

**STATE OF RHODE ISLAND
INVESTMENT COMMISSION MEETING**

**DATA AT
June 30, 2010**

**July 28, 2010
MEETING**

MEMBERS OF THE STATE INVESTMENT COMMISSION

Hon. Frank T. Caprio, Chair

**Ms. Rosemary Booth Gallogly
Mr. Thomas P. Fay
Mr. Robert Giudici
Ms. Marcia Reback**

**Mr. J. Michael Costello
Mr. Robert R. Gaudreau, Jr.
Dr. Robert J. McKenna
Mr. Andrew K. Reilly**



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

Frank T. Caprio
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, July 28, 2010 at 9:00 a.m. in Room 135 of the State House.

AGENDA

1. Membership Roll Call
2. Approval of Minutes
 - State Investment Commission Meeting held on June 23, 2010*
3. General Consultant Report – Pension Consulting Alliance
 - Fixed Income Review
4. Legal Counsel Report
5. Chief Investment Officer Report
6. Treasurer's Report
7. New Business

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

POSTED ON THURSDAY, JULY 22, 2010



State of Rhode Island and Providence Plantations
General Treasurer
State House - 102
Providence, Rhode Island 02903

Frank T. Caprio
General Treasurer

**State of Rhode Island and Providence Plantations
STATE INVESTMENT COMMISSION**

Monthly Meeting June 23, 2010

A State Investment Commission (SIC) meeting was held in Room 135, State House, Providence, Rhode Island on Wednesday, June 23, 2010. The Treasurer called the meeting to order at 9:03 a.m.

Membership Roll Call. Present were: Ms. Rosemary Booth Gallogly (arrived at 9:06), Mr. Michael Costello, Mr. Thomas Fay, Mr. Robert Gaudreau, Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Frank T. Caprio, establishing a quorum. Also present were: Ms. Sally Dowling, of Adler Pollock & Sheehan, and Mr. David Ursillo, of Rodio & Ursillo, Legal Counsel to the Commission; Mr. Allan Emkin and Mr. John Burns of Pension Consulting Alliance (PCA), General Policy Consultant to the Commission; Mr. Nicholas Katsikis of State Street Corporation, Ms. Michelle Davidson and Mr. Scott Reinig of Pacific Corporate Group, and members of the Treasurer's staff. Dr. Robert McKenna was not present.

State Investment Commission Minutes. Treasurer Caprio entertained a motion for approval of the minutes for the meeting of May 26, 2010. Mr. Costello moved, Mr. Fay seconded, and the subsequent motion passed. The following members voted in favor: Mr. Costello, Mr. Fay, Mr. Gaudreau, Mr. Giudici, Mr. Reilly and General Treasurer Caprio. Ms. Reback abstained.

VOTED: To approve the Minutes of the May 26, 2010 monthly meeting.

General Consultant. Mr. Burns asked the board to turn to the handout 2010 Fixed Income Review – Part III which has further background and options to consider for future policy decisions on the structure of the fixed income portfolio. He then reviewed the current RI fixed income portfolio and contrasted it to the Barclay's Capital Aggregate Index as a point of reference. He highlighted the fact that currently there is a sizable allocation to corporate credit risk, through the investment grade and high yield portfolios, for future allocation consideration.

He continued by stating that the fixed income portfolio is important in the context of your total portfolio, because of correlations. Treasury and mortgage-backed securities have lower correlations with equity than investment grade bond and high yield bonds. When equities are performing poorly, fixed income is a defense to negative returns. He then reviewed graphs that illustrate the correlations of the various segments of the fixed income market compared to the Russell 3000. He pointed out that the high yield market and investment grade bonds have a fairly high correlation. However, with governments and mortgages there is actually a negative correlation. That's good, because it's a risk reducer.

Mr. Emkin noted that the traditional role of fixed income is to diversify the risk of equities and to provide a source of cash flow. In 2008, universally amongst PCA's clients, it did not provide a hedge because of the exposure to credit. Because fixed income did not accomplish the goal of diversification, institutional investors are seeking better ways of looking at this asset class.

Mr. Burns commented that there is data in the appendix supporting Mr. Emkin's comments. It is very important for this board to set policy for corporate and high yield investments and not leave this decision to managers. He then asked the group to turn to page five of the handout for a review of the sectors similar to that of Rhode Island's fixed income. A U. S. Treasury - Agency manager (only) historically has not added value because this is typically a very efficient market. The policy implication is: nothing is to be gained from active management, so index that segment.

Managers in the mortgage-backed area vary in outperforming the benchmark after fees in this fairly efficient segment. The policy consideration is to focus on a specialist manager. Historically corporate managers have added value after fees as do high yield managers. In these segments there are opportunities to add value by taking active management risk.

Mr. Emkin commented that it is important to remember that active management risk in fixed income doesn't mean more volatility.

Mr. Burns then reviewed the traditional structure of active management and its benefits and liabilities. He stated that in this case there would be four core managers, or four core plus managers, that would get value added out of sector rotation. With the segmented portfolio, currently employed, there is not an opportunity for this model. He then reviewed passive management where the fixed income portfolio could be indexed in entirety or in portions.

Treasurer Caprio asked Mr. Emkin for his thoughts on how the active fund manager returns compare to the index returns.

Mr. Emkin stated that net of fees the market is pretty efficient and not only will the board need to pick the right managers but those managers need to do well to beat the index net of costs and fees over the long term. The challenge as policy makers is that you need try to project if the past is any indicator of the future or if there will be a different market environment.

Mr. Burns detailed four fixed income alternative structures with varying uses of passive and active management. He noted that portfolio D is a new model in which corporate and high yield could be part of a long/short strategy.

Mr. Goodreau commented that his view of fixed income is in two parts: one that's designed to protect the money with a guaranteed rate of return in the market and the other which is like an equity component to try and add value; therefore, portfolio D would be attractive in a modified extreme barbell structure.

Mr. Burns remarked that the board could structure this portfolio in many ways to effectuate the policy view. In this scenario, the board would be responsible for sector weight management.

Mr. Emkin observed that generally speaking bond managers aren't managing risk as much as they're managing return. Their goal is to beat the benchmarked return and they might be willing to accept a much higher level of risk than the board. Risk should weigh into the policy consideration.

Mr. Burns concluded his presentation by addressing the current manager performance that was previously requested by Ms. Booth Gallogly. He stated that the snapshot of the last 10 years, after fees, shows: Brown Brothers below the benchmark by 30 basis points, Pyramis is right on the benchmark, TCH is 13 basis points above the benchmark and Mackay, over the seven years since inception, added 90 basis points to the benchmark.

Mr. Fay asked that PCA provide additional information on the standard deviation, the risk side of the equation and what value was provided by the current managers.

Mr. Goodreau noted that the fund is getting index like returns with the uncertainty of potential overweight risks.

Treasurer Caprio asked that PCA come back with information on costs and options to continue the discussion.

Mr. Dingley stated that he would like to see an analysis of an inflation scenario with interest rate increase to determine what impact it potentially would have on the historical analysis.

Mr. Emkin concluded by commenting that the past five years fund performance has been outstanding. Relative to your peers, Rhode Island is in good standing. The board, the treasurer's office, and the staff deserve a tremendous amount of credit. Looking back at a longer period of time the assets weren't as well managed and the performance wasn't as good. When making decisions about future policy, keep in mind the world has changed; it has become a much more volatile place with many uncertainties out there. Now is the time to be very cautious and attentive to monitoring all your positions. Mr. Emkin stated that he doesn't know of any of PCA's clients that are making major moves and they are being less risk inclined.

Legal Counsel Report. Legal Counsel had no report.

Chief Investment Officer Report. Mr. Goodreau stated that he agreed with Mr. Emkin's statement that the board's primary responsibility is to be prudent with these assets. The long term annualized averages across the board show strong relative results. The year to date number is 190 basis points above the benchmark for the fiscal year, the one year number 230 basis point above the benchmark, a two year number 250 basis points ahead, a 3 year number about 180 basis point ahead, and a 5 year number 40 basis point ahead. Additionally, the portfolio has a reduced risk factor and the standard deviation is now down close to 11. It is also important to recognize that, in November of last year, the board made a policy decision to reduce the exposure to international equity from just over 20% to 17.5 %. Focusing on asset allocation and cutting fees has resulted in a relatively more conservative portfolio that is performing far better.

The hedge fund sub-committee met to review the summary of the vast data that our consultants have processed over the past few months. Present were Mr. Costello, Mr. Fay, Mr. Reilly, Treasurer Caprio, Mr. Goodreau, and Mr. Burns. Mr. Sandwisch of PCA joined the meeting by phone conference. The consensus was that the hedge fund universe should feature high single to low double digit type returns, a significantly low standard deviation consistent with return and low fees. For the next meeting, the sub-committee will review recommendations of what the hedge fund portfolio structure may look like.

Treasurer's Report. Treasurer Caprio asked the group to turn to the PCG Private Equity Portfolio Report – Fourth Quarter 2009 and asked Ms. Davidson to briefly review the year end 2009 data.

Ms. Davidson stated that the report is based on year end, audited numbers, from all managers. The trend has been upward since first quarter 2009. Returns are up 20 % which gives the portfolio a since inception rate of return of 14.4 % as of year end, beating the S & P 500 plus 300 basis points, your relative benchmark which was about 9.4%.

Mr. Costello asked about the level of credit that is currently available in the private equity market.

Ms. Davidson stated that it varies by sector, with bank and high yield debt being fairly available to finance large transactions. However, at the smaller end of the market and within the middle market, financing is still difficult to get. This creates an opportunity, however, for investing in strategies that provide liquidity, such as mezzanine debt strategies.

Mr. Reinig noted that now there are more restrictions in place on the debt that private equity firms receive, such as more covenants, than during the credit bubble.

Treasurer Caprio asked Mr. Goodreau to give an update on the secondary sale the board approved in March.

Mr. Goodreau commented that the transaction has been completed and it is a matter of waiting for checks to arrive, the majority of which should be in hand later this month. He noted that again, the timing was ideal and he thanked Ms. Davidson for her efforts.

Treasurer Caprio closed by noting that the PCG contract is due to conclude and it will be on the agenda for the July meeting.

New Business. There was no new business.

There being no new business, the Treasurer entertained a motion to adjourn. Ms. Reback moved, Mr. Reilly seconded and the subsequent motion passed. The following members voted in favor: Ms. Booth Gallogly, Mr. Costello, Mr. Fay, Mr. Gaudreau, Mr. Giudici, Ms. Reback, Mr. Reilly and General Treasurer Caprio.

VOTED: To adjourn the meeting.

There being no further business, the meeting was adjourned at 9:55 a.m.

Respectfully submitted,



Frank T. Caprio
General Treasurer

STAFF SUMMARY

RHODE ISLAND STATE INVESTMENT COMMISSION
STAFF SUMMARY ANALYSIS
PORTFOLIO HIGHLIGHTS
June 30, 2010

PORTFOLIO PERFORMANCE

June

The ERSRI portfolio posted a 2.00% loss for the month of June, against the policy index of -2.24%. Domestic Equities lost 5.93%, international equities were down 1.10%, and the fixed income asset class returned 1.24%. If we factor out PE & RE investments, due to the way they are monitored, the plan performance was -2.14% against its -2.18% index.

Calendar Year to Date

For the six months ending June 30, 2010, the portfolio is down 1.81% against the policy index of -2.96%. Domestic equities were down 5.81%, international equities were down 10.98%, while fixed income generated a return of 4.00%.

Fiscal Year to Date

For the Fiscal Year ended June 30, 2010, the fund has gained 13.46%, against the policy index of 11.32%.

Index Performance Summary - June 30, 2010		
Market Indices	Jun-10	Calendar YTD
<u>Domestic Equity</u>		
S & P 500	-5.23%	-6.65%
DJ Wilshire 5000	-5.75%	-6.05%
Russell 2000	-7.75%	-1.95%
Policy Index	-2.18%	-2.89%
<u>International Equity</u>		
MSCI ACWI	-1.26%	-10.80%
<u>Fixed Income</u>		
BC AGG	1.57%	5.33%
<u>Real Estate</u>		
NCREIF	0.84%	-0.87%

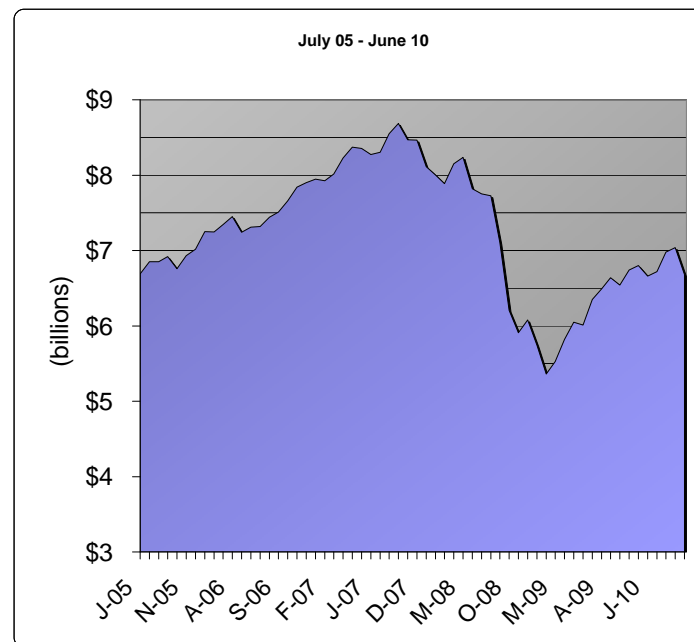
ERSRI Performance By Asset Class	Jun-10	Calendar YTD
Domestic Equity	-5.93%	-5.81%
Fixed Income	1.24%	4.00%
International Equity	-1.10%	-10.98%
Total Fund Composite*	-2.14%	-2.80%
Manager Summary	Jun-10	CYTD
<u>DOMESTIC EQUITY</u>		
Shott	0.02%	0.07%
SSgA S&P 500	-5.24%	-6.60%
Russell Overlay	0.10%	0.38%
Wellington Technical Eq	-6.18%	-12.25%
Russell 2000 Index	-7.73%	-1.96%
Total Domestic Equity	-5.93%	-5.81%
<u>FIXED INCOME</u>		
Brown Bros TIPS	1.44%	4.55%
Brown Bros Core	1.44%	4.90%
Fidelity	1.22%	5.51%
Taplin Canida & Habacht	2.29%	5.61%
Fixed Income Cash Acct	0.02%	0.07%
Mackay Shield	1.25%	4.30%
Total Fixed Income	1.24%	4.00%
<u>INTERNATIONAL EQUITY</u>		
Total International Equity	-1.10%	-10.98%

*Total Fund Composite includes all classes ex PE & RE

Market Valuation Report
June 30, 2010

Market Values

The total portfolio value decreased in June by \$162 million to \$6.51 billion. This compares with a decrease in value of \$39.1 million for the same period in 2009. The Domestic Equity Market values decreased by \$143.7 million, including transfers in of \$.064 million; Fixed Income increased by \$70.7 million, including transfers in of \$50.4 million; while International Values decreased by \$87.5 million, including transfers out of \$75.2 million. The Cash Accounts increased by \$46.3 million including transfers in of \$43.5 million, and Alternative Investments decreased by \$60.1 million, including transfers out of \$49.3 million. The Real Return Pool increased by \$5.7 million including transfers in of \$0.00 million. The overlay account increased by \$6.7 million.



Cash Flow

June pension payroll of \$70.4 million was greater than the \$43.8 million in contributions and wire transfers received by \$26.6 million.

To meet pension and other obligations, a transfer from long-term investments of \$30.7 million was necessary.

Alternative Investments

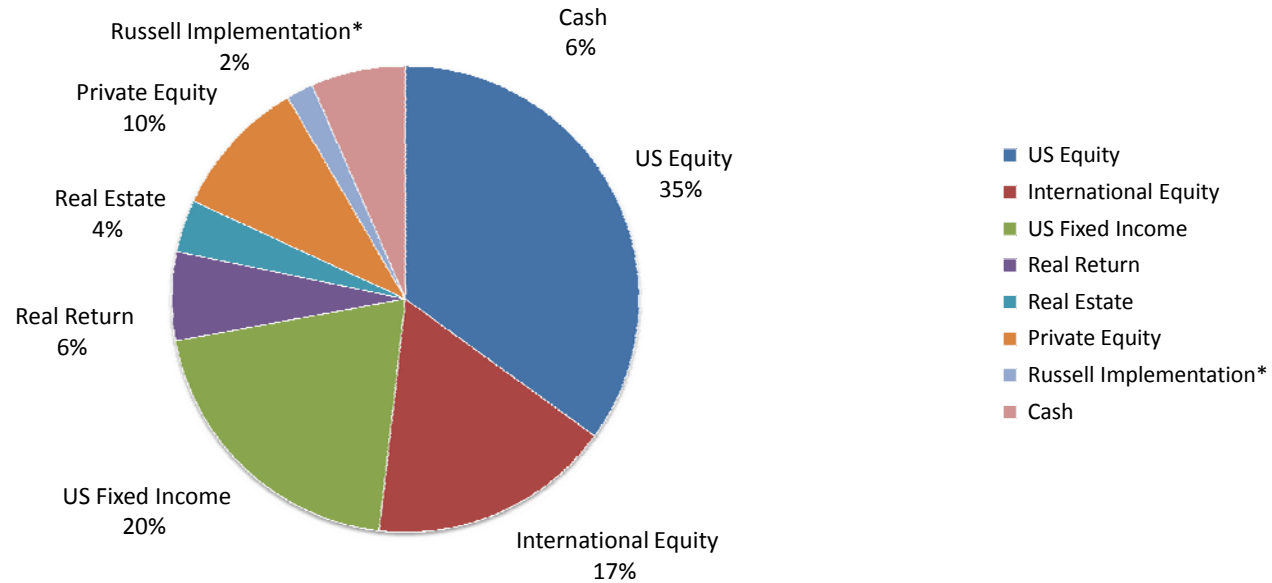
At this time the alternative investment asset class has unfunded commitments of approximately \$260.7 million on commitments of \$1,170 million.

CAPITAL CALLS Net of Distributions

June 2010	FYTD	UNFUNDED BALANCE
-\$49,560,410	-\$50,264,748	\$284,187,999
June 2009	FYTD	UNFUNDED BALANCE
\$11,250,629	\$58,917,240	\$384,712,900

State of Rhode Island

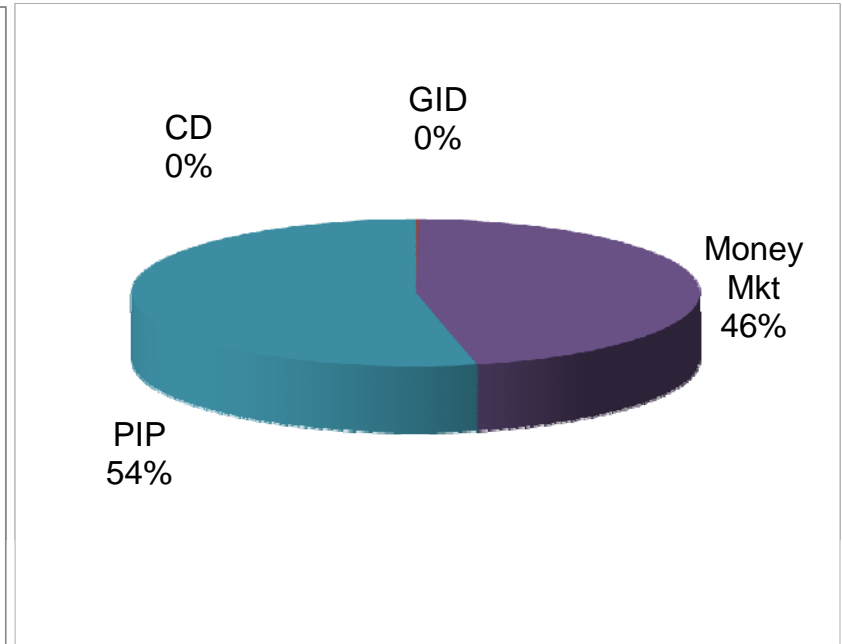
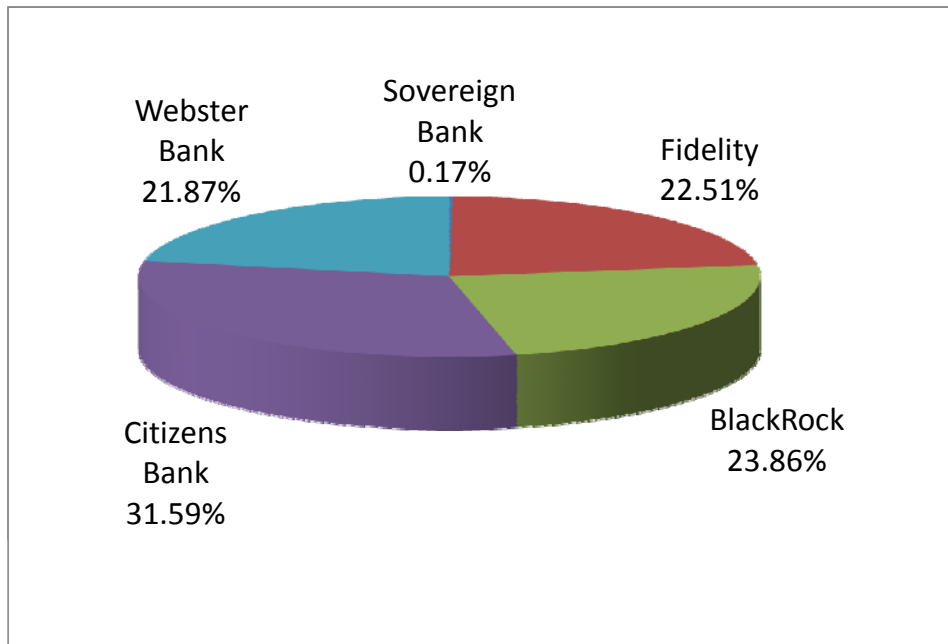
Asset Allocation
6/30/2010



	Value	Allocation
US Equity	2,279.63	35.0%
International Equity	1,094.69	16.8%
US Fixed Income	1,323.08	20.3%
Real Return	400.51	6.1%
Real Estate	236.46	3.6%
Private Equity	631.68	9.7%
Russell Implementation*	121.98	1.9%
Cash	425.78	6.5%
Total Fund	6,513.82	100.0%

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

**RHODE ISLAND STATE INVESTMENT COMMISSION
SHORT TERM CASH INVESTMENTS AT:
June 30, 2010**



REPO = Repurchase Agreement
GID = Government Insured Deposit
CP = Commercial Paper
CD = Certificate of Deposit
CoD = Collateralized Deposit
Agency = US Government Agency

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

**Issuer Credit Ratings
Jun-10**

Issuer	Type of Instrument	Month End % Portfolio	Issuer Ratings		S-T Debt Rating		L-T Debt Rating		Credit Outlook
			Moody's		Moody's	S&P	Moody's	S&P	S&P
Bank RI	3,4	0%				N/R		N/R	
JP Morgan Chase	2,3,5	0%	Aa1		P-1	A-1+	Aa1	AA-	Negative
BlackRock Inc.	6	24%	A1		P-1	A-1	A1	A+	Negative
RBS Citizens	3,4	32%	A2		P-1	A-2	A2	A-	Negative
Federated	6	0%				N/R		N/R	N/R
Fidelity	6	23%				N/R		N/R	N/R
Merrill Lynch	2,5,6	0%	A2		P-1	A-1	A2	A	Negative
Morgan Stanley	1,2,5	0%	A2		P-1	A-1	A2	A	Negative
Sovereign Bank	3,4	0%	A3		P-2	A-1	A3	A	Stable
State Street Bank & Trust Comp	1,3	0%	A1		P-1	A-1	A1	A+	Negative
Webster Bank	3,4	22%	A3		P-2	A-2	A3	BBB	Stable
Washington Trust	3,7	0%				N/R		N/R	N/R
Oppenheimer	5	0%					B2		Stable

Instrument Codes

- 1 Repurchase Agreement
- 2 Commercial Paper
- 3 Certificate of Deposit
- 4 Collateralized Deposit
- 5 US Agency Discount Note
- 6 Government Money Market
- 7 Government Insured Deposit

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

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.

Moody's Issuer Rating Symbols:

- Aaa** - Offer exceptional financial security (high-grade)
 - Aa** - Offer excellent financial security (high-grade)
 - A** - Offer good financial security
 - Baa** - Offer adequate financial security
 - Ba** - Offer questionable financial security
 - B** - Offer poor financial security
 - Caa** - Offer very poor financial security
 - Ca** - Offer extremely poor financial security
 - C** - Lowest rated class, usually in default
- Modifiers:
1 - Higher end of letter rating category
2 - Mid-range of letter rating category
3 - Lower end of letter rating category

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

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 Long-Term Debt Ratings:

- AAA** - Highest rating, extremely strong
 - AA** - Differs slightly from highest rating, very strong
 - A** - Somewhat more susceptible to adverse effects of change in economic condition, strong
 - BBB** - Exhibits adequate protection parameters
 - BB, B, CCC, CC, C** - Have significant speculative characteristics. BB least speculative, C highest degree.
 - D** - Payment default
- Modifiers:
+ or - show relative standing within the category.

PERFORMANCE



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

Frank T. Caprio
General Treasurer

July 22, 2010

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

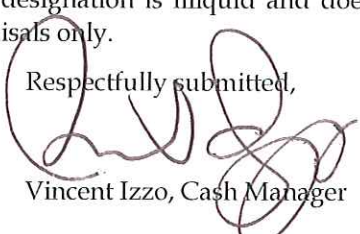
This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, State Police and Judiciary Retirement Systems, and the Municipal Employees' Retirement System of the State of Rhode Island at the close of business on June 30, 2010.

Employees' Retirement System of Rhode Island
Composite Reporting Investment Valuation
June 30, 2010

Asset Class		
Cash/Short Term Investments		759,027,646
Equities - Domestic		2,245,565,200
Equities - International		1,094,658,695
<i>Fixed Income - Government</i>	\$940,263,008	
<i>Fixed Income - Corporate</i>	\$606,335,020	
Total Fixed Income		1,546,598,029
Alternative Investments		631,504,742
Real Estate		236,462,726
Total Fund Investments		6,513,817,038
Plan Allocation		
State Employees & Teachers	83.35%	5,429,297,982
Municipal Employees	15.30%	996,333,001
State Police	0.86%	55,700,216
Judicial	0.50%	32,485,839
Total Fund Investments	100.00%	6,513,817,038

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

Respectfully submitted,


Vincent Izzo, Cash Manager

State of Rhode Island
Summary of Performance
Rates of Return
PERIODS ENDING June 30, 2010

		MKT VAL	% of FUND	1 Month	3 Months	YTD	FYTD	1 Year	2 Years	3 Years	5 Years	ITD	Incept Date
DOMESTIC EQUITY													
Index													
	SSGA S&P 500 INDEX FUND S&P 500	1,569,789,508	24.1	-5.2	-11.4	-6.6	14.6	14.6	-8.0	-9.7		-5.5	11/01/2006
				-5.2	-11.4	-6.7	14.4	14.4	-8.1	-9.8		-5.6	
	RUSSELL 2000 INDEX FUND RUSSELL 2000	573,472,484	8.8	-7.7	-9.9	-2.0	21.5	21.5				22.7	05/01/2009
				-7.8	-9.9	-2.0	21.5	21.5				22.7	
Active Core													
	WELLINGTON TECHNICAL EQUITY RUSSELL 3000	134,845,626	2.1	-6.2	-14.5	-12.3	3.6	3.6	-9.2			-1.8	08/01/2007
				-5.8	-11.3	-6.1	15.7	15.7	-7.8			-8.7	
Other													
	SHOTT CAPITAL	1,518,680	0.0							-13.6			04/01/1999
TOTAL US EQUITY RUSSELL 3000		2,279,626,299	35.0	-5.9	-11.3	-5.8	16.1	16.1	-7.5	-9.5	-0.5	8.2	03/01/1989
				-5.8	-11.3	-6.1	15.7	15.7	-7.8			-8.7	
INTERNATIONAL EQUITY													
Index													
	MSCI ACWI EX US INDEX FUND MSCI AC WORLD ex US (NET)	1,094,165,344	16.8	-1.1	-12.3	-11.0	10.6	10.6				20.5	05/01/2009
				-1.3	-12.5	-11.1	10.4	10.4				20.2	
Active													
	TAX RECLAIMS MSCI AC WORLD ex US (GROSS)	256,028	0.0	-1.3	-12.3	-10.8						-6.3	11/01/2009
	SSGA TRANSITION ACCOUNT	263,987	0.0										11/01/2000
TOTAL INTERNATIONAL EQUITY MSCI AC WORLD ex US (GROSS)		1,094,685,358	16.8	-1.1	-12.3	-11.0	10.5	10.5	-9.3	-9.8	3.4	4.1	03/01/1989
				-1.3	-12.3	-10.8						-6.3	
U.S. FIXED INCOME													
Core													
	BROWN BROTHERS HARRIMAN - CORE CITIGROUP BIG	354,007,672	5.4	1.4	3.2	4.9	8.5	8.5	7.4	6.1	4.7	6.6	03/01/1990
				1.6	3.7	5.3	9.0	9.0	8.0	7.9	5.8	7.3	
Mortgage													
	PYRAMIS GLOBAL ADVISORS BC MBS	456,357,289	7.0	1.2	3.4	5.5	9.9	9.9	8.9	7.2	5.8	7.6	10/01/1989
				1.1	2.9	4.5	7.5	7.5	8.4	8.2	6.3	7.3	
Corporates													
	TAPLIN, CANIDA & HABACHT BC CREDIT	354,344,624	5.4	2.3	3.3	5.6	17.6	17.6	8.5	5.5	5.1	6.8	04/01/1996
				2.0	3.3	5.6	14.7	14.7	9.3	7.4	5.3	6.6	
High Yield													
	MACKAY SHIELDS, LLC CSFB GLOBAL HIGH YIELD	158,374,346	2.4	1.3	0.5	4.3	22.5	22.5	8.5	5.1	6.7	11.5	10/01/2002
				1.2	0.2	4.7	26.9	26.9	9.8	5.7	6.8	10.2	
Other													
	FIXED INCOME CASH ACCOUNT	364,240,292	5.6	0.0	0.0	0.1	0.2	0.2	0.8	2.0		2.2	04/01/2007
TOTAL US FIXED INCOME BC AGGREGATE		1,687,324,223	25.9	1.2	2.3	4.0	10.6	10.6	7.1	6.7	5.4	6.6	12/01/1992
				1.6	3.5	5.3	9.5	9.5	7.8	7.6	5.5	6.6	
REAL RETURN POOL													
	BROWN BROTHERS HARRIMAN - TIPS BARCLAYS US TIPS INDEX	400,509,180	6.2	1.4	3.9	4.6	9.7	9.7	4.9	8.3	5.2	6.0	06/01/2004
				1.4	3.9	4.4	9.5	9.5	4.0	7.6	5.0	5.6	
TOTAL REAL RETURN CPI + 4%		400,509,180	6.2	1.4	3.9	4.6	9.7	9.7	4.9	8.3	5.2	6.0	06/01/2004
				0.4	1.7	3.1						3.7	
ALTERNATIVE INVESTMENTS													
	REAL ESTATE NCREIF PROPERTY LAG + 100 BPS	236,463,462	3.6	0.9	0.7	-4.0	-23.0	-23.0	-26.1	-16.1	-6.1	-5.1	01/01/2005
				0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
	PRIVATE EQUITY S&P 500 PLUS 300 BP	631,681,274	9.7	-1.8	0.6	8.4	23.9	23.9	-2.1	2.8	7.6	8.8	01/01/1989
				-5.0	-10.7	-5.3	17.8	17.8	-5.3	-7.1	2.2	12.0	
TOTAL ALTERNATIVE INVESTMENTS TOTAL ALTERNATIVES BENCHMARK		868,144,735	13.3	-1.1	0.6	5.0	7.9	7.9	-10.0	-3.4	3.6	7.9	04/01/1996
				-2.7	-6.2	-3.5	6.5	6.5	-7.3	-5.3	3.5		
RE-BALANCING													
	RUSSELL IMPLEMENTATION SERVICES	121,983,814	1.9	0.1	0.3	0.4	0.6	0.6				0.0	09/01/2008
CASH													
	CASH ACCOUNT (INSIDE)	54,932,289	0.8										07/01/2000
	CASH ACCOUNT (OUTSIDE)	6,611,139	0.1										07/01/2000
TOTAL PLAN TOTAL PLAN BENCHMARK*		6,513,817,038	100.0	-2.0	-5.3	-1.8	13.5	13.5	-4.2	-4.6	2.6	9.0	01/01/1984
				-2.2	-6.1	-3.0	11.3	11.3	-5.4	-5.3	2.4		

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

State of Rhode Island
Summary of Performance
Rates of Return
PERIODS ENDING June 30, 2010

	MKT VAL	% of FUND	6 YEARS	7 YEARS	8 YEARS	9 YEARS	10 YEARS	ITD	Incept Date
DOMESTIC EQUITY									
Index									
SSGA S&P 500 INDEX FUND S&P 500	1,569,790	24.1	0.4	2.8	2.5	0.0	-1.6	-5.5	11/1/2006
RUSSELL 2000 INDEX FUND RUSSELL 2000	573,472	8.8	1.8	5.8	4.9	3.3	3.0	22.7	5/1/2009
Active Core									
WELLINGTON TECHNICAL EQUITY S&P 500	134,846	2.1	0.4	2.8	2.5	0.0	-1.6	-1.8	8/1/2007
Other									
SHOTT CAPITAL	1,519	0.0							4/1/1999
TOTAL US EQUITY RUSSELL 3000	2,279,626	35.0	1.0	4.0	3.7	1.2	-0.9	8.2	3/1/1989
			0.9	3.5	3.1	0.6	-0.9		
INTERNATIONAL EQUITY									
Index									
MSCI ACWI EX US INDEX FUND MSCI EAFE (NET)	1,094,165	16.8	2.9	6.7	4.9	3.2	0.2	20.5	5/1/2009
Active									
TAX RECLAIMS MSCI AC WORLD ex US (GROSS)	256	0.0	5.9	9.4	7.6	5.7	2.3		11/1/2009
SSGA TRANSITION ACCOUNT	264	0.0							11/1/2000
TOTAL INTERNATIONAL EQUITY MSCI AC WORLD ex US (GROSS)	1,094,685	16.8	5.7	8.6	6.4	4.6	1.2	4.1	3/1/1989
			5.9	9.4	7.6	5.7	2.3		
U.S. FIXED INCOME									
Core									
BROWN BROTHERS HARRIMAN - CORE CITIGROUP BIG	354,008	5.4	5.2	4.6	5.5	5.8	6.5	6.6	3/1/1990
			6.0	5.2	5.8	6.1	6.6		
Mortgage									
PYRAMIS GLOBAL ADVISORS BC MBS	456,357	7.0	6.0	5.6	5.7	6.1	6.6	7.6	10/1/1989
			6.2	5.7	5.7	6.0	6.5		1/0/1900
Corporates									
TAPLIN, CANIDA & HABACHT BC CREDIT	354,345	5.4	5.4	5.1	6.8	6.3	6.9	6.8	4/1/1996
			5.8	4.9	6.2	6.4	6.9		
High Yield									
MACKAY SHIELDS, LLC CSFB GLOBAL HIGH YIELD	158,374	2.4	7.4	8.4	9.5	8.6	7.7	11.5	10/1/2002
			7.3	8.0	9.5	8.6	7.7		
Other									
FIXED INCOME CASH ACCOUNT	364,240	5.6						2.2	4/1/2007
TOTAL US FIXED INCOME BC AGGREGATE	1,687,324	25.9	5.9	5.5	6.3	6.2	6.4	6.6	12/1/1992
			5.8	5.0	5.6	6.0	6.5		
REAL RETURN POOL									
BROWN BROTHERS HARRIMAN - TIPS BC GLOBAL INFLATION LINKED: U.S. TIPS	400,509	6.2	6.0	5.4	6.6	6.9	7.5	6.0	6/1/2004
			5.7	5.4	6.6	6.9	7.5		
TOTAL REAL RETURN CPI + 4%	400,509	6.2	6.0	6.6	6.5	6.4	6.5	6.0	
			6.5	6.6	6.5	6.4	6.5		
ALTERNATIVE INVESTMENTS									
REAL ESTATE NCREIF PROPERTY INDEX QTR LAG	236,463	3.6	6.0	6.5	6.6	6.6	7.1	-5.1	1/1/2005
PRIVATE EQUITY S&P 500 PLUS 300 BP	631,681	9.7	10.3	13.3	10.5	8.9	5.3	8.8	1/1/1989
			3.4	5.9	5.6	3.2	1.6		
TOTAL ALTERNATIVE INVESTMENTS TOTAL ALTERNATIVES BENCHMARK	868,145	13.3	6.9	10.1	7.8	6.5	3.7	7.9	4/1/1996
			4.8	6.5	6.5	4.9	4.2		
RE-BALANCING									
RUSSELL IMPLEMENTATION SERVICES	121,984	1.9						0.0	9/1/2008
CASH									
CASH ACCOUNT (INSIDE)	54,932	0.8							
CASH ACCOUNT (OUTSIDE)	6,611	0.1							
TOTAL PLAN TOTAL PLAN BENCHMARK	6,513,817	100.0	4.1	6.2	5.8	4.1	2.5	9.0	1/1/1984
			3.6	5.6	5.3	3.7	2.2		

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

STATE OF RHODE ISLAND

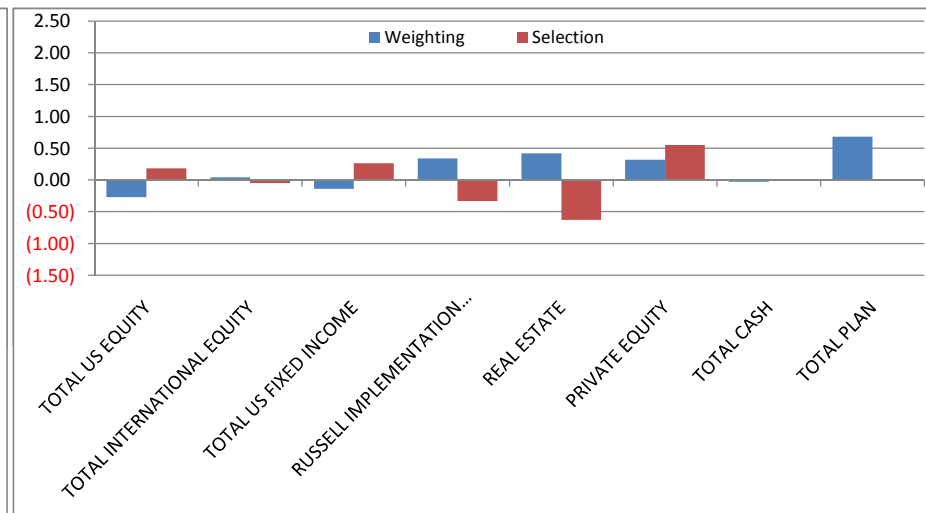
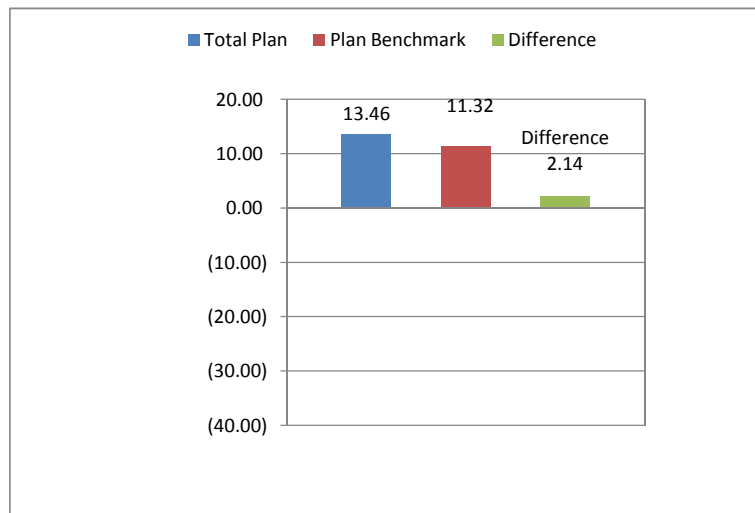
TOTAL PLAN POOL ATTRIBUTION

1 Year Period: June 30, 2009 - June 30, 2010

Value Added

1 YEAR RETURNS

VALUE ADDED ATTRIBUTION



	Beginning Weights			Returns			Value Added		
	Portfolio	Benchmark	Difference	Portfolio	Benchmark	Difference	Weighting	Selection	Timing
TOTAL US EQUITY	39.50	42.50	(3.00)	16.11	15.72	0.39	(0.27)	0.18	
TOTAL INTERNATIONAL EQUITY	18.10	20.00	(1.90)	10.54	10.87	(0.33)	0.04	(0.05)	
TOTAL US FIXED INCOME	25.80	25.00	0.80	10.59	9.50	1.09	(0.14)	0.26	
RUSSELL IMPLEMENTATION SERVICES	2.40	0.00	2.40	0.60	15.67	(15.07)	0.34	(0.33)	
REAL ESTATE	4.70	5.00	(0.30)	(22.99)	(9.60)	(13.39)	0.42	(0.63)	
PRIVATE EQUITY	9.30	7.50	1.80	23.92	17.83	6.09	0.32	0.55	
TOTAL CASH	0.20	0.00	0.20	0.21	0.16	0.05	(0.03)	0.00	
TOTAL PLAN	100	100		13.46	11.32	2.14	0.68	(0.01)	1.26

ERSRI Monthly Market Value Report With Time Weighted Returns

June 30, 2010

	Calendar YTL			Benchmark Description	Current Month			Valuation Change			
	Performance	Benchmark	Alpha		Performance	Benchmark	Alpha	Market Value	Transfers	Market Value	Market Value
								5/31/2010	In/(out)	6/30/2010	Increase/decrease
Domestic Equity											
Shott Capital Management IRR	0.07%	-6.65%	6.72%	S & P 500	0.02%	-5.23%	5.25%	1,518,446	-	1,518,680	234
SSgA S&P 500	-6.60%	-6.65%	0.05%	S & P 500	-5.24%	-5.23%	-0.01%	1,656,537,006	31,075	1,569,789,508	(86,778,573)
Wellington Tech Eq	-12.25%	-6.05%	-6.20%	Russell 3000	-6.18%	-5.75%	-0.43%	143,730,580	-	134,845,626	(8,884,953)
Russell 2000 Index Fund	-1.96%	-1.95%	-0.01%	Russell 2000	-7.73%	-7.75%	0.02%	621,538,794	33,387	573,472,484	(48,099,698)
Total Domestic Equity	-5.81%	-6.05%	0.24%		-5.93%	-5.75%	-0.18%	2,423,324,826	64,462	2,279,626,299	(143,762,989)
International Equity											
Boston Company		-10.80%		MSCI ACWI		-1.26%		58,864	-	60,222	1,358
Goldman Sachs		-10.80%		MSCI ACWI		-1.26%		125,571	(3,522)	123,279	1,231
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	75,602,996	(75,350,778)	263,987	11,768
Mondrian		-10.80%		MSCI ACWI		-1.26%		70,695	-	72,527	1,832
MSCI Ex US Index Fund	-10.98%	-11.06%		MSCI Ex US Index Fund	-1.10%	-1.28%	0.18%	1,106,358,078	149,217	1,094,165,344	(12,341,951)
Total International Equity	-10.98%	-10.80%	-0.18%		-1.10%	-1.26%	0.16%	1,182,216,203	(75,205,084)	1,094,685,358	(12,325,761)
Fixed Income											
Fidelity Management & Research	5.51%	4.46%	1.05%	BC MBS	1.22%	1.12%	0.10%	450,984,414	-	456,357,289	5,372,876
Brown Brothers, Harriman	4.90%	5.27%	-0.37%	Citigroup BIG	1.44%	1.63%	-0.19%	348,989,497	-	354,007,672	5,018,175
Taplin, Canida & Habacht	5.61%	5.62%	-0.01%	BC Credit	2.29%	1.96%	0.33%	346,406,087	-	354,344,624	7,938,537
Mackay Shields	4.30%	4.69%	-0.39%	CS First BosHiYield	1.25%	1.16%	0.09%	156,419,814	-	158,374,346	1,954,532
Fixed Income Cash Acct	0.07%	0.05%	0.02%		0.02%	0.01%	0.01%	313,831,105	50,354,300	364,240,292	54,886
Total Fixed Income	4.00%	5.33%	-1.33%		1.24%	1.57%	-0.33%	1,616,630,917	50,354,300	1,687,324,223	20,339,006
Alternative Investments											
Private Equity	8.38%	-5.25%	13.63%	N/A	-1.79%	-4.99%	3.20%	693,849,030	(49,560,410)	631,681,274	(12,607,347)
Real Estate	-3.95%	-0.87%	-3.08%	NCREIF + 100	0.85%	0.84%	0.01%	234,384,358	170,793	236,463,462	1,908,311
Total Alternatives	5.00%	-3.49%	8.49%		-1.12%	-2.69%	1.57%	928,233,388	(49,389,617)	868,144,735	(10,699,036)
Cash Accounts											
Cash in Trust	0.07%	0.05%	0.02%		0.02%	0.01%	0.01%	11,722,766	43,506,938	54,932,289	(297,415)
Cash Outside Trust	0.00%	0.05%	-0.05%		0.00%	0.01%	-0.01%	3,542,972	-	6,611,139	3,068,167
Total Cash	0.07%	0.05%	0.02%		0.02%	0.01%	0.01%	15,265,738	43,506,938	61,543,428	2,770,752
Real Return Pool											
Brown Bros TIPS	4.55%	4.42%	0.13%	CPI +4%	1.44%	1.44%	0.00%	394,821,841	-	400,509,180	5,687,339
Other											
Russell Overlay	0.38%				0.10%			115,319,981	-	121,983,814	6,663,833
Total Plan Ex PE & RE	-2.80%	-2.89%	0.09%		-2.14%	-2.18%	0.04%	6,675,812,895	(30,669,000)	6,513,817,038	(131,326,857)
Total Plan	-1.81%	-2.96%	1.15%		-2.00%	-2.24%	0.24%				

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

36% Russell 3000

22% BC Agg

17.5% MSCI World Free Ex USA

10% CPI + 4%

7.5% S&P 500 + 3%

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

State of Rhode Island

RATES OF RETURN - Total

Periods Ending June 30, 2010



STATE STREET

PERFORMANCE SUMMARY REPORT

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
U.S. EQUITY									
SSGA S&P 500 INDEX FUND	S&P 500	-5.24	-5.23	-0.01	-6.60	-6.65	0.05	1,569,790	0
SHOTT CAPITAL	S&P 500	0.02	-5.23	5.25	0.07	-6.65	6.72	1,519	0
WELLINGTON TECHNICAL EQUITY	RUSSELL 3000	-6.18	-5.75	-0.43	-12.25	-6.05	-6.20	134,846	0
RUSSELL 2000 INDEX FUND	RUSSELL 2000	-7.73	-7.75	0.02	-1.96	-1.95	-0.01	573,472	0
TOTAL US EQUITY	RUSSELL 3000	-5.93	-5.75	-0.18	-5.81	-6.05	0.24	2,279,626	0
INTERNATIONAL EQUITY									
THE BOSTON COMPANY	MSCI AC WORLD ex US (GROSS)		-1.26			-10.80		60	0
GOLDMAN SACHS	MSCI AC WORLD ex US (GROSS)		-1.26			-10.80		123	-4
MONDRIAN	MSCI AC WORLD ex US (GROSS)		-1.26			-10.80		73	0
MSCI ACWI EX US INDEX FUND	MSCI AC WORLD ex US (NET)	-1.10	-1.28	0.18	-10.98	-11.06	0.08	1,094,165	0
TOTAL INTERNATIONAL EQUITY	MSCI AC WORLD ex US (GROSS)	-1.10	-1.26	0.16	-10.98	-10.80	-0.18	1,094,685	-75,354
U.S. FIXED INCOME									
PYRAMIS GLOBAL ADVISORS	BC MBS	1.22	1.12	0.10	5.51	4.46	1.05	456,357	-148
BROWN BROTHERS HARRIMAN - CORE	CITIGROUP BIG	1.44	1.63	-0.19	4.90	5.27	-0.37	354,008	1
TAPLIN, CANIDA & HABACHT	BC CREDIT	2.29	1.96	0.33	5.61	5.62	-0.01	354,345	0
MACKAY SHIELDS, LLC	CSFB GLOBAL HIGH YIELD	1.25	1.16	0.09	4.30	4.69	-0.39	158,374	0
FIXED INCOME CASH ACCOUNT	91 DAY T-BILL	0.02	0.01	0.01	0.07	0.05	0.02	364,240	50,354
TOTAL US FIXED INCOME	BC AGGREGATE	1.24	1.57	-0.33	4.00	5.33	-1.33	1,687,324	50,207

State of Rhode Island

RATES OF RETURN - Total

Periods Ending June 30, 2010



STATE STREET

PERFORMANCE SUMMARY REPORT

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
REAL RETURN POOL									
1 BROWN BROTHERS HARRIMAN - TIPS	BARCLAYS US TIPS INDEX	1.44	1.44	0.00	4.55	4.42	0.13	400,509	0
TOTAL REAL RETURN POOL	CPI + 4%	1.44	0.40	1.04	4.55	3.06	1.49	400,509	0
ALTERNATIVE INVESTMENTS									
PRIVATE EQUITY	S&P 500 PLUS 300 BP	-1.79	-4.99	3.20	8.38	-5.25	13.63	631,681	-49,897
REAL ESTATE	NCREIF PROPERTY LAG + 100 BPS	0.85	0.84	0.01	-3.95	-0.87	-3.08	236,463	85
TOTAL ALTERNATIVE INVESTMENTS	TOTAL ALTERNATIVES BENCHMARK	-1.12	-2.69	1.57	5.00	-3.49	8.49	868,145	-49,812
CASH EQUIVALENTS									
CASH ACCOUNT (INSIDE)	91 DAY T-BILL	0.02	0.01	0.01	0.07	0.05	0.02	54,932	43,212
CASH ACCOUNT (OUTSIDE)	91 DAY T-BILL	0.00	0.01	-0.01	0.00	0.05	-0.05	6,611	3,068
TOTAL CASH	91 DAY T-BILL	0.02	0.01	0.01	0.07	0.05	0.02	61,543	46,280
OTHER									
RUSSELL IMPLEMENTATION SERVICES		0.10			0.38			121,984	-80
TOTAL PLAN									
TOTAL PLAN	TOTAL PLAN BENCHMARK	-2.00	-2.24	0.24	-1.81	-2.96	1.15	6,513,817	-28,759
TOTAL PLAN ex PE RE	TOTAL PLAN BENCHMARK ex PE RE	-2.14	-2.18	0.04	-2.80	-2.89	0.09	5,645,672	21,053

State of Rhode Island

TOTAL PLAN

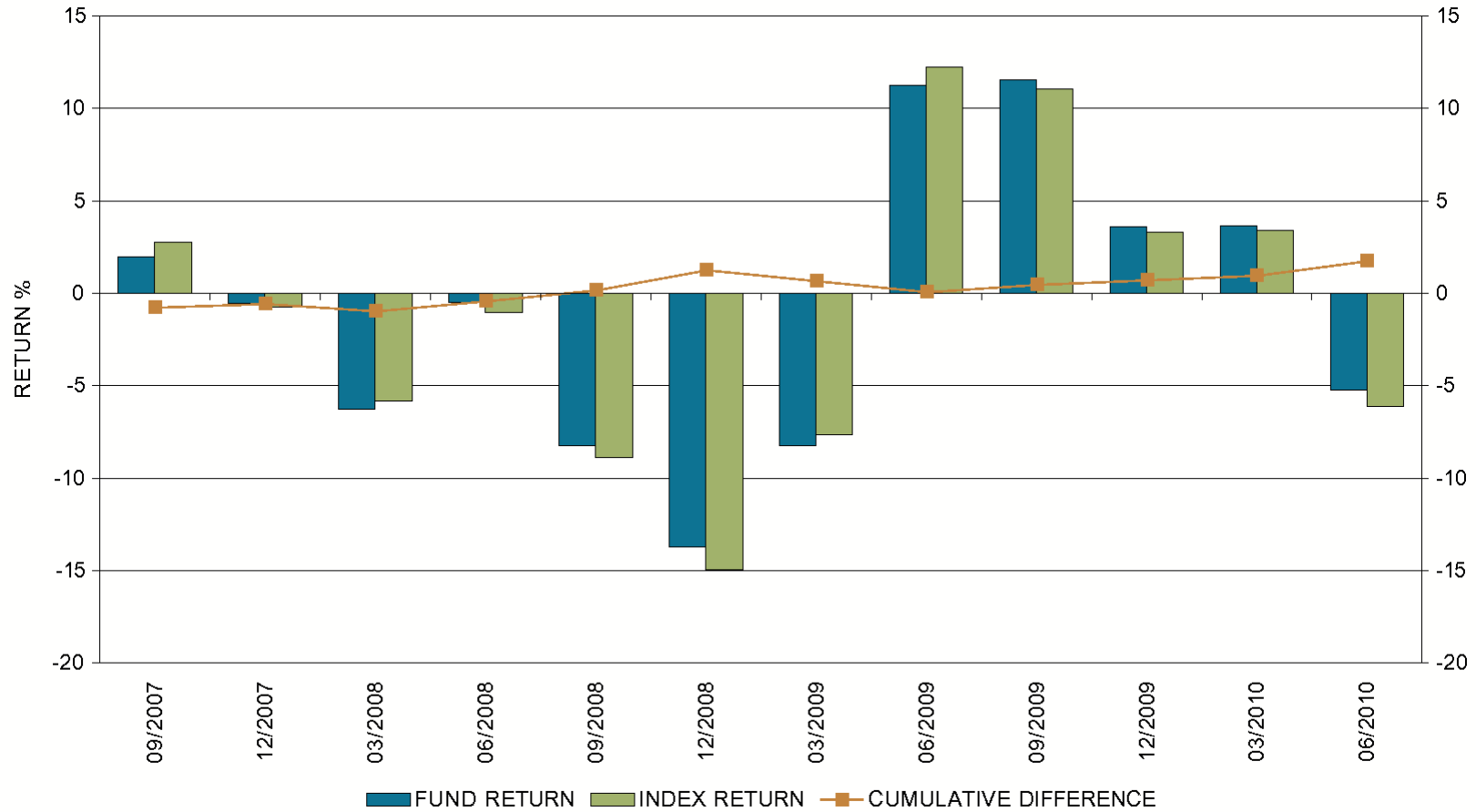
Index: TOTAL PLAN BENCHMARK

PERIODS: June 30, 2007 - June 30, 2010



STATE STREET

CUMULATIVE PERFORMANCE REPORT



State of Rhode Island

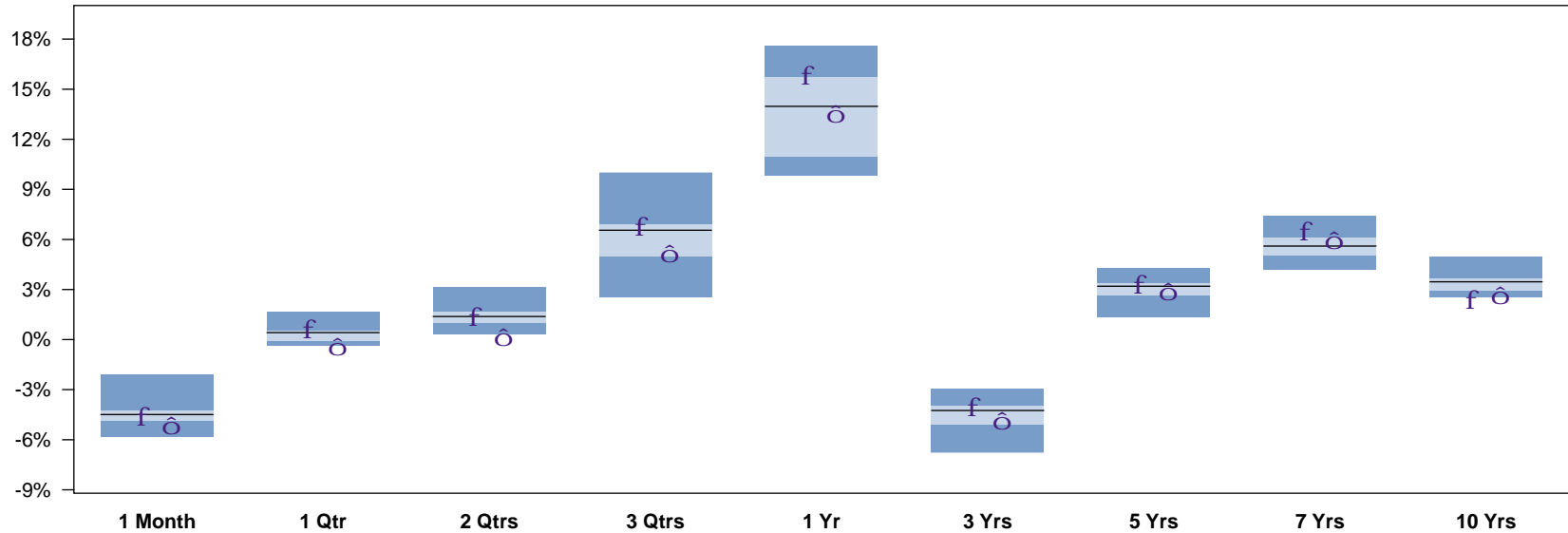
Public Funds (DB) > \$1 Billion (SSC)

PERIOD ENDING May 31, 2010



STATE STREET

TOTAL RETURN



	1 Month	1 Qtr	2 Qtrs	3 Qtrs	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
5th Percentile	-2.12	1.67	3.15	10.00	17.58	-2.94	4.30	7.39	4.93
25th Percentile	-4.26	0.57	1.67	6.93	15.73	-3.95	3.39	6.10	3.66
50th Percentile	-4.49	0.42	1.38	6.55	13.97	-4.25	3.20	5.60	3.46
75th Percentile	-4.92	-0.09	0.99	4.95	10.97	-5.13	2.66	5.05	2.94
95th Percentile	-5.84	-0.35	0.36	2.52	9.84	-6.77	1.35	4.21	2.55
No. of Obs	34	34	33	33	33	30	32	32	31
f TOTAL PLAN	-4.47	0.73	1.49	6.88	15.95	-3.89	3.40	6.63	2.51
o 1 TOTAL PLAN BENCHMARK	-5.01	-0.30	0.32	5.31	13.69	-4.72	3.04	6.10	2.82

State of Rhode Island

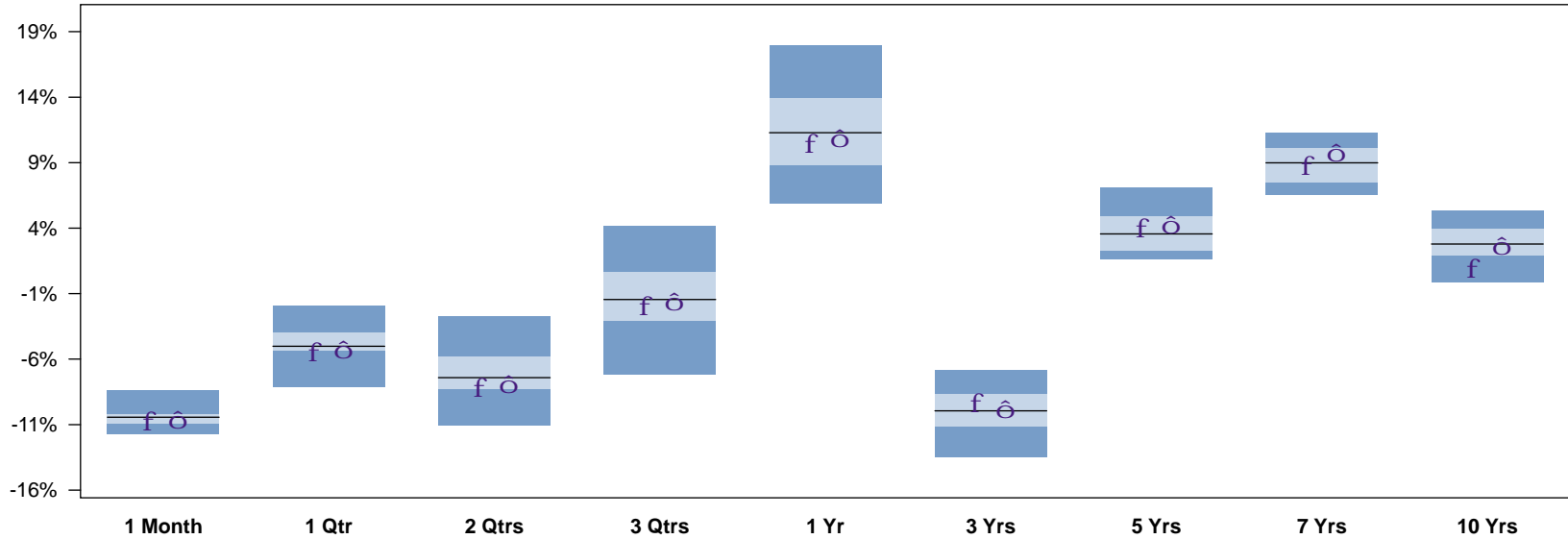
Intl Equity Pools - Public Funds (DB) (SSC)

PERIOD ENDING May 31, 2010



STATE STREET

TOTAL RETURN



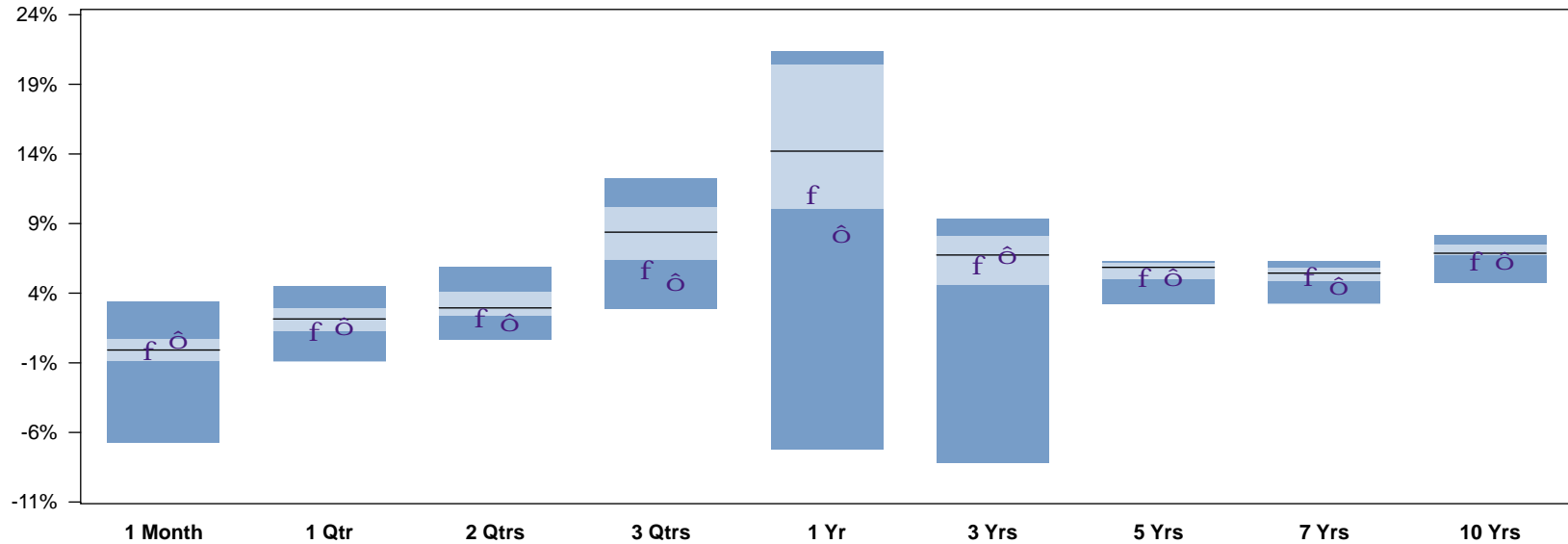
	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
5th Percentile	-8.41		-1.95		-2.73		4.18		17.93		-6.87		7.08		11.32		5.32	
25th Percentile	-10.19		-3.96		-5.78		0.71		13.94		-8.69		4.89		10.17		3.97	
50th Percentile	-10.44		-5.02		-7.41		-1.45		11.29		-9.95		3.56		8.99		2.79	
75th Percentile	-10.93		-5.40		-8.35		-3.14		8.82		-11.15		2.28		7.47		1.90	
95th Percentile	-11.73		-8.15		-11.07		-7.18		5.89		-13.45		1.64		6.55		-0.13	
No. of Obs	32		31		31		30		26		23		22		21		17	
f TOTAL INTERNATIONAL	-10.60	60	-5.31	66	-8.04	67	-1.79	54	10.62	63	-9.17	35	4.15	40	8.96	51	1.06	83
o MSCI AC WORLD ex US (G	-10.41	46	-5.05	52	-7.74	57	-1.41	49	11.08	57	-9.64	38	4.49	37	9.98	27	2.85	47

State of Rhode Island

US FIXED INC POOL PUBLIC GT 1 BILL (SSC)
 PERIOD ENDING May 31, 2010



TOTAL RETURN



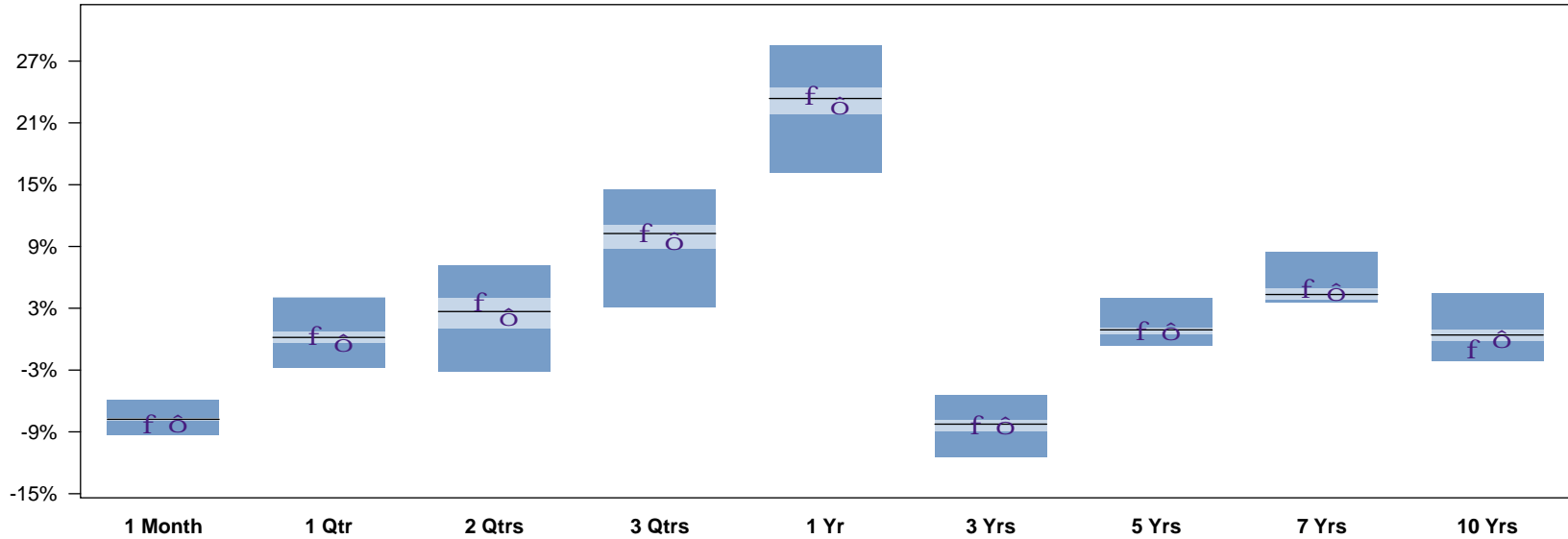
	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
5th Percentile	3.39		4.54		5.89		12.23		21.42		9.34		6.29		6.31		8.16	
25th Percentile	0.73		2.95		4.10		10.18		20.45		8.10		6.15		5.84		7.53	
50th Percentile	-0.08		2.15		2.94		8.38		14.20		6.74		5.86		5.44		6.87	
75th Percentile	-0.88		1.24		2.34		6.37		10.06		4.57		4.95		4.81		6.72	
95th Percentile	-6.71		-0.90		0.65		2.86		-7.20		-8.16		3.21		3.26		4.76	
No. of Obs	16		16		15		14		15		13		11		12		11	
f TOTAL US FIXED INCOM	0.04	48	1.40	71	2.34	76	5.81	81	11.22	69	6.16	72	5.29	67	5.34	62	6.43	84
o BC AGGREGATE	0.84	18	1.77	68	2.08	84	5.01	89	8.42	83	6.89	47	5.33	67	4.69	84	6.52	82

State of Rhode Island

US EQUITY POOLS PUBLIC GT 1BILL (SSC)
 PERIOD ENDING May 31, 2010



TOTAL RETURN



	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
5th Percentile	-5.94		4.04		7.17		14.53		28.49		-5.41		4.03		8.44		4.41	
25th Percentile	-7.67		0.80		4.09		11.11		24.41		-7.82		1.17		4.93		0.93	
50th Percentile	-7.78		0.17		2.68		10.25		23.36		-8.25		0.90		4.34		0.41	
75th Percentile	-7.96		-0.37		1.02		8.70		21.78		-8.97		0.45		3.76		-0.22	
95th Percentile	-9.32		-2.71		-3.11		3.07		16.16		-11.41		-0.63		3.52		-2.14	
No. of Obs	31		32		30		29		26		26		25		22		22	
f TOTAL US EQUITY	-8.01	82	0.51	31	3.76	36	10.50	44	23.85	38	-8.13	38	1.03	35	5.12	18	-0.72	87
o WILSHIRE 5000	-7.92	68	-0.12	69	2.39	63	9.75	65	22.89	65	-8.12	34	1.02	36	4.81	32	0.22	56

State of Rhode Island

TOTAL PLAN

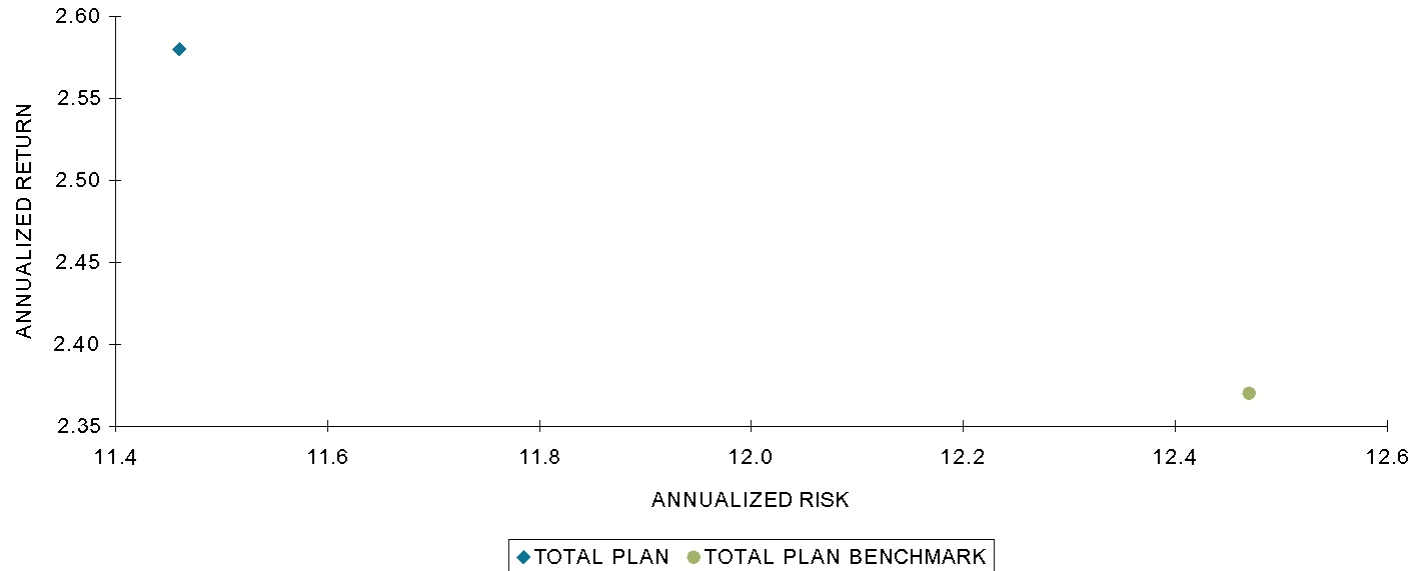
Benchmark: TOTAL PLAN BENCHMARK

June 30, 2005 - June 30, 2010



STATE STREET

RISK VS. RETURN



RISK INFORMATION

Portfolio Return	2.58
Benchmark Return	2.37
Return Differences	0.21
Portfolio Standard Deviation	11.46
Benchmark Standard	12.47
Tracking Error	1.81

RISK STATISTICS

Historic Beta	0.91
R-squared	0.98
Jensen's Alpha	0.18
Sharpe Ratio	-0.02
Treynor Ratio	-0.20
Information Ratio	0.12

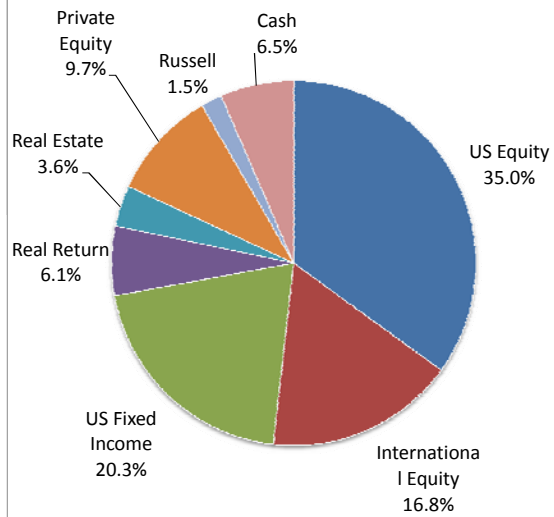
ASSET ALLOCATION

State of Rhode Island

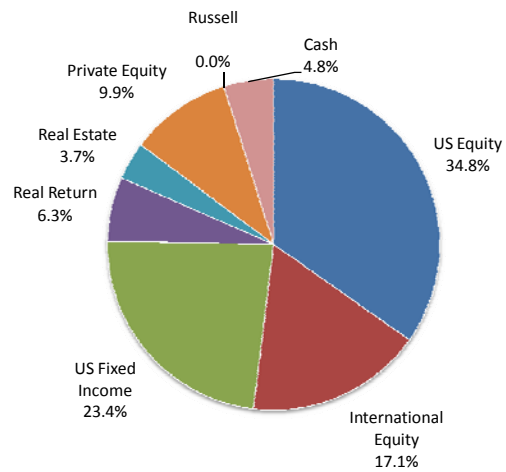
Asset Allocation

6/30/2010

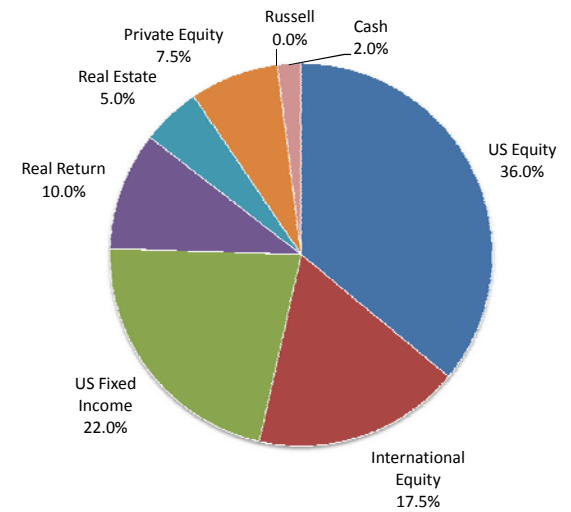
Physical Allocation



Notional Allocation



Policy Allocation



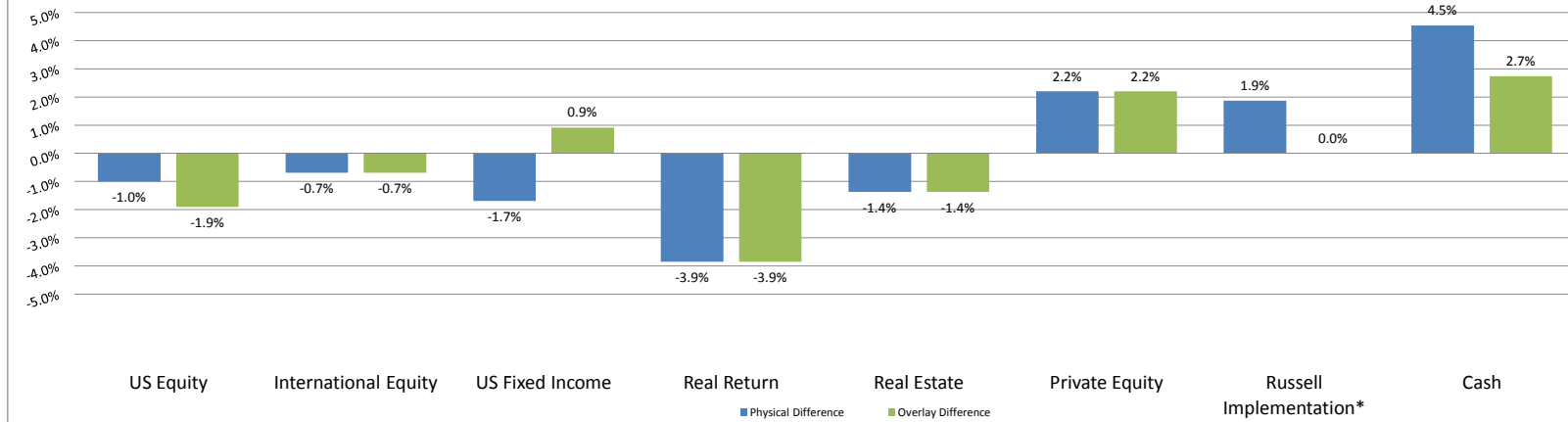
* Difference in actual investment allocation versus target allocation policy is offset by the notional overlay provided by the Russell Implementation account.

State of Rhode Island

Asset Allocation

6/30/2010

Deviations from Target Allocation



	Physical Allocation*	Notional Allocation	Policy	Physical Difference	Overlay Difference
US Equity	35.0%	34.1%	36.0%	-1.0%	-1.9%
International Equity	16.8%	16.8%	17.5%	-0.7%	-0.7%
US Fixed Income	20.3%	22.9%	22.0%	-1.7%	0.9%
Real Return	6.1%	6.1%	10.0%	-3.9%	-3.9%
Real Estate	3.6%	3.6%	5.0%	-1.4%	-1.4%
Private Equity	9.7%	9.7%	7.5%	2.2%	2.2%
Russell Implementation*	1.9%		0.0%	1.9%	0.0%
Cash	6.5%	4.7%	2.0%	4.5%	2.7%
	100%	100%	100%		

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

ASSET ALLOCATION REPORT

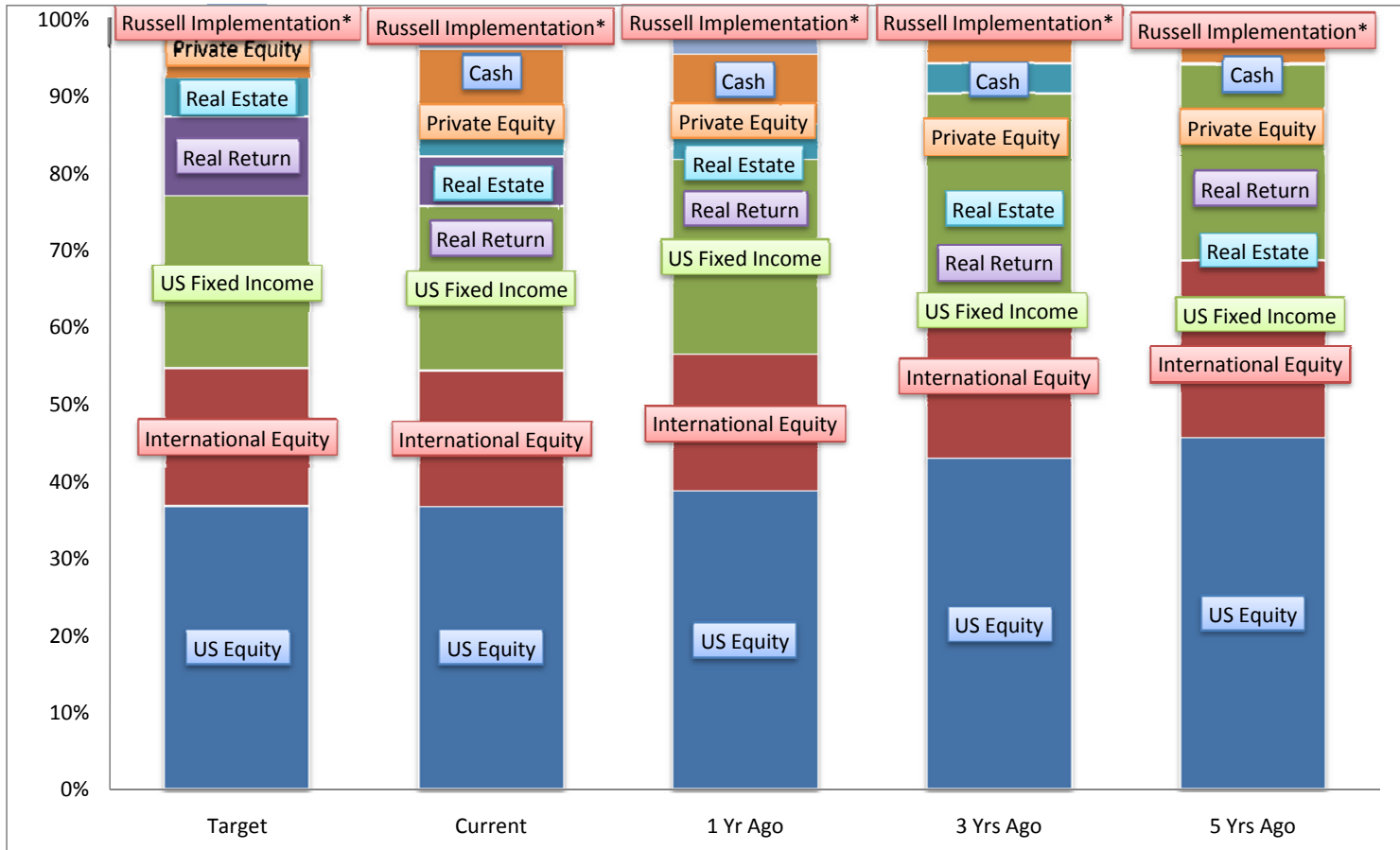
June 30, 2010

	Style Mandate	Actual (Millions \$)	
<i>Domestic Equity</i>			
SSGA S&P 500 INDEX FUND	Passive	1,569.79	24.10%
WELLINGTON TECHNICAL EQUITY	Passive	134.85	2.07%
SHOTT CAPITAL	Enhanced Equity	1.52	0.02%
RUSSELL 2000 INDEX FUND	Tactical Equity	573.47	8.80%
TOTAL DOMESTIC EQUITY		2,279.63	35.00%
<i>International Equity</i>			
MSCI ACWI EX US INDEX FUND	Passive	1,094.17	16.80%
TAX RECLAIMS	Closed	0.26	0.00%
SSGA TRANSITION ACCOUNT	Closed	0.26	0.00%
TOTAL INT'L EQUITY		1,094.69	16.81%
<i>Domestic Fixed Income</i>			
BROWN BROTHERS HARRIMAN - CORE	Opportunistic Core	354.01	5.43%
PYRAMIS GLOBAL ADVISORS	Mortgages	456.36	7.01%
MACKAY SHIELDS, LLC	High Yield	158.37	2.43%
TAPLIN, CANIDA & HABACHT	Corporates	354.34	5.44%
TOTAL FIXED-INCOME		1,323.08	20.31%
<i>Alternative Investments</i>			
Real Estate	Real Estate	236.46	3.63%
Pacific Corp Group	Private Equity	631.68	9.70%
TOTAL ALTERNATIVE INVESTMENTS		868.14	13.33%
<i>Real Return Pool</i>			
BROWN BROTHERS HARRIMAN - TIPS	TIPS	400.51	6.15%
TOTAL REAL RETURN POOL		400.51	6.15%
<i>Cash</i>			
CASH EQUIVALENTS	STIF, Yield+	61.54	0.94%
FIXED INCOME CASH ACCOUNT	STIF, Yield+	364.24	5.59%
<i>Other</i>			
Russell Implementation Services		121.98	1.87%
TOTAL ASSETS		6,513.82	100.00%

State of Rhode Island

Historical Asset Allocation

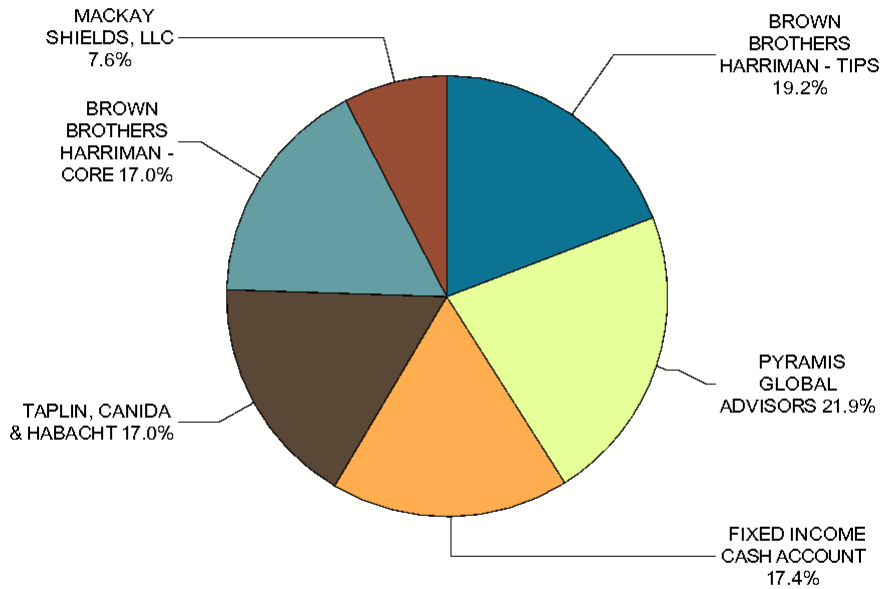
June 30, 2010



	Target	Current	1 Yr Ago	3 Yrs Ago	5 Yrs Ago
US Equity	36.0%	35.0%	39.5%	42.6%	45.2%
International Equity	17.5%	16.8%	18.1%	21.0%	22.8%
US Fixed Income	22.0%	20.3%	25.8%	25.8%	25.2%
Real Return	10.0%	6.1%	0.0%	0.0%	0.0%
Real Estate	5.0%	3.6%	4.7%	3.9%	0.2%
Private Equity	7.5%	9.7%	9.3%	5.8%	5.7%
Russell Implementation*	0.0%	1.9%	2.4%	0.0%	0.0%
Cash	2.0%	6.5%	0.2%	0.8%	0.9%
Total Plan	100.0%	100.0%	100.0%	100.0%	100.0%



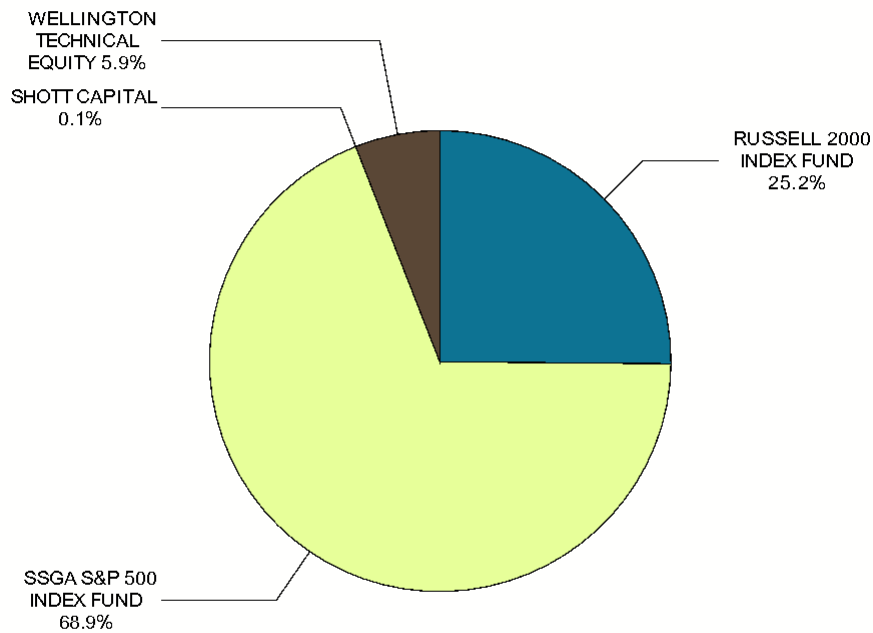
CURRENT MANAGER ALLOCATION



FUND	CURRENT PERIOD	ONE YEAR AGO	ALLOC.
BROWN BROTHERS	400.5	365.1	19.2
PYRAMIS GLOBAL ADVISORS	456.4	415.6	21.9
FIXED INCOME CASH	364.2	12.4	17.4
TAPLIN, CANIDA & HABACHT	354.3	301.4	17.0
BROWN BROTHERS	354.0	326.7	17.0
MACKAY SHIELDS, LLC	158.4	129.7	7.6
TOTAL	2,087.8	1,550.8	100.0



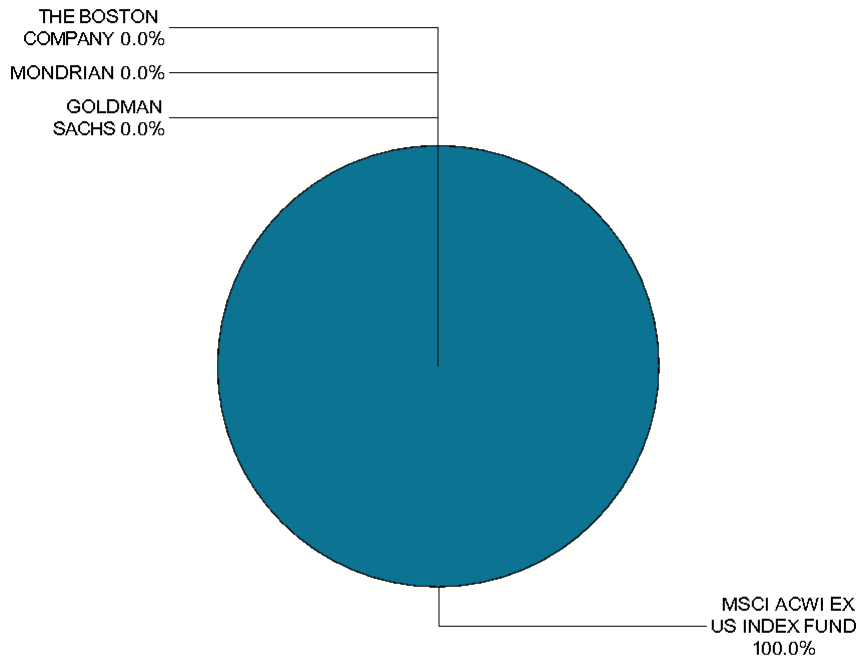
CURRENT MANAGER ALLOCATION



FUND	CURRENT PERIOD	ONE YEAR AGO	ALLOC.
RUSSELL 2000 INDEX FUND	573.5	527.9	25.2
TRANSITION ACCOUNT		0.2	0.0
SSGA S&P 500 INDEX FUND	1,569.8	1,369.3	68.9
PIMCO		347.1	0.0
WELLINGTON MANAGEMENT		0.0	0.0
NORTHPOINTE CAPITAL		0.0	0.0
SSGA - CORE		0.0	0.0
SHOTT CAPITAL	1.5	1.3	0.1
WELLINGTON TECHNICAL	134.8	131.1	5.9
TOTAL	2,279.6	2,376.9	100.0



CURRENT MANAGER ALLOCATION



FUND	CURRENT PERIOD	ONE YEAR AGO	ALLOC.
MSCI ACWI EX US INDEX TRANSITION ACCOUNT	1,094.2	1,084.3	100.0
GOLDMAN SACHS	0.1	1.3	0.0
MONDRIAN	0.1	0.8	0.0
THE BOSTON COMPANY	0.1	1.2	0.0
TOTAL	1,094.4	1,089.1	100.0

CASH FLOW

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2010

	FY 2009-10												TOTAL
	Actual July 2009	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2010	Actual February	Actual March	Actual April	Actual May	Actual June	
MEMBER BENEFITS	63,056,758	63,646,340	63,333,592	63,428,007	63,302,177	63,141,976	64,740,453	64,876,760	64,656,314	64,567,121	64,560,508	64,475,293	767,785,299
ADMINISTRATIVE EXPENSES	408,441	556,383	498,174	774,384	437,762	549,777	365,869	494,446	750,716	624,882	615,392	866,576	6,942,803
INVESTMENT EXPENSES	1,360,290	170,227	366,214	478,412	371,118	717,241	1,108,357	159,865	234,516	376,620	378,219	352,246	6,073,325
TOTAL OUTFLOW	64,825,490	64,372,950	64,197,980	64,680,803	64,111,057	64,408,994	66,214,679	65,531,071	65,641,546	65,568,623	65,554,119	65,694,115	780,801,428
CONTRIBUTIONS	84,101,702	22,893,995	30,893,310	44,233,430	34,706,454	39,034,513	55,724,324	38,389,409	38,842,643	43,857,442	20,000,348	36,811,095	489,488,665
OTHER INCOME*	1,589,383	1,381,391	1,041,431	895,764	4,668,231	1,619,651	712,073	1,400,191	5,187,461	3,439,255	1,361,324	7,740,460	31,036,615
TOTAL INCOME	85,691,085	24,275,386	31,934,741	45,129,194	39,374,685	40,654,164	56,436,397	39,789,600	44,030,104	47,296,697	21,361,672	44,551,555	520,525,280
DIFFERENCE	20,865,595	(40,097,564)	(32,263,239)	(19,551,609)	(24,736,372)	(23,754,831)	(9,778,282)	(25,741,471)	(21,611,442)	(18,271,926)	(44,192,447)	(21,142,560)	(260,276,148)

Municipal Employees Retirement System

	Actual July 2009	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2010	Actual February	Actual March	Actual April	Actual May	Actual June	TOTAL
	MEMBER BENEFITS	5,347,764	5,472,938	5,438,728	5,455,594	5,486,972	5,537,763	5,628,244	5,741,454	5,676,550	5,696,530	5,747,541	5,766,674
ADMINISTRATIVE EXPENSES	71,902	98,352	88,381	137,916	78,231	98,597	65,615	89,051	135,206	113,371	111,649	159,026	1,247,295
INVESTMENT EXPENSES	239,464	30,091	64,970	85,204	66,321	128,630	198,773	28,792	42,237	68,329	68,619	64,641	1,086,071
TOTAL OUTFLOW	5,659,130	5,601,381	5,592,079	5,678,713	5,631,523	5,764,990	5,892,631	5,859,297	5,853,993	5,878,230	5,927,809	5,990,340	69,330,116
CONTRIBUTIONS	4,600,229	3,807,534	3,954,514	5,335,167	6,472,902	5,000,093	5,113,953	6,276,047	6,226,961	4,556,660	4,271,452	7,021,682	62,637,194
OTHER INCOME*	279,793	244,189	184,761	159,533	834,240	290,468	127,703	252,178	934,273	623,975	246,982	1,420,455	5,598,551
TOTAL INCOME	4,880,022	4,051,723	4,139,275	5,494,700	7,307,142	5,290,561	5,241,656	6,528,225	7,161,234	5,180,635	4,518,434	8,442,137	68,235,745
DIFFERENCE	(779,107)	(1,549,658)	(1,452,805)	(184,013)	1,675,619	(474,429)	(650,975)	668,928	1,307,242	(697,595)	(1,409,375)	2,451,797	(1,094,372)

CASH FLOW ANALYSIS - INCOME & EXPENSES

**Judges/State Police
Retirement System**

	Actual July 2009	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2010	Actual February	Actual March	Actual April	Actual May	Actual June	TOTAL
<i>MEMBER BENEFITS</i>	106,501	106,501	106,501	106,501	106,501	106,501	108,032	108,076	108,054	108,054	108,054	108,054	1,287,330
<i>ADMINISTRATIVE EXPENSES</i>	5,874	8,196	7,421	11,646	6,673	8,451	5,624	7,736	11,745	9,954	9,803	14,075	107,199
<i>INVESTMENT EXPENSES</i>	19,564	2,508	5,455	7,195	5,657	11,025	17,038	2,501	3,669	5,999	6,025	5,721	92,358
<i>TOTAL OUTFLOW</i>	131,940	117,205	119,377	125,342	118,831	125,978	130,693	118,313	123,468	124,007	123,881	127,851	1,486,886
<i>CONTRIBUTIONS</i>	1,580,000	437,000	427,000	685,000	422,000	470,000	467,000	445,000	462,000	528,000	65,000	760,000	6,748,000
<i>OTHER INCOME*</i>	22,859	20,349	15,513	13,472	71,161	24,897	10,946	21,907	81,161	54,785	21,685	125,725	484,460
<i>TOTAL INCOME</i>	1,602,859	457,349	442,513	698,472	493,161	494,897	477,946	466,907	543,161	582,785	86,685	885,725	7,232,460
<i>DIFFERENCE</i>	1,470,919	340,145	323,136	573,129	374,329	368,920	347,253	348,594	419,692	458,778	(37,196)	757,875	5,745,573

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

FISCAL YEAR 2010

INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

ACCRUAL BASIS

	Actual Jul 09	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan 10	Actual Feb 10	Actual Mar 10	Actual Apr 10	Actual May 10	Projected June 10	Projected TOTAL
EQUITIES													
SSgA Russell 1000/S&P ZU14			0			7,127			31,075			100,000	138,202
SSGA Russell 2000 ZU06			0			30,801			33,387			17,388	578,237
Shott Capital ZU49			421			5			460			2,718	3,604
Wellington Tech Eq ZU04			0			645,600			340,655			296,937	1,283,192
			<u>421</u>			<u>683,533</u>			<u>405,577</u>			<u>417,043</u>	<u>1,424,998</u>
FIXED INCOME													
Brown Bros. ZU44			105,055			107,338			159,463			152,252	524,109
Fidelity ZU46			143,712			145,993			147,583			140,949	578,237
Taplin ZU84			199,476			210,205			214,524			179,763	803,969
Mackay Shields ZU59			149,724			161,036			167,506			147,848	626,114
Brown Bros.TIPS ZU69			155,959			158,453			108,601			113,544	536,557
			<u>753,926</u>			<u>783,025</u>			<u>797,678</u>			<u>734,357</u>	<u>3,068,986</u>
INT'L EQUITIES													
The Boston Co ZU77			0			0			0			0	0
Mondrian ZU67			32,787			0			0			0	32,787
Goldman Sachs Asset Mgmt ZU25			0			0			0			0	0
SSgA MSCI ACWI ZU08			129,145			149,875			149,217			150,000	578,237
	0		<u>161,932</u>	0		<u>149,875</u>			<u>149,217</u>			<u>150,000</u>	<u>611,024</u>
REAL ESTATE													
L & B Real Estate ZU79	178,749	77,105	211,554	161,810	0	198,330	1,173,526	0	243,230	150,642	385,731	86,250	2,866,928
ALTERNATIVE INVESTMENTS													
Other Alt Inv Mgmt Fee ZU32	1,440,569	125,721	342,215	409,000	443,096	769,307	150,640	191,158	195,052	300,306	67,133	336,359	4,770,557
SUB TOTAL-INV MGMT FEES													
	1,619,318	202,826	1,470,049	570,810	443,096	2,584,070	1,324,167	191,158	1,790,754	450,948	452,864	1,724,008	12,742,493
PROFESSIONAL FEES													
Legal	1,539	1,808	675	1,013	639	828	6,000	2,933	729	731	12,273	2,453	31,619
St St Bank Custodial	6,092	11,314	5,672	2,588	2,943	6,059	63,723	63,896	61,083	63,189	62,639	62,000	411,197
Pacific Corp Group ZU76	93,750	93,750	0	0	93,750	0	0	87,500	0	84,375	0	93,750	453,125
PCA/Wilshsire/Russell	14,583	14,583	14,583	14,583	63,246	13,125	13,125	13,125	93,129	13,125	13,125	13,125	293,459
Townsend	0	0	35,625	0	0	112,878	0	0	35,625	0	0	35,625	219,753
	22,214	121,455	56,555	18,184	160,578	132,889	82,848	167,453	190,565	161,421	88,037	206,954	1,409,153
OPERATING EXPENSE													
Retirement Transfers	450,000	530,255	480,567	665,657	492,580	467,833	388,964	501,148	524,808	647,610	392,246	827,323	6,368,991
Other Expense	0	6,250	11,650	0	6,250	5,000	5,400	0	11,650	0	6,250	5,400	57,850
	450,000	536,505	492,217	665,657	498,830	472,833	394,364	501,148	536,458	647,610	398,496	832,723	6,426,841
TOTAL:	2,091,532	860,786	2,018,821	1,254,651	1,102,504	3,189,792	1,801,380	859,760	2,517,778	1,259,979	939,396	2,763,685	20,578,487

Note: Numbers in bold are actual.

State of Rhode Island Alternative Investment Unfunded Commitment
June 2010

<u>Partnership Investment</u>	<u>Total Commitment</u>	<u>ERSRI Remaining Commitment</u>
Alta BioPharma Partners III	\$ 15,000,000.00	\$ 2,250,000.00
Alta Partners VIII	\$ 15,000,000.00	\$ 6,000,000.00
Apollo Investment Fund IV	\$ 15,000,000.00	\$ 41,214.94
Apollo Investment Fund VI	\$ 20,000,000.00	\$ 2,532,173.62
Apollo VII	\$ 25,000,000.00	\$ 15,460,421.00
Aurora Equity Partners II**	\$ 15,000,000.00	\$ 38,917.00
Aurora Equity Partners III**	\$ 15,000,000.00	\$ 769,174.00
Avenue Special Situations Fund III	\$ 15,000,000.00	\$ -
Avenue Special Situations Fund IV	\$ 20,000,000.00	\$ -
Avenue V	\$ 20,000,000.00	\$ -
Bain X	\$ 25,000,000.00	\$ 15,625,000.00
Birch Hill Equity Partners III*	\$ 16,918,200.00	\$ 1,039,226.27
Castile III	\$ 5,000,000.00	\$ 1,725,000.00
Centerbridge	\$ 15,000,000.00	\$ 2,586,630.00
Charterhouse Capital Partners VIII*	\$ 18,357,000.00	\$ 3,780,657.28
Coller International Capital IV**	\$ 15,000,000.00	\$ 2,100,000.00
Coller International Capital V	\$ 15,000,000.00	\$ 6,787,500.00
Constellation III	\$ 15,000,000.00	\$ 7,847,081.83
CVC European Equity Partners III	\$ 20,000,000.00	\$ 899,966.29
CVC European Equity Partners IV*	\$ 20,192,700.00	\$ 2,577,117.98
CVC 5	\$ 24,476,000.00	\$ 19,311,316.46
Fenway Partners Capital Fund II	\$ 15,000,000.00	\$ 348,826.00
Fenway III	\$ 15,000,000.00	\$ 3,963,217.00
First Reserve Fund X	\$ 20,000,000.00	\$ 1.63
First Reserve Fund XI	\$ 20,000,000.00	\$ 4,646,415.29
Focus Ventures III	\$ 15,000,000.00	\$ 2,775,000.00
Granite Global Ventures II	\$ 15,000,000.00	\$ 675,000.00
Granite Global Ventures III	\$ 15,000,000.00	\$ 4,500,000.00
Green Equity Investors IV	\$ 15,000,000.00	\$ 345,838.84
Green Equity Investors V	\$ 20,000,000.00	\$ 11,999,808.44
Harvest Partners III	\$ 15,000,000.00	\$ 364,023.61
Kayne Anderson Energy Fund III	\$ 15,000,000.00	\$ 2,237,545.10
Kayne Anderson Energy Fund IV	\$ 15,000,000.00	\$ 7,350,000.53
Leapfrog Ventures II	\$ 10,000,000.00	\$ 1,935,000.00
Leeds Weld Equity Partners IV	\$ 10,000,000.00	\$ 75,360.41
Lighthouse Capital Partners V	\$ 11,250,000.00	\$ 787,500.00
Lighthouse Capital Partners VI	\$ 15,000,000.00	\$ 2,474,999.99
LNK Partners	\$ 12,500,000.00	\$ 3,393,750.84
Matlin Patterson Glob. Opp. Fund (CSFB)	\$ 15,000,000.00	\$ -
MHR Institutional Partners III	\$ 20,000,000.00	\$ 7,477,953.00
Nautic Partners V	\$ 20,000,000.00	\$ 782,229.40
Nautic Partners VI	\$ 20,000,000.00	\$ 12,486,342.34
Nordic Capital Fund III*	\$ 10,263,840.00	\$ 167,311.51
Nordic Capital Fund V*	\$ 17,886,510.09	\$ 0.09
Nordic Capital Fund VI*	\$ 18,357,000.00	\$ 1,065,836.09
Nordic VII	\$ 18,357,000.00	\$ 13,219,209.11
OCM Opportunities Fund II	\$ 12,000,000.00	\$ -
OCM Principal Opportunities Fund	\$ 5,000,000.00	\$ -

State of Rhode Island Alternative Investment Unfunded Commitment
June 2010

<u>Partnership Investment</u>	<u>Total Commitment</u>	<u>ERSRI Remaining Commitment</u>
Palladin III	\$ 10,000,000.00	\$ 5,280,094.00
Parthenon Investors	\$ 15,000,000.00	-
Parthenon Investors II	\$ 20,000,000.00	\$ 1,362,393.00
Perseus VII	\$ 15,000,000.00	\$ 3,067,983.00
Point 406	\$ 10,000,000.00	\$ 4,230,000.00
Point Judith II	\$ 5,000,000.00	\$ 2,150,451.32
Providence Equity Partners III	\$ 15,000,000.00	\$ 1,935,458.51
Providence Equity Partners IV	\$ 25,000,000.00	\$ 1,811,572.79
Providence Equity Partners V	\$ 25,000,000.00	\$ 2,171,825.00
Providence Equity Partners VI	\$ 25,000,000.00	\$ 9,403,489.00
SKM Equity Fund II**	\$ 10,000,000.00	\$ 1,735,947.00
Thomas McNerney & Partners	\$ 15,000,000.00	\$ 1,537,500.00
Thomas McNerney & Partners 2	\$ 15,000,000.00	\$ 7,612,500.00
TPG Partners II	\$ 10,000,000.00	\$ 308,515.00
TPG Partners IV	\$ 15,000,000.00	\$ 1,210,207.00
TPG Partners V	\$ 20,000,000.00	\$ 3,334,433.00
TPG VI	\$ 20,000,000.00	\$ 15,931,870.00
Trilantic IV	\$ 11,098,351.00	\$ 5,993,961.58
VS&A Communication Partners III	\$ 15,000,000.00	\$ 7,978.00
W Capital Partners	\$ 15,000,000.00	\$ 1,143,000.00
W Capital Partners II	\$ 15,000,000.00	\$ 6,565,631.00
Washington & Congress Capital Partners**	\$ 15,000,000.00	\$ 305,637.24
Wellspring Capital Partners III	\$ 20,000,000.00	\$ 119,345.00
Wellspring Capital Partners IV	\$ 20,000,000.00	\$ 4,978,440.00
WLR	\$ 8,000,000.00	\$ 4,035,098.00
Total Alternative Investments	\$ 1,169,656,601.09	\$ 260,675,895.33

State of Rhode Island Real Estate Investment Unfunded Commitment
June 2010

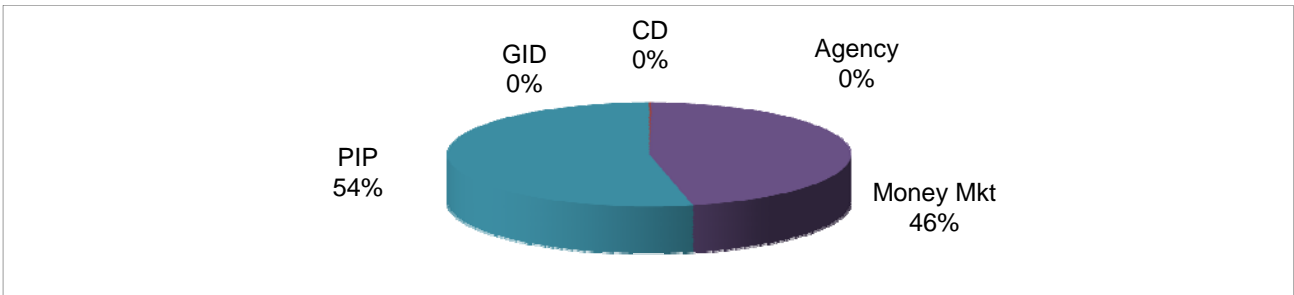
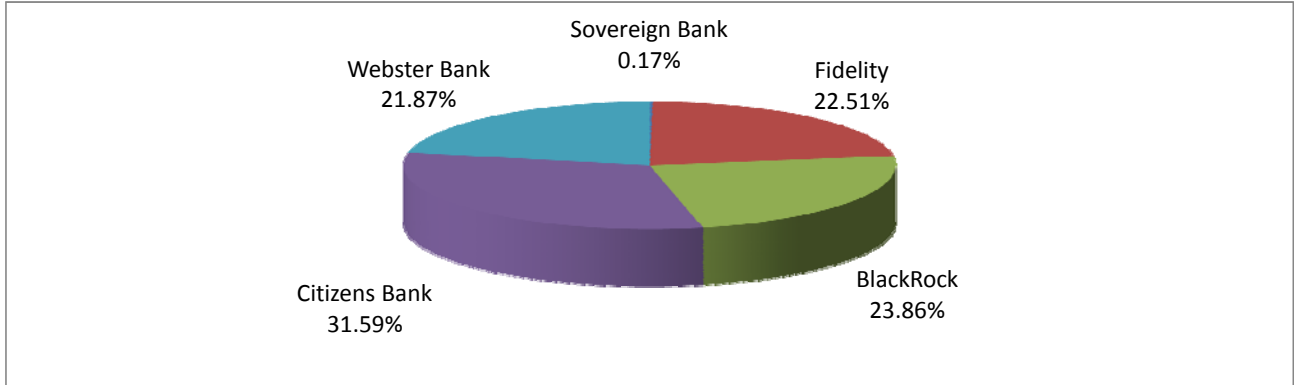
<u>Real Estate Partnership Investment</u>	<u>ERSRI Remaining Commitment</u>	
AEW	\$ 35,000,000.00	\$ 19,444,782.62
Fillmore East Fund I	\$ 10,000,000.00	\$ 0.08
Fremont Strategic Property Partners II	\$ 15,000,000.00	\$ 1,873,108.00
GMAC Commerical Realty Partners II	\$ 15,000,000.00	\$ 2,155,117.00
Heitman Advisory Corporation		\$ -
JPMorgan Fleming Asset Mgmt. Strat. Prop. F	\$ 50,000,000.00	\$ -
JPMorgan Alternative Property Fund	\$ 20,000,000.00	\$ -
LaSalle Income & Growth Fund IV	\$ 15,000,000.00	\$ 397,937.57
L&B Real Estate Counsel		\$ -
Magna Hotel	\$ 4,000,000.00	\$ 2,709,898.00
Morgan Stanley Prime Property Fund	\$ 35,000,000.00	\$ -
Prudential Real Estate Investors (PRISA)	\$ 50,000,000.00	\$ -
Prudential Real Estate Investors (PRISA) II	\$ 15,000,000.00	\$ -
RREEF America REIT II Fund	\$ 35,000,000.00	\$ -
Starwood Hospitality Fund I	\$ 10,000,000.00	\$ -
TA Realty Fund VIII	\$ 15,000,000.00	\$ -
Tri Continental Fund VII	\$ 15,000,000.00	\$ 428,467.00
Walton Street Real Estate Fund V	\$ 20,000,000.00	\$ 0.18
Westbrook Real Estate Fund VI	\$ 16,401,663.00	\$ 79,399.00
Westbrook Real Estate Fund VII	\$ 16,500,000.00	\$ 1,499,999.40
	\$ 391,901,663.00	\$ 28,588,708.85

SHORT TERM INVESTMENTS

RI SIC GUIDELINE COMPLIANCE REPORT

INVESTMENTS AS OF:

June 30, 2010



REPO = Repurchase Agreement
 CP = Commercial Paper
 GID = Government Insured Deposit
 CD = Certificate of Deposit
 CoD = Collateralized Deposit
 Agency = US Government Agency

Vendor	CP	CD	Agency	Money Mkt	PIP	Repo	GID	Total (\$)
Guidelines-Total/Vendor	25%/10%	50%/20%	75%/35%	75%/35%	75%/35%	100%/20%	75%/35%	
Bank RI	0	0	0	0	0	0	0	0
Sovereign Bank	0	535,128	0	0	0	0	0	535,128
JP Morgan Chase	0	0	0	0	0	0	0	0
Federated Investors	0	0	0	0	0	0	0	0
Fidelity	0	0	0	69,676,766	0	0	0	69,676,766
BlackRock	0	0	0	73,843,430	0	0	0	73,843,430
Wells Fargo	0	0	0	0	0	0	0	0
Citizens Bank	0	0	0	0	97,762,021	0	0	97,762,021
Webster Bank	0	0	0	0	67,700,331	0	0	67,700,331
Oppenheimer Inc	0	0	0	0	0	0	0	0
Washington Trust	0	0	0	0	0	0	0	0
TOTALS	-	535,127.74	-	143,520,196.59	165,462,352.18	-	-	309,517,677
(%) PORTFOLIO	0.00%	0.17%	0.00%	46.37%	53.46%	0.00%	0.00%	100.00%

Note: PIP + CD must be under 75%.

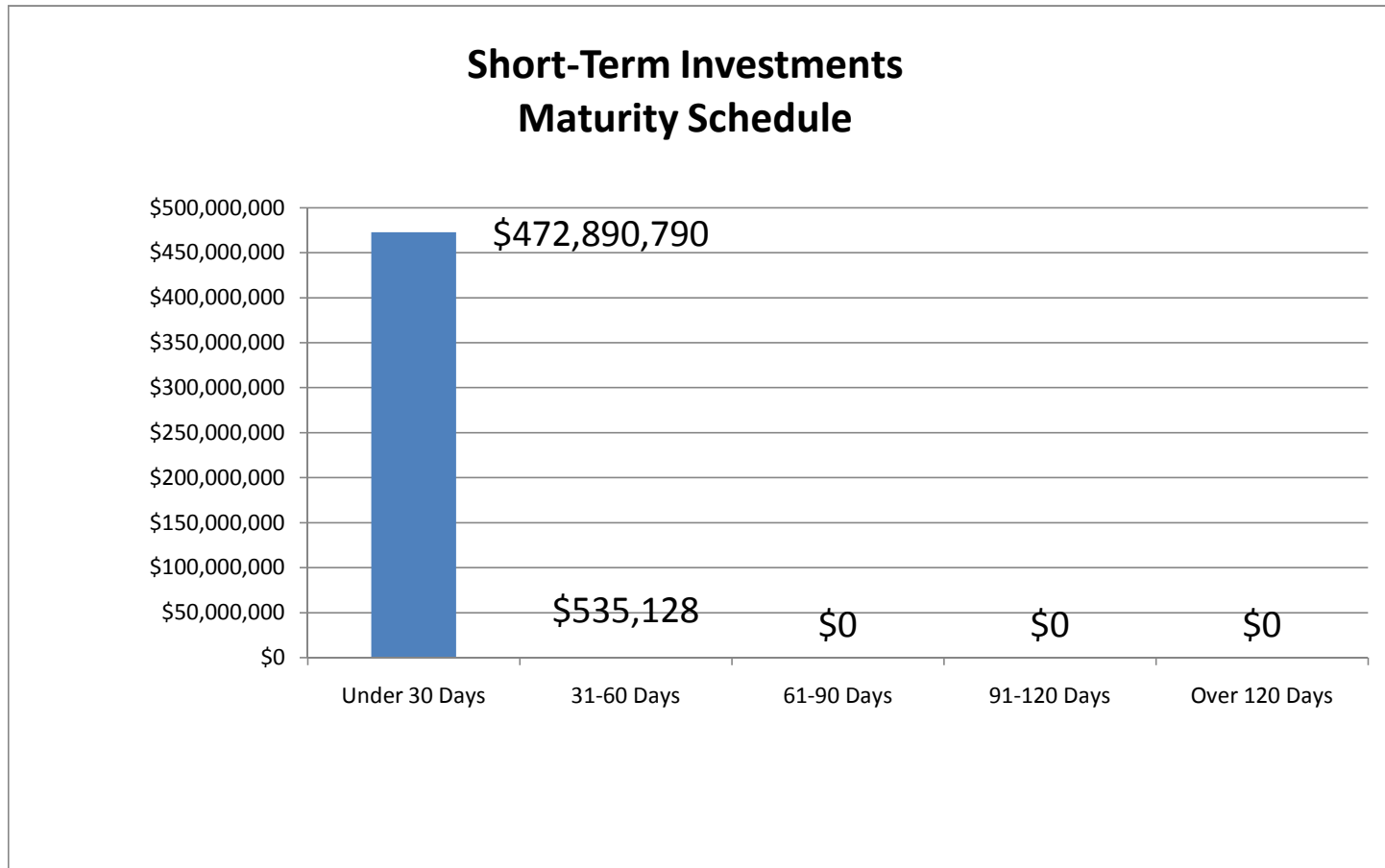
Actual PIP + CD: 53.63%

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

State of Rhode Island
Short Term Cash Monthly Performance
Performance for
June 01, 2010 to June 30, 2010

Fund Name	Beginning Balance	Ending Balance	Average Daily Balance	Earnings	Yield(Annual)
GENERAL FUND	\$ 134,175,076.56	\$ 131,593,606.89	\$ 283,628,370.77	\$ 118,605.89	0.5088%
H.A.V.A	\$ 293.74	\$ 293.78	\$ 293.74	\$ 0.04	0.1657%
PENSION C					
PAYROLL A					
GENERAL FUND (HIST PRES)	\$ 535,127.74	\$ 535,127.74		\$ -	0.0000%
HIGHWAY FUND	\$ 14,540,621.31	\$ 16,842,099.34	\$ 24,527,287.98	\$ 1,478.03	0.0733%
T.D.I. RESERVE (DET)	\$ 110,137,468.03	\$ 93,608,067.76	\$ 100,204,454.68	\$ 18,756.66	0.2277%
EMPLOYER PENSION CONTRIBUTION	\$ 14,600,782.28	\$ 14,202,942.06	\$ 21,197,448.94	\$ 2,159.78	0.1240%
RICAP GL FUND 21	\$ 917,124.73	\$ 217,156.85	\$ 217,124.73	\$ 32.12	0.1800%
BOND CAPITAL FUND	\$ 1,005,409.76	\$ 4,305,726.29	\$ 2,135,409.76	\$ 316.53	0.1803%
R.I. CLEAN WATER ACT	\$ 243,766.57	\$ 743,820.39	\$ 363,766.57	\$ 53.82	0.1800%
STATE LOTTERY FUND	\$ 39,850,164.99	\$ 14,255,929.35	\$ 34,973,498.32	\$ 5,764.36	0.2005%
ASSESSED FRINGE BEN ADM	\$ 3,403,735.65	\$ 2,704,105.08	\$ 2,497,068.98	\$ 369.43	0.1800%
AUTO EQUIPMENT SERVICE	\$ 605,434.99	\$ 605,524.56	\$ 605,434.99	\$ 89.57	0.1800%
HEALTH INSURANCE FUND	\$ 15,802,225.61	\$ 10,203,032.34	\$ 11,105,558.94	\$ 806.73	0.0884%
FLEET REVOLVING LOAN FUND	\$ 2,479,671.64	\$ 80,099.56	\$ 1,199,671.64	\$ 427.92	0.4340%
EMPLOYEES RETIREMENT	\$ 1,942,422.85	\$ 3,093,632.52	\$ 9,012,422.85	\$ 1,209.67	0.1633%
MUNICIPAL EMPLOYEES RET.	\$ 709,827.81	\$ 560,176.07	\$ 2,229,827.81	\$ 348.26	0.1900%
RETIREE HEALTH FUND	\$ 6,603,859.27	\$ 8,104,931.46	\$ 7,247,192.60	\$ 1,072.19	0.1800%
BOG RETIREE FUND	\$ 460,415.65	\$ 460,483.77	\$ 460,415.65	\$ 68.12	0.1800%
RIPTA HEALTH FUND	\$ 1,555,506.65	\$ 1,655,808.78	\$ 2,042,173.32	\$ 302.13	0.1800%
PERMANENT SCHOOL FUND	\$ 1,427,519.85	\$ 1,427,731.04	\$ 1,427,519.85	\$ 211.19	0.1800%
TEACHER RETIREE HEALTH FUND	\$ 955,854.05	\$ 955,995.46	\$ 955,854.05	\$ 141.41	0.1800%
UNIVERSITY COLLEGE	\$ 2,517,398.31	\$ 17,769.27	\$ 2,507,398.31	\$ 370.96	0.1800%
HIGHER EDUCATION	\$ 203,777.15	\$ 203,807.30	\$ 203,777.15	\$ 30.15	0.1800%
INDUS. BLDG. & MTG. INS.	\$ 3,139,344.40	\$ 3,139,808.85	\$ 3,139,344.40	\$ 464.45	0.1800%
Operating Funds Totals	\$ 357,812,829.59	\$ 309,517,676.51	\$ 511,881,316.03	\$ 153,079.41	0.364%
CLEAN WATER CCDL 1998B	\$ -	\$ -	\$ -	\$ -	
CLEAN WATER CCDL 1994 (A)	\$ 12,366.95	\$ 12,366.79	\$ 12,366.30	\$ 0.56	0.0551%
CAP DEV. OF 1997 SERIES A	\$ 22,729.45	\$ 22,729.17	\$ 22,728.26	\$ 1.04	0.0557%
CLEAN WATER CCDL 2002 B	\$ -	\$ -	\$ -	\$ -	
CLEAN WATER 2004 SERIES A	\$ 622,348.23	\$ 622,340.39	\$ 622,315.66	\$ 28.35	0.0554%
CLN WATER CCDL 2005 SER E	\$ 26,676.06	\$ 26,675.73	\$ 26,674.66	\$ 1.22	0.0556%
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	
RI POLLUT. CONT 94 SER. A	\$ -	\$ -	\$ -	\$ -	
CCDL99A 1999A	\$ 243,994.32	\$ 243,991.25	\$ 243,981.55	\$ 11.12	0.0555%
POL. CTRL CCDL 2006 SER C	\$ 233,208.83	\$ 233,205.89	\$ 233,196.63	\$ 10.62	0.0554%
CLEAN WATER 2007 SERIES A	\$ 499,243.72	\$ 499,237.43	\$ 499,217.59	\$ 22.74	0.0554%
RI POLLUTION CONTROL 2008 B	\$ 698,471.94	\$ 698,463.14	\$ 698,435.38	\$ 31.82	0.0554%
G.O. NOTE 1991 SER. B	\$ 3,783.59	\$ 0.10	\$ 2,017.82	\$ 0.10	0.0603%
BOND CCDL 1994 SERIES A	\$ 173,804.08	\$ 15,005.06	\$ 99,691.13	\$ 5.06	0.0618%
BOND CCBL96A	\$ 256,501.63	\$ 7.07	\$ 136,794.40	\$ 7.07	0.0629%
CAP DEV OF 1997 SERIES A	\$ 344.35	\$ 40,471.90	\$ 19,070.19	\$ 0.74	0.0472%
CCDL 1998B	\$ 1,745,783.08	\$ 48.14	\$ 931,040.32	\$ 48.14	0.0629%
MMG099 1999	\$ 2,839.93	\$ 0.08	\$ 1,514.56	\$ 0.08	0.0643%
BOND CAPITOL CCDL2000A	\$ 948,958.34	\$ 102,412.17	\$ 553,866.48	\$ 28.01	0.0615%
MULTI-MODAL GEN OBL 2000	\$ 2,811.68	\$ 0.08	\$ 1,499.49	\$ 0.08	0.0649%
CCDL 2004 SERIES A	\$ 7,068,758.85	\$ 5,424,634.75	\$ 6,301,186.32	\$ 292.47	0.0565%
BOND CCDL 2005 SERIES C	\$ 16,006,972.75	\$ 12,595,402.78	\$ 14,414,191.73	\$ 667.88	0.0564%
BOND CCDL 2005 SERIES E	\$ 2,420,238.09	\$ 944,023.79	\$ 1,731,238.03	\$ 83.71	0.0588%
BOND CCDL 2006 SERIES B	\$ 22,597.40	\$ 0.62	\$ 12,051.38	\$ 0.62	0.0626%
BOND CCDL 2006 SERIES C	\$ 6,343,830.92	\$ 9,848,762.67	\$ 7,979,141.60	\$ 352.03	0.0537%
GO BND-NTAX 2007 SERIES A	\$ 595,845.94	\$ 8,905,195.68	\$ 4,473,445.07	\$ 176.57	0.0480%
GO BND-TAX 2007 SERIES B	\$ 3,997,208.03	\$ 110.22	\$ 2,131,743.56	\$ 110.22	0.0629%
NON-TAX GO BND 2008 SERIES B	\$ 9,542,929.60	\$ 14,135,876.06	\$ 11,691,442.56	\$ 517.59	0.0539%
TAXABLE GO BND 2008 SERIES C	\$ 8,496,098.79	\$ 234.28	\$ 4,531,038.60	\$ 234.28	0.0629%
Bond Proceeds Fund Totals	\$ 59,988,346.55	\$ 54,371,195.24	\$ 57,369,889.27	\$ 2,632.12	0.056%
TANS PROCEEDS	\$ 85,669,030.70	\$ 10,918.72	\$ 82,811,586.98	\$ 64,848.84	0.9528%
Grand Totals	\$ 503,470,206.84	\$ 363,899,790.47	\$ 652,062,792.28	\$ 220,560.37	0.357%

Short Term Investments
Maturity Schedule
June 30, 2010



Maturities in \$Millions

Note: Includes \$211.5 Million of Money Market and PIP investments with no specific maturity

SPECIAL FUNDS

**ABRAHAM TOURO FUND
INVESTMENT SUMMARY
April 30, 2010**

<u>Fund Name</u>	Gain/Loss	Total Market Value
Abraham Touro Fund (Fidelity Balanced Fund)	\$ (50,080)	\$ 1,821,084
<u>Totals</u>	\$ (50,080)	\$ 1,821,084

457 PLANS

State of Rhode Island Total Assets 457 Plans

Plan Provider	9/30/2009	12/31/2009	3/31/2010	6/30/2010
AIG	\$ 42,598,583.23	\$ 43,422,475.26	\$ 44,256,808.86	\$ 42,900,890.45
Fidelity	\$ 59,437,779.77	\$ 62,523,511.95	\$ 65,400,449.95	\$ 60,612,749.48
ING	\$ 84,736,566.52	\$ 86,575,810.83	\$ 89,723,269.29	\$ 86,531,065.33
Total	\$ 186,772,929.52	\$ 192,521,798.04	\$ 199,380,528.10	\$ 190,044,705.26

AIG

The information is current as of 06/30/2010.

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

Category/Funds	YTD Return	1 Year Return	3 Year Return	5 Year Return	10 Year Return	Since Inception	Expense Ratio	ITD Date
Domestic Equity								
Domestic Large Cap Equity								
<i>Large Cap Value</i>								
Dividend Value Fund (Black Rock/SunAmerica)	-5.91	12.71	-12.92	-3.20	-1.51	-1.51	1.91	12/8/2000
Vanguard Windsor II Fund	-9.17	11.93	-12.75	-2.60	2.20	2.20	1.43	6/24/1985
<i>Large Cap Blend</i>								
Core Equity Fund (Black Rock)	-8.43	10.41	-12.27	-3.88	-4.18	-4.18	1.90	4/29/1994
Stock Index Fund (SunAmerica)	-7.14	13.50	-10.79	-1.89	-2.70	-2.70	1.19	4/20/1987
<i>Large Cap Growth</i>								
Growth Fund (American Century)	-7.10	13.07	-5.31	-	-3.53	-3.53	1.87	12/5/2005
Large Capital Growth Fund (SunAmerica/Invesco AIM)	-8.43	10.32	-8.37	-1.19	-1.37	-1.37	1.59	12/20/2004
Domestic Mid Cap Equity								
<i>Mid Cap</i>								
Mid Cap Strategic Growth Fund (MorganStanley/PineBridge Investments)	-3.88	19.43	-6.95	1.60	1.88	1.88	1.69	12/20/2004
Global Equity								
Global Social Awareness Fund (PineBridge Investments)	-9.78	10.58	-12.00	-2.69	-3.16	-3.16	1.52	10/2/1989
Global Equity Fund (BlackRock)	-11.58	6.58	-16.60	-	4.72	4.72	1.81	12/5/2005
International Equity								
Foreign Value Fund (Templeton Global)	-13.29	8.80	-10.73	-	-1.32	-1.32	1.74	12/5/2005
Speciality								
Science & Technology Fund (T. Rowe/RCM/Wellington)	-7.68	17.32	-5.12	1.23	-9.73	-9.73	1.86	4/29/1994
Hybrid								
<i>Balanced</i>								
Vanguard Wellington Fund	-3.82	11.24	-3.16	2.75	4.81	4.81	1.39	7/1/1929
Fixed Income								

Investment Grade

Vanguard Long-Term Investment-Grade Fund	8.70	17.95	7.62	3.97	6.96	6.96	1.08	7/9/1973
Vanguard Long-Term Treasury Fund	12.66	11.12	9.53	5.10	6.98	6.98	1.05	5/19/1986
<hr/>								
<i>International</i>								
International Government Bond Fund (PineBridge Investments)	0.68	8.04	5.51	4.60	6.03	6.03	1.52	10/1/1991
<hr/>								
<i>Stable Value</i>								
Money Market I Fund (SunAmerica)	-0.38	-0.77	0.77	1.87	1.58	1.58	1.43	1/16/1986
<hr/>								
7-Day current yield at 30-Jun-2009: -0.79								
<hr/>								
Fixed Account Plus	3.70	3.77	3.82	3.83	4.43	4.43		1/1/1982
Short Term Fixed Account	2.00	2.50	2.83	2.90	3.17	3.17		1/1/1991
<hr/>								

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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PERFORMANCE UPDATE

ING Life Insurance and Annuity Company

STATE OF RHODE ISLAND

Average Annual Total Returns as of: 06/30/2010 (shown in percentages)

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

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

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

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

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

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

Investment Options	Fund Benchmark ID (BM)	1-Mo Fund	1-Mo BM	3-Mo Fund	3-Mo BM	YTD Fund	YTD BM	1-Yr Fund	1-Yr BM	3-Yr Fund	3-Yr BM	5-Yr Fund	5-Yr BM	10-Yr Fund	10-Yr BM	Incept	Fund Inception Date	Gross Fund Exp %*	Net Fund Exp %*
Stability of Principal																			
ING Fixed Account - 457/401 (6)(7)	MFR	0.29	0.00	0.87	0.00	1.74	0.00	3.55	0.03	3.93	1.58	4.08	2.63	4.85	2.35				
<i>Money Market</i>																			
ING Money Market Portfolio - Class I (2)	IBCM	0.00	0.02	0.00	0.06	0.22	0.12	0.34	0.32	1.92	1.94	2.99	3.09	2.70	2.81	01/01/1980		0.35	0.35
<i>The 7-day annualized Subaccount yield as of 06/30/2010 is 0.01%, which more closely reflects current earnings. (1)</i>																			
Bonds																			
<i>Intermediate-Term Bond</i>																			



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See Performance Introduction Page for Important Information

Investment Options	Fund Benchmark ID (BM)	1-Mo		3-Mo		YTD		1-Yr		3-Yr		5-Yr		10-Yr		Fund Inception Date	Gross Fund Exp %*	Net Fund Exp %*	
		Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM				Incept
ING Intermediate Bond Portfolio - Class I	LEHM	1.90	1.57	3.26	3.49	6.66	5.33	16.52	9.50	4.51	7.55	3.81	5.54	5.64	6.47	05/23/1973	0.51	0.51	
Balanced																			
<i>Moderate Allocation</i>																			
Calvert VP SRI Balanced Portfolio	SPXRE	-3.03	-5.23	-6.23	-11.43	-1.89	-6.65	14.23	14.43	-5.70	-9.81	-0.37	-0.79	-0.07	-1.58	09/02/1986	0.92	0.92	
ING Balanced Portfolio, Inc. - Class I	SPXRE	-1.75	-5.23	-5.22	-11.43	-0.49	-6.65	16.15	14.43	-4.92	-9.81	0.41	-0.79	1.03	-1.58	04/03/1989	0.62	0.62	
ING Van Kampen Equity and Income Portfolio - Initial Class	SPXRE	-4.15	-5.23	-9.81	-11.43	-4.61	-6.65	14.80	14.43	-4.33	-9.81	2.11	-0.79			2.54	12/10/2001	0.65	0.65
Large Cap Value																			
<i>Large Blend</i>																			
Fidelity® VIP Contrafund® Portfolio - Initial Class	SPXRE	-5.50	-5.23	-11.29	-11.43	-6.60	-6.65	16.62	14.43	-7.70	-9.81	1.56	-0.79	2.26	-1.58	01/03/1995	0.66	0.66	
ING Growth and Income Portfolio - Class I	SPXRE	-5.43	-5.23	-11.23	-11.43	-6.80	-6.65	12.94	14.43	-8.92	-9.81	0.04	-0.79	-2.72	-1.58	12/31/1979	0.60	0.60	
ING Index Plus LargeCap Portfolio - Class I	SPXRE	-5.25	-5.23	-11.42	-11.43	-6.72	-6.65	13.36	14.43	-10.71	-9.81	-1.72	-0.79	-2.36	-1.58	09/16/1996	0.47	0.47	
ING Opportunistic LargeCap Portfolio - Class I	SPXRE	-5.25	-5.23	-11.44	-11.43	-6.92	-6.65	13.25	14.43	-12.94	-9.81	-2.26	-0.79	-1.58	-1.58	12/13/1996	0.71	0.71	
ING Thornburg Value Portfolio - Initial Class	SPXRE	-5.73	-5.23	-13.13	-11.43	-8.16	-6.65	12.76	14.43	-8.06	-9.81	0.86	-0.79	-3.83	-1.58	11/28/1997	0.90	0.90	
ING UBS U.S. Large Cap Equity Portfolio - Initial Class	SPXRE	-5.84	-5.23	-13.03	-11.43	-8.06	-6.65	14.31	14.43	-11.69	-9.81	-1.89	-0.79	-3.39	-1.58	11/28/1997	0.85	0.85	
Invesco V.I. Core Equity Fund - Series I Shares (4)	SPXRE	-4.26	-5.23	-11.24	-11.43	-7.18	-6.65	12.26	14.43	-6.23	-9.81	2.22	-0.79	-1.90	-1.58	05/02/1994	0.91	0.90	
<i>Large Value</i>																			
Fidelity® VIP Equity-Income Portfolio - Initial Class	RS3000V	-6.64	-5.89	-12.46	-11.09	-7.14	-4.83	15.39	17.57	-13.47	-12.13	-1.92	-1.56	1.36	2.74	10/09/1986	0.57	0.57	
Large Cap Growth																			
<i>Large Growth</i>																			
Fidelity® VIP Growth Portfolio - Initial Class	RS3000G	-6.00	-5.61	-10.82	-11.55	-4.98	-7.25	16.71	13.95	-10.10	-6.97	-1.15	0.44	-4.69	-4.89	10/09/1986	0.68	0.68	
Invesco V.I. Capital Appreciation Fund - Series I Shares	SPXRE	-5.92	-5.23	-12.77	-11.43	-8.61	-6.65	7.72	14.43	-13.37	-9.81	-3.34	-0.79	-5.91	-1.58	05/05/1993	0.92	0.92	
Small/Mid/Specialty																			
<i>Mid-Cap Growth</i>																			
ING T. Rowe Price Diversified Mid Cap Gr Port-Initial Cl	RSMIDGRW	-5.91	-6.36	-9.31	-10.20	-2.68	-3.31	21.83	21.30	-6.23	-7.53	2.03	1.36			2.52	12/10/2001	0.66	0.66
<i>Small Blend</i>																			
ING Small Company Portfolio - Class I	RS2000	-7.05	-7.75	-9.59	-9.92	-1.66	-1.95	21.85	21.48	-6.10	-8.60	3.17	0.37	2.94	3.00	12/27/1996	0.86	0.86	
Global / International																			
<i>Foreign Large Value</i>																			
ING Templeton Foreign Equity Portfolio - Initial Class (5)	MSCIWEUSN	-0.65	-1.45	-11.90	-13.63	-11.73	-12.47	8.51	7.03	-10.52	-12.61					-0.65	01/03/2006	0.97	0.96
<i>World Stock</i>																			
ING Oppenheimer Global Portfolio - Initial Class	MSCIAC	-2.85	-3.05	-12.73	-11.96	-7.64	-9.11	14.87	12.30	-8.97	-10.02	2.09	1.69			4.41	05/01/2002	0.66	0.66

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

See Performance Introduction Page for Important Information

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

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

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

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

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

PERFORMANCE UPDATE

ING Life Insurance and Annuity Company

STATE OF RHODE ISLAND

Separate Account D

Average Annual Total Returns as of: 06/30/2010 (shown in percentages)

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

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

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

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

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

Investment Options	1-Mo	3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Incept	Fund Inception Date
Stability of Principal									
ING Fixed Account - 457/401 (6)(7) <i>This fund is not part of the product's separate account.</i>	0.29	0.87	1.74	3.55	3.93	4.08	4.85		
Money Market									
ING Money Market Portfolio - Class I (2) <i>The 7-day annualized Subaccount yield as of 06/30/2010 is -0.49%, which more closely reflects current earnings. (1)</i>	-0.05	-0.12	-0.03	-0.16	1.41	2.47	2.19		01/01/1980
Bonds									
Intermediate-Term Bond									
ING Intermediate Bond Portfolio - Class I	1.85	3.13	6.39	15.94	3.99	3.29	5.11		05/23/1973

See Performance Introduction Page for Important Information

Investment Options	1-Mo	3-Mo	YTD	1-Yr	3-Yr	5-Yr	10-Yr	Incept	Fund Inception Date
Balanced									
<i>Moderate Allocation</i>									
Calvert VP SRI Balanced Portfolio	-3.07	-6.35	-2.13	13.66	-6.17	-0.87	-0.57		09/02/1986
ING Balanced Portfolio, Inc. - Class I	-1.80	-5.34	-0.73	15.57	-5.39	-0.10	0.53		04/03/1989
ING Van Kampen Equity and Inc-I/Janus Asp Balanced-I (3)	-4.19	-9.92	-4.84	14.23	-4.81	1.60	1.47		09/13/1993
ING Van Kampen Equity and Income Portfolio - Initial Class	-4.19	-9.92	-4.84	14.23	-4.81	1.60		2.03	12/10/2001
Large Cap Value									
<i>Large Blend</i>									
Fidelity® VIP Contrafund® Portfolio - Initial Class	-5.54	-11.40	-6.83	16.04	-8.16	1.05	1.75		01/03/1995
ING Growth and Income Portfolio - Class I	-5.48	-11.34	-7.03	12.38	-9.37	-0.46	-3.20		12/31/1979
ING Index Plus LargeCap Portfolio - Class I	-5.29	-11.53	-6.95	12.80	-11.16	-2.21	-2.84		09/16/1996
ING Opportunistic LargeCap Portfolio - Class I	-5.29	-11.55	-7.15	12.69	-13.38	-2.75	-2.07		12/13/1996
ING Thornburg Value Portfolio - Initial Class	-5.78	-13.24	-8.38	12.20	-8.51	0.36	-4.31		11/28/1997
ING UBS U.S. Large Cap Equity Portfolio - Initial Class	-5.89	-13.14	-8.29	13.74	-12.13	-2.38	-3.87		11/28/1997
Invesco V.I. Core Equity Fund - Series I Shares (4)	-4.31	-11.35	-7.41	11.70	-6.70	1.71	-2.39		05/02/1994
<i>Large Value</i>									
Fidelity® VIP Equity-Income Portfolio - Initial Class	-6.69	-12.57	-7.37	14.82	-13.91	-2.41	0.86		10/09/1986
Large Cap Growth									
<i>Large Growth</i>									
Fidelity® VIP Growth Portfolio - Initial Class	-6.04	-10.93	-5.21	16.13	-10.55	-1.64	-5.16		10/09/1986
Invesco V.I. Capital Appreciation Fund - Series I Shares	-5.97	-12.88	-8.83	7.19	-13.81	-3.83	-6.38		05/05/1993
Small/Mid/Specialty									
<i>Mid-Cap Growth</i>									
ING T. Rowe Price Div MidCap-I/Janus Aspen MidCap - I (3)	-5.95	-9.42	-2.92	21.22	-6.69	1.52	-6.81		09/13/1993
ING T. Rowe Price Diversified Mid Cap Gr Port-Initial Cl	-5.95	-9.42	-2.92	21.22	-6.69	1.52		2.01	12/10/2001
<i>Small Blend</i>									
ING Small Company Portfolio - Class I	-7.09	-9.71	-1.91	21.25	-6.56	2.66	2.43		12/27/1996
Global / International									
<i>Foreign Large Value</i>									
ING Templeton Foreign Equity Portfolio - Initial Class (5)	-0.69	-12.01	-11.95	7.97	-10.97			-1.14	01/03/2006
<i>World Stock</i>									
ING Oppenheimer Global-Int/Janus Aspen Worldwide Gr-Inst (3)	-2.90	-12.84	-7.87	14.30	-9.42	1.58	-4.29		09/13/1993
ING Oppenheimer Global Portfolio - Initial Class	-2.90	-12.84	-7.87	14.30	-9.42	1.58		3.89	05/01/2002

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

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

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

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

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

Additional Notes

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

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

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

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

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

(4)AIM V.I. Core Equity Fund - Series I Shares: Effective July 1, 2007, Invesco Aim contractually agreed to waive 100% of the advisory fee Invesco Aim receives from affiliated money market funds on investments by the Fund in such affiliated money market funds. Fee Waiver reflects this agreement. This waiver agreement is in effect through at least April 30, 2009.

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

(6)The CURRENT rate for the ING Fixed Account - 457/401 Base+115 is 3.55%, expressed as an annual effective yield, and is guaranteed not to drop below 3.20% through 12/31/2010. The annual rate of interest applied to your account may be higher or lower than the current rate. Restrictions may apply to transfers of funds from the Fixed Account to other contract investment options. Please refer to your product prospectus / disclosure booklet and call your 800 number for more information.

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

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

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

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

See Performance Introduction Page for Important Information

Benchmark ID

Benchmark Description

of ING Fixed Account - 457/401 is to outperform the MFR by 150 - 200 basis points over 3 - 5 year time periods.

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

Fidelity

Monthly Plan Performance Update

STATE OF RHODE ISLAND - STATE OF RI (35835)

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

Name	Cumulative Total Returns				Average Annual Total Returns				
	As of	1 mo	3 mo	YTD	As of	1 yr	3 yr	5 yr	10 yr
DOW JONES 30 INDUSTRIAL AVERAGE	06/30/2010	-3.43	-9.36	-5.00	06/30/2010	18.94	-7.39	1.66	1.68
NASDAQ COMPOSITE INDEX	06/30/2010	-6.49	-11.83	-6.62	06/30/2010	16.04	-5.89	1.39	-5.51
LEHMAN BROTHERS AGGREGATE BOND INDEX	06/30/2010	1.57	3.49	5.33	06/30/2010	9.50	7.55	5.54	6.47
RUSSELL 2000 INDEX	06/30/2010	-7.75	-9.92	-1.95	06/30/2010	21.48	-8.60	0.37	3.00
STANDARD & POOR'S 500™ INDEX	06/30/2010	-5.23	-11.43	-6.65	06/30/2010	14.43	-9.81	-0.79	-1.59

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

Stock Investments

Large Cap

FID BLUE CHIP GROWTH	06/30/2010	-6.98	-12.33	-7.30	06/30/2010	21.25	-4.83	0.68	-3.19	9.63	—	0.76% on 10/09/2009	12/31/1987
FID CONTRAFUND	06/30/2010	-3.25	-8.11	-4.80	06/30/2010	16.42	-5.30	3.05	2.81	11.98	—	1.02% on 03/01/2010	05/17/1967
FID DIVIDEND GROWTH	06/30/2010	-7.28	-12.72	-6.93	06/30/2010	19.95	-8.91	-0.35	0.01	9.34	—	0.62% on 10/09/2009	04/27/1993
FID EQUITY INCOME	06/30/2010	-6.61	-12.30	-6.91	06/30/2010	15.41	-13.02	-1.73	1.36	11.20	—	0.74% on 04/01/2010	05/16/1966
FID GROWTH & INCOME	06/30/2010	-6.05	-13.02	-7.98	06/30/2010	11.28	-19.38	-8.33	-4.95	8.53	—	0.78% on 10/09/2009	12/30/1985
FID OTC PORTFOLIO	06/30/2010	-7.84	-12.55	-7.48	06/30/2010	16.69	-2.80	4.38	-3.27	12.07	—	1.13% on 10/09/2009	12/31/1984
FIDELITY MAGELLAN	06/30/2010	-6.47	-12.80	-8.40	06/30/2010	11.54	-11.14	-2.13	-3.19	16.31	—	0.75% on 05/29/2010	05/02/1963
SPARTAN 500 INDEX	06/30/2010	-5.22	-11.44	-6.68	06/30/2010	14.37	-9.83	-0.84	-1.67	8.58	—	0.10% on 04/29/2010	02/17/1988

Mid-Cap

FID MID CAP STOCK	06/30/2010	-9.74	-13.76	-4.15	06/30/2010	26.06	-9.78	2.09	1.03	10.09	.75 % / 30days	0.65% on 06/29/2010	03/29/1994
FID VALUE	06/30/2010	-7.85	-12.22	-4.34	06/30/2010	26.88	-12.23	-1.06	6.52	11.75	—	0.64% on 12/30/2009	12/01/1978
FIDELITY LOW PR STK	06/30/2010	-4.77	-9.97	-2.44	06/30/2010	21.12	-6.44	2.28	10.19	13.66	1.5 % / 90days	0.99% on 10/09/2009	12/27/1989

Investment Name	Cumulative Total Returns				Average Annual Total Returns					Fees			Inception Date
	As of	1 mo	3 mo	YTD	As of	1 yr	3 yr	5 yr	10 yr	Life	Short-Term Trading Fee	Expense Ratio †	
FIDELITY NEW MILLEN	06/30/2010	-6.30	-11.56	-4.63	06/30/2010	19.69	-5.53	4.07	-0.21	12.69	—	1.05% on 01/29/2010	12/28/1992
FKLN SMMIDCAP GRTH A	05/31/2010	-7.22	3.03	3.13	03/31/2010	57.00	-2.34	4.02	-2.08	9.98	—	1.11% on 09/21/2009	02/14/1992

International

FID DIVERSIFIED INTL	06/30/2010	-2.13	-13.74	-13.21	06/30/2010	5.58	-13.18	0.76	2.87	8.12	1% / 30days	1.01% on 12/30/2009	12/27/1991
TEMPLETON FOREIGN A	05/31/2010	-11.40	-6.81	-12.21	03/31/2010	62.30	-2.53	4.68	5.20	11.69	—	1.19% on 02/28/2010	10/05/1982

Blended Fund Investments

Others

FID FREEDOM 2000	06/30/2010	-0.52	-1.47	0.79	06/30/2010	11.09	0.77	3.12	2.85	5.55	—	0.51% on 05/29/2010	10/17/1996
FID FREEDOM 2010	06/30/2010	-1.94	-5.06	-2.17	06/30/2010	13.33	-2.54	2.39	2.14	6.04	—	0.67% on 05/29/2010	10/17/1996
FID FREEDOM 2020	06/30/2010	-2.67	-6.76	-3.57	06/30/2010	14.65	-5.17	1.87	1.04	5.88	—	0.74% on 05/29/2010	10/17/1996
FID FREEDOM 2030	06/30/2010	-3.47	-8.73	-5.19	06/30/2010	14.72	-7.71	0.92	0	5.29	—	0.79% on 05/29/2010	10/17/1996
FID FREEDOM INCOME	06/30/2010	-0.46	-1.19	1.02	06/30/2010	10.86	1.51	3.33	3.33	4.94	—	0.50% on 05/29/2010	10/17/1996
FID PURITAN	06/30/2010	-2.98	-6.33	-2.19	06/30/2010	15.05	-4.16	2.32	3.86	10.94	—	0.67% on 10/30/2009	04/16/1947

Bond Investments

Stable Value

FID MGD INC PORT II	06/30/2010	0.13	0.38	0.72	06/30/2010	1.37	2.83	3.32	4.05	4.85	—	—	04/20/1993
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Income

PIMCO TOT RETURN ADM	05/31/2010	-0.06	1.68	3.93	03/31/2010	15.20	9.36	7.27	7.46	7.53	—	0.89% on 03/31/2010	09/08/1994
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Short Term Investments

Others

FIDELITY RETIRE MMKT	06/30/2010	0	0	0.01	06/30/2010	0.13	2.03	3.03	2.72	4.23	—	0.45% on 10/30/2009	12/02/1988
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Other Investments

Others

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

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

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

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

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