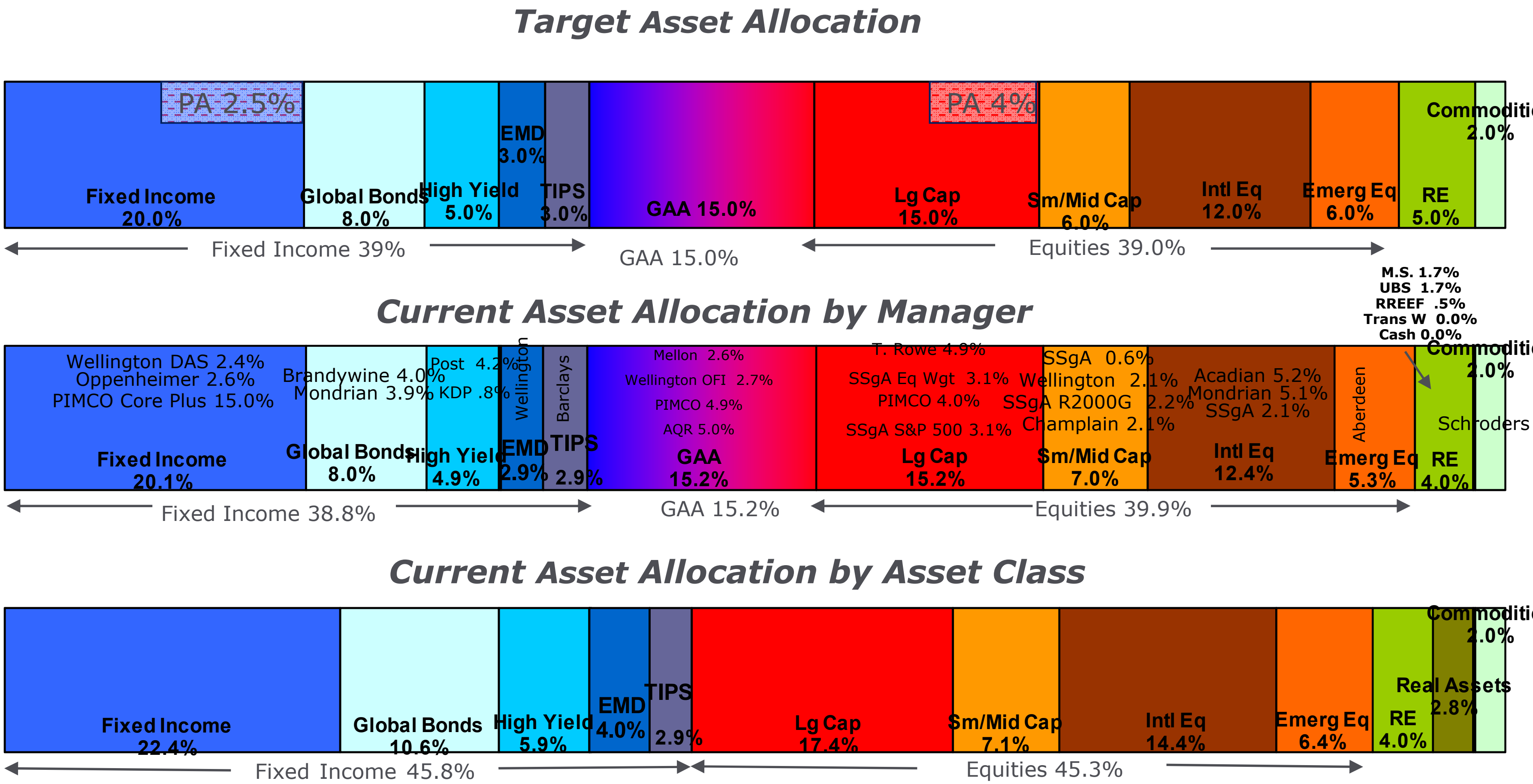
State Teachers' Retirement System of Vermont

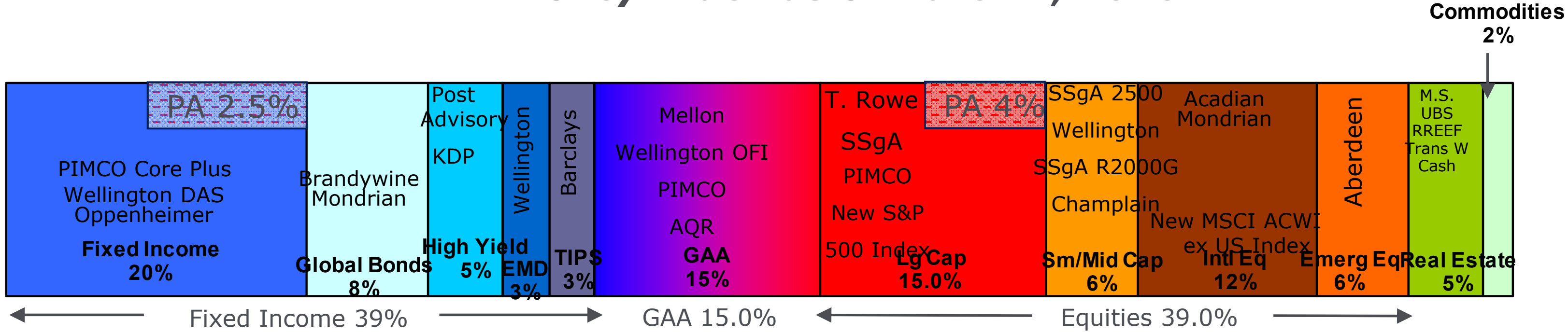
Total Plan Asset Allocation



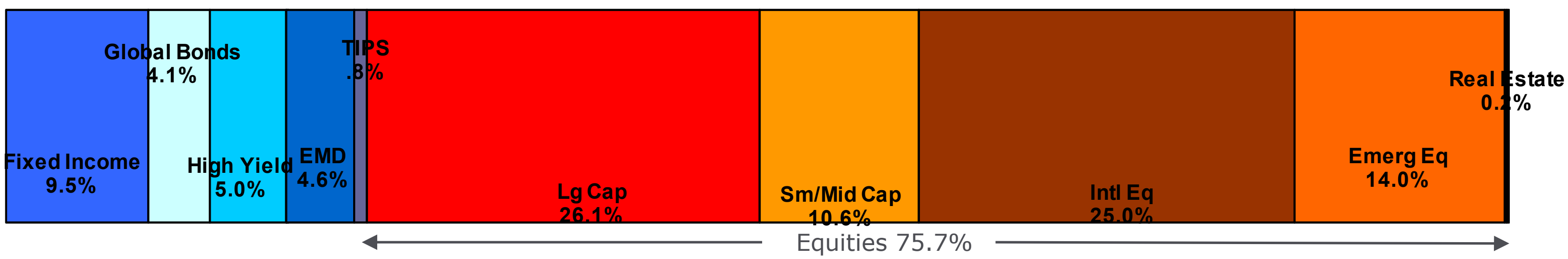
Numbers may not add up to 100% due to rounding.

Policy Asset Allocation and Risk Budgeting

Policy Index as of March 1, 2010

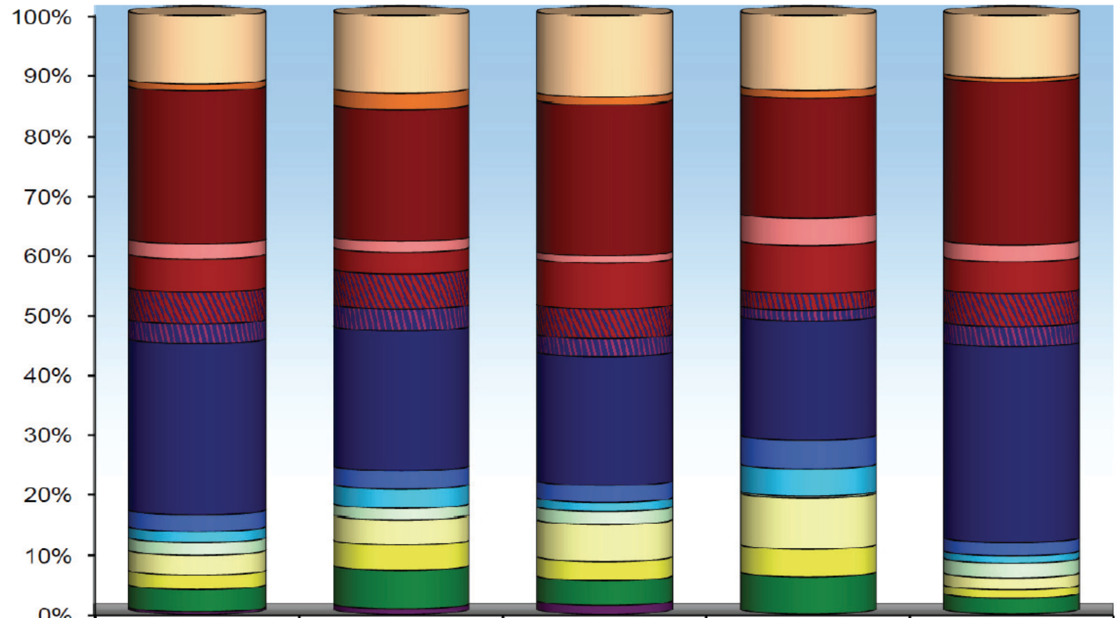


2010 NEPC Risk Budgeting Risk Allocation



Numbers may not add up to 100% due to rounding.

ICC Public DB Plans – Average Asset Allocation



	Public DB Plans	Above $2 Billion	$1 Billion - $2 Billion	$500 Million - $1 Billion	Less Than $500 Million	Teachers
Int'l Dev'l	11.5%	13.0%	13.6%	12.6%	10.5%	12.4%
Emerg Mkt	1.1%	2.6%	1.2%	1.3%	0.6%	5.3%
Large Cap	25.5%	22.1%	25.3%	19.9%	27.1%	15.2%
Mid Cap	2.5%	1.8%	1.2%	4.5%	2.8%	2.1%
Small Cap	5.5%	3.6%	7.7%	8.1%	5.4%	4.9%
TAA - Domestic	5.3%	5.9%	4.9%	2.8%	5.5%	0.0%
TAA - Global	3.2%	3.6%	3.0%	1.7%	3.4%	15.2%
Fixed Income	28.8%	23.4%	21.7%	20.0%	32.7%	23.1%
GFI/EMD	2.6%	3.2%	2.8%	4.8%	2.2%	10.9%
High Yield	1.8%	3.2%	1.5%	4.7%	1.2%	4.9%
Cash Equiv	2.2%	1.8%	2.0%	0.3%	2.5%	0.0%
Hedge Fund	3.4%	4.1%	6.2%	8.5%	2.0%	0.0%
Private Equity	2.4%	4.3%	3.2%	4.6%	1.4%	0.0%
Real Estate	3.7%	6.4%	4.1%	6.2%	2.6%	4.0%
Misc	0.4%	1.0%	1.5%	0.1%	0.1%	2.0%

Disclosure:

Allocations may not add to 100% due to rounding. Average asset allocations shown include all portfolios submitted to the ICC universe as of 10/15/10 for periods ending 6/30/10. Portfolios included correspond with the ICC universe requirements and exclude portfolios meeting the following criteria: 1) An allocation greater than 95% to one asset class and 2) Portfolios without an asset allocation.

Teachers' allocation is as of 9/30/2010

Asset Breakdown

	Domestic Large Core	Domestic Smid	Domestic Small Core	Domestic Small Value	Domestic Small Growth	Core Fixed	High Yield	TIPS	Int'l Equity	EMD	Global Bonds	Real Estate	GAA	Other	Cash	Total
Composite	$218,070	$29,691	$8,683	$29,792	$31,989	$288,913	$70,911	$42,177	$254,850	$42,265	$114,974	$57,592	$218,967	$29,180	$132	$1,438,185
T. Rowe	70,189	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$70,189
PIMCO	58,120	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$58,120
SSgA Equal Wgt	45,221	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$45,221
SSgA S&P 500	44,540	0	0	0	0	0	0	0	0	0	0	0	0	0	0	$44,540
Champlain	0	29,691	0	0	0	0	0	0	0	0	0	0	0	0	0	$29,691
SSgA R-2500	0	0	8,683	0	0	0	0	0	0	0	0	0	0	0	0	$8,683
Wellington	0	0	0	29,792	0	0	0	0	0	0	0	0	0	0	0	$29,792
SSgA R-2000 Growth	0	0	0	0	31,989	0	0	0	0	0	0	0	0	0	0	$31,989
Acadian	0	0	0	0	0	0	0	0	74,508	0	0	0	0	0	0	$74,508
Mondrian	0	0	0	0	0	0	0	0	73,915	0	0	0	0	0	0	$73,915
SSgA ACWI ex US	0	0	0	0	0	0	0	0	29,675	0	0	0	0	0	0	$29,675
Aberdeen	0	0	0	0	0	0	0	0	76,753	0	0	0	0	0	0	$76,753
Oppenheimer	0	0	0	0	0	38,046	0	0	0	0	0	0	0	0	0	$38,046
Wellington DAS	0	0	0	0	0	35,030	0	0	0	0	0	0	0	0	0	$35,030
PIMCO Core Plus	0	0	0	0	0	215,837	0	0	0	0	0	0	0	0	0	$215,837
Post Advisory	0	0	0	0	0	0	60,096	0	0	0	0	0	0	0	0	$60,096
KDP	0	0	0	0	0	0	10,815	0	0	0	0	0	0	0	0	$10,815
Wellignton EMD	0	0	0	0	0	0	0	0	0	42,265	0	0	0	0	0	$42,265
Barclays	0	0	0	0	0	0	0	42,177	0	0	0	0	0	0	0	$42,177
Mondrian	0	0	0	0	0	0	0	0	0	0	56,793	0	0	0	0	$56,793
Brandywine	0	0	0	0	0	0	0	0	0	0	58,181	0	0	0	0	$58,181
Morgan Stanely	0	0	0	0	0	0	0	0	0	0	0	25,069	0	0	0	$25,069
UBS Realty	0	0	0	0	0	0	0	0	0	0	0	24,372	0	0	0	$24,372
RREEF	0	0	0	0	0	0	0	0	0	0	0	7,624	0	0	0	$7,624
Transwestern	0	0	0	0	0	0	0	0	0	0	0	508	0	0	0	$508
Real Estate Cash	0	0	0	0	0	0	0	0	0	0	0	19	0	0	0	$19
Mellon GA 1	0	0	0	0	0	0	0	0	0	0	0	0	36,710	0	0	$36,710
PIMCO AA	0	0	0	0	0	0	0	0	0	0	0	0	72,480	0	0	$72,480
Wellington OIF	0	0	0	0	0	0	0	0	0	0	0	0	70,420	0	0	$70,420
AQR	0	0	0	0	0	0	0	0	0	0	0	0	39,357	0	0	$39,357
Pru & VVC	0	0	0	0	0	0	0	0	0	0	0	0	0	411	0	$411
Schroders	0	0	0	0	0	0	0	0	0	0	0	0	0	28,769	0	$28,769
Vermont Cash	0	0	0	0	0	0	0	0	0	0	0	0	0	0	132	$132
(Dollars in 000's)																

Total Fund Asset Growth Summary

VERMONT STATE TEACHERS
TEACHERS' RETIREMENT SYSTEM
Periods Ending September 30, 2010

Total Fund Asset Growth Summary ($000)

	One Quarter	Year to Date	One Year	Since Inception
TRS COMPOSITE				
Beginning Market Value	1,298,311	1,330,497	1,323,613	0
Net External Growth	14,962	-15,371	-51,850	-309,691
Return on Investment	124,912	126,898	170,262	1,751,716
Income Received	70	136	418	141,937
Gain/Loss	124,842	126,763	169,845	1,609,779
Ending Market Value	1,438,186	1,438,186	1,438,186	1,438,186

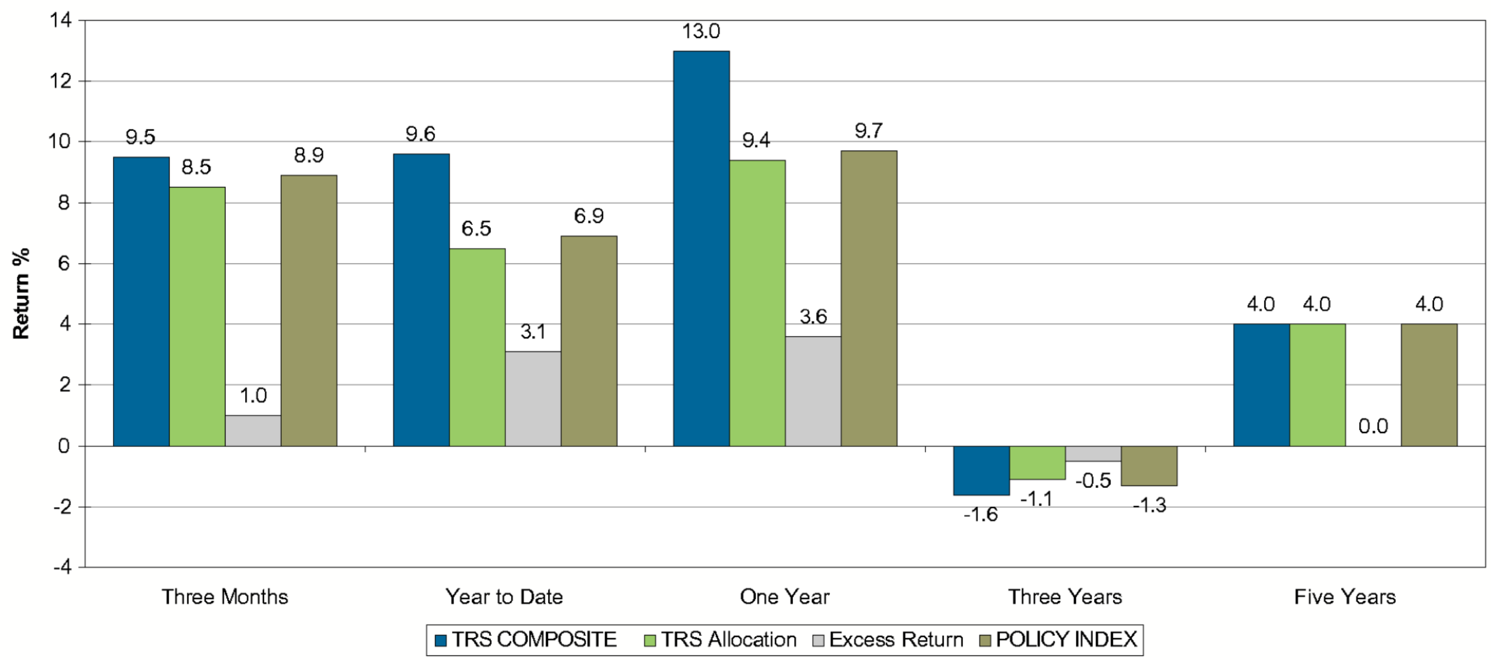
Return	9.5%	9.6%	13.0%

Fund Performance vs. Benchmark

VERMONT STATE TEACHERS
POLICY INDEX
Benchmark:
Periods Ending September 30, 2010

Fund Performance vs. Benchmark

TRS COMPOSITE



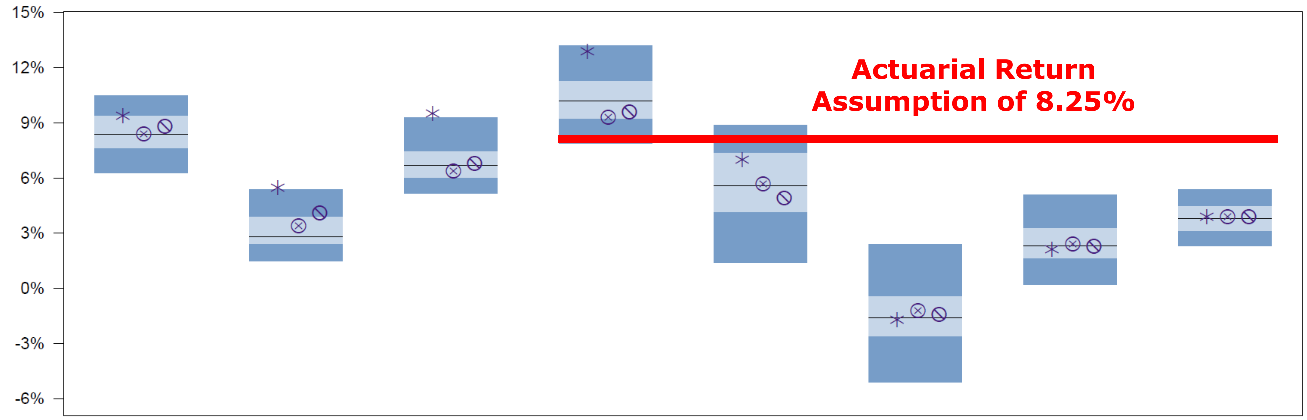
Total Public Funds Performance

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Periods Ending September 30, 2010

Total Fund Performance - Trailing Periods

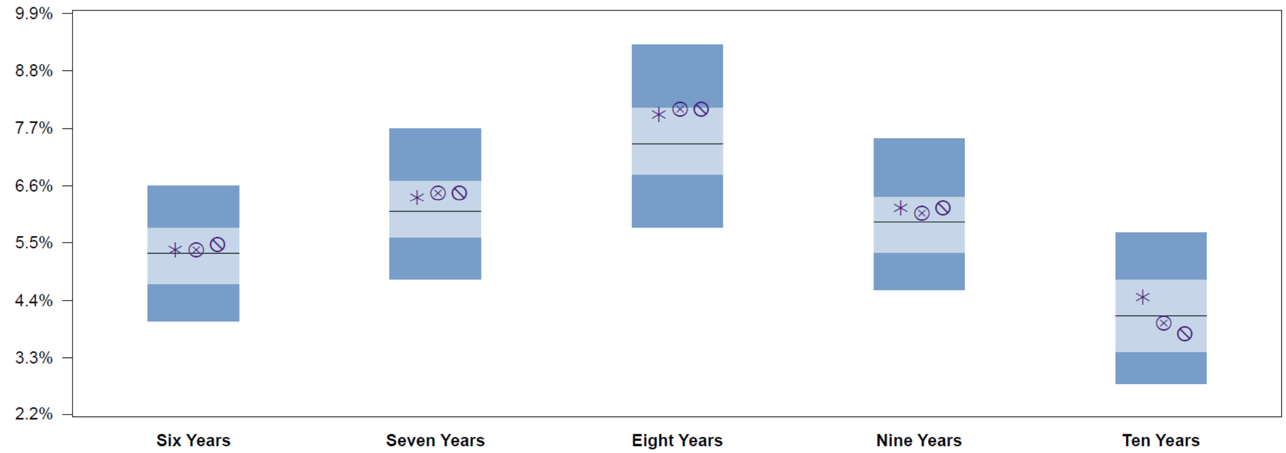


	One Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
TRS COMPOSITE	**9.5**	**24**	**5.6**	**3**	**9.6**	**4**	**13.0**	**6**	**7.1**	**29**	**-1.6**	**49**	**2.2**	**52**	**4.0**	**44**
TRS Allocation	8.5	47	3.5	38	6.5	58	9.4	74	5.8	48	-1.1	39	2.5	45	4.0	44
POLICY INDEX	**8.9**	**36**	**4.2**	**19**	**6.9**	**40**	**9.7**	**66**	**5.0**	**63**	**-1.3**	**43**	**2.4**	**46**	**4.0**	**41**
5th Percentile	10.5		5.4		9.3		13.2		8.9		2.4		5.1		5.4	
25th Percentile	9.4		3.9		7.5		11.3		7.4		-0.4		3.3		4.5	
50th Percentile	8.4		2.8		6.7		10.2		5.6		-1.6		2.3		3.8	
75th Percentile	7.6		2.4		6.0		9.2		4.1		-2.6		1.6		3.1	
95th Percentile	6.3		1.5		5.2		7.9		1.4		-5.1		0.2		2.3	

Total Public Funds Performance

VERMONT STATE TEACHERS
Total Fund - Universe: Public Funds (DB)
Periods Ending September 30, 2010

Total Fund Performance - Trailing Periods



	Six Years		Seven Years		Eight Years		Nine Years		Ten Years	
TRS COMPOSITE	**5.4**	**48**	**6.4**	**40**	**8.0**	**28**	**6.2**	**34**	**4.5**	**32**
TRS Allocation	5.4	45	6.5	37	8.1	25	6.1	39	4.0	55
POLICY INDEX	**5.5**	**41**	**6.5**	**34**	**8.1**	**25**	**6.2**	**34**	**3.8**	**63**
5th Percentile	6.6		7.7		9.3		7.5		5.7	
25th Percentile	5.8		6.7		8.1		6.4		4.8	
50th Percentile	5.3		6.1		7.4		5.9		4.1	
75th Percentile	4.7		5.6		6.8		5.3		3.4	
95th Percentile	4.0		4.8		5.8		4.6		2.8	

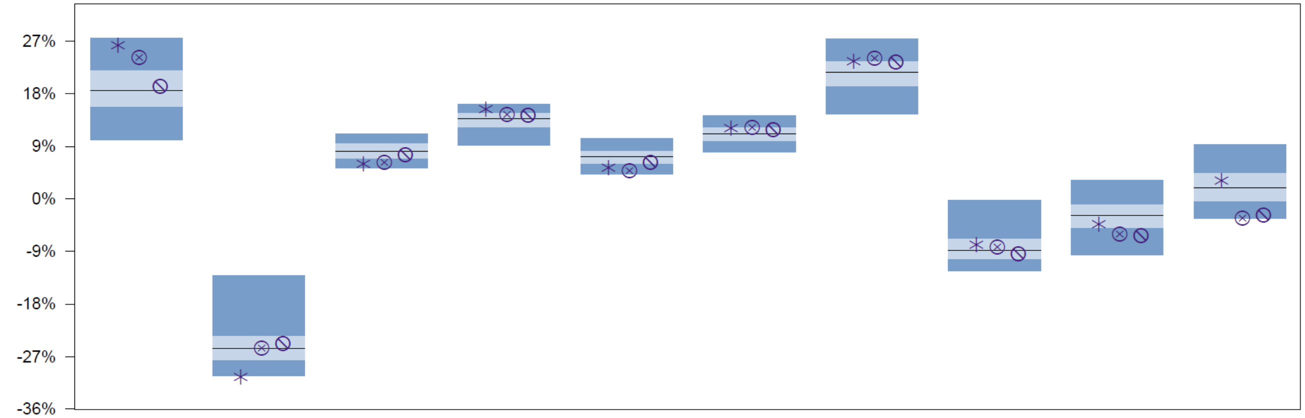
Total Public Funds Performance

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Period Ending December 31, 2009

Total Fund Performance - One Year Time Periods

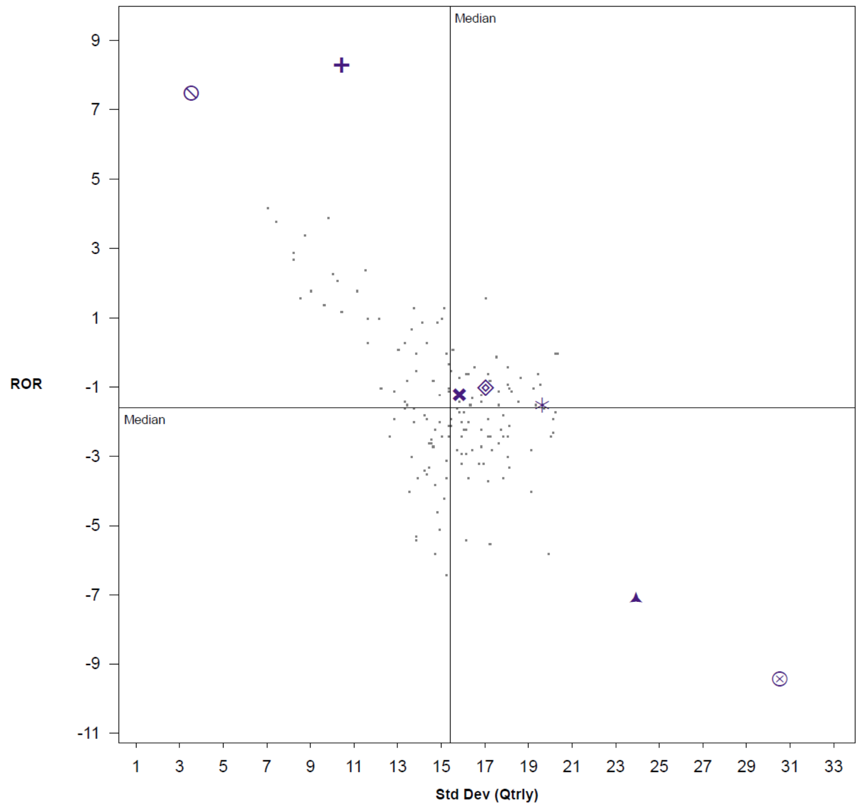


	2009		2008		2007		2006		2005		2004		2003		2002		2001		2000	
TRS COMPOSITE	**26.5**	**7**	**-30.1**	**95**	**6.3**	**85**	**15.7**	**9**	**5.6**	**81**	**12.4**	**22**	**23.8**	**24**	**-7.5**	**36**	**-4.1**	**62**	**3.4**	**33**
TRS Allocation	24.5	14	-25.2	48	6.5	83	14.8	25	5.1	87	12.6	18	24.4	19	-8.0	43	-5.7	82	-3.1	93
POLICY INDEX	**19.5**	**45**	**-24.5**	**40**	**7.9**	**56**	**14.6**	**29**	**6.6**	**67**	**12.2**	**27**	**23.7**	**25**	**-9.1**	**55**	**-6.0**	**84**	**-2.5**	**91**
5th Percentile	27.5		-13.1		11.2		16.2		10.4		14.2		27.3		-0.3		3.2		9.3	
25th Percentile	22.1		-23.3		9.6		14.8		8.3		12.3		23.6		-6.7		-0.9		4.5	
50th Percentile	18.5		-25.6		8.2		13.7		7.2		11.1		21.7		-8.8		-2.9		1.9	
75th Percentile	15.7		-27.6		6.8		12.2		6.0		9.8		19.2		-10.4		-5.1		-0.5	
95th Percentile	10.1		-30.3		5.3		9.2		4.3		8.0		14.5		-12.3		-9.6		-3.4	

Risk vs. Return Analysis – 3 Years

VERMONT STATE TEACHERS
Total Fund - Universe: Public Funds (DB)
Period Ending September 30, 2010

Risk vs. Return - 3 Year



NAME	Return		Standard Deviation		Sharpe Ratio	
TRS COMPOSITE	**-1.6**	**49**	**19.7**	**95**	**-0.1**	**44**
TRS Allocation	-1.1	39	17.1	74	-0.1	42
POLICY INDEX	-1.3	43	15.9	58	-0.2	53
S&P 500	*-7.2*	*100*	*24.0*	*100*	*-0.3*	*95*
BC AGGREGATE	*7.4*	*1*	*3.6*	*1*	*1.8*	*1*
MSCI EAFE (NET)	*-9.5*	*100*	*30.6*	*100*	*-0.3*	*95*
Citigroup WGBI (All Maturities)	*8.2*	*1*	*10.5*	*10*	*0.7*	*1*
Median	-1.6		15.4		-0.1	

Funded status as of Fiscal Year 2009 = 65%

9/30/2010

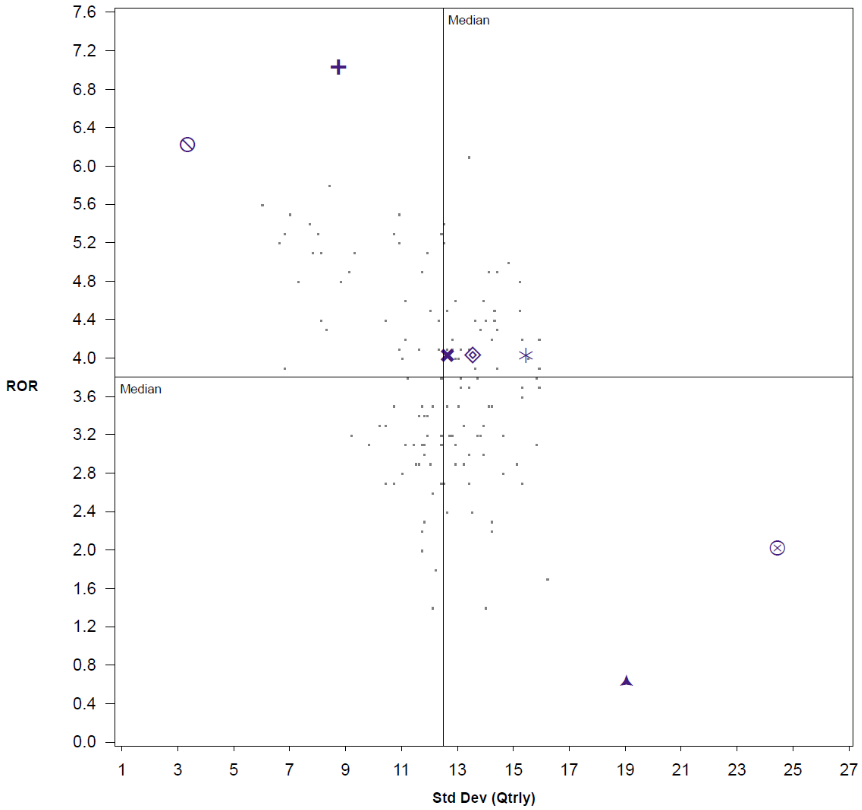
Risk vs. Return Analysis – 5 Years

VERMONT STATE TEACHERS

Total Fund - Universe: Public Funds (DB)

Period Ending September 30, 2010

Risk vs. Return - 5 Year



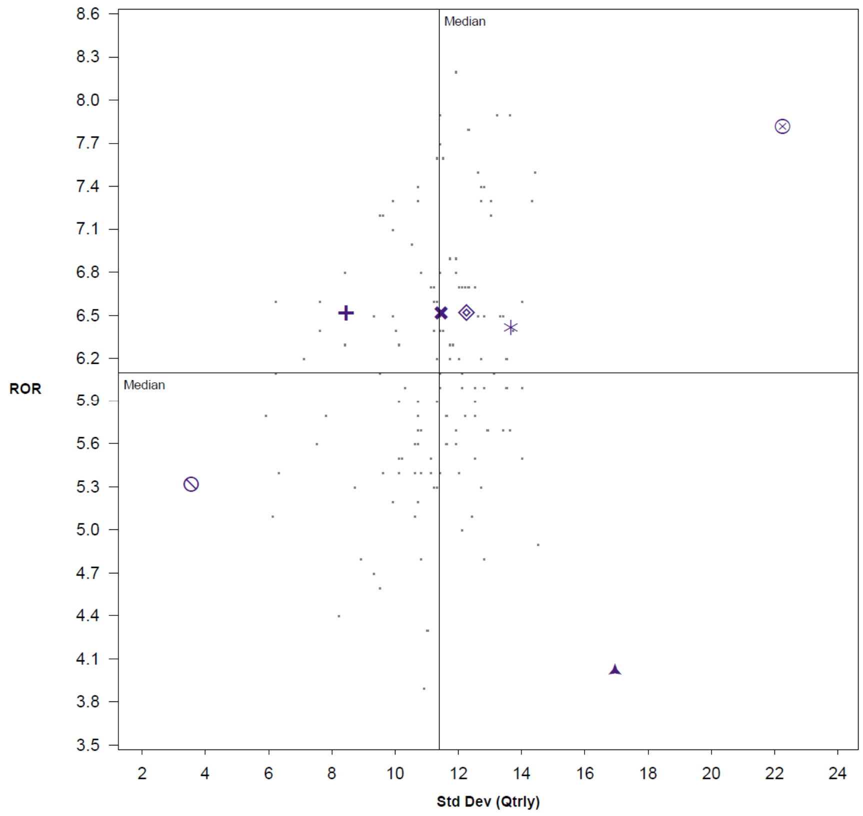
NAME	Return		Standard Deviation		Sharpe Ratio	
TRS COMPOSITE	**4.0**	**44**	**15.5**	**95**	**0.1**	**51**
TRS Allocation	4.0	44	13.6	71	0.1	49
POLICY INDEX	4.0	41	12.7	55	0.1	44
S&P 500	*0.6*	*100*	*19.1*	*100*	*-0.1*	*100*
BC AGGREGATE	*6.2*	*1*	*3.4*	*1*	*1.1*	*1*
MSCI EAFE (NET)	*2.0*	*98*	*24.5*	*100*	*-0.0*	*95*
Citigroup WGBI (All Maturities)	*7.0*	*1*	*8.8*	*10*	*0.5*	*1*
Median	3.8		12.5		0.1	

Funded status as of Fiscal Year 2009 = 65%

Risk vs. Return Analysis – 7 Years

VERMONT STATE TEACHERS
Total Fund - Universe: Public Funds (DB)
Period Ending September 30, 2010

Risk vs. Return - 7 Year



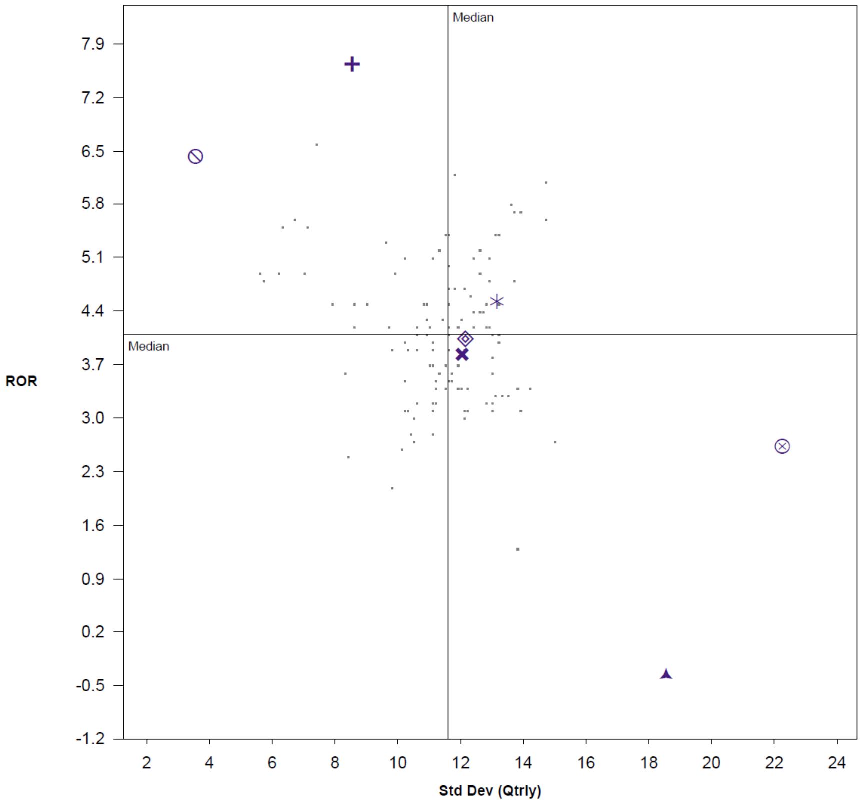
NAME	Return		Standard Deviation		Sharpe Ratio	
TRS COMPOSITE	**6.4**	**40**	**13.7**	**95**	**0.3**	**70**
TRS Allocation	6.5	37	12.3	72	0.3	49
POLICY INDEX	6.5	34	11.5	55	0.4	40
S&P 500	*4.0*	*100*	*17.0*	*100*	*0.1*	*100*
BC AGGREGATE	*5.3*	*87*	*3.6*	*1*	*0.8*	*1*
MSCI EAFE (NET)	*7.8*	*5*	*22.3*	*100*	*0.2*	*92*
Citigroup WGBI (All Maturities)	*6.5*	*37*	*8.5*	*10*	*0.5*	*11*
Median	6.1		11.4		0.3	

Funded status as of Fiscal Year 2009 = 65%

Risk vs. Return Analysis – 10 Years

VERMONT STATE TEACHERS
Total Fund - Universe: Public Funds (DB)
Period Ending September 30, 2010

Risk vs. Return - 10 Year



NAME	Return		Standard Deviation		Sharpe Ratio	
TRS COMPOSITE	**4.5**	**32**	**13.2**	**86**	**0.1**	**44**
TRS Allocation	4.0	55	12.2	67	0.1	58
POLICY INDEX	3.8	63	12.1	63	0.1	62
S&P 500	*-0.4*	*100*	*18.6*	*100*	*-0.2*	*100*
BC AGGREGATE	*6.4*	*2*	*3.6*	*1*	*1.1*	*1*
MSCI EAFE (NET)	*2.6*	*98*	*22.3*	*100*	*0.0*	*97*
Citigroup WGBI (All Maturities)	*7.6*	*1*	*8.6*	*9*	*0.6*	*1*
Median	4.1		11.6		0.1	

Funded status as of Fiscal Year 2009 = 65%

9/30/2010