



NEPC, LLC

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## Vermont Pension Investment Committee

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### Second Quarter State Employees' Investment Performance Analysis

October 25<sup>th</sup>, 2016

Douglas W. Moseley, Partner  
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Richard M. Charlton, Chairman  
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# NEPC Update

# NEPC Updates

June 30, 2016

## Highlights of Second Quarter Happenings at NEPC

### NEPC Research

#### Recent White Papers

- "Thinking Ahead to Stay Ahead: Strategic Private Equity Investing in Healthcare" (April 2016)
- Market Chatter: "Implications of Brexit" (June 2016)
- Market Chatter: "Brexit... What Now?" (June 2016)
- "The Disease of Doubt" (July 2016)

#### Webinar

- "Brexit - A Vote for Volatility" (June 2016); Panel provides perspectives on the EU Referendum.



### NEPC's 21<sup>st</sup> Annual Investment Conference

"Excellent breadth of materials, plenty of concurrent sessions, and the speakers were vibrant and humorous!" is just one of many positive reviews from attendees. The conference attracted more than 200 people to the Hynes Convention Center in Boston on May 10-11, 2016.

### News from NEPC

We are excited to announce NEPC's active presence on five social media channels: Facebook, Google+, LinkedIn, Twitter and YouTube, and we will continue to post on the Endowments and Foundations Twitter. We will be using these online channels to share company news, information and articles throughout the industry. Those interested in keeping up with the latest news from NEPC can follow our accounts. Company news and industry insights will continue to be available on our website, which has been updated with a new optimized search feature.



### Upcoming Events

NEPC's 22<sup>nd</sup> Annual Investment Conference will be held on May 9-10, 2017 at the InterContinental Hotel in Boston, MA.

MARK YOUR CALENDAR!

### NEPC Client Recognitions

We are pleased to announce that three of NEPC's public fund clients won Institutional Investor (II) Awards.

- **Arn Andrews**, CIO of San Jose Police & Fire, won the award for Chief Investment Officer of the Year.
- **Sam Masoudi**, CIO of Wyoming Retirement System, won the award for Opportunistic Investment Strategies Award.
- **Bob Jacksha**, CIO of New Mexico Employees Retirement Board, won the award for Portfolio Construction.

We are also pleased to announce that two NEPC clients, **San Bernardino County Employees' Retirement System** and **Arizona Public Safety Personnel Retirement System**, were nominated for Institutional Investor magazine's 14th Annual Hedge Fund Industry Awards in the "Public Plan of the Year, Small" category.



NEPC, LLC

June 30, 2016

# Market Environment

- **US economic cycle and US central bank policy are at the forefront of major cyclical and secular forces informing our Assumptions and Actions**
  - These factors interact to create a supportive environment for risk assets in the near term but ultimately push long term capital market forecasts lower relative to history
- **The US economy is nearly 7 years removed from the previous recession but the health of US consumers can extend the expansion**
  - Prolonged US economic cycle has the potential to push the US dollar higher
- **Persistent US Dollar strength tightens global monetary conditions and materially weakens the US corporate earnings profile**
  - A strong dollar strains international borrowers with dollar based debt
  - Outsized credit growth in Asia, specifically China, at risk from a stronger US dollar
- **Influence of central bank policies in the developed world remain broadly supportive for risk assets but come with long term effects**
  - US policy is slowly diverging from Europe and Japan but gradual expected pace of hikes provides a positive backdrop for US equities and credit in the near term
  - Extraordinary central bank measures from Europe and Japan continue to expand and support a strong bias to equities in these markets

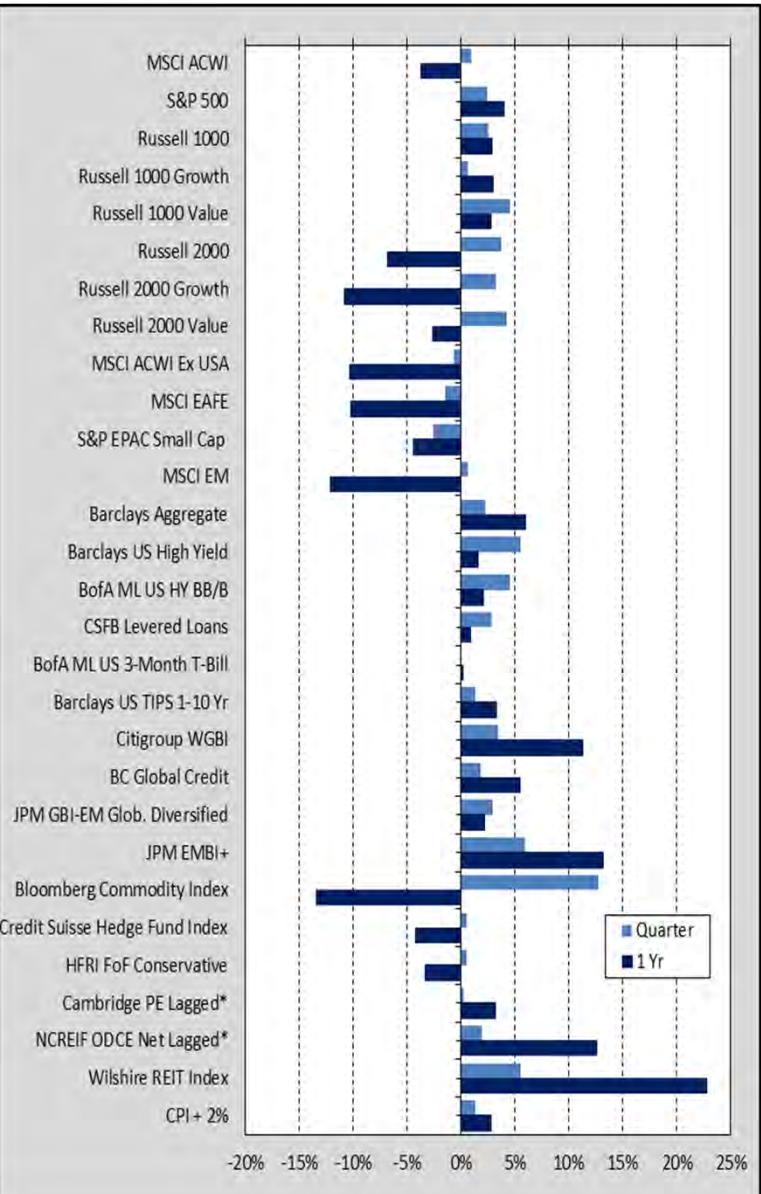
- **US economic expansion continues as Federal Reserve begins policy shift**
  - Economic conditions and health of US consumers remain supportive for growth
  - US Corporate earnings quality has weakened under pressure from profit margin declines
- **Central Banks continue to dictate the global investment outlook**
  - Subdued market expectation of Fed action over next 36 months; a surprise Fed rate increase poses risk to both US equities and interest rates
  - ECB and BoJ likely to maintain and expand accommodative monetary policies
  - Easing in China is broadly stimulative in the near term but currency policy is unpredictable
- **Rise of political populism fuels equity and currency market uncertainty**
  - Populist movements are destabilizing for the established political and economic order posing a risk for the cohesion of the European Union and global trade relationships
  - However, elevated risk offers an opportunity should market sentiment be overly pessimistic
- **Large currency adjustments across most emerging countries have provided a foundation to support improved capital market returns**
  - Continued political and economic reform is needed across EM to stimulate economic growth
  - Chinese Yuan (RMB) depreciation has been incremental relative to other EM FX adjustments and fears of further adjustment remain an over-hanging concern
- **Embrace illiquidity in opportunistic credit and private credit strategies**
  - Stressed credit liquidity magnifies the scale of price movements in traditional credit assets
  - Credit markets ability to absorb an exodus from crowded positions is challenged

- **Trim US equity exposure as US markets have rebounded significantly**
  - Remain disciplined and look for rebalancing opportunities should equity markets decline
  - Look to capture pockets of value in US high yield with credit spreads in-line with averages
- **Maintain overweight exposure to non-US developed market equities**
  - Central bank support and dollar strength provide a positive economic backdrop
  - A more dramatic expansion of political risk may soften our overweight view
  - Small-cap equity and global equity are preferred implementation approaches
    - These strategies offer the best opportunity to exploit valuation discrepancies among individual stocks that may result from elevated volatility levels
- **Recommend investors continue to hedge developed market currencies**
  - 50% hedge ratio remains an ideal neutral point for developed currency exposure
  - Current US dollar valuation hovers within a neutral band, opportunities to tactically adjust currency hedge ratios may arise should the US dollar significantly strengthen or weaken
- **Recent strength validates commitment to emerging market equities**
  - Valuations and long-term fundamentals suggest an overweight
  - China uncertainty, dollar pressure and idiosyncratic country risks temper excitement
  - Overweight small-cap and consumer focused strategies relative to broad mandates
- **Developed market duration exposure is generally unattractive**
  - Preserve US duration exposure with a bias towards TIPS over core bonds
  - Rebalance long treasuries, long credit, and risk parity following recent outsized gains
  - Look to eliminate WGBI focused global bond strategies with yields at historic lows

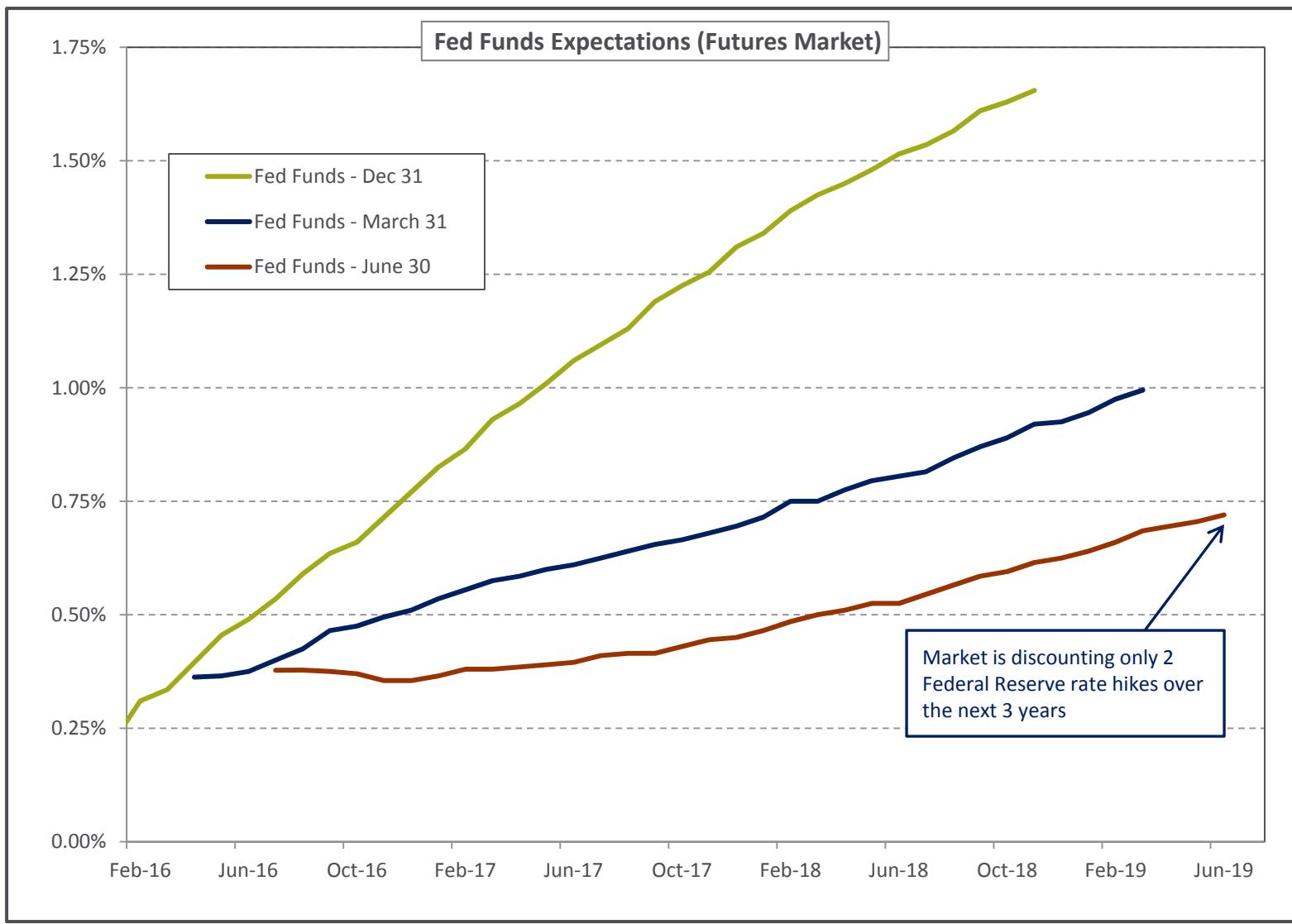
# Market Environment – Q2 2016 Overview

		<u>Qtr.</u>	<u>1 Yr.</u>	<u>3 Yr.</u>	<u>5 Yr.</u>	<u>10 Yr.</u>
<b>World Equity Benchmarks</b>						
MSCI ACWI	World	1.0%	-3.7%	6.0%	5.4%	4.3%
		<u>Qtr.</u>	<u>1 Yr.</u>	<u>3 Yr.</u>	<u>5 Yr.</u>	<u>10 Yr.</u>
<b>Domestic Equity Benchmarks</b>						
S&P 500	Large Core	2.5%	4.0%	11.7%	12.1%	7.4%
Russell 1000	Large Core	2.5%	2.9%	11.5%	11.9%	7.5%
Russell 1000 Growth	Large Growth	0.6%	3.0%	13.1%	12.3%	8.8%
Russell 1000 Value	Large Value	4.6%	2.9%	9.9%	11.4%	6.1%
Russell 2000	Small Core	3.8%	-6.7%	7.1%	8.4%	6.2%
Russell 2000 Growth	Small Growth	3.2%	-10.8%	7.7%	8.5%	7.1%
Russell 2000 Value	Small Value	4.3%	-2.6%	6.4%	8.1%	5.2%
		<u>Qtr.</u>	<u>1 Yr.</u>	<u>3 Yr.</u>	<u>5 Yr.</u>	<u>10 Yr.</u>
<b>International Equity Benchmarks</b>						
MSCI ACWI Ex USA	World ex-US	-0.6%	-10.2%	1.2%	0.1%	1.9%
MSCI EAFE	Int'l Developed	-1.5%	-10.2%	2.1%	1.7%	1.6%
S&P EPAC Small Cap	Small Cap Int'l	-2.6%	-4.4%	7.6%	5.0%	4.3%
MSCI EM	Emerging Equity	0.7%	-12.1%	-1.6%	-3.8%	3.5%
		<u>Qtr.</u>	<u>1 Yr.</u>	<u>3 Yr.</u>	<u>5 Yr.</u>	<u>10 Yr.</u>
<b>Domestic Fixed Income Benchmarks</b>						
Barclays Aggregate	Core Bonds	2.2%	6.0%	4.1%	3.8%	5.1%
Barclays US High Yield	High Yield	5.5%	1.6%	4.2%	5.8%	7.6%
BofA ML US HY BB/B	High Yield	4.6%	2.1%	4.6%	5.9%	7.0%
CSFB Levered Loans	Bank Loans	2.9%	0.9%	3.0%	4.0%	4.2%
BofA ML US 3-Month T-Bill	Cash	0.1%	0.2%	0.1%	0.1%	1.0%
Barclays US TIPS 1-10 Yr	Inflation	1.3%	3.3%	1.6%	1.6%	4.0%
		<u>Qtr.</u>	<u>1 Yr.</u>	<u>3 Yr.</u>	<u>5 Yr.</u>	<u>10 Yr.</u>
<b>Global Fixed Income Benchmarks</b>						
Citigroup WGBI	World Gov. Bonds	3.4%	11.3%	2.6%	1.2%	4.2%
BC Global Credit	Global Bonds	1.9%	5.5%	3.2%	3.1%	4.7%
JPM GBI-EM Glob. Diversified	Em. Mkt. Bonds (Local)	3.0%	2.2%	-3.5%	-2.2%	5.7%
JPM EMBI+	Em. Mkt. Bonds	6.0%	13.2%	7.1%	6.4%	8.0%
		<u>Qtr.</u>	<u>1 Yr.</u>	<u>3 Yr.</u>	<u>5 Yr.</u>	<u>10 Yr.</u>
<b>Alternative Benchmarks</b>						
Bloomberg Commodity Index	Commodity	12.7%	-13.4%	-10.6%	-10.8%	-5.6%
Credit Suisse Hedge Fund Index	Hedge Fund	0.6%	-4.2%	2.5%	2.9%	4.2%
HFRI FoF Conservative	Fund of Funds	0.5%	-3.3%	1.9%	1.9%	1.4%
Cambridge PE Lagged*	Private Equity	0.3%	3.2%	10.9%	11.4%	10.8%
NCREIF ODCE Net Lagged*	Real Estate	2.0%	12.6%	12.6%	12.2%	5.4%
Wilshire REIT Index	REIT	5.6%	22.8%	13.6%	12.5%	7.0%
CPI + 2%	Inflation/Real Assets	1.3%	2.8%	3.0%	3.3%	3.8%

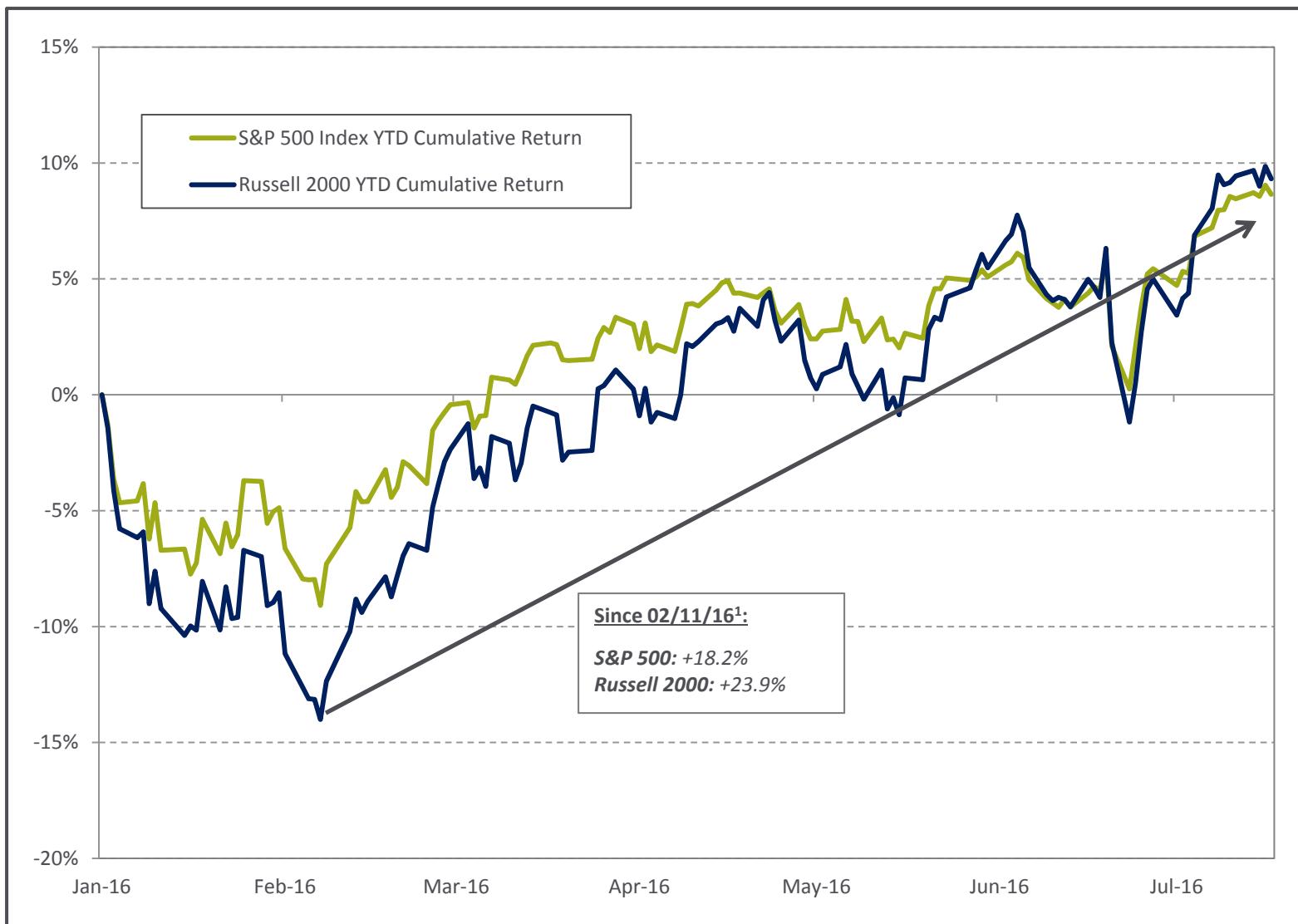
\* As of 3/31/2016



## An Uptick in Fed Funds Expectations of Current Lows is Likely to Fuel Dollar Strength

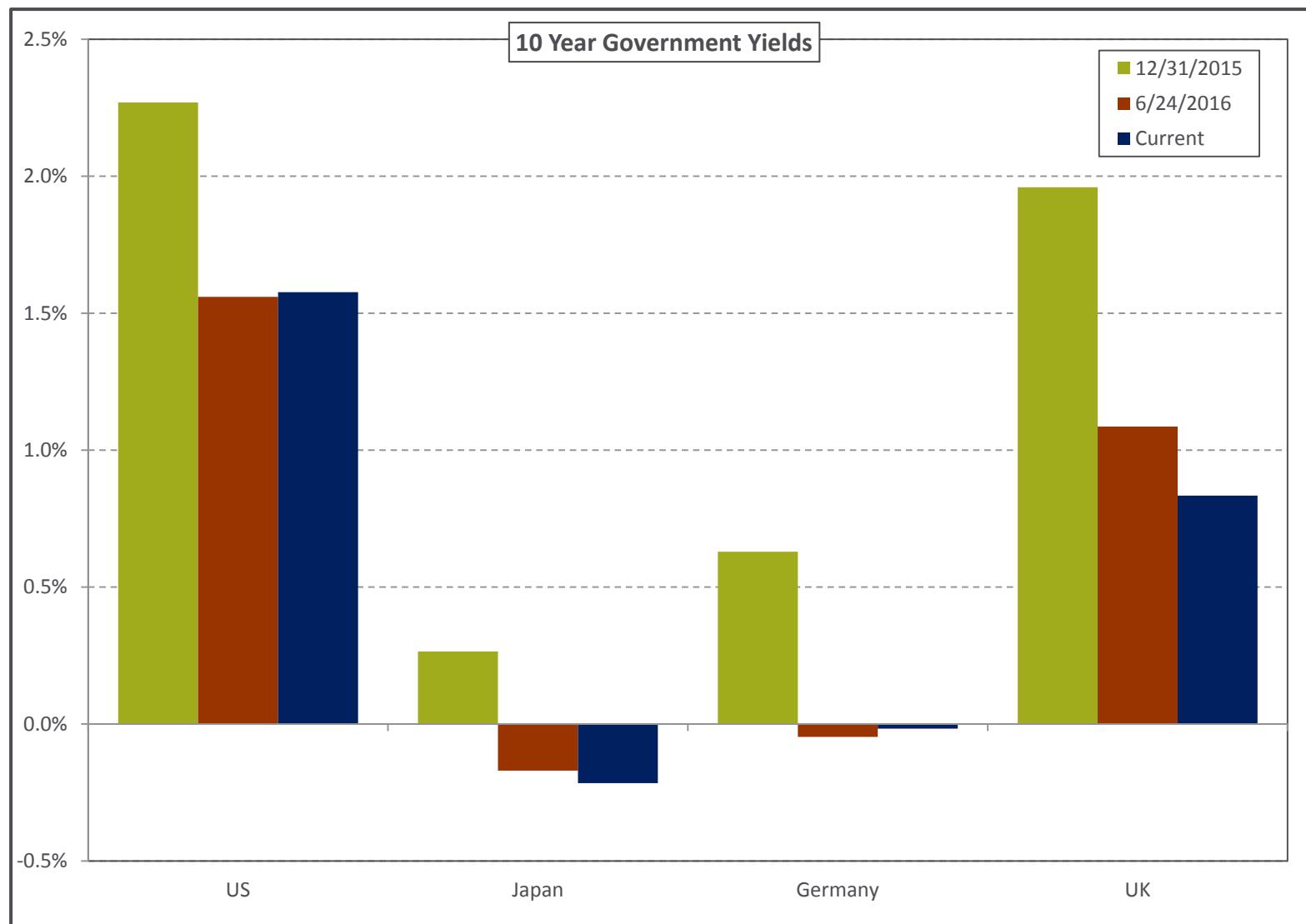


## Significant US Equity Gains From February Lows – Remain Disciplined in Rebalancing



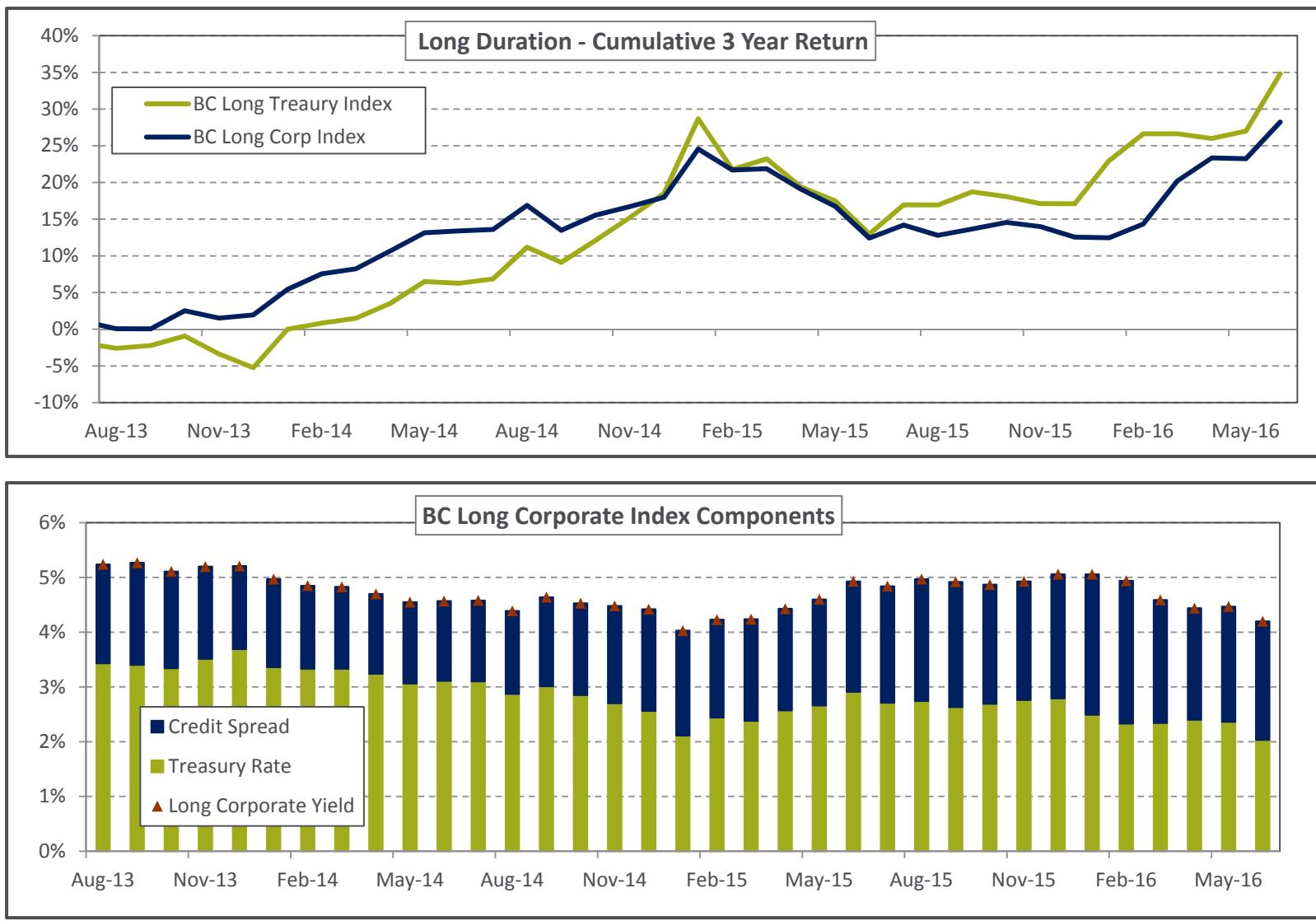
Source: Bloomberg  
<sup>1</sup>As of July 22, 2016

## Global Bond Yields at Record Lows; Re-Evaluate WGBI Exposure



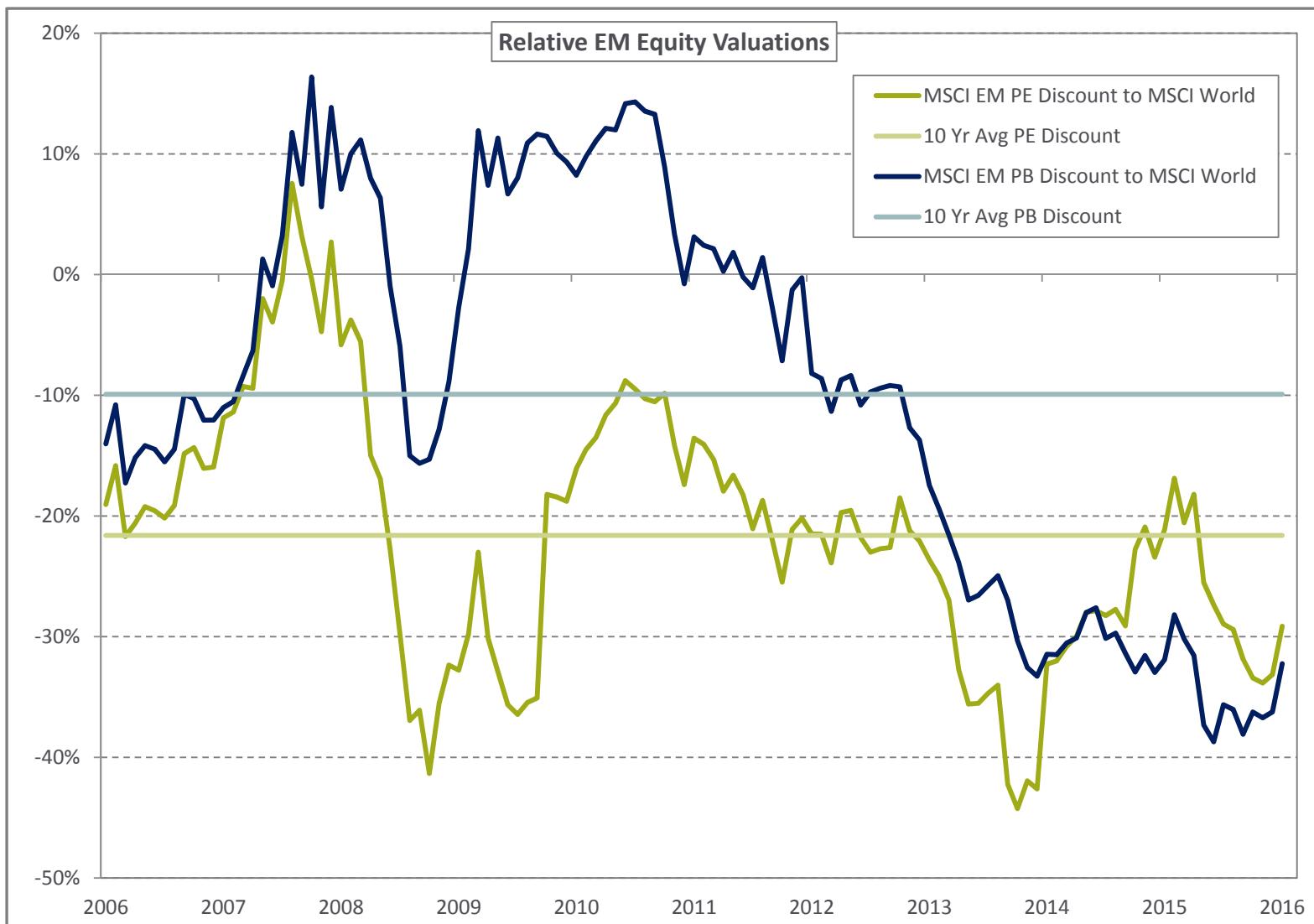
Source: Bloomberg  
Results of Brexit vote announced on 06/24/2016

## Treasury Exposure Provided Significant Gains – Opportunities for Profit Taking in Long Bonds



Source: Bloomberg

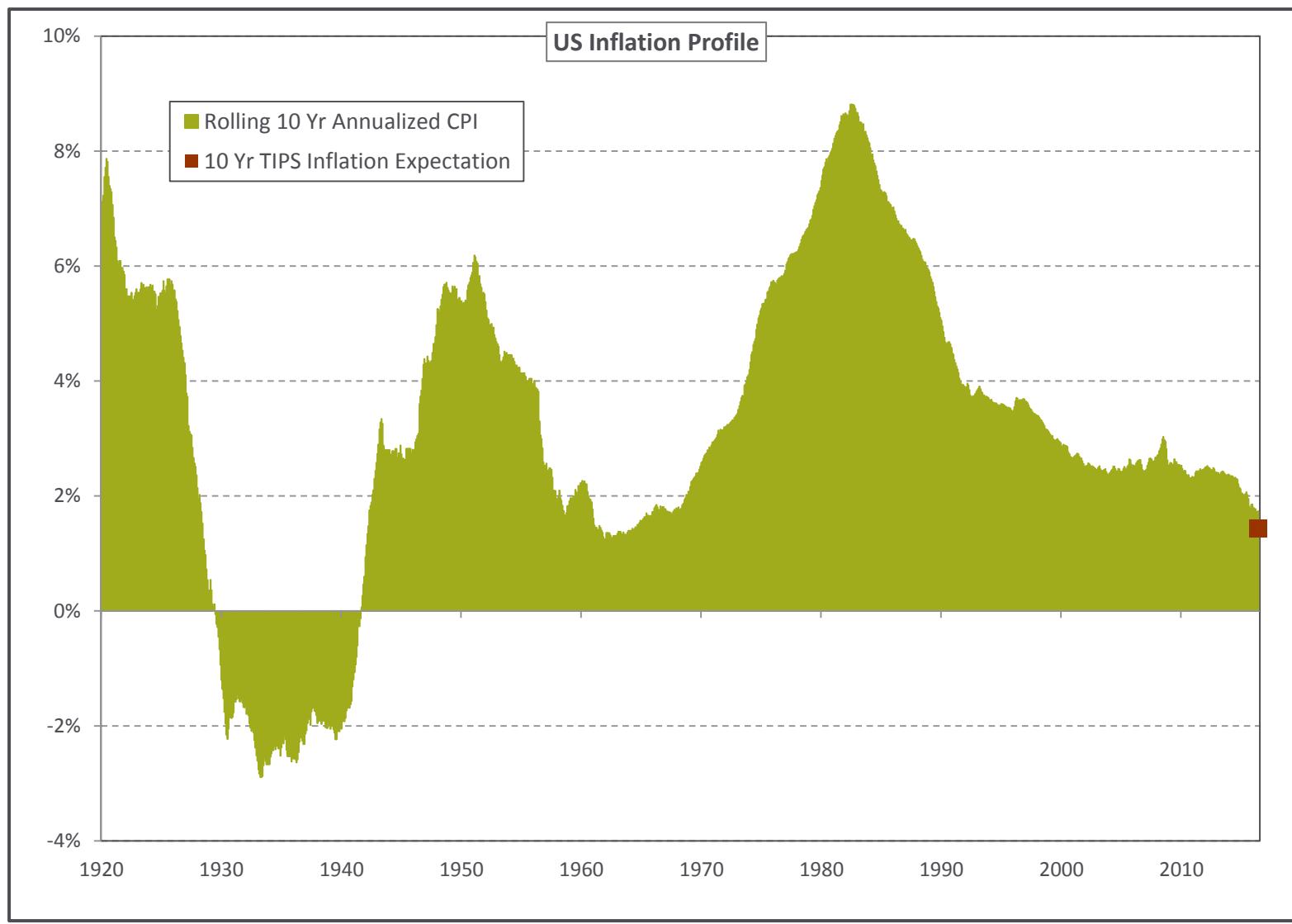
## Emerging Markets Continue to Offer Reasonable Equity Valuations



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June 30, 2016

## US Inflation Expectations Near Historic Lows – Attractive Valuation for TIPS Relative to Core Bonds



## Index Performance Summary as of 07/29/2016

	2009	2010	2011	2012	2013	2014	2015	Q1	Q2	July	YTD
<b>Barclays US STRIPS 20+ Yr</b>	-36.0%	10.9%	58.5%	3.0%	-21.0%	46.4%	-3.7%	11.4%	9.6%	3.9%	26.7%
<b>FTSE NAREIT Equity REITs</b>	28.0%	28.0%	8.3%	18.1%	2.5%	30.1%	3.2%	6.0%	7.0%	4.2%	18.1%
<b>Barclays US Govt/Credit Long</b>	1.9%	10.2%	22.5%	8.8%	-8.8%	19.3%	-3.3%	7.3%	6.5%	2.6%	17.2%
<b>Barclays US Long Credit</b>	16.8%	10.7%	17.1%	12.7%	-6.6%	16.4%	-4.6%	6.8%	6.7%	2.8%	17.1%
<b>Alerian MLP</b>	76.4%	35.9%	13.9%	4.8%	27.6%	4.8%	-32.6%	-4.2%	19.7%	0.6%	15.3%
<b>JPM GBI-EM Global Div</b>	22.0%	15.7%	-1.8%	16.8%	-9.0%	-5.7%	-14.9%	11.0%	2.7%	0.6%	14.7%
<b>JPM EMBI Global Diversified</b>	29.8%	12.2%	7.3%	17.4%	-5.3%	7.4%	1.2%	5.0%	5.0%	1.8%	12.3%
<b>Barclays US Corporate HY</b>	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	-4.5%	3.4%	5.5%	2.7%	12.0%
<b>MSCI EM</b>	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	-14.9%	5.7%	0.7%	5.0%	11.8%
<b>Citi WGBI</b>	2.6%	5.2%	6.4%	1.6%	-4.0%	-0.5%	-3.6%	7.1%	3.4%	0.5%	11.3%
<b>Russell 2500</b>	34.4%	26.7%	-2.5%	17.9%	36.8%	7.1%	-2.9%	0.4%	3.6%	5.2%	9.4%
<b>Russell 2000</b>	27.2%	26.9%	-4.2%	16.3%	38.8%	4.9%	-4.4%	-1.5%	3.8%	6.0%	8.3%
<b>Russell 1000</b>	28.4%	16.1%	1.5%	16.4%	33.1%	13.2%	0.9%	1.2%	2.5%	3.8%	7.7%
<b>S&amp;P 500</b>	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	1.3%	2.5%	3.7%	7.7%
<b>Bloomberg Commodity</b>	18.9%	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-24.7%	0.4%	12.8%	-5.1%	7.5%
<b>Barclays US Agg Bond</b>	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	0.5%	3.0%	2.2%	0.6%	6.0%
<b>Credit Suisse Leveraged Loan</b>	44.9%	10.0%	1.8%	9.4%	6.2%	2.1%	-0.4%	1.3%	2.9%	1.4%	5.7%
<b>MSCI ACWI</b>	34.6%	12.7%	-7.3%	16.1%	22.8%	4.2%	-2.4%	0.2%	1.0%	4.3%	5.6%
<b>Barclays Municipal</b>	12.9%	2.4%	10.7%	6.8%	-2.6%	9.1%	3.3%	1.7%	2.6%	0.1%	4.4%
<b>Barclays US Agg Iterm</b>	6.5%	6.1%	6.0%	3.6%	-1.0%	4.1%	1.2%	2.3%	1.4%	0.3%	4.1%
<b>BC US Govt/Credit 1-3 Yr</b>	3.8%	2.8%	1.6%	1.3%	0.6%	0.8%	0.7%	1.0%	0.7%	0.0%	1.7%
<b>MSCI EAFE</b>	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	-0.8%	-3.0%	-1.5%	5.1%	0.4%
<b>Credit Suisse Hedge Fund</b>	18.6%	10.9%	-2.5%	7.7%	9.7%	4.1%	-0.7%	-2.2%	0.6%	-0.1%	-1.6%

Source: Morningstar Direct



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## Index Performance Summary as of 08/31/2016

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<b>Barclays US STRIPS 20+ Yr</b>	-36.0%	10.9%	58.5%	3.0%	-21.0%	46.4%	-3.7%	11.4%	9.6%	3.9%	-1.1%	25.3%
<b>Barclays US Long Credit</b>	16.8%	10.7%	17.1%	12.7%	-6.6%	16.4%	-4.6%	6.8%	6.7%	2.8%	0.6%	17.8%
<b>Barclays US Govt/Credit Long</b>	1.9%	10.2%	22.5%	8.8%	-8.8%	19.3%	-3.3%	7.3%	6.5%	2.6%	0.0%	17.2%
<b>JPM GBI-EM Global Div</b>	22.0%	15.7%	-1.8%	16.8%	-9.0%	-5.7%	-14.9%	11.0%	2.7%	0.6%	0.0%	14.8%
<b>MSCI EM</b>	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	-14.9%	5.7%	0.7%	5.0%	2.5%	14.5%
<b>Barclays US Corporate HY</b>	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	-4.5%	3.4%	5.5%	2.7%	2.1%	14.3%
<b>JPM EMBI Global Diversified</b>	29.8%	12.2%	7.3%	17.4%	-5.3%	7.4%	1.2%	5.0%	5.0%	1.8%	1.8%	14.3%
<b>Alerian MLP</b>	76.4%	35.9%	13.9%	4.8%	27.6%	4.8%	-32.6%	-4.2%	19.7%	0.6%	-1.3%	13.8%
<b>FTSE NAREIT Equity REITs</b>	28.0%	28.0%	8.3%	18.1%	2.5%	30.1%	3.2%	6.0%	7.0%	4.2%	-3.7%	13.8%
<b>Citi WGBI</b>	2.6%	5.2%	6.4%	1.6%	-4.0%	-0.5%	-3.6%	7.1%	3.4%	0.5%	-0.9%	10.4%
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<b>Russell 2000</b>	27.2%	26.9%	-4.2%	16.3%	38.8%	4.9%	-4.4%	-1.5%	3.8%	6.0%	1.8%	10.2%
<b>Russell 1000</b>	28.4%	16.1%	1.5%	16.4%	33.1%	13.2%	0.9%	1.2%	2.5%	3.8%	0.1%	7.8%
<b>S&amp;P 500</b>	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	1.3%	2.5%	3.7%	0.1%	7.8%
<b>Credit Suisse Leveraged Loan</b>	44.9%	10.0%	1.8%	9.4%	6.2%	2.1%	-0.4%	1.3%	2.9%	1.4%	0.8%	6.5%
<b>MSCI ACWI</b>	34.6%	12.7%	-7.3%	16.1%	22.8%	4.2%	-2.4%	0.2%	1.0%	4.3%	0.3%	5.9%
<b>Barclays US Agg Bond</b>	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	0.5%	3.0%	2.2%	0.6%	-0.1%	5.9%
<b>Bloomberg Commodity</b>	18.9%	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-24.7%	0.4%	12.8%	-5.1%	-1.8%	5.6%
<b>Barclays Municipal</b>	12.9%	2.4%	10.7%	6.8%	-2.6%	9.1%	3.3%	1.7%	2.6%	0.1%	0.1%	4.5%
<b>Barclays US Agg Iterm</b>	6.5%	6.1%	6.0%	3.6%	-1.0%	4.1%	1.2%	2.3%	1.4%	0.3%	-0.1%	3.9%
<b>BC US Govt/Credit 1-3 Yr</b>	3.8%	2.8%	1.6%	1.3%	0.6%	0.8%	0.7%	1.0%	0.7%	0.0%	-0.1%	1.6%
<b>MSCI EAFE</b>	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	-0.8%	-3.0%	-1.5%	5.1%	0.1%	0.5%
<b>Credit Suisse Hedge Fund</b>	18.6%	10.9%	-2.5%	7.7%	9.7%	4.1%	-0.7%	-2.2%	0.6%	-0.1%	1.1%	-0.5%

Source: Morningstar Direct



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# **State Employees' Retirement System**

## Vermont State Employees

### Total Fund Performance Summary

	Market Value	3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank
<b>Employees Composite</b>	<b>\$1,600,319,433</b>	<b>3.0%</b>	<b>6</b>	<b>5.6%</b>	<b>1</b>	<b>1.0%</b>	<b>33</b>	<b>4.7%</b>	<b>87</b>	<b>4.8%</b>	<b>88</b>
Policy Index		2.2%	24	4.5%	7	1.2%	30	4.9%	84	4.6%	91
Allocation Index		2.4%	16	4.5%	7	0.9%	37	4.6%	88	4.4%	93
InvestorForce Public DB Net Median		1.8%		3.0%		0.4%		6.0%		6.0%	

#### 3 Years Ending June 30, 2016

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Employees Composite	4.74%	87	6.28%	29	0.74	74	1.47	60
Policy Index	4.85%	84	5.78%	12	0.83	65	1.63	41
Allocation Index	4.60%	88	5.93%	14	0.76	72	1.44	63

#### 5 Years Ending June 30, 2016

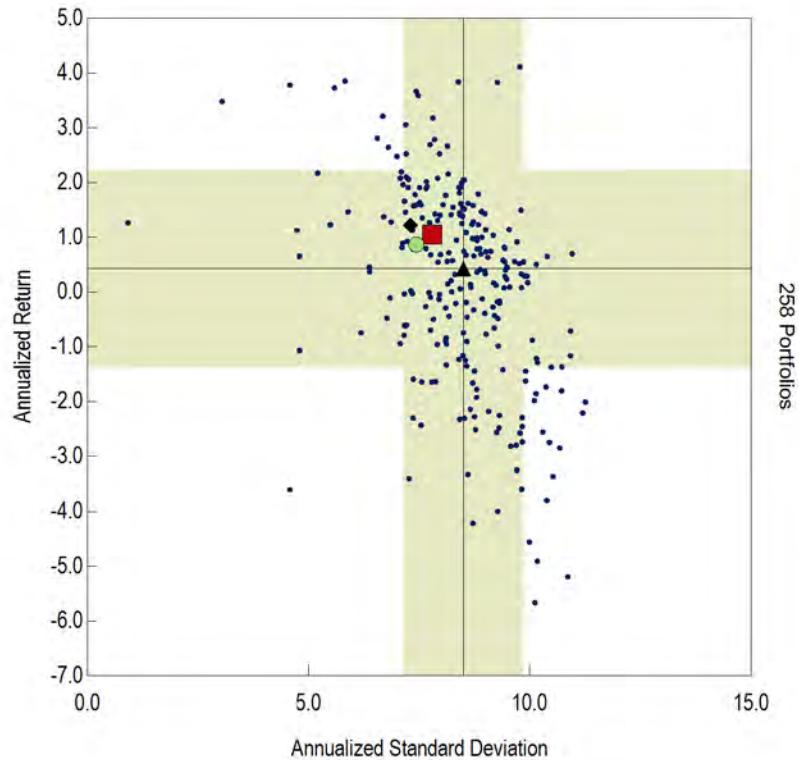
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Employees Composite	4.84%	88	7.01%	33	0.68	74	1.10	65
Policy Index	4.59%	91	6.66%	21	0.68	74	1.05	71
Allocation Index	4.41%	93	6.74%	25	0.65	80	0.97	76

#### Actual vs Target Allocation (%)



# Vermont State Employees Total Fund Risk/Return

1 Year Ending June 30, 2016

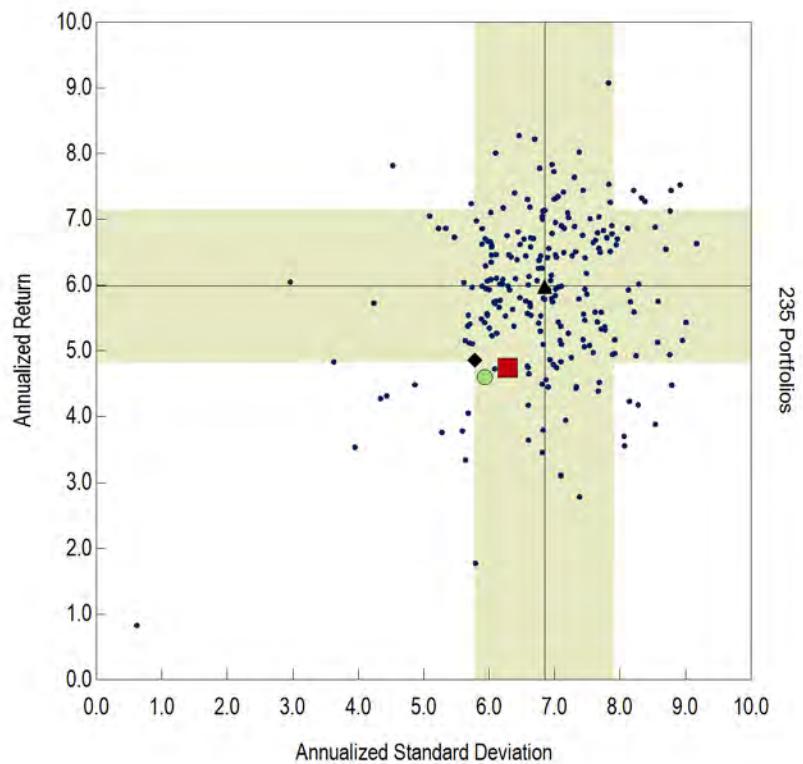


1 Year Ending June 30, 2016

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Employees Composite	1.05%	33	7.80%	29	0.11	32
Policy Index	1.22%	30	7.30%	17	0.15	27
S&P 500	3.99%	1	14.50%	99	0.26	10
Citi WGBI	11.26%	1	5.84%	4	1.90	1
MSCI ACWI	-3.73%	98	15.50%	99	-0.25	87
MSCI ACWI ex USA	-10.24%	99	16.89%	99	-0.62	99
InvestorForce Public DB Net Median	0.43%	--	8.50%	--	0.03	--

# Vermont State Employees Total Fund Risk/Return

3 Years Ending June 30, 2016

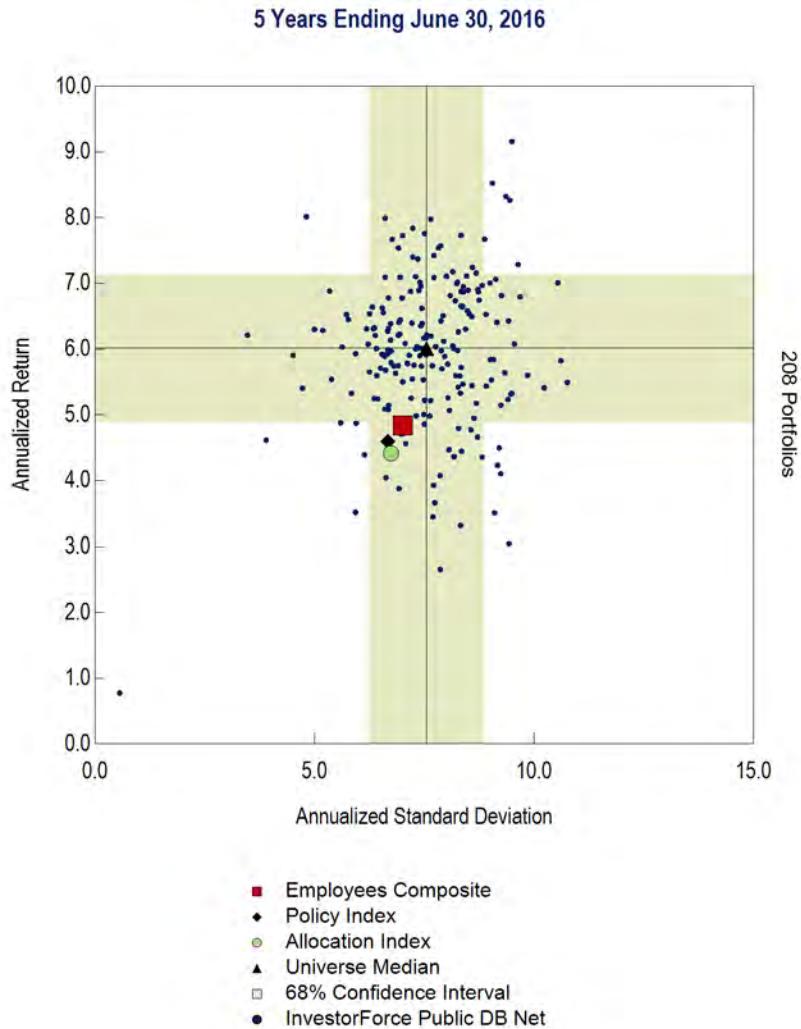


- Employees Composite
- ◆ Policy Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Net

3 Years Ending June 30, 2016

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Employees Composite	4.74%	87	6.28%	29	0.74	74
Policy Index	4.85%	84	5.78%	12	0.83	65
S&P 500	11.66%	1	11.25%	99	1.03	19
Citi WGBI	2.65%	99	5.11%	4	0.50	97
MSCI ACWI	6.03%	48	11.82%	99	0.50	97
MSCI ACWI ex USA	1.16%	99	13.25%	99	0.08	99
InvestorForce Public DB Net Median	5.98%	--	6.85%	--	0.88	--

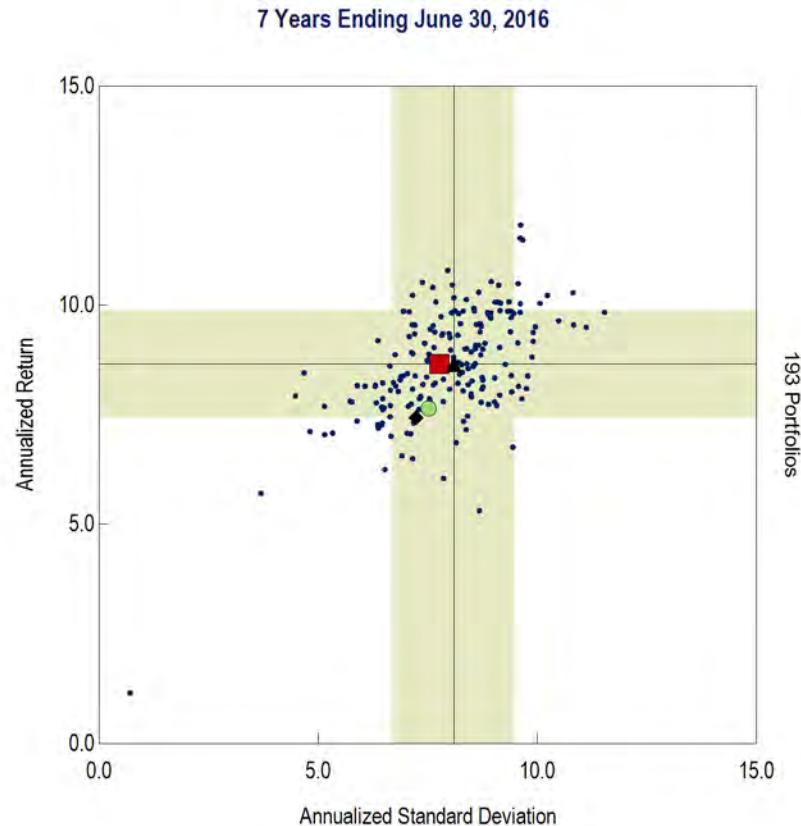
# Vermont State Employees Total Fund Risk/Return



**5 Years Ending June 30, 2016**

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Employees Composite	4.84%	88	7.01%	33	0.68	74
Policy Index	4.59%	91	6.66%	21	0.68	74
S&P 500	12.10%	1	12.10%	99	0.99	14
Citi WGBI	1.18%	99	4.97%	3	0.22	99
MSCI ACWI	5.38%	76	13.54%	99	0.39	99
MSCI ACWI ex USA	0.10%	99	15.54%	99	0.00	99
InvestorForce Public DB Net Median	6.01%	--	7.55%	--	0.81	--

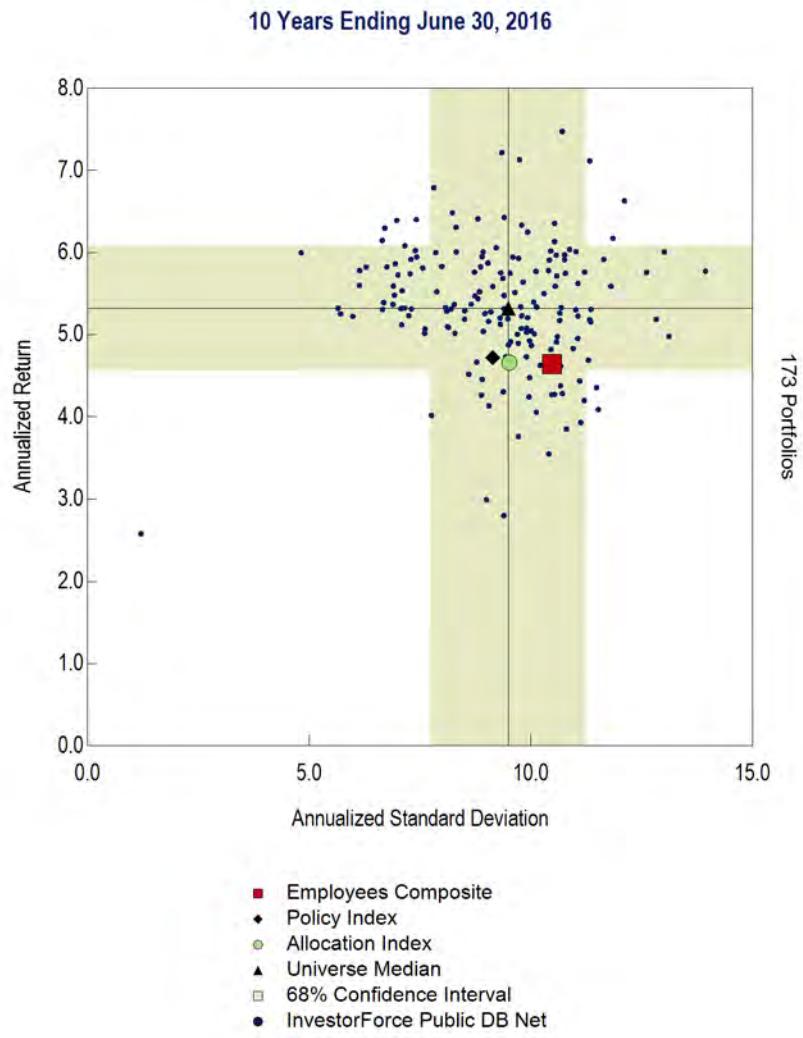
# Vermont State Employees Total Fund Risk/Return



7 Years Ending June 30, 2016

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Employees Composite	8.66%	51	7.76%	43	1.11	46
Policy Index	7.43%	89	7.23%	30	1.02	69
S&P 500	14.92%	1	13.02%	99	1.14	40
Citi WGBI	2.73%	99	5.81%	5	0.46	99
MSCI ACWI	9.52%	27	14.38%	99	0.66	99
MSCI ACWI ex USA	5.35%	99	16.20%	99	0.33	99
InvestorForce Public DB Net Median	8.66%	--	8.09%	--	1.09	--

# Vermont State Employees Total Fund Risk/Return

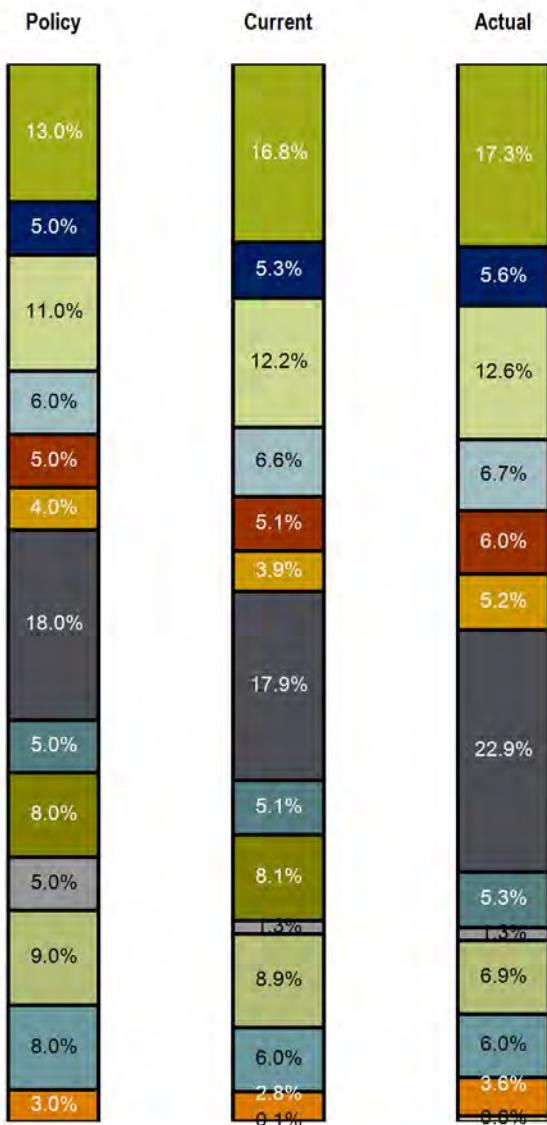


10 Years Ending June 30, 2016

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Employees Composite	4.64%	85	10.47%	74	0.36	88
Policy Index	4.72%	83	9.13%	42	0.42	69
S&P 500	7.42%	1	15.24%	99	0.43	65
Citi WGBI	4.22%	94	6.65%	6	0.50	43
MSCI ACWI	4.26%	93	16.99%	99	0.20	99
MSCI ACWI ex USA	1.87%	99	19.15%	99	0.05	99
InvestorForce Public DB Net Median	5.32%	--	9.48%	--	0.47	--

# Vermont State Employees

## Total Fund Asset Allocation vs. Policy Targets



### Asset Allocation vs. Target

	Current	Interim Policy	Current	Difference*
Large Cap Equity	\$269,529,105	13.0%	16.8%	3.8%
Small/Mid Cap Equity	\$84,369,811	5.0%	5.3%	0.3%
International Equity	\$195,192,842	11.0%	12.2%	1.2%
Emerging Markets Equity	\$105,293,021	6.0%	6.6%	0.6%
High Yield	\$81,769,343	5.0%	5.1%	0.1%
TIPS	\$61,810,370	4.0%	3.9%	-0.1%
Diversified Bond	\$285,810,353	18.0%	17.9%	-0.1%
Emerging Market Debt	\$82,110,493	5.0%	5.1%	0.1%
Risk Parity	\$130,172,384	8.0%	8.1%	0.1%
Private Equity	\$20,053,435	5.0%	1.3%	-3.7%
Absolute Return	\$142,063,129	9.0%	8.9%	-0.1%
Real Estate	\$96,333,222	8.0%	6.0%	-2.0%
Commodities	\$44,902,008	3.0%	2.8%	-0.2%
Cash	\$909,918	--	0.1%	0.1%
<b>Total</b>	<b>\$1,600,319,433</b>	<b>100.0%</b>	<b>100.0%</b>	

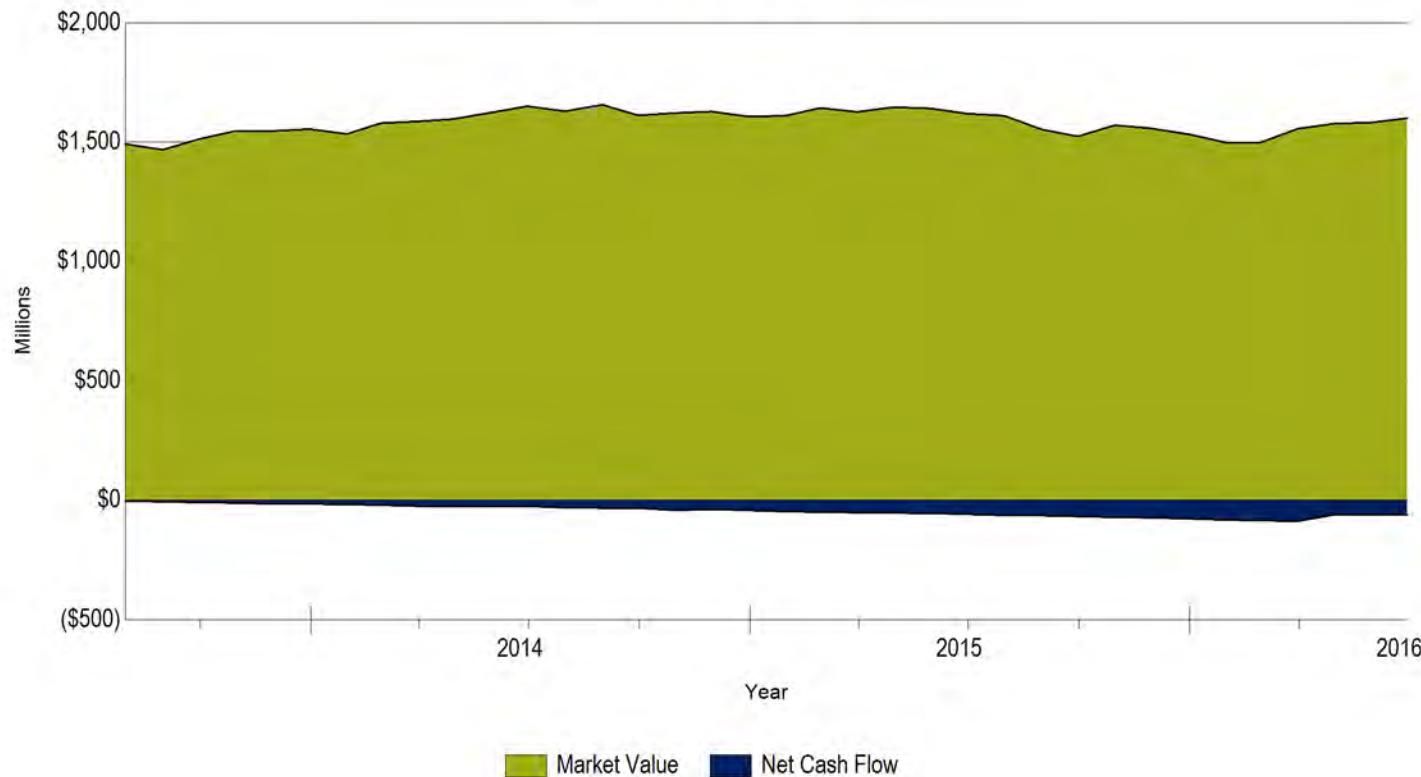
Difference between Interim Policy and Current Allocation

Actual Allocation breaks out Mellon Dynamic Growth and AQR Global Risk Premium

# Vermont State Employees

## Total Fund Asset Growth Summary

3 Years Ending June 30, 2016



	Last Three Months	Year-To-Date	One Year	Three Years
Beginning Market Value	\$1,526,284,653	\$1,533,232,267	\$1,619,392,908	\$1,463,668,721
Withdrawals	-\$42,458,251	-\$262,285,982	-\$330,117,065	-\$803,641,550
Contributions	\$68,986,938	\$278,438,828	\$327,532,901	\$742,356,967
Net Cash Flow	\$26,528,687	\$16,152,846	-\$2,584,165	-\$61,284,583
Net Investment Change	\$47,506,093	\$50,934,320	-\$16,489,310	\$197,935,295
Ending Market Value	\$1,600,319,433	\$1,600,319,433	\$1,600,319,433	\$1,600,319,433



NEPC, LLC

June 30, 2016

## Vermont State Employees

### Total Fund Asset Growth Summary by Manager

		Quarter Ending June 30, 2016				
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value
Aberdeen	\$95,073,306	-\$161,437	\$6,161,437	\$6,000,000	\$4,219,716	\$105,293,021
Acadian	\$63,780,796	-\$79,320	\$79,320	\$0	\$389,022	\$64,169,818
Allianz Structured Alpha	\$49,616,587	-\$20,189,464	\$189,464	-\$20,000,000	\$386,623	\$30,003,210
AQR Global Risk Premium	\$122,896,556	-\$122,128	\$122,128	\$0	\$7,275,828	\$130,172,384
BlackRock TIPS	\$60,768,100	-\$10,325	\$10,325	\$0	\$1,042,270	\$61,810,370
Champlain	\$32,574,606	-\$65,460	\$65,460	\$0	\$2,027,973	\$34,602,579
GAM	\$242,616	-\$65,099	\$0	-\$65,099	\$11,244	\$188,761
GAM Unconstrained Bond	\$54,505,664	-\$58,338	\$58,338	\$0	\$1,149,631	\$55,655,295
Grosvenor	\$79,593,212	\$0	\$0	\$0	\$1,193,872	\$80,787,083
Guggenheim	\$61,874,961	-\$60,007	\$60,007	\$0	\$3,347,552	\$65,222,513
Harbourvest Dover VIII Fund	\$6,980,638	\$0	\$0	\$0	\$0	\$6,980,638
Harbourvest Partners IX Buyout Fund	\$5,237,778	\$0	\$251,165	\$251,165	\$0	\$5,488,943
Harbourvest Partners IX Credit Opportunities	\$815,794	\$0	\$25,120	\$25,120	\$0	\$840,914
Harbourvest Partners IX Venture Fund	\$4,206,068	\$0	\$0	\$0	\$0	\$4,206,068
Harbourvest Partners X Buyout Fund	\$403,109	\$0	\$480,767	\$480,767	\$0	\$883,876
Harbourvest Partners X Venture Fund	\$204,363	\$0	\$247,252	\$247,252	\$0	\$451,614
HIPEP VII	\$982,596	\$0	\$218,786	\$218,786	\$0	\$1,201,382
KDP	\$15,915,797	-\$25,464	\$25,464	\$0	\$631,033	\$16,546,830
Mellon Dynamic Growth	\$0	-\$53,248	\$30,284,802	\$30,231,554	\$852,521	\$31,084,075
Mondrian	\$64,156,512	-\$58,686	\$58,686	\$0	\$300,552	\$64,457,064
Morgan Stanley Prime Property	\$44,073,689	\$0	\$0	\$0	\$1,048,482	\$45,122,171
PIMCO Core Plus	\$90,902,107	-\$56,463	\$56,463	\$0	\$2,157,450	\$93,059,558
PIMCO Unconstrained	\$40,258,172	-\$59,299	\$59,299	\$0	\$430,561	\$40,688,733
RREEF America REIT III	\$1,736,582	-\$436,973	\$0	-\$436,973	\$9,273	\$1,308,882
Schroder	\$39,255,234	\$0	\$0	\$0	\$5,646,774	\$44,902,008

## Vermont State Employees

### Total Fund Asset Growth Summary by Manager

		Quarter Ending June 30, 2016					
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value	
Siguler Guff	\$10,994,229	-\$8,521	\$829,623	\$821,102	\$30,147	\$11,845,478	
SSgA ACWI Ex US	\$37,722,929	-\$6,375	\$29,006,375	\$29,000,000	-\$156,969	\$66,565,960	
SSgA Barclays Aggregate Index	\$48,979,311	-\$5,800	\$5,800	\$0	\$1,089,212	\$50,068,523	
SSgA Russell 2000 Growth	\$8,819,872	-\$1,300	\$1,300	\$0	\$281,251	\$9,101,123	
SSgA S&P 400	\$8,578,670	-\$1,433	\$1,433	\$0	\$343,222	\$8,921,892	
SSgA S&P 500 Cap-Wgt	\$197,821,165	-\$2,507,489	\$7,489	-\$2,500,000	\$4,657,857	\$199,979,022	
SSgA S&P 500 Equal-Wgt	\$67,701,347	-\$5,624	\$5,624	\$0	\$1,845,600	\$69,546,946	
T. Rowe	\$3,137	\$0	\$0	\$0	\$0	\$3,137	
Transwestern / Aslan III	\$102,653	\$0	\$0	\$0	-\$1,689	\$100,964	
UBS Trumbull	\$37,290,209	\$0	\$0	\$0	\$665,517	\$37,955,726	
Vermont Cash	\$1,154,904	-\$834,190	\$589,203	-\$244,986	\$0	\$909,918	
Wellington	\$34,415,754	-\$3,085,808	\$85,808	-\$3,000,000	\$328,463	\$31,744,217	
Wellington DAS	\$48,798,138	-\$4,000,000	\$0	-\$4,000,000	\$1,540,108	\$46,338,245	
Wellington Opportunistic EMD	\$87,847,494	-\$10,500,000	\$0	-\$10,500,000	\$4,762,999	\$82,110,493	
<b>Total</b>	<b>\$1,526,284,653</b>	<b>-\$42,458,251</b>	<b>\$68,986,938</b>	<b>\$26,528,687</b>	<b>\$47,506,093</b>	<b>\$1,600,319,433</b>	

# Vermont State Employees

## Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>Employees Composite</b>	<b>1,600,319,433</b>	<b>100.0</b>	<b>100.0</b>	<b>3.0</b>	<b>6</b>	<b>5.6</b>	<b>1</b>	<b>1.0</b>	<b>33</b>	<b>4.7</b>	<b>87</b>	<b>4.8</b>	<b>88</b>	<b>4.6</b>	<b>85</b>
Policy Index				2.2	24	4.5	7	1.2	30	4.9	84	4.6	91	4.7	83
Allocation Index				2.4	16	4.5	7	0.9	37	4.6	88	4.4	93	4.7	84
InvestorForce Public DB Net Median				1.8		3.0		0.4		6.0		6.0			5.3
<b>US Equity</b>	<b>353,898,916</b>	<b>22.1</b>	<b>18.0</b>	<b>2.7</b>	<b>38</b>	<b>4.7</b>	<b>25</b>	<b>2.1</b>	<b>21</b>	<b>11.2</b>	<b>23</b>	--	--	--	--
Russell 3000				2.6	40	3.6	33	2.1	20	11.1	24	11.6	21	7.4	44
eA All US Equity Net Median				2.1		1.7		-2.7		9.1		9.8		7.1	
<b>Large Cap Comp</b>	<b>269,529,105</b>	<b>16.8</b>	<b>13.0</b>	<b>2.5</b>	<b>30</b>	<b>4.4</b>	<b>22</b>	<b>3.6</b>	<b>18</b>	<b>11.6</b>	<b>26</b>	<b>11.9</b>	<b>19</b>	<b>8.1</b>	<b>26</b>
S&P 500				2.5	31	3.8	25	4.0	16	11.7	25	12.1	14	7.4	42
eA US Large Cap Equity Net Median				1.4		1.0		-1.1		10.1		10.4		7.0	
SSgA S&P 500 Cap-Wgt	199,979,022	12.5	10.0	2.4	31	3.8	26	4.0	16	11.7	25	12.1	14	--	--
S&P 500				2.5	31	3.8	25	4.0	16	11.7	25	12.1	14	7.4	42
SSgA S&P 500 Equal-Wgt	69,546,946	4.3	3.0	2.7	27	6.1	12	2.4	22	11.4	29	11.8	22	8.4	18
S&P 500 Equal Weighted				2.7	28	5.8	14	2.7	21	11.6	26	11.9	20	8.7	14
T. Rowe	3,137	0.0	0.0												
<b>Small/Mid Cap Comp</b>	<b>84,369,811</b>	<b>5.3</b>	<b>5.0</b>	<b>3.4</b>	<b>27</b>	<b>5.7</b>	<b>19</b>	<b>-0.4</b>	<b>17</b>	<b>10.6</b>	<b>16</b>	<b>10.7</b>	<b>15</b>	<b>7.9</b>	<b>36</b>
Russell 2000				3.8	20	2.2	50	-6.7	60	7.1	61	8.4	51	6.2	74
eA US Small-Mid Cap Equity Net Median				2.2		2.2		-5.6		7.8		8.4		7.3	
SSgA S&P 400	8,921,892	0.6	0.5	4.0	13	7.9	11	1.3	21	10.4	27	--	--	--	--
S&P 400 MidCap				4.0	13	7.9	10	1.3	20	10.5	24	10.5	26	8.6	29
eA US Mid Cap Equity Net Median				2.3		2.1		-3.4		9.2		9.3		7.8	
Champlain	34,602,579	2.2	2.0	6.0	3	8.7	8	3.8	10	12.3	7	11.5	16	--	--
Russell 2500				3.6	19	4.0	36	-3.7	53	8.6	64	9.5	48	7.3	68
eA US Mid Cap Equity Net Median				2.3		2.1		-3.4		9.2		9.3		7.8	
Wellington	31,744,217	2.0	2.0	0.6	76	4.2	51	-1.6	31	9.1	20	10.4	19	8.7	6
Russell 2000 Value				4.3	17	6.1	27	-2.6	38	6.4	72	8.1	69	5.2	86
eA US Small Cap Value Equity Net Median				2.2		4.3		-3.9		7.5		9.0		6.6	
SSgA Russell 2000 Growth	9,101,123	0.6	0.5	3.2	54	-1.7	61	-10.8	60	7.6	39	8.4	44	--	--
Russell 2000 Growth				3.2	53	-1.6	61	-10.8	60	7.7	36	8.5	42	7.1	42
eA US Small Cap Growth Equity Net Median				3.6		-0.7		-8.7		7.0		8.2		6.8	

## Vermont State Employees

### Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>Int'l Equity Comp</b>	<b>195,192,842</b>	<b>12.2</b>	<b>11.0</b>	<b>0.1</b>	<b>21</b>	<b>0.0</b>	<b>15</b>	<b>-6.3</b>	<b>30</b>	<b>4.0</b>	<b>35</b>	<b>2.6</b>	<b>54</b>	<b>2.0</b>	<b>67</b>
<i>MSCI EAFE</i>				-1.5	44	-4.4	57	-10.2	62	2.1	68	1.7	73	1.6	76
<i>eA All EAFE Equity Net Median</i>				-1.8		-4.0		-8.8		3.0		2.7		2.5	
Acadian	64,169,818	4.0	4.0	0.5	16	-0.1	15	-2.7	14	5.7	20	3.6	37	1.7	71
Mondrian	64,457,064	4.0	4.0	0.4	19	0.9	10	-7.3	38	3.7	37	2.8	49	2.7	50
<i>MSCI EAFE</i>				-1.5	44	-4.4	57	-10.2	62	2.1	68	1.7	73	1.6	76
SSgA ACWI Ex US	66,565,960	4.2	3.0	-0.5	43	-0.8	40	-10.0	66	1.4	82	0.3	87	--	--
<i>MSCI ACWI ex USA</i>				-0.6	46	-1.0	43	-10.2	66	1.2	82	0.1	89	1.9	77
<i>eA ACWI ex-US All Cap Equity Net Median</i>				-1.1		-2.3		-7.5		3.5		2.7		2.8	
<b>Emerging Market Comp</b>	<b>105,293,021</b>	<b>6.6</b>	<b>6.0</b>	<b>4.1</b>	<b>12</b>	<b>12.6</b>	<b>7</b>	<b>-3.7</b>	<b>7</b>	<b>-1.1</b>	<b>57</b>	--	--	--	--
Aberdeen	105,293,021	6.6	6.0	4.1	12	12.6	7	-3.7	7	-1.1	57	-0.4	19	--	--
<i>MSCI Emerging Markets</i>				0.7	75	6.4	44	-12.1	72	-1.6	69	-3.8	77	3.5	72
<i>eA Emg Mkts Equity Net Median</i>				1.8		5.9		-9.7		-0.8		-2.3		4.5	
<b>US Fixed Income</b>	<b>429,390,066</b>	<b>26.8</b>	<b>27.0</b>	<b>2.7</b>	<b>35</b>	<b>5.6</b>	<b>34</b>	<b>4.6</b>	<b>42</b>	<b>3.9</b>	<b>43</b>	--	--	--	--
Barclays Aggregate				2.2	49	5.3	38	6.0	27	4.1	39	3.8	52	5.1	47
<i>eA All US Fixed Inc Net Median</i>				2.2		4.5		4.0		3.6		3.9		5.0	
<b>Diversified Fixed</b>	<b>285,810,353</b>	<b>17.9</b>	<b>18.0</b>	<b>2.3</b>	<b>46</b>	<b>5.1</b>	<b>43</b>	<b>5.4</b>	<b>33</b>	<b>4.1</b>	<b>38</b>	<b>4.2</b>	<b>44</b>	<b>4.4</b>	<b>63</b>
Barclays Aggregate				2.2	49	5.3	38	6.0	27	4.1	39	3.8	52	5.1	47
<i>eA All US Fixed Inc Net Median</i>				2.2		4.5		4.0		3.6		3.9		5.0	
PIMCO Core Plus	93,059,558	5.8	6.0	2.3	53	4.8	78	4.9	85	3.5	85	3.8	67	--	--
<i>Barclays Aggregate</i>				2.2	63	5.3	43	6.0	41	4.1	56	3.8	70	5.1	75
Wellington DAS	46,338,245	2.9	3.0	3.4	1	8.3	1	14.4	1	9.3	1	9.1	1	--	--
<i>Wellington Custom Benchmark</i>				3.9	1	10.3	1	12.6	1	7.4	1	7.5	2	7.0	2
SSgA Barclays Aggregate Index	50,068,523	3.1	3.0	2.2	63	5.3	44	6.0	41	--	--	--	--	--	--
<i>Barclays Aggregate</i>				2.2	63	5.3	43	6.0	41	4.1	56	3.8	70	5.1	75
<i>3-Month Libor Total Return USD</i>				0.2	99	0.3	99	0.5	99	0.3	99	0.4	99	1.4	99
<i>eA US Core Fixed Inc Net Median</i>				2.3		5.3		5.8		4.1		4.0		5.4	

## Vermont State Employees

### Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>Unconstrained Fixed Income</b>	<b>96,344,028</b>	<b>6.0</b>	<b>6.0</b>	<b>1.9</b>	<b>48</b>	<b>2.5</b>	<b>64</b>	<b>-0.5</b>	<b>71</b>	--	--	--	--	--	--
25% HY, 25% EMD, 50% BC Agg				3.8	14	7.7	9	6.0	3	4.7	7	5.0	19	6.6	19
Barclays Global Aggregate				2.9	31	9.0	4	8.9	1	2.8	55	1.8	81	4.4	66
eA Global Unconstrained Fixed Inc Net Median				1.9		3.9		1.7		3.1		3.6		5.2	
PIMCO Unconstrained	40,688,733	2.5	2.5	1.9	50	1.6	73	-1.2	75	0.3	88	1.2	88	--	--
25% HY, 25% EMD, 50% BC Agg				3.8	14	7.7	9	6.0	3	4.7	7	5.0	19	6.6	19
3-Month Libor Total Return USD				0.2	90	0.3	85	0.5	56	0.3	86	0.4	97	1.4	99
GAM Unconstrained Bond	55,655,295	3.5	3.5	2.0	47	3.1	59	0.0	64	--	--	--	--	--	--
3-Month LIBOR + 3%				0.9	84	1.8	72	3.5	24	3.3	45	3.4	54	4.5	65
eA Global Unconstrained Fixed Inc Net Median				1.9		3.9		1.7		3.1		3.6		5.2	
<b>High Yield Comp</b>	<b>81,769,343</b>	<b>5.1</b>	<b>5.0</b>	<b>5.0</b>	<b>29</b>	<b>7.1</b>	<b>46</b>	<b>0.4</b>	<b>60</b>	<b>3.8</b>	<b>56</b>	<b>5.6</b>	<b>39</b>	<b>6.9</b>	<b>43</b>
Barclays High Yield				5.5	17	9.1	9	1.6	36	4.2	38	5.8	30	7.6	18
eA US High Yield Fixed Inc Net Median				4.3		6.9		0.8		3.9		5.4		6.8	
KDP	16,546,830	1.0	1.0	3.8	67	6.3	60	-0.1	64	3.0	77	4.6	78	--	--
Barclays High Yield				5.5	17	9.1	9	1.6	36	4.2	38	5.8	30	7.6	18
BofA Merrill Lynch US High Yield BB-B Rated				4.6	39	7.9	25	2.1	29	4.6	21	5.9	29	7.0	39
Guggenheim	65,222,513	4.1	4.0	5.3	19	7.2	39	0.5	58	--	--	--	--	--	--
Barclays High Yield				5.5	17	9.1	9	1.6	36	4.2	38	5.8	30	7.6	18
eA US High Yield Fixed Inc Net Median				4.3		6.9		0.8		3.9		5.4		6.8	
<b>TIPS</b>	<b>61,810,370</b>	<b>3.9</b>	<b>4.0</b>												
BlackRock TIPS	61,810,370	3.9	4.0	1.7	--	6.2	--	4.3	--	2.2	--	2.5	--	--	--
Barclays US TIPS				1.7	--	6.2	--	4.4	--	2.3	--	2.6	--	4.7	--

# Vermont State Employees

## Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>Emerging Market Debt</b>	<b>82,110,493</b>	<b>5.1</b>	<b>5.0</b>												
Wellington Opportunistic EMD	82,110,493	5.1	5.0	5.8	19	10.6	59	8.8	14	5.7	10	6.1	7	--	--
JP Morgan EMBI Global TR				5.4	25	10.9	51	10.3	5	6.4	5	6.2	6	7.9	33
eA All Emg Mkts Fixed Inc Net Median				4.3		11.0		5.1		3.6		3.6		7.6	
<b>Total Real Estate</b>	<b>96,333,222</b>	<b>6.0</b>	<b>8.0</b>	<b>1.9</b>	--	<b>3.9</b>	--	<b>9.4</b>	--	<b>12.5</b>	--	--	--	--	--
NCREIF Property Index				2.0	--	4.3	--	10.6	--	11.6	--	11.5	--	7.4	--
NCREIF ODCE				2.1	--	4.4	--	11.8	--	13.0	--	12.7	--	6.2	--
Morgan Stanley Prime Property	45,122,171	2.8		2.4	--	4.3	--	11.5	--	13.9	--	14.1	--	6.6	--
UBS Trumbull	37,955,726	2.4		1.8	--	3.9	--	10.2	--	10.5	--	10.1	--	5.9	--
RREEF America REIT III	1,308,882	0.1		0.7	--	-4.1	--	-10.1	--	12.2	--	14.9	--	-2.3	--
Transwestern / Aslan III	100,964	0.0		-1.6	--	-1.6	--	0.4	--	6.3	--	10.6	--	-22.4	--
Siguler Guff	11,845,478	0.7		0.3	--	3.9	--	4.6	--	--	--	--	--	--	--
<b>Absolute Return</b>	<b>142,063,129</b>	<b>8.9</b>	<b>9.0</b>	<b>1.5</b>	<b>24</b>	<b>-2.6</b>	<b>52</b>	<b>-4.9</b>	<b>37</b>	<b>2.0</b>	<b>40</b>	<b>3.2</b>	<b>38</b>	--	--
HFR Fund of Funds Composite Index				0.6	54	-2.6	51	-5.4	42	1.9	44	1.6	70	1.6	91
eV Alt Fund of Funds - Multi-Strategy Median				0.7		-2.6		-6.2		1.8		2.6		3.2	
Grosvenor	80,787,083	5.0	5.0	1.5	22	-2.6	51	-4.9	37	2.8	31	3.6	30	--	--
GAM	188,761	0.0	0.0												
Mellon Dynamic Growth	31,084,075	1.9	2.0	2.6	4	0.8	8	-1.6	15	6.3	7	5.4	10	4.2	28
Mellon Dynamic Growth Benchmark				1.4	25	4.3	1	0.8	4	4.3	17	4.3	17	4.1	29
Allianz Structured Alpha	30,003,210	1.9	2.0	0.6	54	6.3	1	9.3	1	8.7	3	6.9	4	--	--
Citi 10 Year Treasury				3.0	3	8.0	1	9.5	1	5.3	11	5.6	8	6.3	6
eV Alt Fund of Funds - Multi-Strategy Median				0.7		-2.6		-6.2		1.8		2.6		3.2	

Absolute Return composite formerly shown as Hedge Funds composite. As of 04/01/2016, Absolute Return includes Mellon Dynamic Growth and Allianz Structured Alpha. Risk Parity Composite formerly shown as GAA/Risk Parity.

Mellon Dynamic Growth was included in Risk Parity/GAA composite prior to 04/01/2016.

Allianz Structured Alpha was included Diversified Fixed income composite prior to 04/01/2016.

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

Real Estate performance reported on a quarterly basis. NCREIF Property is available 25 days after quarter end.

All Real Estate values are finalized as of 6/30/2016, except for Transwestern and Siguler Guff, which are preliminary.

## Vermont State Employees

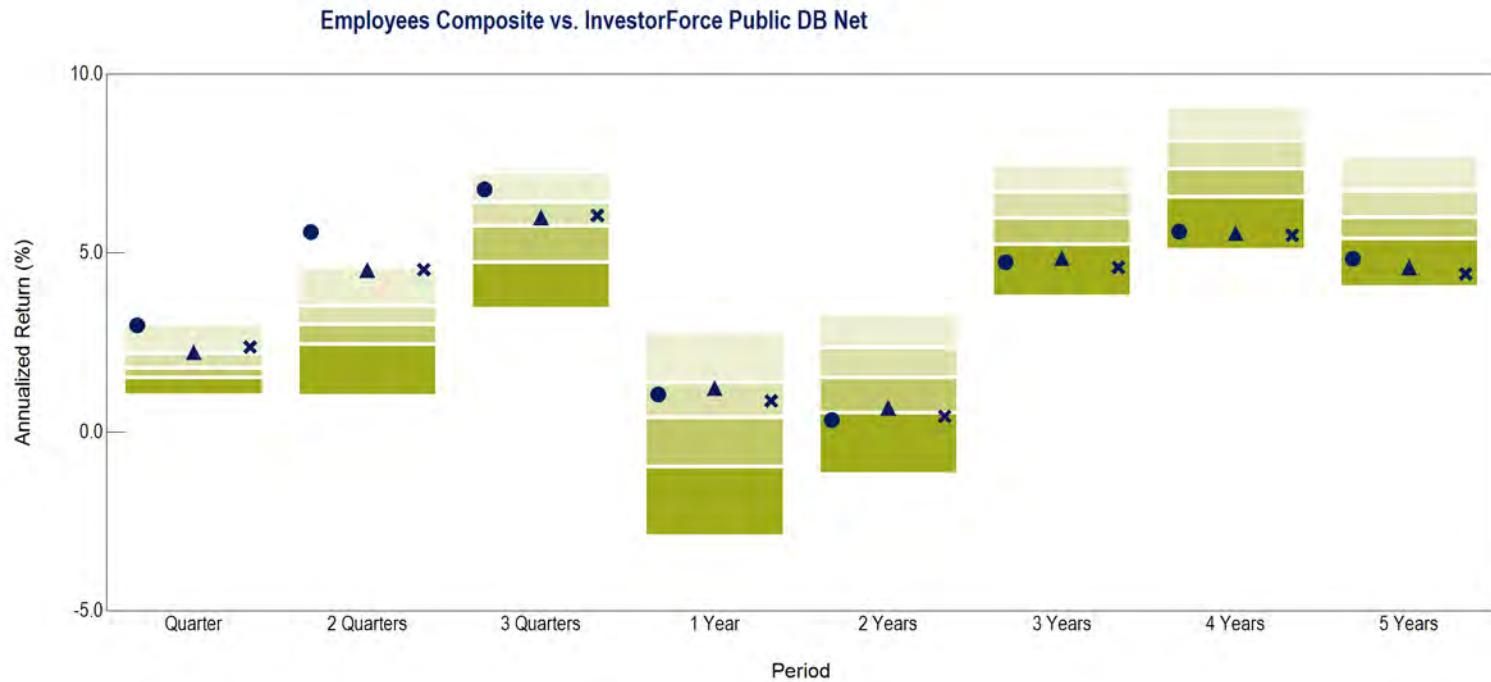
### Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>Risk Parity</b>	<b>130,172,384</b>	<b>8.1</b>	<b>8.0</b>	<b>5.8</b>	<b>2</b>	<b>8.9</b>	<b>3</b>	<b>-0.5</b>	<b>33</b>	<b>3.9</b>	<b>44</b>	<b>3.6</b>	<b>44</b>	<b>4.8</b>	<b>60</b>
eA Global TAA Net Median				1.8		2.5		-1.2		3.5		3.4		5.0	
AQR Global Risk Premium	130,172,384	8.1	8.0	5.8	2	10.8	1	-0.7	40	4.0	43	4.1	29	--	--
60% MSCI World (Net) / 40% CITI WGBI				2.0	46	4.7	20	2.9	11	5.4	16	4.6	25	4.7	63
<b>Commodities</b>	<b>44,902,008</b>	<b>2.8</b>	<b>3.0</b>												
Schroder	44,902,008	2.8	3.0	14.4	--	16.2	--	-12.0	--	-13.7	--	-12.0	--	--	--
Bloomberg Commodity Index				12.8	--	13.3	--	-13.3	--	-10.6	--	-10.8	--	-5.6	--
<b>Cash</b>	<b>909,918</b>	<b>0.1</b>	<b>0.0</b>												
Vermont Cash	909,918	0.1		0.0	--	0.0	--	0.0	--	0.0	--	0.0	--	1.2	--
91 Day T-Bills				0.1	--	0.1	--	0.2	--	0.1	--	0.1	--	0.9	--
<b>Private Equity</b>	<b>20,053,435</b>	<b>1.3</b>	<b>5.0</b>	<b>0.0</b>	<b>--</b>	<b>1.3</b>	<b>--</b>	<b>2.2</b>	<b>--</b>	<b>17.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Cambridge Associates US All PE				0.0	--	0.2	--	-0.6	--	9.7	--	10.4	--	10.4	--
Harbourvest Partners IX Credit Opportunities	840,914	0.1													
Harbourvest Partners IX Venture Fund	4,206,068	0.3													
Harbourvest Partners IX Buyout Fund	5,488,943	0.3													
Harbourvest Partners X Venture Fund	451,614	0.0													
Harbourvest Partners X Buyout Fund	883,876	0.1													
Harbourvest Dover VIII Fund	6,980,638	0.4													
HIPEP VII	1,201,382	0.1													

Harbourvest is based on final Capital Account Statements for Q1 2016, and cash adjusted through June for any Capital Calls or Distributions.

# Vermont State Employees

## Total Fund Return Summary vs. Peer Universe

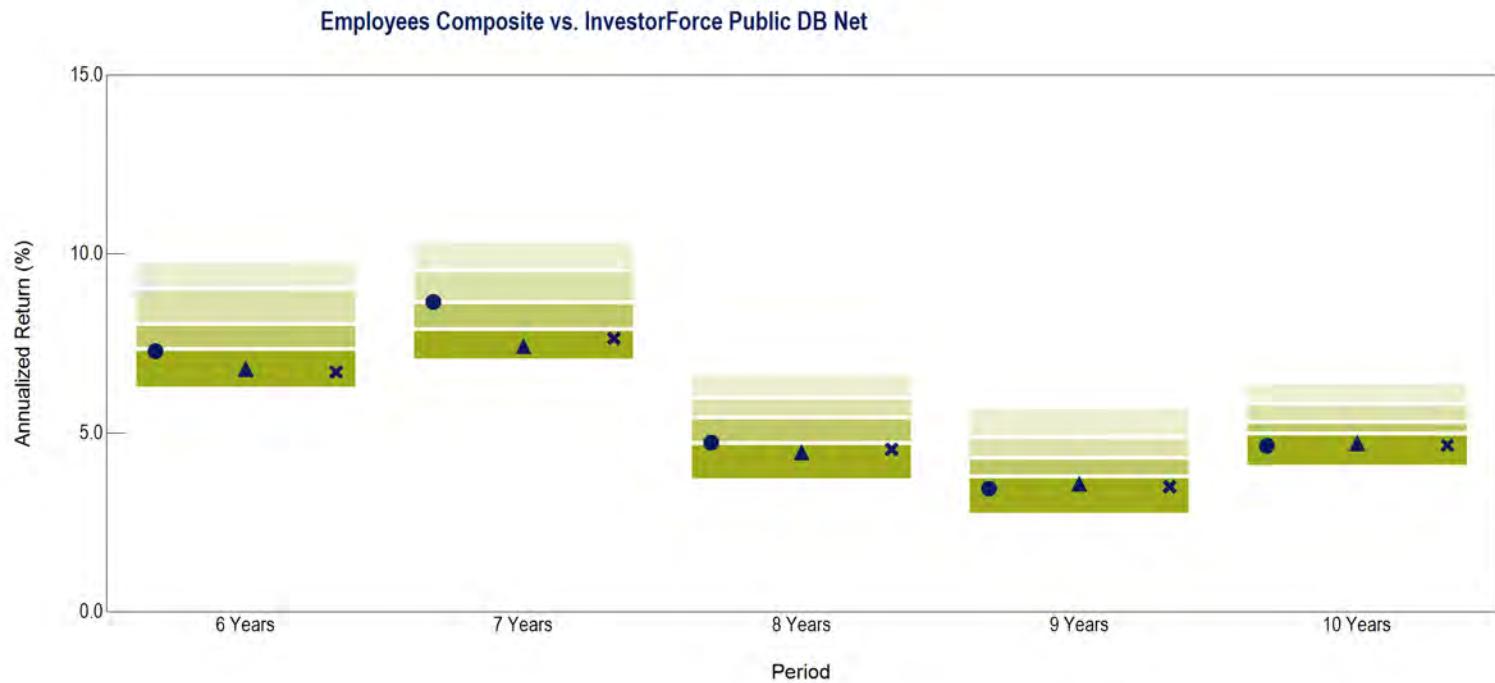


	Return (Rank)									
5th Percentile	3.0	4.6	7.2	2.8	3.3	7.5	9.1	7.7		
25th Percentile	2.2	3.5	6.4	1.4	2.4	6.7	8.1	6.7		
Median	1.8	3.0	5.8	0.4	1.5	6.0	7.4	6.0		
75th Percentile	1.5	2.5	4.8	-0.9	0.5	5.2	6.6	5.4		
95th Percentile	1.0	1.0	3.4	-2.9	-1.2	3.8	5.1	4.1		
# of Portfolios	260	259	258	258	251	235	222	208		
● Employees Composite	3.0	(6)	5.6	(1)	6.8	(13)	1.0	(33)	0.3	(78)
▲ Policy Index	2.2	(24)	4.5	(7)	6.0	(46)	1.2	(30)	0.7	(72)
✖ Allocation Index	2.4	(16)	4.5	(7)	6.0	(43)	0.9	(37)	0.4	(76)



NEPC, LLC

June 30, 2016

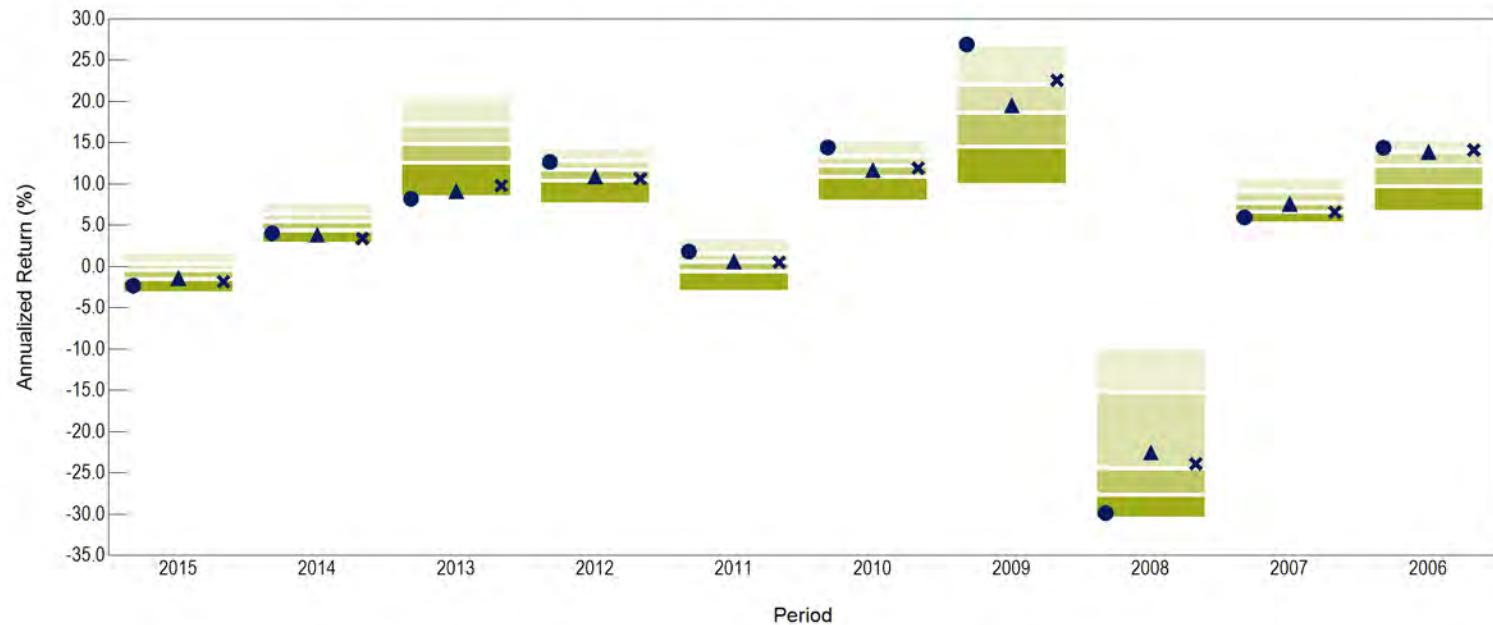


	Return (Rank)								
5th Percentile	9.8		10.3		6.6		5.7		6.4
25th Percentile	9.0		9.6		6.0		4.9		5.8
Median	8.1		8.7		5.4		4.3		5.3
75th Percentile	7.4		7.9		4.7		3.8		5.0
95th Percentile	6.3		7.0		3.7		2.7		4.1
# of Portfolios	202		193		185		180		173
● Employees Composite	7.3	(78)	8.7	(51)	4.7	(76)	3.4	(84)	4.6 (85)
▲ Policy Index	6.8	(91)	7.4	(89)	4.5	(85)	3.6	(80)	4.7 (83)
✖ Allocation Index	6.7	(92)	7.6	(86)	4.5	(82)	3.5	(82)	4.7 (84)

# Vermont State Employees

## Total Fund Return Summary vs. Peer Universe

Employees Composite vs. InvestorForce Public DB Net



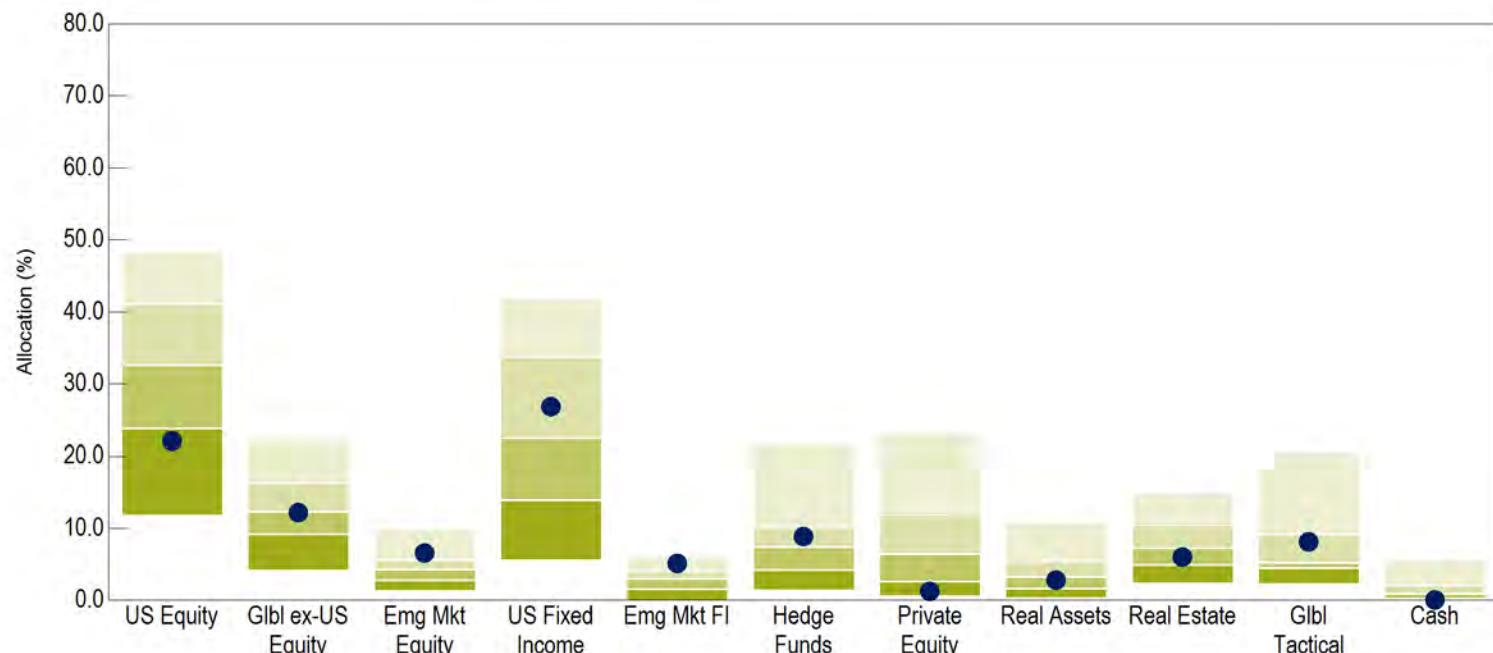
Return (Rank)											
5th Percentile	1.7	7.7	20.4	14.3	3.6	15.3	26.8	-9.8	10.7	15.4	
25th Percentile	0.4	6.4	17.2	12.9	1.6	13.4	22.0	-15.2	9.1	14.0	
Median	-0.4	5.5	14.9	11.8	0.6	12.2	18.6	-24.4	7.8	12.3	
75th Percentile	-1.5	4.4	12.7	10.4	-0.5	10.9	14.5	-27.6	6.7	9.8	
95th Percentile	-3.2	2.7	8.4	7.6	-3.1	7.9	9.9	-30.5	5.2	6.6	
# of Portfolios	262	210	191	159	137	131	128	125	122	115	
● Employees Composite	-2.3 (86)	4.0 (82)	8.2 (96)	12.7 (34)	1.8 (22)	14.4 (10)	26.9 (5)	-29.9 (91)	5.9 (87)	14.4 (16)	
▲ Policy Index	-1.4 (74)	3.8 (84)	9.1 (93)	10.9 (67)	0.6 (50)	11.7 (63)	19.5 (47)	-22.5 (42)	7.6 (52)	13.9 (29)	
✖ Allocation Index	-1.8 (81)	3.4 (91)	9.8 (91)	10.6 (72)	0.5 (56)	11.9 (57)	22.6 (24)	-23.9 (48)	6.6 (78)	14.1 (21)	

# Vermont State Employees

## Total Fund Allocation vs. Peer Universe

Total Plan Allocation vs. InvestorForce Public DB Net

As of June 30, 2016



### Allocation (Rank)

5th Percentile	48.4	22.5	9.9	41.9	6.2	21.8	23.3	10.9	15.0	20.8	5.6	--
25th Percentile	41.1	16.4	5.6	33.8	4.1	10.2	11.9	5.6	10.5	9.3	2.2	--
Median	32.6	12.4	4.4	22.5	3.0	7.5	6.6	3.3	7.4	5.3	1.1	--
75th Percentile	23.9	9.3	2.8	14.0	1.6	4.3	2.7	1.7	5.1	4.6	0.3	--
95th Percentile	11.8	4.3	1.4	5.6	0.0	1.4	0.6	0.3	2.4	2.4	0.0	--
# of Portfolios	207	202	114	166	41	82	112	56	149	64	218	--
● Employees Composite	22.1 (77)	12.2 (53)	6.6 (15)	26.8 (40)	5.1 (16)	8.9 (38)	1.3 (90)	2.8 (57)	6.0 (64)	8.1 (31)	0.1 (90)	--

Hedge Funds represents the allocation to Absolute Return managers.

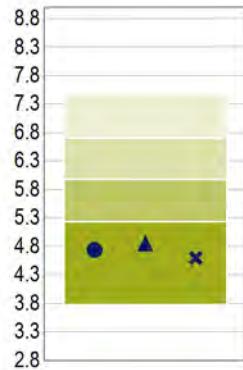
Glbl Tactical represents the allocation to Risk Parity.

# Vermont State Employees

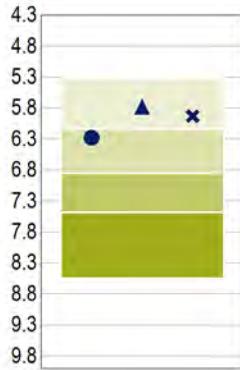
## Total Fund Risk Statistics vs. Peer Universe

**Employees Composite vs. IFx Public DB Net  
3 Years**

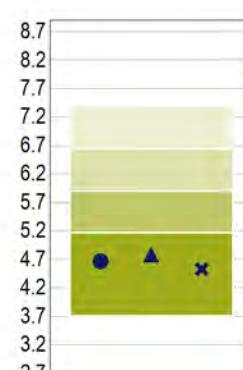
Anlzd Return



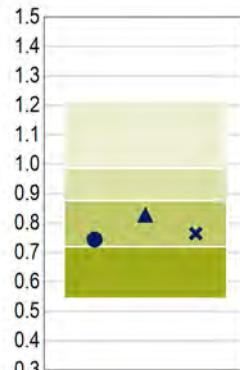
Anlzd Standard Deviation



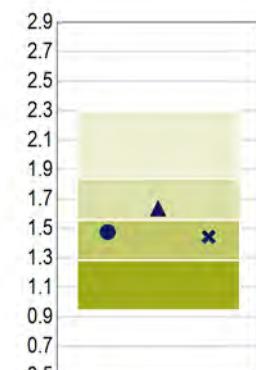
Ann Excess RF Return



Sharpe Ratio



Sortino Ratio RF



● Employees Composite

Value 4.74  
%tile 87

▲ Policy Index

Value 4.85  
%tile 84

× Allocation Index

Value 4.60  
%tile 88

Universe

5th %tile 7.47  
25th %tile 6.72  
Median 5.98  
75th %tile 5.25  
95th %tile 3.79

● Employees Composite

Value 6.28  
%tile 29

▲ Policy Index

Value 5.78  
%tile 12

× Allocation Index

Value 5.93  
%tile 14

Universe

5th %tile 5.32  
25th %tile 6.13  
Median 6.85  
75th %tile 7.47  
95th %tile 8.54

● Employees Composite

Value 4.67  
%tile 87

▲ Policy Index

Value 4.78  
%tile 84

× Allocation Index

Value 4.53  
%tile 88

Universe

5th %tile 7.40  
25th %tile 6.65  
Median 5.91  
75th %tile 5.18  
95th %tile 3.72

● Employees Composite

Value 0.74  
%tile 74

▲ Policy Index

Value 0.83  
%tile 65

× Allocation Index

Value 0.76  
%tile 72

Universe

5th %tile 1.22  
25th %tile 0.99  
Median 0.88  
75th %tile 0.72  
95th %tile 0.54

● Employees Composite

Value 1.47  
%tile 60

▲ Policy Index

Value 1.63  
%tile 41

× Allocation Index

Value 1.44  
%tile 63

Universe

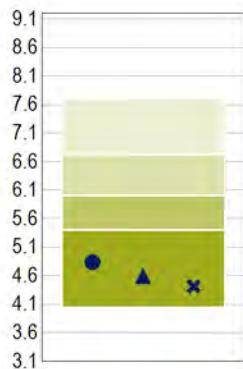
5th %tile 2.30  
25th %tile 1.84  
Median 1.56  
75th %tile 1.28  
95th %tile 0.95

# Vermont State Employees

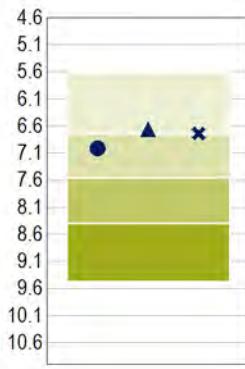
## Total Fund Risk Statistics vs. Peer Universe

**Employees Composite vs. IFx Public DB Net  
5 Years**

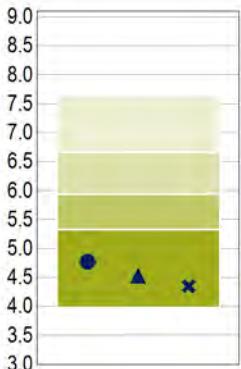
Anlzd Return



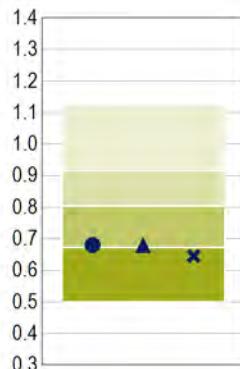
Anlzd Standard Deviation



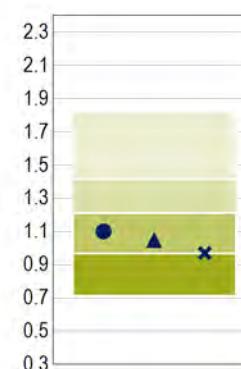
Ann Excess RF Return



Sharpe Ratio



Sortino Ratio RF



● Employees Composite

Value	4.84
%tile	88
▲ Policy Index	
Value	4.59
%tile	91
✗ Allocation Index	
Value	4.41
%tile	93

● Employees Composite

Value	7.01
%tile	33
▲ Policy Index	
Value	6.66
%tile	21
✗ Allocation Index	
Value	6.74
%tile	25

● Employees Composite

Value	4.77
%tile	88
▲ Policy Index	
Value	4.53
%tile	91
✗ Allocation Index	
Value	4.35
%tile	93

● Employees Composite

Value	0.68
%tile	74
▲ Policy Index	
Value	0.68
%tile	74
✗ Allocation Index	
Value	0.65
%tile	80

● Employees Composite

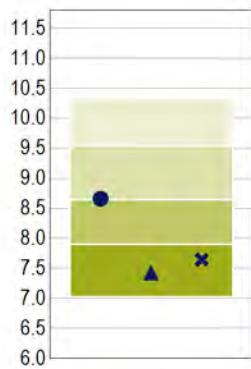
Value	1.10
%tile	65
▲ Policy Index	
Value	1.05
%tile	71
✗ Allocation Index	
Value	0.97
%tile	76

# Vermont State Employees

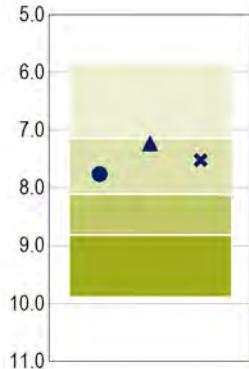
## Total Fund Risk Statistics vs. Peer Universe

**Employees Composite vs. IFx Public DB Net  
7 Years**

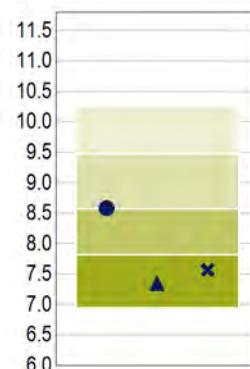
Anlzd Return



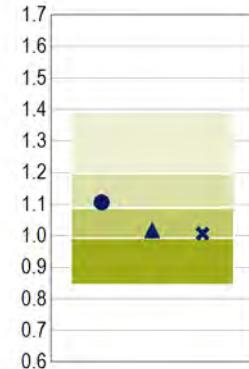
Anlzd Standard Deviation



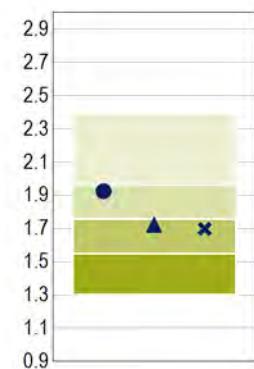
Ann Excess RF Return



Sharpe Ratio



Sortino Ratio RF



● Employees Composite

Value	8.66
%tile	51
▲ Policy Index	
Value	7.43
%tile	89
✗ Allocation Index	
Value	7.64
%tile	86

● Employees Composite

Value	7.76
%tile	43
▲ Policy Index	
Value	7.23
%tile	30
✗ Allocation Index	
Value	7.52
%tile	36

● Employees Composite

Value	8.58
%tile	51
▲ Policy Index	
Value	7.35
%tile	89
✗ Allocation Index	
Value	7.57
%tile	86

● Employees Composite

Value	1.11
%tile	46
▲ Policy Index	
Value	1.02
%tile	69
✗ Allocation Index	
Value	1.01
%tile	72

● Employees Composite

Value	1.92
%tile	32
▲ Policy Index	
Value	1.72
%tile	57
✗ Allocation Index	
Value	1.70
%tile	60

Universe

5th %tile	10.34
25th %tile	9.55
Median	8.66
75th %tile	7.91
95th %tile	7.03

Universe

5th %tile	5.84
25th %tile	7.13
Median	8.09
75th %tile	8.80
95th %tile	9.88

Universe

5th %tile	10.26
25th %tile	9.48
Median	8.58
75th %tile	7.83
95th %tile	6.95

Universe

5th %tile	1.39
25th %tile	1.20
Median	1.09
75th %tile	0.99
95th %tile	0.85

Universe

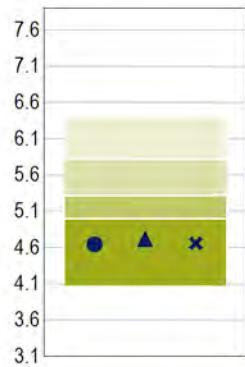
5th %tile	2.39
25th %tile	1.96
Median	1.76
75th %tile	1.55
95th %tile	1.30

# Vermont State Employees

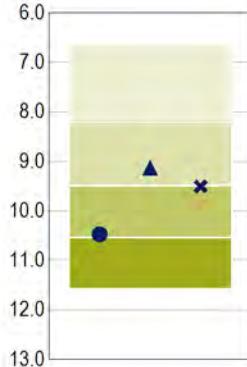
## Total Fund Risk Statistics vs. Peer Universe

**Employees Composite vs. IFx Public DB Net  
10 Years**

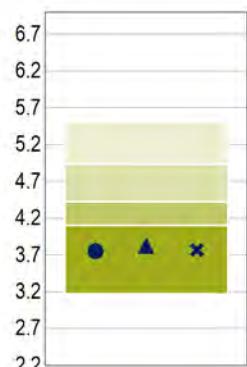
Anlzd Return



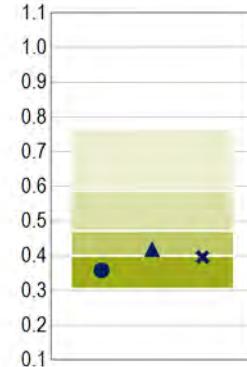
Anlzd Standard Deviation



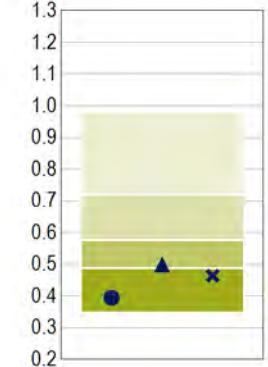
Ann Excess RF Return



Sharpe Ratio



Sortino Ratio RF



● Employees Composite

Value	4.64
%tile	85
▲ Policy Index	
Value	4.72
%tile	83
✖ Allocation Index	
Value	4.66
%tile	84

● Employees Composite

Value	10.47
%tile	74
▲ Policy Index	
Value	9.13
%tile	42
✖ Allocation Index	
Value	9.51
%tile	51

● Employees Composite

Value	3.75
%tile	85
▲ Policy Index	
Value	3.83
%tile	83
✖ Allocation Index	
Value	3.77
%tile	84

● Employees Composite

Value	0.36
%tile	88
▲ Policy Index	
Value	0.42
%tile	69
✖ Allocation Index	
Value	0.40
%tile	77

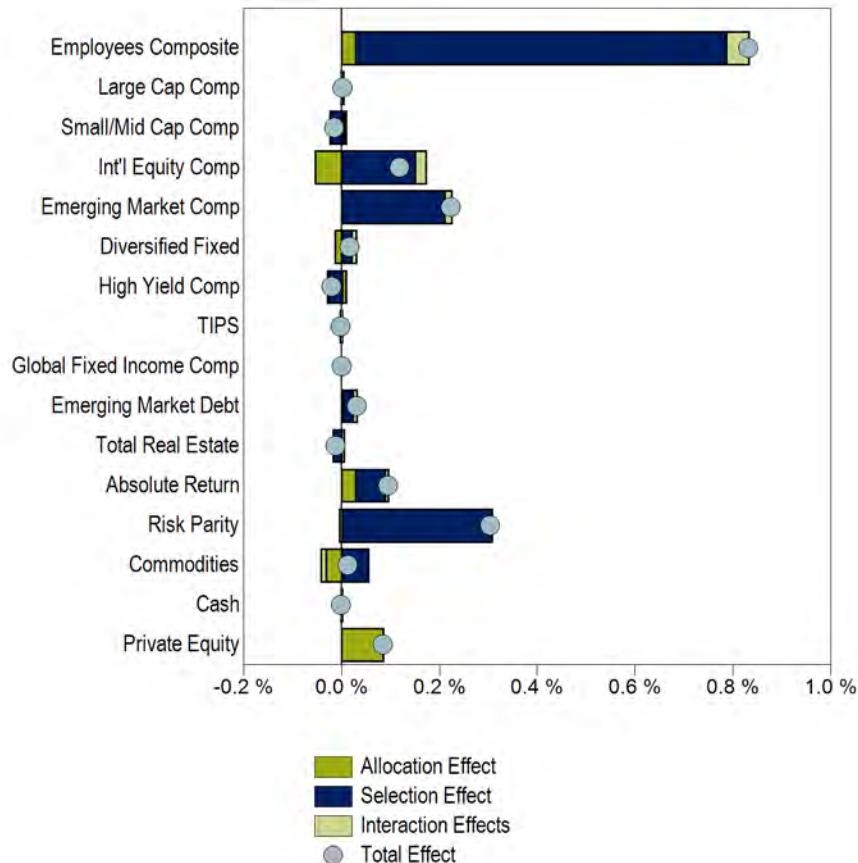
● Employees Composite

Value	0.39
%tile	91
▲ Policy Index	
Value	0.50
%tile	72
✖ Allocation Index	
Value	0.46
%tile	81

# Vermont State Employees

## Total Fund Attribution Analysis

**Attribution Effects Relative to Policy Index**  
3 Months Ending June 30, 2016



**Attribution Summary**  
3 Months Ending June 30, 2016

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	2.5%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Small/Mid Cap Comp	3.4%	3.9%	-0.5%	0.0%	0.0%	0.0%	0.0%
Int'l Equity Comp	0.1%	-1.3%	1.4%	0.2%	-0.1%	0.0%	0.1%
Emerging Market Comp	4.1%	0.7%	3.4%	0.2%	0.0%	0.0%	0.2%
Diversified Fixed	2.3%	2.2%	0.1%	0.0%	0.0%	0.0%	0.0%
High Yield Comp	5.0%	5.5%	-0.5%	0.0%	0.0%	0.0%	0.0%
TIPS	1.7%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Global Fixed Income Comp	--	--	--	--	0.0%	--	--
Emerging Market Debt	5.8%	5.4%	0.4%	0.0%	0.0%	0.0%	0.0%
Total Real Estate	1.9%	2.0%	-0.2%	0.0%	0.0%	0.0%	0.0%
Absolute Return	1.5%	0.8%	0.7%	0.1%	0.0%	0.0%	0.1%
Risk Parity	5.8%	2.0%	3.8%	0.3%	0.0%	0.0%	0.3%
Commodities	14.4%	12.8%	1.6%	0.1%	0.0%	0.0%	0.0%
Cash	0.0%	0.1%	-0.1%	0.0%	0.0%	0.0%	0.0%
Private Equity	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%
<b>Total</b>	<b>3.0%</b>	<b>2.2%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.8%</b>

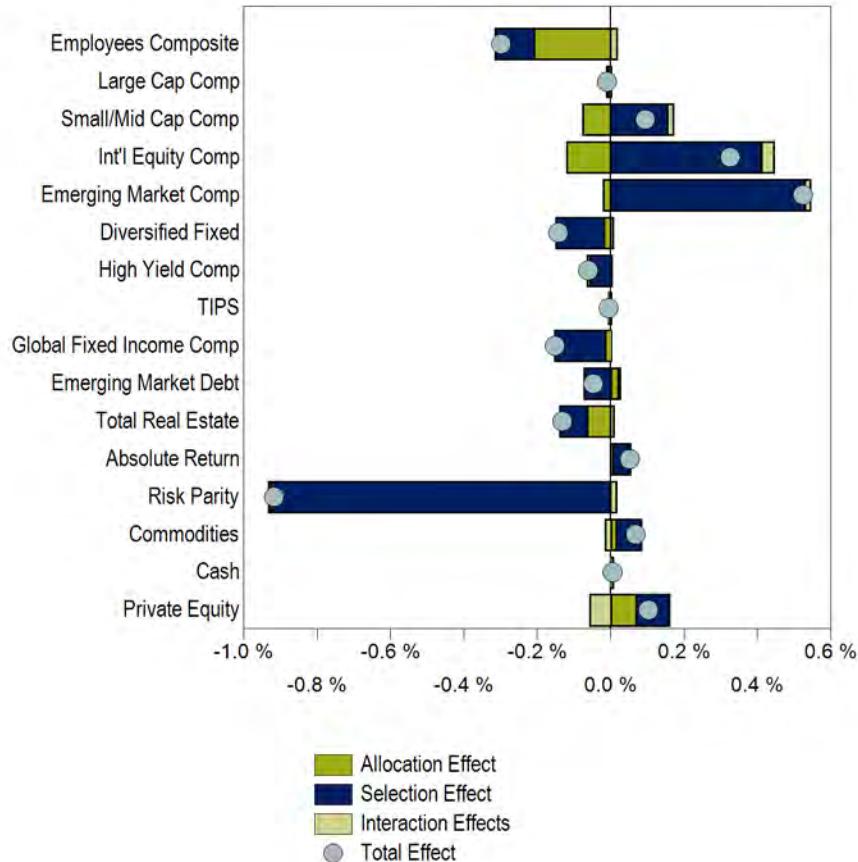
Note: Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total returns shown may vary from the calculated returns shown on the performance report. The target return shown for each composite is a custom index, based on aggregated policy 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 State Employees

## Total Fund Attribution Analysis

**Attribution Effects Relative to Policy Index**  
1 Year Ending June 30, 2016



**Attribution Summary**  
1 Year Ending June 30, 2016

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	3.6%	3.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Small/Mid Cap Comp	-0.4%	-3.5%	3.0%	0.2%	-0.1%	0.0%	0.1%
Int'l Equity Comp	-6.3%	-10.2%	3.8%	0.4%	-0.1%	0.0%	0.3%
Emerging Market Comp	-3.7%	-12.1%	8.4%	0.5%	0.0%	0.0%	0.5%
Diversified Fixed	5.4%	6.0%	-0.6%	-0.1%	0.0%	0.0%	-0.1%
High Yield Comp	0.4%	1.6%	-1.2%	-0.1%	0.0%	0.0%	-0.1%
TIPS	4.3%	4.4%	-0.1%	0.0%	0.0%	0.0%	0.0%
Global Fixed Income Comp	--	7.6%	--	-0.1%	0.0%	0.0%	-0.2%
Emerging Market Debt	8.8%	10.3%	-1.6%	-0.1%	0.0%	0.0%	0.0%
Total Real Estate	9.4%	10.6%	-1.2%	-0.1%	-0.1%	0.0%	-0.1%
Absolute Return	-4.9%	-5.2%	0.3%	0.0%	0.0%	0.0%	0.1%
Risk Parity	-0.5%	3.6%	-4.0%	-0.9%	0.0%	0.0%	-0.9%
Commodities	-12.0%	-13.3%	1.3%	0.1%	0.0%	0.0%	0.1%
Cash	0.0%	0.2%	-0.2%	0.0%	0.0%	0.0%	0.0%
Private Equity	2.2%	-0.6%	2.9%	0.1%	0.1%	-0.1%	0.1%
<b>Total</b>	<b>0.9%</b>	<b>1.2%</b>	<b>-0.3%</b>	<b>-0.1%</b>	<b>-0.2%</b>	<b>0.0%</b>	<b>-0.3%</b>

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 State Employees

### Total Fund Risk Statistics - 3 Years Ending June 30, 2016

	% 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%	4.74%	87	6.28%	29	-0.49%	59	0.74	74	1.47	60	0.93%	35
Policy Index	--	4.85%	84	5.78%	12	0.00%	37	0.83	65	1.63	41	0.00%	1
US Equity	22.11%	11.23%	23	11.75%	29	-0.07%	26	0.95	20	1.86	17	1.52%	2
Russell 3000	--	11.13%	24	11.47%	22	0.00%	25	0.96	18	1.77	22	0.00%	1
Large Cap Comp	16.84%	11.60%	26	11.34%	31	-0.12%	28	1.02	22	2.08	15	0.72%	1
S&P 500	--	11.66%	25	11.25%	29	0.00%	27	1.03	20	1.96	21	0.00%	1
Small/Mid Cap Comp	5.27%	10.57%	16	13.47%	51	4.41%	20	0.78	21	1.66	12	3.24%	1
Russell 2000	--	7.09%	61	15.22%	86	0.00%	76	0.46	72	0.79	70	0.00%	1
Int'l Equity Comp	12.20%	4.05%	35	12.69%	48	2.10%	35	0.31	35	0.62	33	2.33%	11
MSCI EAFE	--	2.06%	68	13.29%	79	0.00%	72	0.15	71	0.27	69	0.00%	1
Emerging Market Comp	6.58%	-1.11%	57	16.25%	72	0.34%	57	-0.07	57	-0.15	60	5.45%	61
MSCI Emerging Markets	--	-1.56%	69	16.51%	76	0.00%	64	-0.10	64	-0.18	66	0.00%	1
US Fixed Income	26.83%	3.91%	43	3.00%	67	-0.02%	76	1.28	68	2.76	66	1.55%	36
Barclays Aggregate	--	4.06%	39	2.66%	57	0.00%	75	1.50	49	3.94	36	0.00%	1
Diversified Fixed	17.86%	4.10%	38	2.94%	66	-0.01%	76	1.37	62	3.26	54	1.20%	26
Barclays Aggregate	--	4.06%	39	2.66%	57	0.00%	75	1.50	49	3.94	36	0.00%	1
Unconstrained Fixed Income	6.02%	--	--	--	--	--	--	--	--	--	--	--	--
25% HY, 25% EMD, 50% BC Agg	--	4.73%	7	3.58%	44	0.00%	29	1.30	18	2.99	13	0.00%	1
High Yield Comp	5.11%	3.78%	56	4.97%	31	0.39%	52	0.75	49	1.41	54	1.59%	45
Barclays High Yield	--	4.18%	38	6.00%	78	0.00%	59	0.69	56	1.62	46	0.00%	1
TIPS	3.86%	2.24%	28	4.32%	75	-0.10%	39	0.50	35	1.09	29	0.20%	5
Barclays US TIPS	--	2.31%	21	4.27%	73	0.00%	29	0.52	27	1.15	26	0.00%	1
Emerging Market Debt	5.13%	5.74%	10	6.39%	27	-0.61%	19	0.89	19	1.76	15	1.15%	5
JP Morgan EMBI Global TR	--	6.44%	5	6.37%	27	0.00%	13	1.00	8	1.92	11	0.00%	1
Total Real Estate	6.02%	12.55%	--	5.22%	--	0.79%	--	0.59	--	0.58	--	1.46%	--
NCREIF Property Index	--	11.60%	--	4.68%	--	0.00%	--	0.45	--	0.40	--	0.00%	--
Absolute Return	8.88%	2.04%	40	3.74%	29	0.19%	44	0.53	35	0.77	36	1.18%	1
HFRI Fund of Funds Composite Index	--	1.92%	44	3.67%	29	0.00%	48	0.50	37	0.73	40	0.00%	1
Risk Parity	8.13%	3.92%	44	7.73%	51	-0.69%	43	0.50	43	0.83	46	4.31%	46
60% MSCI World (Net) / 40% CITI WGBI	--	5.38%	16	7.60%	49	0.00%	31	0.70	20	1.61	6	0.00%	1

## Vermont State Employees

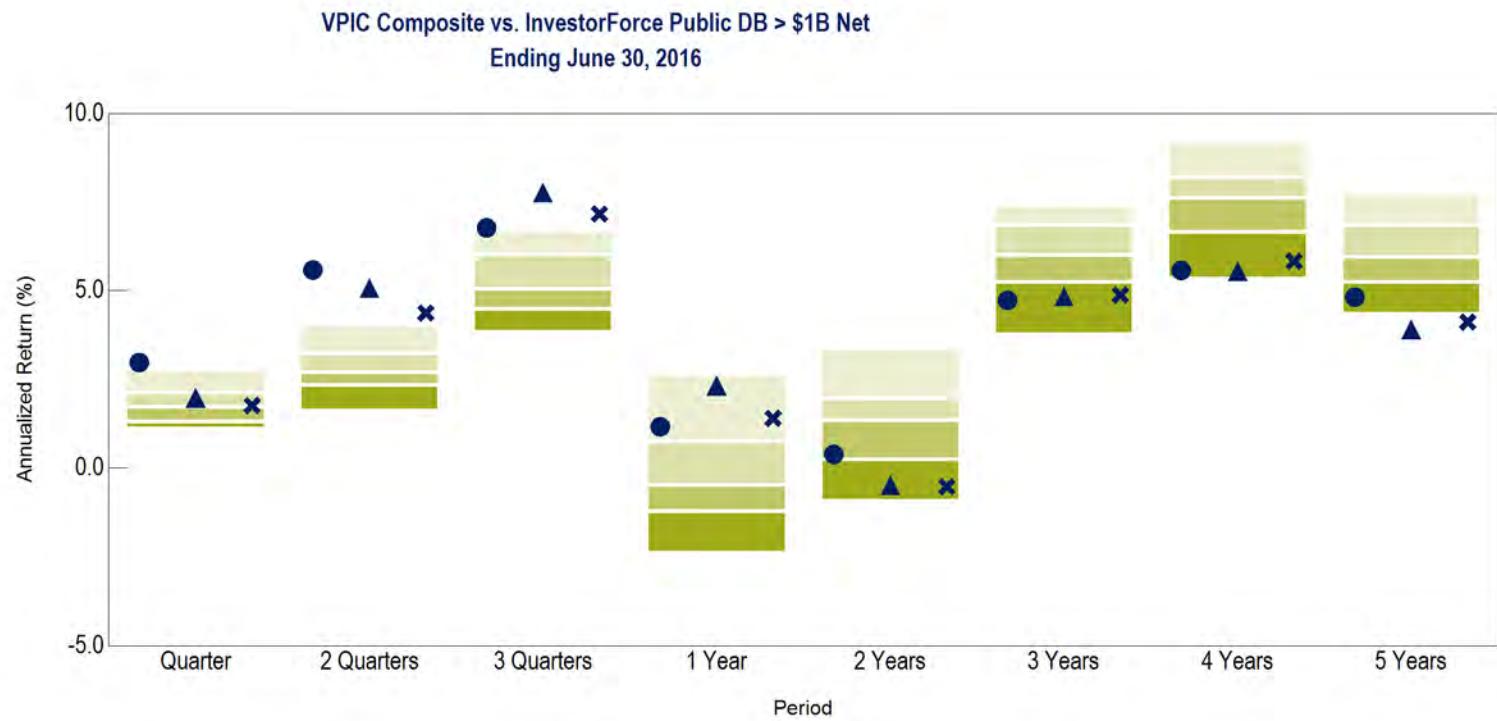
### Total Fund Risk Statistics - 5 Years Ending June 30, 2016

	% 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%	4.84%	88	7.01%	33	0.03%	31	0.68	74	1.10	65	0.86%	13
Policy Index	--	4.59%	91	6.66%	21	0.00%	32	0.68	74	1.05	71	0.00%	1
US Equity	22.11%	--	--	--	--	--	--	--	--	--	--	--	--
Russell 3000	--	11.60%	21	12.56%	21	0.00%	22	0.92	15	1.48	19	0.00%	1
Large Cap Comp	16.84%	11.92%	19	12.60%	40	-0.64%	28	0.94	22	1.57	24	1.01%	1
S&P 500	--	12.10%	14	12.10%	27	0.00%	19	0.99	14	1.67	19	0.00%	1
Small/Mid Cap Comp	5.27%	10.68%	15	14.91%	44	3.25%	26	0.71	27	1.20	18	3.00%	1
Russell 2000	--	8.35%	51	16.58%	82	0.00%	71	0.50	60	0.78	60	0.00%	1
Int'l Equity Comp	12.20%	2.65%	54	14.38%	27	1.09%	53	0.18	51	0.27	48	2.29%	7
MSCI EAFE	--	1.68%	73	15.37%	69	0.00%	74	0.10	73	0.16	71	0.00%	1
Emerging Market Comp	6.58%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	-3.78%	77	18.84%	65	0.00%	78	-0.20	80	-0.32	81	0.00%	1
US Fixed Income	26.83%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays Aggregate	--	3.76%	52	2.77%	49	0.00%	82	1.34	50	2.23	43	0.00%	1
Diversified Fixed	17.86%	4.16%	44	3.19%	61	0.36%	64	1.28	57	2.01	59	1.53%	28
Barclays Aggregate	--	3.76%	52	2.77%	49	0.00%	82	1.34	50	2.23	43	0.00%	1
Unconstrained Fixed Income	6.02%	--	--	--	--	--	--	--	--	--	--	--	--
25% HY, 25% EMD, 50% BC Agg	--	4.96%	19	3.95%	31	0.00%	29	1.24	14	2.12	14	0.00%	1
High Yield Comp	5.11%	5.58%	39	5.57%	22	0.76%	36	0.99	30	1.68	41	1.52%	44
Barclays High Yield	--	5.84%	30	6.65%	72	0.00%	58	0.87	56	1.64	45	0.00%	1
TIPS	3.86%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays US TIPS	--	2.63%	33	5.02%	72	0.00%	25	0.51	26	0.72	24	0.00%	1
Emerging Market Debt	5.13%	--	--	--	--	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	--	6.25%	6	7.34%	18	0.00%	7	0.84	5	1.27	4	0.00%	1
Total Real Estate	6.02%	--	--	--	--	--	--	--	--	--	--	--	--
NCREIF Property Index	--	11.51%	--	4.61%	--	0.00%	--	0.39	--	0.30	--	0.00%	--
Absolute Return	8.88%	3.24%	38	4.25%	34	1.56%	37	0.75	31	1.05	31	1.29%	1
HFRI Fund of Funds Composite Index	--	1.63%	70	3.95%	30	0.00%	63	0.40	57	0.54	56	0.00%	1
Risk Parity	8.13%	3.60%	44	8.57%	56	-0.59%	68	0.41	70	0.61	68	4.09%	41
60% MSCI World (Net) / 40% CITI WGBI	--	4.64%	25	8.40%	54	0.00%	56	0.54	50	0.87	41	0.00%	1

# VPIC Allocation Comparison

# VPIC Composite

## Total Fund Return Summary vs. Peer Universe



### Return (Rank)

5th Percentile	2.8	4.0	6.7	2.7	3.4	7.4	9.2	7.7
25th Percentile	2.1	3.2	6.0	0.8	2.0	6.9	8.2	6.9
Median	1.7	2.7	5.1	-0.5	1.4	6.0	7.6	6.0
75th Percentile	1.3	2.4	4.5	-1.2	0.2	5.3	6.7	5.3
95th Percentile	1.1	1.6	3.9	-2.4	-0.9	3.8	5.3	4.4
# of Portfolios	55	55	55	55	54	53	53	53
● Composite	3.0 (3)	5.6 (1)	6.8 (4)	1.2 (18)	0.4 (70)	4.7 (89)	5.6 (93)	4.8 (91)
▲ 60% MSCI ACWI (Net)/40% CITI WGBI	2.0 (35)	5.1 (1)	7.8 (1)	2.3 (8)	-0.5 (91)	4.8 (86)	5.6 (94)	3.9 (99)
✖ 60% MSCI ACWI (Net)/40% BC Global Agg	1.8 (49)	4.4 (3)	7.2 (1)	1.4 (14)	-0.5 (92)	4.9 (85)	5.8 (89)	4.1 (96)

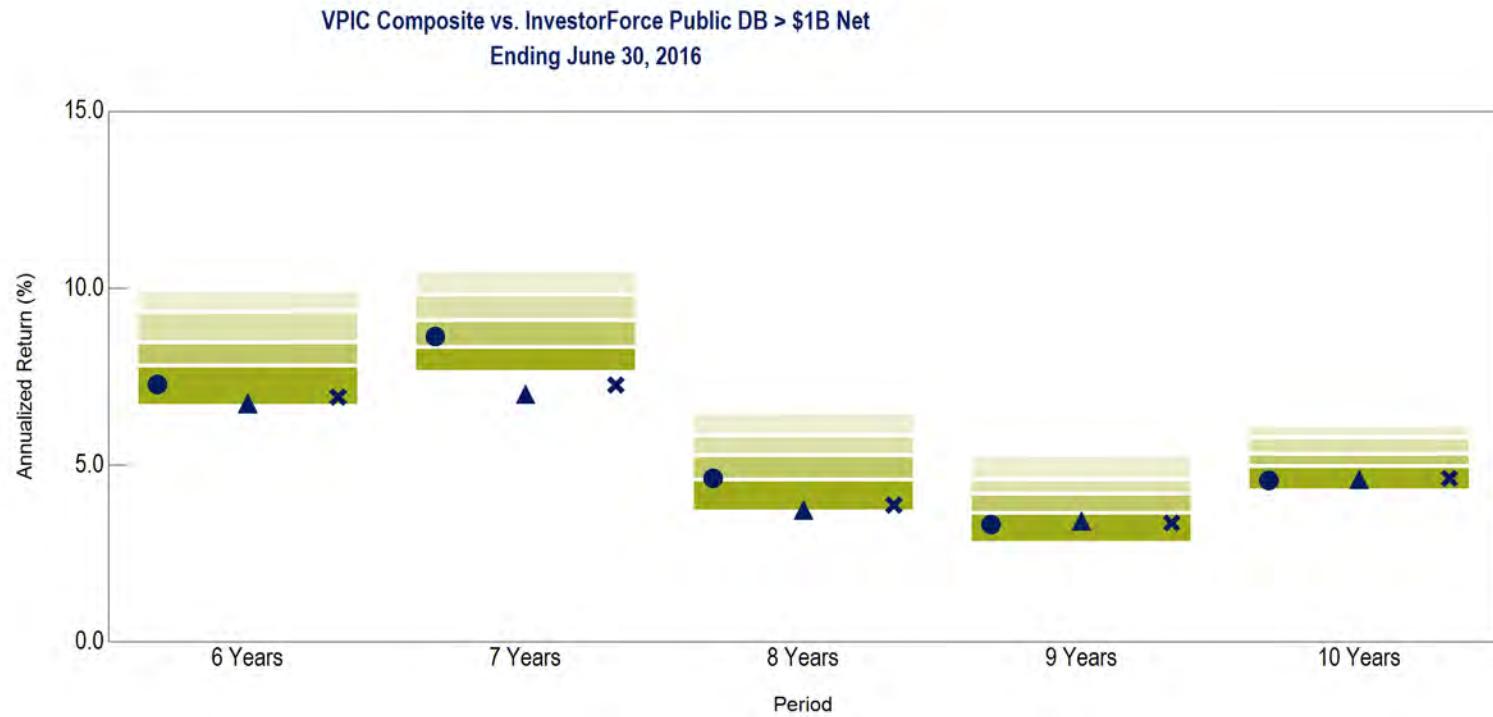


NEPC, LLC

June 30, 2016

## VPIC Composite

### Total Fund Return Summary vs. Peer Universe



#### Return (Rank)

	5th Percentile	25th Percentile	Median	75th Percentile	95th Percentile	# of Portfolios	
● Composite	9.9	10.5	6.5	5.3	6.1		
▲ 60% MSCI ACWI (Net)/40% CITI WGBI	9.3	9.8	5.9	4.6	5.8		
✖ 60% MSCI ACWI (Net)/ 40% BC Global Agg	8.5	9.1	5.3	4.2	5.3		
	7.8	8.3	4.6	3.7	5.0		
	6.7	7.6	3.7	2.8	4.3		
# of Portfolios	53	52	51	49	48		
● Composite	7.3 (90)	8.6 (65)	4.6 (74)	3.3 (84)	4.6 (87)		
▲ 60% MSCI ACWI (Net)/40% CITI WGBI	6.7 (95)	7.0 (99)	3.7 (94)	3.4 (83)	4.6 (87)		
✖ 60% MSCI ACWI (Net)/ 40% BC Global Agg	6.9 (93)	7.3 (99)	3.9 (93)	3.4 (84)	4.6 (86)		



NEPC, LLC

June 30, 2016

## VPIC Composite

### Total Fund Return Summary vs. Peer Universe



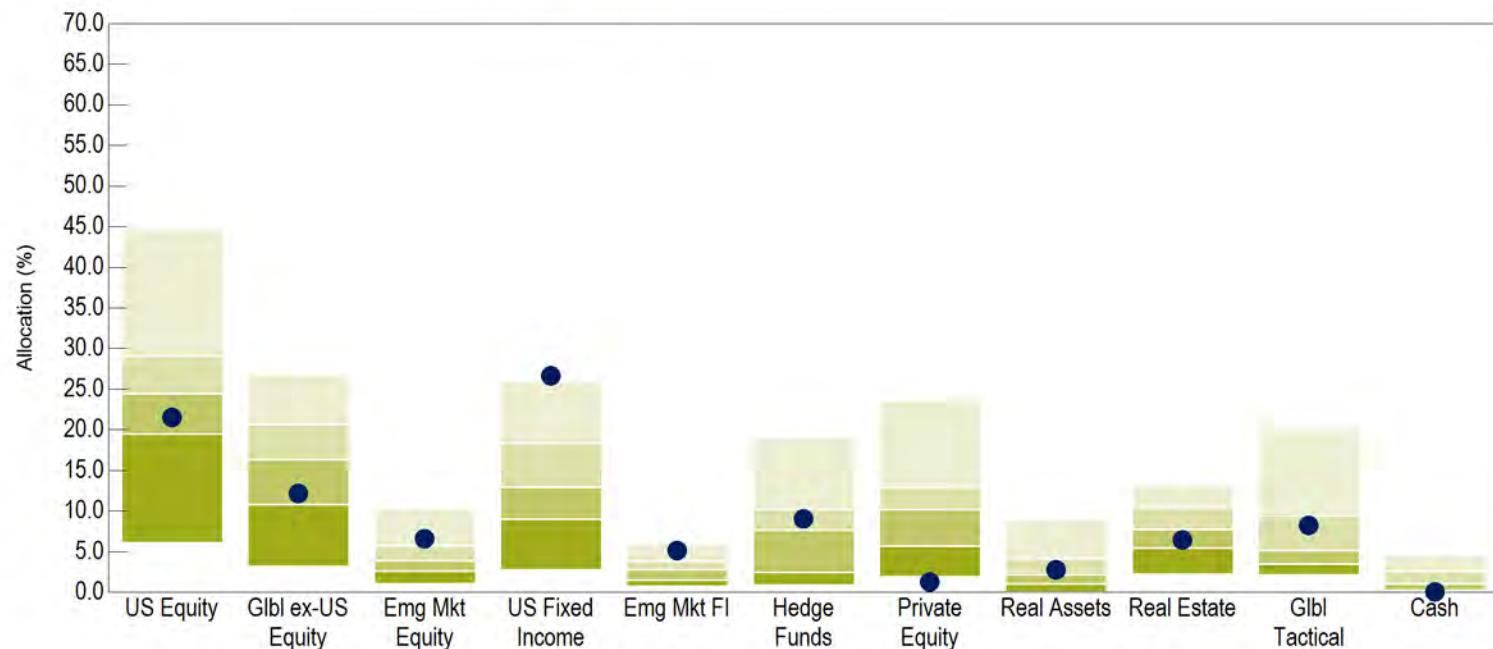
	Return (Rank)									
5th Percentile	2.4	7.6	19.5	14.3	4.2	15.1	27.5	-20.9	10.7	15.8
25th Percentile	0.8	6.1	16.0	13.4	1.5	13.8	21.7	-25.7	9.2	14.6
Median	-0.4	5.1	14.3	12.7	0.6	12.8	20.0	-26.9	8.5	14.0
75th Percentile	-1.3	4.4	11.0	11.8	-0.3	11.8	17.7	-28.3	7.1	12.5
95th Percentile	-3.2	2.6	8.5	9.0	-1.2	9.3	13.4	-30.5	5.9	10.9
# of Portfolios	57	55	48	44	42	41	40	39	39	38
● Composite	-2.2 (85)	4.0 (79)	8.0 (98)	12.7 (50)	1.8 (16)	14.4 (10)	26.3 (8)	-30.1 (91)	5.9 (96)	14.8 (17)
▲ 60% MSCI ACWI (Net)/40% CITI WGBI	-2.6 (88)	2.3 (97)	11.4 (73)	10.3 (91)	-1.8 (99)	10.0 (90)	21.3 (32)	-24.1 (17)	11.6 (1)	14.9 (16)
✖ 60% MSCI ACWI (Net)/40% BC Global Agg	-2.5 (86)	2.8 (94)	12.1 (68)	11.5 (86)	-2.1 (99)	10.2 (90)	23.3 (19)	-25.9 (29)	10.9 (1)	15.1 (15)

# VPIC Composite

## Total Fund Allocation vs. Peer Universe

Total Plan Allocation vs. InvestorForce Public DB > \$1B Net

As of June 30, 2016



### Allocation (Rank)

5th Percentile	44.7	26.8	10.2	25.9	6.0	19.1	23.7	9.0	13.2	20.1	4.6	--
25th Percentile	29.1	20.8	5.8	18.5	3.9	10.4	13.0	4.2	10.5	9.5	2.6	--
Median	24.6	16.4	4.0	13.0	2.8	7.8	10.2	2.2	7.9	5.3	1.2	--
75th Percentile	19.5	10.9	2.7	9.1	1.6	2.5	5.8	1.1	5.6	3.6	0.4	--
95th Percentile	6.2	3.3	1.2	2.9	0.8	0.9	2.0	0.1	2.3	2.2	0.1	--
# of Portfolios	45	47	37	44	20	37	48	22	45	20	49	--
● Composite	21.5	(64)	12.2	(70)	6.6	(21)	26.7	(3)	5.1	(15)	9.1	(39)

Hedge Funds represents the allocation to Absolute Return managers.

Glbl Tactical represents the allocation to Risk Parity.

## VPIC Composite

### Total Fund Performance - Net

	Ending June 30, 2016												
	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Market Value (\$)
VPIC Composite	3.0	3	5.6	1	1.2	18	4.7	89	4.8	91	4.6	87	3,743,490,820
60% MSCI ACWI (Net)/40% CITI WGBI	2.0	35	5.1	1	2.3	8	4.8	86	3.9	99	4.6	87	
60% MSCI ACWI (Net) / 40% BC Agg	1.5	68	3.0	34	0.3	37	5.4	70	5.0	87	5.0	75	
InvestorForce Public DB > \$1B Net Median	1.7		2.7		-0.5		6.0		6.0		5.3		
Vermont State Teachers	3.0	6	5.6	1	1.3	27	4.7	86	4.8	88	4.5	87	1,609,239,957
Allocation Index	2.3	18	4.5	7	0.8	37	4.5	89	4.4	93	4.4	89	
Policy Index	2.2	24	4.5	7	1.2	29	4.9	84	4.6	90	4.5	87	
InvestorForce Public DB Net Median	1.8		3.0		0.4		6.0		6.0		5.3		
Vermont State Employees	3.0	6	5.6	1	1.0	33	4.7	87	4.8	88	4.6	85	1,600,319,433
Allocation Index	2.4	16	4.5	7	0.9	37	4.6	88	4.4	93	4.7	84	
Policy Index	2.2	24	4.5	7	1.2	30	4.9	84	4.6	91	4.7	83	
InvestorForce Public DB Net Median	1.8		3.0		0.4		6.0		6.0		5.3		
Vermont Municipal Employees	2.9	7	5.5	1	1.0	34	4.7	87	4.8	88	4.7	84	533,931,430
Allocation Index	2.4	16	4.7	5	1.0	34	4.6	87	4.5	91	4.8	82	
Policy Index	2.2	24	4.5	7	1.2	30	4.9	84	4.6	91	4.8	82	
InvestorForce Public DB Net Median	1.8		3.0		0.4		6.0		6.0		5.3		

## VPIC Composite

### Total Fund Performance Detail - Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>Composite</b>	<b>3,743,490,820</b>	<b>100.0</b>	<b>100.0</b>	<b>3.0</b>	<b>3</b>	<b>5.6</b>	<b>1</b>	<b>1.2</b>	<b>18</b>	<b>4.7</b>	<b>89</b>	<b>4.8</b>	<b>91</b>	<b>4.6</b>	<b>87</b>
60% MSCI ACWI (Net)/40% CITI WGBI				2.0	35	5.1	1	2.3	8	4.8	86	3.9	99	4.6	87
60% MSCI ACWI (Net)/ 40% BC Global Agg				1.8	49	4.4	3	1.4	14	4.9	85	4.1	96	4.6	86
InvestorForce Public DB > \$1B Net Median				1.7		2.7		-0.5		6.0		6.0		5.3	
<b>Total Marketable Assets</b>	<b>3,114,846,569</b>	<b>83.2</b>	<b>78.0</b>	<b>3.3</b>	<b>--</b>	<b>6.4</b>	<b>--</b>	<b>1.1</b>	<b>--</b>	<b>4.4</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Total Marketable Assets Custom Index				2.6	--	4.9	--	0.3	--	4.6	--	--	--	--	--
<b>Total Equity</b>	<b>1,508,737,002</b>	<b>40.3</b>	<b>35.0</b>	<b>2.1</b>	<b>31</b>	<b>4.5</b>	<b>30</b>	<b>-1.6</b>	<b>40</b>	<b>6.8</b>	<b>54</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
MSCI ACWI				1.0	51	1.2	46	-3.7	50	6.0	62	5.4	67	4.3	64
eA All Global Equity Net Median				1.0		0.7		-3.8		7.0		6.5		4.7	
<b>US Equity</b>	<b>805,692,912</b>	<b>21.5</b>	<b>18.0</b>	<b>2.7</b>	<b>38</b>	<b>4.8</b>	<b>24</b>	<b>2.2</b>	<b>20</b>	<b>11.2</b>	<b>23</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Russell 3000				2.6	40	3.6	33	2.1	20	11.1	24	11.6	21	7.4	44
eA All US Equity Net Median				2.1		1.7		-2.7		9.1		9.8		7.1	
<b>Large Cap Comp</b>	<b>612,137,642</b>	<b>16.4</b>	<b>13.0</b>	<b>2.5</b>	<b>30</b>	<b>4.4</b>	<b>22</b>	<b>3.6</b>	<b>18</b>	<b>11.6</b>	<b>26</b>	<b>11.9</b>	<b>20</b>	<b>8.0</b>	<b>28</b>
S&P 500				2.5	31	3.8	25	4.0	16	11.7	25	12.1	14	7.4	42
eA US Large Cap Equity Net Median				1.4		1.0		-1.1		10.1		10.4		7.0	
<b>SSgA S&amp;P 500 Cap-Wgt</b>	<b>453,424,532</b>	<b>12.1</b>	<b>10.0</b>	<b>2.4</b>	<b>31</b>	<b>3.8</b>	<b>26</b>	<b>4.0</b>	<b>16</b>	<b>11.7</b>	<b>25</b>	<b>12.1</b>	<b>14</b>	<b>--</b>	<b>--</b>
S&P 500				2.5	31	3.8	25	4.0	16	11.7	25	12.1	14	7.4	42
<b>SSgA S&amp;P 500 Equal-Wgt</b>	<b>158,706,303</b>	<b>4.2</b>	<b>3.0</b>	<b>2.7</b>	<b>27</b>	<b>6.1</b>	<b>12</b>	<b>2.5</b>	<b>22</b>	<b>11.4</b>	<b>29</b>	<b>11.8</b>	<b>21</b>	<b>8.4</b>	<b>18</b>
S&P 500 Equal Weighted				2.7	28	5.8	14	2.7	21	11.6	26	11.9	20	8.7	14
<b>T. Rowe</b>	<b>6,807</b>	<b>0.0</b>	<b>0.0</b>												
S&P 500															

Fiscal Year End is 6/30

## VPIC Composite

### Total Fund Performance Detail - Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>Small/Mid Cap Comp</b>	<b>193,555,270</b>	<b>5.2</b>	<b>5.0</b>	<b>3.4</b>	<b>25</b>	<b>5.9</b>	<b>16</b>	<b>-0.1</b>	<b>17</b>	<b>10.6</b>	<b>16</b>	<b>10.7</b>	<b>15</b>	<b>7.9</b>	<b>36</b>
Russell 2000				3.8	20	2.2	50	-6.7	60	7.1	61	8.4	51	6.2	74
eA US Small-Mid Cap Equity Net Median				2.2		2.2		-5.6		7.8		8.4		7.3	
<b>SSgA S&amp;P 400</b>	<b>21,021,827</b>	<b>0.6</b>	<b>0.5</b>	<b>4.0</b>	<b>13</b>	<b>7.9</b>	<b>11</b>	<b>1.3</b>	<b>21</b>	<b>10.4</b>	<b>27</b>	--	--	--	--
S&P 400 MidCap				4.0	13	7.9	10	1.3	20	10.5	24	10.5	26	8.6	29
eA US Mid Cap Equity Net Median				2.3		2.1		-3.4		9.2		9.3		7.8	
<b>Champlain</b>	<b>81,500,650</b>	<b>2.2</b>	<b>2.0</b>	<b>6.0</b>	<b>3</b>	<b>8.7</b>	<b>8</b>	<b>3.8</b>	<b>10</b>	<b>12.3</b>	<b>7</b>	<b>11.5</b>	<b>16</b>	--	--
Russell 2500				3.6	19	4.0	36	-3.7	53	8.6	64	9.5	48	7.3	68
eA US Mid Cap Equity Net Median				2.3		2.1		-3.4		9.2		9.3		7.8	
<b>Wellington</b>	<b>74,051,077</b>	<b>2.0</b>	<b>2.0</b>	<b>0.7</b>	<b>75</b>	<b>4.2</b>	<b>51</b>	<b>-1.6</b>	<b>31</b>	<b>9.1</b>	<b>20</b>	<b>10.4</b>	<b>19</b>	<b>8.7</b>	<b>6</b>
Russell 2000 Value				4.3	17	6.1	27	-2.6	38	6.4	72	8.1	69	5.2	86
eA US Small Cap Value Equity Net Median				2.2		4.3		-3.9		7.5		9.0		6.6	
<b>SSgA Russell 2000 Growth</b>	<b>16,981,716</b>	<b>0.5</b>	<b>0.5</b>	<b>3.2</b>	<b>54</b>	<b>-1.7</b>	<b>61</b>	<b>-10.8</b>	<b>60</b>	<b>7.6</b>	<b>39</b>	<b>8.4</b>	<b>44</b>	--	--
Russell 2000 Growth				3.2	53	-1.6	61	-10.8	60	7.7	36	8.5	42	7.1	42
eA US Small Cap Growth Equity Net Median				3.6		-0.7		-8.7		7.0		8.2		6.8	

## VPIC Composite

### Total Fund Performance Detail - Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>International Equity</b>	<b>455,898,592</b>	<b>12.2</b>	<b>11.0</b>	<b>0.1</b>	<b>21</b>	<b>0.0</b>	<b>15</b>	<b>-6.3</b>	<b>30</b>	<b>4.0</b>	<b>35</b>	<b>2.6</b>	<b>55</b>	<b>2.1</b>	<b>63</b>
<i>MSCI EAFE</i>				-1.5	44	-4.4	57	-10.2	62	2.1	68	1.7	73	1.6	76
<i>MSCI ACWI ex USA</i>				-0.6	29	-1.0	19	-10.2	62	1.2	85	0.1	94	1.9	69
<i>eA All EAFE Equity Net Median</i>				-1.8		-4.0		-8.8		3.0		2.7		2.5	
<b>Acadian</b>	<b>149,892,830</b>	<b>4.0</b>	<b>4.0</b>	<b>0.5</b>	<b>16</b>	<b>-0.1</b>	<b>15</b>	<b>-2.7</b>	<b>14</b>	<b>5.7</b>	<b>20</b>	<b>3.6</b>	<b>37</b>	<b>1.7</b>	<b>71</b>
<b>Mondrian</b>	<b>149,607,955</b>	<b>4.0</b>	<b>4.0</b>	<b>0.4</b>	<b>19</b>	<b>0.9</b>	<b>10</b>	<b>-7.3</b>	<b>38</b>	<b>3.7</b>	<b>37</b>	<b>2.8</b>	<b>49</b>	<b>2.7</b>	<b>50</b>
<i>MSCI EAFE</i>				-1.5	44	-4.4	57	-10.2	62	2.1	68	1.7	73	1.6	76
<i>S&amp;P EPAC LargeMidCap</i>				-0.9	34	-3.6	45	-9.4	56	2.6	59	2.1	65	2.2	58
<b>SSgA ACWI Ex US</b>	<b>156,397,807</b>	<b>4.2</b>	<b>3.0</b>	<b>-0.5</b>	<b>43</b>	<b>-0.8</b>	<b>40</b>	<b>-10.0</b>	<b>66</b>	<b>1.4</b>	<b>82</b>	<b>0.3</b>	<b>87</b>	<b>--</b>	<b>--</b>
<i>MSCI ACWI ex USA</i>				-0.6	46	-1.0	43	-10.2	66	1.2	82	0.1	89	1.9	77
<i>eA ACWI ex-US All Cap Equity Net Median</i>				-1.1		-2.3		-7.5		3.5		2.7		2.8	
<b>Emerging Market Equity</b>	<b>247,145,498</b>	<b>6.6</b>	<b>6.0</b>	<b>4.1</b>	<b>12</b>	<b>12.6</b>	<b>7</b>	<b>-3.7</b>	<b>7</b>	<b>-1.1</b>	<b>57</b>	<b>-0.4</b>	<b>19</b>	<b>--</b>	<b>--</b>
<i>MSCI Emerging Markets</i>				0.7	75	6.4	44	-12.1	72	-1.6	69	-3.8	77	3.5	72
<i>eA Emg Mkts Equity Net Median</i>				1.8		5.9		-9.7		-0.8		-2.3		4.5	
<b>Aberdeen</b>	<b>247,145,498</b>	<b>6.6</b>	<b>6.0</b>	<b>4.1</b>	<b>12</b>	<b>12.6</b>	<b>7</b>	<b>-3.7</b>	<b>7</b>	<b>-1.1</b>	<b>57</b>	<b>-0.4</b>	<b>19</b>	<b>--</b>	<b>--</b>
<i>MSCI Emerging Markets</i>				0.7	75	6.4	44	-12.1	72	-1.6	69	-3.8	77	3.5	72
<i>eA Emg Mkts Equity Net Median</i>				1.8		5.9		-9.7		-0.8		-2.3		4.5	

## VPIC Composite

### Total Fund Performance Detail - Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>US Fixed Income</b>	<b>997,759,308</b>	<b>26.7</b>	<b>27.0</b>	<b>2.7</b>	<b>35</b>	<b>5.6</b>	<b>34</b>	<b>4.6</b>	<b>42</b>	<b>3.9</b>	<b>43</b>	--	--	--	--
Barclays Aggregate				2.2	49	5.3	38	6.0	27	4.1	39	3.8	52	5.1	47
eA All US Fixed Inc Net Median				2.2		4.5		4.0		3.6		3.9		5.0	
<b>Diversified Fixed Income</b>	<b>666,137,070</b>	<b>17.8</b>	<b>18.0</b>	<b>2.3</b>	<b>46</b>	<b>5.1</b>	<b>43</b>	<b>5.4</b>	<b>33</b>	<b>4.1</b>	<b>38</b>	<b>4.2</b>	<b>43</b>	<b>4.4</b>	<b>63</b>
Barclays Aggregate				2.2	49	5.3	38	6.0	27	4.1	39	3.8	52	5.1	47
eA All US Fixed Inc Net Median				2.2		4.5		4.0		3.6		3.9		5.0	
<b>SSgA Barclays Aggregate Index</b>	<b>117,693,866</b>	<b>3.1</b>	<b>3.0</b>	<b>2.2</b>	<b>63</b>	<b>5.3</b>	<b>44</b>	<b>6.0</b>	<b>41</b>	--	--	--	--	--	--
Barclays Aggregate				2.2	63	5.3	43	6.0	41	4.1	56	3.8	70	5.1	75
3-Month Libor Total Return USD				0.2	99	0.3	99	0.5	99	0.3	99	0.4	99	1.4	99
eA US Core Fixed Inc Net Median				2.3		5.3		5.8		4.1		4.0		5.4	
<b>PIMCO Core Plus</b>	<b>216,065,321</b>	<b>5.8</b>	<b>6.0</b>	<b>2.3</b>	<b>53</b>	<b>4.8</b>	<b>78</b>	<b>4.9</b>	<b>85</b>	<b>3.5</b>	<b>85</b>	<b>3.8</b>	<b>67</b>	--	--
Barclays Aggregate				2.2	63	5.3	43	6.0	41	4.1	56	3.8	70	5.1	75
<b>Wellington DAS</b>	<b>108,871,580</b>	<b>2.9</b>	<b>3.0</b>	<b>3.4</b>	<b>1</b>	<b>8.3</b>	<b>1</b>	<b>14.4</b>	<b>1</b>	<b>9.3</b>	<b>1</b>	<b>9.1</b>	<b>1</b>	--	--
Wellington Custom Benchmark				3.9	1	10.3	1	12.6	1	7.4	1	7.5	2	7.0	2
<b>Unconstrained Fixed Income</b>	<b>223,506,303</b>	<b>6.0</b>	<b>6.0</b>	<b>1.9</b>	<b>48</b>	<b>2.5</b>	<b>64</b>	<b>-0.4</b>	<b>71</b>	--	--	--	--	--	--
25% HY, 25% EMD, 50% BC Agg				3.8	14	7.7	9	6.0	3	4.7	7	5.0	19	6.6	19
Barclays Global Aggregate				2.9	31	9.0	4	8.9	1	2.8	55	1.8	81	4.4	66
eA Global Unconstrained Fixed Inc Net Median				1.9		3.9		1.7		3.1		3.6		5.2	
<b>PIMCO Unconstrained</b>	<b>92,659,107</b>	<b>2.5</b>	<b>2.5</b>	<b>1.9</b>	<b>50</b>	<b>1.6</b>	<b>73</b>	<b>-1.2</b>	<b>75</b>	<b>0.3</b>	<b>88</b>	<b>1.2</b>	<b>88</b>	--	--
25% HY, 25% EMD, 50% BC Agg				3.8	14	7.7	9	6.0	3	4.7	7	5.0	19	6.6	19
3-Month Libor Total Return USD				0.2	90	0.3	85	0.5	56	0.3	86	0.4	97	1.4	99
<b>GAM Unconstrained Bond</b>	<b>130,847,196</b>	<b>3.5</b>	<b>3.5</b>	<b>2.0</b>	<b>47</b>	<b>3.1</b>	<b>59</b>	<b>0.0</b>	<b>64</b>	--	--	--	--	--	--
3-Month LIBOR + 3%				0.9	84	1.8	72	3.5	24	3.3	45	3.4	54	4.5	65
eA Global Unconstrained Fixed Inc Net Median				1.9		3.9		1.7		3.1		3.6		5.2	

## VPIC Composite

### Total Fund Performance Detail - Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>High Yield Comp</b>	<b>187,670,603</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>29</b>	<b>7.1</b>	<b>47</b>	<b>0.4</b>	<b>60</b>	<b>3.8</b>	<b>56</b>	<b>5.6</b>	<b>39</b>	<b>6.9</b>	<b>43</b>
eA US High Yield Fixed Inc Net Median				4.3		6.9		0.8		3.9		5.4		6.8	
KDP	39,547,853	1.1	1.0	3.8	67	6.3	60	-0.1	64	3.0	77	4.6	78	--	--
Guggenheim	148,122,750	4.0	4.0	5.3	19	7.2	39	0.5	59	--	--	--	--	--	--
Barclays High Yield				5.5	17	9.1	9	1.6	36	4.2	38	5.8	30	7.6	18
BofA Merrill Lynch US High Yield BB-B Rated				4.6	39	7.9	25	2.1	29	4.6	21	5.9	29	7.0	39
eA US High Yield Fixed Inc Net Median				4.3		6.9		0.8		3.9		5.4		6.8	
<b>TIPS</b>	<b>143,951,634</b>	<b>3.8</b>	<b>4.0</b>												
eA TIPS / Infl Indexed Fixed Inc Net Median															
<b>BlackRock TIPS</b>	<b>143,951,634</b>	<b>3.8</b>	<b>4.0</b>	<b>1.7</b>	--	<b>6.2</b>	--	<b>4.3</b>	--	<b>2.2</b>	--	<b>2.5</b>	--	--	--
Barclays US TIPS				1.7	--	6.2	--	4.4	--	2.3	--	2.6	--	4.7	--
<b>Emerging Market Debt</b>	<b>192,719,780</b>	<b>5.1</b>	<b>5.0</b>	<b>5.8</b>	<b>19</b>	<b>10.6</b>	<b>59</b>	<b>8.8</b>	<b>14</b>	<b>5.7</b>	<b>10</b>	<b>6.1</b>	<b>7</b>	--	--
JP Morgan EMBI Global TR				5.4	25	10.9	51	10.3	5	6.4	5	6.2	6	7.9	33
eA All Emg Mkts Fixed Inc Net Median				4.3		11.0		5.1		3.6		3.6		7.6	
<b>Wellington Opportunistic EMD</b>	<b>192,719,780</b>	<b>5.1</b>	<b>5.0</b>	<b>5.8</b>	<b>19</b>	<b>10.6</b>	<b>59</b>	<b>8.8</b>	<b>14</b>	<b>5.7</b>	<b>10</b>	<b>6.1</b>	<b>7</b>	--	--
JP Morgan EMBI Global TR				5.4	25	10.9	51	10.3	5	6.4	5	6.2	6	7.9	33
eA All Emg Mkts Fixed Inc Net Median				4.3		11.0		5.1		3.6		3.6		7.6	
<b>Risk Parity</b>	<b>308,978,661</b>	<b>8.3</b>	<b>8.0</b>	<b>5.8</b>	<b>2</b>	<b>8.9</b>	<b>3</b>	<b>-0.5</b>	<b>33</b>	<b>3.9</b>	<b>44</b>	<b>3.6</b>	<b>44</b>	<b>4.8</b>	<b>60</b>
60% MSCI World (Gross) / 40% CITI WGBI				2.1	43	4.9	20	3.3	10	5.7	10	5.0	14	5.0	42
eA Global TAA Net Median				1.8		2.5		-1.2		3.5		3.4		5.0	
<b>AQR Global Risk Premium</b>	<b>308,978,661</b>	<b>8.3</b>	<b>8.0</b>	<b>5.8</b>	<b>2</b>	<b>10.8</b>	<b>1</b>	<b>-0.7</b>	<b>40</b>	<b>4.0</b>	<b>43</b>	<b>4.1</b>	<b>29</b>	--	--
60% MSCI World / 40% CITI WGBI				2.1	43	4.9	20	3.3	10	5.7	10	5.0	14	5.0	42
<b>Cash</b>	<b>2,261,655</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	--	<b>0.0</b>	--	<b>0.0</b>	--	<b>0.0</b>	--	<b>0.0</b>	--	<b>1.2</b>	--
91 Day T-Bills				0.1	--	0.1	--	0.2	--	0.1	--	0.1	--	0.9	--
<b>Commodities</b>	<b>104,390,162</b>	<b>2.8</b>	<b>3.0</b>	<b>14.4</b>	--	<b>16.2</b>	--	<b>-12.0</b>	--	<b>-13.7</b>	--	<b>-11.8</b>	--	--	--
Bloomberg Commodity Index				12.8	--	13.3	--	-13.3	--	-10.6	--	-10.8	--	-5.6	--
<b>Schroder</b>	<b>104,390,162</b>	<b>2.8</b>	<b>3.0</b>	<b>14.4</b>	--	<b>16.2</b>	--	<b>-12.0</b>	--	<b>-13.7</b>	--	<b>-12.0</b>	--	--	--
Bloomberg Commodity Index				12.8	--	13.3	--	-13.3	--	-10.6	--	-10.8	--	-5.6	--



NEPC, LLC

June 30, 2016

## VPIC Composite

### Total Fund Performance Detail - Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>Absolute Return</b>	<b>338,945,885</b>	<b>9.1</b>	<b>9.0</b>	<b>1.5</b>	<b>24</b>	<b>-2.6</b>	<b>52</b>	<b>-4.9</b>	<b>37</b>	<b>2.0</b>	<b>40</b>	<b>3.2</b>	<b>38</b>	--	--
HFRI Fund of Funds Composite Index				0.6	54	-2.6	51	-5.4	42	1.9	44	1.6	70	1.6	91
eV Alt Fund of Funds - Multi-Strategy Median				0.7		-2.6		-6.2		1.8		2.6		3.2	
<b>Grosvenor</b>	<b>192,992,977</b>	<b>5.2</b>	<b>5.0</b>	<b>1.5</b>	<b>22</b>	<b>-2.6</b>	<b>51</b>	<b>-4.9</b>	<b>37</b>	<b>2.8</b>	<b>31</b>	<b>3.6</b>	<b>30</b>	--	--
HFRI Fund of Funds Composite Index				0.6	54	-2.6	51	-5.4	42	1.9	44	1.6	70	1.6	91
<b>Mellon Dynamic Growth</b>	<b>75,446,316</b>	<b>2.0</b>	<b>2.0</b>	<b>2.6</b>	<b>28</b>	<b>0.8</b>	<b>69</b>	<b>-1.6</b>	<b>54</b>	<b>6.3</b>	<b>5</b>	<b>5.4</b>	<b>5</b>	<b>4.2</b>	<b>70</b>
Mellon Dynamic Growth Benchmark				1.4	57	4.3	24	0.8	23	4.3	34	4.3	27	4.1	71
eA Global TAA Net Median				1.8		2.5		-1.2		3.5		3.4		5.0	
<b>Allianz Structured Alpha</b>	<b>70,053,227</b>	<b>1.9</b>	<b>2.0</b>	<b>0.5</b>	--	<b>6.3</b>	--	<b>9.3</b>	--	<b>8.7</b>	--	<b>6.9</b>	--	--	--
Citi 10 Year Treasury				3.0	--	8.0	--	9.5	--	5.3	--	5.6	--	6.3	--
<b>GAM</b>	<b>453,365</b>	<b>0.0</b>	<b>0.0</b>												
<b>Real Estate</b>	<b>241,860,439</b>	<b>6.5</b>	<b>8.0</b>	<b>1.9</b>	--	<b>4.0</b>	--	<b>9.7</b>	--	<b>12.4</b>	--	--	--	--	--
NCREIF Property Index				2.0	--	4.3	--	10.6	--	11.6	--	11.5	--	7.4	--
<b>Morgan Stanley Prime Property</b>	<b>114,227,876</b>	<b>3.1</b>		<b>2.4</b>	--	<b>4.3</b>	--	<b>11.4</b>	--	<b>13.6</b>	--	<b>13.9</b>	--	<b>6.5</b>	--
UBS Trumbull	96,085,845	2.6		1.8	--	3.9	--	10.9	--	10.5	--	10.1	--	5.9	--
RREEF America REIT III	3,313,467	0.1		0.7	--	-4.1	--	-10.0	--	11.6	--	14.5	--	-2.4	--
Siguler Guff	27,977,657	0.7		0.8	--	4.5	--	5.2	--	--	--	--	--	--	--
Transwestern Aslan III	255,594	0.0		-1.6	--	-1.6	--	0.4	--	3.0	--	8.6	--	-23.1	--
NCREIF Property Index				2.0	--	4.3	--	10.6	--	11.6	--	11.5	--	7.4	--
NCREIF ODCE				2.1	--	4.4	--	11.8	--	13.0	--	12.7	--	6.2	--

Absolute Return composite formerly shown as Hedge Funds composite. As of 04/01/2016, Absolute Return includes Mellon Dynamic Growth and Allianz Structured Alpha. Risk Parity Composite formerly shown as GAA/Risk Parity.

Mellon Dynamic Growth was included in Risk Parity/GAA composite prior to 04/01/2016.

Allianz Structured Alpha was included Diversified Fixed income composite prior to 04/01/2016.

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

Real Estate performance reported on a quarterly basis. NCREIF Property is available 25 days after quarter end.

All Real Estate values are finalized as of 6/30/2016, except for Transwestern and Siguler Guff, which are preliminary.

## VPIC Composite

### Total Fund Performance Detail - Net

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank
<b>Private Equity</b>	<b>47,837,927</b>	<b>1.3</b>	<b>5.0</b>	<b>0.0</b>	--	<b>1.3</b>	--	<b>2.6</b>	--	<b>16.7</b>	--	--	--	--	--
Cambridge Associates US All PE				0.0	--	0.2	--	-0.6	--	9.7	--	10.4	--	10.4	--
Harbourvest Partners IX Credit Opportunities	2,008,588	0.1													
Harbourvest Partners IX Venture Fund	10,028,833	0.3													
Harbourvest Partners IX Buyout Fund	13,112,350	0.4													
Harbourvest Partners X Venture Fund	1,068,524	0.0													
Harbourvest Partners X Buyout Fund	2,091,259	0.1													
Harbourvest Dover VIII Fund	16,645,532	0.4													
HIPEP VII	2,882,841	0.1													

Harbourvest is based on final Capital Account Statements for Q1 2016, and cash adjusted through June for any Capital Calls or Distributions.

## VPIC Composite

### Total Fund Yearly Performance - Net

	Ending June 30, 2016																	
	2015 (%)	Rank	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank
VPIC Composite	-2.2	85	4.0	79	8.0	98	12.7	50	1.8	16	14.4	10	26.3	8	-30.1	91	5.9	96
60% MSCI ACWI (Net)/40% CITI WGBI	-2.6	88	2.3	97	11.4	73	10.3	91	-1.8	99	10.0	90	21.3	32	-24.1	17	11.6	1
60% MSCI ACWI (Net) / 40% BC Agg	-1.0	67	5.0	56	12.3	67	11.5	85	-1.1	95	10.8	88	23.0	20	-25.8	27	9.9	16
InvestorForce Public DB > \$1B Net Median	-0.4		5.1		14.3		12.7		0.6		12.8		20.0		-26.9		8.5	
Vermont State Teachers	-2.0	83	4.0	82	7.7	97	12.7	31	1.8	22	14.4	10	25.9	7	-30.4	94	5.9	88
Allocation Index	-1.8	81	3.4	91	9.3	92	10.8	70	0.7	47	11.6	65	22.7	23	-25.2	53	6.5	80
Policy Index	-1.4	74	3.8	84	9.1	93	10.9	67	0.6	50	11.7	63	19.3	48	-24.3	50	7.6	52
InvestorForce Public DB Net Median	-0.4		5.5		14.9		11.8		0.6		12.2		18.6		-24.4		7.8	
Vermont State Employees	-2.3	86	4.0	82	8.2	96	12.7	34	1.8	22	14.4	10	26.9	5	-29.9	91	5.9	87
Allocation Index	-1.8	81	3.4	91	9.8	91	10.6	72	0.5	56	11.9	57	22.6	24	-23.9	48	6.6	78
Policy Index	-1.4	74	3.8	84	9.1	93	10.9	67	0.6	50	11.7	63	19.5	47	-22.5	42	7.6	52
InvestorForce Public DB Net Median	-0.4		5.5		14.9		11.8		0.6		12.2		18.6		-24.4		7.8	
Vermont Municipal Employees	-2.5	89	4.0	82	8.4	95	12.7	32	1.8	22	14.4	10	27.3	5	-29.7	90	5.8	88
Allocation Index	-1.8	81	3.3	92	10.0	91	10.7	71	0.6	52	11.8	60	22.2	25	-23.0	45	6.7	74
Policy Index	-1.4	74	3.8	84	9.1	93	10.9	67	0.6	50	11.7	63	19.3	48	-21.9	37	7.7	52
InvestorForce Public DB Net Median	-0.4		5.5		14.9		11.8		0.6		12.2		18.6		-24.4		7.8	

## VPIC Composite

### Total Fund Yearly Performance - Net

	2015 (%)	Rank	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank
<b>Composite</b>	<b>-2.2</b>	<b>85</b>	<b>4.0</b>	<b>79</b>	<b>8.0</b>	<b>98</b>	<b>12.7</b>	<b>50</b>	<b>1.8</b>	<b>16</b>	<b>14.4</b>	<b>10</b>	<b>26.3</b>	<b>8</b>	<b>-30.1</b>	<b>91</b>	<b>5.9</b>	<b>96</b>
60% MSCI ACWI (Net)/40% CITI WGBI	-2.6	88	2.3	97	11.4	73	10.3	91	-1.8	99	10.0	90	21.3	32	-24.1	17	11.6	1
60% MSCI ACWI (Net)/ 40% BC Global Agg	-2.5	86	2.8	94	12.1	68	11.5	86	-2.1	99	10.2	90	23.3	19	-25.9	29	10.9	1
InvestorForce Public DB > \$1B Net Median	-0.4		5.1		14.3		12.7		0.6		12.8		20.0		-26.9		8.5	
<b>Total Marketable Assets</b>	<b>-3.4</b>	<b>--</b>	<b>3.4</b>	<b>--</b>	<b>7.4</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>								
Total Marketable Assets Custom Index	-2.8	--	3.6	--	9.9	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total Equity</b>	<b>-2.9</b>	<b>73</b>	<b>4.7</b>	<b>44</b>	<b>23.0</b>	<b>61</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
MSCI ACWI	-2.4	69	4.2	48	22.8	61	16.1	56	-7.3	56	12.7	56	34.6	46	-42.2	59	11.7	41
eA All Global Equity Net Median	-0.6		4.0		24.8		16.7		-6.3		13.6		32.4		-41.2		10.3	
<b>US Equity</b>	<b>0.3</b>	<b>38</b>	<b>11.3</b>	<b>35</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>								
Russell 3000	0.5	37	12.6	25	33.6	59	16.4	38	1.0	34	16.9	60	28.3	57	-37.3	50	5.1	60
eA All US Equity Net Median	-1.3		9.1		34.9		15.3		-1.1		19.1		30.0		-37.3		6.7	
<b>Large Cap Comp</b>	<b>0.3</b>	<b>49</b>	<b>13.6</b>	<b>25</b>	<b>33.7</b>	<b>44</b>	<b>16.5</b>	<b>34</b>	<b>1.1</b>	<b>36</b>	<b>17.3</b>	<b>23</b>	<b>40.1</b>	<b>12</b>	<b>-40.4</b>	<b>77</b>	<b>4.4</b>	<b>74</b>
S&P 500	1.4	40	13.7	24	32.4	56	16.0	41	2.1	27	15.1	40	26.5	55	-37.0	54	5.5	65
eA US Large Cap Equity Net Median	0.0		11.6		32.9		15.3		-0.3		14.1		27.4		-36.8		8.2	
<b>SSgA S&amp;P 500 Cap-Wgt</b>	<b>1.4</b>	<b>40</b>	<b>13.7</b>	<b>24</b>	<b>32.4</b>	<b>56</b>	<b>16.1</b>	<b>40</b>	<b>2.1</b>	<b>27</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
S&P 500	1.4	40	13.7	24	32.4	56	16.0	41	2.1	27	15.1	40	26.5	55	-37.0	54	5.5	65
<b>SSgA S&amp;P 500 Equal-Wgt</b>	<b>-2.7</b>	<b>72</b>	<b>14.4</b>	<b>18</b>	<b>36.1</b>	<b>27</b>	<b>17.4</b>	<b>26</b>	<b>-0.2</b>	<b>49</b>	<b>21.9</b>	<b>5</b>	<b>46.6</b>	<b>5</b>	<b>-40.6</b>	<b>78</b>	<b>0.4</b>	<b>90</b>
S&P 500 Equal Weighted	-2.2	69	14.5	17	36.2	26	17.7	23	-0.1	48	21.9	5	46.3	5	-39.7	71	1.5	87
<b>T. Rowe</b>																		
S&P 500																		

## VPIC Composite

### Total Fund Yearly Performance - Net

	2015 (%)	Rank	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank
<b>Small/Mid Cap Comp</b>	<b>0.2</b>	<b>23</b>	<b>7.3</b>	<b>34</b>	<b>37.7</b>	<b>44</b>	<b>14.6</b>	<b>53</b>	<b>0.4</b>	<b>36</b>	<b>26.6</b>	<b>41</b>	<b>32.5</b>	<b>58</b>	<b>-34.3</b>	<b>26</b>	<b>1.3</b>	<b>75</b>
Russell 2000	-4.4	70	4.9	53	38.8	36	16.3	33	-4.2	71	26.9	41	27.2	77	-33.8	25	-1.6	84
eA US Small-Mid Cap Equity Net Median	-2.5		5.2		36.7		14.9		-1.7		25.8		34.1		-38.9		8.5	
<b>SSgA S&amp;P 400</b>	<b>-2.2</b>	<b>50</b>	<b>9.7</b>	<b>41</b>	<b>33.6</b>	<b>60</b>	<b>17.9</b>	<b>24</b>	--	--	--	--	--	--	--	--	--	--
S&P 400 MidCap	-2.2	50	9.8	40	33.5	62	17.9	23	-1.7	45	26.6	25	37.4	44	-36.2	26	8.0	54
eA US Mid Cap Equity Net Median	-2.3		8.4		34.9		14.9		-2.2		23.2		36.3		-40.7		8.5	
<b>Champlain</b>	<b>1.6</b>	<b>22</b>	<b>8.2</b>	<b>52</b>	<b>38.2</b>	<b>25</b>	<b>12.1</b>	<b>76</b>	<b>2.9</b>	<b>13</b>	<b>21.8</b>	<b>61</b>	--	--	--	--	--	--
Russell 2500	-2.9	55	7.1	64	36.8	39	17.9	23	-2.5	54	26.7	25	34.4	59	-36.8	31	1.4	80
eA US Mid Cap Equity Net Median	-2.3		8.4		34.9		14.9		-2.2		23.2		36.3		-40.7		8.5	
<b>Wellington</b>	<b>-0.7</b>	<b>11</b>	<b>7.1</b>	<b>30</b>	<b>33.8</b>	<b>74</b>	<b>16.0</b>	<b>49</b>	<b>0.9</b>	<b>18</b>	<b>27.3</b>	<b>32</b>	<b>31.5</b>	<b>47</b>	<b>-27.1</b>	<b>14</b>	<b>-2.9</b>	<b>46</b>
Russell 2000 Value	-7.5	73	4.2	58	34.5	70	18.0	34	-5.5	70	24.5	58	20.6	81	-28.9	22	-9.8	82
eA US Small Cap Value Equity Net Median	-4.6		5.0		37.1		15.9		-3.0		25.0		30.2		-33.1		-3.8	
<b>SSgA Russell 2000 Growth</b>	<b>-1.5</b>	<b>51</b>	<b>5.5</b>	<b>29</b>	<b>43.2</b>	<b>67</b>	<b>14.6</b>	<b>39</b>	<b>-3.1</b>	<b>53</b>	<b>29.1</b>	<b>36</b>	<b>34.1</b>	<b>53</b>	<b>-38.5</b>	<b>24</b>	--	--
Russell 2000 Growth	-1.4	50	5.6	29	43.3	65	14.6	39	-2.9	53	29.1	36	34.5	52	-38.5	24	7.0	61
eA US Small Cap Growth Equity Net Median	-1.4		2.8		45.8		13.2		-2.4		27.5		35.3		-42.7		9.5	
<b>International Equity</b>	<b>-1.5</b>	<b>75</b>	<b>-2.7</b>	<b>30</b>	<b>23.2</b>	<b>62</b>	<b>13.6</b>	<b>91</b>	<b>-9.6</b>	<b>25</b>	<b>8.8</b>	<b>78</b>	<b>24.8</b>	<b>89</b>	<b>-42.3</b>	<b>33</b>	<b>10.3</b>	<b>66</b>
MSCI EAFE	-0.8	67	-4.9	60	22.8	64	17.3	72	-12.1	45	7.8	83	31.8	65	-43.4	43	11.2	58
MSCI ACWI ex USA	-5.7	96	-3.9	45	15.3	92	16.8	77	-13.7	60	11.2	54	41.4	35	-45.5	59	16.7	30
eA All EAFE Equity Net Median	1.2		-4.3		24.5		18.9		-12.6		12.2		35.6		-44.2		13.5	
<b>Acadian</b>	<b>2.6</b>	<b>36</b>	<b>-3.2</b>	<b>38</b>	<b>26.5</b>	<b>38</b>	<b>16.4</b>	<b>82</b>	<b>-13.5</b>	<b>57</b>	<b>13.9</b>	<b>36</b>	<b>27.0</b>	<b>81</b>	<b>-49.3</b>	<b>85</b>	<b>8.1</b>	<b>78</b>
Mondrian	-3.3	85	-2.0	22	23.5	59	9.4	99	-4.0	2	3.1	99	23.9	93	-37.4	9	11.9	56
MSCI EAFE	-0.8	67	-4.9	60	22.8	64	17.3	72	-12.1	45	7.8	83	31.8	65	-43.4	43	11.2	58
S&P EPAC LargeMidCap	-0.5	63	-4.5	53	22.2	69	18.1	61	-11.7	40	9.2	75	34.3	55	-43.3	43	12.9	52
<b>SSgA ACWI Ex US</b>	<b>-5.5</b>	<b>86</b>	<b>-3.7</b>	<b>63</b>	<b>15.5</b>	<b>74</b>	<b>17.1</b>	<b>64</b>	<b>-13.6</b>	<b>63</b>	--	--	--	--	--	--	--	--
MSCI ACWI ex USA	-5.7	86	-3.9	64	15.3	75	16.8	67	-13.7	64	11.2	69	41.4	21	-45.5	53	16.7	52
eA ACWI ex-US All Cap Equity Net Median	-0.3		-2.3		17.9		18.4		-11.3		13.1		35.6		-45.1		16.8	

## VPIC Composite

### Total Fund Yearly Performance - Net

	2015 (%)	Rank	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank
<b>Emerging Market Equity</b>	<b>-13.8</b>	<b>59</b>	<b>-1.8</b>	<b>58</b>	<b>-6.6</b>	<b>94</b>	<b>25.5</b>	<b>3</b>	<b>-11.1</b>	<b>6</b>	--	--	--	--	--	--	--	--
<i>MSCI Emerging Markets</i>	-14.9	68	-2.2	62	-2.6	74	18.2	66	-18.4	53	18.9	72	78.5	37	-53.3	42	39.4	47
<i>eA Emg Mkts Equity Net Median</i>	-12.9		-0.8		-0.1		19.6		-18.1		21.1		77.0		-54.1		39.0	
<b>Aberdeen</b>	<b>-13.8</b>	<b>59</b>	<b>-1.8</b>	<b>58</b>	<b>-6.6</b>	<b>94</b>	<b>25.5</b>	<b>3</b>	<b>-11.1</b>	<b>6</b>	<b>28.1</b>	<b>10</b>	<b>80.3</b>	<b>24</b>	--	--	--	--
<i>MSCI Emerging Markets</i>	-14.9	68	-2.2	62	-2.6	74	18.2	66	-18.4	53	18.9	72	78.5	37	-53.3	42	39.4	47
<i>eA Emg Mkts Equity Net Median</i>	-12.9		-0.8		-0.1		19.6		-18.1		21.1		77.0		-54.1		39.0	
<b>US Fixed Income</b>	<b>0.1</b>	<b>61</b>	<b>5.6</b>	<b>33</b>	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>Barclays Aggregate</i>	0.5	45	6.0	28	-2.0	80	4.2	70	7.8	24	6.5	59	5.9	77	5.2	19	7.0	22
<i>eA All US Fixed Inc Net Median</i>	0.4		3.9		-0.5		6.5		5.9		7.2		10.8		0.4		5.6	
<b>Diversified Fixed Income</b>	<b>0.9</b>	<b>30</b>	<b>6.7</b>	<b>21</b>	<b>-2.6</b>	<b>88</b>	<b>6.6</b>	<b>50</b>	<b>8.0</b>	<b>21</b>	<b>8.9</b>	<b>33</b>	<b>20.8</b>	<b>25</b>	<b>-15.4</b>	<b>85</b>	<b>3.8</b>	<b>77</b>
<i>Barclays Aggregate</i>	0.5	45	6.0	28	-2.0	80	4.2	70	7.8	24	6.5	59	5.9	77	5.2	19	7.0	22
<i>eA All US Fixed Inc Net Median</i>	0.4		3.9		-0.5		6.5		5.9		7.2		10.8		0.4		5.6	
<b>SSgA Barclays Aggregate Index</b>	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<i>Barclays Aggregate</i>	0.5	50	6.0	33	-2.0	68	4.2	88	7.8	23	6.5	75	5.9	78	5.2	30	7.0	33
<i>3-Month Libor Total Return USD</i>	0.3	70	0.2	99	0.3	6	0.4	99	0.3	99	0.3	99	0.8	99	3.2	51	5.5	81
<i>eA US Core Fixed Inc Net Median</i>	0.5		5.6		-1.8		5.9		7.3		7.2		9.3		3.4		6.5	
<b>PIMCO Core Plus</b>	<b>0.8</b>	<b>35</b>	<b>5.1</b>	<b>76</b>	<b>-2.7</b>	<b>96</b>	<b>7.0</b>	<b>24</b>	<b>7.4</b>	<b>41</b>	<b>8.8</b>	<b>8</b>	--	--	--	--	--	--
<i>Barclays Aggregate</i>	0.5	50	6.0	33	-2.0	68	4.2	88	7.8	23	6.5	75	5.9	78	5.2	30	7.0	33
<b>Wellington DAS</b>	<b>5.9</b>	<b>1</b>	<b>14.0</b>	<b>1</b>	<b>-3.9</b>	<b>99</b>	<b>7.8</b>	<b>15</b>	<b>16.9</b>	<b>1</b>	<b>6.6</b>	<b>74</b>	<b>9.2</b>	<b>53</b>	--	--	--	--
<i>Wellington Custom Benchmark</i>	1.8	4	13.3	2	-8.1	99	5.1	69	19.7	1	6.5	75	5.9	78	5.2	30	7.0	33

## VPIC Composite

### Total Fund Yearly Performance - Net

	2015 (%)	Rank	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank
<b>Unconstrained Fixed Income</b>	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
25% HY, 25% EMD, 50% BC Agg	-0.5	31	5.0	18	-0.9	83	10.6	63	7.4	17	10.1	51	23.1	69	-7.1	17	5.5	38
Barclays Global Aggregate eA Global Unconstrained Fixed Inc Net Median	-3.2	80	0.6	80	-2.6	97	4.3	99	5.6	35	5.5	90	6.9	96	4.8	2	9.5	10
<b>PIMCO Unconstrained</b>	<b>-2.6</b>	<b>70</b>	<b>2.4</b>	<b>64</b>	<b>-2.1</b>	<b>91</b>	<b>3.9</b>	<b>99</b>	--	--	--	--	--	--	--	--	--	--
25% HY, 25% EMD, 50% BC Agg	-0.5	31	5.0	18	-0.9	83	10.6	63	7.4	17	10.1	51	23.1	69	-7.1	17	5.5	38
3-Month Libor Total Return USD	0.3	22	0.2	81	0.3	71	0.4	99	0.3	72	0.3	99	0.8	99	3.2	3	5.5	38
<b>GAM Unconstrained Bond</b>	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
3-Month LIBOR + 3%	3.3	1	3.2	42	3.3	21	3.5	99	3.3	54	3.4	99	3.8	99	6.2	1	8.7	13
eA Global Unconstrained Fixed Inc Net Median	-1.7		2.8		1.6		11.9		3.5		10.1		28.3		-13.7		4.8	
<b>High Yield Comp</b>	<b>-3.2</b>	<b>50</b>	<b>2.4</b>	<b>43</b>	<b>7.5</b>	<b>46</b>	<b>14.6</b>	<b>61</b>	<b>5.3</b>	<b>24</b>	<b>13.4</b>	<b>74</b>	<b>40.8</b>	<b>68</b>	<b>-19.4</b>	<b>32</b>	<b>4.2</b>	<b>7</b>
eA US High Yield Fixed Inc Net Median	-3.3		1.9		7.3		14.8		3.7		14.1		44.1		-21.6		2.8	
<b>KDP</b>	<b>-3.7</b>	<b>58</b>	<b>2.2</b>	<b>47</b>	<b>4.6</b>	<b>98</b>	<b>11.9</b>	<b>91</b>	<b>5.9</b>	<b>14</b>	<b>11.0</b>	<b>92</b>	--	--	--	--	--	--
<b>Guggenheim</b>	<b>-3.0</b>	<b>49</b>	<b>2.4</b>	<b>40</b>	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Barclays High Yield	-4.5	73	2.5	40	7.4	47	15.8	29	5.0	34	15.1	31	58.2	15	-26.2	87	1.9	73
BofA Merrill Lynch US High Yield BB-B Rated	-2.9	47	3.5	20	6.3	75	14.7	56	5.4	24	14.5	38	46.1	44	-23.7	71	2.7	55
eA US High Yield Fixed Inc Net Median	-3.3		1.9		7.3		14.8		3.7		14.1		44.1		-21.6		2.8	

## VPIC Composite

### Total Fund Yearly Performance - Net

	2015 (%)	Rank	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank
<b>TIPS</b>																		
eA TIPS / Infl Indexed Fixed Inc																		
Net Median																		
<b>BlackRock TIPS</b>	-1.4	--	3.4	--	-8.7	--	6.9	--	13.5	--	6.3	--	--	--	--	--	--	--
Barclays US TIPS	-1.4	--	3.6	--	-8.6	--	7.0	--	13.6	--	6.3	--	11.4	--	-2.4	--	11.6	--
<b>Emerging Market Debt</b>	-1.0	28	6.1	2	-5.1	29	19.4	34	7.0	16	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	1.2	4	5.5	8	-6.6	42	18.5	48	8.5	1	12.0	81	28.2	69	-10.9	29	6.3	73
eA All Emg Mkts Fixed Inc Net Median	-3.8		0.6		-7.0		18.5		2.0		14.0		29.9		-13.6		7.9	
<b>Wellington Opportunistic EMD</b>	-1.0	28	6.1	2	-5.1	29	19.4	34	7.0	16	13.1	61	--	--	--	--	--	--
JP Morgan EMBI Global TR	1.2	4	5.5	8	-6.6	42	18.5	48	8.5	1	12.0	81	28.2	69	-10.9	29	6.3	73
eA All Emg Mkts Fixed Inc Net Median	-3.8		0.6		-7.0		18.5		2.0		14.0		29.9		-13.6		7.9	
<b>Risk Parity</b>	-7.1	84	4.3	32	2.7	81	14.6	2	0.1	28	17.1	1	30.0	9	-26.8	70	4.9	92
60% MSCI World (Gross) / 40% CITI WGBI	-1.4	33	3.1	51	13.9	21	10.6	34	-0.3	33	9.8	50	19.2	59	-22.7	59	10.3	27
eA Global TAA Net Median	-3.0		3.3		8.1		9.5		-1.8		9.8		21.7		-21.3		7.6	
<b>AQR Global Risk Premium</b>	-9.4	96	7.9	1	-2.5	92	15.6	1	6.6	7	24.6	1	--	--	--	--	--	--
60% MSCI World / 40% CITI WGBI	-1.4	33	3.1	51	13.9	21	10.6	34	-0.3	33	9.8	50	19.2	59	-22.7	59	10.3	27
<b>Cash</b>	0.0	--	0.0	--	0.0	--	0.1	--	0.2	--	0.3	--	0.6	--	2.4	--	6.4	--
91 Day T-Bills	0.0	--	0.0	--	0.0	--	0.1	--	0.0	--	0.1	--	0.1	--	1.3	--	4.4	--
<b>Commodities</b>	-27.8	--	-24.3	--	-9.2	--	0.0	--	-6.8	--	--	--	--	--	--	--	--	--
Bloomberg Commodity Index	-24.7	--	-17.0	--	-9.5	--	-1.1	--	-13.3	--	16.8	--	18.9	--	-35.6	--	16.2	--
<b>Schroder</b>	-27.9	--	-24.3	--	-9.2	--	-0.4	--	-7.7	--	16.1	68	--	--	--	--	--	--
Bloomberg Commodity Index	-24.7	--	-17.0	--	-9.5	--	-1.1	--	-13.3	--	16.8	63	18.9	65	-35.6	15	16.2	99

## VPIC Composite

### Total Fund Yearly Performance - Net

	2015 (%)	Rank	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank
<b>Absolute Return</b>	<b>-0.4</b>	<b>44</b>	<b>2.4</b>	<b>60</b>	<b>14.1</b>	<b>22</b>	<b>9.3</b>	<b>24</b>	<b>-3.8</b>	<b>46</b>	--	--	--	--	--	--	--	--
HFR Fund of Funds Composite Index	-0.3	42	3.4	44	9.0	60	4.8	71	-5.7	68	5.7	55	11.5	62	-21.4	57	10.3	56
eV Alt Fund of Funds - Multi-Strategy Median	-0.9		3.0		10.5		6.5		-4.0		6.1		13.9		-20.2		11.2	
<b>Grosvenor</b>	<b>0.1</b>	<b>40</b>	<b>3.4</b>	<b>44</b>	<b>15.2</b>	<b>16</b>	<b>8.5</b>	<b>29</b>	<b>-3.4</b>	<b>42</b>	--	--	--	--	--	--	--	--
HFR Fund of Funds Composite Index	-0.3	42	3.4	44	9.0	60	4.8	71	-5.7	68	5.7	55	11.5	62	-21.4	57	10.3	56
<b>Mellon Dynamic Growth</b>	<b>3.0</b>	<b>1</b>	<b>6.1</b>	<b>9</b>	<b>11.5</b>	<b>31</b>	<b>10.5</b>	<b>34</b>	<b>0.3</b>	<b>23</b>	<b>15.3</b>	<b>1</b>	<b>30.6</b>	<b>9</b>	<b>-36.4</b>	<b>97</b>	<b>1.1</b>	<b>96</b>
Mellon Dynamic Growth Benchmark	-2.8	50	3.5	49	10.3	39	11.5	19	-0.6	35	8.8	53	17.4	65	-22.4	57	7.9	43
eA Global TAA Net Median	-3.0		3.3		8.1		9.5		-1.8		9.8		21.7		-21.3		7.6	
<b>Allianz Structured Alpha</b>	<b>5.1</b>	--	<b>15.4</b>	--	<b>-2.5</b>	--	<b>10.6</b>	--	<b>7.3</b>	--	<b>12.7</b>	--	<b>22.6</b>	--	--	--	--	--
Citi 10 Year Treasury	0.9	--	10.7	--	-7.8	--	4.2	--	17.0	--	8.1	--	-9.9	--	20.3	--	9.8	--
<b>GAM</b>																		
<b>Real Estate</b>	<b>13.0</b>	--	<b>13.7</b>	--	<b>13.5</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
NCREIF Property Index	13.3	--	11.8	--	11.0	--	10.5	--	14.3	--	13.1	--	-16.9	--	-6.5	--	15.8	--
<b>Morgan Stanley Prime Property</b>	<b>14.6</b>	--	<b>14.1</b>	--	<b>16.2</b>	--	<b>11.7</b>	--	<b>16.3</b>	--	<b>15.0</b>	--	<b>-34.2</b>	--	<b>-4.7</b>	--	<b>16.2</b>	--
UBS Trumbull	12.5	--	10.5	--	9.3	--	9.0	--	12.3	--	16.2	--	-22.6	--	-7.5	--	13.6	--
RREEF America REIT III	7.5	--	25.8	--	15.6	--	22.9	--	53.8	--	7.4	--	-64.6	--	-41.9	--	18.1	--
Siguler Guff	8.1	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Transwestern Aslan III</b>	<b>5.6</b>	--	<b>1.3</b>	--	<b>48.5</b>	--	<b>12.0</b>	--	<b>-12.4</b>	--	<b>-42.2</b>	--	<b>-87.7</b>	--	<b>-26.0</b>	--	<b>3.5</b>	--
NCREIF Property Index	13.3	--	11.8	--	11.0	--	10.5	--	14.3	--	13.1	--	-16.9	--	-6.5	--	15.8	--
NCREIF ODCE	15.0	--	12.5	--	13.9	--	10.9	--	16.0	--	16.4	--	-29.8	--	-10.0	--	16.0	--

Absolute Return composite formerly shown as Hedge Funds composite. As of 04/01/2016, Absolute Return includes Mellon Dynamic Growth and Allianz Structured Alpha. Risk Parity Composite formerly shown as GAA/Risk Parity.

Mellan Dynamic Growth was included in Risk Parity/GAA composite prior to 04/01/2016.

Allianz Structured Alpha was included Diversified Fixed income composite prior to 04/01/2016.

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

Real Estate performance reported on a quarterly basis. NCREIF Property is available 25 days after quarter end.

All Real Estate values are finalized as of 6/30/2016, except for Transwestern and Siguler Guff, which are preliminary.

## VPIC Composite

### Total Fund Yearly Performance - Net

	2015 (%)	Rank	2014 (%)	Rank	2013 (%)	Rank	2012 (%)	Rank	2011 (%)	Rank	2010 (%)	Rank	2009 (%)	Rank	2008 (%)	Rank	2007 (%)	Rank
<b>Private Equity</b>	<b>13.1</b>	--	<b>24.9</b>	--	<b>8.9</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
Cambridge Associates US All PE	5.6	--	11.1	--	21.3	--	14.2	--	11.0	--	20.4	--	13.4	--	-22.4	--	19.7	--
Harbourvest Partners IX Credit Opportunities																		
Harbourvest Partners IX Venture Fund																		
Harbourvest Partners IX Buyout Fund																		
Harbourvest Partners X Venture Fund																		
Harbourvest Partners X Buyout Fund																		
Harbourvest Dover VIII Fund																		
HIPEP VII																		

# Private Equity Performance Analysis (As of 3/31/2016)

## State of Vermont Executive IRR Summary

3/31/2016

Investment Name	Vintage Year	Commitment Amount	QTD	YTD	1 Year	3 Year	5 Year	Inception
HarbourVest HIPEP VII	2014	15,000,000	0.80	0.80	5.61			7.32
HarbourVest Partners Dover Street VIII	2012	25,000,000	1.64	1.64	17.28	19.16		29.16
HarbourVest Partners IX-Buyout	2012	24,000,000	0.98	0.98	10.81	13.28		13.27
HarbourVest Partners IX-Credit Opportunities	2012	4,000,000	1.43	1.43	8.10	10.16		13.88
HarbourVest Partners IX-Venture	2012	12,000,000	-0.61	-0.61	11.07	19.91		19.29
HarbourVest Partners X Buyout Fund	2015	35,000,000	-0.27	-0.27				8.98
HarbourVest Partners X Venture Fund	2015	15,000,000	-2.11	-2.11				-7.88
<b>State of Vermont</b>		<b>130,000,000</b>	<b>0.81</b>	<b>0.81</b>	<b>13.09</b>	<b>16.88</b>		<b>20.33</b>

Investment	Vintage Year	Commitment Amount	Paid in Capital	Capital to be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
<b>State of Vermont</b>													
1 HarbourVest HIPEP VII	2014	15,000,000	2,362,500	12,637,500	0	125,576	2,357,841	2,483,417	120,917	16%	0.05	1.05	7.32%
2 HarbourVest Partners Dover Street VIII	2012	25,000,000	17,687,500	7,312,500	0	8,023,746	16,653,128	24,676,874	6,989,374	71%	0.45	1.40	29.16%
3 HarbourVest Partners IX-Buyout	2012	24,000,000	12,780,000	11,220,000	47,188	3,062,854	12,512,350	15,575,204	2,748,016	53%	0.24	1.21	13.27%
4 HarbourVest Partners IX-Credit Opportunities	2012	4,000,000	2,220,000	1,780,000	10,265	704,144	1,948,588	2,652,732	422,467	56%	0.32	1.19	13.88%
5 HarbourVest Partners IX-Venture	2012	12,000,000	8,820,000	3,180,000	37,671	1,931,751	10,028,833	11,960,584	3,102,913	74%	0.22	1.35	19.29%
6 HarbourVest Partners X Buyout Fund	2015	35,000,000	875,000	34,125,000	0	0	953,759	953,759	78,759	3%	0.00	1.09	8.98%
7 HarbourVest Partners X Venture Fund	2015	15,000,000	525,000	14,475,000	0	0	483,524	483,524	-41,476	4%	0.00	0.92	-7.88%
<b>Subtotal: State of Vermont</b>		<b>130,000,000</b>	<b>45,270,000</b>	<b>84,730,000</b>	<b>95,124</b>	<b>13,848,071</b>	<b>44,938,023</b>	<b>58,786,094</b>	<b>13,420,970</b>	<b>35%</b>	<b>0.31</b>	<b>1.30</b>	<b>20.33%</b>
<b>Total : State of Vermont</b>		<b>130,000,000</b>	<b>45,270,000</b>	<b>84,730,000</b>	<b>95,124</b>	<b>13,848,071</b>	<b>44,938,023</b>	<b>58,786,094</b>	<b>13,420,970</b>	<b>35%</b>	<b>0.31</b>	<b>1.30</b>	<b>20.33%</b>



NEPC, LLC

March 31, 2016

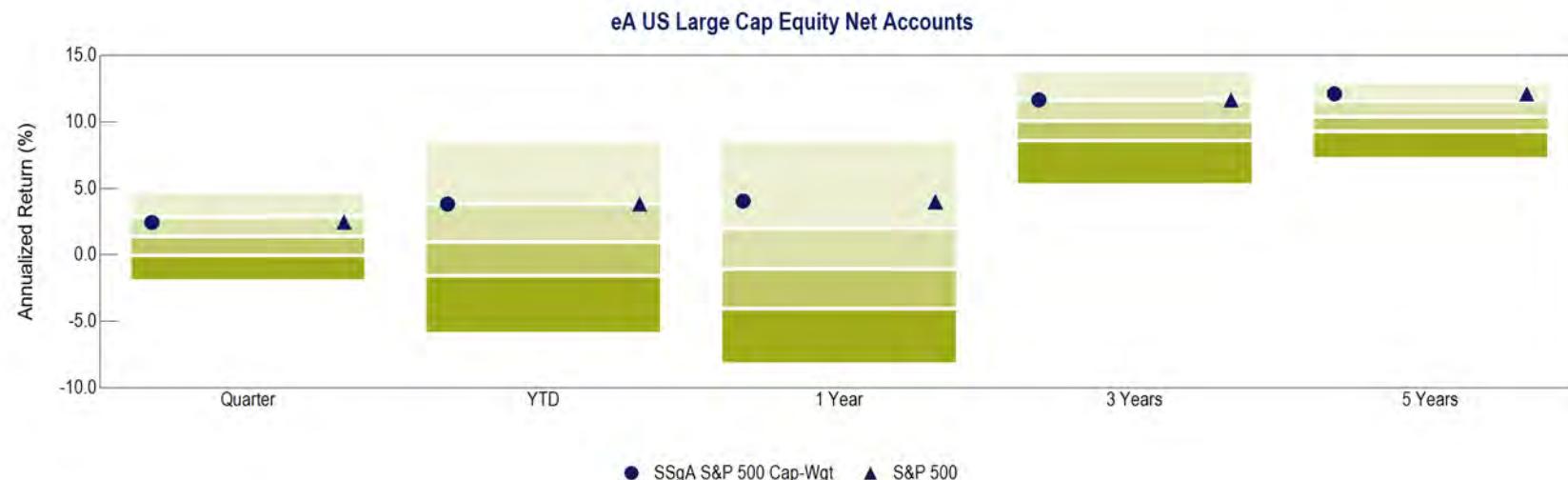
# **Manager Characteristics**

## SSgA S&P 500 Cap-Wgt

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

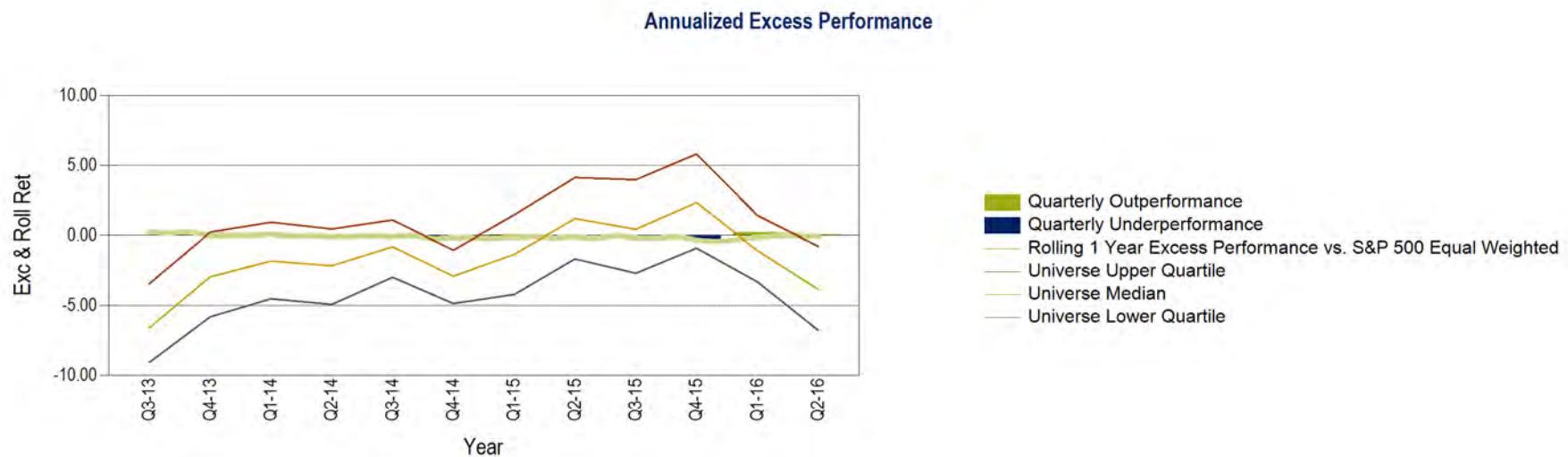
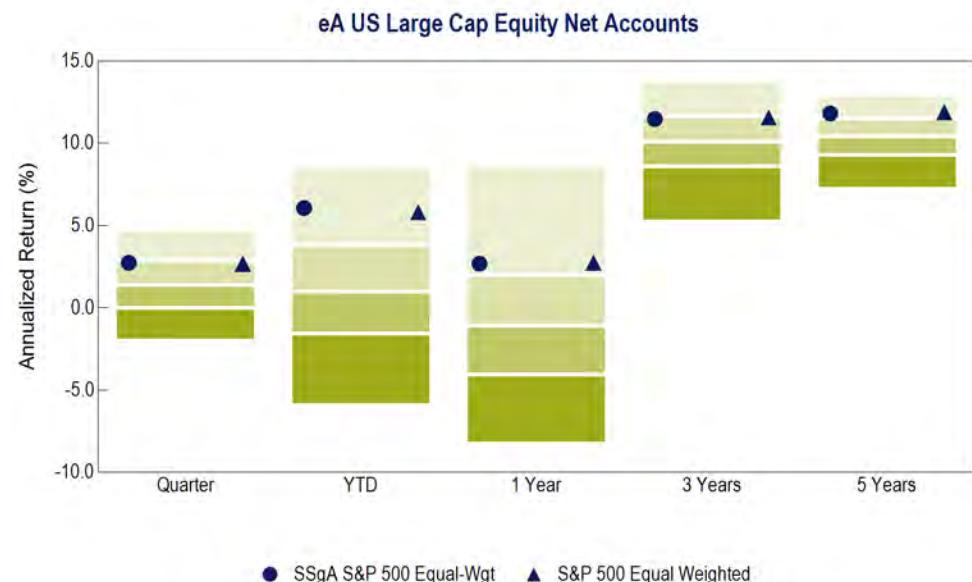
### Characteristics

	Portfolio	S&P 500
Number of Holdings	505	505
Weighted Avg. Market Cap. (\$B)	127.9	127.6
Median Market Cap. (\$B)	18.1	18.1
Price To Earnings	23.8	23.3
Price To Book	4.9	4.4
Price To Sales	3.5	3.0
Return on Equity (%)	18.9	17.7
Yield (%)	2.2	2.2
Beta	1.0	1.0
R-Squared	1.0	1.0

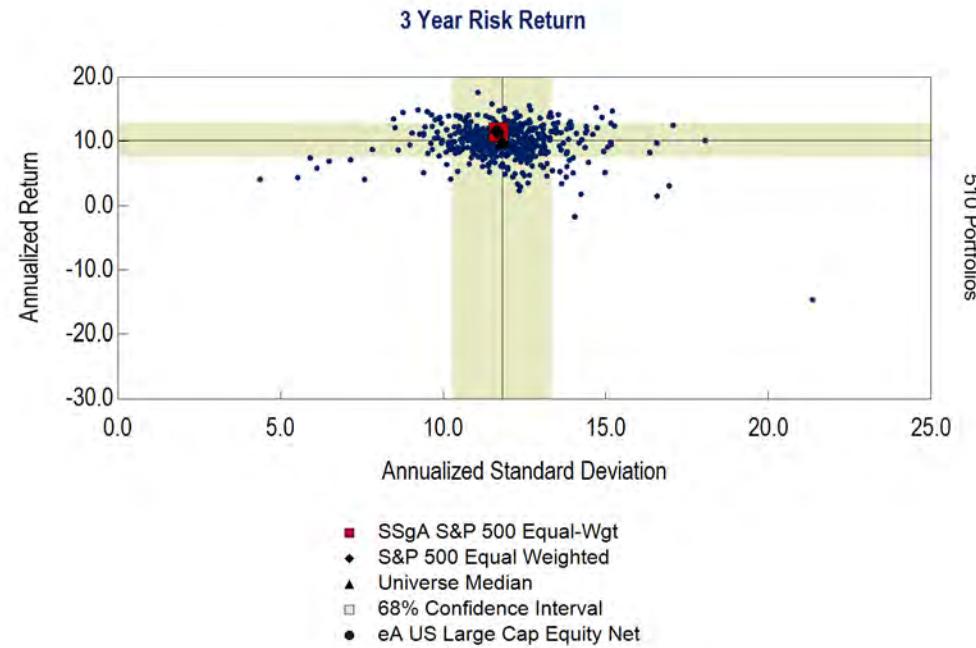


## SSgA S&P 500 Equal-Wgt

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



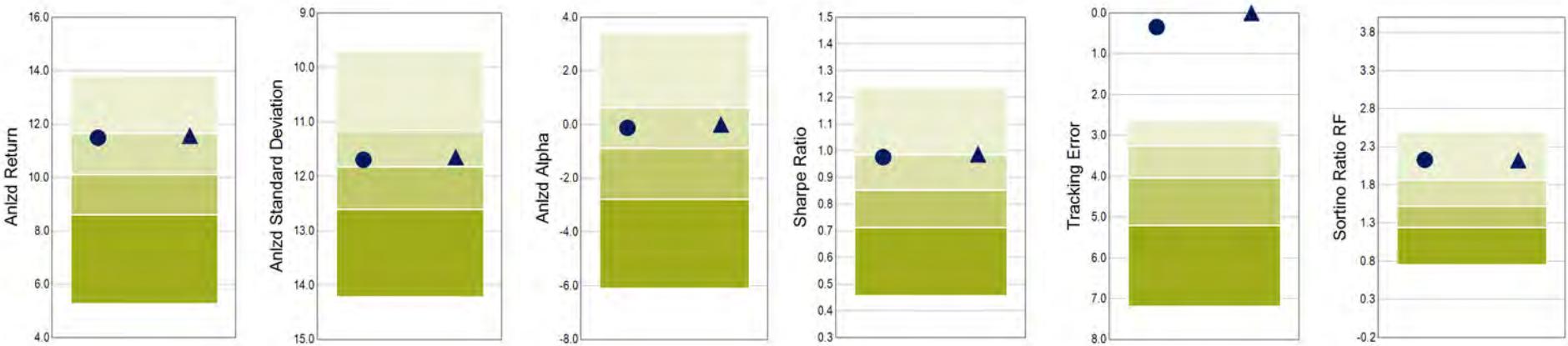
# SSgA S&P 500 Equal-Wgt



## Characteristics

	Portfolio	S&P 500
Number of Holdings	505	505
Weighted Avg. Market Cap. (\$B)	37.6	127.6
Median Market Cap. (\$B)	18.1	18.1
Price To Earnings	23.3	23.3
Price To Book	4.2	4.4
Price To Sales	3.0	3.0
Return on Equity (%)	17.9	17.7
Yield (%)	2.0	2.2
Beta	1.0	1.0
R-Squared	1.0	1.0

## 3 Year Risk Statistics



NEPC, LLC

June 30, 2016

# SSgA S&P 400

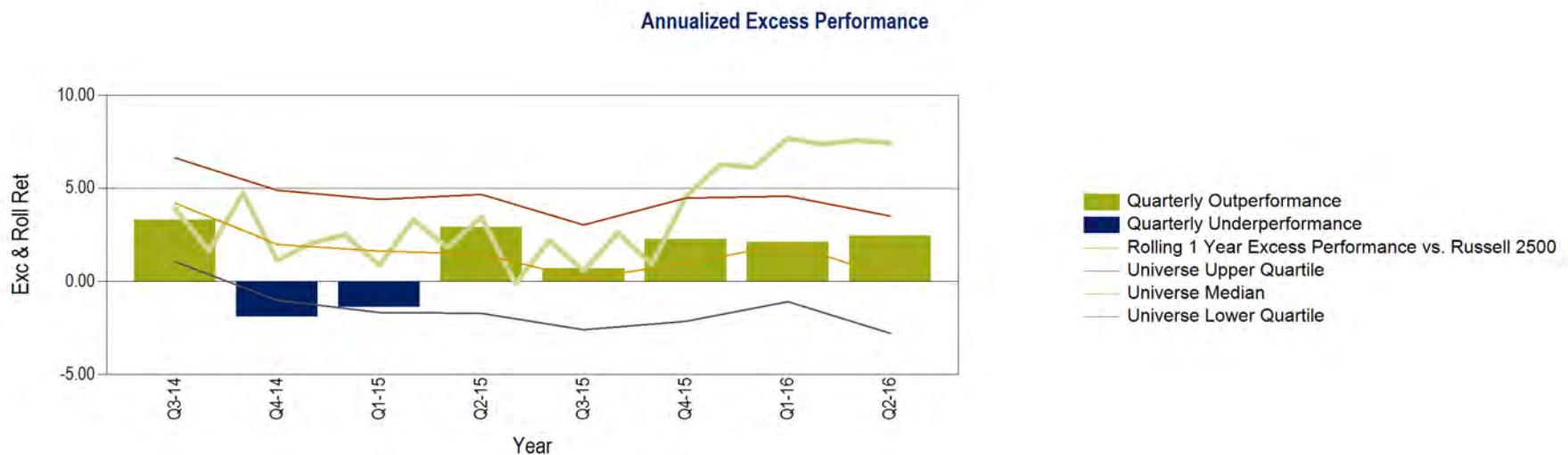
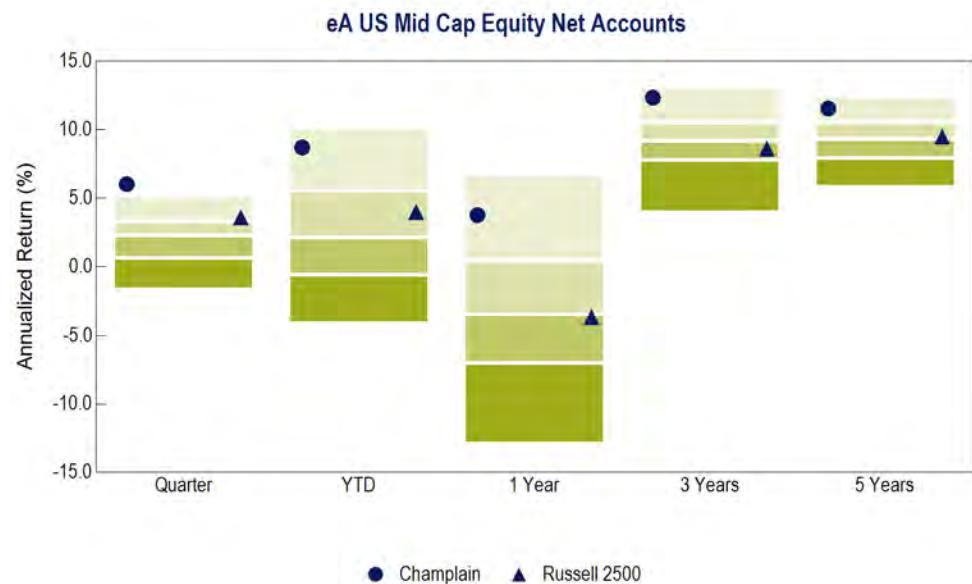
The Strategy is managed using a "passive" or "indexing" investment approach, by which SSgA attempts to match, before expenses, the performance of the Index. SSgA will typically attempt to invest in the securities comprising the Index, in the same proportions as they are represented in the Index. In some 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.

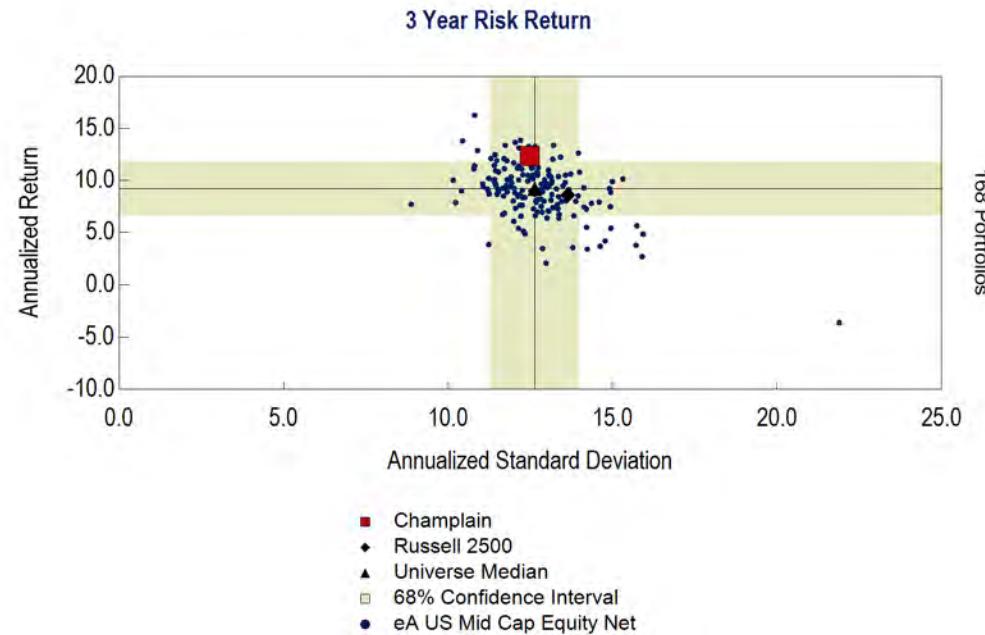
	Characteristics	
	Portfolio	S&P 400 MidCap
Number of Holdings	401	400
Weighted Avg. Market Cap. (\$B)	4.8	4.8
Median Market Cap. (\$B)	3.4	3.4
Price To Earnings	25.1	23.4
Price To Book	3.6	3.0
Price To Sales	2.8	2.7
Return on Equity (%)	15.4	14.8
Yield (%)	1.7	1.7
Beta	1.0	1.0
R-Squared	1.0	1.0



# Champlain

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

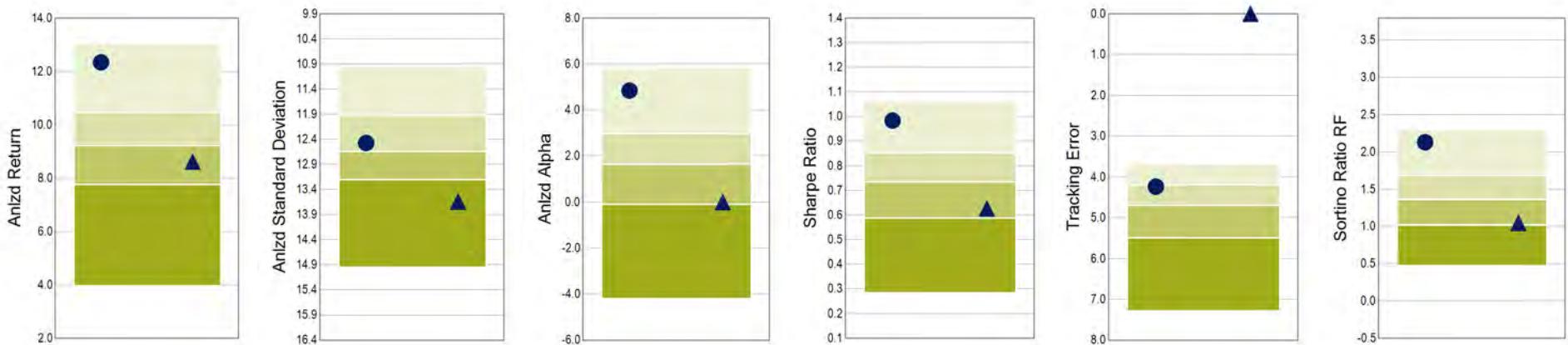




## Characteristics

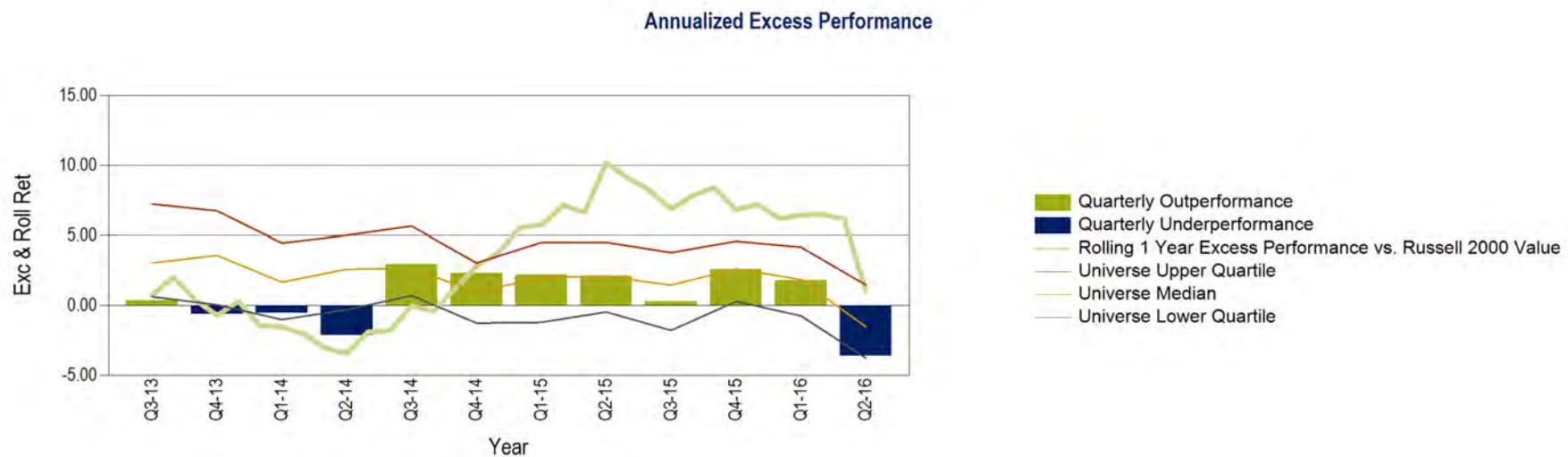
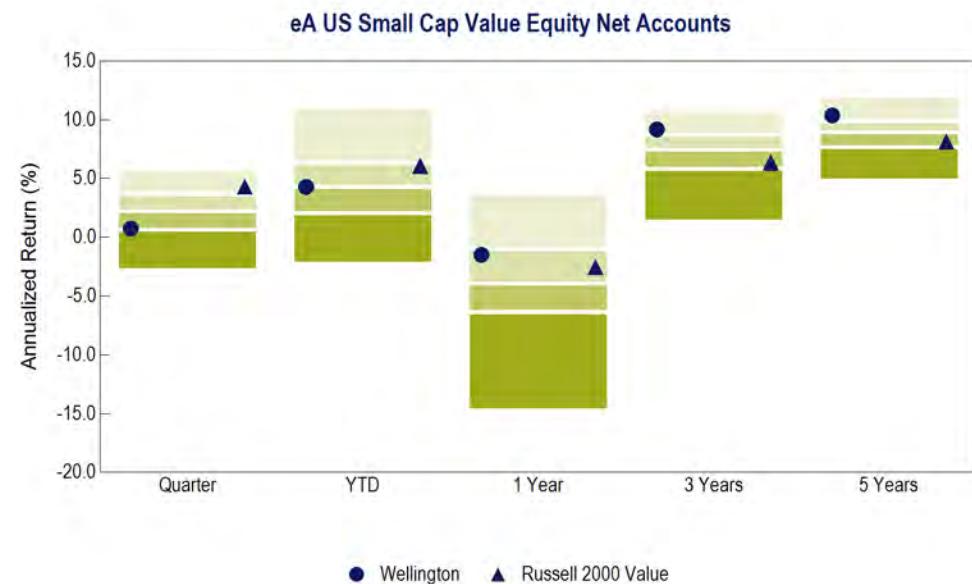
Portfolio	Russell 2500
Number of Holdings	60 2,507
Weighted Avg. Market Cap. (\$B)	8.6 3.8
Median Market Cap. (\$B)	6.3 1.0
Price To Earnings	28.9 22.6
Price To Book	4.5 3.0
Price To Sales	3.4 2.8
Return on Equity (%)	13.0 12.0
Yield (%)	1.3 1.5
Beta	0.9 1.0
R-Squared	0.9 1.0

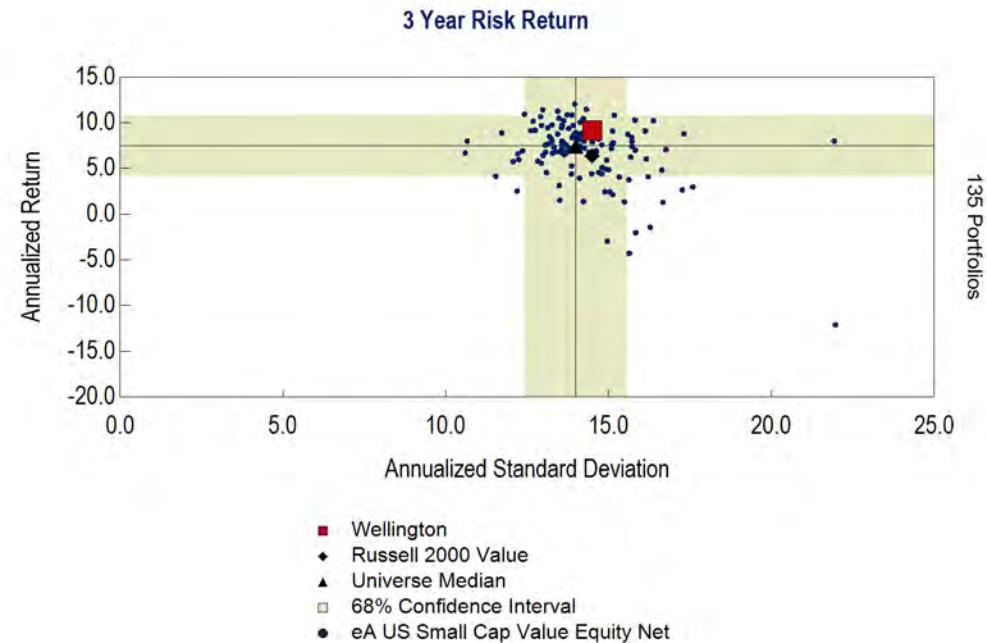
## 3 Year Risk Statistics



# Wellington

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

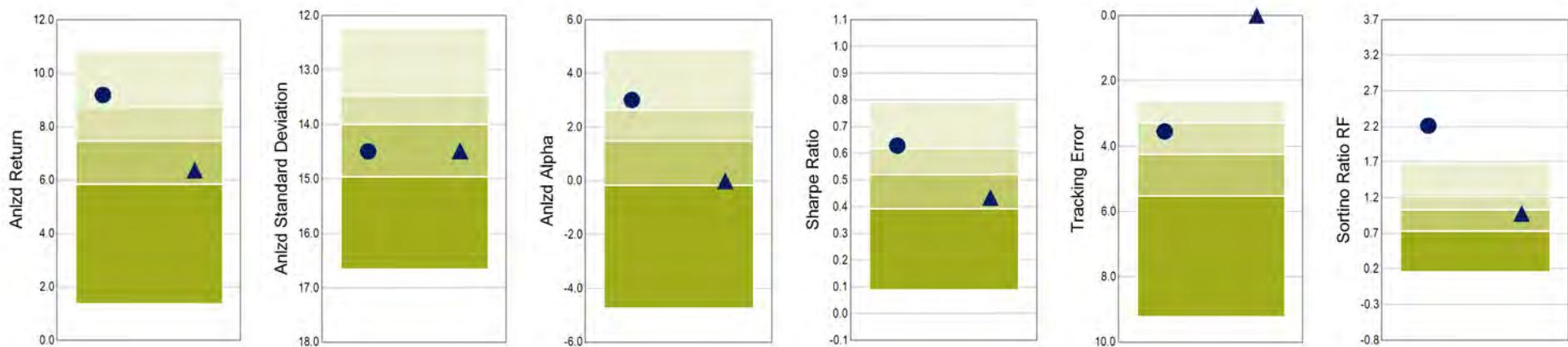




## Characteristics

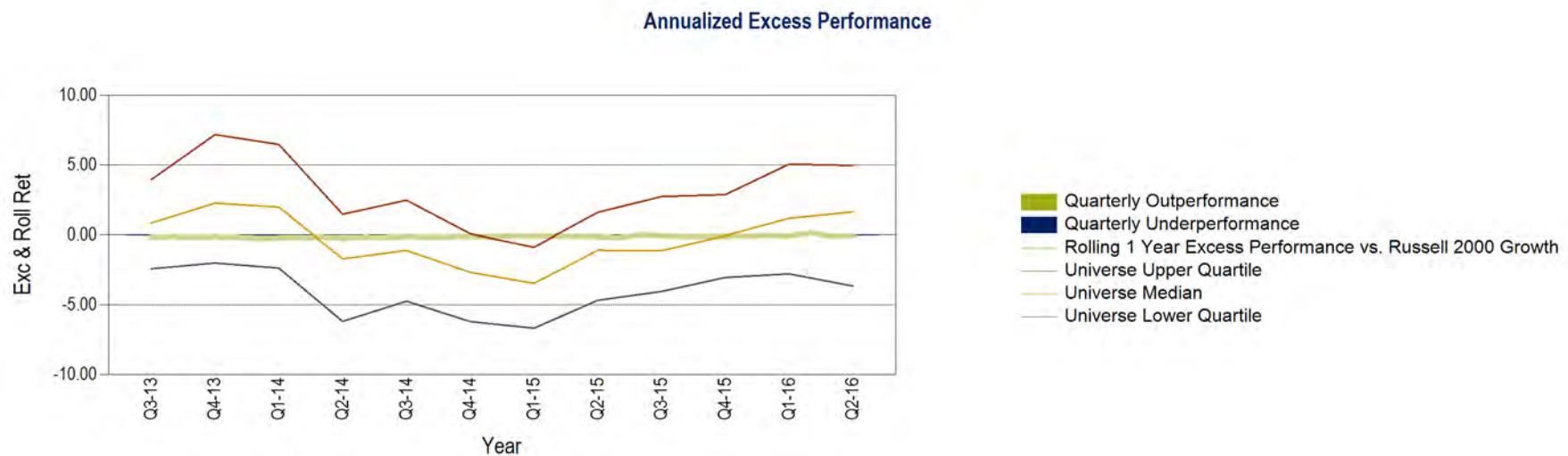
Portfolio	Russell 2000 Value
Number of Holdings	76 1,361
Weighted Avg. Market Cap. (\$B)	1.6 1.6
Median Market Cap. (\$B)	1.2 0.6
Price To Earnings	24.0 16.8
Price To Book	2.1 1.5
Price To Sales	1.8 2.3
Return on Equity (%)	8.7 7.1
Yield (%)	1.8 2.0
Beta	1.0 1.0
R-Squared	0.9 1.0

## 3 Year Risk Statistics

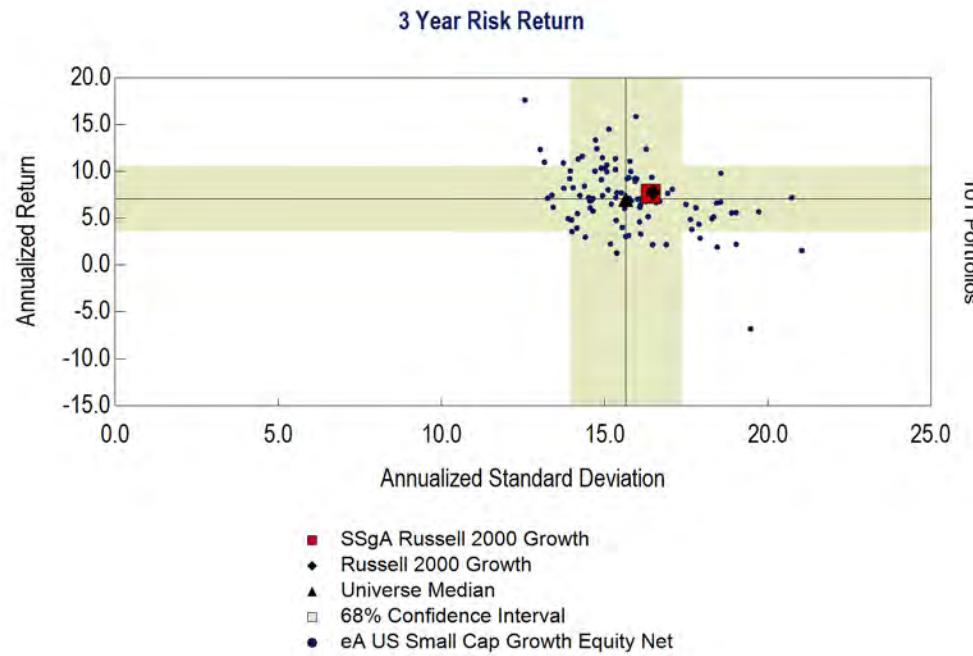


## SSgA Russell 2000 Growth

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



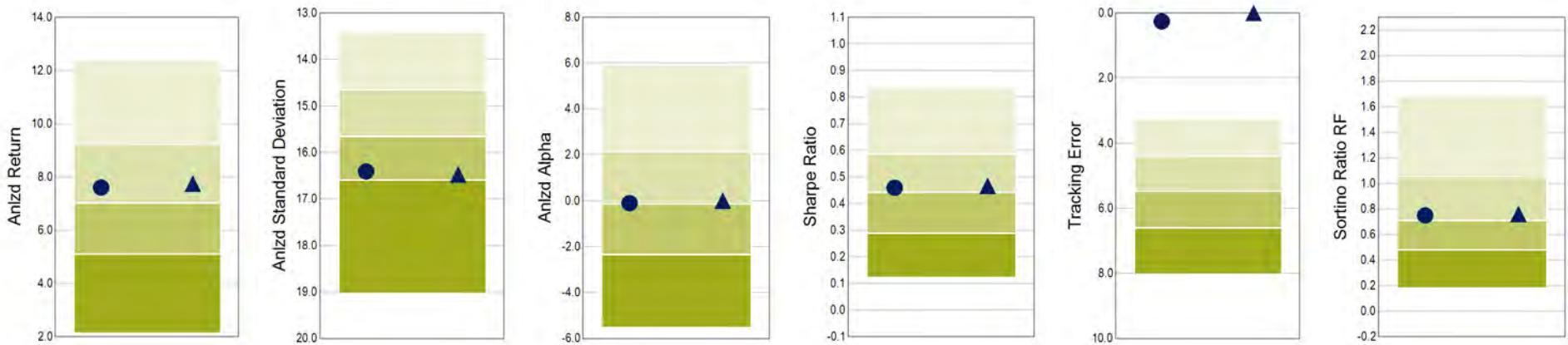
# SSgA Russell 2000 Growth



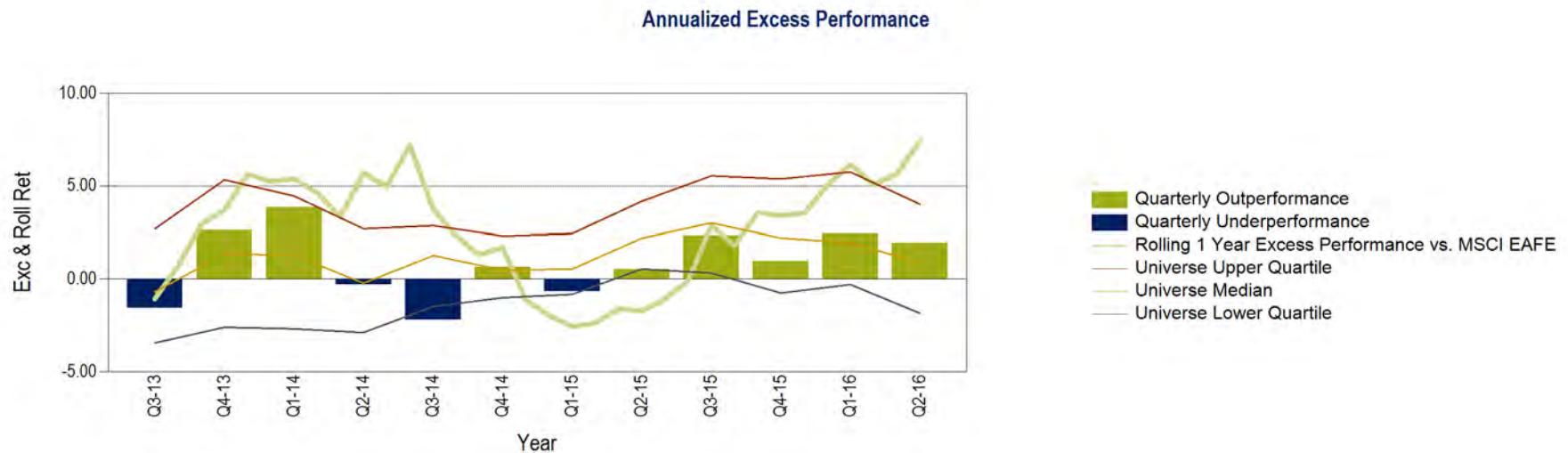
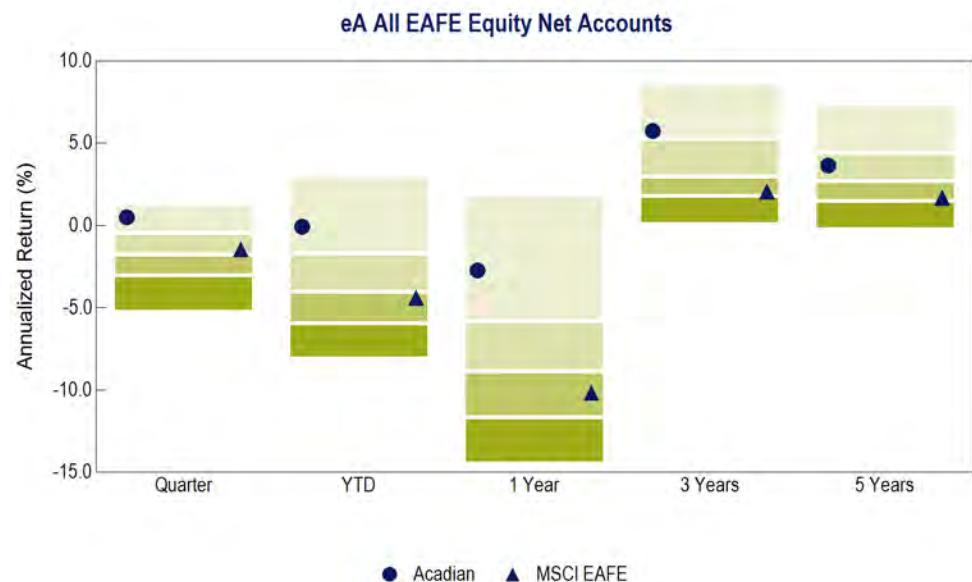
## Characteristics

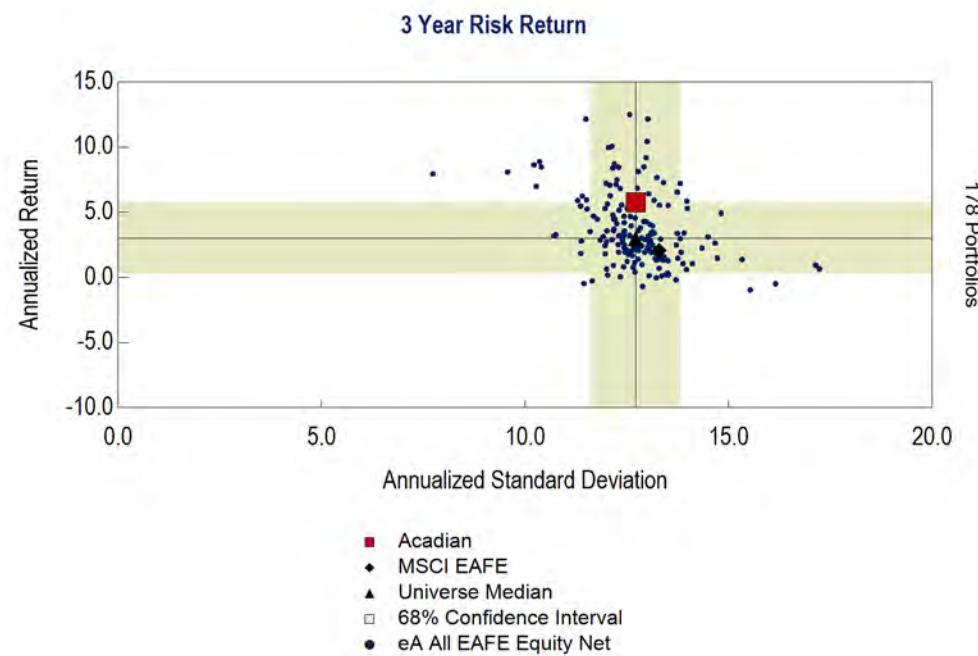
Portfolio	Russell 2000 Growth
Number of Holdings	1,993
Weighted Avg. Market Cap. (\$B)	1.7
Median Market Cap. (\$B)	0.7
Price To Earnings	22.3
Price To Book	3.0
Price To Sales	3.0
Return on Equity (%)	11.5
Yield (%)	1.6
Beta	1.0
R-Squared	1.0

## 3 Year Risk Statistics

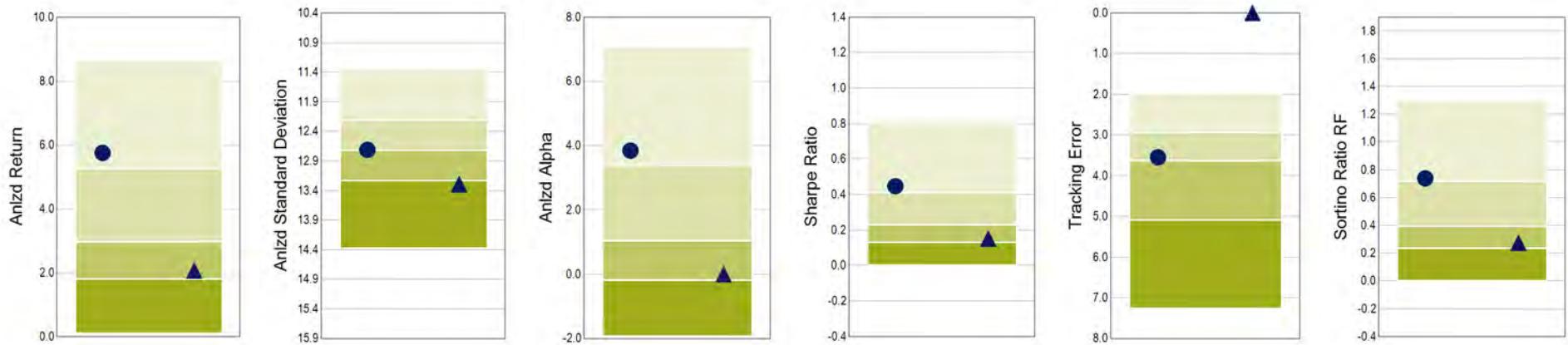


Acadian believes that the larger the pool of potential investments, the greater the potential opportunity an active manager has to add value. They believe that stocks and markets have many attributes that are related to potential outperformance, and that a successful investment approach must be multi-faceted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



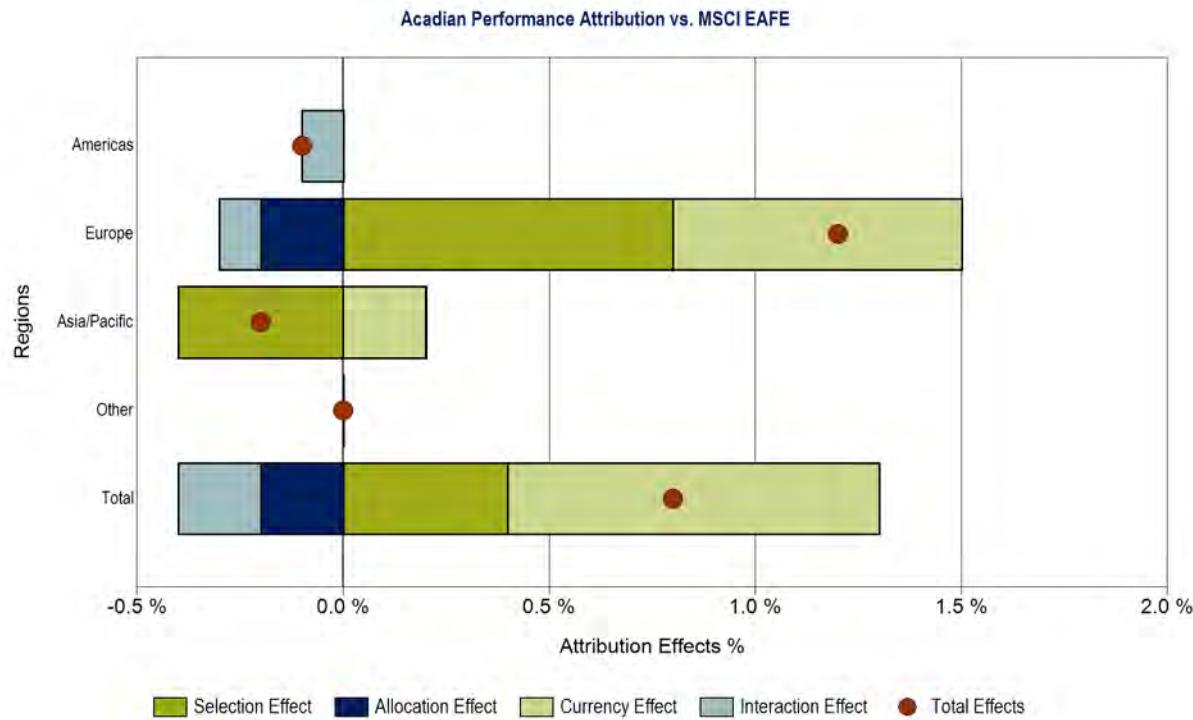
**Characteristics**

	Portfolio	MSCI EAFE
Number of Holdings	478	930
Weighted Avg. Market Cap. (\$B)	22.4	51.3
Median Market Cap. (\$B)	0.8	8.5
Price To Earnings	17.0	19.1
Price To Book	2.6	2.4
Price To Sales	1.6	2.2
Return on Equity (%)	14.8	12.7
Yield (%)	2.8	3.4
Beta	0.9	1.0
R-Squared	0.9	1.0

**3 Year Risk Statistics**

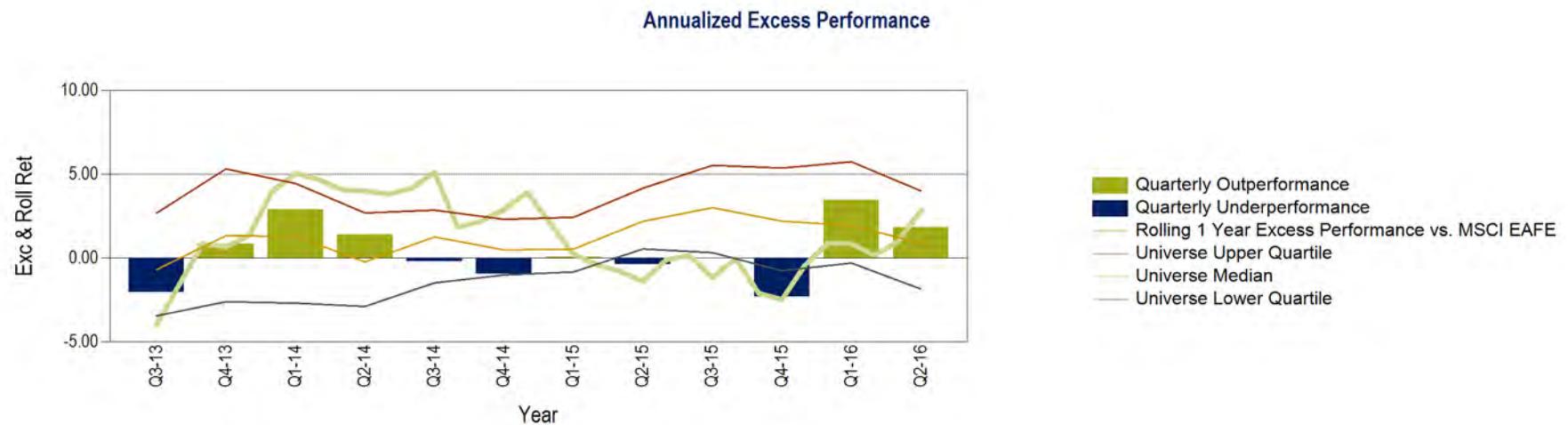
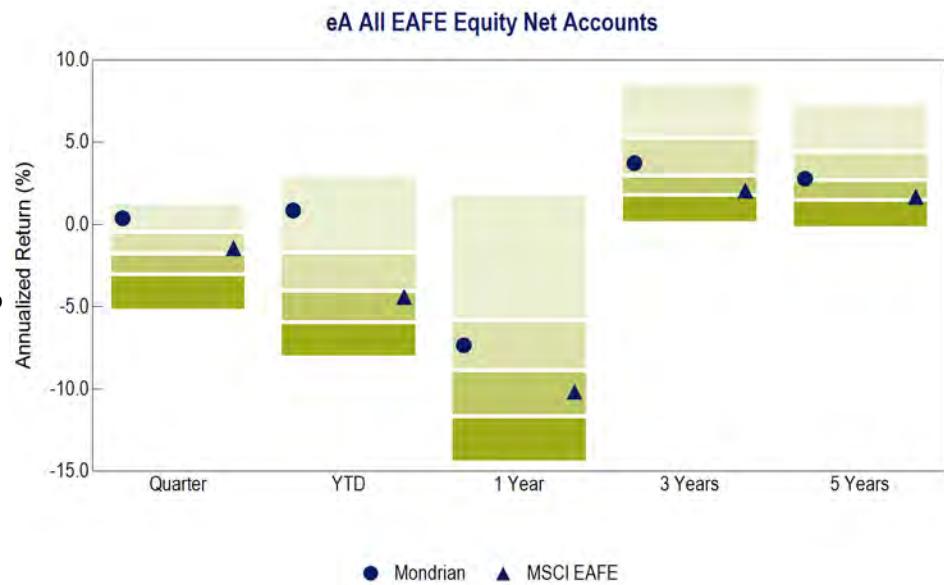
	Country Allocation			
	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>Americas</b>				
Brazil*	1.2%	0.0%	0.3%	13.9%
Canada	5.6%	0.0%	-2.8%	3.4%
Mexico*	0.2%	0.0%	-3.3%	-7.0%
United States	0.1%	0.0%	3.0%	2.4%
<b>Total-Americas</b>	<b>7.1%</b>	<b>0.0%</b>	<b>-2.2%</b>	--
<b>Europe</b>				
Austria	1.2%	0.2%	-3.3%	-9.6%
Belgium	0.9%	1.5%	-7.5%	2.3%
Denmark	1.1%	2.0%	7.3%	-0.5%
Finland	3.5%	1.0%	0.4%	-0.9%
France	4.9%	10.0%	-4.1%	-3.6%
Germany	10.2%	9.2%	-0.5%	-5.0%
Greece*	0.1%	0.0%	6.3%	-14.0%
Ireland	1.7%	0.5%	-6.8%	-9.8%
Italy	1.9%	2.2%	4.7%	-10.1%
Netherlands	4.8%	3.1%	9.6%	-3.8%
Norway	2.2%	0.6%	4.2%	2.9%
Poland*	0.4%	0.0%	-12.6%	-17.5%
Portugal	0.7%	0.2%	-3.6%	-5.0%
Spain	1.6%	3.2%	-7.7%	-7.7%
Sweden	5.9%	2.9%	-0.7%	-4.6%
Switzerland	4.4%	9.1%	-3.5%	2.4%
United Kingdom	11.1%	19.4%	-1.1%	-0.6%
<b>Total-Europe</b>	<b>56.5%</b>	<b>65.0%</b>	<b>-0.5%</b>	<b>-2.3%</b>

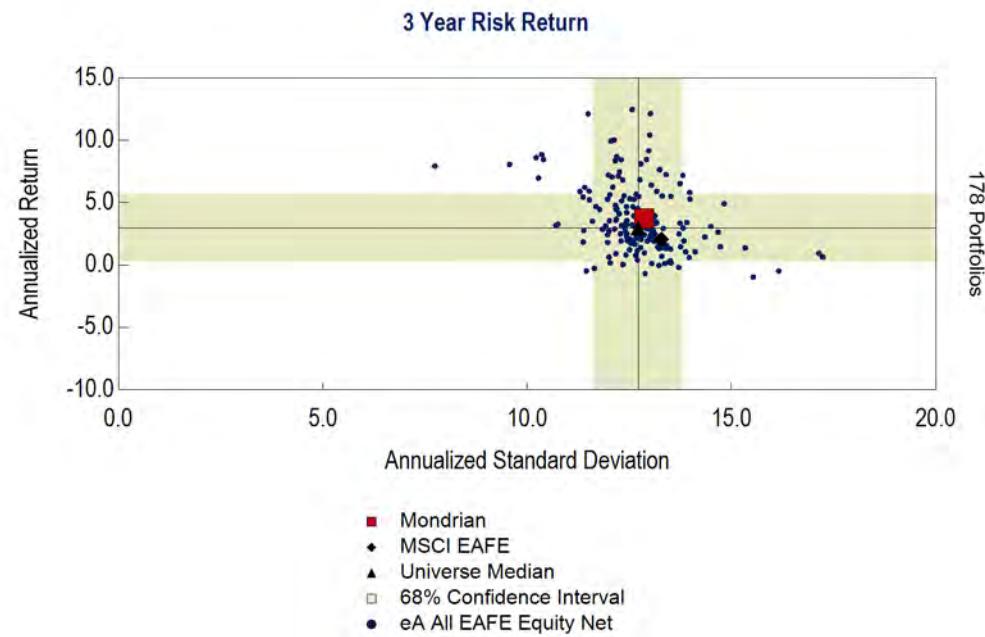
	Country Allocation			
	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>AsiaPacific</b>				
Australia	4.0%	7.0%	-7.7%	0.6%
Hong Kong	0.5%	3.3%	2.6%	1.0%
Japan	23.3%	22.4%	2.8%	1.0%
Korea*	1.7%	0.0%	-6.9%	-0.4%
Malaysia*	0.1%	0.0%	-8.5%	-2.5%
New Zealand	0.1%	0.2%	-12.0%	5.9%
Singapore	2.0%	1.4%	-0.1%	0.3%
Taiwan*	3.6%	0.0%	-6.0%	-5.3%
Thailand*	0.1%	0.0%	3.1%	0.6%
<b>Total-AsiaPacific</b>	<b>35.3%</b>	<b>34.3%</b>	<b>0.0%</b>	<b>0.9%</b>
<b>Other</b>				
Israel	0.5%	0.7%	-0.7%	-4.7%
South Africa*	0.5%	0.0%	4.8%	4.2%
Turkey*	0.1%	0.0%	6.5%	4.3%
<b>Total-Other</b>	<b>1.1%</b>	<b>0.7%</b>	<b>2.2%</b>	<b>-4.7%</b>
<b>Totals</b>				
Developed	92.0%	100.0%	2.1%	-1.2%
Emerging*	8.0%	0.0%	-4.2%	--



	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
<b>Totals</b>									
Americas	-2.2%	--	7.1%	0.0%	0.0%	0.0%	0.0%	-0.1%	-0.1%
Europe	-0.5%	-2.3%	56.5%	65.0%	0.8%	-0.2%	0.7%	-0.1%	1.2%
Asia/Pacific	0.2%	0.9%	35.3%	34.3%	-0.4%	0.0%	0.2%	0.0%	-0.2%
Other	-2.0%	-4.3%	1.1%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>-0.4%</b>	<b>-1.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.4%</b>	<b>-0.2%</b>	<b>0.9%</b>	<b>-0.2%</b>	<b>0.8%</b>
<b>Totals</b>									
Developed	-0.5%	-1.2%	92.0%	100.0%	-0.2%	0.0%	0.9%	0.0%	0.7%
Emerging*	1.4%	--	8.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.1%

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.

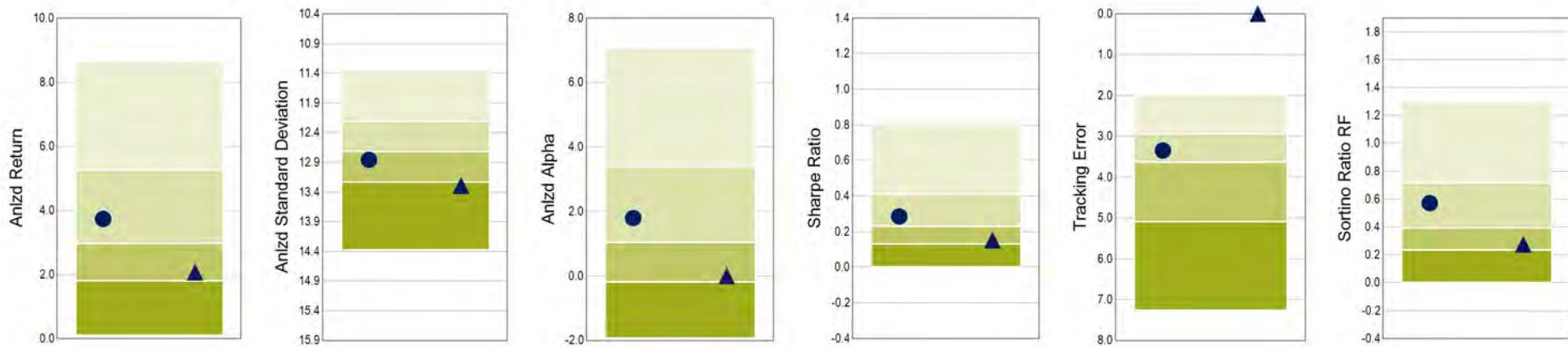




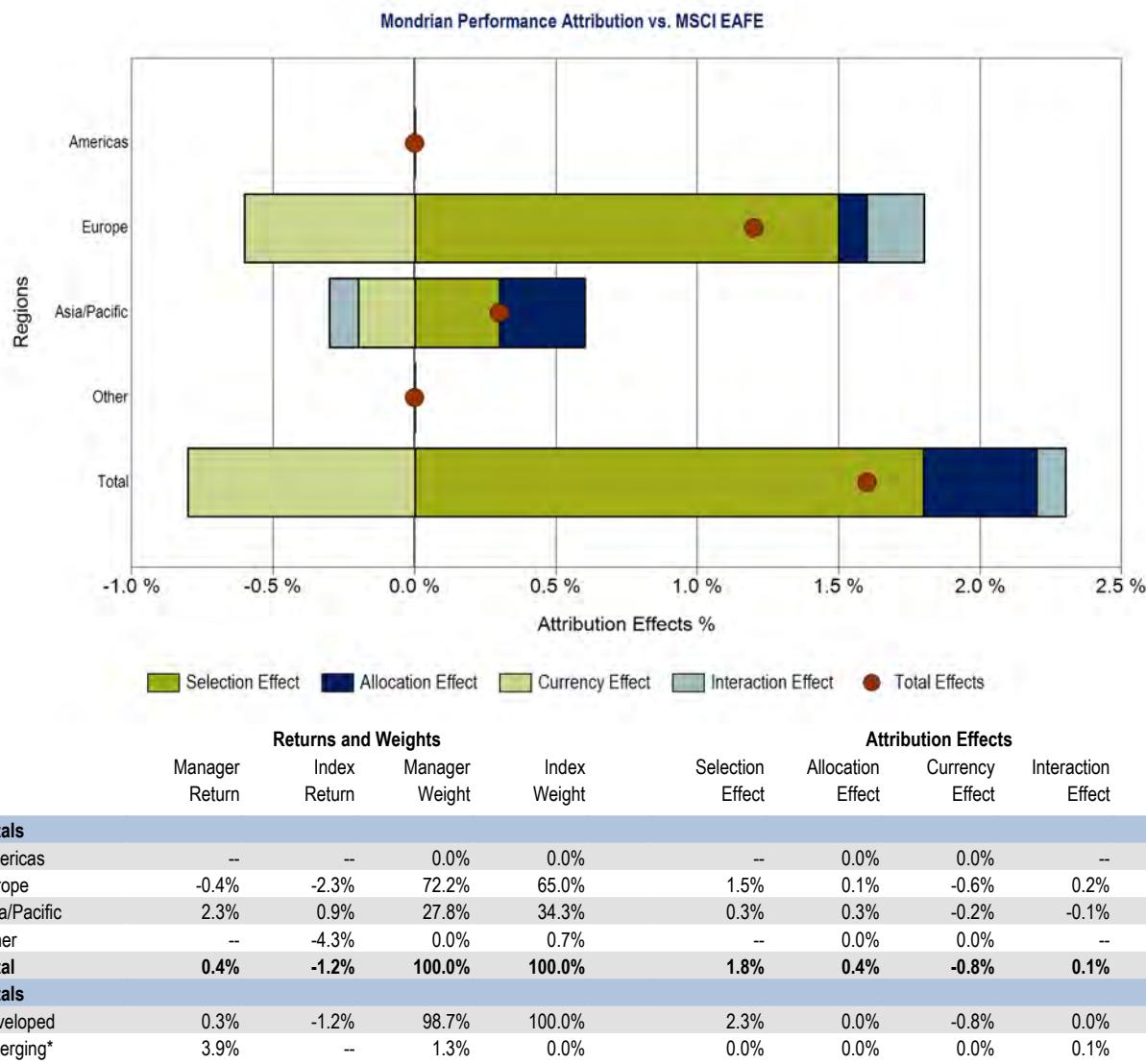
## Characteristics

	Portfolio	MSCI EAFE
Number of Holdings	51	930
Weighted Avg. Market Cap. (\$B)	60.0	51.3
Median Market Cap. (\$B)	39.7	8.5
Price To Earnings	19.8	19.1
Price To Book	2.1	2.4
Price To Sales	1.6	2.2
Return on Equity (%)	9.7	12.7
Yield (%)	4.2	3.4
Beta	0.9	1.0
R-Squared	0.9	1.0

## 3 Year Risk Statistics

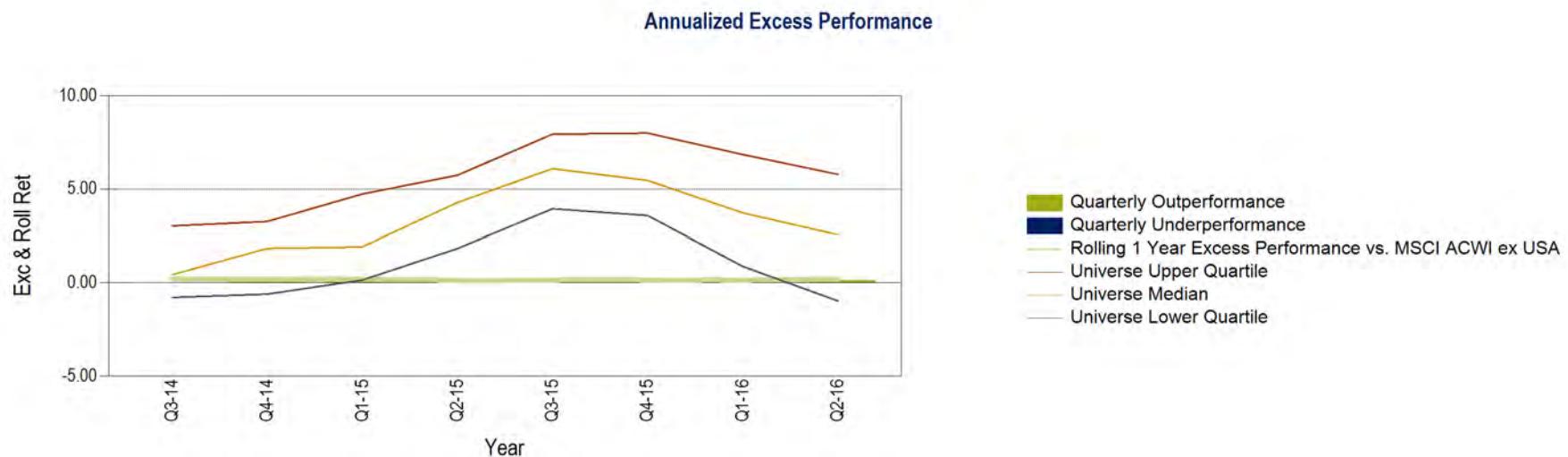
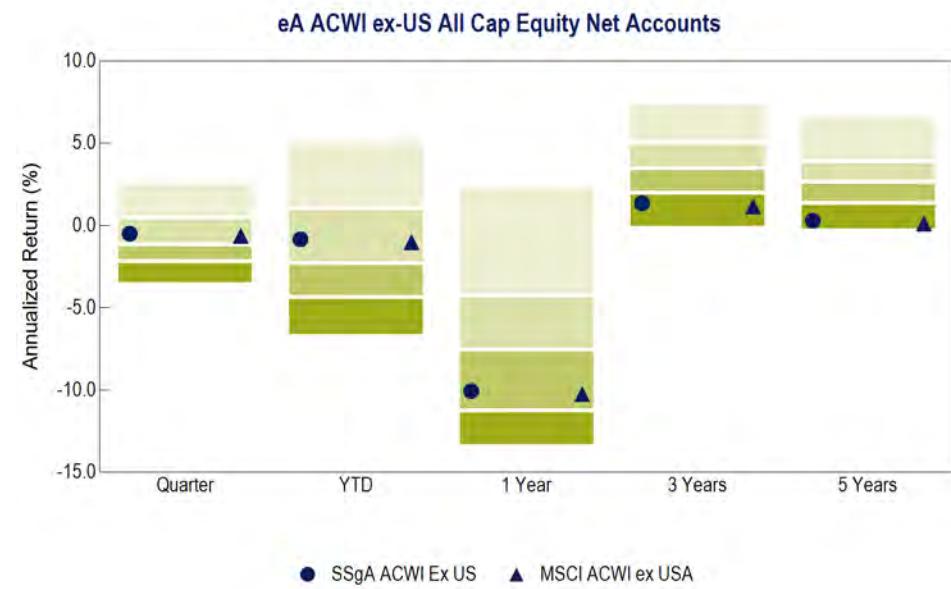


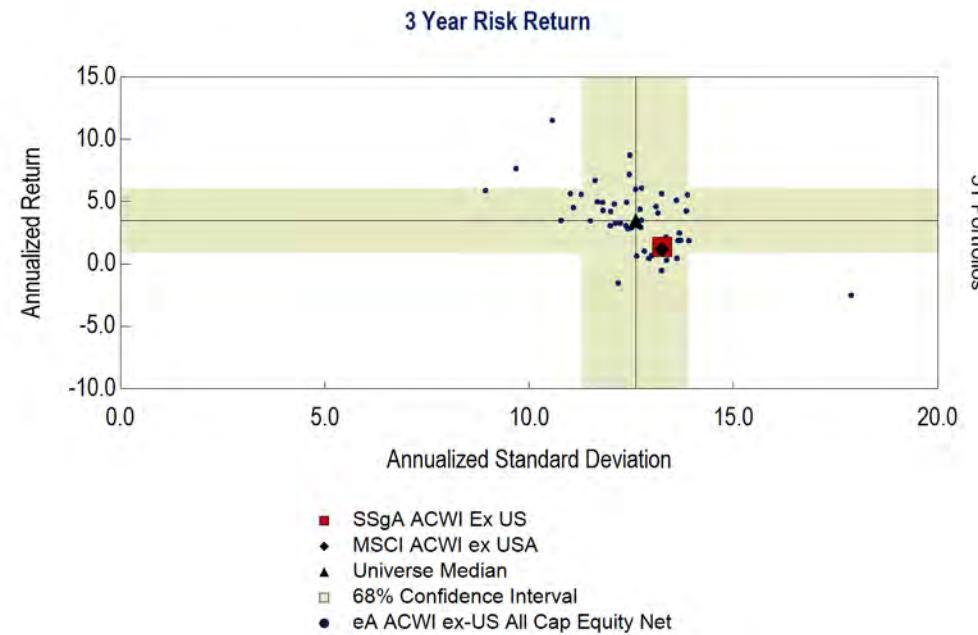
Country Allocation					Country Allocation				
	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)		Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>Europe</b>					<b>AsiaPacific</b>				
Denmark	1.0%	2.0%	-4.0%	-0.5%	Australia	1.2%	7.0%	-7.5%	0.5%
France	5.9%	10.0%	-2.4%	-3.6%	Hong Kong	1.5%	3.3%	3.9%	1.0%
Germany	9.9%	9.2%	-2.9%	-5.0%	Japan	17.5%	22.5%	2.8%	1.0%
Italy	2.4%	2.2%	9.7%	-10.1%	Singapore	6.2%	1.4%	2.0%	0.3%
Netherlands	2.7%	3.1%	1.2%	-3.8%	Taiwan*	1.3%	0.0%	3.9%	0.7%
Spain	5.7%	3.2%	-6.3%	-7.7%	<b>Total-AsiaPacific</b>	<b>27.8%</b>	<b>34.3%</b>	<b>2.3%</b>	<b>0.9%</b>
Sweden	4.3%	2.9%	-11.4%	-4.6%	<b>Totals</b>				
Switzerland	13.9%	9.1%	4.1%	2.4%	Developed	98.7%	100.0%	0.3%	-1.2%
United Kingdom	26.5%	19.4%	0.8%	-0.6%	Emerging*	1.3%	0.0%	3.9%	--
<b>Total-Europe</b>	<b>72.2%</b>	<b>65.0%</b>	<b>-0.4%</b>	<b>-2.3%</b>					



# 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.

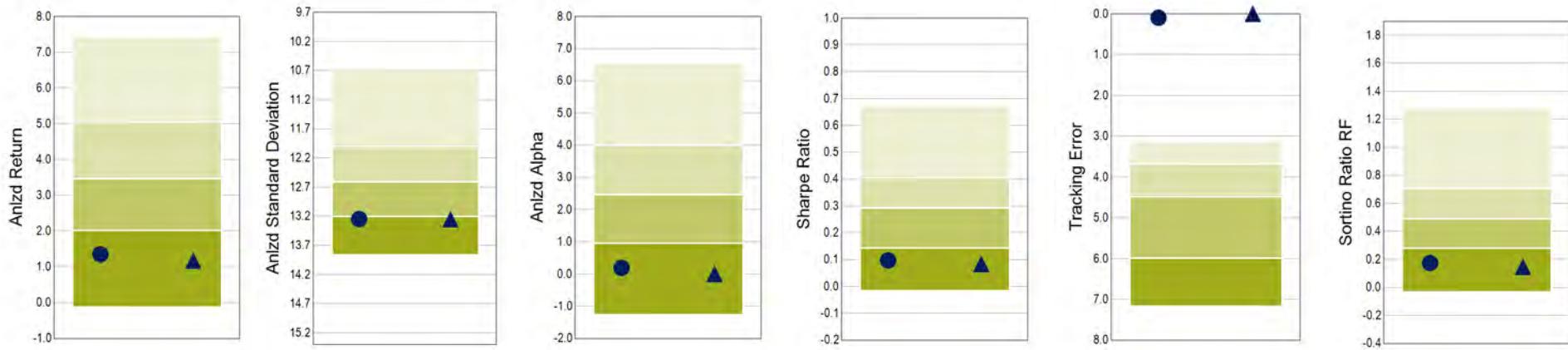




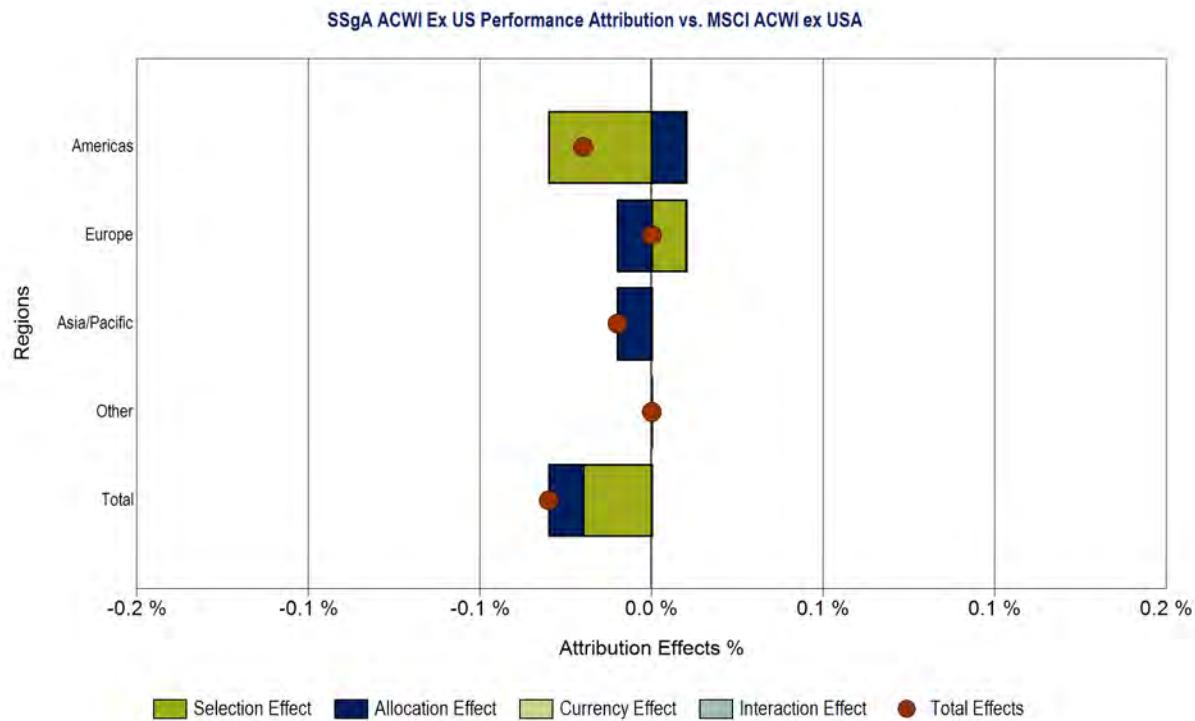
## Characteristics

Portfolio	MSCI ACWI ex USA
Number of Holdings	1,904 1,859
Weighted Avg. Market Cap. (\$B)	27.6 48.1
Median Market Cap. (\$B)	6.5 6.5
Price To Earnings	21.3 18.8
Price To Book	3.2 2.4
Price To Sales	2.8 2.3
Return on Equity (%)	16.7 13.9
Yield (%)	2.1 3.2
Beta	1.0 1.0
R-Squared	1.0 1.0

## 3 Year Risk Statistics

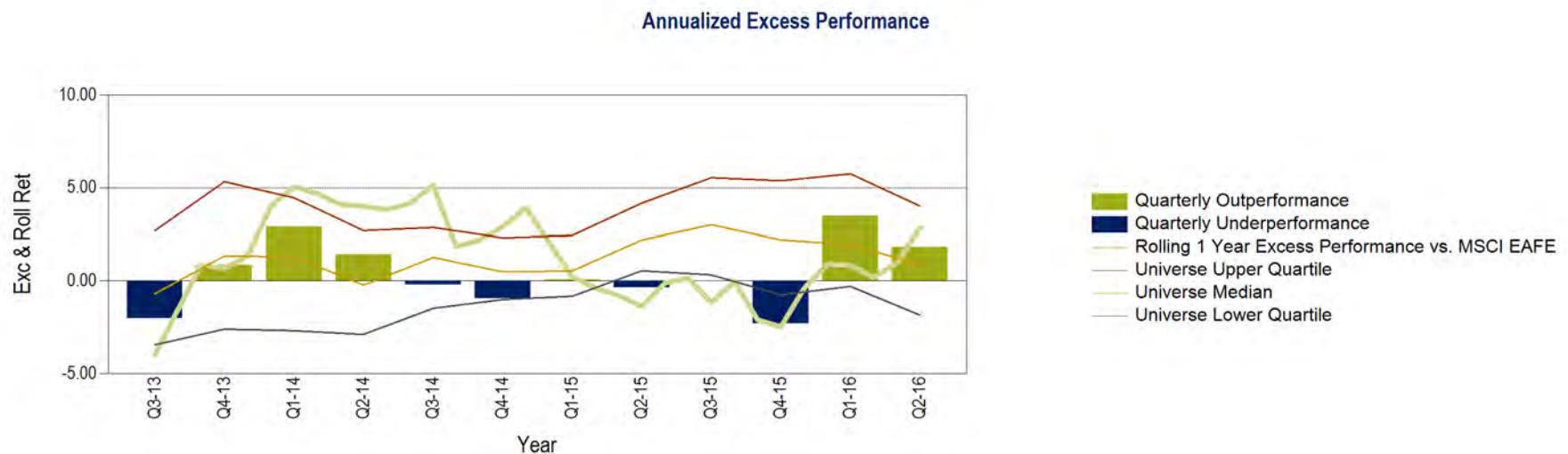
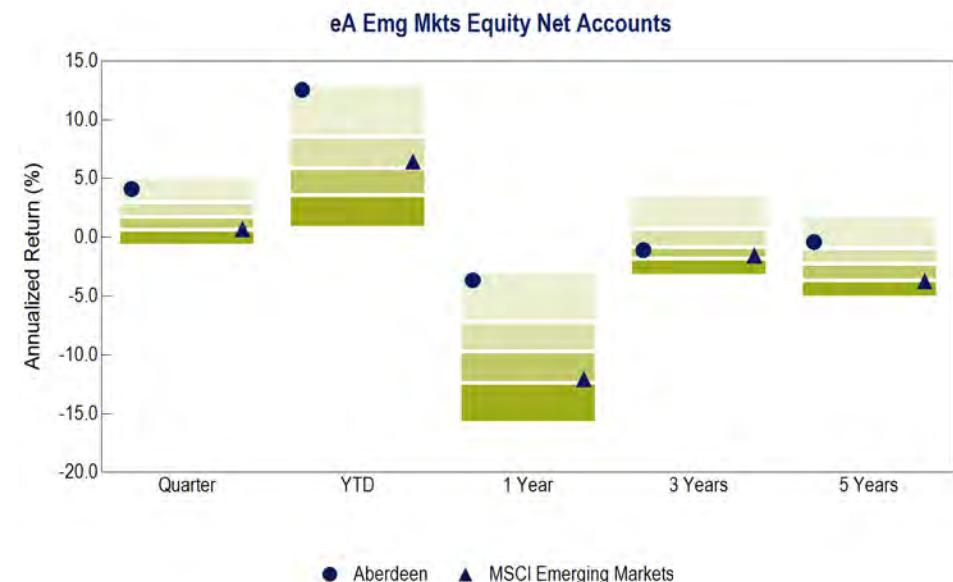


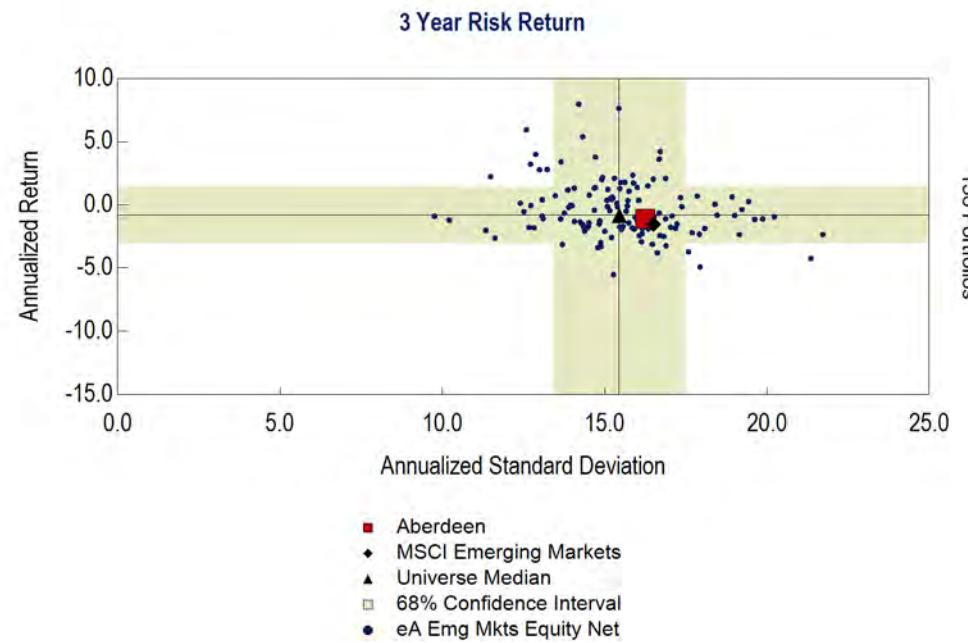
Country Allocation					Country Allocation				
	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)		Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>Americas</b>					<b>AsiaPacific</b>				
Brazil*	1.5%	1.4%	14.0%	13.9%	Australia	5.1%	5.0%	0.4%	0.5%
Canada	6.6%	6.6%	3.3%	3.6%	China*	3.0%	5.1%	0.0%	1.2%
Chile*	0.3%	0.3%	3.6%	3.7%	Hong Kong	4.6%	2.5%	1.8%	0.9%
Colombia*	0.1%	0.1%	3.0%	2.9%	India*	1.8%	1.8%	3.7%	3.7%
Mexico*	1.0%	1.0%	-6.9%	-6.9%	Indonesia*	0.6%	0.6%	4.5%	4.6%
Peru*	0.1%	0.1%	25.6%	17.1%	Japan	16.1%	16.1%	1.0%	1.0%
United States	0.2%	0.0%	-3.5%	2.4%	Korea*	3.4%	3.4%	-1.1%	-1.1%
<b>Total-Americas</b>	<b>9.7%</b>	<b>9.5%</b>	<b>3.9%</b>	<b>4.2%</b>	Malaysia*	0.8%	0.8%	-6.0%	-5.9%
<b>Europe</b>					New Zealand	0.1%	0.1%	5.9%	5.9%
Austria	0.1%	0.1%	-9.7%	-9.6%	Philippines*	0.3%	0.3%	6.4%	6.4%
Belgium	1.0%	1.0%	2.3%	2.3%	Singapore	1.1%	1.0%	0.5%	0.3%
Czech Republic*	0.0%	0.0%	-3.8%	-3.8%	Taiwan*	2.8%	2.7%	1.1%	1.1%
Denmark	1.5%	1.4%	-0.5%	-0.5%	Thailand*	0.5%	0.5%	1.7%	2.7%
Finland	0.7%	0.7%	-0.9%	-0.9%	<b>Total-AsiaPacific</b>	<b>40.2%</b>	<b>39.8%</b>	<b>0.9%</b>	<b>0.9%</b>
France	6.8%	7.2%	-3.4%	-3.6%	<b>Other</b>				
Germany	6.9%	6.6%	-4.8%	-5.0%	Egypt*	0.0%	0.0%	0.8%	0.8%
Greece*	0.1%	0.1%	-13.6%	-13.7%	Israel	0.5%	0.5%	-5.0%	-4.3%
Hungary*	0.1%	0.1%	-4.7%	-4.7%	Qatar*	0.2%	0.2%	-4.8%	-4.9%
Ireland	0.2%	0.4%	-17.3%	-9.8%	South Africa*	1.6%	1.6%	2.7%	2.6%
Italy	1.5%	1.5%	-11.0%	-10.1%	Turkey*	0.3%	0.3%	-7.5%	-7.5%
Luxembourg	0.1%	0.0%	-2.1%	-0.4%	United Arab Emirates*	0.2%	0.2%	0.1%	0.1%
Netherlands	2.8%	2.2%	0.2%	-3.8%	<b>Total-Other</b>	<b>2.9%</b>	<b>2.9%</b>	<b>-0.5%</b>	<b>-0.5%</b>
Norway	0.4%	0.4%	2.9%	2.9%	<b>Totals</b>				
Poland*	0.3%	0.3%	-17.3%	-17.3%	Developed	80.6%	78.4%	-0.7%	-0.8%
Portugal	0.1%	0.1%	-4.8%	-5.0%	Emerging*	19.4%	21.6%	0.9%	1.2%
Russia*	0.4%	0.8%	3.1%	4.3%					
Spain	2.3%	2.3%	-7.6%	-7.7%					
Sweden	2.1%	2.1%	-4.8%	-4.6%					
Switzerland	6.8%	6.5%	2.4%	2.4%					
United Kingdom	13.0%	13.9%	-1.3%	-0.6%					
<b>Total-Europe</b>	<b>47.3%</b>	<b>47.9%</b>	<b>-2.3%</b>	<b>-2.3%</b>					



	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
<b>Totals</b>									
Americas	3.9%	4.2%	9.7%	9.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Europe	-2.3%	-2.3%	47.3%	47.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Asia/Pacific	0.9%	0.9%	40.2%	39.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	-0.5%	-0.5%	2.9%	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>-0.4%</b>	<b>-0.4%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Totals</b>									
Developed	-0.7%	-0.8%	80.6%	78.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Emerging*	0.9%	1.2%	19.4%	21.6%	0.0%	0.0%	0.0%	0.0%	-0.1%

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.

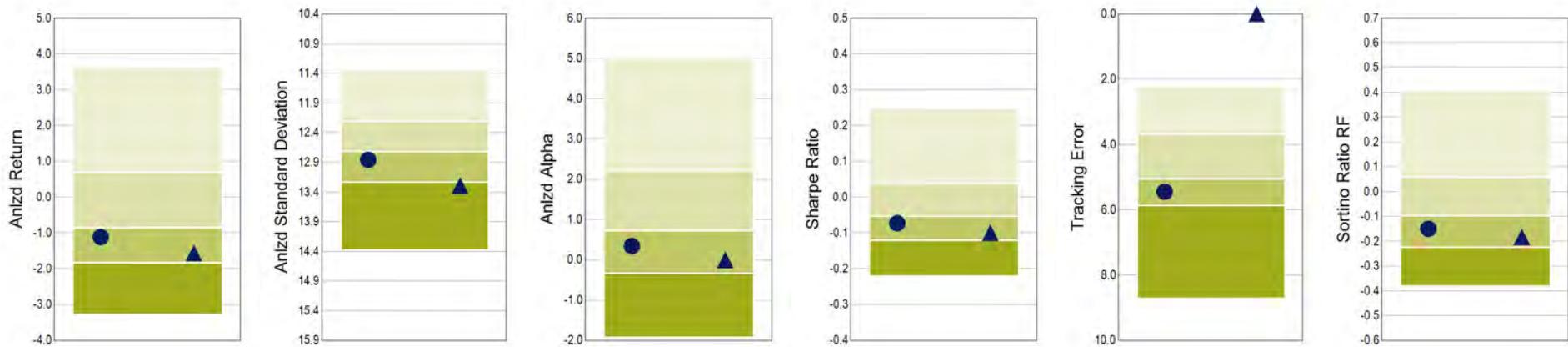




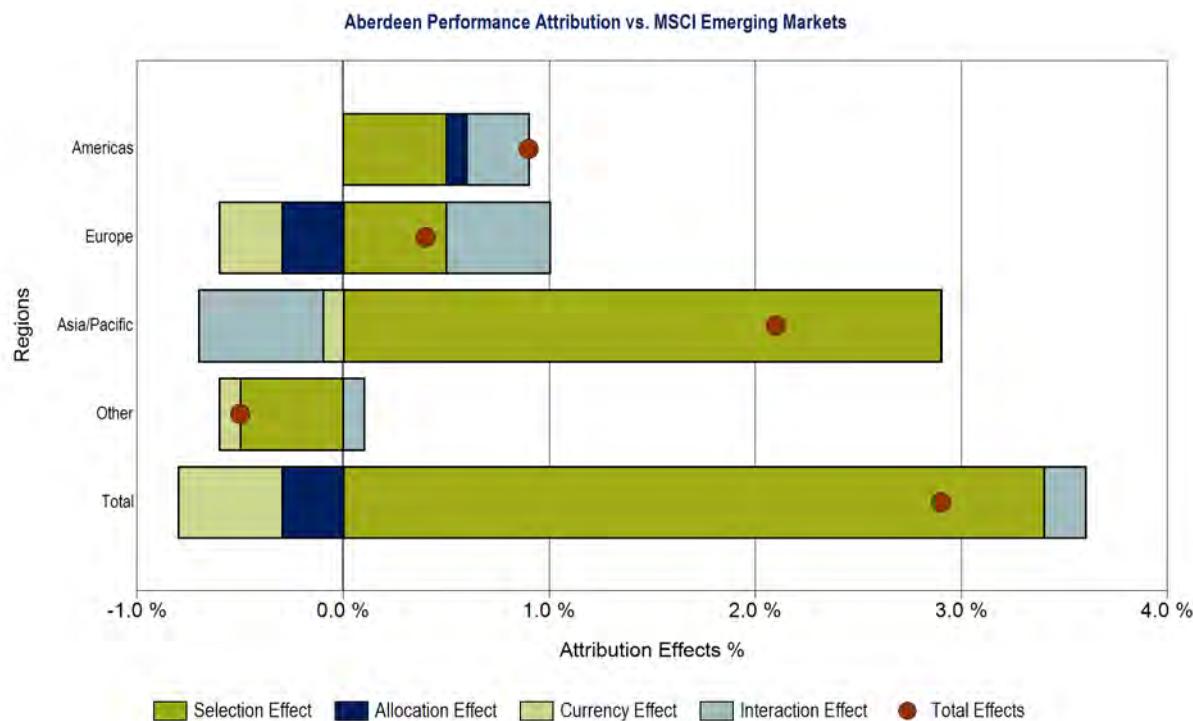
## Characteristics

	MSCI
Portfolio	Emerging Markets
Number of Holdings	61 836
Weighted Avg. Market Cap. (\$B)	32.6 42.9
Median Market Cap. (\$B)	13.6 4.6
Price To Earnings	20.5 17.7
Price To Book	3.2 2.6
Price To Sales	2.8 2.4
Return on Equity (%)	16.9 17.8
Yield (%)	2.6 2.7
Beta	0.9 1.0
R-Squared	0.9 1.0

## 3 Year Risk Statistics



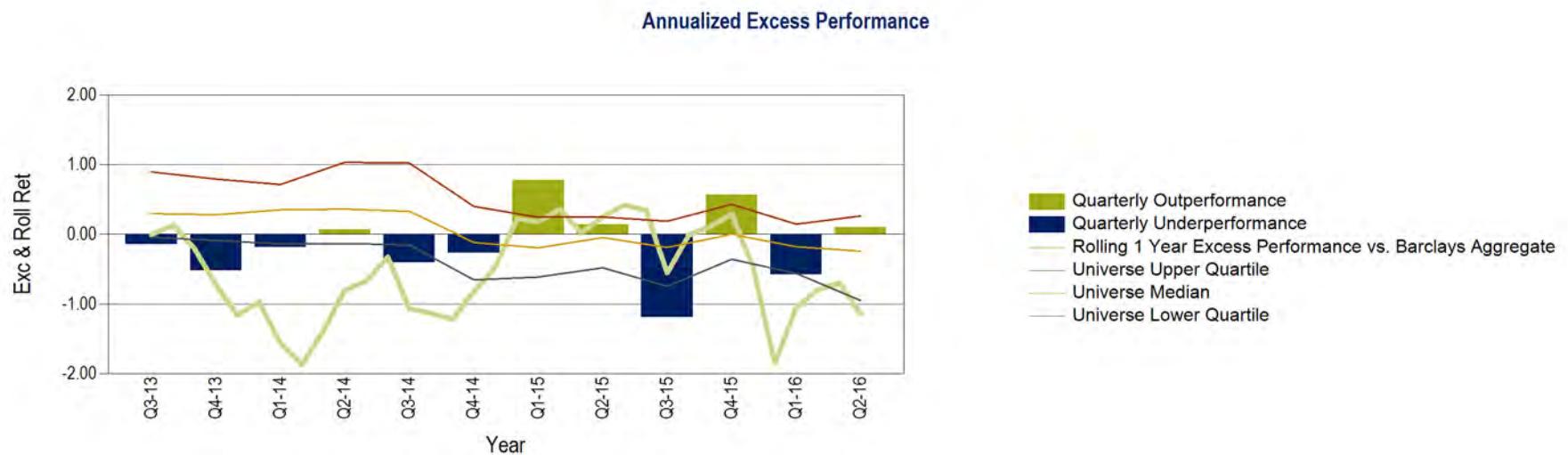
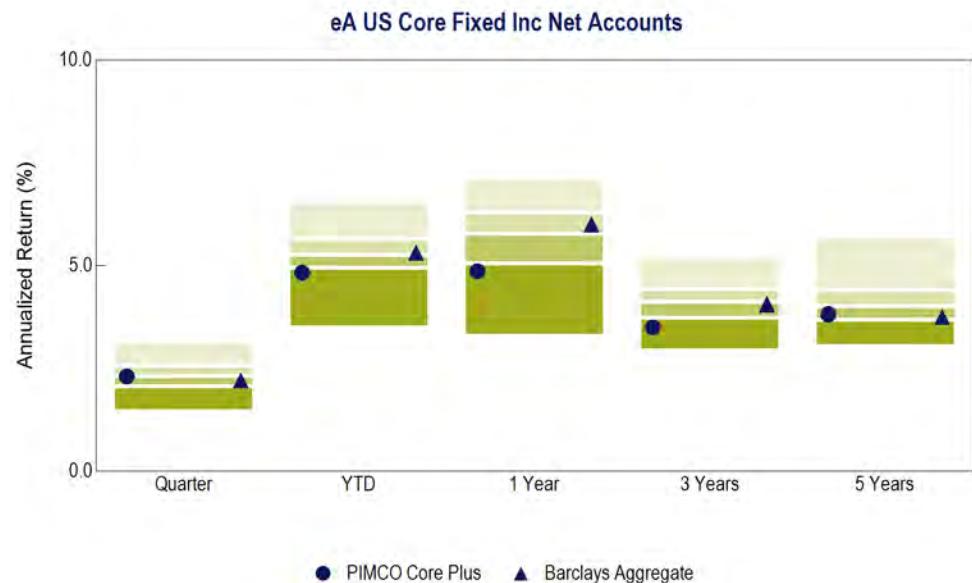
Country Allocation					Country Allocation				
	Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)		Manager Allocation (USD)	Index Allocation (USD)	Manager Return (USD)	Index Return (USD)
<b>Americas</b>					<b>AsiaPacific</b>				
Brazil*	10.0%	6.7%	16.8%	13.9%	China*	1.3%	23.4%	3.1%	1.2%
Chile*	1.3%	1.3%	5.6%	3.7%	Hong Kong	11.6%	0.0%	5.4%	-0.8%
Mexico*	8.4%	4.6%	-0.4%	-6.9%	India*	15.6%	8.1%	6.4%	3.7%
United States	1.5%	0.0%	1.9%	2.4%	Indonesia*	4.8%	2.7%	-0.3%	4.6%
<b>Total-Americas</b>	<b>21.2%</b>	<b>13.5%</b>	<b>8.2%</b>	<b>5.6%</b>	Korea*	5.9%	15.7%	4.7%	-1.1%
<b>Europe</b>					Malaysia*	2.1%	3.5%	-4.8%	-5.9%
Hungary*	1.1%	0.3%	1.0%	-4.7%	Philippines*	4.1%	1.5%	9.0%	6.4%
Luxembourg	1.5%	0.0%	19.2%	1.2%	Taiwan*	4.7%	12.4%	5.7%	1.1%
Poland*	2.0%	1.4%	-17.0%	-17.3%	Thailand*	4.7%	2.2%	2.6%	2.7%
Portugal	1.6%	0.0%	-2.2%	-2.8%	<b>Total-AsiaPacific</b>	<b>54.7%</b>	<b>69.5%</b>	<b>4.7%</b>	<b>0.9%</b>
Russia*	2.5%	3.8%	10.3%	4.3%	<b>Other</b>				
United Kingdom	3.7%	0.0%	2.1%	-0.7%	South Africa*	3.7%	7.3%	-4.1%	2.6%
<b>Total-Europe</b>	<b>12.4%</b>	<b>6.1%</b>	<b>2.2%</b>	<b>-2.6%</b>	Turkey*	5.9%	1.5%	-5.6%	-7.5%
<b>Totals</b>					<b>Total-Other</b>	<b>9.6%</b>	<b>10.9%</b>	<b>-5.0%</b>	<b>0.3%</b>
Developed					Developed	19.9%	0.0%	5.0%	--
Emerging*					Emerging*	78.0%	100.0%	4.0%	1.2%
Cash					Cash	2.1%	0.1%		

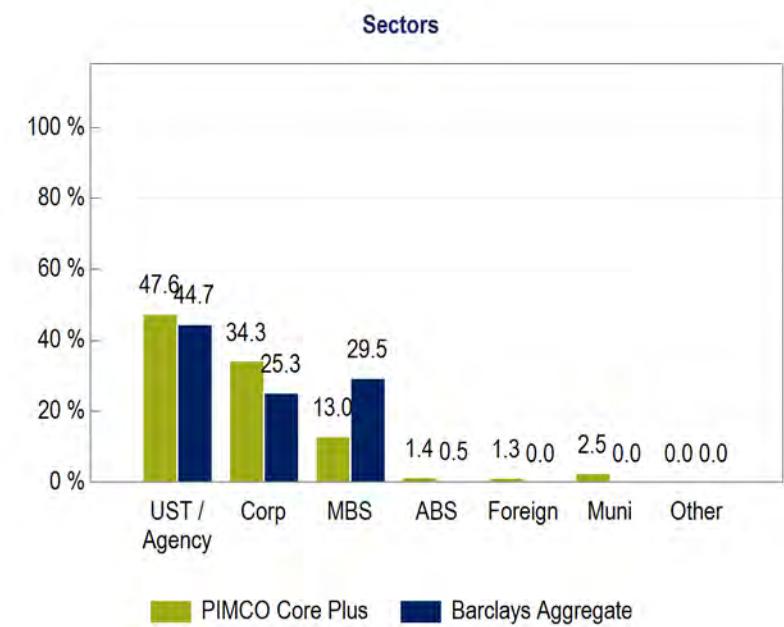
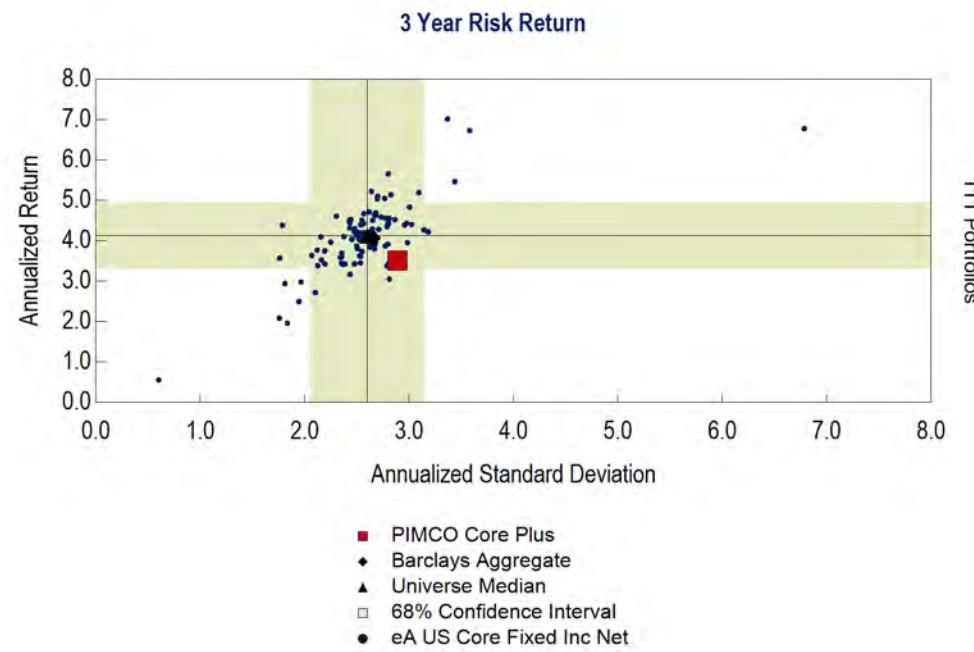


	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
<b>Totals</b>									
Americas	8.2%	5.6%	21.2%	13.5%	0.5%	0.1%	0.0%	0.3%	0.9%
Europe	2.2%	-2.6%	12.4%	6.1%	0.5%	-0.3%	-0.3%	0.5%	0.4%
Asia/Pacific	4.7%	0.9%	54.7%	69.5%	2.9%	0.0%	-0.1%	-0.6%	2.1%
Other	-5.0%	0.3%	9.6%	10.9%	-0.5%	0.0%	-0.1%	0.1%	-0.5%
Cash	0.1%	--	2.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>4.1%</b>	<b>1.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>3.4%</b>	<b>-0.3%</b>	<b>-0.5%</b>	<b>0.2%</b>	<b>2.9%</b>
<b>Totals</b>									
Developed	5.0%	--	19.9%	0.0%	0.0%	0.0%	-0.1%	0.9%	0.8%
Emerging*	4.0%	1.2%	78.0%	100.0%	3.2%	0.0%	-0.4%	-0.7%	2.1%
Cash	0.1%	--	2.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

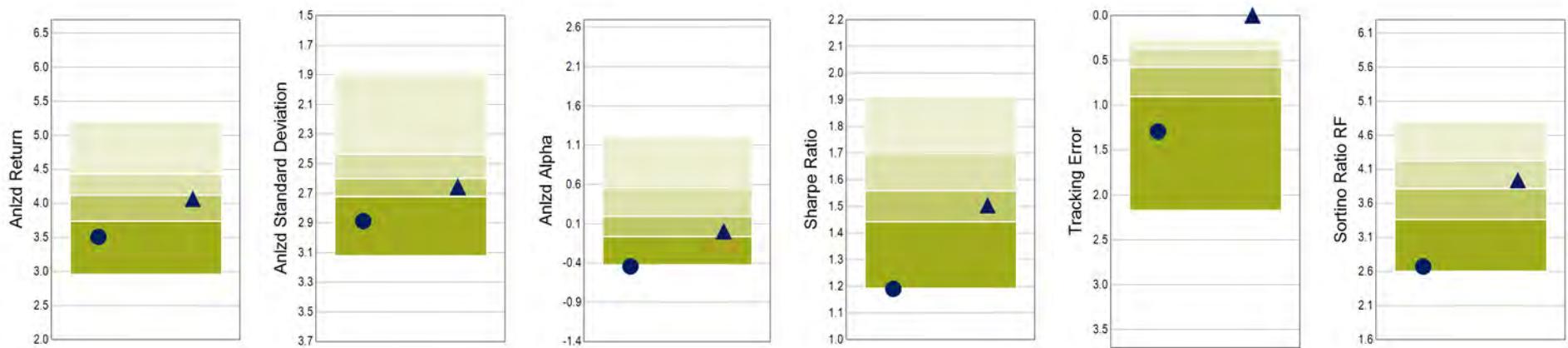
# PIMCO Core Plus

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.

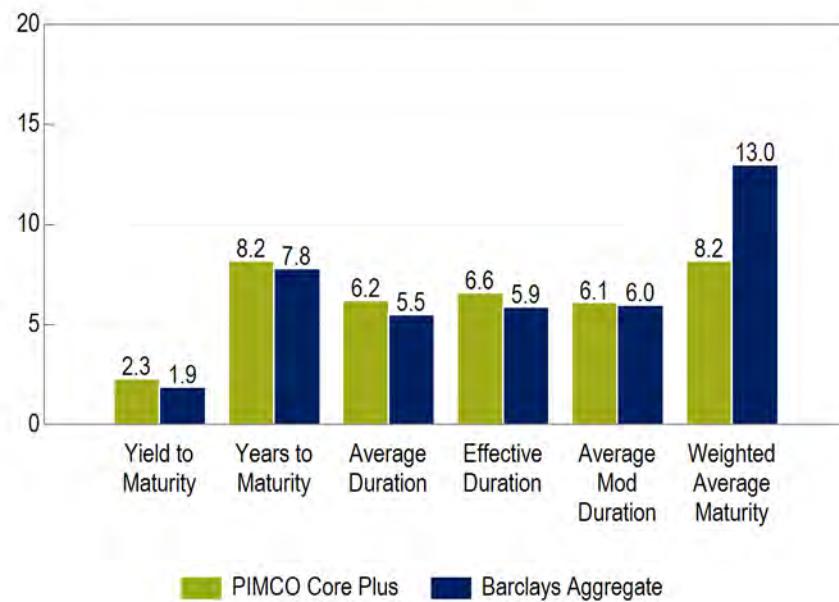




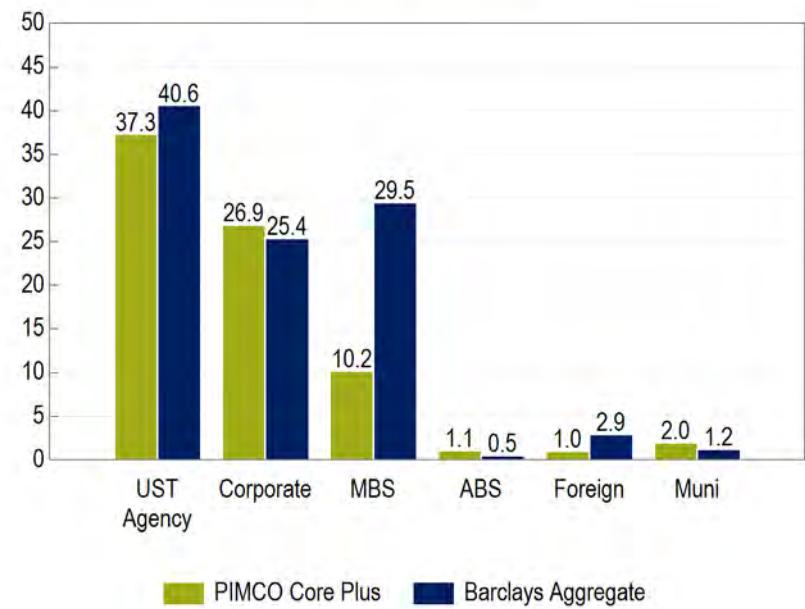
## 3 Year Risk Statistics



Fixed Income Characteristics

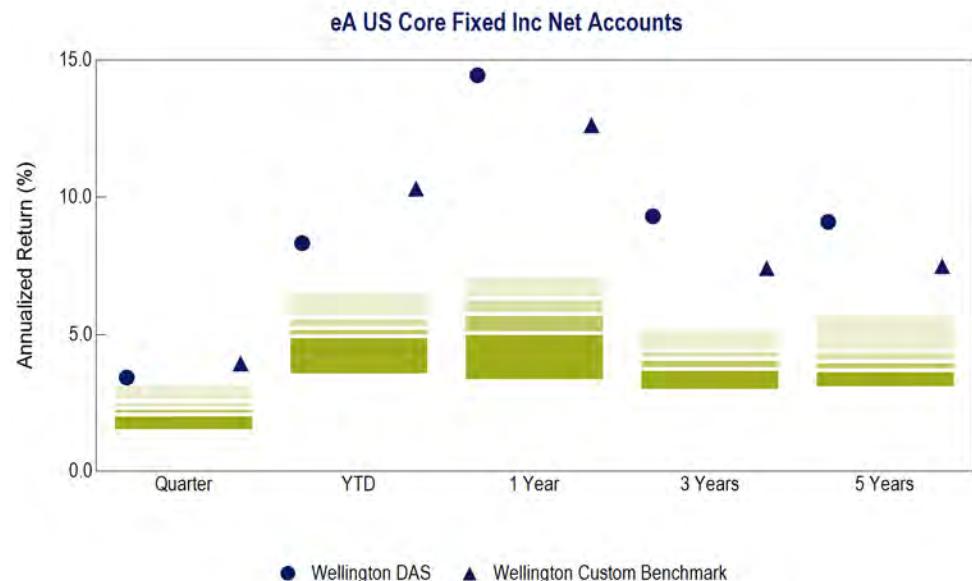


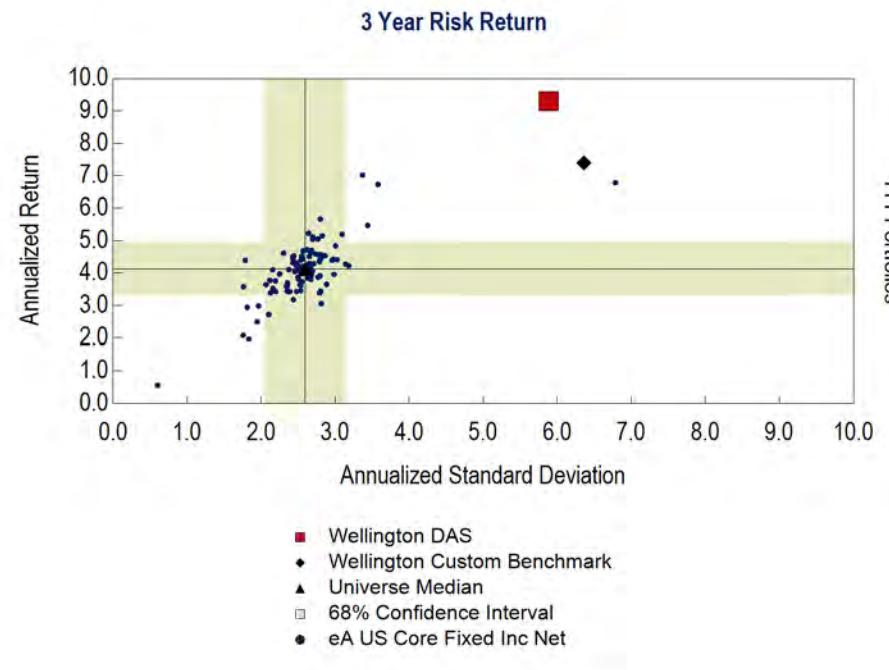
US Sector Allocation



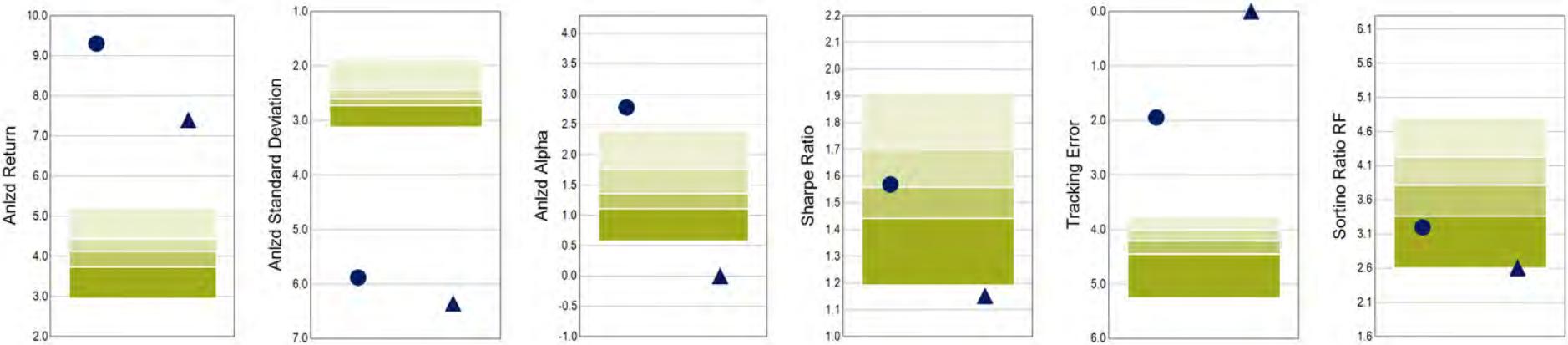
# Wellington DAS

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

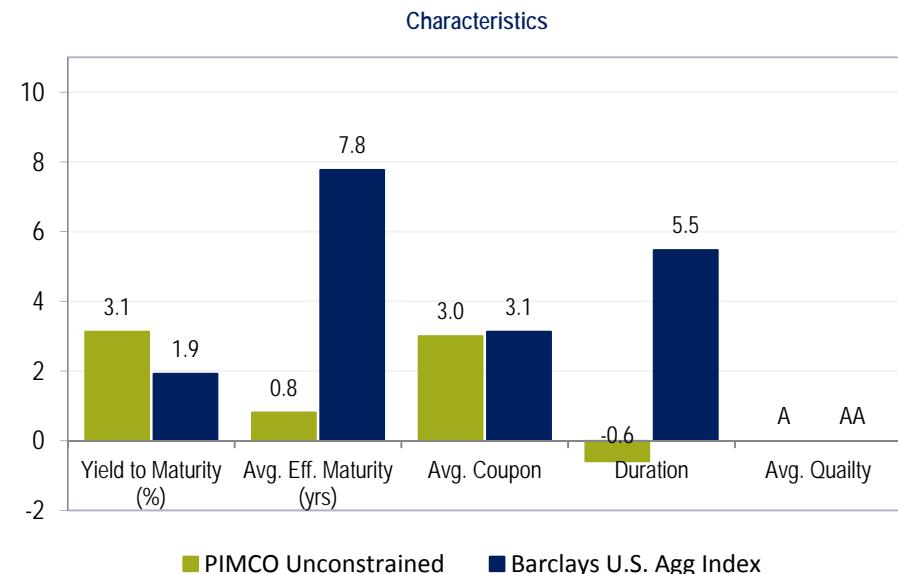




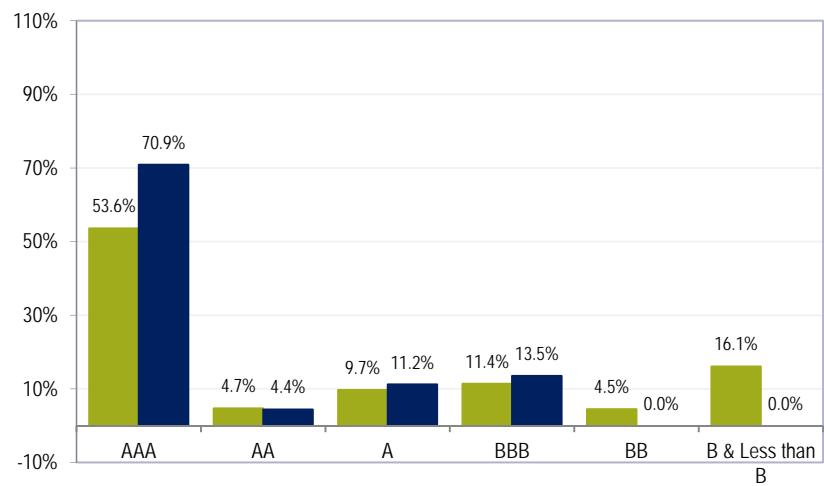
### 3 Year Risk Statistics



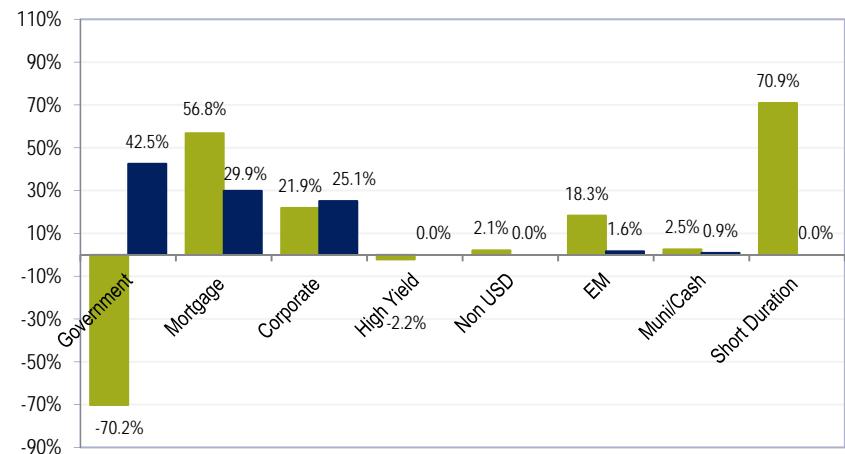
# PIMCO Unconstrained



**Quality Rating**



**Sectors**



Source: PIMCO



NEPC, LLC

June 30, 2016

# GAM Unconstrained Bond - USD GIPS Composite

## Portfolio Sensitivity

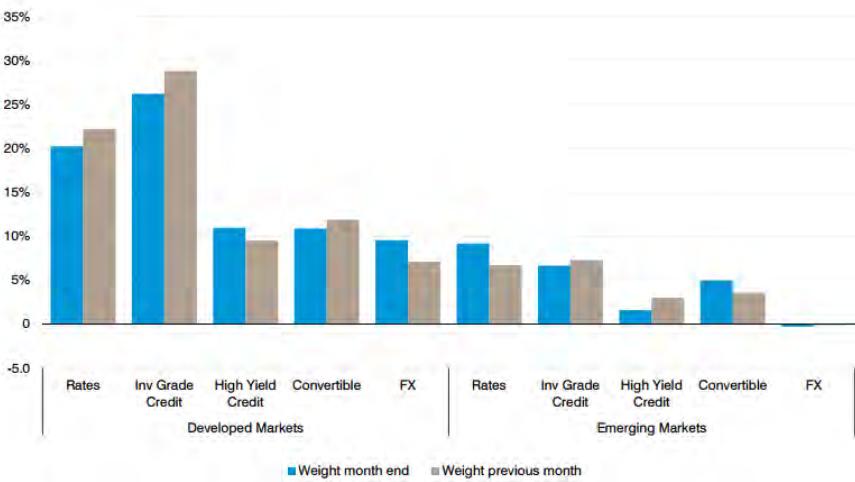
Market	Interest rate (bps per -1bps)		Credit (bps per -1bps)		Currency (bps per %)		Equity (bps per %)		Volatility (bps per %)	
	Short	Long	Short	Long	Short	Long	Short	Long	Short	Long
Developed Markets	1.69	1.67	-61.34	-7.54	-3.42	-0.80	2.62	-0.12	0.03	0.15
Rates	-18.21	19.91	-0.98	2.65	7.06	0.00	0.00	0.00	0.02	0.05
Inv Grade Credit	0.30	-0.03	0.99	0.75	-9.81	16.87	0.00	0.00	-0.02	0.05
High Yield Credit	-18.17	18.47	-0.79	0.75	3.75	0.00	0.00	0.00	0.00	0.00
Inv Grade Credit	-0.02	0.84	-0.10	1.08	-0.02	3.77	0.00	0.00	0.00	0.00
High Yield Credit	0.42	0.52	0.09	0.62	0.85	0.00	0.00	0.00	0.00	0.00
Convertible	-0.01	0.42	-0.09	0.62	-0.03	0.88	0.00	0.00	0.00	0.00
FX	0.15	0.20	0.00	0.20	5.52	-3.42	-0.80	0.00	0.04	0.04
Rates	-0.01	0.16	0.00	0.20	0.00	5.52	2.62	0.00	0.00	0.04
Inv Grade Credit	0.00	0.00	0.00	0.00	-24.72	26.75	0.00	0.00	-0.10	0.07
High Yield Credit	0.00	0.01	0.00	0.00	-51.47	11.44	1.37	0.00	0.02	0.02
Inv Grade Credit	1.79	0.60	0.23	0.73	-35.53	46.97	-0.13	1.50	-0.03	0.06
High Yield Credit	-0.44	2.23	-0.13	0.73	9.31	0.00	0.00	0.00	0.00	0.00
Convertible	1.23	0.02	0.42	0.51	-0.58	9.89	0.00	0.00	0.00	0.00
FX	-0.43	1.67	0.00	0.02	1.30	0.00	0.00	0.00	0.00	0.00
Rates	0.42	0.51	-0.06	0.57	0.00	1.30	0.00	0.00	0.00	0.00
Inv Grade Credit	-0.01	0.43	-0.06	0.57	0.00	0.05	0.00	0.00	0.00	0.00
High Yield Credit	0.04	-0.02	0.04	0.05	0.00	0.05	0.00	0.00	0.00	0.00
Convertible	0.09	0.09	-0.07	0.09	2.50	-0.13	1.37	1.50	0.00	0.02
FX	0.09	0.09	0.00	0.09	0.00	-1.72	0.00	0.00	0.00	0.00
Total	3.48	2.27	-1.11	3.38	3.90	0.57	4.12	-0.16	0.21	0.21
	-18.66	22.14	-96.87	100.77	-3.55	4.12	-0.16	0.21		

## Characteristics

Month end	
GAM Unconstrained Bond Strategy*	
Value at Risk % (97.5%, 22 days)	1.67
Coupon %	3.36
Yield to Maturity %	2.81
Years to Maturity	9.36
Effective Duration	3.48
Spread Duration	2.27
Equity Delta**	0.57
Currency Delta	3.90
Credit Quality***	A

Source: GAM

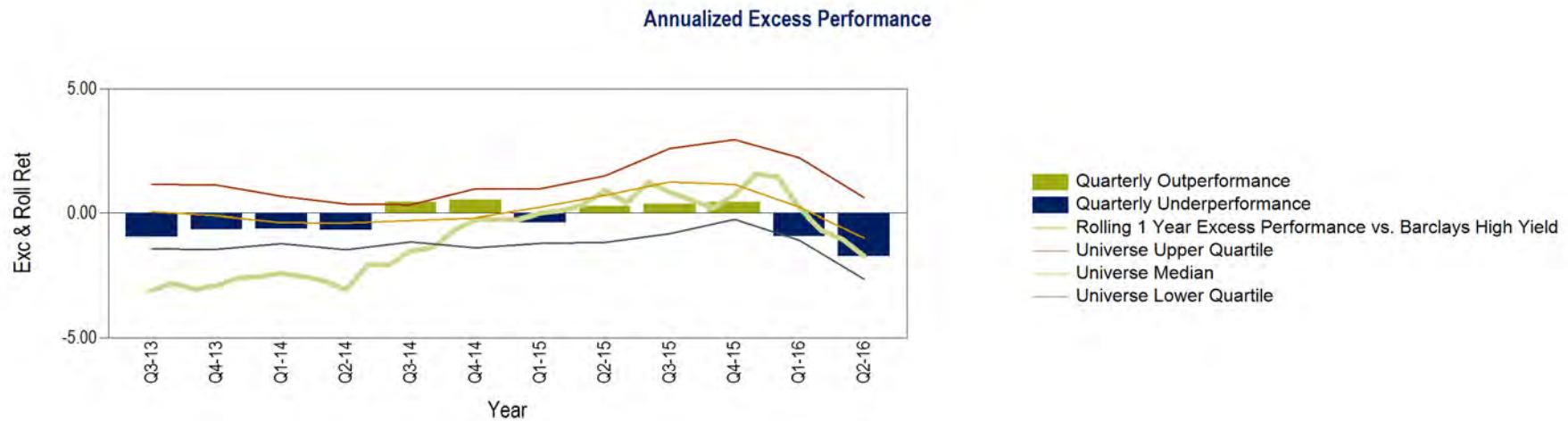
## Portfolio Overview

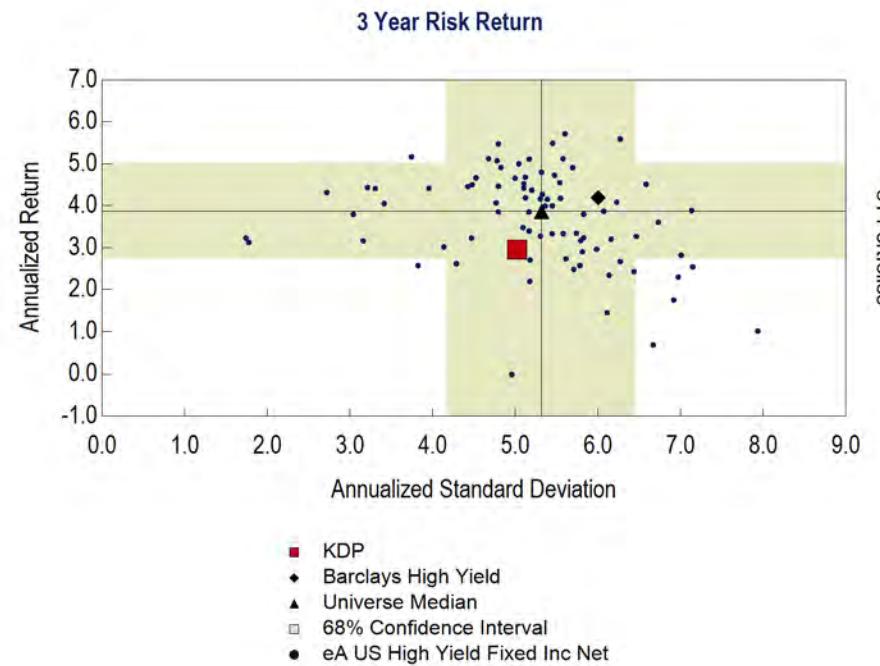
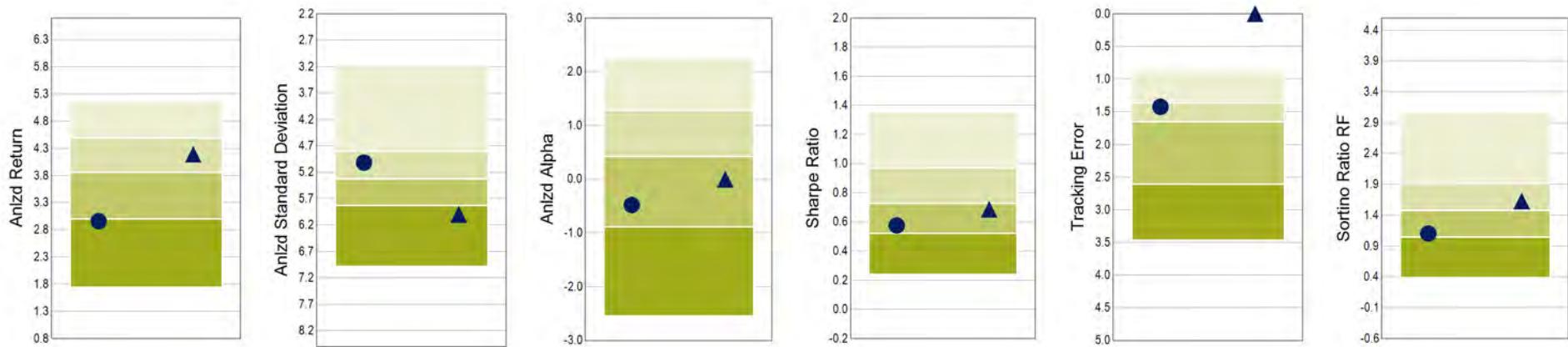


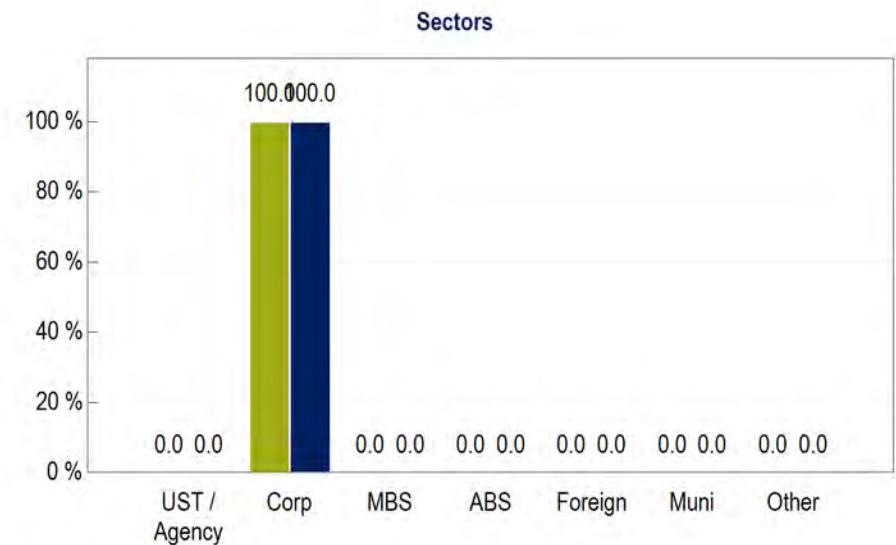
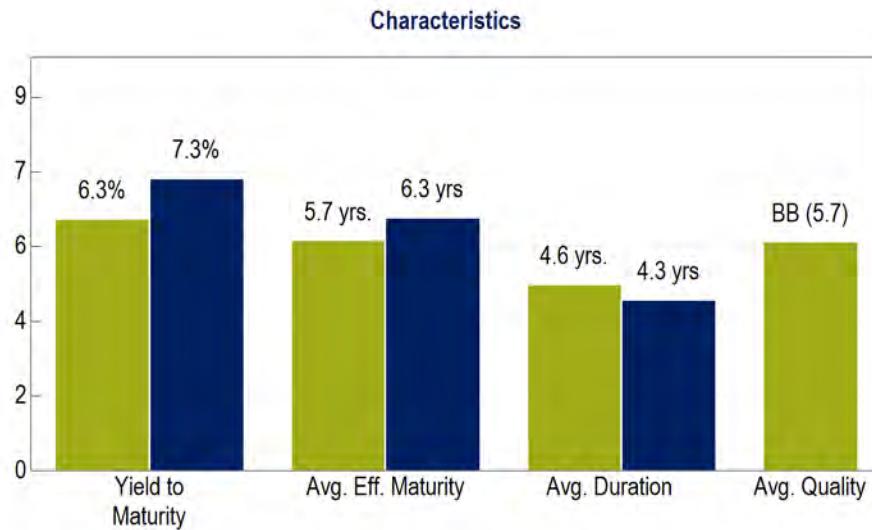
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June 30, 2016

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.



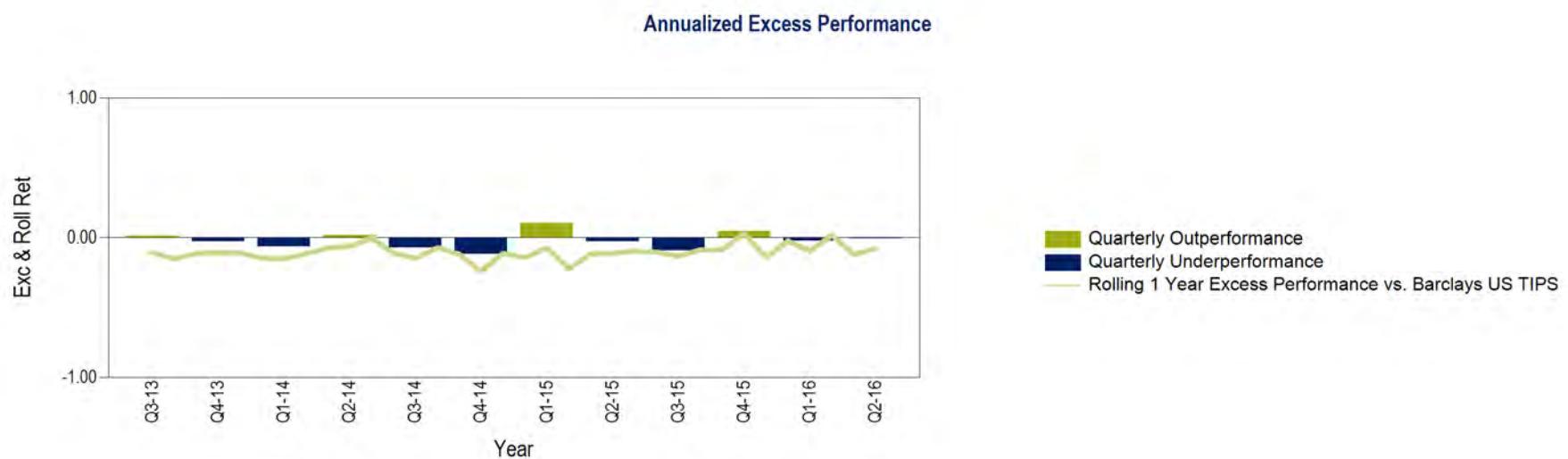
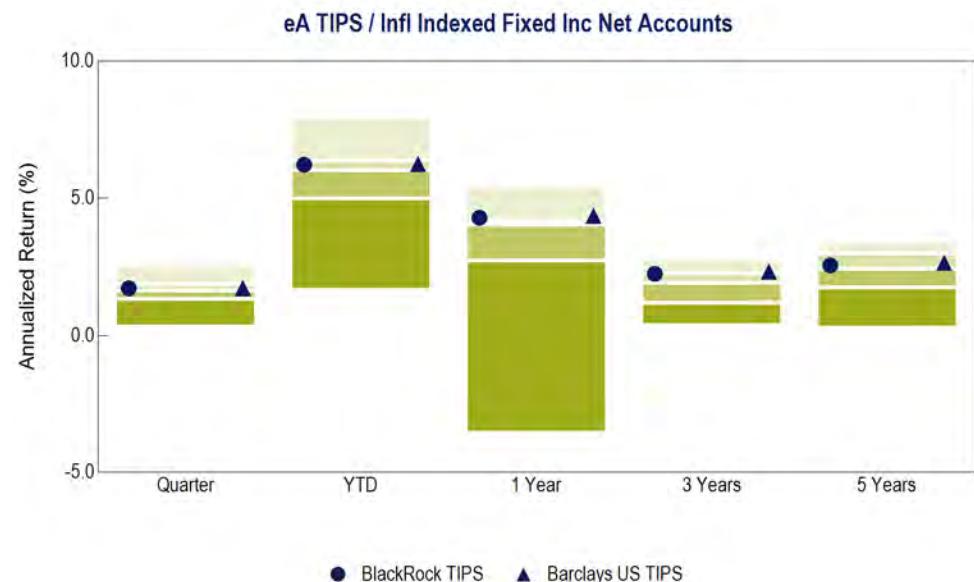
**3 Year Risk Statistics**



■ KDP ■ Barclays High Yield

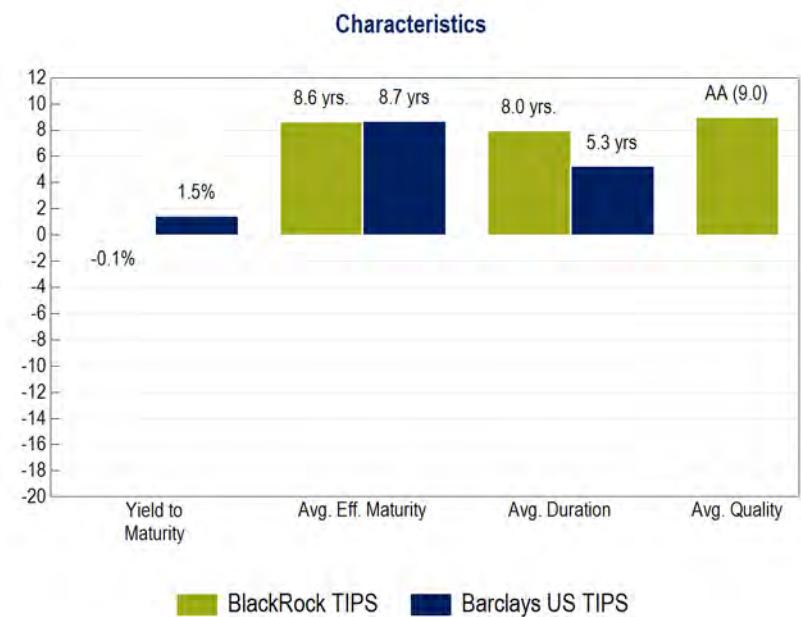
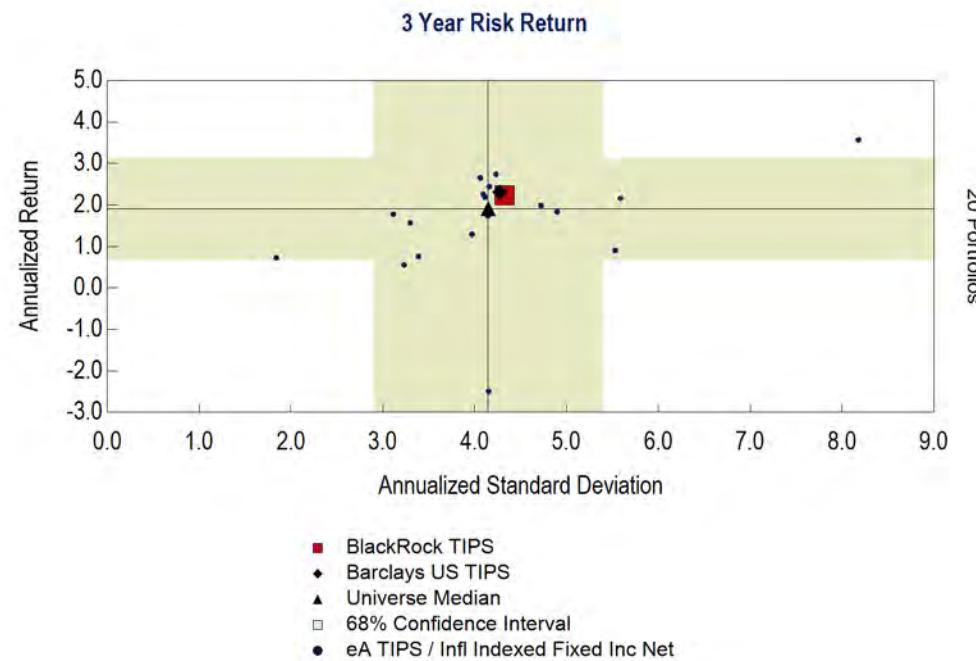
## BlackRock TIPS

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

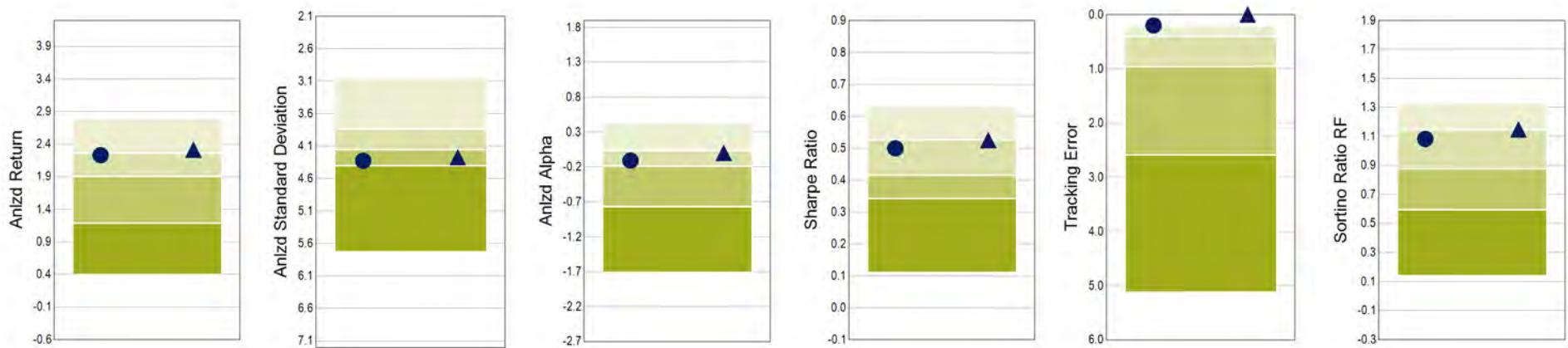


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June 30, 2016



## 3 Year Risk Statistics

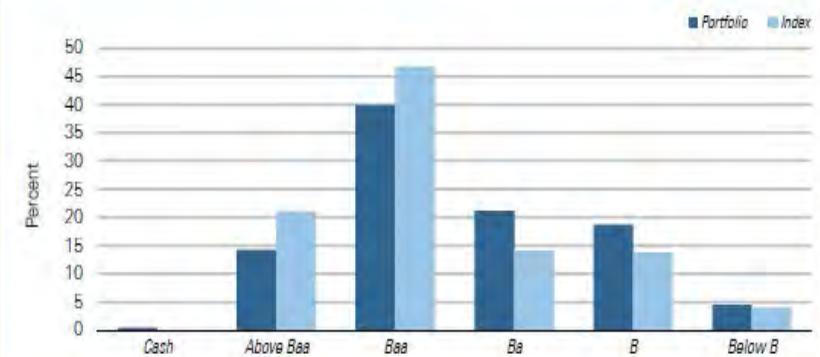


# Wellington Emerging Local Debt

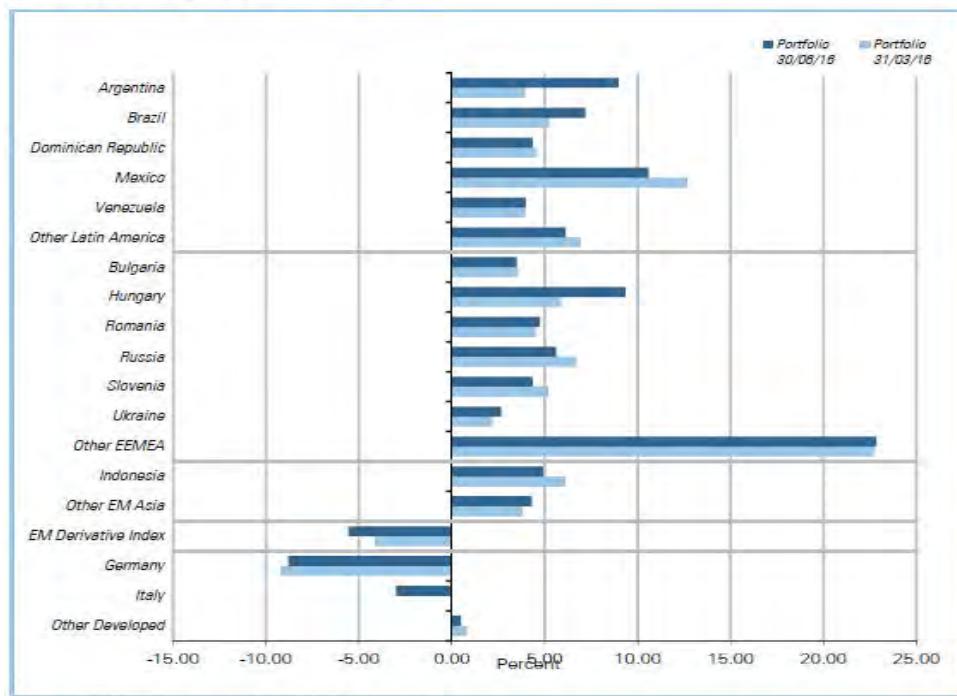
## PORTFOLIO STATISTICS

	Portfolio	Index
Yield	5.68%	5.38%
Effective Duration	6.72 Yrs	7.01 Yrs
Spread Duration	6.69 Yrs	7.01 Yrs
Corporate Exposure	2.58%	—
EM Local Market Exposure	4.69%	—
EM Currency Exposure	0.85%	—
Average Quality	Ba1	Baa3

## QUALITY DISTRIBUTION



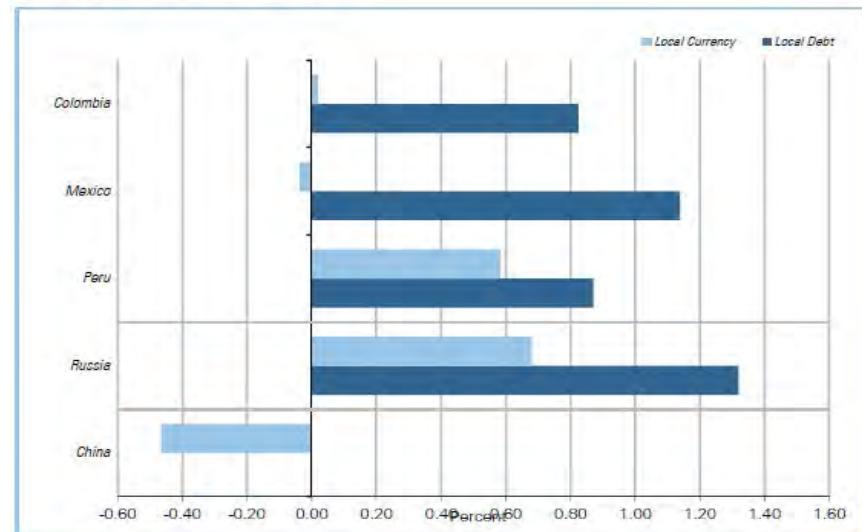
## COMPARATIVE COUNTRY WEIGHTS



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 Moody, S&P or Fitch.

Note: Portfolio statistics and distributions are calculated as a percent of the total Portfolio unless otherwise indicated. Totals may not add due to rounding.

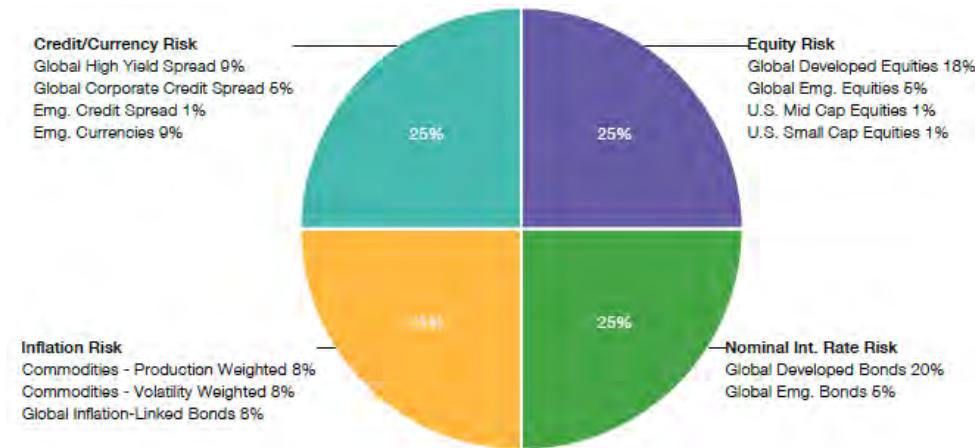
## EM LOCAL MARKET EXPOSURE



Source: Wellington Management

# AQR Global Risk Premium Fund

## Risk Allocation



## Estimated Exposure Breakdown

	Long Exposure (% of NAV)	Long Exposure (% of NAV)
<b>Equity Risk</b>		
Global Developed Equities	13%	Americas 11%
Global Emerging Equities	4%	Europe 3%
U.S. Mid Cap Equities	1%	Asia ex-Japan 4%
U.S. Small Cap Equities	1%	Japan 1%
<b>Total Equity Risk</b>	<b>19%</b>	<b>Total Equity Market Exposures</b> <b>19%</b>
<b>Nominal Interest Rate Risk</b>		
Global Developed Bonds	69%	Americas 51%
Global Emerging Bonds	24%	Europe 53%
<b>Total Nominal Interest Rate Risk</b>	<b>93%</b>	<b>Asia</b> 25%
<b>Total Bond Market Exposures</b>	<b>130%</b>	
<b>Inflation Risk</b>		
Commodities - Production Weighted	7%	Emerging Currency Exposures
Commodities - Volatility Weighted	12%	Asia 4%
Global Inflation-Linked Bonds	37%	Europe 7%
<b>Total Inflation Risk</b>	<b>56%</b>	Latin America 4%
Dollar Block ex-U.S.	0%	<b>Total Emerging Currency Exposures</b> <b>15%</b>
<b>Credit/Currency Risk</b>		
Global High Yield Spread	20%	
Global Corporate Credit Spread	37%	
Emerging Credit Spread	3%	
Emerging Currencies	15%	
<b>Total Credit/Currency Risk</b>	<b>75%</b>	
<b>Total Fund Exposures</b>	<b>243%</b>	

Source: AQR



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June 30, 2016

## 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.

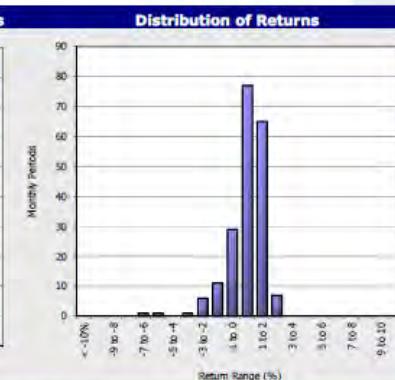
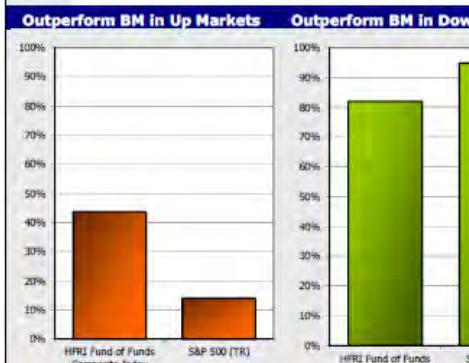
Grosvenor Institutional Partners, LP



**Grosvenor Institutional Partners, LP**  
Grosvenor Capital Management, LP

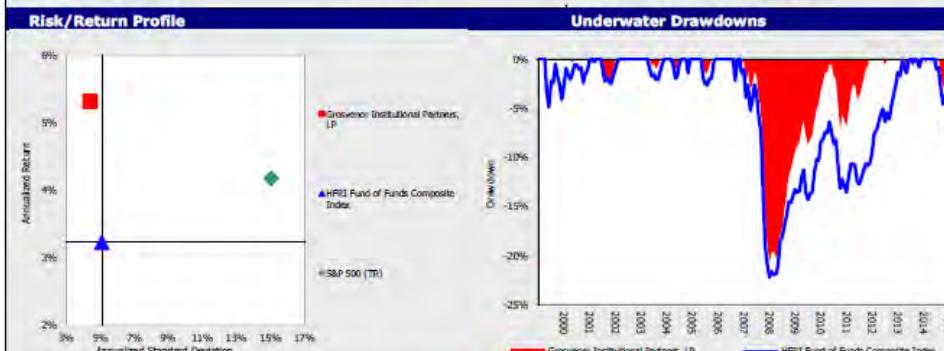
Benchmark 1 (BM1): HFRI Fund of Funds Composite Index  
Benchmark 2 (BM2): S&P 500 (TR)

Year	Monthly Performance (%) Net of Fees												Statistical Analysis			Fund	BM1	BM2
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns				
2016	-3.0%	-1.5%	0.4%	1.1%	1.1%	-0.7%								Annualized Compound ROR	5.3%	3.2%	4.2%	
2015	-0.4%	1.6%	0.5%	0.2%	0.9%	-0.5%	0.6%	-1.5%	-1.6%	0.6%	0.1%	-0.6%	-2.6%	3 Yr Return	2.7%	1.9%	11.7%	
2014	0.0%	1.6%	-0.1%	-0.6%	0.8%	1.1%	-0.7%	0.8%	-0.2%	-0.3%	0.6%	0.3%	3.3%	5 Yr Return	3.6%	1.6%	12.1%	
2013	2.6%	0.6%	1.4%	0.8%	1.7%	-0.6%	1.7%	0.2%	1.7%	1.3%	1.6%	1.1%	15.2%	Best Month	2.7%	5.2%	10.9%	
2012	1.6%	1.8%	0.9%	-0.1%	-1.4%	0.4%	0.8%	1.2%	0.8%	0.5%	0.7%	1.2%	8.6%	Worst Month	-6.9%	-6.5%	-16.8%	
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%	% Positive Months	75.3%	63.6%	61.1%	
2010	0.7%	0.3%	1.6%	0.9%	-1.8%	-0.9%	0.7%	0.3%	1.8%	1.2%	0.5%	1.5%	6.8%	Risk				
2009	1.2%	0.1%	-0.6%	0.1%	2.7%	0.9%	2.2%	1.8%	2.3%	0.7%	1.0%	1.1%	14.2%	Standard Deviation	4.4%	5.1%	15.0%	
2008	-2.4%	1.4%	-1.7%	0.2%	1.5%	-0.6%	-2.0%	-1.3%	-6.9%	-5.3%	-3.2%	-2.2%	-20.6%	3 Yr Standard Deviation	3.7%	3.7%	11.3%	
2007	1.7%	0.8%	1.4%	1.4%	2.3%	0.4%	0.8%	-2.1%	1.3%	2.7%	-0.6%	0.5%	11.1%	5 Yr Standard Deviation	4.1%	4.0%	12.1%	



Statistical Analysis	Fund	BM1	BM2
<b>Returns</b>			
Annualized Compound ROR	5.3%	3.2%	4.2%
3 Yr Return	2.7%	1.9%	11.7%
5 Yr Return	3.6%	1.6%	12.1%
Best Month	2.7%	5.2%	10.9%
Worst Month	-6.9%	-6.5%	-16.8%
% Positive Months	75.3%	63.6%	61.1%
<b>Risk</b>			
Standard Deviation	4.4%	5.1%	15.0%
3 Yr Standard Deviation	3.7%	3.7%	11.3%
5 Yr Standard Deviation	4.1%	4.0%	12.1%
Sharpe Ratio (3.5%)	0.4	0.0	0.1
Sortino Ratio (7.0%)	-0.4	-0.8	-0.2
Downside Deviation (7.0%)	3.9%	4.5%	11.5%
Max Drawdown	-20.7%	-22.2%	-50.9%
Months In Maximum Drawdown	14	14	16
Months To Recover	47	66	37
<b>Comparison To Benchmark(s)</b>			
Monthly Alpha	0.2%	0.4%	
Annualized Alpha	2.9%	4.6%	
Total Alpha	1.7%	1.6%	

Beta	0.7	0.2
Correlation	0.9	0.5
R-Squared	74.4%	26.5%
<b>Annual Returns</b>		
2016-(YTD)	-2.6%	-2.6%
2015	-0.2%	-0.3%
2014	3.3%	3.4%
2013	15.2%	9.0%
2012	8.5%	4.8%
2011	-3.7%	-5.7%



Latest Returns	2011	3Yr %	5Yr %	10Yr %
Last Month	-0.7%	-0.5%	0.3%	
Last 3 Months	1.5%	0.5%	2.5%	
Last Year	-5.0%	-5.4%	4.0%	
2-Year	-1.2%	-0.9%	5.7%	
3-Year	2.7%	1.9%	11.7%	
4-Year	5.1%	3.2%	13.8%	
5-Year	3.6%	1.6%	12.1%	

Drawdown Analysis				
1	-20.7%	-22.2%	-50.9%	
2	-7.2%	-7.6%	-44.7%	
3	-2.4%	-4.9%	-8.4%	
4	-2.1%	-2.7%	-6.8%	
5	-1.4%	-2.5%	-6.6%	

\*\*Past Performance is not indicative of future results. Ratios are calculated based on a risk-free rate of 3.6%. Actual ratios may vary depending on the actual risk-free rate and life of the fund.\*\*\*



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June 30, 2016

		Country	Current Month %		Country	Current Month %
Growth 42.5%	<b>Developed ex-U.S. Equity 10.4%</b>  <b>U.S. Equity 21.9%</b> <b>High Yield Bonds 10.2%</b>  <b>Defensive 46.1%</b> <b>Government Bonds 20.7%</b> <b>Cash 25.4%</b>  <b>Real 11.4%</b> <b>Commodity 6.4%</b> <b>Inflation-Linked Bonds 4.9%</b>	Australia	0.3	<b>U.S. 106.8%</b>  <b>Diversifying Strategies</b>  <b>Currency 100.0%</b> <b>Developed ex-U.S. -6.8%</b>	United States	106.8
		Canada	-0.8		Australia	2.5
		Euro	-13.6		Canada	0.7
		France	4.1		Denmark	0.0
		Germany	8.8		Euro	-22.9
		Hong Kong	1.1		Japan	0.0
		Italy	2.7		New Zealand	5.6
		Japan	4.6		Norway	6.5
		Netherlands	0.0		Sweden	-1.9
		Spain	2.0		Switzerland	9.6
		Switzerland	0.5		United Kingdom	-7.6
		United Kingdom	-0.2		Other	0.6
		Other	0.9			
		United States	21.9			
			10.2			
			20.7			
			25.4			
			6.4			
			4.9			

1. Any collective investment funds presented are maintained by The Bank of New York Mellon. Employees of Mellon Capital manage the assets of any collective investment funds in their capacity as dual officers of The Bank of New York Mellon. Not all investors may be eligible to invest in the fund(s) shown above.

Source: Mellon Capital Management



NEPC, LLC

June 30, 2016

# Mellon Capital Global Alpha I

	Fund Return %	Growth				Defensive				Real		Diversifying Strategies
		Developed ex-U.S. Equity	U.S. Equity	EM Equity	High Yield Bonds	EM Debt	Government Bonds ex-U.S.	U.S. Bonds	IG Corporates	Commodity	Inflation - Linked Bonds	Currency
Month-to-Date	1.14	-1.74	0.08	0.00	0.11	0.00	-1.05	1.71	0.00	0.24	0.09	1.71
Quarter-to-Date	2.83	-0.71	0.20	0.00	0.48	0.00	-0.63	1.51	0.00	0.44	0.08	1.46
Year-to-Date	1.19	-4.52	-0.27	0.00	0.67	0.00	-1.15	4.01	0.00	0.48	0.30	1.67
1 Year	-0.91	-6.17	-1.40	-0.84	0.40	0.00	-1.72	4.58	0.00	0.58	0.13	3.53
3 Year	7.03	1.76	1.72	-0.20	0.30	-0.02	-0.89	2.37	0.08	0.23	0.23	1.45
5 Year	5.88	1.37	2.43	-0.33	0.23	-0.04	0.09	1.48	0.13	0.03	0.26	0.24
7 Year	-	-	-	-	-	-	-	-	-	-	-	-
10 Year	-	-	-	-	-	-	-	-	-	-	-	-
Since Inception <sup>a</sup>	7.24	1.27	2.49	-0.11	0.18	-0.03	0.57	1.26	0.16	0.15	0.37	0.94

1. Any collective investment funds presented are maintained by The Bank of New York Mellon. Employees of Mellon Capital manage the assets of any collective investment funds in their capacity as dual officers of The Bank of New York Mellon. Not all investors may be eligible to invest in the fund(s) shown above. Attribution being shown is for the EB DV Dynamic Growth Fund.

2. Fund Inception Date: April 15, 2010

Source: Mellon Capital Management

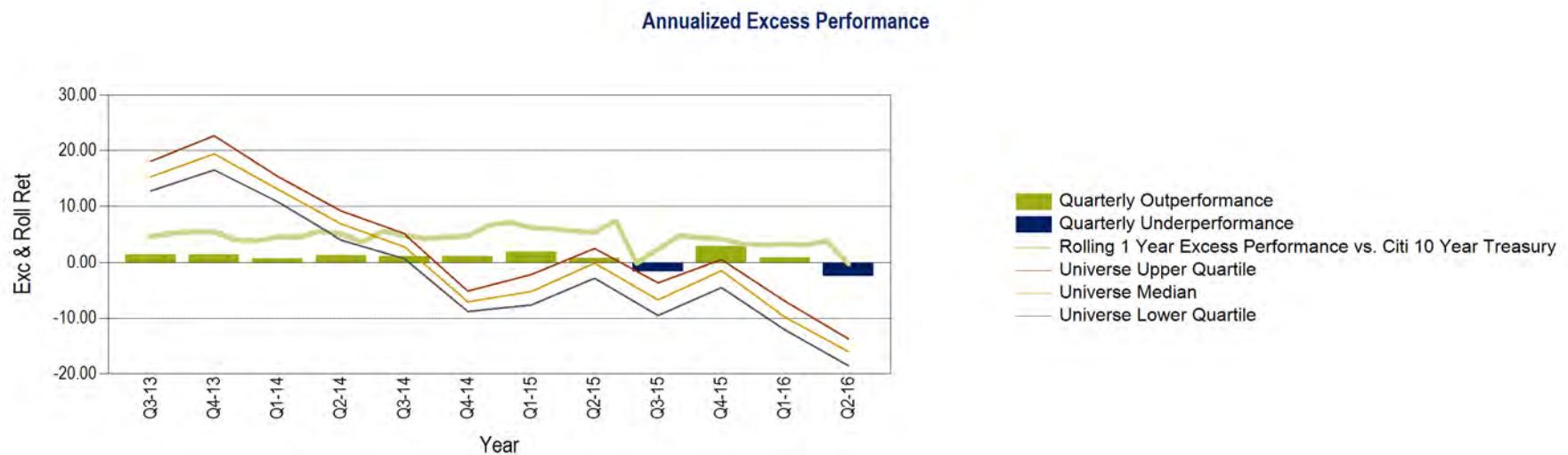
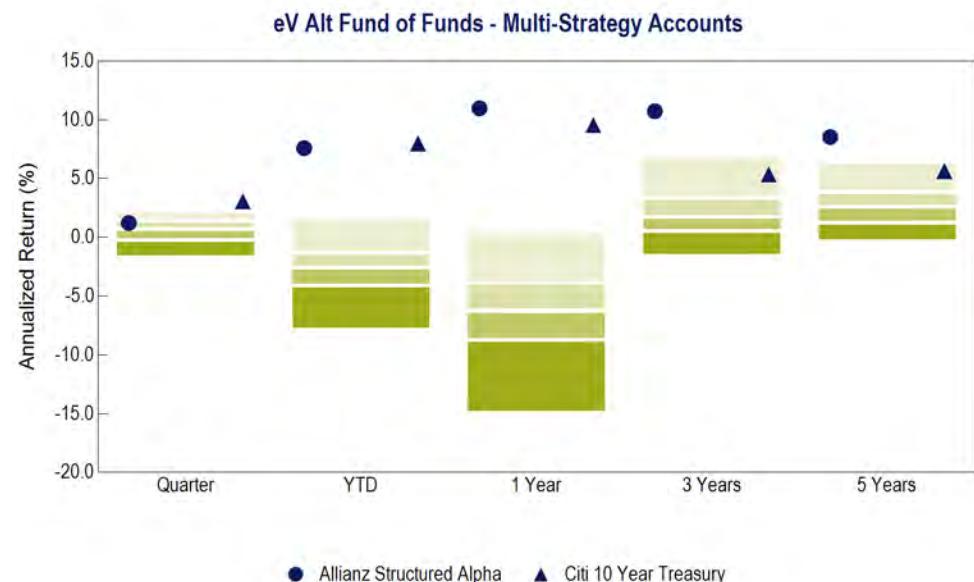


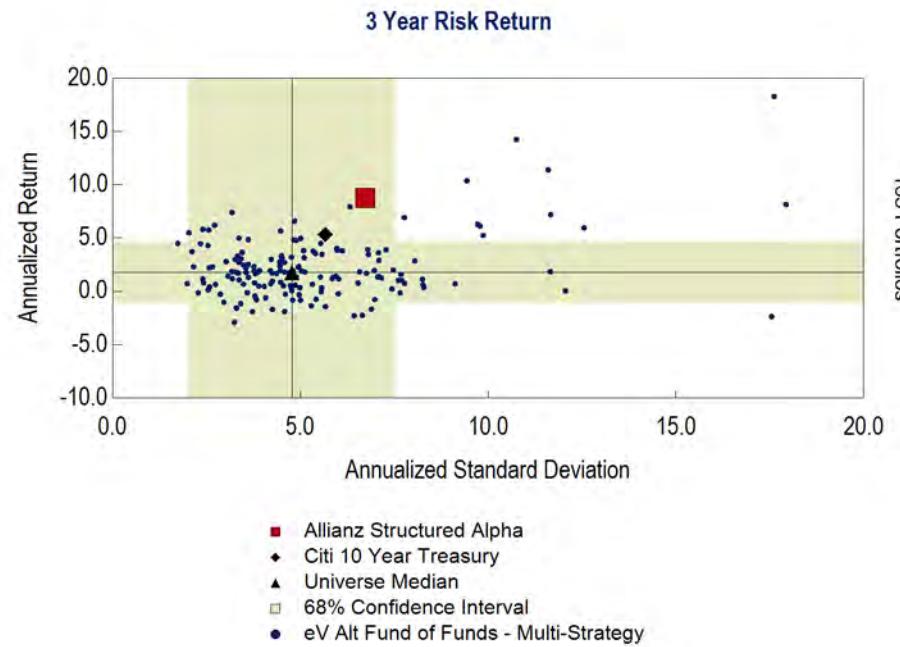
NEPC, LLC

June 30, 2016

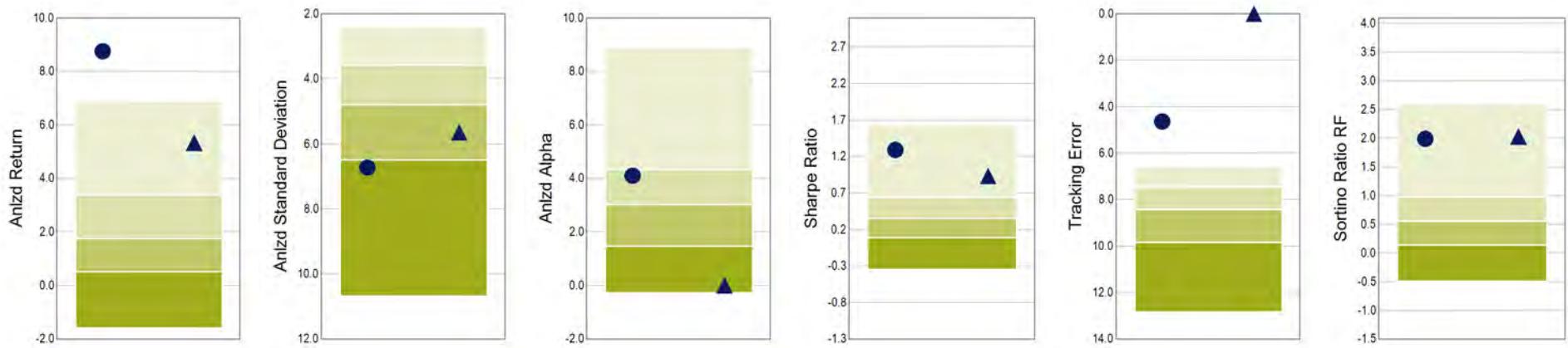
# Allianz Structured Alpha

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 constructs 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 expose the account to risk related to the underlying security and the option itself.





## 3 Year Risk Statistics



## Property Sector Returns<sup>(4)</sup>

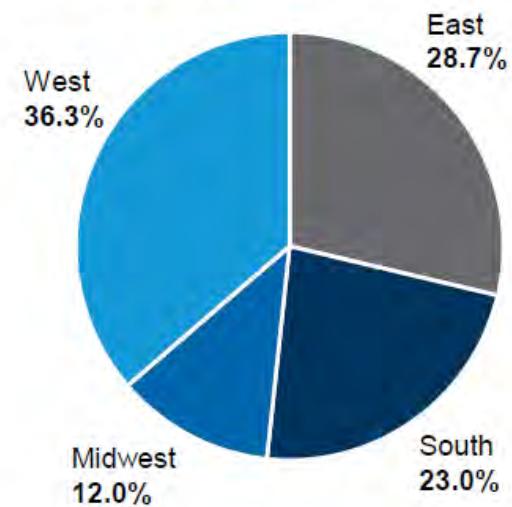
%	SECOND QUARTER		
	INCOME	APPRECIATION	TOTAL
Office	1.1	1.2	2.3
Retail	0.9	1.5	2.4
Industrial	1.4	2.8	4.2
Self Storage	1.3	4.2	5.5
Apartment	1.0	1.4	2.4

## Geographic Region Returns<sup>(4)</sup>

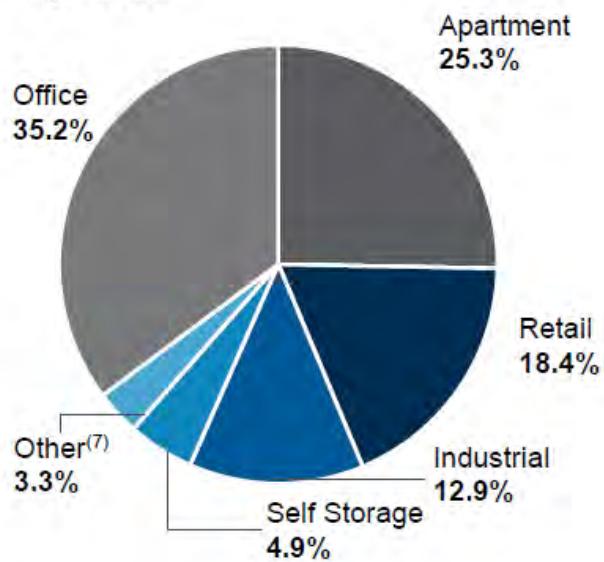
%	SECOND QUARTER		
	INCOME	APPRECIATION	TOTAL
East	1.2	1.5	2.7
Midwest	1.1	1.7	2.8
South	1.0	0.7	1.7
West	1.1	2.2	3.3

## Overview of Portfolio<sup>(6)</sup>

### By Geography

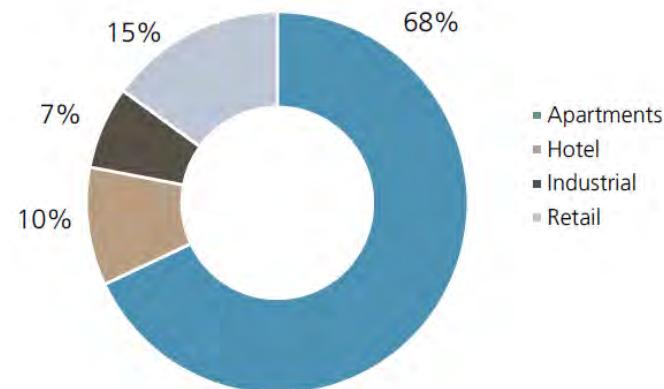


### By Sector

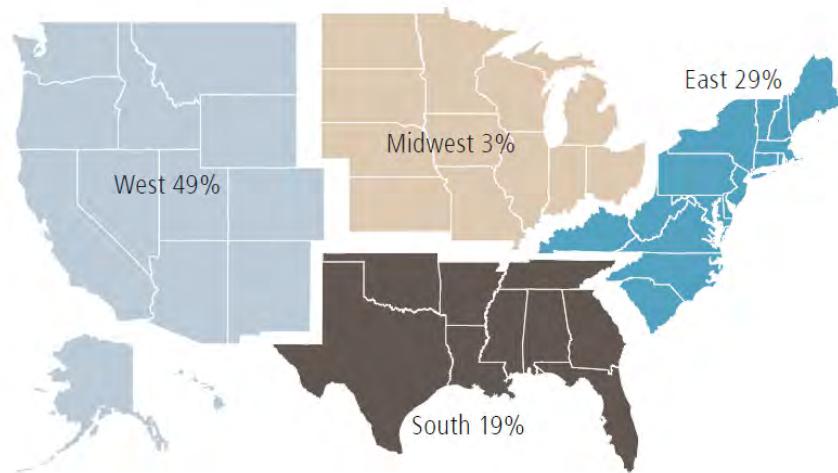


# UBS Trumbull Property Income Fund

Portfolio distribution by property type<sup>2</sup>



Distribution by geographic division<sup>2</sup>



## Key statistics

Gross asset value (GAV)	USD 3.0 bn
Net asset value (NAV)	USD 2.9 bn
Cash as a % of GAV	9.8%
Number of investments	51
Number of investors	115
Deposits <sup>1</sup>	USD 88.1 m
Redemptions <sup>1</sup>	USD 287.1 m

## Returns (%)

	Quarterly	One-year rolling
Income	1.08	4.38
Appreciation	1.48	7.25
Total (before fees)	2.56	11.86
Total (after fees)	2.35	10.94

Source: UBS Realty Investors

## Investment Summary

Total Asset Value (000s)	\$12,243,207
Net Asset Value <sup>2</sup> (000s)	\$9,239,767
Number of Shares Outstanding	82,026,209
Net Asset Value Per Share	\$112.64
Cash Balance of Fund (000s)	\$452,717
Cash as a % of Net Asset Value	4.9%
Debt <sup>3</sup> (000s)	\$2,883,722
Debt as a % of Total Adjusted Asset Value <sup>4</sup>	23.2%
Inception Date <sup>5</sup>	July 28, 1998
Redemption Shares Outstanding <sup>6</sup>	621,094
Institutional Investors	278

## Fund Performance

	Income	Apprec.	Total (Gross)	Total (Net)	Dividend Yield
Quarter	1.09%	1.12%	2.21%	1.97%	0.9%
1 Year	4.63%	7.59%	12.48%	11.44%	3.6%
3 Year	5.0%	8.6%	13.9%	13.1%	4.1%
5 Year	5.4%	7.6%	13.3%	12.2%	4.7%
7 Year	5.8%	6.2%	12.3%	11.3%	4.8%
10 Year	5.7%	0.5%	6.2%	5.4%	4.7%
Since Inception	6.5%	1.8%	8.4%	7.5%	5.5%

## Property Information

### Diversification/Occupancy

Real Estate Investments	Gross Real Estate Value (millions)	Percent of Value	Quarter-end Occupancy <sup>7</sup>
Retail	21	\$2,292	19%
Apartment	22	2,424	21%
Office	29	4,570	39%
Industrial	37	2,432	21%
<b>Total</b>	<b>109</b>	<b>\$11,718</b>	<b>100%</b>
<b>Total Core</b>	<b>104</b>	<b>\$11,027</b>	<b>94%</b>

Note: Property diversification by type and geographic location based on gross real estate value and primary use of assets. See "End Notes", "Performance Notes" and "Important Information" for further information.

Note: The above charts reflect the Fund's investment in the unconsolidated joint ventures. See "Performance Notes" and "Important Information" for further information.

### Geographic Location



Source: Deutsche Asset & Wealth Management



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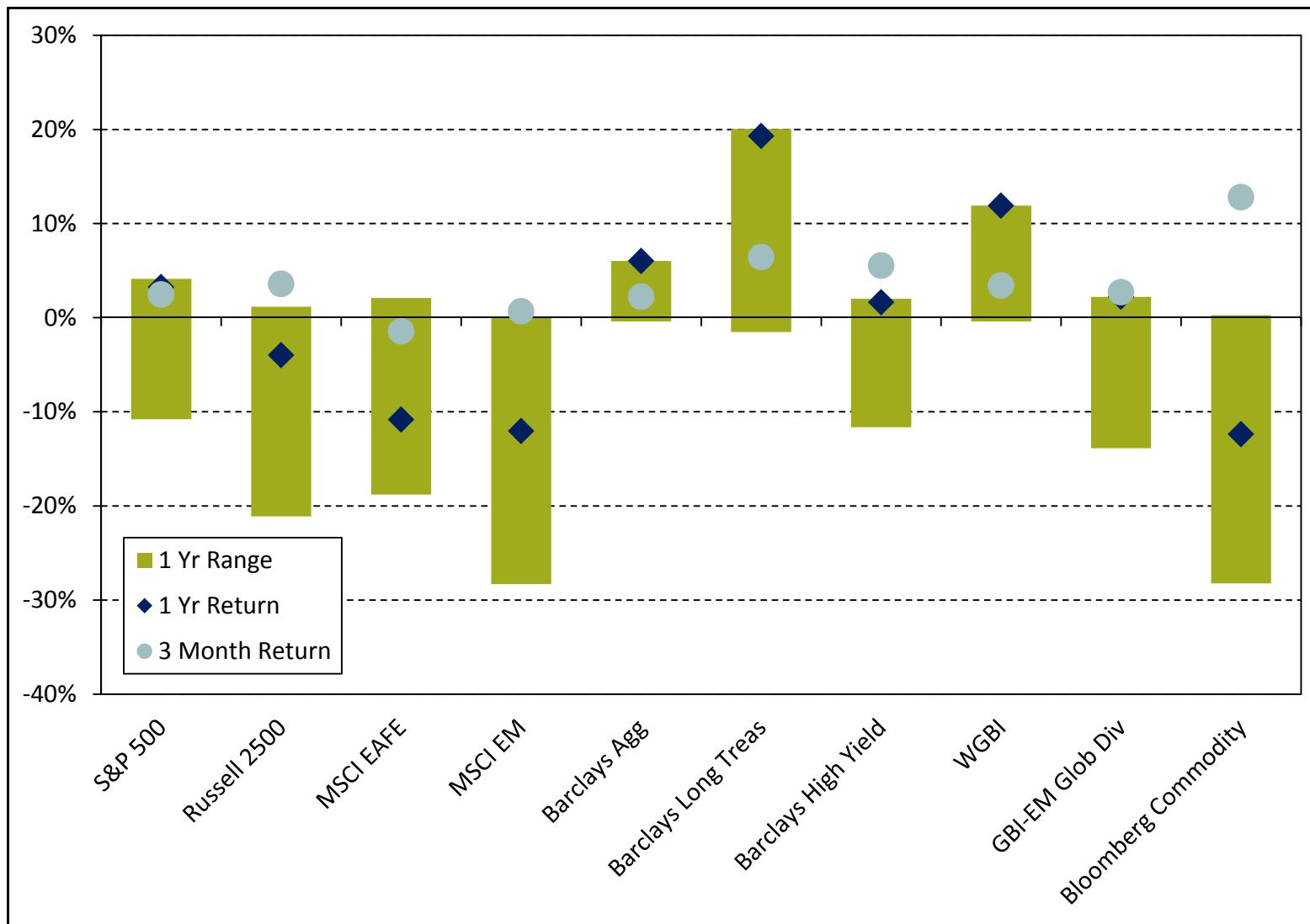
# Appendix

## Index Performance Summary as of 6/30/2016

	2009	2010	2011	2012	2013	2014	2015	Q1	APRIL	MAY	JUNE	Q2	YTD
<b>Barclays US STRIPS 20+ Yr</b>	-36.0%	10.9%	58.5%	3.0%	-21.0%	46.4%	-3.7%	11.4%	-0.9%	1.5%	9.0%	9.6%	22.0%
<b>Alerian MLP</b>	76.4%	35.9%	13.9%	4.8%	27.6%	4.8%	-32.6%	-4.2%	11.0%	2.5%	5.1%	19.7%	14.7%
<b>Barclays US Govt/Credit Long</b>	1.9%	10.2%	22.5%	8.8%	-8.8%	19.3%	-3.3%	7.3%	1.2%	0.3%	4.9%	6.5%	14.3%
<b>JPM GBI-EM Global Div</b>	22.0%	15.7%	-1.8%	16.8%	-9.0%	-5.7%	-14.9%	11.0%	2.6%	-5.4%	5.9%	2.7%	14.0%
<b>Barclays US Long Credit</b>	16.8%	10.7%	17.1%	12.7%	-6.6%	16.4%	-4.6%	6.8%	2.4%	0.0%	4.2%	6.7%	13.9%
<b>FTSE NAREIT Equity REITs</b>	28.0%	28.0%	8.3%	18.1%	2.5%	30.1%	3.2%	6.0%	-2.4%	2.4%	7.0%	7.0%	13.4%
<b>Bloomberg Commodity</b>	18.9%	16.8%	-13.3%	-1.1%	-9.5%	-17.0%	-24.7%	0.4%	8.5%	-0.2%	4.1%	12.8%	13.3%
<b>Citi WGBI USD</b>	2.6%	5.2%	6.4%	1.6%	-4.0%	-0.5%	-3.6%	7.1%	1.3%	-1.5%	3.7%	3.4%	10.7%
<b>JPM EMBI Global Diversified</b>	29.8%	12.2%	7.3%	17.4%	-5.3%	7.4%	1.2%	5.0%	1.8%	-0.2%	3.4%	5.0%	10.3%
<b>Barclays US Corporate HY</b>	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	-4.5%	3.4%	3.9%	0.6%	0.9%	5.5%	9.1%
<b>MSCI EM</b>	78.5%	18.9%	-18.4%	18.2%	-2.6%	-2.2%	-14.9%	5.7%	0.5%	-3.7%	4.0%	0.7%	6.4%
<b>Barclays US Agg Bond</b>	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	0.5%	3.0%	0.4%	0.0%	1.8%	2.2%	5.3%
<b>Barclays Municipal</b>	12.9%	2.4%	10.7%	6.8%	-2.6%	9.1%	3.3%	1.7%	0.7%	0.3%	1.6%	2.6%	4.3%
<b>Credit Suisse Leveraged Loan</b>	44.9%	10.0%	1.8%	9.4%	6.2%	2.1%	-0.4%	1.3%	1.9%	0.9%	0.0%	2.9%	4.2%
<b>Russell 2500</b>	34.4%	26.7%	-2.5%	17.9%	36.8%	7.1%	-2.9%	0.4%	1.5%	2.1%	0.0%	3.6%	4.0%
<b>S&amp;P 500</b>	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	1.3%	0.4%	1.8%	0.3%	2.5%	3.8%
<b>Barclays US Agg Interim</b>	6.5%	6.1%	6.0%	3.6%	-1.0%	4.1%	1.2%	2.3%	0.2%	0.0%	1.2%	1.4%	3.8%
<b>Russell 1000</b>	28.4%	16.1%	1.5%	16.4%	33.1%	13.2%	0.9%	1.2%	0.5%	1.8%	0.2%	2.5%	3.7%
<b>Russell 2000</b>	27.2%	26.9%	-4.2%	16.3%	38.8%	4.9%	-4.4%	-1.5%	1.6%	2.3%	-0.1%	3.8%	2.2%
<b>BC US Govt/Credit 1-3 Yr</b>	3.8%	2.8%	1.6%	1.3%	0.6%	0.8%	0.7%	1.0%	0.1%	-0.1%	0.6%	0.7%	1.7%
<b>MSCI ACWI</b>	34.6%	12.7%	-7.3%	16.1%	22.8%	4.2%	-2.4%	0.2%	1.5%	0.1%	-0.6%	1.0%	1.2%
<b>Credit Suisse Hedge Fund</b>	18.6%	10.9%	-2.5%	7.7%	9.7%	4.1%	-0.7%	-2.2%	0.3%	0.4%	N/A	N/A	-1.5%
<b>MSCI EAFE</b>	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	-0.8%	-3.0%	2.9%	-0.9%	-3.4%	-1.5%	-4.4%

Source: Morningstar Direct

## Near Term Broad Market Performance Summary as of 6/30/2016



Source: Bloomberg, Standard and Poors, Russell, MSCI, Barclays, Citigroup, JP Morgan

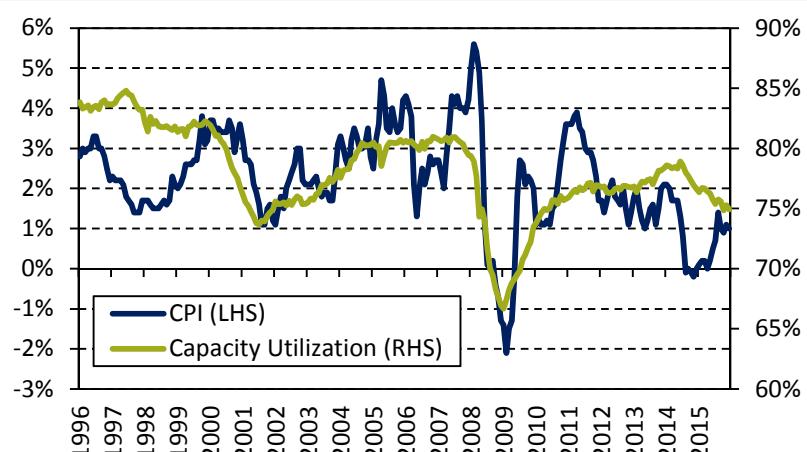
\*1 Yr Range: Represents range of cumulative high/low daily index returns for an investment made one year ago



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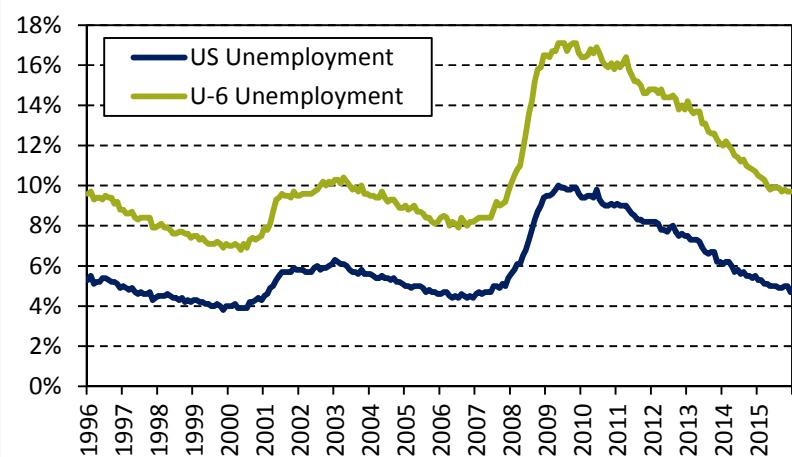
## US Economic Indicators

### Inflation has increased off lows



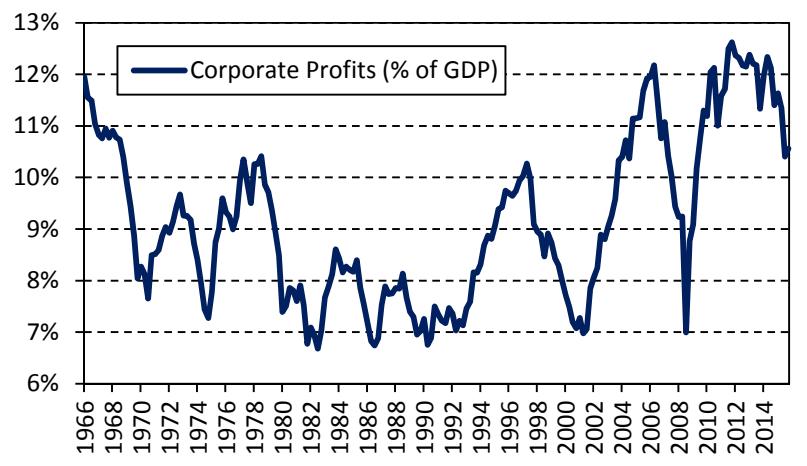
Source: Bloomberg, Federal Reserve, Bureau of Labor Statistics

### Unemployment steadily improving



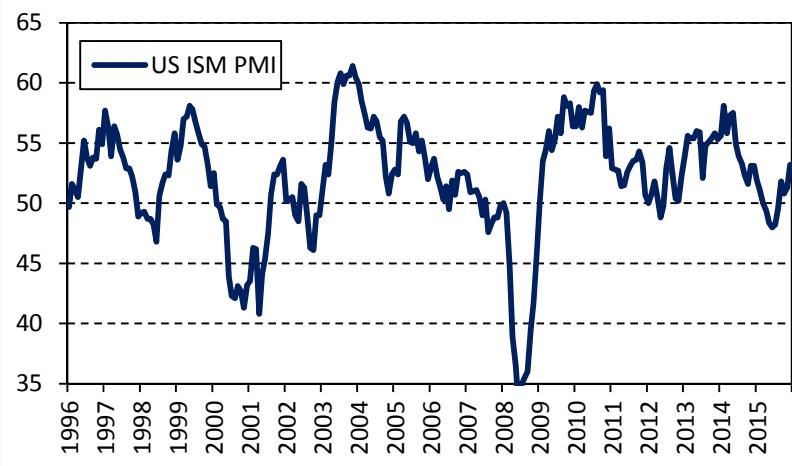
Source: Bloomberg, Bureau of Labor Statistics

### Corporate profits lower off cyclical highs



Source: Bloomberg, Bureau of Economic Analysis

### Manufacturing trending higher after dip



Source: Bloomberg, Institute for Supply Management

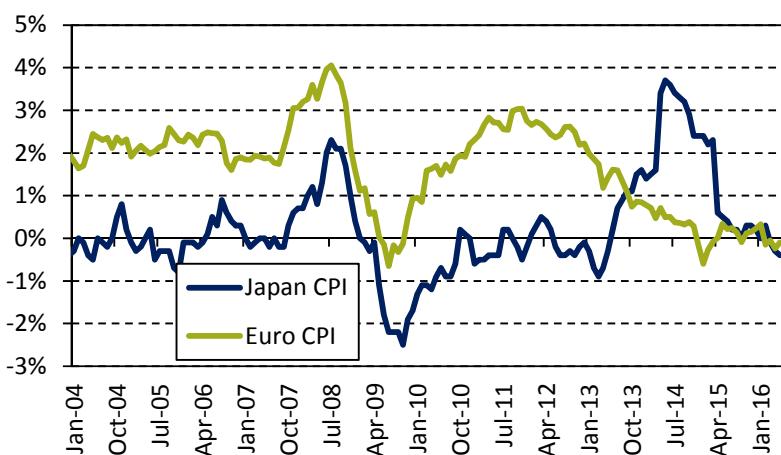


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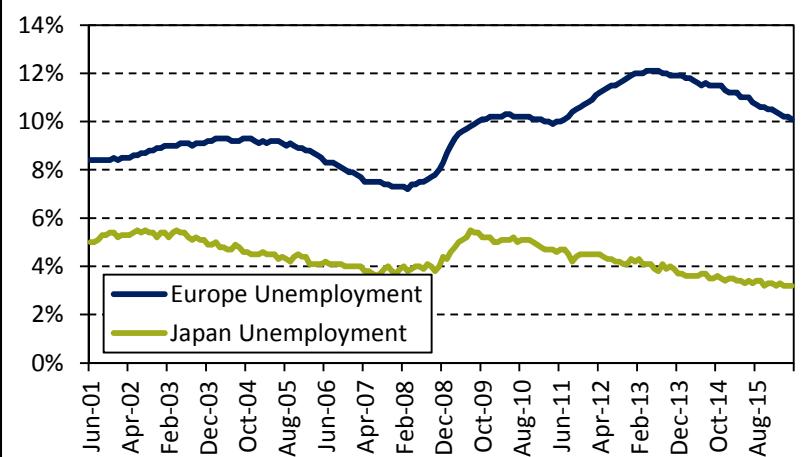
## International Economic Indicators

### Inflation remains muted



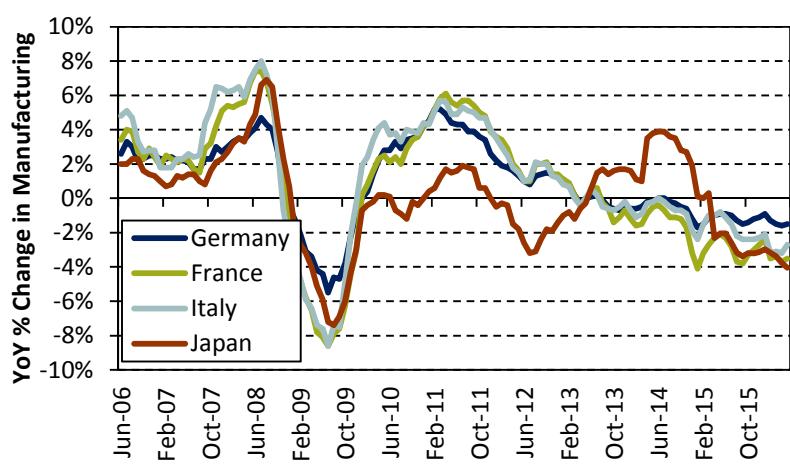
Source: Bloomberg, Japan Ministry of Internal Affairs and Communications, Eurostat

### Europe unemployment trending lower



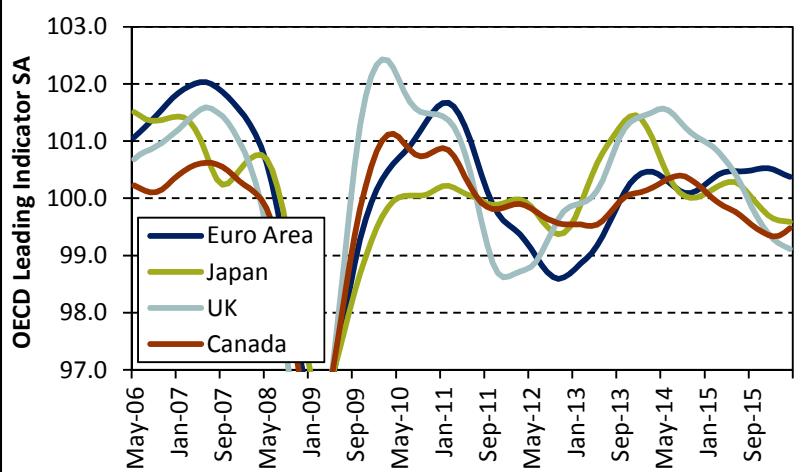
Source: Bloomberg, Japan Ministry of Internal Affairs and Communications, Eurostat

### Manufacturing continues to lag



Source: Bloomberg, OECD, Eurostat

### Leading indicators mostly neutral



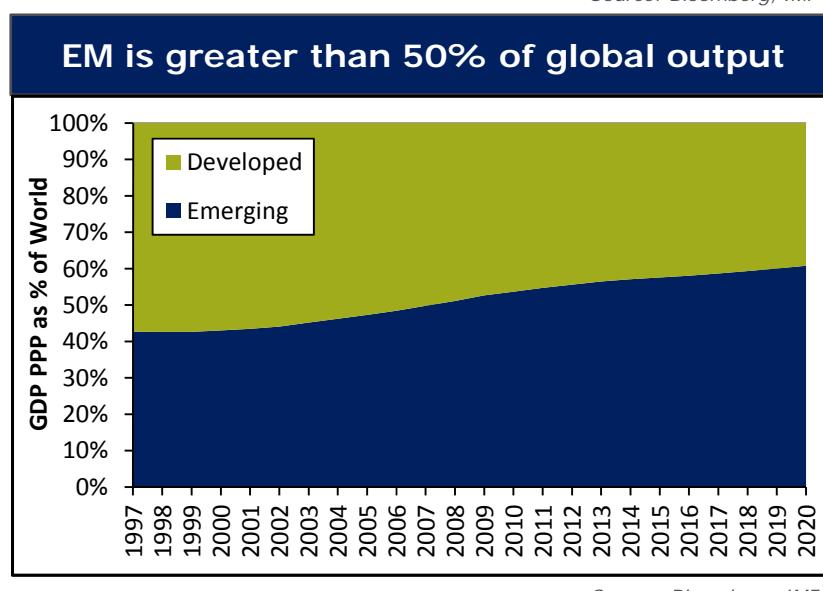
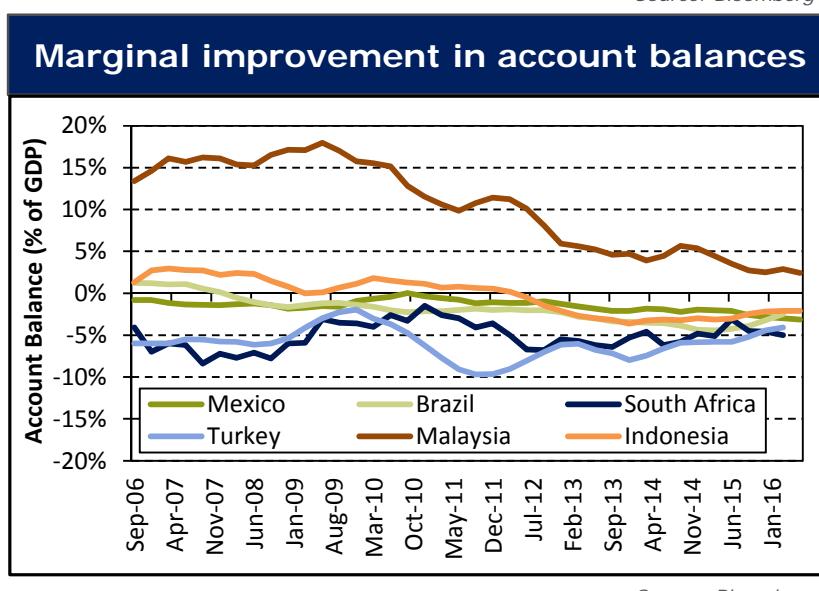
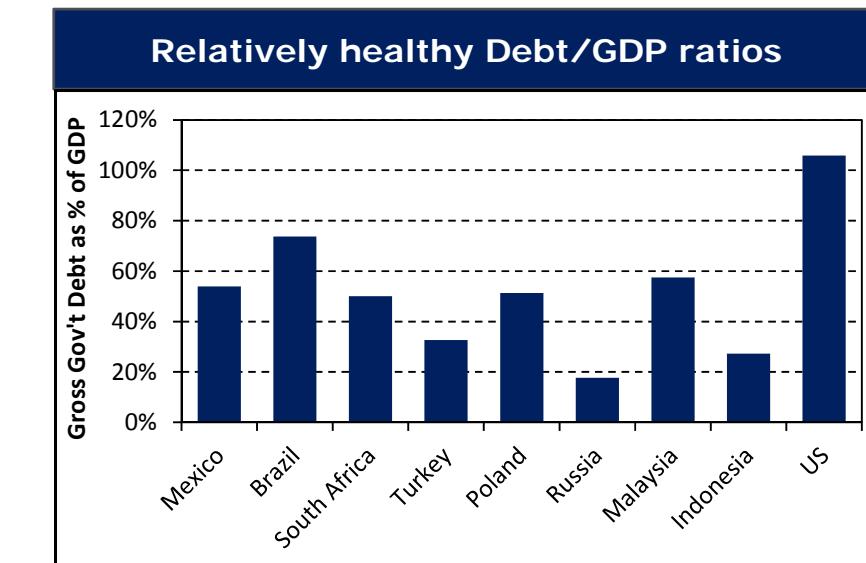
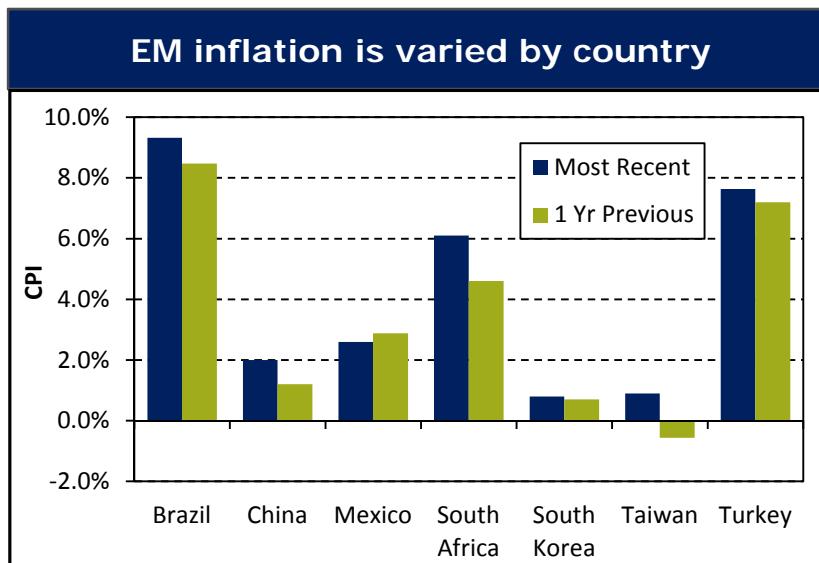
Source: Bloomberg, OECD



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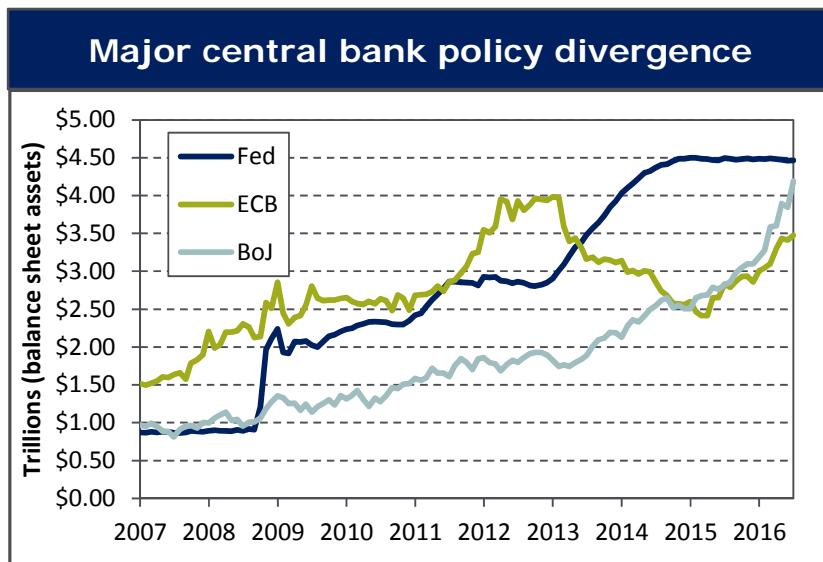
June 30, 2016

## Emerging Market Economic Indicators

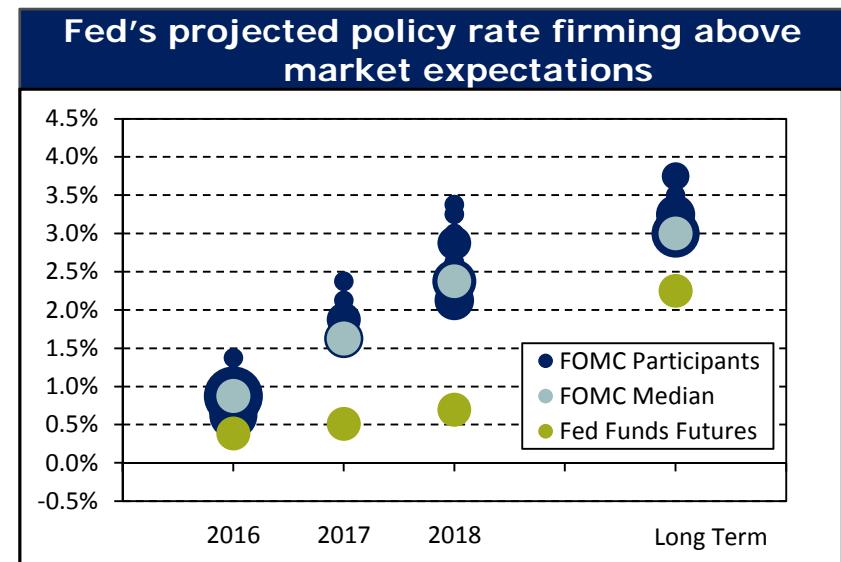


NEPC, LLC

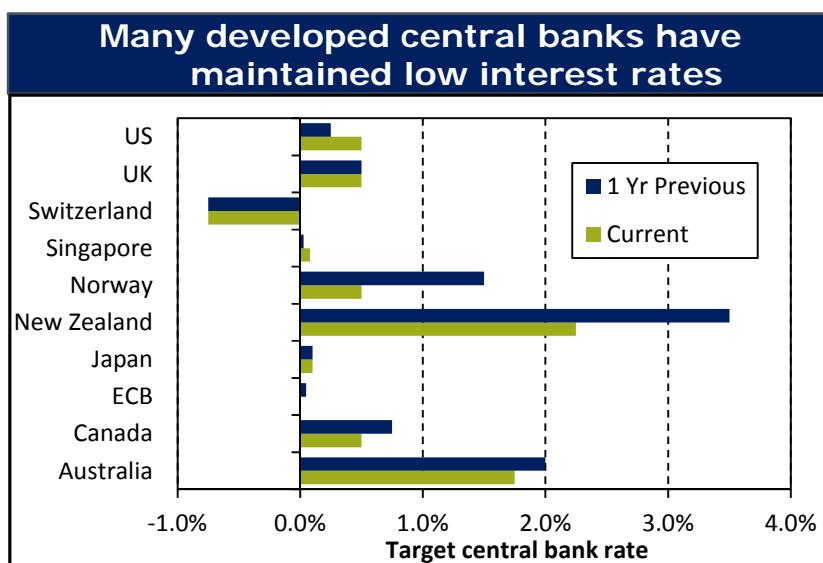
# Central Banks



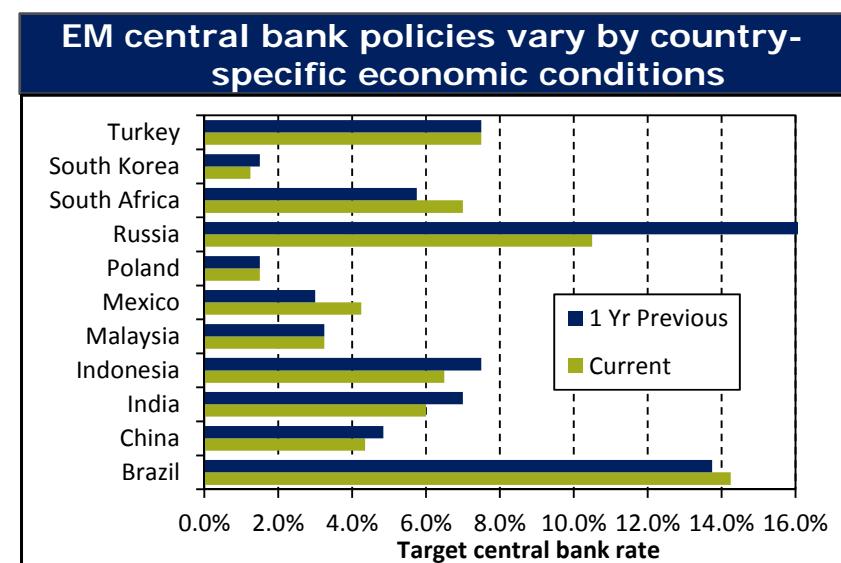
Source: Bloomberg, Federal Reserve, Bank of Japan, ECB, NEPC



Source: Bloomberg, Federal Reserve, NEPC



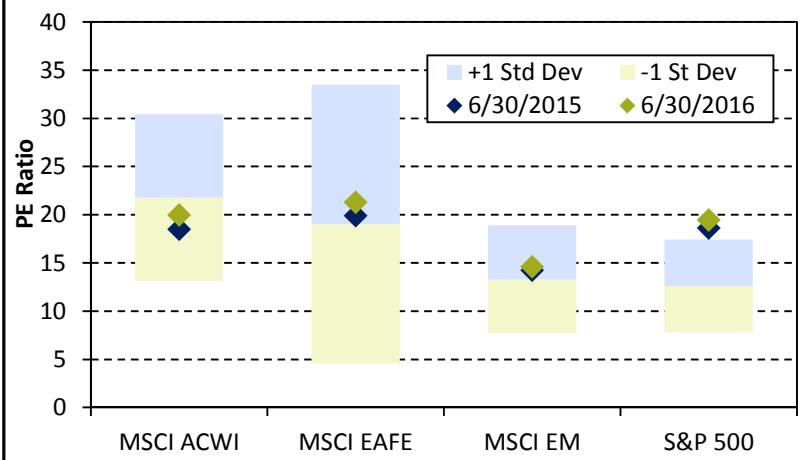
Source: Bloomberg



Source: Bloomberg

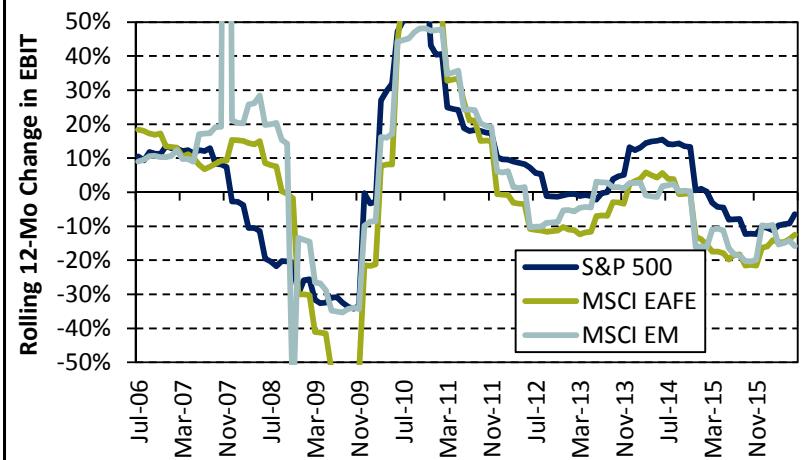
# Global Equity

## Global valuations are mixed



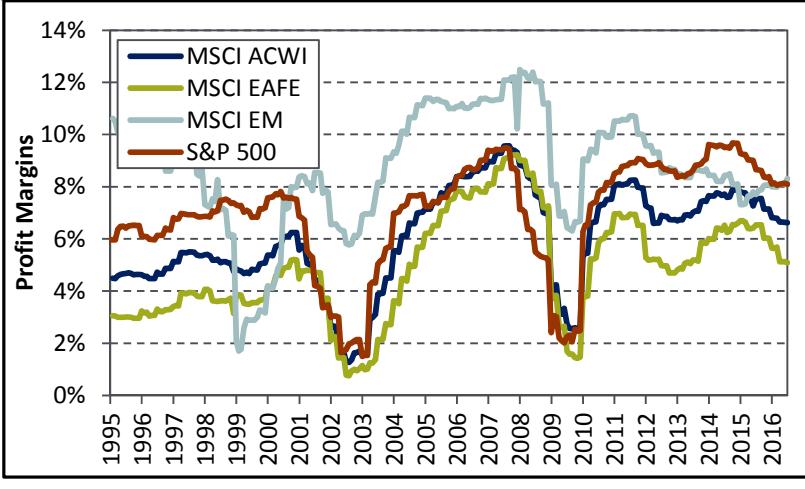
Source: Bloomberg, Standard and Poors, MSCI \*MSCI EAFE is ex UK Telecom

## Earnings growth has trended lower



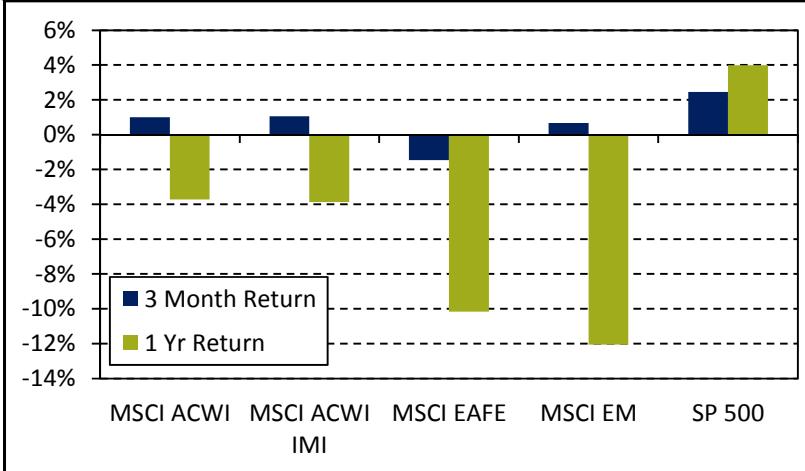
Source: Bloomberg, Standard and Poors, MSCI

## Margins declining outside of EM



Source: Bloomberg, MSCI

## Global equity returns have been mostly negative over one year



Source: Bloomberg, MSCI

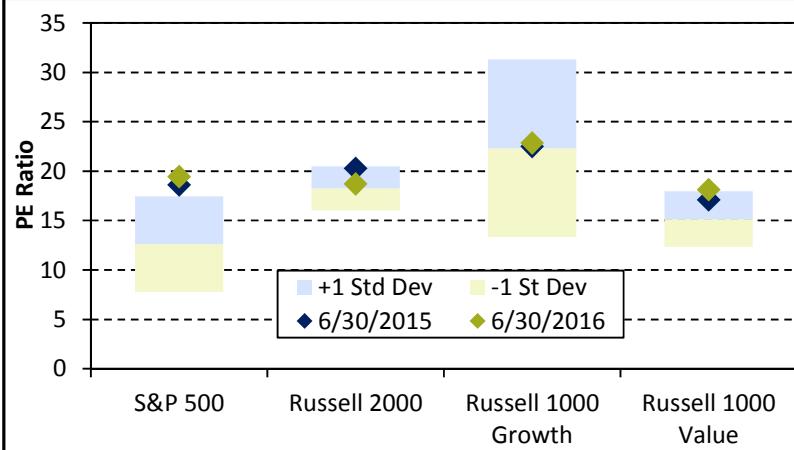


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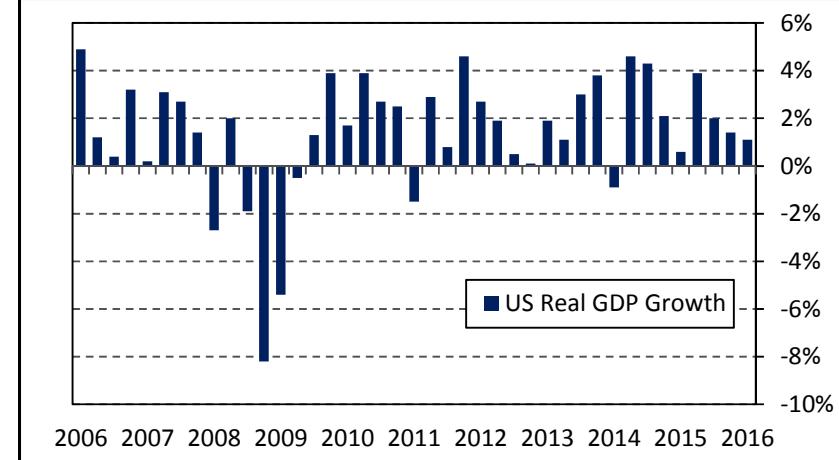
# US Equity

## Valuations near or above historical norms



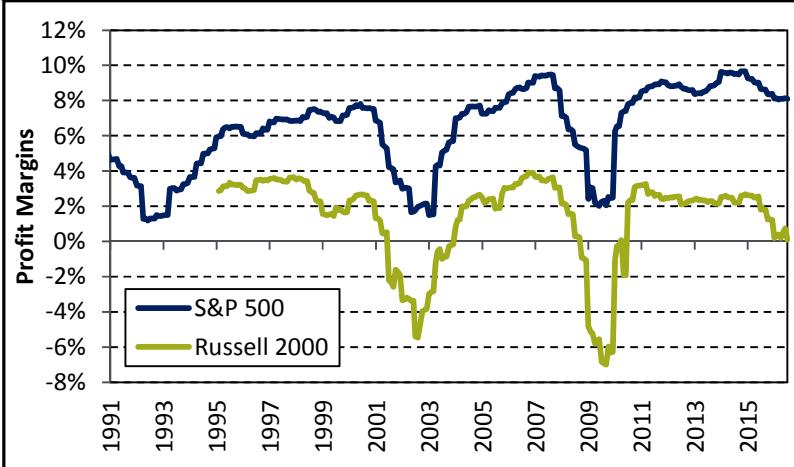
Source: Bloomberg, Standard and Poors, Russell \*Russell 2000 PE is index adjusted positive

## Growth recovery marked by inconsistency



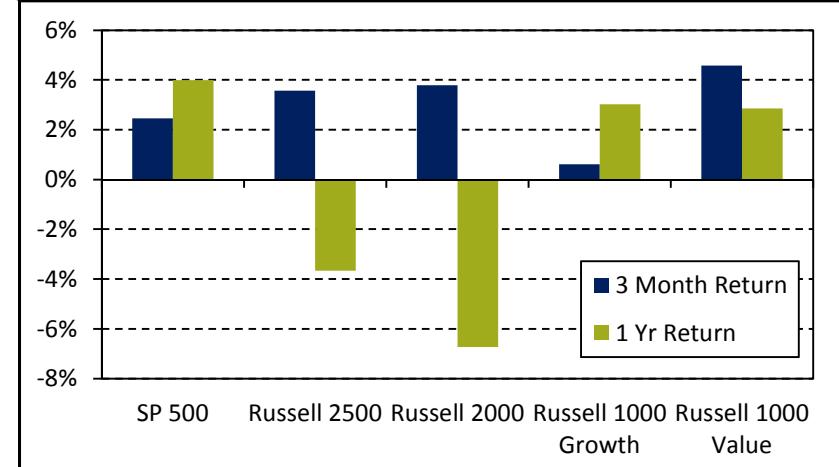
Source: Bloomberg, Bureau of Economic Analysis

## Profit margins lower off highs



Source: Bloomberg, Standard and Poors, Russell

## Trailing performance has been mixed



Source: Bloomberg, Standard and Poors, Russell

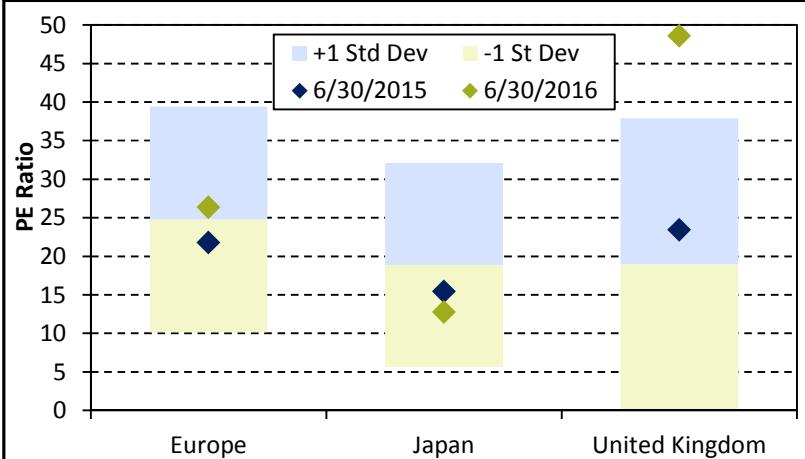


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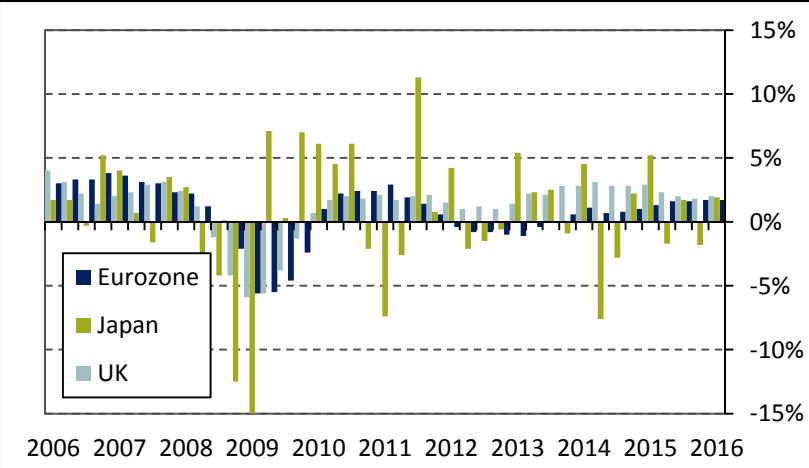
# International Equity

## PE levels varied by region/country



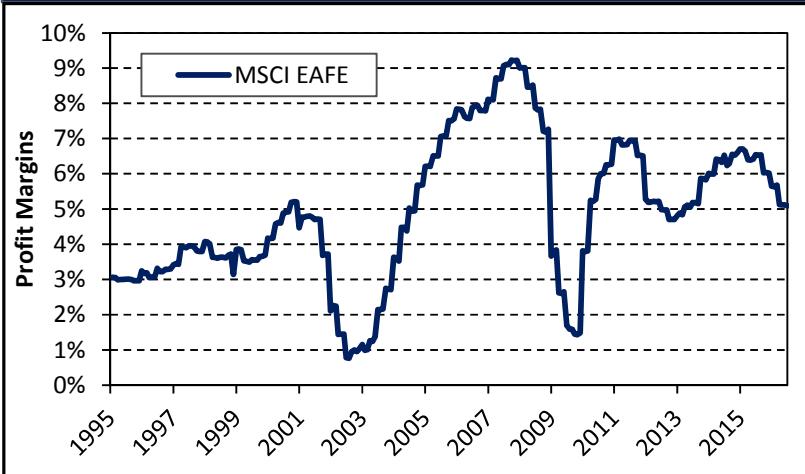
Source: Bloomberg, MSCI, FTSE \*UK represented by FTSE 100 Index

## Global growth remains subdued



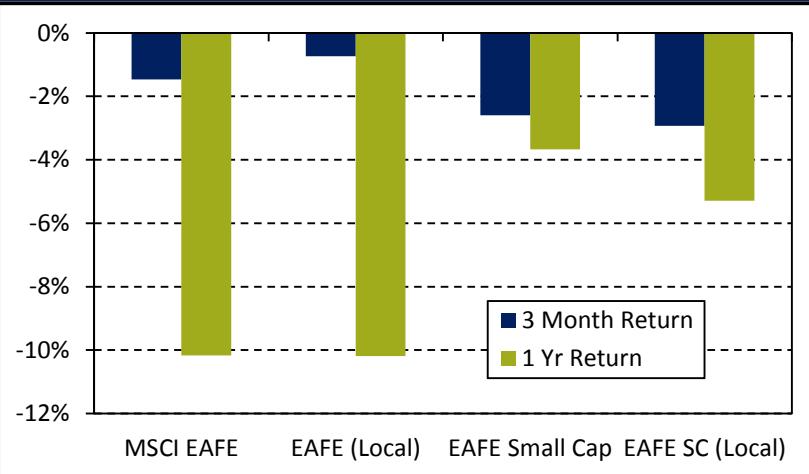
Source: Bloomberg

## Margins recently declining



Source: Bloomberg, MSCI

## Returns broadly negative



Source: Bloomberg, MSCI

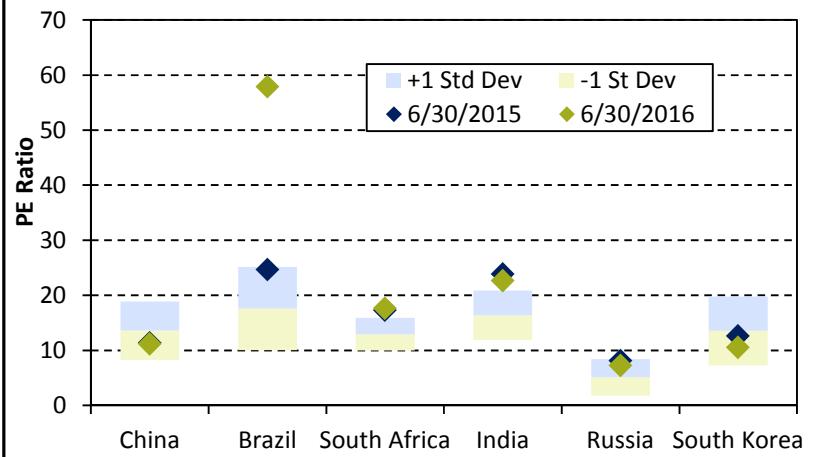


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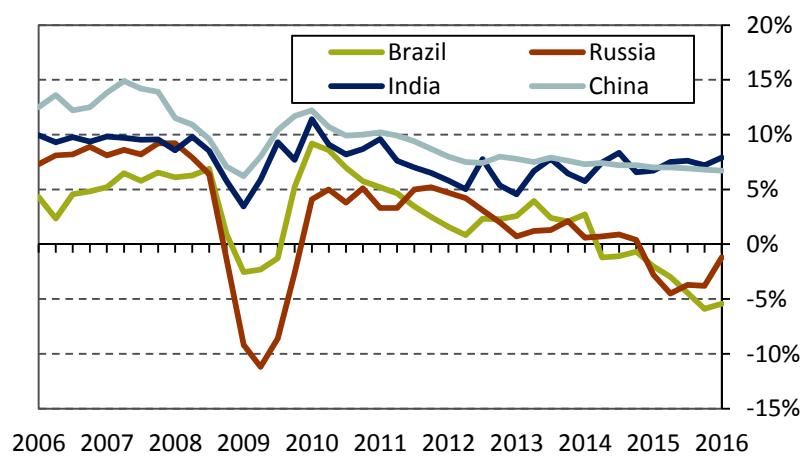
# Emerging Markets Equity

## Regional valuations show divergence



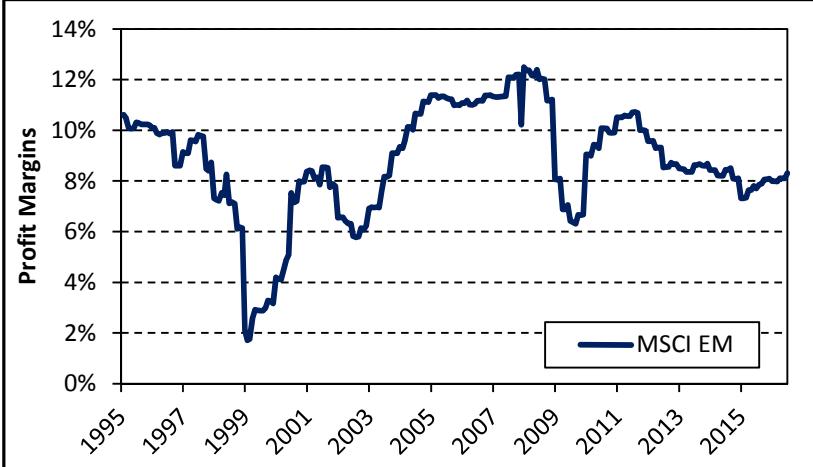
Source: Bloomberg, MSCI

## Slowing growth in developed economies



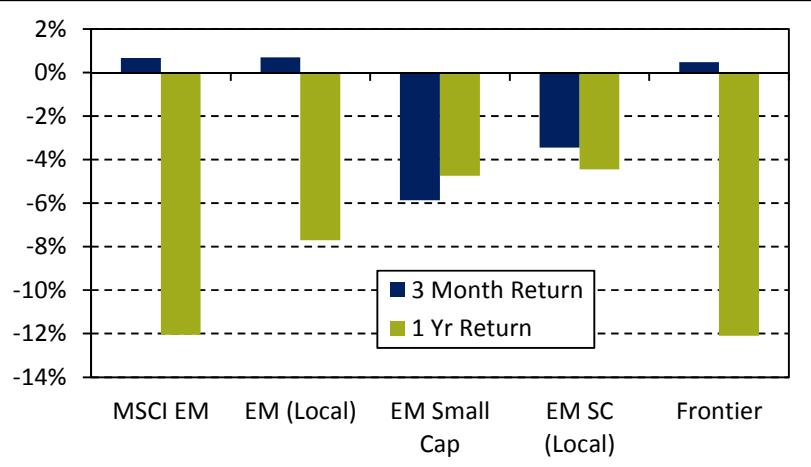
Source: Bloomberg

## Profit margins in line with history



Source: Bloomberg, MSCI

## Mixed short term returns with EM negative as of one year



Source: Bloomberg, MSCI

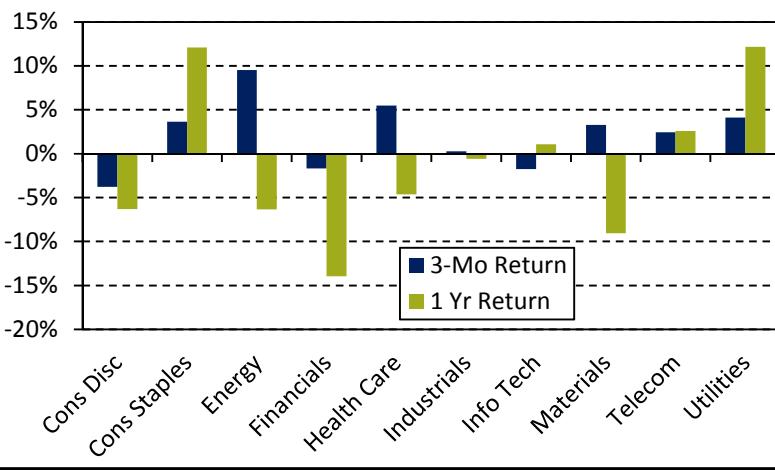


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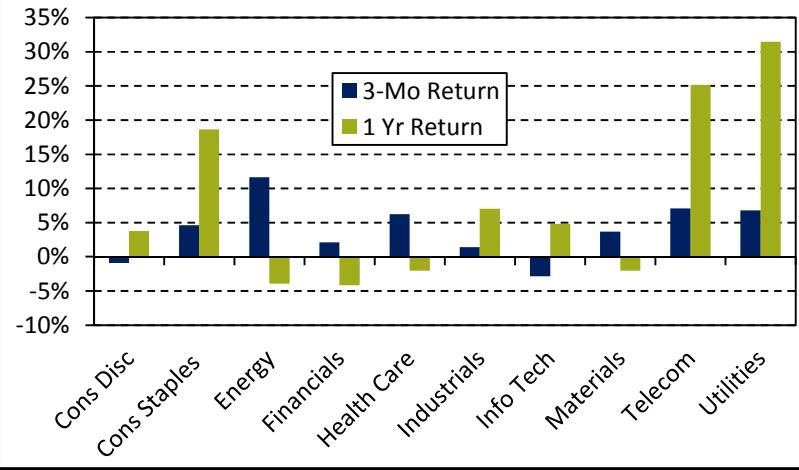
## Global Equity by Sector

### MSCI ACWI returns led by Energy and Health Care in short term



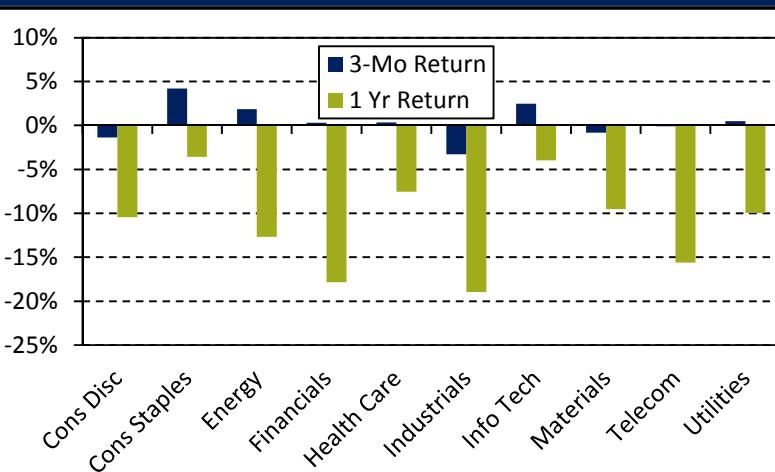
Source: Bloomberg, MSCI

### S&P 500 mostly positive in short term



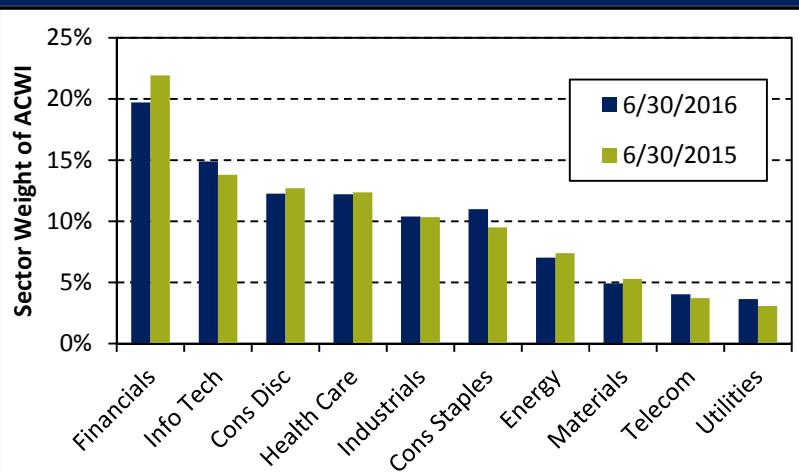
Source: Bloomberg, Standard and Poors

### Returns vary across EM



Source: Bloomberg, MSCI

### Global financial sector weight has fallen



Source: Bloomberg, MSCI

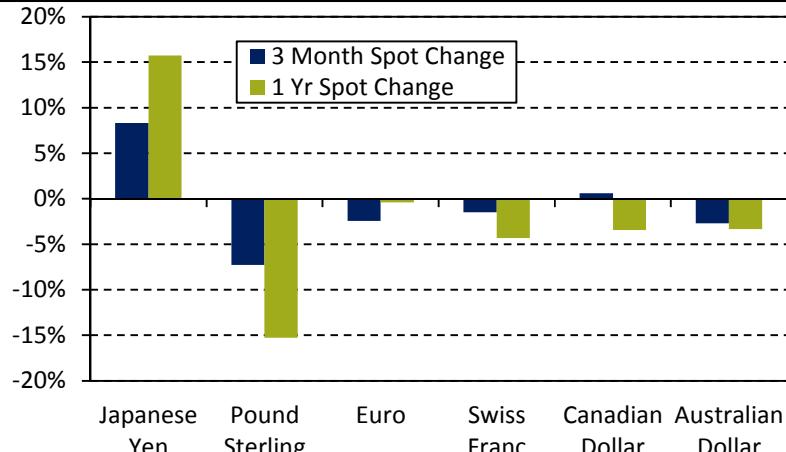


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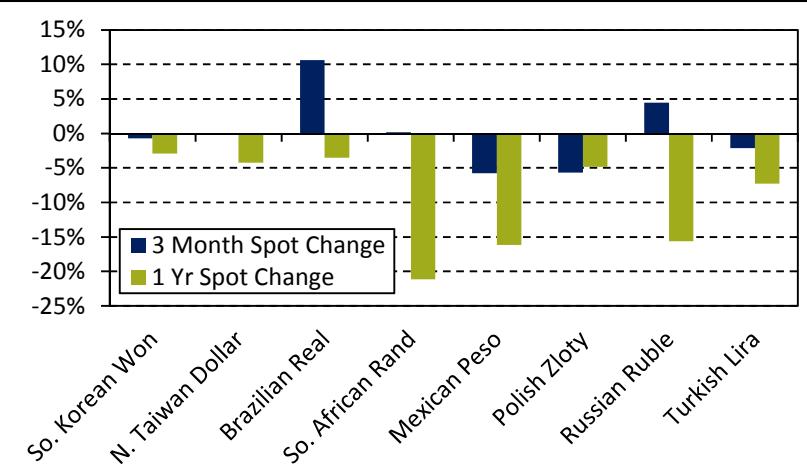
## Currencies

**Developed currencies declined versus the dollar with the exception of the Yen**



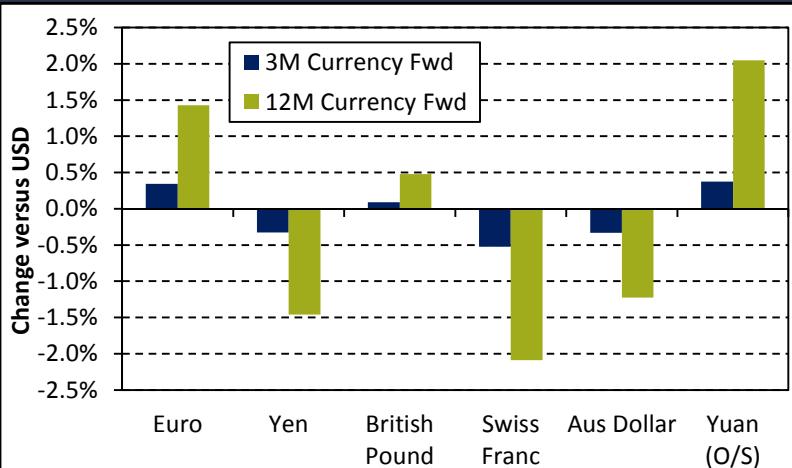
Source: Bloomberg

**EM currencies declined over the year as the Real and Ruble posted short term gains**



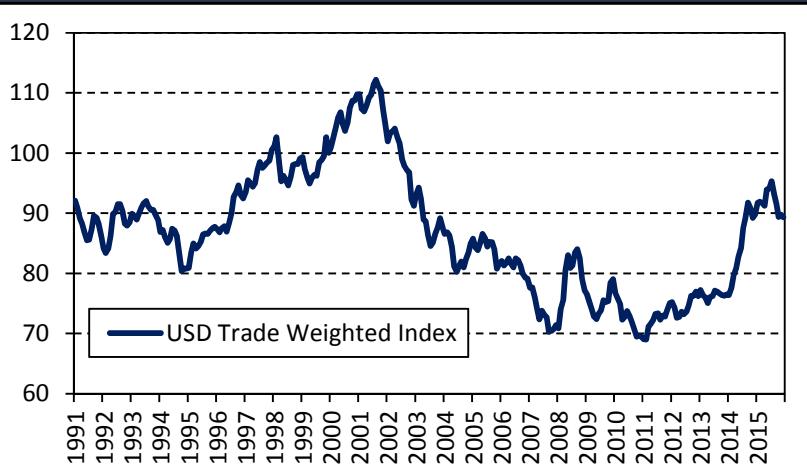
Source: Bloomberg

**USD expectations vary across developed markets**



Source: Bloomberg

**Dollar strength has retreated slightly**



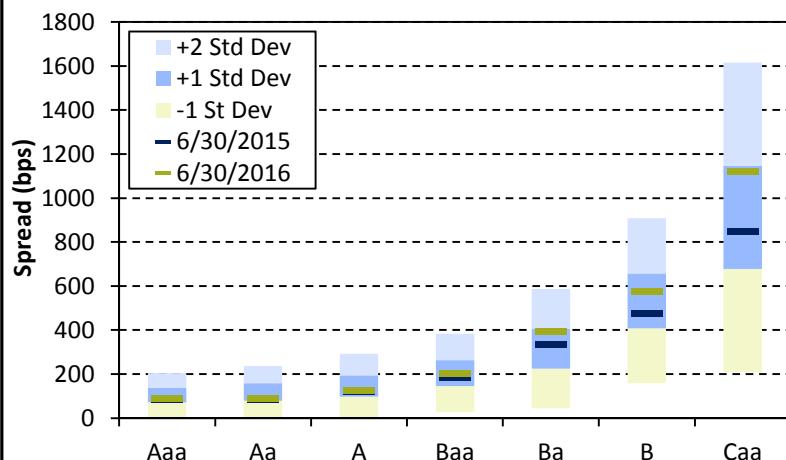
Source: Bloomberg, Federal Reserve



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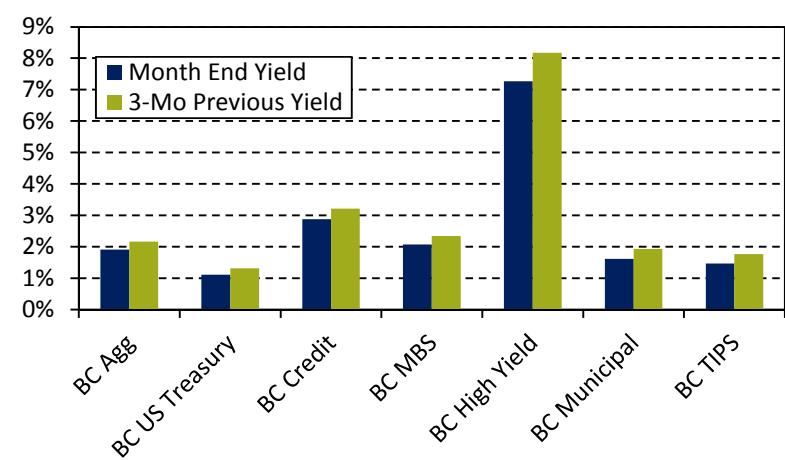
June 30, 2016

## Spread levels above historical medians



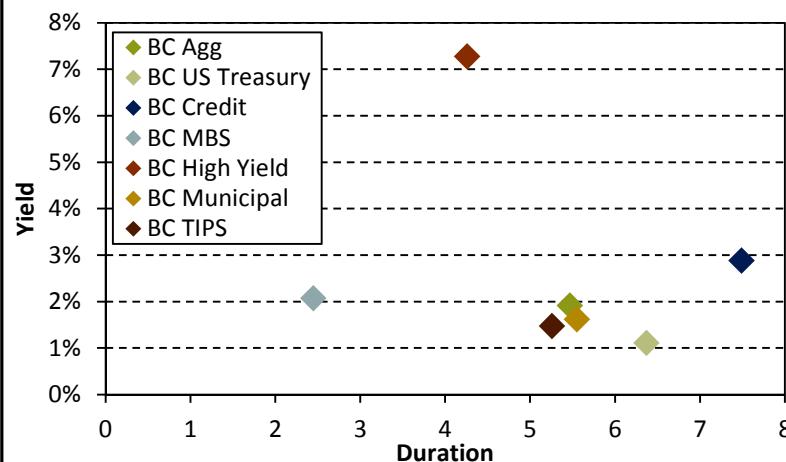
Source: Bloomberg, Barclays

## Yields are declining month over month



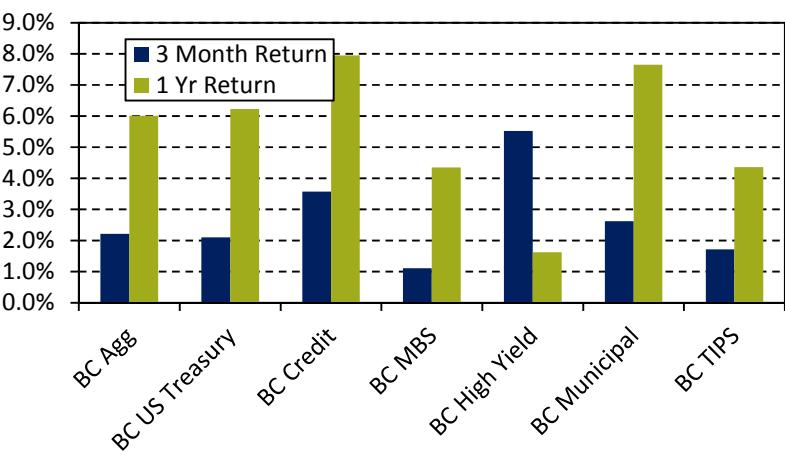
Source: Bloomberg, Barclays

## Similar yield/duration tradeoff among major US indices



Source: Bloomberg, Barclays

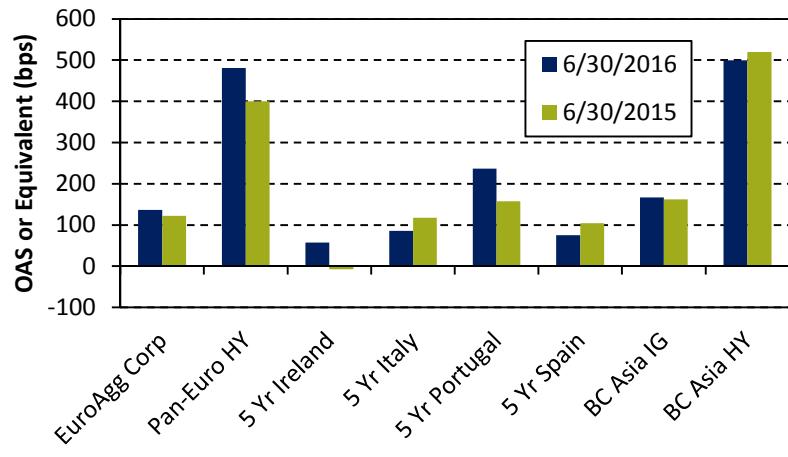
## Returns marked by recent credit and high yield rally



Source: Bloomberg, Barclays

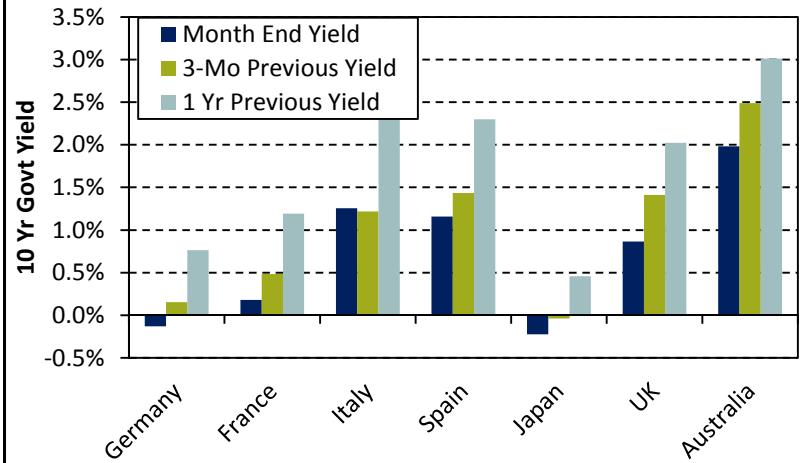
# International Developed Fixed Income

## European periphery yields at small premium relative to Germany



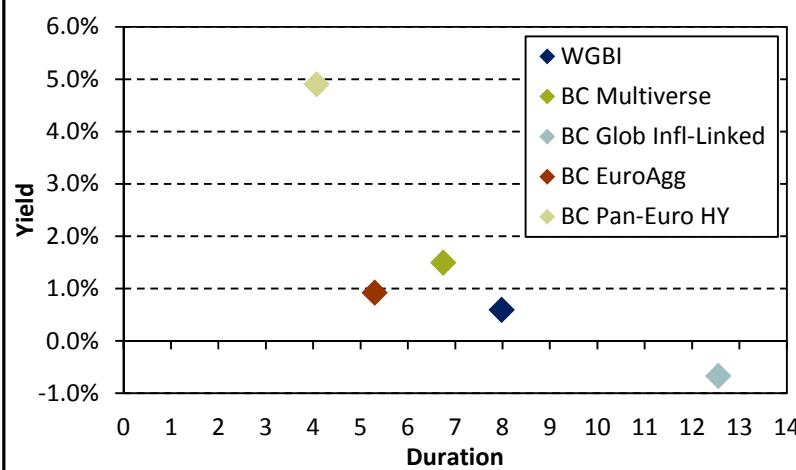
Source: Barclays, Bloomberg, \*European periphery spreads are over equivalent German Bund

## Global yields are at or near historic lows



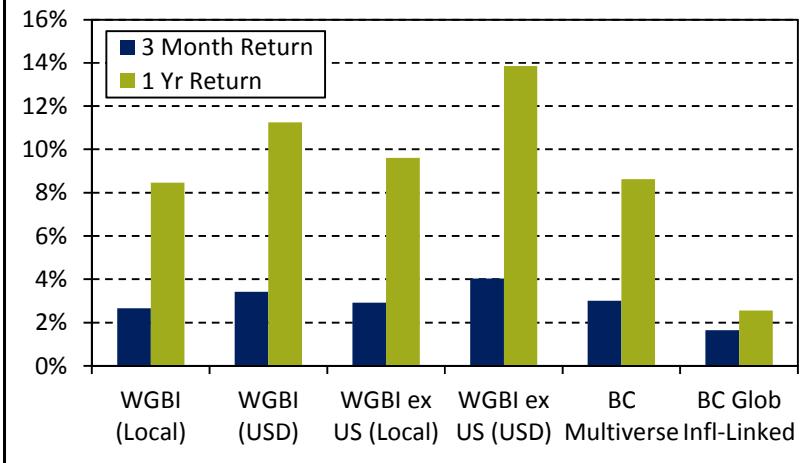
Source: Bloomberg

## Low global yields relative to duration



Source: Bloomberg, Citigroup, Barclays

## Global bond returns have been positive



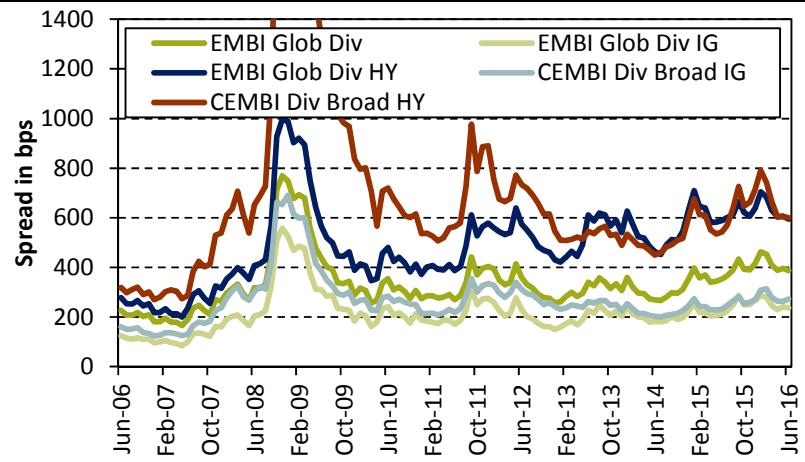
Source: Bloomberg, Citigroup, Barclays



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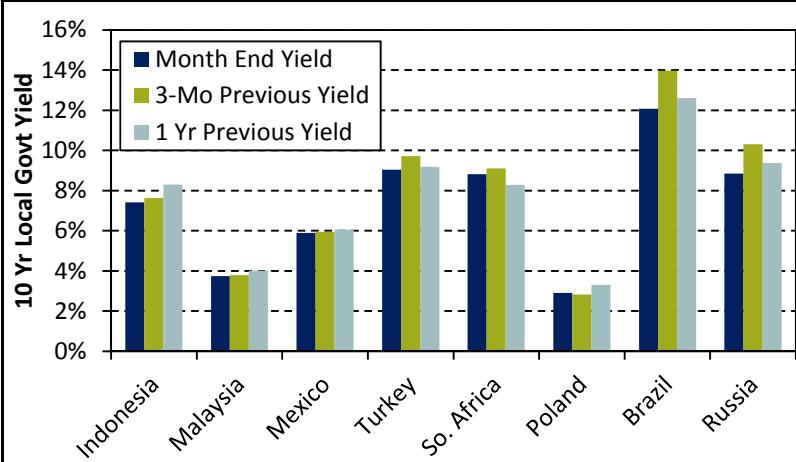
June 30, 2016

## Spreads have declined slightly



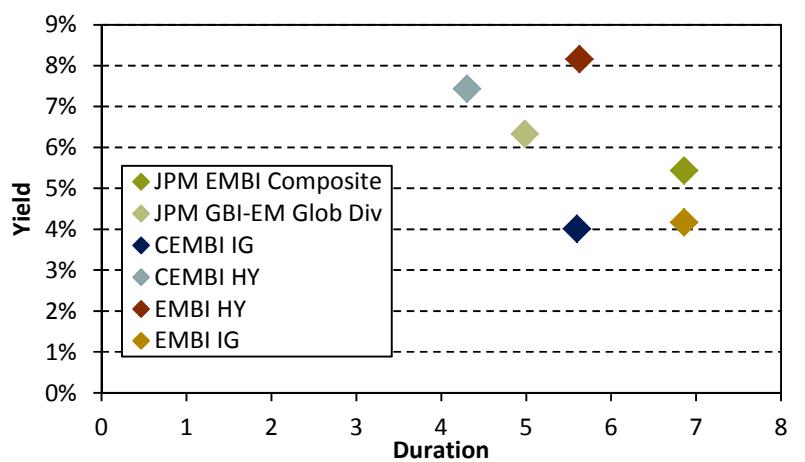
Source: Bloomberg, JP Morgan

## EM bond yields nearly unchanged



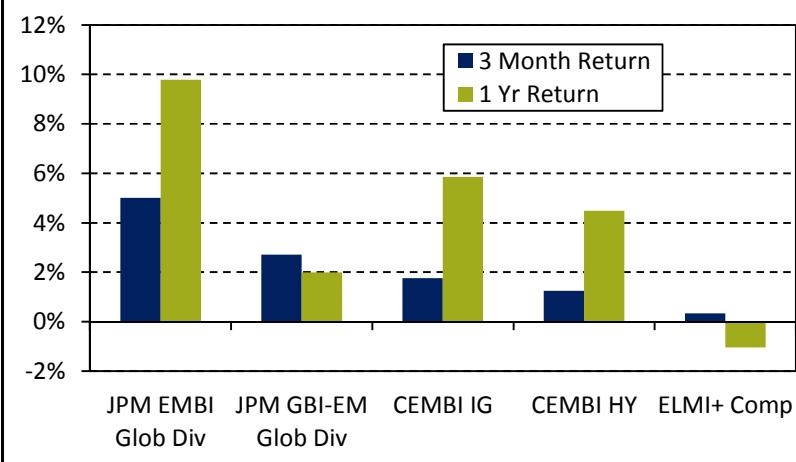
Source: Bloomberg

## EM yields higher versus global counterparts



Source: Bloomberg, JP Morgan

## Currency effect pronounced in EMD returns



Source: Bloomberg, JP Morgan

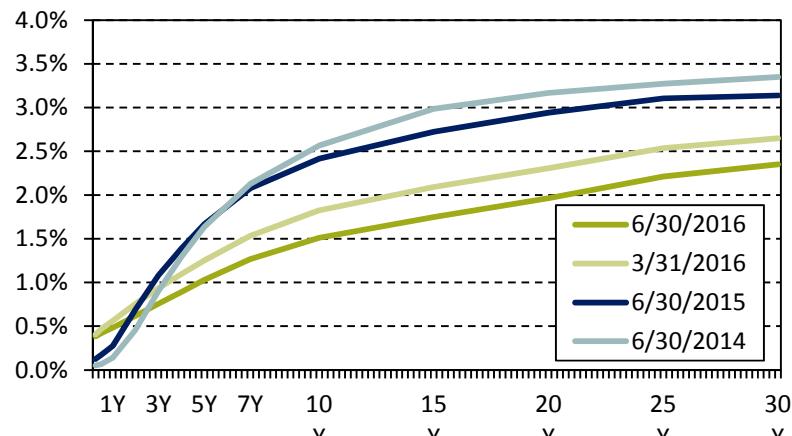


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June 30, 2016

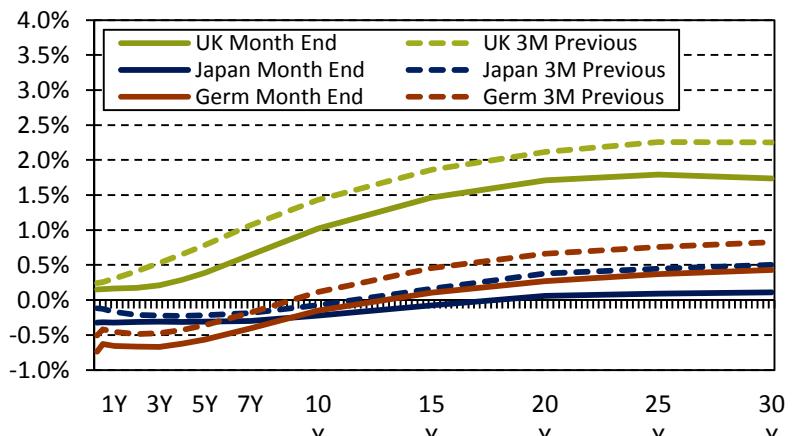
## Rates

### Treasury yield curve declined with market uncertainty



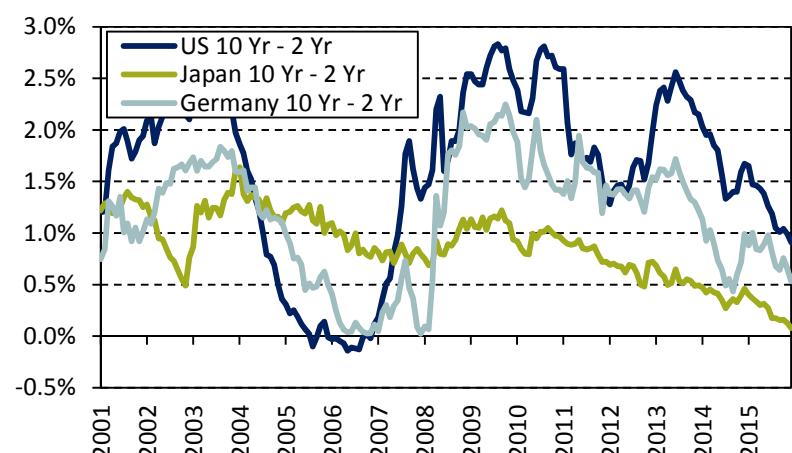
Source: Bloomberg

### Lower yields across the board



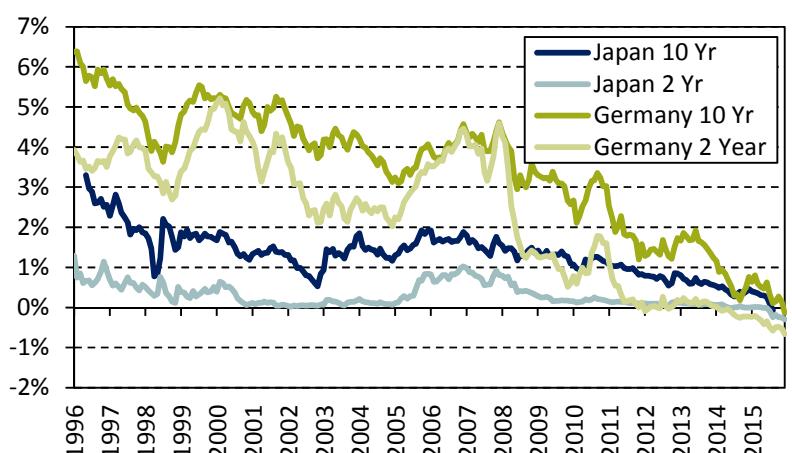
Source: Bloomberg

### Global yields nearing lows



Source: Bloomberg

### Global yields trending lower over long term



Source: Bloomberg

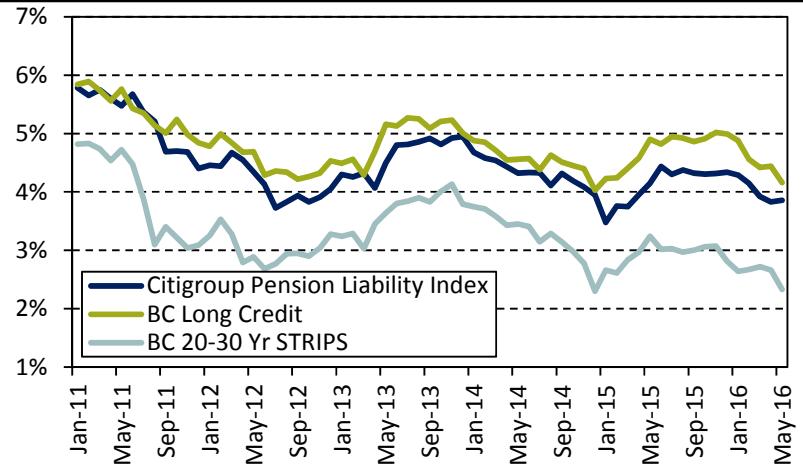


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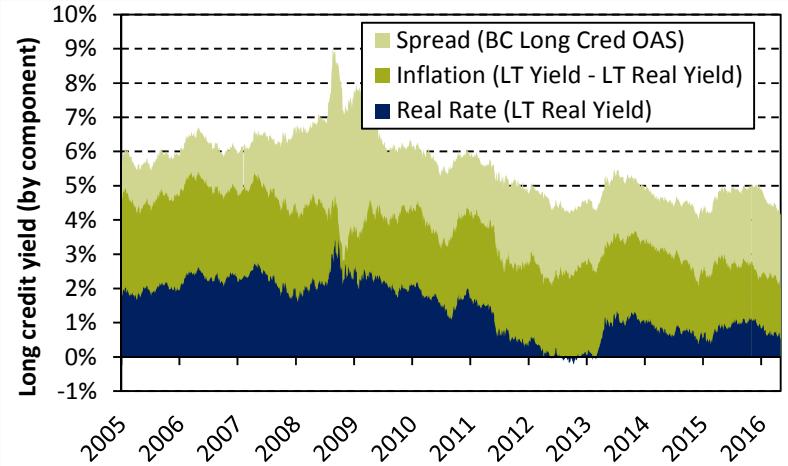
## Long Rates and Liability

### Long duration yields have fallen over last few years



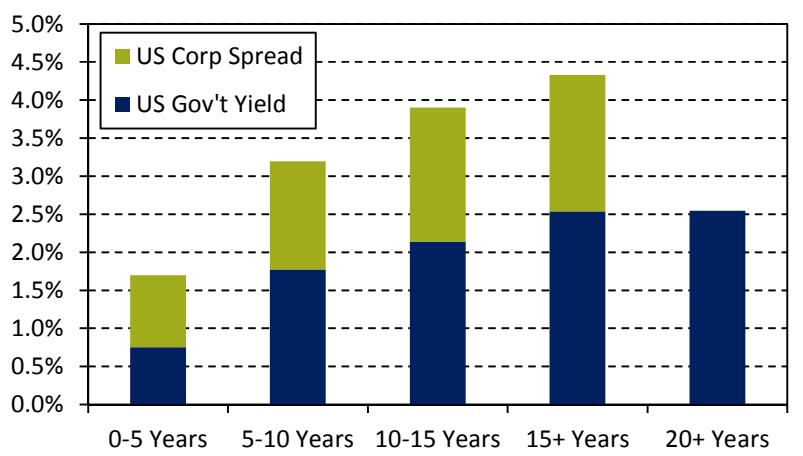
Source: Bloomberg, Citigroup, Barclays

### Lower yields driven by low inflation expectations and real rates



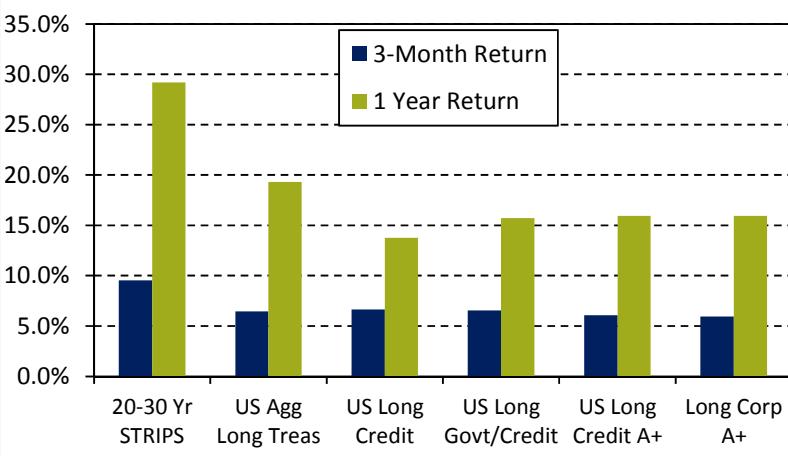
Source: Bloomberg, US Treasury, Barclays, NEPC

### Yields are low but spreads above historic averages



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

### Positive returns as investors turn to safer assets



Source: Bloomberg, Barclays

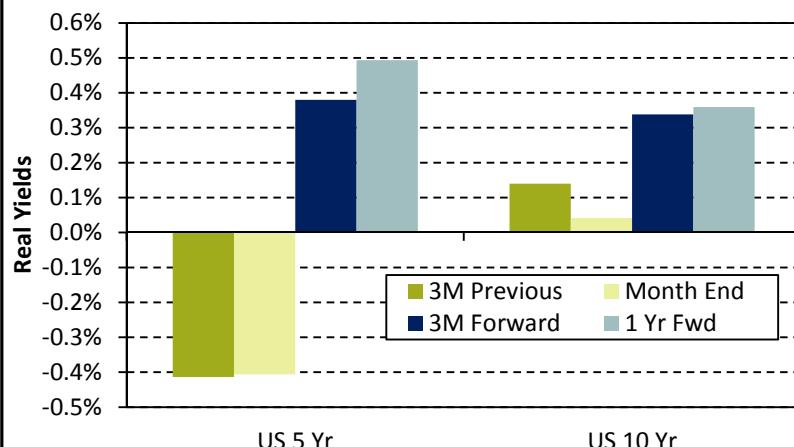


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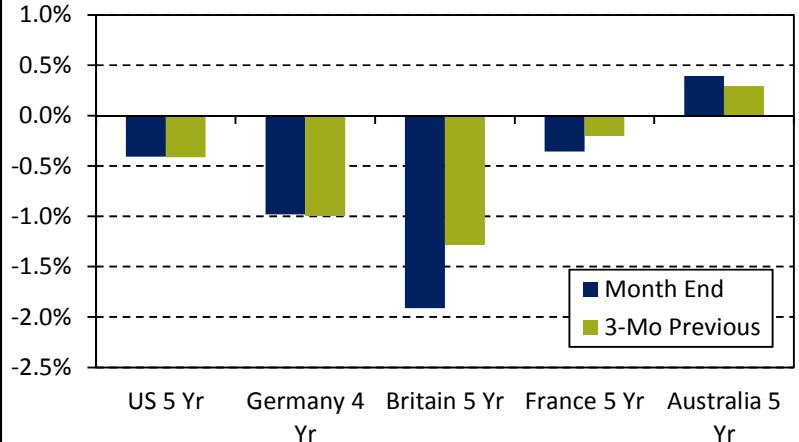
## Inflation and Real Rates

### US real yields have increased



Source: Bloomberg

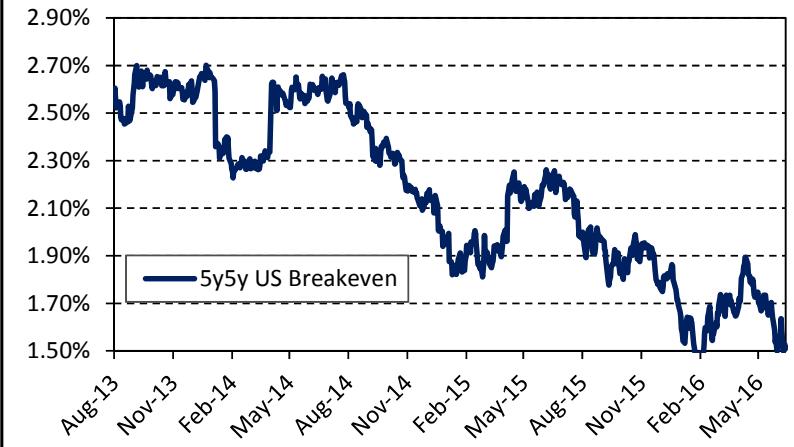
### Global real yields mostly negative



\*3-Mo data not available for Germany 4 year rate

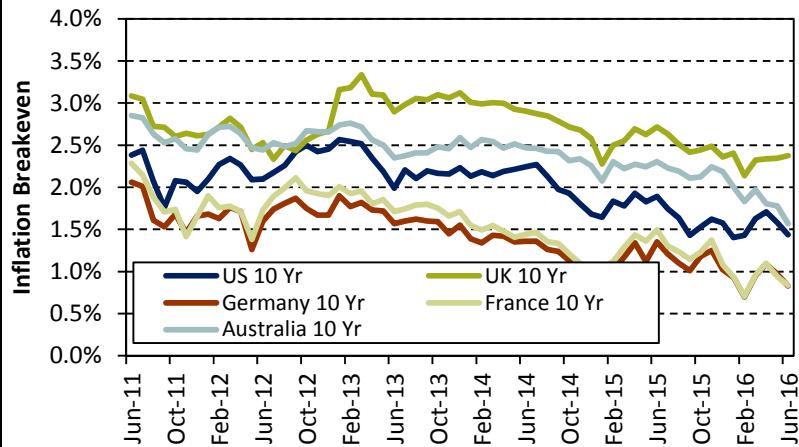
Source: Bloomberg

### US inflation expectations remain low



Source: Bloomberg

### Global inflation expectations declining with the exception of the UK



Source: Bloomberg

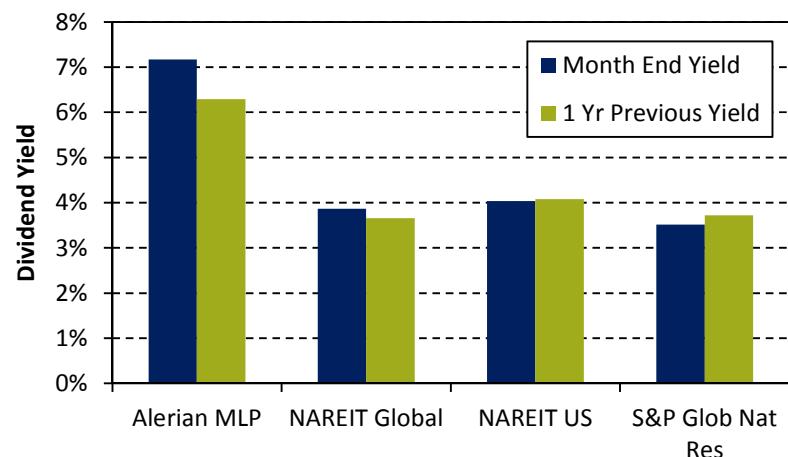


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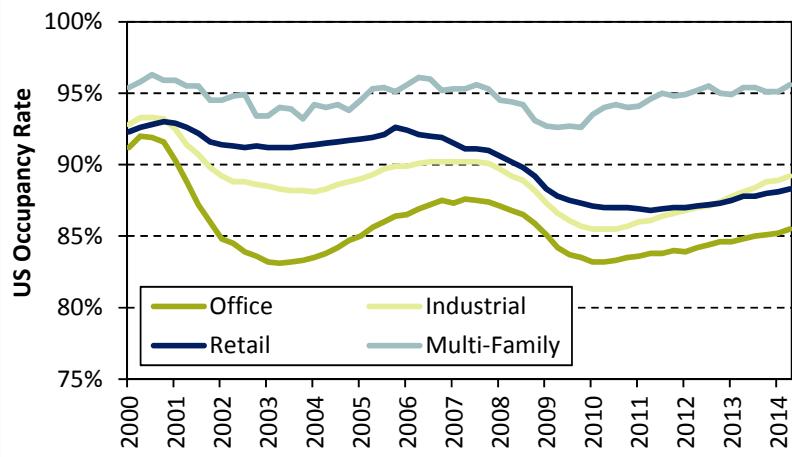
## Inflation Sensitive Growth Assets

### Similar yields over time



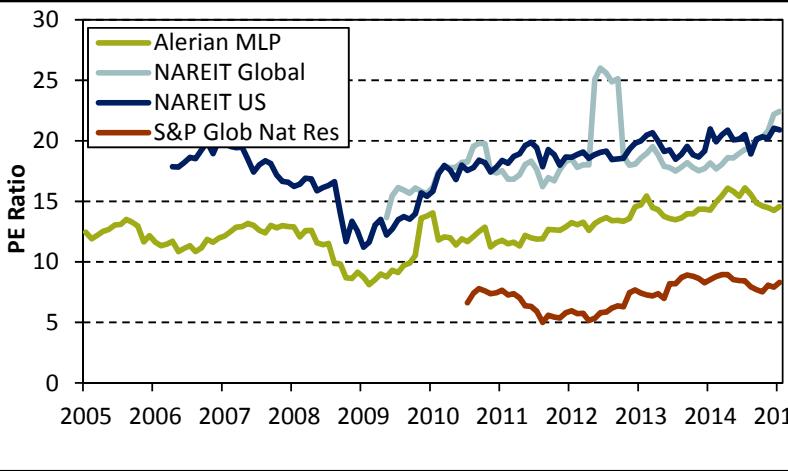
Source: Bloomberg, Alerian, Nareit, Standard and Poors

### Gradual recovery in occupancy rates



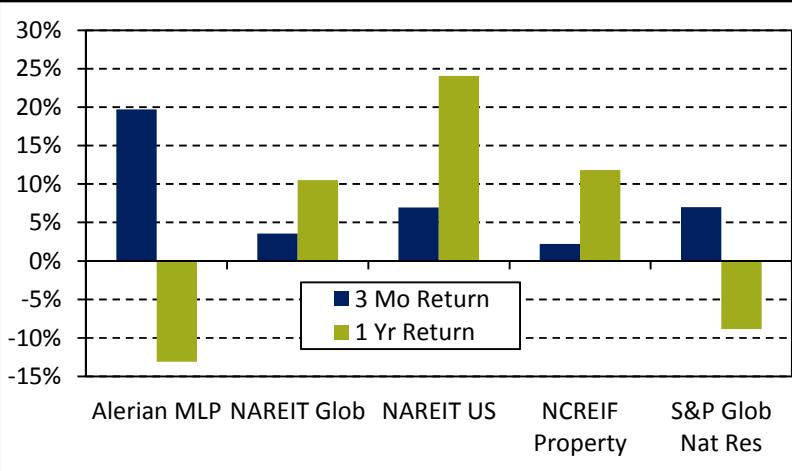
Source: Bloomberg, CB Richard Ellis

### PE Ratios near or above averages



Source: Bloomberg, US Census Bureau

### MLPs have rebounded after selloff



Source: Bloomberg, Alerian, Nareit, Standard and Poors

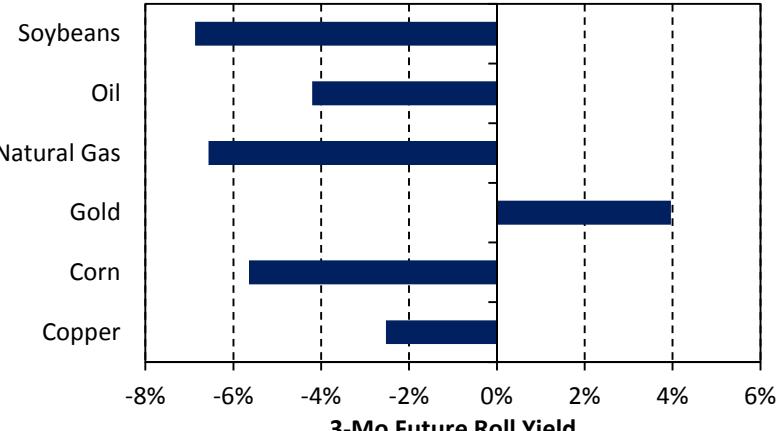


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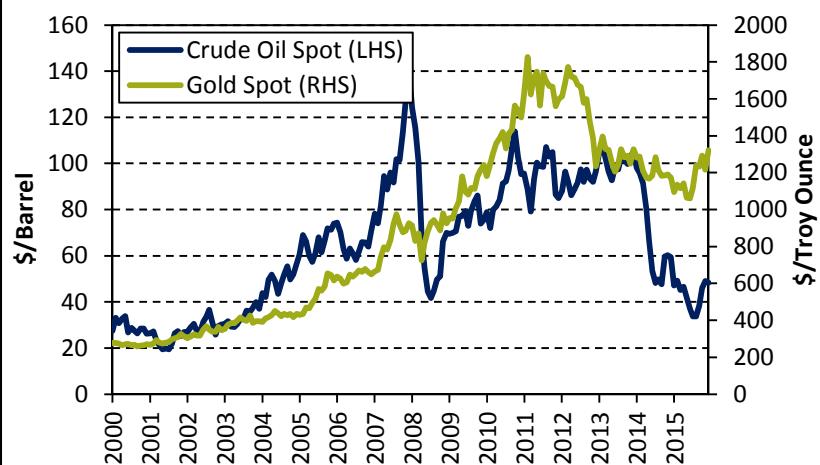
## Commodities

### Backwardation in major commodity futures with gold positive amid uncertainty



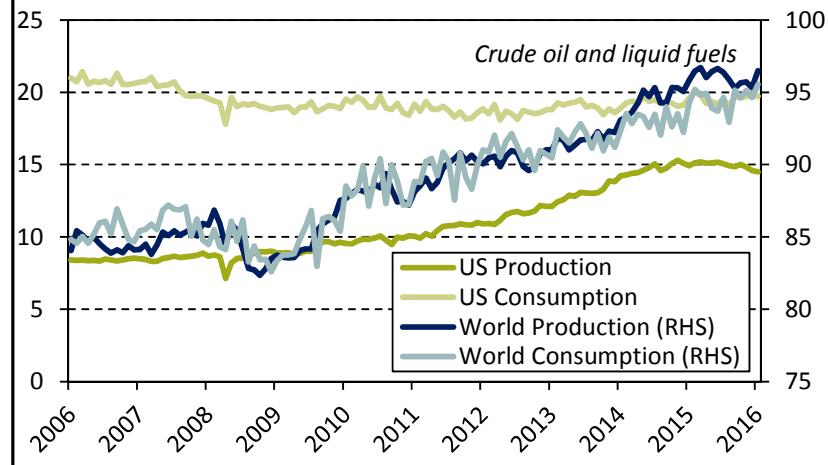
Source: Bloomberg

### Oil prices slightly increasing



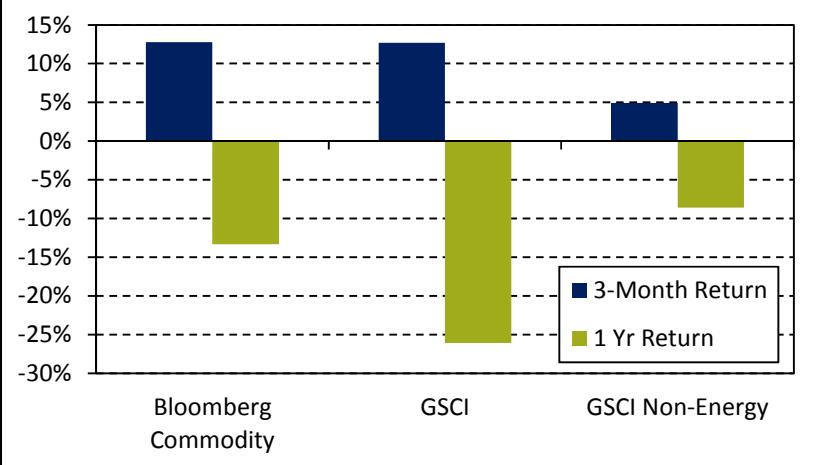
Source: Bloomberg

### US fuel production closing gap with consumption



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

### Commodity indices posting short term gains after last year's sell off



Source: Bloomberg, Standard and Poors



NEPC, LLC

June 30, 2016

## Glossary of Investment Terminology

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

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

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

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

# Information Disclaimer and Reporting Methodology

## Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodian bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may be preliminary and subject to change.
- This report is provided as a management aid for the client's internal use only. Information contained in this report does not constitute a recommendation by NEPC.
- This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

## Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC generally reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.