



NEPC, LLC

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VPIC - State Employees

Investment Summary

Quarter Ending September 30, 2012

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

Total Fund

Vermont State Employees

Total Fund Performance Summary

	Market Value	3 Mo	Rank	YTD	Rank	Fiscal YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank
Employees Composite	\$1,434,364,898	5.1%	25	10.8%	43	5.1%	25	16.1%	54	10.4%	12	2.9%	37
<i>Policy Index</i>		4.5%	60	9.0%	91	4.5%	60	13.8%	84	7.9%	89	2.5%	50
<i>Allocation Index</i>		4.4%	65	8.6%	94	4.4%	65	13.3%	92	7.8%	91	2.5%	51
<i>ICC Public DB Median</i>		4.7%		10.5%		4.7%		16.3%		9.3%		2.5%	

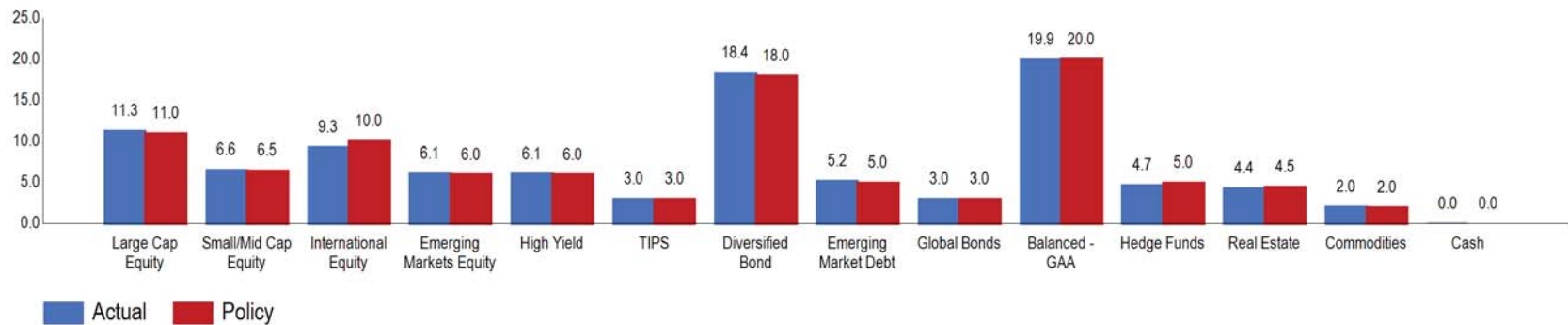
3 Years Ending September 30, 2012

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Employees Composite	10.45%	12	8.87%	40	1.17	21	1.82	18
Policy Index	7.93%	89	8.68%	34	0.90	74	1.48	71

5 Years Ending September 30, 2012

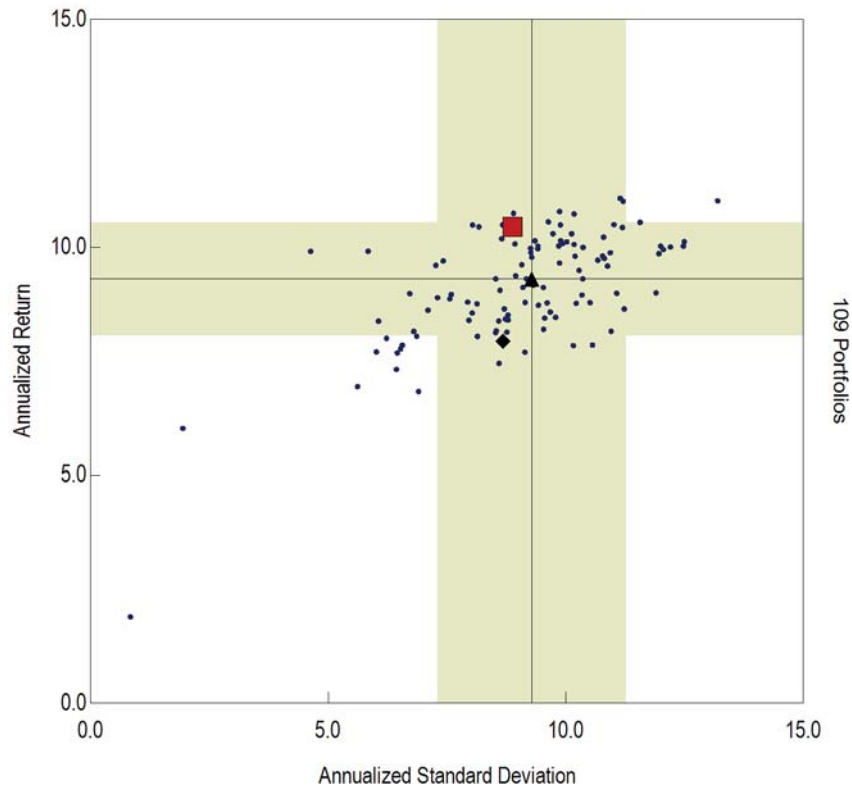
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Employees Composite	2.94%	37	13.73%	85	0.18	44	0.21	47
Policy Index	2.51%	50	11.83%	45	0.17	46	0.21	46

Actual vs Target Allocation (%)



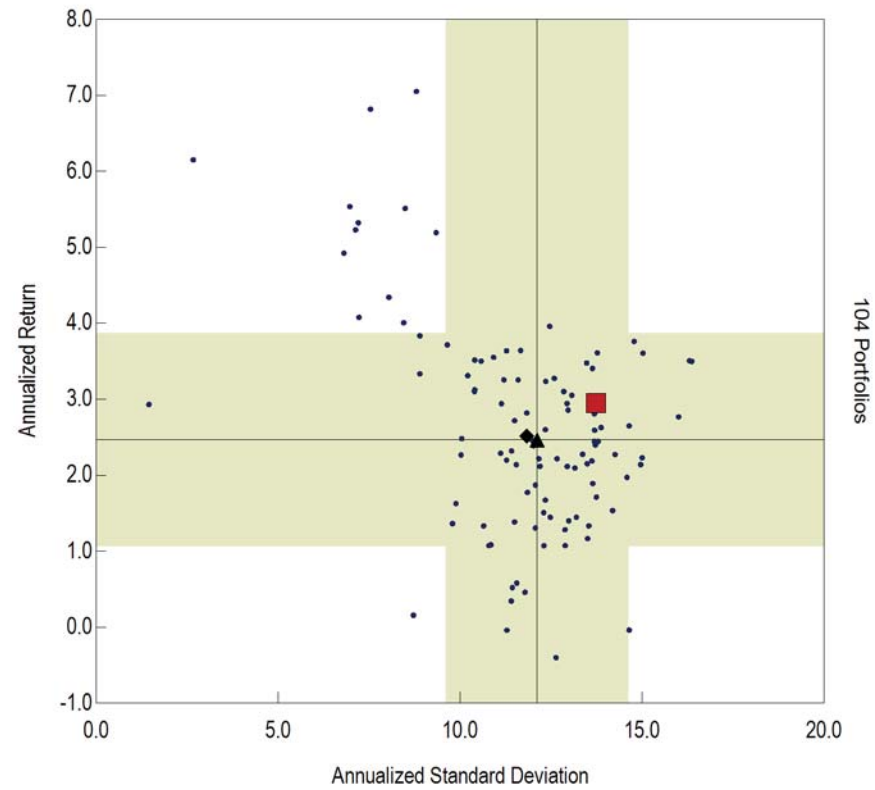
Vermont State Employees
Total Fund Risk/Return

3 Years Ending September 30, 2012



- Employees Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- ICC Public DB

5 Years Ending September 30, 2012

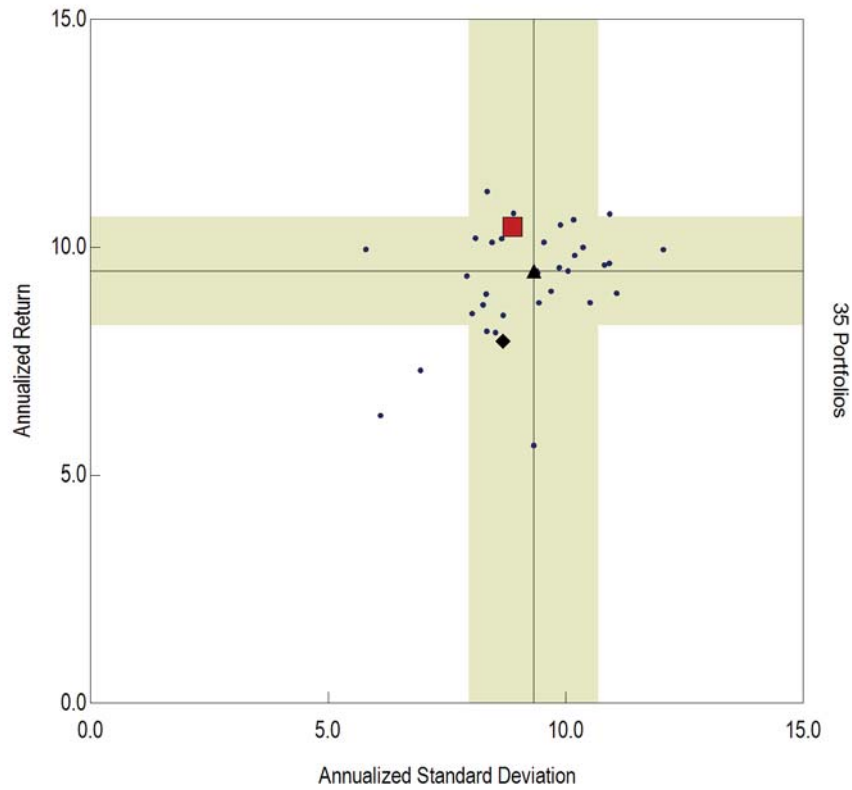


- Employees Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- ICC Public DB

Vermont State Employees

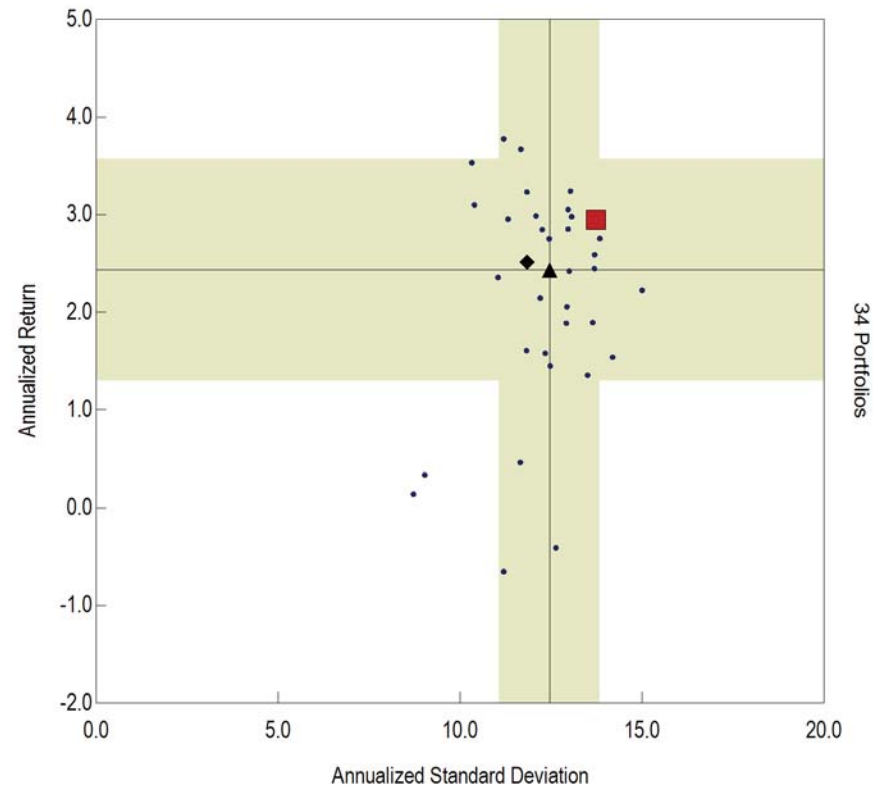
Total Fund Risk/Return

3 Years Ending September 30, 2012



- Employees Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- IF Public DB > \$1B Gross

5 Years Ending September 30, 2012

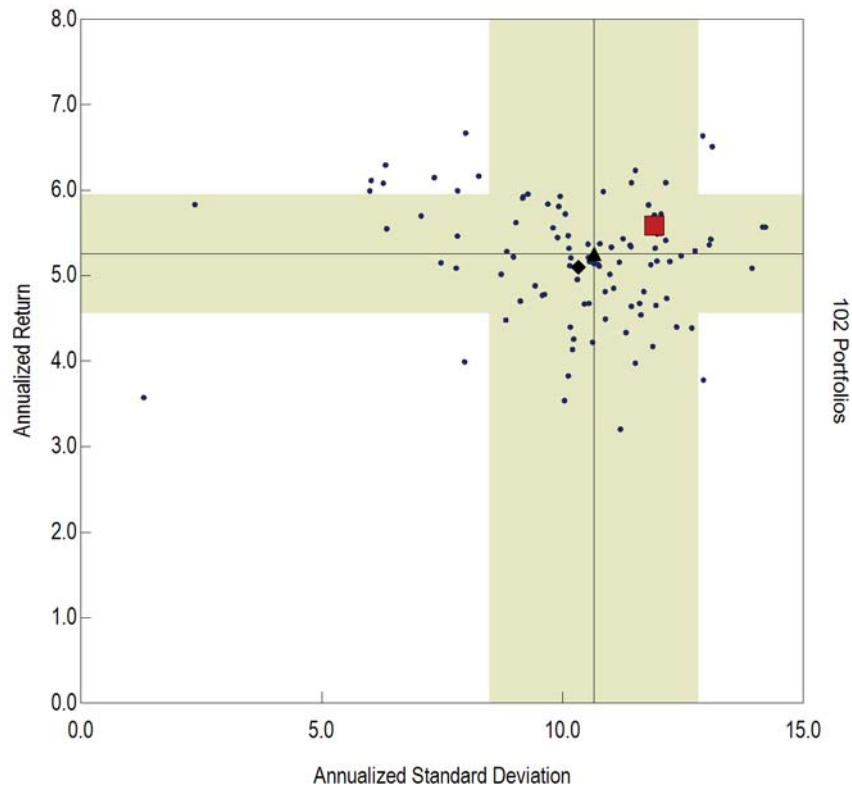


- Employees Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- IF Public DB > \$1B Gross

Vermont State Employees

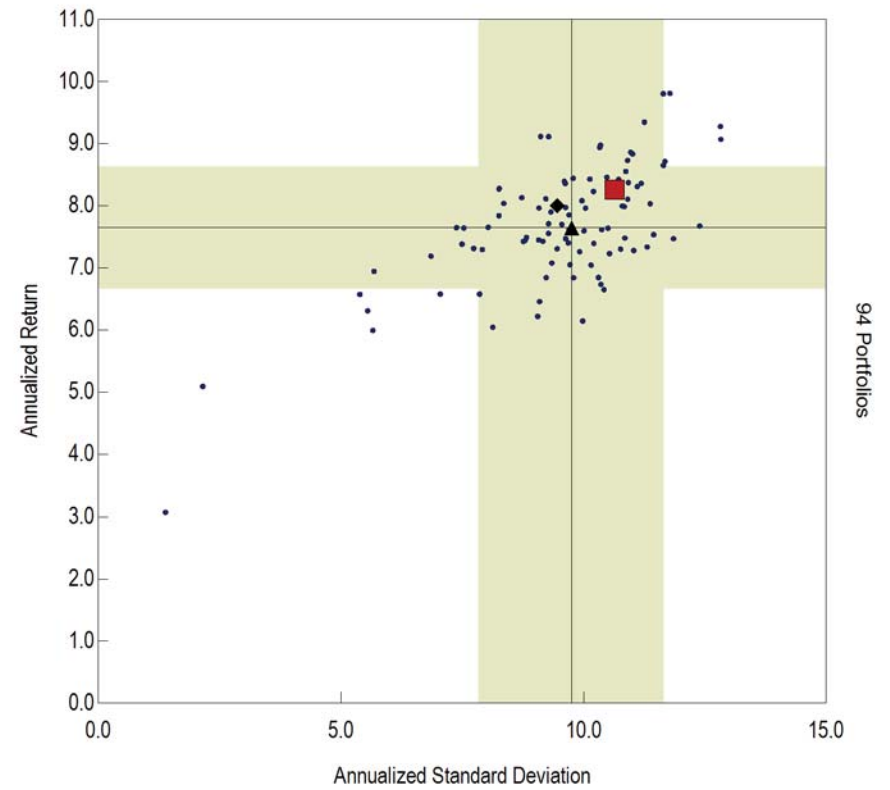
Total Fund Risk/Return

7 Years Ending September 30, 2012



- Employees Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- ICC Public DB

10 Years Ending September 30, 2012

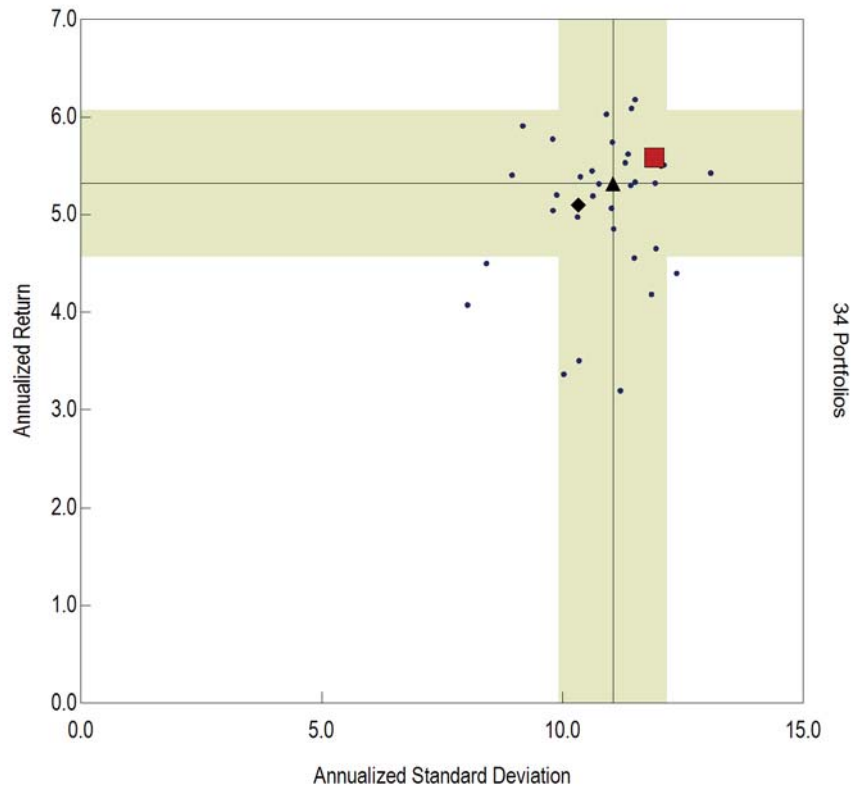


- Employees Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- ICC Public DB

Vermont State Employees

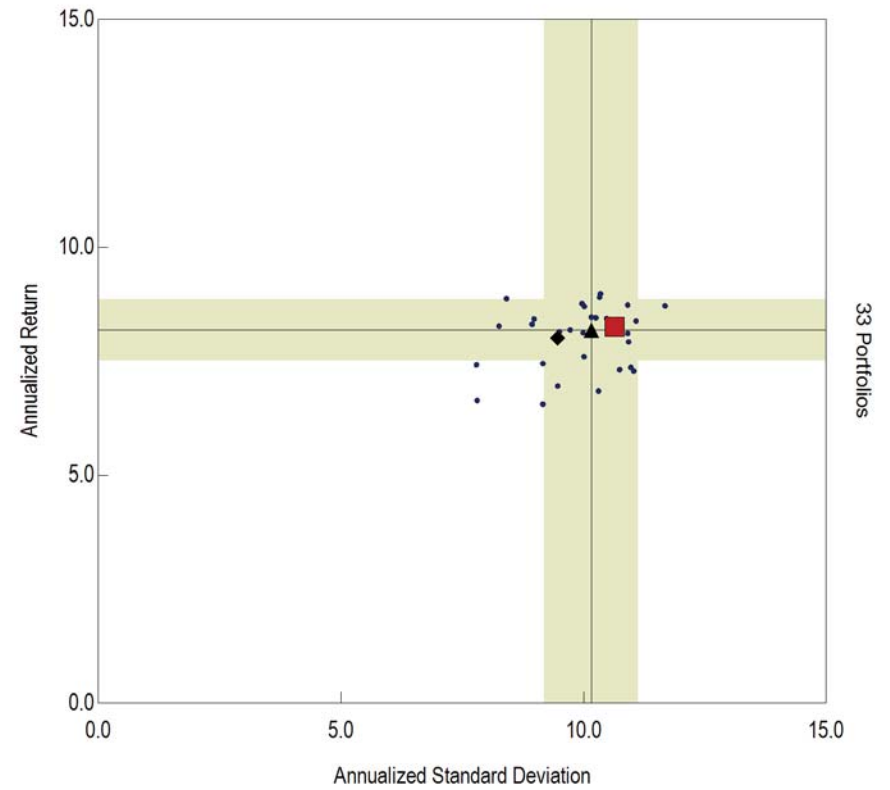
Total Fund Risk/Return

7 Years Ending September 30, 2012



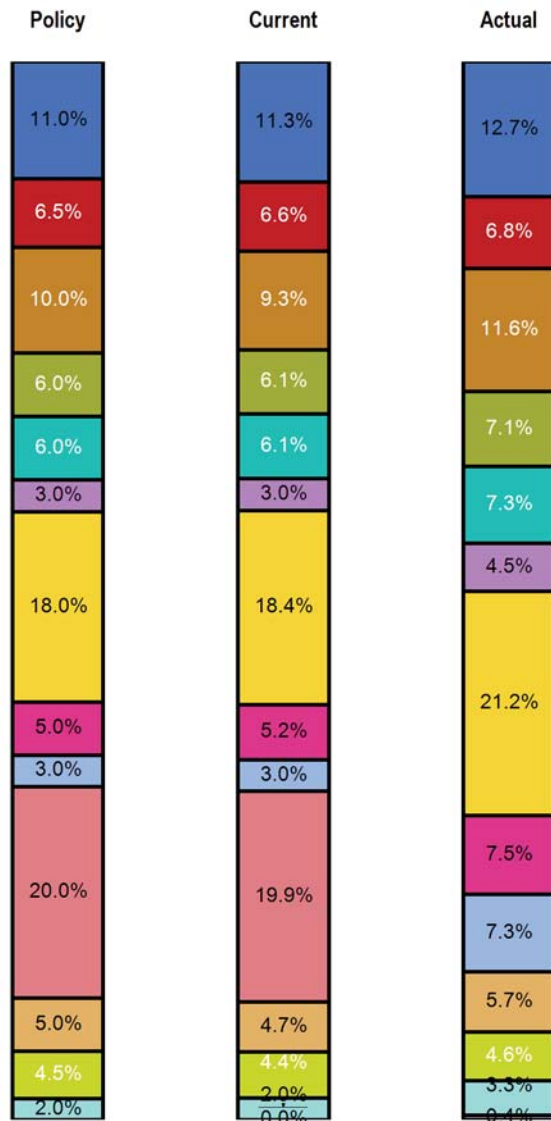
- Employees Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- IF Public DB > \$1B Gross

10 Years Ending September 30, 2012



- Employees Composite
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- IF Public DB > \$1B Gross

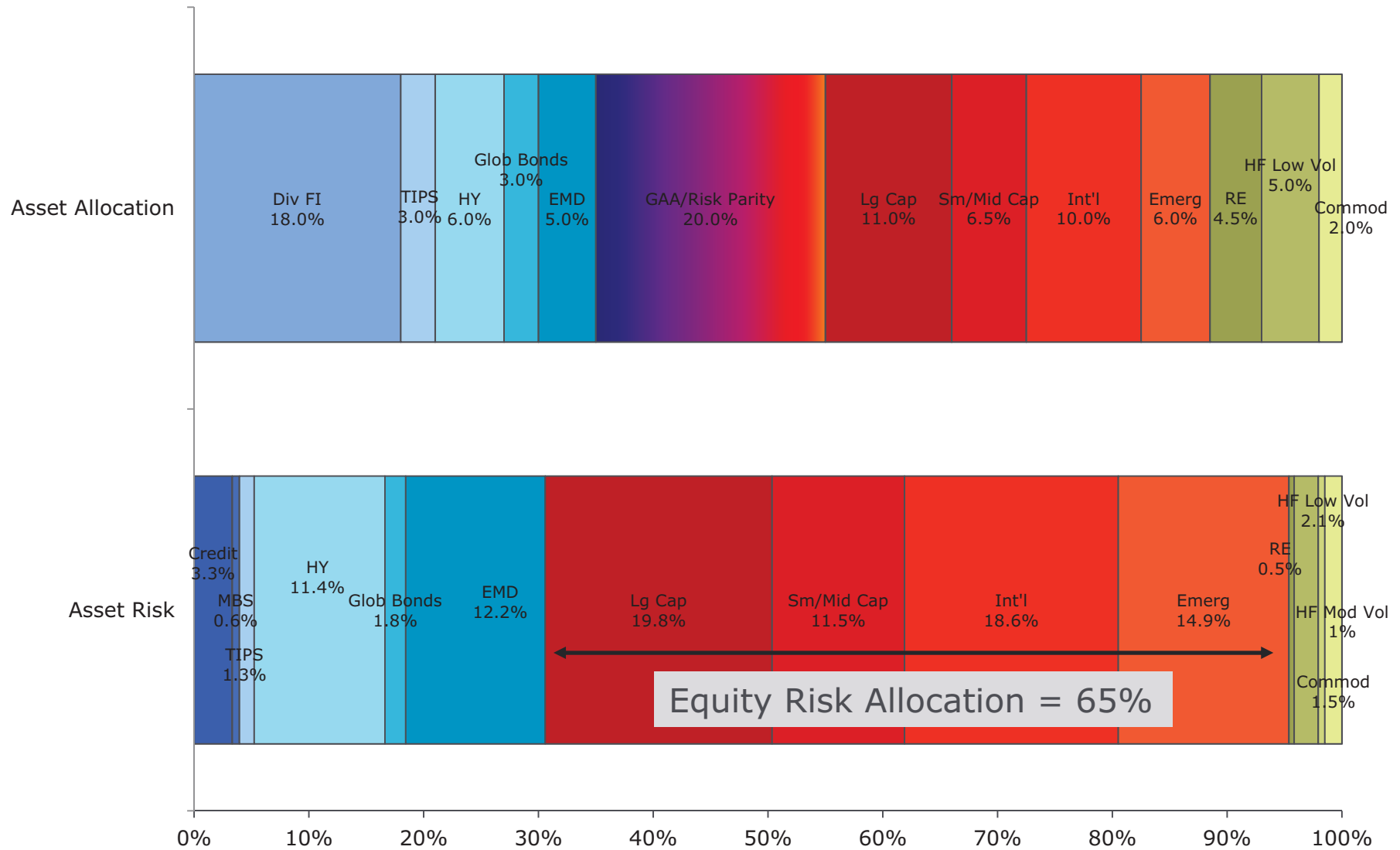
Total Fund Asset Allocation vs. Policy Targets



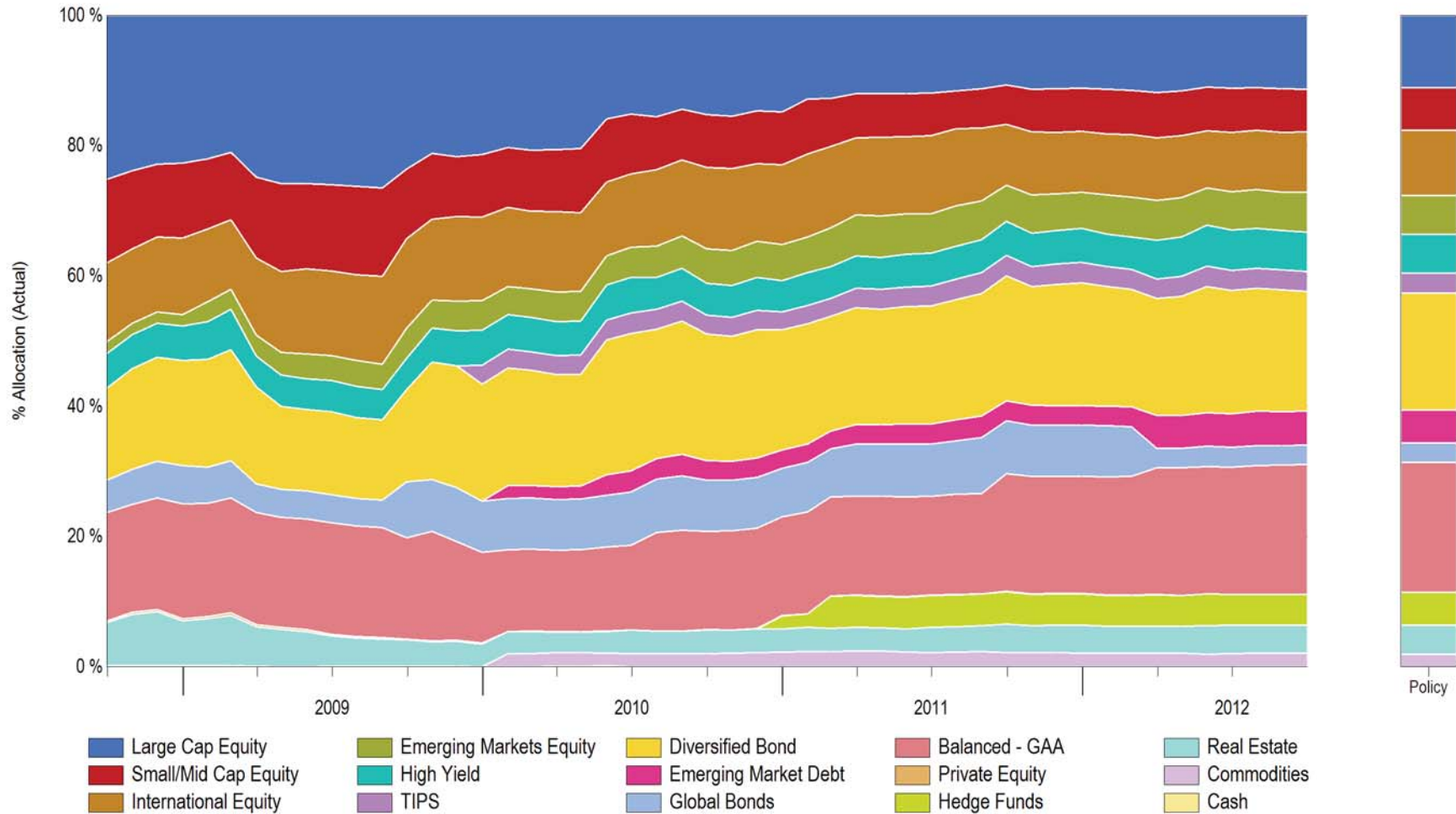
	Current	Policy	Current	Difference*
Large Cap Equity	\$161,975,284	11.0%	11.3%	0.3%
Small/Mid Cap Equity	\$94,093,834	6.5%	6.6%	0.1%
International Equity	\$133,537,520	10.0%	9.3%	-0.7%
Emerging Markets Equity	\$87,449,518	6.0%	6.1%	0.1%
High Yield	\$87,133,548	6.0%	6.1%	0.1%
TIPS	\$43,345,730	3.0%	3.0%	0.0%
Diversified Bond	\$263,544,602	18.0%	18.4%	0.4%
Emerging Market Debt	\$74,644,486	5.0%	5.2%	0.2%
Global Bonds	\$43,238,888	3.0%	3.0%	0.0%
Balanced - GAA	\$285,887,692	20.0%	19.9%	-0.1%
Hedge Funds	\$67,210,500	5.0%	4.7%	-0.3%
Real Estate	\$62,670,349	4.5%	4.4%	-0.1%
Commodities	\$29,386,768	2.0%	2.0%	0.0%
Cash	\$246,180	--	0.0%	0.0%
Total	\$1,434,364,898	100.0%	100.0%	

*Difference between Policy and Current Allocation

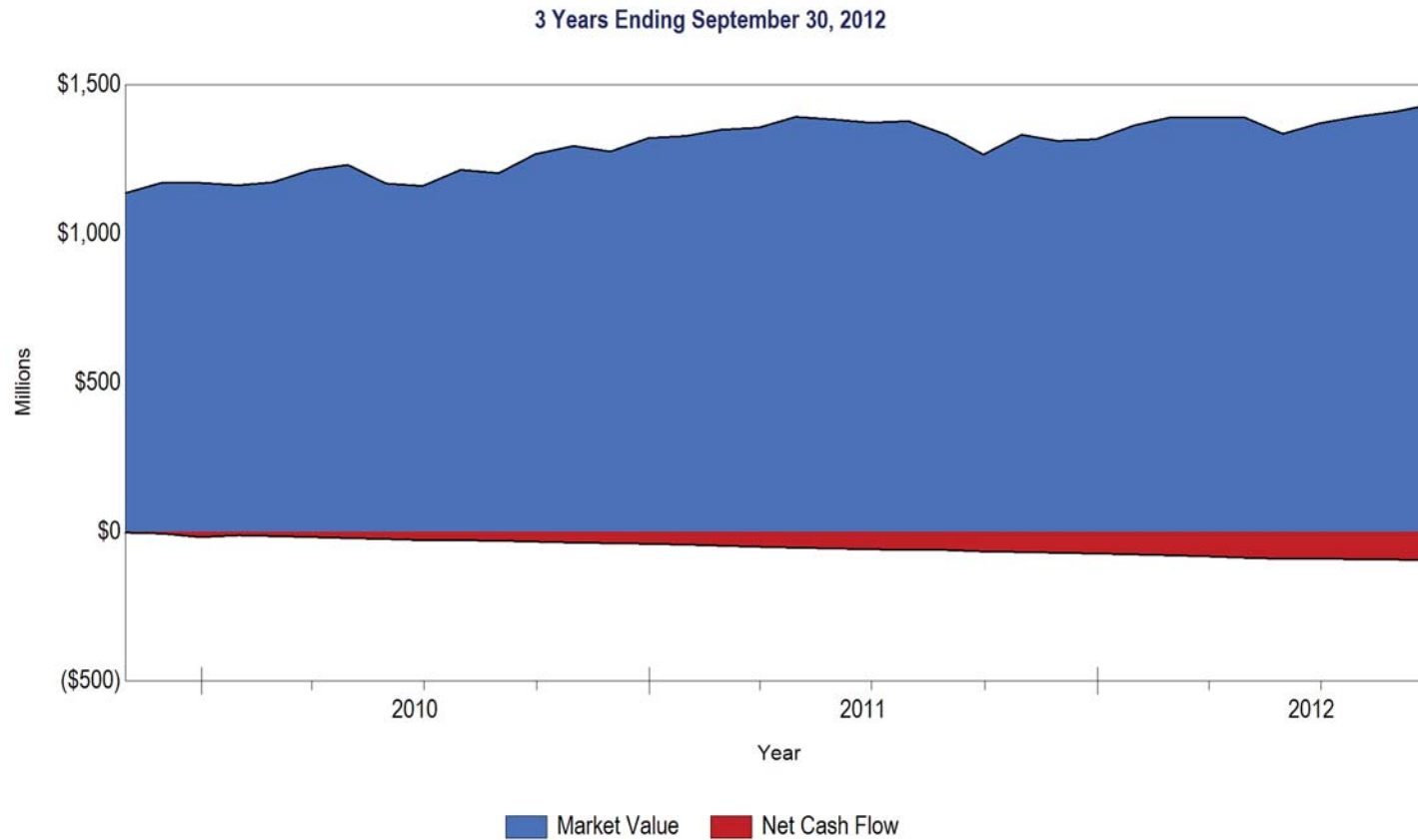
Total Plan Performance Analysis



Asset Allocation History



Total Fund Asset Growth Summary



	Last Three Months	Year-To-Date	Fiscal Year-To-Date	One Year	Three Years
Beginning Market Value	\$1,370,552,550	\$1,317,260,709	\$1,370,552,550	\$1,265,575,125	\$1,150,159,836
- Withdrawals	-\$5,973,747	-\$97,956,557	-\$5,973,747	-\$148,560,097	-\$1,243,232,418
+ Contributions	\$89,427	\$74,354,145	\$89,427	\$118,071,764	\$1,146,267,132
= Net Cash Flow	-\$5,884,320	-\$23,602,412	-\$5,884,320	-\$30,488,333	-\$96,965,286
+ Net Investment Change	\$69,696,668	\$140,706,601	\$69,696,668	\$199,278,106	\$381,170,348
= Ending Market Value	\$1,434,364,898	\$1,434,364,898	\$1,434,364,898	\$1,434,364,898	\$1,434,364,898

Cash Flows
3 Months Ending September 30, 2012

Month Ending	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value
Jul-12	\$1,370,552,550.05	-\$1,055,973.74	\$84,234.91	-\$971,738.83	\$23,299,923.56	\$1,392,880,734.78
Aug-12	\$1,392,880,734.78	-\$1,556,586.10	\$0.00	-\$1,556,586.10	\$18,368,433.24	\$1,409,692,581.92
Sep-12	\$1,409,692,581.92	-\$3,361,186.93	\$5,191.74	-\$3,355,995.19	\$28,028,311.55	\$1,434,364,898.28

Vermont State Employees

Total Fund Asset Growth Summary by Manager

	Quarter Ending September 30, 2012					Ending Market Value
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	
Aberdeen	\$81,034,454	\$0	\$0	\$0	\$6,415,064	\$87,449,518
Acadian	\$50,011,038	\$0	\$0	\$0	\$3,527,403	\$53,538,441
Allianz Structured Alpha	\$38,626,580	\$0	\$0	\$0	\$912,370	\$39,538,950
AQR Global Risk Premium	\$113,060,707	\$0	\$0	\$0	\$9,245,903	\$122,306,610
Barclays TIPS	\$42,447,131	\$0	\$0	\$0	\$898,599	\$43,345,730
Champlain	\$27,372,999	\$0	\$0	\$0	\$1,018,148	\$28,391,147
GAM	\$13,086,027	\$0	\$0	\$0	\$403,691	\$13,489,717
Grosvenor	\$26,226,998	\$0	\$0	\$0	\$695,291	\$26,922,289
KDP	\$13,936,936	\$0	\$0	\$0	\$539,936	\$14,476,872
Mellon Global Expanded Alpha	\$26,697,231	\$0	\$0	\$0	\$1,965,201	\$28,662,432
Mondrian	\$51,515,713	\$0	\$0	\$0	\$3,069,295	\$54,585,008
Mondrian GFI	\$41,848,883	\$0	\$0	\$0	\$1,390,005	\$43,238,888
Morgan Stanley Prime Property	\$25,712,211	\$0	\$0	\$0	\$815,976	\$26,528,188
Permal	\$25,845,405	\$0	\$0	\$0	\$953,090	\$26,798,494
PIMCO All Asset	\$73,752,822	\$0	\$0	\$0	\$4,735,502	\$78,488,324
PIMCO Core Plus	\$89,401,105	\$0	\$0	\$0	\$2,077,924	\$91,479,029
PIMCO Unconstrained	\$89,692,812	\$0	\$0	\$0	\$1,020,179	\$90,712,991
Post Advisory	\$70,675,011	-\$1,000,000	\$0	-\$1,000,000	\$2,981,665	\$72,656,676
RREEF America REIT III	\$10,447,434	\$0	\$0	\$0	\$795,382	\$11,242,816
Schroder	\$26,613,310	\$0	\$0	\$0	\$2,773,458	\$29,386,768
SSgA ACWI Ex US	\$23,660,966	\$0	\$0	\$0	\$1,753,106	\$25,414,072
SSgA Russell 2000 Growth	\$27,873,688	\$0	\$0	\$0	\$1,344,744	\$29,218,432
SSgA S&P 400	\$7,581,547	\$0	\$0	\$0	\$412,760	\$7,994,308
SSgA S&P 500 Cap-Wgt	\$67,577,671	\$0	\$0	\$0	\$4,304,503	\$71,882,174
SSgA S&P 500 Equal-Wgt	\$43,217,800	\$0	\$0	\$0	\$2,518,144	\$45,735,944

Vermont State Employees

Total Fund Asset Growth Summary by Manager

	Quarter Ending September 30, 2012					Ending Market Value
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	
T. Rowe	\$41,601,850	\$0	\$0	\$0	\$2,755,316	\$44,357,166
Transwestern / Aslan III	\$282,178	\$0	\$0	\$0	\$0	\$282,178
UBS Trumbull	\$24,011,372	\$0	\$0	\$0	\$605,795	\$24,617,167
Vermont Cash	\$456,444	-\$299,700	\$89,427	-\$210,273	\$9	\$246,180
Wellington	\$30,322,981	-\$3,200,000	\$0	-\$3,200,000	\$1,366,965	\$28,489,946
Wellington DAS	\$41,529,131	\$0	\$0	\$0	\$284,500	\$41,813,631
Wellington OIF	\$53,551,996	\$0	\$0	\$0	\$2,878,330	\$56,430,326
Wellington Opportunistic EMD	\$70,880,121	-\$1,200,000	\$0	-\$1,200,000	\$4,964,365	\$74,644,486
Total	\$1,370,552,550	-\$5,699,700	\$89,427	-\$5,610,273	\$69,422,622	\$1,434,364,898

Vermont State Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	2012 Q3 (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Employees Composite	1,434,364,898	100.0	5.1	25	10.8	43	16.1	54	10.4	12	2.9	37
<i>Policy Index</i>			4.5	60	9.0	91	13.8	84	7.9	89	2.5	50
<i>Allocation Index</i>			4.4	65	8.6	94	13.3	92	7.8	91	2.5	51
<i>ICC Public DB Median</i>			4.7		10.5		16.3		9.3		2.5	
Large Cap Comp	161,975,284	11.3	6.3	49	15.9	41	29.9	36	14.0	26	2.1	42
<i>S&P 500</i>			6.4	47	16.4	36	30.2	33	13.2	37	1.1	63
<i>eA US Large Cap Equity Gross Median</i>			6.2		15.1		28.3		12.3		1.7	
T. Rowe	44,357,166	3.1	6.6	39	17.1	28	30.7	28	13.0	40	1.8	48
SSgA S&P 500 Cap-Wgt	71,882,174	5.0	6.4	47	16.5	35	30.3	32	--	--	--	--
<i>S&P 500</i>			6.4	47	16.4	36	30.2	33	13.2	37	1.1	63
SSgA S&P 500 Equal-Wgt	45,735,944	3.2	5.8	63	14.0	63	28.6	48	14.0	25	2.7	30
<i>S&P 500 Equal Weighted</i>			5.9	61	14.4	58	28.7	48	14.0	25	3.2	24
Small/Mid Cap Comp	94,093,834	6.6	4.5	71	12.8	54	29.5	48	15.1	39	4.2	40
<i>Russell 2000</i>			5.3	53	14.2	39	31.9	27	13.0	69	2.2	67
<i>eA US Small-Mid Cap Equity Gross Median</i>			5.4		13.1		29.2		14.3		3.2	
SSgA S&P 400	7,994,308	0.6	5.4	39	13.9	47	28.7	37	--	--	--	--
<i>S&P 400 MidCap</i>			5.4	39	13.8	47	28.5	38	14.3	42	3.8	35
<i>eA US Mid Cap Equity Gross Median</i>			5.1		13.4		27.0		13.8		3.0	
Champlain	28,391,147	2.0	3.7	83	11.6	71	24.9	70	14.8	35	--	--
<i>Russell 2500</i>			5.6	38	14.3	41	30.9	21	14.1	44	2.8	53
<i>eA US Mid Cap Equity Gross Median</i>			5.1		13.4		27.0		13.8		3.0	
Wellington	28,489,946	2.0	4.5	69	12.4	56	32.5	38	15.8	16	6.1	14
<i>Russell 2000 Value</i>			5.7	47	14.4	35	32.6	38	11.7	77	1.3	86
<i>eA US Small Cap Value Equity Gross Median</i>			5.4		12.8		30.8		13.3		3.5	
SSgA Russell 2000 Growth	29,218,432	2.0	4.8	66	14.2	58	31.2	51	14.3	69	3.0	53
<i>Russell 2000 Growth</i>			4.8	65	14.1	59	31.2	51	14.2	70	3.0	54
<i>eA US Small Cap Growth Equity Gross Median</i>			5.7		14.6		31.3		15.9		3.2	

Vermont State Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	2012 Q3 (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Int'l Equity Comp	133,537,520	9.3	6.7	77	8.9	89	12.3	91	3.2	75	-5.3	80
MSCI EAFE			6.9	70	10.1	78	13.8	80	2.1	88	-5.2	80
eA All EAFE Equity Gross Median			7.6		12.6		16.9		4.9		-3.6	
Acadian	53,538,441	3.7	7.1	63	11.2	68	13.7	80	3.6	69	-7.0	95
Mondrian	54,585,008	3.8	6.0	86	6.1	96	10.0	94	3.0	77	-3.6	51
MSCI EAFE			6.9	70	10.1	78	13.8	80	2.1	88	-5.2	80
SSgA ACWI Ex US	25,414,072	1.8	7.4	49	10.6	78	14.7	84	--	--	--	--
MSCI ACWI ex USA			7.4	49	10.4	79	14.5	86	3.2	86	-4.1	82
eA ACWI ex-US All Cap Equity Gross Median			7.4		12.6		18.3		6.5		-2.6	
Emerging Market Comp	87,449,518	6.1	7.9	41	--	--	--	--	--	--	--	--
Aberdeen	87,449,518	6.1	7.9	41	18.6	7	24.7	4	13.9	4	--	--
MSCI Emerging Markets			7.7	45	12.0	63	16.9	62	5.6	64	-1.3	61
eA Emg Mkts Equity Gross Median			7.7		13.0		18.1		6.7		-0.6	

Vermont State Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	2012 Q3 (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Diversified Fixed	263,544,602	18.4	1.7	84	6.2	26	9.1	9	8.5	11	5.8	92
Barclays Aggregate			1.6	87	4.0	90	5.2	89	6.2	83	6.5	83
eA US Core Fixed Inc Gross Median			2.2		5.5		6.7		7.1		7.2	
Allianz Structured Alpha	39,538,950	2.8	2.4	33	10.3	1	23.1	1	11.5	2	--	--
Citigroup 10 Year Treasury			0.9	99	4.4	81	5.6	82	8.4	13	8.5	6
PIMCO Core Plus	91,479,029	6.4	2.3	35	6.8	14	8.4	14	7.9	21	--	--
Barclays Aggregate			1.6	87	4.0	90	5.2	89	6.2	83	6.5	83
PIMCO Unconstrained	90,712,991	6.3	1.1	96	3.9	91	5.3	86	--	--	--	--
25% HY, 25% EMD, 50% BC Agg			3.6	3	8.7	3	12.4	1	9.4	4	8.4	9
3-Month Libor Total Return USD			0.1	99	0.4	99	0.5	99	0.4	99	1.2	99
Wellington DAS	41,813,631	2.9	0.7	99	6.3	25	7.5	33	10.6	2	--	--
Wellington Custom Benchmark			0.3	99	4.1	87	6.0	74	11.8	2	9.9	1
High Yield Comp	87,133,548	6.1	4.2	67	11.4	59	17.5	70	11.9	68	8.9	47
Barclays High Yield			4.5	41	12.1	42	19.4	30	12.9	40	9.3	34
eA US High Yield Fixed Inc Gross Median			4.4		11.8		18.5		12.6		8.7	
Post Advisory	72,656,676	5.1	4.3	61	11.7	53	17.6	70	12.2	62	9.1	42
KDP	14,476,872	1.0	3.9	81	9.9	83	17.1	71	10.3	92	--	--
Barclays High Yield			4.5	41	12.1	42	19.4	30	12.9	40	9.3	34
BofA Merrill Lynch US High Yield BB-B Rated			4.5	48	11.3	63	17.8	66	12.0	67	8.3	62
Global Fixed Income Comp	43,238,888	3.0	3.3	72	6.8	53	7.2	59	8.3	31	8.9	16
Citigroup WGBI			3.0	79	3.4	91	3.3	92	4.3	91	6.5	63
eA All Global Fixed Inc Gross Median			3.9		7.2		8.0		6.9		6.9	
Mondrian GFI	43,238,888	3.0	3.3	72	5.1	75	4.9	81	6.3	61	8.6	21
Citigroup WGBI			3.0	79	3.4	91	3.3	92	4.3	91	6.5	63
Emerging Market Debt	74,644,486	5.2										
Wellington Opportunistic EMD	74,644,486	5.2	7.0	32	15.7	34	21.0	35	--	--	--	--
JP Morgan EMBI Global TR			6.8	39	14.7	45	20.6	36	12.3	48	10.3	46
eA All Emg Mkts Fixed Inc Gross Median			6.5		14.5		19.1		12.2		10.2	
TIPS	43,345,730	3.0										
Barclays TIPS	43,345,730	3.0	2.1	--	6.2	--	9.0	--	--	--	--	--
Barclays US TIPS			2.1	--	6.2	--	9.1	--	9.3	--	7.9	--

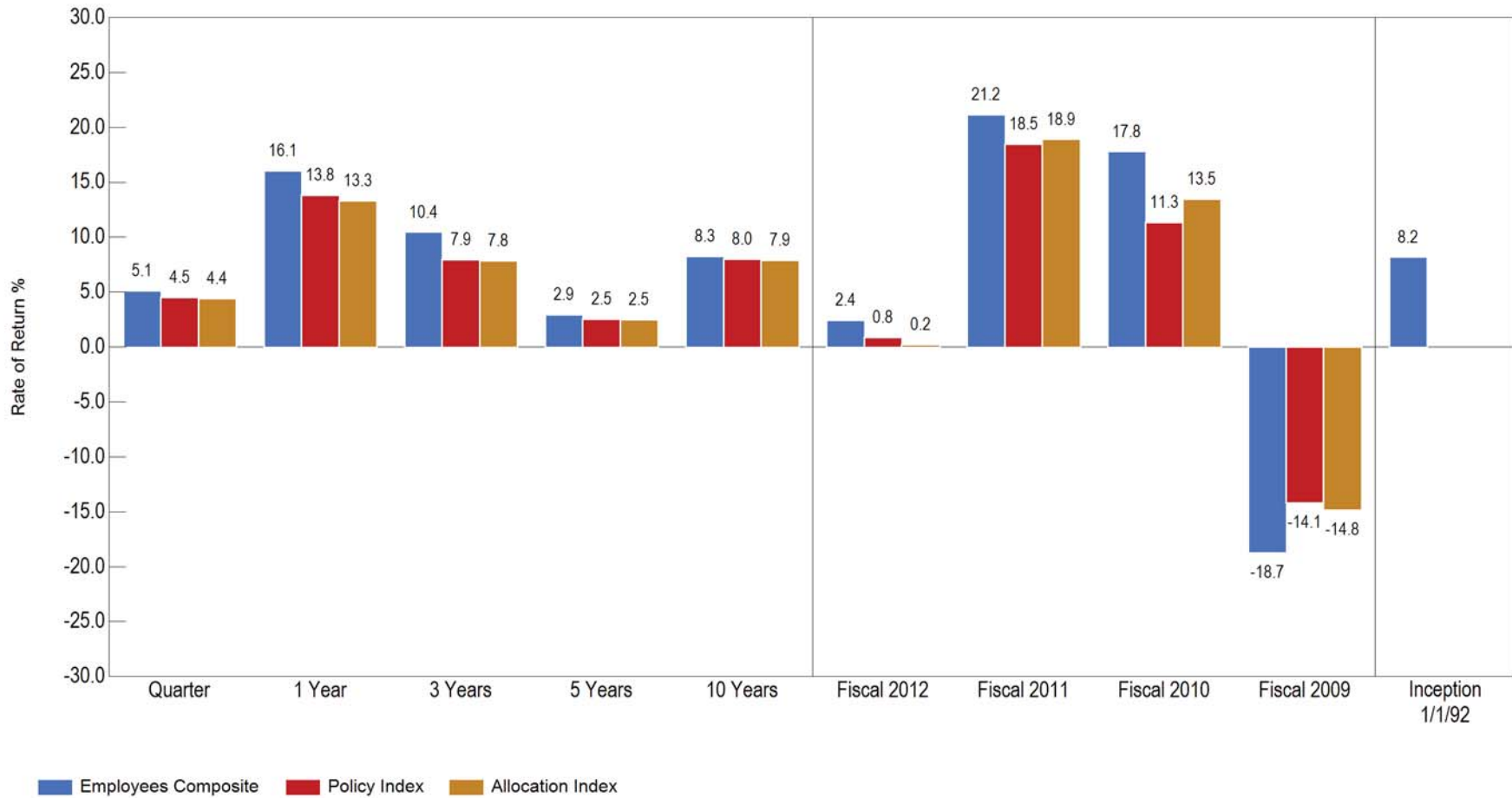
Vermont State Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	2012 Q3 (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Total Real Estate	62,670,349	4.4										
Morgan Stanley Prime Property	26,528,188	1.8	3.5	--	9.3	--	13.0	--	13.0	--	-0.9	--
UBS Trumbull	24,617,167	1.7	2.5	--	8.0	--	10.5	--	11.5	--	0.9	--
RREEF America REIT III	11,242,816	0.8	7.8	--	21.4	--	23.0	--	21.1	--	-15.5	--
Transwestern / Aslan III	282,178	0.0	0.0	--	1.3	--	-8.3	--	-22.4	--	-45.7	--
<i>NCREIF Property Index</i>			2.3	--	7.8	--	11.0	--	10.9	--	2.3	--
<i>NCREIF ODCE</i>			2.8	--	8.4	--	11.6	--	12.2	--	-1.1	--
Hedge Fund Comp	67,210,500	4.7	3.1	--	6.5	--	6.8	--	--	--	--	--
Grosvenor	26,922,289	1.9	2.7	38	5.8	27	6.3	30	--	--	--	--
GAM	13,489,717	0.9	3.1	23	5.9	26	6.5	29	--	--	--	--
Permal	26,798,494	1.9	3.7	13	7.4	9	7.4	21	--	--	--	--
<i>HFRI Fund of Funds Composite Index</i>			2.4	47	3.4	63	2.9	60	1.5	69	-1.6	80
GAA Comp	285,887,692	19.9	7.1	6	12.7	8	17.6	22	11.5	13	4.9	37
<i>eA Global TAA Gross Median</i>			4.7		8.8		12.6		7.8		4.0	
Mellon Global Expanded Alpha	28,662,432	2.0	7.4	6	10.6	25	17.5	22	9.8	24	0.9	85
<i>Mellon CF GEA Index</i>			5.7	26	8.2	58	11.5	55	5.0	81	1.0	85
AQR Global Risk Premium	122,306,610	8.5	8.2	1	13.8	1	19.2	13	16.6	2	--	--
<i>60% MSCI World / 40% CITI WGBI</i>			5.3	35	9.6	38	14.7	38	6.9	64	2.1	76
PIMCO All Asset	78,488,324	5.5	6.7	10	13.0	3	18.1	20	11.1	15	7.6	8
<i>PIMCO All Asset Index</i>			2.9	83	7.2	64	10.8	67	8.5	33	6.9	15
<i>CPI + 5%</i>			2.5	84	5.7	75	7.1	78	7.4	54	7.2	13
Wellington OIF	56,430,326	3.9	5.4	33	11.2	23	14.0	43	6.4	74	--	--
<i>65% MSCI ACWI (Net) / 35% BC Agg</i>			5.0	40	9.9	35	15.6	32	7.3	56	1.4	83
Commodities	29,386,768	2.0										
Schroder	29,386,768	2.0	10.4	--	6.7	--	8.1	--	--	--	--	--
<i>Dow Jones-UBS Commodity Index TR</i>			9.7	--	5.6	--	6.0	--	5.3	--	-3.0	--
Cash	246,180	0.0										
Vermont Cash	246,180	0.0	0.0	--	0.1	--	0.1	--	0.2	--	1.0	--
<i>91 Day T-Bills</i>			0.0	--	0.1	--	0.1	--	0.1	--	0.5	--

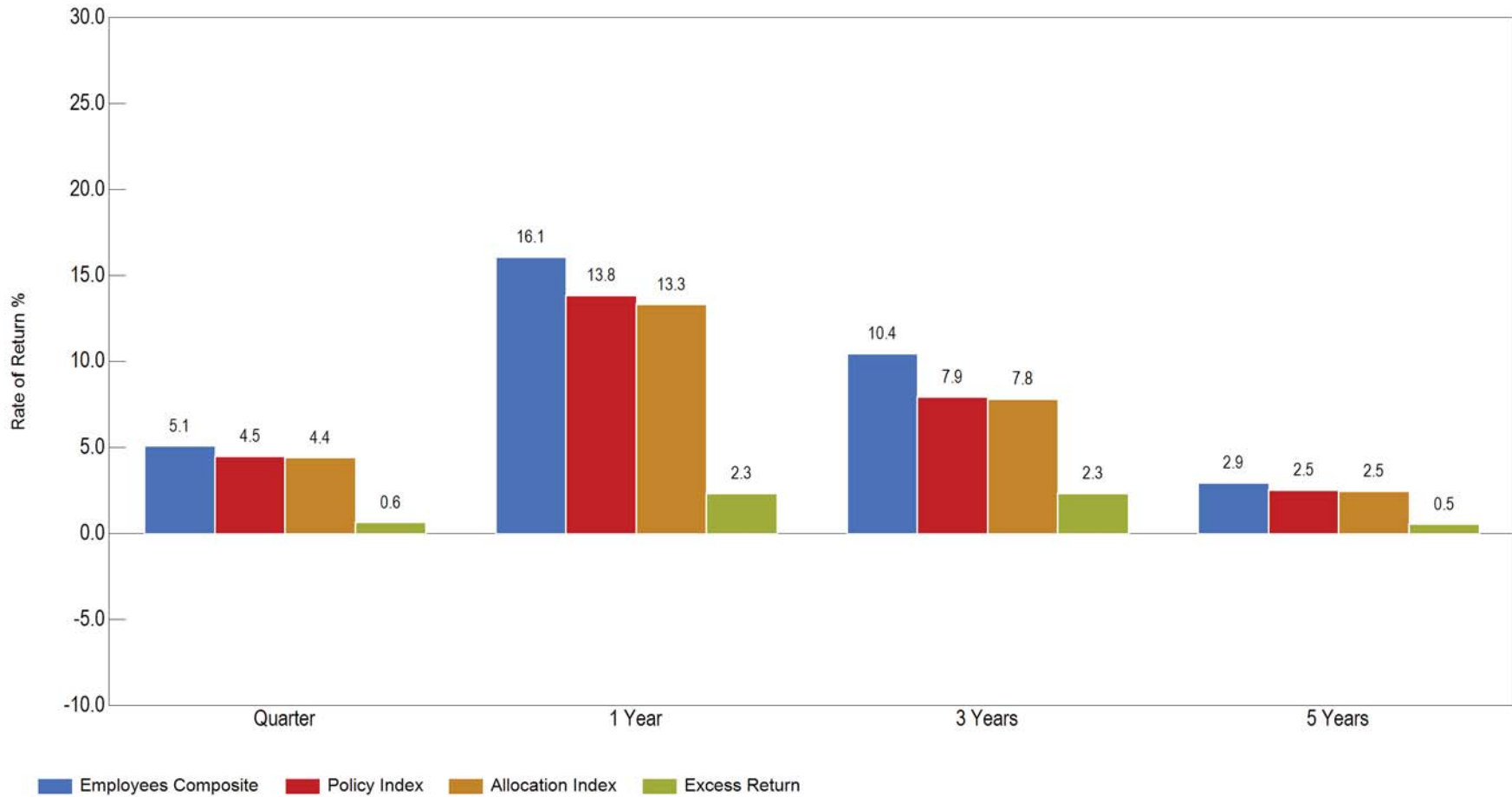
Total Fund Return Summary

Return Summary Gross

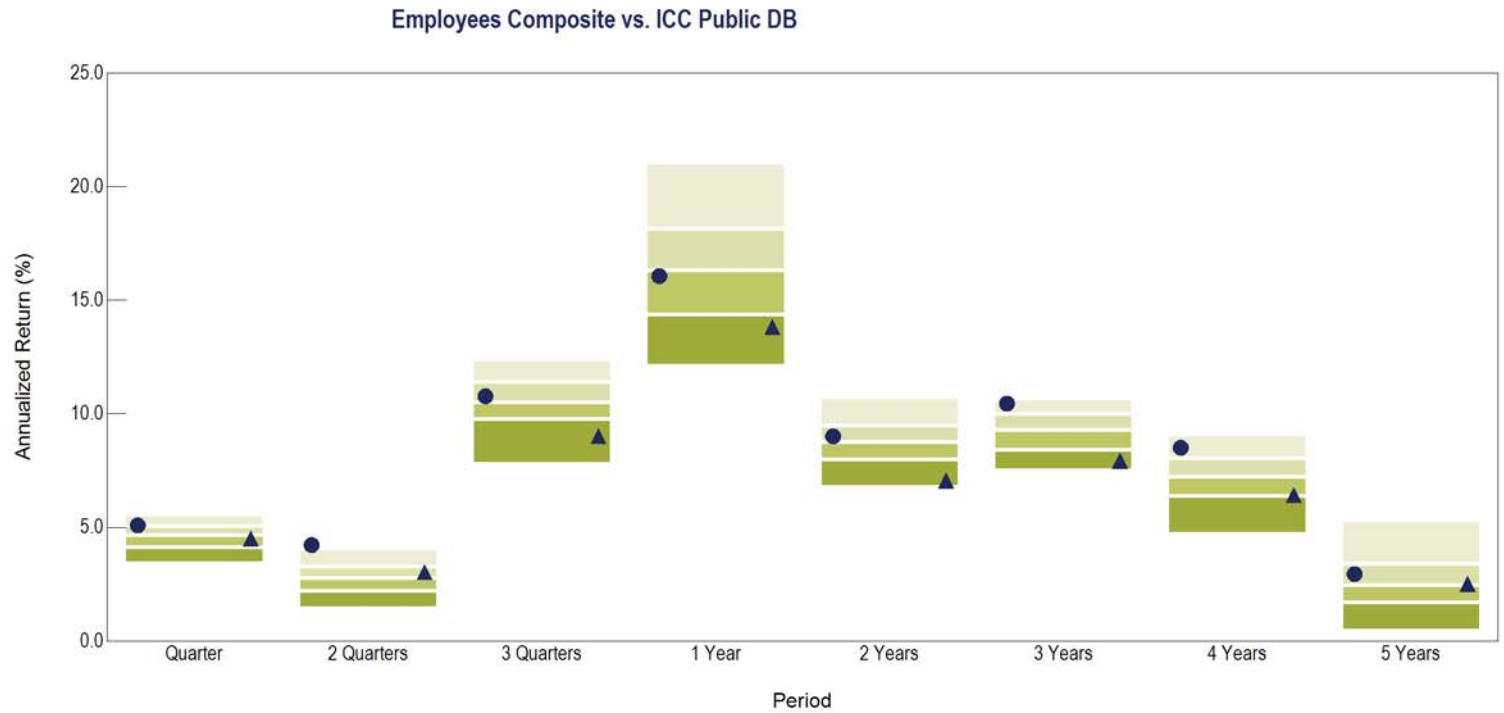


Total Fund Return Summary

Return Summary Gross

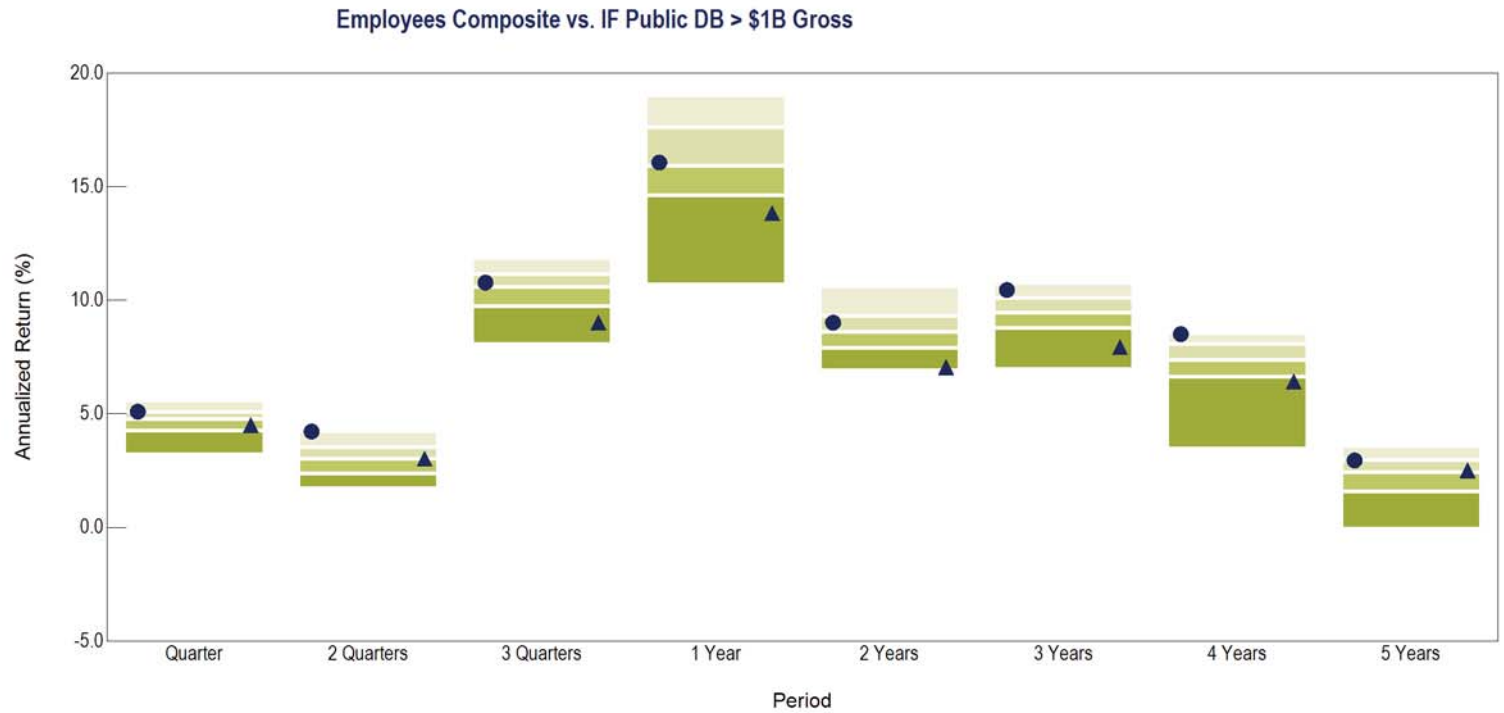


Total Fund Return Summary vs. Peer Universe



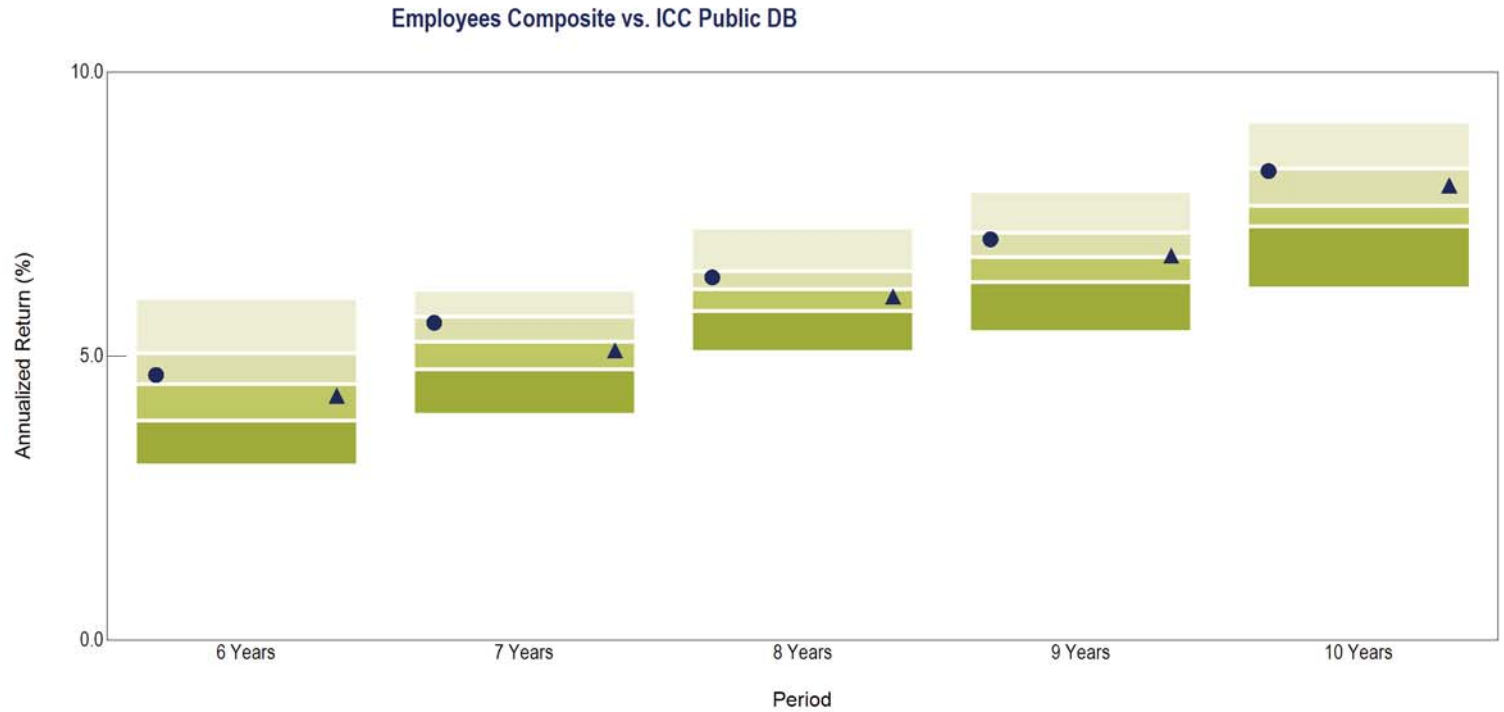
	Return (Rank)															
5th Percentile	5.6	4.0	12.4	21.0	10.7	10.7	9.1	5.3								
25th Percentile	5.1	3.3	11.4	18.2	9.5	10.0	8.1	3.4								
Median	4.7	2.8	10.5	16.3	8.8	9.3	7.2	2.5								
75th Percentile	4.1	2.2	9.8	14.4	8.0	8.4	6.4	1.7								
95th Percentile	3.4	1.5	7.8	12.1	6.8	7.5	4.7	0.5								
# of Portfolios	116	114	114	114	111	109	107	104								
● Employees Composite	5.1	(25)	4.2	(4)	10.8	(43)	16.1	(54)	9.0	(44)	10.4	(12)	8.5	(11)	2.9	(37)
▲ Policy Index	4.5	(60)	3.0	(42)	9.0	(91)	13.8	(84)	7.1	(90)	7.9	(89)	6.4	(74)	2.5	(50)

Total Fund Return Summary vs. Peer Universe



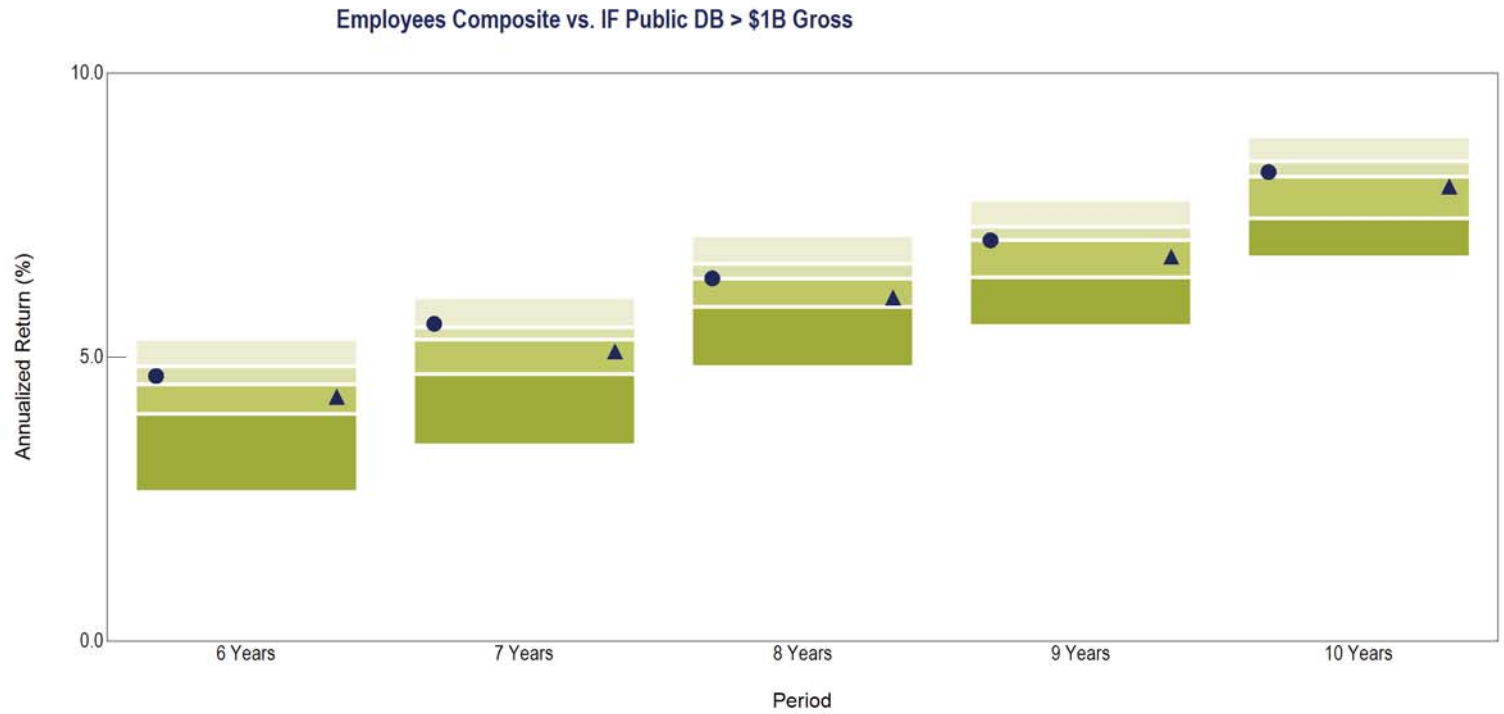
	Return (Rank)															
5th Percentile	5.6	4.2	11.8	19.0	10.6	10.7	8.5	3.6								
25th Percentile	5.1	3.5	11.2	17.6	9.3	10.1	8.1	3.0								
Median	4.8	3.0	10.6	15.9	8.6	9.5	7.4	2.4								
75th Percentile	4.3	2.4	9.7	14.6	7.9	8.8	6.7	1.6								
95th Percentile	3.2	1.7	8.1	10.7	6.9	7.0	3.5	-0.1								
# of Portfolios	37	37	37	37	35	35	35	34								
● Employees Composite	5.1	(26)	4.2	(6)	10.8	(45)	16.1	(48)	9.0	(39)	10.4	(15)	8.5	(6)	2.9	(31)
▲ Policy Index	4.5	(66)	3.0	(53)	9.0	(89)	13.8	(81)	7.1	(95)	7.9	(92)	6.4	(82)	2.5	(48)

Total Fund Return Summary vs. Peer Universe



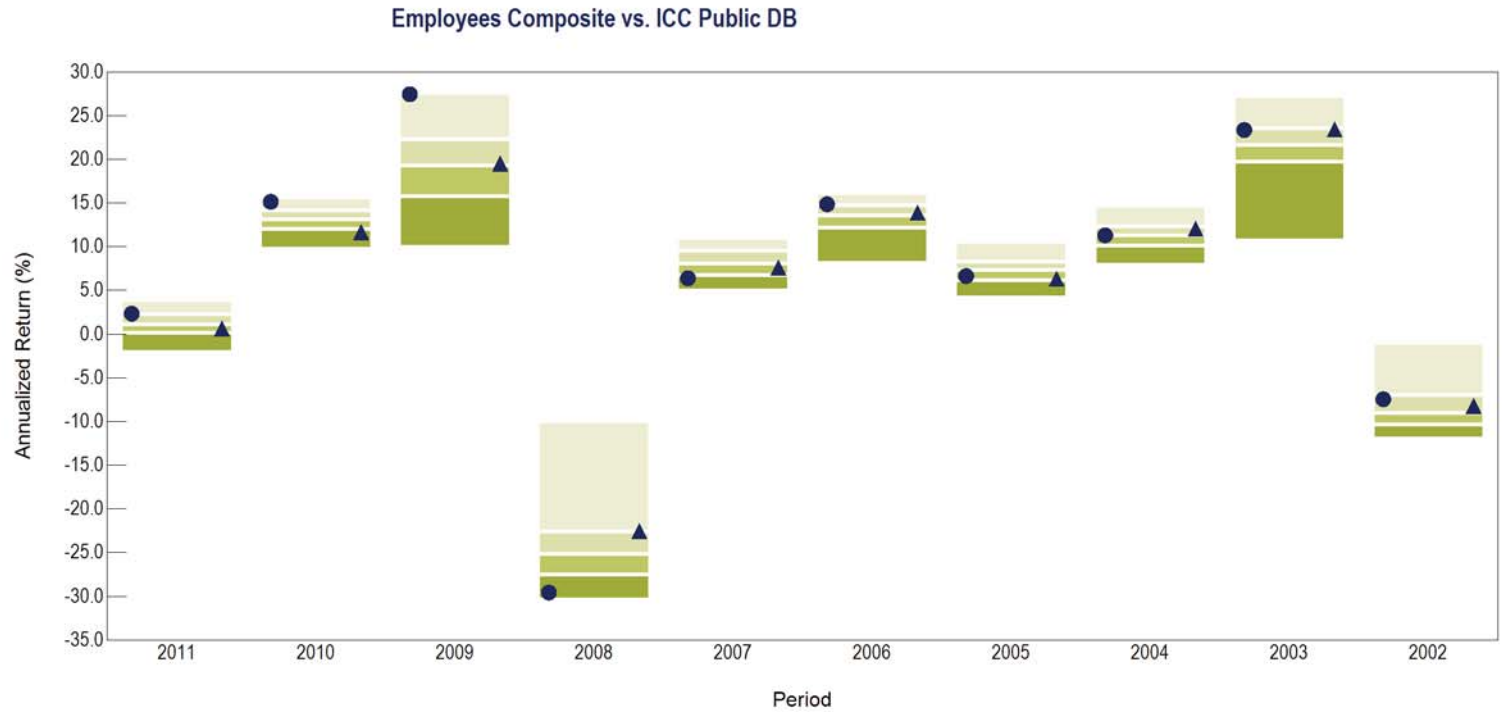
	Return (Rank)									
5th Percentile	6.0		6.2		7.3		7.9		9.1	
25th Percentile	5.1		5.7		6.5		7.2		8.3	
Median	4.5		5.3		6.2		6.7		7.6	
75th Percentile	3.9		4.8		5.8		6.3		7.3	
95th Percentile	3.1		4.0		5.1		5.4		6.2	
# of Portfolios	103		102		99		97		94	
● Employees Composite	4.7	(42)	5.6	(29)	6.4	(35)	7.1	(33)	8.3	(28)
▲ Policy Index	4.3	(64)	5.1	(65)	6.0	(61)	6.8	(49)	8.0	(37)

Total Fund Return Summary vs. Peer Universe



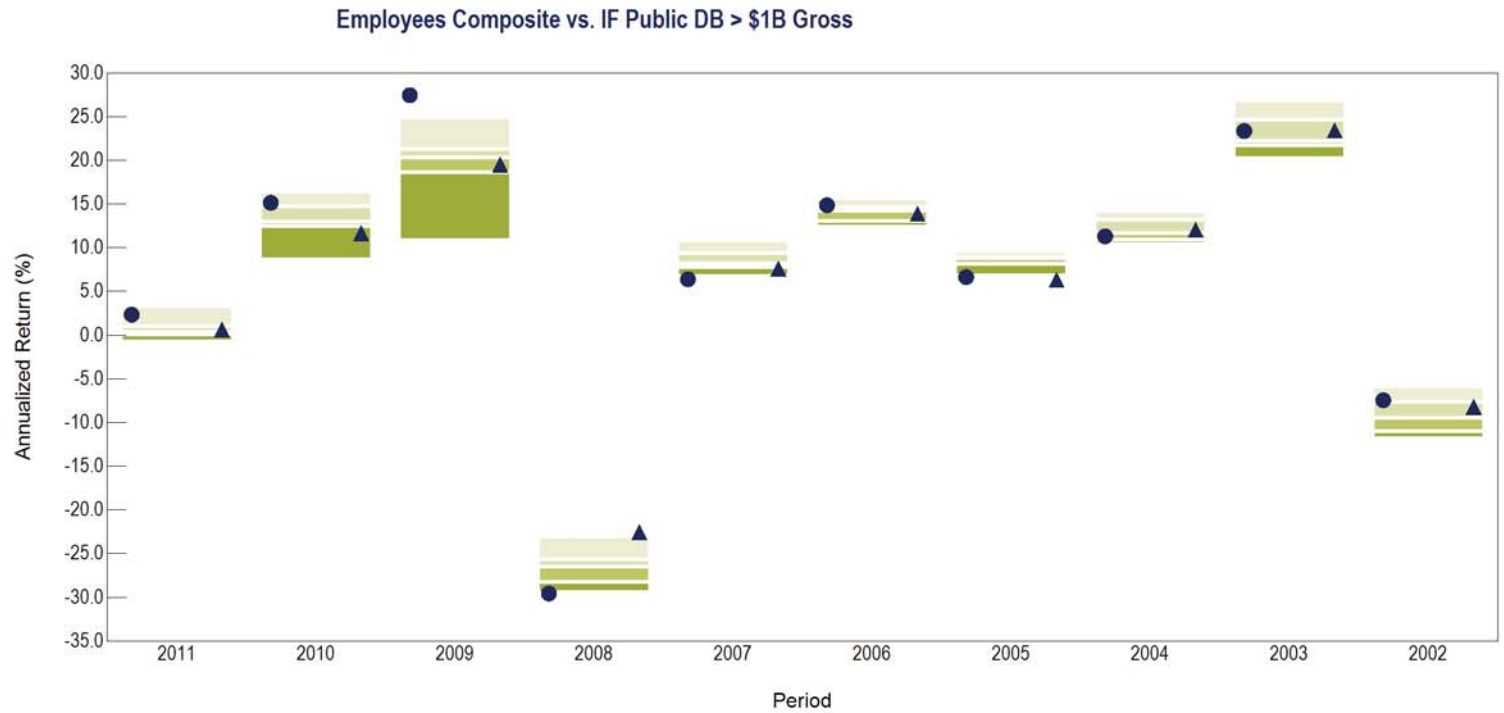
	Return (Rank)									
5th Percentile	5.3		6.0		7.1		7.8		8.9	
25th Percentile	4.8		5.5		6.6		7.3		8.4	
Median	4.5		5.3		6.4		7.1		8.2	
75th Percentile	4.0		4.7		5.9		6.4		7.4	
95th Percentile	2.6		3.5		4.8		5.6		6.8	
# of Portfolios	34		34		33		33		33	
● Employees Composite	4.7	(40)	5.6	(22)	6.4	(51)	7.1	(54)	8.3	(44)
▲ Policy Index	4.3	(62)	5.1	(63)	6.0	(68)	6.8	(69)	8.0	(66)

Total Fund Return Summary vs. Peer Universe



	Return (Rank)																				
5th Percentile	3.9	15.6	27.5	-10.0	11.0	16.1	10.5	14.6	27.2	-1.0											
25th Percentile	2.3	14.2	22.3	-22.6	9.6	14.8	8.4	12.4	23.6	-6.9											
Median	1.1	13.2	19.4	-25.1	8.1	13.6	7.4	11.4	21.7	-9.0											
75th Percentile	0.2	12.1	15.8	-27.4	6.8	12.2	6.2	10.1	19.8	-10.3											
95th Percentile	-2.0	9.8	10.1	-30.3	5.1	8.2	4.3	8.0	10.7	-11.9											
# of Portfolios	146	144	144	141	140	139	137	133	132	129											
● Employees Composite	2.3 (21)	15.1 (8)	27.4 (6)	-29.6 (91)	6.4 (81)	14.9 (24)	6.6 (70)	11.3 (54)	23.4 (29)	-7.5 (31)											
▲ Policy Index	0.6 (70)	11.7 (82)	19.5 (48)	-22.5 (25)	7.6 (57)	13.9 (41)	6.3 (72)	12.1 (29)	23.4 (28)	-8.2 (42)											

Total Fund Return Summary vs. Peer Universe



	Return (Rank)									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
5th Percentile	3.3	16.4	24.9	-23.0	10.8	15.6	9.5	14.1	26.8	-5.9
25th Percentile	1.1	14.8	21.3	-25.7	9.4	14.7	9.0	13.2	24.7	-7.6
Median	0.4	13.0	20.4	-26.4	8.3	14.3	8.8	11.7	22.3	-9.4
75th Percentile	0.1	12.5	18.6	-28.2	7.8	13.1	8.2	11.0	21.8	-11.0
95th Percentile	-0.7	8.7	10.9	-29.4	6.8	12.5	6.8	10.4	20.3	-11.7
# of Portfolios	12	11	11	11	11	11	11	11	11	11
● Employees Composite	2.3 (14)	15.1 (21)	27.4 (1)	-29.6 (97)	6.4 (99)	14.9 (19)	6.6 (99)	11.3 (64)	23.4 (43)	-7.5 (23)
▲ Policy Index	0.6 (35)	11.7 (91)	19.5 (63)	-22.5 (2)	7.6 (80)	13.9 (63)	6.3 (99)	12.1 (46)	23.4 (42)	-8.2 (32)

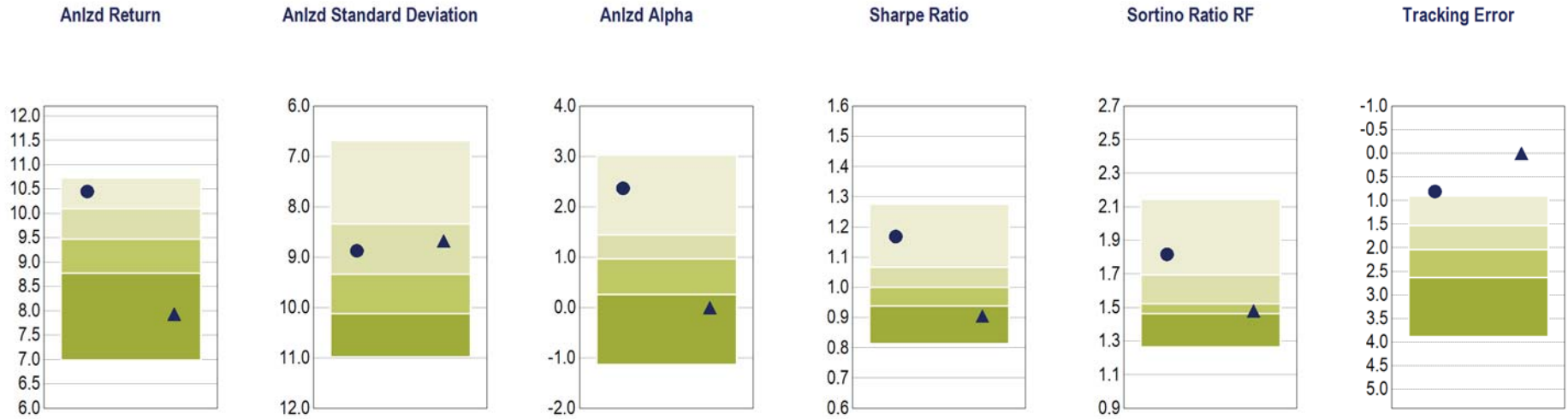
Total Fund Risk Statistics vs. Peer Universe

Employees Composite vs. ICC Public DB
3 Years



Total Fund Risk Statistics vs. Peer Universe

Employees Composite vs. IF Public DB > \$1B Gross
3 Years



● Employees Composite	Value	10.45
	%tile	15
▲ Policy Index	Value	7.93
	%tile	92
Universe	5th %tile	10.73
	25th %tile	10.11
	Median	9.48
	75th %tile	8.78
	95th %tile	7.00

● Employees Composite	Value	8.87
	%tile	47
▲ Policy Index	Value	8.68
	%tile	41
Universe	5th %tile	6.69
	25th %tile	8.33
	Median	9.33
	75th %tile	10.11
	95th %tile	10.97

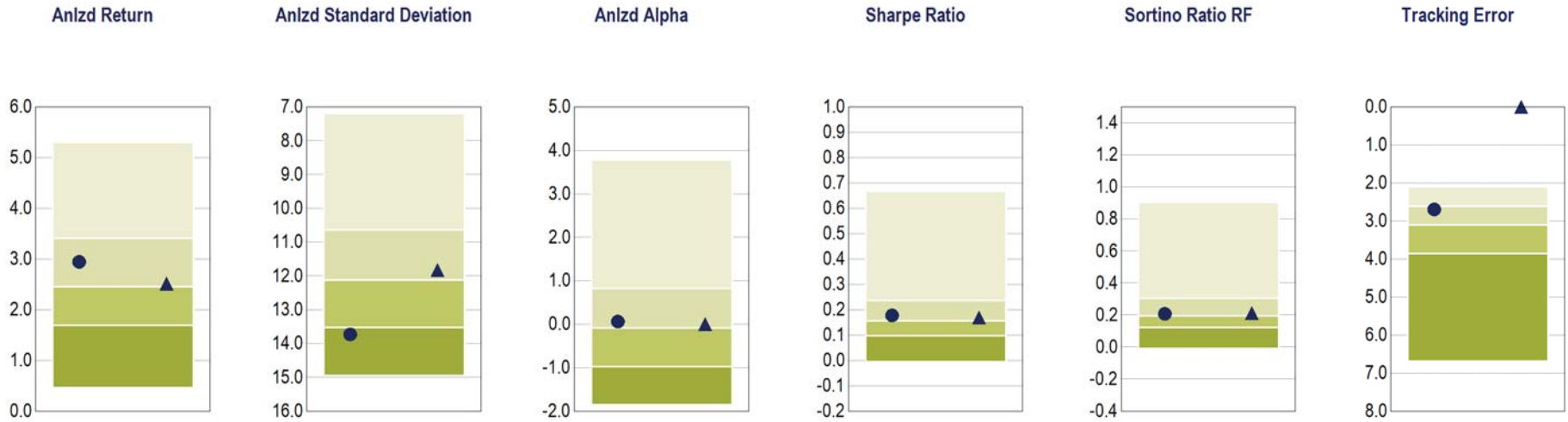
● Employees Composite	Value	2.37
	%tile	15
▲ Policy Index	Value	0.00
	%tile	84
Universe	5th %tile	3.03
	25th %tile	1.45
	Median	0.97
	75th %tile	0.27
	95th %tile	-1.12

● Employees Composite	Value	1.17
	%tile	21
▲ Policy Index	Value	0.90
	%tile	84
Universe	5th %tile	1.27
	25th %tile	1.07
	Median	1.00
	75th %tile	0.94
	95th %tile	0.81

● Employees Composite	Value	1.82
	%tile	15
▲ Policy Index	Value	1.48
	%tile	69
Universe	5th %tile	2.14
	25th %tile	1.70
	Median	1.53
	75th %tile	1.47
	95th %tile	1.27

● Employees Composite	Value	0.81
	%tile	3
▲ Policy Index	Value	0.00
	%tile	1
Universe	5th %tile	0.91
	25th %tile	1.52
	Median	2.03
	75th %tile	2.63
	95th %tile	3.88

Employees Composite vs. ICC Public DB
5 Years



● Employees Composite

Value	2.94
%tile	37
▲ Policy Index	
Value	2.51
%tile	50

Universe	
5th %tile	5.31
25th %tile	3.42
Median	2.46
75th %tile	1.71
95th %tile	0.47

● Employees Composite

Value	13.73
%tile	85
▲ Policy Index	
Value	11.83
%tile	45

Universe	
5th %tile	7.20
25th %tile	10.62
Median	12.11
75th %tile	13.51
95th %tile	14.93

● Employees Composite

Value	0.06
%tile	45
▲ Policy Index	
Value	0.00
%tile	46

Universe	
5th %tile	3.78
25th %tile	0.83
Median	-0.08
75th %tile	-0.96
95th %tile	-1.84

● Employees Composite

Value	0.18
%tile	44
▲ Policy Index	
Value	0.17
%tile	46

Universe	
5th %tile	0.67
25th %tile	0.24
Median	0.16
75th %tile	0.10
95th %tile	0.00

● Employees Composite

Value	0.21
%tile	47
▲ Policy Index	
Value	0.21
%tile	46

Universe	
5th %tile	0.90
25th %tile	0.31
Median	0.20
75th %tile	0.12
95th %tile	0.00

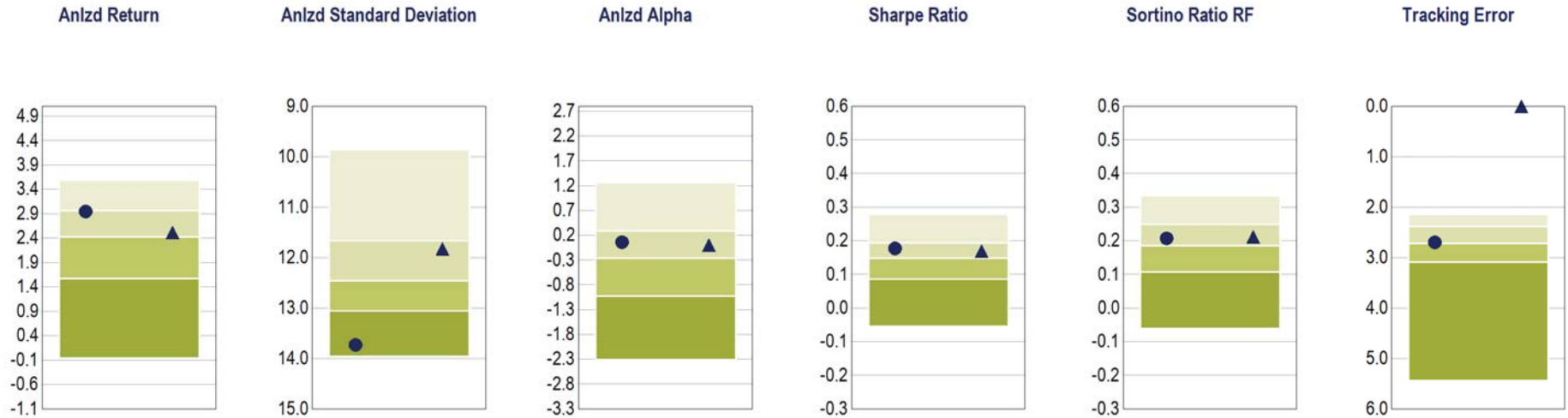
● Employees Composite

Value	2.70
%tile	30
▲ Policy Index	
Value	0.00
%tile	1

Universe	
5th %tile	2.10
25th %tile	2.60
Median	3.09
75th %tile	3.84
95th %tile	6.67

Total Fund Risk Statistics vs. Peer Universe

Employees Composite vs. IF Public DB > \$1B Gross
5 Years



● Employees Composite	
Value	2.94
%tile	31
▲ Policy Index	
Value	2.51
%tile	48
Universe	
5th %tile	3.58
25th %tile	2.97
Median	2.43
75th %tile	1.59
95th %tile	-0.05

● Employees Composite	
Value	13.73
%tile	92
▲ Policy Index	
Value	11.83
%tile	33
Universe	
5th %tile	9.86
25th %tile	11.65
Median	12.45
75th %tile	13.05
95th %tile	13.95

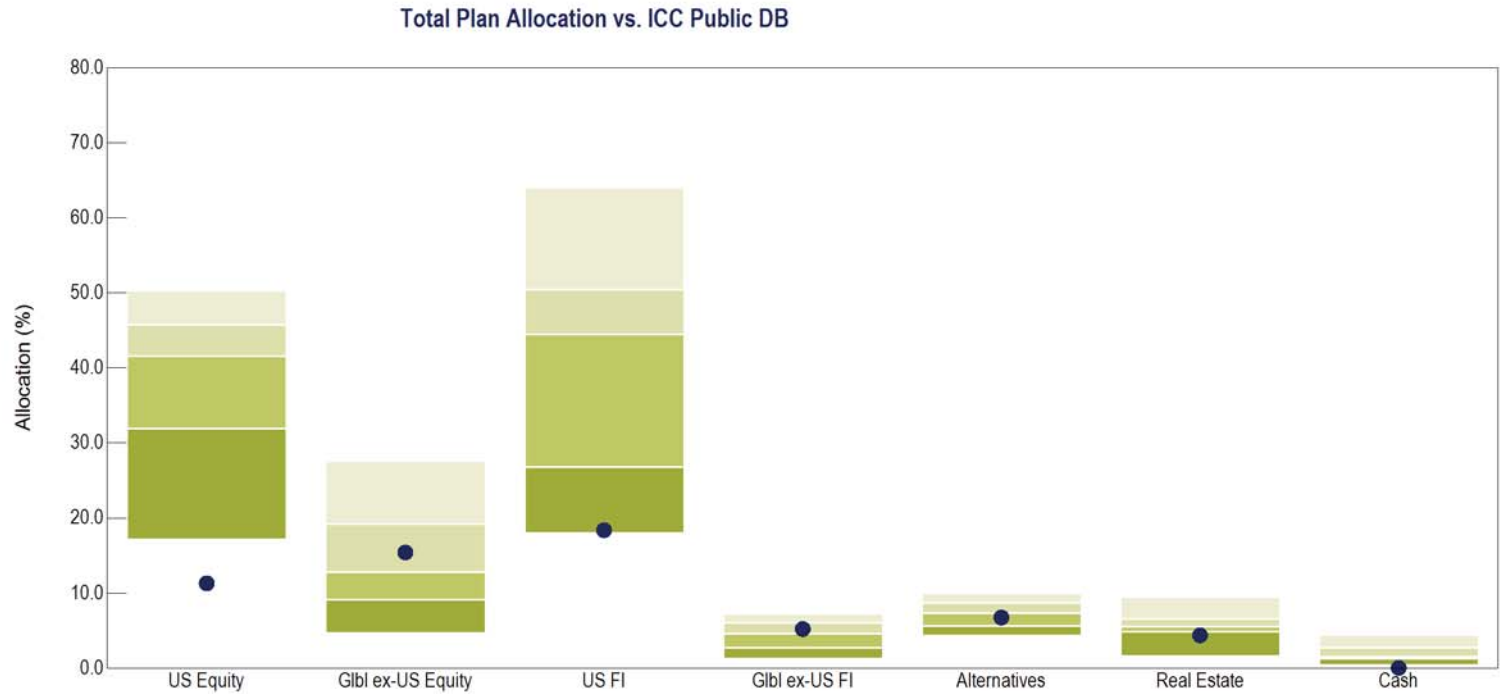
● Employees Composite	
Value	0.06
%tile	40
▲ Policy Index	
Value	0.00
%tile	44
Universe	
5th %tile	1.26
25th %tile	0.30
Median	-0.25
75th %tile	-1.02
95th %tile	-2.30

● Employees Composite	
Value	0.18
%tile	40
▲ Policy Index	
Value	0.17
%tile	42
Universe	
5th %tile	0.28
25th %tile	0.19
Median	0.15
75th %tile	0.09
95th %tile	-0.05

● Employees Composite	
Value	0.21
%tile	43
▲ Policy Index	
Value	0.21
%tile	41
Universe	
5th %tile	0.33
25th %tile	0.25
Median	0.19
75th %tile	0.11
95th %tile	-0.06

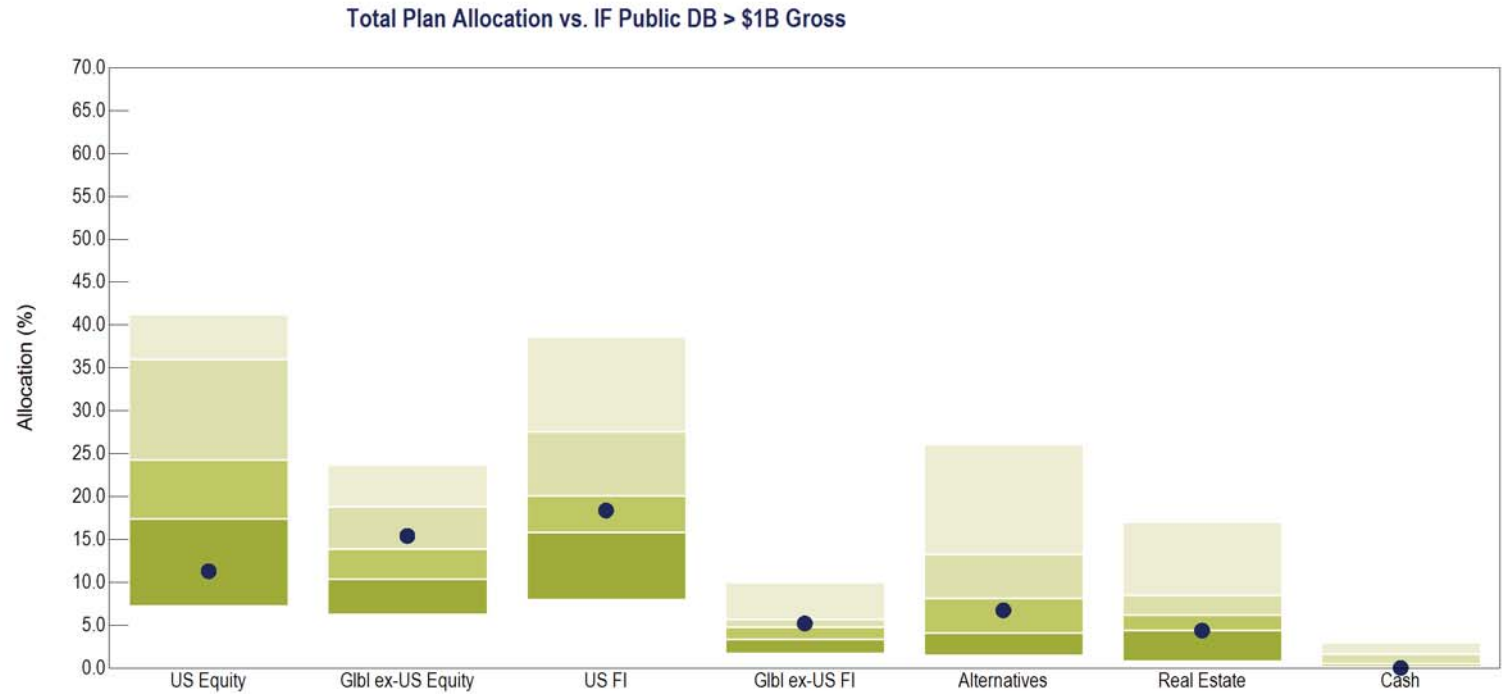
● Employees Composite	
Value	2.70
%tile	49
▲ Policy Index	
Value	0.00
%tile	1
Universe	
5th %tile	2.15
25th %tile	2.37
Median	2.71
75th %tile	3.08
95th %tile	5.43

Total Fund Allocations vs. Peer Universe



	Allocation (Rank)													
5th Percentile	50.3	27.6	64.1	7.2	9.9	9.5	4.5							
25th Percentile	45.8	19.3	50.5	6.1	8.8	6.7	2.8							
Median	41.7	12.9	44.5	4.7	7.4	5.6	1.6							
75th Percentile	32.0	9.2	26.9	2.8	5.7	4.9	1.3							
95th Percentile	17.3	4.8	18.1	1.3	4.4	1.7	0.5							
# of Portfolios	17	15	18	3	3	8	14							
● Employees Composite	11.3	(99)	15.4	(43)	18.4	(95)	5.2	(41)	6.7	(60)	4.4	(81)	0.0	(99)

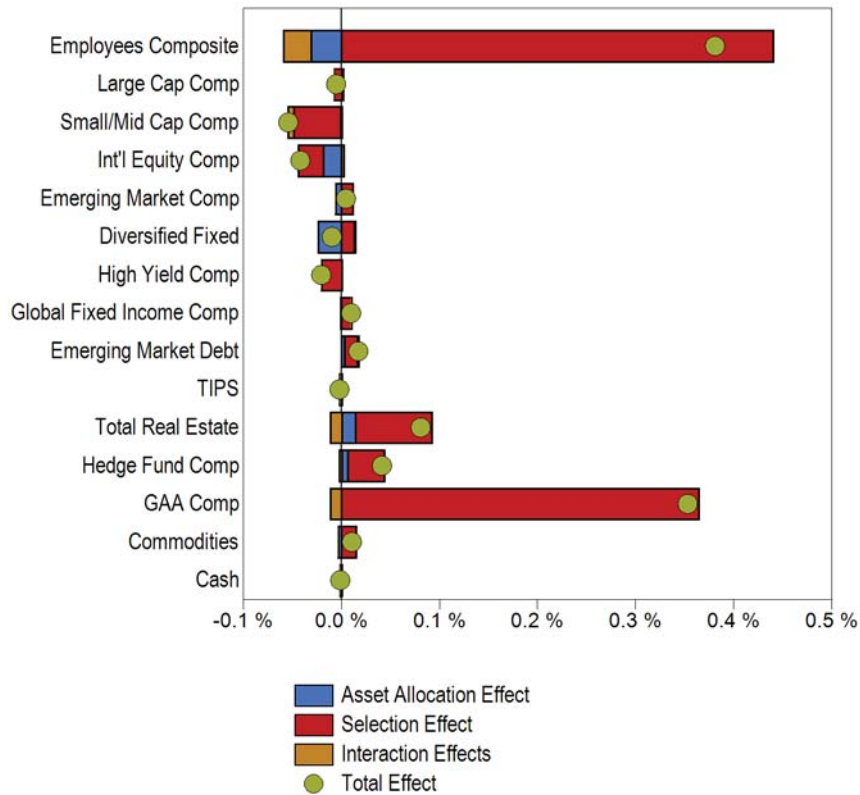
Total Fund Allocations vs. Peer Universe



	Allocation (Rank)													
5th Percentile	41.2	23.7	38.6	10.0	26.1	17.0	3.0							
25th Percentile	36.1	18.9	27.6	5.7	13.4	8.6	1.7							
Median	24.3	14.0	20.1	4.8	8.2	6.3	0.6							
75th Percentile	17.4	10.4	15.9	3.4	4.2	4.5	0.2							
95th Percentile	7.3	6.4	8.0	1.8	1.6	0.9	0.0							
# of Portfolios	26	29	20	9	28	22	20							
● Employees Composite	11.3	(84)	15.4	(47)	18.4	(58)	5.2	(38)	6.7	(67)	4.4	(77)	0.0	(99)

Total Fund Attribution Analysis

Attribution Effects Relative to Policy Index
3 Months Ending September 30, 2012



Attribution Summary
3 Months Ending September 30, 2012

	Actual Return	Target Return	Relative Return	Selection Effect	Asset Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	6.3%	6.4%	-0.1%	0.0%	0.0%	0.0%	0.0%
Small/Mid Cap Comp	4.5%	5.3%	-0.8%	0.0%	0.0%	0.0%	-0.1%
Int'l Equity Comp	6.7%	6.9%	-0.3%	0.0%	0.0%	0.0%	0.0%
Emerging Market Comp	7.9%	7.7%	0.2%	0.0%	0.0%	0.0%	0.0%
Diversified Fixed	1.7%	1.6%	0.1%	0.0%	0.0%	0.0%	0.0%
High Yield Comp	4.2%	4.5%	-0.3%	0.0%	0.0%	0.0%	0.0%
Global Fixed Income Comp	3.3%	3.0%	0.3%	0.0%	0.0%	0.0%	0.0%
Emerging Market Debt	7.0%	6.8%	0.3%	0.0%	0.0%	0.0%	0.0%
TIPS	2.1%	2.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Real Estate	3.8%	2.3%	1.5%	0.1%	0.0%	0.0%	0.1%
Hedge Fund Comp	3.1%	2.4%	0.7%	0.0%	0.0%	0.0%	0.0%
GAA Comp	7.1%	5.3%	1.8%	0.4%	0.0%	0.0%	0.4%
Commodities	10.4%	9.7%	0.7%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	5.1%	4.7%	0.4%	0.4%	0.0%	0.0%	0.4%

Performance Attribution

	Last 3 Mo.	YTD	Fiscal YTD	1 Yr
Employees Composite Return	5.1%		5.1%	
Policy Benchmark *	4.7%		4.7%	
Excess Return	0.4%		0.4%	
Selection Effect	0.4%		0.4%	
Asset Allocation Effect	0.0%		0.0%	
Interaction Effect	0.0%		0.0%	
Asset Class Returns				
Employees Composite	5.1%	10.8%	5.1%	16.1%
Large Cap Comp	6.3%	15.9%	6.3%	29.9%
Small/Mid Cap Comp	4.5%	12.8%	4.5%	29.5%
Int'l Equity Comp	6.7%	8.9%	6.7%	12.3%
Emerging Market Comp	7.9%	18.6%	7.9%	24.7%
Diversified Fixed	1.7%	6.2%	1.7%	9.1%
High Yield Comp	4.2%	11.4%	4.2%	17.5%
Global Fixed Income Comp	3.3%	6.8%	3.3%	7.2%
Emerging Market Debt	7.0%	15.7%	7.0%	21.0%
TIPS	2.1%	6.2%	2.1%	9.0%
Total Real Estate	3.8%	10.8%	3.8%	13.5%
Private Investment				
Hedge Fund Comp	3.1%	6.5%	3.1%	6.8%
GAA Comp	7.1%	12.7%	7.1%	17.6%
Commodities	10.4%	6.7%	10.4%	8.1%
Cash	0.0%	0.1%	0.0%	0.1%

Vermont State Employees

Total Fund Risk Statistics

3 Years Ending September 30, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Employees Composite	100.00%	10.45%	12	8.87%	40	2.37%	11	1.17	21	1.82	18	0.81%	2
Policy Index	--	7.93%	89	8.68%	34	0.00%	77	0.90	74	1.48	71	0.00%	1
Large Cap Comp	11.29%	13.97%	26	16.44%	57	0.07%	35	0.84	34	1.45	32	1.38%	1
S&P 500	--	13.20%	37	15.58%	34	0.00%	36	0.84	34	1.47	29	0.00%	1
Small/Mid Cap Comp	6.56%	15.10%	39	18.65%	34	3.76%	41	0.81	39	1.48	31	3.20%	2
Russell 2000	--	12.99%	69	21.28%	79	0.00%	78	0.61	77	1.08	75	0.00%	1
Int'l Equity Comp	9.31%	3.24%	75	18.08%	18	1.28%	72	0.17	71	0.26	72	2.28%	11
MSCI EAFE	--	2.12%	88	19.60%	56	0.00%	87	0.10	87	0.16	87	0.00%	1
Emerging Market Comp	6.10%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	--	--	--	--	--	--	--	--	--	--	--	--
Diversified Fixed	18.37%	8.52%	11	3.09%	87	2.73%	15	2.73	38	6.35	20	1.78%	87
Barclays Aggregate	--	6.19%	83	2.70%	60	0.00%	84	2.26	80	3.26	84	0.00%	1
High Yield Comp	6.07%	11.93%	68	5.92%	25	1.62%	29	2.00	30	3.09	31	1.79%	63
Barclays High Yield	--	12.90%	40	7.31%	70	0.00%	69	1.75	66	2.63	60	0.00%	1
Global Fixed Income Comp	3.01%	8.33%	31	6.21%	45	4.55%	43	1.33	41	1.81	42	2.50%	17
Citigroup WGBI	--	4.29%	91	6.55%	55	0.00%	95	0.64	89	0.73	91	0.00%	1
Emerging Market Debt	5.20%	--	--	--	--	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	--	--	--	--	--	--	--	--	--	--	--	--	--
TIPS	3.02%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays US TIPS	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Real Estate	4.37%	--	--	--	--	--	--	--	--	--	--	--	--
NCREIF Property Index	--	--	--	--	--	--	--	--	--	--	--	--	--
Hedge Fund Comp	4.69%	--	--	--	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index	--	--	--	--	--	--	--	--	--	--	--	--	--
GAA Comp	19.93%	11.54%	13	9.15%	44	6.69%	18	1.25	15	1.86	22	3.95%	23
60% MSCI ACWI (Net)/40% CITI WGBI	--	6.40%	74	11.55%	76	0.00%	80	0.55	68	0.84	70	0.00%	1
Commodities	2.05%	--	--	--	--	--	--	--	--	--	--	--	--
Dow Jones-UBS Commodity Index TR	--	--	--	--	--	--	--	--	--	--	--	--	--
Cash	0.02%	--	--	--	--	--	--	--	--	--	--	--	--
91 Day T-Bills	--	--	--	--	--	--	--	--	--	--	--	--	--

Vermont State Employees

Total Fund Risk Statistics

5 Years Ending September 30, 2012

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Employees Composite	100.00%	2.94%	37	13.73%	85	0.13%	44	0.18	44	0.21	47	2.70%	30
Policy Index	--	2.51%	50	11.83%	45	0.00%	48	0.17	46	0.21	46	0.00%	1
Large Cap Comp	11.29%	2.12%	42	21.11%	81	1.01%	43	0.08	45	0.10	45	2.87%	8
S&P 500	--	1.05%	63	19.13%	45	0.00%	63	0.03	63	0.04	62	0.00%	1
Small/Mid Cap Comp	6.56%	4.16%	40	23.30%	49	2.06%	39	0.16	38	0.22	38	2.90%	1
Russell 2000	--	2.21%	67	24.75%	72	0.00%	71	0.07	69	0.10	69	0.00%	1
Int'l Equity Comp	9.31%	-5.29%	80	22.41%	26	-0.34%	87	-0.26	87	-0.35	83	2.39%	6
MSCI EAFE	--	-5.24%	80	23.52%	45	0.00%	82	-0.24	83	-0.35	82	0.00%	1
Emerging Market Comp	6.10%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	--	--	--	--	--	--	--	--	--	--	--	--
Diversified Fixed	18.37%	5.80%	92	6.74%	98	-2.23%	99	0.78	99	0.73	99	5.13%	97
Barclays Aggregate	--	6.53%	83	3.57%	31	0.00%	79	1.69	57	2.65	40	0.00%	1
High Yield Comp	6.07%	8.90%	47	10.25%	21	2.24%	23	0.82	22	0.73	46	5.15%	70
Barclays High Yield	--	9.34%	34	14.13%	90	0.00%	82	0.62	78	0.65	72	0.00%	1
Global Fixed Income Comp	3.01%	8.88%	16	8.20%	51	3.01%	42	1.02	32	1.44	27	4.30%	31
Citigroup WGBI	--	6.45%	63	7.77%	42	0.00%	80	0.76	56	1.15	48	0.00%	1
Emerging Market Debt	5.20%	--	--	--	--	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	--	--	--	--	--	--	--	--	--	--	--	--	--
TIPS	3.02%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays US TIPS	--	--	--	--	--	--	--	--	--	--	--	--	--
Total Real Estate	4.37%	--	--	--	--	--	--	--	--	--	--	--	--
NCREIF Property Index	--	--	--	--	--	--	--	--	--	--	--	--	--
Hedge Fund Comp	4.69%	--	--	--	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index	--	--	--	--	--	--	--	--	--	--	--	--	--
GAA Comp	19.93%	4.92%	37	13.63%	60	3.24%	46	0.32	46	0.37	48	4.16%	17
60% MSCI ACWI (Net)/40% CITI WGBI	--	1.79%	80	14.31%	68	0.00%	80	0.09	80	0.12	80	0.00%	1
Commodities	2.05%	--	--	--	--	--	--	--	--	--	--	--	--
Dow Jones-UBS Commodity Index TR	--	--	--	--	--	--	--	--	--	--	--	--	--
Cash	0.02%	--	--	--	--	--	--	--	--	--	--	--	--
91 Day T-Bills	--	--	--	--	--	--	--	--	--	--	--	--	--