VPIC - Municipal Employees
Investment Summary
Quarter Ending December 31, 2012

Vermont Municipal Employees

Total Fund Performance Summary

	Market Value	3 Mo	Rank	YTD	Rank	Fiscal YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank
Vermont Municipal Employees	$441,820,624	--	--	--	--	--	--	--	--	--	--	--	--

3 Years Ending December 31, 2012

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Municipal Composite	10.00%	5	8.74%	48	1.13	15	1.69	16
Policy Index	7.61%	74	8.57%	45	0.88	65	1.38	56

5 Years Ending December 31, 2012

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Municipal Composite	3.82%	35	13.45%	80	0.26	51	0.30	58
Policy Index	3.04%	69	11.51%	47	0.23	58	0.29	60

Actual vs Target Allocation (%)
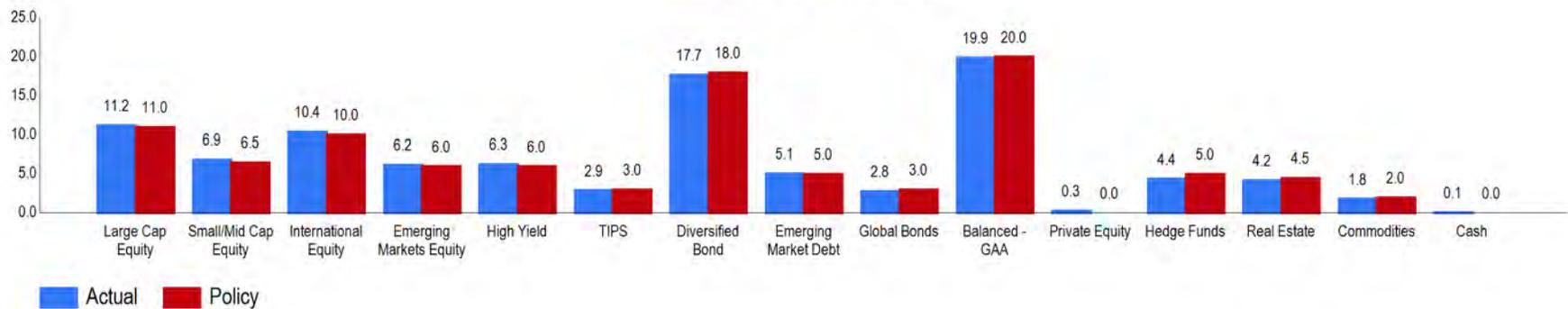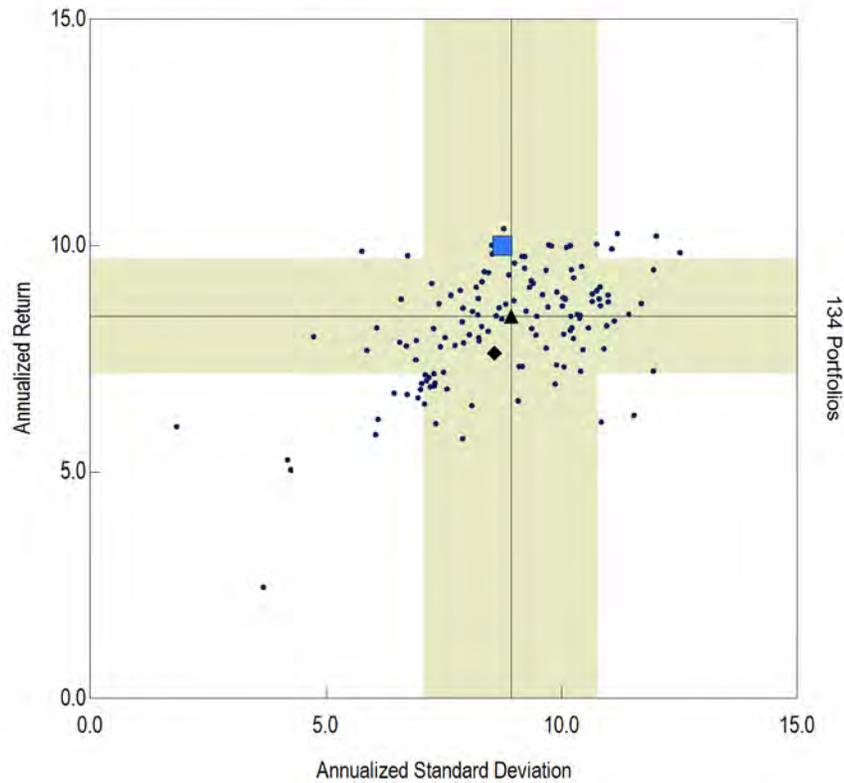
	Large Cap Equity	Small/Mid Cap Equity	International Equity	Emerging Markets Equity	High Yield	TIPS	Diversified Bond	Emerging Market Debt	Global Bonds	Balanced - GAA	Private Equity	Hedge Funds	Real Estate	Commodities	Cash
Actual	11.2	6.9	10.4	6.2	6.3	2.9	17.7	5.1	2.8	19.9	0.3	4.4	4.2	1.8	0.1
Policy	11.0	6.5	10.0	6.0	6.0	3.0	18.0	5.0	3.0	20.0	0.0	5.0	4.5	2.0	0.0

Total Fund Risk/Return

3 Years Ending December 31, 2012

134 Portfolios
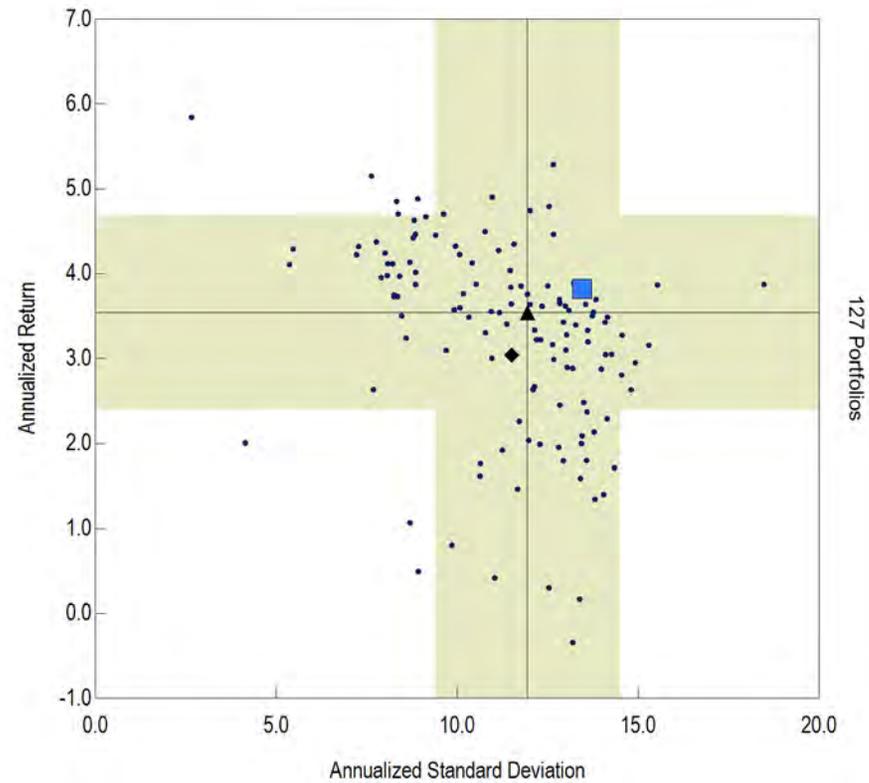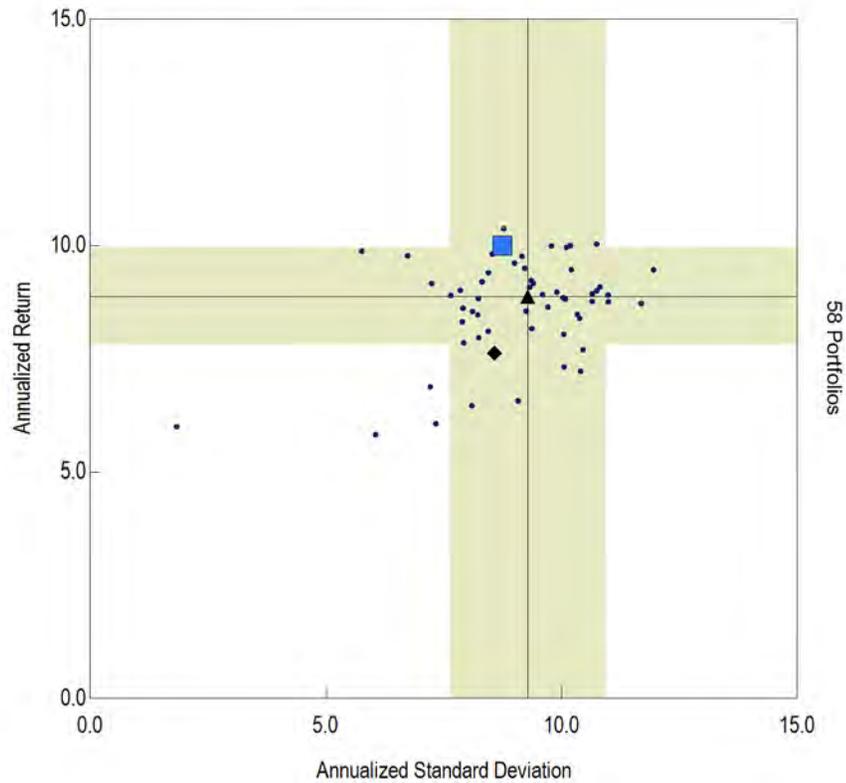
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- ♦ Policy Index
- ▲ Universe Median
- ▢ 68% Confidence Interval
- ● IF Public DB Gross

5 Years Ending December 31, 2012
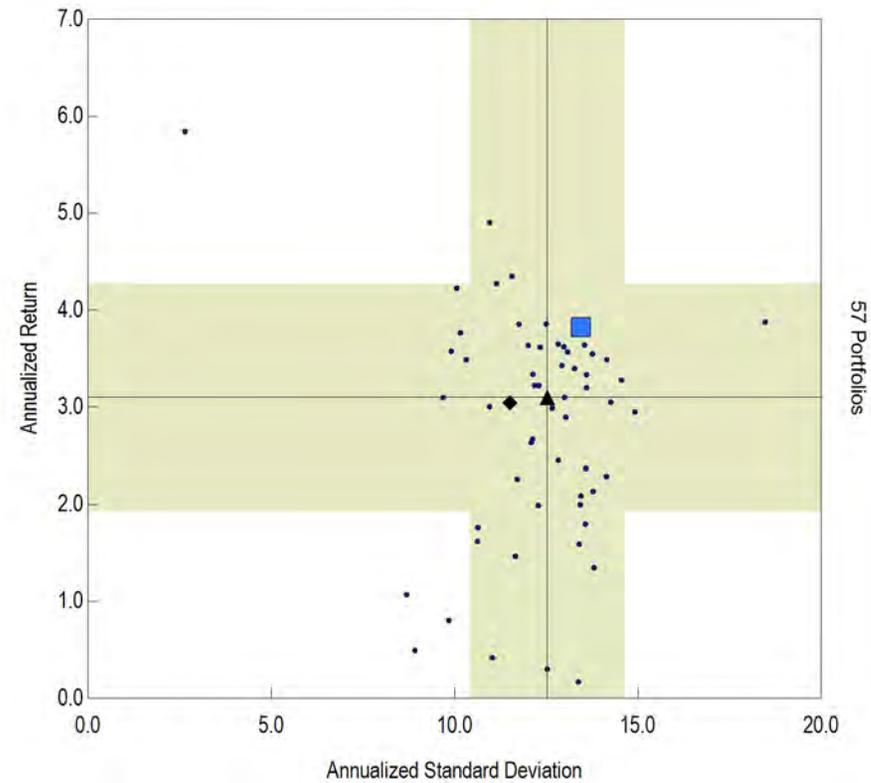
127 Portfolios

- ■ Municipal Composite
- ♦ Policy Index
- ▲ Universe Median
- ▢ 68% Confidence Interval
- ● IF Public DB Gross

Vermont Municipal Employees

Total Fund Risk/Return

3 Years Ending December 31, 2012

5 Years Ending December 31, 2012

- Municipal Composite
- Policy Index
- Universe Median
- 68% Confidence Interval
- IF Public DB > $250mm Gross

Total Fund Risk/Return

7 Years Ending December 31, 2012
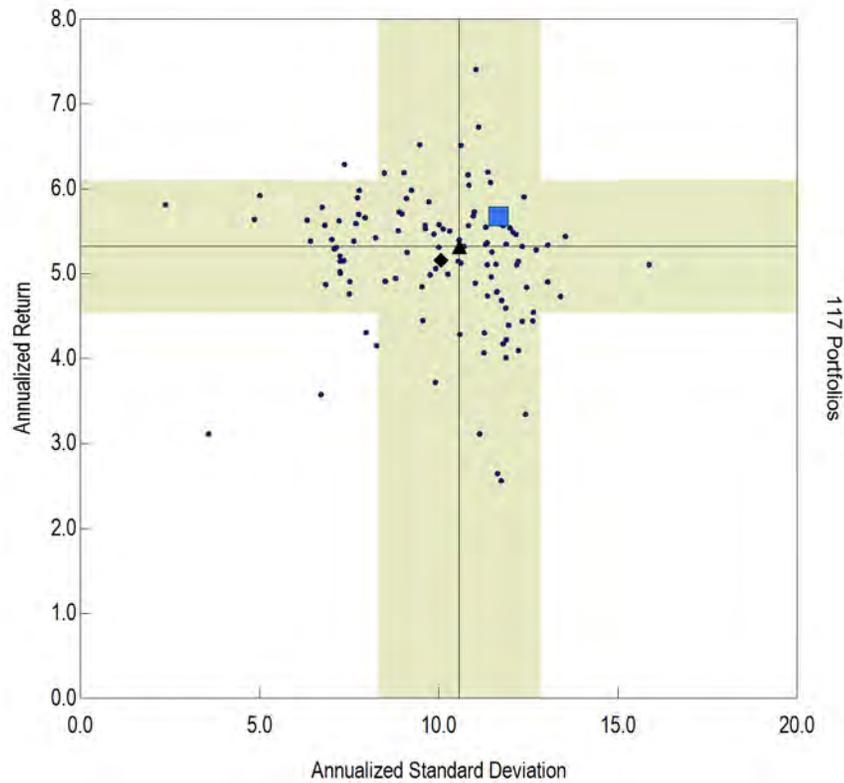
10 Years Ending December 31, 2012
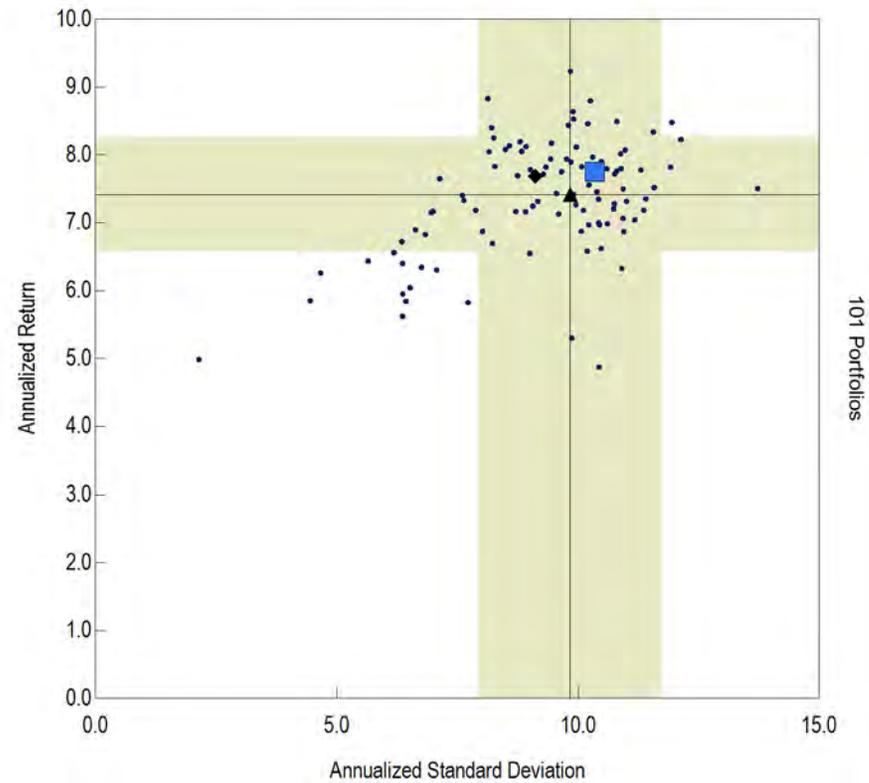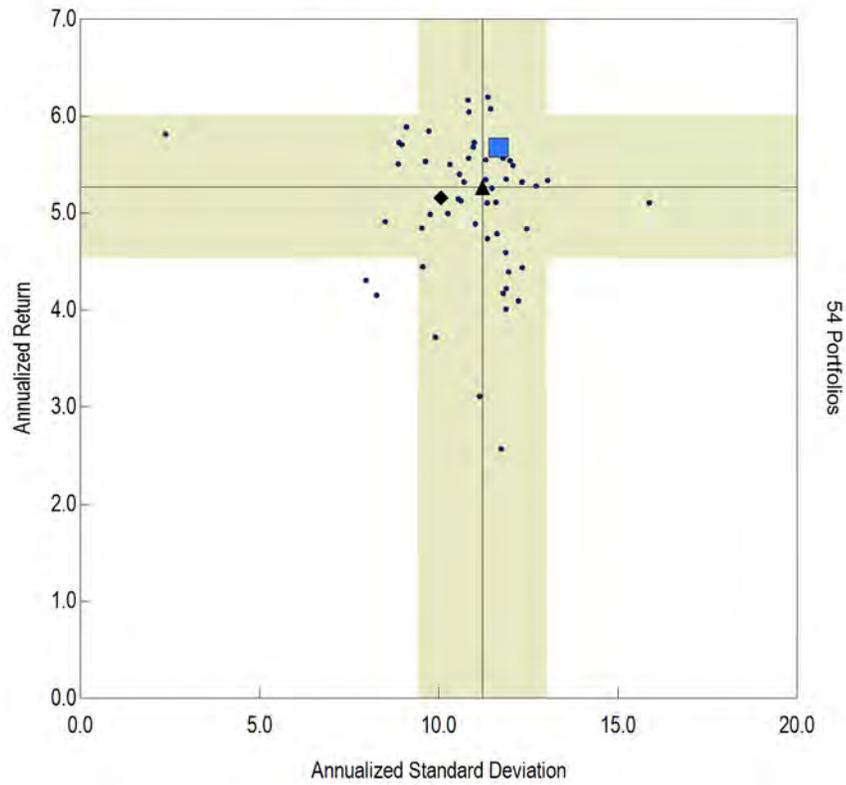
- ■ Municipal Composite
- ◆ Policy Index
- ▲ Universe Median
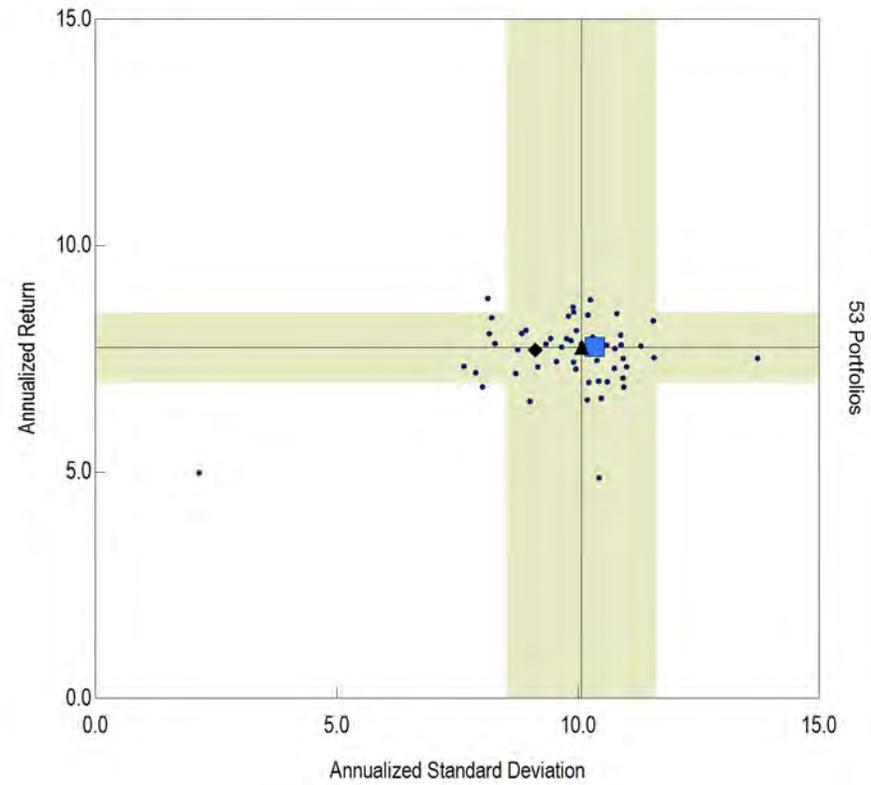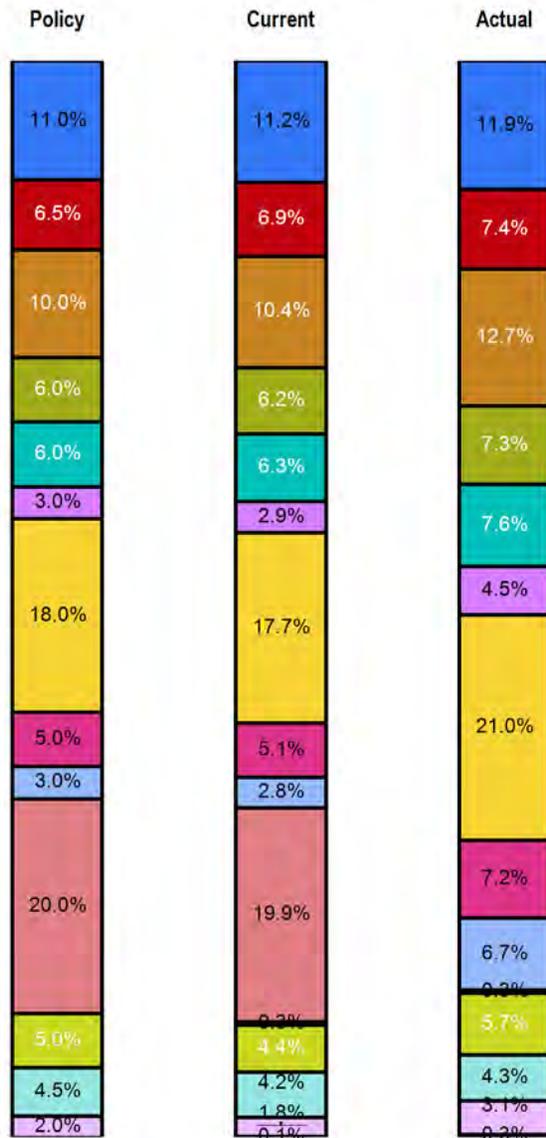- ☐ 68% Confidence Interval
- ● IF Public DB Gross

Total Fund Risk/Return

Vermont Municipal Employees

Total Fund Asset Allocation vs. Policy Targets

Policy	Current	Actual
11.0%	11.2%	11.9%
6.5%	6.9%	7.4%
10.0%	10.4%	12.7%
6.0%	6.2%	7.3%
6.0%	6.3%	7.6%
3.0%	2.9%	4.5%
18.0%	17.7%	21.0%
5.0%	5.1%	7.2%
3.0%	2.8%	6.7%
20.0%	19.9%	5.7%
5.0%	4.4%	4.3%
4.5%	4.2%	3.1%
2.0%	1.8%	0.3%
	0.1%	

Asset Allocation vs. Target

	Current	Policy	Current	Difference*
Large Cap Equity	$49,540,729	11.0%	11.2%	0.2%
Small/Mid Cap Equity	$30,266,000	6.5%	6.9%	0.4%
International Equity	$45,872,996	10.0%	10.4%	0.4%
Emerging Markets Equity	$27,266,208	6.0%	6.2%	0.2%
High Yield	$27,700,686	6.0%	6.3%	0.3%
TIPS	$12,831,834	3.0%	2.9%	-0.1%
Diversified Bond	$78,100,906	18.0%	17.7%	-0.3%
Emerging Market Debt	$22,358,902	5.0%	5.1%	0.1%
Global Bonds	$12,435,078	3.0%	2.8%	-0.2%
Balanced - GAA	$88,008,604	20.0%	19.9%	-0.1%
Private Equity	$1,235,619	--	0.3%	0.3%
Hedge Funds	$19,344,398	5.0%	4.4%	-0.6%
Real Estate	$18,578,479	4.5%	4.2%	-0.3%
Commodities	$7,953,759	2.0%	1.8%	-0.2%
Cash	$326,678	--	0.1%	0.1%
Total	**$441,820,876**	**100.0%**	**100.0%**	

*Difference between Policy and Current Allocation

`Actual' allocation graph represents look through to the GAA managers.
New Policy has been approved to include 3% Private Equity targets and will be reflected beginning January 1, 2013.
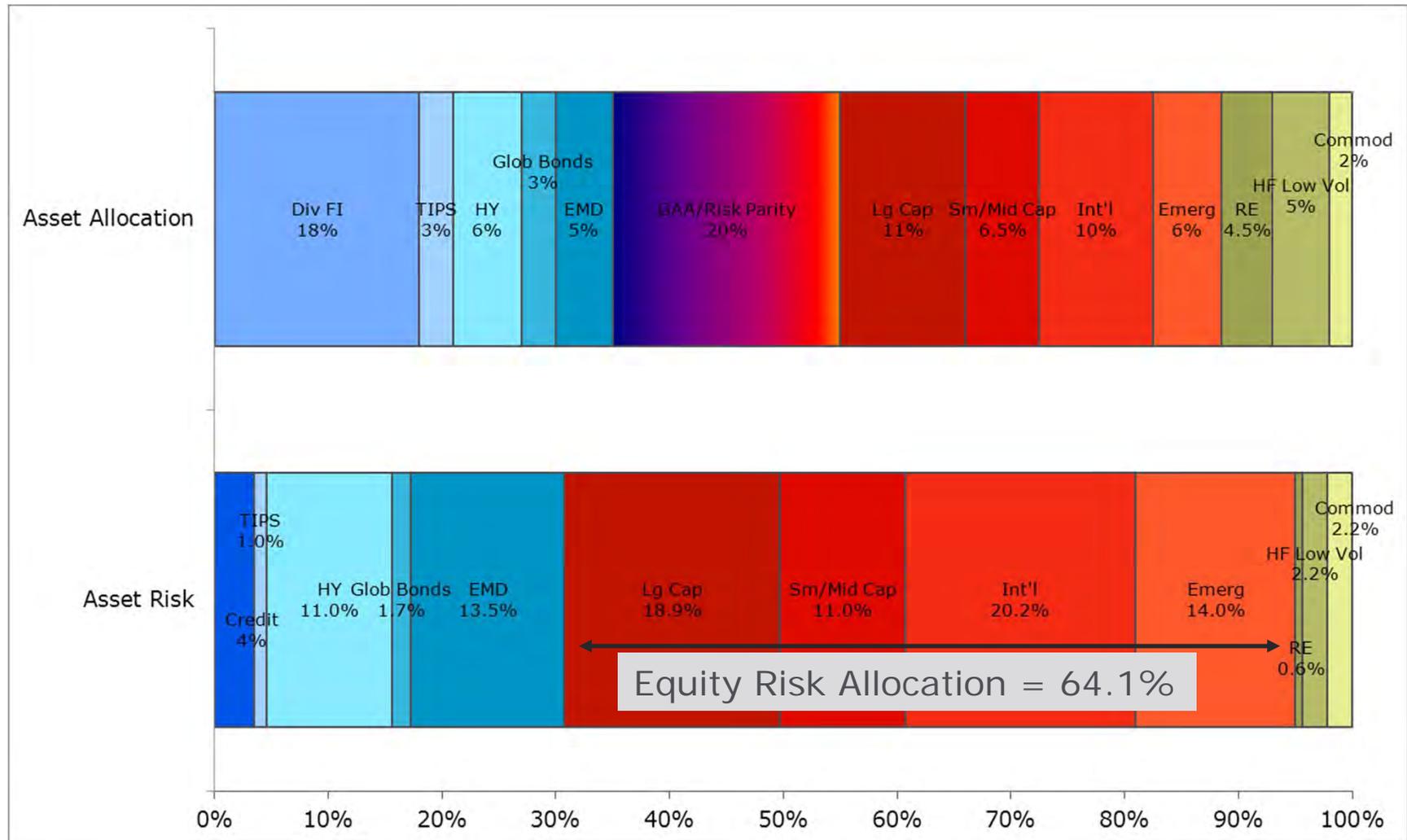
Total Fund Asset Allocation History

Asset Allocation History

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

Total Fund Asset Growth Summary

3 Years Ending December 31, 2012

Market Value ▮   Net Cash Flow ▮
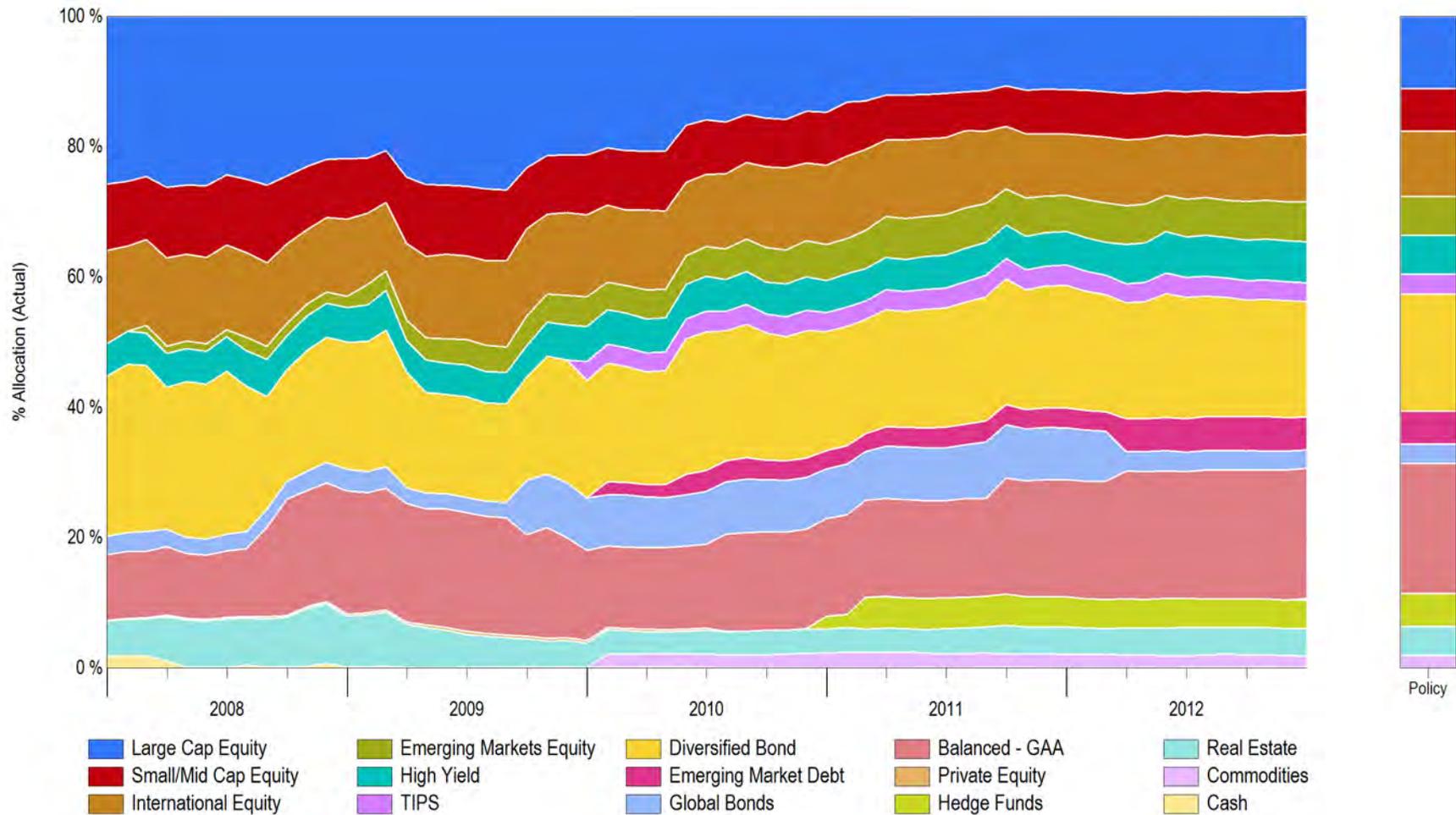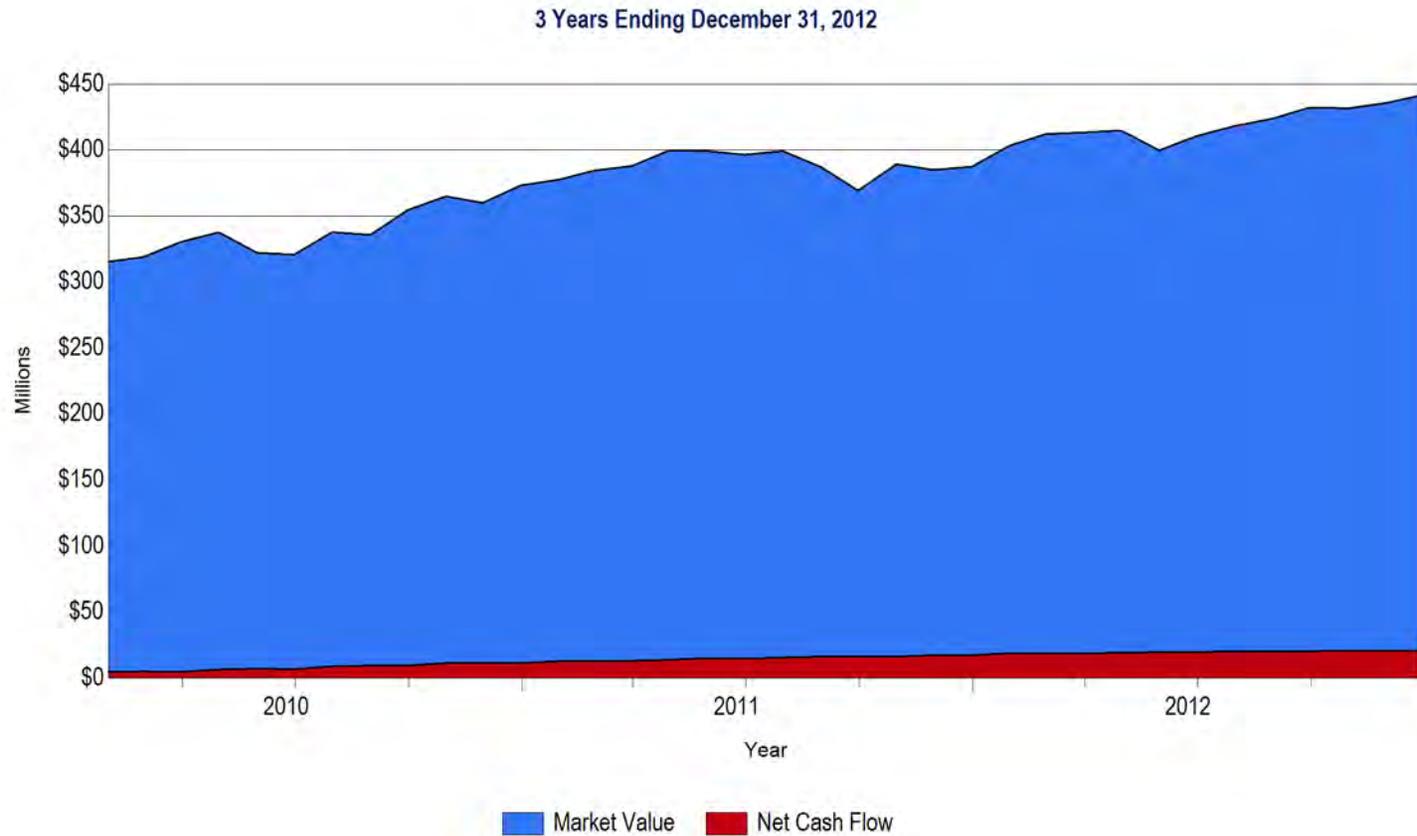
	Last Three Months	Year-To-Date	Fiscal Year-To-Date	One Year	Three Years
Beginning Market Value	$432,317,176	$387,418,022	$410,567,350	$387,418,022	$314,470,498
- Withdrawals	-$5,825,354	-$46,430,207	-$5,909,930	-$46,430,207	-$292,888,307
+ Contributions	$6,226,575	$49,895,708	$7,026,653	$49,895,708	$313,582,002
= Net Cash Flow	$401,221	$3,465,501	$1,116,723	$3,465,501	$20,693,695
+ Net Investment Change	$9,102,480	$50,937,353	$30,136,803	$50,937,353	$106,656,683
= Ending Market Value	$441,820,876	$441,820,876	$441,820,876	$441,820,876	$441,820,876

Vermont Municipal Employees

Municipal Composite

Cash Flows
3 Months Ending December 31, 2012

Month Ending	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value
Oct-12	$432,317,175.51	-$18,198.13	$500,000.00	$481,801.87	-$1,148,078.42	$431,650,898.96
Nov-12	$431,650,898.96	-$4,519,477.23	$4,500,000.00	-$19,477.23	$3,949,852.80	$435,581,274.53
Dec-12	$435,581,274.53	-$1,287,678.76	$1,226,574.70	-$61,104.06	$6,300,705.38	$441,820,875.85

Vermont Municipal Employees

Total Fund Asset Growth Summary by Manager

Quarter Ending December 31, 2012

	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value
Aberdeen	$25,574,601	$0	$0	$0	$1,691,607	$27,266,208
Acadian	$17,433,838	$0	$0	$0	$910,971	$18,344,809
Allianz Structured Alpha	$11,300,668	-$500,000	$0	-$500,000	$34,493	$10,835,161
AQR Global Risk Premium	$35,871,277	-$1,000,000	$0	-$1,000,000	$615,882	$35,487,160
BlackRock TIPS	$12,744,494	$0	$0	$0	$87,340	$12,831,834
Champlain	$8,896,998	$0	$0	$0	$110,613	$9,007,611
GAM	$3,781,209	$0	$0	$0	$86,401	$3,867,610
Grosvenor	$7,455,403	$0	$0	$0	$187,474	$7,642,878
Harbourvest Dover VIII Fund	--	$0	$256,643	$256,643	$215,115	$471,758
Harbourvest Partners IX Buyout Fund	--	$0	$433,236	$433,236	-$720	$432,516
Harbourvest Partners IX Credit Opportunities	--	$0	$68,873	$68,873	$6,853	$75,726
Harbourvest Partners IX Venture Fund	--	$0	$250,927	$250,927	$4,693	$255,620
KDP	$4,284,564	$0	$0	$0	$111,449	$4,396,013
Mellon Global Expanded Alpha	$8,485,197	$0	$0	$0	$50,629	$8,535,825
Mondrian	$17,446,701	$0	$0	$0	$614,397	$18,061,098
Mondrian GFI	$12,806,984	$0	$0	$0	-$371,906	$12,435,078
Morgan Stanley Prime Property	$7,701,081	$0	$0	$0	$205,918	$7,907,000
Permal	$7,613,209	$0	$0	$0	$220,702	$7,833,910
PIMCO All Asset	$24,498,130	$0	$1,500,000	$1,500,000	$729,097	$26,727,227
PIMCO Core Plus	$27,498,507	$0	$500,000	$500,000	$140,204	$28,138,711
PIMCO Unconstrained	$26,620,104	-$181,159	$1,700,000	$1,518,841	$163,254	$28,302,199
Post Advisory	$22,581,884	$0	$0	$0	$722,789	$23,304,673
RREEF America REIT III	$3,263,768	$0	$0	$0	$59,636	$3,323,403
Schroder	$8,447,244	$0	$0	$0	-$493,485	$7,953,759
SSgA ACWI Ex US	$7,938,597	$0	$1,000,000	$1,000,000	$528,492	$9,467,089

Vermont Municipal Employees

Total Fund Asset Growth Summary by Manager

Quarter Ending December 31, 2012

	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value
SSgA Russell 2000 Growth	$9,033,140	$0	$0	$0	$14,303	$9,047,443
SSgA S&P 400	$2,551,504	$0	$0	$0	$92,171	$2,643,675
SSgA S&P 500 Cap-Wgt	$22,492,617	-$1,045,412	$0	-$1,045,412	-$82,997	$21,364,208
SSgA S&P 500 Equal-Wgt	$13,607,027	$0	$0	$0	$408,253	$14,015,281
T. Rowe	$14,191,846	$0	$0	$0	-$30,606	$14,161,240
Transwestern / Aslan III	$81,916	$0	$0	$0	$0	$81,916
UBS Trumbull	$7,146,316	$0	$0	$0	$119,844	$7,266,160
Vermont Cash	$309,776	-$500,000	$516,897	$16,897	$5	$326,678
Wellington	$9,199,421	$0	$0	$0	$367,850	$9,567,271
Wellington DAS	$12,099,870	-$1,500,000	$0	-$1,500,000	$224,965	$10,824,834
Wellington OIF	$16,793,520	$0	$0	$0	$464,873	$17,258,393
Wellington Opportunistic EMD	$22,565,763	-$1,000,000	$0	-$1,000,000	$793,139	$22,358,902
Total	**$432,317,176**	**-$5,726,571**	**$6,226,575**	**$500,004**	**$9,003,697**	**$441,820,876**

Total Fund Performance Detail

	Market Value ($)	% of Portfolio	Policy %	2012 Q4 (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Municipal Composite	441,820,876	100.0	100.0	2.1	20	13.1	23	10.0	5	3.8	35
Policy Index				*1.7*	*51*	*10.9*	*67*	*7.6*	*74*	*3.0*	*69*
Allocation Index				*1.8*	*43*	*10.7*	*70*	*7.6*	*75*	*3.2*	*64*
IF Public DB Gross Median				*1.7*		*11.9*		*8.4*		*3.5*	
Large Cap Comp	49,540,729	11.2	11.0	0.6	40	16.6	38	11.6	27	3.1	32
S&P 500				*-0.4*	*62*	*16.0*	*45*	*10.9*	*42*	*1.7*	*61*
eA US Large Cap Equity Gross Median				*0.1*		*15.6*		*10.4*		*2.2*	
T. Rowe	14,161,240	3.2	3.0	-0.2	58	16.8	35	10.6	45	2.5	44
SSgA S&P 500 Cap-Wgt	21,364,208	4.8	5.0	-0.4	62	16.1	44	--	--	--	--
S&P 500				*-0.4*	*62*	*16.0*	*45*	*10.9*	*42*	*1.7*	*61*
SSgA S&P 500 Equal-Wgt	14,015,281	3.2	3.0	3.0	8	17.5	29	12.7	13	4.5	13
S&P 500 Equal Weighted				*2.8*	*9*	*17.7*	*27*	*12.7*	*13*	*4.8*	*11*
Small/Mid Cap Comp	30,266,000	6.9	6.5	2.0	67	15.0	60	13.8	43	5.4	42
Russell 2000				*1.9*	*69*	*16.3*	*49*	*12.2*	*69*	*3.6*	*70*
eA US Small-Mid Cap Equity Gross Median				*3.0*		*16.0*		*13.2*		*4.9*	
SSgA S&P 400	2,643,675	0.6	0.5	3.6	28	18.0	30	--	--	--	--
S&P 400 MidCap				*3.6*	*28*	*17.9*	*31*	*13.6*	*33*	*5.1*	*29*
eA US Mid Cap Equity Gross Median				*2.4*		*16.1*		*12.8*		*4.0*	
Champlain	9,007,611	2.0	2.0	1.2	73	12.9	78	12.9	48	--	--
Russell 2500				*3.1*	*37*	*17.9*	*31*	*13.3*	*39*	*4.3*	*43*
eA US Mid Cap Equity Gross Median				*2.4*		*16.1*		*12.8*		*4.0*	
Wellington	9,567,271	2.2	2.0	4.0	48	16.9	51	15.1	20	8.3	14
Russell 2000 Value				*3.2*	*67*	*18.0*	*43*	*11.6*	*72*	*3.5*	*86*
eA US Small Cap Value Equity Gross Median				*4.0*		*16.9*		*13.1*		*5.6*	
SSgA Russell 2000 Growth	9,047,443	2.0	2.0	0.2	51	14.4	50	12.8	66	3.5	54
Russell 2000 Growth				*0.4*	*45*	*14.6*	*48*	*12.8*	*66*	*3.5*	*54*
eA US Small Cap Growth Equity Gross Median				*0.2*		*14.3*		*14.2*		*3.8*	

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

NEPC, LLC

December 31, 2012

Vermont Municipal Employees

Total Fund Performance Detail

	Market Value ($)	% of Portfolio	Policy %	2012 Q4 (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Int'l Equity Comp	**45,872,996**	**10.4**	**10.0**	**4.7**	**88**	**14.1**	**92**	**4.3**	**79**	**-4.1**	**88**
MSCI EAFE				*6.6*	*45*	*17.3*	*77*	*3.6*	*87*	*-3.7*	*86*
eA All EAFE Equity Gross Median				*6.4*		*20.4*		*6.1*		*-1.8*	
Acadian	18,344,809	4.2	4.0	5.2	78	17.0	83	5.2	66	-5.4	94
Mondrian	18,061,098	4.1	4.0	3.5	95	9.8	99	3.1	92	-3.0	74
MSCI EAFE				*6.6*	*45*	*17.3*	*77*	*3.6*	*87*	*-3.7*	*86*
SSgA ACWI Ex US	9,467,089	2.1	2.0	6.0	58	17.2	75	--	--	--	--
MSCI ACWI ex USA				*5.8*	*59*	*16.8*	*77*	*3.9*	*86*	*-2.9*	*80*
eA ACWI ex-US All Cap Equity Gross Median				*6.1*		*19.6*		*7.1*		*-1.0*	
Emerging Market Comp	**27,266,208**	**6.2**	**6.0**	**6.6**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Aberdeen	27,266,208	6.2	6.0	6.6	48	26.4	11	13.5	4	--	--
MSCI Emerging Markets				*5.6*	*70*	*18.2*	*68*	*4.7*	*62*	*-0.9*	*64*
eA Emg Mkts Equity Gross Median				*6.5*		*20.9*		*6.3*		*-0.1*	
Diversified Fixed	**78,100,906**	**17.7**	**18.0**	**0.7**	**23**	**7.0**	**27**	**8.4**	**11**	**5.7**	**90**
Barclays Aggregate				*0.2*	*82*	*4.2*	*90*	*6.2*	*84*	*5.9*	*85*
eA US Core Fixed Inc Gross Median				*0.5*		*5.9*		*7.1*		*6.8*	
Allianz Structured Alpha	10,835,161	2.5	2.0	0.4	65	10.7	2	10.2	2	--	--
Citigroup 10 Year Treasury				*-0.2*	*99*	*4.2*	*89*	*9.6*	*4*	*7.4*	*21*
PIMCO Core Plus	28,138,711	6.4	6.5	0.5	47	7.4	20	8.1	15	--	--
Barclays Aggregate				*0.2*	*82*	*4.2*	*90*	*6.2*	*84*	*5.9*	*85*
PIMCO Unconstrained	28,302,199	6.4	6.5	0.6	36	4.6	82	--	--	--	--
25% HY, 25% EMD, 50% BC Agg				*1.8*	*1*	*10.6*	*2*	*9.3*	*4*	*8.4*	*4*
3-Month Libor Total Return USD				*0.1*	*91*	*0.4*	*99*	*0.4*	*99*	*1.0*	*99*
Wellington DAS	10,824,834	2.5	3.0	2.1	1	8.5	8	11.6	2	--	--
Wellington Custom Benchmark				*-0.6*	*99*	*3.5*	*96*	*11.5*	*2*	*9.1*	*2*
High Yield Comp	**27,700,686**	**6.3**	**6.0**	**3.1**	**49**	**14.9**	**62**	**11.4**	**64**	**9.6**	**52**
Barclays High Yield				*3.3*	*41*	*15.8*	*43*	*11.9*	*46*	*10.3*	*28*
eA US High Yield Fixed Inc Gross Median				*3.1*		*15.5*		*11.7*		*9.7*	
Post Advisory	23,304,673	5.3	5.0	3.2	46	15.3	53	11.6	57	9.8	46
KDP	4,396,013	1.0	1.0	2.6	80	12.8	83	10.2	87	--	--
Barclays High Yield				*3.3*	*41*	*15.8*	*43*	*11.9*	*46*	*10.3*	*28*
BofA Merrill Lynch US High Yield BB-B Rated				*3.1*	*50*	*14.7*	*65*	*11.4*	*64*	*9.1*	*63*

Wellington DAS Custom Benchmark tracked the BC Agg from 5/2002 through 2/2011, and the CG US Treasury STRIPS from 7/11 through present. The benchmark change coincided with the switch in collateral position.

NEPC, LLC

December 31, 2012

Total Fund Performance Detail

	Market Value ($)	% of Portfolio	Policy %	2012 Q4 (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Global Fixed Income Comp	12,435,078	2.8	3.0	-2.9	99	3.6	90	7.2	47	7.4	33
Citigroup WGBI				-1.7	98	1.6	98	4.4	92	5.3	79
eA All Global Fixed Inc Gross Median				1.9		9.5		6.9		6.6	
Mondrian GFI	12,435,078	2.8	3.0	-2.9	99	2.1	97	5.5	81	7.0	42
Citigroup WGBI				-1.7	98	1.6	98	4.4	92	5.3	79
Emerging Market Debt	22,358,902	5.1	5.0								
Wellington Opportunistic EMD	22,358,902	5.1	5.0	3.6	63	19.9	35	13.6	24	--	--
JP Morgan EMBI Global TR				3.3	73	18.5	59	12.9	41	10.5	50
eA All Emg Mkts Fixed Inc Gross Median				3.9		19.1		12.3		10.4	
TIPS	12,831,834	2.9	3.0								
BlackRock TIPS	12,831,834	2.9	3.0	0.7	--	7.0	--	8.9	--	--	--
Barclays US TIPS				0.7	--	7.0	--	8.9	--	7.0	--
Total Real Estate	18,578,479	4.2	4.5								
Morgan Stanley Prime Property	7,907,000	1.8	2.0	2.9	--	12.5	--	15.0	--	-0.8	--
UBS Trumbull	7,266,160	1.6	2.0	2.0	--	10.2	--	13.4	--	1.0	--
RREEF America REIT III	3,323,403	0.8	0.5	2.0	--	23.7	--	28.0	--	-15.2	--
Transwestern / Aslan III	81,916	0.0	0.0	0.0	--	1.3	--	-19.5	--	-45.7	--
NCREIF Property Index				2.5	--	10.5	--	12.6	--	2.1	--
NCREIF ODCE				2.4	--	10.9	--	14.4	--	-1.1	--
Hedge Fund Comp	19,344,398	4.4	5.0	2.6	23	9.3	24	--	--	--	--
eA|HFN FOF - Multi-Strategy Net Median				1.8		6.5		2.7		0.9	
Grosvenor	7,642,878	1.7	2.0	2.5	25	8.5	29	--	--	--	--
GAM	3,867,610	0.9	1.0	2.3	31	8.3	31	--	--	--	--
Permal	7,833,910	1.8	2.0	2.9	19	10.5	14	--	--	--	--
HFRI Fund of Funds Composite Index				1.2	65	4.7	75	1.4	76	-1.8	80

Wellington Opportunistic EMD was transitioned from Wellington EMD on October 3, 2011. Past performance has been linked to the current account.

Vermont Municipal Employees

Total Fund Performance Detail

	Market Value ($)	% of Portfolio	Policy %	2012 Q4 (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
GAA Comp	**88,008,604**	**19.9**	**20.0**	**2.2**	**22**	**15.2**	**5**	**11.0**	**9**	**5.8**	**19**
eA Global TAA Gross Median				*1.1*		*10.6*		*7.0*		*3.2*	
Mellon Global Expanded Alpha	8,535,825	1.9	2.5	0.6	62	11.3	40	9.2	17	1.9	74
Mellon CF GEA Index				*2.6*	*12*	*11.0*	*46*	*5.1*	*77*	*1.2*	*77*
AQR Global Risk Premium	35,487,160	8.0	8.0	1.8	27	15.8	1	15.4	2	--	--
60% MSCI World / 40% CITI WGBI				*0.9*	*56*	*10.6*	*51*	*6.6*	*59*	*2.2*	*72*
PIMCO All Asset	26,727,227	6.0	5.0	3.0	6	16.5	1	11.3	8	7.9	2
PIMCO All Asset Index				*0.8*	*57*	*8.1*	*62*	*8.1*	*29*	*6.5*	*14*
CPI + 5%				*1.0*	*53*	*6.8*	*69*	*7.1*	*45*	*6.9*	*10*
Wellington OIF	17,258,393	3.9	4.5	2.8	9	14.3	11	5.1	78	--	--
65% MSCI ACWI (Net) / 35% BC Agg				*1.9*	*26*	*12.1*	*28*	*6.9*	*53*	*1.8*	*75*
Commodities	**7,953,759**	**1.8**	**2.0**								
Schroder	7,953,759	1.8	2.0	-5.8	--	0.5	--	3.1	--	--	--
Dow Jones-UBS Commodity Index TR				*-6.3*	*--*	*-1.1*	*--*	*0.1*	*--*	*-5.2*	*--*
eA Commodities Gross Median				*--*		*--*		*--*		*--*	
Cash	**326,678**	**0.1**	**0.0**								
Vermont Cash	326,678	0.1	0.0	0.0	--	0.1	--	0.2	--	0.7	--
91 Day T-Bills				*0.0*	*--*	*0.1*	*--*	*0.1*	*--*	*0.3*	*--*
Private Equity	**1,235,619**	**0.3**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Harbourvest Partners IX Credit Opportunities	75,726	0.0		--	--	--	--	--	--	--	--
Harbourvest Partners IX Venture Fund	255,620	0.1		--	--	--	--	--	--	--	--
Harbourvest Partners IX Buyout Fund	432,516	0.1		--	--	--	--	--	--	--	--
Harbourvest Dover VIII Fund	471,758	0.1		--	--	--	--	--	--	--	--

Real Estate performance reported on a quarterly basis. NCREIF Property is available 25 days after quarter end.
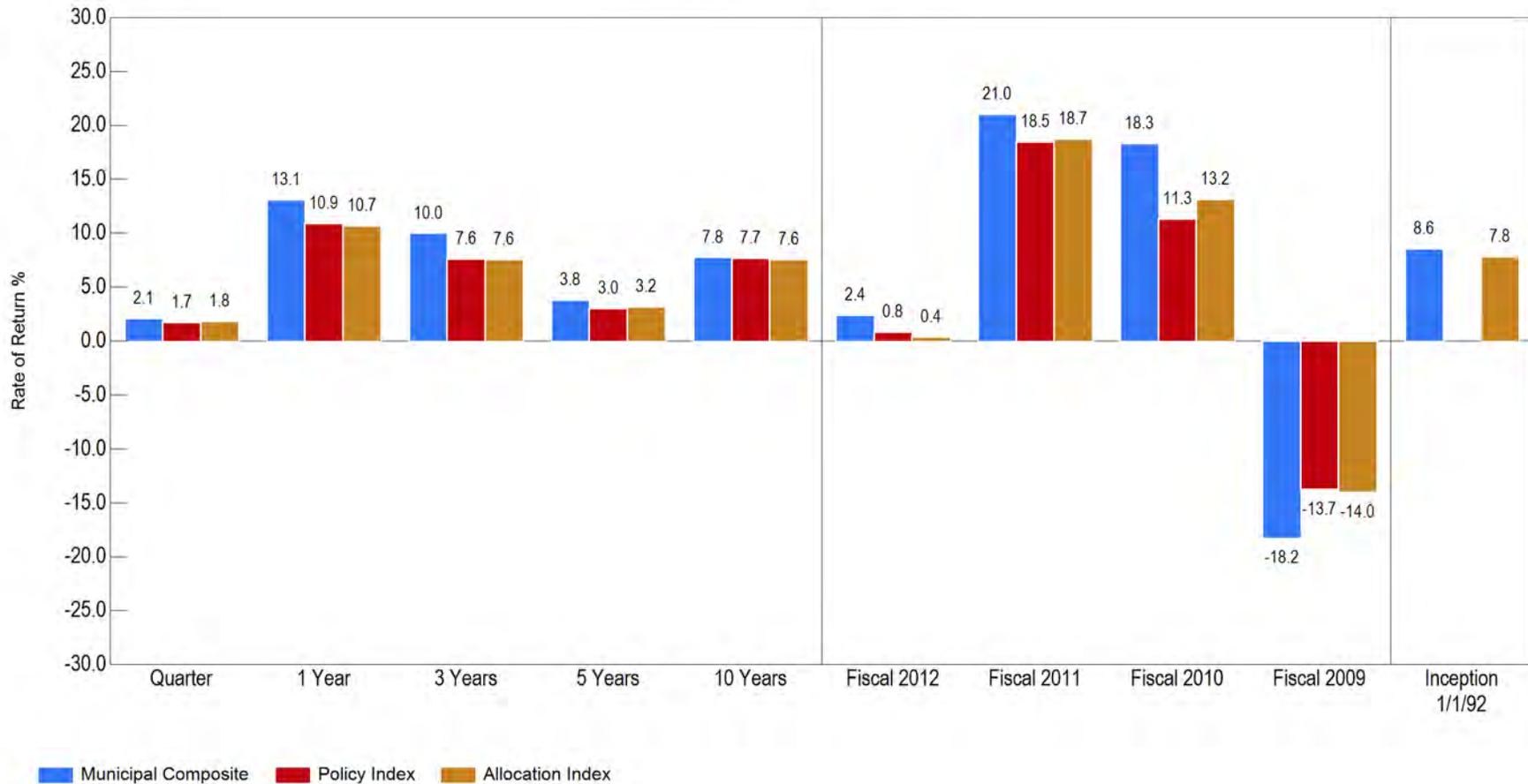Transwestern market value as of 6/30/2012.
PIMCO All Asset Index: 40% BC Agg / 30% TIPS / 10% S&P500 / 10% BC HY / 10% JPM EMBI+
Mellon CF GEA Index: 50% MSCI ACWI / 25% CITI WGBI H/H / 10% BC Global Inflation Linked H/H /5% BC US Interm. Credit / 5% DJ-UBS Commodity / 5% R2000.

Total Fund Return Summary

Return Summary Gross

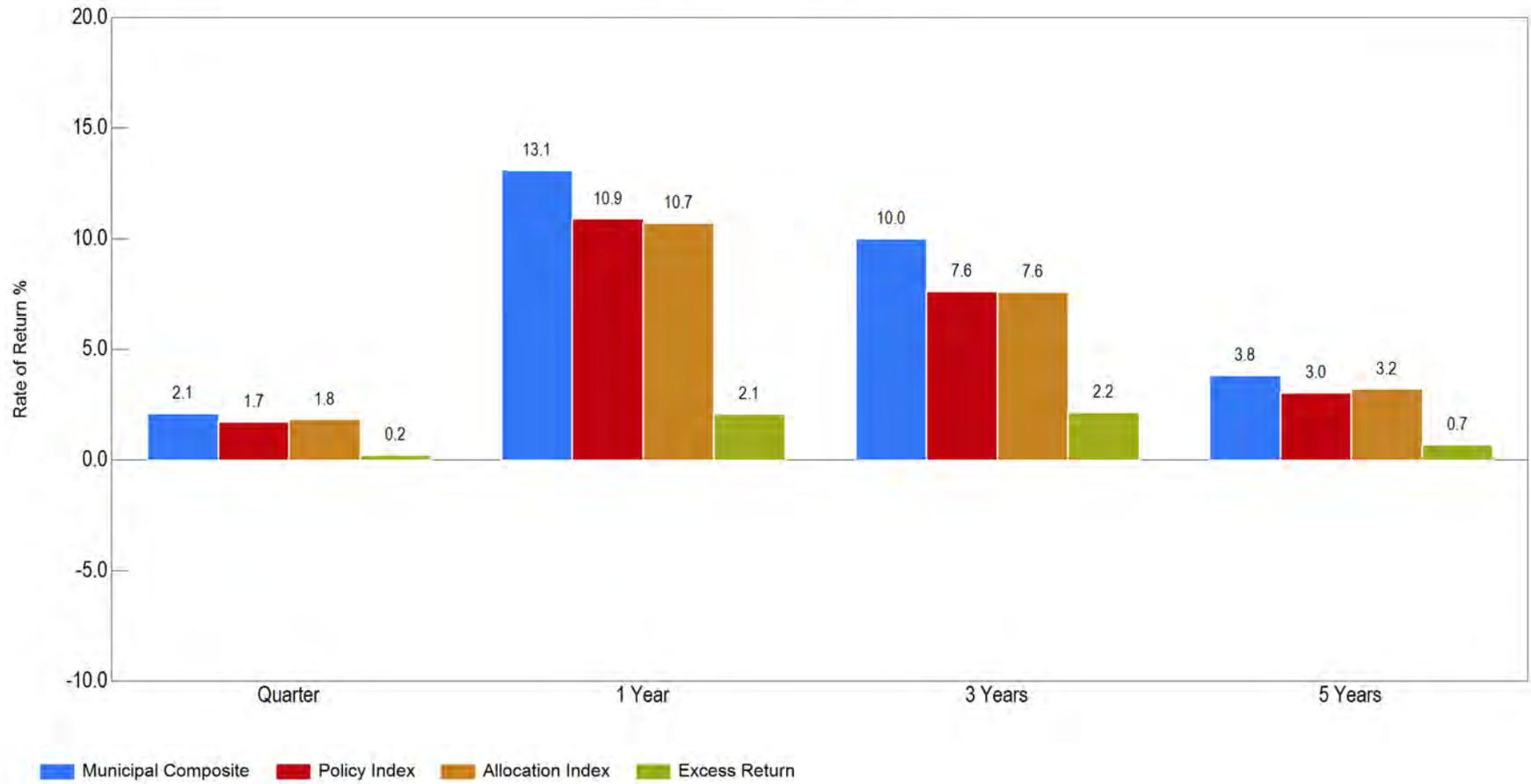# Total Fund Return Summary
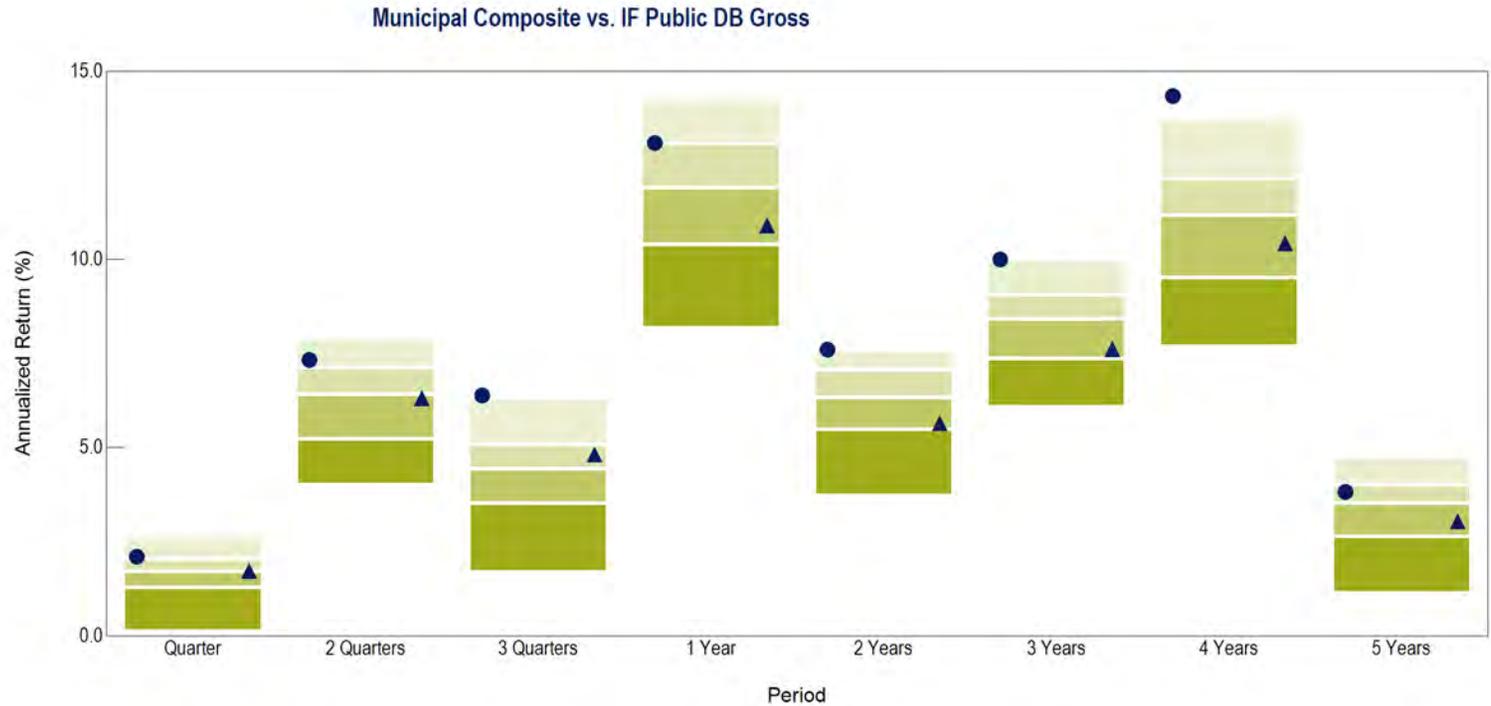

Return Summary Gross

Total Fund Return Summary vs. Peer Universe

Municipal Composite vs. IF Public DB Gross

	Return (Rank)														
5th Percentile	2.6		7.9		6.3		14.3		7.6		10.0		13.7		4.8	
25th Percentile	2.0		7.1		5.1		13.1		7.1		9.1		12.2		4.0	
Median	1.7		6.4		4.5		11.9		6.3		8.4		11.2		3.5	
75th Percentile	1.3		5.3		3.5		10.4		5.5		7.4		9.5		2.7	
95th Percentile	0.1		4.0		1.7		8.2		3.7		6.1		7.7		1.2	
# of Portfolios	166		164		163		162		143		134		131		127	
● Municipal Composite	2.1	(20)	7.3	(18)	6.4	(4)	13.1	(23)	7.6	(5)	10.0	(5)	14.3	(1)	3.8	(35)
▲ Policy Index	1.7	(51)	6.3	(53)	4.8	(36)	10.9	(67)	5.6	(73)	7.6	(74)	10.4	(65)	3.0	(69)

Total Fund Return Summary vs. Peer Universe

Municipal Composite vs. IF Public DB > $250mm Gross
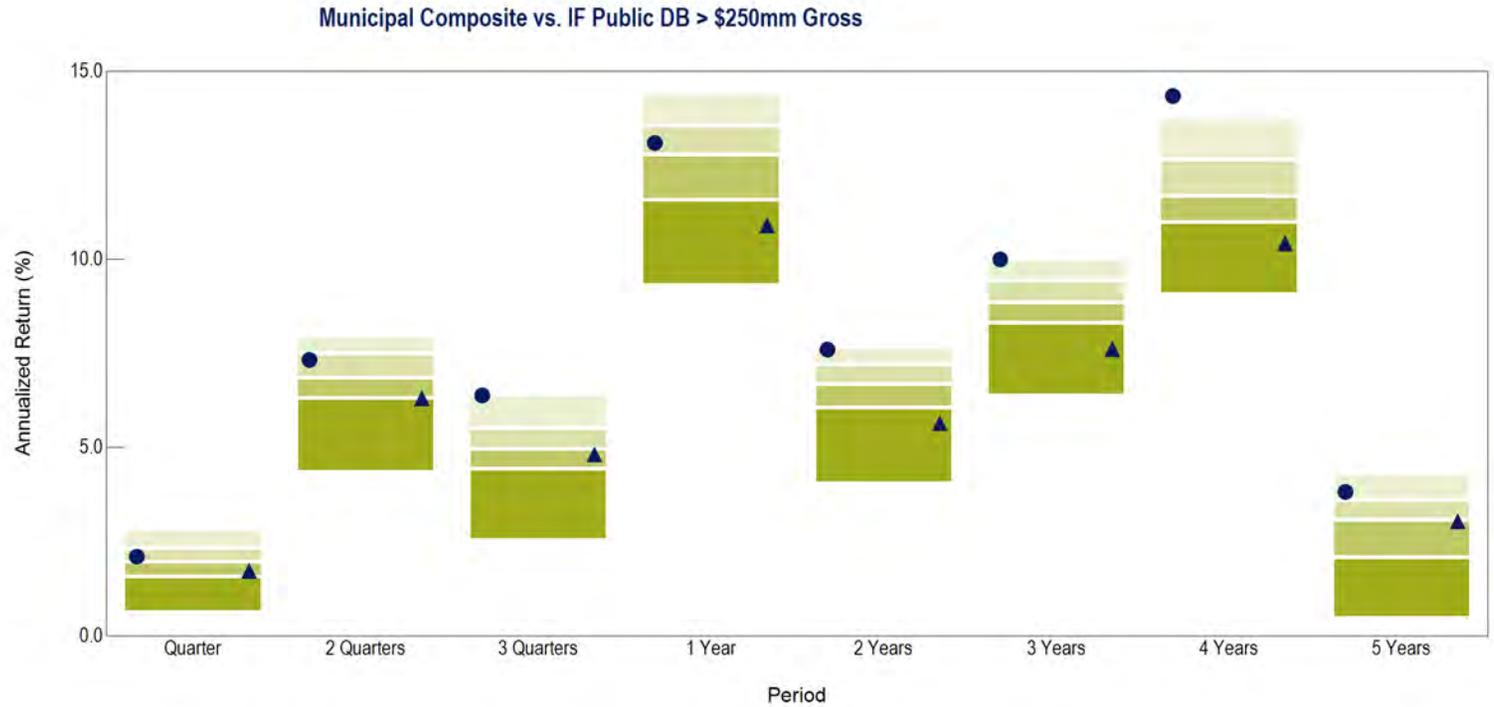
	Return (Rank)															
5th Percentile	2.8		8.0		6.4		14.4		7.7		10.0		13.7		4.3	
25th Percentile	2.3		7.5		5.5		13.6		7.2		9.4		12.7		3.6	
Median	2.0		6.9		5.0		12.8		6.7		8.9		11.7		3.1	
75th Percentile	1.6		6.3		4.5		11.6		6.1		8.3		11.0		2.1	
95th Percentile	0.6		4.4		2.5		9.3		4.1		6.4		9.1		0.5	
# of Portfolios	66		65		65		65		60		58		58		57	
● Municipal Composite	2.1	(36)	7.3	(31)	6.4	(6)	13.1	(33)	7.6	(7)	10.0	(6)	14.3	(1)	3.8	(14)
▲ Policy Index	1.7	(70)	6.3	(76)	4.8	(57)	10.9	(82)	5.6	(86)	7.6	(87)	10.4	(83)	3.0	(54)

Total Fund Return Summary vs. Peer Universe

Municipal Composite vs. IF Public DB Gross
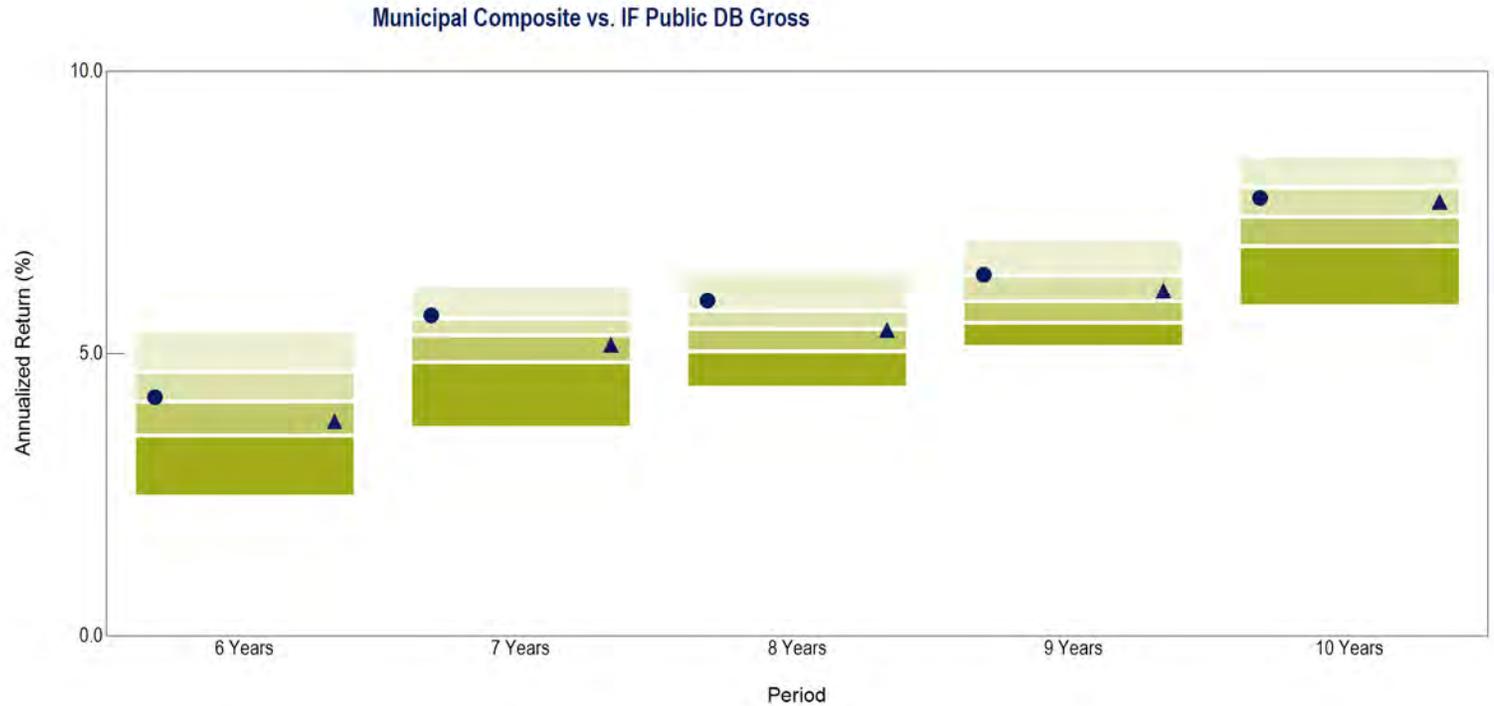
Return (Rank)										
5th Percentile	5.4		6.2		6.4		7.0		8.5	
25th Percentile	4.7		5.6		5.8		6.4		7.9	
Median	4.1		5.3		5.4		5.9		7.4	
75th Percentile	3.6		4.8		5.0		5.5		6.9	
95th Percentile	2.5		3.7		4.4		5.1		5.8	
# of Portfolios	123		117		111		107		101	
● Municipal Composite	4.2	(48)	5.7	(22)	5.9	(17)	6.4	(25)	7.8	(38)
▲ Policy Index	3.8	(68)	5.2	(57)	5.4	(55)	6.1	(44)	7.7	(43)

Total Fund Return Summary vs. Peer Universe

Municipal Composite vs. IF Public DB > $250mm Gross
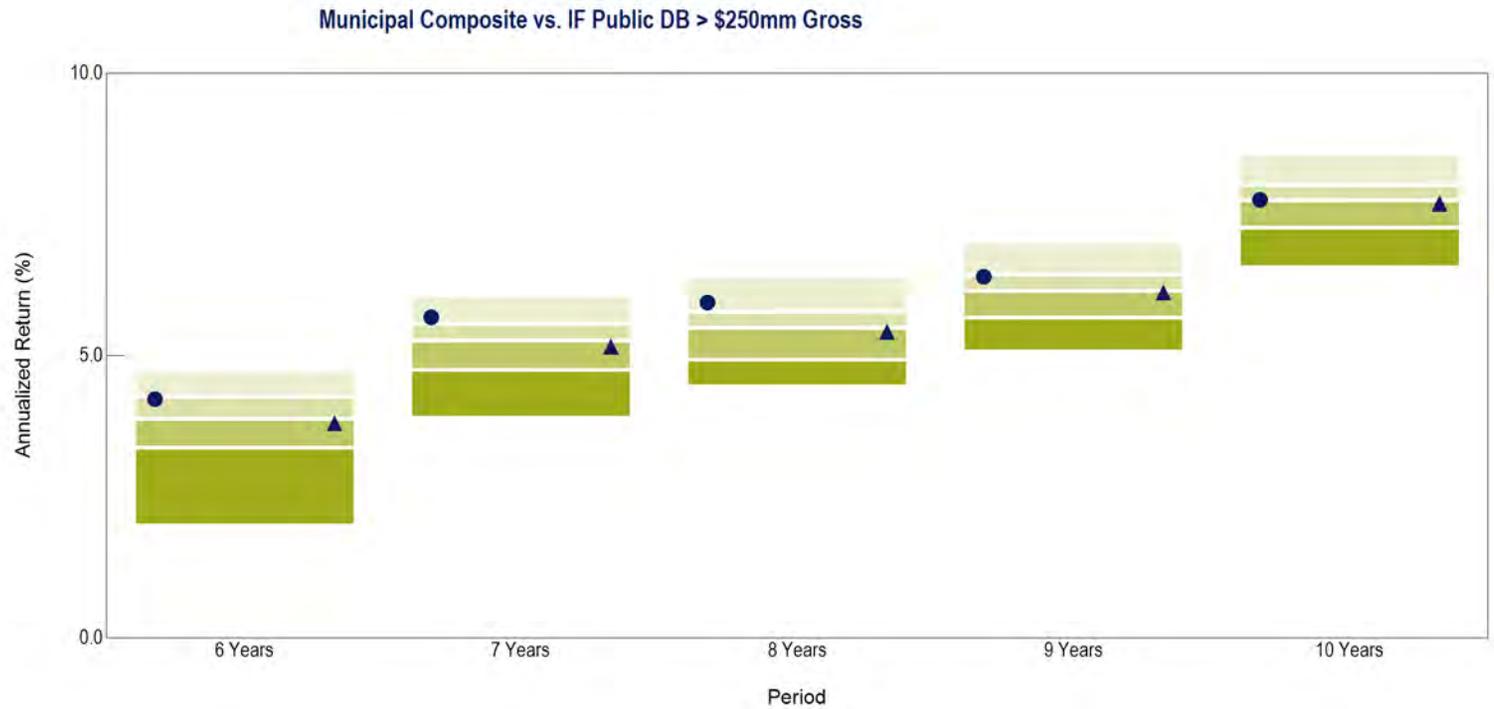
	Return (Rank)									
5th Percentile	4.7		6.1		6.4		7.0		8.6	
25th Percentile	4.3		5.6		5.8		6.4		8.0	
Median	3.9		5.3		5.5		6.1		7.7	
75th Percentile	3.4		4.7		4.9		5.7		7.3	
95th Percentile	2.0		3.9		4.5		5.1		6.6	
# of Portfolios	55		54		54		53		53	
● Municipal Composite	4.2	(31)	5.7	(20)	5.9	(17)	6.4	(27)	7.8	(49)
▲ Policy Index	3.8	(54)	5.2	(53)	5.4	(58)	6.1	(52)	7.7	(54)

Total Fund Return Summary vs. Peer Universe

Municipal Composite vs. IF Public DB Gross
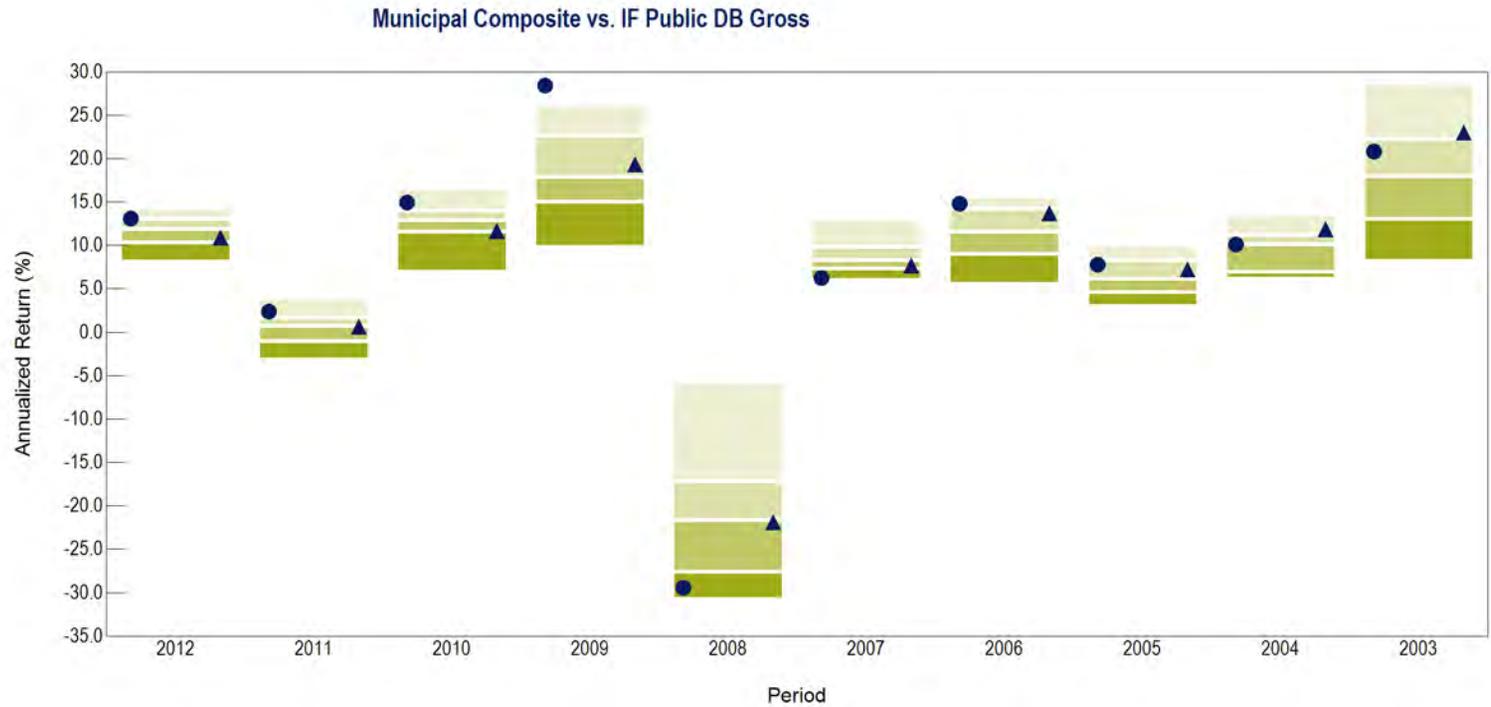
Return (Rank)																			
5th Percentile	14.3		3.9		16.6		26.2		-5.7		13.0		15.6		10.0		13.6		28.7	
25th Percentile	13.1		1.8		14.0		22.7		-17.1		9.9		14.3		8.4		11.2		22.3	
Median	11.9		0.8		13.0		17.9		-21.6		8.4		11.6		6.2		10.2		18.0	
75th Percentile	10.4		-1.0		11.6		15.1		-27.5		7.4		9.0		4.6		7.0		13.1	
95th Percentile	8.2		-3.1		7.0		9.9		-30.7		6.0		5.7		3.0		6.2		8.3	
# of Portfolios	162		39		37		34		34		31		28		27		23		19	
● Municipal Composite	13.1	(23)	2.4	(18)	14.9	(19)	28.4	(2)	-29.4	(91)	6.3	(95)	14.8	(11)	7.8	(37)	10.1	(52)	20.8	(32)
▲ Policy Index	10.9	(67)	0.6	(51)	11.7	(75)	19.3	(40)	-21.9	(54)	7.7	(72)	13.7	(30)	7.2	(47)	11.9	(14)	23.0	(23)

Total Fund Return Summary vs. Peer Universe

Municipal Composite vs. IF Public DB > $250mm Gross
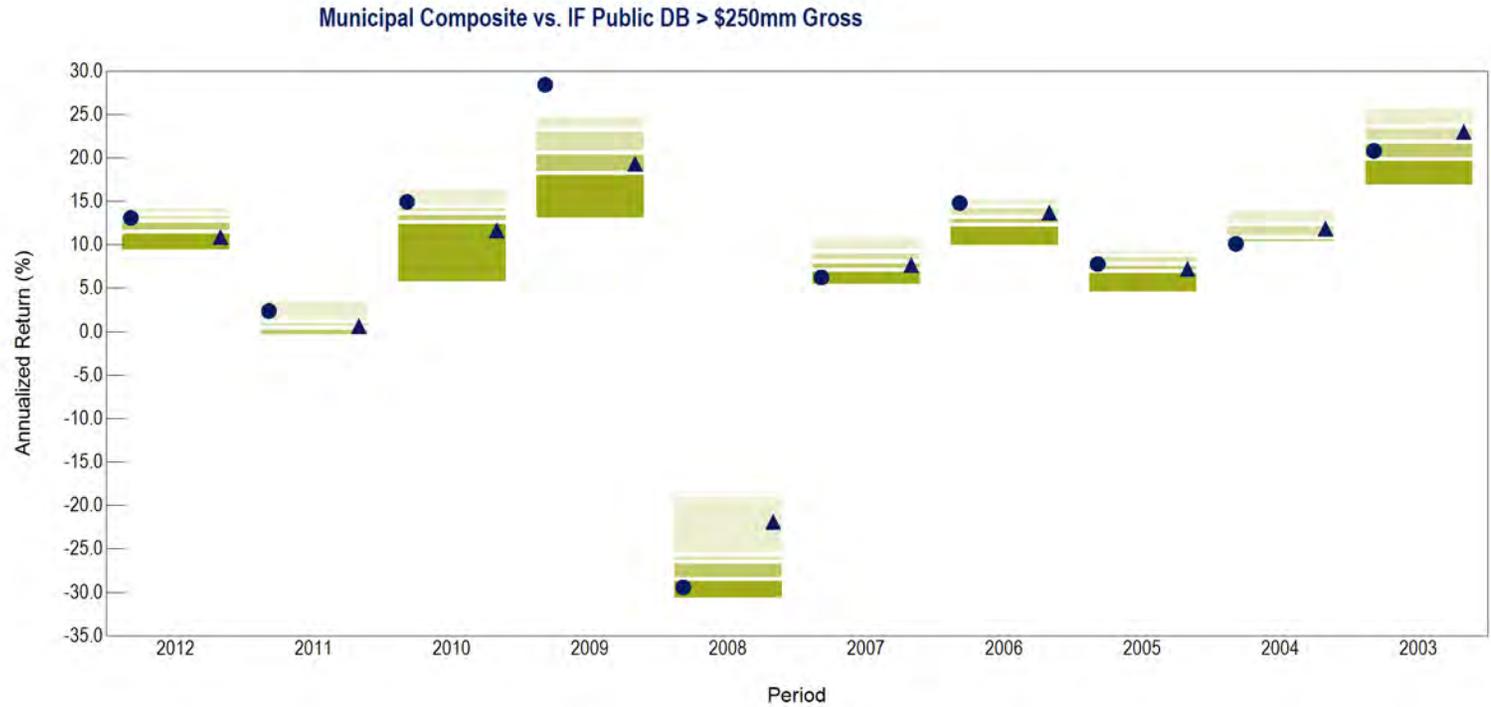
	Return (Rank)																	
5th Percentile	14.4		3.7		16.5		24.9		-18.9		10.9		15.5		9.5		14.1		25.8
25th Percentile	13.6		1.2		14.5		23.3		-25.7		9.3		14.5		8.8		12.4		23.7
Median	12.8		0.5		13.7		20.7		-26.4		8.1		13.2		7.8		10.9		21.9
75th Percentile	11.6		-0.5		12.7		18.3		-28.4		7.2		12.3		7.0		10.2		19.9
95th Percentile	9.3		-0.9		5.6		13.0		-30.7		5.4		9.8		4.5		9.8		16.8
# of Portfolios	65		21		19		19		19		18		17		17		17		17
● Municipal Composite	13.1	(33)	2.4	(19)	14.9	(19)	28.4	(1)	-29.4	(88)	6.3	(89)	14.8	(13)	7.8	(54)	10.1	(88)	20.8	(67)
▲ Policy Index	10.9	(82)	0.6	(44)	11.7	(90)	19.3	(64)	-21.9	(11)	7.7	(64)	13.7	(47)	7.2	(72)	11.9	(31)	23.0	(31)

Total Fund Risk Statistics vs. Peer Universe

Municipal Composite vs. IF Public DB Gross
3 Years

Anlzd Return
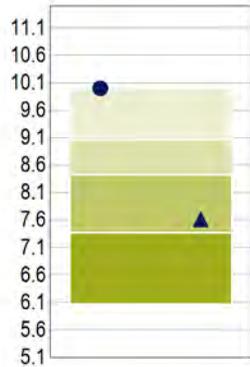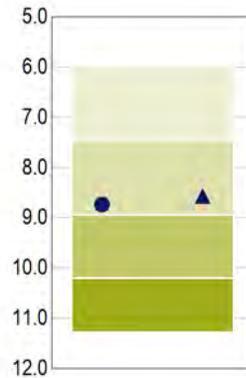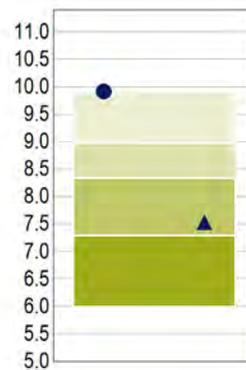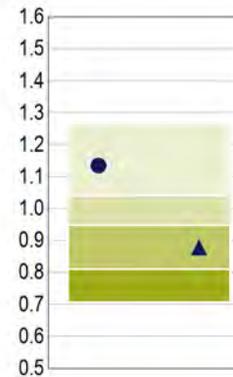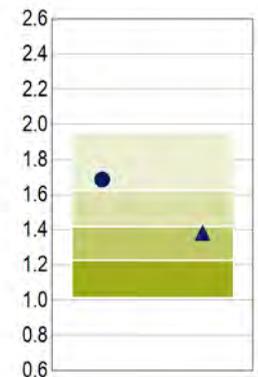
● Municipal Composite	
Value	10.00
%tile	5
▲ Policy Index	
Value	7.61
%tile	74
Universe	
5th %tile	10.00
25th %tile	9.07
Median	8.43
75th %tile	7.38
95th %tile	6.08

Anlzd Standard Deviation

● Municipal Composite	
Value	8.74
%tile	48
▲ Policy Index	
Value	8.57
%tile	45
Universe	
5th %tile	5.99
25th %tile	7.45
Median	8.93
75th %tile	10.19
95th %tile	11.27

Ann Excess RF Return

● Municipal Composite	
Value	9.91
%tile	5
▲ Policy Index	
Value	7.53
%tile	74
Universe	
5th %tile	9.91
25th %tile	8.99
Median	8.35
75th %tile	7.30
95th %tile	6.00

Sharpe Ratio

● Municipal Composite	
Value	1.13
%tile	15
▲ Policy Index	
Value	0.88
%tile	65
Universe	
5th %tile	1.27
25th %tile	1.04
Median	0.95
75th %tile	0.81
95th %tile	0.71

Sortino Ratio RF

● Municipal Composite	
Value	1.69
%tile	16
▲ Policy Index	
Value	1.38
%tile	56
Universe	
5th %tile	1.96
25th %tile	1.62
Median	1.42
75th %tile	1.23
95th %tile	1.01

Total Fund Risk Statistics vs. Peer Universe

Municipal Composite vs. IF Public DB > $250mm Gross
3 Years

Anlzd Return
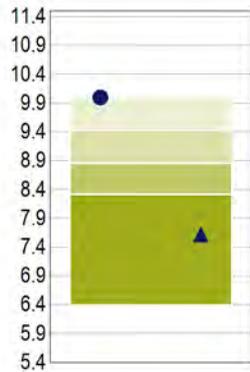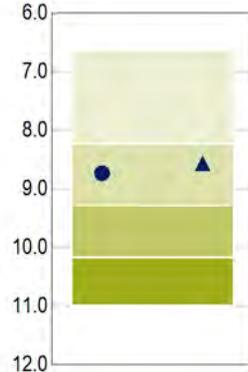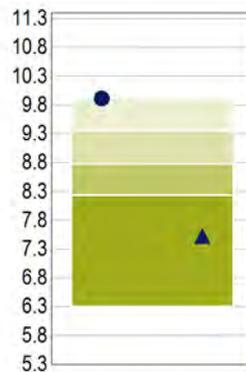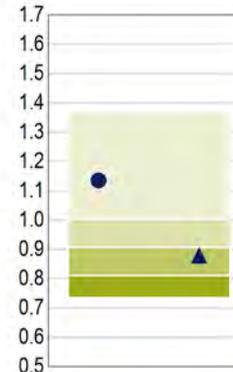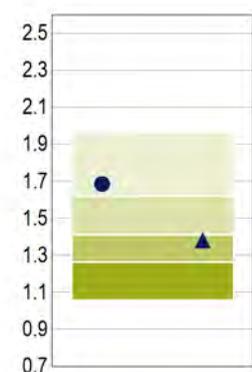
Municipal Composite
Value	10.00
%tile	6

Policy Index
Value	7.61
%tile	87

Universe
5th %tile	10.00
25th %tile	9.44
Median	8.87
75th %tile	8.33
95th %tile	6.40

Anlzd Standard Deviation

Municipal Composite
Value	8.74
%tile	40

Policy Index
Value	8.57
%tile	36

Universe
5th %tile	6.63
25th %tile	8.23
Median	9.28
75th %tile	10.17
95th %tile	10.99

Ann Excess RF Return

Municipal Composite
Value	9.91
%tile	6

Policy Index
Value	7.53
%tile	87

Universe
5th %tile	9.92
25th %tile	9.36
Median	8.79
75th %tile	8.25
95th %tile	6.31

Sharpe Ratio

Municipal Composite
Value	1.13
%tile	16

Policy Index
Value	0.88
%tile	55

Universe
5th %tile	1.37
25th %tile	1.00
Median	0.91
75th %tile	0.81
95th %tile	0.74

Sortino Ratio RF

Municipal Composite
Value	1.69
%tile	12

Policy Index
Value	1.38
%tile	57

Universe
5th %tile	1.96
25th %tile	1.62
Median	1.41
75th %tile	1.27
95th %tile	1.06

Total Fund Risk Statistics vs. Peer Universe

Municipal Composite vs. ICC Public DB
5 Years

	Anlzd Return	Anlzd Standard Deviation	Ann Excess RF Return	Sharpe Ratio	Sortino Ratio RF
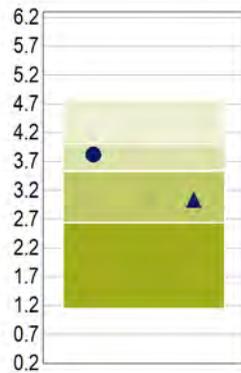
Anlzd Return
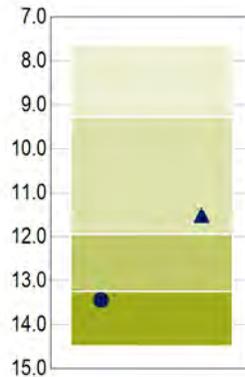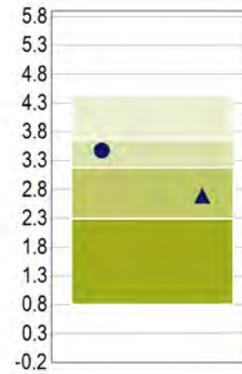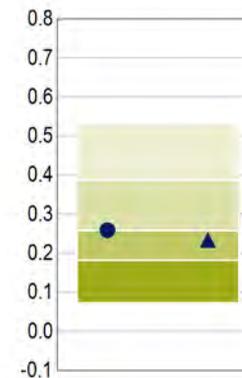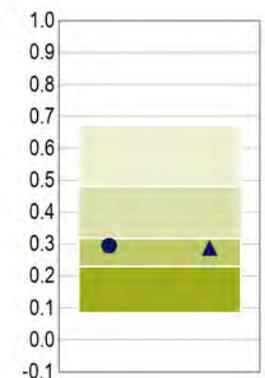
- Municipal Composite
  - Value: 3.82
  - %tile: 35
- Policy Index
  - Value: 3.04
  - %tile: 69

- Universe
  - 5th %tile: 4.78
  - 25th %tile: 4.03
  - Median: 3.54
  - 75th %tile: 2.65
  - 95th %tile: 1.15

Anlzd Standard Deviation

- Municipal Composite
  - Value: 13.45
  - %tile: 80
- Policy Index
  - Value: 11.51
  - %tile: 47

- Universe
  - 5th %tile: 7.64
  - 25th %tile: 9.26
  - Median: 11.93
  - 75th %tile: 13.24
  - 95th %tile: 14.48

Ann Excess RF Return

- Municipal Composite
  - Value: 3.48
  - %tile: 35
- Policy Index
  - Value: 2.69
  - %tile: 69

- Universe
  - 5th %tile: 4.43
  - 25th %tile: 3.68
  - Median: 3.19
  - 75th %tile: 2.31
  - 95th %tile: 0.81

Sharpe Ratio

- Municipal Composite
  - Value: 0.26
  - %tile: 51
- Policy Index
  - Value: 0.23
  - %tile: 58

- Universe
  - 5th %tile: 0.53
  - 25th %tile: 0.39
  - Median: 0.26
  - 75th %tile: 0.18
  - 95th %tile: 0.07

Sortino Ratio RF

- Municipal Composite
  - Value: 0.30
  - %tile: 58
- Policy Index
  - Value: 0.29
  - %tile: 60

- Universe
  - 5th %tile: 0.67
  - 25th %tile: 0.48
  - Median: 0.32
  - 75th %tile: 0.23
  - 95th %tile: 0.09

Total Fund Risk Statistics vs. Peer Universe

Municipal Composite vs. IF Public DB > $250mm Gross
5 Years

	Anlzd Return	**Anlzd Standard Deviation**	**Ann Excess RF Return**	**Sharpe Ratio**	**Sortino Ratio RF**
● Municipal Composite					
Value	3.82	13.45	3.48	0.26	0.30
%tile	14	76	14	31	35
▲ Policy Index					
Value	3.04	11.51	2.69	0.23	0.29
%tile	54	27	54	39	39
Universe					
5th %tile	4.29	9.53	3.94	0.36	0.47
25th %tile	3.62	11.14	3.27	0.30	0.31
Median	3.10	12.53	2.75	0.21	0.26
75th %tile	2.09	13.44	1.74	0.13	0.16
95th %tile	0.48	14.32	0.13	0.00	0.02

Total Fund Allocations vs. Peer Universe

Total Plan Allocation vs. IF Public DB Gross

Allocation (Rank)													
	US Equity		Glbl ex-US Equity		US FI		Glbl ex-US FI		Alternatives		Real Estate		Cash
5th Percentile	50.0		24.7		49.0		11.2		23.5		11.6		8.5
25th Percentile	39.1		17.8		42.8		7.0		14.5		7.6		2.7
Median	32.6		15.2		34.4		5.2		8.8		5.4		1.1
75th Percentile	24.3		11.6		22.1		4.9		5.3		4.7		0.3
95th Percentile	12.3		6.8		10.3		3.4		2.9		2.7		0.0
# of Portfolios	88		82		69		12		51		54		63
● Municipal Composite	11.2	(96)	16.6	(34)	17.7	(87)	5.1	(73)	6.2	(71)	4.2	(82)	0.1	(92)

Total Fund Allocations vs. Peer Universe

Total Plan Allocation vs. IF Public DB > $250mm Gross
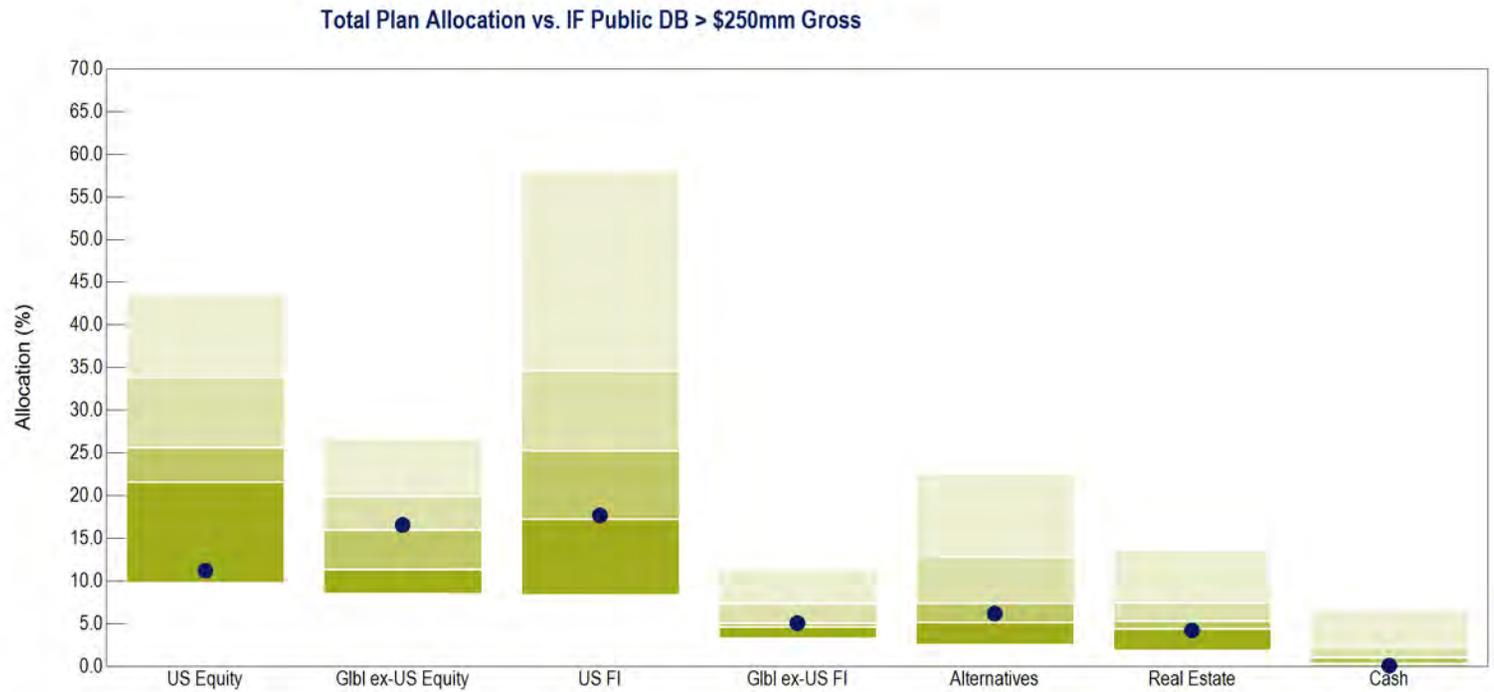
Allocation (Rank)														
5th Percentile	43.5		26.8		58.0		11.5		22.5		13.7		6.6	
25th Percentile	33.9		20.0		34.8		7.4		12.9		7.5		2.3	
Median	25.7		16.0		25.3		5.1		7.4		5.3		1.1	
75th Percentile	21.6		11.4		17.3		4.7		5.2		4.5		0.3	
95th Percentile	9.8		8.5		8.4		3.4		2.6		1.9		0.1	
# of Portfolios	38		41		30		11		37		30		34	
Municipal Composite	11.2	(90)	16.6	(48)	17.7	(73)	5.1	(71)	6.2	(67)	4.2	(80)	0.1	(94)

Total Fund Attribution Analysis

Attribution Effects Relative to Policy Index
3 Months Ending December 31, 2012

Legend:
- Asset Allocation Effect (blue)
- Selection Effect (red)
- Interaction Effects (orange)
- Total Effect (green dot)
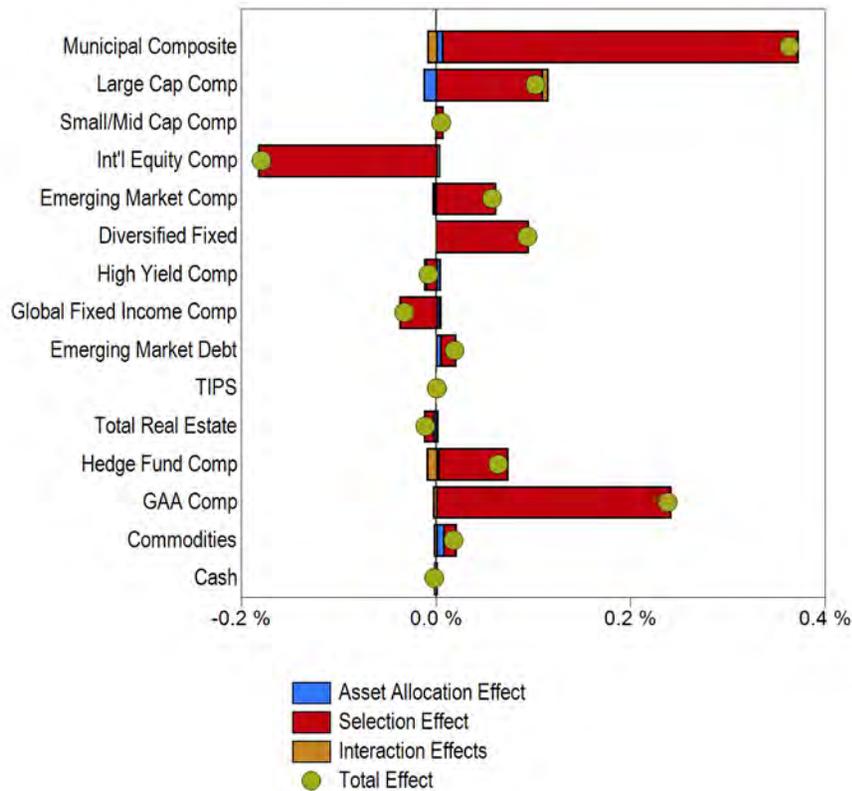
Attribution Summary
3 Months Ending December 31, 2012

	Actual Return	Target Return	Relative Return	Selection Effect	Asset Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	0.6%	-0.4%	1.0%	0.1%	0.0%	0.0%	0.1%
Small/Mid Cap Comp	2.0%	1.9%	0.1%	0.0%	0.0%	0.0%	0.0%
Int'l Equity Comp	4.7%	6.6%	-1.9%	-0.2%	0.0%	0.0%	-0.2%
Emerging Market Comp	6.6%	5.6%	1.0%	0.1%	0.0%	0.0%	0.1%
Diversified Fixed	0.7%	0.2%	0.5%	0.1%	0.0%	0.0%	0.1%
High Yield Comp	3.1%	3.3%	-0.2%	0.0%	0.0%	0.0%	0.0%
Global Fixed Income Comp	-2.9%	-1.7%	-1.2%	0.0%	0.0%	0.0%	0.0%
Emerging Market Debt	3.6%	3.3%	0.3%	0.0%	0.0%	0.0%	0.0%
TIPS	0.7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Real Estate	2.3%	2.5%	-0.2%	0.0%	0.0%	0.0%	0.0%
Hedge Fund Comp	2.6%	1.2%	1.4%	0.1%	0.0%	0.0%	0.1%
GAA Comp	2.2%	1.0%	1.2%	0.2%	0.0%	0.0%	0.2%
Commodities	-5.8%	-6.3%	0.5%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	**2.1%**	**1.7%**	**0.4%**	**0.4%**	**0.0%**	**0.0%**	**0.4%**

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.

Total Fund Attribution Analysis

Attribution Effects Relative to Policy Index
1 Year Ending December 31, 2012

Legend:
- Asset Allocation Effect
- Selection Effect
- Interaction Effects
- Total Effect

Attribution Summary
1 Year Ending December 31, 2012

	Actual Return	Target Return	Relative Return	Selection Effect	Asset Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	16.6%	16.0%	0.6%	0.1%	0.0%	0.0%	0.1%
Small/Mid Cap Comp	15.0%	16.3%	-1.3%	-0.1%	0.0%	0.0%	-0.1%
Int'l Equity Comp	14.1%	17.3%	-3.2%	-0.3%	-0.1%	0.0%	-0.4%
Emerging Market Comp	26.4%	18.2%	8.2%	0.4%	-0.1%	0.0%	0.4%
Diversified Fixed	7.0%	4.2%	2.8%	0.5%	-0.1%	0.0%	0.5%
High Yield Comp	14.9%	15.8%	-0.9%	-0.1%	0.0%	0.0%	0.0%
Global Fixed Income Comp	3.6%	1.6%	2.0%	0.0%	-0.2%	0.0%	-0.2%
Emerging Market Debt	19.9%	18.5%	1.3%	0.1%	0.0%	0.0%	0.1%
TIPS	7.0%	7.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Real Estate	13.3%	10.5%	2.8%	0.1%	0.0%	0.0%	0.1%
Hedge Fund Comp	9.3%	4.7%	4.6%	0.2%	0.0%	0.0%	0.2%
GAA Comp	15.2%	10.3%	4.8%	1.0%	0.0%	0.0%	0.9%
Commodities	0.5%	-1.1%	1.5%	0.0%	0.0%	0.0%	0.0%
Cash	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	**13.0%**	**11.3%**	**1.7%**	**2.0%**	**-0.3%**	**-0.1%**	**1.6%**

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

-The target return shown for each composite is a custom index, based on aggregated policy indices. This policy index asset weights the underlying policy indices of each option in the plan and the respective benchmark.
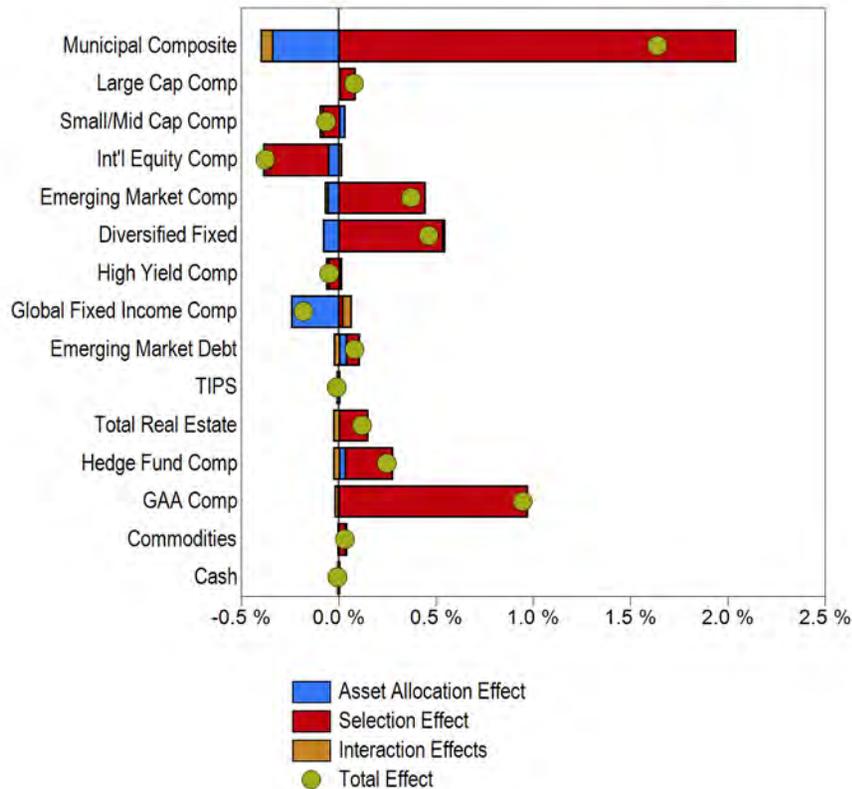
-The allocation, selection, and interaction effects are calculated using the custom index described above along with the policy or target weight of each composite.

-May not add up due to rounding.

Vermont Municipal Employees

Total Fund Attribution Analysis

Performance Attribution

	Last 3 Mo.	YTD	Fiscal YTD	1 Yr
Municipal Composite Return	2.1%	13.0%	7.3%	13.0%
Policy Benchmark *	1.7%	11.3%	6.5%	11.3%
Excess Return	**0.4%**	**1.7%**	**0.8%**	**1.7%**
Selection Effect	0.4%	2.0%	0.8%	2.0%
Asset Allocation Effect	0.0%	-0.3%	0.0%	-0.3%
Interaction Effect	0.0%	-0.1%	0.0%	-0.1%
Asset Class Returns				
Municipal Composite	2.1%	13.1%	6.5%	13.1%
Large Cap Comp	0.6%	16.6%	6.9%	16.6%
Small/Mid Cap Comp	2.0%	15.0%	4.4%	15.0%
Int'l Equity Comp	4.7%	14.1%	-1.9%	14.1%
Emerging Market Comp	6.6%	26.4%	7.4%	26.4%
Diversified Fixed	0.7%	7.0%	8.0%	7.0%
High Yield Comp	3.1%	14.9%	10.2%	14.9%
Global Fixed Income Comp	-2.9%	3.6%	3.9%	3.6%
Emerging Market Debt	3.6%	19.9%	14.6%	19.9%
TIPS	0.7%	7.0%	9.6%	7.0%
Total Real Estate	2.3%	13.3%	13.7%	13.3%
Hedge Fund Comp	2.6%	9.3%	2.3%	9.3%
GAA Comp	2.2%	15.2%	7.2%	15.2%
Commodities	-5.8%	0.5%	-4.8%	0.5%
Cash	0.0%	0.1%	0.1%	0.1%
Private Equity				

*Calculated from benchmark returns and weightings of each component.

Vermont Municipal Employees

Total Fund Risk Statistics

3 Years Ending December 31, 2012

	% 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%	10.00%	5	8.74%	48	2.27%	9	1.13	15	1.69	16	0.78%	1
Policy Index	--	7.61%	74	8.57%	45	0.00%	67	0.88	65	1.38	56	0.00%	1
Large Cap Comp	11.21%	11.61%	27	16.15%	57	0.17%	36	0.71	34	1.19	35	1.34%	1
S&P 500	--	10.87%	42	15.30%	33	0.00%	39	0.71	36	1.21	33	0.00%	1
Small/Mid Cap Comp	6.85%	13.84%	43	18.03%	30	3.10%	38	0.76	36	1.33	31	3.13%	2
Russell 2000	--	12.25%	69	20.48%	76	0.00%	79	0.59	76	1.01	68	0.00%	1
Int'l Equity Comp	10.38%	4.27%	79	18.04%	17	1.01%	75	0.23	73	0.33	76	2.36%	10
MSCI EAFE	--	3.56%	87	19.65%	56	0.00%	87	0.18	87	0.27	86	0.00%	1
Emerging Market Comp	6.17%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	--	--	--	--	--	--	--	--	--	--	--	--
Diversified Fixed	17.68%	8.40%	34	2.86%	62	2.63%	32	2.90	31	7.19	22	1.78%	43
Barclays Aggregate	--	6.19%	62	2.42%	47	0.00%	83	2.53	52	4.91	52	0.00%	1
High Yield Comp	6.27%	11.43%	64	5.88%	27	1.83%	28	1.93	29	2.95	29	1.66%	58
Barclays High Yield	--	11.86%	46	7.18%	70	0.00%	75	1.64	74	2.42	62	0.00%	1
Global Fixed Income Comp	2.81%	7.22%	47	5.96%	55	2.93%	63	1.20	54	1.84	43	2.33%	16
Citigroup WGBI	--	4.37%	92	5.59%	46	0.00%	94	0.77	86	1.03	83	0.00%	1
Emerging Market Debt	5.06%	--	--	--	--	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	--	--	--	--	--	--	--	--	--	--	--	--	--
TIPS	2.90%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays US TIPS	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Real Estate	4.20%	--	--	--	--	--	--	--	--	--	--	--	--
NCREIF Property Index	--	--	--	--	--	--	--	--	--	--	--	--	--
Hedge Fund Comp	4.38%	--	--	--	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index	--	--	--	--	--	--	--	--	--	--	--	--	--
GAA Comp	19.92%	10.99%	9	8.90%	37	6.45%	16	1.23	13	1.78	21	3.95%	26
60% MSCI ACWI (Net)/40% CITI WGBI	--	6.05%	63	11.37%	63	0.00%	77	0.52	68	0.78	68	0.00%	1
Commodities	1.80%	--	--	--	--	--	--	--	--	--	--	--	--
Dow Jones-UBS Commodity Index TR	--	--	--	--	--	--	--	--	--	--	--	--	--
Cash	0.07%	--	--	--	--	--	--	--	--	--	--	--	--
91 Day T-Bills	--	--	--	--	--	--	--	--	--	--	--	--	--

Vermont Municipal Employees

Total Fund Risk Statistics

5 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Municipal Composite	100.00%	3.82%	35	13.45%	80	0.37%	50	0.26	51	0.30	58	2.74%	30
Policy Index	--	3.04%	69	11.51%	47	0.00%	60	0.23	58	0.29	60	0.00%	1
Large Cap Comp	11.21%	3.10%	32	21.01%	82	1.31%	35	0.13	37	0.18	37	2.87%	9
S&P 500	--	1.66%	61	19.04%	46	0.00%	61	0.07	61	0.09	60	0.00%	1
Small/Mid Cap Comp	6.85%	5.40%	42	23.09%	51	2.05%	44	0.22	43	0.31	44	3.00%	1
Russell 2000	--	3.56%	70	24.55%	73	0.00%	73	0.13	72	0.19	70	0.00%	1
Int'l Equity Comp	10.38%	-4.09%	88	22.25%	23	-0.62%	89	-0.20	89	-0.26	88	2.36%	7
MSCI EAFE	--	-3.69%	86	23.47%	45	0.00%	85	-0.17	85	-0.24	86	0.00%	1
Emerging Market Comp	6.17%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	--	--	--	--	--	--	--	--	--	--	--	--
Diversified Fixed	17.68%	5.73%	67	6.72%	73	-1.70%	93	0.80	89	0.74	91	5.11%	72
Barclays Aggregate	--	5.95%	63	3.53%	40	0.00%	82	1.59	45	2.50	33	0.00%	1
High Yield Comp	6.27%	9.61%	52	10.21%	19	2.30%	21	0.91	20	0.78	48	5.14%	69
Barclays High Yield	--	10.34%	28	14.06%	89	0.00%	81	0.71	77	0.71	68	0.00%	1
Global Fixed Income Comp	2.81%	7.43%	33	8.23%	50	2.57%	50	0.86	37	1.29	30	4.23%	31
Citigroup WGBI	--	5.27%	79	7.73%	40	0.00%	87	0.64	72	0.96	54	0.00%	1
Emerging Market Debt	5.06%	--	--	--	--	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	--	--	--	--	--	--	--	--	--	--	--	--	--
TIPS	2.90%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays US TIPS	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Real Estate	4.20%	--	--	--	--	--	--	--	--	--	--	--	--
NCREIF Property Index	--	--	--	--	--	--	--	--	--	--	--	--	--
Hedge Fund Comp	4.38%	--	--	--	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index	--	--	--	--	--	--	--	--	--	--	--	--	--
GAA Comp	19.92%	5.83%	19	13.43%	58	4.08%	30	0.41	37	0.46	38	4.07%	16
60% MSCI ACWI (Net)/40% CITI WGBI	--	1.90%	74	14.24%	66	0.00%	80	0.11	74	0.14	74	0.00%	1
Commodities	1.80%	--	--	--	--	--	--	--	--	--	--	--	--
Dow Jones-UBS Commodity Index TR	--	--	--	--	--	--	--	--	--	--	--	--	--
Cash	0.07%	--	--	--	--	--	--	--	--	--	--	--	--
91 Day T-Bills	--	--	--	--	--	--	--	--	--	--	--	--	--

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Vermont Municipal Employees

Large Cap Comp

3 Years Ending December 31, 2012

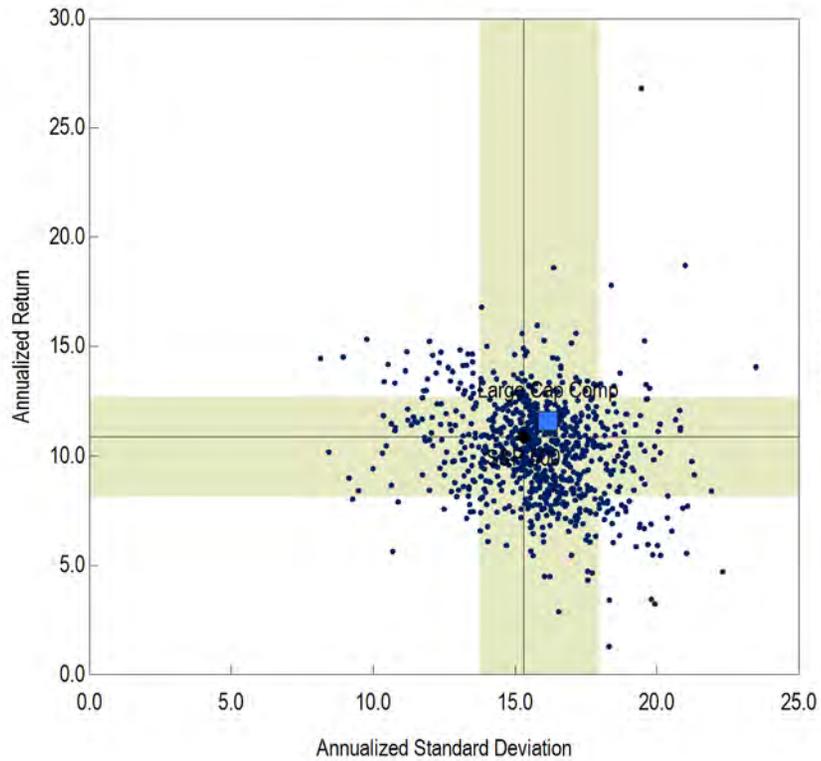|	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Large Cap Comp	11.21%	11.61%	27	16.15%	57	0.17%	36	0.71	34	1.19	35	1.34%	1
S&P 500	--	10.87%	42	15.30%	33	0.00%	39	0.71	36	1.21	33	0.00%	1
T. Rowe	3.21%	10.65%	45	15.61%	43	-0.43%	46	0.68	44	1.13	41	0.94%	1
S&P 500	--	10.87%	42	15.30%	33	0.00%	39	0.71	36	1.21	33	0.00%	1
SSgA S&P 500 Cap-Wgt	4.84%	--	--	--	--	--	--	--	--	--	--	--	--
S&P 500	--	--	--	--	--	--	--	--	--	--	--	--	--
SSgA S&P 500 Equal-Wgt	3.17%	12.70%	13	17.34%	80	-0.15%	34	0.73	31	1.23	30	0.31%	1
S&P 500 Equal Weighted	--	12.73%	13	17.19%	77	0.00%	31	0.74	29	1.23	31	0.00%	1

Vermont Municipal Employees

Large Cap Comp

5 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Large Cap Comp	11.21%	3.10%	32	21.01%	82	1.31%	35	0.13	37	0.18	37	2.87%	9
S&P 500	--	1.66%	61	19.04%	46	0.00%	61	0.07	61	0.09	60	0.00%	1
T. Rowe	3.21%	2.47%	44	19.12%	48	0.80%	45	0.11	44	0.15	43	1.15%	1
S&P 500	--	1.66%	61	19.04%	46	0.00%	61	0.07	61	0.09	60	0.00%	1
SSgA S&P 500 Cap-Wgt	4.84%	--	--	--	--	--	--	--	--	--	--	--	--
S&P 500	--	--	--	--	--	--	--	--	--	--	--	--	--
SSgA S&P 500 Equal-Wgt	3.17%	4.52%	13	23.37%	96	-0.34%	25	0.18	22	0.25	22	1.09%	1
S&P 500 Equal Weighted	--	4.79%	11	23.01%	95	0.00%	22	0.19	19	0.27	19	0.00%	1

Large Cap Comp

Large Cap Comp

Equity Characteristics

	Portfolio	S&P 500
Number of Holdings	530	500
Weighted Avg. Market Cap. ($B)	81.5	103.2
Median Market Cap. ($B)	13.4	12.3
Price To Earnings	18.2	18.2
Price To Book	3.5	3.3
Price To Sales	2.2	2.1
Return on Equity (%)	20.8	19.0
Yield (%)	2.2	2.3
Beta	1.1	1.0
R-Squared	1.0	1.0

Equity Sector Allocation

Sector	Large Cap Comp	S&P 500
Energy	10.3	11.0
Materials	4.6	3.6
Industrials	10.7	10.1
Cons. Disc.	13.2	11.5
Cons. Staples	9.3	10.6
Health Care	11.4	12.0
Financials	15.7	15.6
Info. Tech	17.4	19.0
Telecomm.	2.5	3.1
Utilities	4.0	3.4
Unclassified	0.9	0.0

Market Capitalization As Of December 31, 2012

Capitalization	Large Cap Comp	S&P 500
Small Cap	0.1	0.0
Small/Mid Cap	6.7	2.6
Mid Cap	25.4	17.3
Mid/Large Cap	30.9	31.5
Large Cap	36.8	48.6

Vermont Municipal Employees
Large Cap Comp

Top Ten Holdings

APPLE	3.0%
EXXON MOBIL	2.3%
MICROSOFT	1.3%
CHEVRON	1.2%
GENERAL ELECTRIC	1.2%
AT&T	1.2%
GOOGLE 'A'	1.2%
PROCTER & GAMBLE	1.2%
PFIZER	1.1%
JOHNSON & JOHNSON	1.1%

Top Positive Contributors

	Relative Contribution %	Return %
APPLE	0.2%	-19.8%
CARMAX	0.0%	32.7%
INTERNATIONAL BUS.MCHS.	0.0%	-7.3%
PHILIP MORRIS INTL.	0.0%	-6.1%
EXXON MOBIL	0.0%	-4.7%
GENERAL ELECTRIC	0.0%	-6.7%
MICROSOFT	0.0%	-9.5%
AT&T	0.0%	-9.5%
NETFLIX	0.0%	70.1%
CHEVRON	0.0%	-6.4%

Top Negative Contributors

	Relative Contribution %	Return %
CITIGROUP	0.0%	20.9%
BANK OF AMERICA	0.0%	31.6%
FORD MOTOR	0.0%	31.9%
KOHL'S	0.0%	-15.5%
JP MORGAN CHASE & CO.	0.0%	9.4%
LOWE'S COMPANIES	0.0%	18.0%
WESTERN UNION	0.0%	-24.6%
VISA 'A'	0.0%	13.1%
DOLLAR GENERAL	0.0%	-14.5%
ADVANCED MICRO DEVC.	0.0%	-28.8%

Equity Sector Attribution

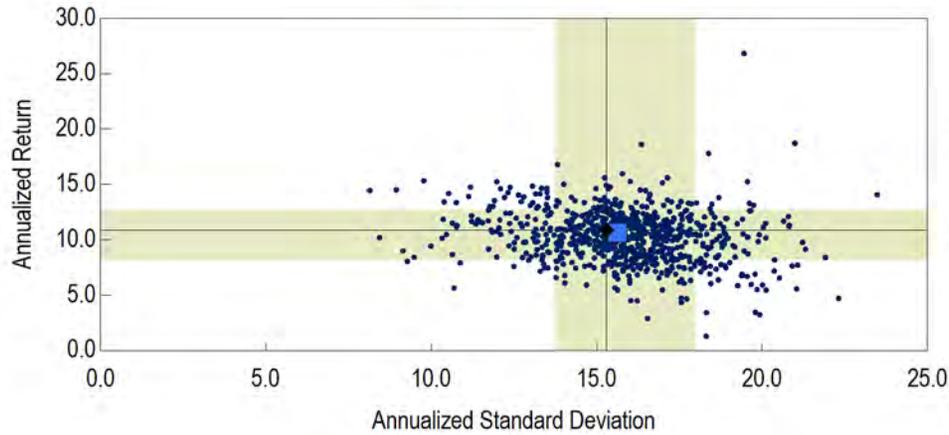|	Total Effects		Selection Effect	Allocation Effect		Interaction Effects	Returns Portfolio	Benchmark	Sector Weights Portfolio	Benchmark
Energy	0.1%		0.1%	0.0%		0.0%	-2.0%	-2.7%	10.7%	11.3%
Materials	0.1%		0.1%	0.0%		0.0%	5.1%	2.7%	4.4%	3.5%
Industrials	0.1%		0.1%	0.0%		0.0%	4.6%	3.5%	10.5%	9.7%
Cons. Disc.	0.1%		0.0%	0.0%		0.0%	2.4%	2.2%	12.7%	11.1%
Cons. Staples	0.1%		0.1%	0.0%		0.0%	-0.7%	-2.0%	9.3%	10.9%
Health Care	0.0%		0.0%	0.0%		0.0%	0.4%	0.1%	11.6%	12.0%
Financials	0.0%		-0.1%	0.0%		0.0%	5.4%	5.9%	15.3%	14.6%
Info. Tech	0.4%		0.3%	0.1%		0.0%	-4.1%	-5.8%	18.4%	20.2%
Telecomm.	0.0%		0.0%	0.0%		0.0%	-5.8%	-6.0%	2.8%	3.3%
Utilities	0.0%		0.0%	0.0%		0.0%	-2.3%	-2.9%	4.0%	3.5%
Cash	0.0%		0.0%	0.0%		0.0%	0.0%	--	0.3%	0.0%
Portfolio	**1.0%**	**=**	**0.7%** +	**0.3%**	**+**	**0.0%**	**0.6%**	**-0.4%**	**100.0%**	**100.0%**

T. Rowe Price employs a fundamental, bottom-up approach to investing in equity assets. The strategy delivers a research portfolio managed by the firm's industry analysts and representing their best ideas. The Structured Research Strategy seeks to provide superior long-term returns and capture the style of the S&P 500 Stock Index by combining analyst-driven research and security selection with the benefits of disciplined portfolio construction. T. Rowe Price's approach results in an industry and sector neutral portfolio that aims to consistently and reliably provide alpha through bottom-up, fundamental research and stock selection, consistent excess returns, index like return volatility, low tracking error (below 175bps), and a high information ratio.

eA US Large Cap Equity Gross Accounts

● T. Rowe   ▲ S&P 500

Annualized Excess Performance

Quarterly Out Performance
Quarterly Under Performance
Rolling 1 Year Excess Performance vs. S&P 500
Universe Upper Quartile
Universe Median
Universe Lower Quartile
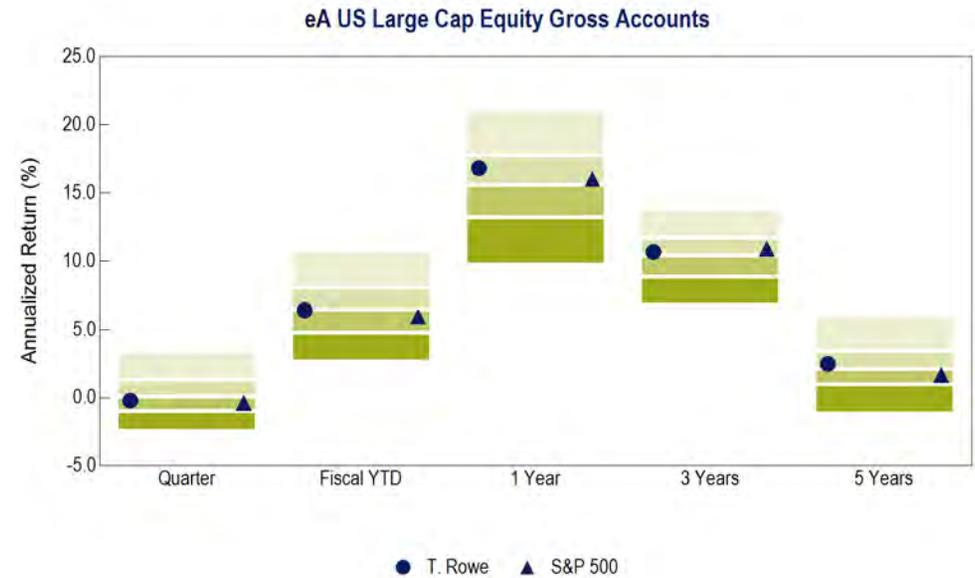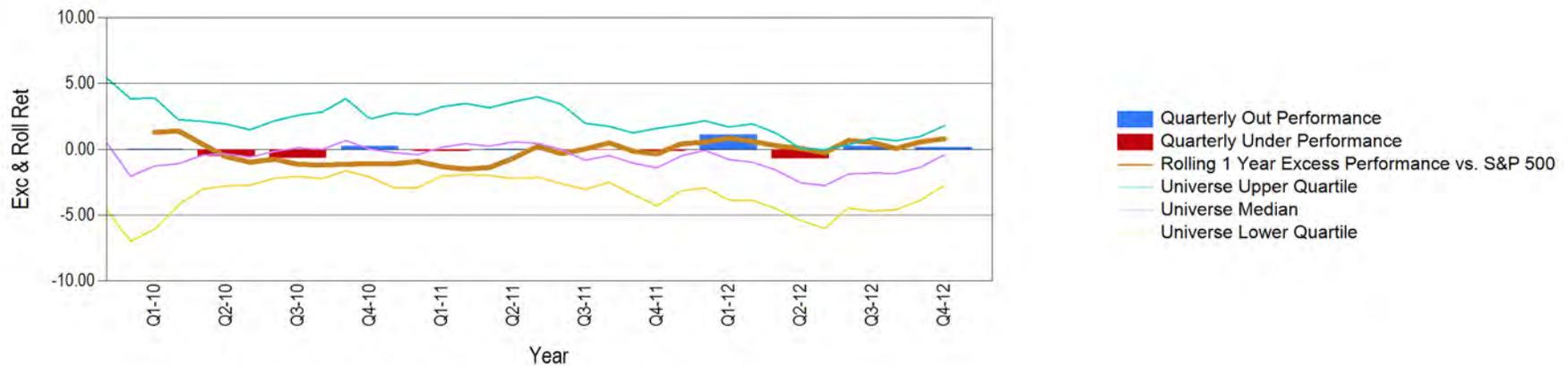
T. Rowe

3 Year Risk Return

- ■ T. Rowe
- ◆ S&P 500
- ☐ 68% Confidence Interval
- ● eA US Large Cap Equity Gross

Characteristics

	Portfolio	S&P 500
Number of Holdings	261	500
Weighted Avg. Market Cap. ($B)	104.8	103.2
Median Market Cap. ($B)	18.4	12.3
Price To Earnings	18.9	18.2
Price To Book	3.7	3.3
Price To Sales	2.3	2.1
Return on Equity (%)	21.5	19.0
Yield (%)	2.1	2.3
Beta	1.0	1.0
R-Squared	1.0	1.0

3 Year Risk Statistics
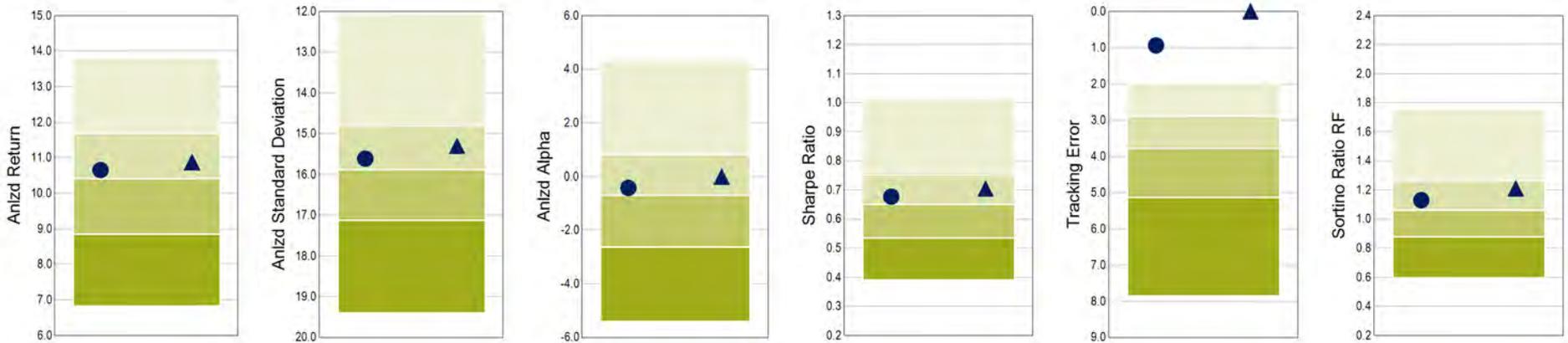
SSgA S&P 500 Cap-Wgt

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.
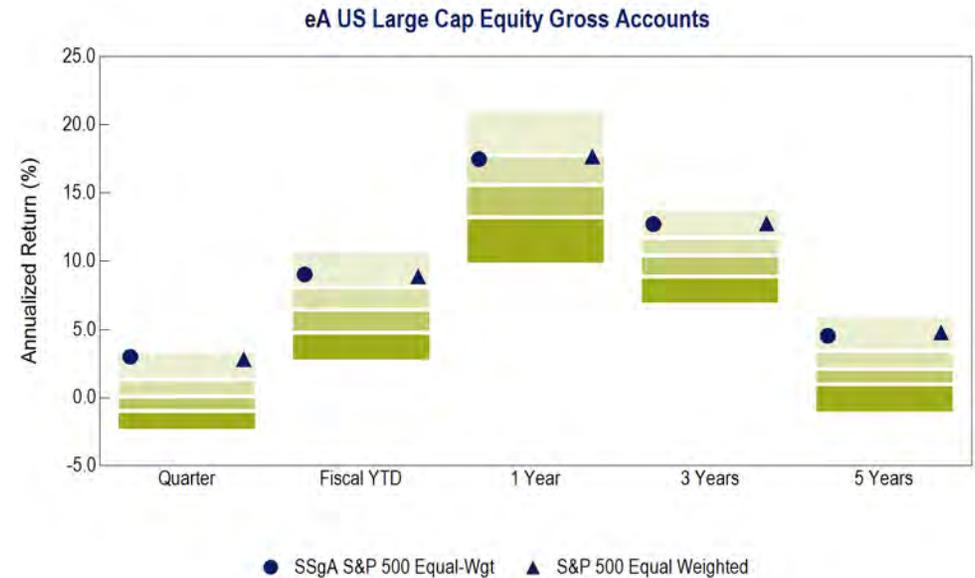
Characteristics

	Portfolio	S&P 500
Number of Holdings	502	500
Weighted Avg. Market Cap. ($B)	103.3	103.2
Median Market Cap. ($B)	12.3	12.3
Price To Earnings	18.1	18.2
Price To Book	3.6	3.3
Price To Sales	2.3	2.1
Return on Equity (%)	22.6	19.0
Yield (%)	2.3	2.3
Beta		1.0
R-Squared		1.0

eA US Large Cap Equity Gross Accounts

● SSgA S&P 500 Cap-Wgt   ▲ S&P 500
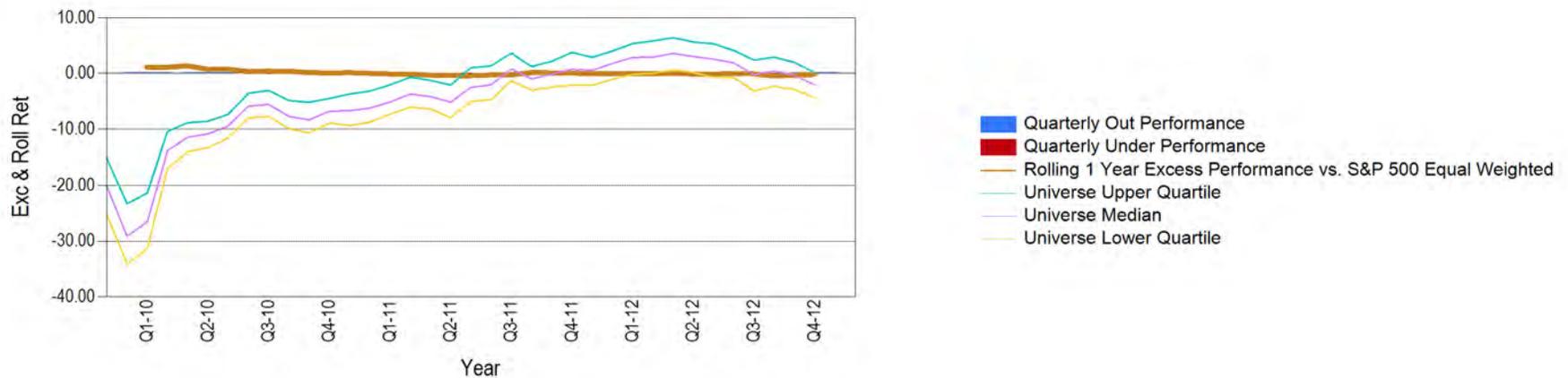
The Strategy is managed using a "passive" or "indexing" investment approach, by which SSgA attempts to match, before expenses, the performance of the Index. SSgA will typically attempt to invest in the securities comprising the Index, in the same proportions as they are represented in the Index. In some 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.
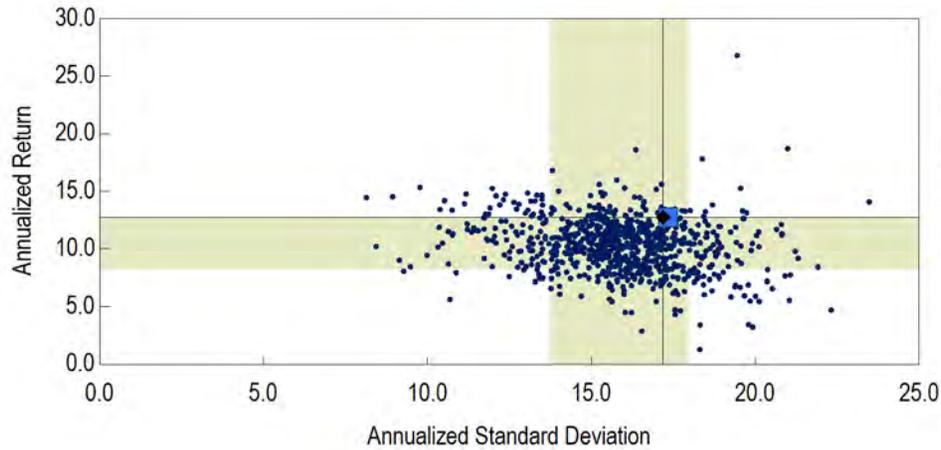
eA US Large Cap Equity Gross Accounts

● SSgA S&P 500 Equal-Wgt   ▲ S&P 500 Equal Weighted

Annualized Excess Performance

- Quarterly Out Performance
- Quarterly Under Performance
- Rolling 1 Year Excess Performance vs. S&P 500 Equal Weighted
- Universe Upper Quartile
- Universe Median
- Universe Lower Quartile

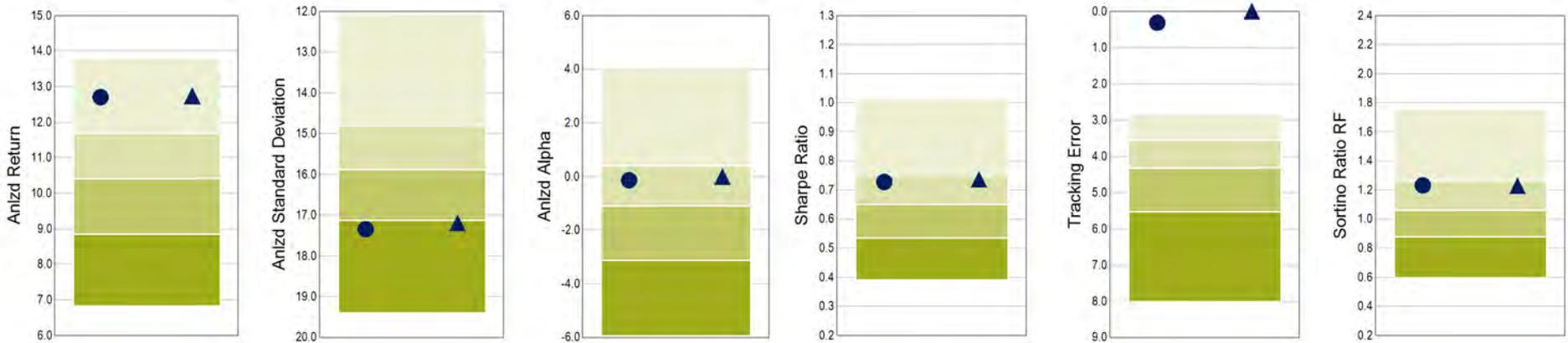# SSgA S&P 500 Equal-Wgt

3 Year Risk Return

- ■ SSgA S&P 500 Equal-Wgt
- ◆ S&P 500 Equal Weighted
- □ 68% Confidence Interval
- ● eA US Large Cap Equity Gross

Characteristics

	Portfolio	S&P 500
Number of Holdings	494	500
Weighted Avg. Market Cap. ($B)	26.0	103.2
Median Market Cap. ($B)	12.2	12.3
Price To Earnings	17.6	18.2
Price To Book	3.3	3.3
Price To Sales	2.0	2.1
Return on Equity (%)	17.5	19.0
Yield (%)	2.0	2.3
Beta	1.1	1.0
R-Squared	1.0	1.0

3 Year Risk Statistics

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NEPC, LLC

Vermont Municipal Employees

Large Cap Comp

3 Years Ending December 31, 2012

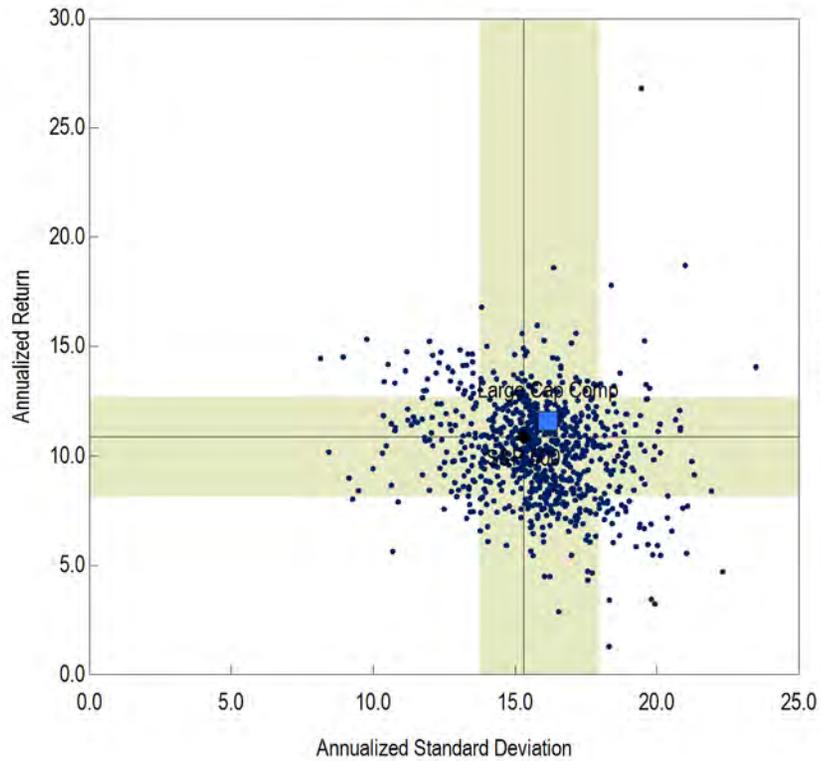|	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Large Cap Comp	11.21%	11.61%	27	16.15%	57	0.17%	36	0.71	34	1.19	35	1.34%	1
S&P 500	--	10.87%	42	15.30%	33	0.00%	39	0.71	36	1.21	33	0.00%	1
T. Rowe	3.21%	10.65%	45	15.61%	43	-0.43%	46	0.68	44	1.13	41	0.94%	1
S&P 500	--	10.87%	42	15.30%	33	0.00%	39	0.71	36	1.21	33	0.00%	1
SSgA S&P 500 Cap-Wgt	4.84%	--	--	--	--	--	--	--	--	--	--	--	--
S&P 500	--	--	--	--	--	--	--	--	--	--	--	--	--
SSgA S&P 500 Equal-Wgt	3.17%	12.70%	13	17.34%	80	-0.15%	34	0.73	31	1.23	30	0.31%	1
S&P 500 Equal Weighted	--	12.73%	13	17.19%	77	0.00%	31	0.74	29	1.23	31	0.00%	1

Vermont Municipal Employees

Large Cap Comp

5 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Large Cap Comp	11.21%	3.10%	32	21.01%	82	1.31%	35	0.13	37	0.18	37	2.87%	9
S&P 500	--	1.66%	61	19.04%	46	0.00%	61	0.07	61	0.09	60	0.00%	1
T. Rowe	3.21%	2.47%	44	19.12%	48	0.80%	45	0.11	44	0.15	43	1.15%	1
S&P 500	--	1.66%	61	19.04%	46	0.00%	61	0.07	61	0.09	60	0.00%	1
SSgA S&P 500 Cap-Wgt	4.84%	--	--	--	--	--	--	--	--	--	--	--	--
S&P 500	--	--	--	--	--	--	--	--	--	--	--	--	--
SSgA S&P 500 Equal-Wgt	3.17%	4.52%	13	23.37%	96	-0.34%	25	0.18	22	0.25	22	1.09%	1
S&P 500 Equal Weighted	--	4.79%	11	23.01%	95	0.00%	22	0.19	19	0.27	19	0.00%	1

3 Year Risk Return

3 Year Style Analysis

Large Cap Comp

Equity Characteristics

	Portfolio	S&P 500
Number of Holdings	530	500
Weighted Avg. Market Cap. ($B)	81.5	103.2
Median Market Cap. ($B)	13.4	12.3
Price To Earnings	18.2	18.2
Price To Book	3.5	3.3
Price To Sales	2.2	2.1
Return on Equity (%)	20.8	19.0
Yield (%)	2.2	2.3
Beta	1.1	1.0
R-Squared	1.0	1.0

Equity Sector Allocation

Sector	Large Cap Comp	S&P 500
Energy	10.3	11.0
Materials	4.6	3.6
Industrials	10.7	10.1
Cons. Disc.	13.2	11.5
Cons. Staples	9.3	10.6
Health Care	11.4	12.0
Financials	15.7	15.6
Info. Tech	17.4	19.0
Telecomm.	2.5	3.1
Utilities	4.0	3.4
Unclassified	0.9	0.0

Market Capitalization As Of December 31, 2012

Capitalization	Large Cap Comp	S&P 500
Small Cap	0.1	0.0
Small/Mid Cap	6.7	2.6
Mid Cap	25.4	17.3
Mid/Large Cap	30.9	31.5
Large Cap	36.8	48.6

Vermont Municipal Employees

Small/Mid Cap Comp

Top Ten Holdings

JPMORGAN PRIME MONEY MARKET FUND AGENCY CLASS	1.4%
CARLISLE COS.	1.3%
ARBITRON	0.8%
WILLIS GROUP HOLDINGS	0.8%
DOVER	0.8%
NORTHERN TRUST	0.8%
ICON	0.8%
MUELLER INDS.	0.8%
LIFE TECHNOLOGIES	0.8%
CHAS.RVR.LABS.INTL.	0.7%

Top Positive Contributors

	Relative Contribution %	Return %
CARLISLE COS.	0.2%	13.6%
ARBITRON	0.1%	23.5%
RALCORP HDG.	0.1%	22.8%
SOLERA HOLDINGS	0.1%	22.2%
TUPPERWARE BRANDS	0.1%	20.3%
ICON	0.1%	13.9%
STAGE STORES	0.1%	18.1%
UNITED STATIONERS	0.1%	19.4%
DOVER	0.1%	11.1%
ILLUMINA	0.1%	15.4%

Top Negative Contributors

	Relative Contribution %	Return %
CYMER	-0.1%	77.1%
WILLIS GROUP HOLDINGS	-0.1%	-8.5%
ARCOS DORADOS HOLDINGS	-0.1%	-21.8%
LOUISIANA PACIFIC	-0.1%	54.6%
MICROS SYSTEMS	-0.1%	-13.7%
WILEY JOHN & SONS 'A'	-0.1%	-14.8%
ASCENA RETAIL GROUP	-0.1%	-13.9%
WHITING PTL.	-0.1%	-8.5%
OCWEN FINL.	-0.1%	26.2%
ST.JUDE MEDICAL	-0.1%	-13.7%

Equity Sector Attribution

	Total Effects		Selection Effect	Attribution Effects Allocation Effect		Interaction Effects	Returns Portfolio	Benchmark	Sector Weights Portfolio	Benchmark
Energy	-0.1%		0.0%	0.0%		0.0%	-1.4%	-0.8%	6.8%	6.1%
Materials	-0.1%		-0.1%	0.0%		0.0%	2.9%	5.6%	4.5%	5.1%
Industrials	0.1%		-0.1%	0.2%		0.0%	9.0%	9.5%	17.6%	14.4%
Cons. Disc.	0.0%		0.0%	0.0%		0.0%	2.9%	3.1%	13.5%	13.9%
Cons. Staples	0.3%		0.2%	-0.1%		0.2%	4.3%	-1.6%	6.9%	3.7%
Health Care	0.4%		0.6%	-0.4%		0.2%	-2.8%	-7.6%	18.0%	13.2%
Financials	-0.2%		-0.2%	-0.1%		0.1%	1.6%	2.6%	15.5%	22.4%
Info. Tech	-0.2%		-0.2%	0.0%		0.0%	0.5%	1.8%	15.2%	16.8%
Telecomm.	0.0%		0.0%	0.0%		0.0%	-5.0%	-5.6%	0.3%	0.8%
Utilities	0.1%		0.0%	0.1%		0.0%	-1.9%	-2.9%	1.7%	3.6%
Cash	0.0%		--	--		--	--	--	0.0%	0.0%
Portfolio	**0.4%**	=	**0.2%**	**-0.3%**	+	**0.5%**	**2.1%**	**1.7%**	**100.0%**	**100.0%**

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	402	400
Weighted Avg. Market Cap. ($B)	4.2	4.2
Median Market Cap. ($B)	2.8	2.8
Price To Earnings	23.7	21.5
Price To Book	3.0	2.7
Price To Sales	2.4	2.1
Return on Equity (%)	14.6	13.7
Yield (%)	1.5	1.5
Beta		1.0
R-Squared		1.0

eA US Mid Cap Equity Gross Accounts

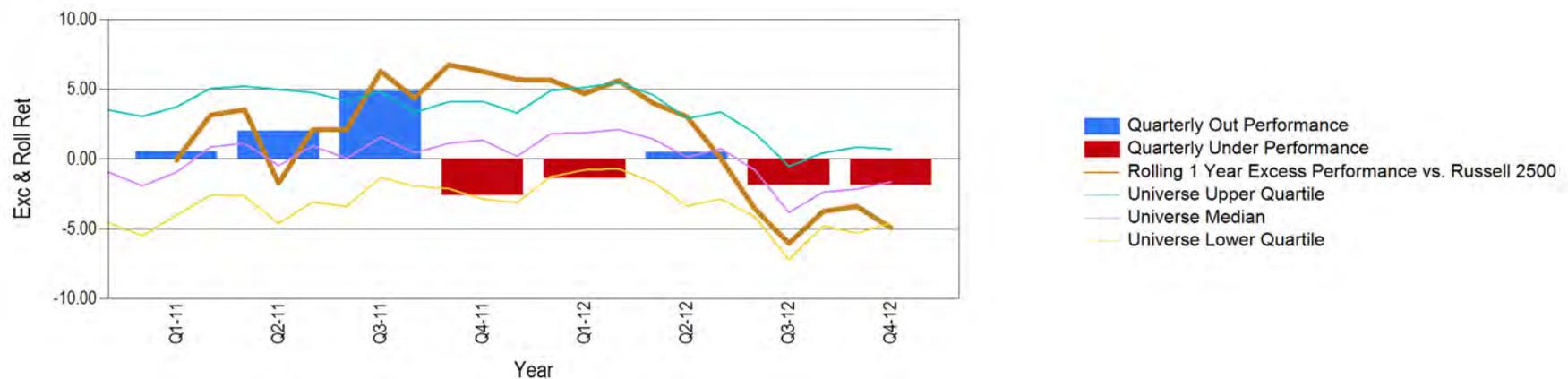● SSgA S&P 400   ▲ S&P 400 MidCap

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.
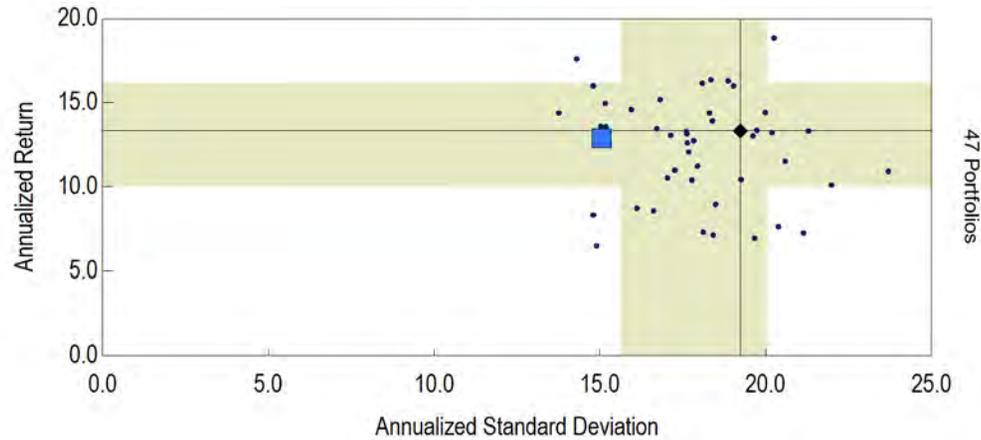
eA US Mid Cap Core Equity Gross Accounts

● Champlain   ▲ Russell 2500

Annualized Excess Performance

■ Quarterly Out Performance
■ Quarterly Under Performance
— Rolling 1 Year Excess Performance vs. Russell 2500
— Universe Upper Quartile
— Universe Median
— Universe Lower Quartile

Champlain

3 Year Risk Return
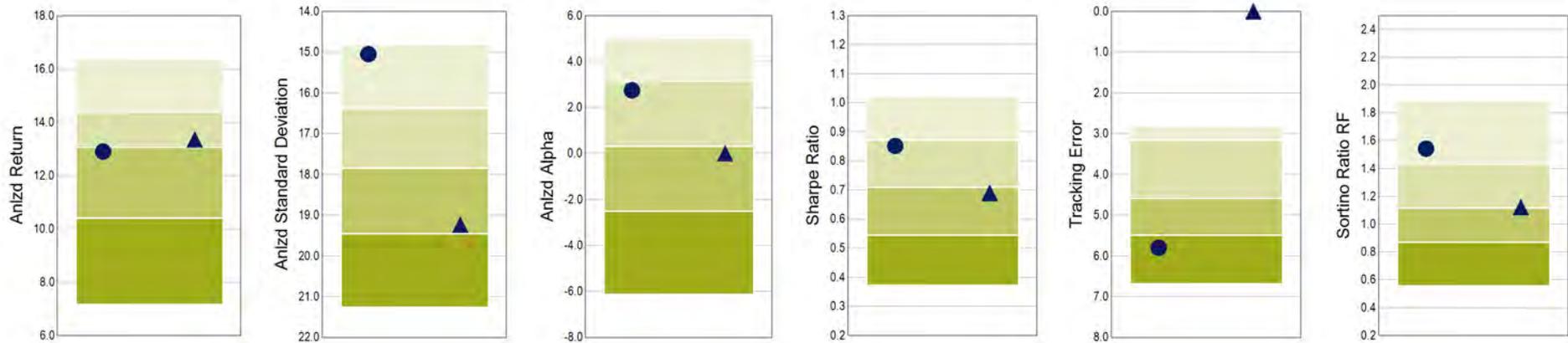

- ■ Champlain
- ♦ Russell 2500
- □ 68% Confidence Interval
- ● eA US Mid Cap Core Equity Gross

Characteristics

	Portfolio	Russell 2500
Number of Holdings	73	2,478
Weighted Avg. Market Cap. ($B)	7.4	2.9
Median Market Cap. ($B)	5.8	0.7
Price To Earnings	21.9	17.8
Price To Book	3.2	2.5
Price To Sales	2.6	2.0
Return on Equity (%)	17.3	11.7
Yield (%)	1.3	1.3
Beta		1.0
R-Squared		1.0

3 Year Risk Statistics

NEPC, LLC

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.
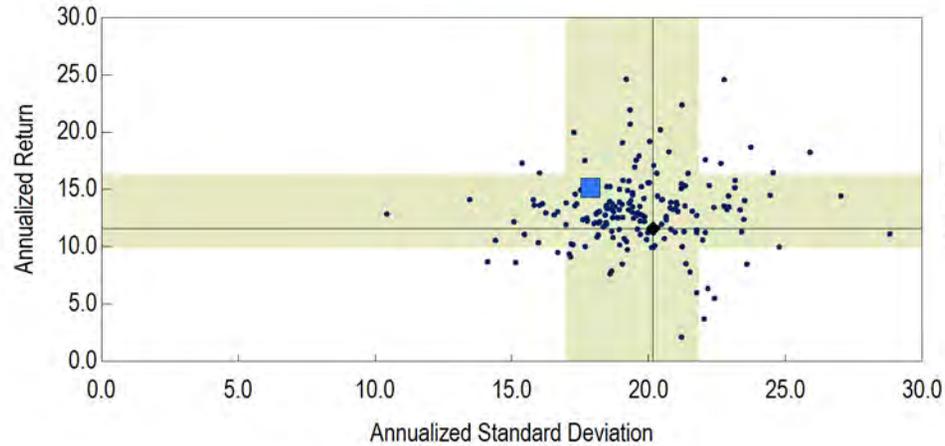

eA US Small Cap Value Equity Gross Accounts

● Wellington   ▲ Russell 2000 Value

Annualized Excess Performance

Quarterly Out Performance
Quarterly Under Performance
Rolling 1 Year Excess Performance vs. Russell 2000 Value
Universe Upper Quartile
Universe Median
Universe Lower Quartile
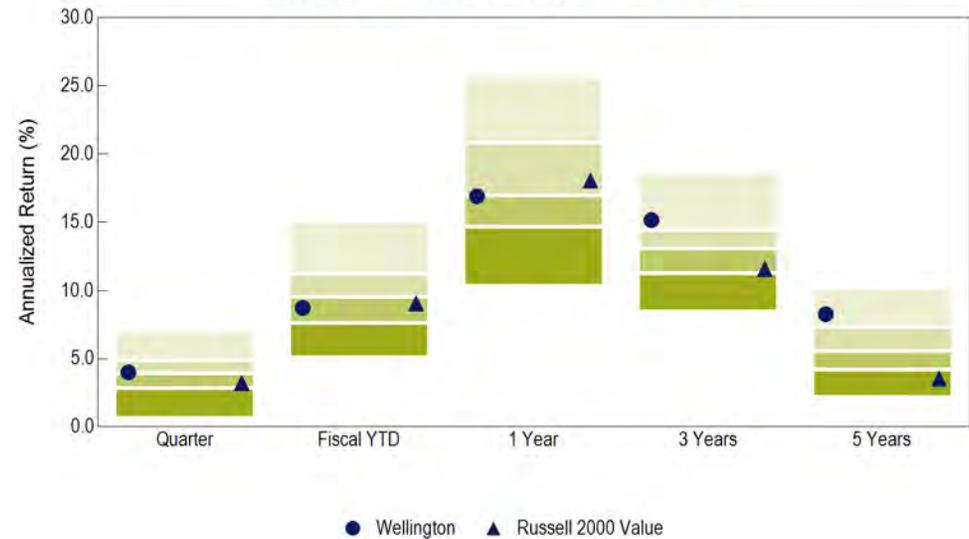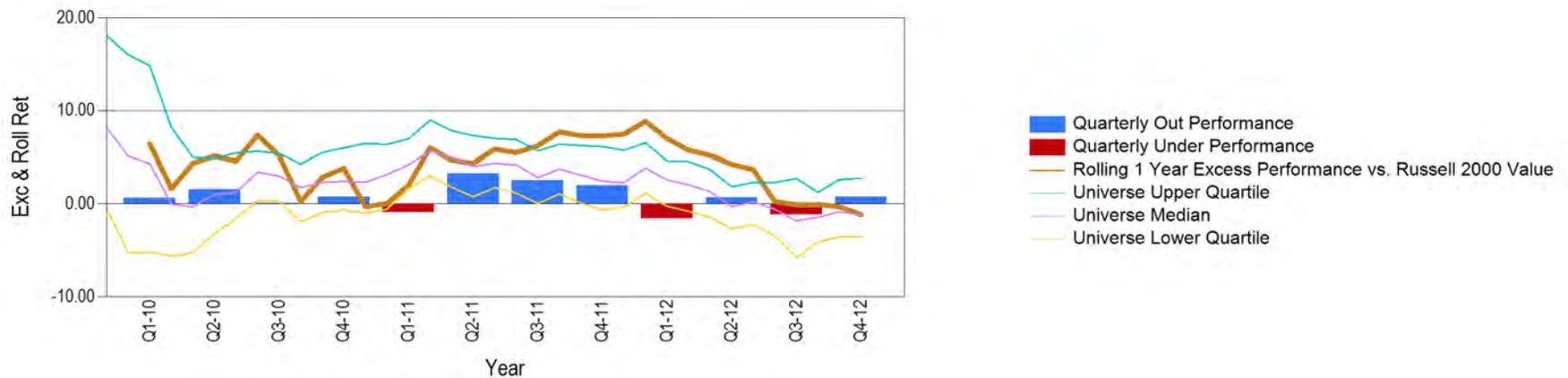
Wellington

3 Year Risk Return

- ■ Wellington
- ♦ Russell 2000 Value
- □ 68% Confidence Interval
- ● eA US Small Cap Value Equity Gross

184 Portfolios

Characteristics

	Portfolio	Russell 2000 Value
Number of Holdings	79	1,422
Weighted Avg. Market Cap. ($B)	1.5	1.2
Median Market Cap. ($B)	1.2	0.5
Price To Earnings	16.0	13.1
Price To Book	2.3	1.5
Price To Sales	1.4	1.7
Return on Equity (%)	13.5	6.6
Yield (%)	1.6	1.8
Beta		1.0
R-Squared		1.0

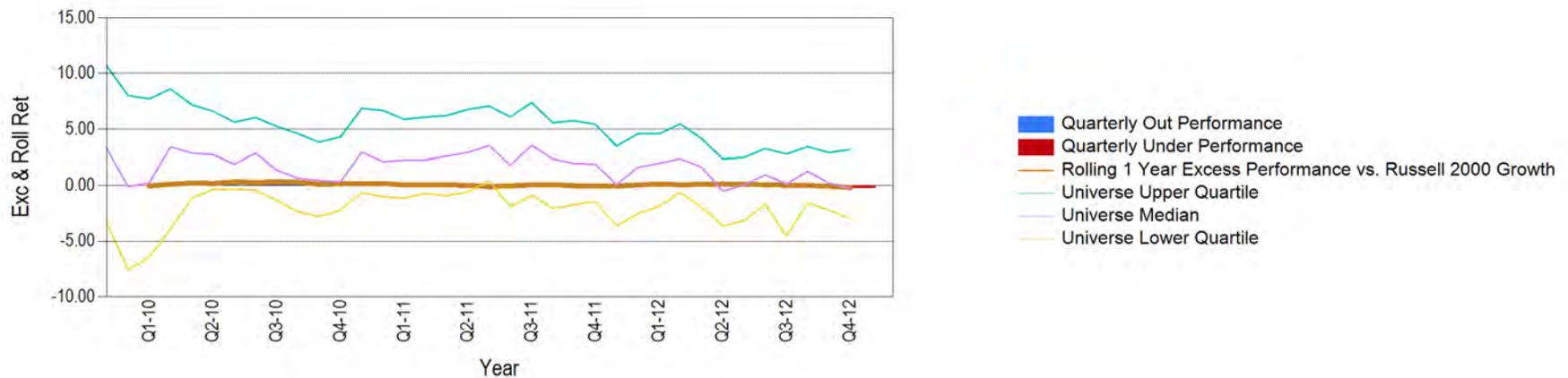## 3 Year Risk Statistics

NEPC, LLC
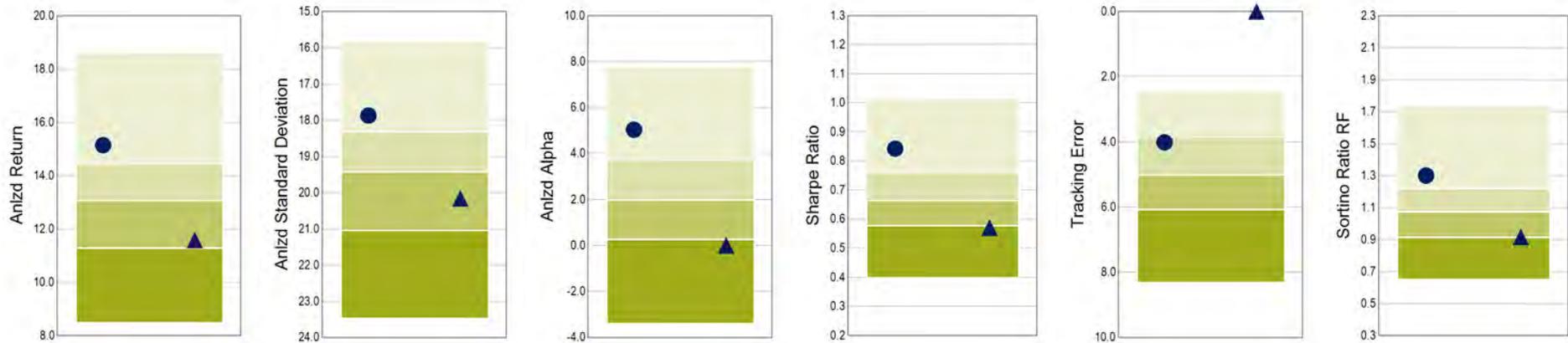
SSgA Russell 2000 Growth

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**

● SSgA Russell 2000 Growth   ▲ Russell 2000 Growth

Annualized Excess Performance

■ Quarterly Out Performance
■ Quarterly Under Performance
— Rolling 1 Year Excess Performance vs. Russell 2000 Growth
— Universe Upper Quartile
— Universe Median
— Universe Lower Quartile

SSgA Russell 2000 Growth

3 Year Risk Return

- ■ SSgA Russell 2000 Growth
- ◆ Russell 2000 Growth
- □ 68% Confidence Interval
- ● eA US Small Cap Growth Equity Gross
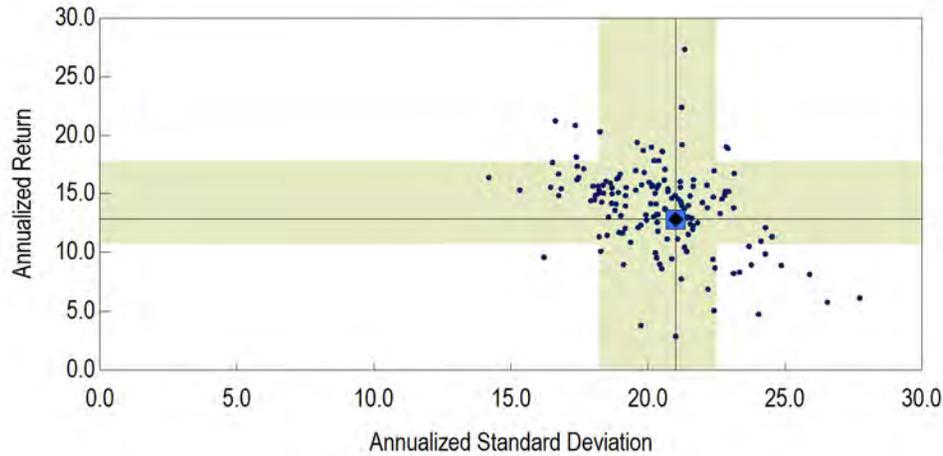
156 Portfolios

Characteristics

	Portfolio	Russell 2000 Growth
Number of Holdings	1,044	1,120
Weighted Avg. Market Cap. ($B)	1.5	1.5
Median Market Cap. ($B)	0.6	0.6
Price To Earnings	18.5	18.3
Price To Book	4.3	4.0
Price To Sales	3.0	2.6
Return on Equity (%)	11.5	13.6
Yield (%)	0.7	0.4
Beta		1.0
R-Squared		1.0

3 Year Risk Statistics
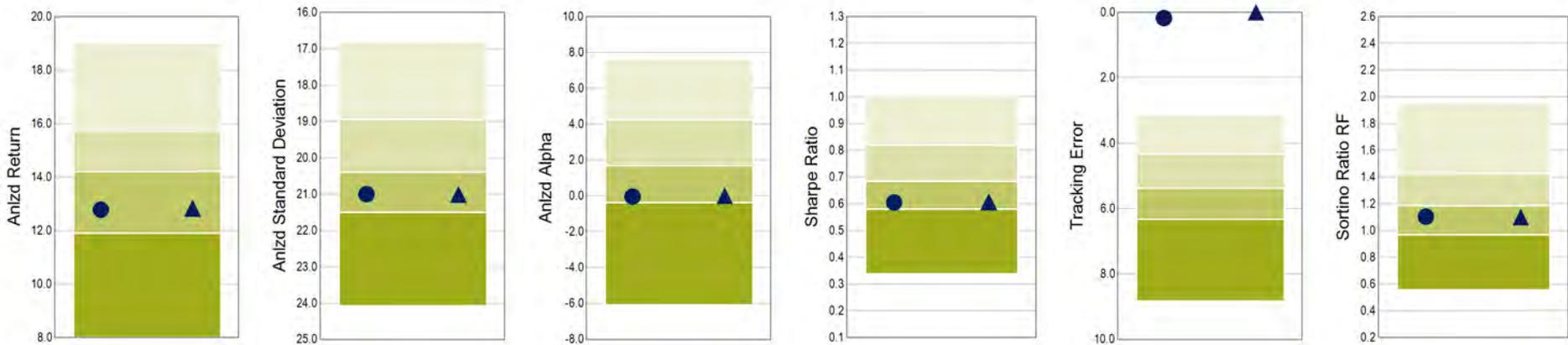
Vermont Municipal Employees

Int'l Equity Comp

3 Years Ending December 31, 2012

|	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
Int'l Equity Comp	10.38%	4.27%	79	18.04%	17	1.01%	75	2.36%	10	0.33	76	91.00%	43
MSCI EAFE	--	3.56%	87	19.65%	56	0.00%	87	0.00%	1	0.27	86	100.00%	83
Acadian	4.15%	5.25%	66	18.86%	36	1.89%	64	3.78%	40	0.37	68	90.69%	41
MSCI EAFE	--	3.56%	87	19.65%	56	0.00%	87	0.00%	1	0.27	86	100.00%	83
Mondrian	4.09%	3.14%	92	17.42%	11	0.06%	86	4.82%	58	0.27	86	89.69%	36
MSCI EAFE	--	3.56%	87	19.65%	56	0.00%	87	0.00%	1	0.27	86	100.00%	83
SSgA ACWI Ex US	2.14%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI ACWI ex USA	--	--	--	--	--	--	--	--	--	--	--	--	--

Vermont Municipal Employees

Int'l Equity Comp

5 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
Int'l Equity Comp	10.38%	-4.09%	88	22.25%	23	-0.62%	89	2.36%	7	-0.26	88	97.70%	44
MSCI EAFE	--	-3.69%	86	23.47%	45	0.00%	85	0.00%	1	-0.24	86	100.00%	67
Acadian	4.15%	-5.37%	94	24.36%	64	-1.59%	94	4.23%	36	-0.29	93	100.73%	78
MSCI EAFE	--	-3.69%	86	23.47%	45	0.00%	85	0.00%	1	-0.24	86	100.00%	67
Mondrian	4.09%	-3.01%	74	20.49%	10	0.11%	83	4.99%	47	-0.23	84	94.00%	18
MSCI EAFE	--	-3.69%	86	23.47%	45	0.00%	85	0.00%	1	-0.24	86	100.00%	67
SSgA ACWI Ex US	2.14%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI ACWI ex USA	--	--	--	--	--	--	--	--	--	--	--	--	--

3 Year Risk Return
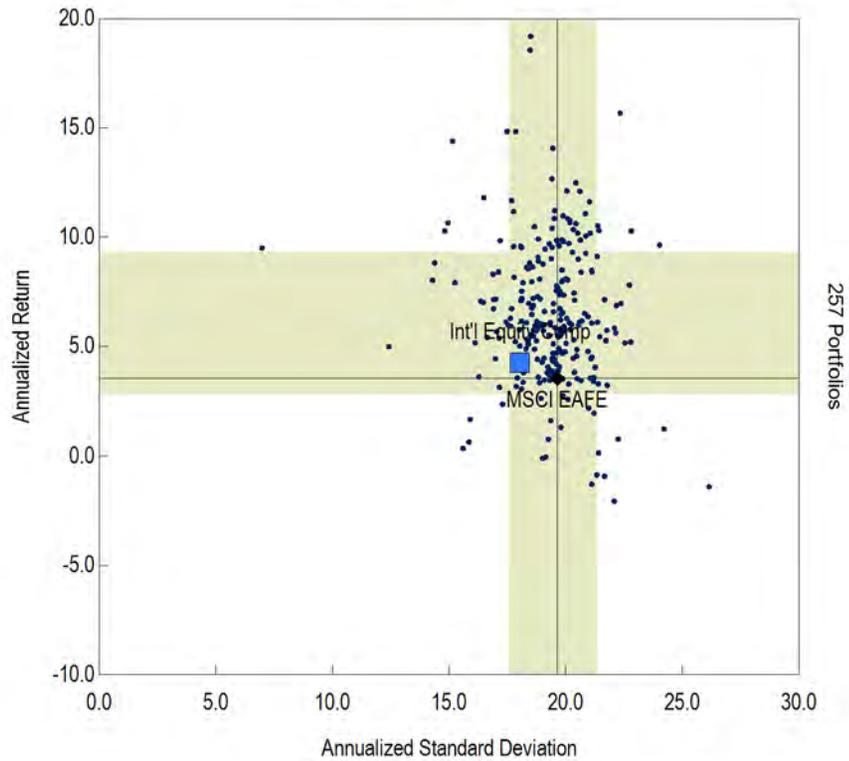
3 Year Style Analysis

Int'l Equity Comp

Equity Characteristics

	Portfolio	MSCI EAFE
Number of Holdings	2,215	909
Weighted Avg. Market Cap. ($B)	45.1	52.9
Median Market Cap. ($B)	5.4	7.4
Price To Earnings	13.1	16.0
Price To Book	2.0	1.9
Price To Sales	1.2	1.5
Return on Equity (%)	13.9	13.5
Yield (%)	3.7	3.3
Beta	0.9	1.0
R-Squared	1.0	1.0

Regional Allocation

	Int'l Equity Comp	MSCI EAFE
Region Weighting		
North America ex U.S.	2.69	0.00
United States	2.45	0.00
Europe Ex U.K.	43.59	42.64
United Kingdom	12.44	22.74
Pacific Basin Ex Japan	7.94	14.06
Japan	21.41	20.01
Emerging Markets	8.55	0.00
Other	0.92	0.54

Equity Sector Allocation

Sector	Int'l Equity Comp	MSCI EAFE
Energy	9.8	7.7
Materials	7.3	9.8
Industrials	12.1	12.6
Cons. Disc.	9.1	10.7
Cons. Staples	9.5	11.6
Health Care	11.8	9.8
Financials	19.1	24.7
Info. Tech	7.9	4.3
Telecomm.	6.7	4.9
Utilities	4.9	3.9
Unclassified	1.8	0.0

December 31, 2012
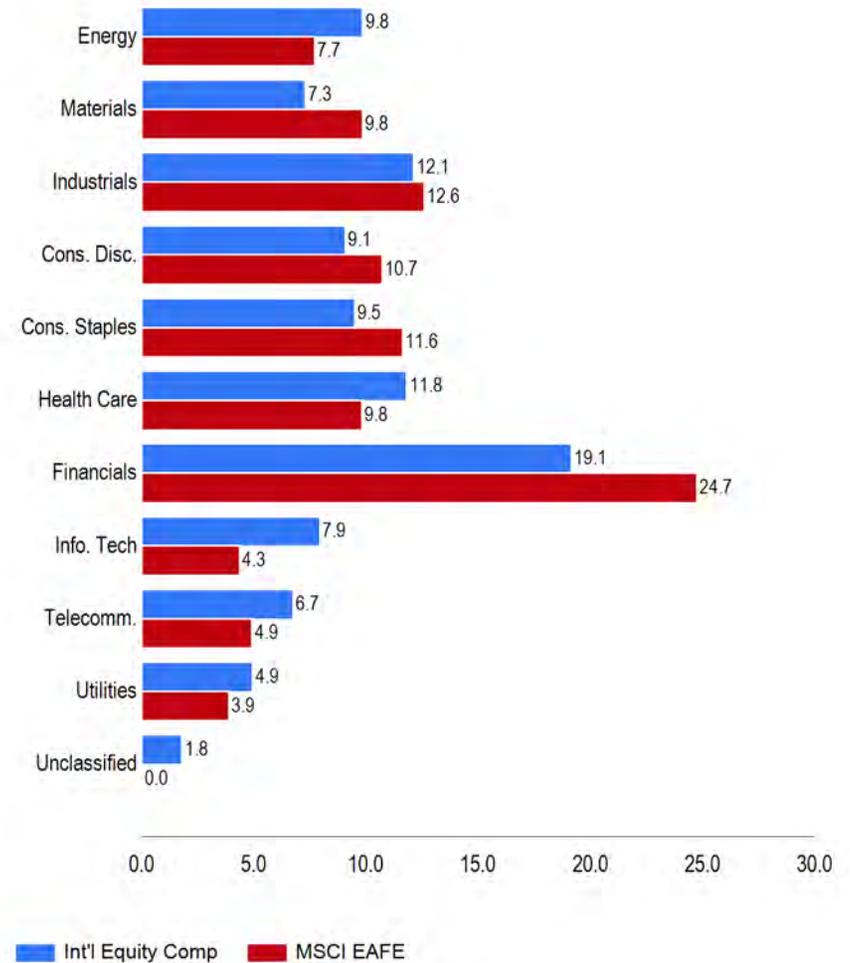
Int'l Equity Comp

Top Ten Holdings

CASH - USD	2.4%
SANOFI	2.3%
ROYAL DUTCH SHELL A	2.2%
TOTAL	2.0%
CANON	1.5%
NOVARTIS 'R'	1.5%
IBERDROLA	1.3%
UNILEVER (UK)	1.2%
RWE	1.2%
AMCOR	1.1%

Top Positive Contributors

	Relative Contribution %	Return %
IBERDROLA	0.2%	21.9%
CANON	0.2%	23.0%
DEUTSCHE LUFTHANSA	0.2%	38.4%
CARREFOUR	0.2%	22.8%
SAINT GOBAIN	0.2%	20.8%
HOME RETAIL GROUP	0.1%	44.4%
SANOFI	0.1%	10.3%
SAMSUNG ELECTRONICS	0.1%	17.4%
EADS	0.1%	22.6%
HINO MOTORS	0.1%	36.1%

Top Negative Contributors

	Relative Contribution %	Return %
HSBC HDG. (ORD $0.50)	-0.2%	14.6%
BHP BILLITON	-0.1%	12.1%
ASTELLAS PHARMA	-0.1%	-12.1%
UBS 'R'	-0.1%	28.0%
RWE	-0.1%	-8.9%
KAO	-0.1%	-10.8%
TEVA PHARM.INDS.ADR 1:1	-0.1%	-9.2%
COMMONWEALTH BK.OF AUS.	-0.1%	11.3%
QBE INSURANCE GROUP	-0.1%	-16.0%
HONDA MOTOR	-0.1%	18.8%

Equity Sector Attribution

	Total Effects		Selection Effect		Allocation Effect		Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark
	Attribution Effects							**Returns**		**Sector Weights**	
Energy	-0.1%		0.1%		-0.3%		0.1%	0.6%	-0.7%	11.5%	8.3%
Materials	-0.2%		-0.1%		0.0%		0.0%	7.7%	9.4%	6.9%	9.4%
Industrials	0.5%		0.3%		-0.1%		0.2%	13.0%	8.4%	10.9%	12.4%
Cons. Disc.	-0.4%		-0.4%		-0.1%		0.1%	8.2%	12.3%	9.0%	10.2%
Cons. Staples	0.1%		0.2%		0.0%		-0.2%	3.4%	3.0%	11.7%	12.0%
Health Care	-0.3%		0.0%		-0.1%		-0.2%	0.5%	2.1%	12.6%	10.3%
Financials	-0.7%		-0.6%		-0.3%		0.2%	8.8%	11.4%	17.0%	23.6%
Info. Tech	-0.2%		-0.1%		0.2%		-0.3%	6.4%	9.9%	7.4%	4.3%
Telecomm.	-0.2%		-0.1%		-0.2%		0.0%	-4.9%	-4.7%	7.1%	5.4%
Utilities	-0.1%		-0.1%		-0.1%		0.1%	0.7%	1.4%	5.6%	4.0%
Cash	0.0%		0.0%		0.0%		0.0%	0.0%	--	0.3%	0.0%
Portfolio	**-1.7%**	=	**-0.7%**	+	**-1.0%**	+	**0.0%**	**4.9%**	**6.6%**	**100.0%**	**100.0%**

Int'l Equity Comp

Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Americas				
Brazil*	1.1%	0.0%	-3.6%	3.5%
Canada	2.6%	0.0%	-0.2%	0.7%
Chile*	0.1%	0.0%	-0.5%	-0.6%
Colombia*	0.1%	0.0%	12.7%	12.6%
Mexico*	0.3%	0.0%	7.7%	5.7%
Peru*	0.0%	0.0%	7.5%	7.5%
United States	0.0%	0.0%	-1.2%	-0.4%
Total-Americas	**4.2%**	**0.0%**	**-0.4%**	**--**
Europe				
Austria	0.3%	0.3%	4.7%	19.1%
Belgium	1.1%	1.2%	2.7%	6.1%
Czech Republic*	0.0%	0.0%	-3.2%	-3.3%
Denmark	0.7%	1.2%	4.7%	3.3%
Finland	0.4%	0.7%	12.4%	13.1%
France	10.5%	9.2%	11.8%	11.0%
Germany	8.5%	8.6%	5.1%	8.1%
Greece	0.0%	0.0%	28.1%	28.1%
Hungary*	0.0%	0.0%	-0.9%	-1.5%
Ireland	0.0%	0.3%	5.6%	3.0%
Italy	2.1%	2.2%	9.7%	9.5%
Luxembourg	0.0%	0.0%	1.4%	6.6%
Netherlands	4.8%	2.5%	4.7%	9.6%
Norway	0.9%	1.0%	-1.6%	1.0%
Poland*	0.2%	0.0%	23.9%	11.7%
Portugal	0.0%	0.2%	13.0%	10.8%
Russia*	0.2%	0.0%	6.3%	2.5%
Spain	3.1%	2.9%	11.5%	9.9%
Sweden	2.0%	3.2%	4.0%	5.1%
Switzerland	5.8%	8.6%	7.8%	8.0%
United Kingdom	16.7%	23.3%	3.6%	4.2%
Total-Europe	**57.6%**	**65.4%**	**6.6%**	**7.0%**

Country Allocation
Versus MSCI EAFE - Quarter Ending December 31, 2012

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
AsiaPacific				
Australia	5.4%	8.9%	5.3%	6.9%
China*	0.8%	0.0%	12.8%	12.9%
Hong Kong	0.7%	3.1%	5.4%	5.7%
India*	0.3%	0.0%	0.8%	0.5%
Indonesia*	0.1%	0.0%	1.3%	1.0%
Japan	21.0%	19.9%	2.0%	5.9%
Korea*	2.0%	0.0%	5.0%	4.8%
Malaysia*	0.2%	0.0%	3.8%	3.7%
New Zealand	0.1%	0.1%	-3.8%	4.8%
Philippines*	0.0%	0.0%	11.4%	11.5%
Singapore	3.7%	1.9%	4.1%	3.2%
Taiwan*	1.5%	0.0%	4.0%	1.5%
Thailand*	0.5%	0.0%	-1.3%	5.9%
Total-AsiaPacific	**36.3%**	**34.0%**	**3.2%**	**6.0%**
Other				
Egypt*	0.0%	0.0%	-9.9%	-10.8%
Israel	1.1%	0.6%	-8.5%	-3.8%
Morocco*	0.0%	0.0%	1.3%	1.3%
South Africa*	0.5%	0.0%	6.6%	6.2%
Turkey*	0.1%	0.0%	18.7%	18.4%
Total-Other	**1.6%**	**0.6%**	**-2.9%**	**-3.8%**
Totals				
Developed	91.7%	100.0%	4.9%	6.6%
Emerging*	8.0%	0.0%	4.6%	--
Other	0.0%		--	
Cash	0.3%		0.0%	

Vermont Municipal Employees

Int'l Equity Comp

International Equity Performance Attribution

	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
Europe									
Austria	4.7%	19.1%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Belgium	2.7%	6.1%	1.1%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Czech Republic*	-3.2%	-3.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Denmark	4.7%	3.3%	0.7%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Finland	12.4%	13.1%	0.4%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%
France	11.8%	11.0%	10.5%	9.2%	0.1%	0.0%	0.0%	0.0%	0.1%
Germany	5.1%	8.1%	8.5%	8.6%	-0.3%	0.0%	0.0%	0.0%	-0.3%
Greece	28.1%	28.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Hungary*	-0.9%	-1.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Ireland	5.6%	3.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Italy	9.7%	9.5%	2.1%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Netherlands	4.7%	9.6%	4.8%	2.5%	-0.1%	0.0%	0.1%	-0.1%	-0.2%
Norway	-1.6%	1.0%	0.9%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Poland*	23.9%	11.7%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Portugal	13.0%	10.8%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Russia*	6.3%	2.5%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Spain	11.5%	9.9%	3.1%	2.9%	0.0%	0.0%	0.0%	0.0%	0.1%
Sweden	4.0%	5.1%	2.0%	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Switzerland	7.8%	8.0%	5.8%	8.6%	0.0%	0.1%	-0.1%	0.0%	0.0%
United Kingdom	3.6%	4.2%	16.7%	23.3%	-0.1%	0.3%	0.0%	0.0%	0.1%
Americas									
Brazil*	-3.6%	3.5%	1.1%	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.1%
Canada	-0.2%	0.7%	2.6%	0.0%	0.0%	-0.2%	0.0%	0.0%	-0.2%
Chile*	-0.5%	-0.6%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Colombia*	12.7%	12.6%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Mexico*	7.7%	5.7%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Peru*	7.5%	7.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
United States	-1.2%	-0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

International Equity Performance Attribution

	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
AsiaPacific									
Australia	5.3%	6.9%	5.4%	8.9%	-0.1%	0.0%	0.0%	0.1%	-0.1%
China*	12.8%	12.9%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Hong Kong	5.4%	5.7%	0.7%	3.1%	0.0%	0.0%	0.0%	0.0%	0.0%
India*	0.8%	0.5%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Indonesia*	1.3%	1.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Japan	2.0%	5.9%	21.0%	19.9%	-0.9%	0.1%	0.0%	0.0%	-0.8%
Korea*	5.0%	4.8%	2.0%	0.0%	0.0%	-0.1%	0.1%	0.0%	-0.1%
Malaysia*	3.8%	3.7%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
New Zealand	-3.8%	4.8%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Philippines*	11.4%	11.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Singapore	4.1%	3.2%	3.7%	1.9%	0.0%	-0.1%	0.0%	0.0%	-0.1%
Taiwan*	4.0%	1.5%	1.5%	0.0%	0.0%	-0.1%	0.0%	0.0%	-0.1%
Thailand*	-1.3%	5.9%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other									
Egypt*	-9.9%	-10.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Israel	-8.5%	-3.8%	1.1%	0.6%	0.0%	-0.1%	0.0%	0.0%	-0.1%
Morocco*	1.3%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
South Africa*	6.6%	6.2%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Turkey*	18.7%	18.4%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other Countries*		0.0%		0.0%					
Totals									
Developed	4.9%	6.6%	91.7%	100.0%	-1.4%	0.0%	-0.2%	0.1%	-1.4%
Emerging*	4.6%	--	8.0%	0.0%	0.0%	0.0%	0.1%	-0.3%	-0.2%
Cash	0.0%	--	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Vermont Municipal Employees

Int'l Equity Comp

Int'l Equity Comp 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	-0.4%	--	4.2%	0.0%	0.0%	0.0%	0.0%	-0.3%	-0.3%
Europe	6.6%	7.0%	57.6%	65.4%	-0.4%	0.2%	-0.1%	0.0%	-0.2%
Asia/Pacific	3.2%	6.0%	36.3%	34.0%	-1.1%	0.1%	0.0%	-0.1%	-1.0%
Other	-2.9%	-3.8%	1.6%	0.6%	0.0%	-0.2%	0.0%	0.1%	-0.1%
Cash	0.0%	--	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	**4.9%**	**6.6%**	**100.0%**	**100.0%**	**-1.5%**	**0.1%**	**-0.1%**	**-0.3%**	**-1.7%**
Totals									
Developed	4.9%	6.6%	91.7%	100.0%	-1.4%	0.0%	-0.2%	0.1%	-1.4%
Emerging*	4.6%	--	8.0%	0.0%	0.0%	0.0%	0.1%	-0.3%	-0.2%

Acadian

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
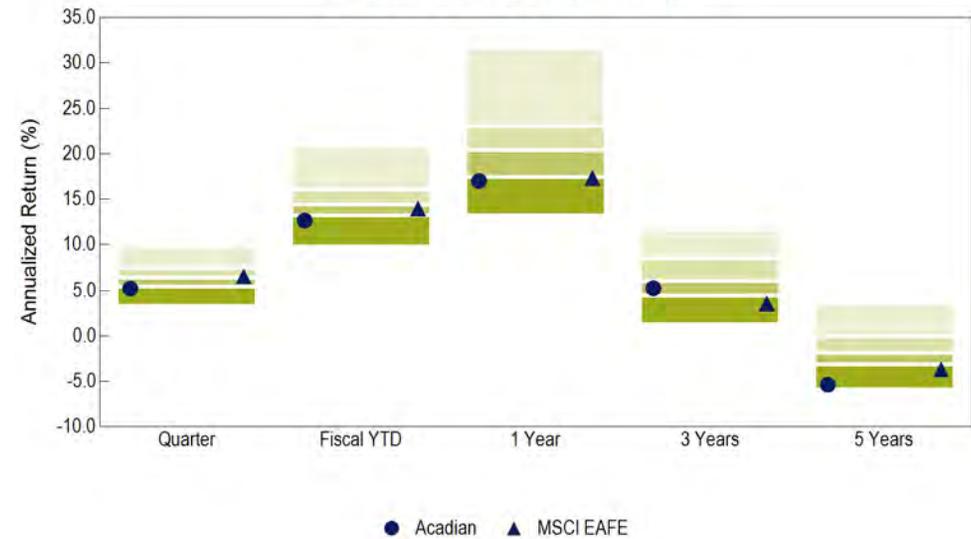
- ● Acadian
- ▲ MSCI EAFE

Annualized Excess Performance

- ■ Quarterly Out Performance
- ■ Quarterly Under Performance
- — Rolling 1 Year Excess Performance vs. MSCI EAFE
- — Universe Upper Quartile
- — Universe Median
- — Universe Lower Quartile

Acadian

3 Year Risk Return

257 Portfolios

- ■ Acadian
- ♦ MSCI EAFE
- □ 68% Confidence Interval
- ● eA All EAFE Equity Gross
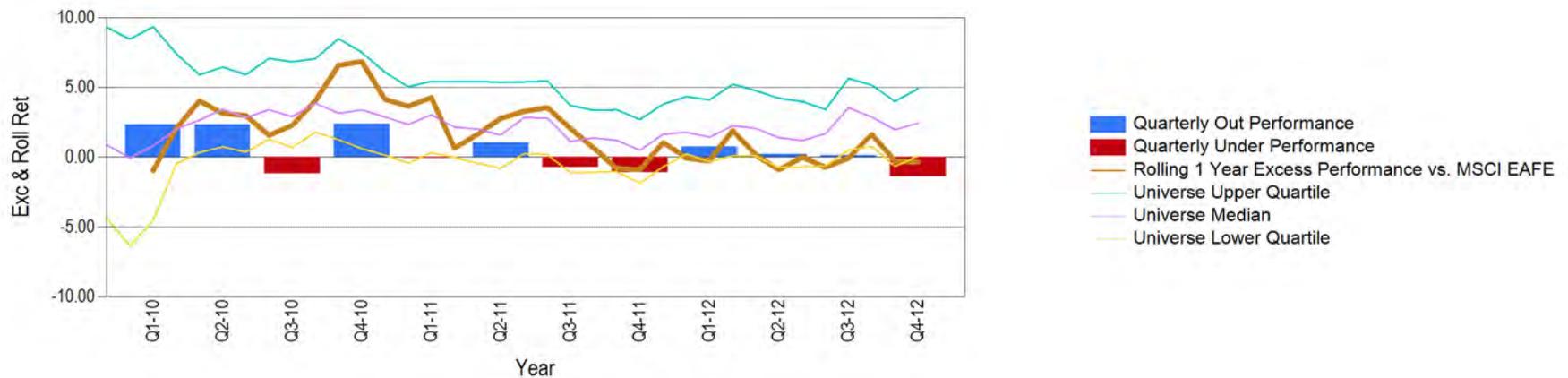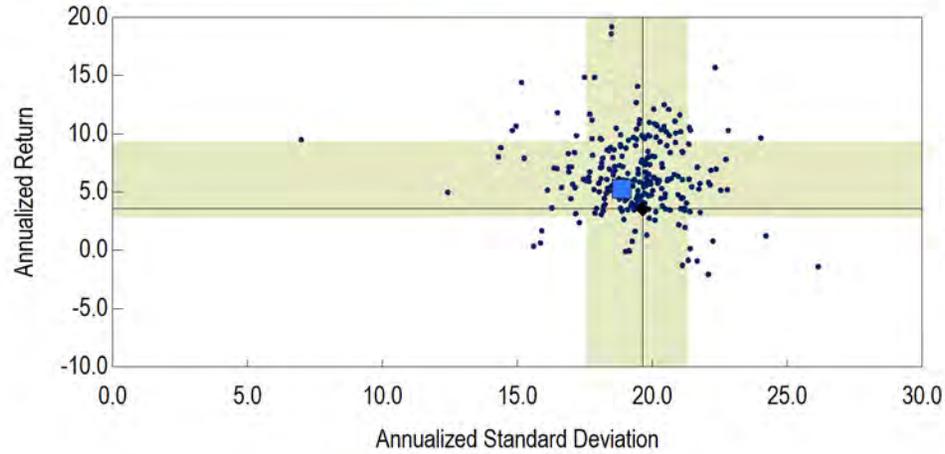
Characteristics

	Portfolio	MSCI EAFE
Number of Holdings	436	909
Weighted Avg. Market Cap. ($B)	37.7	52.9
Median Market Cap. ($B)	0.7	7.4
Price To Earnings	12.7	16.0
Price To Book	1.8	1.9
Price To Sales	0.8	1.5
Return on Equity (%)	15.4	13.5
Yield (%)	3.1	3.3
Beta		1.0
R-Squared		1.0

3 Year Risk Statistics

Acadian
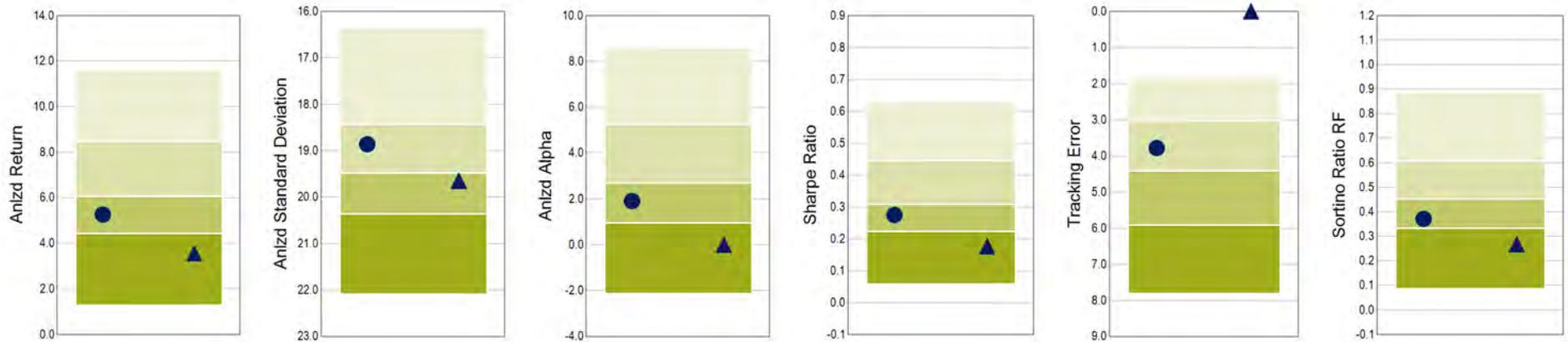
Country Allocation

Americas	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Brazil*	1.4%	0.0%	-11.1%	3.5%
Canada	2.8%	0.0%	-1.5%	0.7%
Chile*	0.0%	0.0%	--	--
Colombia*	0.0%	0.0%	--	--
Mexico*	0.1%	0.0%	23.6%	5.7%
Peru*	0.0%	0.0%	--	--
United States	0.0%	0.0%	-1.2%	-0.4%
Total-Americas	**4.2%**	**0.0%**	**-4.1%**	**--**
Europe				
Austria	0.7%	0.3%	2.9%	19.1%
Belgium	2.2%	1.2%	2.2%	6.1%
Czech Republic*	0.0%	0.0%	--	--
Denmark	1.4%	1.2%	5.1%	3.3%
Finland	0.7%	0.7%	12.2%	13.1%
France	7.0%	9.2%	13.5%	11.0%
Germany	11.7%	8.6%	11.0%	8.1%
Greece	0.0%	0.0%	--	28.1%
Hungary*	0.0%	0.0%	--	--
Ireland	0.0%	0.3%	5.9%	3.0%
Italy	1.2%	2.2%	5.6%	9.5%
Netherlands	4.6%	2.5%	3.1%	9.6%
Norway	1.9%	1.0%	-2.1%	1.0%
Poland*	0.4%	0.0%	29.0%	11.7%
Portugal	0.0%	0.2%	16.9%	10.8%
Russia*	0.0%	0.0%	--	--
Spain	0.1%	2.9%	15.6%	9.9%
Sweden	3.9%	3.2%	3.7%	5.1%
Switzerland	4.0%	8.6%	11.8%	8.0%
United Kingdom	16.0%	23.3%	8.6%	4.2%
Total-Europe	**56.0%**	**65.4%**	**8.5%**	**7.0%**

Country Allocation

AsiaPacific	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Australia	5.3%	8.9%	2.7%	6.9%
China*	0.0%	0.0%	--	--
Hong Kong	0.8%	3.1%	2.0%	5.7%
India*	0.0%	0.0%	--	--
Indonesia*	0.0%	0.0%	--	--
Japan	24.1%	20.1%	-1.1%	5.9%
Korea*	3.3%	0.0%	-4.7%	-2.9%
Malaysia*	0.1%	0.0%	-0.4%	2.5%
New Zealand	0.1%	0.1%	0.6%	4.8%
Philippines*	0.0%	0.0%	--	--
Singapore	4.2%	1.9%	-1.4%	3.1%
Taiwan*	0.7%	0.0%	-8.3%	-6.1%
Thailand*	1.0%	0.0%	-3.9%	-1.7%
Total-AsiaPacific	**39.6%**	**34.2%**	**-1.0%**	**6.0%**
Other				
Egypt*	0.0%	0.0%	--	--
Israel	0.0%	0.6%	42.1%	-3.5%
Morocco*	0.0%	0.0%	--	--
South Africa*	0.2%	0.0%	-7.4%	-2.6%
Turkey*	0.0%	0.0%	--	--
Total-Other	**0.3%**	**0.6%**	**-2.2%**	**-3.5%**
Totals				
Developed	92.8%	100.0%	1.4%	6.6%
Emerging*	7.1%	0.0%	-4.0%	--
Other	0.0%		--	
Cash	0.0%		0.0%	

Acadian

Acadian 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	-4.1%	--	4.2%	0.0%	0.0%	0.0%	0.0%	-0.5%	-0.5%
Europe	8.5%	7.0%	56.0%	65.4%	0.9%	0.2%	-0.1%	-0.1%	0.9%
Asia/Pacific	3.2%	6.0%	39.5%	34.0%	-1.1%	0.3%	-0.2%	-0.2%	-1.2%
Other	8.2%	-3.8%	0.3%	0.6%	0.1%	0.1%	0.0%	-0.1%	0.1%
Cash	0.0%	--	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	**5.9%**	**6.6%**	**100.0%**	**100.0%**	**-0.1%**	**0.6%**	**-0.4%**	**-0.8%**	**-0.7%**
Totals									
Developed	6.2%	6.6%	92.8%	100.0%	0.3%	0.0%	-0.5%	0.0%	-0.3%
Emerging*	1.8%	--	7.1%	0.0%	0.0%	0.0%	0.1%	-0.6%	-0.4%
Cash	0.0%	--	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Mondrian

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

eA All EAFE Equity Gross Accounts
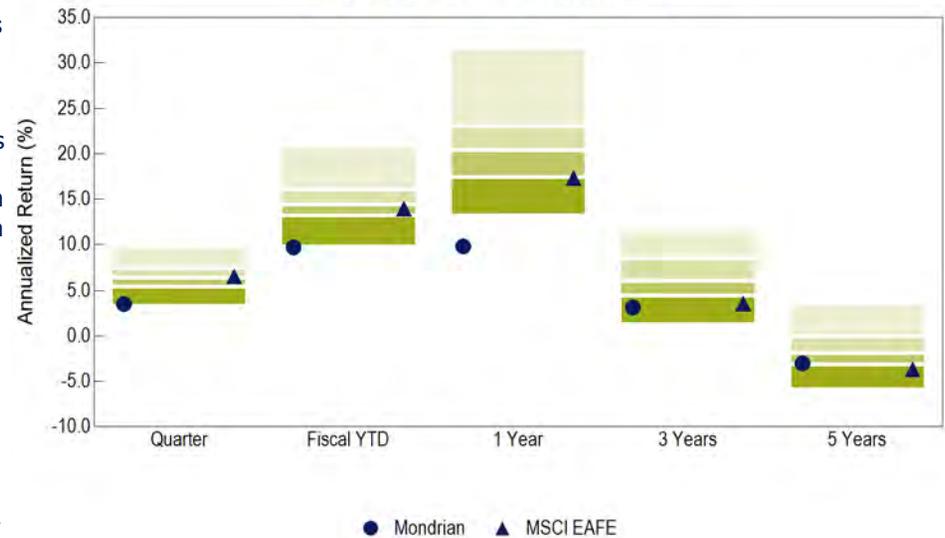
● Mondrian   ▲ MSCI EAFE

Annualized Excess Performance

- Quarterly Out Performance
- Quarterly Under Performance
- Rolling 1 Year Excess Performance vs. MSCI EAFE
- Universe Upper Quartile
- Universe Median
- Universe Lower Quartile

Mondrian

3 Year Risk Return

257 Portfolios

- ■ Mondrian
- ◆ MSCI EAFE
- □ 68% Confidence Interval
- ● eA All EAFE Equity Gross
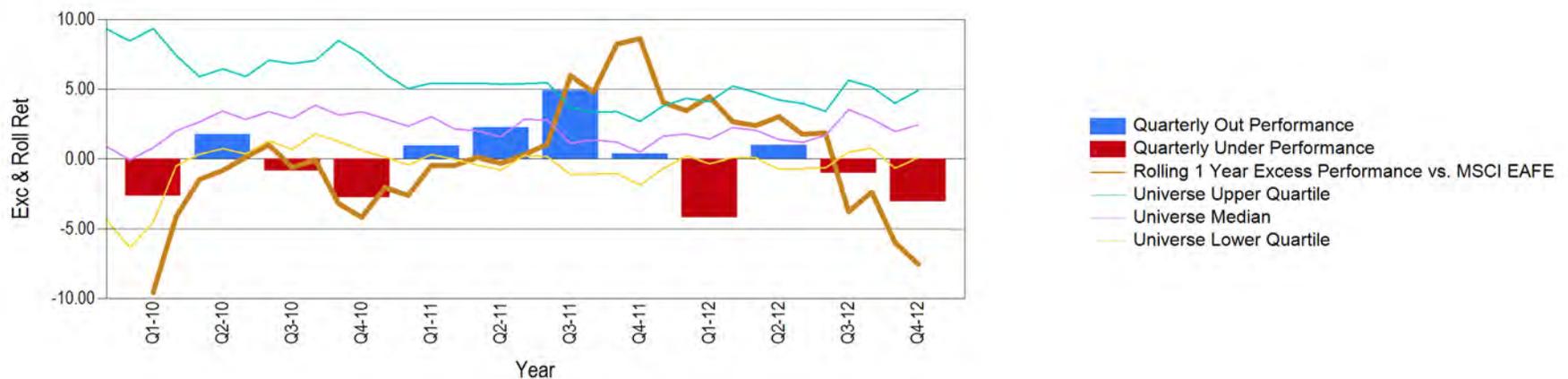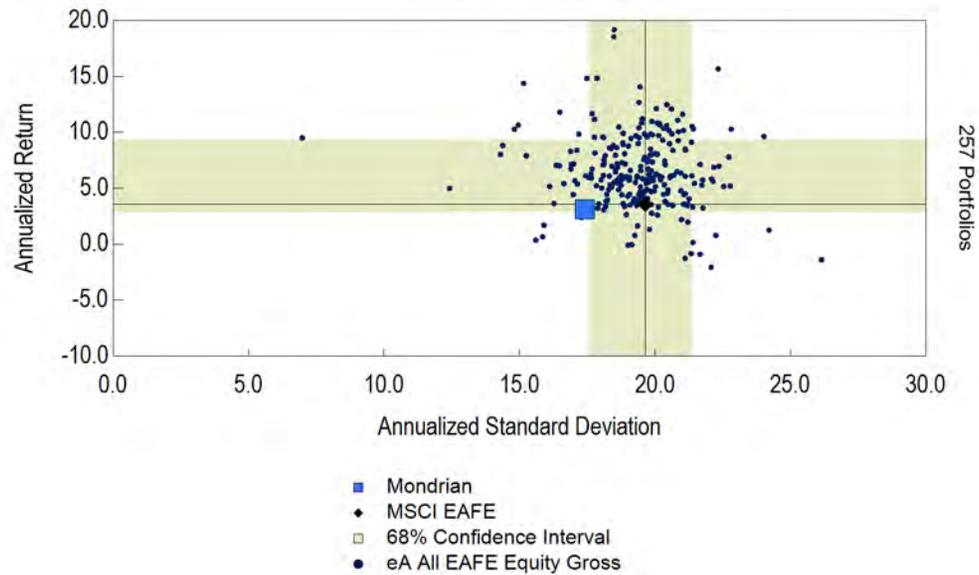
Characteristics

	Portfolio	MSCI EAFE
Number of Holdings	53	909
Weighted Avg. Market Cap. ($B)	52.2	52.9
Median Market Cap. ($B)	29.1	7.4
Price To Earnings	12.2	16.0
Price To Book	1.8	1.9
Price To Sales	1.2	1.5
Return on Equity (%)	10.7	13.5
Yield (%)	4.6	3.3
Beta		1.0
R-Squared		1.0
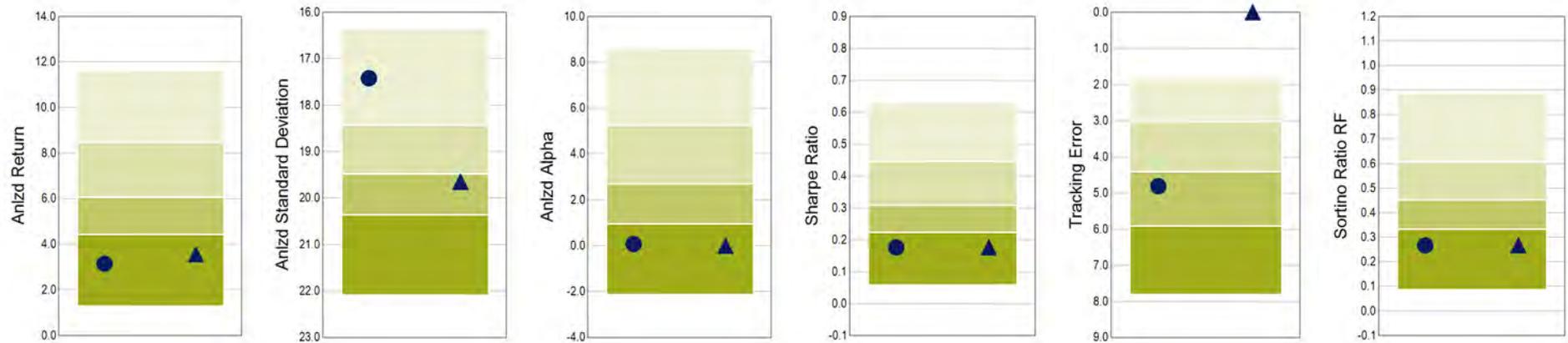
3 Year Risk Statistics

Mondrian

Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Americas				
Brazil*	0.0%	0.0%	--	--
Canada	0.0%	0.0%	--	--
Chile*	0.0%	0.0%	--	--
Colombia*	0.0%	0.0%	--	--
Mexico*	0.0%	0.0%	--	--
Peru*	0.0%	0.0%	--	--
United States	0.0%	0.0%	--	--
Total-Americas	**0.0%**	**0.0%**	**--**	**--**
Europe				
Austria	0.0%	0.3%	--	19.1%
Belgium	0.0%	1.2%	--	6.1%
Czech Republic*	0.0%	0.0%	--	--
Denmark	0.0%	1.2%	--	3.3%
Finland	0.0%	0.7%	--	13.1%
France	16.0%	9.2%	11.2%	11.0%
Germany	6.5%	8.6%	-6.7%	8.1%
Greece	0.0%	0.0%	--	28.1%
Hungary*	0.0%	0.0%	--	--
Ireland	0.0%	0.3%	--	3.0%
Italy	3.4%	2.2%	11.1%	9.5%
Netherlands	6.4%	2.5%	5.3%	9.6%
Norway	0.0%	1.0%	--	1.0%
Poland*	0.0%	0.0%	--	--
Portugal	0.0%	0.2%	--	10.8%
Russia*	0.0%	0.0%	--	--
Spain	6.5%	2.9%	11.7%	9.9%
Sweden	0.0%	3.2%	--	5.1%
Switzerland	7.6%	8.6%	5.6%	8.0%
United Kingdom	17.9%	23.3%	-1.1%	4.2%
Total-Europe	**64.4%**	**65.4%**	**4.8%**	**7.0%**

Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
AsiaPacific				
Australia	5.2%	8.9%	0.3%	6.9%
China*	0.0%	0.0%	--	--
Hong Kong	0.0%	3.1%	--	5.7%
India*	0.0%	0.0%	--	--
Indonesia*	0.0%	0.0%	--	--
Japan	21.2%	19.9%	0.9%	5.9%
Korea*	0.0%	0.0%	--	--
Malaysia*	0.0%	0.0%	--	--
New Zealand	0.0%	0.1%	--	4.8%
Philippines*	0.0%	0.0%	--	--
Singapore	4.3%	1.9%	4.9%	3.2%
Taiwan*	1.7%	0.0%	8.5%	1.5%
Thailand*	0.0%	0.0%	--	--
Total-AsiaPacific	**32.5%**	**34.0%**	**1.7%**	**6.0%**
Other				
Egypt*	0.0%	0.0%	--	--
Israel	2.4%	0.6%	-9.2%	-3.8%
Morocco*	0.0%	0.0%	--	--
South Africa*	0.0%	0.0%	--	--
Turkey*	0.0%	0.0%	--	--
Total-Other	**2.4%**	**0.6%**	**-9.2%**	**-3.8%**
Totals				
Developed	97.5%	100.0%	3.3%	6.6%
Emerging*	1.7%	0.0%	8.5%	--
Other	0.0%		--	
Cash	0.8%		0.0%	

Mondrian

Mondrian Performance Attribution vs. MSCI EAFE

Legend: Selection Effect, Allocation Effect, Currency Effect, Interaction Effect, Total Effects

	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%
Europe	4.8%	7.0%	64.4%	65.4%	-1.6%	0.0%	0.1%	0.0%	-1.5%
Asia/Pacific	1.7%	6.0%	32.5%	34.0%	-1.3%	-0.1%	0.0%	0.1%	-1.4%
Other	-9.2%	-3.8%	2.4%	0.6%	0.0%	-0.3%	0.0%	0.0%	-0.3%
Cash	0.0%	--	0.8%	0.0%	0.0%	-0.1%	0.0%	0.0%	-0.1%
Total	**3.4%**	**6.6%**	**100.0%**	**100.0%**	**-2.9%**	**-0.4%**	**0.0%**	**0.1%**	**-3.2%**
Totals									
Developed	3.3%	6.6%	97.5%	100.0%	-3.3%	0.0%	0.0%	0.1%	-3.2%
Emerging*	8.5%	--	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

SSgA ACWI Ex US

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

eA ACWI ex-US All Cap Equity Gross Accounts

● SSgA ACWI Ex US   ▲ MSCI ACWI ex USA

Annualized Excess Performance

- Quarterly Out Performance
- Quarterly Under Performance
- Rolling 1 Year Excess Performance vs. MSCI ACWI ex USA
- Universe Upper Quartile
- Universe Median
- Universe Lower Quartile
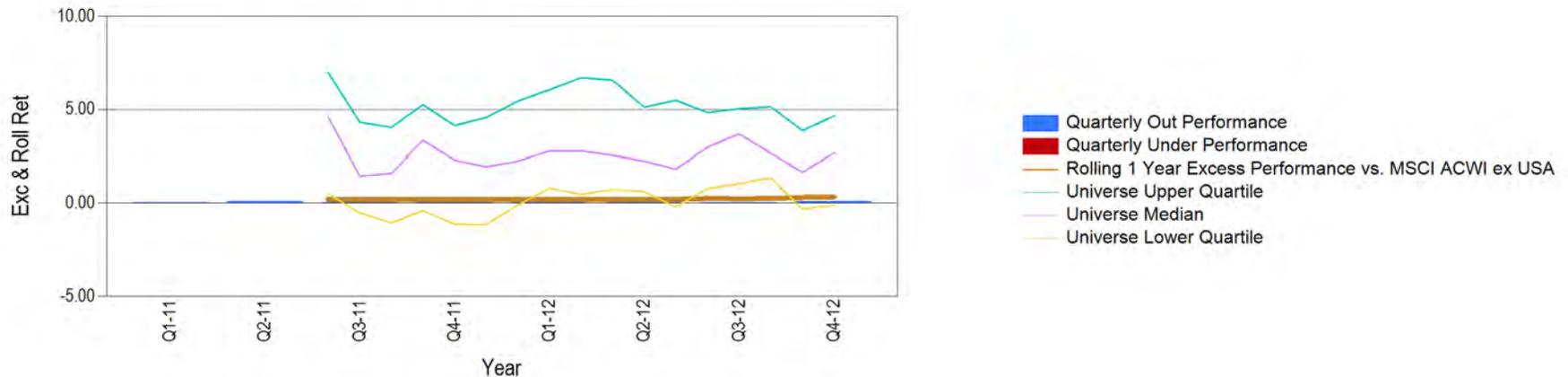
SSgA ACWI Ex US

2 Year Risk Return
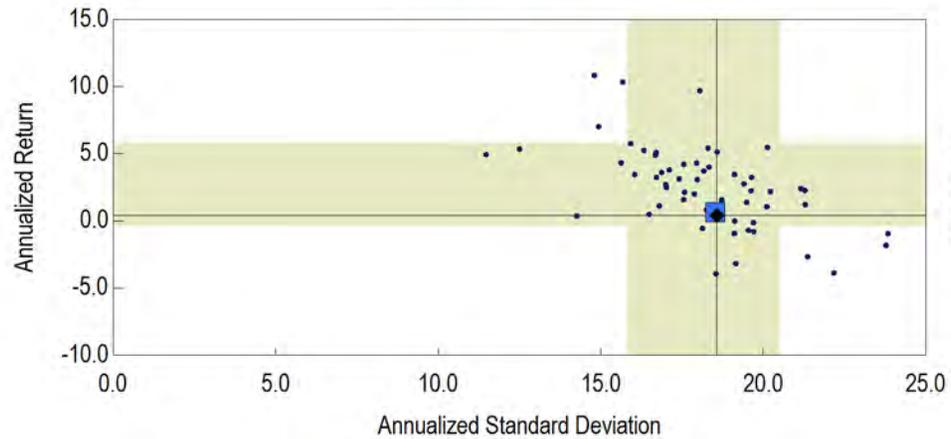
- ■ SSgA ACWI Ex US
- ◆ MSCI ACWI ex USA
- □ 68% Confidence Interval
- ● eA ACWI ex-US All Cap Equity Gross

Characteristics

	Portfolio	MSCI ACWI ex USA
Number of Holdings	1,864	1,827
Weighted Avg. Market Cap. ($B)	47.7	47.7
Median Market Cap. ($B)	6.3	6.2
Price To Earnings	15.5	16.0
Price To Book	2.6	2.2
Price To Sales	1.8	1.7
Return on Equity (%)	16.3	15.2
Yield (%)	3.2	3.1
Beta		1.0
R-Squared		1.0

2 Year Risk Statistics
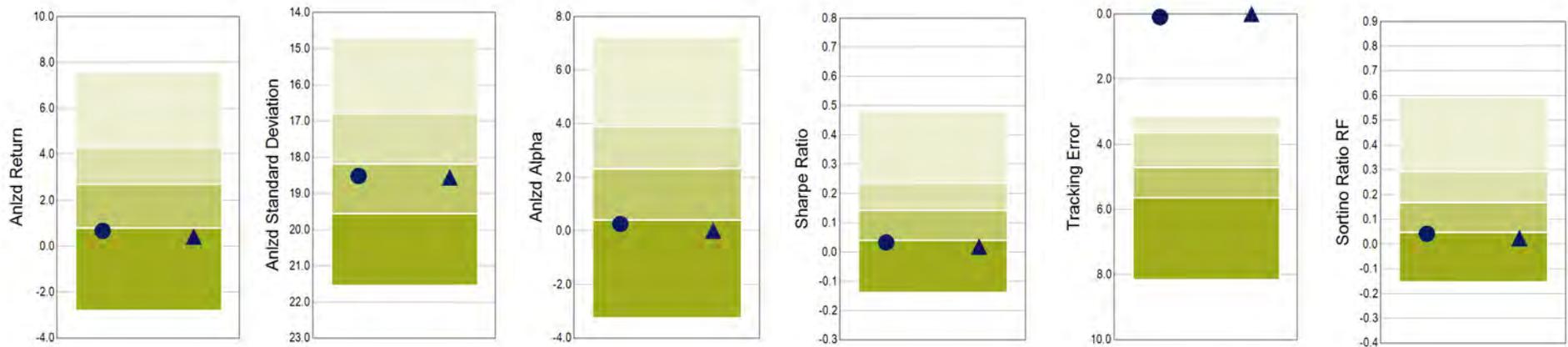
December 31, 2012

SSgA ACWI Ex US

Country Allocation

Americas	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Brazil*	3.1%	3.0%	3.6%	3.2%
Canada	8.2%	8.3%	0.8%	0.9%
Chile*	0.5%	0.5%	-0.5%	-0.5%
Colombia*	0.3%	0.3%	12.7%	12.7%
Mexico*	1.2%	1.2%	5.4%	5.4%
Peru*	0.2%	0.2%	7.5%	7.5%
United States	0.0%	0.0%	--	--
Total-Americas	**13.4%**	**13.4%**	**2.2%**	**2.1%**
Europe				
Austria	0.2%	0.2%	19.1%	19.1%
Belgium	0.8%	0.8%	6.1%	6.1%
Czech Republic*	0.1%	0.1%	-3.2%	-3.2%
Denmark	0.8%	0.8%	3.3%	3.3%
Finland	0.5%	0.5%	13.1%	13.1%
France	6.2%	6.3%	11.1%	11.0%
Germany	5.8%	5.8%	8.1%	8.1%
Greece	0.0%	0.0%	28.1%	28.1%
Hungary*	0.1%	0.1%	-0.9%	-0.9%
Ireland	0.1%	0.2%	5.1%	3.0%
Italy	1.4%	1.5%	9.9%	9.5%
Luxembourg	0.2%	0.0%	1.4%	5.9%
Netherlands	1.7%	1.7%	9.6%	9.6%
Norway	0.7%	0.7%	1.0%	1.0%
Poland*	0.4%	0.4%	11.9%	11.9%
Portugal	0.1%	0.1%	10.8%	10.8%
Russia*	1.1%	1.4%	6.3%	2.6%
Spain	2.0%	2.0%	9.8%	9.9%
Sweden	2.2%	2.2%	5.2%	5.1%
Switzerland	5.9%	5.9%	8.0%	8.0%
United Kingdom	15.8%	15.8%	4.2%	4.2%
Total-Europe	**45.9%**	**46.3%**	**7.0%**	**6.9%**

Country Allocation

AsiaPacific	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Australia	6.1%	6.1%	6.9%	6.9%
China*	4.2%	4.1%	12.8%	12.8%
Hong Kong	2.2%	2.1%	5.7%	5.7%
India*	1.7%	1.7%	0.8%	0.8%
Indonesia*	0.7%	0.7%	1.3%	1.3%
Japan	13.6%	13.5%	5.9%	5.9%
Korea*	3.8%	3.7%	4.8%	4.8%
Malaysia*	0.9%	0.9%	3.9%	3.8%
New Zealand	0.1%	0.1%	4.8%	4.8%
Philippines*	0.2%	0.2%	11.4%	11.4%
Singapore	1.3%	1.3%	3.2%	3.2%
Taiwan*	2.7%	2.7%	1.5%	1.5%
Thailand*	0.4%	0.5%	6.1%	6.7%
Total-AsiaPacific	**37.8%**	**37.5%**	**6.0%**	**6.0%**
Other				
Egypt*	0.1%	0.1%	-9.9%	-9.8%
Israel	0.4%	0.4%	-1.4%	-3.8%
Morocco*	0.0%	0.0%	1.3%	1.3%
South Africa*	1.9%	1.9%	6.2%	6.2%
Turkey*	0.4%	0.4%	18.7%	18.7%
Total-Other	**2.8%**	**2.8%**	**6.5%**	**6.0%**
Totals				
Developed	76.2%	76.1%	6.0%	6.0%
Emerging*	23.8%	23.9%	5.8%	5.6%
Other	0.0%		--	
Cash	0.0%		--	

SSgA ACWI Ex US

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	2.2%	2.1%	13.4%	13.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Europe	7.0%	6.9%	45.9%	46.3%	0.1%	0.0%	0.0%	0.0%	0.1%
Asia/Pacific	6.0%	6.0%	37.8%	37.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	6.5%	6.0%	2.8%	2.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	**6.0%**	**5.9%**	**100.0%**	**100.0%**	**0.1%**	**0.0%**	**0.0%**	**0.0%**	**0.1%**
Totals									
Developed	6.0%	6.0%	76.2%	76.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Emerging*	5.8%	5.6%	23.8%	23.9%	0.1%	0.0%	0.0%	0.0%	0.1%

Vermont Municipal Employees

Emerging Market Comp

3 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
Emerging Market Comp	6.17%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	--	--	--	--	--	--	--	--	--	--	--	--
Aberdeen	6.17%	13.48%	4	19.80%	17	9.33%	4	4.83%	58	1.05	4	78.93%	8
MSCI Emerging Markets	--	4.66%	62	21.80%	56	0.00%	62	0.00%	1	0.32	60	100.00%	62

Vermont Municipal Employees

Emerging Market Comp

5 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
Emerging Market Comp	6.17%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	--	--	--	--	--	--	--	--	--	--	--	--
Aberdeen	6.17%	10.58%	1	25.59%	9	11.30%	1	8.05%	87	0.54	2	85.84%	5
MSCI Emerging Markets	--	-0.91%	64	29.04%	52	0.00%	63	0.00%	1	-0.06	64	100.00%	59

Emerging Market Comp

Equity Characteristics

	Portfolio	MSCI Emerging Markets
Number of Holdings	62	821
Weighted Avg. Market Cap. ($B)	33.7	37.8
Median Market Cap. ($B)	13.8	4.7
Price To Earnings	18.6	16.0
Price To Book	3.1	2.5
Price To Sales	2.5	2.0
Return on Equity (%)	22.5	18.7
Yield (%)	2.6	2.6
Beta		1.0
R-Squared		1.0

Regional Allocation

Region Weighting	Emerging Market Comp	MSCI Emerging Markets
North America ex U.S.	0.00	0.00
United States	2.95	0.00
Europe Ex U.K.	2.28	0.00
United Kingdom	4.61	0.00
Pacific Basin Ex Japan	6.83	0.02
Japan	0.00	0.00
Emerging Markets	82.95	99.98
Other	0.38	0.00

Equity Sector Allocation

Sector	Emerging Market Comp	MSCI Emerging Markets
Energy	15.4	12.5
Materials	7.5	11.7
Industrials	1.4	6.5
Cons. Disc.	8.2	7.9
Cons. Staples	12.0	8.8
Health Care	2.1	1.3
Financials	35.2	26.5
Info. Tech	10.2	13.8
Telecomm.	4.9	7.7
Utilities	0.0	3.4
Unclassified	3.0	0.0

NEPC, LLC
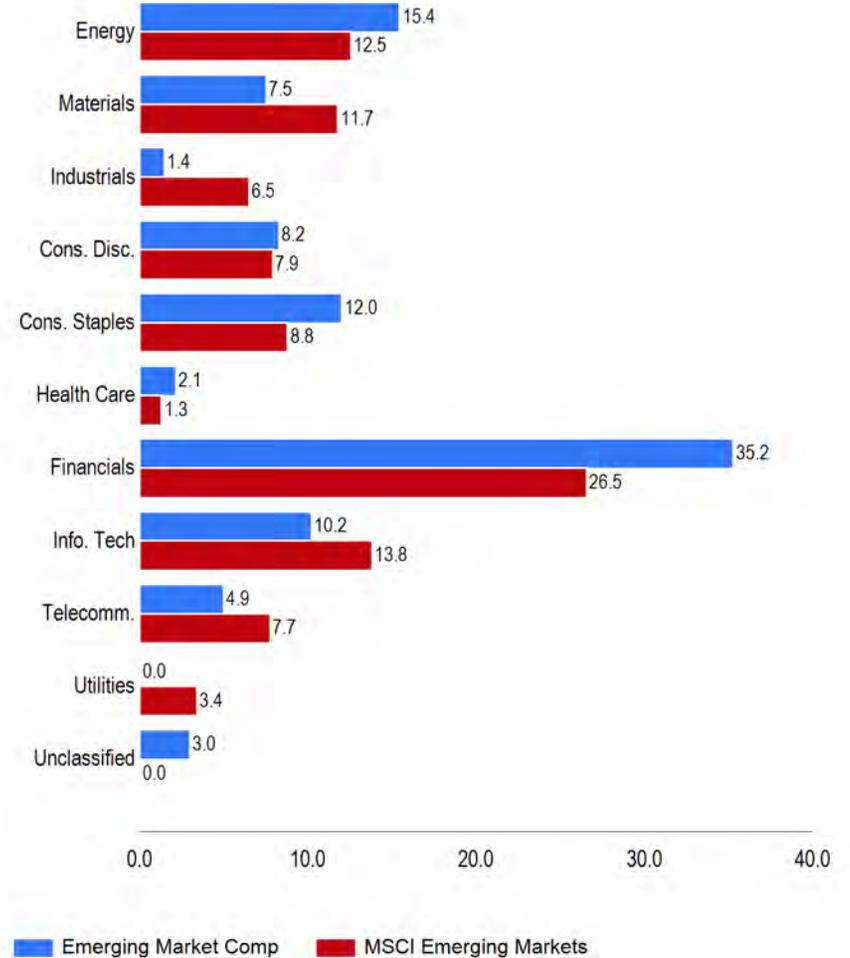
Emerging Market Comp

Top Ten Holdings

SAMSUNG ELTN.PREF.	4.5%
CHINA MOBILE	3.8%
BNC.BRADESCO PF.SPN.ADR 1:1	3.4%
TAIWAN SEMICON.MNFG.	3.3%
VALE PREFERRED ADR 1:1	3.1%
PTRO.BRAO.ADR 1:2	3.1%
LUKOIL OAO SPN.ADR 1:1	3.0%
FOM.ECO.MEXNO.SAB DE CV SPN.ADR 1:10	3.0%
CASH - USD	3.0%
GFNORTE 'O'	2.9%

Top Positive Contributors

	Relative Contribution %	Return %
VALE PREFERRED ADR 1:1	0.6%	21.8%
AKBANK	0.5%	24.7%
SAMSUNG ELTN.PREF.	0.5%	12.1%
GFNORTE 'O'	0.4%	13.8%
GRUPO AEROPORTUARIO DEL SURESTE ADR 1:10	0.3%	28.7%
LUKOIL OAO SPN.ADR 1:1	0.3%	12.1%
SIAM CEMENT FB	0.3%	18.3%
BNC.BRADESCO PF.SPN.ADR 1:1	0.3%	10.0%
FOM.ECO.MEXNO.SAB DE CV SPN.ADR 1:10	0.3%	10.3%
STANDARD CHARTERED	0.3%	13.1%

Top Negative Contributors

	Relative Contribution %	Return %
PTRO.BRAO.ADR 1:2	-0.4%	-12.5%
INFOSYS	-0.2%	-11.4%
HANG LUNG GROUP	-0.2%	-10.3%
GRASIM INDUSTRIES	-0.1%	-7.9%
RICHTER GEDEON	-0.1%	-6.4%
HINDUSTAN UNILEVER	-0.1%	-5.3%
HERO MOTOCORP	0.0%	-2.7%
ULTRATECH CEMENT	0.0%	-2.8%
RICHTER GEDEON GDR	0.0%	-6.3%
COMMERCIAL BK.OF CEYLON	0.0%	-8.4%

Equity Sector Attribution

	Total Effects		Selection Effect	Attribution Effects Allocation Effect		Interaction Effects	Returns Portfolio	Benchmark	Sector Weights Portfolio	Benchmark
Energy	0.0%		0.2%	-0.1%		0.0%	2.0%	1.0%	15.7%	13.3%
Materials	0.4%		0.9%	0.0%		-0.4%	12.1%	6.0%	7.7%	12.0%
Industrials	0.3%		1.1%	0.0%		-0.9%	22.7%	5.3%	1.5%	6.4%
Cons. Disc.	0.2%		0.4%	0.0%		-0.2%	6.8%	4.1%	8.9%	7.9%
Cons. Staples	0.3%		0.2%	0.1%		0.0%	9.0%	7.5%	12.2%	8.5%
Health Care	-0.2%		-0.1%	0.0%		-0.1%	-3.2%	5.0%	2.4%	1.3%
Financials	0.0%		-0.4%	0.5%		-0.1%	8.5%	9.9%	35.5%	25.0%
Info. Tech	-0.1%		0.0%	0.1%		-0.1%	5.0%	5.5%	10.5%	14.0%
Telecomm.	0.3%		0.2%	0.1%		0.0%	3.9%	0.7%	5.6%	8.1%
Utilities	0.1%		--	0.1%		--	--	1.5%	0.0%	3.6%
Cash	0.0%		--	--		--	--	--	0.0%	0.0%
Portfolio	**1.4%**	**=**	**2.5%** +	**0.8%**	**+**	**-1.9%**	**7.0%**	**5.6%**	**100.0%**	**100.0%**

Vermont Municipal Employees

Emerging Market Comp

Country Allocation

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Americas				
Brazil*	17.0%	12.6%	5.9%	3.2%
Canada	0.0%	0.0%	--	--
Chile*	1.6%	1.9%	1.0%	-0.5%
Colombia*	0.0%	1.2%	--	12.7%
Mexico*	8.6%	4.9%	14.7%	5.4%
Peru*	0.0%	0.7%	--	7.5%
United States	0.0%	0.0%	--	--
Total-Americas	**27.3%**	**21.3%**	**8.4%**	**4.0%**
Europe				
Austria	0.0%	0.0%	--	--
Belgium	0.0%	0.0%	--	--
Czech Republic*	0.0%	0.3%	--	-3.2%
Denmark	0.0%	0.0%	--	--
Finland	0.0%	0.0%	--	--
France	0.0%	0.0%	--	--
Germany	0.0%	0.0%	--	--
Greece	0.0%	0.0%	--	--
Hungary*	1.8%	0.3%	-6.3%	-0.9%
Ireland	0.0%	0.0%	--	--
Italy	0.0%	0.0%	--	--
Luxembourg	2.3%	0.0%	3.5%	5.6%
Netherlands	0.0%	0.0%	--	--
Norway	0.0%	0.0%	--	--
Poland*	1.8%	1.5%	9.9%	11.9%
Portugal	0.0%	0.0%	--	--
Russia*	2.9%	6.1%	12.1%	2.6%
Spain	0.0%	0.0%	--	--
Sweden	0.0%	0.0%	--	--
Switzerland	0.0%	0.0%	--	--
United Kingdom	4.6%	0.0%	10.1%	4.2%
Total-Europe	**13.4%**	**8.2%**	**7.2%**	**3.9%**

Country Allocation
Versus MSCI Emerging Markets - Quarter Ending December 31, 2012

	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
AsiaPacific				
Australia	0.0%	0.0%	--	--
China*	6.6%	17.3%	6.2%	12.8%
Hong Kong	7.0%	0.0%	-1.2%	5.7%
India*	12.2%	7.0%	-3.2%	0.8%
Indonesia*	3.1%	2.7%	2.8%	1.3%
Japan	0.0%	0.0%	--	--
Korea*	5.0%	15.6%	10.5%	4.8%
Malaysia*	2.5%	3.6%	6.6%	3.8%
New Zealand	0.0%	0.0%	--	--
Philippines*	2.9%	0.9%	17.0%	11.4%
Singapore	0.0%	0.0%	--	--
Sri Lanka*	0.4%	0.0%	-5.1%	5.6%
Taiwan*	5.1%	11.1%	6.7%	1.5%
Thailand*	5.4%	2.2%	10.3%	6.7%
Total-AsiaPacific	**50.3%**	**60.5%**	**4.1%**	**6.0%**
Other				
Egypt*	0.0%	0.4%	--	-9.8%
Israel	0.0%	0.0%	--	--
Morocco*	0.0%	0.1%	--	1.3%
South Africa*	3.8%	7.9%	12.1%	6.2%
Turkey*	5.3%	1.7%	22.4%	18.7%
Total-Other	**9.0%**	**10.0%**	**18.0%**	**7.7%**
Totals				
Developed	13.9%	0.0%	3.3%	--
Emerging*	86.1%	100.0%	7.5%	5.6%
Other	0.0%		--	
Cash	0.0%		--	

Vermont Municipal Employees

Emerging Market Comp

International Equity Performance Attribution

	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
Europe									
Austria	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Belgium	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Czech Republic*	--	-3.2%	0.0%	0.3%	--	0.0%	0.0%	--	0.0%
Denmark	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Finland	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
France	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Germany	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Greece	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Hungary*	-6.3%	-0.9%	1.8%	0.3%	0.0%	-0.1%	0.0%	-0.1%	-0.2%
Ireland	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Italy	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Netherlands	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Norway	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Poland*	9.9%	11.9%	1.8%	1.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Portugal	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Russia*	12.1%	2.6%	2.9%	6.1%	0.7%	0.1%	-0.1%	-0.4%	0.4%
Spain	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Sweden	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Switzerland	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
United Kingdom	10.1%	4.2%	4.6%	0.0%	0.0%	-0.1%	0.0%	0.3%	0.2%
Americas									
Brazil*	5.9%	3.2%	17.0%	12.6%	0.3%	-0.1%	0.0%	0.1%	0.4%
Canada	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Chile*	1.0%	-0.5%	1.6%	1.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Colombia*	--	12.7%	0.0%	1.2%	--	-0.1%	0.0%	--	-0.1%
Mexico*	14.7%	5.4%	8.6%	4.9%	0.4%	0.0%	0.0%	0.3%	0.8%
Peru*	--	7.5%	0.0%	0.7%	--	0.0%	0.0%	--	0.0%
United States	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%

International Equity Performance Attribution

	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
AsiaPacific									
Australia	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
China*	6.2%	12.8%	6.6%	17.3%	-1.1%	-0.8%	0.0%	0.7%	-1.2%
Hong Kong	-1.2%	5.7%	7.0%	0.0%	0.0%	0.0%	0.0%	-0.5%	-0.5%
India*	-3.2%	0.8%	12.2%	7.0%	-0.3%	0.0%	-0.2%	-0.2%	-0.7%
Indonesia*	2.8%	1.3%	3.1%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Japan	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Korea*	10.5%	4.8%	5.0%	15.6%	0.9%	0.5%	-0.4%	-0.6%	0.3%
Malaysia*	6.6%	3.8%	2.5%	3.6%	0.1%	0.0%	0.0%	0.0%	0.1%
New Zealand	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Philippines*	17.0%	11.4%	2.9%	0.9%	0.0%	0.1%	0.0%	0.1%	0.3%
Singapore	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Taiwan*	6.7%	1.5%	5.1%	11.1%	0.6%	0.3%	-0.1%	-0.3%	0.5%
Thailand*	10.3%	6.7%	5.4%	2.2%	0.1%	0.0%	0.0%	0.1%	0.2%
Other									
Egypt*	--	-9.8%	0.0%	0.4%	--	0.0%	0.0%	--	0.1%
Israel	--	--	0.0%	0.0%	--	--	0.0%	--	0.0%
Morocco*	--	1.3%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
South Africa*	12.1%	6.2%	3.8%	7.9%	0.5%	-0.2%	0.1%	-0.2%	0.2%
Turkey*	22.4%	18.7%	5.3%	1.7%	0.1%	0.5%	0.0%	0.1%	0.7%
Other Countries*			0.0%		0.0%				
Totals									
Developed	3.3%	--	13.9%	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.3%
Emerging*	7.5%	5.6%	86.1%	100.0%	2.5%	0.0%	-0.5%	-0.4%	1.7%

December 31, 2012

Emerging Market Comp

Emerging Market Comp Performance Attribution vs. MSCI Emerging Markets

	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	8.4%	4.0%	27.3%	21.3%	0.9%	0.0%	0.0%	0.2%	1.1%
Europe	7.2%	3.9%	13.4%	8.2%	0.4%	-0.2%	-0.1%	0.3%	0.4%
Asia/Pacific	4.1%	6.0%	50.3%	60.5%	-0.5%	0.0%	-0.6%	0.1%	-1.0%
Other	18.0%	7.7%	9.0%	10.0%	0.9%	0.0%	0.2%	-0.1%	0.9%
Total	**7.0%**	**5.6%**	**100.0%**	**100.0%**	**1.7%**	**-0.3%**	**-0.5%**	**0.5%**	**1.4%**
Totals									
Developed	3.3%	--	13.9%	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.3%
Emerging*	7.5%	5.6%	86.1%	100.0%	2.5%	0.0%	-0.5%	-0.4%	1.7%

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

● Aberdeen   ▲ MSCI Emerging Markets

Annualized Excess Performance

Legend:
- Quarterly Out Performance
- Quarterly Under Performance
- Rolling 1 Year Excess Performance vs. MSCI EAFE
- Universe Upper Quartile
- Universe Median
- Universe Lower Quartile
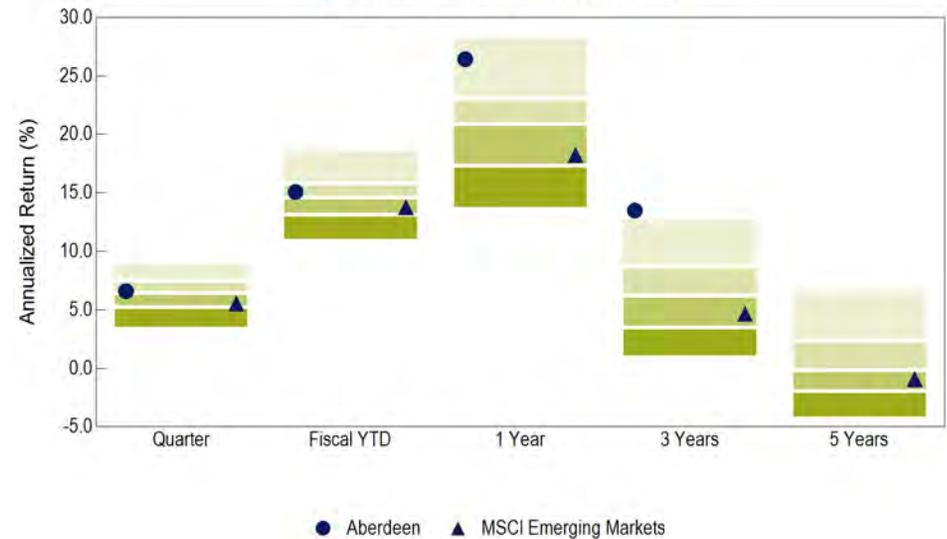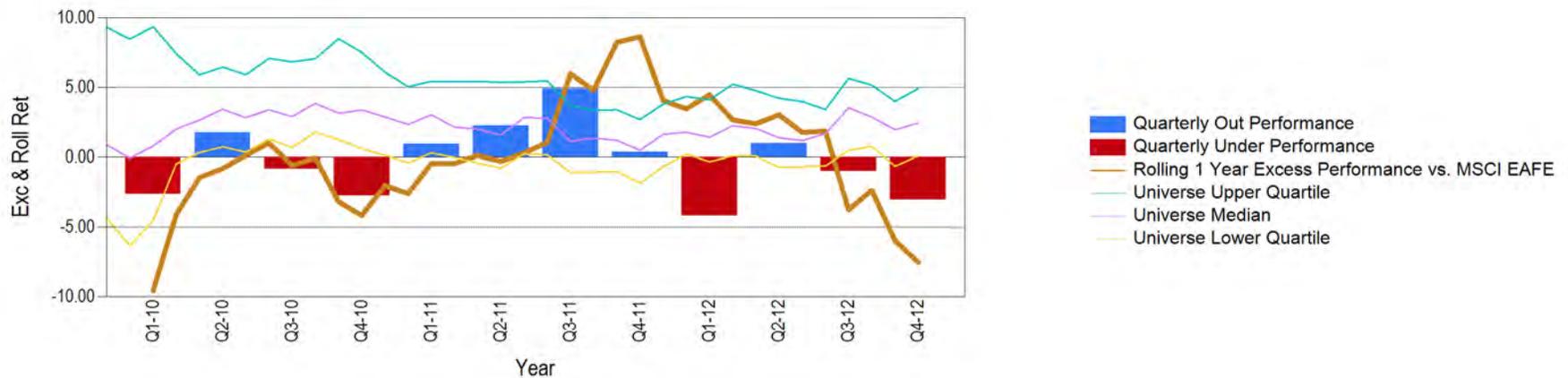
Aberdeen

3 Year Risk Return
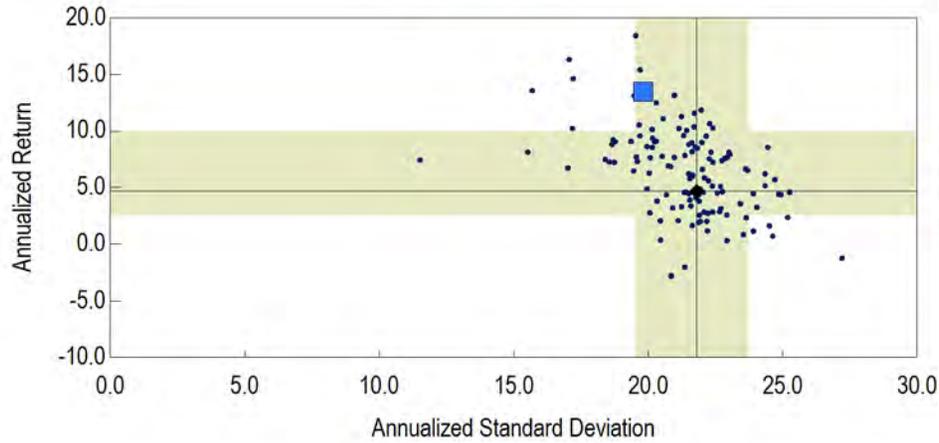
- ■ Aberdeen
- ◆ MSCI Emerging Markets
- □ 68% Confidence Interval
- ● eA Emg Mkts Equity Gross

131 Portfolios

Characteristics

	Portfolio	MSCI Emerging Markets
Number of Holdings	62	821
Weighted Avg. Market Cap. ($B)	33.7	37.8
Median Market Cap. ($B)	13.8	4.7
Price To Earnings	18.6	16.0
Price To Book	3.1	2.5
Price To Sales	2.5	2.0
Return on Equity (%)	22.5	18.7
Yield (%)	2.6	2.6
Beta		1.0
R-Squared		1.0

3 Year Risk Statistics

Aberdeen

Country Allocation

Americas	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Brazil*	17.0%	12.6%	5.9%	3.2%
Canada	0.0%	0.0%	--	--
Chile*	1.6%	1.9%	1.0%	-0.5%
Colombia*	0.0%	1.2%	--	12.7%
Mexico*	8.6%	4.9%	14.7%	5.4%
Peru*	0.0%	0.7%	--	7.5%
United States	0.0%	0.0%	--	--
Total-Americas	**27.3%**	**21.3%**	**8.4%**	**4.0%**
Europe				
Austria	0.0%	0.0%	--	--
Belgium	0.0%	0.0%	--	--
Czech Republic*	0.0%	0.3%	--	-3.2%
Denmark	0.0%	0.0%	--	--
Finland	0.0%	0.0%	--	--
France	0.0%	0.0%	--	--
Germany	0.0%	0.0%	--	--
Greece	0.0%	0.0%	--	--
Hungary*	1.8%	0.3%	-6.3%	-0.9%
Ireland	0.0%	0.0%	--	--
Italy	0.0%	0.0%	--	--
Luxembourg	2.3%	0.0%	3.5%	5.6%
Netherlands	0.0%	0.0%	--	--
Norway	0.0%	0.0%	--	--
Poland*	1.8%	1.5%	9.9%	11.9%
Portugal	0.0%	0.0%	--	--
Russia*	2.9%	6.1%	12.1%	2.6%
Spain	0.0%	0.0%	--	--
Sweden	0.0%	0.0%	--	--
Switzerland	0.0%	0.0%	--	--
United Kingdom	4.6%	0.0%	10.1%	4.2%
Total-Europe	**13.4%**	**8.2%**	**7.2%**	**3.9%**

Country Allocation

AsiaPacific	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
Australia	0.0%	0.0%	--	--
China*	6.6%	17.3%	6.2%	12.8%
Hong Kong	7.0%	0.0%	-1.2%	5.7%
India*	12.2%	7.0%	-3.2%	0.8%
Indonesia*	3.1%	2.7%	2.8%	1.3%
Japan	0.0%	0.0%	--	--
Korea*	5.0%	15.6%	10.5%	4.8%
Malaysia*	2.5%	3.6%	6.6%	3.8%
New Zealand	0.0%	0.0%	--	--
Philippines*	2.9%	0.9%	17.0%	11.4%
Singapore	0.0%	0.0%	--	--
Sri Lanka*	0.4%	0.0%	-5.1%	5.6%
Taiwan*	5.1%	11.1%	6.7%	1.5%
Thailand*	5.4%	2.2%	10.3%	6.7%
Total-AsiaPacific	**50.3%**	**60.5%**	**4.1%**	**6.0%**
Other				
Egypt*	0.0%	0.4%	--	-9.8%
Israel	0.0%	0.0%	--	--
Morocco*	0.0%	0.1%	--	1.3%
South Africa*	3.8%	7.9%	12.1%	6.2%
Turkey*	5.3%	1.7%	22.4%	18.7%
Total-Other	**9.0%**	**10.0%**	**18.0%**	**7.7%**
Totals				
Developed	13.9%	0.0%	3.3%	--
Emerging*	86.1%	100.0%	7.5%	5.6%
Other	0.0%		--	
Cash	0.0%		--	

Aberdeen

Aberdeen Performance Attribution vs. MSCI Emerging Markets

	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	8.4%	4.0%	27.3%	21.3%	0.9%	0.0%	0.0%	0.2%	1.1%
Europe	7.2%	3.9%	13.4%	8.2%	0.4%	-0.2%	-0.1%	0.3%	0.4%
Asia/Pacific	4.1%	6.0%	50.3%	60.5%	-0.5%	0.0%	-0.6%	0.1%	-1.0%
Other	18.0%	7.7%	9.0%	10.0%	0.9%	0.0%	0.2%	-0.1%	0.9%
Total	**7.0%**	**5.6%**	**100.0%**	**100.0%**	**1.7%**	**-0.3%**	**-0.5%**	**0.5%**	**1.4%**
Totals									
Developed	3.3%	--	13.9%	0.0%	0.0%	0.0%	0.0%	-0.2%	-0.3%
Emerging*	7.5%	5.6%	86.1%	100.0%	2.5%	0.0%	-0.5%	-0.4%	1.7%

NEPC, LLC

December 31, 2012

Vermont Municipal Employees

Diversified Fixed Income

3 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
Diversified Fixed	17.68%	8.40%	34	2.86%	62	2.63%	32	1.78%	43	7.19	22	55.63%	51
Barclays Aggregate	--	6.19%	62	2.42%	47	0.00%	83	0.00%	1	4.91	52	100.00%	74
Allianz Structured Alpha	2.45%	10.22%	2	10.95%	99	12.47%	1	13.90%	99	0.69	99	-45.71%	2
Citigroup 10 Year Treasury	--	9.65%	4	7.01%	99	0.00%	99	0.00%	1	2.81	99	100.00%	99
PIMCO Core Plus	6.37%	8.05%	15	2.70%	80	1.80%	31	1.14%	68	4.45	85	79.07%	48
Barclays Aggregate	--	6.19%	62	2.42%	47	0.00%	83	0.00%	1	4.91	52	100.00%	74
PIMCO Unconstrained	6.41%	--	--	--	--	--	--	--	--	--	--	--	--
25% HY, 25% EMD, 50% BC Agg	--	--	--	--	--	--	--	--	--	--	--	--	--
Wellington DAS	2.45%	11.62%	2	5.46%	99	5.65%	45	5.20%	1	5.60	59	31.45%	99
Wellington Custom Benchmark	--	11.50%	2	9.45%	99	0.00%	99	0.00%	1	3.04	99	100.00%	99

Vermont Municipal Employees

Diversified Fixed Income

5 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
Diversified Fixed	17.68%	5.73%	67	6.72%	73	-1.70%	93	5.11%	72	0.74	91	182.87%	89
Barclays Aggregate	--	5.95%	63	3.53%	40	0.00%	82	0.00%	1	2.50	33	100.00%	66
Allianz Structured Alpha	2.45%	--	--	--	--	--	--	--	--	--	--	--	--
Citigroup 10 Year Treasury	--	--	--	--	--	--	--	--	--	--	--	--	--
PIMCO Core Plus	6.37%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays Aggregate	--	--	--	--	--	--	--	--	--	--	--	--	--
PIMCO Unconstrained	6.41%	--	--	--	--	--	--	--	--	--	--	--	--
25% HY, 25% EMD, 50% BC Agg	--	--	--	--	--	--	--	--	--	--	--	--	--
Wellington DAS	2.45%	--	--	--	--	--	--	--	--	--	--	--	--
Wellington Custom Benchmark	--	--	--	--	--	--	--	--	--	--	--	--	--

Diversified Fixed Income

3 Year Risk Return

3 Year Style Analysis

Diversified Fixed Income

Characteristics

	Diversified Fixed	Barclays Aggregate
Yield to Maturity	1.9%	1.7%
Avg. Eff. Maturity	7.0 yrs.	7.0 yrs
Avg. Duration	5.7 yrs.	5.1 yrs
Avg. Quality	A (8.5)	

Quality Ratings

	Diversified Fixed	Barclays Aggregate
AAA	4.2	73.1
AA	65.8	5.0
A	8.3	11.0
BBB	11.9	10.8
BB and Below	7.1	0.0
Not Rated	2.7	0.0

Sectors

	Diversified Fixed	Barclays Aggregate
UST / Agency	48.1	42.7
Corp	18.4	21.5
MBS	17.9	31.4
ABS	6.8	0.4
Foreign	3.1	4.0
Muni	5.8	0.0
Other	0.0	0.0

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.

eA All US Fixed Inc Gross Accounts

● Allianz Structured Alpha   ▲ Citigroup 10 Year Treasury

Annualized Excess Performance

- ■ Quarterly Out Performance
- ■ Quarterly Under Performance
- — Rolling 1 Year Excess Performance vs. Citigroup 10 Year Treasury
- — Universe Upper Quartile
- — Universe Median
- — Universe Lower Quartile

December 31, 2012

Allianz Structured Alpha

3 Year Risk Return

Annualized Return (y-axis) vs Annualized Standard Deviation (x-axis)

1206 Portfolios

- ■ Allianz Structured Alpha
- ♦ Citigroup 10 Year Treasury
- ▫ 68% Confidence Interval
- ● eA All US Fixed Inc Gross

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.

eA All US Fixed Inc Gross Accounts

● PIMCO Core Plus   ▲ Barclays Aggregate

Annualized Excess Performance

Quarterly Out Performance
Quarterly Under Performance
Rolling 1 Year Excess Performance vs. Barclays Aggregate
Universe Upper Quartile
Universe Median
Universe Lower Quartile

PIMCO Core Plus

3 Year Risk Return

- ■ PIMCO Core Plus
- ◆ Barclays Aggregate
- ☐ 68% Confidence Interval
- ● eA All US Fixed Inc Gross

Sectors

Sector	PIMCO Core Plus	Barclays Aggregate
UST / Agency	52.5	42.7
Corp	17.9	21.5
MBS	14.4	31.4
ABS	7.2	0.4
Foreign	2.3	4.0
Muni	5.7	0.0
Other	0.0	0.0

- ■ PIMCO Core Plus
- ■ Barclays Aggregate

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.

eA All US Fixed Inc Gross Accounts

● PIMCO Unconstrained   ▲ 25% HY, 25% EMD, 50% BC Agg

Annualized Excess Performance

- ■ Quarterly Out Performance
- ■ Quarterly Under Performance
- — Rolling 1 Year Excess Performance vs. 25% HY, 25% EMD, 50% BC Agg
- — Universe Upper Quartile
- — Universe Median
- — Universe Lower Quartile

PIMCO Unconstrained

Quality Ratings

Rating	PIMCO Unconstrained	Barclays Aggregate
AAA	4.7	73.1
AA	63.7	5.0
A	8.2	11.0
BBB	11.3	10.8
BB and Below	9.2	0.0
Not Rated	2.9	0.0

Sectors

Sector	PIMCO Unconstrained	Barclays Aggregate
UST / Agency	43.1	42.7
Corp	19.0	21.5
MBS	21.8	31.4
ABS	6.3	0.4
Foreign	3.9	4.0
Muni	5.8	0.0
Other	0.1	0.0

PIMCO Unconstrained   Barclays Aggregate

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.
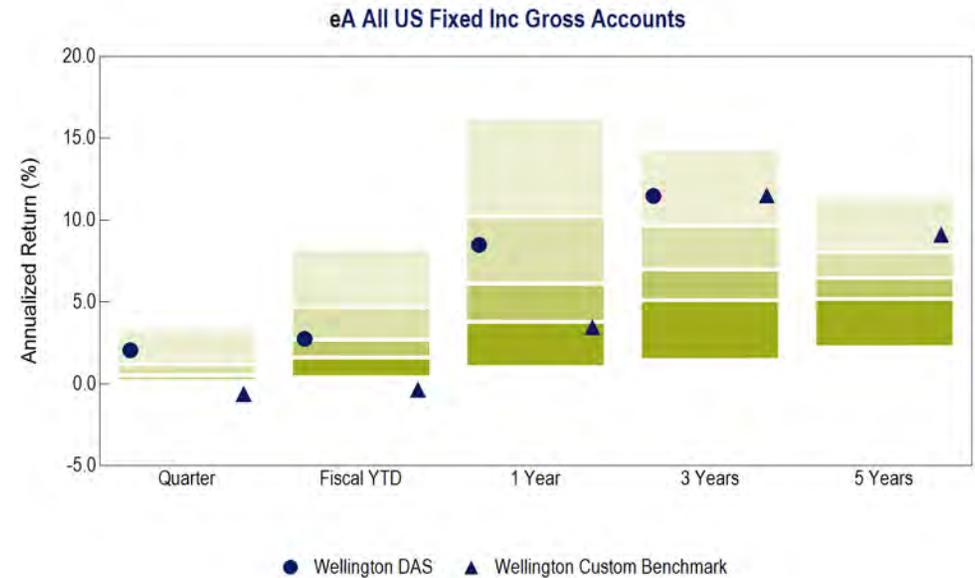
eA All US Fixed Inc Gross Accounts

● Wellington DAS ▲ Wellington Custom Benchmark

Annualized Excess Performance

■ Quarterly Out Performance
■ Quarterly Under Performance
— Rolling 1 Year Excess Performance vs. Wellington Custom Benchmark
— Universe Upper Quartile
— Universe Median
— Universe Lower Quartile

Wellington DAS

3 Year Risk Return

- ■ Wellington DAS
- ◆ Wellington Custom Benchmark
- □ 68% Confidence Interval
- ● eA All US Fixed Inc Gross
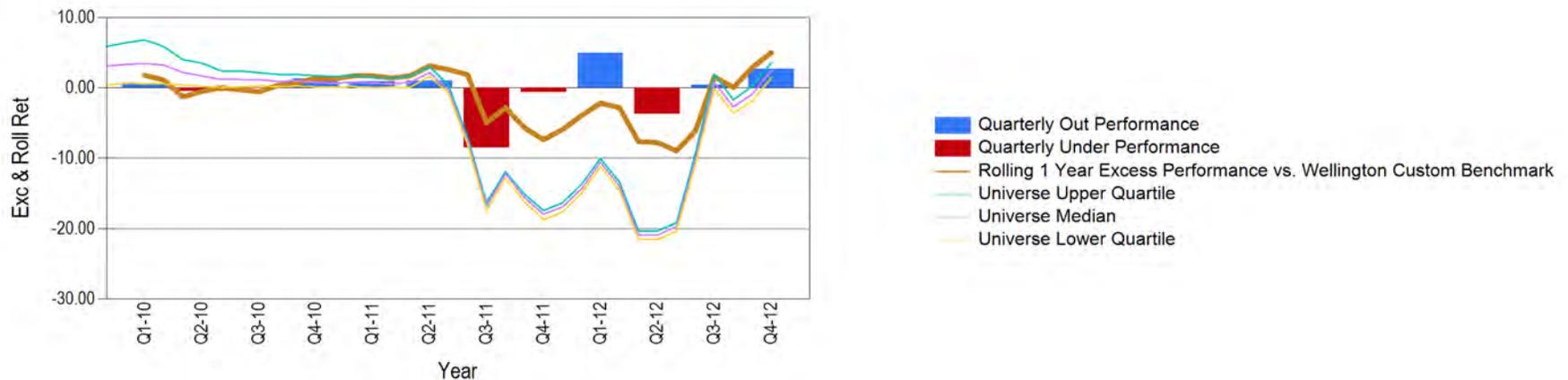
3 Year Risk Statistics
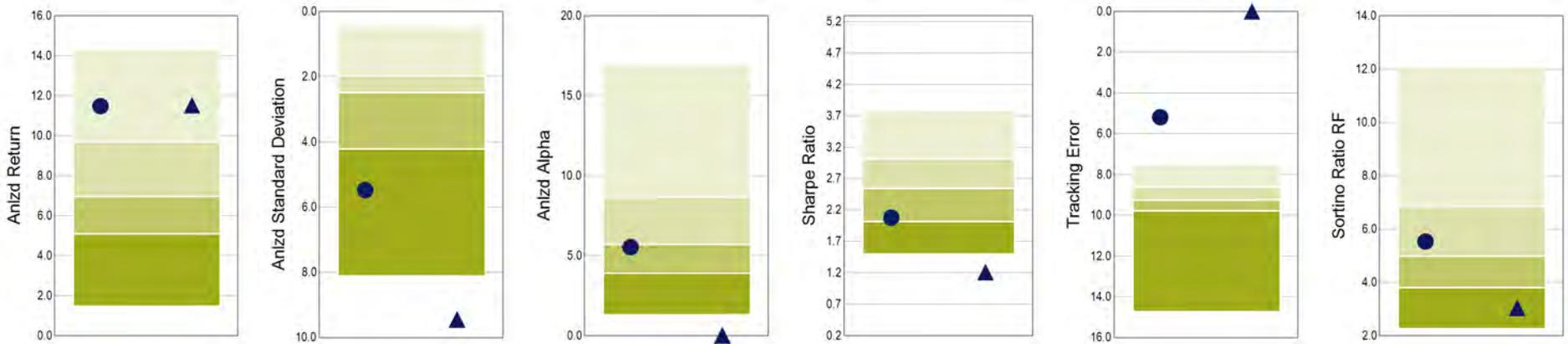
Vermont Municipal Employees

High Yield Comp

3 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
High Yield Comp	6.27%	11.43%	64	5.88%	27	1.83%	28	1.66%	58	2.95	29	75.84%	27
Barclays High Yield	--	11.86%	46	7.18%	70	0.00%	75	0.00%	1	2.42	62	100.00%	70
Post Advisory	5.27%	11.63%	57	5.83%	26	2.12%	23	1.75%	60	2.94	31	74.91%	26
Barclays High Yield	--	11.86%	46	7.18%	70	0.00%	75	0.00%	1	2.42	62	100.00%	70
KDP	0.99%	10.16%	87	6.25%	39	0.03%	74	1.65%	57	2.43	62	81.36%	37
Barclays High Yield	--	11.86%	46	7.18%	70	0.00%	75	0.00%	1	2.42	62	100.00%	70

Vermont Municipal Employees

High Yield Comp

5 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
High Yield Comp	6.27%	9.61%	52	10.21%	19	2.30%	21	5.14%	69	0.78	48	71.64%	16
Barclays High Yield	--	10.34%	28	14.06%	89	0.00%	81	0.00%	1	0.71	68	100.00%	85
Post Advisory	5.27%	9.78%	46	10.19%	19	2.49%	19	5.15%	69	0.79	40	71.40%	16
Barclays High Yield	--	10.34%	28	14.06%	89	0.00%	81	0.00%	1	0.71	68	100.00%	85
KDP	0.99%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays High Yield	--	--	--	--	--	--	--	--	--	--	--	--	--

High Yield Comp

3 Year Risk Return

3 Year Style Analysis

High Yield Comp

Characteristics

6.5% | 6.1% | 6.9 yrs. | 6.7 yrs | 5.3 yrs. | 4.1 yrs | B (5.4)

Yield to Maturity | Avg. Eff. Maturity | Avg. Duration | Avg. Quality

■ High Yield Comp   ■ Barclays High Yield

Quality Ratings

0.0 0.0 | 0.4 0.0 | 0.0 0.0 | 4.1 0.0 | 95.5 99.6 | 0.0 0.4

AAA | AA | A | BBB | BB and Below | Not Rated

Sectors

0.0 0.0 | 99.8 100.0 | 0.0 0.0 | 0.0 0.0 | 0.0 0.0 | 0.2 0.0 | 0.0 0.0

UST / Agency | Corp | MBS | ABS | Foreign | Muni | Other
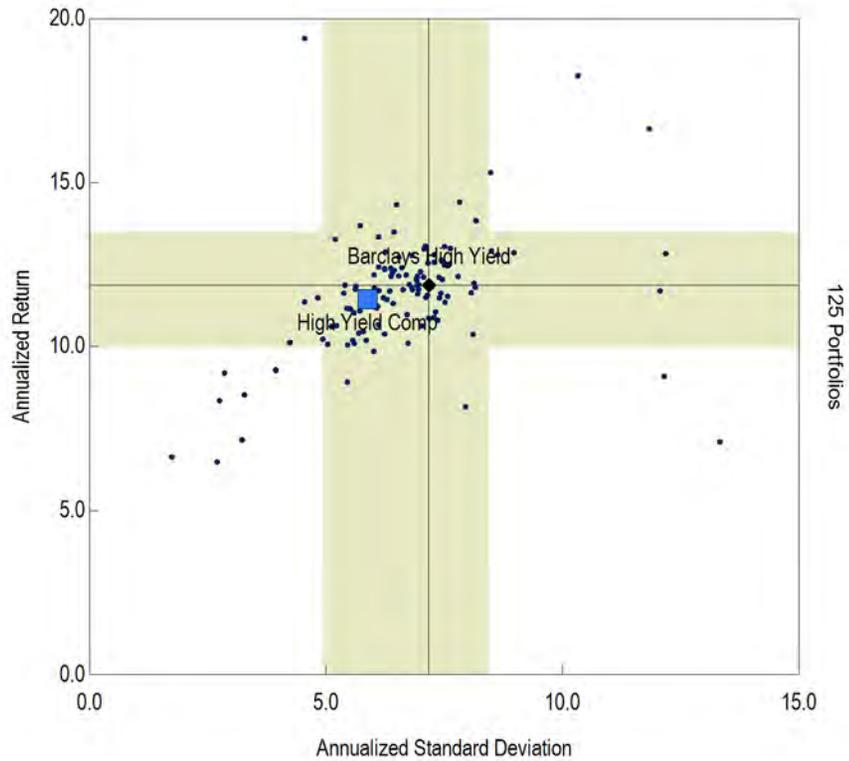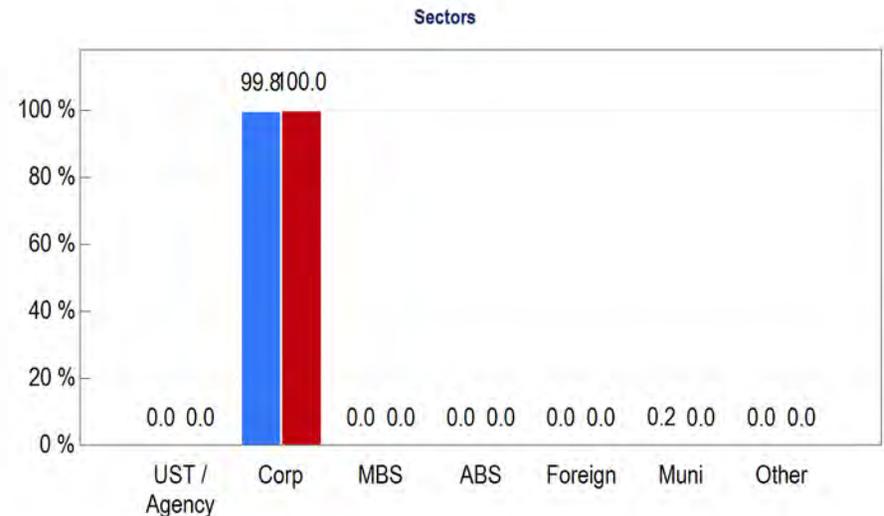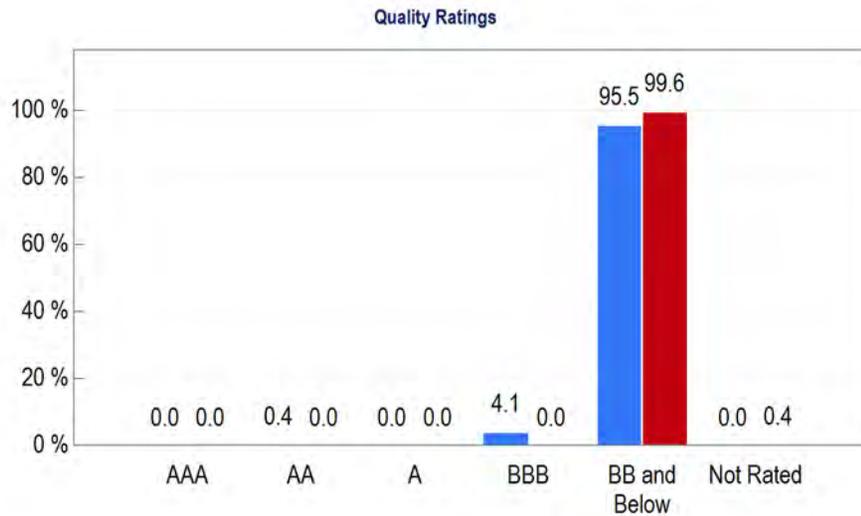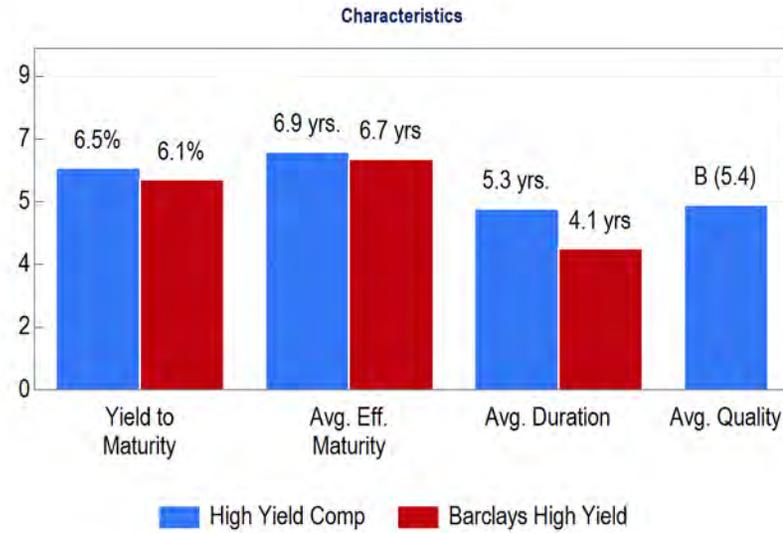
Post Advisory

Post's team concentrate on under-followed and misunderstood credits as they believe that these securities have the highest probability of being mispriced by the consensus view. They also consider the downside protection afforded by a security. Post believe the downside risk is the most important factor to be aware of. It is through downside protection that they believe they avoid much of the volatility that exists in the high yield market. Their process is quantitative oriented. They generate ideas by looking for companies that are preferably not covered by Wall St. Having found a company they apply a value scoring model to review the issue. They look at both quantitative and qualitative factors, with the different factors being given different weights, although all factors apply across all industries to allow them to standardize. The most important quantitative factor is free cash flow and the most important qualitative factor is the management team and corporate structure. That said, the factors do gradually change over time, this is a result of constantly reviewing the model.

eA US High Yield Fixed Inc Gross Accounts

● Post Advisory   ▲ Barclays High Yield

Annualized Excess Performance

- Quarterly Out Performance
- Quarterly Under Performance
- Rolling 1 Year Excess Performance vs. Barclays High Yield
- Universe Upper Quartile
- Universe Median
- Universe Lower Quartile

Post Advisory

3 Year Risk Return

- ■ Post Advisory
- ◆ Barclays High Yield
- ▫ 68% Confidence Interval
- ● eA US High Yield Fixed Inc Gross

3 Year Risk Statistics

Characteristics

- Yield to Maturity: Post Advisory 6.6%, Barclays High Yield 6.1%
- Avg. Eff. Maturity: Post Advisory 6.9 yrs., Barclays High Yield 6.7 yrs
- Avg. Duration: Post Advisory 5.2 yrs., Barclays High Yield 4.1 yrs
- Avg. Quality: B (5.4)

Sectors

- UST / Agency: 0.0, 0.0
- Corp: 100.0, 100.0
- MBS: 0.0, 0.0
- ABS: 0.0, 0.0
- Foreign: 0.0, 0.0
- Muni: 0.0, 0.0
- Other: 0.0, 0.0

Legend: Post Advisory, Barclays High Yield

KDP

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

● KDP   ▲ Barclays High Yield

Annualized Excess Performance

KDP

3 Year Risk Return

Annualized Return (y-axis)
Annualized Standard Deviation (x-axis)
125 Portfolios

- ■ KDP
- ♦ Barclays High Yield
- □ 68% Confidence Interval
- ● eA US High Yield Fixed Inc Gross

3 Year Risk Statistics

Characteristics

- Yield to Maturity: KDP 5.8%, Barclays High Yield 6.1%
- Avg. Eff. Maturity: KDP 7.6 yrs., Barclays High Yield 6.7 yrs
- Avg. Duration: KDP 5.7 yrs., Barclays High Yield 4.1 yrs
- Avg. Quality: KDP BB (5.7)

Sectors

- UST / Agency: 0.0 0.0
- Corp: 98.7 100.0
- MBS: 0.0 0.0
- ABS: 0.0 0.0
- Foreign: 0.0 0.0
- Muni: 1.3 0.0
- Other: 0.0 0.0

Legend: KDP, Barclays High Yield

H=DG

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%.

eA TIPS / Infl Indexed Fixed Inc Gross Accounts

● BlackRock TIPS   ▲ Barclays US TIPS

Annualized Excess Performance

■ Quarterly Out Performance
■ Quarterly Under Performance
— Rolling 1 Year Excess Performance vs. Barclays US TIPS

BlackRock TIPS

3 Year Risk Return
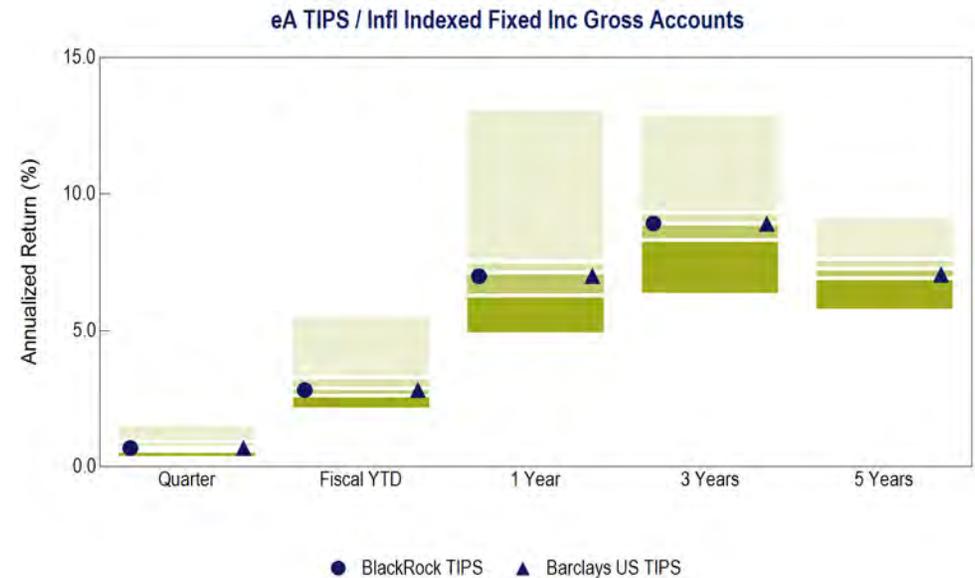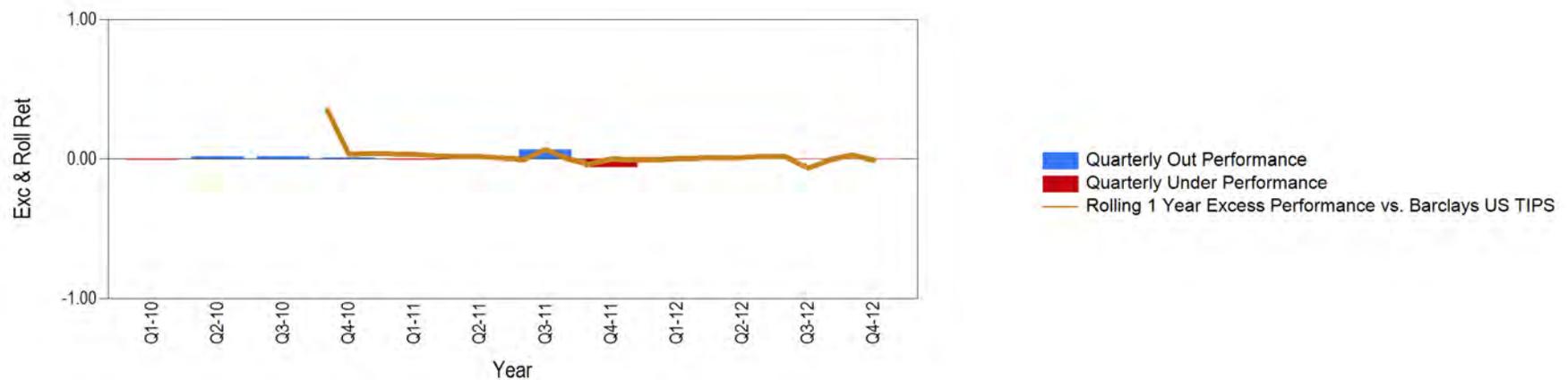
- ▪ BlackRock TIPS
- ♦ Barclays US TIPS
- ▫ 68% Confidence Interval
- ● eA TIPS / Infl Indexed Fixed Inc Gross

Characteristics

Yield to Maturity: -0.3%, 1.5%
Avg. Eff. Maturity: 8.5 yrs., 8.9 yrs
Avg. Duration: 7.5 yrs., 5.6 yrs
Avg. Quality: AA (9.0)
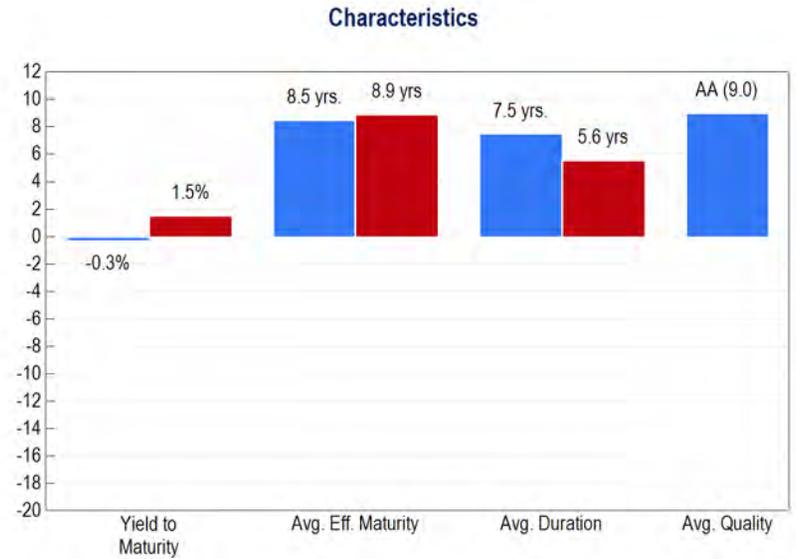
■ BlackRock TIPS   ■ Barclays US TIPS

3 Year Risk Statistics
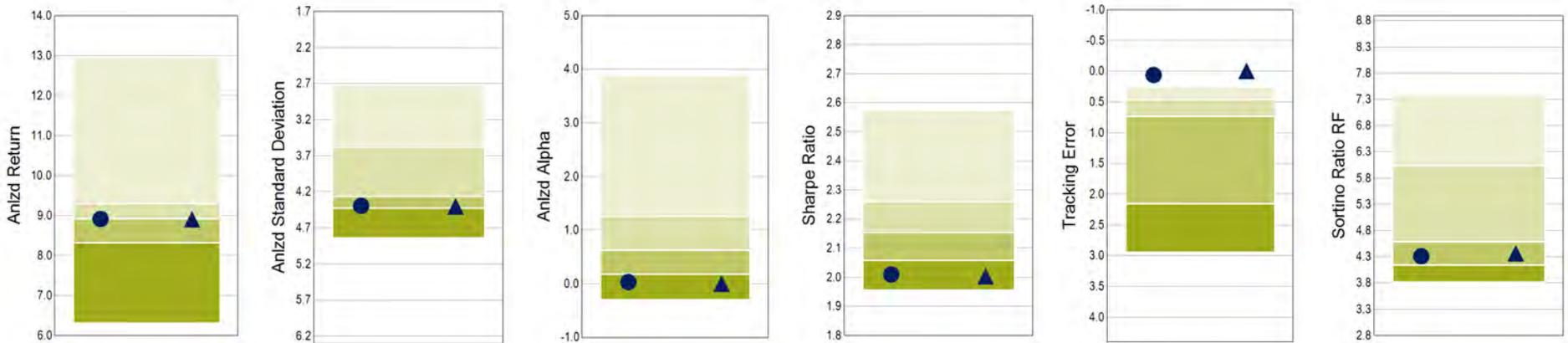
Vermont Municipal Employees

Global Fixed Income Comp

3 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
Global Fixed Income Comp	2.81%	7.22%	47	5.96%	55	2.93%	63	2.33%	16	1.84	43	88.46%	78
Citigroup WGBI	--	4.37%	92	5.59%	46	0.00%	94	0.00%	1	1.03	83	100.00%	85
Mondrian GFI	2.81%	5.46%	81	6.15%	56	0.81%	89	1.56%	7	1.22	71	109.50%	89
Citigroup WGBI	--	4.37%	92	5.59%	46	0.00%	94	0.00%	1	1.03	83	100.00%	85

Vermont Municipal Employees

Global Fixed Income Comp

5 Years Ending December 31, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
Global Fixed Income Comp	2.81%	7.43%	33	8.23%	50	2.57%	50	4.23%	31	1.29	30	96.53%	70
Citigroup WGBI	--	5.27%	79	7.73%	40	0.00%	87	0.00%	1	0.96	54	100.00%	76
Mondrian GFI	2.81%	7.03%	42	7.74%	41	1.95%	57	2.21%	9	1.40	23	97.37%	71
Citigroup WGBI	--	5.27%	79	7.73%	40	0.00%	87	0.00%	1	0.96	54	100.00%	76

Global Fixed Income Comp

3 Year Risk Return

Annualized Return

178 Portfolios

Annualized Standard Deviation

3 Year Style Analysis

Corp. Bonds

Global Fixed Income Comp Citigroup WGBI

Govt. Bonds

Barclays Aggregate

Mortgages

First Rolling Period   ◆   Last Rolling Period

Global Fixed Income Comp

Characteristics

	Global Fixed Income Comp	Citigroup WGBI
Yield to Maturity	1.5%	1.3%
Avg. Eff. Maturity	6.2 yrs.	8.1 yrs
Avg. Duration	5.3 yrs.	6.7 yrs
Avg. Quality	A (8.5)	

Quality Ratings

	AAA	AA	A	BBB	BB and Below	Not Rated
	5.9 / 0.0	17.8 / 0.0	24.8 / 0.0	1.3 / 0.0	0.0 / 0.0	50.3 / 0.0

Sectors

	UST / Agency	Corp	MBS	ABS	Foreign	Muni	Other
	8.5 / 0.0	9.5 / 0.0	0.0 / 0.0	0.0 / 0.0	82.0 / 0.0	0.0 / 0.0	0.0 / 0.0

NEPC, LLC

December 31, 2012
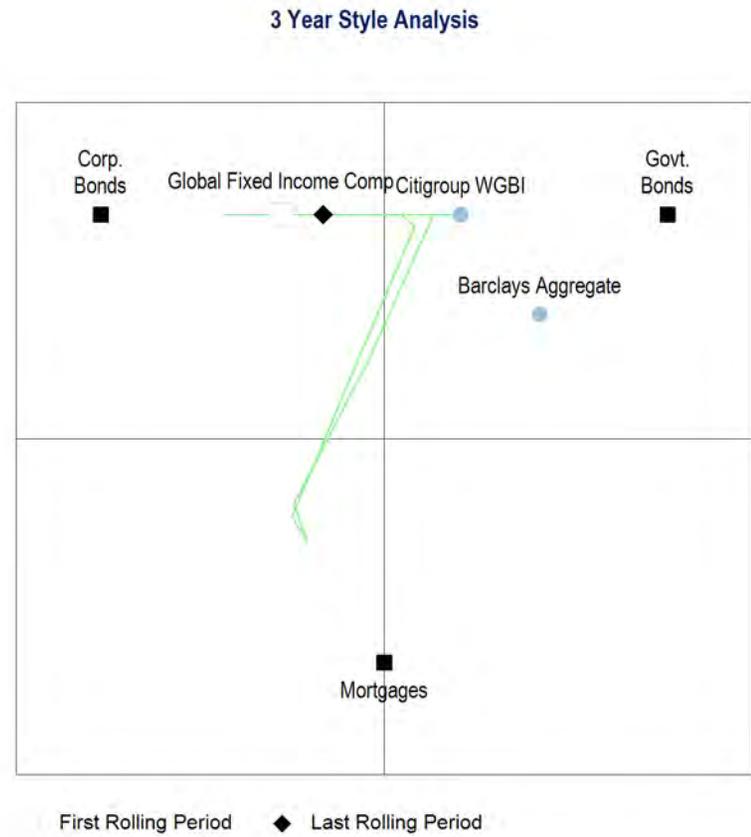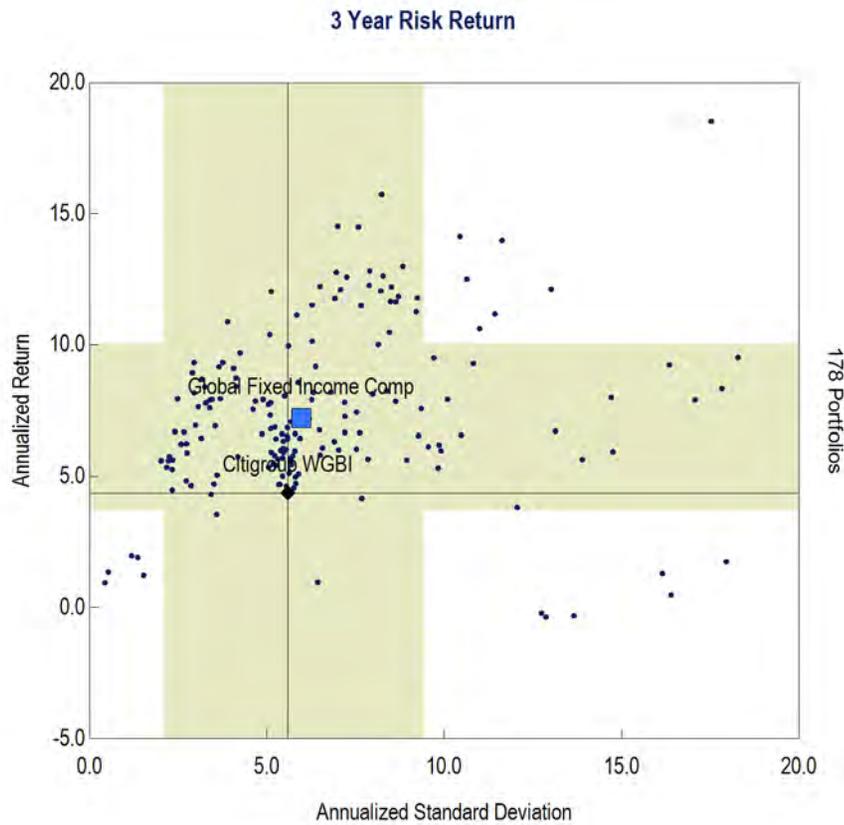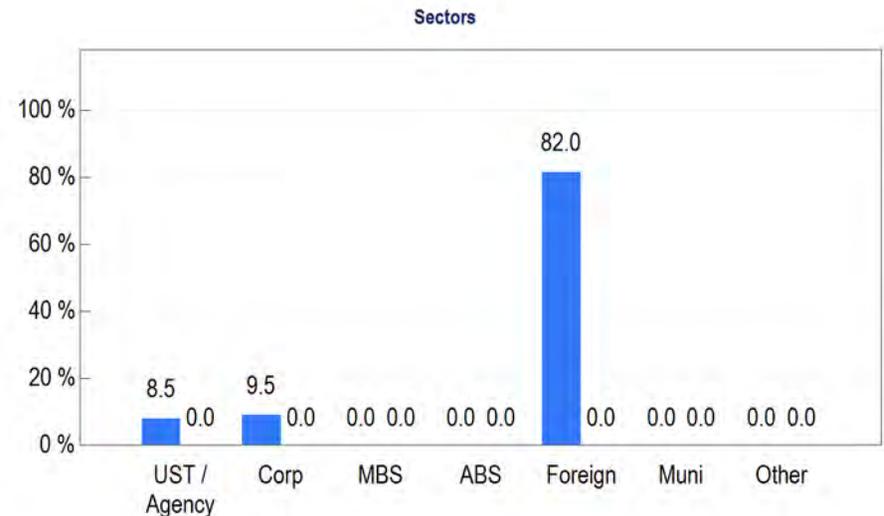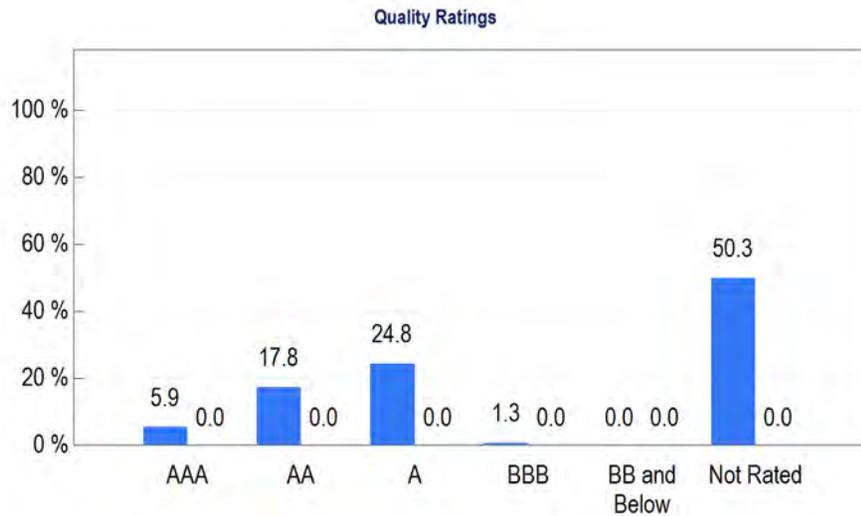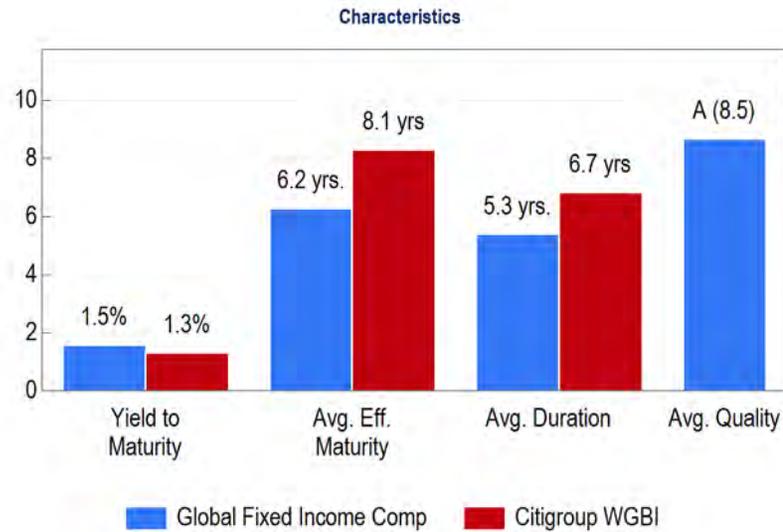
country. Mondrian will consider investing in the government debt of all countries within the Citigroup World Government Bond Index and other developed world bond markets. Within the emerging world most countries are researched and will include dollar denominated and local currency issuers. Mondrian's 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.

eA All Global Fixed Inc Gross Accounts

● Mondrian GFI ▲ Citigroup WGBI

Annualized Excess Performance

Quarterly Out Performance
Quarterly Under Performance
Rolling 1 Year Excess Performance vs. Citigroup WGBI
Universe Upper Quartile
Universe Median
Universe Lower Quartile

Mondrian GFI

3 Year Risk Return

Legend:
- Mondrian GFI
- Citigroup WGBI
- 68% Confidence Interval
- eA All Global Fixed Inc Gross

178 Portfolios

3 Year Risk Statistics

Characteristics

Yield to Maturity	Mondrian GFI: 1.6%	Citigroup WGBI: 1.3%
Avg. Eff. Maturity	6.3 yrs.	8.1 yrs
Avg. Duration	5.4 yrs.	6.7 yrs
Avg. Quality	A (8.5)	

Legend: Mondrian GFI (blue), Citigroup WGBI (red)

Quality Ratings

Rating	Mondrian GFI	Citigroup WGBI
AAA	6.1	0.0
AA	18.5	0.0
A	25.8	0.0
BBB	1.3	0.0
BB and Below	0.0	0.0
Not Rated	48.3	0.0

Sectors

Sector	Mondrian GFI	Citigroup WGBI
UST / Agency	8.5	0.0
Corp	9.5	0.0
MBS	0.0	0.0
ABS	0.0	0.0
Foreign	82.0	0.0
Muni	0.0	0.0
Other	0.0	0.0

Wellington Opportunistic Emerging Market Debt

Portfolio Statistics

	Portfolio	Index
Yield	4.84%	4.17%
Effective Duration	7.20 Yrs	7.48 Yrs
Spread Duration	7.02 Yrs	7.48 Yrs
Corporate Exposure	19.54%	—
EM Local Market Exposure	14.13%	—
EM Currency Exposure	10.75%	—
Average Quality	Baa2	Baa3

Quality Distribution
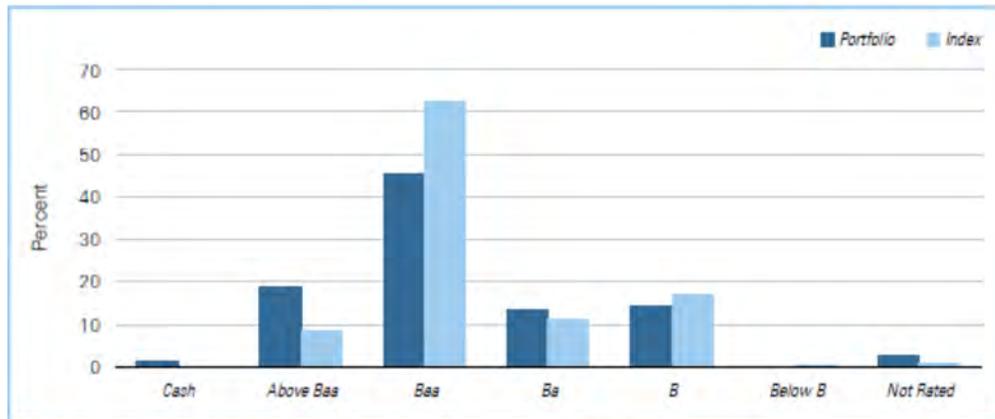
May not add to 100% due to derivative positions in portfolios that permit the use of such instruments
Quality ratings are based on the highest of Fitch, Moody or S&P.

Top/Bottom 5 Country Contributors to Portfolio Alpha
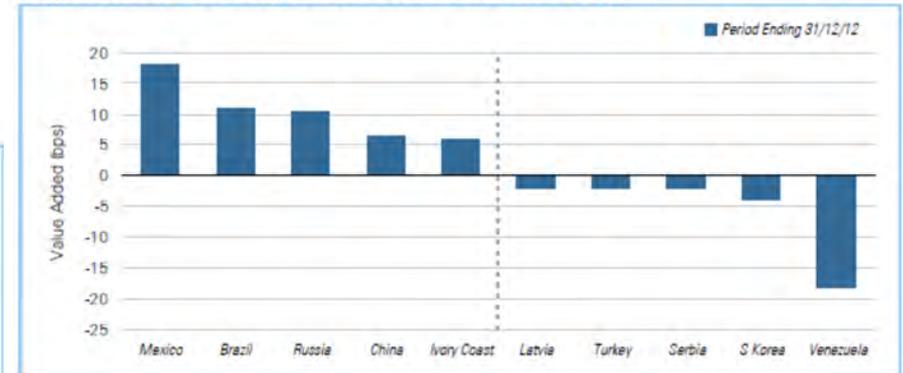
Country Weights versus Index
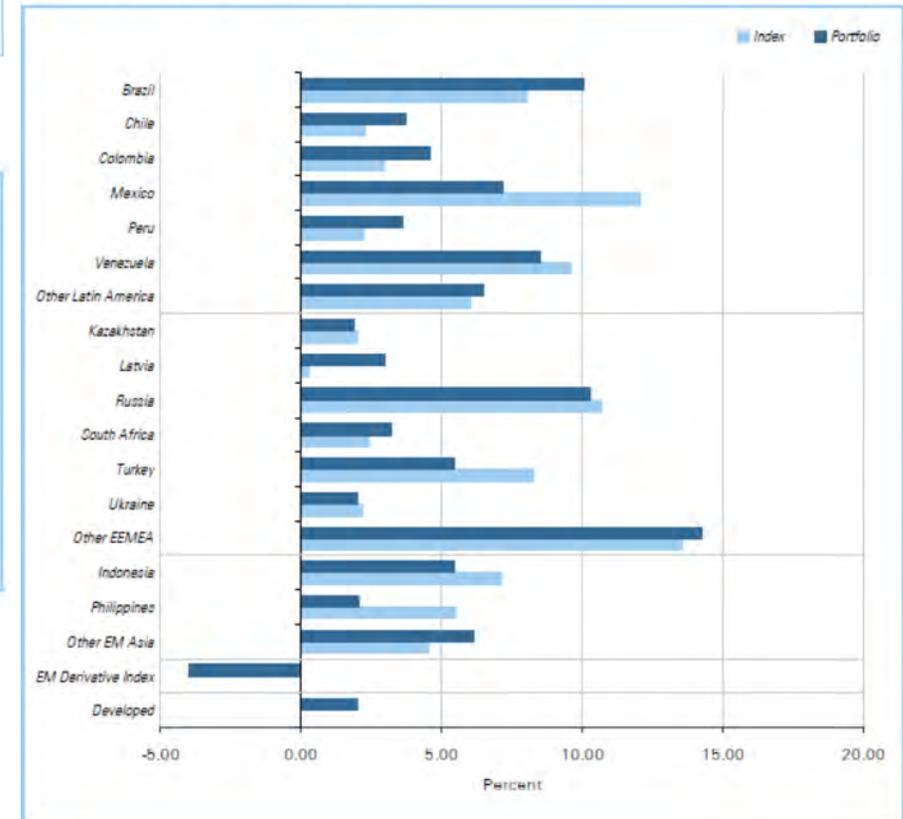
Source: Wellington Management

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 Global Expanded Alpha

The core philosophy behind Mellon's Global Expanded Alpha strategy is that global capital markets are an orderly and mostly rational structure over the long term and that prices reflect expected returns based on fundamentals. However while equilibrium exists there are factors in the capital markets which cause prices to deviate from the equilibrium. Mellon seeks to diversify investment exposure across many asset classes. Global Stocks, Global Bonds and Currencies are the broad asset classes in which Global Alpha 1 is exposed. Mellon determines expected returns, risks, and correlations for each asset class in the twelve major capital markets (Australia, Canada, France, Germany, Hong Kong, Italy, Japan, the Netherlands, Spain, Switzerland, the U.K., and the U.S.) where they actively allocate assets. Model has been expanded to new alpha sources: emerging markets and commodities. Alpha in the emerging market is extracted through both emerging market equities and currencies. Emerging market equity and currency models rely on similar signals to those employed in developed equities and currencies models. Relative Valuation is the basis for asset class investment decisions. Investment instruments used include Futures, Forwards, Options and Asset Class Funds. Mellon is capable of taking Long/Short positions in any instruments but must be Net Long Stocks and Bonds.

Performance & Attribution – 4th Quarter 2012

Period	Strategy Return	Benchmark Return	Alpha	Global Stock/Bond	Equity Country	Bond Country	Currency	Benchmark Replication	Commodity Allocation	Misc.	Total Alpha
Oct-12	-1.05%	-0.33%	-0.73%	-6	2	27	-86	-1	0	-9	-72
Nov-12	0.85%	1.06%	-0.20%	7	-29	28	-19	0	-10	2	-21
Dec-12	0.81%	1.32%	-0.51%	18	-16	40	-86	0	-10	3	-51

Performance & Attribution – Calendar Years & Annualized as of 12/31/2012

Period	Strategy Return	Benchmark Return	Alpha	Global Stock/Bond	Equity Country	Bond Country	Currency	Benchmark Replication	Commodity Allocation	Misc.	Total Alpha
YTD 2012	11.27%	11.45%	-0.17%	-24	-16	197	-214	10	18	12	-18
2011	-0.13%	-1.60%	1.47%	-168	136	139	56	26	2	-43	147
(Partial) 2010	10.43%	5.72%	4.71%	-137	71	185	291	65	-6	2	471
1 Year	11.27%	11.45%	-0.17%	-24	-16	197	-214	10	18	12	-18

Mellon Global Expanded Alpha

Market Exposures

Equity Exposure

Country	Mellon %	Index %	Over %
Australia	3.6%	1.6%	1.9%
Brazil	0.6%	0.0%	0.6%
Canada	0.0%	2.2%	-2.2%
China	0.9%	0.0%	0.9%
France	1.5%	1.6%	-0.1%
Germany	14.1%	1.5%	12.6%
Hong Kong	-6.8%	0.6%	-7.3%
India	-0.3%	0.0%	-0.3%
Italy	0.4%	0.4%	0.0%
Japan	-0.6%	3.8%	-4.4%
Mexico	-0.7%	0.0%	-0.7%
Netherlands	8.3%	0.4%	7.8%
Poland	-0.5%	0.0%	-0.5%
South Africa	0.0%	0.0%	0.0%
South Korea	0.7%	0.0%	0.7%
Spain	0.5%	0.5%	0.0%
Switzerland	-4.8%	1.5%	-6.3%
Taiwan	-1.3%	0.0%	-1.3%
Turkey	0.5%	0.0%	0.5%
United Kingdom	7.6%	4.1%	3.5%
United States	27.1%	23.1%	4.0%
Emerging Markets	6.5%	6.5%	0.1%
GAA Passive	2.2%	2.1%	0.1%
Total	59.6%	50.0%	9.6%

Bond Exposure

Country	Mellon %	Index %	Over %
Australia	4.2%	0.7%	3.5%
Canada	-6.9%	0.8%	-7.7%
Emerging Markets	5.4%	5.0%	0.4%
Europe ex UK	12.5%	6.9%	5.6%
International	10.5%	10.0%	0.5%
Japan	5.5%	2.7%	2.7%
United Kingdom	-11.6%	1.1%	-12.8%
United States	21.2%	17.0%	4.2%
GAA Passive	0.8%	0.8%	0.0%
Total	41.5%	45.0%	-3.5%

Commodity and Cash Exposure

	Mellon %	Index %	Over %
Commodity	5.0%	5.0%	0.0%
Cash	-6.3%	0.0%	-6.3%
Total	41.5%	45.0%	-3.5%

Currency Exposure

Country	Mellon %	Index %	Over %
Australia	11.1%	1.2%	9.9%
Brazil	0.8%	0.0%	0.8%
Canada	27.1%	1.7%	25.4%
Chile	-0.4%	0.0%	-0.4%
Denmark	0.4%	0.2%	0.2%
Euro	-32.0%	6.6%	-38.6%
Hong Kong	0.1%	0.0%	0.1%
India	0.8%	0.0%	0.8%
Israel	-0.5%	0.0%	-0.5%
Indonesia	0.7%	0.0%	0.7%
Japan	11.4%	3.4%	8.1%
Mexico	-0.1%	0.0%	-0.1%
New Zealand	6.1%	0.0%	6.0%
Norway	5.9%	0.2%	5.7%
Poland	-0.3%	0.0%	-0.3%
Russia	1.5%	0.0%	1.5%
South Africa	0.1%	0.0%	0.1%
South Korea	-1.2%	0.0%	-1.2%
Sweden	12.4%	0.5%	11.9%
Switzerland	0.2%	0.9%	-0.7%
Taiwan	-0.3%	0.0%	-0.3%
Turkey	-1.1%	0.0%	-1.1%
United Kingdom	-4.2%	4.0%	-8.2%
United States	48.1%	68.9%	-20.8%
Emerging Markets	12.1%	11.5%	0.6%
GAA Passive	1.2%	1.0%	0.2%
Total	100.0%	100.0%	0.0%

Source: Mellon Capital Management

PIMCO All Asset

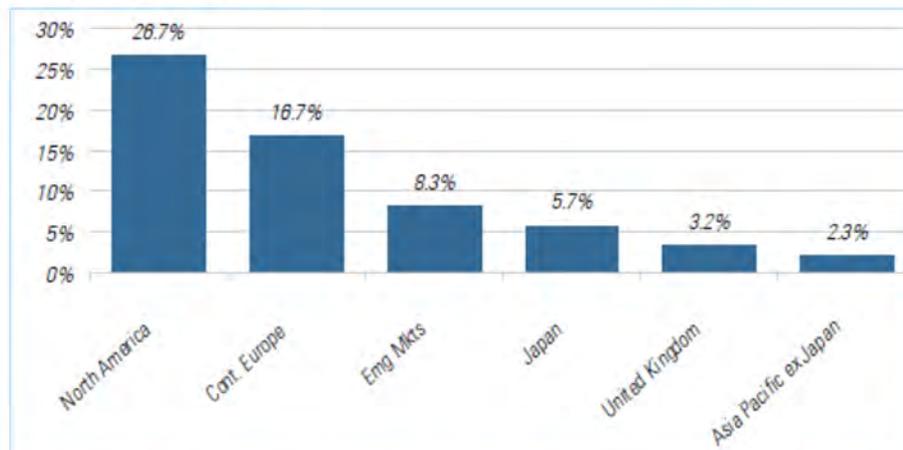| Fund Number	736									
Fund Name	**All Asset Fund**									
Total Fund Net Assets ($US MM)	32,073.5									
	3/31/2011	6/30/2011	9/30/2011	12/31/2011	3/31/2012	6/30/2012	9/30/2012	10/31/2012	11/30/2012	12/31/2012
Short-Term Strategies:	0.1%	0.3%	0.1%	0.1%	0.1%	0.1%	0.3%	0.2%	0.1%	0.0%
Low Duration Fund	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.2%			
Short Term Fund	0.0%	0.0%	0.1%	0.0%	0.0%	0.1%	0.1%			
Net Cash Equivalents	-	-	-	-	-	-	0.0%			
US Core and Long Maturity Bond Strategies:	8.0%	13.3%	8.4%	8.2%	6.3%	5.2%	5.8%	7.7%	9.2%	10.8%
GNMA Fund	-	-	-	-	-	-	-			
Investment Grade Corporate Bond Fund	4.8%	4.1%	5.0%	5.0%	3.2%	2.0%	1.2%			
Long Duration Total Return Fund	0.0%	1.3%	0.1%	0.1%	0.1%	0.1%	0.1%			
Long Term Credit Fund	3.1%	2.8%	3.1%	3.0%	2.8%	2.9%	2.8%			
Long-Term US Government Fund	0.1%	2.1%	0.1%	0.1%	0.0%	0.0%	0.0%			
Mortgage-Backed Securities Fund	-	-	-	-	-	-	-			
Total Return Fund	0.1%	2.9%	0.0%	0.0%	0.2%	0.1%	1.7%			
EM and Global Bond Strategies:	12.1%	13.1%	19.4%	24.1%	28.3%	31.0%	30.8%	31.1%	29.5%	28.7%
Diversified Income Fund	4.2%	3.9%	4.2%	4.4%	4.1%	4.2%	4.4%			
Emerging Local Bond Fund	0.8%	1.5%	4.1%	5.7%	7.0%	8.0%	7.9%			
Emerging Markets Bond Fund	0.2%	0.3%	1.5%	2.7%	3.8%	4.5%	4.0%			
Emerging Markets Corporate Bond Fund							0.4%			
Emerging Markets Currency	3.9%	4.6%	6.5%	7.1%	7.7%	8.0%	8.0%			
Foreign Bond Fund (Unhedged)	0.7%	0.7%	0.7%	1.5%	2.5%	2.8%	2.9%			
Global Advantage Strategy Bond Fund	2.4%	2.2%	2.4%	2.7%	3.2%	3.4%	3.3%			
Global Bond Fund (Unhedged)	-	-	-	-	-	-	-			
Credit Strategies:	27.8%	27.0%	28.9%	28.9%	28.2%	29.8%	30.4%	30.5%	30.4%	29.5%
Convertible Fund	4.2%	3.4%	3.5%	3.4%	3.2%	3.0%	2.1%			
Floating Income Fund	6.6%	7.6%	7.7%	7.4%	6.9%	6.7%	6.7%			
High Yield Fund	5.7%	4.6%	5.9%	6.5%	6.8%	7.9%	8.1%			
High Yield Spectrum Fund	1.4%	1.7%	1.6%	1.6%	1.9%	2.5%	2.6%			
Income Fund	9.8%	8.9%	9.4%	9.1%	8.6%	8.7%	8.8%			
Senior Floating Rate Fund	-	0.8%	0.9%	0.8%	0.7%	0.9%	2.1%			
Inflation Related Strategies:	22.9%	15.3%	17.3%	17.6%	17.0%	12.6%	8.0%	4.6%	3.6%	2.5%
CommoditiesPLUS™ Strategy Fund	5.1%	2.6%	3.7%	4.5%	6.6%	6.3%	5.4%			
CommodityRealReturn Strategy Fund®	5.2%	1.6%	3.8%	4.5%	2.5%	1.9%	1.8%			
Real Return Asset Fund	8.1%	7.8%	7.3%	5.3%	4.5%	1.0%	0.0%			
Real Return Fund	1.5%	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%			
RealEstateRealReturn Strategy Fund	3.1%	1.9%	2.6%	3.3%	3.3%	3.5%	0.8%			
US Equity Strategies:	1.0%	1.0%	4.5%	1.3%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%
Fundamental IndexPLUS™	0.1%	0.1%	-	-	-	-	-			
Fundamental IndexPLUS™ TR	0.4%	0.4%	1.8%	0.2%	0.1%	0.1%	0.1%			
Small Cap StocksPLUS® Total Return Fund	0.1%	0.2%	0.4%	0.1%	0.1%	0.1%	0.1%			
Small Company Fundamental IndexPLUS® TR Strategy Fund	-	-	0.1%	0.6%	0.6%	0.6%	0.6%			
StocksPLUS® Fund	0.1%	0.1%	1.5%	0.0%	0.0%	0.0%	0.0%			
StocksPLUS® Total Return Fund	0.3%	0.3%	0.7%	0.3%	0.1%	0.1%	0.1%			
Global Equity Strategies:	9.6%	9.6%	12.3%	13.4%	14.8%	18.2%	18.4%	17.6%	17.6%	17.8%
EM Fundamental IndexPLUS™ TR Strategy Fund	7.1%	6.4%	8.2%	8.9%	9.4%	9.8%	10.1%			
EqS Dividend Fund	-	-	-	0.1%	0.1%	0.1%	0.1%			
EqS Emerging Markets Fund	0.2%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%			
EqS Pathfinder Fund	1.4%	1.9%	2.3%	2.3%	2.0%	1.9%	1.8%			
International Fundamental IndexPLUS® TR Strategy Fund	-	-	0.1%	0.8%	2.2%	5.4%	5.4%			
Int'l StocksPLUS® TR Strategy Fund (U.S Dollar Hedged)	0.4%	0.4%	0.4%	0.5%	0.2%	0.2%	0.2%			
Int'l StocksPLUS® TR Strategy Fund (Unhedged)	0.5%	0.6%	1.0%	0.6%	0.6%	0.5%	0.5%			
Alternative Strategies:	18.7%	20.4%	9.0%	6.4%	4.4%	2.2%	5.4%	7.3%	8.7%	9.6%
Credit Absolute Return Fund	-	-	0.3%	0.2%	0.2%	0.2%	0.2%			
EqS Long/Short Fund	-	-	-	-	-	0.4%	0.4%			
Fundamental Advantage Total Return Strategy Fund	13.5%	14.5%	5.7%	3.6%	2.0%	1.2%	2.8%			
Unconstrained Bond Fund	5.2%	5.8%	3.1%	2.6%	2.1%	0.4%	2.0%			
	100.0%	100.0%	100.0%	100.0%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: PIMCO

-PIMCO's All Asset Fund uses a Fund of Mutual Funds approach. Investment funds are continuously reallocated between various PIMCO Mutual funds base on strategic allocation decisions made by the advisor to the investment manager.
Because both by policy and practice fixed income related securities tend to dominate the All Asset Funds asset allocation, and also because historical risk return measures correlate highly to core fixed income portfolio's. This investment may be categorized as either global asset allocation or core fixed income.

-The underlying funds may at times invest in derivatives. Use of these instruments may involve risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk that a fund could not close out a position when it would be most advantageous to do so. Portfolios investing in derivatives can lose more than the principal amount invested.

-Shares of mutual funds that invest in Treasuries, TIPS and Government Bonds do not have the same guarantees as direct investments in these securities. Mortgage-backed securities are subject to prepayment risk. With corporate bonds there is no assurance that issuers will meet their obligations. An investment in high-yield securities generally involves greater risk to principal than an investment in higher-rated bonds. Investing in non-U.S. securities may entail risk as a result of non-U.S. economic and political developments, which may be increased when investing in emerging markets.

-No single fund may exceed 50% of the portfolio. There is a maximum exposure of 50% to StocksPLUS, StocksPLUS Total Return and International StocksPLUS TR Strategy Funds combined. There is a maximum exposure of 75% to CommodityRealReturn Strategy, Real Return, Real Return II, Real Return Asset and RealEstateRealReturn Strategy Funds combined.

-Leverage is permitted but is not expected to be used. Possible investment instruments are Stocks, Bonds, Currency, Commodities, Futures, Options, Options on Futures, and Swaps.

-The Fund is expected to outperform the Lehman Brothers U.S. TIPS 1-10 Year Index and CPI + 5% over a market cycle. The PIMCO All Asset Fund is a daily valued commingled fund.

Equity Sector Exposure

Equity Region Exposure

Fixed Income Sector Exposure

Fixed Income Statistics

	Portfolio	Barclays Capital US Aggregate Bond
Duration	4.2 yrs	4.7 yrs
OAS	87 bps	42 bps
YTM	2.4%	1.8%
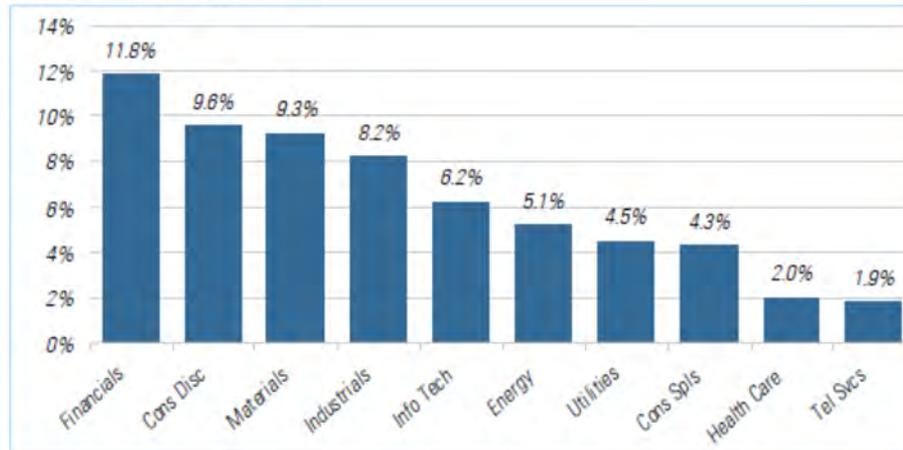
Data is sourced from Wellington Management's internal systems. It is as of the end of the day for the effective date of the report and reflects unaudited information available as of that date only. Equity sector data is sourced from MSCI; region data is based on the issuing company's domicile. Fixed income sector data is based on sectors defined by the Wellington Management Asset Allocation team.

Source: Wellington Management.

-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.

AQR Global Risk Premium Fund

Risk Allocation

Credit/Currency Risk
Global High Yield Spread 9%
Global Corporate Credit Spread 5%
Emg. Credit Spread 1%
Emg. Currencies 9%
Commercial Mortgage-Backed Spreads 1%

Equity Risk
Global Developed Equities 18%
Global Emg. Equities 5%
U.S. Mid Cap Equities 1%
U.S. Small Cap Equities 1%

Inflation Risk
Commodities - Production Weighted 8%
Commodities - Volatility Weighted 8%
Global Inflation-Linked Bonds 8%

Nominal Int. Rate Risk
Global Developed Bonds 20%
Global Emg. Bonds 5%

	Long Exposure (% of NAV)
Equity Risk	
Global Developed Equities	19%
Global Emerging Equities	4%
U.S. Mid Cap Equities	1%
U.S. Small Cap Equities	1%
Total Equity Risk	**26%**
Nominal Interest Rate Risk	
Global Developed Bonds	95%
Global Emerging Bonds	23%
Total Nominal Interest Rate Risk	**118%**
Inflation Risk	
Commodities - Production Weighted	10%
Commodities - Volatility Weighted	13%
Global Inflation-Linked Bonds	53%
Total Inflation Risk	**76%**
Credit/Currency Risk	
Global High Yield Spread	18%
Global Corporate Credit Spread	35%
Emerging Credit Spread	4%
Emerging Currencies	29%
Commercial Mortgage-Backed Spreads	1%
Total Credit/Currency Risk	**88%**
Total Fund Exposures	**308%**

	Long Exposure (% of NAV)
Equity Market Exposures	
Americas	15%
Europe	6%
Asia ex-Japan	4%
Japan	2%
Total Equity Market Exposures	**26%**
Bond Market Exposures - Nominal and Inflation-Linked	
Americas	56%
Europe	71%
Asia	45%
Total Bond Market Exposures	**171%**
Emerging Currency Exposures	
Asia	7%
Europe	9%
Latin America	9%
Dollar Block ex-U.S.	4%
Total Emerging Currency Exposures	**29%**

Source: AQR Capital Management.

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.

Schroder Commodities

Asset Allocation as of 12 31, 2012

Legend: Agriculture (green), Energy (grey), Metals (yellow), Cash (navy)

X-axis: Nov 2005, Nov 2006, Nov 2007, Nov 2008, Sep 2009, Sep 2010, Sep 2011, Sep 2012
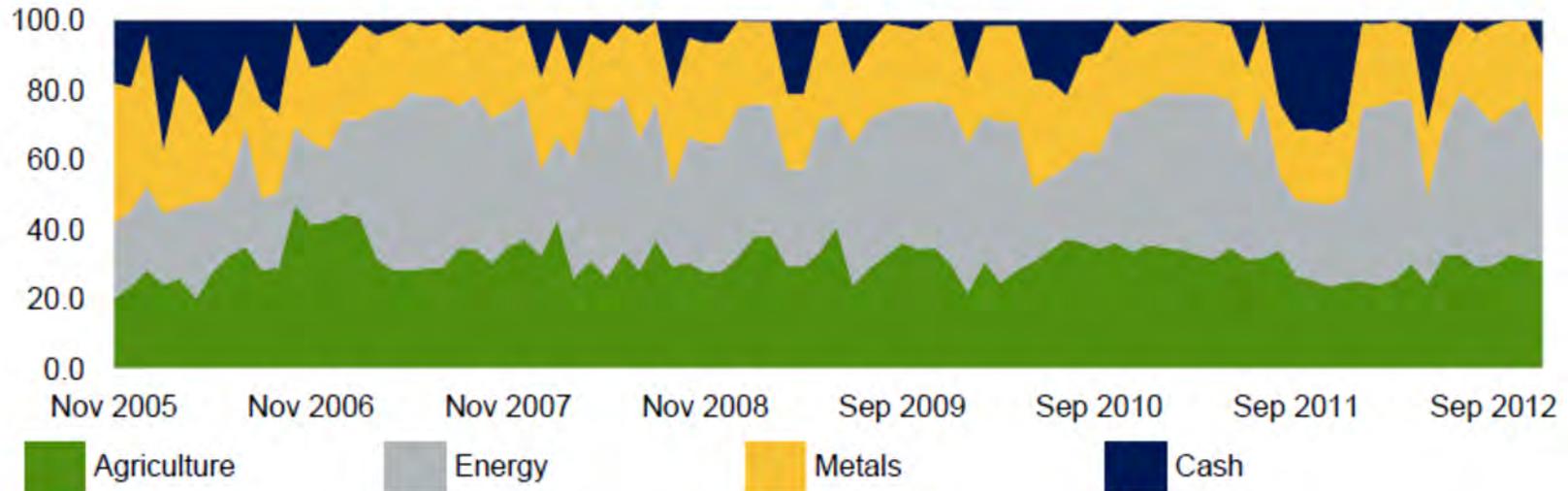
Current Portfolio Exposure

Category	Value
Agriculture	30.9
Cash	9.7
Energy	34.1
Metals	25.3
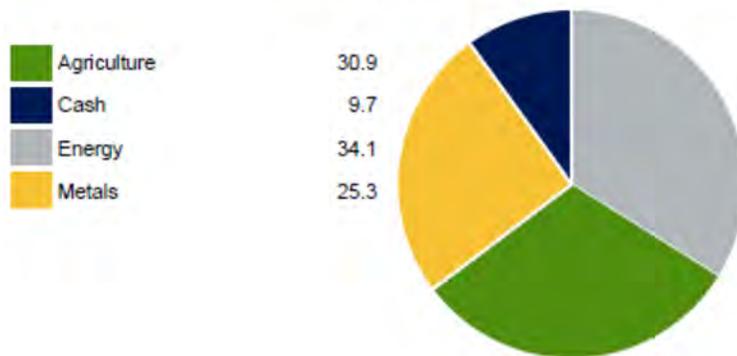
Investment Security Exposure

Category	Value
Cash	9.7
Equity	1.2
Futures	80.3
Swaps, ETFs	8.8
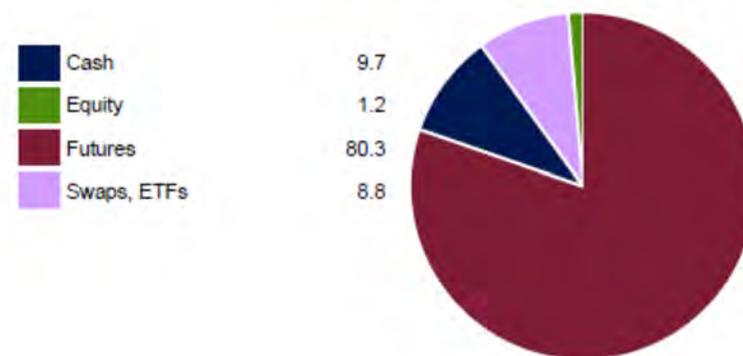
Source: Schroder Investment Management.

December 31, 2012

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.

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Morgan Stanley Prime Property

-The Sponsor, on behalf of the Prime Property Fund, will endeavor to maintain a diversified investment in core U.S. real estate that offers stable, highly predictable cash flow returns. The focus is on high quality office buildings, Class A multifamily communities, warehouse distribution and storage facilities, and top tier super regional malls and shopping centers in targeted primary markets. The Sponsor favors investing in major metropolitan markets and selectively invests in secondary markets that are expected to achieve above-average economic performance. The Sponsor believes that these cities offer better liquidity, more diverse tenant bases and stronger resilience to market cycles.

-The Sponsor maintains a strong research orientation and utilizes research as a risk mitigation tool. Research is used to assist in market selection, product selection and disposition, and portfolio weightings.

-Although the methodologies used to determine strategies have remained constant over time, the investment strategy guidelines developed for PRIME have been modified from time to time over the past five years to reflect changes in market conditions and future market expectations.

-Employment of these strategies have helped PRIME deliver strong relative returns including outperforming the NFI-ODCE benchmark over the trailing 1-year, 3-year, 5-year and 10-year periods

Geographic Region Returns

%	Fourth Quarter		
	Income	Appreciation	Total
Office	1.3	1.2	2.5
Retail	1.7	3.1	4.9
Industrial	1.6	0.1	1.7
Self Storage	5.4	3.7	9.2
Apartment	1.1	2.2	3.3
Hotel	2.6	(1.1)	1.5

Fund Profile

Gross Real Estate Assets[4]	$11,419,605,030
Net Asset Value	$8,259,378,115
Share Value	$12,186
Consolidated Leverage[5]	27.6%
Number of Assets	296
Investors[6]	191

Source: Morgan Stanley.

Diversification

Property Sector

- Office 37.9%
- Apartment 23.2%
- Retail 16.3%
- Industrial 14.4%
- Self Storage 4.4%
- Hotel 2.9%
- Land 0.9%

Geographic Region

- West 37.5%
- East 30.4%
- South 19.9%
- Midwest 12.2%
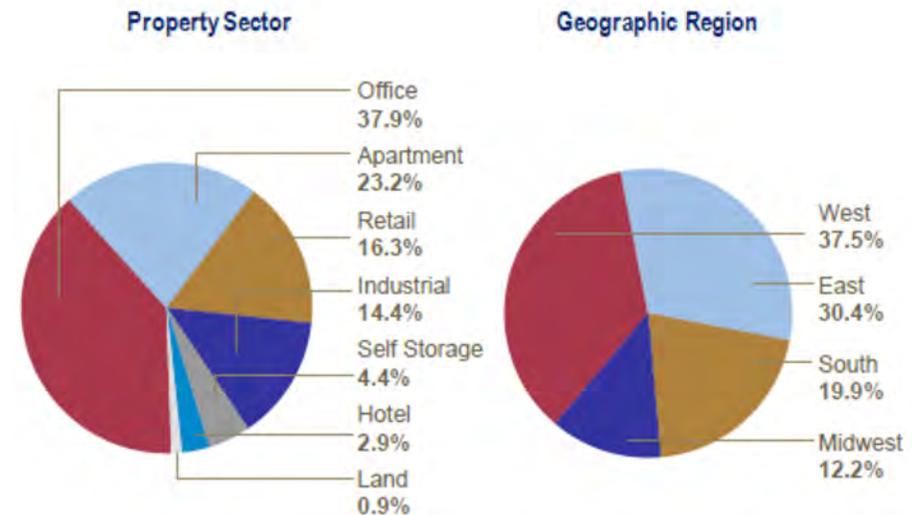
UBS Trumbull

The UBS Trumbull Property Fund (UBS-TPF) is an actively managed core portfolio of equity real estate. The Fund seeks to provide attractive returns while limiting downside risk. The Fund has both relative and real return objectives. Its relative performance objective is to outperform the NFI-ODCE index over any given three-to five-year period. The Fund's real return performance objective is to achieve at least a 5% real rate of return (i.e., inflation-adjusted return), before advisory fees, over any given three- to five-year period.

Performance for Periods Ending December 31, 2012

Gross returns (annualized %)
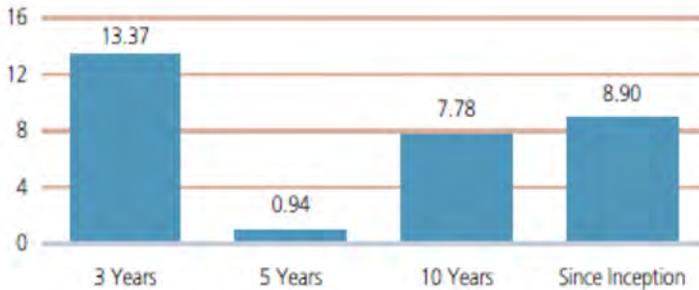
Inception date January 13, 1978
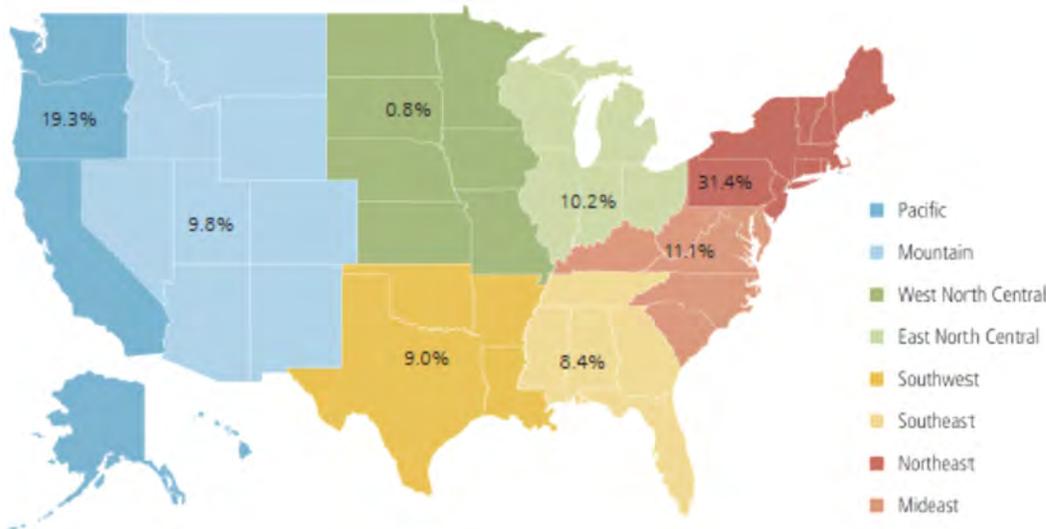
Key Statistics

Gross asset value (GAV)	USD 14.5 bn	Quarterly returns	(%)
		Income	1.27
Net asset value (NAV)	USD 12.6 bn	Appreciation	0.68
		Total (before fees)	1.95
Cash as a % of GAV	6.3%	Total (after fees)	1.69
Debt as % of GAV	11.6%		
Number of investments	176	One-year rolling returns (%)	
		Income	5.35
Number of investors	384	Appreciation	4.62
		Total (before fees)	10.15
Deposits²	USD 146.2 m	Total (after fees)	9.04
Redemptions²	USD 8.2 m		

Pacific	19.3%
Mountain	9.8%
West North Central	0.8%
East North Central	10.2%
Southwest	9.0%
Southeast	8.4%
Northeast	31.4%
Mideast	11.1%

Portfolio Distribution by Property Type

- Apartments 32%
- Hotel 6%
- Industrial 10%
- Office 33%
- Retail 19%
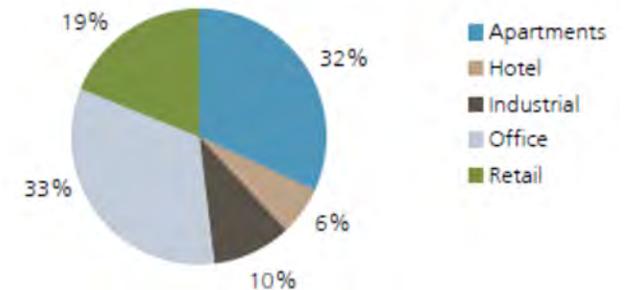
Total Returns by Property Type

Periods ending 12/31/2012	Apt	Hotel	Ind	Office	Retail
Quarter (%)	3.07	-0.38	1.65	0.75	4.19
12 months (%)	11.27	4.43	13.42	9.31	13.68

Source: UBS.

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 States.

Investment Summary

Net Asset Value[1]	$940,973,462
Number of Shares Outstanding	16,109,897
Net Asset Value Per Share	$58.41
Cash Balance of Fund	$110,630,110
Debt[2]	$995,710,598
Inception Date[3]	March 31, 2003
Redemption Shares Outstanding	5,391,735
Institutional Investors	118

Lease Maturities

Diversification/Occupancy

	Real Estate Investments	Gross Real Estate Value (millions)	Percent of Value	Quarter-end Occupancy
Retail	4	$132.0	7%	88%
Residential	5	718.3	39%	97%
Office	34	651.9	35%	81%
Industrial	22	207.9	11%	81%
Development/ Land/Other	5	143.7	8%	N/A
Total	70	$1,853.8	100%	84%

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

Source: RREEF. All graphics as of 9/30/2012.

Geographic Location

West 19%

Midwest 1%

East 53%

South 27%

NEPC, LLC

December 31, 2012
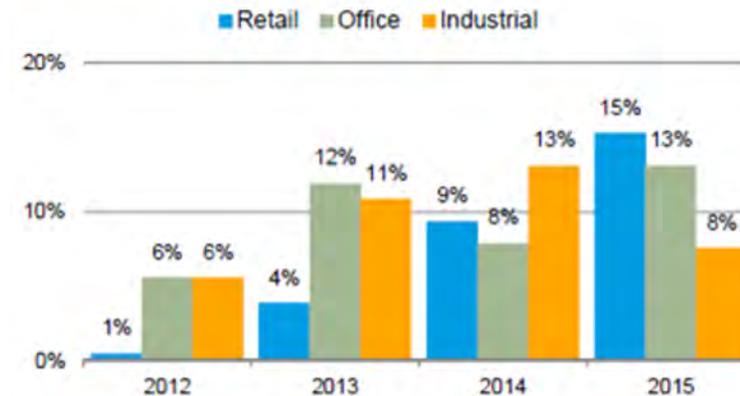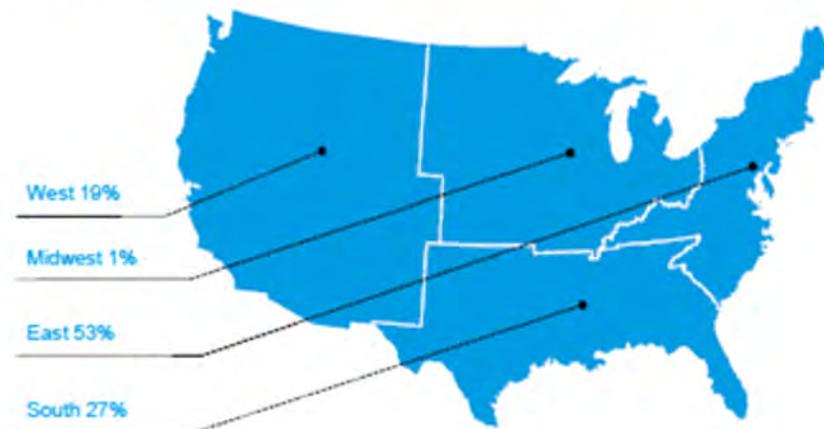
Grosvenor Institutional Partners, LP

Grosvenor Institutional Partners, LP
Grosvenor Capital Management, LP

NEPC

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

Monthly Performance (%) Net of Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2012	1.6%	1.8%	0.9%	-0.1%	-1.4%	0.4%	0.8%	1.2%	0.8%	0.5%	0.7%	1.1%	8.6%
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%
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%
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%
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%
2004	1.5%	0.8%	0.4%	0.2%	-0.6%	0.1%	-0.5%	0.3%	0.8%	0.6%	1.8%	1.5%	6.9%
2003	1.2%	0.3%	0.4%	1.2%	1.3%	0.8%	0.5%	0.8%	0.9%	1.5%	0.7%	0.9%	11.2%

Statistical Analysis

Returns	Fund	BM1	BM2
Annualized Compound ROR	5.4%	3.4%	1.7%
3 Yr Return	3.7%	1.5%	10.9%
5 Yr Return	0.1%	-1.8%	1.7%
Best Month	2.7%	5.2%	10.9%
Worst Month	-6.9%	-6.5%	-16.8%
% Positive Months	77.6%	63.5%	59.6%

Risk	Fund	BM1	BM2
Standard Deviation	4.6%	5.4%	16.0%
3 Yr Standard Deviation	4.1%	4.5%	15.3%
5 Yr Standard Deviation	6.2%	6.4%	19.0%
Sharpe Ratio (3.5%)	0.4	0.0	0.0
Sortino Ratio (7.0%)	-0.4	-0.7	-0.4
Downside Deviation (7.0%)	4.0%	4.7%	12.5%
Max Drawdown	-21.0%	-22.2%	-50.9%
Months In Maximum Drawdown	14	14	16
Months To Recover	48		37

Comparison To Benchmark(s)	Fund	BM1	BM2
Monthly Alpha		0.2%	0.4%
Annualized Alpha		2.9%	5.0%
Beta		0.7	0.1
Correlation		0.9	0.5
R-Squared		72.9%	23.9%

Annual Returns	Fund	BM1	BM2
2012-(YTD)	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%
2008	-20.9%	-21.4%	-37.0%
2007	10.7%	10.3%	5.5%
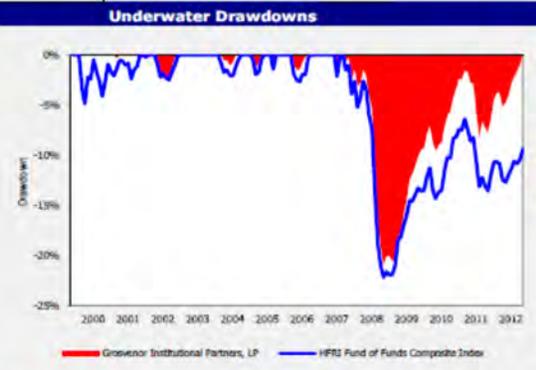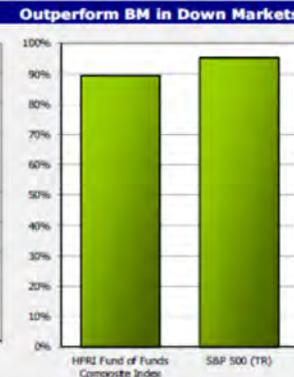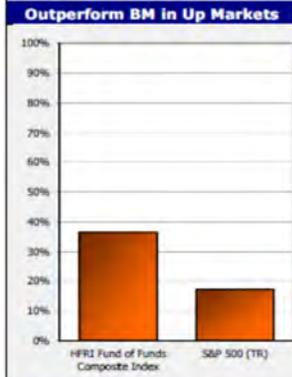
Latest Returns	Fund	BM1	BM2
Last Month	1.1%	1.2%	0.9%
Last 3 Months	2.4%	1.3%	-0.4%
Last Year	8.6%	4.8%	16.0%
2-Year	2.3%	-0.6%	8.8%
3-Year	3.7%	1.5%	10.9%
4-Year	6.1%	3.9%	14.6%
5-Year	0.1%	-1.8%	1.7%

Drawdown Analysis	Fund	BM1	BM2
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%

Outperform BM in Up Markets

Outperform BM in Down Markets

Distribution of Returns

Risk/Return Profile

Underwater Drawdowns

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

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.

Permal Fixed Income Holdings

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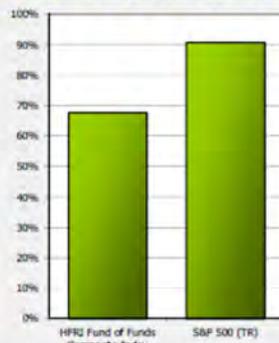**Permal Group Ltd.**

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

Monthly Performance (%) Net of Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
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%	10.2%
2011	1.4%	1.3%	0.1%	1.2%	-0.2%	-1.4%	0.3%	-3.0%	-4.0%	1.9%	-0.9%	-1.0%	-4.5%
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%
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%
2008	-0.7%	0.2%	-1.0%	0.5%	0.8%	0.3%	-1.8%	-1.1%	-4.0%	-7.4%	-2.8%	-2.0%	-17.5%
2007	1.5%	1.4%	0.6%	1.5%	0.9%	0.4%	0.7%	-1.8%	1.8%	2.2%	0.1%	0.0%	9.6%
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%
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%
2004	1.3%	0.8%	0.9%	-1.4%	-0.7%	1.0%	0.2%	1.2%	1.4%	1.5%	2.5%	1.5%	10.6%
2003	1.4%	1.8%	1.1%	2.4%	3.1%	0.8%	0.0%	0.9%	1.9%	1.1%	1.1%	1.9%	18.9%

Statistical Analysis

Returns	Fund	BM1	BM2
Annualized Compound ROR	7.2%	4.9%	6.1%
3 Yr Return	5.5%	1.5%	10.9%
5 Yr Return	4.5%	-1.8%	1.7%
Best Month	5.9%	6.9%	10.9%
Worst Month	-27.9%	-7.5%	-16.8%
% Positive Months	72.9%	63.5%	61.5%

Risk			
Standard Deviation	9.6%	6.2%	16.3%
3 Yr Standard Deviation	5.3%	4.5%	15.3%
5 Yr Standard Deviation	7.1%	6.4%	19.0%
Sharpe Ratio (3.5%)	0.4	0.3	0.2
Sortino Ratio (7.0%)	0.0	-0.4	-0.1
Downside Deviation (7.0%)	8.5%	4.9%	12.2%
Max Drawdown	-36.8%	-22.2%	-50.9%
Months In Maximum Drawdown	5	14	16
Months To Recover	33		37
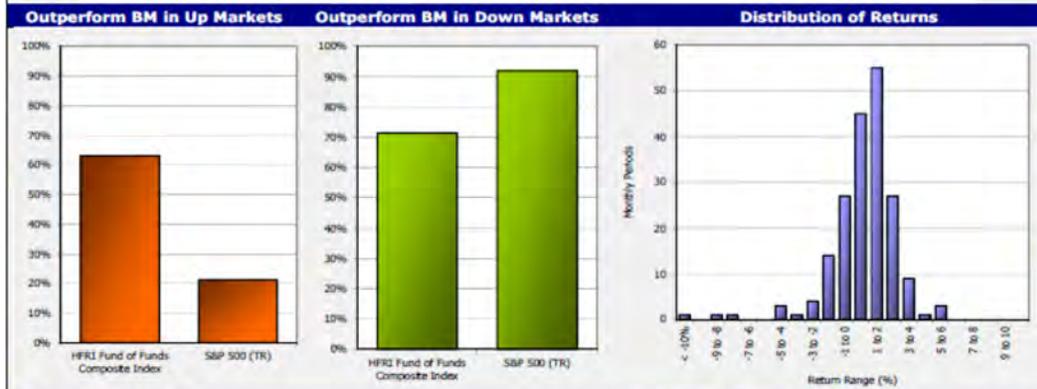
Comparison To Benchmark(s)			
Monthly Alpha		0.1%	0.5%
Annualized Alpha		1.8%	5.6%
Beta		1.1	0.3
Correlation		0.7	0.5
R-Squared		54.4%	22.9%

Annual Returns			
2012-(YTD)	10.2%	4.8%	16.0%
2011	-4.5%	-5.7%	2.1%
2010	11.5%	5.7%	15.1%
2009	28.6%	11.5%	26.5%
2008	-17.5%	-21.4%	-37.0%
2007	9.6%	10.3%	5.5%
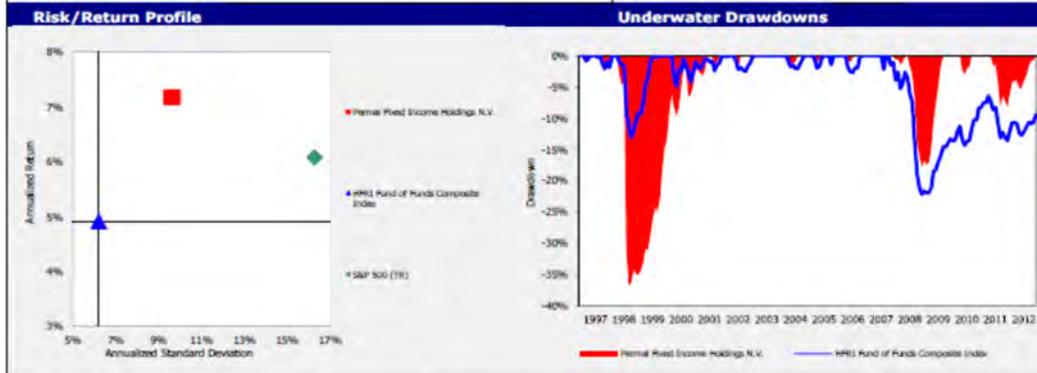
Latest Returns			
Last Month	1.8%	1.2%	0.9%
Last 3 Months	2.8%	1.3%	-0.4%
Last Year	10.2%	4.8%	16.0%
2-Year	2.6%	-0.6%	8.8%
3-Year	5.5%	1.5%	10.9%
4-Year	10.8%	3.9%	14.6%
5-Year	4.5%	-1.8%	1.7%

Drawdown Analysis			
1	-36.8%	-22.2%	-50.9%
2	-17.7%	-13.1%	-44.7%
3	-8.2%	-4.9%	-15.4%
4	-3.0%	-2.7%	-6.8%
5	-2.5%	-2.5%	-6.6%

Outperform BM in Up Markets

Outperform BM in Down Markets

Distribution of Returns

Risk/Return Profile

Underwater Drawdowns

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.

GAM U.S. Institutional Diversity

GAM U.S. Institutional Diversity
GAM London Limited

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

Monthly Performance (%) Net of Fees

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2012	1.9%	1.6%	0.2%	-0.7%	-1.0%	-0.2%	1.3%	0.5%	0.8%	0.4%	0.6%	1.3%	6.9%
2011	-0.1%	0.9%	0.1%	0.8%	-0.9%	-1.0%	0.4%	-2.4%	-2.0%	0.7%	-0.4%	-0.1%	-4.0%
2010	-0.6%	0.4%	0.8%	-0.1%	-2.5%	-3.3%	0.1%	-0.2%	1.2%	1.1%	0.1%	1.0%	-2.1%
2009	0.8%	0.1%	-0.1%	-0.4%	1.1%	-0.2%	1.0%	1.1%	1.3%	-0.3%	1.1%	-0.1%	5.5%
2008	-2.1%	1.1%	-2.2%	-0.1%	0.9%	-0.4%	-1.8%	-1.2%	-4.7%	-2.5%	-2.1%	-0.9%	-15.0%
2007	0.1%	2.6%	-0.6%	2.2%	1.3%	1.1%	-0.7%	-3.0%	2.4%	2.6%	-1.8%	0.2%	6.4%
2006	3.8%	1.3%	1.3%	3.5%	-2.8%	-1.9%	1.2%	0.5%	0.6%	2.4%	1.6%	3.1%	15.3%
2005	-0.4%	1.4%	-0.8%	-0.9%	-0.6%	1.4%	1.4%	1.1%	1.8%	-1.4%	2.9%	2.9%	9.1%
2004	2.0%	0.6%	0.2%	0.1%	-2.0%	-0.1%	-1.2%	-0.4%	1.0%	0.6%	2.7%	1.4%	4.8%
2003	1.0%	0.6%	-0.3%	1.1%	3.9%	0.5%	0.2%	0.1%	1.4%	0.9%	0.1%	3.1%	13.2%

Statistical Analysis

Statistical Analysis	Fund	BM1	BM2
Returns			
Annualized Compound ROR	7.5%	5.1%	6.6%
3 Yr Return	0.2%	1.5%	10.9%
5 Yr Return	-2.1%	-1.8%	1.7%
Best Month	10.2%	6.9%	10.9%
Worst Month	-7.9%	-7.5%	-16.8%
% Positive Months	67.7%	64.1%	61.6%
Risk			
Standard Deviation	7.3%	6.2%	16.2%
3 Yr Standard Deviation	4.1%	4.5%	15.3%
5 Yr Standard Deviation	4.6%	6.4%	19.0%
Sharpe Ratio (3.5%)	0.6	0.3	0.3
Sortino Ratio (7.0%)	0.1	-0.4	0.0
Downside Deviation (7.0%)	4.8%	4.9%	12.1%
Max Drawdown	-17.3%	-22.2%	-50.9%
Months In Maximum Drawdown	47	14	16
Months To Recover			37
Comparison To Benchmark(s)			
Monthly Alpha		0.2%	0.5%
Annualized Alpha		2.2%	6.2%
Beta		1.0	0.2
Correlation		0.9	0.4
R-Squared		75.6%	18.2%
Annual Returns			
2012-(YTD)	6.9%	4.8%	16.0%
2011	-4.0%	-5.7%	2.1%
2010	-2.1%	5.7%	15.1%
2009	5.5%	11.5%	26.5%
2008	-15.0%	-21.4%	-37.0%
2007	6.4%	10.3%	5.5%
Latest Returns			
Last Month	1.3%	1.2%	0.9%
Last 3 Months	2.3%	1.3%	-0.4%
Last Year	6.9%	4.8%	16.0%
2-Year	1.3%	-0.6%	8.8%
3-Year	0.2%	1.5%	10.9%
4-Year	1.5%	3.9%	14.6%
5-Year	-2.1%	-1.8%	1.7%
Drawdown Analysis			
1	-17.3%	-22.2%	-50.9%
2	-11.8%	-13.1%	-44.7%
3	-5.3%	-4.9%	-15.4%
4	-5.0%	-2.7%	-6.8%
5	-4.6%	-2.5%	-6.6%
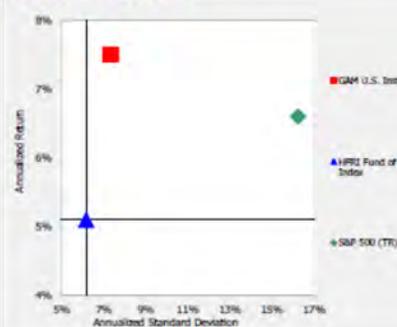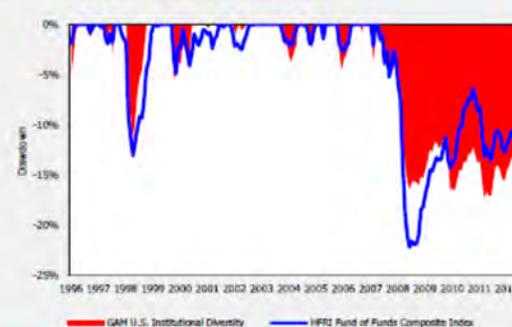
Outperform BM in Up Markets

Outperform BM in Down Markets

Distribution of Returns

Risk/Return Profile

Underwater Drawdowns

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

-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.

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 # Of Portfolios/Observations[1] – The total number of data points that make up a specified universe

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

Asset Allocation Effect[2] - 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.

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

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

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

Batting Average[1] - A measurement representing an investment manager's ability to meet or beat an index.

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

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

Brinson Hood Beebower (BHB) Attribution[1] - 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.

Correlation[1] - 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: [1]InvestorForce, [2]Interaction Effect Performance Attribution, [3]NEPC, LLC, [4]Investopedia, [5]Hedgeco.net

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

Currency Effect[1] - Is the effect that changes in currency exchange rates over time affect excess performance.

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

Downside Deviation[1] - Equals the standard deviation of negative return or the measure of downside risk focusing on the standard deviation of negative returns.

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

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

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

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

Hard Hurdle[5] – is a hurdle rate that once beaten allows a fund manager to charge a performance fee on only the funds above the specified hurdle rate.

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

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

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

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

Modified Duration[3] - 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 Change[1] – Is the change in an investment after accounting for all Net Cash Flows.

Performance Fee[4] - 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.

Glossary of Investment Terminology

Policy Index[3] - 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) Effect[2] - Measures the investment manager's ability to select securities within a given sector relative to a benchmark. The over or underperformance of the portfolio is weighted by the benchmark weight, therefore, selection is not affected by the manager's allocation to the sector. The weight of the sector in the portfolio determines the size of the effect—the larger the sector, the larger the effect is, positive or negative.

Soft Hurdle rate[5] – is a hurdle rate that once beaten allows a fund manager to charge a performance fee based on the entire annualized return.

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

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

Total Return[1] - The actual rate of return of an investment over a specified time period. Total return includes interest, capital gains, dividends, and distributions realized over a defined time period.

Universe[3] - The list of all assets eligible for inclusion in a portfolio.

Upside Deviation[1] – 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 Maturity[3] -The discount rate that equates the present value of cash flows, both principal and interest, to market price.

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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:
(Annualized Return of Portfolio - Annualized Return of Benchmark)/Annualized Standard Deviation(Period Portfolio Return – 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:
*Calculation Average (X-Y)/Downside Deviation (X-Y) * 2*
Where X=Return Series X 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:
(Annualized Return of Portfolio – Annualized Return of Risk Free) / 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:
*Tracking Error = Standard Deviation (X-Y) * √(# 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:
(Portfolio Average Return - Average Return of Risk-Free Rate)/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.

UpsideCapture = TotalReturn(FundReturns)/TotalReturns(BMReturn) when Period Benchmark Return is > = 0

DownsideCapture = TotalReturn(FundReturns)/TotalReturns(BMReturn) when Benchmark <0

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