

Hewitt ennisknupp

An Aon Company

Ventura County Employees' Retirement Association

Fourth Quarter 2011

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Market Environment

Fourth Quarter 2011

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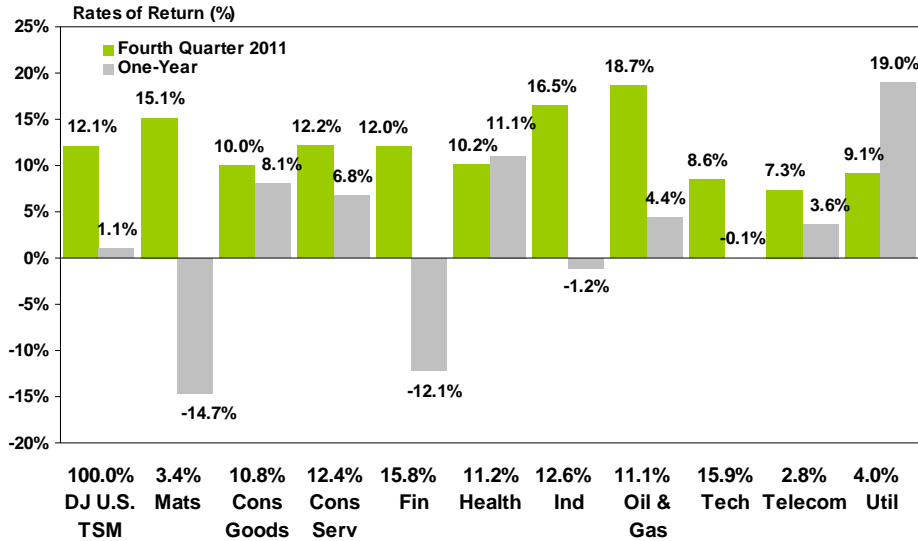
Market Highlights

| Returns of the Major Capital Markets | | | | | |
|--|--------------------------------------|--------|--------|--------|---------|
| | Annualized Periods Ending 12/31/2011 | | | | |
| | Fourth Quarter | 1-Year | 3-Year | 5-Year | 10-Year |
| Domestic Stock Indices | | | | | |
| Dow Jones U.S. Total Stock Market | 12.1% | 1.1% | 15.2% | 0.2% | 3.9% |
| Russell 3000 | 12.1% | 1.0% | 14.9% | 0.0% | 3.5% |
| S&P 500 | 11.8% | 2.1% | 14.1% | -0.3% | 2.9% |
| Russell 2000 | 15.5% | -4.2% | 15.6% | 0.2% | 5.6% |
| Domestic/Foreign Bond Indices | | | | | |
| Barclays Capital Aggregate Bond | 1.1% | 7.8% | 6.8% | 6.5% | 5.8% |
| Barclays Capital Global Aggregate | 0.2% | 5.6% | 6.0% | 6.5% | 7.2% |
| Barclays Capital Long Gov't | 1.8% | 29.1% | 7.5% | 10.8% | 8.9% |
| Barclays Capital Long Credit | 3.2% | 17.1% | 14.8% | 8.6% | 8.1% |
| Barclays Capital Long Gov't/Credit | 2.6% | 22.5% | 11.2% | 9.7% | 8.5% |
| Barclays Capital High Yield | 6.5% | 5.0% | 24.1% | 7.5% | 8.9% |
| SSB Non-U.S. WGBI | -0.5% | 5.2% | 4.9% | 7.2% | 8.4% |
| JP Morgan EMBI Global (Emerging Markets) | 5.1% | 8.5% | 15.9% | 8.1% | 11.0% |
| Foreign/Global Stock Indices | | | | | |
| MSCI All Country World | 7.2% | -7.3% | 12.0% | -1.9% | 4.2% |
| MSCI All Country World ex-U.S. | 3.7% | -13.7% | 10.7% | -2.9% | 6.3% |
| MSCI EAFE | 3.3% | -12.1% | 7.6% | -4.7% | 4.7% |
| MSCI EAFE Index (100% Hedged) | 3.9% | -14.8% | 2.2% | -8.5% | -1.5% |
| MSCI Emerging Markets | 4.4% | -18.4% | 20.1% | 2.4% | 13.9% |
| Commodity Indices | | | | | |
| Dow Jones UBS Commodity | 0.3% | -13.3% | 6.4% | -2.1% | 6.6% |

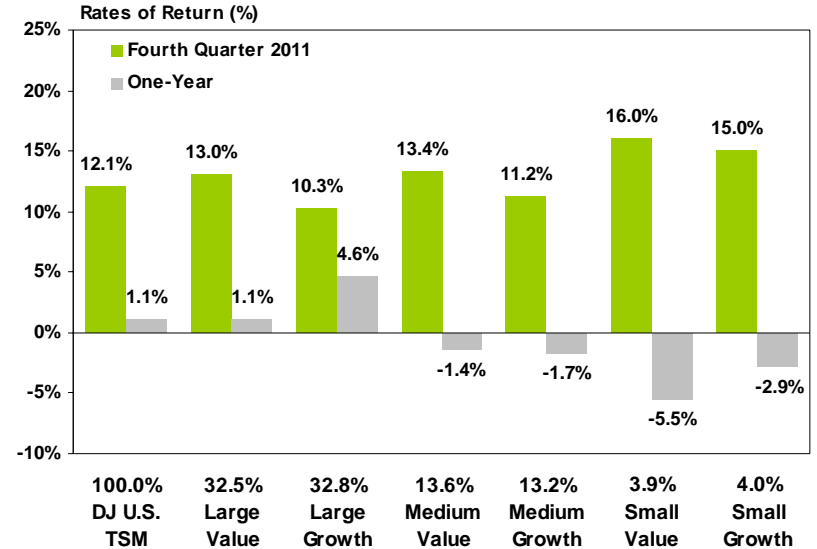
- Performance across capital markets was broadly positive during the fourth quarter. U.S. equities significantly outperformed non-U.S. markets over the quarter and full year. The rally in the U.S. equity markets during the fourth quarter was only enough to offset the losses over the prior three quarters, leaving most U.S. equity indices virtually flat for 2011. Better than expected economic data in the U.S. led to a strong "Santa's Rally" which began in October.
- Concerns over the European debt crisis and slowing growth in emerging countries weighed on non-U.S. equities. These markets ended 2011 with double-digit negative returns.
- For the year, fixed income markets generally produced strong positive returns. Higher quality, long-dated securities were rewarded. The Barclays Capital Long Government Index, consisting primarily of long duration U.S. Treasury bonds, finished the year with a 29.1% return, topping all asset classes.

U.S. Equity Markets

SECTOR RETURNS
AS OF 12/31/2011



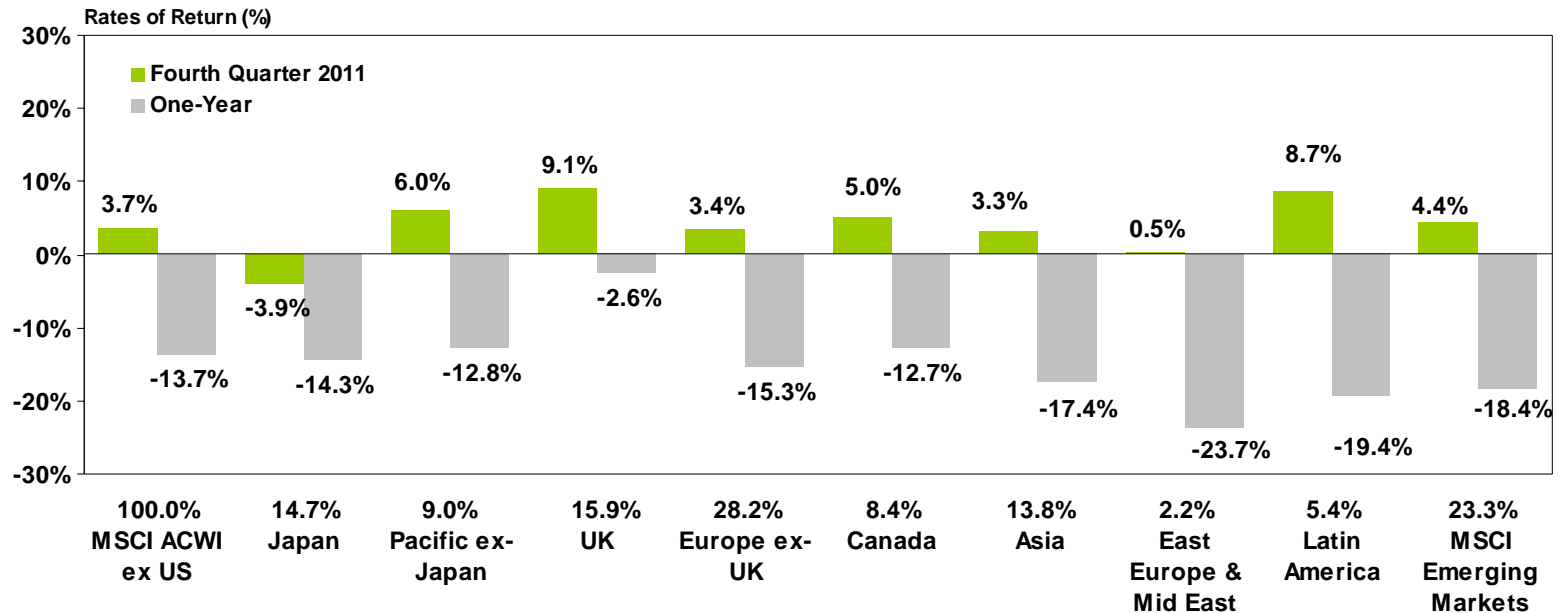
STYLE RETURNS
AS OF 12/31/2011



- Better than expected consumer spending data, increased manufacturing activities, as well as favorable labor market data injected a much desired level of optimism into U.S. equity market during the fourth quarter.
- The Dow Jones Total Stock Market Index soared 12.1% during the quarter.
- All sectors within the Dow Jones Total Stock Market Index posted strong gains in the fourth quarter. Cyclical sectors outperformed defensive sectors. Oil & gas, industrials, and materials were among the top-performing sectors returning 18.7%, 16.5%, and 15.1% respectively.
- During the fourth quarter, risk appetite returned to the market. All areas within the market capitalization spectrum produced positive results.

Non-U.S. Equity Markets

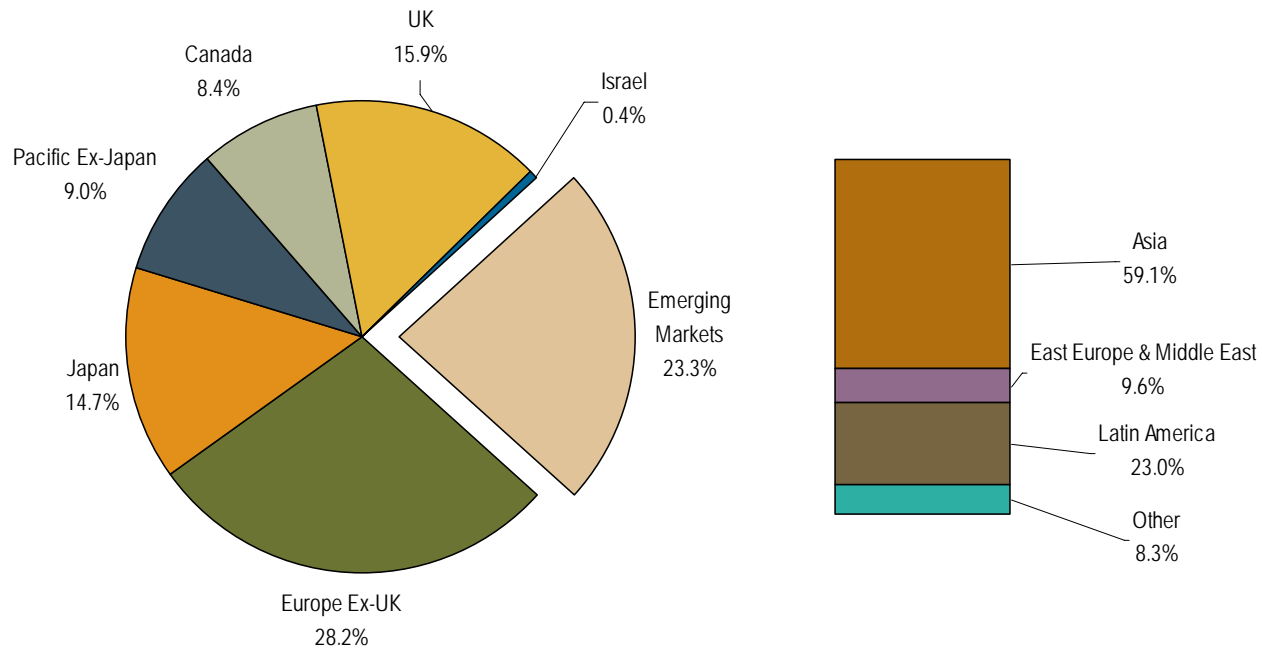
REGION RETURNS
As of 12/31/2011



- Non-U.S. equity markets gained positive momentum, originating from the U.S. market, during the fourth quarter posting a 3.7% return. All major markets (developed and emerging) posted gains during the quarter with the exception of Japan. For the year 2011, all major markets plummeted with double digits losses, with the exception of the UK.
- Among developed markets, the UK performed the strongest returning 9.1% for the fourth quarter. Through 2011, the UK was also the top performer posting a mere 2.6% loss. Staying independent from the European currency union, the UK appeared to be less exposed to the European sovereign debt crisis than other major European economies.
- Among emerging markets, Peru switched swiftly from the worst market in the third quarter to the strongest one, returning 11.6% in the fourth quarter. For the year 2011, Indonesia was the only emerging market in positive territory, gaining 4.0%.

Non-U.S. Equity Markets

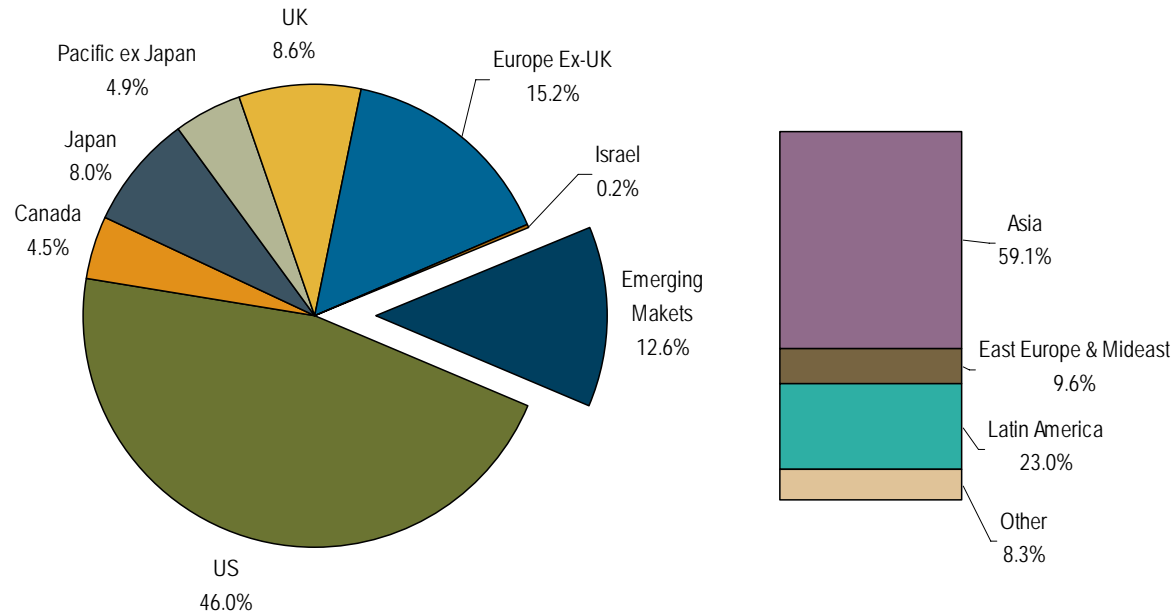
MSCI ALL-COUNTRY WORLD EX-U.S. STOCK INDEX
GEOGRAPHIC ALLOCATION AS OF 12/31/2011



- The exhibit above illustrates the percent each region represents of the non-U.S. stock market as measured by the MSCI All Country World ex-U.S. Index.
- Note on Other: Includes South Africa, Egypt, and Morocco.

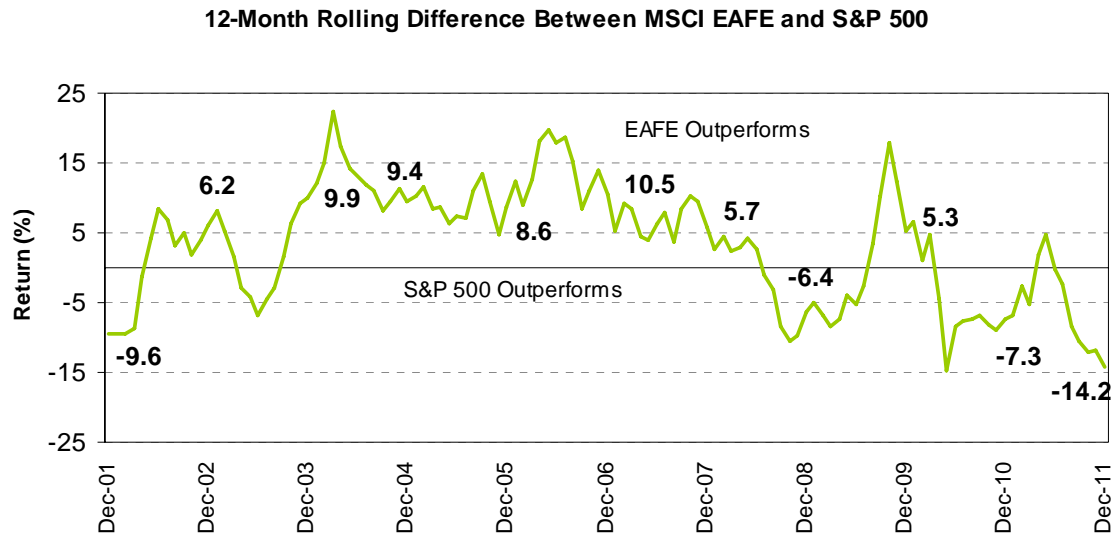
Global Stock Markets

**MSCI ALL-COUNTRY WORLD STOCK INDEX
GEOGRAPHIC ALLOCATION AS OF 12/31/2011**



- The MSCI All Country World Index is a capitalization-weighted index of stocks representing 24 developed stock markets and 21 emerging stock markets around the world. The graph above shows the allocation to each region at quarter-end.
- Note on Other: Includes South Africa, Egypt, and Morocco.

Non-U.S. vs. U.S. Equity – Market Performance Over Time

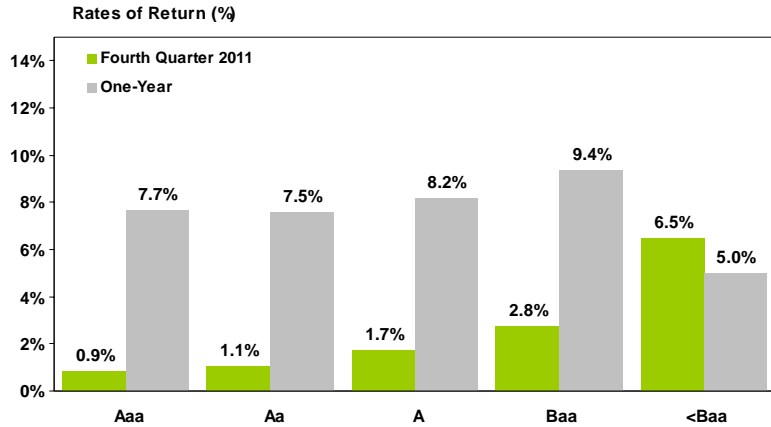


2011 in Review

- Currency fluctuations did not have a major impact on the performance differential in 2011.
- No single region was responsible for the performance differential (Europe -10%, Japan -14%, Australia -11%).
- U.S. economy continues to steadily expand with outlook improving.
- European growth prospects hampered by the sovereign debt crisis.
- Japan's economy was destabilized by the earthquake in March in combination with a strong yen which hurt exports.
- Australian growth prospects were lowered, due to a slowing Chinese economy and resulting drop in the demand for commodities.
- Canadian mining companies were a drag on performance, due to lower expected commodity demand from China and Europe.

U.S. Fixed Income Markets

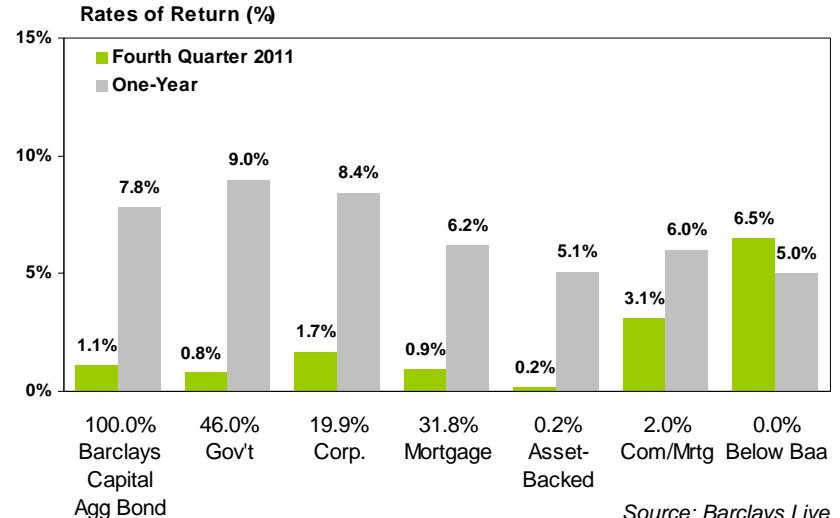
RETURNS BY QUALITY
AS OF 12/31/2011



Source: Barclays Live

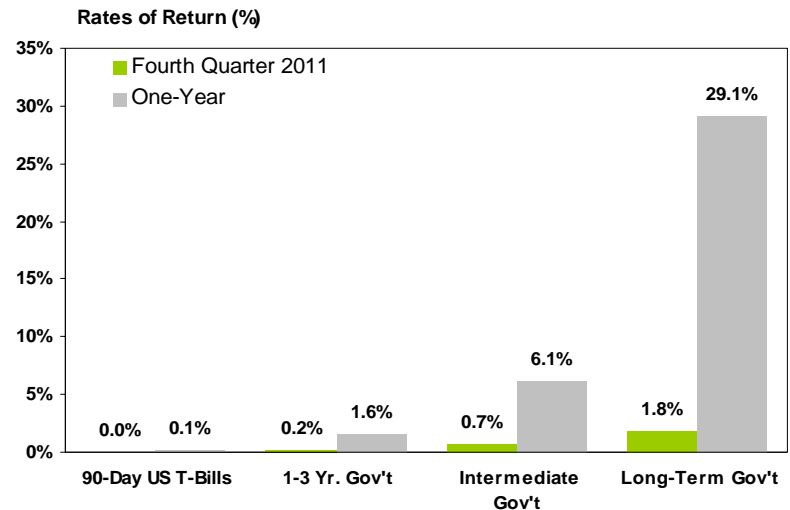
- As investors increased risk appetite in October, lower credit bonds performed more strongly than higher credit bonds. Non-investment grade bonds were the top-performing sector gaining 6.5% during the fourth quarter.
- For year 2011, Government has been the strongest sector gaining 9.0%. Below investment-grade assets performed the worst gaining only 5.0% in 2011.
- Along the yield curve, long-term government issues continued to outperform their short-term counterparts in the fourth quarter.
- Spreads on investment-grade, high-yield, and mortgages all tightened in the fourth quarter.

SECTOR RETURNS
AS OF 12/31/2011



Source: Barclays Live

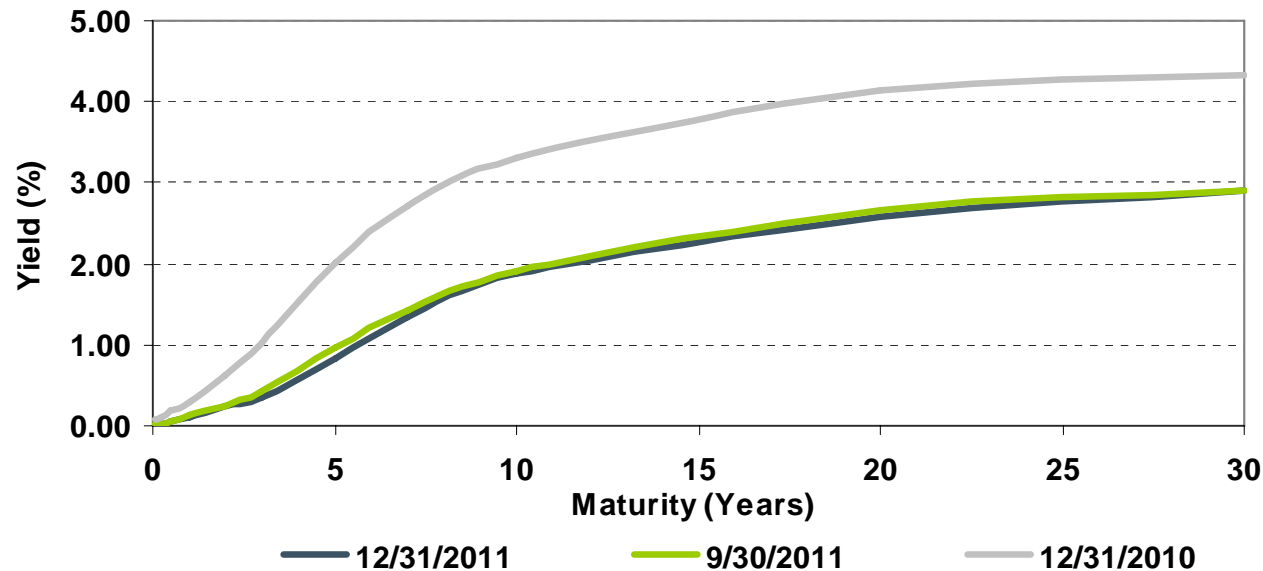
RETURNS BY MATURITY
AS OF 12/31/2011



Source: Barclays Live

U.S. Fixed Income Markets

U.S. TREASURY YIELD CURVE



Source: U.S. Department of Treasury

- Prices on long-dated Treasuries rose during the last two months of 2011.
- Compared to a year ago, yields on securities with more than five years to maturity are a full percentage point lower.
- While acknowledging better than expected U.S. economic data, the Federal Open Market Committee pledged to continue to extend the maturity of its holdings and keep the federal fund rates at 0-0.25%.

Credit Spreads

AS OF 12/31/2011

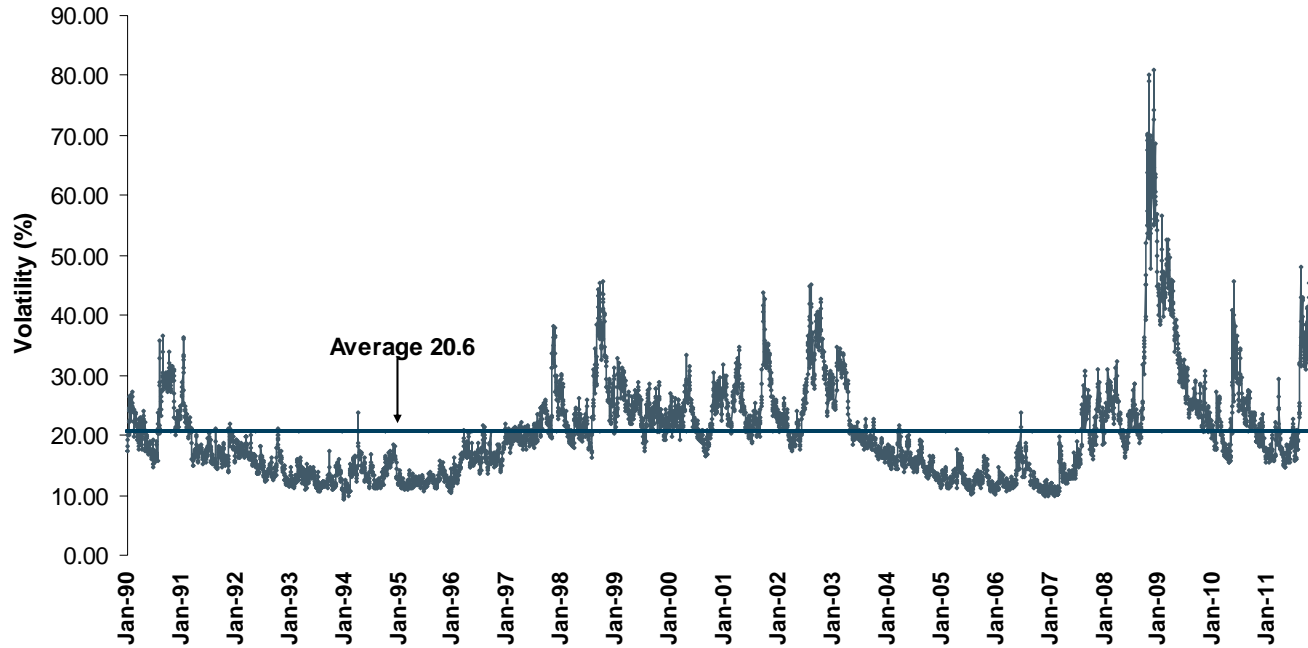
| Spread (bps) | 12/31/2011 | 9/30/2011 | 12/31/2010 | Quarterly Change (bps) | 1-Year Change (bps) |
|-------------------------|------------|-----------|------------|------------------------|---------------------|
| U.S. Aggregate | 87 | 90 | 56 | -3 | 31 |
| Long Gov't | 6 | 5 | 4 | 1 | 2 |
| Long Credit | 239 | 246 | 173 | -7 | 66 |
| Long Gov't/Credit | 131 | 132 | 99 | -1 | 32 |
| MBS | 77 | 82 | 41 | -5 | 36 |
| CMBS | 308 | 351 | 254 | -43 | 54 |
| ABS | 99 | 77 | 82 | 22 | 17 |
| Corporate | 234 | 238 | 156 | -4 | 78 |
| High Yield | 699 | 807 | 526 | -108 | 173 |
| Global Emerging Markets | 464 | 495 | 298 | -31 | 166 |

Source: Barclays Live

- During the fourth quarter, credit spreads narrowed across all segments, except for Long Government and ABS, due to investors' renewed appetite for risk beginning in October.
- Credit spreads across all segments are higher now than a year ago.
- Over the year, high yield and global emerging markets bonds have seen their credit spreads widen by 173 bps and 166bps, respectively.

Market Volatility

Historical Daily VIX Closing Prices
Since Inception through December 31, 2011

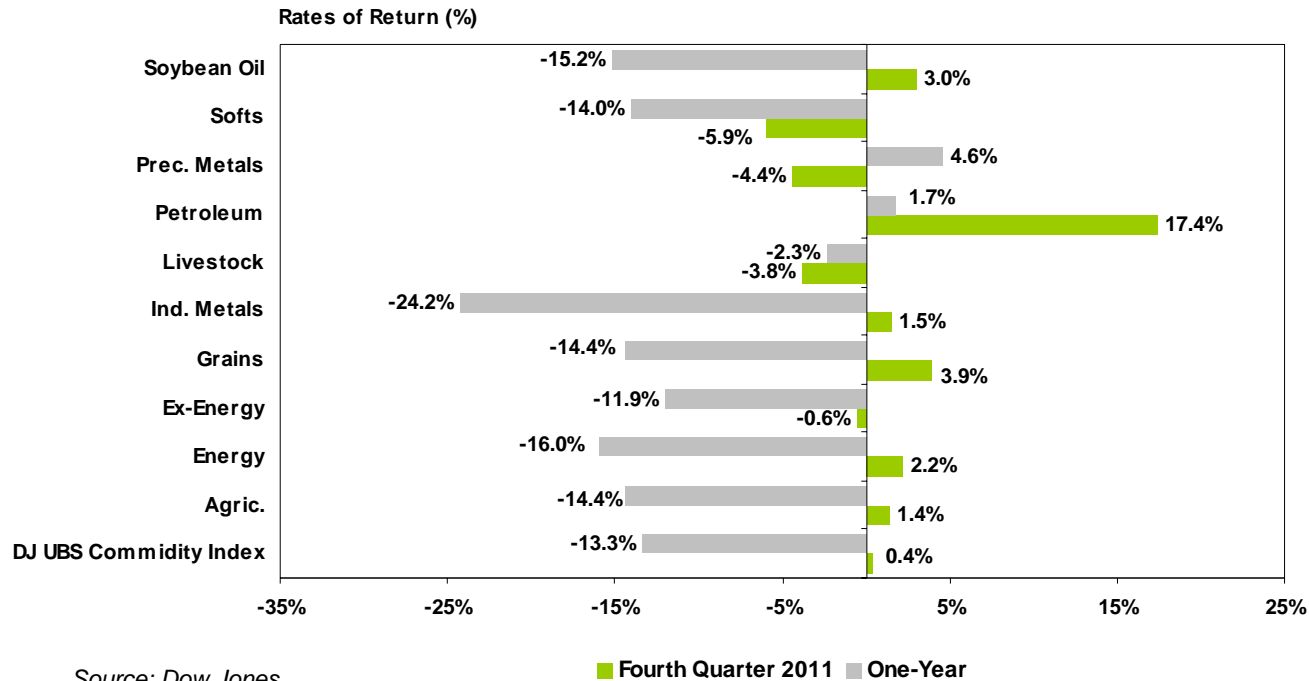


Source: CBOE

- Volatility at the end of 2011 approached its long-term average.
- As economic data turned more positive during the fourth quarter there was a corresponding decrease in the VIX.

Commodities

COMMODITY SECTOR RETURNS
AS OF 12/31/2011

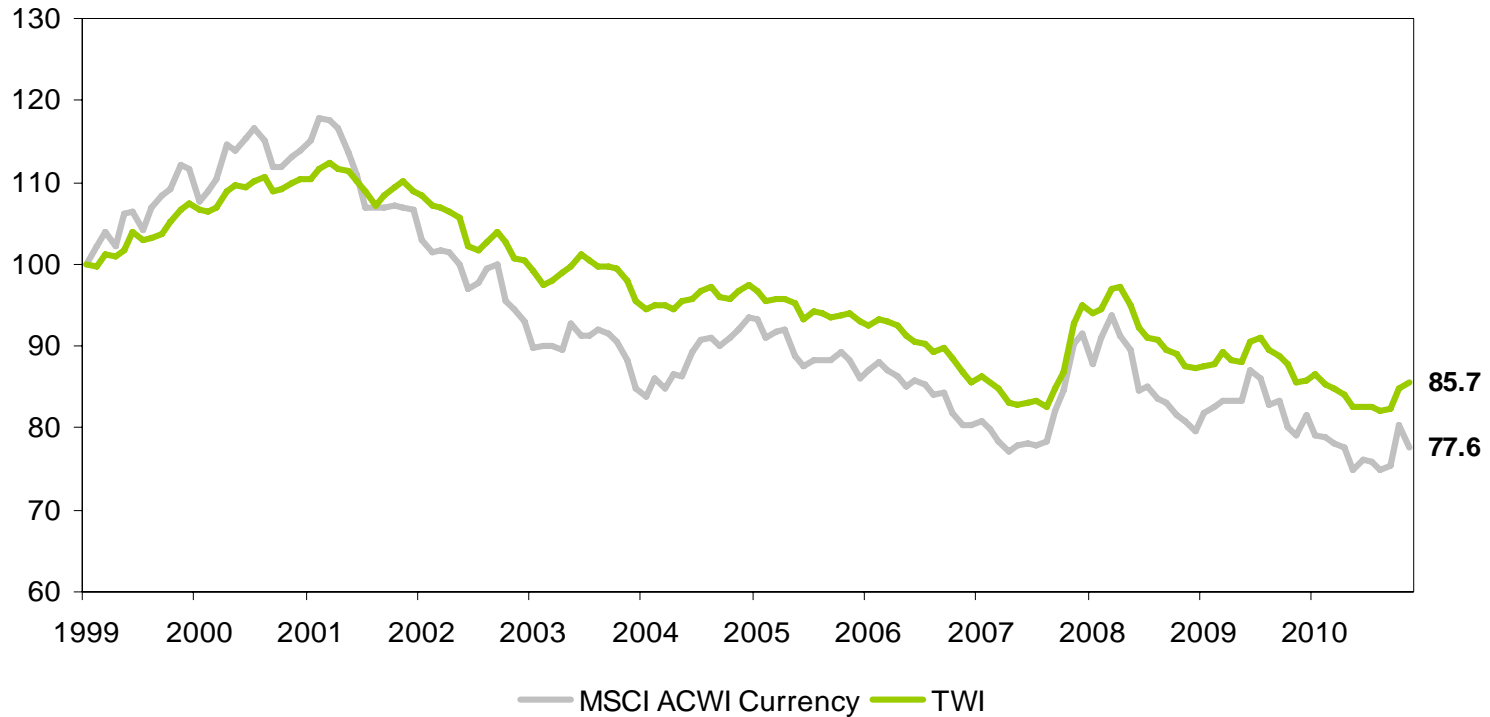


- During the fourth quarter, commodity markets recovered modestly as the Dow Jones UBS Commodity Index gained 0.4%.
- Petroleum was the best performing sector posting a gain of 17.4% for the quarter, while gold lost much of its glitter during the quarter.
- During 2011, commodity prices plummeted due to the worries over reduced global demand.

Currency Impact

As of 12/31/2011

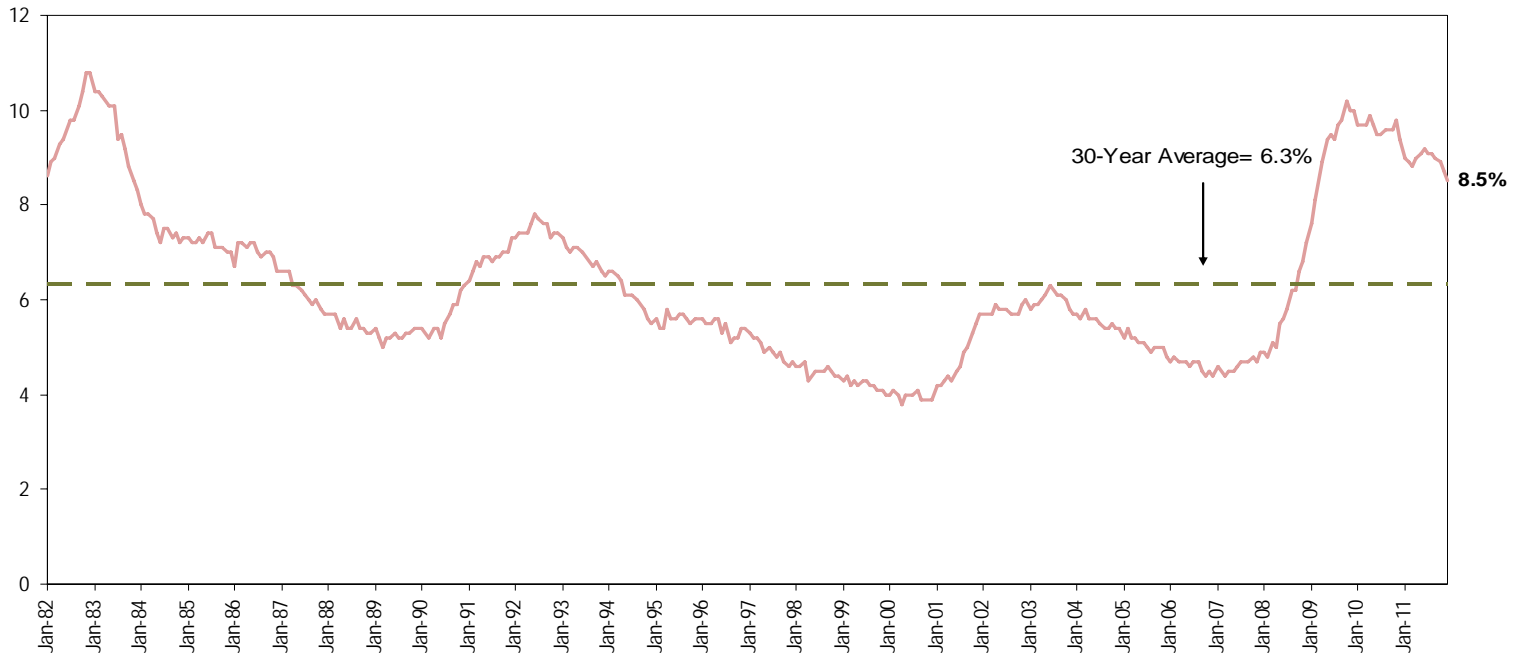
US Dollar



- The U.S. dollar has lost a third of its value since 2001 whether viewed from the perspective of the Trade Weighted Dollar Index (TWI) or an index comprised of currencies in an investor's typical non-U.S. equity portfolio.
- Twin deficits, as well as the more recent U.S. quantitative easing policy, have weighed on the dollar.

U.S. Unemployment Rate

Unemployment Rate
As of December 2011



Source: Bureau of Labor Statistics

- During the fourth quarter the U.S. unemployment rate declined to 8.5%, its lowest level in almost three years.
- The economy added 200,000 non-farm jobs in December, after adding 100,000 jobs in November and 80,000 in October.
- For the year, the economy has added about 1.64 million jobs, the most since 2006. The labor market still has a long way to recover the 8.75 million jobs lost in the recession that officially ended June 2009.

Active Manager Report Card¹

| Peer Group/Index | Median Return ² | | Index Return | | Index Return ¹ | |
|---------------------------------------|----------------------------|--------|--------------|--------|-----------------------------|-----------------------------|
| | Qtr | 1 Year | Qtr | 1 Year | Qtr | 1 Year |
| All Cap Equity/ Russell 3000 Index | 11.3% | -0.6% | 12.1% | 1.0% | 39 th Percentile | 35 th Percentile |
| Large Cap Equity/ Russell 1000 Index | 11.4% | 1.0% | 11.8% | 1.5% | 39 th Percentile | 44 th Percentile |
| Small Cap Equity/ Russell 2000 Index | 15.0% | -2.6% | 15.5% | -4.2% | 43 rd Percentile | 65 th Percentile |
| Non-U.S. Equity/ MSCI ACWI ex-US | 5.0% | -12.9% | 3.7% | -13.7% | 68 th Percentile | 59 th Percentile |
| Global Equity/ MSCI ACWI | 7.3% | -6.7% | 7.2% | -7.4% | 56 th Percentile | 55 th Percentile |
| Core Fixed Income/ Barclays Aggregate | 1.3% | 7.7% | 1.1% | 7.8% | 75 th Percentile | 47 th Percentile |

- Over the fourth quarter, active management performance relative to passive management is mixed. The median returns of active managers in core fixed income, non-U.S. equity, and global equity exceeded their respective index returns.
- Active management in non-U.S. Equity significantly outperformed the index during the quarter. Passive management in all cap, large cap, and small cap equity outperformed the median active managers over the fourth quarter.
- For the year 2011, active management in small cap, non-U.S. equity, and global equity outperformed their passive peers.

¹ Actual peer group performance reported in client reports may vary based on constituent peer group utilized (e.g., mutual fund universe, separate account universe). Percentile rankings are based on a system in which 1=best and 99=worst.

² Based on preliminary peer group information as of December 31, 2011, provided by eVestment Alliance. Data was aggregated on January 09, 2012. Information is presented net of fees.



Total Fund

Highlights

Return Summary

| | Qtr | 1 Yr | 3 Yrs | 5 Yrs |
|---------------------------------------|--------|---------|--------|--------|
| Dow Jones US Total Stock Index | 12.1 % | 1.1 % | 15.2 % | 0.2 % |
| MSCI All Country World ex-U.S. Index | 3.7 % | -13.7 % | 10.7 % | -2.9 % |
| MSCI EAFE Index | 3.3 % | -12.1 % | 7.6 % | -4.7 % |
| MSCI Emerging Markets Index | 4.4 % | -18.4 % | 20.1 % | 2.4 % |
| MSCI All Country World Index | 7.2 % | -7.3 % | 12.0 % | -1.9 % |
| Barclays Capital Aggregate Bond Index | 1.1 % | 7.8 % | 6.8 % | 6.5 % |

4Q 2011 Market Commentary

As the year 2011 came to an end, financial markets finished with a strong fourth quarter in a year filled with historically high market volatility. The Federal Open Market Committee (FOMC) again decided to keep the target range for the federal funds rate at 0-0.25%. Going forward, the FOMC will publish quarterly interest rate forecasts in order to provide greater transparency and reduce market volatility. According to the Bureau of Labor Statistics (BLS), U.S. employers created 200,000 jobs in December and the unemployment rate fell to 8.5%, its lowest level since the beginning of 2009. The rate of decline in home prices, as measured by the S&P/Case Shiller Index, has slowed, signaling that the real estate market may find a floor in 2012 amidst an environment with sub-4% 30 year mortgage rates and population growth exceeding the rate of new home construction.

The U.S. equity market, as measured by the Dow Jones U.S. Total Stock Market Index, gained 12.1% during the fourth quarter, erasing the losses of the prior nine months, netting a gain of 1.1% for the year. From a capitalization standpoint, large-cap stocks underperformed small-cap stocks, while from a style perspective, value outperformed growth during the fourth quarter. The Energy and Industrials sectors were the top performing sectors during the fourth quarter, gaining 18.2% and 16.5%, respectively. Each of the S&P 500 sectors had gains during the fourth quarter, and the Utilities sector was the top performer for the year, gaining 19.9% in 2011.

The non-U.S. equity market, as measured by the MSCI All Country World ex-U.S. Index, gained 3.7% during the fourth quarter, trailing the U.S. equity market by 8.4 percentage points. Emerging markets, as measured by the MSCI Emerging Markets Index, increased 4.4% during the quarter, but has lost 18.4% for all of 2011.

The U.S. fixed income market was up slightly during the quarter, with mixed results depending on duration and sector. The U.S. bond market, as measured by the Barclays Capital Aggregate Bond Index, returned 1.1% during the fourth quarter. During the period, high yield fixed income securities performed particularly well, as investors entered risk-on territory in search of yield in a low interest rate environment. High yield investments, as measured by the Barclays Capital Corporate High Yield Index gained 6.5% during the fourth quarter, up 5.0% for the year. With the help of the FOMC's Operation Twist, which was announced in the fourth quarter, long-term Treasuries returned 35.6% for the year, as measured by the Barclays Capital 30 Year Treasury Index.

Highlights

Commentary on Investment Performance

The Total Fund returned 6.4% during the fourth quarter, matching the return of the Policy Portfolio that also returned 6.4%. The Fund's U.S. Equity and Fixed Income components added value over their benchmark. Partially offsetting results were the below-benchmark returns from the non-U.S equity, global equity, and alternatives components.

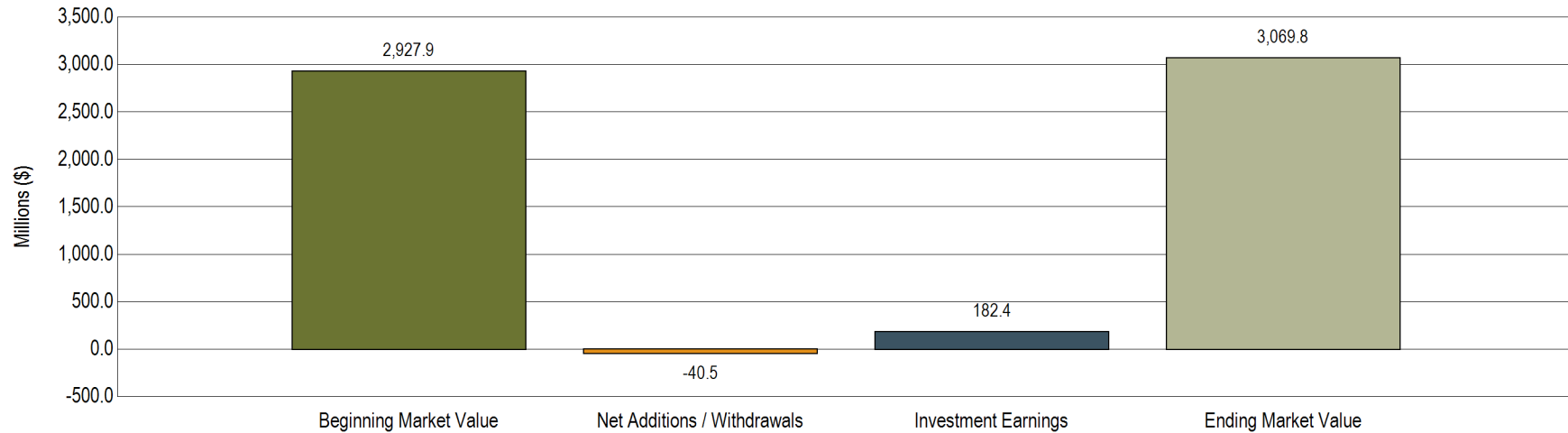
For the one-year ending December 31, 2011, the Total Fund advanced 0.3%, getting outpaced by the return of the Policy Portfolio by 26 basis points. Underperformance was mainly attributed to below-benchmark returns from the U.S. equity and Fixed Income asset class. Results were partially offset by outperforming results from the Global Equity component.

The Total Fund's longer-term relative performance remains mixed. While the Total Fund has slightly underperformed the return of its benchmark during the trailing five-year and ten-year period and since inception, it has outperformed the benchmark during the three-year period. The Fund's annualized since inception return fell just below that of its Policy Portfolio in absolute terms at 7.5% versus 7.6% for the Policy Portfolio.

The attribution analysis exhibits on page 27 provide additional information regarding each sub-component's contribution to performance during the quarter and trailing one-year period.

Plan Summary

Change in Market Value
From October 1, 2011 To December 31, 2011



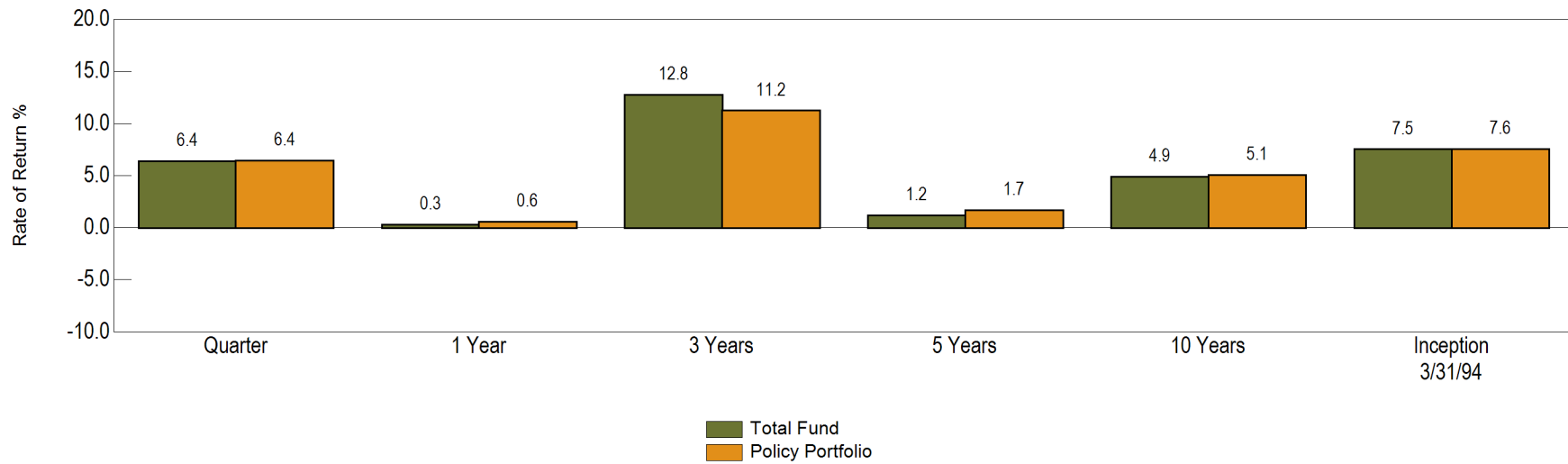
Summary of Cash Flows

| Sources of Portfolio Growth | Fourth Quarter | One Year |
|-----------------------------|-----------------|-----------------|
| Beginning Market Value | \$2,927,905,337 | \$3,074,402,802 |
| Net Additions/Withdrawals | -\$40,529,221 | -\$21,783,072 |
| Investment Earnings | \$182,386,081 | \$17,142,467 |
| Ending Market Value | \$3,069,762,197 | \$3,069,762,197 |

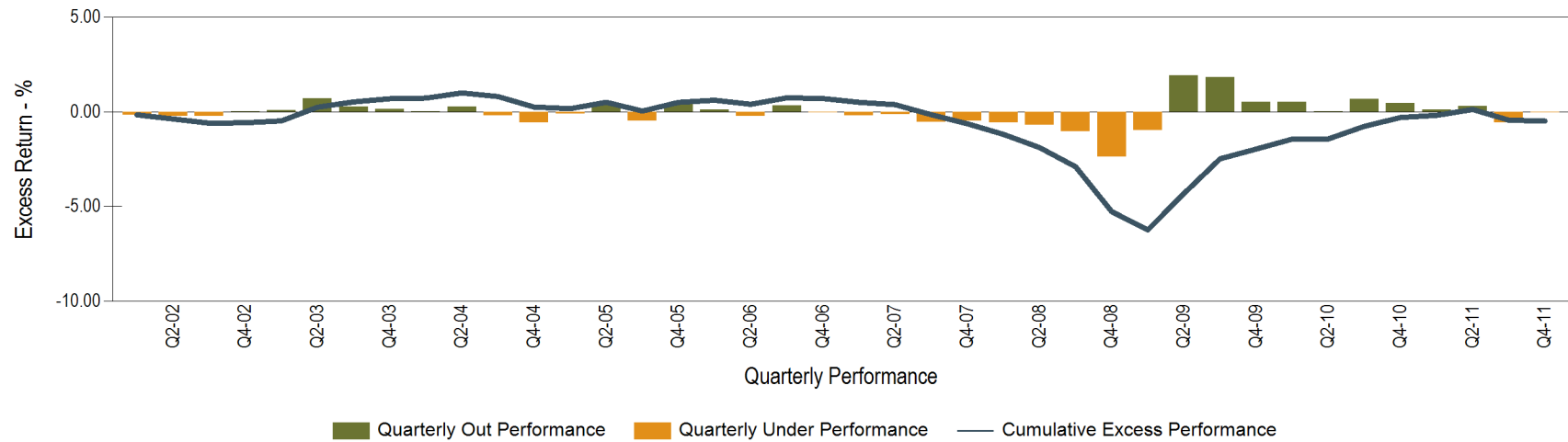
Plan Performance

Benchmark: Policy Portfolio

Return Summary



Quarterly and Cumulative Excess Performance



Trailing Period Performance

| Name | Market Value (\$) | % of Portfolio | Policy % | Ending December 31, 2011 | | | | | | | | | | Inception | |
|---|----------------------|----------------|--------------|--------------------------|-----------|--------------|-----------|-------------|-----------|-------------|-----------|------------|-----------|------------|---------------|
| | | | | 3 Mo (%) | Rank | 1 Yr (%) | Rank | 3 Yrs (%) | Rank | 5 Yrs (%) | Rank | 10 Yrs (%) | Rank | Return (%) | Since |
| Total Fund | 3,069,762,197 | 100.0 | 100.0 | 6.4 | 23 | 0.3 | 55 | 12.8 | 12 | 1.2 | 69 | 4.9 | 58 | 7.5 | Mar-94 |
| <i>Policy Portfolio</i> | | | | 6.4 | 22 | 0.6 | 49 | 11.2 | 41 | 1.7 | 48 | 5.1 | 51 | 7.6 | Mar-94 |
| <i>Total Fund ex-Clifton</i> | 3,044,466,627 | 99.2 | | 6.1 | 28 | 0.6 | 49 | 12.4 | 16 | 1.1 | 73 | 4.9 | 58 | 7.5 | Mar-94 |
| Total U.S. Equity | 1,095,348,225 | 35.7 | 37.0 | 12.2 | 50 | 0.9 | 35 | 15.6 | 51 | -0.7 | 72 | 3.1 | 82 | 7.3 | Dec-93 |
| <i>Performance Benchmark*</i> | | | | 12.1 | 51 | 1.1 | 33 | 15.2 | 56 | 0.2 | 59 | 3.6 | 75 | 7.8 | Dec-93 |
| BlackRock Extended Equity Index Fund | 30,888,451 | 1.0 | -- | 13.5 | 53 | -3.4 | 66 | 18.9 | 50 | 1.8 | 58 | -- | -- | 10.0 | Oct-02 |
| <i>Dow Jones U.S. Completion Total Stock Market Index</i> | | | | 13.3 | 54 | -3.8 | 67 | 19.4 | 45 | 1.8 | 58 | -- | -- | 10.1 | Oct-02 |
| Western U.S. Index Plus | 99,583,187 | 3.2 | -- | 11.3 | 63 | 0.8 | 36 | 21.3 | 15 | -- | -- | -- | -- | -7.3 | May-07 |
| <i>S&P 500 Index</i> | | | | 11.8 | 56 | 2.1 | 25 | 14.1 | 66 | -- | -- | -- | -- | -2.1 | May-07 |
| BlackRock Equity Market Fund | 964,876,587 | 31.4 | -- | 12.2 | 49 | 1.2 | 32 | 15.1 | 56 | -- | -- | -- | -- | -0.3 | May-08 |
| <i>Dow Jones U.S. Total Stock Market Index</i> | | | | 12.1 | 51 | 1.1 | 33 | 15.2 | 56 | -- | -- | -- | -- | -0.3 | May-08 |
| Total Non-U.S. Equity | 507,415,490 | 16.5 | 18.0 | 3.4 | 56 | -13.6 | 59 | 10.4 | 39 | -3.4 | 46 | 5.9 | 59 | 6.0 | Feb-94 |
| <i>Performance Benchmark*</i> | | | | 3.7 | 51 | -13.7 | 60 | 10.7 | 37 | -2.9 | 38 | 6.2 | 53 | 4.6 | Feb-94 |
| BlackRock ACWI ex-U.S. Index | 256,999,493 | 8.4 | -- | 3.3 | 58 | -14.1 | 65 | 11.5 | 29 | -- | -- | -- | -- | -3.4 | Mar-07 |
| <i>Performance Benchmark</i> | | | | 3.3 | 58 | -14.3 | 66 | 11.5 | 29 | -- | -- | -- | -- | -3.5 | Mar-07 |
| Sprucegrove | 111,672,929 | 3.6 | -- | 4.3 | 35 | -10.8 | 31 | 13.0 | 19 | -2.6 | 30 | -- | -- | 7.3 | Mar-02 |
| <i>MSCI EAFE Index</i> | | | | 3.3 | 58 | -12.1 | 45 | 7.6 | 66 | -4.7 | 64 | -- | -- | 4.7 | Mar-02 |
| <i>MSCI All Country World ex-U.S. Index</i> | | | | 3.7 | 51 | -13.7 | 60 | 10.7 | 37 | -2.9 | 38 | -- | -- | 6.3 | Mar-02 |
| Artio International Equity II | 64,836,805 | 2.1 | -- | 3.5 | 54 | -20.6 | 97 | 1.7 | 99 | -- | -- | -- | -- | 1.7 | Oct-08 |
| <i>MSCI All Country World ex-U.S. Index</i> | | | | 3.7 | 51 | -13.7 | 60 | 10.7 | 37 | -- | -- | -- | -- | 10.0 | Oct-08 |
| Hexavest | 27,391,718 | 0.9 | -- | 3.9 | 47 | -9.2 | 22 | -- | -- | -- | -- | -- | -- | -9.2 | Dec-10 |
| <i>MSCI EAFE Index</i> | | | | 3.3 | 58 | -12.1 | 45 | -- | -- | -- | -- | -- | -- | -12.1 | Dec-10 |
| Walter Scott | 46,514,544 | 1.5 | -- | 1.3 | 81 | -9.3 | 23 | -- | -- | -- | -- | -- | -- | -9.3 | Dec-10 |
| <i>MSCI All Country World ex-U.S. Index</i> | | | | 3.7 | 51 | -13.7 | 60 | -- | -- | -- | -- | -- | -- | -13.7 | Dec-10 |
| Total Global Equity | 253,645,409 | 8.3 | 10.0 | 6.6 | 69 | -3.9 | 35 | 8.0 | 96 | -2.5 | 58 | -- | -- | 2.6 | Apr-05 |
| <i>MSCI All Country World Index</i> | | | | 7.2 | 53 | -7.3 | 56 | 12.0 | 61 | -1.9 | 53 | -- | -- | 3.5 | Apr-05 |
| GMO Global | 141,561,758 | 4.6 | -- | 6.3 | 74 | -2.0 | 20 | 10.3 | 75 | -0.1 | 36 | -- | -- | 4.6 | Apr-05 |
| <i>MSCI All Country World Index</i> | | | | 7.2 | 53 | -7.3 | 56 | 12.0 | 61 | -1.9 | 53 | -- | -- | 3.5 | Apr-05 |
| Acadian | 112,083,652 | 3.7 | -- | 7.1 | 57 | -6.0 | 48 | 5.8 | 99 | -- | -- | -- | -- | -8.7 | May-08 |
| <i>MSCI All Country World Index</i> | | | | 7.2 | 53 | -7.3 | 56 | 12.0 | 61 | -- | -- | -- | -- | -4.9 | May-08 |

Note: Returns are net of fees.

Trailing Period Performance

| Name | Market Value (\$) | % of Portfolio | Policy % | Ending December 31, 2011 | | | | | | | | | | | Inception | |
|---------------------------------------|--------------------|----------------|-------------|--------------------------|-----------|--------------|-----------|--------------|-----------|-------------|-----------|------------|-----------|--------------|---------------|--|
| | | | | 3 Mo (%) | Rank | 1 Yr (%) | Rank | 3 Yrs (%) | Rank | 5 Yrs (%) | Rank | 10 Yrs (%) | Rank | Return (%) | Since | |
| Total U.S. Fixed Income | 903,379,930 | 29.4 | 27.0 | 2.1 | 31 | 7.3 | 30 | 14.3 | 22 | 7.7 | 13 | 6.7 | 24 | 6.7 | Feb-94 | |
| Barclays Capital Aggregate Bond Index | | | | 1.1 | 59 | 7.8 | 24 | 6.8 | 61 | 6.5 | 33 | 5.8 | 42 | 6.4 | Feb-94 | |
| Western | 342,674,588 | 11.2 | -- | 1.4 | 48 | 7.3 | 31 | 12.2 | 29 | 6.2 | 42 | 6.4 | 27 | 6.8 | Dec-96 | |
| Barclays Capital Aggregate Bond Index | | | | 1.1 | 59 | 7.8 | 24 | 6.8 | 61 | 6.5 | 33 | 5.8 | 42 | 6.3 | Dec-96 | |
| BlackRock U.S. Debt Fund | 128,080,584 | 4.2 | -- | 1.1 | 59 | 7.9 | 23 | 6.9 | 60 | 6.6 | 31 | 5.8 | 41 | 6.2 | Nov-95 | |
| Barclays Capital Aggregate Bond Index | | | | 1.1 | 59 | 7.8 | 24 | 6.8 | 61 | 6.5 | 33 | 5.8 | 42 | 6.2 | Nov-95 | |
| Reams | 322,212,750 | 10.5 | -- | 3.1 | 17 | 8.3 | 19 | 17.4 | 12 | 8.9 | 6 | 7.1 | 18 | 6.8 | Sep-01 | |
| Barclays Capital Aggregate Bond Index | | | | 1.1 | 59 | 7.8 | 24 | 6.8 | 61 | 6.5 | 33 | 5.8 | 42 | 5.6 | Sep-01 | |
| Loomis Sayles | 110,412,007 | 3.6 | -- | 2.7 | 21 | 4.2 | 67 | 17.8 | 12 | 6.9 | 25 | -- | -- | 6.9 | Jul-05 | |
| Performance Benchmark | | | | 2.7 | 21 | 7.1 | 35 | 11.4 | 32 | 6.8 | 27 | -- | -- | 6.4 | Jul-05 | |
| Total Real Estate | 268,386,656 | 8.7 | 8.0 | 2.5 | -- | 14.4 | -- | -3.1 | -- | -2.9 | -- | 5.2 | -- | 7.4 | Feb-94 | |
| Policy Benchmark | | | | 2.7 | -- | 15.0 | -- | 2.3 | -- | 2.7 | -- | 7.8 | -- | 9.1 | Feb-94 | |
| Total Prudential Real Estate | 75,674,860 | 2.5 | -- | 3.1 | -- | 18.2 | -- | -3.3 | -- | -1.8 | -- | -- | -- | 1.8 | Jun-04 | |
| Policy Benchmark | | | | 2.7 | -- | 15.0 | -- | 2.3 | -- | 2.7 | -- | -- | -- | 7.5 | Jun-04 | |
| UBS Real Estate | 163,851,890 | 5.3 | -- | 2.1 | -- | 12.2 | -- | -0.1 | -- | 0.6 | -- | -- | -- | 6.5 | Mar-03 | |
| NCREIF Open End Fund Index | | | | 2.7 | -- | 15.0 | -- | 2.3 | -- | 2.7 | -- | -- | -- | 7.7 | Mar-03 | |
| Guggenheim | 20,312,965 | 0.7 | -- | 6.8 | -- | 17.0 | -- | -0.6 | -- | -6.2 | -- | -- | -- | -3.7 | Jun-06 | |
| Performance Benchmark | | | | 6.7 | -- | 13.0 | -- | 8.8 | -- | 2.9 | -- | -- | -- | 4.7 | Jun-06 | |
| RREEF | 8,546,941 | 0.3 | -- | 1.1 | -- | 53.7 | -- | -16.1 | -- | -- | -- | -- | -- | -22.2 | Oct-07 | |
| NCREIF Open End Fund Index | | | | 2.7 | -- | 15.0 | -- | 2.3 | -- | -- | -- | -- | -- | 0.4 | Oct-07 | |
| Private Equity | 20,329,385 | 0.7 | -- | | | | | | | | | | | | | |
| Adams Street Partners | 16,798,614 | 0.5 | -- | | | | | | | | | | | | | |
| Pantheon Ventures | 3,530,771 | 0.1 | -- | | | | | | | | | | | | | |
| Total Alternatives | 8,601,760 | 0.3 | -- | -1.8 | -- | -12.3 | -- | -- | -- | -- | -- | -- | -- | -12.6 | Nov-10 | |
| LIBOR + 3% | | | | 0.8 | -- | 3.3 | -- | -- | -- | -- | -- | -- | -- | 3.3 | Nov-10 | |
| K2 Advisors | 8,601,760 | 0.3 | -- | -1.8 | -- | -12.3 | -- | -- | -- | -- | -- | -- | -- | -12.6 | Nov-10 | |
| LIBOR + 3% | | | | 0.8 | -- | 3.3 | -- | -- | -- | -- | -- | -- | -- | 3.3 | Nov-10 | |
| Total Cash | 12,655,341 | 0.4 | -- | | | | | | | | | | | | | |
| Clifton Group | 12,655,341 | 0.4 | -- | | | | | | | | | | | | | |

Note: Returns are net of fees.

Calendar Year Performance

| Name | Fiscal YTD (%) | Rank | 2011 (%) | Rank | 2010 (%) | Rank | 2009 (%) | Rank | 2008 (%) | Rank | 2007 (%) | Rank | 2006 (%) | Rank | 2005 (%) | Rank | 2004 (%) | Rank | 2003 (%) | Rank | 2002 (%) | Rank |
|---|----------------|------|----------|------|----------|------|----------|------|----------|------|----------|------|----------|------|----------|------|----------|------|----------|------|----------|------|
| Total Fund | -4.8 | 59 | 0.3 | 55 | 15.1 | 10 | 24.2 | 13 | -30.9 | 92 | 7.0 | 69 | 14.2 | 32 | 7.8 | 35 | 10.9 | 58 | 24.4 | 26 | -10.6 | 84 |
| <i>Policy Portfolio</i> | -4.1 | 43 | 0.6 | 49 | 13.3 | 43 | 20.8 | 38 | -27.1 | 58 | 8.5 | 34 | 14.0 | 36 | 7.6 | 39 | 11.3 | 52 | 22.9 | 42 | -10.1 | 77 |
| <i>Total Fund ex-Clifton</i> | -4.4 | 48 | 0.6 | 49 | 14.5 | 15 | 23.3 | 19 | -30.3 | 91 | 6.9 | 70 | 14.0 | 37 | 7.9 | 34 | 10.8 | 59 | 24.4 | 26 | -10.4 | 82 |
| Total U.S. Equity | -5.0 | 27 | 0.9 | 35 | 18.5 | 53 | 29.2 | 53 | -40.0 | 66 | 4.3 | 65 | 15.3 | 43 | 5.2 | 74 | 11.8 | 67 | 32.0 | 58 | -21.8 | 66 |
| <i>Performance Benchmark*</i> | -5.0 | 27 | 1.1 | 33 | 17.5 | 58 | 28.6 | 55 | -37.2 | 50 | 5.5 | 58 | 15.7 | 40 | 6.1 | 67 | 11.9 | 66 | 31.1 | 62 | -21.5 | 65 |
| <i>BlackRock Extended Equity Index Fund</i> | -9.9 | 57 | -3.4 | 66 | 29.0 | 28 | 35.0 | 46 | -38.4 | 48 | 5.4 | 63 | 15.2 | 41 | 10.5 | 43 | 18.1 | 53 | 43.2 | 41 | -- | -- |
| <i>Dow Jones U.S. Completion Total Stock Market Index</i> | -10.2 | 59 | -3.8 | 67 | 28.6 | 34 | 37.4 | 38 | -39.0 | 51 | 5.4 | 63 | 15.3 | 40 | 10.0 | 46 | 18.0 | 54 | 44.0 | 37 | -- | -- |
| <i>Western U.S. Index Plus</i> | -5.6 | 33 | 0.8 | 36 | 24.6 | 30 | 42.0 | 17 | -56.3 | 99 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>S&P 500 Index</i> | -3.7 | 16 | 2.1 | 25 | 15.1 | 69 | 26.5 | 64 | -37.0 | 48 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>BlackRock Equity Market Fund</i> | -4.8 | 25 | 1.2 | 32 | 17.6 | 57 | 28.2 | 57 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Dow Jones U.S. Total Stock Market Index</i> | -5.0 | 27 | 1.1 | 33 | 17.5 | 58 | 28.6 | 55 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Non-U.S. Equity | -16.4 | 46 | -13.6 | 59 | 13.5 | 38 | 37.4 | 45 | -44.1 | 50 | 11.7 | 56 | 25.2 | 71 | 19.3 | 37 | 18.8 | 78 | 36.0 | 71 | -12.4 | 46 |
| <i>Performance Benchmark*</i> | -16.9 | 52 | -13.7 | 60 | 11.2 | 54 | 41.4 | 35 | -45.5 | 59 | 16.7 | 30 | 26.7 | 58 | 16.6 | 60 | 20.9 | 65 | 40.8 | 42 | -15.8 | 80 |
| <i>BlackRock ACWI ex-U.S. Index</i> | -17.2 | 57 | -14.1 | 65 | 12.8 | 45 | 43.1 | 31 | -45.6 | 60 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Performance Benchmark</i> | -17.2 | 58 | -14.3 | 66 | 12.7 | 45 | 43.6 | 29 | -45.9 | 62 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Sprucegrove</i> | -13.5 | 18 | -10.8 | 31 | 18.7 | 15 | 36.1 | 48 | -42.5 | 35 | 5.8 | 88 | 29.9 | 30 | 14.3 | 82 | 24.6 | 32 | 33.8 | 85 | -- | -- |
| <i>MSCI EAFE Index</i> | -16.3 | 45 | -12.1 | 45 | 7.8 | 83 | 31.8 | 65 | -43.4 | 43 | 11.2 | 58 | 26.3 | 60 | 13.5 | 86 | 20.2 | 70 | 38.6 | 56 | -- | -- |
| <i>MSCI All Country World ex-U.S. Index</i> | -16.9 | 52 | -13.7 | 60 | 11.2 | 54 | 41.4 | 35 | -45.5 | 59 | 16.7 | 30 | 26.7 | 58 | 16.6 | 60 | 20.9 | 65 | 40.8 | 42 | -- | -- |
| <i>Artio International Equity II</i> | -22.0 | 93 | -20.6 | 97 | 7.7 | 83 | 22.9 | 95 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>MSCI All Country World ex-U.S. Index</i> | -16.9 | 52 | -13.7 | 60 | 11.2 | 54 | 41.4 | 35 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Hexavest</i> | -12.4 | 8 | -9.2 | 22 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>MSCI EAFE Index</i> | -16.3 | 45 | -12.1 | 45 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Walter Scott</i> | -13.1 | 15 | -9.3 | 23 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>MSCI All Country World ex-U.S. Index</i> | -16.9 | 52 | -13.7 | 60 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Global Equity | -10.2 | 35 | -3.9 | 35 | 11.4 | 75 | 17.8 | 96 | -37.3 | 20 | 11.3 | 43 | 19.5 | 66 | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>MSCI All Country World Index</i> | -11.5 | 53 | -7.3 | 56 | 12.7 | 56 | 34.6 | 46 | -42.2 | 59 | 11.7 | 41 | 21.0 | 56 | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>GMO Global</i> | -7.7 | 18 | -2.0 | 20 | 10.2 | 88 | 24.3 | 86 | -32.8 | 9 | 10.0 | 53 | 19.7 | 66 | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>MSCI All Country World Index</i> | -11.5 | 53 | -7.3 | 56 | 12.7 | 56 | 34.6 | 46 | -42.2 | 59 | 11.7 | 41 | 21.0 | 56 | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Acadian</i> | -13.0 | 65 | -6.0 | 48 | 13.0 | 55 | 11.5 | 99 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>MSCI All Country World Index</i> | -11.5 | 53 | -7.3 | 56 | 12.7 | 56 | 34.6 | 46 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |

Note: Returns are net of fees.

Calendar Year Performance

| Name | Fiscal YTD (%) | Rank | 2011 (%) | Rank | 2010 (%) | Rank | 2009 (%) | Rank | 2008 (%) | Rank | 2007 (%) | Rank | 2006 (%) | Rank | 2005 (%) | Rank | 2004 (%) | Rank | 2003 (%) | Rank | 2002 (%) | Rank |
|--|----------------|------|----------|------|----------|------|----------|------|----------|------|----------|------|----------|------|----------|------|----------|------|----------|------|----------|------|
| Total U.S. Fixed Income | 3.5 | 39 | 7.3 | 30 | 10.6 | 25 | 25.6 | 22 | -8.7 | 75 | 6.3 | 36 | 5.3 | 28 | 3.2 | 21 | 5.2 | 32 | 7.1 | 34 | 7.9 | 57 |
| <i>Barclays Capital Aggregate Bond Index</i> | 5.0 | 17 | 7.8 | 24 | 6.5 | 59 | 5.9 | 77 | 5.2 | 19 | 7.0 | 22 | 4.3 | 63 | 2.4 | 54 | 4.3 | 51 | 4.1 | 62 | 10.3 | 17 |
| Western | 3.5 | 40 | 7.3 | 31 | 11.3 | 20 | 18.2 | 31 | -8.9 | 75 | 4.8 | 65 | 5.1 | 32 | 3.2 | 19 | 6.4 | 24 | 9.1 | 26 | 9.5 | 33 |
| <i>Barclays Capital Aggregate Bond Index</i> | 5.0 | 17 | 7.8 | 24 | 6.5 | 59 | 5.9 | 77 | 5.2 | 19 | 7.0 | 22 | 4.3 | 63 | 2.4 | 54 | 4.3 | 51 | 4.1 | 62 | 10.3 | 17 |
| BlackRock U.S. Debt Fund | 5.0 | 17 | 7.9 | 23 | 6.7 | 56 | 6.0 | 76 | 5.4 | 18 | 7.0 | 20 | 4.3 | 64 | 2.4 | 55 | 4.3 | 51 | 4.2 | 60 | 10.3 | 17 |
| <i>Barclays Capital Aggregate Bond Index</i> | 5.0 | 17 | 7.8 | 24 | 6.5 | 59 | 5.9 | 77 | 5.2 | 19 | 7.0 | 22 | 4.3 | 63 | 2.4 | 54 | 4.3 | 51 | 4.1 | 62 | 10.3 | 17 |
| Reams | 4.9 | 17 | 8.3 | 19 | 10.1 | 27 | 35.9 | 13 | -12.1 | 80 | 7.4 | 14 | 5.0 | 33 | 3.9 | 12 | 5.0 | 34 | 8.7 | 27 | 4.1 | 82 |
| <i>Barclays Capital Aggregate Bond Index</i> | 5.0 | 17 | 7.8 | 24 | 6.5 | 59 | 5.9 | 77 | 5.2 | 19 | 7.0 | 22 | 4.3 | 63 | 2.4 | 54 | 4.3 | 51 | 4.1 | 62 | 10.3 | 17 |
| Loomis Sayles | -1.3 | 93 | 4.2 | 67 | 13.5 | 12 | 38.1 | 12 | -19.9 | 89 | 6.7 | 26 | 9.0 | 11 | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Performance Benchmark</i> | 3.7 | 37 | 7.1 | 35 | 8.7 | 34 | 18.8 | 29 | -4.6 | 66 | 5.1 | 58 | 6.8 | 17 | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Real Estate | 5.2 | -- | 14.4 | -- | 15.4 | -- | -31.2 | -- | -16.0 | -- | 12.8 | -- | 15.7 | -- | 26.6 | -- | 7.5 | -- | 12.1 | -- | 9.4 | -- |
| <i>Policy Benchmark</i> | 6.5 | -- | 15.0 | -- | 14.7 | -- | -18.8 | -- | -7.3 | -- | 15.2 | -- | 15.3 | -- | 20.1 | -- | 14.5 | -- | 9.0 | -- | 6.7 | -- |
| Total Prudential Real Estate | 7.1 | -- | 18.2 | -- | 17.5 | -- | -34.8 | -- | -13.7 | -- | 16.6 | -- | 15.8 | -- | 27.8 | -- | -- | -- | -- | -- | -- | -- |
| <i>Policy Benchmark</i> | 6.5 | -- | 15.0 | -- | 14.7 | -- | -18.8 | -- | -7.3 | -- | 15.2 | -- | 15.3 | -- | 20.1 | -- | -- | -- | -- | -- | -- | -- |
| UBS Real Estate | 5.0 | -- | 12.2 | -- | 15.8 | -- | -23.2 | -- | -8.4 | -- | 12.7 | -- | 15.6 | -- | 20.1 | -- | 13.5 | -- | -- | -- | -- | -- |
| <i>NCREIF Open End Fund Index</i> | 6.5 | -- | 15.0 | -- | 14.7 | -- | -18.8 | -- | -7.3 | -- | 15.2 | -- | 15.3 | -- | 19.0 | -- | 13.6 | -- | -- | -- | -- | -- |
| Guggenheim | 4.3 | -- | 17.0 | -- | 15.1 | -- | -27.0 | -- | -29.0 | -- | 3.8 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Performance Benchmark</i> | 4.2 | -- | 13.0 | -- | 17.8 | -- | -3.2 | -- | -15.2 | -- | 5.8 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| RREEF | 6.8 | -- | 53.7 | -- | 8.4 | -- | -64.5 | -- | -41.8 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>NCREIF Open End Fund Index</i> | 6.5 | -- | 15.0 | -- | 14.7 | -- | -18.8 | -- | -7.3 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Private Equity | | | | | | | | | | | | | | | | | | | | | | |
| Adams Street Partners | | | | | | | | | | | | | | | | | | | | | | |
| Pantheon Ventures | | | | | | | | | | | | | | | | | | | | | | |
| Total Alternatives | -1.7 | -- | -12.3 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>LIBOR + 3%</i> | 1.6 | -- | 3.3 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| K2 Advisors | -1.7 | -- | -12.3 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>LIBOR + 3%</i> | 1.6 | -- | 3.3 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Cash | | | | | | | | | | | | | | | | | | | | | | |
| Clifton Group | | | | | | | | | | | | | | | | | | | | | | |

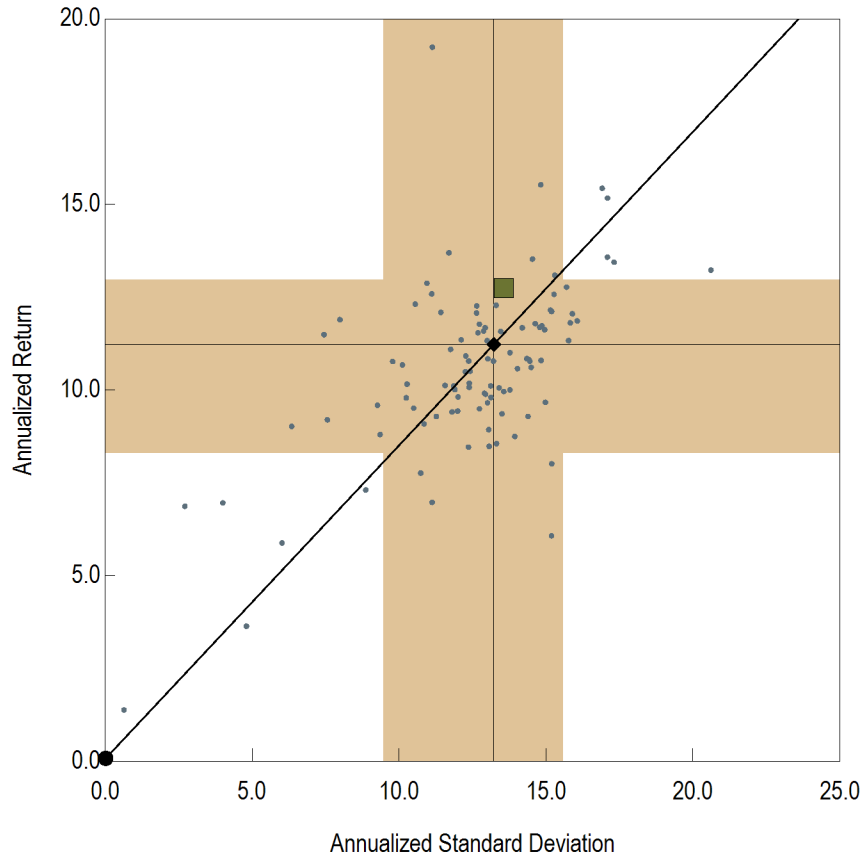
Note: Returns are net of fees.

Risk Profile

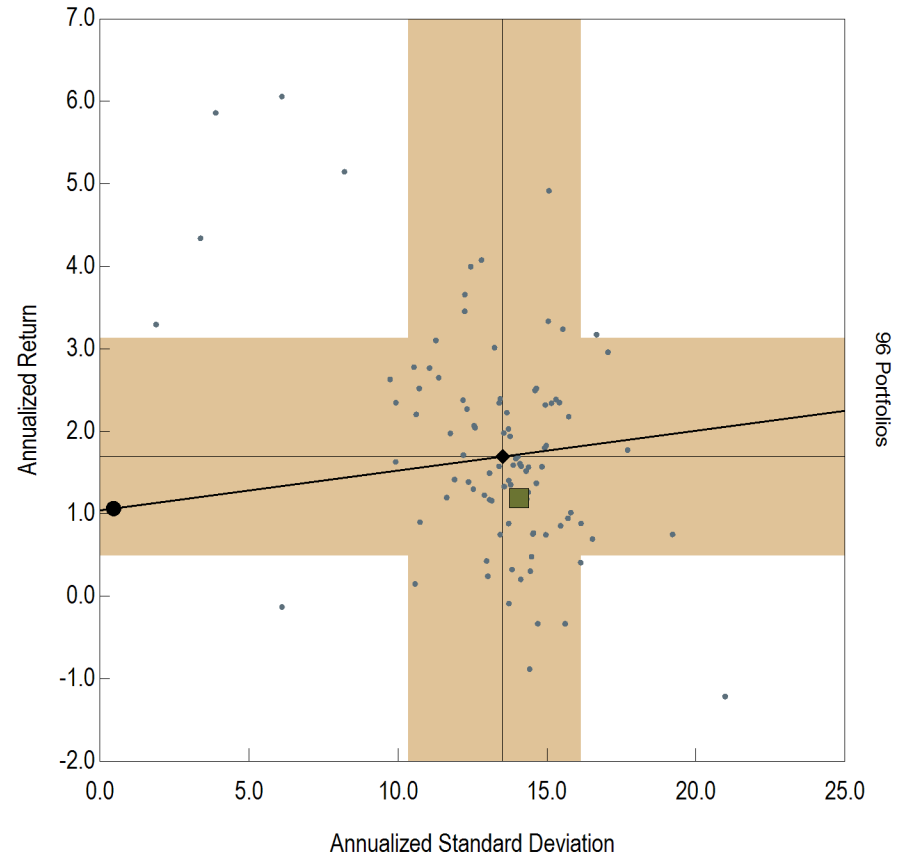
Benchmark: Policy Portfolio

Universe: Public Funds Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011

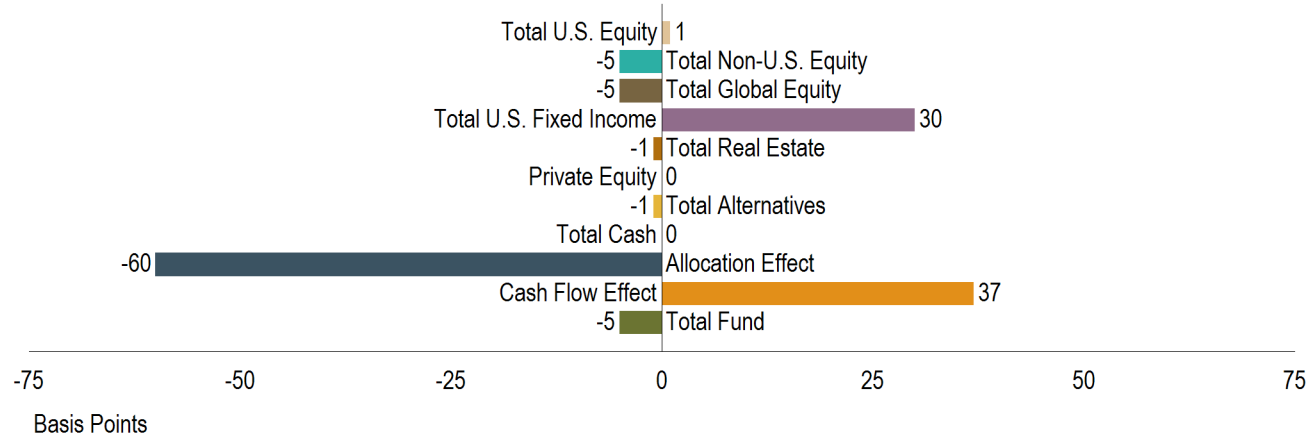


- Total Fund
- ◆ Policy Portfolio
- Risk Free
- 68% Confidence Interval
- Public Funds Net

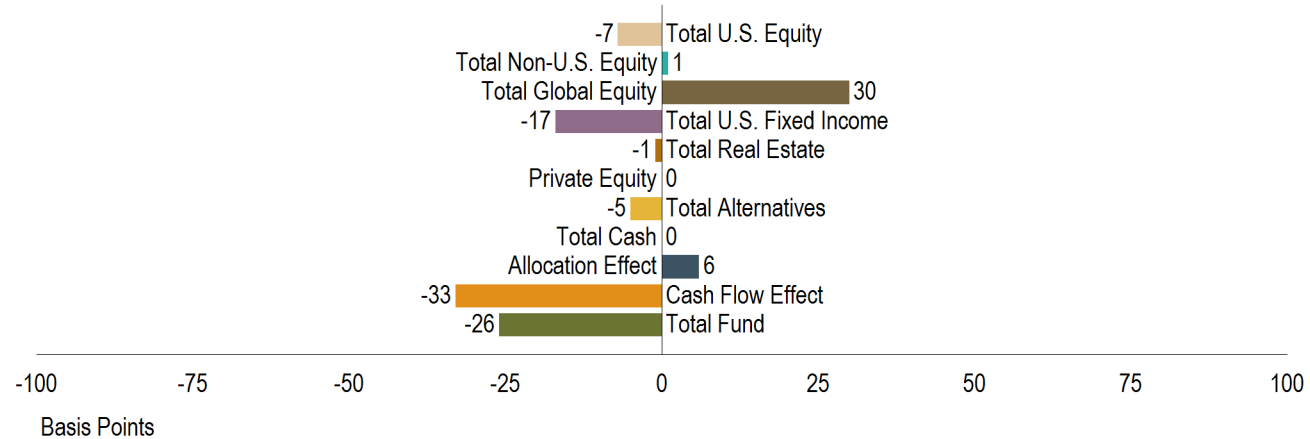
- Total Fund
- ◆ Policy Portfolio
- Risk Free
- 68% Confidence Interval
- Public Funds Net

Attribution

**TOTAL FUND ATTRIBUTION ANALYSIS
3 MONTHS ENDING 12/31/11**



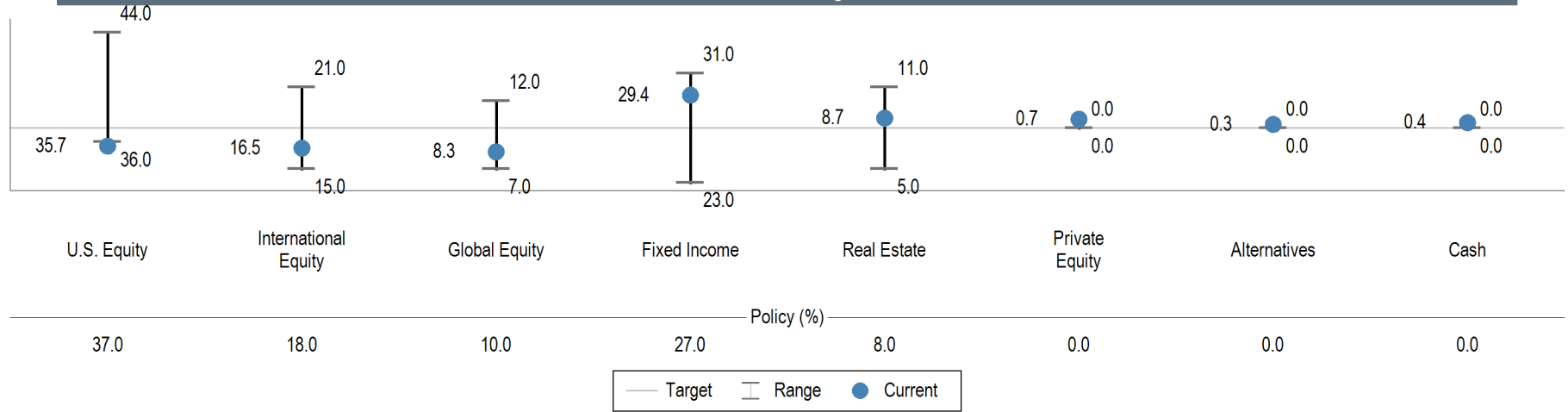
**TOTAL FUND ATTRIBUTION ANALYSIS
1 YEAR ENDING 12/31/11**



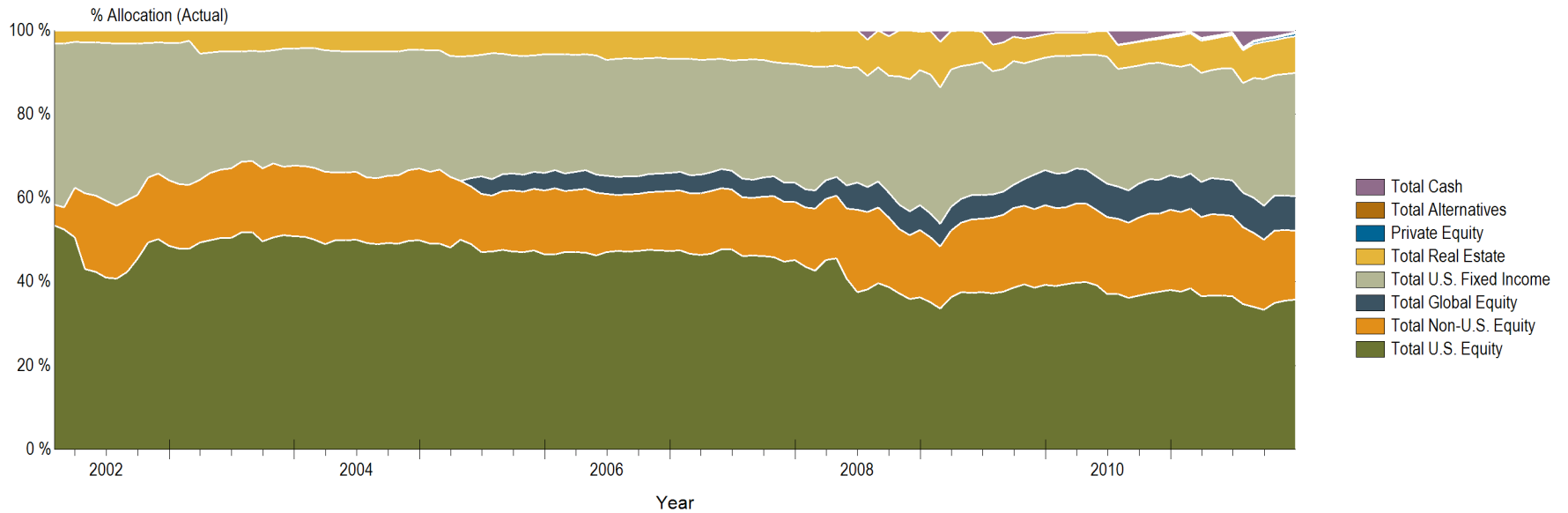
Note: The Cash Flow Effect exhibited in this quarter's and over the one year attribution charts represents the effect the Clifton Group had on the Total Fund.

Asset Allocation

Actual vs. Target



Asset Allocation History 10 Years Ending December 31, 2011



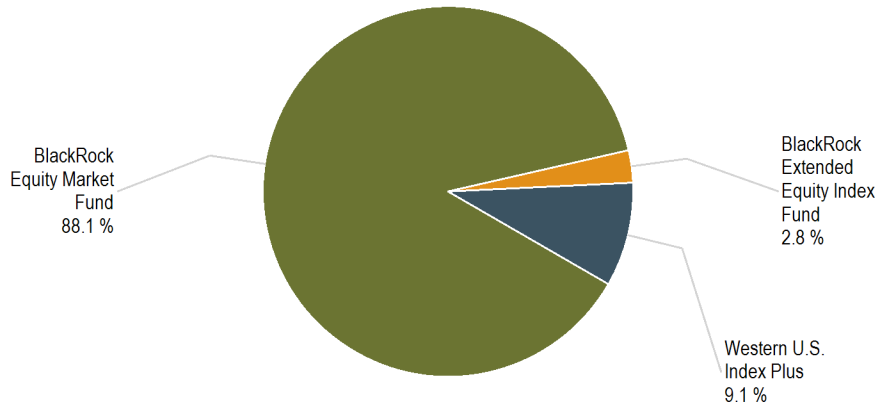


Total U.S. Equity

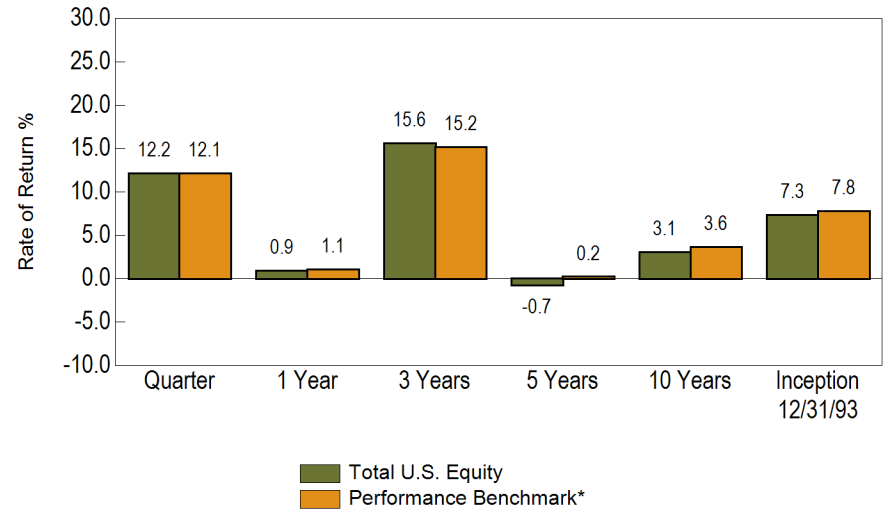
Overview

Benchmark: Performance Benchmark*

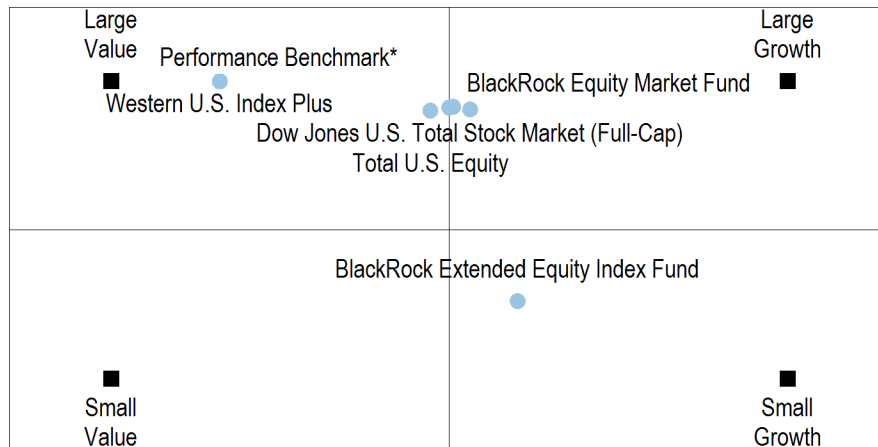
Current Allocation



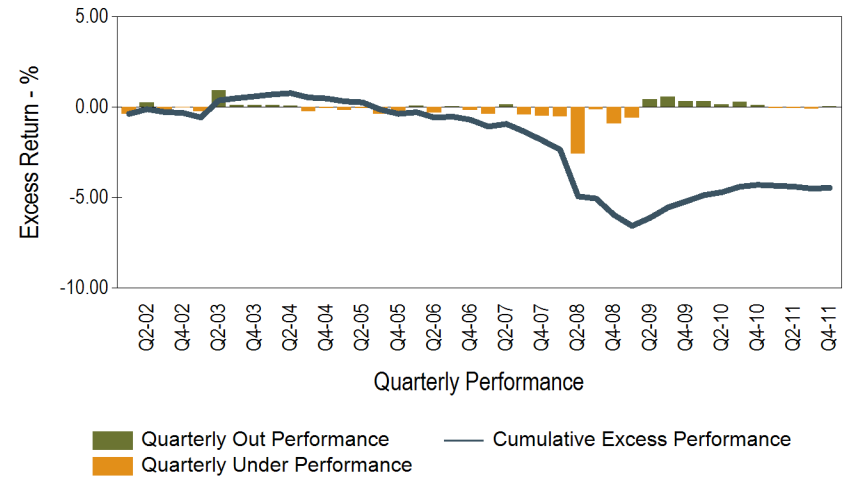
Return Summary



U.S. Effective Style Map 3 Years Ending December 31, 2011



Quarterly and Cumulative Excess Performance

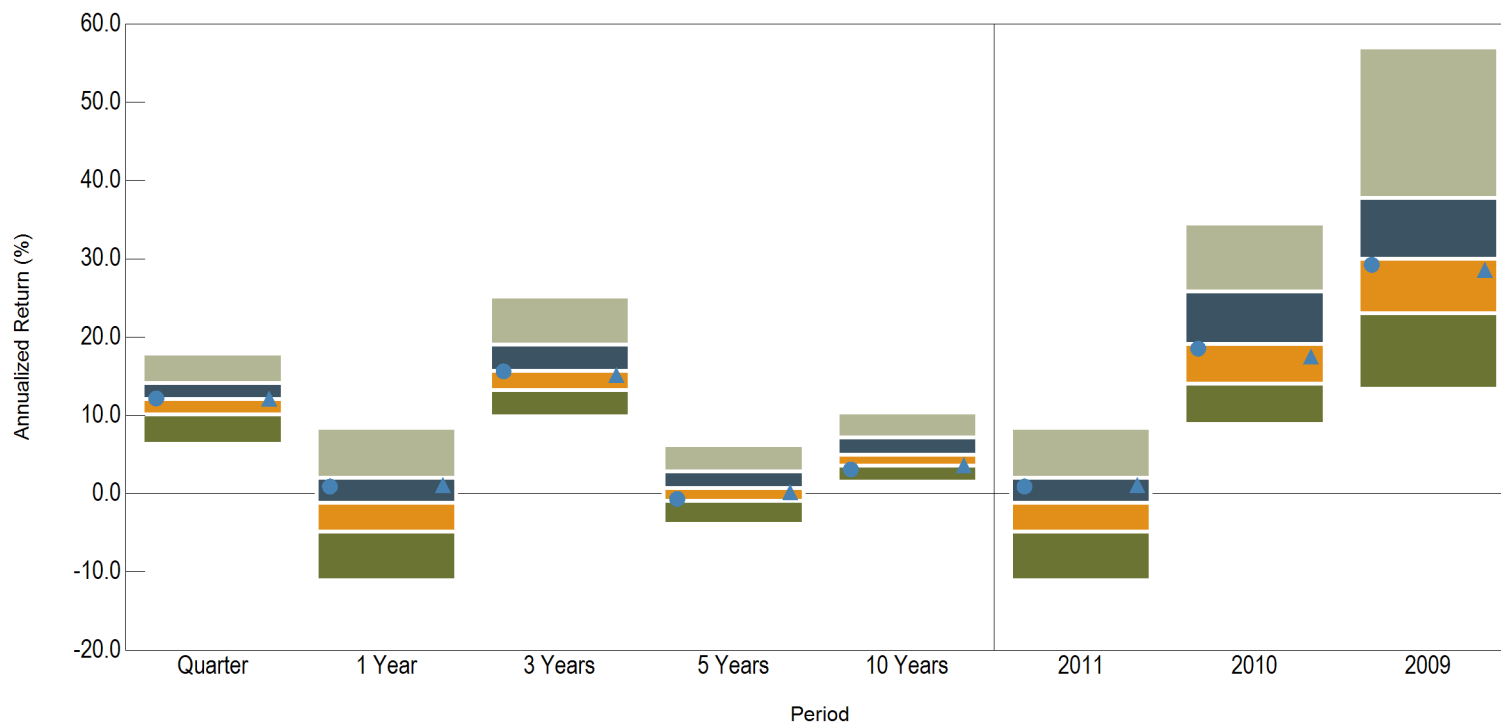


Universe Comparison

Benchmark: Performance Benchmark*

Universe: eA All US Equity Net

Ending December 31, 2011



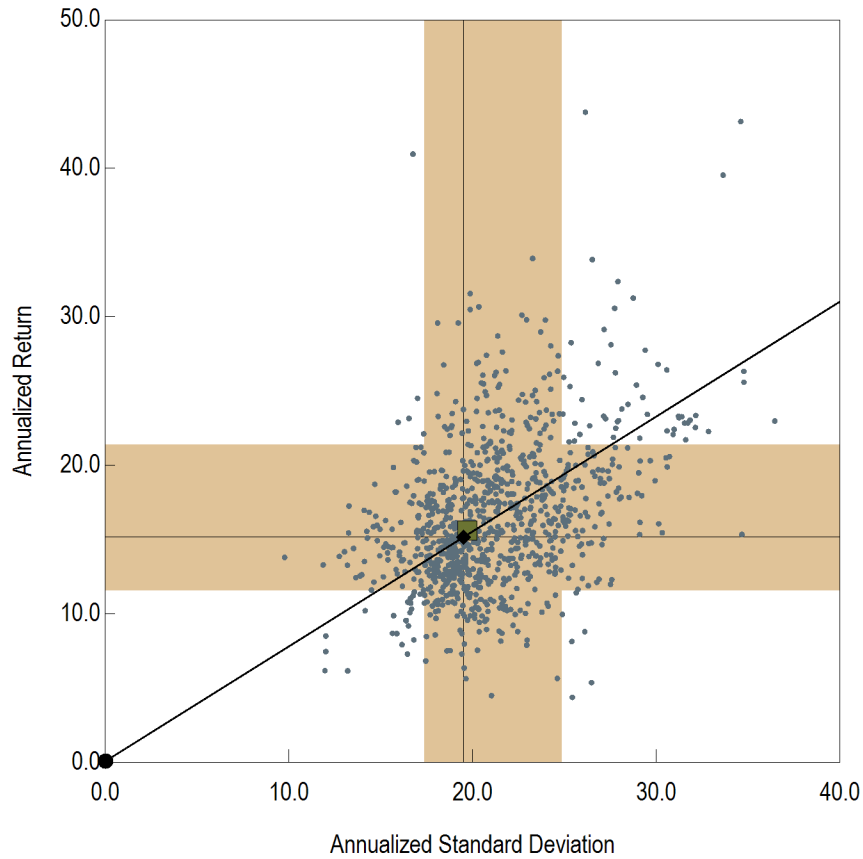
| | Return (Rank) | | Return (Rank) | | Return (Rank) | | Return (Rank) | | Return (Rank) | | Return (Rank) | | Return (Rank) | | | |
|---------------------------------|---------------|-------|---------------|------|---------------|-------|---------------|-------|---------------|------|---------------|------|---------------|------|------|------|
| 5th Percentile | 17.9 | 8.4 | 25.1 | 6.1 | 10.4 | 8.4 | 34.5 | 56.9 | | | | | | | | |
| 25th Percentile | 14.2 | 2.1 | 19.1 | 2.9 | 7.2 | 2.1 | 25.9 | 37.8 | | | | | | | | |
| Median | 12.1 | -1.1 | 15.7 | 0.7 | 5.0 | -1.1 | 19.1 | 30.0 | | | | | | | | |
| 75th Percentile | 10.2 | -4.8 | 13.2 | -0.9 | 3.6 | -4.8 | 14.1 | 23.1 | | | | | | | | |
| 95th Percentile | 6.4 | -11.0 | 9.9 | -3.8 | 1.6 | -11.0 | 8.9 | 13.4 | | | | | | | | |
| # of Portfolios | 1,100 | 1,081 | 999 | 850 | 587 | 1,081 | 1,035 | 1,153 | | | | | | | | |
| ● Total U.S. Equity | 12.2 | (50) | 0.9 | (35) | 15.6 | (51) | -0.7 | (72) | 3.1 | (82) | 0.9 | (35) | 18.5 | (53) | 29.2 | (53) |
| ▲ Performance Benchmark* | 12.1 | (51) | 1.1 | (33) | 15.2 | (56) | 0.2 | (59) | 3.6 | (75) | 1.1 | (33) | 17.5 | (58) | 28.6 | (55) |

Risk Profile

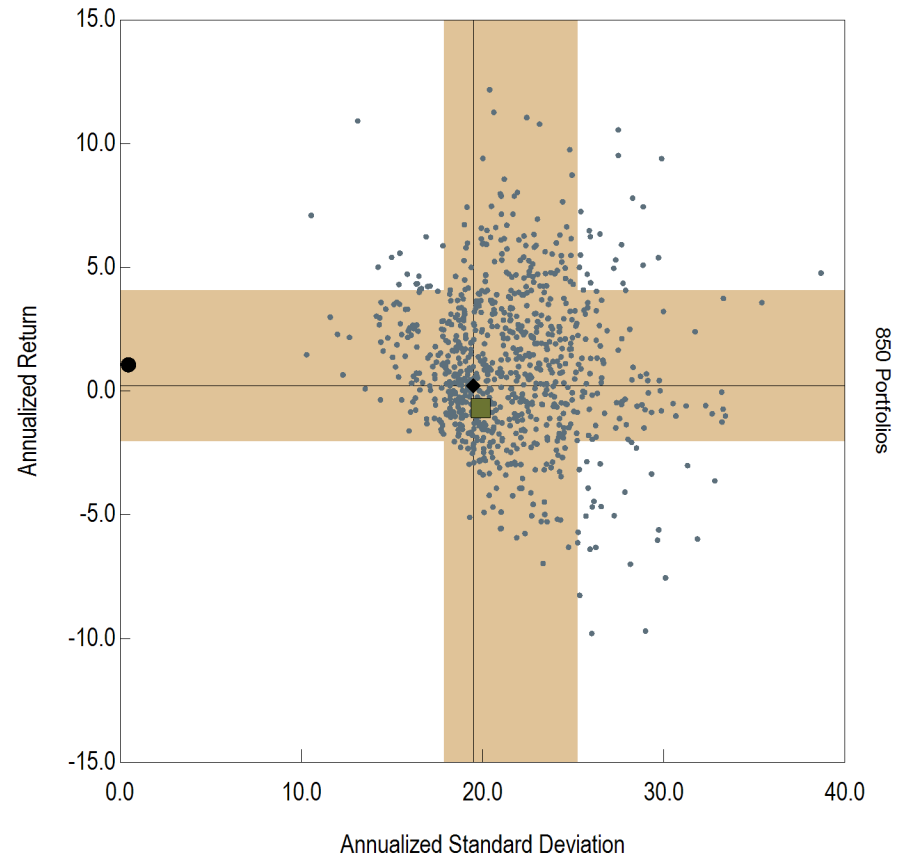
Benchmark: Performance Benchmark*

Universe: eA All US Equity Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011

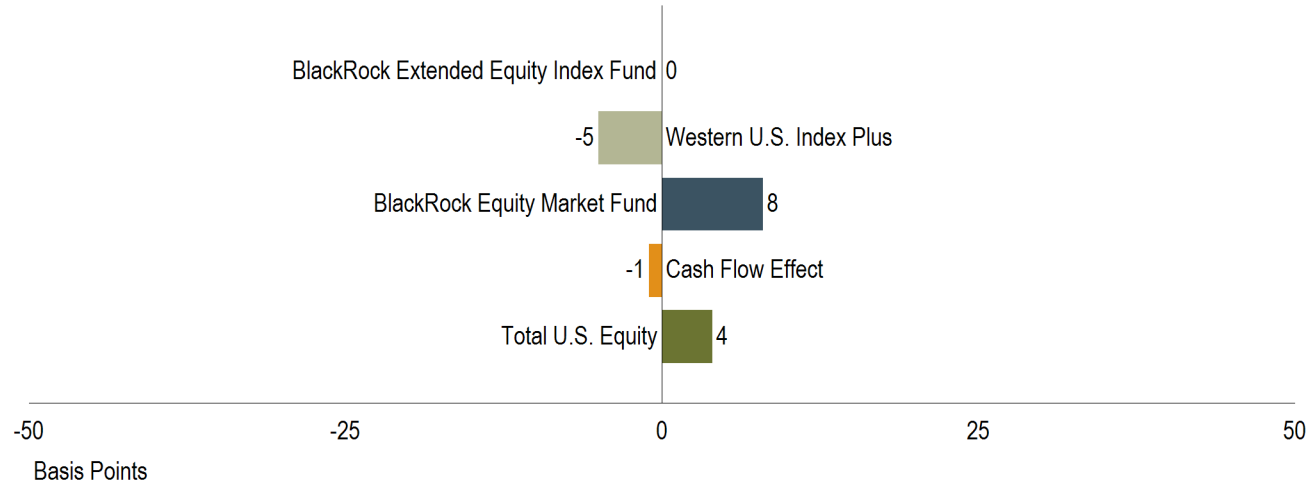


- Total U.S. Equity
- ◆ Performance Benchmark*
- Risk Free
- 68% Confidence Interval
- eA All US Equity Net

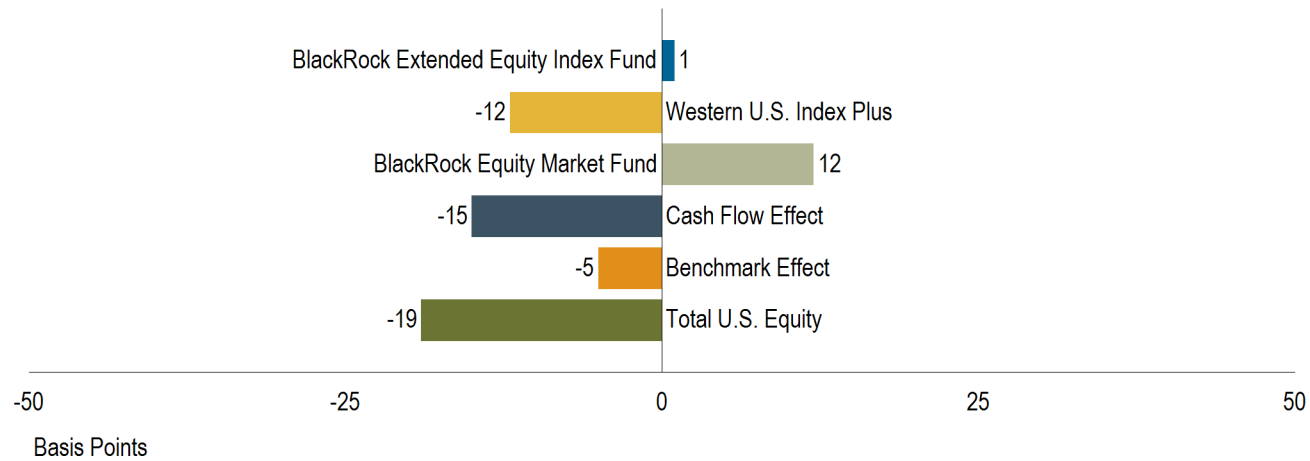
- Total U.S. Equity
- ◆ Performance Benchmark*
- Risk Free
- 68% Confidence Interval
- eA All US Equity Net

Attribution

**MANAGER ATTRIBUTION ANALYSIS
3 MONTHS ENDING 12/31/11**



**MANAGER ATTRIBUTION ANALYSIS
1 YEAR ENDING 12/31/11**



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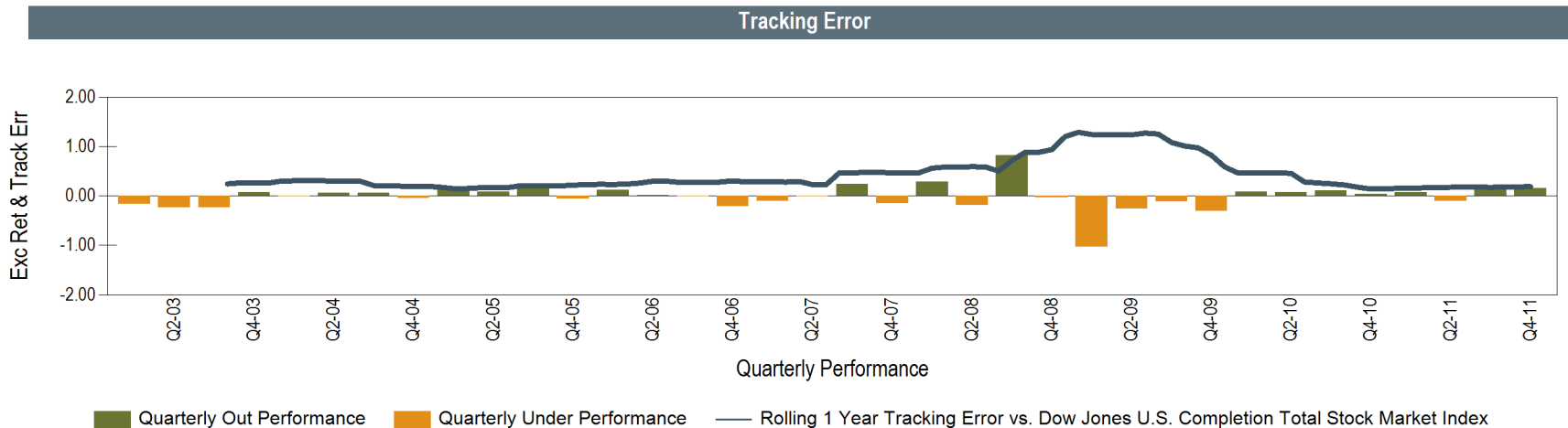
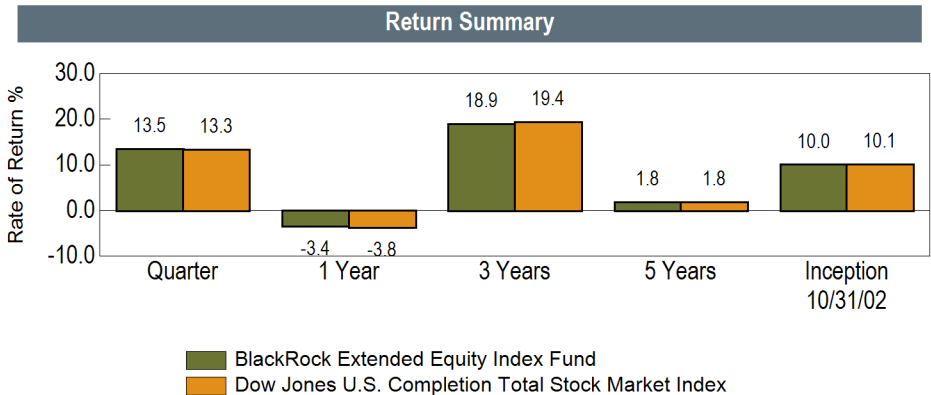
Manager Performance

Benchmark: Dow Jones U.S. Completion Total Stock Market Index

The BlackRock Extended Market Index Fund provides investment in the U.S. equity market excluding those stocks represented in the S&P 500 Index. The Fund is passively managed using a "fund optimization" technique. The Fund typically invests all, or substantially all, assets in the 1,300 largest stocks in the Index and in a representative sample of the remainder. Stocks are selected based on appropriate industry weightings, market capitalizations, and certain fundamental characteristics (e.g. price/earnings ratio and dividend yield) that closely align the Fund's characteristics with those of its benchmark.

The Fund does not hold publicly traded partnerships (PTPs) because of their potential to distribute unrelated business taxable income. However, the DJ U.S. Completion Total Stock Market Index includes PTPs which result in the Fund experiencing tracking discrepancies. While there will likely be tracking discrepancies on a quarter-to-quarter basis, we expect the difference to be minimal over longer time periods.

| Account Information | |
|---------------------|--|
| Account Name | BlackRock Extended Equity Index Fund |
| Account Structure | Commingled Fund |
| Investment Style | Passive |
| Inception Date | 10/31/02 |
| Account Type | US Stock |
| Benchmark | Dow Jones U.S. Completion Total Stock Market Index |
| Universe | eA US Small-Mid Cap Equity Net |

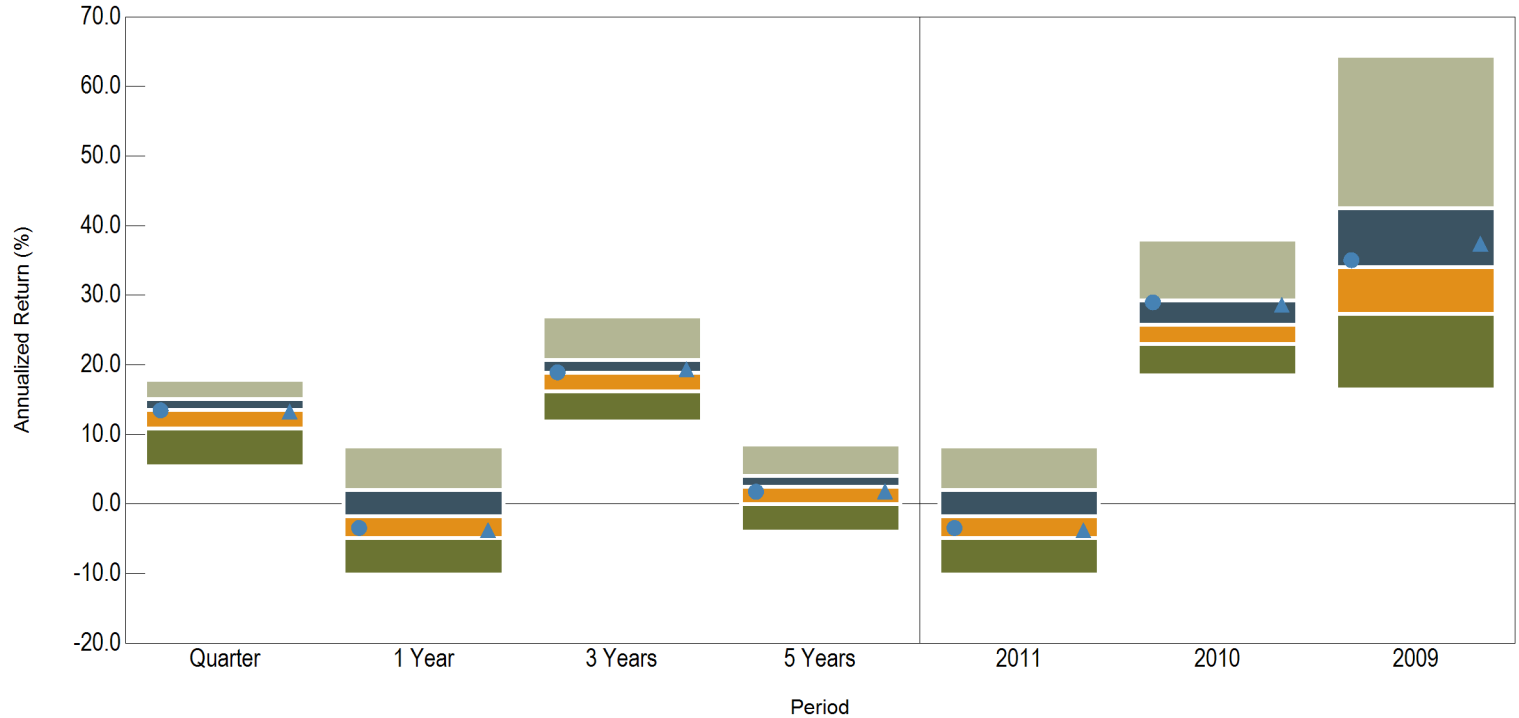


Universe Comparison

Benchmark: Dow Jones U.S. Completion Total Stock Market Index

Universe: eA US Small-Mid Cap Equity Net

Ending December 31, 2011



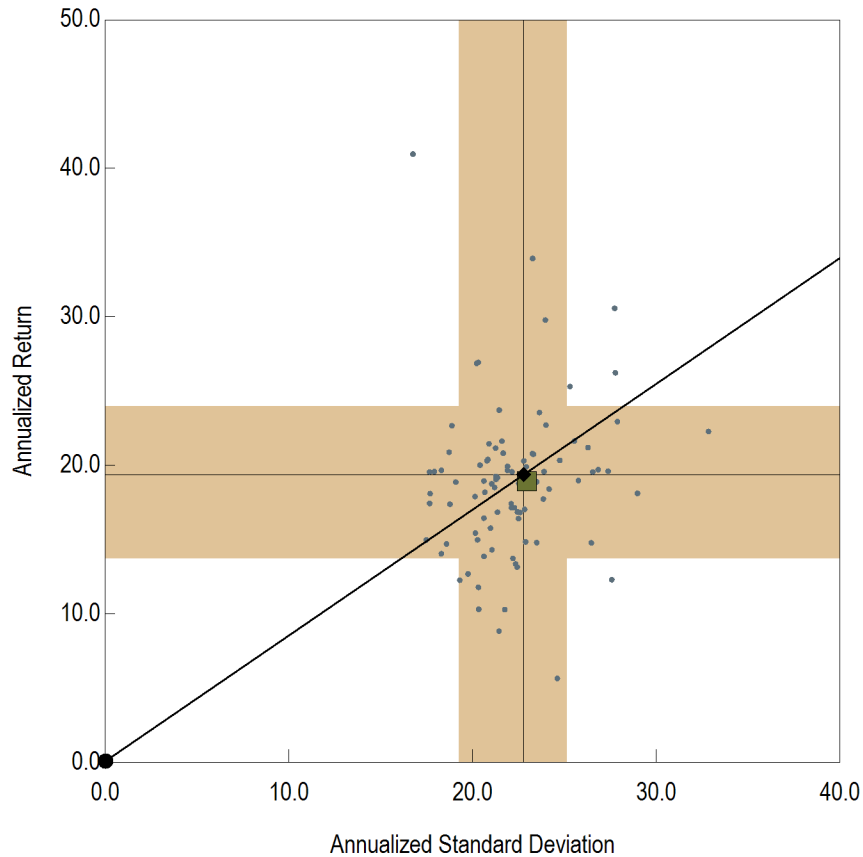
| | Return (Rank) | | | | | | | | | | | | | |
|--|---------------|-------|------|------|-------|------|------|------|------|------|------|------|------|------|
| 5th Percentile | 17.8 | 8.3 | 26.9 | 8.5 | 8.3 | 38.0 | 64.3 | | | | | | | |
| 25th Percentile | 15.2 | 2.1 | 20.8 | 4.0 | 2.1 | 29.3 | 42.5 | | | | | | | |
| Median | 13.5 | -1.7 | 18.9 | 2.5 | -1.7 | 25.8 | 34.1 | | | | | | | |
| 75th Percentile | 10.9 | -4.9 | 16.3 | 0.0 | -4.9 | 23.0 | 27.4 | | | | | | | |
| 95th Percentile | 5.4 | -10.1 | 11.9 | -4.0 | -10.1 | 18.5 | 16.5 | | | | | | | |
| # of Portfolios | 97 | 93 | 88 | 75 | 93 | 89 | 97 | | | | | | | |
| ● BlackRock Extended Equity Index Fund | 13.5 | (53) | -3.4 | (66) | 18.9 | (50) | 1.8 | (58) | -3.4 | (66) | 29.0 | (28) | 35.0 | (46) |
| ▲ Dow Jones U.S. Completion Total Stock Mark | 13.3 | (54) | -3.8 | (67) | 19.4 | (45) | 1.8 | (58) | -3.8 | (67) | 28.6 | (34) | 37.4 | (38) |

Risk Profile

Benchmark: Dow Jones U.S. Completion Total Stock Market Index

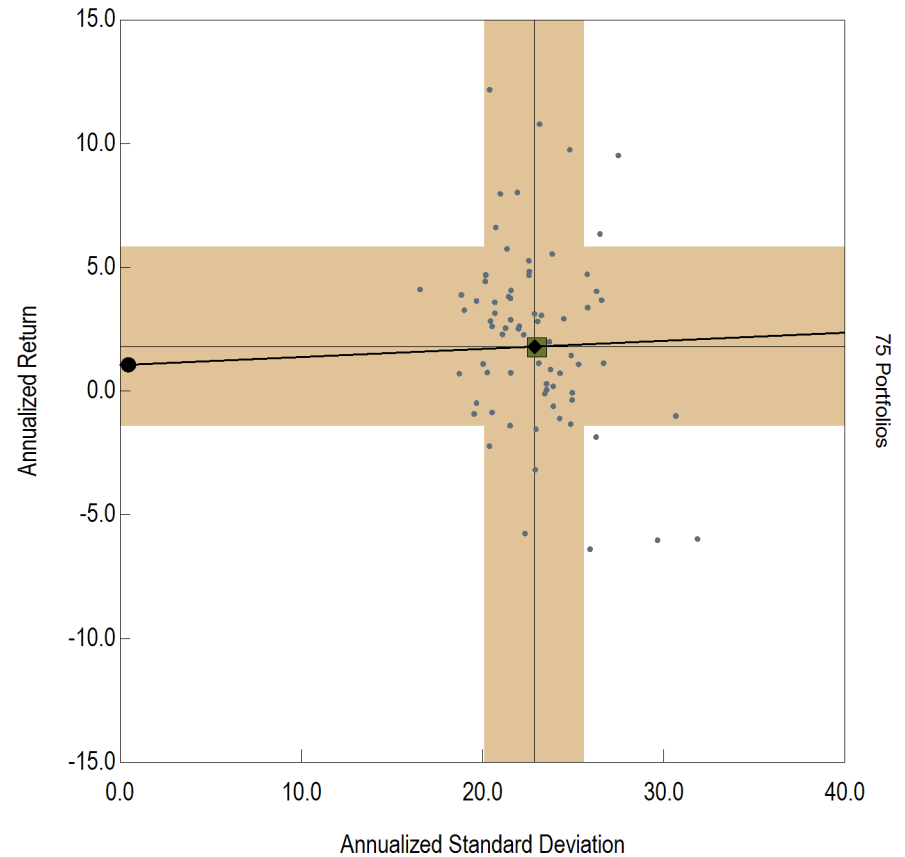
Universe: eA US Small-Mid Cap Equity Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



- BlackRock Extended Equity Index Fund
- ◆ Dow Jones U.S. Completion Total Stock Market Index
- Risk Free
- 68% Confidence Interval
- eA US Small-Mid Cap Equity Net

Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011



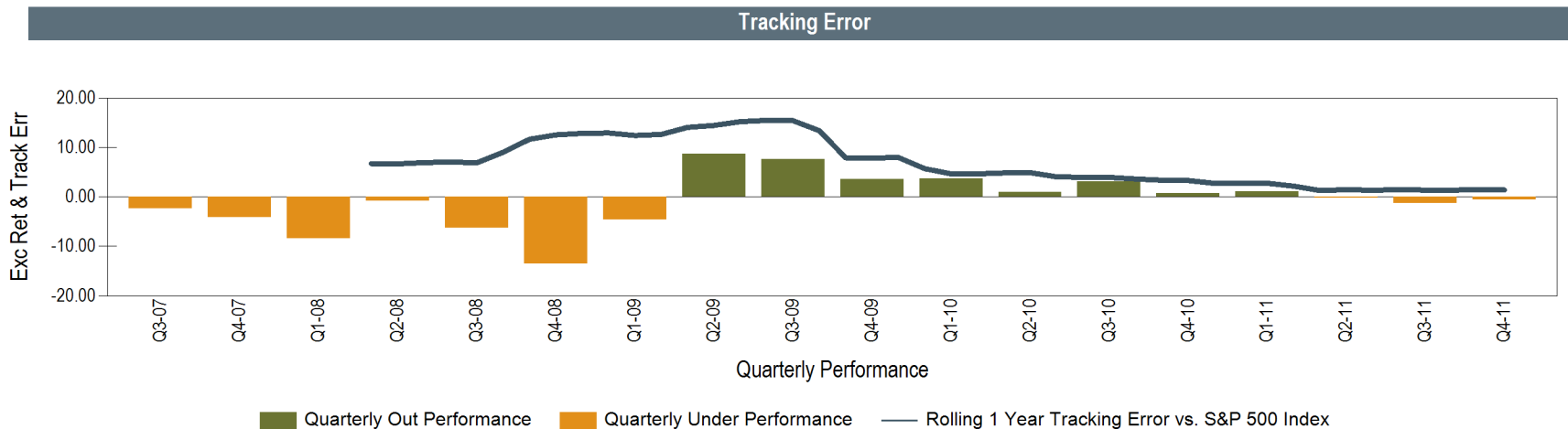
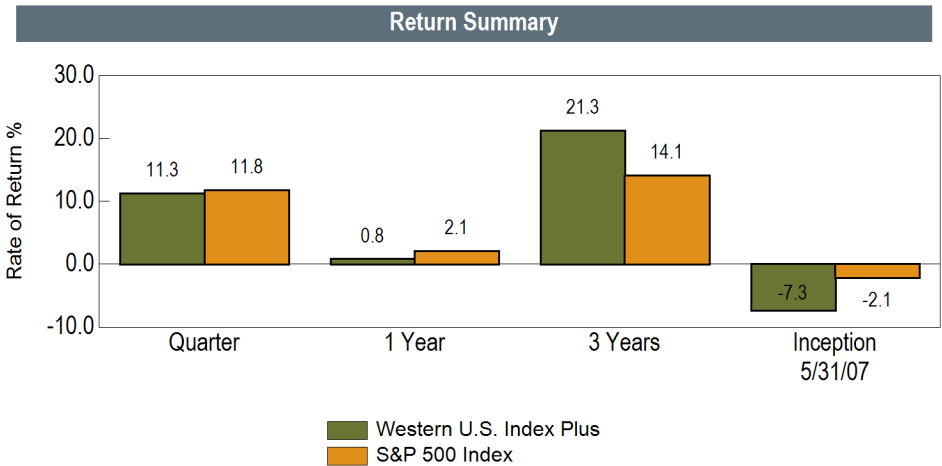
- BlackRock Extended Equity Index Fund
- ◆ Dow Jones U.S. Completion Total Stock Market Index
- Risk Free
- 68% Confidence Interval
- eA US Small-Mid Cap Equity Net

Manager Performance

Benchmark: S&P 500 Index

Western employs a value-oriented investment approach that has proven successful in adding excess returns across various market cycles. This versatility comes from the manager's multiple sources of value-added and focus on finding long-term fundamental value. Western seeks to achieve balance between multiple sources of value added - duration management, yield curve positioning, sector allocation, and security selection - while diversifying risk. Western has one of the deepest teams of investment/risk professionals in the industry. The manager also has dedicated significant resources to analytics and risk management. We would highlight that active sector rotation and portfolio construction are key strengths of Western.

| Account Information | |
|---------------------|--------------------------------|
| Account Name | Western U.S. Index Plus |
| Account Structure | Separate Account |
| Investment Style | Passive |
| Inception Date | 5/31/07 |
| Account Type | US Stock |
| Benchmark | S&P 500 Index |
| Universe | eA All US Equity Net |

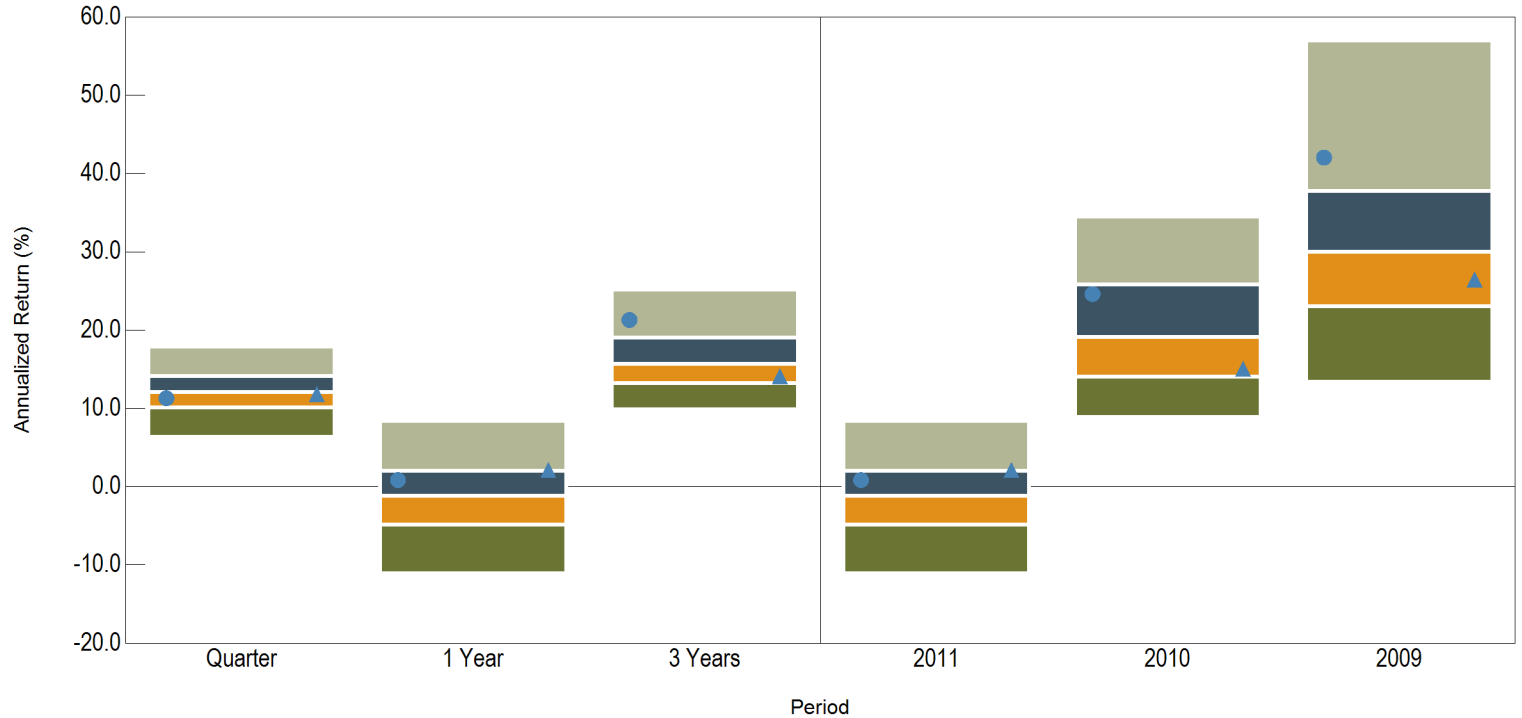


Universe Comparison

Benchmark: S&P 500 Index

Universe: eA All US Equity Net

Ending December 31, 2011



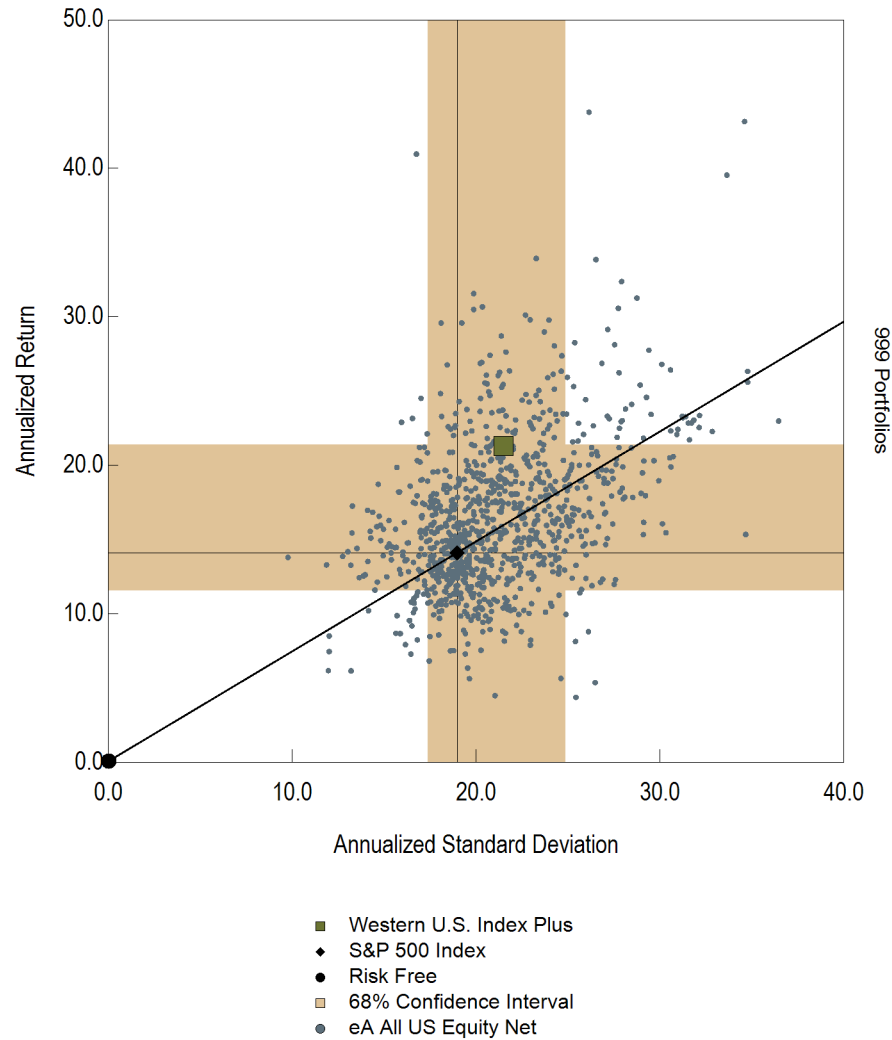
| | Quarter | | 1 Year | | 3 Years | | 2011 | | 2010 | | 2009 | |
|---------------------------|---------|------|--------|------|---------|------|-------|------|-------|------|-------|------|
| Return (Rank) | | | | | | | | | | | | |
| 5th Percentile | 17.9 | | 8.4 | | 25.1 | | 8.4 | | 34.5 | | 56.9 | |
| 25th Percentile | 14.2 | | 2.1 | | 19.1 | | 2.1 | | 25.9 | | 37.8 | |
| Median | 12.1 | | -1.1 | | 15.7 | | -1.1 | | 19.1 | | 30.0 | |
| 75th Percentile | 10.2 | | -4.8 | | 13.2 | | -4.8 | | 14.1 | | 23.1 | |
| 95th Percentile | 6.4 | | -11.0 | | 9.9 | | -11.0 | | 8.9 | | 13.4 | |
| # of Portfolios | 1,100 | | 1,081 | | 999 | | 1,081 | | 1,035 | | 1,153 | |
| ● Western U.S. Index Plus | 11.3 | (63) | 0.8 | (36) | 21.3 | (15) | 0.8 | (36) | 24.6 | (30) | 42.0 | (17) |
| ▲ S&P 500 Index | 11.8 | (56) | 2.1 | (25) | 14.1 | (66) | 2.1 | (25) | 15.1 | (69) | 26.5 | (64) |

Risk Profile

Benchmark: S&P 500 Index

Universe: eA All US Equity Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011

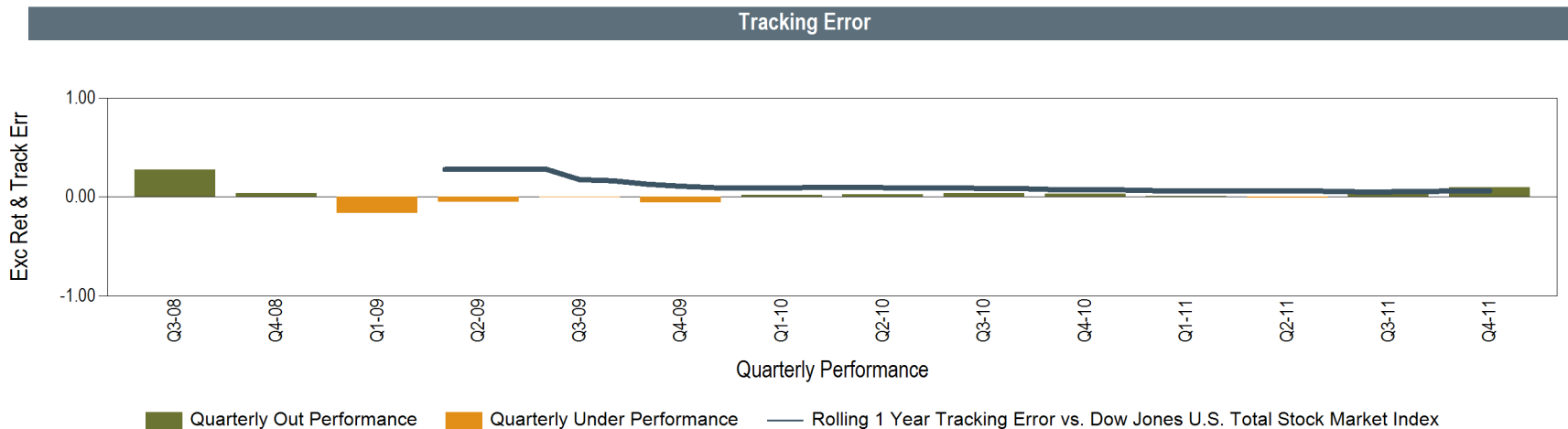
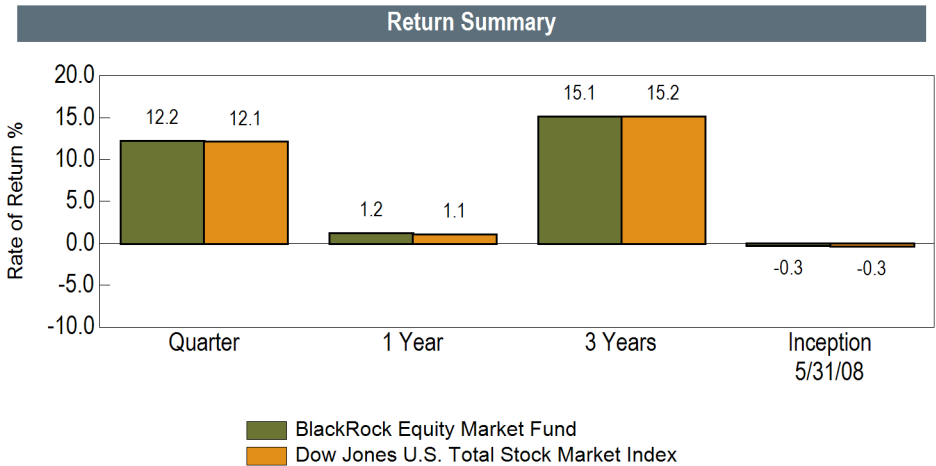


Manager Performance

Benchmark: Dow Jones U.S. Total Stock Market Index

The objective of the BlackRock U.S. Equity Market Fund is to approximate the return of the Dow Jones U.S. Total Stock Market Index. The Dow Jones U.S. Total Stock Market Index contains essentially all publicly traded stocks in the U.S. Accordingly, it is the broadest available measure of the domestic stock market.

| Account Information | |
|---------------------|---|
| Account Name | BlackRock Equity Market Fund |
| Account Structure | Commingled Fund |
| Investment Style | Passive |
| Inception Date | 5/31/08 |
| Account Type | US Stock |
| Benchmark | Dow Jones U.S. Total Stock Market Index |
| Universe | eA All US Equity Net |

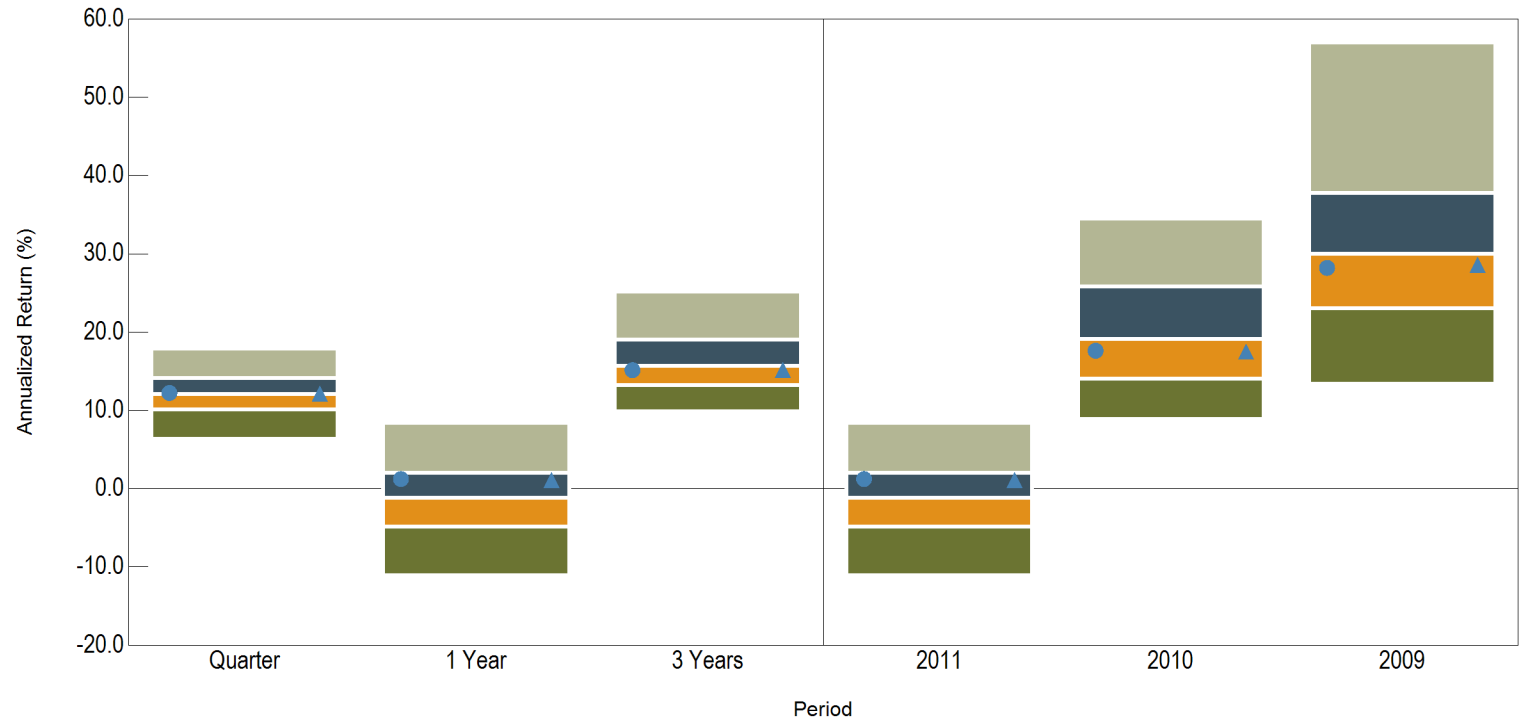


Universe Comparison

Benchmark: Dow Jones U.S. Total Stock Market Index

Universe: eA All US Equity Net

Ending December 31, 2011



| | Quarter | | 1 Year | | 3 Years | | 2011 | | 2010 | | 2009 | |
|---|---------|------|--------|------|---------|------|-------|------|-------|------|-------|------|
| Return (Rank) | | | | | | | | | | | | |
| 5th Percentile | 17.9 | | 8.4 | | 25.1 | | 8.4 | | 34.5 | | 56.9 | |
| 25th Percentile | 14.2 | | 2.1 | | 19.1 | | 2.1 | | 25.9 | | 37.8 | |
| Median | 12.1 | | -1.1 | | 15.7 | | -1.1 | | 19.1 | | 30.0 | |
| 75th Percentile | 10.2 | | -4.8 | | 13.2 | | -4.8 | | 14.1 | | 23.1 | |
| 95th Percentile | 6.4 | | -11.0 | | 9.9 | | -11.0 | | 8.9 | | 13.4 | |
| # of Portfolios | 1,100 | | 1,081 | | 999 | | 1,081 | | 1,035 | | 1,153 | |
| ● BlackRock Equity Market Fund | 12.2 | (49) | 1.2 | (32) | 15.1 | (56) | 1.2 | (32) | 17.6 | (57) | 28.2 | (57) |
| ▲ Dow Jones U.S. Total Stock Market Index | 12.1 | (51) | 1.1 | (33) | 15.2 | (56) | 1.1 | (33) | 17.5 | (58) | 28.6 | (55) |

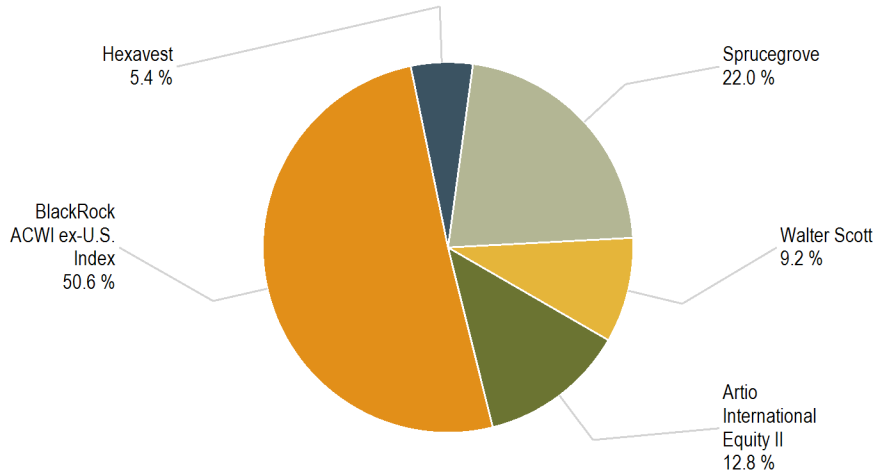


Total Non-U.S. Equity

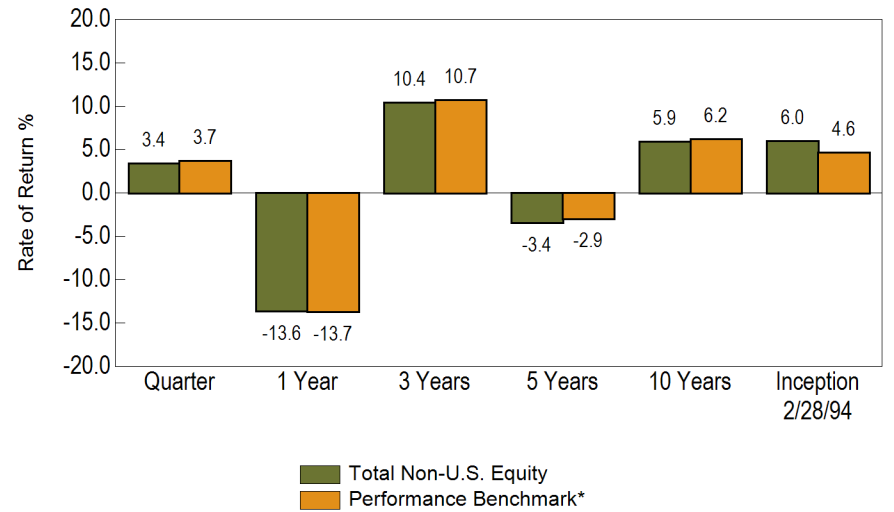
Overview

Benchmark: Performance Benchmark*

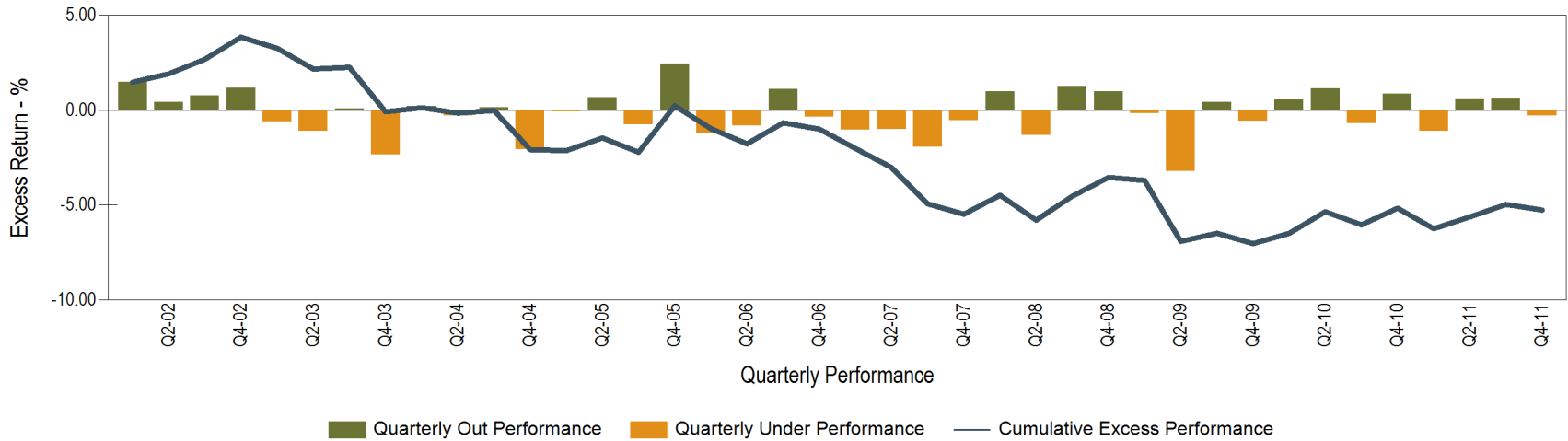
Current Allocation



Return Summary



Quarterly and Cumulative Excess Performance

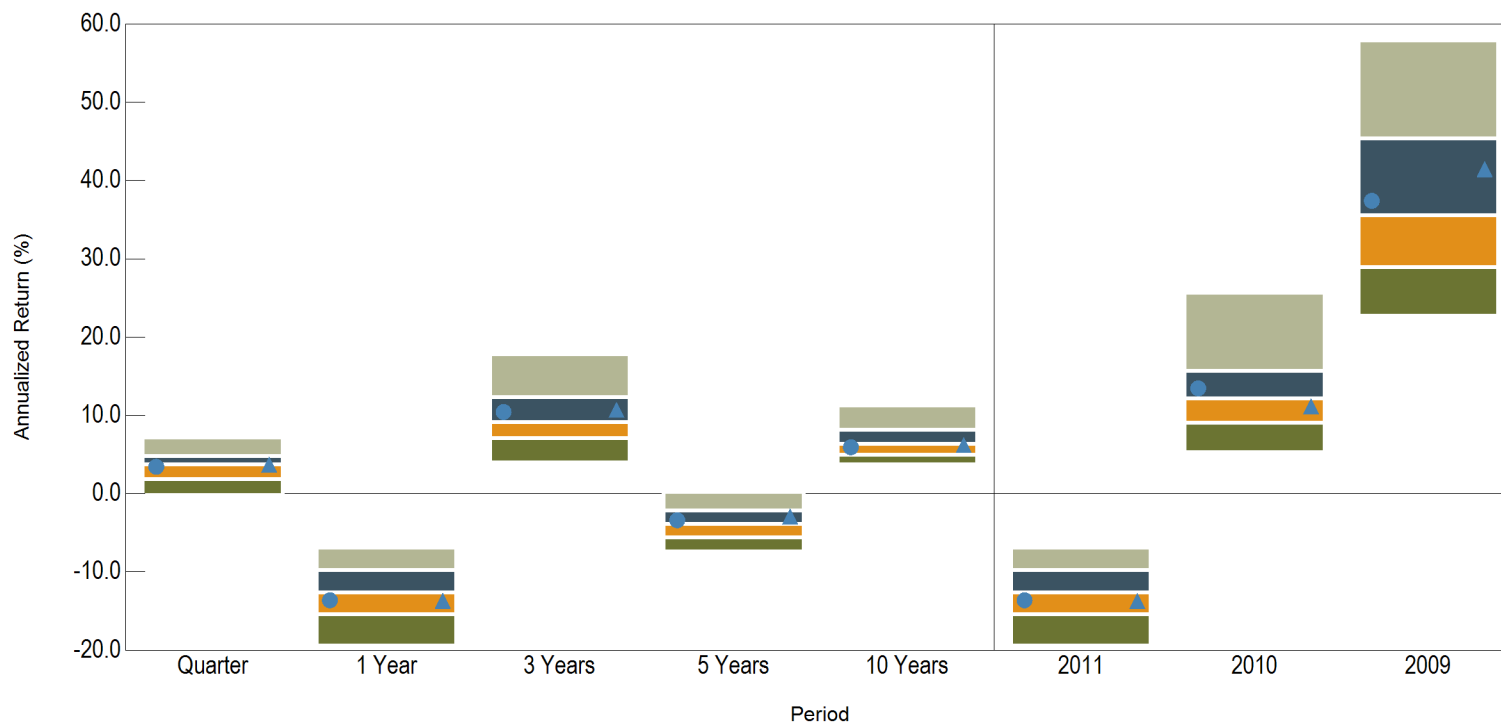


Universe Comparison

Benchmark: Performance Benchmark*

Universe: eA All EAFE Equity Net

Ending December 31, 2011



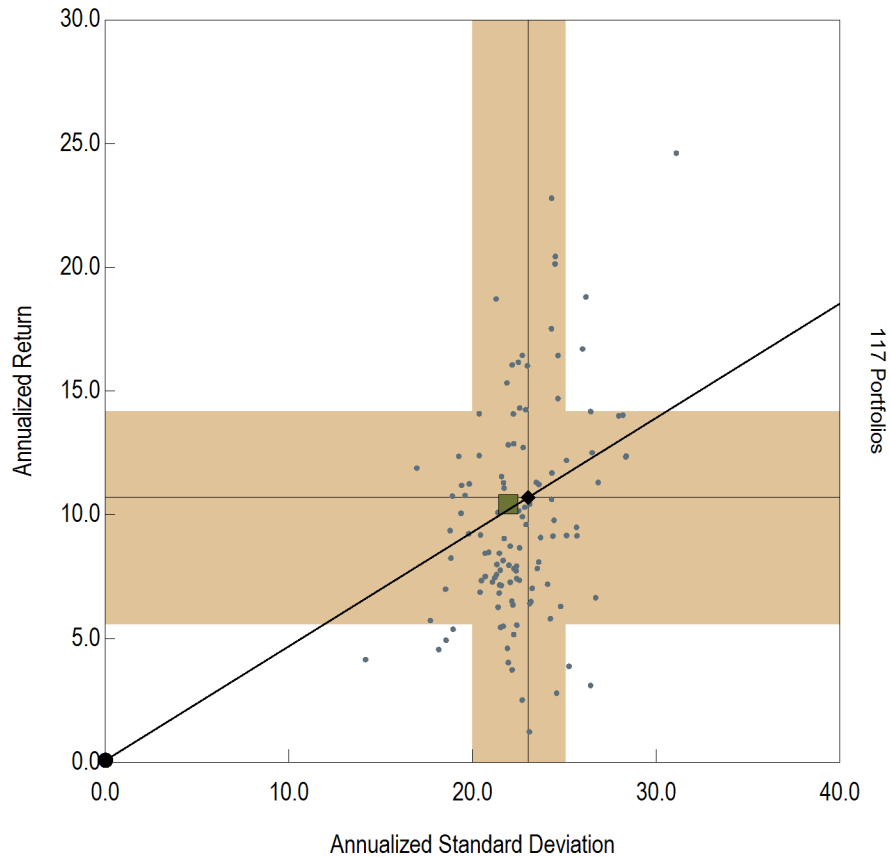
| | Return (Rank) | | | | | | | | | | | | | | | |
|--------------------------|---------------|-------|--------|------|---------|-------|---------|------|----------|------|-------|------|------|------|------|------|
| | Quarter | | 1 Year | | 3 Years | | 5 Years | | 10 Years | | 2011 | | 2010 | | 2009 | |
| 5th Percentile | 7.2 | -6.9 | 17.8 | 0.2 | 11.2 | -6.9 | 25.6 | 57.9 | | | | | | | | |
| 25th Percentile | 4.9 | -9.7 | 12.3 | -2.1 | 8.2 | -9.7 | 15.7 | 45.4 | | | | | | | | |
| Median | 3.7 | -12.6 | 9.2 | -3.8 | 6.4 | -12.6 | 12.2 | 35.6 | | | | | | | | |
| 75th Percentile | 1.9 | -15.4 | 7.1 | -5.6 | 5.0 | -15.4 | 9.1 | 29.0 | | | | | | | | |
| 95th Percentile | -0.2 | -19.4 | 4.0 | -7.3 | 3.8 | -19.4 | 5.3 | 22.8 | | | | | | | | |
| # of Portfolios | 130 | 129 | 117 | 96 | 71 | 129 | 143 | 173 | | | | | | | | |
| ● Total Non-U.S. Equity | 3.4 | (56) | -13.6 | (59) | 10.4 | (39) | -3.4 | (46) | 5.9 | (59) | -13.6 | (59) | 13.5 | (38) | 37.4 | (45) |
| ▲ Performance Benchmark* | 3.7 | (51) | -13.7 | (60) | 10.7 | (37) | -2.9 | (38) | 6.2 | (53) | -13.7 | (60) | 11.2 | (54) | 41.4 | (35) |

Risk Profile

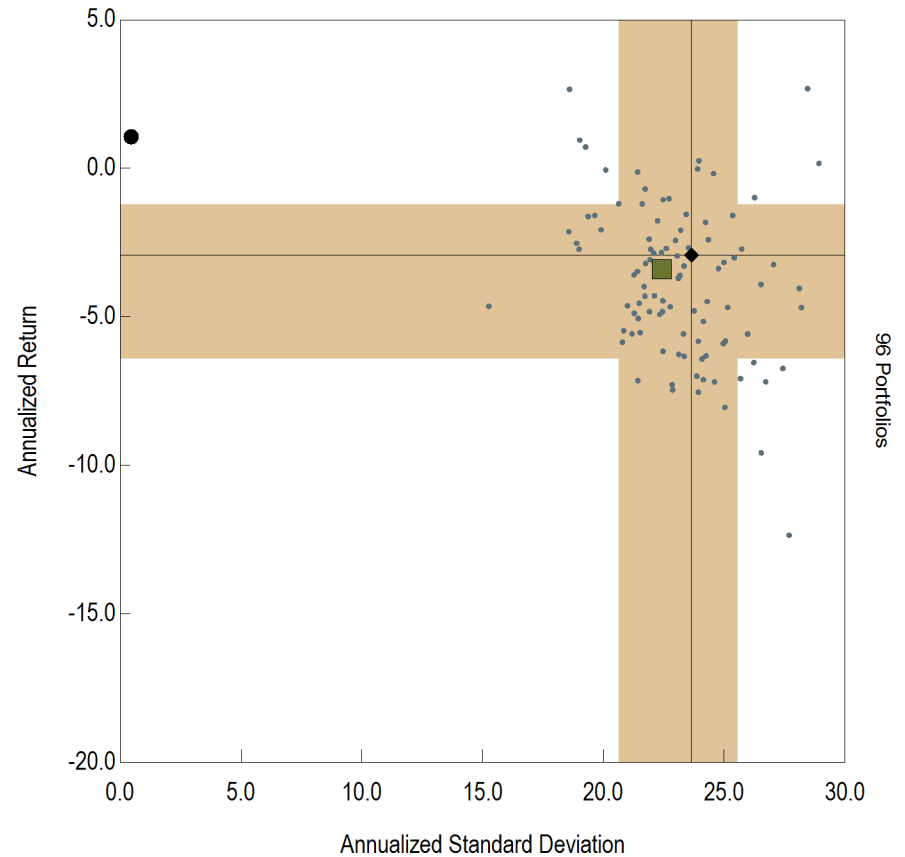
Benchmark: Performance Benchmark*

Universe: eA All EAFE Equity Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011

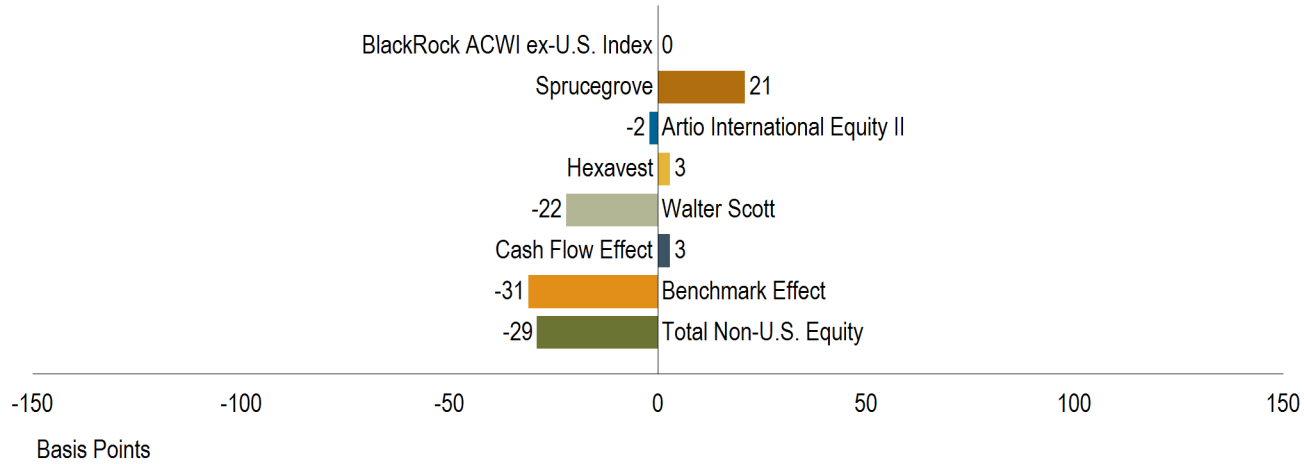


- Total Non-U.S. Equity
- ◆ Performance Benchmark*
- Risk Free
- 68% Confidence Interval
- eA All EAFE Equity Net

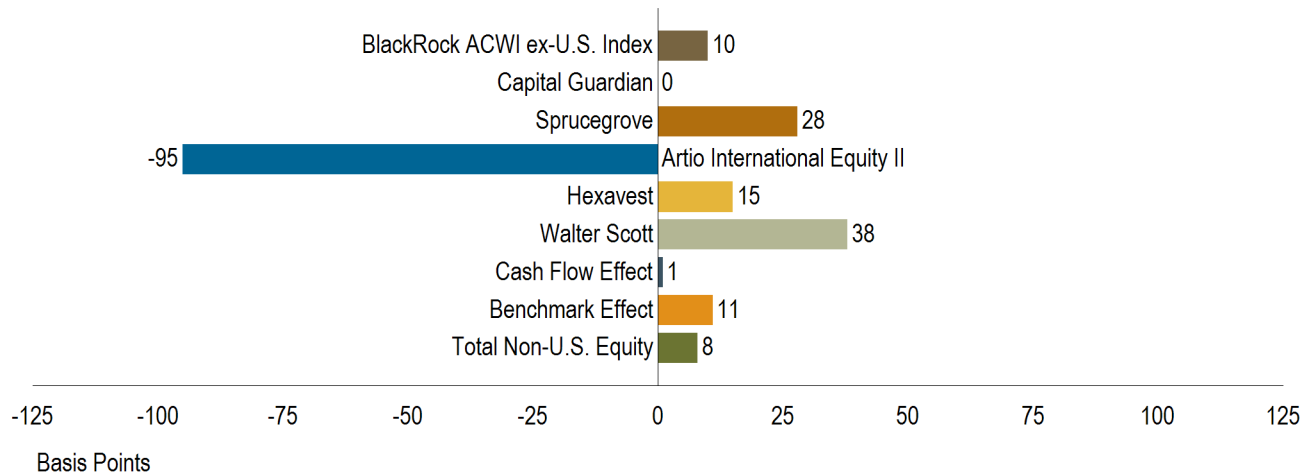
- Total Non-U.S. Equity
- ◆ Performance Benchmark*
- Risk Free
- 68% Confidence Interval
- eA All EAFE Equity Net

Attribution

**MANAGER ATTRIBUTION ANALYSIS
3 MONTHS ENDING 12/31/11**



**MANAGER ATTRIBUTION ANALYSIS
1 YEAR ENDING 12/31/11**



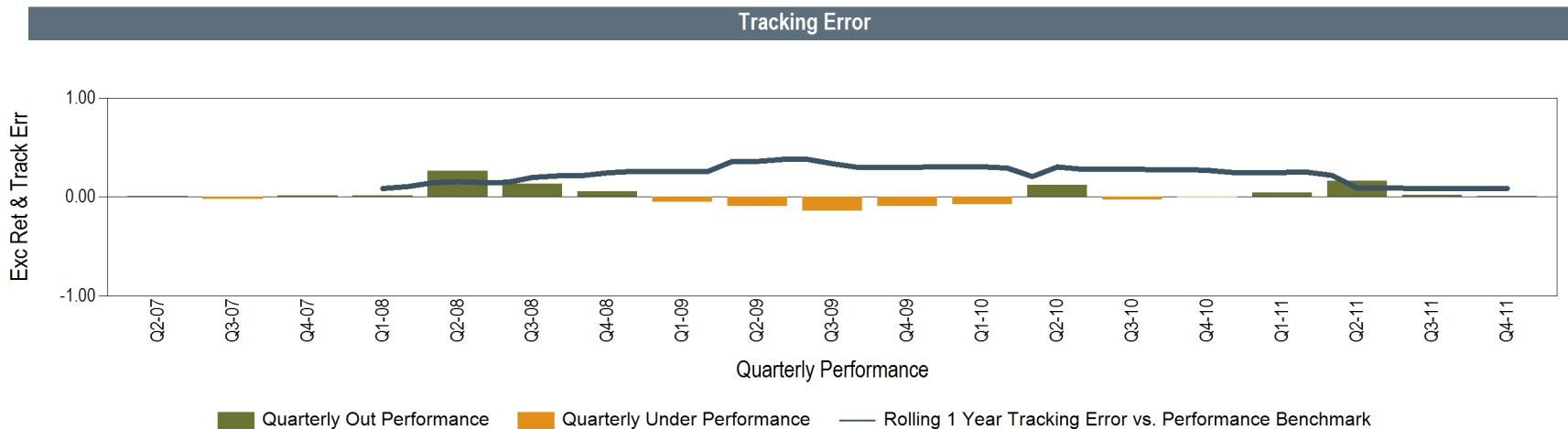
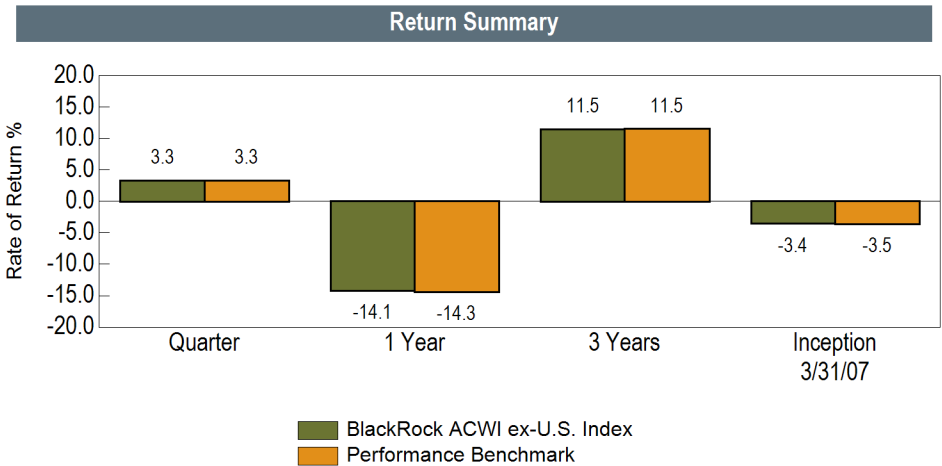
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Manager Performance

Benchmark: Performance Benchmark

The BlackRock ACWI ex-U.S. Index Fund is designed to track the performance and risk characteristics of the MSCI All Country World ex-U.S. IM Index.

| Account Information | |
|---------------------|------------------------------|
| Account Name | BlackRock ACWI ex-U.S. Index |
| Account Structure | Commingled Fund |
| Investment Style | Passive |
| Inception Date | 3/31/07 |
| Account Type | Non-U.S. Stock - All |
| Benchmark | Performance Benchmark |
| Universe | eA All EAFE Equity Net |

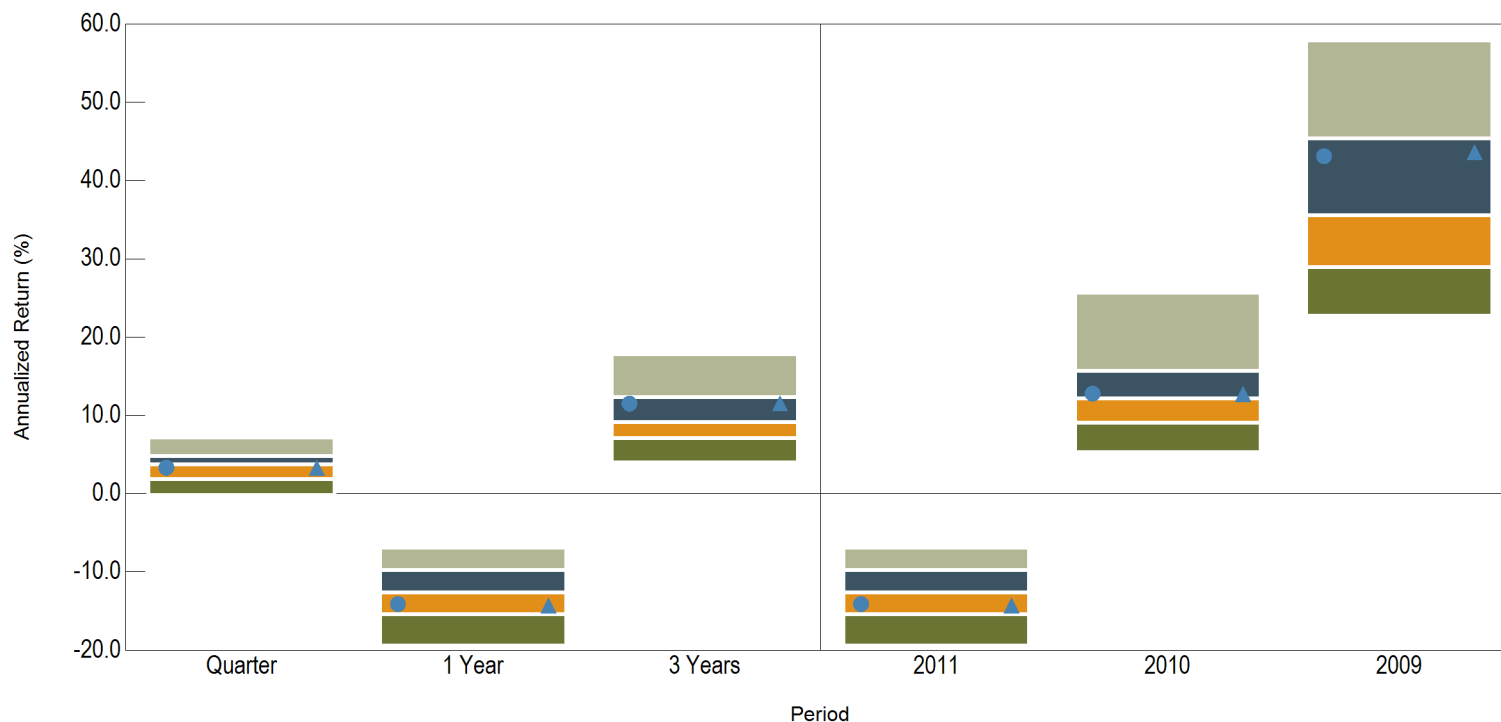


Universe Comparison

Benchmark: Performance Benchmark

Universe: eA All EAFE Equity Net

Ending December 31, 2011



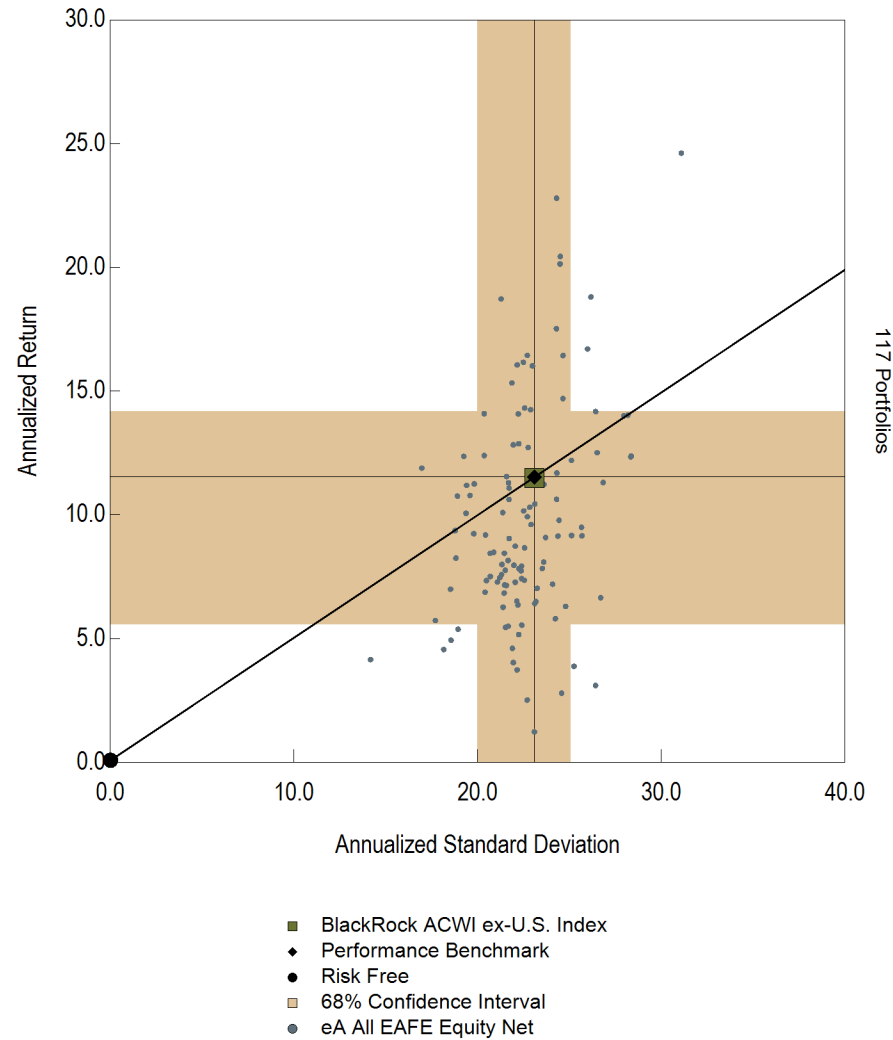
| | Return (Rank) | | | | | | | | | | | |
|---------------------------------------|---------------|------|-------|------|------|------|-------|------|------|------|------|------|
| 5th Percentile | 7.2 | (58) | -6.9 | (65) | 17.8 | (29) | -6.9 | (65) | 25.6 | (45) | 57.9 | (31) |
| 25th Percentile | 4.9 | (58) | -9.7 | (66) | 12.3 | (29) | -9.7 | (66) | 15.7 | (45) | 45.4 | (29) |
| Median | 3.7 | (58) | -12.6 | (66) | 9.2 | (29) | -12.6 | (66) | 12.2 | (45) | 35.6 | (29) |
| 75th Percentile | 1.9 | (58) | -15.4 | (66) | 7.1 | (29) | -15.4 | (66) | 9.1 | (45) | 29.0 | (29) |
| 95th Percentile | -0.2 | (58) | -19.4 | (66) | 4.0 | (29) | -19.4 | (66) | 5.3 | (45) | 22.8 | (29) |
| # of Portfolios | 130 | | 129 | | 117 | | 129 | | 143 | | 173 | |
| ● BlackRock ACWI ex-U.S. Index | 3.3 | (58) | -14.1 | (65) | 11.5 | (29) | -14.1 | (65) | 12.8 | (45) | 43.1 | (31) |
| ▲ Performance Benchmark | 3.3 | (58) | -14.3 | (66) | 11.5 | (29) | -14.3 | (66) | 12.7 | (45) | 43.6 | (29) |

Risk Profile

Benchmark: Performance Benchmark

Universe: eA All EAFE Equity Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



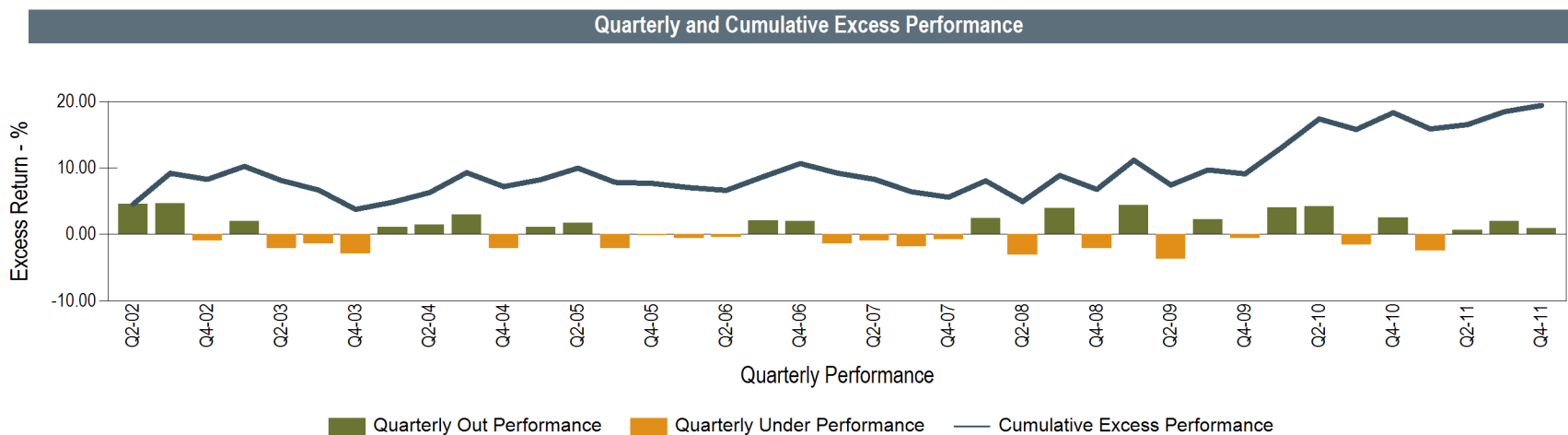
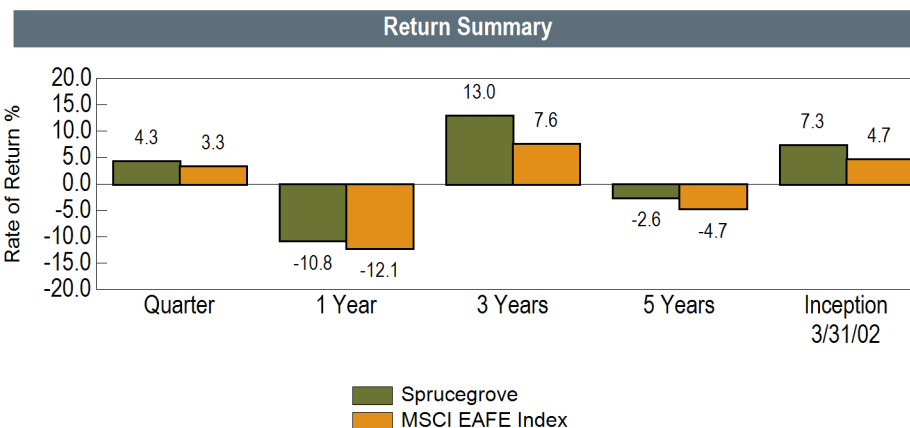
Manager Performance

Benchmark: MSCI EAFE Index

Sprucegrove is a value manager, following a bottom-up approach, and seeking to invest in quality companies selling at attractive valuations. As a value manager, Sprucegrove believes that the international markets are inefficient and by maintaining a long term perspective, they can capitalize on mispricings in the market. Investment objectives are: to maximize the long-term rate of return while preserving the investment capital of the fund by avoiding investment strategies that expose fund assets to excessive risk; to outperform the benchmark over a full market cycle; and to achieve a high ranking relative to similar funds over a market cycle.

High emphasis is given to balance sheet fundamentals, historical operating results, and company management. If a company is truly promising, the portfolio management team instructs the analyst to do a full research report to ensure the company qualifies for inclusion in Sprucegrove's investable universe. There are approximately 300 companies on Sprucegrove's working list.

| Account Information | |
|---------------------|-------------------------------|
| Account Name | Sprucegrove |
| Account Structure | Commingled Fund |
| Investment Style | Active |
| Inception Date | 3/31/02 |
| Account Type | Non-U.S. Stock - All |
| Benchmark | MSCI EAFE Index |
| Universe | eA All EAFE Equity Net |

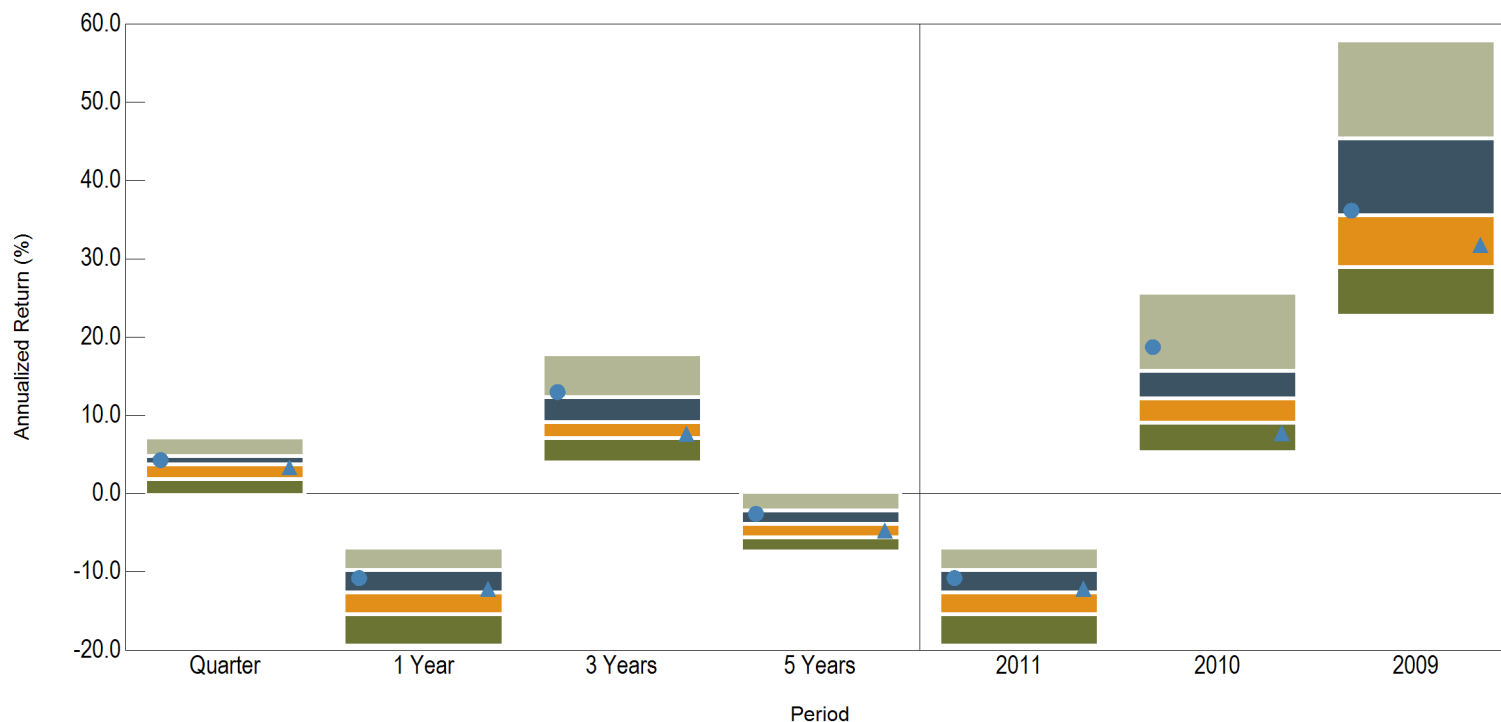


Universe Comparison

Benchmark: MSCI EAFE Index

Universe: eA All EAFE Equity Net

Ending December 31, 2011



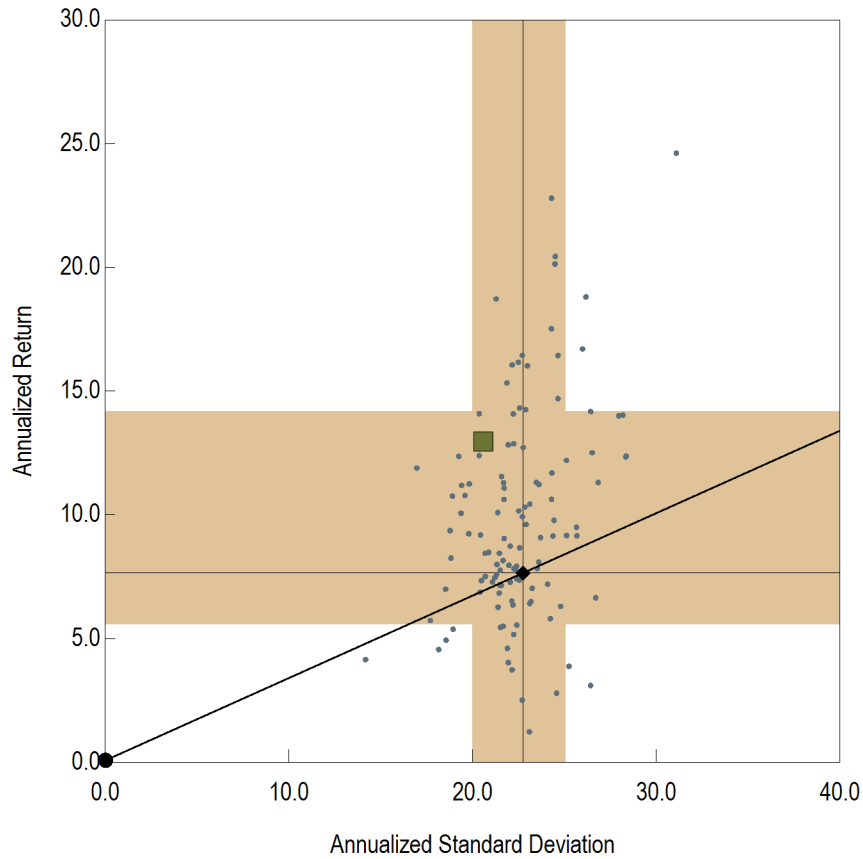
| | Return (Rank) | | | | | | | | | | | | | |
|-------------------|---------------|-------|-------|------|-------|------|------|------|-------|------|------|------|------|------|
| 5th Percentile | 7.2 | -6.9 | 17.8 | 0.2 | -6.9 | 25.6 | 57.9 | | | | | | | |
| 25th Percentile | 4.9 | -9.7 | 12.3 | -2.1 | -9.7 | 15.7 | 45.4 | | | | | | | |
| Median | 3.7 | -12.6 | 9.2 | -3.8 | -12.6 | 12.2 | 35.6 | | | | | | | |
| 75th Percentile | 1.9 | -15.4 | 7.1 | -5.6 | -15.4 | 9.1 | 29.0 | | | | | | | |
| 95th Percentile | -0.2 | -19.4 | 4.0 | -7.3 | -19.4 | 5.3 | 22.8 | | | | | | | |
| # of Portfolios | 130 | 129 | 117 | 96 | 129 | 143 | 173 | | | | | | | |
| ● Sprucegrove | 4.3 | (35) | -10.8 | (31) | 13.0 | (19) | -2.6 | (30) | -10.8 | (31) | 18.7 | (15) | 36.1 | (48) |
| ▲ MSCI EAFE Index | 3.3 | (58) | -12.1 | (45) | 7.6 | (66) | -4.7 | (64) | -12.1 | (45) | 7.8 | (83) | 31.8 | (65) |

Risk Profile

Benchmark: MSCI EAFE Index

Universe: eA All EAFE Equity Net

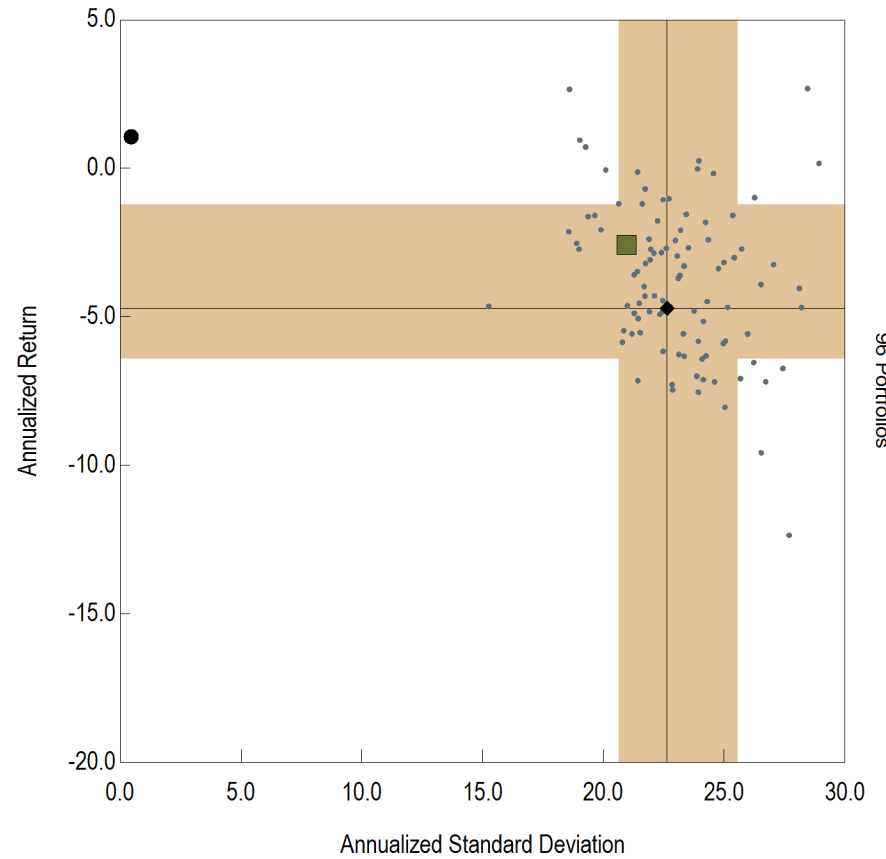
Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



117 Portfolios

- Sprucegrove
- ◆ MSCI EAFE Index
- Risk Free
- 68% Confidence Interval
- eA All EAFE Equity Net

Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011



96 Portfolios

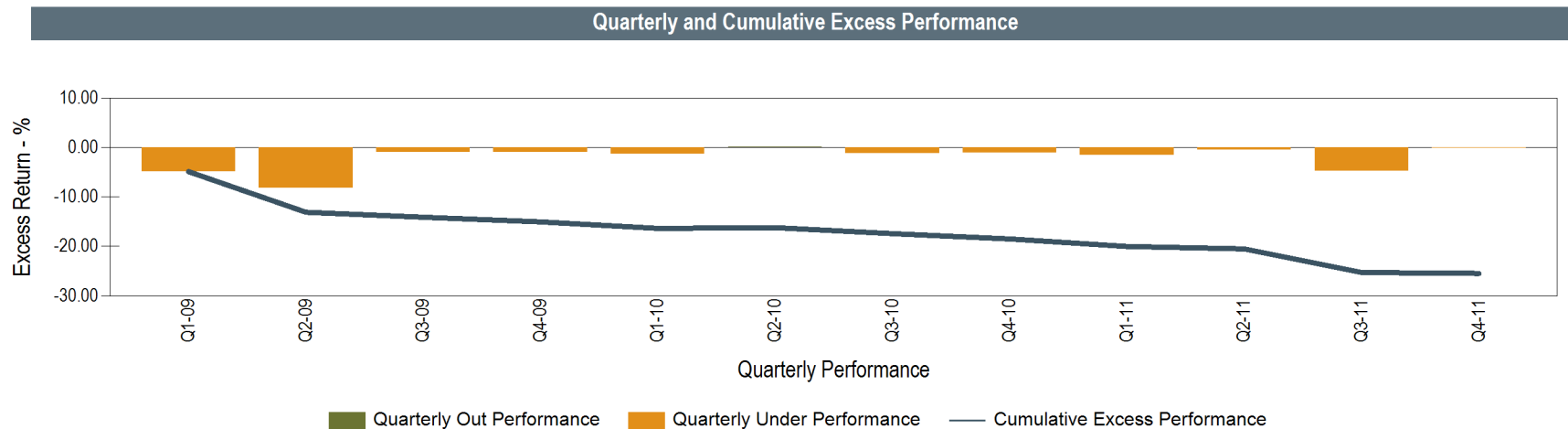
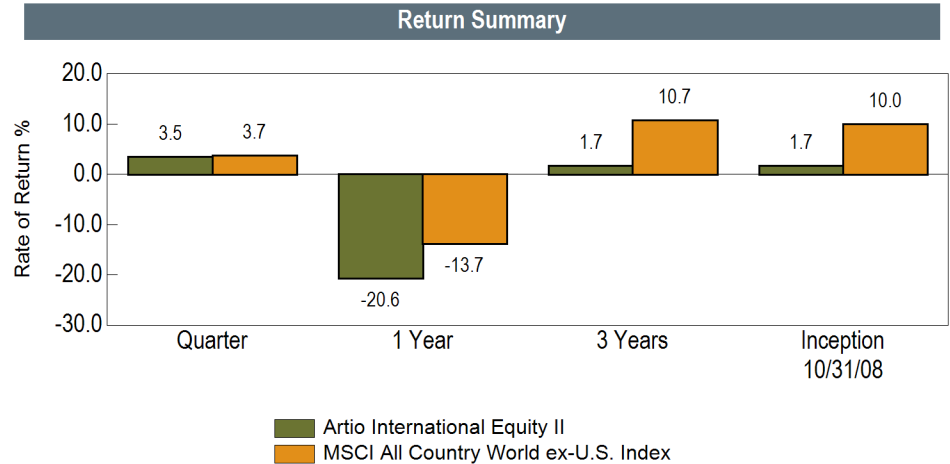
- Sprucegrove
- ◆ MSCI EAFE Index
- Risk Free
- 68% Confidence Interval
- eA All EAFE Equity Net

Manager Performance

Benchmark: MSCI All Country World ex-U.S. Index

Artio's International Equity II strategy is a core, primarily top-down, non-U.S. equity product offering with market capitalization exposure similar to that of the MSCI All Country World ex-U.S. Index. The investment process starts from a macro perspective with focus on how changing global factors will impact individual industries, sectors, and countries. While every member of the investment team is involved at each step of the investment process, it is Mr. Younes who is the primary driver of investment thought and new idea generation. The team applies different fundamental factors to each industry, sector, and country. Country factor analysis is a dominating tool as it pertains to emerging markets. While the investment process is predominately theme-based, bottom-up analysis is employed once specific pockets of relative value are discovered through the top-down process. Artio's bottom-up analysis focuses on industry/country fundamentals, growth expectations, assessment of management, and relative valuation.

| Account Information | |
|---------------------|---|
| Account Name | Artio International Equity II |
| Account Structure | Commingled Fund |
| Investment Style | Active |
| Inception Date | 10/31/08 |
| Account Type | Non-U.S. Stock - All |
| Benchmark | MSCI All Country World ex-U.S. Index |
| Universe | eA All EAFE Equity Net |

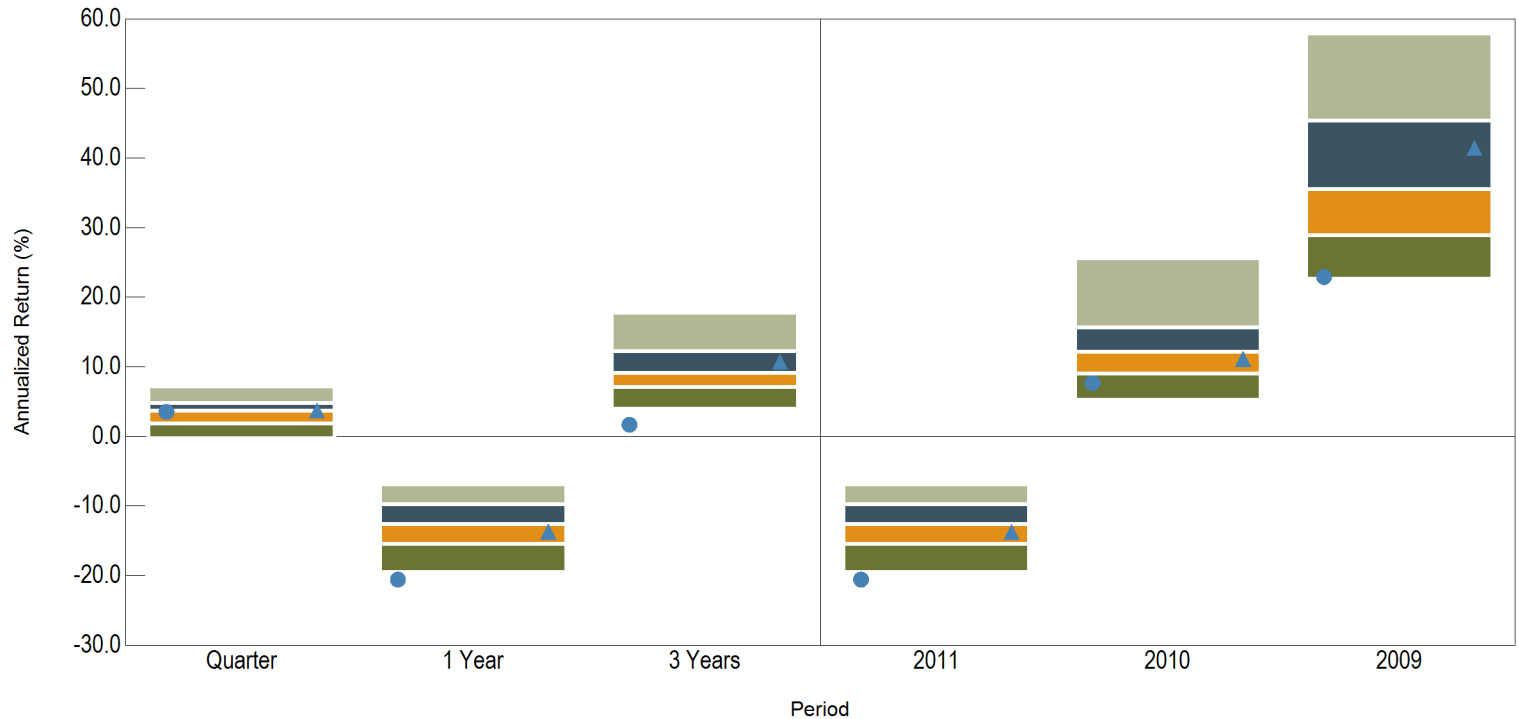


Universe Comparison

Benchmark: MSCI All Country World ex-U.S. Index

Universe: eA All EAFE Equity Net

Ending December 31, 2011

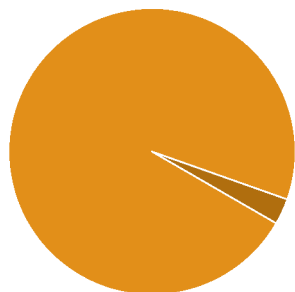


| | Return (Rank) | | | | | | | | | | | |
|--|---------------|-------|-------|-------|------|------|-------|------|------|------|------|------|
| 5th Percentile | 7.2 | -6.9 | 17.8 | -6.9 | 25.6 | 57.9 | | | | | | |
| 25th Percentile | 4.9 | -9.7 | 12.3 | -9.7 | 15.7 | 45.4 | | | | | | |
| Median | 3.7 | -12.6 | 9.2 | -12.6 | 12.2 | 35.6 | | | | | | |
| 75th Percentile | 1.9 | -15.4 | 7.1 | -15.4 | 9.1 | 29.0 | | | | | | |
| 95th Percentile | -0.2 | -19.4 | 4.0 | -19.4 | 5.3 | 22.8 | | | | | | |
| # of Portfolios | 130 | 129 | 117 | 129 | 143 | 173 | | | | | | |
| ● Artio International Equity II | 3.5 | (54) | -20.6 | (97) | 1.7 | (99) | -20.6 | (97) | 7.7 | (83) | 22.9 | (95) |
| ▲ MSCI All Country World ex-U.S. Index | 3.7 | (51) | -13.7 | (60) | 10.7 | (37) | -13.7 | (60) | 11.2 | (54) | 41.4 | (35) |

Manager Analysis

Benchmark: MSCI All Country World ex-U.S. Index

Current Allocation



| | Actual \$ | Actual % |
|-------------------|---------------------|----------|
| US Equity | \$0 | 0.0% |
| Non-US Equity | \$61,177,736 | 97.1% |
| US Fixed Inc. | \$0 | 0.0% |
| Non-US Fixed Inc. | \$0 | 0.0% |
| Alternative | \$0 | 0.0% |
| Real Estate | \$0 | 0.0% |
| Cash | \$1,846,376 | 2.9% |
| Other | \$0 | 0.0% |
| Unassigned | \$0 | 0.0% |
| Total | \$63,024,112 | |

Characteristics

| | Portfolio | MSCI ACWI ex USA Gross |
|---------------------------------|-----------|------------------------------|
| Number of Holdings | 186 | 1,847 |
| Weighted Avg. Market Cap. (\$B) | 52.46 | 41.95 |
| Median Market Cap. (\$B) | 23.26 | 5.14 |
| Price To Earnings | 14.76 | 13.49 |
| Price To Book | 2.66 | 2.39 |
| Price To Sales | 3.12 | 1.91 |
| Return on Equity (%) | 21.53 | 17.20 |
| Yield (%) | 2.74 | 3.46 |
| Beta | 0.98 | 1.00 |
| R-Squared | 0.95 | 1.00 |

Top Holdings

| | Weight % |
|--------------------------|---------------|
| ROYAL DUTCH SHELL A(LON) | 2.71% |
| VODAFONE GROUP | 2.24% |
| BG GROUP | 1.97% |
| NESTLE 'R' | 1.93% |
| FRAPORT | 1.85% |
| NOVO NORDISK 'B' | 1.80% |
| BHP BILLITON | 1.69% |
| SUNCOR ENERGY | 1.64% |
| NOVARTIS 'R' | 1.55% |
| HSBC HDG. (ORD \$0.50) | 1.48% |
| Total | 18.85% |

Best Performers

| | Portfolio Weight % | Index Weight % | Return % |
|-----------------------------|-----------------------|-------------------|----------|
| CHINA NAT.BLDG.MRA.'H' | 0.11% | 0.02% | 31.36% |
| ZHUZHOU CSR TIMES ELEC. 'H' | 0.10% | 0.01% | 30.83% |
| IVANHOE MINES | 0.92% | 0.04% | 28.11% |
| ROLLS-ROYCE HOLDINGS | 0.72% | 0.16% | 26.37% |
| CRH | 0.35% | | 25.81% |
| DONGFENG MOTOR GP.'H' | 0.68% | 0.03% | 24.54% |
| TINGYI CYMN.ISLE.HLDG. | 0.00% | | 23.33% |
| ASML HOLDING | 0.22% | 0.13% | 20.48% |
| ATLAS COPCO 'A' | 0.51% | 0.10% | 20.45% |
| ROYAL DUTCH SHELL A(LON) | 2.71% | 0.96% | 19.76% |

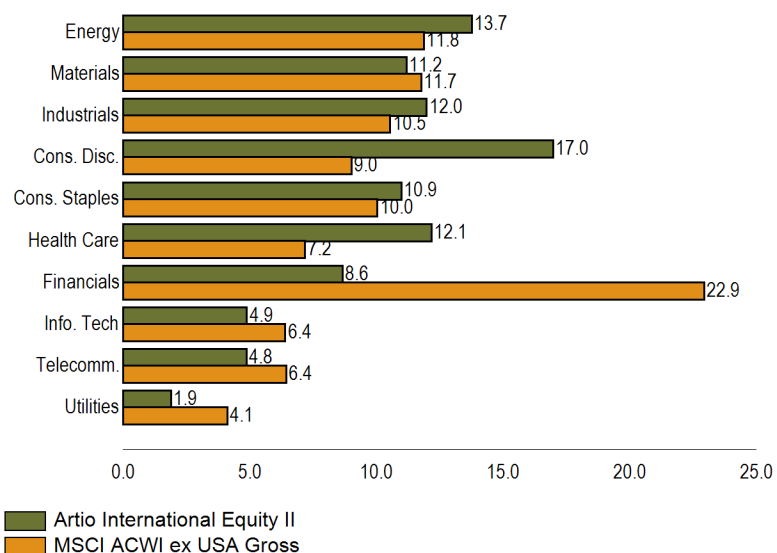
Worst Performers

| | Portfolio Weight % | Index Weight % | Return % |
|-------------------------|-----------------------|-------------------|----------|
| ERSTE GROUP BANK | 0.00% | | -32.11% |
| CTRIIP.COM INTL.ADR 4:1 | 0.52% | | -27.23% |
| UNITED LABS.INTL.HDG. | 0.00% | | -25.20% |
| PAN AMER.SILV. | 0.06% | 0.01% | -19.15% |
| FRAPORT | 1.85% | 0.01% | -16.52% |
| CELLTRION | 0.13% | 0.01% | -15.92% |
| AISIN SEIKI | 0.09% | 0.02% | -15.66% |
| DENSO | 0.00% | | -15.18% |
| ASAHI GLASS | 0.00% | | -13.36% |
| NITTO DENKO | 0.07% | 0.02% | -10.71% |

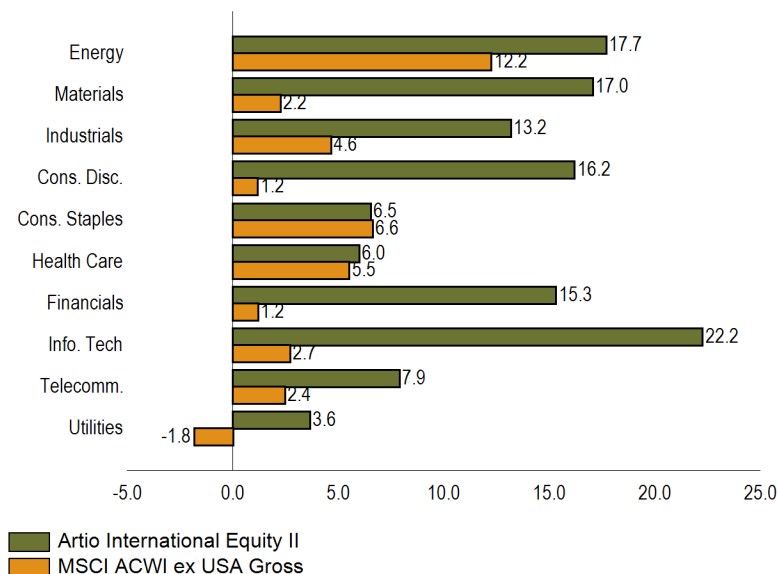
Sector Attribution

Benchmark: MSCI All Country World ex-U.S. Index

Sector Allocation (%) vs MSCI ACWI ex USA Gross



Sector Returns (%) vs MSCI ACWI ex USA Gross



Performance Attribution vs. MSCI ACWI ex USA Gross

| | Total | | Selection | | Allocation | | Currency | | Interaction |
|---------------|---------|---|-----------|---|------------|---|----------|---|-------------|
| | Effects | | Effect | | Effect | | Effect | | Effects |
| Energy | 0.49% | | -0.05% | | 0.72% | | 0.68% | | -0.85% |
| Materials | 1.78% | | 0.33% | | 0.83% | | 1.08% | | -0.46% |
| Industrials | 0.98% | | 0.62% | | 0.15% | | 0.34% | | -0.12% |
| Cons. Disc. | 4.17% | | 0.40% | | 3.05% | | 1.07% | | -0.35% |
| Cons. Staples | -0.25% | | -0.32% | | 0.10% | | 0.01% | | -0.04% |
| Health Care | -0.20% | | 1.41% | | 0.41% | | 0.61% | | -2.63% |
| Financials | 0.82% | | 0.46% | | 0.05% | | -0.10% | | 0.42% |
| Info. Tech | 1.33% | | -0.21% | | 0.13% | | 0.08% | | 1.34% |
| Telecomm. | 0.42% | | -0.14% | | 0.37% | | -0.09% | | 0.28% |
| Utilities | 0.55% | | -0.12% | | 0.66% | | -0.03% | | 0.05% |
| Cash | 0.00% | | -- | | 0.00% | | -- | | 0.00% |
| Portfolio | 10.09% | = | 2.37% | + | 6.46% | + | 3.63% | + | -2.37% |

Country Allocation

Benchmark: MSCI All Country World ex-U.S. Index

| Versus MSCI ACWI Gross - Quarter Ending December 31, 2011 | | | | |
|---|---------------------------------------|-------------------------------------|-------------------------|-----------------------|
| | Manager Ending Allocation (USD) | Index Ending Allocation (USD) | Manager Return (USD) | Index Return (USD) |
| Americas | | | | |
| Brazil* | 0.0% | 1.9% | -5.8% | 8.9% |
| Canada | 6.4% | 4.6% | 15.1% | 5.2% |
| Chile* | 0.0% | 0.2% | -- | 7.9% |
| Colombia* | 0.0% | 0.1% | -- | 2.4% |
| Mexico* | 0.0% | 0.6% | 16.6% | 9.4% |
| Peru* | 0.0% | 0.1% | -- | 13.1% |
| United States | 1.2% | 45.7% | 31.1% | 11.8% |
| Total-Americas | 7.6% | 53.2% | 18.0% | 11.0% |
| Europe | | | | |
| Austria | 0.0% | 0.1% | -16.2% | -5.1% |
| Belgium | 0.5% | 0.4% | -- | 2.1% |
| Czech Republic* | 0.3% | 0.0% | 4.4% | -1.9% |
| Denmark | 1.8% | 0.4% | 8.6% | 8.2% |
| Finland | 0.2% | 0.3% | 3.6% | -2.0% |
| France | 10.6% | 3.4% | 11.5% | 2.8% |
| Germany | 10.5% | 3.1% | 17.0% | 3.8% |
| Greece | 0.0% | 0.0% | 12.1% | -28.3% |
| Hungary* | 0.0% | 0.0% | -- | -2.4% |
| Ireland | 0.8% | 0.1% | 20.8% | 21.8% |
| Italy | 1.2% | 0.9% | 23.1% | 0.9% |
| Luxembourg | 0.3% | 0.0% | 5.3% | 10.7% |
| Netherlands | 5.0% | 0.9% | 15.7% | 6.6% |
| Norway | 0.3% | 0.4% | 2.8% | 9.5% |
| Poland* | 0.0% | 0.2% | -- | -6.1% |
| Portugal | 0.0% | 0.1% | -- | -9.2% |
| Russia* | 1.6% | 0.8% | 23.8% | 5.7% |
| Spain | 0.4% | 1.2% | -- | -2.2% |
| Sweden | 1.2% | 1.1% | 12.2% | 8.9% |
| Switzerland | 9.3% | 3.1% | 20.1% | 4.2% |
| United Kingdom | 19.8% | 8.6% | 15.4% | 9.1% |
| Total-Europe | 63.7% | 25.2% | 14.8% | 5.3% |

| Versus MSCI ACWI Gross - Quarter Ending December 31, 2011 | | | | |
|---|---------------------------------------|-------------------------------------|-------------------------|-----------------------|
| | Manager Ending Allocation (USD) | Index Ending Allocation (USD) | Manager Return (USD) | Index Return (USD) |
| AsiaPacific | | | | |
| Australia | 1.6% | 3.2% | 10.6% | 7.5% |
| China* | 6.1% | 2.1% | 18.2% | 8.3% |
| Hong Kong | 3.8% | 1.0% | 19.6% | 6.3% |
| India* | 0.0% | 0.8% | 9.6% | -14.0% |
| Indonesia* | 0.0% | 0.4% | -- | 5.8% |
| Japan | 10.5% | 7.9% | 3.5% | -3.9% |
| Korea* | 1.8% | 1.9% | -0.3% | 5.9% |
| Malaysia* | 0.0% | 0.4% | -- | 11.9% |
| New Zealand | 0.0% | 0.0% | -- | -2.3% |
| Philippines* | 0.0% | 0.1% | -- | 8.3% |
| Singapore | 0.5% | 0.6% | -- | -1.0% |
| Taiwan* | 0.9% | 1.3% | -- | -0.3% |
| Thailand* | 0.0% | 0.2% | -- | 10.5% |
| Total-AsiaPacific | 25.1% | 20.1% | 11.0% | 1.0% |
| Other | | | | |
| Egypt* | 0.0% | 0.0% | -- | -12.7% |
| Israel | 0.6% | 0.2% | 9.8% | 4.9% |
| Morocco* | 0.0% | 0.0% | -- | -10.0% |
| South Africa* | 0.0% | 1.0% | 4.3% | 6.9% |
| Turkey* | 0.0% | 0.2% | -- | -15.8% |
| Total-Other | 0.6% | 1.5% | 6.8% | 2.8% |

* Asterisk denotes Emerging Markets countries

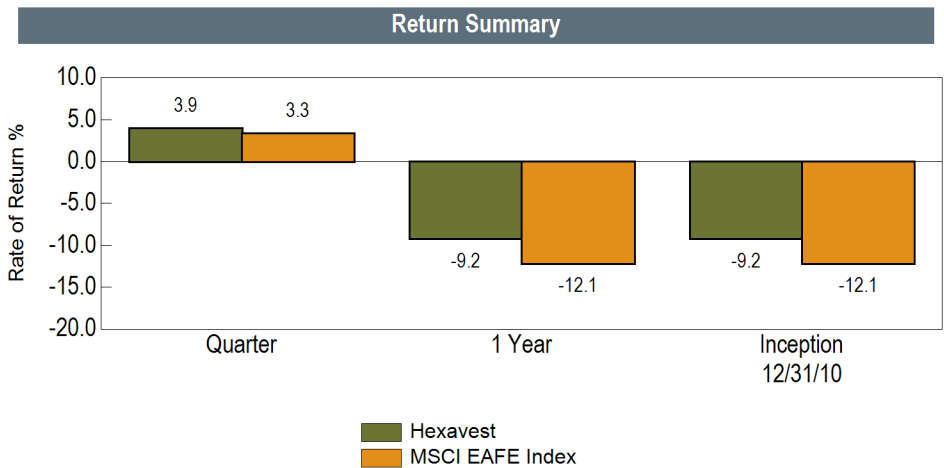
Manager Performance

Benchmark: MSCI EAFE Index

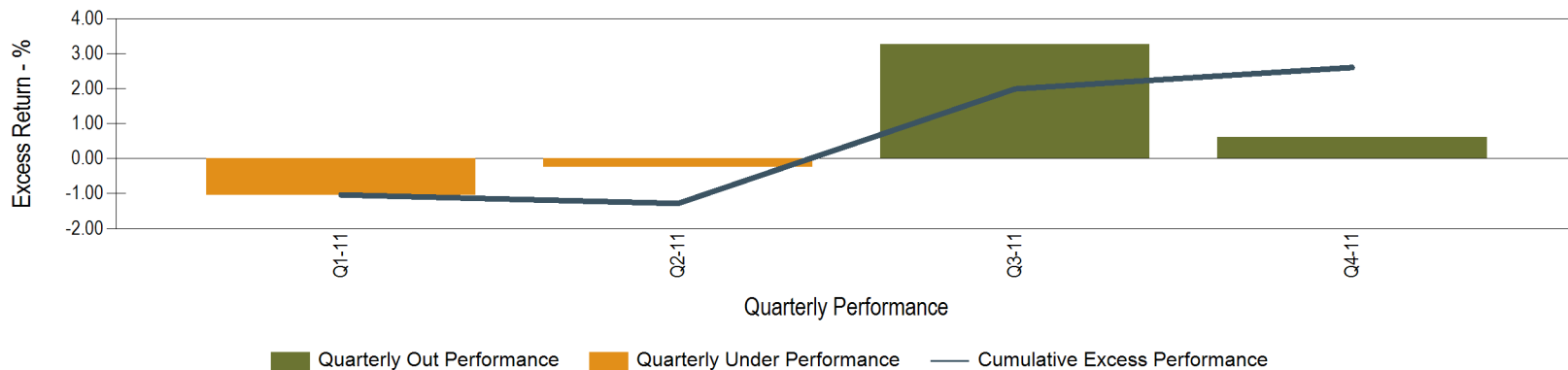
The manager's investment process was established in the early 1990s and at the time was almost entirely macro-focused. The model was enhanced in 1999 to include a bottom-up component, expected to contribute 20% to the overall decision making, so that portfolio managers can fine tune the active positions to further express their market views.

Hexavest attempts to identify inconsistencies at a macro level by analyzing the following three factor groups: economic environment (e.g., growth and interest rates), valuation of the individual markets, and sentiment (e.g., momentum and risk).

| Account Information | |
|---------------------|------------------------|
| Account Name | Hexavest |
| Account Structure | Commingled Fund |
| Investment Style | Active |
| Inception Date | 12/31/10 |
| Account Type | Non-U.S. Stock - All |
| Benchmark | MSCI EAFE Index |
| Universe | eA All EAFE Equity Net |



Quarterly and Cumulative Excess Performance

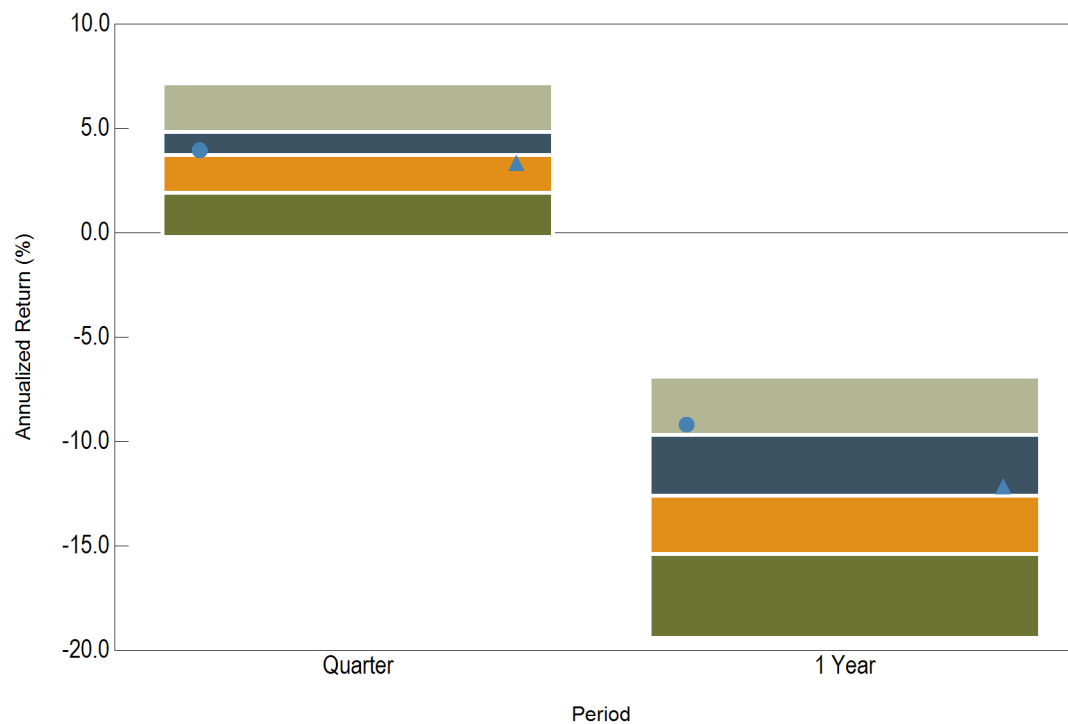


Universe Comparison

Benchmark: MSCI EAFE Index

Universe: eA All EAFE Equity Net

Ending December 31, 2011



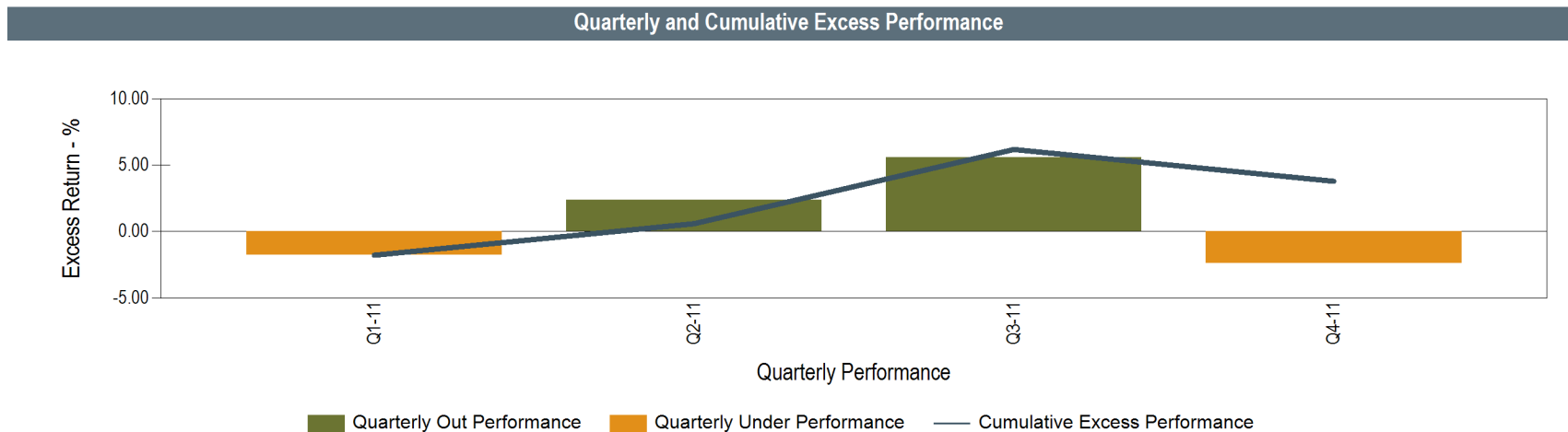
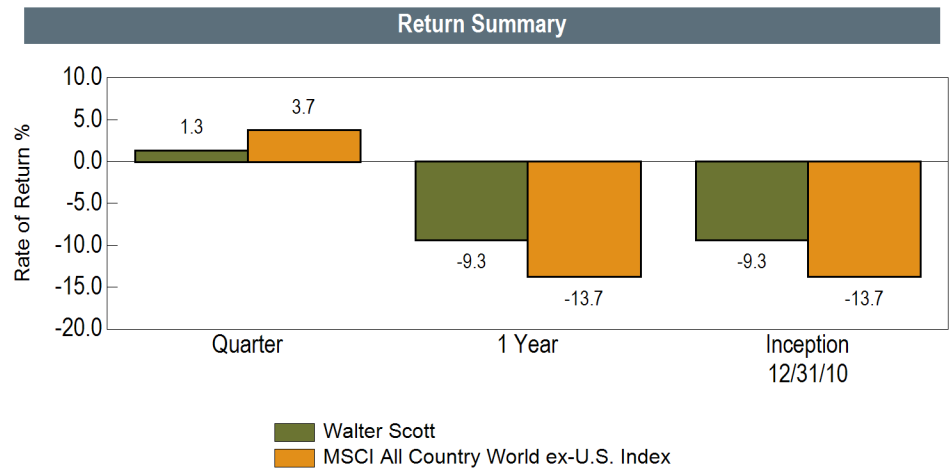
| | Return (Rank) | | | |
|-------------------|---------------|------|-------|------|
| 5th Percentile | 7.2 | | -6.9 | |
| 25th Percentile | 4.9 | | -9.7 | |
| Median | 3.7 | | -12.6 | |
| 75th Percentile | 1.9 | | -15.4 | |
| 95th Percentile | -0.2 | | -19.4 | |
| # of Portfolios | 130 | | 129 | |
| ● Hexavest | 3.9 | (47) | -9.2 | (22) |
| ▲ MSCI EAFE Index | 3.3 | (58) | -12.1 | (45) |

Manager Performance

Benchmark: MSCI All Country World ex-U.S. Index

Walter Scott & Partners employs a bottom-up fundamental growth investment style. Security selection focuses on companies with 20% or more internal growth which will be sustainable over time. The manager identifies major political and economic trends that may impact industry or sector growth. At the company level, the manager utilizes fundamental analysis such as returns on invested capital, soundness of management, strength of balance sheet, and management track record. By gaining an understanding as to how the financial figures of the past were generated, the analysts will be able to better understand how future earnings will be generated.

| Account Information | |
|---------------------|--------------------------------------|
| Account Name | Walter Scott |
| Account Structure | Commingled Fund |
| Investment Style | Active |
| Inception Date | 12/31/10 |
| Account Type | Non-U.S. Stock - All |
| Benchmark | MSCI All Country World ex-U.S. Index |
| Universe | eA All EAFE Equity Net |

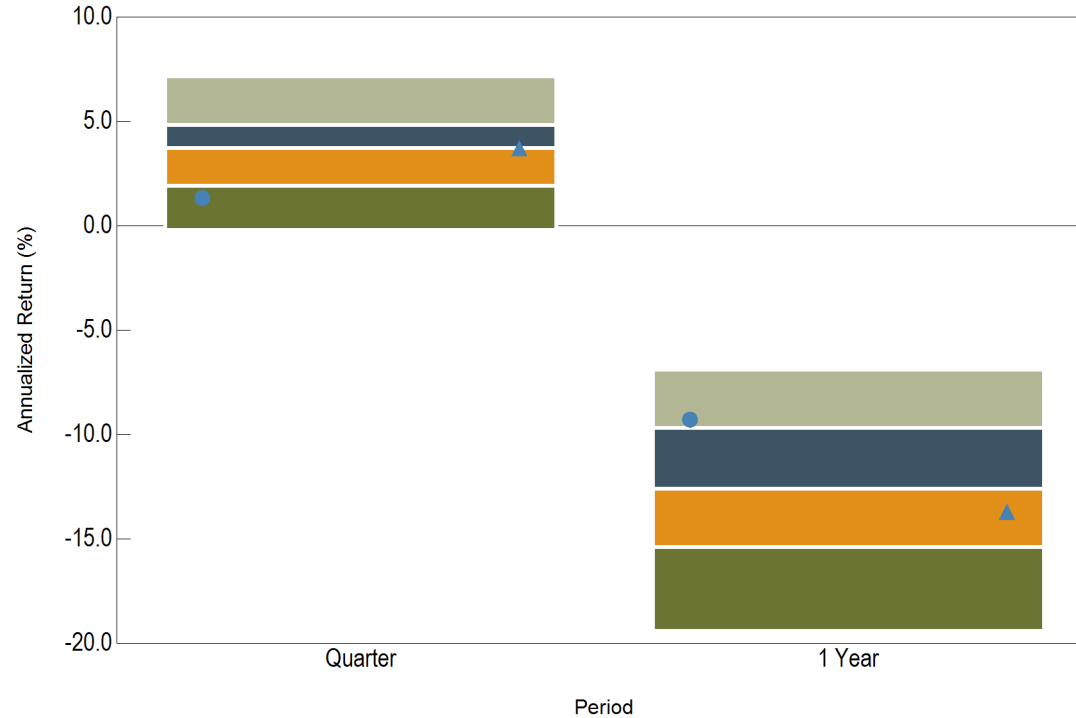


Universe Comparison

Benchmark: MSCI All Country World ex-U.S. Index

Universe: eA All EAFE Equity Net

Ending December 31, 2011



| | Return (Rank) | | | |
|--|---------------|------|-------|------|
| 5th Percentile | 7.2 | | -6.9 | |
| 25th Percentile | 4.9 | | -9.7 | |
| Median | 3.7 | | -12.6 | |
| 75th Percentile | 1.9 | | -15.4 | |
| 95th Percentile | -0.2 | | -19.4 | |
| # of Portfolios | 130 | | 129 | |
| ● Walter Scott | 1.3 | (81) | -9.3 | (23) |
| ▲ MSCI All Country World ex-U.S. Index | 3.7 | (51) | -13.7 | (60) |

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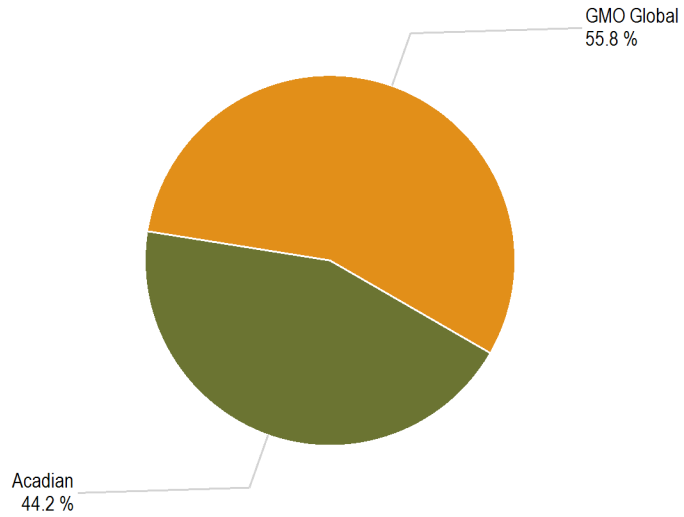


Total Global Equity

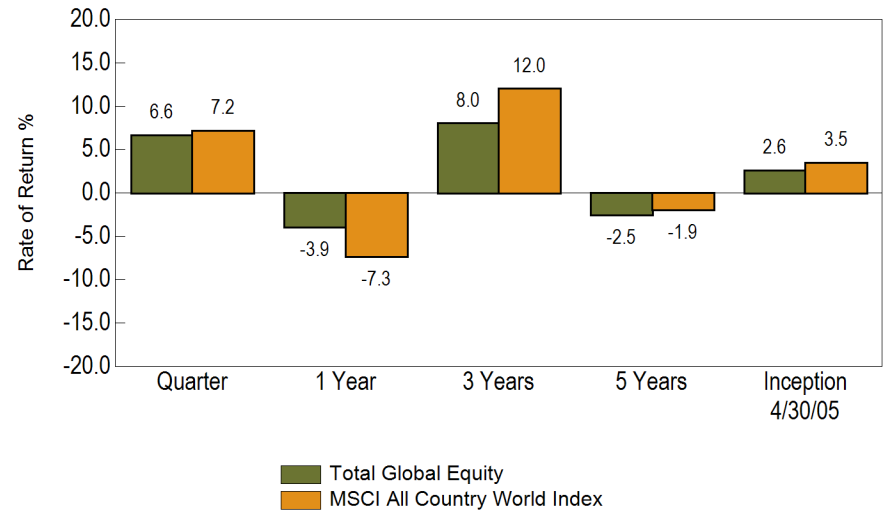
Overview

Benchmark: MSCI All Country World Index

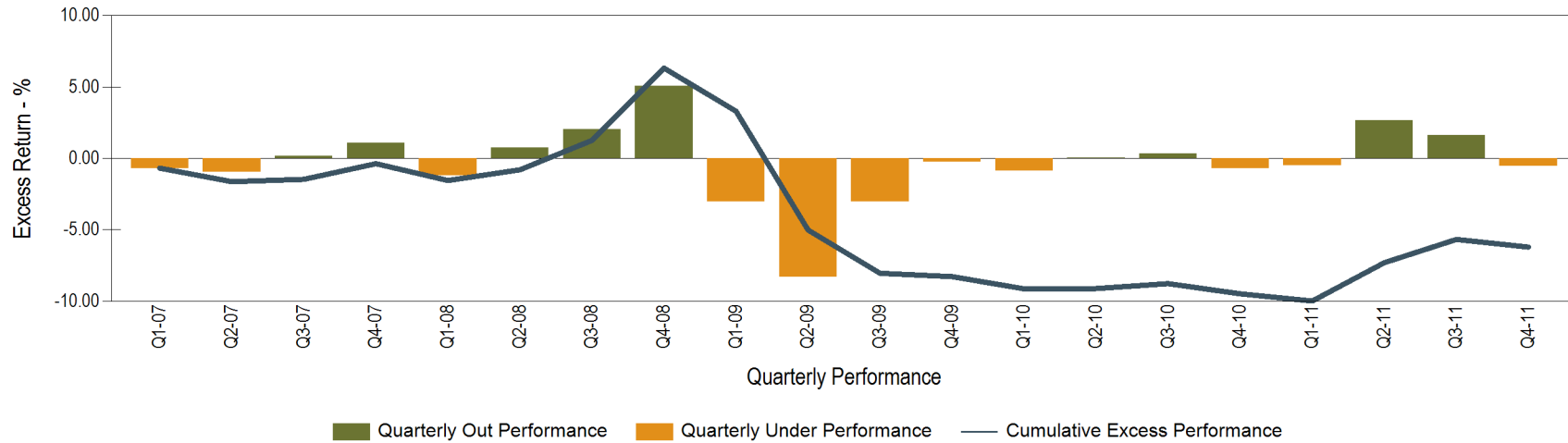
Current Allocation



Return Summary



Quarterly and Cumulative Excess Performance

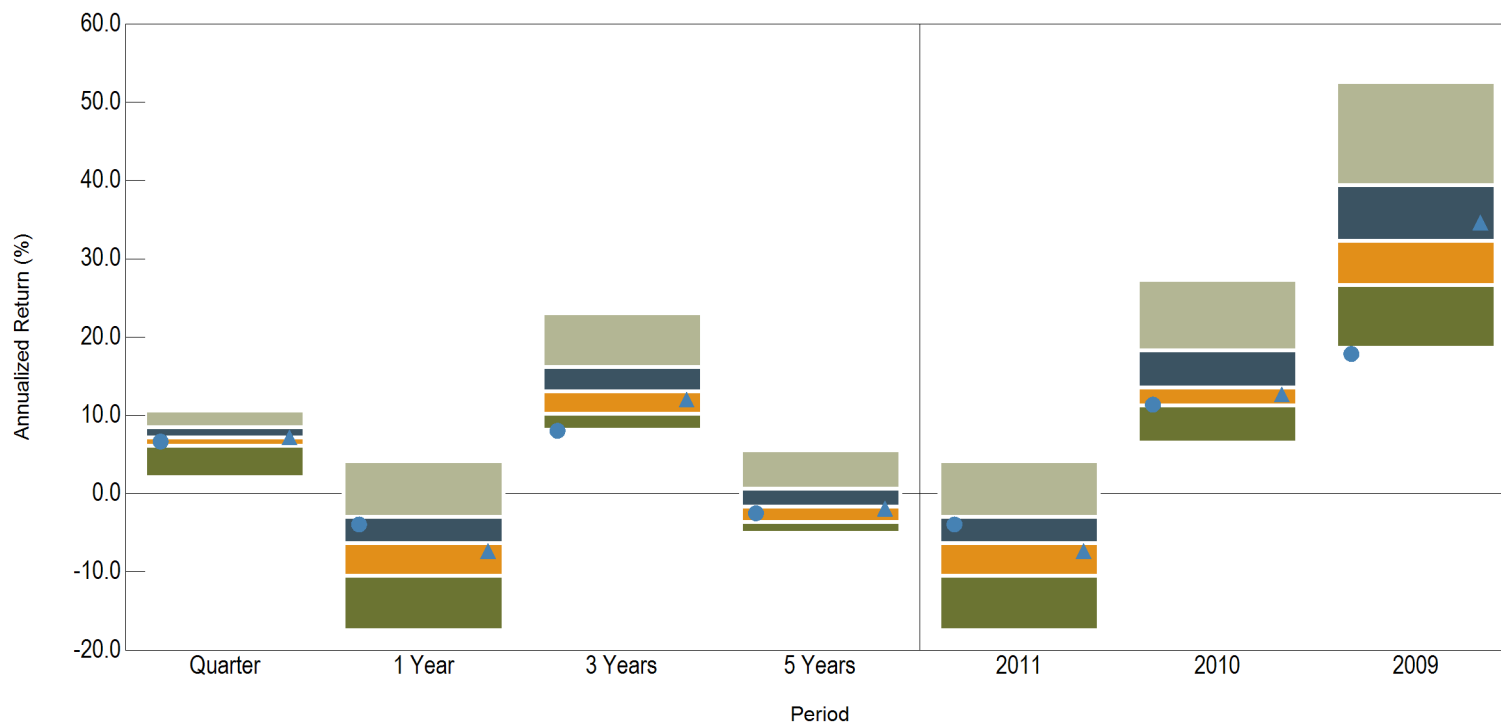


Universe Comparison

Benchmark: MSCI All Country World Index

Universe: eA All Global Equity Net

Ending December 31, 2011



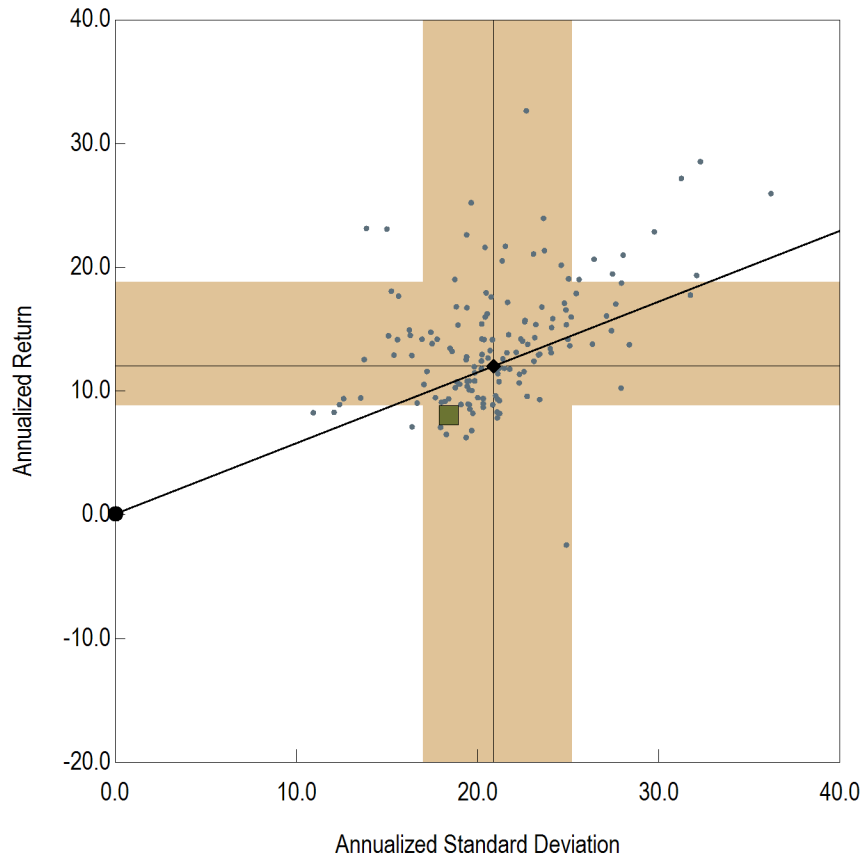
| | Return (Rank) | | | | | | | | | | | | | |
|--------------------------------|---------------|-------|------|------|-------|------|------|------|------|------|------|------|------|------|
| 5th Percentile | 10.6 | 4.1 | 23.0 | 5.5 | 4.1 | 27.2 | 52.6 | | | | | | | |
| 25th Percentile | 8.5 | -2.9 | 16.2 | 0.7 | -2.9 | 18.3 | 39.5 | | | | | | | |
| Median | 7.2 | -6.3 | 13.1 | -1.6 | -6.3 | 13.6 | 32.4 | | | | | | | |
| 75th Percentile | 6.1 | -10.4 | 10.2 | -3.6 | -10.4 | 11.3 | 26.7 | | | | | | | |
| 95th Percentile | 2.2 | -17.4 | 8.2 | -4.9 | -17.4 | 6.6 | 18.7 | | | | | | | |
| # of Portfolios | 189 | 186 | 149 | 113 | 186 | 140 | 103 | | | | | | | |
| ● Total Global Equity | 6.6 | (69) | -3.9 | (35) | 8.0 | (96) | -2.5 | (58) | -3.9 | (35) | 11.4 | (75) | 17.8 | (96) |
| ▲ MSCI All Country World Index | 7.2 | (53) | -7.3 | (56) | 12.0 | (61) | -1.9 | (53) | -7.3 | (56) | 12.7 | (56) | 34.6 | (46) |

Risk Profile

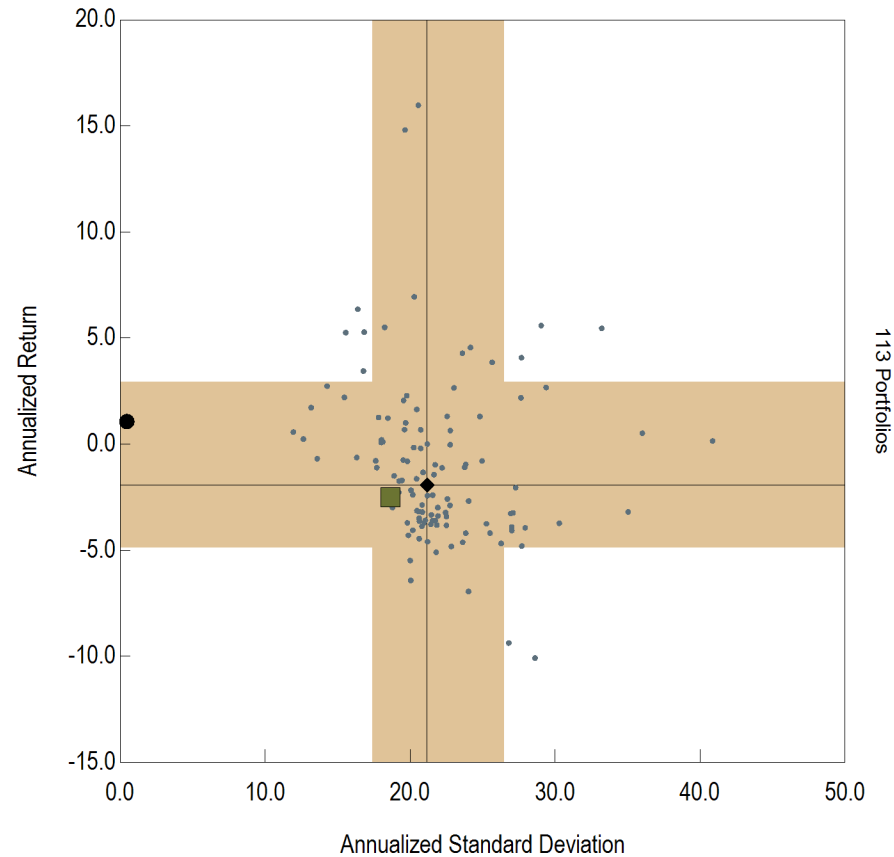
Benchmark: MSCI All Country World Index

Universe: eA All Global Equity Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011

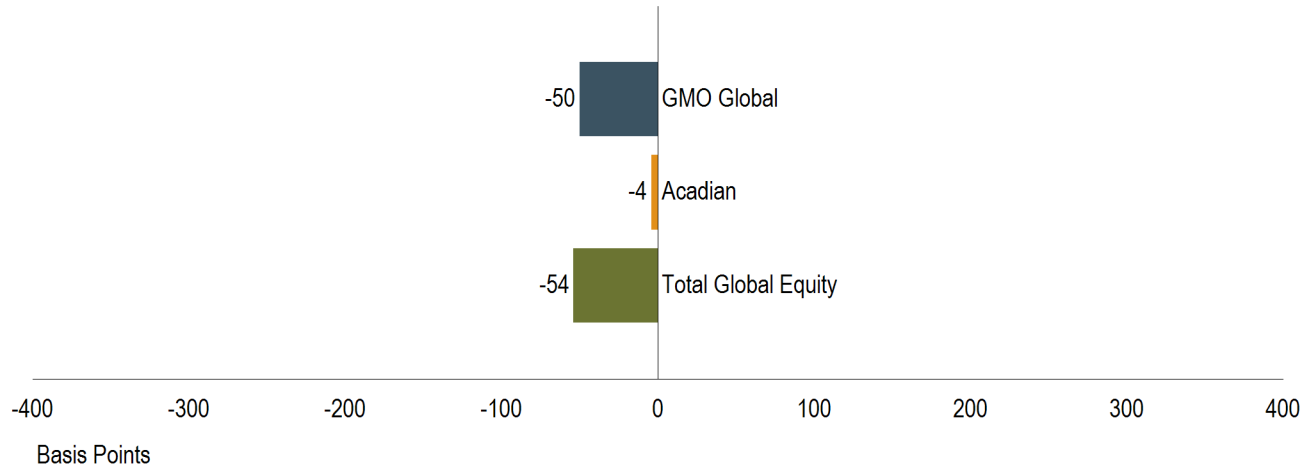


- Total Global Equity
- ◆ MSCI All Country World Index
- Risk Free
- 68% Confidence Interval
- eA All Global Equity Net

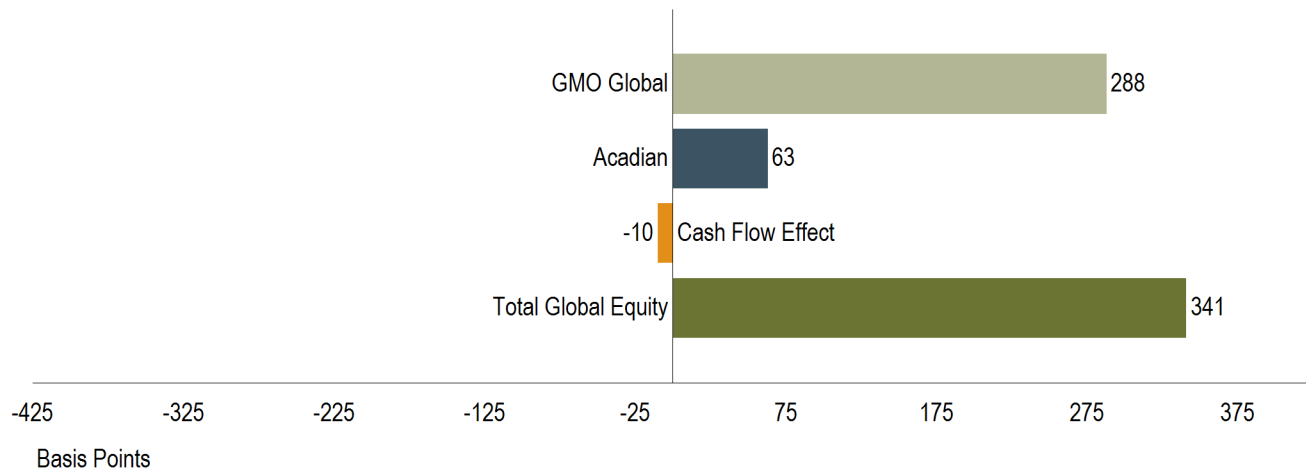
- Total Global Equity
- ◆ MSCI All Country World Index
- Risk Free
- 68% Confidence Interval
- eA All Global Equity Net

Attribution

**MANAGER ATTRIBUTION ANALYSIS
3 MONTHS ENDING 12/31/11**



**MANAGER ATTRIBUTION ANALYSIS
1 YEAR ENDING 12/31/11**



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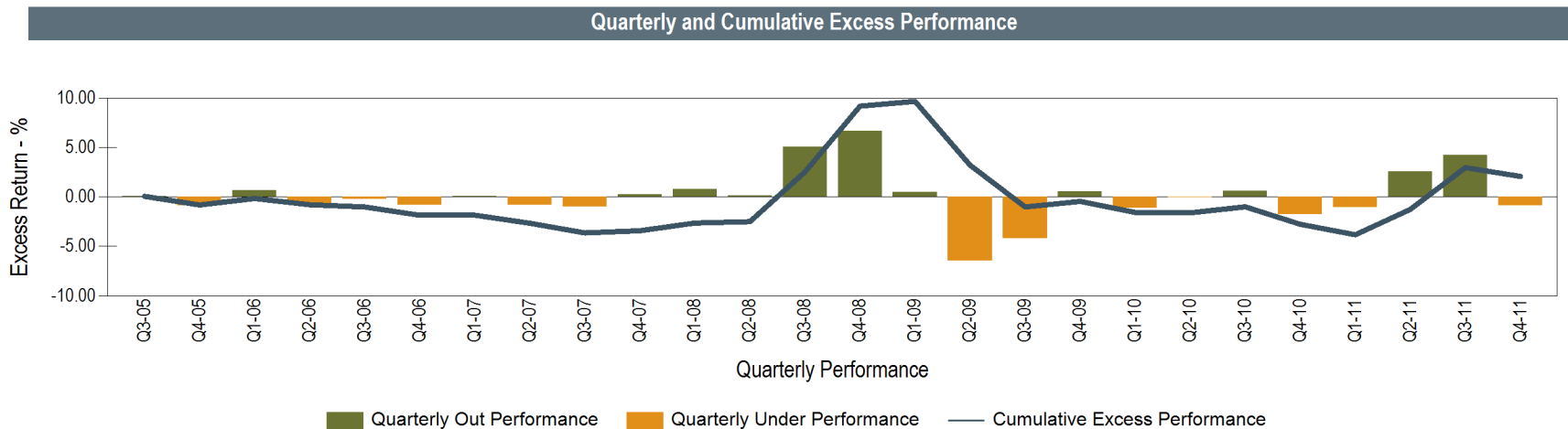
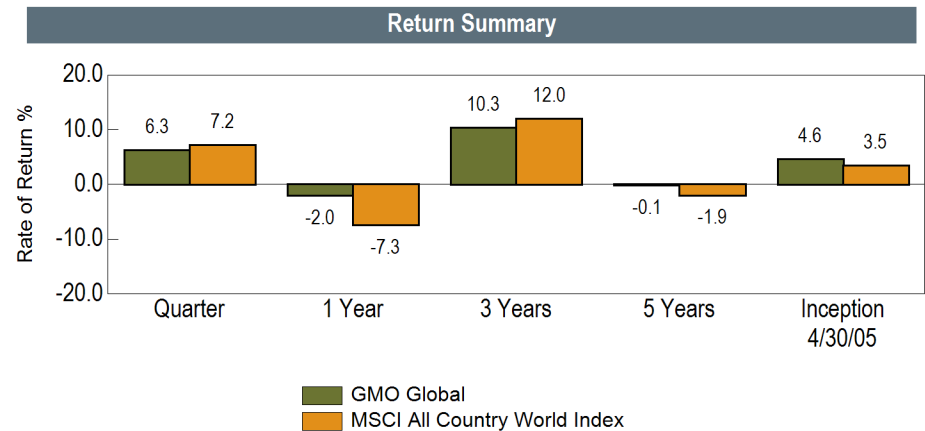
Manager Performance

Benchmark: MSCI All Country World Index

GMO uses a quantitative investment process to allocate between several of their mutual funds. They aim to add value both from opportunistic allocation between various segments of the market and from stock selection within the individual funds.

GMO does not employ a team of traditional fundamental security analysts. Instead, they attempt to exploit market inefficiencies by evaluating asset classes and individual securities largely through quantitative analysis. They prepare seven-year forecasts for different asset classes by conducting regression analysis on statistical and macroeconomic data. The forecasts are revised once every year, which leads to re-allocation among the different mutual funds. There is minimal rebalancing during the year. While the global equity allocation portfolio has no style bias, both value and momentum factors are taken into account when evaluating potential holdings (at the individual fund level). About 70% of the contribution to the portfolio is expected from value-related factors and 30% from momentum-related ones.

| Account Information | |
|---------------------|-------------------------------------|
| Account Name | GMO Global |
| Account Structure | Commingled Fund |
| Investment Style | Active |
| Inception Date | 4/30/05 |
| Account Type | Global Equity |
| Benchmark | MSCI All Country World Index |
| Universe | eA All Global Equity Net |

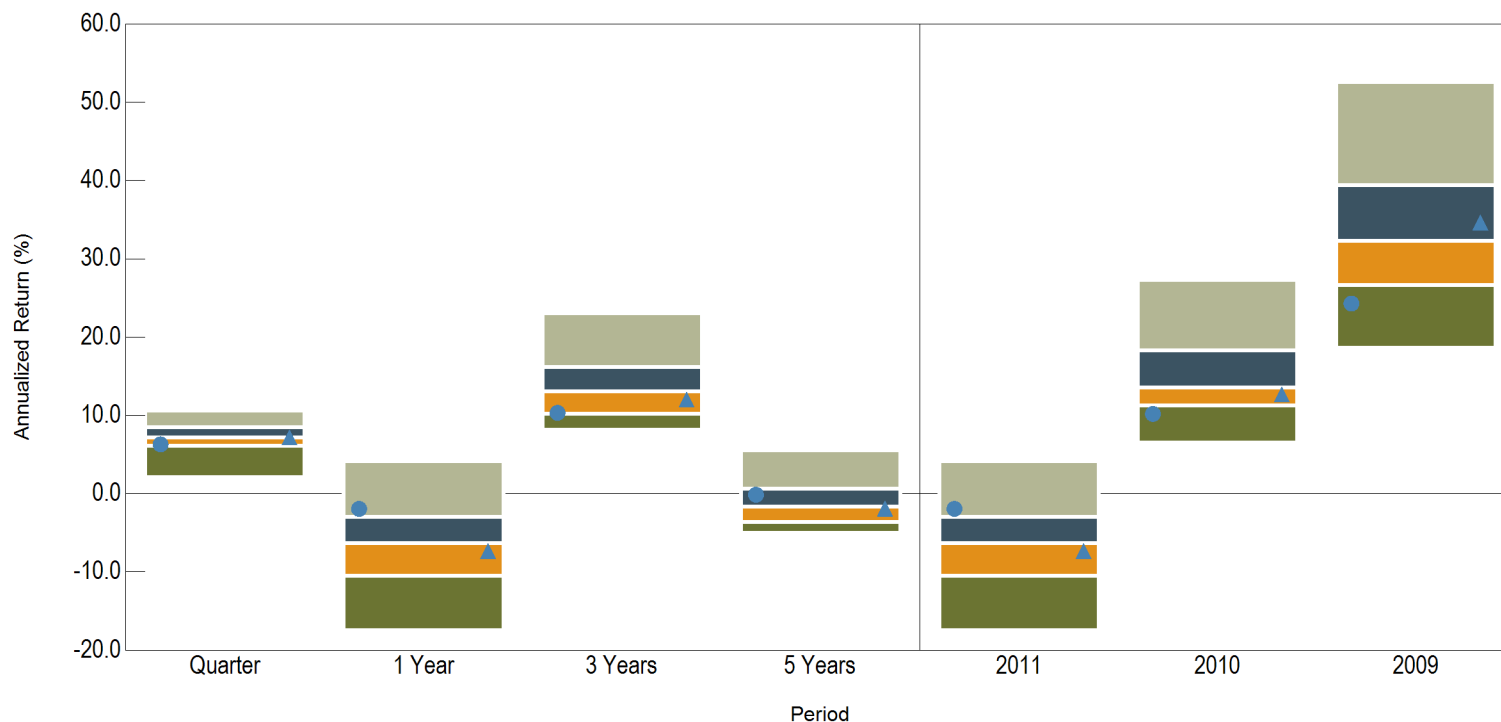


Universe Comparison

Benchmark: MSCI All Country World Index

Universe: eA All Global Equity Net

Ending December 31, 2011



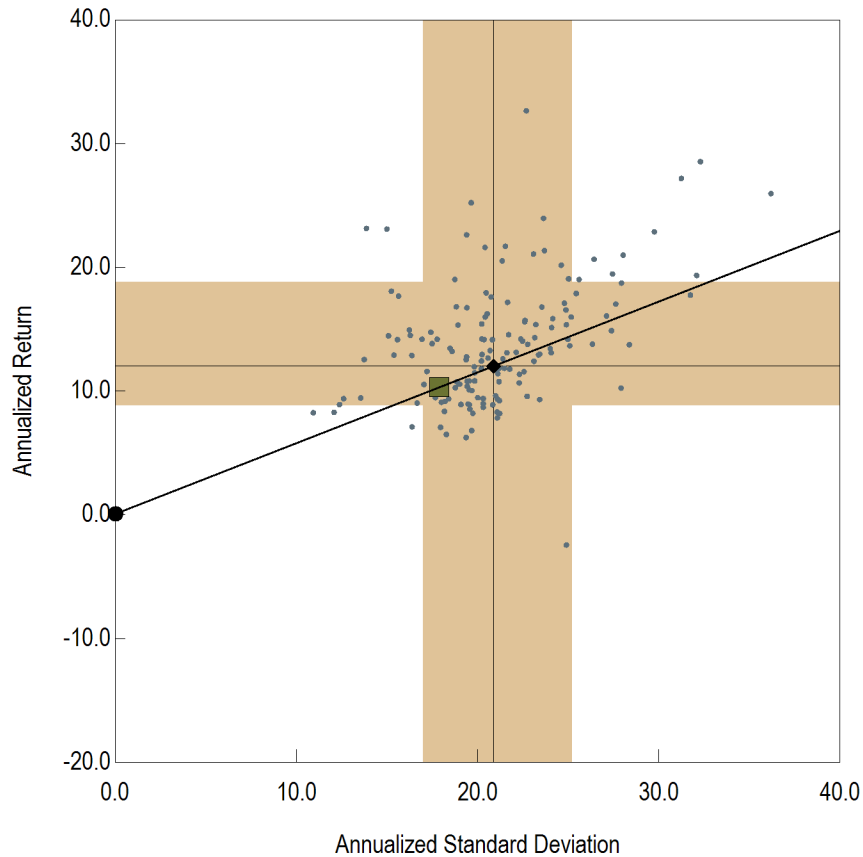
| | Return (Rank) | | | | | | | | | | | | | |
|---------------------------------------|---------------|-------|------|------|-------|------|------|------|------|------|------|------|------|------|
| 5th Percentile | 10.6 | 4.1 | 23.0 | 5.5 | 4.1 | 27.2 | 52.6 | | | | | | | |
| 25th Percentile | 8.5 | -2.9 | 16.2 | 0.7 | -2.9 | 18.3 | 39.5 | | | | | | | |
| Median | 7.2 | -6.3 | 13.1 | -1.6 | -6.3 | 13.6 | 32.4 | | | | | | | |
| 75th Percentile | 6.1 | -10.4 | 10.2 | -3.6 | -10.4 | 11.3 | 26.7 | | | | | | | |
| 95th Percentile | 2.2 | -17.4 | 8.2 | -4.9 | -17.4 | 6.6 | 18.7 | | | | | | | |
| # of Portfolios | 189 | 186 | 149 | 113 | 186 | 140 | 103 | | | | | | | |
| ● GMO Global | 6.3 | (74) | -2.0 | (20) | 10.3 | (75) | -0.1 | (36) | -2.0 | (20) | 10.2 | (88) | 24.3 | (86) |
| ▲ MSCI All Country World Index | 7.2 | (53) | -7.3 | (56) | 12.0 | (61) | -1.9 | (53) | -7.3 | (56) | 12.7 | (56) | 34.6 | (46) |

Risk Profile

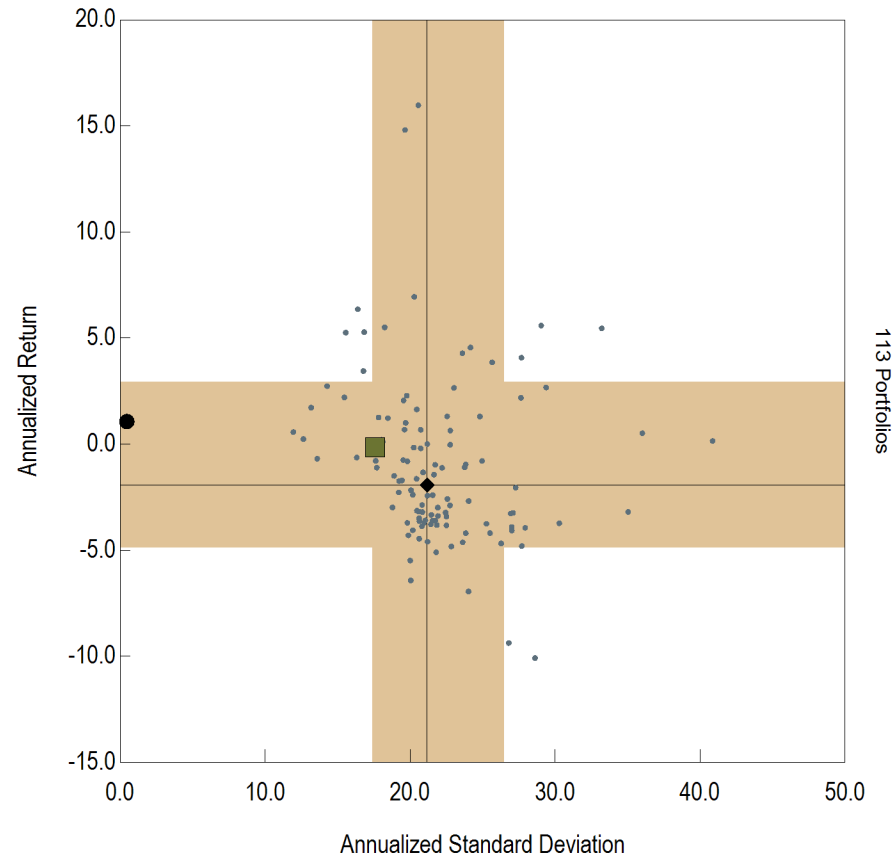
Benchmark: MSCI All Country World Index

Universe: eA All Global Equity Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011



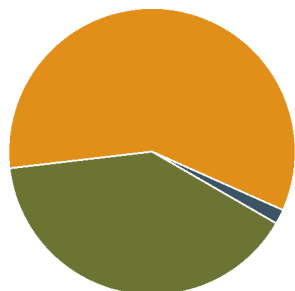
- GMO Global
- ◆ MSCI All Country World Index
- Risk Free
- 68% Confidence Interval
- eA All Global Equity Net

- GMO Global
- ◆ MSCI All Country World Index
- Risk Free
- 68% Confidence Interval
- eA All Global Equity Net

Manager Analysis

Benchmark: MSCI All Country World Index

Current Allocation



| | Actual \$ | Actual % |
|-------------------|----------------------|----------|
| US Equity | \$56,340,968 | 39.8% |
| Non-US Equity | \$82,843,883 | 58.5% |
| US Fixed Inc. | \$2,337,437 | 1.7% |
| Non-US Fixed Inc. | \$0 | 0.0% |
| Alternative | \$0 | 0.0% |
| Real Estate | \$0 | 0.0% |
| Cash | \$24,186 | 0.0% |
| Other | \$15,275 | 0.0% |
| Total | \$141,561,748 | |

Characteristics

| | Portfolio | MSCI ACWI Gross |
|---------------------------------|-----------|-----------------|
| Number of Holdings | 1,627 | 2,435 |
| Weighted Avg. Market Cap. (\$B) | 84.98 | 63.76 |
| Median Market Cap. (\$B) | 4.19 | 6.22 |
| Price To Earnings | 13.76 | 14.36 |
| Price To Book | 2.93 | 2.84 |
| Price To Sales | 2.10 | 2.09 |
| Return on Equity (%) | 22.76 | 18.90 |
| Yield (%) | 3.32 | 2.86 |
| Beta | 0.84 | 1.00 |
| R-Squared | 0.96 | 1.00 |

Top Holdings

| | Weight % |
|---------------------|---------------|
| MICROSOFT | 2.62% |
| JOHNSON & JOHNSON | 2.46% |
| PHILIP MORRIS INTL. | 2.36% |
| GOOGLE 'A' | 2.19% |
| CISCO SYSTEMS | 2.15% |
| PFIZER | 2.01% |
| COCA COLA | 1.95% |
| TOTAL | 1.92% |
| SANOFI | 1.87% |
| ORACLE | 1.73% |
| Total | 21.26% |

Best Performers

| | Portfolio Weight % | Index Weight % | Return % |
|-------------------------|--------------------|----------------|----------|
| ASHTeAD GROUP | 0.00% | | 69.52% |
| JBS ON | 0.00% | | 66.69% |
| SEAGATE TECH. | 0.01% | 0.03% | 61.38% |
| WESCO INTL. | 0.00% | | 58.00% |
| AMERIGROUP | 0.00% | | 51.45% |
| MARFIN INV.GP.HDG. | 0.00% | | 48.76% |
| FIRST QUANTUM MRLS. | 0.02% | 0.04% | 47.08% |
| CHINA SHIP.CTNR.LIN.'H' | 0.00% | 0.00% | 46.62% |
| PROTECTIVE LIFE | 0.00% | | 45.41% |
| LUNDIN PETROLEUM | 0.01% | 0.02% | 44.15% |

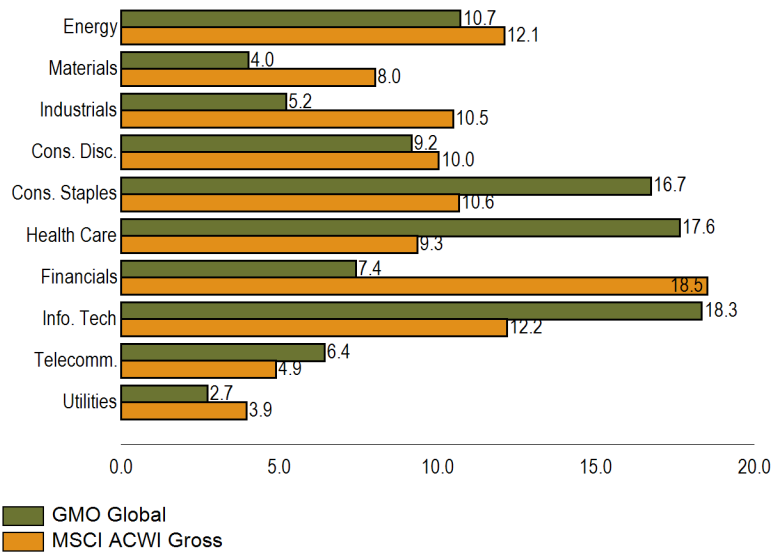
Worst Performers

| | Portfolio Weight % | Index Weight % | Return % |
|-----------------------|--------------------|----------------|----------|
| DEXIA | 0.00% | | -80.14% |
| FONDIARIA-SAI | 0.00% | | -62.01% |
| KIRI INDUSTRIES | 0.01% | | -61.73% |
| ALPHA BANK | 0.00% | | -60.86% |
| EFG EUROBANK ERGASIAS | 0.00% | | -60.57% |
| OLYMPUS | 0.00% | 0.01% | -58.05% |
| SHREE RENUKA SUGARS | 0.01% | | -57.16% |
| TECHNICOLOR | 0.00% | | -49.61% |
| BANK OF PIRAEUS | 0.01% | | -47.92% |
| FINMECCANICA | 0.05% | 0.01% | -47.08% |

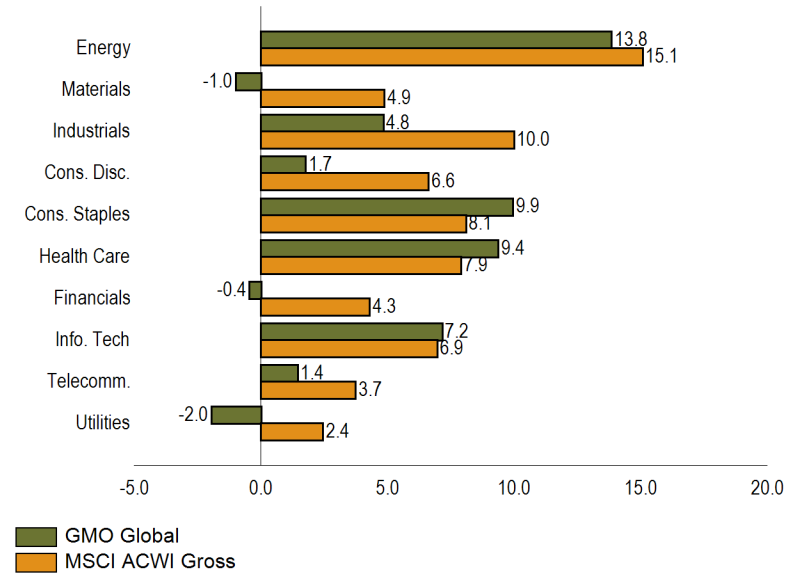
Sector Attribution

Benchmark: MSCI All Country World Index

Sector Allocation (%) vs MSCI ACWI Gross



Sector Returns (%) vs MSCI ACWI Gross



GMO Global Fund Performance Attribution vs. MSCI ACWI Gross

| | Total Effects | | Selection Effect | | Allocation Effect | | Interaction Effects |
|---------------|---------------|---|------------------|---|-------------------|---|---------------------|
| Energy | -0.20% | | -0.06% | | -0.16% | | 0.03% |
| Materials | -0.20% | | 0.08% | | -0.18% | | -0.11% |
| Industrials | -0.42% | | -0.16% | | -0.41% | | 0.16% |
| Cons. Disc. | -0.46% | | 0.05% | | -0.38% | | -0.12% |
| Cons. Staples | 0.33% | | 0.10% | | 0.06% | | 0.17% |
| Health Care | 0.34% | | 0.19% | | 0.00% | | 0.16% |
| Financials | -0.07% | | -0.45% | | 0.03% | | 0.36% |
| Info. Tech | 0.04% | | -0.02% | | 0.06% | | 0.00% |
| Telecomm. | -0.18% | | 0.01% | | -0.17% | | -0.02% |
| Utilities | -0.02% | | 0.03% | | -0.03% | | -0.01% |
| Cash | 0.00% | | -- | | 0.00% | | -- |
| Portfolio | -0.82% | = | -0.24% | + | -1.20% | + | 0.62% |

Country Allocation

Benchmark: MSCI All Country World Index

| Versus MSCI ACWI Gross - Quarter Ending December 31, 2011 | | | | |
|---|-----------------------------|---------------------------|-------------------------|-----------------------|
| | Manager Allocation (USD) | Index Allocation (USD) | Manager Return (USD) | Index Return (USD) |
| Americas | | | | |
| Brazil* | 2.8% | 1.9% | 7.4% | 8.9% |
| Canada | 1.1% | 4.6% | 5.0% | 5.2% |
| Chile* | 0.0% | 0.2% | 1.7% | 7.9% |
| Colombia* | 0.0% | 0.1% | -- | 2.4% |
| Mexico* | 0.2% | 0.6% | 1.6% | 9.4% |
| Peru* | 0.0% | 0.1% | -- | 13.1% |
| United States | 41.1% | 44.4% | 11.7% | 11.8% |
| Total-Americas | 45.2% | 51.8% | 11.1% | 11.0% |
| Europe | | | | |
| Austria | 0.2% | 0.1% | -1.8% | -5.1% |
| Belgium | 0.5% | 0.4% | 2.4% | 2.1% |
| Czech Republic* | 0.2% | 0.0% | 0.0% | -1.9% |
| Denmark | 0.3% | 0.4% | 14.5% | 8.2% |
| Finland | 0.2% | 0.3% | -6.2% | -2.0% |
| France | 4.6% | 3.5% | 9.1% | 2.8% |
| Germany | 2.8% | 3.0% | 4.3% | 3.8% |
| Greece | 0.1% | 0.1% | -28.9% | -28.3% |
| Hungary* | 0.2% | 0.0% | -8.2% | -2.4% |
| Ireland | 0.2% | 0.1% | 23.0% | 21.8% |
| Italy | 1.7% | 0.9% | 1.0% | 0.9% |
| Luxembourg | 0.0% | 0.0% | -1.0% | 7.3% |
| Netherlands | 2.2% | 0.9% | 11.7% | 6.6% |
| Norway | 0.1% | 0.3% | 7.6% | 9.5% |
| Poland* | 0.2% | 0.2% | -14.3% | -6.1% |
| Portugal | 0.1% | 0.1% | -0.3% | -9.2% |
| Russia* | 1.4% | 0.7% | 8.1% | 5.7% |
| Spain | 1.2% | 1.3% | -1.5% | -2.2% |
| Sweden | 0.6% | 1.1% | 13.4% | 8.9% |
| Switzerland | 3.3% | 3.3% | 4.6% | 4.2% |
| United Kingdom | 6.7% | 8.5% | 9.6% | 9.1% |
| Total-Europe | 26.8% | 25.3% | 6.5% | 5.3% |

| Versus MSCI ACWI Gross - Quarter Ending December 31, 2011 | | | | |
|---|-----------------------------|---------------------------|-------------------------|-----------------------|
| | Manager Allocation (USD) | Index Allocation (USD) | Manager Return (USD) | Index Return (USD) |
| AsiaPacific | | | | |
| Australia | 1.8% | 3.2% | 7.0% | 7.5% |
| China* | 1.8% | 2.1% | 5.6% | 8.3% |
| Hong Kong | 1.1% | 1.0% | 3.9% | 6.3% |
| India* | 0.5% | 1.0% | -15.2% | -14.0% |
| Indonesia* | 0.8% | 0.4% | 7.5% | 5.8% |
| Japan | 15.2% | 8.8% | -3.6% | -3.9% |
| Korea* | 2.2% | 1.9% | 6.6% | 5.9% |
| Malaysia* | 0.1% | 0.4% | 12.5% | 11.9% |
| New Zealand | 0.2% | 0.1% | -2.9% | -2.3% |
| Philippines* | 0.1% | 0.1% | 18.8% | 8.3% |
| Singapore | 0.8% | 0.7% | 3.8% | -1.0% |
| Sri Lanka* | 0.0% | 0.0% | -25.6% | 7.3% |
| Taiwan* | 1.4% | 1.5% | 1.3% | -0.3% |
| Thailand* | 0.7% | 0.2% | 3.6% | 10.5% |
| Total-AsiaPacific | 26.7% | 21.4% | -0.3% | 1.0% |
| Other | | | | |
| Egypt* | 0.2% | 0.0% | -10.3% | -12.7% |
| Israel | 0.1% | 0.2% | -4.3% | 4.9% |
| Morocco* | 0.0% | 0.0% | -7.7% | -10.0% |
| South Africa* | 0.4% | 1.0% | 5.8% | 6.9% |
| Turkey* | 0.6% | 0.2% | -13.4% | -15.8% |
| Total-Other | 1.4% | 1.5% | -5.6% | 2.8% |

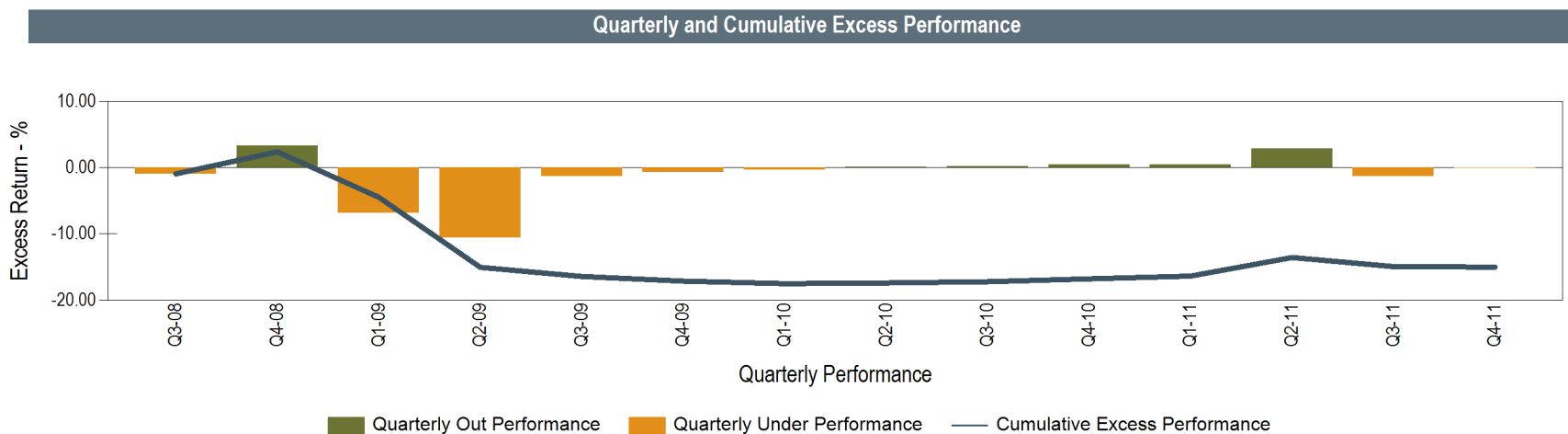
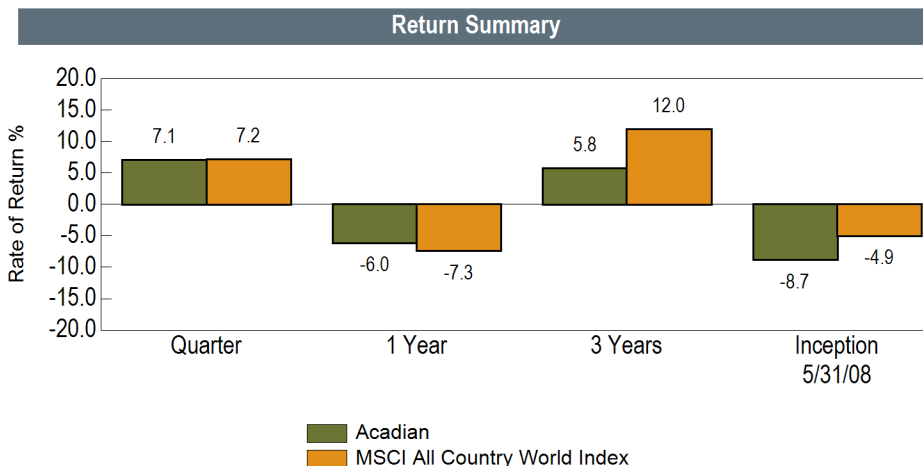
* Asterisk denotes Emerging Markets countries

Manager Performance

Benchmark: MSCI All Country World Index

Acadian Asset Management, Inc. applies a disciplined, multi-factor model to a broad universe of equities with the objective of earning superior returns. The firm utilizes both stock factors (micro) and country/sector factors (macro) to forecast returns from the entire 25,000 stock universe. They evaluate four categories of stock factors: valuation, earnings trends, earnings quality, and price momentum. Acadian combines both micro and macro factors to produce forecasted returns for individual stocks. Positions are then sized by optimizing the return forecasts with expected transaction costs, stock borrowing cost, and liquidity. For the global 130-30 fund, the maximum long is 5% and the maximum short is -3% of portfolio value. The strategy targets gross exposures of 130% long and 30% short for a net exposure of 100% long. The maximum short exposure the fund will take is 50%. As shorting local emerging markets stocks is not feasible, Acadian will occasionally utilize ADRs to short emerging markets.

| Account Information | |
|---------------------|-------------------------------------|
| Account Name | Acadian |
| Account Structure | Commingled Fund |
| Investment Style | Active |
| Inception Date | 5/31/08 |
| Account Type | Global Equity |
| Benchmark | MSCI All Country World Index |
| Universe | eA All Global Equity Net |

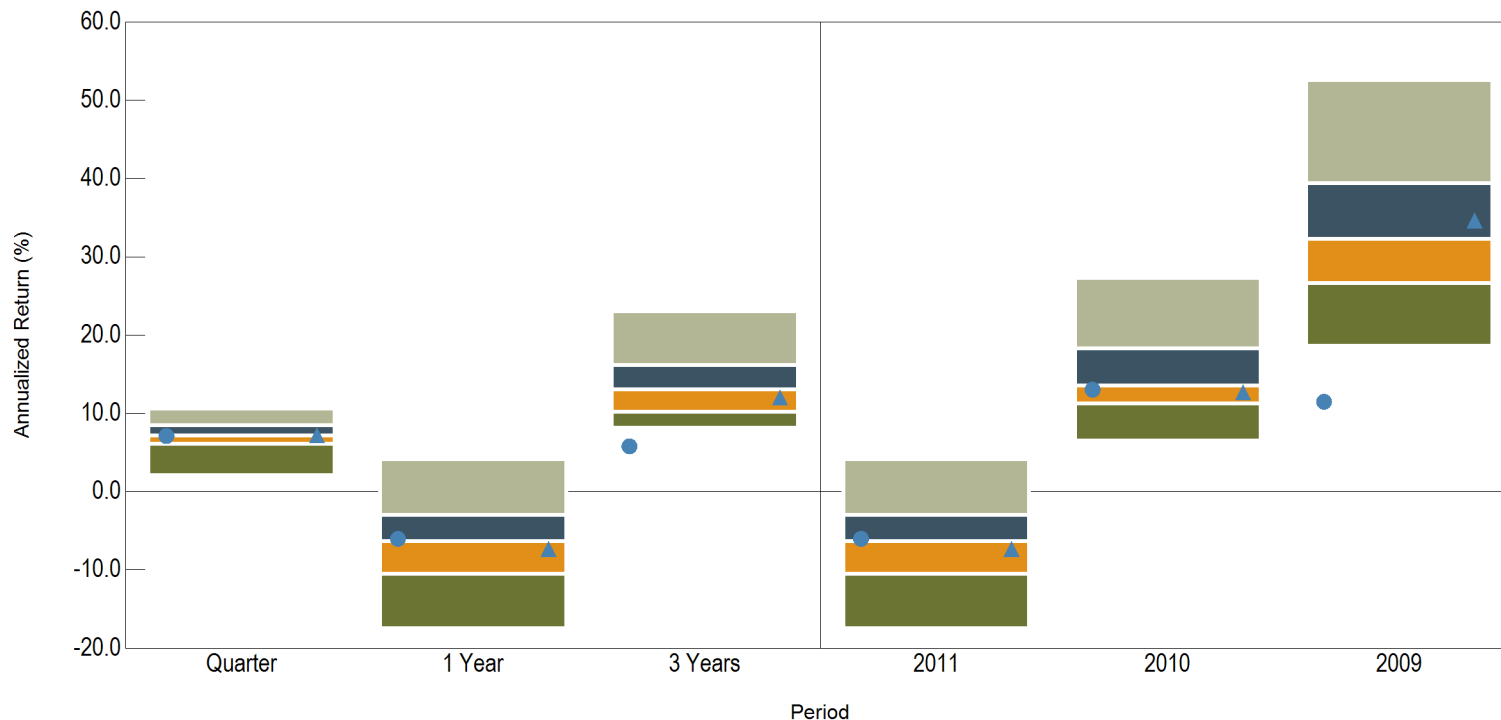


Universe Comparison

Benchmark: MSCI All Country World Index

Universe: eA All Global Equity Net

Ending December 31, 2011

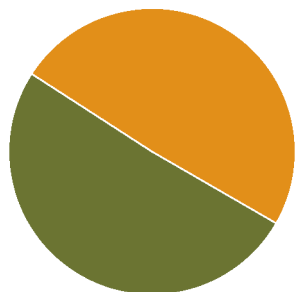


| | Return (Rank) | | | | | | | | | | | |
|--------------------------------|---------------|-------|------|-------|------|------|------|------|------|------|------|------|
| 5th Percentile | 10.6 | 4.1 | 23.0 | 4.1 | 27.2 | 52.6 | | | | | | |
| 25th Percentile | 8.5 | -2.9 | 16.2 | -2.9 | 18.3 | 39.5 | | | | | | |
| Median | 7.2 | -6.3 | 13.1 | -6.3 | 13.6 | 32.4 | | | | | | |
| 75th Percentile | 6.1 | -10.4 | 10.2 | -10.4 | 11.3 | 26.7 | | | | | | |
| 95th Percentile | 2.2 | -17.4 | 8.2 | -17.4 | 6.6 | 18.7 | | | | | | |
| # of Portfolios | 189 | 186 | 149 | 186 | 140 | 103 | | | | | | |
| ● Acadian | 7.1 | (57) | -6.0 | (48) | 5.8 | (99) | -6.0 | (48) | 13.0 | (55) | 11.5 | (99) |
| ▲ MSCI All Country World Index | 7.2 | (53) | -7.3 | (56) | 12.0 | (61) | -7.3 | (56) | 12.7 | (56) | 34.6 | (46) |

Manager Analysis

Benchmark: MSCI All Country World Index

Current Allocation



| | Actual \$ | Actual % |
|-------------------|--------------------|----------|
| US Equity | \$569,365 | 50.8% |
| Non-US Equity | \$551,474 | 49.2% |
| US Fixed Inc. | \$0 | 0.0% |
| Non-US Fixed Inc. | \$0 | 0.0% |
| Alternative | \$0 | 0.0% |
| Real Estate | \$0 | 0.0% |
| Cash | \$0 | 0.0% |
| Other | \$0 | 0.0% |
| Total | \$1,120,839 | |

Characteristics

| | Portfolio | MSCI ACWI Gross |
|---------------------------------|-----------|-----------------|
| Number of Holdings | 364 | 2,435 |
| Weighted Avg. Market Cap. (\$B) | 50.17 | 63.76 |
| Median Market Cap. (\$B) | 1.58 | 6.22 |
| Price To Earnings | 13.17 | 14.36 |
| Price To Book | 1.13 | 2.84 |
| Price To Sales | -0.43 | 2.09 |
| Return on Equity (%) | 27.47 | 18.90 |
| Yield (%) | 3.00 | 2.86 |
| Beta | 0.89 | 1.00 |
| R-Squared | 0.93 | 1.00 |

Top Holdings

| | Weight % |
|---------------------|---------------|
| APPLE | 3.02% |
| ROYAL DUTCH SHELL A | 2.70% |
| PHILIP MORRIS INTL. | 2.66% |
| CHEVRON | 2.49% |
| CONOCOPHILLIPS | 2.10% |
| ELI LILLY | 1.84% |
| LORILLARD | 1.81% |
| PFIZER | 1.80% |
| UNITEDHEALTH GP. | 1.79% |
| HITACHI | 1.78% |
| Total | 21.98% |

Best Performers

| | Portfolio Weight % | Index Weight % | Return % |
|-------------------------|--------------------|----------------|----------|
| MAGNUM HUNTER RESOURCES | -0.50% | | 62.84% |
| FUSHI COPPERWELD | 0.03% | | 51.92% |
| MOVADO GP. | 0.04% | | 49.41% |
| LAC HOLDINGS | 0.04% | | 47.24% |
| MOLINA HLTHCR. | 0.19% | | 44.62% |
| SUN HEALTHCARE GROUP | 0.09% | | 43.70% |
| PARAMOUNT RESOURCES 'A' | -0.24% | | 41.07% |
| ROCKHOPPER EXPLORATION | -0.45% | | 39.69% |
| CALLIDUS SOFTWARE | -0.02% | | 39.26% |
| WELLCARE HEALTH PLANS | 0.71% | | 38.23% |

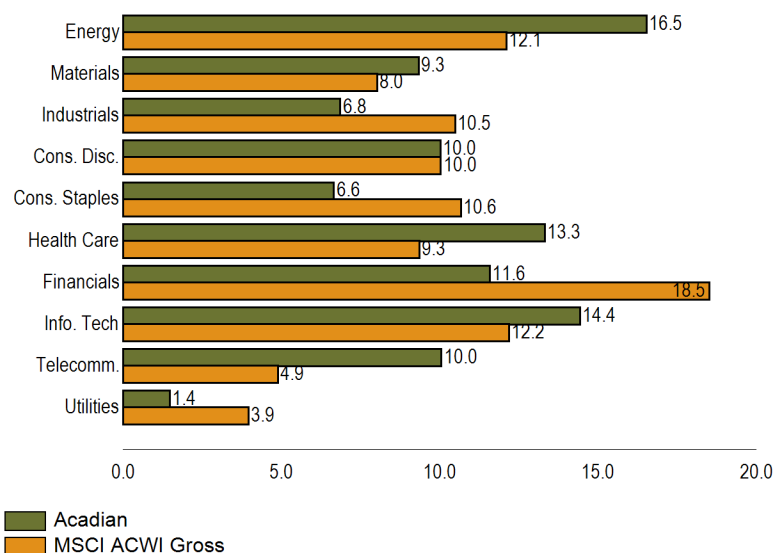
Worst Performers

| | Portfolio Weight % | Index Weight % | Return % |
|-------------------------|--------------------|----------------|----------|
| DAQO NEW ENERGY ADR 1:5 | 0.00% | | -52.29% |
| PRIMO WATER | 0.00% | | -46.10% |
| SAVIENT PHARMS. | -0.31% | | -45.61% |
| CHUNGHWA PICTURE TUBES | 0.00% | | -45.10% |
| AMYRIS | -0.04% | | -43.01% |
| PUBLIC POWER | 0.13% | | -38.72% |
| PHH | 0.48% | | -33.46% |
| AMER.GREETINGS 'A' | 0.88% | | -31.00% |
| WINBOND ELTN. | 0.02% | | -30.93% |
| DENA | 0.00% | | -29.26% |

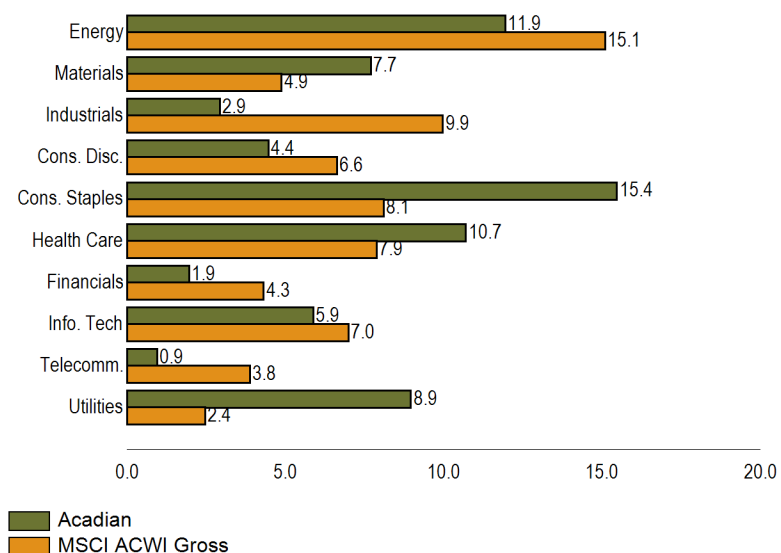
Sector Attribution

Benchmark: MSCI All Country World Index

Sector Allocation (%) vs MSCI ACWI Gross



Sector Returns (%) vs MSCI ACWI Gross



Performance Attribution vs. MSCI ACWI Gross

| | Total Effects | | Selection Effect | | Allocation Effect | | Interaction Effects |
|---------------|---------------|---|------------------|---|-------------------|---|---------------------|
| Energy | -0.21% | | -0.04% | | -0.29% | | 0.12% |
| Materials | 0.23% | | -0.06% | | 0.15% | | 0.14% |
| Industrials | -0.59% | | -0.11% | | -0.44% | | -0.04% |
| Cons. Disc. | -0.29% | | -0.28% | | -0.03% | | 0.02% |
| Cons. Staples | 0.58% | | 0.43% | | 0.12% | | 0.04% |
| Health Care | 0.41% | | 0.17% | | 0.01% | | 0.23% |
| Financials | -0.10% | | 0.10% | | 0.48% | | -0.68% |
| Info. Tech | -0.13% | | 0.00% | | -0.34% | | 0.21% |
| Telecomm. | -0.35% | | 0.09% | | -0.25% | | -0.18% |
| Utilities | 0.23% | | -0.30% | | 0.29% | | 0.24% |
| Cash | 0.00% | | -- | | 0.00% | | -- |
| Portfolio | -0.19% | = | -0.01% | + | -0.28% | + | 0.10% |

Country Allocation

Benchmark: MSCI All Country World Index

Versus MSCI ACWI Gross - Quarter Ending December 31, 2011

| | Manager Allocation (USD) | Index Allocation (USD) | Manager Return (USD) | Index Return (USD) |
|-----------------------|-----------------------------|---------------------------|-------------------------|-----------------------|
| Americas | | | | |
| Argentina | 0.0% | 0.0% | -4.0% | 7.3% |
| Brazil* | 5.9% | 1.9% | 7.2% | 8.9% |
| Canada | 1.6% | 4.6% | 1.2% | 5.2% |
| Chile* | 0.7% | 0.2% | 4.3% | 7.9% |
| Colombia* | 0.0% | 0.1% | -- | 2.4% |
| Mexico* | 1.7% | 0.6% | 6.1% | 9.4% |
| Peru* | 0.0% | 0.1% | -- | 13.1% |
| United States | 47.4% | 44.4% | 11.3% | 11.8% |
| Total-Americas | 57.3% | 51.8% | 10.4% | 11.0% |
| Europe | | | | |
| Austria | 0.0% | 0.1% | -- | -5.1% |
| Belgium | 0.0% | 0.4% | -- | 2.1% |
| Czech Republic* | 0.0% | 0.0% | -- | -1.9% |
| Denmark | 0.0% | 0.4% | -- | 8.2% |
| Finland | 0.2% | 0.3% | 8.1% | -2.0% |
| France | 2.9% | 3.5% | 7.0% | 2.8% |
| Germany | 0.4% | 3.0% | 4.3% | 3.8% |
| Greece | 0.2% | 0.1% | -38.7% | -28.3% |
| Hungary* | 0.0% | 0.0% | -- | -2.4% |
| Ireland | 0.0% | 0.1% | -- | 21.8% |
| Italy | 0.0% | 0.9% | -- | 0.9% |
| Netherlands | 2.1% | 0.9% | 19.0% | 6.6% |
| Norway | 0.3% | 0.3% | 18.9% | 9.5% |
| Poland* | 1.7% | 0.2% | -15.9% | -6.1% |
| Portugal | 0.0% | 0.1% | -- | -9.2% |
| Russia* | 2.1% | 0.7% | 9.4% | 5.7% |
| Spain | 0.0% | 1.3% | -- | -2.2% |
| Sweden | 0.0% | 1.1% | -- | 8.9% |
| Switzerland | 0.0% | 3.3% | -- | 4.2% |
| United Kingdom | 2.8% | 8.5% | 11.3% | 9.1% |
| Total-Europe | 12.5% | 25.3% | 6.7% | 5.3% |

Versus MSCI ACWI Gross - Quarter Ending December 31, 2011

| | Manager Allocation (USD) | Index Allocation (USD) | Manager Return (USD) | Index Return (USD) |
|--------------------------|-----------------------------|---------------------------|-------------------------|-----------------------|
| AsiaPacific | | | | |
| Australia | 1.2% | 3.2% | 6.2% | 7.5% |
| China* | 5.7% | 2.1% | 1.0% | 8.3% |
| Hong Kong | 0.1% | 1.0% | 24.6% | 6.3% |
| India* | 0.1% | 1.0% | 9.9% | -14.0% |
| Indonesia* | 0.8% | 0.4% | 3.5% | 5.8% |
| Japan | 13.3% | 8.8% | 0.4% | -3.9% |
| Korea* | 2.2% | 1.9% | 0.3% | 5.9% |
| Malaysia* | 0.0% | 0.4% | -- | 11.9% |
| New Zealand | 0.0% | 0.1% | -- | -2.3% |
| Philippines* | 0.0% | 0.1% | 3.0% | 8.3% |
| Singapore | 1.9% | 0.7% | 8.4% | -1.0% |
| Taiwan* | 2.0% | 1.5% | 3.2% | -0.3% |
| Thailand* | 1.2% | 0.2% | -17.5% | 10.5% |
| Total-AsiaPacific | 28.4% | 21.4% | 0.6% | 1.0% |
| Other | | | | |
| Egypt* | 0.0% | 0.0% | -- | -12.7% |
| Israel | 0.0% | 0.2% | -- | 4.9% |
| Morocco* | 0.0% | 0.0% | -- | -10.0% |
| South Africa* | 1.9% | 1.0% | 7.0% | 6.9% |
| Turkey* | 0.0% | 0.2% | -- | -15.8% |
| Total-Other | 1.9% | 1.5% | 7.0% | 2.8% |

* Asterisk denotes Emerging Markets countries

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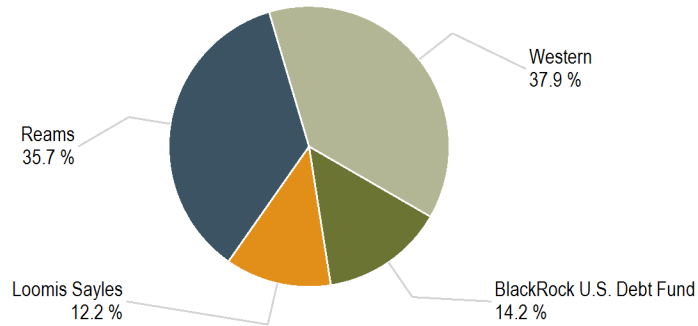


Total U.S. Fixed Income

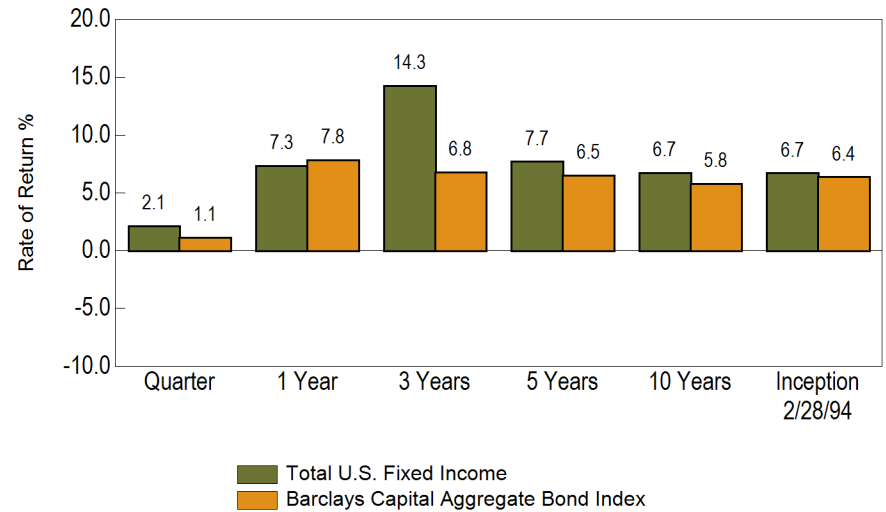
Overview

Benchmark: Barclays Capital Aggregate Bond Index

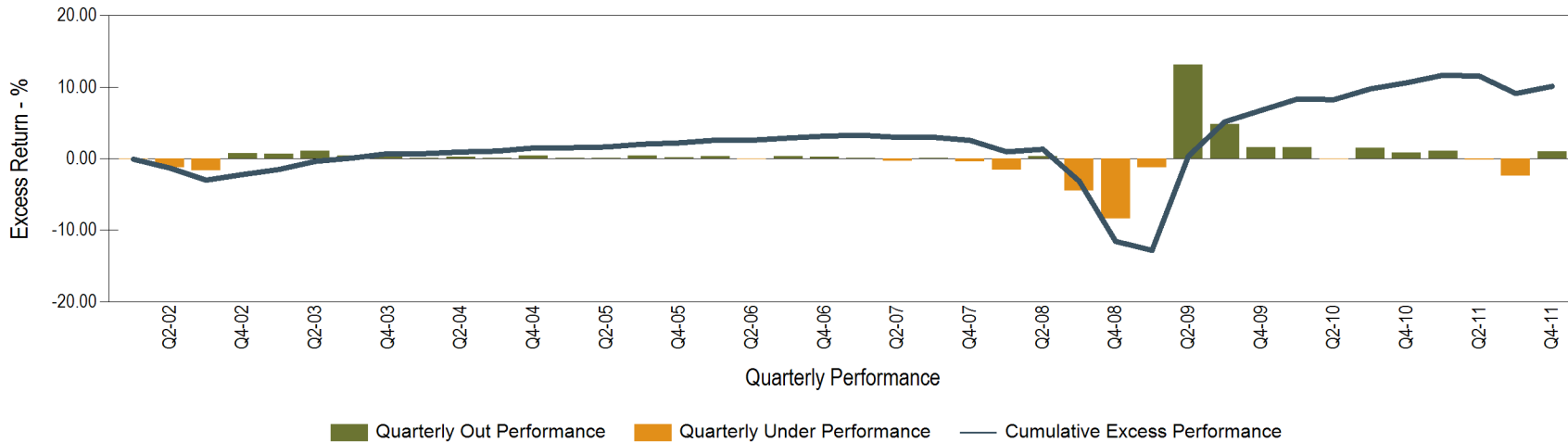
Current Allocation



Return Summary



Quarterly and Cumulative Excess Performance

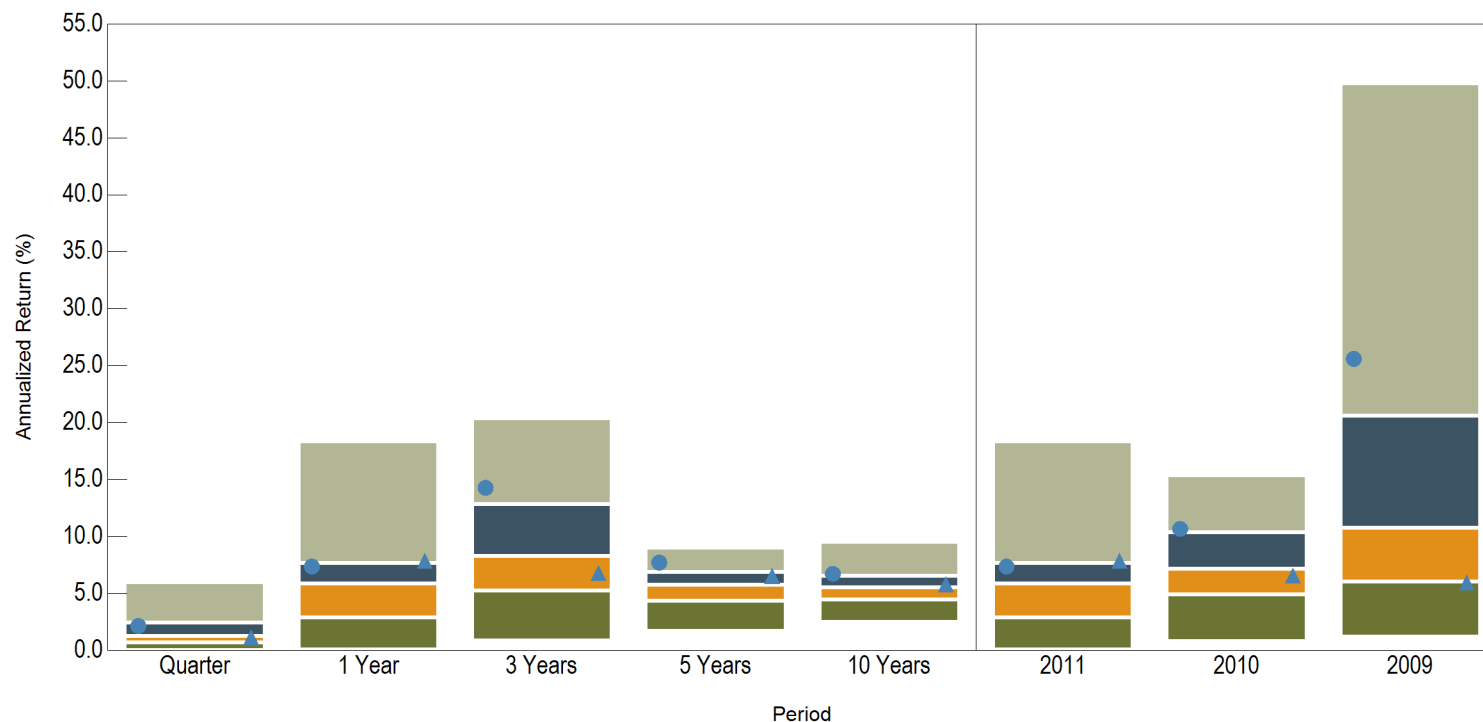


Universe Comparison

Benchmark: Barclays Capital Aggregate Bond Index

Universe: eA All US Fixed Inc Net

Ending December 31, 2011



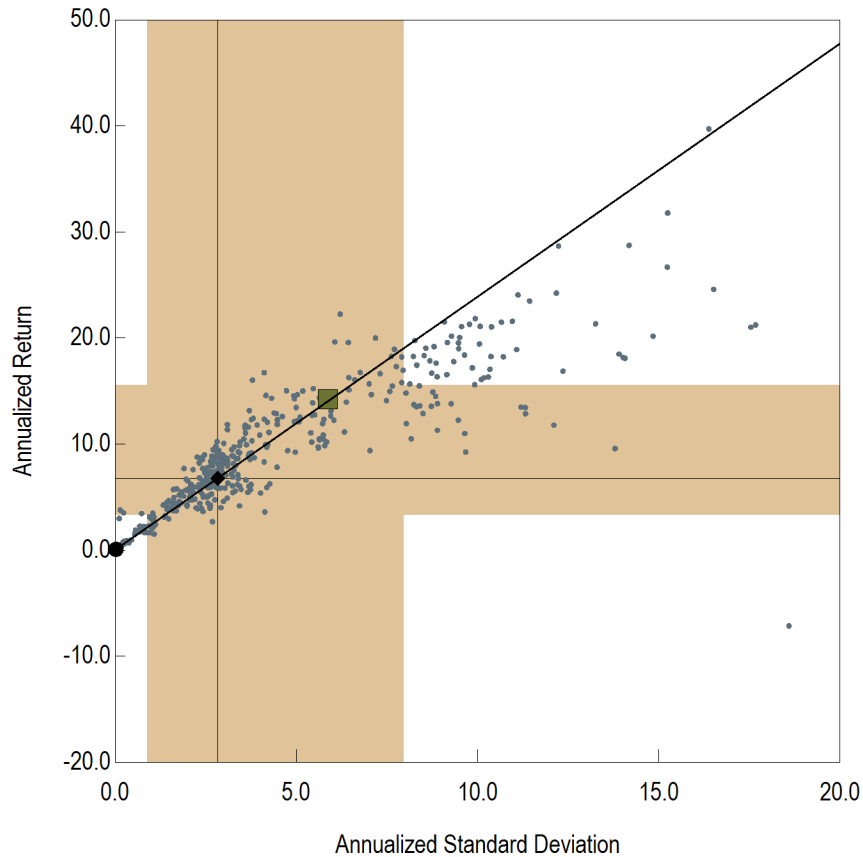
| | Return (Rank) | | | | | | | | | | | | | | | |
|---|---------------|------|------|------|------|------|------|------|-----|------|-----|------|------|------|------|------|
| 5th Percentile | 6.0 | 18.3 | 20.3 | 9.0 | 9.5 | 18.3 | 15.3 | 49.8 | | | | | | | | |
| 25th Percentile | 2.5 | 7.7 | 12.9 | 6.9 | 6.6 | 7.7 | 10.4 | 20.6 | | | | | | | | |
| Median | 1.3 | 5.9 | 8.3 | 5.8 | 5.5 | 5.9 | 7.2 | 10.8 | | | | | | | | |
| 75th Percentile | 0.7 | 2.9 | 5.3 | 4.4 | 4.5 | 2.9 | 4.9 | 6.1 | | | | | | | | |
| 95th Percentile | 0.0 | 0.1 | 0.9 | 1.7 | 2.5 | 0.1 | 0.8 | 1.2 | | | | | | | | |
| # of Portfolios | 486 | 483 | 417 | 357 | 271 | 483 | 425 | 427 | | | | | | | | |
| ● Total U.S. Fixed Income | 2.1 | (31) | 7.3 | (30) | 14.3 | (22) | 7.7 | (13) | 6.7 | (24) | 7.3 | (30) | 10.6 | (25) | 25.6 | (22) |
| ▲ Barclays Capital Aggregate Bond Index | 1.1 | (59) | 7.8 | (24) | 6.8 | (61) | 6.5 | (33) | 5.8 | (42) | 7.8 | (24) | 6.5 | (59) | 5.9 | (77) |

Risk Profile

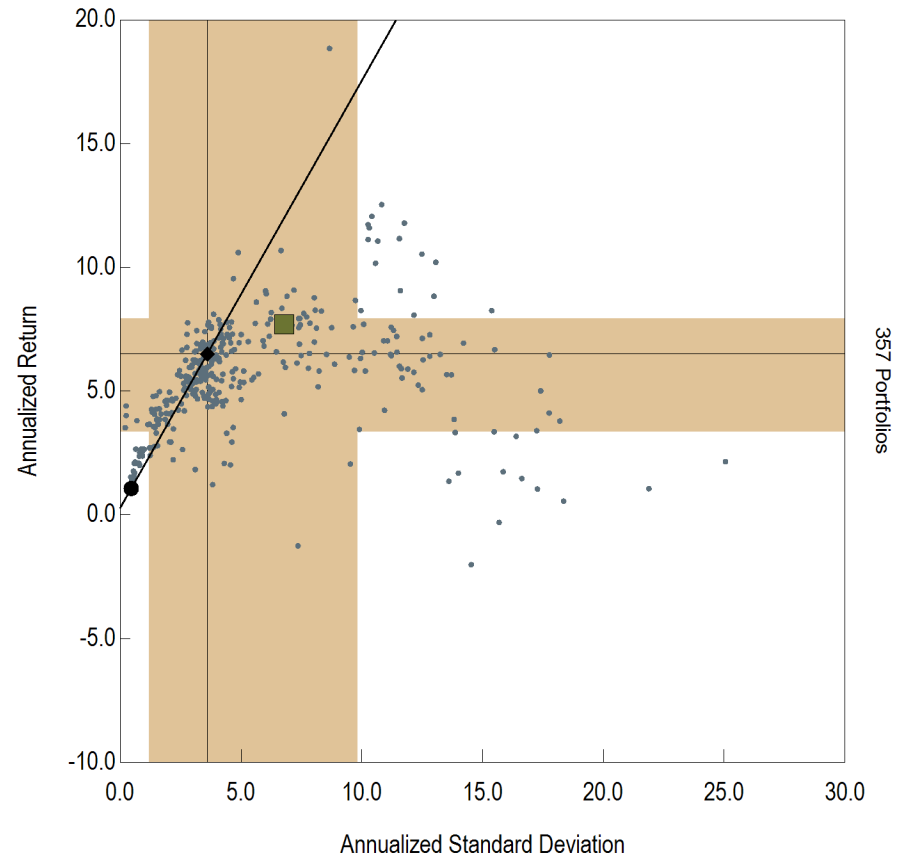
Benchmark: Barclays Capital Aggregate Bond Index

Universe: eA All US Fixed Inc Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011

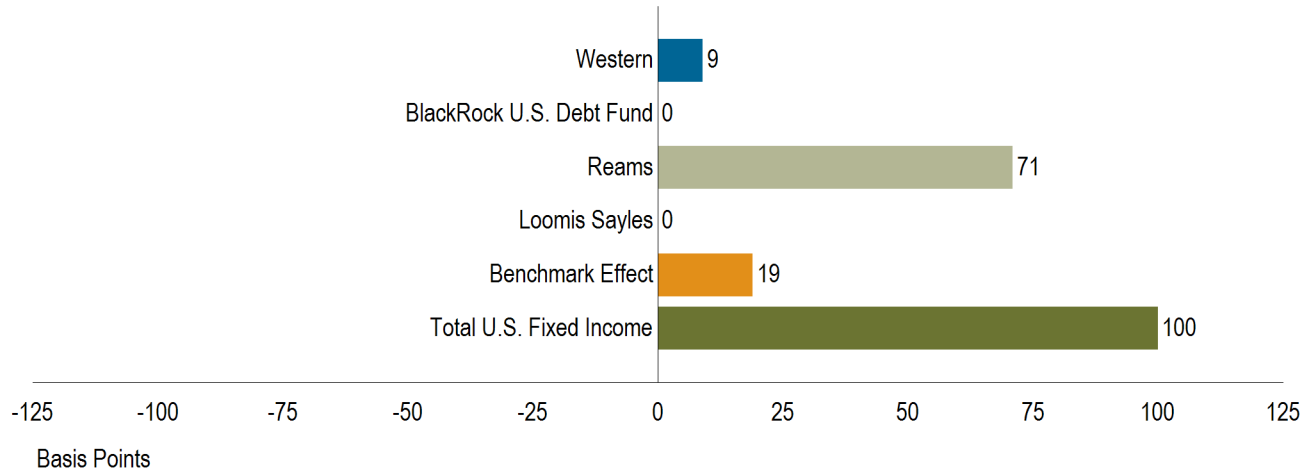


- Total U.S. Fixed Income
- ◆ Barclays Capital Aggregate Bond Index
- Risk Free
- 68% Confidence Interval
- eA All US Fixed Inc Net

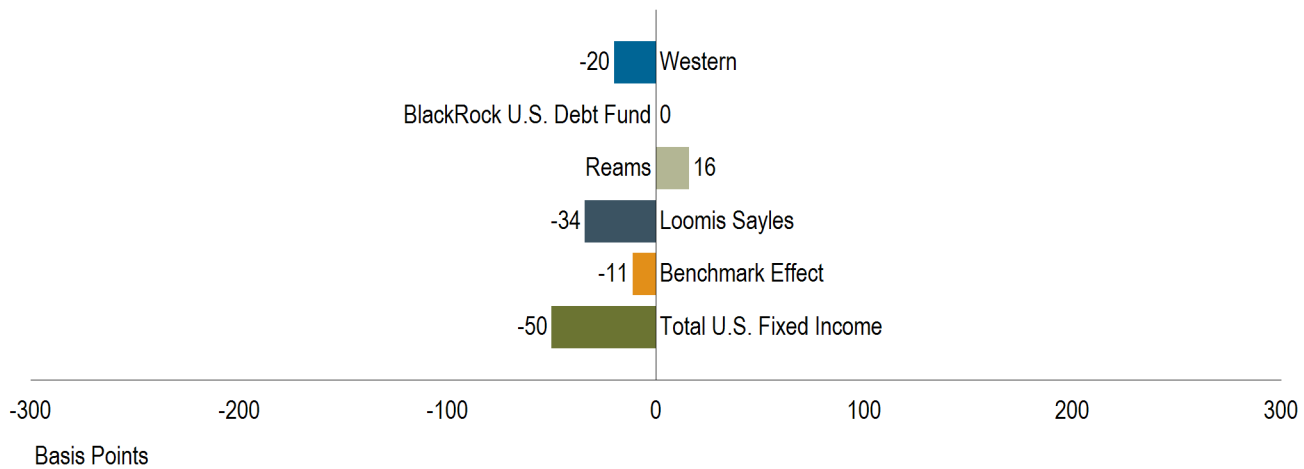
- Total U.S. Fixed Income
- ◆ Barclays Capital Aggregate Bond Index
- Risk Free
- 68% Confidence Interval
- eA All US Fixed Inc Net

Attribution

**MANAGER ATTRIBUTION ANALYSIS
3 MONTHS ENDING 12/31/11**



**MANAGER ATTRIBUTION ANALYSIS
1 YEAR ENDING 12/31/11**



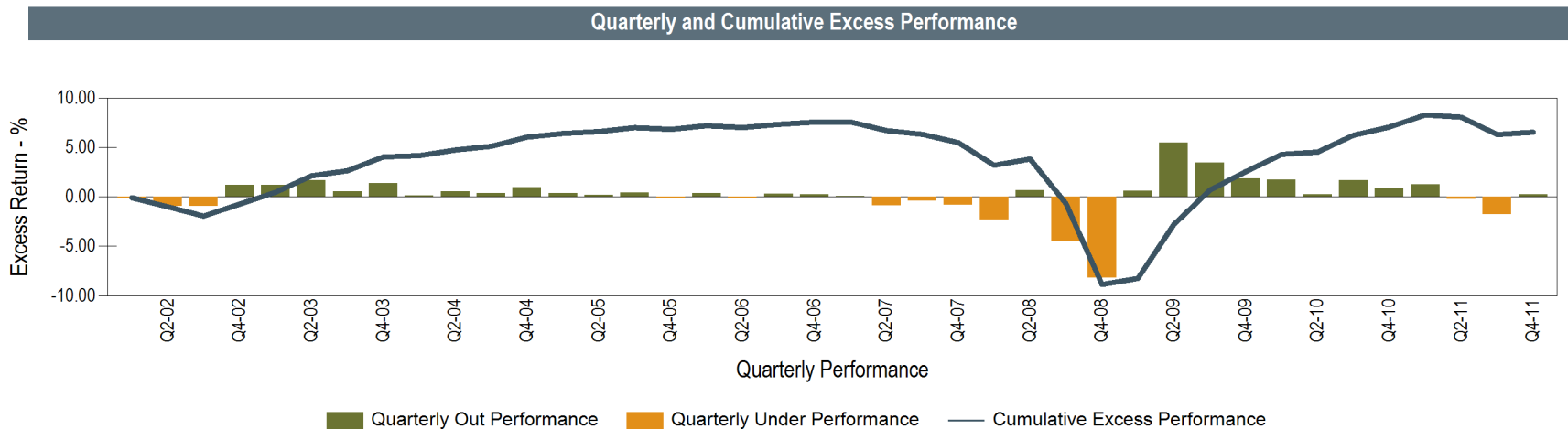
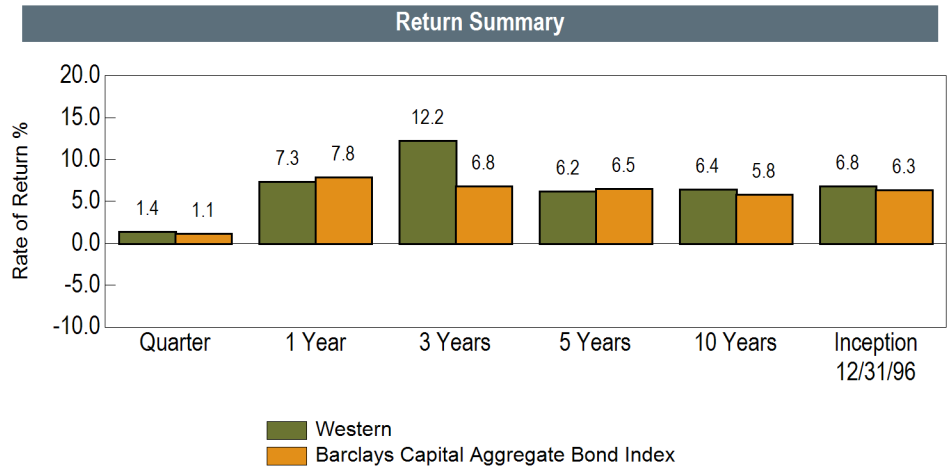
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Manager Performance

Benchmark: Barclays Capital Aggregate Bond Index

Western Asset Management seeks to add value in fixed income accounts by employing multiple investment strategies while controlling risk. Western is an active sector rotator and attempts to exploit market inefficiencies by making opportunistic trades. The firm emphasizes non-Treasury sectors such as corporate and mortgages. The firm's team approach to fixed income management revolves around an investment outlook developed by the Investment Strategy Group. This group interacts on a daily basis, evaluating developments in both the market and the economy. Additionally, the group meets formally twice a month to review its outlook and investment strategy.

| Account Information | |
|---------------------|--|
| Account Name | Western |
| Account Structure | Separate Account |
| Investment Style | Active |
| Inception Date | 12/31/96 |
| Account Type | U.S. Fixed Income |
| Benchmark | Barclays Capital Aggregate Bond Index |
| Universe | eA All US Fixed Inc Net |

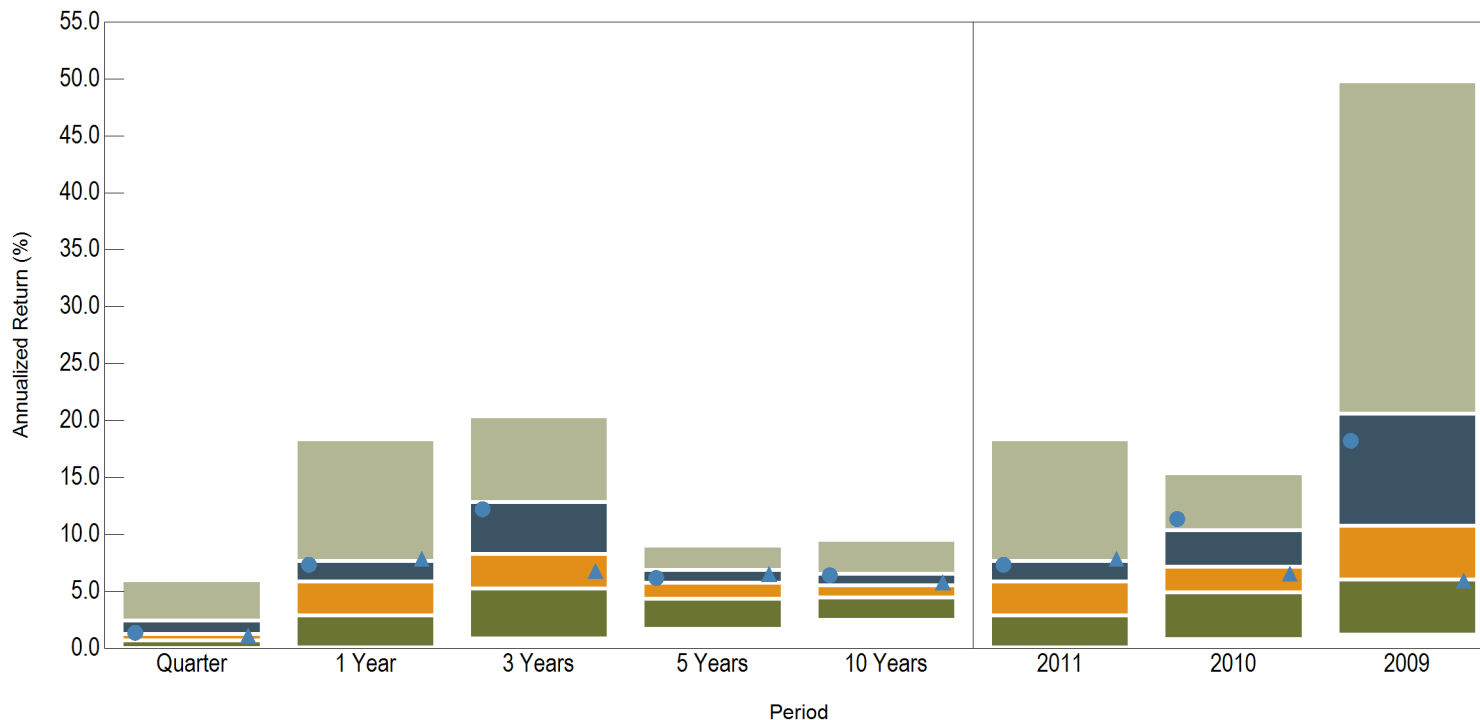


Universe Comparison

Benchmark: Barclays Capital Aggregate Bond Index

Universe: eA All US Fixed Inc Net

Ending December 31, 2011



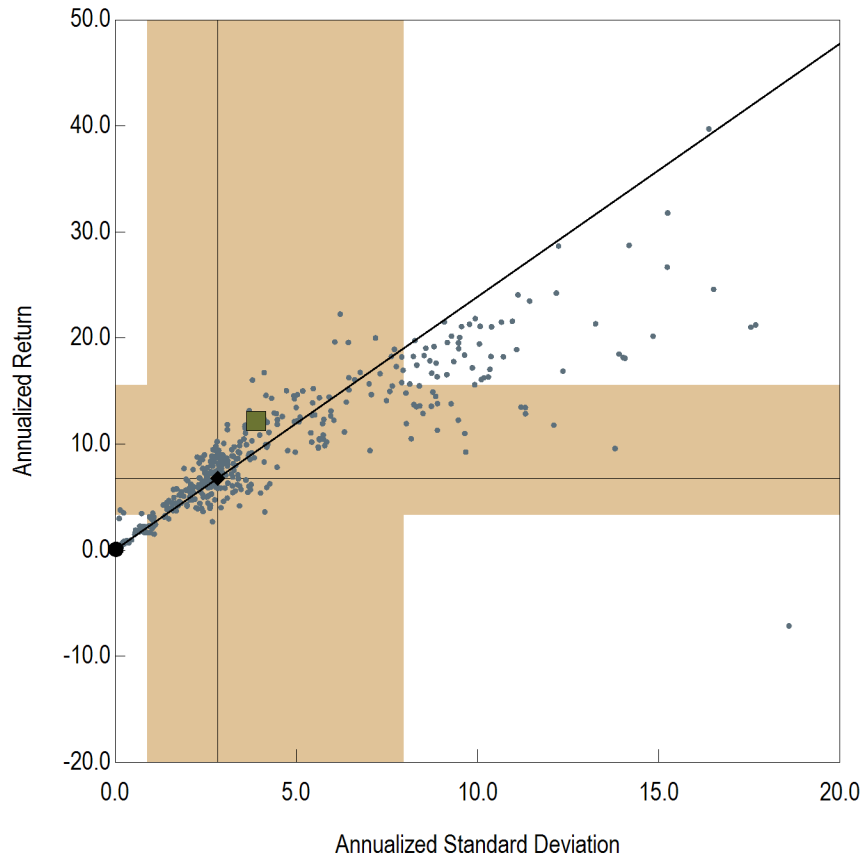
| | Return (Rank) | | | | | | | | | | | | | | | |
|---|---------------|------|------|------|------|------|------|------|-----|------|-----|------|------|------|------|------|
| 5th Percentile | 6.0 | 18.3 | 20.3 | 9.0 | 9.5 | 18.3 | 15.3 | 49.8 | | | | | | | | |
| 25th Percentile | 2.5 | 7.7 | 12.9 | 6.9 | 6.6 | 7.7 | 10.4 | 20.6 | | | | | | | | |
| Median | 1.3 | 5.9 | 8.3 | 5.8 | 5.5 | 5.9 | 7.2 | 10.8 | | | | | | | | |
| 75th Percentile | 0.7 | 2.9 | 5.3 | 4.4 | 4.5 | 2.9 | 4.9 | 6.1 | | | | | | | | |
| 95th Percentile | 0.0 | 0.1 | 0.9 | 1.7 | 2.5 | 0.1 | 0.8 | 1.2 | | | | | | | | |
| # of Portfolios | 486 | 483 | 417 | 357 | 271 | 483 | 425 | 427 | | | | | | | | |
| ● Western | 1.4 | (48) | 7.3 | (31) | 12.2 | (29) | 6.2 | (42) | 6.4 | (27) | 7.3 | (31) | 11.3 | (20) | 18.2 | (31) |
| ▲ Barclays Capital Aggregate Bond Index | 1.1 | (59) | 7.8 | (24) | 6.8 | (61) | 6.5 | (33) | 5.8 | (42) | 7.8 | (24) | 6.5 | (59) | 5.9 | (77) |

Risk Profile

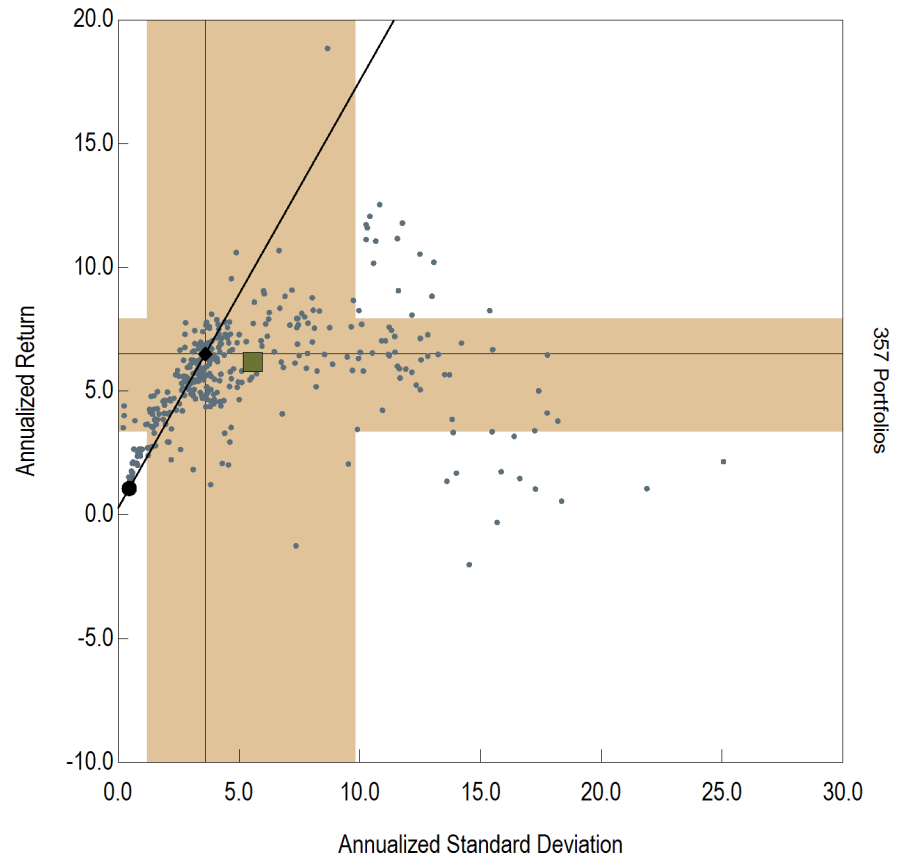
Benchmark: Barclays Capital Aggregate Bond Index

Universe: eA All US Fixed Inc Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011



- Western
- ◆ Barclays Capital Aggregate Bond Index
- Risk Free
- 68% Confidence Interval
- eA All US Fixed Inc Net

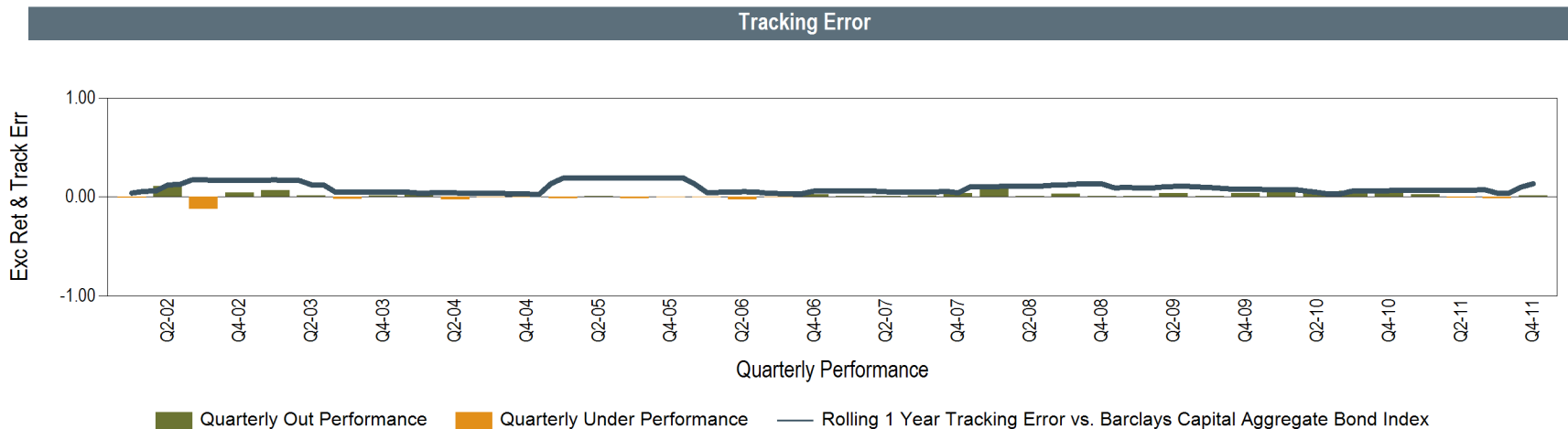
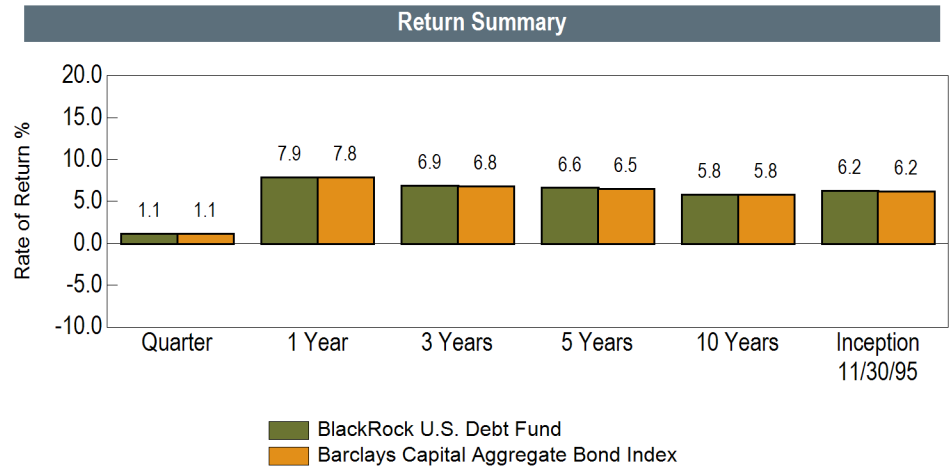
- Western
- ◆ Barclays Capital Aggregate Bond Index
- Risk Free
- 68% Confidence Interval
- eA All US Fixed Inc Net

Manager Performance

Benchmark: Barclays Capital Aggregate Bond Index

The BlackRock U.S. Debt Fund is an index fund which is designed to replicate the performance of the Barclays Capital Aggregate Bond Index. The U.S. Debt Fund is constructed by holding 7 different sub-funds that track specific sector/maturity combinations of the Barclays Capital Aggregate Bond Index.

| Account Information | |
|---------------------|--|
| Account Name | BlackRock U.S. Debt Fund |
| Account Structure | Commingled Fund |
| Investment Style | Passive |
| Inception Date | 11/30/95 |
| Account Type | U.S. Fixed Income |
| Benchmark | Barclays Capital Aggregate Bond Index |
| Universe | eA All US Fixed Inc Net |

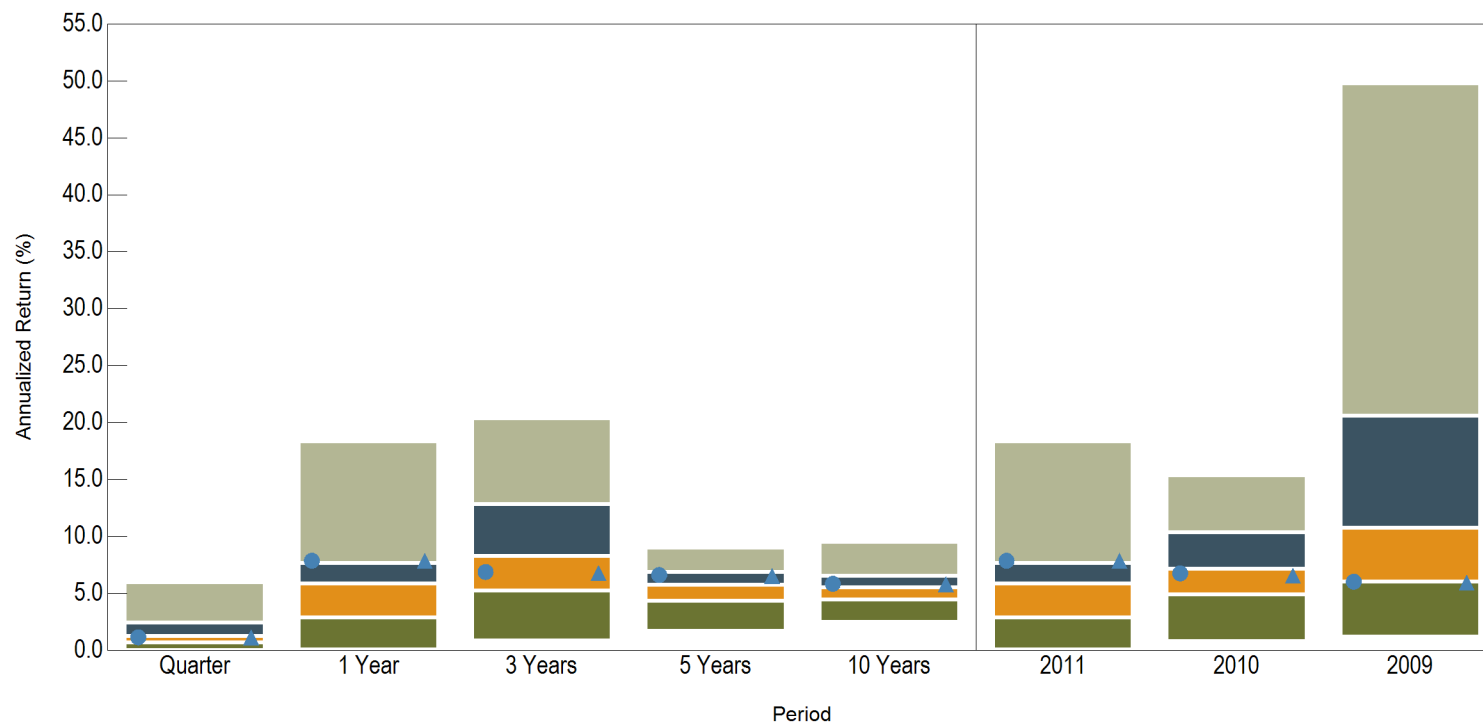


Universe Comparison

Benchmark: Barclays Capital Aggregate Bond Index

Universe: eA All US Fixed Inc Net

Ending December 31, 2011



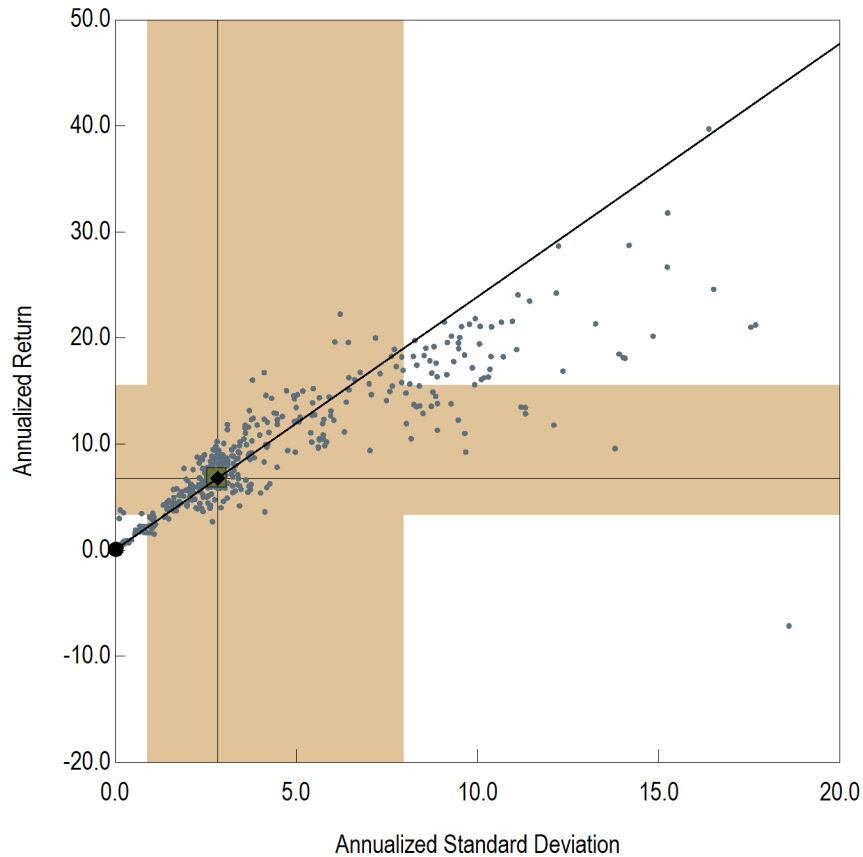
| | Return (Rank) | | | | | | | | | | | | | | | |
|---|---------------|------|------|------|-----|------|------|------|-----|------|-----|------|-----|------|-----|------|
| 5th Percentile | 6.0 | 18.3 | 20.3 | 9.0 | 9.5 | 18.3 | 15.3 | 49.8 | | | | | | | | |
| 25th Percentile | 2.5 | 7.7 | 12.9 | 6.9 | 6.6 | 7.7 | 10.4 | 20.6 | | | | | | | | |
| Median | 1.3 | 5.9 | 8.3 | 5.8 | 5.5 | 5.9 | 7.2 | 10.8 | | | | | | | | |
| 75th Percentile | 0.7 | 2.9 | 5.3 | 4.4 | 4.5 | 2.9 | 4.9 | 6.1 | | | | | | | | |
| 95th Percentile | 0.0 | 0.1 | 0.9 | 1.7 | 2.5 | 0.1 | 0.8 | 1.2 | | | | | | | | |
| # of Portfolios | 486 | 483 | 417 | 357 | 271 | 483 | 425 | 427 | | | | | | | | |
| ● BlackRock U.S. Debt Fund | 1.1 | (59) | 7.9 | (23) | 6.9 | (60) | 6.6 | (31) | 5.8 | (41) | 7.9 | (23) | 6.7 | (56) | 6.0 | (76) |
| ▲ Barclays Capital Aggregate Bond Index | 1.1 | (59) | 7.8 | (24) | 6.8 | (61) | 6.5 | (33) | 5.8 | (42) | 7.8 | (24) | 6.5 | (59) | 5.9 | (77) |

Risk Profile

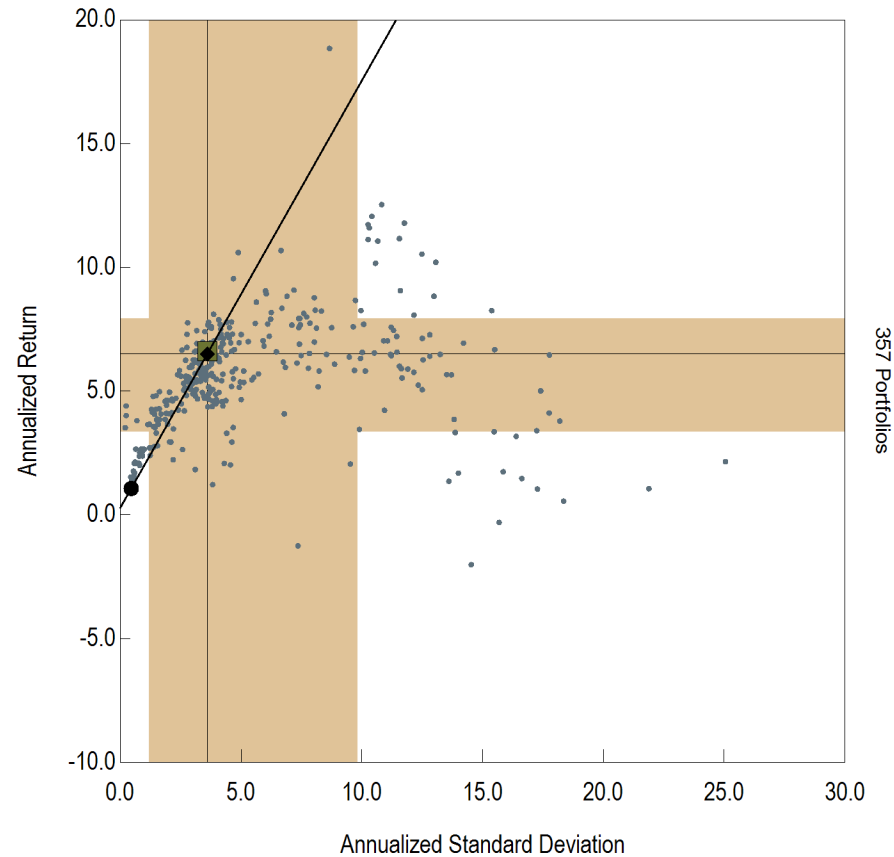
Benchmark: Barclays Capital Aggregate Bond Index

Universe: eA All US Fixed Inc Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011



- BlackRock U.S. Debt Fund
- ◆ Barclays Capital Aggregate Bond Index
- Risk Free
- 68% Confidence Interval
- eA All US Fixed Inc Net

- BlackRock U.S. Debt Fund
- ◆ Barclays Capital Aggregate Bond Index
- Risk Free
- 68% Confidence Interval
- eA All US Fixed Inc Net

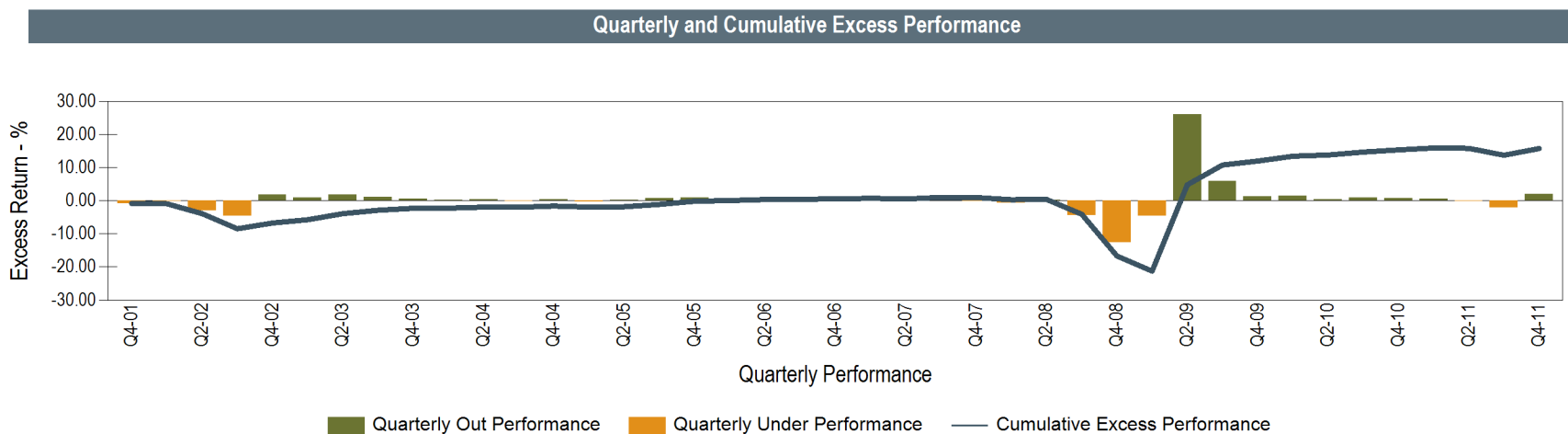
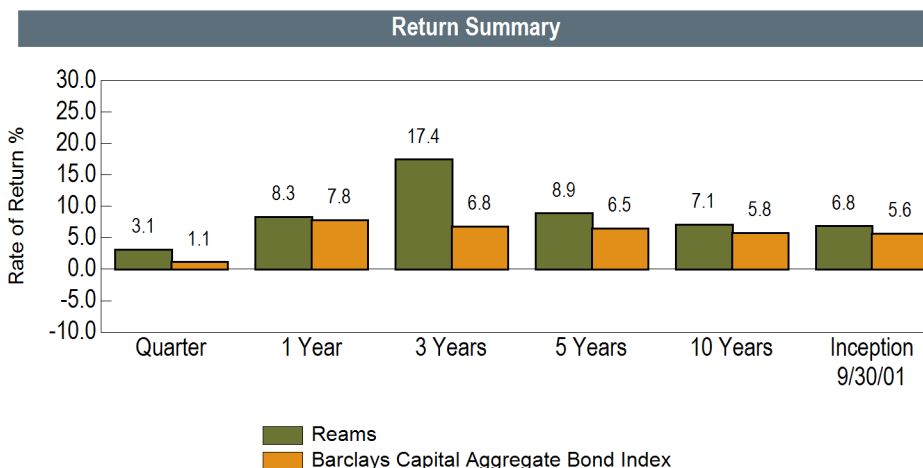
Manager Performance

Benchmark: Barclays Capital Aggregate Bond Index

Reams' investment process revolves around the manager's ability to combine top-down macroeconomic portfolio positioning with bottom-up bond selection. The top-down interest rate positioning is somewhat contrarian in that the manager uses real interest rates to gauge when the market is expensive and when it is cheap, increasing duration when the market is cheap and decreasing duration when it is expensive.

The manager attempts to exploit its relatively small size and uncover issues not widely followed by Wall Street. The manager prefers to hold securities by underlying collateral. The firm tends to avoid residential mortgages in favor of commercial mortgages.

| Account Information | |
|---------------------|--|
| Account Name | Reams |
| Account Structure | Separate Account |
| Investment Style | Active |
| Inception Date | 9/30/01 |
| Account Type | U.S. Fixed Income |
| Benchmark | Barclays Capital Aggregate Bond Index |
| Universe | eA All US Fixed Inc Net |

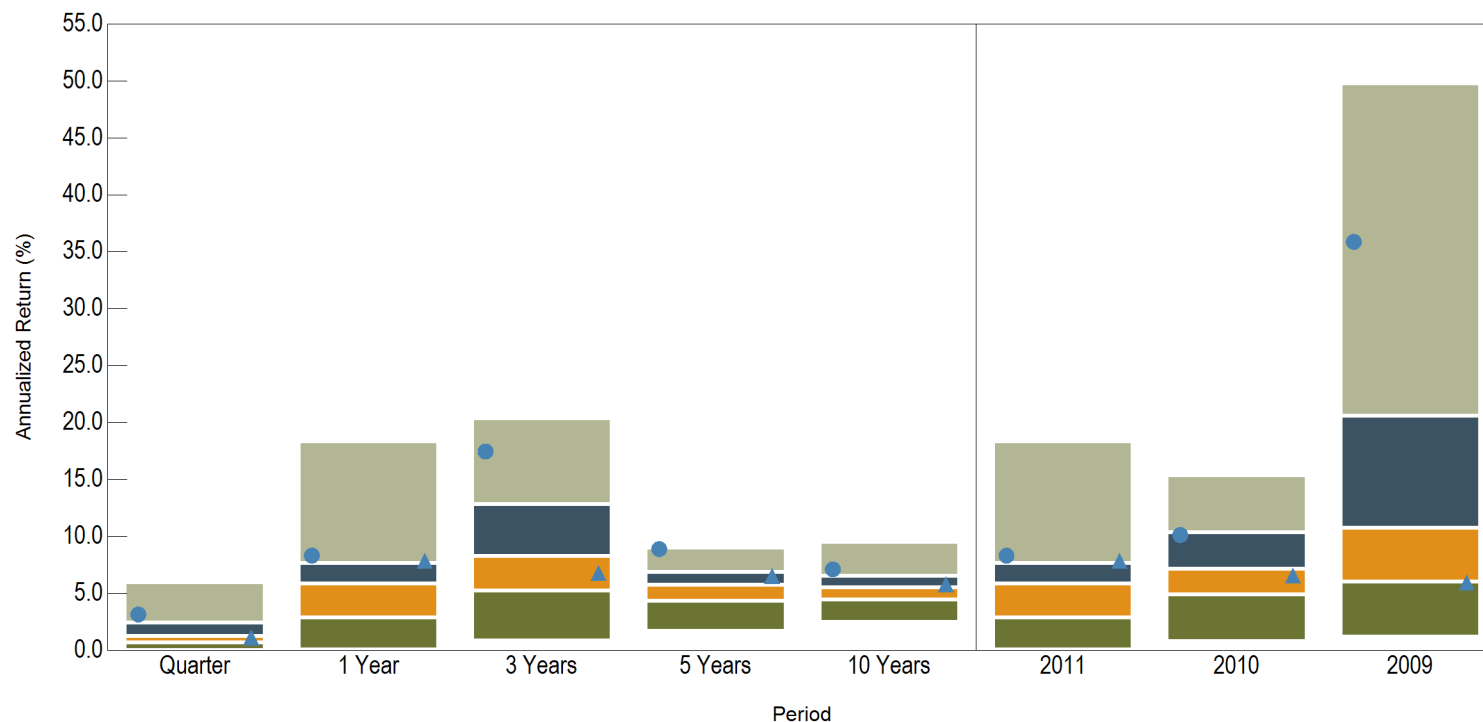


Universe Comparison

Benchmark: Barclays Capital Aggregate Bond Index

Universe: eA All US Fixed Inc Net

Ending December 31, 2011



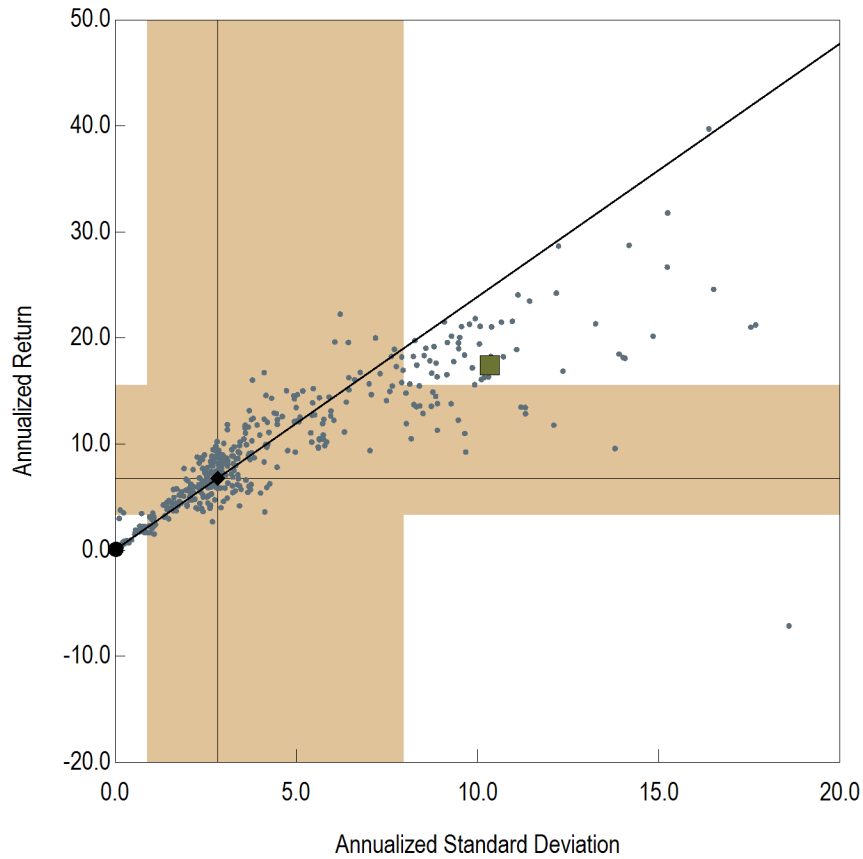
| | Return (Rank) | | | | | | | | | | | | | | | |
|---|---------------|------|------|------|------|------|------|------|-----|------|-----|------|------|------|------|------|
| 5th Percentile | 6.0 | 18.3 | 20.3 | 9.0 | 9.5 | 18.3 | 15.3 | 49.8 | | | | | | | | |
| 25th Percentile | 2.5 | 7.7 | 12.9 | 6.9 | 6.6 | 7.7 | 10.4 | 20.6 | | | | | | | | |
| Median | 1.3 | 5.9 | 8.3 | 5.8 | 5.5 | 5.9 | 7.2 | 10.8 | | | | | | | | |
| 75th Percentile | 0.7 | 2.9 | 5.3 | 4.4 | 4.5 | 2.9 | 4.9 | 6.1 | | | | | | | | |
| 95th Percentile | 0.0 | 0.1 | 0.9 | 1.7 | 2.5 | 0.1 | 0.8 | 1.2 | | | | | | | | |
| # of Portfolios | 486 | 483 | 417 | 357 | 271 | 483 | 425 | 427 | | | | | | | | |
| ● Reams | 3.1 | (17) | 8.3 | (19) | 17.4 | (12) | 8.9 | (6) | 7.1 | (18) | 8.3 | (19) | 10.1 | (27) | 35.9 | (13) |
| ▲ Barclays Capital Aggregate Bond Index | 1.1 | (59) | 7.8 | (24) | 6.8 | (61) | 6.5 | (33) | 5.8 | (42) | 7.8 | (24) | 6.5 | (59) | 5.9 | (77) |

Risk Profile

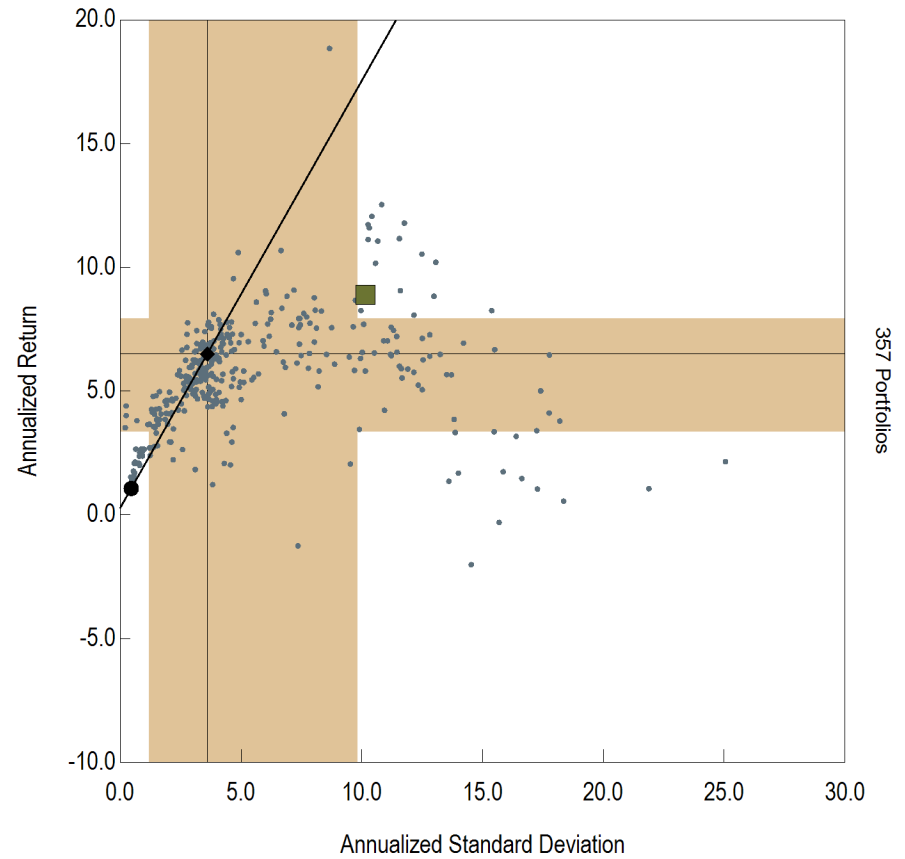
Benchmark: Barclays Capital Aggregate Bond Index

Universe: eA All US Fixed Inc Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011



- Reams
- ◆ Barclays Capital Aggregate Bond Index
- Risk Free
- 68% Confidence Interval
- eA All US Fixed Inc Net

- Reams
- ◆ Barclays Capital Aggregate Bond Index
- Risk Free
- 68% Confidence Interval
- eA All US Fixed Inc Net

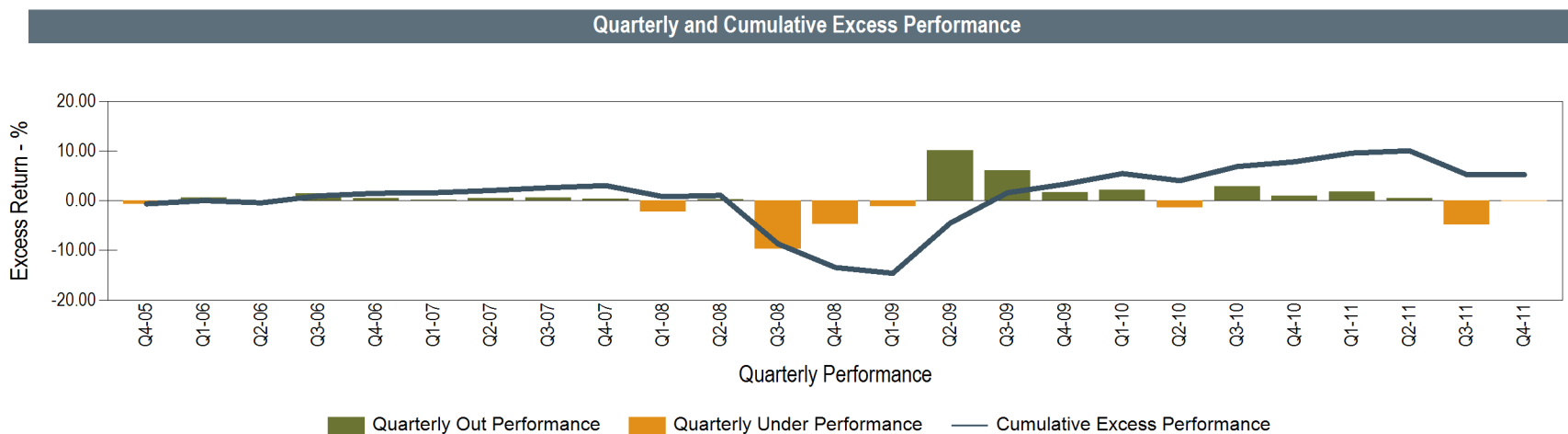
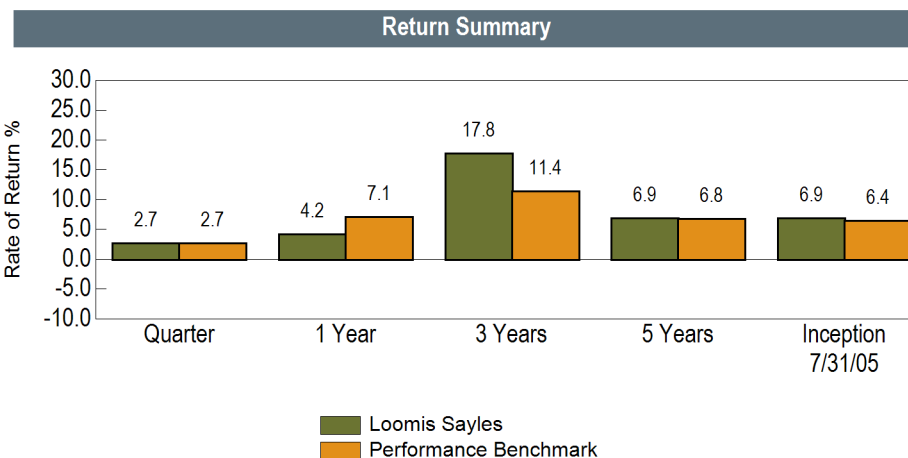
Manager Performance

Benchmark: Performance Benchmark

Loomis Sayles' fixed income philosophy is rooted in identifying undervalued securities through in-house credit research. Its philosophy emphasizes identifying issuers whose credit ratings appear likely to be upgraded or downgraded. The fixed income analysts use forward-looking analyses of cash flow, along with source and application of funds, to identify factors that may affect a debt issuer's future credit rating. Loomis Sayles believes that considerable value can be added by holding under-rated issues for which the firm has projected a credit upgrading.

Loomis typically allocates up to 40% of its assets to high yield securities and its portfolio's duration is significantly higher than that of the broad bond market. The manager also invests in convertible securities. The performance benchmark for the strategy is 60% Barclays Capital Aggregate Bond Index and 40% Barclays Capital High Yield Index.

| Account Information | |
|---------------------|--------------------------------|
| Account Name | Loomis Sayles |
| Account Structure | Separate Account |
| Investment Style | Active |
| Inception Date | 7/31/05 |
| Account Type | Global Fixed Income |
| Benchmark | Performance Benchmark |
| Universe | eA All US Fixed Inc Net |

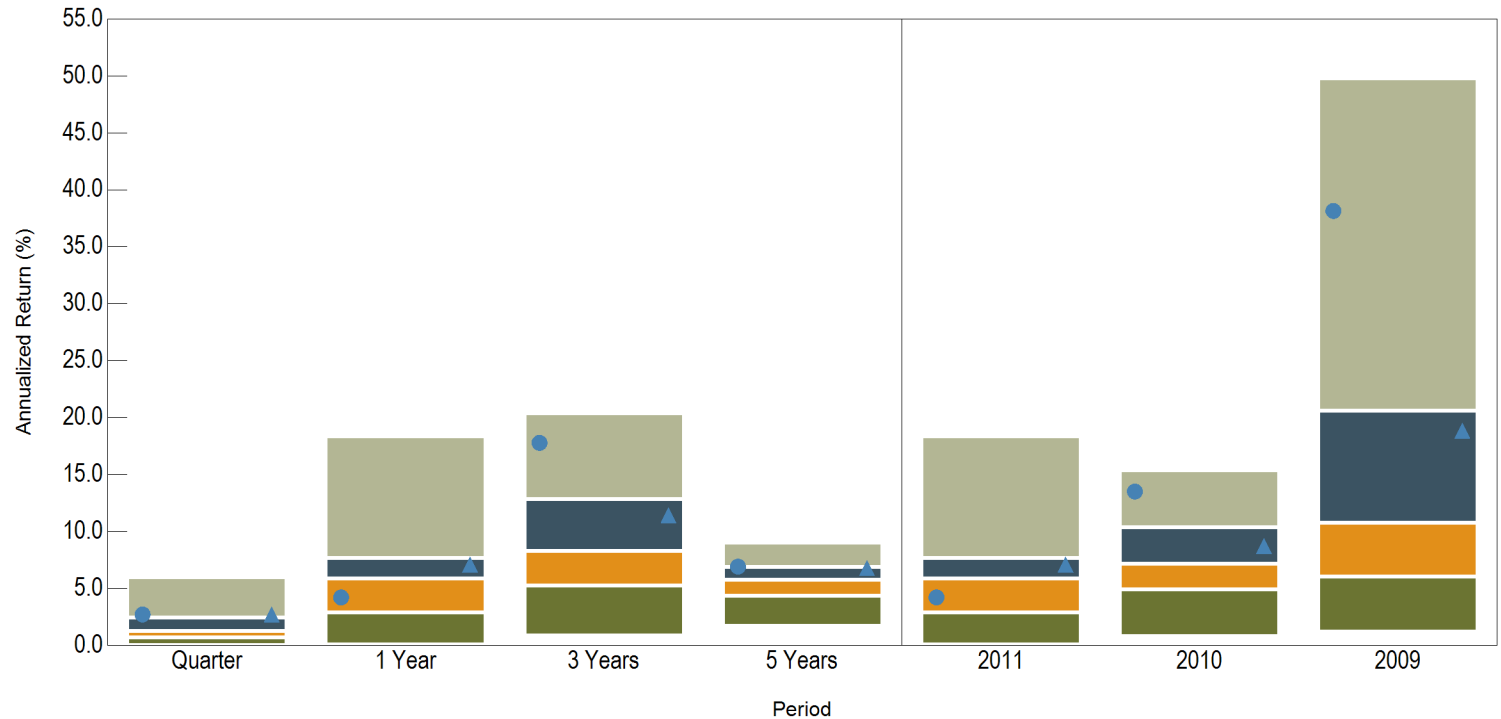


Universe Comparison

Benchmark: Performance Benchmark

Universe: eA All US Fixed Inc Net

Ending December 31, 2011



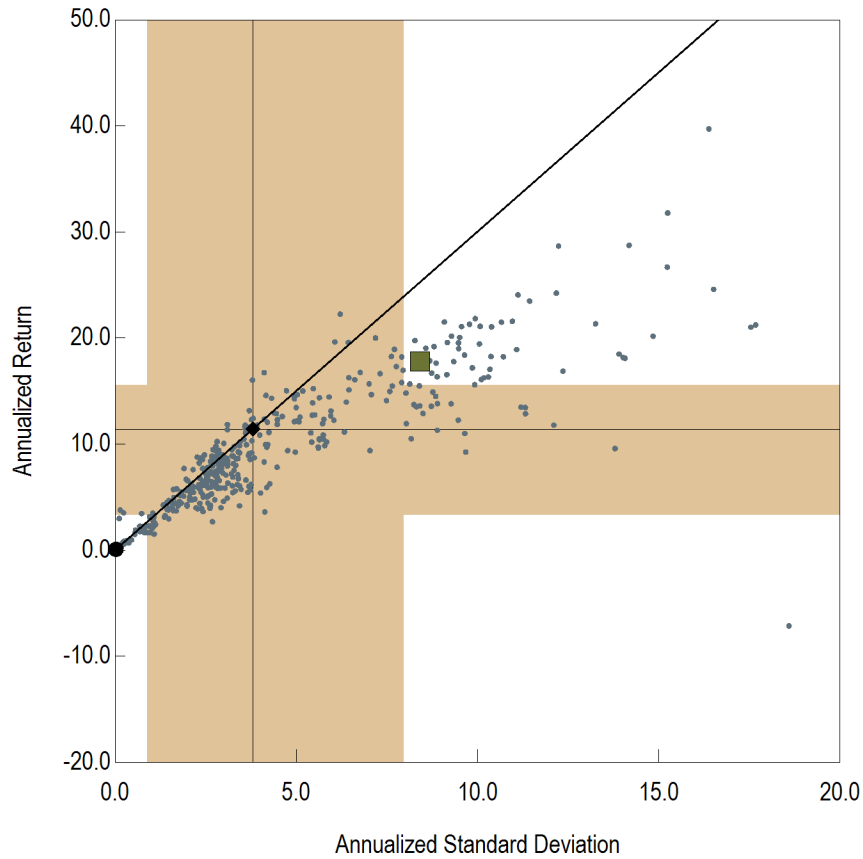
| | Return (Rank) | | | | | | | | | | | | | |
|-------------------------|---------------|------|------|------|------|------|------|------|-----|------|------|------|------|------|
| 5th Percentile | 6.0 | 18.3 | 20.3 | 9.0 | 18.3 | 15.3 | 49.8 | | | | | | | |
| 25th Percentile | 2.5 | 7.7 | 12.9 | 6.9 | 7.7 | 10.4 | 20.6 | | | | | | | |
| Median | 1.3 | 5.9 | 8.3 | 5.8 | 5.9 | 7.2 | 10.8 | | | | | | | |
| 75th Percentile | 0.7 | 2.9 | 5.3 | 4.4 | 2.9 | 4.9 | 6.1 | | | | | | | |
| 95th Percentile | 0.0 | 0.1 | 0.9 | 1.7 | 0.1 | 0.8 | 1.2 | | | | | | | |
| # of Portfolios | 486 | 483 | 417 | 357 | 483 | 425 | 427 | | | | | | | |
| ● Loomis Sayles | 2.7 | (21) | 4.2 | (67) | 17.8 | (12) | 6.9 | (25) | 4.2 | (67) | 13.5 | (12) | 38.1 | (12) |
| ▲ Performance Benchmark | 2.7 | (21) | 7.1 | (35) | 11.4 | (32) | 6.8 | (27) | 7.1 | (35) | 8.7 | (34) | 18.8 | (29) |

Risk Profile

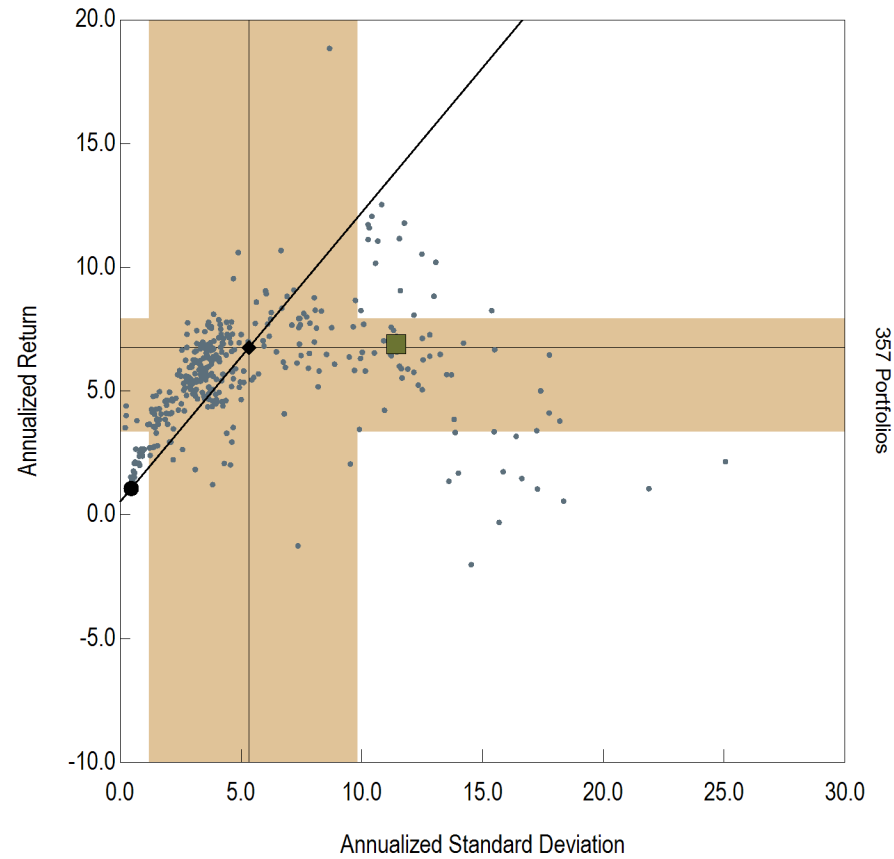
Benchmark: Performance Benchmark

Universe: eA All US Fixed Inc Net

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011



- Loomis Sayles
- ◆ Performance Benchmark
- Risk Free
- 68% Confidence Interval
- eA All US Fixed Inc Net

- Loomis Sayles
- ◆ Performance Benchmark
- Risk Free
- 68% Confidence Interval
- eA All US Fixed Inc Net

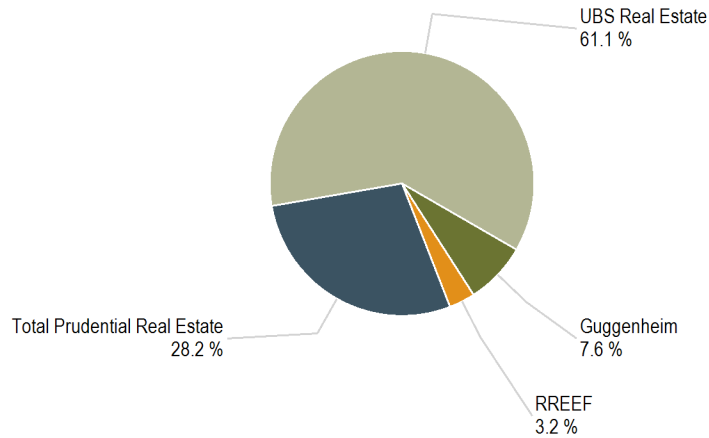


Total Real Estate

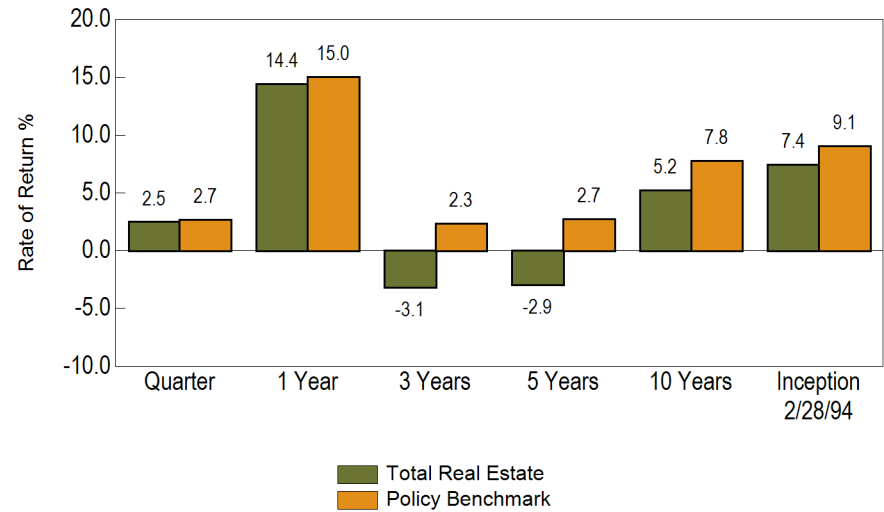
Overview

Benchmark: Policy Benchmark

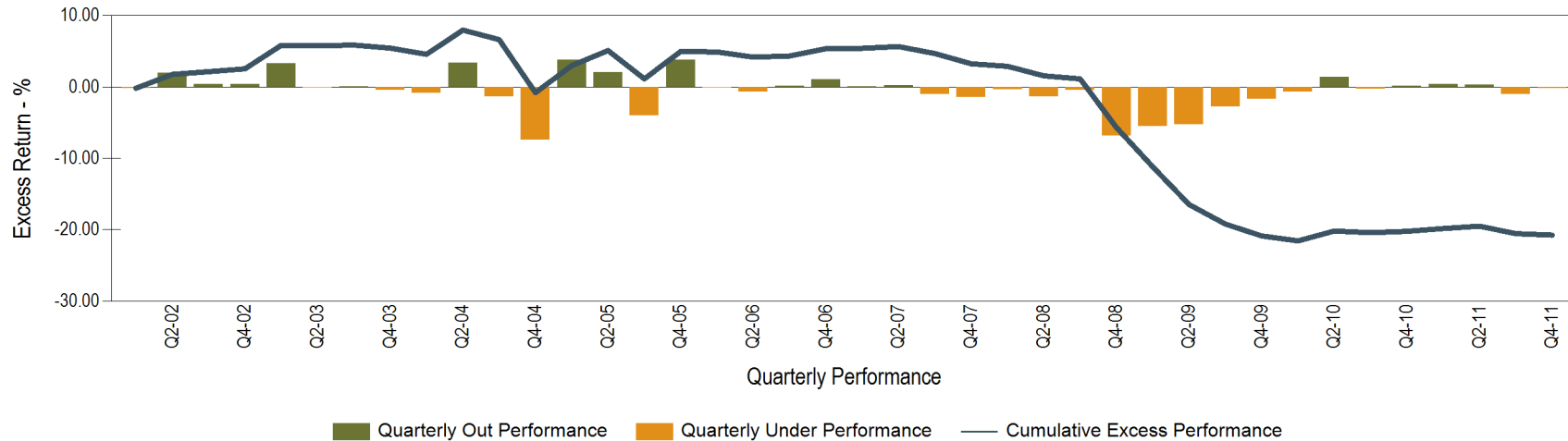
Current Allocation



Return Summary



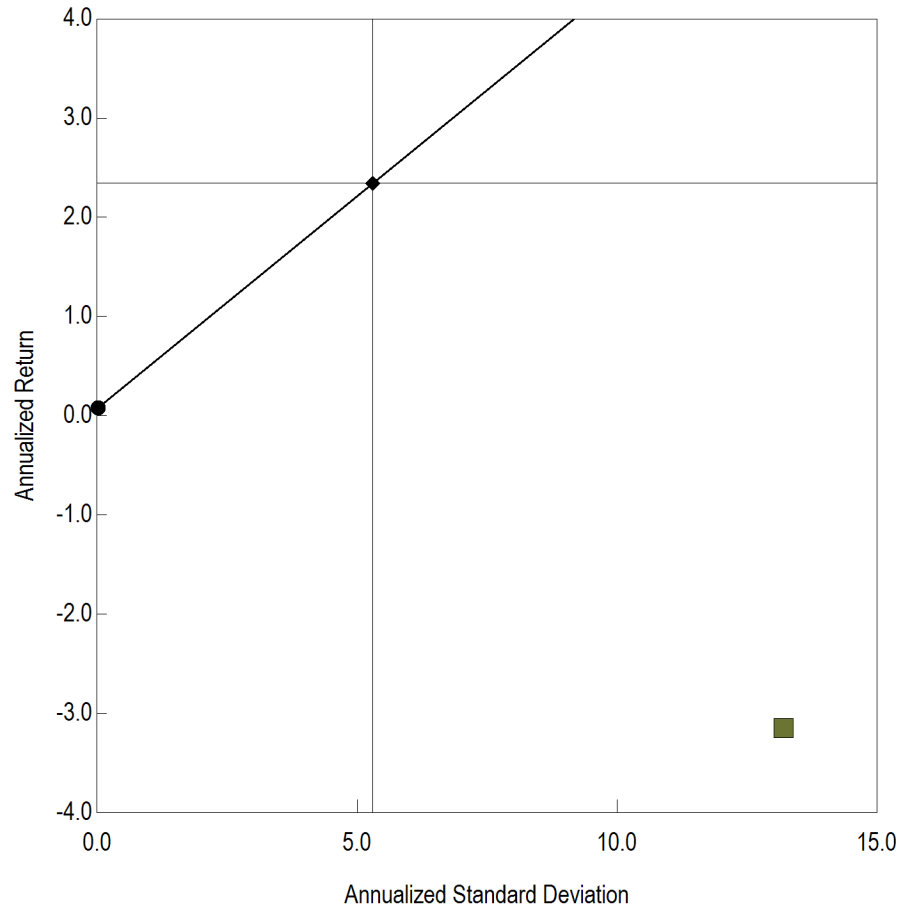
Quarterly and Cumulative Excess Performance



Risk Profile

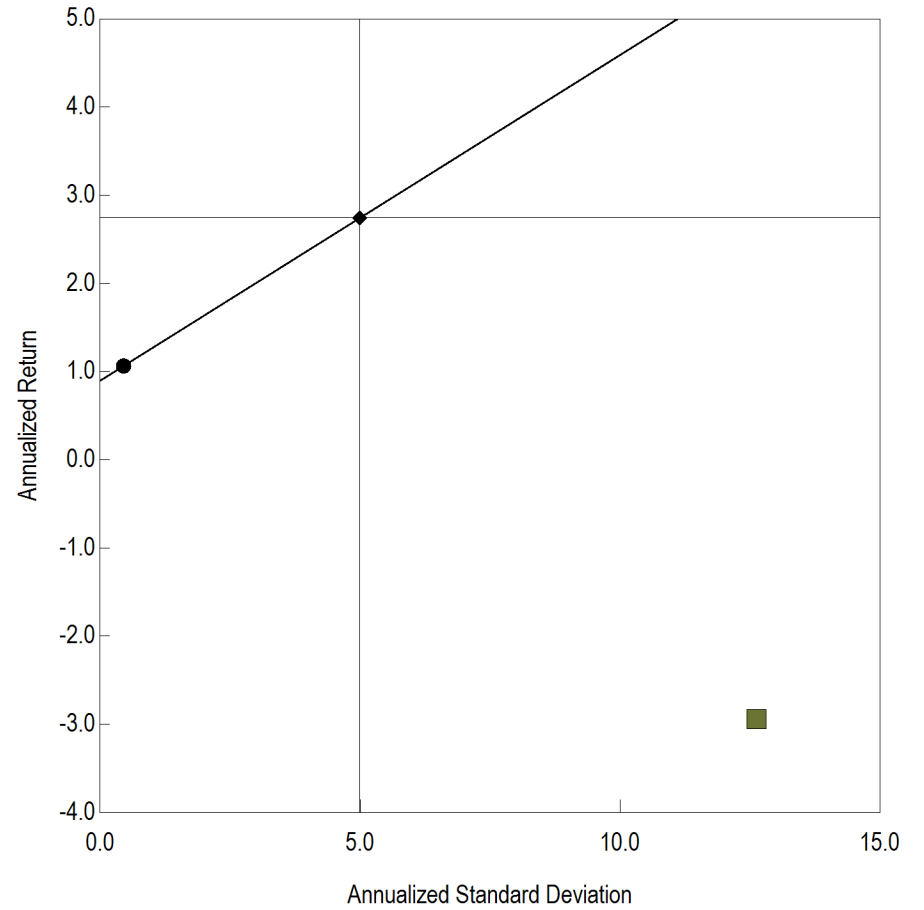
Benchmark: Policy Benchmark

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



- Total Real Estate
- ◆ Policy Benchmark
- Risk Free

Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011



- Total Real Estate
- ◆ Policy Benchmark
- Risk Free

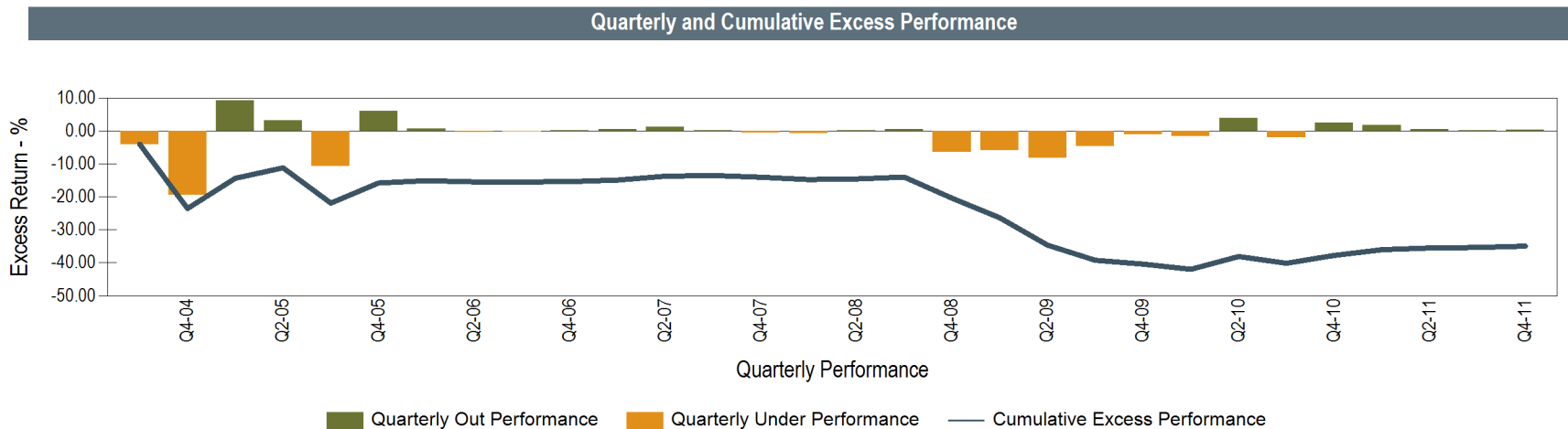
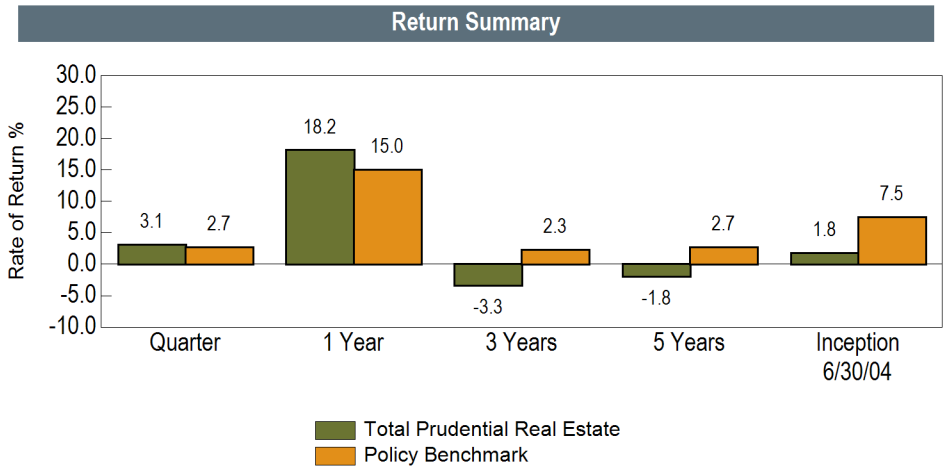
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Manager Performance

Benchmark: Policy Benchmark

Prudential's PRISA is a core-only product with no value-added component. The manager utilizes low leverage (max 30%) and is diversified across both property types and regions. PRISA has a dedicated team of 15 regional research professionals who work on the portfolio. In constructing the PRISA portfolio, the lead portfolio manager annually develops a forward-looking three-year forecast. The forecast is based on macroeconomic predictions, along with input from the manager's proprietary software systems. The transaction team utilizes this forward-looking forecast in its search for potential properties.

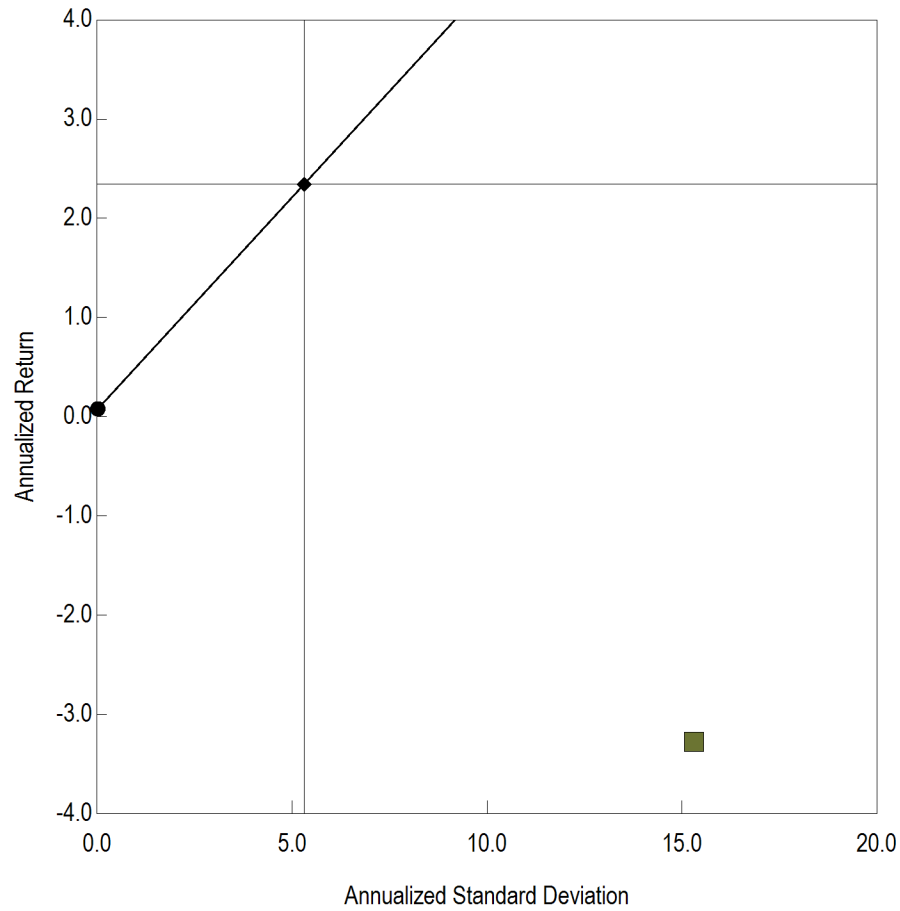
| Account Information | |
|---------------------|-------------------------------------|
| Account Name | Total Prudential Real Estate |
| Account Structure | Other |
| Investment Style | Active |
| Inception Date | 6/30/04 |
| Account Type | Real Estate |
| Benchmark | Policy Benchmark |
| Universe | |



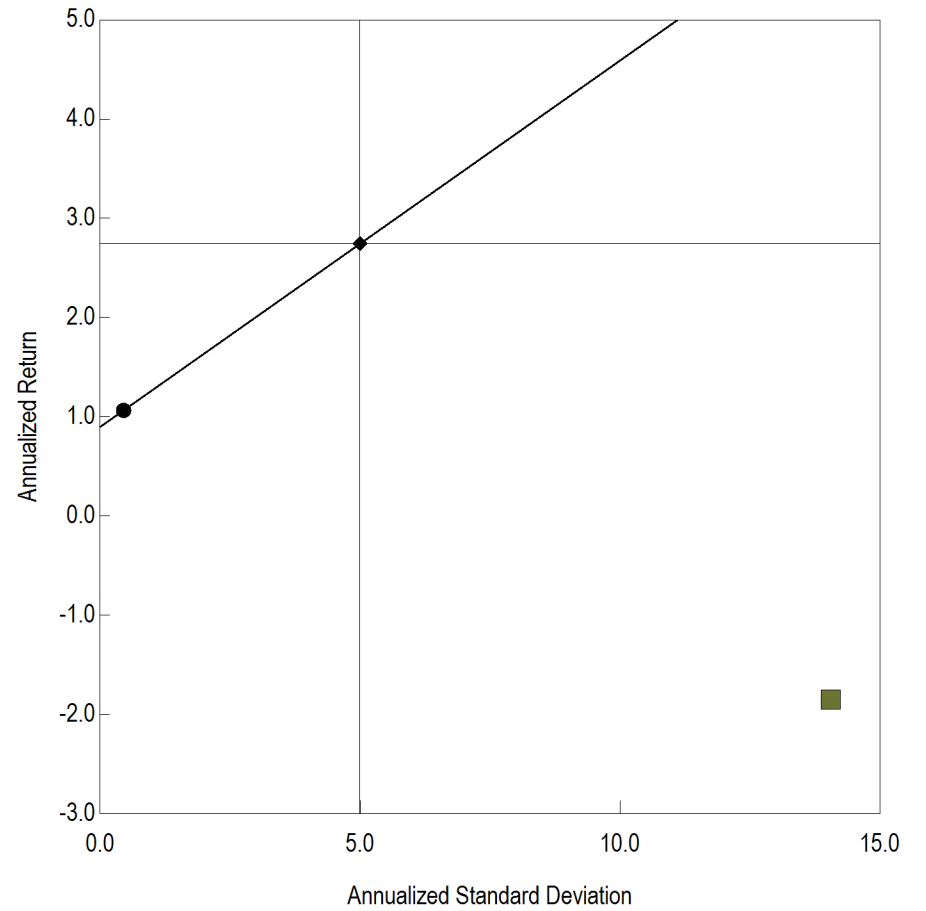
Risk Profile

Benchmark: Policy Benchmark

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011

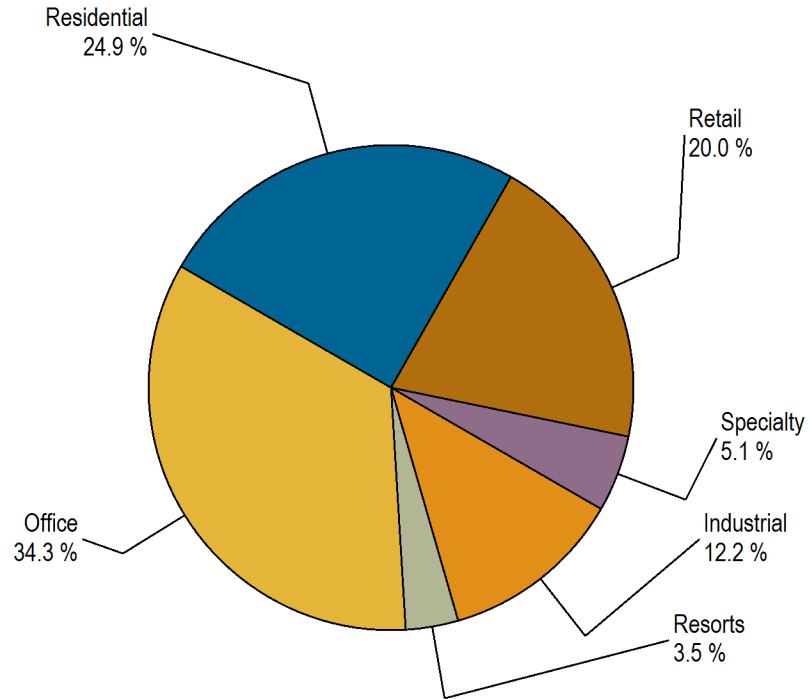


- Total Prudential Real Estate
- ◆ Policy Benchmark
- Risk Free

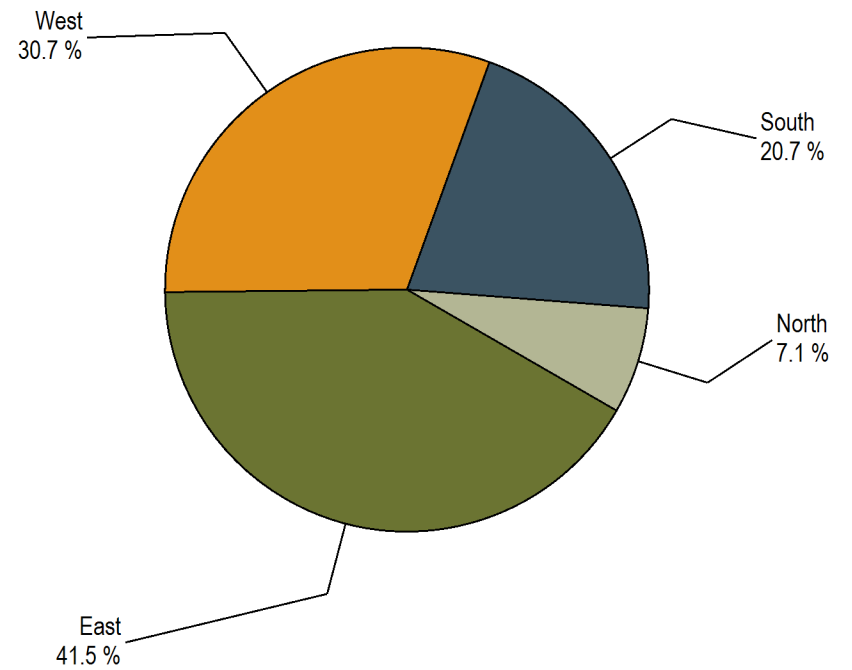
- Total Prudential Real Estate
- ◆ Policy Benchmark
- Risk Free

Manager Analysis

Property Type Allocation



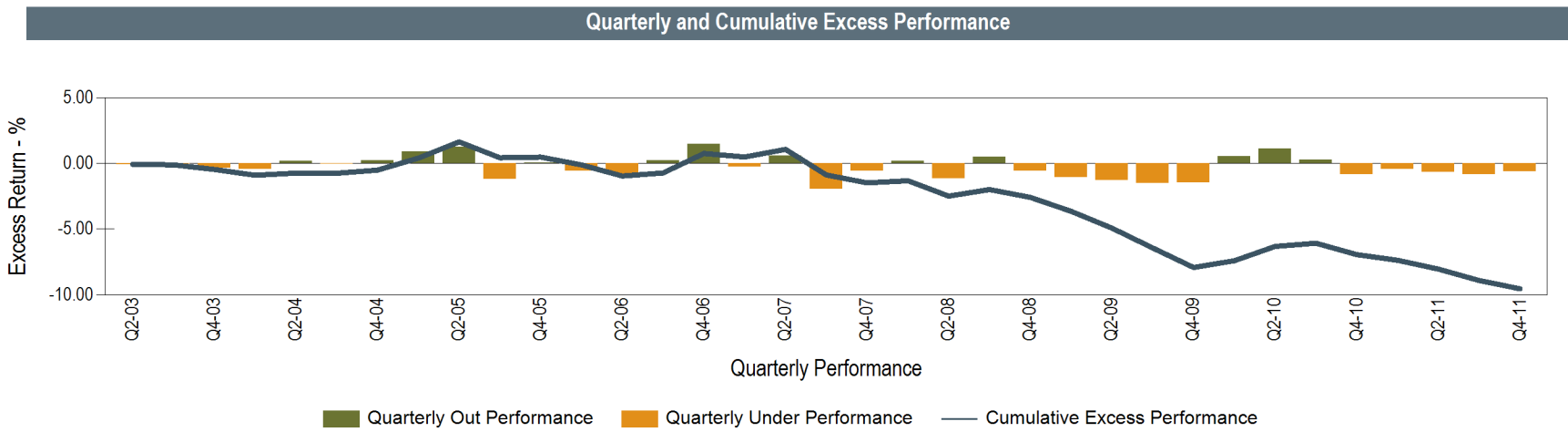
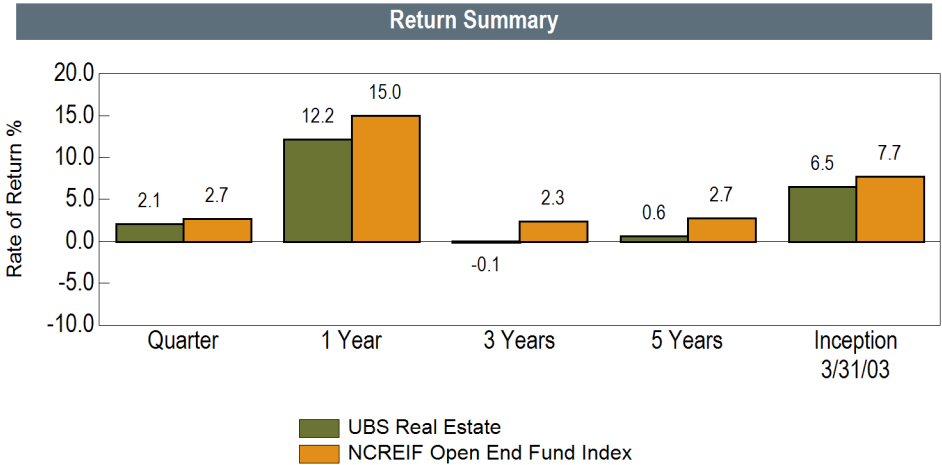
Geographic Diversification



Manager Performance

Benchmark: NCREIF Open End Fund Index

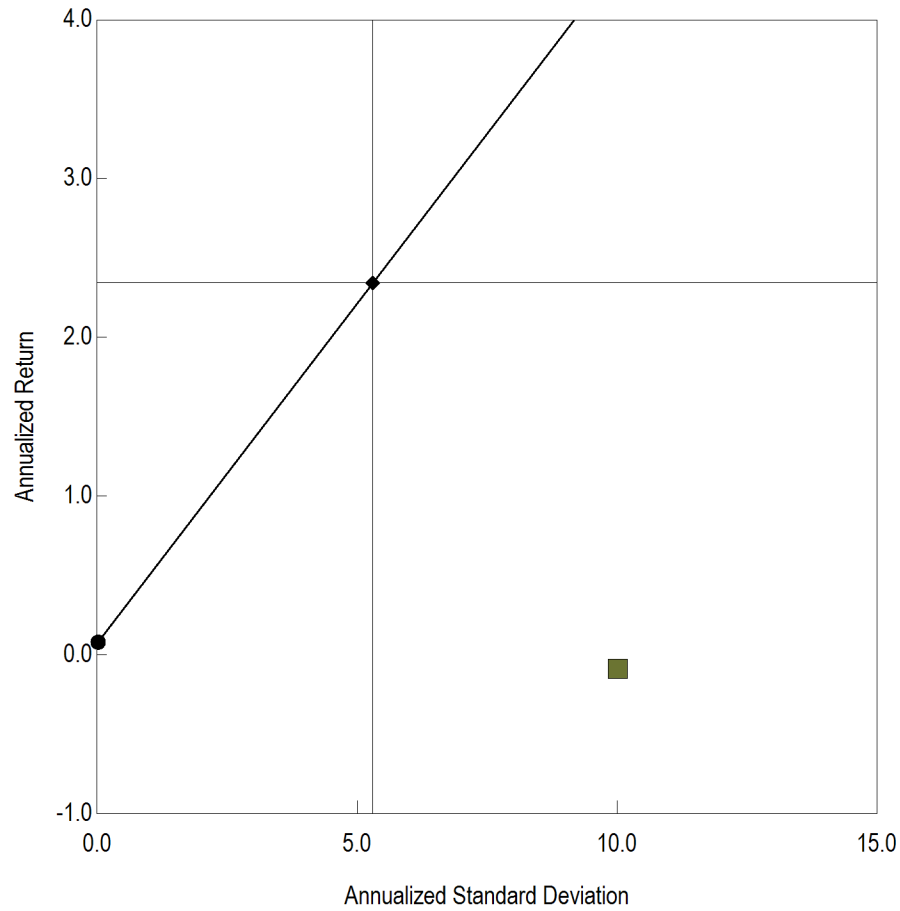
| Account Information | |
|---------------------|----------------------------|
| Account Name | UBS Real Estate |
| Account Structure | Other |
| Investment Style | Active |
| Inception Date | 3/31/03 |
| Account Type | Real Estate |
| Benchmark | NCREIF Open End Fund Index |
| Universe | |



Risk Profile

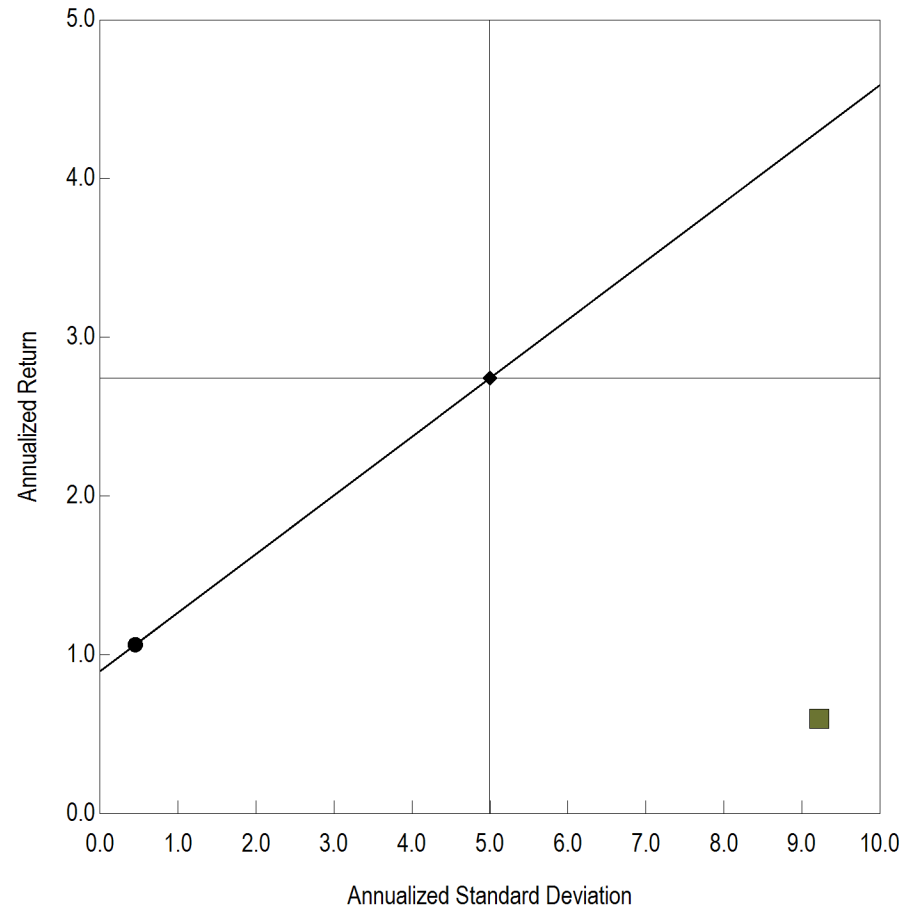
Benchmark: NCREIF Open End Fund Index

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



- UBS Real Estate
- ◆ NCREIF Open End Fund Index
- Risk Free

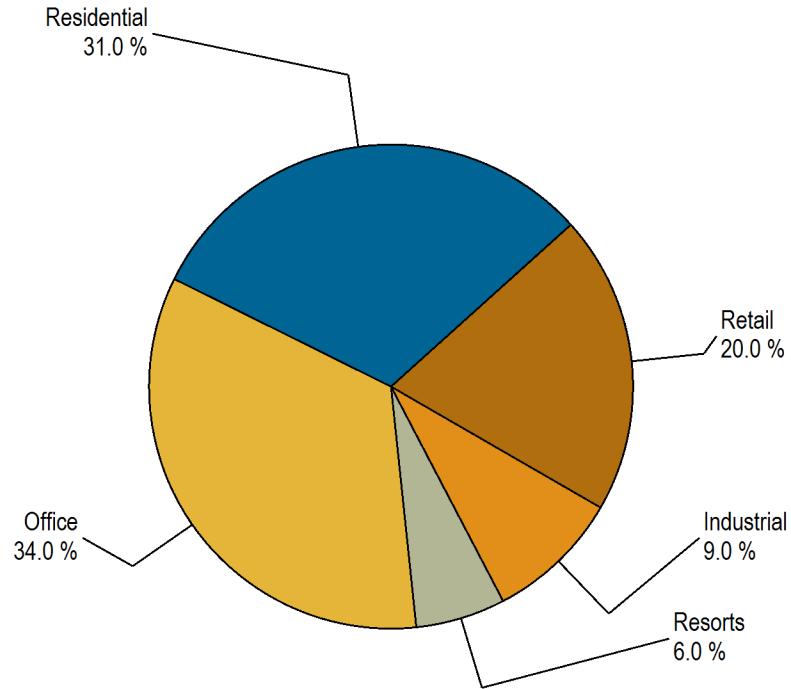
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011



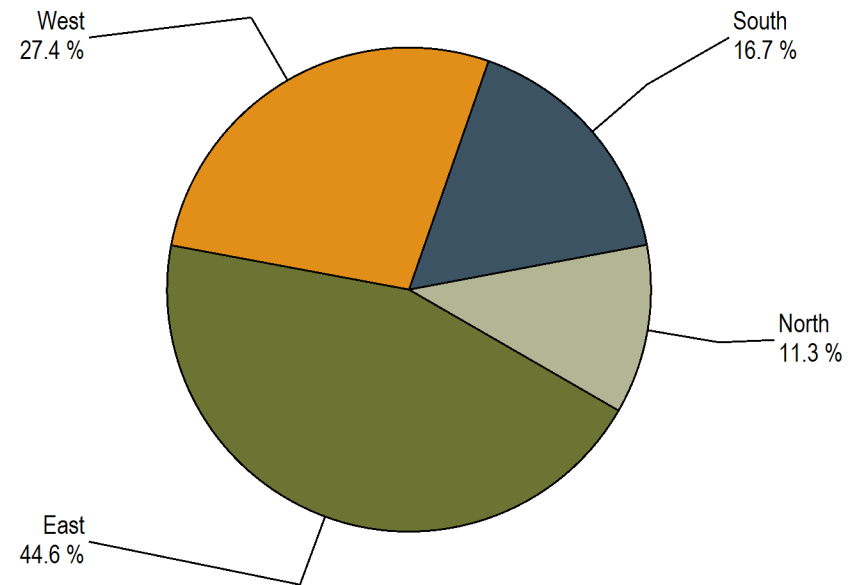
- UBS Real Estate
- ◆ NCREIF Open End Fund Index
- Risk Free

Manager Analysis

Property Type Allocation



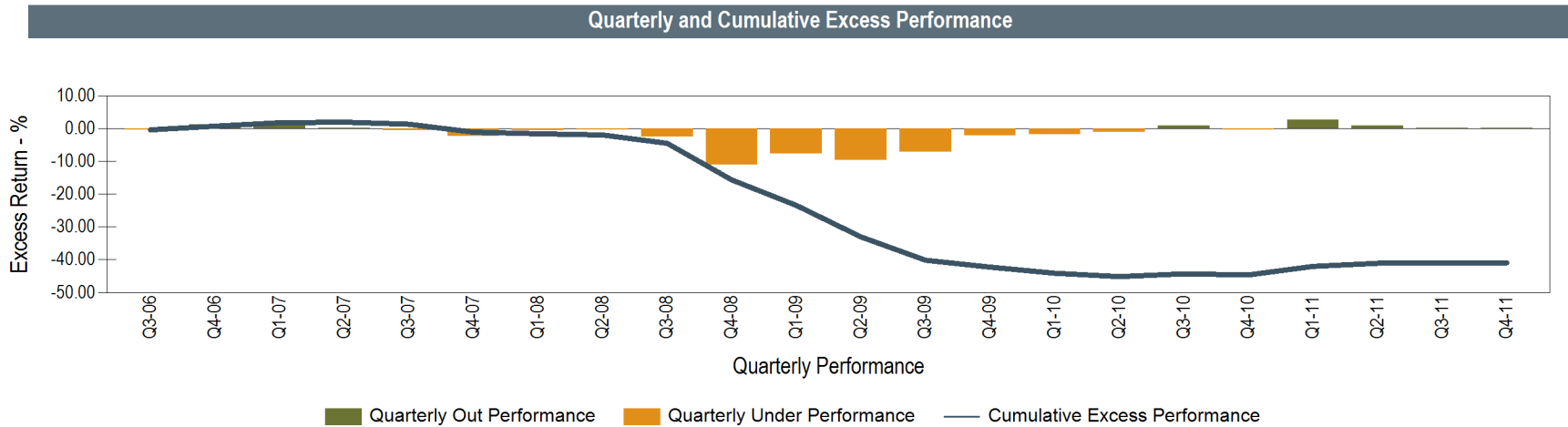
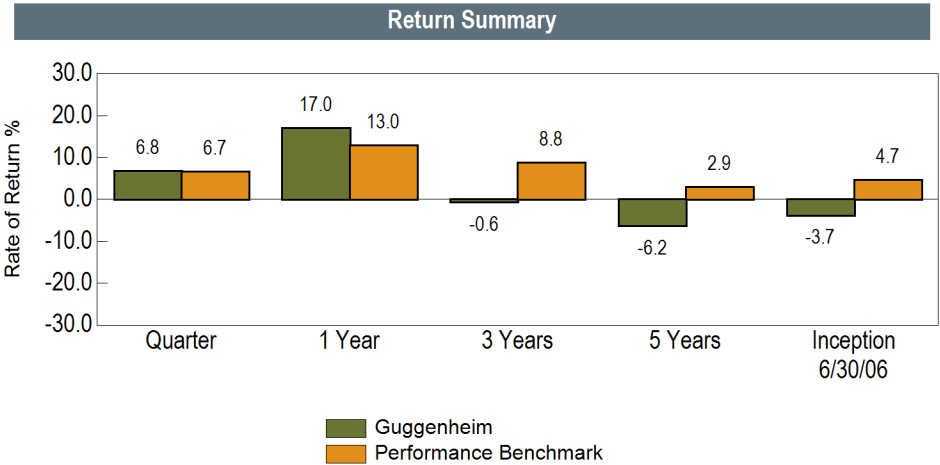
Geographic Diversification



Manager Performance

Benchmark: Performance Benchmark

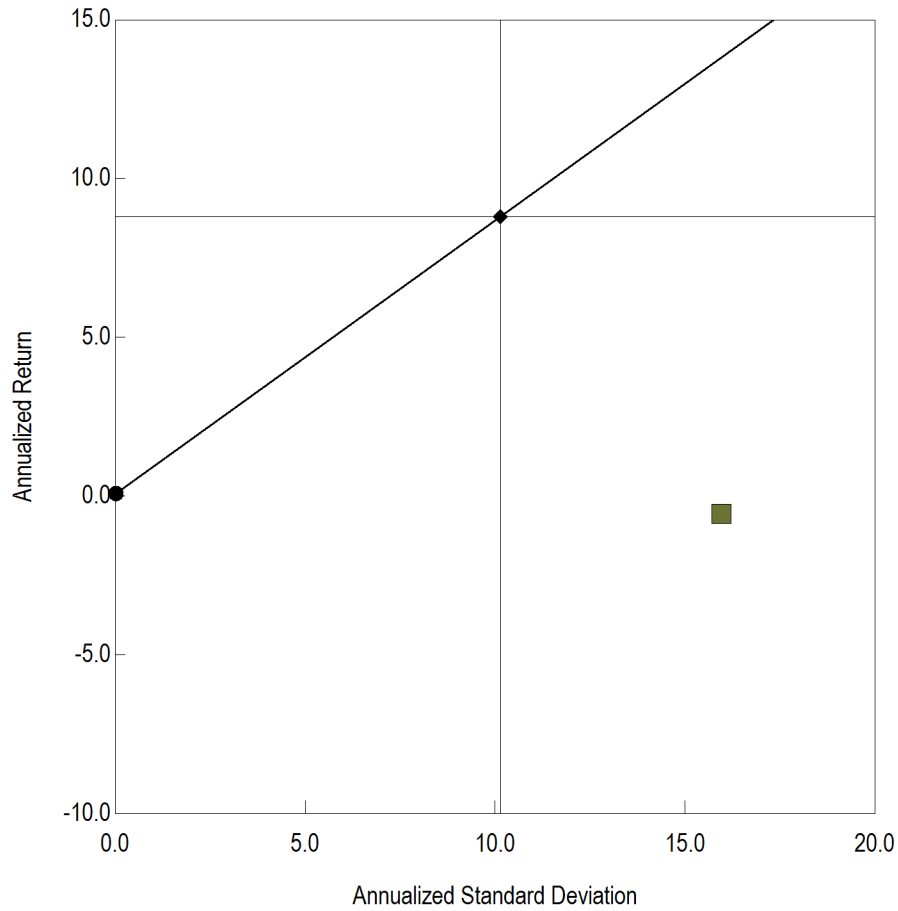
| Account Information | |
|---------------------|-----------------------|
| Account Name | Guggenheim |
| Account Structure | Other |
| Investment Style | Active |
| Inception Date | 6/30/06 |
| Account Type | Real Estate |
| Benchmark | Performance Benchmark |
| Universe | |



Risk Profile

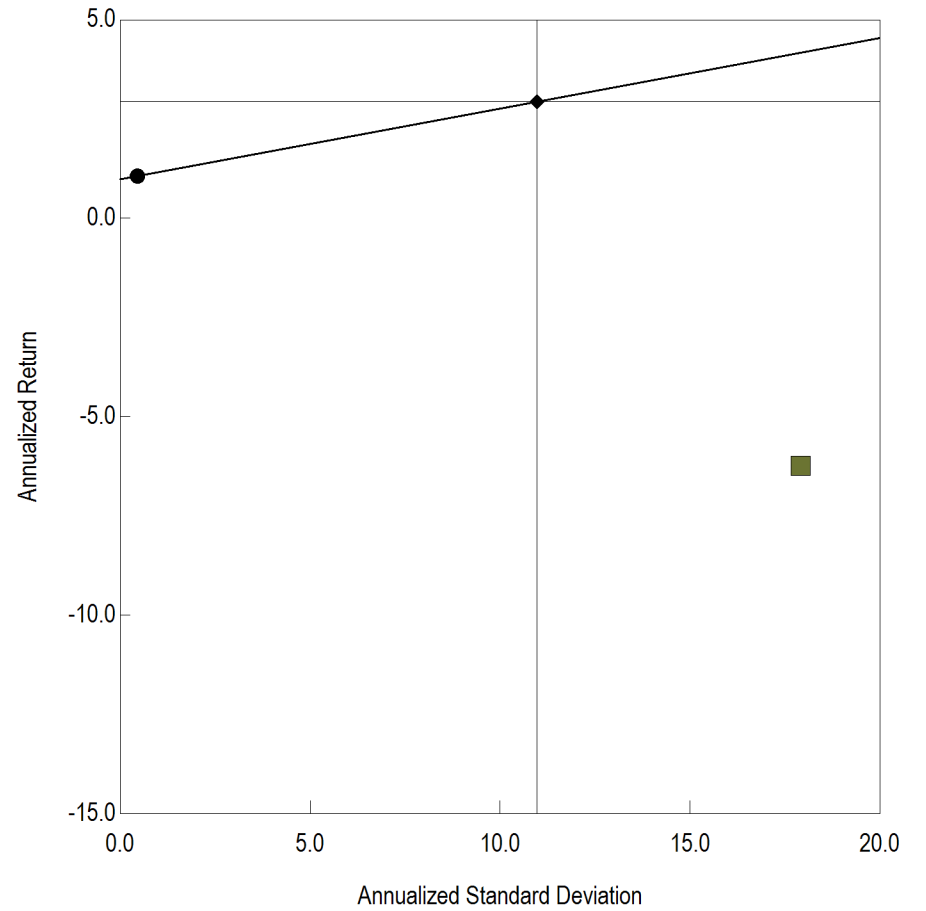
Benchmark: Performance Benchmark

Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



- Guggenheim
- ◆ Performance Benchmark
- Risk Free

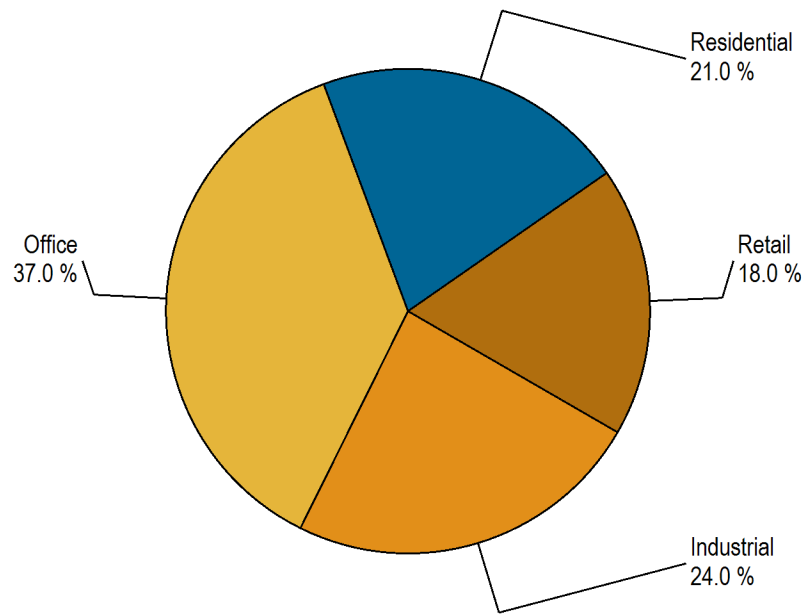
Annualized Return vs. Annualized Standard Deviation
5 Years Ending December 31, 2011



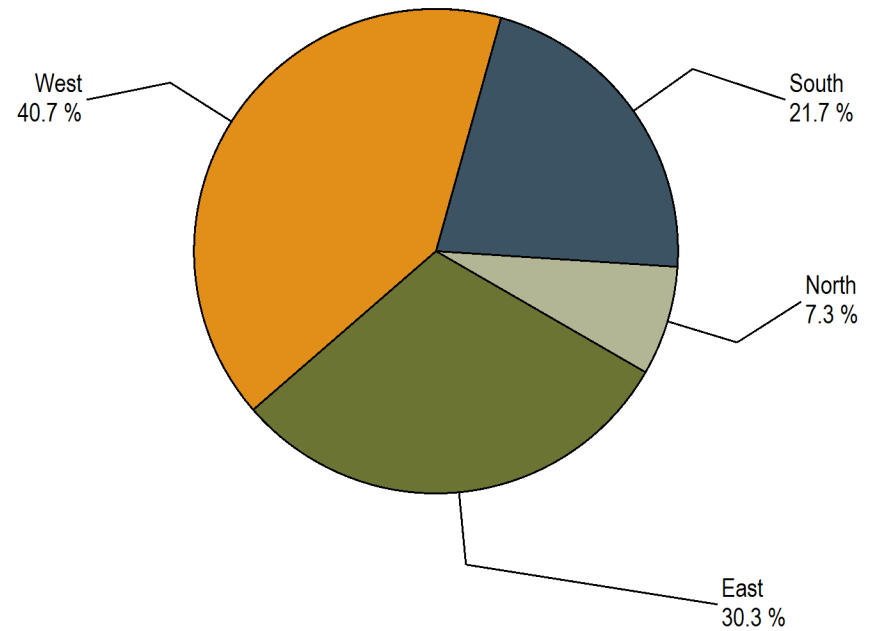
- Guggenheim
- ◆ Performance Benchmark
- Risk Free

Manager Analysis

Property Type Allocation



Geographic Diversification



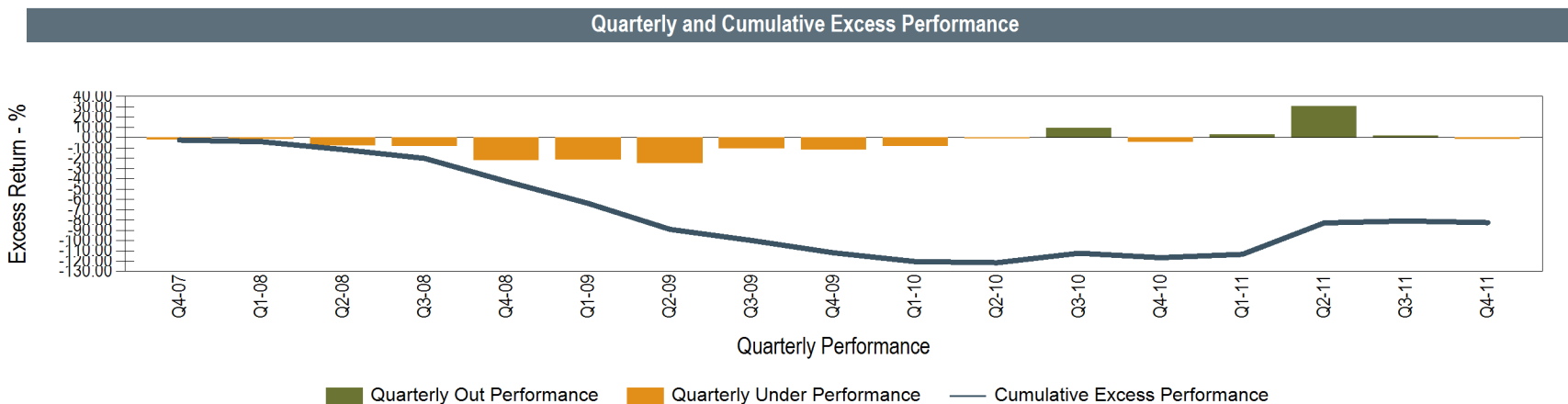
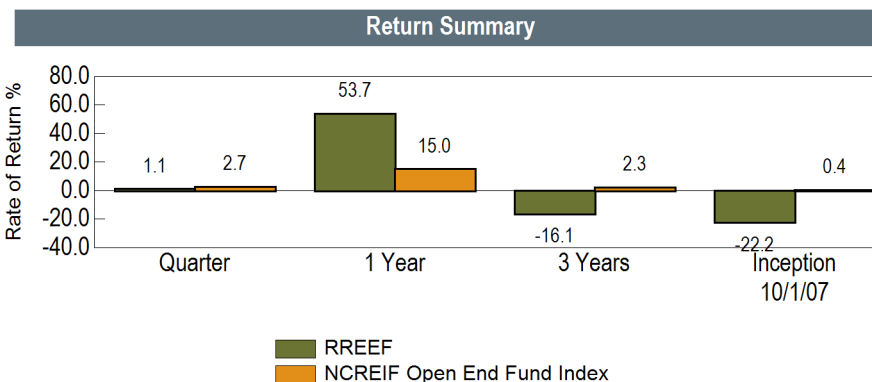
Manager Performance

Benchmark: NCREIF Open End Fund Index

RREEF employs 600+ real estate investment professionals in 115 offices located in every major metropolitan market nationwide. RREEF America III (RA III) is a \$600 million open-end private REIT that pursues value-added investment opportunities in the U.S. The RREEF research process, dubbed the Market Profile Process, is led by Asieh Mansour, Ph. D and is roughly 65% bottom up asset-specific fundamental research and 25% top down market and demographic research. The remainder focuses on the investment performance of real estate in both public market and private market settings. This process is executed by the 17 members of the full-time research staff.

RA III has a target total fund size of \$1-2 billion, which RA III management expects to reach over a five year period. RREEF expects RA III to produce more than one-half of its total return from realized and unrealized gains resulting from the improvements it makes in the fund's assets. RA III investments will include income-producing properties, properties requiring re-positioning, and speculative development. The fund is scheduled to have a 15-year life and will commence an orderly liquidation of assets on January 22, 2016. RA III shareholders and the Board of Directors are considering a proposal to extend product life. As a REIT, oversight of RA III is maintained by an independent board that approves: the investment plan, dispositions, financing, and quarterly valuations.

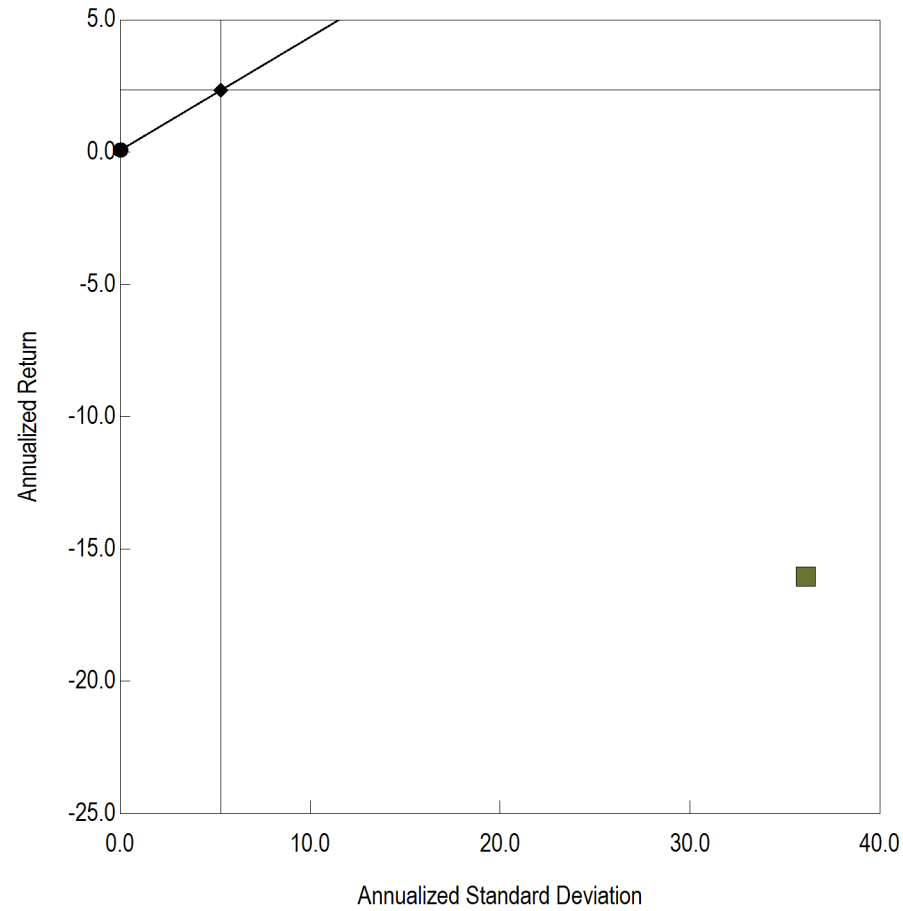
| Account Information | |
|---------------------|----------------------------|
| Account Name | RREEF |
| Account Structure | Other |
| Investment Style | Active |
| Inception Date | 10/01/07 |
| Account Type | Real Estate |
| Benchmark | NCREIF Open End Fund Index |
| Universe | |



Risk Profile

Benchmark: NCREIF Open End Fund Index

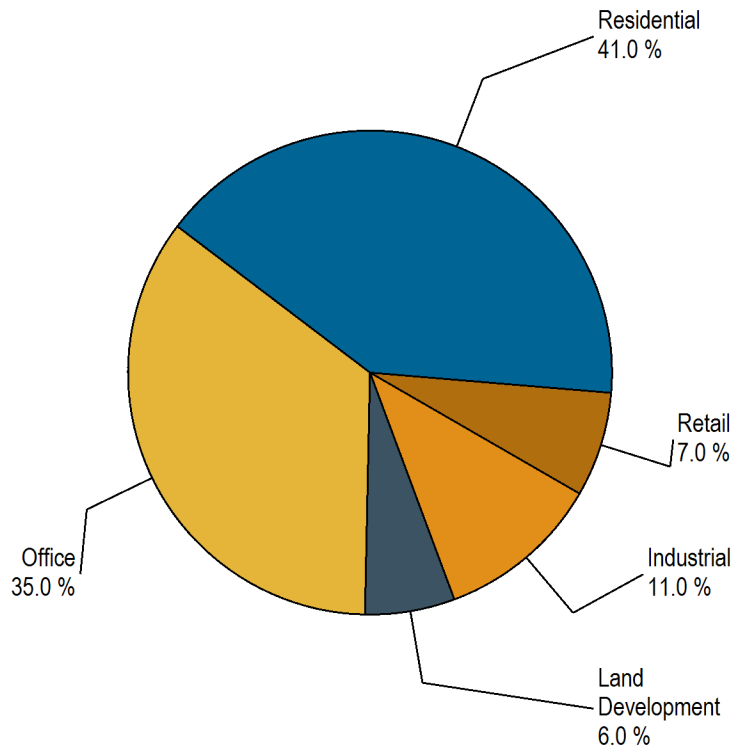
Annualized Return vs. Annualized Standard Deviation
3 Years Ending December 31, 2011



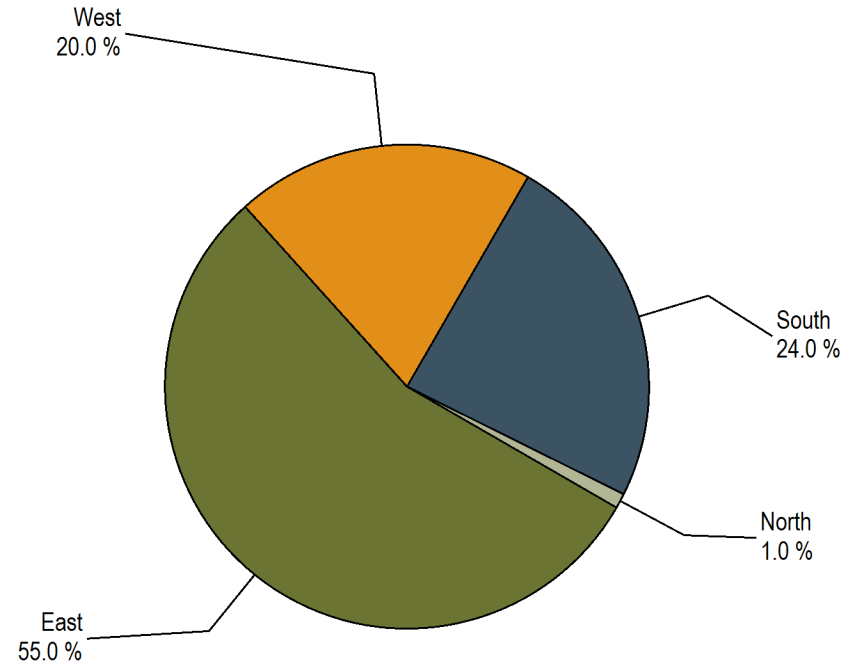
- RREEF
- ◆ NCREIF Open End Fund Index
- Risk Free

Manager Analysis

Property Type Allocation



Geographic Diversification





Private Equity

Overview

Adams Street Partnership

| | As of 9/30/2011 |
|--------------------------|------------------------|
| Inception Date | May 2010 |
| Capital Committed | \$85.0million |
| Capital Called | \$11.7 million |
| Distributions | \$0.0 million |
| Carrying Values | \$12.5 million |
| Net IRR Since Inception* | N/A |

Pantheon Ventures

| | As of 9/30/2011 |
|--------------------------|------------------------|
| Inception Date | January 2010 |
| Capital Committed | \$15.0 million |
| Capital Called | \$2.93 million |
| Distributions | \$0.0 million |
| Carrying Values | \$3.53 million |
| Net IRR Since Inception* | N/A |

*Due to the relatively short investment period of the Pension's investments, returns are not shown. An internal rate of return (IRR) will be calculated for this investment once a meaningful level of capital has been invested for an appropriate period of time.



Appendix

Fee Schedule

| Account | Fee Schedule | Market Value As of 12/31/2011 | % of Portfolio | Estimated Annual Fee (\$) | Estimated Annual Fee (%) |
|--------------------------------------|--|----------------------------------|----------------|------------------------------|-----------------------------|
| Total U.S. Equity | No Fee | \$1,095,348,225 | 35.7% | -- | -- |
| BlackRock Extended Equity Index Fund | 0.08% of First \$50.0 Mil, 0.06% of Next \$50.0 Mil, 0.04% Thereafter | \$30,888,451 | 1.0% | \$24,711 | 0.08% |
| Western U.S. Index Plus | 0.15% of Assets | \$99,583,187 | 3.2% | \$149,375 | 0.15% |
| BlackRock Equity Market Fund | 0.03% of First \$250.0 Mil, 0.02% Thereafter | \$964,876,587 | 31.4% | \$217,975 | 0.02% |
| Total Non-U.S. Equity | No Fee | \$507,415,490 | 16.5% | -- | -- |
| BlackRock ACWI ex-U.S. Index | 0.12% of First \$100.0 Mil, 0.10% Thereafter | \$256,999,493 | 8.4% | \$276,999 | 0.11% |
| Sprucegrove | 0.90% of First \$5.0 Mil, 0.65% of Next \$10.0 Mil, 0.55% of Next \$25.0 Mil, 0.50% of Next \$35.0 Mil, 0.25% of Next \$225.0 Mil, 0.20% Thereafter | \$111,672,929 | 3.6% | \$514,182 | 0.46% |
| Artio International Equity II | 0.85% of First \$20.0 Mil, 0.65% of Next \$20.0 Mil, 0.55% of Next \$60.0 Mil, 0.45% Thereafter | \$64,836,805 | 2.1% | \$436,602 | 0.67% |
| Hexavest | 0.60% of First \$10.0 Mil, 0.50% of Next \$30.0 Mil, 0.40% of Next \$40.0 Mil | \$27,391,718 | 0.9% | \$146,959 | 0.54% |
| Walter Scott | 1.00% of First \$50.0 Mil, 0.85% of Next \$25.0 Mil, 0.60% Thereafter | \$46,514,544 | 1.5% | \$465,145 | 1.00% |
| Total Global Equity | No Fee | \$253,645,409 | 8.3% | -- | -- |
| GMO Global | 0.65% of Assets | \$141,561,758 | 4.6% | \$920,151 | 0.65% |
| Acadian | 0.95% of First \$25.0 Mil, 0.90% Thereafter | \$112,083,652 | 3.7% | \$1,021,253 | 0.91% |
| Total U.S. Fixed Income | No Fee | \$903,379,930 | 29.4% | -- | -- |
| Western | 0.30% of First \$100.0 Mil, 0.15% Thereafter | \$342,674,588 | 11.2% | \$664,012 | 0.19% |

Fee Schedule

| Account | Fee Schedule | Market Value As of 12/31/2011 | % of Portfolio | Estimated Annual Fee (\$) | Estimated Annual Fee (%) |
|----------------------------------|---|----------------------------------|----------------|------------------------------|-----------------------------|
| BlackRock U.S. Debt Fund | 0.06% of First \$100.0 Mil, 0.04% of Next \$400.0 Mil, 0.02% Thereafter | \$128,080,584 | 4.2% | \$71,232 | 0.06% |
| Reams | 0.20% of First \$200.0 Mil, 0.15% Thereafter | \$322,212,750 | 10.5% | \$583,319 | 0.18% |
| Loomis Sayles | 0.50% of First \$20.0 Mil, 0.40% of Next \$30.0 Mil, 0.30% Thereafter | \$110,412,007 | 3.6% | \$401,236 | 0.36% |
| Total Real Estate | No Fee | \$268,386,656 | 8.7% | -- | -- |
| Total Prudential Real Estate | 0.81% of Assets | \$75,674,860 | 2.5% | \$612,966 | 0.81% |
| UBS Real Estate | 0.96% of Assets | \$163,851,890 | 5.3% | \$1,572,978 | 0.96% |
| Guggenheim | 0.60% of Assets | \$20,312,965 | 0.7% | \$121,878 | 0.60% |
| RREEF | 0.30% of Assets | \$8,546,941 | 0.3% | \$25,641 | 0.30% |
| Private Equity | No Fee | \$20,329,385 | 0.7% | -- | -- |
| Adams Street Partners | 1.00% of Assets | \$16,798,614 | 0.5% | \$167,986 | 1.00% |
| Pantheon Ventures | 1.00% of Assets | \$3,530,771 | 0.1% | \$35,308 | 1.00% |
| Total Alternatives | No Fee | \$8,601,760 | 0.3% | -- | -- |
| K2 Advisors | 1.25% of Assets | \$8,601,760 | 0.3% | \$107,522 | 1.25% |
| Total Cash | No Fee | \$12,655,341 | 0.4% | -- | -- |
| Clifton Group | 0.15% of First \$25.0 Mil, 0.10% of Next \$75.0 Mil, 0.40% Thereafter | \$12,655,341 | 0.4% | \$18,983 | 0.15% |
| Investment Management Fee | | \$3,069,762,197 | 100.0% | \$8,556,415 | 0.28% |

Note: Western's fees for both U.S. and Fixed Income products are calculated together. The first \$100 million of the combined assets is billed at 30bps, all assets thereafter are billed at 15 bps.

Market Returns

| | Fourth Quarter | 1-Year | Annualized Periods Ending 12/31/11 | | | |
|--|-------------------|--------|------------------------------------|--------|---------|---------|
| | | | 3-Year | 5-Year | 10-Year | 15-Year |
| Domestic Stock Indices: | | | | | | |
| Dow Jones US Total Stock Index | 12.1 | 1.1 | 15.2 | 0.2 | 3.9 | 5.8 |
| S&P 500 Index | 11.8 | 2.1 | 14.1 | -0.3 | 2.9 | 5.5 |
| Russell 3000 Index | 12.1 | 1.0 | 14.9 | 0.0 | 3.5 | 5.7 |
| Russell 1000 Value Index | 13.1 | 0.4 | 11.5 | -2.6 | 3.9 | 6.3 |
| Russell 1000 Growth Index | 10.6 | 2.6 | 18.0 | 2.5 | 2.6 | 4.5 |
| Russell MidCap Value Index | 13.4 | -1.4 | 18.2 | 0.0 | 7.7 | 8.9 |
| Russell MidCap Growth Index | 11.2 | -1.7 | 22.1 | 2.4 | 5.3 | 6.5 |
| Russell 2000 Value Index | 16.0 | -5.5 | 12.4 | -1.9 | 6.4 | 8.0 |
| Russell 2000 Growth Index | 15.0 | -2.9 | 19.0 | 2.1 | 4.5 | 3.9 |
| Domestic Bond Indices: | | | | | | |
| Barclays Capital Aggregate Index | 1.1 | 7.8 | 6.8 | 6.5 | 5.8 | 6.3 |
| Barclays Capital Govt/Credit Index | 1.2 | 8.7 | 6.6 | 6.5 | 5.9 | 6.4 |
| Barclays Capital Long Govt/Credit Index | 2.6 | 22.5 | 11.2 | 9.7 | 8.5 | 8.4 |
| Barclays Capital 1-3 Year Govt/Credit Index | 0.2 | 1.6 | 2.7 | 4.0 | 3.6 | 4.6 |
| Barclays Capital U.S. MBS Index | 0.9 | 6.2 | 5.8 | 6.5 | 5.7 | 6.3 |
| Barclays Capital High Yield Index | 6.5 | 5.0 | 24.1 | 7.5 | 8.9 | 6.9 |
| Barclays Capital Universal Index | 1.4 | 7.4 | 7.7 | 6.4 | 6.0 | 6.4 |
| Real Estate Indices: | | | | | | |
| NCREIF Property Index | 3.0 | 14.3 | 2.4 | 3.1 | 8.1 | 9.4 |
| NCREIF ODCE Index | 2.7 | 15.0 | -2.7 | -1.1 | 5.2 | 7.3 |
| Dow Jones Real Estate Securities Index | 15.3 | 8.9 | 21.7 | -2.2 | 10.1 | 9.0 |
| FTSE NAREIT US Real Estate Index | 15.3 | 8.3 | 21.0 | -1.4 | 10.2 | 8.9 |
| Foreign/Global Stock Indices: | | | | | | |
| MSCI All Country World Index | 7.2 | -7.3 | 12.0 | -1.9 | 4.2 | 4.5 |
| MSCI All Country World IMI | 7.2 | -7.9 | 12.8 | -1.6 | 4.9 | 4.6 |
| MSCI All Country World ex-U.S. Index | 3.7 | -13.7 | 10.7 | -2.9 | 6.3 | 4.4 |
| MSCI All Country World ex-U.S. IMI | 3.3 | -14.3 | 11.5 | -2.7 | 6.9 | 4.3 |
| MSCI All Country World ex-U.S. Small Cap Index | 0.4 | -18.5 | 18.5 | -1.7 | 10.6 | 5.3 |
| MSCI EAFE Index | 3.3 | -12.1 | 7.6 | -4.7 | 4.7 | 3.4 |
| MSCI EAFE IMI | 2.9 | -12.6 | 8.4 | -4.6 | 5.3 | 3.6 |
| MSCI EAFE Index (in local currency) | 4.1 | -12.2 | 4.7 | -6.6 | 0.7 | 2.3 |
| MSCI Emerging Markets IMI | 3.8 | -19.5 | 20.7 | 2.6 | 13.8 | 5.1 |
| Foreign Bond Indices: | | | | | | |
| Citigroup World Gov't Bond Index | -0.5 | 5.2 | 4.9 | 7.2 | 8.4 | 5.5 |
| Citigroup Hedged World Gov't Bond Index | 0.6 | 4.1 | 3.0 | 4.3 | 4.4 | 5.7 |
| Cash Equivalents: | | | | | | |
| Treasury Bills (30-Day) | 0.0 | 0.0 | 0.1 | 1.1 | 1.5 | 2.5 |
| EnnisKnupp STIF Index | 0.0 | 0.2 | 0.4 | 1.8 | 2.2 | 3.3 |
| Inflation Index: | | | | | | |
| Consumer Price Index | -0.5 | 3.0 | 2.4 | 2.3 | 2.5 | 2.4 |

Benchmark and Universe Descriptions

Total Fund

Policy Portfolio- As of April 2010, the return is based on a combination of 37% DJ U.S. Total Stock Market Index, 27% Barclays Aggregate Bond Index, 18% MSCI All Country World Ex-U.S. Index, 10% MSCI All Country World Index and 8% NCREIF Real Estate Index. Prior to April 2010, the return was based on a combination of 40% DJ U.S. Total Stock Market Index, 27% Barclays Aggregate Bond Index, 18% MSCI All Country World Ex-U.S. Index, 7% MSCI All Country World Index and 8% NCREIF Real Estate Index. Prior to June 2008, the return was based on a combination of 47% DJ U.S. Total Stock Market Index, 27% Barclays Aggregate Bond Index, 14% MSCI All Country World Ex-U.S. Index, 4% MSCI All Country World Index and 8% NCREIF Real Estate Index. Prior to October 2007, the return was based on a combination of 47% DJ U.S. Total Stock Market Index, 29% Barclays Aggregate Bond Index, 14% MSCI All Country World Ex-U.S. Index, 4% MSCI All Country World Index and 6% NCREIF Real Estate Index. Prior to June 2005, the return was based on a combination of 49% Russell 3000 Index, 29% Barclays Aggregate Bond Index, 16% MSCI All Country World Ex-U.S. Index and 6% NCREIF Real Estate Index. Prior to April 2003, the return was based on a combination of 49% Russell 3000 Index, 32% Barclays Aggregate Bond Index, 16% MSCI All Country World Ex-U.S. Index and 3% NCREIF Real Estate Index. Prior to May 2002 the return was based on a combination of 49% Russell 3000 Index, 32% Barclays Aggregate Bond Index, 16% MSCI EAFE Index and 3% NCREIF Real Estate Index. Prior to April 2002 the return was based on a combination of 53% Russell 3000 Index, 32 Barclays Aggregate Bond Index, 12% MSCI Europe, Australasia and Far East (EAFE) Index and 3% NCREIF Real Estate Index. Prior to October 2001, the policy portfolio consisted of a combination of 53% Russell 3000, 22% Barclays Aggregate Bond Index, 12% MSCI Europe, Australasia and Far East (EAFE) Index, 3% NCREIF Real Estate Index, and 10% Solomon Brothers World Government Bond Index Hedged. Historically, the policy return is based on the historic policy allocations provided by the VCERA staff.

Public Fund Universe - An equal-weighted index that is designed to represent the average return earned by U.S. public pension funds. The index is calculated based on a universe of 121 funds compiled by BNY Mellon Performance & Risk Analytics, LLC as of 12/31/2011.

Total U.S. Equity

Benchmark. The DJ U.S. Total Stock Market Index.

Universe. A universe of 1,100 domestic stock portfolios compiled by eVestment as of 12/31/2011.

BlackRock Extended Equity Index Fund

Benchmark. The DJ U.S. Completion Total Stock Market Index.

Universe. A universe 97 small-mid cap stock portfolios compiled by eVestment as of 12/31/2011.

Benchmark and Universe Descriptions

Western U.S. Index Plus

Benchmark. The S&P 500 Index.

Universe. A universe of 1,100 domestic stock portfolios compiled by eVestment as of 12/31/2011.

BlackRock Equity Market Fund

Benchmark. The DJ U.S. Total Stock Market Index.

Universe. A universe of 1,100 domestic stock portfolios compiled by eVestment as of 12/31/2011.

Total Non-U.S. Equity

Benchmark. The Morgan Stanley Capital International All Country World ex-U.S. Free Index. Prior to May 2002, the Morgan Stanley Capital International EAFE-Free Stock Index.

Universe. A universe of 130 international stock portfolios compiled by eVestment as of 12/31/2011.

BlackRock ACWI ex U.S.

Benchmark. The MSCI All Country World ex-U.S. IMI Index

Universe. A universe of 130 international stock portfolios compiled by eVestment as of 12/31/2011.

Sprucegrove

Benchmark. The Morgan Stanley Capital International EAFE-Free Stock Index.

Universe. A universe of 130 international stock portfolios compiled by eVestment as of 12/31/2011.

Benchmark and Universe Descriptions

Artio Global

Benchmark. The Morgan Stanley Capital International All Country World ex-U.S. Free Index. Prior to May 2002, the Morgan Stanley Capital International EAFE-Free Stock Index.

Universe. A universe of 130 international stock portfolios compiled by eVestment as of 12/31/2011.

Hexavest

Benchmark. The Morgan Stanley Capital International EAFE-Free Stock Index.

Universe. A universe of 130 international stock portfolios compiled by eVestment as of 12/31/2011.

Walter Scott

Benchmark. The Morgan Stanley Capital International All Country World ex-U.S. Free Index.

Universe. A universe of 130 international stock portfolios compiled by eVestment as of 12/31/2011.

Total Global Equity

Benchmark. The Morgan Stanley Capital International All Country World Index.

Universe. A universe of 189 global stock portfolios compiled by eVestment as of 12/31/2011.

Grantham Mayo Van Otterloo (GMO)

Benchmark. The Morgan Stanley Capital International All Country World Index.

Universe. A universe of 189 global stock portfolios compiled by eVestment as of 12/31/2011.

Benchmark and Universe Descriptions

Acadian

Benchmark. The Morgan Stanley Capital International All Country World Index.

Universe. A universe of 189 global stock portfolios compiled by eVestment as of 12/31/2011.

Total Fixed Income

Benchmark. The BlackRock Aggregate Bond Index.

Universe. A universe of 486 fixed income stock portfolios compiled by eVestment as of 12/31/2011.

Western Asset Management

Benchmark. The BlackRock Aggregate Bond Index.

Universe. A universe of 486 fixed income stock portfolios compiled by eVestment as of 12/31/2011.

BlackRock U.S. Debt Index Fund

Benchmark. The BlackRock Aggregate Bond Index.

Universe. A universe of 486 fixed income stock portfolios compiled by eVestment as of 12/31/2011.

Reams

Benchmark. The BlackRock Aggregate Bond Index.

Universe. A universe of 486 fixed income stock portfolios compiled by eVestment as of 12/31/2011.

Benchmark and Universe Descriptions

Loomis Sayles

Benchmark. 60% of the BlackRock Aggregate Bond Index and 40% of the BlackRock High Yield Index.

Universe. A universe of 486 fixed income stock portfolios compiled by eVestment as of 12/31/2011.

Total Real Estate

Benchmark. The National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Fund. Prior to January 2006, the NCREIF Property Index.

Prudential Real Estate

Benchmark. The National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Fund. Prior to January 2006, the NCREIF Property Index.

UBS RESA

Benchmark. The National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Fund.

Guggenheim

Benchmark. 70% of the National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Fund and 30% of the NAREIT Index.

RREEF

Benchmark. The National Council of Real Estate Investment Fiduciaries (NCREIF) Open-End Fund.

Total Alternatives

Benchmark. London Interbank Offered Rate (LIBOR) + 3%

K2 Advisors

Benchmark. London Interbank Offered Rate (LIBOR) + 3%

Benchmark Descriptions

Russell 3000 Index- A capitalization-weighted stock index consisting of the 3,000 largest publicly traded U.S. stocks by capitalization. This index is a broad measure of the performance of the aggregate domestic equity market.

S&P 500 Index- A capitalization-weighted index representing the 500 largest publicly traded U.S. stocks.

MSCI Europe, Australasia, Far East (EAFE) Foreign Index- A capitalization-weighted index of 20 stock markets in Europe, Australia, Asia and the Far East.

MSCI All Country World Index - An index of major world stock markets, including the U.S., representing countries according to their approximate share of world market capitalization. The weights are adjusted to reflect foreign currency fluctuations relative to the U.S. dollar.

BlackRock Aggregate Bond Index- A market value-weighted index consisting of the Barclays Capital Corporate, Government and Mortgage-Backed Indices. This index is the broadest available measure of the aggregate U.S. fixed income market.

NCREIF Open End Fund Index- A capitalization-weighted index of privately owned investment grade income-producing properties representing approximately \$67 billion in assets.

Description of Terms

Rank - A representation of the percentile position of the performance of a given portfolio, relative to a universe of similar funds. For example, a rank of 25 for a given manager indicates outperformance by that manager of 75% of other funds in that same universe.

Universe - A distribution of the returns achieved by a group of funds with similar investment objectives.

U.S. Stock Universe - The rankings are based on a universe that is designed to represent the average equity return earned by U.S. institutional investors (public funds, corporate funds, and endowment/foundations). The universe is calculated based on data provided by eVestment Alliance and includes 914 funds.

Non-U.S. Equity Universe - The rankings are based on a universe that is designed to represent the average international equity return earned by U.S. institutional investors (public funds, corporate funds, and endowment/foundations). The universe is calculated based on data provided by eVestment Alliance and includes 128 funds.

Global Equity Universe - The rankings are based on a universe that is designed to represent the average global equity return earned by U.S. institutional investors (public funds, corporate funds, and endowment/foundations). The universe is calculated based on data provided by eVestment Alliance and includes 123 funds.

Fixed Income Universe - The rankings are based on a universe that is designed to represent the average fixed income return earned by U.S. institutional investors (public funds, corporate funds, and endowment/foundations). The universe is calculated based on data provided by eVestment Alliance and includes 354 funds.

Ratio of Cumulative Wealth Graph - An illustration of a portfolio's cumulative, unannualized performance relative to that of its benchmark. An upward sloping line indicates superior fund performance. Conversely, a downward sloping line indicates underperformance by the fund. A flat line is indicative of benchmark-like performance.

Risk-Return Graph - The horizontal axis, annualized standard deviation, is a statistical measure of risk, or the volatility of returns. The vertical axis is the annualized rate of return. As most investors generally prefer less risk to more risk and always prefer greater returns, the upper left corner of the graph is the most attractive place to be. The line on this exhibit represents the risk and return tradeoffs associated with market portfolios or index funds.

Style Map - This illustration represents the manager's style compared to that of the broadest stock index (the DJ U.S. Total Stock Market Index). Any manager falling above the axis is referred to as large-cap and any manager falling below the axis is considered to be medium- to small-cap.

Manager "Watch" List

Manager "Watch" Status Policy

A manager may be placed on "Watch" status for:

- Failure to meet one or more of the standards, objectives, goals, or risk controls as set forth in this policy statement
- Violation of ethical, legal, or regulatory standards
- Material adverse change in the ownership of the firm or personnel changes
- Failure to meet reporting or disclosure requirements
- Failure to meet performance objectives or goals
- Any actual or potentially adverse information, trends, or developments that the Board feels might impair the investment manager's ability to deliver successful outcomes for the participants of the plan

The Board may take action to place a manager on Watch status. Managers placed on Watch status shall be notified in writing, and be made aware of the reason for the action and the required remediation. Watch status is an optional interim step that may be used to formally communicate dissatisfaction to the investment manager and the potential for termination. Watch status is not a required step in terminating a manager. Watch status will normally be for a period of six months, but the time frame may be determined by action of the Board. The Board retains the right to terminate the manager at any time, extend the period of the Watch status, or remove the manager from Watch status at any time.

Watch status indicates that the manager shall be subject to increased focus on the remediation of the factors that caused the manager to be placed on Watch status. Discussion of the manager on Watch status shall become a regular monthly reporting agenda item for the Board. Staff or retained Consultant shall prepare a written monthly report addressing the progress of the manager in the remediation of the dissatisfaction.

"Watch" status:

- Western, Acadian, Artio and RREEF are currently on watch for performance reasons.

Manager "Watch" List

| Manager | Restrictions | In Compliance as of 12/31/11 |
|---------------------|--|---|
| BlackRock | -Portfolio is a commingled fund. | N/A |
| BlackRock | -Portfolio is a commingled fund. | N/A |
| Western Index Plus | - Average weighted Duration of portfolio security holdings are one year or less -Bonds rated investment grade by either Moody's, Standard & Poor's, or Fitch's must comprise at least 90% of the total portfolio at the time of purchase -Below-investment grade holdings must not exceed 1% in any single issuer -A maximum of 10% of the portfolio may be invested in non-dollar denominated securities -A maximum of 5% of the portfolio may be invested in un-hedged non-dollar denominated securities -A maximum of 5% of the portfolio may be invested in U.S. securities rated below investment grade -A maximum of 10% of the portfolio may be invested in non-U.S. securities (dollar and non-dollar denominated) rated below investment grade -A maximum of 10% of the portfolio may be invested in CDOs, CBOs & CLOs -A maximum of 10% per issuer for obligations of ther national governments -A maximum of 10% per issuer of private mortgage-backed and asset-backed securities, unless the collateral is credit-independent of the issuer and the security's credit enhancement is generated internally, in which the maximum is 25% per issuer -A maximum of 3% per issuer of investmetn grade corporations -A maximum of 2% per issuer for obligations of other issuers excluding investments in commingled vehicles -A maximum of 10% of portfolio may be invested in issuers rated below Baa3 or BBB- / A2 or P2 -A maximum of 20% of the portfolio may be invested in original futures, margin, and option premiums, exclusive of any in-the-money protion of premiums. -No leverage is permitted in the portfolio | YES YES YES YES YES NO YES YES YES YES YES YES YES YES YES |
| Sprucegrove | -Portfolio is a commingled fund. | N/A |
| Hexavest | -Portfolio is a commingled fund. | N/A |
| Walter Scott | -Portfolio is a commingled fund. | N/A |
| GMO | -Portfolio is a separate account of mutual funds. | N/A |
| BlackRock U.S. Debt | -Portfolio is a commingled fund. | N/A |
| Loomis Sayles | -At least 50% of the portfolio must invested in investment grade securities at time of purchase -A maximum of 5% of the portfolio may be invested in any single investment grade U.S. issuer -60% of the portfolio must be invested in U.S. domiciled issues | YES YES YES |

*Based on affirmative statement from manager

Manager "Watch" List

| Manager | Restrictions | In Compliance as of 12/31/11 |
|-------------------|---|---|
| Reams | <ul style="list-style-type: none"> -Duration may be managed to a maximum 25% deviation relative to the Aggregate Bond Index -The total portfolio shall maintain an average quality rating of A -A maximum of 20% of the portfolio may be invested in bonds issued by a non-U.S. entity -A maximum of 15% of the portfolio may be invested in high yield bonds -A maximum of 5% of the portfolio may be invested in any single investment grade U.S. issuer -A maximum of 5% of the portfolio may be invested in high interest rate sensitivity mortgage-backed securities -The portfolio's combined allocation may not exceed 30% to the following securities; non-U.S. bonds, privately placed debt, excluding 144A securities and mortgage-backed securities that exhibit unusually high interest rate sensitivity -Bonds rated investment grade by either Moody's or Standard & Poor's must comprise at least 90% of the total portfolio -The portfolio contains no prohibited securities named in the investment guidelines -Derivatives are not used to lever the portfolio* | <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> |
| Western Core Plus | <ul style="list-style-type: none"> -Duration may be managed to a maximum 20% deviation relative to the Aggregate Bond Index -The total portfolio shall maintain an average quality rating of AA -A maximum of 20% of the portfolio may be invested in bonds issued by a non-U.S. entity at time of purchase -A maximum of 10% of the portfolio may be invested in high yield bonds at time of purchase -A maximum of 1% per issue for below investment grade securities -A maximum of 5% of the portfolio may be invested in any single investment grade U.S. issuer at ' time of purchase -A maximum of 5% of the portfolio may be invested in high interest rate sensitivity mortgage-backed securities at the time of purchase -The portfolio's combined allocation may not exceed 30% to the following securities; non-U.S. bonds, privately placed debt, excluding 144A securities and mortgage-backed securities that exhibit unusually high interest rate sensitivity and bonds not receiving an investment grade rating -Bonds rated investment grade by either Moody's or Standard & Poor's must comprise at least 90% of the total portfolio at the time of purchase -The portfolio contains no prohibited securities named in the investment guidelines -Derivatives are not used to lever the portfolio* | <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> <p>YES</p> |

* Based on affirmative statement from manager

Securities Lending Activity for Commingled Vehicles

Yearly Update - 2010

| Manager | Typical Percentage Out-on-Loan ¹ | 2010 Estimated Benefit | Cash NAV | Indemnification Offered |
|--------------------------------|---|------------------------|----------|-------------------------|
| State Street | 40.6% | \$267,214 | 1.00 | Yes |
| BlackRock - US Debt | 31.0% | \$29,011 | 1.00 | No |
| BlackRock - Extended Equity | 25.5% | \$31,739 | 1.00 | No |
| BlackRock - U.S. Equity Market | 12.5% | \$334,582 | 1.00 | No |
| BlackRock - ACWI ex-U.S. | 6.8% ³ | \$115,768 | 1.00 | No |
| Artio | 6.9% | \$36,902 | 1.00 | Yes |
| Sprucegrove | 7.0% | \$42,439 | 1.00 | No |
| Hexavest | -- | -- | -- | -- |
| Walter Scott | -- | -- | -- | -- |
| GMO | -- | -- | -- | -- |
| Acadian | -- | -- | -- | -- |
| Western | -- | -- | -- | -- |
| Reams | -- | -- | -- | -- |
| Loomis Sayles | -- | -- | -- | -- |

¹ As reported by investment managers.

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