

STANISLAUS COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENT PERFORMANCE ANALYSIS
JUNE 30, 2010

STRATEGIC INVESTMENT SOLUTIONS, INC.

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Capital Market Review

> General Comments

- After a strong performance last quarter the U.S. equity markets failed to keep the rally going, as the Dow Jones Industrial Average see-sawed around the 10,000 mark. The U.S. equity markets experienced volatile swings, and fell into a funk in May; ending the quarter in negative territory. The Dow Industrial Average fell 9.4%, the S&P 500 fell 11.4%, and the NASDAQ fell 11.9%. Over the 1 year period the U.S. equity markets have remained in positive territory. The Dow Industrial Average is up 18.9%, the S&P 500 is 14.4%, and the NASDAQ is up 15.9%.
- The Federal Reserve struck a dovish tone as it left the federal funds target rate unchanged at 0% to 0.25% last month. The committee will continue to maintain the federal funds target rate as it considers fiscal conditions. Given a tame reading on inflation, the FOMC claims that it is 'likely to warrant exceptionally low levels of the federal funds rate for an extended period.'
- The State Street Global Markets Investor Confidence Index had a slight uptick in June from 88.4 to 89.7. On a global level investor confidence rose 1.3 points to 89.7 from the prior month, May. On the other hand investor confidence in North America fell 6.3 points to 92.2 for the same period. European investor confidence rose 5.4 points to 97.7, while Asia increased by 1.7 points to 102.6.
- Sovereign debt continued to bring uncertainty throughout the markets during the 2nd quarter of 2010. Greece settled on a bailout package, and the European Union passed a massive fiscal plan to prevent the collapse of other members with weak fiscal conditions. Given all the sought out measures, investors nonetheless have grown skeptical of governments abilities to eliminate large debt amounts and maintain sound growth rates.
- The United States experienced one of its worst environmental disasters on record as a British Petroleum leased deep-water rig exploded on April 20th. British Petroleum has accepted responsibility for the disaster, and has been hoisted onto a worldwide stage as it figures out how to permanently cap the leaking wellhead.
- For the period ending 6/30/10, the one quarter returns for, respectively, the NAREIT Equity index and the NCREIF Property index (one quarter lag), were -4.06% and 0.76%; one year, 53.89% and -9.6%; three years, -9.0% and -4.32%; and five years, 0.2% and 4.19%.
- The CMBS market continues to have difficulties, but there are bright spots. The government's efforts with the term asset-backed securities loan facility and the public-private investment program helped by giving support to such assets.
- Still, only top-rated buildings with high-credit tenants are able to access the CMBS market. One recent example is the Durst Organization's \$1.3 billion refinancing of the Bank of America Tower in New York. Less distinguished properties are still having difficulties. And these difficulties continue to spill over into the stock market – according to GE's CFO Keith Sherin the commercial real estate is "the one tough area remaining." The real estate unit's loss grew to \$524 million in the second quarter from \$237 million a year ago.

Executive Performance Summary

- The composite fund returned -6.6% in the second quarter of 2010 and ranked in the 92nd percentile among other public funds greater than \$100 million (-5.1% median). The fund led its policy index (-6.7%) during this time period. Longer term, the three and five-year returns of -3.8% and 2.8%, ranked above the median among total public plans (-4.0% and 2.7%, respectively).

- Second quarter results were enhanced by the following factors:
 1. The Mellon Capital S&P 500 Index Fund returned -11.4% for the quarter. The Fund matched the S&P 500 Index and ranked with the median large cap core manager.
 2. Delaware's return of -11.1% ranked in the second quartile among large cap growth managers (median -11.7%), and was ahead of its benchmark, the Russell 1000 Growth Index (-11.7%). Above-par Energy (EOG Resources) and Info Tech (Apple, Teradata, Verisign, Intuit) investments boosted relative performance. Over three years, the portfolio ranked just ahead of its peer median.
 3. The BlackRock Russell 1000 Value Index Fund (-11.0%) edged out its benchmark (-11.1%) and ranked in the 25th percentile among large cap value managers (median of -11.8%). It carried positive stock selection in the Energy and Utilities sectors.
 4. Fund of funds manager Legato Capital surpassed its benchmark, the Russell 2000 Growth Index (-8.1% vs. -9.2%) and ranked in the 42nd percentile among small cap growth managers. It was helped by above par stock selection in the Healthcare sector. RiverBridge Partners and Stephens Investment led during the quarter, at -6.1% and -6.2%, respectively.
 5. Fund of funds manager Capital Prospects depreciated 9.5% for the quarter, and ranked in the 34th percentile among its peers (-10.2% median). The Russell 2000 Value Index returned -10.6%. The portfolio was eased by its stock selection in the Energy and Consumer Discretionary sectors. Walthausen lost the least, dropping 6.0% during the quarter.
 6. LSV (-10.6%) beat the MSCI ACWI -ex US (-12.3%) and ranked 26th among international equity managers. LSV results fared relatively well despite growth stocks outperforming value in the second quarter. It carried positive cash drag and an implicit currency bet to Australian dollars. Over three years, LSV (-11.4%) did not meet its benchmark (-10.3%).

Executive Performance Summary

7. Pyramis' return of -11.9% led the MSCI ACWI –ex US Index by 40 basis points. Strong European markets stock selection was a primary contributor. The portfolio benefited from its cash drag and overweight to the Netherlands and Indonesia. Three-year results led its benchmark (-9.8% vs. -10.3%).

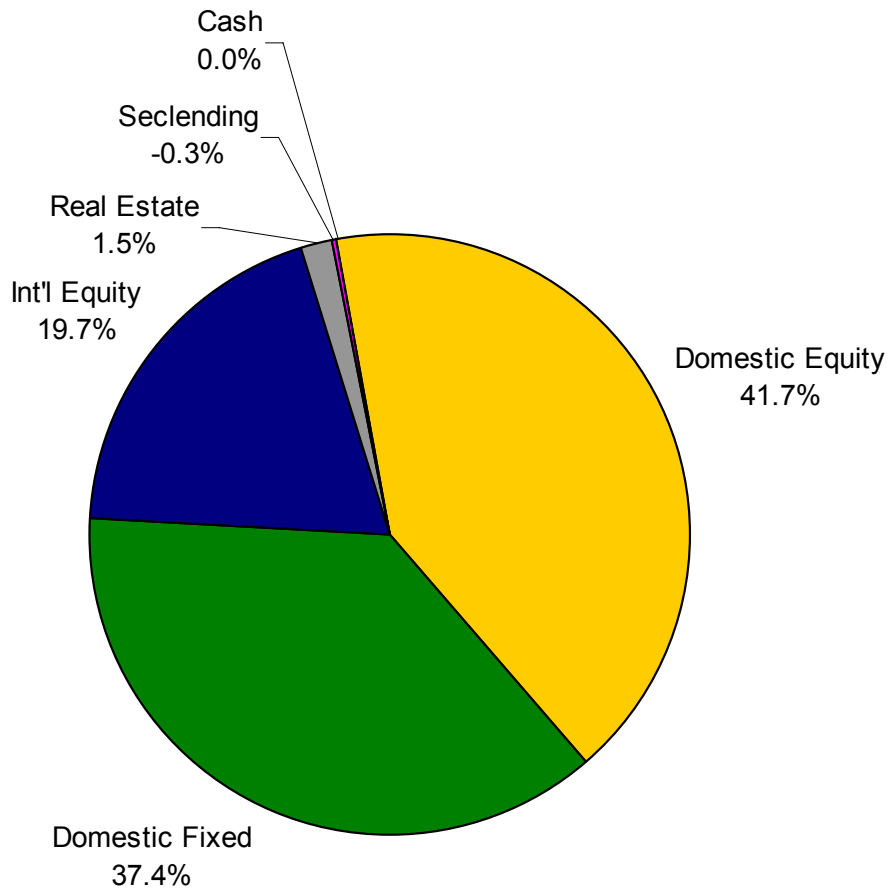
● Second quarter results were hindered by the following factors:

1. Loomis trailed its benchmark, the Russell 1000 Growth Index (-12.4% vs. -11.7%), and ranked in the 67th percentile among large growth equity managers. Loomis' negative performance alpha was a result of its Consumer Discretionary investments (Priceline.com, Amazon.com, Ford Motor). Loomis lost 11.3% for three-years, ranking in the bottom decile among its peers.
2. Dodge & Cox-Equity, -13.3%, ranked below the large cap value manager median of -11.8%. The Russell 1000 Value Index lost 11.1% during the quarter. No exposure to Utilities and poor security selection in Info Tech (EBay, Electronic Arts) hurt performance. Three-year results ranked Dodge & Cox (-12.6%) below its peer median and benchmark.
3. The Dodge & Cox-Fixed Income's 2.1% return lagged its benchmark, the Barclays Capital Aggregate Index, 3.5%, and ranked in the bottom quartile among core bond managers, median return of 3.3%. D&C's corporate overweight, shorter relative duration and certain Agency-guaranteed MBS holding hampered performance. D&C was up 8.5% for three years while its benchmark was up 7.5%. Bond manager PIMCO was funded mid-May. For June, it returned 1.7%, as did the Barclays Aggregate Index.
4. The Invesco Realty Fund lost 8.5%. Its benchmark, the FTSE EPRA/NAREIT Global Index was down 7.9%. Invesco ranked in the 92nd percentile among global real estate portfolios.

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StanCERA Plan
As of June 30, 2010

Allocation by Manager Type

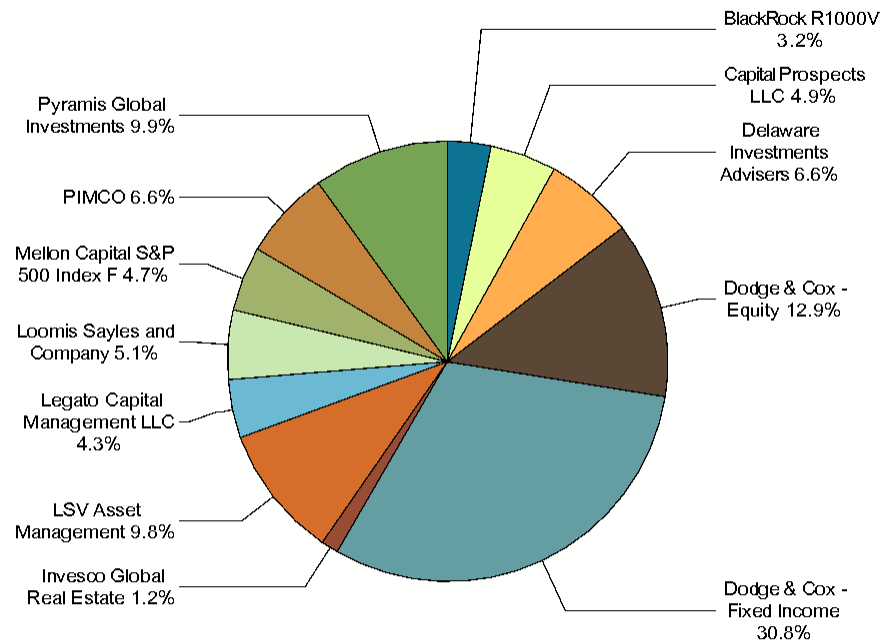


Manager	Market Value	Current%
Cash	6,222	0.0
Domestic Equity	491,914,987	41.7
Domestic Fixed	440,989,975	37.4
Int'l Equity	232,678,985	19.7
Real Estate	17,435,033	1.5
Sec lending	-4,025,217	-0.3
Total	1,178,999,986	100.0

StanCERA

As of June 30, 2010

Manager Allocation Analysis - Total Plan



FUND	Ending Market Value	Current %
BlackRock R1000V	37,970,466	3.2
Capital Prospects LLC	57,206,146	4.9
Cash (BlackRock)	6,222	0.0
Delaware Investments Advisers	77,575,639	6.6
Dodge & Cox -Equity	152,487,143	12.9
Dodge & Cox -Fixed Income	363,388,451	30.8
Invesco Global Real Estate	14,663,597	1.2
LSV Asset Management	115,533,896	9.8
Legato Capital Management LLC	50,379,033	4.3
Loomis Sayles and Company	60,558,081	5.1
Mellon Capital S&P 500 Index F	55,738,478	4.7
PIMCO	77,601,524	6.6
Pyramis Global Investments	117,145,089	9.9
12th St Bldg	2,771,436	0.2
Security Lending Liability	-4,025,217	-0.3
TOTAL	1,178,999,986	100.0

OTHERS category includes managers with less than 1% of Total Ending Market Value.

Performance Summary

	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
Total Fund *	-6.6	92	-2.7	90	15.9	16	-1.6	18	-3.8	47	2.8	43
<i>Policy Index¹</i>	<i>-6.7</i>	<i>94</i>	<i>-3.0</i>	<i>94</i>	<i>13.8</i>	<i>40</i>	<i>-3.2</i>	<i>48</i>	<i>-3.9</i>	<i>48</i>	<i>2.5</i>	<i>58</i>
<i>Public Plan > \$100 Million Median</i>	<i>-5.1</i>		<i>-1.6</i>		<i>13.5</i>		<i>-3.4</i>		<i>-4.0</i>		<i>2.7</i>	
US EQUITY MANAGERS												
LARGE CORE												
Mellon Capital - gross of fees	-11.4	46	-6.6	50	14.5	56	-8.0	57	-9.7	62	-0.7	69
<i>Mellon Capital - net of fees</i>	<i>-11.4</i>		<i>-6.6</i>		<i>14.4</i>		<i>-8.0</i>		<i>-9.8</i>		<i>-0.7</i>	
<i>S&P 500 Index</i>	<i>-11.4</i>	<i>55</i>	<i>-6.7</i>	<i>64</i>	<i>14.4</i>	<i>64</i>	<i>-8.1</i>	<i>66</i>	<i>-9.8</i>	<i>70</i>	<i>-0.8</i>	<i>76</i>
LARGE GROWTH												
Delaware	-11.1	34	-8.9	70	13.6	39	-6.3	28	-6.6	49		
<i>Delaware - net of fees</i>	<i>-11.2</i>		<i>-9.1</i>		<i>13.1</i>		<i>-6.7</i>		<i>-7.1</i>			
Loomis Sayles	-12.4	67	-7.9	54	13.9	35	-15.1	96	-11.3	98		
<i>Loomis Sayles - net of fees</i>	<i>-12.5</i>		<i>-8.0</i>		<i>13.6</i>		<i>-15.5</i>		<i>-11.7</i>			
<i>Russell 1000 Growth Index</i>	<i>-11.7</i>	<i>54</i>	<i>-7.6</i>	<i>48</i>	<i>13.6</i>	<i>39</i>	<i>-7.4</i>	<i>46</i>	<i>-6.9</i>	<i>55</i>		
LARGEVALUE												
BlackRock R1000V - gross of fees	-11.0	25	-5.0	24								
<i>BlackRock R1000V - net of fees</i>	<i>-11.0</i>		<i>-5.0</i>									
Dodge & Cox - gross of fees	-13.3	78	-7.4	81	15.5	59	-8.4	60	-12.6	70	-1.4	59
<i>Dodge & Cox - net of fees</i>	<i>-13.3</i>		<i>-7.5</i>		<i>15.2</i>		<i>-8.6</i>		<i>-12.7</i>		<i>-1.6</i>	
<i>Russell 1000 Value Index</i>	<i>-11.1</i>	<i>32</i>	<i>-5.1</i>	<i>33</i>	<i>16.9</i>	<i>40</i>	<i>-8.9</i>	<i>73</i>	<i>-12.3</i>	<i>67</i>	<i>-1.6</i>	<i>70</i>
SMALL GROWTH												
Legato Capital - gross of fees	-8.1	42	-1.5	42	18.9	62						
<i>Legato Capital - net of fees</i>	<i>-8.3</i>		<i>-2.0</i>		<i>17.8</i>							
<i>Russell 2000 Growth Index</i>	<i>-9.2</i>	<i>72</i>	<i>-2.3</i>	<i>67</i>	<i>18.0</i>	<i>66</i>						
SMALL VALUE												
Capital Prospects - gross of fees	-9.5	34	-0.2	39	24.5	82						
<i>Capital Prospects - net of fees</i>	<i>-9.6</i>		<i>-0.6</i>		<i>23.5</i>							
<i>Russell 2000 Value Index</i>	<i>-10.6</i>	<i>71</i>	<i>-1.6</i>	<i>78</i>	<i>25.1</i>	<i>81</i>						
US Equity Composite	-11.5	70	-6.2	62	15.6	57	-8.4	74	-11.1	83	-1.7	91
<i>80% R1000/20% R2000</i>	<i>-11.0</i>	<i>52</i>	<i>-5.6</i>	<i>55</i>	<i>15.9</i>	<i>55</i>	<i>-7.6</i>	<i>57</i>	<i>-9.1</i>	<i>58</i>	<i>-0.2</i>	<i>61</i>
<i>Russell 3000 Index</i>	<i>-11.3</i>	<i>59</i>	<i>-6.0</i>	<i>61</i>	<i>15.7</i>	<i>56</i>	<i>-7.8</i>	<i>60</i>	<i>-9.5</i>	<i>63</i>	<i>-0.5</i>	<i>66</i>

Rankings: 1=highest, 100=lowest.

* Total Fund and US managers are ranked against appropriate peer universes. Other managers and asset class composites are ranked against asset class universes.

¹ Effective 10/1/09, policy Index is 37% Russell 1000, 9% Russell 2000, 20% MSCI ACWI-ex US, 32.5% Barclays Aggregate, 15% FTSE EPRA/NAREIT. MSCI ACWI-ex US return is linked with previous MSCI EAFE returns.

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Periods Ending June 30, 2010

Performance Summary

	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
INTERNATIONAL EQUITY MANAGERS												
LSV - gross of fees	-10.6	26	-9.0	29	15.9	13	-10.0	28	-11.4	52	3.7	34
LSV - net of fees	-10.7		-9.3		15.2		-10.5		-11.9		3.1	
Pyramis - gross of fees	-11.9	40	-10.1	34	13.0	28	-12.8	55	-9.8	27		
Pyramis - net of fees	-12.0		-10.3		12.4		-13.3		-10.2			
International Equity Composite	-11.2	30	-9.6	32	14.4	19	-11.4	43	-10.5	39	4.0	31
<i>MSCI ACWI -ex US Index</i>	<i>-12.3</i>	<i>51</i>	<i>-10.8</i>	<i>43</i>	<i>10.9</i>	<i>37</i>	<i>-12.2</i>	<i>49</i>	<i>-10.3</i>	<i>35</i>	<i>3.8</i>	<i>31</i>
US FIXED INCOME MANAGER												
CORE												
Dodge & Cox - gross of fees	2.1	93	5.0	69	13.4	29	10.5	18	8.5	33	6.6	22
Dodge & Cox - net of fees	2.1		5.0		13.3		10.3		8.4		6.5	
PIMCO - gross of fees²												
PIMCO - net of fees												
<i>Barclays Aggregate Index</i>	<i>3.5</i>	<i>37</i>	<i>5.3</i>	<i>58</i>	<i>9.5</i>	<i>78</i>	<i>7.8</i>	<i>72</i>	<i>7.5</i>	<i>69</i>	<i>5.5</i>	<i>74</i>
US Fixed Income Composite	2.5	58	5.4	45	13.8	42	10.6	21	8.6	26	6.7	26
<i>Barclays Aggregate Index</i>	<i>3.5</i>	<i>34</i>	<i>5.3</i>	<i>48</i>	<i>9.5</i>	<i>71</i>	<i>7.8</i>	<i>59</i>	<i>7.5</i>	<i>51</i>	<i>5.5</i>	<i>65</i>
GLOBAL REAL ESTATE												
Invesco - gross of fees	-8.5	92	-5.6	73	21.1	8	-9.6	24				
Invesco - net of fees	-8.7		-6.0		20.3		-10.3					
<i>FTSE EPRA/NAREIT</i>	<i>-7.9</i>	<i>90</i>	<i>-4.2</i>	<i>69</i>	<i>25.1</i>	<i>6</i>	<i>-10.4</i>	<i>25</i>				
REAL ESTATE												
12th Street	0.0											

Rankings: 1=highest, 100=lowest.

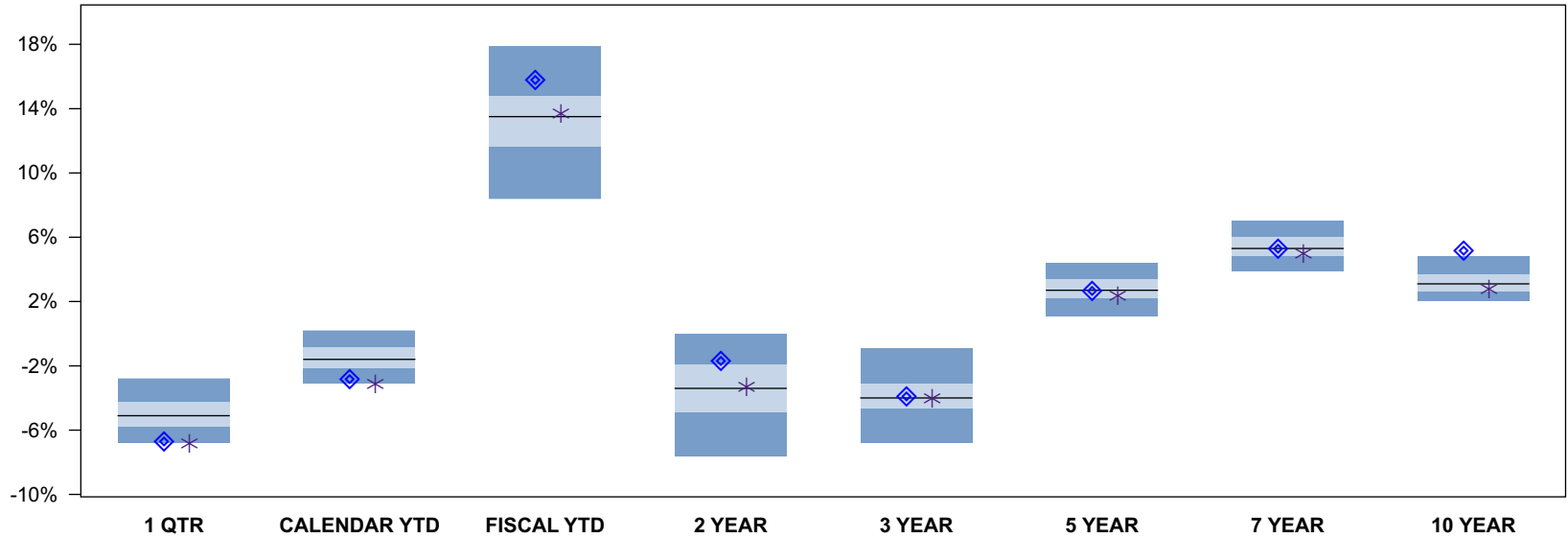
²Funded 5/3/10.

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PUBLIC FUNDS > \$100 MILLION

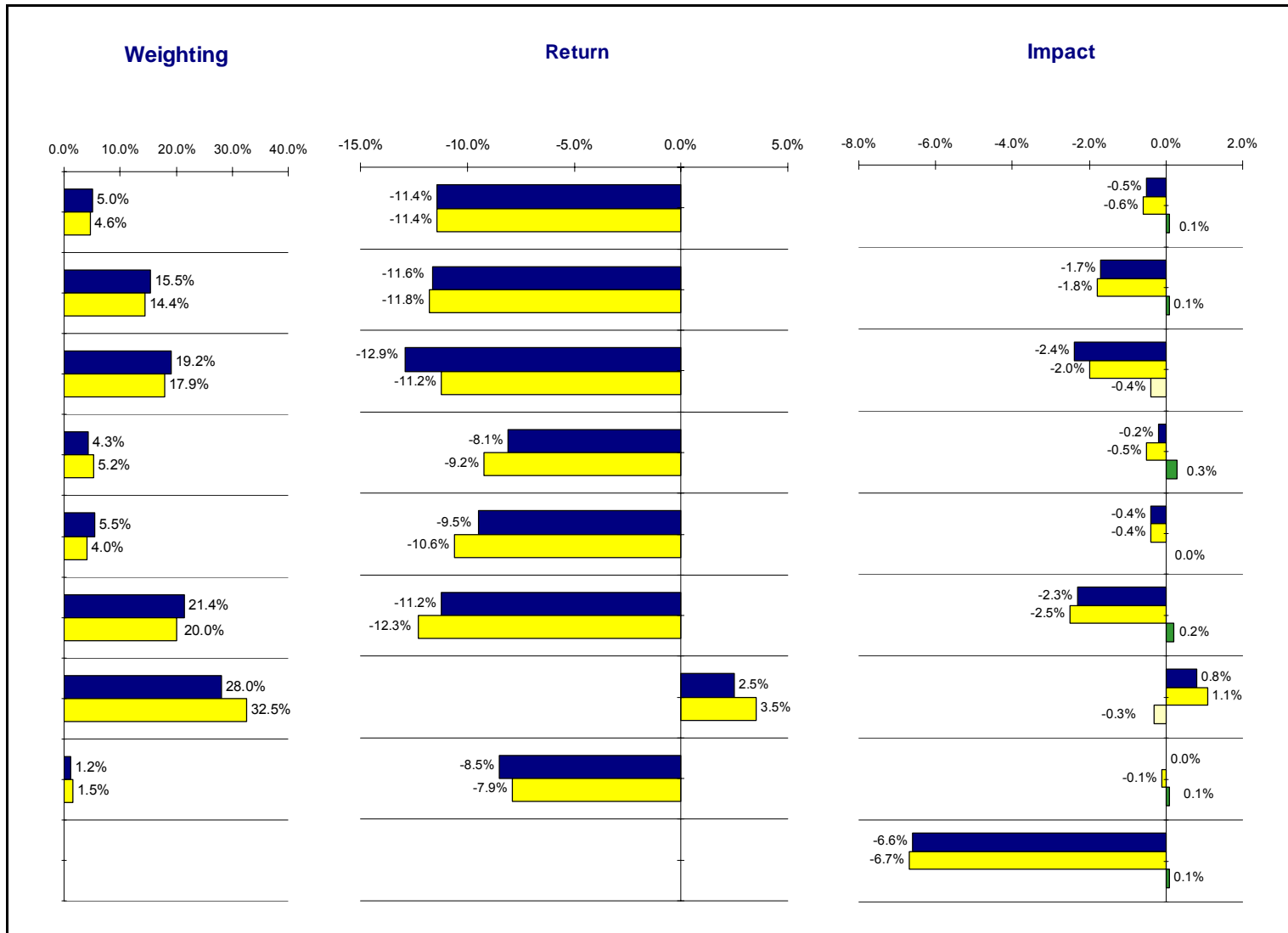
Periods Ending June 30, 2010

Total Returns



	1 QTR	CALENDAR YTD	FISCAL YTD	2 YEAR	3 YEAR	5 YEAR	7 YEAR	10 YEAR
◆ StanCERA Plan	-6.6 92	-2.7 90	15.9 16	-1.6 18	-3.8 47	2.8 43	5.4 47	5.3 2
* Policy Index	-6.7 94	-3.0 94	13.8 40	-3.2 48	-3.9 48	2.5 58	5.1 58	2.9 70
Median	-5.1	-1.6	13.5	-3.4	-4.0	2.7	5.3	3.1

Quarterly Performance Attribution



■ StanCERA ■ Policy Index ■ Impact

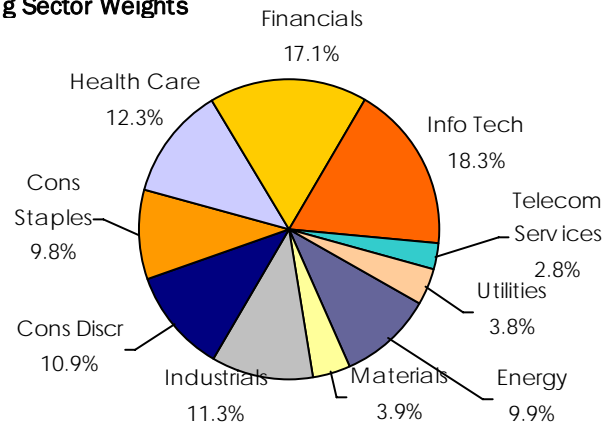
Capital Market Review

DOMESTIC MARKETS

Domestic Equity - Russell 3000

- The Russell 3000 Index lost 11.32% during the second quarter of 2010. The greatest detractors from quarterly performance included retreats in Information technology, financials, and Industrials, which account for almost 50% of the index. All posted double digit losses over the quarter. Defensive positions in utilities were rewarded while the Telecom sector also offered some protection from this quarters sharp decline.
- In a reversal of the first quarter performance, the top three weighted sectors offered double digit returns over the trailing 12 months. The best performing sectors for the same time period were industrials and consumer discretionary, both of which making significant contribution to overall returns. Double-digit gains were registered for all but Energy, Utilities and Telecom sectors over the past year.

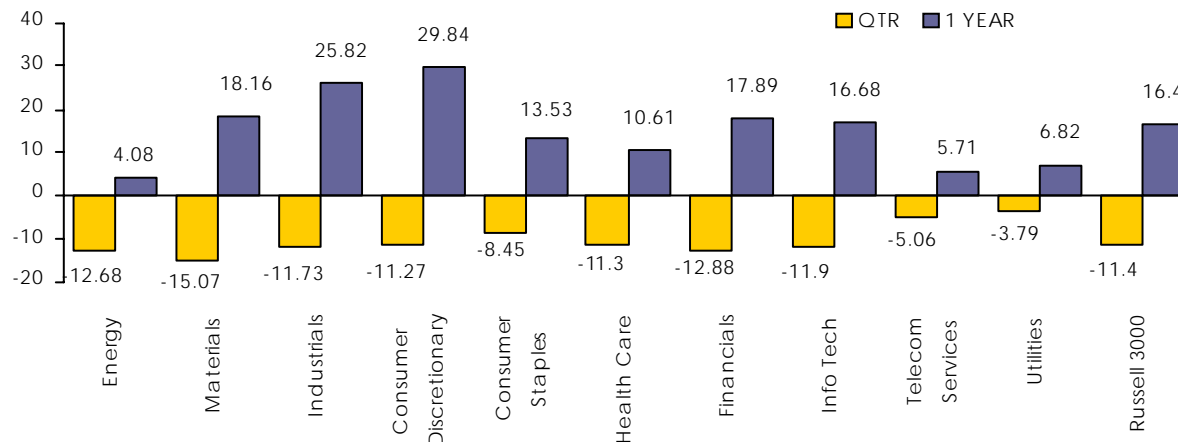
Ending Sector Weights



Characteristics

Div Yield (%)	2.0
P/B Ratio	1.9
P/E Ratio	14.85
Fundamental Beta	0.98
Market Cap \$(MM)	75,100

Sector Returns (%)

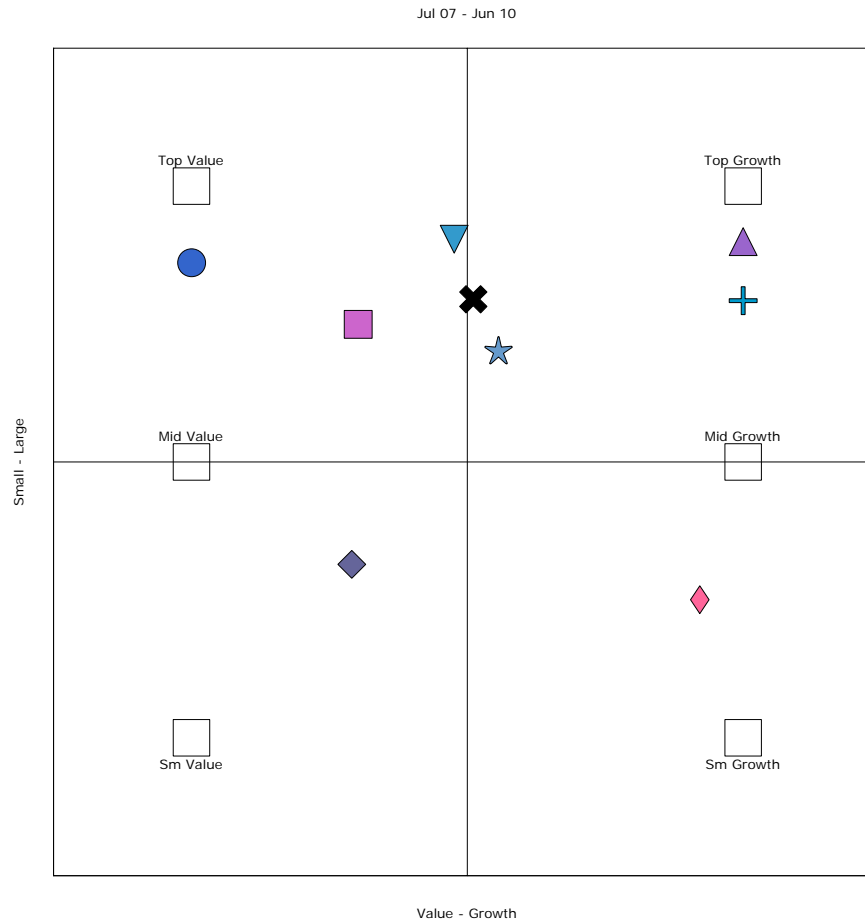


Contribution to Return:

Qtr	-1.2	-0.7	-1.7	-1.2	-0.7	-0.8	-2.0	-2.6	-0.1	-0.2
1 Yr	0.4	0.7	2.9	3.3	1.3	1.3	3.1	3.1	0.2	0.3

Returns Based Style Analysis - US Equity Composite

US Equity Style Map



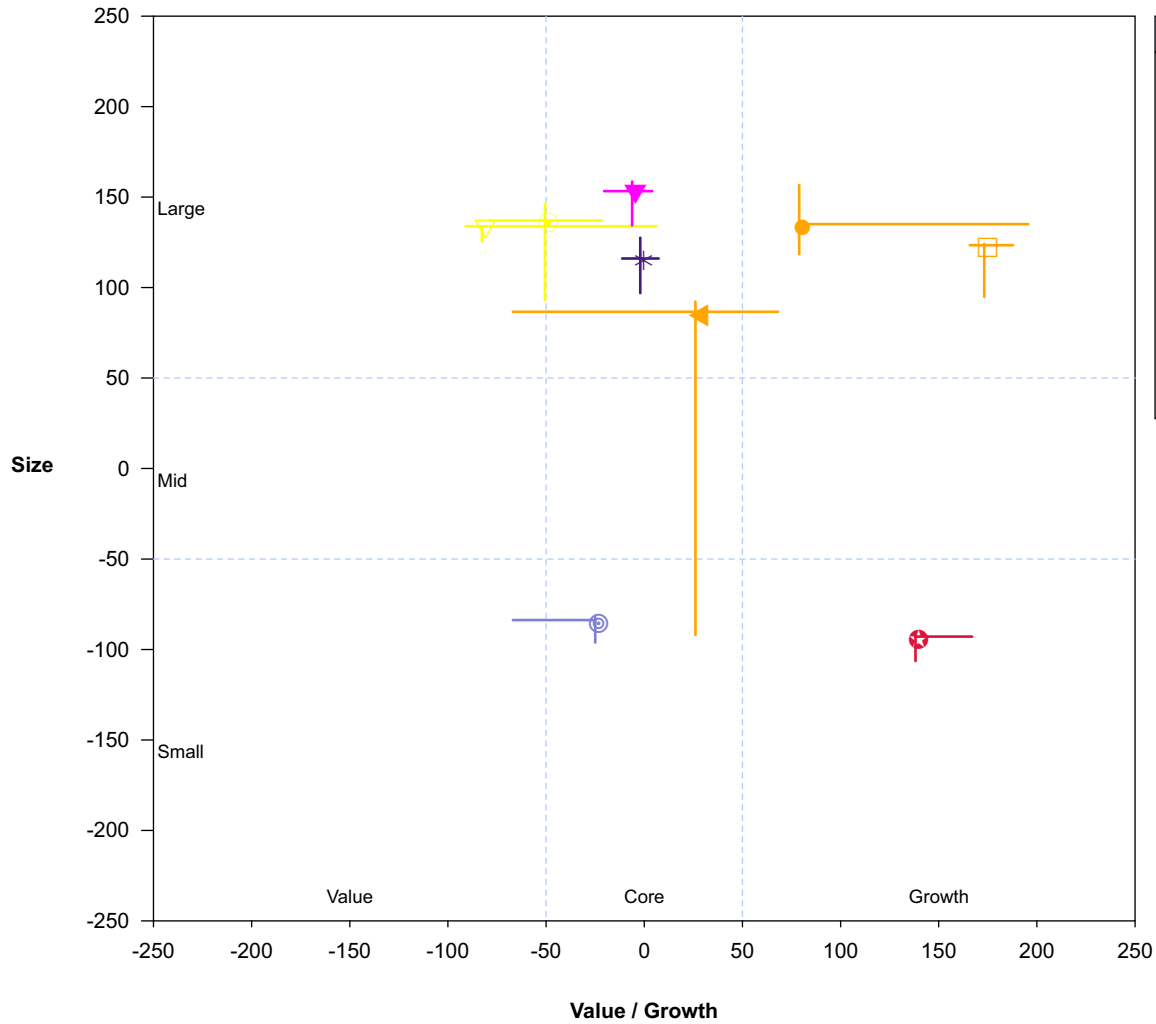
Legend

- BlackRock Russell 1000 Value Index Fund
- ◆ Legato Capital
- ✱ Russell 3000 Index
- ◆ Capital Prospects
- ⊕ Loomis Sayles and Company
- ▼ Mellon S&P 500 Index Fund
- ▲ Delaware Investments Advisers
- Dodge & Cox -Equity
- ★ StanCERA Equity Composite

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Period Ending June 30, 2010

US Equity Style Analysis - Drift Over Time



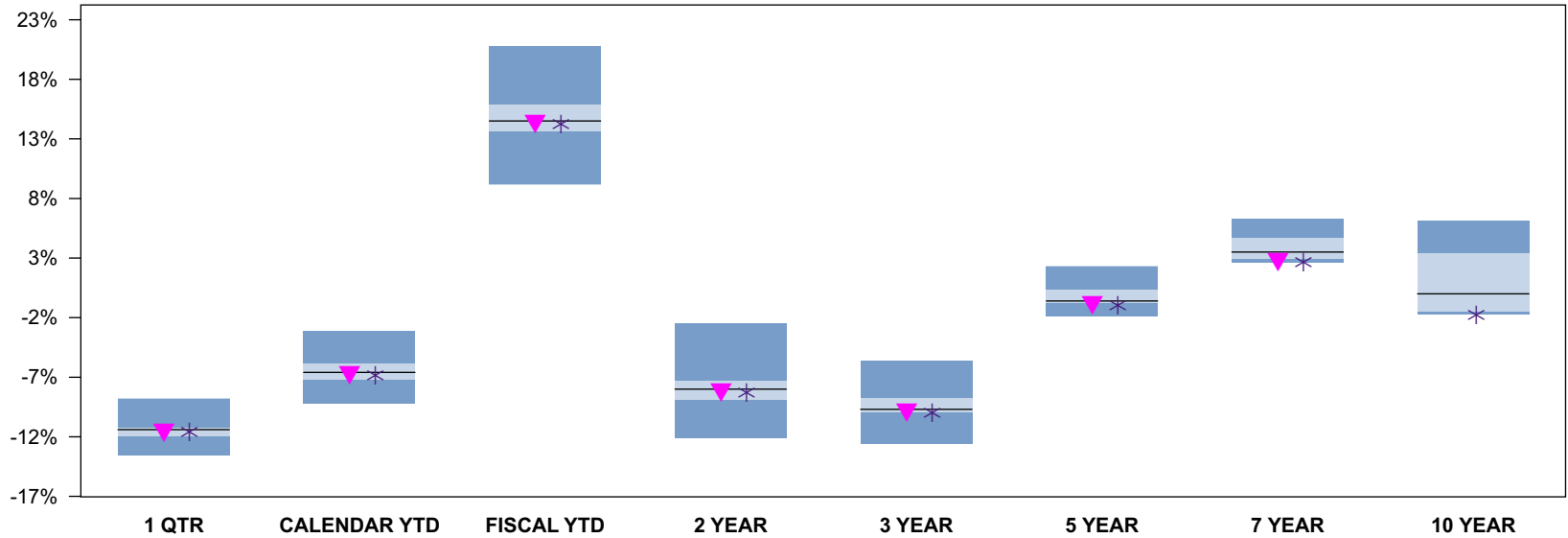
FUND	Value / Growth	Size
BlackRock R1000V	-82.68	133.87
Capital Prospects LLC	-24.98	-83.72
Delaware Investments Advisers	173.21	123.44
Dodge & Cox -Equity	-50.59	137.06
Legato Capital Management LLC	138.16	-92.86
Loomis Savles and Company	78.91	135.08
Mellon Capital S&P 500 Index F	-6.19	153.33
US Equity Composite	26.07	86.65
* RUSSELL 3000	-2.04	116.05

* Equity style analysis is based on Morningstar@ Size and VCG Scores and Morningstar Style Box(TM) methodology

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US Equity Funds - Large Core
 Periods Ending June 30, 2010

Total Returns



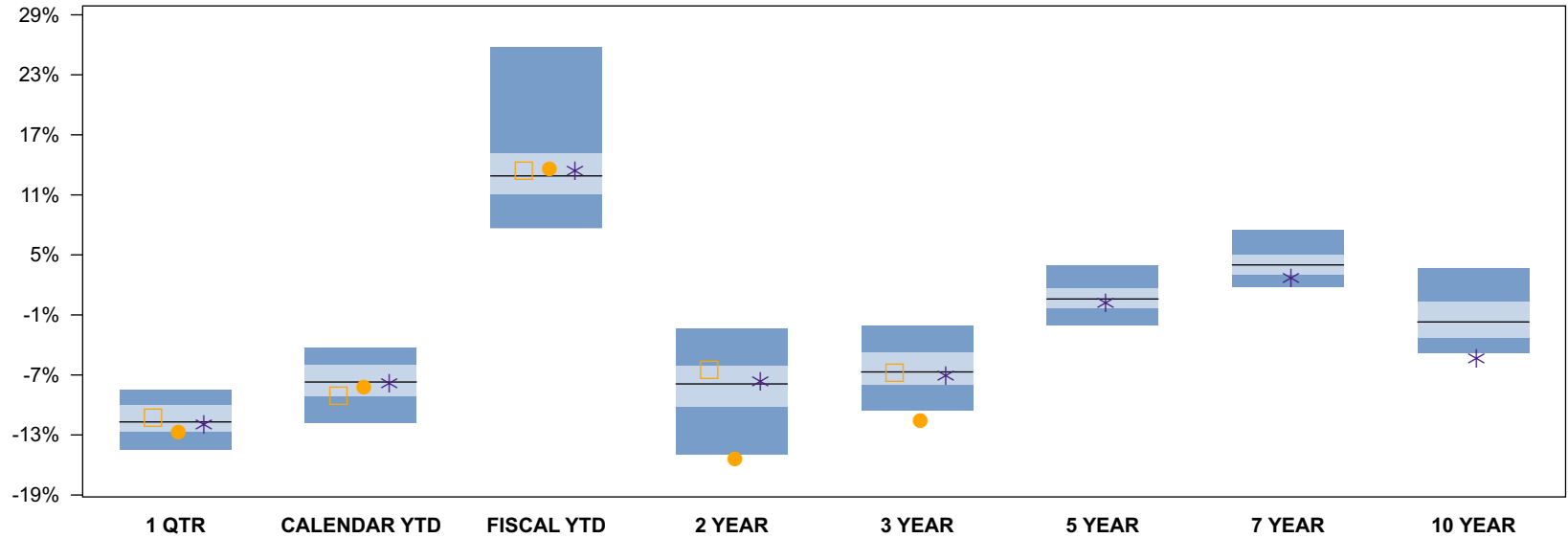
	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR		7 YEAR		10 YEAR	
▼ Mellon Capital S&P 500 Inde	-11.4	46	-6.6	50	14.5	56	-8.0	57	-9.7	62	-0.7	69	2.9	81		
* S&P 500	-11.4	55	-6.7	64	14.4	64	-8.1	66	-9.8	70	-0.8	76	2.8	89	-1.6	90
Median	-11.4		-6.6		14.5		-8.0		-9.7		-0.6		3.5		0.0	

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US Equity Funds - Large Growth

Periods Ending June 30, 2010

Total Returns



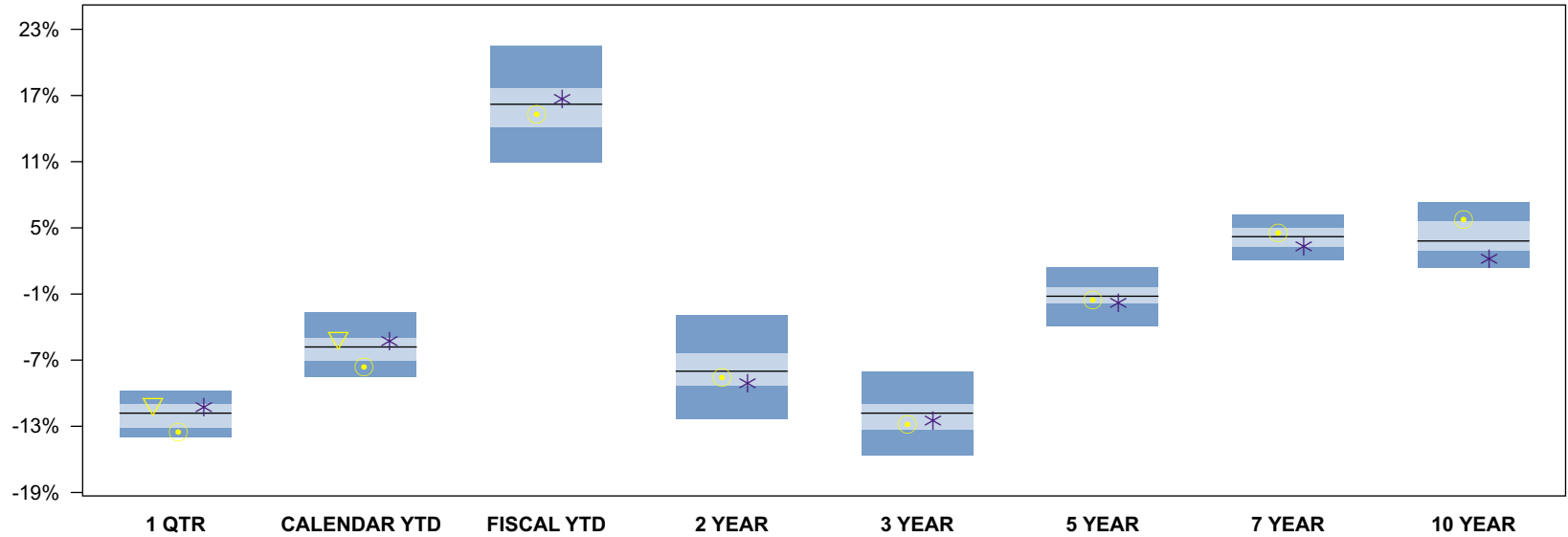
	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR		7 YEAR		10 YEAR	
□ Delaware Investments Advise	-11.1	34	-8.9	70	13.6	39	-6.3	28	-6.6	49						
● Loomis Sayles and Company	-12.4	67	-7.9	54	13.9	35	-15.1	96	-11.3	98						
* RUSSELL 1000 GROWTH	-11.7	54	-7.6	48	13.6	39	-7.4	46	-6.9	55	0.4	59	2.9	81	-5.1	99
Median	-11.7		-7.7		12.9		-7.9		-6.7		0.6		4.0		-1.7	

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US Equity Funds - Large Value

Periods Ending June 30, 2010

Total Returns



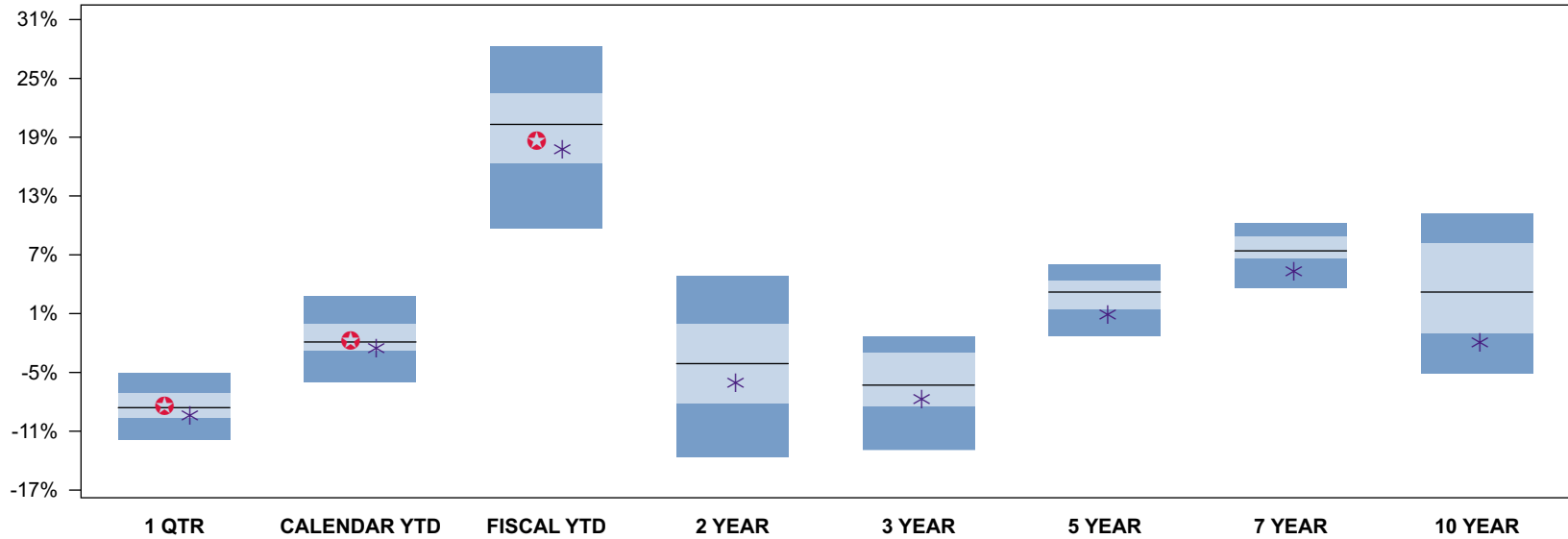
	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR		7 YEAR		10 YEAR	
▽ BlackRock R1000V	-11.0	25	-5.0	24			-8.4	60	-12.6	70	-1.4	59	4.7	38	5.9	17
○ Dodge & Cox -Equity	-13.3	78	-7.4	81	15.5	59	-8.4	60	-12.6	70	-1.4	59	4.7	38	5.9	17
* Russell 1000 Value Index	-11.1	32	-5.1	33	16.9	40	-8.9	73	-12.3	67	-1.6	70	3.5	73	2.4	89
Median	-11.8		-5.8		16.2		-8.0		-11.8		-1.2		4.2		3.8	

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US Equity Funds - Small Growth

Periods Ending June 30, 2010

Total Returns



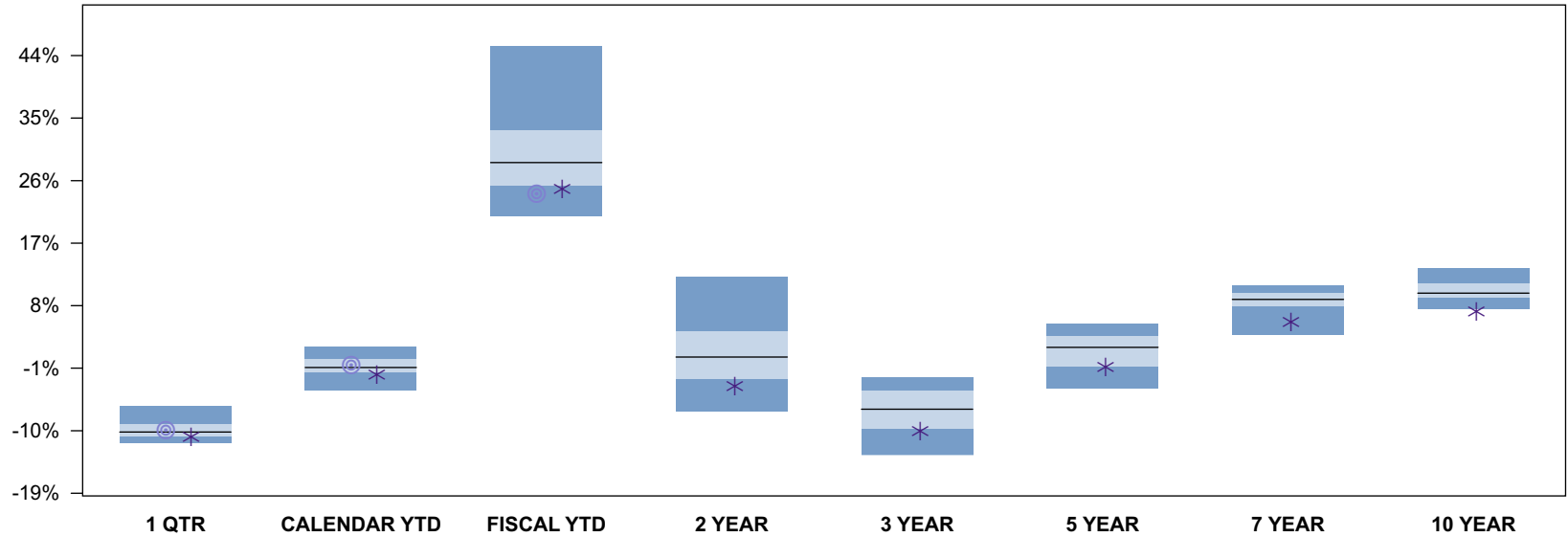
	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR		7 YEAR		10 YEAR	
★ Legato Capital Management	-8.1	42	-1.5	42	18.9	62										
* RUSSELL 2000 GROWTH	-9.2	72	-2.3	67	18.0	66	-5.8	67	-7.5	63	1.1	77	5.5	89	-1.7	89
Median	-8.6		-1.9		20.3		-4.1		-6.3		3.2		7.4		3.2	

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US Equity Funds - Small Value

Periods Ending June 30, 2010

Total Returns



	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR		7 YEAR		10 YEAR	
⊙ Capital Prospects LLC	-9.5	34	-0.2	39	24.5	82	-3.3	80	-9.8	76	-0.5	74	6.0	83	7.5	96
* RUSSELL 2000 VALUE	-10.6	71	-1.6	78	25.1	81	-3.3	80	-9.8	76	-0.5	74	6.0	83	7.5	96
Median	-10.2		-0.9		28.6		0.6		-6.9		2.0		8.9		9.8	

StanCERA

Mellon S&P 500 Index Fund
Quarter Ending June 30, 2010

Equity Only Summary Statistics

Portfolio Characteristics		
	Mellon S&P 500	S&P 500
Total Number of Securities	500	500
Average Market Cap (000's)	72,797,347	72,801,056
Median Market Cap (000's)	8,700,355	8,754,680
P/E Ratio	14.69	14.71
Dividend Yield	2.20	2.20
Beta	1.00	1.00
Price/Book Ratio	2.93	2.93
Return on Equity	17.67	17.63
Earnings Growth - 5 Years	5.69	5.67

Ten Largest Holdings		
Name	\$	Weight
EXXON MOBIL CORP	1,742,548	3.1
APPLE INC	1,367,242	2.5
MICROSOFT CORP	1,047,157	1.9
PROCTER AND GAMBLE CO	1,033,164	1.9
JOHNSON + JOHNSON	971,898	1.7
INTERNATIONAL BUSINESS M	947,211	1.7
GENERAL ELEC CO	925,397	1.7
JPMORGAN CHASE + CO	869,765	1.6
BANK AMER CORP	861,152	1.5
AT+T INC	852,537	1.5

Ten Best Performers	
Name	Return
AKAMAI TECHNOLOGIES INC	29.2
SANDISK CORP	21.5
NEWMONT MNG CORP	21.4
STERICYCLEINC	20.3
SUNOCO INC	17.6
METROPCS COMMUNICATIONS INC	15.7
SALESFORCE COM INC	15.3
FIDELITY NATL INFORMATION	14.6
NETAPP INC	14.6
O REILLY AUTOMOTIVE INC	14.0

Ten Worst Performers	
Name	Return
ANADARKO PETE CORP	-50.3
OFFICE DEPOT INC	-49.4
AK STL HLDG CORP	-47.7
MASSEY ENERGY CORP	-47.6
NVIDIA CORP	-41.3
SEARS HLDGS CORP	-40.4
UNITED STSSTL CORP NEW	-39.3
JANUS CAP GROUP INC	-37.7
HARMAN INTERNATIONAL	-36.1
DEAN FOODS CO NEW	-35.8

StanCERA

Mellon Capital S&P 500 Index Fund

Benchmark: S&P 500

Quarter Ending June 30, 2010

Equity Performance Attribution

	BEGINNING WTS			BASE RETURNS			VALUE ADDED		
	Fund	Index	Difference	Buy / Hold	Index	Difference	Allocation	Selection	Total
Mellon Capital S&P 500 Index Fund									
CONSUMER DISCRETIONARY	11.3	11.3	0.0	-10.8	-10.9	0.0	0.00	0.00	0.01
CONSUMER STAPLES	9.9	9.9	0.0	-7.6	-7.6	-0.0	0.00	-0.00	0.00
ENERGY	10.8	10.8	-0.0	-12.6	-12.6	0.0	0.00	0.00	0.00
FINANCIALS	17.0	17.0	-0.0	-13.5	-13.5	-0.0	0.00	-0.00	-0.00
HEALTH CARE	12.1	12.1	0.0	-11.8	-11.8	0.0	-0.00	0.00	0.00
INDUSTRIALS	10.7	10.7	0.0	-12.5	-12.5	-0.0	-0.00	-0.00	-0.00
INFORMATION TECHNOLOGY	18.3	18.4	-0.0	-12.0	-12.0	0.0	0.00	0.00	0.00
MATERIALS	3.6	3.6	-0.0	-15.3	-15.3	0.0	0.00	0.00	0.00
TELECOMMUNICATION SERVICES	2.8	2.8	-0.0	-4.3	-4.3	0.0	-0.00	0.00	0.00
UTILITIES	3.4	3.4	-0.0	-3.8	-4.1	0.3	-0.00	0.01	0.01
TOTAL	100.0	100.0	0.0	-11.4	-11.4	0.0	0.01	0.01	0.03

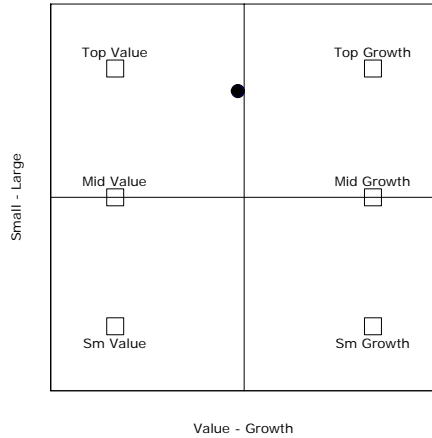
StanCERA

3 Years Ending June 30, 2010

Returns Based Style Analysis - Mellon S&P 500 Index Fund

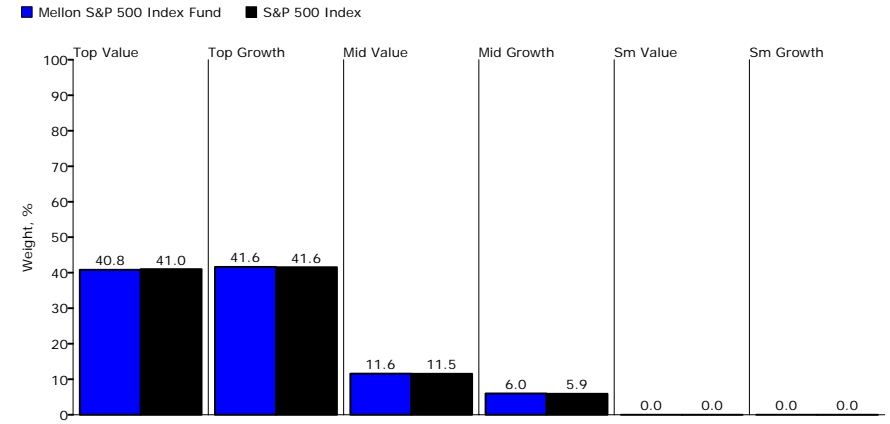
US Equity Style Map

Jul 07 - Jun 10



US Equity Style Exposures

Jul 07 - Jun 10

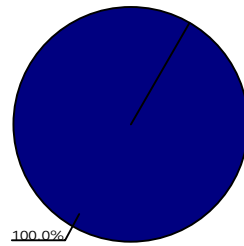
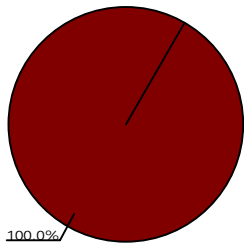


R-Squared (Style Analysis)

Jul 07 - Jun 10

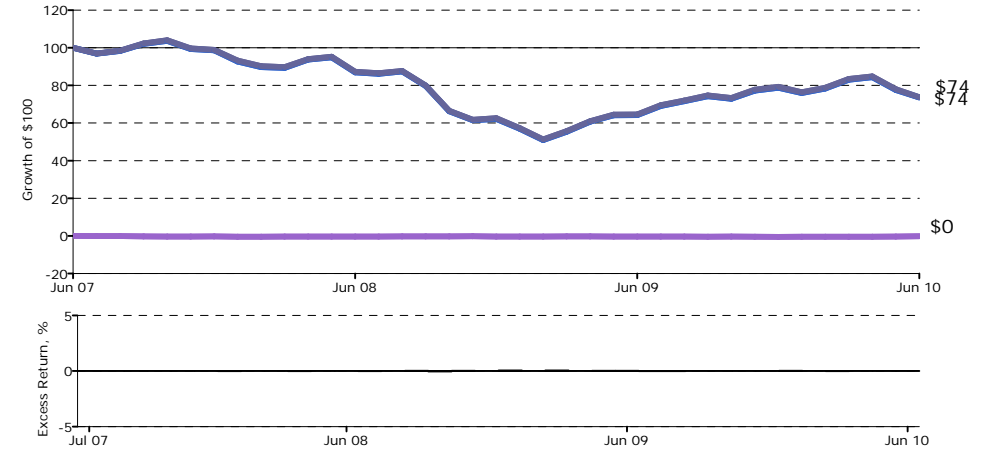
■ Style R-Squared

■ Benchmark R-Squared



Cumulative Total, Style & Selection Return

Jul 07 - Jun 10



Legend

▲ S&P 500 Index ● Mellon S&P 500 Index Fund

■ Total ■ Style

■ Selection

StanCERA

Delaware Investments Advisers
Quarter Ending June 30, 2010

Equity Only Summary Statistics

Portfolio Characteristics		
	Delaware	RUSSELL 1000 GROWTH
Total Number of Securities	28	631
Average Market Cap (000's)	43,268,503	68,420,702
Median Market Cap (000's)	23,508,285	4,562,495
P/E Ratio	18.83	16.75
Dividend Yield	0.78	1.68
Beta	1.01	0.97
Price/Book Ratio	3.87	4.11
Return on Equity	17.97	21.61
Earnings Growth - 5 Years	18.40	12.28

Ten Largest Holdings		
Name	\$	Weight
APPLE INC	5,131,212	6.7
VISA INC	3,997,375	5.2
CROWN CASTLE INTL CORP	3,513,618	4.6
ALLERGAN INC	3,448,992	4.5
EOG RESOURCES INC	3,324,906	4.4
INTUIT	3,324,012	4.4
MEDCO HEALTH SOLUTIONS	3,277,260	4.3
QUALCOMM INC	3,178,912	4.2
GOOGLE INC	3,159,145	4.1
VERISIGN INC	3,029,355	4.0

Ten Best Performers	
Name	Return
APPLE INC	7.1
EOG RESOURCES INC	6.0
TERADATA CORP	5.5
NOVO NORDISK A S	5.1
VERISIGN INC	2.1
INTUIT	1.3
INTERCONTINENTALEXCHANGE INC	0.8
CROWN CASTLE INTL CORP	-2.5
PROCTER AND GAMBLE CO	-4.5
EXPEDITORS INTL WASH	-6.0

Ten Worst Performers	
Name	Return
PRICELINE COM INC	-30.8
WALGREEN CO	-27.7
ADOBE SYS INC	-25.3
GILEAD SCIENCES INC	-24.6
VISA INC	-22.2
GOOGLE INC	-21.5
MASTERCARD INC	-21.4
QUALCOMM INC	-21.4
BANK NEW YORK MELLON COR	-19.8
STAPLES INC	-18.2

StanCERA

Delaware Investments Advisers

Benchmark: RUSSELL 1000 GROWTH

Quarter Ending June 30, 2010

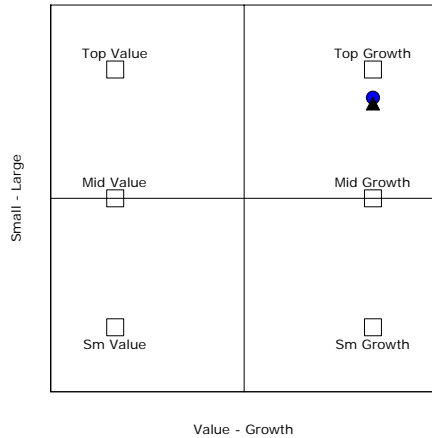
Equity Performance Attribution

	BEGINNING WTS			BASE RETURNS			VALUE ADDED		
	Fund	Index	Difference	Buy / Hold	Index	Difference	Allocation	Selection	Total
Delaware Investments Advisers									
CONSUMER DISCRETIONARY	12.8	13.1	-0.3	-18.4	-9.4	-9.0	-0.01	-1.16	-1.17
CONSUMER STAPLES	5.5	13.2	-7.7	-17.6	-7.9	-9.7	-0.28	-0.53	-0.81
ENERGY	3.2	3.7	-0.5	6.0	-14.7	20.7	0.02	0.67	0.69
FINANCIALS	14.6	6.1	8.5	-13.6	-16.2	2.6	-0.49	0.40	-0.09
HEALTH CARE	17.9	15.8	2.1	-11.2	-11.1	-0.1	0.00	-0.02	-0.02
INDUSTRIALS	2.6	11.2	-8.6	-6.0	-10.5	4.5	-0.06	0.12	0.06
INFORMATION TECHNOLOGY	34.1	31.4	2.7	-9.6	-11.7	2.2	-0.02	0.78	0.76
MATERIALS	5.1	4.1	1.0	-12.2	-15.2	3.0	-0.05	0.16	0.12
TELECOMMUNICATION SERVICES	4.3	0.6	3.6	-2.5	-0.3	-2.2	0.44	-0.10	0.34
UTILITIES	0.0	0.8	-0.8	-	-8.6	-	-0.02	0.00	-0.02
TOTAL	100.0	100.0	0.0	-11.3	-11.1	-0.1	-0.46	0.31	-0.15

Returns Based Style Analysis - Delaware Investments Advisers

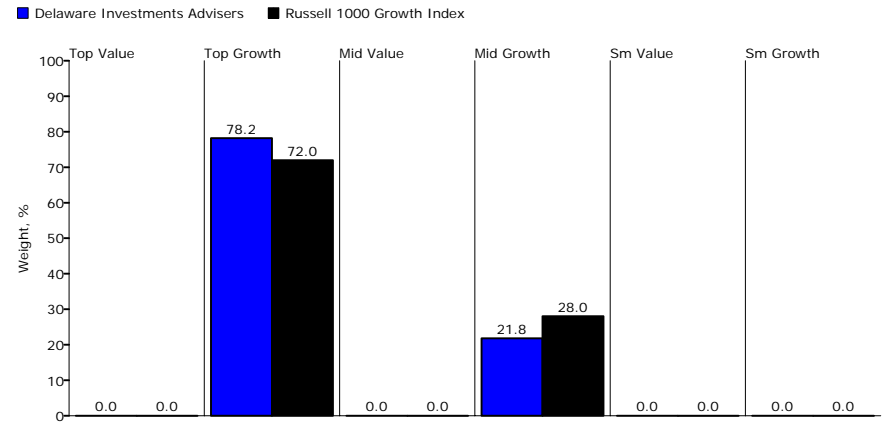
US Equity Style Map

Jul 07 - Jun 10



US Equity Style Exposures

Jul 07 - Jun 10

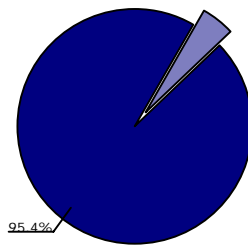
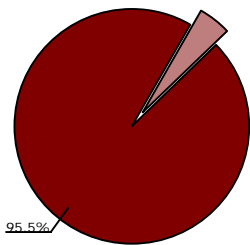


R-Squared (Style Analysis)

Jul 07 - Jun 10

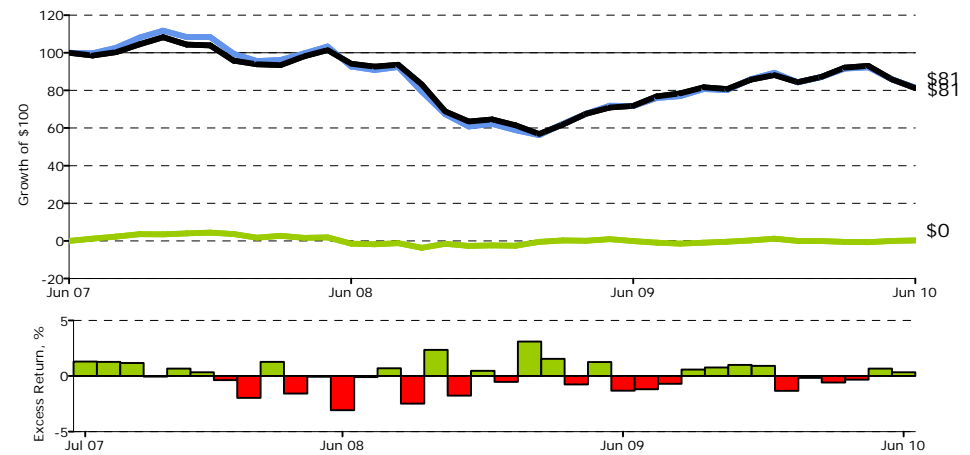
■ Style R-Squared

■ Benchmark R-Squared



Cumulative Total, Style & Selection Return

Jul 07 - Jun 10



Legend

▲ Russell 1000 Growth Index

● Delaware Investments Advisers

■ Total

■ Style

■ Selection

StanCERA

Loomis Sayles and Company
Quarter Ending June 30, 2010

Equity Only Summary Statistics

Portfolio Characteristics		
	Loomis Sayles	RUSSELL 1000 GROWTH
Total Number of Securities	626	631
Average Market Cap (000's)	68,255,660	68,420,702
Median Market Cap (000's)	4,575,990	4,562,495
P/E Ratio	16.75	16.75
Dividend Yield	1.68	1.68
Beta	0.97	0.97
Price/Book Ratio	4.10	4.11
Return on Equity	21.62	21.61
Earnings Growth - 5 Years	12.34	12.28

Ten Largest Holdings		
Name	\$	Weight
EXXON MOBIL CORP	3,025,737	5.1
APPLE INC	2,590,759	4.3
INTERNATIONAL BUSINESS M	1,792,312	3.0
CISCO SYS INC	1,377,585	2.3
MICROSOFT CORP	1,334,626	2.2
GOOGLE INC	1,227,172	2.1
HEWLETT PACKARD CO	1,148,954	1.9
ORACLE CORP	925,355	1.6
COCA COLA CO	891,434	1.5
INTEL CORP	837,867	1.4

Ten Best Performers	
Name	Return
SALESFORCE COM INC	15.3
NETAPP INC	14.6
F5 NETWORKS INC	11.5
APPLE INC	7.1
DISCOVERY COMMUNICATIONS INC	5.7
PERRIGO CO	0.7
STARBUCKS CORP	0.5
BROADCOM CORP	-0.4
COGNIZANT TECHNOLOGY SOLU	-1.8
AMERICAN EXPRESS CO	-3.3

Ten Worst Performers	
Name	Return
WALTER ENERGY INC	-33.9
CLIFFS NAT RES INC	-33.2
GUESS INC	-33.2
PRICELINE COM INC	-30.8
BUCYRUS INTL INC NEW	-28.1
MYLAN INC	-25.0
GILEAD SCIENCES INC	-24.6
MARVELL TECHNOLOGY G	-22.7
VISA INC	-22.2
FRANKLIN RES INC	-22.1

StanCERA

Loomis Sayles and Company

Benchmark: RUSSELL 1000 GROWTH

Quarter Ending June 30, 2010

Equity Performance Attribution

	BEGINNING WTS			BASE RETURNS			VALUE ADDED		
	Fund	Index	Difference	Buy / Hold	Index	Difference	Allocation	Selection	Total
Loomis Sayles and Company									
CONSUMER DISCRETIONARY	21.5	13.1	8.4	-19.1	-9.4	-9.7	0.16	-2.18	-2.02
CONSUMER STAPLES	1.4	13.2	-11.9	-14.1	-7.9	-6.2	-0.43	-0.14	-0.57
ENERGY	6.4	3.7	2.7	-26.4	-14.7	-11.7	-0.11	-0.82	-0.92
FINANCIALS	10.0	6.1	3.9	-18.6	-16.2	-2.4	-0.23	-0.30	-0.53
HEALTH CARE	11.0	15.8	-4.8	-15.5	-11.1	-4.4	-0.00	-0.55	-0.55
INDUSTRIALS	11.2	11.2	0.0	-10.7	-10.5	-0.2	0.00	-0.08	-0.08
INFORMATION TECHNOLOGY	35.3	31.4	3.9	-8.2	-11.7	3.5	-0.03	1.30	1.27
MATERIALS	3.2	4.1	-0.9	-33.5	-15.2	-18.3	0.04	-0.65	-0.61
TELECOMMUNICATION SERVICES	0.0	0.6	-0.6	-	-0.3	-	-0.07	-0.00	-0.08
UTILITIES	0.0	0.8	-0.8	-	-8.6	-	-0.02	-0.00	-0.03
TOTAL	100.0	100.0	0.0	-14.7	-11.1	-3.6	-0.69	-3.40	-4.06

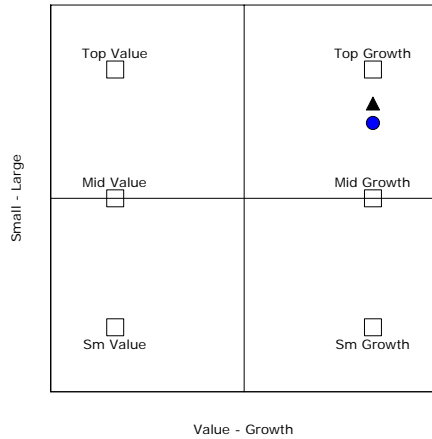
StanCERA

3 Years Ending June 30, 2010

Returns Based Style Analysis - Loomis Sayles and Company

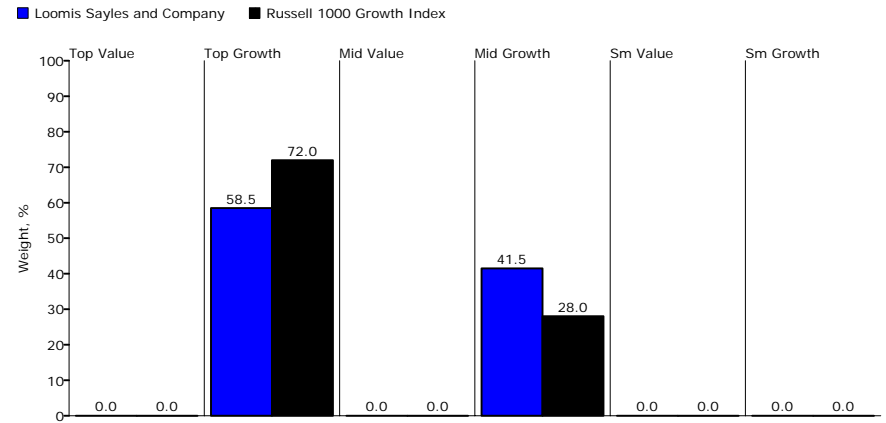
US Equity Style Map

Jul 07 - Jun 10



US Equity Style Exposures

Jul 07 - Jun 10

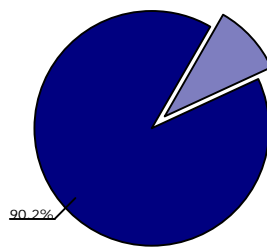
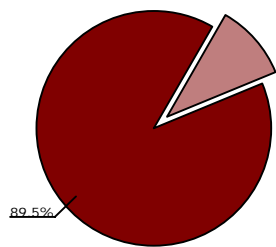


R-Squared (Style Analysis)

Jul 07 - Jun 10

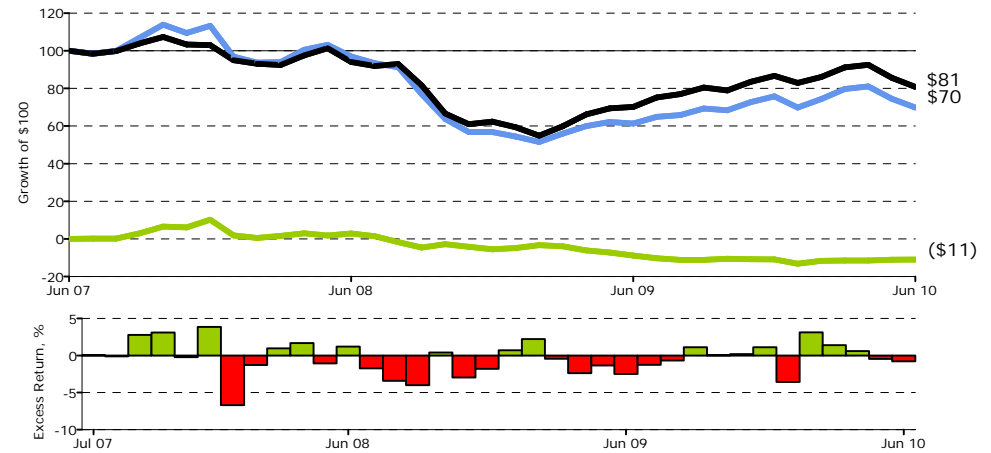
■ Style R-Squared

■ Benchmark R-Squared



Cumulative Total, Style & Selection Return

Jul 07 - Jun 10



Legend

▲ Russell 1000 Growth Index ● Loomis Sayles and Company

■ Total ■ Style
■ Selection

StanCERA

BlackRock Russell 1000 Value Index Fund
Quarter Ending June 30, 2010

Equity Only Summary Statistics

Portfolio Characteristics		
	BlackRock R1000 Value	RUSSELL 1000 VALUE
Total Number of Securities	668	668
Average Market Cap (000's)	59,813,542	59,770,227
Median Market Cap (000's)	3,701,770	3,702,580
P/E Ratio	13.21	13.22
Dividend Yield	2.52	2.52
Beta	1.06	1.06
Price/Book Ratio	1.74	1.74
Return on Equity	11.52	11.53
Earnings Growth - 5 Years	0.02	0.02

Ten Largest Holdings		
Name	\$	Weight
PROCTER AND GAMBLE CO	1,128,116	3.0
JPMORGAN CHASE + CO	1,012,003	2.7
BANK AMER CORP	1,001,574	2.7
AT+T INC	993,096	2.7
JOHNSON + JOHNSON	961,964	2.6
BERKSHIRE HATHAWAY INC	957,560	2.6
CHEVRON CORP	896,825	2.4
WELLS FARGO + CO NEW	865,523	2.3
GENERAL ELEC CO	821,481	2.2
PFIZER INC	799,146	2.1

Ten Best Performers	
Name	Return
MARINER ENERGY INC	43.5
SUNOCO INC	17.6
OWENS CORNING NEW	17.6
TEEKAY CORP	16.5
LIBERTY MEDIA CORP NEW	15.2
FIDELITY NATL INFORMATION	14.6
HERSHEY CO/ THE	12.7
HILL ROM HLDGS	12.2
SPRINT NEXTEL CORP	11.6
PACTV CORP	10.6

Ten Worst Performers	
Name	Return
ANADARKO PETE CORP	-50.3
OFFICE DEPOT INC	-49.4
AK STL HLDG CORP	-47.7
MASSEY ENERGY CORP	-47.6
SEARS HLDGS CORP	-40.4
UNITED STSSTL CORP NEW	-39.3
CENTRAL EUROPEAN DISTR CC	-38.9
JANUS CAP GROUP INC	-37.7
HARMAN INTERNATIONAL	-36.1
INTREPID POTASH INC	-35.5

StanCERA

BlackRock R1000V

Benchmark: RUSSELL 1000 VALUE

Quarter Ending June 30, 2010

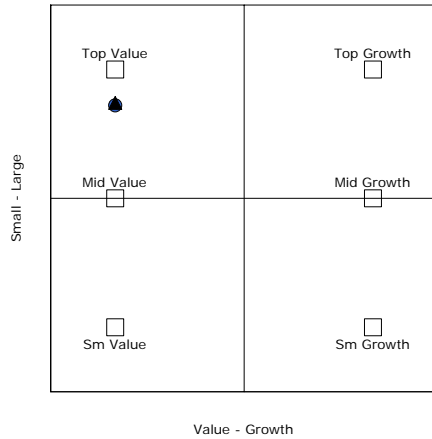
Equity Performance Attribution

	BEGINNING WTS			BASE RETURNS			VALUE ADDED		
	Fund	Index	Difference	Buy / Hold	Index	Difference	Allocation	Selection	Total
BlackRock R1000V									
CONSUMER DISCRETIONARY	10.6	10.6	-0.0	-12.3	-12.4	0.0	0.00	-0.00	0.00
CONSUMER STAPLES	5.5	5.4	0.0	-8.0	-8.0	-0.0	0.01	-0.01	-0.00
ENERGY	17.6	17.5	0.0	-11.9	-11.9	0.1	-0.00	0.02	0.02
FINANCIALS	26.1	26.3	-0.2	-13.1	-13.1	0.0	0.01	0.00	0.01
HEALTH CARE	8.6	8.6	0.0	-11.8	-11.8	0.0	-0.00	0.00	0.00
INDUSTRIALS	11.0	11.0	0.0	-14.7	-14.7	0.0	-0.00	0.00	0.00
INFORMATION TECHNOLOGY	4.9	4.9	0.0	-12.5	-12.4	-0.0	-0.00	-0.01	-0.01
MATERIALS	4.2	4.1	0.0	-15.2	-15.3	0.0	-0.00	0.00	0.00
TELECOMMUNICATION SERVICES	5.1	5.1	0.0	-5.6	-5.6	0.0	0.01	0.00	0.01
UTILITIES	6.4	6.4	0.0	-3.3	-3.5	0.3	0.01	0.02	0.03
TOTAL	100.0	100.0	-0.0	-11.6	-11.7	0.1	0.03	0.04	0.07

Returns Based Style Analysis - BlackRock Russell 1000 Value Index Fund

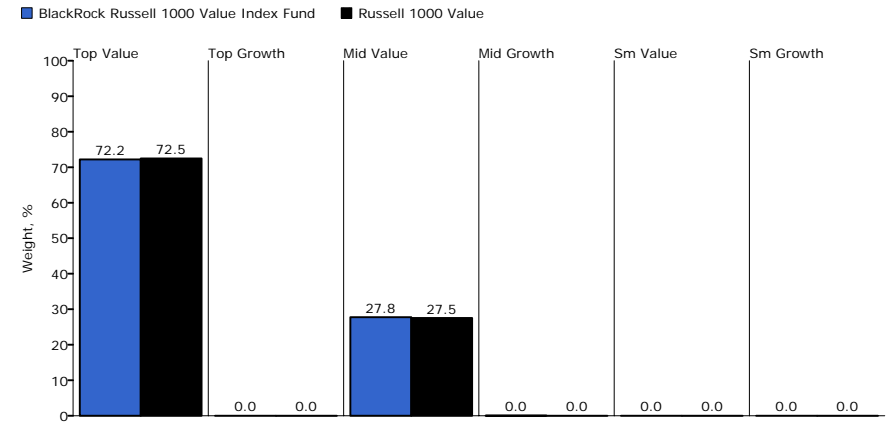
US Equity Style Map

Jul 07 - Jun 10



US Equity Style Exposures

Jul 07 - Jun 10

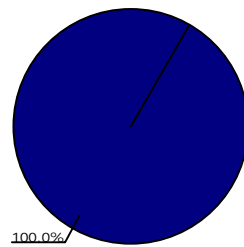
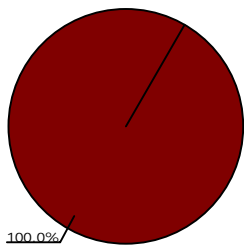


R-Squared (Style Analysis)

Jul 07 - Jun 10

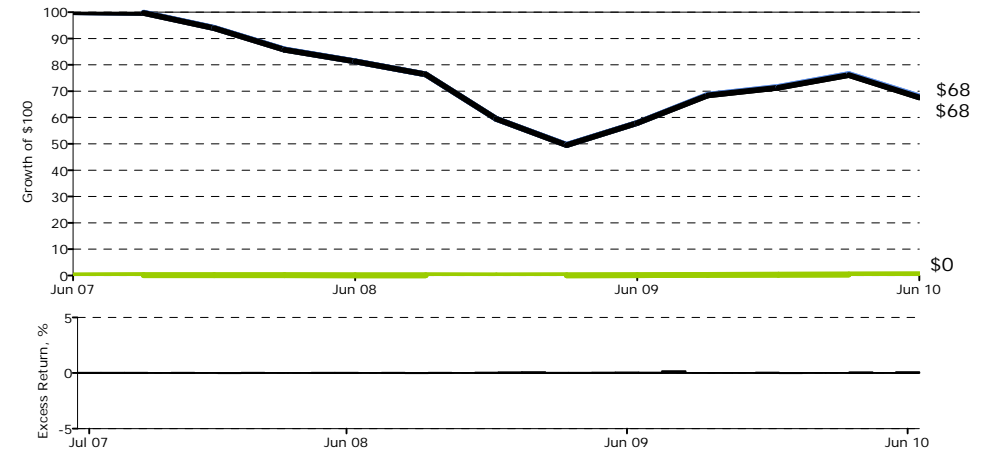
■ Style R-Squared

■ Benchmark R-Squared



Cumulative Total, Style & Selection Return

Jul 07 - Jun 10



Legend

▲ Russell 1000 Value

● BlackRock Russell 1000 Value Index Fund

■ Total

■ Style

■ Selection

StanCERA

Dodge & Cox -Equity
Quarter Ending June 30, 2010

Equity Only Summary Statistics

Portfolio Characteristics		
	Dodge & Cox	RUSSELL 1000 VALUE
Total Number of Securities	81	668
Average Market Cap (000's)	53,732,284	59,770,227
Median Market Cap (000's)	18,398,360	3,702,580
P/E Ratio	13.63	13.22
Dividend Yield	2.04	2.52
Beta	1.14	1.06
Price/Book Ratio	1.70	1.74
Return on Equity	9.67	11.53
Earnings Growth - 5 Years	0.28	0.02

Ten Largest Holdings		
Name	\$	Weight
HEWLETT PACKARD CO	7,574,216	5.1
COMCAST CORP NEW	5,559,494	3.7
CAPITAL ONE FINL CORP	5,037,500	3.4
SCHLUMBERGER LTD	4,980,600	3.4
MERCK + CO INC NEW	4,965,740	3.4
WELLS FARGO + CO NEW	4,865,843	3.3
GENERAL ELEC CO	4,398,100	3.0
OCCIDENTAL PETE CORP	4,166,100	2.8
NOVARTIS AG	4,107,200	2.8
AMGEN INC	3,945,000	2.7

Ten Best Performers	
Name	Return
SPRINT NEXTEL CORP	11.6
ERICSSON L M TEL CO	7.5
DIRECTV	0.3
CEMEX S A	-1.5
TIME WARNER CABLE INC	-1.6
LEGG MASON INC	-2.1
CAPITAL ONE FINL CORP	-2.6
COMPUWARECORP	-5.0
MERCK + CO INC NEW	-5.3
SYNOPSIS INC	-6.7

Ten Worst Performers	
Name	Return
NOKIA CORP	-45.8
LIBERTY MEDIA CORP NEW	-31.4
SONY CORP	-30.4
GENWORTH FINL INC	-28.7
WALGREEN CO	-27.7
EBAY INC	-27.2
CREDIT SUISSE GROUP	-25.2
FEDEX CORP	-24.8
WELLPOINT INC	-24.0
SCHWAB CHARLES CP NE	-23.9

StanCERA

Dodge & Cox -Equity

Benchmark: RUSSELL 1000 VALUE

Quarter Ending June 30, 2010

Equity Performance Attribution

	BEGINNING WTS			BASE RETURNS			VALUE ADDED		
	Fund	Index	Difference	Buy / Hold	Index	Difference	Allocation	Selection	Total
Dodge & Cox -Equity									
CONSUMER DISCRETIONARY	20.1	10.6	9.6	-13.9	-12.4	-1.6	-0.07	-0.35	-0.43
CONSUMER STAPLES	1.2	5.4	-4.3	-19.9	-8.0	-11.9	-0.18	-0.15	-0.33
ENERGY	10.4	17.5	-7.2	-10.7	-11.9	1.2	0.02	0.12	0.14
FINANCIALS	15.1	26.3	-11.2	-13.5	-13.1	-0.4	0.19	-0.08	0.10
HEALTH CARE	19.6	8.6	11.0	-13.4	-11.8	-1.6	-0.01	-0.34	-0.35
INDUSTRIALS	8.8	11.0	-2.2	-17.3	-14.7	-2.6	0.08	-0.25	-0.17
INFORMATION TECHNOLOGY	18.7	4.9	13.8	-14.8	-12.4	-2.4	-0.11	-0.48	-0.60
MATERIALS	2.6	4.1	-1.5	-15.2	-15.3	0.0	0.07	-0.01	0.05
TELECOMMUNICATION SERVICES	3.5	5.1	-1.6	-3.7	-5.6	1.9	-0.11	0.06	-0.05
UTILITIES	0.0	6.4	-6.4	-	-3.5	-	-0.59	-0.01	-0.60
TOTAL	100.0	100.0	-0.0	-13.6	-11.7	-1.9	-0.72	-1.50	-2.21

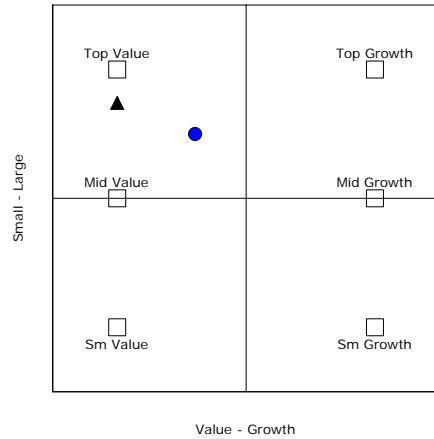
StanCERA

3 Years Ending June 30, 2010

Returns Based Style Analysis - Dodge & Cox -Equity

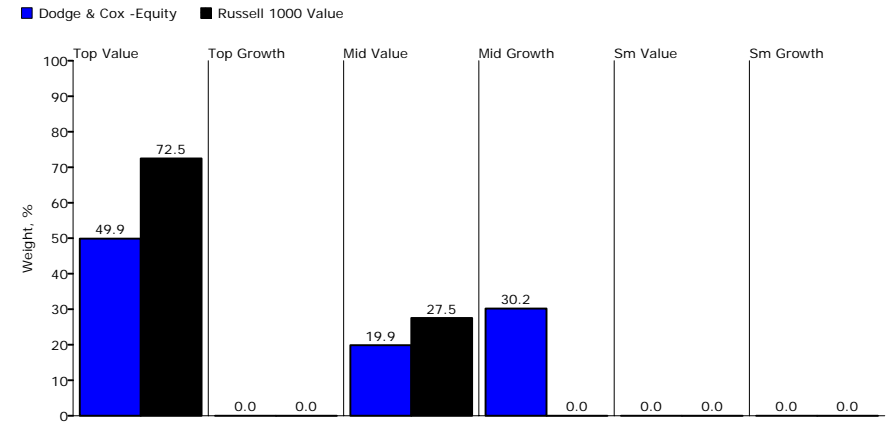
US Equity Style Map

Jul 07 - Jun 10



US Equity Style Exposures

Jul 07 - Jun 10

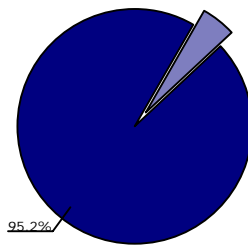


R-Squared (Style Analysis)

Jul 07 - Jun 10

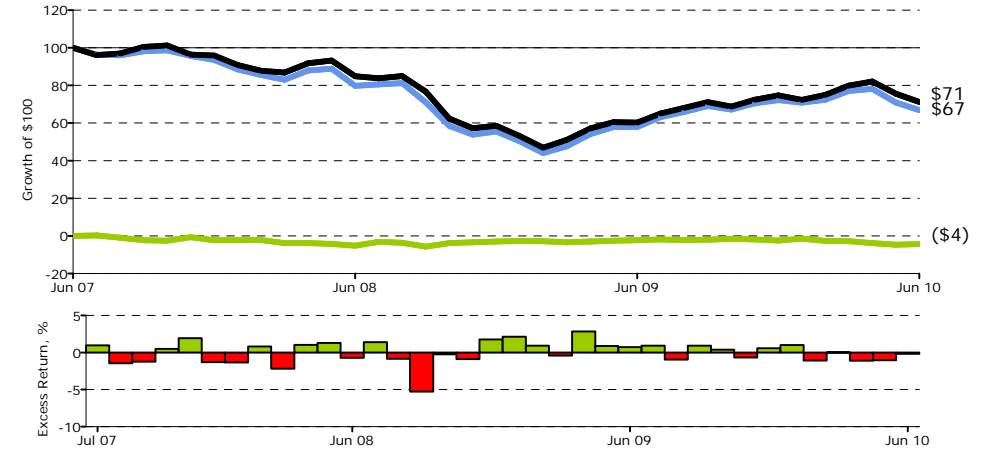
■ Style R-Squared

■ Benchmark R-Squared



Cumulative Total, Style & Selection Return

Jul 07 - Jun 10



Legend

▲ Russell 1000 Value ● Dodge & Cox -Equity

■ Total ■ Selection

■ Style

StanCERA

Legato Capital management LLC
Quarter Ending June 30, 2010

Equity Only Summary Statistics

Portfolio Characteristics		
	Legato Capital	RUSSELL 2000 GROWTH
Total Number of Securities	327	1,291
Average Market Cap (000's)	1,360,097	967,735
Median Market Cap (000's)	896,390	418,130
P/E Ratio	23.83	18.94
Dividend Yield	0.21	0.56
Beta	1.02	1.03
Price/Book Ratio	3.37	3.45
Return on Equity	8.43	9.73
Earnings Growth - 5 Years	14.46	10.77

Ten Largest Holdings		
Name	\$	Weight
PORTFOLIORECOVERY ASS	854,450	1.8
CEPHEID	620,182	1.3
NATIONAL INSTRS CORP	569,815	1.2
UNITED NATFOODS INC	538,199	1.1
CHEMED CORP NEW	531,374	1.1
LKQ CORP	518,825	1.1
SYNIVERSEHLDGS INC	489,082	1.0
THORATEC CORP	480,542	1.0
ROLLINS INC	472,249	1.0
GEO GROUP INC	465,921	1.0

Ten Best Performers	
Name	Return
ISILON SYSTEMS INC	49.1
EV3 INC	41.3
ADVISORY BRD CO	36.4
BALLANTYNE OMAHA INC	34.1
ACACIA RESH CORP	31.4
INNERWORKINGS INC	31.4
AKAMAI TECHNOLOGIES INC	29.2
THORATEC CORP	27.7
ENCORE CAPITAL GROUP INC	25.3
PORTFOLIORECOVERY ASSOCS II	21.7

Ten Worst Performers	
Name	Return
CORINTHIANCOLLEGES INC	-44.0
TELVENT GIT S A	-41.9
MYRIAD GENETICS INC	-37.8
BRIDGEPOINT EDUCATION INC	-35.7
PROS HLDGS INC	-34.2
TASER INTL INC	-33.4
AIXTRON AKTIENTGESLLSCHAF	-32.9
CARRIZO OIL + GAS INC	-32.3
DENNY S CORP	-32.3
NATIONAL FINL PARTNERS COR	-30.7

StanCERA

Legato Capital Management LLC

Benchmark: RUSSELL 2000 GROWTH

Quarter Ending June 30, 2010

Equity Performance Attribution

	BEGINNING WTS			BASE RETURNS			VALUE ADDED		
	Fund	Index	Difference	Buy / Hold	Index	Difference	Allocation	Selection	Total
Legato Capital Management LLC									
CONSUMER DISCRETIONARY	13.3	17.2	-3.8	-10.7	-11.4	0.7	0.11	0.10	0.21
CONSUMER STAPLES	1.5	3.2	-1.7	3.1	-4.4	7.6	-0.08	0.12	0.04
ENERGY	3.1	3.3	-0.3	-13.0	-14.9	1.8	0.02	0.06	0.08
FINANCIALS	6.4	6.2	0.1	-4.0	-9.1	5.1	-0.00	0.33	0.33
HEALTH CARE	20.1	23.2	-3.1	-7.8	-11.1	3.2	0.08	0.67	0.75
INDUSTRIALS	13.5	16.2	-2.7	-7.8	-6.5	-1.3	-0.07	-0.17	-0.24
INFORMATION TECHNOLOGY	37.2	25.8	11.4	-7.8	-6.7	-1.1	0.27	-0.41	-0.15
MATERIALS	2.0	2.7	-0.7	-18.7	-6.6	-12.1	-0.02	-0.24	-0.26
TELECOMMUNICATION SERVICES	2.9	1.8	1.1	-6.8	-6.2	-0.5	0.03	-0.02	0.01
UTILITIES	0.1	0.3	-0.3	0.7	-4.2	4.9	-0.01	0.01	-0.00
TOTAL	100.0	100.0	-0.0	-8.1	-8.8	0.7	0.33	0.45	0.77

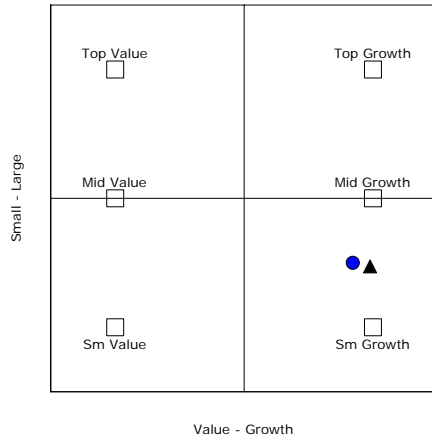
StanCERA

3 Years Ending June 30, 2010

Returns Based Style Analysis - Legato Capital

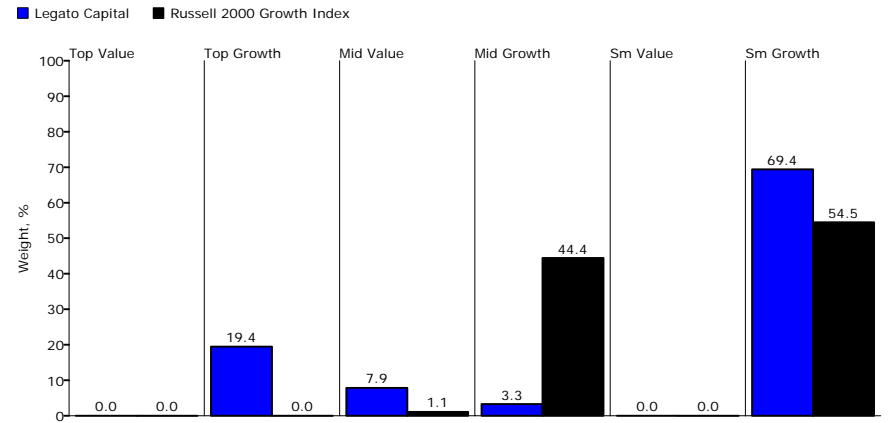
US Equity Style Map

Jul 07 - Jun 10



US Equity Style Exposures

Jul 07 - Jun 10

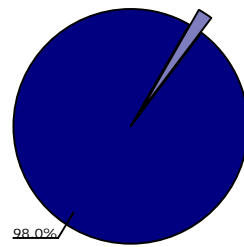
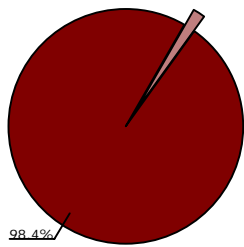


R-Squared (Style Analysis)

Jul 07 - Jun 10

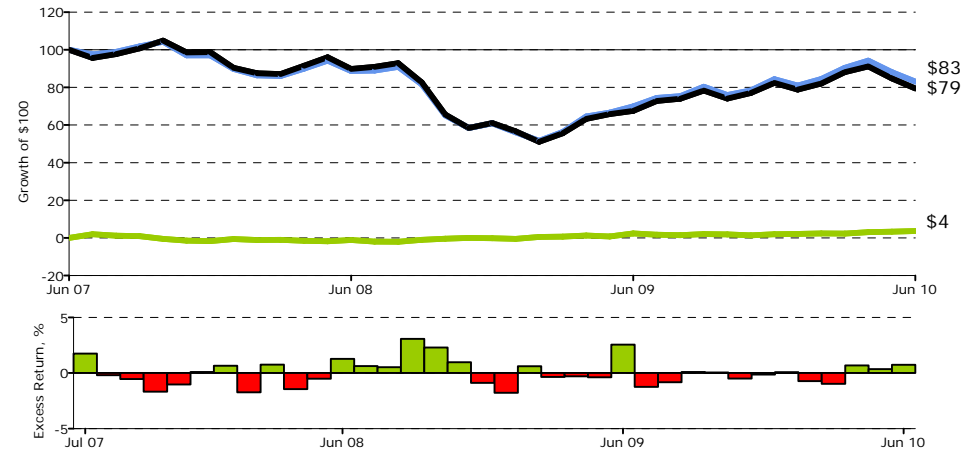
■ Style R-Squared

■ Benchmark R-Squared



Cumulative Total, Style & Selection Return

Jul 07 - Jun 10



Legend

▲ Russell 2000 Growth Index ● Legato Capital

■ Total ■ Selection

■ Style

StanCERA

Capital Prospects LLC
Quarter Ending June 30, 2010

Equity Only Summary Statistics

Portfolio Characteristics		
	Capital Prospects	RUSSELL 2000 VALUE
Total Number of Securities	384	1,292
Average Market Cap (000's)	1,671,045	860,582
Median Market Cap (000's)	803,850	366,145
P/E Ratio	12.74	13.07
Dividend Yield	1.41	2.02
Beta	1.17	1.25
Price/Book Ratio	2.25	1.15
Return on Equity	10.93	4.89
Earnings Growth - 5 Years	4.43	1.30

Ten Largest Holdings		
Name	\$	Weight
LITTELFUSEINC	602,455	1.1
HANESBRANDS INC	541,591	1.0
CROWN HLDGS INC	521,333	0.9
NEWELL RUBBERMAID INC	519,134	0.9
BROADRIDGEFINL SOLUTIO	497,205	0.9
BRIGHAM EXPL CO	493,590	0.9
CSG SYS INTL INC	492,802	0.9
MFA FINANCIAL INC	491,286	0.9
TREEHOUSEFOODS INC	473,175	0.9
SKECHERS US A INC	455,039	0.8

Ten Best Performers	
Name	Return
THERMADYNEHLDGS CORP NEW	47.5
MARINER ENERGY INC	43.5
AIR TRANSPORT SERVICES GROU	41.2
AMERICAN ITALIAN PASTA CO	36.0
COINSTAR INC	32.2
TICC CAPITAL CORP	30.7
HAWK CORPCLASS A	30.5
LIFETIME BRANDS INC	23.9
COMPLETE PRODTN SVCS INC	23.8
PRE PAID LEGAL SVCS INC	20.2

Ten Worst Performers	
Name	Return
ORIENT EXPRESS HOTELS LTD	-47.8
UNISYS CORP	-47.0
PENSON WORLDWIDE INC	-44.0
AGILYSYS INC	-40.1
WADDELL +REED FINANCIAL A	-39.3
WILLBROS GROUP INC DE	-38.4
STONE ENERGY CORP	-37.1
DEAN FOODS CO NEW	-35.8
WALTER ENERGY INC	-33.9
PHI INC NON VOTING	-33.5

StanCERA

Capital Prospects LLC

Benchmark: RUSSELL 2000 VALUE

Quarter Ending June 30, 2010

Equity Performance Attribution

	BEGINNING WTS			BASE RETURNS			VALUE ADDED		
	Fund	Index	Difference	Buy / Hold	Index	Difference	Allocation	Selection	Total
Capital Prospects LLC									
CONSUMER DISCRETIONARY	14.1	13.2	0.9	-12.8	-16.1	3.4	-0.06	0.50	0.44
CONSUMER STAPLES	5.1	3.0	2.1	-4.6	-5.2	0.5	0.12	0.04	0.16
ENERGY	5.1	5.1	0.1	-6.5	-11.7	5.2	-0.00	0.28	0.28
FINANCIALS	21.2	34.6	-13.4	-7.6	-9.1	1.4	-0.17	0.31	0.14
HEALTH CARE	7.2	4.6	2.6	-6.7	-8.1	1.4	0.06	0.11	0.17
INDUSTRIALS	22.9	15.4	7.4	-8.2	-8.6	0.4	0.13	0.10	0.23
INFORMATION TECHNOLOGY	11.3	10.4	0.9	-15.8	-10.4	-5.4	-0.00	-0.62	-0.62
MATERIALS	9.6	7.5	2.1	-13.8	-15.3	1.4	-0.12	0.15	0.03
TELECOMMUNICATION SERVICES	0.5	0.5	-0.0	-1.1	-14.4	13.3	0.00	0.07	0.08
UTILITIES	2.8	5.8	-3.0	-3.7	-3.2	-0.5	-0.23	-0.01	-0.25
TOTAL	100.0	100.0	0.0	-9.6	-10.2	0.6	-0.23	0.93	0.70

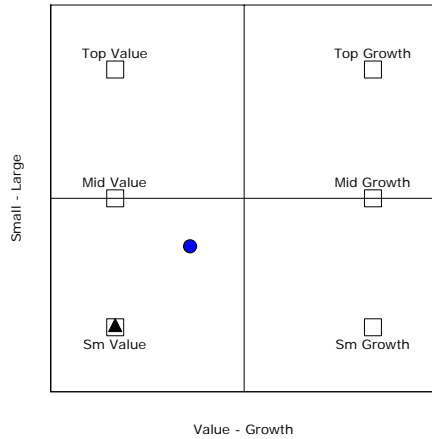
StanCERA

3 Years Ending June 30, 2010

Returns Based Style Analysis - Capital Prospects

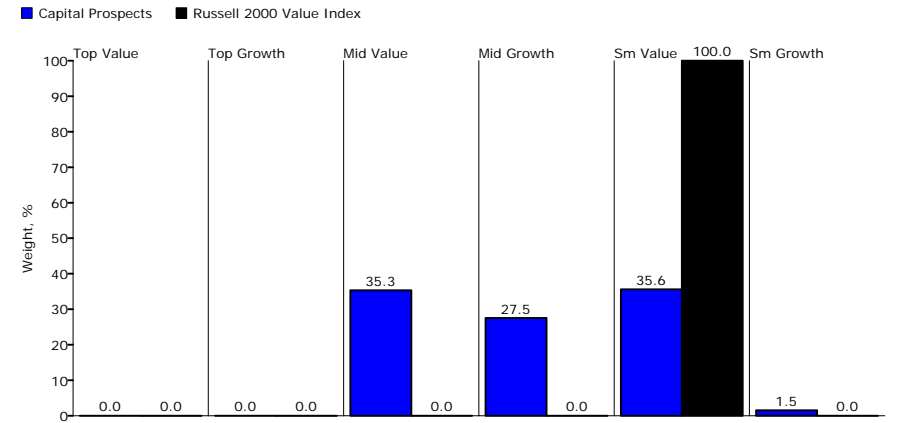
US Equity Style Map

Jul 07 - Jun 10



US Equity Style Exposures

Jul 07 - Jun 10

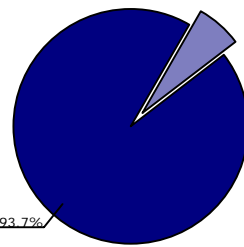
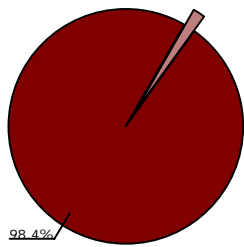


R-Squared (Style Analysis)

Jul 07 - Jun 10

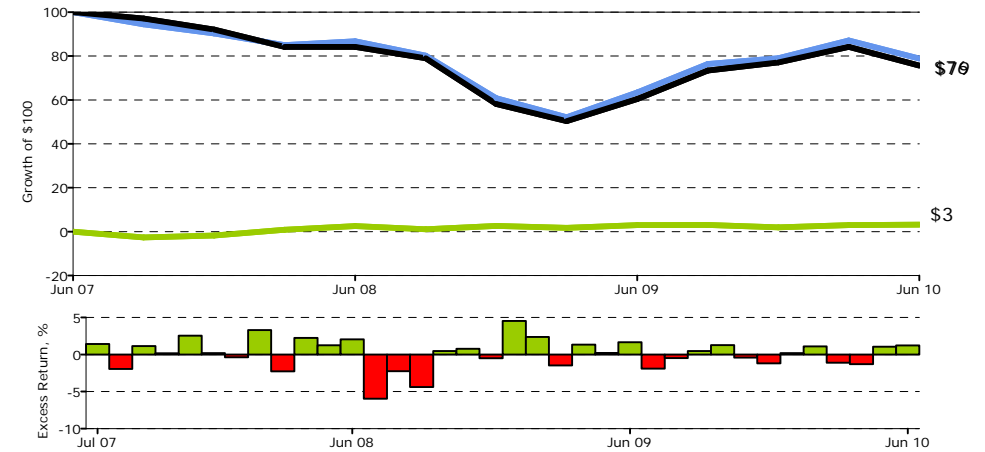
■ Style R-Squared

■ Benchmark R-Squared



Cumulative Total, Style & Selection Return

Jul 07 - Jun 10



Legend

▲ Russell 2000 Value Index ● Capital Prospects

■ Total ■ Selection

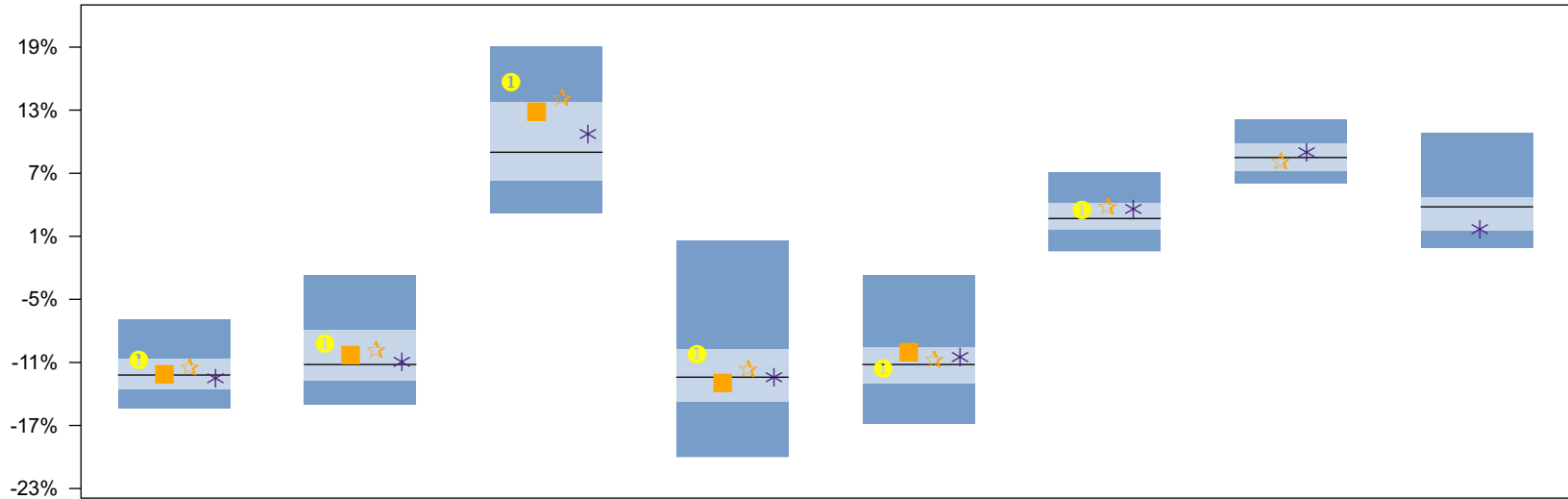
■ Style

StanCERA

Intl Equity Developed Mkt Funds

Periods Ending June 30, 2010

Total Returns

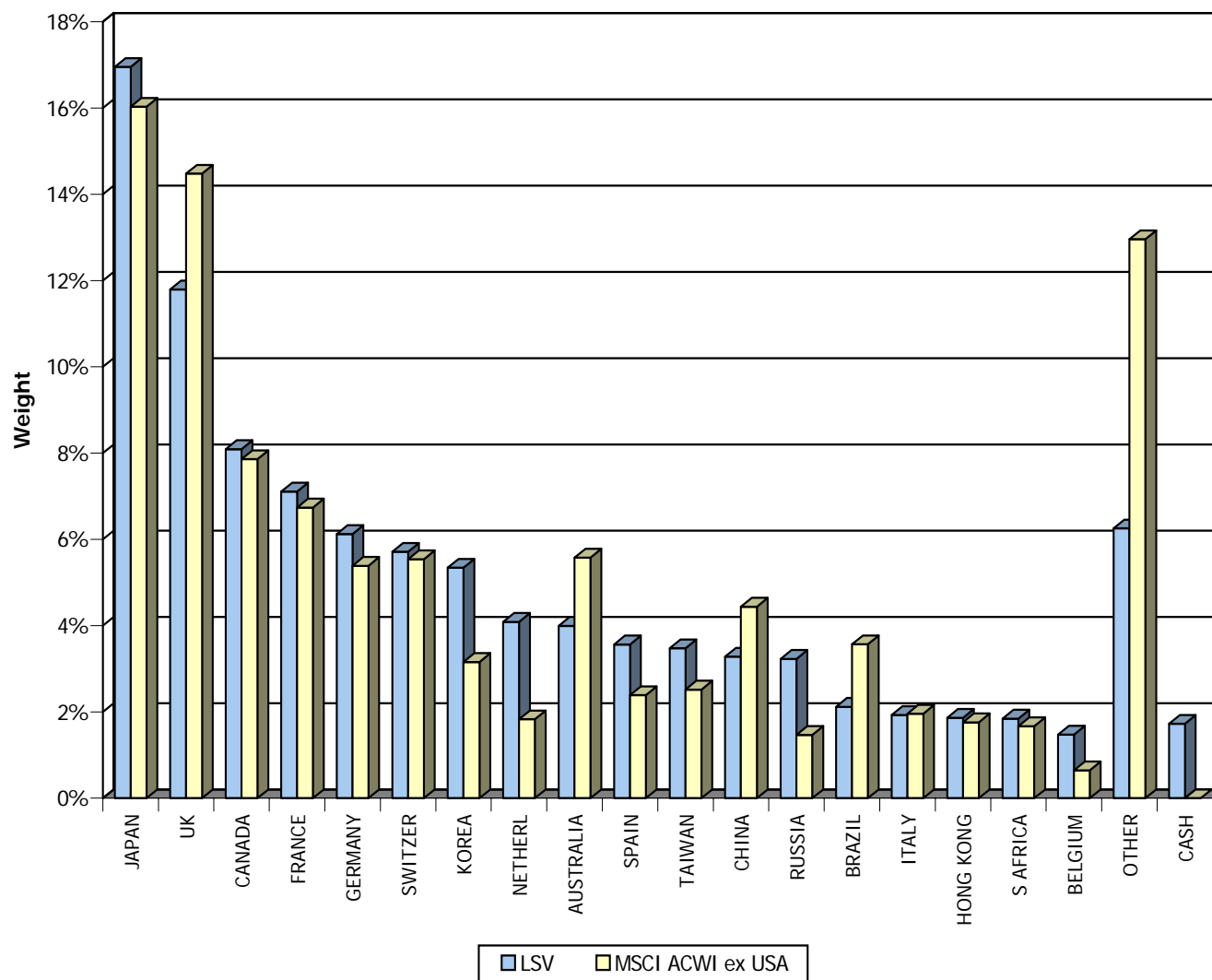


	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR		7 YEAR		10 YEAR	
🟡 LSV Asset Management	-10.6	26	-9.0	29	15.9	13	-10.0	28	-11.4	52	3.7	34				
🟠 Pyramis Global Investments	-11.9	40	-10.1	34	13.0	28	-12.8	55	-9.8	27						
🌟 International Equity	-11.2	30	-9.6	32	14.4	19	-11.4	43	-10.5	39	4.0	31	8.3	54		
✳️ MSCI ACWI-ex US	-12.3	51	-10.8	43	10.9	37	-12.2	49	-10.3	35	3.8	31	9.2	36	1.9	70
Median	-12.2		-11.2		9.0		-12.4		-11.2		2.7		8.5		3.8	

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LSV Asset Management
As of June 30, 2010

Portfolio Country Weights

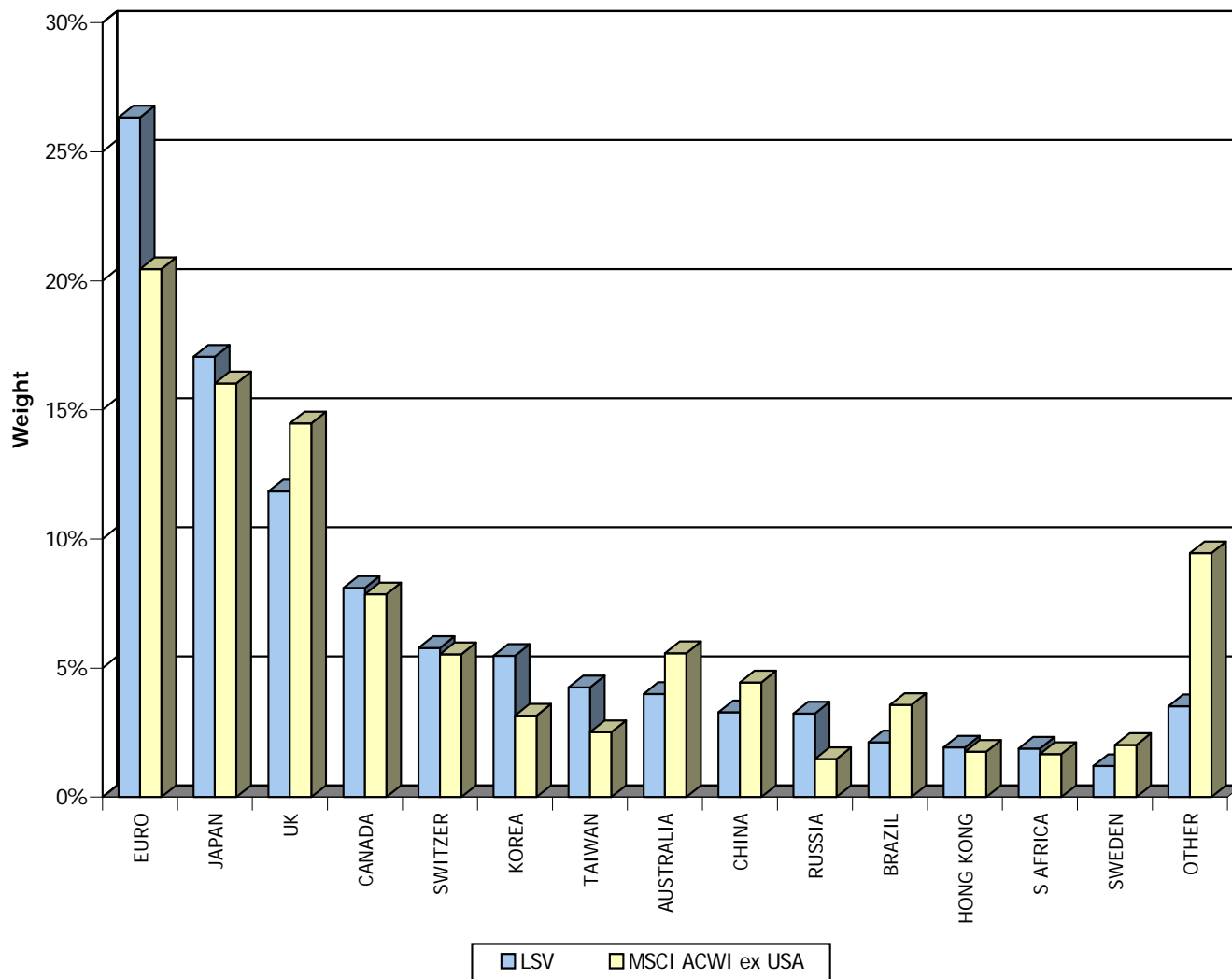


COUNTRY	MARKET VALUE	LSV	MSCI ACWI ex USA
JAPAN	\$ 19,587	17.0%	16.0%
UK	\$ 13,628	11.8%	14.5%
CANADA	\$ 9,353	8.1%	7.9%
FRANCE	\$ 8,215	7.1%	6.7%
GERMANY	\$ 7,078	6.1%	5.4%
SWITZER	\$ 6,602	5.7%	5.5%
KOREA	\$ 6,174	5.3%	3.2%
NETHERL	\$ 4,725	4.1%	1.8%
AUSTRALIA	\$ 4,620	4.0%	5.6%
SPAIN	\$ 4,118	3.6%	2.4%
TAIWAN	\$ 4,018	3.5%	2.5%
CHINA	\$ 3,794	3.3%	4.4%
RUSSIA	\$ 3,736	3.2%	1.5%
BRAZIL	\$ 2,448	2.1%	3.6%
ITALY	\$ 2,230	1.9%	2.0%
HONG KONG	\$ 2,152	1.9%	1.8%
S AFRICA	\$ 2,132	1.8%	1.7%
BELGIUM	\$ 1,702	1.5%	0.7%
OTHER	\$ 7,227	6.3%	13.0%
CASH	\$ 1,996	1.7%	0.0%
	\$ 115,534	100.0%	100.0%

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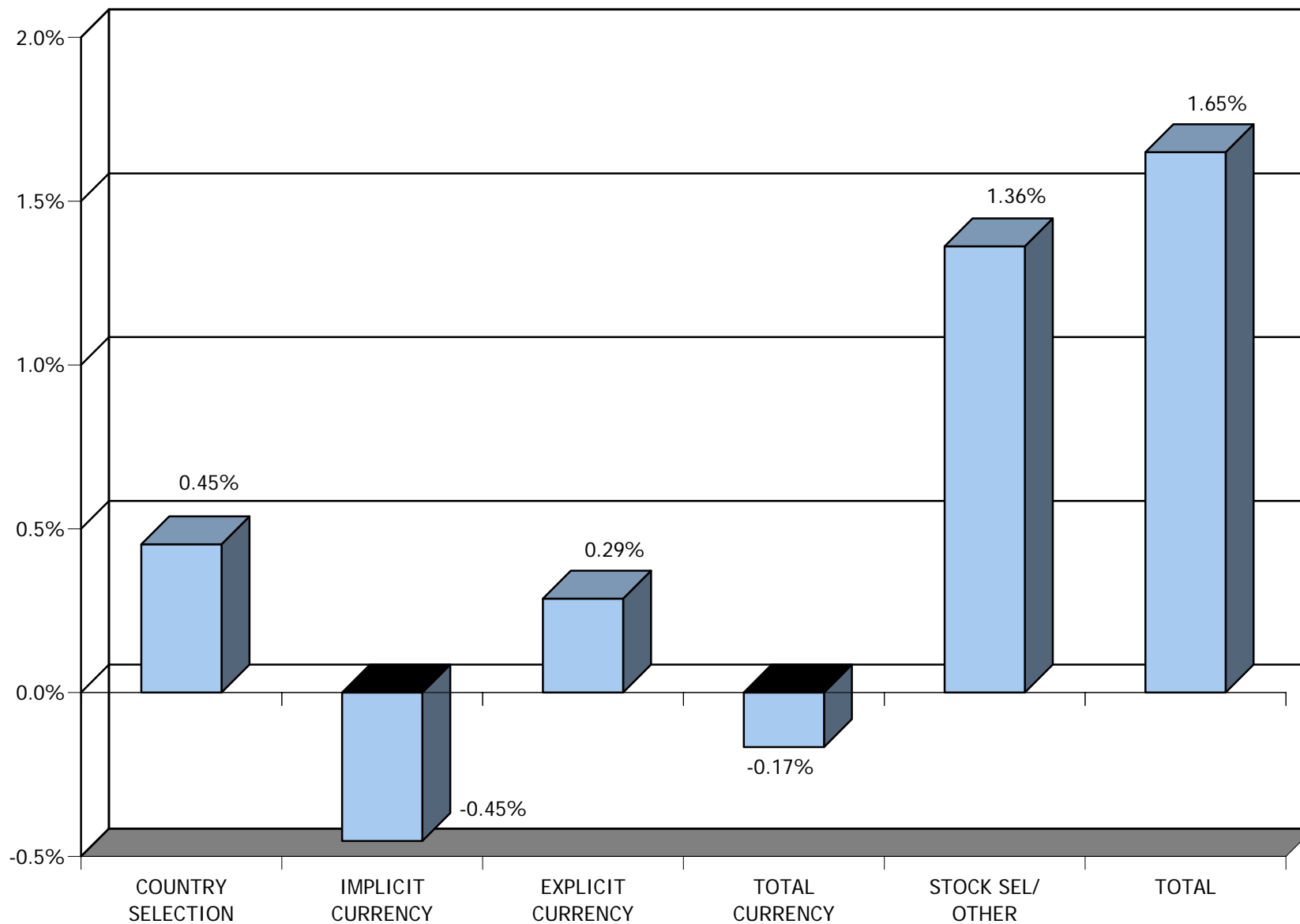
LSV Asset Management
As of June 30, 2010

Portfolio Currency Exposures

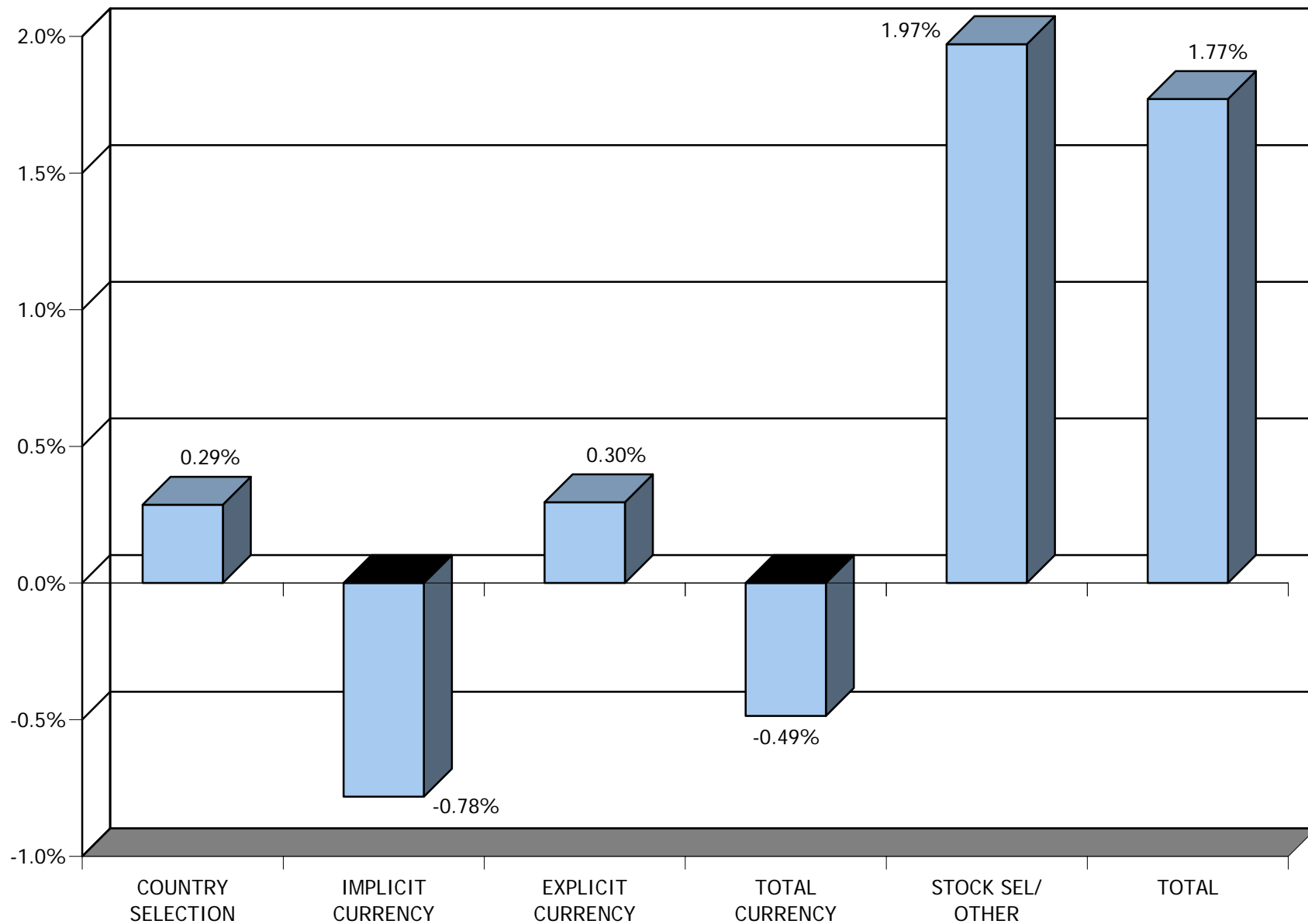


CURRENCY	MARKET VALUE	LSV	MSCI ACWI ex USA
EURO	\$ 30,414	26.3%	20.5%
JAPAN	\$ 19,709	17.1%	16.0%
UK	\$ 13,681	11.8%	14.5%
CANADA	\$ 9,370	8.1%	7.9%
SWITZER	\$ 6,676	5.8%	5.5%
KOREA	\$ 6,323	5.5%	3.2%
TAIWAN	\$ 4,904	4.2%	2.5%
AUSTRALIA	\$ 4,620	4.0%	5.6%
CHINA	\$ 3,794	3.3%	4.4%
RUSSIA	\$ 3,736	3.2%	1.5%
BRAZIL	\$ 2,448	2.1%	3.6%
HONG KONG	\$ 2,223	1.9%	1.8%
S AFRICA	\$ 2,174	1.9%	1.7%
SWEDEN	\$ 1,394	1.2%	2.0%
OTHER	\$ 4,069	3.5%	9.5%
	\$ 115,534	100.0%	100.0%

Summary Performance Attribution



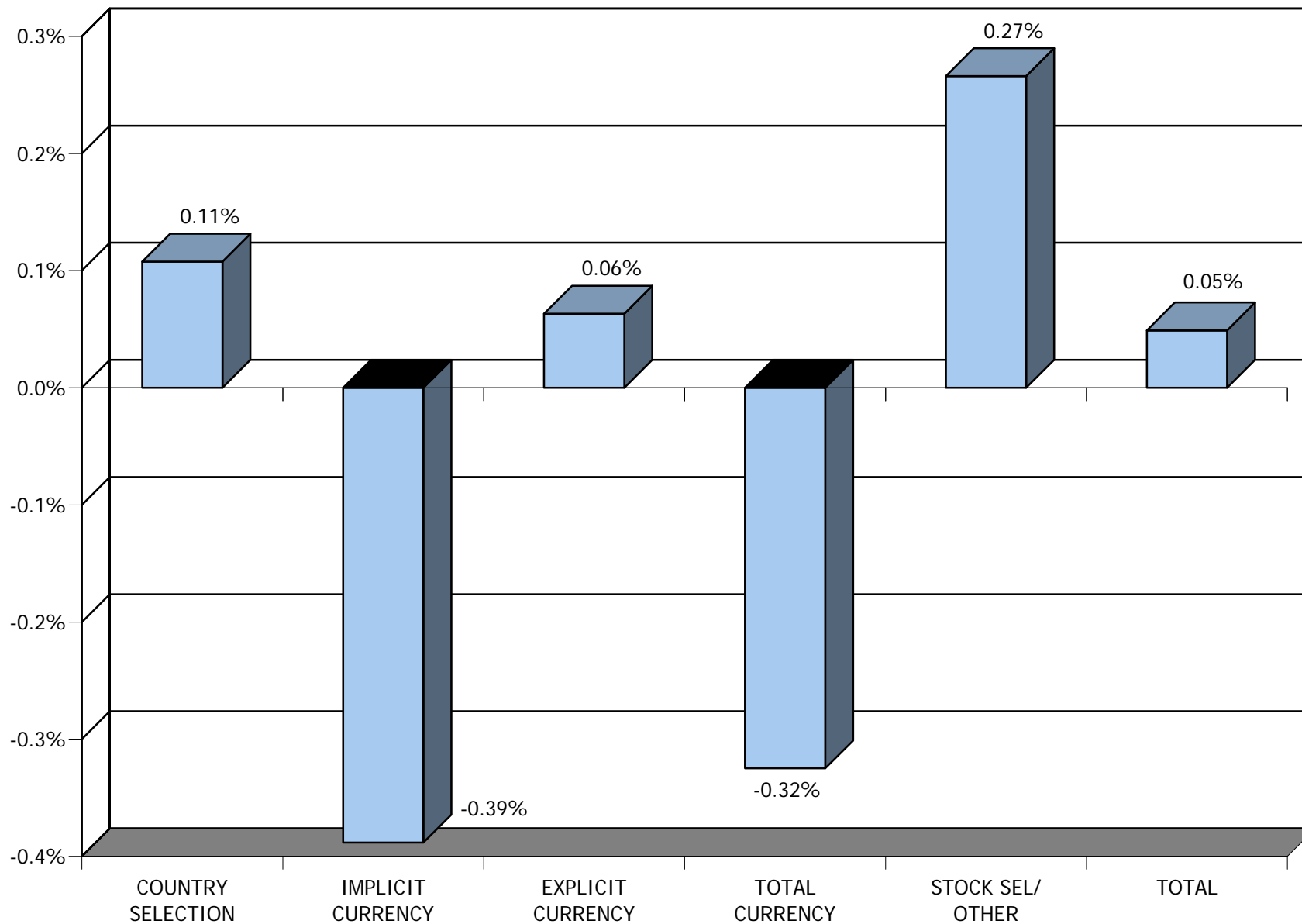
Summary Performance Attribution



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LSV Asset Management
10/1/2004 to 6/30/2010 (Annualized)

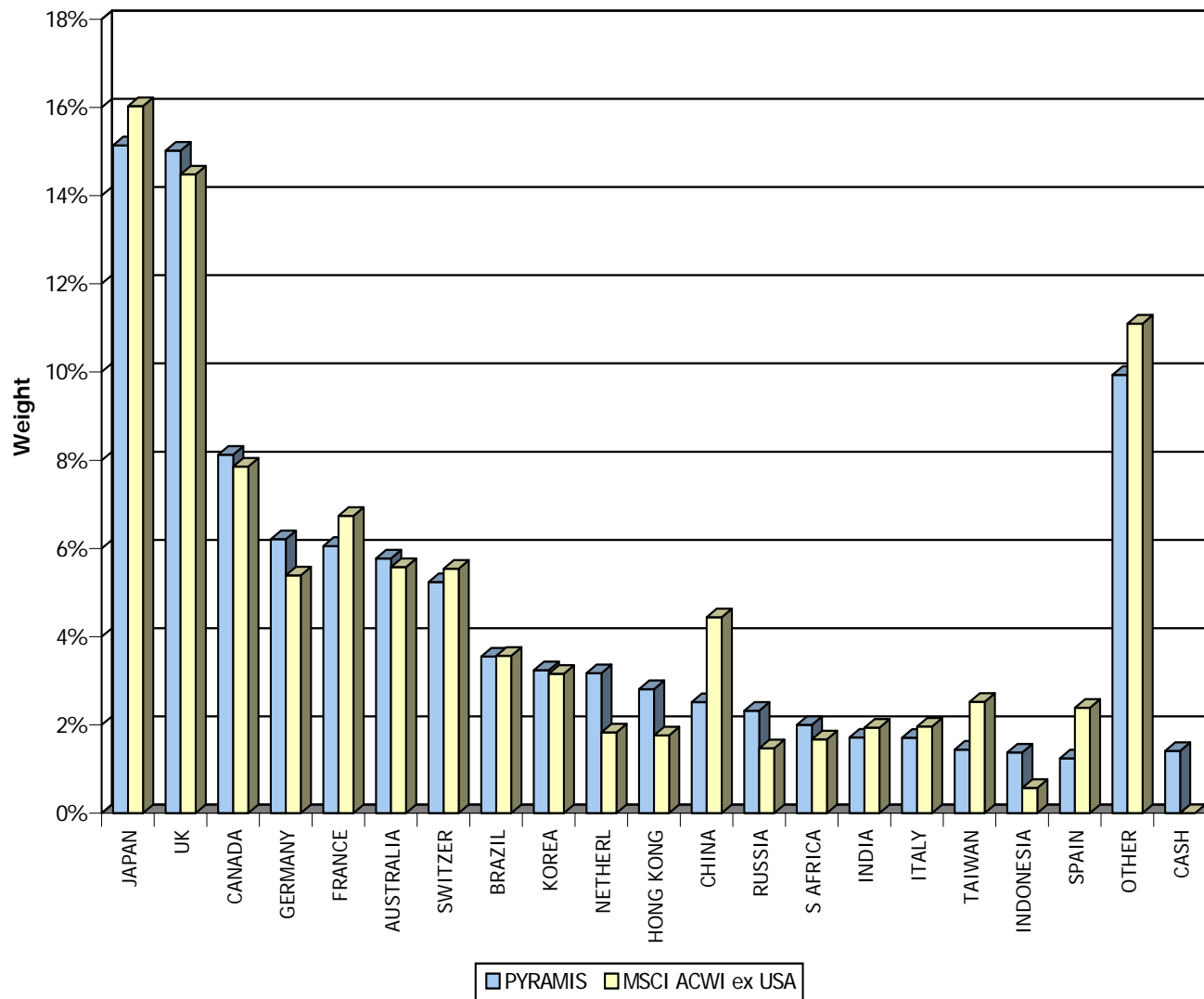
Summary Performance Attribution



StanCERA

Pyramis Investments
As of June 30, 2010

Portfolio Country Weights

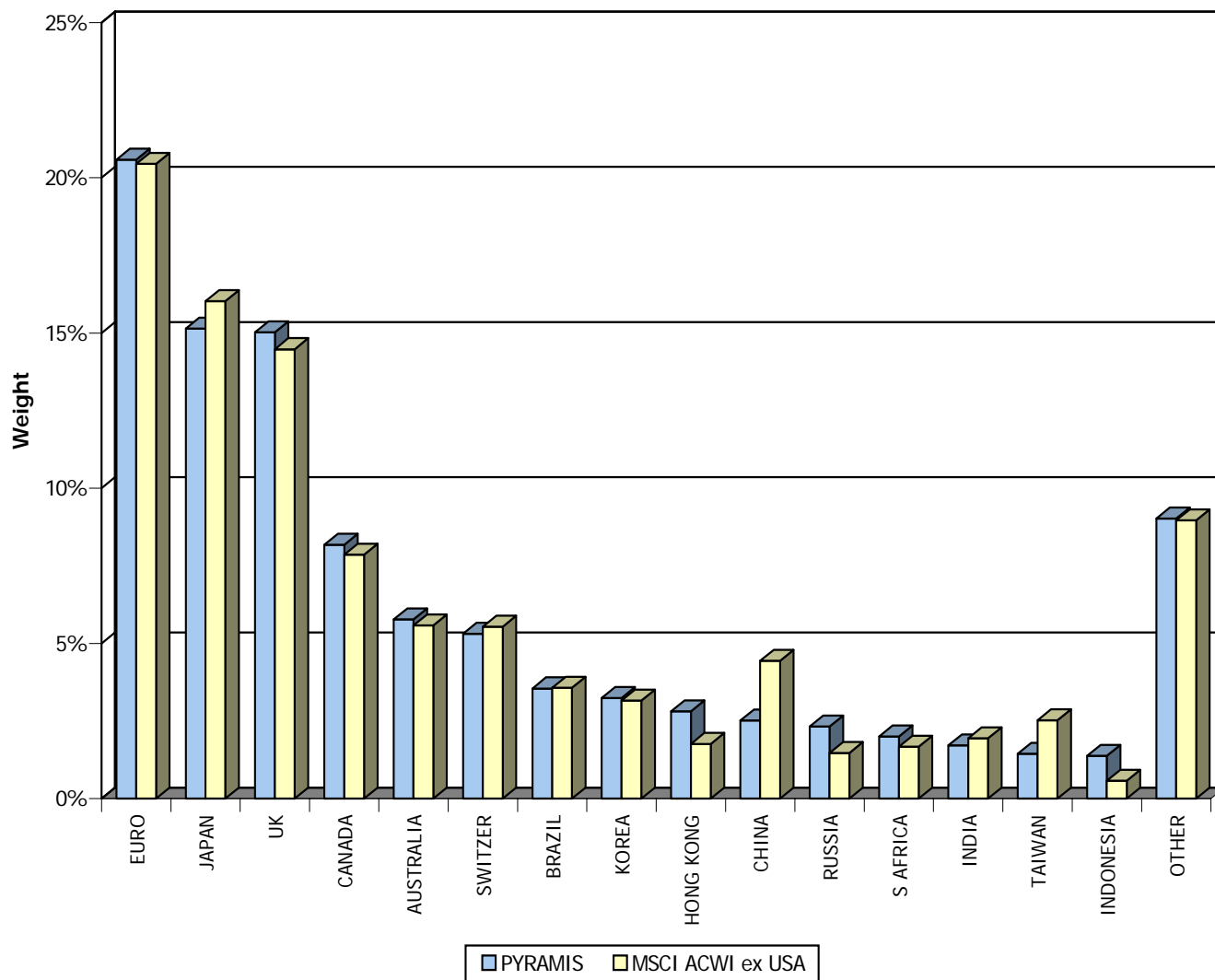


COUNTRY	MARKET VALUE	PYRAMIS	MSCI ACWI ex USA
JAPAN	\$ 17,737	15.1%	16.0%
UK	\$ 17,599	15.0%	14.5%
CANADA	\$ 9,517	8.1%	7.9%
GERMANY	\$ 7,275	6.2%	5.4%
FRANCE	\$ 7,094	6.1%	6.7%
AUSTRALIA	\$ 6,762	5.8%	5.6%
SWITZER	\$ 6,134	5.2%	5.5%
BRAZIL	\$ 4,158	3.5%	3.6%
KOREA	\$ 3,797	3.2%	3.2%
NETHERL	\$ 3,718	3.2%	1.8%
HONG KONG	\$ 3,292	2.8%	1.8%
CHINA	\$ 2,946	2.5%	4.4%
RUSSIA	\$ 2,721	2.3%	1.5%
S AFRICA	\$ 2,341	2.0%	1.7%
INDIA	\$ 2,008	1.7%	1.9%
ITALY	\$ 1,999	1.7%	2.0%
TAIWAN	\$ 1,689	1.4%	2.5%
INDONESIA	\$ 1,612	1.4%	0.6%
SPAIN	\$ 1,449	1.2%	2.4%
OTHER	\$ 11,642	9.9%	11.1%
CASH	\$ 1,653	1.4%	0.0%
	\$ 117,145	100.0%	100.0%

StanCERA

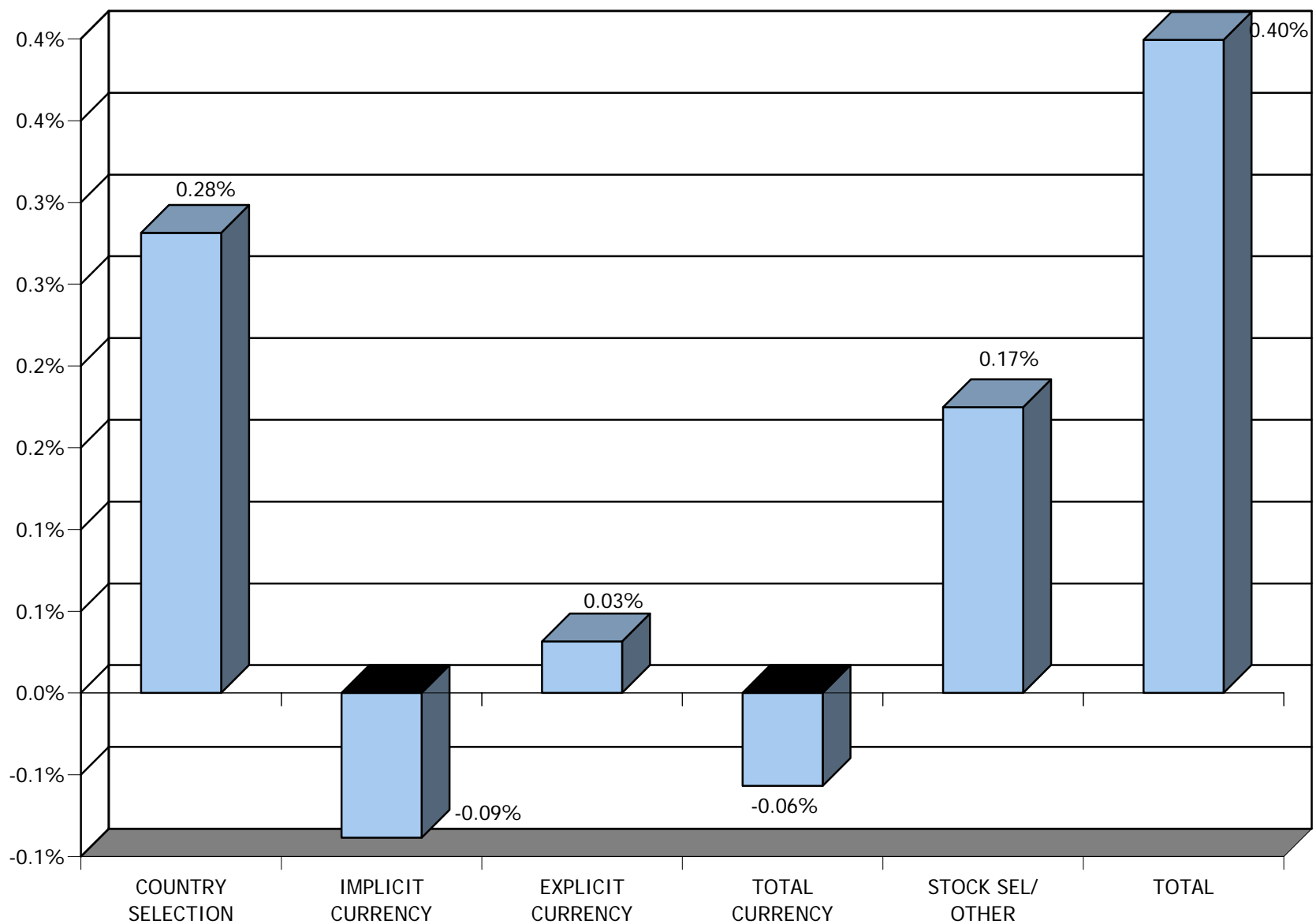
Pyramis Investments
As of June 30, 2010

Portfolio Currency Exposures

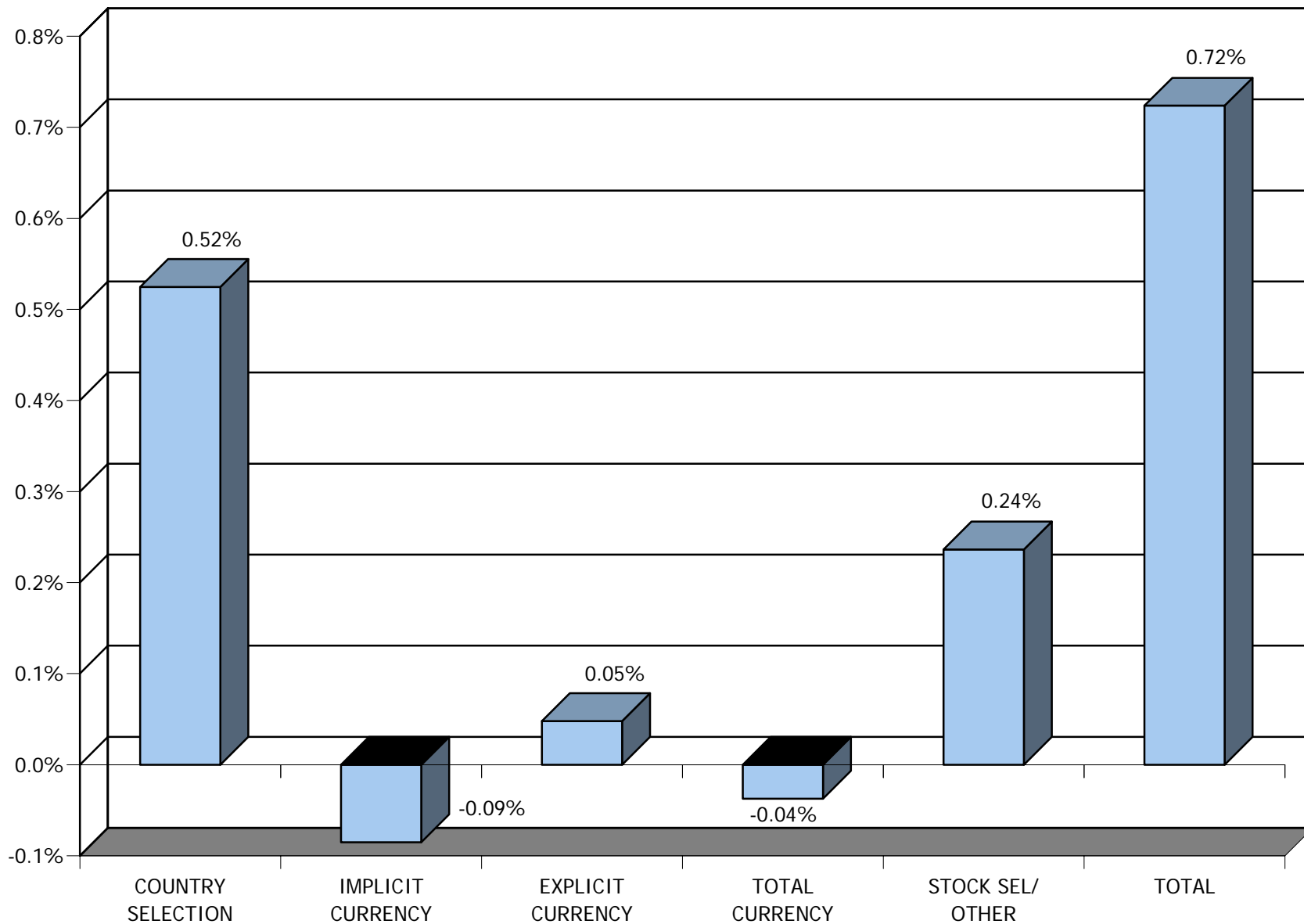


CURRENCY	MARKET VALUE	PYRAMIS	MSCI ACWI ex USA
EURO	\$ 24,118	20.6%	20.5%
JAPAN	\$ 17,737	15.1%	16.0%
UK	\$ 17,599	15.0%	14.5%
CANADA	\$ 9,578	8.2%	7.9%
AUSTRALIA	\$ 6,762	5.8%	5.6%
SWITZER	\$ 6,217	5.3%	5.5%
BRAZIL	\$ 4,158	3.5%	3.6%
KOREA	\$ 3,797	3.2%	3.2%
HONG KONG	\$ 3,292	2.8%	1.8%
CHINA	\$ 2,946	2.5%	4.4%
RUSSIA	\$ 2,721	2.3%	1.5%
S AFRICA	\$ 2,341	2.0%	1.7%
INDIA	\$ 2,008	1.7%	1.9%
TAIWAN	\$ 1,689	1.4%	2.5%
INDONESIA	\$ 1,612	1.4%	0.6%
OTHER	\$ 10,569	9.0%	9.0%
	\$ 117,145	100.0%	100.0%

Summary Performance Attribution



Summary Performance Attribution

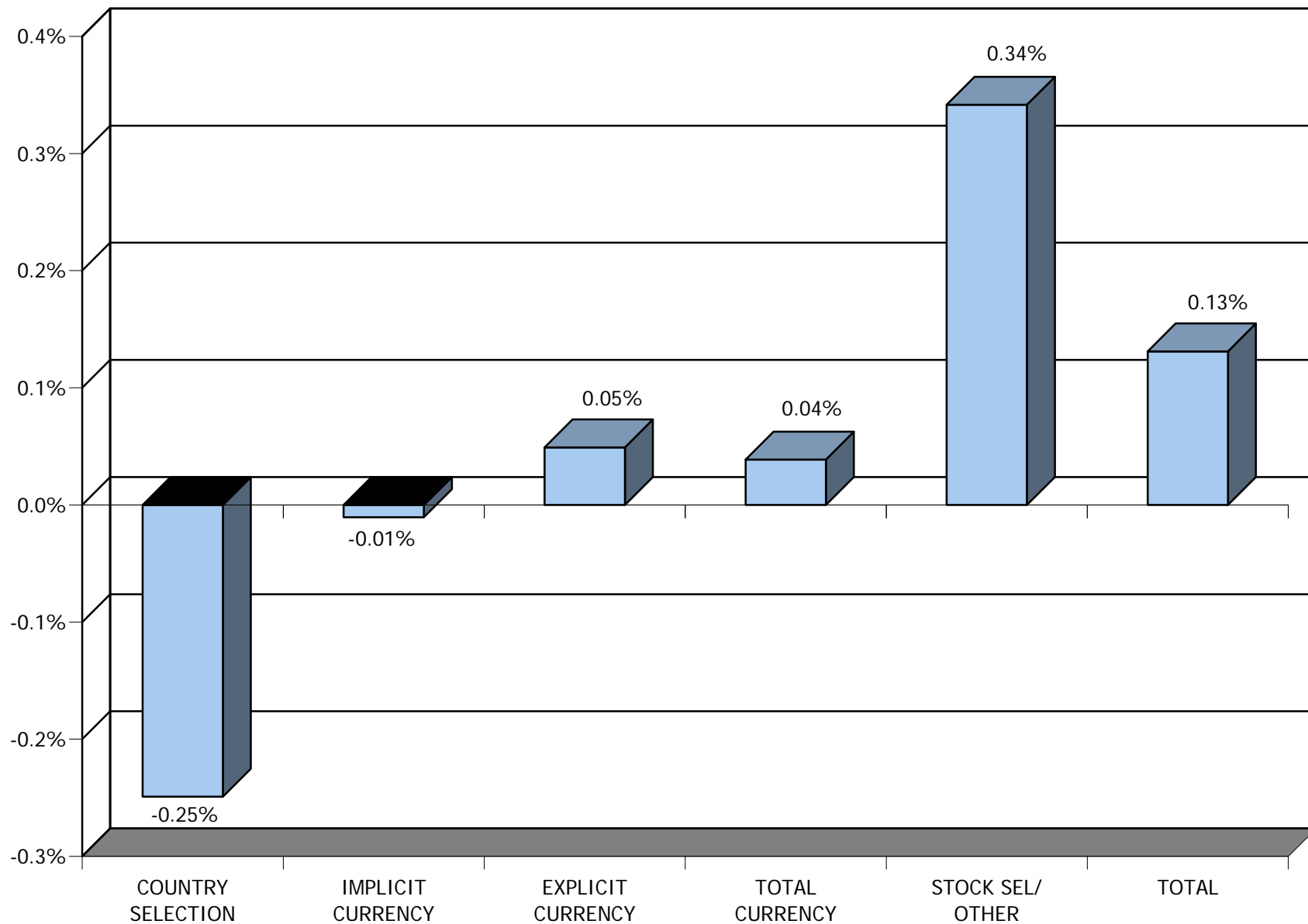


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Pyramis Investments

10/1/2004 to 6/30/2010 (Annualized)

Summary Performance Attribution



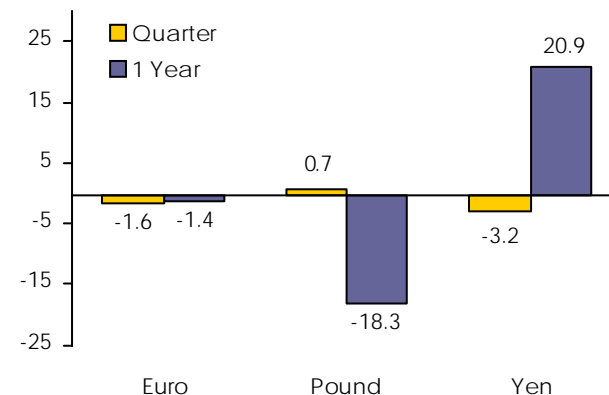
Capital Market Review

CURRENCY AND BOND MARKETS

Currency Markets

- The Bank of England and the European Central Bank continued to hold key lending rates at historic lows during the first two quarters, keeping them at 0.5% and 1.0% respectively.
- The U.S. Federal Reserve has also continued to keep its key lending rates at historic lows to allow for further strengthening of the economy.
- The U.S. dollar continued to strengthen relative to euro and the sterling in the second quarter. Investors deemed the European debt crisis as reason to move into the U.S. dollar and yen for safety. As a result the pound continued to weaken relative to the dollar shedding -18.3% over the past 12 months. The yen is now at three year highs.
- The Aussie dollar has also performed well compared to other major currencies. Australia currently has the highest interest rate. The carry trade and commodity chasing has potentially propped up the currency.

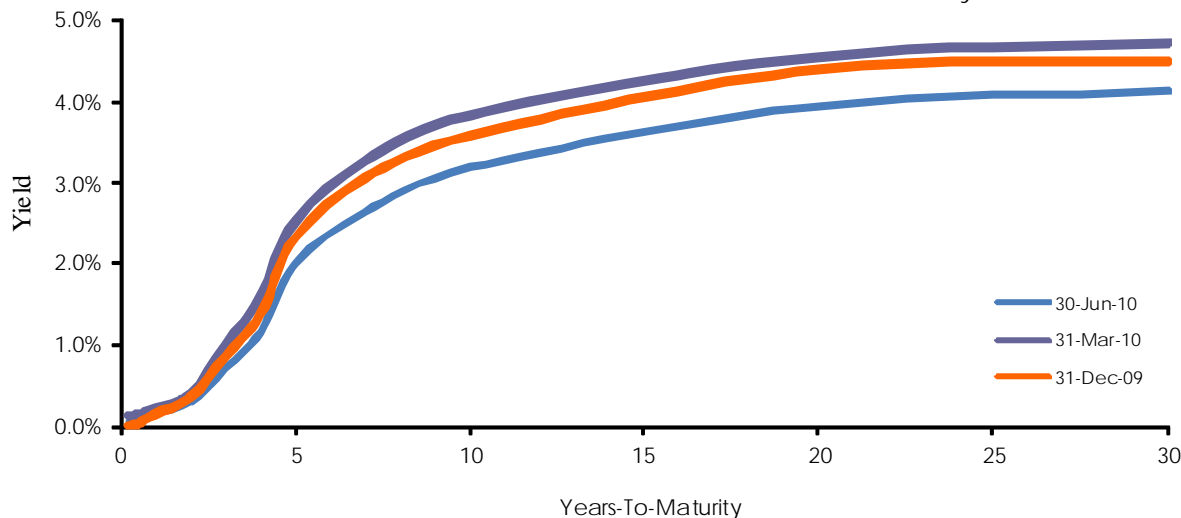
Currency Returns (%)



Yield Curve

- In a speech given at conference sponsored by the Bank of Korea, Federal Reserve Chairman Ben Bernanke stated, central banks “will have to weigh the risks of a premature exit against those leaving expansionary policy in place for too long”. He later added, “To guide these important decisions, each central bank will have to carefully monitor economic developments in its own jurisdiction.”

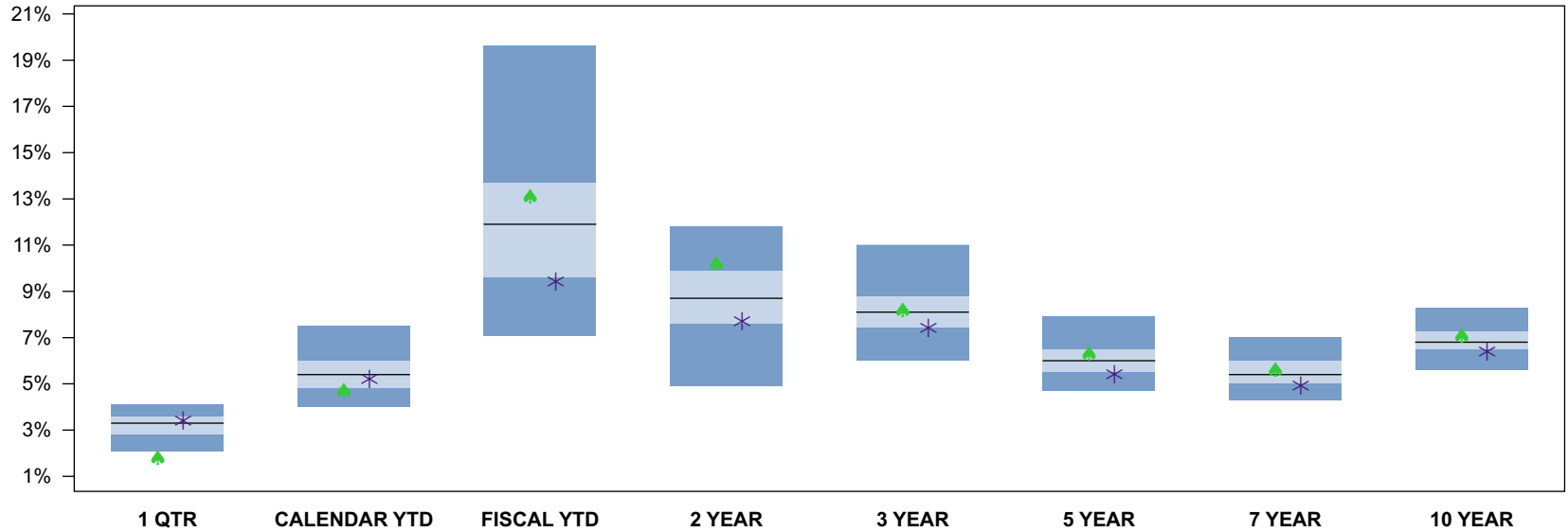
INTEREST RATE TERM STRUCTURE
Government Issues - 3 Months to 30 Years Maturity



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US Fixed Income Funds - Core
 Periods Ending June 30, 2010

Total Returns



	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR		7 YEAR		10 YEAR	
▲ Dodge & Cox -Fixed Income	2.1	93	5.0	69	13.4	29	10.5	18	8.5	33	6.6	22	5.9	27	7.4	18
* BC AGGREGATE	3.5	37	5.3	58	9.5	78	7.8	72	7.5	69	5.5	74	5.0	78	6.5	78
Median	3.3		5.4		11.9		8.7		8.1		6.0		5.4		6.8	

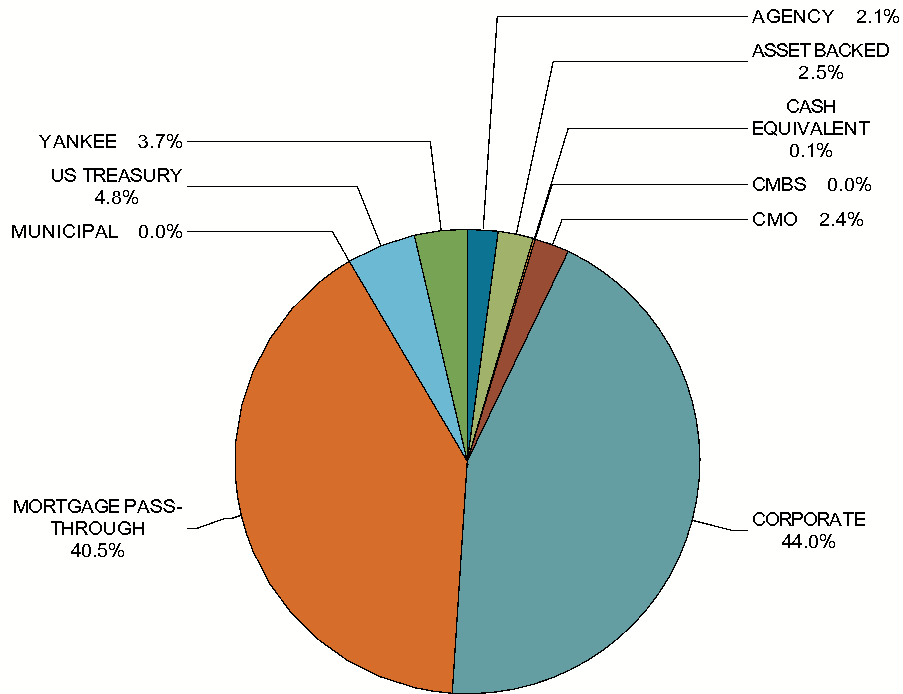
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Dodge & Cox -Fixed Income

INDEX: BC AGGREGATE

AS OF: June 30, 2010

FIXED INCOME SECTOR ALLOCATION



SECTOR	PORTFOLIO WEIGHT %	INDEX WEIGHT %	DIFF %
AGENCY	2.1	7.6	-5.4
ASSET BACKED	2.5	0.3	2.2
CASH EQUIVALENT	-0.1	0.0	-0.1
CMBS	0.0	3.1	-3.1
CMO	2.4	0.0	2.4
CORPORATE	44.0	18.6	25.4
MORTGAGE PASS-THROUGH	40.5	33.3	7.3
MUNICIPAL	0.0	0.0	0.0
US TREASURY	4.8	32.7	-27.9
YANKEE	3.7	4.4	-0.7
TOTAL	100.0	100.0	0.0

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Dodge & Cox – Fixed Income
As of Ending June 30, 2010

Bond Summary Statistics

Portfolio Characteristics		
	Dodge & Cox	BC AGGREGATE
Total Number of Securities	163	7,755
Current Coupon	6.2	4.5
Yield To Maturity	3.9	2.7
Average Maturity	6.6	6.1
Duration	4.5	4.6
Quality	19.9	23.3

Duration (Years)	
Range	% Held
0 to 1	18.5
1 to 3	27.2
3 to 4	3.3
4 to 6	13.3
6 to 8	13.0
8 to 10	2.3
Over 10	10.4
Unclassified	12.0

Quality	
Range	% Held
Treasury	1.9
Agency	31.4
AAA	3.7
AA	4.2
A	11.6
BAA	21.6
BA	5.4
Below BA	3.1
Other	17.1

Yield To Maturity (Years)	
Range	% Held
0 to 5	63.7
5 to 7	17.0
7 to 9	5.9
9 to 11	1.5
11 to 13	0.0
Over 13	0.0
Unclassified	12.0

Avg Maturity (Years)	
Range (Yrs)	% Held
0 to 1	7.0
1 to 3	26.7
3 to 5	14.3
5 to 10	26.8
10 to 20	5.0
Over 20	8.2
Unclassified	12.0

Coupon (%)	
Range	% Held
0 to 5	8.8
5 to 7	57.3
7 to 9	20.1
9 to 11	1.9
11 to 13	0.0
Over 13	0.0
Unclassified	12.0

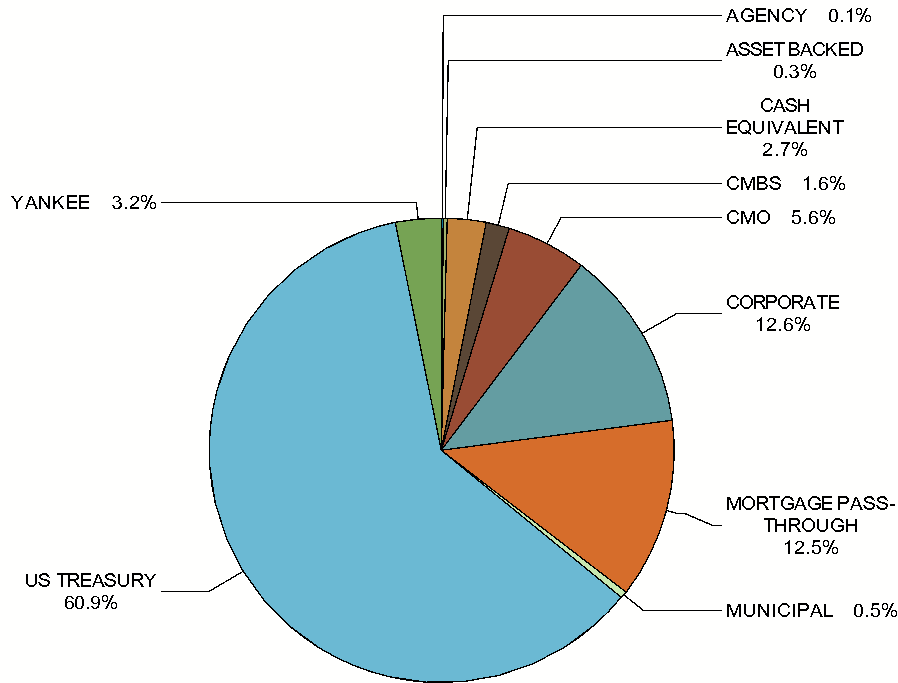
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PIMCO

INDEX: BC AGGREGATE

AS OF: June 30, 2010

FIXED INCOME SECTOR ALLOCATION



SECTOR	PORTFOLIO WEIGHT %	INDEX WEIGHT %	DIFF %
AGENCY	0.1	7.6	-7.4
ASSET BACKED	0.3	0.3	0.0
CASH EQUIVALENT	2.7	0.0	2.7
CMBS	1.6	3.1	-1.5
CMO	5.6	0.0	5.6
CORPORATE	12.6	18.6	-6.0
MORTGAGE PASS-THROUGH	12.5	33.3	-20.8
MUNICIPAL	0.5	0.0	0.5
US TREASURY	60.9	32.7	28.2
YANKEE	3.2	4.4	-1.2
TOTAL	100.0	100.0	0.0

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PIMCO

As of Ending June 30, 2010

Bond Summary Statistics

Portfolio Characteristics		
	PIMCO	BC AGGREGATE
Total Number of Securities	72	7,755
Current Coupon	3.0	4.5
Yield To Maturity	2.8	2.7
Average Maturity	6.4	6.1
Duration	5.0	4.6
Quality	24.1	23.3

Duration (Years)	
Range	% Held
0 to 1	4.0
1 to 3	30.0
3 to 4	3.1
4 to 6	17.9
6 to 8	34.3
8 to 10	1.4
Over 10	6.1
Unclassified	3.1

Quality	
Range	% Held
Treasury	56.4
Agency	12.2
AAA	12.0
AA	1.8
A	3.9
BAA	8.9
BA	0.0
Below BA	0.0
Other	4.8

Yield To Maturity (Years)	
Range	% Held
0 to 5	88.1
5 to 7	6.4
7 to 9	2.1
9 to 11	0.0
11 to 13	0.2
Over 13	0.0
Unclassified	3.2

Avg Maturity (Years)	
Range (Yrs)	% Held
0 to 1	4.0
1 to 3	28.9
3 to 5	15.2
5 to 10	32.5
10 to 20	10.1
Over 20	6.1
Unclassified	3.1

Coupon (%)	
Range	% Held
0 to 5	83.7
5 to 7	7.5
7 to 9	4.3
9 to 11	1.4
11 to 13	0.0
Over 13	0.0
Unclassified	3.1