

**STATE OF RHODE ISLAND  
INVESTMENT COMMISSION MEETING**

**DATA AT  
June 30, 2014**

**July 23, 2014  
MEETING**

**MEMBERS OF THE STATE INVESTMENT COMMISSION**

**Honorable Gina M. Raimondo, Chair**

**Mr. J. Michael Costello  
Mr. Robert Giudici  
Ms. Faith LaSalle  
Mr. Thomas Mullaney  
Mr. Andrew K. Reilly**

**Mr. Thomas P. Fay  
Mr. Frank J. Karpinski  
Ms. Paula M. McNamara  
Ms. Marcia Reback**

# Section I.

---

## Agenda



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

**Gina M. Raimondo**  
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION  
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, July 23, 2014 at 9:00 a.m. in Room 205 of the State House.

**AGENDA**

- Chairperson Call to Order
- Membership Roll Call
- Approval of Minutes
  - State Investment Commission Meeting held on June 25, 2014\*
- Fixed Income Annual Review
- OPEB Annual Review
- Real Estate Pacing Plan
- 457 Plans Annual Review
  - Voya Fee Reduction \*
- Defined Contribution Plan – S&P 500 Share Class Change\*
- Legal Counsel Report
- Chief Investment Officer Report
  - Portfolio Update
- Treasurer's Report
  - Portfolio Risk/Return
  - August Meeting Discussion\*

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

**POSTED ON FRIDAY, JULY 18, 2014**

## Section II.

---

### Approval of Minutes



**State Investment Commission**  
**Monthly Meeting Minutes**  
**Wednesday, June 25 2014**  
**9:00 a.m.**  
**Room 205, State House**

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:03 a.m., Wednesday, June 25, 2014 in Room 205, State House.

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

The following members were present: Mr. J. Michael Costello, Ms. Faith LaSalle, Ms. Paula McNamara, Mr. Thomas Mullaney, Mr. Frank Karpinski, and General Treasurer Gina Raimondo. Mr. Reilly was available by phone for the private equity recommendation.

Also in attendance:

Mr. Thomas Lynch of Cliffwater, alternative investment consultant to the Commission; Mr. Hans Swildens and Mr. Roland Reynolds of Industry Ventures; Ms. Patricia Roberts and Mr. Christopher Nikolich of AllianceBernstein; Mr. Cameron Lochhead and Mr. Greg Nordquist (by phone) of Russell Investments; Mr. John Burns and Mr. Allan Emkin of Pension Consulting Alliance (PCA), general consultant; Mr. Greg Balewicz of State Street Global Advisors (SSGA); Ms. Gail Mance-Rios of the Rhode Island Higher Education Assistance Authority (RIHEAA); Ms. Sally Dowling of Adler Pollock & Sheehan P.C., legal counsel; Ms. Anne-Marie Fink, chief investment officer, Mr. Vincent Izzo, cash manager for the state, and members of the Treasurer's staff.

Treasurer Raimondo called the meeting to order at 9:03 a.m.

Mr. Thomas Fay, Ms. Marcia Reback and Mr. Andrew Reilly were absent.

## **II. Approval of Minutes**

On a motion by Ms. McNamara and seconded by Mr. Mullaney, it was unanimously **VOTED: to approve the draft of the minutes of the May 28, 2014 meeting of the State Investment Commission.**

## **III. Private Equity Recommendation—Industry Ventures Partnership Holdings III, L.P.**

Mr. Lynch introduced Industry Ventures as a hybrid strategy in the venture capital space.

Mr. Swildens gave a review of the firm. The firm specializes in venture capital. They manage almost \$2 billion of institutional money, mostly from pension funds.

He went on to review the firm's investment strategies. They have two types of funds: a liquidity fund comprised of companies that are at later stages in their lives with \$30 million to \$200 million in revenue and a Partnership Holdings set of funds that invests in early part of the venture capital market in high growth, innovative companies.

For the current Partnership Holdings fund, they have closed on \$100 million in commitments, including from three state pension funds. Mr. Swildens noted that by specializing in venture capital, the firm is unique in the asset class. The firm has a very big data set and a lot of relationships.

He reviewed the experience of the team. They are the largest team focused on secondary strategies in the venture market. They have invested across multiple market cycles and are pioneers in the strategy.

Mr. Reynolds added that the Partnership Holdings strategy has a unique window of opportunity. The fund began making investments in the 3rd quarter of last year.

He reviewed the current portfolio. The portfolio is comprised of 22 investments for almost 50% of the total committed capital. The investments in the portfolio have already increased in value. They expect the portfolio to be valued at 1.4 times cost as of 3/31/14. He noted that new investors will have an immediate gain. He said there is an opportunity for a fee reduction on a separate account when paired with a larger commitment to the core partnership.

Mr. Reynolds said their strategy is a unique hybrid strategy which includes investments in early and mid-stage venture capital assets. The intention is to create downside protection and faster time to liquidity while preserving upside potential.

The fund focuses on the small end of the venture market and high growth companies through a unique combination of primary fund commitments, secondary purchases of early-stage limited partnerships, purchases, and direct co-investments into companies.

The team expects to invest 40% of the portfolio in primary commitments to small venture funds at inception, another 40% into early secondary transactions at deep discounts in small fund managers, and 20% of the portfolio directly into companies alongside underlying fund managers.

He reviewed the opportunities they see in the market. He noted that small venture funds have outperformed large funds by a significant margin over a 15-year period. This trend is likely to continue in the future as the overall commitments to the asset class are down substantially. Also, 85% of all the exits of venture-backed companies actually happen in the M&A markets, which is easier for smaller investments to access.

Mr. Reynolds reviewed the fund terms. He said they have a preferred return of 6% and a significant general partner commitment of 2%. He reiterated that this investment offers a unique window of opportunity to receive immediate gain with unusual visibility into the 22 investments already. The fund creates the opportunity for outsize returns through exposure to the small end of venture market. The strategy is designed to generate attractive returns through M&A exits and is not reliant on the volatile IPO market.

The board asked questions.

Mr. Swildens and Mr. Reynolds left the room.

Mr. Lynch said Cliffwater recommends a \$25 million commitment. In terms of portfolio fit, Cliffwater sees venture capital as a favorable asset class. In terms of the ERSRI's portfolio, there has been very little done in venture capital in the last few years. Currently venture stands at about 18% of the private-equity allocation with most of it invested prior to 2008. He added that there are no other firms that implement the strategy that Industry Ventures has. They are a high quality firm with deep knowledge in the space and they execute it with discipline.

The board discussed the recommendation.

On a motion by Mr. Mullaney and seconded by Ms. McNamara, it was unanimously

**VOTED: to approve a \$25 million investment in Industry Ventures Partnership Holdings III.**

A motion was then made by Mr. Costello and seconded by Mr. Mullaney and it was unanimously

**VOTED: to move the item on the agenda pertaining to the addition of short-term investment provider.**

#### **IV. Addition to List of Short-Term Investment Providers: U.S. Bank**

Mr. Vincent Izzo, cash manager for the state, asked the board for approval to add U.S. Bank to the short-term investment lineup. He noted it is the fifth largest commercial bank in the country and is well capitalized. He explained the bank wouldn't necessarily provide any new services or products right

away; once they were on the list, the bank would only receive deposits if its rates were competitive with our current providers. Mr. Izzo noted the bank meets all the criteria for short-term investments providers, except having a AAA rating from Moody's and Standard & Poors. Since the global financial crisis, none of the bank short-term investment providers have AAA ratings. He noted the investment policy allows for the board to approve a bank even though they don't meet all of the criteria. He said any product from U.S. Bank would be FDIC insured or 102% collateralized.

On a motion by Mr. Costello and seconded by Mr. Mullaney, it was unanimously **VOTED: to approve the addition of U.S. Bank to the short-term investment lineup pending review by legal counsel.**

Treasurer Raimondo asked for an update on the Ocean State Investment Pool. Mr. Izzo said the fund ranges from \$420 million to \$500 million depending on monies committed. It is heavily funded by bond proceeds. The interest rates hover around 0.10%, better than prime money-market funds, which are about 0.02%. He said Fidelity continues to reach out to cities in any towns to promote the fund.

## **V. Infrastructure Consultant Extension**

Ms. Fink reminded the board about the infrastructure allocation approved a year ago. At the time, Judy Chambers from PCA was hired on a project basis to complete the infrastructure RFI, which resulted in the allocation to Industry Funds. Going forward, the goal is to continue to invest in infrastructure, both through private partnerships and also publicly traded master limited partnerships. In order to do so, she believes staff needs consulting advice on a systematic basis. She proposed an extension to the contract with PCA to add them as infrastructure advisor for \$75,000 a year on a retainer basis.

On a motion by Ms. McNamara and seconded by Mr. Costello, it was unanimously **VOTED: to extend the contract with PCA to add an infrastructure advisor on a retainer basis.**

## **VI. CollegeBoundfund Quarterly Update**

Ms. Roberts gave a brief summary of *CollegeBoundfund*. The fund has \$7.8 billion in assets under management of which \$356 million is from Rhode Islanders. There are approximately 427,000 accounts nationally and about 25,000 in Rhode Island as of May 31, 2014.

She said the *CollegeBoundfund* remains the second largest advisor-sold program in the country. The fund is fifth overall in terms of size. She noted most of the assets in the fund are in the age-based moderate and age-based aggressive-growth portfolios.

She reviewed the recently added Morningstar Index portfolios. As of May 30, the Morningstar option has about \$2 million in assets, of which 25% of all the assets have come from Rhode Island.

Ms. Fink asked if this participation rate is what they had expected.

Ms. Roberts said yes and added that they are hearing from advisors across the country who are very excited about the offering because it is unique in the advisor space. AllianceBernstein has received a number of rollovers from other programs where investors are interested in age-based portfolios with a lower fee structure.

Mr. Nikolich gave a performance review of the funds on a year-to-date basis through May 31, 2014. He noted that in some cases the numbers are misleading given what the capital markets have done in the last couple of weeks.

He reviewed the performance, starting with the single-fund portfolios. The stable value fund is an attractive option in its strategy, with 0.67% return year-to-date. This option is the largest stand-alone

allocation at about 10% of all the assets. With the individual equity funds, one thing that has been weighing on performance has been the outperformance of US large cap versus international equities. The small-cap growth portfolio has been a stellar performer over 1, 3, 5, and 10 years relative to the benchmark. Within the active age-based portfolios, the more aggressive funds with higher levels of equity exposure have outperformed the moderate and the conservative. All the performance numbers look even better through the first three weeks of June.

Mr. Costello asked questions regarding AllianceBernstein's performance and the board discussed.

A motion was then made by Mr. Mullaney and seconded by Mr. Costello and it was unanimously **VOTED: to move the item on the agenda pertaining to the equity replacement strategies discussion.**

## **VII. Equity Replacement Strategies Discussion**

Ms. Fink said she and staff are constantly looking for opportunities that provide an asymmetric payoff, seeking investments that can gain more on the upside than they participate on the down side. The equity market is by far the portfolio's biggest risk with the overall portfolio having approximately 0.9% sensitivity to equity market moves (beta).

She reminded the board that a year and a half ago the board discussed buying some put protection for the portfolio. Staff did an extensive analysis and at the time the SIC decided pricing was unfavorable. She said at the current time a risk reversal position looks interesting. She explained how this position works; it entails selling a 10% out-of-the-money put and using the proceeds to buy a call so the entire position requires no cash. Currently a 3.5% out-of-the-money call can be purchased on a cashless basis. It would replace outright equity exposure. This position would protect against the first 10% of a down move. Downside after that would be one for one. The call would provide upside participation. What makes this option interesting is where the pricing is right now. Essentially the position protects against 10% of the downside and only gives up 3.5% of the upside.

She suggested considering this in lieu of the equity overweight. The position would be paired with a reduction in the long exposure. She noted that one thing to be aware of is that the option position does not participate in dividends. Secondly, they would want to transact in S&P 500 just because it has the best liquidity. She said they would recommend using Russell. They would have to factor in trading costs and also an oversight fee to Russell. She then gave a brief overview of the analysis that was done. Mr. Nordquist noted there's been a great run-up in the markets. After the most recent market crisis, there was interest in protection early on but it was expensive. As the markets have recovered, the landscape has changed. Russell has developed a 'heat map' framework that helps them guide clients to when option strategies make sense. Recently, the markets have had a great run-up so some of the costs of protection are very low. Funded statuses have improved a lot so Russell is seeing a lot more interest in risk-reversal and even outright protections.

The board asked questions.

Ms. McNamara noted she understands the unique opportunity, but expressed concern that this kind of investment is out of her comfort zone considering the beneficiaries of the plan.

Treasurer Raimondo also expressed concern over the limited number of state investment staff and increasing active investment at this time.

## **VIII. Global Public Equity Allocation**

Ms. Fink introduced PCA for a briefing of the long-only equity portfolio. This allocation is the largest in the portfolio.



Mr. Burns described the portfolio as passively managed to efficiently capture equity market returns. The risk associated with equities is growth risk. The portfolio is broadly diversified globally. Unusually the dividend yield is higher than the bond market yield. The management fees of this portion of the portfolio are very low. He went on to review the funds that are in the portfolio. The fees are approximately 0.03%.

He said this approach is a very efficient way of getting equity exposure. The policy of this portfolio is allocated to 50% US and 50% non-US.

He reviewed the characteristics of the underlying portfolios and industry weights. He went on to compare the portfolio versus the world equity portfolio in terms of exposure. Coincidentally, the world equity portfolio is very close to 50/50, though it is not always that way.

He reviewed the countries and the companies in the portfolio. Some of the biggest holdings in the U.S. are Apple and Exxon. He noted that historically companies come in and out of the top 10 list. In non-U.S. markets the portfolio has less exposure to consumer goods and health care holdings than in the U.S.

Mr. Emkin added that the globalization leads to a more global portfolio, because a big percentage of the earnings of non-U.S. companies are outside their home countries. Holding non-U.S. stocks doesn't give an exposure to any one region or one country; the portfolio is constructed to take advantage of every opportunity.

Mr. Burns said that at 50/50 U.S./non-U.S. the portfolio is more globally diversified than a typical large U.S. plan. He noted that PCA is seeing their clients and the industry overall moving portfolios more to 50/50 exposure for diversification and risk management.

He reviewed a chart with five year rolling returns. At different times there can be a big difference in returns from the U.S. and the non-U.S.

He talked about the small-cap stocks exposure in the portfolio. He said small-cap stocks tend to have bigger exposures to their local markets and offer some characteristics that are different than typical large-cap stocks. He noted that the portfolio has a gap with no non-U.S. small-cap exposure. He described the characteristics of a non-US equity index with small caps and compared it to the portfolio's current index exposure. He noted that investing in one versus the other won't change the portfolio significantly. In terms of performance, small-cap has outperformed in the last 10 years, but they don't outperform every year and are currently more expensive than large caps. He said both indices have almost the same standard deviation.

Ms. Fink asked Mr. Balewicz how fees would change if they were to switch to the all-cap international index, the I.M.I. Mr. Balewicz said fees are very low and to add the small cap would increase fees by 0.02% to 0.03%.

Mr. Burns went on to review the equity allocation's currency exposure. He noted that currency is a very complex topic and ERSRI does not hedge its currency exposure. He said return is shown as one return that includes local market moves and currency impacts. Over a long time frame, currency is neither helping nor hurting.

Ms. Fink noted that the portfolio is more volatile with the currency exposure. Over a sufficiently long period of time there is no reason to hedge currency as it generates no inherent return, but there will be volatility in the interim. The question for the board is whether they want staff to explore hedging out half or all of the currency exposure, or just stick with current policy and accept the volatility.

The Treasurer said the board could discuss this when there is a light agenda or a future retreat.

## **IX. Legal Counsel Report**

There was no legal counsel report.

## **X. CIO Report**

Ms. Fink said May was a very strong month in the markets due to improved economic activity and confidence. Though GDP declined in the first quarter, the improvement of the past few months suggest the slowing was entirely winter related. Global equities rose 2% in May. At the same time the Fed continued to taper its asset purchasing, while messaging that interest rates are likely to stay low for long. Core bonds were up 1% in the month. These moves caused the portfolio to rise 1.66% on the month, which is in line with the 60/40 portfolio and a little ahead of the bottom-up benchmark. Fiscal year-to-date, the portfolio is up 13.7% with risk below 7.5%. It remains better than the bottom-up benchmark and a 60/40 allocation. The annualized standard deviation has come down significantly over the last two years. Part of that is the market and part of it is the moves made by the SIC to improve the portfolio. She added that the alpha has been a little disappointing recently and staff continues to monitor it. The annualized Sharpe ratio, which measures return per unit of risk, has stayed steady. Private equity and real estate had a particularly strong month relative to benchmarks. In the bank loan portfolio, WAMCO had an uncharacteristically underperforming month at 0.3% vs. the benchmark at 0.5%

Ms. Fink gave an update on staff activity. She said they are working on an RFP of a manager of publicly traded infrastructure stocks or MLPs. They are looking to investigate that opportunity further.

## **XI. Treasurer Report**

Treasurer Raimondo gave an update of the most recent Retirement Board meeting. She said the retirement board voted unanimously to accept the actuary's recommendation for the experience study and valuation. She also noted that Mr. Emkin presented at the meeting, where he described the added value of the SIC by managing risk and generating strong long-term returns.

Treasurer Raimondo welcomed Ms. Faith LaSalle to the board. She thanked the board and commended them on their continued work.

There being no other business to come before the Board, on a motion by Mr. Mullaney and seconded by Mr. Costello the meeting adjourned at 11:02 a.m.

Respectfully submitted,

**Gina M. Raimondo**  
General Treasurer

## Section III.

---

### Staff Summary

# Portfolio Highlights

## PORTFOLIO PERFORMANCE

### June

The ERSRI portfolio posted a 1.23% gain for June, against the policy index of 1.19% and the 60/40 Blend of 1.15%. Total Equity returned 1.76%, as US Public Equity gained 2.48% and International Equity 1.75%, both comparable to their respective benchmarks, while Emerging Markets produced a gain of 2.72% and MSCI Canada returned 6.03%. Equity Hedge Funds returned 1.23%, lagging its benchmark by 50bps. US Traditional Fixed Income returned 0.09%, compared to its benchmark of 0.05%. Real Return Hedge Funds gained 0.44% against its benchmark 1.04%, while GILBs gained 0.09 versus its benchmark 0.24%. The Credit strategy returned 0.56%, versus its benchmark 0.47%.

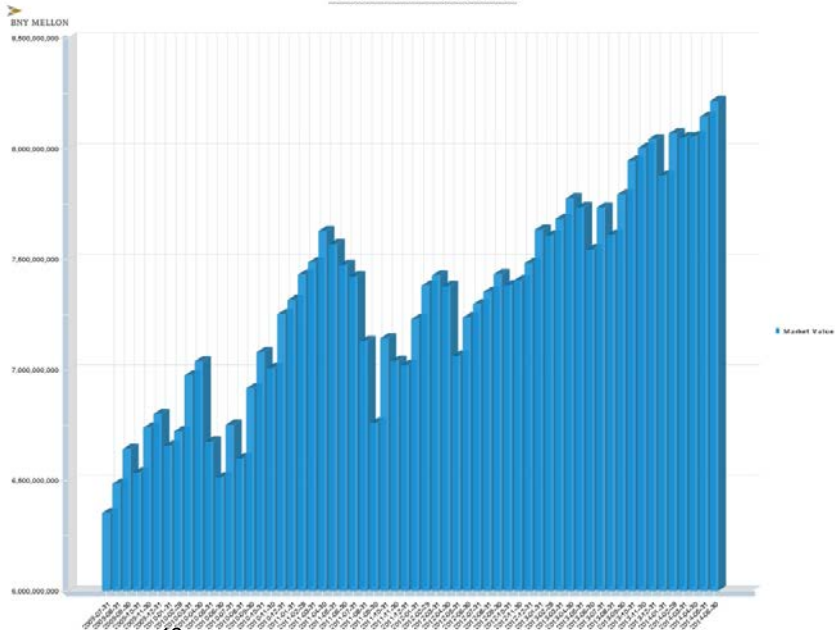
### Fiscal Year to Date

For the Fiscal Year, the fund has gained 15.12%, versus the policy index of 15.53% and the 60/40 Blend 15.31%.

### Market Values

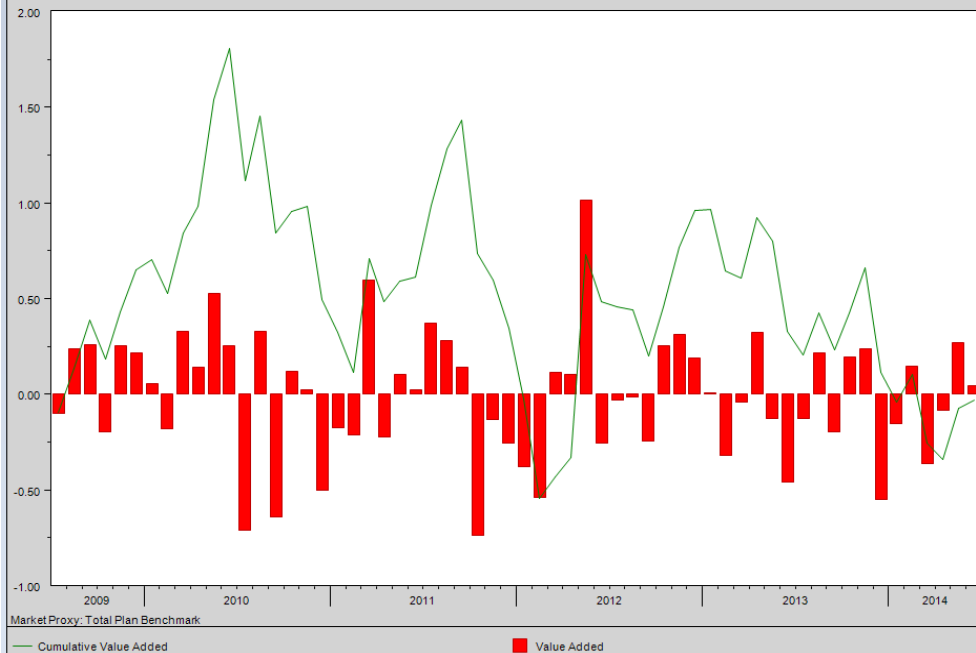
The total portfolio value increased by \$71.6 million to \$8.22 billion. The June increase represents \$99.7 million of positive market impact, and \$28.1 million of transfers out.

GRAND TOTAL - Market Value



12

TOTAL PLAN  
5 Years Ending June 30, 2014  
Value Added



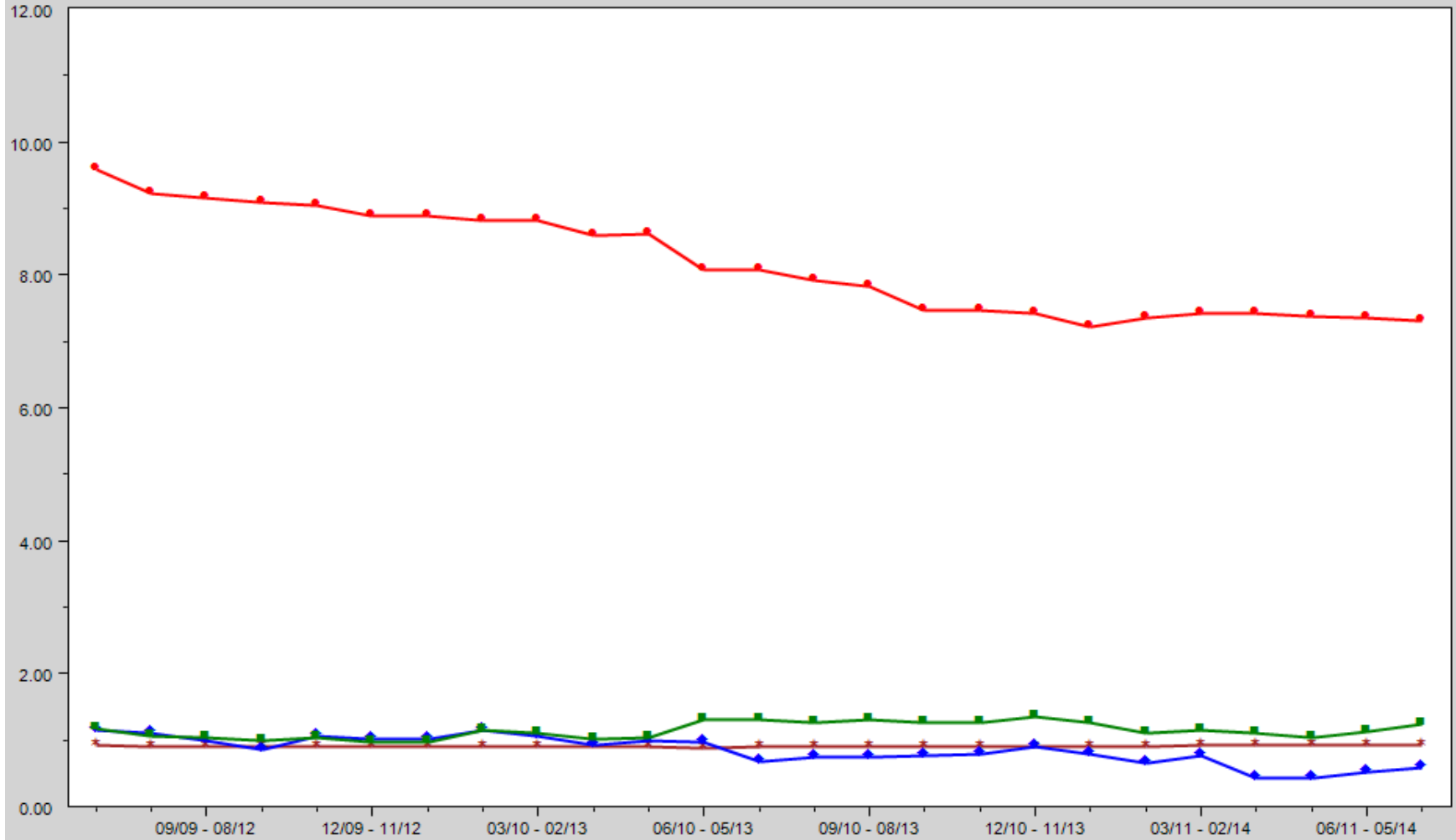
Account Name Benchmark Name	Market Value (M)	Month	Fiscal YTD
US Public Equity	2,055.28	2.48	25.15
Non-US Public Equity	2,035.35	1.75	21.93
Equity Hedge Funds	676.00	1.23	12.08
Private Equity	552.11	-0.20	18.46
Traditional Fixed Income	1,123.01	0.09	4.81
Real Estate	254.66	0.88	9.46
Real Return Hedge Funds	520.69	0.44	5.21
Credit Aggregate	420.26	0.56	5.55
Inflation-Linked Bonds	285.06	0.09	2.05
Total Cash	275.79	0.02	0.16
<b>TOTAL PLAN</b>	<b>8,215.45</b>	<b>1.23</b>	<b>15.12</b>

# Historical Risk - Three Year Rolling Periods

TOTAL PLAN

5 Years Ending June 30, 2014

Trend



Market Proxy: Total Plan Benchmark; Risk-Free Proxy: BofA Merrill Lynch 3 Month US Treasury Bill GOO1

• Ann Std Dev      ■ Ann Sharpe Ratio      ◆ Ann Alpha      \* Beta



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

Gina M. Raimondo

General Treasurer

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

July 18, 2014

This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, Municipal Employees', State Police and Judicial Retirement Systems of the State of Rhode Island at the close of business on June 30, 2014.

**Employees' Retirement System of Rhode Island**  
**Composite Reporting Investment Valuation**  
**June 30, 2014**

<b>Asset Class</b>		
<b>Total Fund Investments</b>		<b>8,215,449,870</b>
CASH EQUIVALENT*		370,075,312
EQUITY HEDGE FUNDS**		637,828,023
GLOBAL PUBLIC EQUITY		4,090,638,863
CREDIT		406,992,098
INFLATION LINKED		
BONDS		280,868,744
PRIVATE EQUITY**		550,746,542
REAL ESTATE**		254,657,161
REAL RET HEDGE		
FUNDS**		520,692,119
US TRADITIONAL FIXED		1,102,951,009
<b>Plan Allocation</b>		
<b>Total Fund Investments</b>	<b>100.00%</b>	<b>8,215,449,870</b>
STATE EMP RET PLAN	81.08%	6,657,841,554
MUNI EMP RET PLAN	16.92%	1,391,986,492
STATE POLICE RET PL	1.32%	109,380,754
JUDICIAL RET PLAN	0.68%	55,963,942
NON-CONTRIB JUD RET	0.00%	277,128

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

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

Respectfully submitted,

Vincent T. Izzo  
Cash Manager

## Section IV.

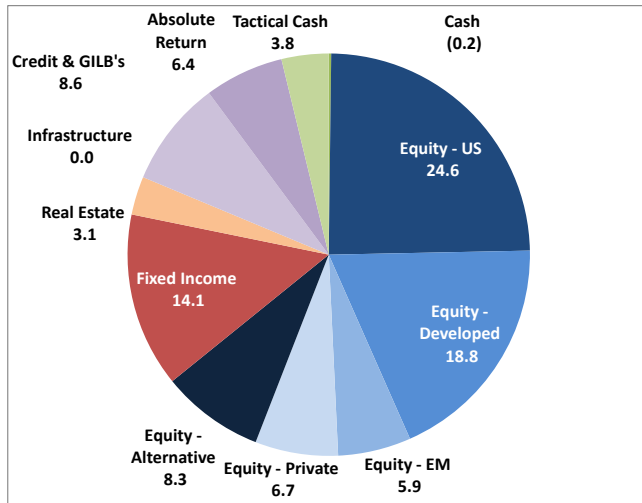
---

### Asset Allocation

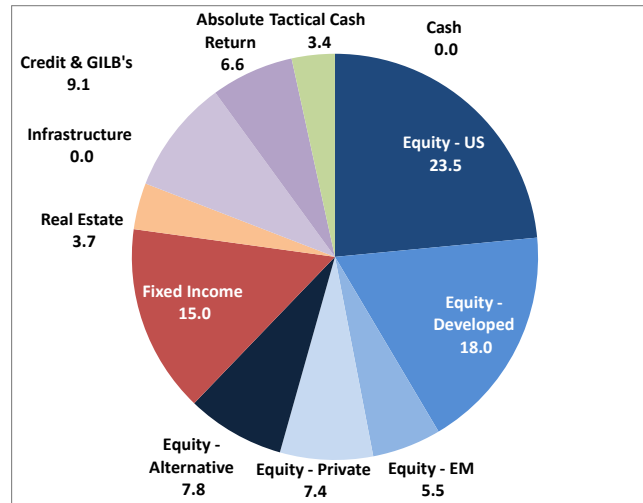
**ERSRI Portfolio**

%% - as of June 30, 2014

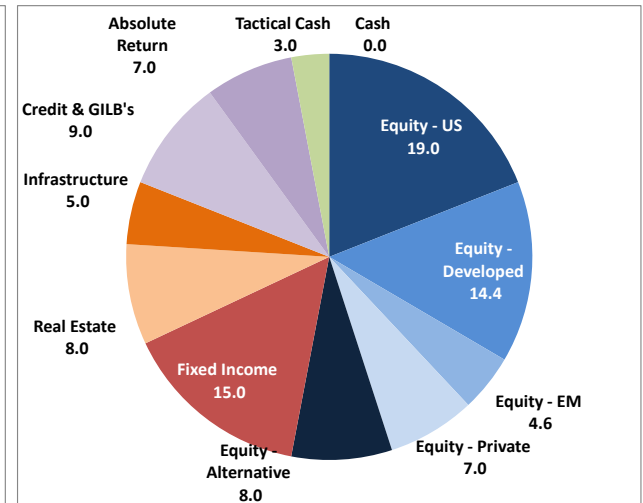
**Actual Allocation**



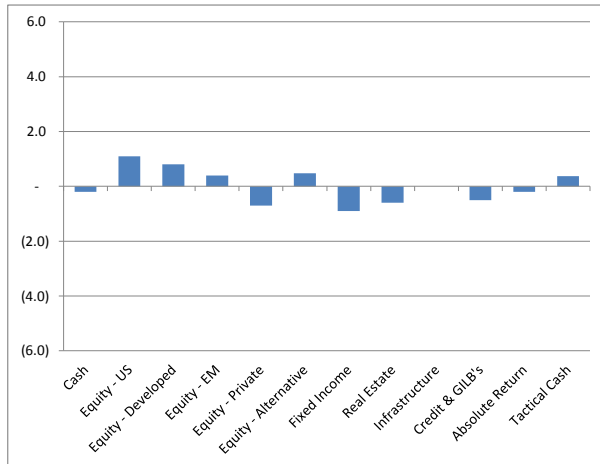
**Tactical Allocation**



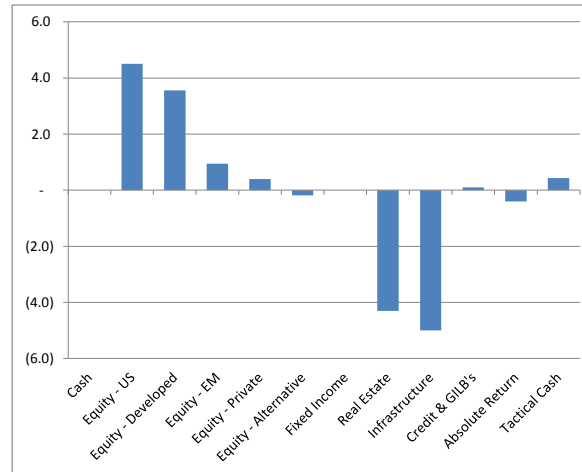
**Policy Allocation**



**Actual vs. Tactical**



**Tactical vs. Policy**



**Notes:**

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

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

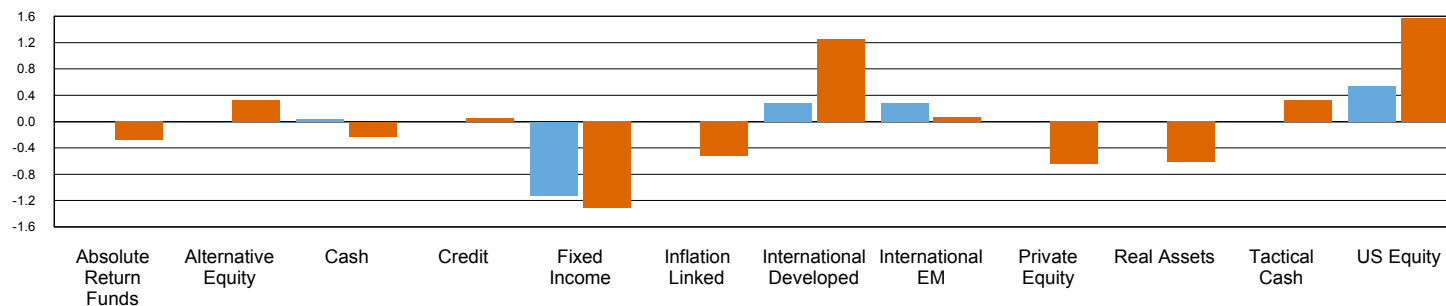
Currently tactical allocations are (4) percentage points (pps) below policy on real estate and (5) pps on infrastructure & MLP's, due to timing required to deploy funds. An additional +9 pps in equity offers interim exposure to economic growth and protection from interest rate volatility, capturing similar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



# Asset Summary

<u>Asset Class</u>	<u>Physical Exposure</u>		<u>Synthetic Exposure</u>		<u>Net Position</u>		<u>Overlay Target</u>		<u>Policy Target</u>	
<b>Total Market Value</b>	<b>8,201.6</b>	<b>100.0%</b>	<b>0.0</b>	<b>0.0%</b>	<b>8,201.6</b>	<b>100.0%</b>	<b>8,201.7</b>	<b>100.0%</b>	<b>8,201.7</b>	<b>100.00%</b>
<b>Cash</b>	<b>-18.3</b>	<b>-0.2%</b>	<b>19.2</b>	<b>0.2%</b>	<b>0.8</b>	<b>0.0%</b>	<b>-1.8</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.00%</b>
Cash	-18.3	-0.2%	19.2	0.2%	0.8	0.0%	-1.8	0.0%	0.0	0.00%
<b>Equity</b>	<b>5,313.4</b>	<b>64.8%</b>	<b>-51.2</b>	<b>-0.6%</b>	<b>5,262.2</b>	<b>64.2%</b>	<b>5,172.9</b>	<b>63.1%</b>	<b>5,103.1</b>	<b>62.22%</b>
International Developed	1,578.6	19.2%	-42.1	-0.5%	1,536.5	18.7%	1,513.2	18.5%	1,476.3	18.00%
International EM	456.8	5.6%	28.1	0.3%	484.9	5.9%	462.4	5.6%	451.1	5.50%
US Equity	2,056.3	25.1%	-37.2	-0.5%	2,019.1	24.6%	1,975.6	24.1%	1,927.4	23.50%
Private Equity	553.9	6.8%	0.0	0.0%	553.9	6.8%	553.9	6.8%	606.9	7.40%
Alternative Equity	667.8	8.1%	0.0	0.0%	667.8	8.1%	667.8	8.1%	641.4	7.82%
<b>Fixed</b>	<b>1,123.0</b>	<b>13.7%</b>	<b>32.0</b>	<b>0.4%</b>	<b>1,155.1</b>	<b>14.1%</b>	<b>1,247.1</b>	<b>15.2%</b>	<b>1,230.3</b>	<b>15.00%</b>
Fixed Income	1,123.0	13.7%	32.0	0.4%	1,155.1	14.1%	1,247.1	15.2%	1,230.3	15.00%
<b>Other</b>	<b>1,783.5</b>	<b>21.7%</b>	<b>0.0</b>	<b>0.0%</b>	<b>1,783.5</b>	<b>21.7%</b>	<b>1,783.5</b>	<b>21.7%</b>	<b>1,868.4</b>	<b>22.78%</b>
Real Assets	253.3	3.1%	0.0	0.0%	253.3	3.1%	253.3	3.1%	303.5	3.70%
Absolute Return Funds	518.4	6.3%	0.0	0.0%	518.4	6.3%	518.4	6.3%	541.3	6.60%
Credit	418.8	5.1%	0.0	0.0%	418.8	5.1%	418.8	5.1%	414.2	5.05%
Inflation Linked	284.9	3.5%	0.0	0.0%	284.9	3.5%	284.9	3.5%	328.1	4.00%
Tactical Cash	308.1	3.8%	0.0	0.0%	308.1	3.8%	308.1	3.8%	281.3	3.43%

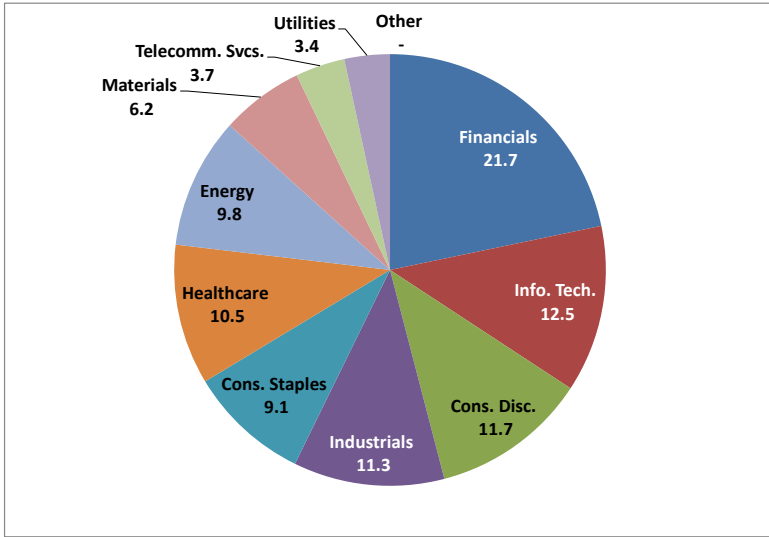
## Deviations from Target Allocation



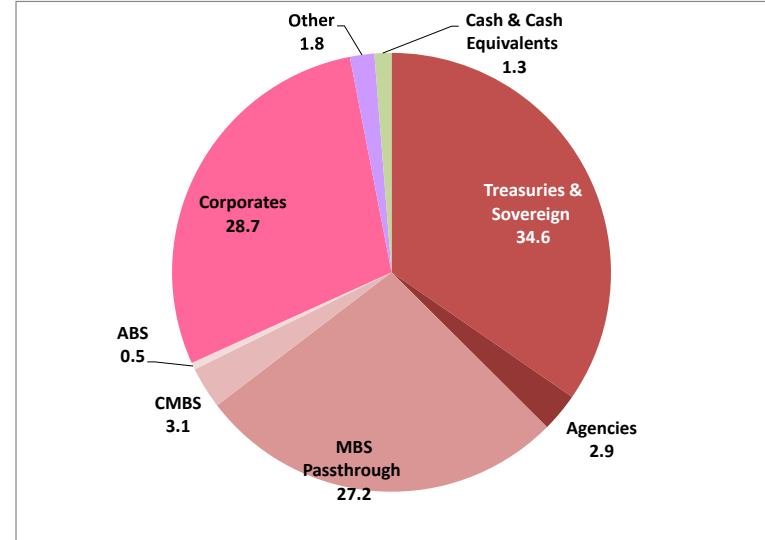
**ERSRI Asset Allocation  
Public-Asset Portfolios**

%% - as of June 30, 2014

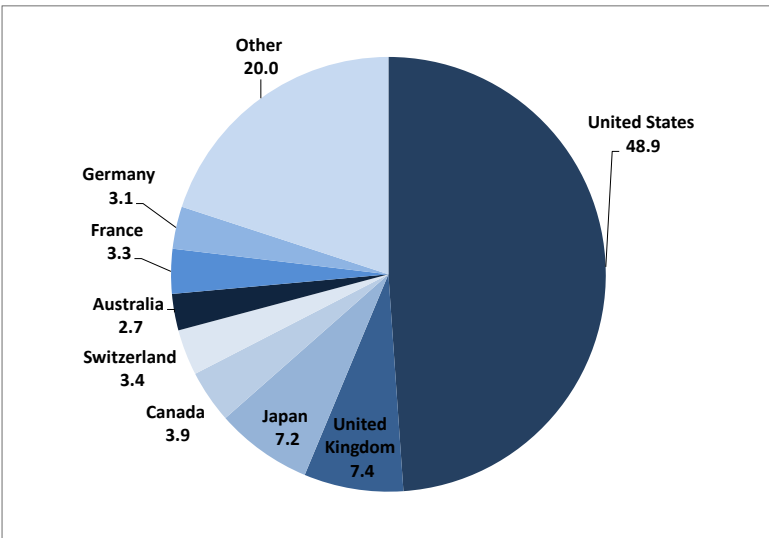
**Global Public Equity - by Industry Sector**



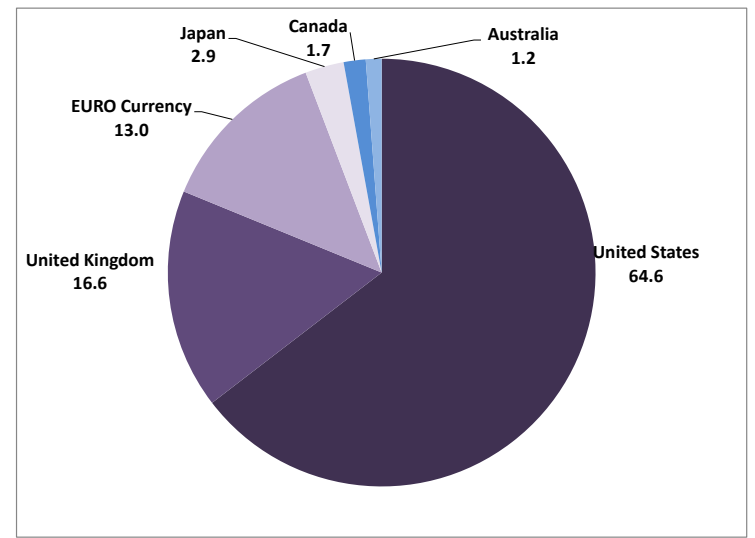
**Core Fixed Income - by Type**



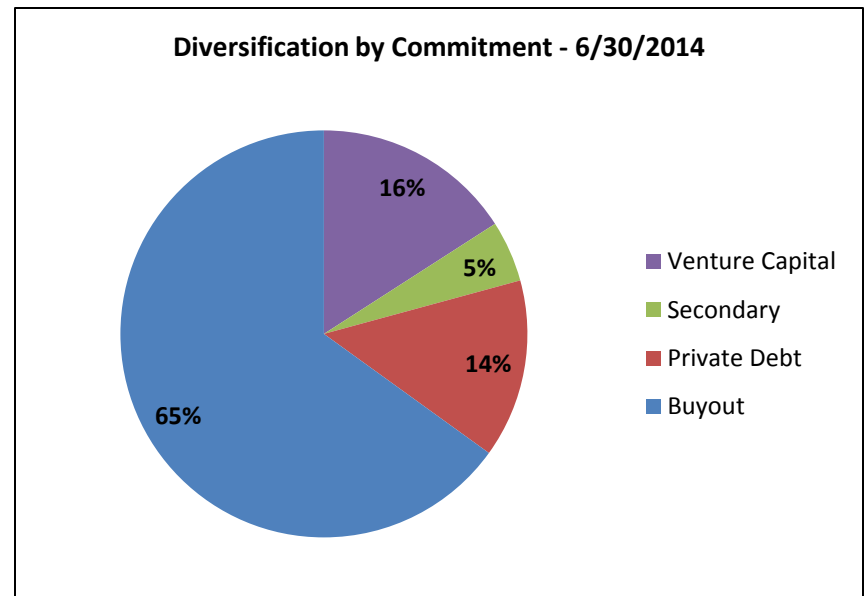
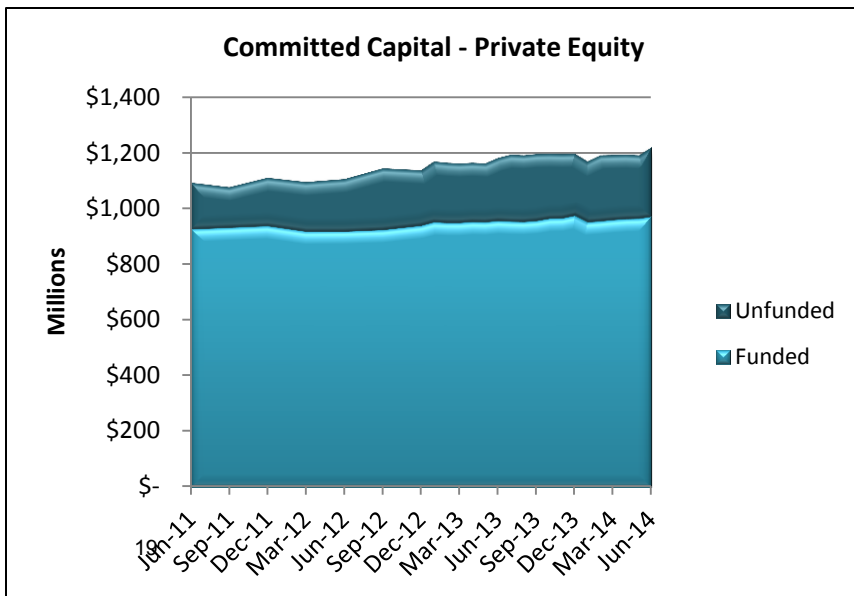
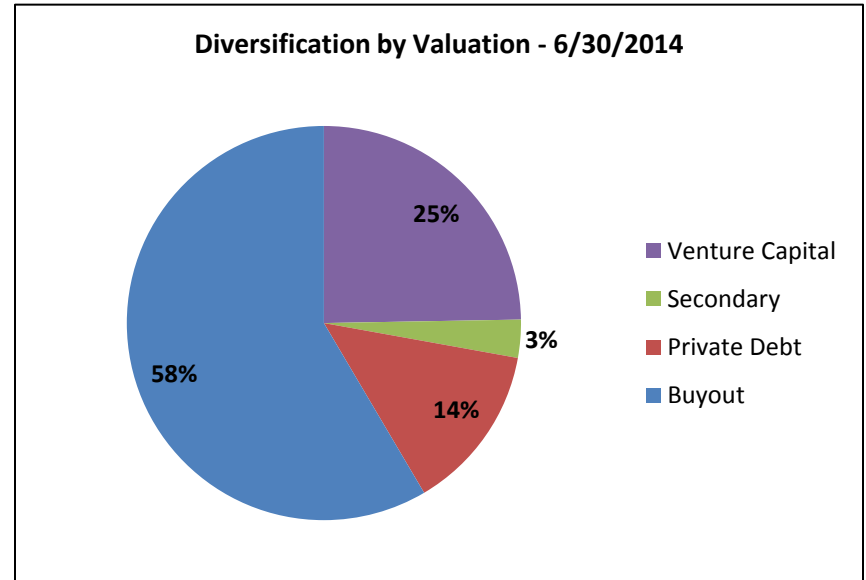
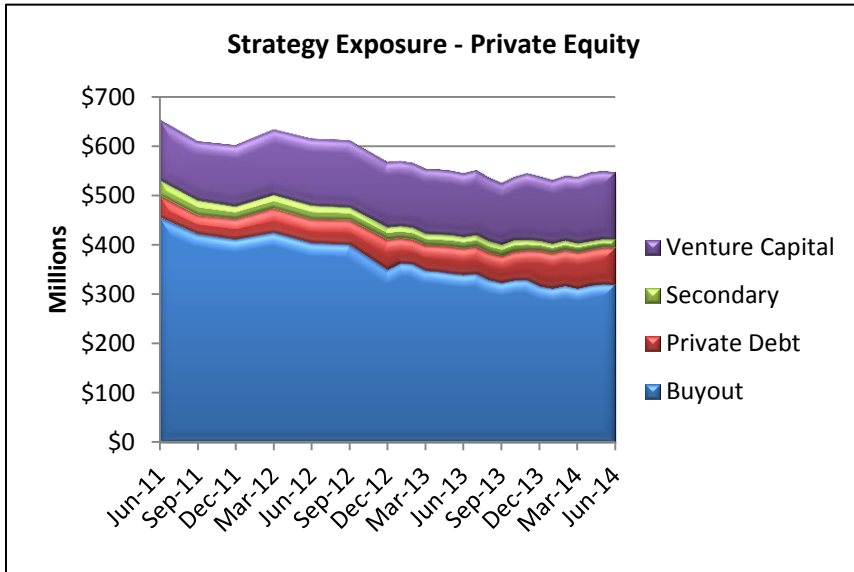
**Global Public Equity - by Geography**



**Global Inflation-Linked Bonds - by Geography**



# Strategy Exposure & Committed Capital – Private Equity

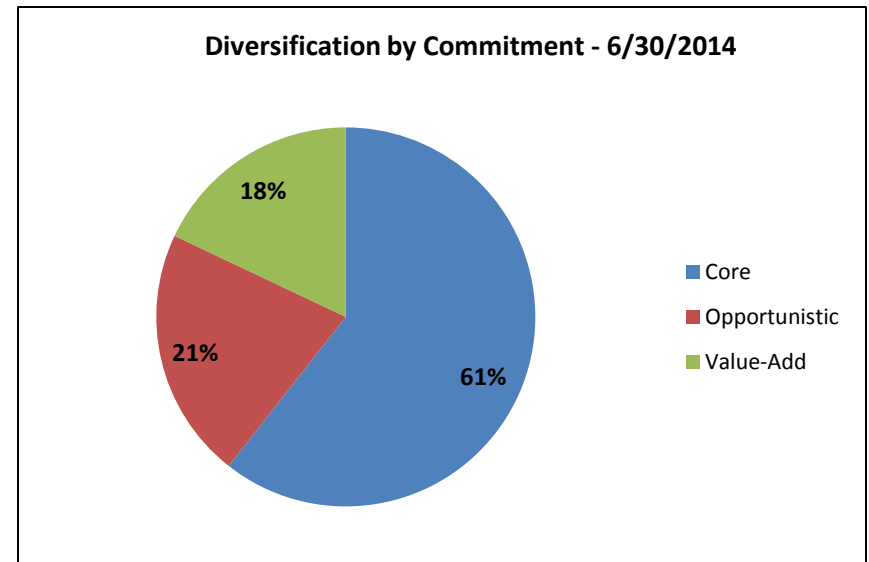
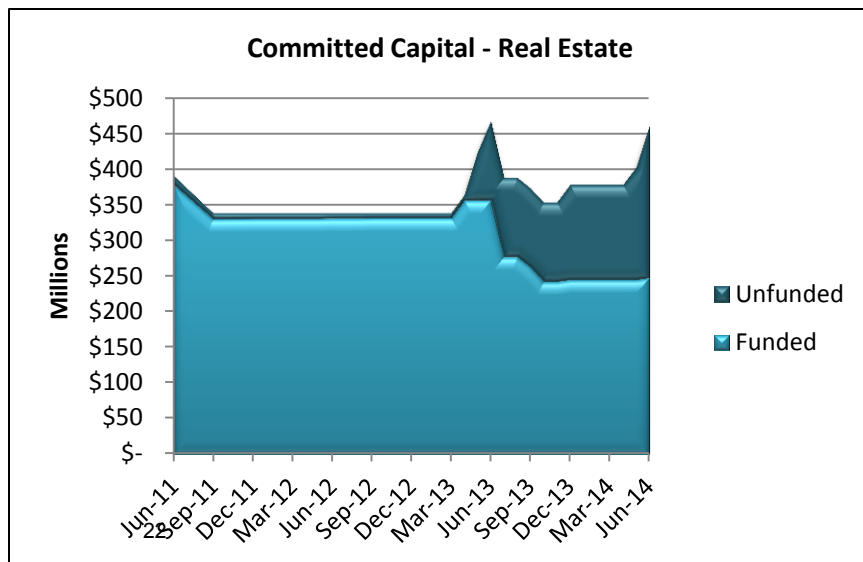
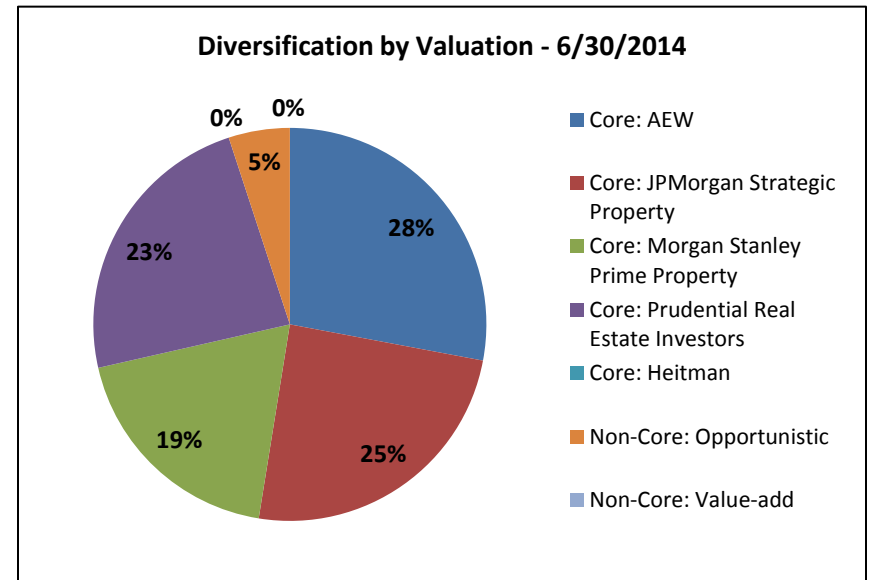
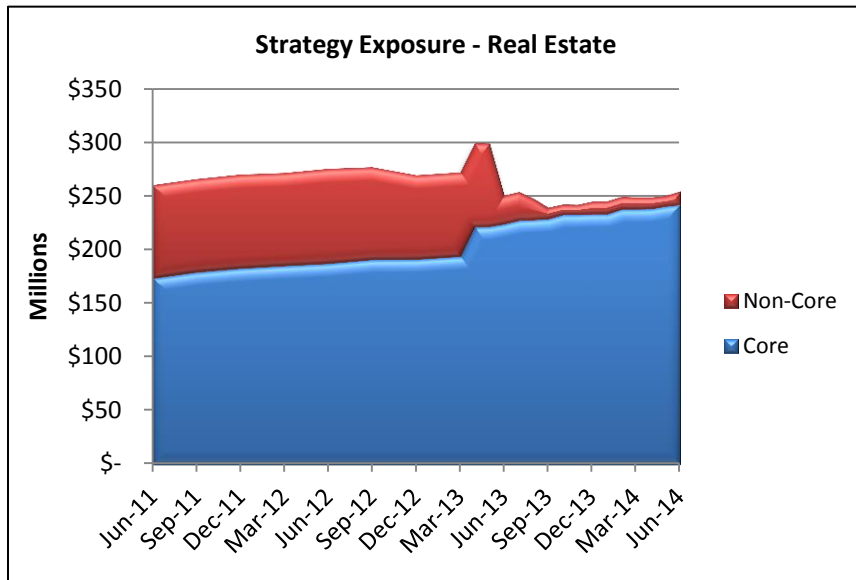


**State of Rhode Island Private Equity Unfunded Commitment June 2014**

<b>Partnership Investment</b>	<b>Total Commitment</b>	<b>Unfunded</b>
Advent Global Private Equity Fund VII	\$ 20,000,000.00	\$ 11,920,000.00
Alta BioPharma Partners III	\$ 15,000,000.00	\$ 750,000.00
Alta Partners VIII	\$ 15,000,000.00	\$ 750,000.00
Aurora Equity Partners III	\$ 15,000,000.00	\$ 835,850.00
Avenue Special Situations Fund IV	\$ 20,000,000.00	\$ -
Avenue V	\$ 20,000,000.00	\$ -
Bain X	\$ 25,000,000.00	\$ 762,500.00
Birch Hill Equity Partners III	\$ 16,868,142.00	\$ 618,660.16
Braemar Energy Ventures III	\$ 10,000,000.00	\$ 6,148,780.00
Carlyle Asia Partners IV	\$ 30,000,000.00	\$ 26,546,079.00
Castile III	\$ 5,000,000.00	\$ 150,000.00
Centerbridge	\$ 15,000,000.00	\$ 1,090,623.00
Centerbridge Special Credit Partners II	\$ 25,000,000.00	\$ 6,875,000.00
Charterhouse Capital Partners VIII	\$ 19,443,312.75	\$ 1,544,650.73
Coller International Capital IV**	\$ 14,250,000.00	\$ 1,350,000.00
Coller International Capital V	\$ 15,000,000.00	\$ 3,270,000.00
Constellation III	\$ 15,000,000.00	\$ 2,537,146.10
CVC European Equity Partners III	\$ 20,000,000.00	\$ 899,966.00
CVC European Equity Partners IV	\$ 22,513,309.50	\$ 2,631,038.07
CVC V	\$ 27,288,860.00	\$ 3,289,833.77
CVC VI	\$ 20,466,645.00	\$ 20,304,811.68
EnCap Energy Fund IX	\$ 18,000,000.00	\$ 14,592,083.59
Fenway Partners Capital Fund II	\$ 15,000,000.00	\$ 232,336.00
Fenway III	\$ 15,000,000.00	\$ 1,409,506.00
First Reserve Fund X	\$ 20,000,000.00	\$ 1.00
First Reserve Fund XI	\$ 20,000,000.00	\$ (1.00)
Focus Ventures III	\$ 15,000,000.00	\$ -
Granite Global Ventures II	\$ 15,000,000.00	\$ 675,000.00
Granite Global Ventures III	\$ 15,000,000.00	\$ 375,000.00
Green Equity Investors V	\$ 20,000,000.00	\$ 1,243,286.40
Kayne Anderson Energy Fund III	\$ 15,000,000.00	\$ 366,426.00
Kayne Anderson Energy Fund IV	\$ 15,000,000.00	\$ 798,406.00
Leapfrog Ventures II	\$ 10,000,000.00	\$ 510,000.00
Leeds Weld Equity Partners IV	\$ 10,000,000.00	\$ 1,099,639.00
Lighthouse Capital Partners V	\$ 11,250,000.00	\$ 787,500.00
Lighthouse Capital Partners VI	\$ 15,000,000.00	\$ 750,000.00
LNK Partners	\$ 12,500,000.00	\$ 628,507.52
Matlin Patterson Glb. Opp. Fund (CSFB)	\$ 15,000,000.00	\$ -
MHR Institutional Partners III	\$ 20,000,000.00	\$ 7,374,396.00
Nautic Partners V	\$ 20,000,000.00	\$ 647,276.49
Nautic Partners VI	\$ 20,000,000.00	\$ 1,413,312.94
Nautic Partners VII	\$ 20,000,000.00	\$ 20,000,000.00
Nordic Capital Fund V	\$ 19,942,084.89	\$ -
Nordic Capital Fund VI	\$ 20,466,645.00	\$ -
Nordic VII	\$ 20,466,645.00	\$ 3,856,939.65

Nordic VIII	\$	20,466,645.00	\$	18,751,110.75
Oaktree Capital Management Fund III	\$	20,000,000.00	\$	10,400,000.00
Palladin III	\$	10,000,000.00	\$	2,553,974.00
Parthenon Investors II	\$	23,960,000.00	\$	1,821,022.00
Perseus VII	\$	15,000,000.00	\$	525,615.17
Point 406	\$	10,000,000.00	\$	1,040,000.00
Point Judith II	\$	5,000,000.00	\$	463,939.06
Providence Equity Partners III	\$	15,000,000.00	\$	1,938,956.00
Providence Equity Partners IV	\$	25,000,000.00	\$	1,989,319.00
Providence Equity Partners V	\$	25,000,000.00	\$	2,157,993.00
Providence Equity Partners VI	\$	25,000,000.00	\$	2,590,094.00
Providence Equity Partners VII	\$	25,000,000.00	\$	20,904,277.00
Riverside VI	\$	20,000,000.00	\$	17,535,773.00
Summit Partners	\$	20,000,000.00	\$	2,100,000.00
Thomas McNerney & Partners	\$	15,000,000.00	\$	300,000.00
Thomas McNerney & Partners II	\$	15,000,000.00	\$	1,762,500.00
TPG Partners IV	\$	13,953,742.00	\$	64,421.00
TPG Partners V	\$	20,000,000.00	\$	2,328,181.00
TPG VI	\$	10,000,000.00	\$	1,692,485.00
Trilantic IV	\$	11,098,351.00	\$	1,339,290.54
VS&A Communication Partners III	\$	15,000,000.00	\$	-
W Capital Partners	\$	15,000,000.00	\$	802,500.00
W Capital Partners II	\$	15,000,000.00	\$	1,596,691.00
Wellspring Capital Partners III	\$	20,000,000.00	\$	283,861.00
Wellspring Capital Partners IV	\$	20,000,000.00	\$	2,088,979.00
WLR	\$	8,000,000.00	\$	765,256.00
<b>Total Private Equity</b>	\$	1,220,934,382.14	\$	246,830,791.61

# Strategy Exposure & Committed Capital – Real Estate



**State of Rhode Island Real Estate Unfunded Commitment June 2014**

<b>Real Estate Partnership Investment</b>	<b>Total Commitment</b>	<b>Unfunded</b>
AEW	\$ 60,000,000.00	\$ -
Exeter Industrial Value Fund III	\$ 30,000,000.00	\$ 30,000,000.00
Fillmore East Fund I	\$ 10,000,000.00	\$ -
GEM Realty V	\$ 50,000,000.00	\$ 44,650,625.00
Heitman	\$ 60,000,000.00	\$ 60,000,000.00
IC Berkeley Partners III	\$ 18,000,000.00	\$ 18,000,000.00
JPMorgan Strategic Property Fund	\$ 75,000,000.00	\$ 25,000,000.00
JPMorgan Alternative Property Fund	\$ 20,000,000.00	\$ -
Magna Hotel	\$ 4,000,000.00	\$ 667,544.79
Morgan Stanley Prime Property Fund	\$ 35,000,000.00	\$ -
Prudential Real Estate Investors (PRISA)	\$ 50,000,000.00	\$ -
Tri Continental Fund VII	\$ 15,000,000.00	\$ 428,467.00
Waterton Venture Fund XII	\$ 35,000,000.00	\$ 35,000,000.00
<b>Total Real Estate</b>	<b>\$ 462,000,000.00</b>	<b>\$ 213,746,636.79</b>

## Section V.

---

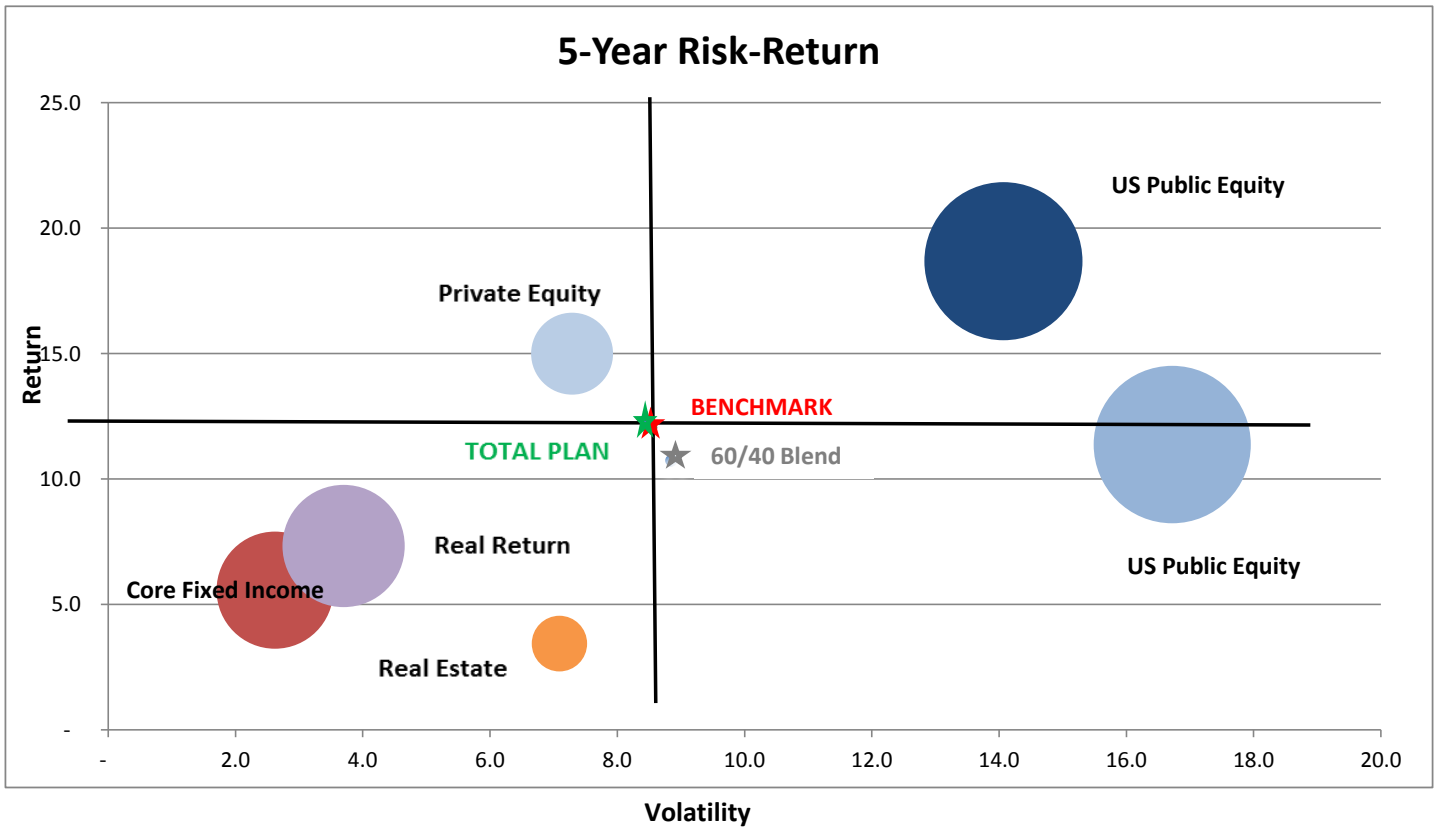
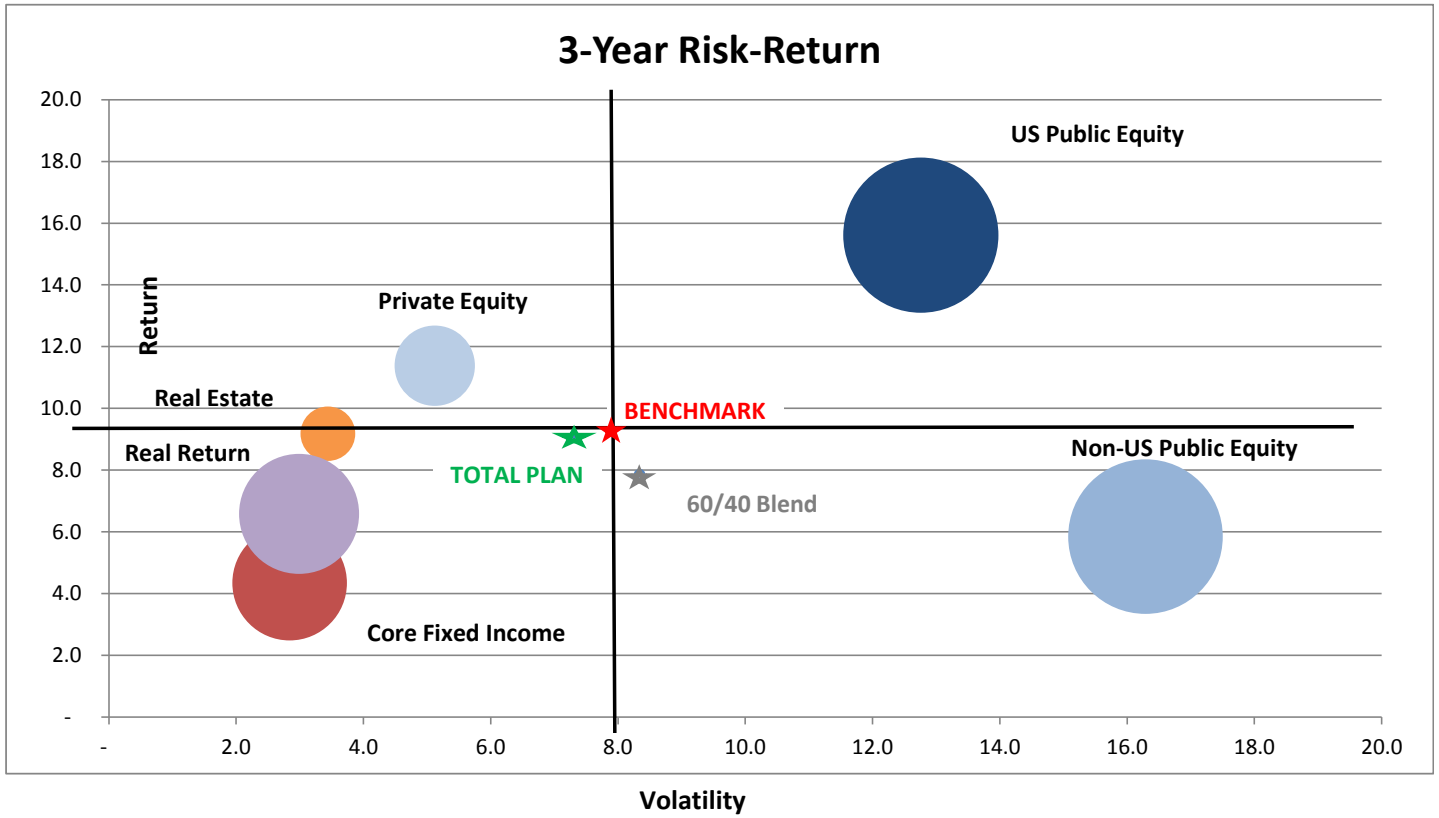
### Risk Overview



# ERSRI Portfolio

% - as of June 30, 2014

Bubble-Size Scaled based on Current Allocations



## 5 Years Ending June 30, 2014 Comparison

	TOTAL PLAN	Total Plan Benchmark
Ann Return	12.05	12.05
Ann Ex Ret vs Mkt	-0.01	
Ann Tracking Error	1.13	
Ann Std Dev	7.98	8.54
Beta	0.93	1.00
R-Squared	0.99	1.00
Ann Alpha	0.80	
Ann Sharpe Ratio	1.46	1.37

## Risk Exposures

### 3 Years Ending June 30, 2014

	Annualized Return	Ann Std Dev	Beta (ACWI)	Beta (BC AGG)	Beta (GSCI)	Beta (CPI)
<b>US Public Equity</b>	15.62	12.76	0.87	-1.33	0.53	0.13
<b>Non-US Public Equity</b>	5.85	16.29	1.14	-0.46	0.69	-0.83
<b>Equity Hedge Funds</b>	---	---	---	---	---	---
<b>Private Equity</b>	11.38	5.12	0.07	-0.40	0.07	0.02
<b>Traditional Fixed Income</b>	4.34	2.84	0.05	0.91	0.01	-0.05
<b>Real Estate</b>	9.18	3.44	0.05	0.39	-0.01	-0.82
<b>Real Return Hedge Funds</b>	---	---	---	---	---	---
<b>Inflation-Linked Bonds</b>	4.71	4.93	0.02	1.49	0.01	-0.78
<b>Cash</b>	0.15	0.08	0.00	-0.00	-0.00	0.01
<b>Russell Overlay Fd</b>	0.20	0.17	0.01	-0.00	0.01	0.00
<b>TOTAL PLAN</b>	9.05	7.32	0.52	-0.28	0.31	-0.31

**3 Years Ending June 30, 2014  
Correlation**

Ann Return

	US Pub EQ	Non-US Pub EQ	Eq HF	PE	FI	RE	RR HF	GILBS	Cash	Overlay	Total
<b>US Pub</b>	1.00										
<b>Non-US P</b>	0.89	1.00									
<b>Eq HF</b>	---	---	---								
<b>PE</b>	0.17	0.19	---	1.00							
<b>FI</b>	0.09	0.31	---	-0.22	1.00						
<b>RE</b>	0.17	0.23	---	0.05	0.33	1.00					
<b>RR HF</b>	---	---	---	---	---	---	---				
<b>GILBS</b>	-0.06	0.11	---	-0.13	0.77	0.21	---	1.00			
<b>Cash</b>	-0.01	0.00	---	-0.07	0.03	0.33	---	-0.11	1.00		
<b>Overlay</b>	0.44	0.46	---	0.22	0.05	0.16	---	0.18	-0.10	1.00	
<b>Total</b>	0.96	0.97	---	0.20	0.28	0.25	---	0.11	0.00	0.47	1.00
<b>Tot BM</b>	0.96	0.97	---	0.16	0.25	0.22	---	0.06	0.00	0.49	0.99

**5 Years Ending June 30, 2014  
Correlation**

Ann Return

	US Pub Eq	Non-US Pub Eq	Eq HF	PE	FI	RE	RR HF	GILBS	Cash	Overlay	Total
<b>US Pub</b>	1.00										
<b>Non-US P</b>	0.89	1.00									
<b>Eq HF</b>	---	---	---								
<b>PE</b>	0.17	0.11	---	1.00							
<b>FI</b>	0.09	0.31	---	-0.14	1.00						
<b>RE</b>	0.01	0.04	---	-0.07	-0.12	1.00					
<b>RR HF</b>	---	---	---	---	---	---	---				
<b>GILBS</b>	---	---	---	---	---	---	---	---			
<b>Cash</b>	-0.06	0.01	---	-0.10	0.06	-0.02	---	---	1.00		
<b>Overlay</b>	-0.03	-0.01	---	0.01	0.10	-0.15	---	---	-0.04	1.00	
<b>Total</b>	0.97	0.96	---	0.22	0.27	0.01	---	---	-0.04	-0.01	1.00
<b>Tot BM</b>	0.97	0.96	---	0.16	0.24	0.02	---	---	-0.02	-0.02	0.99

## Section VI.

---

# Performance Overview

TOTAL NET OF FEES

6/30/2014

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	1 Year	Annualized			ITD	Inception Date
						3 Years	5 Years	10 Years		
SSGA R3000 INDEX <i>Russell 3000 Index</i>	2,055,284,666	25	2.48 2.51	25.16 25.22	25.16 25.22				22.73 22.76	10/1/2012 10/1/2012
<b>US Public Equity</b> <i>Russell 3000 Index</i>	<b>2,055,284,740</b>	<b>25</b>	<b>2.48</b> 2.51	<b>25.15</b> 25.22	<b>25.15</b> 25.22	<b>15.62</b> 16.46	<b>18.68</b> 19.33		<b>7.06</b> 7.09	<b>8/1/2007</b> 8/1/2007
SSGA MSCI EAFE <i>MSCI EAFE Net Dividend Index</i>	1,419,878,927	17	0.99 0.96	23.90 23.57	23.90 23.57				21.04 20.68	9/1/2012 9/1/2012
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	158,687,898	2	6.03 5.95	27.11 26.29	27.11 26.29				12.72 11.96	9/1/2012 9/1/2012
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	456,787,372	6	2.72 2.66	14.30 14.31	14.30 14.31				8.14 8.29	9/1/2012 9/1/2012
<b>Non-US Public Equity</b> <i>Total International Equity BM</i>	<b>2,035,354,294</b>	<b>25</b>	<b>1.75</b> 1.68	<b>21.93</b> 21.75	<b>21.93</b> 21.75	<b>5.85</b> 5.88	<b>11.37</b> 10.38		<b>13.50</b> 12.31	<b>5/1/2009</b> 5/1/2009
<b>Global Public Equity</b> <i>MSCI All Country World Net Index</i>	<b>4,090,639,034</b>	<b>50</b>	<b>2.12</b> 1.88	<b>23.46</b> 22.95	<b>23.46</b> 22.95	<b>11.83</b> 10.25	<b>15.98</b> 14.28	<b>7.90</b> 7.46	<b>4.34</b>	<b>7/1/2000</b> 7/1/2000
Private Equity <i>Venture Economics Custom BM</i>	552,112,155	7	-0.20 -0.20	18.46 16.57	18.46 16.57	11.38 16.18	14.99 19.98	10.94 9.90	4.58	1/1/1993 1/1/1993
<i>S&amp;P + 300 BP</i>			2.22	27.61	27.61	19.74	22.17	10.90		1/1/1993
<b>Equity Hedge Funds</b> <i>HFRI Equity Hedge (Total) Index</i>	<b>675,999,093</b>	<b>8</b>	<b>1.23</b> 1.73	<b>12.08</b> 12.60	<b>12.08</b> 12.60				<b>9.96</b> 8.11	<b>11/1/2011</b> 11/1/2011
<b>Total Equity</b>	<b>5,318,750,282</b>	<b>65</b>	<b>1.76</b>	<b>21.42</b>	<b>21.42</b>	<b>11.07</b>	<b>15.46</b>	<b>7.98</b>	<b>3.42</b>	<b>6/1/1996</b>
MACKAY SHIELDS <i>Barclays U.S. Aggregate Bond Index</i>	560,195,423	7	0.09 0.05	4.83 4.37	4.83 4.37				1.41 1.10	11/1/2012 11/1/2012
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	562,538,985	7	0.10 0.05	4.80 4.37	4.80 4.37				1.34 1.10	11/1/2012 11/1/2012
<b>Traditional Fixed Income</b> <i>Barclays U.S. Aggregate Bond Index</i>	<b>1,123,011,512</b>	<b>14</b>	<b>0.09</b> 0.05	<b>4.81</b> 4.37	<b>4.81</b> 4.37	<b>4.34</b> 3.66	<b>5.57</b> 4.85	<b>5.26</b> 4.93	<b>5.83</b> 5.68	<b>7/1/2000</b> 7/1/2000

TOTAL NET OF FEES

6/30/2014

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	1 Year	Annualized			ITD	Inception Date
						3 Years	5 Years	10 Years		
<b>Real Return Hedge Funds</b>	<b>520,692,119</b>	<b>6</b>	<b>0.44</b>	<b>5.21</b>	<b>5.21</b>				<b>5.56</b>	<b>11/1/2011</b>
<i>HFRI Fund of Funds Composite Index</i>			<i>1.04</i>	<i>7.69</i>	<i>7.69</i>				<i>5.34</i>	<i>11/1/2011</i>
PIMCO	208,432,776	3	0.50	4.83	4.83				3.45	5/1/2013
<i>30% BoA1-3BB-B HY/70%CSInstLLI</i>			<i>0.47</i>	<i>6.23</i>	<i>6.23</i>				<i>4.80</i>	<i>5/1/2013</i>
WAMCO	211,827,329	3	0.61	6.27	6.27				4.90	4/1/2013
<i>30% BoA 1-3 BB-B HY/70% CS LLI</i>			<i>0.50</i>	<i>6.41</i>	<i>6.41</i>				<i>5.25</i>	<i>4/1/2013</i>
<b>Credit Aggregate</b>	<b>420,260,105</b>	<b>5</b>	<b>0.56</b>	<b>5.55</b>	<b>5.55</b>				<b>4.06</b>	<b>5/1/2013</b>
<b>30% BoA1-3BB-B HY/70%CSInstLLI</b>			<b>0.47</b>	<b>6.23</b>	<b>6.23</b>				<b>5.30</b>	<b>3/1/2013</b>
BROWN BROTHERS HARR	285,059,204	3	0.09	2.05	2.05				-0.32	11/1/2012
<i>BBH Inflation-Linked Custom BM</i>			<i>0.24</i>	<i>2.83</i>	<i>2.83</i>				<i>-0.40</i>	<i>11/1/2012</i>
<b>Inflation-Linked Bonds</b>	<b>285,059,204</b>	<b>3</b>	<b>0.09</b>	<b>2.05</b>	<b>2.05</b>	<b>4.71</b>			<b>5.69</b>	<b>11/1/2009</b>
<i>Total Inflation Linked Custom</i>			<i>0.24</i>	<i>2.83</i>	<i>2.83</i>	<i>4.54</i>			<i>5.64</i>	<i>11/1/2009</i>
<b>Total Real Return</b>	<b>1,226,011,428</b>	<b>15</b>	<b>0.40</b>	<b>4.60</b>	<b>4.60</b>	<b>6.58</b>	<b>7.34</b>	<b>6.30</b>	<b>6.26</b>	<b>6/1/2004</b>
Real Estate	254,657,161	3	0.88	9.46	9.46	9.18	3.44		0.81	1/1/2005
<i>NCREIF Property Lagged + 100bp</i>			<i>2.81</i>	<i>12.18</i>	<i>12.18</i>	<i>12.69</i>	<i>8.89</i>		<i>9.41</i>	<i>1/1/2005</i>
ERSRI CASH	273,568,066	3	0.02	0.16	0.16	0.13	0.16	3.96	15.18	7/1/2000
<i>BofA Merrill Lynch 3 Month US Treasury Bill GOO1</i>			<i>0.01</i>	<i>0.05</i>	<i>0.05</i>	<i>0.07</i>	<i>0.11</i>	<i>1.63</i>	<i>1.95</i>	<i>7/1/2000</i>
<b>Total Cash</b>	<b>275,791,620</b>	<b>3</b>	<b>0.02</b>	<b>0.16</b>	<b>0.16</b>	<b>0.15</b>	<b>0.17</b>	<b>2.58</b>	<b>2.71</b>	<b>4/1/2004</b>
<b>Russell Overlay Fd</b>	<b>16,203,222</b>	<b>0</b>	<b>-0.01</b>	<b>-0.11</b>	<b>-0.11</b>	<b>0.20</b>	<b>-0.01</b>		<b>-0.10</b>	<b>9/1/2008</b>
<b>TOTAL PLAN</b>	<b>8,215,449,870</b>	<b>100</b>	<b>1.23</b>	<b>15.12</b>	<b>15.12</b>	<b>9.05</b>	<b>12.05</b>	<b>7.00</b>	<b>4.99</b>	<b>7/1/2000</b>
<i>Total Plan Benchmark</i>			<i>1.19</i>	<i>15.53</i>	<i>15.53</i>	<i>9.28</i>	<i>12.05</i>	<i>6.97</i>		<i>7/1/2000</i>
<i>60/40 Blend</i>			<i>1.15</i>	<i>15.31</i>	<i>15.31</i>	<i>7.86</i>	<i>10.74</i>	<i>6.81</i>		<i>7/1/2000</i>
<b>Total Plan ex PE &amp; RE</b>	<b>7,408,680,554</b>	<b>90</b>	<b>1.35</b>	<b>15.09</b>	<b>15.09</b>	<b>8.38</b>	<b>11.88</b>	<b>6.82</b>	<b>6.74</b>	<b>4/1/1996</b>
<i>Total Plan BM ex PE RE</i>			<i>1.30</i>	<i>15.91</i>	<i>15.91</i>	<i>9.15</i>	<i>11.97</i>	<i>6.76</i>		<i>4/1/1996</i>

TOTAL NET OF FEES

6/30/2014

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative			2013	2012	2011	Inception Date
				5/1/2014 - 5/31/2014	4/1/2014 - 4/30/2014					
SSGA R3000 INDEX <i>Russell 3000 Index</i>	2,055,284,666	25	2.48 2.51	2.18 2.18	0.17 0.12	33.49 33.55				10/1/2012 10/1/2012
<b>US Public Equity</b> <i>Russell 3000 Index</i>	<b>2,055,284,740</b>	<b>25</b>	<b>2.48</b> 2.51	<b>2.17</b> 2.18	<b>0.17</b> 0.12	<b>33.48</b> 33.55	<b>15.66</b> 16.42	<b>-0.86</b> 1.03		<b>8/1/2007</b> 8/1/2007
SSGA MSCI EAFE <i>MSCI EAFE Net Dividend Index</i>	1,419,878,927	17	0.99 0.96	1.69 1.62	1.51 1.45	23.08 22.78				9/1/2012 9/1/2012
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	158,687,898	2	6.03 5.95	0.81 0.78	2.96 2.91	6.35 5.63				9/1/2012 9/1/2012
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	456,787,372	6	2.72 2.66	3.51 3.49	0.31 0.33	-2.81 -2.60				9/1/2012 9/1/2012
<b>Non-US Public Equity</b> <i>Total International Equity BM</i>	<b>2,035,354,294</b>	<b>25</b>	<b>1.75</b> 1.68	<b>2.00</b> 1.94	<b>1.36</b> 1.32	<b>15.18</b> 15.29	<b>17.02</b> 16.52	<b>-13.47</b> -12.14		<b>5/1/2009</b> 5/1/2009
<b>Global Public Equity</b> <i>MSCI All Country World Net Index</i>	<b>4,090,639,034</b>	<b>50</b>	<b>2.12</b> 1.88	<b>2.08</b> 2.13	<b>0.76</b> 0.95	<b>23.90</b> 22.80	<b>17.82</b> 16.13	<b>-5.16</b> -7.35		<b>7/1/2000</b> 7/1/2000
Private Equity <i>Venture Economics Custom BM</i> <i>S&amp;P + 300 BP</i>	552,112,155	7	-0.20 -0.20 2.22	2.88 0.00 2.53	0.44 0.00 0.96	14.86 25.14 35.39	11.77 19.44 19.44	12.37 5.17 5.17		1/1/1993 1/1/1993 1/1/1993
<b>Equity Hedge Funds</b> <i>HFRI Equity Hedge (Total) Index</i>	<b>675,999,093</b>	<b>8</b>	<b>1.23</b> 1.73	<b>1.38</b> 1.22	<b>-1.14</b> -0.77	<b>17.11</b> 14.28	<b>7.98</b> 7.41			<b>11/1/2011</b> 11/1/2011
<b>Total Equity</b>	<b>5,318,750,282</b>	<b>65</b>	<b>1.76</b>	<b>2.07</b>	<b>0.49</b>	<b>21.95</b>	<b>15.88</b>	<b>-2.89</b>		<b>6/1/1996</b>
MACKAY SHIELDS <i>Barclays U.S. Aggregate Bond Index</i>	560,195,423	7	0.09 0.05	1.09 1.14	0.90 0.84	-1.79 -2.02				11/1/2012 11/1/2012
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	562,538,985	7	0.10 0.05	1.18 1.14	0.87 0.84	-1.93 -2.02				11/1/2012 11/1/2012
<b>Traditional Fixed Income</b> <i>Barclays U.S. Aggregate Bond Index</i>	<b>1,123,011,512</b>	<b>14</b>	<b>0.09</b> 0.05	<b>1.14</b> 1.14	<b>0.88</b> 0.84	<b>-1.86</b> -2.02	<b>7.95</b> 4.21	<b>5.50</b> 7.84		<b>7/1/2000</b> 7/1/2000
<b>Real Return Hedge Funds</b> <i>HFRI Fund of Funds Composite Index</i>	<b>520,692,119</b>	<b>6</b>	<b>0.44</b> 1.04	<b>0.92</b> 1.20	<b>0.28</b> -0.64	<b>6.96</b> 8.96	<b>5.33</b> 4.79			<b>11/1/2011</b> 11/1/2011
PIMCO <i>30% BoA1-3BB-B HY/70%CSInstLLI</i>	208,432,776	3	0.50 0.47	0.49 0.48	0.04 0.24					5/1/2013 5/1/2013



TOTAL NET OF FEES

6/30/2014

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative			2013	2012	2011	Inception Date
				5/1/2014 - 5/31/2014	4/1/2014 - 4/30/2014					
WAMCO <i>30% BoA 1-3 BB-B HY/70% CS LLI</i>	211,827,329	3	0.61 <i>0.50</i>	0.29 <i>0.53</i>	0.20 <i>0.31</i>				4/1/2013 <i>4/1/2013</i>	
<b>Credit Aggregate</b>	<b>420,260,105</b>	<b>5</b>	<b>0.56</b>	<b>0.39</b>	<b>0.12</b>				<b>5/1/2013</b>	
<b>30% BoA 1-3 BB-B HY/70% CS LLI</b>			<b>0.50</b>	<b>0.53</b>	<b>0.31</b>				<b>3/1/2013</b>	
BROWN BROTHERS HARR <i>BBH Inflation-Linked Custom BM</i>	285,059,204	3	0.09 <i>0.24</i>	1.02 <i>1.17</i>	0.76 <i>0.78</i>	-5.03 <i>-5.13</i>			11/1/2012 <i>11/1/2012</i>	
<b>Inflation-Linked Bonds</b> <i>Total Inflation Linked Custom</i>	<b>285,059,204</b>	<b>3</b>	<b>0.09</b> <i>0.24</i>	<b>1.02</b> <i>1.17</i>	<b>0.76</b> <i>0.78</i>	<b>-5.03</b> <i>-5.13</i>	<b>9.20</b> <i>8.57</i>	<b>13.80</b> <i>13.56</i>	<b>11/1/2009</b> <i>11/1/2009</i>	
<b>Total Real Return</b>	<b>1,226,011,428</b>	<b>15</b>	<b>0.40</b>	<b>0.76</b>	<b>0.33</b>	<b>3.39</b>	<b>6.55</b>	<b>13.58</b>	<b>6/1/2004</b>	
Real Estate <i>NCREIF Property Lagged + 100bp</i>	254,657,161	3	0.88 <i>2.81</i>	1.09 <i>0.08</i>	0.29 <i>0.08</i>	5.65 <i>12.00</i>	9.62 <i>12.00</i>	17.14 <i>17.10</i>	1/1/2005 <i>1/1/2005</i>	
ERSRI CASH <i>BofA Merrill Lynch 3 Month US Treasury Bill G001</i>	273,568,066	3	0.02 <i>0.01</i>	0.01 <i>0.00</i>	0.03 <i>0.00</i>	0.14 <i>0.07</i>	0.11 <i>0.11</i>	0.16 <i>0.10</i>	7/1/2000 <i>7/1/2000</i>	
<b>Total Cash</b>	<b>275,791,620</b>	<b>3</b>	<b>0.02</b>	<b>0.01</b>	<b>0.03</b>	<b>0.13</b>	<b>0.18</b>	<b>0.14</b>	<b>4/1/2004</b>	
<b>Russell Overlay Fd</b>	<b>16,203,222</b>	<b>0</b>	<b>-0.01</b>	<b>0.01</b>	<b>-0.01</b>	<b>0.17</b>	<b>0.18</b>	<b>-0.78</b>	<b>9/1/2008</b>	
<b>TOTAL PLAN</b> <i>Total Plan Benchmark</i> <i>60/40 Blend</i>	<b>8,215,449,870</b>	<b>100</b>	<b>1.23</b> <i>1.19</i> <i>1.15</i>	<b>1.66</b> <i>1.39</i> <i>1.73</i>	<b>0.49</b> <i>0.57</i> <i>0.91</i>	<b>14.06</b> <i>15.02</i> <i>12.32</i>	<b>12.49</b> <i>11.80</i> <i>11.48</i>	<b>1.39</b> <i>1.55</i> <i>-1.13</i>	<b>7/1/2000</b> <i>7/1/2000</i> <i>7/1/2000</i>	
<b>Total Plan ex Overlay</b> <i>Total Plan Benchmark</i>	<b>8,199,246,648</b>	<b>100</b>	<b>1.24</b> <i>1.19</i>	<b>1.65</b> <i>1.39</i>	<b>0.50</b> <i>0.57</i>	<b>13.87</b> <i>15.02</i>	<b>12.39</b> <i>11.80</i>	<b>0.98</b> <i>1.55</i>	<b>8/1/2008</b> <i>8/1/2008</i>	
<b>Total Plan ex PE &amp; RE</b> <i>Total Plan BM ex PE RE</i>	<b>7,408,680,554</b>	<b>90</b>	<b>1.35</b> <i>1.30</i>	<b>1.58</b> <i>1.59</i>	<b>0.50</b> <i>0.66</i>	<b>14.33</b> <i>14.97</i>	<b>11.25</b> <i>12.08</i>	<b>-0.19</b> <i>0.66</i>	<b>4/1/1996</b> <i>4/1/1996</i>	

END NOTES

6/30/2014

1 RI6G23000000 TOTAL PLAN

Month - Current Month

Cumulative Months - Prior Month and Second Prior Month

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

2013, 2012, 2011 - Calendar Years

RI6G23000000 TOTAL PLAN

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

15.0% Barclays U.S. Aggregate Bond Index

47.0% MSCI World Index

7.0% HFRI Fund of Funds Composite Index

4.0% BofA Merrill Lynch 3 Month US Treasury Bill

7.5% HFRI Equity Hedge (Total) Index

3.5% NCREIF Property Index 1Q in Arrears

4.0% Barclays World Govt Inflation-Linked 1-10 Yr Index Hedged US

5.0% Credit Aggregate Custom: 30% BoA1-3BB-B HY/70%CSInstLLI

7.0% Venture Economics Custom BM

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

Hedge Fund Portfolio  
 Portfolio Performance Summary  
 Estimated as of June 30, 2014

Fund	Market Value	Actual %	Returns								Std Dev	Sharpe Ratio	Incep Date
			Jun	QTD	YTD	FYTD	1 Year	3 Year	5 Year	Incep			
<b>Global Equities</b>													
Ascend Partners Fund II LP	70,307,075	5.9%	1.07%	0.69%	2.98%	11.29%	11.29%	-	-	6.13%	2.86%	1.98	Nov-11
Davidson Kempner Institutional Partners, L.P.	75,301,524	6.3%	1.43%	2.99%	5.86%	9.92%	9.92%	-	-	8.89%	1.73%	4.76	Nov-11
Elliott Associates, L.P.	79,346,798	6.6%	1.70%	2.00%	4.73%	12.25%	12.25%	-	-	11.05%	3.24%	3.16	Nov-11
ESG Cross Border Equity Fund LP	25,025,000	2.1%	0.10%	-	-	-	-	-	-	0.10%	-	-	Jun-14
Indus Asia Pacific Fund, LP	43,090,897	3.6%	1.60%	0.64%	-3.54%	-0.98%	-0.98%	-	-	3.02%	6.18%	0.46	Jan-12
Luxor Capital Partners, LP	49,337,537	4.1%	-1.37%	-	-	-	-	-	-	-1.32%	-	-	May-14
Mason Capital Ltd.	69,235,385	5.8%	2.21%	0.46%	-1.06%	6.87%	6.87%	-	-	5.89%	6.83%	0.83	Jan-12
PFM Diversified Fund, L.P.	37,379,141	3.1%	0.35%	-1.69%	-0.15%	15.54%	15.54%	-	-	9.88%	10.17%	0.95	Mar-12
PFM Diversified Offshore Fund A.I., Ltd.	37,099,982	3.1%	0.26%	-1.81%	-0.26%	15.26%	15.26%	-	-	9.53%	10.11%	0.92	Mar-12
Samlyn Onshore Fund, L.P.	101,384,841	8.5%	3.12%	2.03%	3.01%	13.14%	13.14%	-	-	12.64%	5.75%	2.05	Jan-12
Viking Global Equities, LP	88,494,562	7.4%	1.10%	5.82%	6.48%	21.88%	21.88%	-	-	16.23%	5.76%	2.60	Dec-11
<b>Total Global Equities</b>	<b>676,002,744</b>	<b>56.5%</b>	<b>1.33%</b>	<b>1.44%</b>	<b>2.60%</b>	<b>12.10%</b>	<b>12.10%</b>	<b>-</b>	<b>-</b>	<b>9.86%</b>	<b>4.07%</b>	<b>2.26</b>	<b>Nov-11</b>
MSCI AC World Index Free - Net			1.88%	5.04%	6.18%	22.95%	22.95%	-	-	15.42%	11.01%	1.33	Nov-11
Russell 3000 Index (DRI)			2.51%	4.87%	6.94%	25.22%	25.22%	-	-	21.26%	9.34%	2.09	Nov-11
HFRI Equity Hedge (Total) Index			1.73%	2.19%	3.32%	12.60%	12.60%	-	-	8.11%	6.10%	1.26	Nov-11
<b>Real Return</b>													
BlueCrest Capital LP	20,981,450	1.8%	-0.31%	0.02%	0.72%	1.59%	1.59%	-	-	1.93%	2.37%	0.69	Jan-12
Brevan Howard LP	77,012,634	6.4%	-0.30%	-1.61%	-4.43%	-5.44%	-5.44%	-	-	1.00%	4.78%	0.16	Nov-11
Brigade Leveraged Capital Structures Fund LP	58,403,315	4.9%	1.48%	3.40%	5.19%	9.67%	9.67%	-	-	6.88%	2.54%	2.52	Mar-12
Capula Global Relative Value Fund Ltd.	55,784,274	4.7%	0.59%	1.80%	3.46%	7.93%	7.93%	-	-	4.33%	2.02%	1.95	Dec-11
Claren Road Credit Fund, Ltd.	51,875,555	4.3%	0.02%	-0.30%	2.54%	1.65%	1.65%	-	-	2.99%	4.52%	0.62	Apr-13
DE Shaw Composite Fund LLC	73,411,350	6.1%	0.30%	4.70%	9.59%	13.67%	13.67%	-	-	15.49%	3.99%	3.57	Nov-11
Graham Global Investment Fund I SPC Ltd. - Discretionary Segregated Port	51,919,018	4.3%	-0.26%	-1.09%	-3.50%	-2.10%	-2.10%	-	-	1.52%	2.84%	0.43	Jan-12
OZ Domestic Partners II, L.P.	98,829,526	8.3%	1.30%	1.65%	2.04%	9.39%	9.39%	-	-	10.90%	3.62%	2.79	Nov-11
Winton Futures Fund Limited	32,474,996	2.7%	-0.57%	1.38%	1.26%	6.02%	6.02%	-	-	3.12%	7.41%	0.41	Dec-11
<b>Total Real Return</b>	<b>520,692,119</b>	<b>43.5%</b>	<b>0.40%</b>	<b>1.22%</b>	<b>1.87%</b>	<b>4.84%</b>	<b>4.84%</b>	<b>-</b>	<b>-</b>	<b>5.54%</b>	<b>2.29%</b>	<b>2.23</b>	<b>Nov-11</b>
ML 3-month T-Bills			0.01%	0.01%	0.02%	0.06%	0.06%	-	-	0.08%	0.02%	-	Nov-11
HFRI Fund of Funds Composite Index			0.86%	1.43%	1.99%	7.50%	7.50%	-	-	5.27%	3.38%	1.44	Nov-11
<b>Total Hedge Fund Portfolio</b>	<b>1,196,694,862</b>	<b>100.0%</b>	<b>0.92%</b>	<b>1.35%</b>	<b>2.29%</b>	<b>8.79%</b>	<b>8.79%</b>	<b>-</b>	<b>-</b>	<b>7.89%</b>	<b>3.04%</b>	<b>2.41</b>	<b>Nov-11</b>
HFRI Fund of Funds Composite Index			0.86%	1.43%	1.99%	7.50%	7.50%	-	-	5.27%	3.38%	1.44	Nov-11
<b>Market Indices</b>													
Libor3Month			0.02%	0.06%	0.11%	0.24%	0.24%	-	-	0.33%	0.03%	-	Nov-11
Barclays Aggregate Bond Index			0.05%	2.04%	3.92%	4.38%	4.38%	-	-	2.64%	2.71%	0.85	Nov-11
Barclays High Yield Credit Bond Index			0.84%	2.41%	5.46%	11.74%	11.74%	-	-	10.92%	4.49%	2.26	Nov-11
S&P 500 TR			2.07%	5.23%	7.14%	24.61%	24.61%	-	-	20.89%	9.15%	2.10	Nov-11
MSCI EAFE - Net			0.96%	4.09%	4.78%	23.57%	23.57%	-	-	14.12%	13.72%	1.01	Nov-11
MSCI EMF (Emerging Markets Free) - Net			2.66%	6.60%	6.14%	14.31%	14.31%	-	-	4.59%	15.65%	0.34	Nov-11

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

Hedge Fund Portfolio  
 Portfolio Performance Summary  
 Estimated as of June 30, 2014

Fund	Market Value	Actual %	Jun	QTD	YTD	Returns				Std Dev	Sharpe Ratio	Incep Date
						FYTD	1 Year	3 Year	5 Year			

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

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

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

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

Hedge Fund Portfolio  
Fund Level Performance Report  
Estimated as of June 30, 2014

Fund	Trailing Returns					Calendar Year Returns					5 Yr Std Dev	Sharpe Ratio			Start Date			
	QTD	YTD	Jun	May	Apr	1 Year	3 Year	5 Year	2013	2012		2011	2010	2009		3 yr	5 yr	Incep.
<b>Global Equities</b>																		
Ascend Partners Fund II LP	2.27%	2.92%	1.07%	1.19%	-1.60%	11.21%	3.89%	4.64%	12.22%	2.50%	-3.02%	2.94%	13.61%	3.98%	0.91	1.08	1.11	Jan-04
Davidson Kempner Institutional Partners, LP	2.65%	5.64%	1.43%	0.67%	0.79%	9.36%	6.33%	8.38%	9.20%	6.87%	1.27%	9.17%	17.79%	3.10%	2.13	2.51	1.62	Mar-96
Elliott Associates, L.P. (HFR98)	2.51%	4.57%	1.70%	0.40%	-0.10%	11.88%	10.02%	10.88%	12.44%	13.18%	3.94%	7.39%	30.85%	3.20%	3.16	3.16	1.95	Jan-90
ESG Cross Border Equity	-0.24%	0.52%	0.10%	2.40%	-1.70%	5.54%	7.44%	9.65%	13.62%	6.74%	9.45%	10.86%	7.79%	5.15%	1.32	1.76	1.04	Jan-04
Indus Asia Pacific Fund	-3.87%	-3.28%	1.60%	2.10%	-3.00%	-0.47%	1.24%	4.95%	4.97%	8.21%	-7.18%	7.36%	25.45%	7.57%	0.16	0.63	0.69	Dec-00
Luxor Capital Partners, LP	1.87%	0.54%	-1.37%	0.05%	0.02%	6.74%	4.62%	9.20%	14.77%	2.52%	6.07%	8.98%	31.26%	5.92%	0.73	1.47	1.21	Apr-02
Mason Capital, Ltd.	-1.31%	-0.89%	2.21%	-1.95%	0.21%	6.93%	4.84%	8.72%	22.83%	-5.73%	4.20%	9.62%	25.16%	6.83%	0.66	1.21	0.82	Feb-02
PFM Diversified Fund, LP	1.54%	-0.09%	0.35%	3.41%	-5.19%	15.25%	7.77%	7.70%	22.17%	5.59%	-3.35%	4.36%	21.35%	8.30%	0.84	0.90	0.95	Nov-04
Samlyn Capital - Composite	0.36%	2.40%	3.12%	0.96%	-2.00%	12.24%	7.80%	7.12%	18.93%	10.49%	-5.05%	1.98%	23.57%	7.59%	0.96	0.90	1.20	Mar-07
Viking Global Equities	0.69%	6.60%	1.10%	4.30%	0.40%	21.59%	14.16%	12.59%	22.47%	12.75%	7.71%	3.67%	19.20%	6.27%	2.06	1.88	1.54	Oct-99
<b>Real Return</b>																		
BlueCrest Capital International Limited	0.72%	0.77%	-0.31%	0.27%	0.09%	1.64%	2.76%	7.98%	-1.56%	5.83%	6.11%	12.80%	45.41%	3.81%	1.05	1.95	1.66	Dec-00
Brevan Howard L.P. (Series B)	-2.86%	-4.54%	-0.30%	-0.25%	-1.18%	-6.22%	3.08%	3.57%	1.77%	3.60%	11.33%	0.92%	17.10%	4.87%	0.49	0.68	1.06	Sep-05
Brigade Leveraged Capital Structures Fund	1.74%	5.13%	1.44%	1.40%	0.46%	9.61%	5.64%	7.99%	6.13%	6.91%	2.55%	7.66%	39.64%	3.16%	1.90	2.35	0.91	Jan-07
Capula Global Relative Value Fund Limited	1.64%	3.46%	0.59%	0.58%	0.61%	7.93%	5.31%	6.43%	7.60%	0.41%	6.19%	9.58%	12.24%	2.23%	2.14	2.67	1.69	Oct-05
Claren Road Credit Master Fund	2.79%	2.35%	-0.02%	-0.19%	-0.22%	1.29%	3.65%	5.41%	5.43%	1.49%	6.88%	4.64%	24.75%	4.06%	0.80	1.24	1.67	Jan-06
DE Shaw Composite International Fund	4.24%	8.77%	0.10%	2.70%	1.50%	12.05%	11.56%	9.39%	11.62%	13.94%	3.69%	1.56%	21.31%	4.36%	2.66	2.01	1.49	Mar-01
Graham Discretionary - 6V Portfolio	-2.43%	-3.47%	-0.26%	-0.47%	-0.34%	-2.08%	1.95%	4.14%	3.61%	3.82%	3.56%	7.12%	17.09%	2.89%	0.60	1.31	0.78	Jun-04
OZ Master Fund, Ltd	0.36%	1.86%	1.30%	1.46%	-1.25%	8.97%	7.93%	9.36%	14.20%	12.01%	0.17%	8.62%	26.15%	3.86%	1.86	2.26	1.21	Jan-04
Winton Futures Fund - USD Class B	-0.12%	1.27%	-0.57%	1.69%	0.28%	6.04%	4.32%	5.93%	9.43%	-3.56%	6.29%	14.47%	-4.64%	8.10%	0.55	0.71	0.71	Oct-97
<b>Benchmarks</b>																		
HFRI Fund of Funds Composite Index	0.55%	1.99%	0.86%	1.20%	-0.63%	7.50%	3.27%	4.22%	8.96%	4.79%	-5.72%	5.70%	11.47%	4.07%	0.73	0.96	0.65	Jan-90
HFRI Fund Weighted Composite Index	1.10%	3.20%	1.31%	0.98%	-0.23%	9.11%	4.04%	6.50%	9.13%	6.36%	-5.25%	10.25%	19.98%	5.34%	0.72	1.15	1.03	Jan-90
<b>Market Indices</b>																		
3 Month Libor - BOM	0.06%	0.11%	0.02%	0.02%	0.02%	0.24%	0.34%	0.33%	0.26%	0.42%	0.35%	0.35%	0.65%	0.03%				Mar-86
Barclays Aggregate Bond Index	1.84%	3.92%	0.05%	1.14%	0.84%	4.38%	3.67%	4.87%	-2.02%	4.23%	7.86%	6.56%	5.93%	2.85%				Jan-76
Barclays High Yield Credit Bond Index	2.98%	5.46%	0.84%	0.92%	0.63%	11.74%	9.49%	13.98%	7.46%	15.81%	4.98%	15.11%	58.21%	6.82%				Jul-83
S&P 500 (TR)	1.81%	7.14%	2.07%	2.35%	0.74%	24.61%	16.58%	18.83%	32.39%	16.00%	2.11%	15.06%	26.46%	13.40%				Jan-70
MSCI EAFE - Net - USD	0.66%	4.78%	0.96%	1.62%	1.45%	23.57%	8.10%	11.77%	22.78%	17.32%	-12.14%	7.75%	31.78%	17.05%				Dec-69
MSCI EM (EMERGING MARKETS) - Net - USD	-0.43%	6.14%	2.66%	3.49%	0.33%	14.31%	-0.39%	9.24%	-2.60%	18.22%	-18.42%	18.88%	78.51%	19.16%				Jan-99

Note: The above is manager composite history.

# Portfolio Summary

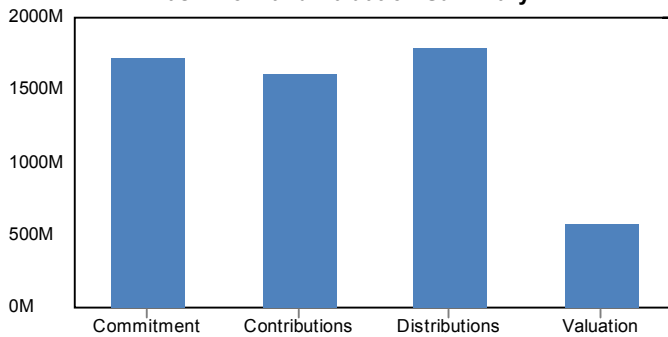
6/30/2013

All Portfolio Investments

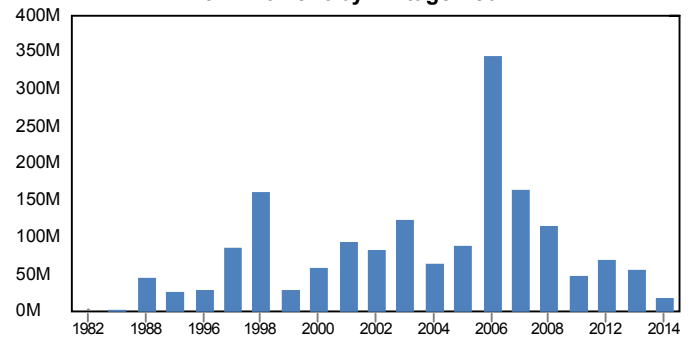
## Performance Summary

Asset Class	Investment Type	Number of Investments	Commitment	Contributions	Distributions	Adjusted Valuation	Multiple of Cost	IRR	TWR
Private Equity Funds	Buyout	72	1,168,618,625	1,111,461,516	1,347,713,653	352,323,000	1.53	14.02	13.55
	Distressed Debt	12	183,000,000	172,940,025	187,882,799	56,449,123	1.41	10.99	10.89
	Energy	1	18,000,000	1,316,581	0	1,164,264	0.88	-56.27	-78.78
	Fund of Funds	1	45,000,000	45,000,000	106,748,821	0	2.37	19.94	-100.00
	Opportunistic Credit	1	20,000,000	10,735,452	772,485	11,058,298	1.10	9.86	7.35
	Secondary	4	60,000,000	54,788,731	44,052,080	23,775,867	1.24	7.49	6.43
	Venture Capital	19	231,250,000	212,724,206	104,231,835	132,531,423	1.11	2.70	0.12
	<b>Total: Private Equity Funds</b>		<b>110</b>	<b>1,725,868,625</b>	<b>1,608,966,512</b>	<b>1,791,401,673</b>	<b>577,301,974</b>	<b>1.47</b>	<b>13.71</b>
<b>Total:</b>		<b>110</b>	<b>1,725,868,625</b>	<b>1,608,966,512</b>	<b>1,791,401,673</b>	<b>577,301,974</b>	<b>1.47</b>	<b>13.71</b>	<b>11.02</b>

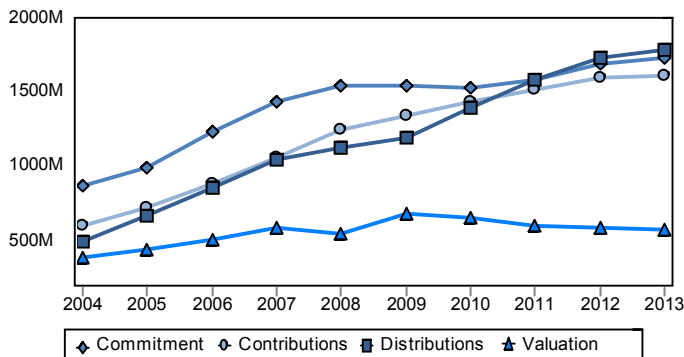
Cash Flow and Valuation Summary



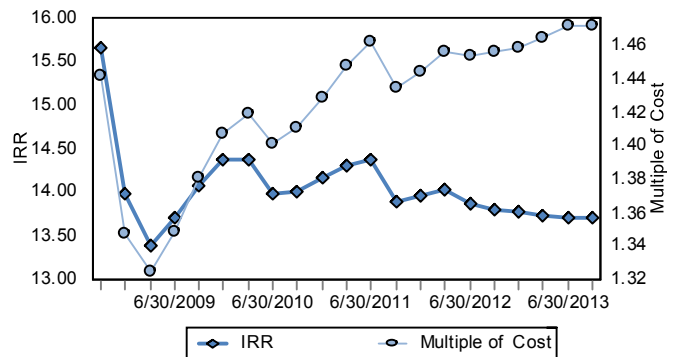
Commitment by Vintage Year



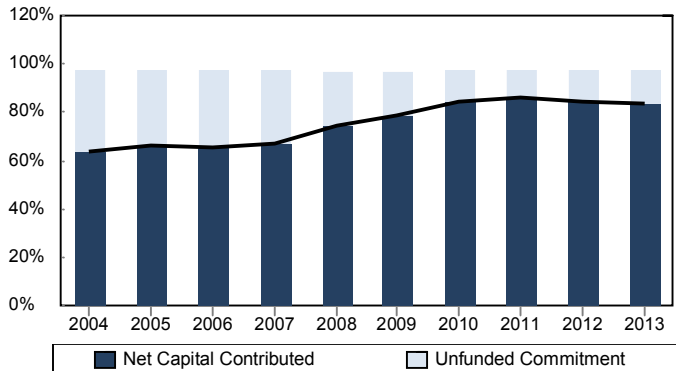
Historical Cash Flows and Valuation



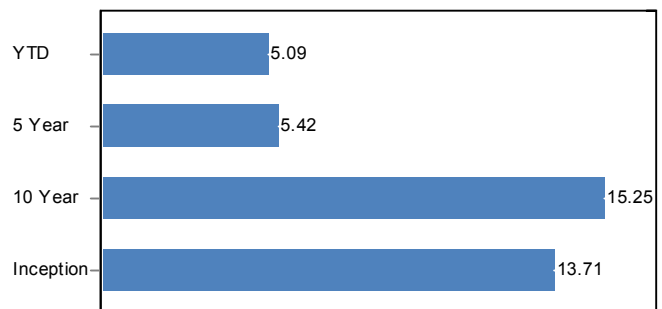
Historical Performance



Historical Percent Funded



Period IRRs



## Section VII.

---

### Cash Flow

# Monthly Valuation Change

Period : 01-Jun-2014 - 30-Jun-2014

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Grand Total</b>		<b>8,215,449,870.22</b>	<b>99,650,875.78</b>	<b>(28,064,813.51)</b>	<b>8,143,863,807.95</b>
<b>Total Global Equity</b>		<b>4,766,637,955.68</b>	<b>93,326,331.58</b>	<b>(20,000,000.00)</b>	<b>4,693,311,624.10</b>
<b>Global Equity</b>		<b>4,090,638,862.52</b>	<b>85,130,200.59</b>	<b>(20,000,000.00)</b>	<b>4,025,508,661.93</b>
	SSGA R3000 INDEX	2,055,284,665.70	49,925,594.80	(10,000,000.00)	2,015,359,070.90
	SSGA MSCI EAFE	1,419,878,926.88	14,101,463.63	(10,000,000.00)	1,415,777,463.25
	SSGA MSCI CANADA	158,687,898.25	9,018,628.73	0.00	149,669,269.52
	SSGA MSCI EM	456,787,371.69	12,084,513.43	0.00	444,702,858.26
<b>Global Equity Hedge Funds</b>		<b>675,999,093.16</b>	<b>8,196,130.99</b>	<b>0.00</b>	<b>667,802,962.17</b>
	ESG CBE FUND LP	25,025,000.00	25,000.00	0.00	25,000,000.00
	ELLIOTT ASSOCIATES	79,343,147.66	1,322,385.79	0.00	78,020,761.87
	PFM DIVERSIFIED	74,479,123.55	(776,591.09)	0.00	75,255,714.64
	SAMLYN ON/OFFSHORE	101,384,841.34	3,325,147.89	0.00	98,059,693.45
	INDUS ASIA PACIFIC	43,090,896.80	695,566.66	0.00	42,395,330.14
	LUXOR CAP PTNS LP	49,337,536.96	(682,463.04)	0.00	50,020,000.00
	DAVIDSON KEMPNER	75,301,524.13	1,067,393.86	0.00	74,234,130.27
	ASCEND PTRS II	70,307,075.16	774,191.97	0.00	69,532,883.19
	MASON CAPITAL	69,235,385.22	1,482,296.14	0.00	67,753,089.08
	VIKING GLOBAL EQUITI	88,494,562.34	963,202.81	0.00	87,531,359.53
<b>Private Equity</b>		<b>552,112,155.22</b>	<b>(1,083,054.49)</b>	<b>(1,303,947.36)</b>	<b>554,499,157.07</b>
<b>Private Equity</b>		<b>552,112,155.22</b>	<b>(1,083,054.49)</b>	<b>(1,303,947.36)</b>	<b>554,499,157.07</b>
	PRIVATE EQUITY	552,112,155.22	(1,083,054.49)	(1,303,947.36)	554,499,157.07
<b>Total Fixed Income</b>		<b>1,122,734,408.67</b>	<b>1,044,189.10</b>	<b>0.00</b>	<b>1,121,690,219.57</b>
<b>Fixed Income</b>		<b>1,122,734,408.67</b>	<b>1,044,189.10</b>	<b>0.00</b>	<b>1,121,690,219.57</b>
	MACKAY SHIELDS	560,195,423.19	501,264.55	0.00	559,694,158.64
	PYRAMIS GLOBAL ADV	562,538,985.48	542,924.55	0.00	561,996,060.93
<b>Total Real Return</b>		<b>1,226,011,427.68</b>	<b>4,836,421.54</b>	<b>0.00</b>	<b>1,221,175,006.14</b>
<b>Alternative Absolute Return</b>		<b>354,628,974.18</b>	<b>1,054,066.60</b>	<b>0.00</b>	<b>353,574,907.58</b>
	DE SHAW	73,411,350.33	196,401.20	0.00	73,214,949.13
	WINTON FUTURE FD	32,474,996.31	(185,650.20)	0.00	32,660,646.51
	OZ DOMESTIC PTRS	98,829,525.88	1,442,785.92	0.00	97,386,739.96
	BLUE CREST CAP	20,981,449.99	(67,999.96)	0.00	21,049,449.95
	BREVAN HOWARD	77,012,633.70	(185,981.76)	0.00	77,198,615.46
	GRAHAM GLOBAL	51,919,017.97	(145,488.60)	0.00	52,064,506.57
<b>Alternative Fixed Income</b>		<b>166,063,144.45</b>	<b>1,202,505.56</b>	<b>0.00</b>	<b>164,860,638.89</b>
	BRIGADE LEV CAP	58,403,315.29	864,618.20	0.00	57,538,697.09
	CAPULA GLOBAL	55,784,274.05	317,081.93	0.00	55,467,192.12
	CLAREN ROAD CR. FUND	51,875,555.11	20,805.43	0.00	51,854,749.68
<b>Credit</b>		<b>420,260,104.95</b>	<b>2,333,276.52</b>	<b>0.00</b>	<b>417,926,828.43</b>
	WAMCO	211,827,328.61	1,290,158.39	0.00	210,537,170.22
	PIMCO	208,432,776.34	1,043,118.13	0.00	207,389,658.21
<b>GILBs</b>		<b>285,059,204.10</b>	<b>246,572.86</b>	<b>0.00</b>	<b>284,812,631.24</b>
	BROWN BROTHERS HARR	285,059,204.10	246,572.86	0.00	284,812,631.24
<b>Real Estate</b>	40	<b>254,657,160.64</b>	<b>2,202,259.63</b>	<b>1,759,611.00</b>	<b>250,695,290.01</b>



# Monthly Valuation Change

Period : 01-Jun-2014 - 30-Jun-2014

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Real Estate</b>		<b>254,657,160.64</b>	<b>2,202,259.63</b>	<b>1,759,611.00</b>	<b>250,695,290.01</b>
	REAL ESTATE	254,657,160.64	2,202,259.63	1,759,611.00	250,695,290.01
<b>Total Cash</b>		<b>275,791,619.92</b>	<b>(78,578.68)</b>	<b>(2,500,457.58)</b>	<b>278,370,656.18</b>
<b>Cash Accounts</b>		<b>275,791,619.92</b>	<b>(78,578.68)</b>	<b>(2,500,457.58)</b>	<b>278,370,656.18</b>
	CITIZENS CASH	2,223,554.00	0.00	1,554,299.00	669,255.00
	ERSRI CASH	273,568,065.92	(78,578.68)	(4,054,756.58)	277,701,401.18
<b>Total Other</b>		<b>16,203,222.38</b>	<b>(646,414.23)</b>	<b>(6,000,000.00)</b>	<b>22,849,636.61</b>
<b>Other</b>		<b>16,203,222.38</b>	<b>(646,414.23)</b>	<b>(6,000,000.00)</b>	<b>22,849,636.61</b>
	RUSSELL OVERLAY FD	16,203,222.38	(646,414.23)	(6,000,000.00)	22,849,636.61
<b>Total Miscellaneous</b>		<b>1,301,920.03</b>	<b>49,721.33</b>	<b>(20,019.57)</b>	<b>1,272,218.27</b>
<b>Miscellaneous Accounts</b>		<b>1,301,920.03</b>	<b>49,721.33</b>	<b>(20,019.57)</b>	<b>1,272,218.27</b>
	FIXED INC TRANS	277,103.21	637.96	(20,019.57)	296,484.82
	RI TRANS ACCT	200,722.48	8,444.71	0.00	192,277.77
	NON-US EQUITY TRANS	96.87	0.33	0.00	96.54
	DOM EQUITY TRANS	74.25	0.00	0.00	74.25
	SHOTT CAPITAL	823,922.84	40,638.33	0.00	783,284.51
	MACKAY SHIELDS LLC	0.38	0.00	0.00	0.38

## Custodian Inception To Date Valuation Change

Period : 01-Nov-2012 - 30-Jun-2014

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance	ERSRI Sub Classification
<b>Grand Total</b>		<b>8,215,449,870.22</b>	<b>1,580,599,694.50</b>	<b>(746,405,735.44)</b>	<b>7,381,255,911.16</b>	
<b>Total Global Equity</b>		<b>4,766,637,955.68</b>	<b>1,289,585,499.48</b>	<b>(289,902,454.48)</b>	<b>3,766,954,910.68</b>	
<b>Global Equity</b>		<b>4,090,638,862.52</b>	<b>1,167,314,798.07</b>	<b>(308,315,256.23)</b>	<b>3,231,639,320.68</b>	
	SSGA MSCI CANADA	158,687,898.25	26,930,406.31	63,741.81	131,693,750.13	Global Equity
	SSGA MSCI EAFE	1,419,878,926.88	399,931,269.04	(79,398,595.92)	1,099,346,253.76	Global Equity
	SSGA MSCI EM	456,787,371.69	39,929,891.83	665,389.83	416,192,090.03	Global Equity
	SSGA R3000 INDEX	2,055,284,665.70	700,523,230.89	(229,645,791.95)	1,584,407,226.76	Global Equity
<b>Global Equity Hedge Funds</b>		<b>675,999,093.16</b>	<b>122,270,701.41</b>	<b>18,412,801.75</b>	<b>535,315,590.00</b>	
	ASCEND PTRS II	70,307,075.16	9,320,795.16	0.00	60,986,280.00	Global Equity Hedge Funds
	DAVIDSON KEMPNER	75,301,524.13	11,255,244.13	0.00	64,046,280.00	Global Equity Hedge Funds
	ELLIOTT ASSOCIATES	79,343,147.66	14,156,387.66	0.00	65,186,760.00	Global Equity Hedge Funds
	ESG CBE FUND LP	25,025,000.00	25,000.00	25,000,000.00	0.00	Global Equity Hedge Funds
	INDUS ASIA PACIFIC	43,090,896.80	1,418,536.80	0.00	41,672,360.00	Global Equity Hedge Funds
	LUXOR CAP PTNS LP	49,337,536.96	(662,463.04)	50,000,000.00	0.00	Global Equity Hedge Funds
	MASON CAPITAL	69,235,385.22	12,522,185.22	0.00	56,713,200.00	Global Equity Hedge Funds
	PFM DIVERSIFIED	74,479,123.55	16,411,603.55	0.00	58,067,520.00	Global Equity Hedge Funds
	SAMLYN ON/OFFSHORE	101,384,841.34	16,509,781.34	20,000,000.00	64,875,060.00	Global Equity Hedge Funds
	THIRD POINT PTRS	0.00	20,373,848.25	(76,587,198.25)	56,213,350.00	Global Equity Hedge Funds
	VIKING GLOBAL EQUITI	88,494,562.34	20,939,782.34	0.00	67,554,780.00	Global Equity Hedge Funds
<b>Private Equity</b>		<b>552,112,155.22</b>	<b>134,200,533.52</b>	<b>(188,819,826.22)</b>	<b>606,731,447.92</b>	
<b>Private Equity</b>		<b>552,112,155.22</b>	<b>134,200,533.52</b>	<b>(188,819,826.22)</b>	<b>606,731,447.92</b>	
	PRIVATE EQUITY	552,112,155.22	134,200,533.52	(188,819,826.22)	606,731,447.92	Private Equity
<b>Total Fixed Income</b>		<b>1,122,734,408.67</b>	<b>25,327,487.60</b>	<b>1,482,609.33</b>	<b>1,095,924,311.74</b>	
<b>Fixed Income</b>		<b>1,122,734,408.67</b>	<b>25,327,487.60</b>	<b>1,482,609.33</b>	<b>1,095,924,311.74</b>	
	MACKAY SHIELDS	560,195,423.19	12,960,656.18	0.00	547,234,767.01	Fixed Income
	PYRAMIS GLOBAL ADV	562,538,985.48	12,366,831.42	1,482,609.33	548,689,544.73	Fixed Income
<b>Total Real Return</b>		<b>1,226,011,427.68</b>	<b>80,014,381.26</b>	<b>252,456,172.37</b>	<b>893,540,874.05</b>	
<b>Alternative Absolute Return</b>		<b>354,628,974.18</b>	<b>44,065,185.94</b>	<b>(54,619,461.76)</b>	<b>365,183,250.00</b>	
	BLUE CREST CAP	20,981,449.99	13,949.99	0.00	20,967,500.00	Alternative Absolute Return
	BREVAN HOWARD	77,012,633.70	290,258.70	0.00	76,722,375.00	Alternative Absolute Return
	DE SHAW	73,411,350.33	18,550,650.33	0.00	54,860,700.00	Alternative Absolute Return
	GRAHAM GLOBAL	51,919,017.97	1,193,317.97	0.00	50,725,700.00	Alternative Absolute Return
	OZ DOMESTIC PTRS	98,829,525.88	16,554,300.88	0.00	82,275,225.00	Alternative Absolute Return
	WEXFORD SPECTRUM	0.00	3,621,811.76	(54,619,461.76)	50,997,650.00	Alternative Absolute Return
	WINTON FUTURE FD	32,474,996.31	3,840,896.31	0.00	28,634,100.00	Alternative Absolute Return
<b>Alternative Fixed Income</b>		<b>166,063,144.45</b>	<b>11,565,170.32</b>	<b>15,075,634.13</b>	<b>139,422,340.00</b>	
	BRIGADE LEV CAP	58,403,315.29	6,870,215.29	0.00	51,533,100.00	Alternative Fixed Income
	CAPULA GLOBAL	55,784,274.05	5,960,674.05	0.00	49,823,600.00	Alternative Fixed Income
	CLAREN ROAD CR. FUND	51,875,555.11	1,875,555.11	50,000,000.00	0.00	Alternative Fixed Income
	GRACIE CREDIT FUND	0.00	(3,141,274.13)	(34,924,365.87)	38,065,640.00	Alternative Fixed Income
<b>Credit</b>		<b>420,260,104.95</b>	<b>20,260,104.95</b>	<b>400,000,000.00</b>	<b>0.00</b>	
	PIMCO	208,432,776.34	8,432,776.34	200,000,000.00	0.00	Credit
42	WAMCO	211,827,328.61	11,827,328.61	200,000,000.00	0.00	Credit

## Custodian Inception To Date Valuation Change

Period : 01-Nov-2012 - 30-Jun-2014

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance	ERSRI Sub Classification
<b>GILBs</b>		<b>285,059,204.10</b>	<b>4,123,920.05</b>	<b>(108,000,000.00)</b>	<b>388,935,284.05</b>	
	BROWN BROTHERS HARR	285,059,204.10	4,123,920.05	(108,000,000.00)	388,935,284.05	GILBs
<b>Real Estate</b>		<b>254,657,160.64</b>	<b>31,879,891.00</b>	<b>(52,390,450.56)</b>	<b>275,167,720.20</b>	
<b>Real Estate</b>		<b>254,657,160.64</b>	<b>31,879,891.00</b>	<b>(52,390,450.56)</b>	<b>275,167,720.20</b>	
	REAL ESTATE	254,657,160.64	31,879,891.00	(52,390,450.56)	275,167,720.20	Real Estate
<b>Total Cash</b>		<b>275,791,619.92</b>	<b>(173,675.03)</b>	<b>(372,661,174.87)</b>	<b>648,626,469.82</b>	
<b>Cash Accounts</b>		<b>275,791,619.92</b>	<b>(173,675.03)</b>	<b>(372,661,174.87)</b>	<b>648,626,469.82</b>	
	CITIZENS CASH	2,223,554.00	0.00	2,223,554.00	0.00	Cash Accounts
	ERSRI CASH	273,568,065.92	(173,675.03)	(374,884,728.87)	648,626,469.82	Cash Accounts
<b>Total Other</b>		<b>16,203,222.38</b>	<b>19,457,547.12</b>	<b>(73,000,000.00)</b>	<b>69,745,675.26</b>	
<b>Other</b>		<b>16,203,222.38</b>	<b>19,457,547.12</b>	<b>(73,000,000.00)</b>	<b>69,745,675.26</b>	
	RUSSELL OVERLAY FD	16,203,222.38	19,457,547.12	(73,000,000.00)	69,745,675.26	Other
<b>Total Miscellaneous</b>		<b>1,301,920.03</b>	<b>308,029.55</b>	<b>(23,570,611.01)</b>	<b>24,564,501.49</b>	
<b>Miscellaneous Accounts</b>		<b>1,301,920.03</b>	<b>308,029.55</b>	<b>(23,570,611.01)</b>	<b>24,564,501.49</b>	
	BROWN BROS BOND	0.00	(1,271,132.15)	(629,969.37)	1,901,101.52	Miscellaneous Accounts
	BROWN BROS HARR	0.00	(330,705.68)	330,092.71	612.97	Miscellaneous Accounts
	DOM EQUITY TRANS	74.25	(66,717.51)	66,634.41	157.35	Miscellaneous Accounts
	FIDELITY MGMT	0.00	(64,776.86)	(351,063.60)	415,840.46	Miscellaneous Accounts
	FIXED INC TRANS	277,103.21	651,532.45	(16,220,190.49)	15,845,761.25	Miscellaneous Accounts
	MACKAY SHIELDS LLC	0.38	335,669.11	(5,226,942.81)	4,891,274.08	Miscellaneous Accounts
	NON-US EQUITY TRANS	96.87	(89,318.86)	71,484.13	17,931.60	Miscellaneous Accounts
	RI TRANS ACCT	200,722.48	(59,085.34)	(172,676.58)	432,484.40	Miscellaneous Accounts
	SHOTT CAPITAL	823,922.84	1,196,002.90	(1,358,719.66)	986,639.60	Miscellaneous Accounts
	TAPLIN CANIDA HAB	0.00	6,561.49	(79,259.75)	72,698.26	Miscellaneous Accounts

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2014	FY 2013-14												
	TOTAL	Actual June	Actual May	Actual April	Actual March	Actual February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2013
MEMBER BENEFITS	833,682,834	69,051,140	69,242,386	69,364,610	69,352,031	69,456,982	69,461,627	69,437,646	69,523,293	69,702,496	69,797,473	69,805,492	69,487,658
ADMINISTRATIVE EXPENSES	8,248,931	963,307	847,608	517,846	585,674	524,992	1,111,034	1,074,316	553,524	565,615	532,331	736,515	236,168
INVESTMENT EXPENSES	9,446,295	765,218	1,135,741	505,742	1,533,133	446,564	1,555,456	1,017,944	69,216	1,070,145	593,340	26,112	727,684
TOTAL OUTFLOW	851,378,060	70,779,665	71,225,734	70,388,198	71,470,839	70,428,537	72,128,117	71,529,906	70,146,032	71,338,256	70,923,145	70,568,119	70,451,510
CONTRIBUTIONS	451,715,683	41,988,061	33,405,509	39,668,808	35,044,090	34,548,964	45,580,776	34,754,689	36,130,761	36,350,442	27,777,778	28,296,782	58,169,023
OTHER INCOME*	66,597,389	4,498,916	1,906,618	(143,191)	8,276,964	3,521,822	5,275,655	8,139,354	9,826,932	10,483,882	6,256,390	2,556,842	5,997,205
TOTAL INCOME	518,313,072	46,486,977	35,312,127	39,525,617	43,321,054	38,070,786	50,856,431	42,894,043	45,957,693	46,834,324	34,034,168	30,853,624	64,166,228
DIFFERENCE	(333,064,988)	(24,292,687)	(35,913,607)	(30,862,581)	(28,149,785)	(32,357,751)	(21,271,686)	(28,635,864)	(24,188,340)	(24,503,932)	(36,888,977)	(39,714,496)	(6,285,282)

Municipal Employees Retirement System

FISCAL YEAR 2014	FY 2013-14												
	TOTAL	Actual June	Actual May	Actual April	Actual March	Actual February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2013
MEMBER BENEFITS	86,402,678	7,242,772	7,239,612	7,212,700	7,340,126	7,240,502	7,243,689	7,220,144	7,210,875	7,218,924	7,158,292	7,186,464	6,888,578
ADMINISTRATIVE EXPENSES	1,702,467	201,403	176,864	107,748	121,610	108,650	229,258	221,317	113,669	115,797	108,666	149,656	47,830
INVESTMENT EXPENSES	1,950,732	159,988	236,987	105,229	318,341	92,418	320,963	209,704	14,214	219,088	121,120	5,306	147,374
TOTAL OUTFLOW	90,055,877	7,604,163	7,653,463	7,425,677	7,780,077	7,441,570	7,793,910	7,651,166	7,338,757	7,553,809	7,388,079	7,341,425	7,083,781
CONTRIBUTIONS	50,333,339	4,328,391	3,766,299	3,956,640	4,685,999	3,845,023	4,312,820	4,516,034	4,524,554	4,066,559	4,317,534	3,012,033	5,001,453
OTHER INCOME*	13,697,128	940,610	397,840	(29,794)	1,718,635	728,858	1,088,613	1,676,769	2,018,006	2,146,339	1,277,136	519,535	1,214,581
TOTAL INCOME	64,030,467	5,269,001	4,164,139	3,926,846	6,404,634	4,573,881	5,401,433	6,192,803	6,542,560	6,212,898	5,594,670	3,531,568	6,216,034
DIFFERENCE	(26,025,410)	(2,335,162)	(3,489,324)	(3,498,830)	(1,375,442)	(2,867,689)	(2,392,477)	(1,458,363)	(796,198)	(1,340,911)	(1,793,409)	(3,809,857)	(867,748)

CASH FLOW ANALYSIS - INCOME & EXPENSES

State Police  
Retirement System

	TOTAL	Actual June	Actual May	Actual April	Actual March	Actual February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2013
MEMBER BENEFITS	1,659,383	153,261	148,560	143,159	143,159	136,050	145,422	135,474	137,759	129,570	131,038	123,069	132,861
ADMINISTRATIVE EXPENSES	130,313	15,826	13,840	8,385	9,414	8,373	17,530	16,820	8,592	8,725	8,139	11,132	3,538
INVESTMENT EXPENSES	149,499	12,572	18,544	8,189	24,642	7,122	24,542	15,937	1,074	16,509	9,072	395	10,902
TOTAL OUTFLOW	1,939,195	181,659	180,944	159,732	177,215	151,546	187,493	168,231	147,426	154,804	148,248	134,596	147,301
CONTRIBUTIONS	5,099,383	403,261	388,560	383,159	403,159	376,050	645,422	535,474	432,759	319,570	351,038	538,069	322,861
OTHER INCOME*	1,041,015	73,912	31,131	(2,318)	133,035	56,169	83,239	127,430	152,542	161,729	95,653	38,645	89,846
TOTAL INCOME	6,140,398	477,173	419,691	380,841	536,195	432,220	728,661	662,904	585,302	481,299	446,691	576,714	412,707
DIFFERENCE	4,201,203	295,514	238,747	221,108	358,980	280,674	541,168	494,674	437,876	326,495	298,443	442,118	265,406

Judicial  
Retirement System

	TOTAL	Actual June	Actual May	Actual April	Actual March	Actual February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2013
MEMBER BENEFITS	1,631,368	134,136	134,136	134,136	134,136	139,516	139,534	139,552	139,534	139,534	139,534	128,810	128,810
ADMINISTRATIVE EXPENSES	66,619	8,097	7,079	4,287	4,812	4,280	8,958	8,606	4,398	4,457	4,160	5,680	1,805
INVESTMENT EXPENSES	76,420	6,432	9,485	4,187	12,597	3,640	12,541	8,154	550	8,433	4,637	201	5,562
TOTAL OUTFLOW	1,774,407	148,666	150,700	142,610	151,545	147,437	161,032	156,312	144,482	152,424	148,331	134,692	136,176
CONTRIBUTIONS	3,631,368	274,136	274,136	274,136	279,136	269,516	409,534	359,552	269,534	279,534	279,534	423,810	238,810
OTHER INCOME*	532,153	37,817	15,923	(1,185)	68,007	28,710	42,535	65,202	78,081	82,617	48,892	19,720	45,836
TOTAL INCOME	4,163,522	311,953	290,059	272,951	347,143	298,226	452,069	424,753	347,615	362,151	328,426	443,530	284,646
DIFFERENCE	2,389,114	163,287	139,359	130,341	195,598	150,790	291,036	268,441	203,133	209,726	180,095	308,838	148,469

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

FISCAL YEAR 2014

DIRECT BILLED INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

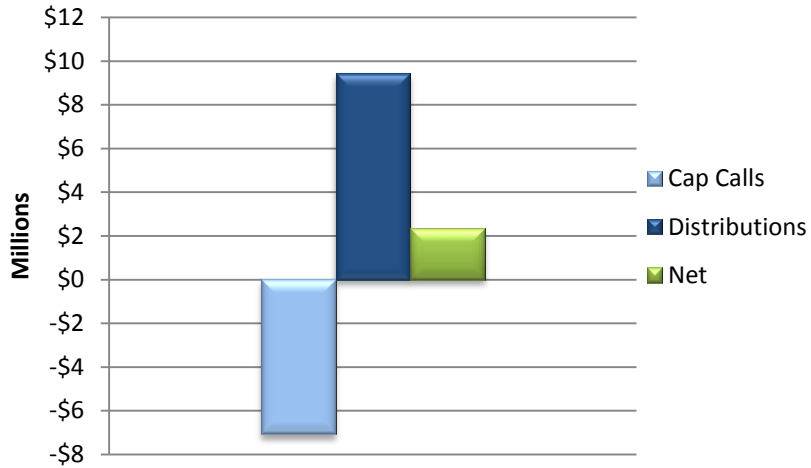
ACCURAL BASIS

	Actual Jul 13	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan 14	Actual Feb	Actual Mar	Actual Apr	Projected May	Projected June	Projected TOTAL
<b>EQUITIES US</b>													
SSGA Russell 2000/3000			59,934			63,252			62,322			55,000	240,508
Shott Capital/Hamilton Lane			<b>26,442</b>			<b>785</b>			<b>535</b>			<u>5,000</u>	<u>32,762</u>
			86,376			64,037			62,856			60,000	273,270
<b>FIXED INCOME</b>													
Pyramis			172,121			172,589			173,901			175,000	693,610
Mackay Shields			180,883			181,518			183,411			185,000	730,812
Brown Bros.TIPS/GILB			<b>80,272</b>			<b>82,134</b>			<b>82,101</b>			<u>115,000</u>	<u>359,507</u>
			433,276			436,241			439,412			475,000	1,783,929
<b>INT'L EQUITIES</b>													
SSgA MSCI ACWI			0			0			0			0	0
SSGA MSCI EAFE			97,005			105,188			105,070			95,000	402,262
SSGA MSCI CAD			9,974			10,543			10,554			10,000	41,070
SSGA MSCI Emerg Mkts			<b>101,705</b>			<b>108,926</b>			<b>103,706</b>			<u>110,000</u>	<u>424,338</u>
			208,684			224,657			219,330			215,000	867,671
<b>CREDIT</b>													
WAMCO			150,562			152,426			154,078			150,000	607,066
PIMCO			<b>237,417</b>			<b>240,686</b>			<b>243,630</b>			<u>225,000</u>	<u>946,733</u>
			387,978			393,112			397,708			375,000	1,553,798
<b>REAL ESTATE</b>													
Direct Billed Real Estate	139,113	(470)	85,776	142,518	0	218,158	291,327	260,428	86,386	149,734	0	252,935	1,625,905
<b>ALTERNATIVE INVESTMENTS</b>													
Direct Billed Private Equity	752,409	32,484	642,393	687,733	85,054	1,033,582	1,622,232	289,334	1,802,381	473,634	1,400,808	691,307	9,513,351
<b>SUB TOTAL-INV MGMT FEES</b>													
	891,522	32,014	1,456,505	830,252	85,054	1,976,676	1,913,559	549,762	3,008,074	623,368	1,400,808	2,069,242	15,617,924
<b>PROFESSIONAL FEES</b>													
Legal	8,490	39,510	26,807	27,576	10,438	11,810	0	0	12,644	7,999	24,528	5,183	174,985
BNY Mellon - Custodial	29,511	29,219	28,904	28,946	29,131	29,306	29,071	29,446	29,413	28,906	30,000	30,000	351,854
Cliffwater	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
PCA/Russell	13,125	13,125	64,468	13,125	13,125	70,163	13,125	13,125	76,073	13,125	13,125	13,125	328,832
PCA Real Estate	<b>10,417</b>	<b>12,314</b>	<b>10,417</b>	<b>10,417</b>	<b>10,417</b>	<b>10,417</b>	<b>10,417</b>	<b>10,417</b>	<b>10,417</b>	<b>10,417</b>	<b>10,417</b>	<u>10,417</u>	<u>126,901</u>
	99,044	131,667	168,096	117,565	100,611	159,196	90,113	90,488	166,047	97,948	115,571	96,225	1,432,571
<b>OPERATING EXPENSE</b>													
Retirement Transfers	188,298	765,281	527,948	573,526	642,997	1,214,092	1,265,779	470,299	936,603	515,370	943,387	1,078,917	9,122,496
Other Expense	<b>13,762</b>	0	<b>7,500</b>	<b>2,450</b>	<b>7,500</b>	<b>5,925</b>	0	0	<b>13,425</b>	<b>21,875</b>	<b>1,000</b>	<b>13,532</b>	<u>86,969</u>
	202,060	765,281	535,448	575,976	650,497	1,220,017	1,265,779	470,299	950,028	537,245	944,387	1,092,449	9,209,464
<b>TOTAL:</b>	<b>1,192,625</b>	<b>928,962</b>	<b>2,160,048</b>	<b>1,523,792</b>	<b>836,162</b>	<b>3,355,888</b>	<b>3,269,451</b>	<b>#####</b>	<b>4,124,149</b>	<b>1,258,561</b>	<b>2,460,765</b>	<b>3,257,915</b>	<b>26,259,960</b>

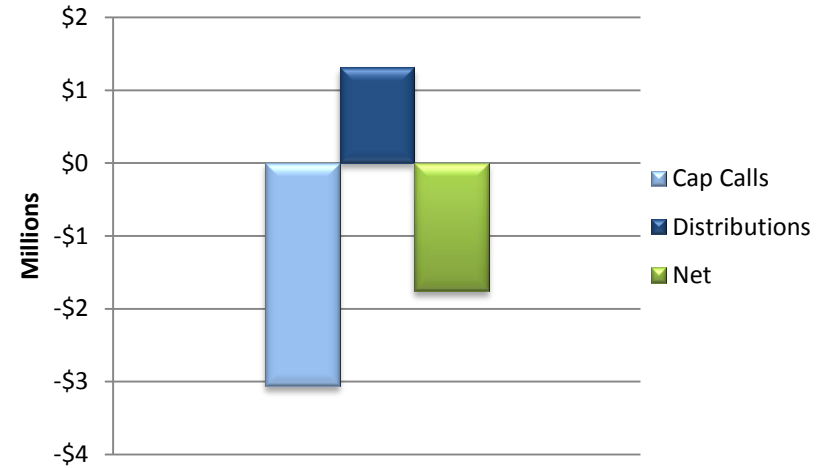
Note: Numbers in bold are actual.

# Private Equity & Real Estate Cash Flow

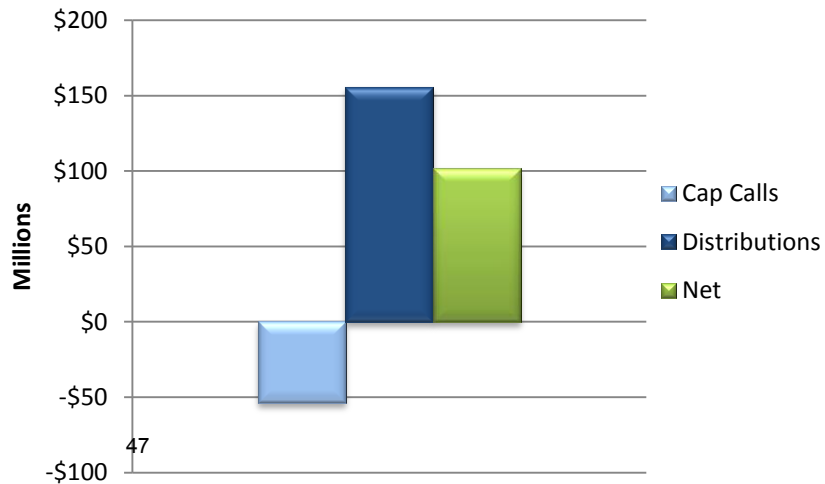
Private Equity - MTD June 2014



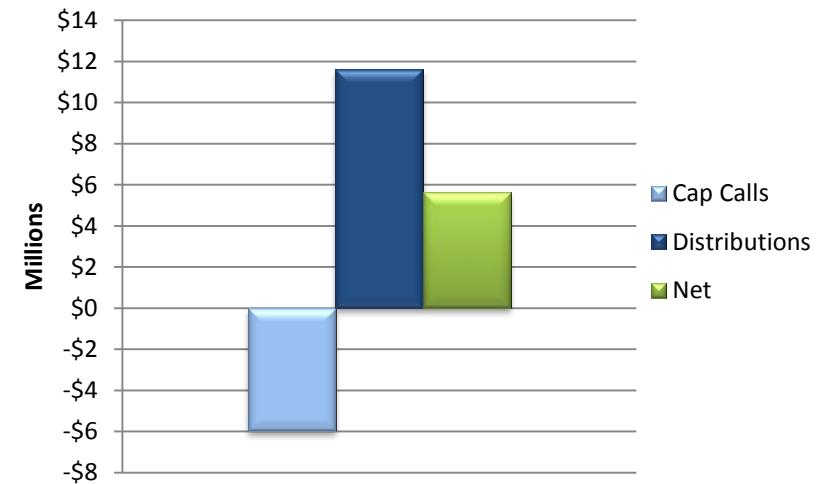
Real Estate - MTD June 2014



Private Equity - Fiscal YTD June 2014



Real Estate - Fiscal YTD June 2014



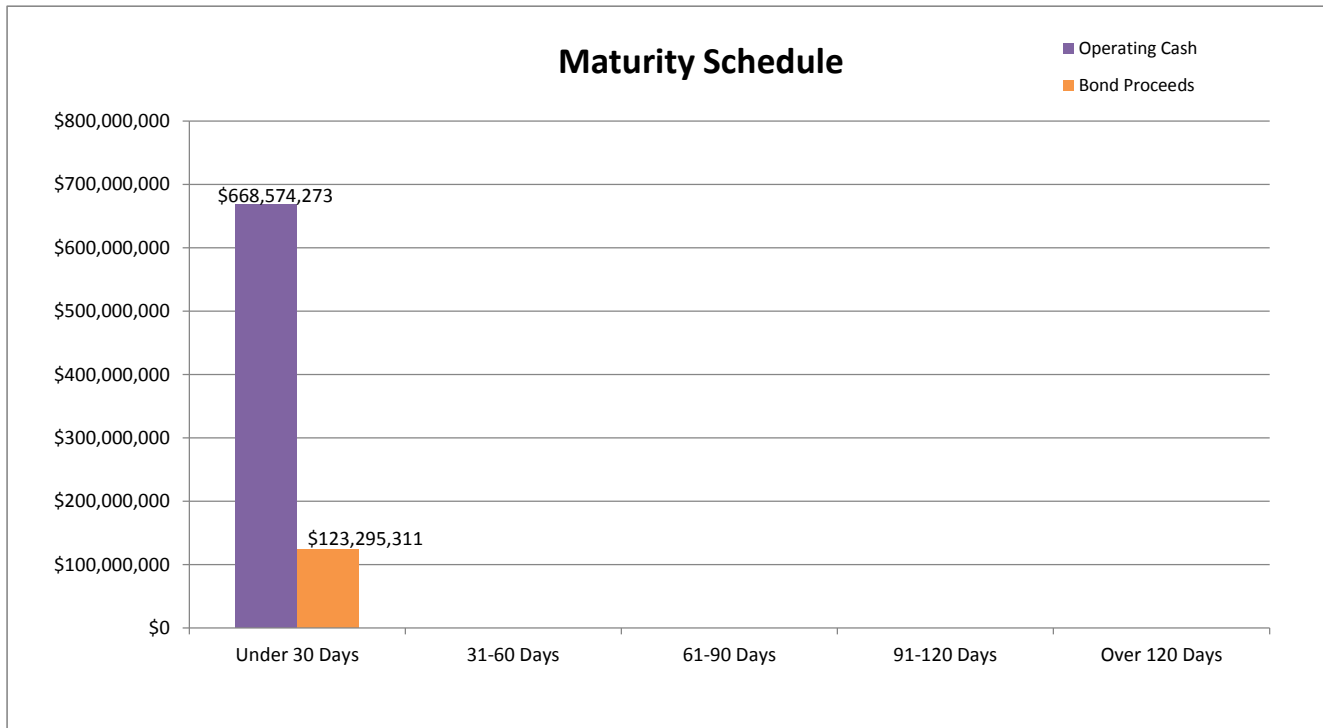
## Section VIII.

---

# Short-Term Investments



**Short-Term Investment Maturity Schedule & SIC Compliance Report at June 30, 2014**



Vendor	CP	CD	Agency	Money Mkt	PIP	Repo	GID	OSIP	Total (\$)
Guidelines-Total/Vendor	25%/10%	50%/20%	75%/35%	75%/35%	75%/35%	100%/20%	75%/35%	50%/50%	
OSIP	0	0	0	0	0	0	0	184,454,513	184,454,513
	0%	0%	0%	0%	0%	0%	0%	28%	27.59%
Bank RI	0	15,125,339	0	0	0	0	0	0	15,125,339
	0%	2%	0%	0%	0%	0%	0%	0%	2.26%
Sovereign Bank	0	0	0	0	232,937,650	0	0	0	232,937,650
	0%	0%	0%	0%	35%	0%	0%	0%	34.84%
Citizens Bank	0	0	0	0	55,357,388	0	0	0	55,357,388
	0%	0%	0%	0%	8%	0%	0%	0%	8.28%
Webster Bank	0	0	0	0	100,308,287	0	0	0	100,308,287
	0%	0%	0%	0%	15%	0%	0%	0%	15.00%
Washington Trust	0	0	0	65,379,842	0	0	0	0	65,379,842
	0%	0%	0%	10%	0%	0%	0%	0%	9.78%
TD Bank	0	0	0	0	15,011,253	0	0	0	15,011,253
	0%	0%	0%	0%	2%	0%	0%	0%	2.25%
<b>TOTALS</b>	<b>-</b>	<b>15,125,339</b>	<b>-</b>	<b>65,379,842</b>	<b>403,614,578</b>	<b>-</b>	<b>-</b>	<b>184,454,513</b>	<b>668,574,273</b>
<b>(%) PORTFOLIO</b>	<b>0.00%</b>	<b>2.26%</b>	<b>0.00%</b>	<b>9.78%</b>	<b>60.37%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>27.59%</b>	<b>100.00%</b>

Note: PIP + CD must be under 75%.

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

**State of Rhode Island**  
**Short Term Cash Monthly Performance**

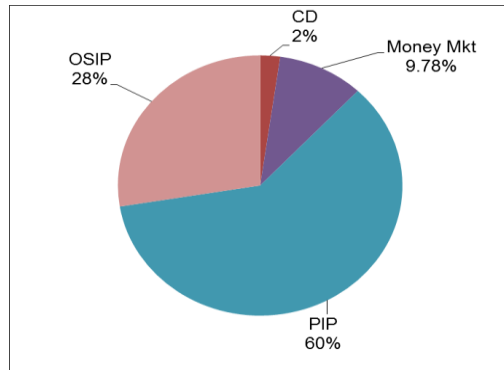
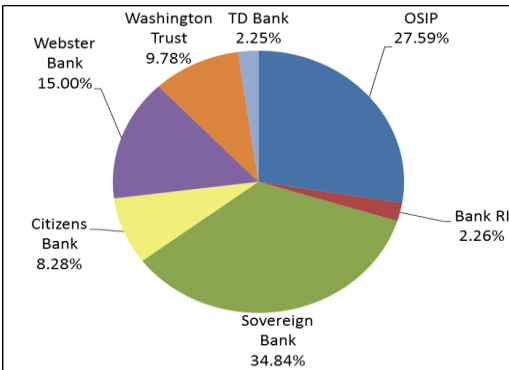
Performance for  
June 01, 2014 to June 30, 2014

Fund Name	Beginning Balance	Ending Balance	Average Daily Balance	Earnings	Yield(Annual)
GENERAL FUND	\$ 76,471,522.03	\$ 372,328,055.63	\$ 223,568,188.70	\$ 56,533.60	0.3077%
H.A.V.A	\$ 294.85	\$ 294.91	\$ 294.85	\$ 0.06	0.2476%
GENERAL FUND (HIST PRES)	\$ 537,649.86	\$ 537,684.25	\$ 537,649.86	\$ 34.39	0.0778%
HISTORIC TAX CREDITS	\$ 2,402,669.09	\$ 3,202,828.26	\$ 2,429,335.76	\$ 159.17	0.0797%
HIGHWAY FUND	\$ 20,588,205.12	\$ 23,191,291.34	\$ 15,721,538.45	\$ 3,086.22	0.2388%
T.D.I. RESERVE (DET)	\$ 122,546,077.39	\$ 106,561,731.02	\$ 113,346,077.39	\$ 15,653.63	0.1680%
EMPLOYER PENSION CONTRIBUTION	\$ -	\$ -	\$ -	\$ -	-
RICAP GL FUND 21	\$ 48,839,122.11	\$ 86,647,396.11	\$ 50,532,455.44	\$ 8,274.00	0.1992%
BOND CAPITAL FUND	\$ 2,427,444.70	\$ 6,228,361.30	\$ 4,460,778.03	\$ 916.60	0.2500%
R.I. CLEAN WATER ACT	\$ 3,180,366.71	\$ 3,180,693.90	\$ 3,180,366.71	\$ 327.19	0.1252%
STATE LOTTERY FUND	\$ 50,639,382.26	\$ 17,648,054.13	\$ 43,566,048.93	\$ 8,671.87	0.2422%
ASSESSED FRINGE BEN ADM	\$ 1,507,792.24	\$ 1,507,889.73	\$ 1,507,792.24	\$ 97.49	0.0787%
AUTO EQUIPMENT SERVICE	\$ 1,243.56	\$ 1,243.82	\$ 1,243.56	\$ 0.26	0.2544%
HEALTH INSURANCE FUND	\$ 27,881,685.14	\$ 29,083,621.04	\$ 30,275,018.47	\$ 1,935.90	0.0778%
FLEET REVOLVING LOAN FUND	\$ 7,630,914.42	\$ 7,632,482.42	\$ 7,630,914.42	\$ 1,568.00	0.2500%
EMPLOYEES RETIREMENT	\$ 344,439.20	\$ 1,448,575.53	\$ 20,204,439.20	\$ 4,136.33	0.2491%
MUNICIPAL EMPLOYEES RET.	\$ 118,246.78	\$ 318,656.01	\$ 1,781,580.11	\$ 409.23	0.2795%
RETIREE HEALTH FUND	\$ 555,575.30	\$ 2,275,614.38	\$ 612,908.63	\$ 39.08	0.0776%
BOG RETIREE FUND	\$ 7,263.44	\$ 262,264.43	\$ 15,763.44	\$ 0.99	0.0764%
RIPTA HEALTH FUND	\$ 664.79	\$ 685,666.24	\$ 23,498.12	\$ 1.45	0.0751%
PERMANENT SCHOOL FUND	\$ 1,934,777.74	\$ 1,934,901.59	\$ 1,934,777.74	\$ 123.85	0.0779%
TEACHER RETIREE HEALTH FUND	\$ 6,517.29	\$ 436,518.59	\$ 20,850.62	\$ 1.30	0.0759%
RI ST POL RETIREE HEALTH	\$ 167,898.13	\$ 452,909.45	\$ 177,398.13	\$ 11.32	0.0776%
RI LEG RETIREE HEALTH	\$ 196.27	\$ 55,196.69	\$ 2,029.60	\$ 0.42	0.2518%
RI JUDICIAL RETIREE HEALTH	\$ 168.45	\$ 80,169.03	\$ 2,835.12	\$ 0.58	0.2489%
UNIVERSITY COLLEGE	\$ 8,955.09	\$ 8,955.67	\$ 8,955.09	\$ 0.58	0.0788%
HIGHER EDUCATION	\$ 7,370.41	\$ 7,370.88	\$ 7,370.41	\$ 0.47	0.0776%
INDUS. BLDG. & MTG. INS.	\$ 2,855,663.49	\$ 2,855,846.16	\$ 2,855,663.49	\$ 182.67	0.0778%
<b>Operating Funds Totals</b>	<b>\$ 370,662,105.86</b>	<b>\$ 668,574,272.51</b>	<b>\$ 524,405,772.51</b>	<b>\$ 102,166.65</b>	<b>0.237%</b>
G.O. NOTE 1991 SER. B	\$ -	\$ -	\$ -	\$ -	-
CCDL1993A	\$ 7,385.76	\$ 7,385.72	\$ 7,385.42	\$ 0.47	0.0774%
BOND CCDL 1994 SERIES A	\$ 15,001.04	\$ 15,000.96	\$ 15,000.35	\$ 0.96	0.0779%
BOND CCBL96A	\$ -	\$ -	\$ -	\$ -	-
CAP DEV OF 1997 SERIES A	\$ 41,015.18	\$ 41,014.96	\$ 41,013.29	\$ 2.62	0.0777%
CCDL1998A	\$ 1,695,950.84	\$ 1,695,941.93	\$ 1,695,872.59	\$ 108.47	0.0778%
CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
MMG099 1999	\$ -	\$ -	\$ -	\$ -	-
BOND CAPITOL CCDL2000A	\$ 102,391.25	\$ 102,390.71	\$ 102,386.52	\$ 6.55	0.0778%
MULTI-MODAL GEN OBL 2000	\$ -	\$ -	\$ -	\$ -	-
CCDL2001C	\$ 201,340.80	\$ 201,339.75	\$ 201,331.51	\$ 12.88	0.0778%
CCDL2002B	\$ -	\$ -	\$ -	\$ -	-
CCDL 2004 SERIES A	\$ 2,453,452.66	\$ 2,446,516.51	\$ 2,449,185.66	\$ 156.65	0.0778%
BOND CCDL 2005 SERIES C	\$ 7,021,581.33	\$ 6,996,341.15	\$ 7,006,135.96	\$ 448.10	0.0778%
BOND CCDL 2005 SERIES E	\$ 507,658.50	\$ 393,344.94	\$ 439,051.26	\$ 27.93	0.0774%
BOND CCDL 2006 SERIES B	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 2006 SERIES C	\$ 2,406,822.84	\$ 1,416,839.81	\$ 1,812,753.16	\$ 114.60	0.0769%
GO BND-NTAX 2007 SERIES A	\$ 5,938,749.01	\$ 3,804,302.19	\$ 4,657,876.50	\$ 295.02	0.0771%
GO BND-TAX 2007 SERIES B	\$ -	\$ -	\$ -	\$ -	-
GO BND-NTAX 2008 SERIES B	\$ 349,809.54	\$ 349,807.70	\$ 349,793.40	\$ 22.37	0.0778%
GO BND-TAX 2008 SERIES C	\$ -	\$ -	\$ -	\$ -	-
CCDL10B BOND CAPITAL COMPONENT	\$ 1,730,119.74	\$ 1,730,110.66	\$ 1,730,039.91	\$ 110.66	0.0778%
CCDL10C	\$ 159,145.73	\$ 159,155.91	\$ 159,145.73	\$ 10.18	0.0778%
CCDL10D	\$ 103,923.13	\$ 103,922.59	\$ 103,918.34	\$ 6.65	0.0779%
CCDL2011A	\$ 19,179,556.40	\$ 16,921,223.07	\$ 17,823,781.39	\$ 1,136.98	0.0776%
CCDL2012B	\$ 55,368,328.80	\$ 55,255,103.50	\$ 55,298,016.01	\$ 3,536.90	0.0778%
GO CCDL 2013A	\$ 21,160,897.50	\$ 20,368,284.16	\$ -	\$ 1,321.97	0.0778%
GO CCDL 2013B	\$ 9,375,648.88	\$ 9,375,599.67	\$ -	\$ 599.67	0.0778%
CLEAN WATER CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER CCDL 1994 (A)	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER CCDL 2002 B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2004 SERIES A	\$ 187,034.15	\$ 187,033.17	\$ 187,025.52	\$ 11.96	0.0778%
CLN WATER CCDL 2005 SER E	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
RI POLLUT. CONT 94 SER. A	\$ -	\$ -	\$ -	\$ -	-
CCDL99A 1999A	\$ 205,303.56	\$ 205,302.48	\$ 205,294.09	\$ 13.13	0.0778%
POL. CTRL CCDL 2006 SER C	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2007 SERIES A	\$ 283,271.66	\$ 283,270.18	\$ 283,258.59	\$ 18.12	0.0778%
RI POLLUTION CONTROL 2008 B	\$ -	\$ -	\$ -	\$ -	-
CCDL10B CLEAN WATER COMPONENT	\$ -	\$ -	\$ -	\$ -	-
CCDL2011A CLEAN WATER COMPONENT	\$ 1,236,085.55	\$ 1,236,079.06	\$ 1,236,028.52	\$ 79.06	0.0778%
CCDL2011A POLL CTRL CMPNT	\$ -	\$ -	\$ -	\$ -	-
<b>Bond Proceeds Fund Totals</b>	<b>\$ 129,730,473.85</b>	<b>\$ 123,295,310.78</b>	<b>\$ 95,804,293.72</b>	<b>\$ 8,041.90</b>	<b>0.078%</b>
TANS PROCEEDS	\$ -	\$ -	\$ -	\$ -	-
<b>Grand Totals</b>	<b>\$ 500,392,579.71</b>	<b>\$ 791,869,583.29</b>	<b>\$ 620,210,066.23</b>	<b>\$ 110,208.55</b>	<b>0.206%</b>

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

**Issuer Credit Rating  
June 30, 2014**

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	2.26%	N/R		N/A	N/A	N/A	N/A	N/A
Sovereign Bank	3,4	34.84%	Baa1		P-2	A-2	Baa1	BBB	Stable
Bank of America		0.00%	Baa2		P-2	A-2	Baa2	A-	Negative
JP Morgan Chase		0.00%	A3		P-2	A-1	A3	A	Negative
Fidelity		0.00%	N/R		N/A	N/A	N/A	N/A	N/A
State Street Bank & Trust Company		0.00%	Aa3		P-1	A-1+	Aa3	AA-	Stable
RBS Citizens	3,4	8.28%	A3		P-2	A-2	A3	A-	Negative
Webster Bank	3,4	15.00%	A3		P-2	A-2	A3	BBB	Positive
Ocean State Investment Pool	6	27.59%	N/R		N/A	N/A	N/A	N/A	N/A
Washington Trust	3,7	9.78%	N/R		N/A	N/A	N/A	N/A	N/A
TD Bank	3	2.25%	Aa1		P-1	A-1+	Aa1	AA-	Stable



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

**Ratings Definitions**

**Moody's Short-Term Debt Ratings:**

**P-1** - Prime-1 have a superior ability for repayment of sr. S-T debt obligations  
**P-2** - Prime-1 have a strong ability for repayment of sr. S-T debt obligations  
**P-3** - Prime-1 have an acceptable ability for repayment of sr. S-T debt obligations  
**NP** - Not Prime

**Moody's Issuer Rating Symbols:**

**Aaa** - Offer exceptional financial security (high-grade)  
**Aa** - Offer excellent financial security (high-grade)  
**A** - Offer good financial security  
**Baa** - Offer adequate financial security  
**Ba** - Offer questionable financial security  
**B** - Offer poor financial security  
**Caa** - Offer very poor financial security  
**Ca** - Offer extremely poor financial security  
**C** - Lowest rated class, usually in default

**Moody's Long-Term Debt Ratings:**

**Aaa** - Best Quality  
**Aa** - High Quality  
**A** - Possess many favorable investment attributes  
**Baa** - Medium-grade obligations  
**Ba** - Possess speculative elements  
**B** - Generally lack characteristics of desirable investments  
**Caa** - Poor standing  
**Ca** - Speculative in a high degree  
**C** - Lowest rated class of bonds

**Modifiers:**

**1** - Higher end of letter rating category  
**2** - Mid-range of letter rating category  
**3** - Lower end of letter rating category

**S&P Short -Term Credit Ratings:**

**A-1** - Highest rated, strong capacity to meet obligations  
**A-2** - Somewhat more susceptible to adverse effects of changes in financial conditions; satisfactory  
**A-3** - Exhibits adequate protection parameters  
**B** - Significant speculative characteristics, faces major ongoing uncertainties  
**C** - Vulnerable to non-payment  
**D** - Payment default

**Modifiers:**

+ or - show relative standing within the category.

**S&P Outlook Definitions:**

**Positive** - A rating may be raised  
**Negative** - A rating may be lowered  
**Stable** - A rating is not likely to change  
**Developing** - May be raised or lowered  
**NM** - Not meaningful

**S&P Long-Term Debt Ratings:**

**AAA** - Highest rating, extremely strong  
**AA** - Differs slightly from highest rating, very strong  
**A** - More susceptible to adverse effects of change in economic condition, strong  
**BBB** - Exhibits adequate protection parameters  
**BB, B** - Have significant speculative characteristics. BB least speculative  
**CCC, CC, C** - C highest degree  
**D** - Payment default

**Modifiers:**

+ or - show relative standing within the category.

State of Rhode Island  
 OSIP Performance FY14 Q4  
 April 1, 2014 to June 30, 2014

Fund Name	Beginning Balance	Ending Balance	Average Daily Balance	Earnings	Yield
GENERAL FUND	\$ 1,822,158.19	\$ 52,523,706.36	\$ 7,654,026.32	\$ 1,548.17	0.08%
GENERAL FUND (HIST PRES)	\$ 537,566.67	\$ 537,677.66	\$ 537,566.67	\$ 110.99	0.08%
HISTORIC TAX CREDITS	\$ 102,364.75	\$ 2,402,808.02	\$ 2,149,617.50	\$ 443.27	0.08%
HIGHWAY FUND	\$ 6,318,251.14	\$ 1,019,238.32	\$ 4,468,800.59	\$ 987.18	0.09%
T.D.I. RESERVE (DET)	\$ 11,021,345.37	\$ 32,026,175.20	\$ 24,032,334.38	\$ 4,829.83	0.08%
RICAP GL FUND 21	\$ 19,750,390.23	\$ 46,353,181.98	\$ 13,119,621.00	\$ 2,791.75	0.09%
R.I. CLEAN WATER ACT	\$ 2,305,514.47	\$ 2,305,990.48	\$ 2,305,514.47	\$ 476.01	0.08%
STATE LOTTERY FUND	\$ 7,780,812.27	\$ 7,782,418.74	\$ 7,780,812.27	\$ 1,606.47	0.08%
ASSESSED FRINGE BEN ADM	\$ 434.22	\$ 1,500,560.31	\$ 643,291.36	\$ 126.09	0.08%
HEALTH INSURANCE FUND	\$ 31,077,582.54	\$ 29,083,553.60	\$ 28,956,703.42	\$ 5,971.06	0.08%
RETIREE HEALTH FUND	\$ 2,055,445.32	\$ 2,275,587.20	\$ 689,731.03	\$ 141.88	0.08%
BOG RETIREE FUND	\$ 7,260.27	\$ 262,262.29	\$ 10,062.47	\$ 2.02	0.08%
RIPTA HEALTH FUND	\$ 662.41	\$ 685,663.96	\$ 8,189.88	\$ 1.55	0.08%
PERMANENT SCHOOL FUND	\$ 1,933,808.16	\$ 1,934,207.43	\$ 1,933,808.16	\$ 399.27	0.08%
TEACHER RETIREE HEALTH FUND	\$ 206,502.14	\$ 436,508.95	\$ 33,205.44	\$ 6.81	0.08%
RI ST POL RETIREE HEALTH	\$ 167,870.21	\$ 452,905.45	\$ 171,002.08	\$ 35.24	0.08%
UNIVERSITY COLLEGE	\$ 8,892.88	\$ 8,894.72	\$ 8,892.88	\$ 1.84	0.08%
HIGHER EDUCATION	\$ 1,507,323.38	\$ 7,370.82	\$ 216,114.59	\$ 47.44	0.09%
INDUS. BLDG. & MTG. INS.	\$ 2,855,211.81	\$ 2,855,801.31	\$ 2,855,211.81	\$ 589.50	0.08%
<b>Operating Funds Totals</b>	<b>\$ 89,459,396.43</b>	<b>\$ 184,454,512.80</b>	<b>\$ 97,574,506.32</b>	<b>\$ 20,116.37</b>	<b>0.08%</b>
CCDL1993A	\$ 7,385.84	\$ 7,385.72	\$ 7,384.78	\$ 1.52	0.08%
BOND CCDL 1994 SERIES A	\$ 15,001.19	\$ 15,000.96	\$ 14,999.03	\$ 3.10	0.08%
CAP DEV OF 1997 SERIES A	\$ 41,015.59	\$ 41,014.96	\$ 41,009.70	\$ 8.46	0.08%
CCDL1998A	\$ 1,695,967.77	\$ 1,695,941.93	\$ 1,695,724.37	\$ 350.11	0.08%
BOND CAPITOL CCDL2000A	\$ 102,392.27	\$ 102,390.71	\$ 102,377.57	\$ 21.14	0.08%
CCDL2001C	\$ 201,342.81	\$ 201,339.75	\$ 201,313.92	\$ 41.56	0.08%
CCDL 2004 SERIES A	\$ 2,453,477.16	\$ 2,446,516.51	\$ 2,451,755.66	\$ 506.21	0.08%
BOND CCDL 2005 SERIES C	\$ 7,021,651.43	\$ 6,996,341.15	\$ 7,015,658.63	\$ 1,448.52	0.08%
BOND CCDL 2005 SERIES E	\$ 717,075.40	\$ 393,344.94	\$ 551,701.11	\$ 115.03	0.08%
BOND CCDL 2006 SERIES C	\$ 2,406,846.87	\$ 1,416,839.81	\$ 2,210,690.92	\$ 457.51	0.08%
GO BND-NTAX 2007 SERIES A	\$ 5,938,808.30	\$ 3,804,302.19	\$ 5,515,780.66	\$ 1,141.16	0.08%
GO BND-NTAX 2008 SERIES B	\$ 349,813.03	\$ 349,807.70	\$ 349,762.83	\$ 72.21	0.08%
CCDL10B BOND CAPITAL COMPONENT	\$ 1,730,137.01	\$ 1,730,110.66	\$ 1,729,888.71	\$ 357.16	0.08%
CCDL10C	\$ 159,200.41	\$ 159,155.91	\$ 159,161.30	\$ 32.86	0.08%
CCDL10D	\$ 103,924.17	\$ 103,922.59	\$ 103,909.26	\$ 21.45	0.08%
CCDL2011A	\$ 22,524,273.58	\$ 16,921,223.07	\$ 20,138,754.63	\$ 4,175.90	0.08%
CCDL2012B	\$ 55,392,733.50	\$ 55,255,103.50	\$ 55,346,196.84	\$ 11,427.31	0.08%
GO CCDL 2013A	\$ 21,817,516.29	\$ 20,368,284.16	\$ 21,290,050.78	\$ 4,399.54	0.08%
GO CCDL 2013B	\$ 9,375,818.20	\$ 9,375,599.67	\$ 9,374,396.92	\$ 1,935.48	0.08%
CLEAN WATER 2004 SERIES A	\$ 187,036.02	\$ 187,033.17	\$ 187,009.18	\$ 38.60	0.08%
CCDL99A 1999A	\$ 205,305.61	\$ 205,302.48	\$ 205,276.15	\$ 42.38	0.08%
CLEAN WATER 2007 SERIES A	\$ 283,274.49	\$ 283,270.18	\$ 283,233.84	\$ 58.48	0.08%
CCDL2011A CLEAN WATER COMPONENT	\$ 1,236,097.89	\$ 1,236,079.06	\$ 1,235,920.49	\$ 255.18	0.08%
<b>Bond Proceeds Fund Totals</b>	<b>\$ 133,966,094.83</b>	<b>\$ 123,295,310.78</b>	<b>\$ 130,211,957.28</b>	<b>\$ 26,910.87</b>	<b>0.08%</b>
TANS PROCEEDS	\$ -	\$ -	\$ -	\$ -	0.00%
<b>Grand Totals</b>	<b>\$ 223,425,491.26</b>	<b>\$ 307,749,823.58</b>	<b>\$ 227,786,463.60</b>	<b>\$ 47,027.24</b>	<b>0.08%</b>

## Section IX.

---

# Defined Contribution Plan

# 2014 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)	
TIAA-CREF		Manager	AUM	Gross	Net	Net	Rev Recent Returns			Annualized Total Returns as of 6/30/14						Since	Incep.	Sharpe Ratio		Std. Deviation		Tracking Error			
As of 6/30/2014		Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year
<b>Stable Value/Guaranteed &amp; Money Market</b>																									
<b>Stable Value/Guaranteed</b>																									
TIAA Stable Value****		Current crediting rate = 1.90																							
<b>Money Market</b>																									
Vanguard Prime Money Market Inv		VMMXX	11.00	129,161.85	0.17	0.17	-	-	-	0.00	0.02		0.03		0.05		1.70		5.45	06/04/75	(3.58)		0.01		0.04
Current 7-day Yield: 0.01																									
Citi 3-Month Treasury Bill																									
<b>FIXED INCOME</b>																									
<b>Intermediate-Term Bond</b>																									
Vanguard Total Bond Market Index Sig		VBTSX	1.42	117,906.11	0.08	0.08	1	-	0.12	3.92	4.28	66	3.61	66	4.75	79		5.15	09/01/06	1.25	60	2.82	41	0.24	
Barclays U.S. Aggregate Float Adjusted Index																									
Intermediate-Term Bond Median																									
Intermediate-Term Bond Number of Funds																									
<b>Inflation-Linked Bond</b>																									
PIMCO Real Return Instl		PRRIX	6.58	15,308.05	0.48	0.45	19	-	0.34	6.51	5.53	4	3.91	3	6.53	1	5.70	2	01/29/97	0.66	12	6.02	97	1.20	
Barclays US Treasury US TIPS TR USD																									
Inflation-Protected Bond Median																									
Inflation-Protected Bond Number of Funds																									
<b>Equity</b>																									
<b>Large Cap Blend</b>																									
Vanguard 500 Index Signal		VIFSX	22.58	179,717.71	0.05	0.05	1	-	2.06	7.11	24.55	39	16.54	20	18.81	20		7.36	09/29/06	1.31	10	12.25	23	0.74	
S&P 500 TR USD																									
TIAA-CREF Social Choice Eq Instl																									
Russell 3000 TR USD																									
Large Blend Median																									
Large Blend Number of Funds																									
<b>Mid Cap Blend</b>																									
Vanguard Mid Cap Index Signal		VMISX	16.17	52,686.09	0.09	0.09	3	-	3.00	7.91	26.23	32	15.33	35	21.97	18		7.84	03/30/07	1.04	24	14.76	27	0.82	
Spliced Mid Cap Index *																									
CRSP US Mid Cap TR USD																									
Mid-Cap Blend Median																									
Mid-Cap Blend Number of Funds																									
<b>Small Cap Blend</b>																									
Vanguard Small Cap Index Signal		VSISX	22.58	49,147.24	0.09	0.09	1	-	4.98	6.47	26.51	18	16.19	24	22.32	11		8.82	12/15/06	1.00	18	16.43	39	1.90	
Spliced Small Cap Index **																									
CRSP US Small Cap TR USD																									
Small Blend Median																									
Small Blend Number of Funds																									



# 2014 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)					
TIAA-CREF		Manager	AUM	Gross	Net	Net	Rev Recent Returns						Annualized Total Returns as of 6/30/14						Since	Incep.	Sharpe Ratio			Std. Deviation			Tracking Error		
As of 6/30/2014		Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year				
<b>Foreign Large Blend</b>																													
TIAA-CREF International Eq Idx Instl		TCIEX	8.92	6,114.04	0.07	0.07	1	-	0.90	4.84	23.59	13	8.21	19	11.87	33	7.03	40	10/01/02	0.56	20	16.35	50	3.30					
MSCI EAFE NR USD									0.96	4.78	23.57		8.10		11.77		6.93			0.56		16.34							
Foreign Large Blend Median					1.40	1.25			1.06	3.78	21.04		6.67		11.26		6.64			0.47		16.34		3.73					
Foreign Large Blend Number of Funds					823	823						770		677		602					680		680	7					
<b>Diversified Emerging Markets</b>																													
Vanguard Emerging Mkts Stock Idx Stq		VERSX	5.92	64,020.59	0.15	0.15	1	-	3.02	7.04	14.00	52	(0.87)	60	8.94	51			4.31	01/19/07	0.05	59	20.00	65	3.23				
Spliced Emerging Markets Index ***									3.21	7.40	13.72		(0.58)		9.12														
FTSE Emerging NR USD									3.20	7.38	13.74		(0.38)		9.21														
MSCI EM NR USD									2.66	6.14	14.31		(0.39)		9.24					0.07		19.49							
Diversified Emerging Mkts Median					1.83	1.57			2.59	5.69	14.12		(0.18)		9.00					0.09		19.68		5.18					
Diversified Emerging Mkts Number of Funds					822	822						648		454		325					455		455	455					
<b>Miscellaneous Sector</b>																													
TIAA Real Estate Account		Variable Annuity	9.58	18,334.21	0.87	0.87		0.24	0.95	5.73	10.98		10.22		7.45		4.95		10/02/95	6.26		1.55		12.22					
<b>Lifecycle</b>																													
Vanguard Target Retirement Income Trust II					0.11	0.11			0.86	4.44	9.78		6.66		8.62				5.61										
Vanguard Target Retirement Income Compos. Lx									0.85	4.51	9.99		6.73		8.69														
Retirement Income Median					1.05	0.89			0.89	4.37	10.42		6.10		9.04					1.09		5.47		1.88					
Retirement Income Number of Funds					297	297						290		278		238					278		278	278					
Vanguard Target Retirement 2010 Trust II					0.11	0.11			1.04	4.78	11.85		7.64		10.59				5.86										
Vanguard Target Retirement 2010 Compos. Lx									1.03	4.84	12.04		7.70		10.61														
Target Date 2000-2010 Median					1.11	0.88			1.03	4.54	12.28		6.86		10.37					1.00		6.74		1.54					
Target Date 2000-2010 Number of Funds					154	154						131		116		104					117		117	117					
Vanguard Target Retirement 2015 Trust II					0.11	0.11			1.31	5.28	14.56		8.87		11.90				6.33										
Vanguard Target Retirement 2015 Compos. Lx									1.30	5.37	14.76		8.96		11.94														
Target Date 2011-2015 Median					1.21	0.91			1.17	4.75	12.76		7.24		10.65					0.97		7.52		1.72					
Target Date 2011-2015 Number of Funds					197	197						175		145		121					145		145	145					
Vanguard Target Retirement 2020 Trust II					0.11	0.11			1.48	5.70	16.58		9.79		12.91				6.55										
Vanguard Target Retirement 2020 Compos. Lx									1.49	5.76	16.77		10.05		13.14														
Target Date 2016-2020 Median					1.28	0.96			1.30	4.93	14.16		8.02		11.73					0.95		8.29		1.90					
Target Date 2016-2020 Number of Funds					242	242						215		183		163					184		184	184					
Vanguard Target Retirement 2025 Trust II					0.11	0.11			1.63	5.85	18.05		10.44		13.79				6.68										
Vanguard Target Retirement 2025 Composite Lx									1.66	5.96	18.29		10.74		14.03														
Target Date 2021-2025 Median					1.22	0.95			1.54	5.21	16.61		8.98		13.02					0.91		9.83		1.77					
Target Date 2021-2025 Number of Funds					200	200						178		141		108					141		141	141					

# 2014 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)	
TIAA-CREF		Manager	AUM	Gross	Net	Net	Rev Recent Returns			Annualized Total Returns as of 6/30/14						Since	Incep.	Sharpe Ratio		Std. Deviation		Tracking Error			
As of 6/30/2014		Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year
<b>Vanguard Target Retirement 2030 Trust II</b>				<b>0.11</b>	<b>0.11</b>				<b>1.78</b>	<b>6.03</b>	<b>19.60</b>		<b>11.13</b>		<b>14.68</b>				<b>6.78</b>						
<i>Vanguard Target Retirement 2030 Composite Lx</i>									<i>1.82</i>	<i>6.17</i>	<i>19.82</i>		<i>11.41</i>		<i>14.90</i>										
<i>Target Date 2026-2030 Median</i>					<i>1.32</i>	<i>1.02</i>			<i>1.61</i>	<i>5.30</i>	<i>17.17</i>		<i>9.52</i>		<i>13.53</i>				<i>0.89</i>			<i>10.85</i>			<i>1.75</i>
<i>Target Date 2026-2030 Number of Funds</i>					<i>243</i>	<i>243</i>						<i>215</i>		<i>183</i>		<i>163</i>						<i>184</i>		<i>184</i>	<i>184</i>
<b>Vanguard Target Retirement 2035 Trust II</b>				<b>0.11</b>	<b>0.11</b>				<b>1.98</b>	<b>6.23</b>	<b>21.13</b>		<b>11.80</b>		<b>15.51</b>				<b>7.05</b>						
<i>Vanguard Target Retirement 2035 Composite Lx</i>									<i>1.99</i>	<i>6.37</i>	<i>21.37</i>		<i>12.07</i>		<i>15.73</i>										
<i>Target Date 2031-2035 Median</i>					<i>1.32</i>	<i>1.01</i>			<i>1.84</i>	<i>5.52</i>	<i>19.50</i>		<i>10.38</i>		<i>14.29</i>				<i>0.88</i>			<i>11.88</i>			<i>1.68</i>
<i>Target Date 2031-2035 Number of Funds</i>					<i>200</i>	<i>200</i>						<i>178</i>		<i>141</i>		<i>108</i>						<i>141</i>		<i>141</i>	<i>141</i>
<b>Vanguard Target Retirement 2040 Trust II</b>				<b>0.11</b>	<b>0.11</b>				<b>2.10</b>	<b>6.41</b>	<b>22.22</b>		<b>12.32</b>		<b>15.86</b>				<b>7.35</b>						
<i>Vanguard Target Retirement 2040 Composite Lx</i>									<i>2.12</i>	<i>6.53</i>	<i>22.45</i>		<i>12.60</i>		<i>16.09</i>										
<i>Target Date 2036-2040 Median</i>					<i>1.40</i>	<i>1.06</i>			<i>1.87</i>	<i>5.60</i>	<i>19.97</i>		<i>10.53</i>		<i>14.54</i>				<i>0.87</i>			<i>12.47</i>			<i>1.62</i>
<i>Target Date 2036-2040 Number of Funds</i>					<i>242</i>	<i>242</i>						<i>214</i>		<i>182</i>		<i>162</i>						<i>183</i>		<i>183</i>	<i>183</i>
<b>Vanguard Target Retirement 2045 Trust II</b>				<b>0.11</b>	<b>0.11</b>				<b>2.06</b>	<b>6.37</b>	<b>22.24</b>		<b>12.33</b>		<b>15.86</b>				<b>7.30</b>						
<i>Vanguard Target Retirement 2045 Composite Lx</i>									<i>2.12</i>	<i>6.53</i>	<i>22.45</i>		<i>12.60</i>		<i>16.09</i>										
<i>Target Date 2041-2045 Median</i>					<i>1.37</i>	<i>1.01</i>			<i>1.98</i>	<i>5.72</i>	<i>20.87</i>		<i>11.07</i>		<i>15.11</i>				<i>0.88</i>			<i>12.88</i>			<i>1.53</i>
<i>Target Date 2041-2045 Number of Funds</i>					<i>200</i>	<i>200</i>						<i>178</i>		<i>133</i>		<i>106</i>						<i>133</i>		<i>133</i>	<i>133</i>
<b>Vanguard Target Retirement 2050 Trust II</b>				<b>0.11</b>	<b>0.11</b>				<b>2.09</b>	<b>6.38</b>	<b>22.22</b>		<b>12.31</b>		<b>15.84</b>				<b>7.34</b>						
<i>Vanguard Target Retirement 2050 Composite Lx</i>									<i>2.12</i>	<i>6.53</i>	<i>22.45</i>		<i>12.60</i>		<i>16.08</i>										
<i>Target Date 2046-2050 Median</i>					<i>1.64</i>	<i>1.06</i>			<i>1.98</i>	<i>5.72</i>	<i>20.86</i>		<i>11.05</i>		<i>15.00</i>				<i>0.87</i>			<i>12.89</i>			<i>1.69</i>
<i>Target Date 2046-2050 Number of Funds</i>					<i>226</i>	<i>226</i>						<i>199</i>		<i>156</i>		<i>126</i>						<i>158</i>		<i>158</i>	<i>158</i>
<b>Vanguard Target Retirement 2055 Trust II</b>				<b>0.11</b>	<b>0.11</b>				<b>2.11</b>	<b>6.45</b>	<b>22.24</b>		<b>12.41</b>						<b>16.25</b>						
<i>Vanguard Target Retirement 2055 Composite Lx</i>									<i>2.12</i>	<i>6.53</i>	<i>22.45</i>		<i>12.60</i>												
<b>Vanguard Target Retirement 2060 Trust II</b>				<b>0.11</b>	<b>0.11</b>				<b>2.09</b>	<b>6.42</b>	<b>22.20</b>								<b>15.28</b>						
<i>Vanguard Target Retirement 2060 Composite Lx</i>									<i>2.12</i>	<i>6.53</i>	<i>22.45</i>														
<i>Target Date 2051+ Median</i>					<i>1.48</i>	<i>1.03</i>			<i>2.02</i>	<i>5.72</i>	<i>21.19</i>		<i>11.14</i>						<i>0.86</i>			<i>13.05</i>			<i>1.63</i>
<i>Target Date 2051+ Number of Funds</i>					<i>186</i>	<i>186</i>						<i>142</i>		<i>91</i>								<i>91</i>		<i>91</i>	<i>91</i>

Source: Morningstar & TIAA-CREF -Tracking error calculated using "Morningstar Analyst Assigned Benchmark"

All data as of 6/30/2014

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

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

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

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

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

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

"Since Inception" performance is calculated from this date.

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

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

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

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





# Disclosures



%ile --> Percentile Ranking in Morningstar Category.

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

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

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

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

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

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

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

# Disclosures



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

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

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

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

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

TIAA-CREF Individual & Institutional Services, LLC, and Teachers Personal Investors Services, Inc., members FINRA, distribute securities products. Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association (TIAA ) and College Retirement Equities Fund (CREF), New York, NY.

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

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

# Disclosures



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

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

# Disclosures



## **Prospectus Gross Expense Ratio**

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

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

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

## **Prospectus Net Expense Ratio**

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

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

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

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

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

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

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

# Disclosures



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

You cannot invest directly in index.

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

C12205

## Section X.

---

### 457 Plans

### State of Rhode Island Total Assets 457 Plans

Plan Provider	9/30/2013	12/31/2013	3/31/2014	6/30/2014
Valic	\$ 51,806,577.42	\$ 53,706,561.69	\$ 54,006,256.15	\$55,249,741.79
Fidelity	\$ 94,019,468.66	\$ 100,759,742.59	\$ 103,233,672.83	\$ 107,320,669.62
ING/Voya	\$ 126,110,492.58	\$ 132,222,130.83	\$ 134,348,166.52	\$ 138,560,343.36
<b>Total</b>	<b>\$ 271,936,538.66</b>	<b>\$ 286,688,435.11</b>	<b>\$ 291,588,095.50</b>	<b>\$ 301,130,754.77</b>

# 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	06/30/2014	0.75	2.83	2.68	06/30/2014	15.56	13.57	17.83	7.63
BARCLAYS CAPITAL U.S. AGGREGATE BOND INDEX	06/30/2014	0.05	2.04	3.93	06/30/2014	4.37	3.66	4.85	4.93
NASDAQ COMPOSITE INDEX	06/30/2014	3.99	5.31	6.18	06/30/2014	31.17	18.18	20.50	8.99
RUSSELL 2000 INDEX	06/30/2014	5.32	2.05	3.19	06/30/2014	23.64	14.57	20.21	8.70
STANDARD & POOR'S 500™ INDEX	06/30/2014	2.07	5.23	7.14	06/30/2014	24.61	16.58	18.83	7.78

Investment Name	Cumulative Total Returns				Average Annual Total Returns					Fees			
	As of	1 mo	3 mo	YTD	As of	1 yr	3 yr	5 yr	10 yr	Life	Short-Term Trading Fee	Expense Ratio †	Inception Date
<b>Stock Investments</b>													
<b>Large Cap</b>													
FID CONTRAFUND	06/30/2014	2.41	3.90	4.39	06/30/2014	25.69	15.92	18.38	10.01	12.55	–	0.67% on 03/01/2014	05/17/1967
FID LARGE CAP STOCK	06/30/2014	2.59	3.91	6.66	06/30/2014	27.77	19.17	21.59	8.93	8.67	–	0.88% on 06/28/2014	06/22/1995
FID NEW MILLEN	06/30/2014	3.15	2.69	7.12	06/30/2014	27.93	17.69	21.07	10.32	14.26	–	0.91% on 01/29/2014	12/28/1992
INVS DIVRS DIVD INV	06/30/2014	1.63	3.84	7.72	06/30/2014	20.90	15.29	18.07	8.47	8.18	–	0.89% on 04/30/2014	07/15/2005
SPTN 500 INDEX INST	06/30/2014	2.08	5.24	7.12	06/30/2014	24.57	16.55	18.80	7.75	10.24	–	0.05% on 04/29/2014	02/17/1988
<b>Mid-Cap</b>													
FID LOW PRICED STK	06/30/2014	2.63	2.81	4.89	06/30/2014	22.20	15.41	20.11	10.41	14.65	1.5% / 90days	0.80% on 09/28/2013	12/27/1989
SPTN MID CAP IDX ADV	06/30/2014	3.28	4.92	8.64	06/30/2014	26.74	–	–	–	23.00	.75% / 30days	0.21% on 06/28/2014	09/08/2011
<b>Small Cap</b>													
SPTN SM CAP IDX ADV	06/30/2014	5.36	2.08	3.25	06/30/2014	23.85	–	–	–	22.93	1.5% / 90days	0.34% on 06/28/2014	09/08/2011
<b>International</b>													
HARBOR INTL INV	06/30/2014	0.21	3.28	4.24	06/30/2014	21.12	6.54	13.16	9.58	12.02	–	1.13% on 04/30/2014	11/01/2002
SPTN INTL INDEX ADV	06/30/2014	0.98	4.18	4.92	06/30/2014	23.54	8.14	11.86	6.97	5.62	1% / 90days	0.17% on 04/29/2014	11/05/1997



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 †	
<b>Blended Investments*</b>													
<b>Others</b>													
FID FREEDOM K 2000	06/30/2014	0.67	2.20	3.54	06/30/2014	7.68	4.55	—	—	7.02	—	0.44% on 05/30/2014	07/02/2009
FID FREEDOM K 2005	06/30/2014	1.07	2.70	4.07	06/30/2014	10.49	5.88	—	—	9.54	—	0.50% on 05/30/2014	07/02/2009
FID FREEDOM K 2010	06/30/2014	1.34	3.13	4.45	06/30/2014	12.90	7.23	—	—	10.88	—	0.53% on 05/30/2014	07/02/2009
FID FREEDOM K 2015	06/30/2014	1.46	3.37	4.67	06/30/2014	13.87	7.57	—	—	11.28	—	0.55% on 05/30/2014	07/02/2009
FID FREEDOM K 2020	06/30/2014	1.61	3.57	4.89	06/30/2014	14.93	8.01	—	—	12.36	—	0.57% on 05/30/2014	07/02/2009
FID FREEDOM K 2025	06/30/2014	1.88	3.94	5.21	06/30/2014	17.23	9.11	—	—	13.46	—	0.61% on 05/30/2014	07/02/2009
FID FREEDOM K 2030	06/30/2014	2.17	4.25	5.43	06/30/2014	18.59	9.57	—	—	14.07	—	0.65% on 05/30/2014	07/02/2009
FID FREEDOM K 2035	06/30/2014	2.30	4.38	5.47	06/30/2014	19.97	10.15	—	—	14.69	—	0.66% on 05/30/2014	07/02/2009
FID FREEDOM K 2040	06/30/2014	2.30	4.36	5.50	06/30/2014	20.16	10.22	—	—	14.87	—	0.66% on 05/30/2014	07/02/2009
FID FREEDOM K 2045	06/30/2014	2.24	4.35	5.47	06/30/2014	20.45	10.37	—	—	15.07	—	0.66% on 05/30/2014	07/02/2009
FID FREEDOM K 2050	06/30/2014	2.29	4.37	5.49	06/30/2014	20.57	10.31	—	—	15.15	—	0.65% on 05/30/2014	07/02/2009
FID FREEDOM K 2055	06/30/2014	2.27	4.34	5.55	06/30/2014	20.99	10.50	—	—	10.10	—	0.66% on 05/30/2014	06/01/2011
FID FREEDOM K INCOME	06/30/2014	0.71	2.17	3.52	06/30/2014	7.70	4.56	—	—	6.88	—	0.44% on 05/30/2014	07/02/2009
<b>Bond Investments</b>													
<b>Income</b>													
PIMCO TOT RETURN ADM	06/30/2014	0.35	2.31	3.58	06/30/2014	4.62	4.06	6.12	6.11	6.95	—	0.71% on 03/31/2014	09/08/1994
SPTN US BOND IDX ADV	06/30/2014	0.03	2.03	3.93	06/30/2014	4.29	3.57	4.70	4.61	6.54	—	0.17% on 10/30/2013	03/08/1990
<b>Short-Term Investments</b>													
<b>Others</b>													
FID RETIRE MMKT	06/30/2014	0	0	0.01	06/30/2014	0.01	0.01	0.04	1.70	3.56	—	0.42% on 10/30/2013	12/02/1988
<b>Other Investments</b>													
<b>Others</b>													
BROKERAGELINK	—	—	—	—	—	—	—	—	—	—	—	—	—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Brokerage Products and Services are offered through Fidelity Brokerage Services, Member NYSE, SIPC. Investment and workplace savings plan products and services offered directly to investors and plan sponsors are provided by Fidelity Brokerage Services, Member NYSE, SIPC, 900 Salem Street, Smithfield, RI 02917. Investment and workplace savings plan products and services distributed through investment professionals are provided by Fidelity Investments Institutional Services Company, Inc., 100 Salem Street, Smithfield, RI 02917.

© 2013 FMR LLC. All rights reserved. The trademarks and service marks appearing herein are the property of their respective owners.



The information is current as of 06/30/2014.

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
<b>Domestic Equity</b>								
<b>Domestic Large Cap Equity</b>								
<i>Large Cap Value</i>								
Dividend Value Fund (Black Rock/SunAmerica)	3.29	16.12	14.14	16.70	5.75	5.75	1.70	12/8/2000
Vanguard Windsor II Fund	7.03	21.23	15.17	16.99	6.81	6.81	1.41	6/24/1985
<i>Large Cap Blend</i>								
Core Equity Fund (Black Rock)	5.58	24.51	13.53	16.35	5.07	5.07	1.90	4/29/1994
Stock Index Fund (SunAmerica)	6.51	23.13	15.24	17.56	6.57	6.57	1.16	4/20/1987
<i>Large Cap Growth</i>								
Growth Fund (American Century)	5.65	25.02	13.38	17.13	6.05	6.05	1.65	12/5/2005
Large Capital Growth Fund (SunAmerica/Invesco)	4.28	24.74	10.68	14.31	5.33	5.33	1.57	12/20/2004
<b>Domestic Mid Cap Equity</b>								
<i>Mid Cap</i>								
Mid Cap Strategic Growth Fund (Allianz Global/MorganStanley)	1.49	20.86	8.58	16.82	7.65	7.65	1.67	12/20/2004
<b>Global Equity</b>								
Global Social Awareness Fund (PineBridge Investments)	7.74	26.92	12.30	15.28	5.35	5.35	1.48	10/2/1989
<b>International Equity</b>								
Emerging Economies Fund (JPMorgan)	3.94	11.07	-0.16	6.30	0.25	0.25	1.78	12/5/2005
Foreign Value Fund (Templeton Global)	3.54	27.44	7.29	12.03	5.06	5.06	1.63	12/5/2005
<b>Speciality</b>								
Science & Technology Fund (T. Rowe/Allianz Global/Wellington)	7.72	35.75	14.47	19.45	7.85	7.85	1.82	4/29/1994
<b>Hybrid</b>								
<i>Lifestyle</i>								
Dynamic Allocation (AllianceBernstein/SunAmerica)	3.52	13.97	-	-	12.89	12.89	1.74	12/19/2012
<i>Balanced</i>								
Vanguard Wellington Fund	5.90	15.95	11.14	12.76	7.37	7.37	1.31	7/1/1929
<b>Fixed Income</b>								
<i>Investment Grade</i>								
Vanguard Long-Term Investment-Grade Fund	10.81	11.40	9.01	9.69	6.69	6.69	1.02	7/9/1973
Vanguard Long-Term Treasury Fund	11.89	4.97	7.70	6.25	6.06	6.06	1.00	5/19/1986
<i>International</i>								
International Government Bond Fund (PineBridge)	6.13	7.40	2.32	5.02	5.10	5.10	1.46	10/1/1991
<i>Stable Value</i>								
Money Market I Fund (SunAmerica)	-0.39	-0.79	-0.79	-0.79	-0.78	-0.78	1.32	1/16/1986
7-Day current yield at 30-Sep-2009: -0.79								
Fixed Account Plus	2.35	2.35	2.64	3.04	3.99	3.99		1/1/1982
Short Term Fixed Account	1.00	1.00	1.00	1.43	2.21	2.21		1/1/1991

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

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

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 prior to age 59 1/2.

Retirement plans and accounts that satisfy relevant qualification rules, such as 403(b)s, IRAs, 401(k)s, etc., can be tax deferred regardless of whether or not they are funded with an annuity. If you are considering funding a tax-qualified retirement plan or account with an annuity, you should know that an annuity does not provide any additional tax-deferred treatment of earnings beyond the tax deferral of the tax-qualified retirement plan or account itself. However, annuities do provide other features and benefits.

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, 12.0, 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, 1240, 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.

~ Effective 10/01/2011, the Global Equity Fund [87] was renamed Emerging Economies Fund and has a new investment strategy that focuses primarily on companies domiciled in emerging markets countries. The new sub-advisor to the fund is JP Morgan. Performance as of 9/30/2011 and prior is attributable to the Global Equity Fund.

**STATE OF RHODE ISLAND  
MUTUAL FUND SELECTION**

**VALIC Mutual Fund**

The information is current as of 06/30/2014.

Category/Funds	YTD	1 Year Return	3 Year Return	5 Year Return	10 Year Return	Since Inception	Expense Ratio	Inception Date
<b>Foreign Large Blend</b>								
American Funds EuroPacific Growth R4 <i>MSCI ACWI Ex USA GR USD</i>	3.49%	21.92% 22.27%	7.02% 6.21%	11.60% 11.59%	8.78% 8.22%	8.89%	0.84%	6/7/2002
<b>Small Blend</b>								
Dreyfus Small Cap Stock Index <i>S&amp;P Small/Cap 600 TR USD</i>	3.07%	25.13% 25.54%	16.45% 16.81%	21.64% 21.98%	9.70% 9.95%	9.62%	0.50%	6/30/1997
<b>Mid-Cap Blend</b>								
Dreyfus Midcap Index <i>Standard &amp; Poor's Midcap 400</i>	7.29%	24.72% 25.24%	14.68% 15.26%	21.08% 21.67%	10.03% 10.50%	12.29%	0.50%	6/19/1991
<b>Large Growth</b>								
MFS Mass Investors Growth Stock (A) <i>Russell 1000 Growth</i>	4.73%	23.15% 26.92%	14.89% 16.26%	18.12% 19.24%	8.07% 8.20%	8.60%	0.75%	4/1/2005
<b>Large Blend</b>								
Vanguard Dividend Growth Inv <i>Russell 1000</i>	4.59%	19.39% 25.35%	15.38% 16.63%	17.33% 19.25%	9.16% 8.19%	8.28%	0.31%	5/15/1992
Vanguard 500 Index (Signal) <i>Standard &amp; Poor's 500</i>	7.11%	24.55% 24.61%	16.54% 16.58%	18.81% 18.83%	7.75% 7.78%	7.36%	0.05%	9/29/2006
<b>Target Date 2050+</b>								
Vanguard Target Retirement 2060 Inv <i>DJ Target 2055 TR USD</i>	6.39%	22.21% 21.97%	N/A N/A	N/A N/A	N/A N/A	16.88%	0.18%	1/19/2012
<b>Target Date 2046-2050</b>								
Vanguard Target Retirement 2050 Inv <i>DJ Target 2050 TR USD</i>	6.35%	22.14% 21.97%	12.26% 11.55%	15.79% 16.15%	N/A N/A	7.27%	0.18%	6/7/2006
<b>Target Date 2036-2040</b>								
Vanguard Target Retirement 2040 Inv <i>DJ Target 2040 TR USD</i>	6.36%	22.16% 20.98%	12.26% 11.07%	15.80% 15.73%	N/A N/A	7.21%	0.18%	6/7/2006
<b>Target Date 2026-2030</b>								
Vanguard Target Retirement 2030 Inv <i>DJ Target 2030 TR USD</i>	6.01%	19.49% 17.42%	11.09% 9.43%	14.63% 13.61%	N/A N/A	6.90%	0.17%	6/7/2006
<b>Target Date 2016-2020</b>								
Vanguard Target Retirement 2020 Inv <i>DJ Target 2020 TR USD</i>	5.61%	16.43% 12.68%	9.73% 7.12%	12.88% 10.36%	N/A N/A	6.74%	0.16%	6/7/2006
<b>Target Date 2000-2010</b>								
Vanguard Target Retirement 2010 Inv <i>DJ Target 2010 TR USD</i>	4.73%	11.75% 8.87%	7.60% 5.02%	10.54% 7.57%	N/A N/A	6.22%	0.16%	6/7/2006
<b>High Yield Bond</b>								
Federated Instl High Yield Bond Instl <i>Barclays US High Yield 2% Issuer</i>	5.09%	11.11% 11.72%	9.52% 9.46%	13.25% 13.92%	8.86% 9.04%	10.25%	0.50%	11/1/2002
<b>Inflation-Protected Bond</b>								
American Century Inflation-Adjusted Bond Inv <i>Barclays Capital U.S. Treasury TIPS</i>	5.39%	3.96% 4.44%	3.13% 3.55%	5.10% 5.55%	4.89% 5.25%	5.64%	0.47%	2/10/1997
<b>Intermediate-Term Bond</b>								
PIMCO Total Return (A) <i>Barclays Capital U.S. Aggregate Bond</i>	3.51%	4.48% 4.37%	3.92% 3.66%	5.95% 4.85%	5.91% 4.93%	6.47%	0.85%	1/13/1997

---

**Money Market**

---

American Century Premium Money Market Inv	0.00%	0.01%	0.01%	0.03%	1.66%	2.89%	0.46%	4/1/1993
<i>T-Bill 3 Month</i>		<i>0.05%</i>	<i>0.06%</i>	<i>0.09%</i>	<i>1.59%</i>			

---

**Stable Value**

---

VALIC Fixed-Interest Option ***	6/30/2014	2.25%
	Calendar Year 2014	1.50% (min. guaranteed)

---

Source: Morningstar Principia Pro (as of 06/30/2014)

---

The performance data quoted represents past performance. The Fixed-Interest Option performance is based on current interest rates. Current performance may be higher or lower than the performance stated due to recent market volatility. Past performance does not guarantee future result. Investment return and principal value will fluctuate so an investor's shares, when redeemed, may be worth more or less than their original cost. Please visit [www.valic.com](http://www.valic.com) for month-end performance.

To view or print a prospectus, visit [www.valic.com](http://www.valic.com) and click on ePrint under "Links to Login". Enter your Plan ID in the Login field and click go. Click on "Funds" in Quick Links, and funds available for your plan are displayed. The prospectus contains the investment objectives, risks, charges, expenses and other information about the respective investment company that you should consider carefully before investing. Please read the prospectus carefully before investing or sending money. You may also request a copy by calling 1-800-428-2542.

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.

Securities and investment advisory services offered through VALIC Financial Advisors, Inc., member FINRA and an SEC-registered investment advisor.

VALIC represents The Valiable Annuity Life Insurance Company and its subsidiaries, VALIC Financial Advisors, Inc. and VALIC Retirement Services Company. Copyright © 2011, The Variable Annuity Life Insurance Company, Inc. All rights reserved, Houston, Texas.

# PERFORMANCE UPDATE

## ING Life Insurance and Annuity Company

### STATE OF RHODE ISLAND

**Average Annual Total Returns as of: 06/30/2014** (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 %*
<b>Stability of Principal</b>																			
<i>Stability of Principal</i>																			
ING Fixed Account - 457/401 - 043 (16)(17)	MFR	0.24	0.00	0.74	0.00	1.48	0.01	3.00	0.01	3.06	0.02	3.22	0.03	3.71	1.47				
<b>Bonds</b>																			
<i>High Yield Bond</i>																			
Prudential High Yield Fund, Inc. - Class Z - 2482	BCUSHY2IC	1.01	0.84	2.44	2.41	5.54	5.45	11.66	11.72	9.16	9.46	13.42	13.92	8.64	9.04		03/01/1996	0.58	0.58
<i>Inflation-Protected Bond</i>																			
PIMCO VIT Real Return Portfolio - Administrative Class - 833 (1)	LBUSTIPS	0.45	0.30	4.26	3.81	6.52	5.83	5.30	4.44	3.77	3.55	6.53	5.55	5.41	5.25		09/30/1999	0.70	0.65



Your future. Made easier.<sup>SM</sup>

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		Incept	Fund Inception Date	Gross Fund Exp %*	Net Fund Exp %*
		Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM				
<b>Intermediate-Term Bond</b>																			
Voya Intermediate Bond Portfolio - Class I - 004	LEHM	0.31	0.05	2.55	2.04	5.02	3.93	6.79	4.37	5.98	3.66	8.17	4.85	5.11	4.93		05/23/1973	0.50	0.50
Voya U.S. Bond Index Portfolio - Class I - 1554	LEHM	0.09	0.05	1.96	2.04	3.83	3.93	4.07	4.37	3.24	3.66	4.43	4.85		4.39	03/04/2008	0.41	0.41	
<b>Asset Allocation</b>																			
<b>Lifecycle</b>																			
Voya Solution 2015 Portfolio - Adviser Class - 745 (2)(3)	SPT2015	0.90	1.09	2.91	3.19	4.65	4.82	11.79	13.23	6.50	8.03	10.12	11.10		4.74	04/29/2005	1.34	1.23	
Voya Solution 2015 Portfolio - Initial Class - 746 (3)(4)	SPT2015	0.96	1.09	3.09	3.19	4.97	4.82	12.39	13.23	7.04	8.03	10.67	11.10		5.28	04/29/2005	0.84	0.73	
Voya Solution 2025 Portfolio - Initial Class - 790 (3)(5)	SPT2025	1.52	1.46	3.55	3.67	5.10	5.36	16.61	16.52	8.99	9.60	13.08	13.27		5.81	04/29/2005	0.92	0.81	
Voya Solution 2035 Portfolio - Initial Class - 761 (3)(6)	SP2035	1.83	1.74	4.09	4.04	5.26	5.73	19.16	19.12	10.19	10.78	14.36	14.71		6.32	04/29/2005	0.98	0.87	
Voya Solution 2045 Portfolio - Initial Class - 764 (3)(7)	SP2045	2.02	1.92	4.40	4.28	5.53	5.93	21.25	20.73	11.09	11.50	15.24	15.44		6.62	04/29/2005	1.00	0.89	
Voya Solution 2055 Portfolio - Initial Class - 1166 (3)(8)	SP2045	2.05	1.92	4.39	4.28	5.46	5.93	21.29	20.73	11.13	11.50			12.04	03/08/2010	1.01	0.89		
Voya Solution Income Portfolio - Initial Class - 767 (3)(9)	SPTREIN	0.84	0.65	2.90	2.56	4.87	4.04	11.13	9.11	6.39	6.06	8.97	8.17		5.16	04/29/2005	0.79	0.69	
<b>Balanced</b>																			
<b>Moderate Allocation</b>																			
VY T. Rowe Price Capital Appreciation Portfolio - Inst - 1257 (10)	SPXLBGC	1.23	-0.02	4.05	0.77	7.09	1.56	19.01	1.87	13.53	6.82	15.76	10.38	9.51	5.49		01/24/1989	0.65	0.65
<b>Large Cap Value</b>																			
<b>Large Blend</b>																			
Voya Growth and Income Portfolio - Class I - 001	SPXRE	2.54	2.07	5.22	5.23	6.92	7.14	24.98	24.61	15.82	16.58	17.41	18.83	7.63	7.78		12/31/1979	0.59	0.59
Voya U.S. Stock Index Portfolio - Institutional Class - 829	SPXRE	2.03	2.07	5.13	5.23	6.93	7.14	24.23	24.61	16.28	16.58	18.54	18.83	7.52	7.78		05/03/2004	0.27	0.27
<b>Large Value</b>																			
BlackRock Equity Dividend Fund - Institutional Shares - 8518	RS1000V	1.40	2.61	3.46	5.10	4.74	8.28	18.60	23.81	13.11	16.92	16.19	19.23	9.50	8.03		11/29/1988	0.74	0.74
<b>Large Cap Growth</b>																			
<b>Large Growth</b>																			
Voya Large Cap Growth Portfolio - Institutional Class - 742 (11)	RS1000G	1.31	1.95	5.82	5.13	5.60	6.31	25.64	26.92	15.91	16.26	19.47	19.24	9.84	8.19		05/03/2004	0.67	0.60
<b>Small/Mid/Specialty</b>																			
<b>Mid-Cap Blend</b>																			
Voya Russell Mid Cap Index Portfolio - Class I - 1560 (12)	RSMID	3.29	3.29	4.86	4.97	8.46	8.67	26.35	26.85	15.68	16.09	21.68	22.07		11.35	03/04/2008	0.45	0.44	
<b>Mid-Cap Growth</b>																			
Principal MidCap Fund - R-5 Class Shares - 3412	RSMID	3.35	3.29	4.81	4.97	6.15	8.67	24.03	26.85	17.40	16.09	22.36	22.07	11.38	10.43		12/06/2000	0.86	0.86
<b>Small Blend</b>																			
Voya Russell Small Cap Index Portfolio - Class I - 1563 (13)	RS2000	5.25	5.32	2.07	2.05	3.28	3.19	23.75	23.64	14.55	14.57	20.10	20.21		11.61	03/04/2008	0.48	0.46	
Voya Small Company Portfolio - Class I - 042	RS2000	4.67	5.32	2.29	2.05	3.70	3.19	24.35	23.64	14.72	14.57	19.71	20.21	10.22	8.70		12/27/1996	0.86	0.86



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		Incept	Fund Inception Date	Gross Fund Exp %*	Net Fund Exp %*
		Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM				
<b>Global / International</b>																			
<b>Foreign Large Blend</b>																			
American Funds EuroPacific Growth Fund - Class R-4 - 573 (14)	MSCIACEU	0.91	1.72	2.85	5.25	3.49	5.89	21.92	22.27	7.02	6.21	11.60	11.59	8.78	8.22		04/16/1984	0.85	0.85
Voya International Index Portfolio - Class I - 1551 (15)	MSEAFANET	0.87	0.96	4.09	4.09	4.60	4.78	22.98	23.57	7.86	8.10	11.58	11.77		2.85	03/04/2008	0.58	0.51	
<b>World Stock</b>																			
VY Oppenheimer Global Portfolio - Initial Class - 432	MSCIWOR	1.49	1.79	3.89	4.86	4.71	6.18	23.29	24.05	11.36	11.81	16.52	14.99	8.69	7.25		05/01/2002	0.75	0.75

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.

\*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: 06/30/2014** (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 0.25% 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
<b>Stability of Principal</b>									
<i>Stability of Principal</i>									
ING Fixed Account - 457/401 - 043 (16)(17) <i>This fund is not part of the product's separate account.</i>	0.24	0.74	1.48	3.00	3.06	3.22	3.71		
<b>Bonds</b>									
<i>High Yield Bond</i>									
Prudential High Yield Fund, Inc. - Class Z - 2482	0.99	2.37	5.40	11.35	8.86	13.13	8.36		03/01/1996
<i>Inflation-Protected Bond</i>									
PIMCO VIT Real Return Portfolio - Administrative Class - 833 (1)	0.42	4.19	6.38	5.03	3.51	6.26	5.14		09/30/1999

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
<b>Intermediate-Term Bond</b>									
Voya Intermediate Bond Portfolio - Class I - 004	0.28	2.49	4.88	6.52	5.72	7.90	4.85		05/23/1973
Voya U.S. Bond Index Portfolio - Class I - 1554	0.07	1.90	3.70	3.81	2.98	4.17		4.13	03/04/2008
<b>Asset Allocation</b>									
<b>Lifecycle</b>									
Voya Solution 2015 Portfolio - Adviser Class - 745 (2)(3)	0.87	2.84	4.52	11.51	6.23	9.84		4.48	04/29/2005
Voya Solution 2015 Portfolio - Initial Class - 746 (3)(4)	0.93	3.03	4.84	12.11	6.77	10.39		5.02	04/29/2005
Voya Solution 2025 Portfolio - Initial Class - 790 (3)(5)	1.50	3.48	4.97	16.32	8.71	12.80		5.54	04/29/2005
Voya Solution 2035 Portfolio - Initial Class - 761 (3)(6)	1.81	4.03	5.13	18.87	9.92	14.07		6.05	04/29/2005
Voya Solution 2045 Portfolio - Initial Class - 764 (3)(7)	2.00	4.34	5.39	20.94	10.81	14.95		6.36	04/29/2005
Voya Solution 2055 Portfolio - Initial Class - 1166 (3)(8)	2.03	4.33	5.33	20.99	10.85			11.76	03/08/2010
Voya Solution Income Portfolio - Initial Class - 767 (3)(9)	0.81	2.83	4.74	10.85	6.13	8.70		4.89	04/29/2005
<b>Balanced</b>									
<b>Moderate Allocation</b>									
VY T. Rowe Price Capital Appreciation Portfolio - Inst - 1257 (10)	1.21	3.98	6.96	18.71	13.25	15.47	9.24		01/24/1989
<b>Large Cap Value</b>									
<b>Large Blend</b>									
Voya Growth and Income Portfolio - Class I - 001	2.52	5.16	6.78	24.66	15.53	17.11	7.36		12/31/1979
Voya U.S. Stock Index Portfolio - Institutional Class - 829	2.01	5.06	6.80	23.92	15.99	18.24	7.25		05/03/2004
<b>Large Value</b>									
BlackRock Equity Dividend Fund - Institutional Shares - 8518	1.38	3.40	4.61	18.30	12.83	15.90	9.22		11/29/1988
<b>Large Cap Growth</b>									
<b>Large Growth</b>									
Voya Large Cap Growth Portfolio - Institutional Class - 742 (11)	1.28	5.76	5.47	25.32	15.62	19.18	9.57		05/03/2004
<b>Small/Mid/Specialty</b>									
<b>Mid-Cap Blend</b>									
Voya Russell Mid Cap Index Portfolio - Class I - 1560 (12)	3.27	4.79	8.33	26.04	15.39	21.38		11.07	03/04/2008
<b>Mid-Cap Growth</b>									
Principal MidCap Fund - R-5 Class Shares - 3412	3.33	4.74	6.02	23.72	17.11	22.05	11.10		12/06/2000
<b>Small Blend</b>									
Voya Russell Small Cap Index Portfolio - Class I - 1563 (13)	5.23	2.01	3.15	23.44	14.26	19.80		11.33	03/04/2008
Voya Small Company Portfolio - Class I - 042	4.65	2.22	3.57	24.04	14.43	19.41	9.95		12/27/1996
<b>Global / International</b>									
<b>Foreign Large Blend</b>									

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
American Funds EuroPacific Growth Fund - Class R-4 - 573 (14)	0.89	2.78	3.36	21.61	6.75	11.33	8.51		04/16/1984
Voya International Index Portfolio - Class I - 1551 (15)	0.85	4.02	4.47	22.67	7.59	11.30		2.59	03/04/2008
<b>World Stock</b>									
VY Oppenheimer Global Portfolio - Initial Class - 432	1.47	3.82	4.58	22.98	11.08	16.23	8.42		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

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.

(1)PIMCO VIT Real Return Portfolio - Administrative Class: "Other Expenses" reflect interest expense and is based on the amount incurred during the Portfolio's most recent fiscal year as a result of entering into certain investments, such as reverse repurchase agreements. Interest expense is required to be treated as a Portfolio expense for accounting purposes and is not payable to PIMCO. The amount of interest expense (if any) will vary based on the Portfolio's use of such investments as an investment strategy. Total Annual Portfolio Operating Expenses excluding interest expense is 0.65%.

(2)Voya Solution 2015 Portfolio - Adviser Class: The adviser is contractually obligated to limit expenses to 0.62% of Class ADV shares through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. The obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years.

(3)There is no guarantee that any investment option will achieve its stated objective. Principal value fluctuates and there is no guarantee of value at any time, including the target date. The "target date" is the approximate date when you plan to start withdrawing your money. When your target date is reached, you may have more or less than the original amount invested. For each target date Portfolio, until the day prior to its Target Date, the Portfolio will seek to provide total returns consistent with an asset allocation targeted for an investor who is retiring in approximately each Portfolio's designation Target Year. Prior to choosing a Target Date Portfolio, investors are strongly encouraged to review and understand the Portfolio's objectives and its composition of stocks and bonds, and how the asset allocation will change over time as the target date nears. No two investors are alike and one should not assume that just because they intend to retire in the year corresponding to the Target Date that that specific Portfolio is appropriate and suitable to their risk tolerance. It is recommended that an investor consider carefully the possibility of capital loss in each of the target date Portfolios, the likelihood and magnitude of which will be dependent upon the Portfolio's asset allocation. On the Target Date, the portfolio will seek to provide a combination of total return and stability of principal.

Stocks are more volatile than bonds, and portfolios with a higher concentration of stocks are more likely to experience greater fluctuations in value than portfolios with a higher concentration in bonds. Foreign stocks and small and midcap stocks may be more volatile than large cap stocks. Investing in bonds also entails credit risk and interest rate risk. Generally investors with longer timeframes can consider assuming more risk in their investment portfolio.

See Performance Introduction Page for Important Information

**Additional Notes**

The Voya Solution Portfolios<sup>SM</sup> are actively managed and the asset allocation adjusted over time. The portfolios may merge with or change to other portfolios over time. Refer to the prospectus for more information about the specific risks of investing in the various asset classes included in the Voya Solution Portfolios.

(4)Voya Solution 2015 Portfolio - Initial Class: The adviser is contractually obligated to limit expenses to 0.12% of Class I shares through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. The obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years.

(5)Voya Solution 2025 Portfolio - Initial Class: The adviser is contractually obligated to limit expenses to 0.12% of Class I shares through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. The obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years.

(6)Voya Solution 2035 Portfolio - Initial Class: The adviser is contractually obligated to limit expenses to 0.12% of Class I shares through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. The obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years.

(7)Voya Solution 2045 Portfolio - Initial Class: The adviser is contractually obligated to limit expenses to 0.12% of Class I shares through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. The obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years.

(8)Voya Solution 2055 Portfolio - Initial Class: The adviser is contractually obligated to limit expenses to 0.12% of Class I shares through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. The obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years.

(9)Voya Solution Income Portfolio - Initial Class: The adviser is contractually obligated to limit expenses to 0.12% of Class I shares through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. The obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the advisory agreement and is subject to possible recoupment by the adviser within three years.

(10)The VY T. Rowe Price Capital Appreciation - Inst. Class commenced operations on May 1, 2003. The fund has identical investment objectives and policies, the same portfolio manager, and invests in the same holdings as the Service Class of this fund. The performance information for the VY T.Rowe Price Capital Appreciation Portfolio - Inst. Class prior to May 1, 2003 is based upon the Service Class performance, NOT adjusted by fees associated with the Inst. Class.

(11)Voya Large Cap Growth Portfolio - Institutional Class: The adviser is contractually obligated to limit expenses to 0.60% through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses. This obligation will automatically renew for one-year terms unless it is terminated by the Portfolio or the adviser upon written notice within 90 days of the end of the current term or upon termination of the management agreement and is subject to possible recoupment by the adviser within three years.

(12)Voya Russell Mid Cap Index Portfolio - Class I: The adviser is contractually obligated to limit expenses to 0.43% through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses and extraordinary expenses. The obligation will automatically renew for one-year terms unless: (i) the adviser provides 90 days written notice of its termination; and (ii) such termination is approved by the Board of Directors; or (iii) the management agreement has been terminated. The obligation is subject to possible recoupment by the adviser within three years.

(13)Voya Russell Small Cap Index Portfolio - Class I: The adviser is contractually obligated to limit expenses to 0.45% through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses and extraordinary expenses. The obligation will automatically renew for one-year terms unless: (i) the adviser provides 90 days written notice of its termination; and (ii) such termination is approved by the Board of Directors; or (iii) the management agreement has been terminated. The obligation is subject to possible recoupment by the adviser within three years.

(14)EuroPacific Growth Fund - Class R-4 commenced operations on May 15, 2002. Class R-4 has identical investment objectives and policies, the same portfolio manager, and invests in the same holdings as Class A. The performance information above prior to May 15, 2002 is based upon the Class A performance adjusted by the fee differences between classes.

(15)Voya International Index Portfolio - Class I: The adviser is contractually obligated to limit expenses to 0.50% through May 1, 2014; the obligation does not extend to interest, taxes, brokerage commissions, extraordinary expenses and Acquired Fund Fees and Expenses. The obligation will automatically renew for one-year terms unless: (i) the adviser provides 90 days written notice of its termination; and (ii) such termination is approved by the Board of Directors; or (iii) the management agreement has been terminated. The obligation is subject to possible recoupment by the adviser within three years.

See Performance Introduction Page for Important Information

**Additional Notes**

(16)The CURRENT rate for the ING Fixed Account - 457/401 Base+110 is 3.00%, expressed as an annual effective yield, and is guaranteed not to drop below 3.00% through 12/31/2014. 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.

(17)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.

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

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

<b>Benchmark ID</b>	<b>Benchmark Description</b>
BCUSHY2IC	Barclays Capital U.S. High Yield 2% Issuer Cap Index measures the performance of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. It follows the same rules as the uncapped index but limits the exposure of each issuer to 2% of the total market value and redistributes any excess market value index-wide on a pro-rata basis.
LBUSTIPS	Barclays Capital U.S. Treasury U.S. TIPS Index measures the performance of rulesbased, market value-weighted inflation-protected securities issued by the U.S. Treasury. It is a subset of the Global Inflation-Linked Index (Series-L).
LEHM	Barclays Capital U.S. Aggregate Bond Index measures the performance of investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS. It rolls up into other Barclays flagship indices, such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt.
MFR	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 of ING Fixed Account - 457/401 is to outperform the MFR by 150 - 200 basis points over 3 - 5 year time periods.
MSCIACEU	MSCI ACWI (All Country World Index) ex US measures the performance of the large and mid-cap segment of the particular regions, excluding USA equity securities,including developed and emerging market. It is free float-adjusted market-capitalization weighted.
MSCIWOR	MSCI World Index measures the performance of the large and mid-cap segment of world equity securities. It is free float-adjusted market-capitalization weighted.
MSEAFANET	MSCI EAFE Index measures the performance of the large and mid-cap segment of developed markets, excluding the U.S. & Canada equity securities. It is free float-adjusted market-capitalization weighted.
RS1000G	Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity securities. It includes the Russell 1000 index companies with higher price-to-book ratios and higher forecasted growth values. It is market-capitalization weighted.
RS1000V	Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity securities. It includes the Russell 1000 index companies with lower price-to-book ratios and lower expected growth values. It is market-capitalization weighted.
RS2000	Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. It is a subset of the Russell 3000 and includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.
RSMID	Russell Mid-Cap Index measures the performance of the mid-cap segment of the U.S. equity universe. It is a subset of Russell 1000 index and includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The index represents approximately 31% of the total market capitalization of the Russell 1000 companies.
SP2035	S&P Target Date 2035 Index measures the performance of a portfolio of multi-asset including equities, fixed income and commodities. The index has target retirement date of 2035, and belongs to S&P Target Date Index Series which comprises eleven indexes with different target retirement date. Each index in this series is determined once a year through survey of large fund management companies that offer target date products.
SP2045	S&P Target Date 2045 Index measures the performance of a portfolio of multi-asset including equities, fixed income and commodities. The index has target retirement date of 2045, and belongs to S&P Target Date Index Series which comprises eleven indexes with different target retirement date. Each index in this series is determined once a year through survey of large fund management companies that offer target date products.

See Performance Introduction Page for Important Information

<b>Benchmark ID</b>	<b>Benchmark Description</b>
SPT2015	S&P Target Date 2015 Index measures the performance of a portfolio of multi-asset including equities, fixed income and commodities. The index has target retirement date of 2015, and belongs to S&P Target Date Index Series which comprises eleven indexes with different target retirement date. Each index in this series is determined once a year through survey of large fund management companies that offer target date products.
SPT2025	S&P Target Date 2025 Index measures the performance of a portfolio of multi-asset including equities, fixed income and commodities. The index has target retirement date of 2025, and belongs to S&P Target Date Index Series which comprises eleven indexes with different target retirement date. Each index in this series is determined once a year through survey of large fund management companies that offer target date products.
SPTREIN	S&P Target Date Retirement Income Index measures the performance of a portfolio of multi-asset including equities, fixed income and commodities. The index belongs to S&P Target Date Index Series which comprises eleven indexes with different target retirement date. Each index in this series is determined once a year through survey of large fund management companies that offer target date products.
SPXLBGC	S&P 500 60% / Barclays Capital Corp/Gov Bond Index 40% consists of a mix of 60% of an unmanaged stock index (The Standard & Poor's 500) and 40% of an unmanaged bond index (Barclays Capital Gov't Corp. Bond Index).
SPXRE	S&P 500 Index measures the performance of 500 widely held stocks in U.S. equity market. Standard and Poor's chooses member companies for the index based on market size, liquidity and industry group representation. Included are the stocks of industrial, financial, utility, and transportation companies. Since mid 1989, this composition has been more flexible and the number of issues in each sector has varied. The index is market capitalization-weighted.

## Section XI.

---

### OPEB Trust



TOTAL NET OF FEES

6/30/2014

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	Annualized					Inception Date
					1 Year	3 Years	5 Years	10 Years	ITD	
Mackay Shields OPEB	37,894,088.4	34.7	0.08	4.58	4.58				0.92	5/1/2013
<i>Barclays U.S. Aggregate Bond Index</i>			<i>0.05</i>	<i>4.37</i>	<i>4.37</i>				<i>0.79</i>	<i>5/1/2013</i>
SSGA S&P 500 INDX	71,304,549.6	65.3	2.06	24.48	24.48	16.43			16.06	5/1/2011
<i>S&amp;P 500 - Total Return Index</i>			<i>2.07</i>	<i>24.61</i>	<i>24.61</i>	<i>16.58</i>			<i>14.62</i>	<i>5/1/2011</i>
<b>Total OPEB</b>	<b>109,198,638.0</b>	<b>100.0</b>	<b>1.37</b>	<b>17.27</b>	<b>17.27</b>	<b>10.93</b>			<b>10.76</b>	<b>5/1/2011</b>
<i>OPEB Custom Blend</i>			<i>1.36</i>	<i>17.27</i>	<i>17.27</i>	<i>10.63</i>			<i>9.07</i>	<i>5/1/2011</i>

END NOTES

6/30/2014

1 RI7GX0903OPE OPEB Custom Blend

65% Barclays Aggregate and 35% S&P 500

TOTAL NET OF FEES

6/30/2014

Account Name Benchmark Name	Market Value	% of Total	YTD	Month	Cumulative			2013	2012	2011	Inception Date
					5/1/2014 - 5/31/2014	4/1/2014 - 4/30/2014					
Mackay Shields OPEB	37,894,088.4	34.7	4.04	0.08	1.15	0.83				5/1/2013	
<i>Barclays U.S. Aggregate Bond Index</i>			3.93	0.05	1.14	0.84				5/1/2013	
SSGA S&P 500 INDX	71,304,549.6	65.3	7.08	2.06	2.34	0.72	32.09	15.96		5/1/2011	
<i>S&amp;P 500 - Total Return Index</i>			7.14	2.07	2.35	0.74	32.39	16.00		5/1/2011	
<b>Total OPEB</b>	<b>109,198,638.0</b>	<b>100.0</b>	<b>6.07</b>	<b>1.37</b>	<b>1.93</b>	<b>0.79</b>	<b>15.77</b>	<b>9.74</b>		<b>5/1/2011</b>	
<i>OPEB Custom Blend</i>			6.06	1.36	1.92	0.78	15.73	8.30		5/1/2011	

## END NOTES

6/30/2014

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

## Section XII.

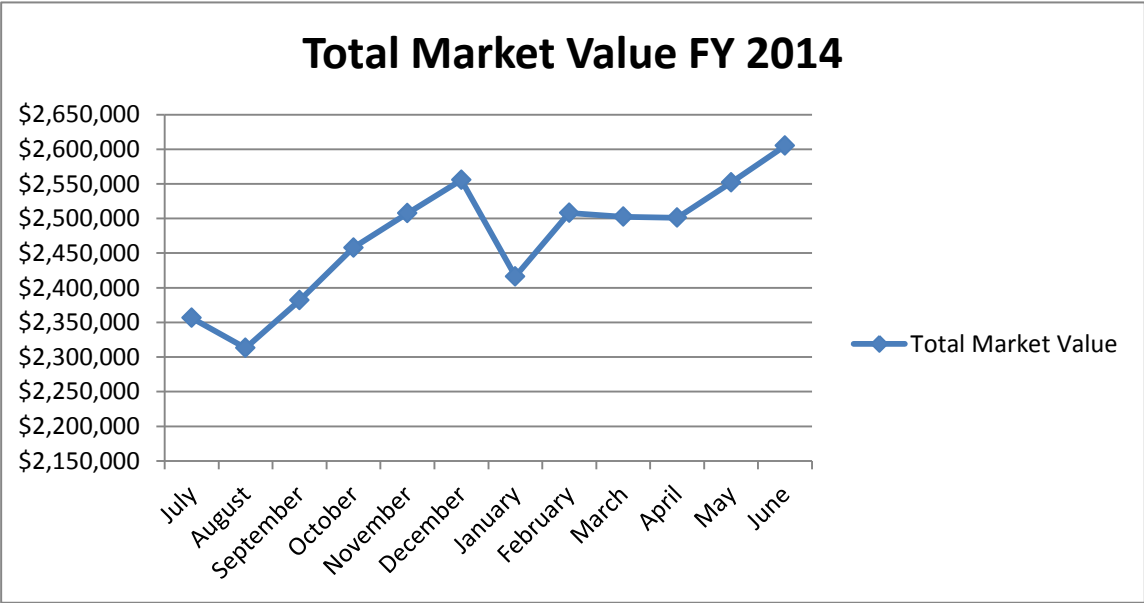
---

### Touro Fund

**ABRAHAM TOURO FUND  
INVESTMENT SUMMARY  
Fiscal Year 2014**

Month End	Year	Total Market Value
July	2013	\$2,356,457
August	2013	\$2,313,054
September	2013	\$2,381,864
October	2013	\$2,458,004
November	2013	\$2,507,739
December	2013	\$2,555,593
January	2014	\$2,416,379
February	2014	\$2,508,031
March	2014	\$2,502,640
April	2014	\$2,501,052
May	2014	\$2,551,961
June	2014	\$2,605,037

**\*2013 FY Net Change      \$248,580**



\*Includes the annual withdrawal on January 2014 of \$101,066