment steadily improving



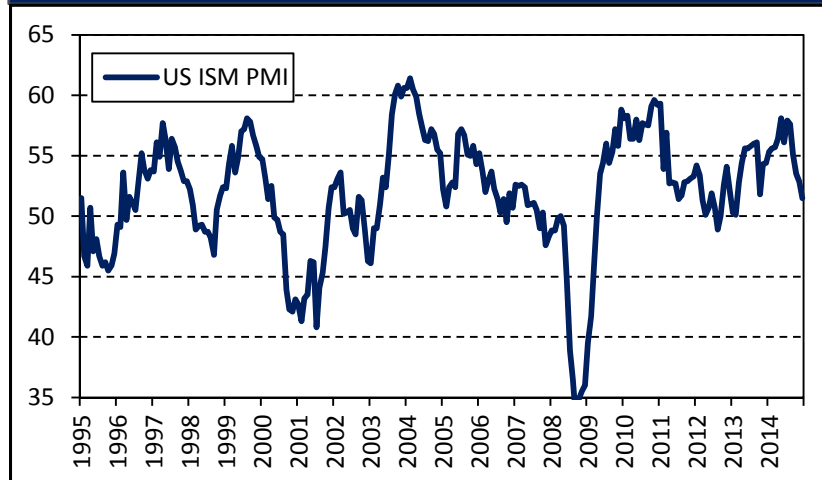
Source: Bloomberg, Bureau of Labor Statistics

Corporate profits at secular highs



Source: Bloomberg, Bureau of Economic Analysis

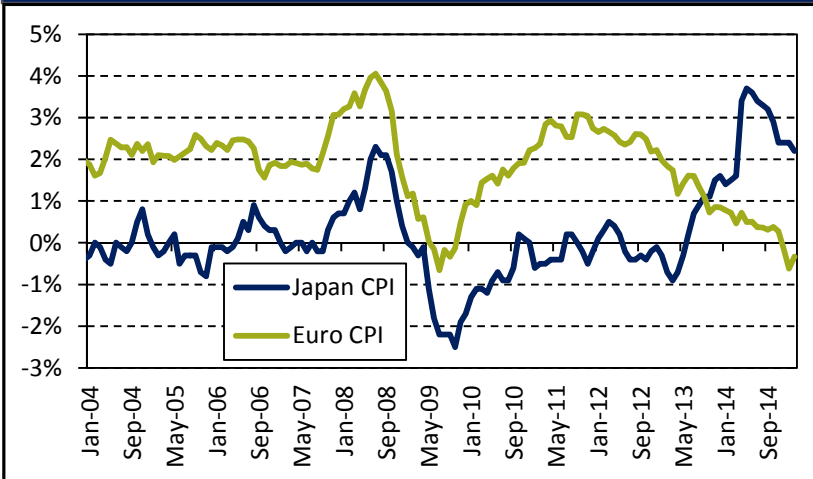
Manufacturing above average but trending down



Source: Bloomberg, Institute for Supply Management

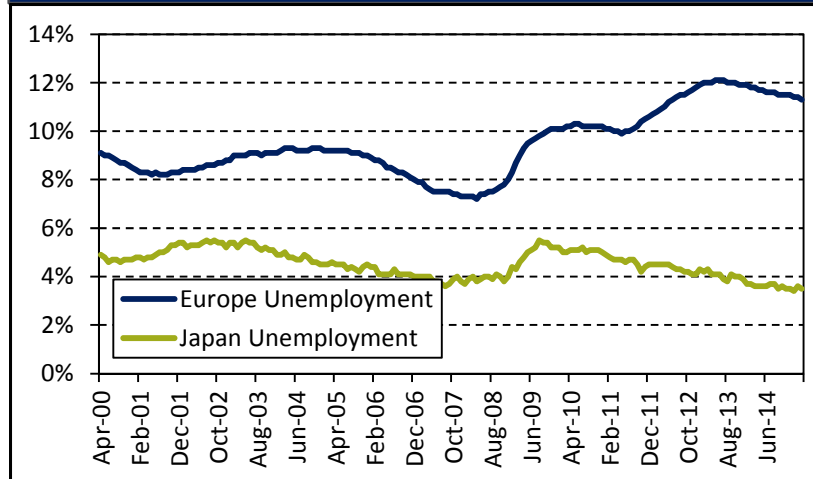
International Economic Indicators

Deflation remains a concern



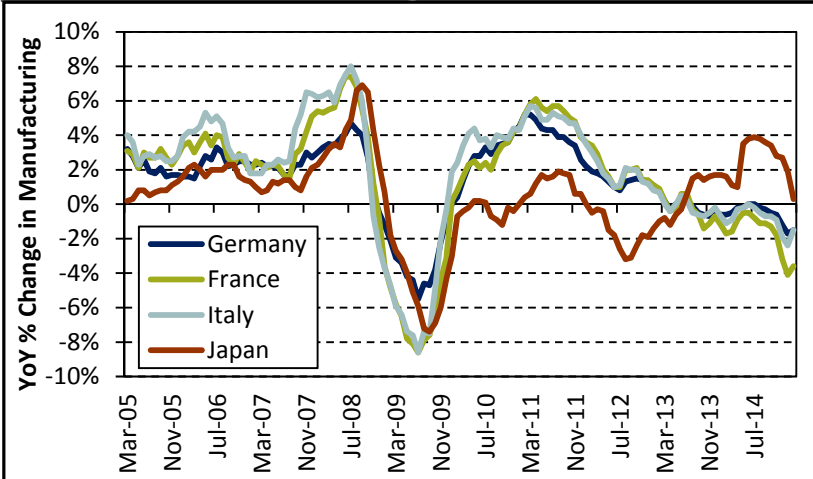
Source: Bloomberg, Japan Ministry of Internal Affairs and Communications, Eurostat

Europe employment recovery lagging



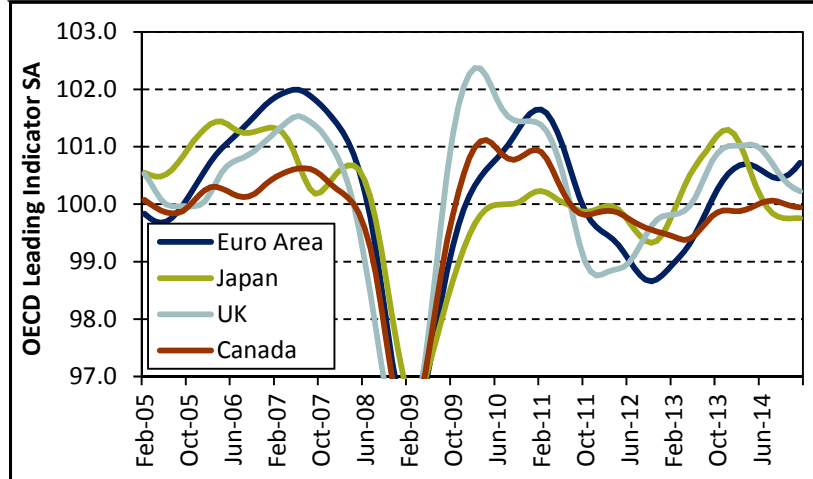
Source: Bloomberg, Japan Ministry of Internal Affairs and Communications, Eurostat

Manufacturing subdued in Europe but rising off lows



Source: Bloomberg, OECD, Eurostat

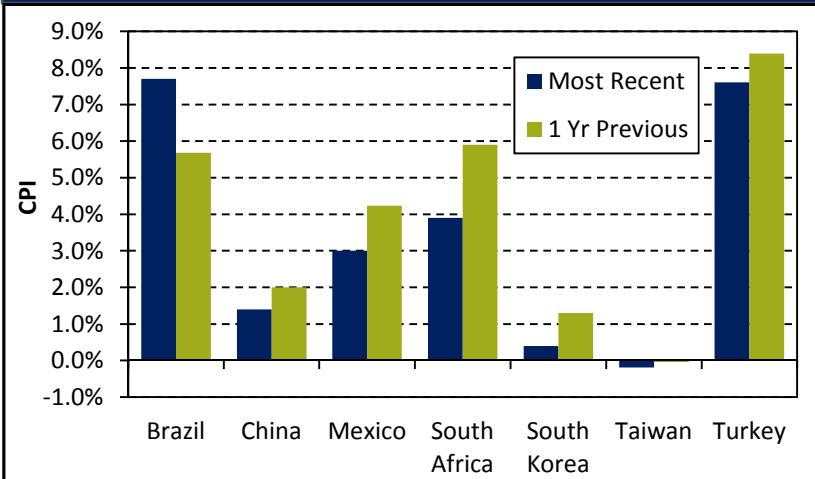
Leading indicators neutral to positive



Source: Bloomberg, OECD

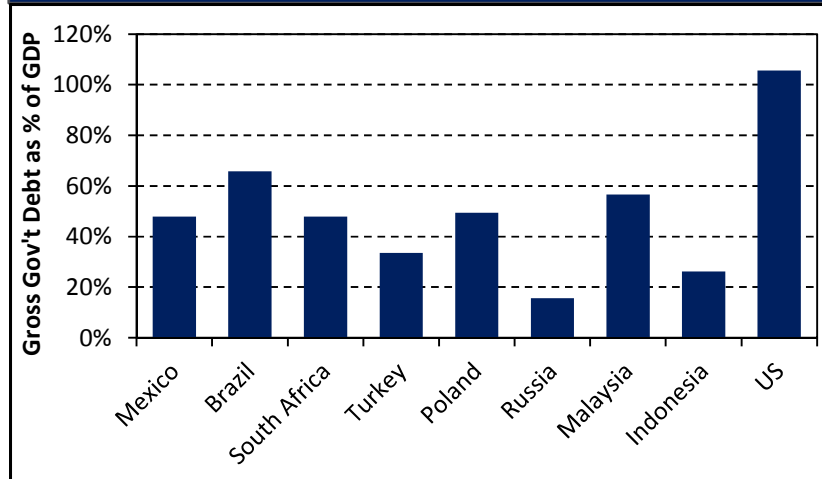
Emerging Market Economic Indicators

EM inflation is varied by country



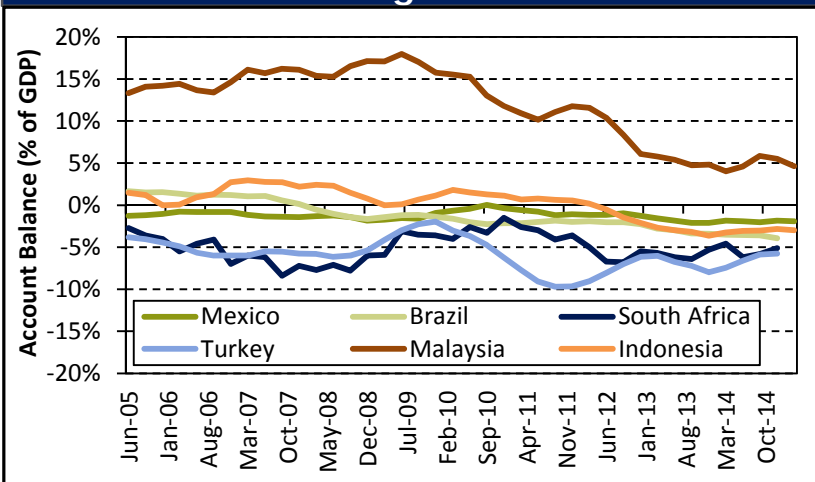
Source: Bloomberg

Relatively healthy Debt/GDP ratios



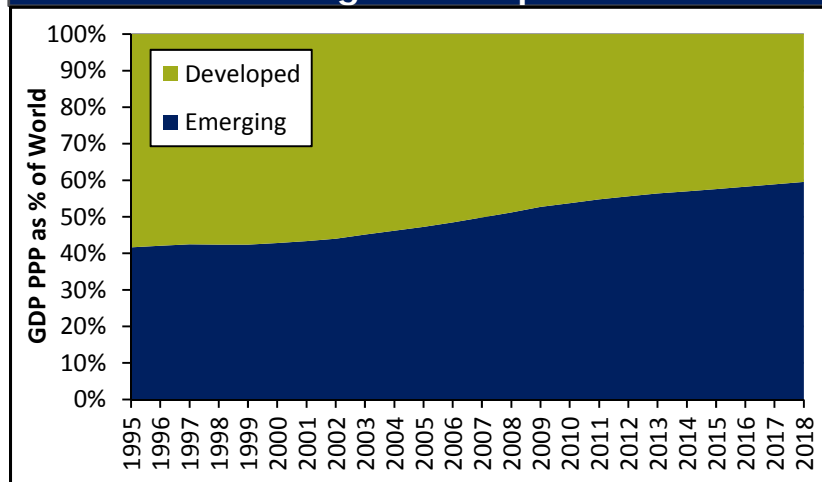
Source: Bloomberg, IMF

Some improvement in account balance challenged countries



Source: Bloomberg

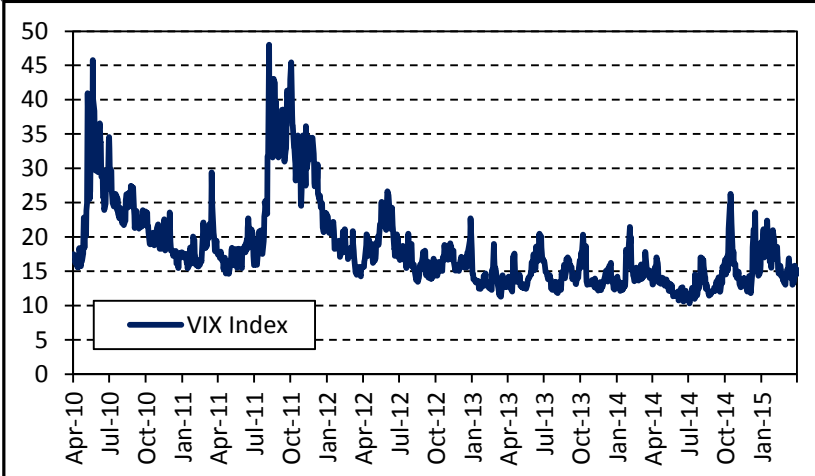
Emerging economies make up >50% of global output



Source: Bloomberg, IMF

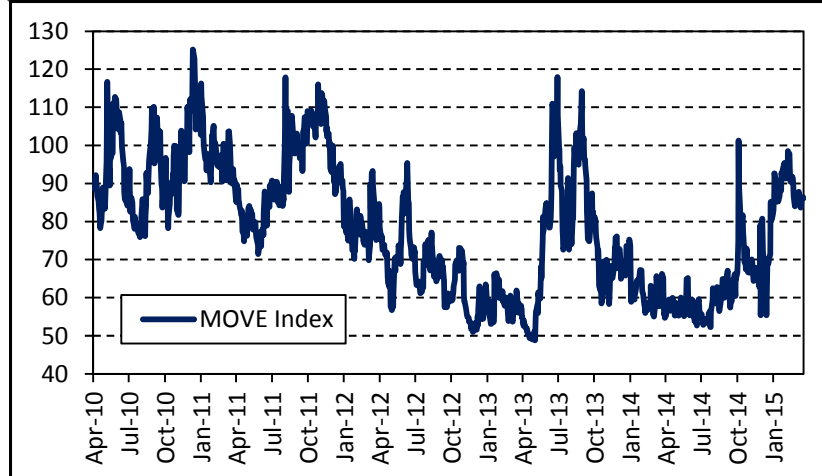
Volatility

Equity volatility remains low



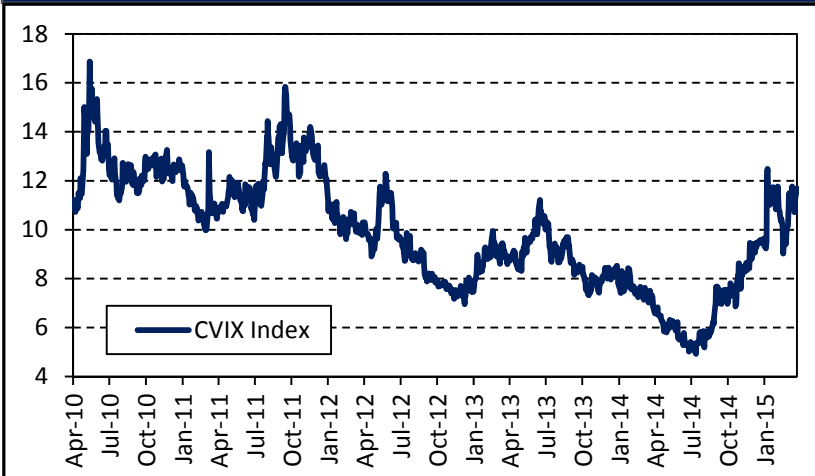
Source: Bloomberg, CBOE

Treasury rates experiencing higher volatility



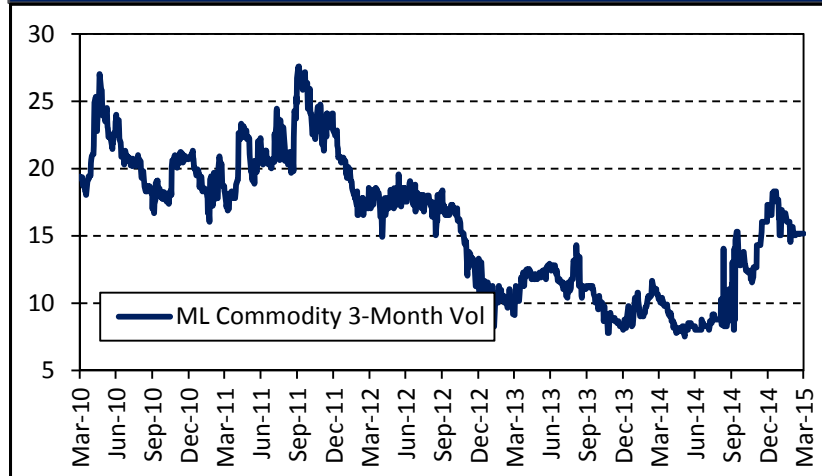
Source: Bloomberg, Merrill Lynch

Recent uptick in currency volatilities



Source: Bloomberg, Deutsche Bank

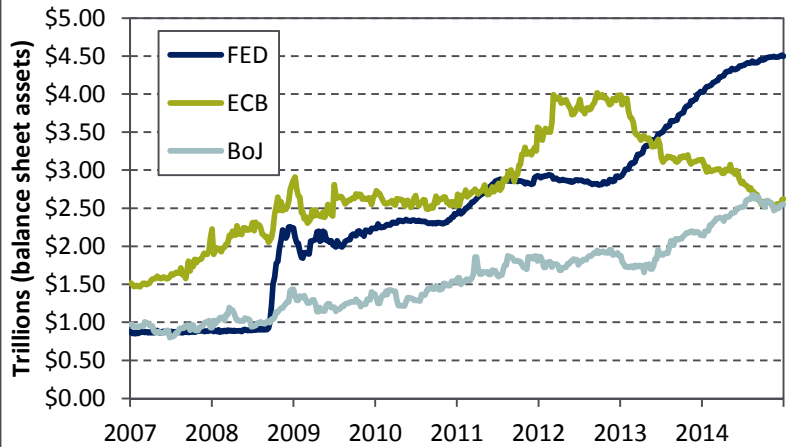
Commodity pricing volatility has increased



Source: Bloomberg, Merrill Lynch

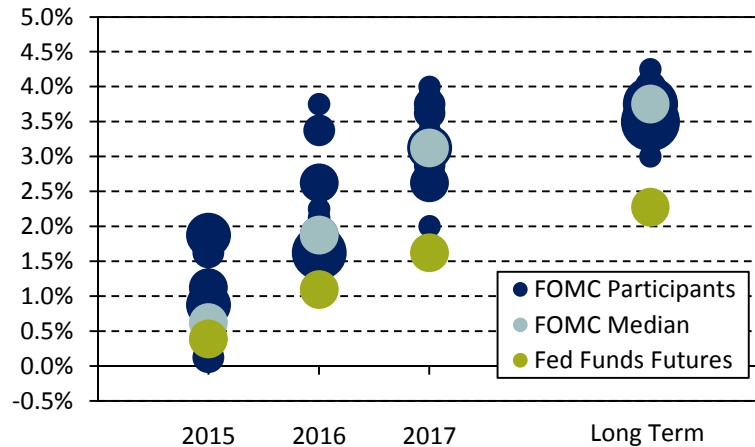
Central Banks

Major central bank policy divergence



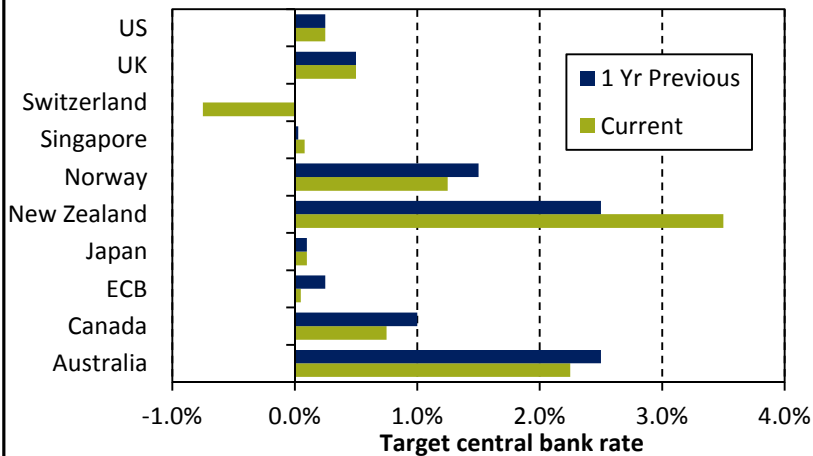
Source: Bloomberg, Federal Reserve, Bank of Japan, ECB, NEPC

Fed's ideal rate of policy firming above market expectations



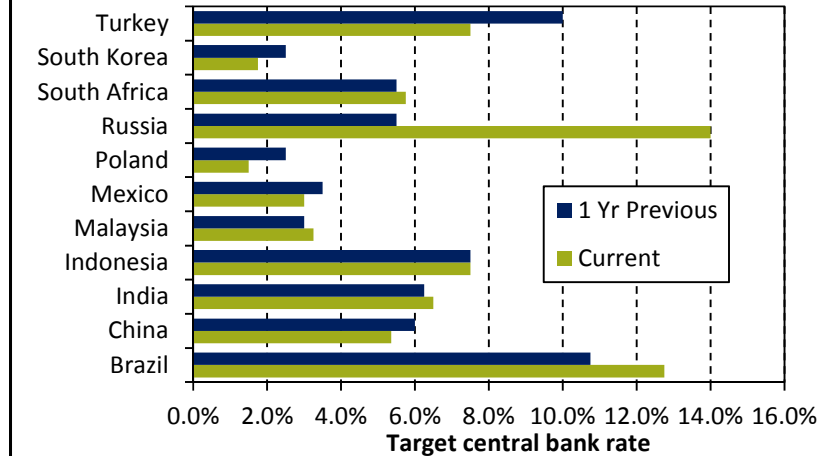
Source: Bloomberg, Federal Reserve, NEPC

Many developed central banks have maintained low interest rates



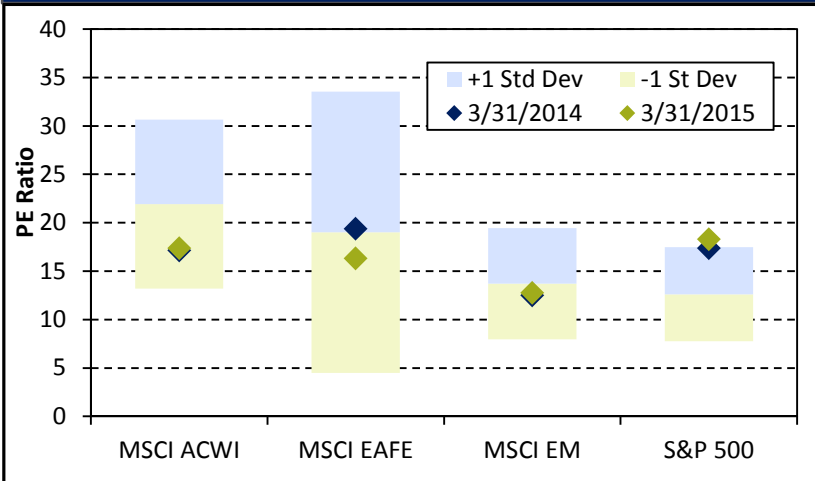
Source: Bloomberg

EM central bank policies have varied by circumstance



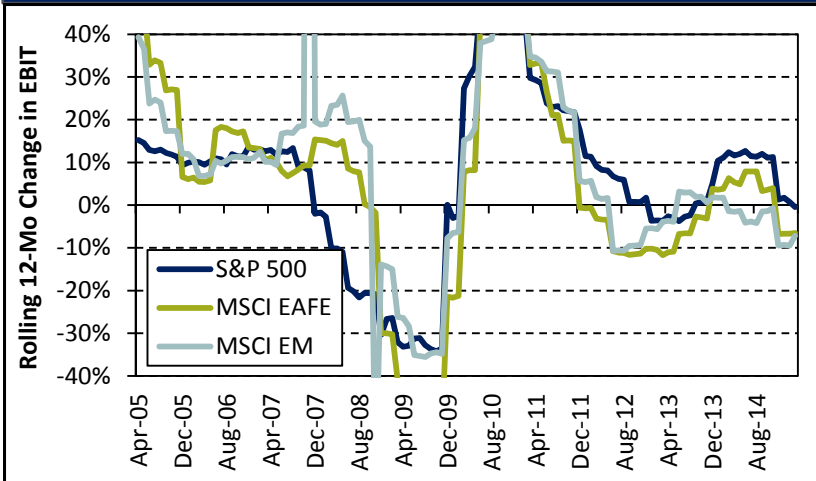
Source: Bloomberg

Global valuations are mixed



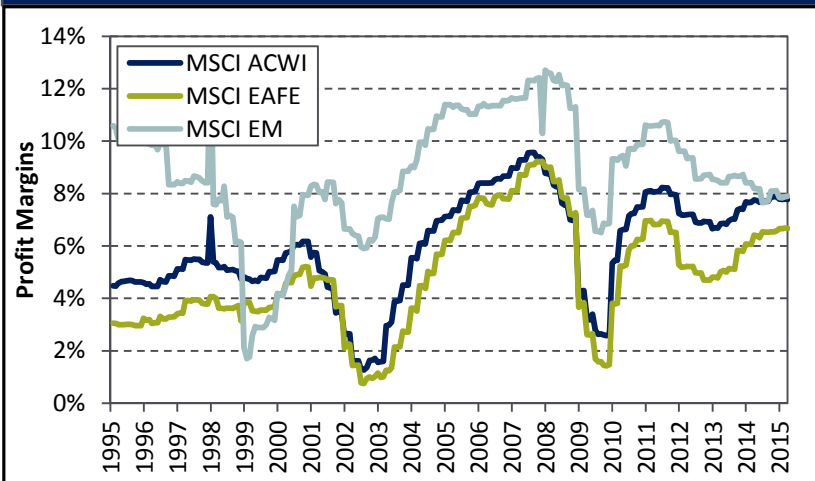
Source: Bloomberg, Standard and Poors, MSCI *MSCI EAFE is ex UK Telecom

Earnings growth trending lower in the US



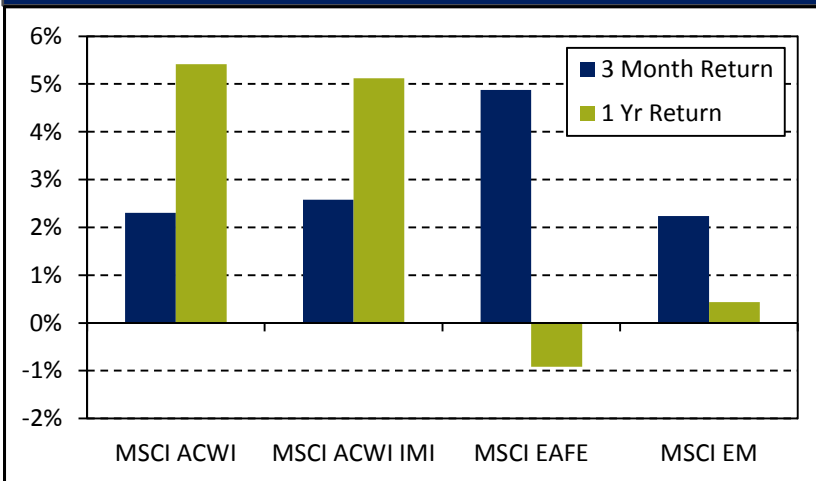
Source: Bloomberg, Standard and Poors, MSCI

Margins elevated, but largely a US story



Source: Bloomberg, MSCI

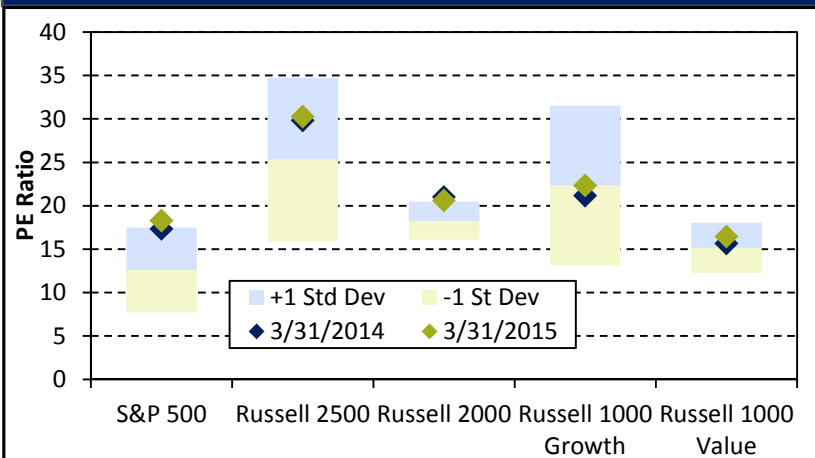
Significant global variance in returns



Source: Bloomberg, MSCI

US Equity

Valuations above historical norms



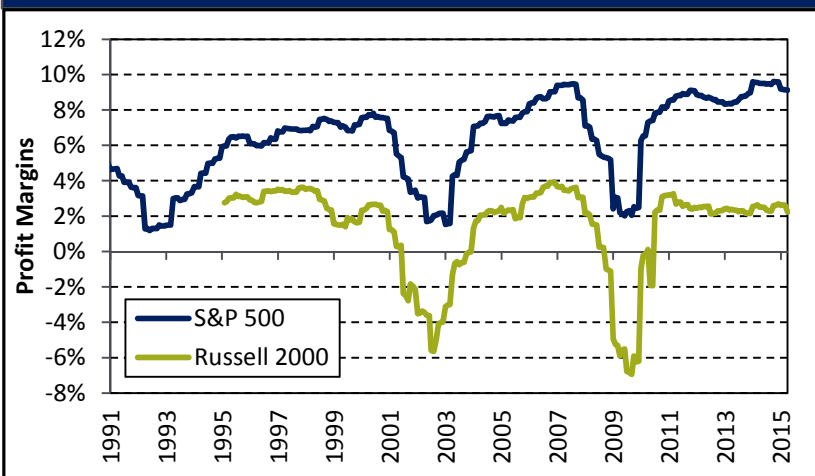
Source: Bloomberg, Standard and Poors, Russell *Russell 2000 PE is index adjusted positive

Solid growth recovery



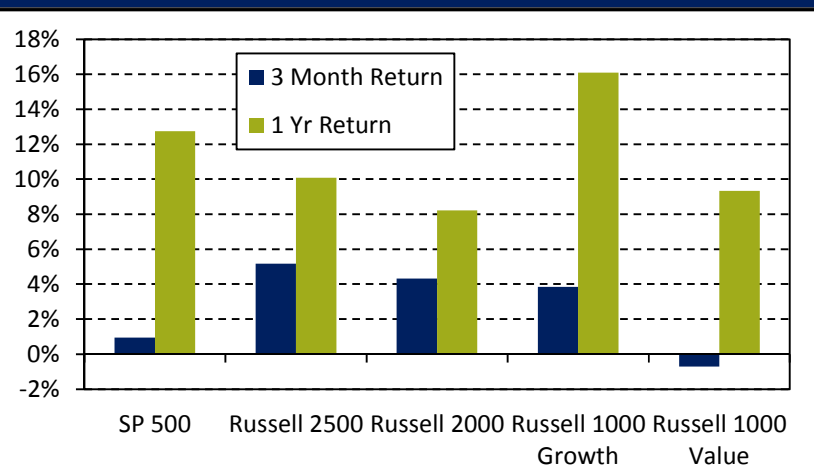
Source: Bloomberg, Bureau of Economic Analysis

Profit margins remain elevated



Source: Bloomberg, Standard and Poors, Russell

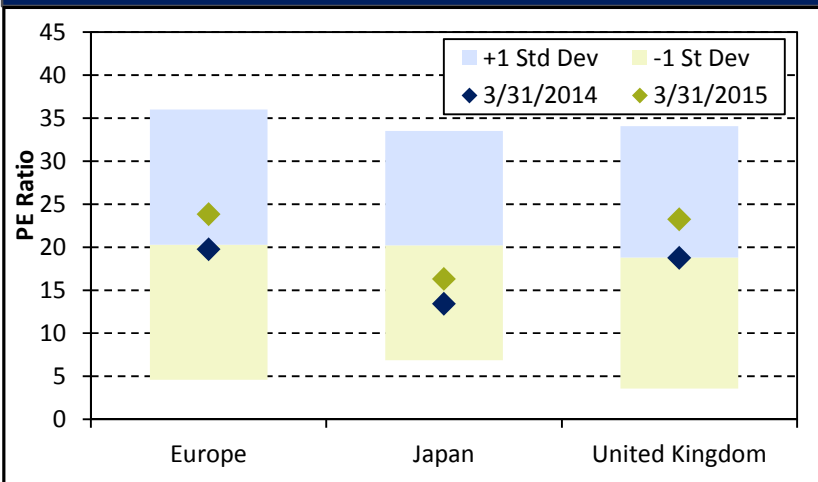
Trailing performance is positive



Source: Bloomberg, Standard and Poors, Russell

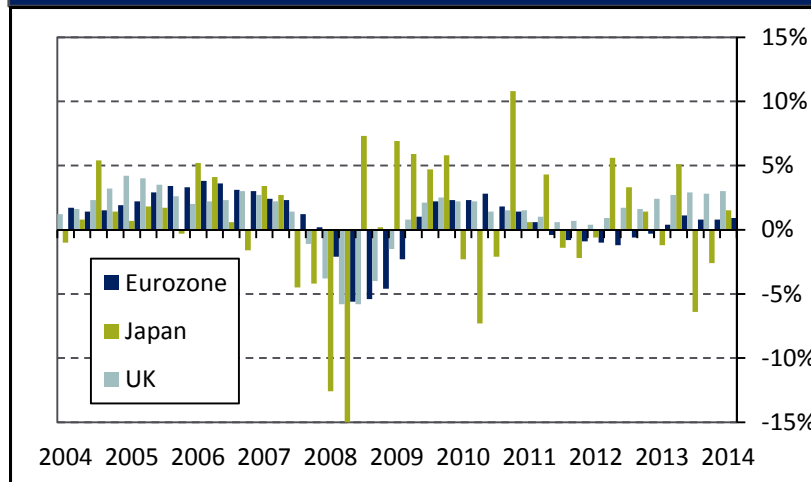
International Equity

PEs near or below historical medians



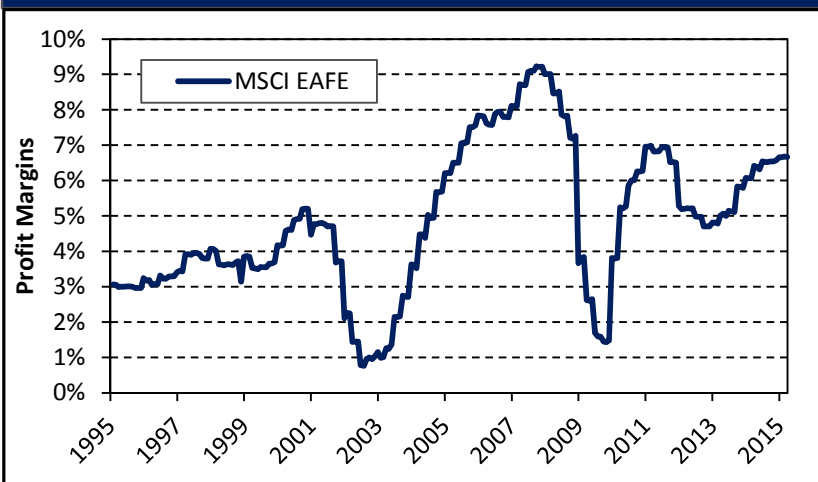
Source: Bloomberg, MSCI, FTSE *UK represented by FTSE 100 Index

Growth dispersion pronounced



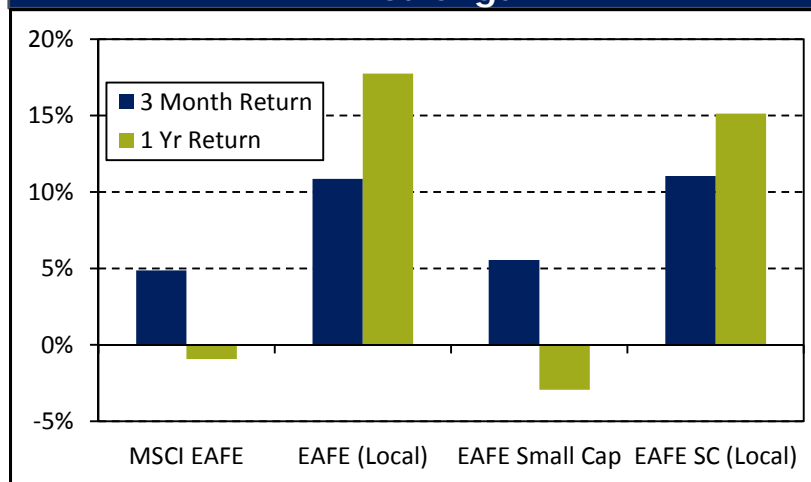
Source: Bloomberg

Margins elevated but not at extremes



Source: Bloomberg, MSCI

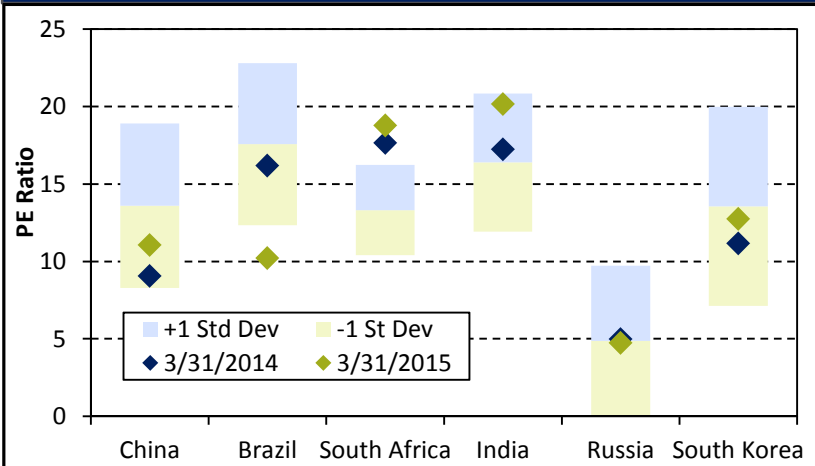
Positive performance muted by dollar strength



Source: Bloomberg, MSCI

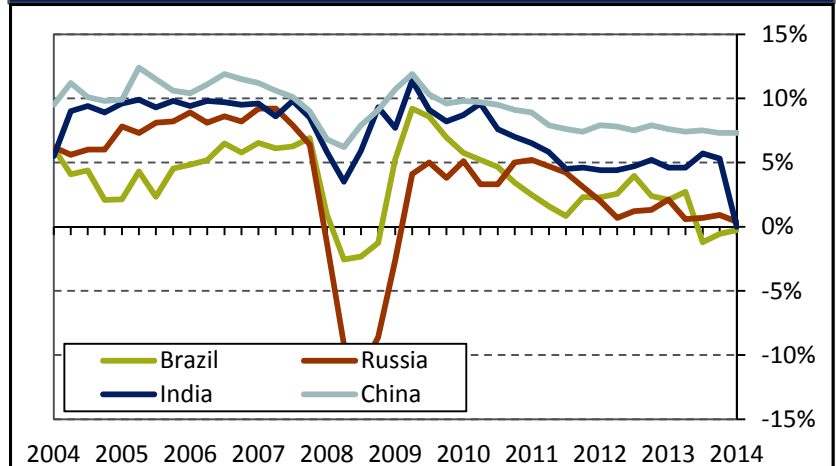
Emerging Markets Equity

Regional valuations show divergence



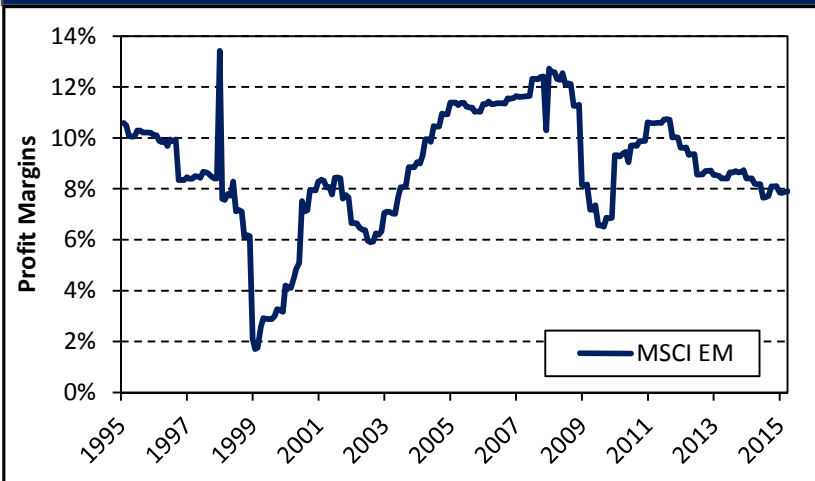
Source: Bloomberg, MSCI

Slowing growth in major economies



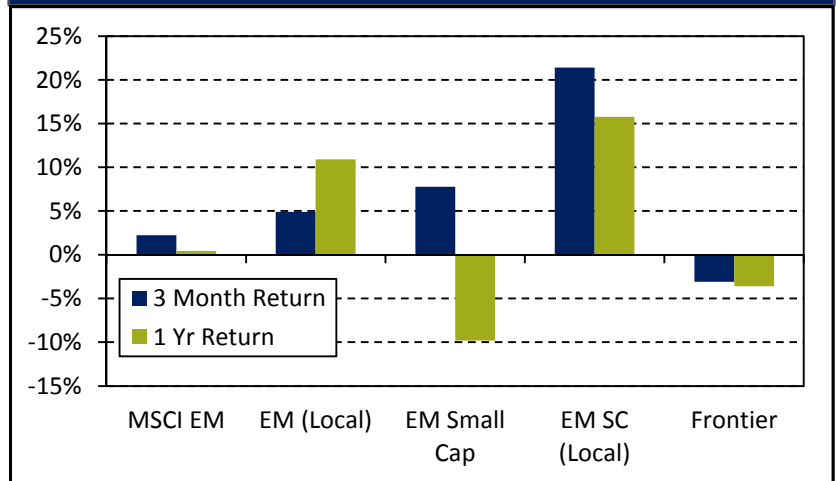
Source: Bloomberg

Profit margins in line with history



Source: Bloomberg, MSCI

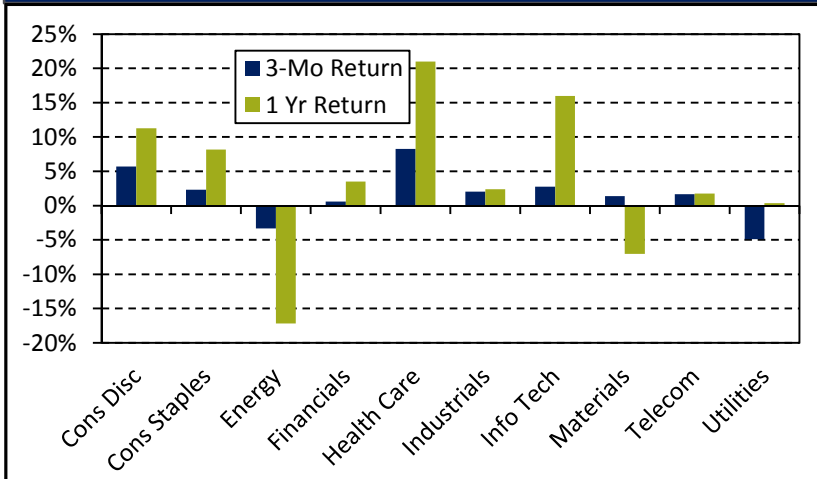
Dollar strength has detracted



Source: Bloomberg, MSCI

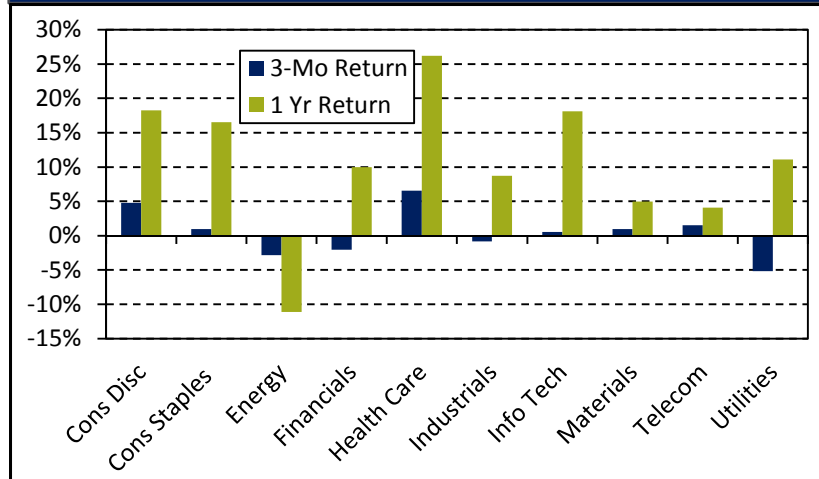
Global Equity by Sector

MSCI ACWI returns led by health care rally



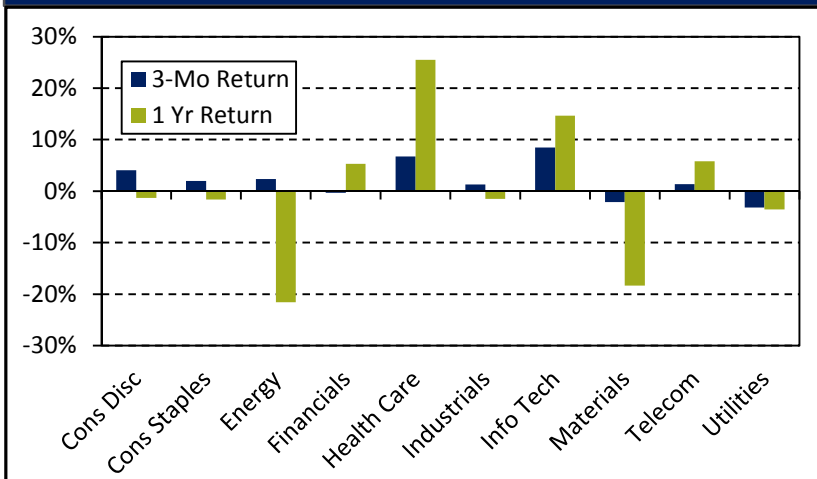
Source: Bloomberg, MSCI

S&P 500 sectors nearly all positive



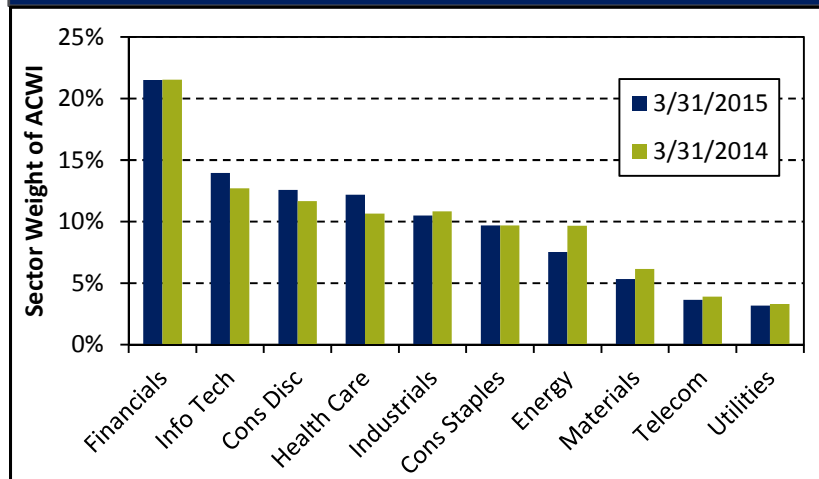
Source: Bloomberg, Standard and Poors

Energy decline especially felt in MSCI EM



Source: Bloomberg, MSCI

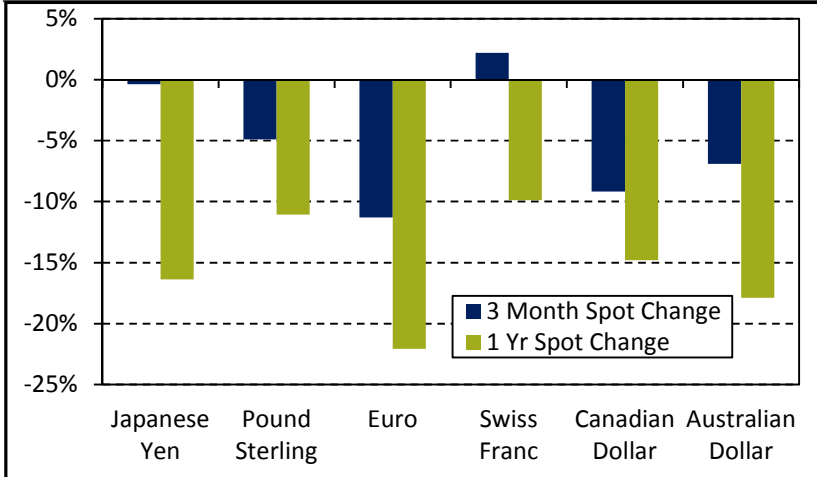
Global energy sector weight has fallen



Source: Bloomberg, MSCI

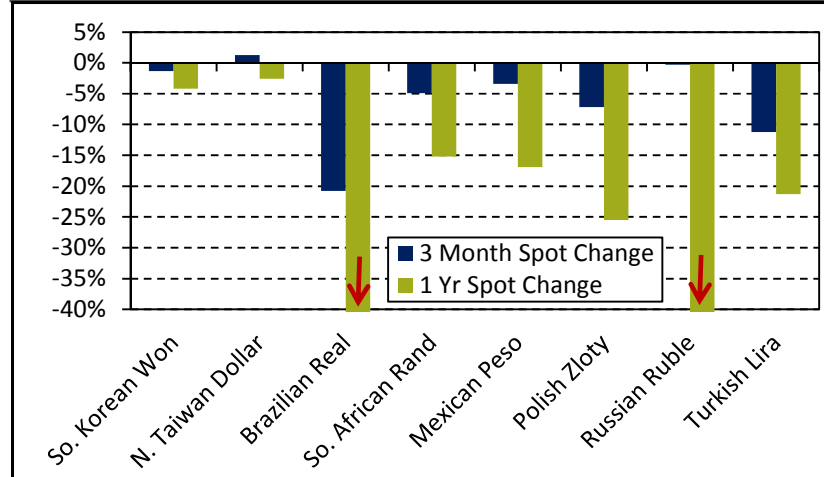
Currencies

Developed currencies broadly declined versus the US dollar



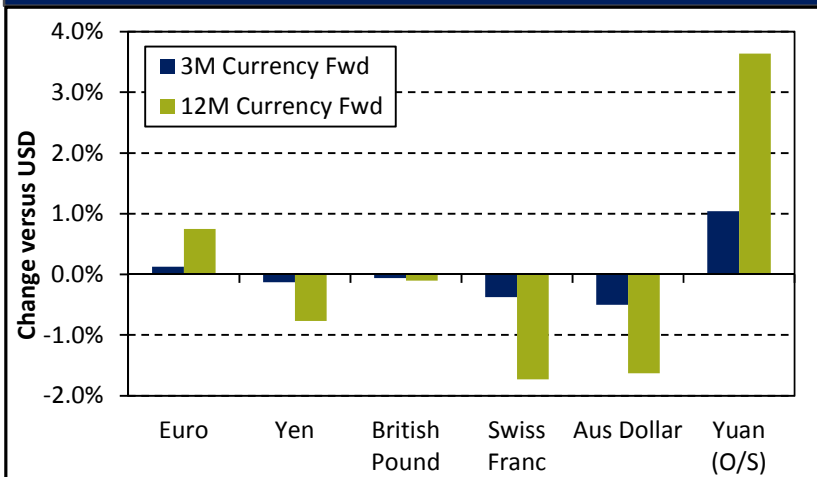
Source: Bloomberg

EM currencies have suffered in unique fashions



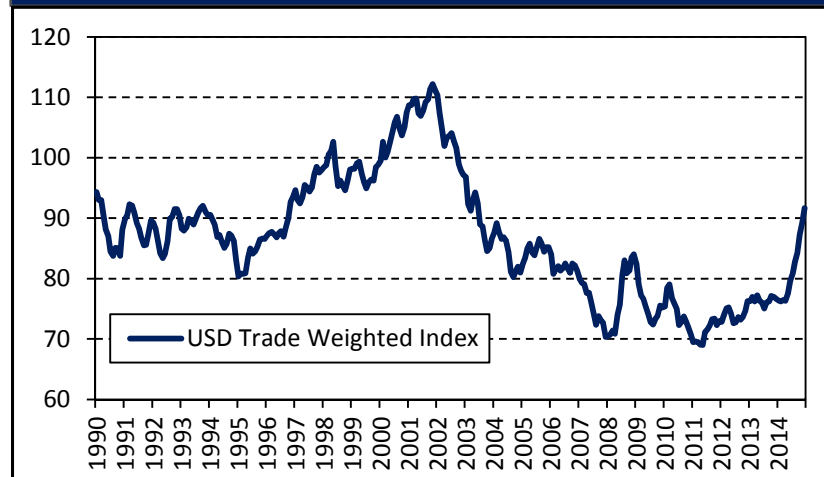
Source: Bloomberg

Yen and GBP expect to decline versus USD



Source: Bloomberg

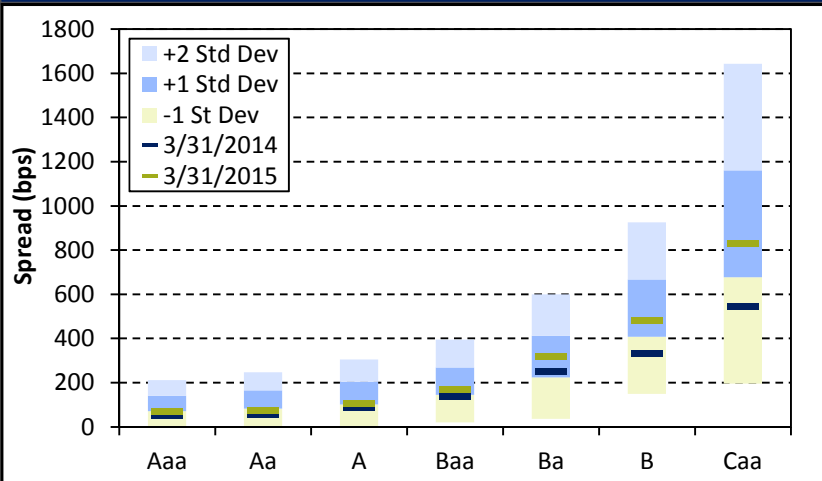
Recent dollar strength pronounced



Source: Bloomberg, Federal Reserve

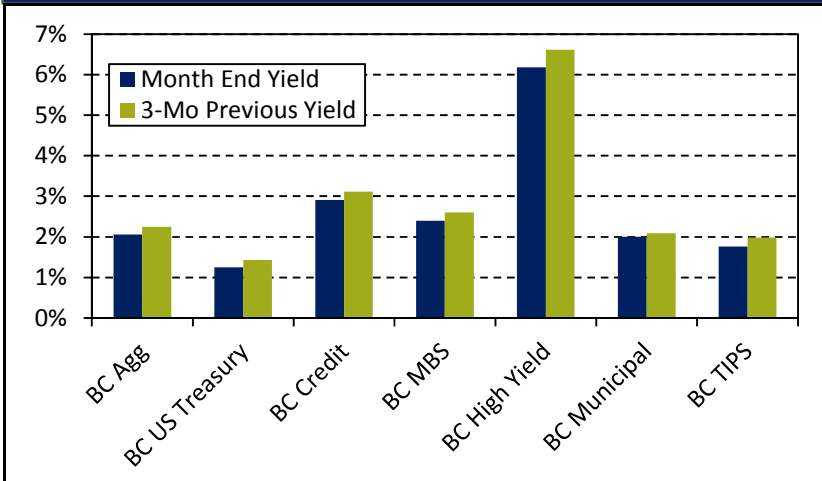
US Fixed Income

Spreads in line or above history



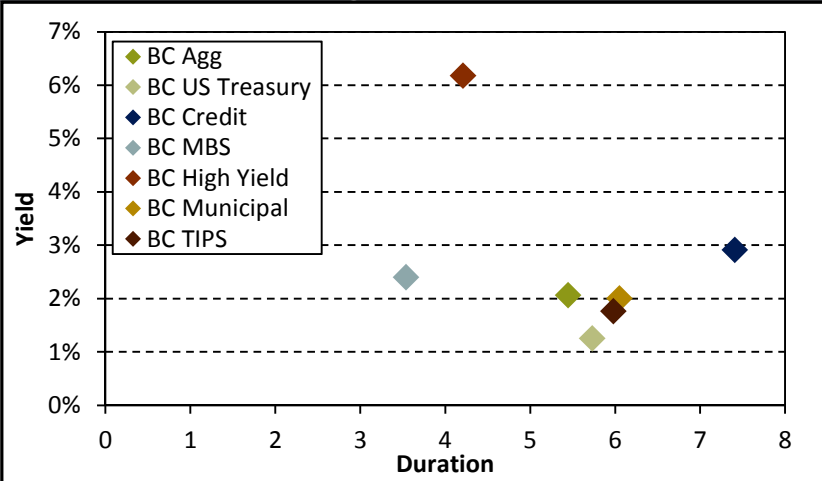
Source: Bloomberg, Barclays

Yields have mostly declined



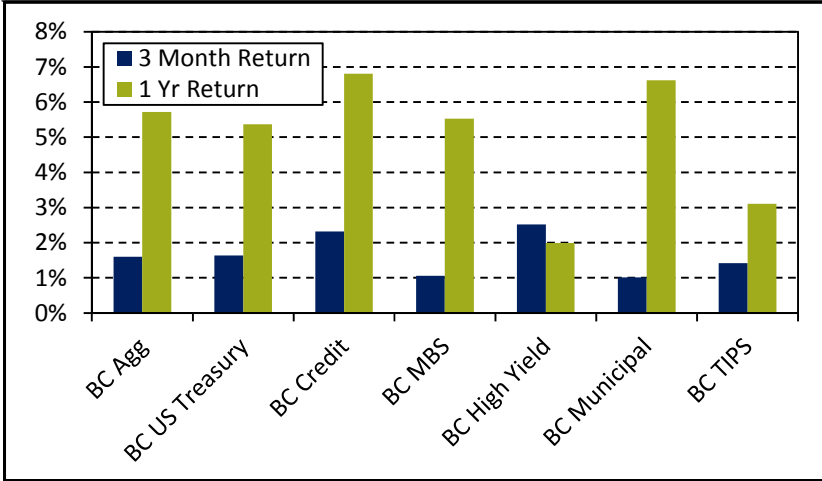
Source: Bloomberg, Barclays

Similar yield/duration tradeoff among major US indices



Source: Bloomberg, Barclays

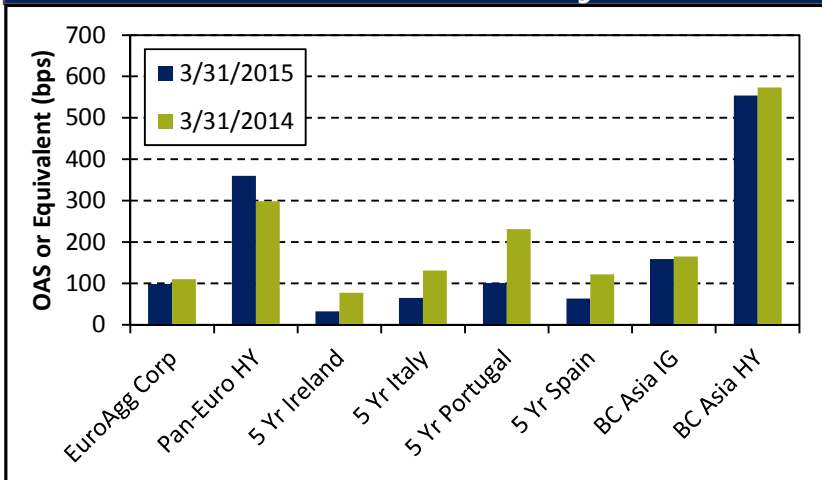
Trailing returns have been strong



Source: Bloomberg, Barclays

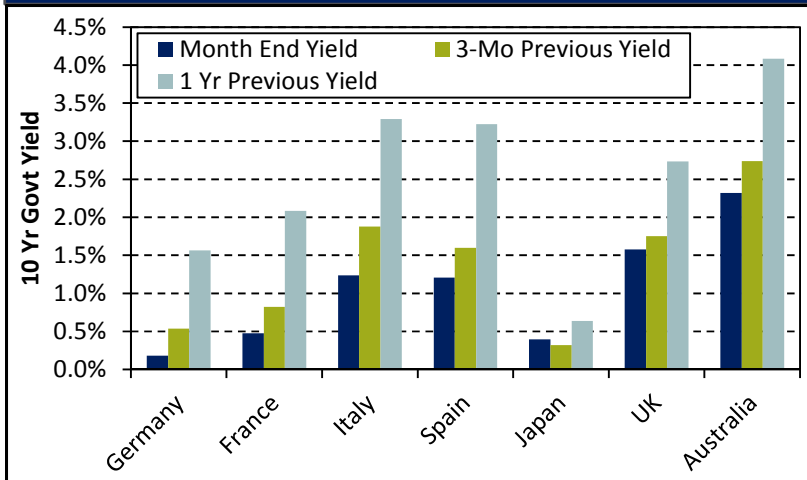
International Developed Fixed Income

European periphery yields relatively higher versus Germany



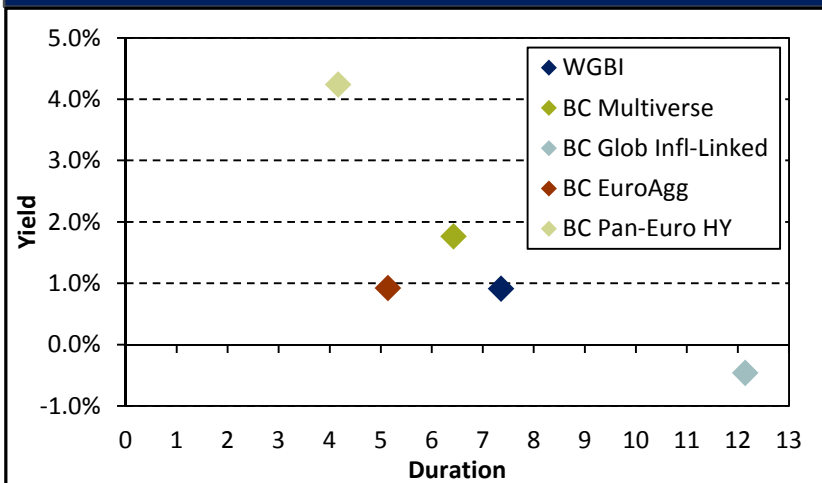
Source: Barclays, Bloomberg, *European periphery spreads are over equivalent German Bund

Global yields are at or near historic lows



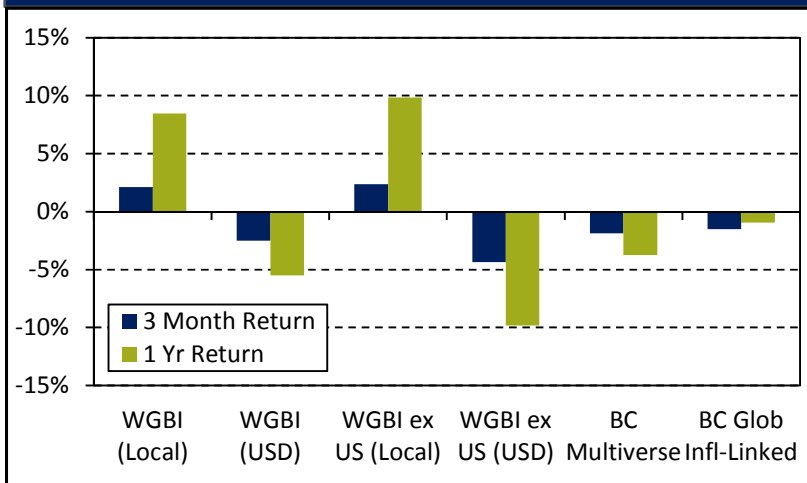
Source: Bloomberg

Low global yields relative to duration



Source: Bloomberg, Citigroup, Barclays

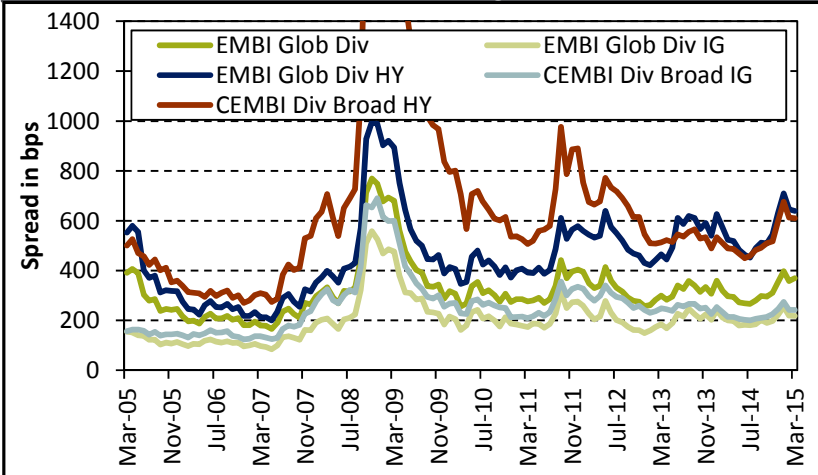
Global bonds negative in USD terms



Source: Bloomberg, Citigroup, Barclays

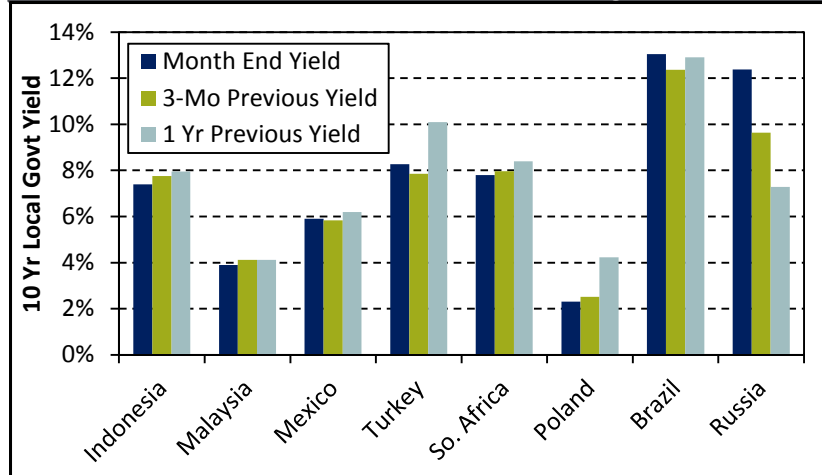
Emerging Markets Fixed Income

Spreads have risen but still in line with history



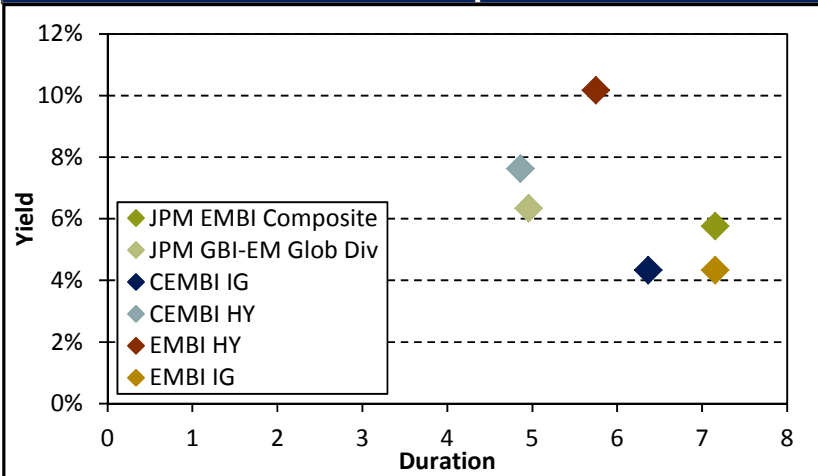
Source: Bloomberg, JP Morgan

Emerging market bond yield changes have varied directionally



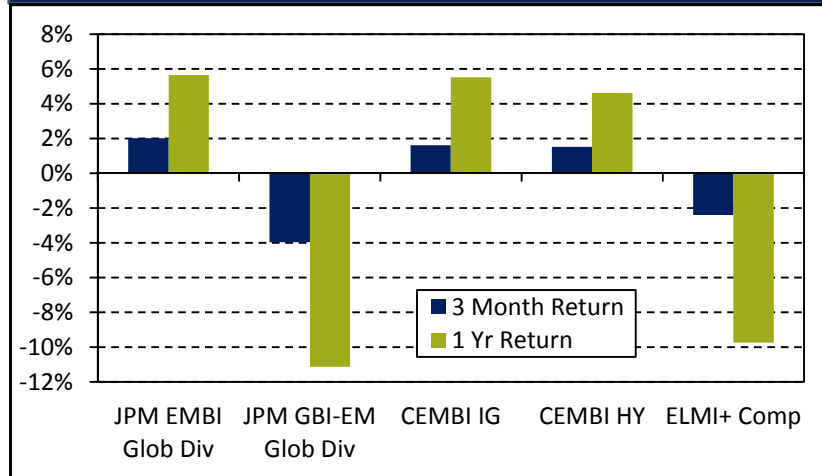
Source: Bloomberg

EM yields higher versus global counterparts



Source: Bloomberg, JP Morgan

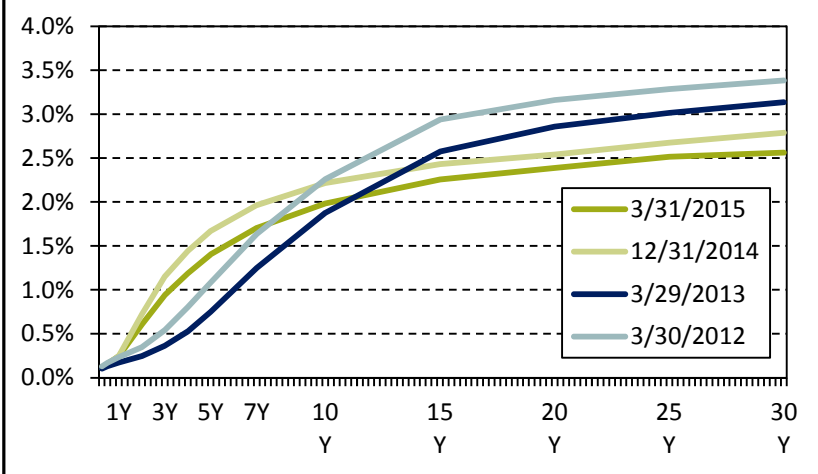
Currency effect pronounced in EMD returns



Source: Bloomberg, JP Morgan

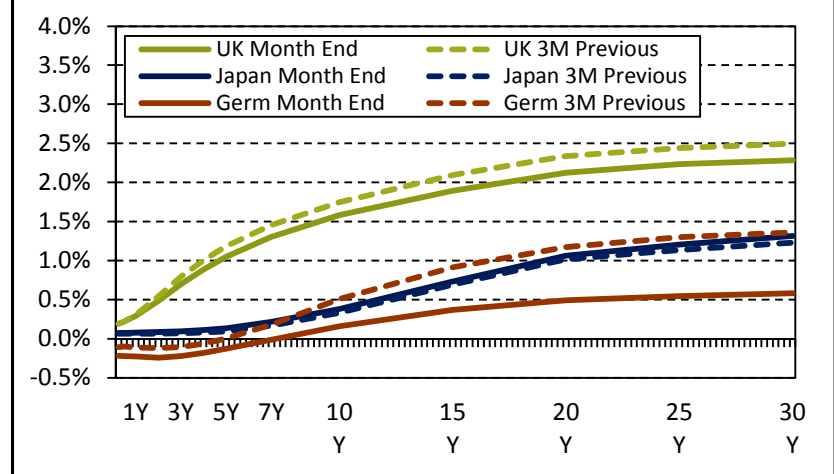
Rates

Treasury yields lower but some steepness remains



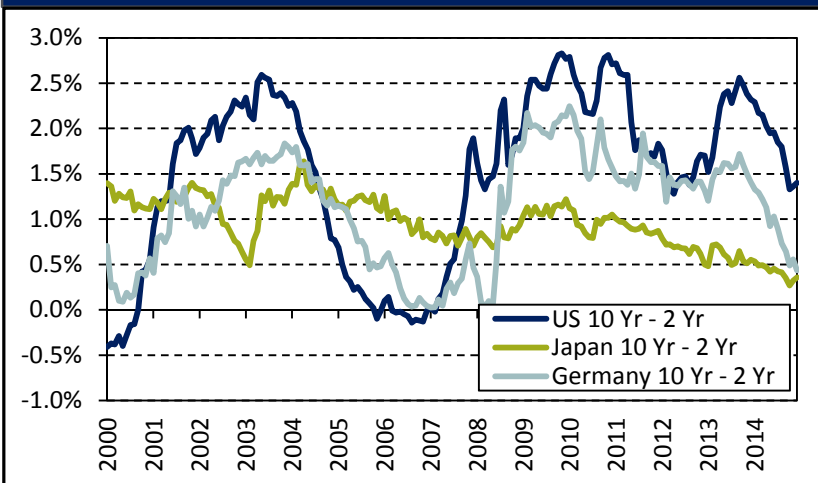
Source: Bloomberg

Significant compression in German Bund curve



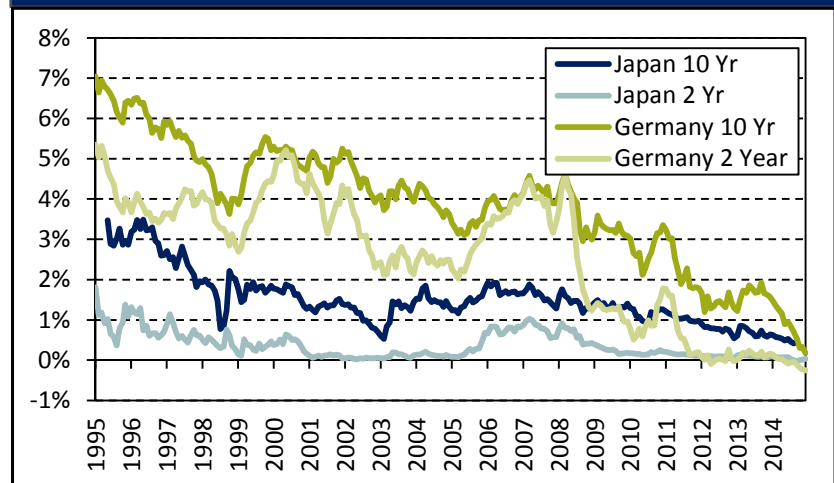
Source: Bloomberg

Global yield curves have flattened



Source: Bloomberg

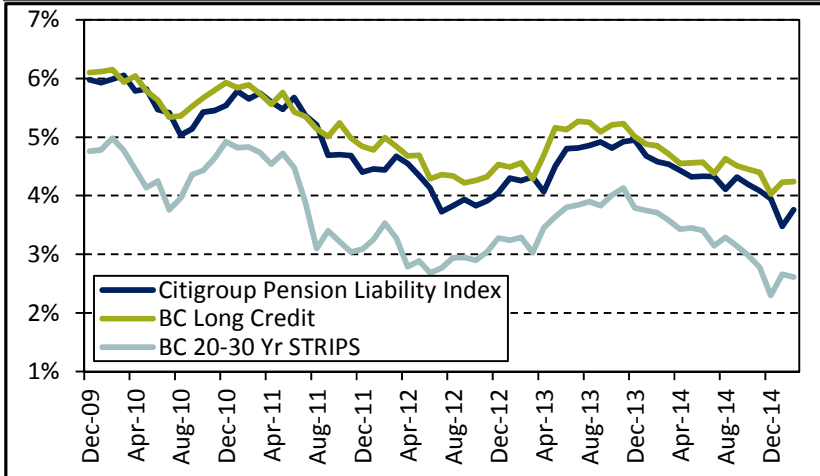
Global yields trending lower



Source: Bloomberg

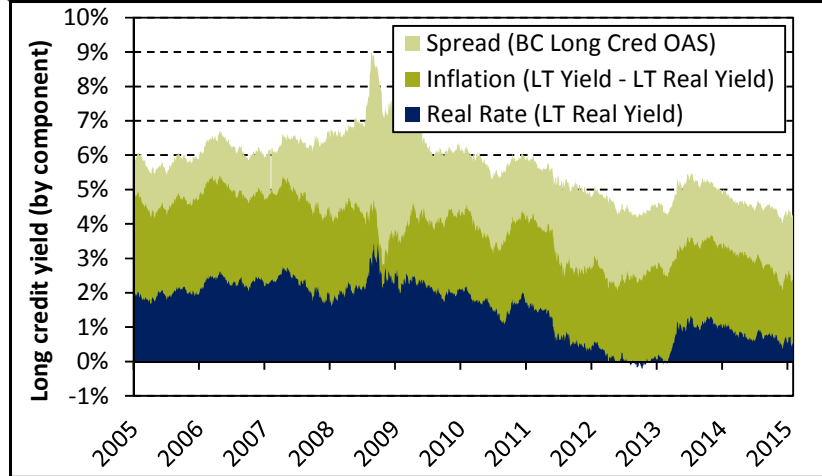
Long Rates and Liability

Long duration yields have fallen over last few years



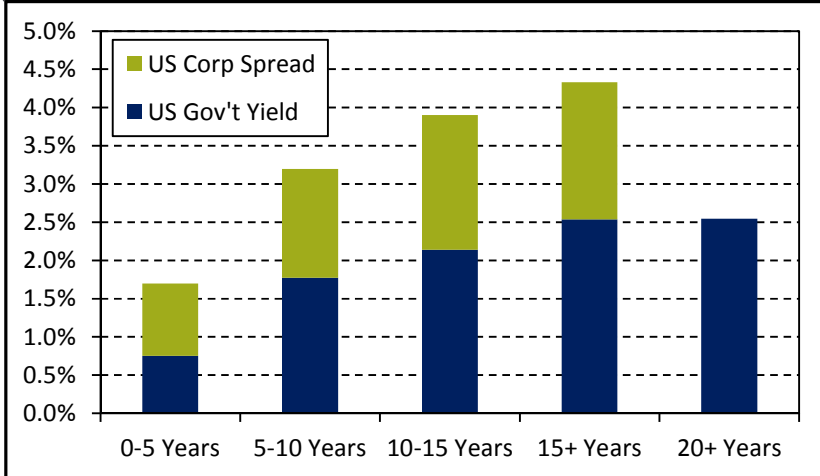
Source: Bloomberg, Citigroup, Barclays

Lower yields driven by fall in inflation expectations



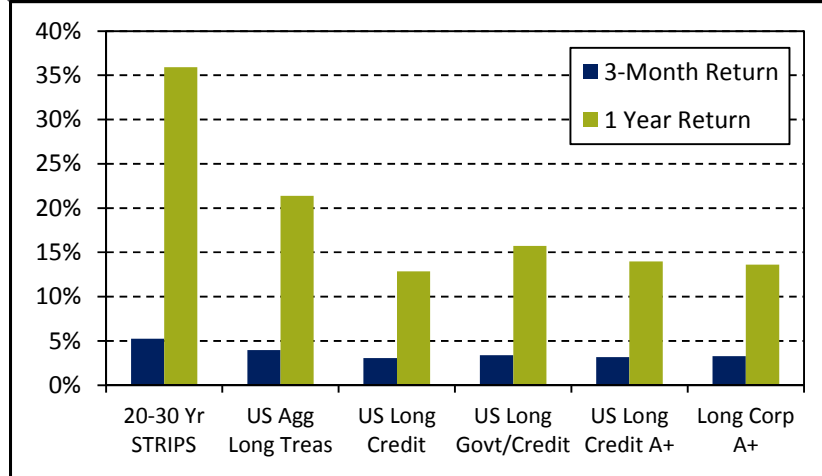
Source: Bloomberg, US Treasury, Barclays, NEPC

Yields are low but spreads remain near historic averages



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

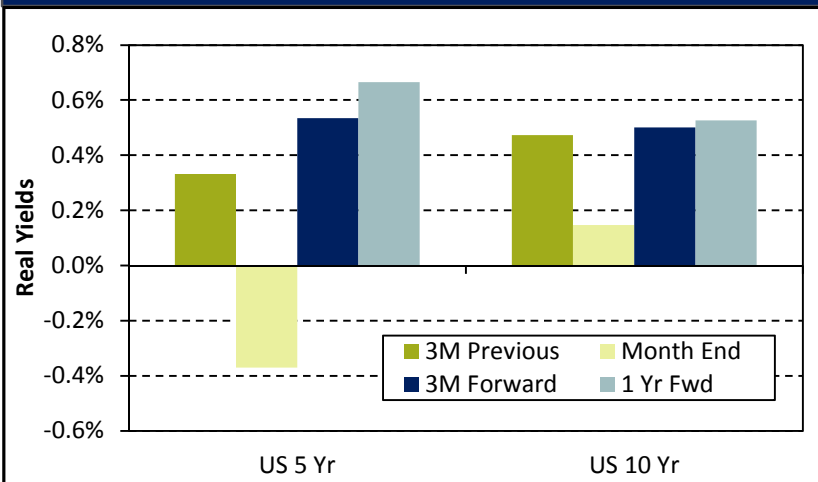
Long duration assets have outperformed



Source: Bloomberg, Barclays

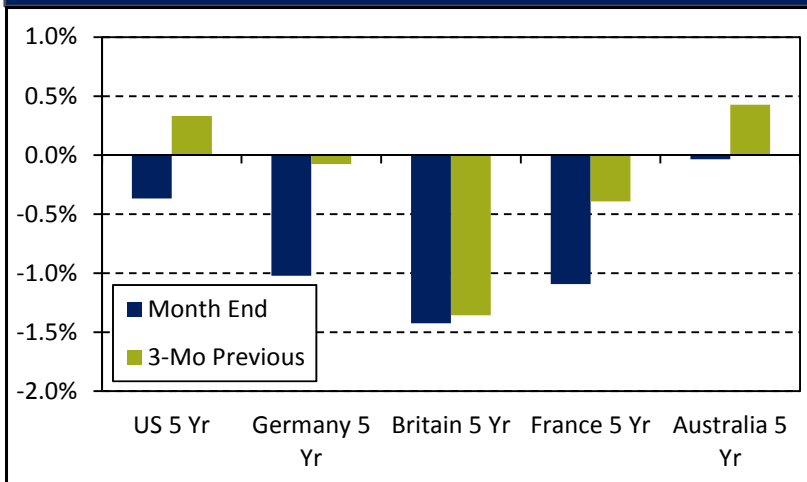
Inflation and Real Rates

US real yields have fallen



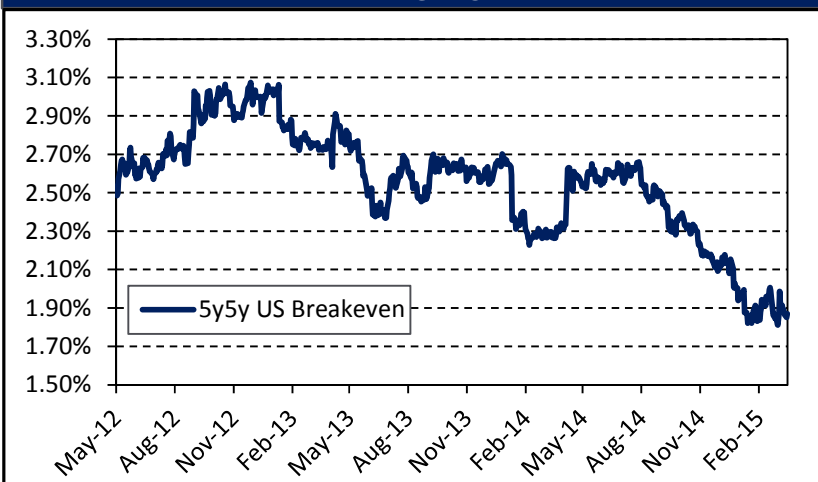
Source: Bloomberg

Global real yields are flat to negative



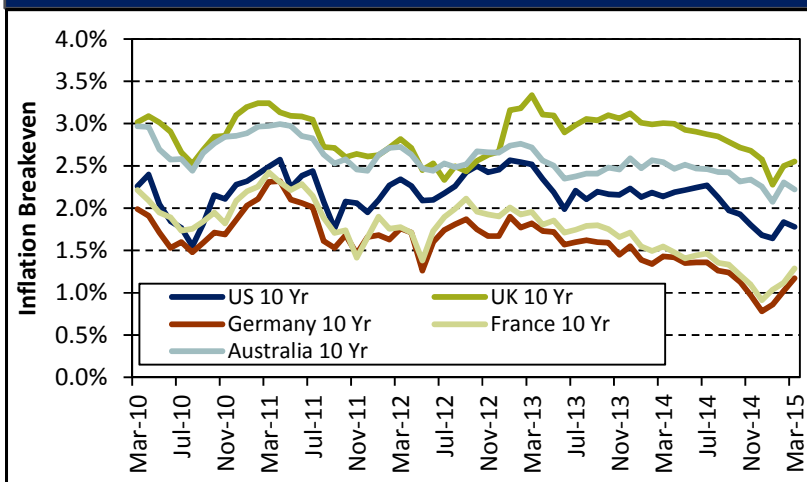
Source: Bloomberg

US inflation expectations have moved lower



Source: Bloomberg

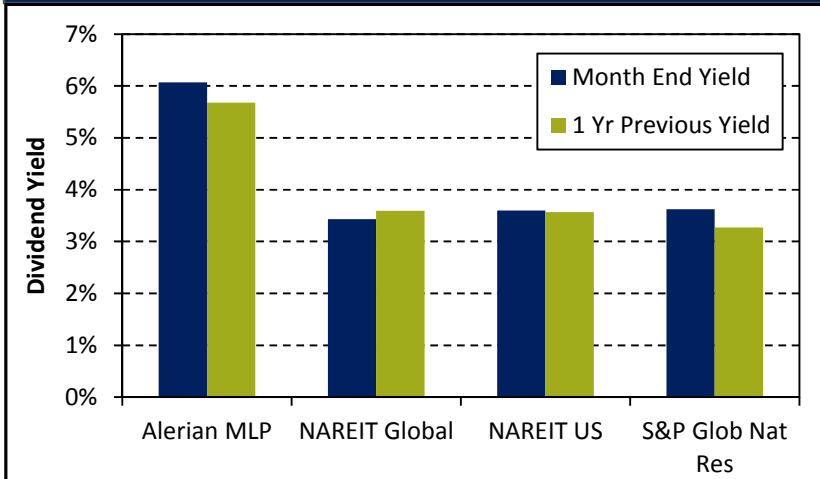
Inflation expectations remain subdued



Source: Bloomberg

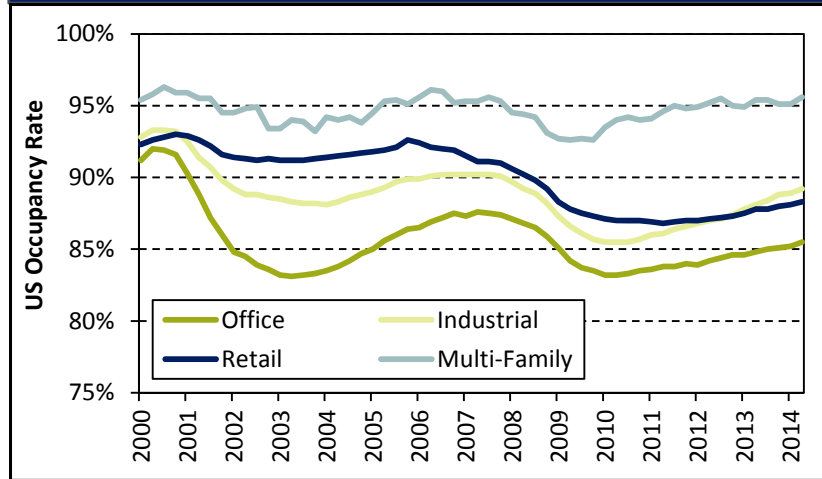
Inflation Sensitive Growth Assets

Yields at similar levels relative to last year



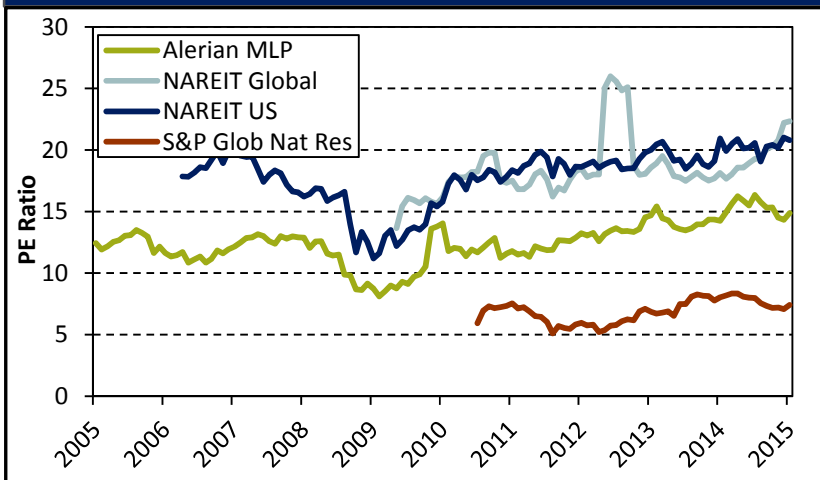
Source: Bloomberg, Alerian, Nareit, Standard and Poors

Slow recovery in occupancy rates



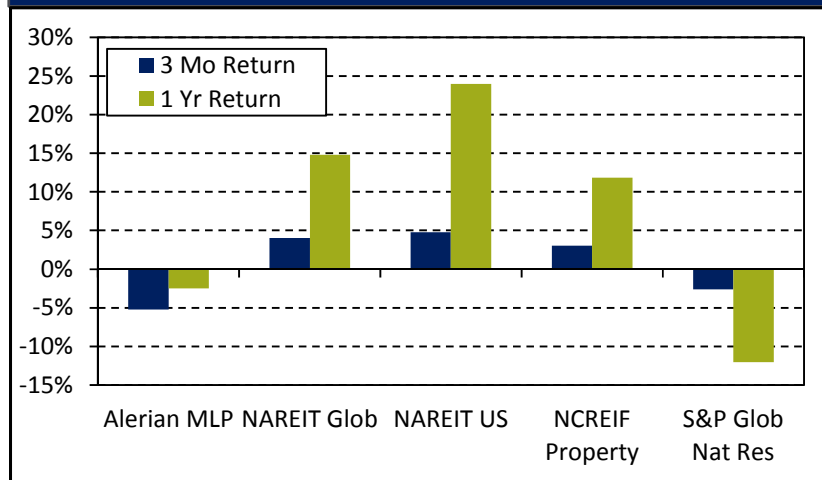
Source: Bloomberg, CB Richard Ellis

PE Ratios near or above averages



Source: Bloomberg, US Census Bureau

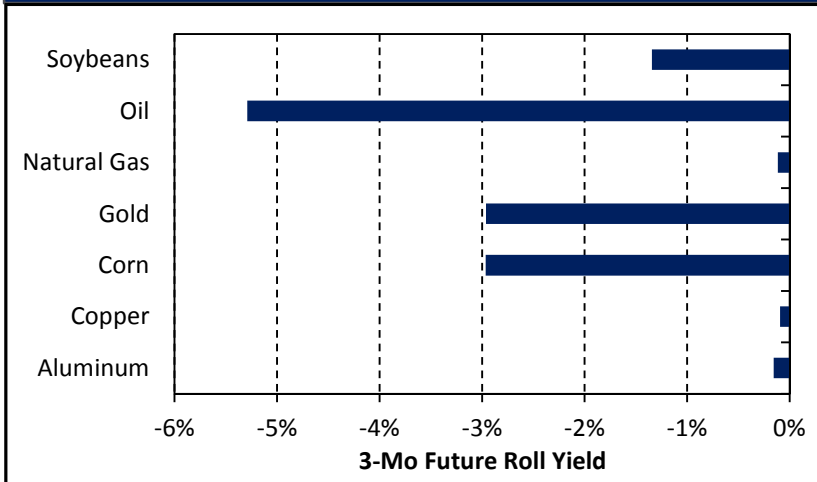
REITs have rallied globally



Source: Bloomberg, Alerian, Nareit, Standard and Poors

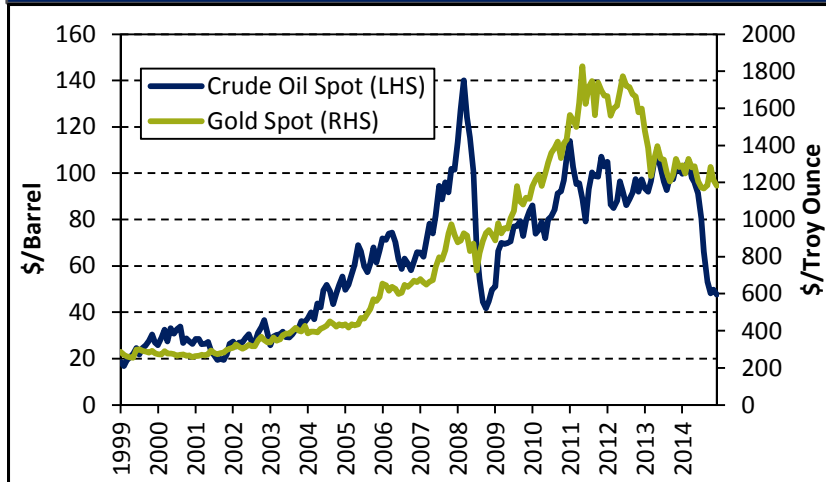
Commodities

Contango in major energy commodities



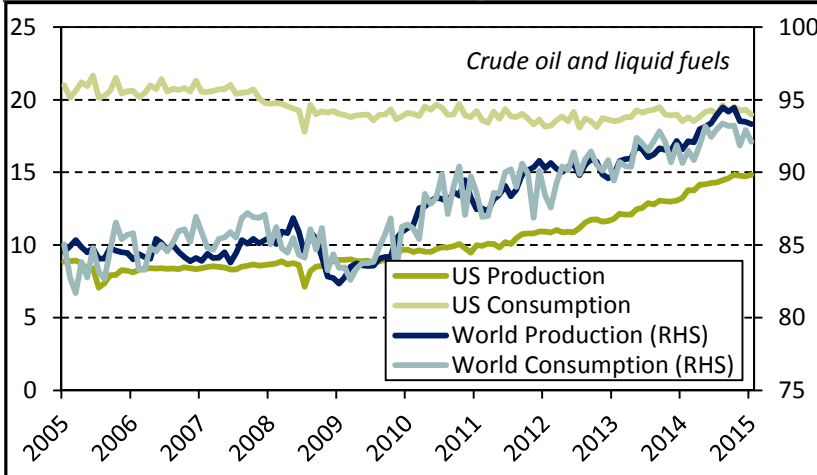
Source: Bloomberg

Precipitous fall in oil prices



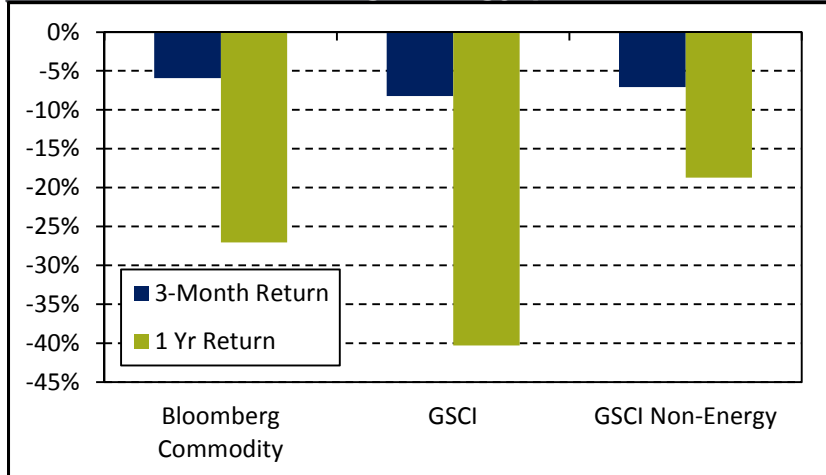
Source: Bloomberg

US fuel production closing gap with consumption



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

Commodity indices dragged lower by falling energy prices



Source: Bloomberg, Standard and Poors

Glossary of Investment Terminology

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

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

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

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

Glossary of Investment Terminology

Of Portfolios/Observations¹ – The total number of data points that make up a specified universe

Allocation Index³ - The allocation index measures the value added (or subtracted) to each portfolio by active management. It is calculated monthly: The portfolio asset allocation to each category from the prior month-end is multiplied by a specified market index.

Asset Allocation Effect² - Measures an investment manager's ability to effectively allocate their portfolio's assets to various sectors. The allocation effect determines whether the overweighting or underweighting of sectors relative to a benchmark contributes positively or negatively to the overall portfolio return. Positive allocation occurs when the portfolio is over weighted in a sector that outperforms the benchmark and underweighted in a sector that underperforms the benchmark. Negative allocation occurs when the portfolio is over weighted in a sector that underperforms the benchmark and under weighted in a sector that outperforms the benchmark.

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

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

Attribution³ - Attribution is an analytical technique that allows us to evaluate the performance of the portfolio relative to the benchmark. A proper attribution tells us where value was added or subtracted as a result of the manager's decisions.

Average Effective Maturity⁴ - For a single bond, it is a measure of maturity that takes into account the possibility that a bond might be called back to the issuer.

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

Batting Average¹ - A measurement representing an investment manager's ability to meet or beat an index.

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

Brinson Fachler (BF) Attribution¹ - The BF methodology is a highly accepted industry standard for calculating the allocation, selection, and interaction effects within a portfolio that collectively explains a portfolio's underlying performance. The main advantage of the BF methodology is that rather than using the overall return of the benchmark, it goes a level deeper than BHB and measures whether the benchmark sector, country, etc. outperformed/or underperformed the overall benchmark.

Brinson Hood Beebower (BHB) Attribution¹ - The BHB methodology shows that excess return must be equal to the sum of all other factors (i.e., allocation effect, selection effect, interaction effect, etc.). The advantage to using the BHB methodology is that it is a highly accepted industry standard for calculating the allocation, selection, and interaction effects within a portfolio that collectively explains a portfolio's underlying performance.

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

Correlation¹ - A range of statistical relationships between two or more random variables or observed data values. A correlation is a single number that describes the degree of relationship between variables.

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

Glossary of Investment Terminology

Coupon⁴ – The interest rate stated on a bond when it is issued. The coupon is typically paid semiannually. This is also referred to as the "coupon rate" or "coupon percent rate."

Currency Effect¹ - Is the effect that changes in currency exchange rates over time affect excess performance.

Derivative Instrument³ - A financial obligation that derives its precise value from the value of one or more other instruments (or assets) at the same point of time. For example, the relationship between the value of an S&P 500 futures contract (the derivative instrument in this case) is determined by the value of the S&P 500 Index and the value of a U.S. Treasury bill that matures at the expiration of the futures contract.

Downside Deviation¹ - Equals the standard deviation of negative return or the measure of downside risk focusing on the standard deviation of negative returns.

Formula:

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

Duration³ - Duration is a measure of interest rate risk. The greater the duration of a bond, or a portfolio of bonds, the greater its price volatility will be in response to a change in interest rates. A bond's duration is inversely related to interest rates and directly related to time to maturity.

Equity/Debt/Cash Ratio¹ – The percentage of an investment or portfolio that is in Equity, Debt, and/or Cash (i.e. A 7/89/4 ratio represents an investment that is made up of 7% Equity, 89% Debt, and 4% Cash).

Foreign Bond³ - A bond that is issued in a domestic market by a foreign entity, in the domestic market's currency. A foreign bond is most often issued by a foreign firm to raise capital in a domestic market that would be most interested in purchasing the firm's debt. For foreign firms doing a large amount of business in the domestic market, issuing foreign bonds is a common practice.

Hard Hurdle⁵ – is a hurdle rate that once beaten allows a fund manager to charge a performance fee on only the funds above the specified hurdle rate.

High-Water Mark⁴ - The highest peak in value that an investment fund/account has reached. This term is often used in the context of fund manager compensation, which is performance based. Some performance-based fees only get paid when fund performance exceeds the high-water mark. The high-water mark ensures that the manager does not get paid large sums for poor performance.

Hurdle Rate⁴ - The minimum rate of return on an investment required, in order for a manager to collect incentive fees from the investor, which is usually tied to a benchmark.

Interaction Effects² - The interaction effect measures the combined impact of an investment manager's selection and allocation decisions within a sector. For example, if an investment manager had superior selection and over weighted that particular sector, the interaction effect is positive. If an investment manager had superior selection, but underweighted that sector, the interaction effect is negative. In this case, the investment manager did not take advantage of the superior selection by allocating more assets to that sector. Since many investment managers consider the interaction effect to be part of the selection or the allocation, it is often combined with the either effect.

Median³ - The value (rate of return, market sensitivity, etc.) that exceeds one-half of the values in the population and that is exceeded by one-half of the values. The median has a percentile rank of 50.

Modified Duration³ - The percentage change in the price of a fixed income security that results from a change in yield.

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

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

Net Investment Change¹ – Is the change in an investment after accounting for all Net Cash Flows.

Performance Fee⁴ - A payment made to a fund manager for generating positive returns. The performance fee is generally calculated as a percentage of investment profits, often both realized and unrealized.

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

Glossary of Investment Terminology

Policy Index³ - A custom benchmark designed to indicate the returns that a passive investor would earn by consistently following the asset allocation targets set forth in this investment policy statement.

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

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

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

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

Selection (or Manager) Effect² - Measures the investment manager's ability to select securities within a given sector relative to a benchmark. The over or underperformance of the portfolio is weighted by the benchmark weight, therefore, selection is not affected by the manager's allocation to the sector. The weight of the sector in the portfolio determines the size of the effect—the larger the sector, the larger the effect is, positive or negative.

Soft Hurdle rate⁵ – is a hurdle rate that once beaten allows a fund manager to charge a performance fee based on the entire annualized return.

Tiered Fee¹ – A fee structure that is paid to fund managers based on the size of the investment (i.e. 1.00% fee on the first \$10M invested, 0.90% on the next \$10M, and 0.80% on the remaining balance).

Total Effects² - The active management (total) effect is the sum of the selection, allocation, and interaction effects. It is also the difference between the total portfolio return and the total benchmark return. You can use the active management effect to determine the amount the investment manager has added to a portfolio's return.

Total Return¹ - The actual rate of return of an investment over a specified time period. Total return includes interest, capital gains, dividends, and distributions realized over a defined time period.

Universe³ - The list of all assets eligible for inclusion in a portfolio.

Upside Deviation¹ – Standard Deviation of Positive Returns

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

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

Yield to Maturity³ -The discount rate that equates the present value of cash flows, both principal and interest, to market price.

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

Glossary of Investment Terminology—Risk Statistics

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Data Source: InvestorForce

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