

**STATE OF RHODE ISLAND  
INVESTMENT COMMISSION MEETING**

**DATA AT  
February 29, 2016**

**March 23, 2016  
MEETING**

**MEMBERS OF THE STATE INVESTMENT COMMISSION**

**Honorable Seth Magaziner, Chair**

**Mr. Robert K. Benson  
Mr. J. Michael Costello  
Mr. Thomas P. Fay  
Mr. Frank J. Karpinski  
Ms. Marie Langlois**

**Ms. Faith LaSalle  
Ms. Paula M. McNamara  
Mr. Thomas Mullaney  
Ms. Marcia Reback**

## Section I.

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### Agenda



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

**Seth Magaziner**  
General Treasurer

## **RHODE ISLAND STATE INVESTMENT COMMISSION MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, March 23, 2016 at 9:00 a.m. in Room 205 of the State House.

### **AGENDA**

- Chairperson Call to Order
- Membership Roll Call
- Approval of Minutes
  - State Investment Commission Meeting held on February 24, 2016\*
- Review of Portfolio Valuation Standards
  - Cliffwater and PCA
- Review of Private Equity Portfolio
  - Cliffwater
- Private Equity Recommendation \*/\*\*
  - Southvest
- Hedge Fund Recommendation \*/\*\*
  - Luxor
- Review of Real Estate Portfolio
  - PCA
- Proxy Policy Recommendation \*/\*\*
  - Institutional Shareholder Services
- Defined Contribution Plan Line-up Recommendation \*/\*\*
  - TIAA-CREF
- Review of Securities Litigation
  - Jeff Padwa
- Discussion of SIC Meeting Location \*
- Legal Counsel Report
- Chief Investment Officer Report
  - Portfolio Review



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

**Seth Magaziner**  
General Treasurer

- Treasurer's General Comments

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

\*\* Commission members may elect to go into executive session pursuant to Rhode Island General Laws §42-46-5 (a) (7).

**POSTED ON FRIDAY, March 18, 2016**

Anyone wishing to attend this meeting who may have special needs for access or services such as an interpreter, please contact Kyle Lynch at (401) 462-7687 twenty-four hours in advance of the scheduled meeting.

## Section II.

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### Approval of Minutes



**State Investment Commission**  
**Monthly Meeting Minutes**  
**Wednesday, February 24, 2016**  
**9:00 a.m.**  
**Room 205, State House**

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:05 a.m., Wednesday, February 24, 2016 in Room 205, State House.

## **I. Roll Call of Members**

The following members were present: Mr. J. Michael Costello, Mr. Thomas Fay, Ms. Marie Langlois, Ms. Faith LaSalle, Ms. Paula McNamara, Mr. Tom Mullaney, Ms. Marcia Reback and Treasurer Seth Magaziner. Mr. Frank Karpinski arrived at 9:10 a.m. and Mr. Robert Benson arrived at 9:16 a.m. Also in attendance: Mr. Thomas Lynch of Cliffwater, alternative investment consultant; Mr. John Burns, Mr. David Glickman, Mr. Dylan Lorda and Mr. Allan Emkin of Pension Consulting Alliance (PCA), general consultant; Ms. Sally Dowling of Adler Pollock & Sheehan P.C., legal counsel; Mr. Aaron Snegg and Mr. Matt Novak of IC Berkeley Partners; Mr. Robert Weaver, Ms. Maggie Littlefield Sahlman and Ms. Sarah Smith of Advent International; Mr. Ron Murphy and Ms. Donna Wilson of Invesco; Mr. Chris Reimer and Mr. David Malone of Ascensus College Savings; Ms. Lauren Lusthaus and Mr. Matthew Newman of Institutional Shareholder Services (ISS); Ms. Anne-Marie Fink, Chief Investment Officer and members of the Treasurer's office staff.

Treasurer Magaziner called the meeting to order at 9:05 a.m.

## **II. Approval of Minutes**

On a motion by Ms. Marcia Reback and seconded by Mr. Tom Mullaney, it was unanimously **VOTED: to approve the draft of the minutes of the January 27, 2016 meeting of the State Investment Commission.**

## **III. Portfolio Asset Allocation Review**

Treasurer Magaziner introduced Mr. Allan Emkin and Mr. John Burns of Pension Consulting Alliance (PCA) to provide an overview of the portfolio's asset allocation. Mr. Emkin started by describing the attributes of the plan, saying the plan is mature, with a growing retirement-age population and a stagnant population of active employees. He noted that this is a significant population change from public plans thirty-five years ago and that asset allocations need to adjust accordingly. Mr. Emkin stated that the average public pension plan as of 2013 was approximately 75% funded and featured one-and-a-half active employees to each retiree. He compared this standard to the Rhode Island plan, which currently stands at approximately 60% funded with one active employee for each retiree. As a result, the average national pension plan has negative cash flow of less than 3%, whereas the Rhode Island plan has negative cash flow of more than 5%.

Mr. Costello asked about PCA's ability to project these outflows five or more years into the future. Treasurer Magaziner answered that the state actuary would make such a projection, not PCA. He added that it would be beneficial to have the state's actuary appear before the SIC in the future.

Mr. Emkin continued, adding that liquidity is a growing challenge for all public pension plans. Additionally, the average assumed rate of return nationally is approximately 7.5% and is likely to trend down to 7.25% or 7.0% over time. He noted that exposure to equity risk is the leading risk for most public pension plans. Rhode Island has maintained a lower risk profile than the average plan. Diversification has been a helpful and appropriate strategy for the portfolio.

Mr. Fay asked if PCA measured overall portfolio liquidity. Mr. Emkin responded that PCA's "shortfall management" analysis has successfully projected liquidity needs for the portfolio. He added that a major drawdown of assets is a threat to any underfunded pension plan.

Ms. Langlois asked if PCA has conducted any simulations of how the plan would address a significant asset drawdown event. Mr. Emkin answered that such projections were made as part of the most recent asset liability study conducted approximately four years ago. Ms. Fink added that Treasury anticipates conducting another study in the second half of this year.

Ms. Reback noted that similar studies occurred as part of the recent pension reform legislation.

Next, Mr. Burns explained that an overall impact of underfunding in public pension plans is a lack of flexibility. He then reviewed the market returns for various asset classes over the last five years, noting the negative impact of emerging markets and commodities. All sectors were challenged in the recent one-year period save for real estate. Mr. Emkin highlighted previous bond yields of 4% or 5% in comparison to current yields on a ten-year Treasury of only 1.75%. He said that this example shows the impact of macro-economic developments on portfolio performance. Mr. Burns added that performance was aligned with plan benchmarks and that the tracking error of 1% was average. He reiterated that the portfolio enjoyed less volatility than the average public pension plan.

Mr. Robert Benson asked if the portfolio's limited volatility was a result of effective implementation or simply that private assets are not marked-to-market daily. Mr. Burns said that it was a result of both factors.

Ms. Fink added that hedge funds are marked to market and both private equity and real estate classes are a lower component in the Rhode Island portfolio than the average plan.

Mr. Burns reviewed each of the individual asset classes. He began with global equity, which is managed passively in line with benchmarks. The board asked questions about the international equity allocation and discussed the impact of recent market movements on forward expectations. Mr. Emkin suggested the allocation between US and non-US stocks is being reviewed by many other public plans and that this topic should be considered as part of the next asset/liability study.

Mr. Burns continued reviewing the real estate, private equity and fixed income asset classes. Mr. Fay asked if the fixed income segment provided liquidity during the recent equities downturn. Mr. Emkin explained that fixed income did provide stability during that period. Mr. Burns ended by reviewing the real return, absolute return and hedge fund segments. He explained that segments successfully fulfilled their roles within the portfolio. He noted that hedge funds provided more return per unit of risk, which is what they were designed to do.

Mr. Benson asked if it is possible to confirm the hedge fund valuations. Ms. Fink answered that every fund in the portfolio has a third-party administrator and that a majority of hedge funds in the portfolio own publicly traded (level one) securities. There are some level two and level three assets within some of the portfolio's hedge funds, but ultimately the funds can be considered marked-to-market. Treasurer Magaziner asked if Cliffwater could provide an analysis of level one, two and three assets within hedge funds at the next monthly meeting. Mr. Lynch confirmed that this analysis would be provided.

Mr. Emkin concluded by mentioning the effectiveness of the SIC's focus on absolute return and low-beta equity strategies within the hedge fund allocation, which worked better than other plans' approaches to hedge fund selection.

#### **IV. IC Berkeley Partners IV Recommendation**

Treasurer Magaziner introduced Mr. David Glickman of PCA. Mr. Glickman provided a brief overview of the real estate market, noting the asset class, including both core and value-add investments, was performing well within the portfolio. Mr. Glickman reminded members that the SIC committed \$18 million to IC Berkeley Partners Fund III, and then introduced Mr. Snegg and Mr. Novak of IC Berkeley Partners.

Mr. Snegg provided an overview of Fund III performance, and described the anticipated structure of Fund IV. Mr. Snegg explained that IC Berkeley is seeking to continue the successful model utilized in Fund III. He said that the firm focuses on light-industrial properties. Mr. Novak explained that this large sector offers robust investment opportunities. He added that light-industrial properties have had higher occupancy and rents than the broader industrial real estate sector.

Mr. Novak said that Berkeley Partners focused on properties close to city centers where demand is strong. He pointed out that there is little new light-industrial real estate development in the U.S., preventing a supply overhang and keeping rent levels high, a positive feature. Mr. Novak noted that holdings are concentrated in states that exceed national averages for population, rent and job growth. Mr. Snegg reiterated that properties are managed by IC Berkeley employees, which allows for increased control and value generation.

Mr. Novak provided an overview of the organizational chart. He explained that management has been stable and that four new employees would be added in anticipation of Fund IV.

The board asked questions. Mr. Novak concluded by reviewing Fund IV's discounted terms for Rhode Island as a potential early investor. Guests from IC Berkeley left the room.

Mr. Glickman described the role of this investment in the portfolio, and recommended a \$30 million investment, limited to no more than 15% of the total amount of funds raised for Fund IV should IC Berkeley not reach its fundraising goal.

The board asked questions.

On a motion by Mr. Michael Costello and seconded by Ms. Marcia Reback, it was unanimously **VOTED: to approve a commitment equal to the lesser of 15% of total commitment or \$30 million to IC Berkeley Partners Fund IV, subject to successful negotiation of terms.**

## **V. Advent International Fund VIII Recommendation**

Mr. Lynch provided an overview of Advent International GPE Fund VIII. He then introduced Ms. Sahlman, Ms. Smith and Mr. Weaver of Advent International. Mr. Weaver presented details of the firm's history and structure. He explained that the firm has a large team of one hundred and seventy-four employees. He attributed Advent's success to a strong culture and stable staff. Mr. Weaver noted that Fund VIII would include more domestic investment than past funds, which had a larger percentage within Europe.

Ms. Reback asked if any of the senior management are women. Ms. Sahlman answered that approximately 10% of managing directors are women. She added that promoting more women to the senior level is a goal moving forward. Ms. Smith noted that women make up approximately 30-40% of junior level roles.

Mr. Weaver listed the various industries that Advent specializes in. He noted that the firm's partners have made a significant co-investment of \$350 million in GPE Fund VIII.

Ms. Smith explained how the firm focuses on growing operating profit at their portfolio companies. She highlighted the recent success Advent International had in the payment processing sector as an example of the firm's capabilities. Ms. Smith explained that the firm's operating managers and support team have relevant industry experience and assist companies in becoming more efficient.

The board asked questions about the strategy, compensation and fees, particularly the change in the fee structure. Guests from Advent International left the room.

Mr. Lynch reiterated the terms and details of GPE Fund VIII. The board asked questions about Advent eliminating the preferred return feature from its fee structure. Mr. Lynch said that the firm's history of success provides confidence to Cliffwater that Fund VIII will meet expectations despite the change. The board discussed the change and the need to have a large enough commitment to have an impact.

On a motion by Mr. Michael Costello and seconded by Ms. Marcia Reback, it was unanimously **VOTED: to approve a commitment of at least \$20,000,000 and up to \$30,000,000 to Advent International GPE Fund VIII subject to successful negotiation of terms.**



## **VI. 529 Plan Socially Responsible Investment Recommendation**

Ms. Fink briefly reviewed the investment line-up for the 529 CollegeBound*fund*. She said that Treasury expects interest in a socially responsible investment (SRI) option similar to what is offered in the defined contribution retirement plan. Ms. Fink introduced Mr. Murphy and Ms. Wilson of Invesco as well as Mr. Reimer and Mr. Malone of Ascensus College Savings to describe their SRI recommendation.

Ms. Wilson described the proposed investment option as maintaining Invesco's overall investment standards while considering mandated social and ethical factors. She described the firm's experience in managing other SRI portfolios over the last fifteen years.

She explained the approach that Invesco will take for the CollegeBound*fund*'s SRI fund. Ms. Wilson said that exposure to fossil fuels would be limited by removing oil, gas, coal and power producers. For societal concerns, exposure to abortion, firearms, alcohol and pornography, tobacco and genetic engineering would be eliminated. She anticipates a universe of compliant companies of approximately one thousand companies, most of which are in the MSCI World Index. Then Invesco will use quantitative assessments of four factors, earnings estimates, market sentiment, management and quality, and value, to build value-adding investments for the portfolio.

The board asked questions.

On a motion by Mr. Michael Costello and seconded by Mr. Thomas Fay, it was unanimously

**VOTED: to approve the proposed 529 CollegeBoundfund Socially Responsible Investment option for both the direct and advisor-sold plans, subject to successful negotiation of terms.**

## **VII. Proxy Advisor RFP Recommendation**

Treasurer Magaziner introduced Ms. Lusthaus and Mr. Newman of Institutional Shareholder Services (ISS). Mr. Newman provided an overview of the firm and organizational structure. ISS specializes in corporate governance research and proxy voting advisory services. He said that the firm employs over nine hundred staff. Mr. Newman added that ISS seeks to provide institutional investors with expertise and relevant analysis on companies and their governance. The firm has developed a comprehensive online platform that is used for research and daily interaction with the analysts assigned to the client. He noted that ISS seeks to cover all possible companies and currently oversees proxy voting for 39,000 firms around the world.

The board asked questions about how ISS develops its policies. Treasurer Magaziner said that the SIC and Treasury staff would spend time developing a custom policy, adapting an "off-the-shelf" ISS policy to align with the SIC's established investment policy statement.

Concerning the scope, Ms. Lusthaus explained that ISS could initially only vote on domestic shares with international voting potentially being added at a later date. She said that this is a common industry structure. Ms. Lusthaus reviewed the terms of the ISS proposal.

On a motion by Mr. Michael Costello and seconded by Mr. Robert Benson, it was unanimously

**VOTED: to approve Institutional Shareholder Services (ISS) as the new Proxy Voting and Corporate Governance Advisor.**

## **VIII. Legal Counsel Report**

There was no legal counsel report.

## **IX. Chief Investment Officer Report**

Ms. Fink reviewed the performance of the portfolio for January. The portfolio was down 2.96% for the month. She noted that January was a challenging month for markets overall. The Quality-Value-Momentum (QVM) factor-tilt portfolio continued to perform well, though it is still early.

Ms. Fink highlighted various changes that were made to the SIC book to make the book more user-friendly. She provided an update on the 529 CollegeBound*fund* transition. Legal counsel is assisting Treasury with three different contracts relating to this process. She said that the SIC will continue to receive updates as this significant process continues forward. Treasury staff has also been working with TIAA-CREF to develop a comprehensive participant outreach plan. Lastly, Ms. Fink noted that Treasury would be working with cities and towns on Ocean State Investment Pool opportunities now that short-term rates have increased.

## **X. Treasurer's General Comments**

Treasurer Magaziner thanked members for their time and patience during this lengthy meeting.

Ms. Reback asked if Mr. Padwa could provide an update on class action lawsuits at the next SIC meeting. Treasurer Magaziner confirmed that this could be added to the March agenda.

There being no other business to come before the Board, on a motion by Ms. McNamara and seconded by Ms. Marie Langlois the meeting adjourned at 11:57 a.m.

Respectfully submitted,

**Seth Magaziner,  
General Treasurer**

## Section III.

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### Staff Summary



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

Seth Magaziner  
General Treasurer

March 17, 2016

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, Municipal Employees', State Police and Judicial Retirement Systems of the State of Rhode Island at the close of business on February 29, 2016.

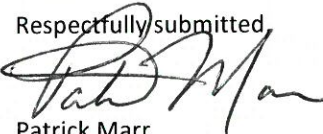
**Employees' Retirement System of Rhode Island  
Composite Reporting Investment Valuation  
February, 2016**

Asset Class		Base Market Value
<b>Grand Total</b>		<b>7,221,930,097</b>
CASH EQUIVALENT*		131,992,787
EQUITY HEDGE FUNDS**		576,699,780
GLOBAL PUBLIC EQUITY		3,157,047,802
CREDIT		354,127,201
INFLATION-LINKED BDS		275,926,189
PRIVATE EQUITY**		517,392,432
REAL ESTATE**		466,272,238
REAL RET HEDGE FUNDS**		500,091,171
INFRASTRUCTURE**		174,809,629
US TRADITIONAL FIXED		1,067,570,868

Plan Allocations	%	Base Market Value
<b>Grand Total</b>	<b>100.00%</b>	<b>7,221,930,097</b>
STATE EMP RET PLAN	76.17%	5,501,001,316
MUNI EMP RET PLAN	17.76%	1,282,826,685
TEACHER'S SURVIVOR BENEFIT	3.76%	271,844,064
STATE POLICE RET PL	1.51%	109,150,739
JUDICIAL RET PLAN	0.78%	56,556,811
NON-CONTRIB JUD RET	0.01%	550,482

\* Cash & Short-Term Investments, as shown, also includes amounts available within specific active-manager mandates, and thus as aggregated will not tie directly to separate cash allocations as reported elsewhere.

\*\* Alternative Investments – comprising the five components as indicated – have varying degrees of liquidity and may not have readily determinable market values. As such, they may be based on appraisals only.

Respectfully submitted,  
  
Patrick Marr  
Chief Operating Officer/Deputy Treasurer

# Portfolio Highlights

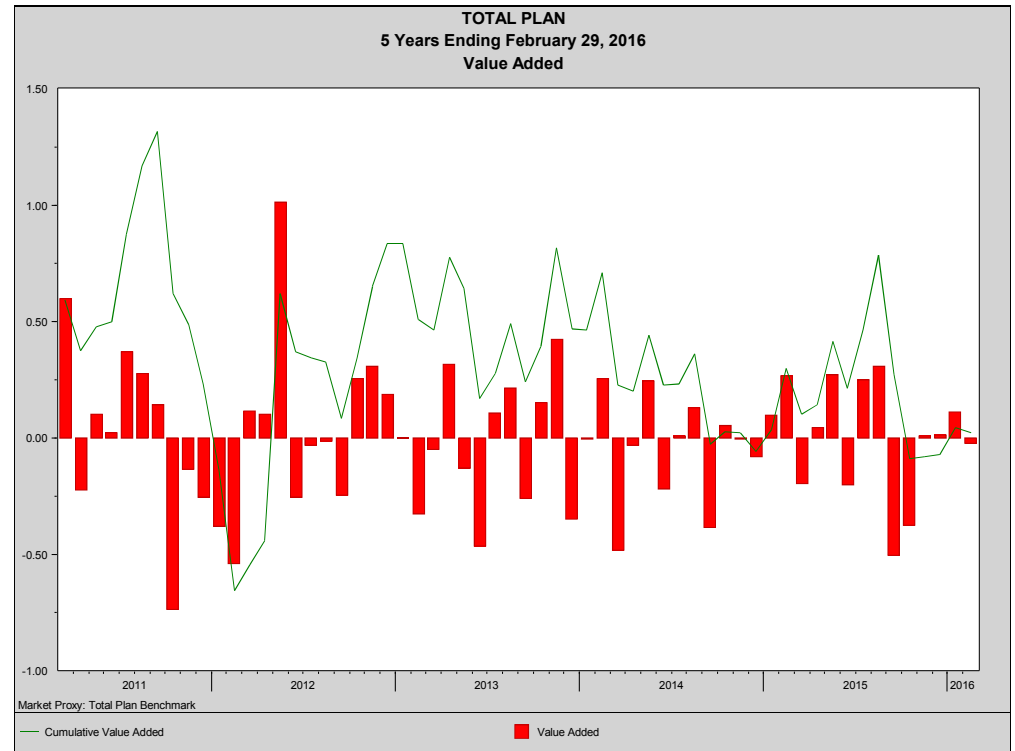
## PORTFOLIO PERFORMANCE

### February, 2016

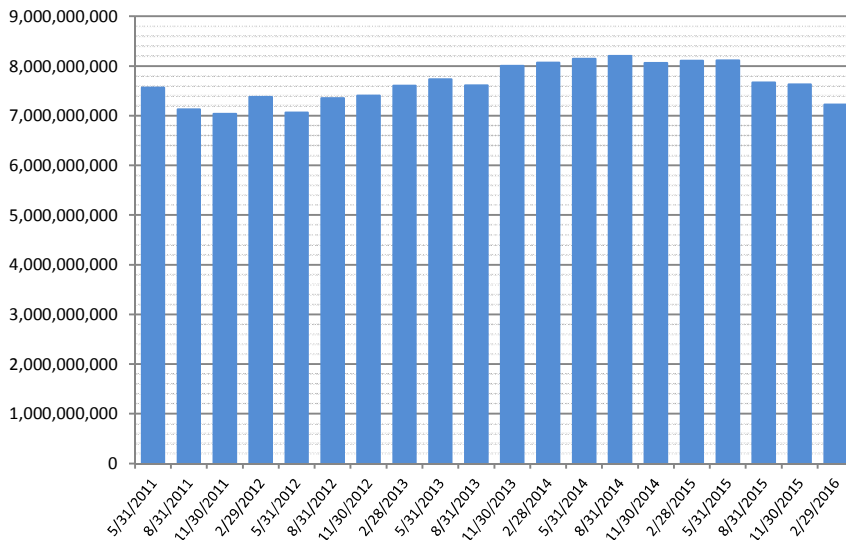
For the month, the total portfolio value decreased by \$45.3 million to \$7.22 billion. The month's decrease comes from \$12.5 million of negative market impact and \$32.8 million of transfers out to meet pension payroll in excess of pension contributions.

For the calendar year-to-date, the total portfolio value decreased by \$298.3 million. The reduction consisted of \$234.2 million from negative market impact and \$64.1 million of transfers out.

For the fiscal year-to-date, the total portfolio value decreased by \$745.1 million. The reduction consisted of \$458.8 million from negative market impact and \$286.3 million of transfers out.



GRAND TOTAL - Market Value



Account Name Benchmark Name	Market Value (M)	Month	Fiscal YTD
US Public Equity	1,394.61	0.01	-6.85
Non-US Public Equity	1,295.15	-1.05	-16.48
Equity Hedge Funds	576.70	-1.94	-7.59
Private Equity	517.39	1.42	3.37
Traditional Fixed Income	1,073.89	0.57	2.02
Real Estate	466.27	0.18	9.83
Real Return Hedge Funds	500.09	0.17	-1.56
Publicly Traded Infrastructure	131.09	-0.56	-34.18
Priv Listed Infrastructure	57.64	0.00	1.96
Credit Aggregate	393.63	-0.32	-4.95
Inflation-Linked Bonds	277.29	0.95	0.64
Total Cash	55.50	0.03	0.20
<b>TOTAL PLAN</b>	<b>7,221.93</b>	<b>-0.18</b>	<b>-5.89</b>

## Section IV.

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### Asset Allocation

# Asset Summary

Balance Date: 2/29/2016



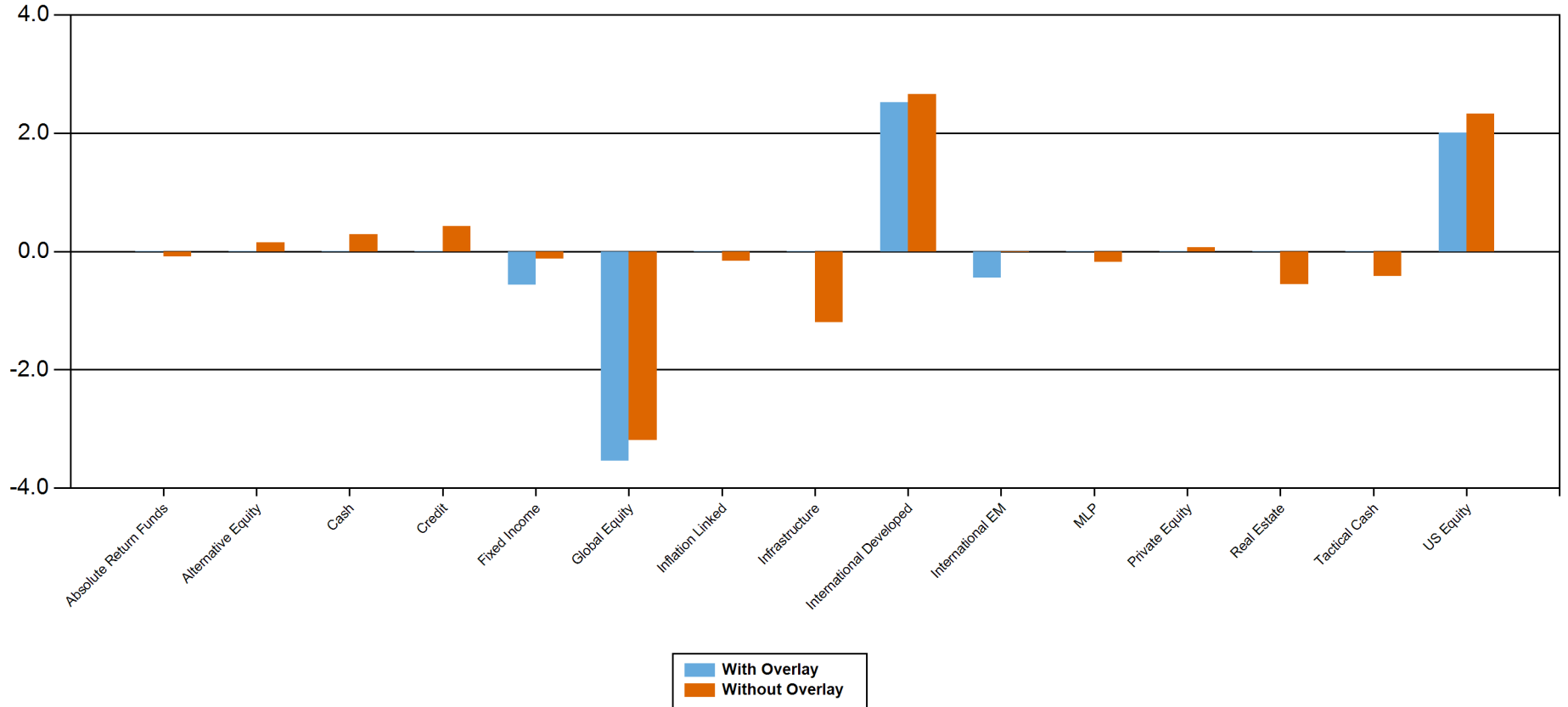
<u>Asset Class</u>	<u>Physical Exposure</u>		<u>Synthetic Exposure</u>		<u>Net Position</u>		<u>Overlay Target</u>		<u>Policy Target</u>	
<b>Total Market Value</b>	<b>7,216.3</b>	<b>100.0 %</b>	<b>0.0</b>	<b>0.0 %</b>	<b>7,216.3</b>	<b>100.0 %</b>	<b>7,216.4</b>	<b>100.0 %</b>	<b>7,216.4</b>	<b>100.00 %</b>
<b>Cash</b>	<b>20.8</b>	<b>0.3 %</b>	<b>-18.5</b>	<b>-0.3 %</b>	<b>2.3</b>	<b>0.0 %</b>	<b>2.1</b>	<b>0.0 %</b>	<b>0.0</b>	<b>0.00 %</b>
Cash	20.8	0.3 %	-18.5	-0.3 %	2.3	0.0 %	2.1	0.0 %	0.0	0.00 %
<b>Equity</b>	<b>4,257.6</b>	<b>59.0 %</b>	<b>18.5</b>	<b>0.3 %</b>	<b>4,276.1</b>	<b>59.3 %</b>	<b>4,235.6</b>	<b>58.7 %</b>	<b>4,113.3</b>	<b>57.00 %</b>
Alternative Equity	588.1	8.1 %	0.0	0.0 %	588.1	8.1 %	588.1	8.1 %	577.3	8.00 %
Global Equity	469.4	6.5 %	0.0	0.0 %	469.4	6.5 %	724.6	10.0 %	700.0	9.70 %
International Developed	1,007.4	14.0 %	19.0	0.3 %	1,026.4	14.2 %	844.1	11.7 %	815.5	11.30 %
International EM	287.7	4.0 %	-20.8	-0.3 %	266.9	3.7 %	298.8	4.1 %	288.7	4.00 %
Private Equity	510.1	7.1 %	0.0	0.0 %	510.1	7.1 %	510.1	7.1 %	505.1	7.00 %
US Equity	1,394.8	19.3 %	20.3	0.3 %	1,415.1	19.6 %	1,269.9	17.6 %	1,226.8	17.00 %
<b>Fixed</b>	<b>1,073.9</b>	<b>14.9 %</b>	<b>0.0</b>	<b>0.0 %</b>	<b>1,073.9</b>	<b>14.9 %</b>	<b>1,114.6</b>	<b>15.4 %</b>	<b>1,082.5</b>	<b>15.00 %</b>
Fixed Income	1,073.9	14.9 %	0.0	0.0 %	1,073.9	14.9 %	1,114.6	15.4 %	1,082.5	15.00 %
<b>Other</b>	<b>1,864.1</b>	<b>25.8 %</b>	<b>0.0</b>	<b>0.0 %</b>	<b>1,864.1</b>	<b>25.8 %</b>	<b>1,864.1</b>	<b>25.8 %</b>	<b>2,020.6</b>	<b>28.00 %</b>
Absolute Return Funds	499.2	6.9 %	0.0	0.0 %	499.2	6.9 %	499.2	6.9 %	505.1	7.00 %
Credit	391.5	5.4 %	0.0	0.0 %	391.5	5.4 %	391.5	5.4 %	360.8	5.00 %
Inflation Linked	277.3	3.8 %	0.0	0.0 %	277.3	3.8 %	277.3	3.8 %	288.7	4.00 %
Infrastructure	57.6	0.8 %	0.0	0.0 %	57.6	0.8 %	57.6	0.8 %	144.3	2.00 %
MLP	131.2	1.8 %	0.0	0.0 %	131.2	1.8 %	131.2	1.8 %	144.3	2.00 %
Real Estate	465.3	6.4 %	0.0	0.0 %	465.3	6.4 %	465.3	6.4 %	505.1	7.00 %
Tactical Cash	41.8	0.6 %	0.0	0.0 %	41.8	0.6 %	41.8	0.6 %	72.2	1.00 %

# Asset Summary

Balance Date: 2/29/2016



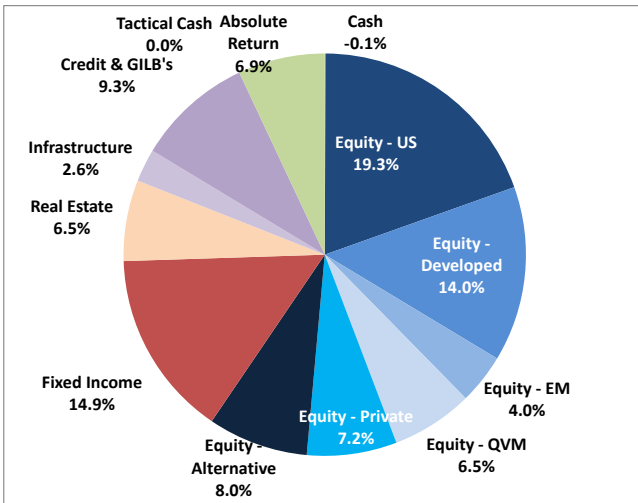
Percent Deviation from Overlay Target



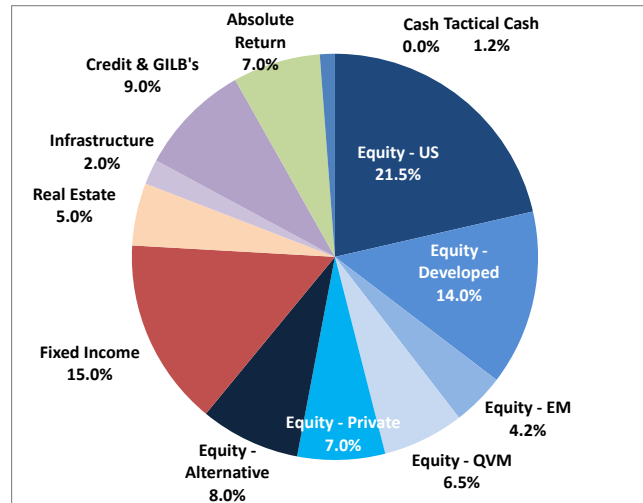
Total Absolute Notional Value: 60.1 (USD)



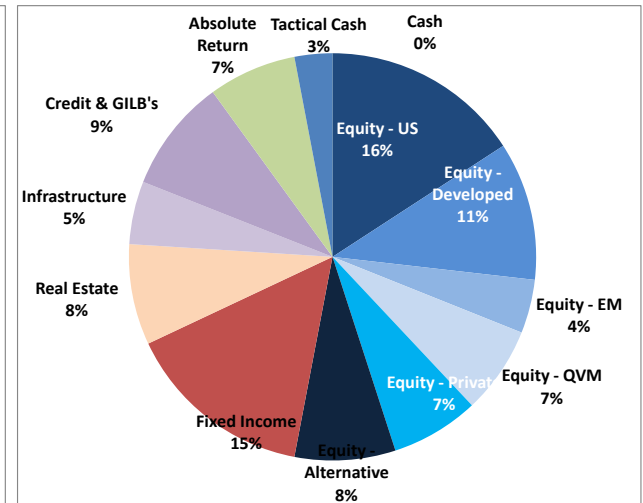
**Actual Allocation**



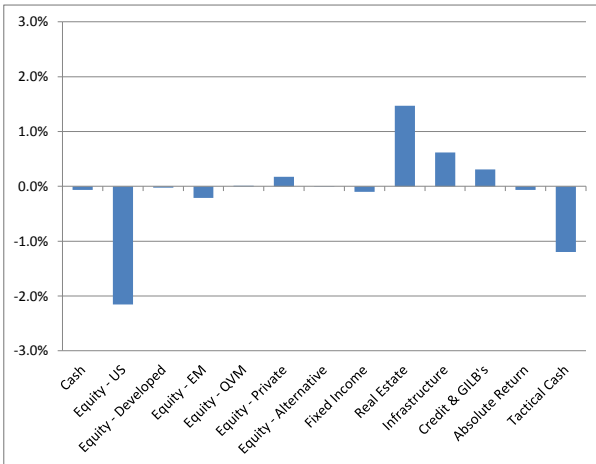
**Tactical Allocation**



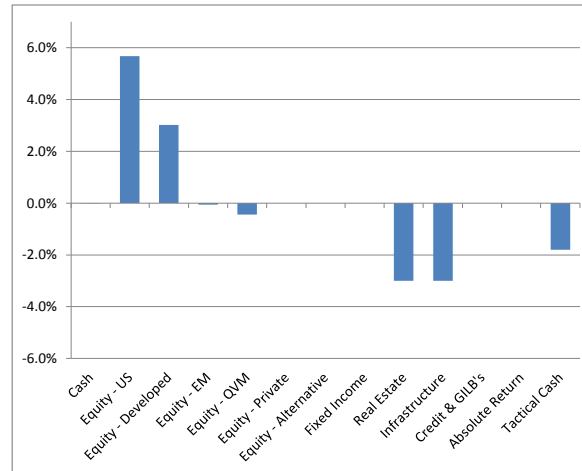
**Policy Allocation**



**Actual vs. Tactical**



**Tactical vs. Policy**



**Notes:**

Actual vs. Tactical: SIC policy allows for fluctuations of  $\pm 2\%$  from Tactical to accommodate market movements while minimizing trading costs for rebalancing, and lags in rebalancing to less liquid asset classes.

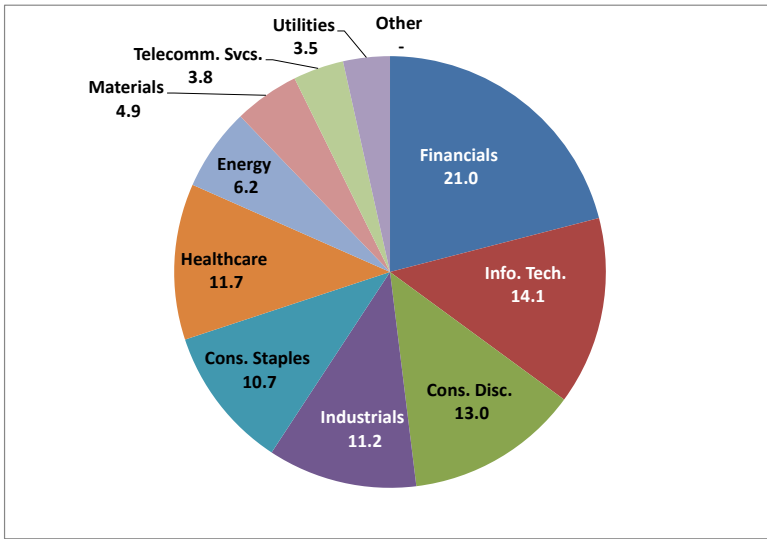
Tactical vs. Policy: Tactical allocations diverge from policy to allow time to vet third-party managers allowing prudent implementation of SIC policy decisions, and to diversify vintage-year exposure for drawdown funds (e.g., private equity, real estate, infrastructure).

Currently tactical allocations are (4) percentage points (pps) below policy on real estate and (5) pps on infrastructure & MLP's, due to timing required to deploy funds. An additional +9 pps in equity offers interim exposure to economic growth and protection from interest rate volatility, capturing similar macroeconomic exposures to underallocated asset classes.

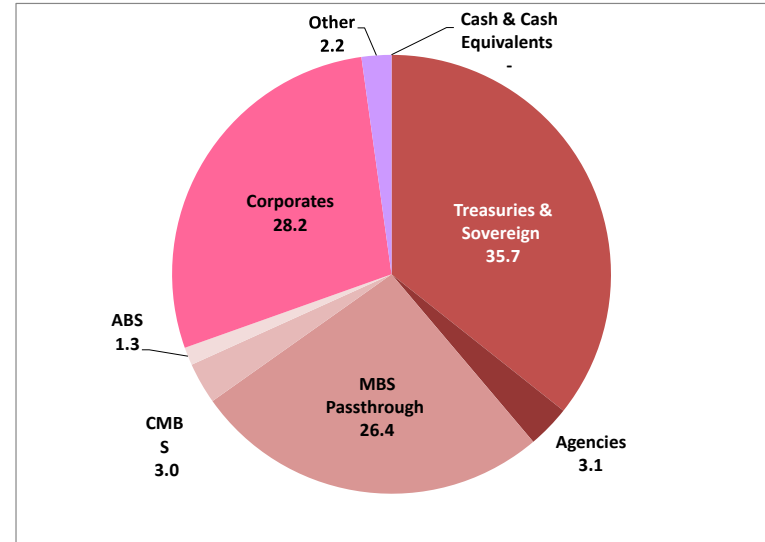
**ERSRI Asset Allocation  
Public-Asset Portfolios**

%% - as of February 29, 2016

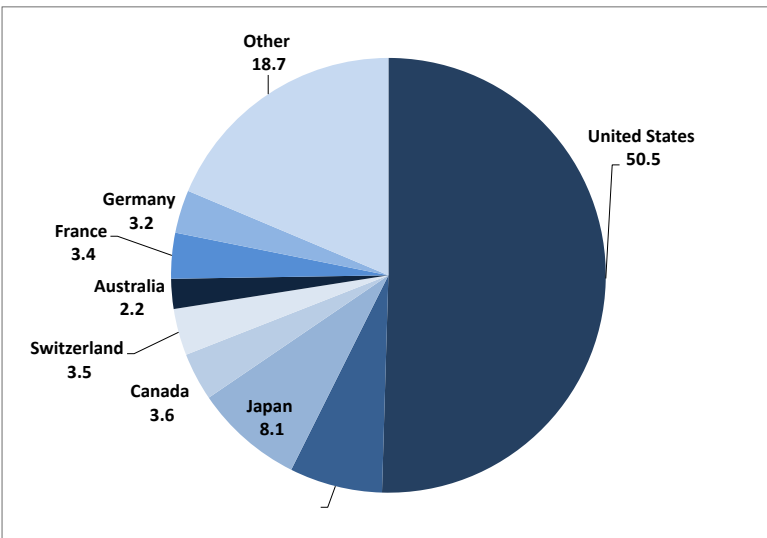
**Global Public Equity - by Industry Sector**



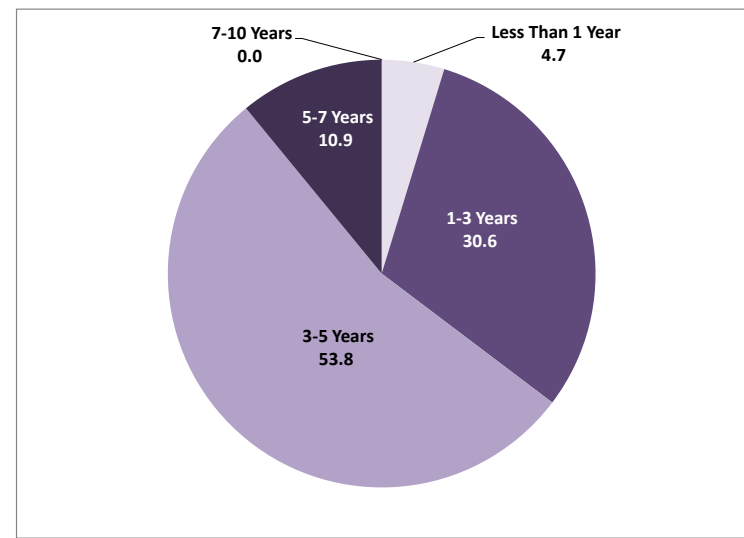
**Core Fixed Income - by Type**



**Global Public Equity - by Geography**

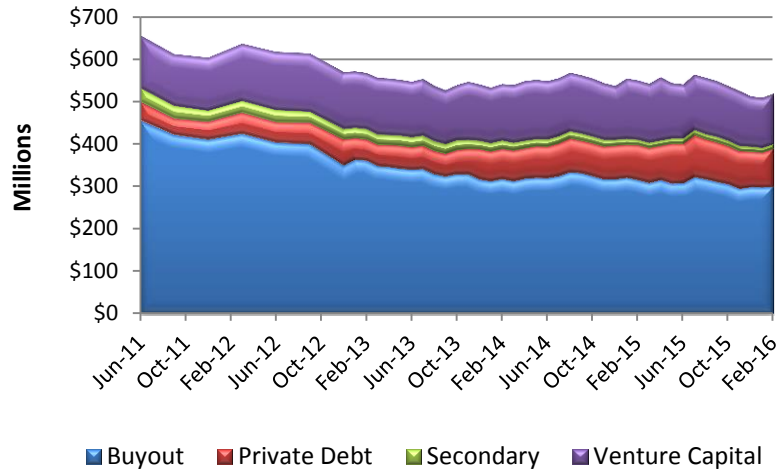


**Inflation-Linked Bonds - by Duration**

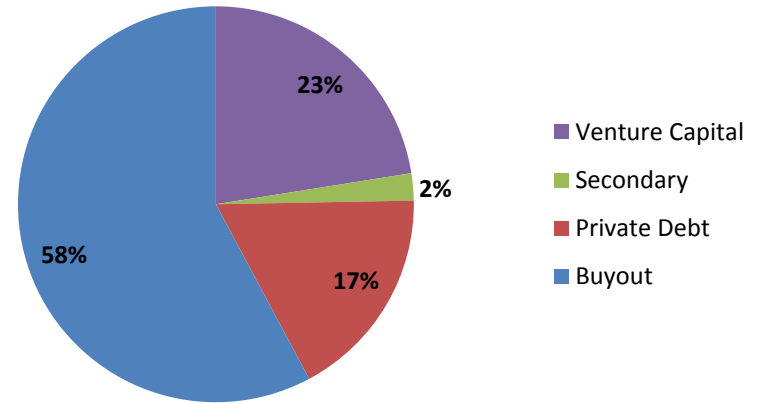


# Strategy Exposure & Committed Capital – Private Equity

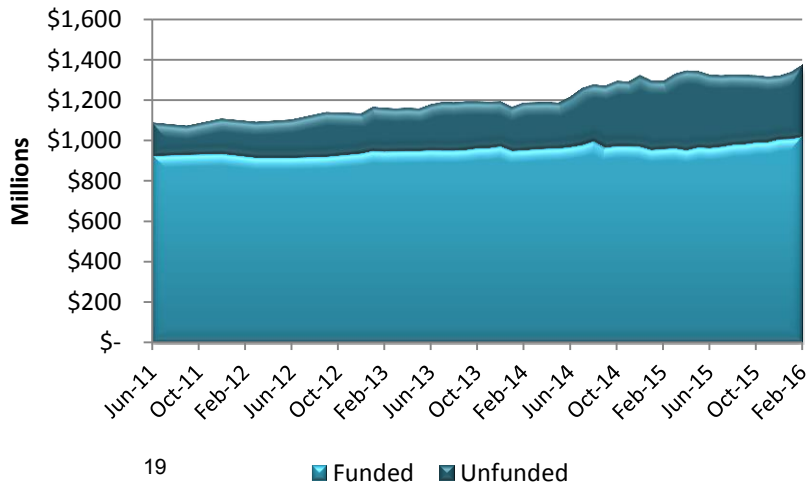
## Strategy Exposure - Private Equity



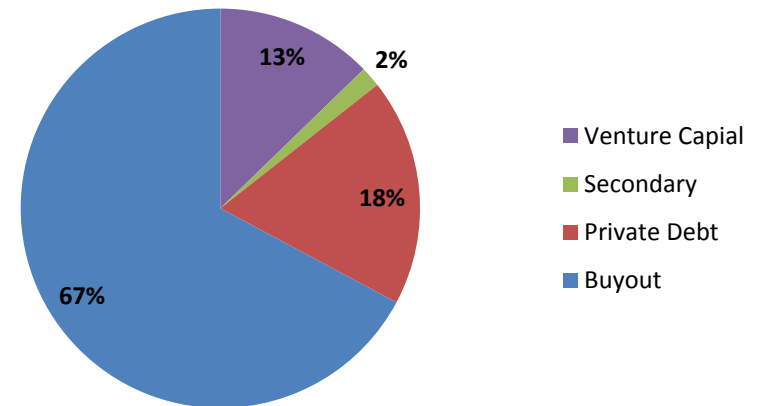
## Diversification by Valuation - 2/29/2016



## Committed Capital - Private Equity



## Diversification by Unfunded Commitment - 2/29/2016

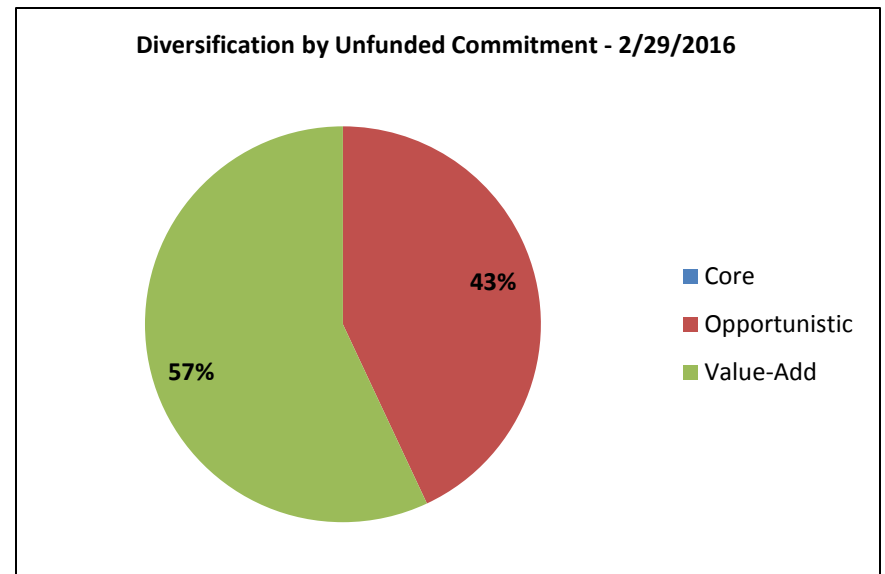
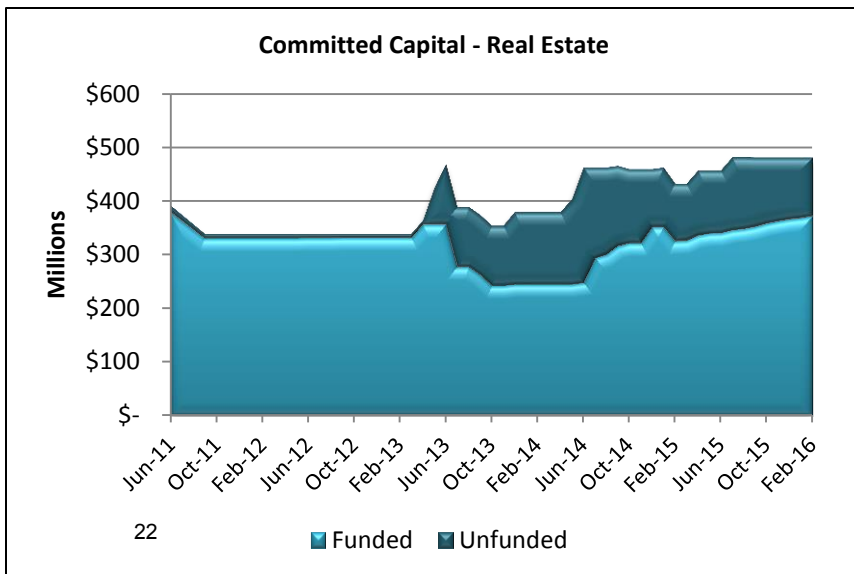
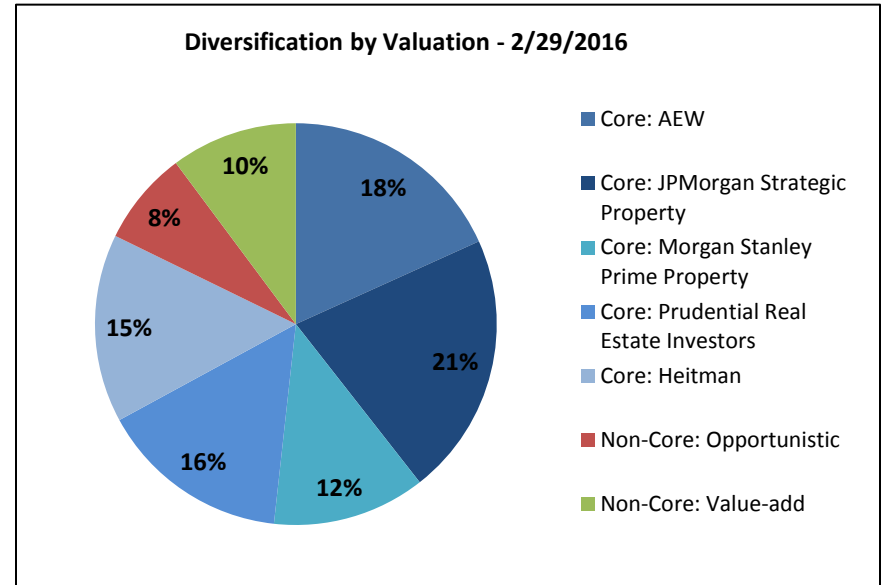
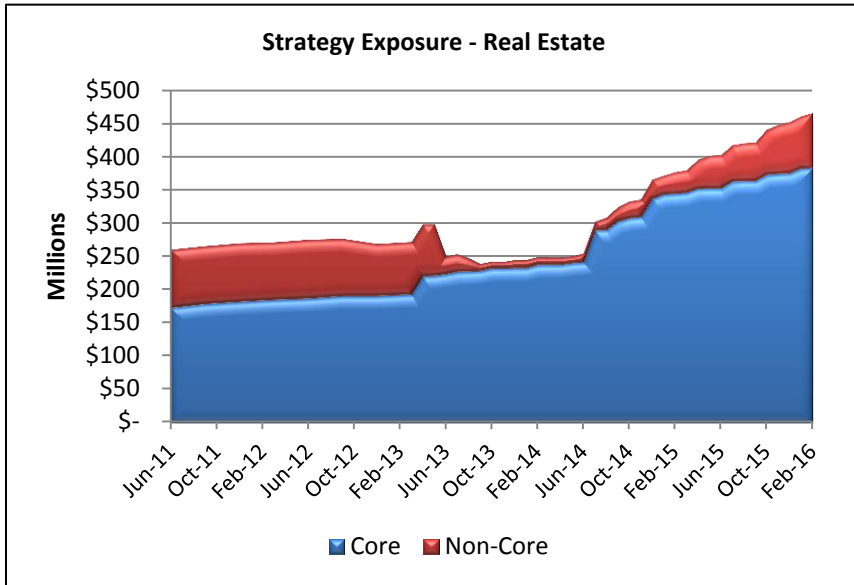


**State of Rhode Island Private Equity Unfunded Commitment February 2016**

<b>Partnership Investment</b>	<b>Total Commitment</b>	<b>Unfunded</b>
Advent Global Private Equity Fund VII	\$ 20,000,000.00	\$ 4,690,000.00
Alta BioPharma Partners III	\$ 15,000,000.00	\$ 750,000.00
Alta Partners VIII	\$ 15,000,000.00	\$ -
Aurora Equity Partners III	\$ 15,000,000.00	\$ 835,850.00
Avenue Special Situations Fund IV	\$ 20,000,000.00	\$ -
Avenue V	\$ 20,000,000.00	\$ -
Bain X	\$ 25,000,000.00	\$ 762,500.00
Baring Asia Private Equity Fund VI, L.P.	\$ 15,000,000.00	\$ 12,212,864.38
Birch Hill Equity Partners III	\$ 13,297,878.00	\$ 259,619.50
Braemar Energy Ventures III	\$ 10,000,000.00	\$ 3,817,580.00
Carlyle Asia Partners IV	\$ 30,000,000.00	\$ 14,902,324.00
Castile III	\$ 5,000,000.00	\$ -
Centerbridge	\$ 15,000,000.00	\$ 1,095,594.00
Centerbridge Capital Partners III	\$ 25,000,000.00	\$ 19,481,579.00
Centerbridge Special Credit Partners II	\$ 25,000,000.00	\$ 3,750,000.00
Charterhouse Capital Partners VIII	\$ 15,032,725.31	\$ 617,286.75
Coller International Capital IV	\$ 14,250,000.00	\$ 150,000.00
Coller International Capital V	\$ 15,000,000.00	\$ 3,270,000.00
Constellation III	\$ 15,000,000.00	\$ 1,056,529.33
CVC European Equity Partners III	\$ 20,000,000.00	\$ 899,966.00
CVC European Equity Partners IV	\$ 17,998,365.00	\$ 2,093,946.21
CVC V	\$ 21,816,200.00	\$ 1,012,662.04
CVC VI	\$ 16,362,150.00	\$ 10,404,770.67
EnCap Energy Fund IX	\$ 18,000,000.00	\$ 7,720,393.83
EnCap Energy Fund X	\$ 25,000,000.00	\$ 22,495,810.46
Fenway Partners Capital Fund II	\$ 15,000,000.00	\$ 232,336.00
Fenway III	\$ 15,000,000.00	\$ 1,266,241.00
First Reserve Fund X	\$ 20,000,000.00	\$ -
First Reserve Fund XI	\$ 20,000,000.00	\$ -
Focus Ventures III	\$ 15,000,000.00	\$ -
Garrison Opportunity Fund IV	\$ 30,000,000.00	\$ 14,382,700.00
Granite Global Ventures II	\$ 15,000,000.00	\$ 675,000.00
Granite Global Ventures III	\$ 15,000,000.00	\$ 375,000.00
Green Equity Investors V	\$ 20,000,000.00	\$ 1,731,092.40
Industry Ventures Partnership Holdings III	\$ 25,000,000.00	\$ 10,250,000.00
Industry Ventures Partnership Holdings III -C	\$ 15,000,000.00	\$ 14,077,500.00
Industry Ventures Partnership Holdings IV	\$ 10,000,000.00	\$ 10,000,000.00
Kayne Anderson Energy Fund III	\$ 15,000,000.00	\$ 366,426.00
Kayne Anderson Energy Fund IV	\$ 15,000,000.00	\$ -
Leapfrog Ventures II	\$ 10,000,000.00	\$ 510,000.00
Leeds Weld Equity Partners IV	\$ 10,000,000.00	\$ 1,099,639.00
Lighthouse Capital Partners V	\$ 11,250,000.00	\$ 787,500.00
Lighthouse Capital Partners VI	\$ 15,000,000.00	\$ 750,000.00
LNK Partners	\$ 12,500,000.00	\$ 473,774.52
MHR Institutional Partners III	\$ 20,000,000.00	\$ 6,974,396.00

Nautic Partners V	\$	20,000,000.00	\$	641,734.81
Nautic Partners VI	\$	20,000,000.00	\$	777,633.10
Nautic Partners VII	\$	20,000,000.00	\$	12,062,350.57
Nautic Partners VIII	\$	20,000,000.00	\$	20,000,000.00
Nordic Capital Fund V	\$	15,942,788.10	\$	-
Nordic Capital Fund VI	\$	16,362,150.00	\$	-
Nordic VII	\$	16,362,150.00	\$	1,780,433.80
Nordic VIII	\$	16,362,150.00	\$	8,393,953.05
Oaktree European Principal Fund III	\$	20,000,000.00	\$	5,124,412.00
Paine & Partners Capital Fund IV	\$	30,000,000.00	\$	23,514,125.00
Palladin III	\$	10,000,000.00	\$	1,152,316.00
Parthenon Investors II	\$	23,960,000.00	\$	1,821,022.00
Point 406	\$	10,000,000.00	\$	770,000.00
Point Judith II	\$	5,000,000.00	\$	255,571.96
Providence Equity Partners IV	\$	25,000,000.00	\$	1,995,291.00
Providence Equity Partners V	\$	25,000,000.00	\$	2,181,983.00
Providence Equity Partners VI	\$	25,000,000.00	\$	1,880,725.00
Providence Equity Partners VII	\$	25,000,000.00	\$	12,815,480.00
Riverside VI	\$	20,000,000.00	\$	9,284,376.00
Riverside Micro-Cap Fund III	\$	20,000,000.00	\$	3,097,474.00
Sorenson Capital Partners III	\$	30,000,000.00	\$	22,080,164.00
Summit Partners	\$	20,000,000.00	\$	-
Summit Partners II	\$	25,000,000.00	\$	13,371,357.00
Tenex Capital Partners II	\$	25,000,000.00	\$	25,000,000.00
Thomas McNerney & Partners	\$	15,000,000.00	\$	-
Thomas McNerney & Partners II	\$	15,000,000.00	\$	862,500.00
TPG Partners IV	\$	13,953,742.00	\$	64,421.00
TPG Partners V	\$	20,000,000.00	\$	1,774,959.00
TPG VI	\$	10,000,000.00	\$	978,788.00
Trilantic IV	\$	11,098,351.00	\$	1,549,307.41
W Capital Partners	\$	15,000,000.00	\$	802,500.00
W Capital Partners II	\$	15,000,000.00	\$	1,596,691.00
WLR	\$	8,000,000.00	\$	765,256.00
<b>Total Private Equity</b>	\$	1,377,548,649.41	\$	352,625,705.79

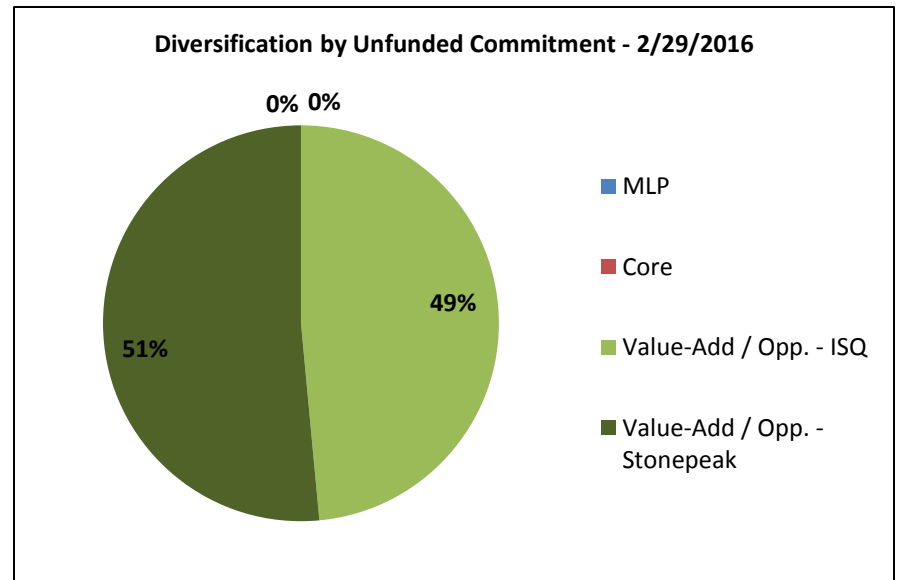
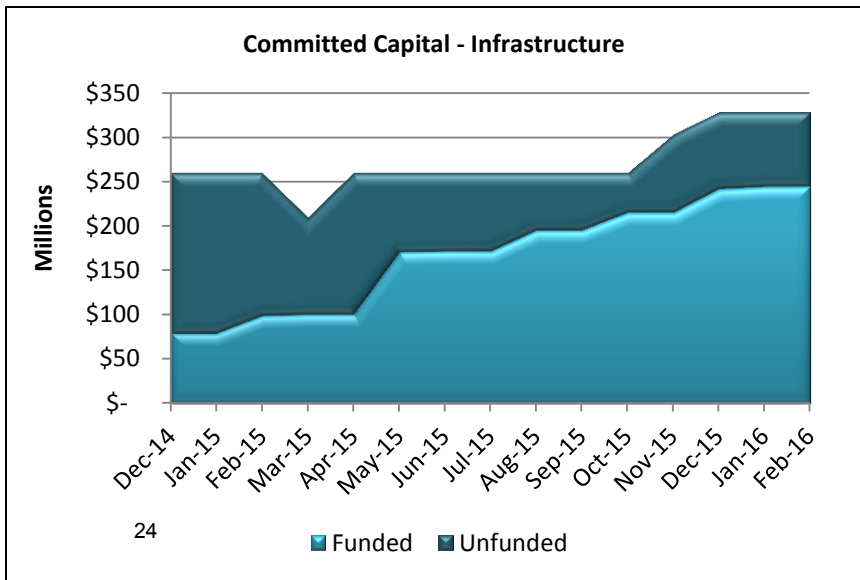
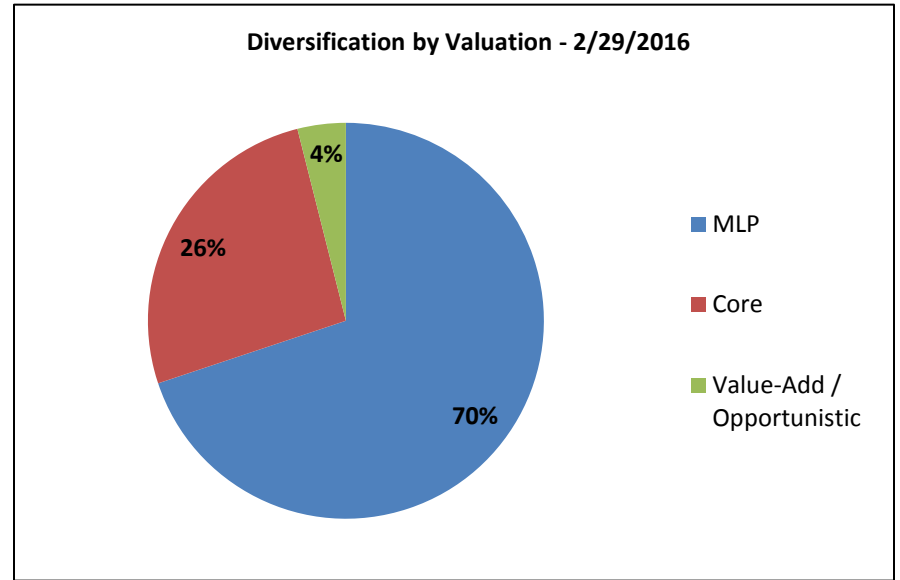
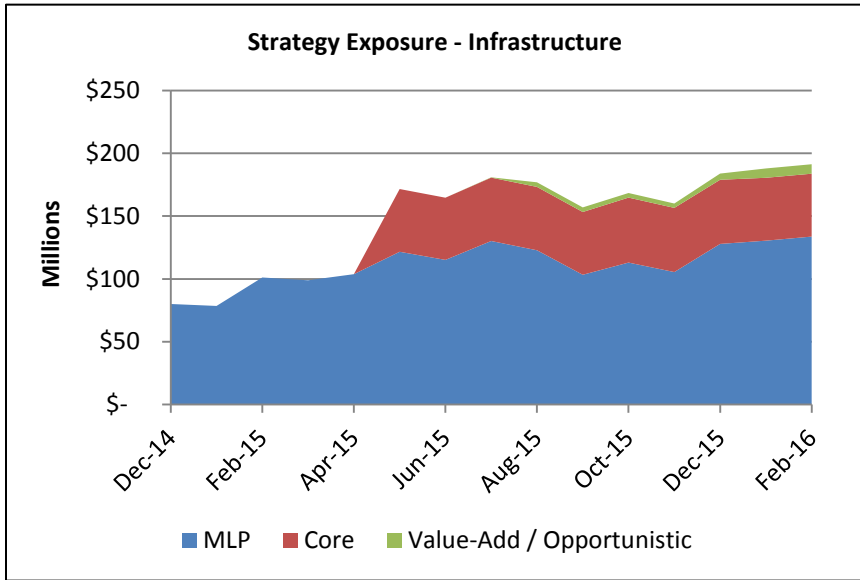
# Strategy Exposure & Committed Capital – Real Estate



**State of Rhode Island Real Estate Unfunded Commitment February 2016**

<b>Partnership Investment</b>	<b>Total Commitment</b>	<b>Unfunded</b>
AEW	\$ 60,000,000.00	\$ -
Crow Holdings Retail Fund, LP	\$ 24,000,000.00	\$ 21,120,842.00
Exeter Industrial Value Fund III	\$ 30,000,000.00	\$ 16,500,000.00
GEM Realty V	\$ 50,000,000.00	\$ 27,819,375.00
Heitman	\$ 60,000,000.00	\$ -
IC Berkeley Partners III	\$ 18,000,000.00	\$ 4,841,673.88
JPMorgan Strategic Property Fund	\$ 75,000,000.00	\$ -
Lone Star Real Estate Fund IV	\$ 24,260,817.00	\$ 17,660,338.57
Magna Hotel	\$ 4,000,000.00	\$ 612,642.84
Morgan Stanley Prime Property Fund	\$ 35,000,000.00	\$ -
Prudential Real Estate Investors (PRISA)	\$ 50,000,000.00	\$ -
Tri Continental Fund VII	\$ 15,000,000.00	\$ 428,467.00
Waterton Venture Fund XII	\$ 35,000,000.00	\$ 19,146,631.00
<b>Total Real Estate</b>	<b>\$ 480,260,817.00</b>	<b>\$ 108,129,970.29</b>

# Strategy Exposure & Committed Capital – Infrastructure





## State of Rhode Island Infrastructure Unfunded Commitment February 2016

<b>Partnership Investment</b>	<b>Total Commitment</b>	<b>Unfunded</b>
Harvest Fund Advisors, LLC	\$ 185,000,000.00	\$ -
IFM Global Infrastructure, L.P.	\$ 50,000,000.00	\$ -
ISQ Global Infrastructure Fund, L.P.	\$ 50,000,000.00	\$ 40,416,389.00
Stonepeak Infrastructure Fund II, L.P.	\$ 43,000,000.00	\$ 42,889,962.00
<b>Total Infrastructure</b>	<b>\$ 328,000,000.00</b>	<b>\$ 83,306,351.00</b>

## Section V.

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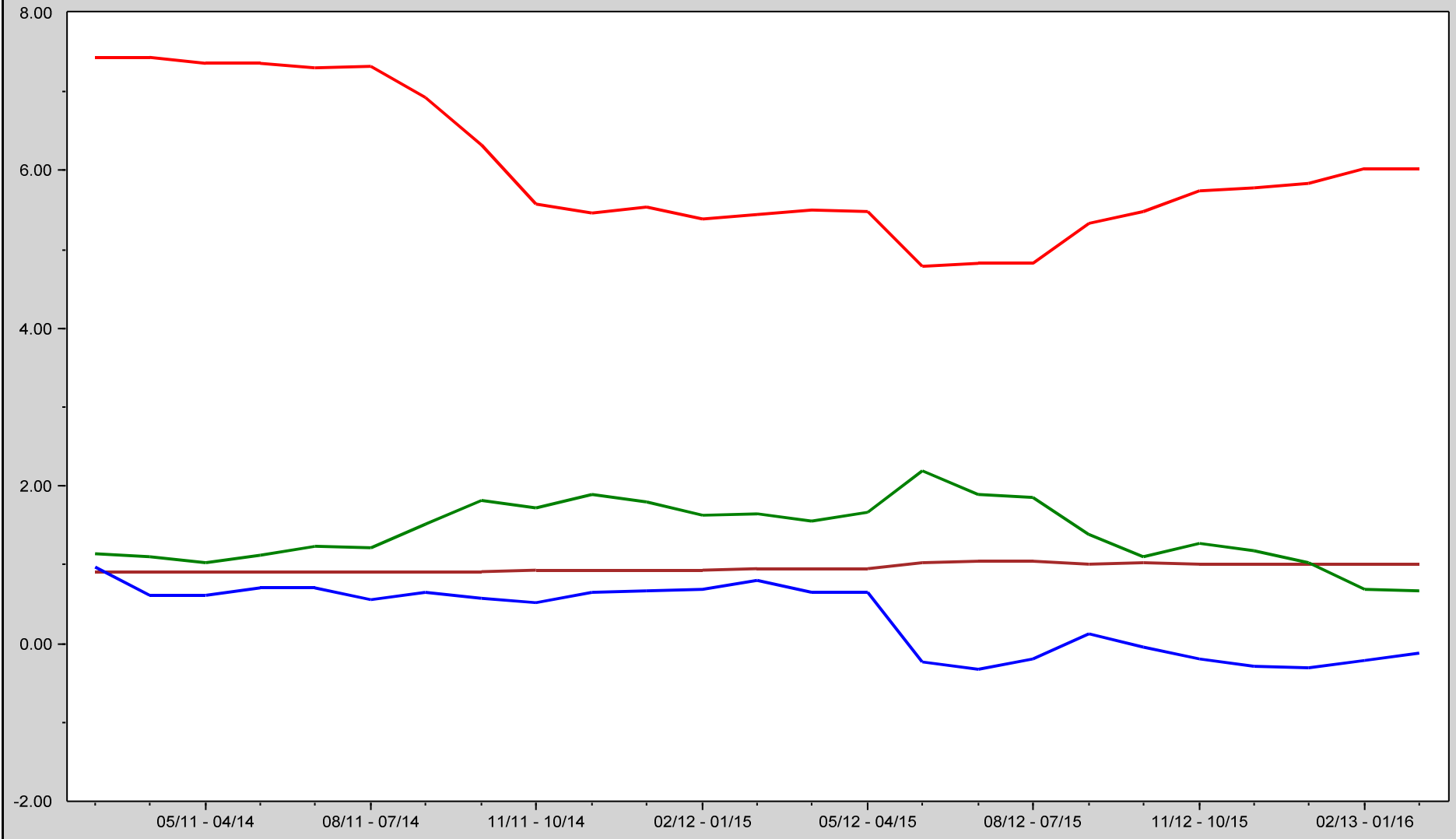
### Risk Overview

# Historical Risk - Three Year Rolling Periods

## TOTAL PLAN

### 5 Years Ending February 29, 2016

#### Trend



Market Proxy: Total Plan Benchmark; Risk-Free Proxy: BofA Merrill Lynch 3 Month US Treasury Bill G001

— Ann Std Dev     
 — Ann Sharpe Ratio     
 — Ann Alpha     
 — Beta

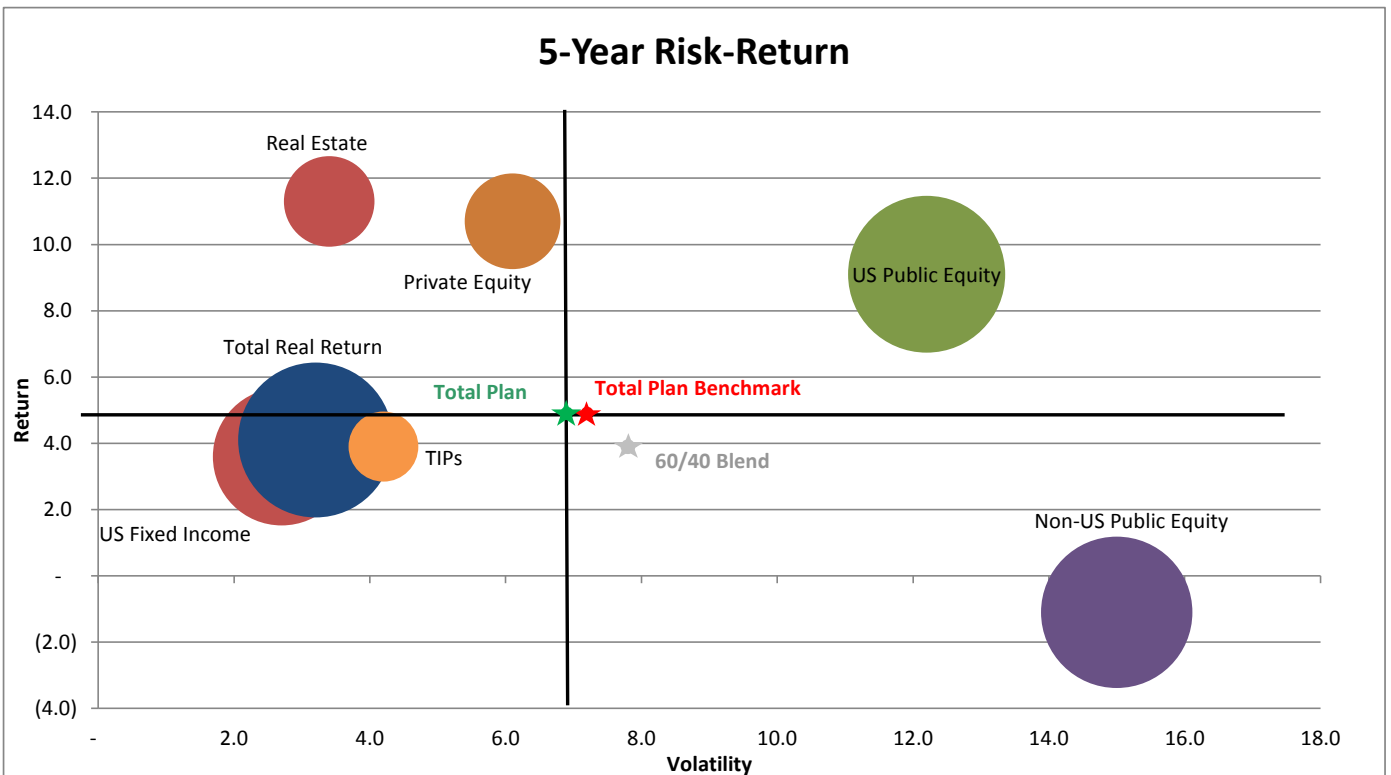
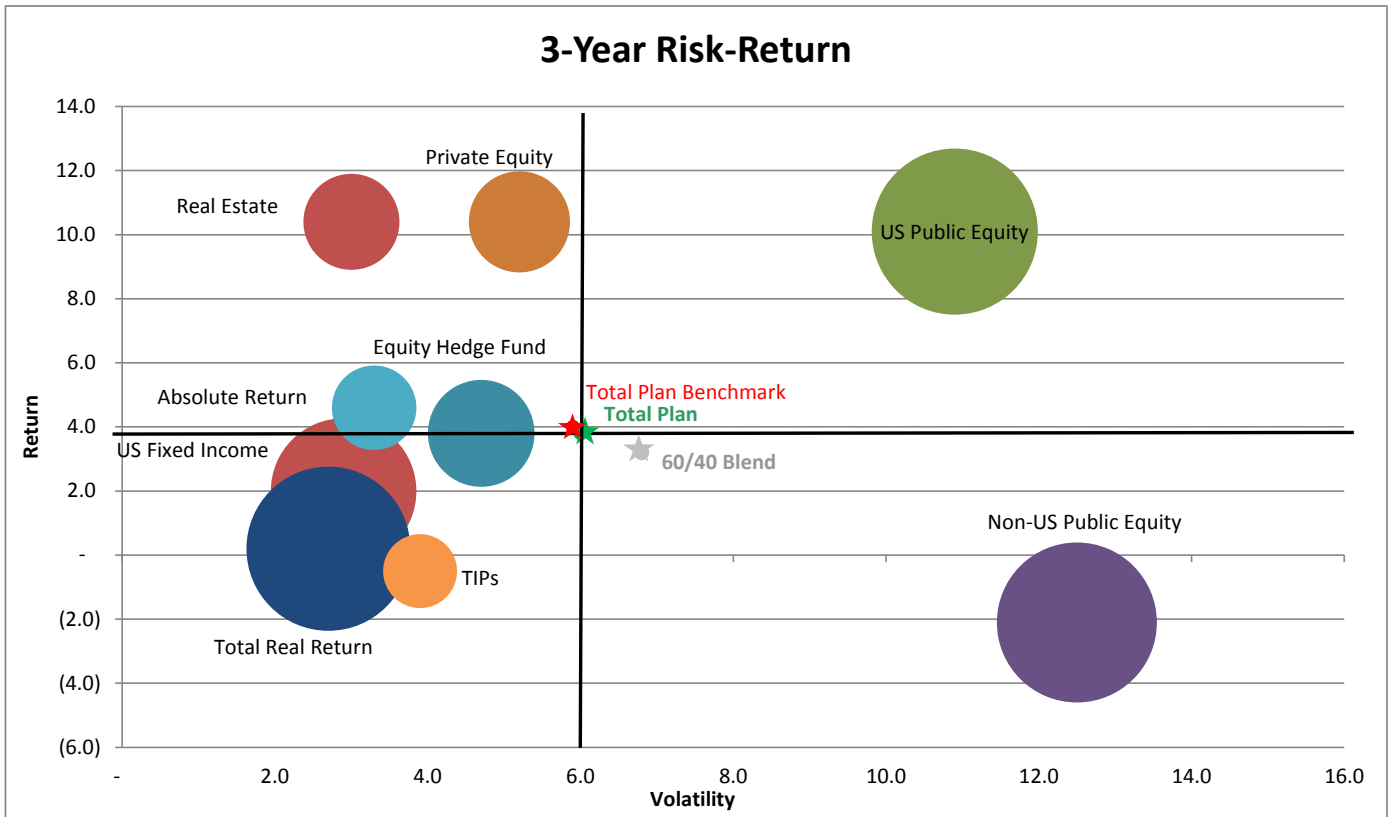
## 5 Years Ending February 29, 2016 Comparison

	TOTAL PLAN	Total Plan Benchmark	60/40 Blend
Ann Return	4.96	4.95	3.90
Ann Ex Ret vs Mkt	0.00		
Ann Tracking Error	1.03		
Ann Std Dev	6.92	7.29	7.88
Beta	0.94		
R-Squared	0.98		
Ann Alpha	0.28		
Ann Sharpe Ratio	0.72	0.69	0.52

# ERSRI Portfolio

% - as of February 29, 2016

Bubble-Size Scaled based on Current Allocations



## Risk Exposures

### 3 Years Ending February 29, 2016

	Annualized Return	Ann Std Dev	Beta (ACWI)	Beta (BC AGG)	Beta (GSCI)	Beta (CPI)
<b>US Public Equity</b>	10.12	10.94	0.92	-0.20	0.17	0.44
<b>Non-US Public Equity</b>	-2.11	12.51	1.08	0.51	0.29	1.20
<b>Equity Hedge Funds</b>	3.80	4.79	0.29	-0.23	0.06	0.56
<b>Private Equity</b>	10.45	5.28	0.02	-0.38	0.12	1.63
<b>Traditional Fixed Income</b>	2.01	2.91	0.03	0.99	-0.04	-0.60
<b>Real Estate</b>	10.42	3.04	0.06	0.56	-0.03	-0.65
<b>Real Return Hedge Funds</b>	3.47	2.85	0.11	0.20	-0.02	-0.08
<b>Inflation-Linked Bonds</b>	-0.59	3.98	0.08	1.12	-0.00	-0.19
<b>Cash</b>	0.43	0.33	0.00	-0.02	-0.00	-0.08
<b>Russell Overlay Fd</b>	0.00	0.09	-0.00	0.00	-0.00	-0.01
<b>TOTAL PLAN</b>	3.86	6.03	0.53	0.25	0.12	0.43

**3 Years Ending February 29, 2016  
Correlation**

Ann Return

	US Pub EQ	Non-US Pub EQ	Eq HF	PE	FI	RE	RR HF	TIPS	Cash	Overlay	Total
<b>US Pub</b>	1.00										
<b>Non-US P</b>	0.82	1.00									
<b>Eq HF</b>	0.73	0.60	1.00								
<b>PE</b>	0.04	0.04	0.13	1.00							
<b>FI</b>	0.02	0.20	-0.08	-0.21	1.00						
<b>RE</b>	0.15	0.24	0.07	-0.16	0.56	1.00					
<b>RR HF</b>	0.43	0.39	0.66	-0.02	0.25	0.12	1.00				
<b>TIPS</b>	0.09	0.33	-0.02	-0.09	0.85	0.58	0.25	1.00			
<b>Cash</b>	0.07	-0.08	-0.02	-0.09	-0.15	-0.15	0.13	-0.18	1.00		
<b>Overlay</b>	-0.35	-0.25	-0.32	-0.13	0.02	0.09	-0.17	0.11	-0.13	1.00	
<b>Total</b>	0.93	0.96	0.72	0.10	0.20	0.26	0.49	0.31	-0.03	-0.31	1.00
<b>Tot BM</b>	0.94	0.96	0.70	0.03	0.17	0.22	0.46	0.26	-0.03	-0.29	0.99

**5 Years Ending February 29, 2016  
Correlation**

Ann Return

	US Pub Eq	Non-US Pub Eq	Eq HF	PE	FI	RE	RR HF	TIPS	Cash	Overlay	Total
<b>US Pub</b>	1.00										
<b>Non-US P</b>	0.87	1.00									
<b>Eq HF</b>	---	---	---								
<b>PE</b>	0.06	0.07	---	1.00							
<b>FI</b>	0.08	0.24	---	-0.21	1.00						
<b>RE</b>	0.06	0.14	---	0.11	0.29	1.00					
<b>RR HF</b>	---	---	---	---	---	---	---				
<b>TIPS</b>	-0.02	0.17	---	-0.07	0.74	0.23	---	1.00			
<b>Cash</b>	0.05	-0.05	---	-0.07	-0.14	-0.05	---	-0.20	1.00		
<b>Overlay</b>	0.19	0.27	---	0.10	0.09	0.10	---	0.18	-0.12	1.00	
<b>Total</b>	0.95	0.97	---	0.12	0.23	0.14	---	0.16	-0.03	0.25	1.00
<b>Tot BM</b>	0.95	0.97	---	0.06	0.21	0.11	---	0.11	-0.02	0.28	0.99

## Section VI.

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### Performance Overview



TOTAL NET OF FEES

2/29/2016

Account Name Benchmark Name	Market Value	% of Total	Month	YTD	Fiscal YTD	1 Year	Annualized				Inception Date
							3 Years	5 Years	10 Years	ITD	
SSGA R3000 INDEX <i>Russell 3000 Index</i>	1,394,607,572	19	0.01 -0.03	-5.58 -5.67	-6.85 -7.03	-7.64 -7.84	10.12 10.05			11.06 11.00	10/1/2012 10/1/2012
<b>US Public Equity</b> <i>Russell 3000 Index</i>	<b>1,394,607,646</b>	<b>19</b>	<b>0.01</b> -0.03	<b>-5.58</b> -5.67	<b>-6.85</b> -7.03	<b>-7.64</b> -7.84	<b>10.12</b> 10.05	<b>9.15</b> 9.61		<b>5.65</b> 5.64	<b>8/1/2007</b> 8/1/2007
SSGA MSCI EAFE <i>MSCI EAFE Net Dividend Index</i>	909,327,418	13	-1.82 -1.83	-8.93 -8.93	-14.35 -14.40	-14.98 -15.18	0.62 0.38			4.49 4.26	9/1/2012 9/1/2012
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	98,078,157	1	3.85 3.81	1.31 1.19	-17.22 -17.56	-20.47 -20.97	-5.79 -6.40			-3.63 -4.26	9/1/2012 9/1/2012
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	287,746,235	4	-0.19 -0.16	-6.73 -6.64	-22.85 -22.84	-23.57 -23.41	-9.08 -8.90			-4.81 -4.63	9/1/2012 9/1/2012
<b>Non-US Public Equity</b> <i>Total International Equity BM</i>	<b>1,295,154,169</b>	<b>18</b>	<b>-1.05</b> -1.14	<b>-7.74</b> -7.87	<b>-16.48</b> -16.46	<b>-17.28</b> -17.37	<b>-2.11</b> -2.20	<b>-1.18</b> -1.38		<b>6.36</b> 5.51	<b>5/1/2009</b> 5/1/2009
QVM Tilt <i>MSCI World Net Dividend Index</i>	469,443,439	7	-0.79 -0.74	-6.58 -6.68						-1.15 -1.55	10/1/2015 10/1/2015
<b>Global Public Equity</b> <i>MSCI All Country World Net Index</i>	<b>3,159,205,254</b>	<b>44</b>	<b>-0.55</b> -0.69	<b>-6.62</b> -6.68	<b>-11.59</b> -11.25	<b>-12.38</b> -12.32	<b>3.95</b> 3.67	<b>4.62</b> 3.71	<b>4.09</b> 3.55	<b>3.13</b>	<b>7/1/2000</b> 7/1/2000
Private Equity <i>ILPA All Fds Custom BM 1Q Lag</i>	517,392,432	7	1.42 1.42	1.37 1.37	3.37 4.75	7.91 8.77	10.45 13.96	10.79 13.35	7.89 9.59	9.05	2/1/1989 2/1/1989
<b>Equity Hedge Funds</b> <i>HFRI Equity Hedge (Total) Index</i>	<b>576,699,781</b>	<b>8</b>	<b>-1.94</b> -0.15	<b>-4.84</b> -4.55	<b>-7.59</b> -8.93	<b>-5.95</b> -7.00	<b>3.80</b> 2.00			<b>5.10</b> 3.22	<b>11/1/2011</b> 11/1/2011
<b>Total Equity</b>	<b>4,253,297,466</b>	<b>59</b>	<b>-0.51</b>	<b>-5.48</b>	<b>-9.44</b>	<b>-9.45</b>	<b>4.68</b>	<b>5.14</b>	<b>4.40</b>	<b>8.48</b>	<b>6/1/1996</b>
MACKAY SHIELDS <i>Barclays U.S. Aggregate Bond Index</i>	532,978,430	7	0.52 0.71	1.84 2.10	2.32 2.76	0.93 1.50	2.17 2.22			1.95 1.93	11/1/2012 11/1/2012
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	540,911,951	7	0.61 0.71	1.60 2.10	1.73 2.76	0.41 1.50	1.86 2.22			1.66 1.93	11/1/2012 11/1/2012
<b>Traditional Fixed Income</b> <i>Barclays U.S. Aggregate Bond Index</i>	<b>1,073,891,509</b>	<b>15</b>	<b>0.57</b> 0.71	<b>1.72</b> 2.10	<b>2.02</b> 2.76	<b>0.67</b> 1.50	<b>2.01</b> 2.22	<b>3.68</b> 3.60	<b>4.65</b> 4.70	<b>5.45</b> 5.36	<b>7/1/2000</b> 7/1/2000

TOTAL NET OF FEES

2/29/2016

Account Name Benchmark Name	Market Value	% of Total	Month	YTD	Fiscal YTD	1 Year	Annualized			ITD	Inception Date
							3 Years	5 Years	10 Years		
<b>Real Return Hedge Funds</b>	<b>500,091,171</b>	<b>7</b>	<b>0.17</b>	<b>0.17</b>	<b>-1.56</b>	<b>-1.34</b>	<b>3.47</b>			<b>4.20</b>	<b>11/1/2011</b>
<i>HFRI Fund of Funds Composite Index</i>			-1.22	-3.80	-6.55	-5.75	1.82			2.55	11/1/2011
PIMCO	203,909,225	3	-0.04	-0.29	-1.86	-1.03				1.47	5/1/2013
<i>30%BoA1-3BB-BHY/70% JPMB/BLLI</i>			0.02	-0.50	-2.40	-1.24				2.03	5/1/2013
WAMCO	189,722,400	3	-0.61	-2.55	-8.06	-7.58				-0.91	4/1/2013
<i>30% BoA 1-3 BB-B HY/70% CS LLI</i>			-0.11	-0.87	-3.72	-2.64				1.65	4/1/2013
<b>Credit Aggregate</b>	<b>393,631,625</b>	<b>5</b>	<b>-0.32</b>	<b>-1.39</b>	<b>-4.95</b>	<b>-4.31</b>				<b>0.17</b>	<b>5/1/2013</b>
<i>Credit Aggregate</i>			-0.04	-0.68	-3.06	-1.91				1.78	5/1/2013
BROWN BROTHERS HARR	277,293,396	4	0.95	2.27	0.64	0.68	-0.59			0.09	11/1/2012
<i>BBH Inflation-Linked Custom BM</i>			0.30	1.33	0.41	0.32	-0.71			-0.14	11/1/2012
<b>Inflation-Linked Bonds</b>	<b>277,293,396</b>	<b>4</b>	<b>0.95</b>	<b>2.27</b>	<b>0.64</b>	<b>0.68</b>	<b>-0.59</b>	<b>3.92</b>		<b>4.30</b>	<b>11/1/2009</b>
<i>Total Inflation Linked Custom</i>			0.30	1.33	0.41	0.32	-0.71	3.69		4.16	11/1/2009
Harvest Fund Advisor	131,088,931	2	-0.56	-12.71	-36.58	-39.51				-35.25	1/1/2015
<i>Alerian MLP Index</i>			-0.48	-11.53	-32.99	-39.74				-35.79	1/1/2015
Priv Listed Infrastructure	57,638,018	1	0.00	-0.65	1.96	-4.07				-4.07	3/1/2015
<b>Total Real Return</b>	<b>1,359,743,140</b>	<b>19</b>	<b>0.11</b>	<b>-1.08</b>	<b>-5.27</b>	<b>-5.50</b>	<b>0.27</b>	<b>4.12</b>	<b>4.88</b>	<b>5.04</b>	<b>6/1/2004</b>
Real Estate	466,272,238	6	0.18	1.99	9.83	13.81	10.42	11.31	2.98	2.56	1/1/2005
<i>NFI-ODCE Index</i>			0.20	2.05	8.67	15.49	13.17	13.71	9.10	9.93	1/1/2005
ERSRI CASH	49,612,923	1	0.03	0.05	0.22	0.24	0.44	0.32	2.52	13.54	7/1/2000
<i>BofA Merrill Lynch 3 Month US Treasury Bill GOO1</i>			0.02	0.03	0.07	0.08	0.06	0.08	1.18	1.74	7/1/2000
<b>Total Cash</b>	<b>55,501,597</b>	<b>1</b>	<b>0.03</b>	<b>0.05</b>	<b>0.20</b>	<b>0.22</b>	<b>0.43</b>	<b>0.32</b>	<b>1.77</b>	<b>2.42</b>	<b>4/1/2004</b>
<b>Russell Overlay Fd</b>	<b>13,064,578</b>	<b>0</b>	<b>0.00</b>	<b>-0.01</b>	<b>0.03</b>	<b>0.04</b>	<b>0.00</b>	<b>0.16</b>		<b>-0.07</b>	<b>9/1/2008</b>
<b>TOTAL PLAN</b>	<b>7,221,930,097</b>	<b>100</b>	<b>-0.18</b>	<b>-3.14</b>	<b>-5.89</b>	<b>-5.95</b>	<b>3.86</b>	<b>4.96</b>	<b>4.33</b>	<b>4.19</b>	<b>7/1/2000</b>
<i>Total Plan Benchmark</i>			-0.16	-3.23	-5.71	-5.69	4.03	4.95	4.47		7/1/2000
<i>60/40 Blend</i>			-0.13	-3.19	-5.68	-6.80	3.25	3.90	4.38		7/1/2000
<b>Total Plan ex PE,RE &amp; Priv Inf</b>	<b>6,180,627,409</b>	<b>86</b>	<b>-0.34</b>	<b>-3.88</b>	<b>-7.60</b>	<b>-8.13</b>	<b>2.92</b>	<b>3.85</b>	<b>3.97</b>	<b>5.82</b>	<b>4/1/1996</b>
<i>Total Plan BM ex PE RE</i>			-0.31	-3.90	-7.31	-7.90	2.99	4.18	3.98		4/1/1996

TOTAL NET OF FEES

2/29/2016

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative				Inception Date		
				1/1/2016 - 1/31/2016	12/1/2015 - 12/31/2015	YTD	2015		2014	2013
SSGA R3000 INDEX <i>Russell 3000 Index</i>	1,394,607,572	19	0.01 -0.03	-5.59 -5.64	-2.06 -2.05	-5.58 -5.67	0.60 0.48	12.59 12.56	33.49 33.55	10/1/2012 10/1/2012
<b>US Public Equity</b> <i>Russell 3000 Index</i>	<b>1,394,607,646</b>	<b>19</b>	<b>0.01</b> -0.03	<b>-5.59</b> -5.64	<b>-2.06</b> -2.05	<b>-5.58</b> -5.67	<b>0.60</b> 0.48	<b>12.57</b> 12.56	<b>33.48</b> 33.55	<b>8/1/2007</b> 8/1/2007
SSGA MSCI EAFE <i>MSCI EAFE Net Dividend Index</i>	909,327,418	13	-1.82 -1.83	-7.24 -7.23	-1.34 -1.35	-8.93 -8.93	-0.59 -0.81	-4.64 -4.90	23.08 22.78	9/1/2012 9/1/2012
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	98,078,157	1	3.85 3.81	-2.45 -2.52	-6.98 -7.05	1.31 1.19	-23.70 -24.16	2.17 1.51	6.35 5.63	9/1/2012 9/1/2012
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	287,746,235	4	-0.19 -0.16	-6.55 -6.49	-2.18 -2.23	-6.73 -6.64	-15.16 -14.92	-2.34 -2.19	-2.81 -2.60	9/1/2012 9/1/2012
<b>Non-US Public Equity</b> <i>Total International Equity BM</i>	<b>1,295,154,169</b>	<b>18</b>	<b>-1.05</b> -1.14	<b>-6.76</b> -6.80	<b>-2.04</b> -1.88	<b>-7.74</b> -7.87	<b>-5.77</b> -5.66	<b>-3.63</b> -3.87	<b>15.18</b> 15.29	<b>5/1/2009</b> 5/1/2009
QVM Tilt <i>MSCI World Net Dividend Index</i>	469,443,439	7	-0.79 -0.74	-5.83 -5.98	-1.46 -1.76	-6.58 -6.68				10/1/2015 10/1/2015
<b>Global Public Equity</b> <i>MSCI All Country World Net Index</i>	<b>3,159,205,254</b>	<b>44</b>	<b>-0.55</b> -0.69	<b>-6.11</b> -6.03	<b>-1.92</b> -1.80	<b>-6.62</b> -6.68	<b>-2.48</b> -2.36	<b>4.35</b> 4.16	<b>23.90</b> 22.80	<b>7/1/2000</b> 7/1/2000
Private Equity <i>ILPA All Fds Custom BM 1Q Lag</i>	517,392,432	7	1.42 1.42	-0.06 -0.06	0.17 -1.45	1.37 1.37	7.02 7.30	7.70 16.42	14.86 25.14	2/1/1989 2/1/1989
<b>Equity Hedge Funds</b> <i>HFRI Equity Hedge (Total) Index</i>	<b>576,699,781</b>	<b>8</b>	<b>-1.94</b> -0.15	<b>-2.95</b> -4.41	<b>-0.61</b> -1.11	<b>-4.84</b> -4.55	<b>1.27</b> -0.93	<b>2.64</b> 1.81	<b>17.11</b> 14.28	<b>11/1/2011</b> 11/1/2011
<b>Total Equity</b>	<b>4,253,297,466</b>	<b>59</b>	<b>-0.51</b>	<b>-5.00</b>	<b>-1.51</b>	<b>-5.48</b>	<b>-0.95</b>	<b>4.48</b>	<b>21.95</b>	<b>6/1/1996</b>
MACKAY SHIELDS <i>Barclays U.S. Aggregate Bond Index</i>	532,978,430	7	0.52 0.71	1.31 1.38	-0.45 -0.32	1.84 2.10	0.48 0.55	6.00 5.97	-1.79 -2.02	11/1/2012 11/1/2012
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	540,911,951	7	0.61 0.71	0.98 1.38	-0.62 -0.32	1.60 2.10	0.01 0.55	5.83 5.97	-1.93 -2.02	11/1/2012 11/1/2012
<b>Traditional Fixed Income</b> <i>Barclays U.S. Aggregate Bond Index</i>	<b>1,073,891,509</b>	<b>15</b>	<b>0.57</b> 0.71	<b>1.14</b> 1.38	<b>-0.54</b> -0.32	<b>1.72</b> 2.10	<b>0.25</b> 0.55	<b>5.91</b> 5.97	<b>-1.86</b> -2.02	<b>7/1/2000</b> 7/1/2000

TOTAL NET OF FEES

2/29/2016

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative				Inception Date		
				1/1/2016 - 1/31/2016	12/1/2015 - 12/31/2015	YTD	2015		2014	2013
<b>Real Return Hedge Funds</b>	<b>500,091,171</b>	<b>7</b>	<b>0.17</b>	<b>0.00</b>	<b>-0.88</b>	<b>0.17</b>	<b>0.86</b>	<b>4.70</b>	<b>6.96</b>	<b>11/1/2011</b>
<i>HFRI Fund of Funds Composite Index</i>			-1.22	-2.62	-0.39	-3.80	-0.23	3.37	8.96	11/1/2011
PIMCO	203,909,225	3	-0.04	-0.25	-0.67	-0.29	1.13	1.22		5/1/2013
<i>30%BoA1-3BB-BHY/70% JPMB/BLLI</i>			0.02	-0.52	-0.66	-0.50	1.00	2.11		5/1/2013
WAMCO	189,722,400	3	-0.61	-1.95	-1.70	-2.55	-3.69	0.10		4/1/2013
<i>30% BoA 1-3 BB-B HY/70% CS LLI</i>			-0.11	-0.76	-0.92	-0.87	-0.18	2.03		4/1/2013
<b>Credit Aggregate</b>	<b>393,631,625</b>	<b>5</b>	<b>-0.32</b>	<b>-1.08</b>	<b>-1.17</b>	<b>-1.39</b>	<b>-1.29</b>	<b>0.66</b>		<b>5/1/2013</b>
<i>Credit Aggregate</i>			-0.04	-0.64	-0.79	-0.68	0.49	2.11		5/1/2013
BROWN BROTHERS HARR	277,293,396	4	0.95	1.31	-0.54	2.27	-0.26	1.72	-5.03	11/1/2012
<i>BBH Inflation-Linked Custom BM</i>			0.30	1.02	-0.91	1.33	0.14	2.04	-5.13	11/1/2012
<b>Inflation-Linked Bonds</b>	<b>277,293,396</b>	<b>4</b>	<b>0.95</b>	<b>1.31</b>	<b>-0.54</b>	<b>2.27</b>	<b>-0.26</b>	<b>1.72</b>	<b>-5.03</b>	<b>11/1/2009</b>
<i>Total Inflation Linked Custom</i>			0.30	1.02	-0.91	1.33	0.14	2.04	-5.13	11/1/2009
Harvest Fund Advisor	131,088,931	2	-0.56	-12.22	-5.33	-12.71	-31.01			1/1/2015
<i>Alerian MLP Index</i>			-0.48	-11.10	-3.57	-11.53	-32.59			1/1/2015
Priv Listed Infrastructure	57,638,018	1	0.00	-0.65	0.00	-0.65				3/1/2015
<i>CPI + 4%</i>				0.50	-0.01					3/1/2015
<b>Total Real Return</b>	<b>1,359,743,140</b>	<b>19</b>	<b>0.11</b>	<b>-1.18</b>	<b>-0.94</b>	<b>-1.08</b>	<b>-2.76</b>	<b>2.74</b>	<b>3.39</b>	<b>6/1/2004</b>
Real Estate	466,272,238	6	0.18	1.81	0.45	1.99	14.22	10.90	5.65	1/1/2005
<i>NFI-ODCE Index</i>			0.20	1.85	0.45	2.05	13.17	12.26	12.00	1/1/2005
ERSRI CASH	49,612,923	1	0.03	0.02	0.04	0.05	0.40	0.75	0.14	7/1/2000
<i>BofA Merrill Lynch 3 Month US Treasury Bill GOO1</i>			0.02	0.00	0.03	0.03	0.05	0.03	0.07	7/1/2000
<b>Total Cash</b>	<b>55,501,597</b>	<b>1</b>	<b>0.03</b>	<b>0.02</b>	<b>0.03</b>	<b>0.05</b>	<b>0.38</b>	<b>0.74</b>	<b>0.13</b>	<b>4/1/2004</b>
<b>Russell Overlay Fd</b>	<b>13,064,578</b>	<b>0</b>	<b>0.00</b>	<b>-0.01</b>	<b>-0.01</b>	<b>-0.01</b>	<b>0.00</b>	<b>-0.02</b>	<b>0.17</b>	<b>9/1/2008</b>
<b>TOTAL PLAN</b>	<b>7,221,930,097</b>	<b>100</b>	<b>-0.18</b>	<b>-2.96</b>	<b>-1.15</b>	<b>-3.14</b>	<b>-0.28</b>	<b>4.49</b>	<b>14.06</b>	<b>7/1/2000</b>
<i>Total Plan Benchmark</i>			-0.16	-3.07	-1.16	-3.23	-0.27	5.05	14.47	7/1/2000
<i>60/40 Blend</i>			-0.13	-3.07	-1.21	-3.19	-0.98	4.96	12.32	7/1/2000
<b>Total Plan ex Overlay</b>	<b>7,208,865,519</b>	<b>100</b>	<b>-0.18</b>	<b>-2.96</b>	<b>-1.14</b>	<b>-3.14</b>	<b>-0.29</b>	<b>4.52</b>	<b>13.87</b>	<b>8/1/2008</b>
<i>Total Plan Benchmark</i>			-0.16	-3.07	-1.16	-3.23	-0.27	5.05	14.47	8/1/2008

TOTAL NET OF FEES

2/29/2016

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative		YTD	2015	2014	2013	Inception Date
				1/1/2016 - 1/31/2016	12/1/2015 - 12/31/2015					
Total Plan ex PE,RE & Priv Inf	6,180,627,409	86	-0.34	-3.55	-1.37	-3.88	-1.68	3.98	14.33	4/1/1996
Total Plan BM ex PE RE			-0.31	-3.60	-1.23	-3.90	-1.63	3.90	14.57	4/1/1996

END NOTES

2/29/2016

1 RI6G23000000 TOTAL PLAN

Month - Current Month

Cumulative Months - Prior Month and Second Prior Month

Monthly Reporting for Private Equity and Real Estate skew performance on an actual and benchmark basis due to nature of valuations

2014, 2013, 2012 - Calendar Years

RI6G23000000 TOTAL PLAN

The current composition of the Total Plan Benchmark is as follows:

15.0% Barclays U.S. Aggregate Bond Index

44.5% MSCI All Country World Net Index

7.0% HFRI Fund of Funds Composite Index

3.0% BofA Merrill Lynch 3 Month US Treasury Bill

8.0% HFRI Equity Hedge (Total) Index

5.0% NFI-ODCE Index

4.0% Barclays U.S. Treasury Inflation Notes: 1-10 Year Index

5.0% Credit Aggregate Custom: 30% BoA1-3BB-B HY/35%CSInstLLI/35% JPM BB/B Leveraged Loan Index

7.0% ILPA All Funds Index

1.5% Alerian MLP Total Return Index

**Employees' Retirement System of the State of Rhode Island**

Hedge Fund Portfolio

Portfolio Performance Summary

Estimated as of February 29, 2016

Fund	Market Value	Actual %	Returns								Std Dev	Sharpe Ratio	Incep Date
			Feb	QTD	YTD	FYTD	1 Year	3 Year	5 Year	Incep			
<b>Global Equities</b>													
Ascend Partners Fund II LP	69,084,231	6.4%	-2.85%	-5.73%	-5.73%	-5.38%	-5.08%	3.50%	-	3.31%	3.48%	0.85	Nov-11
Davidson Kempner Institutional Partners, L.P.	75,308,241	7.0%	-0.50%	-0.20%	-0.20%	-0.31%	0.85%	4.34%	-	5.38%	2.15%	2.30	Nov-11
Elliott Associates, L.P.	87,046,685	8.1%	4.30%	2.63%	2.63%	2.57%	6.86%	8.46%	-	8.97%	3.86%	2.16	Nov-11
ESG Cross Border Equity Fund LP	42,318,980	3.9%	-5.40%	-3.68%	-3.68%	-7.79%	-8.63%	-	-	-9.06%	8.41%	-1.12	Jun-14
Indus Asia Pacific Fund, LP	439,110	0.0%	-0.90%	-3.20%	-3.20%	-34.51%	-36.49%	-18.12%	-	-11.29%	14.50%	-0.76	Jan-12
Luxor Capital Partners, LP	34,488,540	3.2%	0.58%	-4.65%	-4.65%	-25.87%	-21.34%	-	-	-18.34%	10.57%	-1.88	May-14
PFM Diversified Fund, L.P.	74,781,914	7.0%	-2.34%	-9.66%	-9.66%	-11.41%	-6.93%	5.76%	-	5.85%	9.56%	0.61	Mar-12
Samlyn Onshore Fund, L.P.	99,414,898	9.2%	-2.69%	-7.01%	-7.01%	-13.56%	-12.00%	4.58%	-	6.90%	6.78%	0.97	Jan-12
Viking Global Equities, LP	92,401,789	8.6%	-7.10%	-9.70%	-9.70%	-7.36%	-5.99%	10.16%	-	10.69%	7.34%	1.38	Dec-11
<b>Total Global Equities</b>	<b>575,284,387</b>	<b>53.5%</b>	<b>-2.15%</b>	<b>-5.09%</b>	<b>-5.09%</b>	<b>-8.06%</b>	<b>-5.90%</b>	<b>3.73%</b>	<b>-</b>	<b>5.00%</b>	<b>4.58%</b>	<b>1.01</b>	<b>Nov-11</b>
MSCI AC World Index Free - Net			-0.69%	-6.68%	-6.68%	-11.25%	-12.32%	3.67%	-	6.43%	11.71%	0.56	Nov-11
Russell 3000 Index (DRI)			-0.03%	-5.67%	-5.67%	-7.03%	-7.84%	10.06%	-	12.53%	10.74%	1.13	Nov-11
HFRI Equity Hedge (Total) Index			-0.28%	-4.74%	-4.74%	-9.11%	-7.18%	1.94%	-	3.17%	6.39%	0.47	Nov-11
<b>Real Return</b>													
BlueCrest Capital LP	506,906	0.0%	0.00%	0.00%	0.00%	0.00%	2.89%	-1.47%	-	0.33%	3.89%	0.02	Jan-12
Brevan Howard LP	79,182,587	7.4%	0.52%	1.02%	1.02%	-2.53%	-3.56%	-0.80%	-	1.26%	5.35%	0.20	Nov-11
Brigade Leveraged Capital Structures Fund LP	49,933,760	4.6%	-0.70%	0.14%	0.14%	-14.14%	-12.71%	-1.77%	-	-0.03%	4.99%	-0.05	Mar-12
Capula Global Relative Value Fund Ltd.	63,781,487	5.9%	0.73%	1.71%	1.71%	4.90%	6.72%	7.78%	-	5.90%	1.93%	2.80	Dec-11
Claren Road Credit Fund, Ltd.	23,582,835	2.2%	-0.35%	0.24%	0.24%	-1.97%	-7.60%	-	-	-5.27%	7.36%	-0.74	Apr-13
DE Shaw Composite Fund LLC	90,816,895	8.4%					10.75%	13.91%	-	14.77%	4.35%	3.13	Nov-11
Graham Absolute Return Trading Ltd.	56,257,938	5.2%	0.87%	1.61%	1.61%	0.89%	0.03%	2.16%	-	2.87%	4.57%	0.57	Jan-12
OZ Domestic Partners II, L.P.	97,695,391	9.1%	-2.21%	-4.28%	-4.28%	-8.56%	-7.37%	3.98%	-	6.29%	4.85%	1.22	Nov-11
Winton Futures Fund Limited	38,333,373	3.6%	2.08%	4.00%	4.00%	7.02%	2.24%	8.40%	-	5.94%	8.78%	0.66	Dec-11
<b>Total Real Return</b>	<b>500,091,171</b>	<b>46.5%</b>	<b>0.17%</b>	<b>0.30%</b>	<b>0.30%</b>	<b>-1.51%</b>	<b>-1.37%</b>	<b>3.45%</b>	<b>-</b>	<b>4.19%</b>	<b>2.75%</b>	<b>1.38</b>	<b>Nov-11</b>
ML 3-month T-Bills			0.02%	0.03%	0.03%	0.07%	0.08%	0.06%	-	0.07%	0.02%	-	Nov-11
HFRI Fund of Funds Composite Index			-1.27%	-3.88%	-3.88%	-6.60%	-5.80%	1.80%	-	2.54%	3.71%	0.60	Nov-11
<b>Total Hedge Fund Portfolio</b>	<b>1,075,375,558</b>	<b>100.0%</b>	<b>-1.09%</b>	<b>-2.63%</b>	<b>-2.63%</b>	<b>-5.09%</b>	<b>-3.85%</b>	<b>3.62%</b>	<b>-</b>	<b>4.64%</b>	<b>3.45%</b>	<b>1.23</b>	<b>Nov-11</b>
HFRI Fund of Funds Composite Index			-1.27%	-3.88%	-3.88%	-6.60%	-5.80%	1.80%	-	2.54%	3.71%	0.60	Nov-11

## Employees' Retirement System of the State of Rhode Island

Hedge Fund Portfolio

Portfolio Performance Summary

Estimated as of February 29, 2016

Fund	Market Value	Actual %	Returns								Std Dev	Sharpe Ratio	Incep Date
			Feb	QTD	YTD	FYTD	1 Year	3 Year	5 Year	Incep			
<b>Market Indices</b>													
Libor3Month			0.05%	0.10%	0.10%	0.30%	0.39%	0.30%	-	0.33%	0.03%	-	Nov-11
Barclays Aggregate Bond Index			0.71%	2.10%	2.10%	2.79%	1.53%	2.22%	-	2.70%	2.72%	0.87	Nov-11
Barclays High Yield Credit Bond Index			0.57%	-1.05%	-1.05%	-7.79%	-8.30%	0.72%	-	4.51%	5.40%	0.78	Nov-11
S&P 500 TR			-0.13%	-5.09%	-5.09%	-4.95%	-6.19%	10.75%	-	12.92%	10.53%	1.18	Nov-11
MSCI EAFE - Net			-1.83%	-8.93%	-8.93%	-14.40%	-15.18%	0.38%	-	3.61%	13.95%	0.30	Nov-11
MSCI EMF (Emerging Markets Free) - Net			-0.16%	-6.64%	-6.64%	-22.84%	-23.41%	-8.90%	-	-4.34%	15.86%	-0.22	Nov-11

Most recent month returns are based on manager estimates; prior months use final market values.

Hedge Fund Research, Inc. ("HFR") is the source and owner of the HFR data contained or reflected in this report. The HFR indices included in this report are revised by HFR for up to three months following their initial release. The revisions are reflected in the trailing period returns.

This report reflects information only through the date hereof. Our due diligence and reporting rely upon the accuracy and completeness of financial information (which may or may not be audited by the fund manager) and other information publicly available or provided to us by the fund manager, its professional staff, and references we have contacted and other third parties. We have not conducted an independent verification of the information provided other than as described in this report. Our conclusions do not reflect an audit of the investment nor should they be construed as providing legal advice. Past performance does not guarantee future performance. The information contained herein is confidential commercial or financial information, the disclosure of which would cause substantial competitive harm to you, Cliffwater LLC, or the person or entity from whom the information was obtained, and may not be disclosed except as required by applicable law.

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**Employees' Retirement System of the State of Rhode Island**

Hedge Fund Portfolio  
Fund Level Performance Report  
Estimated as of February 29, 2016

Fund	Trailing Returns					Calendar Year Returns					5 Yr Std Dev	Sharpe Ratio			Start Date			
	QTD	YTD	Feb	Jan	Dec	1 Year	3 Year	5 Year	2015	2014		2013	2012	2011		3 yr	5 yr	Incep.
<b>Global Equities</b>																		
Ascend Partners Fund II LP	-4.09%	-4.09%	-2.04%	-2.09%	0.04%	-3.00%	4.27%	2.56%	2.66%	5.09%	12.22%	2.50%	-3.02%	3.59%	1.16	0.63	0.99	Jan-04
Davidson Kempner Institutional Partners, L.P.	-0.21%	-0.21%	-0.50%	0.29%	0.01%	0.85%	4.32%	4.03%	1.51%	4.45%	9.52%	6.87%	1.27%	2.56%	1.69	1.43	1.52	Mar-96
Elliott Associates, L.P.	2.63%	2.63%	4.30%	-1.60%	-0.30%	5.43%	7.94%	8.04%	2.51%	8.24%	12.44%	13.18%	3.94%	3.49%	2.01	2.14	1.89	Jan-90
ESG Cross Border Equity Fund LP	-3.70%	-3.70%	-5.40%	1.80%	1.80%	-8.74%	-2.69%	2.42%	-5.06%	-7.16%	13.59%	6.74%	9.45%	7.07%	-0.37	0.33	0.73	Jan-04
Indus Asia Pacific Fund, LP	-3.20%	-3.20%	-0.90%	-2.32%	3.85%	-36.49%	-18.01%	-10.45%	-33.23%	-15.60%	4.97%	8.21%	-7.18%	13.76%	-1.14	-0.75	0.17	Dec-00
Luxor Capital Partners, LP	-4.72%	-4.72%	0.54%	-5.23%	-6.75%	-21.65%	-8.09%	-3.53%	-19.05%	-9.83%	19.53%	5.21%	-2.89%	8.60%	-0.88	-0.41	0.75	Apr-02
PFM Diversified Fund, L.P.	-9.64%	-9.64%	-2.34%	-7.48%	-0.84%	-6.90%	5.60%	3.98%	8.10%	2.84%	22.17%	5.59%	-3.35%	8.79%	0.56	0.45	0.81	Nov-04
Samlyn Onshore Fund, L.P.	-6.88%	-6.88%	-2.70%	-4.30%	-1.37%	-12.15%	4.28%	4.02%	-1.29%	9.24%	18.93%	10.49%	-5.05%	7.60%	0.58	0.51	0.96	Mar-07
Viking Global Equities, LP	-9.70%	-9.70%	-7.10%	-2.80%	1.00%	-6.12%	10.05%	9.84%	8.27%	13.47%	22.65%	12.75%	7.71%	7.17%	1.14	1.30	1.44	Oct-99
<b>Real Return</b>																		
BlueCrest Capital LP	0.00%	0.00%	0.00%	0.00%	0.00%	5.64%	-0.58%	1.61%	-0.16%	0.15%	-1.55%	5.82%	6.10%	3.68%	-0.17	0.36	1.34	Jun-01
Brevan Howard LP	1.02%	1.02%	0.52%	0.50%	-3.88%	-3.57%	-0.81%	3.06%	-1.98%	-0.78%	2.68%	3.91%	12.21%	5.88%	-0.17	0.49	1.00	Sep-05
Brigade Leveraged Capital Structures Fund LP	0.12%	0.12%	-0.71%	0.84%	-3.74%	-12.71%	-1.77%	0.26%	-10.73%	0.61%	6.13%	6.91%	2.55%	4.61%	-0.34	0.01	0.45	Jan-07
Capula Global Relative Value Fund Ltd.	1.71%	1.71%	0.73%	0.97%	0.32%	6.72%	7.77%	6.14%	7.53%	8.14%	7.60%	0.41%	6.19%	2.04%	4.20	2.77	1.86	Oct-05
Claren Road Credit Fund, Ltd.	1.46%	1.46%	0.01%	1.45%	-0.61%	-7.62%	-4.67%	-1.35%	-7.96%	-10.10%	5.43%	1.49%	6.88%	6.28%	-0.64	-0.24	0.69	Jan-06
DE Shaw Composite Fund LLC						10.78%	13.07%	11.96%	14.62%	15.57%	11.51%	13.94%	3.69%	4.26%	2.82	2.61	1.58	Mar-01
Graham Absolute Return Trading Ltd.	1.64%	1.64%	0.87%	0.76%	-1.84%	-1.37%	6.70%	6.39%	1.50%	10.42%	10.50%	9.29%	4.64%	8.23%	0.79	0.75	1.05	Jan-05
OZ Domestic Partners II, L.P.	-4.13%	-4.13%	-2.21%	-1.96%	-0.28%	-7.11%	3.75%	4.58%	-0.44%	5.45%	14.20%	12.01%	0.17%	4.66%	0.66	0.91	0.98	Jan-04
Winton Futures Fund Limited	4.00%	4.00%	2.08%	1.88%	-1.94%	2.26%	8.41%	5.71%	0.95%	13.88%	9.43%	-3.56%	6.29%	8.70%	0.87	0.64	0.72	Oct-97
<b>Benchmark</b>																		
HFRI Fund of Funds Composite Index	-3.88%	-3.88%	-1.27%	-2.64%	-0.37%	-5.80%	1.80%	1.11%	-0.21%	3.37%	8.96%	4.79%	-5.72%	4.05%				Jan-90
HFRI Fund Weighted Composite Index	-2.34%	-2.34%	0.16%	-2.50%	-1.13%	-5.16%	1.89%	1.48%	-1.10%	2.98%	9.13%	6.36%	-5.25%	4.89%				Jan-90
<b>Market Indices</b>																		
3 Month Libor - BOM	0.10%	0.10%	0.05%	0.05%	0.05%	0.39%	0.30%	0.33%	0.33%	0.23%	0.27%	0.42%	0.35%	0.03%				Jan-87
Barclays Aggregate Bond Index	2.10%	2.10%	0.71%	1.38%	-0.32%	1.53%	2.22%	3.61%	0.57%	5.94%	-2.02%	4.23%	7.86%	2.76%				Jan-76
Barclays High Yield Credit Bond Index	-1.05%	-1.05%	0.57%	-1.61%	-2.52%	-8.30%	0.72%	4.09%	-4.46%	2.46%	7.46%	15.81%	4.98%	6.25%				Jul-83
S&P 500 (TR)	-5.09%	-5.09%	-0.13%	-4.96%	-1.58%	-6.19%	10.75%	10.13%	1.38%	13.69%	32.39%	16.00%	2.11%	11.94%				Jun-88
MSCI EAFE - Net - USD	-8.93%	-8.93%	-1.83%	-7.23%	-1.35%	-15.18%	0.38%	0.56%	-0.81%	-4.90%	22.78%	17.31%	-12.13%	15.31%				Dec-69
MSCI EMF (EMERGING MARKETS FREE) - Net - USD	-6.64%	-6.64%	-0.16%	-6.49%	-2.23%	-23.41%	-8.90%	-5.41%	-14.92%	-2.19%	-2.60%	18.23%	-18.42%	17.97%				Dec-87

Note: The above is manager composite history.

# Portfolio Summary

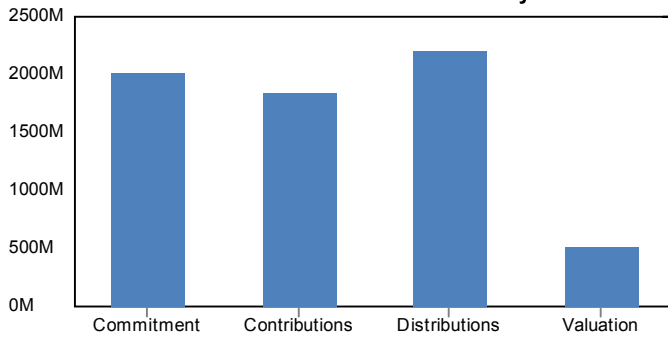
2/29/2016

All Portfolio Investments

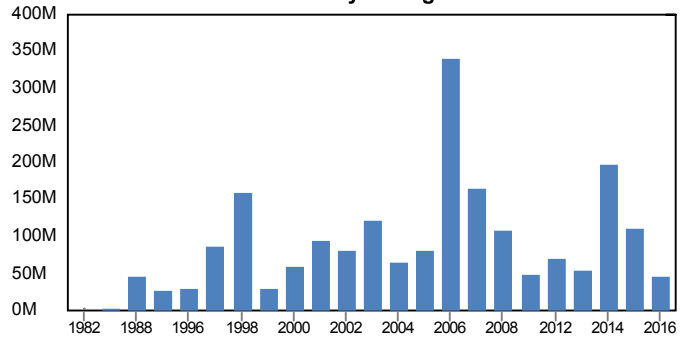
## Performance Summary

Asset Class	Investment Type	Number of Investments	Commitment	Contributions	Distributions	Adjusted Valuation	Multiple of Cost	IRR	TWR	
Private Equity Funds	Agriculture	1	30,000,000	6,492,734	0	5,321,811	0.82	-31.80	-93.96	
	Buyout	73	1,186,315,947	1,127,253,167	1,441,876,395	277,871,755	1.53	13.01	13.08	
	Direct Lending	2	45,000,000	31,848,360	15,335,979	19,906,784	1.11	6.84	6.69	
	Distressed Debt	14	238,000,000	211,486,436	220,098,335	71,083,409	1.38	10.45	10.16	
	Energy	8	148,000,000	126,622,469	175,767,628	18,486,280	1.53	23.89	6.86	
	Fund of Funds	1	45,000,000	45,000,000	106,748,821	0	2.37	19.94	-100.00	
	Secondary	4	60,000,000	54,909,565	57,241,659	11,545,618	1.25	6.63	5.45	
	Venture Capital	21	271,250,000	242,662,294	195,062,708	117,032,732	1.29	5.16	1.91	
	<b>Total: Private Equity Funds</b>		<b>124</b>	<b>2,023,565,947</b>	<b>1,846,275,025</b>	<b>2,212,131,525</b>	<b>521,248,389</b>	<b>1.48</b>	<b>13.41</b>	<b>10.83</b>
	<b>Total:</b>		<b>124</b>	<b>2,023,565,947</b>	<b>1,846,275,025</b>	<b>2,212,131,525</b>	<b>521,248,389</b>	<b>1.48</b>	<b>13.41</b>	<b>10.83</b>

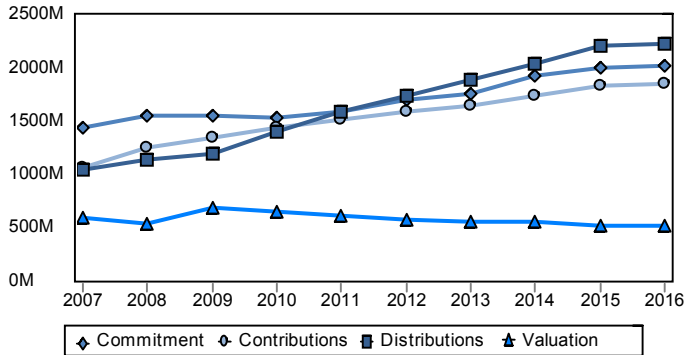
Cash Flow and Valuation Summary



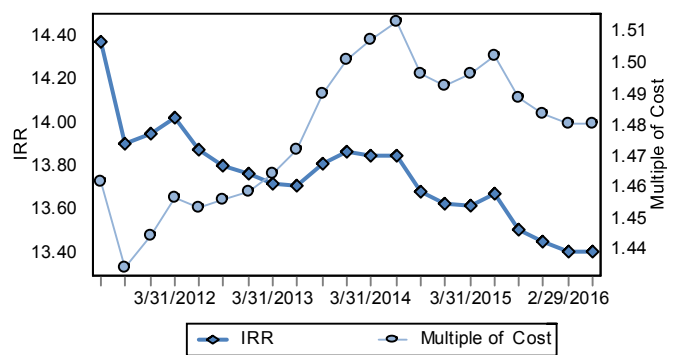
Commitment by Vintage Year



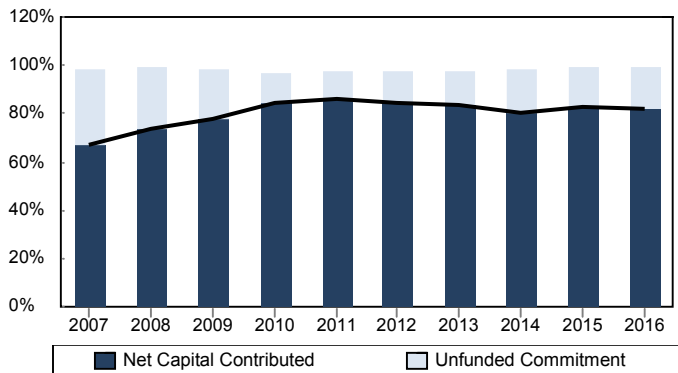
Historical Cash Flows and Valuation



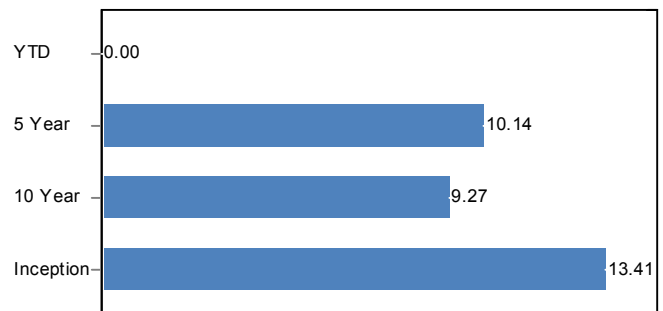
Historical Performance



Historical Percent Funded



Period IRRs





## PORTFOLIO SUMMARY

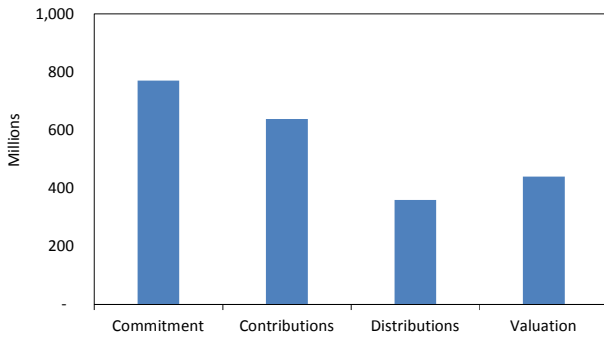
9/30/2015

All Portfolio Investments - Real Estate

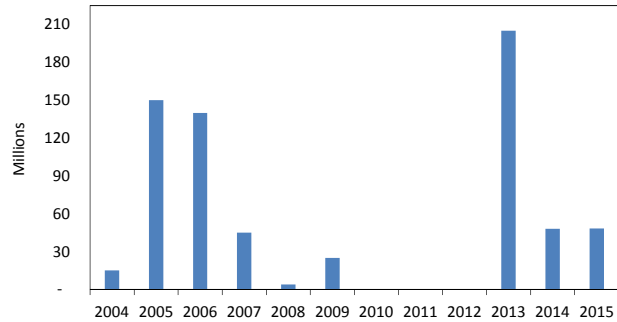
### Performance Summary

Asset Class	Investment Type	Number of Investments	Commitment	Contributions	Distributions	Adjusted Valuation	Multiple of Cost	IRR	TWR
Real Estate Funds	Core	8	405,000,000	430,226,657	234,171,191	374,289,169	1.4x	5.1%	5.4%
	Non-Core	19	365,260,817	245,691,625	125,956,686	65,237,644	0.8x	-6.4%	-0.2%
<b>Total: Real Estate Funds</b>		<b>27</b>	<b>770,260,817</b>	<b>675,918,282</b>	<b>360,127,877</b>	<b>439,526,813</b>	<b>1.2x</b>	<b>3.1%</b>	<b>4.5%</b>
<b>Total:</b>		<b>27</b>	<b>770,260,817</b>	<b>675,918,282</b>	<b>360,127,877</b>	<b>439,526,813</b>	<b>1.2x</b>	<b>3.1%</b>	<b>4.5%</b>

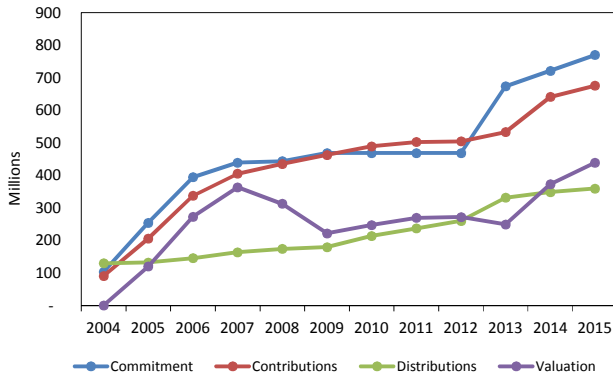
### Cash Flow and Valuation Summary



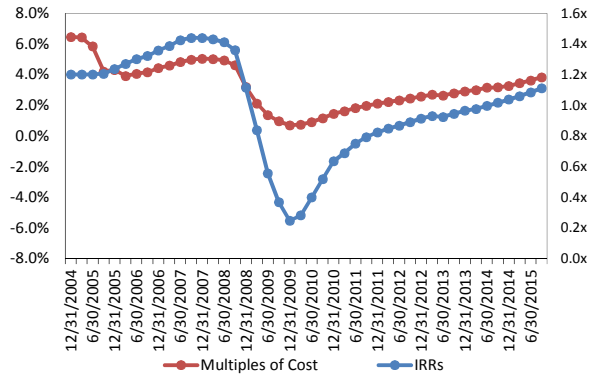
### Commitment by Vintage Year



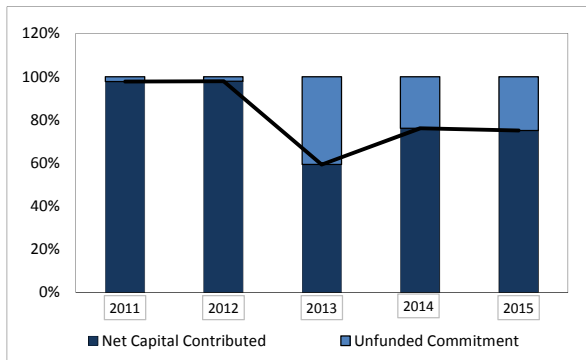
### Historical Cash Flows and Valuation



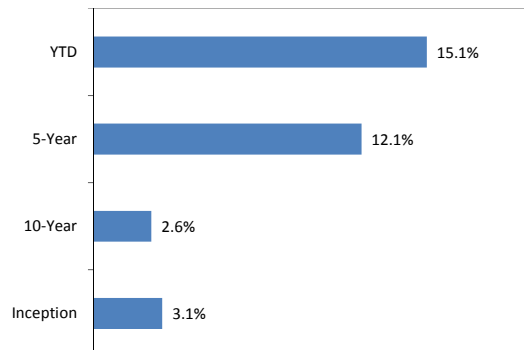
### Historical Performance



### Historical Percent Funded



### Period IRRs



**Employees' Retirement System of Rhode Island Real Estate Performance  
9/30/2015**

Current Partnerships	Vintage Year	Amount Committed (In \$ unless otherwise noted)	Cumulative Cash Flows (\$)			Cumulative Performance*	
			Amount Drawn	Amount Distributed	Valuation (\$)	Net IRR (%)	Net Multiple of Investment
AEW Core Property Trust	open-end	60,000,000	60,000,000	10,480,447	83,259,897	13.1%	1.6
Crow Holdings Retail Fund	2015	24,000,000	1,059,978	-	763,630	n/a	n/a
Exeter Industrial Value Fund III	2014	30,000,000	13,500,000	72	14,132,447	10.6%	1.0
Fillmore East Fund	2006	10,000,000	10,000,000	8,104,870	181,774	-9.6%	0.7
GEM Realty Fund V	2013	50,000,000	18,208,750	875,000	19,597,234	15.7%	1.1
Heitman America Real Estate Trust	open-end	60,000,000	60,000,000	2,331,888	68,388,353	15.9%	1.1
IC Berkeley Partners III	2013	18,000,000	9,558,326	-	11,339,013	32.7%	1.2
JP Morgan Strategic Property Fund	open-end	75,000,000	75,000,000	19,717,849	96,410,754	6.0%	1.4
JP Morgan Alternative Property Fund	2006	20,000,000	20,000,000	14,696,299	215,065	-4.4%	0.7
Magna Hotel Fund III	2008	4,000,000	3,387,357	3,023,283	3,687,265	20.4%	2.0
Morgan Stanley Prime Property Fund	open-end	35,000,000	35,000,000	16,492,315	56,258,766	7.0%	1.8
Prudential (PRISA)	open-end	50,000,000	50,000,000	13,886,326	69,971,399	4.8%	1.5
TriCon Capital Fund VII	2005	15,000,000	14,571,533	3,625,896	1,392,326	-20.9%	0.3
Waterton Fund XII	2014	35,000,000	12,304,640	551,685	13,928,890	42.1%	1.1
<b>Total</b>		<b>\$ 486,000,000</b>	<b>\$ 382,590,584</b>	<b>\$ 93,785,930</b>	<b>\$ 439,526,813</b>		

\*IRR refers to the fund's Internal Rate of Return, or the annualized compounded yield on an investment. This calculation is typically applied in private real estate where there are multiple points at which capital is invested (capital called) and at which it is distributed. A positive IRR means that the fund's current value plus any cash distributions are greater than the cash value contributed and management fees paid. Typically a fund will have a negative IRR during the first few years of its life, a period referred to as the "J-Curve", because cash is invested upfront and it takes time to generate value. It is important to consider a fund's start date (vintage year) when assessing IRRs. Multiple of investment is another indicator of returns, and is calculated by dividing the fund's cumulative distributions and current value, after fees, by the amount of capital paid in. Please note that performance calculations are specific to the ERSRI investment, and were not prepared, reviewed or approved by the General Partners.

## Section VII.

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### Cash Flow

# Monthly Valuation Change

Period : 2016-02-01 - 2016-02-29

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Grand Total</b>		<b>7,221,930,096.60</b>	<b>(13,380,319.99)</b>	<b>(31,933,309.20)</b>	<b>7,267,243,725.79</b>
<b>Total Global Equity</b>		<b>4,202,174,837.89</b>	<b>(28,042,643.43)</b>	<b>3,951,732.44</b>	<b>4,226,265,748.88</b>
<b>Global Equity</b>		<b>3,625,475,057.39</b>	<b>(16,618,218.19)</b>	<b>3,951,732.44</b>	<b>3,638,141,543.14</b>
	SSGA R3000 INDEX	1,394,607,572.00	69,605.09	0.00	1,394,537,966.91
	SSGA MSCI EAFE	909,327,417.62	(16,853,241.53)	0.00	926,180,659.15
	SSGA MSCI CANADA	98,078,156.73	3,633,998.73	0.00	94,444,158.00
	SSGA MSCI EM	287,746,234.67	(546,156.09)	0.00	288,292,390.76
	QVM TILT	469,443,438.62	(3,752,584.68)	6,506.55	473,189,516.75
	REAL ESTATE	466,272,237.75	830,160.29	3,945,225.89	461,496,851.57
<b>Global Equity Hedge Funds</b>		<b>576,699,780.50</b>	<b>(11,424,425.24)</b>	<b>0.00</b>	<b>588,124,205.74</b>
	DAVIDSON KEMPNER	75,308,240.95	(368,672.19)	0.00	75,676,913.14
	ELLIOTT ASSOCIATES	88,462,077.77	4,793,129.31	0.00	83,668,948.46
	INDUS ASIA PACIFIC	439,109.54	(3,993.94)	0.00	443,103.48
	PFM DIVERSIFIED	74,781,914.04	(1,805,445.10)	0.00	76,587,359.14
	SAMLYN ON/OFFSHORE	99,414,898.20	(2,744,570.75)	0.00	102,159,468.95
	VIKING GLOBAL EQUITY	92,401,789.06	(7,061,726.64)	0.00	99,463,515.70
	LUXOR CAP PTNS LP	34,488,540.03	193,631.70	0.00	34,294,908.33
	ESG CBE FUND LP	42,318,979.83	(2,409,421.06)	0.00	44,728,400.89
	ASCENT ERSRI FUND LP	69,084,231.08	(2,017,356.57)	0.00	71,101,587.65
<b>Private Equity</b>		<b>517,392,431.62</b>	<b>7,231,935.02</b>	<b>5,451,243.89</b>	<b>504,709,252.71</b>
<b>Private Equity</b>		<b>517,392,431.62</b>	<b>7,231,935.02</b>	<b>5,451,243.89</b>	<b>504,709,252.71</b>
	PRIVATE EQUITY	517,392,431.62	7,231,935.02	5,451,243.89	504,709,252.71
<b>Total Fixed Income</b>		<b>1,073,890,381.67</b>	<b>6,044,785.19</b>	<b>0.00</b>	<b>1,067,845,596.48</b>
<b>Fixed Income</b>		<b>1,073,890,381.67</b>	<b>6,044,785.19</b>	<b>0.00</b>	<b>1,067,845,596.48</b>
	MACKAY SHIELDS	532,978,430.24	2,765,847.94	0.00	530,212,582.30
	PYRAMIS GLOBAL ADV	540,911,951.43	3,278,937.25	0.00	537,633,014.18
<b>Total Real Return</b>		<b>1,359,743,140.33</b>	<b>1,451,727.95</b>	<b>110,038.00</b>	<b>1,358,181,374.38</b>
<b>Alternative Absolute Return</b>		<b>362,793,089.35</b>	<b>505,416.17</b>	<b>0.00</b>	<b>362,287,673.18</b>
	BLUE CREST CAP	506,905.83	0.00	0.00	506,905.83
	BREVAN HOWARD	79,182,586.67	391,899.82	0.00	78,790,686.85
	DE SHAW	90,816,894.60	1,449,437.60	0.00	89,367,457.00
	OZ DOMESTIC PTRS	97,695,391.19	(2,584,304.92)	0.00	100,279,696.11
	WINTON FUTURE FD	38,333,373.18	780,086.15	0.00	37,553,287.03
	GRAHAM ABS RETURN	56,257,937.88	468,297.52	0.00	55,789,640.36
<b>Alternative Fixed Income</b>		<b>137,298,081.60</b>	<b>345,219.21</b>	<b>0.00</b>	<b>136,952,862.39</b>
	BRIGADE LEV CAP	49,933,759.78	(349,799.67)	0.00	50,283,559.45
	CAPULA GLOBAL	63,781,486.64	537,179.30	0.00	63,244,307.34
	CLAREN ROAD CR. FUND	23,582,835.18	157,839.58	0.00	23,424,995.60
<b>Credit</b>		<b>393,631,624.85</b>	<b>(1,253,602.61)</b>	<b>0.00</b>	<b>394,885,227.46</b>
	PIMCO	203,909,225.31	(83,850.20)	0.00	203,993,075.51
	WAMCO	189,722,399.54	(1,169,752.41)	0.00	190,892,151.95
<b>GILBs</b>		<b>277,293,395.60</b>	<b>2,597,841.58</b>	<b>0.00</b>	<b>274,695,554.02</b>
47	BROWN BROTHERS HARR	277,293,395.60	2,597,841.58	0.00	274,695,554.02

# Monthly Valuation Change

Period : 2016-02-01 - 2016-02-29

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Publicly Traded Infrastructure</b>		<b>188,726,948.93</b>	<b>(743,146.40)</b>	<b>110,038.00</b>	<b>189,360,057.33</b>
	PRIV INFRASTR AGGR	57,638,018.07	0.00	110,038.00	57,527,980.07
	HARVEST FUND ADVISOR	131,088,930.86	(743,146.40)	0.00	131,832,077.26
<b>Total Cash</b>		<b>55,501,597.26</b>	<b>(114,399.20)</b>	<b>(41,436,339.03)</b>	<b>97,052,335.49</b>
<b>Cash Accounts</b>		<b>55,501,597.26</b>	<b>(114,399.20)</b>	<b>(41,436,339.03)</b>	<b>97,052,335.49</b>
	ERSRI CASH	49,612,923.26	(114,399.20)	(44,484,038.03)	94,211,360.49
	CITIZENS CASH	5,888,674.00	0.00	3,047,699.00	2,840,975.00
<b>Total Other</b>		<b>13,064,577.76</b>	<b>42,234.89</b>	<b>0.00</b>	<b>13,022,342.87</b>
<b>Other</b>		<b>13,064,577.76</b>	<b>42,234.89</b>	<b>0.00</b>	<b>13,022,342.87</b>
	RUSSELL OVERLAY FD	13,064,577.76	42,234.89	0.00	13,022,342.87
<b>Total Miscellaneous</b>		<b>163,130.07</b>	<b>6,039.59</b>	<b>(9,984.50)</b>	<b>167,074.98</b>
<b>Miscellaneous Accounts</b>		<b>163,130.07</b>	<b>6,039.59</b>	<b>(9,984.50)</b>	<b>167,074.98</b>
	RI TRANS ACCT	5,016.80	213.45	0.00	4,803.35
	SHOTT CAPITAL	154,550.39	5,797.15	(3,461.46)	152,214.70
	DOM EQUITY TRANS	74.25	0.00	0.00	74.25
	NON-US EQUITY TRANS	2,360.44	22.73	(6,506.55)	8,844.26
	FIXED INC TRANS	1,127.81	6.26	(16.49)	1,138.04
	MACKAY SHIELDS LLC	0.38	0.00	0.00	0.38



CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2016	FY 2015-16												
	TOTAL	Projected June	Projected May	Projected April	Projected March	Projected February	Projected January 2016	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2015
MEMBER BENEFITS	844,310,088	68,822,584	68,919,626	68,968,202	69,075,555	69,767,583	69,720,118	69,303,742	69,781,920	69,843,354	69,772,741	80,698,833	69,635,830
ADMINISTRATIVE EXPENSES	10,492,238	1,455,990	718,107	1,403,400.75	1,327,462	490,334	490,349	1,455,574	415,373	920,437	908,661	670,460	236,090
INVESTMENT EXPENSES	9,415,125	5,025	1,202,775	290,754	1,489,542	391,688	449,787	890,290	1,354,605	517,439	680,230	1,476,800	666,191
TOTAL OUTFLOW	864,217,452	70,283,599	70,840,507	70,662,356	71,892,559	70,649,606	70,660,254	71,649,606	71,551,899	71,281,229	71,361,632	82,846,093	70,538,111
CONTRIBUTIONS	481,806,772	45,522,759	38,392,495	38,952,039	38,011,789	41,718,340	42,154,006	51,049,618	43,254,275	37,105,170	25,941,084	25,205,629	54,499,568
OTHER INCOME*	83,317,595	7,804,570	15,712,147	3,394,010	6,136,870	2,585,967	3,843,075	10,795,323	5,469,260	12,649,680	6,878,007	3,189,206	4,859,480
TOTAL INCOME	565,124,367	53,327,329	54,104,642	42,346,049	44,148,659	44,304,307	45,997,081	61,844,941	48,723,535	49,754,850	32,819,091	28,394,835	59,359,048
DIFFERENCE	(299,093,084)	(16,956,270)	(16,735,865)	(28,316,308)	(27,743,899)	(26,345,299)	(24,663,173)	(9,804,664)	(22,828,363)	(21,526,379)	(38,542,542)	(54,451,258)	(11,179,063)

Municipal Employees Retirement System

FISCAL YEAR 2016	FY 2015-16												
	TOTAL	Projected June	Projected May	Projected April	Projected March	Projected February	Projected January 2016	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2015
MEMBER BENEFITS	91,085,366	7,241,105	7,233,247	7,213,953	7,202,739	7,561,126	7,549,161	7,529,997	7,473,519	7,434,266	7,392,781	9,908,223	7,345,248
ADMINISTRATIVE EXPENSES	2,281,914	315,299	155,113	302,293	285,305	105,032	108,534	321,127	91,498	202,078	198,842	145,660	51,133
INVESTMENT EXPENSES	2,102,852	1,088	259,802	62,628	320,139	83,902	99,556	249,763	298,392	113,602	148,855	320,840	144,285
TOTAL OUTFLOW	95,470,133	7,557,493	7,648,162	7,578,875	7,808,183	7,750,060	7,757,250	8,100,887	7,863,410	7,749,947	7,740,478	10,374,722	7,540,667
CONTRIBUTIONS	60,963,340	5,713,207	4,617,072	3,691,449	5,327,956	5,412,174	5,669,644	5,706,992	6,283,320	4,631,697	7,458,495	2,105,073	4,346,261
OTHER INCOME*	18,178,164	1,690,105	3,393,857	731,070	1,318,966	579,471	850,625	2,381,654	1,204,769	2,777,190	1,505,113	692,866	1,052,477
TOTAL INCOME	79,141,504	7,403,312	8,010,929	4,422,519	6,646,922	5,991,645	6,520,269	8,088,646	7,488,089	7,408,887	8,963,608	2,797,939	5,398,738
DIFFERENCE	(16,328,629)	(154,181)	362,768	(3,156,355)	(1,161,262)	(1,758,415)	(1,236,981)	(12,241)	(375,321)	(341,059)	1,223,130	(7,576,783)	(2,141,929)

State Police Retirement System

FISCAL YEAR 2016	FY 2015-16												
	TOTAL	Projected June	Projected May	Projected April	Projected March	Projected February	Projected January 2016	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2015
MEMBER BENEFITS	3,802,484	253,947	231,479	217,500	210,140	367,746	367,044	367,043	359,327	352,382	355,382	374,882	345,612
ADMINISTRATIVE EXPENSES	189,204	26,024	12,771	24,801	23,304	8,553	9,202	26,978	7,672	16,913	16,596	12,153	4,236
INVESTMENT EXPENSES	171,027	90	21,391	5,138	26,150	6,833	8,441	17,311	25,019	9,508	12,424	26,769	11,954
TOTAL OUTFLOW	4,162,715	280,061	265,642	247,440	259,594	383,132	384,687	411,332	392,018	378,802	384,402	413,803	361,802
CONTRIBUTIONS	5,642,484	383,947	351,479	372,500	390,140	467,746	427,044	1,202,043	379,327	412,382	380,382	384,882	490,612
OTHER INCOME*	1,567,740	139,496	279,439	59,980	107,736	104,808	72,121	200,081	101,017	232,436	125,622	57,808	87,196
TOTAL INCOME	7,210,224	523,443	630,918	432,480	497,876	572,554	499,165	1,402,125	480,343	644,818	506,004	442,690	577,808
DIFFERENCE	3,047,509	243,382	365,276	185,040	238,282	189,422	114,478	990,793	88,325	266,016	121,602	28,887	216,006

CASH FLOW ANALYSIS - INCOME & EXPENSES

Judicial Retirement System

	TOTAL	Projected June	Projected May	Projected April	Projected March	Projected February	Projected January 2016	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2015
MEMBER BENEFITS	2,272,509	174,233	159,357	159,357	159,357	212,336	204,749	204,749	204,749	204,749	204,314	196,571	187,987
ADMINISTRATIVE EXPENSES	97,979	13,458	6,598	12,804	12,022	4,410	4,768	14,034	3,987	8,786	8,616	6,304	2,192
INVESTMENT EXPENSES	88,685	46	11,051	2,653	13,490	3,523	4,373	9,083	13,004	4,939	6,450	13,886	6,186
TOTAL OUTFLOW	2,459,174	187,737	177,006	174,813	184,869	220,270	213,890	227,866	221,741	218,475	219,380	216,761	196,366
CONTRIBUTIONS	3,497,509	284,233	279,357	279,357	294,357	252,336	254,749	404,749	264,749	264,749	254,314	261,571	402,987
OTHER INCOME*	812,116	72,137	144,363	30,965	55,579	54,043	37,366	104,081	52,503	120,750	65,217	29,987	45,124
TOTAL INCOME	4,309,625	356,370	423,720	310,322	349,936	306,380	292,115	508,830	317,253	385,500	319,531	291,558	448,111
DIFFERENCE	1,850,451	168,633	246,714	135,509	165,067	86,110	78,225	280,964	95,512	167,025	100,151	74,797	251,745

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

FISCAL YEAR 2016

DIRECT BILLED INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

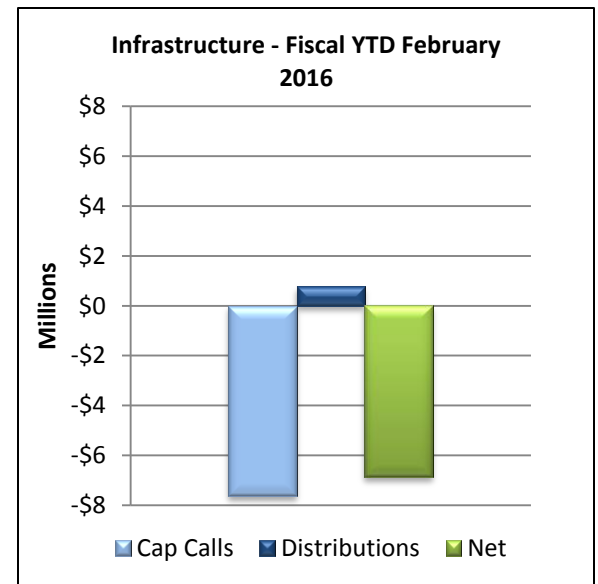
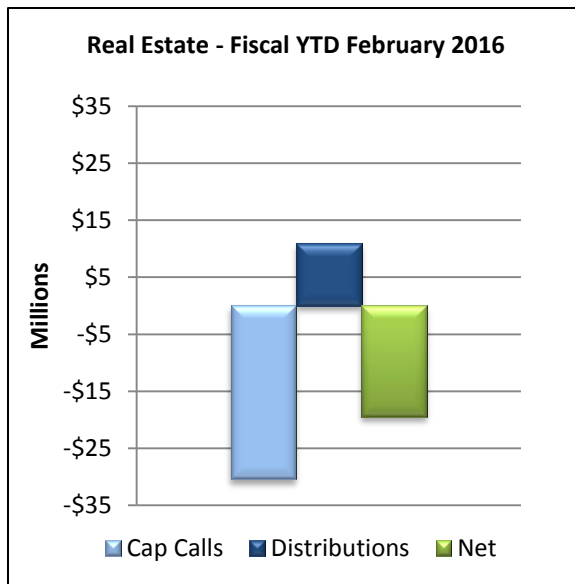
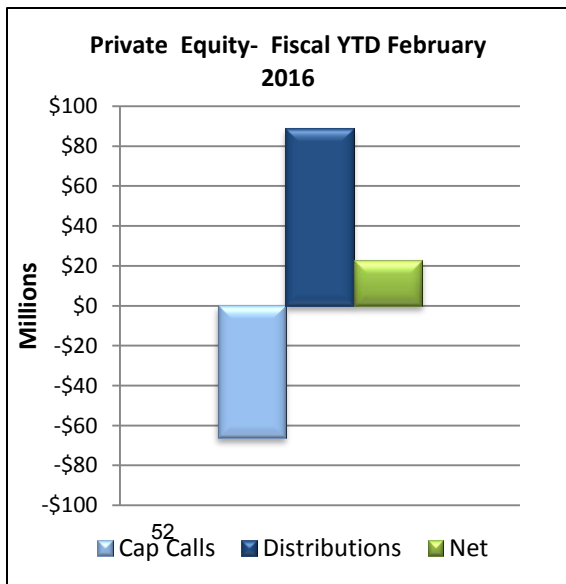
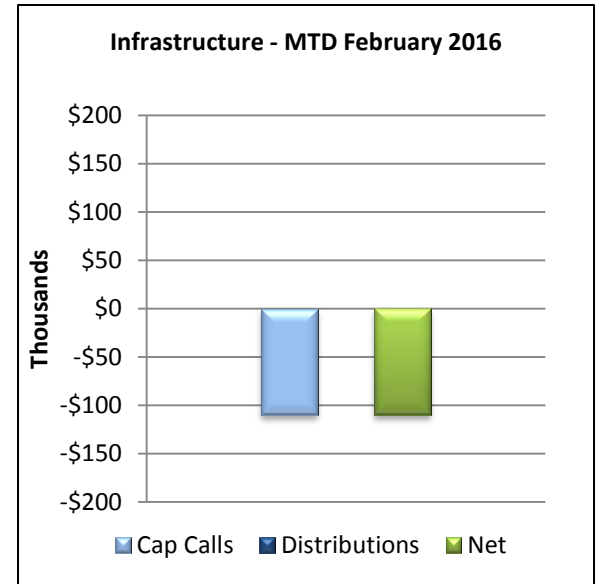
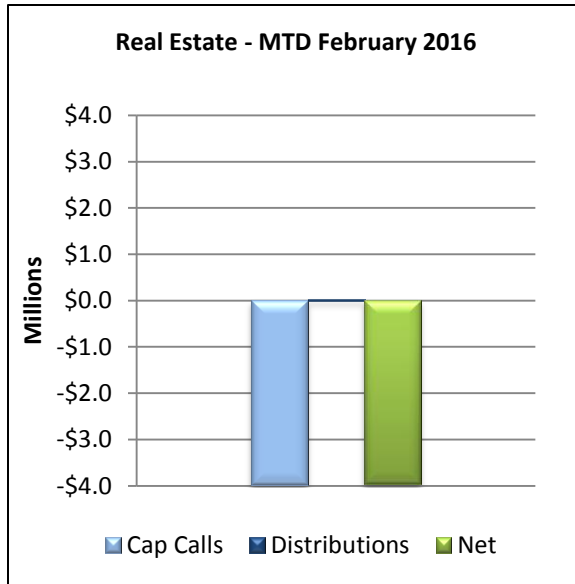
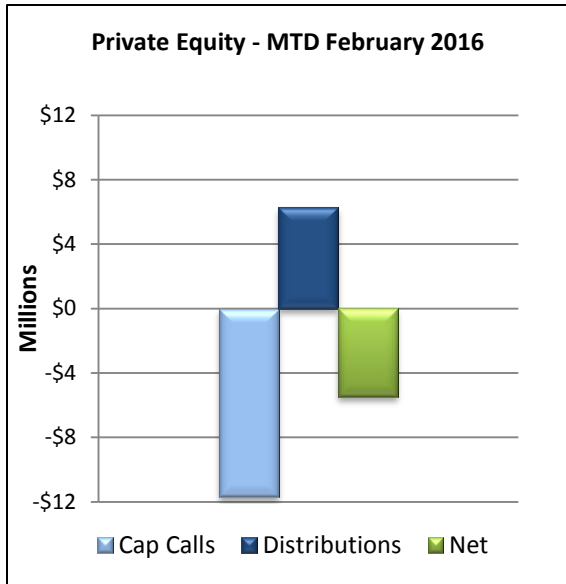
ERSRI & MERSRI

ACCRUAL BASIS

	Actual Jul 15	Actual Aug	Projected Sept	Actual Oct	Projected Nov	Projected Dec	Projected Jan 16	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected June	Projected TOTAL
<b>EQUITIES US</b>													
SSGA Russell 3000			54,749			49,189			63,000			63,000	229,937
Shott Capital/Hamilton Lane			<b>31,173</b>			<b>65</b>			<b>1,700</b>			<b>1,700</b>	<b>34,639</b>
			85,922			49,254			64,700			64,700	264,576
<b>FIXED INCOME</b>													
Pyramis			176,955			180,000			180,000			180,000	716,955
Mackay Shields			186,890			195,000			195,000			195,000	771,890
Brown Bros.TIPS/GILB			<b>83,521</b>			<b>85,000</b>			<b>85,000</b>			<b>85,000</b>	<b>338,521</b>
			447,366			460,000			460,000			460,000	1,827,366
<b>INT'L EQUITIES</b>													
SSGA MSCI EAFE			88,284			78,348			100,000			100,000	366,632
SSGA MSCI CAD			9,040			7,868			11,000			11,000	38,907
SSGA MSCI Emerg Mkts			<b>93,432</b>			<b>84,844</b>			<b>110,000</b>			<b>110,000</b>	<b>398,275</b>
			190,755			171,060			221,000			221,000	803,815
<b>CREDIT</b>													
WAMCO			151,745			155,000			155,000			155,000	616,745
PIMCO			<b>135,000</b>			<b>135,000</b>			<b>135,000</b>			<b>135,000</b>	<b>540,000</b>
			286,745			290,000			290,000			290,000	1,156,745
<b>Infrastructure</b>													
Harvest Partners			206,672			204,856			200,000			200,000	811,528
<b>REAL ESTATE</b>													
Direct Billed Real Estate	468,839	325,859	449,048	480,045	174,409	0	493,165	154,786	71,488	252,069	0	0	2,869,709
<b>ALTERNATIVE INVESTMENTS</b>													
Direct Billed Private Equity	359,830	1,512,554	398,963	165,487	1,516,731	(8,723)	69,034	331,185	1,777,922	109,124	1,495,106	6,250	7,733,463
<b>SUB TOTAL-INV MGMT FEES</b>	828,668	1,838,414	2,065,470	645,532	1,691,140	1,166,447	562,199	485,971	3,085,110	361,194	1,495,106	1,241,950	15,467,201
<b>PROFESSIONAL FEES</b>													
Legal	13,550	0	2,665	12,190	8,418	3,357	0	15,597	5,937	11,500	22,393	7,642	103,247
BNY Mellon - Custodial	28,127	28,151	29,372	29,616	29,112	29,063	28,772	28,779	28,166	28,136	30,000	30,000	347,295
Cliffwater	37,500		37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	412,500
PCA/Russell	14,583	14,583	61,776	14,583	33,333	63,695	14,583	14,583	94,421	14,583	33,333	80,000	454,057
PCA Real Estate	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	125,004
	104,177	53,150	141,729	104,306	118,780	144,032	91,273	106,877	176,441	102,137	133,643	165,559	1,442,103
<b>OPERATING EXPENSE</b>													
Retirement Transfers	322,692	584,691	701,368	677,969	330,009	1,625,828	520,000	502,277	1,482,832	1,620,074	778,206	1,631,781	10,777,729
Other Expense	0	0	0	1,125	0	38,335	1,625	0	6,000	0	1,000	13,532	61,617
	322,692	584,691	701,368	679,094	330,009	1,664,163	521,625	502,277	1,488,832	1,620,074	779,206	1,645,313	10,839,345
<b>TOTAL:</b>	1,255,537	2,476,255	2,908,567	1,428,933	2,139,929	2,974,642	1,175,097	1,095,125	4,750,383	2,083,404	2,407,955	3,052,822	27,748,649

Note: Numbers in bold are actual.

# Private Equity, Real Estate, and Infrastructure Cash Flows

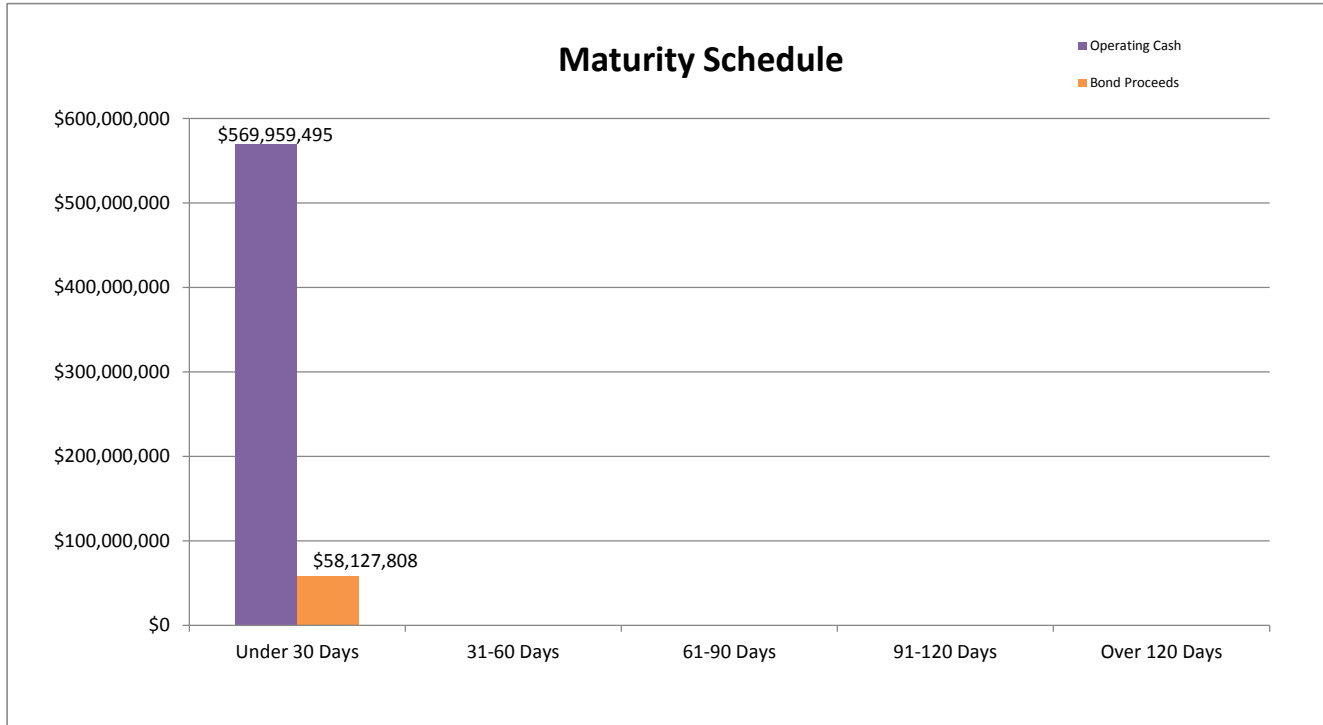


## Section VIII.

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### Short-Term Investments

**Short-Term Investment Maturity Schedule & SIC Compliance Report at February 29, 2016**



Vendor	CP	CD	Agency	Money Mkt	PIP	Repo	GID	OSIP	Total (\$)
Guidelines-Total/Vendor	25%/10%	50%/20%	75%/35%	75%/35%	75%/35%	100%/20%	75%/35%	50%/50%	
OSIP	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	284,833,234 50%	284,833,234 50%
Bank RI	0 0%	15,221,045 3%	0 0%	35,056,389 6%	0 0%	0 0%	0 0%	0 0%	50,277,434 9%
Santander Bank	0 0%	0 0%	0 0%	0 0%	58,726,557 10%	0 0%	0 0%	0 0%	58,726,557 10%
Citizens Bank	0 0%	0 0%	0 0%	0 0%	13,006,752 2%	0 0%	0 0%	0 0%	13,006,752 2%
Webster Bank	0 0%	0 0%	0 0%	0 0%	6,164,608 1%	0 0%	0 0%	0 0%	6,164,608 1%
Customers Bank	0 0%	0 0%	0 0%	0 0%	83,752,288 15%	0 0%	0 0%	0 0%	83,752,288 15%
Washington Trust	0 0%	0 0%	0 0%	60,642,182 11%	0 0%	0 0%	0 0%	0 0%	60,642,182 11%
TD Bank	0 0%	0 0%	0 0%	0 0%	12,556,440 2%	0 0%	0 0%	0 0%	12,556,440 2%
<b>TOTALS</b>	-	<b>15,221,045</b>	-	<b>95,698,571</b>	<b>174,206,646</b>	-	-	<b>284,833,234</b>	<b>569,959,496</b>
<b>(%) PORTFOLIO</b>	<b>0.00%</b>	<b>2.67%</b>	<b>0.00%</b>	<b>16.79%</b>	<b>30.56%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>49.97%</b>	<b>100.00%</b>

Note: PIP + CD must be under 75%.

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

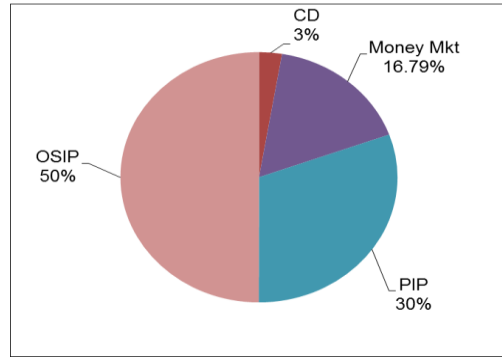
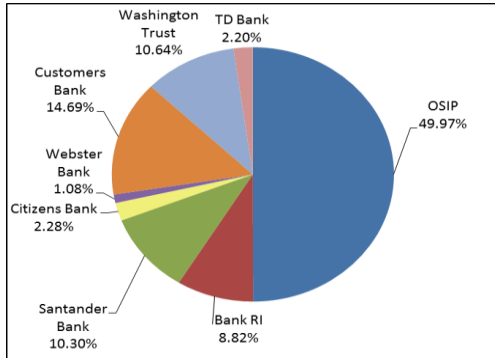
**State of Rhode Island**  
**Short Term Cash Monthly Performance**  
**Performance for**  
**February 01, 2016 to February 29, 2016**

<b>Fund Name</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Average Daily Balance</b>	<b>Earnings</b>	<b>Yield(Annual)</b>
GENERAL FUND	\$ 307,564,187.50	\$ 260,186,819.79	\$ 311,674,532.33	\$ 122,632.29	0.4952%
H.A.V.A	\$ 296.28	\$ 296.35	\$ 296.28	\$ 0.07	0.2974%
GENERAL FUND (HIST PRES)	\$ 539,072.09	\$ 539,285.59	\$ 539,072.09	\$ 213.50	0.4985%
HISTORIC TAX CREDITS	\$ 2,911,345.08	\$ 2,912,418.60	\$ 2,911,345.08	\$ 1,073.52	0.4641%
HIGHWAY FUND	\$ 20,583,589.59	\$ 24,792,078.83	\$ 22,552,555.11	\$ 8,489.24	0.4738%
T.D.I. RESERVE (DET)	\$ 90,984,197.98	\$ 111,012,586.57	\$ 112,432,473.84	\$ 28,388.59	0.3178%
EMPLOYER PENSION CONTRIBUTION	\$ -	\$ -	\$ -	\$ -	-
RICAP GL FUND 21	\$ 73,231,299.98	\$ 66,254,246.54	\$ 70,903,713.77	\$ 22,946.56	0.4073%
BOND CAPITAL FUND	\$ 46,368.53	\$ 3,747,365.67	\$ 4,187,747.84	\$ 997.14	0.2997%
R.I. CLEAN WATER ACT	\$ 3,190,695.33	\$ 3,191,819.87	\$ 3,190,695.33	\$ 1,124.54	0.4436%
STATE LOTTERY FUND	\$ 48,125,357.32	\$ 47,441,893.00	\$ 42,794,322.84	\$ 16,535.68	0.4863%
ASSESSED FRINGE BEN ADM	\$ 2,310,458.96	\$ 1,811,023.20	\$ 2,172,527.93	\$ 564.24	0.3269%
AUTO EQUIPMENT SERVICE	\$ 1,249.59	\$ 1,249.89	\$ 1,249.59	\$ 0.30	0.3022%
HEALTH INSURANCE FUND	\$ 30,464,367.86	\$ 31,675,590.52	\$ 28,336,781.65	\$ 11,222.66	0.4985%
FLEET REVOLVING LOAN FUND	\$ 4,455,323.70	\$ 4,256,676.84	\$ 4,379,461.63	\$ 1,353.14	0.3889%
EMPLOYEES RETIREMENT	\$ 1,994,512.38	\$ 5,401,247.43	\$ 17,442,788.24	\$ 6,735.05	0.4860%
MUNICIPAL EMPLOYEES RET.	\$ 279,616.53	\$ 30,281.33	\$ 2,791,685.50	\$ 664.80	0.2997%
RETIREE HEALTH FUND	\$ 639,241.17	\$ 639,484.72	\$ 639,241.17	\$ 243.55	0.4795%
BOG RETIREE FUND	\$ 122,612.36	\$ 122,651.39	\$ 122,612.36	\$ 39.03	0.4006%
RIPTA HEALTH FUND	\$ 35,814.27	\$ 35,828.45	\$ 35,814.27	\$ 14.18	0.4983%
PERMANENT SCHOOL FUND	\$ 1,939,897.28	\$ 1,940,665.49	\$ 1,939,897.28	\$ 768.21	0.4984%
TEACHER RETIREE HEALTH FUND	\$ 1,776,478.99	\$ 1,676,919.87	\$ 1,762,685.89	\$ 440.88	0.3148%
RI ST POL RETIREE HEALTH	\$ 123,512.13	\$ 123,541.98	\$ 123,512.13	\$ 29.85	0.3042%
RI LEG RETIREE HEALTH	\$ 100,493.77	\$ 100,517.66	\$ 100,493.77	\$ 23.89	0.2992%
RI JUDICIAL RETIREE HEALTH	\$ 40,344.09	\$ 40,353.68	\$ 40,344.09	\$ 9.59	0.2992%
UNIVERSITY COLLEGE	\$ 12,179.60	\$ 12,184.03	\$ 12,179.60	\$ 4.43	0.4578%
HIGHER EDUCATION	\$ 8,716.68	\$ -	\$ 901.42	\$ 0.34	0.4747%
INDUS. BLDG. & MTG. INS.	\$ 2,011,671.37	\$ 2,012,468.10	\$ 2,011,671.37	\$ 796.73	0.4985%
<b>Operating Funds Totals</b>	<b>\$ 593,492,900.41</b>	<b>\$ 569,959,495.39</b>	<b>\$ 633,100,602.40</b>	<b>\$ 225,312.00</b>	<b>0.448%</b>
G.O. NOTE 1991 SER. B	\$ -	\$ -	\$ -	\$ -	-
CCDL1993A	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 1994 SERIES A	\$ -	\$ -	\$ -	\$ -	-
BOND CCBL96A	\$ -	\$ -	\$ -	\$ -	-
CAP DEV OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
CCDL1998A	\$ -	\$ -	\$ -	\$ -	-
CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
MMG099 1999	\$ -	\$ -	\$ -	\$ -	-
BOND CAPITOL CCDL2000A	\$ -	\$ -	\$ -	\$ -	-
MULTI-MODAL GEN OBL 2000	\$ -	\$ -	\$ -	\$ -	-
CCDL2001C	\$ -	\$ -	\$ -	\$ -	-
CCDL2002B	\$ -	\$ -	\$ -	\$ -	-
CCDL 2004 SERIES A	\$ 2,095,234.24	\$ 1,822,824.25	\$ 1,887,823.09	\$ 746.50	0.4977%
BOND CCDL 2005 SERIES C	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 2005 SERIES E	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 2006 SERIES B	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 2006 SERIES C	\$ 874,766.62	\$ 874,772.86	\$ 874,426.54	\$ 346.32	0.4985%
GO BND-NTAX 2007 SERIES A	\$ 1,249,917.77	\$ 1,249,945.56	\$ 1,249,450.71	\$ 494.85	0.4985%
GO BND-TAX 2007 SERIES B	\$ -	\$ -	\$ -	\$ -	-
GO BND-NTAX 2008 SERIES B	\$ -	\$ -	\$ -	\$ -	-
GO BND-TAX 2008 SERIES C	\$ -	\$ -	\$ -	\$ -	-
CCDL10B BOND CAPITAL COMPONENT	\$ 950,355.12	\$ 950,376.26	\$ 950,000.00	\$ 376.26	0.4985%
CCDL10C	\$ 159,553.44	\$ 159,616.63	\$ 159,553.44	\$ 63.19	0.4985%
CCDL10D	\$ -	\$ -	\$ -	\$ -	-
CCDL2011A	\$ 7,998,893.82	\$ 7,993,464.64	\$ 7,991,645.80	\$ 3,165.13	0.4985%
CCDL2012B	\$ 8,509,657.91	\$ 6,646,309.42	\$ 7,093,127.29	\$ 2,801.15	0.4970%
GO CCDL 2013A	\$ 6,186,927.78	\$ 6,172,031.65	\$ -	\$ 2,444.88	0.4985%
GO CCDL 2013B	\$ 6,252,336.34	\$ 6,252,475.36	\$ -	\$ 2,475.36	0.4985%
GO CCDL 2014A	\$ 19,899,472.78	\$ 17,810,504.85	\$ -	\$ 7,241.66	0.4979%
GO CCDL 2014B	\$ 9,419,183.98	\$ 6,293,440.83	\$ -	\$ 2,776.56	0.4960%
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	\$ 175,536.80	\$ 175,540.71	\$ 175,471.21	\$ 69.50	0.4985%
CLN WATER CCDL 2005 SER E	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
RI POLLUT. CONT 94 SER. A	\$ -	\$ -	\$ -	\$ -	-
CCDL99A 1999A	\$ 206,646.61	\$ 206,651.20	\$ 206,569.39	\$ 81.81	0.4985%
POL. CTRL CCDL 2006 SER C	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2007 SERIES A	\$ 283,357.94	\$ 283,364.24	\$ 283,252.06	\$ 112.18	0.4985%
RI POLLUTION CONTROL 2008 B	\$ -	\$ -	\$ -	\$ -	-
CCDL10B CLEAN WATER COMPONENT	\$ -	\$ -	\$ -	\$ -	-
CCDL2011A CLEAN WATER COMPONENT	\$ 1,236,462.03	\$ 1,236,489.53	\$ 1,236,000.00	\$ 489.53	0.4985%
CCDL2011A POLL CTRL CMPNT	\$ -	\$ -	\$ -	\$ -	-
<b>Bond Proceeds Fund Totals</b>	<b>\$ 65,498,303.18</b>	<b>\$ 58,127,807.99</b>	<b>\$ 22,107,319.53</b>	<b>\$ 23,684.88</b>	<b>0.498%</b>
TANS PROCEEDS	\$ -	\$ -	\$ -	\$ -	-
<b>Grand Totals</b>	<b>\$ 658,991,203.59</b>	<b>\$ 628,087,303.38</b>	<b>\$ 655,207,921.93</b>	<b>\$ 248,996.88</b>	<b>0.452%</b>

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

**Issuer Credit Rating  
February 29, 2016**

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	Moody's	S&P		
Bank RI	3,4	8.82%	N/R	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Santander Bank	3,4	10.30%	Baa2	P-1	A-2	A2	BBB+			Stable	
Bank of America		0.00%	Baa1	P-2	A-2	Baa1	A-			N/A	
JP Morgan Chase		0.00%	A3	P-2	A-1	A3	A			N/A	
Fidelity		0.00%	N/R	N/A	N/A	N/A	N/A			N/A	
State Street Bank & Trust Company		0.00%	A1	P-1	A-1+	Aa2	AA-			Stable	
RBS Citizens	3,4	2.28%	Baa1	P-1	A-2	A1	A-			Stable	
Webster Bank	3,4	1.08%	Baa1	P-1	A-2	A1	BBB			Positive	
Ocean State Investment Pool	6	49.97%	N/R	N/A	N/A	N/A	N/A			N/A	
Washington Trust	3,7	10.64%	N/R	N/A	N/A	N/A	N/A			N/A	
TD Bank	3	2.20%	Aa1	P-1	A-1+	Aa1	AA-			Negative	
Customers Bank	4	14.69%	N/R	N/A	N/A	N/A	N/A			N/A	



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**

**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

**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

**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

**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.

**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

**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.



## Section IX.

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### Defined Contribution Plan

# 2016 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)	
TIAA-CREF		Manager	AUM	Gross	Net	Net	Rev	Recent Returns			Annualized Total Returns as of 12/31/15					Since	Incep.	Sharpe Ratio	Std. Deviation		Tracking				
As of 2/29/16		Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year
Stable Value/Guaranteed & Money Market																									
Stable Value/Guaranteed																									
TIAA Stable Value****		Current crediting rate = 1.80							0.15	0.31	1.85		1.85						1.87	03/31/12					
Money Market																									
Vanguard Prime Money Market Inv		VMMXX	12.50	138,248.17	0.16	0.16		0.00	0.03	0.06	0.05		0.03		0.03		1.34		5.24	06/04/75	(2.57)		0.01		0.01
Current 7-day Yield: 0.01																									
Citi 3-Month Treasury Bill																									
FIXED INCOME																									
Intermediate-Term Bond																									
Vanguard Total Bond Market Index Adn		VBTLX	2.92	147,861.19	0.07	0.07	1	0.00	0.67	2.12	0.40	13	1.33	48	3.13	60	4.47	42	4.36	11/12/01	0.52	49	3.00	55	0.27
Barclays U.S. Aggregate Float Adjusted Index																									
Intermediate-Term Bond Median																									
Intermediate-Term Bond Number of Funds																									
Inflation-Linked Bond																									
PIMCO Real Return Instl		PRRIX	8.08	13,045.38	0.50	0.45	19	0.00	0.26	1.47	(2.75)	75	(2.93)	51	2.20	10	4.12	2	6.06	01/29/97	(0.47)	17	5.99	98	1.35
Barclays US Treasury US TIPS TR USD																									
Inflation-Protected Bond Median																									
Inflation-Protected Bond Number of Funds																									
Equity																									
Large Cap Blend																									
Vanguard Institutional Index I		VINIX	15.08	194,746.64	0.04	0.04	-	0.00	(0.14)	(5.10)	1.37	20	15.10	17	12.54	13	7.31	20	9.41	07/31/90	1.38	10	10.62	28	0.01
S&P 500 TR USD																									
TIAA-CREF Social Choice Eq Instl		TISCX	10.08	2,604.35	0.18	0.18	4	0.00	0.41	(5.22)	(2.39)	68	13.41	57	10.70	58	6.84	34	4.82	07/01/99	1.20	55	11.00	58	1.21
Russell 3000 TR USD																									
Large Blend Median																									
Large Blend Number of Funds																									
Mid Cap Blend																									
Vanguard Mid Cap Index Adm		VIMAX	17.67	65,723.40	0.09	0.09	1	0.00	1.23	(6.30)	(1.34)	18	14.90	8	11.52	14	7.90	19	9.57	11/12/01	1.33	2	10.92	19	0.02
Spliced Mid Cap Index *																									
CRSP US Mid Cap TR USD																									
Mid-Cap Blend Median																									
Mid-Cap Blend Number of Funds																									
Small Cap Blend																									
Vanguard Small Cap Index Adm		VSMAX	24.08	53,959.78	0.09	0.09	-	0.00	0.92	(6.80)	(3.64)	34	12.60	25	10.43	19	7.95	11	8.41	11/13/00	1.00	12	12.66	17	0.27
Spliced Small Cap Index **																									
CRSP US Small Cap TR USD																									
Small Blend Median																									
Small Blend Number of Funds																									

# 2016 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)	
TIAA-CREF As of 2/29/16	Manager	AUM	Gross	Net	Net	Rev	Recent Returns			Annualized Total Returns as of 12/31/15					Since		Incep.	Sharpe Ratio		Std. Deviation		Tracking Error			
	Ticker	Tenure	\$ Millions	ER	ER		%-ile	Share	1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year
<b>Foreign Large Blend</b>																									
TIAA-CREF International Eq Idx Instl	TCIEX	10.42	6,413.76	0.06	0.06	-	0.00	(3.22)	(8.79)	(0.49)	38	4.67	30	3.72	25	3.10	34	7.80	10/01/02	0.42	34	12.41	79	1.73	
								(1.83)	(8.93)	(0.81)		5.01		3.60		3.03				0.45		12.64			
								(2.66)	(8.33)	(1.15)		3.85		2.78		2.68				0.37		11.88		3.25	
											788		694		604		347				694		694		
<b>Diversified Emerging Markets</b>																									
Vanguard Emerging Mkts Stock Idx Adl	VEMAX	7.42	49,808.16	0.15	0.15	-	0.00	(0.82)	(6.81)	(15.35)	62	(6.83)	52	(4.80)	52			3.59	06/23/06	(0.41)	46	14.65	81	7.54	
								0.08	(6.79)	(15.40)		(6.41)		(4.59)											
								0.07	(6.47)	(15.51)		(6.30)		(4.80)		4.01					(0.37)		14.67		
								(1.22)	(6.58)	(14.92)		(6.76)		(4.81)		3.61					(0.42)		14.25		
								(1.22)	(6.58)	(14.10)		(6.64)		(4.75)		3.34					(0.43)		13.66		4.50
											840		578		386		172					580		580	
<b>Miscellaneous Sector</b>																									
TIAA Real Estate Account	Variable Annuity	11.08	22,356.99	0.87	0.87	-	0.24	0.76	1.10	8.16		10.00		10.60		4.22		6.51	10/02/95	6.41		1.48			
<b>Lifecycle</b>																									
Vanguard Target Retirement Income Trust II				0.08	0.08	-	0.00	0.20	(0.57)	(0.13)		3.75		4.97				4.65	02/29/08						
								0.40	(0.61)	0.13		3.94		5.09											
								1.09	0.84	0.08	(1.29)	(1.33)	2.65		3.70		3.87								
								194	194				183		161		149		81						
Vanguard Target Retirement 2010 Trust II				0.08	0.08	-	0.00	0.15	(0.87)	(0.18)		4.90		5.62				4.84	02/29/08						
								0.36	(0.91)	0.03		5.09		5.72											
								0.94	0.79	-	(2.03)	(1.17)	4.34		4.84		3.89								
								137	137				132		114		108		55						
Vanguard Target Retirement 2015 Trust II				0.08	0.08	-	0.00	(0.04)	(2.01)	(0.44)		6.28		6.34				5.20	02/29/08						
								0.22	(2.07)	(0.22)		6.46		6.44											
								1.02	0.84	(0.11)	(2.38)	(1.30)	4.73		5.12		4.67								
								178	178				167		140		122		16						
Vanguard Target Retirement 2020 Trust II				0.08	0.08	-	0.00	(0.19)	(2.86)	(0.59)		7.28		6.90				5.37	02/29/08						
								0.13	(2.89)	(0.40)		7.52		7.14											
								1.11	0.88	(0.20)	(2.81)	(1.44)	5.39		5.27		4.24								
								259	259				247		214		186		85						
Vanguard Target Retirement 2025 Trust II				0.08	0.08	-	0.00	(0.31)	(3.53)	(0.72)		7.97		7.29				5.44	02/29/08						
								0.04	(3.57)	(0.58)		8.18		7.51											
								1.11	0.89	(0.37)	(3.54)	(1.44)	6.52		6.05		4.55								
								230	230				218		185		148		34						
Vanguard Target Retirement 2030 Trust II				0.08	0.08	-	0.00	(0.44)	(4.20)	(0.92)		8.59		7.64				5.47	02/29/08						
								(0.06)	(4.22)	(0.79)		8.84		7.87											
								1.16	0.94	(0.47)	(4.38)	(1.54)	7.08		6.27		4.33								
								259	259				247		213		186		85						

# 2016 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)
TIAA-CREF As of 2/29/16	Manager Ticker	Tenure	AUM \$ Millions	Gross ER	Net ER	Net %-ile	Rev Share	Recent Returns			Annualized Total Returns as of 12/31/15					Since Incep.		Incep. Date	Sharpe Ratio		Std. Deviation			Tracking Error
								1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.		3 Year	%-ile	3 Year	%-ile	3 Year
Vanguard Target Retirement 2035 Trust II				0.08	0.08		0.00	(0.57)	(4.83)	(1.12)		9.23		7.98				5.63	02/29/08					
Vanguard Target Retirement 2035 Composite Lx								(0.16)	(4.88)	(1.02)		9.49		8.22										
Target Date 2031-2035 Median				1.14	0.93			(0.61)	(5.17)	(1.62)		7.88		6.81		4.77								
Target Date 2031-2035 Number of Funds				229	229						217		184		148		34							
Vanguard Target Retirement 2040 Trust II				0.08	0.08		0.00	(0.73)	(5.49)	(1.47)		9.55		8.19				5.80	02/29/08					
Vanguard Target Retirement 2040 Composite Lx								(0.26)	(5.53)	(1.25)		9.87		8.45										
Target Date 2036-2040 Median				1.22	0.96			(0.71)	(5.55)	(1.72)		8.17		6.76		4.46								
Target Date 2036-2040 Number of Funds				259	259						247		213		186		85							
Vanguard Target Retirement 2045 Trust II				0.08	0.08		0.00	(0.73)	(5.61)	(1.48)		9.54		8.20				5.77	02/29/08					
Vanguard Target Retirement 2045 Composite Lx								(0.28)	(5.63)	(1.25)		9.86		8.45										
Target Date 2041-2045 Median				1.21	0.94			(0.72)	(5.87)	(1.70)		8.42		7.09		5.04								
Target Date 2041-2045 Number of Funds				230	230						218		184		147		22							
Vanguard Target Retirement 2050 Trust II				0.08	0.08		0.00	(0.76)	(5.62)	(1.54)		9.53		8.17				5.78	02/29/08					
Vanguard Target Retirement 2050 Composite Lx								(0.28)	(5.63)	(1.25)		9.86		8.45										
Target Date 2046-2050 Median				1.32	0.97			(0.74)	(5.99)	(1.70)		8.50		7.03		4.94								
Target Date 2046-2050 Number of Funds				248	248						236		200		155									
Vanguard Target Retirement 2055 Trust II				0.08	0.08		0.00	(0.72)	(5.60)	(1.66)		9.46						11.23	08/31/10					
Vanguard Target Retirement 2055 Composite Lx								(0.28)	(5.63)	(1.25)		9.86												
Vanguard Target Retirement 2060 Trust II				0.08	0.08		0.00	(0.72)	(5.61)	(1.60)		9.46						8.78	03/01/12					
Vanguard Target Retirement 2060 Composite Lx								(0.28)	(5.63)	(1.25)		9.86												
Target Date 2051+ Median				1.47	0.94			(0.75)	(6.02)	(1.62)		8.76		7.36										
Target Date 2051+ Number of Funds				343	343						254		134				0							

Source: Morningstar & TIAA-CREF

-Tracking error calculated using "Morningstar Analyst Assigned Benchmark"

Data for 1-month and YTD return as of 2/29/2016. All other data as of 12/31/2015

Since Incep. = Since Inception Date Incep. Date = Inception Date

Vanguard Index Information from available at <http://www.vanguard.com>

\* = S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter

\*\* = Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter

\*\*\* = Spliced Emerging Markets Index reflects performance of the Select Emerging Markets Index through August 23, 2006; the MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; and FTSE Emerging Index thereafter.

\*\*\*\* = The TIAA Stable Value Inception Date represents the date that the plan's TIAA Stable Value record was initiated on TIAA-CREF's recordkeeping system which may be earlier than the date of first deposit to the contract.

"Since Inception" performance is calculated from this date.

\*\*\*\*\* = For definitions please visit [www.tiaa-cref.org/public/assetmanagement](http://www.tiaa-cref.org/public/assetmanagement)

Note: Rankings shown for returns are calculated by Morningstar. Rankings for expense ratio, Sharpe ratio and standard deviation are calculated by TIAA-CREF and may differ based on calculation methods

Fee Disclosures: 1 The net expense ratio reflects total annual fund operating expenses excluding interest expense. If interest expense was included, returns would have been lower.

2 Accumulations in mutual funds not managed by TIAA-CREF may be subject to administrative charges. These charges are subject to change. Please review current documents related to your plan.

# Disclosures



%ile --> Percentile Ranking in Morningstar Category.

**The performance data quoted represents past performance and is no guarantee of future results. Your returns and the principal value of your investments will fluctuate so that your shares or accumulation units, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted below. For performance current to the most recent month-end, visit the TIAA-CREF Website at [www.tiaa-cref.org](http://www.tiaa-cref.org), or call 877 518-9161.**

Annuity account options are available through annuity contracts issued by TIAA or CREF. These contracts are designed for retirement or other long-term goals, and offer a variety of income options, including lifetime income. Payments from the variable annuity accounts are not guaranteed and will rise or fall based on investment performance.

For the variable annuity accounts, we estimate expenses for the plan year based on projected expense and asset levels. Differences between estimated and actual expenses are adjusted quarterly and reflected in current investment results. Historically, the adjusting payments have resulted in both upward and downward adjustments.

Investing in non-investment grade securities presents special risks, including significantly higher interest-rate and credit risk.

Small-cap and mid-cap stocks may have limited marketability and may be subject to more abrupt or erratic market movements than large-cap stocks.

The risks associated with foreign investments are often magnified in emerging markets where there is greater potential for political, currency, and economic volatility.

Funds that invest in fixed-income securities are not guaranteed and are subject to interest-rate, inflation and credit risks.

# Disclosures



Funds that invest in fixed-income securities are not guaranteed and are subject to interest-rate, inflation and credit risks.

Funds that invest in foreign securities are subject to special risks, including currency fluctuation and political and economic instability.

Real estate securities are subject to various risks, including fluctuations in property values, higher expenses or lower income than expected, and potential environmental problems and liability.

Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability. TIAA Stable Value is guaranteed insurance contract and not an investment for Federal Securities Law purposes.

Target Date Funds share the risks associated with the types of securities held by each of the underlying funds in which they invest. In addition to the fees and expenses associated with the Target Date Funds, there is exposure to the fees and expenses associated with the underlying mutual funds as well.

TIAA-CREF Individual & Institutional Services, LLC, Teachers Personal Investors Services, Inc., and Nuveen Securities, LLC, Members FINRA and SIPC, distribute securities products. Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association of America (TIAA) and College Retirement Equities Fund (CREF), New York, NY. Each is solely responsible for its own financial condition and contractual obligations.

**Investment, insurance and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.**

**You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877 518-9161 or log on to [tiaacref.org](http://tiaacref.org) for product and fund prospectuses that contains this and other information. Please read the prospectuses carefully before investing.**

# Disclosures



Morningstar is an independent service that rates mutual funds and variable annuities, based on risk-adjusted returns. Although Morningstar data is gathered from reliable sources, neither Morningstar nor TIAA-CREF can guarantee its completeness and accuracy. Morningstar does not rate money market accounts, and the other TIAA-CREF mutual fund accounts are too new to be rated. Past performance does not guarantee future results. Accumulation net asset values and returns will vary.

For each fund/account with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's/account's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. Where applicable, Morningstar's performance rankings are based on linked performance that considers the differences in expense ratios, while actual performance data shown does not reflect such differences. The top 10 percent of funds/accounts in a category receive five stars, the next 22.5 percent receive four stars, and the next 35 percent receive three stars, the next 22.5 percent receive two stars and the bottom 10 percent receive one star. (Each share class is counted as a fraction of one fund/account within this scale and rated separately, which may cause slight variations in the distribution percentages.) Morningstar proprietary ratings on U.S.-domiciled funds/accounts reflect historical risk-adjusted performance, are subject to change every month. They are derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Please note, Morningstar now rates group variable annuities within the open-end mutual fund universe.

# Disclosures



## **Prospectus Gross Expense Ratio**

The percentage of fund assets used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio.

--The expense ratio for fund of funds is the aggregate expense ratio as defined as the sum of the wrap or sponsor fees plus the estimated weighted average of the underlying fund fees.

--Often referred to as the Annual Operating Expense, the Prospectus Gross Expense Ratio is collected annually from a fund's prospectus.

## **Prospectus Net Expense Ratio**

The percentage of fund assets, net of reimbursements, used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio.

--The expense ratio for fund of funds is the aggregate expense ratio as defined as the sum of the wrap or sponsor fees plus the estimated weighted average of the underlying fund fees.

--Net reimbursements, the Prospectus Net Expense Ratio is collected annually from a fund's prospectus.

--TIAA-CREF, unless noted, does not charge additional fees for record keeping a fund. 12b-1, revenue share and admin fees are all included in the Prospectus fees.

-- Prospectus Net Expense Ratio % - ile rank is the percentile rank for the fund. The better the expense ratio (lower) the lower the ranking out of 100.

## **Sharpe Ratio (Source: Morningstar Direct)**

A risk-adjusted measure developed by Nobel Laureate William Sharpe. It is calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical risk-adjusted performance. The Sharpe Ratio can be used to compare two portfolios directly with regard to how much excess return each portfolio achieved for a certain level of risk. Morningstar first calculates a monthly Sharpe Ratio and then annualizes it to put the number in a more useful one-year context.



# Disclosures



**Standard Deviation** (Source: Morningstar Direct) The statistical measurement of dispersion about an average, which depicts how widely a stock or portfolio's returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that is most likely for a given investment. When a stock or portfolio has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

**Information Ratio** (Source: Morningstar Direct) **Benchmark Specific**

Information ratio is a risk-adjusted performance measure. The information ratio is a special version of the Sharpe Ratio in that the benchmark doesn't have to be the risk-free rate.

**Beta** (Source: Morningstar Direct) **Benchmark Specific**

Beta is a measure of a portfolio's sensitivity to market movements. The beta of the market is 1.00 by definition.

**Alpha** (Source: Morningstar Direct) **Benchmark Specific**

A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. A positive Alpha figure indicates the portfolio has performed better than its beta would predict. In contrast, a negative Alpha indicates the portfolio has underperformed, given the expectations established by beta.

**Tracking Error** (Source: Morningstar Direct) **Benchmark Specific**

Tracking error is a measure of the volatility of excess returns relative to a benchmark.

**Upside** (Source: Morningstar Direct) **Benchmark Specific**

Upside Capture Ratio measures a manager's performance in up markets relative to the market (benchmark) itself. It is calculated by taking the security's upside capture return and dividing it by the benchmark's upside capture return.

**Downside** (Source: Morningstar Direct) **Benchmark Specific**

Downside Capture Ratio measures a manager's performance in down markets relative to the market (benchmark) itself. It is calculated by taking the security's downside capture return and dividing it by the benchmark's downside capture return.

**R-Square** (Source: Morningstar Direct) **Benchmark Specific**

Reflects the percentage of a portfolio's movements that can be explained by movements in its benchmark.

You cannot invest directly in index.

TIAA-CREF reported performance may differ from Morningstar source returns for the same option over the same time period. We would expect an occasional one to two basis point difference. Morningstar Direct calculates returns by one share owned by a hypothetical investor over the requested time period. So the return for one year is calculated using the same formula as one month. TIAA-CREF calculates returns by \$1,000 owned by hypothetical investor for one month then links returns for requested time period. Both set of returns include dividends and capital gains.

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## Section XI.

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### OPEB Trust

TOTAL NET OF FEES

2/29/2016

Account Name Benchmark Name	Market Value	% of Total	Month	YTD	Fiscal YTD	Annualized				ITD	Inception Date
						1 Year	3 Years	5 Years	10 Years		
Mackay Shields OPEB	56,520,114.1	36.0	0.55	1.89	2.41	1.04				1.89	5/1/2013
<i>Barclays U.S. Aggregate Bond Index</i>			<i>0.71</i>	<i>2.10</i>	<i>2.76</i>	<i>1.50</i>				<i>1.96</i>	<i>5/1/2013</i>
SSGA S&P 500 INDX	100,641,982.0	64.0	-0.12	-5.07	-4.85	-6.08	10.69			10.75	5/1/2011
<i>S&amp;P 500 - Total Return Index</i>			<i>-0.13</i>	<i>-5.09</i>	<i>-4.95</i>	<i>-6.19</i>	<i>10.75</i>			<i>9.83</i>	<i>5/1/2011</i>
<b>Total OPEB</b>	<b>157,162,096.1</b>	<b>100.0</b>	<b>0.20</b>	<b>-2.52</b>	<b>-2.15</b>	<b>-3.43</b>	<b>7.37</b>			<b>7.63</b>	<b>5/1/2011</b>
<i>OPEB Custom Blend</i>			<i>0.16</i>	<i>-2.59</i>	<i>-2.14</i>	<i>-3.38</i>	<i>7.46</i>			<i>6.57</i>	<i>5/1/2011</i>

END NOTES

2/29/2016

1 RI7GX0903OPE OPEB Custom Blend

35% Barclays Aggregate and 65% S&P 500

TOTAL NET OF FEES

2/29/2016

Account Name Benchmark Name	Market Value	% of Total	YTD	Month	Cumulative			2015	2014	2013	Inception Date
					1/1/2016 - 1/31/2016	12/1/2015 - 12/31/2015					
Mackay Shields OPEB	56,520,114.1	36.0	1.89	0.55	1.33	-0.40	0.46	6.03			5/1/2013
<i>Barclays U.S. Aggregate Bond Index</i>			<i>2.10</i>	<i>0.71</i>	<i>1.38</i>	<i>-0.32</i>	<i>0.55</i>	<i>5.97</i>			<i>5/1/2013</i>
SSGA S&P 500 INDX	100,641,982.0	64.0	-5.07	-0.12	-4.96	-1.58	1.46	13.63	32.09		5/1/2011
<i>S&amp;P 500 - Total Return Index</i>			<i>-5.09</i>	<i>-0.13</i>	<i>-4.96</i>	<i>-1.58</i>	<i>1.38</i>	<i>13.69</i>	<i>32.39</i>		<i>5/1/2011</i>
<b>Total OPEB</b>	<b>157,162,096.1</b>	<b>100.0</b>	<b>-2.52</b>	<b>0.20</b>	<b>-2.71</b>	<b>-1.15</b>	<b>1.16</b>	<b>11.00</b>	<b>15.77</b>		<b>5/1/2011</b>
<i>OPEB Custom Blend</i>			<i>-2.59</i>	<i>0.16</i>	<i>-2.74</i>	<i>-1.14</i>	<i>1.31</i>	<i>11.00</i>	<i>15.73</i>		<i>5/1/2011</i>

END NOTES

2/29/2016

- |   |              |                   |  |
|---|--------------|-------------------|--|
| 1 | RI7G10000000 | Total OPEB        | YTD - Calendar Year to Date<br>Month - Current Month<br>Cumulative Months - Prior Month and Second Prior Month |
| 2 | RI7GX0903OPE | OPEB Custom Blend | 2013, 2012, 2011 - Calendar Year<br>65% S&P 500 and 35% Barclays Aggregate                                     |