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City of San Jose Police & Fire Department Retirement Plan

Investment Performance Analysis As of December 31, 2010

March 3, 2011

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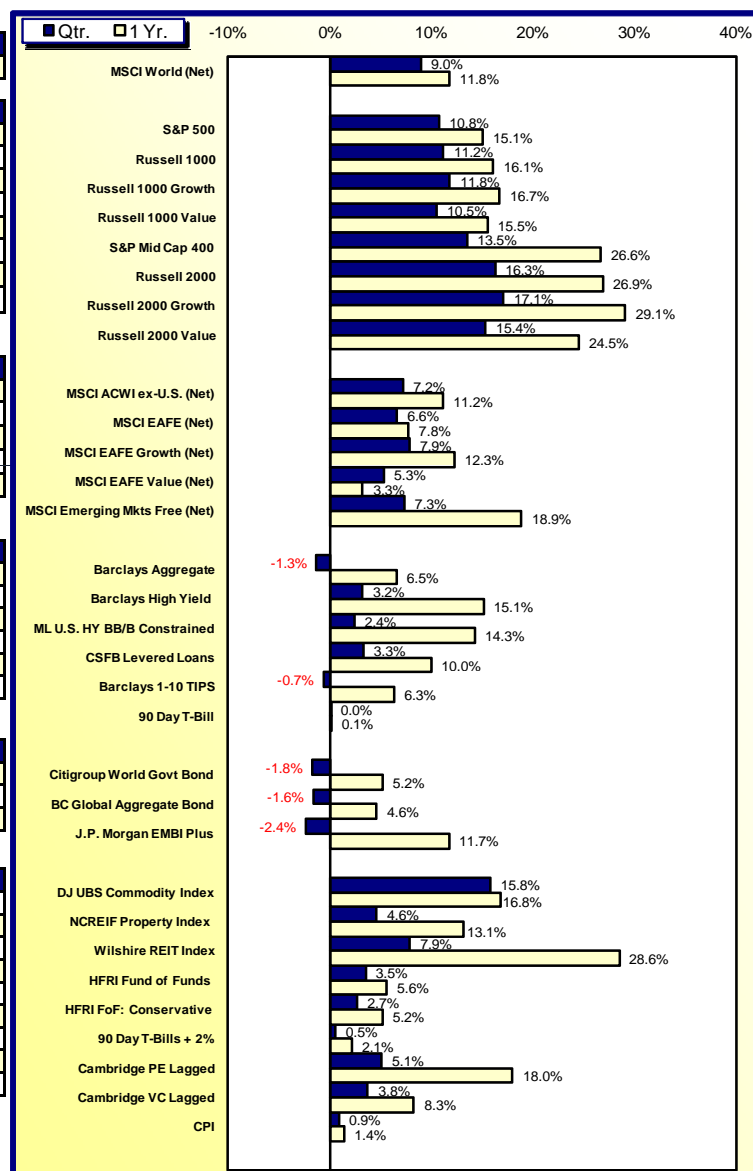
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25
Years
1986-2011

Market Environment Overview

		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Global Equity Benchmarks						
MSCI World (Net)	World	9.0%	11.8%	-4.9%	2.4%	2.3%
Domestic Equity Benchmarks						
S&P 500	Large Core	10.8%	15.1%	-2.9%	2.3%	1.4%
Russell 1000	Large Core	11.2%	16.1%	-2.4%	2.6%	1.8%
Russell 1000 Growth	Large Growth	11.8%	16.7%	-0.5%	3.8%	0.0%
Russell 1000 Value	Large Value	10.5%	15.5%	-4.4%	1.3%	3.3%
S&P Mid Cap 400	Mid Core	13.5%	26.6%	3.5%	5.7%	7.2%
Russell 2000	Small Core	16.3%	26.9%	2.2%	4.5%	6.3%
Russell 2000 Growth	Small Growth	17.1%	29.1%	2.2%	5.3%	3.8%
Russell 2000 Value	Small Value	15.4%	24.5%	2.2%	3.5%	8.4%
International Equity Benchmarks						
MSCI ACWI ex-U.S. (Net)	International	7.2%	11.2%	-5.0%	4.8%	5.5%
MSCI EAFE (Net)	Int'l Developed	6.6%	7.8%	-7.0%	2.5%	3.5%
MSCI EAFE Growth (Net)	Int'l Developed	7.9%	12.3%	-5.9%	3.5%	2.7%
MSCI EAFE Value (Net)	Int'l Developed	5.3%	3.3%	-8.2%	1.4%	4.2%
MSCI Emerging Mkts Free (Net)	Int'l Emerging	7.3%	18.9%	-0.3%	12.8%	15.9%
Domestic Fixed Income Benchmarks						
Barclays Aggregate	Core Bonds	-1.3%	6.5%	5.9%	5.8%	5.8%
Barclays High Yield	High Yield	3.2%	15.1%	10.4%	8.9%	8.9%
ML U.S. HY BB/B Constrained	High Yield	2.4%	14.3%	8.6%	7.6%	7.9%
CSFB Levered Loans	Bank Loans	3.3%	10.0%	4.3%	4.4%	4.8%
Barclays 1-10 TIPS	Inflation-Linked	-0.7%	6.3%	5.0%	5.3%	7.0%
90 Day T-Bill	Cash	0.0%	0.1%	0.8%	2.4%	2.4%
Global Fixed Income Benchmarks						
Citigroup World Govt Bond	Global Bonds	-1.8%	5.2%	6.2%	7.1%	7.0%
BC Global Aggregate Bond	Global Bonds	-1.6%	4.6%	5.1%	4.9%	5.2%
J.P. Morgan EMBI Plus	Em. Mkt. Bonds	-2.4%	11.7%	8.3%	8.4%	10.6%
Alternative Benchmarks						
DJ UBS Commodity Index	Commodities	15.8%	16.8%	-3.7%	1.2%	5.8%
NCREIF Property Index	Real Estate	4.6%	13.1%	-4.2%	3.5%	7.4%
Wilshire REIT Index	REIT	7.9%	28.6%	0.2%	2.4%	10.5%
HFRI Fund of Funds	Hedge Funds	3.5%	5.6%	-2.6%	2.4%	4.1%
HFRI FoF: Conservative	Hedge Funds	2.7%	5.2%	-2.6%	1.7%	3.5%
90 Day T-Bills + 2%	Hedge Funds	0.5%	2.1%	2.8%	4.5%	4.4%
Cambridge PE Lagged	Private Equity	5.1%	18.0%	0.4%	10.0%	8.5%
Cambridge VC Lagged	Venture Capital	3.8%	8.3%	-2.1%	4.9%	-6.6%
CPI	Inflation	0.9%	1.4%	1.4%	2.1%	2.3%



Note: Cambridge Associates Private Equity and Venture Capital Indexes are lagged by one quarter. Performance shown as of September 30, 2010.

NEPC 2011 Capital Market Observations

- **Investors face an even lower market return environment**
 - Bond yields are the lowest in over 50 years, limiting future returns
 - Stock fundamentals unlikely to support a higher risk premium over bonds
 - Economic growth muted as unemployment and debt overhang are not solved
 - Long-term investors should expect higher nominal returns in the future, as indicated by a very steep yield curve
- **Most markets have been driven by macro/top-down factors**
 - “Risk on/risk off” determination of returns, not based on fundamentals
 - A return to company and security differentiation seems overdue
- **Quantitative easing by Federal Reserve dominates markets**
 - Creates steep yield curve and extends macro, high correlation environment
 - Increases currency pressures on emerging markets
 - Unconventional actions by central banks have led global economy into uncharted waters, increasing uncertainty for the future
- **Global currency regime under stress**
 - Fuels recent commodity run and raises risk of long-term price inflation
 - Political risk of protectionism and capital controls

Summary of Investment Results

- Over the last 12 months, the Fund experienced a net investment gain of \$314.3 million, which includes a net investment gain of \$144.4 million during the fourth calendar quarter. Total assets increased from \$2.39 billion 12 months ago to \$2.65 billion on December 31, 2010, with \$57.0 million in net distributions during the period.
- Over the past five years, the Fund returned 4.6% per annum, outperforming the total fund benchmark by 0.1%, and ranking in the 43rd percentile of the Independent Consultant Cooperative's Public Funds > \$1 Billion Universe.
 - For the five-year period, active management detracted 50 basis points of value while increasing volatility for the period by 10 basis points.
 - The Fund's risk-adjusted performance, as measured by the Sharpe Ratio, ranks in the 45th percentile of its peers.
- For the two-year period ending December 31, 2010, the Fund returned 16.7%, outperforming the total fund benchmark by 1.1%, and ranking in the 45th percentile of its peers.
 - For the two-year period, active management added 30 basis points of value while decreasing volatility for the period by 50 bps.
 - Over the past two years, in what has been a highly volatile market environment, the Fund has reduced its volatility while producing strong absolute returns, resulting in a Sharpe Ratio of 1.5 for the period.
- For the one year period ending December 31, 2010, the Fund returned 13.2%, matching the total fund benchmark, and ranking in the 47th percentile of its peers.
 - For the one-year period, active management added no value while lowering volatility for the period by 40 basis points.
 - During what has been characterized as a "risk on/risk off" market environment in 2010, the Fund produced strong absolute returns, with less volatility than its peers.
 - The Fund's volatility ranks in the 26th percentile of its peers for the period, while the risk-adjusted performance ranks in the 28th percentile.
- For the quarter, the Fund posted a 5.7% return, trailing the total fund benchmark by 0.4% and ranking in the 62nd percentile of its peers.
 - For the quarter, active management detracted 10 basis points of value.
- All asset classes were within policy ranges on December 31, 2010.

Note: All performance, ranks, asset allocation and asset growth detailed above and throughout this report are as of December 31, 2010, unless otherwise noted, and take into account an unrealized loss of \$3,929,763 in the Fund's securities lending cash collateral reinvestment pool. The unrealized loss was accounted for in June 2009 performance calculations, which negatively impacted performance by 51 basis points at the Total Fund level for the month. This impact will be negated over time as market conditions improve and pricing of fixed income assets becomes more normalized, assuming there are no impairments or defaults in the pool. To date, State Street (who manages the Fund's securities lending program), has not experienced any impairments or defaults in the Fund's securities lending cash collateral reinvestment pool.

Plan Update

- In aggregate, Seix and Mackay Shields have distributed \$34.5 million of the \$100 million they invested in September 2009
 - Seix has distributed \$20.2 million as of December 31, 2010.
 - Mackay Shields has distributed \$14.3 million as of December 31, 2010.
- 2 of the Fund's 3 Direct Lending managers made initial investments during the quarter.
 - White Oak called \$3.5 M in November (\$50 M commitment)
 - GSO called \$5.0 M in December (\$50 M commitment)
- American Realty Advisors took over management of the separately managed real estate portfolios previously managed by Kennedy Associates and MIG in September 2010.
- Current Search Activity
 - U.S. Small Cap Growth Equities
 - Non-U.S. Emerging Markets Equities

Fund Allocation

	Market Value	Percent of Total Assets	Total Fund Benchmark ¹	Difference	Range
TOTAL FUND	\$2,646,998,846	100.0%			
TOTAL EQUITY	\$1,127,028,594	42.6%	40.0%	2.6%	30-50%
TOTAL U.S. EQUITY	\$576,436,016	21.8%	23.0%	(1.2%)	
<i>U.S. Large Cap Equity</i>	<i>\$409,314,805</i>	<i>15.5%</i>	<i>18.0%</i>	<i>(2.5%)</i>	
<i>U.S. Small Cap Equity</i>	<i>\$167,121,210</i>	<i>6.3%</i>	<i>5.0%</i>	<i>1.3%</i>	
TOTAL NON-U.S. EQUITY	\$492,132,416	18.6%	17.0%	1.6%	
<i>Non-U.S. Developed Markets</i>	<i>\$319,340,158</i>	<i>12.1%</i>	<i>12.0%</i>	<i>0.1%</i>	
<i>Non-U.S. Emerging Markets</i>	<i>\$172,792,258</i>	<i>6.5%</i>	<i>5.0%</i>	<i>1.5%</i>	
CONVERTIBLE BONDS²	\$58,460,162	2.2%	0.0%	2.2%	
TOTAL FIXED INCOME	\$882,447,796	33.3%	25.0%	8.3%	15-35%
<i>Core Bonds</i>	<i>\$224,919,249</i>	<i>8.5%</i>	<i>5.0%</i>	<i>3.5%</i>	
<i>TIPS</i>	<i>\$343,366,498</i>	<i>13.0%</i>	<i>10.0%</i>	<i>3.0%</i>	
<i>Long Bonds</i>	<i>\$132,743,811</i>	<i>5.0%</i>	<i>5.0%</i>	<i>0.0%</i>	
<i>Opportunistic Credit</i>	<i>\$181,418,238</i>	<i>6.9%</i>	<i>5.0%</i>	<i>1.9%</i>	
PRIVATE EQUITY	\$111,712,014	4.2%	5.0%	(0.8%)	0-10%
REAL ESTATE	\$128,964,126	4.9%	10.0%	(5.1%)	5-15%
INFLATION-LINKED ASSETS³	\$305,849,856	11.6%	10.0%	1.6%	5-15%
ABSOLUTE RETURN	\$0	0.0%	5.0%	(5.0%)	0-10%
OPPORTUNISTIC INVESTMENTS	\$8,366,498	0.3%	5.0%	(4.7%)	0-10%
CASH	\$86,559,726	3.3%	0.0%	3.3%	
SECURITIES LENDING⁴	(\$3,929,763)	-0.1%	--	--	

¹New asset allocation targets adopted by the Board of Administration at the October 1, 2009 meeting.

²The Plan's allocation to convertible bonds is a global mandate and included within the Plan's equity allocation for asset allocation purposes. However, the performance of the convertible bonds mandate is not reflected in any of the asset class composites reported herein.

³Inflation-Linked Assets currently includes passive exposure to the Dow Jones UBS Commodity Index.

⁴Unrealized losses in the Fund's securities lending cash collateral reinvestment pool.

Note: Market values shown above include cash held in separately managed portfolios.

Totals may not add to 100% due to rounding.

Total Fund Performance

	Ending Market Value	Last 3 Months	Rank	Fiscal YTD	Rank	Last Year	Rank	Annualized Returns								Since Inception (Feb-1971)
								Three Years	Rank	Five Years	Rank	Seven Years	Rank	Ten Years	Rank	
San Jose Police & Fire	\$2,646,998,846	5.7%	62	14.1%	65	13.2%	47	-0.3%	61	4.6%	43	6.3%	23	5.9%	7	9.1%
<i>San Jose Police & Fire (Net)</i>		5.7%		14.0%		12.8%		-0.6%		4.3%		6.0%		5.6%		8.8%
<i>Allocation Index</i>		5.8%	58	14.5%	57	13.2%	43	-0.1%	56	5.1%	22	6.7%	17	5.0%	34	--
Total Fund Benchmark		6.1%	42	15.0%	52	13.2%	46	-0.7%	73	4.5%	52	6.2%	37	5.5%	21	--
60% S&P 500 / 40% BC Aggregate		5.9%		14.2%		12.1%		1.1%		4.1%		4.7%		3.5%		
CPI		0.8%		1.5%		1.4%		1.4%		2.1%		2.5%		2.3%		
ICC Public Funds > \$ 1 Billion Median		6.0%		15.1%		13.0%		0.1%		4.5%		6.0%		4.7%		
<u>Estimated PBO</u>																
	\$3,232,548,401	-5.1%		1.7%		13.8%		11.9%		6.4%		7.3%		9.2%		
	(\$585,549,555)															
	81.9%															

¹Net of fee returns longer than two years are estimates based on an estimated annual investment management expense ratio of 30 basis points.

²Estimated Pension Benefit Obligation (PBO) calculated assuming a duration of liabilities of 13 years.

³Total Fund Benchmark history can be found in the appendix.

Performance Summary by Asset Class

	Ending Market Value	Last 3 Months	Rank	Fiscal YTD	Rank	Last Year	Rank	Annualized Returns								Since Inception (Feb-1971)
								Three Years	Rank	Five Years	Rank	Seven Years	Rank	Ten Years	Rank	
Total U.S. Equity Composite	\$576,436,016	12.9%	47	25.9%	49	19.1%	52	-2.0%	67	2.4%	77	4.4%	84	2.9%	75	
Total U.S. Equity Composite (Net)		12.9%		25.8%		19.0%		-2.2%		2.2%		4.1%		2.8%		
Custom U.S. Equity Index ¹		12.3%	52	25.2%	54	18.4%	54	-1.6%	63	3.0%	67	4.7%	78	2.3%	81	
Performance Variance		0.6%		0.6%		0.6%		-0.6%		-0.8%		-0.6%		0.5%		
ICC U.S. Equity Funds Median		12.5%		25.7%		19.5%		-0.1%		4.1%		6.4%		5.2%		
Total Convertible Bonds Composite⁴	\$58,460,162	5.0%		11.6%		9.4%		n/a		n/a		n/a		n/a		
Total Convertible Bonds Composite (Net)		5.0%		11.5%		9.0%		n/a		n/a		n/a		n/a		
ML Global 300 Convertible Index		5.4%		13.0%		11.7%		2.5%		5.3%		5.4%		4.2%		
Performance Variance		-0.4%		-1.4%		-2.7%		n/a		n/a		n/a		n/a		
Total International Equity Composite	\$492,132,416	6.8%	59	23.6%	65	15.4%	37	-3.9%	47	5.9%	37	10.0%	33	8.3%	26	
Total International Equity Composite (Net)		6.6%		23.3%		14.7%		-4.6%		5.2%		9.3%		7.5%		
Custom International Equity Index (Net) ²		6.8%	56	24.9%	50	11.0%	58	-6.1%	70	3.1%	80	6.8%	84	3.8%	92	
Performance Variance		-0.2%		-1.7%		3.7%		1.5%		2.1%		2.5%		3.7%		
ICC Int'l Equity Funds Median		7.1%		24.9%		12.8%		-4.2%		4.7%		8.7%		6.9%		
Total Fixed Income Composite	\$882,447,796	-0.6%	52	3.2%	35	9.0%	47	n/a		n/a		n/a		n/a		
Total Fixed Income Composite (Net)		-0.6%		3.1%		8.8%		n/a		n/a		n/a		n/a		
Custom Fixed Income Index ³		-1.2%	77	2.9%	43	9.0%	47	6.7%	54	6.3%	56	5.4%	62	6.1%	60	
Performance Variance		0.6%		0.2%		-0.2%		n/a		n/a		n/a		n/a		
ICC U.S. Fixed Income Median		-0.5%		2.4%		8.7%		6.9%		6.5%		5.8%		6.4%		
Total Real Estate Composite	\$128,964,126	8.5%		10.5%		13.6%		-0.4%		4.9%		7.2%		6.1%		
Total Real Estate Composite (Net)		8.3%		10.3%		13.2%		-0.7%		4.6%		6.9%		5.8%		
NCREIF Property Index		4.6%		8.7%		13.1%		-4.2%		3.5%		7.3%		7.4%		
Performance Variance		3.7%		1.6%		0.1%		3.5%		1.1%		-0.4%		-1.6%		
Total Private Equity Composite (Net)	\$111,712,014	-1.8%		1.9%		9.4%		3.4%		7.2%		n/a		n/a		
Cambridge Associates Priv Equity Index (1 Qtr Lag)		5.1%		6.8%		18.0%		0.4%		10.0%		14.8%		8.5%		
Russell 2000		16.3%		29.4%		26.9%		2.2%		4.5%		6.4%		6.3%		
Performance Variance (vs. Cambridge PE)		-6.9%		-4.9%		-8.6%		3.0%		-2.8%		n/a		n/a		
Total Inflation-Linked Assets Composite	\$305,849,856	15.8%		29.2%		16.8%		n/a		n/a		n/a		n/a		
Dow Jones/UBS Commodities Index		15.8%		29.2%		16.8%		-3.7%		1.2%		5.0%		5.8%		
Performance Variance		0.0%		0.0%		0.0%		n/a		n/a		n/a		n/a		

¹Custom U.S. Equity Index comprised of 78% Russell 1000/22% Russell 2000. Prior to January 2010, the index was the Russell 3000 Index.

²Custom International Equity Index comprised of 70% MSCI EAFE (Net)/30% MSCI Emerging Markets (Net). Prior to January 2010, the index was the MSCI EAFE Index (Net).

³Custom Fixed Income Index comprised of 20% BC Aggregate/40% TIPS/20% BC U.S. Gov't/Credit Long/20% ML U.S. HY BB-B. Prior to January 2010, the index was the BC Aggregate.

⁴The Plan's allocation to convertible bonds is a global mandate and included within the Plan's equity allocation for asset allocation purposes. However, the performance of the convertible bonds mandate is not reflected in any of the asset class composites reported herein.

Note: "(Net)" next to investment manager or composite refers to net of investment management fees.

"(Net)" next to index refers to net of dividend withholding tax that U.S. investors are subject to when investing outside of the U.S. Investment manager and composite performance is net of dividend withholding tax as well. v

Performance Summary – Domestic Equity

Weight in Fund		Ending Market Value	Last 3 Months	Rank	Fiscal YTD	Rank	Last Year	Rank	Annualized Returns								Since Inception	Inception Date
									Three Years	Rank	Five Years	Rank	Seven Years	Rank	Ten Years	Rank		
21.8%	Total U.S. Equity Composite	\$576,436,016	12.9%	47	25.9%	49	19.1%	52	-2.0%	67	2.4%	77	4.4%	84	2.9%	75		
	Total U.S. Equity Composite (Net)		12.9%		25.8%		19.0%		-2.2%		2.2%		4.1%		2.8%			
	Custom U.S. Equity Index ¹		12.3%	52	25.2%	54	18.4%	54	-1.6%	63	3.0%	67	4.7%	78	2.3%	81		
	Russell 3000		11.6%	60	24.5%	59	16.9%	62	-2.0%	67	2.7%	42	4.5%	85	2.2%	82		
	Performance Variance (vs. Custom U.S. Equity Index)		0.6%		0.6%		0.6%		-0.6%		-0.8%		-0.6%		0.5%			
	ICC U.S. Equity Funds Median		12.5%		25.7%		19.5%		-0.1%		4.1%		6.4%		5.2%			
15.5%	U.S. Large Cap Equity Composite	\$409,314,805	11.1%	49	23.5%	51	15.3%	52	n/a		n/a		n/a		n/a			
	U.S. Large Cap Equity Composite (Net)		11.1%		23.4%		15.1%		n/a		n/a		n/a		n/a			
	Russell 1000		11.2%	47	24.0%	44	16.1%	43	-2.4%	51	2.6%	55	4.3%	74	1.8%	76		
	Performance Variance		-0.1%		-0.6%		-1.0%		n/a		n/a		n/a		n/a			
	ICC Large Cap Equity Funds Median		11.0%		23.5%		15.5%		-2.3%		2.9%		5.2%		3.6%			
	Large Cap Core Equity																	
5.3%	Rhumbline Russell 1000	\$139,942,699	11.2%	40	24.0%	28	16.0%	30	n/a		n/a		n/a		n/a		16.0%	Dec-09
	Rhumbline Russell 1000 (Net)		11.1%		23.9%		16.0%		n/a		n/a		n/a		n/a		16.0%	
	Russell 1000		11.2%	39	24.0%	26	16.1%	29	-2.4%	49	2.6%	52	4.3%	76	1.8%	88	16.1%	
	Performance Variance		0.0%		-0.1%		-0.1%		n/a		n/a		n/a		n/a		-0.1%	
	ICC Large Cap Core Median		10.9%		23.2%		14.7%		-2.5%		2.7%		4.9%		4.3%		--	
	Large Cap Growth Equity																	
5.0%	Rhumbline Russell 1000 Growth	\$132,425,080	11.8%	56	26.3%	51	16.8%	56	n/a		n/a		n/a		n/a		16.8%	Dec-09
	Rhumbline Russell 1000 Growth (Net)		11.8%		26.3%		16.8%		n/a		n/a		n/a		n/a		16.8%	
	Russell 1000 Growth		11.8%	54	26.4%	49	16.7%	56	-0.5%	46	3.8%	45	4.3%	82	0.0%	92	16.7%	
	Performance Variance		0.0%		-0.1%		0.1%		n/a		n/a		n/a		n/a		0.1%	
	ICC Large Cap Growth Median		12.1%		26.3%		17.2%		-0.7%		3.6%		5.4%		1.7%		--	
	Large Cap Value Equity																	
5.2%	ROBECO/Boston Partners	\$136,947,027	10.4%	50	20.4%	86	13.6%	72	-1.2%	8	4.0%	9	6.9%	7	5.5%	32	8.6%	Jul-96
	ROBECO/Boston Partners (Net)		10.4%		20.3%		13.3%		-1.5%		3.7%		6.6%		5.2%		8.2%	
	Russell 1000 Value		10.5%	43	21.7%	62	15.5%	48	-4.4%	75	1.3%	68	4.1%	71	3.3%	88	7.4%	
	Russell 1000 Value + 1.0%		10.8%		22.2%		16.5%		-3.4%		2.3%		5.1%		4.3%		8.4%	
	Performance Variance		-0.4%		-1.9%		-3.2%		1.9%		1.4%		1.4%		0.9%		-0.1%	
	ICC Large Cap Value Median		10.3%		22.1%		15.4%		-3.5%		1.9%		5.2%		4.4%		--	
6.3%	U.S. Small Cap Equity Composite	\$167,121,210	17.5%	31	32.0%	23	29.8%	29	n/a		n/a		n/a		n/a			
	U.S. Small Cap Equity Composite (Net)		17.5%		32.0%		29.8%		n/a		n/a		n/a		n/a			
	Russell 2000		16.3%	51	29.4%	47	26.9%	54	2.2%	71	4.5%	78	6.4%	89	6.3%	82		
	Performance Variance		1.2%		2.7%		2.9%		n/a		n/a		n/a		n/a			
	ICC Small Cap Equity Funds Median		16.3%		29.2%		27.3%		3.7%		6.5%		8.6%		9.6%			
	Small Cap Core Equity																	
3.5%	Rhumbline Russell 2000	\$93,545,210	16.1%	45	29.1%	42	26.5%	52	2.2%	76	4.5%	76	n/a		n/a		5.0%	Dec-04
	Rhumbline Russell 2000 (Net)		16.1%		29.1%		26.5%		2.1%		4.4%		n/a		n/a		5.0%	
	Russell 2000		16.3%	43	29.4%	36	26.9%	48	2.2%	74	4.5%	75	6.4%	91	6.3%	97	4.9%	
	Performance Variance		-0.2%		-0.3%		-0.4%		-0.1%		0.0%		n/a		n/a		0.1%	
	ICC Small Cap Core Median		15.8%		28.4%		26.6%		3.7%		6.4%		8.8%		10.7%		--	
	Small Cap Value Equity																	
2.8%	RS Investments	\$73,576,000	19.3%	13	n/a		n/a		n/a		n/a		n/a		n/a		23.0%	Aug-10
	RS Investments (Net)		19.3%		n/a		n/a		n/a		n/a		n/a		n/a		23.0%	
	Russell 2000 Value		15.4%	65	26.6%	54	24.5%	66	2.2%	82	3.5%	72	6.2%	81	8.4%	93	18.1%	
	Russell 2000 Value + 2.0%		15.9%		27.6%		26.5%		4.2%		5.5%		8.2%		10.4%		19.0%	
	Performance Variance		3.4%		n/a		n/a		n/a		n/a		n/a		n/a		4.0%	
	ICC Small Cap Value Median		16.1%		27.8%		26.7%		5.6%		5.2%		8.4%		11.2%		--	

¹Custom U.S. Equity Index comprised of 78% Russell 1000/22% Russell 2000. Prior to January 2010, the index was the Russell 3000 Index.



Performance Summary – International Equity

Weight in Fund	Ending Market Value	Last 3 Months	Rank	Fiscal YTD	Rank	Last Year	Rank	Annualized Returns								Since Inception	Inception Date
								Three Years	Rank	Five Years	Rank	Seven Years	Rank	Ten Years	Rank		
18.6% Total International Equity Composite	\$492,132,416	6.8%	59	23.6%	65	15.4%	37	-3.9%	47	5.9%	37	10.0%	33	8.3%	26		
Total International Equity Composite (Net)		6.6%		23.3%		14.7%		-4.6%		5.2%		9.3%		7.5%			
Custom International Equity Index (Net) ¹		6.8%	56	24.9%	51	11.0%	58	-6.1%	70	3.1%	80	6.8%	84	3.8%	92		
MSCI ACWI ex-U.S. (Net)		7.2%	49	25.0%	50	11.2%	57	-5.0%	57	4.8%	49	8.6%	51	5.5%	76		
<i>Performance Variance (vs. Custom Int'l Equity Index)</i>		-0.2%		-1.7%		3.7%		1.5%		2.1%		2.5%		3.7%			
ICC Int'l Equity Funds Median		7.1%		24.9%		12.8%		-4.2%		4.7%		8.7%		6.9%			
12.1% Developed International Equity Composite	\$319,340,158	6.6%	65	22.5%	74	14.6%	30	-5.5%	60	4.0%	60	7.9%	59	5.4%	74		
Developed International Equity Composite (Net)		6.4%		22.2%		14.0%		-6.1%		3.4%		7.3%		4.8%			
MSCI EAFE (Net)		6.6%	64	24.2%	50	7.8%	73	-7.0%	77	2.5%	87	6.4%	93	3.5%	95		
<i>Performance Variance</i>		-0.2%		-2.0%		6.3%		0.9%		0.9%		0.9%		1.3%			
5.6% Brandes	\$149,384,518	5.1%	89	19.1%	93	7.7%	73	-5.8%	63	3.3%	73	7.6%	62	6.2%	59	10.5%	Jan-97
Brandes (Net)		5.0%		18.8%		7.2%		-6.3%		2.7%		7.1%		5.7%		9.9%	
MSCI EAFE (Net)		6.6%	64	24.2%	50	7.8%	73	-7.0%	77	2.5%	87	6.4%	93	3.5%	95	4.6%	
MSCI EAFE (Net) + 1.5%		7.0%		24.9%		9.3%		-5.5%		4.0%		7.9%		5.0%		6.1%	
<i>Performance Variance</i>		-2.0%		-6.1%		-2.1%		-0.8%		-1.2%		-0.8%		0.7%		3.8%	
6.4% William Blair	\$169,955,640	7.9%	33	25.7%	35	21.5%	8	-4.9%	48	5.3%	34	9.7%	24	n/a	10.4%	Feb-02	
William Blair (Net)		7.8%		25.3%		20.8%		-5.4%		4.7%		9.0%		n/a		9.7%	
MSCI ACWI ex-U.S. (Net)		7.2%	48	25.0%	43	11.2%	48	-5.0%	51	4.8%	41	8.6%	43	5.5%	73	9.4%	
MSCI ACWI ex-U.S. (Net) + 1.5%		7.6%		25.7%		12.7%		-3.5%		6.3%		10.1%		7.0%		10.9%	
<i>Performance Variance</i>		0.2%		-0.4%		8.2%		-1.9%		-1.6%		-1.1%		n/a		-1.2%	
ICC Int'l Developed Mkts Equity Median		7.0%		24.1%		10.7%		-5.0%		4.3%		8.3%		6.6%		--	
6.5% Emerging Markets Equity Composite	\$172,792,258	7.1%	51	25.7%	74	17.0%	74	1.2%	43	12.5%	59	17.3%	70	n/a			
Emerging Markets Equity Composite (Net)		6.9%		25.3%		15.9%		0.3%		11.4%		16.2%		n/a			
MSCI Emg Mkts Free (Net)		7.3%	43	26.7%	65	18.9%	59	-0.3%	58	12.8%	53	17.4%	70	15.9%	65		
<i>Performance Variance</i>		-0.4%		-1.4%		-3.0%		0.6%		-1.4%		-1.2%		n/a			
3.2% AllianceBernstein	\$84,949,776	7.1%	56	26.0%	73	16.5%	80	-2.6%	76	10.9%	83	16.7%	81	n/a	18.8%	Sep-01	
AllianceBernstein (Net)		6.6%		25.5%		15.2%		-3.5%		9.9%		15.6%		n/a		17.7%	
MSCI Emg Mkts Free (Net)		7.3%	43	26.7%	65	18.9%	59	-0.3%	58	12.8%	53	17.4%	70	15.9%	65	18.3%	
MSCI Emg Mkts Free (Net) + 2.0%		7.8%		27.7%		20.9%		1.7%		14.8%		19.4%		17.9%		20.3%	
<i>Performance Variance</i>		-1.2%		-2.2%		-5.7%		-5.2%		-4.9%		-3.7%		n/a		-2.6%	
3.3% The Boston Co.	\$87,842,482	7.2%	49	25.4%	76	17.4%	70	5.1%	17	13.9%	35	17.9%	45	n/a	19.9%	Sep-01	
The Boston Co. (Net)		7.2%		25.1%		16.6%		4.2%		12.8%		16.7%		n/a		18.7%	
MSCI Emg Mkts Free (Net)		7.3%	43	26.7%	65	18.9%	59	-0.3%	58	12.8%	53	17.4%	70	15.9%	65	18.3%	
MSCI Emg Mkts Free (Net) + 2.0%		7.8%		27.7%		20.9%		1.7%		14.8%		19.4%		17.9%		20.3%	
<i>Performance Variance</i>		-0.6%		-2.6%		-4.3%		2.5%		-2.0%		-2.7%		n/a		-1.6%	
ICC Int'l Emerging Mkts Equity Median		7.1%		27.5%		20.0%		0.3%		12.8%		17.7%		18.9%		--	

¹Custom International Equity Index comprised of 70% MSCI EAFE (Net)/30% MSCI Emerging Markets (Net). Prior to January 2010, the index was the MSCI EAFE Index (Net).

Note: "(Net)" next to investment manager or composite refers to net of investment management fees.

"(Net)" next to index refers to net of dividend withholding tax that U.S. investors are subject to when investing outside of the U.S. Investment manager and composite performance is net of dividend withholding tax as well.

Performance Summary – Fixed Income

Weight in Fund		Ending Market Value	Last 3 Months	Rank	Fiscal YTD	Rank	Last Year	Rank	Annualized Returns								Since Inception	Inception Date
									Three Years	Rank	Five Years	Rank	Seven Years	Rank	Ten Years	Rank		
33.3%	Total Fixed Income Composite¹	\$882,447,796	-0.6%	52	3.2%	35	9.0%	47	n/a		n/a		n/a		n/a			
	Total Fixed Income Composite (Net)		-0.6%		3.1%		8.8%		n/a		n/a		n/a		n/a			
	Custom Fixed Income Index ²		-1.2%	77	2.9%	43	9.0%	47	6.7%	54	6.3%	56	5.4%	62	6.1%	60		
	BC Aggregate		-1.3%	80	1.1%	78	6.5%	73	5.9%	67	5.8%	69	5.1%	72	5.8%	71		
	Performance Variance (vs. Custom Fixed Income Index)		0.6%		0.2%		-0.2%		n/a		n/a		n/a		n/a			
	ICC U.S. Fixed Income Median		-0.5%		2.4%		8.7%		6.9%		6.5%		5.8%		6.4%			
8.5%	Domestic Core Fixed Income Composite¹	\$224,919,249	-0.9%	47	2.1%	40	7.1%	60	5.6%	85	5.4%	92	5.2%	75	5.9%	74		
	Domestic Core Fixed Income Composite (Net)		-0.9%		2.1%		7.0%		5.4%		5.2%		5.1%		5.8%			
	BC Aggregate		-1.3%	77	1.1%	85	6.5%	76	5.9%	74	5.8%	77	5.1%	81	5.8%	77		
	Performance Variance		0.4%		0.9%		0.4%		-0.5%		-0.6%		0.0%		0.0%			
8.5%	SEIX	\$224,171,027	-0.9%	47	2.1%	41	7.8%	43	7.6%	25	6.8%	28	6.0%	27	6.4%	45	6.7%	Sep-99
	SEIX (Net)		-0.9%		2.1%		7.7%		7.5%		6.7%		5.8%		6.2%		6.5%	
	BC Aggregate		-1.3%	77	1.1%	85	6.5%	76	5.9%	74	5.8%	77	5.1%	81	5.8%	78	6.2%	
	BC Aggregate + 0.5%		-1.2%		1.4%		7.0%		6.4%		6.3%		5.6%		6.3%		6.7%	
	Performance Variance		0.3%		0.7%		0.7%		1.1%		0.4%		0.2%		-0.1%		-0.1%	
	ICC Core Fixed Income Median		-1.0%		1.9%		7.5%		6.7%		6.3%		5.6%		6.3%		--	
5.0%	Domestic Long Duration Fixed Income Composite	\$132,743,811	-4.4%	88	0.8%	83	12.4%	13	9.3%	14	7.5%	16	n/a		n/a			
	Domestic Long Duration Fixed Income Composite (Net)		-4.4%		0.7%		12.1%		9.0%		7.2%		n/a		n/a			
	BC US Gov't/Credit Long		-5.6%	95	-0.1%	91	10.2%	47	6.8%	53	5.9%	69	6.2%	35	7.1%	27		
	Performance Variance		1.2%		0.7%		1.9%		2.2%		1.3%		n/a		n/a			
5.0%	Income Research	\$132,743,811	-4.4%	88	0.8%	83	12.4%	13	9.3%	14	7.5%	16	n/a		n/a		7.0%	Jan-05
	Income Research (Net)		-4.4%		0.7%		12.1%		9.0%		7.2%		n/a		n/a		6.7%	
	BC US Gov't/Credit Long		-5.6%	95	-0.1%	91	10.2%	47	6.8%	53	5.9%	69	6.2%	35	7.1%	27	5.8%	
	BC US Gov't/Credit Long + 0.5%		-5.5%		0.2%		10.7%		7.3%		6.4%		6.7%		7.6%		6.3%	
	Performance Variance		1.0%		0.5%		1.4%		1.7%		0.8%		n/a		n/a		0.3%	
	ICC Long Duration Fixed Income Median		-1.4%		2.4%		10.0%		6.9%		6.4%		5.9%		6.7%		--	
13.0%	Treasury Inflation Protected Securities (TIPS)	\$343,366,498	-0.8%		2.1%		7.1%		n/a		n/a		n/a		n/a		7.1%	Dec-09

¹The Total Fixed Income and Domestic Core Fixed Income Composites include \$748,222 of illiquid securities remaining as a result of the termination of Western Asset Management Company (WAMCO) during the asset allocation transition that occurred in December 2009.

²Custom Fixed Income Index comprised of 20% BC Aggregate/40% TIPS/20% BC U.S. Gov't/Credit Long/20% ML U.S. HY BB-B. Prior to January 2010, the index was the BC Aggregate.

Performance Summary – Fixed Income (continued)

Weight in Fund		Ending Market Value	Last 3 Months	Fiscal YTD	Last Year	Annualized Returns					Since Inception	Inception Date
						Two Years	Three Years	Five Years	Seven Years	Ten Years		
3.5%	Domestic Credit Composite	\$91,903,237	2.7%	8.0%	11.2%	n/a	n/a	n/a	n/a	n/a		
	Domestic Credit (Net)		2.7%	7.9%	11.0%	n/a	n/a	n/a	n/a	n/a		
	ML US HY BB/B		2.4%	9.3%	14.3%	29.2%	8.6%	7.6%	7.3%	7.9%		
	<i>Performance Variance</i>		0.3%	-1.4%	-3.2%	n/a	n/a	n/a	n/a	n/a		
1.4%	Seix	\$38,237,079	2.7%	6.2%	8.2%	n/a	n/a	n/a	n/a	n/a	10.8%	Apr-09
	Seix (Net)		2.7%	6.1%	8.0%	n/a	n/a	n/a	n/a	n/a	10.7%	
	CSFB Leveraged Loan		3.3%	6.5%	10.0%	26.3%	4.3%	4.4%	4.8%	4.8%	21.1%	
	CSFB Leveraged Loan + 1.0%		3.6%	7.0%	11.0%	27.3%	5.3%	5.4%	5.8%	n/a	22.1%	
	<i>Performance Variance</i>		-0.9%	-0.9%	-3.0%	n/a	n/a	n/a	n/a	n/a	-11.5%	
2.0%	Mackay Shields	\$53,666,158	2.8%	9.4%	13.7%	n/a	n/a	n/a	n/a	n/a	21.3%	Apr-09
	Mackay Shields (Net)		2.8%	9.3%	13.4%	n/a	n/a	n/a	n/a	n/a	21.1%	
	ML US HY BB/B		2.4%	9.3%	14.3%	29.2%	8.6%	7.6%	7.3%	7.9%	24.3%	
	ML US HY BB/B + 1.0%		2.7%	9.8%	15.3%	30.2%	9.6%	8.6%	8.3%	8.9%	25.3%	
	<i>Performance Variance</i>		0.1%	-0.5%	-1.8%	n/a	n/a	n/a	n/a	n/a	-4.2%	
3.4%	Opportunistic Credit Composite	\$89,515,001	3.5%	9.4%	15.7%	29.8%	n/a	n/a	n/a	n/a		
	Opportunistic Credit (Net)		3.2%	8.9%	14.6%	28.7%	n/a	n/a	n/a	n/a		
	ML US HY BB/B Constrained		2.4%	9.3%	14.3%	29.2%	8.6%	7.6%	7.3%	7.9%		
	<i>Performance Variance</i>		0.8%	-0.4%	0.3%	-0.5%	n/a	n/a	n/a	n/a		
3.4%	PIMCO DISCO	\$89,515,001	3.5%	9.4%	15.7%	29.8%	n/a	n/a	n/a	n/a	18.3%	Jul-08
	PIMCO DISCO (Net)		3.2%	8.9%	14.6%	28.7%	n/a	n/a	n/a	n/a	17.4%	
	ML US HY BB/B Constrained		2.4%	9.3%	14.3%	29.2%	8.6%	7.6%	7.3%	7.9%	10.6%	
	<i>Performance Variance</i>		0.8%	-0.4%	0.3%	-0.5%	n/a	n/a	n/a	n/a	6.7%	
2.2%	Convertible Bonds Composite¹	\$58,460,162	5.0%	11.6%	9.4%	n/a	n/a	n/a	n/a	n/a		
	Convertible Bonds Composite (Net)		5.0%	11.5%	9.0%	n/a	n/a	n/a	n/a	n/a		
	ML Global 300 Convertible Index		5.4%	13.0%	11.7%	23.4%	2.5%	5.3%	5.4%	4.2%		
	<i>Performance Variance</i>		-0.4%	-1.4%	-2.7%	n/a	n/a	n/a	n/a	n/a		
2.2%	Calamos¹	\$58,460,162	5.0%	11.6%	9.4%	n/a	n/a	n/a	n/a	n/a	12.5%	Sep-09
	Calamos (Net)		5.0%	11.5%	9.0%	n/a	n/a	n/a	n/a	n/a	12.2%	
	ML Global 300 Convertible Index		5.4%	13.0%	11.7%	23.4%	2.5%	5.3%	5.4%	4.2%	14.8%	
	ML Global 300 Convertible Index + 1.0%		5.6%	13.5%	12.7%	24.4%	3.5%	6.3%	6.4%	5.2%	15.8%	
	<i>Performance Variance</i>		-0.7%	-1.9%	-3.7%	n/a	n/a	n/a	n/a	n/a	-3.5%	
	Calamos²	\$59,988,929	5.3%	13.8%	12.0%	n/a	n/a	n/a	n/a	n/a	14.6%	
	Calamos (Net)		5.3%	13.6%	11.6%	n/a	n/a	n/a	n/a	n/a	14.3%	
	ML Global 300 Convertible Index		5.4%	13.0%	11.7%	23.4%	2.5%	5.3%	5.4%	4.2%	14.8%	
	ML Global 300 Convertible Index + 1.0%		5.6%	13.5%	12.7%	24.4%	3.5%	6.3%	6.4%	5.2%	15.8%	
	<i>Performance Variance</i>		-0.4%	0.2%	-1.1%	n/a	n/a	n/a	n/a	n/a	-1.5%	

¹The Plan's allocation to convertible bonds is a global mandate and included within the Plan's equity allocation for asset allocation purposes. However, the performance of the convertible bonds mandate is not reflected in any of the asset class composites reported herein.

²Represents manager reported performance through December 31, 2010. Pricing discrepancies between the Fund's custodian bank, State Street, and Calamos in September and December 2010 produced significant differences in performance during those months. NEPC is working with staff, State Street and Calamos to resolve this issue in future reports.

Performance Summary - Alternatives

Weight in Fund		Ending Market Value	Last 3 Months	Fiscal YTD	Last Year	Annualized Returns				Since Inception	Inception Date
						Three Years	Five Years	Seven Years	Ten Years		
4.9%	Total Real Estate Composite	\$128,964,126	8.5%	10.5%	13.6%	-0.4%	4.9%	7.2%	6.1%		
	Total Real Estate Composite (Net)		8.3%	10.3%	13.2%	-0.7%	4.6%	6.9%	5.8%		
	NCREIF Property Index		4.6%	8.7%	13.1%	-4.2%	3.5%	7.3%	7.4%		
	Performance Variance		3.7%	1.6%	0.1%	3.5%	1.1%	-0.4%	-1.6%		
4.9%	American Realty/Kennedy Combined¹	\$128,964,126	8.5%	9.4%	12.1%	2.8%	8.0%	9.5%	n/a	9.5%	Oct-03
	American Realty/Kennedy Combined (Net)		8.3%	9.2%	11.8%	2.4%	7.6%	8.9%	n/a	9.0%	
	NCREIF Property Index		4.6%	8.7%	13.1%	-4.2%	3.5%	7.3%	7.4%	12.3%	
	NCREIF Property Index + 1.5%		5.0%	9.4%	14.6%	-2.7%	5.0%	8.8%	8.9%	13.8%	
	Performance Variance		3.3%	-0.2%	-2.8%	5.1%	2.6%	0.2%	n/a	-4.8%	
4.2%	Total Private Equity Composite (Net)	\$111,712,014	-1.8%	1.9%	9.4%	3.4%	7.2%	n/a	n/a	6.8%	Sep-05
	Cambridge Associates Priv Equity Index (1 Qtr Lag)		5.1%	6.8%	18.0%	0.4%	10.0%	14.8%	8.5%	11.0%	
	Russell 2000		16.3%	29.4%	26.9%	2.2%	4.5%	6.4%	6.3%	4.5%	
	Performance Variance (vs. Cambridge Associates PE)		-6.9%	-4.9%	-8.6%	3.0%	-2.8%	n/a	n/a	-4.1%	
11.6%	Inflation-Linked Assets Composite²	\$305,849,856	15.8%	29.2%	16.8%	n/a	n/a	n/a	n/a	16.8%	Dec-09
	Dow Jones/UBS Commodities Index		15.8%	29.2%	16.8%	-3.7%	1.2%	5.0%	5.8%	16.8%	
	Performance Variance		0.0%	0.0%	0.0%	n/a	n/a	n/a	n/a	0.0%	
0.3%	Opportunistic Composite³	\$8,366,498	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-2.2%	Nov-10
3.3%	Cash⁴	\$86,559,726	0.1%	0.3%	1.9%	n/a	n/a	n/a	n/a		
	90 day t-bills		0.0%	0.1%	0.1%	0.8%	2.4%	2.4%	n/a		

¹Performance shown is a blend of the performance of the Fund's separately managed real estate portfolio under the advisement of Kennedy Associates prior to September 2010, and American Realty Advisors from September 2010 forward.

²Inflation-Linked Assets Composite currently consists of passive exposure to the Dow Jones/UBS Commodities Index through swap agreements. Russell is currently providing oversight of these assets.

³Opportunistic composite contains White Oak, funded 11/1/2010, and Blackstone/GSO, funded 12/1/2010.

⁴NEPC began calculating cash returns as of April 1, 2008 due to inconsistent historical data received from the prior consultant.

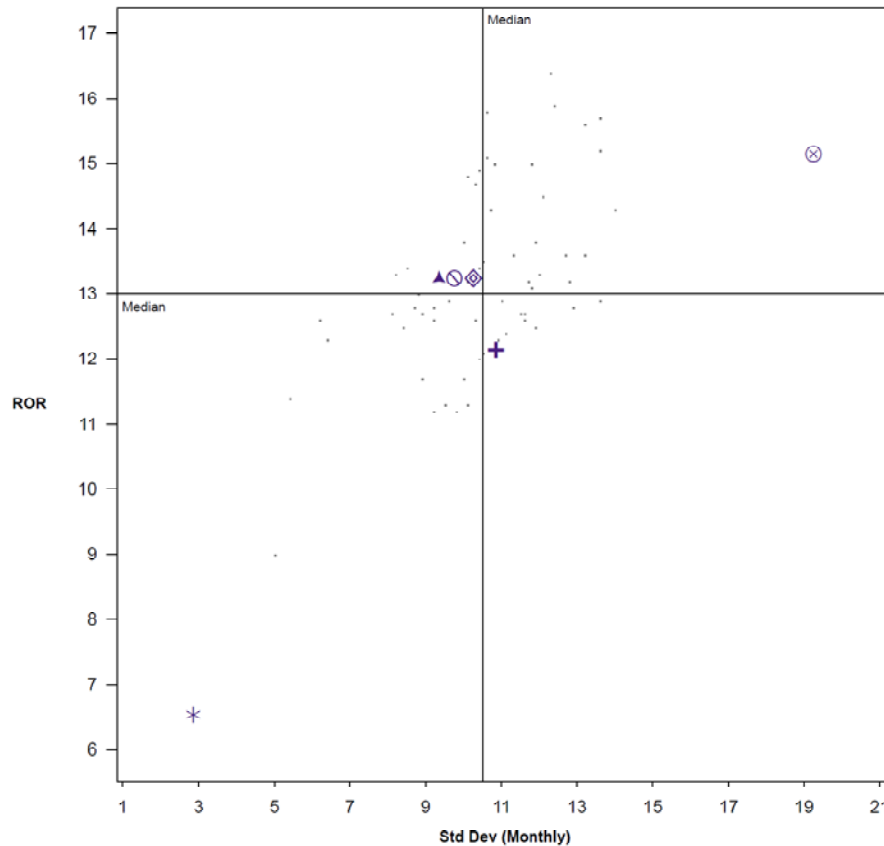
Public Funds > \$1 Billion – 1 Year Return/Volatility

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Period Ending December 31, 2010

Risk vs. Return - 1 Year



NAME	Return	Standard Deviation	Sharpe Ratio
▲ TOTAL FUND	13.2 47	9.4 26	1.4 28
○ Allocation Index	13.2 43	9.8 30	1.3 36
◇ TF Benchmark	13.2 46	10.3 41	1.3 49
⊗ S&P 500	15.1 14	19.3 99	0.8 100
* BC AGGREGATE	6.5 100	2.9 1	2.2 3
+ 60% S&P 500/40% BARCLAYS AGG	12.1 82	10.9 60	1.1 81
Median	13.0	10.5	1.3

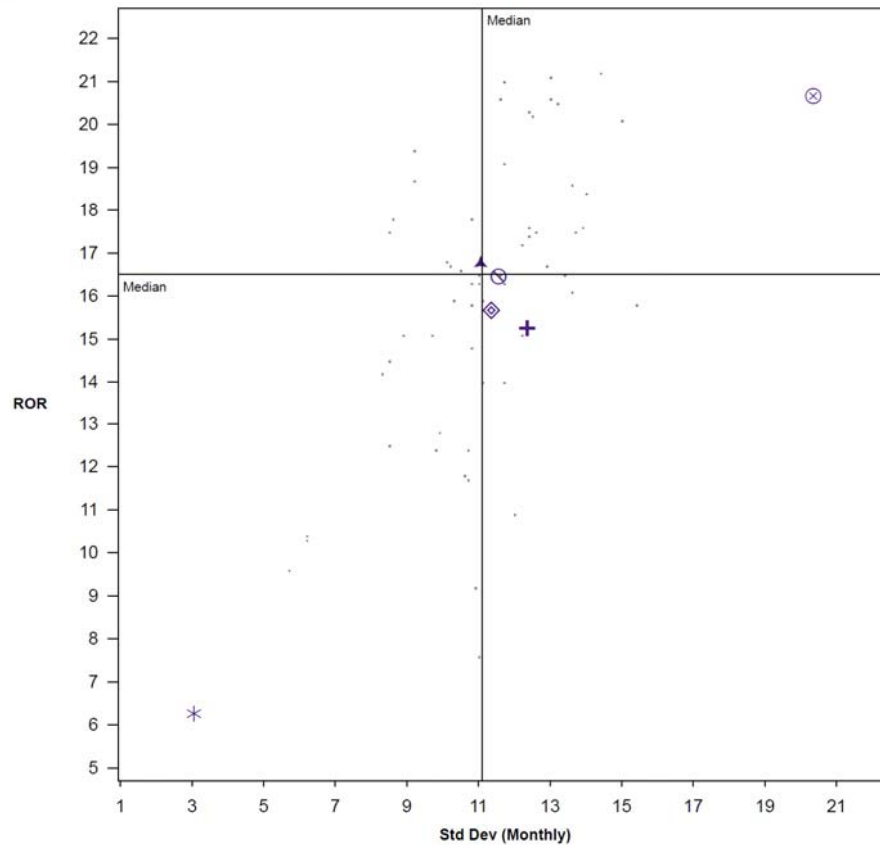
Public Funds > \$1 Billion – 2 Year Return/Volatility

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Period Ending December 31, 2010

Risk vs. Return - 2 Year



NAME	Return		Standard Deviation		Sharpe Ratio	
▲ TOTAL FUND	16.7	45	11.1	54	1.5	49
○ Allocation Index	16.4	52	11.6	58	1.4	58
◆ TF Benchmark	15.6	65	11.4	54	1.4	65
⊙ S&P 500	20.6	9	20.4	99	1.0	97
* BC AGGREGATE	6.2	100	3.1	1	2.0	4
+ 60% S&P 500/40% BARCLAYS AGG	15.2	66	12.4	74	1.2	82
Median	16.5		11.1		1.5	

Note: Returns are gross of fees.

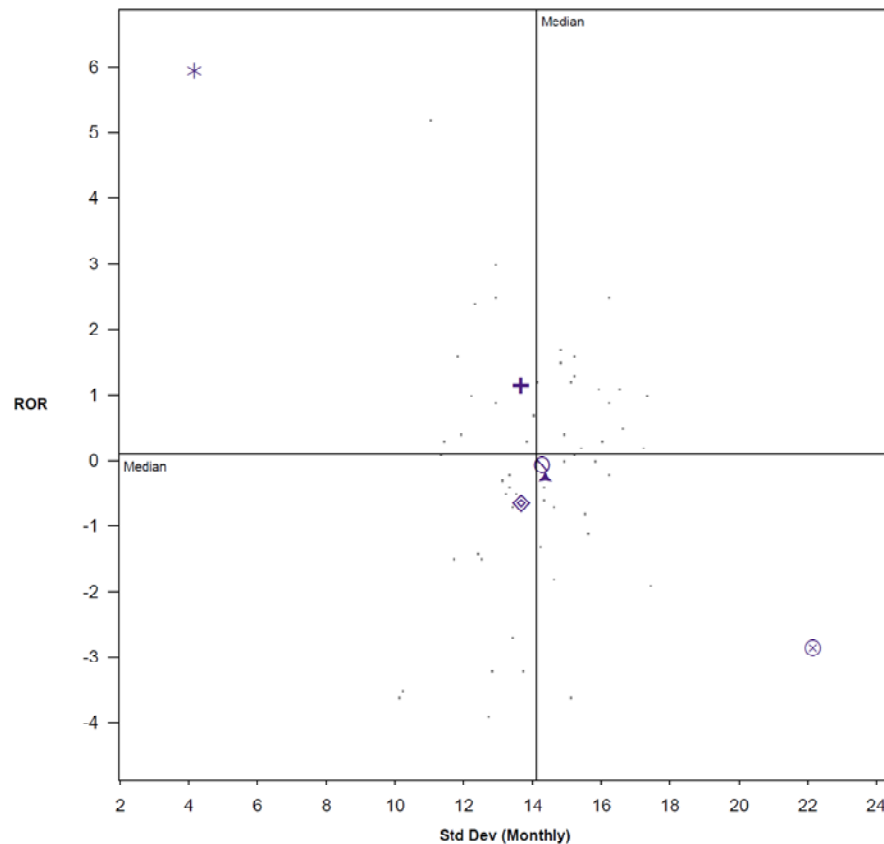
Public Funds > \$1 Billion – 3 Year Return/Volatility

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Period Ending December 31, 2010

Risk vs. Return - 3 Year



NAME	Return		Standard Deviation		Sharpe Ratio	
▲ TOTAL FUND	-0.3	61	14.4	56	-0.1	61
○ Allocation Index	-0.1	56	14.3	54	-0.1	57
◇ TF Benchmark	-0.7	73	13.7	44	-0.1	79
⊗ S&P 500	-2.9	90	22.2	99	-0.2	84
* BC AGGREGATE	5.9	2	4.2	1	1.2	3
+ 60% S&P 500/40% BARCLAYS AGG	1.1	23	13.7	45	0.0	27
Median	0.1		14.1		-0.0	

Note: Returns are gross of fees.

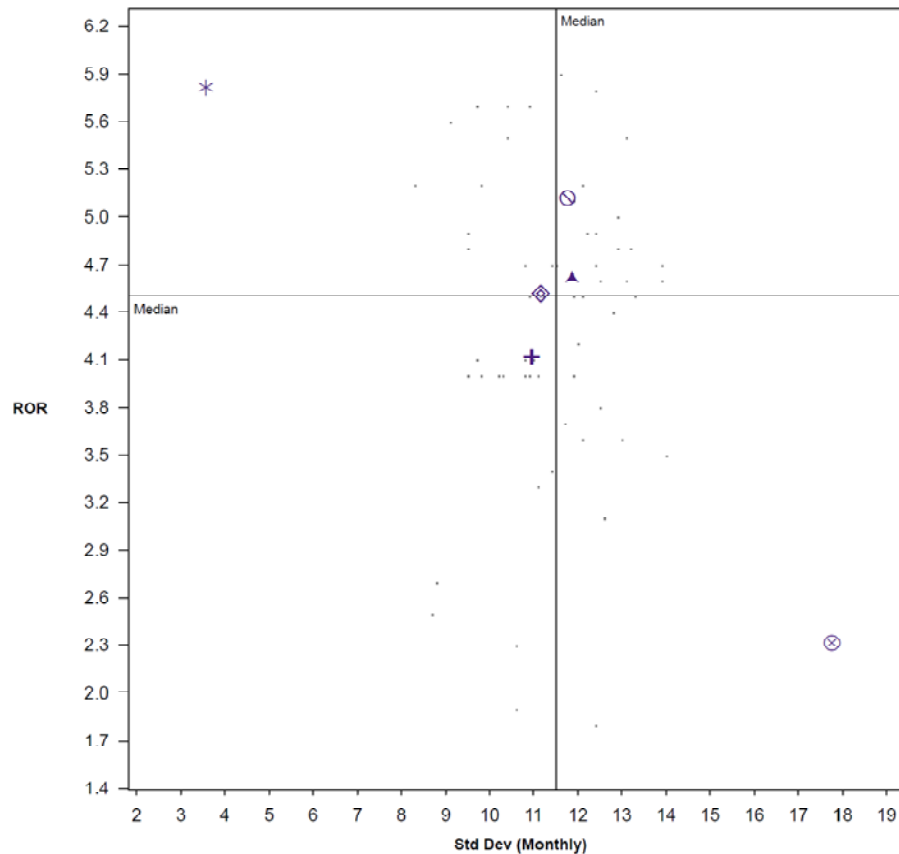
Public Funds > \$1 Billion – 5 Year Return/Volatility

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Period Ending December 31, 2010

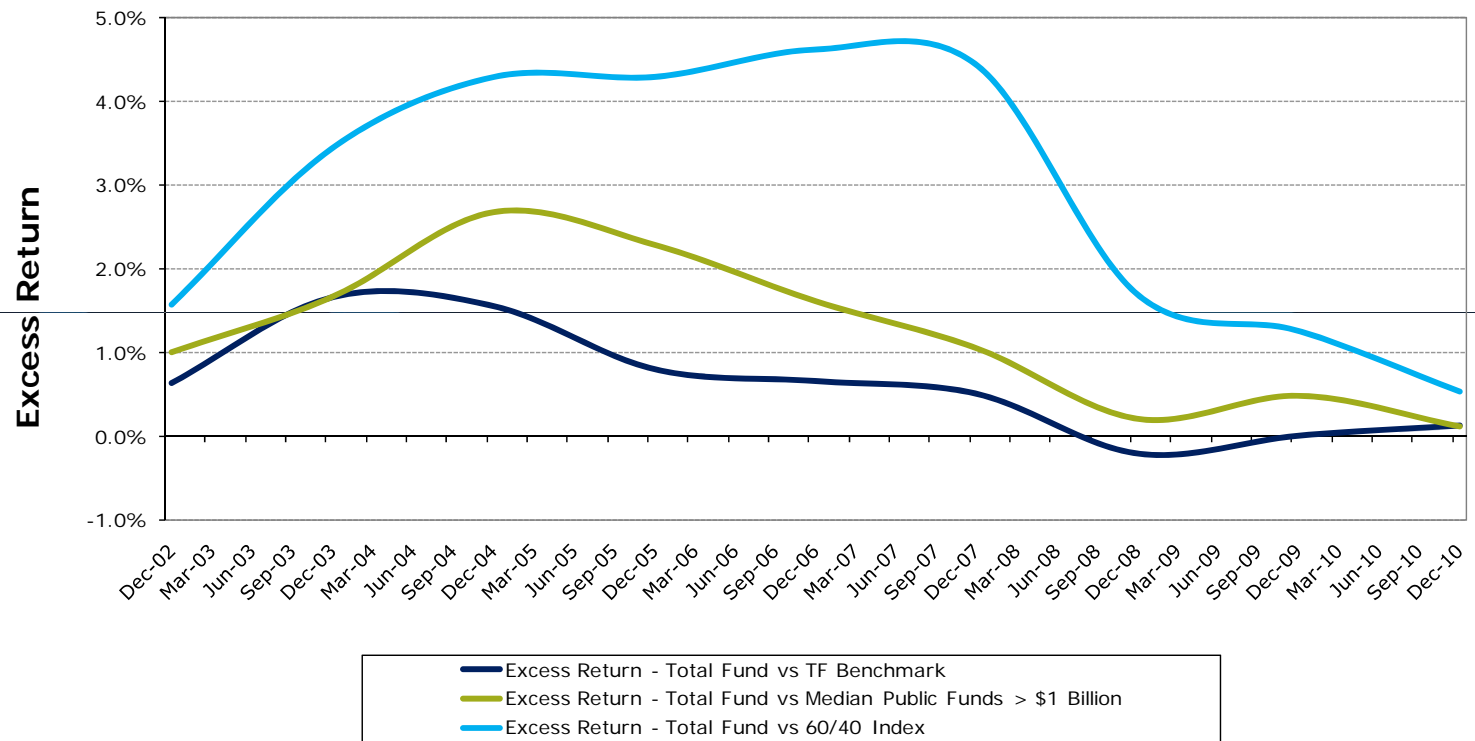
Risk vs. Return - 5 Year



NAME	Return		Standard Deviation		Sharpe Ratio	
▲ TOTAL FUND	4.6	43	11.9	59	0.2	45
⊗ Allocation Index	5.1	22	11.8	54	0.2	31
◆ TF Benchmark	4.5	52	11.2	44	0.2	43
⊙ S&P 500	2.3	97	17.8	99	-0.0	97
* BC AGGREGATE	5.8	4	3.6	1	0.9	3
+ 60% S&P 500/40% BARCLAYS AGG	4.1	63	11.0	40	0.1	70
Median	4.5		11.5		0.2	

Note: Returns are gross of fees.

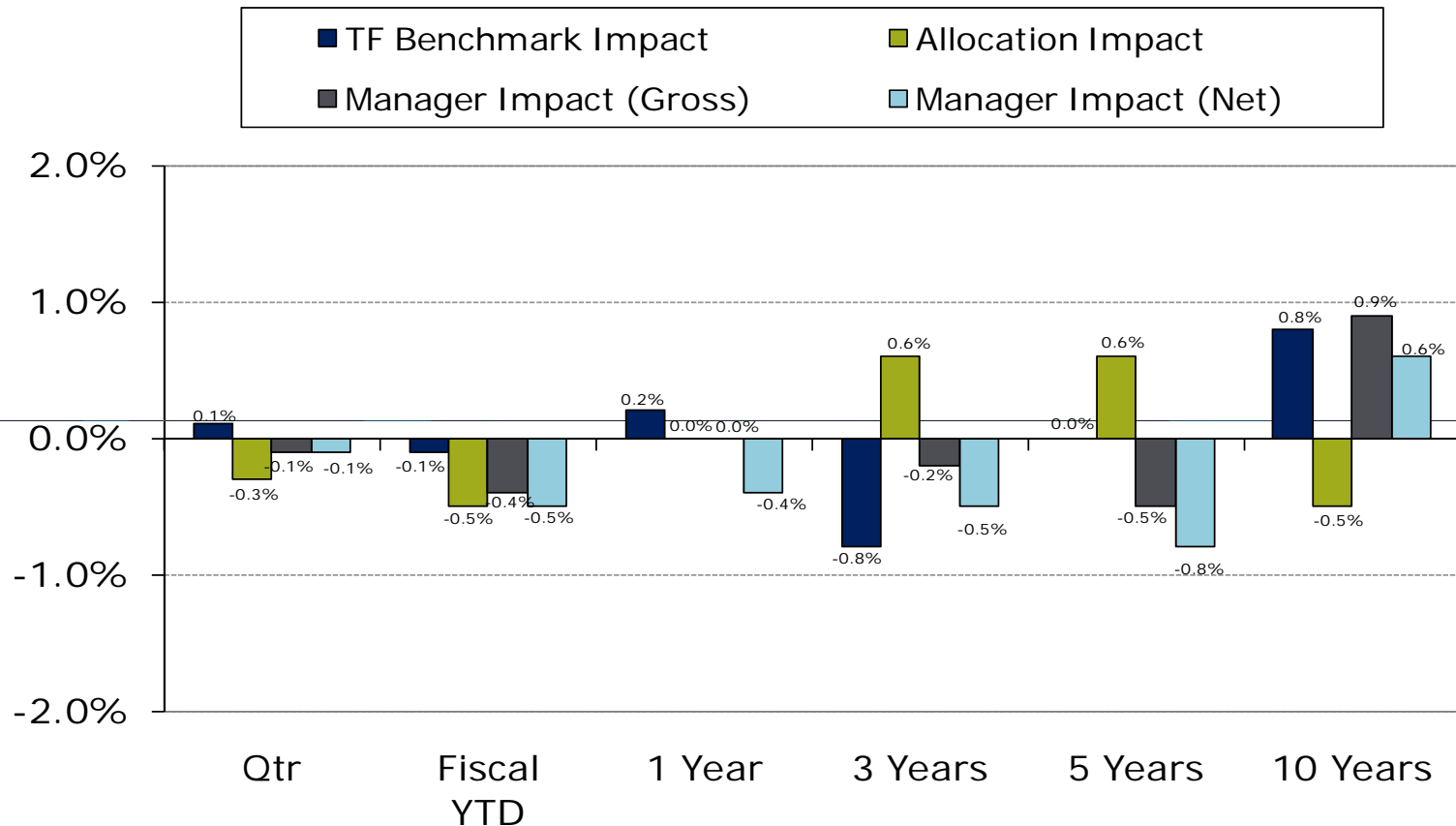
Rolling 5-Year Excess Returns



Note: Returns are gross of fees.



Performance Attribution



TF Benchmark Impact: The policy index is calculated by multiplying the target asset class weights times the return of the respective passive benchmark (re-balanced monthly). The policy impact, which is the difference between the policy index and the median fund's performance, measures the effectiveness of Plan Structure.

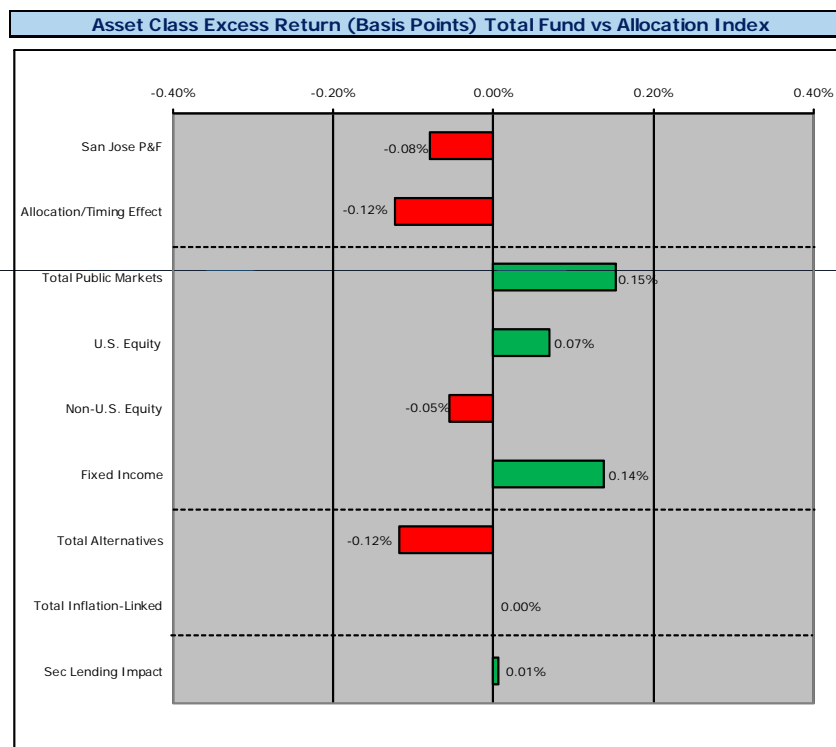
Allocation Impact: The allocation index is calculated by multiplying the actual asset class weights times the return of the respective passive benchmark. When the policy index is subtracted from the allocation index, the result measures the impact of deviating from the target weights.

Manager Impact: The Composite is calculated by multiplying the actual asset class weights times the actual manager return. The allocation index is then subtracted from the Composite. The result, manager impact, measures the contribution of active management.

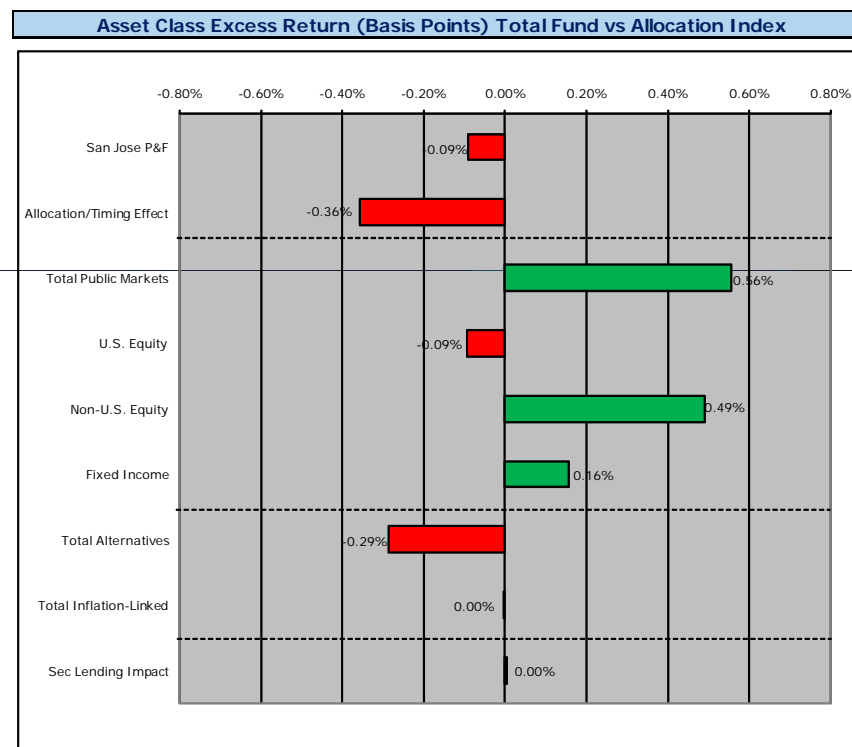
Note: Returns are gross of fees.

Performance Attribution

4Q 2010



Calendar Year 2010



Note: Attribution based on gross of fee performance.

Attribution of U.S. Equity includes attribution of convertible bonds mandate.



Appendix

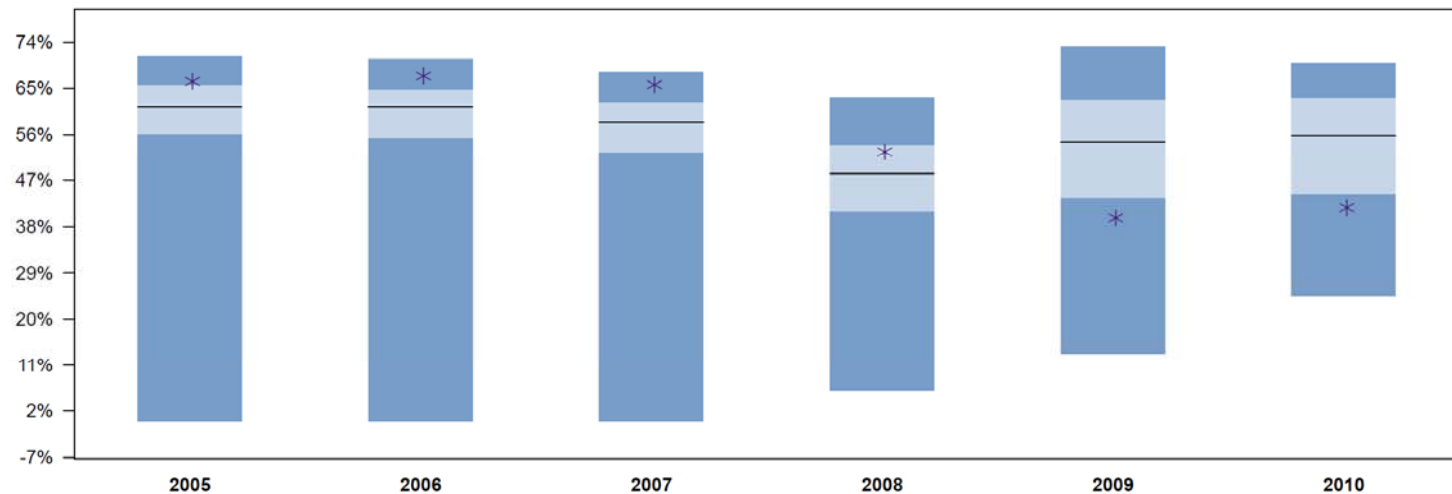
Public Funds > \$1 Billion – Public Equity Commitment

San Jose Police & Fire

Total Fund Allocation - Universe: Public Funds (DB) > \$1 Billion

Period Ending December 31, 2010

Commitment to Equity (%)



* TOTAL FUND	66.8	18	67.8	14	66.1	13	53.0	29	40.1	82	42.1	82
5th Percentile	71.2		70.7		68.2		63.3		73.1		70.0	
25th Percentile	65.8		64.8		62.3		54.1		62.9		63.3	
50th Percentile	61.5		61.5		58.5		48.4		54.6		55.8	
75th Percentile	56.0		55.3		52.5		40.9		43.6		44.2	
95th Percentile	0.0		0.0		0.0		6.0		13.3		24.5	

Note: Includes allocation to convertible bonds.

Excludes cash held in separately managed portfolios.

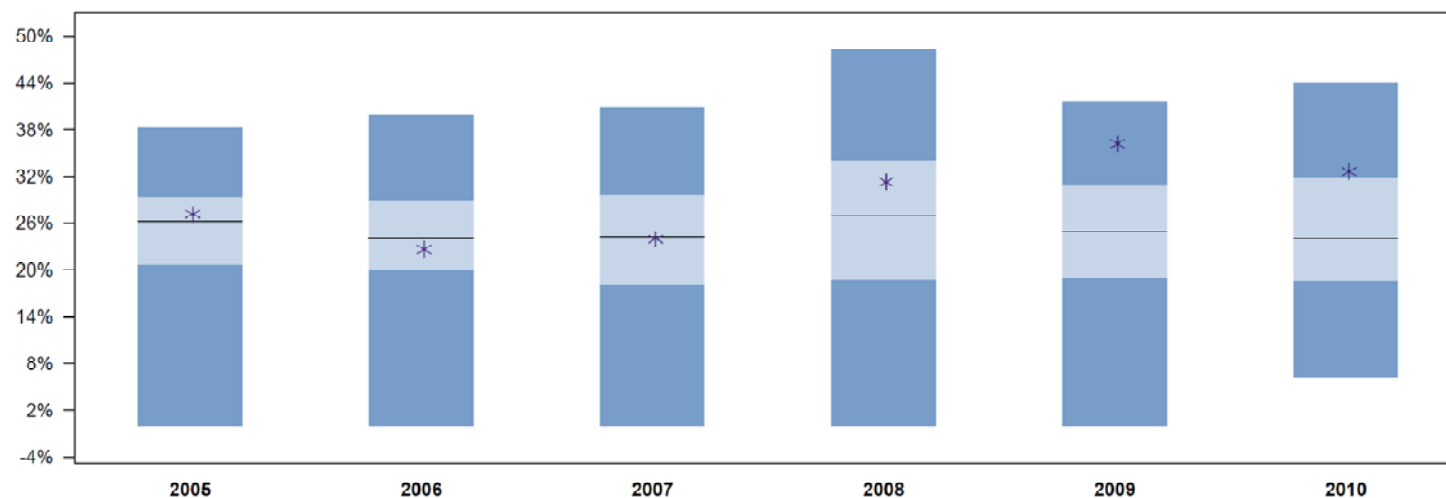
Public Funds > \$1 Billion – Public Fixed Income Commitment

San Jose Police & Fire

Total Fund Allocation - Universe: Public Funds (DB) > \$1 Billion

Period Ending December 31, 2010

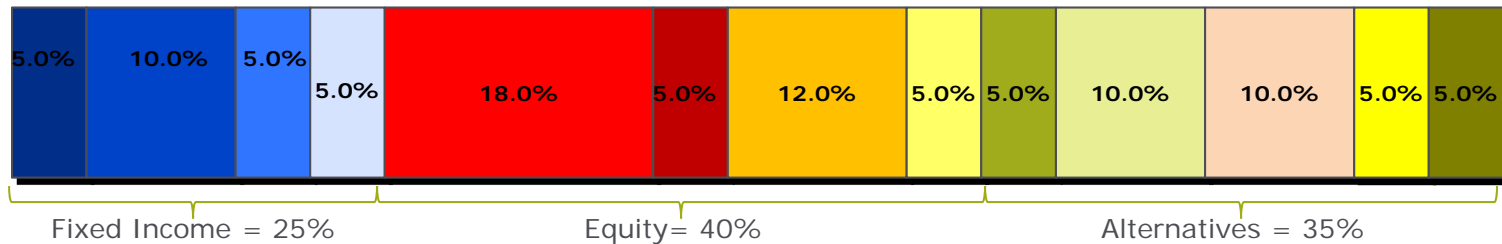
Commitment to Fixed Income (%)



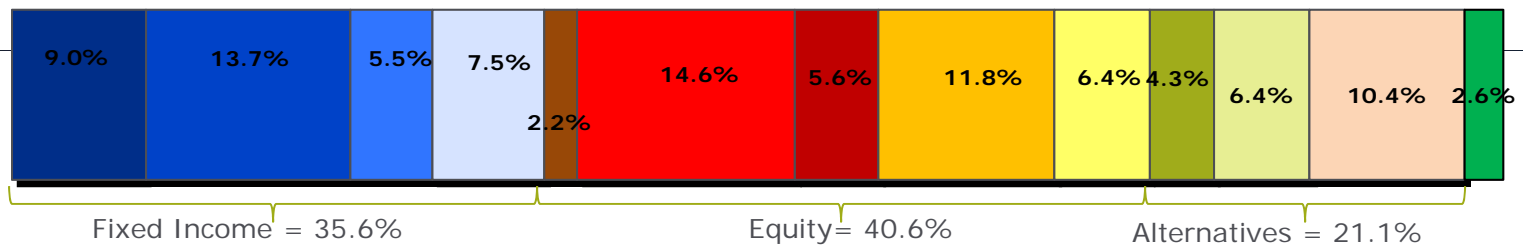
	2005	2006	2007	2008	2009	2010
* TOTAL FUND	27.4 39	22.9 61	24.2 52	31.6 34	36.4 11	32.9 19
5th Percentile	38.2	39.9	40.9	48.2	41.6	44.0
25th Percentile	29.4	29.0	29.7	34.1	31.1	31.9
50th Percentile	26.3	24.1	24.3	26.9	25.0	24.0
75th Percentile	20.6	19.9	18.1	18.7	18.9	18.6
95th Percentile	0.0	0.0	0.0	0.0	0.0	6.2

Asset Allocation – Beginning of the Quarter

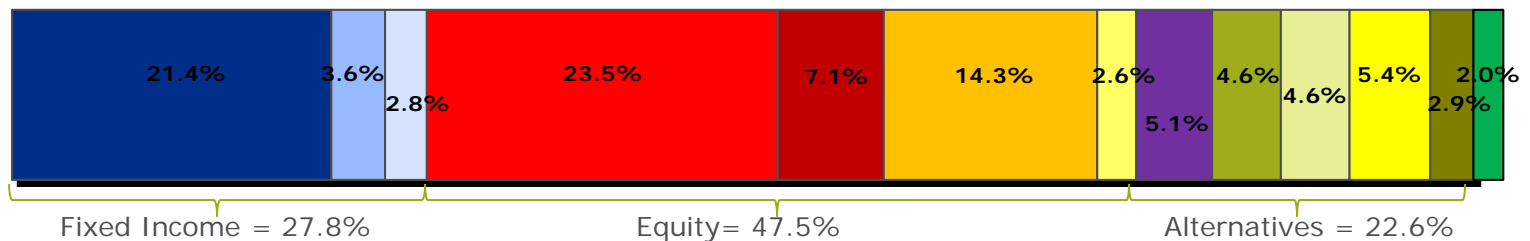
Total Fund Benchmark



Actual Asset Allocation



Average Asset Allocation of Public Funds > \$1 Billion



Core	TIPS	Long Bonds	Global Fixed/EMD	Opportunistic Credit
Convertibles	Large Cap	Small Cap	Non-U.S. Dev	Non-U.S. Emg
GAA	Priv Eq.	Real Est.	Inflation-Linked	Abs. Return
Misc.	Cash			

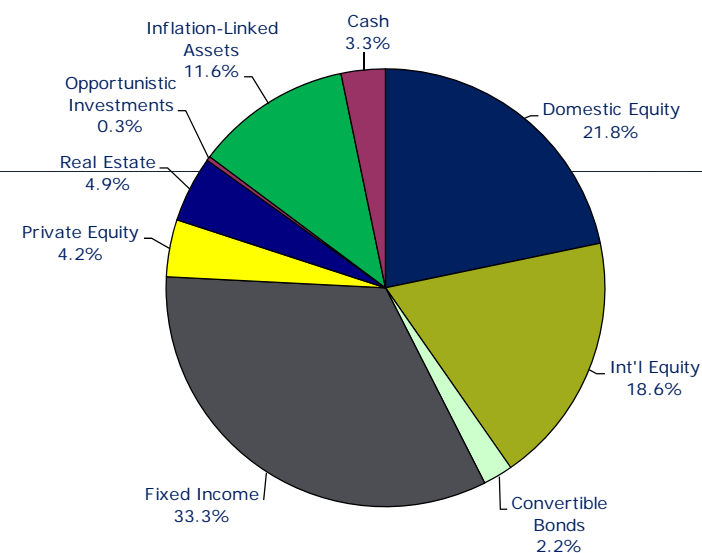
¹Unrealized loss in the Fund's securities lending cash collateral reinvestment pool is netted with cash allocation to reach 100% allocation.

Note: Market values shown above include cash held in separately managed portfolios.

Totals may not add to 100% due to rounding.

Total Fund Composite

Asset Class	Market Value	Current %
Domestic Equity	\$ 576,436,016	21.8%
International Equity	\$ 492,132,416	18.6%
Convertible Bonds	\$ 58,460,162	2.2%
Fixed Income	\$ 882,447,796	33.3%
Private Equity	\$ 111,712,014	4.2%
Real Estate	\$ 128,964,126	4.9%
Opportunistic Investments	\$ 8,366,498	0.3%
Inflation-Linked Assets	\$ 305,849,856	11.6%
Cash	\$ 86,559,726	3.3%
Securities Lending ¹	\$ (3,929,763)	-0.1%
Total	\$ 2,646,998,846	100%

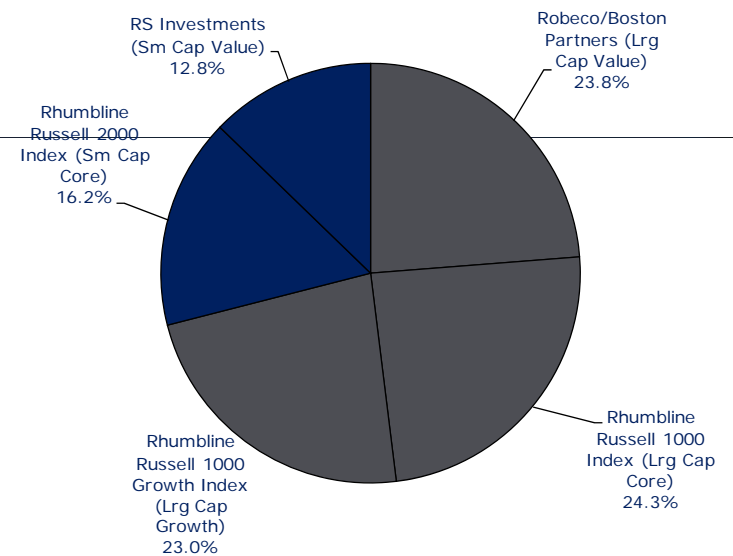


¹Unrealized losses in the Fund's securities lending cash collateral reinvestment pool.

Note: Total allocation in pie chart adds to 100.1% due to the inability to reflect the negative allocation resulting from the recognition of the unrealized losses in the securities lending program.

Total Domestic Equity Composite

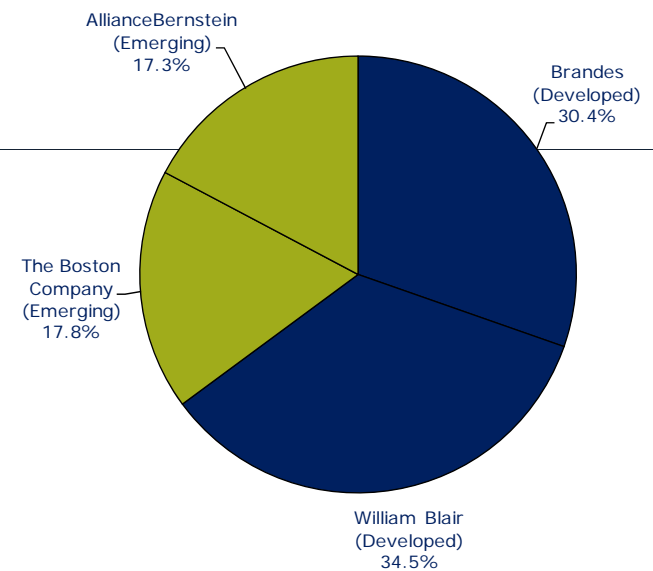
Manager	Market Value	Current %
<i>Robeco/Boston Partners (Lrg Cap Value)</i>	\$ 136,947,027	23.8%
<i>Rhumblin Russell 1000 Index (Lrg Cap Core)</i>	\$ 139,942,699	24.3%
<i>Rhumblin Russell 1000 Growth Index (Lrg Cap Growth)</i>	\$ 132,425,080	23.0%
<i>Rhumblin Russell 2000 Index (Sm Cap Core)</i>	\$ 93,545,210	16.2%
<i>RS Investments (Sm Cap Value)</i>	\$ 73,576,000	12.8%
Total	\$ 576,436,016	100%



Total may not add to 100% due to rounding.

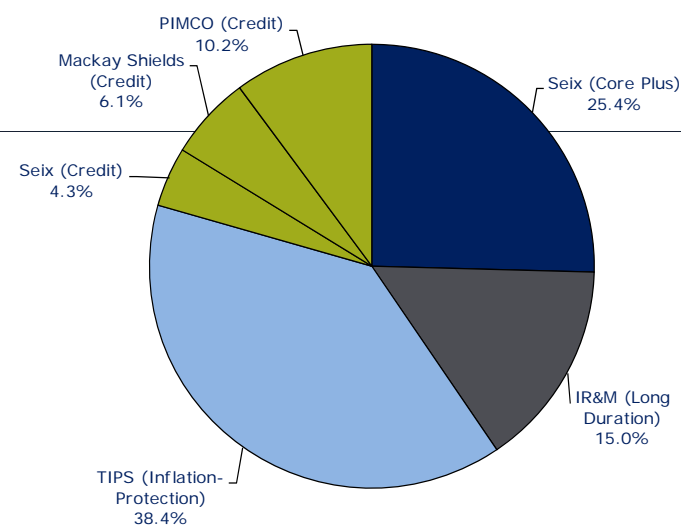
Total International Equity Composite

Manager	Market Value	Current %
<i>Brandes (Developed)</i>	\$ 149,384,518	30.4%
<i>William Blair (Developed)</i>	\$ 169,955,640	34.5%
<i>The Boston Company (Emerging)</i>	\$ 87,842,482	17.8%
<i>AllianceBernstein (Emerging)</i>	\$ 84,949,776	17.3%
Total	\$ 492,132,416	100%



Total Fixed Income Composite

Manager	Market Value	Current %
Seix (Core Plus)	\$ 224,171,027	25.4%
IR&M (Long Duration)	\$ 132,743,811	15.0%
TIPS (Inflation-Protection)	\$ 343,366,498	38.9%
Seix (Credit)	\$ 38,237,079	4.3%
Mackay Shields (Credit)	\$ 53,666,158	6.1%
PIMCO (Credit)	\$ 89,515,001	10.1%
Total	\$ 882,447,796	100%

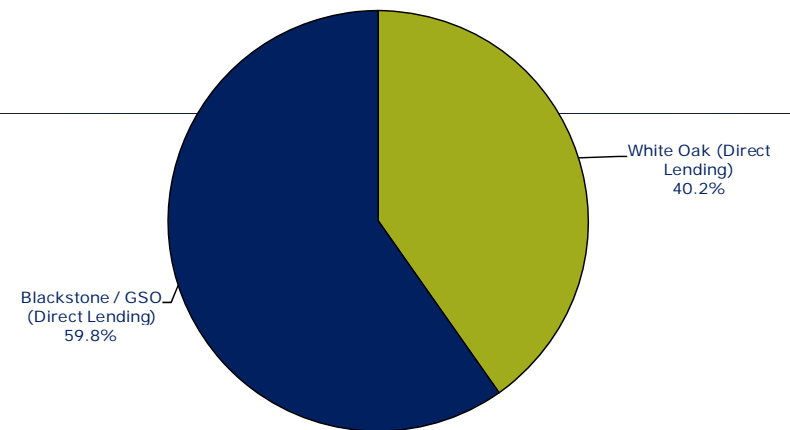


Note: Fixed Income Composite includes \$748,222 of illiquid securities remaining as a result of the termination of Western Asset Management Company (WAMCO) during the asset allocation transition that occurred in December 2009.

Total may not add to 100% due to rounding.

Total Opportunistic Composite

Manager	Market Value	Current %
<i>White Oak (Direct Lending)</i>	\$ 3,366,498	40.2%
<i>Blackstone / GSO (Direct Lending)</i>	\$ 5,000,000	59.8%
Total	\$ 8,366,498	100.0%



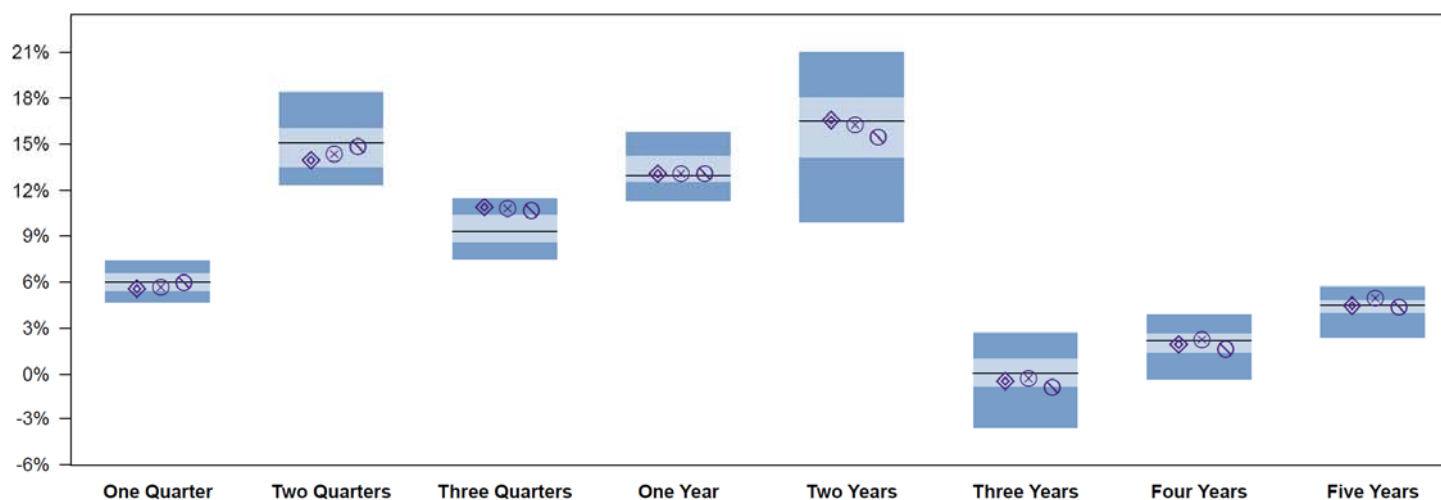
Total Fund vs. Public Funds > \$1 Billion

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Periods Ending December 31, 2010

Total Fund Performance - Trailing Periods



	One Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
◆ TOTAL FUND	5.7	62	14.1	65	11.0	12	13.2	47	16.7	45	-0.3	61	2.1	54	4.6	43
⊗ Allocation Index	5.8	58	14.5	57	10.9	15	13.2	43	16.4	52	-0.1	56	2.4	40	5.1	22
⊙ TF Benchmark	6.1	42	15.0	52	10.8	15	13.2	46	15.6	65	-0.7	73	1.8	71	4.5	52
5th Percentile	7.4		18.4		11.5		15.8		21.0		2.7		3.9		5.7	
25th Percentile	6.6		16.1		10.4		14.3		18.1		1.1		2.7		4.9	
50th Percentile	6.0		15.1		9.3		13.0		16.5		0.1		2.2		4.5	
75th Percentile	5.4		13.5		8.6		12.5		14.1		-0.8		1.4		4.0	
95th Percentile	4.7		12.4		7.5		11.3		9.9		-3.6		-0.3		2.4	

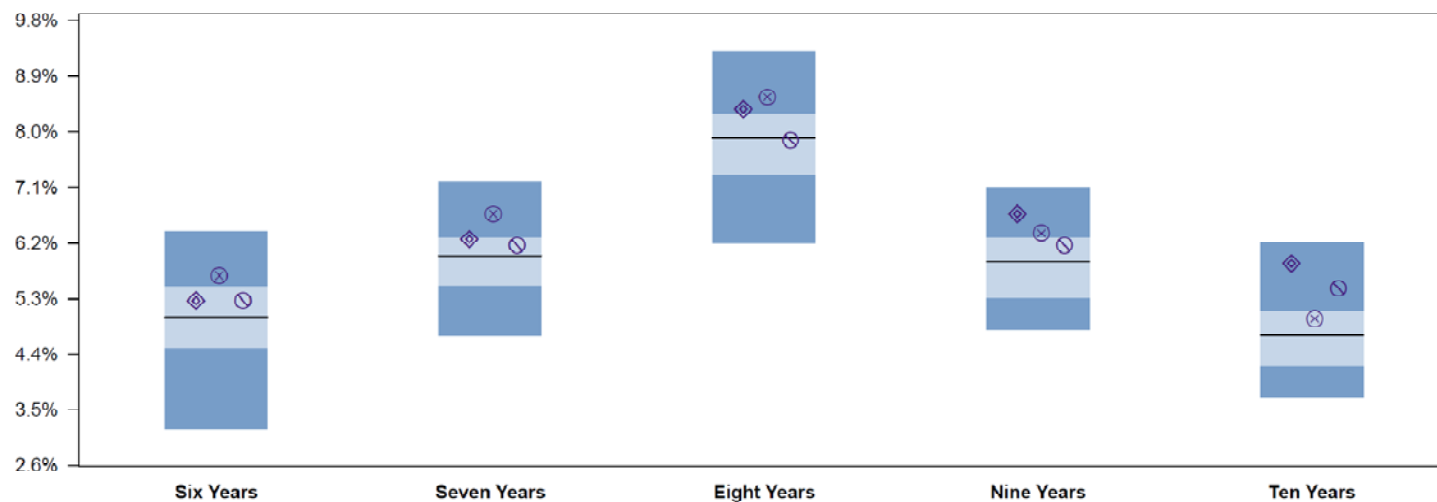
Total Fund vs. Public Funds > \$1 Billion

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Periods Ending December 31, 2010

Total Fund Performance - Trailing Periods



	Six Years		Seven Years		Eight Years		Nine Years		Ten Years	
◆ TOTAL FUND	5.3	35	6.3	23	8.4	23	6.7	14	5.9	7
⊗ Allocation Index	5.7	20	6.7	17	8.6	12	6.4	22	5.0	34
⊖ TF Benchmark	5.3	35	6.2	37	7.9	50	6.2	27	5.5	21
5th Percentile	6.4		7.2		9.3		7.1		6.2	
25th Percentile	5.5		6.3		8.3		6.3		5.1	
50th Percentile	5.0		6.0		7.9		5.9		4.7	
75th Percentile	4.5		5.5		7.3		5.3		4.2	
95th Percentile	3.2		4.7		6.2		4.8		3.7	

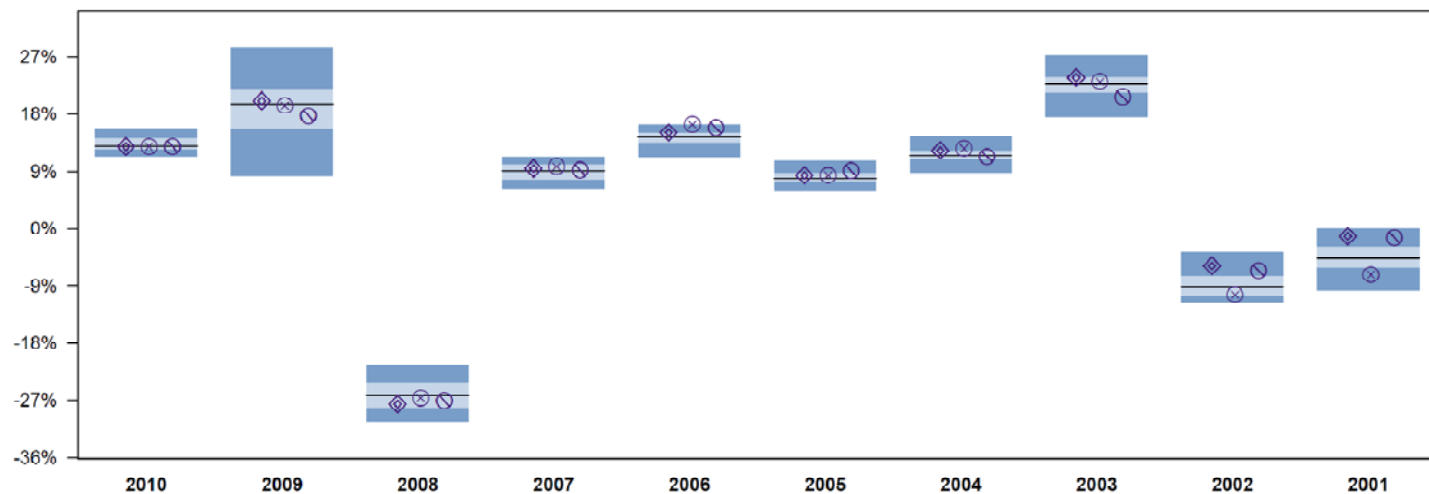
Total Fund vs. Public Funds > \$1 Billion

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Period Ending December 31, 2010

Total Fund Performance - One Year Time Periods



	2010		2009		2008		2007		2006		2005		2004		2003		2002		2001	
◆ TOTAL FUND	13.2	47	20.4	44	-27.3	63	9.7	38	15.4	15	8.7	27	12.6	17	24.0	22	-5.5	11	-0.9	7
⊕ Allocation Index	13.2	43	19.6	50	-26.3	52	10.0	28	16.7	5	8.7	27	12.9	14	23.4	34	-10.1	72	-6.9	92
⊖ TF Benchmark	13.2	46	18.0	64	-26.7	55	9.5	43	16.1	7	9.4	14	11.6	43	21.0	83	-6.3	16	-1.1	11
5th Percentile	15.8		28.4		-21.5		11.2		16.4		10.6		14.4		27.2		-3.6		-0.0	
25th Percentile	14.3		22.0		-24.2		10.2		15.1		8.8		12.4		23.9		-7.3		-2.8	
50th Percentile	13.0		19.6		-26.2		9.1		14.4		7.9		11.5		22.8		-9.2		-4.7	
75th Percentile	12.5		15.7		-28.2		7.6		13.4		7.3		10.7		21.3		-10.6		-6.2	
95th Percentile	11.3		8.3		-30.3		6.3		11.2		6.0		8.8		17.5		-11.6		-9.6	

Note: Returns are gross of fees.

Total Fund Benchmark History

- **6/1/95 – 9/30/01** – 35% S&P 500/10% MSCI EAFE/35% BC Aggregate/10% Citigroup WGBI/10% NCREIF Property
- **10/1/01 – 12/31/04** – 35% S&P 500/15% MSCI EAFE/5% MSCI Emg Mkts/28% BC Aggregate/5% Citigroup WGBI/12% NCREIF Property
- **1/1/05 – 3/31/08** – 34% S&P 500/20% MSCI EAFE/5% MSCI Emg Mkts/20% BC Aggregate/4% BC Long Gov't/Credit/12% NCREIF Property/5% Russell 2000
- **4/1/08 – 5/31/08** – 29% S&P 500/5% Russell 2000/20% MSCI EAFE/5% MSCI Emg Mkts/20% BC Aggregate/4% BC Long Gov't/Credit/12% NCREIF Property/5% Cambridge Private Equity (lagged 1 quarter)
- **6/1/08 – 12/31/09** – 22% S&P 500/5% Russell 2000/17% MSCI EAFE/5% MSCI Emg Mkts/18% BC Aggregate/5% ML US HY BB-B Constrained/10% NCREIF Property/8% Cambridge Private Equity (lagged 1 quarter)/5% DJ/UBS Commodities Index/5% HFRI FoF: Conservative
- **1/1/10 – present** – 18% Russell 1000/5% Russell 2000/12% MSCI EAFE/5% MSCI Emg Mkts/5% BC Aggregate/10% TIPS/5% BC Long Gov't/Credit/5% ML US HY BB-B Constrained 2%/10% NCREIF Property/5% Cambridge Private Equity (lagged 1 quarter)/10% DJ/UBS Commodities Index/5% HFRI FoF: Conservative/5% 90 day t-bills + 3%



Appendix: Manager Analysis

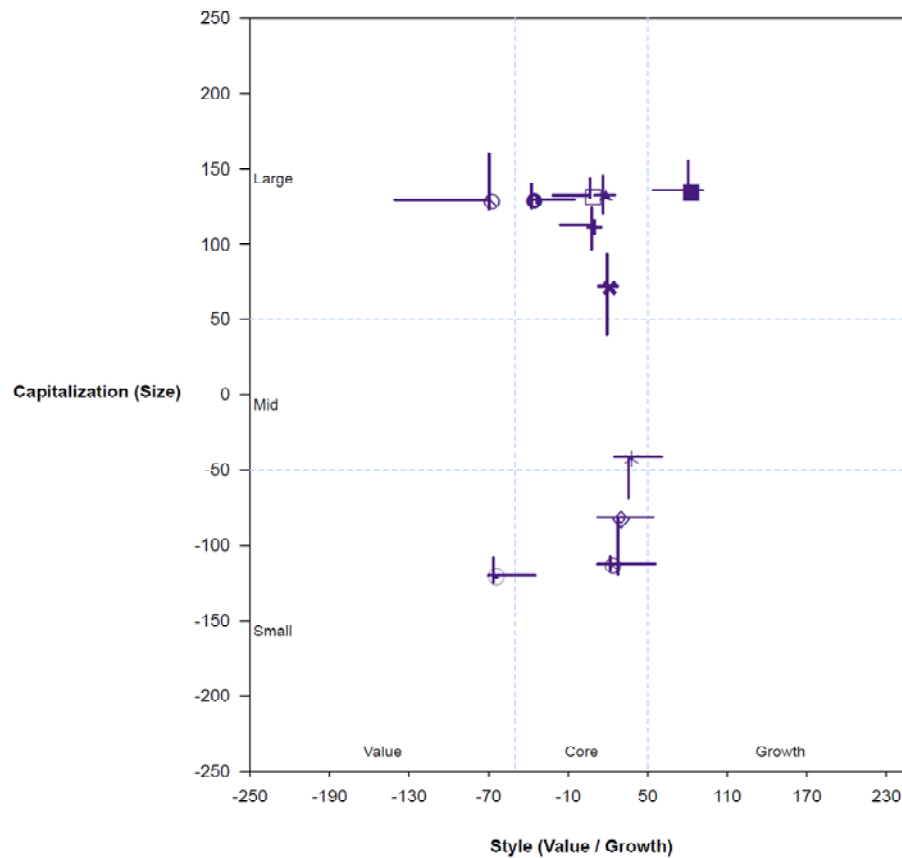
Equity Style Analysis

San Jose Police & Fire

Equity Funds

Period Ending December 31, 2010

Equity Style Analysis - Drift Over Time



FUND	Style (Value / Growth)	Capitalization (Size)
✕ DOMESTIC EQUITY	19.4	72.5
+ RUSSELL 3000	7.7	112.8
▲ LARGE CAP EQUITY COMPOSITE	16.2	132.8
□ Rhum R1000	6.6	132.7
■ Rhum R1000 GR	80.6	135.7
ⓘ ROBECO	-37.7	130.0
⊙ RUSSELL 1000 VALUE	-09.0	129.5
◆ SMALL CAP EQUITY COMPOSITE	27.7	-81.4
⊙ Rhum R2000	21.7	-112.1
* RS Small Cap Value	35.6	-41.1
⊙ RUSSELL 2000 VALUE	-66.4	-119.5

Manager Summary

Investment Manager	Asset Class	Changes/ Announcements	Performance Concerns	NEPC DD Recommendation	Comments
ROBECO/ Boston Partners	U.S. Large Cap Value	--	--	--	
RS Investments	U.S. Small Cap Value	Y	--	--	No Action Advised
Brandes	Non-U.S. Developed Equity	--	--	--	
William Blair	Non-U.S. Developed Equity	--	--	--	NEPC FPL Strategy
AllianceBernstein	Non-U.S. Emerging Equity	Y	Y	Hold	Currently Conducting Search
The Boston Co.	Non-U.S. Emerging Equity	--	--	--	NEPC FPL Strategy
Seix	Core Plus Fixed Income; Bank Debt/High Yield	--	--	Hold	No Action Advised
IR&M	Long Duration Fixed Income	--	--	--	
Mackay Shields	High Yield/Bank Debt	Y	--	--	NEPC FPL Strategy; No Action Advised
PIMCO	Distressed Senior Credit	--	--	--	
Calamos	Convertible Bonds	Y	--	--	No Action Advised

Note: Rhumblin and Russell have been excluded from the list above as they currently manage passive mandates for the Fund.

Manager Summary

NEPC Due Diligence Committee Recommendation Key	
No Action	Informational items have surfaced; no action is recommended.
Watch	Issues have surfaced to be concerned over; manager can participate in future searches, but current and prospective clients must be made aware of the issues.
Hold	Serious issues have surfaced to be concerned over; manager cannot be in future searches unless a client specifically requests, but current and prospective clients must be made aware of the issues.
Client Review	Very serious issues have surfaced with an Investment Manager; manager cannot be in future searches unless a client specifically requests. Current clients must be advised to review the manager.
Terminate	We have lost all confidence in the product; manager would not be recommended for searches and clients would be discouraged from using. The manager cannot be in future searches unless a client specifically requests. Current clients must be advised to replace the manager.

Manager Summary

Changes/Announcements

Below is a summary of manager changes and announcements that have occurred over recent months.

RS Investments

- Ernst Schleimer, an analyst in the financials pod on the RS Value Team, left the team effective 12/31/2010 after 4.5 years. At least two analysts cover every stock in the portfolio, so the immediate concern of who is following Ernst's names going forward is mitigated. RS has begun the process to replace him, but this typically takes longer than it might at some other firms as RS is looking for seasoned professionals who are willing to buy into the RS Value Team philosophy, and it can be challenging to find someone who fulfills both criteria.
- The RS Value Team is one of the largest in the small cap value space, currently consisting of 14 members with an average of 15 years of investment experience. This is the first departure the team has experienced in the last five years.
- ***No Action is recommended.***

Seix Investment Advisors

- As a result of the announcement of the departure of Bob Sherman, CEO, from Seix Investment Advisors (Seix) in 2010, the departure of several client service and consultant relations professionals, and the fact that the sale of Ridgeworth Capital Management Inc. did not take place, NEPC believes an elevated due diligence status is warranted as Seix deals with several administrative and organizational concerns. No investment professionals have left the firm, however, Jim Keegan, CIO, will now assume CEO responsibilities as well, and his expanded role will pull him away from investments for some time until the group stabilizes.
- Mike McEachern, President and Head of the High Yield group, and George Goudelias, Head of the Bank Loan group, are the key investors in high yield and bank loans for the firm, and we don't see a direct impact in this area.
- It is becoming increasingly clear that some employees are unhappy with the firm's parent company, SunTrust, owning the firm. At some point in the next few years, Seix may be sold, however, there may be more departures before that time comes.
- ***NEPC has placed a "Hold" status on all Seix products.***

Manager Summary

Changes/Announcements

Below is a summary of manager changes and announcements that have occurred over recent months.

Calamos Advisors

- On January 13, 2011, Calamos announced plans to reallocate responsibilities within the senior investment team. Under the current structure, which is a “one-team, one-process” approach, all members of the senior investment team have dual responsibilities. Each serves as a sector analyst across all strategies as well as serving as the “point person” for particular investment strategies.
- Under the new structure, there will continue to be senior investment professionals who have both sector and strategy level responsibilities. However, there will also be dedicated sector analysts who do not have any responsibility for providing strategic insight for particular strategies.
- As part of this plan, Calamos decided to part ways with Bryan Lloyd, who was previously a member of the senior investment team. Additionally, two intermediate analysts, Dennis Cogan, CFA and Nick Niziolek, CFA, have been promoted to the senior team as Senior Sector Analysts. Also, Dino Dussias, CFA, a current member of the senior investment team, will shift his responsibilities from Senior Strategy/Sector Analyst to Senior Sector Analyst.
- On January 18, 2011, Calamos announced it was closing its convertible strategies and convertible mutual fund. These strategies were previously closed in 2003 and reopened in 2008 due to the opportunities that presented themselves at that time. This is not a sign that Calamos believes there are less opportunities in the global convertible market, but a decision that continuing to add additional assets would affect their ability to effectively manage existing clients’ portfolios competitively.
- Calamos will continue to accept additional assets and accommodate rebalancing activities for existing clients. Additionally, the strategy is also used within Calamos’ low volatility equity strategies and high yield strategy, all of which continue to be open to new investors.
- **No Action is recommended.**

Manager Summary

Performance Concerns

Below we identify funds that we have flagged as having performance concerns. It is typical for funds to be flagged over multiple quarters.

AllianceBernstein, LP

- AllianceBernstein's Emerging Markets Growth portfolio trails the MSCI Emerging Markets Index, net of fees, over all time periods reported. The portfolio ranks in the bottom third of ICC Emerging Markets Equity managers for all but the most recent quarter.
- The Fund placed AllianceBernstein on probation in 3Q 2007.
- There have been several significant changes in senior management at AllianceBernstein over the past several months, initiating what could be a significant change in the firm's research focused culture.
- NEPC is working with staff on a search to potentially replace AllianceBernstein.
- ***NEPC has placed a "Hold" status on all AllianceBernstein products.***

ROBECO Boston Partners Large Cap Value Equity



ROBECO Boston Partners Large Cap Value Equity

Robeco Investment Management

Benchmark 1 (BM1): Russell 1000 Value Index

Benchmark 2 (BM2): N/A

Monthly Performance (%) Net of Fees													Statistical Analysis			Fund	BM1	BM2
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns				
2010	-3.1%	3.7%	6.3%	1.0%	-7.8%	-5.2%	6.6%	-5.6%	8.4%	3.8%	-0.5%	6.9%	13.3%	Annualized Compound ROR		8.2%	7.4%	
2009	-8.3%	-12.0%	8.7%	11.4%	5.9%	0.4%	7.2%	5.2%	3.3%	-2.4%	5.0%	1.8%	26.2%	3 Yr Return		-1.5%	-4.4%	
2008	-5.5%	-4.1%	-3.3%	5.2%	2.5%	-9.0%	0.2%	2.4%	-4.5%	-14.9%	-8.2%	1.5%	-33.1%	5 Yr Return		3.7%	1.3%	
2007	1.3%	-1.9%	1.3%	4.8%	3.6%	-1.3%	-3.9%	1.2%	3.7%	0.8%	-3.3%	-1.0%	4.9%	Best Month		11.5%	12.2%	
2006	4.0%	-0.3%	1.6%	2.0%	-3.1%	0.3%	1.1%	2.5%	1.8%	3.3%	2.7%	2.5%	19.6%	Worst Month		-16.3%	-17.3%	
2005	-1.4%	2.7%	-1.7%	-2.9%	3.3%	2.2%	4.3%	0.7%	1.9%	-2.6%	3.4%	1.6%	11.7%	% Positive Months		61.5%	60.9%	
2004	2.0%	3.1%	-0.9%	-1.8%	0.0%	2.9%	-2.3%	0.8%	3.0%	0.4%	4.9%	3.6%	16.4%	Risk				
2003	-2.7%	-2.9%	1.0%	7.5%	7.0%	0.1%	0.2%	0.9%	0.0%	4.7%	1.8%	6.8%	26.5%	Standard Deviation		15.9%	16.4%	
2002	-1.4%	-1.0%	5.0%	-3.1%	-0.1%	-8.1%	-9.2%	1.3%	-11.0%	5.3%	6.6%	-3.5%	-19.2%	3 Yr Standard Deviation		22.1%	23.5%	
2001	2.0%	-1.5%	-3.3%	4.5%	2.6%	-1.1%	0.0%	-3.3%	-5.6%	0.9%	6.5%	3.1%	4.2%	5 Yr Standard Deviation		17.8%	19.0%	
														Tracking Error		3.9%	--	
														Information Ratio		0.23	--	
														Sharpe Ratio (2.5%)		0.42	0.37	
														Sortino Ratio (0.0%)		0.73	0.63	
														Downside Deviation (0.0%)		10.9%	11.3%	
														Max Drawdown		-48.3%	-55.6%	
														Months In Maximum Drawdown		16	21	
														Months To Recover		--	--	
														Comparison To Benchmark(s)				
														Monthly Alpha			0.1%	
														Annualized Alpha			1.2%	
														Beta			0.9	
														Correlation			1.0	
														R-Squared			94.3%	
														Annual Returns				
														2010-(YTD)		13.3%	15.5%	
														2009		26.2%	19.7%	
														2008		-33.1%	-36.8%	
														2007		4.9%	-0.2%	
														2006		19.6%	22.2%	
														2005		11.7%	7.1%	
														Latest Returns				
														Last Month		6.9%	7.9%	
														Last 3 Months		10.4%	10.5%	
														Last Year		13.3%	15.5%	
														2-Year		19.6%	17.6%	
														3-Year		-1.5%	-4.4%	
														4-Year		0.1%	-3.4%	
														5-Year		3.7%	1.3%	
														Drawdown Analysis				
														1		-48.3%	-55.6%	
														2		-27.2%	-27.7%	
														3		-21.8%	-16.6%	
														4		-9.7%	-14.8%	
														5		-5.2%	-6.2%	

Note: Based on monthly, net of fee performance data, since inception.



RS Small Cap Value

RS Small Cap Value

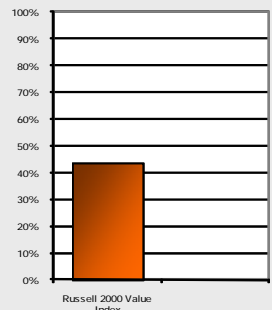
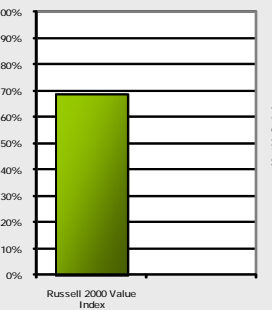
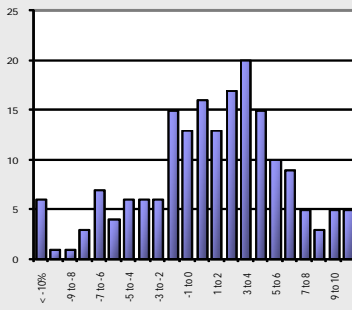
RS Investment Management Co., LLC

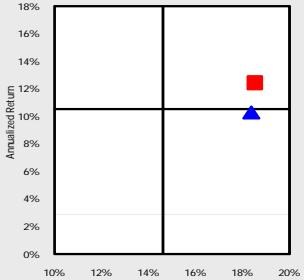
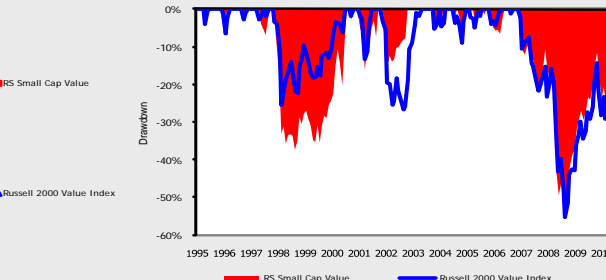
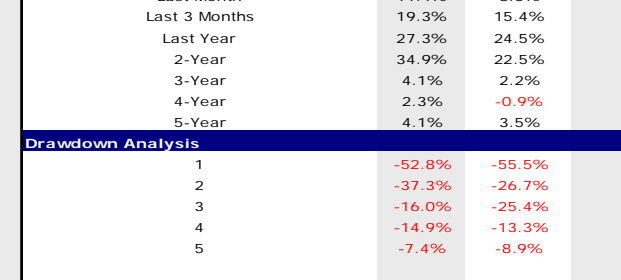


Benchmark 1 (BM1): Russell 2000 Value Index

Benchmark 2 (BM2): N/A

Monthly Performance (%) Net of Fees														Statistical Analysis				Fund	BM1	BM2
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns						
2010	-0.7%	4.9%	6.9%	3.9%	-7.1%	-7.5%	4.3%	-6.2%	9.8%	3.1%	3.9%	11.4%	27.3%	Annualized Compound ROR	12.4%	10.2%				
2009	-6.4%	-5.8%	7.6%	15.1%	4.6%	2.6%	8.5%	3.9%	3.2%	-3.3%	3.0%	5.3%	43.0%	3 Yr Return	4.1%	2.2%				
2008	-6.7%	-0.7%	-1.2%	6.5%	6.3%	-6.4%	-1.6%	2.7%	-11.0%	-24.5%	-10.8%	5.8%	-37.9%	5 Yr Return	4.1%	3.5%				
2007	1.9%	0.9%	1.5%	3.5%	4.1%	-1.7%	-9.5%	-1.3%	2.6%	-0.2%	-3.7%	-0.5%	-3.0%	Best Month	15.1%	15.9%				
2006	6.7%	-1.4%	3.2%	1.8%	-2.5%	-2.4%	-0.9%	0.2%	-1.1%	4.2%	3.3%	0.2%	11.4%	Worst Month	-24.5%	-20.0%				
2005	-1.8%	2.8%	-2.1%	-5.4%	4.9%	6.1%	5.0%	1.6%	1.9%	-4.4%	2.6%	1.0%	12.0%	% Positive Months	63.4%	64.0%				
2004	1.2%	5.6%	2.0%	-2.4%	-0.4%	2.6%	-1.7%	1.7%	7.1%	0.1%	9.7%	3.2%	31.8%	Risk						
2003	1.3%	0.8%	0.4%	8.5%	9.2%	5.4%	5.0%	5.0%	0.2%	5.9%	3.3%	6.9%	65.6%	Standard Deviation	18.5%	18.4%				
2002	2.0%	-4.3%	11.1%	3.9%	-0.8%	-4.2%	-10.6%	3.0%	-1.8%	0.7%	3.6%	0.2%	1.2%	3 Yr Standard Deviation	26.6%	28.8%				
2001	9.7%	-1.1%	-1.6%	8.1%	6.5%	-1.3%	-4.2%	-0.6%	-10.7%	5.0%	3.1%	4.4%	16.7%	5 Yr Standard Deviation	21.7%	23.5%				
														Tracking Error	10.1%	--				
														Information Ratio	0.22	--				
														Sharpe Ratio (2.5%)	0.60	0.49				
														Sortino Ratio (0.0%)	0.94	0.77				
														Downside Deviation (0.0%)	12.5%	12.8%				
														Max Drawdown	-52.8%	-55.5%				
														Months In Maximum Drawdown	21	21				
														Months To Recover	--	--				
														Comparison To Benchmark(s)						
														Monthly Alpha		0.3%				
														Annualized Alpha		3.7%				
														Beta		0.9				
														Correlation		0.9				
														R-Squared		72.5%				
														Annual Returns						
														2010- (YTD)	27.3%	24.5%				
														2009	43.0%	20.6%				
														2008	-37.9%	-28.9%				
														2007	-3.0%	-9.8%				
														2006	11.4%	23.5%				
														2005	12.0%	4.7%				
														Latest Returns						
														Last Month	11.4%	8.3%				
														Last 3 Months	19.3%	15.4%				
														Last Year	27.3%	24.5%				
														2-Year	34.9%	22.5%				
														3-Year	4.1%	2.2%				
														4-Year	2.3%	-0.9%				
														5-Year	4.1%	3.5%				
														Drawdown Analysis						
														1	-52.8%	-55.5%				
														2	-37.3%	-26.7%				
														3	-16.0%	-25.4%				
														4	-14.9%	-13.3%				
														5	-7.4%	-8.9%				

Outperform BM in Up Markets		Outperform BM in Down Markets		Distribution of Returns	
	Russell 2000 Value Index		Russell 2000 Value Index		Return Range (%)

Risk/Return Profile		Underwater Drawdown:		Latest Returns	
	Annualized Return		Drawdown		Returns

Note: Net of fee performance of the RS Small Cap Value Composite is linked with SJP&F portfolio performance. Inception date of the RS Small Cap Value Composite is July 1995. Inception date of the SJP&F portfolio is August 2010. Composite data provided by eVestment Alliance.



Brandes International Equity



Brandes International Equity

Brandes Investment Partners, LP

Benchmark 1 (BM1): MSCI EAFE - Net

Benchmark 2 (BM2): N/A

Monthly Performance (%) Net of Fees													Statistical Analysis			Fund	BM1	BM2
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns				
2010	-2.0%	-1.3%	5.3%	-0.4%	-10.0%	-1.3%	8.8%	-3.8%	8.3%	3.9%	-5.8%	7.3%	7.2%	Annualized Compound ROR		9.9%	4.6%	
2009	-9.7%	-10.9%	5.3%	12.8%	9.7%	-0.4%	8.8%	5.2%	2.7%	-2.9%	2.5%	0.8%	23.0%	3 Yr Return		-6.3%	-7.0%	
2008	-5.8%	-3.5%	-3.4%	8.8%	0.7%	-9.6%	-0.1%	-2.1%	-12.0%	-20.4%	-4.8%	10.0%	-37.6%	5 Yr Return		2.7%	2.5%	
2007	-0.1%	2.2%	2.8%	4.1%	1.9%	-1.2%	-1.6%	-1.2%	2.9%	2.9%	-1.2%	-2.6%	9.1%	Best Month		15.2%	12.8%	
2006	4.1%	1.6%	3.5%	5.1%	-4.3%	0.2%	0.5%	3.2%	1.6%	3.0%	3.7%	2.8%	27.5%	Worst Month		-20.4%	-20.2%	
2005	-1.9%	3.8%	-3.1%	-2.8%	0.4%	0.7%	4.3%	1.5%	4.9%	-2.5%	3.0%	3.9%	12.3%	% Positive Months		58.9%	60.7%	
2004	3.8%	2.4%	1.5%	-2.6%	-0.1%	3.9%	-2.5%	-1.2%	2.4%	4.8%	6.9%	4.0%	25.5%	Risk				
2003	-3.0%	-7.5%	-3.4%	12.8%	8.4%	3.7%	6.1%	5.7%	0.5%	7.5%	3.6%	6.8%	46.9%	Standard Deviation		19.6%	17.8%	
2002	-3.4%	1.5%	6.2%	0.7%	2.7%	-7.4%	-10.1%	3.2%	-13.1%	6.2%	4.8%	-4.7%	-14.8%	3 Yr Standard Deviation		25.7%	26.6%	
2001	2.4%	-3.2%	-8.1%	5.8%	-2.2%	-2.7%	-3.0%	-0.3%	-12.3%	2.8%	5.8%	1.6%	-14.0%	5 Yr Standard Deviation		20.7%	21.5%	
													Tracking Error			7.6%	--	
													Information Ratio			0.69	--	
													Sharpe Ratio (2.5%)			0.46	0.20	
													Sortino Ratio (0.0%)			0.71	0.35	
													Downside Deviation (0.0%)			13.3%	12.8%	
													Max Drawdown			-51.6%	-56.7%	
													Months In Maximum Drawdown			16	16	
													Months To Recover			--	--	
													Comparison To Benchmark(s)					
													Monthly Alpha				0.4%	
													Annualized Alpha				5.3%	
													Beta				1.0	
													Correlation				0.9	
													R-Squared				85.5%	
													Annual Returns					
													2010-(YTD)		7.2%	7.8%		
													2009		23.0%	31.8%		
													2008		-37.6%	-43.4%		
													2007		9.1%	11.2%		
													2006		27.5%	26.3%		
													2005		12.3%	13.5%		
													Latest Returns					
													Last Month		7.3%	8.1%		
													Last 3 Months		5.0%	6.6%		
													Last Year		7.2%	7.8%		
													2-Year		14.8%	19.2%		
													3-Year		-6.3%	-7.0%		
													4-Year		-2.7%	-2.8%		
													5-Year		2.7%	2.5%		
													Drawdown Analysis					
													1		-51.6%	-56.7%		
													2		-38.0%	-48.0%		
													3		-18.4%	-15.1%		
													4		-10.8%	-10.7%		
													5		-8.4%	-5.1%		

Note: Based on monthly, net of fee performance data, since inception.



William Blair International Growth

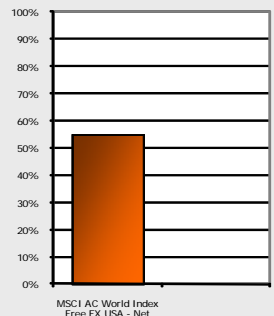
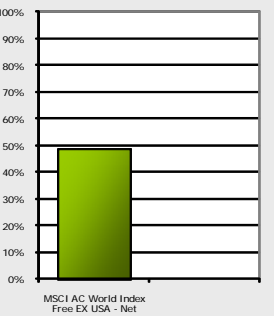
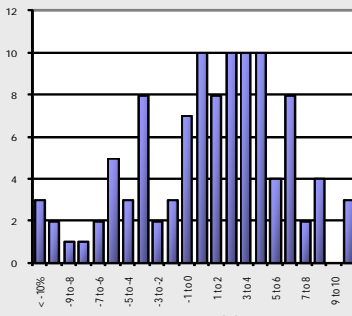
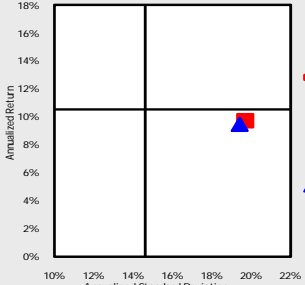
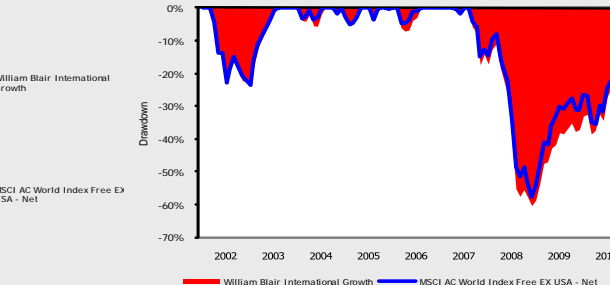


William Blair International Growth

William Blair & Company, LLC

Benchmark 1 (BM1): MSCI AC World Index Free EX USA - Net

Benchmark 2 (BM2): N/A

Monthly Performance (%) Net of Fees														Statistical Analysis				
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Fund	BM1	BM2		
2010	-4.0%	1.0%	6.6%	0.8%	-9.0%	1.8%	8.3%	-3.1%	10.8%	4.1%	-3.0%	6.8%	20.8%	Annualized Compound ROR	9.7%	9.4%		
2009	-5.6%	-5.9%	4.4%	12.2%	13.5%	1.0%	8.1%	1.7%	6.3%	-0.5%	2.6%	2.8%	46.1%	3 Yr Return	-5.4%	-5.0%		
2008	-10.8%	3.9%	-3.4%	5.4%	1.8%	-7.8%	-5.4%	-6.1%	-18.1%	-25.1%	-5.4%	4.9%	-52.1%	5 Yr Return	4.7%	4.8%		
2007	0.5%	0.4%	2.9%	5.2%	2.5%	0.5%	0.9%	-2.3%	8.0%	8.1%	-5.9%	-1.8%	19.5%	Best Month	13.5%	13.6%		
2006	7.4%	-0.5%	3.0%	4.2%	-6.1%	-1.2%	0.3%	3.2%	0.9%	3.7%	3.7%	4.3%	24.5%	Worst Month	-25.1%	-22.0%		
2005	-2.0%	5.0%	-3.2%	-2.2%	1.9%	2.1%	4.0%	2.2%	5.2%	-3.6%	4.9%	6.2%	21.7%	% Positive Months	65.1%	63.2%		
2004	1.5%	2.0%	2.1%	-3.9%	-0.4%	2.2%	-3.6%	-0.2%	4.1%	3.4%	6.8%	4.4%	19.3%	Risk				
2003	-3.9%	-0.5%	-0.4%	6.8%	6.7%	3.2%	3.8%	3.8%	3.0%	8.3%	0.9%	6.0%	44.1%	Standard Deviation	19.7%	19.4%		
2002			2.9%	1.9%	1.3%	-4.1%	-9.1%	-0.9%	-9.8%	4.0%	4.4%	-4.5%	-14.2%	3 Yr Standard Deviation	27.8%	27.7%		
														5 Yr Standard Deviation	23.1%	22.6%		
														Tracking Error	4.4%	--		
														Information Ratio	0.06	--		
														Sharpe Ratio (2.5%)	0.45	0.44		
														Sortino Ratio (0.0%)	0.65	0.67		
														Downside Deviation (0.0%)	14.3%	13.6%		
														Max Drawdown	-60.7%	-57.6%		
														Months In Maximum Drawdown	16	16		
														Months To Recover	--	--		
Outperform BM in Up Markets														Comparison To Benchmark(s)				
Outperform BM in Down Markets														Monthly Alpha				0.0%
Distribution of Returns														Annualized Alpha				0.4%
														Beta				1.0
														Correlation				1.0
														R-Squared				95.1%
MSCI AC World Index Free EX USA - Net														Annual Returns				
MSCI AC World Index Free EX USA - Net														2010-(YTD)			20.8%	11.2%
Return Range (%)														2009			46.1%	41.4%
														2008			-52.1%	-45.5%
														2007			19.5%	16.7%
														2006			24.5%	26.7%
														2005			21.7%	16.6%
Risk/Return Profile														Latest Returns				
														Last Month			6.8%	7.8%
														Last 3 Months			7.8%	7.2%
														Last Year			20.8%	11.2%
														2-Year			32.9%	25.4%
														3-Year			-5.4%	-5.0%
														4-Year			0.3%	0.0%
														5-Year			4.7%	4.8%
														Drawdown Analysis				
														1			-60.7%	-57.6%
														2			-23.1%	-23.7%
														3			-7.3%	-5.2%
														4			-5.8%	-4.8%
														5			-5.4%	-3.8%

Note: Based on monthly, net of fee performance data, since inception.



Alliance Global Emerging Markets Growth Equity



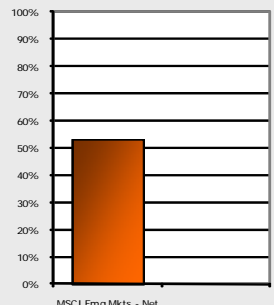
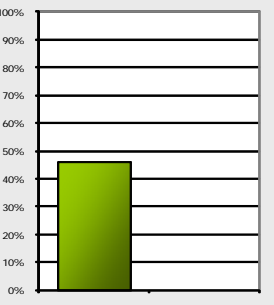
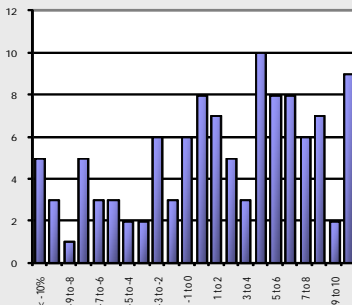
Alliance Global Emerging Markets Growth Equity

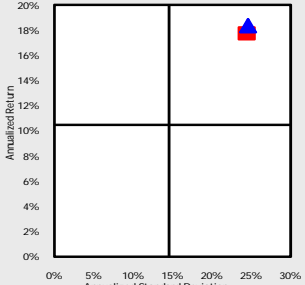
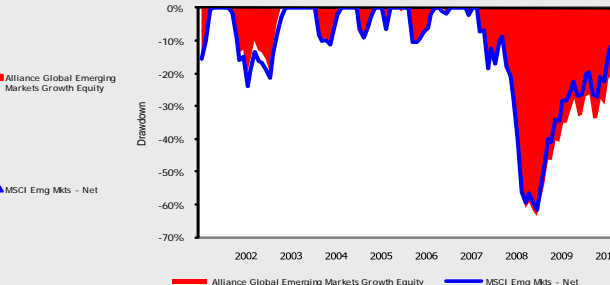
AllianceBernstein, LP

Benchmark 1 (BM1): MSCI Emg Mkts - Net

Benchmark 2 (BM2): N/A

Monthly Performance (%) Net of Fees														Statistical Analysis		Fund	BM1	BM2
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns				
2010	-7.4%	0.5%	8.5%	0.8%	-10.0%	0.1%	8.8%	-2.4%	10.9%	2.5%	-1.9%	6.1%	15.2%	Annualized Compound ROR		17.7%	18.3%	
2009	-6.3%	-4.1%	11.9%	12.8%	16.3%	-0.1%	11.2%	-1.0%	9.7%	0.4%	6.0%	4.9%	77.5%	3 Yr Return	-3.5%	-0.3%		
2008	-11.9%	7.0%	-5.7%	8.2%	2.3%	-9.3%	-5.9%	-7.5%	-19.6%	-25.7%	-9.4%	4.4%	-56.1%	5 Yr Return	9.9%	12.8%		
2007	0.2%	-1.3%	4.1%	5.1%	4.9%	3.5%	4.1%	-3.1%	12.0%	11.7%	-7.0%	-0.1%	37.7%	Best Month	16.3%	17.1%		
2006	11.9%	-1.1%	1.9%	5.5%	-10.8%	-0.3%	1.1%	3.0%	0.6%	5.0%	6.6%	4.8%	29.7%	Worst Month	-25.7%	-27.4%		
2005	1.1%	8.9%	-7.4%	-2.7%	3.7%	3.1%	7.5%	0.6%	8.7%	-6.4%	7.9%	5.5%	32.8%	% Positive Months	65.2%	65.2%		
2004	5.2%	4.4%	1.7%	-7.6%	-2.4%	0.9%	-2.0%	4.5%	5.7%	2.5%	8.9%	5.8%	29.8%	Risk				
2003	-0.8%	-2.3%	-4.1%	9.9%	7.5%	6.0%	5.7%	7.8%	1.2%	7.9%	-0.3%	6.8%	54.0%	Standard Deviation	24.4%	24.6%		
2002	4.1%	2.1%	6.2%	1.2%	-2.2%	-5.5%	-6.8%	1.4%	-8.7%	6.0%	6.5%	-3.3%	-0.5%	3 Yr Standard Deviation	32.1%	33.0%		
2001									-16.8%	8.6%	11.5%	7.2%	8.0%	5 Yr Standard Deviation	27.7%	28.1%		
														Tracking Error	3.6%	--		
														Information Ratio	-0.17	--		
														Sharpe Ratio (2.5%)	0.70	0.71		
														Sortino Ratio (0.0%)	1.00	1.03		
														Downside Deviation (0.0%)	16.5%	16.4%		
														Max Drawdown	-63.4%	-61.6%		
														Months In Maximum Drawdown	16	16		
														Months To Recover	--	--		
														Comparison To Benchmark(s)				
														Monthly Alpha		0.0%		
														Annualized Alpha		-0.2%		
														Beta		1.0		
														Correlation		1.0		
														R-Squared		97.9%		
														Annual Returns				
														2010-(YTD)	15.2%	18.9%		
														2009	77.5%	78.5%		
														2008	-56.1%	-53.3%		
														2007	37.7%	39.4%		
														2006	29.7%	32.2%		
														2005	32.8%	34.0%		
														Latest Returns				
														Last Month	6.1%	7.1%		
														Last 3 Months	6.6%	7.3%		
														Last Year	15.2%	18.9%		
														2-Year	43.0%	45.7%		
														3-Year	-3.5%	-0.3%		
														4-Year	5.4%	8.4%		
														5-Year	9.9%	12.8%		
														Drawdown Analysis				
														1	-63.4%	-61.6%		
														2	-20.3%	-23.9%		
														3	-16.8%	-15.5%		
														4	-11.1%	-11.3%		
														5	-10.9%	-10.7%		

Outperform BM in Up Markets		Outperform BM in Down Markets		Distribution of Returns	
					

Risk/Return Profile		Underwater Drawdown	
			

Note: Based on monthly, net of fee performance data, since inception.



The Boston Company Emerging Markets Value

The Boston Company Emerging Markets Value

The Boston Company Asset Management, LLC



Benchmark 1 (BM1): MSCI Emg Mkts - Net

Benchmark 2 (BM2): N/A

Monthly Performance (%) Net of Fees														Statistical Analysis				Fund	BM1	BM2
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns						
2010	-4.8%	-0.4%	6.6%	1.4%	-9.9%	1.0%	8.4%	-2.3%	10.2%	1.8%	-2.5%	8.0%	16.6%	Annualized Compound ROR	18.7%	18.3%				
2009	-7.0%	-5.5%	13.3%	16.5%	17.7%	-0.4%	11.7%	0.7%	8.9%	-0.5%	3.7%	3.6%	77.8%	3 Yr Return	4.2%	-0.3%				
2008	-8.6%	4.3%	-4.4%	7.3%	0.6%	-9.4%	0.0%	-5.9%	-15.2%	-25.9%	-6.0%	10.0%	-45.5%	5 Yr Return	12.8%	12.8%				
2007	-0.5%	-1.1%	2.4%	4.7%	5.0%	4.1%	3.5%	-3.5%	7.2%	6.7%	-5.1%	1.5%	26.9%	Best Month	17.7%	17.1%				
2006	9.0%	-0.1%	2.3%	6.7%	-10.0%	-1.3%	0.4%	2.5%	1.8%	4.6%	6.1%	3.7%	27.3%	Worst Month	-25.9%	-27.4%				
2005	-1.3%	7.1%	-6.8%	-2.0%	2.9%	3.9%	5.9%	0.1%	8.8%	-7.0%	7.5%	6.2%	26.4%	% Positive Months	65.2%	65.2%				
2004	2.9%	3.9%	1.2%	-5.6%	-2.5%	1.4%	-1.4%	2.8%	5.2%	2.3%	9.9%	5.7%	27.9%	Risk						
2003	-0.9%	-2.3%	-2.8%	9.9%	7.6%	4.8%	5.3%	5.3%	2.5%	7.5%	1.8%	7.1%	55.1%	Standard Deviation	22.6%	24.6%				
2002	4.4%	3.1%	6.2%	3.3%	0.2%	-7.1%	-6.7%	1.3%	-10.4%	4.1%	7.2%	-1.9%	1.9%	3 Yr Standard Deviation	31.0%	33.0%				
2001									-13.4%	6.1%	11.0%	4.1%	6.1%	5 Yr Standard Deviation	25.8%	28.1%				
														Tracking Error	4.8%	--				
														Information Ratio	0.08	--				
														Sharpe Ratio (2.5%)	0.77	0.71				
														Sortino Ratio (0.0%)	1.16	1.03				
														Downside Deviation (0.0%)	14.8%	16.4%				
														Max Drawdown	-53.9%	-61.6%				
														Months In Maximum Drawdown	16	16				
														Months To Recover	19	--				
														Comparison To Benchmark(s)						
														Monthly Alpha		0.1%				
														Annualized Alpha		1.8%				
														Beta		0.9				
														Correlation		1.0				
														R-Squared		96.7%				
														Annual Returns						
														2010-(YTD)	16.6%	18.9%				
														2009	77.8%	78.5%				
														2008	-45.5%	-53.3%				
														2007	26.9%	39.4%				
														2006	27.3%	32.2%				
														2005	26.4%	34.0%				
														Latest Returns						
														Last Month	8.0%	7.1%				
														Last 3 Months	7.2%	7.3%				
														Last Year	16.6%	18.9%				
														2-Year	44.0%	45.7%				
														3-Year	4.2%	-0.3%				
														4-Year	9.4%	8.4%				
														5-Year	12.8%	12.8%				
														Drawdown Analysis						
														1	-53.9%	-61.6%				
														2	-21.3%	-23.9%				
														3	-13.4%	-15.5%				
														4	-11.2%	-11.3%				
														5	-8.7%	-10.7%				

Outperform BM in Up Markets

Outperform BM in Down Markets

Distribution of Returns

Risk/Return Profile

Underwater Drawdown

Latest Returns

Last Month	8.0%	7.1%
Last 3 Months	7.2%	7.3%
Last Year	16.6%	18.9%
2-Year	44.0%	45.7%
3-Year	4.2%	-0.3%
4-Year	9.4%	8.4%
5-Year	12.8%	12.8%

Drawdown Analysis

1	-53.9%	-61.6%
2	-21.3%	-23.9%
3	-13.4%	-15.5%
4	-11.2%	-11.3%
5	-8.7%	-10.7%

Note: Based on monthly, net of fee performance data, since inception.



Seix Core Plus Bond Management



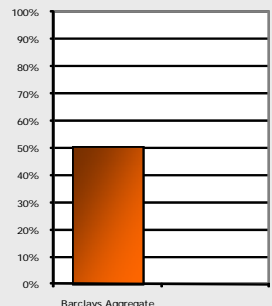
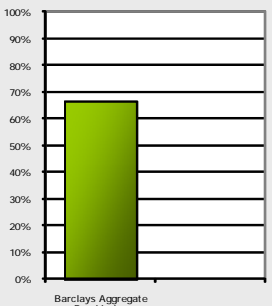
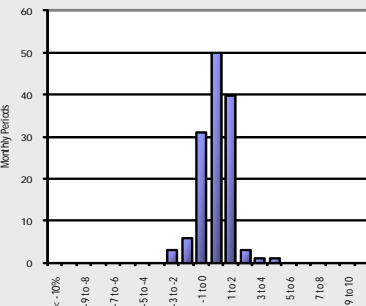
Seix Core Plus Bond Management

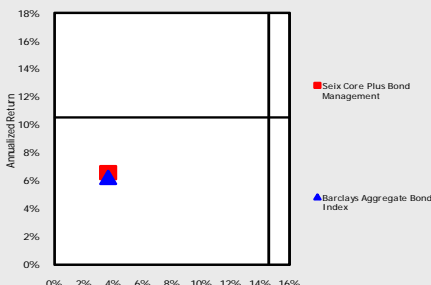
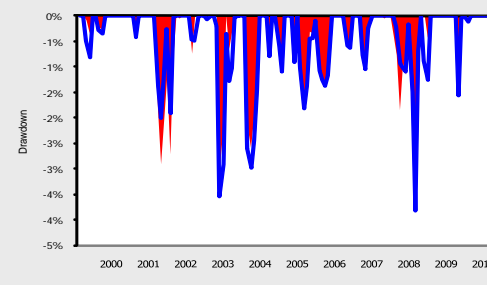
Seix Investment Advisors

Benchmark 1 (BM1): Barclays Aggregate Bond Index

Benchmark 2 (BM2): N/A

Monthly Performance (%) Net of Fees														Statistical Analysis			Fund	BM1	BM2
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns					
2010	1.6%	0.3%	0.1%	1.4%	0.5%	1.6%	1.2%	1.5%	0.3%	0.4%	-0.4%	-0.9%	7.7%	Annualized Compound ROR	6.5%	6.2%			
2009	0.6%	-0.4%	1.4%	1.1%	1.1%	1.0%	2.3%	1.1%	0.9%	0.5%	1.3%	-1.6%	9.7%	3 Yr Return	7.5%	5.9%			
2008	1.8%	0.0%	-0.4%	-0.4%	-1.1%	0.9%	-0.2%	1.1%	-0.9%	-2.9%	3.3%	4.1%	5.2%	5 Yr Return	6.7%	5.8%			
2007	-0.1%	1.5%	0.1%	0.6%	-0.8%	-0.3%	0.9%	1.3%	0.8%	0.9%	1.8%	-0.1%	6.8%	Best Month	4.1%	3.7%			
2006	0.0%	0.2%	-0.9%	-0.2%	-0.1%	0.3%	1.3%	1.4%	0.9%	0.7%	1.2%	-0.5%	4.1%	Worst Month	-3.0%	-3.4%			
2005	0.5%	-0.4%	-0.4%	1.2%	0.8%	0.6%	-0.8%	1.2%	-1.0%	-0.7%	0.5%	0.9%	2.3%	% Positive Months	70.4%	68.9%			
2004	1.0%	1.0%	0.7%	-2.2%	-0.4%	0.6%	1.0%	1.8%	0.4%	0.8%	-0.5%	1.0%	5.2%	Risk					
2003	0.6%	1.3%	0.1%	1.6%	1.6%	0.0%	-3.0%	0.7%	2.5%	-0.7%	0.4%	1.1%	6.4%	Standard Deviation	3.7%	3.7%			
2002	0.9%	0.9%	-1.5%	2.0%	0.8%	-0.1%	0.1%	1.5%	0.9%	-0.7%	1.4%	1.8%	8.2%	3 Yr Standard Deviation	4.5%	4.2%			
2001	1.5%	0.8%	0.6%	-0.2%	0.8%	0.3%	2.3%	1.2%	0.7%	1.7%	-1.8%	-1.1%	6.8%	5 Yr Standard Deviation	3.8%	3.6%			
														Tracking Error	1.1%	--			
														Information Ratio	0.31	--			
														Sharpe Ratio (2.5%)	1.08	0.97			
														Sortino Ratio (0.0%)	3.35	3.06			
														Downside Deviation (0.0%)	1.9%	2.0%			
														Max Drawdown	-3.9%	-3.8%			
														Months In Maximum Drawdown	9	7			
														Months To Recover	2	2			
														Comparison To Benchmark(s)					
														Monthly Alpha		0.1%			
														Annualized Alpha		0.7%			
														Beta		0.9			
														Correlation		1.0			
														R-Squared		90.8%			
														Annual Returns					
														2010-(YTD)	7.7%	6.6%			
														2009	9.7%	5.9%			
														2008	5.2%	5.2%			
														2007	6.8%	7.0%			
														2006	4.1%	4.3%			
														2005	2.3%	2.4%			
														Latest Returns					
														Last Month	-0.9%	-1.1%			
														Last 3 Months	-0.9%	-1.3%			
														Last Year	7.7%	6.6%			
														2-Year	8.7%	6.2%			
														3-Year	7.5%	5.9%			
														4-Year	7.3%	6.2%			
														5-Year	6.7%	5.8%			
														Drawdown Analysis					
														1	-3.9%	-3.8%			
														2	-3.0%	-3.6%			
														3	-2.9%	-3.0%			
														4	-2.6%	-2.0%			
														5	-1.7%	-1.8%			

Outperform BM in Up Markets		Outperform BM in Down Markets		Distribution of Returns	
	Barclays Aggregate Bond Index		Barclays Aggregate Bond Index		Return Range (%)

Risk/Return Profile		Underwater Drawdown:	
	Seix Core Plus Bond Management Barclays Aggregate Bond Index		Seix Core Plus Bond Management Barclays Aggregate Bond Index

Note: Based on monthly, net of fee performance data, since inception.



IR&M Long Government/Credit



IR&M Long G/C

Income Research & Management

Benchmark 1 (BM1): Barclays Long Government-Credit Index

Benchmark 2 (BM2): N/A

Monthly Performance (%) Net of Fees													Statistical Analysis				
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Fund	BM1	BM2	
2010	2.4%	0.5%	-0.9%	3.3%	1.5%	4.1%	1.0%	5.1%	-0.8%	-2.3%	-0.8%	-1.4%	12.1%	Annualized Compound ROR	6.7%	5.8%	
2009	-4.4%	-2.8%	0.3%	0.5%	2.7%	5.7%	5.0%	3.0%	2.7%	-0.6%	1.3%	-3.1%	10.3%	3 Yr Return	9.0%	6.8%	
2008	1.9%	-1.1%	0.4%	0.1%	-2.0%	0.4%	-0.5%	1.0%	-6.9%	-7.4%	6.5%	13.6%	4.7%	5 Yr Return	7.2%	5.9%	
2007	-0.5%	3.3%	-1.6%	0.9%	-1.9%	-0.9%	1.3%	1.5%	0.4%	1.4%	2.9%	-0.2%	6.7%	Best Month	13.6%	11.2%	
2006	-0.8%	0.9%	-3.4%	-1.8%	-0.1%	0.6%	1.7%	2.7%	1.6%	1.2%	2.2%	-2.1%	2.8%	Worst Month	-7.4%	-7.2%	
2005	2.0%	-1.0%	-0.9%	2.6%	2.1%	1.5%	-2.4%	2.6%	-3.0%	-1.9%	0.6%	1.8%	3.9%	% Positive Months	59.7%	55.6%	
													Risk				
													Standard Deviation			10.3%	9.8%
													3 Yr Standard Deviation			13.2%	12.4%
													5 Yr Standard Deviation			10.9%	10.2%
													Tracking Error			2.9%	--
													Information Ratio			0.29	--
													Sharpe Ratio (2.5%)			0.44	0.37
													Sortino Ratio (0.0%)			1.12	1.01
													Downside Deviation (0.0%)			5.8%	5.6%
													Max Drawdown			-15.2%	-11.9%
													Months In Maximum Drawdown			9	9
													Months To Recover			2	2
													Comparison To Benchmark(s)				
													Monthly Alpha				0.1%
													Annualized Alpha				0.8%
													Beta				1.0
													Correlation				1.0
													R-Squared				92.3%
													Annual Returns				
													2010-(YTD)			12.1%	10.2%
													2009			10.3%	1.9%
													2008			4.7%	8.4%
													2007			6.7%	6.6%
													2006			2.8%	2.7%
													2005			3.9%	5.3%
													Latest Returns				
													Last Month			-1.4%	-2.1%
													Last 3 Months			-4.4%	-5.6%
													Last Year			12.1%	10.2%
													2-Year			11.2%	6.0%
													3-Year			9.0%	6.8%
													4-Year			8.4%	6.7%
													5-Year			7.2%	5.9%
													Drawdown Analysis				
													1			-15.2%	-11.9%
													2			-7.4%	-7.8%
													3			-7.1%	-7.4%
													4			-5.2%	-6.3%
													5			-3.4%	-3.3%

Outperform BM in Up Markets		Outperform BM in Down Markets		Distribution of Returns	

Risk/Return Profile		Underwater Drawdown	

Latest Returns		
Last Month	-1.4%	-2.1%
Last 3 Months	-4.4%	-5.6%
Last Year	12.1%	10.2%
2-Year	11.2%	6.0%
3-Year	9.0%	6.8%
4-Year	8.4%	6.7%
5-Year	7.2%	5.9%
Drawdown Analysis		
1	-15.2%	-11.9%
2	-7.4%	-7.8%
3	-7.1%	-7.4%
4	-5.2%	-6.3%
5	-3.4%	-3.3%

Note: Based on monthly, net of fee performance data, since inception.



Calamos Global Convertible Strategy



Calamos Global Convertible Strategy

Calamos Advisors LLC

Benchmark 1 (BM1): ML Global 300 Convertible Index

Benchmark 2 (BM2): N/A

Monthly Performance (%) Net of Fees														Statistical Analysis				
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Fund	BM1	BM2		
2010	-2.5%	2.2%	4.4%	-1.0%	-4.0%	-1.3%	2.8%	0.3%	3.1%	2.3%	-0.3%	3.0%	9.0%	Annualized Compound ROR	8.4%	5.5%		
2009	-0.8%	-1.6%	5.2%	6.0%	4.3%	-0.5%	6.7%	1.6%	2.8%	-0.4%	2.4%	2.1%	30.9%	3 Yr Return	1.9%	2.5%		
2008	-5.3%	1.0%	-1.5%	2.5%	1.7%	-4.4%	-1.5%	-0.3%	-11.7%	-15.1%	-0.2%	7.5%	-25.9%	5 Yr Return	6.9%	5.3%		
2007	1.0%	-0.1%	1.0%	3.5%	1.6%	0.5%	-0.3%	1.1%	5.2%	3.3%	-0.6%	-1.3%	15.7%	Best Month	7.5%	7.5%		
2006	5.5%	-1.1%	1.4%	3.2%	-2.9%	-0.7%	0.2%	1.8%	0.6%	1.9%	1.6%	2.2%	14.2%	Worst Month	-15.1%	-13.7%		
2005	-2.4%	0.5%	-2.0%	-2.4%	2.1%	1.2%	3.0%	1.2%	3.1%	-1.7%	3.7%	2.3%	8.6%	% Positive Months	66.7%	64.9%		
2004	2.5%	0.5%	0.4%	-3.0%	0.2%	1.2%	-3.0%	0.4%	1.3%	1.1%	4.7%	2.3%	8.6%	Risk				
2003	1.3%	-1.1%	0.1%	5.0%	5.6%	0.1%	0.4%	1.7%	1.9%	2.8%	2.0%	3.1%	25.1%	Standard Deviation	10.8%	9.8%		
2002	-1.2%	-1.1%	3.1%	2.7%	1.5%	-2.5%	-4.1%	0.7%	-3.2%	0.8%	3.5%	0.4%	0.2%	3 Yr Standard Deviation	15.6%	15.5%		
2001										1.8%	2.6%	-1.8%	2.5%	5 Yr Standard Deviation	12.9%	12.5%		
														Tracking Error	4.0%	--		
														Information Ratio	0.75	--		
														Sharpe Ratio (2.5%)	0.58	0.34		
														Sortino Ratio (0.0%)	1.07	0.73		
														Downside Deviation (0.0%)	7.6%	7.3%		
														Max Drawdown	-32.4%	-35.8%		
														Months In Maximum Drawdown	13	13		
														Months To Recover	23	25		
Outperform BM in Up Markets														Comparison To Benchmark(s)				
Outperform BM in Down Markets														Monthly Alpha				0.2%
Distribution of Returns														Annualized Alpha				2.8%
														Beta				1.0
														Correlation				0.9
														R-Squared				87.0%
														Annual Returns				
														2010-(YTD)			9.0%	11.7%
														2009			30.9%	36.3%
														2008			-25.9%	-29.3%
														2007			15.7%	6.5%
														2006			14.2%	12.8%
														2005			8.6%	6.0%
Risk/Return Profile														Latest Returns				
														Last Month			3.0%	3.3%
														Last 3 Months			5.0%	5.4%
														Last Year			9.0%	11.7%
														2-Year			19.5%	23.4%
														3-Year			1.9%	2.5%
														4-Year			5.2%	3.5%
														5-Year			6.9%	5.3%
Underwater Drawdown:														Drawdown Analysis				
														1			-32.4%	-35.8%
														2			-8.9%	-8.9%
														3			-6.1%	-4.3%
														4			-4.6%	-2.7%
														5			-4.0%	-1.8%

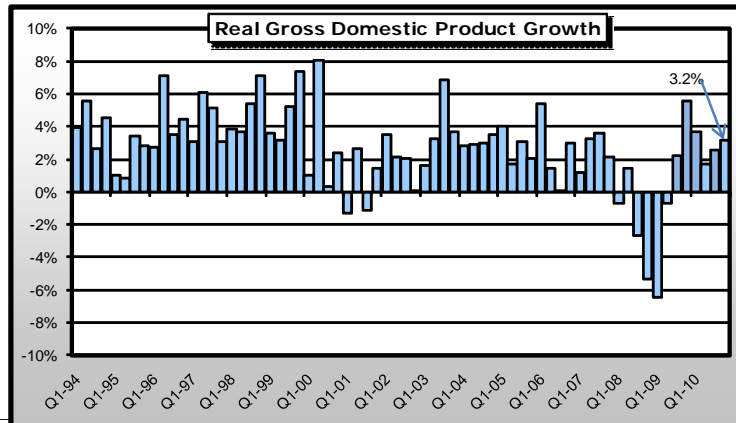
Note: Net of fee performance of the Calamos Global Convertible Strategy Composite is linked with SJP&F portfolio performance. Inception date of the Calamos Global Convertible Composite is October 2001. Inception date of the SJP&F portfolio is September 2009. Composite data provided by eVestment Alliance.





Appendix: Market Environment

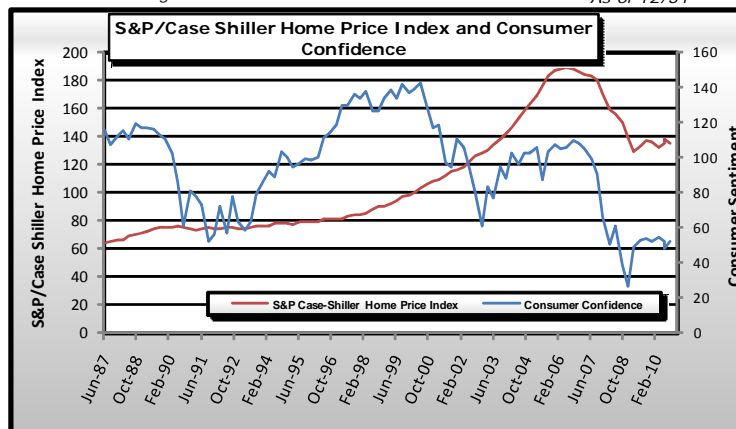
Economic Environment



GDP grew at 3.2% in Q4.

Source: Bloomberg

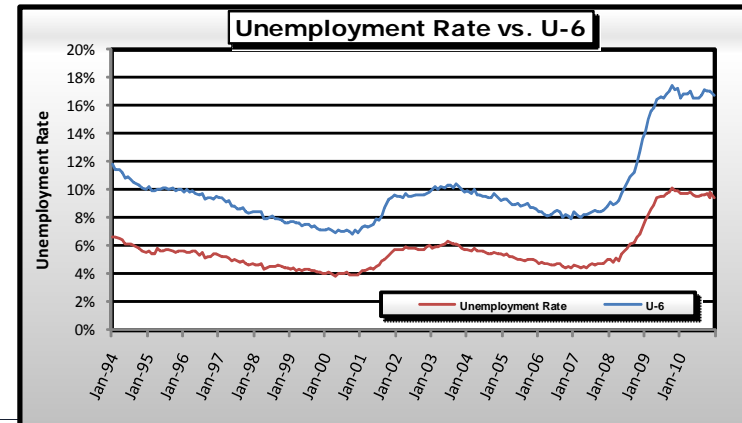
As of 12/31



Consumer confidence rose in Q4; the Case-Shiller Home price index to release Q4 figure in the coming weeks.

Source: Bloomberg

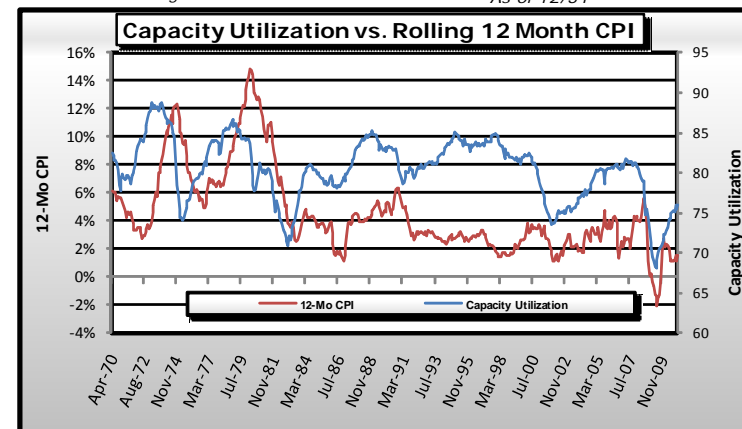
As of 12/31



Unemployment is at 9.4% while U-6, a measure of broader unemployment, ended the year at 16.7%.

Source: Bloomberg

As of 12/31

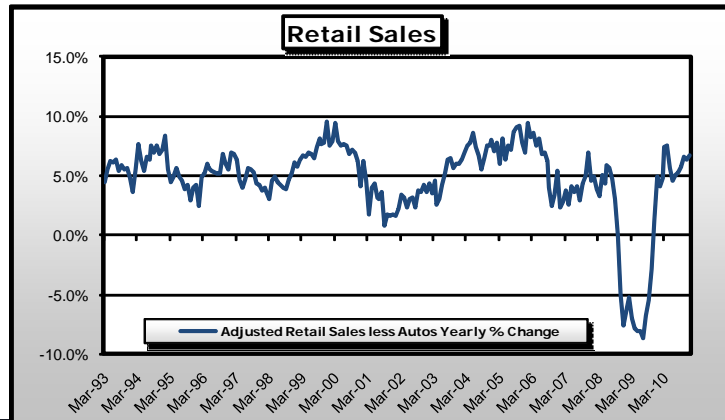


Capacity utilization has stayed flat in Q4 but still remains at depressed levels while CPI has settled at 1.1%.

Source: Bloomberg

As of 12/31

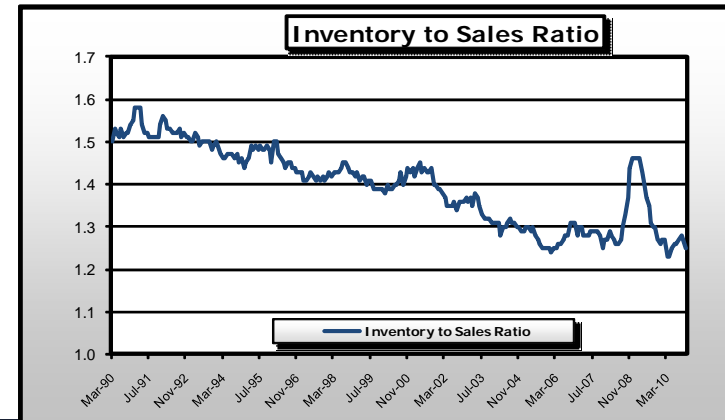
Components of U.S. GDP



Retail Sales have recovered after hitting lows in 2008, increasing modestly in Q4.

Source: Bloomberg

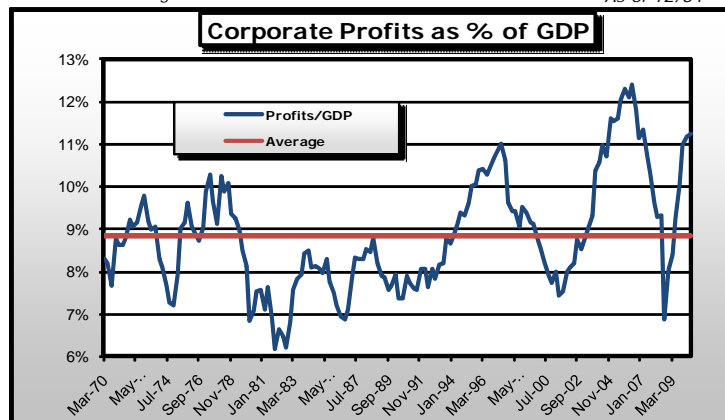
As of 12/31



The inventory liquidation process that was a boost to 2009 growth results has worn off meaning demand must contribute to further growth.

Source: Bloomberg

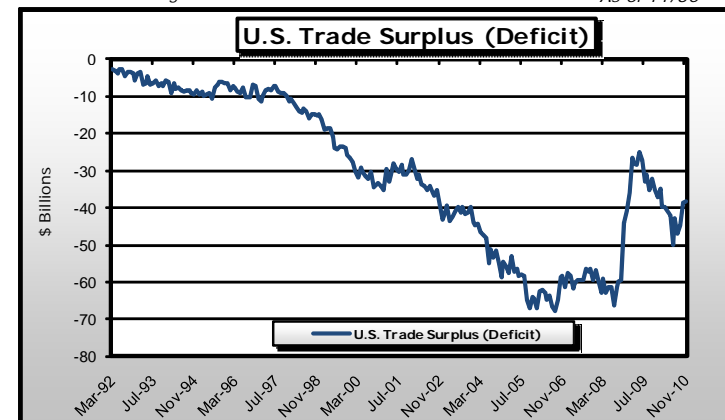
As of 11/30



Corporate Profits as a % of GDP continued to increase in Q4, rising above 11%.

Source: Bloomberg

As of 9/30

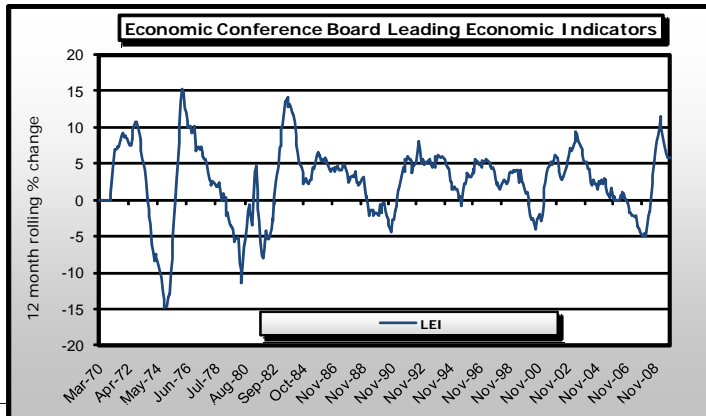


The U.S. trade deficit continued to narrow in Q4.

Source: Bloomberg

As of 11/30

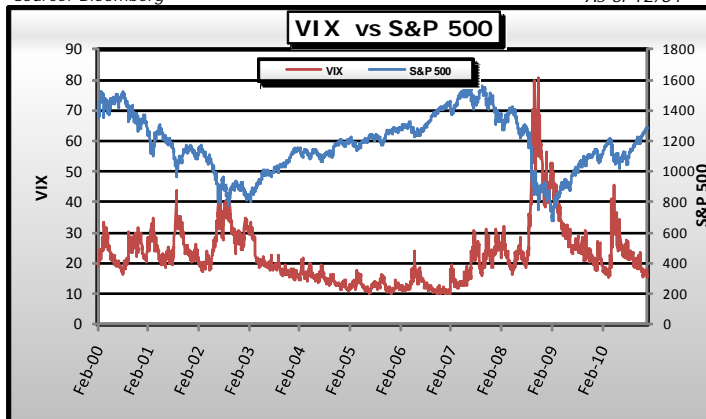
Key Economic Indicators



Rolling percentage change in the Leading Economic Indicators index, while still positive, has fallen in recent months.

Source: Bloomberg

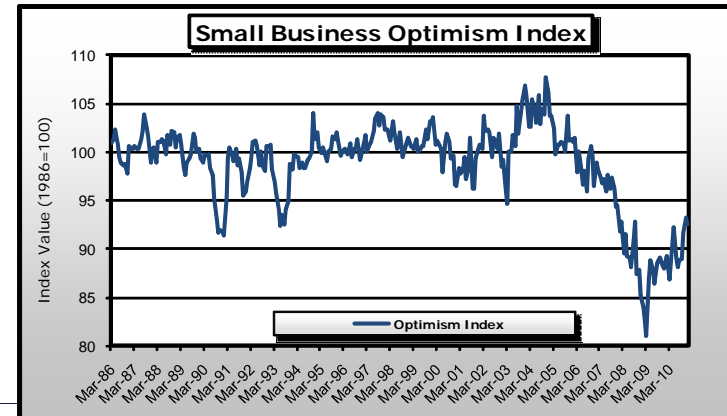
As of 12/31



The VIX decreased in Q4 while equity markets rose over the same period.

Source: Bloomberg

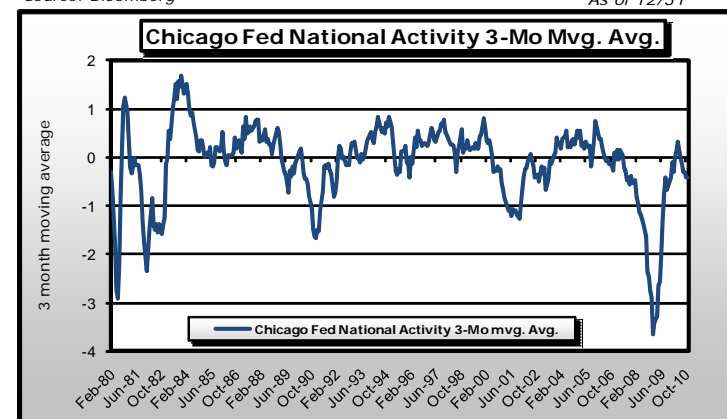
As of 12/31



The small business optimism index rose modestly in Q4 while remaining at depressed levels.

Source: Bloomberg

As of 12/31

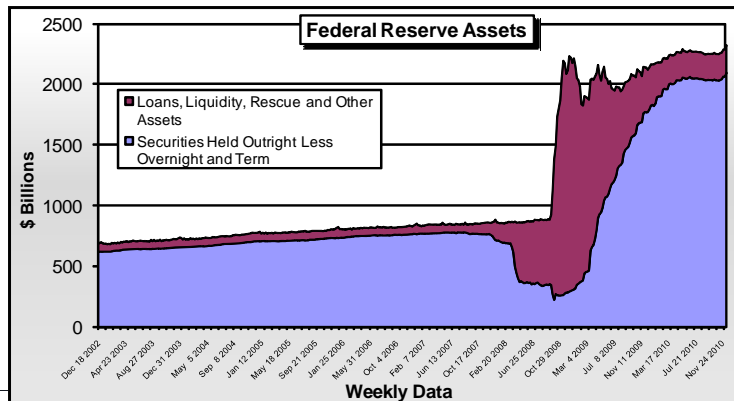


Chicago Fed National Activity 3 Month moving average has slid so far in Q4.

Source: Bloomberg

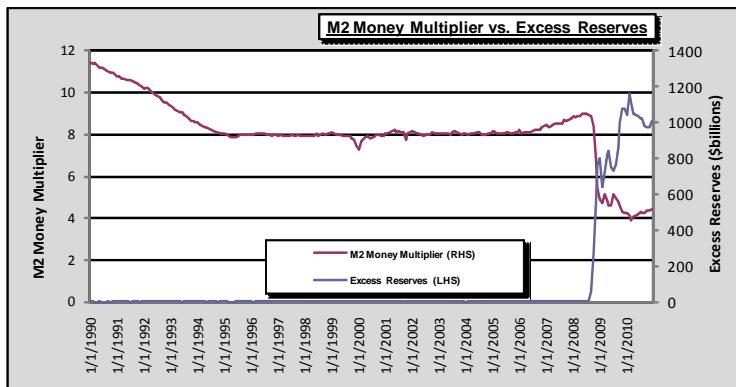
As of 11/30

Economic Environment



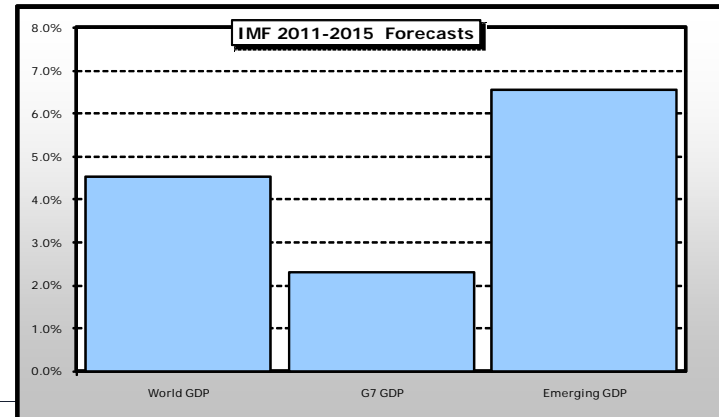
The Fed Balance Sheet continues to grow with the second round of quantitative easing.

Source: United States Federal Reserve



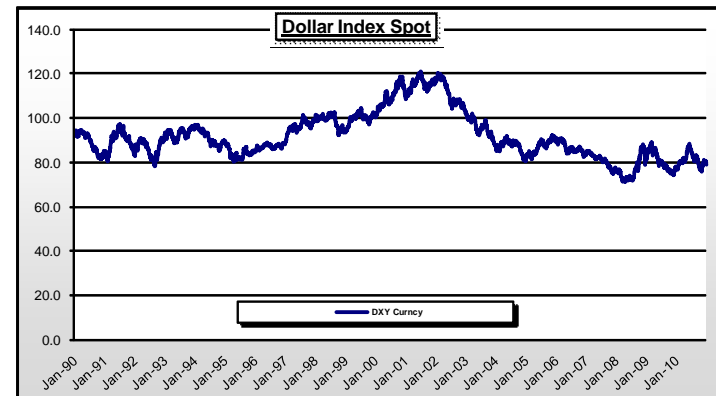
The Money Multiplier remains low though banks have decreased reserves throughout 2010.

Source: St. Louis Fed



Higher Economic growth prospects in Emerging Markets expected to drive higher returns.

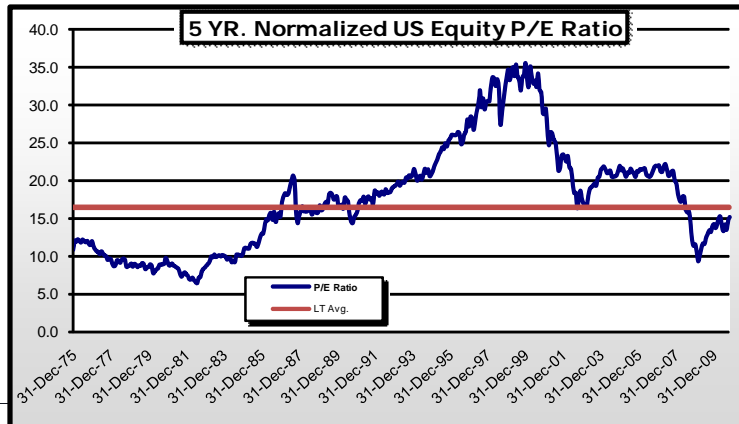
Source: IMF



The dollar index remained relatively flat in Q4.

Source: Bloomberg

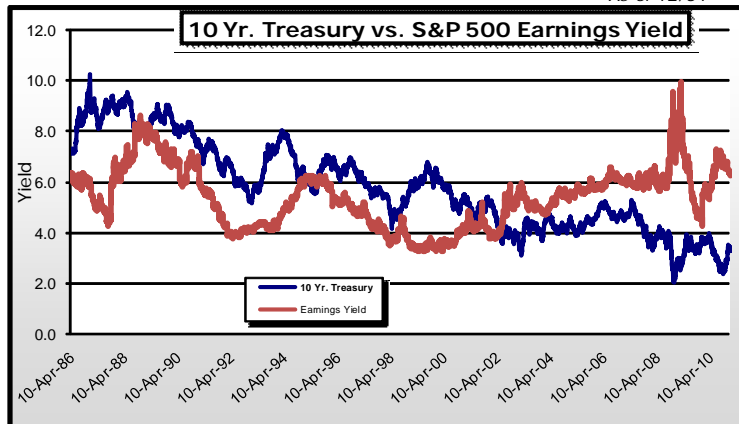
Market Environment – U.S. Equity



S&P appears close to fairly valued based on cyclically adjusted P-E ratio.

Source: Bloomberg

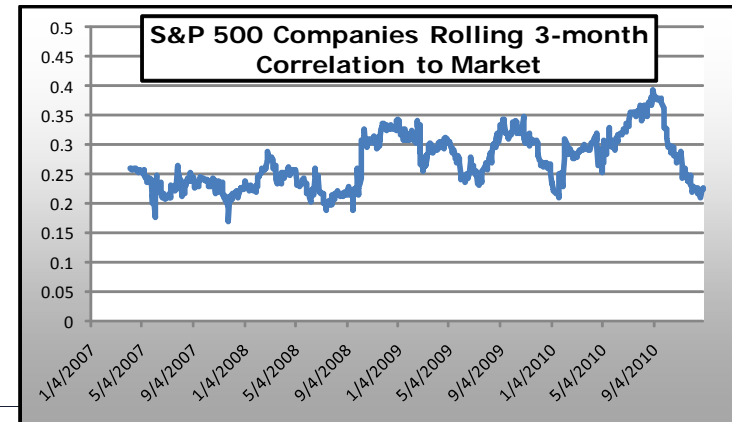
As of 12/31



The earnings on stocks remain more attractive than low Treasury yield.

Source: Bloomberg

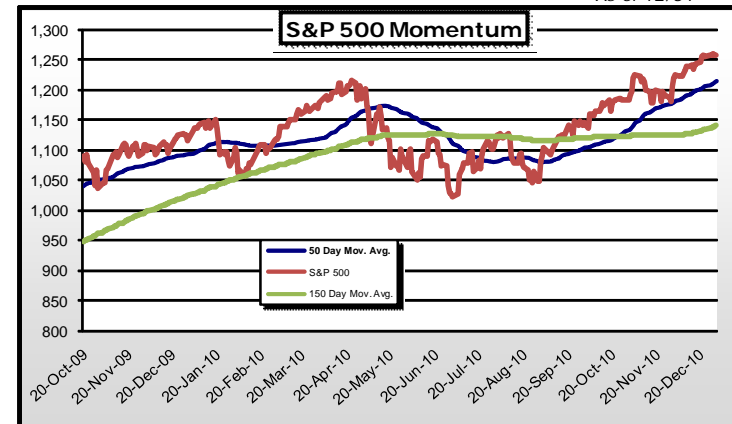
As of 12/31



Stock correlations fell significantly in Q4, representing an opportunity for active management to benefit.

Source: Bloomberg

As of 12/31

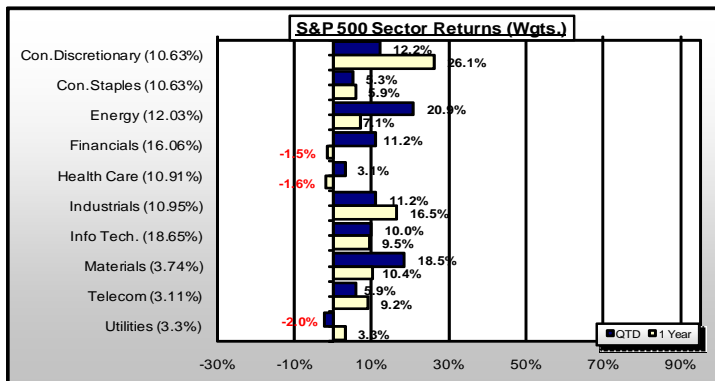


S&P 50 day moving average remains well above 150 day moving average as of 12/31.

Source: Bloomberg

As of 12/31

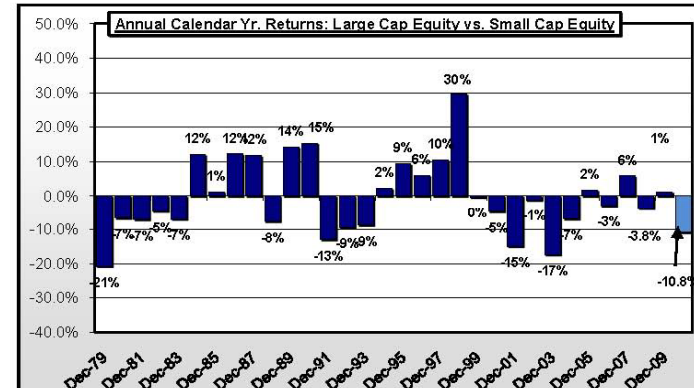
U.S. Stock Market Performance



Energy led the S&P 500 Sector Returns in Q4.

Source: Standard & Poors

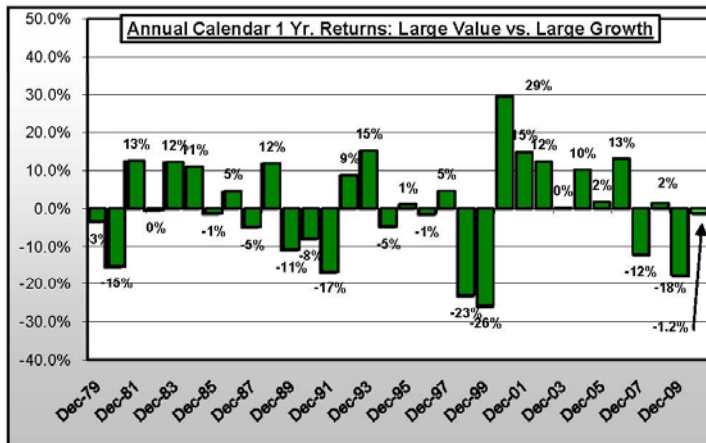
As of 12/31



Small Cap outperformed Large Cap by 10.8% in 2010.

Source: Bloomberg

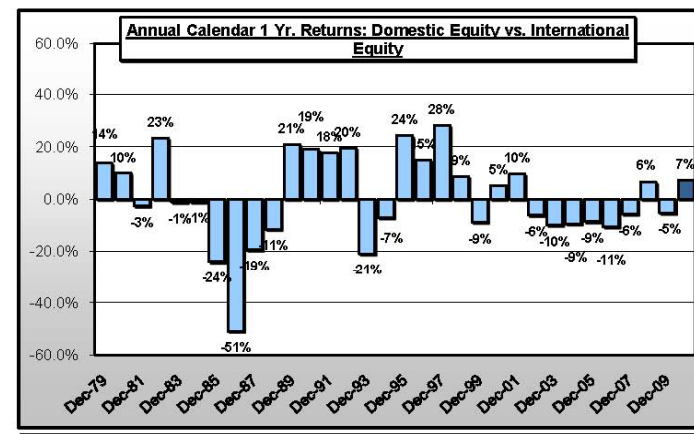
As of 12/31



Growth stocks outperformed value stocks by 1.2% in 2010.

Source: Bloomberg

As of 12/31



Domestic equity outperformed International equity by 7.3% in 2010.

Source: Bloomberg

As of 12/31

Non – U.S. Stock Market Performance

Developed Market Equity Returns (U.S. Dollars)

Source: MSCI Inc.

	Qtr. (%)	1 Yr. (%)	3 Yr. (%)
Europe ex UK	3.7%	1.6%	-9.8%
United Kingdom	6.0%	8.8%	-7.0%
Japan	12.1%	15.4%	-4.6%
Pacific Ex Japan	8.3%	16.9%	0.0%
Canada	12.2%	20.5%	0.8%
USA	10.9%	14.8%	-3.3%

US Dollar Return vs. Major Foreign Currencies

(Negative = Dollar Depreciates, Positive = Dollar Appreciates)

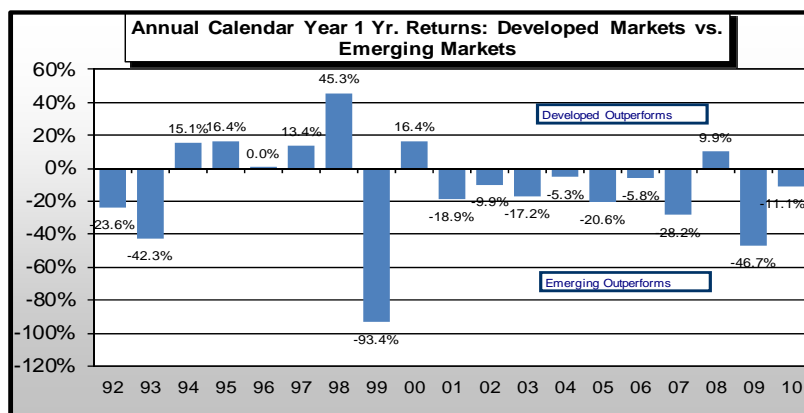
	Qtr.	1 Yr.	5 Yr.
Euro	1.9%	7.1%	-2.4%
Japanese Yen	-2.9%	-12.8%	-7.2%
British Pound	0.7%	3.6%	2.0%
Canada	-3.0%	-5.2%	-3.0%
Australia	-5.5%	-12.2%	-6.4%

Currency Impact on Developed Mkt. Returns

(Negative = Currency Hurt, Positive = Currency Helped)

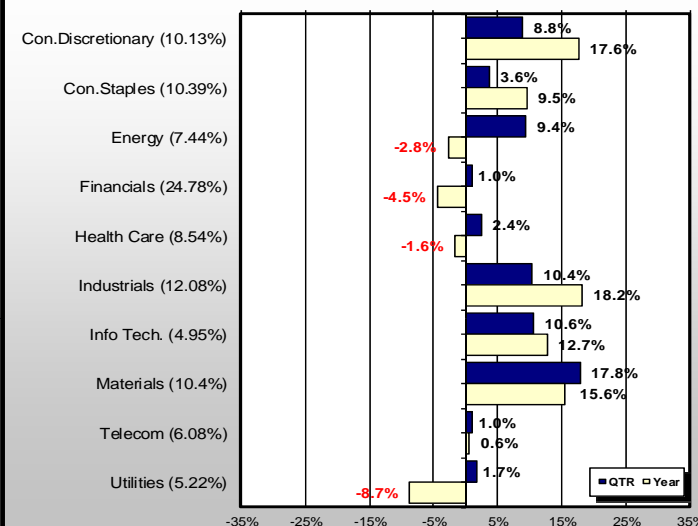
	Qtr.	1 Yr.	5 Yr.
MSCI EAFE (Local)	5.6%	4.8%	-1.2%
MSCI EAFE (USD)	6.6%	7.8%	2.5%
Currency Impact	1.0%	2.9%	3.7%

Source: Bloomberg, MSCI Inc.

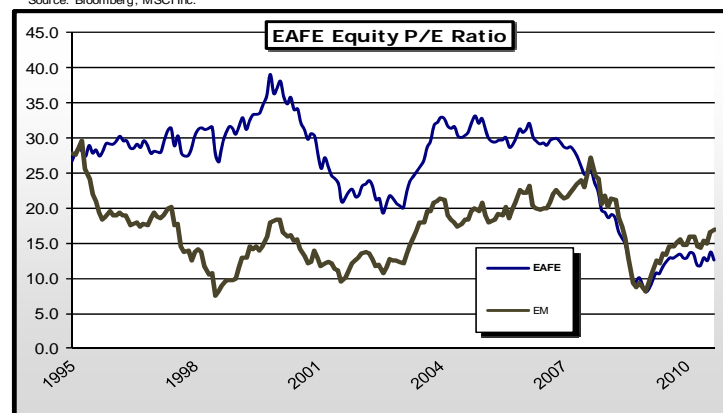


Source: MSCI Inc.

MSCI EAFE Sector Returns (Wgts. %)

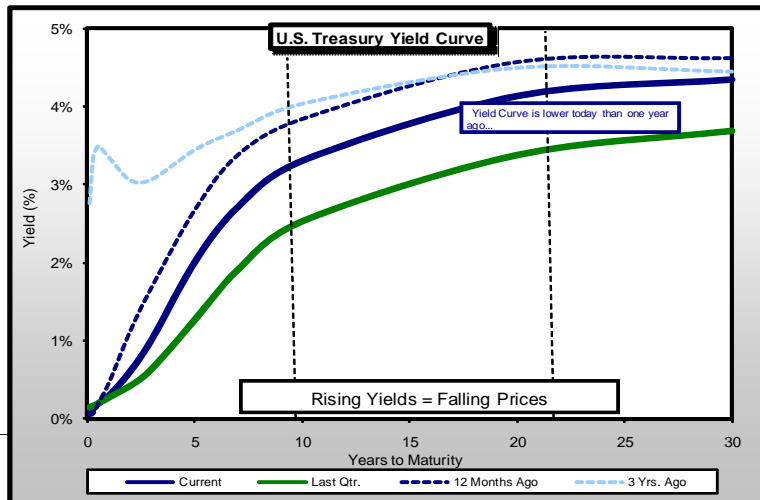


Source: Bloomberg, MSCI Inc.



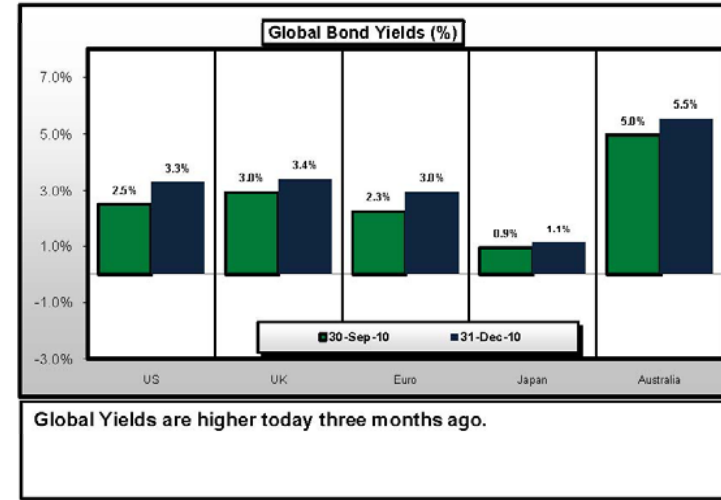
Source: Bloomberg, NEPC

Market Environment – Interest Rates



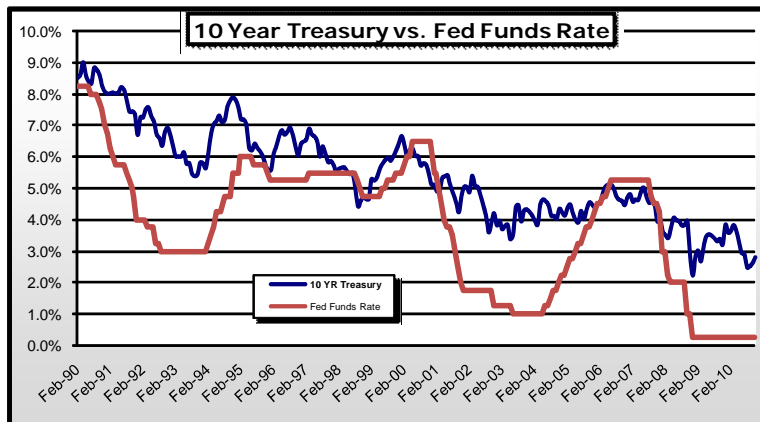
Source: U.S. Treasury

As of 12/31



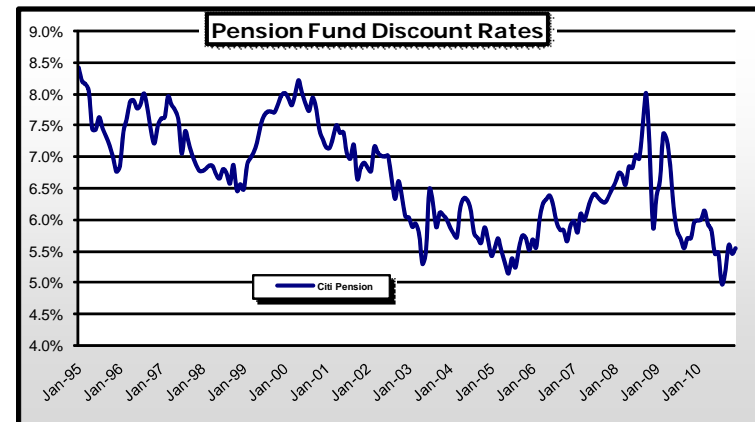
Source: Bloomberg

As of 12/31



Source: Bloomberg

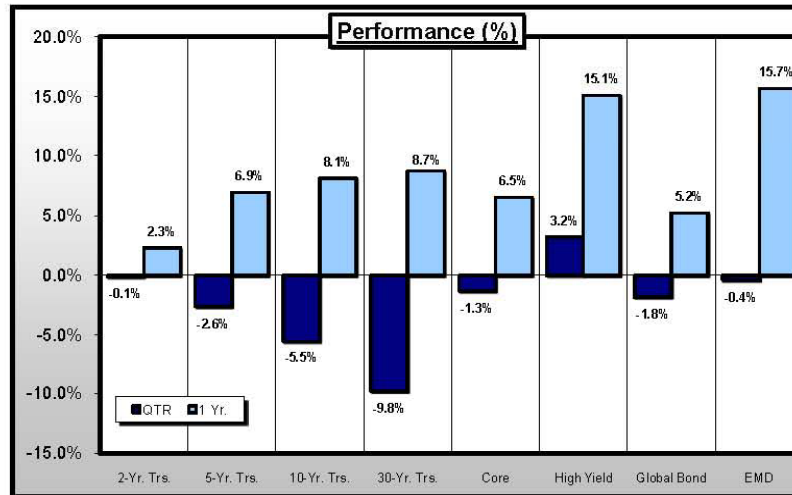
As of 12/31



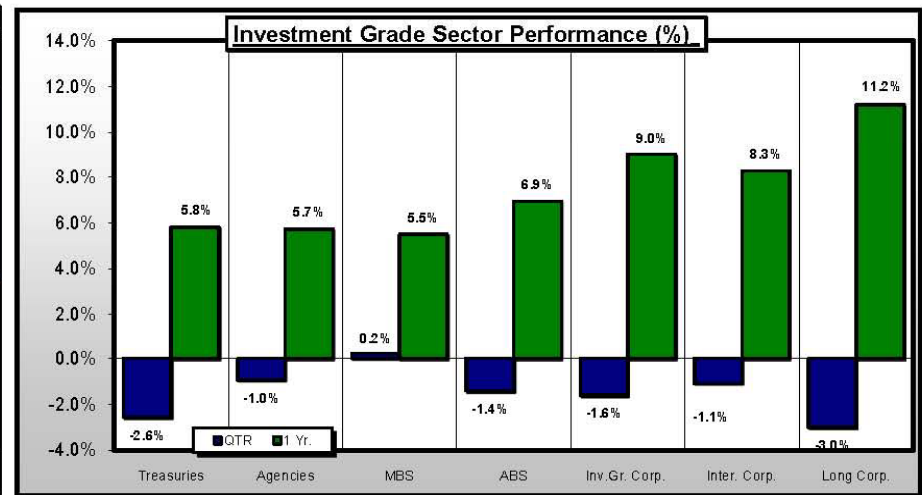
Source: Citigroup

As of 12/31

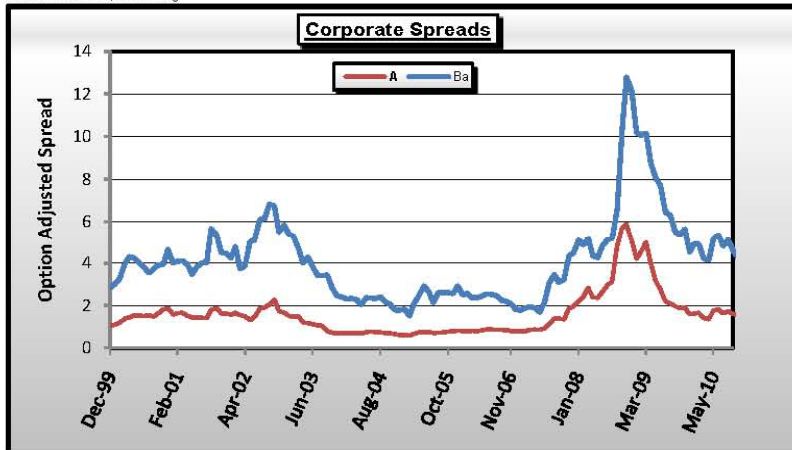
Fixed Income Performance



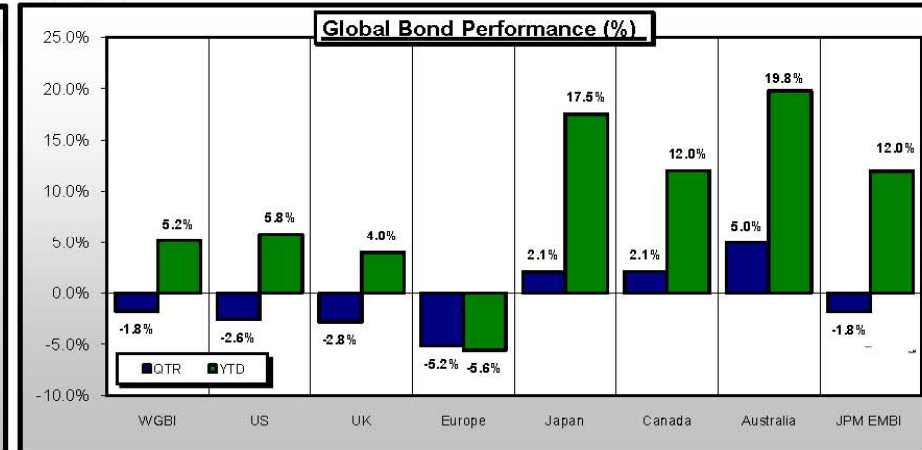
Source: Yield Book, Bloomberg



Source: Yield Book

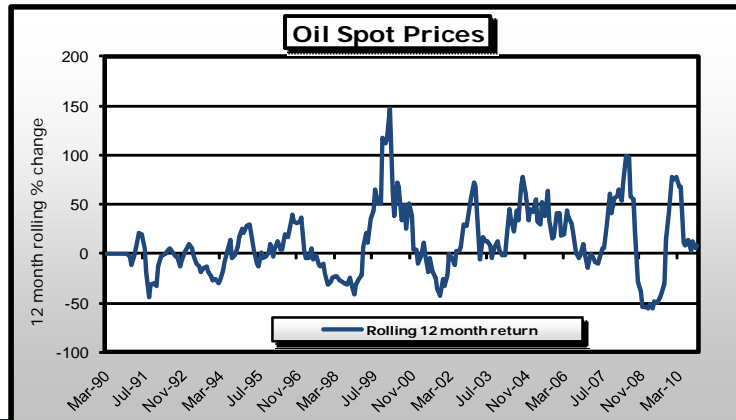


Source: Lehman Live



Source: Yield Book

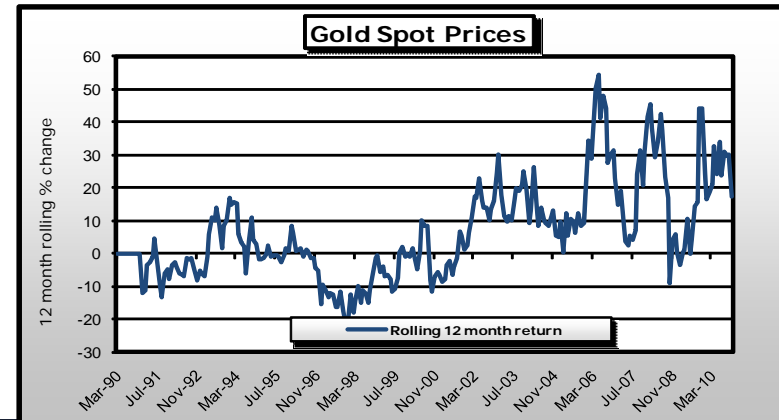
Market Environment – Commodities



Oil prices rose to \$91 per barrel at the end of December.

Source: Bloomberg

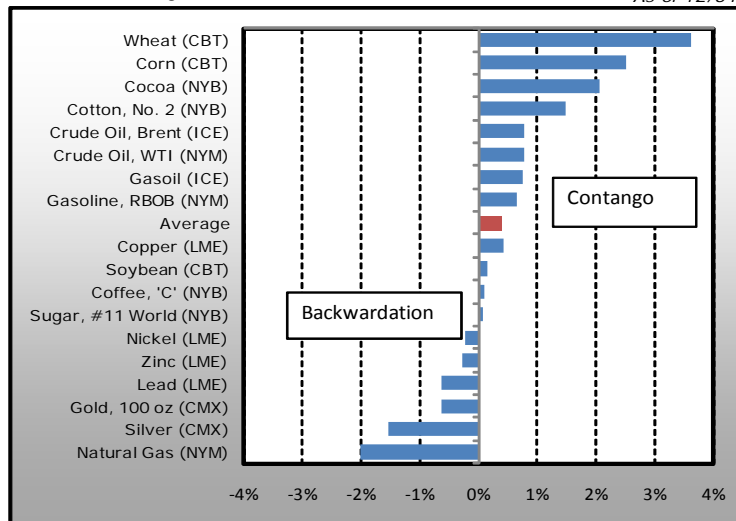
As of 12/31



Gold prices finished at \$1,421 per ounce at the end of December.

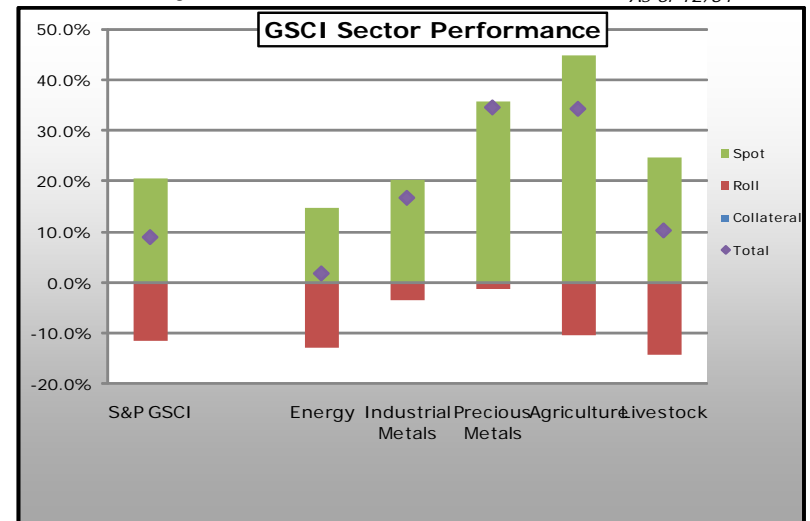
Source: Bloomberg

As of 12/31



Source: Bloomberg

As of December, 2010



Source: GSCI

As of 12/31

Information Disclosure

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- The Investment Performance Analysis (IPA) is provided as a management aid for the client's internal use only. Portfolio performance reported in the IPA does not constitute a recommendation by NEPC.
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- S&P Index data is provided courtesy of Standard & Poor's Financial Services LLC.