

Second Quarter 2011

Defined Contribution Performance Evaluation

State of Nevada

Deferred Compensation - Hartford

Deferred Compensation - ING

MERCER

All services provided by Mercer Investment Consulting, Inc.

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Executive Summary – Plan Highlights

Assets and Participant Activity

Combined Providers – Total Assets

- The Total Plan assets totaled \$555.8 million at June 30, 2011, increasing \$1.4 million (up 0.3%) from the prior quarter-end.
- The Plan's total assets were invested 44.1% in Hartford General Account, 6.6% in Hartford MidCap HLS, 5.5% in Invesco Van Kampen Equity and Income, and 5.2% in ING Stable Value. The other investment options each held less than 5% of the Plan's total assets.
- Target date funds accounted for 6.9% of total assets.

Deferred Compensation – Hartford

- Assets in Hartford totaled \$458.0 million at June 30, 2011, increasing \$2.0 million (up 0.4%) from the prior quarter-end.
- As of quarter-end, there were 9,327 participants with an account balance on the Hartford platform. Of those participants, 5,234 are actively contributing to the plan. The average account balance is \$49,104.

Deferred Compensation – ING

- Assets in ING totaled \$97.8 million at June 30, 2011, decreasing \$0.6 million (down 0.6%) from the prior quarter-end.
- As of quarter-end, there were 3,811 participants with an account balance on the ING platform. Of those participants, 2,656 are actively contributing to the plan. The average account balance is \$25,672.

Executive Summary

Watch List

Invesco Van Kampen Equity & Income Fund (Hartford)

- This fund was placed on Watch in February 2010 due to the manager change in the fixed income sleeve subsequent to the Invesco acquisition of Van Kampen funds.
- Tom Bastian remains the lead manager of the equity and convertible bonds portion, and the fixed-income portion has been taken over by Chuck Burge and Cynthia Brien of Invesco. The majority of the fixed income portfolio will include government bonds and high-grade corporates.
- The fund underperformed its index and the Mercer Mutual Fund US Balanced Universe median for the quarter, placing at the 90th percentile. For all other periods, the fund outperformed both benchmarks, except the cumulative 5-year period, where the fund underperformed its index by approximately 20 basis points. For the quarter, an overweight allocation to equities hampered relative performance in an environment where fixed income outperformed a flat equity market. Overweight to the poor-performing financials sector also weighed on returns. Given the unattractive opportunities from low yields, the fund has maintained a low allocation to fixed income, which had an overall negative impact to performance.
- We recommend removing this fund from Watch as we are comfortable with Tom Bastian's leadership and the current team structure.

American Funds Growth Fund of America (ING)

- This fund was placed on Watch in February 2011 due to the fund's underperformance.
- The fund underperformed both the Russell 1000 Growth Index and the large cap growth universe median for time periods measured out to five-years. The fund outperformed both the index and universe median for the cumulative seven-year period. For the quarter, an overweight allocations to the energy and financials sectors detracted from results, as did an underweight allocation to the consumer staples sector.
- The fund has witnessed tremendous asset growth over the years and is quite large. CR&M split its investment teams into two separate units to manage its size as it believes smaller investment teams are preferable for collaborating and making investment decisions. CR&M had approximately 100 investment professionals when it split itself in two. Each of the sub-groups has grown to approximately 80 people. It is not clear how the firm plans to managed continued growth.
- Mercer would like to see a sustained period of improved performance before removing this fund from Watch.

Hartford MidCap HLS (Hartford)

- This fund was placed on Watch in February 2011 due to a change in portfolio management leadership.
- As of May 1, 2011, Phil Perelmuter stepped into the Director of Investment Research role. (See research note in Appendix B for more detail). At that time, Perelmuter transitioned his portfolio management responsibilities to Phil Ruedi (previously assistant portfolio manager). Dedicated research analyst Mark Whitaker stepped into Ruedi's role as assistant portfolio manager. Mercer believes that Ruedi and Whitaker will be able to absorb the research workload from Perelmuter and make the transition from co-portfolio manager to lead portfolio manager with no disruption to the strategies. However, until Mercer is able to confirm the transition has not caused a disruption to the day-to-day management of the portfolio, Mercer recommends maintaining the fund on Watch.

Lazard U.S. Mid Cap Equity Fund (ING)

- This fund was placed on Watch in May 2008 due to the fund's underperformance in 2007. Additionally, in early 2009, co-portfolio manager Gary Busser transferred off the strategy to the centralized research team.
- Lazard underperformed the Russell Midcap index and ranked at the bottom half of the Mercer Mutual Fund US Equity Mid Cap Core Universe for all periods evaluated. For the quarter, overweight allocation to the energy sector and underweight position to the utilities sector detracted from relative returns.
- Mercer would like to see a sustained period of improved performance before removing this fund from Watch, reconsidering the role of this strategy within the Plan structure and reviewing alternative options.

Munder Mid-Cap Core Growth Fund (Hartford)

- This fund was placed on Watch in November 2010 due to the fund's underperformance.
- The fund underperformed the Russell Midcap Growth index for cumulative periods measured out to five years, but outperformed for longer-term periods. The fund placed in the top half of the Mercer Mutual Fund US Equity Mid Cap Growth Universe for the recent quarter and the 7- and 10-year periods. For the quarter, an overweight position to financials coupled with an underweight allocation to health care detracted from performance.
- Mercer would like to see a sustained period of improved performance before removing this fund from Watch.

Oppenheimer Main Street Small- & Mid-Cap Fund (Hartford)

- Effective November 1 2010, the fund expanded its investment opportunities to include companies with market capitalization within the range of the Russell 2500 Index and was renamed to the Main Street Small- & Mid-Cap Fund.
- This fund was placed on Watch in August 2009 due to the investment team's departure in May 2009. The prior team was replaced by a new 12-member investment team, with several members coming from RS Investment Management. OppenheimerFunds did not retain any members of the team that previously managed these strategies.
- The number of positions in the portfolio was trimmed from ~1,500 stocks (with the old team) to the current 500 – 700 range (with the new team). The new team maintains sector weights that are similar to those of the benchmark, while adding value through its stock selection process. Matthew Siehl and Raman Vardharaj are the two co-portfolio managers running the Main Street Small - & Mid-Cap Fund, with Mani Govil as the team leader for all strategies. They adopted a blended approach of running two "sleeves," one based on purely quantitative factors and another based on fundamental screens. This bottom-up process produces roughly 400 – 600 stocks under the quantitative sleeve, and an additional 50 – 125 stocks using the fundamental sleeve.
- The fund outperformed the Russell 2000 index for the recent quarter and the 7- and 10-year periods. It ranked in the top half of the Mercer Mutual Fund US Equity Small Cap Core Universe for the quarter, and the 3-, 7-, and 10-year periods. As volatility picked up in the latter half of the second quarter, the fund's exposure to larger market capitalization companies benefited the portfolio as mid-cap stocks generally outperformed small-cap names.
- Mercer recommends keeping this fund on Watch and will continue to monitor the investment process of the new team and its change to include mid-cap companies.

KEELEY Small Cap Value Fund (ING)

- This fund was placed on Watch in November 2010 due to the fund's underperformance and the level of volatility associated with this fund.
- The fund underperformed the Russell 2000 index and the Mercer Mutual Fund US Equity Small Cap Core Universe Median for the recent quarter, 3- and 5-year periods, but outperformed both benchmarks for the 1-, 7- and 10-year periods. For the quarter, overweight allocations to the industrials, energy and materials sectors weighted on returns, so did the underweight allocations to health care and telecommunications.
- Effective January 31, 2011, Brian R. Keeley, CFA was named Assistant Manager for the Keeley Small Cap Value Fund. Brian will retain his research responsibilities and over time will be able to work more closely with John Keeley on portfolio construction.
- Mercer would like to see a sustained period of improved performance before removing this fund from Watch.

Mutual Global Discovery Fund (Hartford)

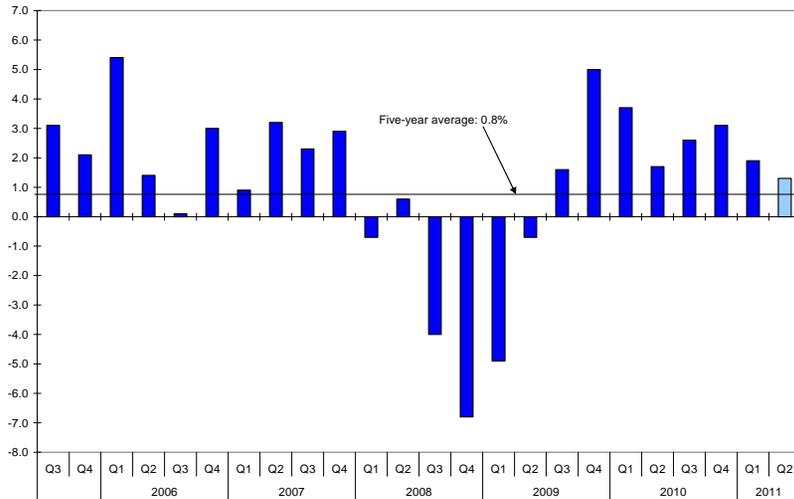
- This fund was placed on Watch in February 2010 due to the investment team's departure. In December 2009, portfolio managers Anne Gudefin and Chuck Lahr left the fund to start up a fundamental equity platform at PIMCO, a large fixed-income based firm. Co-managers Peter Langerman and Phillippe Brugere-Trelat took over the management of the Mutual Global Discovery fund. Langerman also serves as the firm's CEO and CIO.
- The fund outperformed the MSCI World Index and placed in the top half of the Mercer Mutual Fund Global Equity Universe all periods except 1-year, where it significantly underperformed and ranked at the 95th percentile of its universe.
- Mercer recommends keeping this fund on Watch until it is certain that key professional turnover has not negatively affected fund performance.

Economic Environment

For Periods Ending June 2011

Economic Profile

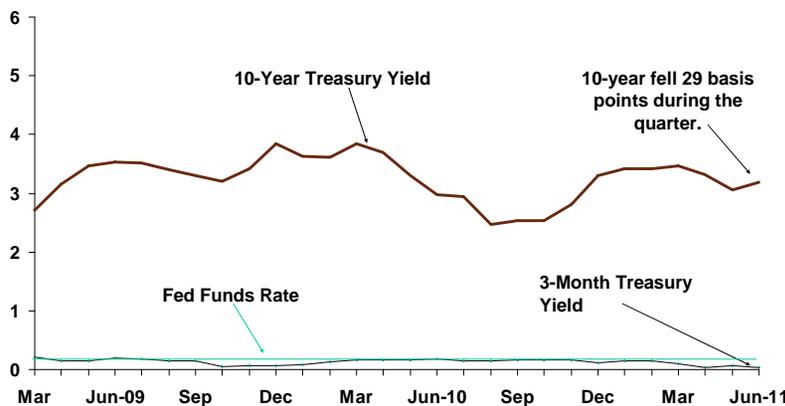
GDP Growth Rate



- The economic recovery lost steam during the quarter as higher unemployment, anemic consumer spending and the depressed housing market restrained growth. The Bureau of Economic Analysis' advance estimate of second quarter GDP is 1.3%.
- Employment growth slowed considerably in the last two months of the quarter after several months of strong gains as the government continued to lay off workers and private-sector hiring slipped to its slowest pace in over a year. The unemployment rate rose to 9.2% in June, reaching the highest level since December.
- Consumer spending was weak during the quarter as retail sales declined slightly in May and were nearly flat in April and June. Consumer confidence fell in June to the worst level in eight months amid concerns over employment and income.
- The housing market remained depressed. Home prices rose in April for the first time in eight months, but are still lower than a year ago and housing starts are well below 2010 levels and close to their 30-year low.

Interest Rates and Inflation

Treasury Yields



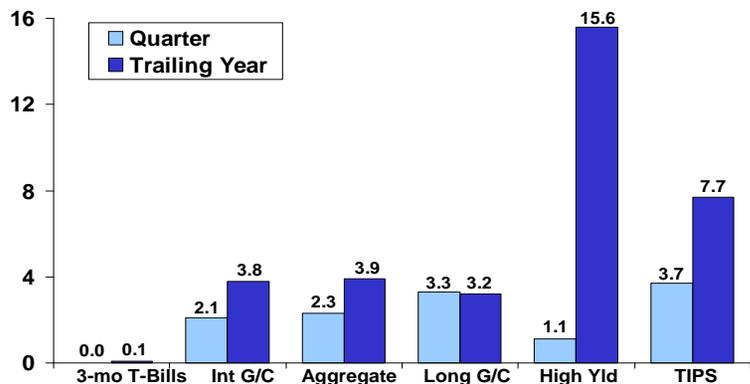
- The Fed held the federal funds rate target range at 0% to 0.25%, citing weaker-than-expected economic growth. The \$600 billion QE2 stimulus program ended as planned on June 30th.
- Short-term rates edged down as the 3-month T-bill yield decreased six basis points, ending the quarter at 0.03%.
- Intermediate rates fell as the 2-year Treasury yield decreased 35 basis points to 0.45% and the yield on 10-year Treasuries fell 29 basis points, ending the quarter at 3.18%. The 2- to 10-year yield spread widened slightly to 273 basis points.
- The 30-year Treasury yield moved 13 basis points lower, closing the quarter at 4.38%.
- Consumer prices increased during the quarter, climbing 3.6% on a year-over-year basis. Core prices jumped to 1.6%, the highest 12-month increase since January 2010.

Fixed Income Market Performance

For Periods Ending June 2011

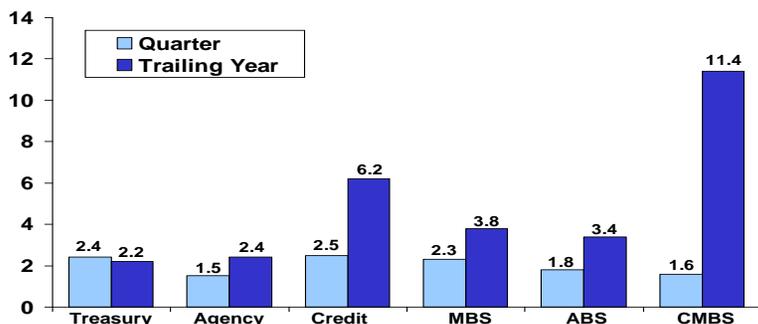
Fixed Income Market Performance

Performance by Maturity and Sector

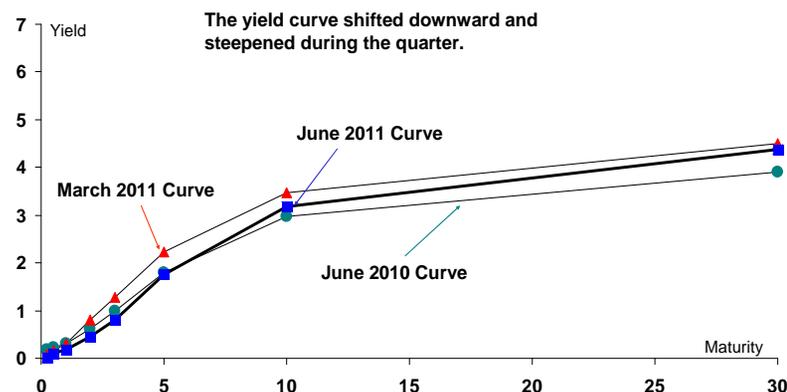


- During the second quarter, treasury yields fell and credit spreads widened slightly. The Barclays Capital Aggregate Bond Index returned 2.3%.
- Concerns over European sovereign debt issues and signs of an economic slowdown led investors to the safety of US Treasuries, which gained 2.4%.
- The Barclays Capital Credit Index was up 2.5%. Long-term bonds outperformed intermediate-term bonds during the quarter. By quality, BAA-rated securities were the strongest performers, returning 2.7%. On average, credit spreads widened 7 basis points during the quarter.
- Within the securitized sector, MBS issues posted the strongest results during the quarter, gaining 2.3%. The Barclays Capital ABS and CMBS indices returned 1.8% and 1.6%, respectively.

Performance by Issuer



Treasury Yield Curves

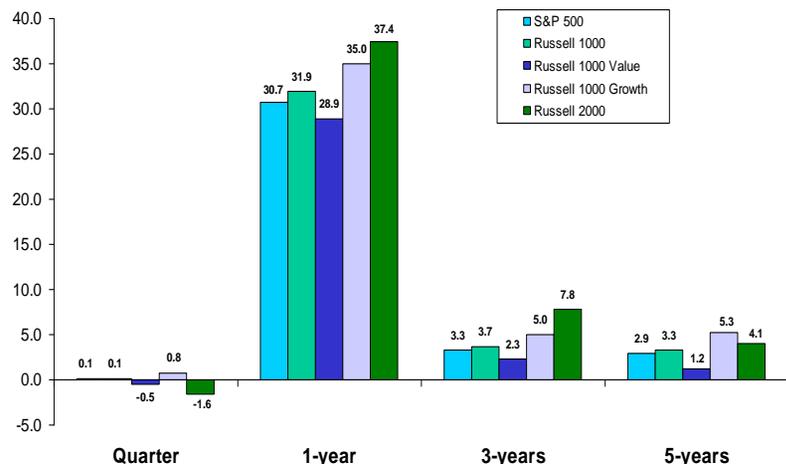


Equity Market Performance

For Periods Ending June 2011

Domestic Equity Market Performance

Market Index Performance



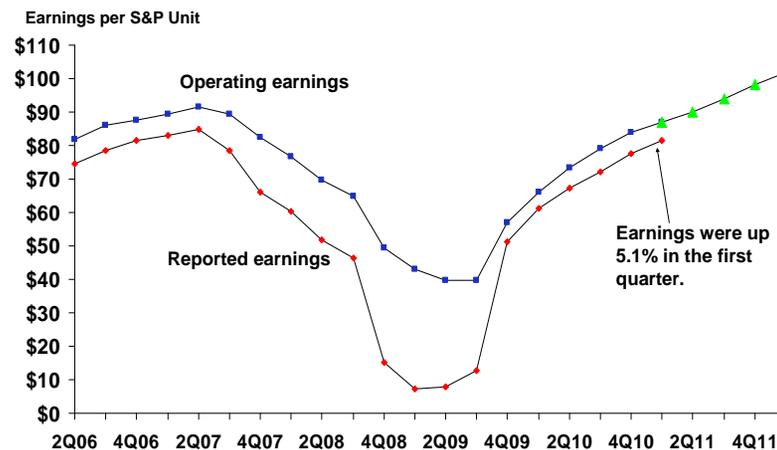
- The stock market struggled during the quarter as signs of a slowing economy and concerns over the Greek debt crisis weighed on investors. Returns were relatively flat for the broad equity markets as both the S&P 500 Index and the Russell 1000 Index edged up 0.1%.
- Small cap stocks underperformed mid and large cap stocks, ending the quarter down 1.6%. Small cap growth stocks lost 0.6% and small cap value fell 2.6%.
- Value underperformed growth across the market cap spectrum, with all value style indices posting negative returns for the quarter. Mid cap growth stocks offered the best results, gaining 1.6%.
- Lower P/E and higher quality stocks held up best as did stocks in defensive sectors. Health Care was the strongest-performing sector within the Russell 1000 Index during the quarter, followed by consumer staples and utilities. Financials and energy were the weakest-performing sectors.

Russell 1000 Sector Returns

Sector	Qtr Return	Weight*
Consumer Discretionary	3.4	11.5
Consumer Staples	5.6	9.5
Energy	-5.0	12.0
Financials	-5.3	15.4
Health Care	7.2	11.6
Industrials	-0.9	11.4
Information Technology	-1.1	17.7
Materials	-1.0	4.4
Telecommunication Services	2.1	2.9
Utilities	5.4	3.5

Source: Returns and security data for the Russell indices are provided by Russell/Mellon Analytical Services. Russell indices are trademarks/service marks of the Frank Russell Company. Russell® is a trademark of the Frank Russell Company. *May not add to 100% due to rounding.

S&P 500 Trailing 4-Quarter Earnings per Unit



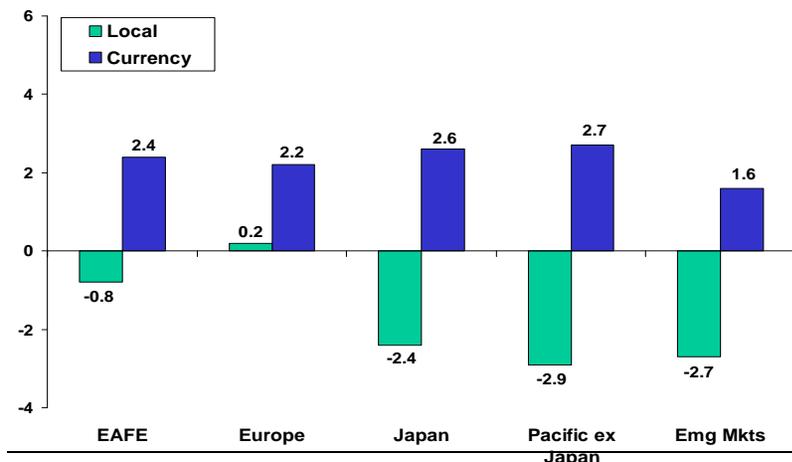
Source: Standard & Poor's

Other Markets

For Periods Ending June 2011

International Equity Market Performance

Regional Performance for the Quarter



- International equity markets outperformed US markets as the MSCI EAFE Index gained 1.6% in US dollar terms. The Index was down 0.8% in local currency terms. The dollar depreciated against the yen and euro during the quarter.
- Performance was flat in the Pacific region. The Pacific-ex-Japan region was down 0.2%, though New Zealand and Singapore saw positive results.
- The European region delivered a 2.4% gain, though performance varied widely across the region. Germany and France returned 6.3% and 4.5% respectively, while the Nordic countries lost 2.8% and Greece plummeted 16.5%.
- Emerging market stocks declined 1.1% during the quarter as concerns over slowing global growth and rising inflation hampered performance. Performance was flat for EM Asia, while EM Latin America and EM Europe lost 2.6% and 3.4% respectively.

Other Asset Classes

High Yield Bonds

- The high yield market pulled back in June after performing well earlier in the quarter as the Barclays Capital High Yield Bond Index posted a modest 1.1% gain for the quarter. The market suffered from hefty high yield mutual fund outflows in June and an over supply of new bond issuance as investors grew more risk averse.
- During the quarter, long-term bonds outperformed intermediate-term issues by a healthy margin, and higher-rated bonds outperformed lower-quality bonds.

Real Estate

- REITS declined in June, but generated positive results for the quarter as the FTSE NAREIT Equity Index returned 2.9%.
- The latest data available for the private real estate market showed a first-quarter gain of 3.4% for the NCREIF Property Index.

Inflation Indexed Bonds

- Treasury Inflation-Protected Securities (TIPS) were up 3.7% for the quarter, outperforming Treasuries by 127 basis points.

Commodities

- The S&P GSCI Index lost 7.9% during the quarter primarily due to weakness in the energy and agriculture sectors. The precious metals sector, up 2.1%, was the only sector to post a positive return.

International Bonds

- The Citigroup Non-U.S. Government Bond Index returned 3.7% during the quarter as all countries except Ireland and Portugal posted positive results.
- The Barclays Capital Emerging Markets Bond Index advanced 3.4% during the quarter.

Market Returns Summary

For Periods Ending June 2011

Market Returns (%) for Periods Ending June 30, 2011

		<u>QTR</u>	<u>YTD</u>	<u>1 YR</u>	<u>3 YRS*</u>	<u>5 YRS*</u>	<u>10 YRS*</u>
Equity	S&P 500	0.1	6.0	30.7	3.3	2.9	2.7
	Russell 1000 Value	-0.5	5.9	28.9	2.3	1.2	4.0
	Russell 1000 Growth	0.8	6.8	35.0	5.0	5.3	2.2
	Russell MidCap	0.4	8.1	38.5	6.5	5.3	7.6
	Russell MidCap Value	-0.7	6.7	34.3	6.3	4.0	8.4
	Russell MidCap Growth	1.6	9.6	43.2	6.6	6.3	5.5
	Russell 2000	-1.6	6.2	37.4	7.8	4.1	6.3
	Russell 2000 Value	-2.6	3.8	31.4	7.1	2.2	7.5
	Russell 2000 Growth	-0.6	8.6	43.5	8.4	5.8	4.6
	Russell 3000	0.0	6.4	32.4	4.0	3.4	3.4
	<i>Merger Large Cap Value Equity Peer Group median**</i>	-0.3	6.2	29.9	3.5	2.8	5.2
	<i>Merger Large Cap Growth Equity Peer Group median**</i>	0.6	6.4	33.8	4.2	5.0	3.5
	<i>Merger Small Cap Value Equity Peer Group median**</i>	-1.7	5.6	35.1	10.1	5.7	10.0
<i>Merger Small Cap Growth Equity Peer Group median**</i>	0.5	10.6	45.4	8.5	6.3	6.7	
Fixed Income	Citigroup 3-Month T-Bill	0.0	0.1	0.1	0.3	1.9	2.0
	Barclays Capital Int. Gov't/Credit	2.1	2.5	3.8	5.8	6.1	5.3
	Barclays Capital Gov't/Credit	2.3	2.6	3.7	6.2	6.4	5.7
	Barclays Capital Aggregate	2.3	2.7	3.9	6.5	6.5	5.7
	Barclays Capital Intermediate Government	2.1	2.1	2.7	4.9	5.9	5.0
	Barclays Capital Long Gov't/Credit	3.3	3.3	3.2	8.2	7.7	7.2
	Barclays Capital MBS	2.3	2.9	3.8	6.8	6.9	5.8
	Barclays Capital TIPS	3.7	5.8	7.7	5.3	6.9	7.0
	Barclays Capital High Yield	1.1	5.0	15.6	12.7	9.3	9.0
	<i>Merger Core Fixed Income Peer Group median**</i>	2.2	3.1	5.1	7.6	7.1	6.2
International	MSCI EAFE	1.6	5.0	30.4	-1.8	1.5	5.7
	MSCI Emerging Markets	-1.1	0.9	27.8	4.2	11.4	16.2
	Citigroup Non-US Gov't Bond	3.7	4.7	13.9	6.2	7.8	8.7
	Citigroup Non-US Gov't Bond - Hedged	1.3	0.4	0.2	4.5	4.4	4.4
	<i>Merger International Equity Universe median**</i>	1.7	5.3	32.3	0.3	3.5	7.8
Miscellaneous	NCREIF Property Index***	3.4	8.1	16.0	-3.6	3.5	7.5
	FTSE NAREIT (Equity REITS)	2.9	10.6	34.1	5.4	2.6	10.7
	BofA Merrill Lynch Inv. Grade Convertible	-0.6	3.1	13.8	6.3	6.7	4.7
	Goldman Sachs Commodity Index	-7.9	2.7	26.1	-21.7	-6.2	3.7
Inflation	CPI	1.0	3.0	3.6	1.0	2.1	2.4

Index at 3/31/11	Dow Jones	NASDAQ	S&P 500	Russell 2000	Wilshire 5000
	12,319.73	2,781.07	1,325.83	843.55	14,101.29
Index at 6/30/11	Dow Jones	NASDAQ	S&P 500	Russell 2000	Wilshire 5000
	12,414.34	2,773.52	1,320.64	827.43	14,023.07

* Annualized

** Preliminary

*** The NCREIF Property returns are one quarter in arrears.

Domestic Equity – Largest Positive & Negative Contributors to S&P 500

For Periods Ending June 2011

Domestic Equity - Largest Positive & Negative Contributors to S&P 500 For Periods Ending June 30, 2011

S&P 500 Quarterly Return = 0.10%

25 Largest Positive Contributors

Stock	Return (%)	End of Quarter Weight	Cap Rank
JOHNSON & JOHNSON	13.22%	1.46%	10
INTEL CORP	10.70%	0.94%	20
INTL BUSINESS MACHINES CORP	5.67%	1.66%	4
AMAZON.COM INC	13.52%	0.74%	28
PEPSICO INC	10.15%	0.89%	22
MCDONALD'S CORP	11.65%	0.70%	29
AMERICAN EXPRESS CO	15.20%	0.50%	40
MERCK & CO	8.06%	0.87%	24
BIOGEN IDEC INC	45.53%	0.21%	118
KRAFT FOODS INC	13.27%	0.50%	41
AT&T INC	4.03%	1.49%	8
UNITEDHEALTH GROUP INC	14.47%	0.45%	44
PROCTER & GAMBLE CO	4.03%	1.42%	11
MICROSOFT CORP	3.06%	1.76%	3
ABBOTT LABORATORIES	8.27%	0.66%	32
MASTERCARD INC	19.78%	0.29%	76
VISA INC	14.66%	0.35%	62
NIKE INC -CL B	19.27%	0.28%	81
WAL-MART STORES INC	2.77%	1.48%	9
BRISTOL-MYERS SQUIBB CO	10.82%	0.40%	55
CVS CAREMARK CORP	9.88%	0.41%	52
AMGEN INC	9.17%	0.43%	48
DELL INC	14.89%	0.25%	92
UNITED TECHNOLOGIES CORP	5.13%	0.65%	33
PFIZER INC	2.37%	1.30%	13

25 Largest Negative Contributors

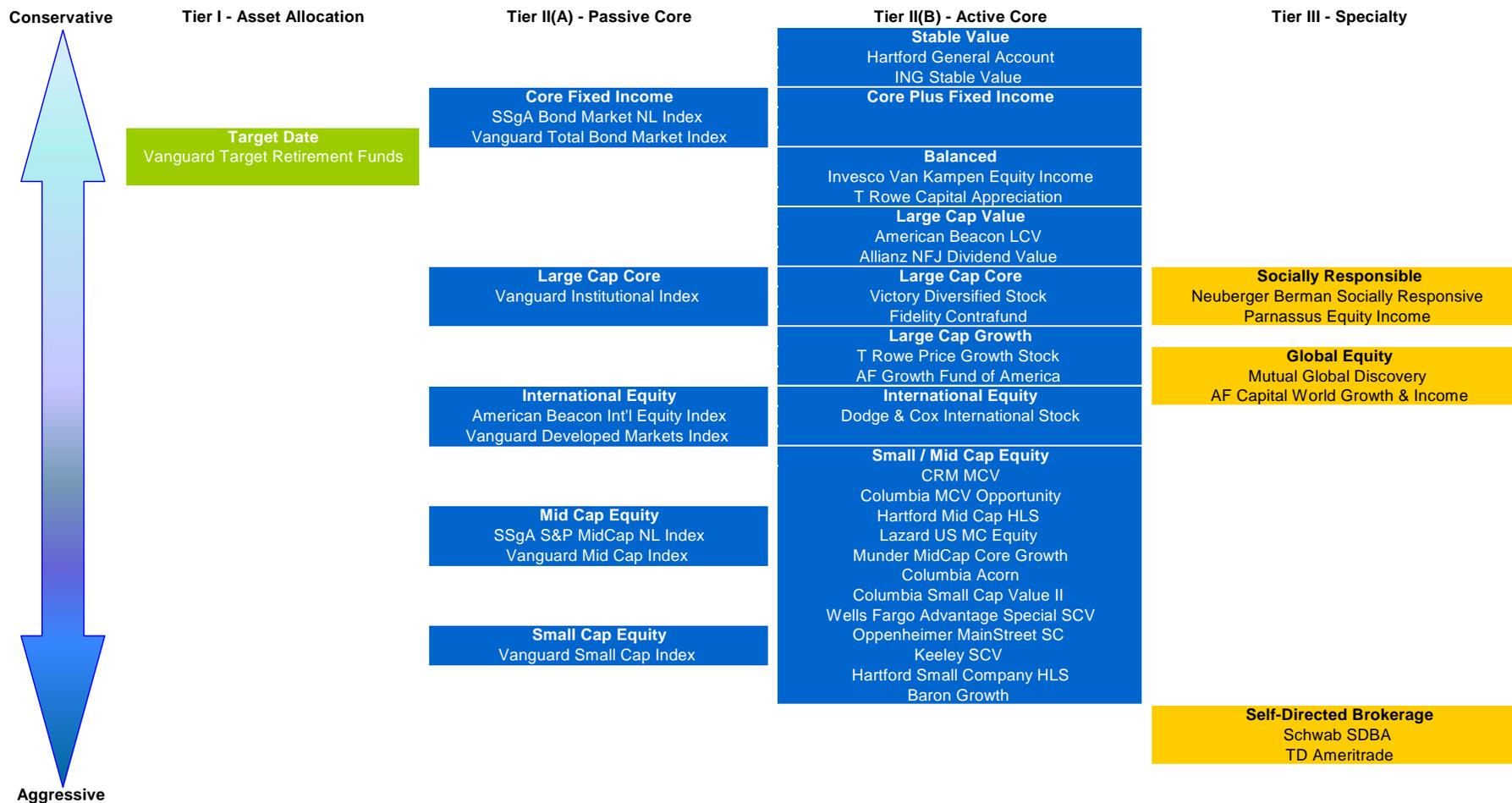
Stock	Return (%)	End of Quarter Weight	Cap Rank
BANK OF AMERICA CORP	-17.70%	0.89%	23
GOOGLE INC	-13.70%	1.03%	17
JPMORGAN CHASE & CO	-10.71%	1.31%	13
WELLS FARGO & CO	-11.14%	1.19%	15
GOLDMAN SACHS GROUP INC	-15.88%	0.55%	37
APPLE INC	-3.68%	2.50%	2
EXXON MOBIL CORP	-2.72%	3.23%	1
GENERAL ELECTRIC CO	-5.19%	1.61%	6
AMERICAN INTERNATIONAL GROUP	-16.56%	0.45%	45
BERKSHIRE HATHAWAY	-7.46%	1.08%	16
HEWLETT-PACKARD CO	-10.86%	0.61%	34
SCHLUMBERGER LTD	-7.09%	0.94%	21
CISCO SYSTEMS INC	-8.98%	0.69%	30
CHEVRON CORP	-3.61%	1.66%	5
DISNEY (WALT) CO	-9.40%	0.59%	35
MORGAN STANLEY	-15.61%	0.29%	79
DEERE & CO	-14.48%	0.28%	80
CONOCOPHILLIPS	-5.00%	0.86%	25
JUNIPER NETWORKS INC	-25.14%	0.14%	180
DEVON ENERGY CORP	-13.94%	0.27%	85
BANK OF NEW YORK MELLON CORP	-13.84%	0.26%	90
FORD MOTOR CO	-7.51%	0.41%	50
MICRON TECHNOLOGY INC	-34.79%	0.06%	365
LOWE'S COMPANIES INC	-11.44%	0.24%	95
CORNING INC	-11.80%	0.23%	104

Data Source: Compustat

Report Date: July 18, 2011

Plan Review – Investment Option Array

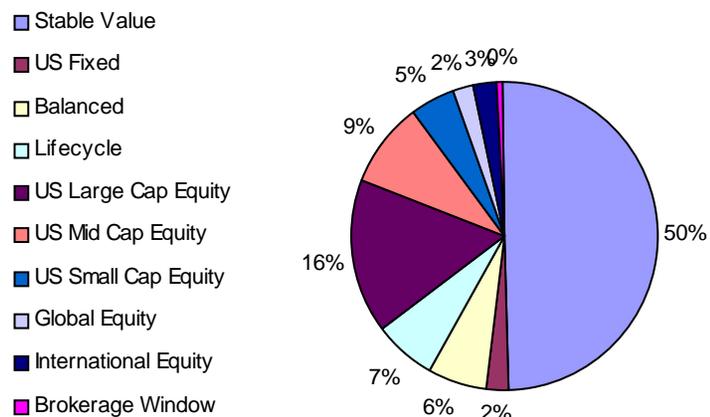
Deferred Compensation Plan – Combined Providers



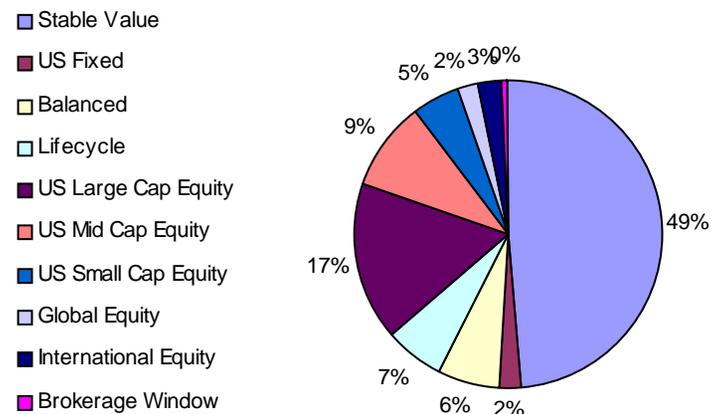
Plan Review – Asset Allocation

Combined Providers – Total Assets

Current Asset Allocation - June 30, 2011



Prior Asset Allocation - March 31, 2011



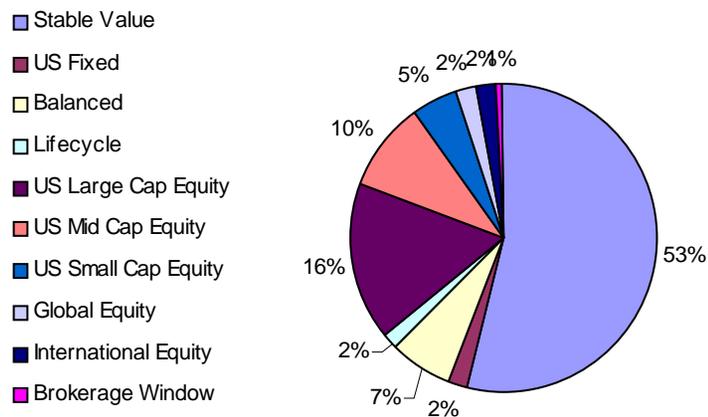
Provider	Investment Option	Tier/Asset Class	Current Balance	% of Plan	% Chg vs. Prior
Asset Allocation Funds		Tier I	\$38,117,569	6.9%	0.2%
Hartford/ING	Vanguard Target Retirement Income Fund Investor	Lifecycle	\$3,525,661	0.6%	0.1%
Hartford/ING	Vanguard Target Retirement 2015 Fund Investor	Lifecycle	\$17,267,433	3.1%	0.1%
Hartford/ING	Vanguard Target Retirement 2025 Fund Investor	Lifecycle	\$2,507,949	0.5%	0.1%
Hartford/ING	Vanguard Target Retirement 2035 Fund Investor	Lifecycle	\$13,476,266	2.4%	0.1%
Hartford/ING	Vanguard Target Retirement 2045 Fund Investor	Lifecycle	\$1,340,260	0.2%	0.0%
Passive Core Options		Tier IIA	\$49,178,905	8.8%	1.6%
Hartford	SSgA Bond Market NL Series	Domestic Fixed	\$8,935,190	1.6%	0.0%
ING	Vanguard Total Bond Market Index Fund Inst	Domestic Fixed	\$3,350,384	0.6%	0.0%
Hartford/ING	Vanguard Institutional Index Fund Institutional	Domestic Equity	\$18,509,376	3.3%	0.2%
Hartford	American Beacon International Equity Index Fd Inst	International Equity	\$10,449,822	1.9%	1.6%
ING	Vanguard Developed Markets Index Fund Investor	International Equity	\$513,079	0.1%	0.0%
Hartford	SSgA S&P Midcap NL Series	Domestic Equity	\$1,693,720	0.3%	0.0%
ING	Vanguard Mid-Cap Index Fund Signal	Domestic Equity	\$1,247,815	0.2%	0.0%
Hartford/ING	Vanguard Small-Cap Index Fund Signal	Domestic Equity	\$4,479,520	0.8%	-0.2%

Provider	Investment Option	Tier/Asset Class	Current Balance	% of Plan	% Chg vs. Prior
	Active Core Options	Tier IIB	\$449,783,735	80.9%	-1.9%
Hartford	Hartford General Account	Stable Value	\$245,387,180	44.1%	0.8%
ING	ING Stable Value Fund	Stable Value	\$29,063,883	5.2%	-0.1%
Hartford	Invesco Van Kampen Equity & Income Fund Y	Balanced	\$30,668,963	5.5%	-0.1%
ING	ING T. Rowe Price Cap Apprec I	Balanced	\$3,199,464	0.6%	0.0%
Hartford	American Beacon Large Cap Value Fund Investor	Domestic Equity	\$10,316,907	1.9%	-0.1%
ING	Allianz NFJ Dividend Value Fund Institutional	Domestic Equity	\$3,272,922	0.6%	0.0%
Hartford	Victory Diversified Stock Fund I	Domestic Equity	\$26,956,036	4.8%	-0.3%
ING	Fidelity Contrafund	Domestic Equity	\$1,180,845	0.2%	0.0%
Hartford	T Rowe Price Growth Stock Fund	Domestic Equity	\$20,400,590	3.7%	-0.1%
ING	American Funds Growth Fund of America R-3	Domestic Equity	\$5,075,663	0.9%	-0.1%
Hartford	AllianceBernstein International Value Fund Advisor	International Equity	\$688	0.0%	-1.6%
ING	Dodge & Cox International Stock Fund	International Equity	\$3,838,494	0.7%	0.0%
Hartford	CRM Mid Cap Value Fund Institutional	Domestic Equity	\$3,406,766	0.6%	0.0%
ING	Columbia Mid Cap Value Opportunity Fund R4	Domestic Equity	\$2,331,736	0.4%	0.0%
Hartford	Hartford MidCap HLS IA	Domestic Equity	\$36,721,078	6.6%	-0.3%
ING	Lazard US Mid Cap Equity Portfolio Open	Domestic Equity	\$1,190,521	0.2%	0.0%
Hartford	Munder Mid-Cap Core Growth Fund Y	Domestic Equity	\$2,179,649	0.4%	0.0%
ING	Columbia Acorn Fund A	Domestic Equity	\$1,926,513	0.3%	0.0%
Hartford	Columbia Small Cap Value Fund II Z	Domestic Equity	\$7,497,888	1.3%	-0.1%
ING	Wells Fargo Advantage Special Small Cap Val Fd A	Domestic Equity	\$1,148,387	0.2%	0.0%
Hartford	Oppenheimer Main Street Small- & Mid-Cap Fund Y	Domestic Equity	\$8,299,452	1.5%	0.0%
ING	KEELEY Small Cap Value Fund A	Domestic Equity	\$428,090	0.1%	0.0%
Hartford	Hartford Small Company HLS IA	Domestic Equity	\$3,825,675	0.7%	0.1%
ING	Baron Growth Fund Retail	Domestic Equity	\$1,466,343	0.3%	0.0%
	Specialty Options	Tier III	\$18,758,334	3.4%	0.1%
Hartford	Neuberger Berman Socially Responsive Fund Investor	Domestic Equity	\$4,418,152	0.8%	0.1%
ING	Parnassus Equity Income Fund Investor	Domestic Equity	\$200,489	0.0%	0.0%
Hartford	Mutual Global Discovery Fund A	Global Equity	\$9,982,182	1.8%	0.0%
ING	American Funds Capital World Gro & Inc Fd R-3	Global Equity	\$1,406,071	0.3%	0.0%
Hartford	Schwab Self-Directed Brokerage Account	Brokerage Window	\$2,362,558	0.4%	0.0%
ING	TD Ameritrade Brokerage Account	Brokerage Window	\$388,882	0.1%	0.0%
	Total Plan		\$555,838,544	100%	

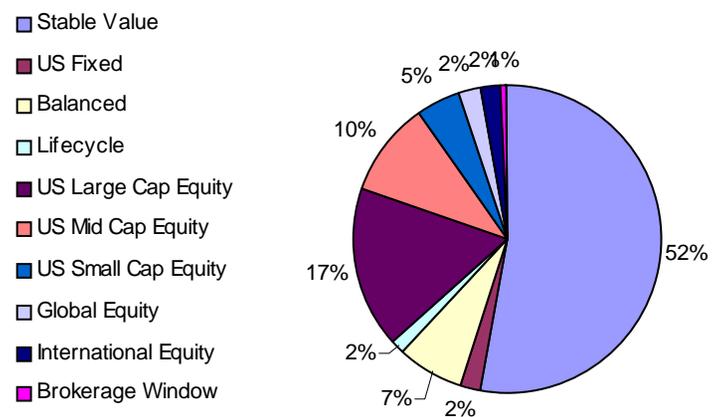
Plan Review – Asset Allocation

Deferred Compensation - Hartford

Current Asset Allocation - June 30, 2011

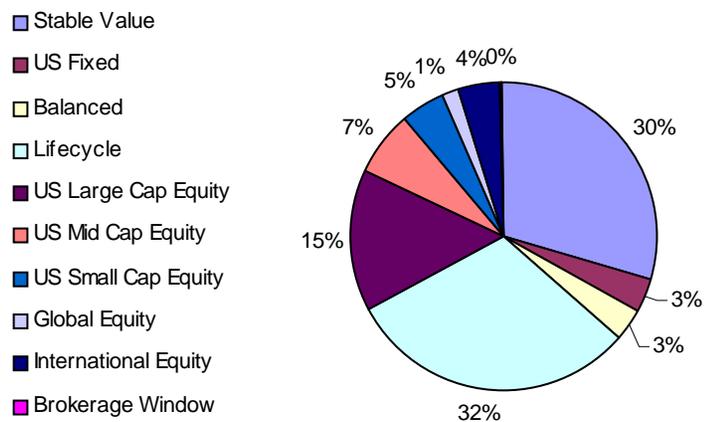


Prior Asset Allocation - March 31, 2011

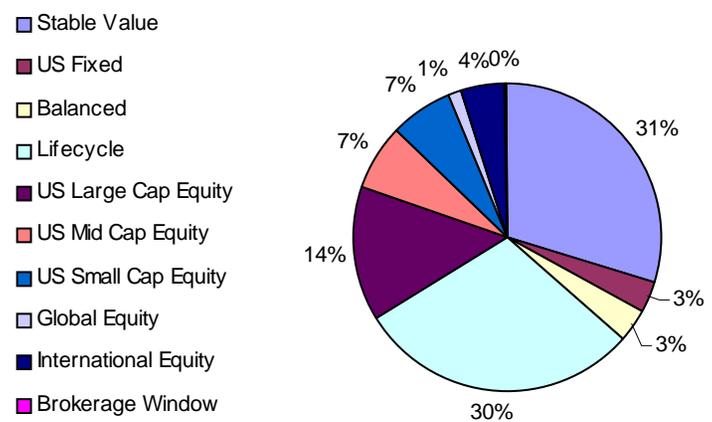


Deferred Compensation - ING

Current Asset Allocation - June 30, 2011



Prior Asset Allocation - March 31, 2011



Plan Review – Investment Expense Analysis Combined Providers – Total Assets¹

Provider	Fund	Fund Balance	Fees to Investmt Manager (\$)	Fees to Investmt Manager (%)	Fees to Record-keeper (\$)	Fees to Record-keeper (%)	Total Fund Expense (\$)	Total Fund Expense (%)	Median Net Expense Ratio ²	Net Expense Diff.
Hartford	Vanguard Target Retirement Inc Fd Inv	\$691,836	\$1,176	0.17%	\$1,038	0.15%	\$2,214	0.32%	0.65%	-0.33%
Hartford	Vanguard Target Retirement 2015 Fd Inv	\$2,490,529	\$3,985	0.16%	\$3,736	0.15%	\$7,721	0.31%	0.78%	-0.47%
Hartford	Vanguard Target Retirement 2025 Fd Inv	\$2,170,938	\$3,908	0.18%	\$3,256	0.15%	\$7,164	0.33%	0.76%	-0.43%
Hartford	Vanguard Target Retirement 2035 Fd Inv	\$1,482,539	\$2,817	0.19%	\$2,224	0.15%	\$5,041	0.34%	0.78%	-0.44%
Hartford	Vanguard Target Retirement 2045 Fd Inv	\$1,266,379	\$2,406	0.19%	\$1,900	0.15%	\$4,306	0.34%	0.79%	-0.45%
ING	Vanguard Target Retirement Inc Fd Inv	\$2,833,826	\$4,818	0.17%	\$5,384	0.19%	\$10,202	0.36%	0.65%	-0.29%
ING	Vanguard Target Retirement 2015 Fd Inv	\$14,776,904	\$23,643	0.16%	\$28,076	0.19%	\$51,719	0.35%	0.78%	-0.43%
ING	Vanguard Target Retirement 2025 Fd Inv	\$337,011	\$607	0.18%	\$640	0.19%	\$1,247	0.37%	0.76%	-0.39%
ING	Vanguard Target Retirement 2035 Fd Inv	\$11,993,727	\$22,788	0.19%	\$22,788	0.19%	\$45,576	0.38%	0.78%	-0.40%
ING	Vanguard Target Retirement 2045 Fd Inv	\$73,881	\$140	0.19%	\$140	0.19%	\$281	0.38%	0.79%	-0.41%
Hartford	SSgA Bond Market NL Series	\$8,935,190	\$5,361	0.06%	\$8,042	0.09%	\$13,403	0.15%	0.23%	-0.08%
ING	Vanguard Total Bond Market Index Fd Inst	\$3,350,384	\$2,345	0.07%	\$6,366	0.19%	\$8,711	0.26%	0.23%	0.03%
Hartford	Vanguard Institutional Index Fd Inst	\$13,678,349	\$5,471	0.04%	\$0	0.00%	\$5,471	0.04%	0.20%	-0.16%
ING	Vanguard Institutional Index Fd Inst	\$4,831,027	\$1,932	0.04%	\$9,179	0.19%	\$11,111	0.23%	0.20%	0.03%
Hartford	American Beacon Int'l Equity Index Fd Inst	\$10,449,822	\$21,945	0.21%	\$0	0.00%	\$21,945	0.21%	0.48%	-0.27%
ING	Vanguard Developed Mkts Index Fd Inv	\$513,079	\$1,129	0.22%	\$975	0.19%	\$2,104	0.41%	0.48%	-0.07%
Hartford	SSgA S&P Midcap NL Series	\$1,693,720	\$847	0.05%	\$0	0.00%	\$847	0.05%	0.27%	-0.22%
ING	Vanguard Mid-Cap Index Fund Signal	\$1,247,815	\$1,497	0.12%	\$2,371	0.19%	\$3,868	0.31%	0.27%	0.04%
Hartford	Vanguard Small-Cap Index Fund Signal	\$2,720,594	\$4,625	0.17%	\$0	0.00%	\$4,625	0.17%	0.30%	-0.13%
ING	Vanguard Small-Cap Index Fund Signal	\$1,758,926	\$2,990	0.17%	\$3,342	0.19%	\$6,332	0.36%	0.30%	0.06%
Hartford	Hartford General Account	\$245,387,180	\$1,104,242	0.45%	\$368,081	0.15%	\$1,472,323	0.60%	0.30%	0.30%
ING	ING Stable Value Fund	\$29,063,883	\$58,128	0.20%	\$159,851	0.55%	\$217,979	0.75%	0.30%	0.45%
Hartford	Invesco Van Kampen Equity & Income Y	\$30,668,963	\$116,542	0.38%	\$46,003	0.15%	\$162,546	0.53%	0.91%	-0.38%
ING	ING T. Rowe Price Cap Apprec I	\$3,199,464	\$11,838	0.37%	\$8,958	0.28%	\$20,797	0.65%	0.91%	-0.26%
Hartford	American Beacon Large Cap Value Fd Inv	\$10,316,907	\$59,838	0.58%	\$25,792	0.25%	\$85,630	0.83%	0.77%	0.06%

¹ Totals may not add up due to rounding

² Median institutional share class net expense ratio as defined by the respective Mercer Mutual Fund Universe
Mercer

Provider	Fund	Fund Balance	Fees to Investmt Manager (\$)	Fees to Investmt Manager (%)	Fees to Record-keeper (\$)	Fees to Record-keeper (%)	Total Fund Expense (\$)	Total Fund Expense (%)	Median Net Expense Ratio ²	Net Expense Diff.
ING	Allianz NFJ Dividend Value Fd Inst	\$3,272,922	\$20,292	0.62%	\$3,273	0.10%	\$23,565	0.72%	0.77%	-0.05%
Hartford	Victory Diversified Stock Fund I	\$26,956,036	\$164,432	0.61%	\$40,434	0.15%	\$204,866	0.76%	0.83%	-0.07%
ING	Fidelity Contrafund	\$1,180,845	\$7,912	0.67%	\$2,952	0.25%	\$10,864	0.92%	0.83%	0.09%
Hartford	T Rowe Price Growth Stock Fund	\$20,400,590	\$112,203	0.55%	\$30,601	0.15%	\$142,804	0.70%	0.89%	-0.19%
ING	American Funds Growth Fund of Amer R3	\$5,075,663	\$16,242	0.32%	\$32,992	0.65%	\$49,234	0.97%	0.89%	0.08%
Hartford	AllianceBernstein Int'l Value Fund Advisor	\$688	\$5	0.78%	\$2	0.25%	\$7	1.03%	1.05%	-0.02%
ING	Dodge & Cox International Stock Fund	\$3,838,494	\$21,112	0.55%	\$3,838	0.10%	\$24,950	0.65%	1.05%	-0.40%
Hartford	CRM Mid Cap Value Fund Institutional	\$3,406,766	\$23,507	0.69%	\$3,407	0.10%	\$26,913	0.79%	0.95%	-0.16%
Hartford	Hartford MidCap HLS IA	\$36,721,078	\$91,803	0.25%	\$161,573	0.44%	\$253,375	0.69%	0.98%	-0.29%
Hartford	Munder Mid-Cap Core Growth Fund Y	\$2,179,649	\$18,527	0.85%	\$5,449	0.25%	\$23,976	1.10%	1.00%	0.10%
Hartford	Oppenheimer MS Small- & Mid-Cap Fd Y	\$8,299,452	\$28,793	0.35%	\$40,093	0.48%	\$68,885	0.83%	1.08%	-0.25%
Hartford	Columbia Small Cap Value Fund II Z	\$7,497,888	\$60,733	0.81%	\$18,745	0.25%	\$79,478	1.06%	1.05%	0.01%
Hartford	Hartford Small Company HLS IA	\$3,825,675	\$9,182	0.24%	\$18,746	0.49%	\$27,927	0.73%	1.10%	-0.37%
ING	Columbia Mid Cap Value Opp Fd R4	\$2,331,736	\$16,322	0.70%	\$8,161	0.35%	\$24,483	1.05%	0.95%	0.10%
ING	Lazard US Mid Cap Equity Portfolio Open	\$1,190,521	\$9,167	0.77%	\$4,762	0.40%	\$13,929	1.17%	0.98%	0.19%
ING	Columbia Acorn Fund A	\$1,926,513	\$10,981	0.57%	\$9,633	0.50%	\$20,614	1.07%	1.00%	0.07%
ING	Wells Fargo Adv Special Small Cap Val A	\$1,148,387	\$11,484	1.00%	\$4,019	0.35%	\$15,503	1.35%	1.05%	0.30%
ING	KEELEY Small Cap Value Fund A	\$428,090	\$4,324	1.01%	\$1,498	0.35%	\$5,822	1.36%	1.08%	0.28%
ING	Baron Growth Fund Retail	\$1,466,343	\$13,490	0.92%	\$5,865	0.40%	\$19,356	1.32%	1.10%	0.22%
Hartford	Neuberger Berman Socially Resp Fd Inv	\$4,418,152	\$37,554	0.85%	\$4,418	0.10%	\$41,972	0.95%	0.89%	0.06%
ING	Parnassus Equity Income Fund Investor	\$200,489	\$1,484	0.74%	\$501	0.25%	\$1,985	0.99%	0.89%	0.10%
Hartford	Mutual Global Discovery Fund A	\$9,982,182	\$82,360	0.83%	\$51,402	0.51%	\$133,761	1.34%	1.08%	0.26%
ING	American Funds Capital World G&I Fd R3	\$1,406,071	\$6,327	0.45%	\$9,139	0.65%	\$15,467	1.10%	1.08%	0.02%
Hartford	Schwab Self-Directed Brokerage Account	\$2,362,558	NA	NA	NA	NA	NA	NA	NA	NA
ING	TD Ameritrade Brokerage Account	\$388,882	NA	NA	NA	NA	NA	NA	NA	NA
Hartford	Total Excluding Schwab Brokerage	\$455,641,101	\$1,962,261	0.43%	\$834,940	0.18%	\$2,797,201	0.61%		
ING	Total Excluding TDA Brokerage	\$97,446,001	\$270,992	0.28%	\$334,706	0.34%	\$605,698	0.62%		
Combined	Total Excluding Brokerage Accounts	\$553,087,104	\$2,233,253	0.40%	\$1,169,646	0.21%	\$3,402,899	0.62%		

Plan Review – Compliance Table

Periods ending June 30, 2011

		3 Years		5 Years		7 Years		Comments
		<u>Index</u>	<u>Universe Median</u>	<u>Index</u>	<u>Universe Median</u>	<u>Index</u>	<u>Universe Median</u>	
✓ = Outperformed or matched performance T = Index tracked benchmark within appropriate range ✗ = Underperformed								
Hartford & ING	Vanguard Target Retirement Income	T	✓	T	✓	T	✓	Retain
Hartford & ING	Vanguard Target Retirement 2015	T	✓	T	✓	T	✓	Retain
Hartford & ING	Vanguard Target Retirement 2025	T	✓	T	✓	T	✗ (2 consecutive quarters)	Retain
Hartford & ING	Vanguard Target Retirement 2035	T	✓	T	✓	T	✓	Retain
Hartford & ING	Vanguard Target Retirement 2045	T	✓	T	✓	T	N/A	Retain
Hartford	SSgA Bond Market NL Series (Inception Oct 2007)	T	N/A	N/A	N/A	N/A	N/A	Retain
ING	Vanguard Total Bond Market Index Fund Institutional	T	N/A	T	N/A	T	N/A	Retain
Hartford & ING	Vanguard Institutional Index Fund	T	N/A	T	N/A	T	N/A	Retain
Hartford	American Beacon International Equity Index Fd Inst	T	N/A	T	N/A	T	N/A	Retain
ING	Vanguard Developed Markets Index Fund Investor	T	N/A	T	N/A	T	N/A	Retain
Hartford	SSgA S&P Midcap NL Series	T	N/A	T	N/A	T	N/A	Retain
ING	Vanguard Mid-Cap Index Fund Signal	T	N/A	T	N/A	T	N/A	Retain

✓ = Outperformed or matched performance T = Index tracked benchmark within appropriate range ✗ = Underperformed		3 Years		5 Years		7 Years		Comments
		Index	Universe Median	Index	Universe Median	Index	Universe Median	
		Hartford & ING	Vanguard Small-Cap Index Fund Signal	T	N/A	T	N/A	
Hartford	Hartford General Account	✓	N/A	✓	N/A	✓	N/A	Retain
ING	ING Stable Value Fund (Inception Jun 2009)	N/A	N/A	N/A	N/A	N/A	N/A	Retain
Hartford	Invesco Van Kampen Equity & Income Fund Y	✓	✓	✗ (1 quarter)	✓	N/A	N/A	Recommend Removal from Watch
ING	ING T. Rowe Price Cap Apprec I	✓	✓	✓	✓	✓	✓	Retain
Hartford	American Beacon Large Cap Value Fund Investor	✗ (1 quarter)	✓	✓	✗ (3 consecutive quarters)	✓	✓	Retain
ING	Allianz NFJ Dividend Value Fund Institutional	✗ (6 consecutive quarters)	✗ (11 consecutive quarters)	✗ (1 quarter)	✗ (3 consecutive quarters)	✓	✓	Retain
Hartford	Victory Diversified Stock Fund I	✗ (5 consecutive quarters)	✗ (5 consecutive quarters)	N/A	N/A	N/A	N/A	Retain
ING	Fidelity Contrafund	✗ (1 quarter)	✗ (1 quarter)	✓	✓	✓	✓	Retain
Hartford	T Rowe Price Growth Stock Fund	✗ (9 consecutive quarters)	✓	✗ (1 quarter)	✓	✓	✓	Retain
ING	American Funds Growth Fund of America R-3	✗ (11 consecutive quarters)	✗ (9 consecutive quarters)	✗ (4 consecutive quarters)	✗ (3 consecutive quarters)	✓	✓	Maintain on Watch
Hartford	AllianceBernstein International Value Fund Advisor	✗ (11 consecutive quarters)	✗ (11 consecutive quarters)	✗ (11 consecutive quarters)	✗ (11 consecutive quarters)	✗ (7 consecutive quarters)	✗ (7 consecutive quarters)	Terminated. Assets mapped to American Beacon International Equity Index on May 6, 2011. Residual assets remain in Plan.

✓ = Outperformed or matched performance T = Index tracked benchmark within appropriate range ✗ = Underperformed		3 Years		5 Years		7 Years		Comments
		Index	Universe Median	Index	Universe Median	Index	Universe Median	
ING	Dodge & Cox International Stock Fund	✓	✓	✓	✓	✓	✓	Retain
Hartford	CRM Mid Cap Value Fund Institutional	✗ (3 consecutive quarters)	✗ (3 consecutive quarters)	✓	✓	✓	✓	Retain
ING	Columbia Mid Cap Value Opportunity Fund R4	✗ (5 consecutive quarters)	✗ (11 consecutive quarters)	✗ (1 quarter)	✗ (1 quarter)	✓	✓	Retain
Hartford	Hartford MidCap HLS IA	✗ (1 quarter)	✗ (1 quarter)	✓	✓	✓	✓	Maintain on Watch
ING	Lazard US Mid Cap Equity Portfolio Open	✗ (2 consecutive quarters)	✓	✗ (11 consecutive quarters)	✗ (11 consecutive quarters)	✗ (11 consecutive quarters)	✗ (2 consecutive quarters)	Maintain on Watch
Hartford	Munder Mid-Cap Core Growth Fund Y	✗ (6 consecutive quarters)	✗ (8 consecutive quarters)	✗ (2 consecutive quarters)	✗ (5 consecutive quarters)	✓	✓	Maintain on Watch
ING	Columbia Acorn Fund A	✓	✓	✗ (2 consecutive quarters)	✗ (2 consecutive quarters)	✓	✓	Retain
Hartford	Columbia Small Cap Value Fund II Z	✗ (1 quarter)	✗ (9 consecutive quarters)	✓	✓	✓	✓	Retain
ING	Wells Fargo Advantage Special Small Cap Value Fund A	✗ (2 consecutive quarters)	✗ (9 consecutive quarters)	✓	✗ (6 consecutive quarters)	✓	✗ (9 consecutive quarters)	Retain
Hartford	Oppenheimer Main Street Small- & Mid-Cap Fund Y	✗ (3 consecutive quarters)	✓	✗ (3 consecutive quarters)	✗ (3 consecutive quarters)	✓	✓	Maintain on Watch
ING	KEELEY Small Cap Value Fund A	✗ (11 consecutive quarters)	✗ (11 consecutive quarters)	✗ (6 consecutive quarters)	✗ (6 consecutive quarters)	✓	✓	Maintain on Watch
Hartford	Hartford Small Company HLS IA	✗ (9 consecutive quarters)	✗ (5 consecutive quarters)	✗ (1 quarter)	✓	✓	✓	Retain

✓ = Outperformed or matched performance T = Index tracked benchmark within appropriate range ✗ = Underperformed		3 Years		5 Years		7 Years		Comments
		<u>Index</u>	<u>Universe Median</u>	<u>Index</u>	<u>Universe Median</u>	<u>Index</u>	<u>Universe Median</u>	
ING	Baron Growth Fund Retail	✗ (4 consecutive quarters)	✗ (2 consecutive quarters)	✗ (6 consecutive quarters)	✗ (1 quarter)	✓	✓	Retain
Hartford	Neuberger Berman Socially Responsive Fund Investor	✗ (11 consecutive quarters)	✓	✗ (1 quarter)	✓	✓	✓	Retain
ING	Parnassus Equity Income Fund Investor	✓	✓	✓	✓	✓	✓	Retain
Hartford	Mutual Global Discovery Fund A	✓	✓	✓	✓	✓	✓	Maintain on Watch
ING	American Funds Capital World Gro & Inc Fd R-3	✓	✗ (2 consecutive quarters)	✓	✓	✓	✓	Retain

Plan Review – Performance Summary

Periods ending June 30, 2011

Tier I - Asset Allocation Funds

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Vanguard Target Retirement Income Fund Investor	1.7%	12.3%	5.6%	5.9%	5.4%	NA
Vanguard Target Income Composite Index	1.8%	12.5%	5.5%	5.9%	5.4%	NA
<i>Mercer Mutual Fund Lifecycle Income Universe Median</i>	1.3%	12.3%	5.1%	5.0%	4.8%	4.4%
<i>Fund Rank in Universe</i>	7	53	32	7	11	NA
Vanguard Target Retirement 2015 Fund Investor	1.2%	20.0%	5.0%	5.1%	5.5%	NA
Vanguard Target 2015 Composite Index	1.0%	20.1%	4.9%	5.0%	5.4%	NA
<i>Mercer Mutual Fund Lifecycle 2015 Universe Median</i>	0.9%	19.4%	4.0%	4.3%	4.2%	2.9%
<i>Fund Rank in Universe</i>	34	37	14	25	11	NA
Vanguard Target Retirement 2025 Fund Investor	0.8%	24.3%	4.4%	4.5%	5.3%	NA
Vanguard Target 2025 Composite Index	0.7%	24.3%	4.2%	4.4%	5.3%	NA
<i>Mercer Mutual Fund Lifecycle 2025 Universe Median</i>	0.7%	24.5%	3.6%	4.0%	5.3%	NA
<i>Fund Rank in Universe</i>	42	61	29	22	67	NA
Vanguard Target Retirement 2035 Fund Investor	0.4%	28.7%	4.0%	4.1%	5.4%	NA
Vanguard Target 2035 Composite Index	0.4%	28.6%	3.8%	4.0%	5.4%	NA
<i>Mercer Mutual Fund Lifecycle 2035 Universe Median</i>	0.4%	28.7%	3.3%	3.2%	5.3%	NA
<i>Fund Rank in Universe</i>	53	47	25	22	33	NA
Vanguard Target Retirement 2045 Fund Investor	0.4%	29.0%	4.0%	4.1%	5.7%	NA
Vanguard Target 2045 Composite Index	0.3%	28.7%	3.8%	4.0%	5.7%	NA
<i>Mercer Mutual Fund Lifecycle 2045 Universe Median</i>	0.4%	29.4%	2.9%	3.1%	NA	NA
<i>Fund Rank in Universe</i>	39	68	22	29	NA	NA

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

Tier IIA - Passive Core Options

Domestic Fixed

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
SSgA Bond Market NL Series – Inception Oct 2007	2.2%	3.7%	6.4%	NA	NA	NA
Barclays Capital US Aggregate	2.3%	3.9%	6.5%	6.5%	5.5%	5.7%
Vanguard Total Bond Market Index Fund Inst	2.3%	3.7%	6.5%	6.6%	5.5%	5.5%
Barclays Capital US Aggregate	2.3%	3.9%	6.5%	6.5%	5.5%	5.7%

Large Cap Domestic Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Vanguard Institutional Index Fund Institutional	0.1%	30.7%	3.4%	3.0%	4.2%	2.7%
S&P 500	0.1%	30.7%	3.3%	2.9%	4.2%	2.7%

International Equity³

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
American Beacon International Equity Index Fd Inst	2.0%	31.9%	-1.7%	1.5%	6.5%	5.6%
MSCI EAFE NET WHT	1.6%	30.4%	-1.8%	1.5%	6.4%	5.7%
Vanguard Developed Markets Index Fund Investor	2.1%	32.1%	-1.4%	1.7%	6.5%	5.7%
MSCI EAFE NET WHT	1.6%	30.4%	-1.8%	1.5%	6.4%	5.7%

Small/Mid Cap Domestic Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
SSgA S&P Midcap NL Series	-0.7%	39.3%	7.8%	6.6%	8.6%	8.0%
S&P 400 MidCap	-0.7%	39.4%	7.8%	6.6%	8.5%	7.9%
Vanguard Mid-Cap Index Fund Signal	-0.1%	38.7%	6.4%	5.1%	8.2%	NA
Vanguard Spliced Mid Cap Index	-0.1%	38.7%	6.4%	5.1%	8.2%	7.6%
Vanguard Small-Cap Index Fund Signal	-1.1%	39.5%	9.3%	5.6%	7.7%	7.3%
Vanguard Spliced Small Cap Index	-1.2%	39.4%	9.2%	5.5%	7.7%	7.2%

³ American Beacon International Equity Index and Vanguard Developed Markets Index may not track the index because of fair-value pricing used in the calculation of these funds' NAV, whereas the MSCI EAFE Index uses the closing prices of the securities in their local markets.

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

Tier IIB - Active Core Options

Stable Value

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Hartford General Account	1.1%	4.6%	4.9%	4.8%	NA	NA
Citigroup Tbill + 100 bp Premium	0.3%	1.1%	1.3%	2.9%	3.2%	3.0%
ING Stable Value Fund – Inception June 2009	0.5%	2.5%	NA	NA	NA	NA
Citigroup Tbill + 100 bp Premium	0.3%	1.1%	1.3%	2.9%	3.2%	3.0%

Balanced

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Invesco Van Kampen Equity & Income Fund Y	-0.3%	23.1%	6.5%	4.6%	NA	NA
S&P 500 60% / 40% BC Aggregate	1.0%	19.6%	5.1%	4.8%	5.0%	4.3%
<i>Mercer Mutual Fund US Balanced Universe Median</i>	0.8%	19.3%	4.7%	4.5%	5.1%	4.4%
<i>Fund Rank in Universe</i>	90	20	14	46	NA	NA
ING T. Rowe Price Cap Apprec I	1.2%	23.6%	6.9%	6.5%	7.8%	NA
S&P 500 60% / 40% BC Aggregate	1.0%	19.6%	5.1%	4.8%	5.0%	4.3%
<i>Mercer Mutual Fund US Balanced Universe Median</i>	0.8%	19.3%	4.7%	4.5%	5.1%	4.4%
<i>Fund Rank in Universe</i>	22	18	11	7	1	NA

Large Cap Domestic Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
American Beacon Large Cap Value Fund Investor	-1.0%	26.6%	2.3%	1.2%	4.7%	4.9%
Russell 1000 Value	-0.5%	28.9%	2.3%	1.2%	4.4%	4.0%
<i>Mercer Mutual Fund US Equity Large Cap Value Universe Median</i>	-0.5%	28.3%	2.2%	1.6%	4.1%	3.5%
<i>Fund Rank in Universe</i>	70	78	48	59	38	14
Allianz NFJ Dividend Value Fund Institutional	0.6%	31.9%	-0.6%	1.1%	5.1%	5.9%
Russell 1000 Value	-0.5%	28.9%	2.3%	1.2%	4.4%	4.0%
<i>Mercer Mutual Fund US Equity Large Cap Value Universe Median</i>	-0.5%	28.3%	2.2%	1.6%	4.1%	3.5%
<i>Fund Rank in Universe</i>	22	13	91	59	26	6
Victory Diversified Stock Fund I	-2.6%	27.5%	-0.7%	NA	NA	NA
S&P 500	0.1%	30.7%	3.3%	2.9%	4.2%	2.7%
<i>Mercer Mutual Fund US Equity Large Cap Core Universe Median</i>	0.0%	29.0%	2.9%	2.7%	4.1%	2.7%
<i>Fund Rank in Universe</i>	93	65	90	NA	NA	NA

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Fidelity Contrafund	-0.5%	28.2%	2.6%	5.0%	7.6%	7.1%
S&P 500	0.1%	30.7%	3.3%	2.9%	4.2%	2.7%
<i>Mercer Mutual Fund US Equity Large Cap Core Universe Median</i>	0.0%	29.0%	2.9%	2.7%	4.1%	2.7%
<i>Fund Rank in Universe</i>	68	57	56	9	3	1
T Rowe Price Growth Stock Fund	0.1%	33.8%	4.2%	4.9%	5.6%	4.0%
Russell 1000 Growth	0.8%	35.0%	5.0%	5.3%	4.9%	2.2%
<i>Mercer Mutual Fund US Equity Large Cap Growth Universe Median</i>	0.3%	33.1%	2.9%	4.1%	4.5%	2.1%
<i>Fund Rank in Universe</i>	57	45	32	34	23	10
American Funds Growth Fund of America R-3	-0.8%	27.3%	0.8%	2.6%	5.1%	NA
Russell 1000 Growth	0.8%	35.0%	5.0%	5.3%	4.9%	2.2%
<i>Mercer Mutual Fund US Equity Large Cap Growth Universe Median</i>	0.3%	33.1%	2.9%	4.1%	4.5%	2.1%
<i>Fund Rank in Universe</i>	81	88	78	77	31	NA

International Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
AllianceBernstein International Value Fund Advisor	-0.1%	28.8%	-8.4%	-3.7%	4.1%	6.7%
MSCI EAFE NET WHT	1.6%	30.4%	-1.8%	1.5%	6.4%	5.7%
MSCI EAFE Value NET WHT	1.0%	29.4%	-1.7%	0.4%	6.0%	6.0%
<i>Mercer Mutual Fund Intl Equity Universe Median</i>	1.4%	32.1%	-0.6%	2.5%	7.2%	6.1%
<i>Fund Rank in Universe</i>	81	75	99	100	96	44
Dodge & Cox International Stock Fund	0.5%	31.4%	1.3%	3.4%	9.2%	9.7%
MSCI EAFE NET WHT	1.6%	30.4%	-1.8%	1.5%	6.4%	5.7%
MSCI EAFE Value NET WHT	1.0%	29.4%	-1.7%	0.4%	6.0%	6.0%
<i>Mercer Mutual Fund Intl Equity Universe Median</i>	1.4%	32.1%	-0.6%	2.5%	7.2%	6.1%
<i>Fund Rank in Universe</i>	73	57	29	34	21	11

Small/Mid Cap Domestic Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
CRM Mid Cap Value Fund Institutional	0.7%	38.3%	5.4%	5.7%	7.9%	9.2%
Russell Midcap Value	-0.7%	34.3%	6.3%	4.0%	7.8%	8.4%
<i>Mercer Mutual Fund US Equity Mid Cap Value Universe Median</i>	-0.9%	34.3%	6.5%	4.4%	7.2%	7.5%
<i>Fund Rank in Universe</i>	6	13	60	28	35	29

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Columbia Mid Cap Value Opportunity Fund R4	-0.7%	39.1%	4.5%	4.0%	8.5%	NA
Russell Midcap Value	-0.7%	34.3%	6.3%	4.0%	7.8%	8.4%
<i>Mercer Mutual Fund US Equity Mid Cap Value Universe Median</i>	-0.9%	34.3%	6.5%	4.4%	7.2%	7.5%
<i>Fund Rank in Universe</i>	44	6	68	52	20	NA
Hartford MidCap HLS IA	-0.7%	33.4%	4.8%	6.9%	9.5%	8.6%
Russell Midcap	0.4%	38.5%	6.5%	5.3%	8.1%	7.6%
S&P 400 MidCap	-0.7%	39.4%	7.8%	6.6%	8.5%	7.9%
<i>Mercer Mutual Fund US Equity Mid Cap Core Universe Median</i>	-0.6%	36.6%	6.3%	4.6%	6.9%	6.4%
<i>Fund Rank in Universe</i>	54	71	67	20	3	7
Lazard US Mid Cap Equity Portfolio Open	-1.8%	31.5%	6.3%	3.3%	5.7%	6.4%
Russell Midcap	0.4%	38.5%	6.5%	5.3%	8.1%	7.6%
S&P 400 MidCap	-0.7%	39.4%	7.8%	6.6%	8.5%	7.9%
<i>Mercer Mutual Fund US Equity Mid Cap Core Universe Median</i>	-0.6%	36.6%	6.3%	4.6%	6.9%	6.4%
<i>Fund Rank in Universe</i>	81	84	50	73	71	50
Munder Mid-Cap Core Growth Fund Y	1.3%	38.6%	4.5%	5.6%	8.1%	8.1%
Russell Midcap Growth	1.6%	43.2%	6.6%	6.3%	7.9%	5.5%
<i>Mercer Mutual Fund US Equity Mid Cap Growth Universe Median</i>	0.2%	41.4%	5.9%	6.2%	7.6%	5.5%
<i>Fund Rank in Universe</i>	29	70	65	64	42	13
Columbia Acorn Fund A	1.3%	39.0%	8.1%	5.9%	8.5%	8.8%
Russell Midcap Growth	1.6%	43.2%	6.6%	6.3%	7.9%	5.5%
<i>Mercer Mutual Fund US Equity Mid Cap Growth Universe Median</i>	0.2%	41.4%	5.9%	6.2%	7.6%	5.5%
<i>Fund Rank in Universe</i>	28	68	29	58	37	4
Columbia Small Cap Value Fund II Z	-2.0%	40.4%	6.9%	4.3%	7.7%	NA
Russell 2000 Value	-2.6%	31.4%	7.1%	2.2%	5.6%	7.5%
<i>Mercer Mutual Fund US Equity Small Cap Value Universe Median</i>	-2.4%	33.1%	8.7%	4.1%	6.4%	8.5%
<i>Fund Rank in Universe</i>	38	3	77	46	20	NA
Wells Fargo Advantage Special Small Cap Val Fd A	-0.1%	28.8%	6.9%	3.0%	6.3%	8.1%
Russell 2000 Value	-2.6%	31.4%	7.1%	2.2%	5.6%	7.5%
<i>Mercer Mutual Fund US Equity Small Cap Value Universe Median</i>	-2.4%	33.1%	8.7%	4.1%	6.4%	8.5%
<i>Fund Rank in Universe</i>	5	76	76	71	57	63
Oppenheimer Main Street Small- & Mid-Cap Fund Y	0.7%	35.1%	7.7%	3.6%	7.2%	7.9%
Russell 2000	-1.6%	37.4%	7.8%	4.1%	6.3%	6.3%
<i>Mercer Mutual Fund US Equity Small Cap Core Universe Median</i>	-1.2%	36.7%	7.4%	4.1%	6.5%	7.5%
<i>Fund Rank in Universe</i>	14	63	47	57	42	43

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
KEELEY Small Cap Value Fund A	-2.9%	41.2%	-3.5%	1.8%	8.2%	9.6%
Russell 2000	-1.6%	37.4%	7.8%	4.1%	6.3%	6.3%
<i>Mercer Mutual Fund US Equity Small Cap Core Universe Median</i>	-1.2%	36.7%	7.4%	4.1%	6.5%	7.5%
<i>Fund Rank in Universe</i>	80	21	99	81	27	17
Hartford Small Company HLS IA	0.8%	45.2%	6.3%	5.7%	8.9%	7.1%
Russell 2000 Growth	-0.6%	43.5%	8.4%	5.8%	6.8%	4.6%
<i>Mercer Mutual Fund US Equity Small Cap Growth Universe Median</i>	0.3%	43.4%	7.9%	5.2%	6.7%	5.1%
<i>Fund Rank in Universe</i>	36	37	68	42	12	19
Baron Growth Fund Retail	0.5%	37.4%	7.0%	5.1%	7.7%	8.1%
Russell 2000 Growth	-0.6%	43.5%	8.4%	5.8%	6.8%	4.6%
<i>Mercer Mutual Fund US Equity Small Cap Growth Universe Median</i>	0.3%	43.4%	7.9%	5.2%	6.7%	5.1%
<i>Fund Rank in Universe</i>	46	86	62	52	30	7

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

Tier III - Specialty Options

Socially Responsible

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Neuberger Berman Socially Responsive Fund Investor	-0.6%	31.2%	4.8%	4.9%	6.3%	6.2%
Russell 1000 Growth	0.8%	35.0%	5.0%	5.3%	4.9%	2.2%
<i>Mercer Mutual Fund US Equity Large Cap Growth Universe Median</i>	0.3%	33.1%	2.9%	4.1%	4.5%	2.1%
<i>Fund Rank in Universe</i>	76	67	24	36	8	1
Parnassus Equity Income Fund Investor	-0.7%	23.1%	5.5%	7.2%	7.0%	6.9%
Russell 1000 Growth	0.8%	35.0%	5.0%	5.3%	4.9%	2.2%
<i>Mercer Mutual Fund US Equity Large Cap Growth Universe Median</i>	0.3%	33.1%	2.9%	4.1%	4.5%	2.1%
<i>Fund Rank in Universe</i>	80	97	17	4	5	0

Global Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Mutual Global Discovery Fund A	1.4%	21.3%	4.7%	5.5%	9.3%	8.1%
MSCI World NET WHT	0.5%	30.5%	0.5%	2.3%	5.4%	4.0%
<i>Mercer Mutual Fund Global Equity Universe Median</i>	0.6%	30.5%	2.1%	3.1%	6.4%	5.1%
<i>Fund Rank in Universe</i>	34	95	23	21	9	8
American Funds Capital World Gro & Inc Fd R-3	1.6%	29.0%	0.6%	4.2%	8.1%	NA
MSCI World NET WHT	0.5%	30.5%	0.5%	2.3%	5.4%	4.0%
<i>Mercer Mutual Fund Global Equity Universe Median</i>	0.6%	30.5%	2.1%	3.1%	6.4%	5.1%
<i>Fund Rank in Universe</i>	29	64	67	36	18	NA

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

Plan Review – Performance Summary

Calendar Year Returns

Tier I - Asset Allocation Funds

	2010	2009	2008	2007	2006	2005	2004
Vanguard Target Retirement Income Fund Investor	9.4%	14.3%	-10.9%	8.2%	6.4%	3.3%	6.8%
Vanguard Target Income Composite Index	9.4%	14.3%	-11.3%	8.1%	6.4%	3.4%	6.9%
<i>Mercer Mutual Fund Lifecycle Income Universe Median</i>	9.3%	18.2%	-15.1%	5.5%	8.0%	3.8%	6.5%
<i>Fund Rank in Universe</i>	43	78	12	7	82	64	38
Vanguard Target Retirement 2015 Fund Investor	12.5%	21.3%	-24.1%	7.5%	11.4%	4.9%	9.0%
Vanguard Target 2015 Composite Index	12.6%	21.4%	-24.5%	7.5%	11.5%	5.0%	9.1%
<i>Mercer Mutual Fund Lifecycle 2015 Universe Median</i>	11.7%	24.8%	-26.3%	6.7%	10.4%	4.9%	7.2%
<i>Fund Rank in Universe</i>	33	66	32	30	21	46	14
Vanguard Target Retirement 2025 Fund Investor	13.8%	24.8%	-30.1%	7.6%	13.2%	5.4%	10.1%
Vanguard Target 2025 Composite Index	13.9%	25.1%	-30.5%	7.6%	13.4%	5.5%	10.1%
<i>Mercer Mutual Fund Lifecycle 2025 Universe Median</i>	13.8%	28.5%	-33.6%	7.6%	12.7%	7.2%	NA
<i>Fund Rank in Universe</i>	43	79	24	50	38	86	NA
Vanguard Target Retirement 2035 Fund Investor	15.1%	28.2%	-34.7%	7.5%	15.2%	6.3%	12.0%
Vanguard Target 2035 Composite Index	15.2%	28.5%	-35.1%	7.5%	15.4%	6.5%	11.9%
<i>Mercer Mutual Fund Lifecycle 2035 Universe Median</i>	14.8%	31.0%	-35.7%	7.5%	14.0%	7.9%	NA
<i>Fund Rank in Universe</i>	37	74	24	50	25	86	NA
Vanguard Target Retirement 2045 Fund Investor	15.2%	28.2%	-34.6%	7.5%	16.0%	6.9%	12.9%
Vanguard Target 2045 Composite Index	15.2%	28.5%	-35.1%	7.5%	16.2%	7.0%	13.0%
<i>Mercer Mutual Fund Lifecycle 2045 Universe Median</i>	15.2%	31.5%	-37.4%	7.5%	16.1%	NA	NA
<i>Fund Rank in Universe</i>	52	90	12	50	75	NA	NA

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

Tier IIA - Passive Core Options

Domestic Fixed

	2010	2009	2008	2007	2006	2005	2004
SSgA Bond Market NL Series	6.5%	6.1%	5.0%	NA	NA	NA	NA
Barclays Capital US Aggregate	6.6%	5.9%	5.2%	7.0%	4.3%	2.4%	4.3%
Vanguard Total Bond Market Index Fund Inst	6.6%	6.1%	5.2%	7.0%	4.4%	2.4%	4.2%
Barclays Capital US Aggregate	6.6%	5.9%	5.2%	7.0%	4.3%	2.4%	4.3%

Large Cap Domestic Equity

	2010	2009	2008	2007	2006	2005	2004
Vanguard Institutional Index Fund Institutional	15.0%	26.6%	-37.0%	5.5%	15.8%	4.9%	10.9%
S&P 500	15.1%	26.5%	-37.0%	5.5%	15.8%	4.9%	10.9%

International Equity

	2010	2009	2008	2007	2006	2005	2004
American Beacon International Equity Index Fd Inst	7.6%	28.7%	-41.8%	10.7%	26.5%	13.6%	20.1%
MSCI EAFE NET WHT	7.8%	31.8%	-43.4%	11.2%	26.3%	13.5%	20.2%
Vanguard Developed Markets Index Fund Investor	8.5%	28.2%	-41.6%	11.0%	26.2%	13.3%	20.2%
MSCI EAFE NET WHT	7.8%	31.8%	-43.4%	11.2%	26.3%	13.5%	20.2%

Small/Mid Cap Domestic Equity

	2010	2009	2008	2007	2006	2005	2004
SSgA S&P Midcap NL Series	26.6%	37.2%	-36.1%	8.0%	10.3%	12.7%	16.5%
S&P 400 MidCap	26.6%	37.4%	-36.2%	8.0%	10.3%	12.6%	16.5%
Vanguard Mid-Cap Index Fund Signal	25.6%	40.5%	-41.8%	6.2%	13.7%	14.0%	NA
Vanguard Spliced Mid Cap Index	25.7%	40.5%	-41.8%	6.2%	13.8%	13.9%	20.5%
Vanguard Small-Cap Index Fund Signal	27.9%	36.3%	-36.0%	1.2%	15.8%	7.5%	NA
Vanguard Spliced Small Cap Index	27.8%	36.2%	-36.2%	1.2%	15.8%	7.5%	20.0%

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

Tier IIB - Active Core Options

Stable Value

	2010	2009	2008	2007	2006	2005	2004
Hartford General Account	4.75%	5.00%	5.30%	4.50%	4.25%	4.00%	4.25%
Citigroup Tbill + 100 bp Premium	1.1%	1.2%	2.8%	5.7%	5.8%	4.0%	2.2%
ING Stable Value Fund	2.8%	NA	NA	NA	NA	NA	NA
Citigroup Tbill + 100 bp Premium	1.1%	1.2%	2.8%	5.7%	5.8%	4.0%	2.2%

Balanced

	2010	2009	2008	2007	2006	2005	2004
Invesco Van Kampen Equity & Income Fund Y	12.7%	23.8%	-24.7%	3.5%	12.7%	8.3%	NA
S&P 500 60% / 40% BC Aggregate	12.1%	18.4%	-22.1%	6.2%	11.1%	4.0%	8.3%
<i>Mercer Mutual Fund US Balanced Universe Median</i>	11.5%	22.6%	-25.3%	6.1%	10.7%	4.9%	8.5%
<i>Fund Rank in Universe</i>	33	42	47	82	25	9	NA
ING T. Rowe Price Cap Apprec I	14.3%	33.6%	-27.3%	4.7%	14.9%	8.0%	16.9%
S&P 500 60% / 40% BC Aggregate	12.1%	18.4%	-22.1%	6.2%	11.1%	4.0%	8.3%
<i>Mercer Mutual Fund US Balanced Universe Median</i>	11.5%	22.6%	-25.3%	6.1%	10.7%	4.9%	8.5%
<i>Fund Rank in Universe</i>	13	6	62	72	11	10	2

Large Cap Domestic Equity

	2010	2009	2008	2007	2006	2005	2004
American Beacon Large Cap Value Fund Investor	14.1%	27.2%	-39.6%	3.0%	18.7%	9.7%	19.1%
Russell 1000 Value	15.5%	19.7%	-36.8%	-0.2%	22.2%	7.1%	16.5%
<i>Mercer Mutual Fund US Equity Large Cap Value Universe Median</i>	13.0%	23.7%	-36.5%	2.0%	19.0%	6.4%	14.1%
<i>Fund Rank in Universe</i>	30	28	72	37	54	23	4
Allianz NFJ Dividend Value Fund Institutional	13.6%	13.3%	-36.1%	4.7%	24.6%	11.9%	14.5%
Russell 1000 Value	15.5%	19.7%	-36.8%	-0.2%	22.2%	7.1%	16.5%
<i>Mercer Mutual Fund US Equity Large Cap Value Universe Median</i>	13.0%	23.7%	-36.5%	2.0%	19.0%	6.4%	14.1%
<i>Fund Rank in Universe</i>	37	98	42	24	1	3	42
Victory Diversified Stock Fund I	13.1%	27.0%	-36.5%	NA	NA	NA	NA
S&P 500	15.1%	26.5%	-37.0%	5.5%	15.8%	4.9%	10.9%
<i>Mercer Mutual Fund US Equity Large Cap Core Universe Median</i>	13.1%	27.3%	-36.3%	6.4%	14.6%	5.6%	10.2%
<i>Fund Rank in Universe</i>	51	52	53	NA	NA	NA	NA

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

	2010	2009	2008	2007	2006	2005	2004
Fidelity Contrafund	16.9%	29.2%	-37.2%	19.8%	11.5%	16.2%	15.1%
S&P 500	15.1%	26.5%	-37.0%	5.5%	15.8%	4.9%	10.9%
<i>Mercer Mutual Fund US Equity Large Cap Core Universe Median</i>	13.1%	27.3%	-36.3%	6.4%	14.6%	5.1%	10.0%
<i>Fund Rank in Universe</i>	7	36	59	2	81	1	4
T Rowe Price Growth Stock Fund	16.9%	43.2%	-42.3%	10.4%	14.0%	6.6%	10.2%
Russell 1000 Growth	16.7%	37.2%	-38.4%	11.8%	9.1%	5.3%	6.3%
<i>Mercer Mutual Fund US Equity Large Cap Growth Universe Median</i>	15.2%	34.6%	-40.2%	14.4%	7.2%	7.0%	8.6%
<i>Fund Rank in Universe</i>	32	16	67	78	5	56	35
American Funds Growth Fund of America R-3	12.0%	34.1%	-39.2%	10.6%	10.6%	13.9%	11.6%
Russell 1000 Growth	16.7%	37.2%	-38.4%	11.8%	9.1%	5.3%	6.3%
<i>Mercer Mutual Fund US Equity Large Cap Growth Universe Median</i>	15.2%	34.6%	-40.2%	14.4%	7.2%	7.0%	8.6%
<i>Fund Rank in Universe</i>	77	53	43	78	15	12	29

International Equity

	2010	2009	2008	2007	2006	2005	2004
AllianceBernstein International Value Fund Advisor	3.7%	34.7%	-53.4%	5.6%	34.6%	17.1%	24.9%
MSCI EAFE NET WHT	7.8%	31.8%	-43.4%	11.2%	26.3%	13.5%	20.2%
MSCI EAFE Value NET WHT	3.2%	34.2%	-44.1%	6.0%	30.4%	13.8%	24.3%
<i>Mercer Mutual Fund Intl Equity Universe Median</i>	11.6%	33.8%	-44.4%	12.3%	25.6%	15.4%	19.0%
<i>Fund Rank in Universe</i>	95	47	96	88	2	34	18
Dodge & Cox International Stock Fund	13.7%	47.5%	-46.7%	11.7%	28.0%	16.7%	32.5%
MSCI EAFE NET WHT	7.8%	31.8%	-43.4%	11.2%	26.3%	13.5%	20.2%
MSCI EAFE Value NET WHT	3.2%	34.2%	-44.1%	6.0%	30.4%	13.8%	24.3%
<i>Mercer Mutual Fund Intl Equity Universe Median</i>	11.6%	33.8%	-44.4%	12.3%	25.6%	15.4%	19.0%
<i>Fund Rank in Universe</i>	37	13	68	52	28	39	1

Small/Mid Domestic Equity

	2010	2009	2008	2007	2006	2005	2004
CRM Mid Cap Value Fund Institutional	18.9%	28.7%	-35.0%	10.4%	17.3%	8.0%	25.0%
Russell Midcap Value	24.8%	34.2%	-38.4%	-1.4%	20.2%	12.6%	23.7%
<i>Mercer Mutual Fund US Equity Mid Cap Value Universe Median</i>	23.4%	34.5%	-36.7%	1.1%	16.5%	10.8%	20.7%
<i>Fund Rank in Universe</i>	80	86	36	2	37	83	11

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

	2010	2009	2008	2007	2006	2005	2004
Columbia Mid Cap Value Opportunity Fund R4	23.0%	39.9%	-44.3%	10.5%	17.1%	16.9%	23.9%
Russell Midcap Value	24.8%	34.2%	-38.4%	-1.4%	20.2%	12.6%	23.7%
<i>Mercer Mutual Fund US Equity Mid Cap Value Universe Median</i>	23.4%	34.5%	-36.7%	1.1%	16.5%	10.8%	20.7%
<i>Fund Rank in Universe</i>	55	29	90	2	38	0	12
Hartford MidCap HLS IA	23.4%	31.0%	-35.3%	15.3%	11.7%	16.8%	16.4%
Russell Midcap	25.5%	40.5%	-41.5%	5.6%	15.3%	12.7%	20.2%
S&P 400 MidCap	26.6%	37.4%	-36.2%	8.0%	10.3%	12.6%	16.5%
<i>Mercer Mutual Fund US Equity Mid Cap Core Universe Median</i>	23.4%	34.8%	-38.8%	7.5%	13.5%	9.9%	16.6%
<i>Fund Rank in Universe</i>	49	71	28	12	69	8	52
Lazard US Mid Cap Equity Portfolio Open	23.1%	38.3%	-38.5%	-3.2%	14.6%	8.5%	24.6%
Russell Midcap	25.5%	40.5%	-41.5%	5.6%	15.3%	12.7%	20.2%
S&P 400 MidCap	26.6%	37.4%	-36.2%	8.0%	10.3%	12.6%	16.5%
<i>Mercer Mutual Fund US Equity Mid Cap Core Universe Median</i>	23.4%	34.8%	-38.8%	7.5%	13.5%	9.9%	16.6%
<i>Fund Rank in Universe</i>	54	39	49	92	40	64	4
Munder Mid-Cap Core Growth Fund Y	25.5%	32.8%	-43.5%	21.0%	11.8%	13.1%	22.3%
Russell Midcap Growth	26.4%	46.3%	-44.3%	11.4%	10.7%	12.1%	15.5%
<i>Mercer Mutual Fund US Equity Mid Cap Growth Universe Median</i>	27.0%	39.9%	-43.6%	17.6%	9.0%	10.7%	14.3%
<i>Fund Rank in Universe</i>	57	70	49	37	34	28	3
Columbia Acorn Fund A	25.6%	39.3%	-38.7%	7.4%	14.1%	12.8%	21.1%
Russell Midcap Growth	26.4%	46.3%	-44.3%	11.4%	10.7%	12.1%	15.5%
<i>Mercer Mutual Fund US Equity Mid Cap Growth Universe Median</i>	27.0%	39.9%	-43.6%	17.6%	9.0%	10.7%	14.3%
<i>Fund Rank in Universe</i>	56	53	19	91	20	32	9
Columbia Small Cap Value Fund II Z	25.6%	25.1%	-33.6%	3.0%	17.0%	9.0%	24.2%
Russell 2000 Value	24.5%	20.6%	-28.9%	-9.8%	23.5%	4.7%	22.2%
<i>Mercer Mutual Fund US Equity Small Cap Value Universe Median</i>	26.1%	33.9%	-33.6%	-5.2%	17.3%	8.1%	20.1%
<i>Fund Rank in Universe</i>	61	83	50	18	54	34	21
Wells Fargo Advantage Special Small Cap Val Fd A	22.6%	29.9%	-31.8%	-8.1%	21.4%	10.4%	20.0%
Russell 2000 Value	24.5%	20.6%	-28.9%	-9.8%	23.5%	4.7%	22.2%
<i>Mercer Mutual Fund US Equity Small Cap Value Universe Median</i>	26.1%	33.9%	-33.6%	-5.2%	17.3%	8.1%	20.1%
<i>Fund Rank in Universe</i>	74	65	39	70	16	21	53
Oppenheimer Main Street Small- & Mid-Cap Fund Y	23.7%	37.4%	-38.0%	-1.1%	15.2%	10.5%	19.8%
Russell 2000	26.9%	27.2%	-33.8%	-1.6%	18.4%	4.6%	18.3%
<i>Mercer Mutual Fund US Equity Small Cap Core Universe Median</i>	25.6%	29.8%	-35.6%	-1.1%	14.8%	7.3%	19.6%
<i>Fund Rank in Universe</i>	69	26	67	50	47	23	49

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

	2010	2009	2008	2007	2006	2005	2004
KEELEY Small Cap Value Fund A	26.0%	21.7%	-40.2%	7.2%	19.6%	16.1%	32.9%
Russell 2000	26.9%	27.2%	-33.8%	-1.6%	18.4%	4.6%	18.3%
<i>Mercer Mutual Fund US Equity Small Cap Core Universe Median</i>	25.6%	29.8%	-35.6%	-1.1%	14.8%	7.3%	19.6%
<i>Fund Rank in Universe</i>	46	85	80	15	17	6	1
Hartford Small Company HLS IA	24.1%	29.3%	-40.6%	14.2%	14.4%	21.0%	12.2%
Russell 2000 Growth	29.1%	34.5%	-38.5%	7.0%	13.3%	4.2%	14.3%
<i>Mercer Mutual Fund US Equity Small Cap Growth Universe Median</i>	27.7%	34.7%	-40.9%	9.7%	11.1%	6.8%	12.4%
<i>Fund Rank in Universe</i>	73	75	47	29	22	1	52
Baron Growth Fund Retail	24.0%	34.2%	-39.2%	6.6%	15.5%	5.7%	26.6%
Russell 2000 Growth	29.1%	34.5%	-38.5%	7.0%	13.3%	4.2%	14.3%
<i>Mercer Mutual Fund US Equity Small Cap Growth Universe Median</i>	27.7%	34.7%	-40.9%	9.7%	11.1%	6.8%	12.4%
<i>Fund Rank in Universe</i>	74	52	34	67	18	58	1

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

Tier III - Specialty Options

Socially Responsible

	2010	2009	2008	2007	2006	2005	2004
Neuberger Berman Socially Responsive Fund Investor	22.8%	30.6%	-38.8%	7.5%	14.4%	7.6%	13.6%
Russell 1000 Growth	16.7%	37.2%	-38.4%	11.8%	9.1%	5.3%	6.3%
<i>Mercer Mutual Fund US Equity Large Cap Growth Universe Median</i>	15.2%	34.6%	-40.2%	14.4%	7.2%	7.0%	8.6%
<i>Fund Rank in Universe</i>	3	70	40	91	3	45	15
Parnassus Equity Income Fund Investor	8.9%	28.7%	-23.0%	14.1%	14.7%	2.6%	9.3%
Russell 1000 Growth	16.7%	37.2%	-38.4%	11.8%	9.1%	5.3%	6.3%
<i>Mercer Mutual Fund US Equity Large Cap Growth Universe Median</i>	15.2%	34.6%	-40.2%	14.4%	7.2%	7.0%	8.6%
<i>Fund Rank in Universe</i>	95	78	0	53	3	89	43

Global Equity

	2010	2009	2008	2007	2006	2005	2004
Mutual Global Discovery Fund A	11.1%	20.9%	-26.7%	11.0%	23.0%	15.3%	19.0%
MSCI World NET WHT	11.8%	30.0%	-40.7%	9.0%	20.1%	9.5%	14.7%
<i>Mercer Mutual Fund Global Equity Universe Median</i>	12.9%	32.7%	-41.2%	9.5%	20.1%	11.5%	15.5%
<i>Fund Rank in Universe</i>	66	94	3	41	22	17	20
American Funds Capital World Gro & Inc Fd R-3	7.4%	31.9%	-38.6%	17.1%	21.8%	14.3%	18.9%
MSCI World NET WHT	11.8%	30.0%	-40.7%	9.0%	20.1%	9.5%	14.7%
<i>Mercer Mutual Fund Global Equity Universe Median</i>	12.9%	32.7%	-41.2%	9.5%	20.1%	11.5%	15.5%
<i>Fund Rank in Universe</i>	92	56	33	21	31	24	20

Fund: ■ Outperformed Benchmark ■ Underperformed Benchmark ■ Matched or Tracked (Index)

Universe Ranking: ■ 0% - 50% ■ 51% - 75% ■ 76% - 100%

Fund Profile

Tier I - Lifecycle - Vanguard Target Retirement Funds

Investment Philosophy

Simple fund of funds structure seeks to build appropriate asset allocation from preselected stock, bond, and money market portfolios. The allocation between funds and asset classes automatically becomes more conservative over time. The fund handles investment selection, asset allocation, and rebalancing through retirement.

Portfolio Analysis & Key Observations

- Tracking its respective indices

Family Snapshot

Vanguard Target Retirement Funds Family vs. Universe of Lifecycle Families



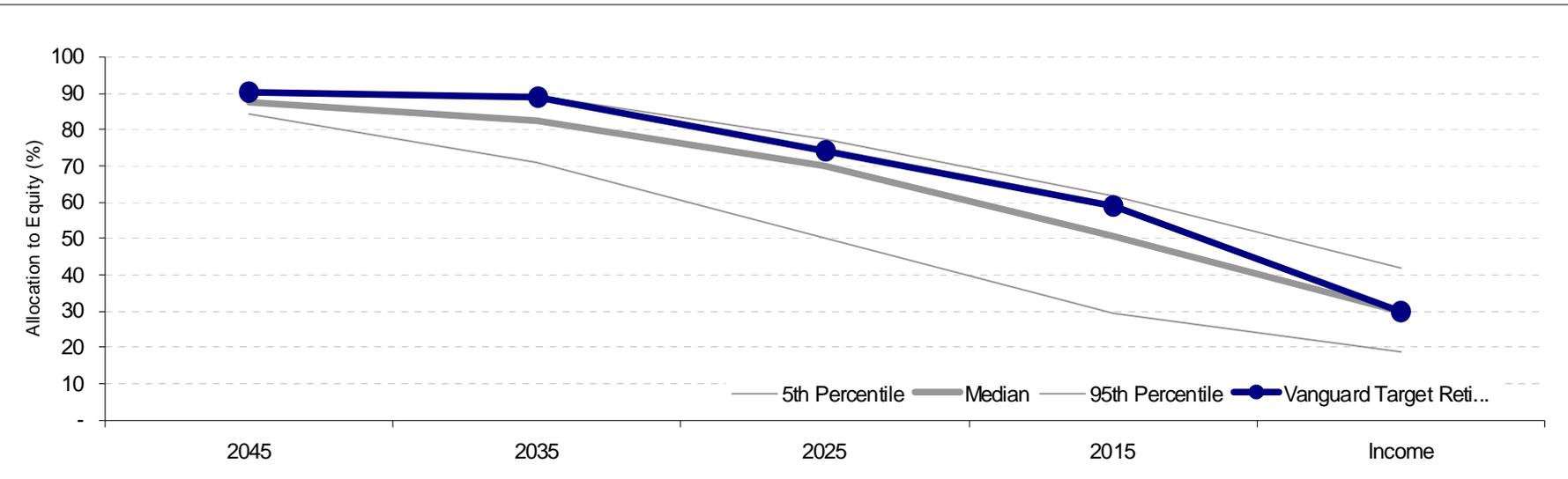
Key Facts and Figures

Portfolio Manager: Duane F. Kelly	Total Program Assets: \$90,922 Million	Expense Ratio (Net): 0.31 - 0.34% (Hartford); 0.35 - 0.38% (ING)
Portfolio Manager Average Tenure: 7.8 Years		Mercer Median Expense Ratio (Net): 0.65 - 0.79%

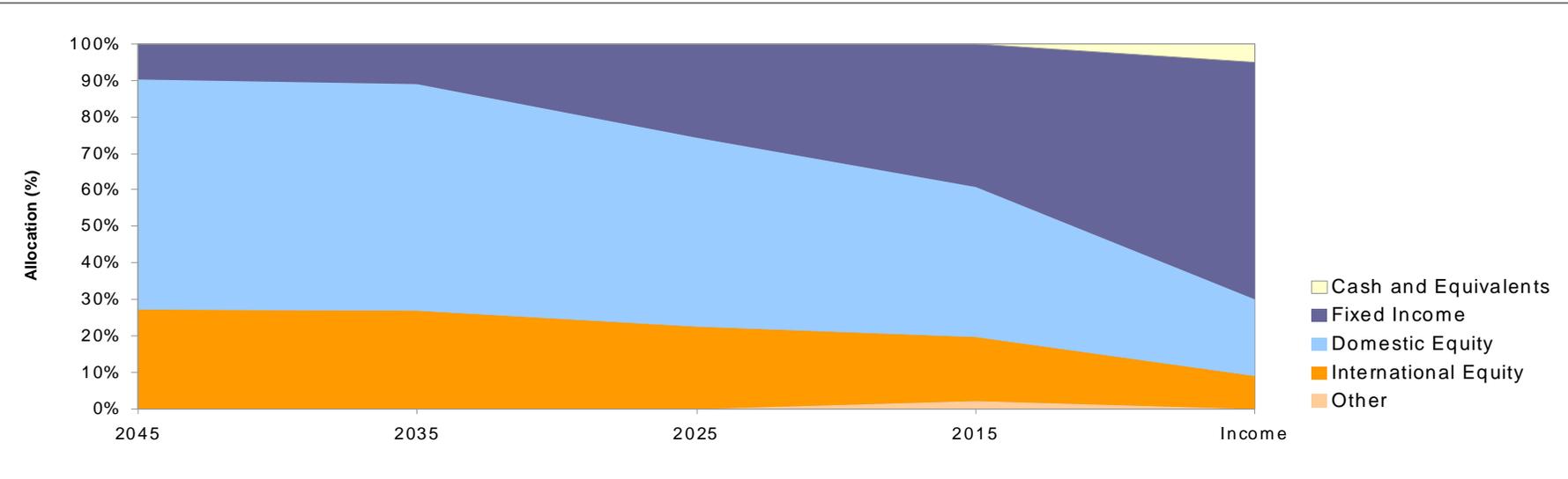
Fund Profile

Tier I - Lifecycle - Vanguard Target Retirement Funds

Glide Path Comparison vs. Universe of Lifecycle Families (as of 6/30/2011)



Family Asset Allocation (as of 6/30/2011)



Fund Profile

Tier I - Lifecycle - Vanguard Target Retirement Funds

Allocation to Underlying Funds

Strategy	Benchmark	Asset Class	2055	2050	2045	2040	2035	2030	2025	2020	2015	2010	2005	Income
Cash and Equivalents														
Vanguard Prime Money Market Fund	Lipper Money Market Funds Average	US Money Market	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	4.3%	5.0%
Vanguard Market Liquidity Fund ¹	Lipper Money Market Funds Average	US Money Market	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Total Cash and Equivalents</i>			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	4.3%	5.0%
Fixed Income														
Vanguard Total Bond Market II Index	Barclays US Aggregate Bond Float Adjusted	US Intermediate-Term Fixed Income	10.0%	10.0%	10.0%	10.0%	11.5%	19.0%	26.5%	34.0%	40.0%	40.7%	44.3%	45.0%
Vanguard Inflation-Protected Securities	Barclays US TIPS	US Inflation Protected Fixe	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.0%	11.4%	18.6%	20.0%
<i>Total Fixed Income</i>			10.0%	10.0%	10.0%	10.0%	11.5%	19.0%	26.5%	34.0%	42.0%	52.1%	62.9%	65.0%
Domestic Equity														
Vanguard Total Stock Market Index	MSCI US Broad Market	US All Cap Core Equity	63.0%	63.0%	63.0%	63.0%	62.0%	56.7%	51.5%	46.2%	40.6%	33.0%	23.0%	21.0%
<i>Total Domestic Equity</i>			63.0%	63.0%	63.0%	63.0%	62.0%	56.7%	51.5%	46.2%	40.6%	33.0%	23.0%	21.0%
International Equity														
Vanguard Total International Stock Index	MSCI ACWI ex USA IMI	International Large Cap Cc	27.0%	27.0%	27.0%	27.0%	26.6%	24.3%	22.1%	19.8%	17.4%	14.1%	9.9%	9.0%
<i>Total International Equity</i>			27.0%	27.0%	27.0%	27.0%	26.6%	24.3%	22.1%	19.8%	17.4%	14.1%	9.9%	9.0%
Total			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Fund Profile

Tier IIA - Domestic Fixed - Passive - SSgA Bond Market NL Series

Share Class: NA		Benchmark: Barclays Capital US Aggregate	
Investment Philosophy			
SSgA Bond Market Series seeks to match the performance of the Barclays Capital US Aggregate Index by investing in government, corporate, mortgage-backed, commercial mortgage-backed, and asset-backed securities in the same proportion as the index. The fund is invested in a well-diversified portfolio that is representative of the broad domestic bond market.			
Portfolio Analysis & Key Observations		Tracking Error	
<p><i>The following comments relate to the performance of the Barclays Capital US Aggregate Index.</i></p> <p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Treasuries outperformed all other sectors Within the government sector, local authority related securities were the top performer (5.0% return), followed by sovereign related securities (3.8% return) Within the corporate sector, utilities was the top performer (2.8% return) followed by industrials (2.5% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> The weakest performing sector was CMBS (1.6% return) and agency securities within the government sector also lagged (1.6% return) 		<p>Tracking Error in Mutual Fund US Fixed Index from Sep 2006 to Jun 2011 SSgABond versus BCUSAG (after fees)</p> <p>Created on 29 Jul 2011. Data Source: Lipper, Inc.</p>	
Key Facts and Figures			
Portfolio Manager: Multiple		Total Fund Assets: \$1,487 Million	Expense Ratio (Net): 0.15%
			Mercer Median Expense Ratio (Net): 0.23%

Fund Profile

Tier IIA - Domestic Fixed - Passive - Vanguard Total Bond Market Index Fund Inst - VBTIX

Share Class: Inst		Benchmark: Barclays Capital US Aggregate																							
Investment Philosophy																									
The fund seeks to track the performance of the Barclays Capital U.S. Aggregate Float Adjusted Index. The fund maintains a broadly diversified exposure to the investment-grade U.S. bond market. The fund is passively managed using index sampling. This intermediate-duration portfolio provides moderate current income with high credit quality.																									
Portfolio Analysis & Key Observations		Tracking Error																							
<p><i>The following comments relate to the performance of the Barclays Capital US Aggregate Index.</i></p> <p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Treasuries outperformed all other sectors Within the government sector, local authority related securities were the top performer (5.0% return), followed by sovereign related securities (3.8% return) Within the corporate sector, utilities was the top performer (2.8% return) followed by industrials (2.5% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> The weakest performing sector was CMBS (1.6% return) and agency securities within the government sector also lagged (1.6% return) 		<p>5 Year Period - Vanguard Total Bond Market Index Fund Inst vs. Bardlays Capital US Aggre...</p> <table border="1"> <caption>Rolling 3-Year Tracking Error Data (Estimated)</caption> <thead> <tr> <th>Date</th> <th>Tracking Error (%)</th> </tr> </thead> <tbody> <tr><td>Jul-06</td><td>0.18</td></tr> <tr><td>Jan-07</td><td>0.18</td></tr> <tr><td>Jul-07</td><td>0.18</td></tr> <tr><td>Jan-08</td><td>0.20</td></tr> <tr><td>Jul-08</td><td>0.22</td></tr> <tr><td>Jan-09</td><td>0.45</td></tr> <tr><td>Jul-09</td><td>0.48</td></tr> <tr><td>Jan-10</td><td>0.48</td></tr> <tr><td>Jul-10</td><td>0.50</td></tr> <tr><td>Jan-11</td><td>0.50</td></tr> </tbody> </table>		Date	Tracking Error (%)	Jul-06	0.18	Jan-07	0.18	Jul-07	0.18	Jan-08	0.20	Jul-08	0.22	Jan-09	0.45	Jul-09	0.48	Jan-10	0.48	Jul-10	0.50	Jan-11	0.50
Date	Tracking Error (%)																								
Jul-06	0.18																								
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Jan-10	0.48																								
Jul-10	0.50																								
Jan-11	0.50																								
Key Facts and Figures																									
Portfolio Manager: Kenneth E. Volpert; Gregory Davis	Total Fund Assets: \$90,533 Million	Expense Ratio (Net): 0.26%																							
Portfolio Manager Average Tenure: 11.0 Years	Total Share Class Assets: \$20,930 Million	Mercer Median Expense Ratio (Net): 0.23%																							

Fund Profile

Tier IIA - Domestic Equity - Passive - Vanguard Institutional Index Fund Institutional - VINIX

Share Class: Institutional		Benchmark: S&P 500																						
Investment Philosophy																								
<p>The Fund attempts to provide investment results that parallel the performance of the S&P 500 Index. Given this objective, the portfolio is expected to provide investors with long-term growth of capital and income as well as a reasonable level of current income. The Fund employs a "passive management" - or indexing - investment approach designed to track the performance of the Standard & Poor 500 Index, a widely recognized benchmark of US stock market performance that is dominated by the stocks of large US companies. The Fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the Index, holding each stock in approximately the same proportion as its weighting in the Index.</p>																								
Portfolio Analysis & Key Observations		Tracking Error																						
<p><i>The following comments relate to the performance of the S&P 500 Index.</i></p> <p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Top performing sectors were health care (7.9% return), utilities (6.1% return) and consumer staples (5.3% return) Individual contributors to performance: Johnson & Johnson (13.2% return), McDonalds (11.6% return), Intel (10.7% return), PepsiCo (10.1% return), and IBM (5.7% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Weakest performing sectors were financials (-5.9% return), energy (-4.6% return) and information technology (-1.4% return) Individual detractors from performance: Bank of America (-17.7% return), Goldman Sachs (-15.9% return), Google (-13.7% return), Wells Fargo (-11.1% return), and JPMorgan Chase (-10.7% return) 		<p>5 Year Period - Vanguard Institutional Index Fund Institutional vs. S&P 500</p> <table border="1"> <caption>Approximate data points for the Tracking Error chart</caption> <thead> <tr> <th>Date</th> <th>Rolling 3-Year Tracking Error (%)</th> </tr> </thead> <tbody> <tr><td>Jul-06</td><td>0.021</td></tr> <tr><td>Jan-07</td><td>0.020</td></tr> <tr><td>Jul-07</td><td>0.022</td></tr> <tr><td>Jan-08</td><td>0.023</td></tr> <tr><td>Jul-08</td><td>0.021</td></tr> <tr><td>Jan-09</td><td>0.026</td></tr> <tr><td>Jul-09</td><td>0.042</td></tr> <tr><td>Jan-10</td><td>0.043</td></tr> <tr><td>Jul-10</td><td>0.042</td></tr> <tr><td>Jan-11</td><td>0.042</td></tr> </tbody> </table>	Date	Rolling 3-Year Tracking Error (%)	Jul-06	0.021	Jan-07	0.020	Jul-07	0.022	Jan-08	0.023	Jul-08	0.021	Jan-09	0.026	Jul-09	0.042	Jan-10	0.043	Jul-10	0.042	Jan-11	0.042
Date	Rolling 3-Year Tracking Error (%)																							
Jul-06	0.021																							
Jan-07	0.020																							
Jul-07	0.022																							
Jan-08	0.023																							
Jul-08	0.021																							
Jan-09	0.026																							
Jul-09	0.042																							
Jan-10	0.043																							
Jul-10	0.042																							
Jan-11	0.042																							
Key Facts and Figures																								
Portfolio Manager: Donald M. Butler	Total Fund Assets: \$97,818 Million	Expense Ratio (Net): 0.04% (Hartford); 0.23% (ING)																						
Portfolio Manager Average Tenure: 11.0 Years	Total Share Class Assets: \$60,307 Million	Mercer Median Expense Ratio (Net): 0.20%																						

Fund Profile

Tier IIA - International Equity - Passive - American Beacon International Equity Index Fd Inst - AIIIX

Share Class: Inst		Benchmark: MSCI EAFE NET WHT																							
Investment Philosophy																									
The fund attempts to provide investment results that parallel the performance of the MSCI EAFE Index.																									
Portfolio Analysis & Key Observations		Tracking Error																							
<p><i>The following comments relate to the performance of the MSCI EAFE Index.</i></p> <p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Top-performing sectors were health care (8.9% return), consumer staples (7.6% return), and consumer discretionary (6.8% return) Top-performing countries were France (4.5% return), Germany (6.3% return), Switzerland (6.9% return), and New Zealand (11.3% return) Notable contributors included Novartis (12.3% return), Nestle (11.7% return), and Roche Holding (7.3% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Worst-performing sectors were energy (-2.9% return), information technology (-0.7% return), and financials (-0.6% return) Worst-performing countries were Greece (-16.5% return), Finland (-7.8% return), and Denmark (-6.5% return) Notable detractors included HSBC Holdings (-5.0% return), Vodafone Group (-2.7% return), and BHP Billiton Ltd (-2.6% return) 		<p>5 Year Period - American Beacon International Equity Index Fd Inst vs. MSCI EAFE NET WHT</p> <table border="1"> <caption>Rolling 3-Year Tracking Error Data</caption> <thead> <tr> <th>Date</th> <th>Tracking Error (%)</th> </tr> </thead> <tbody> <tr><td>Jul-06</td><td>0.75</td></tr> <tr><td>Jan-07</td><td>0.80</td></tr> <tr><td>Jul-07</td><td>1.20</td></tr> <tr><td>Jan-08</td><td>1.50</td></tr> <tr><td>Jul-08</td><td>2.10</td></tr> <tr><td>Jan-09</td><td>2.50</td></tr> <tr><td>Jul-09</td><td>3.30</td></tr> <tr><td>Jan-10</td><td>3.50</td></tr> <tr><td>Jul-10</td><td>3.40</td></tr> <tr><td>Jan-11</td><td>3.10</td></tr> </tbody> </table>		Date	Tracking Error (%)	Jul-06	0.75	Jan-07	0.80	Jul-07	1.20	Jan-08	1.50	Jul-08	2.10	Jan-09	2.50	Jul-09	3.30	Jan-10	3.50	Jul-10	3.40	Jan-11	3.10
Date	Tracking Error (%)																								
Jul-06	0.75																								
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Jul-09	3.30																								
Jan-10	3.50																								
Jul-10	3.40																								
Jan-11	3.10																								
Key Facts and Figures																									
Portfolio Manager: Cynthia Thatcher; Debra L. Jelilian; Wyatt Crumpler Portfolio Manager Average Tenure: 4.5 Years		Total Fund Assets: \$375 Million Total Share Class Assets: \$375 Million																							
		Expense Ratio (Net): 0.21% Mercer Median Expense Ratio (Net): 0.48%																							

Fund Profile

Tier IIA - International Equity - Passive - Vanguard Developed Markets Index Fund Investor - VDMIX

Share Class: Investor		Benchmark: MSCI EAFE NET WHT	
Investment Philosophy			
The fund attempts to provide investment results that parallel the performance of the MSCI EAFE Index.			
Portfolio Analysis & Key Observations		Tracking Error	
<p><i>The following comments relate to the performance of the MSCI EAFE Index.</i></p> <p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Top-performing sectors were health care (8.9% return), consumer staples (7.6% return), and consumer discretionary (6.8% return) Top-performing countries were France (4.5% return), Germany (6.3% return), Switzerland (6.9% return), and New Zealand (11.3% return) Notable contributors included Novartis (12.3% return), Nestle (11.7% return), and Roche Holding (7.3% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Worst-performing sectors were energy (-2.9% return), information technology (-0.7% return), and financials (-0.6% return) Worst-performing countries were Greece (-16.5% return), Finland (-7.8% return), and Denmark (-6.5% return) Notable detractors included HSBC Holdings (-5.0% return), Vodafone Group (-2.7% return), and BHP Billiton Ltd (-2.6% return) 		<p>5 Year Period - Vanguard Developed Markets Index Fund Investor vs. MSCI EAFE NET WHT</p> <p>— Rolling 3-Year Tracking Error</p>	
Key Facts and Figures			
Portfolio Manager: Donald M. Butler	Total Fund Assets: \$11,966 Million	Expense Ratio (Net): 0.41%	
Portfolio Manager Average Tenure: 1.0 Years	Total Share Class Assets: \$3,485 Million	Mercer Median Expense Ratio (Net): 0.48%	

Fund Profile

Tier IIA - Domestic Equity - Passive - SSgA S&P Midcap NL Series

Share Class:		Benchmark: S&P 400 MidCap	
Investment Philosophy			
<p>SSgA S&P Midcap Index seeks to gain exposure to mid-size capitalization U.S. companies by replicating the returns and characteristics of the S&P MidCap 400 Index. Using a replication process, we purchase each security for the S&P Mid Cap 400 Index Strategy in the same capitalization weight as it appears in the S&P MidCap 400 Index. Replication results in low turnover, accurate tracking and low costs. The approach is to buy and hold securities, trading only when there is a change in the composition of the Index or when cash flow activity occurs in the Strategy.</p>			
Portfolio Analysis & Key Observations		Tracking Error	
<p><i>The following comments relate to the performance of the S&P MidCap 400 Index.</i></p> <p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Top-performing sectors included consumer staples (13.5% return), health care (1.6% return), and consumer discretionary (0.8% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Weakest-performing sectors included information technology (-3.1% return), financials (-2.7% return), and industrials (-1.9% return) 		<p>Tracking Error in Mutual Fund US Equity Mid Cap Index from Sep 2006 to Jun 2011 SSgAMC versus SP400 MC (after fees)</p> <p>Created on 29 Jul 2011. Data Source: Lipper, Inc.</p>	
Key Facts and Figures			
Portfolio Manager: Multiple		Total Fund Assets: \$3,914	Expense Ratio (Net): 0.05%
			Mercer Median Expense Ratio (Net): 0.27%

Fund Profile

Tier IIA - Domestic Equity - Passive - Vanguard Mid-Cap Index Fund Signal - VMISX

Share Class: Signal		Benchmark: Vanguard Spliced Mid Cap Index*																							
Investment Philosophy																									
<p>The fund seeks to track the investment performance of the Morgan Stanley Capital International (MSCI) US Mid Cap 450 Index, an unmanaged benchmark representing medium-sized U.S. companies. Using full replication, the portfolio holds all stocks in the same capitalization weighting as the Index. Prior to May 16, 2003, the fund replicated the S&P 400 Index.</p>																									
Portfolio Analysis & Key Observations		Tracking Error																							
<p><i>The following comments relate to the MSCI US Mid Cap 450 Index</i></p> <p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Four sectors in the Mid Cap Index advanced in the second quarter, led by consumer staples (+10.2%), followed by consumer discretionary (+5.6%) and utilities (+5.0%). <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> The energy sector (-7.5%) gave back some gains Two of the index's largest sectors: financials and information technology each returned about -3.0%. 		<p>5 Year Period - Vanguard Mid-Cap Index Fund Signal vs. Vanguard Spliced Mid Cap Index</p> <table border="1"> <caption>Rolling 3-Year Tracking Error Data</caption> <thead> <tr> <th>Date</th> <th>Tracking Error (%)</th> </tr> </thead> <tbody> <tr><td>Sep-06</td><td>0.095</td></tr> <tr><td>Mar-07</td><td>0.088</td></tr> <tr><td>Sep-07</td><td>0.088</td></tr> <tr><td>Mar-08</td><td>0.032</td></tr> <tr><td>Sep-08</td><td>0.038</td></tr> <tr><td>Mar-09</td><td>0.034</td></tr> <tr><td>Sep-09</td><td>0.046</td></tr> <tr><td>Mar-10</td><td>0.048</td></tr> <tr><td>Sep-10</td><td>0.052</td></tr> <tr><td>Mar-11</td><td>0.054</td></tr> </tbody> </table>		Date	Tracking Error (%)	Sep-06	0.095	Mar-07	0.088	Sep-07	0.088	Mar-08	0.032	Sep-08	0.038	Mar-09	0.034	Sep-09	0.046	Mar-10	0.048	Sep-10	0.052	Mar-11	0.054
Date	Tracking Error (%)																								
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Mar-11	0.054																								
Key Facts and Figures																									
Portfolio Manager: Donald M. Butler		Total Fund Assets: \$29,523 Million	Expense Ratio (Net): 0.31%																						
Portfolio Manager Average Tenure: 13.0 Years		Total Share Class Assets: \$3,848 Million	Mercer Median Expense Ratio (Net): 0.27%																						

* Consists of S&P MidCap 400 Index through May 16, 2003; MSCI US Mid Cap 450 Index thereafter.
Mercer

Fund Profile

Tier IIA - Domestic Equity - Passive - Vanguard Small-Cap Index Fund Signal - VSISX

Share Class: Signal		Benchmark: Vanguard Spliced Small Cap Index*																							
Investment Philosophy																									
<p>The fund seeks to track the investment performance of the Morgan Stanley Capital International (MSCI) U.S. Small Cap 1750 Index, an unmanaged benchmark representing small U.S. companies. Using full replication, the portfolio holds all stocks in the same capitalization weighting as the Index. Prior to May 16, 2003, the fund replicated the Russell 2000 Index.</p>																									
Portfolio Analysis & Key Observations		Tracking Error																							
<p><i>The following comments relate to the MSCI US Small Cap 1750 Index.</i></p> <p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Five sectors in the index advanced in the second quarter, led by the tiny telecommunication services sector (+22.5% return), followed by consumer staples (+5.3% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> The five sectors that declined included some of the index's largest: financials, information technology, and industrials, each with a return of about -3% 		<p>5 Year Period - Vanguard Small-Cap Index Fund Signal vs. Vanguard Spliced Small Cap Inde.</p> <table border="1"> <caption>Rolling 3-Year Tracking Error Data</caption> <thead> <tr> <th>Date</th> <th>Tracking Error (%)</th> </tr> </thead> <tbody> <tr><td>Sep-06</td><td>0.055</td></tr> <tr><td>Mar-07</td><td>0.052</td></tr> <tr><td>Sep-07</td><td>0.048</td></tr> <tr><td>Mar-08</td><td>0.058</td></tr> <tr><td>Sep-08</td><td>0.060</td></tr> <tr><td>Mar-09</td><td>0.080</td></tr> <tr><td>Sep-09</td><td>0.075</td></tr> <tr><td>Mar-10</td><td>0.065</td></tr> <tr><td>Sep-10</td><td>0.065</td></tr> <tr><td>Mar-11</td><td>0.068</td></tr> </tbody> </table>		Date	Tracking Error (%)	Sep-06	0.055	Mar-07	0.052	Sep-07	0.048	Mar-08	0.058	Sep-08	0.060	Mar-09	0.080	Sep-09	0.075	Mar-10	0.065	Sep-10	0.065	Mar-11	0.068
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Sep-06	0.055																								
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Mar-11	0.068																								
Key Facts and Figures																									
Portfolio Manager: Michael H. Buek	Total Fund Assets: \$26,175 Million	Expense Ratio (Net): 0.17% (Hartford); 0.36% (ING)																							
Portfolio Manager Average Tenure: 20.0 Years	Total Share Class Assets: \$3,273 Million	Mercer Median Expense Ratio (Net): 0.30%																							

* Consists of the Russell 2000 Index through May 16, 2003; and the MSCI US Small Cap 1750 Index thereafter.
Mercer

Fund Profile

Stable Value - Hartford General Account

Share Class: N/A	Benchmark: Citigroup TBill + 100 bp Premium
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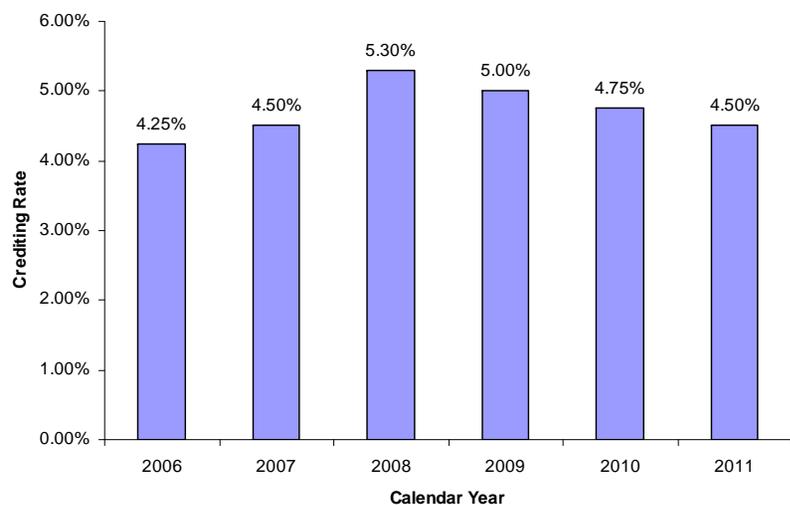
Investment Philosophy

The primary investment objective of Hartford Life's General Account is to maximize economic value consistent with acceptable risk parameters, including the management of credit risk and interest rate sensitivity of invested assets, while generating sufficient after-tax income to support policyholder and corporate obligations. The General (Declared Rate) Account is available through a group annuity contract or group funding agreement. The General (Declared Rate) Account investment choice is part of Hartford's General Account, which includes its company assets. General Account rates are guaranteed by the claims-paying ability of Hartford Life Insurance Company. Hartford credits interest on contributions made to the General Account at a rate declared for the calendar quarter in which they are received. The assets in the General (Declared Rate) Account are pooled. The fund is managed to a duration of 4 to 4.5 years.

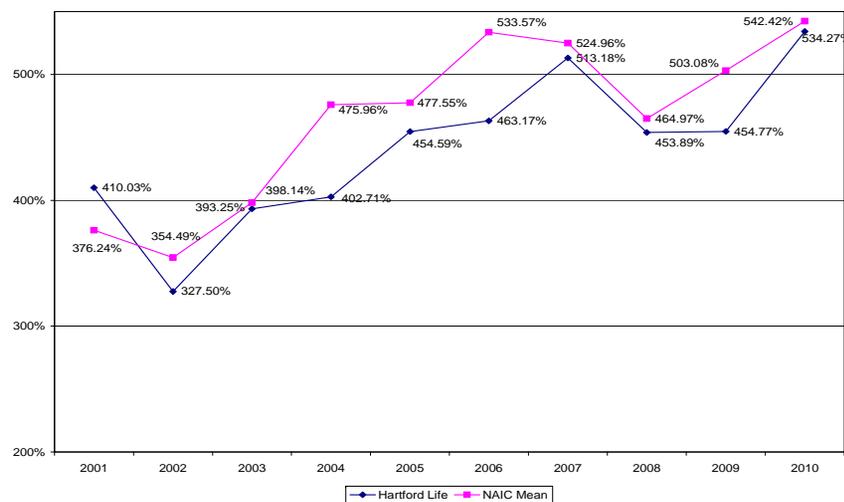
Financial Strength Ratings/Outlook for Hartford Life Insurance Co. (Date of Last Rating Agency Action)

Fitch	Moody's	Standard & Poor's
A- (2/25/11) Affirmed; Strong	A3 (03/30/09) Downgraded from A1; Good	A (6/15/09) Affirmed; Strong

Crediting Rate



Risk-Based Capital Ratio



Key Facts and Figures

Portfolio Manager: Hartford Investment Management Company (HIMCO)	Hartford Life Insurance Company and Subsidiaries Total Investments: \$60,000 Million	Expense Ratio (Net): 0.60% Mercer Median Expense Ratio (Net): 0.30%
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Fund Profile

Stable Value - Hartford General Account

The Hartford Structure	Composition of Invested Assets
<p>The Hartford Financial Services Group, Inc Total Investments \$132.1 B [2]</p> <ul style="list-style-type: none"> Life (Total Investments \$101.1 B [2]) <ul style="list-style-type: none"> Hartford Life Insurance Company (Total Investments \$60.0 B [3]) <ul style="list-style-type: none"> Retirement Group (General Account \$7.6 B [4]) Life Insurance Annuity Group Benefits Hartford Life & Annuity Company Hartford Life & Accident Company Property & Casualty (Total Investments \$28.4 B [2]) Corporate (Total Investments 2.6 B [2]) <p><i>*The Hartford is subject to SEC Regulation FD ("Fair Disclosure") which prohibits selective disclosure of material, non-public information and requires communication of such information in a manner designed to ensure broad dissemination to the public. Accordingly, the information reflected in these materials is contained in or based upon the most recently released public information.</i></p> <p>[1] Total Investments exclude Separate Account assets and Cash [2] Source: Page 4 of The Hartford Investor Financial Supplement, June 30, 2011 [3] Source: Page 55 of 10-KQ SEC filing for Hartford Life Insurance Company as of 6/30/2011 Includes \$2.2 B of Equity Securities, trading at fair value [4] Source: Page 35 of The Hartford Investor Financial Supplement, June 30, 2011</p>	<p>Composition of Invested Assets</p> <ul style="list-style-type: none"> Fixed Maturities: 77.9% Mortgage Loans: 6.6% Short-term Investments: 6.2% Policy Loans: 3.7% Other Investments: 1.3% Limited Partnerships / Alternatives: 1.5% Fixed Maturities using FV option: 2.1% Equity Securities: 0.7%
<p>Composition of Fixed Maturity Securities</p> <ul style="list-style-type: none"> Corporates: 62.4% CMBS: 10.0% RMBS: 7.9% US Treasuries: 5.4% Asset-Backed Securities: 5.1% CDOs: 4.2% Municipals: 2.7% Foreign Government: 2.3% 	<p>Credit Quality of Fixed Maturity Securities</p> <ul style="list-style-type: none"> A: 29.3% BBB: 29.2% AA: 13.5% AAA: 10.4% US Government: 11.8% BB & Below: 5.8%

Hartford Financial Strength Report

Financial Strength Ratings

In discussing the financial viability of insurance companies, consideration is given to the financial strength ratings or comparable ratings provided by the major rating agencies such as A.M. Best Company, Fitch, Moody's, and Standard & Poor's. The rating from each of these firms reflects each firm's opinion concerning the ability of an insurance company to meet its contractual obligations in the future. Each rating is based on both quantitative and qualitative considerations unique to each rating agency.

With respect to fixed annuity products, it is Mercer's preference for such companies to maintain "A" or higher ratings from A.M. Best and "A+/A1" or higher ratings from the other rating agencies.

The following table summarizes Hartford Life's ratings from A.M. Best, Fitch, Moody's, and S&P. A table is also provided that reflects the range of ratings assigned by those rating services.

Current Ratings of Underwriting Insurance Companies*

Underwriting Insurance Company	A.M. Best ⁽¹⁾	Fitch	Moody's	Standard & Poor's
Hartford Life Insurance Company	Ag (03/24/10)	A- (02/25/11)	A3 (03/30/09)	A (06/15/2009)
	Affirmed	Affirmed	Downgraded from A1	Affirmed
	Excellent	Strong	Good	Strong

* Ratings as of 05/05/2010.

⁽¹⁾ A.M. Best Notes: g = Group rating; p = Pooled rating; u = Under review.

Investment Grade Ratings of Various Rating Services

A.M. Best	Fitch*	Moody's*	S&P*
A++	AAA	Aaa	AAA
A+	AA+	Aa1	AA+
A	AA	Aa2	AA
A-	AA-	Aa3	AA-
B++	A+	A1	A+
B+	A	A2	A
B	A-	A3	A-
B-	BBB+	Baa1	BBB+
C++	BBB	Baa2	BBB
C+	BBB-	Baa3	BBB-

*Companies having ratings of "BBB-/Baa3" or higher are considered to be investment grade.

Hartford Financial Strength Report

Risk Based Capital Ratio

The risk based capital ratio is a regulatory calculation that evaluates the amount of capital a firm should maintain given the assets and the liabilities maintained by the insurance company. The higher a company's risk based capital ratio the better.

For a company's risk based capital ratio it is Mercer's expectation that this ratio be 150% or higher. This represents a premium above the minimum regulatory requirement of 125%.

	2007 Risk-Based Capital Ratio % ⁽²⁾	Percentile ⁽³⁾	2008 Risk-Based Capital Ratio % ⁽²⁾	Percentile ⁽³⁾	2009 Risk-Based Capital Ratio % ⁽²⁾	Percentile ⁽³⁾	2010 Risk-Based Capital Ratio % ⁽²⁾	Percentile ⁽³⁾
Hartford Life Insurance Company	513.18	72	453.89	73	454.77	62	534.27	71

⁽²⁾ Data Source: National Association of Insurance Commissioners, by permission. The NAIC does not endorse any analysis or conclusion based upon the use of its data. Data as of December 31 for each year.

⁽³⁾ This Peer Group contains the largest life insurance companies based on invested assets. There were 214 companies in 2010, 211 companies in 2009, 212 companies in 2008 and 217 companies in 2007.

Hartford Financial Strength Report

Invested Assets

Invested assets is a measurement of the size of an insurance company where the insurance company bears the investment risk and mortality risk of a product rather than the policyholder. Any short fall in investment performance or mortality is borne by the insurance company rather than the policyholder.

	2008 Invested Assets Millions(\$)⁽⁴⁾	Percentile⁽⁵⁾	2009 Invested Assets Millions(\$)⁽⁴⁾	Percentile⁽⁵⁾	2010 Invested Assets Millions(\$)⁽⁴⁾	Percentile⁽⁵⁾	1st Qtr2011 Invested Assets Millions(\$)⁽⁴⁾	Percentile⁽⁵⁾
Hartford Life Insurance Company	39,252	90	34,872	88	\$33,146	89	\$32,855	88

⁽⁴⁾ Data Source: National Association of Insurance Commissioners, by permission. The NAIC does not endorse any analysis or conclusion based upon the use of its data. Data as of December 31 for each year.

⁽⁵⁾ This Peer Group contains the largest life insurance companies based on invested assets. There were 217 companies in the 1st Quarter 2011, 214 companies in 2010, 211 companies in 2009 and 212 companies in 2008.

Adjusted Capital and Surplus

Adjusted capital and surplus reflects the amount by which the assets of a company exceeds its liabilities. This measure reflects the net worth of the company. The larger the adjusted capital and surplus position the better.

	2008 Adj. C&S \$⁽⁴⁾	Percentile⁽⁵⁾	2009 Adj. C&S \$⁽⁴⁾	Percentile⁽⁵⁾	2010 Adj. C&S \$⁽⁴⁾	Percentile⁽⁵⁾	1st Qtr2011 Adj. C&S \$⁽⁴⁾	Percentile⁽⁵⁾
Hartford Life Insurance Company	4,109	92	5,367	92	\$5,902	93	\$6,137	93

⁽⁴⁾ Data Source: National Association of Insurance Commissioners, by permission. The NAIC does not endorse any analysis or conclusion based upon the use of its data. Data as of December 31 for each year.

⁽⁵⁾ This Peer Group contains the largest life insurance companies based on invested assets. There were 217 companies in the 1st Quarter 2011, 214 companies in 2010, 211 companies in 2009 and 212 companies in 2008.

Hartford Financial Strength Report

Adjusted Capital and Surplus/ Invested Assets

Adjusted capital and surplus as a percentage of invested assets reflects the net worth of a company relative to its size. The expectation is that this ratio exceed 6%.

	2008 Adj. C & S/ Invested Assets % ⁽⁴⁾	Percentile ⁽⁵⁾	2009 Adj. C & S/ Invested Assets % ⁽⁴⁾	Percentile ⁽⁵⁾	2010 Adj. C & S/ Invested Assets % ⁽⁴⁾	Percentile ⁽⁵⁾	1st Qtr2011 Adj. C & S/ Invested Assets % ⁽⁴⁾	Percentile ⁽⁵⁾
Hartford Life Insurance Company	10.47	50	15.39	70	17.81	76	18.68	78

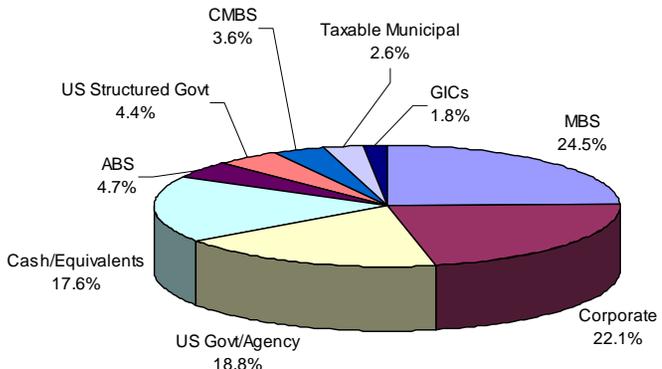
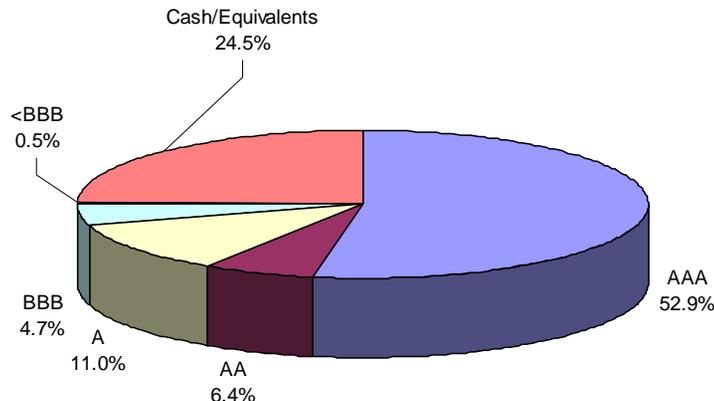
⁽⁴⁾ Data Source: National Association of Insurance Commissioners, by permission. The NAIC does not endorse any analysis or conclusion based upon the use of its data. Data as of December 31 for each year.

⁽⁵⁾ This Peer Group contains the largest life insurance companies based on invested assets. There were 217 companies in the 1st Quarter 2011, 214 companies in 2010, 211 companies in 2009 and 212 companies in 2008.

Note: Mercer (US) Inc. (Mercer) advises benefit plan trustees and others in connection with the selection of annuity providers. While it is our business to collect, summarize and explain information that is useful in such decisions and to assist in completing the transaction once a client has made a placement decision, we cannot guarantee or make representations regarding the solvency of particular financial institutions. Published financial strength ratings cited in our reports are supplied by independent ratings agencies, based in part on information not available to Mercer. All information is gathered from sources considered reliable, but Mercer cannot warrant the accuracy of such information, nor are we responsible in any way for changes in the financial condition of the financial institution(s) chosen subsequent to the transaction. We encourage you to place your business with institutions that have received high ratings and are in good financial standing. High ratings and financial strength are not guarantees of future solvency, but they can be key indicators of an institution's future ability to meet its obligations.

Fund Profile

Stable Value - ING Stable Value Fund

Share Class: Instl		Benchmark: Citigroup TBill + 100 bp Premium																																			
Investment Philosophy																																					
<p>The fund is designed to provide safety of principal, adequate liquidity and competitive yield with low return volatility. The fund intend to achieve this objective by investing in a variety of stable value investments such as Guaranteed Investment Contracts and security backed investment contracts issued by high quality financial institutions (AA rated or higher) as well as stable value collective funds and money market funds. Security backed contracts are backed by high quality, marketable fixed income securities which provide a credited rate of interest based on the yields of the underlying securities. The underlying fixed income security exposure is obtained by investing in collective funds managed by the sub-advisor for this purpose or may be purchased directly by the sub-advisor. Securities backing investment contracts are all investment grade at time of purchase with a minimum average quality rating of AA.</p>																																					
Characteristics																																					
<ul style="list-style-type: none"> ▪ MV/BV: 103.02% ▪ Gross Yield: 2.88% ▪ Effective Duration: 2.63 years ▪ Avg. Quality of Underlying: AA+ ▪ Avg. Contract Quality: AA- 																																					
Sector Allocation as of June 30, 2011		Quality Allocation as of June 30, 2011																																			
 <table border="1"> <caption>Sector Allocation as of June 30, 2011</caption> <thead> <tr> <th>Sector</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>MBS</td> <td>24.5%</td> </tr> <tr> <td>Corporate</td> <td>22.1%</td> </tr> <tr> <td>US Govt/Agency</td> <td>18.8%</td> </tr> <tr> <td>Cash/Equivalents</td> <td>17.6%</td> </tr> <tr> <td>ABS</td> <td>4.7%</td> </tr> <tr> <td>US Structured Govt</td> <td>4.4%</td> </tr> <tr> <td>CMBS</td> <td>3.6%</td> </tr> <tr> <td>Taxable Municipal</td> <td>2.6%</td> </tr> <tr> <td>GICs</td> <td>1.8%</td> </tr> </tbody> </table>		Sector	Percentage	MBS	24.5%	Corporate	22.1%	US Govt/Agency	18.8%	Cash/Equivalents	17.6%	ABS	4.7%	US Structured Govt	4.4%	CMBS	3.6%	Taxable Municipal	2.6%	GICs	1.8%	 <table border="1"> <caption>Quality Allocation as of June 30, 2011</caption> <thead> <tr> <th>Quality Rating</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>AAA</td> <td>52.9%</td> </tr> <tr> <td>Cash/Equivalents</td> <td>24.5%</td> </tr> <tr> <td>A</td> <td>11.0%</td> </tr> <tr> <td>AA</td> <td>6.4%</td> </tr> <tr> <td>BBB</td> <td>4.7%</td> </tr> <tr> <td><BBB</td> <td>0.5%</td> </tr> </tbody> </table>		Quality Rating	Percentage	AAA	52.9%	Cash/Equivalents	24.5%	A	11.0%	AA	6.4%	BBB	4.7%	<BBB	0.5%
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Key Facts and Figures																																					
Asset Split: 49.7% Stable Return Fund / 50.3% Managed Income Fund		Total Fund Assets: \$266 million	Expense Ratio (Net): 0.75%																																		
			Mercer Median Expense Ratio: 0.30%																																		

Fund Profile

Stable Value - Wells Fargo Stable Return (sub-advisor of ING Stable Value Fund)

Share Class: N/A		Benchmark: Citigroup TBILL + 100 bp Premium																															
Investment Philosophy																																	
<p>The Wells Fargo Stable Return fund aims to produce consistent returns with minimal volatility. The fund focuses on highly rated book value investment instruments and diversifies broadly among contract issuers and underlying securities. The fund places an emphasis on security backed investment contracts to enhance quality, diversification, and investment returns.</p>																																	
Characteristics as of June 30, 2011		Top 5 Issuers as of June 30, 2011																															
<ul style="list-style-type: none"> ▪ Blended Yield (before fees): 2.47% ▪ Effective Duration: 2.28 years ▪ Number of Contract Issuers: 15 (4,185 underlying issuers) ▪ Average Quality (underlying assets): Aa1/AA+ ▪ MV/BV Ratio: 102.0% 		<ul style="list-style-type: none"> ▪ JP Morgan Chase Bank ▪ Metropolitan Life Insurance Co. ▪ Monumental Life Insurance Co. ▪ Prudential Life Insurance Co. ▪ Pacific Life Insurance Co. 																															
Sector Allocation as of June 30, 2011		Portfolio Allocation as of June 30, 2011																															
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Key Facts and Figures																																	
Portfolio Advisor: Galliard Capital Management		Total Fund Assets: \$25,309 Million	Portfolio Managers: Karl Touville and John Caswell																														

Fund Profile

Stable Value – Galliard Managed Income Fund (sub-advisor of ING Stable Value Fund)

Share Class: N/A		Benchmark: Citigroup TBill + 100 bp Premium																											
Investment Philosophy																													
The Galliard Managed Income Fund aims to produce consistent returns with minimal volatility. The fund employs a multi-manager strategy for style diversification. All fund assets are rated investment grade at time of purchase with an average portfolio quality of AA or better. The fund uses benefit responsive wrap contracts issued by four financial institutions providing for stability of return and investor payments at book value.																													
Characteristics as of June 30, 2011		Contract Issuers (% of Fund) as of June 30, 2011																											
<ul style="list-style-type: none"> ▪ Blended Yield (before fees): 3.28% ▪ Effective Duration: 2.98 years ▪ Average Quality (contract level): A1/AA- ▪ MV/BV Ratio: 104.0% 		<ul style="list-style-type: none"> ▪ Monumental Life Insurance Co. – 36.2% ▪ J.P. Morgan Chase Bank N.A. – 24.5% ▪ Bank of America N.A. – 12.0% ▪ Natixis Financial Products Inc. – 18.0% 																											
Sector Allocation as of June 30, 2011		Fund Diversification as of June 30, 2011																											
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Key Facts and Figures																													
Portfolio Advisor: Galliard Capital Management, Inc.; PIMCO; Dodge & Cox; Jennison		Total Fund Assets: \$2,430 Million	Portfolio Managers: Erol Sonderegger; Andrea Johnson																										

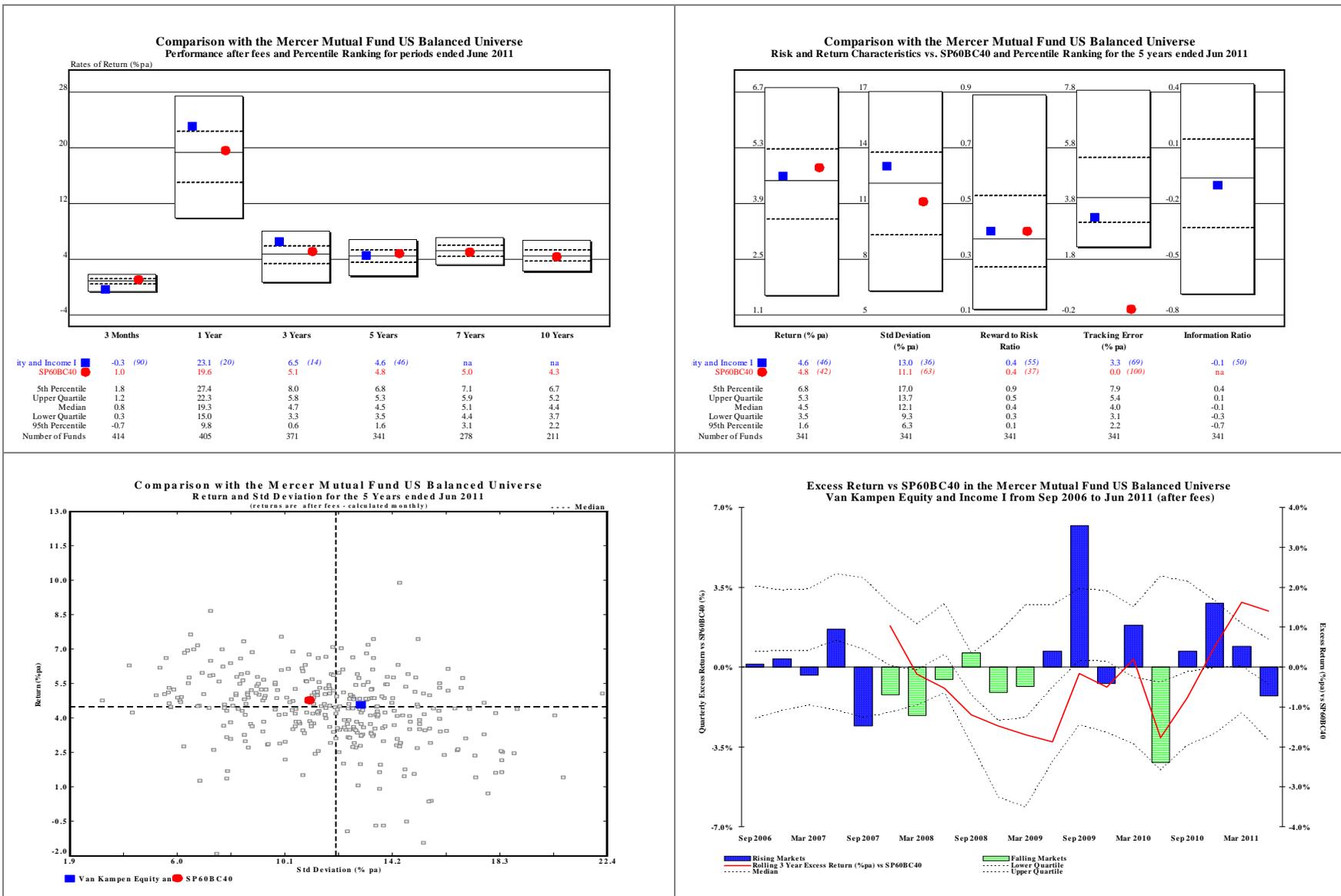
Fund Profile

Tier IIB - Balanced - Invesco Van Kampen Equity & Income Fund Y - ACETX

Share Class: Y		Benchmark: S&P 500 60% / 40% BC Aggregate															
Investment Philosophy																	
<p>The fund invests primarily in income-producing equity instruments (including common stocks, preferred stocks and convertible securities) and investment grade quality debt securities. The Equity & Income Fund emphasizes a value style of investing; seeking well established, undervalued companies that offer the potential for income with safety of principal and long term growth of capital.</p>																	
Portfolio Analysis & Key Observations		Asset Allocation as of June 30, 2011															
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Stock selection and overweight allocation to the health care sector; underweight allocation to the materials sector Top 10 Holdings UnitedHealth Group Inc. (+14.5% return), Viacom Inc. (+10.2% return) and American Electric Power Co. (+8.5% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Allocation to equities Overweight allocation to the financials sector Top 10 Holdings JPMorgan Chase & Co. (-10.7% return), Anadarko Petroleum Corp. (-6.2% return) and General Electric Co. (-5.2% return) 		<table border="1"> <caption>Asset Allocation Data</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Equity</td> <td>64.2%</td> </tr> <tr> <td>Fixed Income</td> <td>17.0%</td> </tr> <tr> <td>Convertibles</td> <td>12.8%</td> </tr> <tr> <td>Cash</td> <td>4.4%</td> </tr> <tr> <td>Other</td> <td>1.6%</td> </tr> <tr> <td>Preferreds</td> <td>0.1%</td> </tr> </tbody> </table>		Category	Percentage	Equity	64.2%	Fixed Income	17.0%	Convertibles	12.8%	Cash	4.4%	Other	1.6%	Preferreds	0.1%
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Key Facts and Figures																	
Portfolio Manager: James O. Roeder; Thomas B. Bastian; Sergio Marchelli Portfolio Manager Average Tenure: 6.0 Years	Total Fund Assets: \$12,193 Million Total Share Class Assets: \$527 Million	Expense Ratio (Net): 0.53% Mercer Median Expense Ratio (Net): 0.91%															

Fund Profile

Tier IIB - Balanced - Invesco Van Kampen Equity & Income Fund Y - ACETX



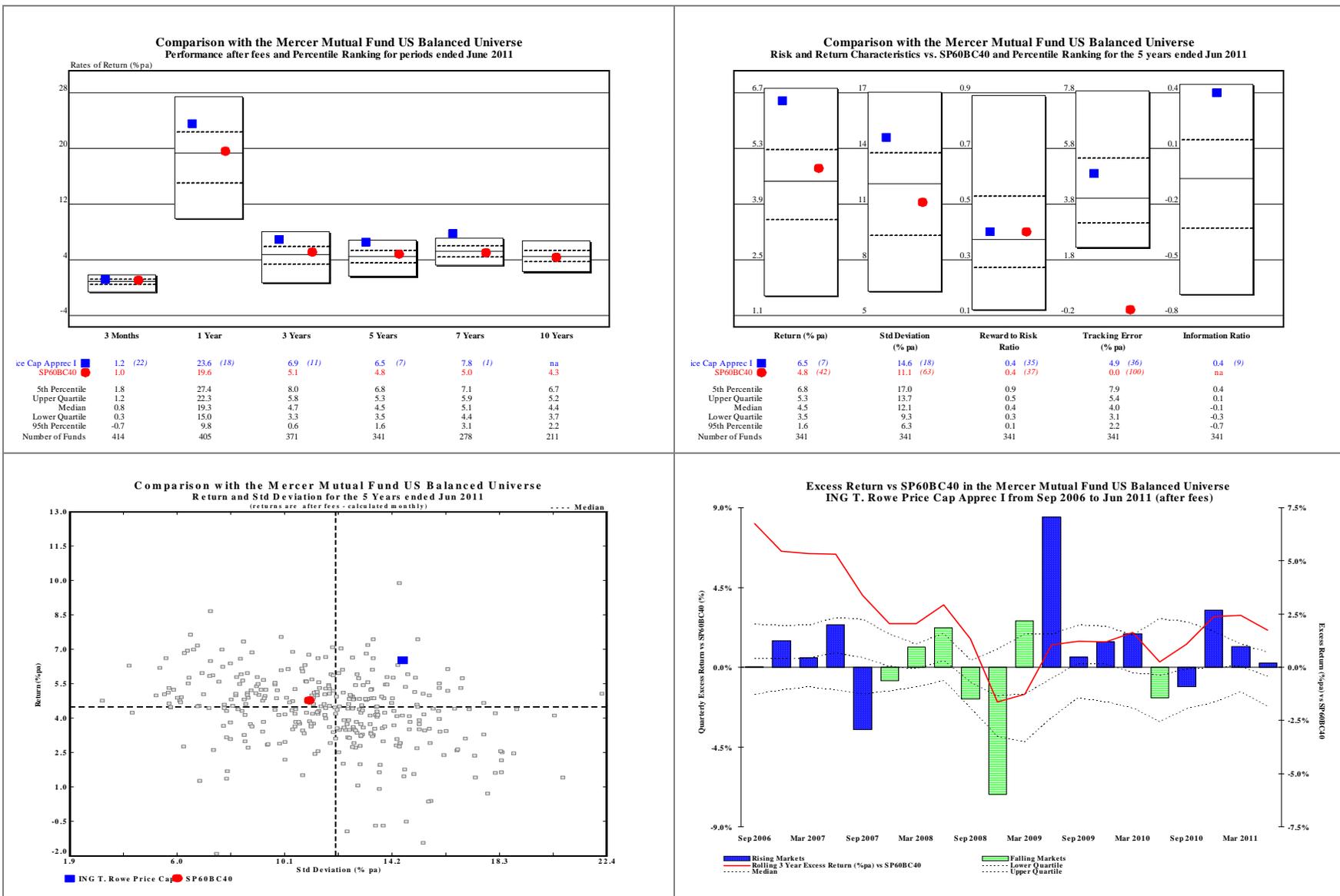
Fund Profile

Tier IIB - Balanced - ING T. Rowe Price Cap Apprec I - ITRIX

Share Class: Inst		Benchmark: S&P 500 60% / 40% BC Aggregate															
Investment Philosophy																	
<p>The fund pursues an active asset allocation strategy allocated among equities, fixed income, and money market instruments. Within equity, management invests primarily in the common stocks of established companies believed to have above-average potential for capital growth. Remaining of the assets are invested in other securities, including convertibles, warrants, preferred stocks, corporate and government debt, futures, and options. Debt securities and convertible bonds may constitute a significant portion of the fund.</p>																	
Portfolio Analysis & Key Observations		Asset Allocation as of June 30, 2011															
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the consumer staples and consumer discretionary sectors; underweight allocation to the energy sector Top 10 holdings Thermo Fisher Scientific Inc. (+15.9% return), PepsiCo Inc. (+10.1% return) and TRP Institutional Floating Rate Fund (+7.0% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Allocation to equities (approximately 72%) Overweight allocation to the financials sector; underweight allocations to the utilities and health care sectors Top 10 holdings US Bancorp. (-3.0% return) 		<table border="1"> <caption>Asset Allocation Data</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Equity</td> <td>72.2%</td> </tr> <tr> <td>Fixed Income</td> <td>14.4%</td> </tr> <tr> <td>Convertibles</td> <td>3.8%</td> </tr> <tr> <td>Cash</td> <td>10.1%</td> </tr> <tr> <td>Options</td> <td>0.1%</td> </tr> <tr> <td>Other</td> <td>-0.6%</td> </tr> </tbody> </table>		Category	Percentage	Equity	72.2%	Fixed Income	14.4%	Convertibles	3.8%	Cash	10.1%	Options	0.1%	Other	-0.6%
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Other	-0.6%																
Key Facts and Figures																	
Portfolio Manager: David R. Giroux	Total Fund Assets: \$4,180 Million	Expense Ratio (Net): 0.65%															
Portfolio Manager Average Tenure: 4.0 Years		Mercer Median Expense Ratio (Net): 0.91%															

Fund Profile

Tier IIB - Balanced - ING T. Rowe Price Cap Apprec I - ITRIX



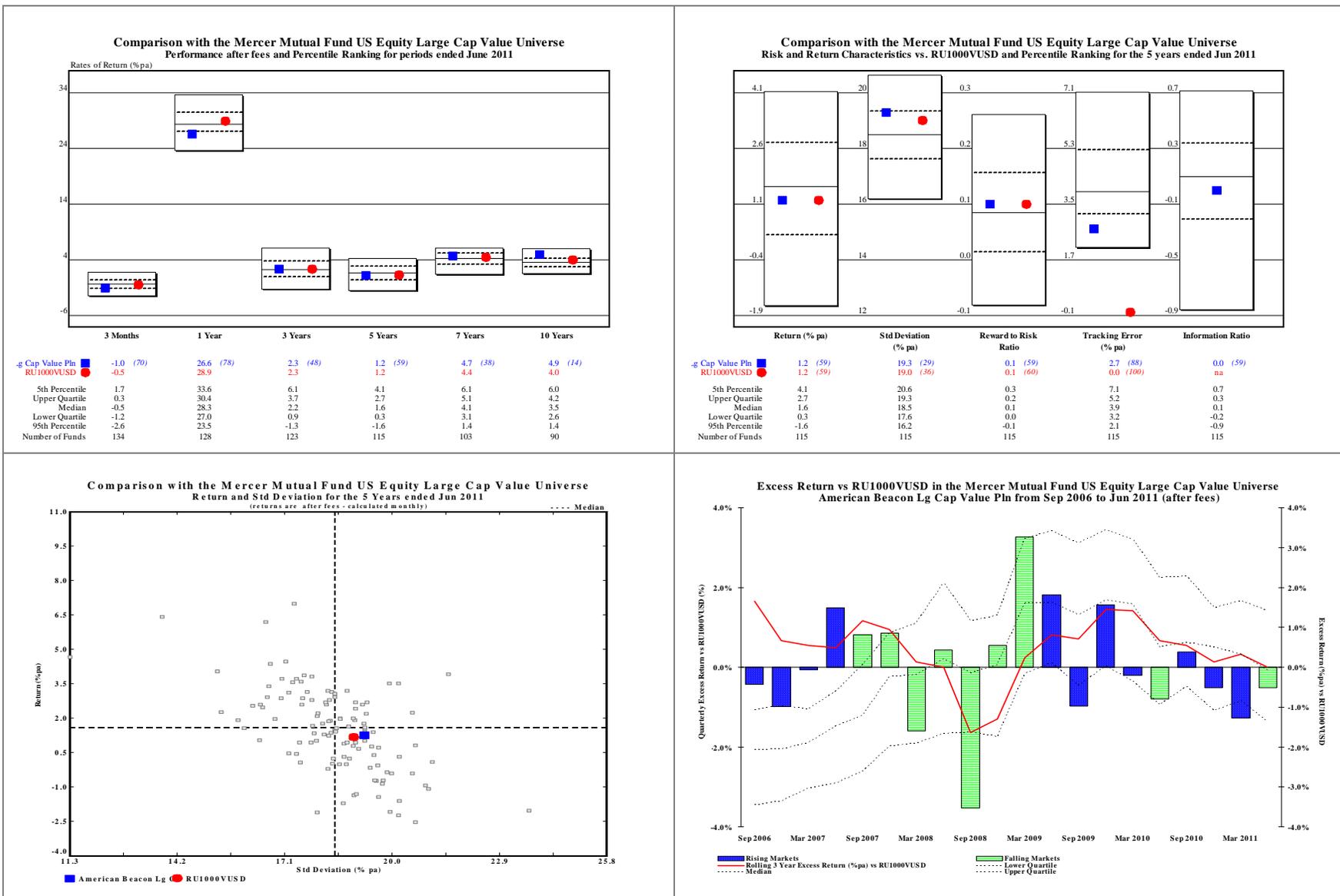
Fund Profile

Tier IIB - Domestic Equity - American Beacon Large Cap Value Fund Investor - AAGPX

Share Class: Investor		Benchmark: Russell 1000 Value
Investment Philosophy		
<p>The American Beacon Large Cap Value Fund seeks long-term capital appreciation and current income through a multi-manager approach. The Fund uses four subadvisers: Barrow, Hanley, Mewhinney & Strauss; Brandywine Asset Management; Hotchkis and Wiley Capital Management; and Metropolitan West Capital Management. Each of the advisers pursues a value style of investing by selecting stocks that have above-average earnings growth potential and are also selling at a discount to the market. The value determination is based on each company's financial profile, including price-to-earnings ratio, price-to-book-value ratio, assets carried below book value, dividend yield, and growth expectations. American Beacon Advisers' subadvisory approach offers clients the combined talent and experience of multiple well-known managers.</p>		
Portfolio Analysis & Key Observations		Style Analysis
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the consumer staples sector Notable contributors included American Express Co. (+15.2% return), Johnson & Johnson (+13.3% return) and Intel Corp. (+10.7% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the information technology sector; underweight allocations to the health care and utilities sectors Notable detractors included Gap, Inc. (-19.1% return), Bank of America Corp. (-17.5% return) and Wells Fargo & Co. (-10.9% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>Legend: ■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>
Key Facts and Figures		
Portfolio Manager: James P. Barrow; George Davis; Paul R. Lesutis Portfolio Manager Average Tenure: 10.4 Years	Total Fund Assets: \$9,039 Million Total Share Class Assets: \$4,374 Million	Expense Ratio (Net): 0.83% Mercer Median Expense Ratio (Net): 0.77%

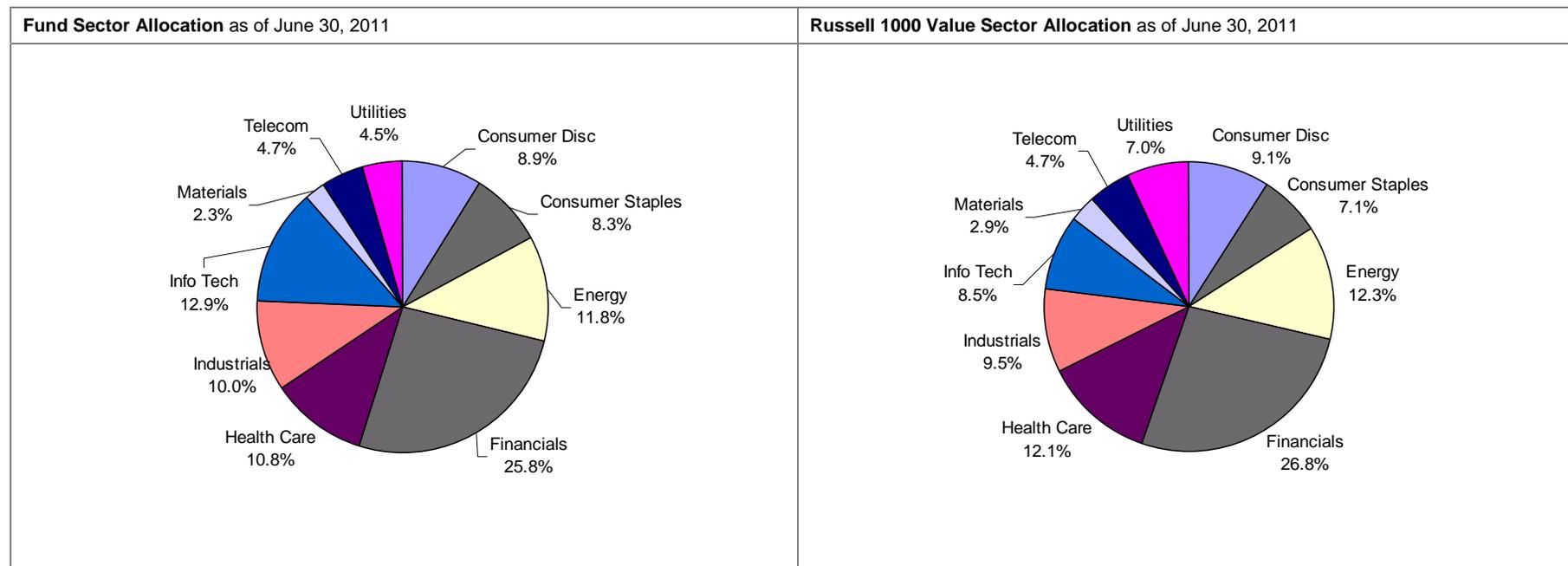
Fund Profile

Tier IIB - Domestic Equity - American Beacon Large Cap Value Fund Investor - AAGPX



Fund Profile

Domestic Equity - American Beacon Large Cap Value Fund Investor - AAGPX



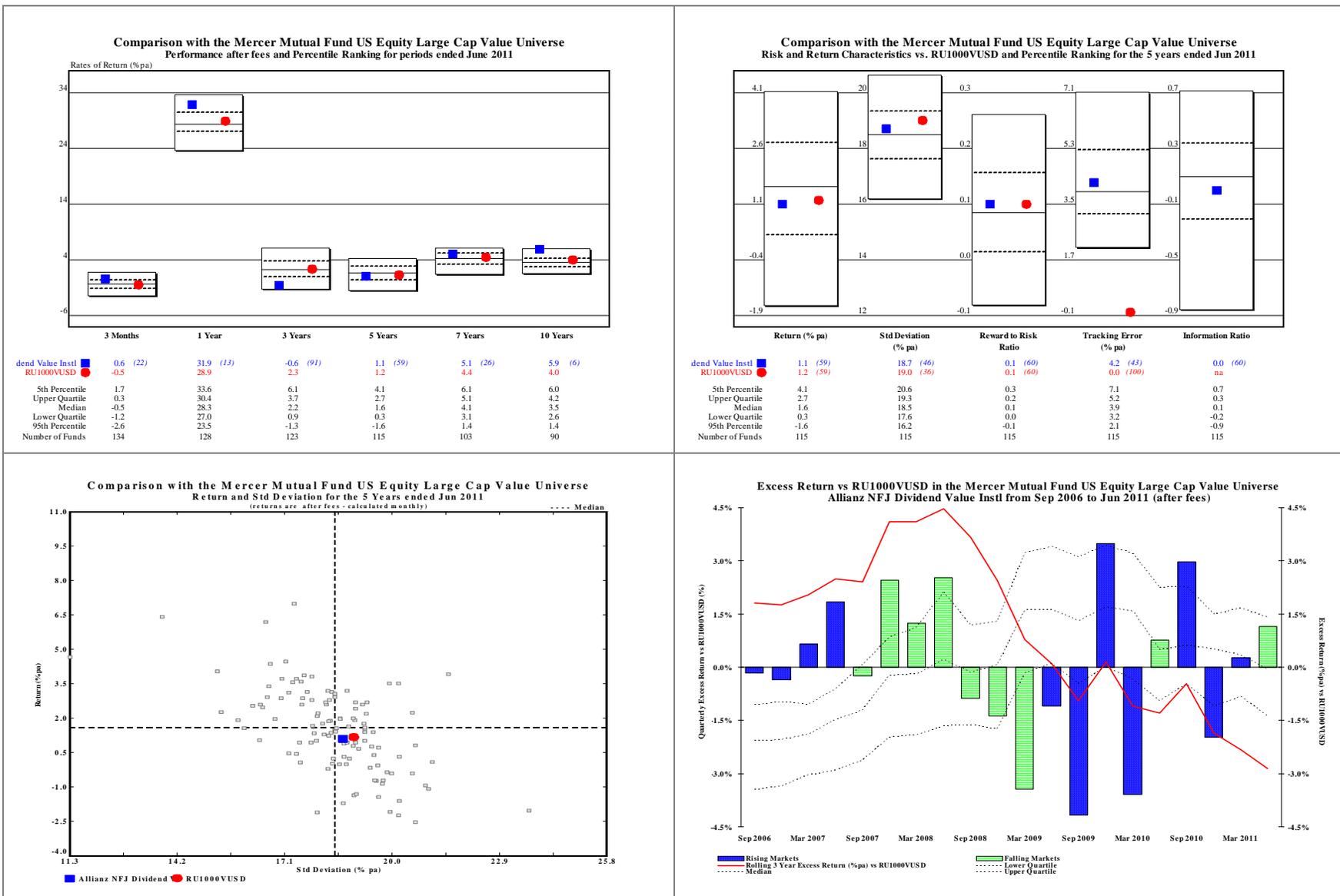
Fund Profile

Tier IIB - Domestic Equity - Allianz NFJ Dividend Value Fund Institutional - NFJEX

Share Class: Institutional		Benchmark: Russell 1000 Value
Investment Philosophy		
<p>NFJ's investment philosophy is based upon the foundation of market inefficiency. NFJ attempts to capitalize on systematic mental mistakes made by investors that are caused by behavioral biases. These mental mistakes can be broadly classified as underreaction and overreaction to information. They result in the market developing biased expectations of future profitability and earnings of companies which, in turn, cause the securities of these companies to be mispriced. NFJ looks for companies that are selling below intrinsic value, have a business whose value will grow over time and have a strong dividend history.</p>		
Portfolio Analysis & Key Observations		Style Analysis
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the consumer staples sector; underweight allocation to the financials sector Top 10 holdings Sanofi (+19.1% return), Intel Corp. (+10.7% return) and Annaly Capital Management (+7.1% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the energy and information technology sectors; underweight allocation to the utilities sector Top 10 holdings Wells Fargo & Co. (-11.1% return), JPMorgan Chase & Co. (-10.7% return) and ConocoPhillips (-5.0% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>The chart displays the percentage of the fund's portfolio relative to four benchmarks over a 5-year period from Sep-06 to Mar-11. The y-axis represents the percentage from 0% to 100%. The x-axis shows quarterly intervals. The legend indicates: Russell 1000 Value (light blue), Russell 1000 Growth (dark blue), Russell 2000 Value (light orange), and Russell 2000 Growth (dark orange). The fund's performance (light blue) starts at 100% in Sep-06, remains stable until late 2007, then drops significantly to around 80% by Sep-08, before recovering to near 100% by Mar-11.</p>
Key Facts and Figures		
<p>Portfolio Manager: Benno J. Fischer; Thomas W. Oliver; R. Burns McKinney</p> <p>Portfolio Manager Average Tenure: 4.8 Years</p>	<p>Total Fund Assets: \$8,091 Million</p> <p>Total Share Class Assets: \$2,400 Million</p>	<p>Expense Ratio (Net): 0.72%</p> <p>Mercer Median Expense Ratio (Net): 0.77%</p>

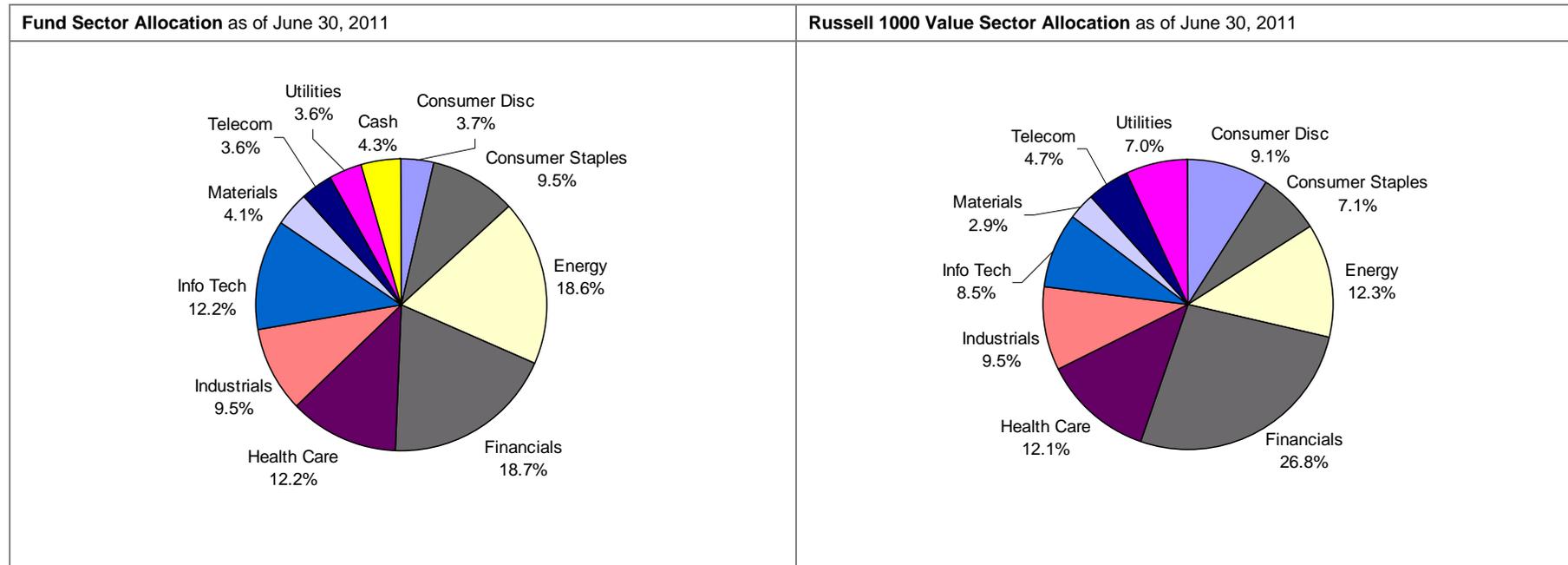
Fund Profile

Tier IIB - Domestic Equity - Allianz NFJ Dividend Value Fund Institutional - NFJEX



Fund Profile

Domestic Equity - Allianz NFJ Dividend Value Fund Institutional - NFJEX



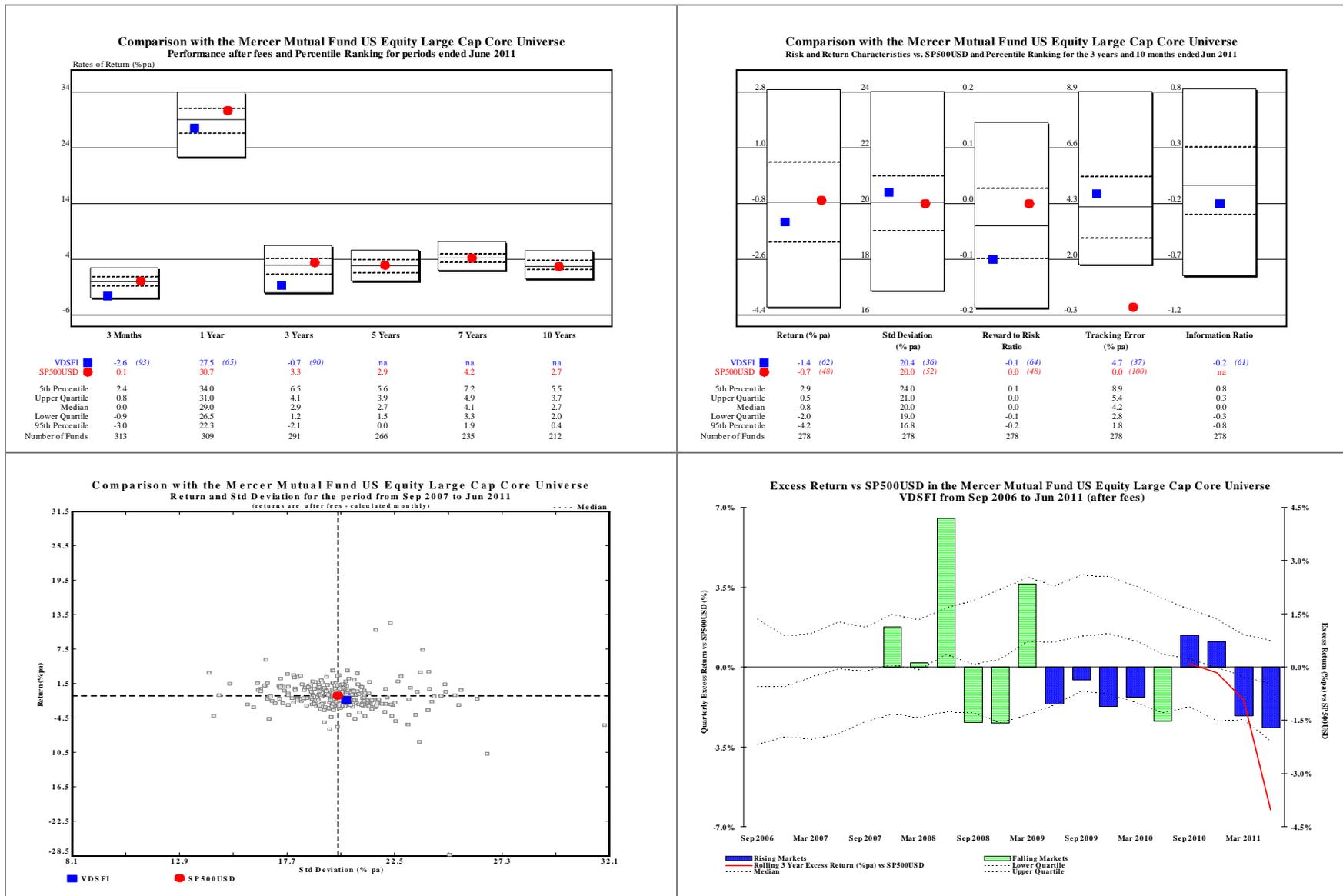
Fund Profile

Tier IIB - Domestic Equity - Victory Diversified Stock Fund I - VDSIX

Share Class: I		Benchmark: S&P 500
Investment Philosophy		
The Fund seeks to provide long-term growth of capital by investing primarily in equity securities and securities convertible into common stocks traded on U.S. exchanges and issued by large, established companies. The Advisor seeks to invest in both growth and value securities.		
Portfolio Analysis & Key Observations		Style Analysis
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the health care sector; underweight allocation to the financials sector Individual contributors to performance: Dr. Pepper Snapple Group (+13.7% return), Kraft Foods (+13.3% return) and ABB Ltd. (+10.0% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the materials and information technology sectors Individual detractors from performance: Staples Inc. (-18.1% return), Google (-13.7% return) and JP Morgan (-10.7% return) 		<p>1 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>Legend: ■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>
Key Facts and Figures		
Portfolio Manager: Lawrence G. Babin; Paul D. Danes; Carolyn M. Rains	Total Fund Assets: \$3,728 Million	Expense Ratio (Net): 0.76%
Portfolio Manager Average Tenure: 14.7 Years	Total Share Class Assets: \$875 Million	Mercer Median Expense Ratio (Net): 0.83%

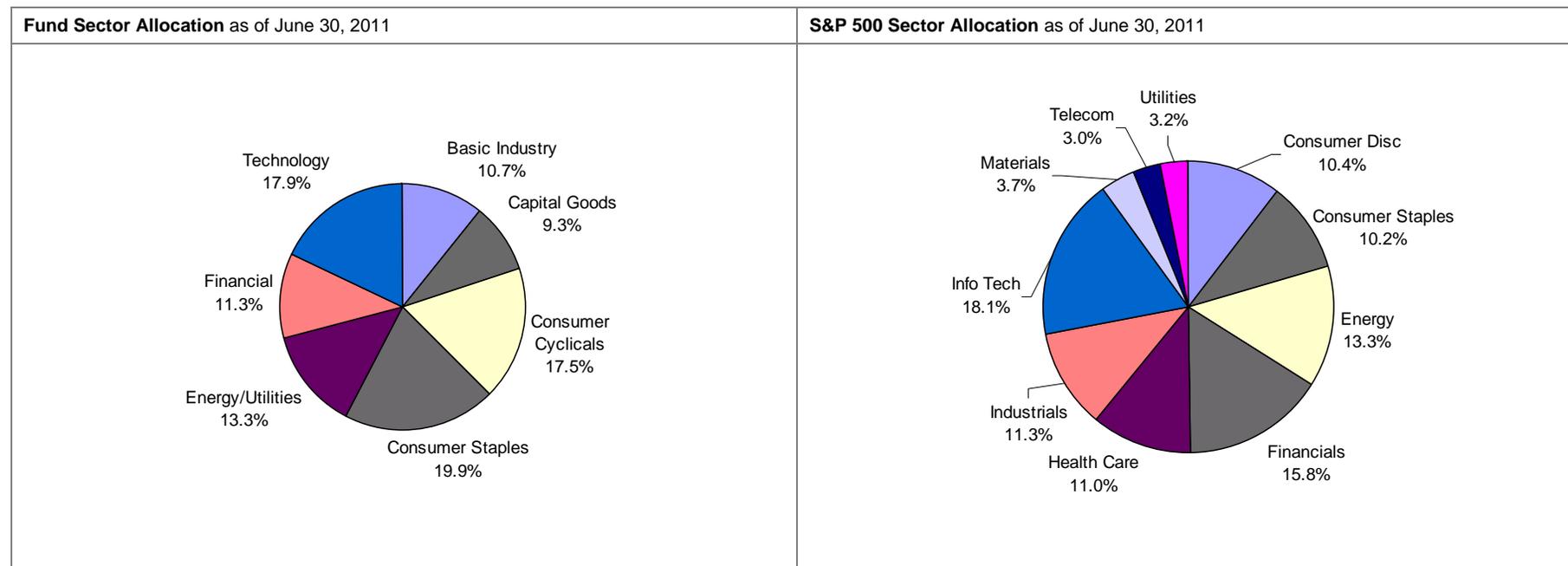
Fund Profile

Tier IIB - Domestic Equity - Victory Diversified Stock Fund I - VDSIX



Fund Profile

Domestic Equity - Victory Diversified Stock Fund I - VDSIX



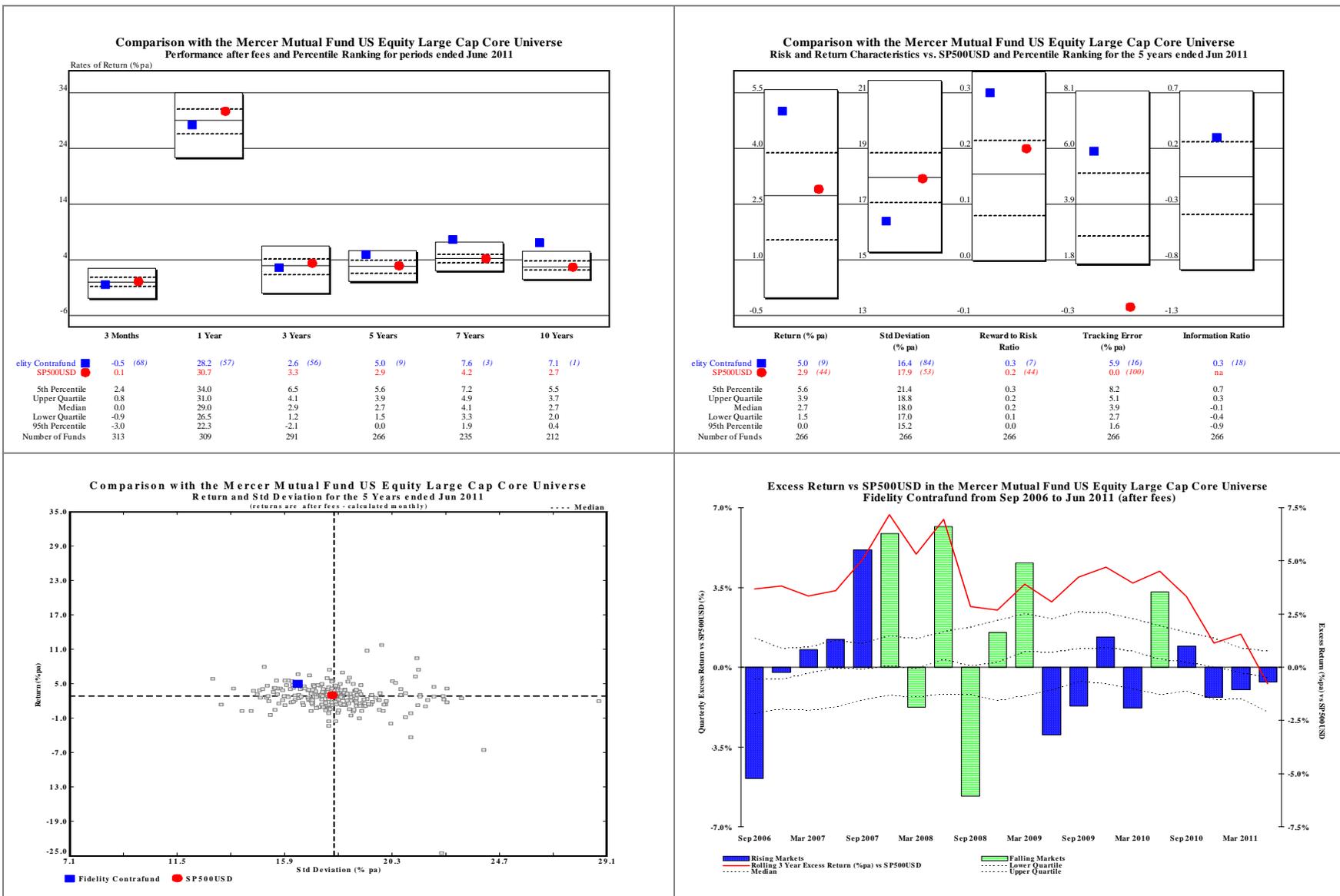
Fund Profile

Tier IIB - Domestic Equity - Fidelity Contrafund - FCNTX

Share Class:		Benchmark: S&P 500
Investment Philosophy		
The Contrafund seeks capital appreciation by investing in stocks whose value Fidelity believes is not fully recognized by the market. The Fund may invest in growth or value stocks that offer long-term growth potential.		
Portfolio Analysis & Key Observations		Style Analysis
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the consumer discretionary sector; underweight allocations to the energy and financials sectors Top 10 holdings Amazon.com (+13.5% return) and McDonald's Corp. (+11.6% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the information technology sector; underweight allocations to the consumer staples, health care and utilities sectors Top 10 holdings Google (-13.7% return), Wells Fargo & Co. (-11.1% return) and Walt Disney (-9.4% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>Legend: ■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>
Key Facts and Figures		
Portfolio Manager: Will Danoff	Total Fund Assets: \$78,421 Million	Expense Ratio (Net): 0.92%
Portfolio Manager Average Tenure: 21.0 Years	Total Share Class Assets: \$61,673 Million	Mercer Median Expense Ratio (Net): 0.83%

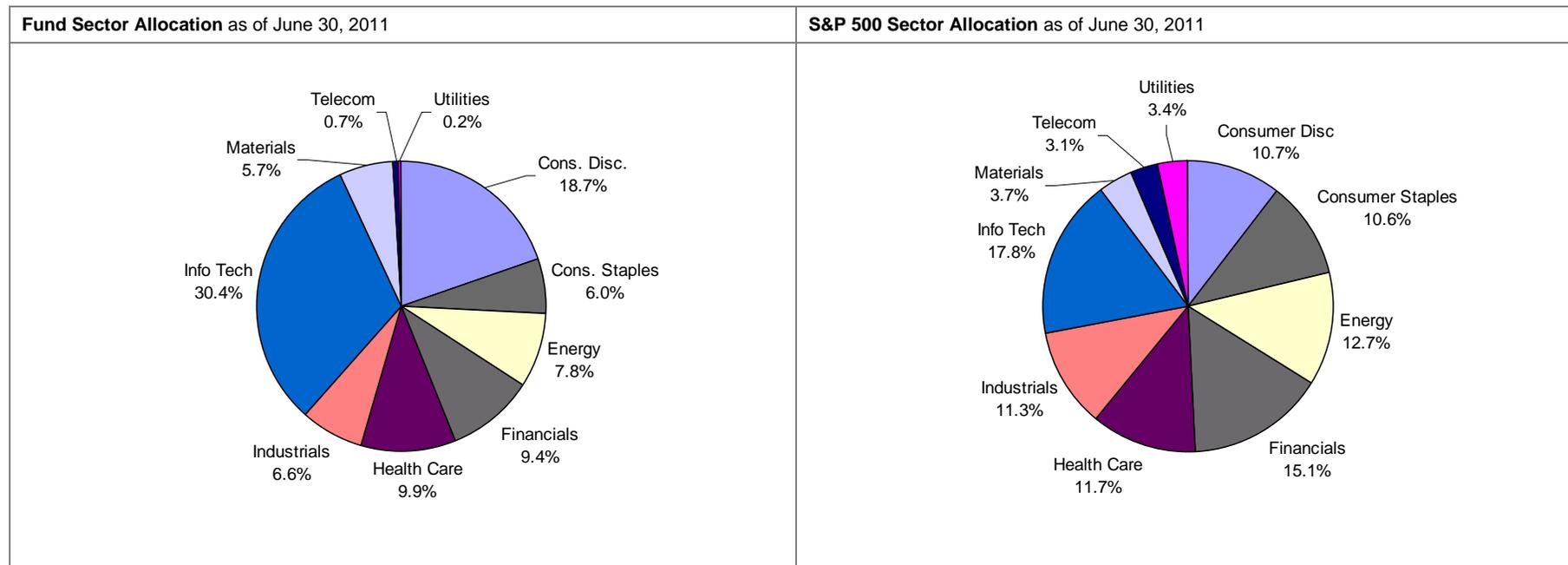
Fund Profile

Tier IIB - Domestic Equity - Fidelity Contrafund - FCNTX



Fund Profile

Domestic Equity - Fidelity Contrafund - FCNTX



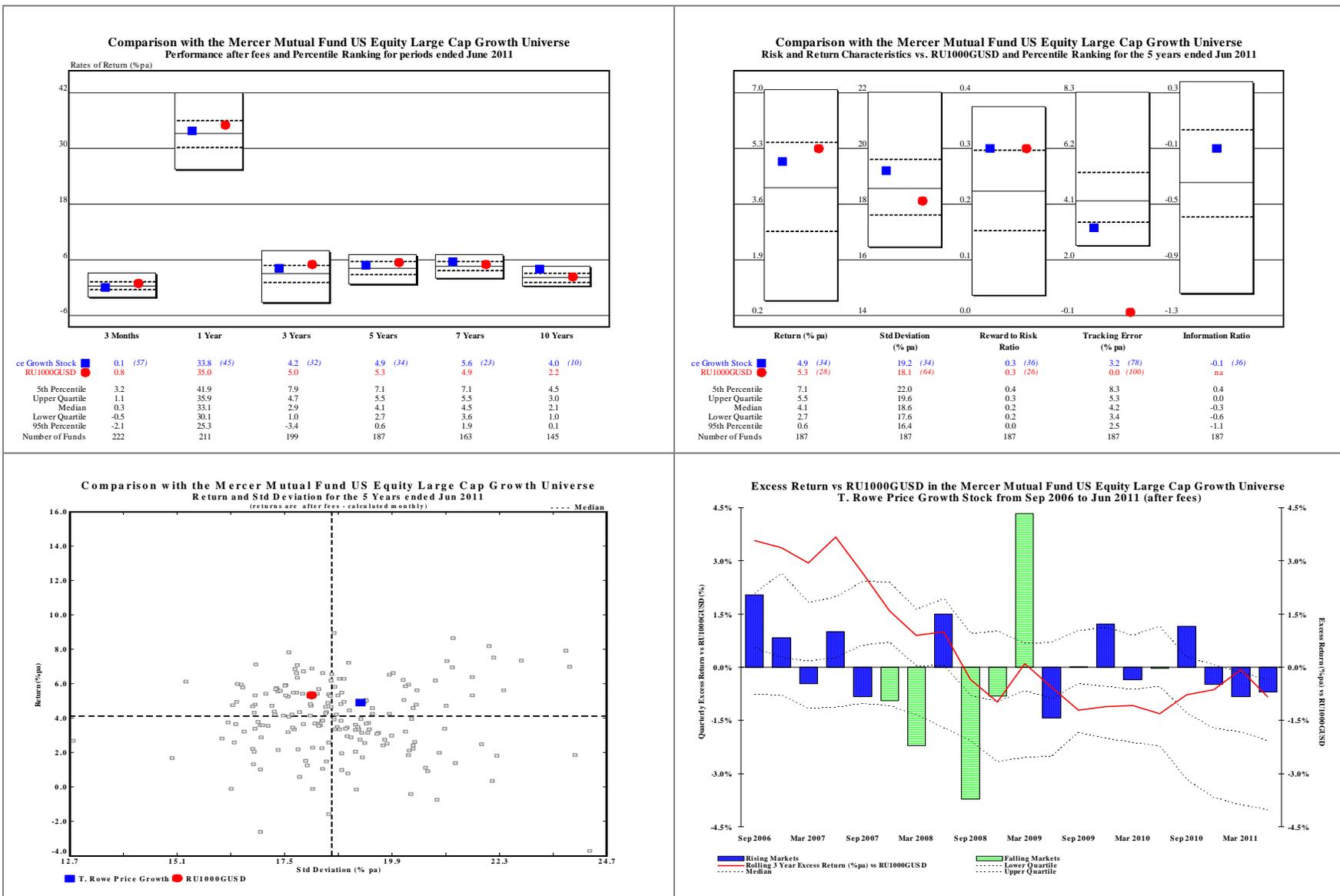
Fund Profile

Tier IIB - Domestic Equity - T Rowe Price Growth Stock Fund - PRGFX

Share Class:		Benchmark: Russell 1000 Growth
Investment Philosophy		
<p>The Growth Stock Fund philosophy is based on the belief that a company capable of increasing its earnings faster than both inflation and the overall economy will, over time, demonstrate superior performance. T. Rowe favors those companies which are growing at above-average rates, operating in strong sectors, financed conservatively, and relatively unaffected by government regulation. The Fund pays close attention to valuation and relies on bottom-up fundamental research and stock selection.</p>		
Portfolio Analysis & Key Observations		Style Analysis
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the consumer discretionary sector; underweight allocation to the energy sector Top 10 holdings MasterCard Inc. (+19.8% return), Amazon.com Inc. (+13.5% return) and Praxair Inc. (+7.2% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the information technology sector; underweight allocations to the consumer staples and health care sectors Top 10 holdings Google Inc. (-13.7% return), Crown Castle Intl. Corp. (-4.1% return), and Apple Inc. (-3.7% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>100% 80% 60% 40% 20% 0%</p> <p>Sep-06 Mar-07 Sep-07 Mar-08 Sep-08 Mar-09 Sep-09 Mar-10 Sep-10 Mar-11</p> <p>■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>
Key Facts and Figures		
Portfolio Manager: P. Robert Bartolo	Total Fund Assets: \$26,659 Million	Expense Ratio (Net): 0.70%
Portfolio Manager Average Tenure: 4.0 Years	Total Share Class Assets: \$24,311 Million	Mercer Median Expense Ratio (Net): 0.89%

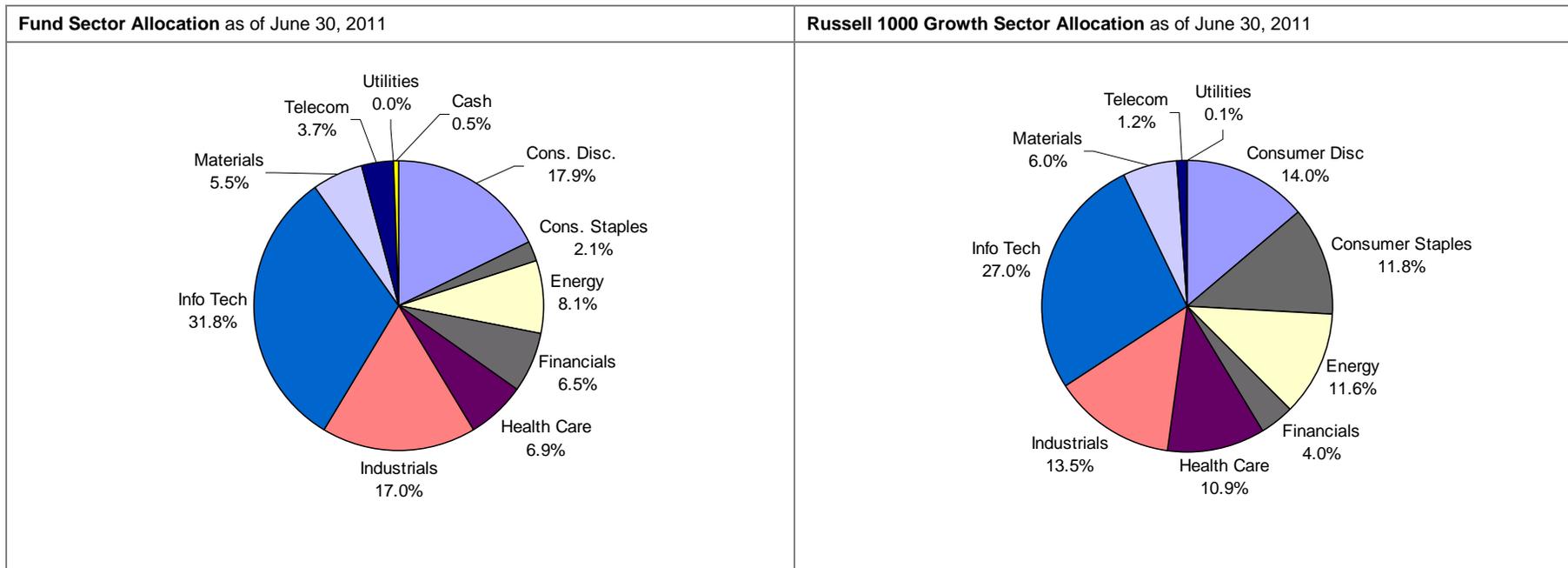
Fund Profile

Tier IIB - Domestic Equity - T Rowe Price Growth Stock Fund - PRGFX



Fund Profile

Domestic Equity - T Rowe Price Growth Stock Fund - PRGFX



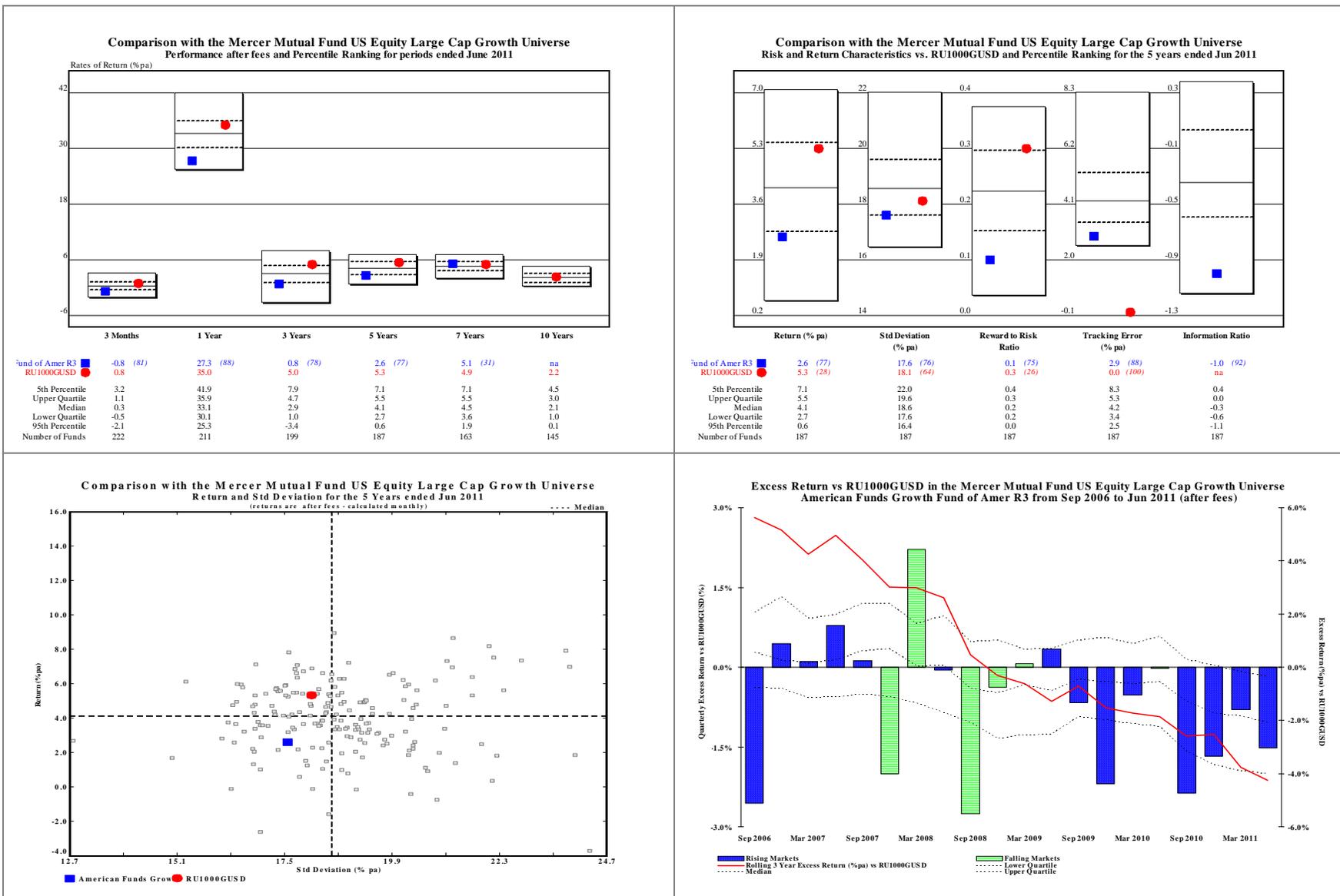
Fund Profile

Tier IIB - Domestic Equity - American Funds Growth Fund of America R-3 - RGACX

Share Class: R-3		Benchmark: Russell 1000 Growth	
Investment Philosophy			
<p>The Fund seeks to provide long-term growth of capital through a diversified portfolio of common stocks. The Fund has the flexibility to invest wherever the best growth opportunities may be. It emphasizes companies that appear to offer opportunities for long-term growth, and may invest in cyclical companies, turnarounds and value situations. The Fund may invest up to 25% of assets in securities of issuers domiciled outside the US, and it may invest up to 10% of assets in debt securities rated below investment-grade.</p>			
Portfolio Analysis & Key Observations		Style Analysis	
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the consumer discretionary sector; underweight allocations to the industrials and information technology sectors Top 10 holdings Amazon.com (+13.5% return), DIRECTV (+8.6% return) and Union Pacific (+6.7% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the energy and financials sectors; underweight allocation to the consumer staples sector Top 10 holdings Google.com (-13.7% return), Apache (-5.7% return) and Apple (-3.7% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>100% 80% 60% 40% 20% 0%</p> <p>Sep-06 Mar-07 Sep-07 Mar-08 Sep-08 Mar-09 Sep-09 Mar-10 Sep-10 Mar-11</p> <p>■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>	
Key Facts and Figures			
<p>Portfolio Manager: James E. Drasdo; James F. Rothenberg; Gordon Crawford</p> <p>Portfolio Manager Average Tenure: 14.9 Years</p>		<p>Total Fund Assets: \$156,762 Million</p> <p>Total Share Class Assets: \$12,544 Million</p>	
		<p>Expense Ratio (Net): 0.97%</p> <p>Mercer Median Expense Ratio (Net): 0.89%</p>	

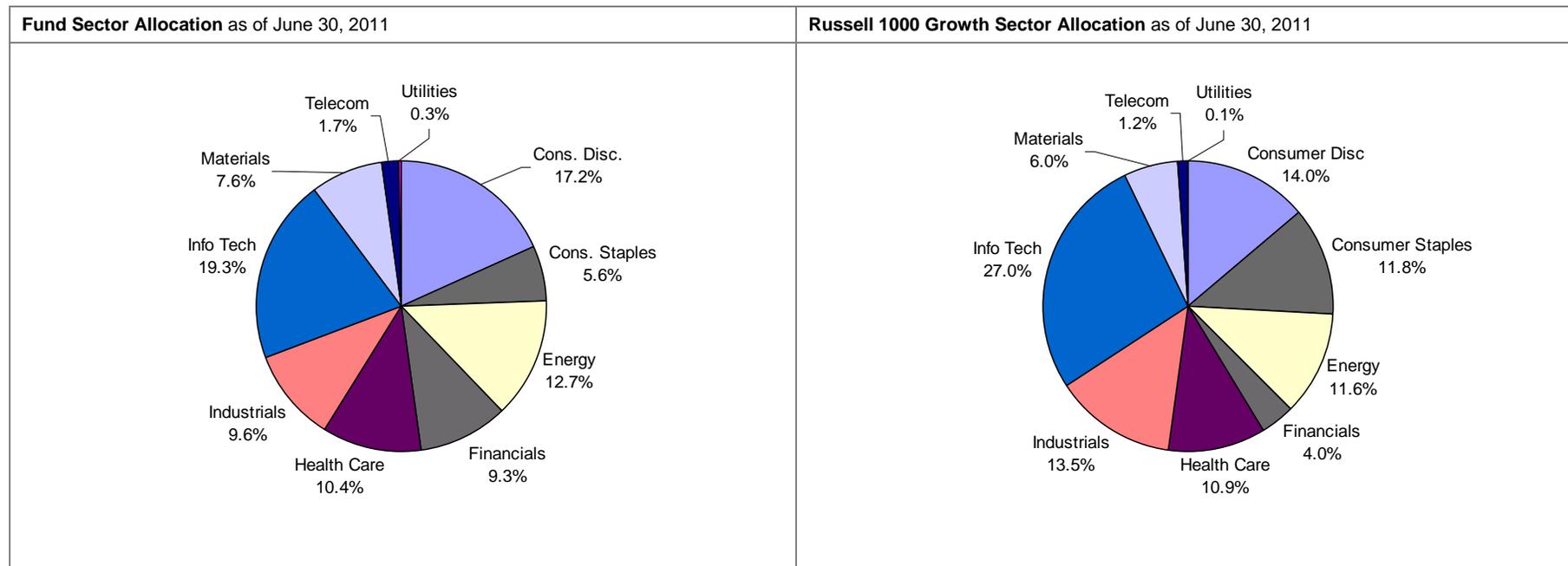
Fund Profile

Tier IIB - Domestic Equity - American Funds Growth Fund of America R-3 - RGACX



Fund Profile

Domestic Equity - American Funds Growth Fund of America R-3 - RGACX



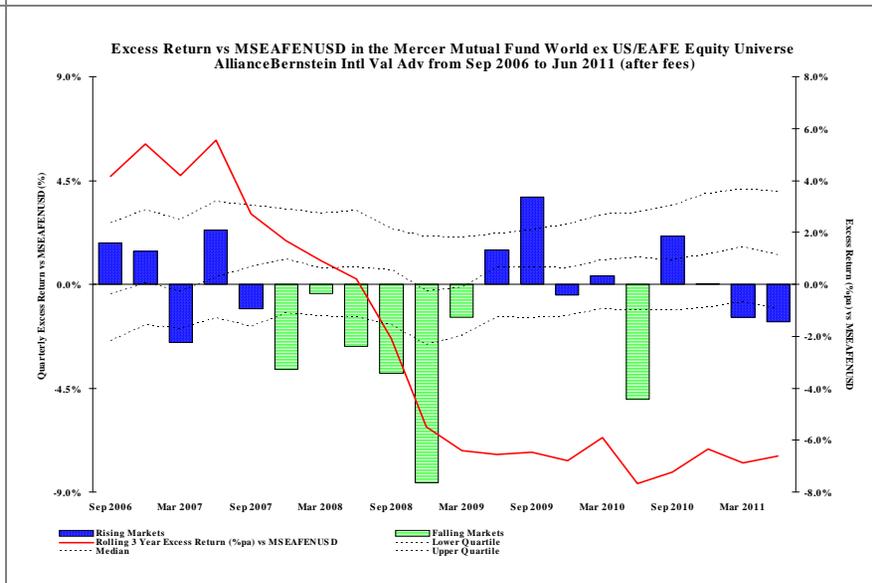
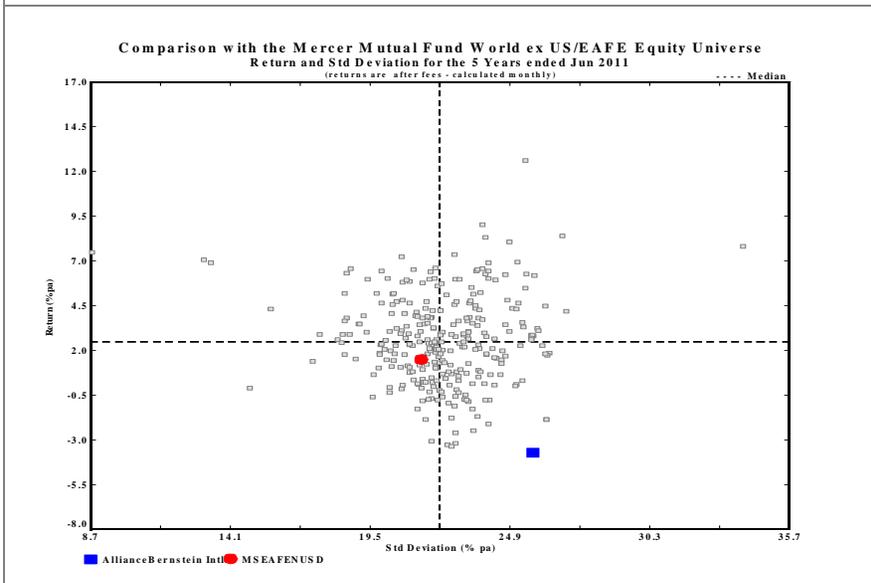
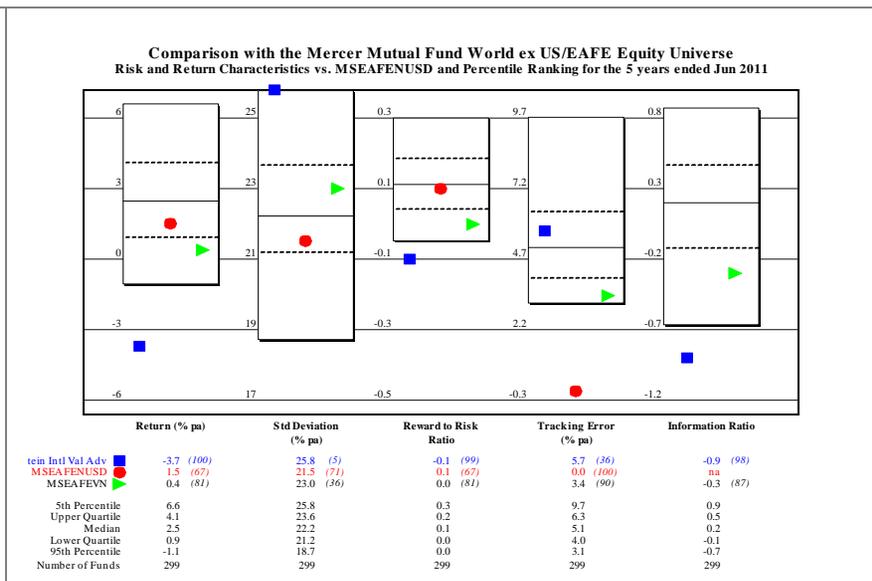
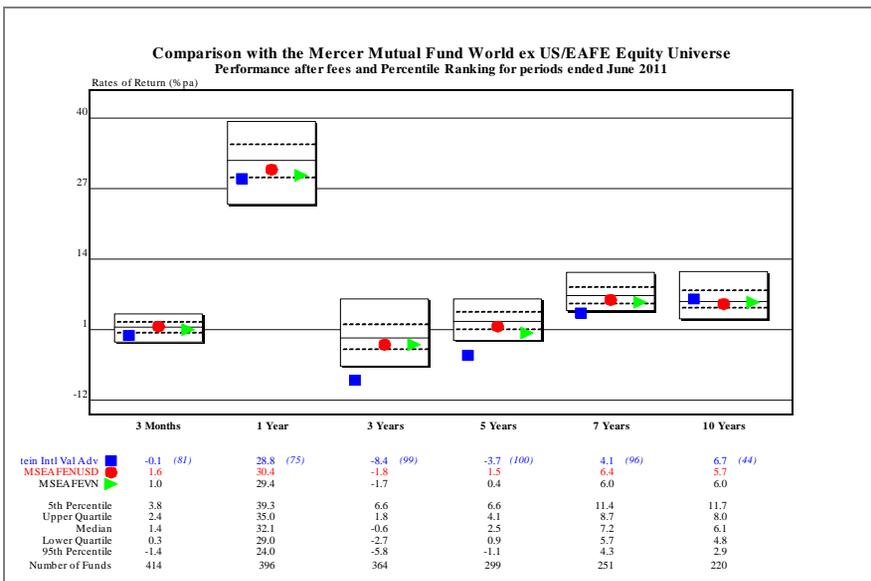
Fund Profile

Tier IIB - International Equity - AllianceBernstein International Value Fund Advisor - ABIYX

Share Class: Advisor		Benchmark: MSCI EAFE NET WHT																																	
Investment Philosophy																																			
<p>The International Equity Investment Policy Group (IPG), chaired by Sharon Fay, centrally manages the AllianceBernstein International Value Fund as a team. AllianceBernstein attempts to capitalize on mispricings through intensive bottom-up fundamental research and a disciplined valuation process. Through extensive field research, AllianceBernstein's staff of analysts estimates the long-term earnings power and dividend growth of companies and assesses each company within a given industry, studying demand, growth, market share trends, and cost-to-price relationships for each product line. The IPG then constructs a portfolio from the most undervalued stocks available. The portfolio holds 30 to 50 stocks with no explicit constraints on country or sector concentration. The team has an aversion to aggressive market timing and tends to keep the cash level under 5%. The firm invests opportunistically in emerging markets up to a maximum of 25%.</p>																																			
Portfolio Analysis & Key Observations		Country Analysis as of June 30, 2011																																	
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the consumer discretionary sector; underweight allocation to the industrials sector Out-of-benchmark exposure to Canada and South Korea Top 10 holdings Novartis (+12.4% return), AstraZeneca (+8.6% return) and Japan Tobacco (+5.7% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the energy sector; underweight allocation to the consumer staples sector On a regional basis, overweight allocation to the Netherlands; underweight allocations to Switzerland and Germany Top 10 holdings Societe Generale Group (-4.9% return), Telecom Italia (-4.5% return) and Vodafone (-3.7% return) 		<table border="1"> <caption>Country Allocation Data (Estimated from Chart)</caption> <thead> <tr> <th>Country</th> <th>AllianceBernstein International Value Fund Advisor</th> <th>MSCI EAFE NET WHT</th> </tr> </thead> <tbody> <tr> <td>Japan</td> <td>25.0</td> <td>20.0</td> </tr> <tr> <td>United Kingdom</td> <td>22.0</td> <td>21.0</td> </tr> <tr> <td>France</td> <td>10.0</td> <td>10.5</td> </tr> <tr> <td>Germany</td> <td>6.0</td> <td>9.0</td> </tr> <tr> <td>Netherlands</td> <td>4.5</td> <td>2.5</td> </tr> <tr> <td>Italy</td> <td>4.5</td> <td>3.0</td> </tr> <tr> <td>Switzerland</td> <td>4.0</td> <td>8.5</td> </tr> <tr> <td>South Korea</td> <td>3.0</td> <td>0.0</td> </tr> <tr> <td>Canada</td> <td>3.0</td> <td>0.0</td> </tr> <tr> <td>Other</td> <td>18.0</td> <td>26.0</td> </tr> </tbody> </table>	Country	AllianceBernstein International Value Fund Advisor	MSCI EAFE NET WHT	Japan	25.0	20.0	United Kingdom	22.0	21.0	France	10.0	10.5	Germany	6.0	9.0	Netherlands	4.5	2.5	Italy	4.5	3.0	Switzerland	4.0	8.5	South Korea	3.0	0.0	Canada	3.0	0.0	Other	18.0	26.0
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South Korea	3.0	0.0																																	
Canada	3.0	0.0																																	
Other	18.0	26.0																																	
Key Facts and Figures																																			
Portfolio Manager: Kevin F. Simms; Henry S. D'Auria; Sharon E. Fay Portfolio Manager Average Tenure: 7.3 Years	Total Fund Assets: \$2,010 Million Total Share Class Assets: \$584 Million	Expense Ratio (Net): 1.03% Mercer Median Expense Ratio (Net): 1.05%																																	

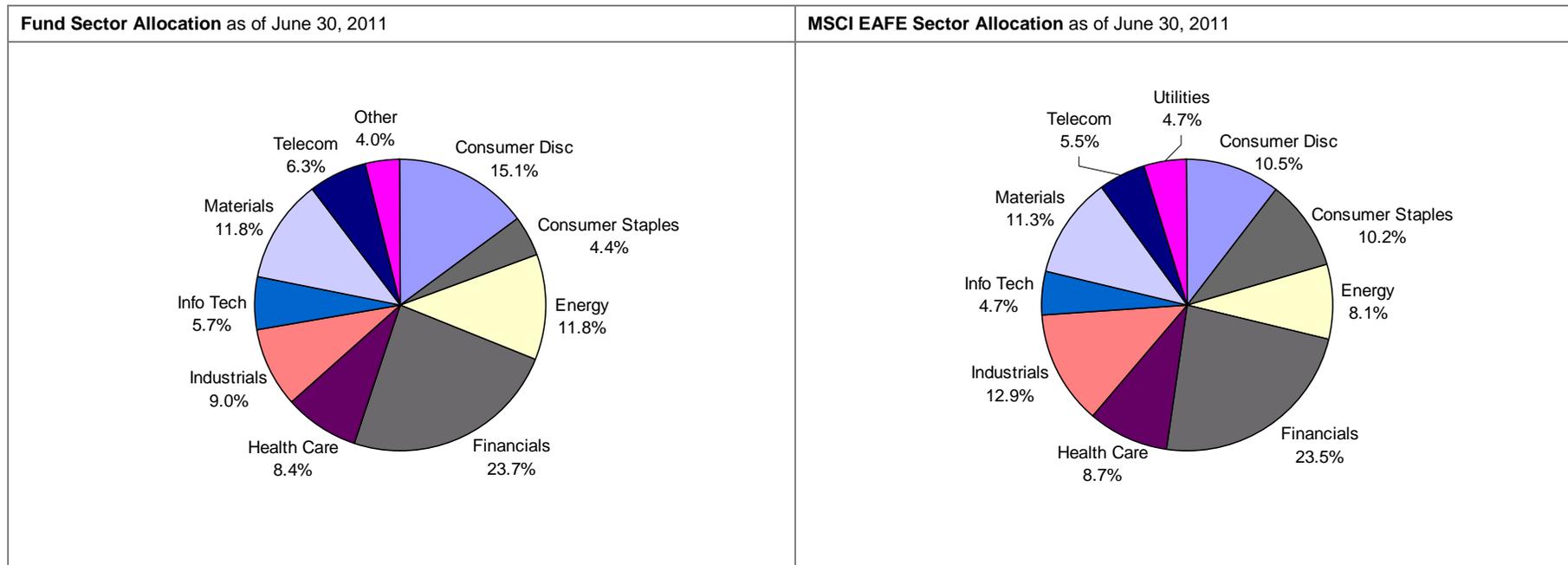
Fund Profile

Tier IIB - International Equity - AllianceBernstein International Value Fund Advisor - ABIYX



Fund Profile

International Equity - AllianceBernstein International Value Fund Advisor - ABIYX



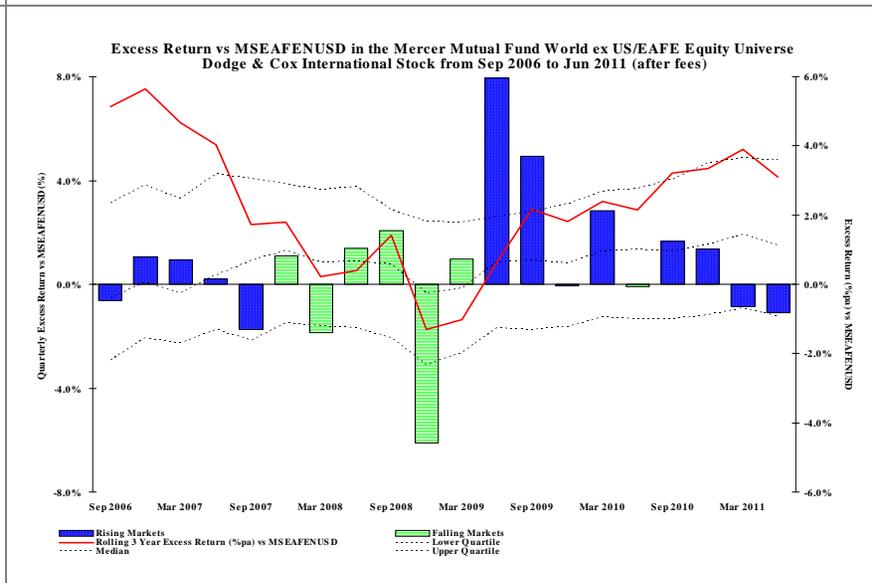
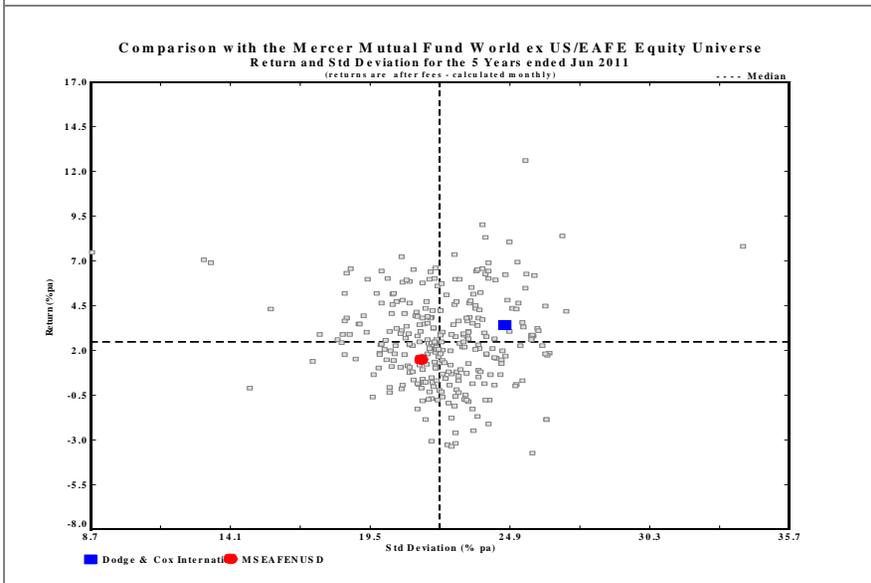
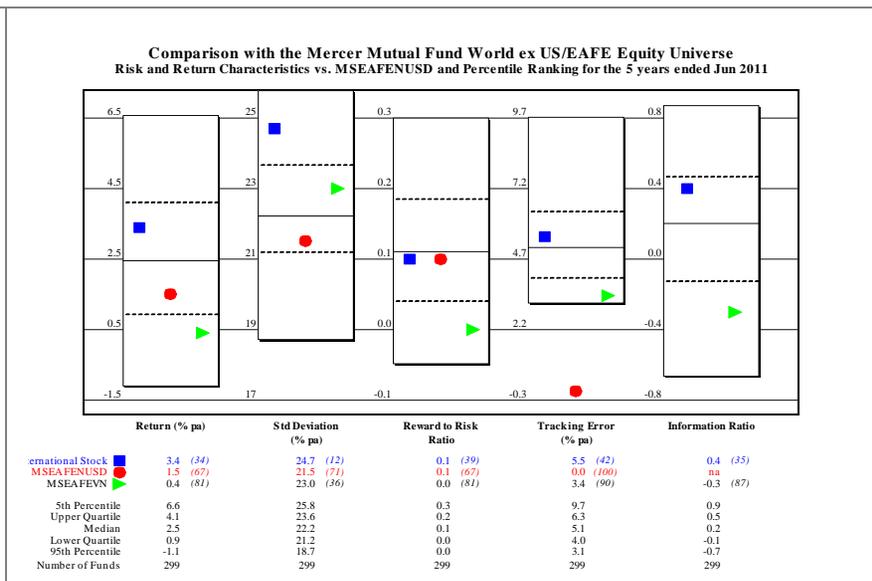
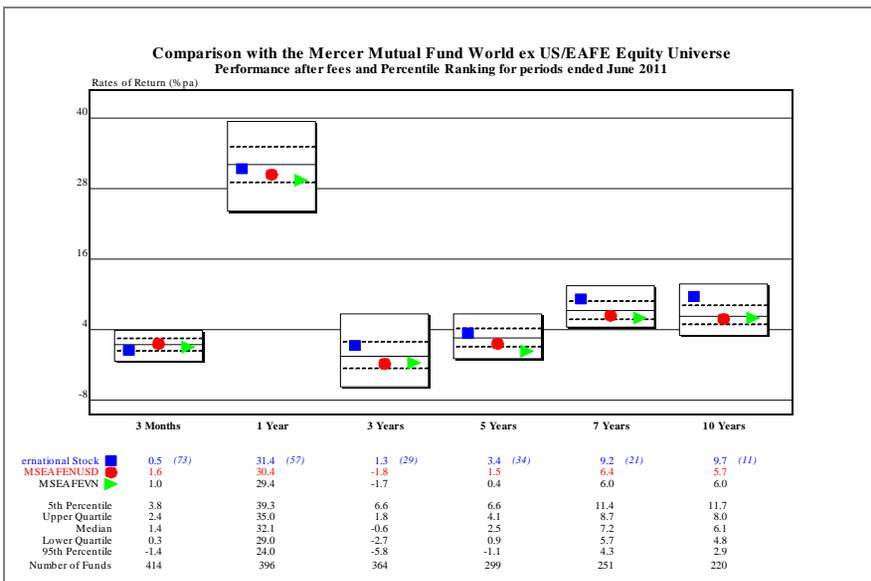
Fund Profile

Tier IIB - International Equity - Dodge & Cox International Stock Fund - DODFX

Share Class:		Benchmark: MSCI EAFE NET WHT																																		
Investment Philosophy																																				
<p>The fund seeks long-term growth of principal and income. It invests primarily in a diversified portfolio of equity securities issued by non-U.S. companies from at least three different foreign countries, including emerging markets. It focuses on countries whose economic and political systems appear more stable and are believed to provide some protection to foreign shareholders. The fund invests primarily in medium-to-large, well-established companies based on standards of the applicable market.</p>																																				
Portfolio Analysis & Key Observations		Country Analysis as of June 30, 2011																																		
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the health care and consumer discretionary sectors; underweight allocations to the utilities, financials and industrials sectors On a regional basis, overweight allocation to Switzerland; underweight allocation to Japan Top 10 holdings Sanofi (+19.1% return), Roche Holding (+16.8% return) and GlaxoSmithKline (+13.0% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the information technology sector; underweight allocation to the consumer staples sector On a regional basis, overweight allocation to the United States Holdings in emerging markets Top 10 holdings Schlumberger (-7.1% return), Vodafone (-3.7% return) and HSBC Holdings (-3.4% return) 		<table border="1"> <caption>Country Allocation Data (Estimated from Chart)</caption> <thead> <tr> <th>Country</th> <th>Dodge & Cox International Stock Fund</th> <th>MSCI EAFE NET WHT</th> </tr> </thead> <tbody> <tr><td>United Kingdom</td><td>16.5</td><td>21.5</td></tr> <tr><td>Japan</td><td>14.0</td><td>20.0</td></tr> <tr><td>Switzerland</td><td>11.5</td><td>8.5</td></tr> <tr><td>France</td><td>9.0</td><td>10.5</td></tr> <tr><td>Germany</td><td>8.0</td><td>9.0</td></tr> <tr><td>South Africa</td><td>7.0</td><td>0.0</td></tr> <tr><td>United States</td><td>5.0</td><td>0.0</td></tr> <tr><td>Netherlands</td><td>3.5</td><td>2.5</td></tr> <tr><td>Mexico</td><td>3.5</td><td>0.0</td></tr> <tr><td>Brazil</td><td>3.0</td><td>0.0</td></tr> </tbody> </table>		Country	Dodge & Cox International Stock Fund	MSCI EAFE NET WHT	United Kingdom	16.5	21.5	Japan	14.0	20.0	Switzerland	11.5	8.5	France	9.0	10.5	Germany	8.0	9.0	South Africa	7.0	0.0	United States	5.0	0.0	Netherlands	3.5	2.5	Mexico	3.5	0.0	Brazil	3.0	0.0
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Netherlands	3.5	2.5																																		
Mexico	3.5	0.0																																		
Brazil	3.0	0.0																																		
Key Facts and Figures																																				
Portfolio Manager: Diana S. Strandberg; C. Bryan Cameron; John A. Gunn Portfolio Manager Average Tenure: 7.8 Years		Total Fund Assets: \$46,280 Million Total Share Class Assets: \$46,280 Million																																		
		Expense Ratio (Net): 0.65% Mercer Median Expense Ratio (Net): 1.05%																																		

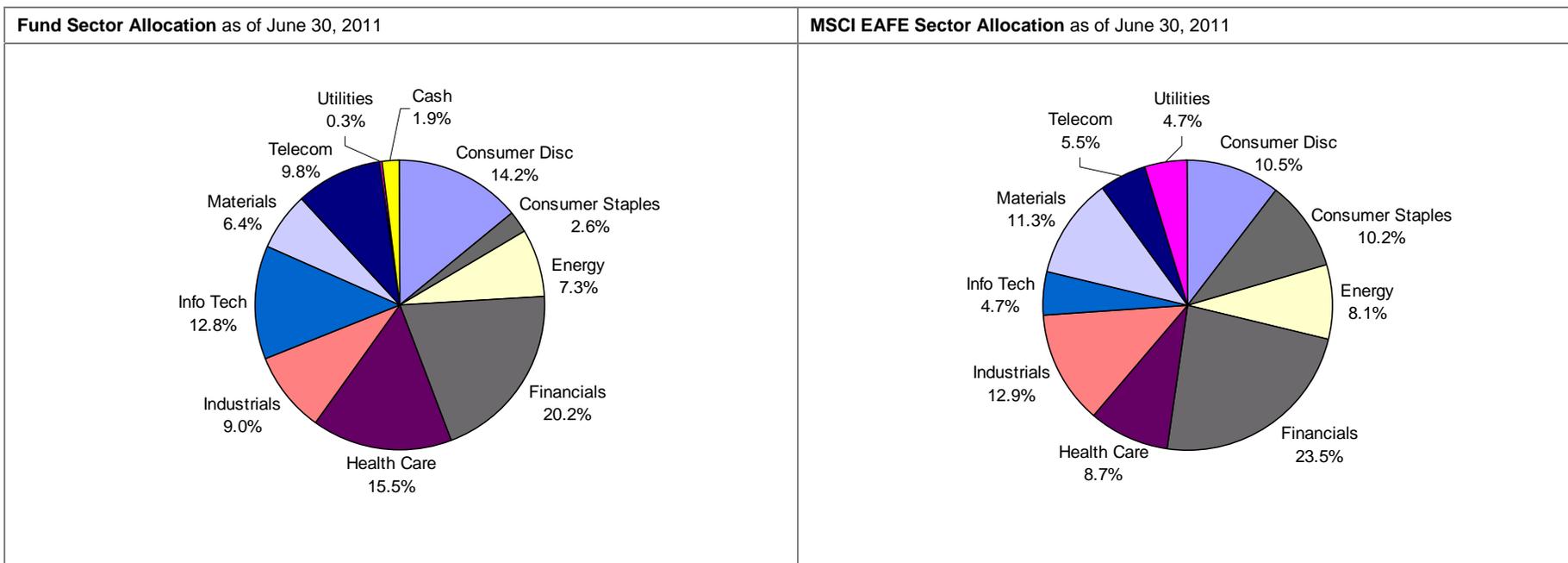
Fund Profile

Tier IIB - International Equity - Dodge & Cox International Stock Fund - DODFX



Fund Profile

International Equity - Dodge & Cox International Stock Fund - DODFX



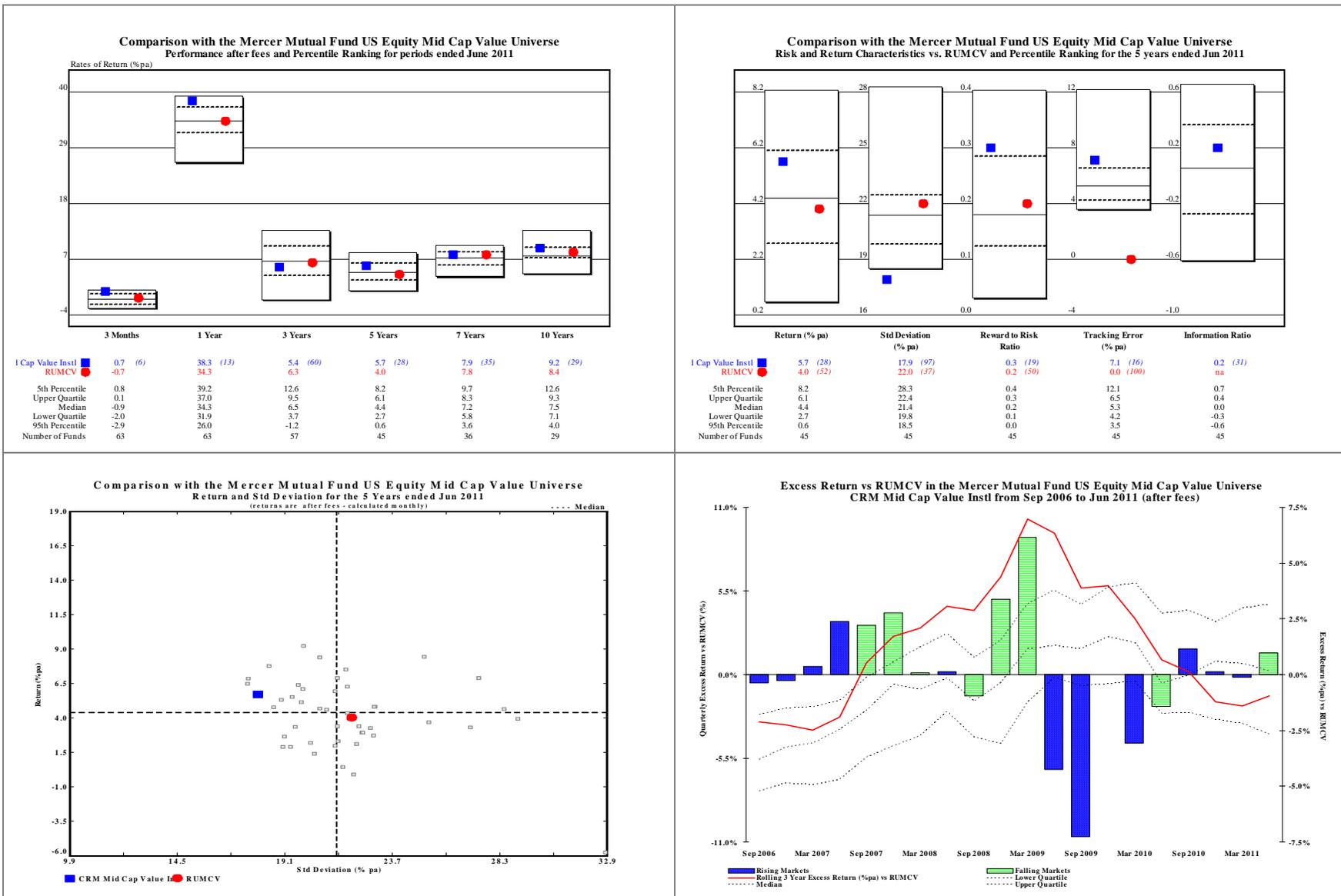
Fund Profile

Tier IIB - Domestic Equity - CRM Mid Cap Value Fund Institutional - CRIMX

Share Class: Institutional		Benchmark: Russell Midcap Value	
Investment Philosophy			
<p>The Fund, under normal circumstances, invests at least 80% of its assets in a diversified portfolio of equity and equity related securities of companies with market capitalizations at the time of initial purchase similar to those in the Russell Midcap Value Index that are publicly traded on a U.S. securities market. CRM invests in under-followed, out-of-favor companies that are undergoing strategic changes such as divestitures, new products, new management, mergers, and acquisitions. CRM tries to invest in these companies before other investors recognize the beneficial impacts of the changes.</p>			
Portfolio Analysis & Key Observations		Style Analysis	
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the health care sector; underweight allocation to the financials sector Top 10 holdings Tyco International Ltd. (+11.0% return), Viacom Inc. (+10.2% return) and BMC Software Inc. (+10.0% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the technology, producer durables and energy sectors; underweight allocations to the consumer staples and utilities sectors Top 10 holdings Navistar International Corp. (-18.6% return), Avery Dennison Corp. (-7.4% return) and St. Jude Medical Inc. (-6.6% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>Legend: ■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>	
Key Facts and Figures			
Portfolio Manager: Jay B. Abramson; Robert L. Rewey III Portfolio Manager Average Tenure: 10.5 Years	Total Fund Assets: \$4,154 Million Total Share Class Assets: \$2,693 Million	Expense Ratio (Net): 0.79% Mercer Median Expense Ratio (Net): 0.95%	

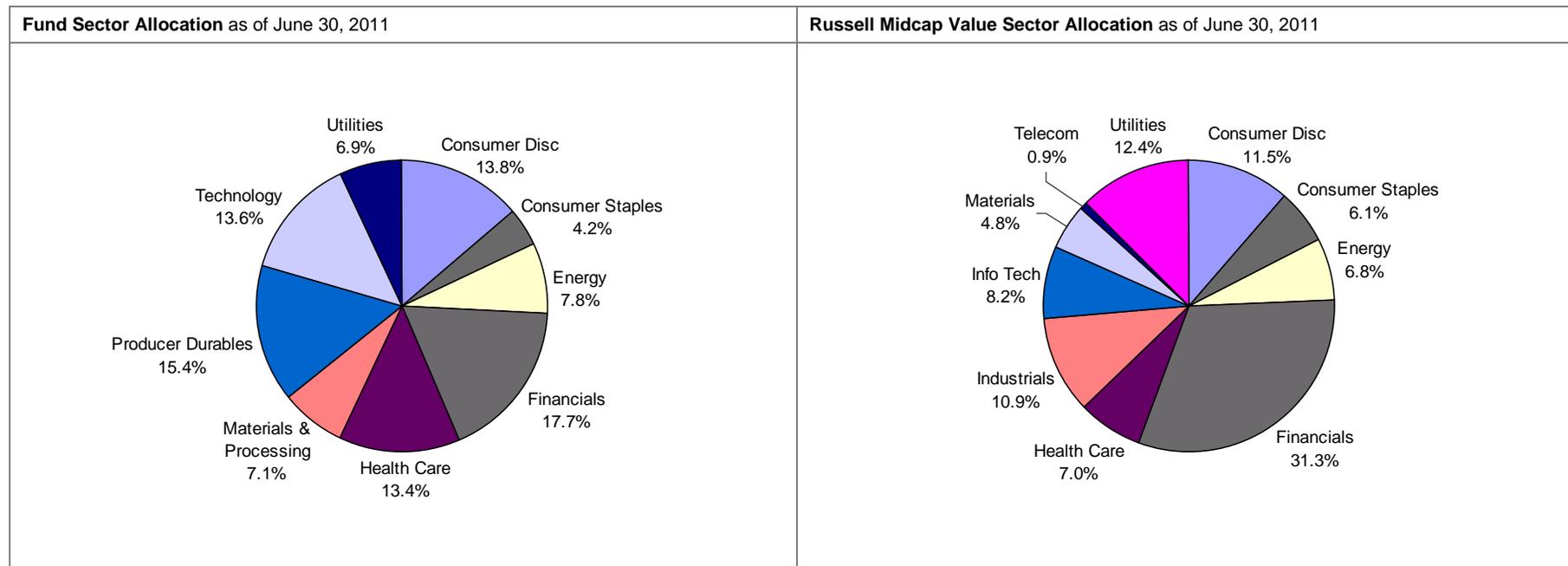
Fund Profile

Tier IIB - Domestic Equity - CRM Mid Cap Value Fund Institutional - CRIMX



Fund Profile

Domestic Equity - CRM Mid Cap Value Fund Institutional - CRIMX



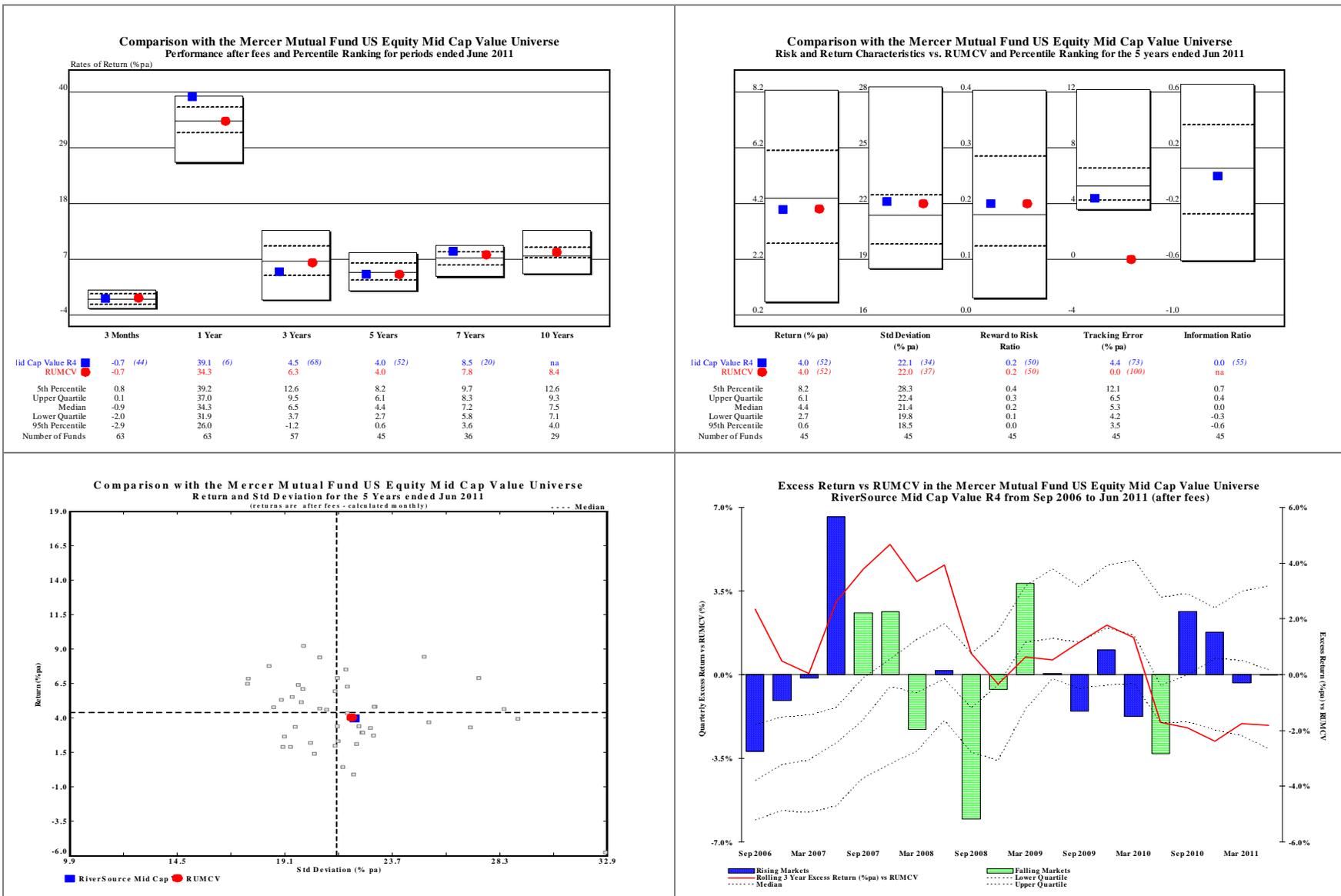
Fund Profile

Tier IIB - Domestic Equity - Columbia Mid Cap Value Opportunity Fund R4 - RMCVX

Share Class: R4		Benchmark: Russell Midcap Value	
Investment Philosophy			
<p>The investment seeks long-term capital appreciation. The fund normally invests at least 80% of assets in equity securities of medium-sized companies whose market capitalizations at the time of purchase fall within the range of the Russell Midcap Value index. It may invest up to 25% of assets in foreign investments. The fund may invest up to 20% of assets in stocks of smaller or larger companies, preferreds, convertibles, or other.</p>			
Portfolio Analysis & Key Observations		Style Analysis	
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Holdings in the health care and financials sectors Top 10 holdings Cigna Corp (16.1% return), Lorillard Inc (15.9% return), and Agilent Technologies (14.1% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Sector allocation in the information technology, consumer staples, industrials, and utilities sectors. Top 10 holdings XL Group (-10.2% return), Newfield Exploration (-10.5% return), and Cooper Industries (-7.6% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>Legend: ■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>	
Key Facts and Figures			
Portfolio Manager: Steve Schroll; Laton Spahr; Paul Stocking Portfolio Manager Average Tenure: 7.0 Years	Total Fund Assets: \$2,261 Million Total Share Class Assets: \$341 Million	Expense Ratio (Net): 1.05% Mercer Median Expense Ratio (Net): 0.95%	

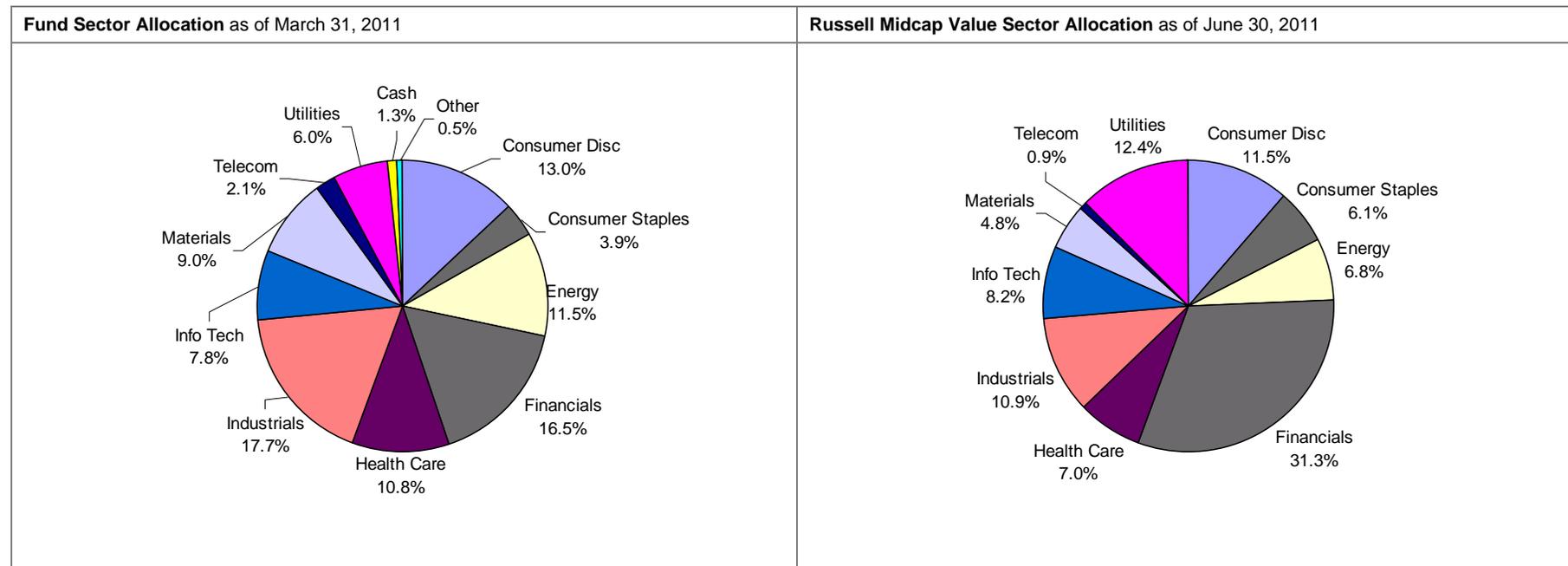
Fund Profile

Tier IIB - Domestic Equity - Columbia Mid Cap Value Opportunity Fund R4 - RMCVX



Fund Profile

Domestic Equity - Columbia Mid Cap Value Opportunity Fund R4 - RMCVX



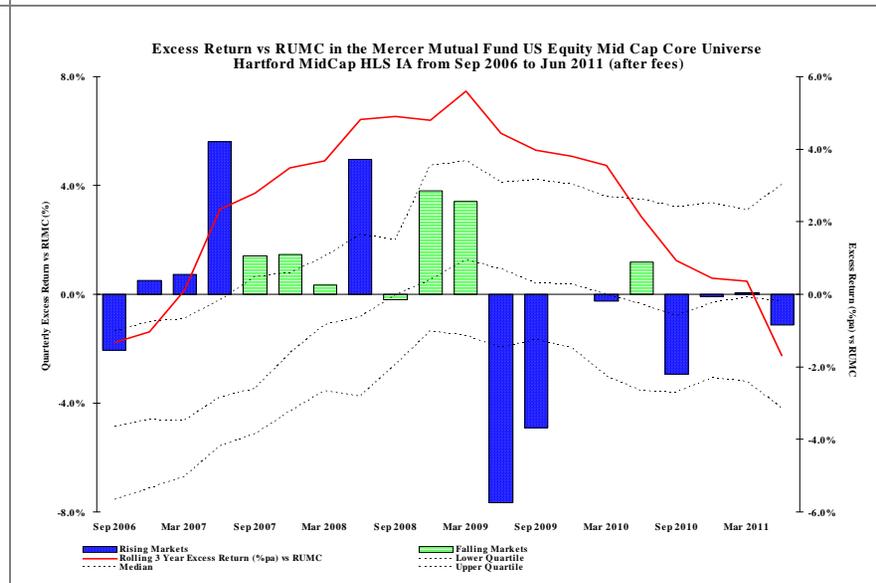
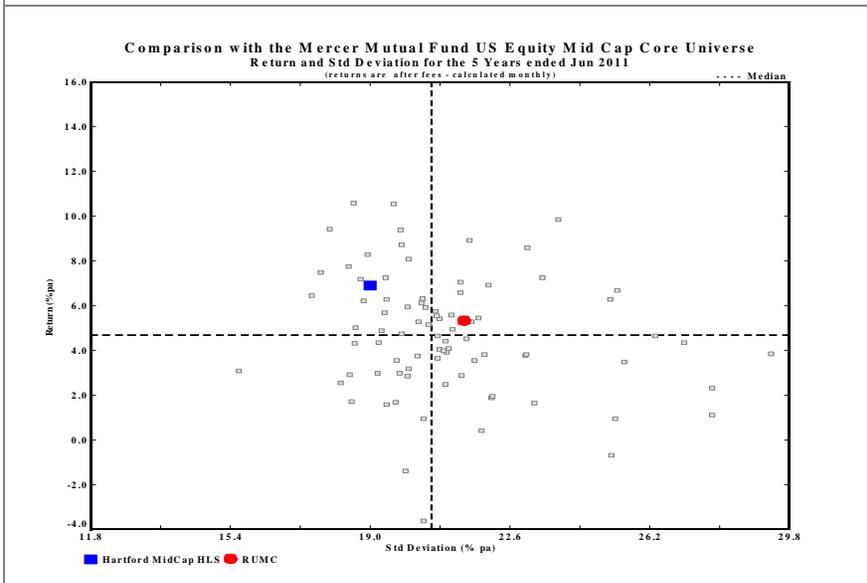
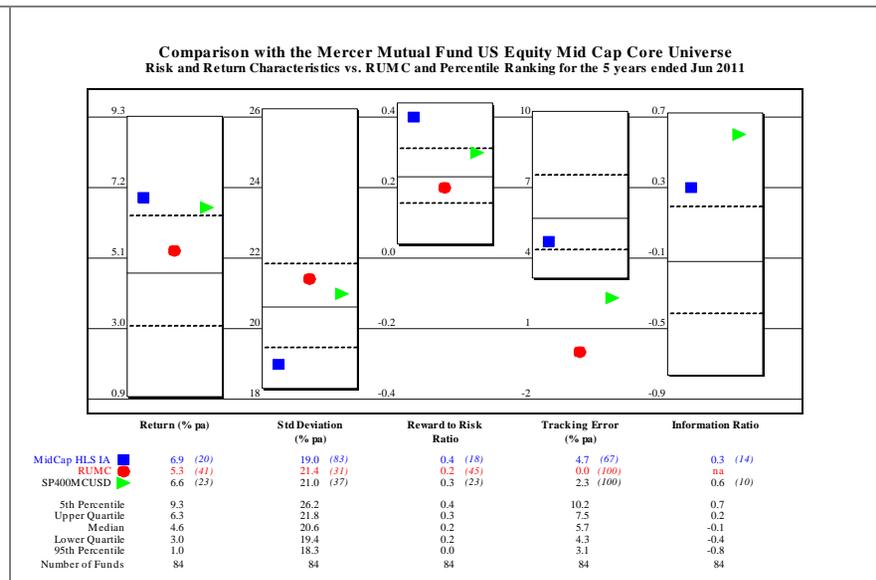
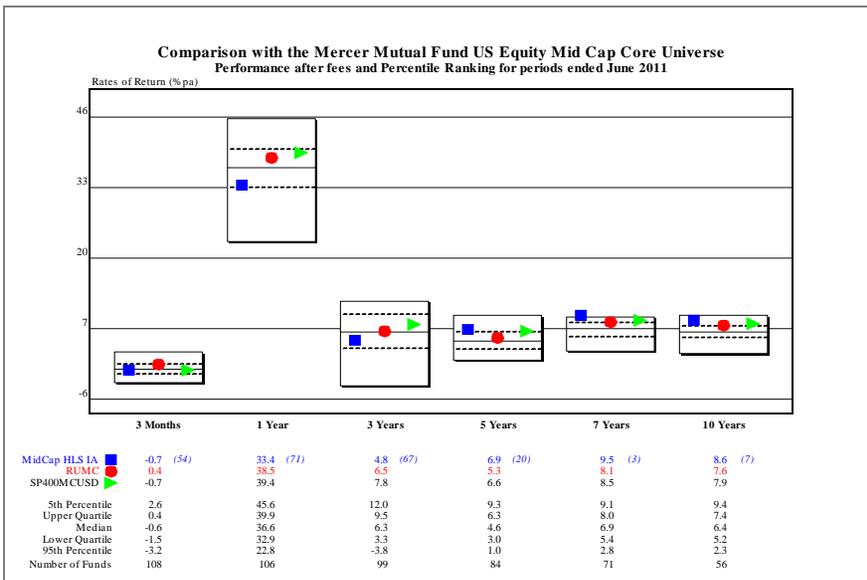
Fund Profile

Tier IIB - Domestic Equity - Hartford MidCap HLS IA - HIMCX

Share Class: Inst		Benchmark: Russell Midcap	
Investment Philosophy			
The fund typically invests in high quality, established mid cap companies with good balance sheets, strong management teams, and market leadership in their industry.			
Portfolio Analysis & Key Observations		Style Analysis	
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the health care sector; underweight allocations to the energy and financials sectors Top 10 holdings Watson Pharmaceuticals Inc. (+22.7% return), Genpact Ltd. (+19.1% return) and Amerisourcebergen Corp. (+4.9% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the industrials and information technology sectors; underweight allocation to the consumer staples, utilities and consumer discretionary sectors Top 10 holdings Lennox International Inc. (-17.7% return), SEI Investments Co. (-5.2% return) and Harley Davidson Inc. (-3.3% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>100% 80% 60% 40% 20% 0%</p> <p>Sep-06 Mar-07 Sep-07 Mar-08 Sep-08 Mar-09 Sep-09 Mar-10 Sep-10 Mar-11</p> <p>■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>	
Key Facts and Figures			
Portfolio Manager: Phillip H. Perelmuter		Total Fund Assets: \$770 Million	
Portfolio Manager Average Tenure: 11.8 Years		Expense Ratio (Net): 0.69%	
		Mercer Median Expense Ratio (Net): 0.98%	

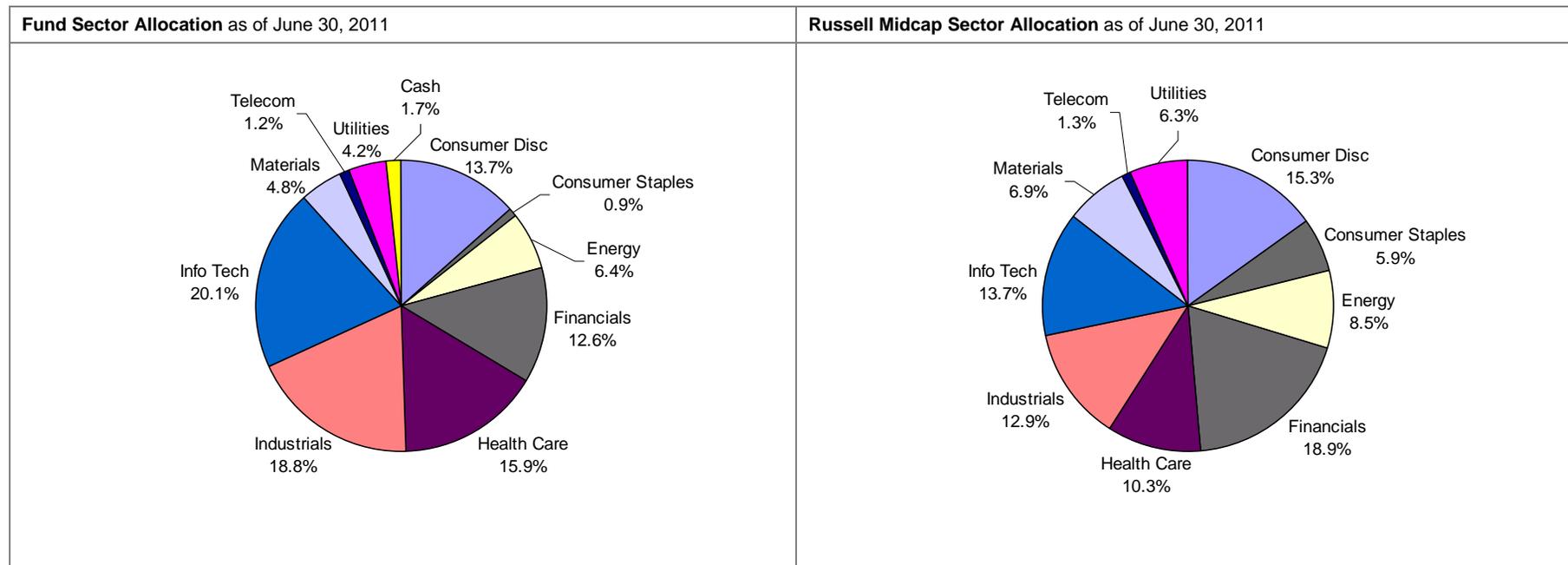
Fund Profile

Tier IIB - Domestic Equity - Hartford MidCap HLS IA - HIMCX



Fund Profile

Domestic Equity - Hartford MidCap HLS IA - HIMCX



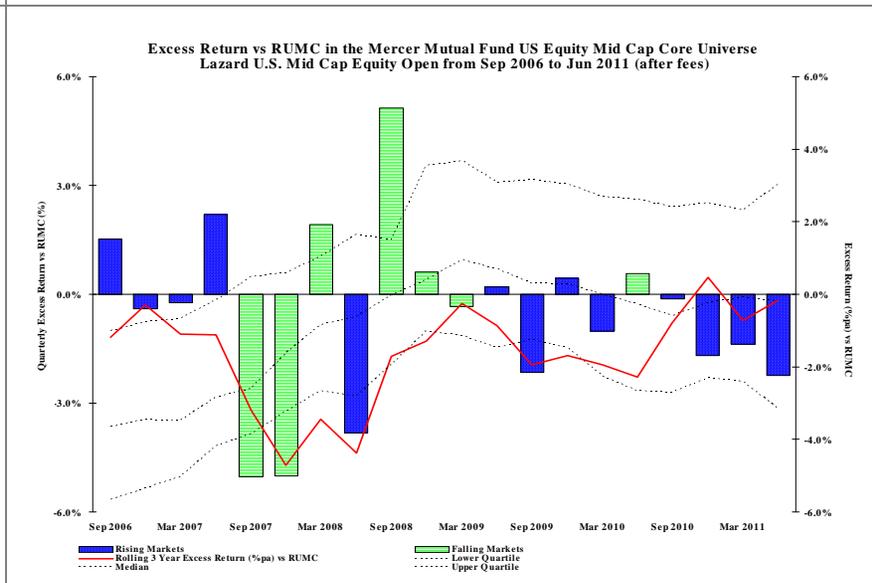
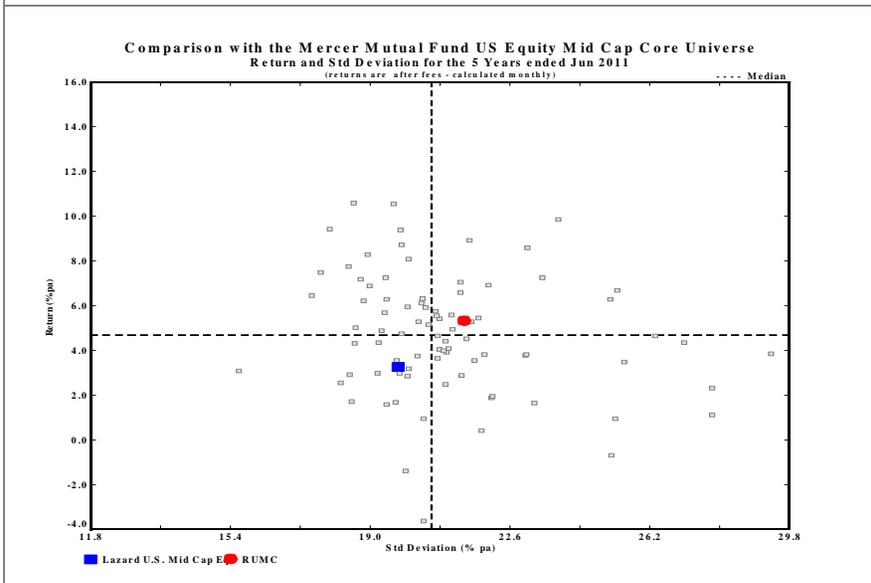
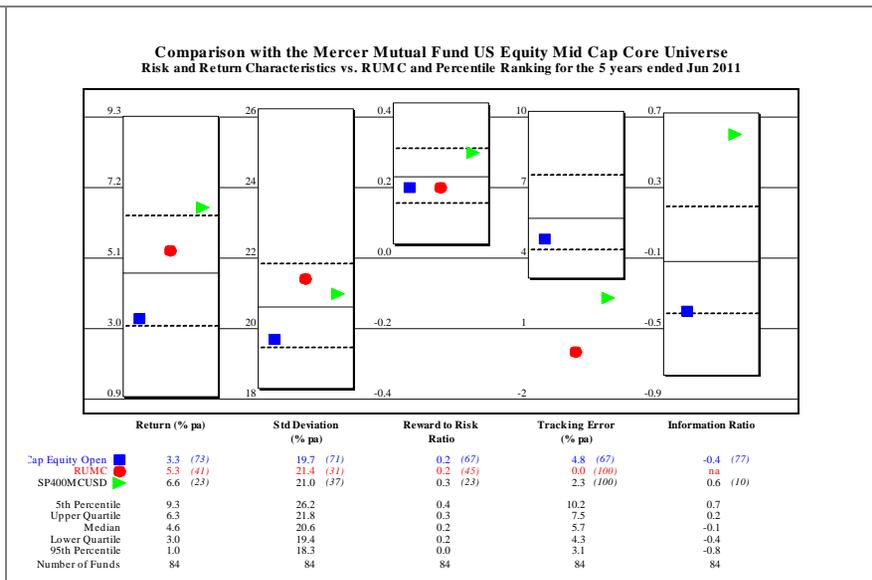
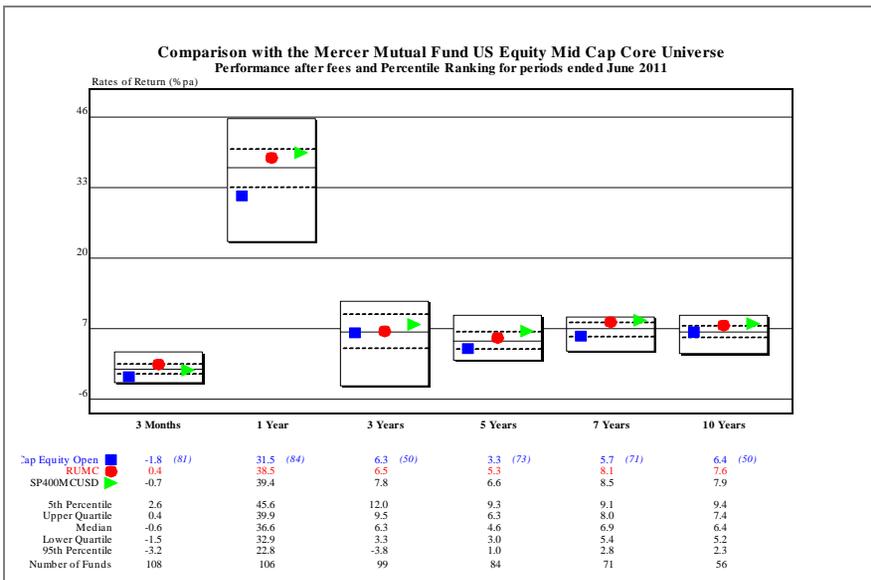
Fund Profile

Tier IIB - Domestic Equity - Lazard US Mid Cap Equity Portfolio Open - LZMOX

Share Class: Open		Benchmark: Russell Midcap	
Investment Philosophy			
<p>The Mid Cap Equity strategy is based on bottom-up stock selection with an emphasis on undervalued sectors and industries. Lazard seeks inexpensively priced companies that are financially productive with a catalyst that should create sustainable returns over the long term. The firm focuses on financial productivity and the long-term sustainability of returns rather than just price to earnings multiples and earnings projections. In-house fundamental research and financial analysis is key to the stock selection process. Macro, political, and economic factors are also considered.</p>			
Portfolio Analysis & Key Observations		Style Analysis	
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the consumer staples sector; underweight allocation to the financials sector Top 10 holdings International Game Technology (+8.7% return), Devry Inc. (+7.6% return) and Dover Corp. (+3.6% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the energy sector; underweight allocation to the utilities sector Top 10 holdings Equifax Inc. (-10.3% return), Invesco Ltd. (-8.0% return) and Ameriprise Financial Inc. (-5.2% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>The chart displays the percentage of the fund's performance relative to four benchmarks over a 5-year period from Sep-06 to Mar-11. The benchmarks are: Russell 1000 Value (light blue), Russell 1000 Growth (dark blue), Russell 2000 Value (light orange), and Russell 2000 Growth (dark orange). The fund's performance (light blue) starts at approximately 50% in Sep-06, peaks at about 80% in Mar-08, and ends at approximately 25% in Mar-11. It consistently outperforms the Russell 2000 benchmarks, which remain below 40% throughout the period.</p>	
Key Facts and Figures			
Portfolio Manager: Andrew D. Lacey; Christopher H. Blake; Robert A. Failla Portfolio Manager Average Tenure: 6.8 Years	Total Fund Assets: \$183 Million Total Share Class Assets: \$63 Million	Expense Ratio (Net): 1.17% Mercer Median Expense Ratio (Net): 0.98%	

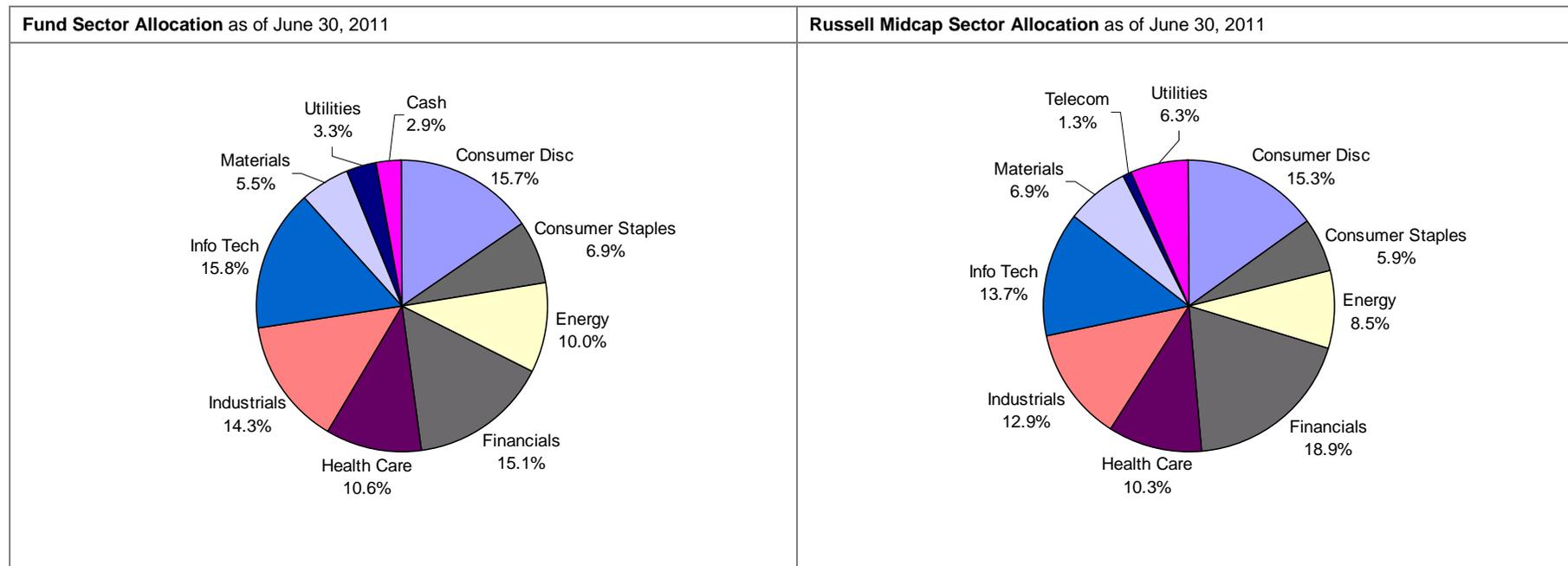
Fund Profile

Tier IIB - Domestic Equity - Lazard US Mid Cap Equity Portfolio Open - LZMOX



Fund Profile

Domestic Equity - Lazard US Mid Cap Equity Portfolio Open - LZMOX



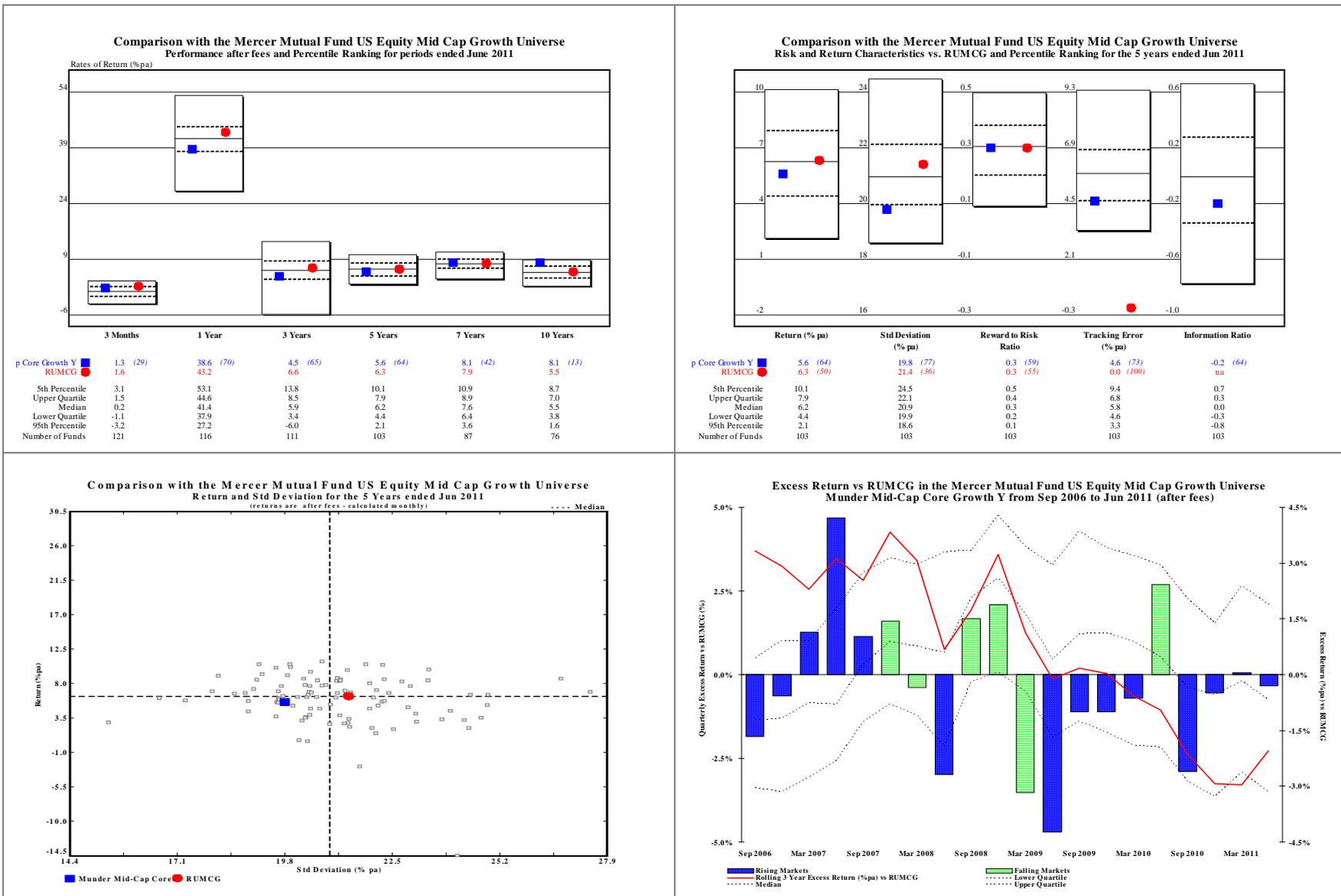
Fund Profile

Tier IIB - Domestic Equity - Munder Mid-Cap Core Growth Fund Y - MGOYX

Share Class: Y		Benchmark: Russell Midcap Growth	
Investment Philosophy			
<p>The Mid Cap Select Fund is managed by Tony Dong. The strategy employs a growth-at-a-reasonable price philosophy using a process that combines a multi-factor model with fundamental research. Munder screens for stocks in a capitalization range of \$750 million to \$10 billion for a variety of growth factors then scores the stocks using a multi-factor model. Fundamental analysis is then conducted on stocks that score well in the model. Sector weights are similar to those of the S&P MidCap 400 benchmark and the median market capitalization is typically in line with the S&P 400 and Russell Mid-Cap benchmarks.</p>			
Portfolio Analysis & Key Observations		Style Analysis	
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Underweight allocations to the industrials, energy and information technology sectors Top 10 holdings Herbalife Ltd. (+42.2% return), Fossil Inc. (+25.7% return) and Teradata Corp. (+18.7% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the financials sector; underweight allocation to the health care sector Top 10 holdings Cognizant Technology Solutions Corp. (-9.9% return) and Affiliated Managers Group Inc. (-7.2% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>100% 80% 60% 40% 20% 0%</p> <p>Sep-06 Mar-07 Sep-07 Mar-08 Sep-08 Mar-09 Sep-09 Mar-10 Sep-10 Mar-11</p> <p>■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>	
Key Facts and Figures			
Portfolio Manager: Tony Y. Dong; Brian S. Matuszak; Andy Y. Mui Portfolio Manager Average Tenure: 4.9 Years		Total Fund Assets: \$4,884 Million Total Share Class Assets: \$3,016 Million	
		Expense Ratio (Net): 1.10% Mercer Median Expense Ratio (Net): 1.00%	

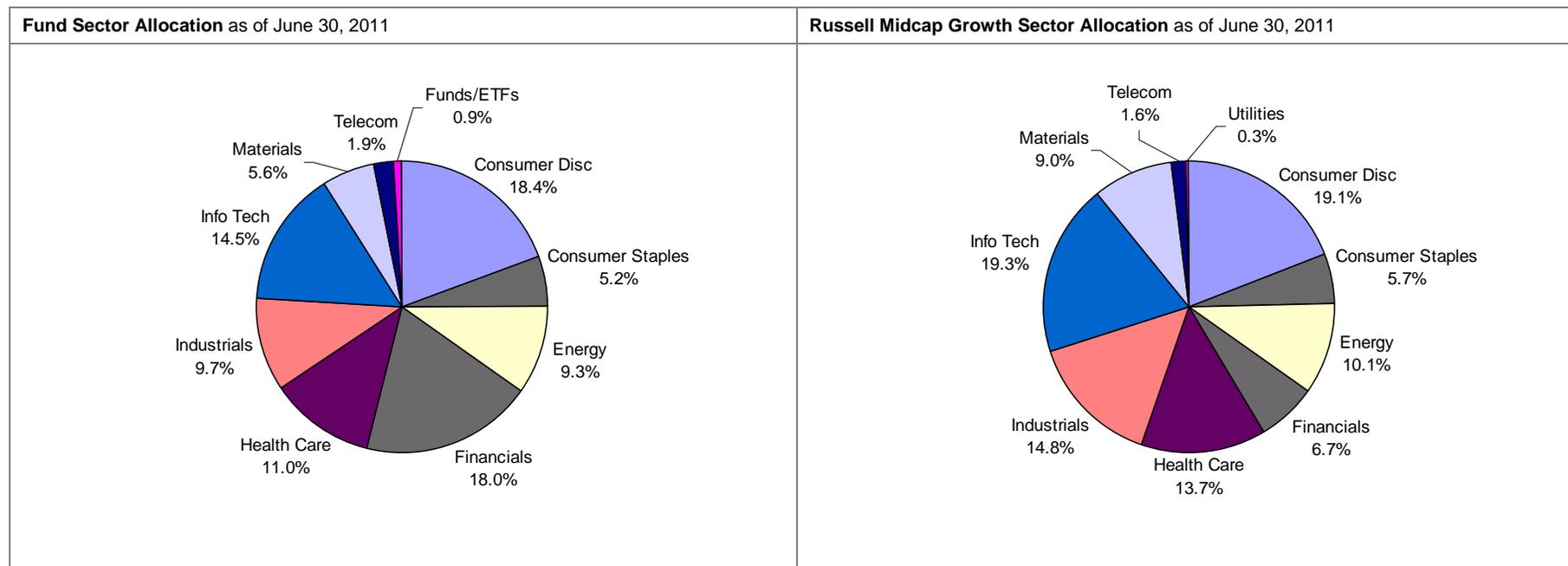
Fund Profile

Tier IIB - Domestic Equity - Munder Mid-Cap Core Growth Fund Y - MGOYX



Fund Profile

Domestic Equity - Munder Mid-Cap Core Growth Fund Y - MGOYX



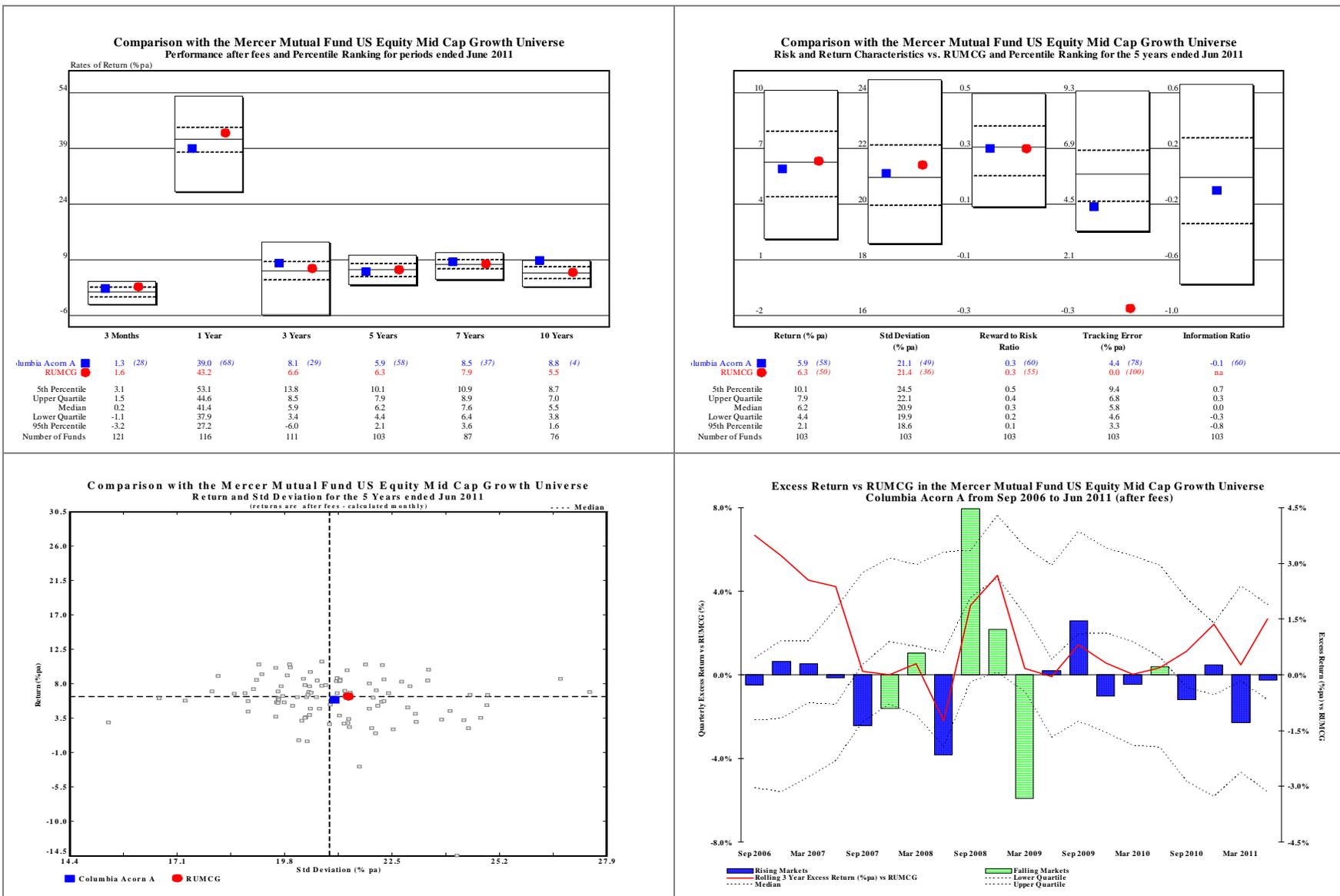
Fund Profile

Tier IIB - Domestic Equity - Columbia Acorn Fund A - LACAX

Share Class: A		Benchmark: Russell Midcap Growth
Investment Philosophy		
Wanger follows the same bottom-up, GARP investment philosophy for all its products. The firm looks for stocks of lesser-known companies that show healthy growth of economic value and some type of sustainable economic advantage.		
Portfolio Analysis & Key Observations		Style Analysis
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Underweight allocation to energy Top 10 holdings IPG Photonics Corp. (+26.1% return), Lululemon Athletica Inc. (+25.6% return) and Abercrombie & Fitch (+14.3% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the industrials and financials sectors; underweight allocations to the consumer staples and health care sectors Top 10 holdings FMC Technologies Inc. (-5.2% return), Alexion Pharmaceuticals Inc. (-4.7% return) and Crown Castle International Corp. (-4.1% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>Legend: ■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>
Key Facts and Figures		
Portfolio Manager: Charles P. McQuaid; Robert A. Mohn; P. Zachary Egan Portfolio Manager Average Tenure: 17.7 Years	Total Fund Assets: \$19,284 Million Total Share Class Assets: \$3,929 Million	Expense Ratio (Net): 1.07% Mercer Median Expense Ratio (Net): 1.00%

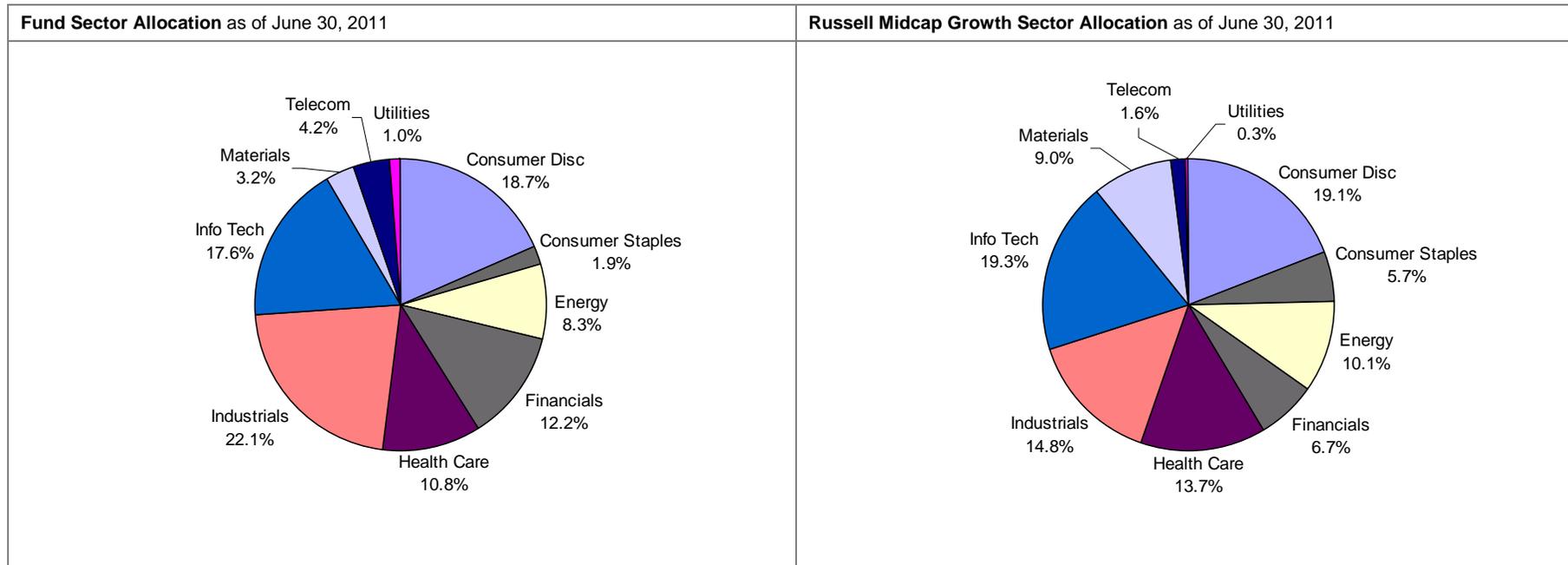
Fund Profile

Tier IIB - Domestic Equity - Columbia Acorn Fund A - LACAX



Fund Profile

Domestic Equity - Columbia Acorn Fund A - LACAX



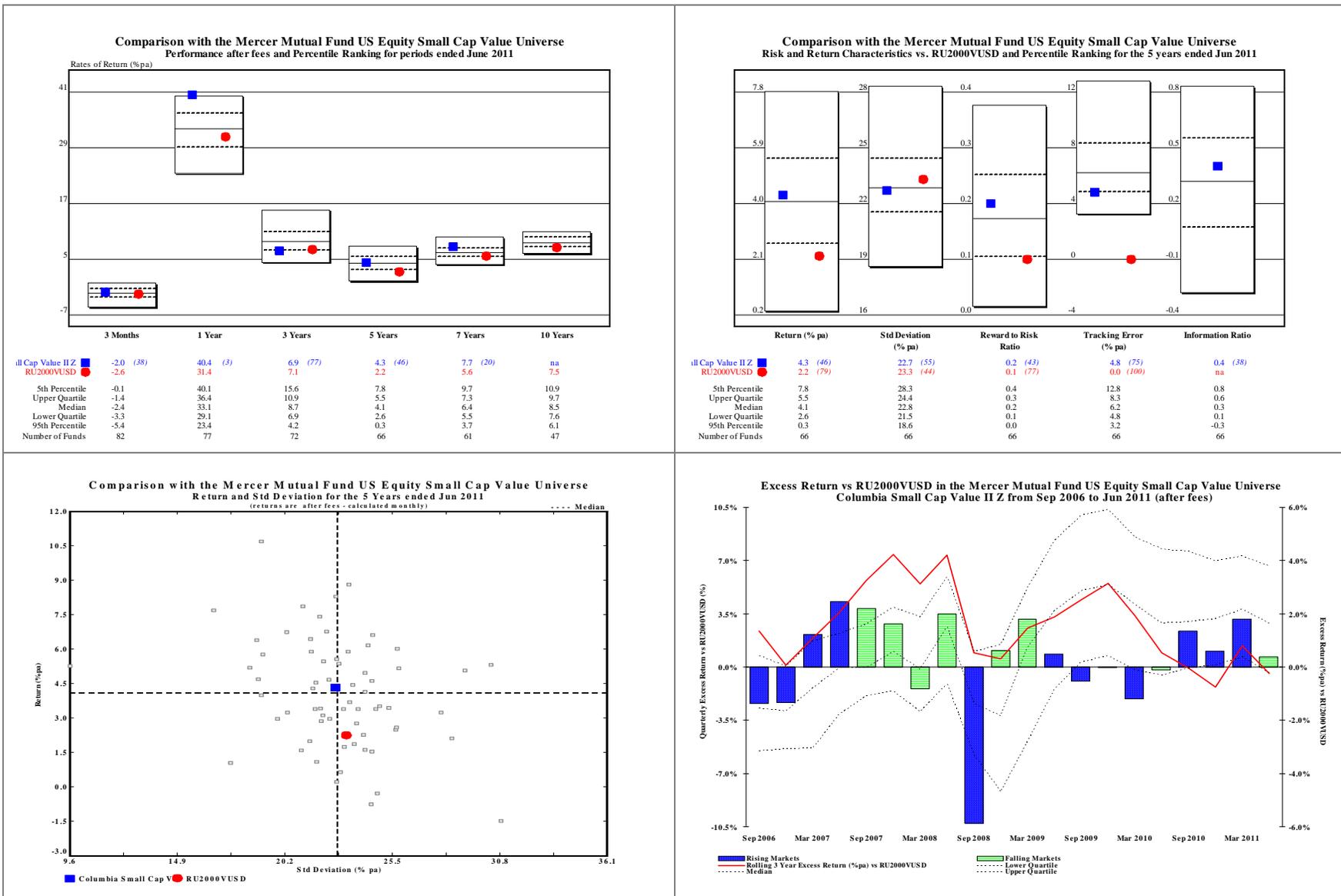
Fund Profile

Tier IIB - Domestic Equity - Columbia Small Cap Value Fund II Z - NSVAX

Share Class: Z		Benchmark: Russell 2000 Value
Investment Philosophy		
The objective of the fund is to seek long-term growth of capital by investing in companies believed to be undervalued. The fund employs a disciplined investment process that combines quantitative value screens with proprietary fundamental research and risk management.		
Portfolio Analysis & Key Observations		Style Analysis
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the health care and consumer staples sectors Top 10 holdings Domino's Pizza Inc. (+37.0% return), Healthspring Inc. (+23.4%) and Wellcare Health Plans Inc. (+22.6% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the industrials sector; underweight allocations to the utilities and telecommunication sectors Top 10 holdings South Jersey Industries Inc. (-2.3% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>100% 80% 60% 40% 20% 0%</p> <p>Sep-06 Mar-07 Sep-07 Mar-08 Sep-08 Mar-09 Sep-09 Mar-10 Sep-10 Mar-11</p> <p>■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>
Key Facts and Figures		
Portfolio Manager: Christian K. Stadlinger; Jarl Ginsberg Portfolio Manager Average Tenure: 8.5 Years	Total Fund Assets: \$1,955 Million Total Share Class Assets: \$1,282 Million	Expense Ratio (Net): 1.06% Mercer Median Expense Ratio (Net): 1.05%

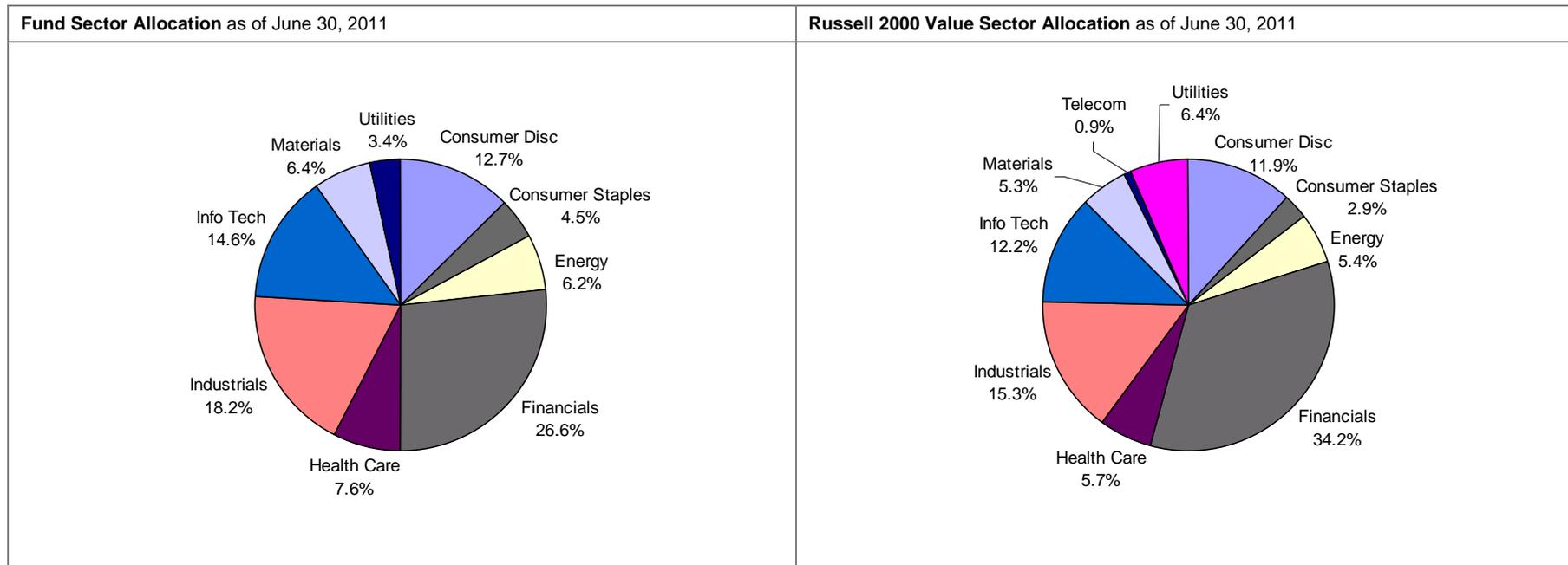
Fund Profile

Tier IIB - Domestic Equity - Columbia Small Cap Value Fund II Z - NSVAX



Fund Profile

Domestic Equity - Columbia Small Cap Value Fund II Z - NSVAX



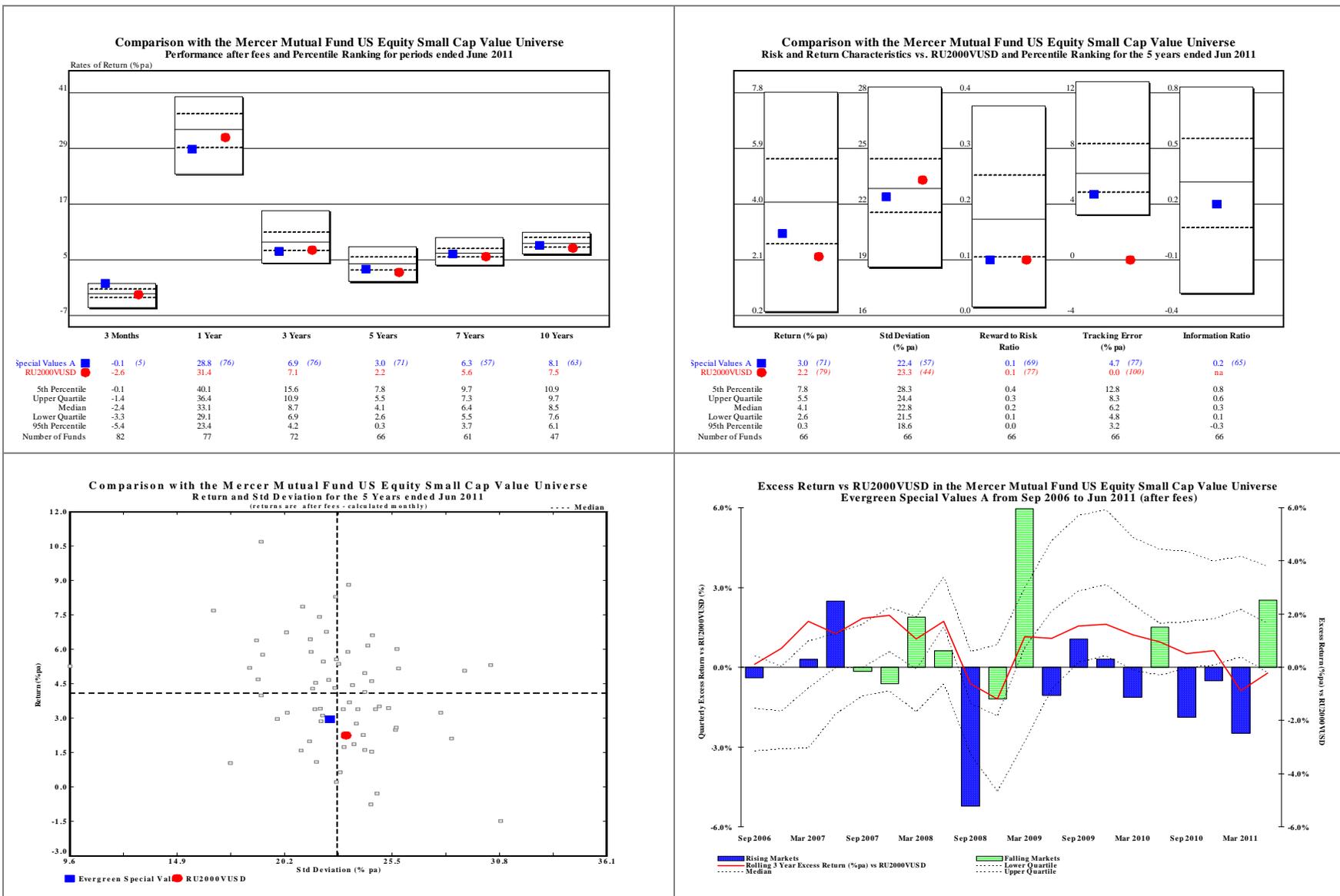
Fund Profile

Tier IIB - Domestic Equity - Wells Fargo Advantage Special Small Cap Val Fd A - ESPAX

Share Class: A		Benchmark: Russell 2000 Value
Investment Philosophy		
<p>Jim Tringas, who had been an analyst on the team, assumed the role of portfolio manager in April 2002. The philosophy of management has been the one constant at the fund since inception; a focus on companies selling at heavy discounts to their intrinsic value that have strong cash flow or high return on equity. Tringas typically favors traditional value sectors, such as industrials and finance. Portfolio holdings have risen as a result of the increase in assets under management, but are expected to settle in at approximately 140 stocks going forward.</p>		
Portfolio Analysis & Key Observations		Style Analysis
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the consumer discretionary and consumer staples sectors Top 10 holdings Blyth Inc. (+55.3% return), Kadant Inc. (+20.3% return) and UMB Financial Corp. (+12.6% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the industrials and information technology sectors; underweight allocations to the health care, utilities and telecommunication sectors Top 10 holdings Heidrick & Struggles Intl. (-18.1% return), Imation Corp. (-15.3% return) and First Citizens BancShares (-6.5% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>The chart displays the percentage of assets in four categories over time. The Y-axis represents the percentage from 0% to 100%. The X-axis shows dates from Sep-06 to Mar-11. The categories are: Russell 1000 Value (blue), Russell 1000 Growth (dark blue), Russell 2000 Value (light orange), and Russell 2000 Growth (dark orange). The Russell 2000 Value category (light orange) shows a steady increase from approximately 35% in Sep-06 to nearly 100% by Mar-11. The Russell 1000 Value category (blue) decreases from about 40% to near 0%. The Russell 1000 Growth category (dark blue) appears around Sep-08 and remains at approximately 20-25%. The Russell 2000 Growth category (dark orange) is present from the start, peaking at about 25% in Sep-07 before declining to near 0% by Mar-11.</p>
Key Facts and Figures		
Portfolio Manager: James M. Tringas; Robert Rifkin Portfolio Manager Average Tenure: 5.0 Years	Total Fund Assets: \$871 Million Total Share Class Assets: \$474 Million	Expense Ratio (Net): 1.35% Mercer Median Expense Ratio (Net): 1.05%

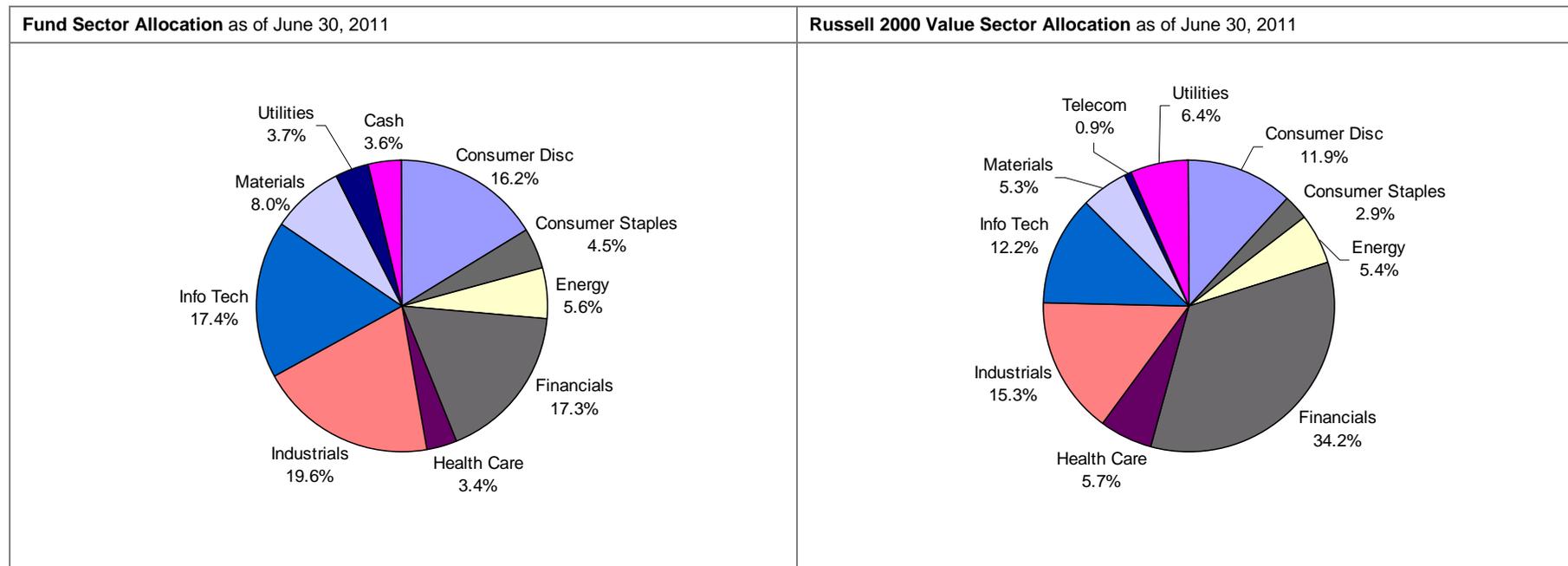
Fund Profile

Tier IIB - Domestic Equity - Wells Fargo Advantage Special Small Cap Val Fd A - ESPAX



Fund Profile

Domestic Equity - Wells Fargo Advantage Special Small Cap Val Fd A - ESPAX



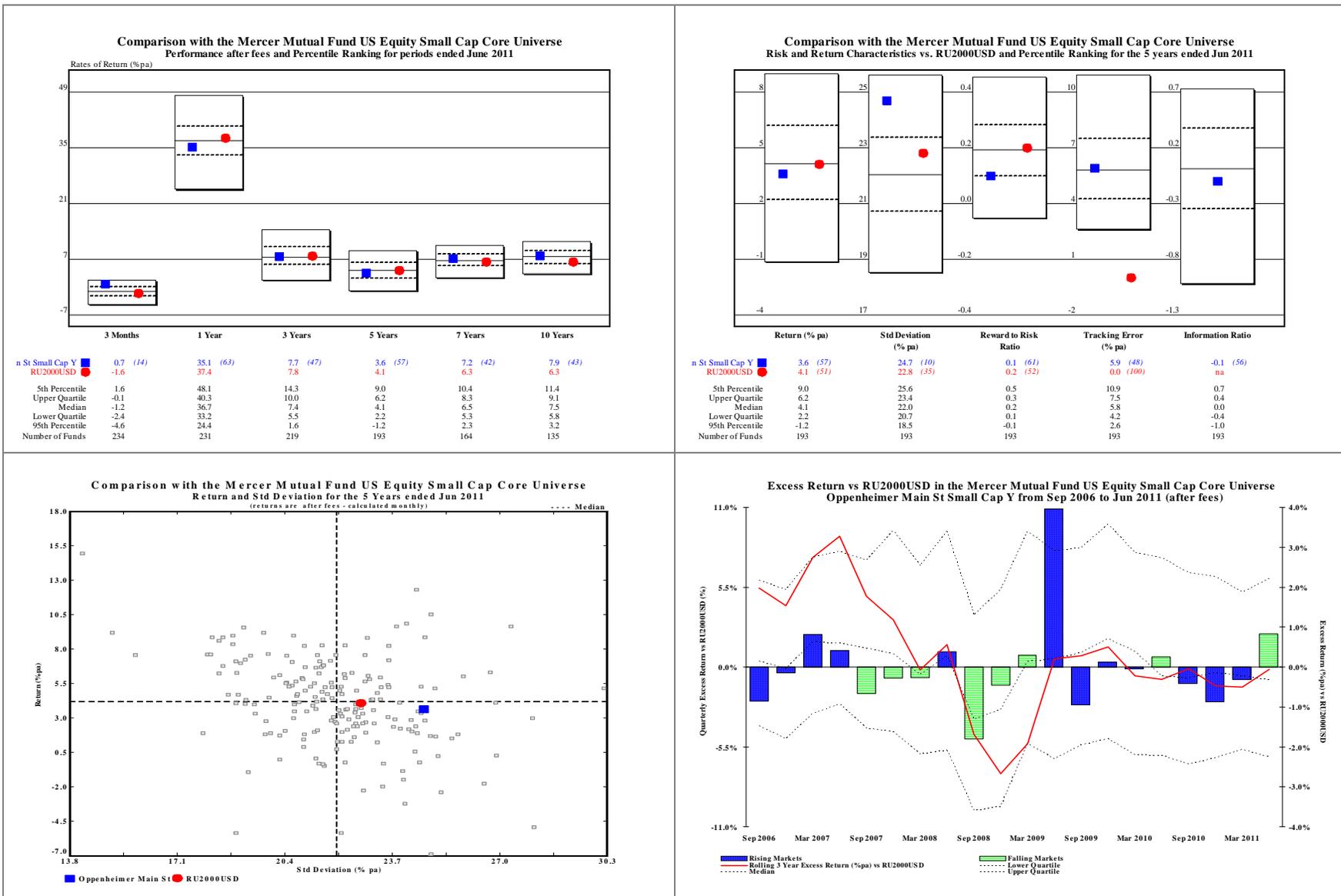
Fund Profile

Tier IIB - Domestic Equity - Oppenheimer Main Street Small- & Mid-Cap Fund Y - OPMYX

Share Class: Y		Benchmark: Russell 2000
Investment Philosophy		
<p>The Fund's objective is to provide long-term growth of capital by investing in a broad spectrum of primarily small-cap value and growth stocks (defined as companies with market capitalizations less than or equal to the largest company in the Russell 2000 index). The Fund invests in the stocks of smaller, dynamic companies. The Fund typically holds 1,000 or more growth and value stocks. The disciplined investment process evaluates stocks using multiple factors that can impact the price of a stock. Time-tested for over 30 years, this method is designed to adapt to changes in the marketplace.</p>		
Portfolio Analysis & Key Observations		Style Analysis
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the consumer discretionary sector; underweight allocation to the energy sector Top 10 holdings Questcor Pharmaceuticals Inc. (+67.2% return), Healthspring Inc. (+23.4% return) and Holly Corp. (+14.5% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the financials sector; underweight allocation to the consumer staples sector Top 10 holdings Robert Half International Inc. (-11.2% return) and AES Corp. (-2.0% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>Legend: ■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>
Key Facts and Figures		
Portfolio Manager: Matthew P. Ziehl; Raman Vardharaj; Raymond Anello Portfolio Manager Average Tenure: 1.3 Years	Total Fund Assets: \$3,852 Million Total Share Class Assets: \$1,060 Million	Expense Ratio (Net): 0.83% Mercer Median Expense Ratio (Net): 1.08%

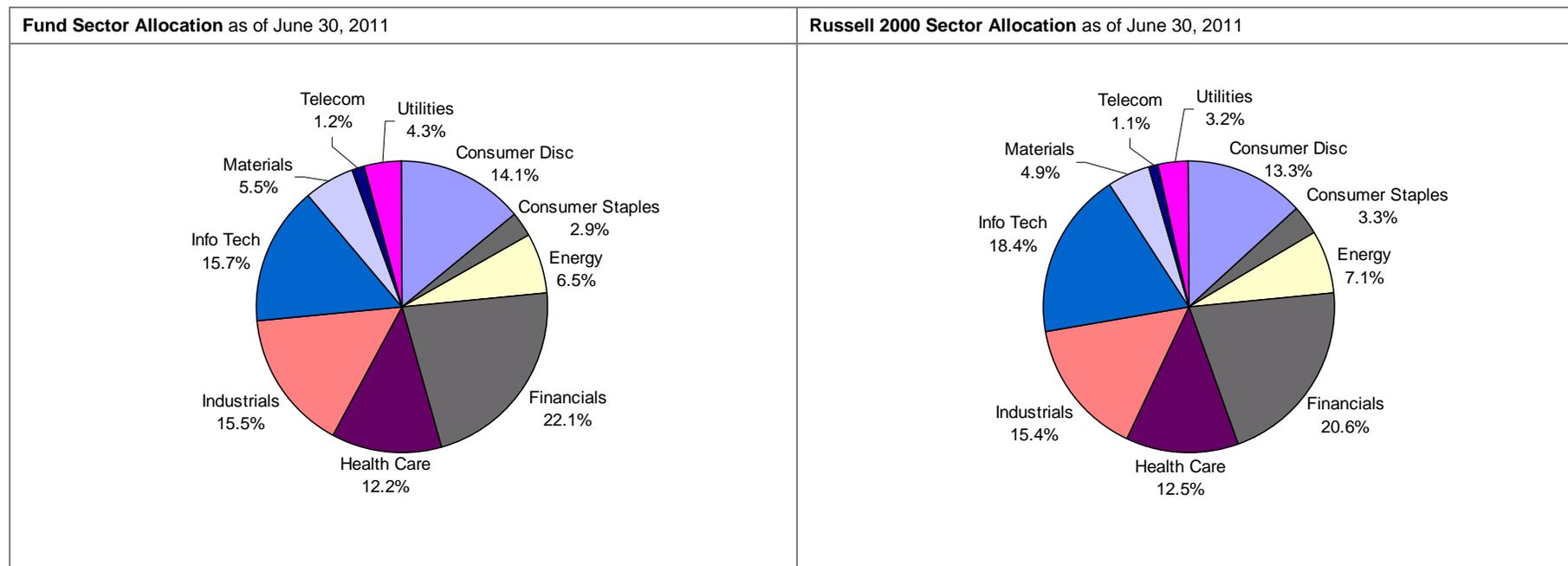
Fund Profile

Tier IIB - Domestic Equity - Oppenheimer Main Street Small- & Mid-Cap Fund Y - OPMYX



Fund Profile

Domestic Equity - Oppenheimer Main Street Small- & Mid-Cap Fund Y - OPMYX



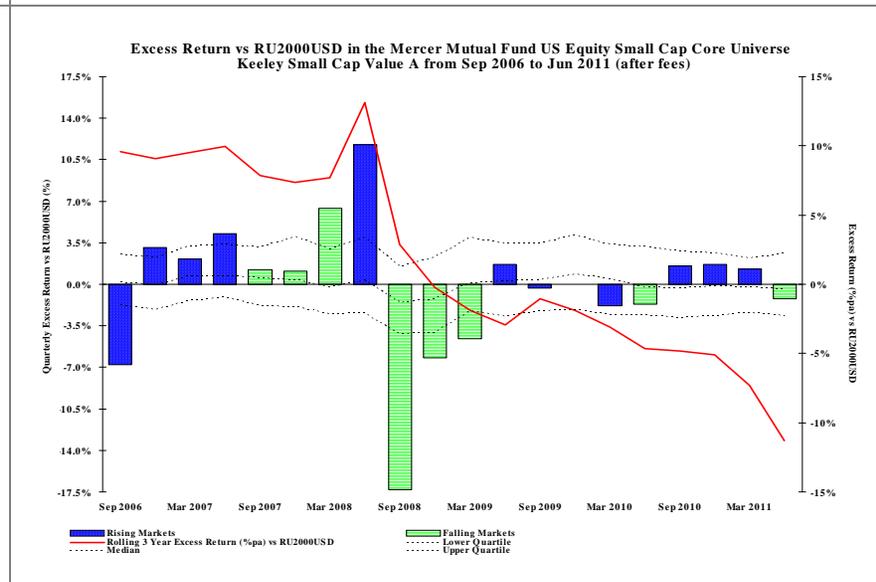
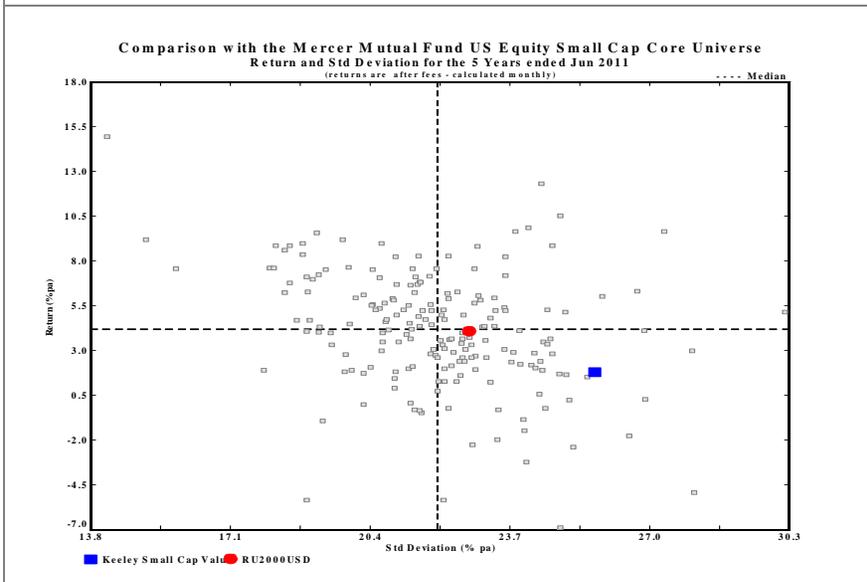
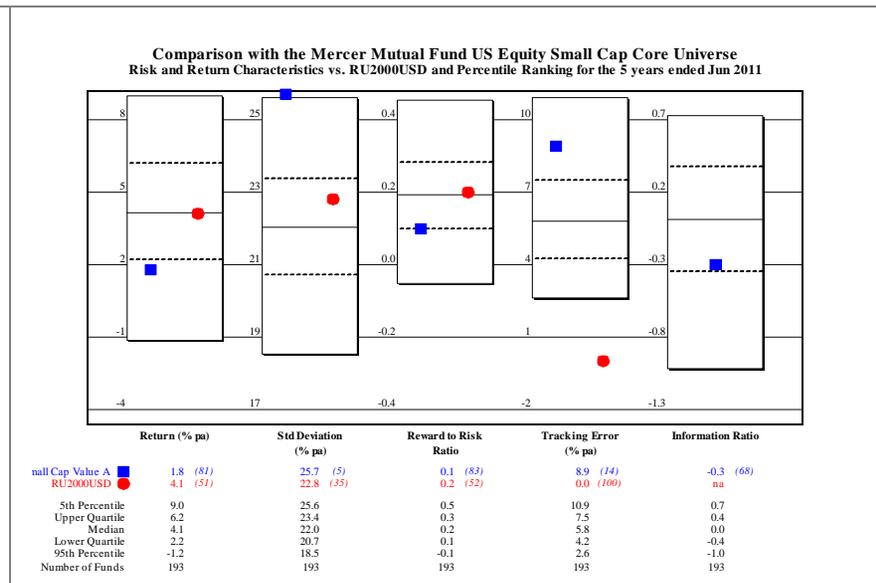
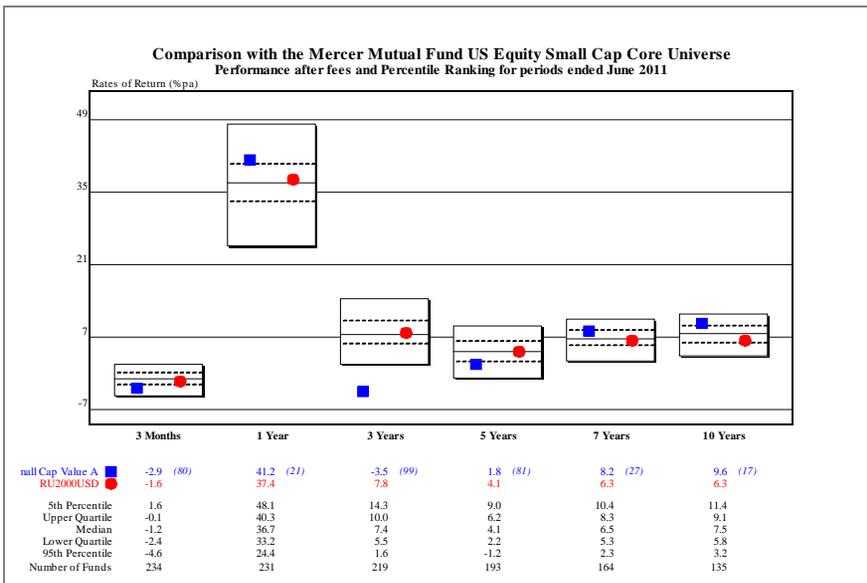
Fund Profile

Tier IIB - Domestic Equity - KEELEY Small Cap Value Fund A - KSCVX

Share Class: A		Benchmark: Russell 2000
Investment Philosophy		
<p>The fund seeks long-term capital appreciation through investments in small-capitalization companies (generally \$3.5 billion and below at time of purchase) that are undervalued, but have stable or improving earnings records and stable balance sheet. The fund managers focus on evaluating companies with financial productivity, solid management, a sound business model, and competitive advantages.</p>		
Portfolio Analysis & Key Observations		Style Analysis
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the consumer staples sector; underweight allocation to the information technology sector Top 10 holdings WR Grace & Co. (+19.2% return), Robbins & Myers Inc. (+15.0% return) and Carrizo Oil & Gas Inc. (+13.1% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the industrials, energy and materials sectors; underweight allocations to the health care and telecommunication sectors Top 10 holdings Titan International Inc. (-8.8% return), Trinity Industries -4.7% return) and Wabtec Corp. (-3.1% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>100% 80% 60% 40% 20% 0%</p> <p>Sep-06 Mar-07 Sep-07 Mar-08 Sep-08 Mar-09 Sep-09 Mar-10 Sep-10 Mar-11</p> <p>■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>
Key Facts and Figures		
Portfolio Manager: John L. Keeley, Jr.	Total Fund Assets: \$3,829 Million	Expense Ratio (Net): 1.36%
Portfolio Manager Average Tenure: 18.0 Years	Total Share Class Assets: \$2,989 Million	Mercer Median Expense Ratio (Net): 1.08%

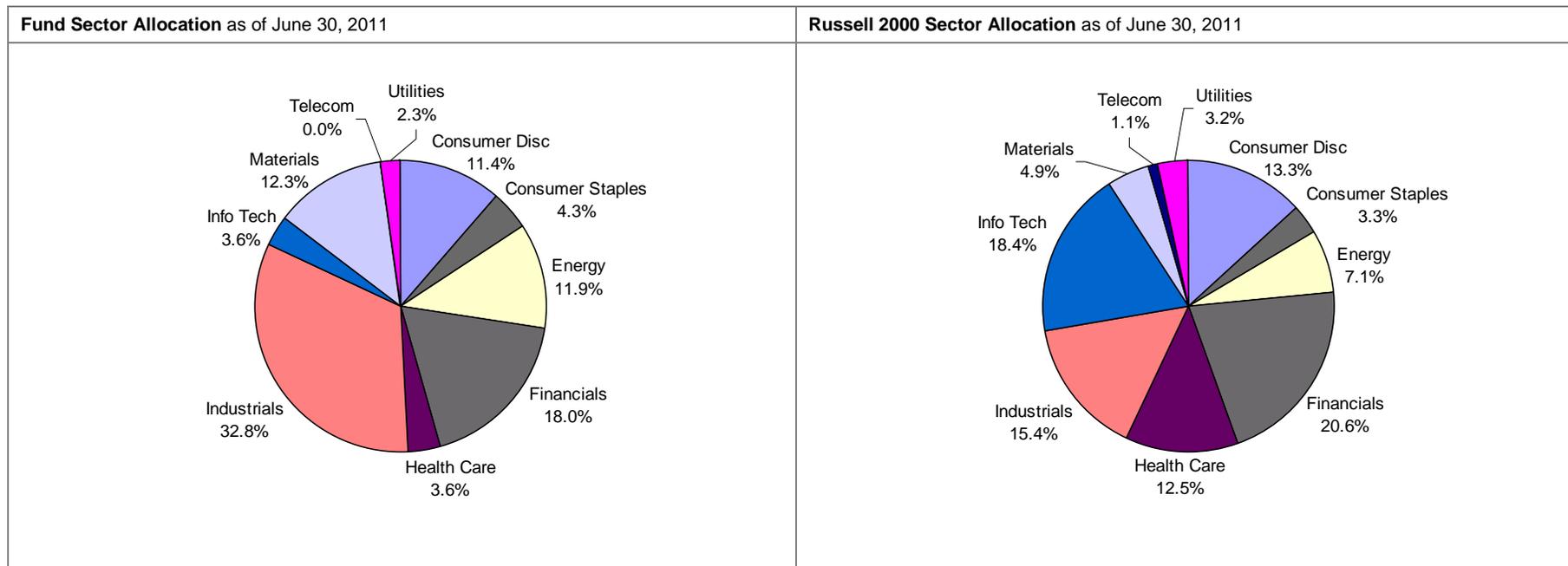
Fund Profile

Tier IIB - Domestic Equity - KEELEY Small Cap Value Fund A - KSCVX



Fund Profile

Domestic Equity - KEELEY Small Cap Value Fund A - KSCVX



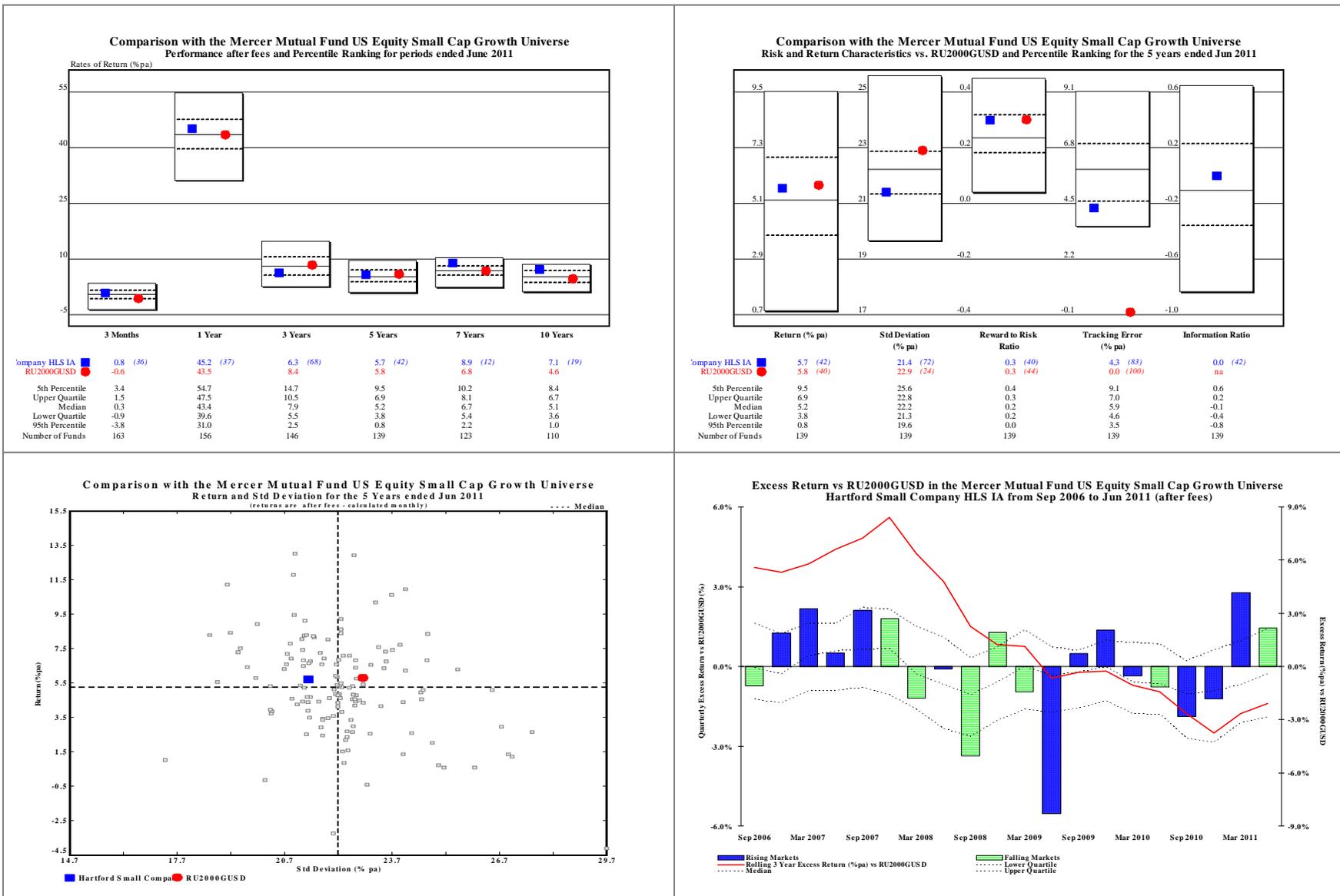
Fund Profile

Tier IIB - Domestic Equity - Hartford Small Company HLS IA - HIASX

Share Class: Inst		Benchmark: Russell 2000 Growth	
Investment Philosophy			
<p>The Hartford Small Company HLS Fund is subadvised by three Wellington Management Company strategies Small Cap Growth, Small Cap Intersection, and Smaller Companies. Portfolio manager Steve Angeli of Wellington manages a majority of the assets in the Small Cap Growth strategy, while the remaining funds are divided between the Small Cap Intersection team with a larger percentage of assets and the Smaller Companies strategy with a smaller percentage. Angeli attempts to find companies that are at an inflection point in their business life cycle. The team focuses on finding emerging growth companies that exhibit high revenue growth, accelerating profitability, and gaining and/or leading market positions. Angeli will buy fallen angels and turnaround stocks, provided he sees a catalyst for change.</p>			
Portfolio Analysis & Key Observations		Style Analysis	
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the consumer discretionary sector; underweight allocation to the energy sector Top 10 holdings Green Mountain Coffee Roasters (+38.2% return), Ulta Salon Cosmetics & Fragrance Inc. (+34.2% return), Sapient Corp. (+31.3% return) and Zoll Medical Corp. (+26.4% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Underweight allocations to the telecommunications and consumer staples sectors Top 10 holdings United Rentals Inc. (-23.7% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>Legend: ■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>	
Key Facts and Figures			
Portfolio Manager: Multiple		Total Fund Assets: \$745 Million	
Portfolio Manager Average Tenure: 4.3 Years		Expense Ratio (Net): 0.73%	
		Mercer Median Expense Ratio (Net): 1.10%	

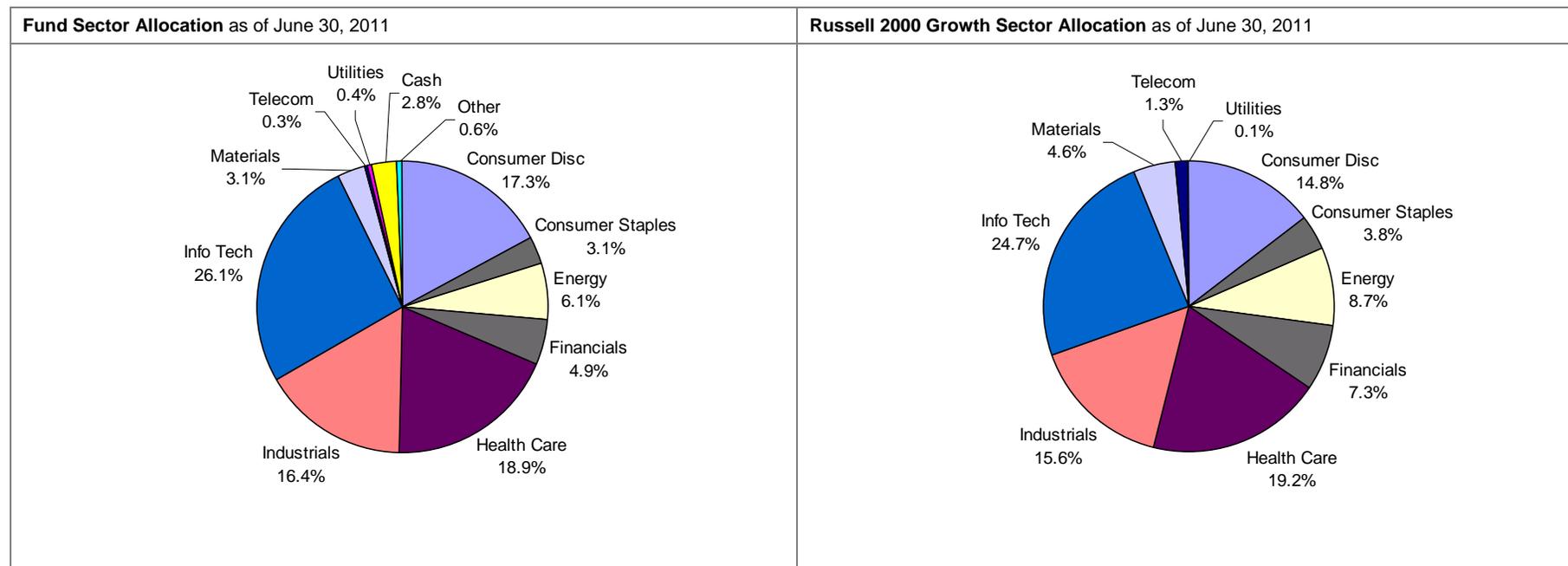
Fund Profile

Tier IIB - Domestic Equity - Hartford Small Company HLS IA - HIASX



Fund Profile

Domestic Equity - Hartford Small Company HLS IA - HIASX



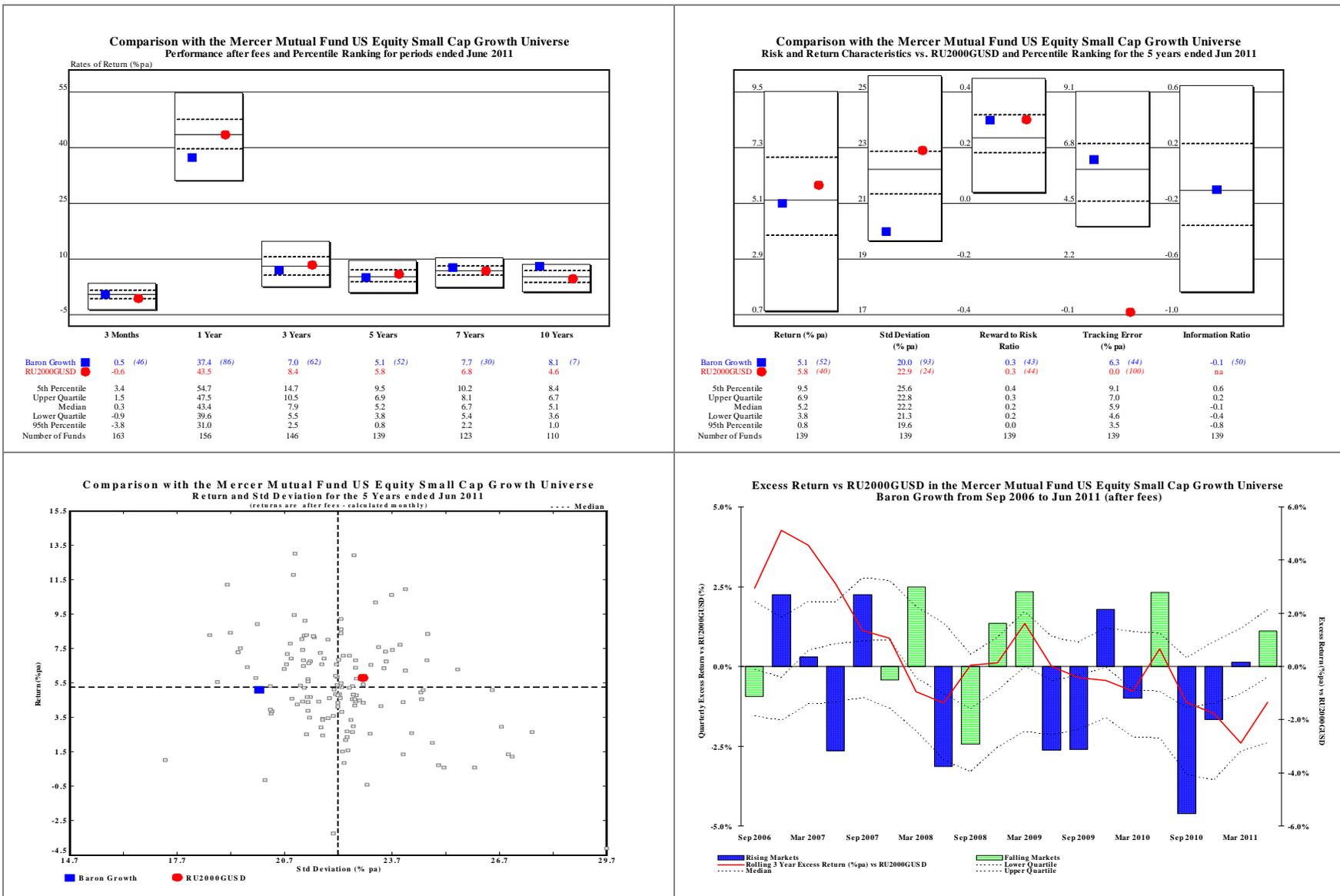
Fund Profile

Tier IIB - Domestic Equity - Baron Growth Fund Retail - BGRFX

Share Class: Retail		Benchmark: Russell 2000 Growth	
Investment Philosophy			
Baron seeks to invest in companies that are currently undervalued or overlooked by the broad investment market. To be considered for the portfolio, such companies must have stable or improving fundamentals, clear competitive advantages, and strong growth potential. Baron's approach is long term in scope and the firm will hold out of favor names providing the investment thesis remains compelling.			
Portfolio Analysis & Key Observations		Style Analysis	
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the consumer discretionary and consumer staples sectors; underweight allocations to the information technology, industrials and materials sectors Top 10 holdings Carbo Ceramics Inc. (+15.6% return), Amerigroup Corp. (+9.7% return) and Core Laboratories NV (+9.5% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the energy and utilities sectors; underweight allocations to the health care and telecommunication sectors Notable detractors included Strayer Education (-13.6% return), MSCI (-5.5% return) and SEACOR Holdings (-8.5% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>100% 80% 60% 40% 20% 0%</p> <p>Sep-06 Mar-07 Sep-07 Mar-08 Sep-08 Mar-09 Sep-09 Mar-10 Sep-10 Mar-11</p> <p>■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>	
Key Facts and Figures			
Portfolio Manager: Ronald Baron	Total Fund Assets: \$6,796 Million	Expense Ratio (Net): 1.32%	
Portfolio Manager Average Tenure: 17.0 Years	Total Share Class Assets: \$5,332 Million	Mercer Median Expense Ratio (Net): 1.10%	

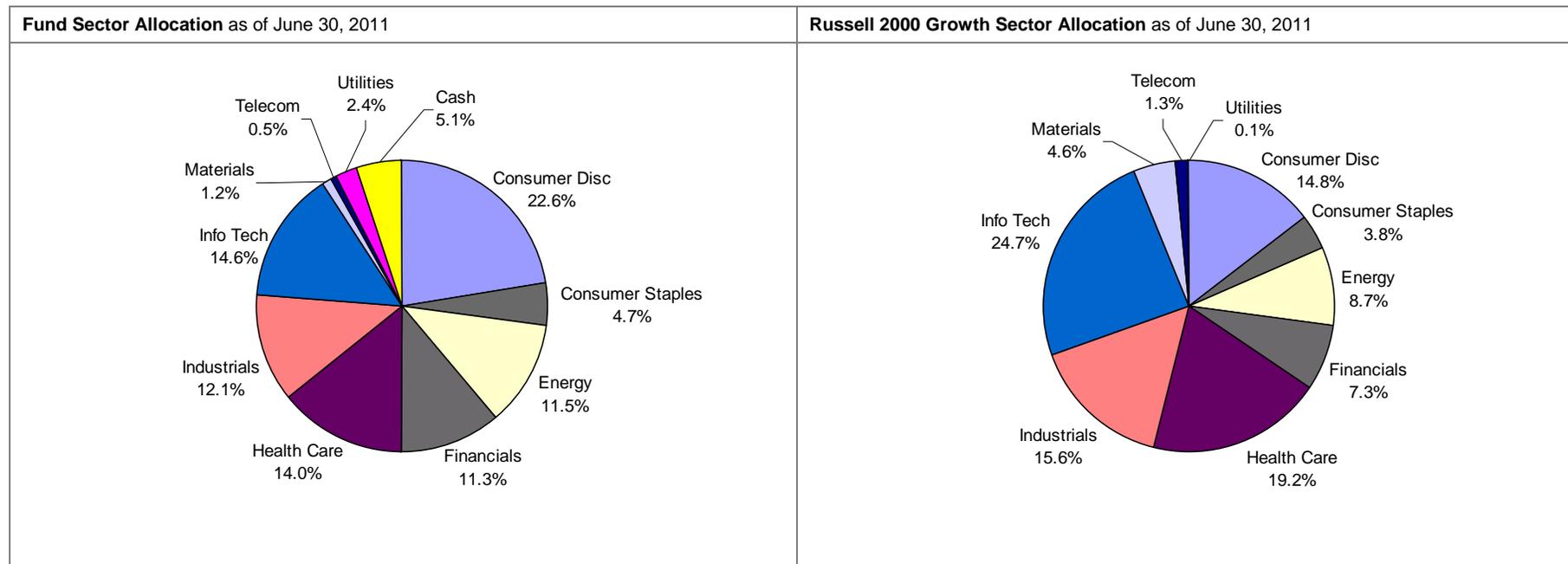
Fund Profile

Tier IIB - Domestic Equity - Baron Growth Fund Retail - BGRFX



Fund Profile

Domestic Equity - Baron Growth Fund Retail - BGRFX



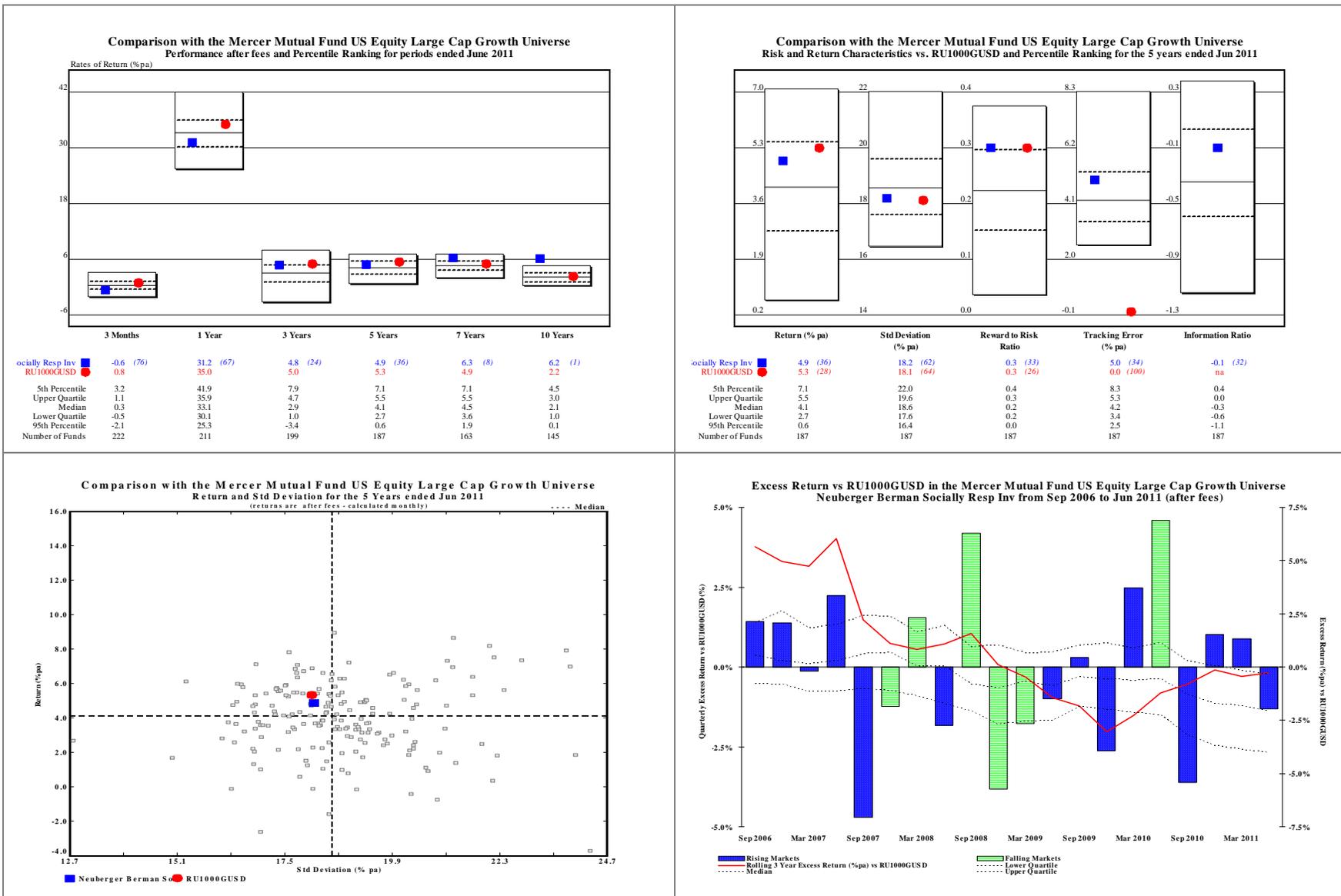
Fund Profile

Tier III - Domestic Equity - Neuberger Berman Socially Responsive Fund Investor - NBSRX

Share Class: Investor		Benchmark: Russell 1000 Growth
Investment Philosophy		
The Socially Responsible Investment product blends quantitative screens with qualitative analysis to identify stocks for the portfolio. Portfolios are created from the bottom up, with social screens applied to the universe of strong investment candidates according to client guidelines.		
Portfolio Analysis & Key Observations		Style Analysis
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the health care sector; underweight allocation to the information technology sector Top 10 holdings Roche Holdings Ltd. (+16.8% return), Procter & Gamble Co. (+4.0% return) and Hospira Inc. (+2.6% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the financials sector; underweight allocation to the consumer discretionary sector Top 10 holdings Google Inc. (-13.7% return), Newfield Exploration (-10.5% return) and Charles Schwab Corp. (-8.5% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>100% 80% 60% 40% 20% 0%</p> <p>Sep-06 Mar-07 Sep-07 Mar-08 Sep-08 Mar-09 Sep-09 Mar-10 Sep-10 Mar-11</p> <p>■ Russell 1000 Value ■ Russell 1000 Growth ■ Russell 2000 Value ■ Russell 2000 Growth</p>
Key Facts and Figures		
Portfolio Manager: Arthur Morretti; Ingrid S. Dyott; Sajjad S. Ladiwala	Total Fund Assets: \$1,776 Million	Expense Ratio (Net): 0.95%
Portfolio Manager Average Tenure: 7.3 Years	Total Share Class Assets: \$758 Million	Mercer Median Expense Ratio (Net): 0.89%

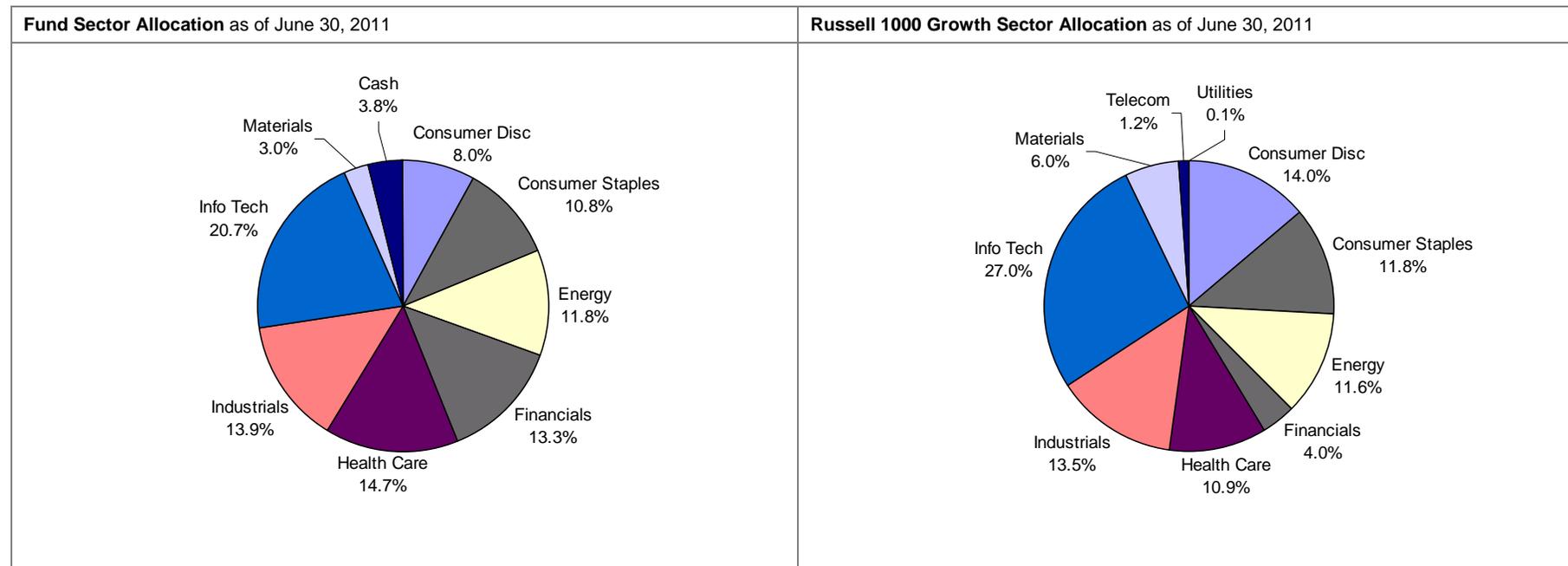
Fund Profile

Tier III - Domestic Equity - Neuberger Berman Socially Responsive Fund Investor - NBSRX



Fund Profile

Domestic Equity - Neuberger Berman Socially Responsive Fund Investor - NBSRX



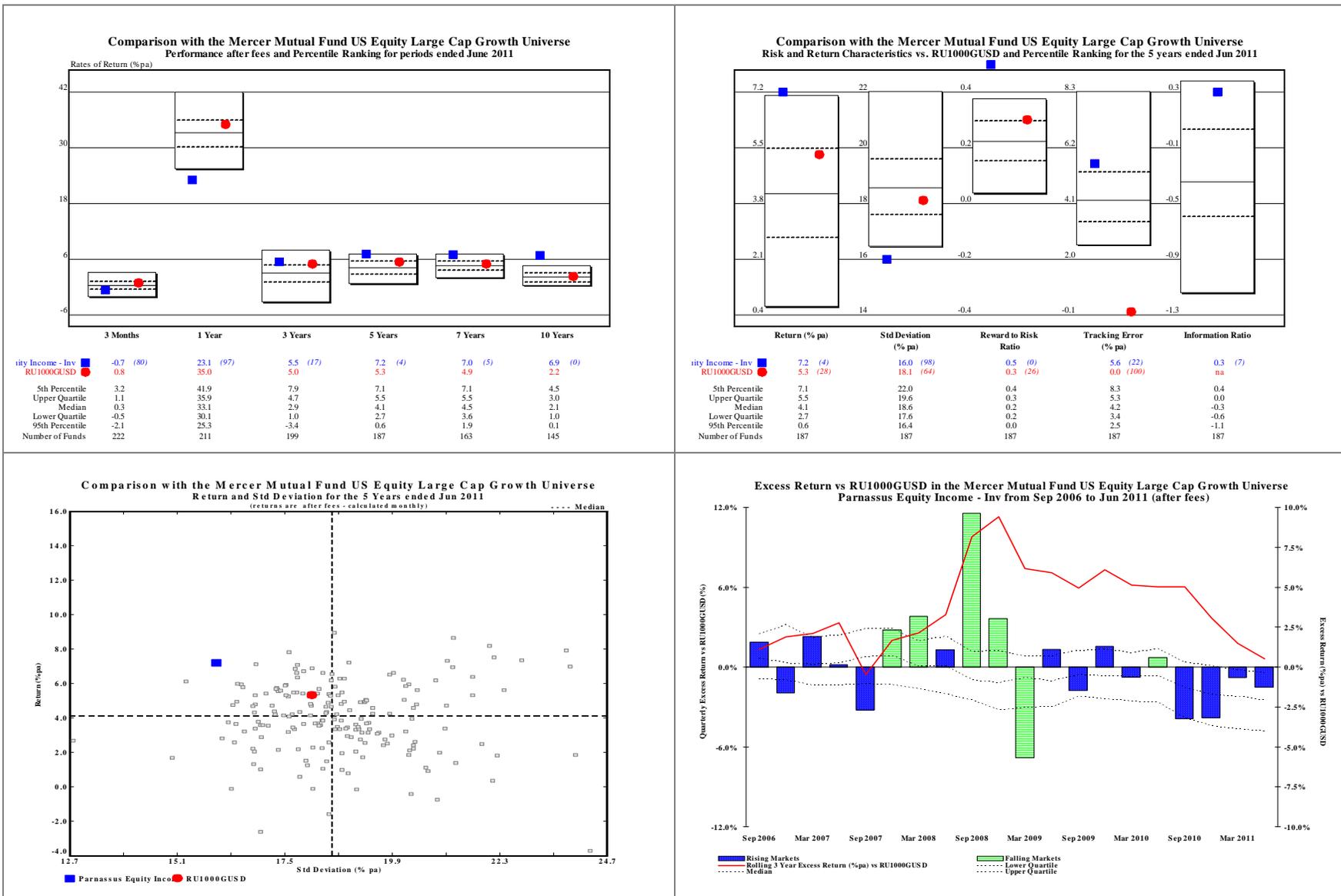
Fund Profile

Tier III - Domestic Equity - Parnassus Equity Income Fund Investor - PRBLX

Share Class: Investor		Benchmark: Russell 1000 Growth	
Investment Philosophy			
<p>The fund seeks to invest in good businesses that have high returns on capital, above-average growth prospects, ethical business practices, and sustainable competitive advantages. The team believes the most attractive opportunities for investments are when companies with good business fundamentals become temporarily undervalued due to market sentiments. The investment philosophy dictates that sound macroeconomic analysis combined with fundamental research is the most effective way to identify attractive investments. The portfolio manager likes to buy companies that are growing faster than the rest of the economy, and at attractive valuations.</p>			
Portfolio Analysis & Key Observations		Style Analysis	
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the utilities sector Top 10 holdings MasterCard Inc. (+19.8% return), Teleflex Inc. (+5.9% return) and Plains Exploration (+5.2% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the financials sector; underweight allocations to the consumer discretionary and health care sectors Top 10 holdings Google Inc. (-13.7% return), JPMorgan Chase & Co. (-10.7% return) and Energen Corp. (-10.3% return) 		<p>5 Year Period - Rolling 3 Years ending Jun 30, 2011</p> <p>The chart displays the percentage of the fund's performance relative to four benchmarks over a 5-year period from Sep-06 to Mar-11. The benchmarks are: Russell 1000 Value (light blue), Russell 1000 Growth (dark blue), Russell 2000 Value (light orange), and Russell 2000 Growth (dark orange). The fund's performance is consistently the highest, represented by the top layer of the stack, which is primarily composed of the Russell 1000 Growth benchmark.</p>	
Key Facts and Figures			
Portfolio Manager: Todd Ahlsten	Total Fund Assets: \$3,957 Million	Expense Ratio (Net): 0.99%	
Portfolio Manager Average Tenure: 10.0 Years	Total Share Class Assets: \$3,425 Million	Mercer Median Expense Ratio (Net): 0.89%	

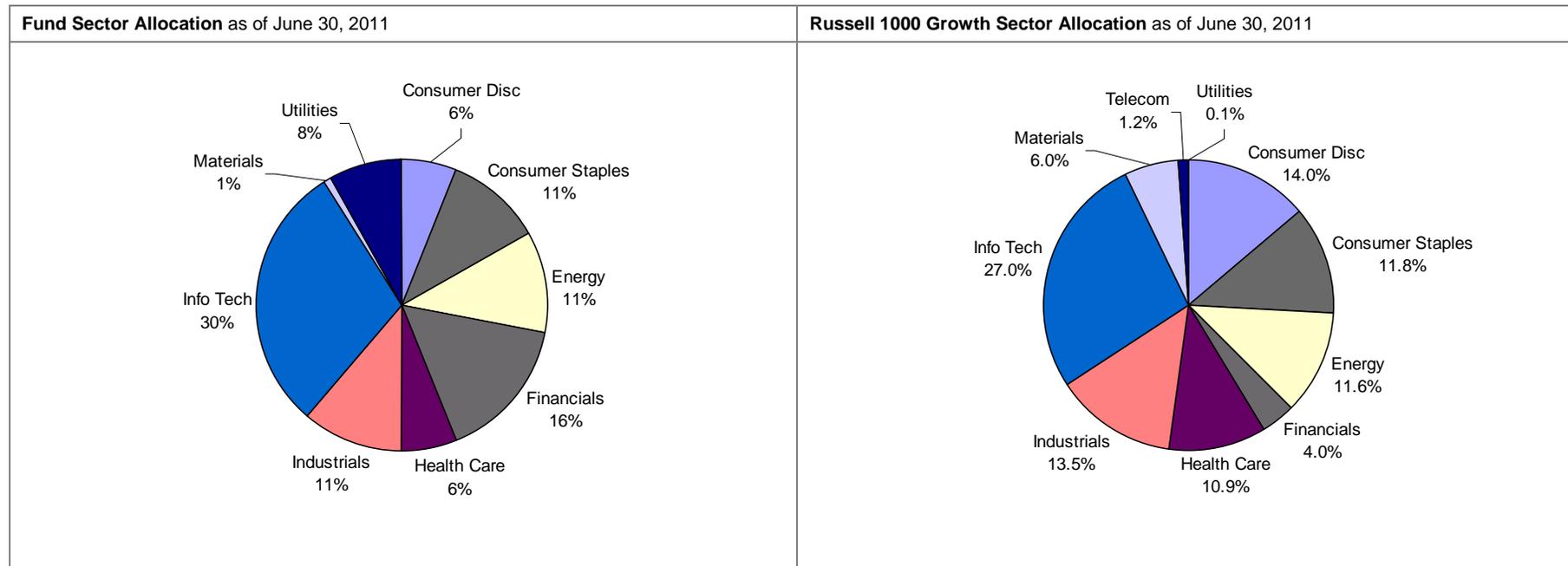
Fund Profile

Tier III - Domestic Equity - Parnassus Equity Income Fund Investor - PRBLX



Fund Profile

Domestic Equity - Parnassus Equity Income Fund Investor - PRBLX



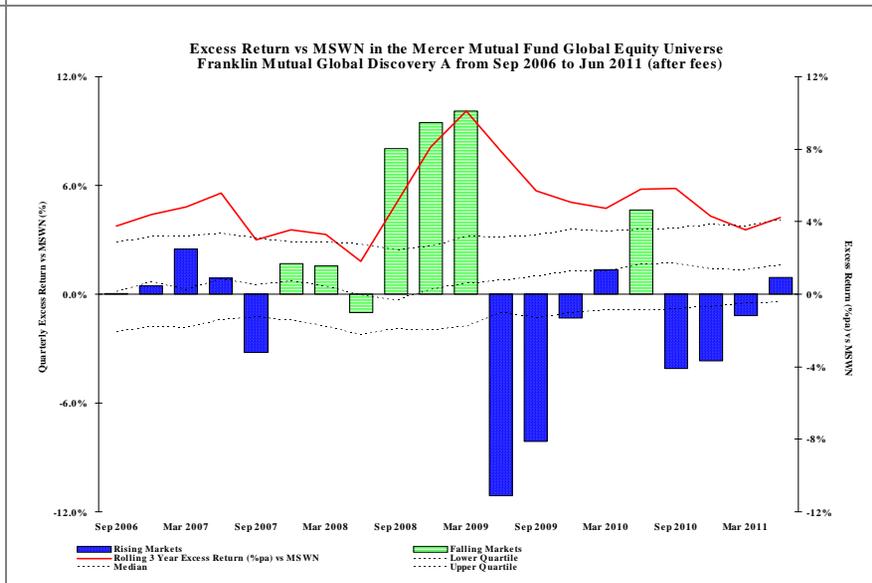
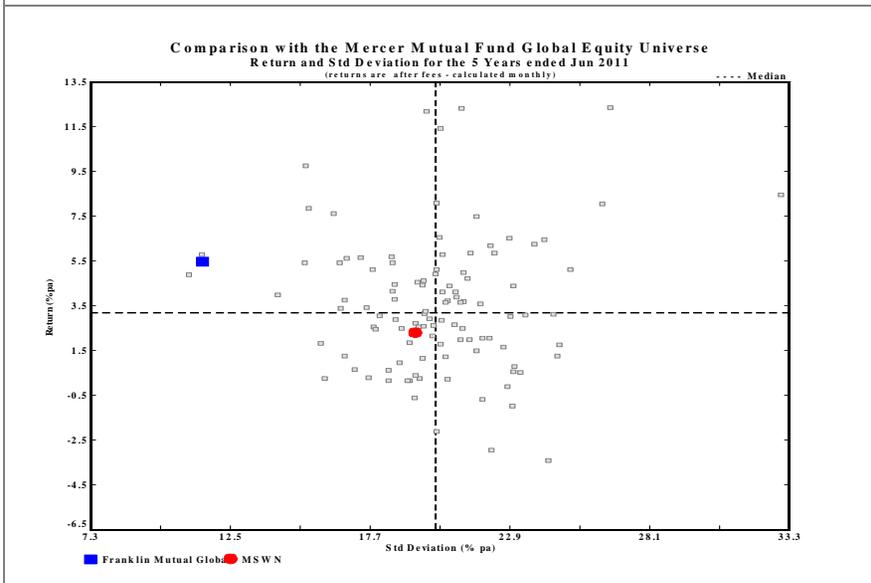
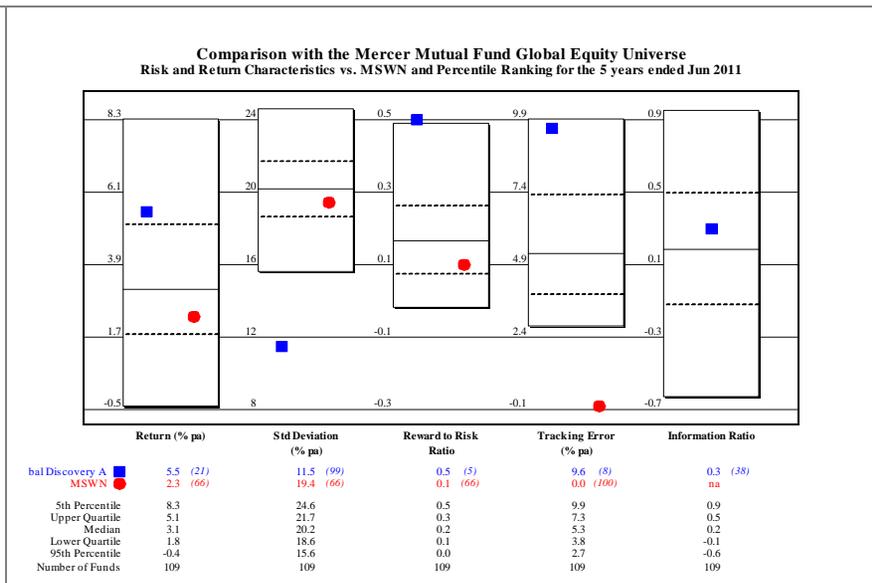
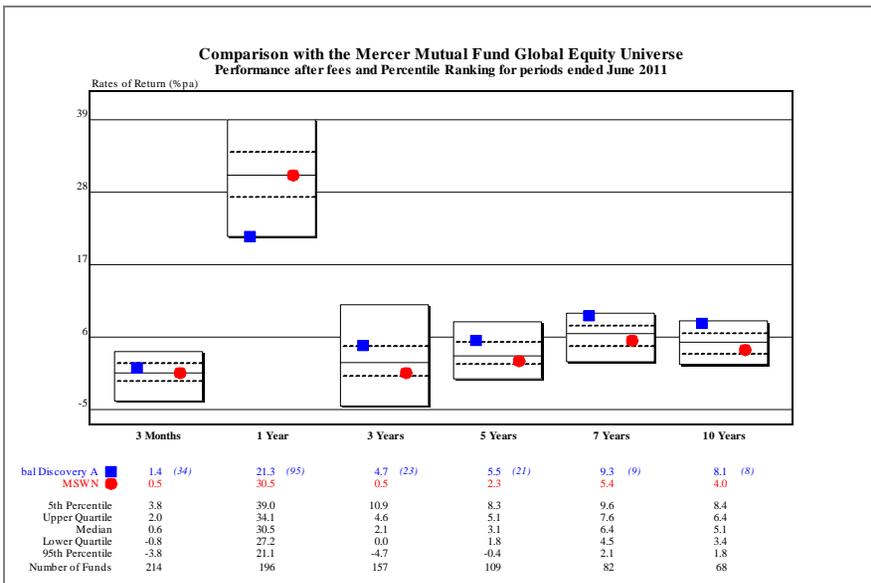
Fund Profile

Tier III - Global Equity - Mutual Global Discovery Fund A - TEDIX

Share Class: A		Benchmark: MSCI World NET WHT																																		
Investment Philosophy																																				
<p>The investment seeks capital appreciation. The fund invests the equity portion of its portfolio primarily to predominantly in mid- and large cap companies, with the remaining portion of its equity portfolio in smaller companies. Mid- and large cap companies are considered to be those with market capitalization values greater than \$1.5 billion. It expects to invest substantially and may invest up to 100% of assets in foreign securities, which may include sovereign debt and participations in foreign government debt. The fund does not intend to invest more than a portion (no more than 25%) of assets in securities of issuers located in emerging market countries.</p>																																				
Portfolio Analysis & Key Observations		Country Analysis as of June 30, 2011																																		
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocations to the consumer staples and health care sectors On a regional basis, overweight allocation to France, Germany and Switzerland Top 10 holdings UnitedHealth Group Inc. (+14.5% return), Kraft Foods Inc. (+13.3% return) and CVS Caremark Corp. (+9.9% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> On a regional basis, overweight allocation to Denmark Top 10 holdings Vodafone Group (-3.7% return) and Royal Dutch Shell (-1.2% return) 		<table border="1"> <caption>Country Allocation Data (Estimated from Chart)</caption> <thead> <tr> <th>Country</th> <th>Mutual Global Discovery (%)</th> <th>MSCI World NET WHT (%)</th> </tr> </thead> <tbody> <tr> <td>United States</td> <td>38.0</td> <td>50.0</td> </tr> <tr> <td>United Kingdom</td> <td>12.0</td> <td>10.0</td> </tr> <tr> <td>France</td> <td>10.0</td> <td>5.0</td> </tr> <tr> <td>Germany</td> <td>7.0</td> <td>4.0</td> </tr> <tr> <td>Switzerland</td> <td>6.0</td> <td>4.0</td> </tr> <tr> <td>Hong Kong</td> <td>4.0</td> <td>1.0</td> </tr> <tr> <td>Netherlands</td> <td>1.0</td> <td>1.0</td> </tr> <tr> <td>Denmark</td> <td>1.0</td> <td>0.5</td> </tr> <tr> <td>Spain</td> <td>1.0</td> <td>1.0</td> </tr> <tr> <td>Italy</td> <td>1.0</td> <td>1.0</td> </tr> </tbody> </table>		Country	Mutual Global Discovery (%)	MSCI World NET WHT (%)	United States	38.0	50.0	United Kingdom	12.0	10.0	France	10.0	5.0	Germany	7.0	4.0	Switzerland	6.0	4.0	Hong Kong	4.0	1.0	Netherlands	1.0	1.0	Denmark	1.0	0.5	Spain	1.0	1.0	Italy	1.0	1.0
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Italy	1.0	1.0																																		
Key Facts and Figures																																				
Portfolio Manager: Peter Langerman; Philippe Brugere-Trelat Portfolio Manager Average Tenure: 4.0 Years	Total Fund Assets: \$20,015 Million Total Share Class Assets: \$8,720 Million	Expense Ratio (Net): 1.34% Mercer Median Expense Ratio (Net): 1.08%																																		

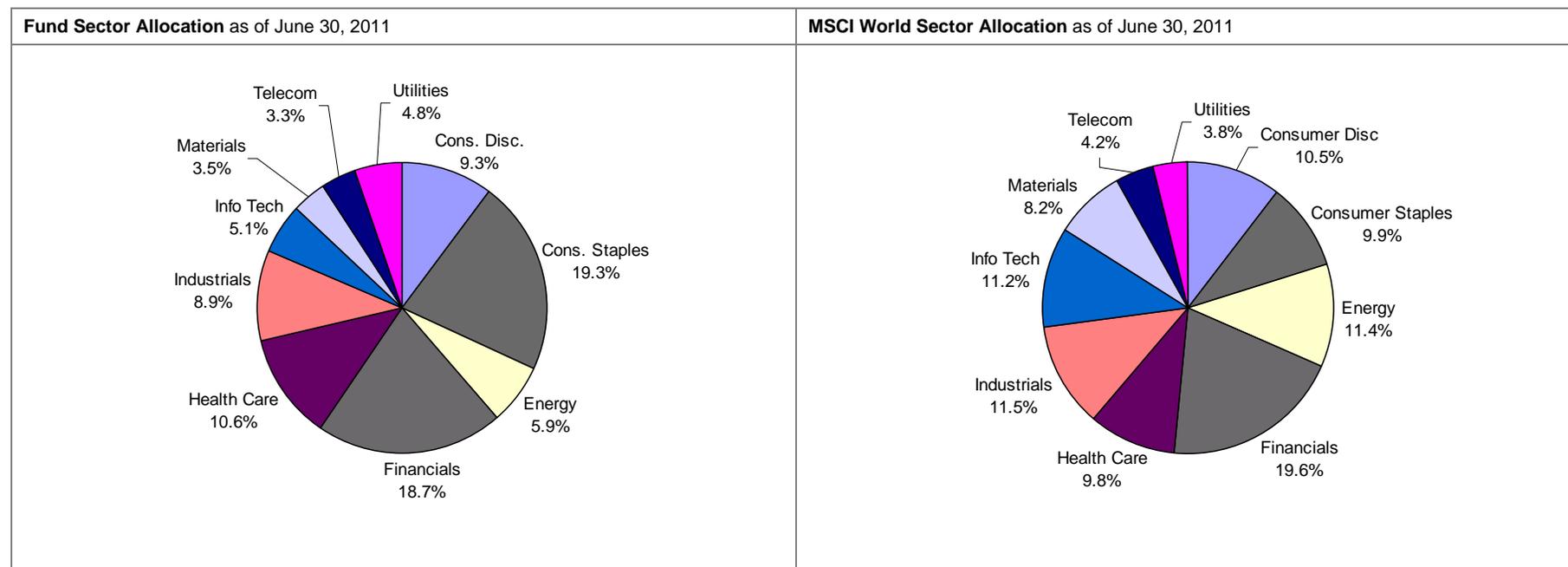
Fund Profile

Tier III - Global Equity - Mutual Global Discovery Fund A - TEDIX



Fund Profile

Global Equity - Mutual Global Discovery Fund A - TEDIX



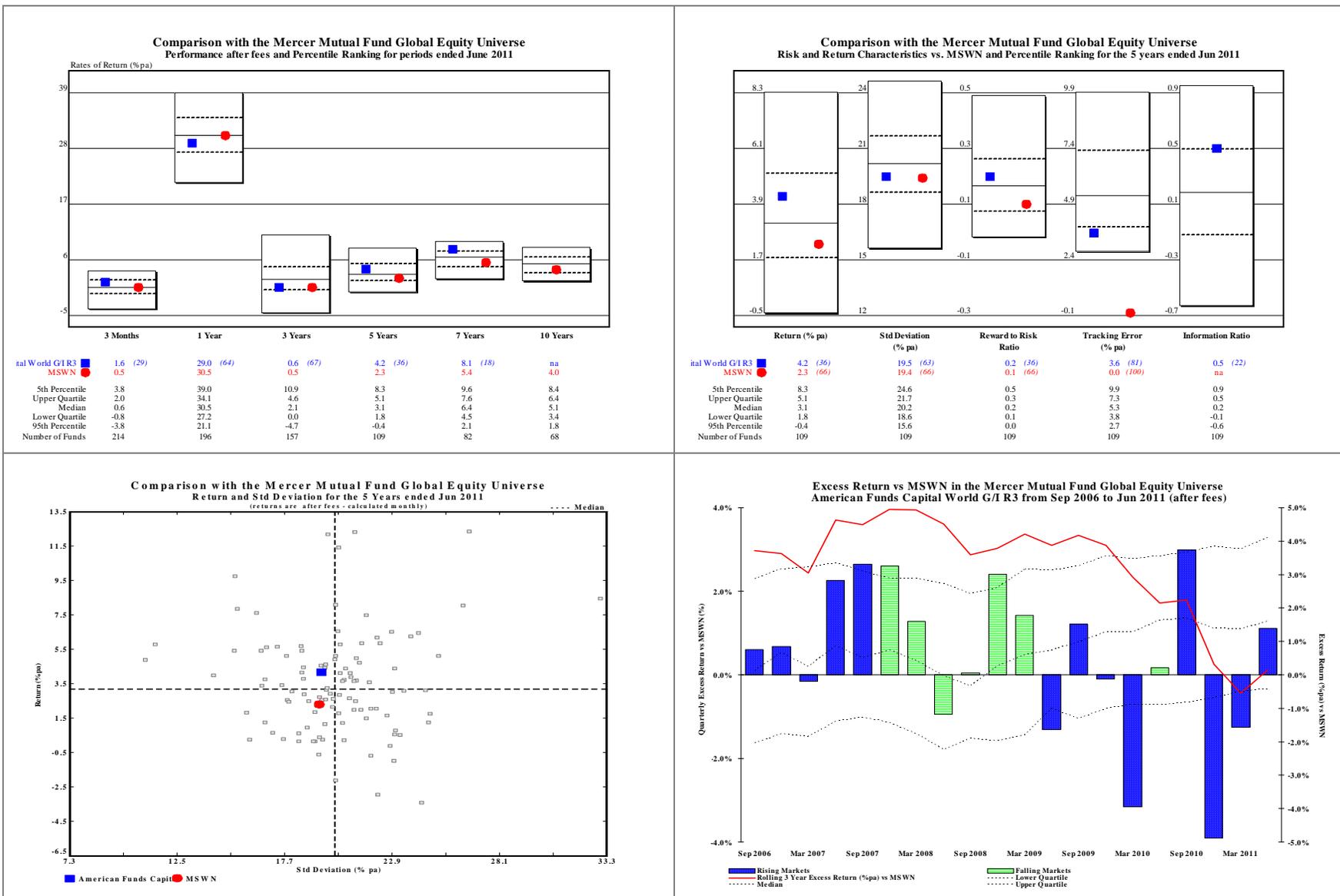
Fund Profile

Tier III - Global Equity - American Funds Capital World Gro & Inc Fd R-3 - RWICX

Share Class: R-3		Benchmark: MSCI World NET WHT																																		
Investment Philosophy																																				
CR&M's investment philosophy is that extensive global research and a flat organizational structure encouraging participatory decision-making will produce superior investment portfolios. The goal is for each portfolio manager to invest according to his own convictions in order to produce a portfolio that is diversified by portfolio management style.																																				
Portfolio Analysis & Key Observations		Country Analysis as of June 30, 2011																																		
<p>Positive Impact on Performance</p> <ul style="list-style-type: none"> Overweight allocation to the consumer staples sector; underweight allocations to the energy and financial sectors On a regional basis, overweight allocations to Switzerland, France, and Germany; underweight allocations to the United States Out-of-benchmark exposure to Taiwan Top 10 holdings Kraft Foods Inc. (+13.3% return), Novartis (+12.4% return) and Bayer (+5.8% return) <p>Negative Impact on Performance</p> <ul style="list-style-type: none"> Underweight allocation to the health care sector Out-of-benchmark exposure to China Top 10 holdings GDF SUEZ (-8.0% return) and America Movil (-7.3% return) 		<table border="1"> <caption>Country Allocation Data (Estimated from Chart)</caption> <thead> <tr> <th>Country</th> <th>American Funds Capital World G&I Fund</th> <th>MSCI World NET WHT</th> </tr> </thead> <tbody> <tr> <td>United States</td> <td>0.31</td> <td>0.49</td> </tr> <tr> <td>United Kingdom</td> <td>0.10</td> <td>0.09</td> </tr> <tr> <td>France</td> <td>0.08</td> <td>0.05</td> </tr> <tr> <td>Switzerland</td> <td>0.06</td> <td>0.04</td> </tr> <tr> <td>Germany</td> <td>0.06</td> <td>0.04</td> </tr> <tr> <td>Sweden</td> <td>0.04</td> <td>0.02</td> </tr> <tr> <td>Taiwan</td> <td>0.03</td> <td>0.00</td> </tr> <tr> <td>Japan</td> <td>0.03</td> <td>0.09</td> </tr> <tr> <td>Australia</td> <td>0.03</td> <td>0.04</td> </tr> <tr> <td>China</td> <td>0.03</td> <td>0.00</td> </tr> </tbody> </table>		Country	American Funds Capital World G&I Fund	MSCI World NET WHT	United States	0.31	0.49	United Kingdom	0.10	0.09	France	0.08	0.05	Switzerland	0.06	0.04	Germany	0.06	0.04	Sweden	0.04	0.02	Taiwan	0.03	0.00	Japan	0.03	0.09	Australia	0.03	0.04	China	0.03	0.00
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China	0.03	0.00																																		
Key Facts and Figures																																				
Portfolio Manager: Stephen E. Bepler; Mark E. Denning; Jeanne K. Carroll		Total Fund Assets: \$81,759 Million	Expense Ratio (Net): 1.10%																																	
Portfolio Manager Average Tenure: 7.1 Years		Total Share Class Assets: \$2,540 Million	Mercer Median Expense Ratio (Net): 1.08%																																	

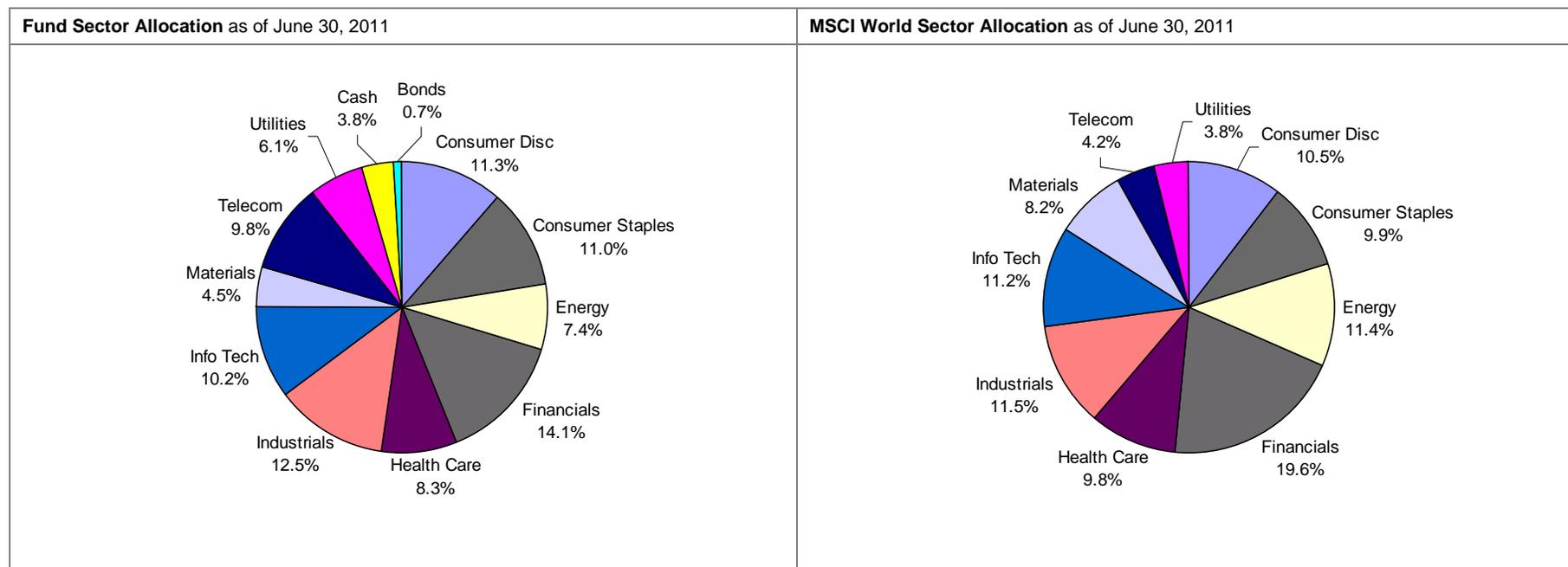
Fund Profile

Tier III - Global Equity - American Funds Capital World Gro & Inc Fd R-3 - RWICX



Fund Profile

Global Equity - American Funds Capital World Gro & Inc Fd R-3 - RWICX



Appendix A – Legislative, Regulatory, and Judicial Updates

DOL Postpones Provider Fee Disclosure Deadline

- DOL issued final rules that delay the initial compliance date of fee disclosure regulations (three months later than the initial extension)
- Provider-to-sponsor disclosures for (calendar and non-calendar) DB and DC plans
 - “Covered service providers” to retirement plans (e.g. investment advisers, recordkeepers and consultants) must disclose their compensation to the plan’s fiduciaries by April 1, 2012
- Sponsor-to-participant disclosures for (calendar) DC plans
 - Sponsors must send initial fee disclosures to participants by May 31, 2012
 - The first quarterly fee disclosures, showing dollar amounts actually charged, must be delivered by August 14, 2012
- Electronic Disclosure
 - A July 2011 letter from more than a dozen business groups urged the DOL to allow fee disclosures via continuous website access, as long as participants are notified and told how to request paper copies
 - DOL still intends to review its e-delivery for ERISA disclosures before the fee disclosures are due

DOL’s Proposal to Redefine ‘Fiduciary’

- Proposal (initially proposed in 2010)
 - Would replace long-standing regulations treating investment advisers as fiduciaries only if they regularly provide advice under a mutual understanding that their advice will be a primary basis for plan investment decisions
 - Would extend ERISA responsibilities to many parties providing intermittent or transactional advice, as well as parties whose advice is not the ‘primary basis’ for decision making
- Key Issues from a plan sponsor’s perspective
 - Higher administrative costs
 - Possible exposure for plan sponsor’s employees
 - Investment education
 - Benefit distribution counseling
 - Appraisals and fairness opinions
 - Selecting a DC plan’s investment lineup
 - Proxy advisers
 - Pension plan swaps transactions
- What’s next?
 - DOL hopes to finish final regulations by the end of 2011
 - Implementation issues could merit delaying the proposed effective date of 180 days after the final regulations are published

Appendix B – Investment Manager Updates

Allianz Global Investors Capital / NFJ – News Item Dated July 14, 2011: Portfolio Manager/Analyst Jonathon Miller To Leave, Garth O’Reilly To Join NFJ

AGIC announced that portfolio manager/analyst Jonathon Miller is leaving the firm, effective immediately, to join another investment firm. Miller was the most recent addition to the investment team, having joined NFJ in 2009. His research responsibilities for the Dividend Value and Large Cap Value strategies will be divided among the remaining members of the team.

Separately, Jonathan (“Garth”) O’Reilly will join the team as an analyst in the fourth quarter of 2011. In this role, he will support all strategies as a generalist. O’Reilly currently serves as NFJ’s performance analyst for the Dallas office. This addition to the team is not directly related to the departure of Miller.

Mercer View

NFJ’s value strategies are team-managed by a group of nine investment professionals, including six individuals that explicitly contribute to the Dividend Value strategy. Miller was the most recent addition to the Dividend Value team, so we do not expect his departure to have a significant impact on the strategy. New analyst O’Reilly will serve in a junior role upon joining the team. Therefore, his addition is not expected to have a significant impact on the team’s dynamics in the near future. Ben Fischer remains as the lead portfolio manager for the Dividend Value strategy, a post he has had since 2008 when portfolio manager/co-founder Chris Najork retired.

Two additional members of the Dividend Value team departed in recent years—Cliff Hoover in 2006 and Jeff Partenheimer in 2010. In past research notes, we have indicated the team structure (in particular, succession planning) as a key issue to watch for this strategy. We intend to discuss the team dynamics in further detail at our next meeting with NFJ in order to get more clarity. However, given that Miller was the least tenured member of the team and that Fischer will continue in his role as lead portfolio manager on the Dividend Value strategy, we are not recommending any change to the current B rating. The Large Cap Value strategy is N rated.

Dodge & Cox – News Item Dated June 23, 2011: Dodge & Cox Adds Directors and Officers

Dodge & Cox announced that Thomas Dugan, David Hoefft, and Diana Strandberg have been appointed Senior Vice Presidents and members of the firm’s Board of Directors. The appointments bring the number of directors from five to eight. In addition, Gregory Serrurier and Bryan Cameron have been appointed Senior Vice Presidents and Roberta Kameda was appointed General Counsel.

Mercer View

Dodge & Cox has an established a record of making executive appointments and formally recognizing the achievements of its senior executives in a careful and deliberate manner. These appointments are in line with past practice. In addition, the roles and responsibilities of these professionals with respect to the investment strategies they support will not change. Therefore, this news does not have any impact on the ratings of the firm’s investment strategies.

Dodge & Cox – News Item Dated July 29, 2011: International Investment Policy Committee Member's Resignation

Dodge & Cox announced that Jacob Gofman has resigned from his position as Vice President, Portfolio Manager, Investment Analyst, and shareholder of Dodge & Cox. The full text of the announcement is included below.

Dodge & Cox regrets to inform you that Mr. Jacob Gofman has tendered his resignation from his position as Vice President, Portfolio Manager, Investment Analyst and shareholder of Dodge & Cox effective July 15, 2011 after 16 years of committed service to the firm. Mr. Gofman and his family made a difficult decision to re-locate to Los Angeles due to pressing family reasons.

During his career with Dodge & Cox, Mr. Gofman served as an analyst responsible for Consumer Products and Tobacco. He was also a member of the International Investment Policy Committee (since Dodge & Cox International Stock Fund's inception in 2001) and served as an energy industry equity analyst. He was also instrumental in founding, and served as co-head of, the firm's Emerging Markets Committee evaluating investment opportunities in developing markets. In addition, he was an investment contact at Dodge & Cox for a number of separate account clients.

We wish him every success in his future career.

As you know, Dodge & Cox has a deep and experienced investment team, and we will continue the management of your investment assets with the same high standards as we have in the past.

*Very truly yours,
Kenneth E. Olivier
Chairman and Chief Executive Officer*

Hartford Small Company HLS (Wellington Subadvised) – Research Note Dated June 3, 2011: Update on Small Cap Growth Strategy*Issues to Watch*

Asset Levels: The strategy was under \$2 billion before the March 9th 2009 lows, but it has since grown to well above \$3.8 billion at the end of the first quarter of 2011. Wellington has managed the strategy at high levels in prior years, and given its higher market cap tilt, we do not expect liquidity or portfolio construction to be compromised. However, it is something that we will inquire about in future meetings and analyze further if asset growth meaningfully increases.

Dedicated Analyst Turnover: Consistent with our prior research the team continues to experience turnover among its less seasoned dedicated analyst staff. In our view, the most senior team members are the more critical element to the strategy's prowess, and we are not concerned about their input. However, with such a small team, cohesion is vital, and we want to make sure that the newer, more junior analysts are growing into their roles and not consuming the senior team members' time. Thus, we will continue to monitor the progression of the team and be sure to identify issues if they arise.

Highlights

Little has changed regarding the Small Cap Growth strategy's philosophy or process. Angeli continues to spearhead the strategy and is supported by a team of dedicated research analysts, Wellington's Capital Appreciation team, and the firm's centralized research department, known as Global Industry Analyst (GIA). We remain impressed with Angeli's ability to articulate his thesis on a variety of stocks in the portfolio; reaffirming our confidence in him as a portfolio manager. This view is further supported by his attention to detail regarding the macro economic environment and how it relates to stocks in the portfolio. Additionally, he exhibited exceptional levels of insight on stocks in the universe that were not in the portfolio.

Since our last review, Angeli made the decision to terminate dedicated analyst Fred Lee (Information Technology - IT) and hire Jeff Wantman (IT) as a mid-level analyst, who joined in September 2010. Angeli also hired Hayley Tran (no specific sector coverage) as a junior analyst. Angeli and the firm

insist that Wantman and Tran are here to stay, but we need to see them grow more into their role before becoming fully comfortable in their dedication. Mario Auberlach and Stephen Mortimer continue to contribute as more senior, dedicated team members, and we remain comfortable with their contributions. However, in the first couple quarters of 2010, IT was a negative contributor to overall stock selection, and Angeli was ready to make a change by parting ways with Lee. Mortimer stepped in and took some of Lee's names in the interim while Wantman got up to speed, but it is encouraging that in the fourth quarter of 2010, and so far in 2011, IT has been one of the strategy's strongest performing sectors on a stock selection basis. Thus, it appears the team has a grasp on things and that Wantman is beginning to contribute as was expected. We must continue to question the team on its collaboration and be sure to understand that there are no weaknesses.

Nathan Keifer, a mid-level dedicated analyst who covers the Industrials sector, has grown into a more prominent team member since we last visited with the firm. In recognition of his contributions, the firm has promoted him at the start of 2011, and Angeli appears happy with his contribution levels. Strong attribution within that sector since Keifer has taken the lead would support this claim. As a further vote of confidence, Angeli mentioned Keifer could be given more responsibilities within the Energy sector if he is able to continue to display a solid understanding of the sector.

Assets under management (AUM) have grown considerably since we last published research on the strategy. It is not unusual for the product to run at higher asset levels. In March 2006, the strategy had over \$3.1 billion in AUM and has since remained above \$2.5 billion, outside of a few periods. That being said, assets have never been as high as it was on March 31, 2011 at \$3.8 billion. At current asset levels, we are comfortable that neither idea generation, portfolio construction, nor liquidity are being compromised (see further details for more analysis). We classify the strategy in the SMID Cap Growth Universe and believe that its larger capitalization tilt helps alleviate these concerns. We are expecting that the strategy will maintain its integrity, and we will be sure to question Angeli and the team going forward if the portfolio appears to have trouble managing its size. Our confidence would fade, if something were to become compromised given the larger asset base.

Hartford MidCap HLS (Wellington Subadvised) – Research Note Dated July 25, 2011: Update on MidCap Strategy

Issues to Watch

Whitaker's role as co-portfolio manager: Although Mark Whitaker and Philip Ruedi have a solid working relationship, Whitaker clearly takes a supporting role to Ruedi in making decisions for the portfolio. Will Whitaker take a more prominent management role as time goes on?

Addition to the team: Within the next 12 to 18 months the team expects to add a fourth member. Ruedi and Whitaker have not formalized the job specifications yet, and they acknowledge the search could take longer than anticipated to find the right person. Will the search be successful?

Highlights

The transition of management responsibilities from Phil Perelmuter to Philip Ruedi and Mark Whitaker that were announced in January occurred without a hitch effective May 1. Perelmuter became Wellington's Director of Research and Ruedi assumed the lead manager role for Wellington's Mid Cap Opportunities (Mid Cap Opps) and Select Mid Cap Growth strategies, as well as the mid cap sleeve of the firm's Opportunistic Growth strategy, from Perelmuter. In addition, Whitaker became co-portfolio manager on Mid Cap Opps and Select Mid Cap Growth, and the lead for Select Mid Cap Opportunities. (The two Select products are best idea subsets of Mid Cap Opps, and both are closed to new investors.)

In the four months leading up to the change in leadership, Ruedi, Whitaker, and Joe Sicilian assumed Perelmuter's research responsibilities. Ruedi picked up coverage of Perelmuter's Energy, Materials, and Semiconductor stocks, Whitaker assumed coverage of Telecom, and Sicilian added Media stocks to his research load. Also during this time, Whitaker was promoted to portfolio manager in recognition of his new responsibilities, and Sicilian was promoted from research associate to research analyst.

Before the transition, Perelmuter's stocks represented approximately 20% of the portfolio (by weight), Ruedi and Whitaker each sponsored a bit under 40%, and Sicilian sponsored under 5%. Now, Ruedi's and Whitaker's names each represent approximately 45% and Sicilian's share is about 10%.

Ruedi, Whitaker, and Sicilian already were familiar with Perelmuter's stocks and understood the investment thesis for each name. Nonetheless they had to get fully up to speed on the stocks and their new industry coverage. They travelled with Perelmuter to company on-site meetings and met management teams, learned the assumptions behind Perelmuter's stock pricing models, and learned the details related to each stock's F/V/E (fundamentals, valuation, expectations) investment framework. In addition, they met with Wellington's Global Industry Analysts (GIAs) to become fully versed in the industries they picked up and met with portfolio managers and research analysts from other teams within Wellington, such as the Radnor-based Value teams and members of Wellington's Capital Appreciation Group. Ruedi and Whitaker also worked with Perelmuter in learning his portfolio management duties, such as compliance, client guidelines and risk control monitoring. However, Perelmuter always involved them in these tasks, so they got up the learning curve quickly.

Ruedi and Whitaker described the May 1 transition as a non-event. They have not made any meaningful changes to the investment process, nor do they intend to. However, the team recently began paring back the number of stocks in the portfolio from around 125 at June 30 with the goal of getting the number of names to between 80 and 100 names, which had been the strategy's usual range until a few years ago. Ruedi expects that they will reach the new range by year-end.

The only other slight change made was the sale of Southwest Airlines, one of Perelmuter's stocks, shortly after he left the team. Ruedi said that he and Whitaker had discussed the stock with Perelmuter for several months prior. They questioned the valuation and the thesis for owning the stock in light of the run up in oil prices and the maturation of the portfolio's investment theme relating to airlines, parts, and suppliers. Perelmuter remained a proponent of the stock, so they waited until he left to sell it.

Ruedi said Perelmuter was aware that they sold the stock, and the issue was in no way a cause of friction. He said Perelmuter expected to see the new leaders make their mark on the portfolio, and we agree that some change—provided that it is well-reasoned and supported—is healthy and that the portfolio can benefit from a new (but only slightly different) perspective. Although Perelmuter is currently spending his time working with Wellington's research teams across the globe, he still stays in touch with the team. However, he does not offer any advice, and Ruedi does not ask for any.

Ruedi seems very comfortable in his lead role, and his relationship with Whitaker also remains on solid footing. They have worked together for seven years (starting on the team within one week of each other). It is clear that they trust each other's judgment, yet they are not afraid to challenge each other's recommendations. Both also play a role in mentoring Joe Sicilian (who unfortunately was not able to attend our meeting). They described how Sicilian has progressed as a research analyst and how several of his stock picks (Netflix and Lululemon Athletica in particular) have been big contributors to portfolio performance in 2010 and year to date 2011.

The portfolio's investment themes have not changed much over the past year. The main themes relate to generic drugs, drug distributors, non-asset based industrials (logistics/transport), and semiconductors. The strategy's theme relating to automakers, parts suppliers and dealerships has largely played itself out, as has the theme related to airlines and parts suppliers. Also, the theme related to secondary for-profit education has become much less important, primarily due to increased regulation and the uncertainties Washington has brought upon the industry. The portfolio still holds stocks represented by the maturing themes, but in lower weights, and those within each industry that have the best prospects.

Although Ruedi and Whitaker say the team can handle its workload, they have received approval to add a fourth member, so they will start that search soon. The team previously looked to hire another member. After interviewing many candidates over the course of three years, the team finally found a suitable candidate in 2009, only to have that candidate back out for family reasons, so the search was scuttled.

Ruedi and Whitaker have yet to determine what qualifications and experience level they will look for. They may look to hire a senior (10+ years) investor, or they may look for someone with less experience. They expect to have position specifications drawn up within the next few months, and hope to have someone on board in 12 to 18 months. However, they admit that the search could take longer and are willing to wait to find the right person. In addition to having the right investment skills, the person will have to fully embrace the team's investment philosophy (especially the strategy's thematic component and a focus on a long-term horizon and not next quarter's numbers) and there must be the right personal chemistry with the rest of the group since the members work so closely together.

In the meantime, an entry level analyst from Wellington's "Equity Launch" undergraduate program will join the team to help with basic tasks. This person will be with the team for approximately six months before she moves to another area of the firm. However, Ruedi would not rule out the possibility that she could eventually join the team as a full time member if she is a good fit.

Overall we were comforted that the MC Opps strategy is being managed in the same fashion as it had been under Perelmuter. We are impressed at Ruedi's and Whitaker's knowledge of holdings and believe that Ruedi has capably assumed Perelmuter's responsibilities. We are also impressed with the working relationship between Ruedi and Whitaker, though Ruedi clearly is the leader. The dynamic between the two is influenced by their complementary personalities: Ruedi is more assertive and extroverted while Whitaker is much more reserved. However, over time we should see evidence that Whitaker contributes more to portfolio decisions as he gains experience in his management role.

Neuberger Berman – Research Note Dated May 10, 2011: Update on Socially Responsive Investing Strategy

Issues to Watch

Arthur Moretti and Ingrid Dyott appear to be the main drivers of this strategy. We would review these ratings should either of them decide to leave the firm.

We have not had an opportunity to meet with Saijadi Ladiwala and Mamundi Subhas, the other two members of the SRI team, and would look to do so at our next meeting.

The primary difference between the Core and SRI portfolio is the application of the ethical avoidance criteria for the SRI strategy. The Core product may be of interest to investors seeking an investment process that takes ESG issues into account but does not avoid any specific sectors on principle. Due to the avoidance screens, the SRI strategy will typically look for substitutes with similar characteristics. Currently approximately 80% of the SRI strategy overlaps with the Core strategy.

Highlights

This was an update meeting for the Neuberger Socially Responsible strategy and to initiate a rating on the Core Equity strategy, which also falls under the US Socially Responsible universe and follows the same process as the SRI strategy.

The team of four has remained stable since 2007 with low turnover in the wider firm post Lehman bankruptcy. Some clients left in the past three years, mainly private and high net worth clients, and some state funds, but we were given some examples of clients who returned to Neuberger due to the stability and performance of the strategies. The current client base is approximately 57% institutional and the remainder Individuals, family offices and charitable organizations. As at the end of March 2011, the Core and SRI strategies represented approximately 5% of equity AUM and 2% of total firm AUM of \$199 billion.

We liked the dynamic between Dyott and Moretti who have worked together for several years and we continue to be impressed with their idea generation process and the network of contacts they utilize to source ideas. The investment process allows for flexibility as well as some structure. For example, while there are quantitative and qualitative screens in place to reduce the investment universe, not all ideas are generated through initial screens. Dyott and Moretti tend to come across many ideas through their network of contacts as well as previous experiences.

The team will also find ideas through thematic work and will typically analyze end markets to determine leaders in particular industries based on these themes, and we can see this approach leading to interesting ideas. For example, we discussed the long term outlook for diabetes care and the global obesity epidemic. After some thematic analysis, the team reviewed all companies within this space and narrowed the universe down to those who are addressing this issue more proactively. Typical profiles of companies falling in this category are large pharmaceuticals with patents and biotech companies that are developing cost-effective products (or insulin products).

Parnassus Investments – Research Note Dated May 13, 2011: Update on Equity Income Fund

Issues to Watch

While we believe that Ahlsten is committed to Parnassus, the strategy is susceptible to key man risk, therefore our rating is dependent on our positive view of him.

Highlights

As a firm and top ten shareholder of many of its holdings, Parnassus can have influence in addressing issues with company management and this is an area where the team continues to make enhancements. We like the approach the firm takes with its policy of engaging with companies where it feels it can make an impact. As a whole, the firm usually will not invest in the largest companies and prefers investing in companies where it can get better access to company management to address ESG issues. Discussions will typically begin with the financial analysts given their closer relationship to senior managers within their companies; ESG specialists are able to accompany the analysts to address non-financial issues. We were impressed with the examples provided (see Further Details) where the team decided to sell holdings as a result of unsuccessful engagements and where the team felt ESG issues would have a potential negative impact on the company's share price.

Maria Kamin joined Parnassus in 2010 as manager of ESG research. Before joining Parnassus Kamin was research product manager and sustainability analyst at MSCI (formerly KLD Research & Analytics), and is well recognized in the Responsible Investment (RI) industry. We were impressed with Kamin who demonstrated good insight into the social aspects of several investments in the portfolio and highlighted her ability to influence investment decisions based on ESG issues.

Ahlsten intentionally reduced the number of holdings in the portfolio during the past two years from 59 stocks to 45 stocks. The team decided that investments below 1% were not worth the amount of work put into the investment analysis, and wanted to have high conviction names in the portfolio. This change makes sense to us given the time and effort spent on ESG research and engagement and we view this positively as this to us means that more (if not all) companies in the portfolio will have the same in-depth analysis.

The specialist ESG research follows a 'PPP' process – product (and services), process, and planning – which is done in parallel to the fundamental research, and feeds into areas where relevant. The aim of this is to ascertain whether any negative elements are off-set by positive elements, so that any company invested in is making a net positive contribution to a sustainability society. Previously this depth of research was not carried out on every stock due to time and resource constraints. Given the more concentrated portfolio, we are confident that the team will be able to spend more time on in-depth research on all stocks now to come up with unique insights that might not be covered by other analysts.

The top 10 names in the portfolio continue to represent 40% to 45% of the portfolio and the composition of this has not changed significantly while the tail of smaller positions has declined. The decrease in the number of holdings has increased the tracking error of the strategy from 3.6% at our last update to 4.7% as at 31 March 2011 but remains within the target range. Furthermore, equity risk contributes the most to tracking error which we like.

Vanguard – Research Note Dated May 31, 2011: Total Bond Market Index Update

Highlights

Vanguard remains vigilant in its efforts to minimize tracking error. The team has sought to limit exogenous factors such as abnormal cash flows into or out of the fund that result in tracking error blips. For example, the team identified the rebalancing activity of asset allocation funds as the culprit for tracking variance in late 2008. At that time, Total Bond Market was used in a number of Vanguard's LifeStrategy and target date funds, but as equities sold off relative to bonds, the fund experienced significant redemption activity driven by asset allocation rebalancing requirements. Vanguard created Total Bond Market 2 as the vehicle for Vanguard's fund of fund products and also for advisors known to have strict rebalancing policies, leaving the flagship fund for long-term buy-and-hold passive fund investors.

Wherever possible, Vanguard invests in cash-market, physical instruments, but is not averse to using total return swaps (TRS) or other derivatives to gain market exposure efficiently. For example, the team used TRS to achieve CMBS exposure in 2007 given the ease of doing so as originators sought to hedge their pipelines. The volume of hedging activity made TRS cheap, but as origination volumes declined since the global financial crisis in 2008, Vanguard has moved to a broad sampling approach in CMBS, reflecting the fact that the cost of TRS in the sector is less attractive. The team's exposures to the agency hybrid ARM and Build America Bond (BAB) sectors are currently achieved purely with physical securities.

Vanguard continues to run risk reports using Barclays POINT to monitor contribution to tracking error variance (TEV) from a variety of sources, including curve, swap spread, volatility, and various spread sectors. A recent report (included in the Further Detail – Portfolio Construction section of this note) indicates that idiosyncratic risk is the largest source of TEV, which is to be expected given that the team does not seek to fully replicate all of the index's nearly 8,000 issues (7,928 as of May 18, 2011). This would be highly inefficient in many sectors, such as corporate and CMBS. However, the team's proprietary dashboard (also included in the Further Detail section) helps the team manage each sector's characteristics as tightly as possible relative to the index. For the past couple years, BlackRock Solutions' Aladdin has been the analytical engine behind the dashboard, and both the portfolio and index are modeled in this system, as would be expected to avoid modeling error between the Barclays and BlackRock systems. Vanguard's use of the both systems to monitor tracking differences is a modest improvement over the use of a single system.

Vanguard does not foresee the introduction of TIPS into the Aggregate index. According to the team, the notion was discussed last year at a meeting of the Barclays Index Advisory Council and was voted down.

Vanguard – News Item Dated July 25, 2011: Vanguard to Offer Ultra-Low-Cost Shares

Vanguard is introducing Admiral Shares for the several index funds, including the Vanguard Developed Markets Index Fund. The asset minimum for the Admiral Shares is \$10,000. The expense ratio comparison between the Investor shares, which is currently in the NDC Plan, and the Signal share for the Vanguard Index Funds in the plan is shown below:

Vanguard Developed Markets Index Fund: 0.22% for Investor shares vs. 0.12% for Admiral shares.

We recommend moving to the Admiral shares when they become available.

Victory Capital Management – News Item Dated May 25, 2011: Director of Investments Greg River's Employment with Victory Terminated

Victory announced that Greg River's employment with the firm has been terminated effective immediately. He had been an employee since 2006 and had recently been appointed Director of Investments. An active search is underway for his replacement. His termination was not related to the investment management or safeguarding of client assets however the firm will not be disclosing the exact reason.

River's duties as Director of Investments did not include direct responsibility for the investment management of any client portfolios. His responsibilities were primarily focused on providing administrative and other support to the portfolio teams which in the interim will be assumed by other members of the Victory management team and staff.

Mercer View

While River's title was Director of Investments, his role was more operational in nature. Among one of his chief responsibilities, he was charged with overseeing Victory's centralized Equity Research Team (ERT). This involved helping with the development of the analysts and making sure the investment teams were receiving sufficient support with resources being allocated efficiently.

While it is a sudden departure, his role did not directly impact any of Victory's investment teams or their processes. The A rated Diversified Equity team, the International Small Cap team as well as the B+ rated International Equity Large Cap team remain intact and operate as usual. These investment teams do leverage the ERT for supplemental research however we do not expect any disruption to the services they provide given this announcement. We do not recommend any ratings changes at this time.

Appendix C – Mercer Update

Mercer completes acquisition of Evaluation Associates

- Further strengthens our US investment consulting position
- Evaluation Associates marks our second investment consulting acquisition in 2011 and underscores our commitment to investing and expanding our business in the US
- Evaluation Associates' work for financial intermediaries further strengthens our wealth management strategy and complements the capabilities brought to Mercer by Hammond Associates, acquired earlier this year

Global Investment Forums

Interactive Flipbook now available

- <http://www.mercer.com/flipbook/Chicago-InvestmentForum2011>
- Includes:
 - A review of Mercer's strategic research themes and initiatives
 - Case study on employing a dynamic asset allocation framework
 - DC trends and fiduciary concerns
 - The role of fixed income in a changing world
 - The impact of climate change on strategic asset allocation – Mercer research

Upcoming

- Senior members of Mercer's investment business will be joined by other leading industry thinkers and commentators to discuss a range of topics, including:
 - Client investment trends
 - Mercer's strategic research themes and initiatives
 - Inflation hedging strategies
 - Panel discussing real assets
 - Tail risk management
 - Home country-bias
 - A range of DC topics, among others

Intellectual Capital – White Papers/Surveys

All Clients

- Potential of a U.S. Treasury Rating Downgrade – Recommendations
- Eurozone Sovereign Debt Crisis
- Mercer Quarterly Research Report
- Capital Market Outlook – July 2011 – Summary Report
- Mercer Sentinel – Investment Manager Operational Risk Assessment
- Lost in Transition? – Factoring in Costs Before Switching Managers

- Mercer's Investment Strategy Research Ratings Changes
- Manager Search Trends 2010

Mercer's Investment Opportunity Set

- Perspectives on Bond Investments – Talking Points
- Diversified Growth Funds – On Balance An Improved Way of Investing
- Private Debt – An Attractive Opportunity Rich Environment
- Real Estate's Not Just Property – Going Beyond Core
- Distressed Investing Through a Cycle

DB Clients

- Pension Plan Financial Update – June 30, 2011
- Risk Management Update – Developments in Annuitization Market
- How Does Your Retirement Program Stack Up? – 2011 Edition
- Mercer Dynamic De-risking Solution – Integrated Approach to Pension Risk Management

DC Clients

- US Investment Defined Contribution Survey
- Discretionary Investment Solutions for DC Plans – Webcast June 21, 2011

Coming Soon...

- Inflation or Deflation: Which Way to Go? - Finding an Adaptive Investment Structure
- Target Date Funds -Top 10 for the Next 10
- Portable Alpha

Appendix D – Disclosures

Important notices

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