MERCER

CONSULTING. OUTSOURCING. INVESTMENTS.

DEFINED CONTRIBUTION PERFORMANCE EVALUATION

STATE OF NEVADA

Deferred Compensation - Hartford
Deferred Compensation – ING

THIRD QUARTER 2011

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Executive Summary – Plan Highlights

Assets and Participant Activity

Combined Providers – Total Assets

- The Total Plan assets totaled $517.4 million at September 30, 2011, decreasing $38.4 million (down 6.9%) from the prior quarter-end.
- The Plan's total assets were invested 49.0% in Hartford General Account, 6.1% in ING Stable Value, 5.2% in Hartford MidCap HLS and 5.0% in Invesco Van Kampen Equity and Income. The other investment options each held less than 5% of the Plan's total assets.
- Target date funds accounted for 6.8% of total assets.

Deferred Compensation – Hartford

- Assets in Hartford totaled $426.7 million at September 30, 2011, decreasing $31.3 million (down 6.8%) from the prior quarter-end.
- As of quarter-end, there were 9,304 participants with an account balance on the Hartford platform. Of those participants, 5,150 are actively contributing to the plan. The average account balance is $45,869.

Deferred Compensation – ING

- Assets in ING totaled $90.7 million at September 30, 2011, decreasing $7.1 million (down 7.3%) from the prior quarter-end.
- As of quarter-end, there were 3,830 participants with an account balance on the ING platform. Of those participants, 2,649 are actively contributing to the plan. The average account balance is $23,687.

Executive Summary

Watch List

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 the Russell 1000 Growth Index for all periods examined; the fund also underperformed Mercer Murual Fund US Equity Large Cap Growth Universe median for time periods measured out to five years. For the quarter, overweight allocations to the energy and financials sectors hampered returns, as did underweight allocations to the consumer staples and information technology sectors.
- 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. 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 for all periods evaluated and ranked at the bottom half of the Mercer Mutual Fund US Equity Mid Cap Core Universe for the 1-, 3- and 5-year periods. For the quarter, an underweight to utilities as well as stock selection within the financials and health care sectors hindered relative performance.
- 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 outperformed the Russell Midcap Growth index for all cumulative periods evaluated with the exception of the 3-year period. The fund placed in the top half of the Mercer Mutual Fund US Equity Mid Cap Growth Universe for all periods except the 3- and 5-year periods. For the quarter, an

overweight allocation to the utilities sector as well as underweights to the industrials, materials and information technology sectors contributed to relative 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 all periods with the exception of the 1-year period. It ranked in or near the top half of the Mercer Mutual Fund US Equity Small Cap Core Universe for all periods except for the 1-year period, where it ranked at the 59th percentile. Recent quarter outperformance is attributable to stock selection within the consumer staples sector.

- 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 cumulative periods measured out to 5 years, but outperformed both benchmarks for the 7- and 10-year periods. It should be noted that the fund placed at the 97th percentile for the 3-year period. For the quarter, overweight allocations to the industrials, energy and materials sectors weighted on returns; underweights to the health care, utilities and financials sectors also hindered performance.

- 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)

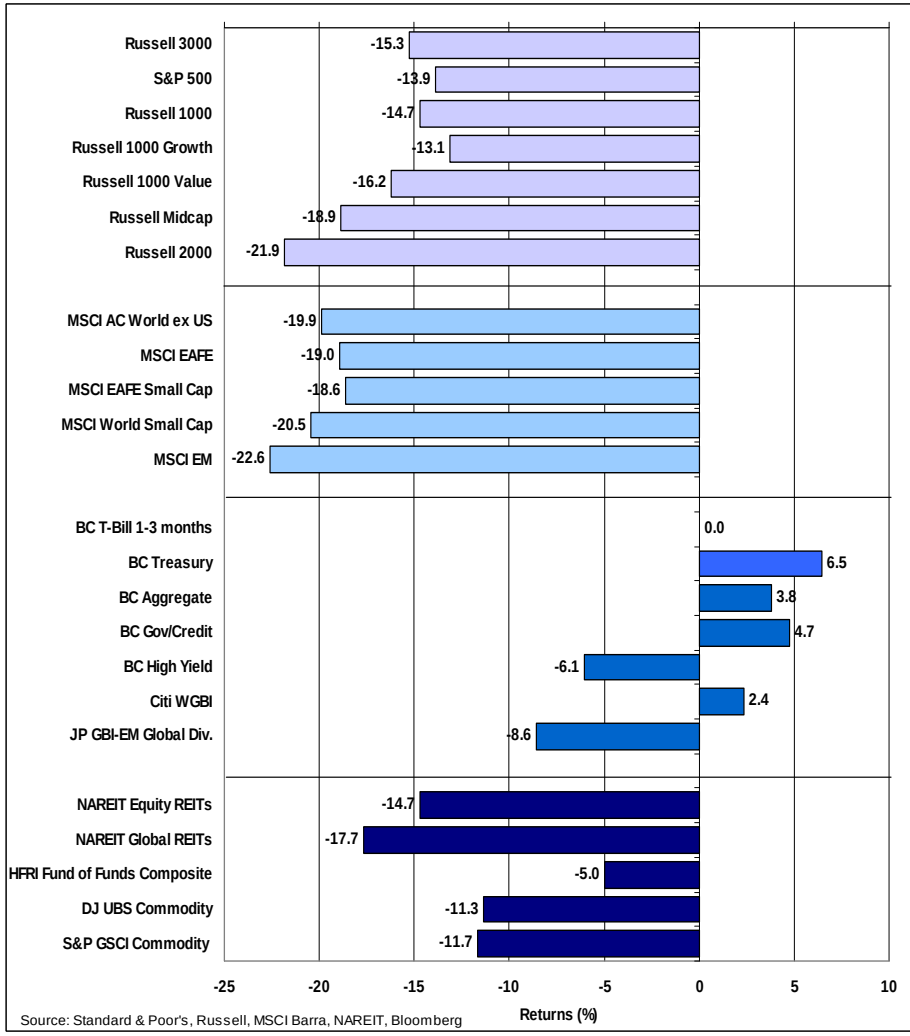
- This fund was placed on Watch in February 2010 due to the investment team's departure. In December 2009, portfolio managers Anne Gudefin and Chuck Lahr left the fund to start up a fundamental equity platform at PIMCO, a large fixed-income based firm. Co-managers Peter Langerman and Phillippe Brugere-Trelat 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 for all periods except the 1-year period. Recent quarter outperformance was attributable to overweight allocations to the consumer staples and utilities sectors as well as underweights to ther materials and energy sectors. From a regional perspective, underweights to Italy, Sweden, Australia and Canada also helped returns.

- Mercer recommends keeping this fund on Watch until it is certain that key professional turnover has not negatively affected fund performance.

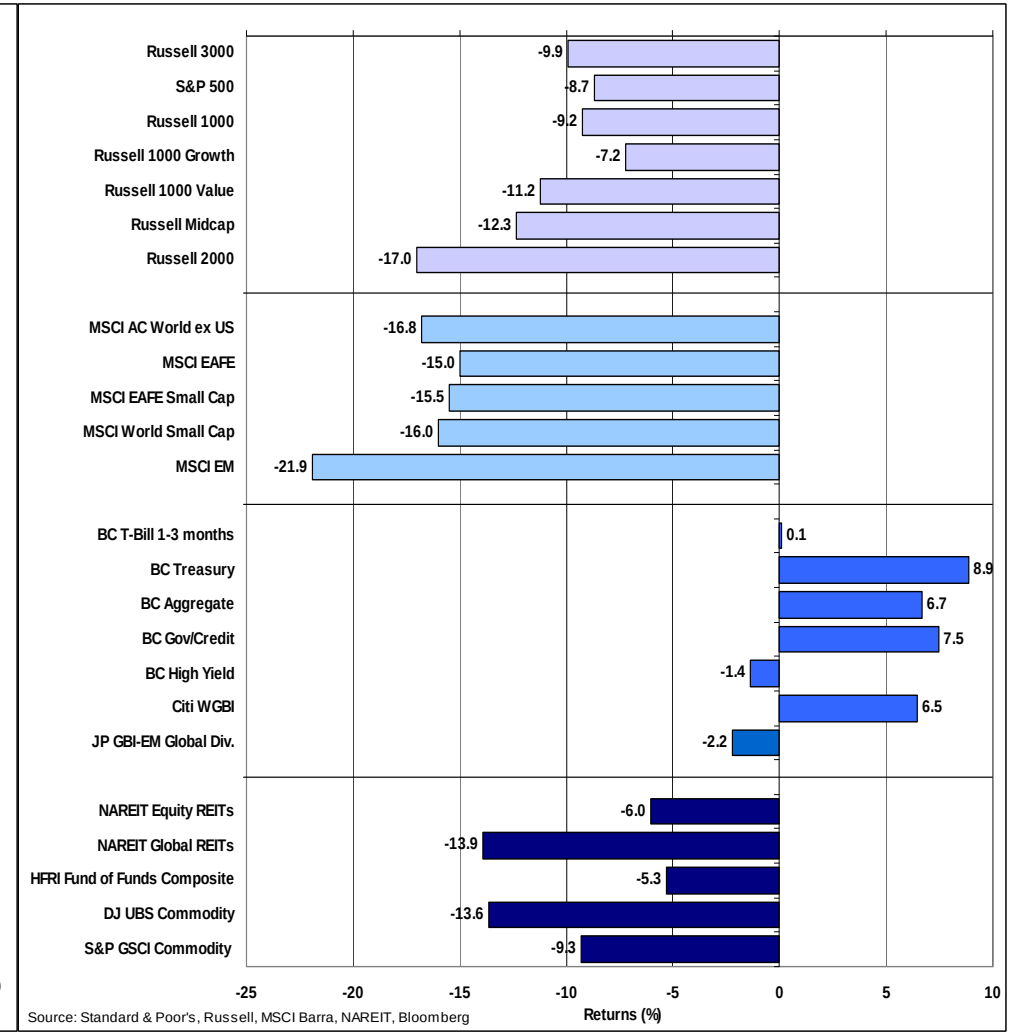
Performance Summary: Quarter in Review

Market Performance
Third Quarter 2011



Source: Standard & Poor's, Russell, MSCI Barra, NAREIT, Bloomberg

Market Performance
Year to Date through September 2011



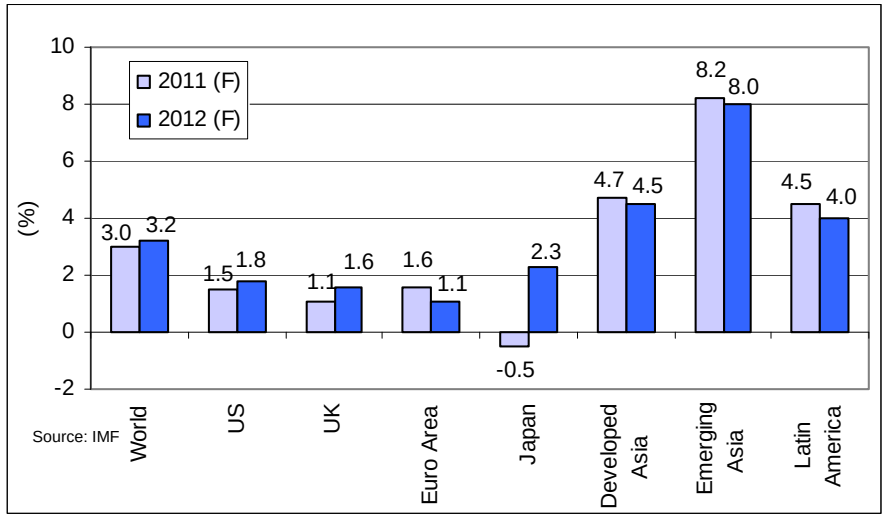
Source: Standard & Poor's, Russell, MSCI Barra, NAREIT, Bloomberg

Macro Environment: Economic Review

	3Q Growth (%)	Contribution to 3Q Growth (%)
Personal Consumption Expenditures	2.4	1.7
Residential Fixed Investment	2.4	0.1
Non-Residential Fixed Investment	16.3	1.5
Government Consumption	0.0	0.0
Change in Inventories	-	(1.1)
Trade Balance	-	0.2
GDP		2.5

Source: Bureau of Economic Analysis

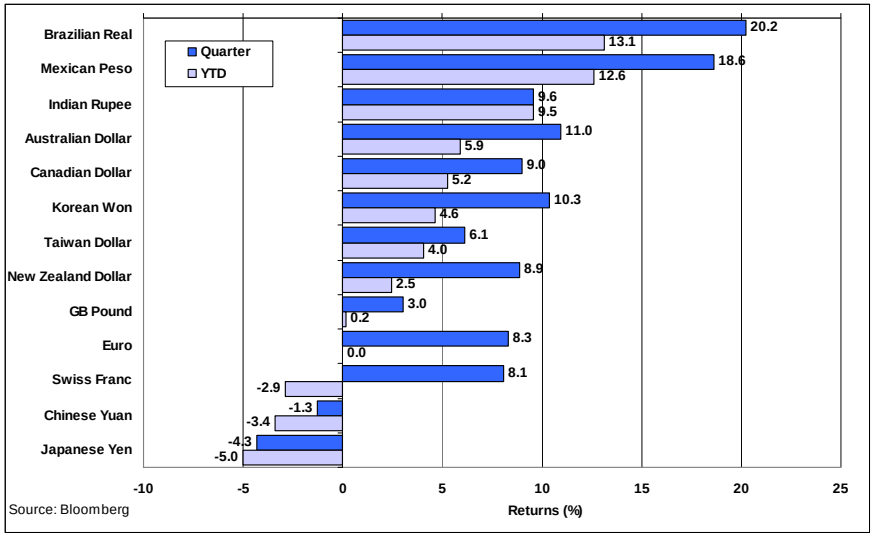
World Economic Growth



- The economy expanded at an annualized rate of 2.5% during the third quarter. Analysts polled by Bloomberg in October expected 2.0% growth in the fourth quarter.
- Many economists are forecasting a greater risk of a recession as fiscal stimulus is removed from the economy. The silver lining is that if a recession does occur, it would probably be mild because many of the excesses that were present in 2007 have been purged.
- Regardless of whether the economy enters a technical recession, we will likely remain in a prolonged period of slow growth. The economy must face the headwinds of unsustainable fiscal policies, excessive household debt, and worsening demographics.
- The eurozone debt crisis deepened during the quarter, with Spain and Italy coming under further pressure. The health of European banks, which have substantial exposure to peripheral debt, was questioned as well. Europe may already be in recession.
- A comprehensive solution to the euro area debt crisis will be hard to reach, as it likely would require greater European fiscal integration.
- Growth in emerging market economies continues to be robust. However, if the developed world slips back into recession, growth is likely to slow because EM economies remain reliant on exports.
- Emerging economies have clear structural advantages over the developed world, but must transition from export and investment to household consumption.

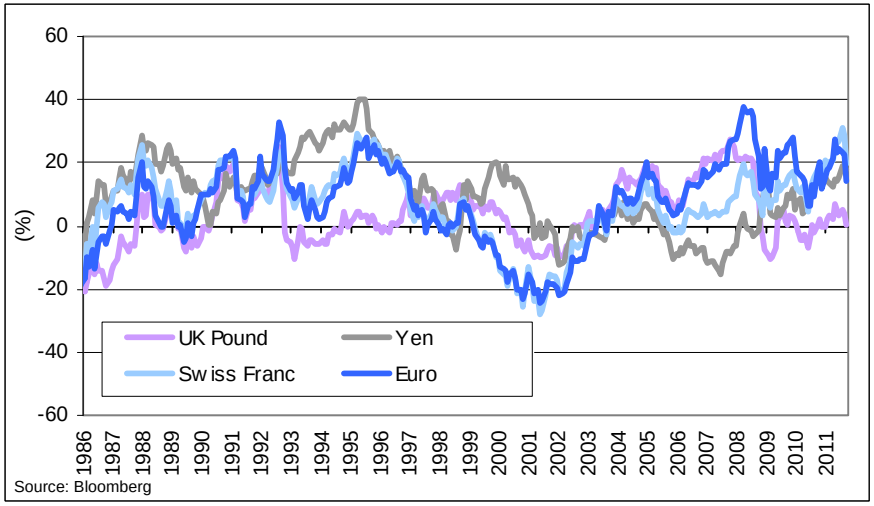
Macro Environment: Currencies

Performance of the Dollar



- Since the dollar remains the primary reserve currency, it tends to rally during financial crises. This was borne out in the third quarter as the buck appreciated against most other currencies.
- The dollar spiked by 8.3% against the euro, although it slipped by 4.3% against the yen. It was particularly strong against many emerging market currencies. It rallied by 20.2% against the Brazilian real and by 10.3% against the Korean won. Commodity currencies, including the Canadian and Australian dollars, were also socked.

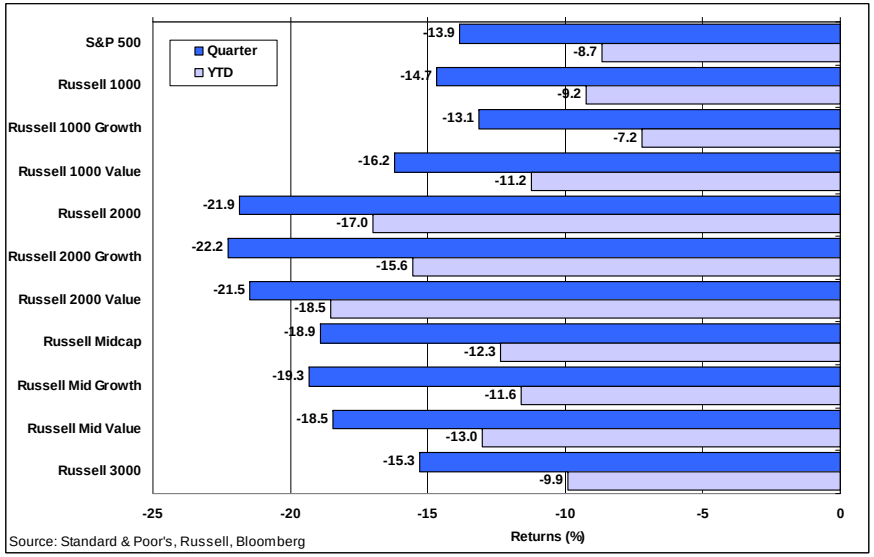
Currency Valuation versus US Dollar (Based on Relative PPP)



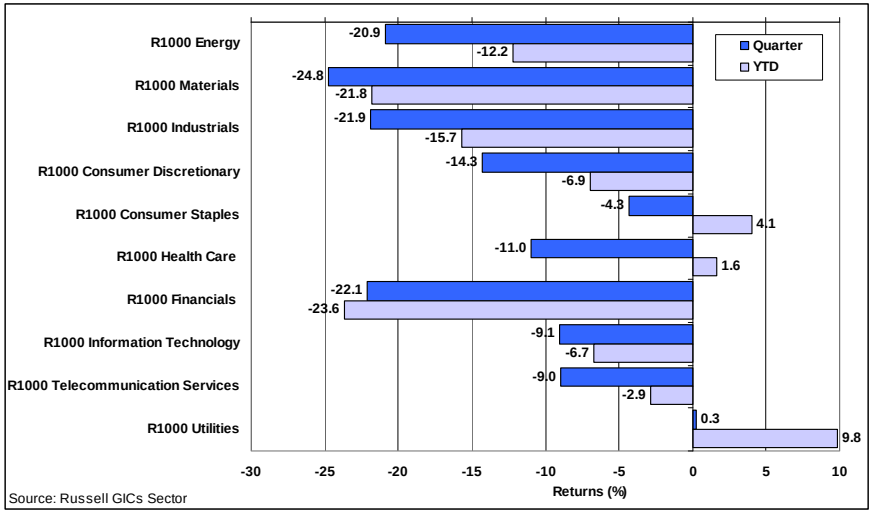
- The outlook for the dollar against most developed currencies is ambiguous. The US still runs a large current account deficit, and the Fed has been more aggressive than other central banks in expanding its balance sheet. Further, the Fed is likely to be very slow in lifting rates. Conversely, the dollar is undervalued against most developed currencies on the basis of relative purchasing power parity.
- We still believe the strategic outlook for emerging market currencies is positive. Over time, these currencies should appreciate relative to the developed world's currencies.

Asset Class: US Equities – Style, Sector, Cap Performance

Style and Capitalization Market Performance



Sector Performance



Broad Market

- Equities declined during the quarter due to concerns about a US recession and the sovereign debt crisis in Europe. Domestically, the Russell 3000 index shed 15.3% during Q3 and 9.9% YTD.

Market Cap

- **Large Caps:** The S&P 500 dropped 13.9% during the quarter. Large caps outperformed small and mid caps during Q3.
- **Mid Caps:** The Russell Midcap index declined 18.9%, trailing the S&P 500 by 500 basis points.
- **Small Caps:** The Russell 2000 index tumbled 21.9%. Small caps underperformed large caps by 800 basis points during the quarter.

Style

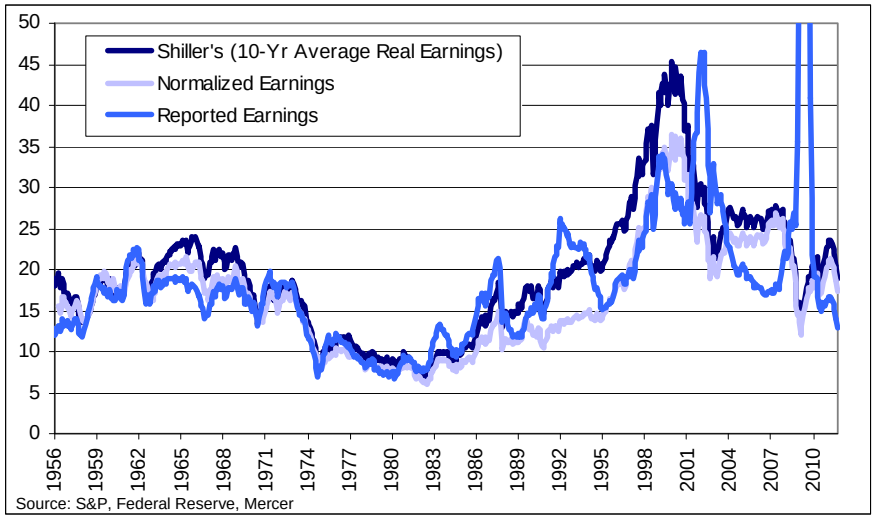
- **Value vs. Growth:** Within large caps, growth stocks outperformed value stocks as the Russell 1000 Growth index fell 13.1% vs. a 16.2% drop in the Russell 1000 Value index. Large cap value stocks were hurt by the underperformance of financials. Within mid caps and small caps, value stocks actually slightly outperformed growth stocks.

Sector

- Defensive sectors such as utilities and consumer staples held up relatively well during the quarter. For the year-to-date, these sectors remain positive. Health care stocks have also maintained a gain for the year.
- Cyclical sectors underperformed during the quarter. The materials sector shed 24.1% and financial stocks declined 21.2%.

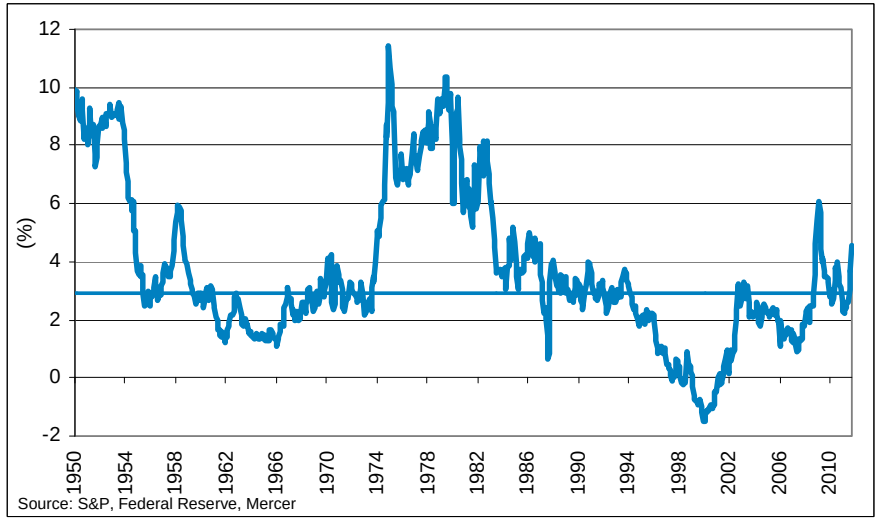
Asset Class: US Equities – Valuation Review

S&P500 – P/E Ratio



S&P500 – Estimated Equity Risk Premium

Versus Long-Term Treasuries

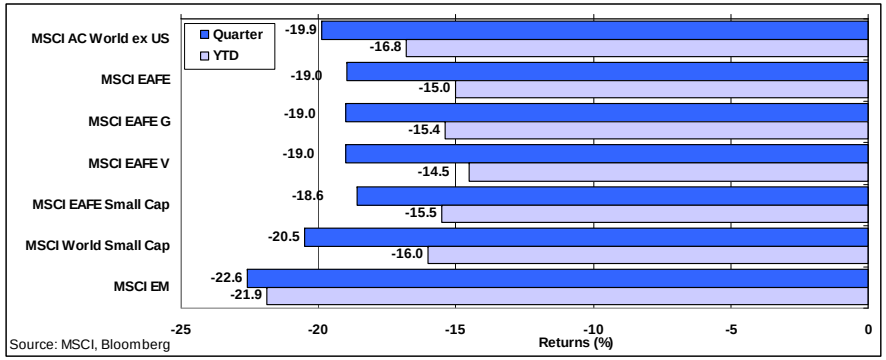


- The downturn in stocks has improved the valuation picture for equities.
- Based on trailing earnings the S&P 500 looks fairly cheap, trading at a P/E of just 12.9. The S&P is trading at only 10.7x forward operating earnings.
- The margin on sales for the S&P 500 stands at 8.8%, more than 50% higher than the historical average of 5.8%. Profits as a share of GDP are at a record high.
- Corporations are in relatively strong shape financially and have been slow to invest and hire during the recovery.
- However, profit margins are unlikely to maintain such a high level over a full economic cycle, and we are concerned about the achievability of current forecasts given the economic outlook.
- Based on Shiller's P/E [1)], the S&P 500 is trading at 19x earnings. On margin-adjusted earnings, the S&P is trading at a P/E of 17, which is around fair value.
- Valuations versus bonds look reasonably attractive due to ultra-low interest rates.

[1)] Definitions:
Shiller's P/E= Current S&P 500 price/average 10-year real earnings
Normalized P/E= Current S&P 500 price/(current trailing twelve month sales * 6.6% profit margin)

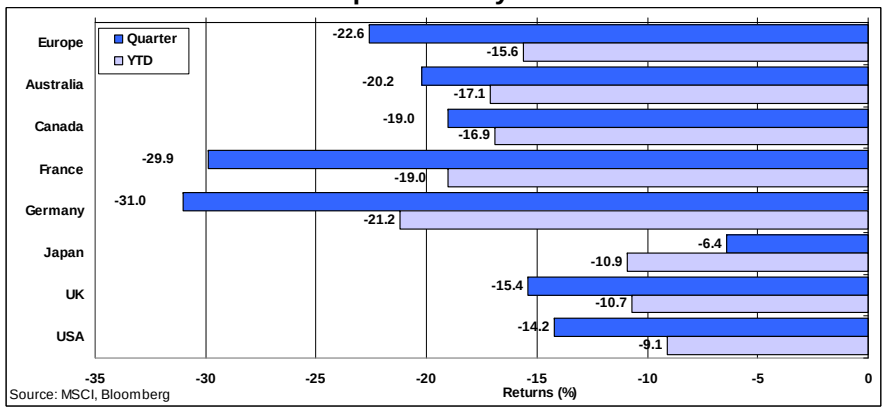
Asset Class: International Equities – Performance Review

International Equity Performance



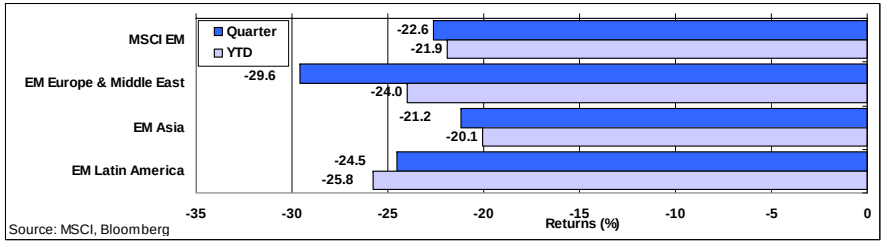
- **International equities** underperformed domestic stocks during the quarter. European and emerging markets equities were hit particularly hard. The MSCI ACWI-ex US index fell 19.9% during the quarter and is down 16.8% on the year.
- **International small cap** stocks trailed international large cap stocks. The MSCI EAFE Small Cap index dropped 18.6% during Q3.

Developed Country Performance



- **International developed** stocks as represented by the MSCI EAFE index dropped 19.0% in US$ terms and 15.7% in local currency terms. European stocks declined 22.6% in US$ terms and 17.6% in local currency terms. EMU countries fell 28.4% in US$ terms. Japanese stocks held up relatively well during the quarter, losing just 6.4% in US$ terms.

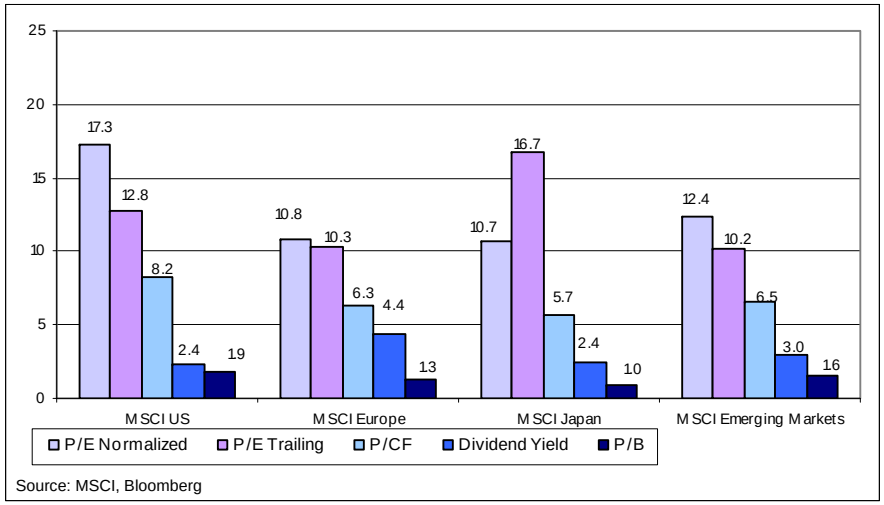
Emerging Market Performance



- **Emerging market** stocks were crushed during the quarter on concerns about global growth. EM equities shed 15.0% in local currency terms, which was similar to the 13.9% drop in the S&P 500. However, EM currencies plummeted, leading to a 22.6% fall in US$ terms. EM equities have underperformed the S&P 500 by 1720 basis points over the last 12 months.

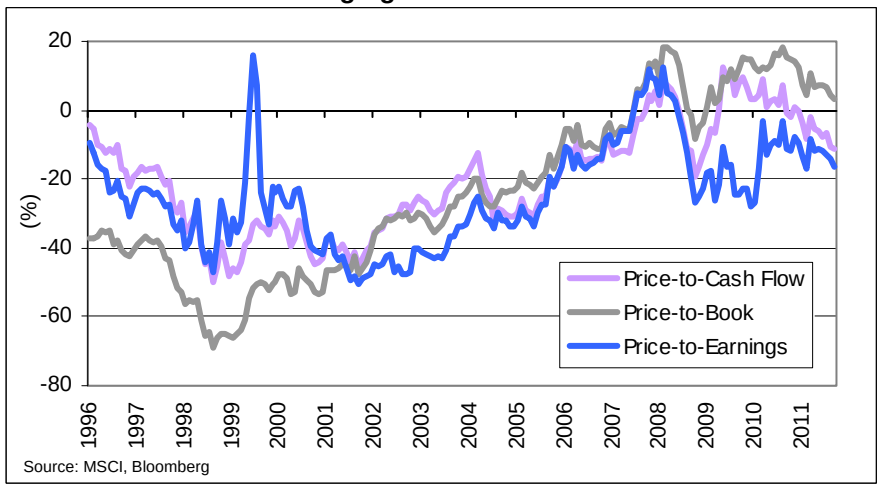
Asset Class: International Equities – Valuation Review

Global Valuations



Source: MSCI, Bloomberg

Premium / (Discount) of MSCI Emerging Markets to MSCI World

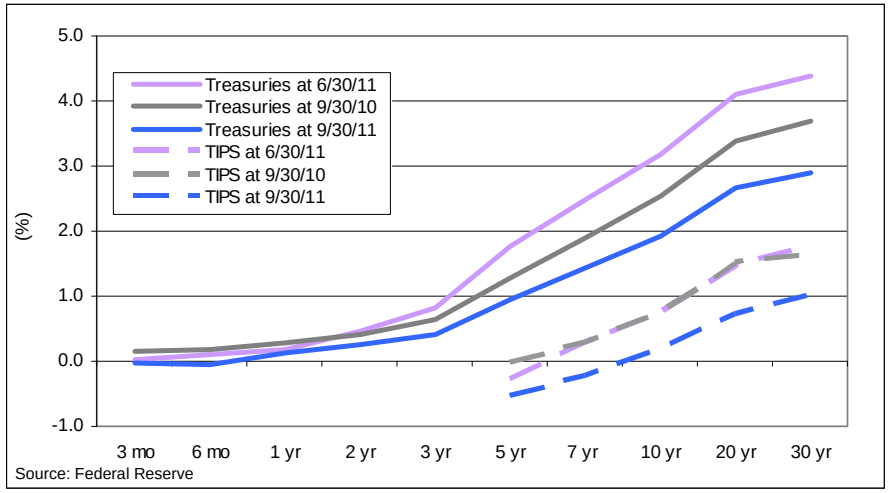


Source: MSCI, Bloomberg

- The valuation picture for international equities has improved.
- The key risk factor is the European sovereign situation, and the risk that policy mismanagement could lead to bank failures. Although this "tail risk" may seem unlikely, the European problems of competitiveness are structural in nature, and will not be solved quickly. Thus, this source of worry is likely to remain with markets for some time to come.
- While macro risks are higher overseas, valuations seem to be pricing in a fair amount of bad news. European stocks are trading at a P/E of just 10.3.
- Japan is dealing with massive long-term debt and demographic issues; however, Japanese stocks also appear reasonably valued, trading at 5.7x cash flows and 1.0x book value.
- The rest of the world looks like a better value than the US.
- Valuations on emerging markets have improved due to their recent underperformance. Emerging markets are trading at a P/E of just 10.2x. They are trading at a sizable discount to the developed world on P/CF and P/E.
- While EM stocks have higher volatility than domestic stocks and could be vulnerable in the shorter term, the structural case for EM outperformance (growth potential, attractive demographics, and better financial management) remains strong.

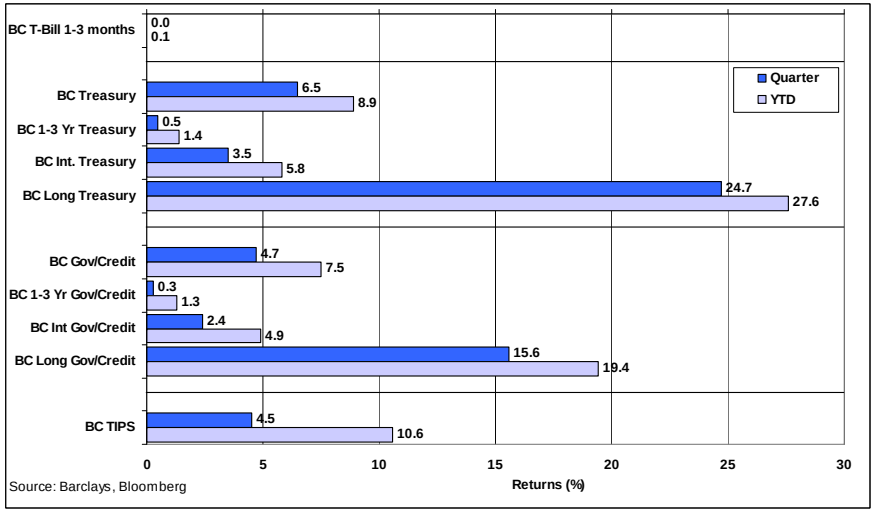
Asset Class: Fixed Income – Interest Rates and Yield Curve

Treasury Yield Curve



Source: Federal Reserve

Bond Performance by Duration

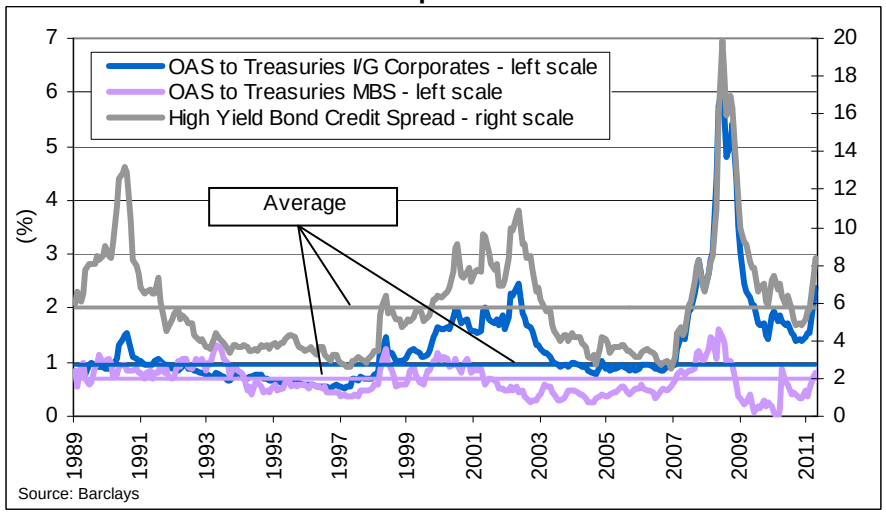


Source: Barclays, Bloomberg

- Despite S&P's downgrade, Treasury yields plummeted during the quarter on a flight to safety.
- The FOMC stated that they are unlikely to raise the Fed Funds Target Rate until mid-2013 at the earliest, suggesting that cash rates are likely to remain stuck at zero.
- The Fed also announced a plan to purchase $400B in long-term Treasuries using existing short-term holdings. Dubbed "Operation Twist", the plan seeks to flatten the yield curve by pushing down Intermediate- and Long-term rates. For example, the spread between 2-year and 5-year Treasuries fell from 1.3% at the start of the quarter to 0.7% at quarter end.
- The yield on the 10-Year Treasury fell from 3.2% to 1.9% during the quarter and the 30-Year Treasury yield plummeted from 4.4% to 2.9%.
- It was a strong quarter for Treasuries, with long duration bonds performing extremely well.
- The **Barclays Long Treasury** index rose by 24.7% during the quarter.
- The **Barclays Intermediate Treasury** index gained 3.5% during the quarter.
- **Short-Duration Treasuries** (Barclays 1-3 Year Treasury index) returned 0.5% for the quarter.
- **TIPS** rose 4.5% during Q3. The inflation break-even rate on 10-Year TIPS fell from 2.5% to just 1.8%. TIPS are up 10.6% year-to-date.

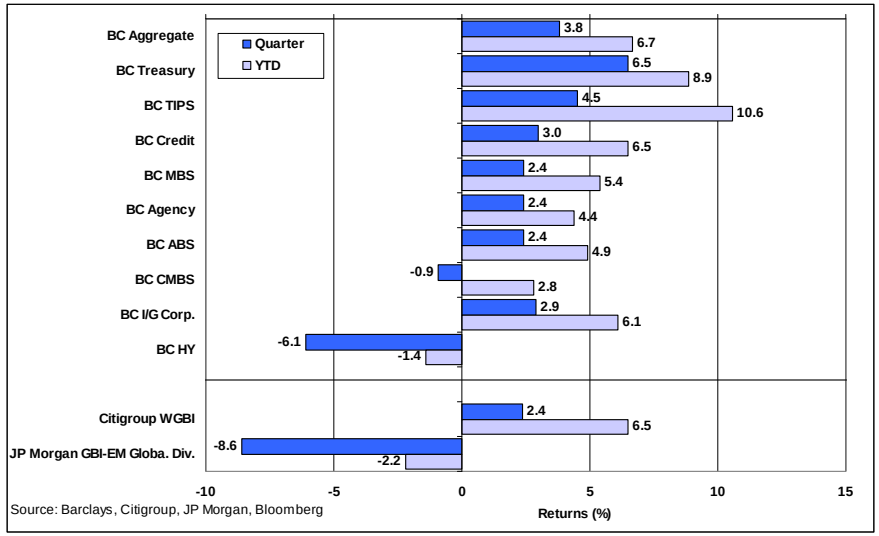
Asset Class: Fixed Income – Credit and Non-US Bonds

Credit Spreads



- Credit spreads widened substantially during the quarter as investors sought the safety of Treasuries.

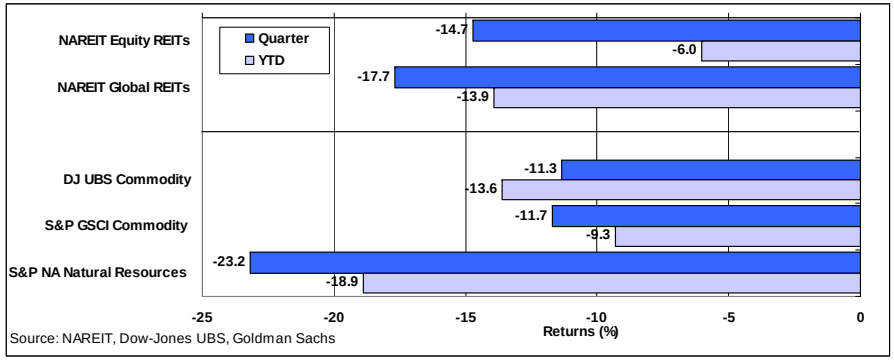
Sector, Credit, and Global Bond Performance



- **US Agency and MBS:** The Barclays Agency index and the Barclays MBS index both rose 2.4% during the quarter.
- **U.S. Credit:** The option-adjusted spread on the Barclays Credit index widened from 1.4% to 2.2% during Q3. Credit bonds currently yield 3.6%. The Barclays Credit index returned 3.0%, trailing Treasuries by 350 basis points.
- **US High Yield:** High yield spreads widened from 5.2% to 8.1% during the quarter. For the quarter, HY bonds declined 6.1%. HY bonds currently yield 9.5%.
- **Global Bonds:** The Citigroup World Government Bond index gained 2.4% in unhedged terms. A rally in the dollar weighed on returns.
- **Local Currency EMD:** Emerging market currencies were hurt during September, pushing local currency bonds to a loss of 8.6% for the quarter.

Asset Class: Alternatives – Performance Review

Real Asset Performance

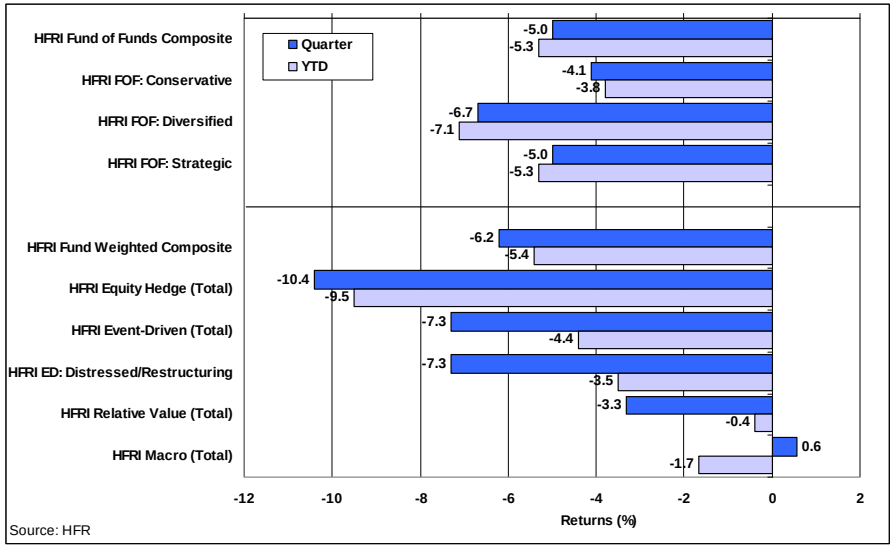


Source: NAREIT, Dow-Jones UBS, Goldman Sachs

- Global **REITs** declined 17.7%, with US REITs falling 14.7%.

- **Commodities** tumbled during the quarter due to concerns about global economic growth. The DJ-UBS Commodity index fell 11.3%.

Hedge Fund Performance

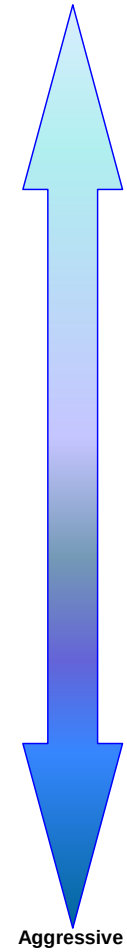


Source: HFR

- **Hedge funds** held up better than stocks, but trailed bonds. The HFRI Fund of Funds Composite index declined 5.0%, while the S&P 500 tumbled 13.9% and the Barclays Aggregate index rose 3.8%.

Plan Review – Investment Option Array

Deferred Compensation Plan – Combined Providers



Tier I - Asset Allocation

Target Date
Vanguard Target Retirement Funds

Tier II (A) - Passive Core

Core Fixed Income
SSgA Bond Market NL Index
Vanguard Total Bond Market Index

Large Cap Core
Vanguard Institutional Index

International Equity
American Beacon Int'l Equity Index
Vanguard Developed Markets Index

Mid Cap Equity
SSgA S&P MidCap NL Index
Vanguard Mid Cap Index

Small Cap Equity
Vanguard Small Cap Index

Tier II (B) - Active Core

Stable Value
Hartford General Account
ING Stable Value

Core Plus Fixed Income

Balanced
Invesco Van Kampen Equity Income
T Rowe Capital Appreciation

Large Cap Value
American Beacon LCV
Allianz NFJ Dividend Value

Large Cap Core
Victory Diversified Stock
Fidelity Contrafund

Large Cap Growth
T Rowe Price Growth Stock
AF Growth Fund of America

International Equity
Dodge & Cox International Stock

Small / Mid Cap Equity
CRM MCV
Columbia MCV Opportunity
Hartford Mid Cap HLS
Lazard US MC Equity
Munder MidCap Core Growth
Columbia Acorn
Columbia Small Cap Value II
Wells Fargo Advantage Special SCV
Oppenheimer MainStreet SC
Keeley SCV
Hartford Small Company HLS
Baron Growth

Tier III - Specialty

Socially Responsible
Neuberger Berman Socially Responsive
Parnassus Equity Income

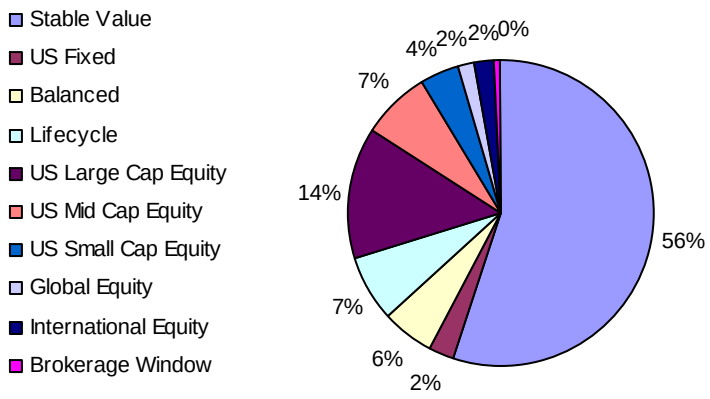
Global Equity
Mutual Global Discovery
AF Capital World Growth & Income

Self-Directed Brokerage
Schwab SDBA
TD Ameritrade

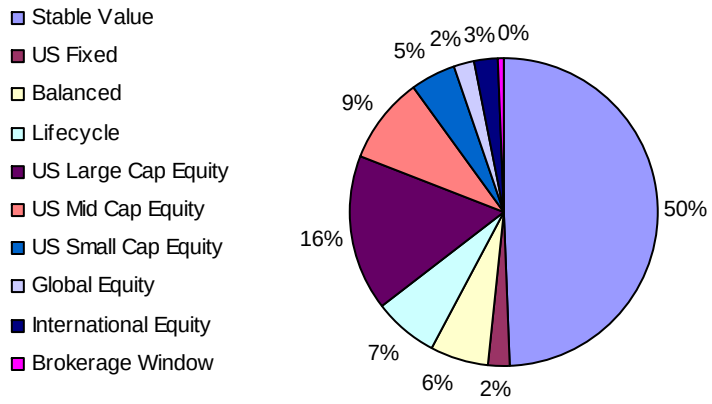
Plan Review – Asset Allocation

Combined Providers – Total Assets

Current Asset Allocation - September 30, 2011



Prior Asset Allocation - June 30, 2011



Provider	Investment Option	Tier/Asset Class	Current Balance	% of Plan	% Chg vs. Prior
	Asset Allocation Funds	**Tier I**	**$35,287,766**	**6.8%**	**-0.1%**
Hartford/ING	Vanguard Target Retirement Income Fund Investor	Lifecycle	$3,952,088	0.8%	0.2%
Hartford/ING	Vanguard Target Retirement 2015 Fund Investor	Lifecycle	$15,942,724	3.1%	0.0%
Hartford/ING	Vanguard Target Retirement 2025 Fund Investor	Lifecycle	$2,413,915	0.5%	0.0%
Hartford/ING	Vanguard Target Retirement 2035 Fund Investor	Lifecycle	$11,719,225	2.3%	-0.1%
Hartford/ING	Vanguard Target Retirement 2045 Fund Investor	Lifecycle	$1,259,815	0.2%	0.0%
	Passive Core Options	**Tier II (A)**	**$41,787,435**	**8.1%**	**-0.7%**
Hartford	SSgA Bond Market NL Series	Domestic Fixed	$9,009,077	1.7%	0.1%
ING	Vanguard Total Bond Market Index Fund Inst	Domestic Fixed	$3,679,959	0.7%	0.1%
Hartford/ING	Vanguard Institutional Index Fund Institutional	Domestic Equity	$14,881,353	2.9%	-0.4%
Hartford	American Beacon International Equity Index Fd Inst	International Equity	$8,139,350	1.6%	-0.3%
ING	Vanguard Developed Markets Index Fund Investor	International Equity	$370,583	0.1%	0.0%
Hartford	SSgA S&P Midcap NL Series	Domestic Equity	$1,249,740	0.2%	-0.1%
ING	Vanguard Mid-Cap Index Fund Signal	Domestic Equity	$964,382	0.2%	0.0%
Hartford/ING	Vanguard Small-Cap Index Fund Signal	Domestic Equity	$3,492,991	0.7%	-0.1%

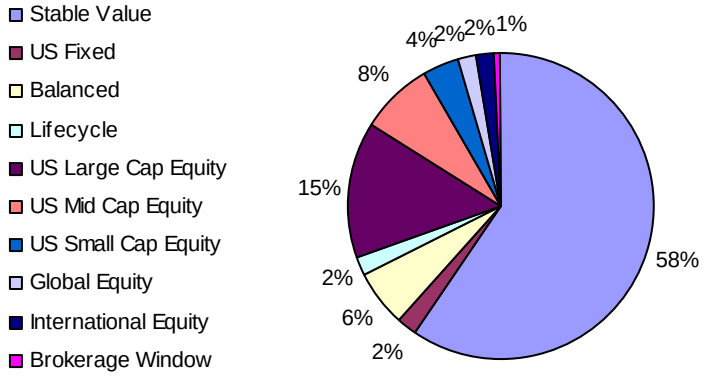
Provider	Investment Option	Tier/Asset Class	Current Balance	% of Plan	% Chg vs. Prior
	Active Core Options	**Tier II (B)**	**$424,760,423**	**82.1%**	**1.2%**
Hartford	Hartford General Account	Stable Value	$253,469,708	49.0%	4.9%
ING	ING Stable Value Fund	Stable Value	$31,488,239	6.1%	0.9%
Hartford	Invesco Van Kampen Equity & Income Fund Y	Balanced	$25,933,742	5.0%	-0.5%
ING	ING T. Rowe Price Cap Apprec I	Balanced	$2,914,099	0.6%	0.0%
Hartford	American Beacon Large Cap Value Fund Investor	Domestic Equity	$8,396,823	1.6%	-0.3%
ING	Allianz NFJ Dividend Value Fund Institutional	Domestic Equity	$2,699,919	0.5%	-0.1%
Hartford	Victory Diversified Stock Fund I	Domestic Equity	$21,298,171	4.1%	-0.7%
ING	Fidelity Contrafund	Domestic Equity	$1,081,631	0.2%	0.0%
Hartford	T Rowe Price Growth Stock Fund	Domestic Equity	$17,018,076	3.3%	-0.4%
ING	American Funds Growth Fund of America R-3	Domestic Equity	$4,135,410	0.8%	-0.1%
ING	Dodge & Cox International Stock Fund	International Equity	$3,010,504	0.6%	-0.1%
Hartford	CRM Mid Cap Value Fund Institutional	Domestic Equity	$2,674,589	0.5%	-0.1%
ING	Columbia Mid Cap Value Opportunity Fund R4	Domestic Equity	$1,748,567	0.3%	-0.1%
Hartford	Hartford MidCap HLS IA	Domestic Equity	$27,060,376	5.2%	-1.4%
ING	Lazard US Mid Cap Equity Portfolio Open	Domestic Equity	$942,877	0.2%	0.0%
Hartford	Munder Mid-Cap Core Growth Fund Y	Domestic Equity	$1,703,126	0.3%	-0.1%
ING	Columbia Acorn Fund A	Domestic Equity	$1,445,765	0.3%	0.0%
Hartford	Columbia Small Cap Value Fund II Z	Domestic Equity	$5,482,105	1.1%	-0.2%
ING	Wells Fargo Advantage Special Small Cap Val Fd A	Domestic Equity	$917,523	0.2%	0.0%
Hartford	Oppenheimer Main Street Small- & Mid-Cap Fund Y	Domestic Equity	$6,294,204	1.2%	-0.3%
ING	KEELEY Small Cap Value Fund A	Domestic Equity	$341,910	0.1%	0.0%
Hartford	Hartford Small Company HLS IA	Domestic Equity	$3,453,487	0.7%	0.0%
ING	Baron Growth Fund Retail	Domestic Equity	$1,249,572	0.2%	-0.1%
	Specialty Options	**Tier III**	**$15,610,463**	**3.0%**	**-0.4%**
Hartford	Neuberger Berman Socially Responsive Fund Investor	Domestic Equity	$3,618,526	0.7%	-0.1%
ING	Parnassus Equity Income Fund Investor	Domestic Equity	$199,846	0.0%	0.0%
Hartford	Mutual Global Discovery Fund A	Global Equity	$8,197,409	1.6%	-0.2%
ING	American Funds Capital World Gro & Inc Fd R-3	Global Equity	$1,076,903	0.2%	-0.1%
Hartford	Schwab Self-Directed Brokerage Account	Brokerage Window	$2,144,245	0.4%	0.0%
ING	TD Ameritrade Brokerage Account	Brokerage Window	$373,534	0.1%	0.0%
	Total Plan*		**$517,446,087**	**100%**	

* Numbers may not add due to rounding

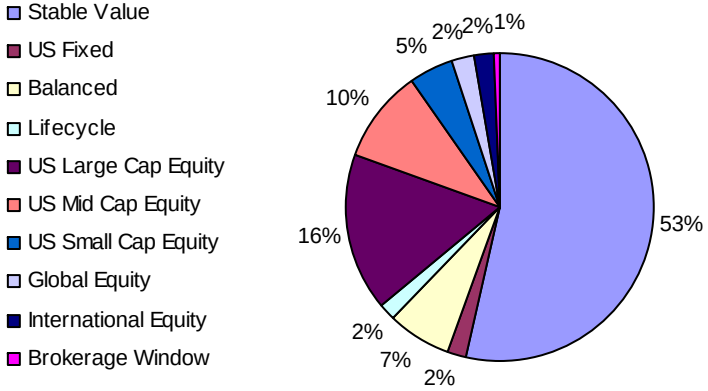
Plan Review – Asset Allocation

Deferred Compensation - Hartford

Current Asset Allocation - September 30, 2011

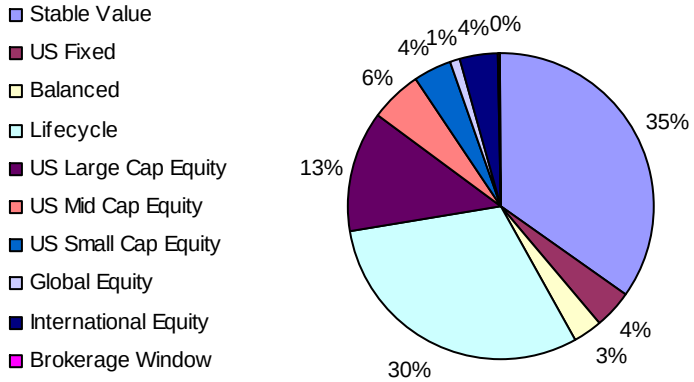


Prior Asset Allocation - June 30, 2011

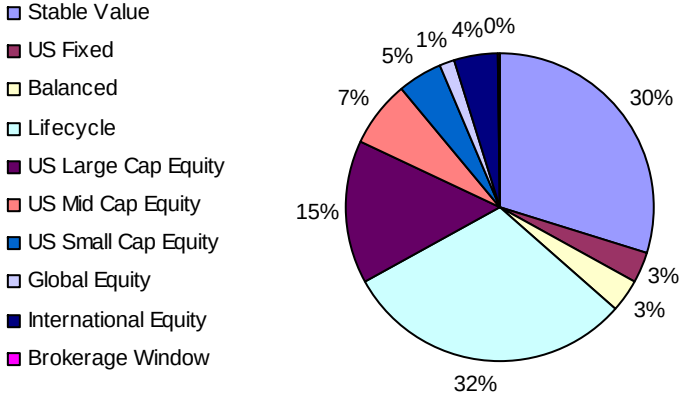


Deferred Compensation - ING

Current Asset Allocation - September 30, 2011



Prior Asset Allocation - June 30, 2011



Plan Review – Investment Expense Analysis

Combined Providers – Total Assets[1]

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*	Net Expense Diff.
Hartford	Vanguard Target Retirement Income Fund Inv	$885,946	$1,506	0.17%	$1,329	0.15%	$2,835	0.32%	0.63%	-0.31%
Hartford	Vanguard Target Retirement 2015 Fund Inv	$2,480,652	$3,969	0.16%	$3,721	0.15%	$7,690	0.31%	0.75%	-0.44%
Hartford	Vanguard Target Retirement 2025 Fund Inv	$1,959,319	$3,527	0.18%	$2,939	0.15%	$6,466	0.33%	0.76%	-0.43%
Hartford	Vanguard Target Retirement 2035 Fund Inv	$1,394,861	$2,650	0.19%	$2,092	0.15%	$4,743	0.34%	0.78%	-0.44%
Hartford	Vanguard Target Retirement 2045 Fund Inv	$1,091,263	$2,073	0.19%	$1,637	0.15%	$3,710	0.34%	0.79%	-0.45%
ING	Vanguard Target Retirement Income Fund Inv	$3,066,142	$5,212	0.17%	$5,826	0.19%	$11,038	0.36%	0.63%	-0.27%
ING	Vanguard Target Retirement 2015 Fund Inv	$13,462,072	$21,539	0.16%	$25,578	0.19%	$47,117	0.35%	0.75%	-0.40%
ING	Vanguard Target Retirement 2025 Fund Inv	$454,596	$818	0.18%	$864	0.19%	$1,682	0.37%	0.76%	-0.39%
ING	Vanguard Target Retirement 2035 Fund Inv	$10,324,364	$19,616	0.19%	$19,616	0.19%	$39,233	0.38%	0.78%	-0.40%
ING	Vanguard Target Retirement 2045 Fund Inv	$168,552	$320	0.19%	$320	0.19%	$640	0.38%	0.79%	-0.41%
Hartford	SSgA Bond Market NL Series	$9,009,077	$5,405	0.06%	$8,108	0.09%	$13,514	0.15%	0.20%	-0.05%
ING	Vanguard Total Bond Market Index Fund Inst	$3,679,959	$2,576	0.07%	$6,992	0.19%	$9,568	0.26%	0.20%	0.06%
Hartford	Vanguard Institutional Index Fund Institutional	$11,553,986	$4,622	0.04%	$0	0.00%	$4,622	0.04%	0.21%	-0.17%
ING	Vanguard Institutional Index Fund Institutional	$3,327,367	$1,331	0.04%	$6,322	0.19%	$7,653	0.23%	0.21%	0.02%
Hartford	American Beacon Int'l Equity Index Fd Inst	$8,139,350	$17,093	0.21%	$0	0.00%	$17,093	0.21%	0.51%	-0.30%
ING	Vanguard Developed Markets Index Fund Inv	$370,583	$815	0.22%	$704	0.19%	$1,519	0.41%	0.51%	-0.10%
Hartford	SSgA S&P Midcap NL Series	$1,249,740	$625	0.05%	$0	0.00%	$625	0.05%	0.30%	-0.25%
ING	Vanguard Mid-Cap Index Fund Signal	$964,382	$1,157	0.12%	$1,832	0.19%	$2,990	0.31%	0.30%	0.01%
Hartford	Vanguard Small-Cap Index Fund Signal	$2,217,631	$3,770	0.17%	$0	0.00%	$3,770	0.17%	0.31%	-0.14%
ING	Vanguard Small-Cap Index Fund Signal	$1,275,360	$2,168	0.17%	$2,423	0.19%	$4,591	0.36%	0.31%	0.05%
Hartford	Hartford General Account	$253,469,708	$1,140,614	0.45%	$380,205	0.15%	$1,520,818	0.60%	0.30%	0.30%
ING	ING Stable Value Fund	$31,488,239	$62,976	0.20%	$173,185	0.55%	$236,162	0.75%	0.30%	0.45%
Hartford	Invesco Van Kampen Equity & Income Fund Y	$25,933,742	$98,548	0.38%	$38,901	0.15%	$137,449	0.53%	0.92%	-0.39%
ING	ING T. Rowe Price Cap Apprec I	$2,914,099	$10,782	0.37%	$8,159	0.28%	$18,942	0.65%	0.92%	-0.27%

[1] Totals may not add up due to rounding

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

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*	Net Expense Diff.
Hartford	American Beacon Large Cap Value Fund Inv	$8,396,823	$48,702	0.58%	$20,992	0.25%	$69,694	0.83%	0.77%	0.06%
ING	Allianz NFJ Dividend Value Fund Institutional	$2,699,919	$16,739	0.62%	$2,700	0.10%	$19,439	0.72%	0.77%	-0.05%
Hartford	Victory Diversified Stock Fund I	$21,298,171	$129,919	0.61%	$31,947	0.15%	$161,866	0.76%	0.83%	-0.07%
ING	Fidelity Contrafund	$1,081,631	$7,247	0.67%	$2,704	0.25%	$9,951	0.92%	0.83%	0.09%
Hartford	T Rowe Price Growth Stock Fund	$17,018,076	$93,599	0.55%	$25,527	0.15%	$119,127	0.70%	0.89%	-0.19%
ING	American Funds Growth Fund of America R-3	$4,135,410	$13,233	0.32%	$26,880	0.65%	$40,113	0.97%	0.89%	0.08%
ING	Dodge & Cox International Stock Fund	$3,010,504	$16,558	0.55%	$3,011	0.10%	$19,568	0.65%	1.06%	-0.41%
Hartford	CRM Mid Cap Value Fund Institutional	$2,674,589	$18,455	0.69%	$2,675	0.10%	$21,129	0.79%	0.92%	-0.13%
Hartford	Hartford MidCap HLS IA	$27,060,376	$67,651	0.25%	$119,066	0.44%	$186,717	0.69%	0.99%	-0.30%
Hartford	Munder Mid-Cap Core Growth Fund Y	$1,703,126	$14,477	0.85%	$4,258	0.25%	$18,734	1.10%	0.99%	0.11%
Hartford	Oppenheimer MS Small- & Mid-Cap Fund Y	$6,294,204	$20,771	0.33%	$31,471	0.50%	$52,242	0.83%	1.04%	-0.21%
Hartford	Columbia Small Cap Value Fund II Z	$5,482,105	$44,405	0.81%	$13,705	0.25%	$58,110	1.06%	1.05%	0.01%
Hartford	Hartford Small Company HLS IA	$3,453,487	$8,288	0.24%	$16,922	0.49%	$25,210	0.73%	1.10%	-0.37%
ING	Columbia Mid Cap Value Opportunity Fund R4	$1,748,567	$12,240	0.70%	$6,120	0.35%	$18,360	1.05%	0.92%	0.13%
ING	Lazard US Mid Cap Equity Portfolio Open	$942,877	$7,260	0.77%	$3,772	0.40%	$11,032	1.17%	0.99%	0.18%
ING	Columbia Acorn Fund A	$1,445,765	$8,241	0.57%	$7,229	0.50%	$15,470	1.07%	0.99%	0.08%
ING	Wells Fargo Adv Special Small Cap Val Fd A	$917,523	$9,175	1.00%	$3,211	0.35%	$12,387	1.35%	1.05%	0.30%
ING	KEELEY Small Cap Value Fund A	$341,910	$3,453	1.01%	$1,197	0.35%	$4,650	1.36%	1.04%	0.32%
ING	Baron Growth Fund Retail	$1,249,572	$11,496	0.92%	$4,998	0.40%	$16,494	1.32%	1.10%	0.22%
Hartford	Neuberger Berman Socially Resp Fund Inv	$3,618,526	$30,757	0.85%	$3,619	0.10%	$34,376	0.95%	0.89%	0.06%
ING	Parnassus Equity Income Fund Investor	$199,846	$1,179	0.59%	$799	0.40%	$1,978	0.99%	0.89%	0.10%
Hartford	Mutual Global Discovery Fund A	$8,197,409	$64,690	0.79%	$45,155	0.55%	$109,845	1.34%	1.09%	0.25%
ING	American Funds Capital World G & I Fd R-3	$1,076,903	$4,846	0.45%	$7,000	0.65%	$11,846	1.10%	1.09%	0.01%
Hartford	Schwab Self-Directed Brokerage Account	$2,144,245	NA	NA	NA	NA	NA	NA	NA	NA
ING	TD Ameritrade Brokerage Account	$373,534	NA	NA	NA	NA	NA	NA	NA	NA
Hartford	**Total Excluding Schwab Brokerage**	**$424,582,166**	**$1,826,116**	**0.43%**	**$754,268**	**0.18%**	**$2,580,384**	**0.61%**		
ING	**Total Excluding TDA Brokerage**	**$90,346,143**	**$240,981**	**0.27%**	**$321,443**	**0.36%**	**$562,424**	**0.62%**		
Combined	**Total Excluding Brokerage Accounts**	**$514,928,311**	**$2,067,097**	**0.40%**	**$1,075,710**	**0.21%**	**$3,142,808**	**0.61%**		

Plan Review – Compliance Table

Periods ending September 30, 2011

✓ = 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 Target Retirement Income Fund Investor	T	✓	T	✓	T	✓	Retain
Hartford & ING	Vanguard Target Retirement 2015 Fund Investor	T	✓	T	✓	T	✗ (1 quarter)	Retain
Hartford & ING	Vanguard Target Retirement 2025 Fund Investor	T	✓	T	✓	T	✗ (3 consecutive quarters)	Retain
Hartford & ING	Vanguard Target Retirement 2035 Fund Investor	T	✓	T	✓	T	✓	Retain
Hartford & ING	Vanguard Target Retirement 2045 Fund Investor	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 Inst	T	N/A	T	N/A	T	N/A	Retain
Hartford & ING	Vanguard Institutional Index Fund Institutional	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	T	N/A	Retain
Hartford	Hartford General Account	✓	N/A	✓	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)	✗ (1 quarter)	✗ (2 consecutive quarters)	✗ (1 quarter)	N/A	N/A	**Removed from Watch in 2q11**
ING	ING T. Rowe Price Cap Apprec I	✓	✓	✓	✓	✓	✓	Retain
Hartford	American Beacon Large Cap Value Fund Investor	✓	✓	✓	✗ (4 consecutive quarters)	✓	✓	Retain
ING	Allianz NFJ Dividend Value Fund Institutional	✗ (7 consecutive quarters)	✗ (12 consecutive quarters)	✓	✗ (4 consecutive quarters)	✓	✓	Retain
Hartford	Victory Diversified Stock Fund I	✗ (6 consecutive quarters)	✗ (6 consecutive quarters)	N/A	N/A	N/A	N/A	Retain
ING	Fidelity Contrafund	✓	✓	✓	✓	✓	✓	Retain
Hartford	T Rowe Price Growth Stock Fund	✓	✓	✗ (2 consecutive quarters)	✓	✓	✓	Retain
ING	American Funds Growth Fund of America R-3	✗ (12 consecutive quarters)	✗ (10 consecutive quarters)	✗ (5 consecutive quarters)	✗ (4 consecutive quarters)	✗ (1 quarter)	✓	**Maintain on Watch**
ING	Dodge & Cox International Stock Fund	✓	✓	✓	✓	✓	✓	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	CRM Mid Cap Value Fund Institutional	✗ (4 consecutive quarters)	✗ (4 consecutive quarters)	✓	✓	✗ (1 quarter)	✓	Retain
ING	Columbia Mid Cap Value Opportunity Fund R4	✗ (6 consecutive quarters)	✗ (12 consecutive quarters)	✗ (2 consecutive quarters)	✗ (2 consecutive quarters)	✗ (1 quarter)	✓	Retain
Hartford	Hartford MidCap HLS IA	✗ (2 consecutive quarters)	✗ (2 consecutive quarters)	✓	✓	✓	✓	**Maintain on Watch**
ING	Lazard US Mid Cap Equity Portfolio Open	✗ (3 consecutive quarters)	✗ (1 quarter)	✗ (12 consecutive quarters)	✗ (12 consecutive quarters)	✗ (12 consecutive quarters)	✗ (3 consecutive quarters)	**Maintain on Watch**
Hartford	Munder Mid-Cap Core Growth Fund Y	✗ (7 consecutive quarters)	✗ (9 consecutive quarters)	✓	✗ (6 consecutive quarters)	✓	✓	**Maintain on Watch**
ING	Columbia Acorn Fund A	✗ (1 quarter)	✗ (1 quarter)	✗ (3 consecutive quarters)	✗ (3 consecutive quarters)	✗ (1 quarter)	✓	Retain
Hartford	Columbia Small Cap Value Fund II Z	✓	✗ (10 consecutive quarters)	✓	✗ (1 quarter)	✓	✓	Retain
ING	Wells Fargo Advantage Special Small Cap Val Fd A	✓	✗ (10 consecutive quarters)	✓	✗ (7 consecutive quarters)	✓	✓	Retain
Hartford	Oppenheimer Main Street Small- & Mid-Cap Fund Y	✓	✓	✓	✗ (4 consecutive quarters)	✓	✓	**Maintain on Watch**
ING	KEELEY Small Cap Value Fund A	✗ (12 consecutive quarters)	✗ (12 consecutive quarters)	✗ (7 consecutive quarters)	✗ (7 consecutive quarters)	✓	✓	**Maintain on Watch**
Hartford	Hartford Small Company HLS IA	✗ (10 consecutive quarters)	✗ (6 consecutive quarters)	✓	✓	✓	✓	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	
ING	Baron Growth Fund Retail	✓	✓	✓	✓	✓	✓	Retain
Hartford	Neuberger Berman Socially Responsive Fund Investor	✗ (12 consecutive quarters)	✗ (1 quarter)	✗ (2 consecutive quarters)	✗ (1 quarter)	✗ (1 quarter)	✓	Retain
ING	Parnassus Equity Income Fund Investor	✗ (1 quarter)	✗ (1 quarter)	✓	✓	✓	✓	Retain
Hartford	Mutual Global Discovery Fund A	✓	✓	✓	✓	✓	✓	**Maintain on Watch**
ING	American Funds Capital World Gro & Inc Fd R-3	✗ (1 quarter)	✗ (3 consecutive quarters)	✓	✓	✓	✓	Retain

Plan Review – Performance Summary

Periods ending September 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	**-2.6%**	**3.7%**	**6.1%**	**4.6%**	**4.7%**	**NA**
Vanguard Target Income Composite Index	-2.6%	3.8%	6.1%	4.5%	4.7%	NA
Mercer Mutual Fund Lifecycle Income Universe Median	*-4.6%*	*1.8%*	*5.4%*	*3.3%*	*4.1%*	*4.3%*
Fund Rank in Universe	*14*	*3*	*30*	*8*	*10*	*NA*
Vanguard Target Retirement 2015 Fund Investor	**-8.2%**	**1.4%**	**4.6%**	**2.4%**	**4.1%**	**NA**
Vanguard Target 2015 Composite Index	-8.3%	1.2%	4.5%	2.3%	4.0%	NA
Mercer Mutual Fund Lifecycle 2015 Universe Median	*-8.6%*	*0.5%*	*4.0%*	*1.9%*	*4.1%*	*3.1%*
Fund Rank in Universe	*38*	*19*	*32*	*25*	*56*	*NA*
Vanguard Target Retirement 2025 Fund Investor	**-11.5%**	**-0.1%**	**3.3%**	**1.1%**	**3.4%**	**NA**
Vanguard Target 2025 Composite Index	-11.3%	0.1%	3.3%	1.1%	3.5%	NA
Mercer Mutual Fund Lifecycle 2025 Universe Median	*-12.1%*	*-0.9%*	*3.2%*	*0.6%*	*3.7%*	*NA*
Fund Rank in Universe	*32*	*32*	*45*	*20*	*100*	*NA*
Vanguard Target Retirement 2035 Fund Investor	**-14.6%**	**-1.6%**	**2.1%**	**0.0%**	**3.2%**	**NA**
Vanguard Target 2035 Composite Index	-14.3%	-1.3%	2.2%	0.0%	3.2%	NA
Mercer Mutual Fund Lifecycle 2035 Universe Median	*-14.8%*	*-2.2%*	*2.0%*	*-0.6%*	*3.2%*	*NA*
Fund Rank in Universe	*40*	*30*	*38*	*30*	*50*	*NA*
Vanguard Target Retirement 2045 Fund Investor	**-14.9%**	**-1.8%**	**2.1%**	**-0.1%**	**3.5%**	**NA**
Vanguard Target 2045 Composite Index	-14.6%	-1.6%	2.1%	-0.1%	3.5%	NA
Mercer Mutual Fund Lifecycle 2045 Universe Median	*-15.9%*	*-2.8%*	*1.5%*	*-1.0%*	*NA*	*NA*
Fund Rank in Universe	*21*	*25*	*37*	*37*	*NA*	*NA*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **Universe Ranking:** 0% - 50% 51% - 75% 76% - 100%

Tier II (A) - Passive Core Options

Domestic Fixed

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
SSgA Bond Market NL Series	**3.8%**	**5.1%**	**7.7%**	**NA**	**NA**	**NA**
Barclays Capital US Aggregate	3.8%	5.3%	8.0%	6.5%	5.6%	5.7%
Vanguard Total Bond Market Index Fund Inst	**4.0%**	**5.3%**	**8.0%**	**6.6%**	**5.6%**	**5.5%**
Barclays Capital US Aggregate	3.8%	5.3%	8.0%	6.5%	5.6%	5.7%

Large Cap Domestic Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Vanguard Institutional Index Fund Institutional	**-13.9%**	**1.1%**	**1.3%**	**-1.2%**	**2.3%**	**2.8%**
S&P 500	-13.9%	1.1%	1.2%	-1.2%	2.3%	2.8%

International Equity*

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
American Beacon International Equity Index Fd Inst	**-20.1%**	**-10.3%**	**-2.1%**	**-3.7%**	**3.1%**	**4.9%**
MSCI EAFE NET WHT	-19.0%	-9.4%	-1.1%	-3.5%	3.3%	5.0%
Vanguard Developed Markets Index Fund Investor	**-20.1%**	**-10.2%**	**-1.9%**	**-3.5%**	**3.2%**	**4.9%**
MSCI EAFE NET WHT	-19.0%	-9.4%	-1.1%	-3.5%	3.3%	5.0%

Small/Mid Cap Domestic Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
SSgA S&P Midcap NL Series	**-19.9%**	**-1.3%**	**4.1%**	**2.2%**	**5.5%**	**7.5%**
S&P 400 MidCap	-19.9%	-1.3%	4.1%	2.2%	5.5%	7.5%
Vanguard Mid-Cap Index Fund Signal	**-19.1%**	**-0.7%**	**4.7%**	**0.5%**	**5.1%**	**NA**
Vanguard Spliced Mid Cap Index	-19.1%	-0.6%	4.7%	0.5%	5.1%	7.2%
Vanguard Small-Cap Index Fund Signal	**-21.4%**	**-2.2%**	**2.7%**	**0.7%**	**4.4%**	**7.3%**
Vanguard Spliced Small Cap Index	-21.4%	-2.3%	2.5%	0.6%	4.3%	7.1%

* 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 Tracked Benchmark (Passive) **Universe Ranking:** 0% - 50% 51% - 75% 76% - 100%

Tier II (B) - Active Core Options

Stable Value

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Hartford General Account	**1.1%**	**4.6%**	**4.8%**	**4.8%**	**NA**	**NA**
Citigroup TBill + 100 bp Premium	0.3%	1.1%	1.2%	2.6%	3.2%	2.9%
ING Stable Value Fund – Inception June 2009	**0.5%**	**2.3%**	**NA**	**NA**	**NA**	**NA**
Citigroup TBill + 100 bp Premium	0.3%	1.1%	1.2%	2.6%	3.2%	2.9%

Balanced

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Invesco Van Kampen Equity & Income Fund Y	**-12.8%**	**-1.2%**	**3.4%**	**0.7%**	**NA**	**NA**
S&P 500 60% / 40% BC Aggregate	-7.0%	3.1%	4.4%	2.3%	3.9%	4.3%
Mercer Mutual Fund US Balanced Universe Median	*-9.2%*	*0.1%*	*4.2%*	*1.7%*	*3.7%*	*4.2%*
Fund Rank in Universe	*83*	*70*	*65*	*71*	*NA*	*NA*
ING T. Rowe Price Cap Apprec I	**-11.5%**	**2.4%**	**5.1%**	**2.9%**	**5.7%**	**NA**
S&P 500 60% / 40% BC Aggregate	-7.0%	3.1%	4.4%	2.3%	3.9%	4.3%
Mercer Mutual Fund US Balanced Universe Median	*-9.2%*	*0.1%*	*4.2%*	*1.7%*	*3.7%*	*4.2%*
Fund Rank in Universe	*76*	*14*	*31*	*27*	*3*	*NA*

Large Cap Domestic Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
American Beacon Large Cap Value Fund Investor	**-16.6%**	**-4.5%**	**-0.4%**	**-3.5%**	**1.9%**	**4.2%**
Russell 1000 Value	-16.2%	-1.9%	-1.5%	-3.5%	1.6%	3.4%
Mercer Mutual Fund US Equity Large Cap Value Universe Median	*-17.0%*	*-2.9%*	*-1.1%*	*-3.0%*	*1.4%*	*2.9%*
Fund Rank in Universe	*48*	*68*	*34*	*59*	*39*	*13*
Allianz NFJ Dividend Value Fund Institutional	**-14.6%**	**-0.4%**	**-3.4%**	**-3.2%**	**2.5%**	**5.1%**
Russell 1000 Value	-16.2%	-1.9%	-1.5%	-3.5%	1.6%	3.4%
Mercer Mutual Fund US Equity Large Cap Value Universe Median	*-17.0%*	*-2.9%*	*-1.1%*	*-3.0%*	*1.4%*	*2.9%*
Fund Rank in Universe	*17*	*17*	*85*	*57*	*24*	*4*
Victory Diversified Stock Fund I	**-18.5%**	**-7.8%**	**-3.6%**	**NA**	**NA**	**NA**
S&P 500	-13.9%	1.1%	1.2%	-1.2%	2.3%	2.8%
Mercer Mutual Fund US Equity Large Cap Core Universe Median	*-14.7%*	*-1.2%*	*0.4%*	*-1.5%*	*2.0%*	*2.6%*
Fund Rank in Universe	*92*	*94*	*93*	*NA*	*NA*	*NA*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **Universe Ranking:** 0% - 50% 51% - 75% 76% - 100%

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Fidelity Contrafund	**-11.6%**	**0.9%**	**3.5%**	**2.2%**	**5.8%**	**6.8%**
S&P 500	-13.9%	1.1%	1.2%	-1.2%	2.3%	2.8%
Mercer Mutual Fund US Equity Large Cap Core Universe Median	*-14.7%*	*-1.2%*	*0.4%*	*-1.5%*	*2.0%*	*2.6%*
Fund Rank in Universe	*12*	*29*	*8*	*3*	*2*	*1*
T Rowe Price Growth Stock Fund	**-14.5%**	**0.2%**	**4.8%**	**0.5%**	**3.8%**	**4.1%**
Russell 1000 Growth	-13.1%	3.8%	4.7%	1.6%	3.6%	3.0%
Mercer Mutual Fund US Equity Large Cap Growth Universe Median	*-14.9%*	*0.6%*	*2.4%*	*0.3%*	*2.6%*	*2.6%*
Fund Rank in Universe	*41*	*54*	*21*	*46*	*25*	*13*
American Funds Growth Fund of America R-3	**-16.3%**	**-3.7%**	**0.3%**	**-1.3%**	**2.9%**	**NA**
Russell 1000 Growth	-13.1%	3.8%	4.7%	1.6%	3.6%	3.0%
Mercer Mutual Fund US Equity Large Cap Growth Universe Median	*-14.9%*	*0.6%*	*2.4%*	*0.3%*	*2.6%*	*2.6%*
Fund Rank in Universe	*76*	*89*	*79*	*80*	*43*	*NA*

International Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Dodge & Cox International Stock Fund	**-21.7%**	**-13.0%**	**0.0%**	**-2.2%**	**4.9%**	**9.0%**
MSCI EAFE NET WHT	-19.0%	-9.4%	-1.1%	-3.5%	3.3%	5.0%
MSCI EAFE Value NET WHT	-19.0%	-10.0%	-1.7%	-4.8%	2.7%	5.1%
Mercer Mutual Fund Intl Equity Universe Median	*-20.7%*	*-10.7%*	*-0.8%*	*-3.0%*	*3.7%*	*5.5%*
Fund Rank in Universe	*70*	*76*	*41*	*38*	*30*	*11*

Small/Mid Cap Domestic Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
CRM Mid Cap Value Fund Institutional	**-21.2%**	**-4.3%**	**0.4%**	**0.2%**	**4.4%**	**8.1%**
Russell Midcap Value	-18.5%	-2.4%	2.0%	-0.8%	4.5%	7.5%
Mercer Mutual Fund US Equity Mid Cap Value Universe Median	*-20.3%*	*-4.2%*	*2.5%*	*-1.3%*	*3.7%*	*6.5%*
Fund Rank in Universe	*62*	*52*	*76*	*35*	*35*	*23*
Columbia Mid Cap Value Opportunity Fund R4	**-22.9%**	**-6.6%**	**0.6%**	**-1.4%**	**4.3%**	**NA**
Russell Midcap Value	-18.5%	-2.4%	2.0%	-0.8%	4.5%	7.5%
Mercer Mutual Fund US Equity Mid Cap Value Universe Median	*-20.3%*	*-4.2%*	*2.5%*	*-1.3%*	*3.7%*	*6.5%*
Fund Rank in Universe	*88*	*79*	*74*	*54*	*36*	*NA*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **Universe Ranking:** 0% - 50% 51% - 75% 76% - 100%

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Hartford MidCap HLS IA	**-23.0%**	**-6.9%**	**0.6%**	**1.4%**	**5.6%**	**7.9%**
Russell Midcap	-18.9%	-0.9%	4.0%	0.6%	5.0%	7.4%
S&P 400 MidCap	-19.9%	-1.3%	4.1%	2.2%	5.5%	7.5%
Mercer Mutual Fund US Equity Mid Cap Core Universe Median	*-20.2%*	*-3.1%*	*2.3%*	*0.1%*	*3.4%*	*5.5%*
Fund Rank in Universe	*81*	*83*	*78*	*22*	*9*	*6*
Lazard US Mid Cap Equity Portfolio Open	**-19.1%**	**-6.0%**	**1.8%**	**-1.7%**	**2.7%**	**5.6%**
Russell Midcap	-18.9%	-0.9%	4.0%	0.6%	5.0%	7.4%
S&P 400 MidCap	-19.9%	-1.3%	4.1%	2.2%	5.5%	7.5%
Mercer Mutual Fund US Equity Mid Cap Core Universe Median	*-20.2%*	*-3.1%*	*2.3%*	*0.1%*	*3.4%*	*5.5%*
Fund Rank in Universe	*35*	*78*	*59*	*79*	*70*	*46*
Munder Mid-Cap Core Growth Fund Y	**-18.0%**	**1.7%**	**3.7%**	**1.7%**	**5.4%**	**7.8%**
Russell Midcap Growth	-19.3%	0.8%	5.9%	1.6%	5.3%	6.7%
Mercer Mutual Fund US Equity Mid Cap Growth Universe Median	*-19.8%*	*0.0%*	*4.3%*	*1.9%*	*4.9%*	*5.9%*
Fund Rank in Universe	*26*	*30*	*57*	*54*	*41*	*12*
Columbia Acorn Fund A	**-19.7%**	**-1.6%**	**4.0%**	**1.3%**	**5.2%**	**8.7%**
Russell Midcap Growth	-19.3%	0.8%	5.9%	1.6%	5.3%	6.7%
Mercer Mutual Fund US Equity Mid Cap Growth Universe Median	*-19.8%*	*0.0%*	*4.3%*	*1.9%*	*4.9%*	*5.9%*
Fund Rank in Universe	*48*	*61*	*54*	*63*	*44*	*2*
Columbia Small Cap Value Fund II Z	**-23.2%**	**-3.9%**	**-0.4%**	**-1.1%**	**3.6%**	**NA**
Russell 2000 Value	-21.5%	-6.0%	-2.8%	-3.1%	2.0%	6.5%
Mercer Mutual Fund US Equity Small Cap Value Universe Median	*-21.5%*	*-4.8%*	*0.9%*	*-0.9%*	*3.0%*	*7.6%*
Fund Rank in Universe	*77*	*38*	*65*	*55*	*36*	*NA*
Wells Fargo Advantage Special Small Cap Val Fd A	**-19.7%**	**-4.1%**	**-0.6%**	**-1.9%**	**3.2%**	**6.8%**
Russell 2000 Value	-21.5%	-6.0%	-2.8%	-3.1%	2.0%	6.5%
Mercer Mutual Fund US Equity Small Cap Value Universe Median	*-21.5%*	*-4.8%*	*0.9%*	*-0.9%*	*3.0%*	*7.6%*
Fund Rank in Universe	*31*	*41*	*69*	*63*	*44*	*73*
Oppenheimer Main Street Small- & Mid-Cap Fund Y	**-21.5%**	**-3.7%**	**1.5%**	**-0.9%**	**3.7%**	**7.1%**
Russell 2000	-21.9%	-3.5%	-0.4%	-1.0%	3.0%	6.1%
Mercer Mutual Fund US Equity Small Cap Core Universe Median	*-21.4%*	*-2.5%*	*1.4%*	*-0.9%*	*3.2%*	*6.2%*
Fund Rank in Universe	*52*	*59*	*49*	*51*	*42*	*40*
KEELEY Small Cap Value Fund A	**-23.4%**	**-4.2%**	**-5.5%**	**-2.2%**	**3.6%**	**8.0%**
Russell 2000	-21.9%	-3.5%	-0.4%	-1.0%	3.0%	6.1%
Mercer Mutual Fund US Equity Small Cap Core Universe Median	*-21.4%*	*-2.5%*	*1.4%*	*-0.9%*	*3.2%*	*6.2%*
Fund Rank in Universe	*78*	*65*	*97*	*72*	*43*	*22*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **Universe Ranking:** 0% - 50% 51% - 75% 76% - 100%

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Hartford Small Company HLS IA	**-21.9%**	**2.2%**	**1.5%**	**1.1%**	**5.9%**	**7.3%**
Russell 2000 Growth	-22.2%	-1.1%	2.1%	1.0%	3.9%	5.5%
Mercer Mutual Fund US Equity Small Cap Growth Universe Median	*-22.2%*	*-1.0%*	*2.7%*	*0.5%*	*3.8%*	*5.5%*
Fund Rank in Universe	*45*	*32*	*67*	*37*	*11*	*11*
Baron Growth Fund Retail	**-18.0%**	**4.1%**	**3.5%**	**1.6%**	**4.6%**	**7.6%**
Russell 2000 Growth	-22.2%	-1.1%	2.1%	1.0%	3.9%	5.5%
Mercer Mutual Fund US Equity Small Cap Growth Universe Median	*-22.2%*	*-1.0%*	*2.7%*	*0.5%*	*3.8%*	*5.5%*
Fund Rank in Universe	*10*	*22*	*41*	*32*	*34*	*9*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **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	**-17.5%**	**-1.0%**	**1.1%**	**-0.1%**	**3.4%**	**5.4%**
Russell 1000 Growth	-13.1%	3.8%	4.7%	1.6%	3.6%	3.0%
Mercer Mutual Fund US Equity Large Cap Growth Universe Median	*-14.9%*	*0.6%*	*2.4%*	*0.3%*	*2.6%*	*2.6%*
Fund Rank in Universe	*89*	*65*	*70*	*59*	*30*	*2*
Parnassus Equity Income Fund Investor	**-11.1%**	**0.3%**	**1.7%**	**3.6%**	**5.2%**	**6.2%**
Russell 1000 Growth	-13.1%	3.8%	4.7%	1.6%	3.6%	3.0%
Mercer Mutual Fund US Equity Large Cap Growth Universe Median	*-14.9%*	*0.6%*	*2.4%*	*0.3%*	*2.6%*	*2.6%*
Fund Rank in Universe	*8*	*53*	*60*	*5*	*5*	*2*

Global Equity

	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Mutual Global Discovery Fund A	**-15.6%**	**-6.7%**	**1.5%**	**1.0%**	**6.3%**	**7.4%**
MSCI World NET WHT	-16.6%	-4.3%	-0.1%	-2.2%	2.8%	3.7%
Mercer Mutual Fund Global Equity Universe Median	*-18.3%*	*-6.0%*	*0.9%*	*-1.7%*	*3.2%*	*4.6%*
Fund Rank in Universe	*25*	*57*	*42*	*17*	*8*	*19*
American Funds Capital World Gro & Inc Fd R-3	**-17.9%**	**-9.3%**	**-0.5%**	**-0.8%**	**4.7%**	**NA**
MSCI World NET WHT	-16.6%	-4.3%	-0.1%	-2.2%	2.8%	3.7%
Mercer Mutual Fund Global Equity Universe Median	*-18.3%*	*-6.0%*	*0.9%*	*-1.7%*	*3.2%*	*4.6%*
Fund Rank in Universe	*44*	*74*	*69*	*39*	*23*	*NA*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **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%
Mercer Mutual Fund Lifecycle Income Universe Median	*9.3%*	*18.2%*	*-15.0%*	*5.5%*	*8.0%*	*3.8%*	*6.5%*
Fund Rank in Universe	*45*	*77*	*13*	*8*	*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%
Mercer Mutual Fund Lifecycle 2015 Universe Median	*11.7%*	*24.7%*	*-26.9%*	*6.8%*	*10.4%*	*4.9%*	*7.2%*
Fund Rank in Universe	*34*	*68*	*29*	*32*	*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%
Mercer Mutual Fund Lifecycle 2025 Universe Median	*13.8%*	*28.5%*	*-33.6%*	*7.6%*	*12.7%*	*7.2%*	*NA*
Fund Rank in Universe	*39*	*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%
Mercer Mutual Fund Lifecycle 2035 Universe Median	*14.8%*	*31.0%*	*-35.7%*	*7.5%*	*14.0%*	*7.9%*	*NA*
Fund Rank in Universe	*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%
Mercer Mutual Fund Lifecycle 2045 Universe Median	*15.2%*	*31.5%*	*-37.4%*	*7.5%*	*16.1%*	*NA*	*NA*
Fund Rank in Universe	*52*	*90*	*12*	*50*	*75*	*NA*	*NA*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **Universe Ranking:** 0% - 50% 51% - 75% 76% - 100%

Tier II (A) - 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 Tracked Benchmark (Passive) **Universe Ranking:** 0% - 50% 51% - 75% 76% - 100%

Tier II (B) - 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%
Mercer Mutual Fund US Balanced Universe Median	*11.5%*	*22.6%*	*-25.3%*	*6.1%*	*10.7%*	*4.9%*	*8.5%*
Fund Rank in Universe	*33*	*41*	*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%
Mercer Mutual Fund US Balanced Universe Median	*11.5%*	*22.6%*	*-25.3%*	*6.1%*	*10.7%*	*4.9%*	*8.5%*
Fund Rank in Universe	*14*	*6*	*63*	*73*	*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%
Mercer Mutual Fund US Equity Large Cap Value Universe Median	*13.2%*	*23.9%*	*-36.5%*	*2.0%*	*19.0%*	*6.4%*	*14.1%*
Fund Rank in Universe	*34*	*28*	*76*	*38*	*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%
Mercer Mutual Fund US Equity Large Cap Value Universe Median	*13.2%*	*23.9%*	*-36.5%*	*2.0%*	*19.0%*	*6.4%*	*14.1%*
Fund Rank in Universe	*40*	*98*	*43*	*26*	*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%
Mercer Mutual Fund US Equity Large Cap Core Universe Median	*13.1%*	*26.8%*	*-36.4%*	*6.4%*	*14.6%*	*5.6%*	*10.2%*
Fund Rank in Universe	*50*	*49*	*53*	*NA*	*NA*	*NA*	*NA*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **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%
Mercer Mutual Fund US Equity Large Cap Core Universe Median	*13.1%*	*26.8%*	*-36.4%*	*6.4%*	*14.6%*	*5.1%*	*10.0%*
Fund Rank in Universe	*7*	*35*	*59*	*3*	*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%
Mercer Mutual Fund US Equity Large Cap Growth Universe Median	*15.7%*	*34.9%*	*-40.1%*	*14.2%*	*7.2%*	*7.0%*	*8.6%*
Fund Rank in Universe	*34*	*17*	*68*	*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%
Mercer Mutual Fund US Equity Large Cap Growth Universe Median	*15.7%*	*34.9%*	*-40.1%*	*14.2%*	*7.2%*	*7.0%*	*8.6%*
Fund Rank in Universe	*79*	*55*	*42*	*77*	*15*	*12*	*29*

International Equity

	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)	2004 (%)
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%
Mercer Mutual Fund Intl Equity Universe Median	*11.8%*	*33.9%*	*-44.4%*	*12.1%*	*25.6%*	*15.4%*	*19.0%*
Fund Rank in Universe	*39*	*13*	*68*	*51*	*28*	*39*	*1*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **Universe Ranking:** 0% - 50% 51% - 75% 76% - 100%

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%
Mercer Mutual Fund US Equity Mid Cap Value Universe Median	*23.4%*	*35.6%*	*-37.3%*	*1.7%*	*16.5%*	*10.8%*	*20.7%*
Fund Rank in Universe	*88*	*86*	*28*	*8*	*37*	*83*	*11*
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%
Mercer Mutual Fund US Equity Mid Cap Value Universe Median	*23.4%*	*35.6%*	*-37.3%*	*1.7%*	*16.5%*	*10.8%*	*20.7%*
Fund Rank in Universe	*58*	*36*	*84*	*8*	*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%
Mercer Mutual Fund US Equity Mid Cap Core Universe Median	*23.6%*	*34.3%*	*-38.3%*	*7.7%*	*13.5%*	*9.9%*	*16.6%*
Fund Rank in Universe	*52*	*70*	*30*	*10*	*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%
Mercer Mutual Fund US Equity Mid Cap Core Universe Median	*23.6%*	*34.3%*	*-38.3%*	*7.7%*	*13.5%*	*9.9%*	*16.6%*
Fund Rank in Universe	*54*	*33*	*51*	*93*	*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%
Mercer Mutual Fund US Equity Mid Cap Growth Universe Median	*26.8%*	*39.9%*	*-43.1%*	*17.6%*	*9.0%*	*10.7%*	*14.3%*
Fund Rank in Universe	*55*	*71*	*51*	*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%
Mercer Mutual Fund US Equity Mid Cap Growth Universe Median	*26.8%*	*39.9%*	*-43.1%*	*17.6%*	*9.0%*	*10.7%*	*14.3%*
Fund Rank in Universe	*54*	*53*	*20*	*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%
Mercer Mutual Fund US Equity Small Cap Value Universe Median	*25.7%*	*32.3%*	*-33.0%*	*-4.9%*	*17.3%*	*8.1%*	*20.1%*
Fund Rank in Universe	*54*	*83*	*51*	*15*	*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%
Mercer Mutual Fund US Equity Small Cap Value Universe Median	*25.7%*	*32.3%*	*-33.0%*	*-4.9%*	*17.3%*	*8.1%*	*20.1%*
Fund Rank in Universe	*68*	*63*	*41*	*73*	*16*	*21*	*53*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **Universe Ranking:** 0% - 50% 51% - 75% 76% - 100%

	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)	2004 (%)
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%
Mercer Mutual Fund US Equity Small Cap Core Universe Median	*26.0%*	*29.7%*	*-36.0%*	*-0.8%*	*14.8%*	*7.3%*	*19.6%*
Fund Rank in Universe	*71*	*29*	*66*	*52*	*47*	*23*	*49*
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%
Mercer Mutual Fund US Equity Small Cap Core Universe Median	*26.0%*	*29.7%*	*-36.0%*	*-0.8%*	*14.8%*	*7.3%*	*19.6%*
Fund Rank in Universe	*50*	*85*	*79*	*16*	*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%
Mercer Mutual Fund US Equity Small Cap Growth Universe Median	*27.7%*	*35.1%*	*-40.9%*	*9.7%*	*11.1%*	*6.8%*	*12.4%*
Fund Rank in Universe	*74*	*77*	*46*	*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%
Mercer Mutual Fund US Equity Small Cap Growth Universe Median	*27.7%*	*35.1%*	*-40.9%*	*9.7%*	*11.1%*	*6.8%*	*12.4%*
Fund Rank in Universe	*75*	*53*	*33*	*67*	*18*	*58*	*1*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **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%
Mercer Mutual Fund US Equity Large Cap Growth Universe Median	*15.7%*	*34.9%*	*-40.1%*	*14.2%*	*7.2%*	*7.0%*	*8.6%*
Fund Rank in Universe	*4*	*74*	*39*	*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%
Mercer Mutual Fund US Equity Large Cap Growth Universe Median	*15.7%*	*34.9%*	*-40.1%*	*14.2%*	*7.2%*	*7.0%*	*8.6%*
Fund Rank in Universe	*96*	*83*	*0*	*51*	*3*	*89*	*43*

Global Equity

	2010 (%)	2009 (%)	2008 (%)	2007 (%)	2006 (%)	2005 (%)	2004 (%)
American Funds Capital World Gro & Inc Fd R-3	**7.4%**	**31.9%**	**-38.6%**	**17.1%**	**23.0%**	**15.3%**	**19.0%**
MSCI World NET WHT	11.8%	30.0%	-40.7%	9.0%	20.1%	9.5%	14.7%
Mercer Mutual Fund Global Equity Universe Median	*12.9%*	*33.4%*	*-41.2%*	*9.5%*	*20.1%*	*11.5%*	*15.5%*
Fund Rank in Universe	*91*	*58*	*33*	*20*	*22*	*17*	*20*
Mutual Global Discovery Fund A	**11.1%**	**20.9%**	**-26.7%**	**11.0%**	**21.8%**	**14.3%**	**18.9%**
MSCI World NET WHT	11.8%	30.0%	-40.7%	9.0%	20.1%	9.5%	14.7%
Mercer Mutual Fund Global Equity Universe Median	*12.9%*	*33.4%*	*-41.2%*	*9.5%*	*20.1%*	*11.5%*	*15.5%*
Fund Rank in Universe	*67*	*93*	*3*	*41*	*31*	*24*	*20*

Fund: Outperformed Benchmark Underperformed Benchmark Tracked Benchmark (Passive) **Universe Ranking:** 0% - 50% 51% - 75% 76% - 100%

Fund Profile

Tier I - Lifecycle - Vanguard Target Retirement Funds

Investment Philosophy

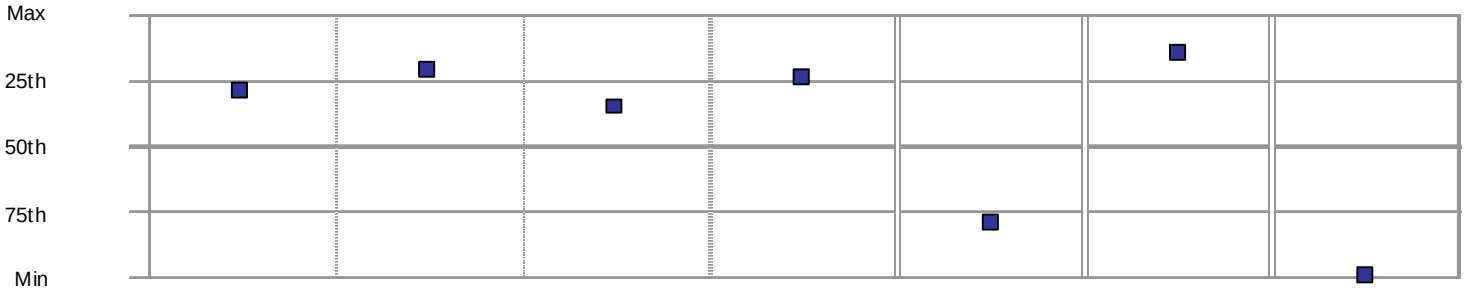
Simple fund of funds structure seeks to build appropriate asset allocation from preselected stock, bond, and money market portfolios. The allocation between funds and asset classes automatically becomes more conservative over time. The fund handles investment selection, asset allocation, and rebalancing through retirement. 100% of assets invested in index funds.

Portfolio Analysis & Key Observations

- Tracking its respective indices

Family Snapshot

Vanguard Target Retirement Funds Family vs. Universe of Lifecycle Families



The family ranking for each statistic reflects the average of the rankings of the individual lifecycle funds included in the plan(s) within lifecycle universes of relevant maturity.

	3 Months	1 Year	3 Years	5 Years	Excess Return	Equity Allocation	Expense Ratio (Net)
	Total Return ending 9/30/11	Total Return ending 9/30/11	Total Return ending 9/30/11	Total Return ending 9/30/11	3 years ending 9/30/11	as of 9/30/11	as of 9/30/11
Mercer Rank (%)	29	22	36	24	80	15	100
# of Funds	32	32	23	12	22	11	25

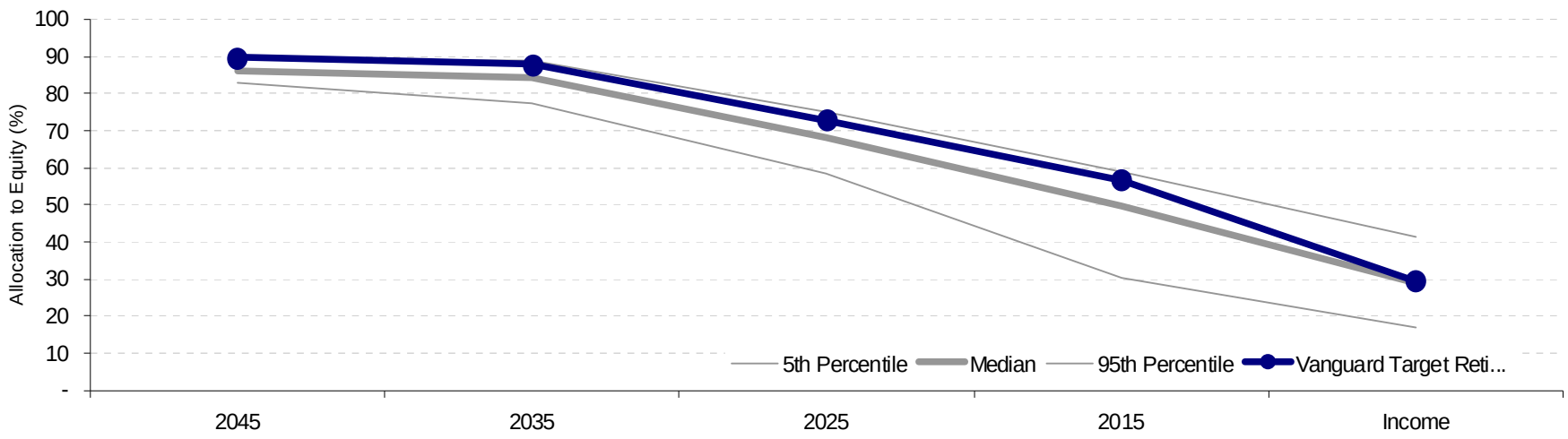
Key Facts and Figures

Portfolio Manager: Duance F. Kelly	Total Program Assets: $82,536 Million	Expense Ratio (Net): 0.31 - 0.34% (Hartford); 0.35 – 0.38% (ING) Mercer Median Expense Ratio (Net): 0.63 - 0.79%

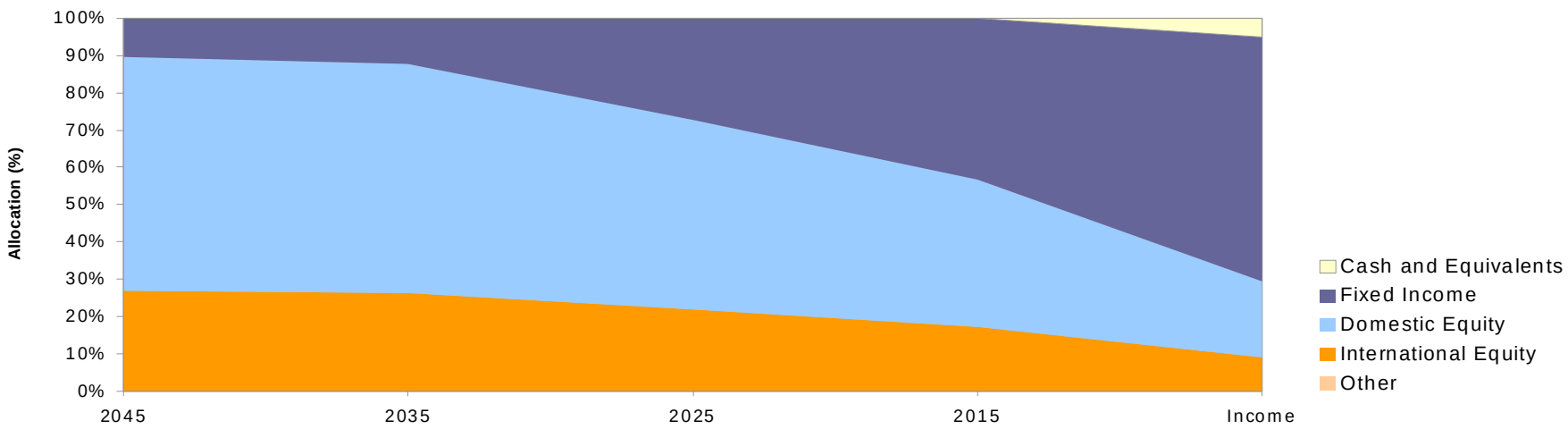
Fund Profile

Tier I - Lifecycle - Vanguard Target Retirement Funds

Glide Path Comparison vs. Universe of Lifecycle Families (as of 9/30/2011)



Family Asset Allocation (as of 9/30/2011)



Fund Profile

Tier I - Lifecycle - Vanguard Target Retirement Funds

Actual Allocation to Underlying Funds as of 9/30/2011

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 Avg.	US Money Market	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	4.5%	5.0%
Total Cash and Equivalents			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	4.5%	5.0%
Fixed Income														
Vanguard Inflation-Protected Securities	Barclays US TIPS	US Inflation Protected Fixed Inc.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.5%	11.8%	19.0%	20.0%
Vanguard Total Bond Market II Index	Barclays US Agg. Bond Float Adj.	US Intermediate-Term Fixed Inc.	10.2%	10.2%	10.2%	10.2%	12.1%	19.7%	27.3%	34.9%	40.7%	41.4%	44.9%	45.6%
Total Fixed Income			10.2%	10.2%	10.2%	10.2%	12.1%	19.7%	27.3%	34.9%	43.2%	53.2%	63.9%	65.6%
Domestic Equity														
Vanguard Total Stock Market Index	MSCI US Broad Market	US All Cap Core Equity	62.6%	62.7%	62.9%	62.9%	61.6%	56.3%	51.0%	45.6%	39.8%	32.0%	22.2%	20.6%
Total Domestic Equity			62.6%	62.7%	62.9%	62.9%	61.6%	56.3%	51.0%	45.6%	39.8%	32.0%	22.2%	20.6%
International Equity														
Vanguard Total International Stock Index	MSCI ACWI ex USA IMI	Int'l Large Cap Core Equity	27.2%	27.1%	26.9%	26.9%	26.3%	24.0%	21.7%	19.5%	17.0%	13.9%	9.4%	8.8%
Total International Equity			27.2%	27.1%	26.9%	26.9%	26.3%	24.0%	21.7%	19.5%	17.0%	13.9%	9.4%	8.8%
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%

*Totals may not add due to rounding

Fund Profile

Tier II (A) - Domestic Fixed - Passive - SSgA Bond Market NL Series

Share Class: N/A

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

The following comments relate to the performance of the Barclays Capital US Aggregate Index, which returned 3.1% for the quarter.

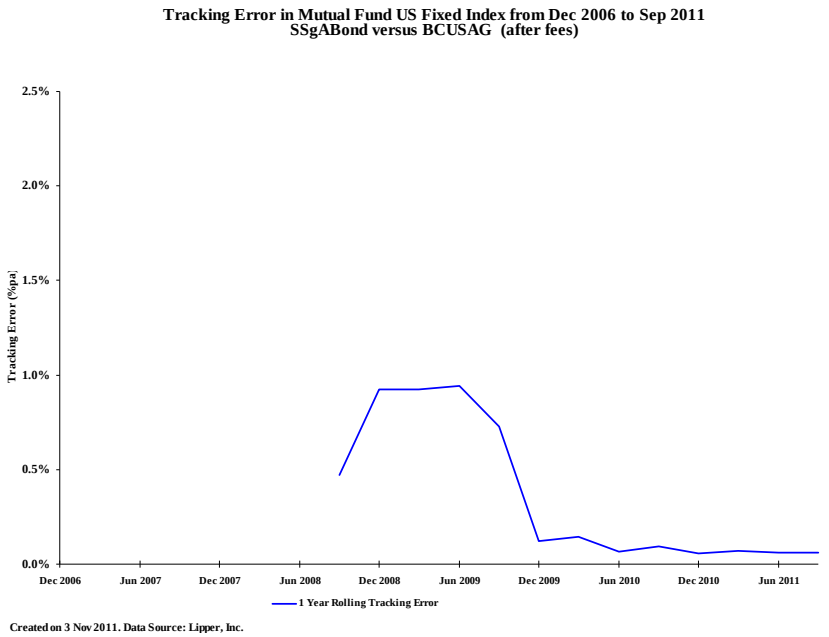
Positive Impact on Performance

- Treasuries outperformed all other sectors
- Within the government sector, local authority related securities were the top performer (+5.8% return), followed by sovereign related securities (+2.8% return)
- Within the corporate sector, utilities was the top performer (+5.0% return) followed by industrials (+3.8% return)

Negative Impact on Performance

- The weakest performing sector was CMBS (-0.9% return), and financial institutions related securities within the corporate sector also lagged (+0.1% return)

Tracking Error



Key Facts and Figures

Portfolio Manager: Multiple	Total Fund Assets: Unavailable	Expense Ratio (Net): 0.15% Mercer Median Expense Ratio (Net): 0.20%

Fund Profile

Tier II (A) - Domestic Fixed - Passive - Vanguard Total Bond Market Index Fund Inst - VBTIX

Share Class: Inst	**Benchmark: Barclays Capital US Aggregate**

Investment Philosophy

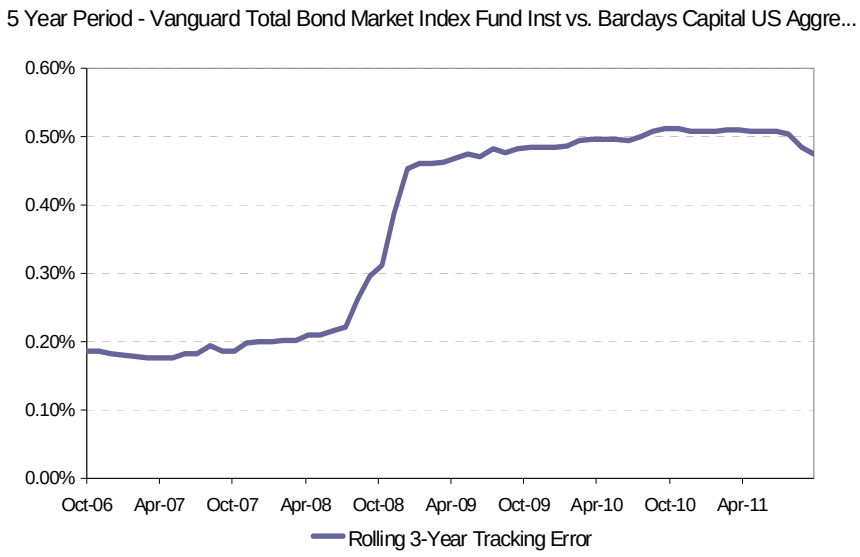
The Fund seeks to track the performance of the Barclays Capital U.S. Aggregate Float Adjusted Index. The Fund maintains a broadly diversified exposure to the investment-grade U.S. bond market. The Fund is passively managed using index sampling. This intermediate-duration portfolio provides moderate current income with high credit quality.

Portfolio Analysis & Key Observations

The following comments relate to the performance of the Barclays Capital US Aggregate Bond Index, which returned 3.1% for the quarter

- Corporate bonds outperformed US Treasuries.
- Intermediate- and long-term bonds outperformed short-term bonds
- Lower-quality issues generally outperformed high-quality issues as credit spreads tightened
- Strongest performing sector within investment-grade corporate was utilities
- Asset-backed and commercial mortgage-backed securities underperformed the broader fixed income market

Excess Return



Key Facts and Figures

Portfolio Manager: Kenneth E. Volpert; Gregory Davis	Total Fund Assets: $95,776 Million	Expense Ratio (Net): 0.26%
Portfolio Manager Average Tenure: 11.0 Years	Total Share Class Assets: $22,127 Million	Mercer Median Expense Ratio (Net): 0.20%

Fund Profile

Tier II (A) - Domestic Equity - Passive - Vanguard Institutional Index Fund Institutional - VINIX

Share Class: Institutional	**Benchmark: S&P 500**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

The following comments relate to the performance of the S&P 500 Index, which returned -13.9% for the quarter

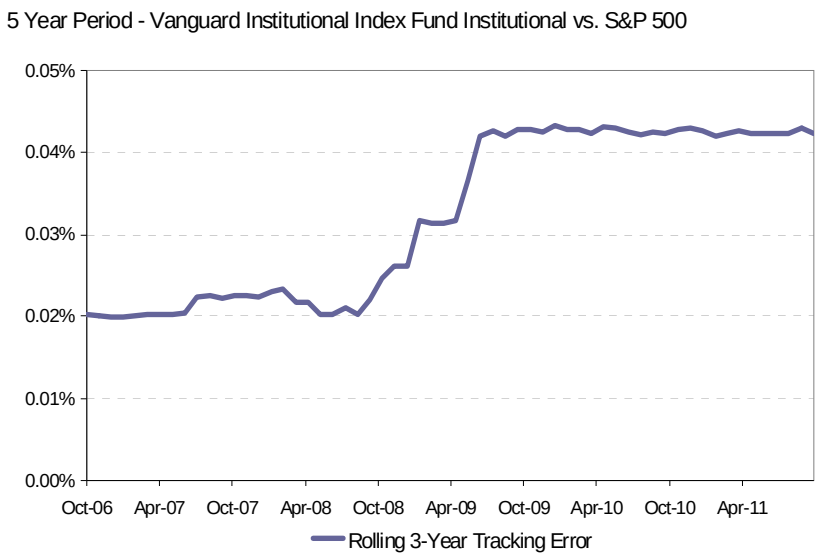
Positive Impact on Performance

- Top performing sector was utilities (1.5% return)

Negative Impact on Performance

- Weakest performing sectors were materials (-24.5% return), financials (-22.8% return), industrials (-21.0% return), and energy (-20.5% return)

Tracking Error



Key Facts and Figures

Portfolio Manager: Donald M. Butler	Total Fund Assets: $84,925 Million	Expense Ratio (Net): 0.04% (Hartford); 0.23% (ING)
Portfolio Manager Average Tenure: 11.0 Years	Total Share Class Assets: $52,252 Million	Mercer Median Expense Ratio (Net): 0.21%

Fund Profile

Tier II (A) - 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**

The following comments relate to the performance of the MSCI EAFE Index, which returned -19.0% return for the quarter

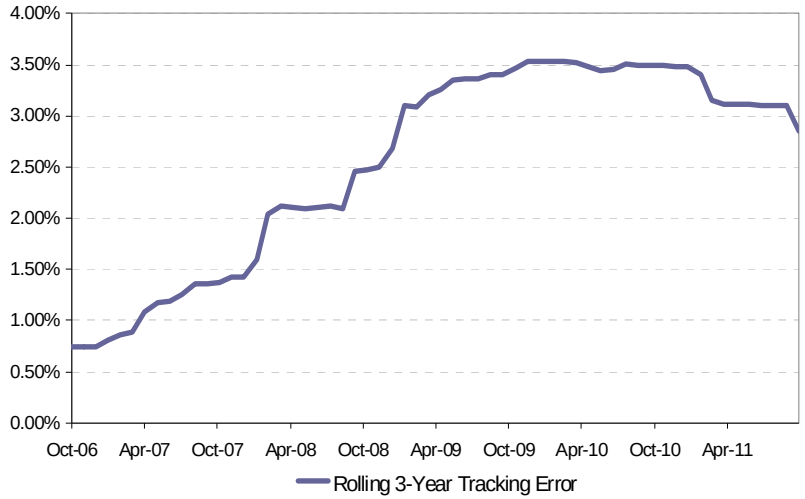
Positive Impact on Performance

- All sectors in the MSCI EAFE Index experienced negative returns in the third quarter; the smallest losses in the quarter were within the consumer staples (-9.3%), health care (-10.3%) and telecommunications (-11.0%) sectors
- Top contributors Grupo Elektra S.A. de C.V. (+48.9% return), Autonomy Corp Plc (+45.0% return), Japan Tobacco Inc. (+24.4% return), China Mobile Ltd (+9.1% return) and Takeda Pharmaceutical Co. Ltd (+6.3% return)

Negative Impact on Performance

- Weakest performing sectors included materials (-27.9%), financials (-23.8%) and industrials (-23.3%)
- Top detractors BNP Paribas S.A. (-47.8% return), Rio Tinto Plc (-37.0% return), Siemens AG (-33.5% return), BHP Billiton Ltd (-30.1% return) and HSBC Holdings Plc. (-21.3% return)

5 Year Period - American Beacon International Equity Index Fd Inst vs. MSCI EAFE NET WHT



Key Facts and Figures

Portfolio Manager: Cynthia Thatcher; Debra L. Jelilian; Wyatt Crumpler Portfolio Manager Average Tenure: 4.5 Years	Total Fund Assets: $287 Million Total Share Class Assets: $287 Million	Expense Ratio (Net): 0.21% Mercer Median Expense Ratio (Net): 0.51%

Fund Profile

Tier II (A) - 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**

The following comments relate to the performance of the MSCI EAFE Index, which returned -19.0% return for the quarter

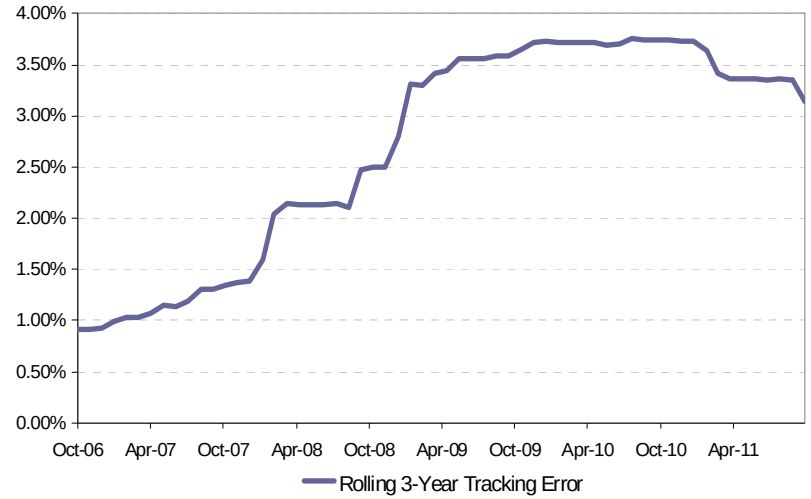
Positive Impact on Performance

- The sectors with the smallest losses in the quarter were the consumer staples (-8.5% return), health care (-9.7% return) and telecommunications (-11.6% return) sectors

Negative Impact on Performance

- Each of the MSCI EAFE Index's ten sectors reported a negative return
- The materials (-27.9% return), financials (-24.1% return) and industrials (-22.1% return) sectors had the weakest returns

5 Year Period - Vanguard Developed Markets Index Fund Investor vs. MSCI EAFE NET WHT



Key Facts and Figures

Portfolio Manager: Donald M. Butler	Total Fund Assets: $9,763 Million	Expense Ratio (Net): 0.41%
Portfolio Manager Average Tenure: 1.0 Years	Total Share Class Assets: $2,758 Million	Mercer Median Expense Ratio (Net): 0.51%

Fund Profile

Tier II (A) - Domestic Equity - Passive - SSgA S&P Midcap NL Series

Share Class: N/A

Benchmark: S&P 400 MidCap

Investment Philosophy

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.

Portfolio Analysis & Key Observations

The following comments relate to the performance of the S&P MidCap 400 Index, which returned -19.9% for the quarter

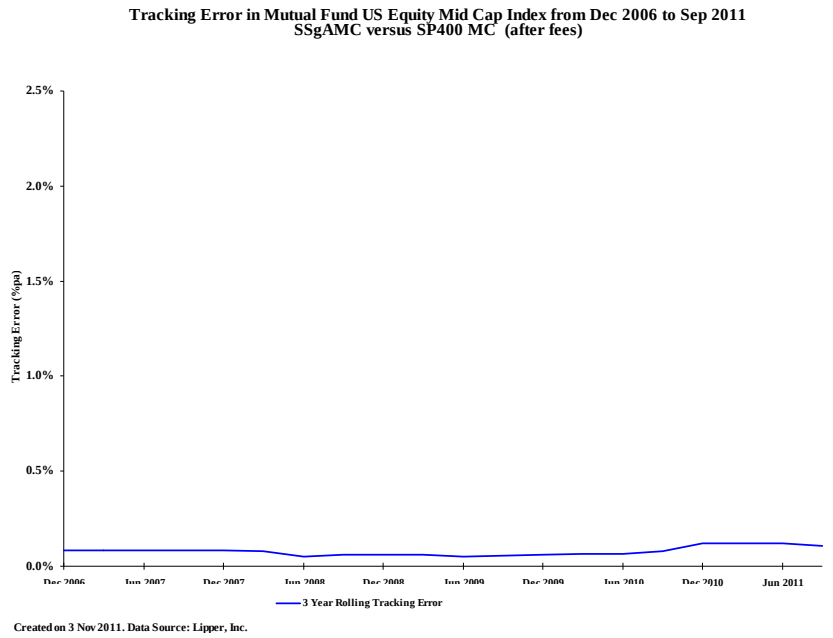
Positive Impact on Performance

- All sectors in the S&P 400 MidCap Index had negative returns in the third quarter; the strongest performing sector was consumer staples (-3.7% return), followed by utilities (-5.9% return)
- Top contributors Kinetic Concepts Inc. (+14.3% return), Dollar Tree Inc. (+12.8% return), Perrigo Co. (+10.6% return), Church & Dwight Co. (+9.5% return) and Hansen Natural Corp (-2.6% return)

Negative Impact on Performance

- Weakest performing sectors included energy (-30.6% return), industrials (-25.5% return) and telecommunications (-25.2% return)
- Top detractors Riverbed Technology Inc. (-49.6% return), Arch Coal Inc. (-45.0% return), Atmel Corp (-42.6% return), Albemarle Corp (-41.4% return) and Cimarex Energy Co. (-38.0% return)

Tracking Error



Key Facts and Figures

Portfolio Manager: Multiple	Total Fund Assets: Unavailable	Expense Ratio (Net): 0.05% Mercer Median Expense Ratio (Net): 0.30%

Fund Profile

Tier II (A) - Domestic Equity - Passive - Vanguard Mid-Cap Index Fund Signal - VMISX

Share Class: Signal	**Benchmark: Vanguard Spliced Mid Cap Index**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

The following comments relate to the MSCI US Mid Cap 450 Index

Positive Impact on Performance

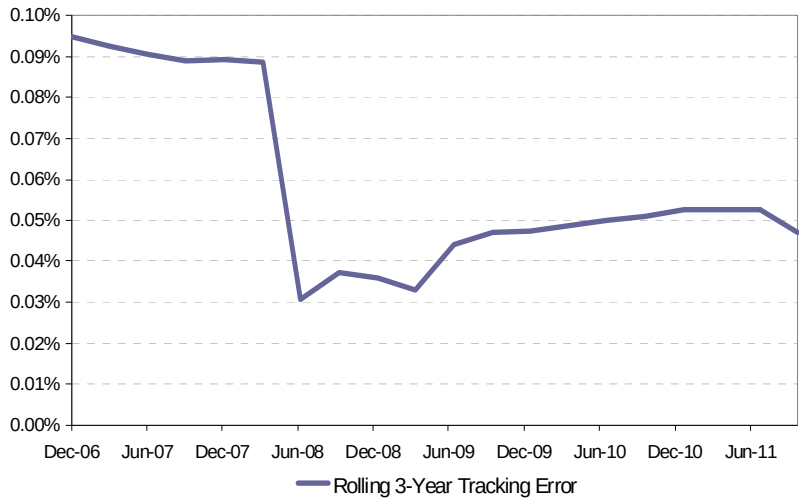
- Only the traditionally defensive utilities and consumer staples sectors lost less than -7.0%

Negative Impact on Performance

- All ten sectors in the Mid-Cap Index reported negative returns during the quarter
- The weakest performing sectors were materials, telecommunications and energy sectors, each of which lost more than -23.0%

Tracking Error

5 Year Period - Vanguard Mid-Cap Index Fund Signal vs. Vanguard Spliced Mid Cap Index



Key Facts and Figures

Portfolio Manager: Donald M. Butler	Total Fund Assets: $23,337 Million	Expense Ratio (Net): 0.31%
Portfolio Manager Average Tenure: 13.0 Years	Total Share Class Assets: $3,139 Million	Mercer Median Expense Ratio (Net): 0.30%

Fund Profile

Tier II (A) - Domestic Equity - Passive - Vanguard Small-Cap Index Fund Signal - VSISX

Share Class: Signal	**Benchmark: Vanguard Spliced Small Cap Index**

Investment Philosophy

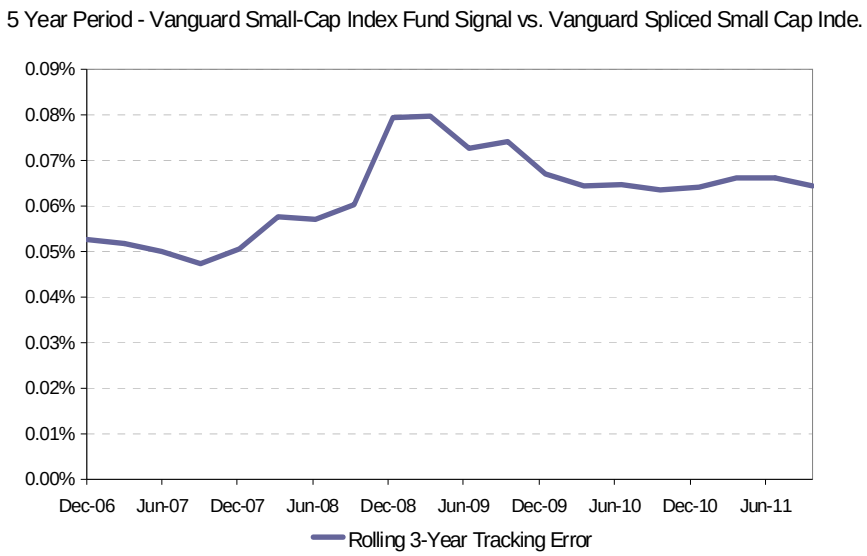
The Fund seeks to track the investment performance of the Morgan Stanley Capital International (MSCI) U.S. Small Cap 1750 Index, an unmanaged benchmark representing small U.S. companies. Using full replication, the Portfolio holds all stocks in the same capitalization weighting as the Index. Prior to May 16, 2003, the fund replicated the Russell 2000 Index.

Portfolio Analysis & Key Observations

The following commentary is for the MSCI US Small Cap 1750 Index, which returned -21.4% for the quarter

- All sectors in the Small Cap Index experienced negative returns in the second quarter, the sectors with the smallest losses was utilities (-3.1% return)
- The sectors with the greatest losses were energy, telecommunications and materials, which each lost more than -25%

Tracking Error



Key Facts and Figures

Portfolio Manager: Michael H. Buek	Total Fund Assets: $20,276 Million	Expense Ratio (Net): 0.17% (Hartford); 0.36% (ING)
Portfolio Manager Average Tenure: 20.0 Years	Total Share Class Assets: $2,593 Million	Mercer Median Expense Ratio (Net): 0.31%

Fund Profile

Tier II (B) - Stable Value - Hartford General Account

Share Class:	**Benchmark: Citigroup TBill + 100 bp Premium**

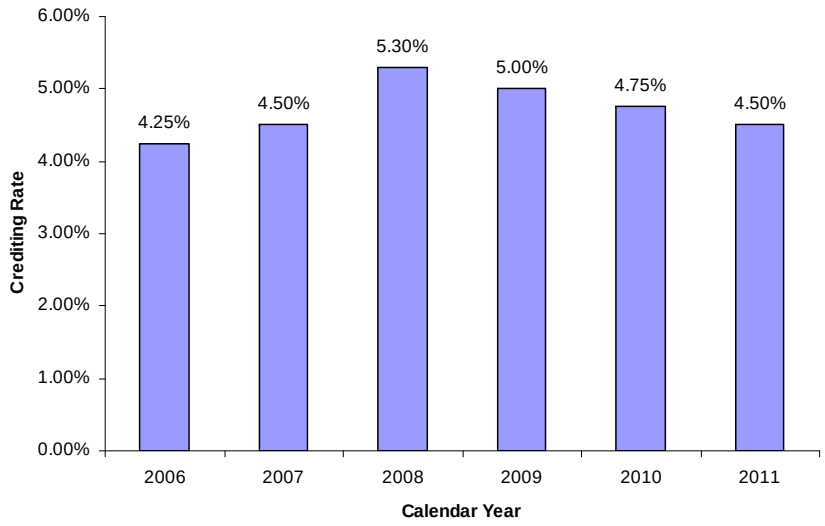
Investment Philosophy

The primary investment objective of Hartford Lifes 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 Hartfords General Account that 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 together. The fund is managed to a duration of 4 to 4.5 years.

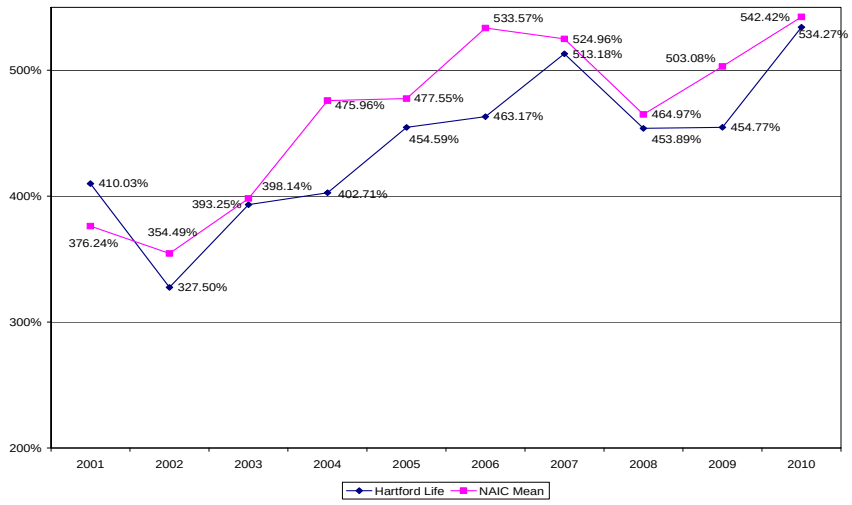
Financial Strength Ratings/Outlook for Hartford Life Insurance Co. (Date of Last Rating Agency Action)

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



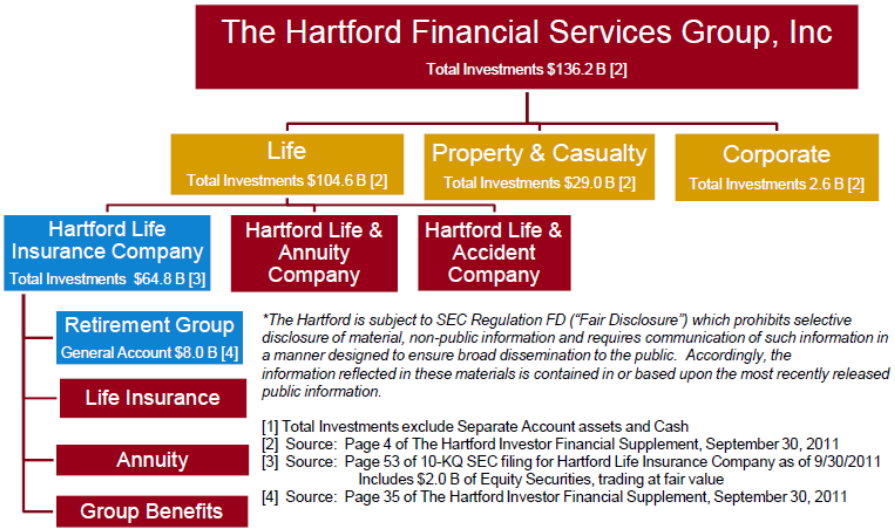
Key Facts and Figures

Portfolio Manager: Hartford Investment Management Company (HIMCO)	Hartford Life Insurance Company and Subsidiaries Total Investments: $64,800 Million	Expense Ratio (Net): 0.60% Mercer Median Expense Ratio (Net): 0.30%

Fund Profile

Stable Value - Hartford General Account

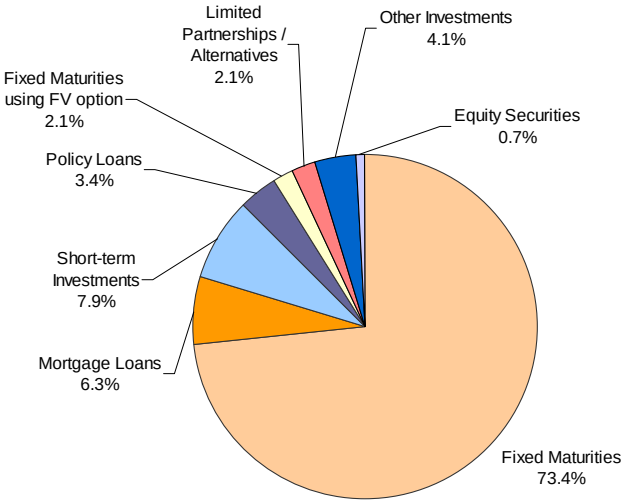
The Hartford Structure



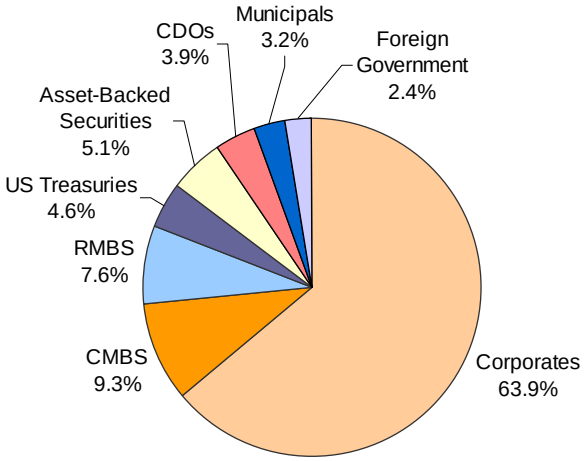
The Hartford is subject to SEC Regulation FD ("Fair Disclosure") which prohibits selective disclosure of material, non-public information and requires communication of such information in a manner designed to ensure broad dissemination to the public. Accordingly, the information reflected in these materials is contained in or based upon the most recently released public information.

[1] Total Investments exclude Separate Account assets and Cash
[2] Source: Page 4 of The Hartford Investor Financial Supplement, September 30, 2011
[3] Source: Page 53 of 10-KQ SEC filing for Hartford Life Insurance Company as of 9/30/2011
Includes $2.0 B of Equity Securities, trading at fair value
[4] Source: Page 35 of The Hartford Investor Financial Supplement, September 30, 2011

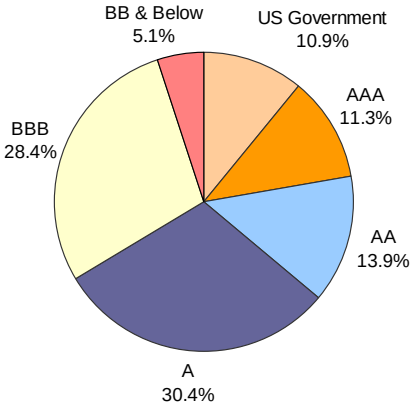
Composition of Invested Assets



Composition of Fixed Maturity Securities



Credit Quality of Fixed Maturity Securities



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 risked 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($)[4]	Percentile[5]	2nd Qtr2011 Invested Assets Millions($)[4]	Percentile[5]
Hartford Life Insurance Company	39,252	90	34,872	88	$33,146	89	$32,072	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 2nd 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]	2nd Qtr2011 Adj. C&S $[4]	Percentile[5]
Hartford Life Insurance Company	4,109	92	5,367	92	$5,902	93	$6,299	94

[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 2nd 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]	2nd Qtr2011 Adj. C & S/ Invested Assets %[4]	Percentile[5]
Hartford Life Insurance Company	10.47	50	15.39	70	17.81	76	19.05	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 2nd 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**

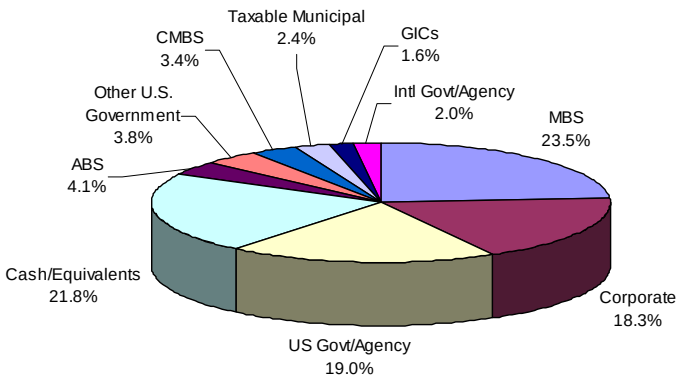
Investment Philosophy

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.

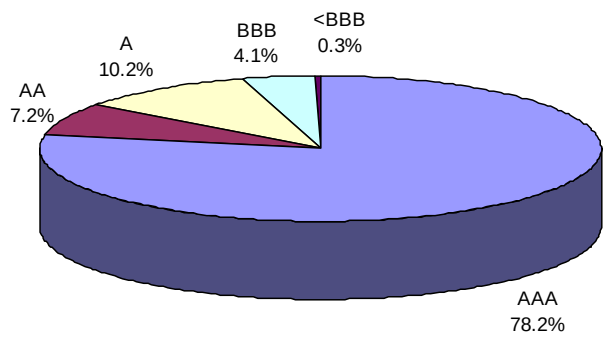
Characteristics

- MV/BV: 103.62%
- Gross Yield: 2.75%
- Effective Duration: 2.45 years
- Avg. Quality of Underlying: AA+
- Avg. Contract Quality: AA-

Sector Allocation as of September 30, 2011



Quality Allocation as of September 30, 2011



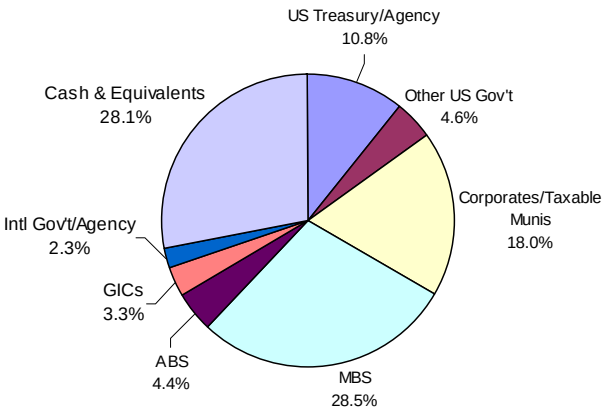
Key Facts and Figures

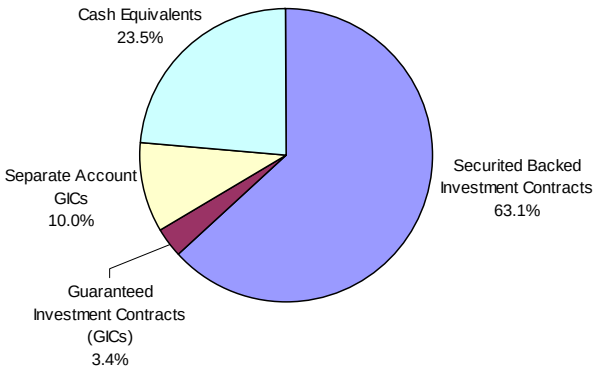
Asset Split: 49.7% Stable Return Fund / 50.3% Managed Income Fund	Total Fund Assets: $290 Million	Expense Ratio (Net): 0.75% Mercer Median Expense Ratio (Net): 0.30%

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	
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.	
Characteristics as of September 30, 2011	**Top 5 Issuers** as of September 30, 2011
▪ Blended Yield (before fees): 2.37% ▪ Effective Duration: 2.1 years ▪ Number of Contract Issuers: 15 (4,325 underlying issuers) ▪ Average Quality (underlying assets): Aa2AA- ▪ MV/BV Ratio: 102.33%	▪ JP Morgan Chase Bank N.A. ▪ Metropolitan Life Insurance Co. ▪ Prudential Life Insurance Co. ▪ Monumental Life Insurance Co. ▪ Pacific Life Insurance Co.
Fund Composition as of September 30, 2011	**Portfolio Distribution (contract level)** as of September 30, 2011



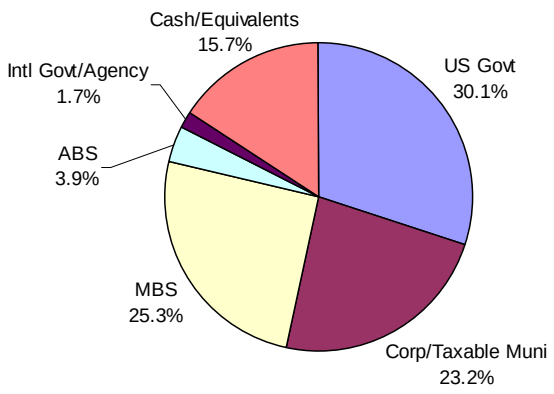


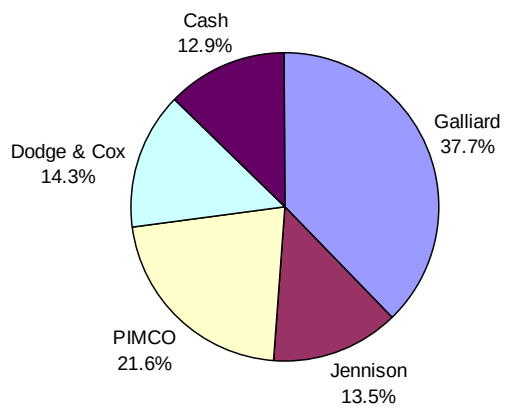
Key Facts and Figures		
Portfolio Manager: Galliard Capital Management	Total Fund Assets: $27,475 Million	Portfolio Managers: Karl Touville and Josh Caswell

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 September 30, 2011	**Contract Issuers (% of Fund)** as of September 30, 2011
▪ Blended Yield (before fees): 3.13% ▪ Effective Duration: 2.79 years ▪ Average Quality (contract level): A1/AA- ▪ MV/BV Ratio: 104.93%	▪ Monumental Life Insurance Co. – 34.8% ▪ Prudential Life Insurance Co. – 27.4% ▪ Natixis Financial Products Inc. – 17.3% ▪ Bank of America N.A. – 7.6%
Sector Allocation as of September 30, 2011	**Fund Diversification** as of September 30, 2011





Key Facts and Figures		
Portfolio Advisor: Galliard Capital Management, Inc.; PIMCO; Dodge & Cox; Jennison	Total Fund Assets: $2,554 Million	Portfolio Managers: Leela Scattum, Erol Sonderegger; Andrea Johnson

Fund Profile

Tier II (B) - Balanced - Invesco Van Kampen Equity & Income Fund Y - ACETX

Share Class: Y	**Benchmark: S&P 500 60% / 40% BC Aggregate**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

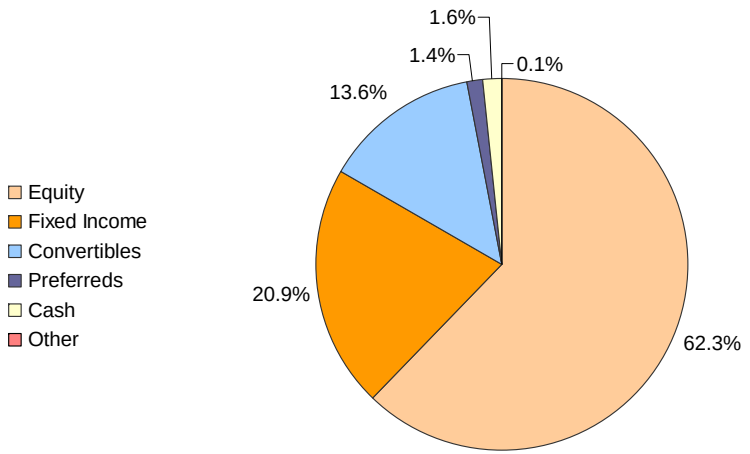
Positive Impact on Performance

- Overweight allocations to the health care and utilities sectors; underweight allocations to the materials and industrials sectors
- Top 10 holdings American Electric Power Co. Inc. (+2.1% return) and Procter & Gamble Co. (+0.2% return) and Microsoft Corp. (-3.7% return)

Negative Impact on Performance

- Allocation to equities
- Overweight allocation to the financials sector; underweight allocations to the information technology and consumer staples sectors
- Top 10 holdings JPMorgan Chase & Co. (-26.0% return), General Electric Co. (-18.5% return) and Anadarko Petroleum Corp. (-17.7% return)

Asset Allocation as of September 30, 2011

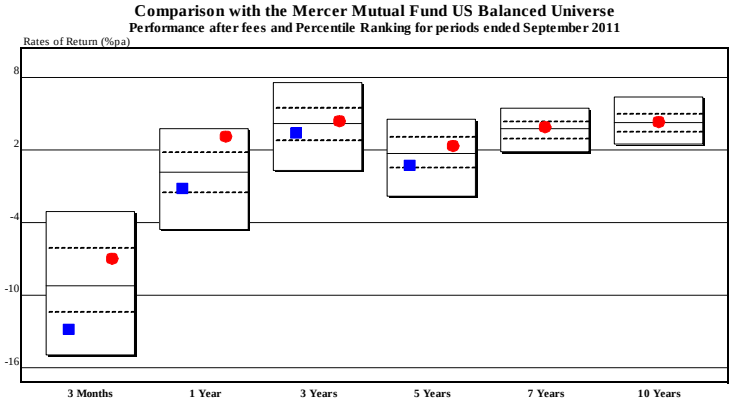


Key Facts and Figures

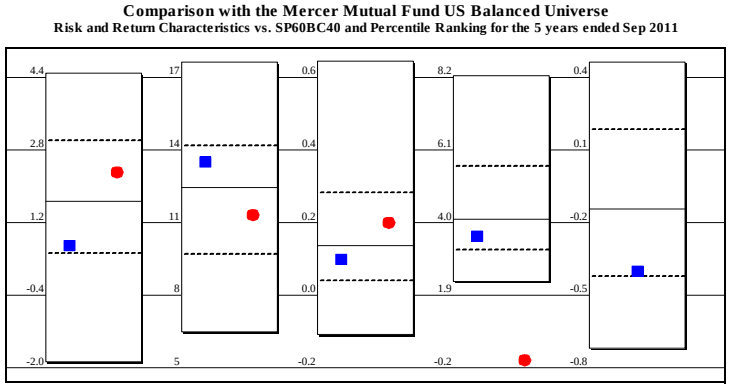
Portfolio Manager: James O. Roeder; Thomas B. Bastian; Sergio Marchelli Portfolio Manager Average Tenure: 6.0 Years	Total Fund Assets: $10,125 Million Total Share Class Assets: $356 Million	Expense Ratio (Net): 0.53% Mercer Median Expense Ratio (Net): 0.92%

Fund Profile

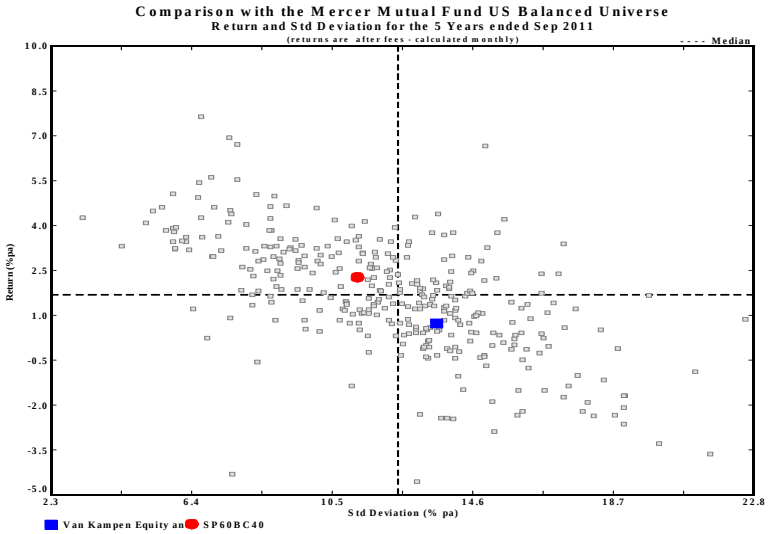
Tier II (B) - Balanced - Invesco Van Kampen Equity & Income Fund Y - ACETX

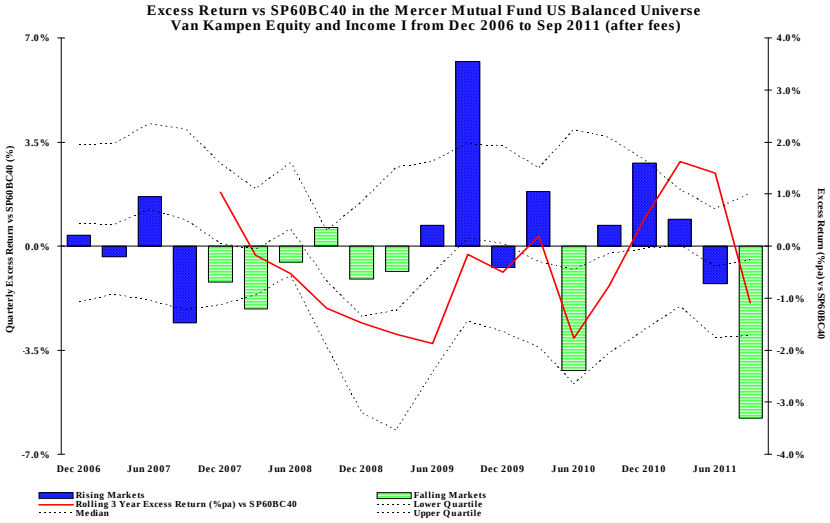


	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
ity and Income I	-12.8 (83)	-1.2 (70)	3.4 (65)	0.7 (71)	na	na
SP60BC40	-7.0	3.1	4.4	2.3	3.9	4.3
5th Percentile	-3.1	3.7	7.6	4.5	5.4	6.3
Upper Quartile	-6.2	1.7	5.4	3.0	4.3	4.9
Median	-9.2	0.1	4.2	1.7	3.7	4.2
Lower Quartile	-11.4	-1.6	2.7	0.5	2.9	3.5
95th Percentile	-15.1	-4.6	0.2	-1.9	1.8	2.4
Number of Funds	407	406	368	339	286	211



	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
ity and Income I	0.7 (71)	13.5 (35)	0.1 (71)	3.6 (63)	-0.4 (75)
SP60BC40	2.3 (38)	11.3 (65)	0.2 (37)	0.0 (100)	na
5th Percentile	4.5	17.6	0.6	8.2	0.5
Upper Quartile	3.0	14.2	0.3	5.6	0.2
Median	1.7	12.4	0.1	4.1	-0.1
Lower Quartile	0.5	9.7	0.0	3.2	-0.4
95th Percentile	-1.9	6.4	-0.1	2.3	-0.7
Number of Funds	339	339	339	339	339





Fund Profile

Tier II (B) - Balanced - ING T. Rowe Price Cap Apprec I - ITRIX

Share Class: Inst	**Benchmark: S&P 500 60% / 40% BC Aggregate**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

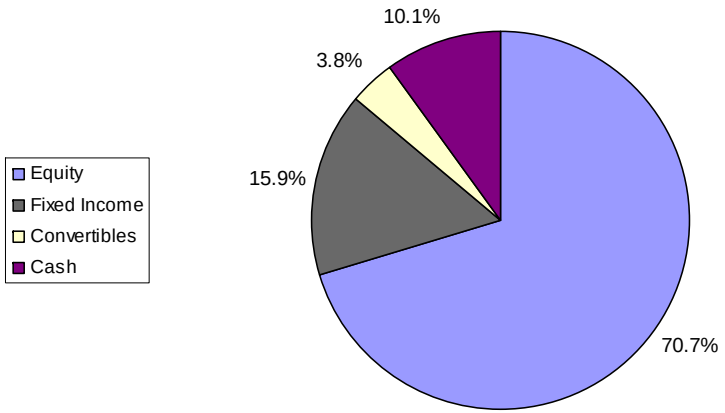
Positive Impact on Performance

- Underweight allocation to the materials sector
- Allocation to fixed income
- Individual contributors Apple (+13.6% return), Dollar General (+11.4% return), General Mills (+4.3% return), Edison International (-0.5% return) and AT&T (-7.9% return)

Negative Impact on Performance

- Overweight allocations to the industrials and financials sectors; underweight allocations to the utilities, information technology and consumer staples sectors
- Individual detractors Nexen (-30.9% return), TE Connectivity (-23.0% return), Thermo Fisher Scientific (-21.4% return), Danaher (-20.8 return) and PepsiCo Inc. (-11.4 return)

Asset Allocation as of September 30, 2011



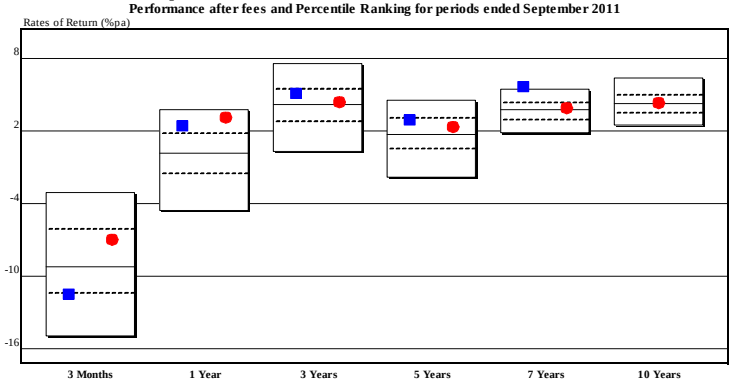
Key Facts and Figures

Portfolio Manager: David R. Giroux Portfolio Manager Average Tenure: 2.8 Years	Total Fund Assets: Unavailable	Expense Ratio (Net): 0.65% Mercer Median Expense Ratio (Net): 0.92%

Fund Profile

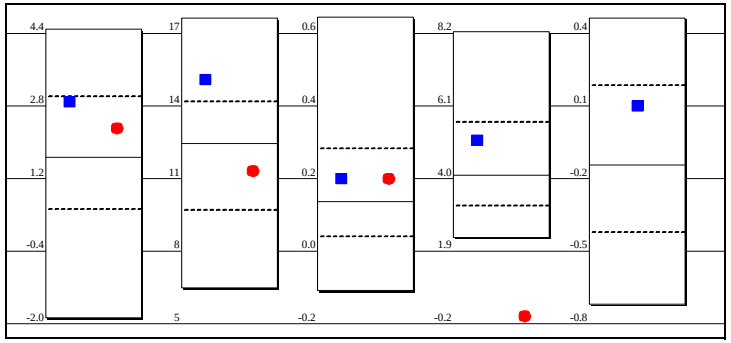
Tier II (B) - Balanced - ING T. Rowe Price Cap Apprec I - ITRIX

Comparison with the Mercer Mutual Fund US Balanced Universe
Performance after fees and Percentile Ranking for periods ended September 2011



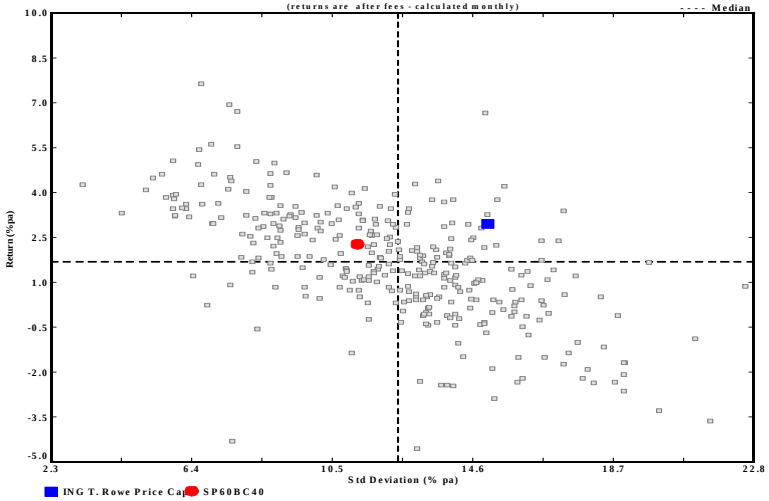
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
ice Cap Apprec I	-11.5 *(76)*	2.4 *(14)*	5.1 *(31)*	2.9 *(27)*	5.7 *(3)*	na
SP60BC40	-7.0	3.1	4.4	2.3	3.9	4.3
5th Percentile	-3.1	3.7	7.6	4.5	5.4	6.3
Upper Quartile	-6.2	1.7	5.4	3.0	4.3	4.9
Median	-9.2	0.1	4.2	1.7	3.7	4.2
Lower Quartile	-11.4	-1.6	2.7	0.5	2.9	3.5
95th Percentile	-15.1	-4.6	0.2	-1.9	1.8	2.4
Number of Funds	407	406	368	339	286	211

Comparison with the Mercer Mutual Fund US Balanced Universe
Risk and Return Characteristics vs. SP60BC40 and Percentile Ranking for the 5 years ended Sep 2011

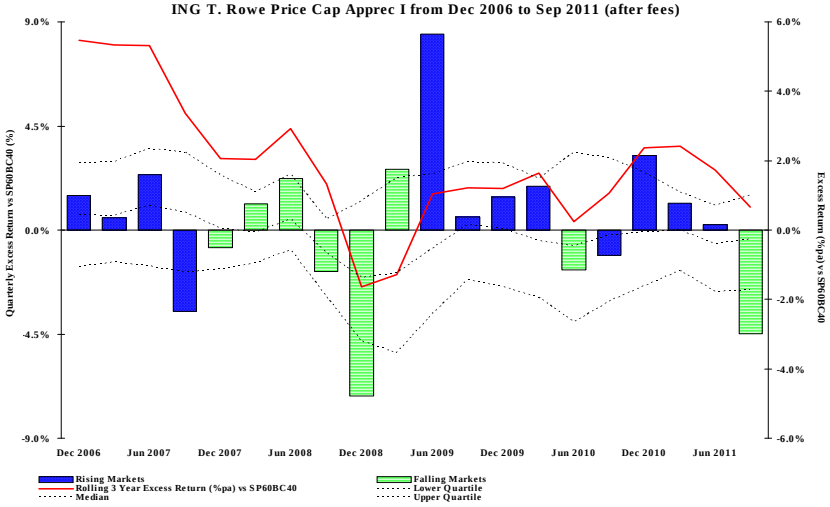


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
ice Cap Apprec I	2.9 *(27)*	15.1 *(17)*	0.2 *(38)*	5.1 *(35)*	0.1 *(31)*
SP60BC40	2.3 *(38)*	11.3 *(65)*	0.2 *(37)*	0.0 *(100)*	na
5th Percentile	4.5	17.6	0.6	8.2	0.5
Upper Quartile	3.0	14.2	0.3	5.6	0.2
Median	1.7	12.4	0.1	4.1	-0.1
Lower Quartile	0.5	9.7	0.0	3.2	-0.4
95th Percentile	-1.9	6.4	-0.1	2.3	-0.7
Number of Funds	339	339	339	339	339

Comparison with the Mercer Mutual Fund US Balanced Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



Excess Return vs SP60BC40 in the Mercer Mutual Fund US Balanced Universe
ING T. Rowe Price Cap Apprec I from Dec 2006 to Sep 2011 (after fees)



Fund Profile

Tier II (B) - Domestic Equity - American Beacon Large Cap Value Fund Investor - AAGPX

Share Class: Investor	**Benchmark: Russell 1000 Value**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

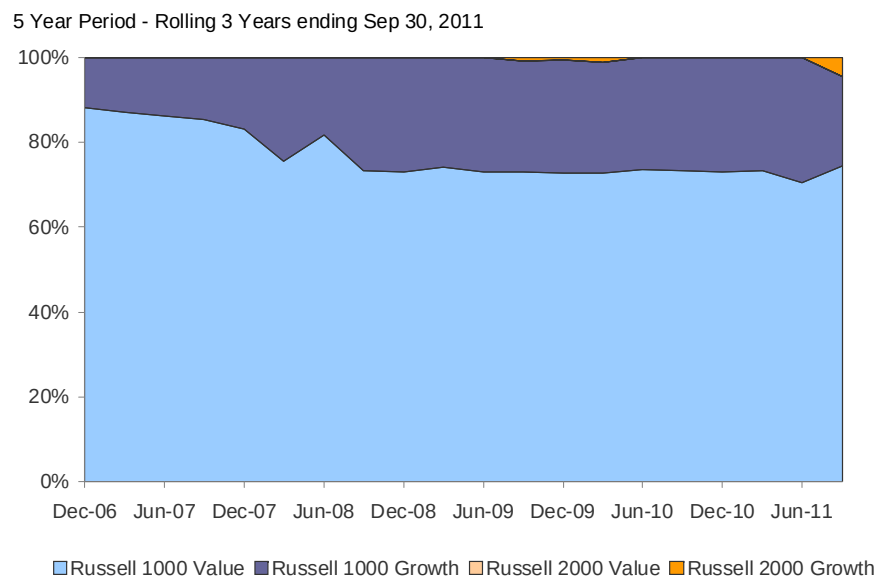
Positive Impact on Performance

- Overweight allocations to the consumer staples and information technology sectors
- Top 10 holdings Johnson & Johnson (-3.4% return), Microsoft Corp. (-3.7 return) and Vodafone Group Plc (-4.0% return)

Negative Impact on Performance

- Underweight allocations to the utilities and health care sectors
- Top 10 holdings Bank of America Corp. (-44.1% return), -38.0% return) and JPMorgan Chase & Co. (-26.0% return)

Style Analysis



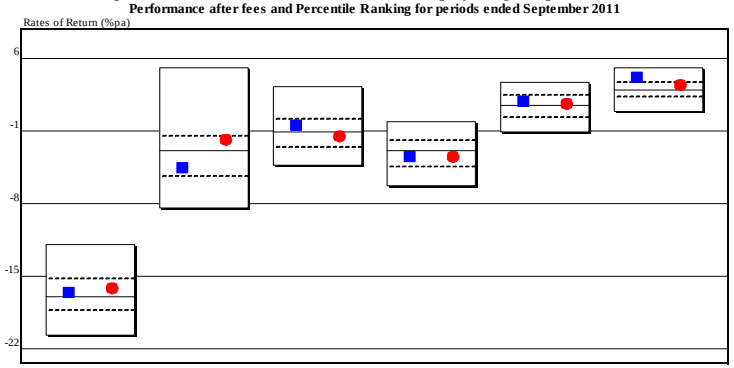
Key Facts and Figures

Portfolio Manager: James P. Barrow; George Davis; Paul R. Lesutis Portfolio Manager Average Tenure: 10.4 Years	Total Fund Assets: $7,143 Million Total Share Class Assets: $3,437 Million	Expense Ratio (Net): 0.83% Mercer Median Expense Ratio (Net): 0.77%

Fund Profile

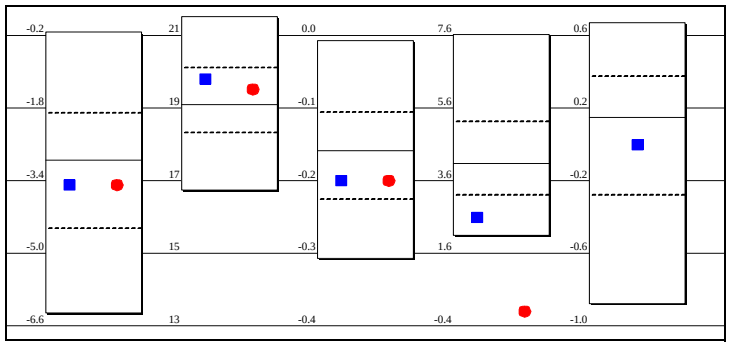
Tier II (B) - Domestic Equity - American Beacon Large Cap Value Fund Investor - AAGPX

Comparison with the Mercer Mutual Fund US Equity Large Cap Value Universe
Performance after fees and Percentile Ranking for periods ended September 2011



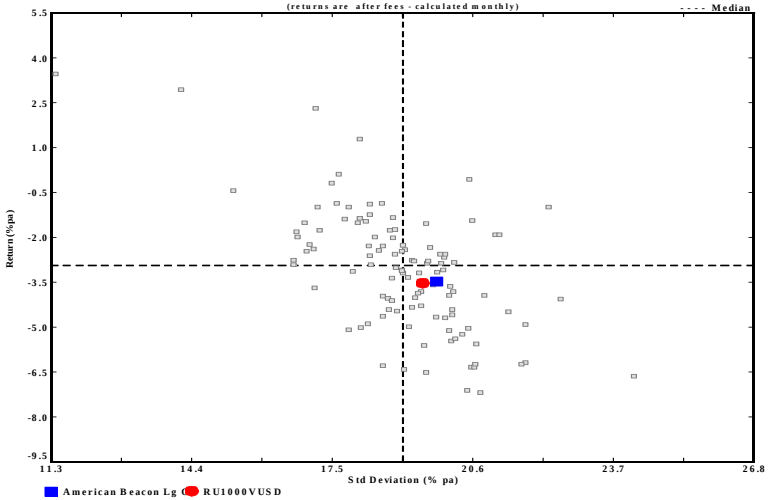
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
.g Cap Value Pln	-16.6 *(48)*	-4.5 *(68)*	-0.4 *(34)*	-3.5 *(59)*	1.9 *(39)*	4.2 *(13)*
RU1000VUSD	-16.2	-1.9	-1.5	-3.5	1.6	3.4
5th Percentile	-12.0	5.0	3.3	-0.1	3.7	5.0
Upper Quartile	-15.3	-1.5	0.1	-1.9	2.5	3.7
Median	-17.0	-2.9	-1.1	-3.0	1.4	2.9
Lower Quartile	-18.3	-5.4	-2.6	-4.5	0.3	2.3
95th Percentile	-20.7	-8.5	-4.3	-6.3	-1.1	0.8
Number of Funds	130	128	120	112	101	89

Comparison with the Mercer Mutual Fund US Equity Large Cap Value Universe
Risk and Return Characteristics vs. RU1000VUSD and Percentile Ranking for the 5 years ended Sep 2011

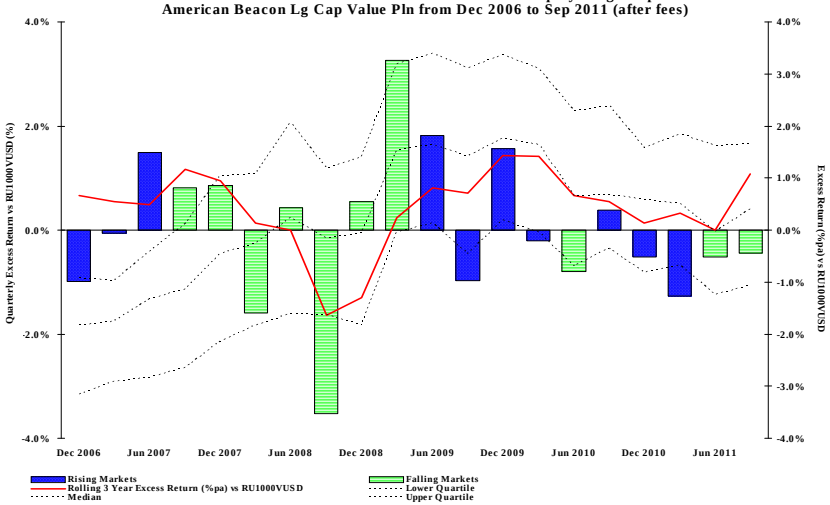


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
.g Cap Value Pln	-3.5 *(59)*	19.8 *(32)*	-0.2 *(58)*	2.6 *(88)*	0.0 *(59)*
RU1000VUSD	-3.5 *(59)*	19.5 *(39)*	-0.2 *(60)*	0.0 *(100)*	na
5th Percentile	-0.1	21.5	0.0	7.6	0.7
Upper Quartile	-1.9	20.1	-0.1	5.2	0.4
Median	-3.0	19.1	-0.2	4.1	0.1
Lower Quartile	-4.5	18.3	-0.2	3.2	-0.3
95th Percentile	-6.3	16.7	-0.3	2.1	-0.9
Number of Funds	112	112	112	112	112

Comparison with the Mercer Mutual Fund US Equity Large Cap Value Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



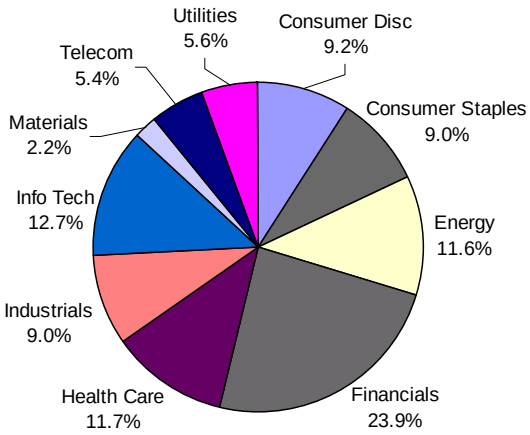
Excess Return vs RU1000VUSD in the Mercer Mutual Fund US Equity Large Cap Value Universe
American Beacon Lg Cap Value Pln from Dec 2006 to Sep 2011 (after fees)



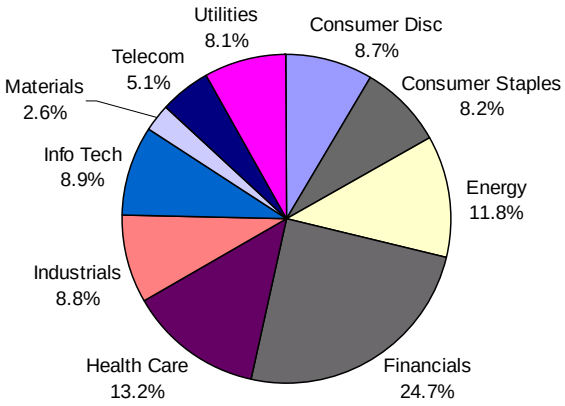
Fund Profile

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

Fund Sector Allocation as of September 30, 2011



Russell 1000 Value Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - Allianz NFJ Dividend Value Fund Institutional - NFJEX

Share Class: Institutional	**Benchmark: Russell 1000 Value**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

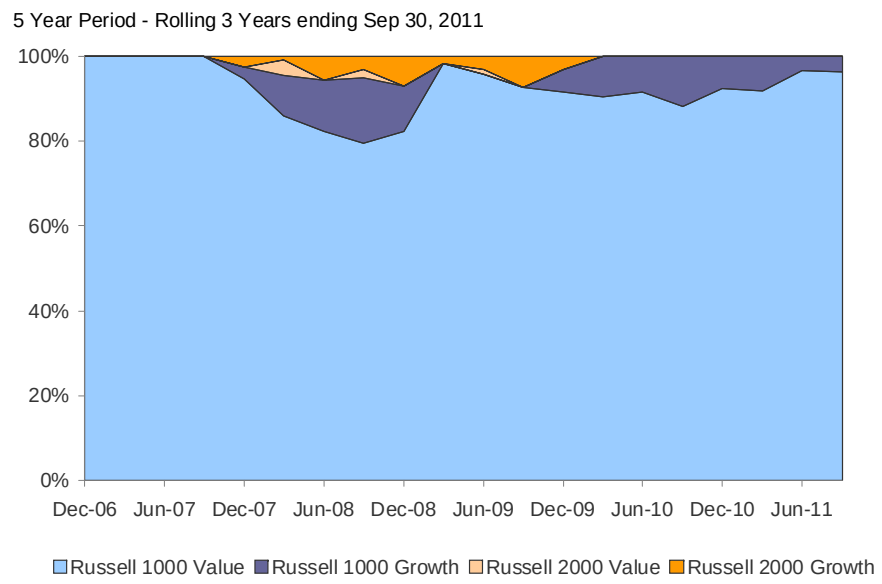
Positive Impact on Performance

- Overweight allocation to the consumer staples sector; underweight allocation to the financials sector
- Stock selection within the financials and information technology sectors
- Individual contributors V.F. Corporation (+12.5% return), Kimberly-Clark (+7.7% return), Ameren (+4.6% return), Reynolds American (+2.6% return) and International Business Machines (+2.4% return)

Negative Impact on Performance

- Overweight allocation to the materials sector; underweight allocation to the utilities sector
- Stock selection within the materials sector
- Individual detractors Freeport-McMoRan (-42.4% return), MetLife (-36.2% return), Marathon Oil (-31.4% return), Total SA (-22.7% return) and International Paper (-21.3% return)

Style Analysis



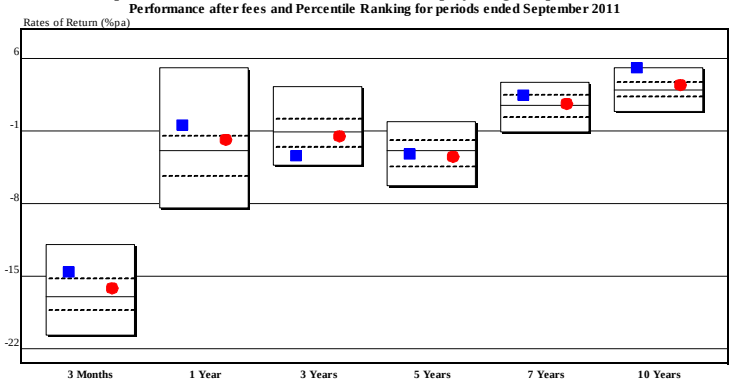
Key Facts and Figures

Portfolio Manager: Benno J. Fischer; Thomas W. Oliver; R. Burns McKinney Portfolio Manager Average Tenure: 4.8 Years	Total Fund Assets: $6,969 Million Total Share Class Assets: $2,066 Million	Expense Ratio (Net): 0.72% Mercer Median Expense Ratio (Net): 0.77%

Fund Profile

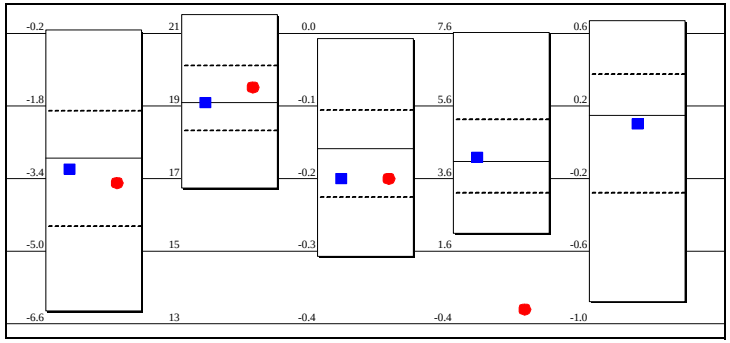
Tier II (B) - Domestic Equity - Allianz NFJ Dividend Value Fund Institutional - NFJEX

Comparison with the Mercer Mutual Fund US Equity Large Cap Value Universe
Performance after fees and Percentile Ranking for periods ended September 2011



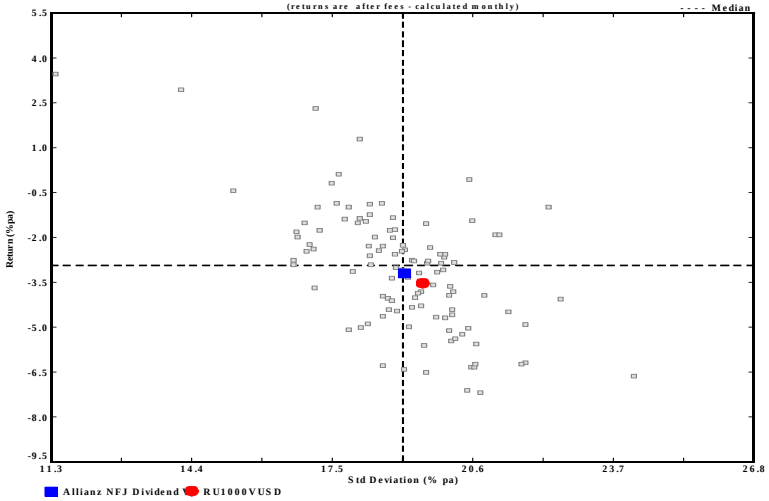
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
dend Value Instl	-14.6 *(17)*	-0.4 *(17)*	-3.4 *(85)*	-3.2 *(57)*	2.5 *(24)*	5.1 *(4)*
RU1000VUSD	-16.2	-1.9	-1.5	-3.5	1.6	3.4
5th Percentile	-12.0	5.0	3.3	-0.1	3.7	5.0
Upper Quartile	-15.3	-1.5	0.1	-1.9	2.5	3.7
Median	-17.0	-2.9	-1.1	-3.0	1.4	2.9
Lower Quartile	-18.3	-5.4	-2.6	-4.5	0.3	2.3
95th Percentile	-20.7	-8.5	-4.3	-6.3	-1.1	0.8
Number of Funds	130	128	120	112	101	89

Comparison with the Mercer Mutual Fund US Equity Large Cap Value Universe
Risk and Return Characteristics vs. RU1000VUSD and Percentile Ranking for the 5 years ended Sep 2011

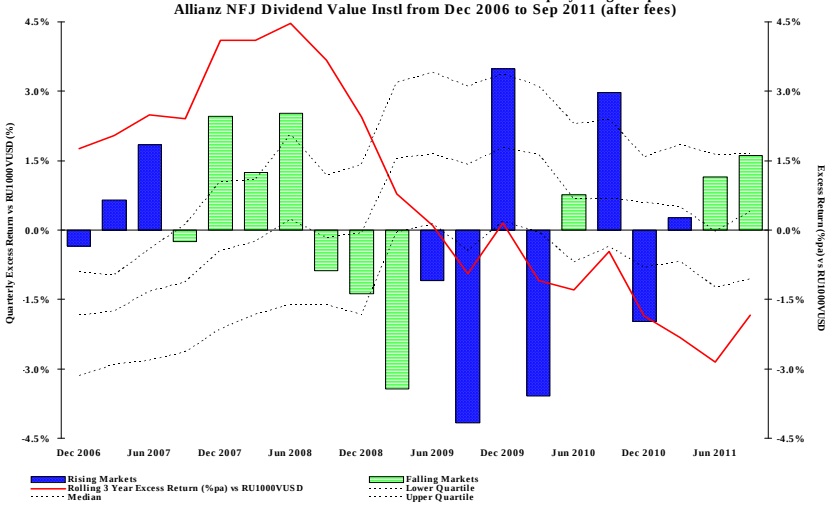


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
dend Value Instl	-3.2 *(57)*	19.1 *(49)*	-0.2 *(55)*	4.2 *(45)*	0.1 *(57)*
RU1000VUSD	-3.5 *(59)*	19.5 *(39)*	-0.2 *(60)*	0.0 *(100)*	na
5th Percentile	-0.1	21.5	0.0	7.6	0.7
Upper Quartile	-1.9	20.1	-0.1	5.2	0.4
Median	-3.0	19.1	-0.2	4.1	0.1
Lower Quartile	-4.5	18.3	-0.2	3.2	-0.3
95th Percentile	-6.3	16.7	-0.3	2.1	-0.9
Number of Funds	112	112	112	112	112

Comparison with the Mercer Mutual Fund US Equity Large Cap Value Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



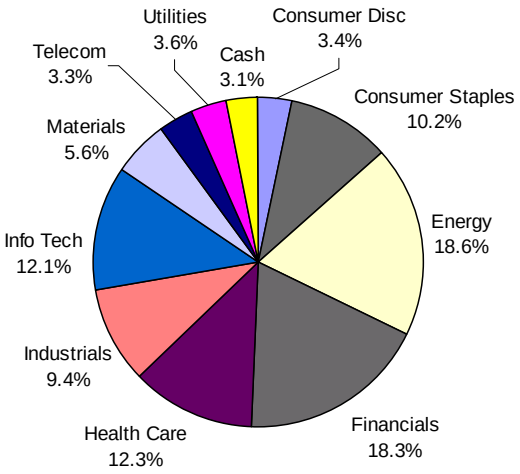
Excess Return vs RU1000VUSD in the Mercer Mutual Fund US Equity Large Cap Value Universe
Allianz NFJ Dividend Value Instl from Dec 2006 to Sep 2011 (after fees)



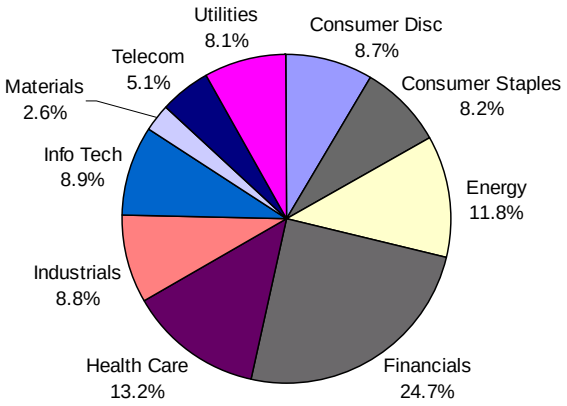
Fund Profile

Domestic Equity - Allianz NFJ Dividend Value Fund Institutional - NFJEX

Fund Sector Allocation as of September 30, 2011



Russell 1000 Value Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - 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

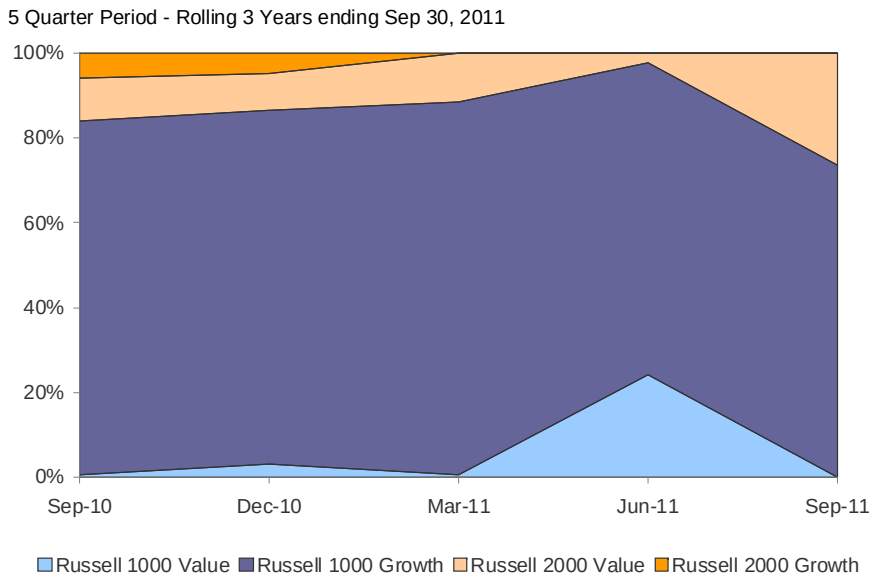
Positive Impact on Performance

- Exposure to the utilities and consumer staples sectors
- Individual contributors Target (+5.1% return), Cisco Systems (-0.3% return) and PepsiCo (-11.4% return)

Negative Impact on Performance

- Overweight allocations to the consumer discretionary and energy sectors
- Exposure to the materials, financials and industrials sectors
- Stock selection within the health care and financials sectors
- Individual detractors MetLife (-36.2% return), Apache Corp. (-34.9% return) and Schlumberger (-30.6% return)

Style Analysis



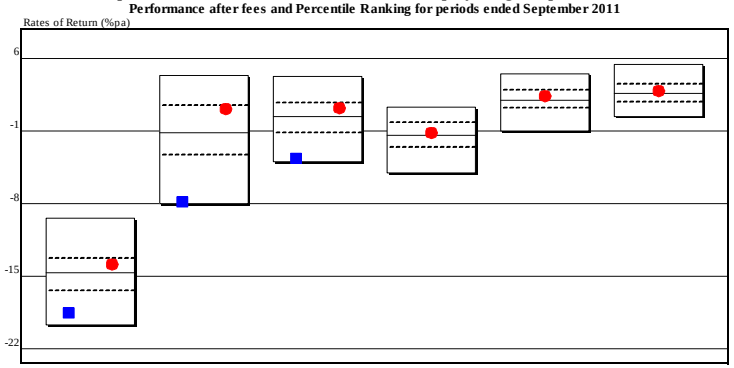
Key Facts and Figures

Portfolio Manager: Lawrence G. Babin; Paul D. Danes; Carolyn M. Rains Portfolio Manager Average Tenure: 14.7 Years	Total Fund Assets: $2,734 Million Total Share Class Assets: $728 Million	Expense Ratio (Net): 0.76% Mercer Median Expense Ratio (Net): 0.83%

Fund Profile

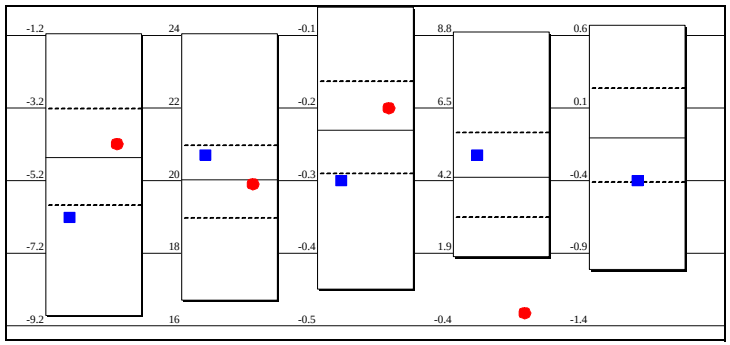
Tier II (B) - Domestic Equity - Victory Diversified Stock Fund I - VDSIX

Comparison with the Mercer Mutual Fund US Equity Large Cap Core Universe
Performance after fees and Percentile Ranking for periods ended September 2011



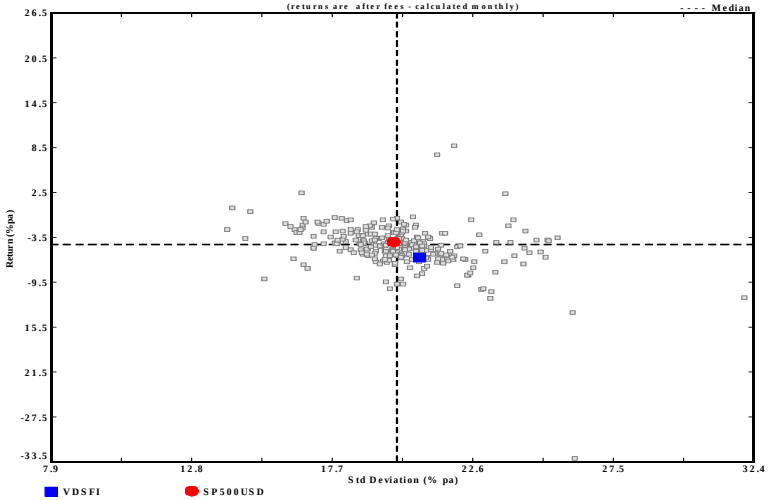
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
VDSFI	-18.5 *(92)*	-7.8 *(94)*	-3.6 *(93)*	na	na	na
SP500USD	-13.9	1.1	1.2	-1.2	2.3	2.8
5th Percentile	-9.5	4.3	4.2	1.3	4.5	5.4
Upper Quartile	-13.3	1.5	1.6	-0.2	2.9	3.5
Median	-14.7	-1.2	0.4	-1.5	2.0	2.6
Lower Quartile	-16.4	-3.4	-1.2	-2.6	1.2	1.8
95th Percentile	-19.8	-8.1	-4.1	-5.1	-1.1	0.4
Number of Funds	318	317	298	271	238	214

Comparison with the Mercer Mutual Fund US Equity Large Cap Core Universe
Risk and Return Characteristics vs. SP500USD and Percentile Ranking for the 4 years and 1 months ended Sep 2011

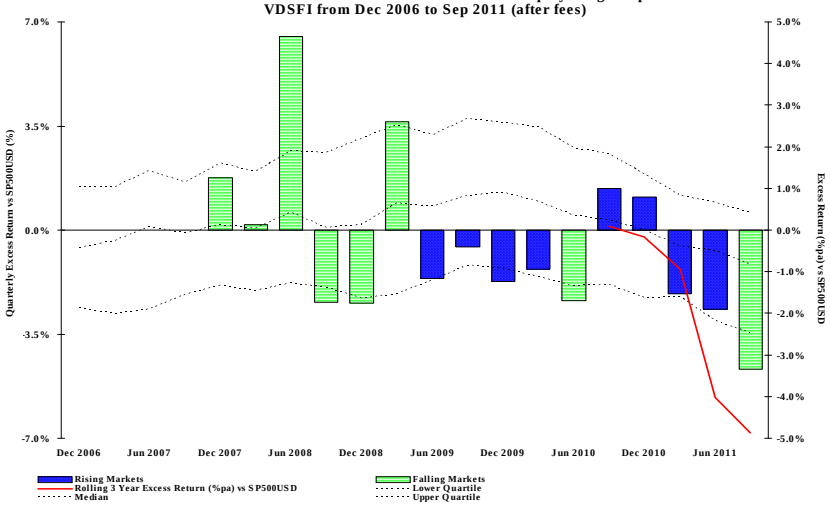


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
VDSFI	-6.2 *(79)*	20.7 *(29)*	-0.3 *(79)*	5.0 *(36)*	-0.4 *(74)*
SP500USD	-4.2 *(40)*	19.9 *(56)*	-0.2 *(40)*	0.0 *(100)*	na
5th Percentile	-1.2	24.0	-0.1	8.9	0.7
Upper Quartile	-3.2	21.0	-0.2	5.7	0.2
Median	-4.6	20.0	-0.2	4.3	-0.1
Lower Quartile	-5.9	19.0	-0.3	3.0	-0.4
95th Percentile	-9.0	16.7	-0.4	1.7	-1.0
Number of Funds	281	281	281	281	281

Comparison with the Mercer Mutual Fund US Equity Large Cap Core Universe
Return and Std Deviation for the period from Sep 2007 to Sep 2011
(returns are after fees - calculated monthly)



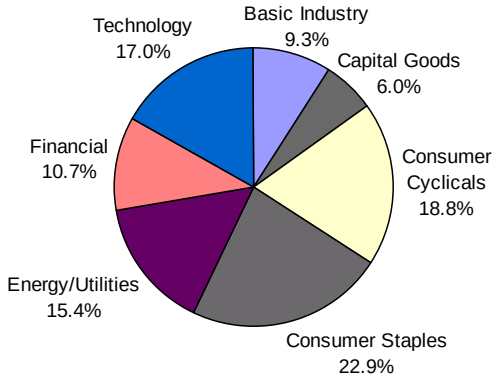
Excess Return vs SP500USD in the Mercer Mutual Fund US Equity Large Cap Core Universe
VDSFI from Dec 2006 to Sep 2011 (after fees)



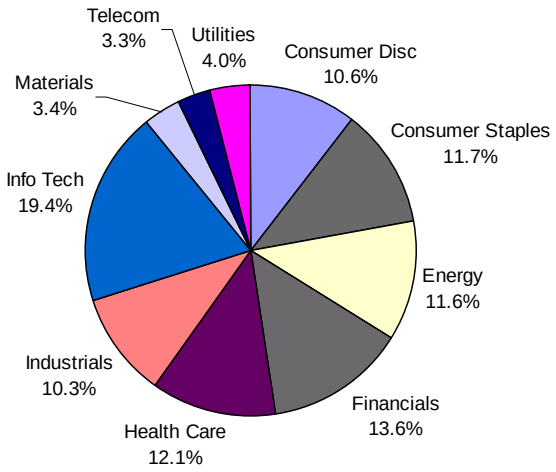
Fund Profile

Domestic Equity - Victory Diversified Stock Fund I - VDSIX

Fund Sector Allocation as of September 30, 2011



S&P 500 Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - Fidelity Contrafund - FCNTX

Share Class: N/A	**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

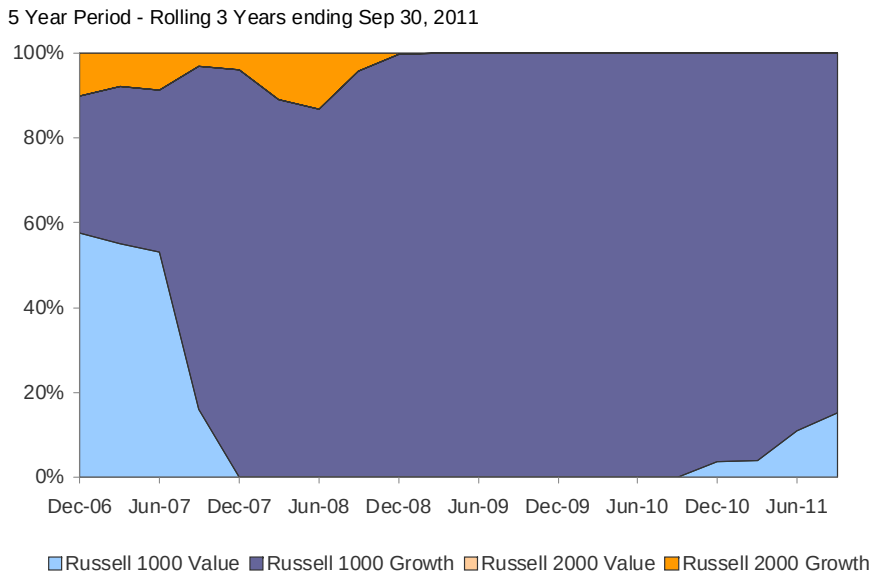
Positive Impact on Performance

- Overweight allocation to the information technology sector; underweight allocation to the financials, industrials and energy sectors
- Stock selection within the consumer discretionary, materials and financials sectors
- Cash holdings of 5.9% in a generally negative equity environment
- Top ten holdings: Apple (+13.6% return), TJX Companies (+6.0% return) and Amazon.com (+5.7% return)

Negative Impact on Performance

- Overweight allocation to the materials sector; underweight allocation to the consumer staples and utilities sectors
- Stock selection within the information technology, energy and health care sectors
- Top ten holdings: Walt Disney (-22.7% return), Noble Energy (-20.8% return) and Wells Fargo (-13.6% return)

Style Analysis



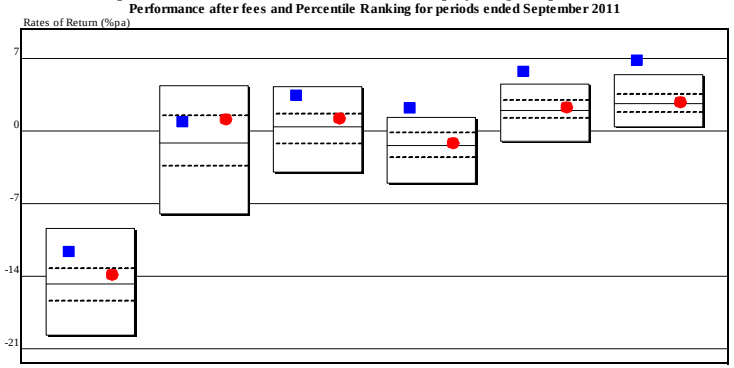
Key Facts and Figures

Portfolio Manager: Will Danoff	Total Fund Assets: $67,983 Million	Expense Ratio (Net): 0.92%
Portfolio Manager Average Tenure: 21.0 Years	Total Share Class Assets: $52,421 Million	Mercer Median Expense Ratio (Net): 0.83%

Fund Profile

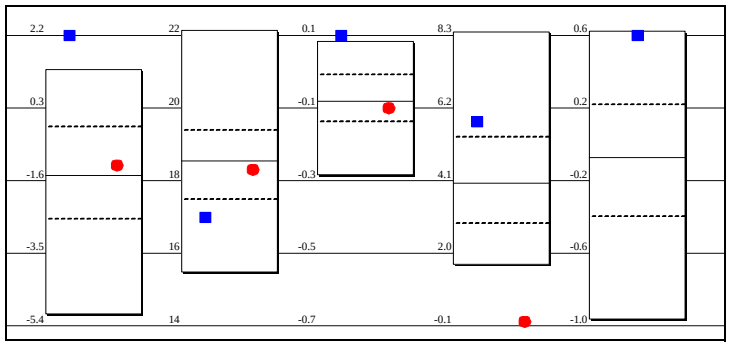
Tier II (B) - Domestic Equity - Fidelity Contrafund - FCNTX

Comparison with the Mercer Mutual Fund US Equity Large Cap Core Universe
Performance after fees and Percentile Ranking for periods ended September 2011



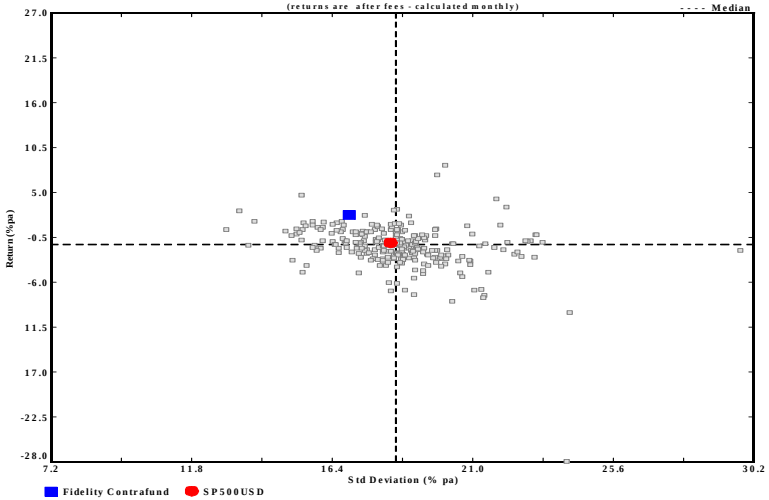
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
elity Contrafund	-11.6 (12)	0.9 (29)	3.5 (8)	2.2 (3)	5.8 (2)	6.8 (1)
SP500USD	-13.9	1.1	1.2	-1.2	2.3	2.8
5th Percentile	-9.5	4.3	4.2	1.3	4.5	5.4
Upper Quartile	-13.3	1.5	1.6	-0.2	2.9	3.5
Median	-14.7	-1.2	0.4	-1.5	2.0	2.6
Lower Quartile	-16.4	-3.4	-1.2	-2.6	1.2	1.8
95th Percentile	-19.8	-8.1	-4.1	-5.1	-1.1	0.4
Number of Funds	318	317	298	271	238	214

Comparison with the Mercer Mutual Fund US Equity Large Cap Core Universe
Risk and Return Characteristics vs. SP500USD and Percentile Ranking for the 5 years ended Sep 2011

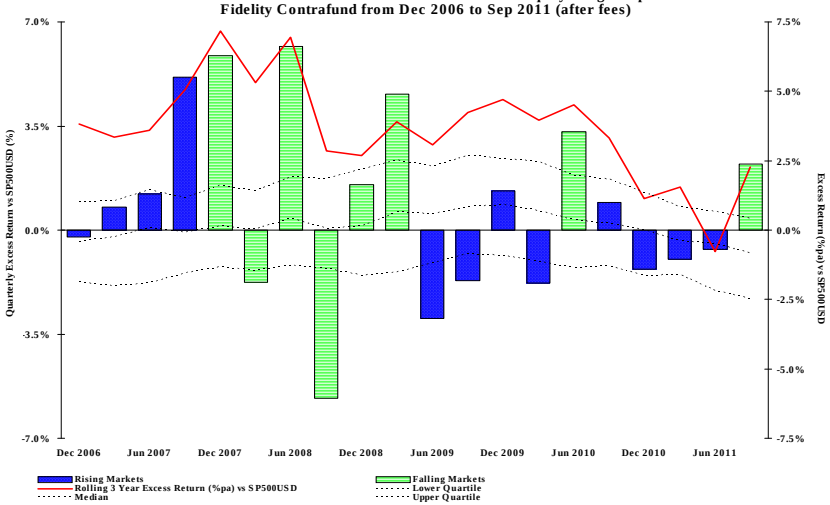


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
elity Contrafund	2.2 (3)	17.0 (83)	0.1 (3)	5.8 (20)	0.6 (6)
SP500USD	-1.2 (43)	18.3 (58)	-0.1 (44)	0.0 (100)	na
5th Percentile	1.3	22.1	0.1	8.4	0.6
Upper Quartile	-0.2	19.4	0.0	5.3	0.2
Median	-1.5	18.5	-0.1	4.0	-0.1
Lower Quartile	-2.6	17.5	-0.1	2.9	-0.4
95th Percentile	-5.1	15.5	-0.3	1.7	-1.0
Number of Funds	271	271	271	271	271

Comparison with the Mercer Mutual Fund US Equity Large Cap Core Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



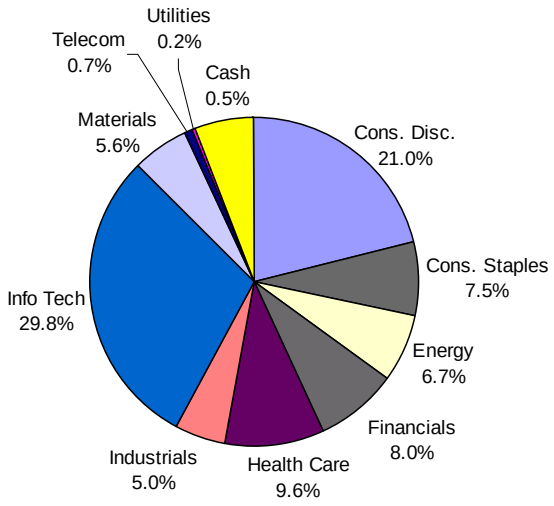
Excess Return vs SP500USD in the Mercer Mutual Fund US Equity Large Cap Core Universe
Fidelity Contrafund from Dec 2006 to Sep 2011 (after fees)



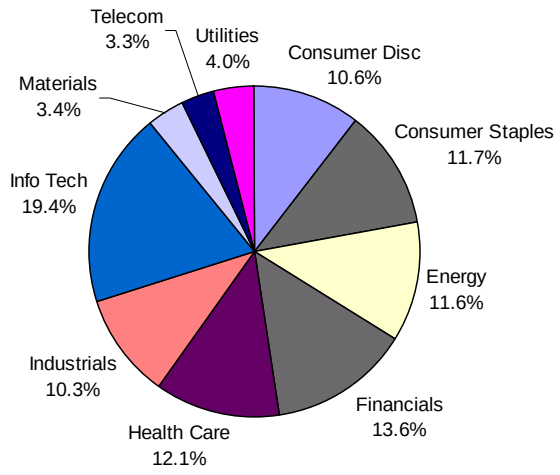
Fund Profile

Domestic Equity - Fidelity Contrafund - FCNTX

Fund Sector Allocation as of September 30, 2011



S&P 500 Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - T Rowe Price Growth Stock Fund - PRGFX

Share Class: N/A

Benchmark: Russell 1000 Growth

Investment Philosophy

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.

Portfolio Analysis & Key Observations

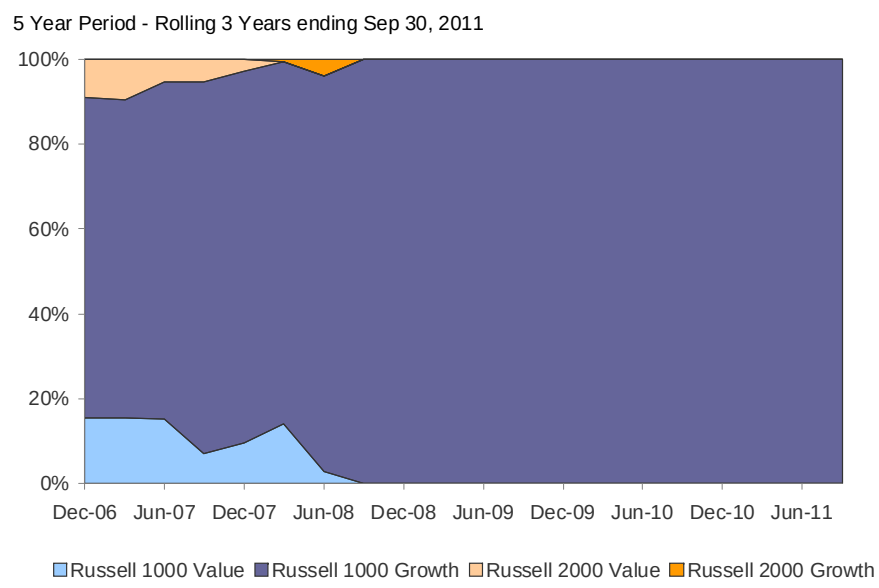
Positive Impact on Performance

- Overweight allocations to the telecommunications and information technology sectors; underweight allocation to the materials sector
- Stock selection within the telecommunications and materials sectors
- Top contributors Alexion Pharmaceuticals (+36.2% return), Apple (+13.6% return), AutoZone (+8.3% return), Amazon.com (+5.7% return) and MasterCard (+5.3% return)

Negative Impact on Performance

- Overweight allocation to the financials sector; underweight allocation to the consumer staples
- Stock selection within the health care, consumer discretionary, energy and financials sectors
- Top detractors Corning inc (-31.7% return), Schlumberger (-30.6% return), Fedex Corp (-28.5% return), Baidu (-23.7% return) and Danaher Corp (-20.8% return)

Style Analysis



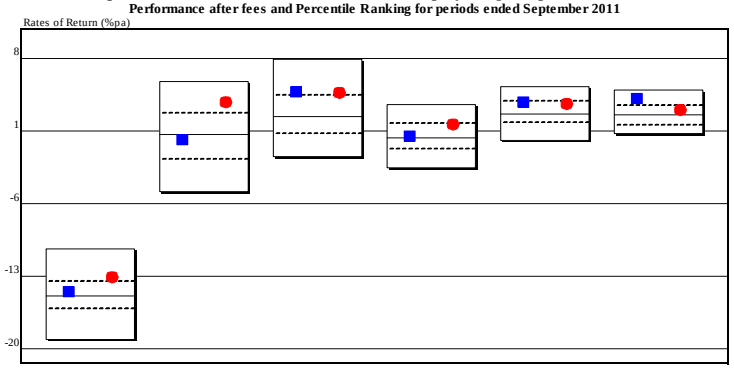
Key Facts and Figures

Portfolio Manager: P. Robert Bartolo	Total Fund Assets: $22,894 Million	Expense Ratio (Net): 0.70%
Portfolio Manager Average Tenure: 4.0 Years	Total Share Class Assets: $22,696 Million	Mercer Median Expense Ratio (Net): 0.89%

Fund Profile

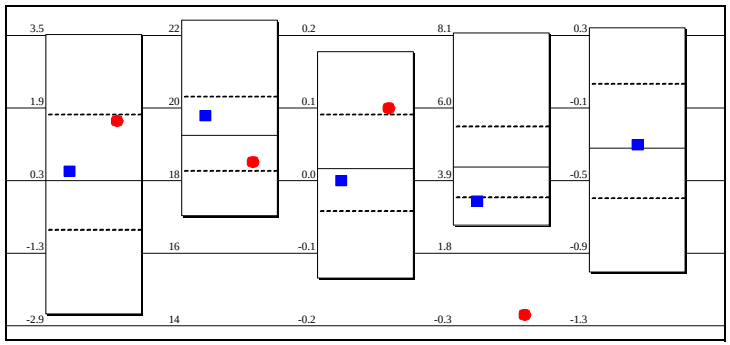
Tier II (B) - Domestic Equity - T Rowe Price Growth Stock Fund - PRGFX

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Performance after fees and Percentile Ranking for periods ended September 2011



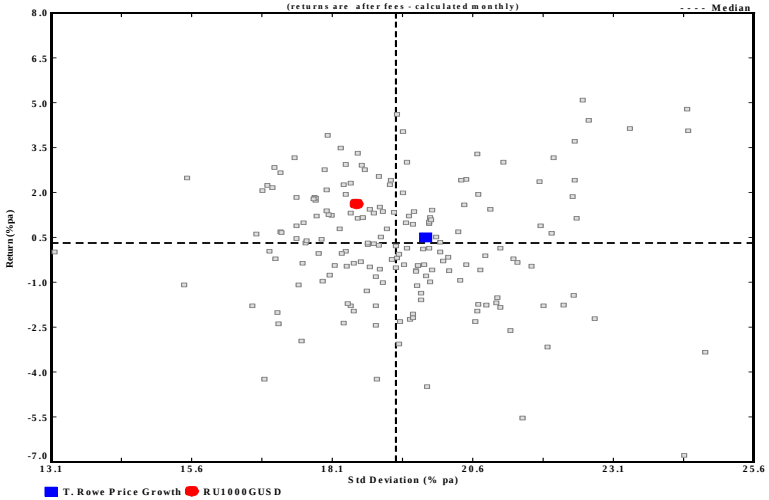
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
ce Growth Stock	-14.5 (41)	0.2 (54)	4.8 (21)	0.5 (46)	3.8 (25)	4.1 (13)
RU1000GUSD	-13.1	3.8	4.7	1.6	3.6	3.0
5th Percentile	-10.4	5.8	7.9	3.5	5.3	4.9
Upper Quartile	-13.5	2.7	4.4	1.7	3.8	3.5
Median	-14.9	0.6	2.4	0.3	2.6	2.6
Lower Quartile	-16.2	-1.8	0.7	-0.8	1.8	1.6
95th Percentile	-19.2	-4.9	-1.5	-2.7	0.1	0.6
Number of Funds	205	203	187	178	156	138

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Risk and Return Characteristics vs. RU1000GUSD and Percentile Ranking for the 5 years ended Sep 2011

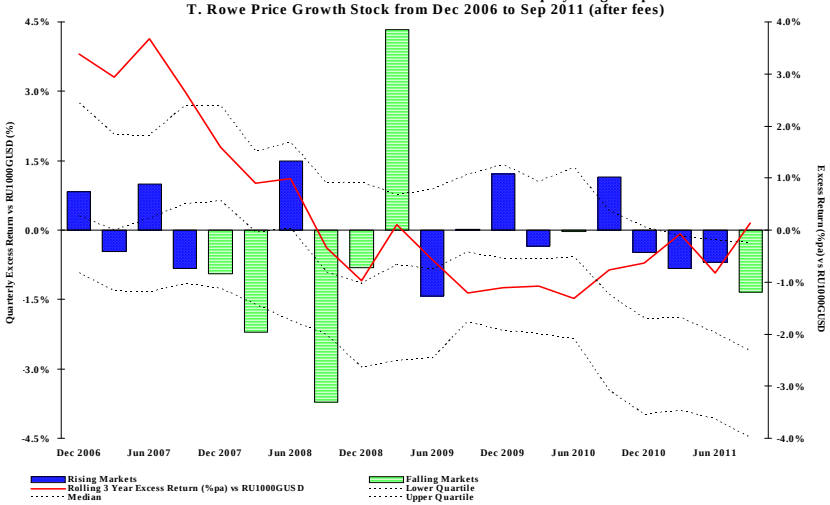


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
ce Growth Stock	0.5 (46)	19.8 (34)	0.0 (47)	3.3 (76)	-0.3 (51)
RU1000GUSD	1.6 (26)	18.5 (67)	0.1 (25)	0.0 (100)	na
5th Percentile	3.5	22.4	0.2	8.2	0.3
Upper Quartile	1.7	20.3	0.1	5.5	0.0
Median	0.3	19.2	0.0	4.3	-0.3
Lower Quartile	-0.8	18.3	0.0	3.4	-0.6
95th Percentile	-2.7	17.0	-0.1	2.6	-1.0
Number of Funds	178	178	178	178	178

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



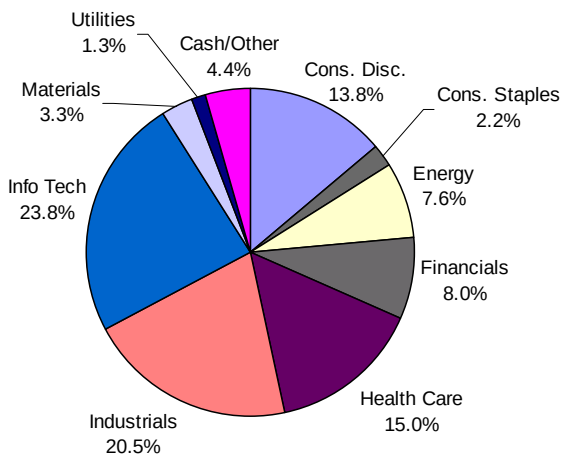
Excess Return vs RU1000GUSD in the Mercer Mutual Fund US Equity Large Cap Growth Universe
T. Rowe Price Growth Stock from Dec 2006 to Sep 2011 (after fees)



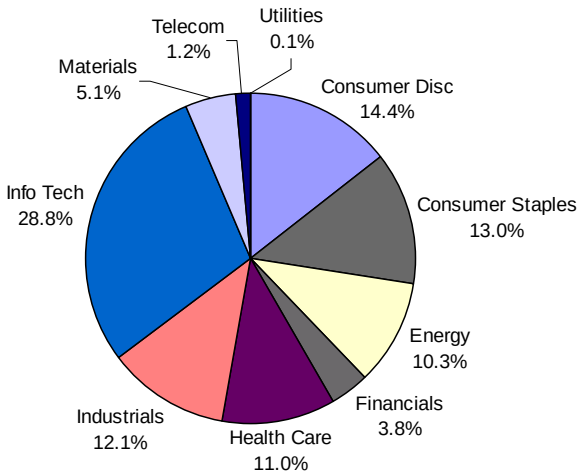
Fund Profile

Domestic Equity - T Rowe Price Growth Stock Fund - PRGFX

Fund Sector Allocation as of September 30, 2011



Russell 1000 Growth Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - American Funds Growth Fund of America R-3 - RGACX

Share Class: R-3	**Benchmark: Russell 1000 Growth**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

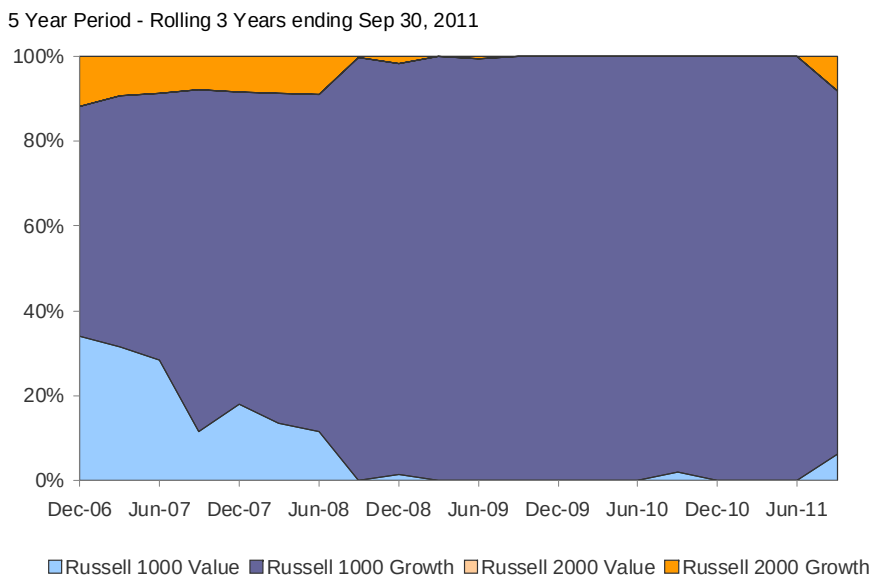
Positive Impact on Performance

- Underweight allocation to the industrials sector
- 9.0% cash allocation in a generally negative equity environment
- Top 10 holdings: Apple (+13.6% return), Amazon.com (+5.7% return) and Google (+1.7% return)

Negative Impact on Performance

- Overweight allocation to the financials sector; underweight allocation to the consumer staples and information technology sectors
- Out-of-benchmark exposure to Europe
- Top 10 holdings: Comcast (-17.1% return) and DirecTV (-16.8% return)

Style Analysis



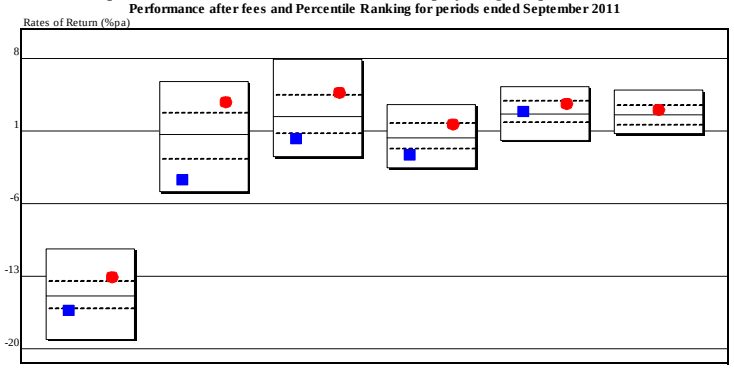
Key Facts and Figures

Portfolio Manager: James E. Drasdo; James F. Rothenberg; Gordon Crawford Portfolio Manager Average Tenure: 14.9 Years	Total Fund Assets: $122,615 Million Total Share Class Assets: $9,417 Million	Expense Ratio (Net): 0.97% Mercer Median Expense Ratio (Net): 0.89%

Fund Profile

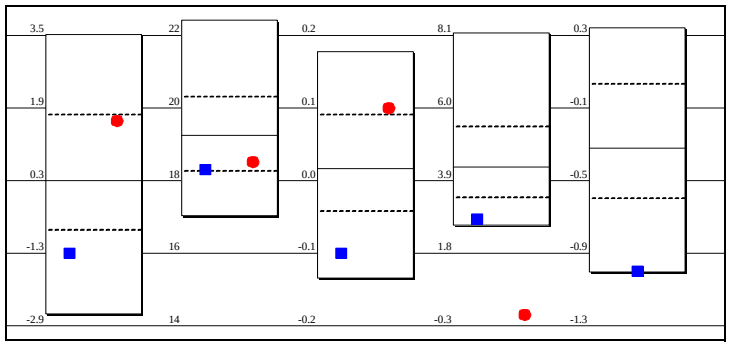
Tier II (B) - Domestic Equity - American Funds Growth Fund of America R-3 - RGACX

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Performance after fees and Percentile Ranking for periods ended September 2011



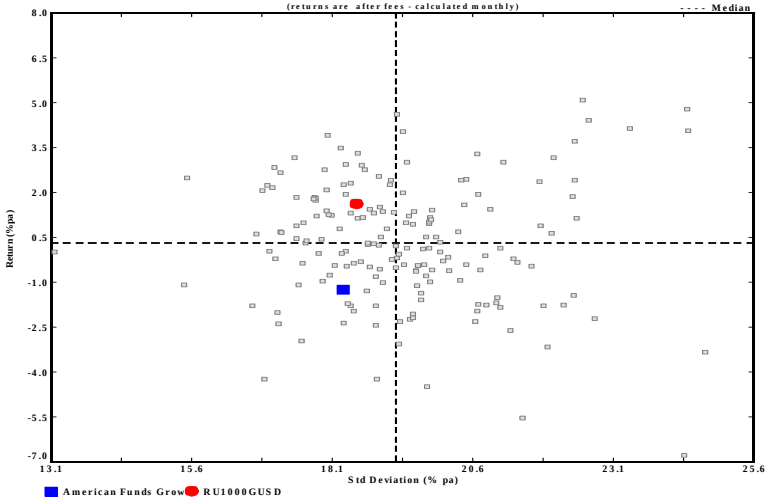
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
²und of Amer R3	-16.3 *(76)*	-3.7 *(89)*	0.3 *(79)*	-1.3 *(80)*	2.9 *(43)*	na
RU1000GUSD	-13.1	3.8	4.7	1.6	3.6	3.0
5th Percentile	-10.4	5.8	7.9	3.5	5.3	4.9
Upper Quartile	-13.5	2.7	4.4	1.7	3.8	3.5
Median	-14.9	0.6	2.4	0.3	2.6	2.6
Lower Quartile	-16.2	-1.8	0.7	-0.8	1.8	1.6
95th Percentile	-19.2	-4.9	-1.5	-2.7	0.1	0.6
Number of Funds	205	203	187	178	156	138

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Risk and Return Characteristics vs. RU1000GUSD and Percentile Ranking for the 5 years ended Sep 2011

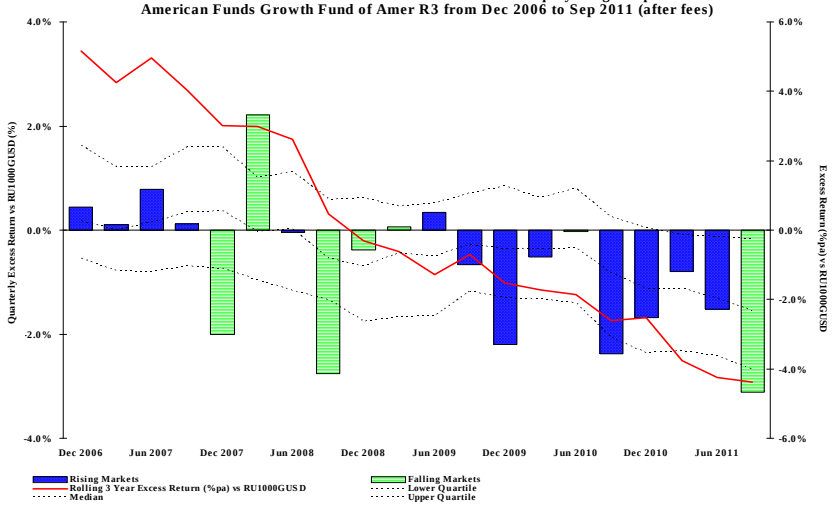


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
²und of Amer R3	-1.3 *(80)*	18.3 *(74)*	-0.1 *(80)*	2.8 *(91)*	-1.0 *(96)*
RU1000GUSD	1.6 *(26)*	18.5 *(67)*	0.1 *(25)*	0.0 *(100)*	na
5th Percentile	3.5	22.4	0.2	8.2	0.3
Upper Quartile	1.7	20.3	0.1	5.5	0.0
Median	0.3	19.2	0.0	4.3	-0.3
Lower Quartile	-0.8	18.3	0.0	3.4	-0.6
95th Percentile	-2.7	17.0	-0.1	2.6	-1.0
Number of Funds	178	178	178	178	178

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



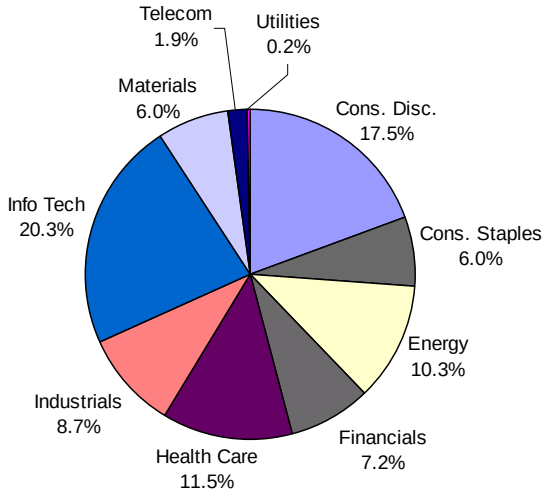
Excess Return vs RU1000GUSD in the Mercer Mutual Fund US Equity Large Cap Growth Universe
American Funds Growth Fund of Amer R3 from Dec 2006 to Sep 2011 (after fees)



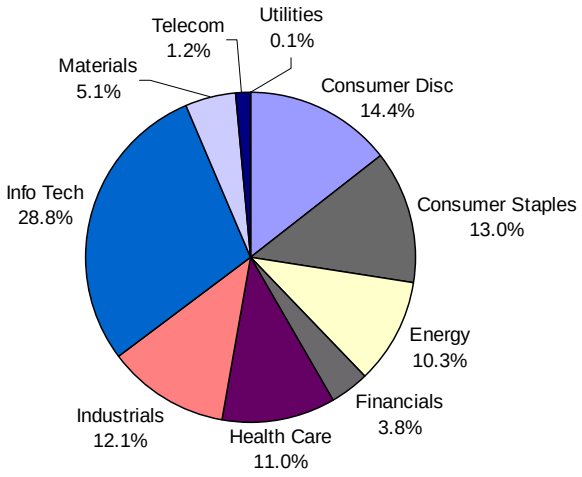
Fund Profile

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

Fund Sector Allocation as of September 30, 2011



Russell 1000 Growth Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - International Equity - Dodge & Cox International Stock Fund - DODFX

Share Class: N/A

Benchmark: MSCI EAFE NET WHT

Investment Philosophy

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.

Portfolio Analysis & Key Observations

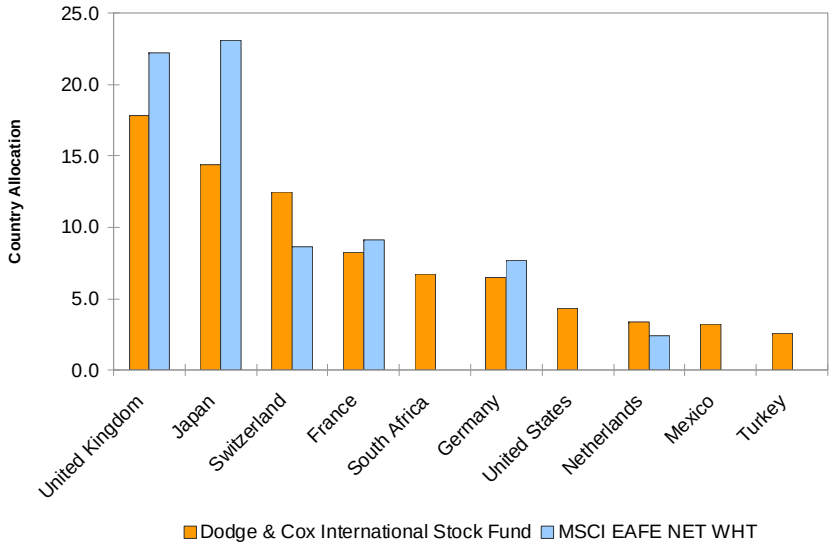
Positive Impact on Performance

- Overweight allocation to Switzerland; underweight allocation to France, Germany, Italy, and Spain
- Out-of-benchmark exposure to the United States
- Stock selection within the health care sector
- Individual contributors Unilever (-1.2% return) and Kasikornbank (-5.5% return)

Negative Impact on Performance

- Overweight allocation to the Netherlands; underweight allocation to Japan
- Stock selection within the construction materials industry
- Stock selection within Japan
- Out-of-benchmark exposure (19.8% allocation) to emerging markets
- Individual detractors Unicredit (-49.1% return), Hewlett-Packard (-38.0% return) and Ericsson (-32.9% return)

Country Analysis as of September 30, 2011



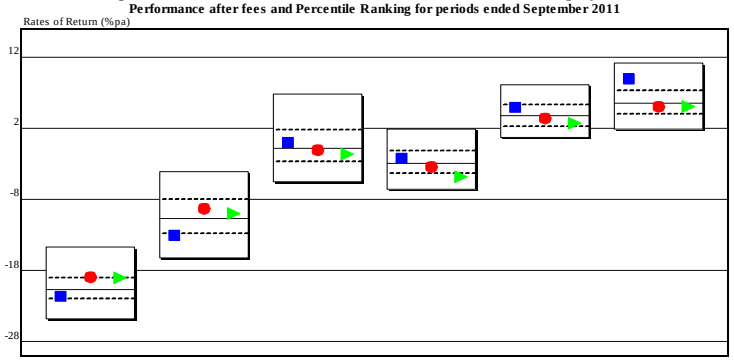
Key Facts and Figures

Portfolio Manager: Diana S. Strandberg; C. Bryan Cameron; John A. Gunn Portfolio Manager Average Tenure: 7.8 Years	Total Fund Assets: $35,769 Million Total Share Class Assets: $40,298 Million	Expense Ratio (Net): 0.65% Mercer Median Expense Ratio (Net): 1.06%

Fund Profile

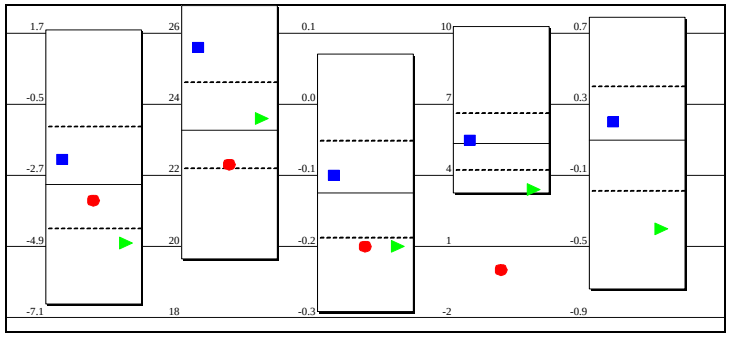
Tier II (B) - International Equity - Dodge & Cox International Stock Fund - DODFX

Comparison with the Mercer Mutual Fund World ex US/EAFE Equity Universe
Performance after fees and Percentile Ranking for periods ended September 2011



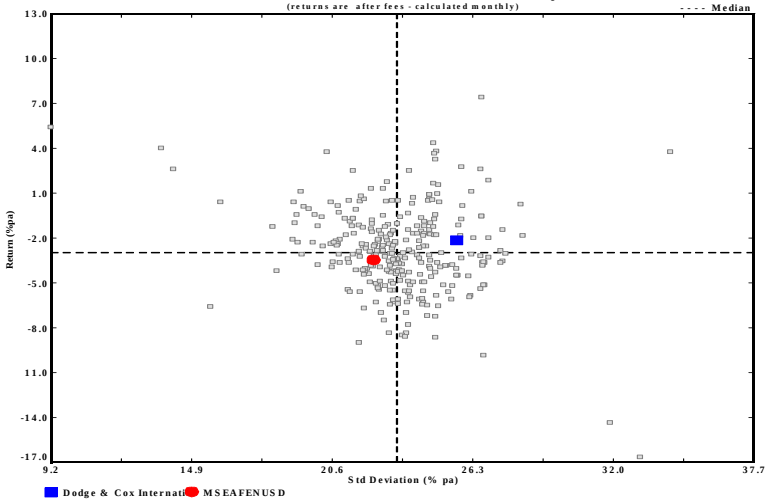
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
ernational Stock	-21.7 (70)	-13.0 (76)	0.0 (41)	-2.2 (38)	4.9 (30)	9.0 (11)
MSEAFENUSD	-19.0	-9.4	-1.1	-3.5	3.3	5.0
MSEAFEVN	-19.0	-10.0	-1.7	-4.8	2.7	5.1
5th Percentile	-14.7	-4.1	6.7	1.8	8.0	11.1
Upper Quartile	-19.2	-8.0	1.7	-1.2	5.3	7.3
Median	-20.7	-10.7	-0.8	-3.0	3.7	5.5
Lower Quartile	-22.1	-12.9	-2.7	-4.4	2.2	4.0
95th Percentile	-24.9	-16.3	-5.7	-6.7	0.5	1.8
Number of Funds	409	397	365	298	247	222

Comparison with the Mercer Mutual Fund World ex US/EAFE Equity Universe
Risk and Return Characteristics vs. MSEAFENUSD and Percentile Ranking for the 5 years ended Sep 2011

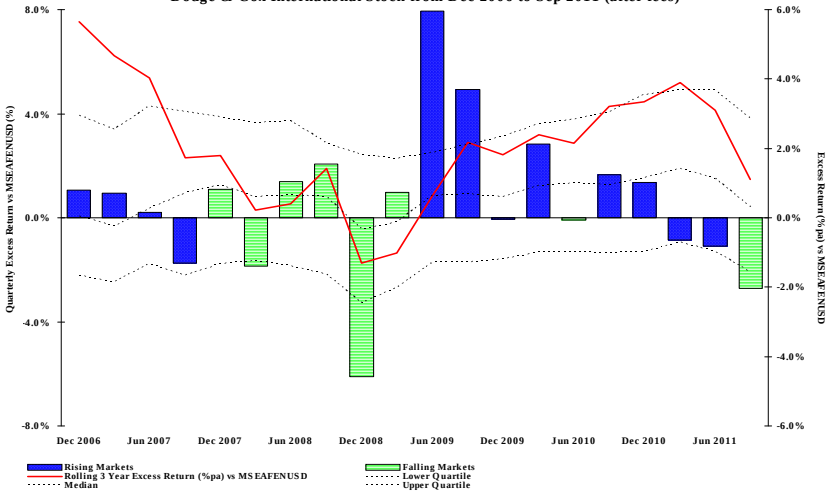


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
ernational Stock	-2.2 (38)	25.6 (14)	-0.1 (35)	5.5 (46)	0.2 (40)
MSEAFENUSD	-3.5 (58)	22.3 (73)	-0.2 (62)	0.0 (100)	na
MSEAFEVN	-4.8 (78)	23.6 (43)	-0.2 (80)	3.4 (91)	-0.4 (84)
5th Percentile	1.8	26.8	0.1	10.3	0.8
Upper Quartile	-1.2	24.6	-0.1	6.6	0.4
Median	-3.0	23.3	-0.1	5.3	0.1
Lower Quartile	-4.4	22.2	-0.2	4.2	-0.2
95th Percentile	-6.7	19.6	-0.3	3.2	-0.7
Number of Funds	298	298	298	298	298

Comparison with the Mercer Mutual Fund World ex US/EAFE Equity Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



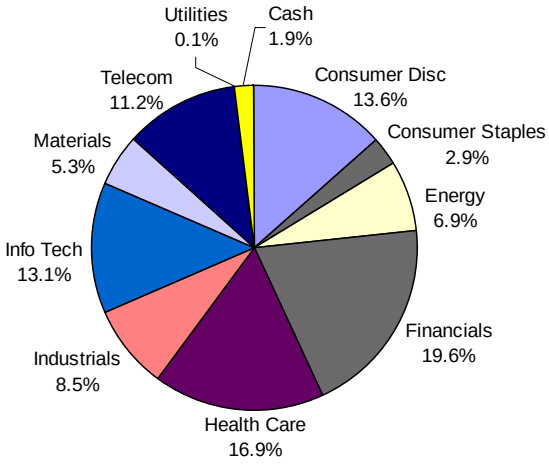
Excess Return vs MSEAFENUSD in the Mercer Mutual Fund World ex US/EAFE Equity Universe
Dodge & Cox International Stock from Dec 2006 to Sep 2011 (after fees)



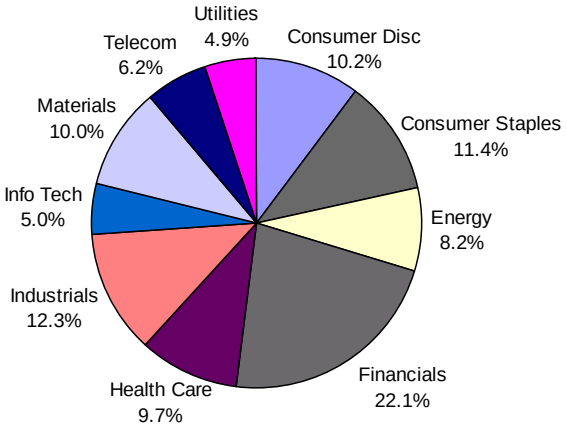
Fund Profile

International Equity - Dodge & Cox International Stock Fund - DODFX

Fund Sector Allocation as of September 30, 2011



MSCI EAFE Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - CRM Mid Cap Value Fund Institutional - CRIMX

Share Class: Institutional	**Benchmark: Russell Midcap Value**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

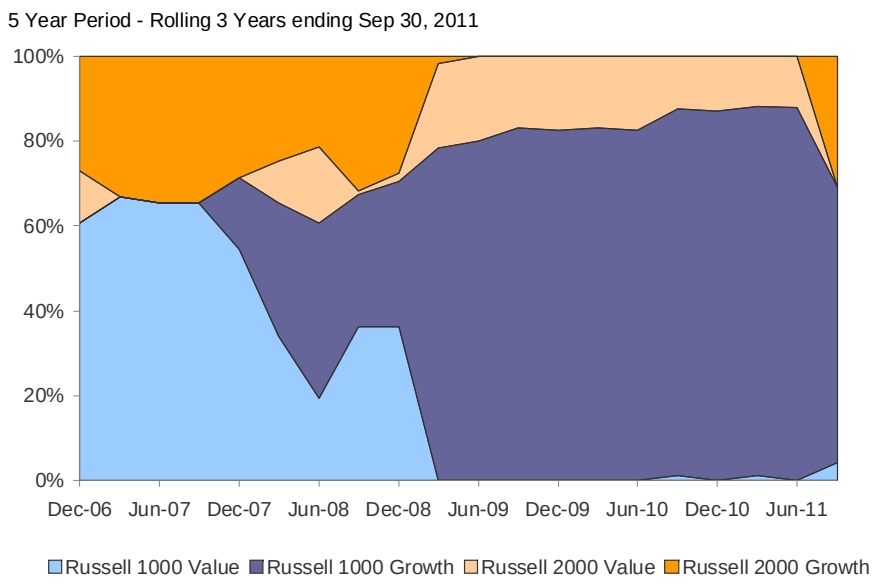
Positive Impact on Performance

- Stock selection within the materials and energy sectors
- Top contributors General Mills (+4.3% return), PPL Corporation (+3.8% return), American Water Works Company (+3.3% return) and CMS Energy Corp (+2.3% return)

Negative Impact on Performance

- Overweight allocation to the industrials sector; underweight allocation to the utilities sector
- Stock selection within the consumer discretionary, information technology and health care sectors
- Top detractors Navistar International Corporation (-43.1% return), Hospira (-34.7% return), Stanley Black & Decker (-31.4% return), Ameriprise Financial (-31.4% return) and Dover Corp (-30.8% return)

Style Analysis



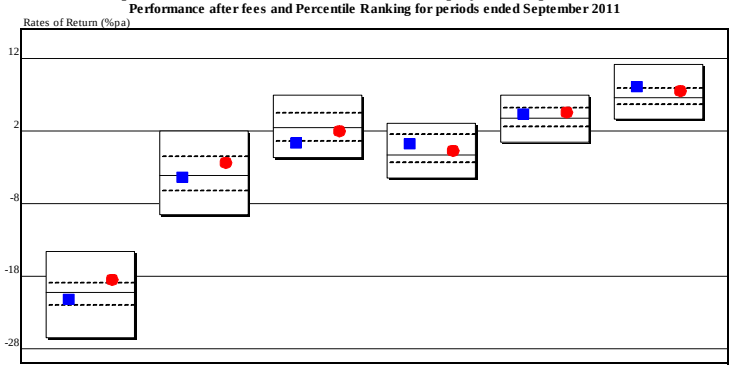
Key Facts and Figures

Portfolio Manager: Jay B. Abramson; Robert L. Rewey III Portfolio Manager Average Tenure: 10.5 Years	Total Fund Assets: $3,201 Million Total Share Class Assets: $2,060 Million	Expense Ratio (Net): 0.79% Mercer Median Expense Ratio (Net): 0.92%

Fund Profile

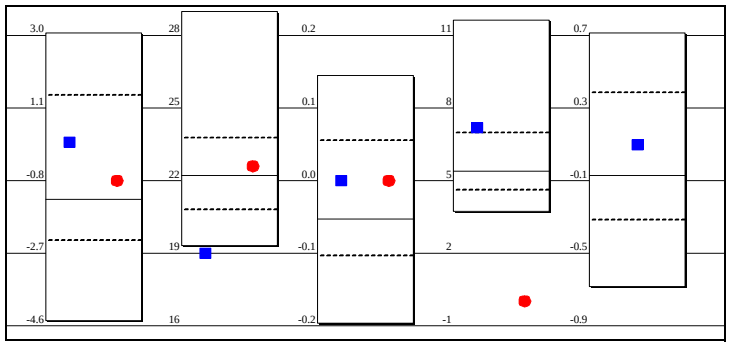
Tier II (B) - Domestic Equity - CRM Mid Cap Value Fund Institutional - CRIMX

Comparison with the Mercer Mutual Fund US Equity Mid Cap Value Universe
Performance after fees and Percentile Ranking for periods ended September 2011



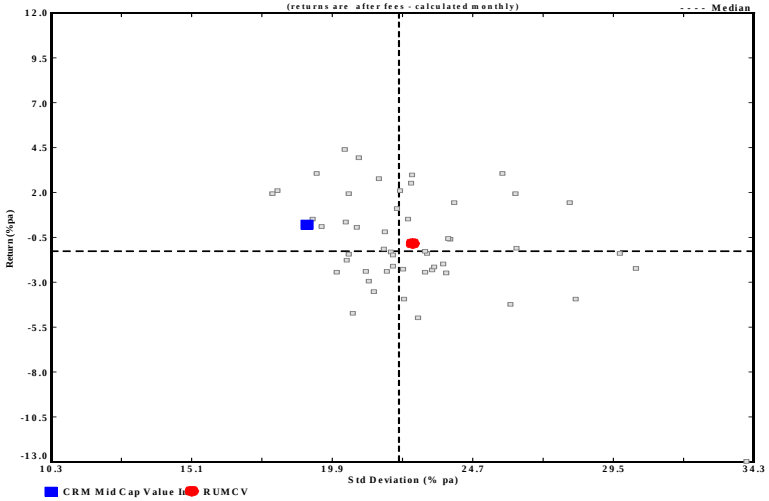
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
I Cap Value Instl	-21.2 *(62)*	-4.3 *(52)*	0.4 *(76)*	0.2 *(35)*	4.4 *(35)*	8.1 *(23)*
RUMCV	-18.5	-2.4	2.0	-0.8	4.5	7.5
5th Percentile	-14.6	1.9	6.9	3.1	6.9	11.2
Upper Quartile	-19.1	-1.5	4.4	1.4	5.1	7.8
Median	-20.3	-4.2	2.5	-1.3	3.7	6.5
Lower Quartile	-22.1	-6.4	0.5	-2.4	2.5	5.6
95th Percentile	-26.6	-9.6	-1.7	-4.5	0.4	3.5
Number of Funds	67	67	62	51	40	34

Comparison with the Mercer Mutual Fund US Equity Mid Cap Value Universe
Risk and Return Characteristics vs. RUMCV and Percentile Ranking for the 5 years ended Sep 2011

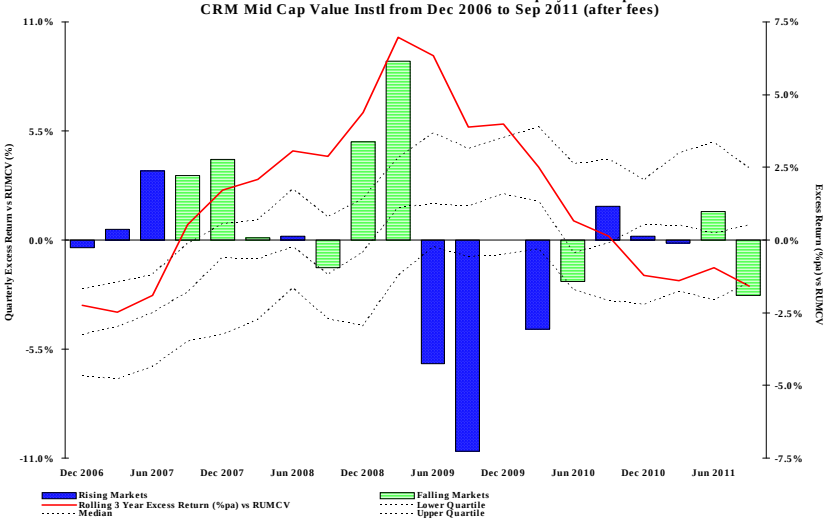


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
I Cap Value Instl	0.2 *(35)*	19.0 *(96)*	0.0 *(35)*	7.2 *(19)*	0.1 *(40)*
RUMCV	-0.8 *(45)*	22.6 *(40)*	0.0 *(45)*	0.0 *(100)*	na
5th Percentile	3.1	29.0	0.1	11.6	0.7
Upper Quartile	1.4	23.7	0.1	7.0	0.4
Median	-1.3	22.2	-0.1	5.4	-0.1
Lower Quartile	-2.4	20.8	-0.1	4.6	-0.3
95th Percentile	-4.5	19.3	-0.2	3.7	-0.7
Number of Funds	51	51	51	51	51

Comparison with the Mercer Mutual Fund US Equity Mid Cap Value Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



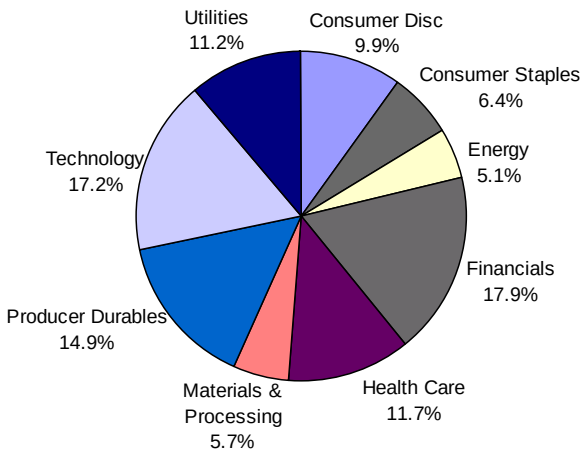
Excess Return vs RUMCV in the Mercer Mutual Fund US Equity Mid Cap Value Universe
CRM Mid Cap Value Instl from Dec 2006 to Sep 2011 (after fees)



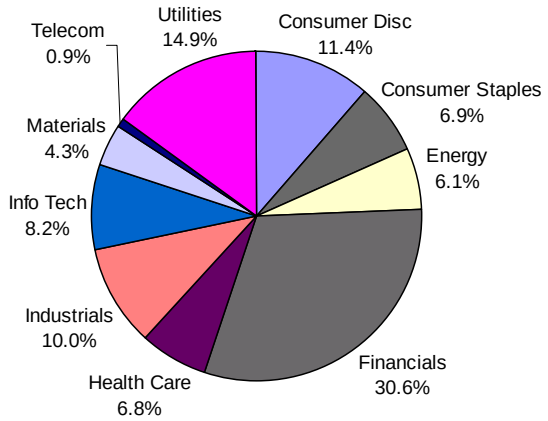
Fund Profile

Domestic Equity - CRM Mid Cap Value Fund Institutional - CRIMX

Fund Sector Allocation as of September 30, 2011



Russell Midcap Value Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - Columbia Mid Cap Value Opportunity Fund R4 - RMCVX

Share Class: R4	**Benchmark: Russell Midcap Value**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

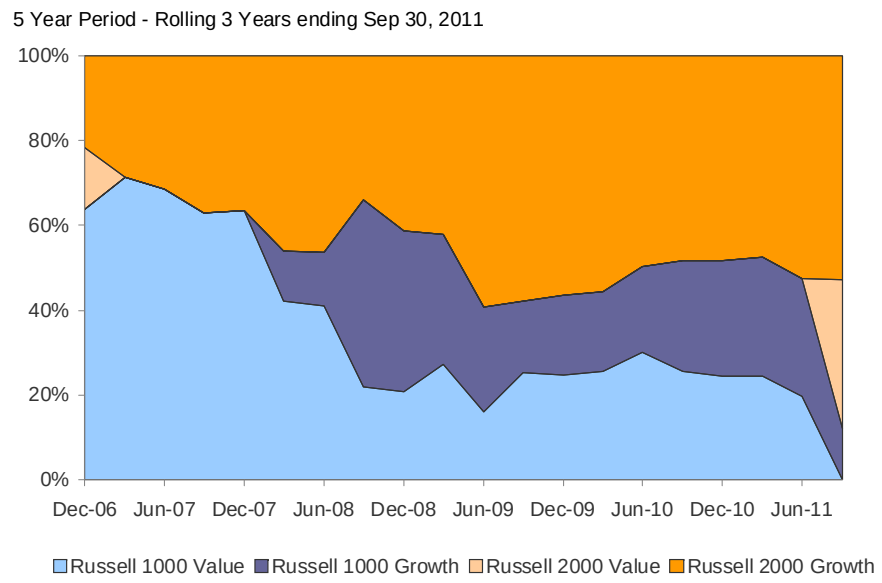
Positive Impact on Performance

- Stock selection within the telecommunications and consumer staples sectors
- Individual contributors Lorillard (+2.9% return) and CenturyLink (-16.3% return)

Negative Impact on Performance

- Overweight allocations to the materials and energy sectors; underweight allocation to the utilities sector
- Stock selection within the materials, energy, health care and consumer discretionary sectors
- Individual detractors Newfield Exploration (-41.6% return), Agilent Technologies (-38.9% return), Whiting Petroleum (-38.4% return), QEP Resources (-35.2% return), Eastman Chemical (-32.4% return) and Mylan (-31.1% return)

Style Analysis



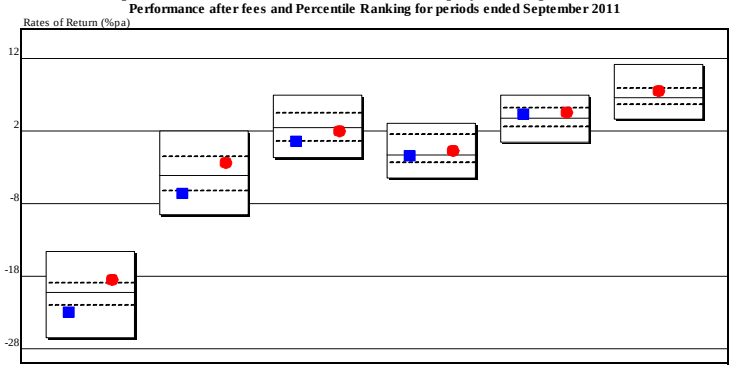
Key Facts and Figures

Portfolio Manager: Steve Schroll; Laton Spahr; Paul Stocking Portfolio Manager Average Tenure: 7.0 Years	Total Fund Assets: $1,633 Million Total Share Class Assets: $251 Million	Expense Ratio (Net): 1.05% Mercer Median Expense Ratio (Net): 0.92%

Fund Profile

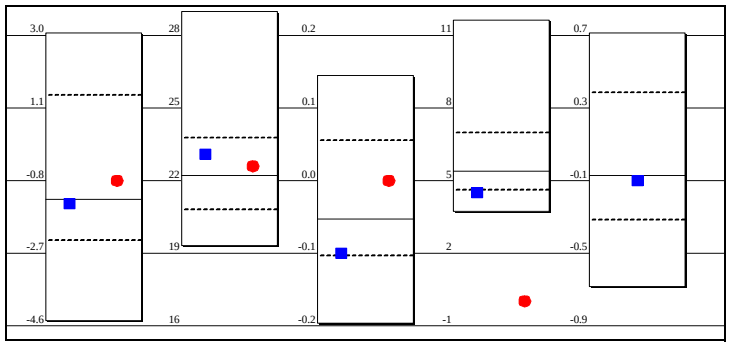
Tier II (B) - Domestic Equity - Columbia Mid Cap Value Opportunity Fund R4 - RMCVX

Comparison with the Mercer Mutual Fund US Equity Mid Cap Value Universe
Performance after fees and Percentile Ranking for periods ended September 2011



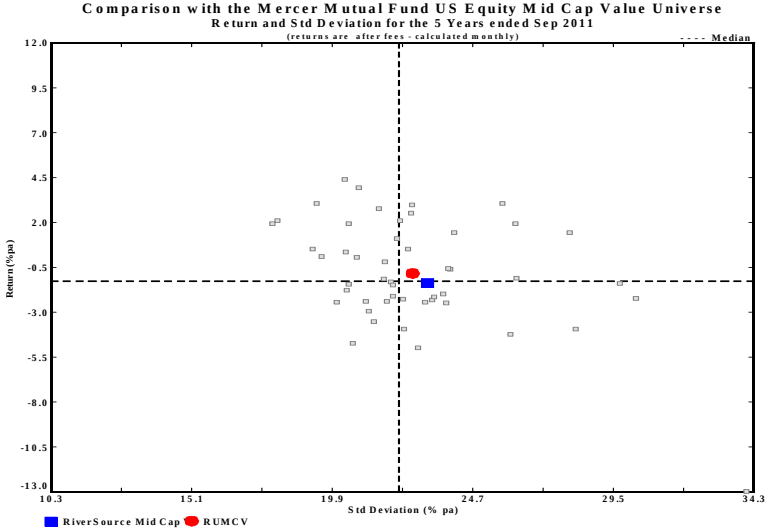
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Mid Cap Value R4	-22.9 (88)	-6.6 (79)	0.6 (74)	-1.4 (54)	4.3 (36)	na
RUMCV	-18.5	-2.4	2.0	-0.8	4.5	7.5
5th Percentile	-14.6	1.9	6.9	3.1	6.9	11.2
Upper Quartile	-19.1	-1.5	4.4	1.4	5.1	7.8
Median	-20.3	-4.2	2.5	-1.3	3.7	6.5
Lower Quartile	-22.1	-6.4	0.5	-2.4	2.5	5.6
95th Percentile	-26.6	-9.6	-1.7	-4.5	0.4	3.5
Number of Funds	67	67	62	51	40	34

Comparison with the Mercer Mutual Fund US Equity Mid Cap Value Universe
Risk and Return Characteristics vs. RUMCV and Percentile Ranking for the 5 years ended Sep 2011

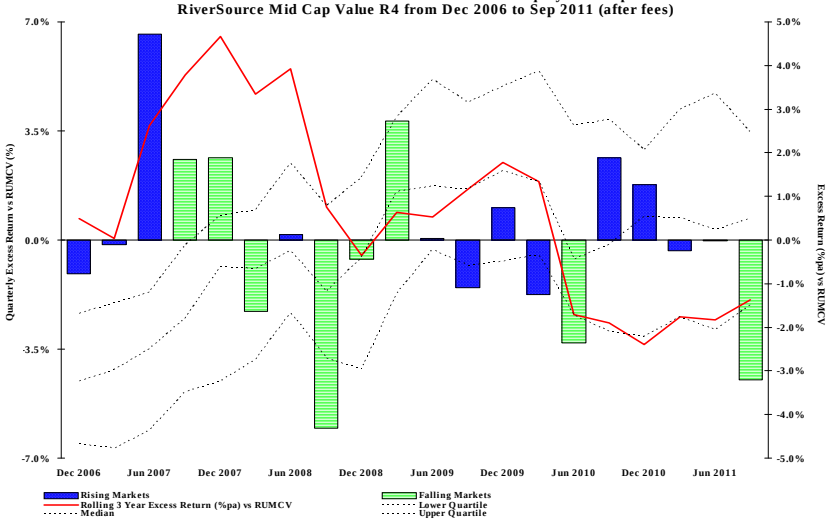


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
Mid Cap Value R4	-1.4 (54)	23.1 (32)	-0.1 (54)	4.5 (76)	-0.1 (58)
RUMCV	-0.8 (45)	22.6 (40)	0.0 (45)	0.0 (100)	na
5th Percentile	3.1	29.0	0.1	11.6	0.7
Upper Quartile	1.4	23.7	0.1	7.0	0.4
Median	-1.3	22.2	-0.1	5.4	-0.1
Lower Quartile	-2.4	20.8	-0.1	4.6	-0.3
95th Percentile	-4.5	19.3	-0.2	3.7	-0.7
Number of Funds	51	51	51	51	51

Comparison with the Mercer Mutual Fund US Equity Mid Cap Value Universe
Return and Std Deviation for the 5 Years ended Sep 2011



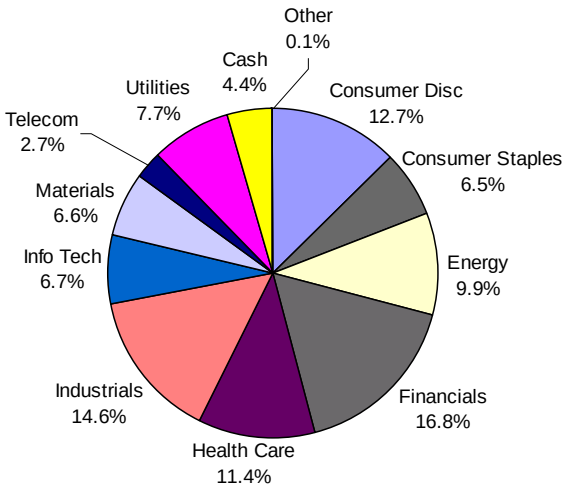
Excess Return vs RUMCV in the Mercer Mutual Fund US Equity Mid Cap Value Universe
RiverSource Mid Cap Value R4 from Dec 2006 to Sep 2011 (after fees)



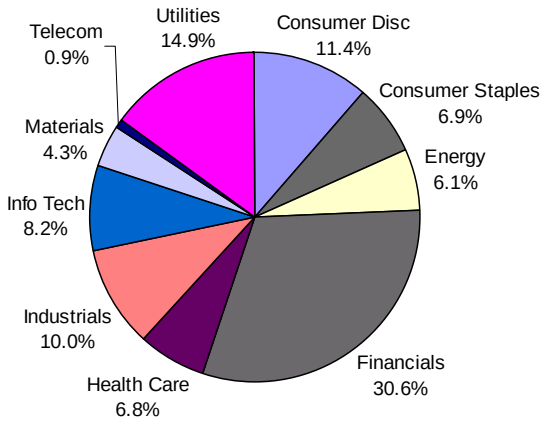
Fund Profile

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

Fund Sector Allocation as of September 30, 2011



Russell Midcap Value Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - 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

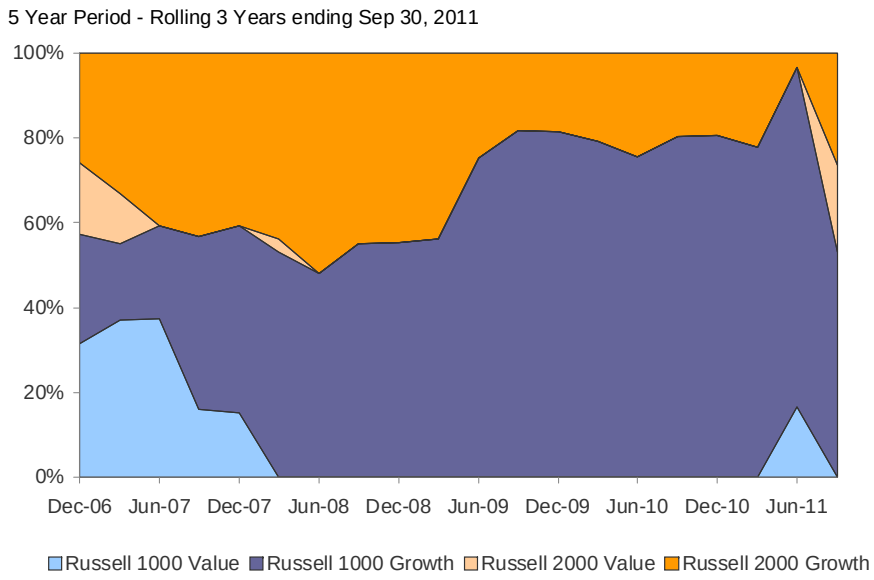
Positive Impact on Performance

- Overweight allocation to the health care sector; underweight allocations to the financials and materials sectors
- Stock selection within the telecommunications, materials and health care sectors
- Individual contributors American Tower (+2.8% return), Regeneron Pharmaceuticals (+2.6% return), Wisconsin Energy (+0.6% return), Watson Pharmaceuticals (-0.7% return) and Northeast Utilities (-3.6% return)

Negative Impact on Performance

- Overweight allocations to the industrials and information technology sectors; underweight allocations to the consumer staples, utilities, industrials and consumer staples sectors
- Stock selection within the financials, energy and consumer discretionary sectors
- Individual detractors Alpha Natural Resources (-61.1% return), Netflix (-56.9% return), Walter Energy (-48.1% return), Lennox International (-39.7% return) and PACCAR (-33.5% return)

Style Analysis



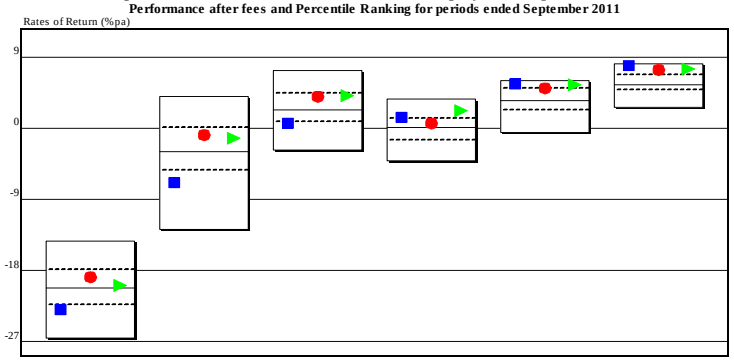
Key Facts and Figures

Portfolio Manager: Phillip H. Perelmuter Portfolio Manager Average Tenure: 11.8 Years	Total Fund Assets: $336 Million	Expense Ratio (Net): 0.69% Mercer Median Expense Ratio (Net): 0.99%

Fund Profile

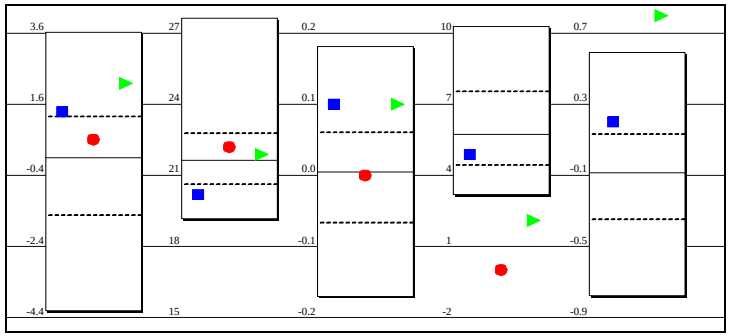
Tier II (B) - Domestic Equity - Hartford MidCap HLS IA - HIMCX

Comparison with the Mercer Mutual Fund US Equity Mid Cap Core Universe
Performance after fees and Percentile Ranking for periods ended September 2011



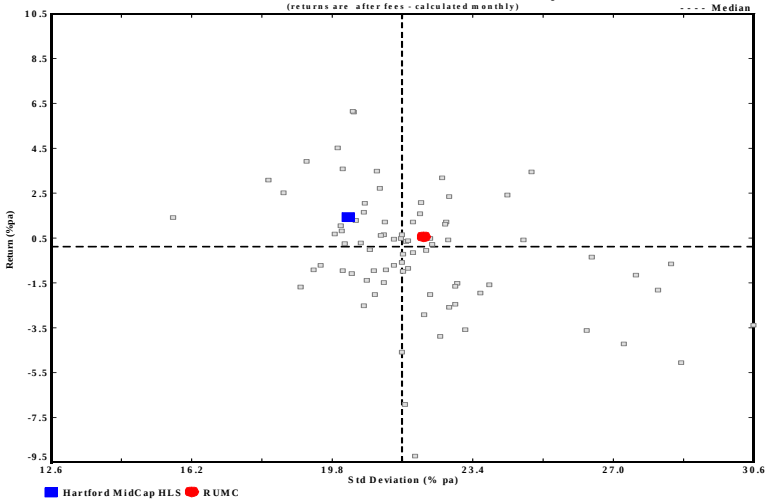
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
MidCap HLS IA	-23.0 (81)	-6.9 (83)	0.6 (78)	1.4 (22)	5.6 (9)	7.9 (6)
RUMC	-18.9	-0.9	4.0	0.6	5.0	7.4
SP400MCUSD	-19.9	-1.3	4.1	2.2	5.5	7.5
5th Percentile	-14.3	4.0	7.3	3.6	6.0	8.1
Upper Quartile	-18.0	0.0	4.3	1.2	5.0	6.7
Median	-20.2	-3.1	2.3	0.1	3.4	5.5
Lower Quartile	-22.4	-5.4	0.8	-1.5	2.3	4.8
95th Percentile	-26.7	-12.9	-2.9	-4.3	-0.7	2.5
Number of Funds	101	100	92	80	66	54

Comparison with the Mercer Mutual Fund US Equity Mid Cap Core Universe
Risk and Return Characteristics vs. RUMC and Percentile Ranking for the 5 years ended Sep 2011

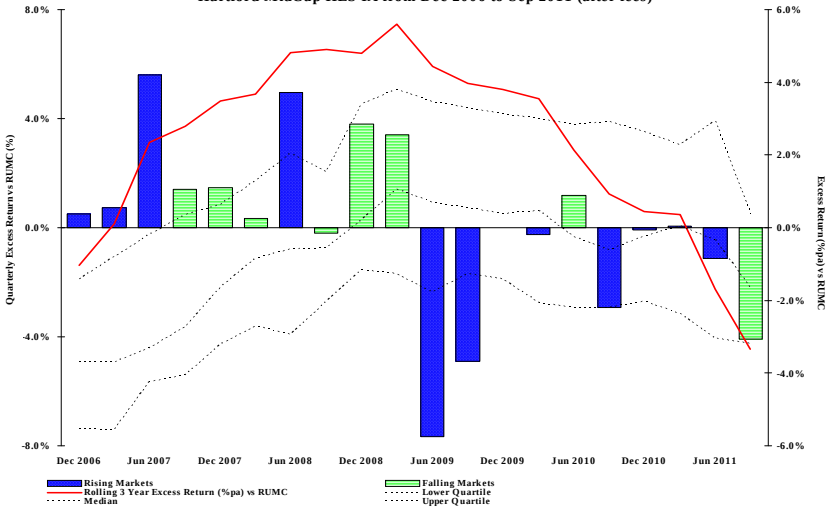


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
MidCap HLS IA	1.4 (22)	20.2 (82)	0.1 (22)	4.9 (67)	0.2 (19)
RUMC	0.6 (37)	22.2 (36)	0.0 (37)	0.0 (100)	na
SP400MCUSD	2.2 (16)	21.9 (40)	0.1 (15)	2.1 (100)	0.8 (1)
5th Percentile	3.6	27.6	0.2	10.3	0.6
Upper Quartile	1.2	22.7	0.1	7.5	0.1
Median	0.1	21.6	0.0	5.7	-0.1
Lower Quartile	-1.5	20.6	-0.1	4.4	-0.4
95th Percentile	-4.3	19.1	-0.2	3.2	-0.8
Number of Funds	80	80	80	80	80

Comparison with the Mercer Mutual Fund US Equity Mid Cap Core Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



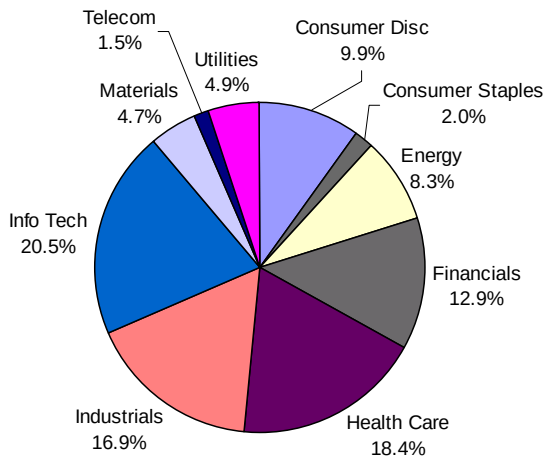
Excess Return vs RUMC in the Mercer Mutual Fund US Equity Mid Cap Core Universe
Hartford MidCap HLS IA from Dec 2006 to Sep 2011 (after fees)



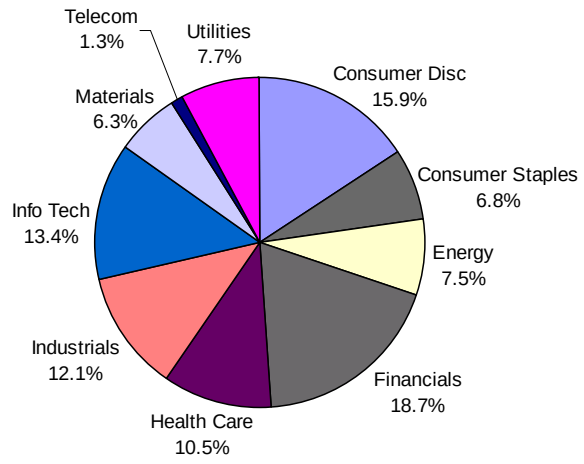
Fund Profile

Domestic Equity - Hartford MidCap HLS IA - HIMCX

Fund Sector Allocation as of September 30, 2011



Russell Midcap Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - Lazard US Mid Cap Equity Portfolio Open - LZMOX

Share Class: Open	**Benchmark: Russell Midcap**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

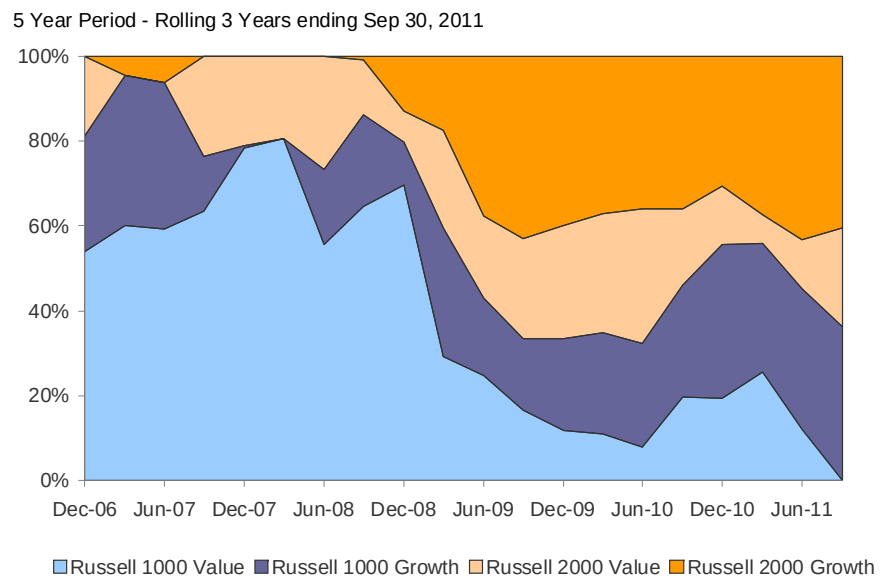
Positive Impact on Performance

- Stock selection within the information technology and industrials sectors
- Allocation to cash
- Individual contributors Motorola Mobility Holdings (+71.4% return) and Corrections Corp. of America (+4.8% return)

Negative Impact on Performance

- Underweight allocation to the utilities sector
- Stock selection within the financials and health care sectors
- Individual detractors Warner Chilcott (-40.7% return) and Ameriprise (-31.4% return)

Style Analysis



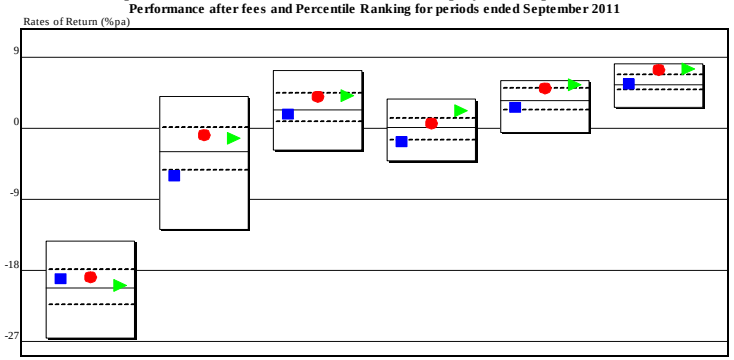
Key Facts and Figures

Portfolio Manager: Andrew D. Lacey; Christopher H. Blake; Robert A. Failla Portfolio Manager Average Tenure: 6.8 Years	Total Fund Assets: $133 Million Total Share Class Assets: $46 Million	Expense Ratio (Net): 1.17% Mercer Median Expense Ratio (Net): 0.99%

Fund Profile

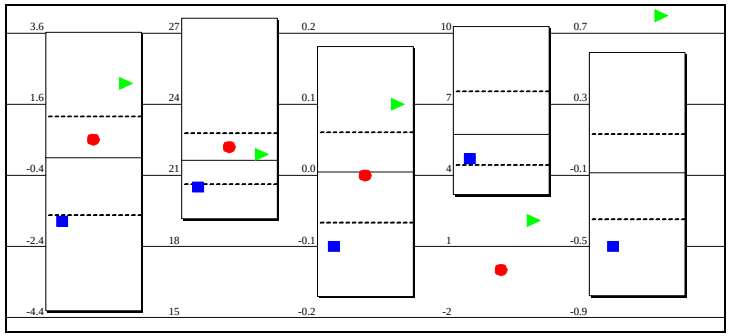
Tier II (B) - Domestic Equity - Lazard US Mid Cap Equity Portfolio Open - LZMOX

Comparison with the Mercer Mutual Fund US Equity Mid Cap Core Universe
Performance after fees and Percentile Ranking for periods ended September 2011



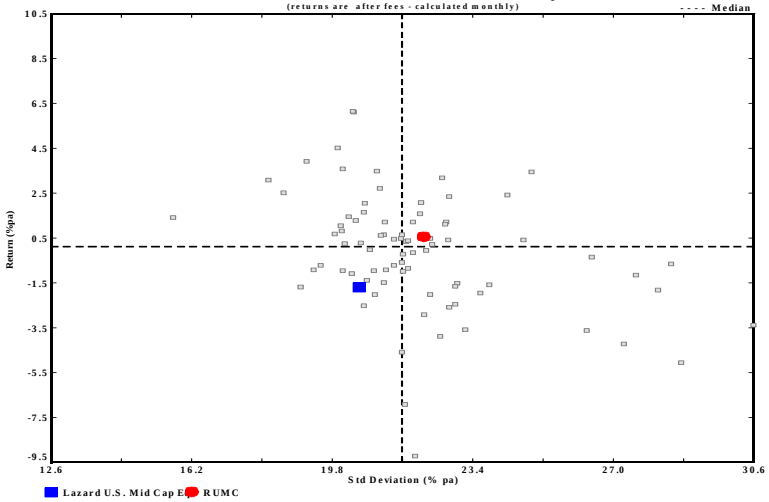
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Cap Equity Open	-19.1 (35)	-6.0 (78)	1.8 (59)	-1.7 (79)	2.7 (70)	5.6 (46)
RUMC	-18.9	-0.9	4.0	0.6	5.0	7.4
SP400MCUSD	-19.9	-1.3	4.1	2.2	5.5	7.5
5th Percentile	-14.3	4.0	7.3	3.6	6.0	8.1
Upper Quartile	-18.0	0.0	4.3	1.2	5.0	6.7
Median	-20.2	-3.1	2.3	0.1	3.4	5.5
Lower Quartile	-22.4	-5.4	0.8	-1.5	2.3	4.8
95th Percentile	-26.7	-12.9	-2.9	-4.3	-0.7	2.5
Number of Funds	101	100	92	80	66	54

Comparison with the Mercer Mutual Fund US Equity Mid Cap Core Universe
Risk and Return Characteristics vs. RUMC and Percentile Ranking for the 5 years ended Sep 2011

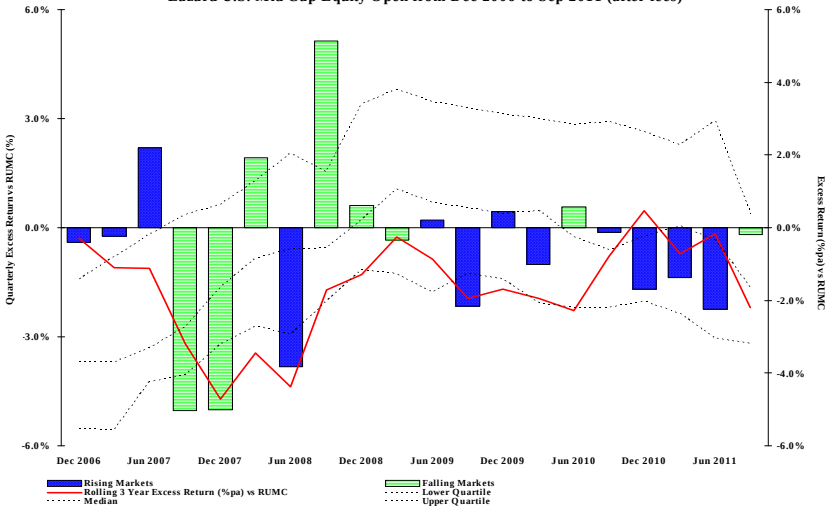


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
Cap Equity Open	-1.7 (79)	20.5 (76)	-0.1 (80)	4.7 (69)	-0.5 (83)
RUMC	0.6 (37)	22.2 (36)	0.0 (37)	0.0 (100)	na
SP400MCUSD	2.2 (16)	21.9 (40)	0.1 (15)	2.1 (100)	0.8 (1)
5th Percentile	3.6	27.6	0.2	10.3	0.6
Upper Quartile	1.2	22.7	0.1	7.5	0.1
Median	0.1	21.6	0.0	5.7	-0.1
Lower Quartile	-1.5	20.6	-0.1	4.4	-0.4
95th Percentile	-4.3	19.1	-0.2	3.2	-0.8
Number of Funds	80	80	80	80	80

Comparison with the Mercer Mutual Fund US Equity Mid Cap Core Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



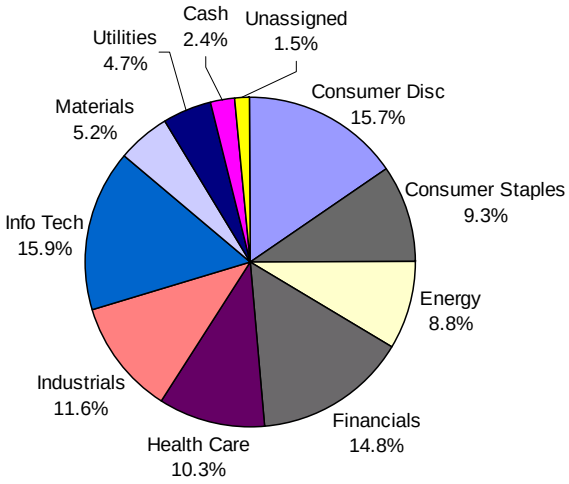
Excess Return vs RUMC in the Mercer Mutual Fund US Equity Mid Cap Core Universe
Lazard U.S. Mid Cap Equity Open from Dec 2006 to Sep 2011 (after fees)



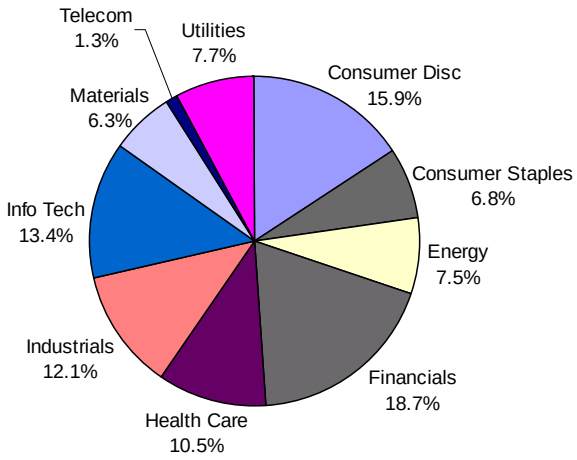
Fund Profile

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

Fund Sector Allocation as of September 30, 2011



Russell Midcap Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - Munder Mid-Cap Core Growth Fund Y - MGOYX

Share Class: Y	**Benchmark: Russell Midcap Growth**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

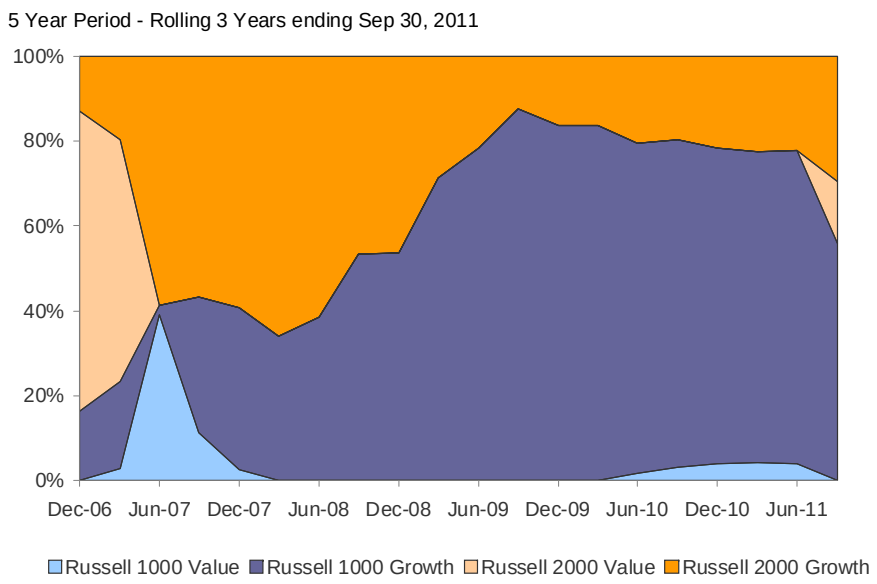
Positive Impact on Performance

- Overweight allocation to the utilities sector; underweight allocations to the industrials, materials and information technology sectors
- Top 10 holdings BioMarin Pharmaceuticals Inc. (+17.1% return), Church & Dwight Co., Inc. (+9.5% return), ITC Holdings Corp. (+8.4% return) and NiSource Inc. (+6.8% return)

Negative Impact on Performance

- Underweight allocation to the consumer discretionary sector
- Top 10 holdings Liberty Media Corp. Cap Ser A(-22.9% return), Macerich Co. (-19.5% return), Cognizant Technology Solutions Corp.(-14.5% return) and Teradata Corp. (-11.1% return)

Style Analysis



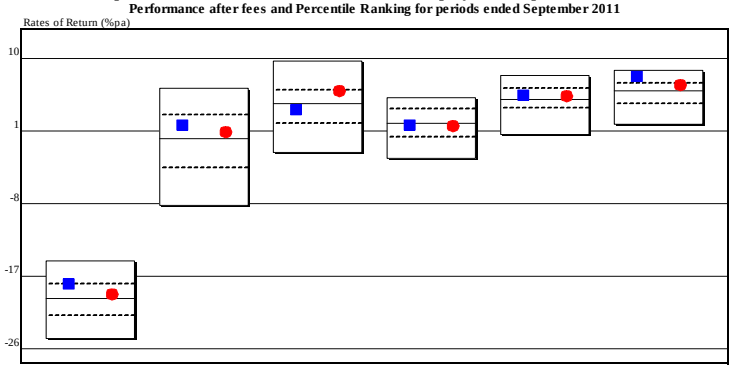
Key Facts and Figures

Portfolio Manager: Tony Y. Dong; Brian S. Matuszak; Andy Y. Mui Portfolio Manager Average Tenure: 4.9 Years	Total Fund Assets: $3,845 Million Total Share Class Assets: $2,375 Million	Expense Ratio (Net): 1.10% Mercer Median Expense Ratio (Net): 0.99%

Fund Profile

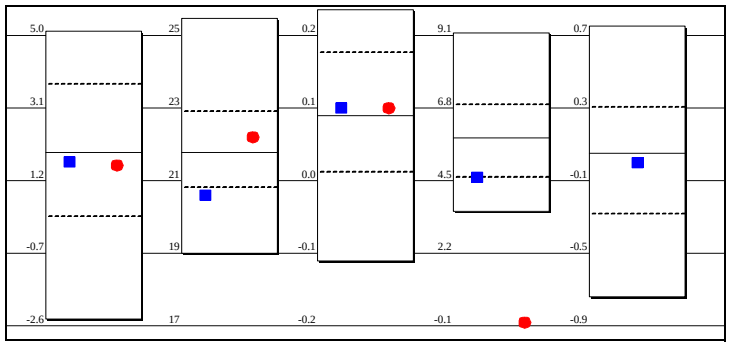
Tier II (B) - Domestic Equity - Munder Mid-Cap Core Growth Fund Y - MGOYX

Comparison with the Mercer Mutual Fund US Equity Mid Cap Growth Universe
Performance after fees and Percentile Ranking for periods ended September 2011



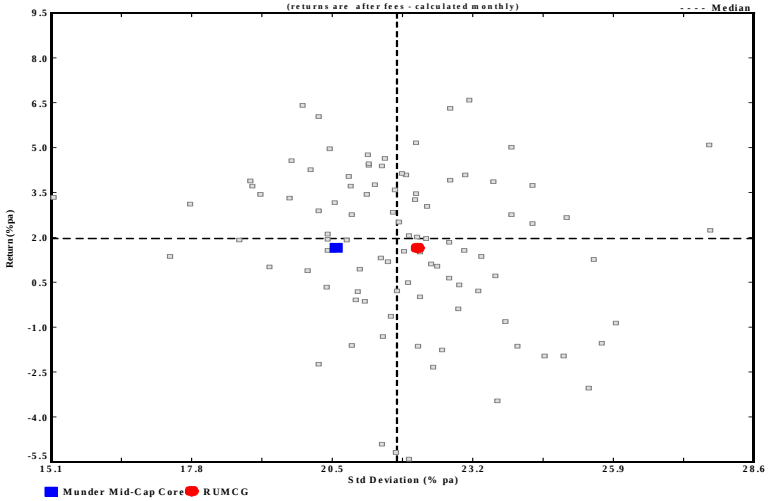
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
p Core Growth Y	-18.0 (26)	1.7 (30)	3.7 (57)	1.7 (54)	5.4 (41)	7.8 (12)
RUMCG	-19.3	0.8	5.9	1.6	5.3	6.7
5th Percentile	-15.2	6.3	9.6	5.1	7.8	8.5
Upper Quartile	-18.0	3.0	6.0	3.7	6.3	6.9
Median	-19.8	0.0	4.3	1.9	4.9	5.9
Lower Quartile	-21.9	-3.6	1.9	0.2	3.8	4.3
95th Percentile	-24.9	-8.2	-1.7	-2.4	0.5	1.8
Number of Funds	112	110	105	98	86	74

Comparison with the Mercer Mutual Fund US Equity Mid Cap Growth Universe
Risk and Return Characteristics vs. RUMCG and Percentile Ranking for the 5 years ended Sep 2011

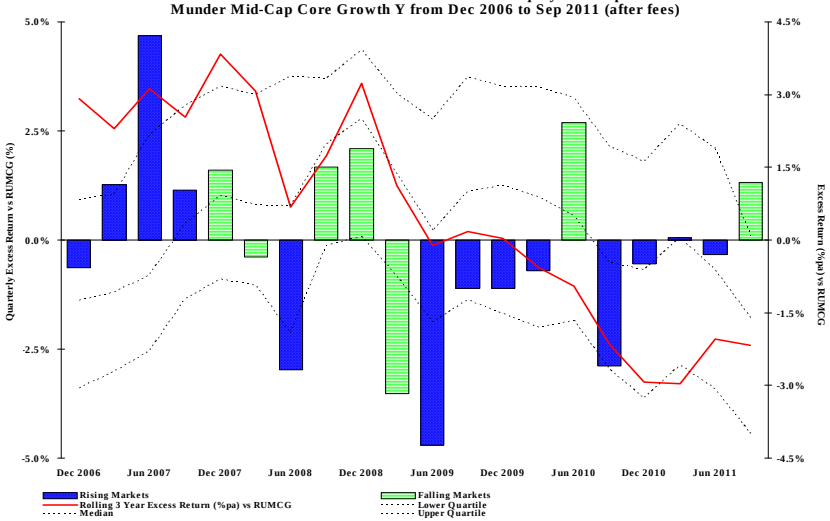


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
p Core Growth Y	1.7 (54)	20.6 (76)	0.1 (53)	4.6 (75)	0.0 (54)
RUMCG	1.6 (54)	22.2 (38)	0.1 (57)	0.0 (100)	na
5th Percentile	5.1	25.4	0.2	9.2	0.8
Upper Quartile	3.7	22.9	0.2	6.9	0.3
Median	1.9	21.8	0.1	5.8	0.0
Lower Quartile	0.2	20.8	0.0	4.6	-0.3
95th Percentile	-2.4	19.0	-0.1	3.5	-0.7
Number of Funds	98	98	98	98	98

Comparison with the Mercer Mutual Fund US Equity Mid Cap Growth Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



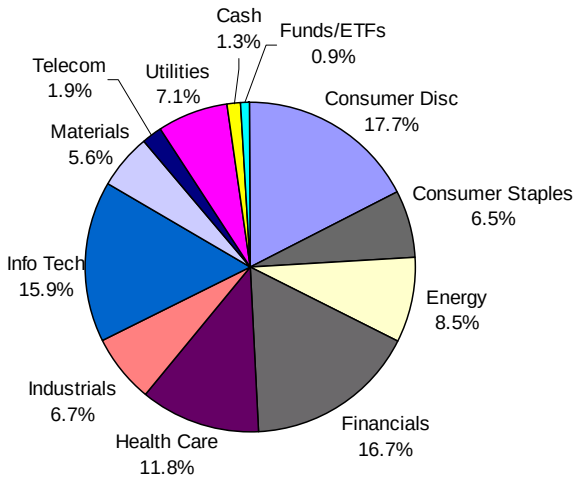
Excess Return vs RUMCG in the Mercer Mutual Fund US Equity Mid Cap Growth Universe
Munder Mid-Cap Core Growth Y from Dec 2006 to Sep 2011 (after fees)



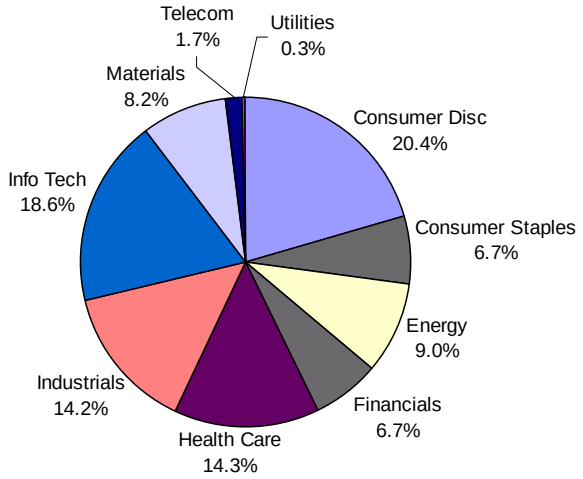
Fund Profile

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

Fund Sector Allocation as of September 30, 2011



Russell Midcap Growth Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - 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

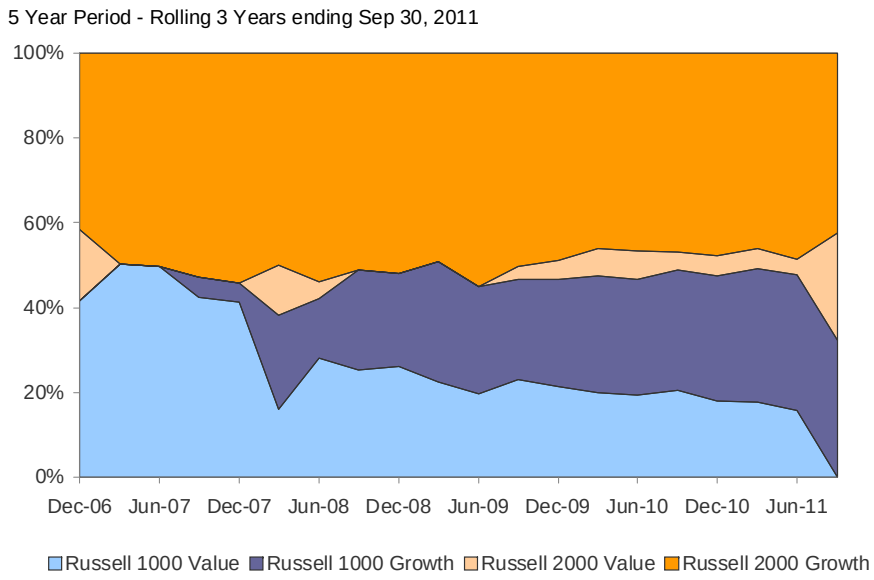
Positive Impact on Performance

- Overweight allocation to the utilities sector; underweight allocation to the materials sector
- Individual contributors Alexion Pharmaceuticals (+36.2% return), BioMarin Pharmaceuticals (+17.1% return) and Cepheid (+12.1% return)

Negative Impact on Performance

- Overweight allocation to the industrials sector; underweight allocation to the consumer staples sector
- Individual detractors Hexagon (-46.8% return), WABCO Holdings (-45.2% return), InterMune (-43.7% return), Polycom (-42.9% return) and IPG Photonics (-40.3% return)

Style Analysis



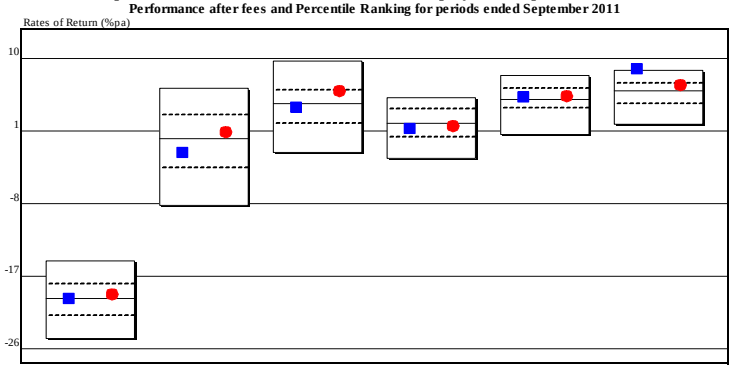
Key Facts and Figures

Portfolio Manager: Charles P. McQuaid; Robert A. Mohn; P. Zachary Egan Portfolio Manager Average Tenure: 17.7 Years	Total Fund Assets: $15,143 Million Total Share Class Assets: $3,105 Million	Expense Ratio (Net): 1.07% Mercer Median Expense Ratio (Net): 0.99%

Fund Profile

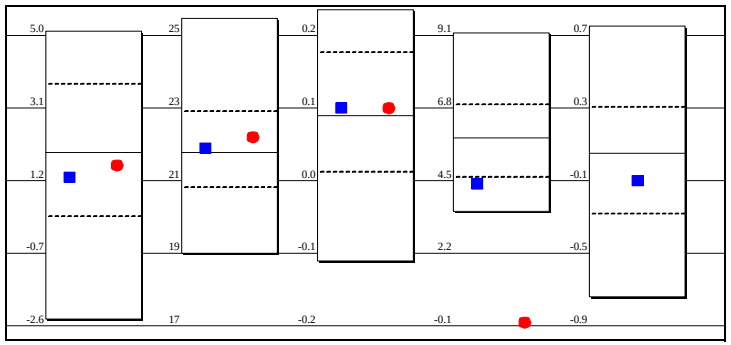
Tier II (B) - Domestic Equity - Columbia Acorn Fund A - LACAX

Comparison with the Mercer Mutual Fund US Equity Mid Cap Growth Universe
Performance after fees and Percentile Ranking for periods ended September 2011



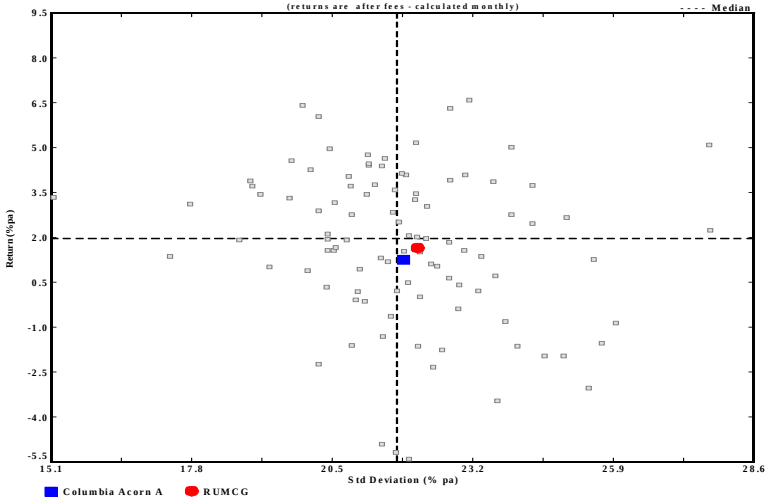
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
lumbia Acorn A	-19.7 *(48)*	-1.6 *(61)*	4.0 *(54)*	1.3 *(63)*	5.2 *(44)*	8.7 *(2)*
RUMCG	-19.3	0.8	5.9	1.6	5.3	6.7
5th Percentile	-15.2	6.3	9.6	5.1	7.8	8.5
Upper Quartile	-18.0	3.0	6.0	3.7	6.3	6.9
Median	-19.8	0.0	4.3	1.9	4.9	5.9
Lower Quartile	-21.9	-3.6	1.9	0.2	3.8	4.3
95th Percentile	-24.9	-8.2	-1.7	-2.4	0.5	1.8
Number of Funds	112	110	105	98	86	74

Comparison with the Mercer Mutual Fund US Equity Mid Cap Growth Universe
Risk and Return Characteristics vs. RUMCG and Percentile Ranking for the 5 years ended Sep 2011

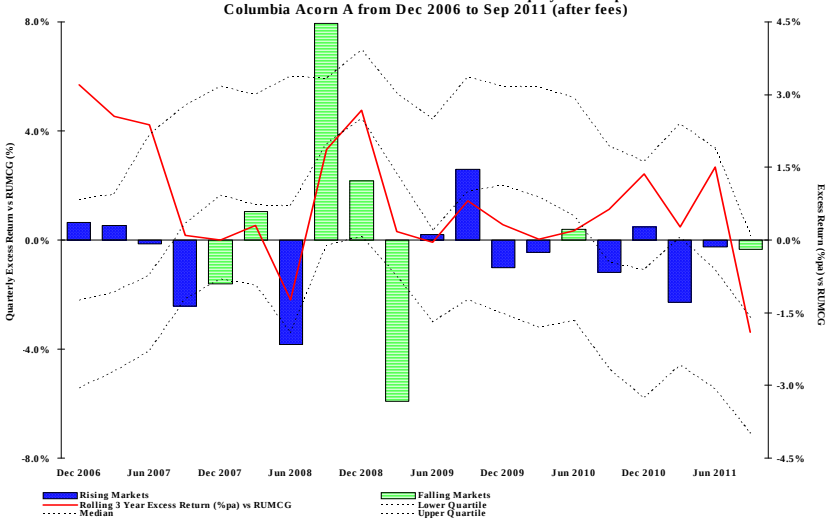


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
lumbia Acorn A	1.3 *(63)*	21.9 *(48)*	0.1 *(62)*	4.4 *(78)*	-0.1 *(64)*
RUMCG	1.6 *(54)*	22.2 *(38)*	0.1 *(57)*	0.0 *(100)*	na
5th Percentile	5.1	25.4	0.2	9.2	0.8
Upper Quartile	3.7	22.9	0.2	6.9	0.3
Median	1.9	21.8	0.1	5.8	0.0
Lower Quartile	0.2	20.8	0.0	4.6	-0.3
95th Percentile	-2.4	19.0	-0.1	3.5	-0.7
Number of Funds	98	98	98	98	98

Comparison with the Mercer Mutual Fund US Equity Mid Cap Growth Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



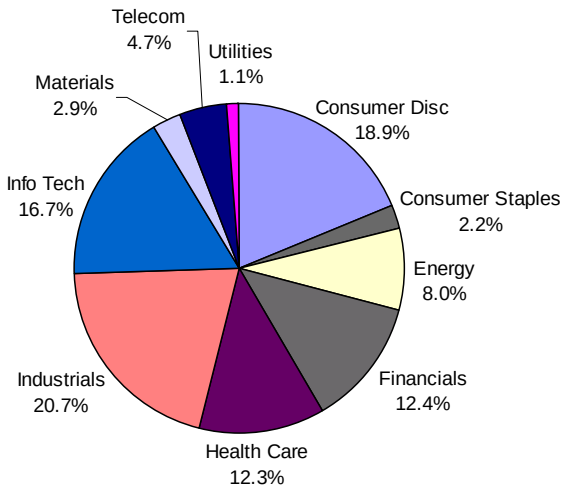
Excess Return vs RUMCG in the Mercer Mutual Fund US Equity Mid Cap Growth Universe
Columbia Acorn A from Dec 2006 to Sep 2011 (after fees)



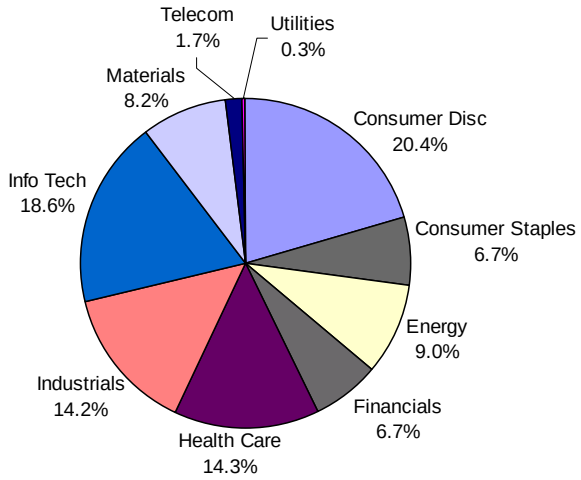
Fund Profile

Domestic Equity - Columbia Acorn Fund A - LACAX

Fund Sector Allocation as of September 30, 2011



Russell Midcap Growth Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - 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

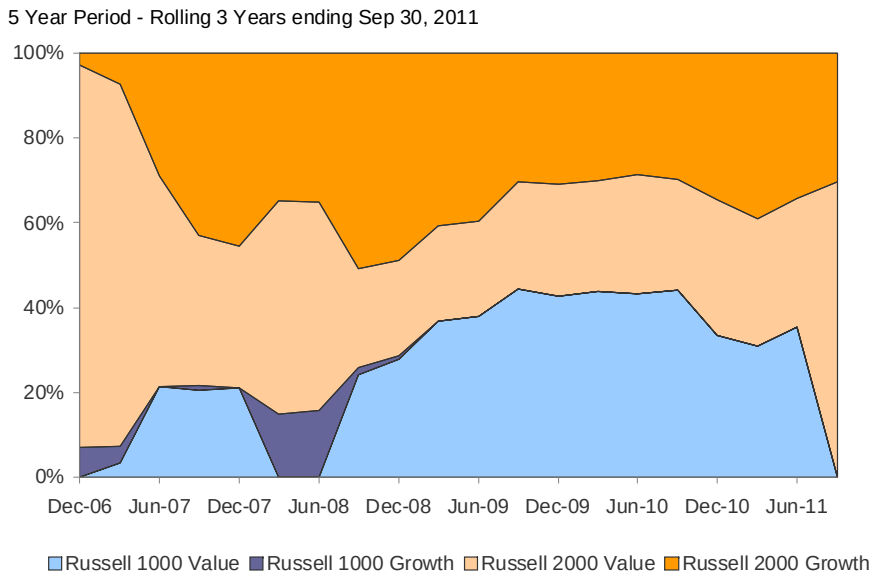
Positive Impact on Performance

- Overweight allocation to the consumer staples sector; underweight allocation to the telecommunications sector
- Stock selection within the consumer discretionary, technology and consumer staples sectors
- Individual contributors Nu Skin Enterprises (+8.3% return) and Domino's Pizza (+8.0% return)

Negative Impact on Performance

- Overweight allocations to the health care and industrials sectors; underweight allocations to the utilities and financials sectors
- Stock selection within the financials, industrials and health care sectors
- Individual detractors Titan Machinery (-37.8% return)

Style Analysis



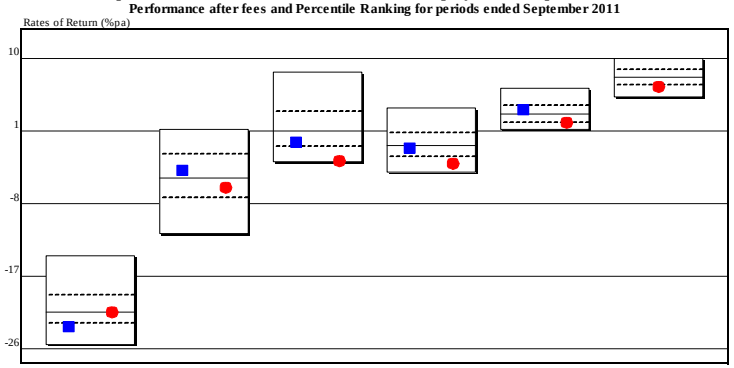
Key Facts and Figures

Portfolio Manager: Christian K. Stadlinger; Jarl Ginsberg Portfolio Manager Average Tenure: 8.5 Years	Total Fund Assets: $1,498 Million Total Share Class Assets: $985 Million	Expense Ratio (Net): 1.06% Mercer Median Expense Ratio (Net): 1.05%

Fund Profile

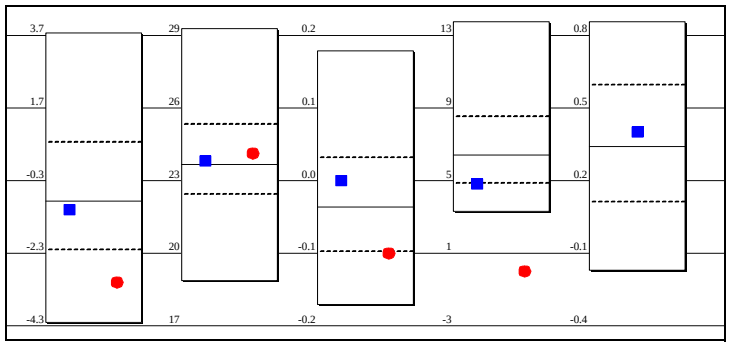
Tier II (B) - Domestic Equity - Columbia Small Cap Value Fund II Z - NSVAX

Comparison with the Mercer Mutual Fund US Equity Small Cap Value Universe
Performance after fees and Percentile Ranking for periods ended September 2011



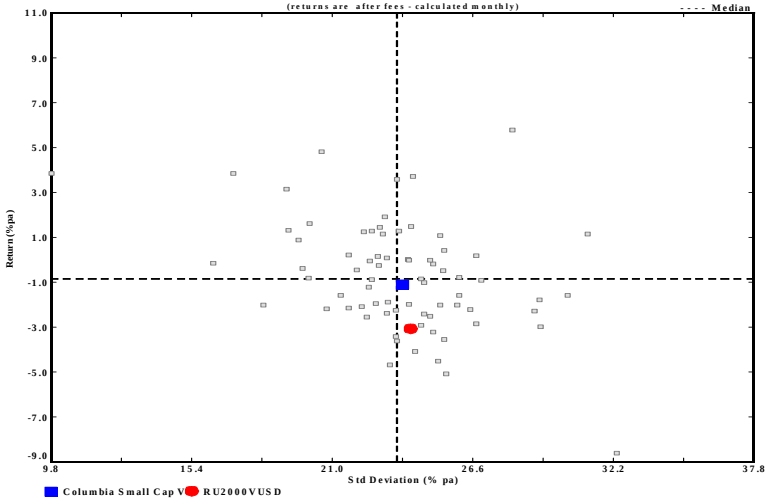
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
ıll Cap Value II Z	-23.2 *(77)*	-3.9 *(38)*	-0.4 *(65)*	-1.1 *(55)*	3.6 *(36)*	na
RU2000VUSD	-21.5	-6.0	-2.8	-3.1	2.0	6.5
5th Percentile	-14.5	1.1	8.2	3.8	6.2	9.9
Upper Quartile	-19.4	-1.9	3.4	0.7	4.1	8.6
Median	-21.5	-4.8	0.9	-0.9	3.0	7.6
Lower Quartile	-22.9	-7.3	-1.0	-2.2	2.0	6.7
95th Percentile	-25.5	-11.8	-2.9	-4.2	1.0	5.1
Number of Funds	88	83	81	74	67	49

Comparison with the Mercer Mutual Fund US Equity Small Cap Value Universe
Risk and Return Characteristics vs. RU2000VUSD and Percentile Ranking for the 5 years ended Sep 2011

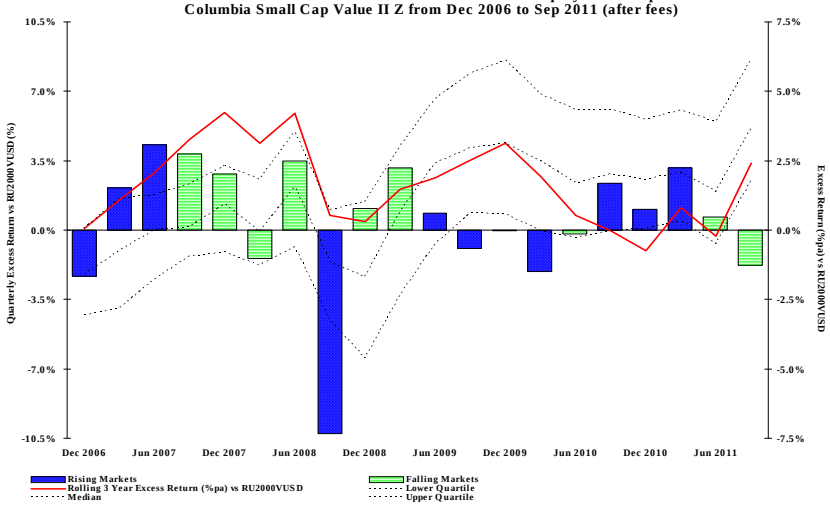


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
ıll Cap Value II Z	-1.1 *(55)*	23.8 *(48)*	0.0 *(55)*	4.8 *(75)*	0.4 *(41)*
RU2000VUSD	-3.1 *(88)*	24.1 *(42)*	-0.1 *(89)*	0.0 *(100)*	na
5th Percentile	3.8	29.3	0.2	13.7	0.9
Upper Quartile	0.7	25.3	0.0	8.5	0.6
Median	-0.9	23.6	0.0	6.4	0.3
Lower Quartile	-2.2	22.4	-0.1	4.8	0.1
95th Percentile	-4.2	18.9	-0.2	3.3	-0.2
Number of Funds	74	74	74	74	74

Comparison with the Mercer Mutual Fund US Equity Small Cap Value Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



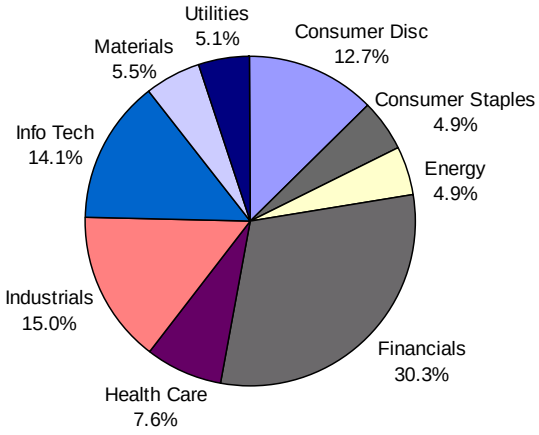
Excess Return vs RU2000VUSD in the Mercer Mutual Fund US Equity Small Cap Value Universe
Columbia Small Cap Value II Z from Dec 2006 to Sep 2011 (after fees)



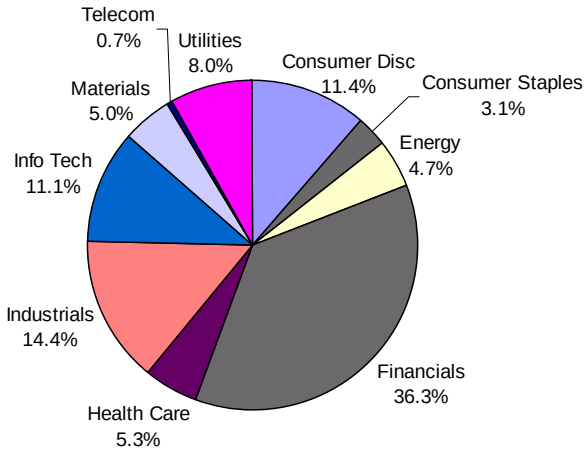
Fund Profile

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

Fund Sector Allocation as of September 30, 2011



Russell 2000 Value Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - Wells Fargo Advantage Special Small Cap Val Fd A - ESPAX

Share Class: A	**Benchmark: Russell 2000 Value**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

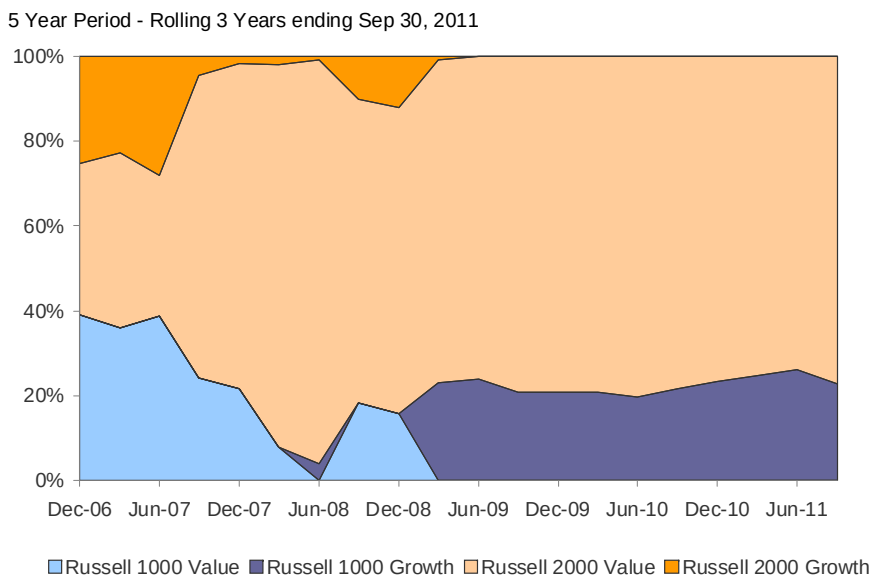
Positive Impact on Performance

- Underweight allocation to the energy sector
- Allocation to cash (5.3%)
- Top 10 holdings Blyth Inc. (+10.1% return)

Negative Impact on Performance

- Overweight allocations to the information technology, consumer discretionary and industrials sectors; underweight allocations to the utilities and financials sectors
- Top 10 holdings Kadant Inc. (-43.6% return), Quanex Building Products Corp (-32.9% return) and Neenah Paper Inc. (-32.9% return)

Style Analysis



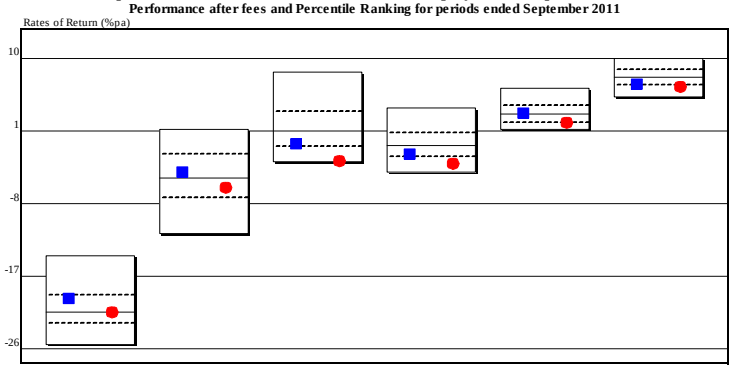
Key Facts and Figures

Portfolio Manager: James M. Tringas; Robert Rifkin Portfolio Manager Average Tenure: 5.0 Years	Total Fund Assets: $660 Million Total Share Class Assets: $343 Million	Expense Ratio (Net): 1.35% Mercer Median Expense Ratio (Net): 1.05%

Fund Profile

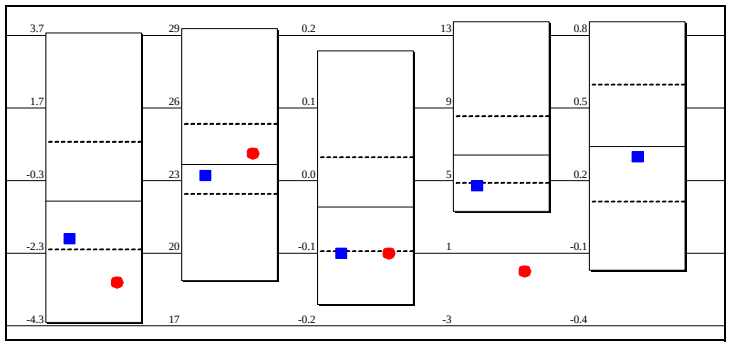
Tier II (B) - Domestic Equity - Wells Fargo Advantage Special Small Cap Val Fd A - ESPAX

Comparison with the Mercer Mutual Fund US Equity Small Cap Value Universe
Performance after fees and Percentile Ranking for periods ended September 2011



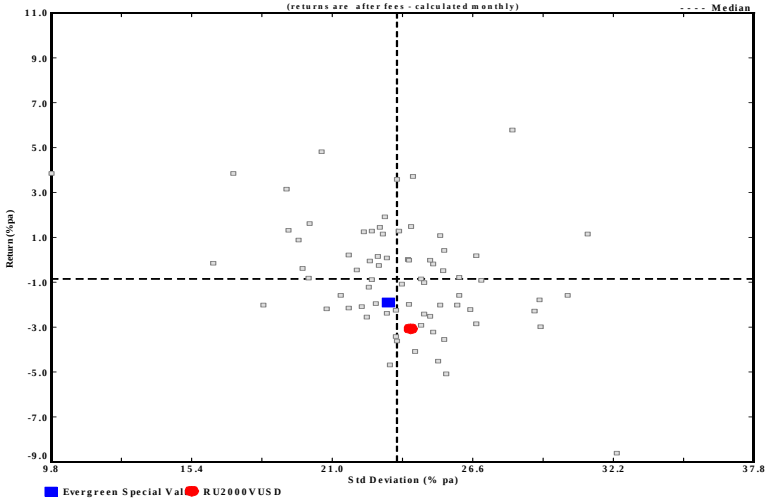
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Special Values A	-19.7 (31)	-4.1 (41)	-0.6 (69)	-1.9 (63)	3.2 (44)	6.8 (73)
RU2000VUSD	-21.5	-6.0	-2.8	-3.1	2.0	6.5
5th Percentile	-14.5	1.1	8.2	3.8	6.2	9.9
Upper Quartile	-19.4	-1.9	3.4	0.7	4.1	8.6
Median	-21.5	-4.8	0.9	-0.9	3.0	7.6
Lower Quartile	-22.9	-7.3	-1.0	-2.2	2.0	6.7
95th Percentile	-25.5	-11.8	-2.9	-4.2	1.0	5.1
Number of Funds	88	83	81	74	67	49

Comparison with the Mercer Mutual Fund US Equity Small Cap Value Universe
Risk and Return Characteristics vs. RU2000VUSD and Percentile Ranking for the 5 years ended Sep 2011

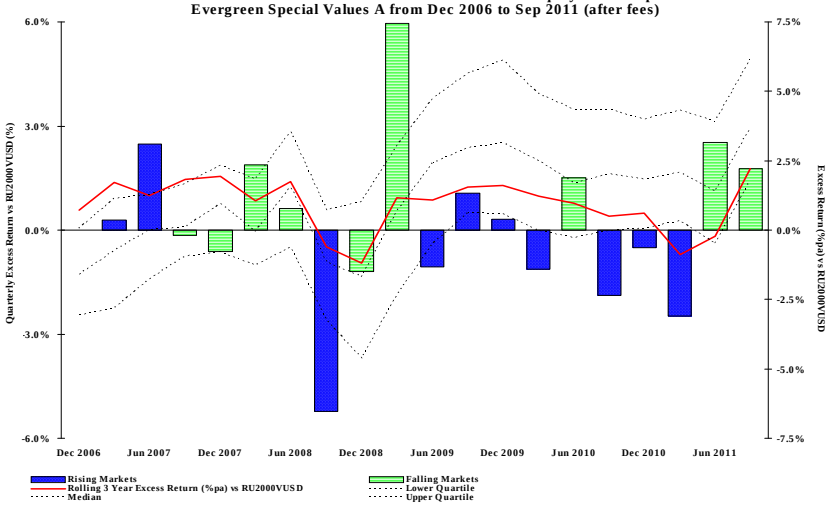


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
Special Values A	-1.9 (63)	23.2 (58)	-0.1 (67)	4.7 (77)	0.3 (59)
RU2000VUSD	-3.1 (88)	24.1 (42)	-0.1 (89)	0.0 (100)	na
5th Percentile	3.8	29.3	0.2	13.7	0.9
Upper Quartile	0.7	25.3	0.0	8.5	0.6
Median	-0.9	23.6	0.0	6.4	0.3
Lower Quartile	-2.2	22.4	-0.1	4.8	0.1
95th Percentile	-4.2	18.9	-0.2	3.3	-0.2
Number of Funds	74	74	74	74	74

Comparison with the Mercer Mutual Fund US Equity Small Cap Value Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



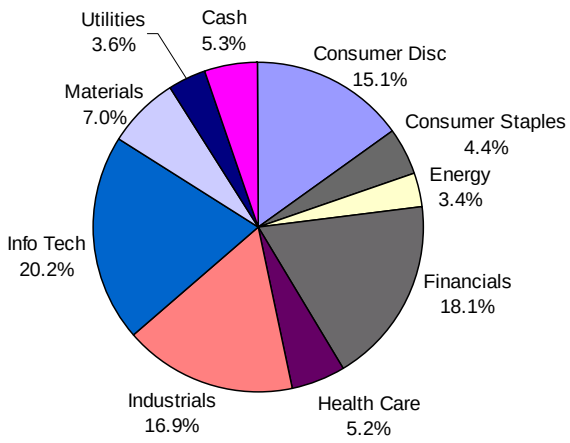
Excess Return vs RU2000VUSD in the Mercer Mutual Fund US Equity Small Cap Value Universe
Evergreen Special Values A from Dec 2006 to Sep 2011 (after fees)



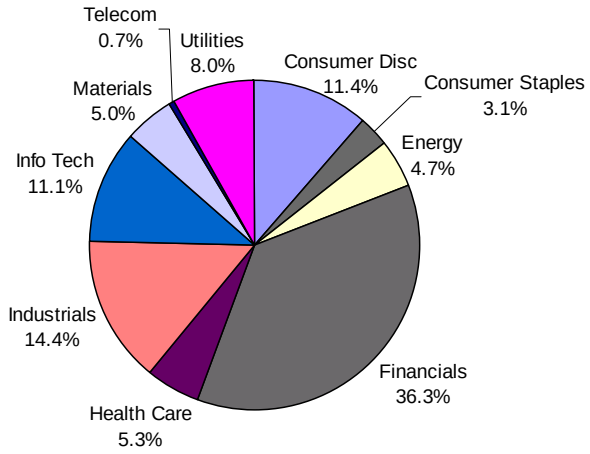
Fund Profile

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

Fund Sector Allocation as of September 30, 2011



Russell 2000 Value Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - Oppenheimer Main Street Small- & Mid-Cap Fund Y - OPMYX

Share Class: Y	**Benchmark: Russell 2000**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

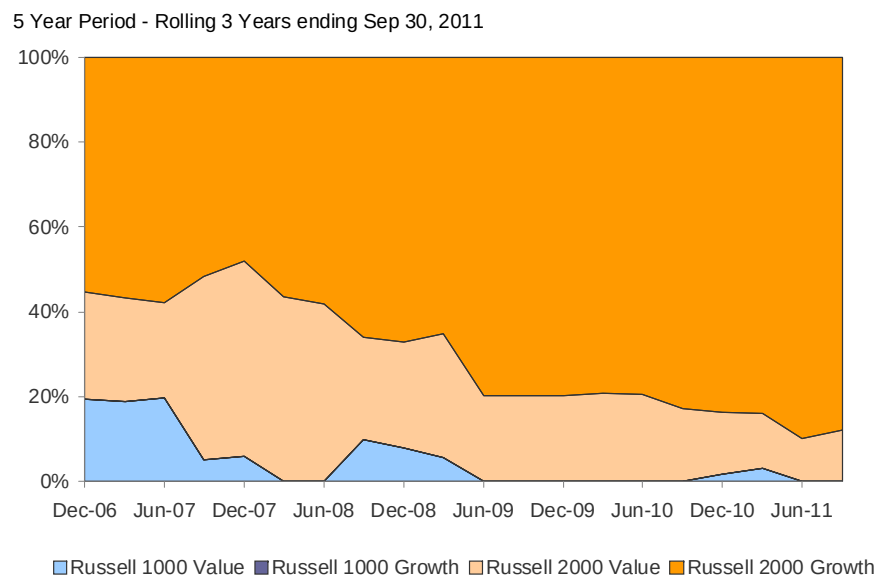
Positive Impact on Performance

- Stock selection within the consumer staples sector
- Individual contributors NetLogic Microsystems Inc. (+19.0% return), TreeHouse Foods Inc. (+13.2% return) and Questcor Pharmaceuticals Inc. (+13.1% return)

Negative Impact on Performance

- Underweight allocation to the utilities sector
- Stock selection within the materials and utilities sectors
- Individual detractors IMAX Corp. (-55.3% return), Korn/Ferry International (-44.6% return) and KBR Inc. (-37.2% return)

Style Analysis



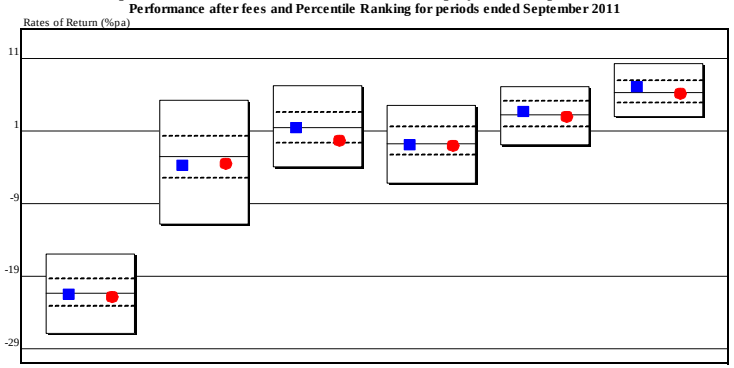
Key Facts and Figures

Portfolio Manager: Matthew P. Ziehl; Raman Vardharaj; Raymond Anello Portfolio Manager Average Tenure: 1.3 Years	Total Fund Assets: $2,819 Million Total Share Class Assets: $778 Million	Expense Ratio (Net): 0.83% Mercer Median Expense Ratio (Net): 1.04%

Fund Profile

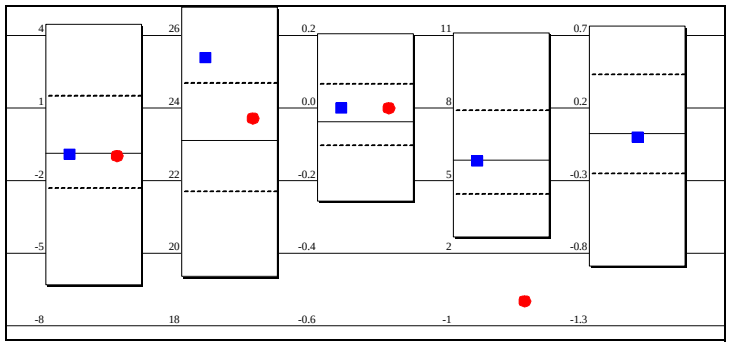
Tier II (B) - Domestic Equity - Oppenheimer Main Street Small- & Mid-Cap Fund Y - OPMYX

Comparison with the Mercer Mutual Fund US Equity Small Cap Core Universe
Performance after fees and Percentile Ranking for periods ended September 2011



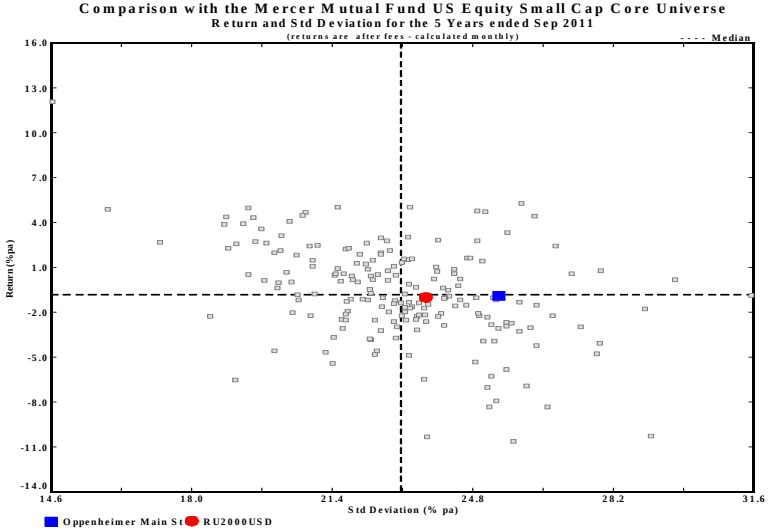
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
n St Small Cap Y	-21.5 *(52)*	-3.7 *(59)*	1.5 *(49)*	-0.9 *(51)*	3.7 *(42)*	7.1 *(40)*
RU2000USD	-21.9	-3.5	-0.4	-1.0	3.0	6.1
5th Percentile	-16.0	5.2	7.2	4.4	7.1	10.3
Upper Quartile	-19.4	0.2	3.5	1.5	5.0	7.9
Median	-21.4	-2.5	1.4	-0.9	3.2	6.2
Lower Quartile	-23.1	-5.6	-0.7	-2.4	1.6	4.8
95th Percentile	-27.0	-11.9	-4.0	-6.3	-1.0	2.9
Number of Funds	228	227	213	193	160	136

Comparison with the Mercer Mutual Fund US Equity Small Cap Core Universe
Risk and Return Characteristics vs. RU2000USD and Percentile Ranking for the 5 years ended Sep 2011

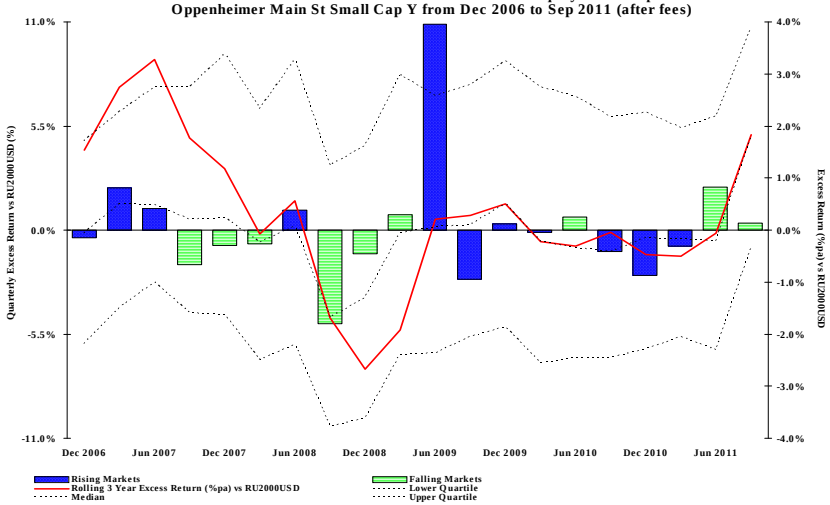


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
n St Small Cap Y	-0.9 *(51)*	25.4 *(14)*	0.0 *(49)*	5.8 *(52)*	0.0 *(50)*
RU2000USD	-1.0 *(52)*	23.7 *(37)*	0.0 *(53)*	0.0 *(100)*	na
5th Percentile	4.4	26.8	0.2	11.1	0.8
Upper Quartile	1.5	24.7	0.1	7.9	0.4
Median	-0.9	23.1	0.0	5.8	0.0
Lower Quartile	-2.4	21.7	-0.1	4.4	-0.3
95th Percentile	-6.3	19.3	-0.3	2.6	-0.9
Number of Funds	193	193	193	193	193

Comparison with the Mercer Mutual Fund US Equity Small Cap Core Universe
Return and Std Deviation for the 5 Years ended Sep 2011



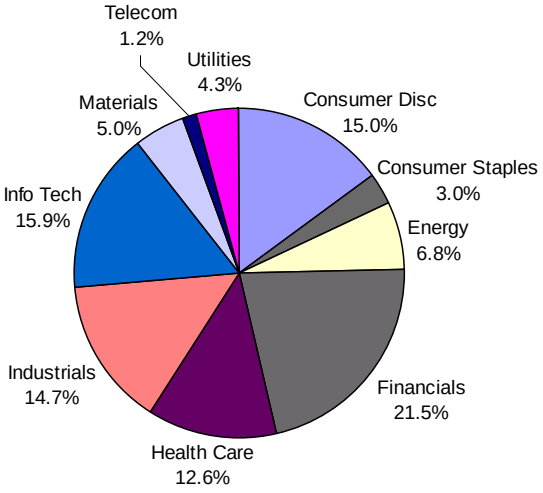
Excess Return vs RU2000USD in the Mercer Mutual Fund US Equity Small Cap Core Universe
Oppenheimer Main St Small Cap Y from Dec 2006 to Sep 2011 (after fees)



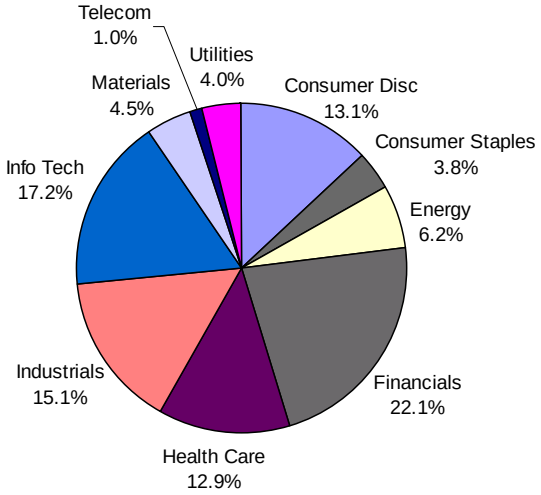
Fund Profile

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

Fund Sector Allocation as of September 30, 2011



Russell 2000 Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - KEELEY Small Cap Value Fund A - KSCVX

Share Class: A **Benchmark: Russell 2000**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

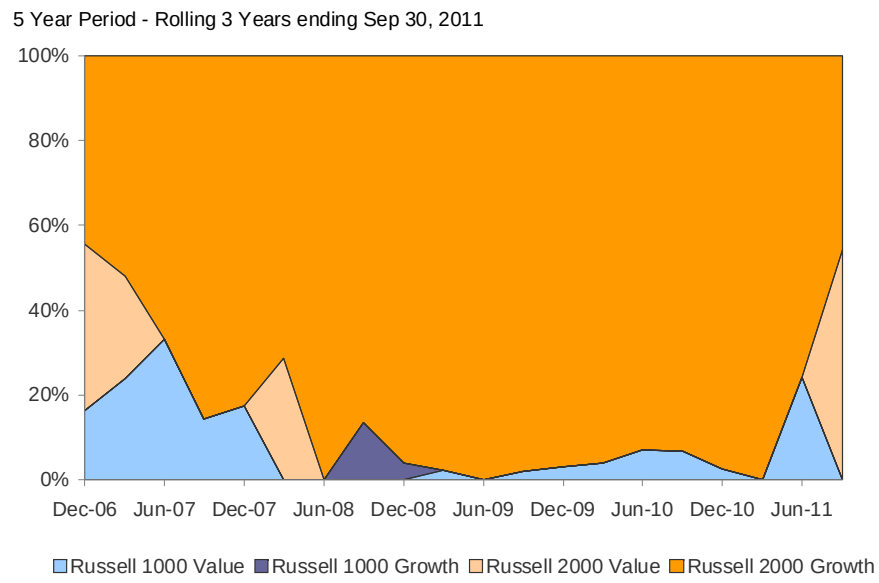
Positive Impact on Performance

- Overweight allocation to the consumer staples sector; underweight allocation to the information technology sector
- Top contributors Petrohawk Energy Corp (+55.0% return)*, Arch Chemicals Inc. (+36.2% return), TreeHouse Foods Inc. (+13.2% return), Deltic Timber Corp (+11.3% return) and Perrigo Co. (+10.6% return)

Negative Impact on Performance

- Overweight allocations to the industrials, energy and materials sectors; underweight allocations to the health care, utilities and financials sectors
- Top detractors Terex Corp (-63.9% return), Carrizo Oil & Gas Inc. (-48.4% return), Universal Stainless & Alloy Products Inc. (-45.6% return), Titan International Inc. (-38.1% return) and Robbins & Myers Inc. (-34.3% return)

Style Analysis



Key Facts and Figures

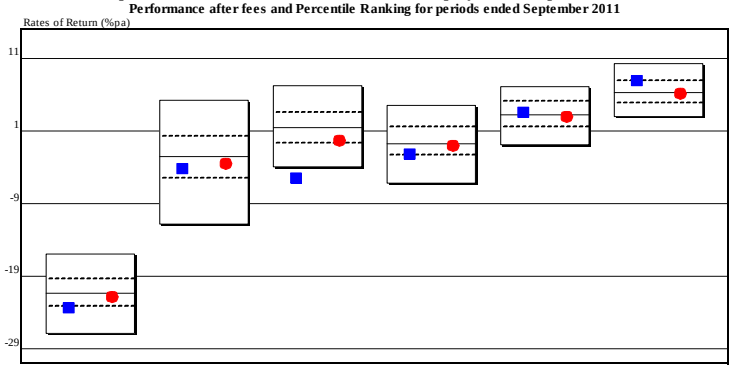
Portfolio Manager: John L. Keeley, Jr.	Total Fund Assets: $2,777 Million	Expense Ratio (Net): 1.36%
Portfolio Manager Average Tenure: 18.0 Years	Total Share Class Assets: $2,059 Million	Mercer Median Expense Ratio (Net): 1.04%

* Return is provided by KEELEY; Petrohawk Energy Corp was acquired in August 2011 by BHP Billiton, which returned -28.6% for the quarter

Fund Profile

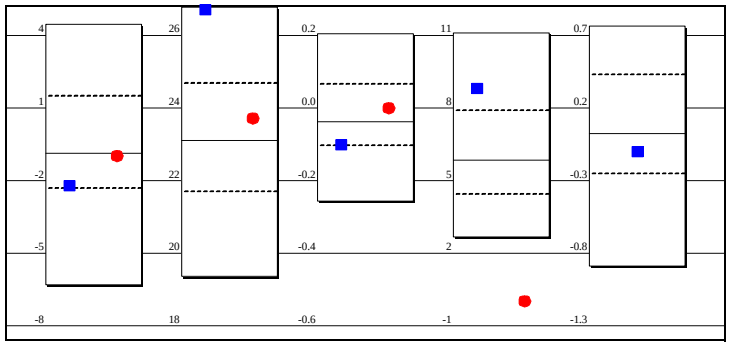
Tier II (B) - Domestic Equity - KEELEY Small Cap Value Fund A - KSCVX

Comparison with the Mercer Mutual Fund US Equity Small Cap Core Universe
Performance after fees and Percentile Ranking for periods ended September 2011



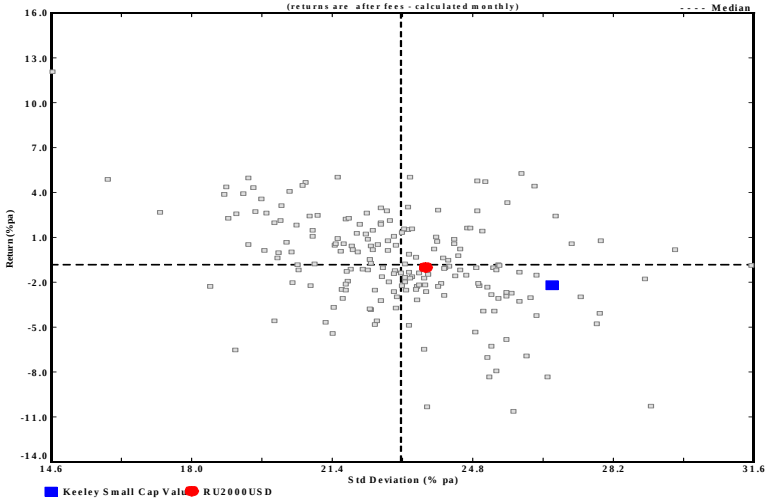
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
nall Cap Value A	-23.4 *(78)*	-4.2 *(65)*	-5.5 *(97)*	-2.2 *(72)*	3.6 *(43)*	8.0 *(22)*
RU2000USD	-21.9	-3.5	-0.4	-1.0	3.0	6.1
5th Percentile	-16.0	5.2	7.2	4.4	7.1	10.3
Upper Quartile	-19.4	0.2	3.5	1.5	5.0	7.9
Median	-21.4	-2.5	1.4	-0.9	3.2	6.2
Lower Quartile	-23.1	-5.6	-0.7	-2.4	1.6	4.8
95th Percentile	-27.0	-11.9	-4.0	-6.3	-1.0	2.9
Number of Funds	228	227	213	193	160	136

Comparison with the Mercer Mutual Fund US Equity Small Cap Core Universe
Risk and Return Characteristics vs. RU2000USD and Percentile Ranking for the 5 years ended Sep 2011

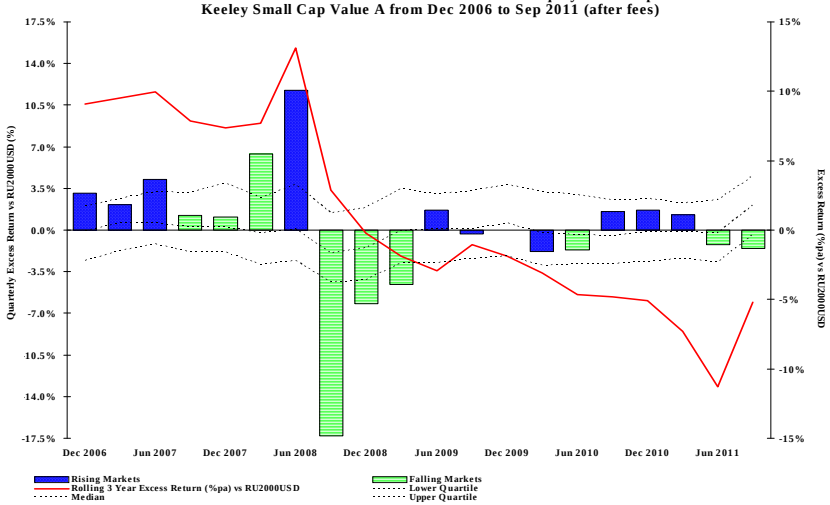


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
nall Cap Value A	-2.2 *(72)*	26.7 *(5)*	-0.1 *(67)*	8.8 *(17)*	-0.1 *(64)*
RU2000USD	-1.0 *(52)*	23.7 *(37)*	0.0 *(53)*	0.0 *(100)*	na
5th Percentile	4.4	26.8	0.2	11.1	0.8
Upper Quartile	1.5	24.7	0.1	7.9	0.4
Median	-0.9	23.1	0.0	5.8	0.0
Lower Quartile	-2.4	21.7	-0.1	4.4	-0.3
95th Percentile	-6.3	19.3	-0.3	2.6	-0.9
Number of Funds	193	193	193	193	193

Comparison with the Mercer Mutual Fund US Equity Small Cap Core Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



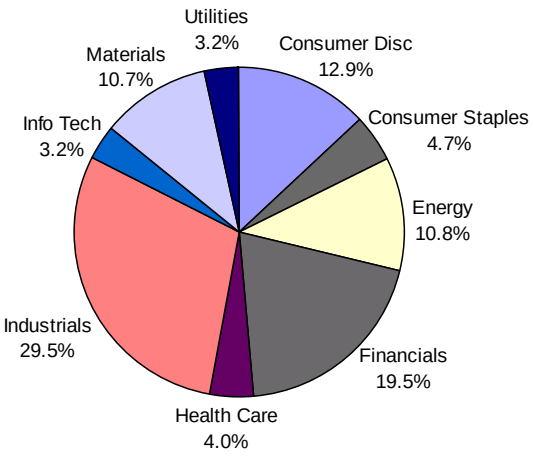
Excess Return vs RU2000USD in the Mercer Mutual Fund US Equity Small Cap Core Universe
Keeley Small Cap Value A from Dec 2006 to Sep 2011 (after fees)



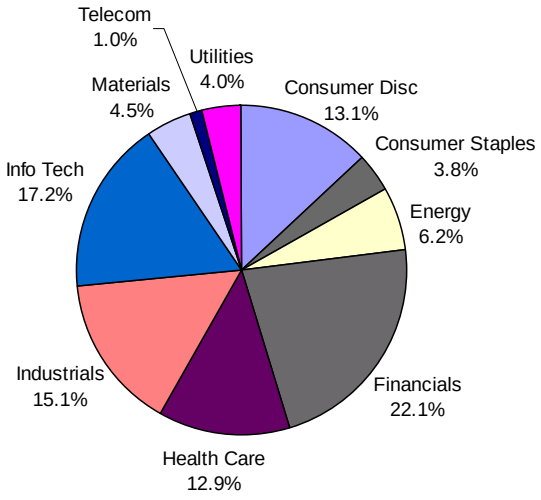
Fund Profile

Domestic Equity - KEELEY Small Cap Value Fund A - KSCVX

Fund Sector Allocation as of September 30, 2011



Russell 2000 Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - Domestic Equity - Hartford Small Company HLS IA - HIASX

Share Class: Inst	**Benchmark: Russell 2000 Growth**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

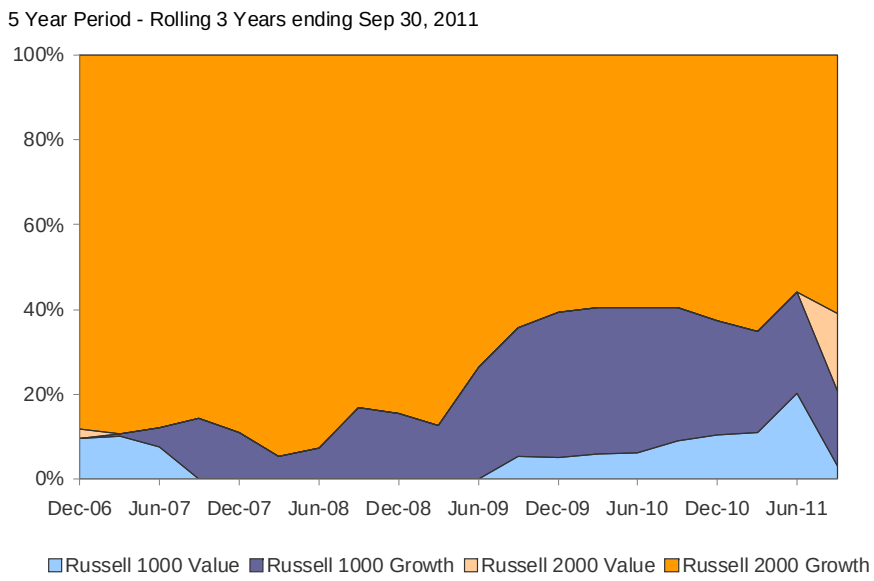
Positive Impact on Performance

- Overweight allocation to the utilities sector; underweight allocations to the materials and energy sectors
- Top 10 holdings Corrections Corp (+4.8% return) and Green Mountain Coffee Roasters (+4.1% return)

Negative Impact on Performance

- Underweight allocations to the financials and consumer staples sectors
- Top 10 holdings Sapient Corp (-30.3% return), Shutterfly Inc. (-28.3% return) and Weight Watchers Inc. (-22.6% return)

Style Analysis



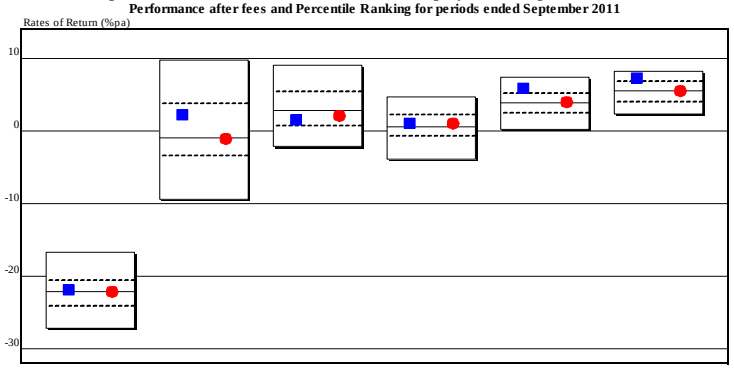
Key Facts and Figures

Portfolio Manager: Multiple Portfolio Manager Average Tenure: 4.3 Years	Total Fund Assets: Unavailable	Expense Ratio (Net): 0.71% Mercer Median Expense Ratio (Net): 1.10%

Fund Profile

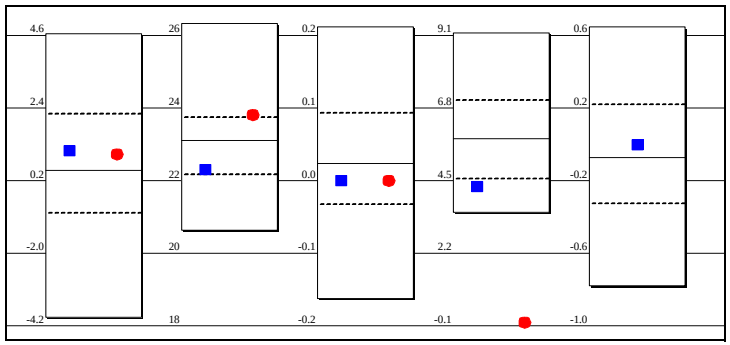
Tier II (B) - Domestic Equity - Hartford Small Company HLS IA - HIASX

Comparison with the Mercer Mutual Fund US Equity Small Cap Growth Universe
Performance after fees and Percentile Ranking for periods ended September 2011



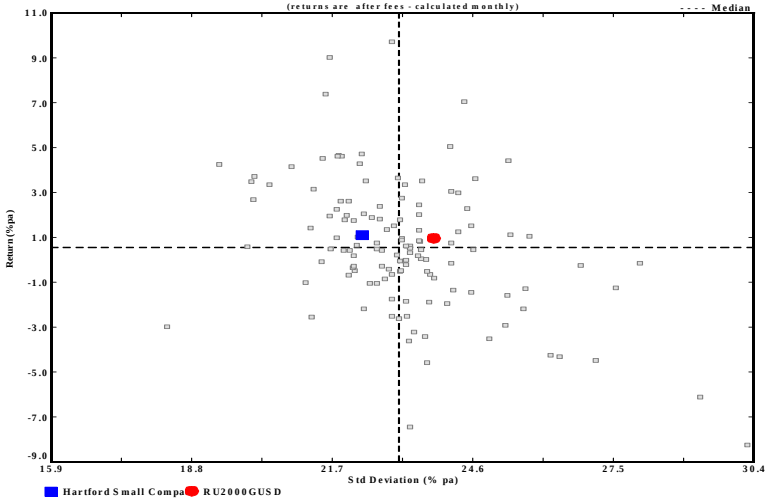
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Company HLS IA	-21.9 (45)	2.2 (32)	1.5 (67)	1.1 (37)	5.9 (11)	7.3 (11)
RU2000GUSD	-22.2	-1.1	2.1	1.0	3.9	5.5
5th Percentile	-16.7	9.6	9.0	4.6	7.3	8.2
Upper Quartile	-20.6	3.7	5.3	2.2	5.2	6.7
Median	-22.2	-1.0	2.7	0.5	3.8	5.5
Lower Quartile	-24.1	-3.5	0.7	-0.8	2.4	3.9
95th Percentile	-27.2	-9.6	-2.3	-4.0	0.0	2.3
Number of Funds	154	149	139	130	115	102

Comparison with the Mercer Mutual Fund US Equity Small Cap Growth Universe
Risk and Return Characteristics vs. RU2000GUSD and Percentile Ranking for the 5 years ended Sep 2011

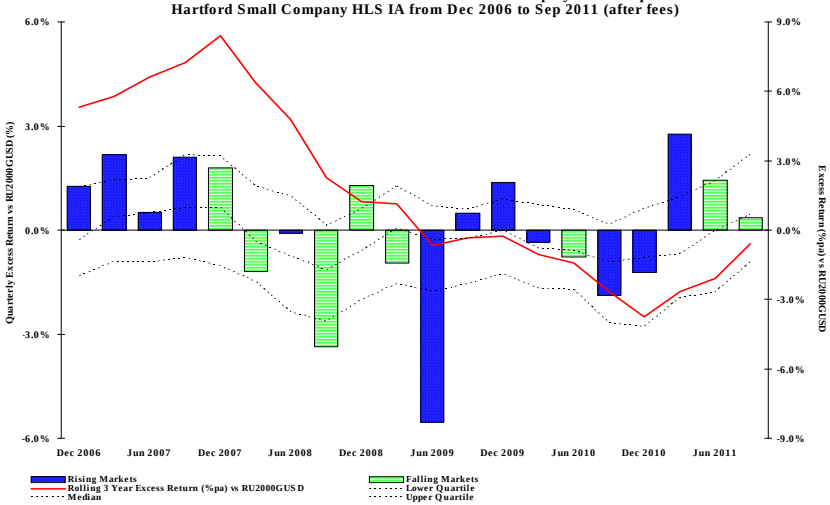


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
Company HLS IA	1.1 (37)	22.3 (70)	0.0 (37)	4.3 (84)	0.0 (37)
RU2000GUSD	1.0 (41)	23.8 (24)	0.0 (41)	0.0 (100)	na
5th Percentile	4.6	26.3	0.2	9.2	0.6
Upper Quartile	2.2	23.7	0.1	7.0	0.2
Median	0.5	23.1	0.0	5.8	-0.1
Lower Quartile	-0.8	22.2	0.0	4.6	-0.3
95th Percentile	-4.0	20.6	-0.2	3.5	-0.8
Number of Funds	130	130	130	130	130

Comparison with the Mercer Mutual Fund US Equity Small Cap Growth Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



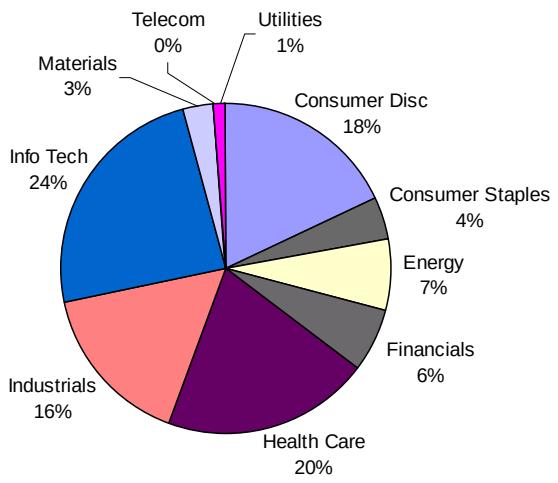
Excess Return vs RU2000GUSD in the Mercer Mutual Fund US Equity Small Cap Growth Universe
Hartford Small Company HLS IA from Dec 2006 to Sep 2011 (after fees)



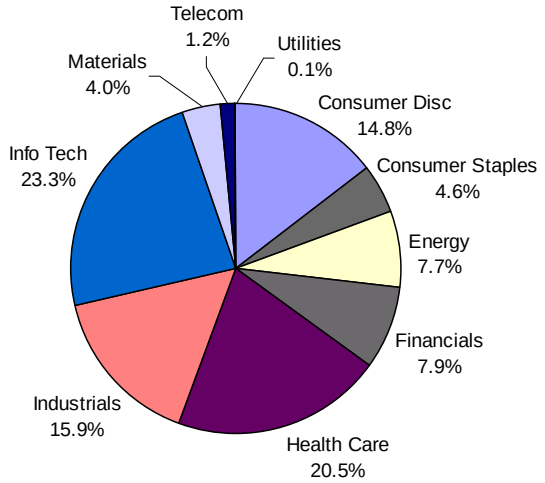
Fund Profile

Domestic Equity - Hartford Small Company HLS IA - HIASX

Fund Sector Allocation as of September 30, 2011



Russell 2000 Growth Sector Allocation as of September 30, 2011



Fund Profile

Tier II (B) - 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

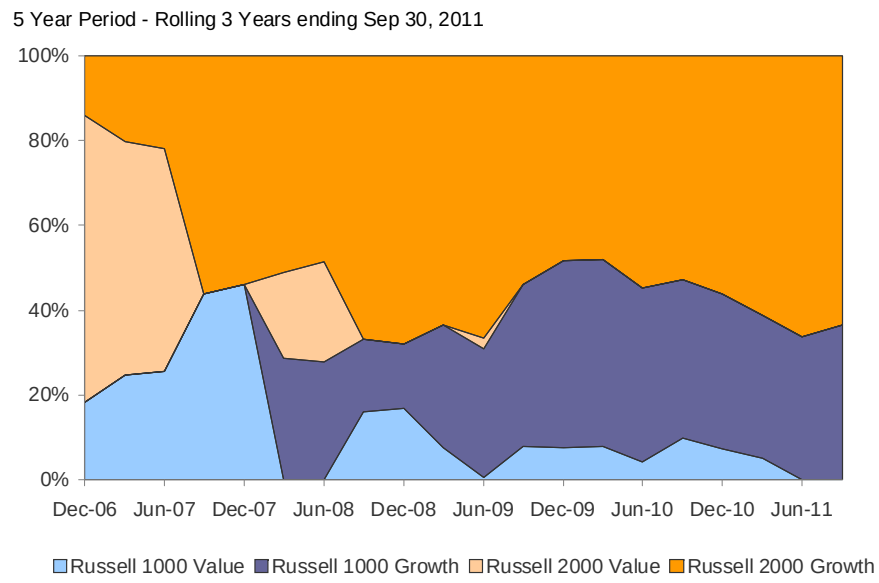
Positive Impact on Performance

- Overweight allocations to the utilities, financials and consumer staples sectors; underweight allocation to the materials and information technology sectors
- Top 10 holdings ITC Holdings Corp. (+8.4% return) and Arch Capital Group (+2.4% return)

Negative Impact on Performance

- Overweight allocation to the energy sector; underweight allocation to the health care sector
- Top 10 holdings DeVry, Inc. (-37.5% return), MSCI, Inc. (-19.5% return), Core Laboratories N.V. (-19.3% return), Mettler-Toledo International, Inc. (-17.0% return) and Dick's Sporting Goods, Inc. (-13.0% return)

Style Analysis



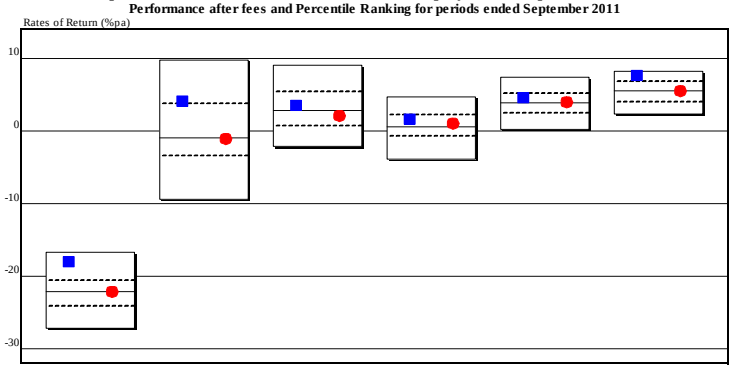
Key Facts and Figures

Portfolio Manager: Ronald Baron	Total Fund Assets: $5,373 Million	Expense Ratio (Net): 1.32%
Portfolio Manager Average Tenure: 17.0 Years	Total Share Class Assets: $4,696 Million	Mercer Median Expense Ratio (Net): 1.10%

Fund Profile

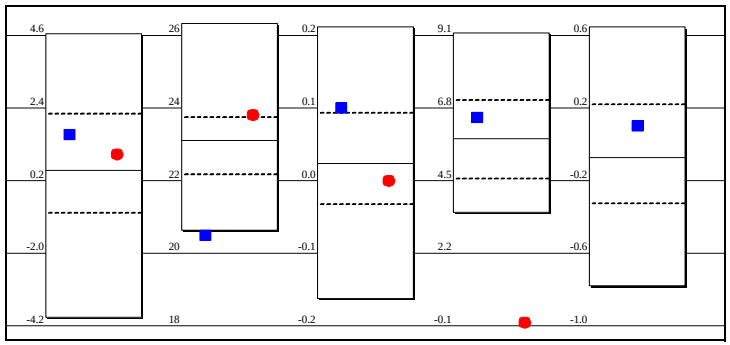
Tier II (B) - Domestic Equity - Baron Growth Fund Retail - BGRFX

Comparison with the Mercer Mutual Fund US Equity Small Cap Growth Universe
Performance after fees and Percentile Ranking for periods ended September 2011



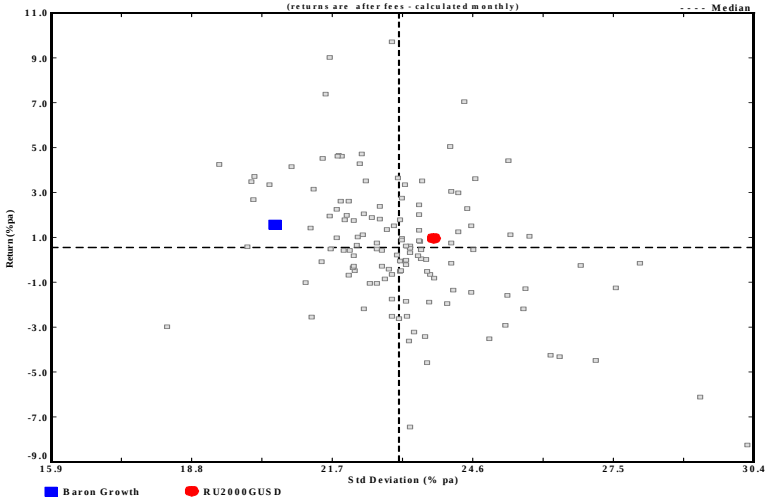
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
Baron Growth	-18.0 *(10)*	4.1 *(22)*	3.5 *(41)*	1.6 *(32)*	4.6 *(34)*	7.6 *(9)*
RU2000GUSD	-22.2	-1.1	2.1	1.0	3.9	5.5
5th Percentile	-16.7	9.6	9.0	4.6	7.3	8.2
Upper Quartile	-20.6	3.7	5.3	2.2	5.2	6.7
Median	-22.2	-1.0	2.7	0.5	3.8	5.5
Lower Quartile	-24.1	-3.5	0.7	-0.8	2.4	3.9
95th Percentile	-27.2	-9.6	-2.3	-4.0	0.0	2.3
Number of Funds	154	149	139	130	115	102

Comparison with the Mercer Mutual Fund US Equity Small Cap Growth Universe
Risk and Return Characteristics vs. RU2000GUSD and Percentile Ranking for the 5 years ended Sep 2011

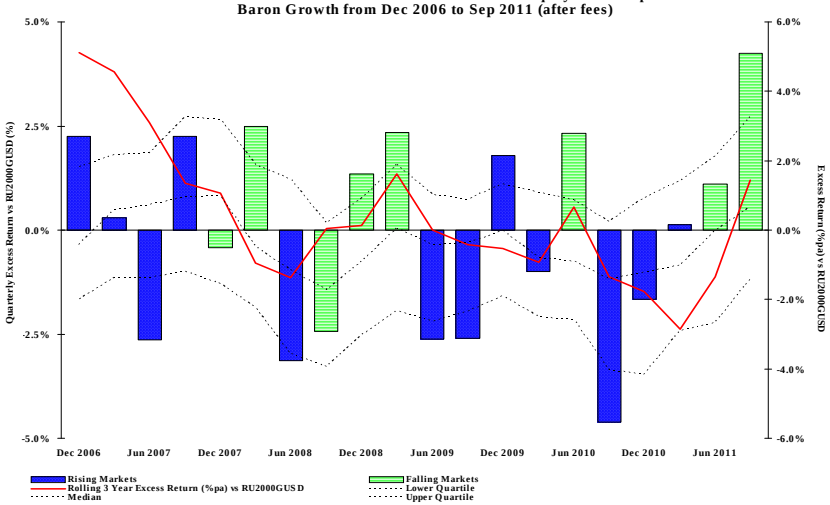


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
Baron Growth	1.6 *(32)*	20.5 *(95)*	0.1 *(32)*	6.5 *(36)*	0.1 *(33)*
RU2000GUSD	1.0 *(41)*	23.8 *(24)*	0.0 *(41)*	0.0 *(100)*	na
5th Percentile	4.6	26.3	0.2	9.2	0.6
Upper Quartile	2.2	23.7	0.1	7.0	0.2
Median	0.5	23.1	0.0	5.8	-0.1
Lower Quartile	-0.8	22.2	0.0	4.6	-0.3
95th Percentile	-4.0	20.6	-0.2	3.5	-0.8
Number of Funds	130	130	130	130	130

Comparison with the Mercer Mutual Fund US Equity Small Cap Growth Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



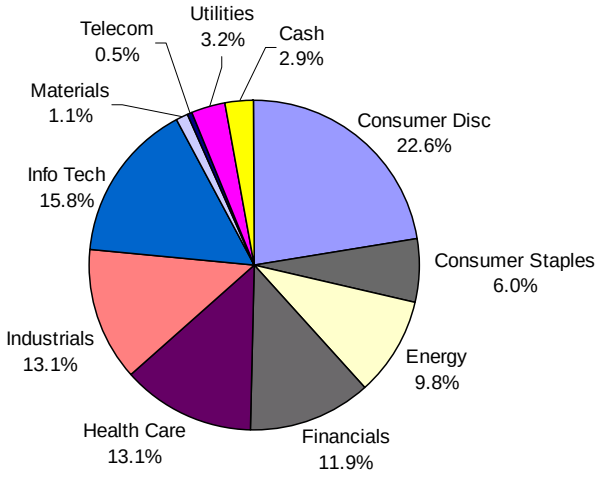
Excess Return vs RU2000GUSD in the Mercer Mutual Fund US Equity Small Cap Growth Universe
Baron Growth from Dec 2006 to Sep 2011 (after fees)



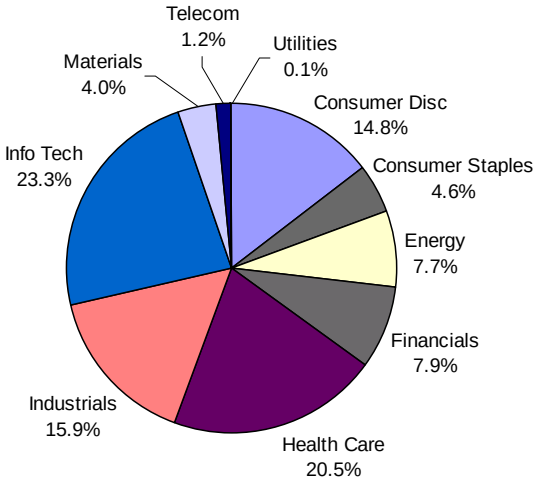
Fund Profile

Domestic Equity - Baron Growth Fund Retail - BGRFX

Fund Sector Allocation as of September 30, 2011



Russell 2000 Growth Sector Allocation as of September 30, 2011



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.

Portfolio Analysis & Key Observations

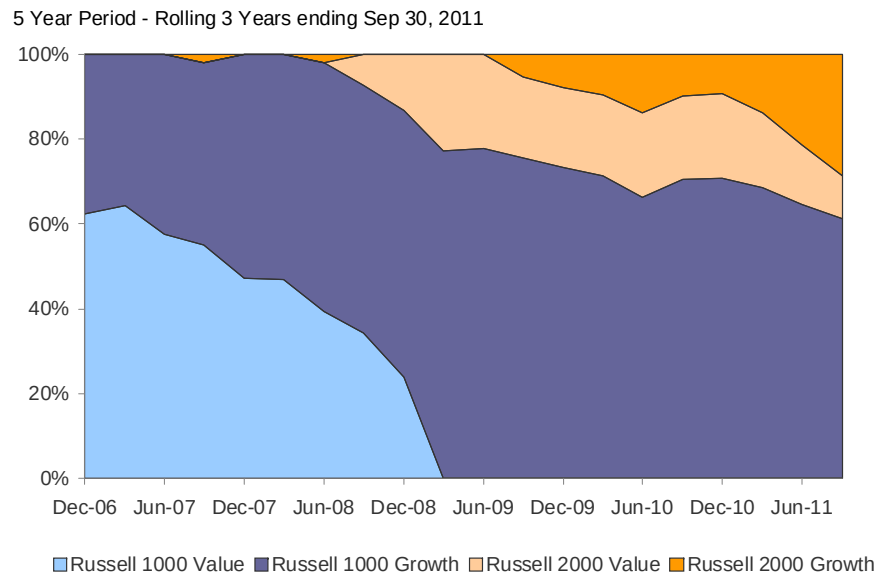
Positive Impact on Performance

- Top contributors MasterCard Inc. Cl A (+5.3% return), Target Corp (+5.1% return), Procter & Gamble Co. (+0.2% return), Yahoo! Inc. (-12.4% return) and Ecolab Inc. (-13.0% return)

Negative Impact on Performance

- Overweight allocation to the financials, energy and industrials sectors; underweight allocations to the information technology, consumer staples and consumer discretionary sectors
- Top detractors Newfield Exploration Co. (-41.6% return), Cimarex Energy Co. (-38.0% return), Hospira (-34.7% return), Altera Corp (-31.8% return) and Charles Schwab Corp (-31.2% return)

Style Analysis



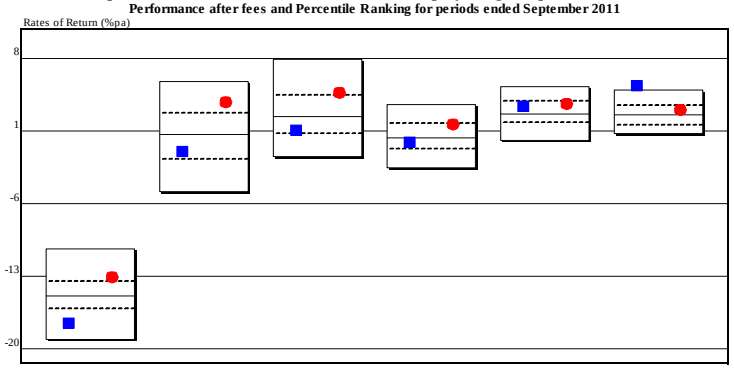
Key Facts and Figures

Portfolio Manager: Arthur Morretti; Ingrid S. Dyott; Sajjad S. Ladiwala Portfolio Manager Average Tenure: 7.3 Years	Total Fund Assets: $1,514 Million Total Share Class Assets: $586 Million	Expense Ratio (Net): 0.95% Mercer Median Expense Ratio (Net): 0.89%

Fund Profile

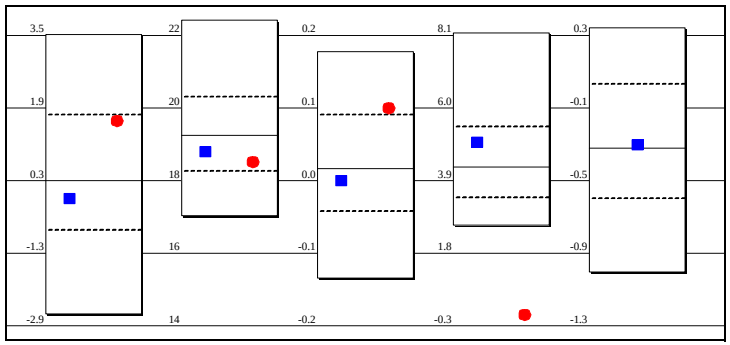
Tier III - Domestic Equity - Neuberger Berman Socially Responsive Fund Investor - NBSRX

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Performance after fees and Percentile Ranking for periods ended September 2011



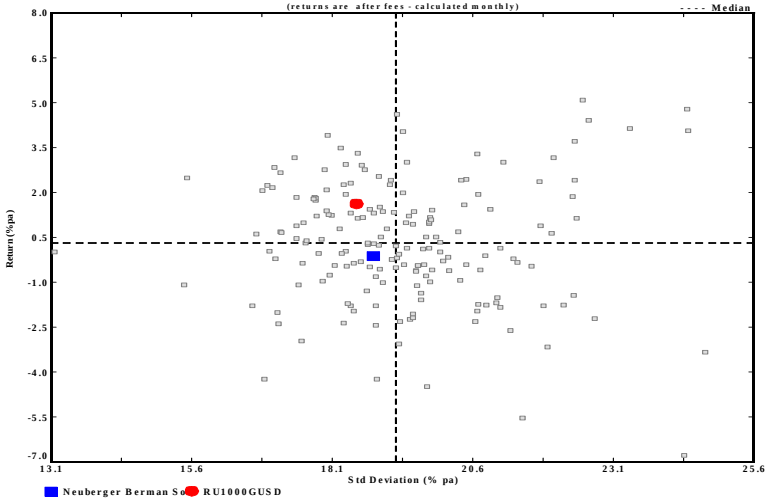
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
ocially Resp Inv	-17.5 *(89)*	-1.0 *(65)*	1.1 *(70)*	-0.1 *(59)*	3.4 *(30)*	5.4 *(2)*
RU1000GUSD	-13.1	3.8	4.7	1.6	3.6	3.0
5th Percentile	-10.4	5.8	7.9	3.5	5.3	4.9
Upper Quartile	-13.5	2.7	4.4	1.7	3.8	3.5
Median	-14.9	0.6	2.4	0.3	2.6	2.6
Lower Quartile	-16.2	-1.8	0.7	-0.8	1.8	1.6
95th Percentile	-19.2	-4.9	-1.5	-2.7	0.1	0.6
Number of Funds	205	203	187	178	156	138

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Risk and Return Characteristics vs. RU1000GUSD and Percentile Ranking for the 5 years ended Sep 2011

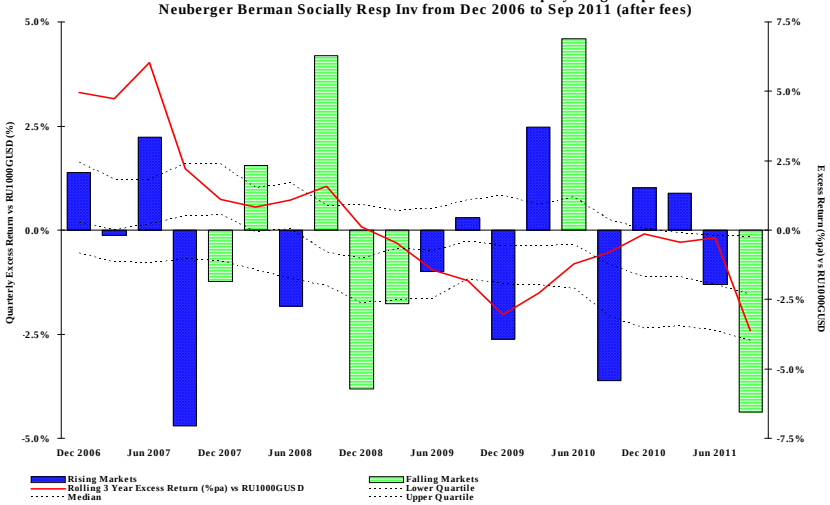


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
ocially Resp Inv	-0.1 *(59)*	18.8 *(60)*	0.0 *(59)*	5.0 *(31)*	-0.3 *(54)*
RU1000GUSD	1.6 *(26)*	18.5 *(67)*	0.1 *(25)*	0.0 *(100)*	na
5th Percentile	3.5	22.4	0.2	8.2	0.3
Upper Quartile	1.7	20.3	0.1	5.5	0.0
Median	0.3	19.2	0.0	4.3	-0.3
Lower Quartile	-0.8	18.3	0.0	3.4	-0.6
95th Percentile	-2.7	17.0	-0.1	2.6	-1.0
Number of Funds	178	178	178	178	178

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



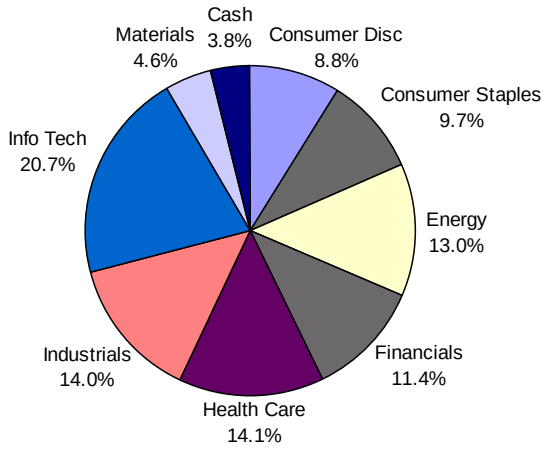
Excess Return vs RU1000GUSD in the Mercer Mutual Fund US Equity Large Cap Growth Universe
Neuberger Berman Socially Resp Inv from Dec 2006 to Sep 2011 (after fees)



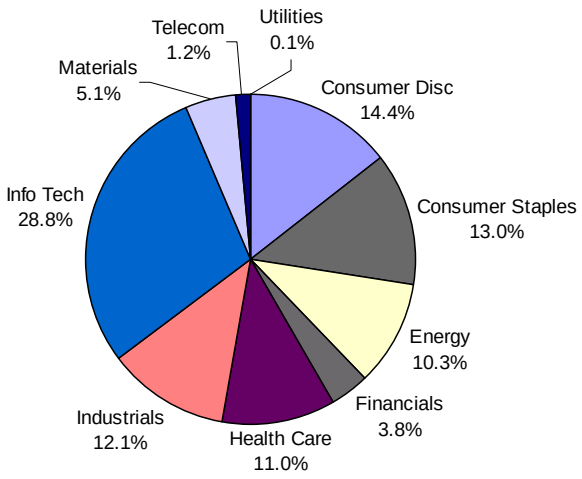
Fund Profile

Domestic Equity - Neuberger Berman Socially Responsive Fund Investor - NBSRX

Fund Sector Allocation as of September 30, 2011



Russell 1000 Growth Sector Allocation as of September 30, 2011



Fund Profile

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

Share Class: Investor	**Benchmark: Russell 1000 Growth**

Investment Philosophy

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 indentify attractive investments. The portfolio manager likes to buy companies that are growing faster than the rest of the economy, and at attractive valuations.

Portfolio Analysis & Key Observations

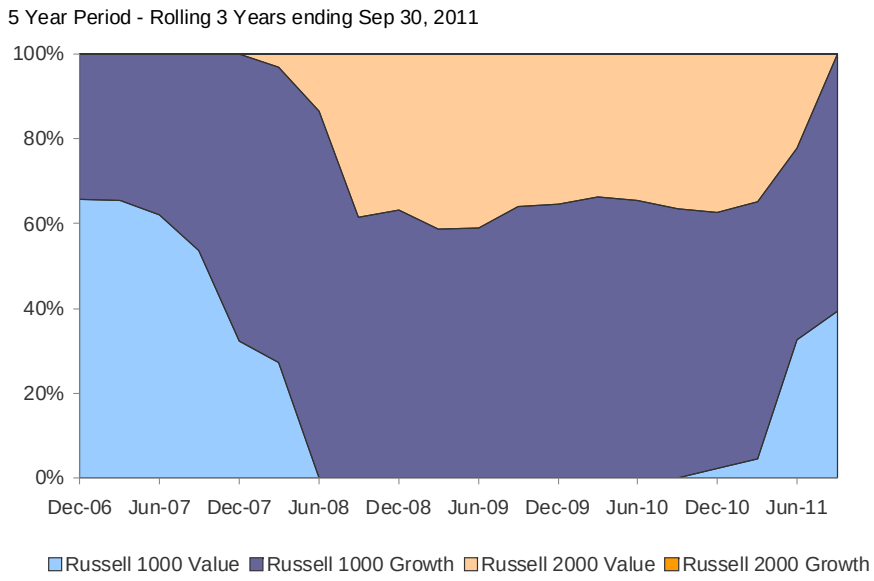
Positive Impact on Performance

- Overweight allocations to the utilities and consumer staples sectors; underweight allocations to the energy and materials sectors
- Top 10 holdings Mastercard Inc. (+5.3% return), Target Corp (+5.1% return), Google Inc. (+1.7% return), Questar Corp (+0.8% return) and Procter & Gamble Co. (+0.2% return)

Negative Impact on Performance

- Overweight allocations to the industrials and financials sectors; underweight allocations to the information technology and consumer discretionary sectors
- Top 10 holdings Sysco Corp (-16.9% return), Paychex Inc. (-13.2% return), Waste Management Inc. (-11.7% return), Teleflex Inc. (-11.4% return) and McCorkmick & Co. (-6.3% return)

Style Analysis



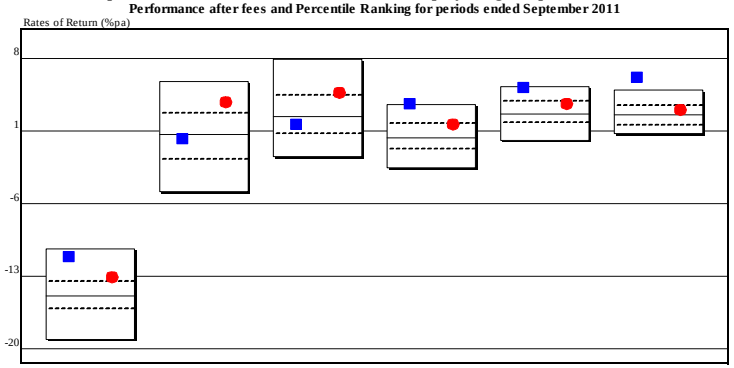
Key Facts and Figures

Portfolio Manager: Todd Ahlsten	Total Fund Assets: $3,504 Million	Expense Ratio (Net): 0.99%
Portfolio Manager Average Tenure: 10.0 Years	Total Share Class Assets: $3,008 Million	Mercer Median Expense Ratio (Net): 0.89%

Fund Profile

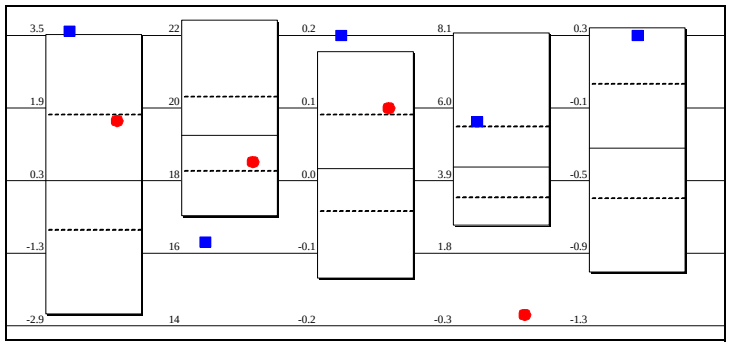
Tier III - Domestic Equity - Parnassus Equity Income Fund Investor - PRBLX

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Performance after fees and Percentile Ranking for periods ended September 2011



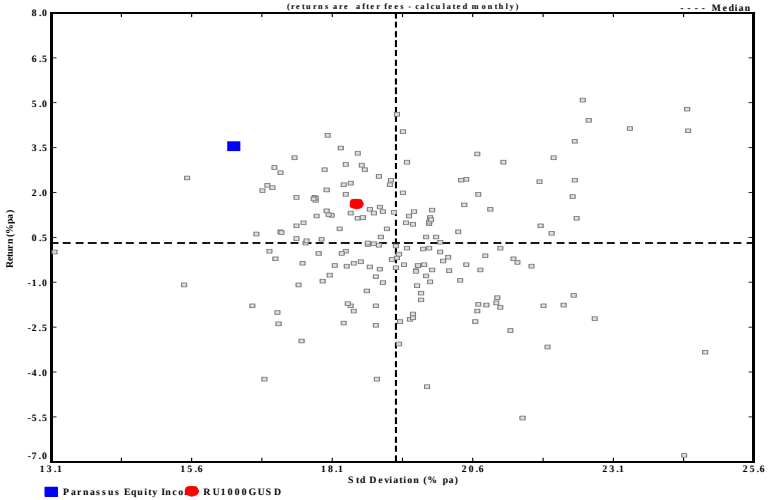
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
ity Income - Inv	-11.1 (8)	0.3 (53)	1.7 (60)	3.6 (5)	5.2 (5)	6.2 (2)
RU1000GUSD	-13.1	3.8	4.7	1.6	3.6	3.0
5th Percentile	-10.4	5.8	7.9	3.5	5.3	4.9
Upper Quartile	-13.5	2.7	4.4	1.7	3.8	3.5
Median	-14.9	0.6	2.4	0.3	2.6	2.6
Lower Quartile	-16.2	-1.8	0.7	-0.8	1.8	1.6
95th Percentile	-19.2	-4.9	-1.5	-2.7	0.1	0.6
Number of Funds	205	203	187	178	156	138

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Risk and Return Characteristics vs. RU1000GUSD and Percentile Ranking for the 5 years ended Sep 2011

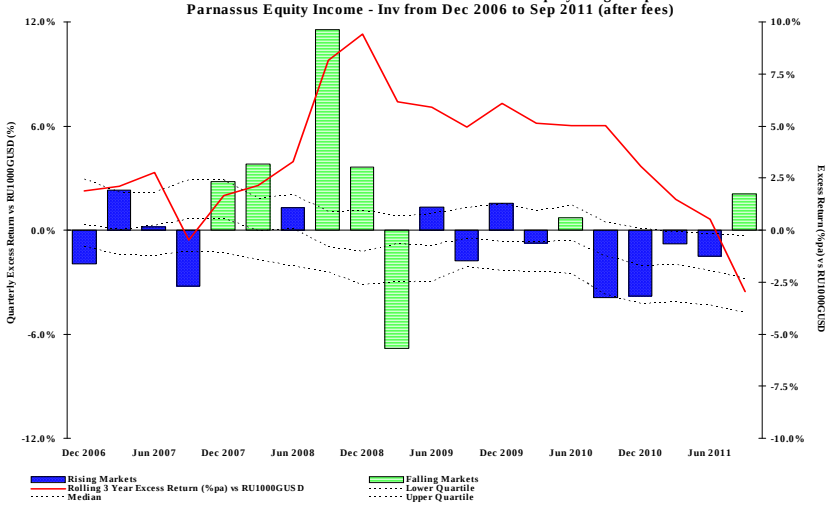


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
ity Income - Inv	3.6 (5)	16.3 (98)	0.2 (1)	5.6 (24)	0.3 (5)
RU1000GUSD	1.6 (26)	18.5 (67)	0.1 (25)	0.0 (100)	na
5th Percentile	3.5	22.4	0.2	8.2	0.3
Upper Quartile	1.7	20.3	0.1	5.5	0.0
Median	0.3	19.2	0.0	4.3	-0.3
Lower Quartile	-0.8	18.3	0.0	3.4	-0.6
95th Percentile	-2.7	17.0	-0.1	2.6	-1.0
Number of Funds	178	178	178	178	178

Comparison with the Mercer Mutual Fund US Equity Large Cap Growth Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



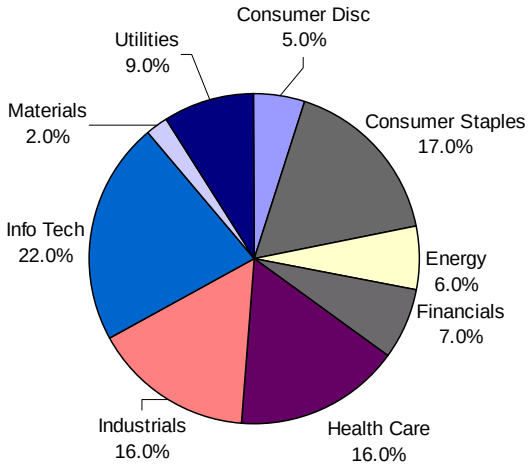
Excess Return vs RU1000GUSD in the Mercer Mutual Fund US Equity Large Cap Growth Universe
Parnassus Equity Income - Inv from Dec 2006 to Sep 2011 (after fees)



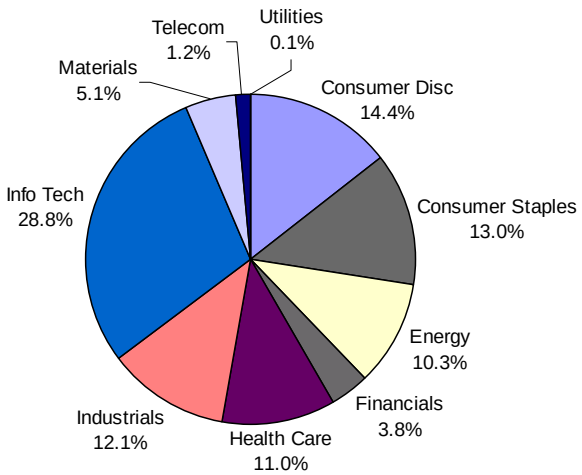
Fund Profile

Domestic Equity - Parnassus Equity Income Fund Investor - PRBLX

Fund Sector Allocation as of September 30, 2011



Russell 1000 Growth Sector Allocation as of September 30, 2011



Fund Profile

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

Share Class: A	**Benchmark: MSCI World NET WHT**

Investment Philosophy

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.

Portfolio Analysis & Key Observations

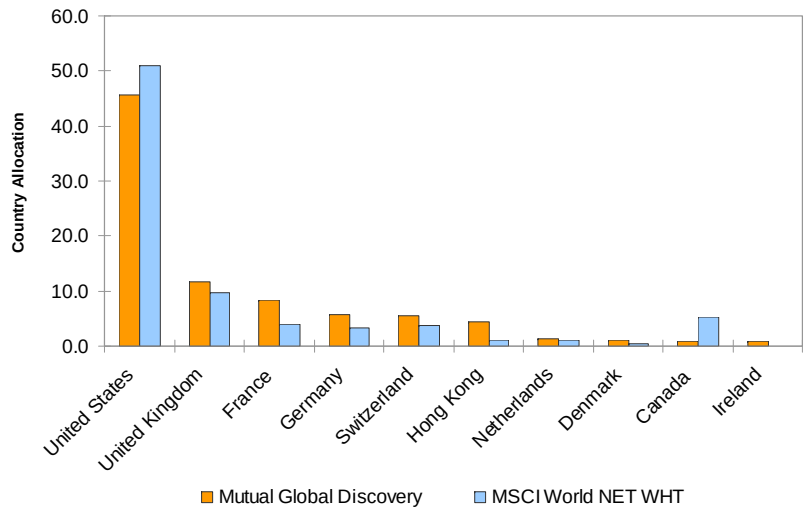
Positive Impact on Performance

- Overweight allocations to the consumer staples and utilities sectors; underweight allocations to the materials and energy sectors
- On a regional basis, underweight allocations to Italy, Sweden, Australia and Canada
- Individual contributors Imperial Tobacco Group Plc. (+3.2% return), Lorillard Inc. (+2.9% return) and Reynolds American Inc. (+2.6% return)

Negative Impact on Performance

- Underweight allocations to the information technology and telecommunications sectors
- On a regional basis, overweight allocations to France, Germany and Hong Kong; underweight allocations to the United States
- Individual detractors ThyssenKrupp AG (-52.0% return), Morgan Stanley (-41.2% return) and Xerox Corp (-32.6% return)

Country Analysis as of September 30, 2011



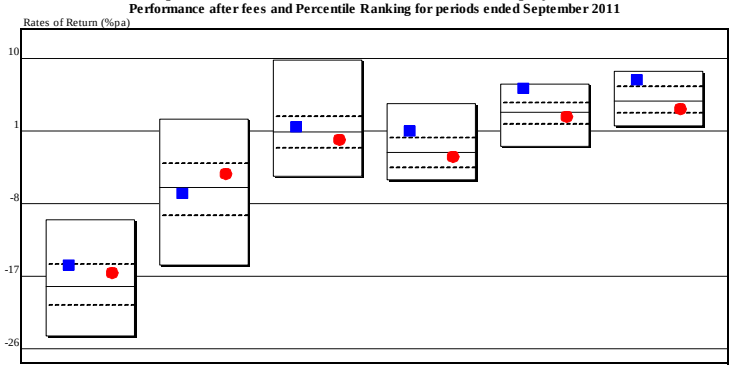
Key Facts and Figures

Portfolio Manager: Peter Langerman; Philippe Brugere-Trelat Portfolio Manager Average Tenure: 4.0 Years	Total Fund Assets: $16,586 Million Total Share Class Assets: $7,185 Million	Expense Ratio (Net): 1.34% Mercer Median Expense Ratio (Net): 1.09%

Fund Profile

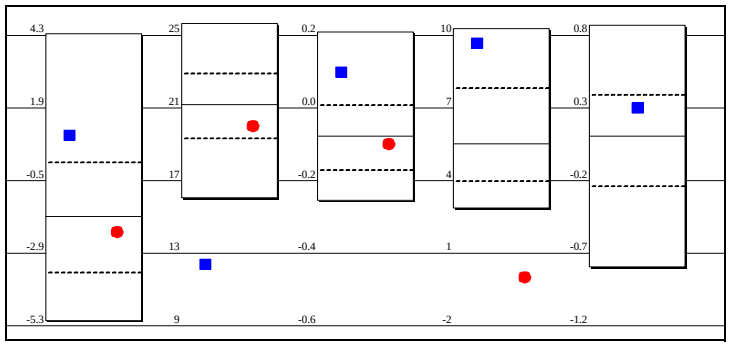
Tier III - Global Equity - Mutual Global Discovery Fund A - TEDIX

Comparison with the Mercer Mutual Fund Global Equity Universe
Performance after fees and Percentile Ranking for periods ended September 2011



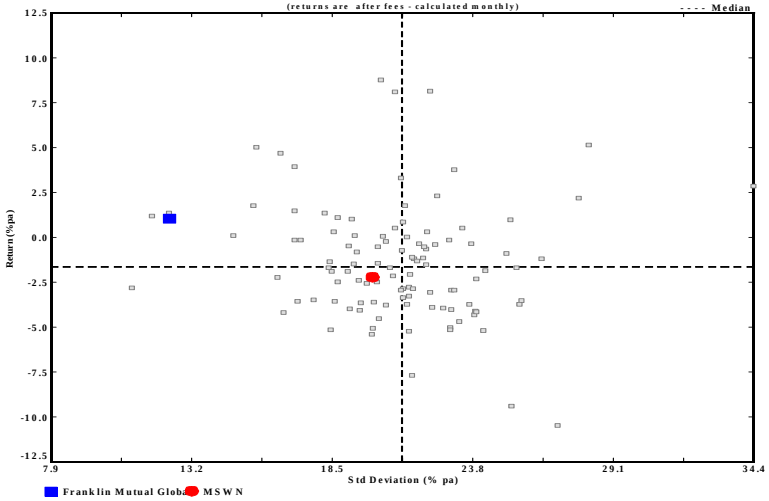
	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
bal Discovery A	-15.6 *(25)*	-6.7 *(57)*	1.5 *(42)*	1.0 *(17)*	6.3 *(8)*	7.4 *(19)*
MSWN	-16.6	-4.3	-0.1	-2.2	2.8	3.7
5th Percentile	-10.1	2.4	9.7	4.4	6.7	8.3
Upper Quartile	-15.6	-3.1	2.8	0.1	4.4	6.5
Median	-18.3	-6.0	0.9	-1.7	3.2	4.6
Lower Quartile	-20.6	-9.5	-1.1	-3.6	1.8	3.2
95th Percentile	-24.5	-15.7	-4.7	-5.2	-1.0	1.5
Number of Funds	214	202	161	110	81	67

Comparison with the Mercer Mutual Fund Global Equity Universe
Risk and Return Characteristics vs. MSWN and Percentile Ranking for the 5 years ended Sep 2011

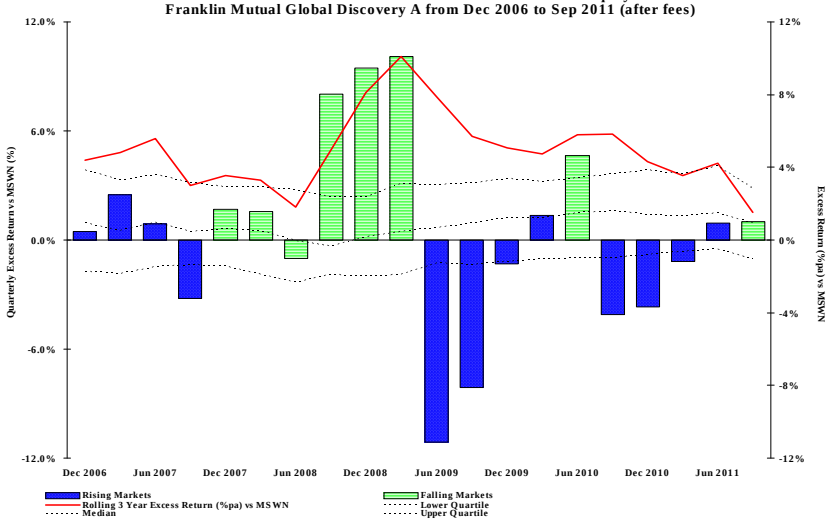


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
bal Discovery A	1.0 *(17)*	12.4 *(98)*	0.1 *(12)*	9.7 *(9)*	0.3 *(31)*
MSWN	-2.2 *(57)*	20.0 *(67)*	-0.1 *(57)*	0.0 *(100)*	na
5th Percentile	4.4	25.6	0.2	10.2	0.9
Upper Quartile	0.1	22.9	0.0	7.8	0.4
Median	-1.7	21.2	-0.1	5.5	0.1
Lower Quartile	-3.6	19.3	-0.2	3.9	-0.2
95th Percentile	-5.2	16.0	-0.3	2.8	-0.8
Number of Funds	110	110	110	110	110

Comparison with the Mercer Mutual Fund Global Equity Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



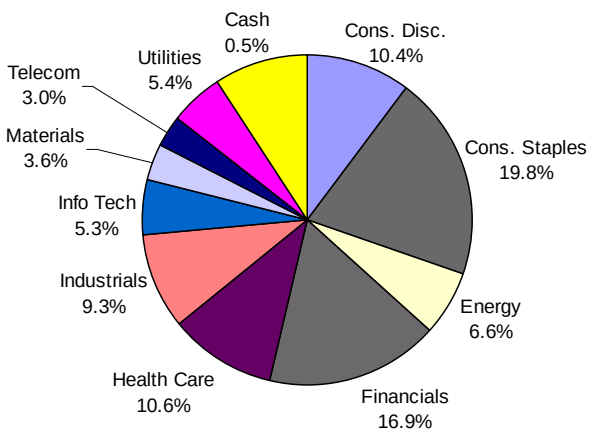
Excess Return vs MSWN in the Mercer Mutual Fund Global Equity Universe
Franklin Mutual Global Discovery A from Dec 2006 to Sep 2011 (after fees)



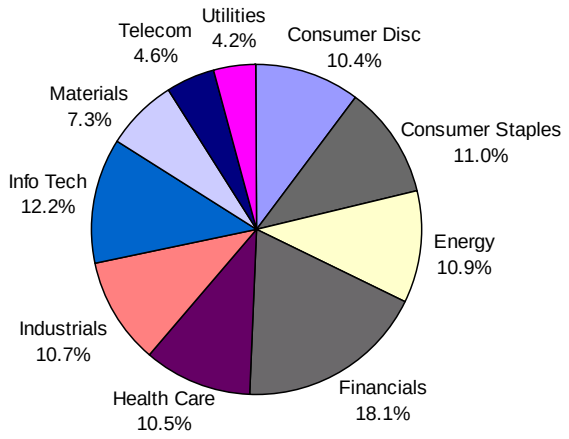
Fund Profile

Global Equity - Mutual Global Discovery Fund A - TEDIX

Fund Sector Allocation as of September 30, 2011



MSCI World Sector Allocation as of September 30, 2011



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

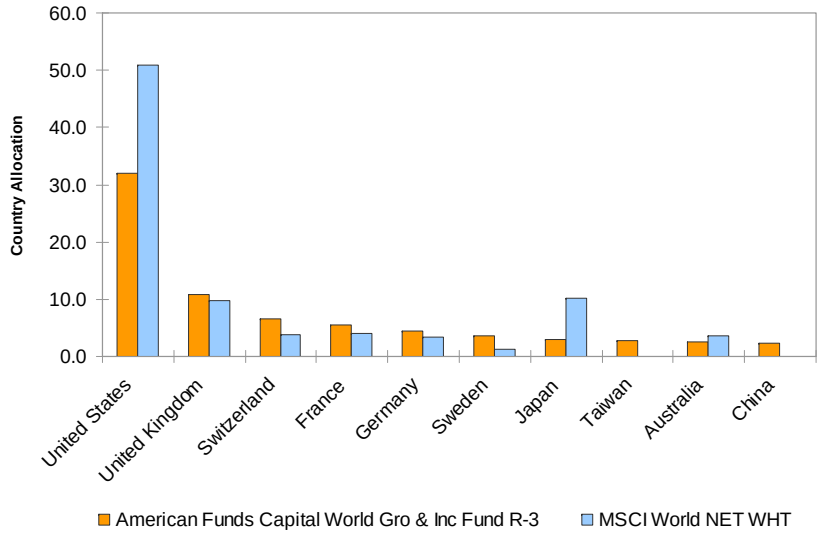
Positive Impact on Performance

- Overweight allocations to the telecommunications and utilities sectors; underweight allocations to the financials and materials sectors
- Top 10 holdings Altria (+3.1% return), Microsoft (-3.7% return) and Kraft Foods (-3.9% return)

Negative Impact on Performance

- Underweight allocations to the information technology and health care sectors
- On a regional basis, overweight allocations to Sweden, France and Germany; underweight allocations to Japan and the United States
- Out-of-benchmark exposure to China
- Top 10 holdings Bayer (-30.5% return), America Movil (-17.3% return) and BP (-17.0% return)

Country Analysis as of September 30, 2011



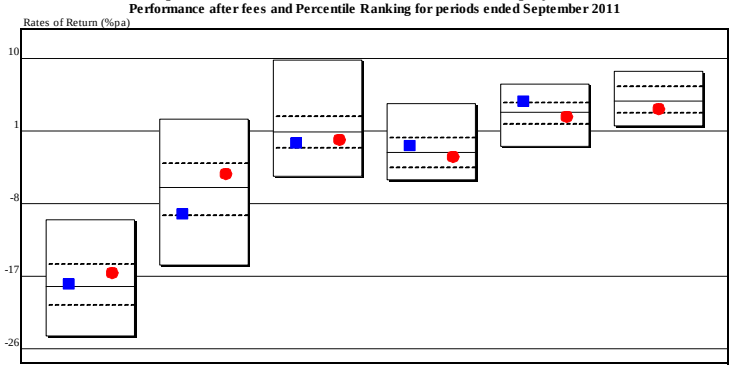
Key Facts and Figures

Portfolio Manager: Stephen E. Bepler; Mark E. Denning; Jeanne K. Carroll Portfolio Manager Average Tenure: 7.1 Years	Total Fund Assets: $64,801 Million Total Share Class Assets: $2,031 Million	Expense Ratio (Net): 1.10% Mercer Median Expense Ratio (Net): 1.09%

Fund Profile

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

Comparison with the Mercer Mutual Fund Global Equity Universe
Performance after fees and Percentile Ranking for periods ended September 2011



	3 Months	1 Year	3 Years	5 Years	7 Years	10 Years
ital World G/I R3	-17.9 *(44)*	-9.3 *(74)*	-0.5 *(69)*	-0.8 *(39)*	4.7 *(23)*	na
MSWN	-16.6	-4.3	-0.1	-2.2	2.8	3.7
5th Percentile	-10.1	2.4	9.7	4.4	6.7	8.3
Upper Quartile	-15.6	-3.1	2.8	0.1	4.4	6.5
Median	-18.3	-6.0	0.9	-1.7	3.2	4.6
Lower Quartile	-20.6	-9.5	-1.1	-3.6	1.8	3.2
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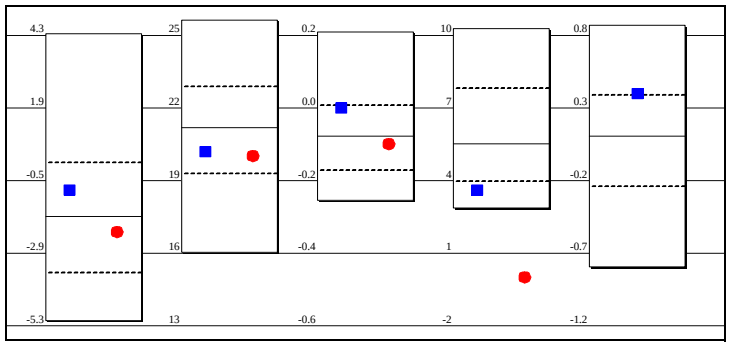
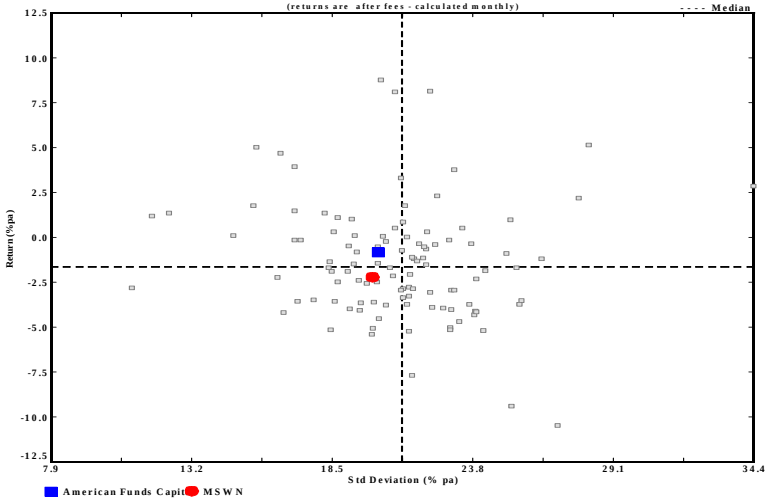
Comparison with the Mercer Mutual Fund Global Equity Universe
Risk and Return Characteristics vs. MSWN and Percentile Ranking for the 5 years ended Sep 2011

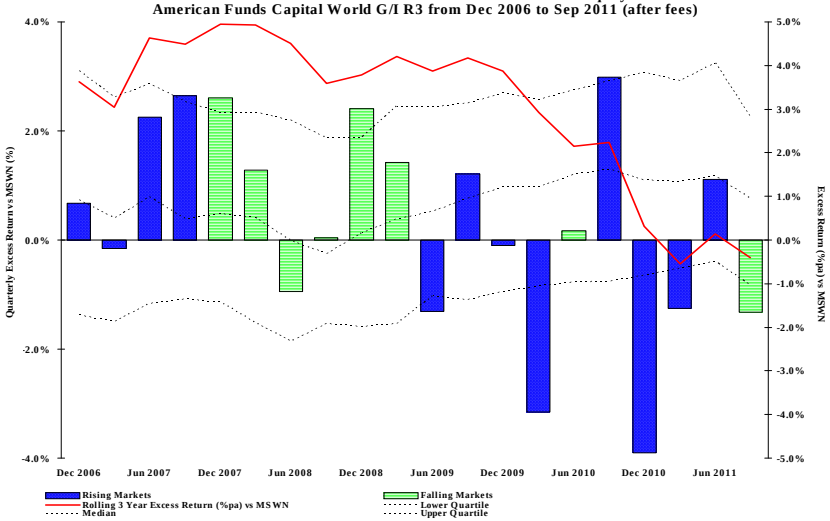


	Return (% pa)	Std Deviation (% pa)	Reward to Risk Ratio	Tracking Error (% pa)	Information Ratio
ital World G/I R3	-0.8 *(39)*	20.2 *(62)*	0.0 *(40)*	3.6 *(83)*	0.4 *(25)*
MSWN	-2.2 *(57)*	20.0 *(67)*	-0.1 *(57)*	0.0 *(100)*	na
5th Percentile	4.4	25.6	0.2	10.2	0.9
Upper Quartile	0.1	22.9	0.0	7.8	0.4
Median	-1.7	21.2	-0.1	5.5	0.1
Lower Quartile	-3.6	19.3	-0.2	3.9	-0.2
95th Percentile	-5.2	16.0	-0.3	2.8	-0.8
Number of Funds	110	110	110	110	110

Comparison with the Mercer Mutual Fund Global Equity Universe
Return and Std Deviation for the 5 Years ended Sep 2011
(returns are after fees - calculated monthly)



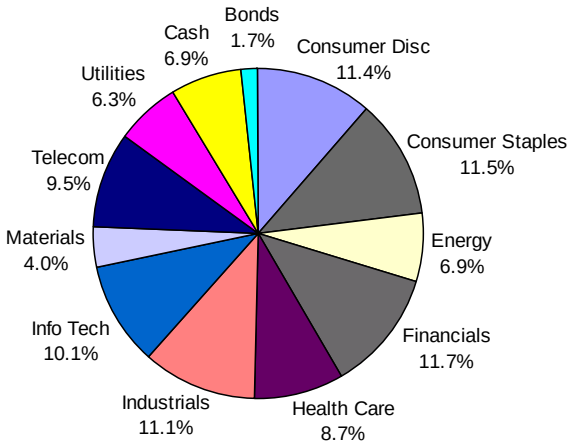
Excess Return vs MSWN in the Mercer Mutual Fund Global Equity Universe
American Funds Capital World G/I R3 from Dec 2006 to Sep 2011 (after fees)



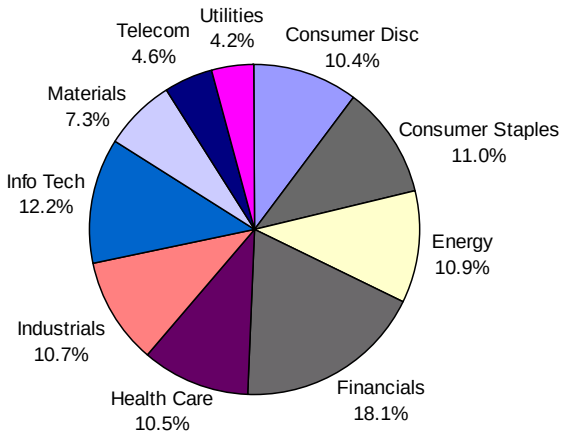
Fund Profile

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

Fund Sector Allocation as of September 30, 2011



MSCI World Sector Allocation as of September 30, 2011



Appendix A – Legislative, Regulatory and Judicial Updates

DOL finalizes investment advice rules for 401(k)-type plan

New final regulations from the Department of Labor (DOL) aim to give participants in 401(k)-type plans greater access to investment advice without running afoul of ERISA's prohibited transaction rules. The final rules implement a Pension Protection Act (PPA) exemption allowing investment advisers to recommend portfolios – including an adviser's own funds – if fees stay level regardless of the option selected or if advice is generated by an unbiased computer model. The rules take effect Dec. 27 but won't invalidate advice programs based on pre-PPA guidance.

Key elements of final rules
The final rules are fairly consistent with DOL's 2010 proposal (GRIST #20100048, March 4, 2010). A "fiduciary adviser" – generally, an ERISA fiduciary that is a registered investment adviser, a bank, an insurance company or a registered broker dealer – may implement an "eligible investment advice arrangement" in two ways: (i) use a level-fee arrangement, where the adviser's fees (including commissions) do not vary on the basis of a participant's selection of a particular investment option; or (ii) use an unbiased computer model (certified by an independent expert) to generate a recommended portfolio.

Any advice offered under the final rules must apply "generally accepted investment theories" that take into account the historic risks and returns of different asset classes over defined periods. DOL has refrained from specifying appropriate theories and clarified that computer models may "appropriately weight" historical performance (Select News, May 8, 2010). In a major change from the proposal, computer models generally must consider any company stock and target-date funds in the plan's lineup. However, participants can request that the model omit any option.

Earlier versions of the rules would have given advisers more leeway to offer individualized "off model" advice. First proposed in 2008, then finalized and withdrawn in 2009, those attempts left too much room for conflicts of interest, according to critics (Select News, Nov. 19, 2009). DOL says the new rules let participants preauthorize periodic rebalancing but only if the fiduciary adviser has no discretion to select particular investments or change the asset allocation structure.

Many options for plan sponsors
Some vendors are likely to market new programs in reliance on the PPA exemption, but nothing in the final regulations invalidates approaches that follow DOL's SunAmerica advisory opinion or other pre-PPA guidance. Also, plan sponsors still have discretion whether to offer participants any access to investment advice. Those that do should recognize that selecting an adviser is a fiduciary act, so an objective process should be used to assess the adviser's qualifications, service quality and fees (GRIST #20070035, Feb. 15, 2007).

401(k) fiduciaries score big win in latest appellate court 'stock drop' decisions

Summary
Fiduciary decisions to offer company stock as a 401(k) investment option are entitled to a presumption of prudence and should be reviewed only for an abuse of discretion, a divided 2nd US Circuit Court of Appeals has ruled in two cases. Finding no abuse of discretion in these cases, the court said a fiduciary's failure to divest company stock is less likely to constitute an abuse of discretion if the plan terms require – rather than merely permit – investment in company stock. The 2nd Circuit joins four other appeals courts that have adopted what's known as the "Moench presumption" for analyzing fiduciary conduct in stock-drop cases. The 2nd Circuit also ruled in fiduciaries' favor on several disclosure-related claims.

Comparing approved electronic delivery methods for 401(k) fee notices

Summary
Sponsors of 401(k)-type plans have options for electronically delivering next year's required participant fee disclosures, but each choice presents challenges to employers looking for a simple, cost-effective solution. This article takes a closer look at alternatives available under the Department of Labor's new interim policy for electronic fee disclosures and how they compare to prior guidance.

Labor Department's effort to redefine 'fiduciary' heads back to drawing board

The Department of Labor (DOL) is retracting its controversial proposal to redefine the term "fiduciary." In response to a flood of criticism and congressional calls to start over, the agency expects to issue a new proposed rule in early 2012. If finalized, the 2010 proposal would have subjected a much wider range of plan investment providers to ERISA's fiduciary obligations and liabilities (GRIST #20110096, May 19, 2011, and GRIST #20100278, Nov. 4, 2010).

Revised proposal will clarify scope, add exemptions. DOL anticipates revising various aspects of the proposal, such as:

- Clarifying that fiduciary advice is limited to individualized advice directed to specific parties
- Addressing concerns over how the proposal applies to routine appraisals and arm's length commercial transactions, such as swaps transactions

DOL also plans to craft new exemptions for certain fee practices of brokers and advisers and clarify the status of long-standing exemptions that allow brokers to receive commissions in connection with mutual funds, stocks and insurance products.

Broadly drafted proposal drew heavy fire. DOL's proposal would have extended ERISA responsibilities to many parties providing intermittent or transactional advice, as well as parties whose advice was not the "primary basis" for decision making. The agency received more than 260 public comments on the initiative. Among the concerns raised, critics faulted DOL for failing to conduct a thorough economic analysis of the rule's potential fallout (GRIST #20110155, July 28, 2011).

7th Circuit reiterates pro-fiduciary position in 401(k) ruling on retail fund fees

Offering retail funds in a 401(k) plan lineup is not a breach of fiduciary duty, the 7th US Circuit Court of Appeals has ruled (Loomis v. Exelon (7th Cir. Sept. 6, 2011)). Rejecting participants' "paternalistic" theories, the court said fiduciaries can't be faulted for letting participants make their own choices among funds with varying risk, return and expense profiles.

Retail funds defended.
The plan lineup offered 32 options, including 24 retail funds, with expense ratios ranging from 0.03% to 0.96%. Participants claimed fiduciaries breached their duties by offering retail (rather than institutional) funds and requiring participants to bear the related expenses. The district court dismissed participants' claims in 2009 (Select News, Dec. 16, 2009), and the 7th Circuit has now upheld that decision.

The 7th Circuit noted several potential advantages of retail funds over institutional or in-house funds, including greater competition, transparency and liquidity. The court rejected the contention that the plan should have used its $1 billion in "buying power" to negotiate lower fees or to insist on a flat "capitation" fee instead of asset-based fees. In the court's view, committing a large sum to one fund would restrict participants' investment choices, and adopting a flat-fee structure might favor large account holders over others. The court also identified several legal barriers that could prevent mutual funds from offering special deals or creating separate share classes for one company's plan. As to whether participants or the plan should pay these expenses, the court said that "is a question of plan design, not of administration," and employers may act in their own interests when deciding how much to contribute to a plan.

Appendix B – Investment Manager Updates

Cramer Rosenthal McGlym (CRM) – Research Note Dated October 14, 2011: Large Cap Opportunity, Mid Cap Value, and Small/Mid Cap Value Update

Issues to watch

Change in ownership structure: CRM is now majority owned by M&T Bank (MTB) following MTB's acquisition of Wilmington Trust Company (WTC). We do not anticipate the new relationship to change CRM's operational autonomy or the financial terms of the original agreement with Wilmington Trust Investments (WTI), a former subsidiary of WTC. Any developments that would lead to a change in these arrangements should be cause for concern.

Opportunistic hires: Although CRM does not have specific needs to fill at this time, the firm continues to interview candidates on an opportunistic basis to capitalize on available talent. In future meetings, we look to follow up on any new additions to the team and assess their ability to acclimate to CRM's culture and research demands.

Highlights

There have been no changes to the investment philosophy or process, and we continue to view the team's fundamental research as a competitive strength and a driving force of the strategies. Research remains insightful and forward-looking, attributes that we have come to expect from a team of this caliber. The large team of sector research analysts continues to give us confidence that the universe of opportunities is covered with sufficient depth and that ideas are rigorously debated in a collaborative fashion.

The most noteworthy update since our last meeting was MTB's acquisition of WTC, which closed at the end of May 2011. While MTB replaces WTI as the primary investor in CRM with a continued ownership stake of 78%, the transaction did not alter the contractual agreement that CRM originally established with WTI. Therefore, MTB fully assumed the same terms of the previous relationship and will maintain a passive investment in the firm going forward. We were reassured that CRM will continue to operate with the same level of autonomy that it has been accustomed to and possess veto rights over all business decisions, including compensation. As a result, we view this as a non-event and do not expect the transaction to have any negative implications for CRM's highly rated strategies. That said, future developments that would give us reason to question the firm's operational autonomy would be cause for concern.

Although employees of CRM continue to hold a minority stake in the firm, the split of the economics (net income) between CRM and MTB is still 50/50, which is explained by a profit sharing plan that has been in place for a number of years. CRM is, however, in talks with MTB to buy back additional equity. While the magnitude of a potential transaction in the short-term is uncertain, it also does not appear to be significant. Whether a deal will be consummated remains to be seen, but as long as MTB continues to hold an equity interest in CRM we should expect these types of conversations to be a regular part of the ongoing relationship.

CRM added three research analysts to the US equity team in the fourth quarter of 2010. Adriano Almeida joined from a hedge fund and previously spent five years each at Dalton, Greiner, Hartman, Maher & Company and The Dreyfus Corporation. He is part of CRM's Industrials, Energy, and Utilities research teams. Ian Bitner joined from BroadArch Capital, an equity hedge fund, and had previous investment banking experience at Bank of America. He is part of the Industrials team. Finally, Brittain Ezzes also joined from an equity hedge fund, Mission Point Capital Partners, and has Industrials and Technology coverage. We did not get the chance to meet Almeida or Ezzes, and while our conversation with Bitner was rather short, he appears to exhibit the qualities that fit CRM's investment style. While there have been no investment related departures from CRM since our last review, Martin Teng, who

covered Energy and Industrials, transitioned to the firm's international team that supports Milu Komer in what was explained to be a better alignment of resources. Though CRM is not short on resources at this time, it will continue to hire opportunistically as it sees fit.

Since our last meeting, CRM added Chip Rewey and Robert Maina as strategy co-leads to serve alongside Jay Abramson on the Large Cap Opportunity strategy. Abramson described the augmentation of the number of co-leads as a means to further enhance the risk management oversight of the strategy as well as to ensure that an investment professional would be available in situations that would require a portfolio manager to be out of the office, such as for occasional client meetings. The addition of Rewey, in particular, makes sense given his seniority within the firm and his co-lead responsibilities with Abramson on Mid Cap Value and Small/Mid Cap Value.

One of the compelling features of CRM has been the cultivation of strong communication flow amongst the investment team that has led to a collaborative yet accountable dynamic. As a result, adding Rewey and Maina as co-leads does not alter the idea generation process as it has always been largely driven by the research team. The analysts also have considerable input into portfolio construction and position sizing decisions, so we do not expect Rewey's and Maina's addition to unnecessarily complicate how the strategy is managed going forward. Though CRM's investment team has historically operated relatively flat, we would view the appointment of new co-leads in the future positively as it promotes longer-term team stability.

Lazard Asset Management – Research Note Dated September 20, 2011: Update on Mid Cap Equity Strategy

Issues to watch

Employee stability: Within the last two years, Gary Busser was transitioned to the accounting validation team, and the team lost an Industrials analyst. We will review any potential further employee changes at future meetings.

Liquidity: Lazard has shown a tendency to let assets in the product grow large enough so that it negatively affects the team's ability to trade positions in some of the smaller cap names. In addition, liquidity for some of the smaller cap names may be affected by the asset levels in the Strategic Equity product. Currently, we are not concerned by this, but will continue to review it in future meetings.

Highlights

The meeting provided an update on the firm and the U.S. Mid Cap Equity strategy managed by Lazard. Below are important highlights from our meeting.

We continue to be impressed with the Lazard U.S. Equity team and the quality of the research conducted by the portfolio managers and research analysts. The main differentiator between Lazard's Strategic Equity, Mid Cap Equity, and Small-Mid Cap Equity is the lead portfolio manager. They are Chris Blake, Rob Failla, and Dan Breslin, respectively. Of the three lead portfolio managers, we have the greatest confidence in Chris Blake and his investment capabilities. His investment acumen and ability to articulate the investment thesis on holdings and explain portfolio positioning leads to our differentiated rating for the Strategic Equity strategy.

During the meeting, Ron Temple informed us that Lazard recently tweaked its compensation structure for the firm's investment professionals. Approximately 2/3 or the compensation for the investment professionals is based on a quantitative assessment of the individual's performance within the context of the overall firm and team performance. Performance will be assessed against the backdrop of an individual's 3- and 5- year performance with more emphasis placed on the 3-year figure. The other 1/3 of compensation is driven by qualitative factors including mentoring and collaborating across the U.S. team. Going forward, 20% to 40% of the team's bonus compensation will be deferred. Rather than having the deferred compensation invested exclusively in Lazard stock, 25% to 50% will be invested in mutual fund assets managed by Lazard. We view the modified compensation structure favorably and believe it better aligns the interests of the team with those of the clients.

As noted in the research note posted on October 15, 2010, the team's Industrials analyst, Peter Nesvold left the firm, as expected. Additionally, the team added depth to its Health Care coverage with the addition on Henry (Ross) Seiden and expects to extend an offer to a current intern who is expected to join the team by the end of the year. We view the added depth favorably, but would like to meet with the new additions to the team in future meetings.

We had the opportunity to meet with two Financials analysts, Miriam Kim and Dmitri Batsev, and a Consumer Discretionary analyst, Jerry Liu. With regards to Financials, the team seems to be doing more work on how the macro economic environment impacts its industries and the implications for the companies it owns. While we believe the team has historically incorporated the macro framework into its research process, it was evident that more work has been done recently given the economic environment. Kim and Batsev noted that they are not worried about solvency within the banks, but that it is an extremely difficult environment for them to make money given where interest rates are and that there while they have plenty of money to loan due to increased deposits, there is more competition for fewer loans.

We were informed that Lazard recently hired a REIT team to join the firm. While this will be a completely separate team from the ones we have met with, we view this positively as it should provide a resource for the analysts when researching REITs for the portfolio.

Although we were initially disappointed in the decision to transition Gary Busser to the accounting validation team, it appears that this decision was made to better utilize his talents and to align them with his interests. Along with scrutinizing the financial statements and disclosures of investment opportunities, Busser is the firm's accounting specialist responsible for keeping current on potential changes to the accounting standards and apprising the team on the changes and what they mean. Although each analyst is responsible for analyzing the financial statements, we view the use of the accounting validation team employed by Lazard as a differentiating component to its research process. The team noted that the primary benefit of having an accounting validation team is the avoidance of bad companies.

PIMCO, Allianz Global Investors Capital (AGIC), RCM – News Item Dated September 6, 2011: Allianz Revamps Asset Management Arms

Allianz SE has announced that it will be pairing up its two asset management arms (PIMCO and Allianz Global Investors) into a new holding company called Allianz Asset Management AG, effective January 1, 2012. Under the new reorganization, Allianz Global Investors Capital (AGIC), Allianz Global Investors Distributors (AGID), and RCM will fall under the Allianz Global Investors (AGI) umbrella while PIMCO will continue to act as its own individual entity.

PIMCO is headed by founder Bill Gross and Chief Executive Officer, Mohamed El-Erian.

AGIC's acting CEO Marna Whittington will be retiring at the end of 2011. She will be replaced by AGID's CEO Brian Gaffney at that time.

Appendix C – Disclosures

Important notices

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