

**STATE OF RHODE ISLAND
INVESTMENT COMMISSION MEETING**

**DATA AT
June 30, 2011**

**July 27, 2011
MEETING**

MEMBERS OF THE STATE INVESTMENT COMMISSION

Honorable Gina M. Raimondo, Chair

**Ms. Rosemary Booth Gallogly
Mr. Thomas P. Fay
Ms. Paula M. McNamara
Mr. Andrew K. Reilly**

**Mr. J. Michael Costello
Mr. Robert Giudici
Ms. Marcia Reback**

AGENDA



State of Rhode Island and Providence Plantations
Office of the General Treasurer

Gina M. Raimondo
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, July 27, 2011 at 9:00 a.m. in Room 135 of the State House.

AGENDA

1. Chairperson Call to Order
2. Membership Roll Call
3. Approval of Minutes
 - State Investment Commission Meeting held on June 22, 2011 *
4. PCA Policy Recommendation- Rebalancing and Growth Portfolio*
5. Alternative Consultant- Oaktree European Principle Fund III Recommendation*
6. Alternative Consultant – Cliffwater Hedge Fund Implementation Plan
7. Legal Counsel Report
8. Chief Investment Officer Report
9. Treasurer's Report
10. New Business

* Commission members may be asked to vote on this item.

POSTED ON FRIDAY, July 22, 2011

APPROVAL OF MINUTES



State Investment Commission

Monthly Meeting Minutes

Wednesday, June 22, 2011

9:00 a.m.

Room 135, State House

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:00 a.m., Wednesday, June 22, 2011 in Room 135, State House.

I. Roll Call of Members

The following members were present at roll call: Ms. Rosemary Booth Gallogly, Mr. J. Michael Costello, Mr. Thomas Fay, Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo.

Also in attendance: Ms. Sally Dowling, of Adler Pollock, & Sheehan, and Mr. Joe Rodio Jr., of Rodio & Ursillo, Legal Counsel to the Commission; Mr. Nicholas Katsikis of State Street Corporation; Mr. John Burns and Mr. Alan Emkin of Pension Consulting Alliance (PCA), General Policy Consultant to the Commission; Thomas Lynch and Steve Nesbitt of Cliffwater; Mr. Christopher Nikolich and Ms. Patricia Roberts of AllianceBernstein and members of the Treasurer's staff.

Recognizing a quorum, Treasurer Raimondo called the meeting to order.

II. Approval of Minutes

On a motion by Ms. Gallogly and seconded by Mr. Costello, it was unanimously **VOTED: To approve the draft of the minutes of the May 25, 2011 meeting of the State Investment Commission.**

III. Update on Asset Liability Study

Treasurer Raimondo called upon Mr. Emkin and Mr. Burns to update the board on the asset liability study.

Mr. Emkin gave background information on the difference in the economy of today versus over 10 years ago and explained the state lacks the diversification in its portfolio is necessary to succeed in the market with steady returns. Mr. Emkin said investments will not solve the financial challenges facing the state currently. Mr. Emkin recommended the state adopt a policy with a similar rate of return while assuming a lower level of risk, achieving this through a more diversified portfolio.

Mr. Fay expressed that the newly built portfolio may be too short-term and modeled around avoiding the tail-risk, which can be very significant.

Mr. Burns explained the plan is optimized on a ten year tail.

Ms. Gallogly and Mr. Emkin discussed the level of risk involved in real estate and the role it should play in the new portfolio.

Treasurer Raimondo asked Mr. Emkin what type of return stream he was assuming.

Mr. Emkin said he expected a lower return stream which was less correlated.

Treasurer Raimondo asked for PCA to bring an implementation plan to the next meeting.

Mr. Costello, Mr. Fay, and Mr. Emkin discussed the differences between the recommended plan, plan 10, and a similar plan with a different level of private equity and global exposure, plan 17. Mr. Emkin defended plan 10 as the best option for the state at this time, but agreed the situation down the road may be different.

Mr. Kenneth Goodreau prefers to use ranges of target returns in discussion as opposed to overly specific percentages to avoid the rounding errors as well as to address the true nature of the market which in reality is not going to be able to hit an exact percentage consistently, there needs to be flexibility. The discussion needs to include what the states range of tolerance will be for this new plan.

Mr. Emkin said there can be a target and a range.

Treasurer Raimondo explained this is a dynamic process and it does not have to be a static, unchanging process.

Mr. Emkin recommended the board adopt the policy and then they can change implementation any way they choose at a later time. Mr. Emkin recommended plan 10.

Treasurer Raimondo entertained a motion to adopt allocation plan 10, as recommended by PCA. Mr. Costello moved, Ms. Gallogly seconded, and the subsequent motion passed. The following members voted in favor: Ms. Rosemary Booth Gallogly, Mr. J. Michael Costello, Mr. Thomas Fay, Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo.

VOTED: To adapt allocation plan 10, as recommended by PCA.

IV. AllianceBernstein Presentation

Treasurer Raimondo asked Josh Brumberger to give an overview of the current state of the CollegeBoundfund.

Mr. Brumberger said after a thorough review of the 529 industry, he found

CollegeBoundfund to have a higher equity exposure in two of the age based glide-paths, and it's those paths which represent a bulk of the assets. Mr. Brumberger stated he believes the fund would benefit from additional international equity exposure as well as additional low cost index and conservative options and more robust and descriptive language around the product offerings specifically around age based paths. Mr. Brumberger said the program is a strong program, but he wants to make sure the program remains proactive instead of reactive.

Mr. Nikolich said it would make sense to de-risk from the asset allocation and this would enhance the strength of the fund with volatility management.

Mr. Fay and Mr. Nikolich discussed the mechanics of volatility management for the fund.

Mr. Brumberger and Treasurer Raimondo stressed the importance of protecting families from losing all of their savings in a volatile market and then not being able to send their child to college as a result.

Treasurer Raimondo said she would like to make sure people have options so they can choose a low level of risk or a higher level of risk depending on their situation.

Mr. Costello and Mr. Nikolich discussed the assumptions made in projections of the fund in the future versus the assumptions made in previous projections.

Ms. Gallogly expressed interest in a no risk option but asked about how that would be marketed versus the conservative risk option.

Mr. Fay asked for an overview of what the average account looks like, since there are 500,000 accounts approximately. Mr. Fay also asked how the board and the account owners could measure the success of the fund.

Mr. Emkin suggested the board use an up-side capture and a down-side capture because it's easy to understand.

Treasurer Raimondo said the board needs to keep in mind that the account owners are not always thinking long term, as they get closer and closer to college age children they become more and more short-term thinkers.

Treasurer Raimondo thanked AllianceBernstein for being a good partner and also offering two Vanguard products as options. Treasurer Raimondo entertained a motion to adopt the proposed changes from AllianceBernstein. Ms. Reback moved, Mr. Fay seconded, and the subsequent motion passed. The following members voted in favor: Ms. Rosemary Booth Gallogly, Mr. J. Michael Costello, Mr. Thomas Fay, Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo

VOTED: To adopt the proposed changes as recommended on pages 6 and 7 of the AllianceBernstein presentation.

V. Cliffwater Presentation

Mr. Lynch said the main point of the presentation for this meeting would be hedge strategies and hedge funds in the asset allocations and the equity portfolio of the state.

Mr. Nesbitt said hedge funds would be a great implementation tool for the asset allocation. Mr. Nesbitt explained hedge funds have become very popular to use for pension funds. Mr. Nesbitt pointed out the attractiveness of hedge funds comes from their equity like returns but with low levels of risk. Mr. Nesbitt recommends the state invests directly into hedge funds and not through a fund of funds system to avoid an intermediary fee.

Mr. Goodreau gave more examples of why direct investment into hedge funds is more advantageous for the state than going through a fund of funds and explained there's more control for the manager.

Mr. Lynch pointed out hedge funds are not immune to risk and losses, but even in the crisis of 2008 the losses were predictable given the risk level.

Mr. Goodreau emphasized the importance of recognizing that hedge funds are different than anything else and it becomes dangerous if you start grouping it together with other completely different products.

Mr. Emkin and Mr. Fay acknowledged the most important thing about hedge funds to remember is active management and leverage.

Mr. Lynch broke down hedge funds into six different categories and explained which ones would go into which asset class. Mr. Lynch said he would like PCA to make a recommendation for percentages of global equity and hedge funds so they can make an implementation plan to make it clear.

Treasurer Raimondo said next month the board will expect an implementation strategy and the board can pick some managers.

Mr. Lynch said he hopes the board can have this fully implemented by year end.

VI. Legal Counsel Report

Legal Counsel had no other report.

VII. Chief Investment Officer Report

Mr. Goodreau pointed out two extremes on page two under other historical metrics to pay attention to in PCA's risk overview monthly report; one extreme was the slope of the yield curve and one was the interest rate risk. Mr. Goodreau also noted US private equity and real estate are approaching unfavorable pricing. Mr. Goodreau said these are the things the board needs to spend time on and discuss when they are building the new portfolio.

VIII. Treasurer's Report

Treasurer Raimondo noted the contract with State Street is finishing up at the end of July so they're going to go ahead and put out an RFP for a new custodian contract.

Mr. Dingley added they are extending the State Street contract for another six months.

Treasurer Raimondo said she will be working with Mr. Goodreau to change the way the state does its benchmarking so benchmarks can be more productive for the pension fund.

Treasurer Raimondo also told the board about her pension advisory group with governor and invited anyone to discuss that with her at anytime.

IX. New Business

None this month

X. Adjournment

There being no other business to come before the Board, on a motion by Mr. Fay and seconded by Mr. Costello the meeting adjourned at 10:50 a.m.

Respectfully submitted,

Gina M. Raimondo
General Treasurer

STAFF SUMMARY

**RHODE ISLAND STATE INVESTMENT COMMISSION
STAFF SUMMARY ANALYSIS
PORTFOLIO HIGHLIGHTS
June 30, 2011**

PORTFOLIO PERFORMANCE

June

The ERSRI portfolio posted a -0.84% gain for the month of June, against the policy index of -0.88%. Domestic Equities lost -1.96%, international equities lost 1.43%, and the fixed income asset class returned -0.28%. If we factor out PE & RE investments, due to the way they are monitored, the plan performance was -1.12% against its -1.07% index.

Calendar Year to Date

For the six months ending June 30, 2011, the portfolio is up 5.31% against the policy index of 5.12%. Domestic equities were up 5.92%, international equities were up 3.95%, while fixed income generated a return of 2.49%.

Fiscal Year to Date

For the Fiscal Year ended June 30, 2011, the fund has gained 20.40%, against the policy index of 21.64%.

Index Performance Summary - June 30, 2011		
Market Indices	Jun-11	Calendar YTD
<u>Domestic Equity</u>		
S & P 500	-1.67%	6.02%
DJ Wilshire 5000	-1.80%	6.35%
Russell 2000	-2.31%	6.21%
Policy Index	-1.07%	4.72%
<u>International Equity</u>		
MSCI ACWI	-1.42%	4.11%
<u>Fixed Income</u>		
BC AGG	-0.29%	2.72%
<u>Real Estate</u>		
NCREIF	3.44%	8.67%

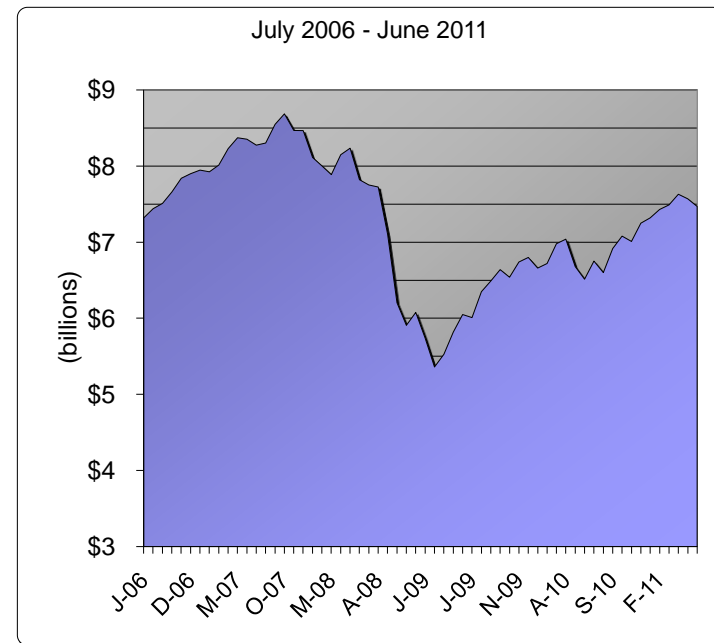
ERSRI Performance By Asset Class	Jun-11	Calendar YTD
Domestic Equity	-1.96%	5.92%
Fixed Income	-0.28%	2.49%
International Equity	-1.43%	3.95%
Total Fund Composite*	-1.12%	4.47%
Manager Summary	Jun-11	CYTD
<u>DOMESTIC EQUITY</u>		
Shott	1.26%	12.24%
SSgA S&P 500	-1.66%	6.06%
Russell Overlay	0.04%	-1.08%
Wellington Technical Eq	-3.59%	3.25%
Russell 2000 Index	-2.28%	6.29%
Total Domestic Equity	-1.96%	5.92%
<u>FIXED INCOME</u>		
Brown Bros TIPS	0.86%	5.85%
Brown Bros Core	-0.27%	3.52%
Fidelity	0.04%	2.84%
Taplin Canida & Habacht	-0.95%	3.12%
Fixed Income Cash Acct	0.01%	0.09%
Mackay Shield	-0.54%	4.83%
Total Fixed Income	-0.28%	2.49%
<u>INTERNATIONAL EQUITY</u>		
Total International Equity	-1.43%	3.95%

*Total Fund Composite includes all classes ex PE & RE

**Market Valuation Report
June 30, 2011**

Market Values

The total portfolio value decreased in June by 93.3 million to \$7.47 billion. This compares with a decrease in value of \$162 million for the same period in 2010. The Domestic Equity Market values decreased by \$143.8 million, including transfers out of \$73.0 million; Fixed Income decreased by \$28.0 million, including transfers out of \$22.0 million; while International Values decreased by \$41.7 million, including transfers out of \$0.2 million. The Cash Accounts increased by \$6.8 million including transfers in of \$4.9 million, and Alternative Investments decreased by \$1.8 million, including transfers out of \$13.1 million. The Real Return Pool increased by \$3.6 million including transfers in of \$0.00 million. The overlay account increased by \$111.8 million, including transfers in of \$73.0 million.



Cash Flow

June's pension payroll of \$72.9 million was greater than the \$42.9 million in contributions and wire transfers received by \$30.0 million.

To meet pension and other obligations, a transfer from long-term investments of \$30.8 million was necessary.

Alternative Investments

At this time the alternative investment asset class has unfunded commitments of approximately \$165.8 million on commitments of \$1,099 million.

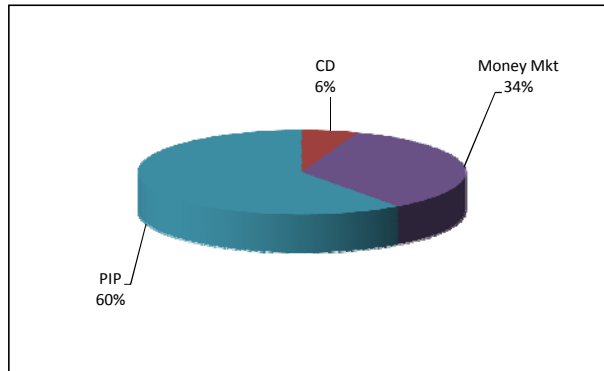
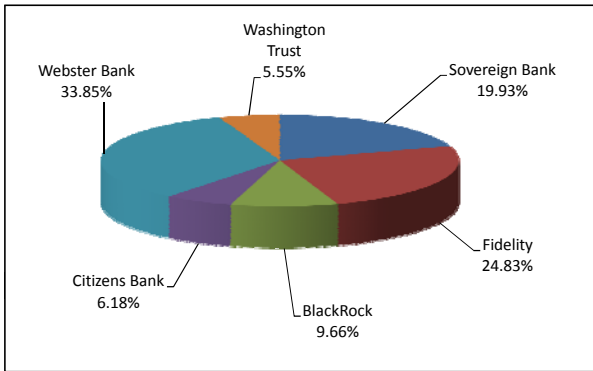
CAPITAL CALLS Net of Distributions

June 2011	FYTD	UNFUNDED BALANCE
-\$11,304,788	-\$106,969,777	\$ 165,827,070
June 2010	FYTD	UNFUNDED BALANCE
-\$49,560,410	-\$50,264,748	\$284,187,999

**State of Rhode Island
Office of the General Treasurer
Short-Term Investments**

**Issuer Credit Ratings
Jun-11**

Issuer	Type of Instrument*	Month End % Portfolio	Issuer Ratings			S-T Debt Rating		L-T Debt Rating		Credit Outlook
			Moody's	Moody's	S&P	Moody's	S&P	S&P		
Bank RI	3,4	0.00%			N/R			N/R		
JP Morgan Chase	2,3,5	0.00%	Aa3	P-1	A-1	Aa3	A+	Stable		
BlackRock Inc.	6	9.66%	A1	P-1	A-1	A1	A+	Stable		
RBS Citizens	3,4	6.18%	A2	P-1	A-2	A2	A-	Stable		
Federated	6	0.00%			N/R		N/R	N/R		
Fidelity	6	24.83%			N/R		N/R	N/R		
Merrill Lynch	2,5,6	0.00%	A2	P-1	A-1	A2	A	Negative		
Morgan Stanley	1,2,5	0.00%	A2	P-1	A-1	A2	A	Negative		
Sovereign Bank	3,4	19.93%	A2	P-1	A-1	A2	A	Stable		
State Street Bank & Trust Com	1,3	0.00%	A1	P-1	A-1	A1	A+	Stable		
Webster Bank	3,4	33.85%	A3	P-2	A-2	A3	BBB	Stable		
Washington Trust	3,7	5.55%			N/R		N/R	N/R		
Oppenheimer	5	0.00%				B2	B+	Stable		



REPO = Repurchase Agreement	1*
CP = Commercial Paper	2*
CD = Certificate of Deposit	3*
CoD = Collateralized Deposit	4*
AG = US Government Agency Note	5*
MM = Government Money Market	6*
GID = Government Insured Deposit	7*

Ratings Definitions

<p>Moody's Short-Term Debt Ratings: P-1 - Prime-1 have a superior ability for repayment of sr. S-T debt obligations P-2 - Prime-1 have a strong ability for repayment of sr. S-T debt obligations P-3 - Prime-1 have an acceptable ability for repayment of sr. S-T debt obligations NP - Not Prime</p> <p>Moody's Issuer Rating Symbols: Aaa - Offer exceptional financial security (high-grade) Aa - Offer excellent financial security (high-grade) A - Offer good financial security Baa - Offer adequate financial security Ba - Offer questionable financial security B - Offer poor financial security Caa - Offer very poor financial security Ca - Offer extremely poor financial security C - Lowest rated class, usually in default Modifiers: 1 - Higher end of letter rating category 2 - Mid-range of letter rating category 3 - Lower end of letter rating category</p> <p>S&P Long-Term Debt Ratings: AAA - Highest rating, extremely strong AA - Differs slightly from highest rating, very strong A - More susceptible to adverse effects of change in economic condition, strong BBB - Exhibits adequate protection parameters BB, B - Have significant speculative characteristics. BB least speculative CCC, CC, C - C highest degree D - Payment default Modifiers: + or - - show relative standing within the category.</p>	<p>S&P Short-Term Credit Ratings: A-1 - Highest rated, strong capacity to meet obligations A-2 - Somewhat more susceptible to adverse effects of changes in financial conditions, satisfactory A-3 - Exhibits adequate protection parameters B - Significant speculative characteristics, faces major ongoing uncertainties C - Vulnerable to non-payment D - Payment default Modifiers: + or - - show relative standing within the category.</p> <p>S&P Outlook Definitions: Positive - A rating may be raised Negative - A rating may be lowered Stable - A rating is not likely to change Developing - May be raised or lowered NM - Not meaningful</p> <p>Moody's Long-Term Debt Ratings: Aaa - Best Quality Aa - High Quality A - Possess many favorable investment attributes Baa - Medium-grade obligations Ba - Possess speculative elements B - Generally lack characteristics of desirable investments Caa - Poor standing Ca - Speculative in a high degree C - Lowest rated class of bonds Modifiers: 1 - Higher end of letter rating category 2 - Mid-range of letter rating category 3 - Lower end of letter rating category</p>
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PERFORMANCE



State of Rhode Island and Providence Plantations
Office of the General Treasurer

Gina M. Raimondo
General Treasurer

July 20, 2011

State Investment Commission
State of Rhode Island, State House
Providence, Rhode Island

This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, State Police and Judiciary Retirement Systems, and the Municipal Employees' Retirement System of the State of Rhode Island at the close of business on June 30, 2011.

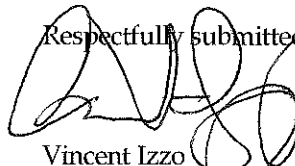
Employees' Retirement System of Rhode Island
Composite Reporting Investment Valuation

June 30, 2011

Asset Class		
Cash/Short Term Investments		871,559,946
Equities - Domestic		2,716,193,259
Equities - International		1,328,923,612
Fixed Income - Government	\$1,045,662,028	
Fixed Income - Corporate	\$631,011,487	
Fixed Income - In State	\$0	
Total Fixed Income		1,676,673,515
Alternative Investments		627,751,523
Real Estate		253,698,251
Total Fund Investments		7,474,800,107
Plan Allocation		
State Employees & Teachers	82.83%	6,191,005,819
Municipal Employees	15.68%	1,171,711,214
State Police	0.97%	72,540,775
Judicial	0.53%	39,542,298
Total Fund Investments	100.00%	7,474,800,107

The amount listed for alternative investments designation is illiquid and does not have a readily determinable market value. It is based on appraisals only.

Respectfully submitted,



Vincent Izzo
Cash Manager

State of Rhode Island

Summary of Performance

6/30/2011

RATES OF RETURN

	MKT VAL	% of FUND	1 Month	3 Months	YTD	FYTD	1 Year	2 Years	3 Years	5 Years	ITD	Incept Date
DOMESTIC EQUITY												
Index												
SSGA S&P 500 INDEX FUND S&P 500	1,874,840,134	25.1	-1.7 -1.7	0.1 0.1	6.1 6.0	30.8 30.7	30.8 30.7	22.4 22.3	3.5 3.3		1.3 1.3	11/01/2006
RUSSELL 2000 INDEX FUND RUSSELL 2000	690,329,233	9.2	-2.3 -2.3	-1.6 -1.6	6.3 6.2	37.6 37.4	37.6 37.4	29.3 29.2			29.4 29.3	05/01/2009
Active Core												
WELLINGTON TECHNICAL EQUITY RUSSELL 3000	166,154,156	2.2	-3.6 -1.8	-3.2 0.0	3.3 6.4	24.1 32.4	24.1 32.4	13.4 23.8	0.8 4.0		4.3 0.4	08/01/2007
Other												
SHOTT CAPITAL	3,269,093	0.0							6.8	-5.0		04/01/1999
TOTAL US EQUITY RUSSELL 3000	2,734,592,616	36.6	-2.0 -1.8	-0.6 0.0	5.9 6.4	32.0 32.4	32.0 32.4	23.8 23.8	4.2 4.0	3.2	9.2 0.4	03/01/1989
INTERNATIONAL EQUITY												
Index												
MSCI ACWI EX US INDEX FUND MSCI AC WORLD ex US (NET)	1,328,372,325	17.8	-1.4 -1.5	0.5 0.4	4.0 3.8	29.9 29.7	29.9 29.7	19.9 19.7			24.7 24.5	05/01/2009
Active												
TAX RECLAIMS MSCI AC WORLD ex US (GROSS)	189,703	0.0	-1.4	0.6	4.1	30.3	30.3				12.8	11/01/2009
SSGA TRANSITION ACCOUNT	399,780	0.0										11/01/2000
TOTAL INTERNATIONAL EQUITY MSCI AC WORLD ex US (GROSS)	1,328,961,808	17.8	-1.4 -1.4	0.5 0.6	4.0 4.1	29.9 30.3	29.9 30.3	19.9	2.3	4.0	5.1 12.8	03/01/1989
U.S. FIXED INCOME												
Core												
BROWN BROTHERS HARRIMAN - CORE CITIGROUP BIG	371,536,561	5.0	-0.3 -0.3	2.6 2.3	3.5 2.7	5.1 3.7	5.1 3.7	6.8 6.3	6.6 6.6	5.8 6.7	6.6 7.1	03/01/1990
Mortgage												
PYRAMIS GLOBAL ADVISORS BC MBS	476,013,958	6.4	0.0 0.1	2.2 2.3	2.8 2.9	4.5 3.8	4.5 3.8	7.1 5.6	7.4 6.9	6.5 7.0	7.4 7.1	10/01/1989
Corporates												
TAPLIN, CANIDA & HABACHT BC CREDIT	374,606,730	5.0	-1.0 -0.7	1.8 2.5	3.1 3.4	6.0 6.2	6.0 6.2	11.7 10.4	7.6 8.2	6.1 7.0	6.7 6.6	04/01/1996
High Yield												
MACKAY SHIELDS, LLC CSFB GLOBAL HIGH YIELD	179,425,628	2.4	-0.5 -1.1	1.3 0.7	4.8 4.5	13.7 14.2	13.7 14.2	18.1 20.4	10.2 11.2	8.1 8.6	11.7 10.7	10/01/2002
Other												
FIXED INCOME CASH ACCOUNT	454,330,179	6.1	0.0	0.0	0.1	0.2	0.2	0.2	0.6		1.8	04/01/2007
TOTAL US FIXED INCOME BC AGGREGATE	1,855,913,056	24.8	-0.3 -0.3	1.6 2.3	2.5 2.7	4.6 3.9	4.6 3.9	7.6 6.7	6.3 6.5	6.2 6.5	6.5 6.4	12/01/1992
REAL RETURN POOL												
BROWN BROTHERS HARRIMAN - TIPS BARCLAYS US TIPS INDEX	429,928,696	5.8	0.9 0.8	3.7 3.7	5.9 5.8	7.5 7.8	7.5 7.8	8.6 8.7	5.8 5.3	7.1 6.9	6.2 5.9	06/01/2004
TOTAL REAL RETURN CPI + 4%	429,928,696	5.8	0.9 0.2	3.7 2.0	5.9 5.0	7.5 7.7	7.5 7.7	8.6	5.8	7.1	6.2 6.6	06/01/2004
ALTERNATIVE INVESTMENTS												
REAL ESTATE NCREIF PROPERTY LAG + 100 BPS	253,699,387	3.4	2.8 0.1	3.8 4.9	10.0 5.0	19.6 13.2	19.6 14.2	-4.0 -2.0	-13.3 -3.1	-3.2 4.6	-1.7 7.6	01/01/2005
PRIVATE EQUITY S&P 500 PLUS 300 BP	628,912,237	8.4	0.7 -1.4	2.9 0.8	12.7 7.6	19.5 34.5	19.5 34.5	21.7 25.9	4.6 6.4	5.7 6.0	9.3 12.9	01/01/1989
TOTAL ALTERNATIVE INVESTMENTS TOTAL ALTERNATIVES BENCHMARK	882,611,624	11.8	1.3 0.5	3.2 1.9	11.9 7.9	19.6 27.1	19.6 27.1	13.6 16.4	-1.1 3.0	3.0 5.5	8.6	04/01/1996
RE-BALANCING												
RUSSELL IMPLEMENTATION SERVICES	222,120,403	3.0	0.0	0.2	-1.1	-1.3	-1.3	-0.3			-0.4	09/01/2008
CASH												
CASH ACCOUNT (INSIDE)	16,727,736	0.2										07/01/2000
CASH ACCOUNT (OUTSIDE)	3,944,168	0.1										07/01/2000
TOTAL PLAN TOTAL PLAN BENCHMARK*	7,474,800,107	100.0	-0.8 -0.9	1.0 1.1	5.3 5.1	20.4 21.6	20.4 21.6	16.9 16.3	3.4 2.8	4.0 4.2	9.4	01/01/1984

* Effective 4/1/09: 36.0% RUSSELL 3000/ 22.0% BC AGG / 17.5% MSCI AC WORLD FREE EX USA / 10.0% CPI + 4% / 7.5% S&P 500 + 3% / 5.0%NCREIF PROPERTY LAGG / 2.0% 91 DAY T-BILL

State of Rhode Island
Summary of Performance
6/30/2011

RATES OF RETURN

	MKT VAL	% of FUND	6 YEARS	7 YEARS	8 YEARS	9 YEARS	10 YEARS	ITD	Incept Date
DOMESTIC EQUITY									
<i>Index</i>									
SSGA S&P 500 INDEX FUND S&P 500	1,874,840	25.1	3.9	4.2	6.0	5.3	2.7	1.3	11/1/2006
RUSSELL 2000 INDEX FUND RUSSELL 2000	690,329	9.2	5.8	6.3	9.3	8.1	6.3	29.4	5/1/2009
<i>Active Core</i>									
WELLINGTON TECHNICAL EQUITY S&P 500	166,154	2.2	3.9	4.2	6.0	5.3	2.7	4.3	8/1/2007
<i>Other</i>									
SHOTT CAPITAL	3,269	0.0							4/1/1999
TOTAL US EQUITY RUSSELL 3000	2,734,593	36.6	4.3 4.4	5.0 4.9	7.1 6.7	6.5 6.0	3.9 3.4	9.2	3/1/1989
INTERNATIONAL EQUITY									
<i>Index</i>									
MSCI ACWI EX US INDEX FUND MSCI EAFE (NET)	1,328,372	17.8	5.3	6.4	9.4	7.5	5.7	24.7	5/1/2009
<i>Active</i>									
TAX RECLAIMS MSCI AC WORLD ex US (GROSS)	190	0.0	7.8	9.1	11.8	9.9	7.9		11/1/2009
SSGA TRANSITION ACCOUNT	400	0.0							11/1/2000
TOTAL INTERNATIONAL EQUITY MSCI AC WORLD ex US (GROSS)	1,328,962	17.8	7.4 7.8	8.8 9.1	11.0 11.8	8.8 9.9	6.9 7.9	5.1	3/1/1989
U.S. FIXED INCOME									
<i>Core</i>									
BROWN BROTHERS HARRIMAN - CORE CITIGROUP BIG	371,537	5.0	4.8 5.4	5.2 5.6	4.7 5.0	5.5 5.6	5.7 5.9	6.6	3/1/1990
<i>Mortgage</i>									
PYRAMIS GLOBAL ADVISORS BC MBS	476,014	6.4	5.5 5.8	5.7 5.9	5.5 5.4	5.6 5.5	6.0 5.8	7.4	10/1/1989 1/0/1900
<i>Corporates</i>									
TAPLIN, CANIDA & HABACHT BC CREDIT	374,607	5.0	5.2 5.5	5.5 5.8	5.2 5.1	6.7 6.2	6.3 6.3	6.7	4/1/1996
<i>High Yield</i>									
MACKAY SHIELDS, LLC CSFB GLOBAL HIGH YIELD	179,426	2.4	7.9 8.0	8.3 8.3	9.1 8.7		10.0 9.1	11.7	10/1/2002
<i>Other</i>									
FIXED INCOME CASH ACCOUNT	454,330	6.1						1.8	4/1/2007
TOTAL US FIXED INCOME BC AGGREGATE	1,855,913	24.8	5.3 5.3	5.7 5.5	5.4 4.8	6.1 5.4	6.0 5.7	6.5	12/1/1992
REAL RETURN POOL									
BROWN BROTHERS HARRIMAN - TIPS BC GLOBAL INFLATION LINKED: U.S. TIPS	429,929	5.8	5.6 5.4	6.2 6.0		5.7 6.8	7.0	6.2	6/1/2004
TOTAL REAL RETURN CPI + 4%	429,929	5.8	5.6 6.6	6.2 6.6	6.7	6.6	6.5	6.2	
ALTERNATIVE INVESTMENTS									
REAL ESTATE NCREIF PROPERTY INDEX QTR LAG	253,699	3.4	-2.3 6.1	7.4	7.7	7.6	7.5	-1.7	1/1/2005
PRIVATE EQUITY S&P 500 PLUS 300 BP	628,912	8.4	9.5 7.0	11.6 7.3	14.1 9.1	11.4 8.5	9.9 6.0	9.3	1/1/1989
TOTAL ALTERNATIVE INVESTMENTS TOTAL ALTERNATIVES BENCHMARK	882,612	11.8	6.1 7.1	8.6 7.8	11.2 8.9	9.0 8.6	7.7 7.0	8.6	4/1/1996
RE-BALANCING									
RUSSELL IMPLEMENTATION SERVICES	222,120	3.0						-0.4	9/1/2008
CASH									
CASH ACCOUNT (INSIDE)	16,728	0.2							
CASH ACCOUNT (OUTSIDE)	3,944	0.1							
TOTAL PLAN TOTAL PLAN BENCHMARK	7,474,800	100.0	5.4 5.4	6.3 6.0	7.8 7.4	7.3 7.0	5.6 5.4	9.4	1/1/1984

* Effective 4/1/09: 36.0% RUSSELL 3000/ 22.0% BC AGG / 17.5% MSCI AC WORLD FREE EX USA / 10.0% CPI + 4% / 7.5% S&P 500 + 3% / 5.0%NCREIF PROPERTY LAGG / 2.0% 91 DAY T-BILL

ERSRI Monthly Market Value Report With Time Weighted Returns

June 30, 2011

	Calendar YTD			Benchmark Description	Current Month			Valuation Change			
	Performance		Alpha		Performance		Alpha	Market Value	Transfers	Market Value	Market Value
	Performance	Benchmark	Alpha		Performance	Benchmark	Alpha	5/31/2011	In/(out)	6/30/2011	Increase/decrease
Domestic Equity											
Shott Capital Management IRR	12.24%	6.02%	6.22%	S & P 500	1.26%	-1.67%	2.93%	3,228,479	-	3,269,093	40,614
SSgA S&P 500	6.06%	6.02%	0.04%	S & P 500	-1.66%	-1.67%	0.01%	1,981,538,914	(73,000,000)	1,874,840,134	(33,698,780)
Wellington Tech Eq	3.25%	6.25%	-3.00%	Russell 3000	-3.59%	-1.80%	-1.79%	172,728,286	-	166,154,156	(6,574,130)
Russell 2000 Index Fund	6.29%	6.21%	0.08%	Russell 2000	-2.28%	-2.31%	0.03%	720,930,206	-	690,329,233	(30,600,973)
Total Domestic Equity	5.92%	6.35%	-0.43%		-1.96%	-1.80%	-0.16%	2,878,425,885	(73,000,000)	2,734,592,616	(70,833,269)
International Equity											
Boston Company		4.11%		MSCI ACWI		-1.42%		42,731	(385)	42,551	204
Goldman Sachs		4.11%		MSCI ACWI		-1.42%		81,491	(650)	80,924	83
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	365,806	(180,386)	399,780	214,360
Mondrian		4.11%		MSCI ACWI		-1.42%		65,829	-	66,228	399
MSCI Ex US Index Fund	3.95%	3.80%	0.15%	MSCI Ex US Index Fund	-1.43%	-1.45%	0.02%	1,370,122,468	-	1,328,372,325	(41,750,143)
Total International Equity	3.95%	4.11%	-0.16%		-1.43%	-1.42%	-0.01%	1,370,678,325	(181,421)	1,328,961,808	(41,535,096)
Fixed Income											
Fidelity Management & Research	2.84%	2.87%	-0.03%	BC MBS	0.04%	0.09%	-0.05%	475,991,330	-	476,013,958	22,628
Brown Brothers, Harriman	3.52%	2.66%	0.86%	Citigroup BIG	-0.27%	-0.28%	0.01%	372,708,671	-	371,536,561	(1,172,110)
Taplin, Canida & Habacht	3.12%	3.41%	-0.29%	BC Credit	-0.95%	-0.73%	-0.22%	378,213,200	-	374,606,730	(3,606,470)
Mackay Shields	4.83%	4.46%	0.37%	CS First BosHiYield	-0.54%	-1.14%	0.60%	180,763,032	-	179,425,628	(1,337,404)
Fixed Income Cash Acct	0.09%	0.09%	0.00%		0.01%	0.01%	0.00%	476,263,444	(21,995,323)	454,330,179	62,058
Total Fixed Income	2.49%	2.72%	-0.23%		-0.28%	-0.29%	0.01%	1,883,939,676	(21,995,323)	1,855,913,056	(6,031,298)
Alternative Investments											
Private Equity	12.65%	7.59%	5.06%	N/A	0.74%	-1.42%	2.16%	635,791,234	(11,304,788)	628,912,237	4,425,790
Real Estate	9.95%	8.67%	1.28%	NCREIF + 100	2.79%	3.44%	-0.65%	248,610,033	(1,773,910)	253,699,387	6,863,264
Total Alternatives	11.90%	7.90%	4.00%		1.32%	0.49%	0.83%	884,401,267	(13,078,698)	882,611,624	11,289,054
Cash Accounts											
Cash in Trust	0.09%	0.09%	0.00%		0.01%	0.01%	0.00%	12,180,089	4,865,441	16,727,736	(317,794)
Cash Outside Trust	0.00%	0.08%	-0.08%		0.00%	0.01%	-0.01%	1,726,882	-	3,944,168	2,217,286
Total Cash	0.09%	0.09%	0.00%		0.01%	0.01%	-0.01%	13,906,971	4,865,441	20,671,904	1,899,492
Real Return Pool											
Brown Bros TIPS	5.85%	5.84%	0.01%	CPI +4%	0.86%	0.83%	0.03%	426,371,529	-	429,928,696	3,557,167
Other											
Russell Overlay	-1.08%				0.04%			110,367,667	73,000,000	222,120,403	38,752,736
Total Plan Ex PE & RE	4.47%	4.72%	-0.25%		-1.12%	-1.07%	-0.05%	7,568,091,320	(30,390,000)	7,474,800,107	(62,901,214)
Total Plan	5.31%	5.12%	0.19%		-0.84%	-0.88%	0.04%				

*Policy Index: (Effective 04/1/09)

36% Russell 3000

22% BC Agg

17.5% MSCI World Free Ex USA

10% CPI + 4%

7.5% S&P 500 + 3%

Effective 11/1/09 Moved TIPS from Fixed Income to Real Return. The history remains in Fixed Income.

State of Rhode Island

TOTAL PLAN

Index: TOTAL PLAN BENCHMARK

PERIODS: June 30, 2008 - June 30, 2011



STATE STREET

CUMULATIVE PERFORMANCE REPORT



State of Rhode Island

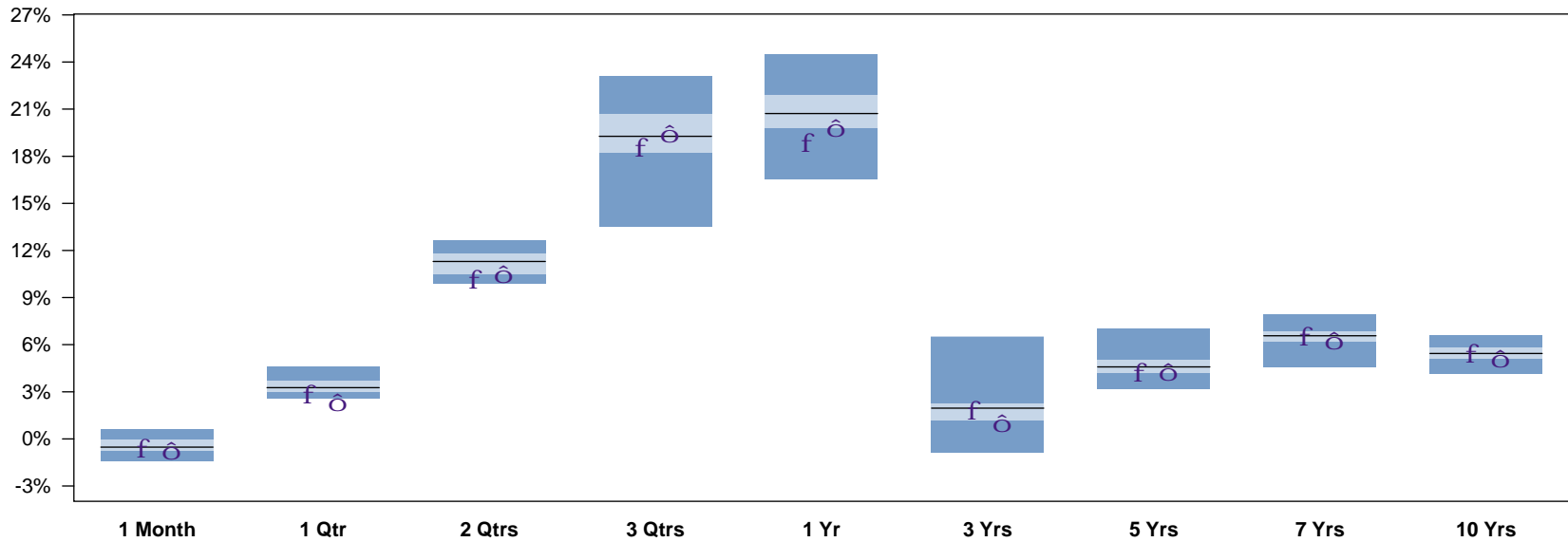
Public Funds (DB) > \$1 Billion (SSC)

PERIOD ENDING May 31, 2011



STATE STREET

TOTAL RETURN



	1 Month	1 Qtr	2 Qtrs	3 Qtrs	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
5th Percentile	0.64	4.58	12.63	23.10	24.47	6.50	7.05	7.92	6.60
25th Percentile	0.00	3.72	11.83	20.73	21.89	2.29	5.07	6.83	5.82
50th Percentile	-0.53	3.26	11.30	19.27	20.72	1.96	4.58	6.57	5.44
75th Percentile	-0.75	2.95	10.49	18.22	19.77	1.17	4.19	6.21	5.09
95th Percentile	-1.39	2.55	9.89	13.53	16.54	-0.87	3.19	4.58	4.16
No. of Obs	31	29	27	27	27	27	27	27	26
f TOTAL PLAN	-0.49	3.00	10.30	18.67	19.00	1.95	4.38	6.66	5.59
o 1 TOTAL PLAN BENCHMARK	-0.59	2.48	10.65	19.57	19.94	1.15	4.42	6.39	5.29

State of Rhode Island

Public Funds (DB) > \$1 Billion (SSC)

PERIOD ENDING May 31, 2011



STATE STREET

TOTAL RETURN

Endnotes

1 Effective 4/1/09: 36.0% RUSSELL 3000/ 22.0% BC AGG / 17.5% MSCI AC WORLD FREE EX USA / 10.0% CPI + 4% / 7.5% S&P 500 + 3% / 5.0% NCREIF PROPERTY LAGG / 2.0% 91 DAY T-BILL

As of 04/30/2006: 42.5% W5000 / 25.0% BC AGG / 20.0% MSCI AC WORLD FREE ex USA / 5.0% NCREIF PROPERTY LAG / 7.5% S&P 500 plus 300bps

Prior to 04/30/2006: 52.5% W5000/ 25.0% BC AGG / 22.5% MSCI AC WORLD FREE ex USA

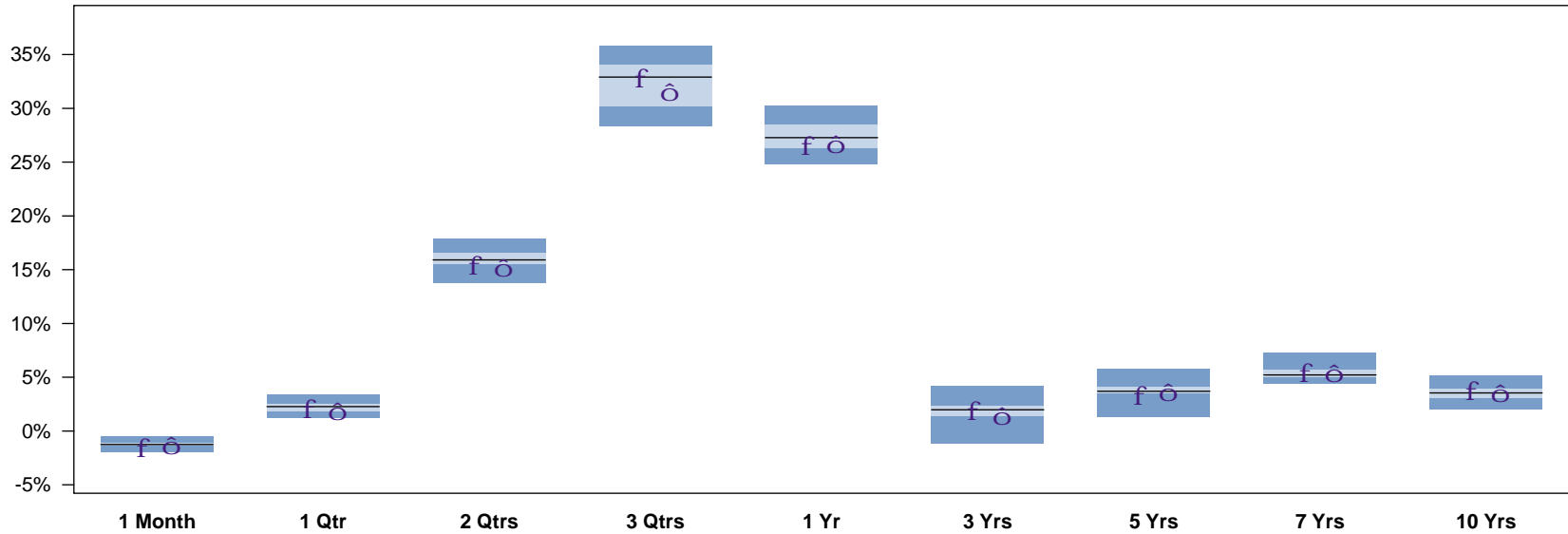
State of Rhode Island

US EQUITY POOLS PUBLIC GT 1BILL (SSC)
 PERIOD ENDING May 31, 2011



STATE STREET

TOTAL RETURN



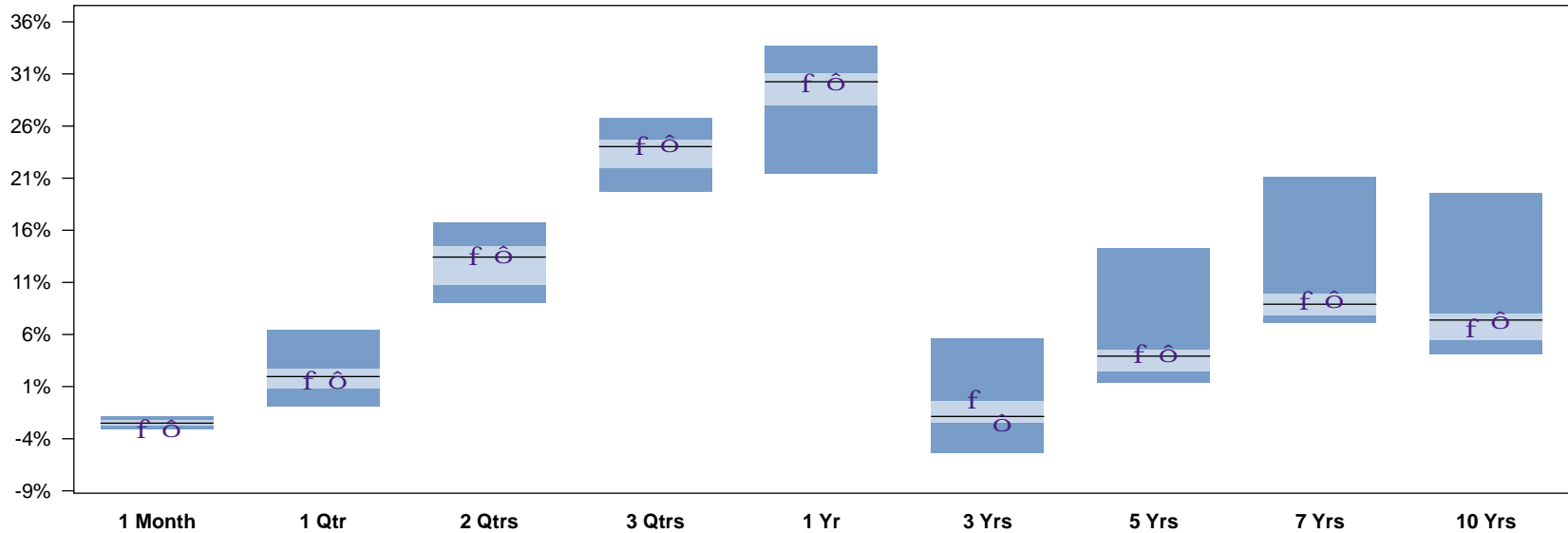
	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
5th Percentile	-0.51		3.40		17.85		35.78		30.26		4.16		5.74		7.26		5.16	
25th Percentile	-1.13		2.58		16.58		34.08		28.56		2.32		4.13		5.68		3.94	
50th Percentile	-1.26		2.27		15.91		32.90		27.27		1.97		3.69		5.21		3.54	
75th Percentile	-1.39		1.80		15.51		30.13		26.26		1.34		3.50		4.96		2.97	
95th Percentile	-2.01		1.23		13.76		28.31		24.82		-1.16		1.32		4.39		2.00	
No. of Obs	26		25		25		26		25		23		23		20		19	
f TOTAL US EQUITY	-1.37	63	2.27	51	15.54	67	32.94	49	26.68	66	2.06	38	3.52	71	5.60	29	3.93	27
o WILSHIRE 5000	-1.16	41	2.07	64	15.39	81	31.73	69	26.92	61	1.66	63	3.84	33	5.60	32	3.74	39

State of Rhode Island

Intl Equity Pools - Public Funds (DB) (SSC)
 PERIOD ENDING May 31, 2011



TOTAL RETURN



	1 Month	1 Qtr	2 Qtrs	3 Qtrs	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs									
5th Percentile	-1.91	6.40	16.69	26.78	33.67	5.63	14.25	21.14	19.58									
25th Percentile	-2.21	2.69	14.49	24.75	31.06	-0.38	4.56	9.99	8.08									
50th Percentile	-2.51	1.97	13.43	24.03	30.25	-1.86	3.92	8.91	7.39									
75th Percentile	-2.76	0.73	10.76	21.91	27.91	-2.45	2.47	7.77	5.46									
95th Percentile	-3.08	-0.93	9.05	19.67	21.42	-5.33	1.41	7.11	4.10									
No. of Obs	45	45	45	44	45	39	34	33	31									
f TOTAL INTERNATIONAL	-2.84	81	1.76	53	13.74	41	24.34	46	30.36	45	-0.07	20	4.36	36	9.40	45	6.78	62
o MSCI AC WORLD ex US (-2.77	76	1.86	53	13.90	37	24.56	33	30.48	39	-2.24	67	4.41	32	9.65	40	7.66	35

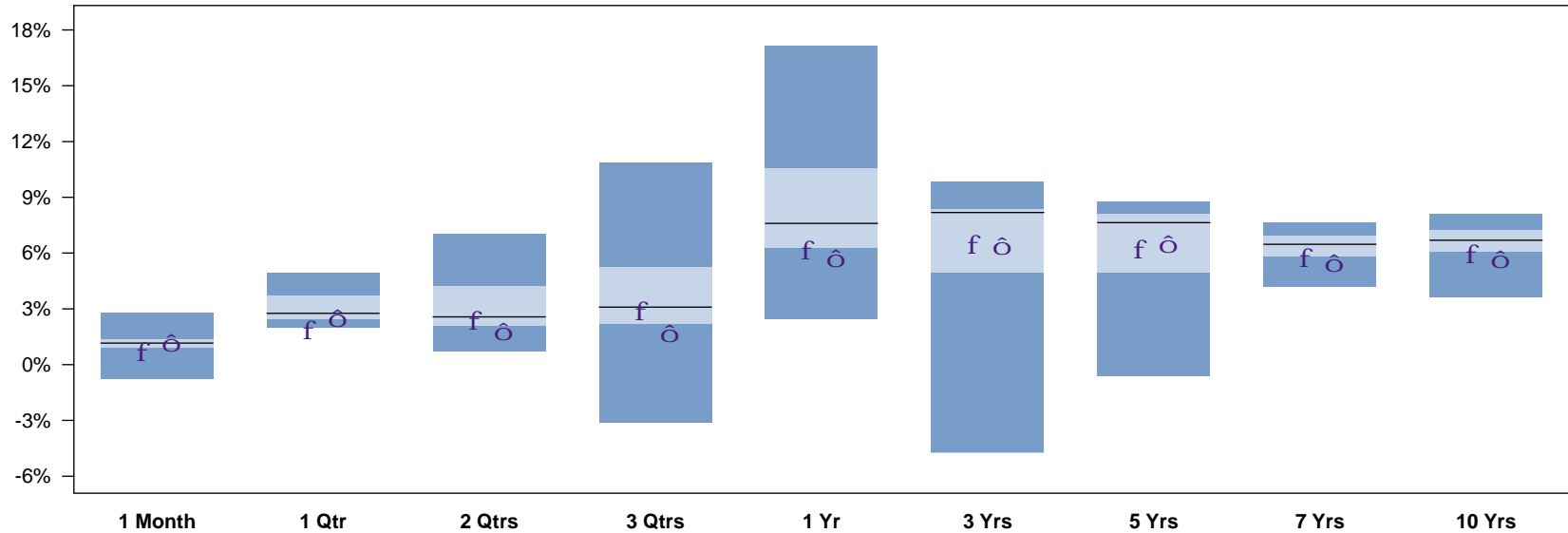
State of Rhode Island

US FIXED INC POOL PUBLIC GT 1 BILL (SSC)
 PERIOD ENDING May 31, 2011



STATE STREET

TOTAL RETURN



	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
5th Percentile	2.77		4.96		7.01		10.86		17.13		9.81		8.79		7.66		8.10	
25th Percentile	1.36		3.75		4.22		5.28		10.56		8.37		8.13		6.98		7.27	
50th Percentile	1.16		2.76		2.57		3.09		7.60		8.18		7.64		6.47		6.69	
75th Percentile	0.92		2.43		2.04		2.18		6.24		4.92		4.96		5.83		6.08	
95th Percentile	-0.75		2.01		0.70		-3.13		2.45		-4.73		-0.60		4.21		3.63	
No. of Obs	19		19		18		18		18		17		16		14		13	
f TOTAL US FIXED INCOM	0.82	81	1.97	96	2.47	53	2.98	58	6.24	74	6.56	68	6.33	71	5.86	68	6.05	80
o BC AGGREGATE	1.31	26	2.65	60	1.91	80	1.80	80	5.84	86	6.53	68	6.63	67	5.61	87	5.82	80

State of Rhode Island

TOTAL PLAN

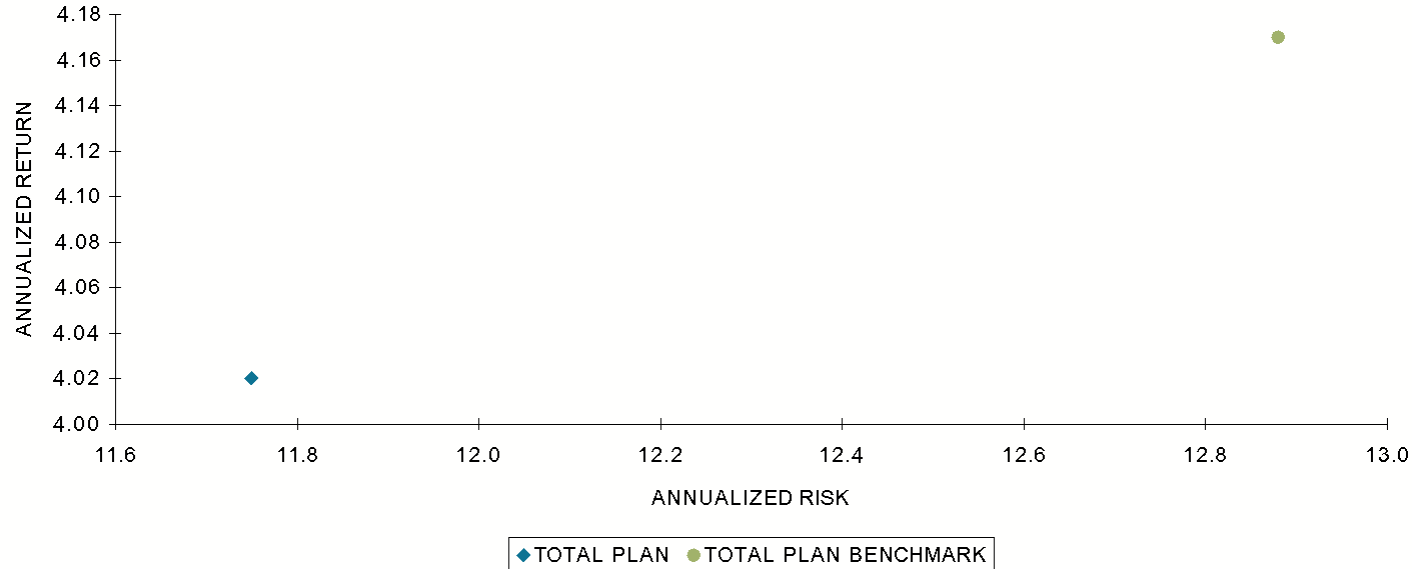
Benchmark: TOTAL PLAN BENCHMARK

June 30, 2006 - June 30, 2011



STATE STREET

RISK VS. RETURN



RISK INFORMATION

Portfolio Return	4.02
Benchmark Return	4.17
Return Differences	-0.16
Portfolio Standard Deviation	11.75
Benchmark Standard	12.88
Tracking Error	1.87

RISK STATISTICS

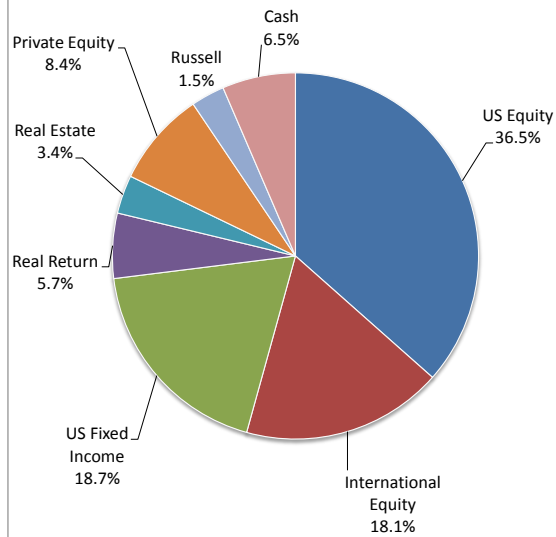
Historic Beta	0.91
R-squared	0.99
Jensen's Alpha	0.05
Sharpe Ratio	0.17
Treynor Ratio	2.22
Information Ratio	-0.08

ASSET ALLOCATION

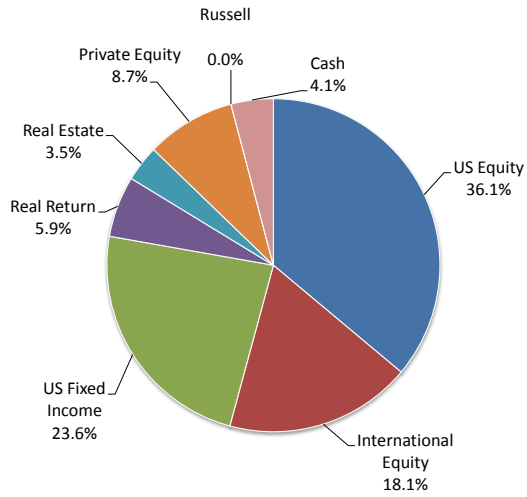
State of Rhode Island

Asset Allocation
6/30/2011

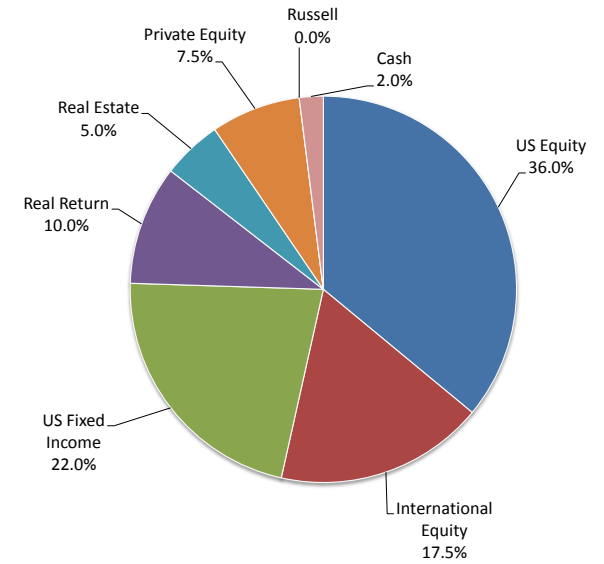
Physical Allocation



Notional Allocation



Policy Allocation

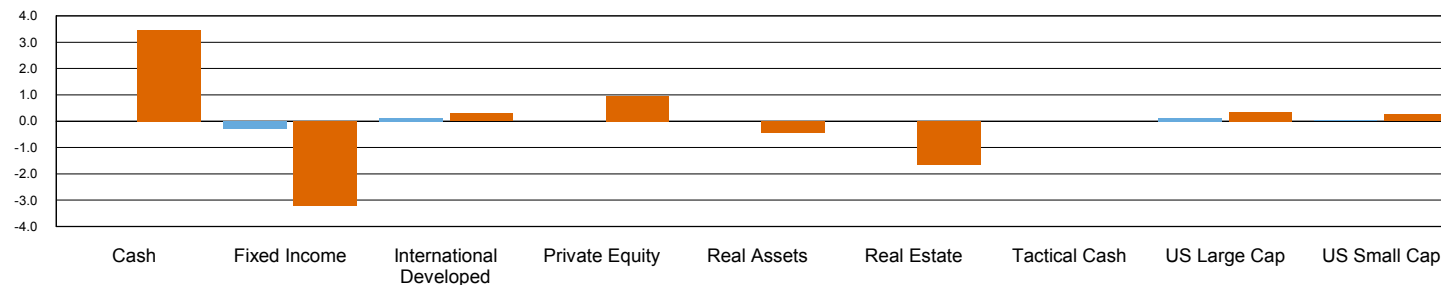


* Difference in actual investment allocation versus target allocation policy is offset by the notional overlay provided by the Russell Implementation account.

Asset Summary

Asset Class	Physical Exposure		Synthetic Exposure		Net Position		Overlay Target		Policy Target	
	Value	%	Value	%	Value	%	Value	%	Value	%
Total Market Value	7,465.3	100.0%	0.0	0.0%	7,465.3	100.0%	7,465.3	100.0%	7,465.3	100.00%
Cash	258.8	3.5%	-253.1	-3.4%	5.7	0.1%	6.5	0.1%	0.0	0.00%
Cash	258.8	3.5%	-253.1	-3.4%	5.7	0.1%	6.5	0.1%	0.0	0.00%
Equity	4,693.7	62.9%	-7.4	-0.1%	4,686.3	62.8%	4,665.0	62.5%	4,553.8	61.00%
International Developed	1,328.6	17.8%	0.0	0.0%	1,328.6	17.8%	1,319.2	17.7%	1,306.4	17.50%
Private Equity	632.1	8.5%	0.0	0.0%	632.1	8.5%	632.1	8.5%	559.9	7.50%
US Small Cap	690.5	9.2%	-9.7	-0.1%	680.7	9.1%	678.4	9.1%	671.9	9.00%
US Large Cap	2,042.6	27.4%	2.3	0.0%	2,044.9	27.4%	2,035.3	27.3%	2,015.6	27.00%
Fixed	1,401.5	18.8%	260.5	3.5%	1,662.0	22.3%	1,682.5	22.5%	1,642.4	22.00%
Fixed Income	1,401.5	18.8%	260.5	3.5%	1,662.0	22.3%	1,682.5	22.5%	1,642.4	22.00%
Other	1,111.3	14.9%	0.0	0.0%	1,111.3	14.9%	1,111.3	14.9%	1,269.1	17.00%
Tactical Cash	433.0	5.8%	0.0	0.0%	433.0	5.8%	433.0	5.8%	433.0	5.80%
Real Estate	248.4	3.3%	0.0	0.0%	248.4	3.3%	248.4	3.3%	373.3	5.00%
Real Assets	429.9	5.8%	0.0	0.0%	429.9	5.8%	429.9	5.8%	462.9	6.20%

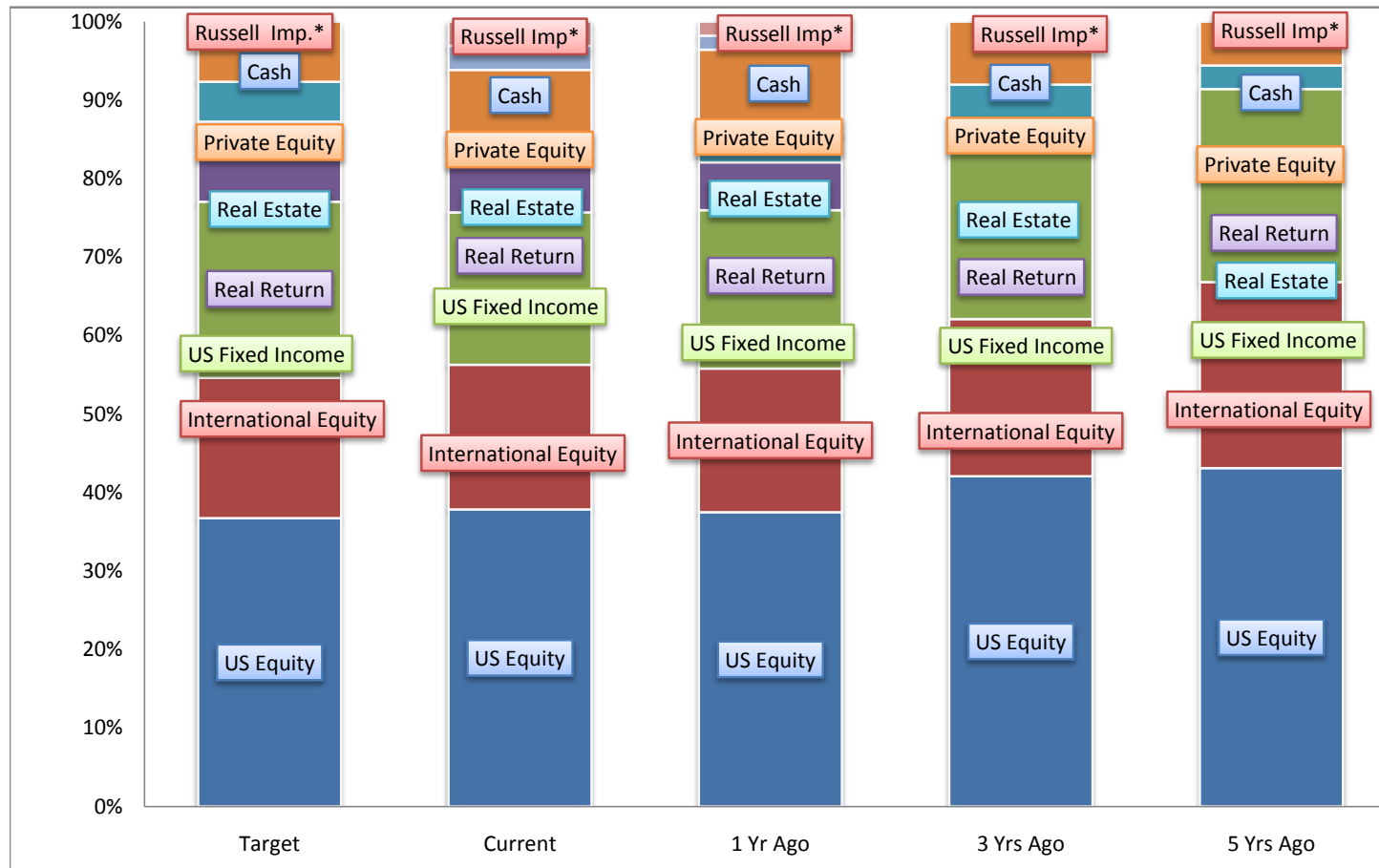
Deviations from Target Allocation



State of Rhode Island

Historical Asset Allocation

30-Jun-2011



	Target	Current	1 Yr Ago	3 Yrs Ago	5 Yrs Ago
US Equity	36.0%	36.6%	36.3%	42.0%	42.9%
International Equity	17.5%	17.8%	17.7%	20.0%	23.6%
US Fixed Income	22.0%	18.8%	19.5%	25.2%	24.5%
Real Return	10.0%	5.8%	5.9%	0.0%	0.0%
Real Estate	5.0%	3.4%	3.5%	4.6%	3.0%
Private Equity	7.5%	8.4%	10.4%	8.0%	5.5%
Russell Implementation*	0.0%	3.0%	1.7%	0.0%	0.0%
Cash	2.0%	6.5%	4.9%	0.1%	0.5%
Total Plan	100.0%	100.0%	100.0%	100.0%	100.0%

CASH FLOW

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2011	FY 2010-11												TOTAL
	Actual July 2010	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2011	Actual February	Actual March	Actual April	Actual May	Actual June	
MEMBER BENEFITS	64,786,488	65,481,557	65,315,924	65,166,401	65,107,559	65,068,608	66,691,648	66,939,123	66,753,196	66,585,675	66,369,949	66,497,408	790,763,536
ADMINISTRATIVE EXPENSES	393,312	548,021	590,613	618,987	508,890	492,317	396,616	429,243	456,810	547,719	403,313	940,521	6,326,363
INVESTMENT EXPENSES	1,380,131	2,706	360,147	343,219	464,523	886,459	508,571	306,066	343,834	785,528	185,359	269,585	5,836,129
TOTAL OUTFLOW	66,559,931	66,032,284	66,266,684	66,128,608	66,080,973	66,447,384	67,596,835	67,674,432	67,553,840	67,918,922	66,958,622	67,707,514	802,926,028
CONTRIBUTIONS	36,468,984	42,272,364	26,277,602	55,664,547	35,150,605	40,872,116	56,234,751	35,617,401	42,493,720	40,290,401	47,251,676	42,317,939	500,912,106
OTHER INCOME*	1,128,429	5,823,900	2,312,189	3,673,433	3,646,844	7,980,238	4,938,253	4,258,601	9,058,026	726,971	6,582,306	6,199,804	56,328,997
TOTAL INCOME	37,597,413	48,096,264	28,589,791	59,337,980	38,797,449	48,852,354	61,173,004	39,876,002	51,551,746	41,017,372	53,833,982	48,517,743	557,241,103
DIFFERENCE	(28,962,518)	(17,936,020)	(37,676,893)	(6,790,627)	(27,283,524)	(17,595,030)	(6,423,831)	(27,798,430)	(16,002,094)	(26,901,550)	(13,124,640)	(19,189,770)	(245,684,925)

Municipal Employees Retirement System

	Actual July 2010	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2011	Actual February	Actual March	Actual April	Actual May	Actual June	TOTAL
MEMBER BENEFITS	5,759,121	5,970,389	5,961,434	5,986,138	6,028,530	6,024,441	6,159,822	6,273,090	6,260,511	6,257,909	6,277,541	6,303,266	73,262,191
ADMINISTRATIVE EXPENSES	72,431	100,922	109,616	114,883	94,718	91,633	73,821	80,624	86,146	103,274	76,046	178,003	1,182,116
INVESTMENT EXPENSES	254,162	498	66,843	63,701	86,460	164,993	94,658	57,488	64,841	148,113	34,950	51,022	1,087,727
TOTAL OUTFLOW	6,085,714	6,071,810	6,137,893	6,164,722	6,209,708	6,281,067	6,328,300	6,411,201	6,411,498	6,509,296	6,388,536	6,532,291	75,532,034
CONTRIBUTIONS	4,157,420	4,226,982	3,779,357	3,955,928	4,286,411	4,770,013	4,702,497	7,972,265	4,856,857	4,598,585	5,354,214	5,178,390	57,838,919
OTHER INCOME*	207,809	1,072,515	429,137	681,781	678,772	1,485,328	919,136	799,882	1,708,176	137,072	1,241,110	1,173,376	10,534,093
TOTAL INCOME	4,365,229	5,299,497	4,208,494	4,637,709	4,965,183	6,255,341	5,621,633	8,772,147	6,565,033	4,735,657	6,595,324	6,351,766	68,373,012
DIFFERENCE	(1,720,485)	(772,313)	(1,929,399)	(1,527,013)	(1,244,525)	(25,726)	(706,667)	2,360,946	153,535	(1,773,639)	206,787	(180,524)	(7,159,022)

CASH FLOW ANALYSIS - INCOME & EXPENSES

Judges/State Police
Retirement System

	Actual July 2010	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2011	Actual February	Actual March	Actual April	Actual May	Actual June	TOTAL
MEMBER BENEFITS	115,057	113,835	125,801	123,501	123,501	123,501	126,501	126,501	135,991	136,722	135,664	135,664	1,522,239
ADMINISTRATIVE EXPENSES	6,471	9,016	9,907	10,383	8,694	8,411	6,776	7,512	8,060	9,742	7,174	17,027	109,172
INVESTMENT EXPENSES	22,706	45	6,041	5,757	7,936	15,144	8,688	5,356	6,067	13,972	3,297	4,881	99,890
TOTAL OUTFLOW	144,233	122,896	141,749	139,641	140,131	147,056	141,965	139,369	150,118	160,436	146,134	157,572	1,731,301
CONTRIBUTIONS	370,000	390,000	375,000	705,000	424,000	425,000	430,000	432,000	430,000	705,000	410,000	330,000	5,426,000
OTHER INCOME*	18,565	95,814	38,784	61,618	62,303	136,335	84,365	74,526	159,825	12,931	117,079	112,242	974,387
TOTAL INCOME	388,565	485,814	413,784	766,618	486,303	561,335	514,365	506,526	589,825	717,931	527,079	442,242	6,400,387
DIFFERENCE	244,332	362,918	272,035	626,977	346,172	414,279	372,400	367,157	439,708	557,494	380,944	284,671	4,669,087

*includes income from Real Estate Investments, Private Equity, Securities Lending, and Cash Accounts,

FISCAL YEAR 2011

INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

ACCRUAL BASIS

	Actual Jul 10	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan 11	Actual Feb 11	Actual Mar 11	Actual Apr 11	Projected May 11	Projected June 11	Projected TOTAL
EQUITIES													
SSgA Russell 1000/S& ZU14			37,365			44,945			48,108			100,000	230,418
SSGA Russell 2000 ZU06			30,227			34,921			34,573			17,388	17,388
Shott Capital ZU49			264			1,110			1,782			2,718	5,873
Wellington Tech Eq ZU04			<u>315,297</u>			<u>348,655</u>			<u>376,641</u>			<u>350,000</u>	1,390,594
			383,153			429,631			461,104			470,106	1,626,885
FIXED INCOME													
Brown Bros. ZU44			166,174			167,249			166,584			152,252	652,260
Fidelity ZU46			152,798			153,780			153,750			140,949	601,277
Taplin ZU84			228,218			231,147			231,206			179,763	870,334
Mackay Shields ZU59			175,084			181,652			187,020			147,848	691,604
Brown Bros.TIPS ZU69			<u>114,026</u>			<u>114,761</u>			<u>115,120</u>			<u>113,544</u>	<u>457,451</u>
			836,300			848,589			853,679			734,357	3,272,926
INT'L EQUITIES													
The Boston Co ZU77			0			0			0			0	0
Mondrian ZU67			0			0			0			0	0
Goldman Sachs Asset ZU25			0			0			0			0	0
SSgA MSCI ACWI ZU08			<u>151,078</u>			<u>164,663</u>			<u>166,370</u>			<u>150,000</u>	<u>632,112</u>
	0		151,078	0		164,663			166,370			150,000	632,112
REAL ESTATE													
L & B Real Estate ZU79	135,186	0	86,931	127,607	357,152	979,695	147,277	12,834	191,583	115,161	156,582	83,933	2,393,943
ALTERNATIVE INVESTMENTS													
Other Alt Inv Mgmt F ZU32	1,521,813	3,248	346,100	285,070	201,766	86,901	464,640	356,076	223,158	832,452	67,024	241,555	4,629,803
SUB TOTAL-INV MGMT FEES													
	1,656,999	3,248	1,803,562	412,677	558,919	2,509,480	611,917	368,910	1,895,895	947,613	223,606	1,679,951	12,555,669
PROFESSIONAL FEES													
Legal	11,405	1,415	1,350	1,013	639	788	2,316	2,316	2,316	2,025	555	2,453	28,591
St St Bank Custodial	62,022	61,219	62,196	65,675	64,092	64,122	61,466	62,286	64,367	62,730	62,639	62,000	754,814
Pacific Corp Group/C ZU76		84,375	0	0	84,375	0	0	84,375	0	114,291		93,750	461,166
PCA/Russell	29,792	13,125	74,629	13,125	13,125	90,729	13,125	13,125	13,125	13,125	13,125	109,000	409,152
Townsend	0	0	<u>35,625</u>	0	0	<u>35,625</u>	0	0	<u>35,625</u>	0	0	<u>35,625</u>	<u>142,500</u>
	103,220	160,134	173,801	79,812	162,231	191,263	76,907	162,103	115,433	192,172	76,320	302,828	1,796,224
OPERATING EXPENSE													
Retirement Transfers	264,911	439,143	641,931	665,657	385,417	690,850	332,707	349,925	428,804	736,997	549,152	827,323	6,312,818
Other Expense	<u>12,500</u>	0	<u>5,700</u>	0	0	<u>11,950</u>	<u>11,250</u>	<u>5,700</u>	<u>11,650</u>	0	<u>5,700</u>	<u>5,400</u>	<u>69,850</u>
	277,411	439,143	647,631	665,657	385,417	702,800	343,957	355,625	440,454	736,997	554,852	832,723	6,382,668
TOTAL:	2,037,629	602,525	2,624,994	1,158,146	1,106,567	3,403,543	1,032,782	886,637	2,451,783	1,876,782	854,778	2,815,502	20,734,560

Note: Numbers in bold are actual.

State of Rhode Island Alternative Investments Unfunded Commitment
June 2011

<u>Partnership Investment</u>	<u>Total Commitment</u>		<u>ERSRI Remaining Commitment</u>
Alta BioPharma Partners III	\$	15,000,000.00	\$ 750,000.00
Alta Partners VIII	\$	15,000,000.00	\$ 5,250,000.00
Aurora Equity Partners II**	\$	15,000,000.00	\$ -
Aurora Equity Partners III**	\$	15,000,000.00	\$ 1,475,357.00
Avenue Special Situations Fund III	\$	15,000,000.00	\$ -
Avenue Special Situations Fund IV	\$	20,000,000.00	\$ -
Avenue V	\$	20,000,000.00	\$ -
Bain X	\$	25,000,000.00	\$ 10,812,500.00
Birch Hill Equity Partners III*	\$	18,427,518.00	\$ 823,911.43
Castile III	\$	5,000,000.00	\$ 1,225,000.00
Centerbridge	\$	15,000,000.00	\$ 1,680,387.28
Charterhouse Capital Partners VIII*	\$	21,585,840.00	\$ 3,576,025.19
Coller International Capital IV**	\$	15,000,000.00	\$ 2,100,000.00
Coller International Capital V	\$	15,000,000.00	\$ 4,072,500.00
Constellation III	\$	15,000,000.00	\$ 4,123,862.70
CVC European Equity Partners III	\$	20,000,000.00	\$ 899,966.05
CVC European Equity Partners IV*	\$	23,744,424.00	\$ 3,023,717.01
CVC 5	\$	28,781,120.00	\$ 14,751,432.62
Fenway Partners Capital Fund II	\$	15,000,000.00	\$ 182,176.02
Fenway III	\$	15,000,000.00	\$ 876,675.00
First Reserve Fund X	\$	20,000,000.00	\$ 1.00
First Reserve Fund XI	\$	20,000,000.00	\$ 4,538,417.00
Focus Ventures III	\$	15,000,000.00	\$ 375,000.00
Granite Global Ventures II	\$	15,000,000.00	\$ 675,000.00
Granite Global Ventures III	\$	15,000,000.00	\$ 2,250,000.00
Green Equity Investors V	\$	20,000,000.00	\$ 5,898,007.12
Harvest Partners III	\$	15,000,000.00	\$ 357,288.61
Kayne Anderson Energy Fund III	\$	15,000,000.00	\$ 862,078.00
Kayne Anderson Energy Fund IV	\$	15,000,000.00	\$ 4,800,000.00
Leapfrog Ventures II	\$	10,000,000.00	\$ 1,030,000.00
Leeds Weld Equity Partners IV	\$	10,000,000.00	\$ 14,335.22
Lighthouse Capital Partners V	\$	11,250,000.00	\$ 787,500.00
Lighthouse Capital Partners VI	\$	15,000,000.00	\$ 2,475,000.00
LNK Partners	\$	12,500,000.00	\$ 1,143,162.83
Matlin Patterson Glb. Opp. Fund (CSFB)	\$	15,000,000.00	\$ -
MHR Institutional Partners III	\$	20,000,000.00	\$ 7,213,305.00
Nautic Partners V	\$	20,000,000.00	\$ 655,589.45
Nautic Partners VI	\$	20,000,000.00	\$ 7,176,610.71
Nordic Capital Fund III*	\$	12,623,440.00	\$ 205,775.48
Nordic Capital Fund V*	\$	21,032,594.92	\$ -
Nordic Capital Fund VI*	\$	21,585,840.00	\$ 2,115,640.22
Nordic VII	\$	21,585,840.00	\$ 8,208,073.06

State of Rhode Island Alternative Investments Unfunded Commitment
June 2011

<u>Partnership Investment</u>	<u>Total Commitment</u>	<u>ERSRI Remaining Commitment</u>
OCM Opportunities Fund II	\$ 12,000,000.00	\$ -
Palladin III	\$ 10,000,000.00	\$ 4,444,345.99
Parthenon Investors	\$ 15,000,000.00	\$ -
Parthenon Investors II	\$ 20,000,000.00	\$ 1,953,022.00
Perseus VII	\$ 15,000,000.00	\$ 1,906,983.00
Point 406	\$ 10,000,000.00	\$ 3,199,999.84
Point Judith II	\$ 5,000,000.00	\$ 1,210,638.62
Providence Equity Partners III	\$ 15,000,000.00	\$ 1,938,955.51
Providence Equity Partners IV	\$ 25,000,000.00	\$ 1,907,036.00
Providence Equity Partners V	\$ 25,000,000.00	\$ 2,231,786.00
Providence Equity Partners VI	\$ 25,000,000.00	\$ 6,339,959.00
SKM Equity Fund II**	\$ 10,000,000.00	\$ 1,735,947.00
Thomas McNerney & Partners	\$ 15,000,000.00	\$ 975,000.00
Thomas McNerney & Partners 2	\$ 15,000,000.00	\$ 5,325,000.00
TPG Partners II	\$ 10,000,000.00	\$ 308,515.00
TPG Partners IV	\$ 15,000,000.00	\$ 1,003,317.00
TPG Partners V	\$ 20,000,000.00	\$ 3,304,997.00
TPG VI	\$ 10,000,000.00	\$ 5,319,069.00
Trilantic IV	\$ 11,098,351.00	\$ 4,339,801.03
VS&A Communication Partners III	\$ 15,000,000.00	\$ -
W Capital Partners	\$ 15,000,000.00	\$ 880,500.00
W Capital Partners II	\$ 15,000,000.00	\$ 6,909,944.32
Washington & Congress Capital Partners**	\$ 15,000,000.00	\$ 305,637.24
Wellspring Capital Partners III	\$ 20,000,000.00	\$ 58,611.00
Wellspring Capital Partners IV	\$ 20,000,000.00	\$ 375,761.00
WLR	\$ 8,000,000.00	\$ 3,447,950.00
Total Alternative Investments	\$ 1,099,214,967.92	\$ 165,827,069.56

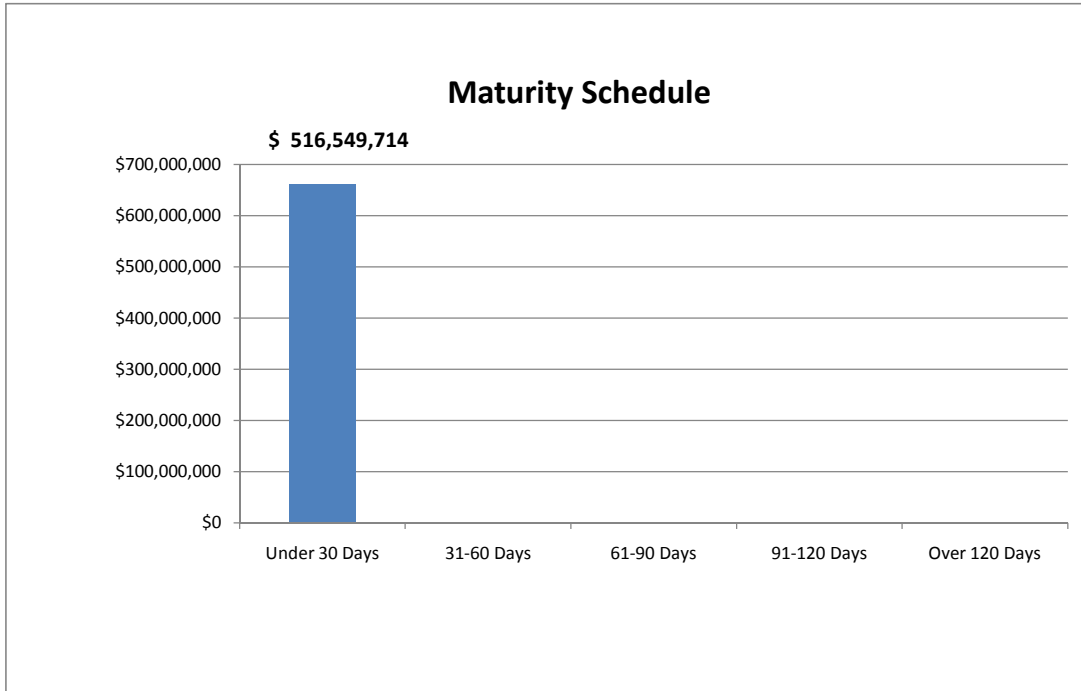
*transactions occur in foreign currence

State of Rhode Island Real Estate Investment Unfunded Commitment
June 2011

<u>Real Estate Partnership Investment</u>			<u>ERSRI Remaining Commitment</u>
AEW	\$	35,000,000.00	\$ 648,148.40
Fillmore East Fund I	\$	10,000,000.00	\$ 0.08
Fremont Strategic Property Partners II	\$	15,000,000.00	\$ 1,873,108.00
GMAC/Capmark/TRECAP	\$	15,000,000.00	\$ 2,155,117.00
JPMorgan Fleming Asset Mgmt. Strat. Prop. F	\$	50,000,000.00	\$ -
JPMorgan Alternative Property Fund	\$	20,000,000.00	\$ -
LaSalle Income & Growth Fund IV	\$	15,000,000.00	\$ 397,937.57
Magna Hotel	\$	4,000,000.00	\$ 2,034,081.00
Morgan Stanley Prime Property Fund	\$	35,000,000.00	\$ -
Prudential Real Estate Investors (PRISA)	\$	50,000,000.00	\$ -
Prudential Real Estate Investors (PRISA) II	\$	15,000,000.00	\$ -
RREEF America REIT II Fund	\$	35,000,000.00	\$ -
Starwood Hospitality Fund I	\$	10,000,000.00	\$ -
TA Realty Fund VIII	\$	15,000,000.00	\$ -
Tri Continental Fund VII	\$	15,000,000.00	\$ 428,467.00
Walton Street Real Estate Fund V	\$	20,000,000.00	\$ -
Westbrook Real Estate Fund VI	\$	15,000,000.00	\$ 79,399.00
Westbrook Real Estate Fund VII	\$	15,000,000.00	\$ 1,500,000.00
	\$	389,000,000.00	\$ 9,116,258.05

SHORT TERM INVESTMENTS

Short-Term Investment Maturity Schedule & SIC Compliance Report at June 30, 2011



Vendor	CP	CD	Agency	Money Mkt	PIP	Repo	GID	Total (\$)
Guidelines-Total/Vendor	25%/10%	50%/20%	75%/35%	75%/35%	75%/35%	100%/20%	75%/35%	
Bank RI	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0.00%
Sovereign Bank	0	0	0	0	90,098,475	0	0	90,098,475
	0%	0%	0%	0%	20%	0%	0%	19.93%
JP Morgan Chase	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0.00%
Federated Investors	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0.00%
Fidelity	0	0	0	112,240,414	0	0	0	112,240,414
	0%	0%	0%	25%	0%	0%	0%	24.83%
BlackRock	0	0	0	43,663,849	0	0	0	43,663,849
	0%	0%	0%	10%	0%	0%	0%	9.66%
Wells Fargo	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0.00%
Citizens Bank	0	0	0	0	27,943,040	0	0	27,943,040
	0%	0%	0%	0%	6%	0%	0%	6.18%
Webster Bank	0	0	0	0	153,009,440	0	0	153,009,440
	0%	0%	0%	0%	34%	0%	0%	33.85%
Oppenheimer Inc	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0.00%
Washington Trust	0	25,066,168	0	0	0	0	0	25,066,168
	0%	6%	0%	0%	0%	0%	0%	5.55%
TOTALS	-	25,066,167.92	-	155,904,263.23	271,050,954.25	-	-	452,021,385
(%) PORTFOLIO	0.00%	5.55%	0.00%	34.49%	59.96%	0.00%	0.00%	100.00%

Note: PIP + CD must be under 75%.

Actual PIP + CD: 68.01%

Note: Maximum participation by any one vendor limited to 35% of total portfolio.

State of Rhode Island
Short Term Cash Monthly Performance
Performance for

June 01, 2011 to June 30, 2011

Fund Name	Beginning Balance	Ending Balance	Average Daily Balance	Earnings	Yield(Annual)
GENERAL FUND	\$ 72,055,040.58	\$ 155,908,062.07	\$ 185,041,707.24	\$ 53,021.49	0.3486%
H.A.V.A	\$ 294.13	\$ 294.15	\$ 294.13	\$ 0.02	0.0827%
GENERAL FUND (HIST PRES)	\$ 535,816.24	\$ 535,855.87	\$ 535,816.24	\$ 39.63	0.0900%
HIGHWAY FUND	\$ 8,013,077.15	\$ 21,014,438.87	\$ 10,039,743.81	\$ 1,361.72	0.1650%
T.D.I. RESERVE (DET)	\$ 95,557,739.24	\$ 86,569,034.63	\$ 90,357,739.24	\$ 11,295.39	0.1521%
EMPLOYER PENSION CONTRIBUTION	\$ -	\$ -	\$ -	\$ -	-
RICAP GL FUND 21	\$ 113,535,213.25	\$ 128,854,417.56	\$ 111,818,546.59	\$ 19,204.31	0.2090%
BOND CAPITAL FUND	\$ 608,924.72	\$ 2,909,028.08	\$ 1,252,258.06	\$ 103.36	0.1004%
R.I. CLEAN WATER ACT	\$ 305,163.42	\$ 305,185.99	\$ 305,163.42	\$ 22.57	0.0900%
STATE LOTTERY FUND	\$ 44,076,443.99	\$ 17,982,688.74	\$ 38,693,110.65	\$ 6,244.75	0.1964%
ASSESSED FRINGE BEN ADM	\$ 2,006,285.86	\$ 3,006,478.65	\$ 2,606,285.86	\$ 192.79	0.0900%
AUTO EQUIPMENT SERVICE	\$ 899.69	\$ 899.76	\$ 899.69	\$ 0.07	0.0947%
HEALTH INSURANCE FUND	\$ 25,415,194.74	\$ 22,415,996.66	\$ 22,848,528.07	\$ 801.92	0.0427%
FLEET REVOLVING LOAN FUND	\$ 172.95	\$ 1,000,175.44	\$ 33,506.28	\$ 2.49	0.0904%
EMPLOYEES RETIREMENT	\$ 934,482.13	\$ 1,039,760.04	\$ 17,571,148.79	\$ 5,277.91	0.3655%
MUNICIPAL EMPLOYEES RET.	\$ 413,400.11	\$ 213,638.05	\$ 2,406,733.44	\$ 237.94	0.1203%
RETIREE HEALTH FUND	\$ 2,615,819.82	\$ 758,020.82	\$ 2,717,219.82	\$ 201.00	0.0900%
BOG RETIREE FUND	\$ 261,790.29	\$ 258,803.98	\$ 185,023.62	\$ 13.69	0.0900%
RIPTA HEALTH FUND	\$ 1,558,099.00	\$ 2,241,199.91	\$ 1,364,199.00	\$ 100.91	0.0900%
PERMANENT SCHOOL FUND	\$ 1,429,505.97	\$ 1,429,611.71	\$ 1,429,505.97	\$ 105.74	0.0900%
TEACHER RETIREE HEALTH FUND	\$ 931.24	\$ 451,932.42	\$ 15,964.57	\$ 1.18	0.0899%
UNIVERSITY COLLEGE	\$ 800,675.06	\$ 300,717.03	\$ 567,341.73	\$ 41.97	0.0900%
HIGHER EDUCATION	\$ 4,583.73	\$ 504,585.30	\$ 21,250.40	\$ 1.57	0.0899%
INDUS. BLDG. & MTG. INS.	\$ 3,643,895.61	\$ 3,644,165.15	\$ 3,643,895.61	\$ 269.54	0.0900%
Operating Funds Totals	\$ 373,773,448.92	\$ 451,344,990.88	\$ 493,455,882.23	\$ 98,541.96	0.243%
G.O. NOTE 1991 SER. B	\$ -	\$ -	\$ -	\$ -	-
CCDL1993A	\$ 7,385.31	\$ 7,385.31	\$ 7,385.26	\$ 0.06	0.0099%
BOND CCDL 1994 SERIES A	\$ 15,000.13	\$ 15,000.12	\$ 15,000.03	\$ 0.12	0.0097%
BOND CCBL96A	\$ -	\$ -	\$ -	\$ -	-
CAP DEV OF 1997 SERIES A	\$ 41,012.69	\$ 41,012.68	\$ 41,012.41	\$ 0.34	0.0101%
CCDL1998A	\$ 1,695,847.87	\$ 1,695,847.40	\$ 1,695,836.34	\$ 13.94	0.0100%
CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
MMG099 1999	\$ -	\$ -	\$ -	\$ -	-
BOND CAPITOL CCDL2000A	\$ 102,385.03	\$ 102,385.00	\$ 102,384.33	\$ 0.84	0.0100%
MULTI-MODAL GEN OBL 2000	\$ -	\$ -	\$ -	\$ -	-
CCDL2001C	\$ 207,581.68	\$ 201,328.56	\$ 205,495.92	\$ 1.69	0.0100%
CCDL2002B	\$ -	\$ -	\$ -	\$ -	-
CCDL 2004 SERIES A	\$ 3,110,891.35	\$ 3,076,773.70	\$ 3,099,497.98	\$ 25.48	0.0100%
BOND CCDL 2005 SERIES C	\$ 8,840,845.36	\$ 8,667,005.49	\$ 8,782,839.60	\$ 72.20	0.0100%
BOND CCDL 2005 SERIES E	\$ 1,053,151.56	\$ 1,053,151.45	\$ 1,053,144.54	\$ 8.66	0.0100%
BOND CCDL 2006 SERIES B	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 2006 SERIES C	\$ 8,466,055.85	\$ 8,106,761.90	\$ 8,346,234.89	\$ 68.61	0.0100%
GO BND-NTAX 2007 SERIES A	\$ 5,865,900.91	\$ 6,388,951.74	\$ 6,040,211.39	\$ 49.65	0.0100%
GO BND-TAX 2007 SERIES B	\$ -	\$ -	\$ -	\$ -	-
GO BND-NTAX 2008 SERIES B	\$ 1,596,322.54	\$ 1,596,321.02	\$ 1,596,310.83	\$ 13.12	0.0100%
GO BND-TAX 2008 SERIES C	\$ -	\$ -	\$ -	\$ -	-
CCDL10B BOND CAPITAL COMPONENT	\$ 17,845,375.80	\$ 15,319,021.26	\$ 17,003,138.54	\$ 139.77	0.0100%
CCDL10C	\$ 18,358,136.61	\$ 13,342,965.97	\$ 16,024,666.26	\$ 131.72	0.0100%
CCDL10D	\$ 5,970,739.05	\$ 4,081,831.23	\$ 5,341,064.81	\$ 43.90	0.0100%
CLEAN WATER CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER CCDL 1994 (A)	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER CCDL 2002 B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2004 SERIES A	\$ 225,921.67	\$ 225,921.61	\$ 225,920.13	\$ 1.86	0.0100%
CLN WATER CCDL 2005 SER E	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
RI POLLUT. CONT 94 SER. A	\$ -	\$ -	\$ -	\$ -	-
CCDL99A 1999A	\$ 233,212.11	\$ 233,212.05	\$ -	\$ 1.92	0.0100%
POL. CTRL CCDL 2006 SER C	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2007 SERIES A	\$ 283,254.47	\$ 283,254.39	\$ -	\$ 2.33	0.0100%
RI POLLUTION CONTROL 2008 B	\$ -	\$ -	\$ -	\$ -	-
CCDL10B CLEAN WATER COMPONENT	\$ 54,385.82	\$ 54,385.81	\$ -	\$ 0.45	0.0101%
Bond Proceeds Fund Totals	\$ 73,973,405.81	\$ 64,492,516.69	\$ 69,580,143.26	\$ 576.66	0.010%
TANS PROCEEDS	\$ 247,905,537.44	\$ 35,812.09	\$ 236,886,379.72	\$ 242,016.01	1.2430%
Grand Totals	\$ 695,652,392.17	\$ 515,873,319.66	\$ 799,922,405.21	\$ 341,134.63	0.518%

457 Plans

State of Rhode Island Total Assets 457 Plans

Plan Provider	9/30/2010	12/31/2010	3/31/2011	6/30/2011
AIG	\$ 44,649,454.39	\$ 45,773,269.99	\$ 46,740,933.40	\$ 46,404,179.56
Fidelity	\$ 66,514,567.48	\$ 71,987,604.68	\$ 75,384,558.55	\$ 75,174,845.97
ING	\$ 91,721,515.19	\$ 95,318,912.88	\$ 99,623,932.47	\$ 101,014,543.11
Total	\$ 202,885,537.06	\$ 213,079,787.55	\$ 221,749,424.42	\$ 222,593,568.64

Monthly Plan Performance Update

STATE OF RHODE ISLAND - STATE OF RI (35835)

Understanding investment performance: As you review this update, please remember that the performance data stated represents past performance, which does not guarantee future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance stated. To learn more or to obtain the most recent month-end performance, call Fidelity or visit NetBenefits.com.

Name	Cumulative Total Returns				Average Annual Total Returns				
	As of	1 mo	3 mo	YTD	As of	1 yr	3 yr	5 yr	10 yr
DOW JONES 30 INDUSTRIAL AVERAGE	06/30/2011	-1.10	1.42	8.59	06/30/2011	30.37	6.09	4.97	4.20
NASDAQ COMPOSITE INDEX	06/30/2011	-2.11	-0.03	5.01	06/30/2011	32.86	7.63	5.98	3.28
BARCLAYS CAPITAL U.S. AGGREGATE BOND INDEX	06/30/2011	-0.29	2.29	2.72	06/30/2011	3.90	6.46	6.52	5.74
RUSSELL 2000 INDEX	06/30/2011	-2.31	-1.61	6.21	06/30/2011	37.41	7.77	4.08	6.27
STANDARD & POOR'S 500™ INDEX	06/30/2011	-1.67	0.10	6.02	06/30/2011	30.69	3.34	2.94	2.72

Investment Name	Cumulative Total Returns				Average Annual Total Returns					Fees		
	As of	1 mo	3 mo	YTD	As of	1 yr	3 yr	5 yr	10 yr	Life	Short-Term Trading Fee	Expense Ratio †

Stock Investments

Large Cap

FID BLUE CHIP GR	06/30/2011	-1.89	0.54	6.31	06/30/2011	37.16	7.98	6.56	2.44	10.68	—	0.94% on 09/29/2010	12/31/1987
FID CONTRAFUND	06/30/2011	-1.58	-0.54	4.38	06/30/2011	28.21	2.57	4.96	7.14	12.32	—	0.92% on 03/01/2011	05/17/1967
FID DIVIDEND GR	06/30/2011	-2.60	-2.05	4.12	06/30/2011	35.57	7.62	4.48	2.82	10.64	—	0.93% on 09/29/2010	04/27/1993
FID EQUITY INC	06/30/2011	-2.32	-1.57	4.77	06/30/2011	29.57	2.16	1.07	3.02	11.58	—	0.69% on 04/01/2011	05/16/1966
FID GROWTH & INC	06/30/2011	-2.41	-0.07	4.46	06/30/2011	30.07	-3.54	-4.39	-1.57	9.31	—	0.75% on 09/29/2010	12/30/1985
FID MAGELLAN	06/30/2011	-3.61	-3.38	1.86	06/30/2011	25.00	-2.47	0.47	0.66	16.49	—	0.60% on 05/28/2011	05/02/1963
FID OTC PORTFOLIO	06/30/2011	-2.50	-0.86	8.76	06/30/2011	41.23	9.43	10.43	5.54	13.05	—	1.06% on 09/29/2010	12/31/1984
SPTN 500 INDEX INV	06/30/2011	-1.68	0.08	6.00	06/30/2011	30.59	3.30	2.90	2.61	9.44	—	0.10% on 04/29/2011	02/17/1988

Mid-Cap

FID LOW PRICED STK	06/30/2011	-1.00	2.21	8.55	06/30/2011	34.29	8.25	6.10	10.35	14.55	1.5 % / 90days	0.99% on 09/29/2010	12/27/1989
FID MID CAP STOCK	06/30/2011	-2.30	-0.40	6.64	06/30/2011	37.48	3.40	4.02	4.08	11.52	.75 % / 30days	0.61% on 06/29/2011	03/29/1994
FID NEW MILLEN	06/30/2011	-2.32	-0.83	6.90	06/30/2011	33.32	7.39	5.53	5.32	13.71	—	1.04% on 01/29/2011	12/28/1992

Investment Name	Cumulative Total Returns				Average Annual Total Returns					Fees			
	As of	1 mo	3 mo	YTD	As of	1 yr	3 yr	5 yr	10 yr	Life	Short-Term Trading Fee	Expense Ratio †	Inception Date
FID VALUE	06/30/2011	-3.34	-2.22	5.02	06/30/2011	34.23	3.70	2.36	7.03	12.38	—	0.64% on 12/30/2010	12/01/1978
FKLN SMMIDCAP GRTH A	05/31/2011	-2.36	2.32	8.52	03/31/2011	29.73	10.42	5.07	5.73	10.94	—	1.06% on 10/31/2010	02/14/1992

International

FID DIVERSIFD INTL	06/30/2011	-1.77	0.10	3.28	06/30/2011	30.50	-3.26	1.43	7.30	9.17	1 % / 30days	0.98% on 12/30/2010	12/27/1991
TEMPLETON FOREIGN A	05/31/2011	-1.91	2.80	10.60	03/31/2011	15.83	2.11	4.28	7.43	11.83	—	1.19% on 02/28/2011	10/05/1982

Blended Fund Investments

Others

FID FREEDOM 2000	06/30/2011	-0.57	0.83	2.86	06/30/2011	10.07	4.30	4.34	3.87	5.85	—	0.47% on 05/28/2011	10/17/1996
FID FREEDOM 2010	06/30/2011	-1.19	0.45	3.85	06/30/2011	18.53	4.35	4.58	4.48	6.84	—	0.62% on 05/28/2011	10/17/1996
FID FREEDOM 2020	06/30/2011	-1.52	0.17	4.09	06/30/2011	21.91	3.43	4.02	4.28	6.90	—	0.69% on 05/28/2011	10/17/1996
FID FREEDOM 2030	06/30/2011	-1.85	-0.29	4.27	06/30/2011	25.43	2.42	3.32	3.84	6.55	—	0.75% on 05/28/2011	10/17/1996
FID FREEDOM INCOME	06/30/2011	-0.59	0.80	2.77	06/30/2011	9.49	4.61	4.47	3.94	5.25	—	0.46% on 05/28/2011	10/17/1996
FID PURITAN	06/30/2011	-1.37	0.13	4.88	06/30/2011	22.28	5.20	4.84	5.22	11.10	—	0.61% on 10/30/2010	04/16/1947

Bond Investments

Income

PIMCO TOT RETURN ADM	05/31/2011	0.54	2.46	3.26	03/31/2011	6.59	8.04	8.14	6.88	7.47	—	0.72% on 05/25/2011	09/08/1994
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Short Term Investments

Others

FID RETIRE MMKT	06/30/2011	0	0	0	06/30/2011	0.02	0.65	2.24	2.14	4.04	—	0.42% on 10/30/2010	12/02/1988
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Other Investments

Others

BROKERAGELINK	—	—	—	—	—	—	—	—	—	—	—	—	—
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† For Fidelity fund of funds the performance table displays both the Expense Ratio and the Combined Total Expense Ratio. Expense Ratio is the total annual fund operating expense ratio from the fund's most recent prospectus. Combined Total Expense Ratio reflects expense reimbursements and reductions and is based on the total operating expense ratio of the fund plus a weighted average of the total operating expense ratios of the underlying Fidelity funds in which it was invested. This ratio may be higher or lower depending on the allocation of the fund's assets among the underlying Fidelity funds and the actual expenses of the underlying Fidelity funds.

† Expense Ratio is the total annual fund operating expense ratio from the fund's most recent prospectus. Please note that for the non-Fidelity fund-of-funds listed, the ratio shown may solely reflect the total operating expense ratio of the fund, or may be a combined ratio reflecting both the total operating expense ratio of the fund and the total operating expense ratios of the underlying funds in which it was invested. Please consult the fund's prospectus for more detail on a particular fund's expense ratio.

Total returns are historical and include change in share value and reinvestment of dividends and capital gains, if any. Cumulative total returns are reported as of the period indicated. Life of Fund figures are reported as of the inception date to the period indicated. These figures do not include the effect of sales charges, if any, as these charges are waived for contributions made through your company's employee benefit plans. If sales charges were included, returns would have been lower.

The management company may be temporarily reimbursing a portion of the fund's expenses. Absent such reimbursement, returns and yields would have been lower. A fund's expense limitation may be terminated at any time. Please see the prospectus for further information.

AN INVESTMENT IN A MONEY MARKET FUND IS NOT INSURED OR GUARANTEED BY THE FDIC OR ANY OTHER GOVERNMENT AGENCY. ALTHOUGH MONEY MARKET FUNDS SEEK TO PRESERVE THE VALUE OF YOUR INVESTMENT AT \$1 PER SHARE, IT IS POSSIBLE TO LOSE MONEY BY INVESTING IN THESE FUNDS.

A money market fund's current yield reflects the current earnings of the fund while the total return refers to a specific past holding period.

Performance of an index is not illustrative of any particular investment and an investment cannot be made directly in an index.

The NASDAQ Composite[®] Index is an unmanaged market capitalization-weighted index of the National Market System which includes over 5,000 stocks traded only over-the-counter and not on an exchange.

The Dow Jones Industrial Average (DJIA) is an unmanaged price-weighted index and is the most widely used indicator of how the country's industrial leaders are performing. Also known as "the Dow," this is a formula based on the stock prices of 30 major companies chosen from sectors of the economy most representative of our country's economic condition.

The Russell 2000[®] Index is an unmanaged market capitalization-weighted index of 2,000 small company stocks of U.S. domiciled companies.

The S&P 500[®] Index is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stock prices of 500 widely held U.S. stocks that includes the reinvestment of dividends.

The Lehman Brothers Aggregate Bond Index is an unmanaged market value-weighted index for investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities with maturities of at least one year.

Because of their narrow focus, sector funds may be more volatile than funds that diversify across many sectors.

Investments in mortgage securities are subject to prepayment risk, which can limit the potential for gain during a declining interest rate environment and increase the potential for loss in a rising interest rate environment.

Lower-quality debt securities involve greater risk of default and/or price changes due to changes in the credit quality of the issuer.

Investments in smaller companies may involve greater risks than those of larger, more well-known companies.

Foreign investments, especially those in emerging markets involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuations.

Strategic Advisers, Inc., a subsidiary of FMR LLC, manages the Fidelity Freedom Funds.

BEFORE INVESTING IN ANY INVESTMENT OPTION, PLEASE CAREFULLY CONSIDER THE INVESTMENT OBJECTIVES, RISKS, CHARGES AND EXPENSES. FOR THIS AND OTHER INFORMATION, PLEASE CALL FIDELITY AT 1-800-343-0860 OR VISIT WWW.FIDELITY.COM FOR A FREE MUTUAL FUND PROSPECTUS OR VARIABLE ANNUITY PROSPECTUS. FOR INFORMATION ON FIXED ANNUITIES, CONTACT FIDELITY TO REQUEST A FACT SHEET. READ THEM CAREFULLY BEFORE YOU INVEST.

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PERFORMANCE UPDATE

ING Life Insurance and Annuity Company

STATE OF RHODE ISLAND

Average Annual Total Returns as of: 03/31/2011 (shown in percentages)

Mutual funds offered through a retirement plan are investments designed for retirement purposes. Early withdrawals will reduce your account value and if taken prior to age 59 1/2, a 10% IRS penalty may apply.

The performance data quoted represents past performance. Past performance does not guarantee future results. For month-end performance which may be lower or higher than the performance data shown please call 800-232-5422. Investment return and principal value of an investment will fluctuate so that, when sold, an investment may be worth more or less than the original cost.

The below investment options are in Separate Account D. Please note that the figures do not include an adjustment for the ING Administrative Fund Fee (where applicable) and the deduction of the Daily Asset Charge from the Separate Account (if applicable), or other applicable contract charges. If these fees and charges were included, performance would be less favorable.

The returns assume reinvestment of all dividends (ordinary income and capital gains) and are net of management fees and other fund operating expenses.

You should consider the investment objectives, risks and charges, and expenses of the funds carefully before investing. The prospectus contains this and other information. Anyone who wishes to obtain a free copy of the fund prospectuses may call their ING representative or the number above. Please read the prospectus carefully before investing.

Returns less than one year are not annualized. Fund Inception Date is the date of inception for the underlying fund, and is the date used in calculating the periodic returns. This date may also precede the portfolio's inclusion in the product.

Investment Options	Fund Benchmark ID (BM)	1-Mo Fund	1-Mo BM	3-Mo Fund	3-Mo BM	YTD Fund	YTD BM	1-Yr Fund	1-Yr BM	3-Yr Fund	3-Yr BM	5-Yr Fund	5-Yr BM	10-Yr Fund	10-Yr BM	Incept	Fund Inception Date	Gross Fund Exp %*	Net Fund Exp %*
Stability of Principal																			
ING Fixed Account - 457/401 (5)(6)	MFR	0.29	0.00	0.85	0.01	0.85	0.01	3.61	0.03	3.82	0.57	4.05	2.12	4.72	1.91				
Money Market																			
ING Money Market Portfolio - Class I (2)	IBCM	0.00	0.02	0.00	0.06	0.00	0.06	0.02	1.19	0.75	1.16	2.42	2.71	2.25	2.50	01/01/1980		0.37	0.37
<i>The 7-day annualized Subaccount yield as of 03/31/2011 is 0.00%, which more closely reflects current earnings. (1)</i>																			
Bonds																			
Intermediate-Term Bond																			



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See Performance Introduction Page for Important Information

Investment Options	Fund Benchmark ID (BM)	1-Mo		3-Mo		YTD		1-Yr		3-Yr		5-Yr		10-Yr		Fund Inception Date	Gross Fund Exp %*	Net Fund Exp %*	
		Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM				Incept
ING Intermediate Bond Portfolio - Class I	LEHM	0.25	0.06	1.49	0.42	1.49	0.42	7.93	5.12	4.52	5.30	4.74	6.03	5.09	5.57	05/23/1973	0.51	0.51	
Balanced																			
<i>Moderate Allocation</i>																			
Calvert VP SRI Balanced Portfolio	SPXRE	0.51	0.04	4.60	5.92	4.60	5.92	12.07	15.65	2.20	2.35	2.06	2.63	3.06	3.30	09/02/1986	0.91	0.91	
ING Balanced Portfolio - Class I	SPXRE	0.00	0.04	3.80	5.92	3.80	5.92	12.83	15.65	2.92	2.35	2.68	2.63	3.99	3.30	04/03/1989	0.63	0.63	
ING Van Kampen Equity and Income Portfolio - Initial Class	SPXRE	-0.69	0.04	4.59	5.92	4.59	5.92	11.06	15.65	5.57	2.35	4.76	2.63		4.65	12/10/2001	0.65	0.65	
Large Cap Value																			
<i>Large Blend</i>																			
Fidelity® VIP Contrafund® Portfolio - Initial Class	SPXRE	0.28	0.04	6.24	5.92	6.24	5.92	18.27	15.65	3.22	2.35	4.01	2.63	7.31	3.30	01/03/1995	0.67	0.67	
ING Growth and Income Portfolio - Class I	SPXRE	-0.73	0.04	5.42	5.92	5.42	5.92	14.61	15.65	3.04	2.35	2.61	2.63	2.59	3.30	12/31/1979	0.61	0.61	
ING Index Plus LargeCap Portfolio - Class I	SPXRE	0.48	0.04	5.69	5.92	5.69	5.92	14.36	15.65	1.78	2.35	1.46	2.63	2.49	3.30	09/16/1996	0.45	0.45	
ING Thornburg Value Portfolio - Initial Class	SPXRE	-1.25	0.04	8.38	5.92	8.38	5.92	14.17	15.65	5.83	2.35	4.89	2.63	1.91	3.30	11/28/1997	0.91	0.91	
ING UBS U.S. Large Cap Equity Portfolio - Initial Class	SPXRE	-0.63	0.04	4.19	5.92	4.19	5.92	11.82	15.65	1.29	2.35	0.96	2.63	1.99	3.30	11/28/1997	0.85	0.85	
Invesco V.I. Core Equity Fund - Series I Shares	SPXRE	0.74	0.04	6.36	5.92	6.36	5.92	11.43	15.65	3.56	2.35	4.50	2.63	4.41	3.30	05/02/1994	0.92	0.92	
<i>Large Value</i>																			
Fidelity® VIP Equity-Income Portfolio - Initial Class	RS3000V	0.35	0.48	6.52	6.47	6.52	6.47	15.63	15.60	0.47	1.09	1.22	1.42	3.75	4.86	10/09/1986	0.58	0.58	
Large Cap Growth																			
<i>Large Growth</i>																			
Fidelity® VIP Growth Portfolio - Initial Class	RS3000G	0.91	0.42	8.30	6.30	8.30	6.30	26.20	19.25	1.77	5.58	3.46	4.32	2.18	3.25	10/09/1986	0.69	0.69	
Invesco V.I. Capital Appreciation Fund - Series I Shares	SPXRE	0.95	0.04	4.68	5.92	4.68	5.92	15.39	15.65	-0.41	2.35	-1.11	2.63	1.04	3.30	05/05/1993	0.92	0.92	
Small/Mid/Specialty																			
<i>Mid-Cap Growth</i>																			
ING T. Rowe Price Diversified Mid Cap Growth Port - Initial	RSMIDGRW	1.75	1.63	7.91	7.85	7.91	7.85	29.24	26.60	9.02	7.63	5.93	4.93		6.29	12/10/2001	0.66	0.66	
<i>Small Blend</i>																			
ING Small Company Portfolio - Class I	RS2000	1.87	2.59	6.82	7.94	6.82	7.94	22.14	25.79	8.35	8.56	4.99	3.35	8.16	7.87	12/27/1996	0.87	0.87	
Global / International																			
<i>Foreign Large Value</i>																			
ING Templeton Foreign Equity Portfolio - Initial Class (4)	MSCIWEUSN	-0.52	-2.00	4.52	3.84	4.52	3.84	13.58	11.62	-0.41	-2.22	4.13	1.99		4.38	01/03/2006	0.97	0.97	
<i>World Stock</i>																			
ING Oppenheimer Global Portfolio - Initial Class	MSCIAC	-0.54	-0.06	5.84	4.53	5.84	4.53	16.06	14.63	4.47	0.86	3.66	3.48		7.42	05/01/2002	0.66	0.66	

The risks of investing in small company stocks may include relatively low trading volumes, a greater degree of change in earnings and greater short-term volatility.

See Performance Introduction Page for Important Information

Foreign investing involves special risks such as currency fluctuation and public disclosure, as well as economic and political risks.

Some of the Funds invest in securities guaranteed by the U.S. Government as to the timely payment of principal and interest; however, shares of the Funds are not insured nor guaranteed.

High yielding fixed-income securities generally are subject to greater market fluctuations and risks of loss of income and principal than are investments in lower yielding fixed-income securities.

Sector funds may involve greater-than average risk and are often more volatile than funds holding a diversified portfolio of stocks in many industries. Examples include: banking, biotechnology, chemicals, energy, environmental services, natural resources, precious metals, technology, telecommunications, and utilities.

*The Gross Expense Ratios shown do not reflect any temporary fee or expense waivers that may be in effect for a fund. The performance of a fund with a temporary fee or expense waiver would have been lower if the gross fund fees / expenses listed had been reflected.

PERFORMANCE UPDATE

ING Life Insurance and Annuity Company

STATE OF RHODE ISLAND

Separate Account D

Average Annual Total Returns as of: 03/31/2011 (shown in percentages)

Variable annuities and funding agreements are long-term investment vehicles designed for retirement purposes which allow you to allocate contributions among variable investment options that have the potential to grow tax-deferred with an option to receive a stream of income at a later date.

The performance data quoted represents past performance. Past performance does not guarantee future results. For month-end performance which may be lower or higher than the performance data shown please call 800-232-5422. Investment return and principal value of an investment will fluctuate so that, when sold, an investment may be worth more or less than the original cost.

These numbers reflect total Separate Account charges of 0.50% on an annual basis. They also assume reinvestment of all dividends (ordinary income and capital gains) and are net of management fees and other fund operating expenses.

Depending upon the type of contract in which you participate, you have either received disclosure booklets for the separate account and/or fund prospectuses. You should consider the investment objectives, risks and charges, and expenses of the variable product and its underlying fund options carefully before investing. The disclosure booklet contains this and other information. Anyone who wishes to obtain a free copy of the separate account disclosure booklet and/or fund prospectuses may call their ING representative or the number above. Please read the separate account disclosure booklet and/or the fund prospectuses carefully before investing.

Returns less than one year are not annualized. Fund Inception Date is the date of inception for the underlying fund, and is the date used in calculating the periodic returns. This date may also precede the portfolio's inclusion in the product.

Investment Options	1-Mo	3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Incept	Fund Inception Date
Stability of Principal									
ING Fixed Account - 457/401 (5)(6) <i>This fund is not part of the product's separate account.</i>	0.29	0.85	0.85	3.61	3.82	4.05	4.72		
Money Market									
ING Money Market Portfolio - Class I (2) <i>The 7-day annualized Subaccount yield as of 03/31/2011 is -0.50%, which more closely reflects current earnings. (1)</i>	-0.04	-0.12	-0.12	-0.47	0.24	1.91	1.74		01/01/1980
Bonds									
Intermediate-Term Bond									
ING Intermediate Bond Portfolio - Class I	0.20	1.37	1.37	7.40	4.00	4.22	4.56		05/23/1973

See Performance Introduction Page for Important Information

Investment Options	1-Mo	3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Incept	Fund Inception Date
Balanced									
<i>Moderate Allocation</i>									
Calvert VP SRI Balanced Portfolio	0.47	4.47	4.47	11.51	1.69	1.55	2.55		09/02/1986
ING Balanced Portfolio - Class I	-0.04	3.68	3.68	12.26	2.41	2.17	3.47		04/03/1989
ING Van Kampen Equity and Inc-I/Janus Asp Balanced-I (3)	-0.74	4.46	4.46	10.51	5.05	4.24	4.51		09/13/1993
ING Van Kampen Equity and Income Portfolio - Initial Class	-0.74	4.46	4.46	10.51	5.05	4.24		4.12	12/10/2001
Large Cap Value									
<i>Large Blend</i>									
Fidelity® VIP Contrafund® Portfolio - Initial Class	0.23	6.11	6.11	17.68	2.70	3.50	6.78		01/03/1995
ING Growth and Income Portfolio - Class I	-0.77	5.29	5.29	14.03	2.53	2.10	2.08		12/31/1979
ING Index Plus LargeCap Portfolio - Class I	0.44	5.56	5.56	13.79	1.27	0.95	1.98		09/16/1996
ING Thornburg Value Portfolio - Initial Class	-1.30	8.25	8.25	13.60	5.30	4.37	1.40		11/28/1997
ING UBS U.S. Large Cap Equity Portfolio - Initial Class	-0.67	4.07	4.07	11.26	0.78	0.45	1.48		11/28/1997
Invesco V.I. Core Equity Fund - Series I Shares	0.69	6.23	6.23	10.87	3.05	3.98	3.89		05/02/1994
<i>Large Value</i>									
Fidelity® VIP Equity-Income Portfolio - Initial Class	0.30	6.39	6.39	15.06	-0.03	0.71	3.23		10/09/1986
Large Cap Growth									
<i>Large Growth</i>									
Fidelity® VIP Growth Portfolio - Initial Class	0.86	8.16	8.16	25.58	1.26	2.95	1.67		10/09/1986
Invesco V.I. Capital Appreciation Fund - Series I Shares	0.91	4.55	4.55	14.81	-0.91	-1.60	0.53		05/05/1993
Small/Mid/Specialty									
<i>Mid-Cap Growth</i>									
ING T. Rowe Price Div MidCap-I/Janus Aspen MidCap - I (3)	1.71	7.77	7.77	28.59	8.48	5.40	4.44		09/13/1993
ING T. Rowe Price Diversified Mid Cap Growth Port - Initial	1.71	7.77	7.77	28.59	8.48	5.40		5.76	12/10/2001
<i>Small Blend</i>									
ING Small Company Portfolio - Class I	1.83	6.68	6.68	21.53	7.81	4.46	7.62		12/27/1996
Global / International									
<i>Foreign Large Value</i>									
ING Templeton Foreign Equity Portfolio - Initial Class (4)	-0.56	4.40	4.40	13.01	-0.91	3.61		3.87	01/03/2006
<i>World Stock</i>									
ING Oppenheimer Global-Int/Janus Aspen Worldwide Gr-Inst (3)	-0.58	5.71	5.71	15.49	3.95	3.15	2.24		09/13/1993
ING Oppenheimer Global Portfolio - Initial Class	-0.58	5.71	5.71	15.49	3.95	3.15		6.88	05/01/2002

See Performance Introduction Page for Important Information

The risks of investing in small company stocks may include relatively low trading volumes, a greater degree of change in earnings and greater short-term volatility.

Foreign investing involves special risks such as currency fluctuation and public disclosure, as well as economic and political risks.

Some of the Funds invest in securities guaranteed by the U.S. Government as to the timely payment of principal and interest; however, shares of the Funds are not insured nor guaranteed.

High yielding fixed-income securities generally are subject to greater market fluctuations and risks of loss of income and principal than are investments in lower yielding fixed-income securities.

Sector funds may involve greater-than average risk and are often more volatile than funds holding a diversified portfolio of stocks in many industries. Examples include: banking, biotechnology, chemicals, energy, environmental services, natural resources, precious metals, technology, telecommunications, and utilities.

Additional Notes

(1)The current yield reflects the deduction of all charges under the contract that are deducted from the total return quotations shown.

Insurance products, annuities and funding agreements issued by ING Life Insurance and Annuity Company One Orange Way Windsor, CT 06095, (ILIAC), which is solely responsible for meeting its obligations. Plan administrative services provided by ILIAC or ING Institutional Plan Services, LLC. All companies are members of the ING family of companies. Securities are distributed by or offered through ING Financial Advisers, LLC (member SIPC) or other broker-dealers with which it has a selling agreement.

For a performance report reflecting the charges or more information regarding product expenses, please contact your ING Representative.

(2)An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although effective October 7, 2008, the fund seeks to preserve the value of your investment at \$1.00 per share, there is no assurance it will be able to do so. While the fund's objective includes the preservation of capital, it is possible to lose money by investing in the fund.

(3)The latter fund listed was replaced with the applicable ING Partners, Inc. Portfolio (the first fund listed). For most Plans this occurred after the close of business on December 3, 2004. The performance shown is based on the performance of the replaced fund until December 3, 2004, and the performance of the applicable ING Partners, Inc. Portfolio after that date. The replaced fund may not have been available under all contracts.

(4)ING Templeton Foreign Equity Portfolio - Inst Class: Under the administrative services agreement between ING Partners Inc., on behalf of the Portfolio and ING Funds Services, LLC, the Portfolio's administrator, ING Funds Services, LLC, provides administrative services necessary for the Portfolio's operation and is responsible for the supervision of the Portfolio's other service providers. ING Funds Services, LLC assumes all recurring costs of the Portfolio, such as custodian, director's, transfer agency and accounting fees.

(5)The CURRENT rate for the ING Fixed Account - 457/401 Base+125 is 3.50%, expressed as an annual effective yield, and is guaranteed not to drop below 3.15% through 12/31/2011. The annual rate of interest applied to your account may be higher or lower than the current rate. Restrictions may apply to transfers of funds from the Fixed Account to other contract investment options. Please refer to your product prospectus / disclosure booklet and call your 800 number for more information.

(6)The Investment Option is neither a mutual fund nor part of a Separate Account. The returns listed do not include the impact of contract charges. Please refer to the contract or disclosure book to determine which Fixed Interest Options are available for your specific plan. The Investment Option is offered through ING Life and Insurance Annuity Company.

Not all investments options are available under all contracts; please check your disclosure booklet for options available under your plan.

The returns do not reflect the impact of a Deferred Surrender Charge. If included, performance would be less favorable.

Benchmark Id	Benchmark Description
IBCM	The Money Fund Report Averages - All Taxable is an average of the returns of over 250 money market mutual funds surveyed each month by IBC/Donoghue, Inc.
LEHM	The Barclays Capital U.S. Aggregate Index is an unmanaged index composed of securities from the Barclays Government/Corporate Bond Index, Mortgage-Backed Securities Index, and the Asset-Backed Securities Index, including securities that are of investment-grade quality or better and have at least one year to maturity. Please note that indexes are unmanaged and their returns do not take into account any of the fees and expenses of the funds to which they are compared. Individuals cannot invest directly in any index.
MFR	The MFR Money Market Index is comprised of returns which are based upon historical average 30-day compound yields on a universe of taxable money market funds. The data for the universe, which includes approximately 980 funds, is compiled by iMoney.net, Inc. Goal of ING Fixed Account - 457/401 is to outperform the MFR by 150 - 200 basis points over 3 - 5 year time periods.

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Benchmark Id	Benchmark Description
MSCIAC	The Morgan Stanley Capital International (MSCI) All Country World Index is a broad-based unmanaged index of developed country and emerging market equities.
MSCIWEUSND	MSCI World Ex United States Net Dividend
RS2000	The Russell 2000 Index (a small cap index) consists of the smallest 2,000 companies in the Russell 3000 Index and represents approximately 10% of the Russell 3000 total market capitalization. The Russell 2000 returns assume reinvestment of all dividends.
RS3000G	The Russell 3000 Growth Index measures the performance of those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values. The stocks in this index are also members of either the Russell 1000 Growth or the Russell 2000 Growth indexes.
RS3000V	The Russell 3000 Value Index is a market capitalization-weighted index of value-oriented stocks of U.S. domiciled corporations.
RSMIDGRW	The Russell MidCap Growth Index is an unmanaged index of U.S. mid-cap growth stocks.
SPXRE	The Standard & Poor's (S&P) 500 Index is considered to be representative of the stock market in general. The S&P 500 returns assume reinvestment of all dividends.

The information is current as of 06/30/2011.

Effective December 31, 2001, all future contributions for all existing and new participants will be directed to VALIC for investment into the mutual fund and fixed-interest option investments. All VALIC annuity investment options will be closed to current or future Plan participants after this date.

Category/Funds	YTD Return	1 Year Return	3 Year Return	5 Year Return	10 Year Return	Since Inception	Expense Ratio	ITD Date
Domestic Equity								
Domestic Large Cap Equity								
<i>Large Cap Value</i>								
Dividend Value Fund (Black Rock/SunAmerica)	7.42	29.17	2.06	0.74	1.79	1.79	1.83	12/8/2000
Vanguard Windsor II Fund	6.35	28.16	2.39	0.90	3.01	3.01	1.43	6/24/1985
<i>Large Cap Blend</i>								
Core Equity Fund (Black Rock)	7.96	31.96	1.60	0.83	0.50	0.50	1.90	4/29/1994
Stock Index Fund (SunAmerica)	5.47	29.23	2.22	1.81	1.56	1.56	1.19	4/20/1987
<i>Large Cap Growth</i>								
Growth Fund (American Century)	5.94	33.77	3.50	4.41	2.30	2.30	1.87	12/5/2005
Large Capital Growth Fund (SunAmerica/Invesco)	4.26	30.45	2.02	3.31	2.95	2.95	1.59	12/20/2004
Domestic Mid Cap Equity								
<i>Mid Cap</i>								
Mid Cap Strategic Growth Fund (RCM/MorganStanley)	9.26	42.28	3.30	6.46	7.23	7.23	1.69	12/20/2004
Global Equity								
Global Social Awareness Fund (PineBridge Investments)	5.34	29.99	0.16	0.96	1.29	1.29	1.52	10/2/1989
Global Equity Fund (BlackRock)	2.53	27.94	-4.11	-0.94	0.46	0.46	1.81	12/5/2005
International Equity								
Foreign Value Fund (Templeton Global)	6.72	31.35	2.41	2.69	3.88	3.88	1.74	12/5/2005
Speciality								
Science & Technology Fund (T. Rowe/RCM/Wellington)	5.32	38.17	8.13	7.87	0.10	0.10	1.86	4/29/1994
Hybrid								
<i>Balanced</i>								
Vanguard Wellington Fund	4.56	19.35	4.33	4.76	5.28	5.28	1.39	7/1/1929
Fixed Income								
<i>Investment Grade</i>								
Vanguard Long-Term Investment-Grade Fund	2.85	3.92	8.18	6.64	6.20	6.20	1.08	7/9/1973
Vanguard Long-Term Treasury Fund	1.70	-2.46	4.76	6.08	5.80	5.80	1.05	5/19/1986
<i>International</i>								
International Government Bond Fund (PineBridge Investments)	3.62	10.38	6.05	6.54	7.93	7.93	1.52	10/1/1991
<i>Stable Value</i>								
Money Market I Fund (SunAmerica)	-0.39	-0.79	-0.40	1.11	1.03	1.03	1.43	1/16/1986
7-Day current yield at 30-Sep-2009: -0.79								
Fixed Account Plus	3.45	3.49	3.71	3.76	4.34	4.34		1/1/1982
Short Term Fixed Account	1.00	1.50	2.33	2.60	2.87	2.87		1/1/1991

An investment in money market funds is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the funds.

Returns reflect overall changes in accumulation unit value from the beginning to the end of the periods shown, after deduction of fund expenses. Figures on pages 3 & 4 do not reflect deduction of account maintenance fees, surrender charges, premium taxes or IncomeLOCK fees, if applicable. Separate Account expenses are deducted only from variable options. The expenses are calculated each day and are based on the average daily net asset value of each option at the Separate Account level. The expenses are annualized at 0.35% to 1.25%, depending on the variable option and contract. Returns for periods prior to the date the funds became available in the Separate Account are hypothetical and are calculated as if the fund had been in the Separate Account during the stated period.

Amounts held in your employer-sponsored plan(s), as well as in IRA's, are generally tax-deferred (and subject to required minimum distributions), regardless of whether they are used to fund an annuity or another qualifying arrangement, such as a trust or custodial account.

Bear in mind that annuities also provide additional features and benefits, including, but not limited to a guaranteed death benefit and guaranteed lifetime income options, for which a Separate Account fee is charged. Annuities are long-term investments. Income taxes are payable upon withdrawal. Federal restrictions and tax penalties may apply to early withdrawals.

Contributions to your Portfolio Director Fixed and Variable Annuity contract can qualify to be tax-deferred, subject to applicable contribution limits and related rules. That tax deferral is a result of issuing the contract, which satisfies specific important tax law requirements, including plan requirements, under your employer's retirement plan. It does not result from the mere fact that the contract is an annuity. Therefore, you do not receive any additional tax-deferred treatment of earnings beyond the treatment provided by the tax-qualified retirement plan itself.

Fixed Account Plus contributions received and deposited during a given month will earn that month's Current interest rate for the remainder of that calendar year (for all contract series except 7.0, 7.20, 7.40, 12.0, 12.20, 12.40, and 13.20). VALIC intends (though does not guarantee) to pay this same interest rate for those deposits and transfers through the end of the following calendar year. The current interest rate may differ from month to month.

*Performance numbers for Fixed Account Plus and Short Term Fixed are based on annualized returns.

All Fixed Account Plus deposits for series 7.0, 7.20, 7.40, 12.0, 12.20, 12.40, and 13.20 will earn the monthly declared interest rate until that rate is changed. The interest rate for the Short-Term Fixed Account is declared annually in January.

All Short-Term Fixed Account deposits will earn the annual declared interest rate for the remainder of that calendar year. Interest is credited daily and subject to the claims-paying ability of the insurance company. Please refer to your contract for the minimum guaranteed rate. VALIC's interest-crediting policy is subject to change. Premium taxes will be deducted when required by state law.

Returns for fixed options were calculated assuming a lump-sum deposit on the first day of each period and interest credited to the account according to VALIC's interest crediting policy. Equivalent rates were used, even though the contract may not have been available for sale during all periods shown.

Applicable to Portfolio Director Fixed and Variable Policy Form series UIT-194, UTIG-194, UTIG-194P, and UITN-194.

This fund closed to new deposits effective 2/12/2010.

Returns for periods prior to the date the funds became available in the Separate Account are hypothetical and are derived from the performance of the underlying fund, adjusted to reflect fees, expenses, and surrender charges if applicable, of Portfolio Director as if the fund had been in the Separate Account during the stated period.

If applicable returns on pages 1 & 2 reflect deduction of account maintenance fees and surrender charges, but not premium taxes or IncomeLOCK fees, if applicable. Partial or full surrenders may be subject to a surrender charge of the lesser of either 5% of the sum of the contributions received during the prior 60 months, or 5% of the amount withdrawn. There may be a quarterly account maintenance fee of \$3.75 for investments in the variable options, depending on the contract. There are no account maintenance fees for investments in the fixed options.

The current 7-day yield more closely reflects the current earnings of the money market fund than does the total average annual return. Yields are historical and do not guarantee future performance. Yields do not reflect deduction of surrender charges or premium taxes, if applicable.

- 1) The inclusion data found in this chart are based upon the date the funds were included in the Separate Account or for the General Account, when added to the contract.
- 2) The inception data are based upon the inception date of underlying fund.

For funds with less than a full year of performance the returns are cumulative.

Generally, higher potential returns involve greater risk and short-term volatility. For example: Small-cap, mid-cap, sector and emerging funds can experience significant price fluctuation due to business risks and adverse political developments. International (global) and foreign funds can experience price fluctuation due to changing market conditions, currency values, and economic and political climates. High-yield bond funds, which invest in bonds that have lower ratings, typically experience price fluctuation and a greater risk of loss of principal and income than when investing directly in U.S. government securities such as U.S. Treasury bonds and bills, which are guaranteed by the government for repayment of principal and interest if held to maturity. Mortgage-related funds' underlying mortgages are more likely to be prepaid during periods of declining interest rates, which could hurt the fund's share price or yield, and may be prepaid more slowly during periods of rapidly rising interest rates, which may lengthen the fund's expected maturity. Investors should carefully assess the risks associated with an investment in the fund. Fund shares are not insured and are not backed by the U.S. government, and their value and yield will vary with market conditions.