

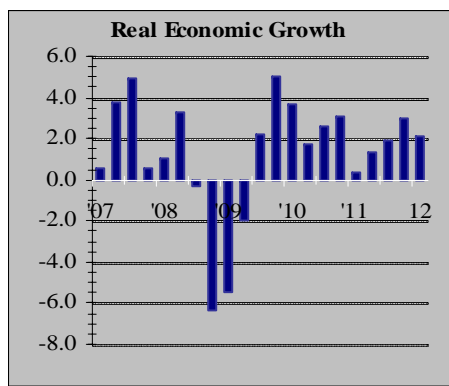
FRANKLIN REGIONAL RETIREMENT SYSTEM

**PERFORMANCE REVIEW
MARCH 2012**



ECONOMIC ENVIRONMENT

Continued Domestic Improvement and Continued Troubles in Europe



The U.S. economy expanded during the first quarter of 2012 at an estimated 2.2% rate. Although that was a bit below the fourth quarter of 2011's 3.0% annual rate, it points to solid growth prospects for the full calendar year. Growth resulted from higher inventories (including a bump in auto production); a 2.1% increase in personal spending;

and corporate plant and equipment purchases. Exports and imports were largely offsetting. Reduced spending at all levels of government muted the advance.

Some economists are now talking about the bifurcation of the American economy. The first Economy made up of the Energy, Technology and Manufacturing sectors, is expanding rapidly. The second Economy made up of Housing, Education, and Government is continuing to struggle.

Combining the two "economies" resulted in upbeat aggregate economic indicators. The overall economic strength was apparent in manufacturing, employment (at least through February), consumer confidence and commodity prices. Housing prices, however, were still stuck in a long cycle of decline. At last, the Fed seemed to acknowledge that the economy could move forward with less assistance.

New orders for manufactured goods rose in February (latest month available) and have increased in four out of the latest five months. Shipments of goods are up for nine straight months. Unfilled orders also increased and have done so for 22 out of 23 months; so, some of the shipments added to inventory levels. Small business optimism (per the National Federation of Independent Business) pulled back in March, but had increased for each of the prior six months. Consumer confidence

(per the Conference Board) also eased a bit, ticking down from 71.6 in February to 70.2 at quarter-end. The underlying good news is that consumer optimism rose slightly to 19.2%. In fairness, 13.5% expected conditions to worsen.

Jobs growth was over 200,000 in January and February, only to fade to 120,000 in March. This may be attributable to an early warm weather related hiring phenomenon that could not be sustained. However, some analysts consider the drop as nothing more than a natural pause as corporate America catches its breath; others attribute it to the return of job seekers that had disappeared from the market. Given the continuing reduction in the government labor force, the numbers still represent slow growth. The April jobs report is highly anticipated.

Commodity prices (based on the GSCI Goldman Sachs Commodities Index) rose 5.9% during the quarter. Contributing to the rise were precious and industrial metals. Gold continued to advance 6.4% after a pause late last year. Copper moved up 11.1%, fed by an insatiable global appetite for the metal. Within the energy category, crude oil prices increased a relatively modest 3.2%. However, natural gas plummeted 37.2% during a record-setting warm winter.

Inflation was fairly tame during the quarter. The Producer Price Index (PPI) of finished goods was unchanged in March after a 0.1% and 0.4% rise in January and February. On the retail side, the seasonally adjusted Consumer Price Index (CPI) rose 0.3% in March and 2.7% for the latest year. Excluding food and energy, the index rose 0.2% in March. Food and especially energy prices greatly impacted the annualized data. The latter have risen 4.6% (3.2% in February alone) and food prices were 3.3% higher during the latest year. The tame inflation level has encouraged the Federal Reserve to continue its record low interest rate policies. Thus far, the Fed, unhampered by inflation concerns, has had a clear mandate to spur corporate spending.

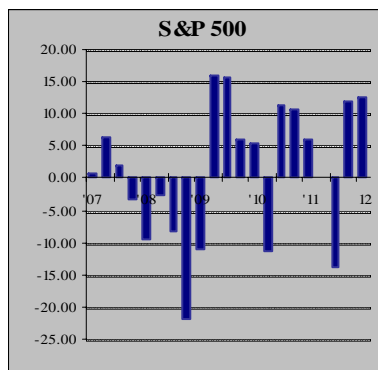
The picture in Europe was less optimistic. Overall GDP growth for the Eurozone was expected to be slightly positive in the first quarter of 2012, but even a flat figure would be better than the previous quarter's contraction of 0.3%. Much of the negative economic story reflects the continuing troubles in southern Europe where Spain and Italy remain stuck in recession after three years and Greece is essentially in a

depression. (The Greek economy contracted at a 7.5% annual rate during the fourth quarter of 2011.)

The only optimism in Europe comes from the European Central Bank's (ECB) long-term refinancing program (LTRO), which was modeled on our TARP program. Greece was the immediate beneficiary of the increased liquidity, but the program is also intended to assist Italy and Spain. The EU predicted that if Greece follows through on the plan as set forth, its economy would expand modestly for the rest of 2012. Despite highly volatile markets, the tone was decidedly more positive after America's European trading partners finally seemed to be getting their finances in order.

EQUITY MARKET

All Around Great Quarter



It was a memorable quarter. One would have to go all the way back to 1998 for a better broad market outcome. Stocks soared due to encouraging statistics for both the US and European economies. The jobs report, at least through February, was especially heartening, as virtually all of the S&P and Russell indices posted double-digit gains. For example, the bellwether S&P 500 climbed 12.6%, including dividends.

Smaller-cap stocks also performed well with the Russell 2000 earning 12.4%. The tech-heavy NASDAQ Composite was more positive still, helped by Apple, soaring 18.7%. However, the Dow Jones Industrials, heavily laden with consumer, energy and utility stocks, advanced far less (8.8%).

Growth stocks bested their value counterparts, both large-cap and small-cap. The Russell 1000 Growth Index earned 14.7% vs. 11.1% for the Russell 1000 Value. Similarly, the Russell 2000 Growth Index added 13.3% vs. 11.6% for its value counterpart.

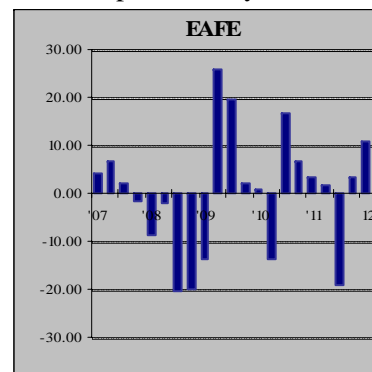
Returns among the majority of S&P sectors supported the double digit gains of the overall index. In the lead was computer technology, reflecting spectacular gains by Google. Surprisingly, financial stocks were right behind (+24.4%); this sector was aided by the fact that the major banks all passed the Federal Reserves' more stringent stress tests. Consumers stepped up their durable goods purchases, including autos, leading to a 16.4% gain for that sector. By contrast, consumer retail (+6.9%), energy (+4.4%) and traditional utility stocks (-0.2%) had relatively poor results.

The S&P dividend rate declined further to 1.9%, largely due to 1st quarter market gains. Similarly, the S&P P/E Ratio increased from 17.6X to a significantly higher 22.6X. However, close to 60% of the individual stock P/E ratios were between 10X and 20X. Clearly, the market has become pricey compared to an historical average of 15X. That said, company earnings continue to move up to support the price moves.

INTERNATIONAL EQUITIES

EAFE Stocks Fared Well, Emerging Markets Stock Even Better

International stocks performed well as a group. The MSCI EAFE Index of developed country markets rose 11.0%, moderately behind the S&P.



Germany, the industrial engine of Europe, had a spectacular quarter with its stock market rising 21.1% result. France, suffering from relatively high unemployment and nasty election politics, still added 12.3%. Interestingly, Greece (+13.5%), Ireland (+9.8%) and Italy (+8.9%), performed relatively well; these so-called PIIGs are the same countries known for their huge debt and budgetary shortfalls. In the case

of Greece, investors breathed a temporary sigh of relief as the country finally underwent a huge but orderly debt restructuring brokered by Germany and France. Ireland has emerged from its own recession and

Italy enjoyed a successful debt re-financing auction (at a below peak interest rate) late in the quarter. Spain also extended its debt maturities in the face of decreasing investor confidence. The result was Spain's 3.1% negative return. Portugal rose an incremental 1.6%.

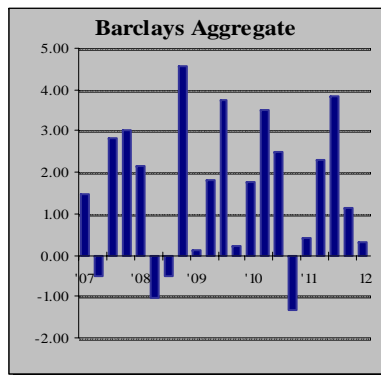
The UK, fighting a combination of recession and austerity, still managed a 7.6% gain. Hong Kong, at the fringe of China's overall economy, returned a healthy 13.4%. Japan, almost one year after its nuclear disaster, appreciated 11.4%. Australia added 9.0% despite concerns that China might cut back on its raw material purchases from that country.

The MSCI Emerging Market Index (EM) earned 14.1%, which was more than that of the US and other developed markets. The key BRIC country component added a comparable 13.8%. China's 9.9% return reflected concern about that country's slowing economy; however, Brazil (+13.9%), India (+20.1%) and Russia (+18.6%) steamed ahead. Eastern Europe also performed well, growing 18.2%. Hungary (+22.8%) and an increasingly global Turkey (+27.1%) led the pack. In the Middle East, Egypt's stock market was a major surprise, exploding by 41.1%. Overall, it appeared that investors had quickly returned to the emerging market space.

BOND MARKET

Bond Advance Stalled as Interest Rates Increased

The Barclays Aggregate Index advanced only 0.3%. This was attributable to a sizable increase in interest rates, particularly at the long maturity end. The Treasury Index actually lost 1.3%, with long maturity Treasuries dropping a sizable 5.8%. Offsetting the poor Treasury performance was the Credit sector, which moved up 2.0%. Within this sector, BAA bonds earned a higher 2.4%.



For several recent quarters, lower credit or high yield bonds have been the better performers as investors seek yield. The first quarter continued the trend: the lower the credit rating, the higher the return. BA bonds gained 4.4%; single B debt climbed 4.9%; CAA issues posted an equity-like 8.2%. Clearly, bond investors were betting that corporate America would continue to expand.

Residential mortgage debt earned 0.6%, slightly higher than the overall bond market. However, the poor housing market took its toll. GNMA's, the most secure mortgage component, added 0.4%. Commercial mortgage bonds (CMBS) again performed well (+3.5%). Bond investors also favored CMBS returns (3.5%) in a recovering economy. Asset-backed securities, such as credit card debt, earned a low 0.8% return.

Sovereign risk returns among the G-6 countries (excluding US Treasuries) averaged a negative 1.4%. Yet five of the six majors experienced positive results. Italy's sovereigns reversed course, rocketing up 13.8%, due to its successful refinancing of maturing debt. On the other hand, Japan's sovereigns lost 6.3%. French bonds did relatively well, gaining 5.0% and Germany's were up a modest 3.0%. The UK and Canadian markets were both up approximately 1%. Since the Japan market is the largest among the G6, its loss drove the average down.

Emerging market debt had a second straight quarter of notable gains, providing a 5.5% return. All countries listed in the index were positive. The biggest winners were Venezuela (+20.3%) and Egypt (+9.0%).

CASH EQUIVALENTS

Nothing New to Report

With the Fed indicating that it intends to keep interest rates at historically low levels for the time being (possibly until 2014), Treasury-bills and other money market instruments provided negligible rates of return. In a repeat of the last several quarters, 1-3 month Treasury-bills returned virtually nothing (0.01%). Adjusted for inflation, cash equivalents actually have been losing over 2% per year.

MARKET SUMMARY

ECONOMIC STATISTICS

	CURRENT QTR	LAST QTR
GDP	2.2	3.0
Unemployment	8.2	8.5
CPI All Items Year/Year	2.65	2.96
Fed Funds Rate	0.25	0.25
Industrial Capacity	78.6	78.3
US Dollars per Euro	1.33	1.30

MAJOR INDEX QUARTER RETURNS

INDEX		PERFORMANCE
Russell 3000	12.9	
S&P 500	12.6	
Russell Mid	12.9	
Russell 2000	12.4	
MSCI EAFE	11.0	
MSCI Emg Mkts	14.1	
NCREIF ODCE	2.8	
Barclays Agg	0.3	
90 Day Tbills	0.0	

EQUITY RETURN DISTRIBUTIONS

	QUARTER			TRAILING YEAR			
	VAL	COR	GRO	VAL	COR	GRO	
LC	11.1	12.9	14.7	LC	4.8	7.9	11.0
MC	11.4	12.9	14.5	MC	2.3	3.3	4.4
SC	11.6	12.4	13.3	SC	-1.1	-0.2	0.7

MARKET SUMMARY

- * Estimates currently place GDP growth at 2.2%. Growth resulted from higher inventories and increased personal spending, while reduced gov't spending offset growth.
- * At 8.2% unemployment continues to slowly decline.
- * Equity markets produced strong returns, with virtually all S&P and Russell indices posting double-digit returns.
- * Year-over-year CPI increased by 2.65%.
- * The US dollar weakened relative to the Euro.

INVESTMENT RETURN

On March 31st, 2012, the Franklin Regional Retirement System was valued at \$89,699,218, representing an increase of \$5,227,686 from the December quarter's ending value of \$84,471,532. Last quarter, the Fund posted withdrawals totaling \$1,241,856, which partially offset the portfolio's net investment return of \$6,469,542. Income receipts totaling \$330,923 plus net realized and unrealized capital gains of \$6,138,619 combined to produce the portfolio's net investment return.

For the cumulative period since December 2006, the fund has recorded net contributions totaling \$3.2 million, and recorded net investment gains of \$15.3 million. For the period since December 2006, if the total fund returned a compounded nominal rate of 8.0% it would have been valued at \$110.9 million or \$21.2 million more than the actual value as of March 31st, 2012.

RELATIVE PERFORMANCE

Total Fund

The Franklin Regional Policy Index is the weighted return of each asset classes' benchmark in proportion to its target allocation.

In the first quarter, the Composite portfolio gained 7.7%, which was 0.3% below the Franklin Regional Policy Index's return of 8.0% and ranked in the 42nd percentile of the Public Fund universe. Over the trailing year, the portfolio returned 3.1%, which was 3.4% less than the benchmark's 6.5% performance, and ranked in the 91st percentile. Since December 2006, the portfolio returned 3.5% on an annualized basis and ranked in the 52nd percentile. For comparison, the Franklin Regional Policy Index returned an annualized 3.1% over the same period.

PRIT Core

The Custom Core Index is a target-weighted passive index of the asset classes used in the PRIT Core Fund. Among the indices used is the Cambridge Private Equity Index. A flat return for the quarter was assumed, due to the unavailability of performance.

During the first quarter, the prit core segment returned 7.3%, which was 0.3% greater than the Custom Core Index's return of 7.0%. Over the trailing year, this segment returned 3.1%, which was 0.7% below the benchmark's 3.8% return. Since December 2006, this component returned 2.5% annualized, while the Custom Core Index returned an annualized 3.3% over the same time frame.

Domestic Equity

The Custom Equity Index is the weighted return of the S&P 500, S&P 400, and Russell 2000 indices based on the System's equity manager target allocations.

During the quarter the Rhumblin S&P 500 Index fund was divested. In addition to this divestment, the Polen Capital and O'Shaughnessey portfolios were funded. The newly funded portfolios will have their performance and respective manager tabs reflected in the second quarter 2012 performance report.

Last quarter, the domestic equity component returned 13.3%, which was 0.6% above the Franklin County Equity Index's return of 12.7% and ranked in the 40th percentile of the All Cap universe. Over the trailing year, this component returned -2.2%, which was 5.4% below the benchmark's 3.2% performance, and ranked in the 91st percentile. Since December 2006, this component returned 4.2% on an annualized basis and ranked in the 42nd percentile. The Franklin County Equity Index returned an annualized 3.1% during the same time frame.

Real Estate

For the first quarter, the real estate component gained 4.7%, which was 1.9% greater than the NCREIF NFI-ODCE Index's return of 2.8%. Over the trailing year, this component returned 15.1%, which was 0.4% greater than the benchmark's 14.7% return. Since December 2006, this component returned -0.6% on an annualized basis, while the NCREIF NFI-ODCE Index returned an annualized 0.3% over the same period.

Fixed Income

For the first quarter, the fixed income component returned 1.3%, which was 1.0% above the Barclays Aggregate Index's return of 0.3% and ranked in the 39th percentile of the Core Fixed Income universe. Over the trailing year, this component returned 7.7%, which was equal to the benchmark's 7.7% performance, and ranked in the 56th percentile. Since December 2006, this component returned 6.7% per annum and ranked in the 51st percentile. The Barclays Aggregate Index returned an annualized 6.2% during the same period.

Franklin Regional Retirement System
Total Fund Asset Allocation Analysis
As of March 31, 2012

Total Fund Assets \$ 89,699,218

Allocation by Manager						
	PRIT Fund Actual Allocation	FRRS Allocation	Target Allocation	Target Dollars	Actual Dollars	
PRIT Core Fund	100.0%	55.9%	55.0%	\$ 49,334,570	\$ 50,111,180	\$ 776,610
Domestic Equity	20.1%	11.2%			\$ 10,072,347	
Int'l Equity	17.7%	9.9%			\$ 8,869,679	
E.M. Int'l Equity	7.1%	3.9%			\$ 3,542,860	
Core Fixed Income	14.1%	7.9%			\$ 7,080,710	
Value Added Fixed Income	7.1%	4.0%			\$ 3,557,894	
Real Estate	9.0%	5.1%			\$ 4,530,051	
Timber/Natural Resources	3.9%	2.2%			\$ 1,939,303	
Alternatives-Private Equity	11.8%	6.6%			\$ 5,918,130	
Hedge Funds	9.2%	5.1%			\$ 4,600,206	
<u>Separate Managers</u>		<u>44.1%</u>	<u>45.0%</u>			
Polen Capital		5.9%	6.0%	\$ 5,381,953	\$ 5,273,154	\$ (108,799)
O'Shaughnessy		5.7%	6.0%	\$ 5,381,953	\$ 5,103,112	\$ (278,841)
Seizert		4.8%	5.0%	\$ 4,484,961	\$ 4,304,613	\$ (180,348)
Daruma		10.0%	10.0%	\$ 8,969,922	\$ 8,951,231	\$ (18,691)
IR&M		12.1%	13.0%	\$ 11,660,898	\$ 10,886,453	\$ (774,445)
Prudential		0.0%	0.0%	\$ -	\$ 2,464	\$ 2,464
PRIT RE		5.1%	5.0%	\$ 4,484,961	\$ 4,580,649	\$ 95,688
Cash		0.5%	0.0%	\$ -	\$ 486,362	\$ 486,362

Allocation by Asset Class						
	Actual Allocation (%)	Target Allocation (%)	+/- Percent	Actual Allocation (\$)	Target Allocation (\$)	+/- Dollars
Franklin County Total Fund						
Domestic Equity	37.6%	40.0%	-2.4%	\$ 33,704,457	\$ 35,879,687	\$ (2,175,230)
Int'l Equity	13.8%	15.0%	-1.2%	\$ 12,412,539	\$ 13,454,883	\$ (1,042,343)
Fixed Income	24.0%	25.0%	-1.0%	\$ 21,525,057	\$ 22,424,805	\$ (899,748)
Real Estate	10.2%	10.0%	0.2%	\$ 9,113,164	\$ 8,969,922	\$ 143,242
Timber	2.2%	2.5%	-0.3%	\$ 1,939,303	\$ 2,242,480	\$ (303,178)
Alternatives-Private Equity	6.6%	5.0%	1.6%	\$ 5,918,130	\$ 4,484,961	\$ 1,433,169
Hedge Funds	5.1%	2.5%	2.6%	\$ 4,600,206	\$ 2,242,480	\$ 2,357,726
Cash	<u>0.5%</u>	<u>0.0%</u>	0.5%	\$ 486,362	\$ -	\$ 486,362
	100.0%	100.0%		\$ 89,699,218	\$ 89,699,218	

EXECUTIVE SUMMARY

PERFORMANCE SUMMARY

	Quarter	YTD	1 Year	-----Annualized-----	
				3 Years	Since 12/2006
Total Portfolio	7.7	7.7	3.1	16.8	3.5
<i>PUBLIC FUND RANK</i>	(42)	(42)	(91)	(34)	(52)
POLICY INDEX	8.0	8.0	6.5	16.6	3.1
PRIT Core	7.3	7.3	3.1	16.1	2.5
CUSTOM CORE IDX	7.0	7.0	3.8	15.8	3.3
Domestic Equity	13.3	13.3	-2.2	26.9	4.2
<i>ALL CAP RANK</i>	(40)	(40)	(91)	(37)	(42)
CUSTOM EQ INDEX	12.7	12.7	3.2	26.2	3.1
PRIT EQUITY	12.7	12.7	7.1	23.7	-0.4
S&P 500	12.6	12.6	8.5	23.4	2.0
S&P 400	13.5	13.5	2.0	28.6	5.7
RUSSELL 3000	12.9	12.9	7.2	24.3	2.3
RUSSELL 1000	12.9	12.9	7.9	24.0	2.3
RUSSELL 1000G	14.7	14.7	11.0	25.3	5.1
RUSSELL 1000V	11.1	11.1	4.8	22.8	-0.5
RUSSELL MID	12.9	12.9	3.3	29.1	3.7
RUSSELL 2000	12.4	12.4	-0.2	26.9	2.4
Real Estate	4.7	4.7	15.1	3.9	-0.6
NCREIF ODCE	2.8	2.8	14.7	4.2	0.3
Fixed Income	1.3	1.3	7.7	9.5	6.7
<i>CORE FIXED INCOME RANK</i>	(39)	(39)	(56)	(42)	(51)
BARCLAYS AGG	0.3	0.3	7.7	6.8	6.2
PRIT FIXED	1.1	1.1	8.3	9.4	6.1
GOV/CREDIT	0.1	0.1	8.5	7.1	6.2
INT AGGREGATE	0.7	0.7	6.2	6.1	5.9
INT GOV/CREDIT	0.6	0.6	6.1	5.9	5.7

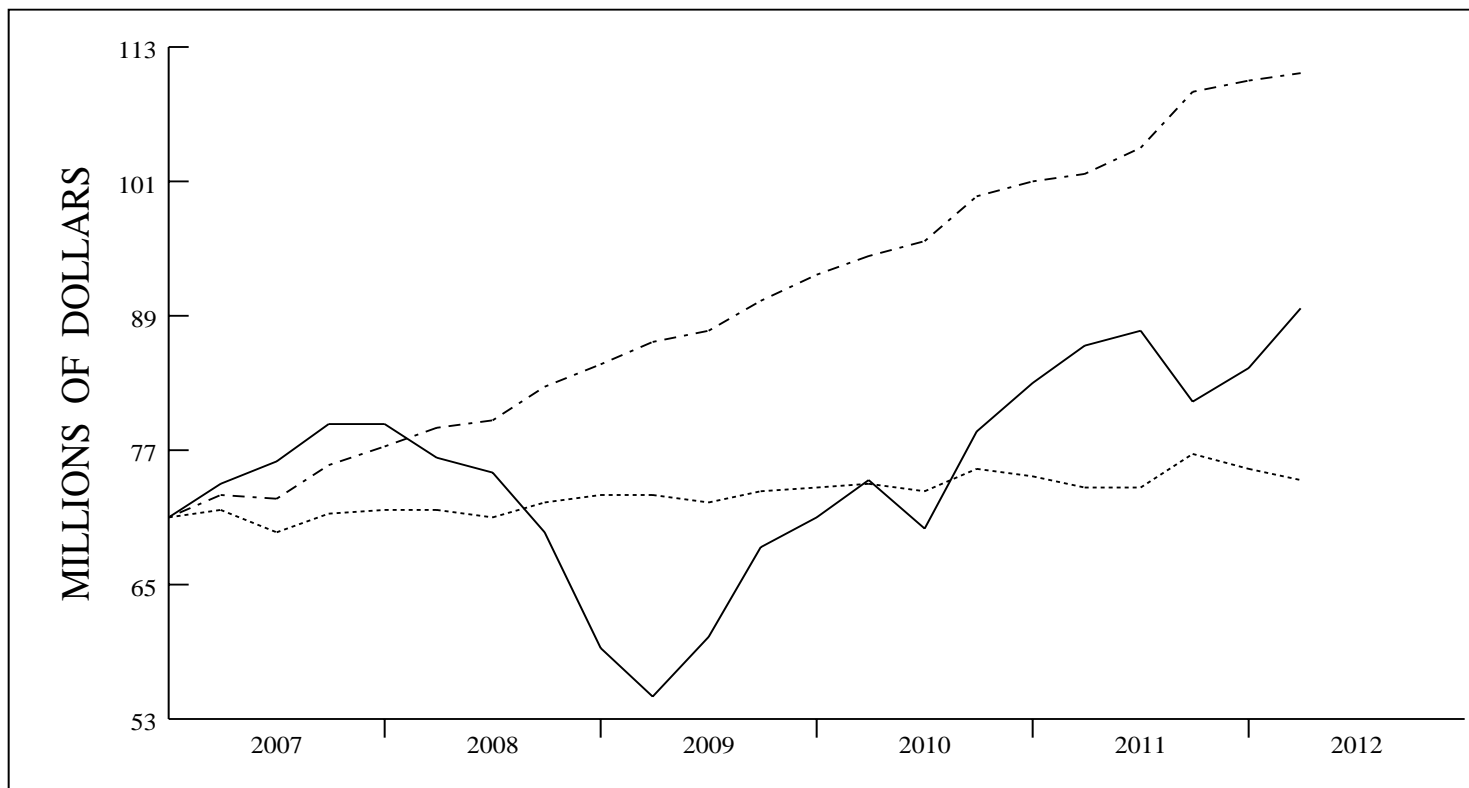
ASSET ALLOCATION

PRIT Core	55.9%	\$ 50,111,180
Domestic Equity	25.2%	22,604,767
Real Estate	5.1%	4,583,113
Fixed Income	12.1%	10,886,453
Cash	1.7%	1,513,706
Total Portfolio	100.0%	\$ 89,699,218

INVESTMENT RETURN

Market Value 12/2011	\$ 84,471,532
Contribs / Withdrawals	- 1,241,856
Income	330,923
Capital Gains / Losses	6,138,619
Market Value 3/2012	\$ 89,699,218

INVESTMENT GROWTH

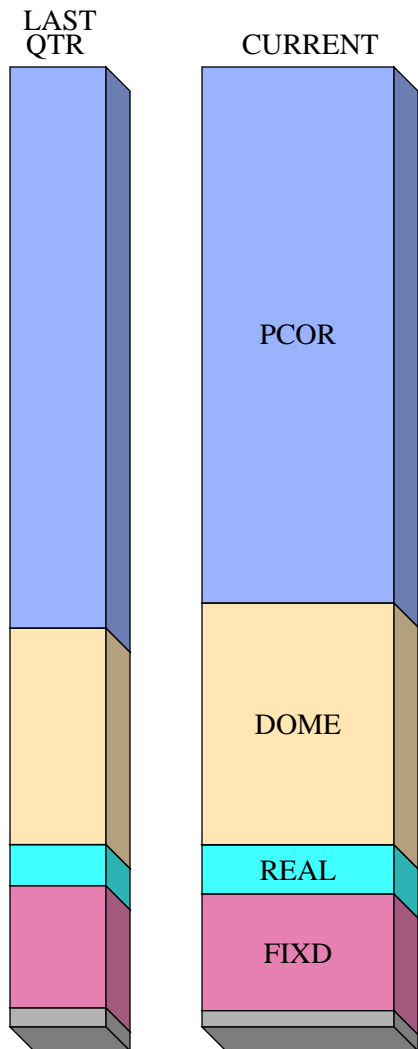


— ACTUAL RETURN
 - - - 8.0%
 0.0%

VALUE ASSUMING
 8.0% RETURN
 \$ 110,892,741

	LAST QUARTER	PERIOD 12/06 - 3/12
BEGINNING VALUE	\$ 84,471,532	\$ 71,238,860
NET CONTRIBUTIONS	- 1,241,856	3,171,010
<u>INVESTMENT RETURN</u>	<u>6,469,542</u>	<u>15,289,348</u>
ENDING VALUE	\$ 89,699,218	\$ 89,699,218
INCOME	330,923	8,861,594
<u>CAPITAL GAINS (LOSSES)</u>	<u>6,138,619</u>	<u>6,427,754</u>
INVESTMENT RETURN	6,469,542	15,289,348

ASSET ALLOCATION









	<u>VALUE</u>	<u>PERCENT</u>	<u>TARGET</u>	<u>DIFFERENCE</u> <u>+ / -</u>
PRIT CORE	\$ 50,111,180	55.9%	55.0%	0.9%
DOMESTIC EQUITY	22,604,767	25.2%	27.0%	-1.8%
REAL ESTATE	4,583,113	5.1%	5.0%	0.1%
FIXED INCOME	10,886,453	12.1%	13.0%	-0.9%
CASH & EQUIVALENT	1,513,706	1.7%	0.0%	1.7%
<u>TOTAL FUND</u>	<u>\$ 89,699,218</u>	<u>100.0%</u>		

MANAGER PERFORMANCE SUMMARY






Name	(Universe)	Quarter	YTD	1 Year	3 Years	5 Years
Total Portfolio	(Public Fund)	7.7 (42)	7.7 (42)	3.1 (91)	16.8 (34)	3.0 (59)
<i>Franklin Regional Policy Index</i>		8.0 ----	8.0 ----	6.5 ----	16.6 ----	2.9 ----
PRIT Core Fund		7.3 ----	7.3 ----	3.1 ----	16.1 ----	1.9 ----
<i>Custom Core Index</i>		7.0 ----	7.0 ----	3.8 ----	15.8 ----	2.9 ----
Seizert Capital Partners	(Mid Cap)	12.8 (71)	12.8 (71)	---- ----	---- ----	---- ----
<i>Russell Mid Cap</i>		12.9 ----	12.9 ----	3.3 ----	29.1 ----	3.0 ----
Daruma	(Small Cap)	12.8 (48)	12.8 (48)	-10.2 (99)	29.1 (46)	5.3 (35)
<i>Russell 2000</i>		12.4 ----	12.4 ----	-0.2 ----	26.9 ----	2.1 ----
PRIT Core Real Estate		4.7 ----	4.7 ----	11.8 ----	---- ----	---- ----
<i>NCREIF NFI-ODCE Index</i>		2.8 ----	2.8 ----	14.7 ----	4.2 ----	-0.4 ----
Income Research & Management	(Core Fixed)	1.3 (39)	1.3 (39)	7.7 (56)	9.5 (42)	6.7 (54)
<i>Barclays Aggregate Index</i>		0.3 ----	0.3 ----	7.7 ----	6.8 ----	6.3 ----

MANAGER VALUE ADDED

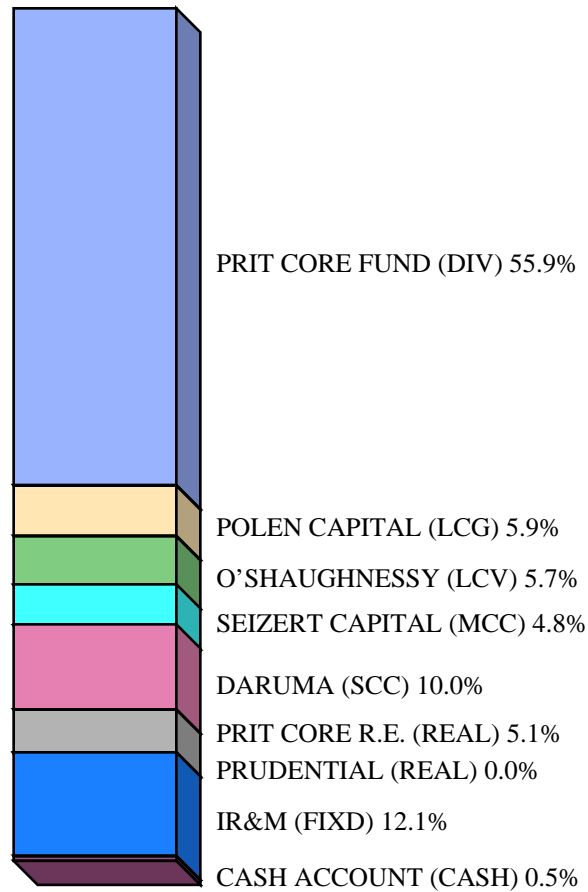
Most Recent Quarter

Manager	Benchmark	Value Added Vs. Benchmark
PRIT Core Fund	Custom Core Idx	0.3 
Seizert Capital	Russell Mid	-0.2 
Daruma	Russell 2000	0.3 
PRIT Core R.E.	NCREIF ODCE	1.8 
IR&M	Barclays Agg	1.0 
Total Portfolio	Policy Index	-0.4 

Trailing Twelve Months

Manager	Benchmark	Value Added Vs. Benchmark
PRIT Core Fund	Custom Core Idx	-0.8 
Seizert Capital	Russell Mid	N/A
Daruma	Russell 2000	-10.0 
PRIT Core R.E.	NCREIF ODCE	-2.9 
IR&M	Barclays Agg	-0.1 
Total Portfolio	Policy Index	-3.4 

MANAGER ALLOCATION SUMMARY

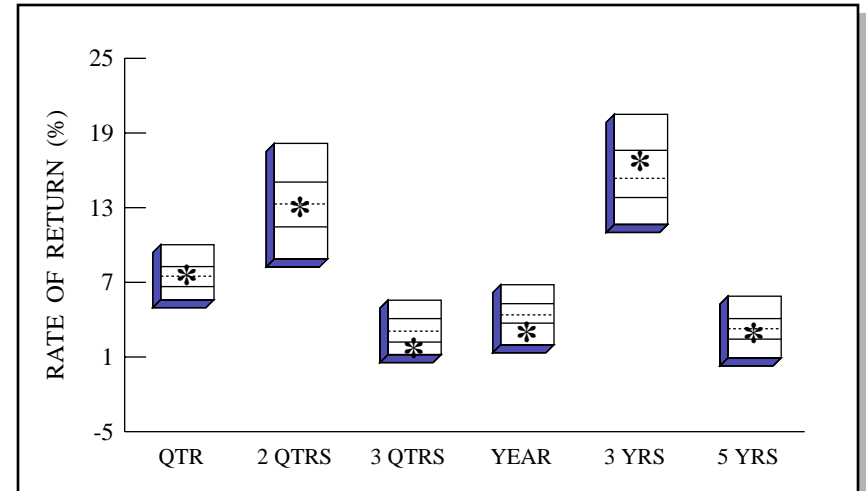
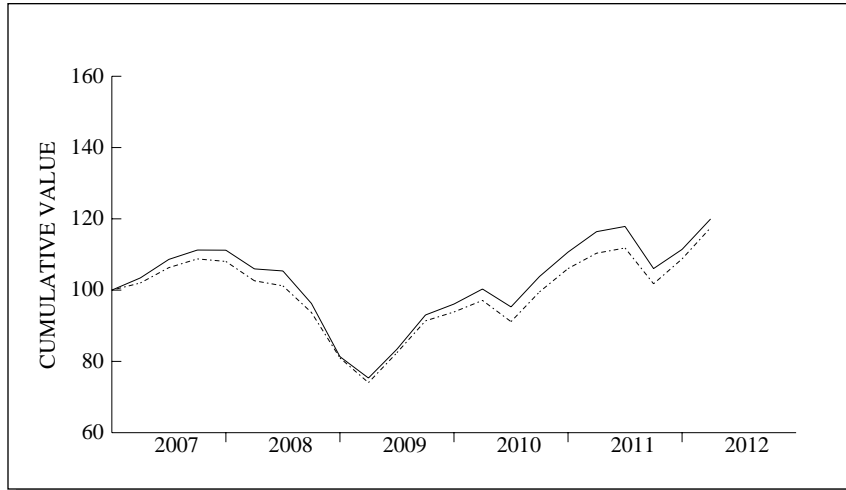


Name	Market Value	Percent	Target
PRIT Core Fund (DIV)	\$50,111,180	55.9	55.0
Polen Capital (LCG)	\$5,273,154	5.9	6.0
O'Shaughnessy (LCV)	\$5,103,112	5.7	6.0
Seizert Capital (MCC)	\$4,304,613	4.8	5.0
Daruma (SCC)	\$8,951,231	10.0	10.0
PRIT Core R.E. (REAL)	\$4,580,649	5.1	5.0
Prudential (REAL)	\$2,464	0.0	0.0
IR&M (FIXD)	\$10,886,453	12.1	13.0
Cash Account (CASH)	\$486,362	0.5	0.0
Total Fund	\$89,699,218	100.0	100.0

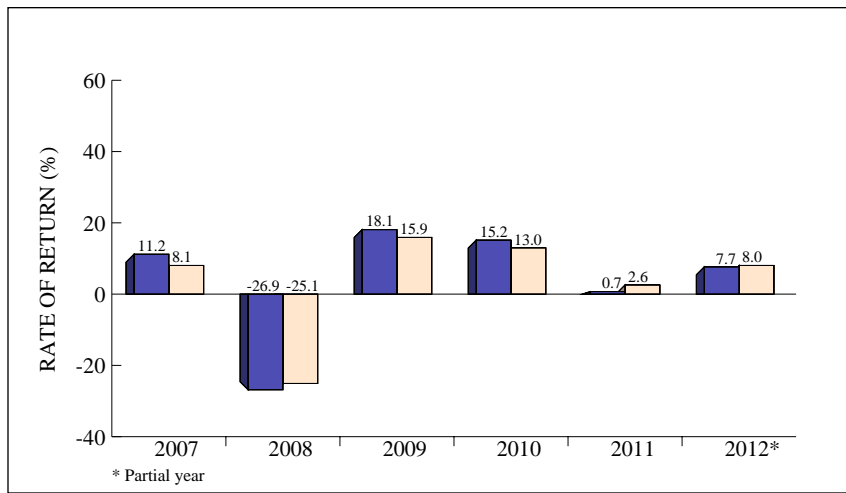
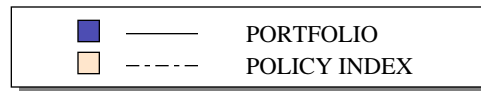
INVESTMENT RETURN SUMMARY - ONE QUARTER

Name	Quarter Total Return	Market Value December 31st, 2011	Net Cashflow	Net Investment Return	Market Value March 31st, 2012
PRIT Core Fund (DIV)	7.3	49,402,580	-2,906,839	3,615,439	50,111,180
RhumbLine (LC)	---	7,338,113	-7,913,106	574,993	0
Polen Capital (LCG)	---	0	5,000,000	273,154	5,273,154
O'Shaughnessy (LCV)	---	0	5,000,000	103,112	5,103,112
Seizert Capital (MCC)	12.8	4,290,766	-533,000	546,847	4,304,613
Daruma (SCC)	12.8	7,937,070	0	1,014,161	8,951,231
PRIT Core R.E. (REAL)	4.7	4,335,832	41,744	203,073	4,580,649
Prudential (REAL)	---	2,376	0	88	2,464
IR&M (FIXD)	1.3	10,748,027	0	138,426	10,886,453
Cash Account (CASH)	---	416,768	69,345	249	486,362
Total Fund	7.7	84,471,532	-1,241,856	6,469,542	89,699,218

TOTAL RETURN COMPARISONS



Public Fund Universe

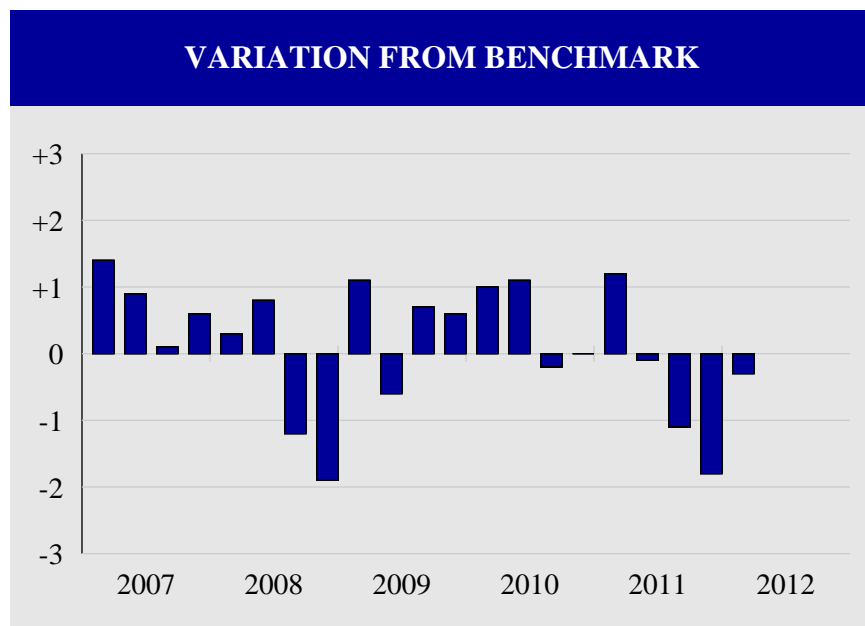


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	7.7	13.1	1.8	3.1	16.8	3.0
(RANK)	(42)	(51)	(89)	(91)	(34)	(59)
5TH %ILE	10.0	18.2	5.6	6.8	20.5	5.9
25TH %ILE	8.3	15.1	4.1	5.3	17.6	4.1
MEDIAN	7.5	13.3	3.1	4.4	15.4	3.3
75TH %ILE	6.7	11.5	2.2	3.7	13.8	2.4
95TH %ILE	5.6	8.9	1.2	2.0	11.7	0.9
Policy Idx	8.0	15.4	5.1	6.5	16.6	2.9

Public Fund Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

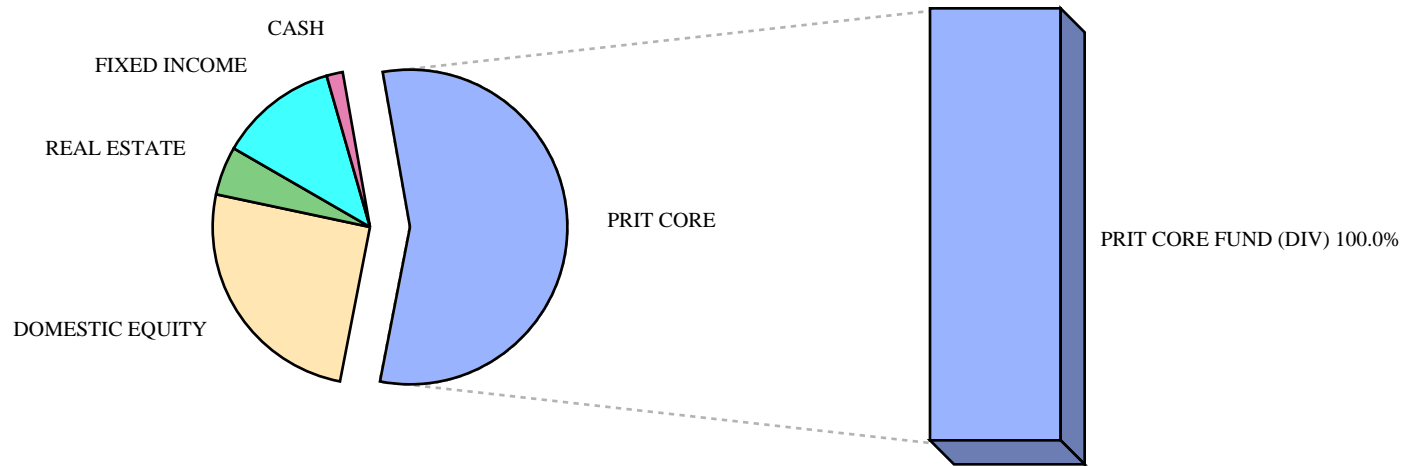
COMPARATIVE BENCHMARK: FRANKLIN REGIONAL POLICY INDEX



Total Quarters Observed	21
Quarters At or Above the Benchmark	13
Quarters Below the Benchmark	8
Batting Average	.619

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	3.4	2.0	1.4
6/07	5.1	4.2	0.9
9/07	2.4	2.3	0.1
12/07	0.0	-0.6	0.6
3/08	-4.7	-5.0	0.3
6/08	-0.6	-1.4	0.8
9/08	-8.6	-7.4	-1.2
12/08	-15.5	-13.6	-1.9
3/09	-7.4	-8.5	1.1
6/09	10.7	11.3	-0.6
9/09	11.5	10.8	0.7
12/09	3.3	2.7	0.6
3/10	4.4	3.4	1.0
6/10	-5.0	-6.1	1.1
9/10	9.0	9.2	-0.2
12/10	6.6	6.6	0.0
3/11	5.2	4.0	1.2
6/11	1.3	1.4	-0.1
9/11	-10.1	-9.0	-1.1
12/11	5.1	6.9	-1.8
3/12	7.7	8.0	-0.3

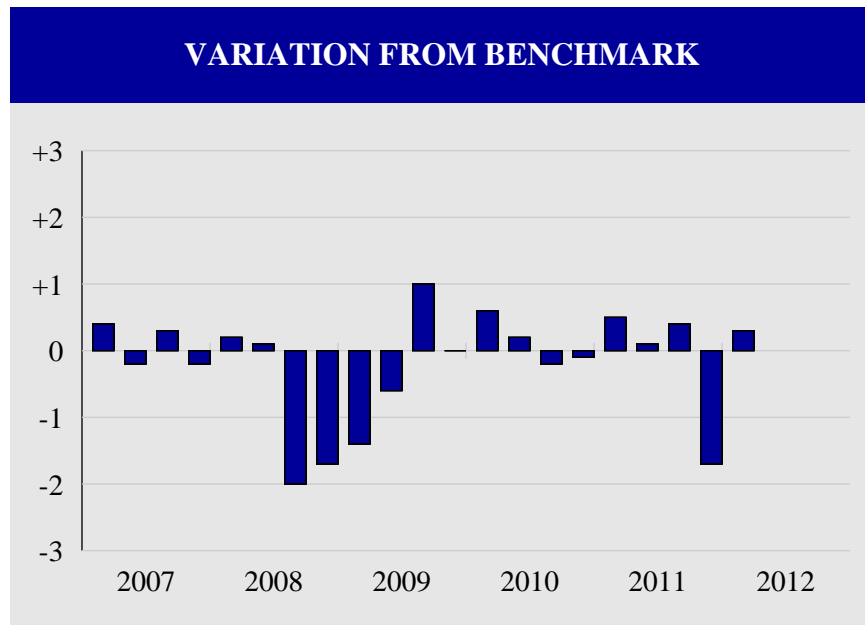
PRIT CORE MANAGER SUMMARY



MANAGER	(UNIVERSE)	TOTAL RETURNS AND RANKINGS					MARKET VALUE
		QTR	YTD	1 YEAR	3 YEARS	5 YEARS	
PRIT CORE FUND		7.3 ---	7.3 ---	3.1 ---	16.1 ---	1.9 ---	\$50,111,180
<i>Custom Core Index</i>		<i>7.0 ---</i>	<i>7.0 ---</i>	<i>3.8 ---</i>	<i>15.8 ---</i>	<i>2.9 ---</i>	---

PRIT CORE QUARTERLY PERFORMANCE SUMMARY

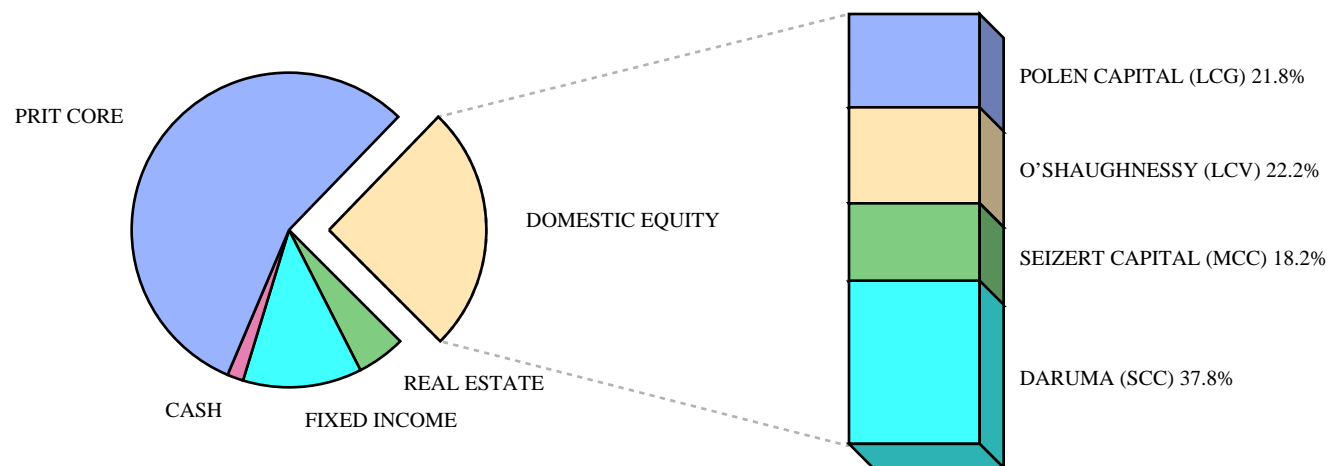
COMPARATIVE BENCHMARK: CUSTOM CORE INDEX



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	3.3	2.9	0.4
6/07	5.0	5.2	-0.2
9/07	3.0	2.7	0.3
12/07	0.2	0.4	-0.2
3/08	-4.4	-4.6	0.2
6/08	-0.5	-0.6	0.1
9/08	-11.4	-9.4	-2.0
12/08	-16.3	-14.6	-1.7
3/09	-8.1	-6.7	-1.4
6/09	11.7	12.3	-0.6
9/09	11.5	10.5	1.0
12/09	2.9	2.9	0.0
3/10	3.5	2.9	0.6
6/10	-5.0	-5.2	0.2
9/10	8.9	9.1	-0.2
12/10	6.1	6.2	-0.1
3/11	4.3	3.8	0.5
6/11	1.7	1.6	0.1
9/11	-9.0	-9.4	0.4
12/11	3.7	5.4	-1.7
3/12	7.3	7.0	0.3

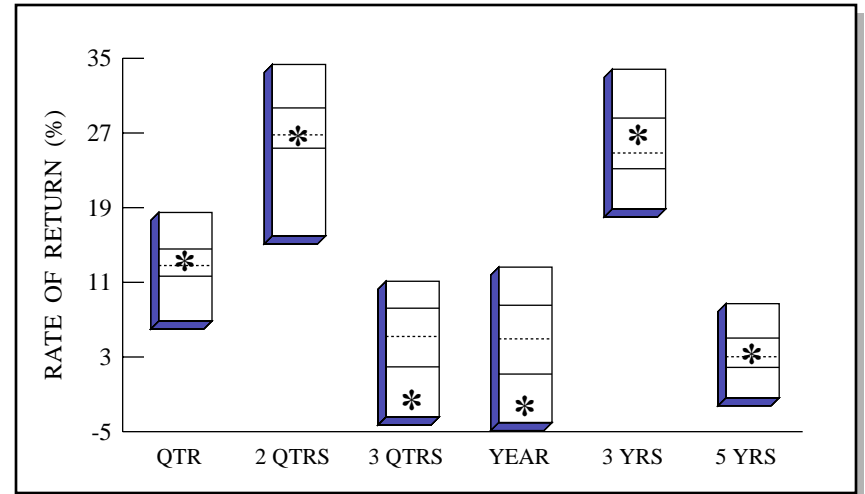
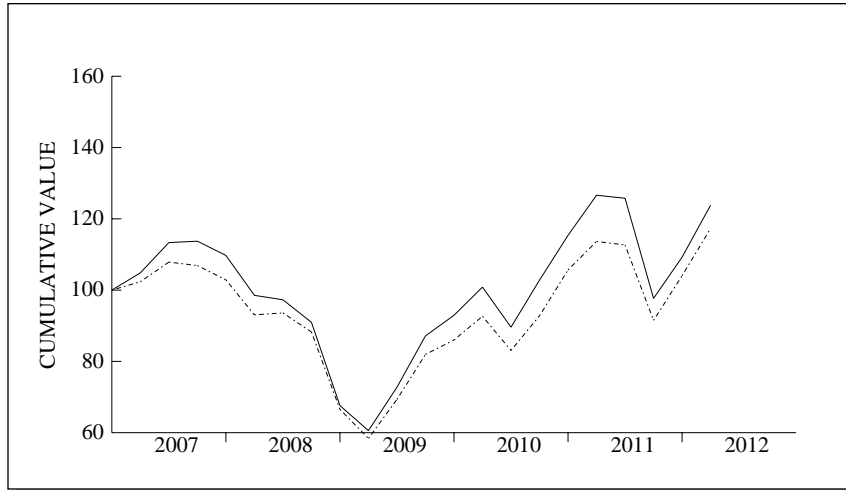
Total Quarters Observed	21
Quarters At or Above the Benchmark	12
Quarters Below the Benchmark	9
Batting Average	.571

DOMESTIC EQUITY MANAGER SUMMARY

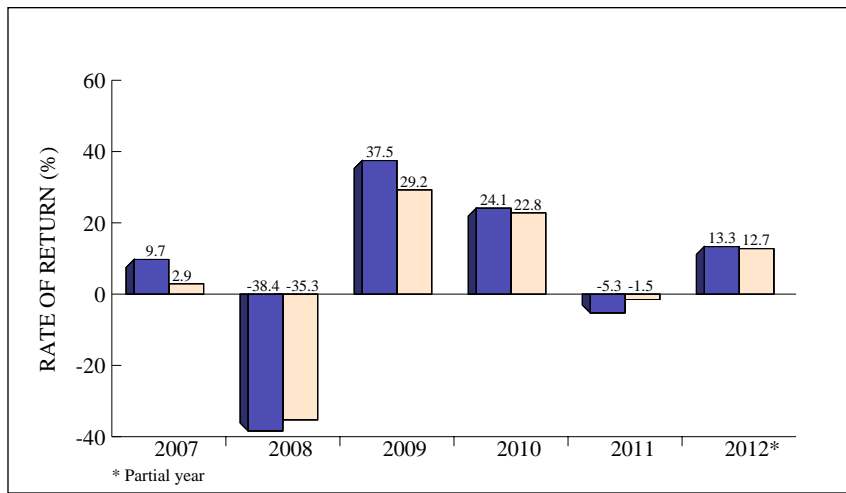


TOTAL RETURNS AND RANKINGS								
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE	
POLEN CAPITAL	(Large Cap Growth)	----	----	----	----	----	\$5,273,154	
<i>Russell 1000 Growth</i>		14.7	14.7	11.0	25.3	5.1	----	
O'SHAUGHNESSY	(Large Cap Value)	----	----	----	----	----	\$5,103,112	
<i>Russell 1000 Value</i>		11.1	11.1	4.8	22.8	-0.8	----	
SEIZERT CAPITAL	(Mid Cap)	12.8 (71)	12.8 (71)	----	----	----	\$4,304,613	
<i>Russell Mid Cap</i>		12.9	12.9	3.3	29.1	3.0	----	
DARUMA	(Small Cap)	12.8 (48)	12.8 (48)	-10.2 (99)	29.1 (46)	5.3 (35)	\$8,951,231	
<i>Russell 2000</i>		12.4	12.4	-0.2	26.9	2.1	----	

DOMESTIC EQUITY RETURN COMPARISONS



All Cap Universe

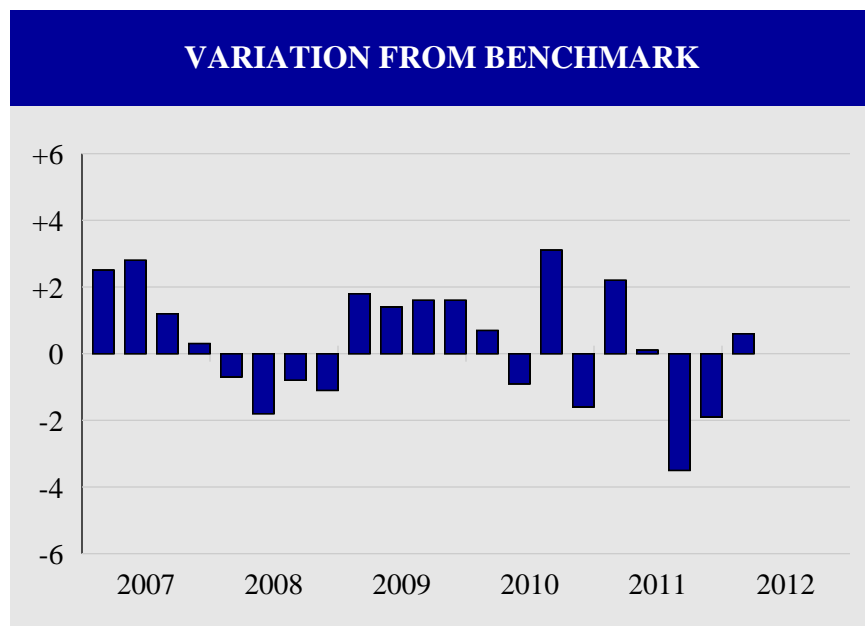


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	13.3	26.7	-1.6	-2.2	26.9	3.4
(RANK)	(40)	(51)	(92)	(91)	(37)	(47)
5TH %ILE	18.5	34.4	11.1	12.6	33.8	8.7
25TH %ILE	14.6	29.7	8.2	8.5	28.6	5.0
MEDIAN	12.8	26.8	5.2	5.0	24.9	3.0
75TH %ILE	11.7	25.4	2.0	1.2	23.2	1.9
95TH %ILE	6.9	16.0	-3.4	-4.0	18.9	-1.4
Equity Index	12.7	28.2	4.1	3.2	26.2	2.8

All Cap Universe

DOMESTIC EQUITY QUARTERLY PERFORMANCE SUMMARY

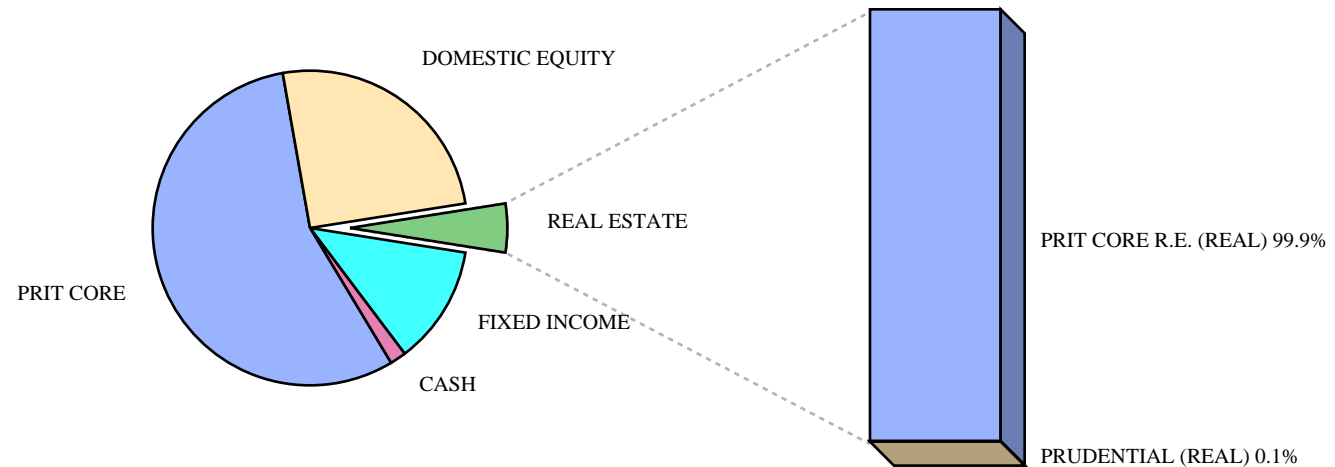
COMPARATIVE BENCHMARK: FRANKLIN COUNTY EQUITY INDEX



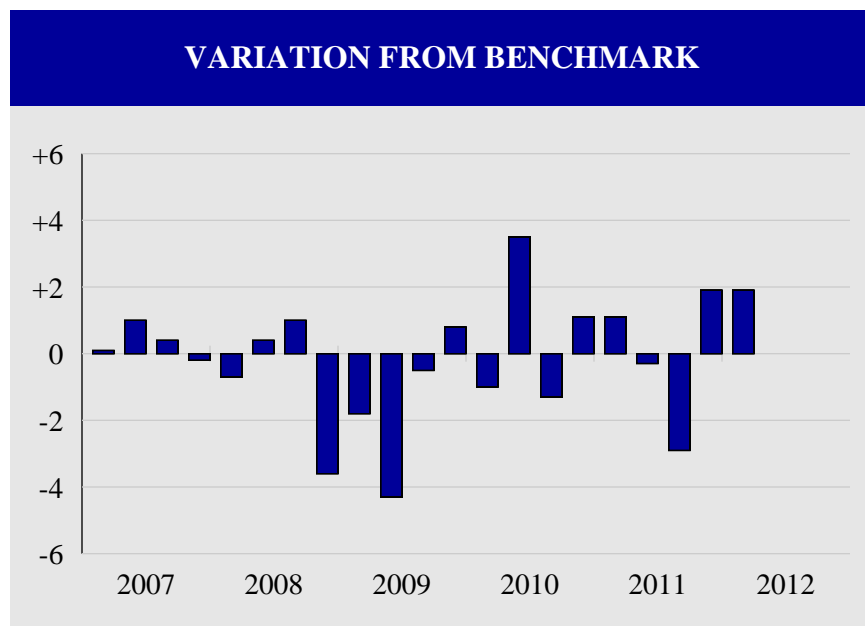
Total Quarters Observed	21
Quarters At or Above the Benchmark	13
Quarters Below the Benchmark	8
Batting Average	.619

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	4.9	2.4	2.5
6/07	8.1	5.3	2.8
9/07	0.3	-0.9	1.2
12/07	-3.5	-3.8	0.3
3/08	-10.2	-9.5	-0.7
6/08	-1.2	0.6	-1.8
9/08	-6.5	-5.7	-0.8
12/08	-25.7	-24.6	-1.1
3/09	-10.4	-12.2	1.8
6/09	20.1	18.7	1.4
9/09	19.8	18.2	1.6
12/09	6.6	5.0	1.6
3/10	8.5	7.8	0.7
6/10	-11.2	-10.3	-0.9
9/10	14.8	11.7	3.1
12/10	12.2	13.8	-1.6
3/11	9.8	7.6	2.2
6/11	-0.7	-0.8	0.1
9/11	-22.3	-18.8	-3.5
12/11	11.8	13.7	-1.9
3/12	13.3	12.7	0.6

REAL ESTATE MANAGER SUMMARY



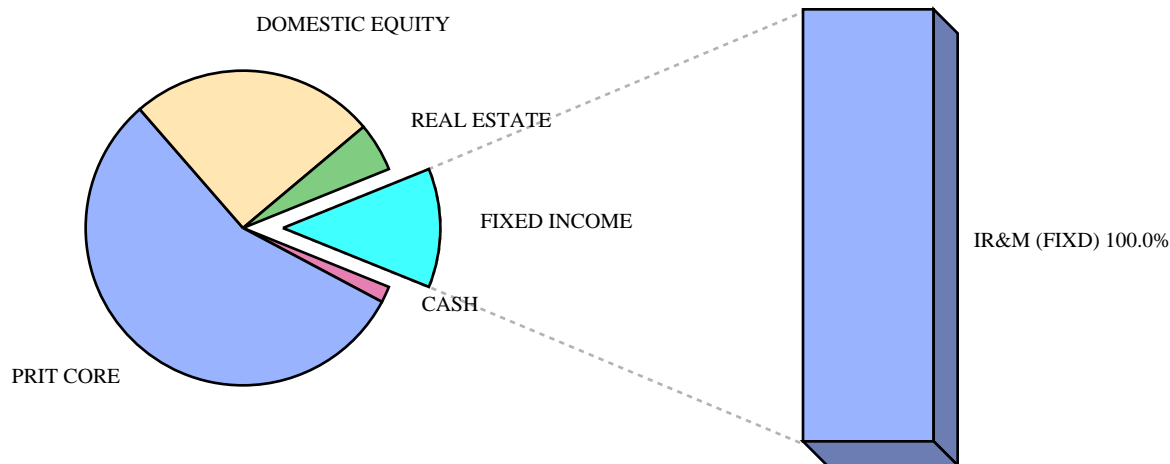
MANAGER	(UNIVERSE)	TOTAL RETURNS AND RANKINGS					MARKET VALUE
		QTR	YTD	1 YEAR	3 YEARS	5 YEARS	
PRIT CORE R.E.		4.7 ---	4.7 ---	11.8 ---	--- ---	--- ---	\$4,580,649
PRUDENTIAL		-----	-----	-----	-----	-----	\$2,464
<i>NCREIF NFI-ODCE Index</i>		2.8 ---	2.8 ---	14.7 ---	4.2 ---	-0.4 ---	---

REAL ESTATE QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX**

Total Quarters Observed	21
Quarters At or Above the Benchmark	11
Quarters Below the Benchmark	10
Batting Average	.524

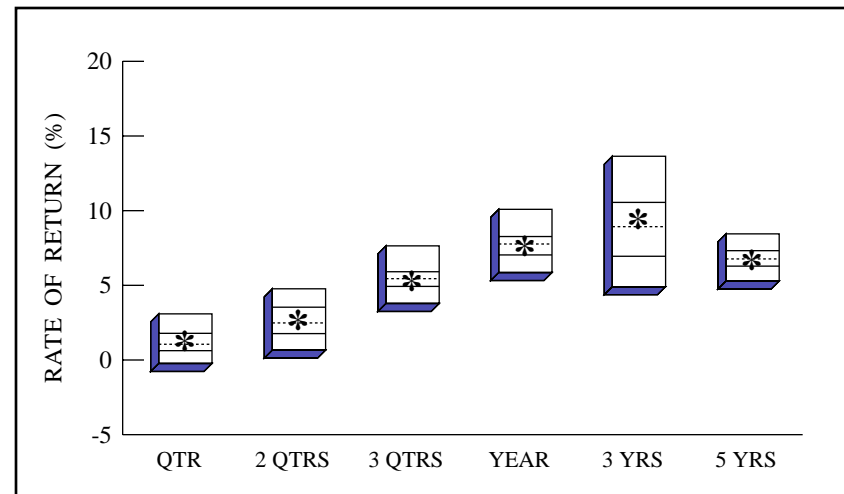
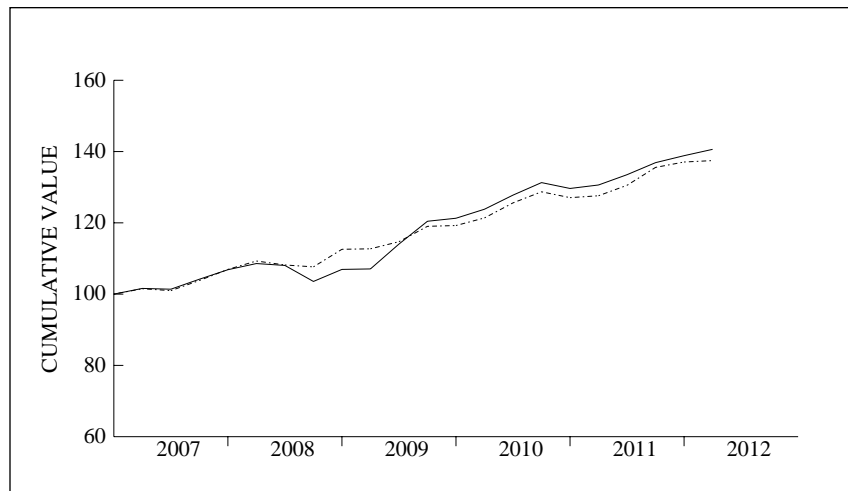
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	4.0	3.9	0.1
6/07	6.1	5.1	1.0
9/07	4.4	4.0	0.4
12/07	1.9	2.1	-0.2
3/08	0.7	1.4	-0.7
6/08	0.7	0.3	0.4
9/08	0.4	-0.6	1.0
12/08	-14.5	-10.9	-3.6
3/09	-15.5	-13.7	-1.8
6/09	-13.3	-9.0	-4.3
9/09	-7.8	-7.3	-0.5
12/09	-2.7	-3.5	0.8
3/10	-0.2	0.8	-1.0
6/10	7.9	4.4	3.5
9/10	4.1	5.4	-1.3
12/10	6.1	5.0	1.1
3/11	5.1	4.0	1.1
6/11	4.3	4.6	-0.3
9/11	0.6	3.5	-2.9
12/11	4.9	3.0	1.9
3/12	4.7	2.8	1.9

FIXED INCOME MANAGER SUMMARY

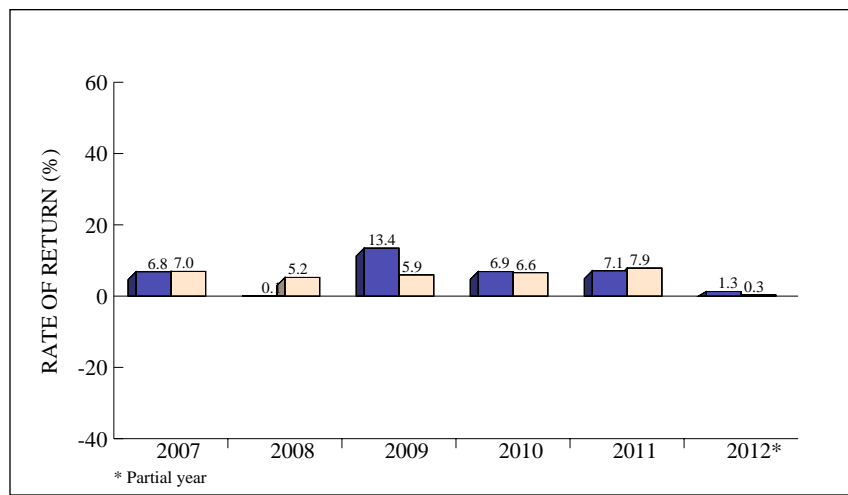


TOTAL RETURNS AND RANKINGS							
MANAGER	(UNIVERSE)	QTR	YTD	1 YEAR	3 YEARS	5 YEARS	MARKET VALUE
IR&M	(Core Fixed Income)	1.3 (39)	1.3 (39)	7.7 (56)	9.5 (42)	6.7 (54)	\$10,886,453
<i>Barclays Aggregate Index</i>		0.3 ----	0.3 ----	7.7 ----	6.8 ----	6.3 ----	----

FIXED INCOME RETURN COMPARISONS

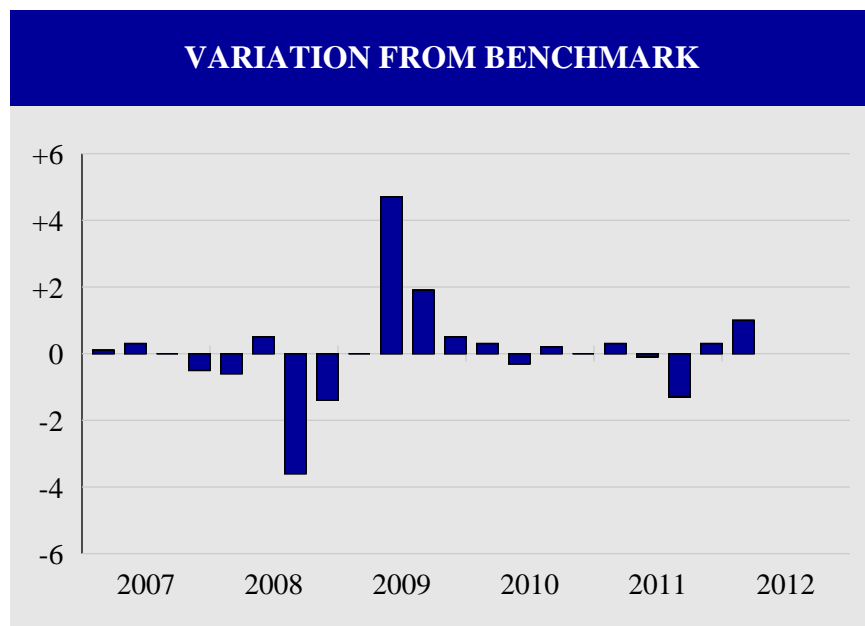


Core Fixed Income Universe



	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	1.3	2.7	5.3	7.7	9.5	6.7
(RANK)	(39)	(40)	(57)	(56)	(42)	(54)
5TH %ILE	3.1	4.8	7.6	10.1	13.7	8.4
25TH %ILE	1.8	3.5	5.9	8.3	10.6	7.3
MEDIAN	1.1	2.5	5.5	7.8	8.9	6.8
75TH %ILE	0.6	1.8	4.9	7.0	6.9	6.3
95TH %ILE	-0.2	0.7	3.8	5.9	4.9	5.3
Agg Index	0.3	1.4	5.3	7.7	6.8	6.3

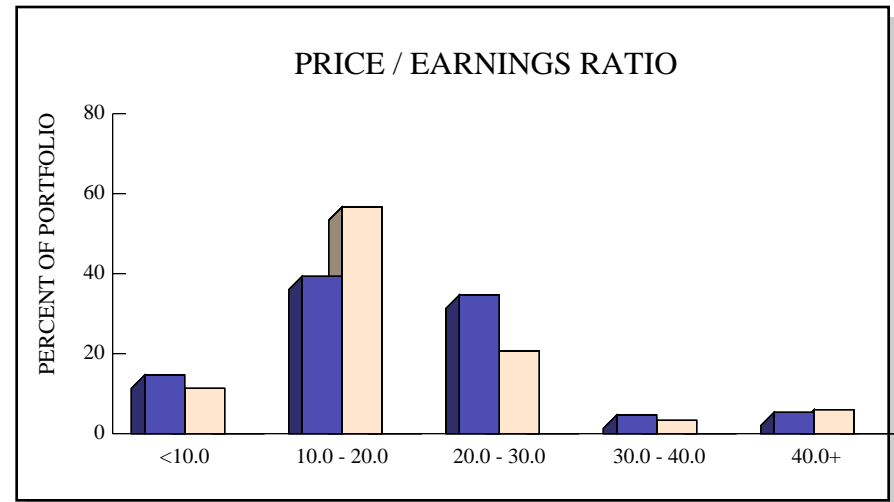
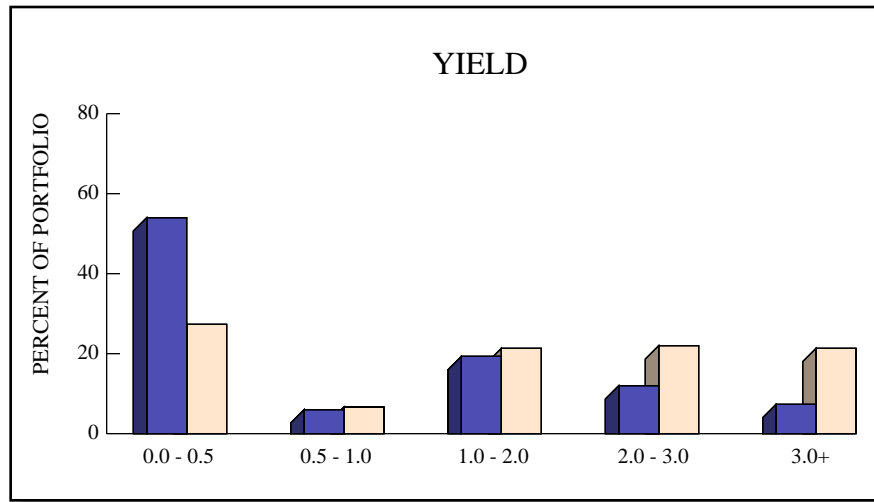
Core Fixed Income Universe

FIXED INCOME QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: BARCLAYS AGGREGATE INDEX**

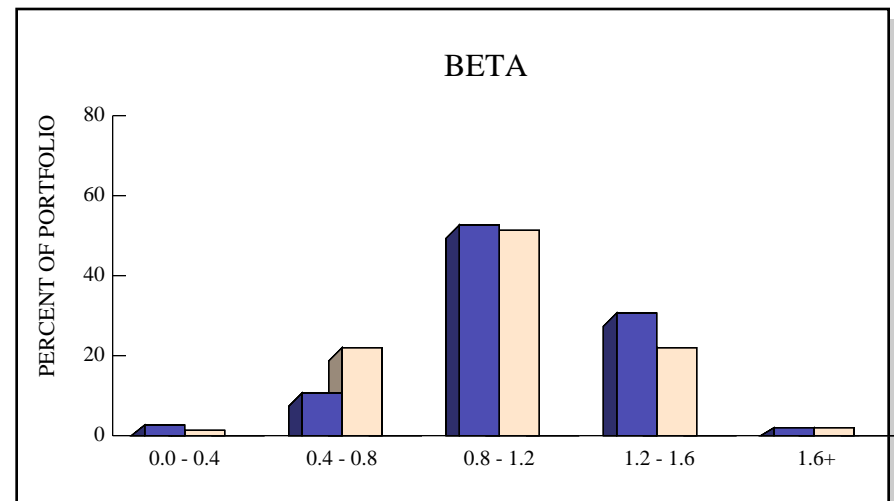
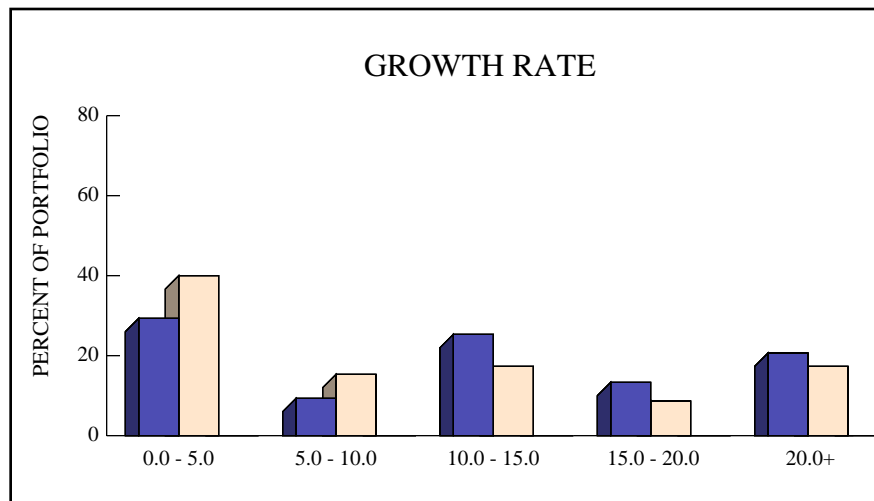
Total Quarters Observed	21
Quarters At or Above the Benchmark	14
Quarters Below the Benchmark	7
Batting Average	.667

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	1.6	1.5	0.1
6/07	-0.2	-0.5	0.3
9/07	2.8	2.8	0.0
12/07	2.5	3.0	-0.5
3/08	1.6	2.2	-0.6
6/08	-0.5	-1.0	0.5
9/08	-4.1	-0.5	-3.6
12/08	3.2	4.6	-1.4
3/09	0.1	0.1	0.0
6/09	6.5	1.8	4.7
9/09	5.6	3.7	1.9
12/09	0.7	0.2	0.5
3/10	2.1	1.8	0.3
6/10	3.2	3.5	-0.3
9/10	2.7	2.5	0.2
12/10	-1.3	-1.3	0.0
3/11	0.7	0.4	0.3
6/11	2.2	2.3	-0.1
9/11	2.5	3.8	-1.3
12/11	1.4	1.1	0.3
3/12	1.3	0.3	1.0

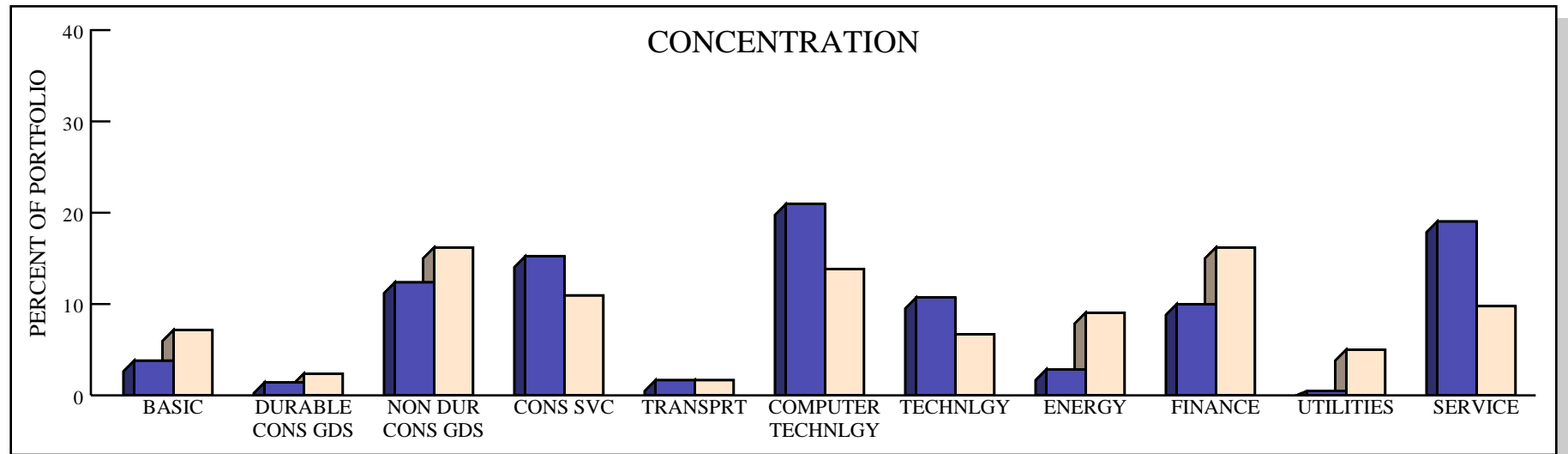
STOCK CHARACTERISTICS



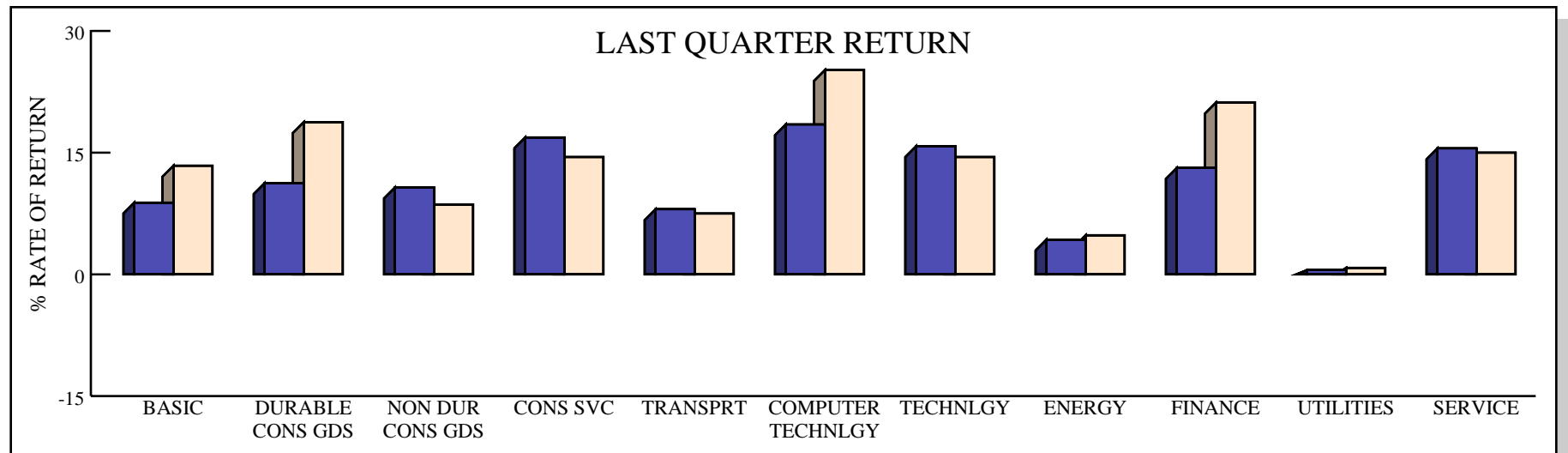
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	0.9%	12.2%	18.5	1.08
RUSSELL 3000	1.8%	9.5%	18.3	1.01



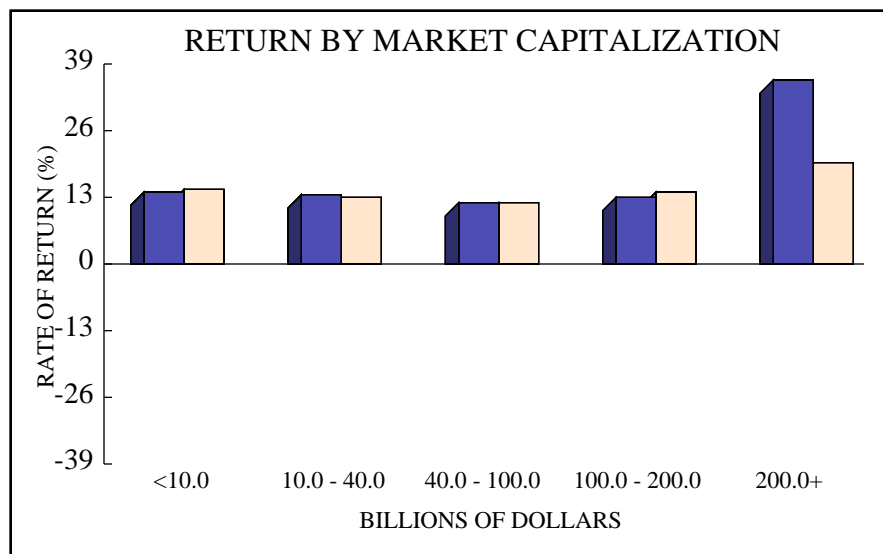
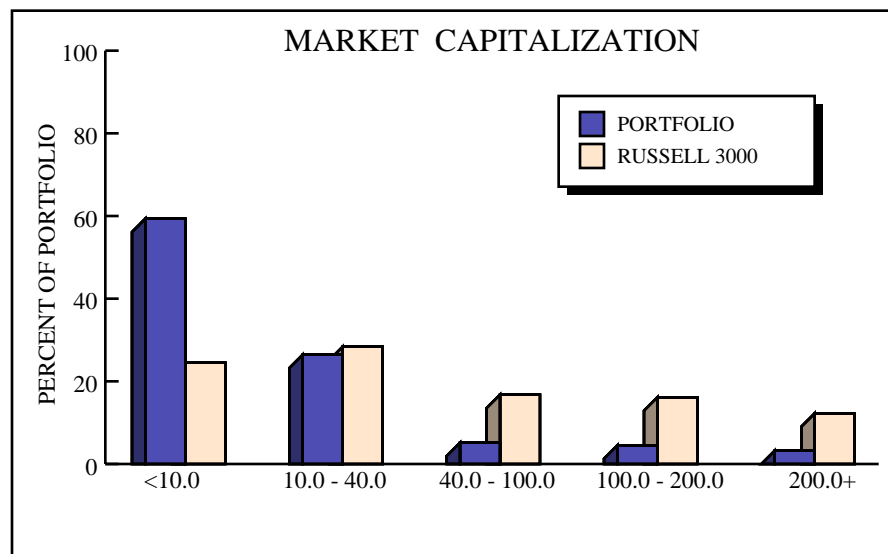
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO ■ RUSSELL 3000



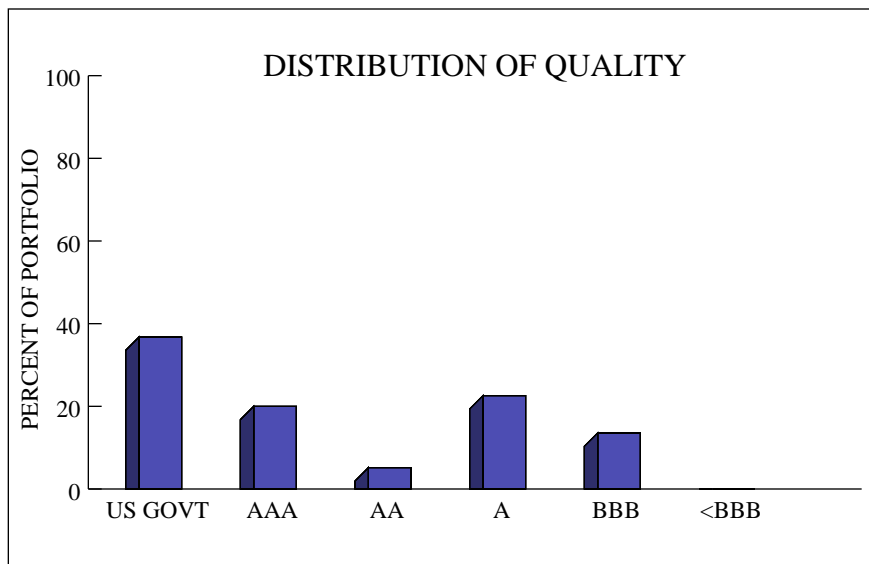
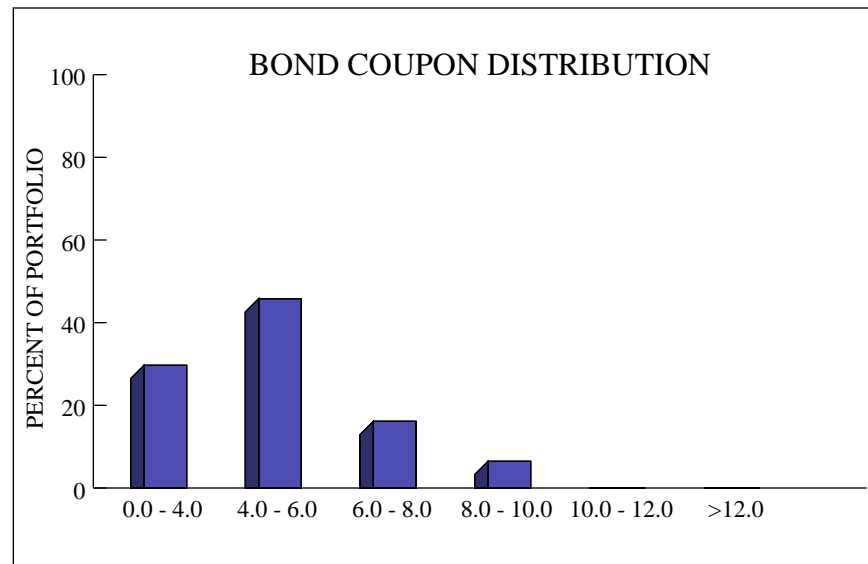
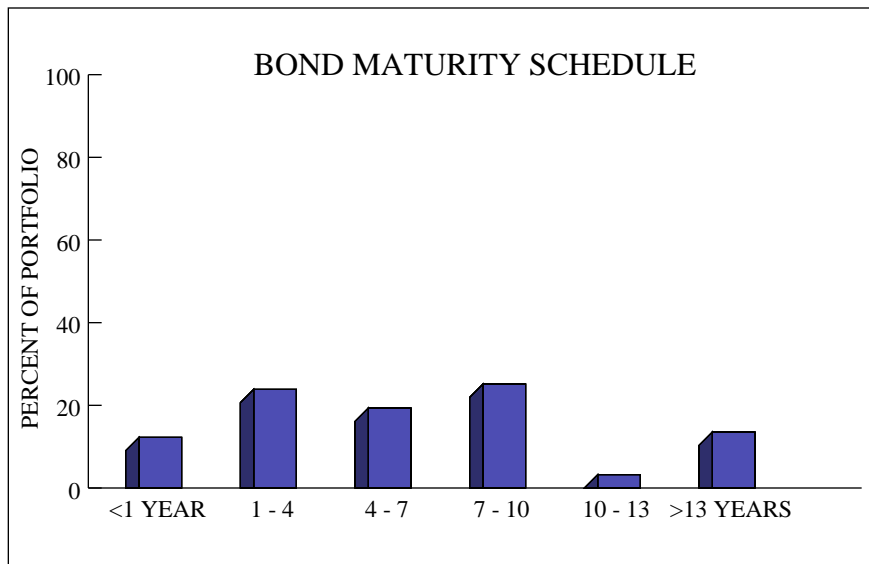
TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	APPLE INC	\$ 462,191	2.04%	48.0%	Computer Tech	\$ 558.9 B
2	QUALCOMM INC	370,029	1.64%	24.7%	Technology	115.1 B
3	WRIGHT EXPRESS CORP	356,662	1.58%	19.3%	Service	2.5 B
4	LIBERTY MEDIA CORP - LIBER-A	353,482	1.56%	12.9%	Service	9.9 B
5	LUMBER LIQUIDATORS HOLDINGS	350,536	1.55%	42.2%	Consumer Service	0.7 B
6	WABTEC CORP	344,441	1.52%	7.8%	Basic	3.6 B
7	BALLY TECHNOLOGIES INC	329,120	1.46%	18.2%	Computer Tech	2.0 B
8	CADENCE DESIGN SYS INC	326,310	1.44%	13.9%	Computer Tech	3.2 B
9	LIFE TIME FITNESS INC	325,671	1.44%	8.2%	Consumer Service	2.1 B
10	SHUTTERFLY INC	322,386	1.43%	37.7%	Service	1.1 B

BOND CHARACTERISTICS



	PORTFOLIO	BARCLAYS AGG
No. of Securities	147	7,929
Duration	5.39	5.01
YTM	2.78	2.22
Average Coupon	4.75	3.89
Avg Maturity / WAL	10.98	7.10
Average Quality	AAA-AA	USG-AAA

APPENDIX - MAJOR MARKET INDEX RETURNS

Domestic Equity	Style	QTR	YTD	1 Year	3 years	5 Years
Russell 3000	Broad Equity	12.9	12.9	7.2	24.3	2.2
S&P 500	Large Cap Core	12.6	12.6	8.5	23.4	2.0
Russell 1000	Large Cap Core	12.9	12.9	7.9	24.0	2.2
Russell 1000 Growth	Large Cap Growth	14.7	14.7	11.0	25.3	5.1
Russell 1000 Value	Large Cap Value	11.1	11.1	4.8	22.8	-0.8
Russell Mid Cap	Midcap	12.9	12.9	3.3	29.1	3.0
Russell Mid Cap Growth	Midcap Growth	14.5	14.5	4.4	29.2	4.4
Russell Mid Cap Value	Midcap Value	11.4	11.4	2.3	29.2	1.3
Russell 2000	Small Cap	12.4	12.4	-0.2	26.9	2.1
Russell 2000 Growth	Small Cap Growth	13.3	13.3	0.7	28.3	4.1
Russell 2000 Value	Small Cap Value	11.6	11.6	-1.1	25.4	0.0
International Equity	Style	QTR	YTD	1 Year	3 years	5 Years
MSCI EAFE	Developed Markets Equity	11.0	11.0	-5.3	17.7	-3.0
MSCI EAFE Growth	Developed Markets Growth	12.1	12.1	-3.4	18.1	-1.5
MSCI EAFE Value	Developed Markets Value	9.9	9.9	-7.2	17.2	-4.6
MSCI All Country World Ex US	Foreign Equity	11.4	11.4	-6.8	19.6	-1.1
MSCI Emerging Markets	Emerging Markets Equity	14.1	14.1	-8.5	25.4	5.0
Domestic Fixed Income	Style	QTR	YTD	1 Year	3 years	5 Years
Barclays Aggregate Index	Core Fixed Income	0.3	0.3	7.7	6.8	6.3
Barclays Gov/Credit	Gov/Credit	0.1	0.1	8.5	7.1	6.3
Barclays Capital Gov't Bond	Treasuries	-1.1	-1.1	7.9	4.0	6.0
Barclays Capital Credit Bond	Corporate Bonds	2.1	2.1	9.4	13.1	7.3
Intermediate Aggregate	Core Intermediate	0.7	0.7	6.2	6.1	5.9
Intermediate Gov/Credit	Gov / Credit Intermediate	0.6	0.6	6.1	5.9	5.7
ML/BoA 1-3 Year Treasury	Short Term Treasuries	-0.1	-0.1	1.4	1.5	3.4
CSFB High Yield	High Yield Bonds	5.0	5.0	6.7	22.7	7.5
Alternative Assets	Style	QTR	YTD	1 Year	3 years	5 Years
Barclays Global Ex-US	International Treasuries	1.2	1.2	3.7	4.6	5.5
NCREIF NFI-ODCE Index	Real Estate	2.8	2.8	14.7	4.2	-0.4
HFRI FOF Composite	Hedge Funds	3.4	3.4	-3.4	4.0	-0.5
DJCS Tremont Hedge Fund Index	Hedge Funds	2.8	2.8	-5.9	7.5	2.0

APPENDIX - DISCLOSURES

- * The Policy index is a policy-weighted passive index and was constructed as follows:
40% Russell 3000 Index / 25% Barclays Aggregate Index / 15% EAFE Index / 10% NCREIF NFI-ODCE/ 2.5% NCREIF Timber / 7.5% S&P 500
- * The Custom Equity index was constructed as follows:
44.5% Russell 2000 index / 33.3% S&P 500 index / 22.2% S&P 400 index
- * The Custom PRIT Core Policy Index is a policy-weighted passive index and was constructed as follows:
26.0% Russell 3000 20.0% MSCI EAFE 5.0% MSCI Emerging Markets
15.0% Barclays Aggregate 5.0% CSFB Hi Yield 10.0% Cambridge Private Equity
10.0% NCREIF NFI-ODCE 4.0% NCREIF Timber 5.0% HFRI Fund of Funds Composite
- * Performance for the Cambridge Private Equity Index is unavailable for the current quarter, a flat return of 0% is assumed.
- * Dahab Associates utilizes data provided by a custodian and other vendors it believes are reliable. However, it cannot assume responsibility for errors and omissions therefrom.
- * All returns were calculated on a time-weighted basis, and are gross of fees unless otherwise noted.
- * All returns for periods greater than one year are annualized.
- * All values are in US dollars.

FRANKLIN REGIONAL RETIREMENT SYSTEM
PRIT CORE FUND
PERFORMANCE REVIEW
MARCH 2012

INVESTMENT RETURN

On March 31st, 2012, the Franklin Regional Retirement System's PRIT Core Fund was valued at \$50,111,180, representing an increase of \$708,600 from the December quarter's ending value of \$49,402,580. Last quarter, the Fund posted withdrawals totaling \$2,906,839, which offset the portfolio's net investment return of \$3,615,439. Income receipts totaling \$249,187 plus net realized and unrealized capital gains of \$3,366,252 combined to produce the portfolio's net investment return.

For the cumulative period since December 2006, the fund has recorded net contributions totaling \$575,187, and recorded net investment gains of \$7.0 million. For the period since December 2006, if the total fund returned a compounded nominal rate of 8.0% it would have been valued at \$65.0 million or \$14.9 million more than the actual value as of March 31st, 2012.

RELATIVE PERFORMANCE

The Custom Core Index is a target-weighted passive index of the asset classes used in the PRIT Core Fund. Among the indices used was the Cambridge Private Equity Index, which had to assume a flat return for the quarter due to the unavailability of its data.

During the first quarter, the PRIT Core Fund returned 7.3%, which was 0.3% greater than the Custom Core Index's return of 7.0%. Over the trailing year, the portfolio returned 3.1%, which was 0.7% below the benchmark's 3.8% performance. Since December 2006, the account returned 2.5% per annum, while the Custom Core Index returned an annualized 3.3% over the same time frame.

ASSET ALLOCATION

This portfolio was fully invested in the PRIT Core Fund at the end of the quarter.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	-----Annualized-----	
				3 Years	Since 12/2006
Total Portfolio	7.3	7.3	3.1	16.1	2.5
CUSTOM CORE IDX	7.0	7.0	3.8	15.8	3.3
PRIT Core	7.3	7.3	3.1	16.1	2.5
CUSTOM CORE IDX	7.0	7.0	3.8	15.8	3.3

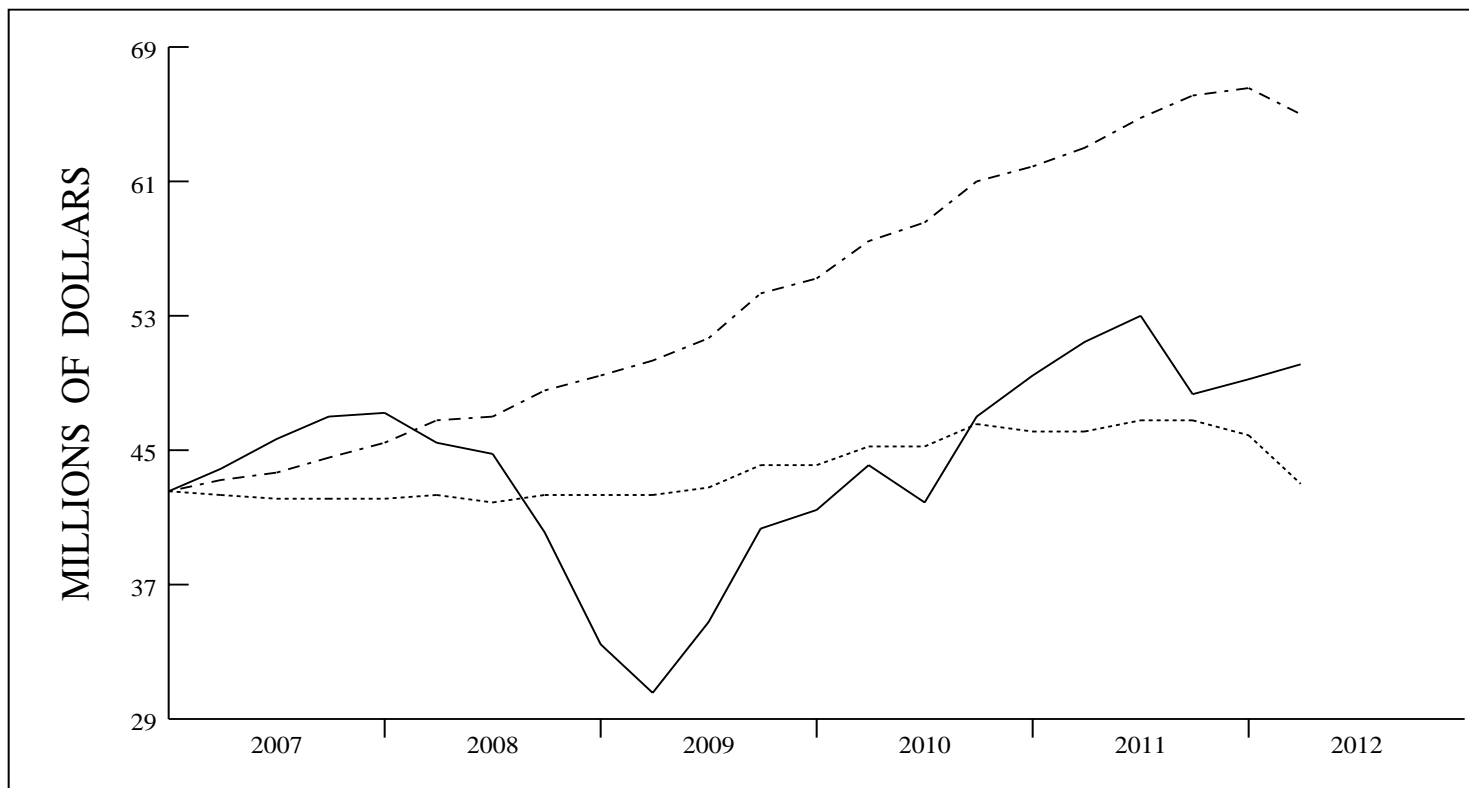
ASSET ALLOCATION

PRIT Core	100.0%	\$ 50,111,180
Total Portfolio	100.0%	\$ 50,111,180

INVESTMENT RETURN

Market Value 12/2011	\$ 49,402,580
Contribs / Withdrawals	-2,906,839
Income	249,187
Capital Gains / Losses	3,366,252
Market Value 3/2012	\$ 50,111,180

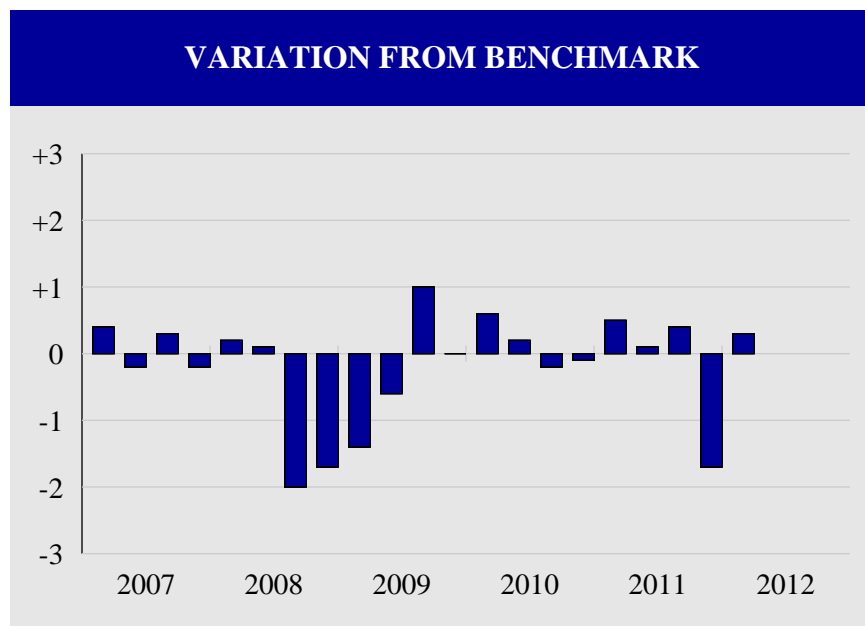
INVESTMENT GROWTH



— ACTUAL RETURN
 - - - 8.0%
 0.0%

VALUE ASSUMING
 8.0% RETURN
 \$ 65,002,453

	LAST QUARTER	PERIOD 12/06 - 3/12
BEGINNING VALUE	\$ 49,402,580	\$ 42,558,456
NET CONTRIBUTIONS	- 2,906,839	575,187
<u>INVESTMENT RETURN</u>	<u>3,615,439</u>	<u>6,977,537</u>
ENDING VALUE	\$ 50,111,180	\$ 50,111,180
INCOME	249,187	7,188,346
CAPITAL GAINS (LOSSES)	<u>3,366,252</u>	<u>-210,809</u>
INVESTMENT RETURN	3,615,439	6,977,537

PRIT CORE QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: CUSTOM CORE INDEX**

Total Quarters Observed	21
Quarters At or Above the Benchmark	12
Quarters Below the Benchmark	9
Batting Average	.571

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	3.3	2.9	0.4
6/07	5.0	5.2	-0.2
9/07	3.0	2.7	0.3
12/07	0.2	0.4	-0.2
3/08	-4.4	-4.6	0.2
6/08	-0.5	-0.6	0.1
9/08	-11.4	-9.4	-2.0
12/08	-16.3	-14.6	-1.7
3/09	-8.1	-6.7	-1.4
6/09	11.7	12.3	-0.6
9/09	11.5	10.5	1.0
12/09	2.9	2.9	0.0
3/10	3.5	2.9	0.6
6/10	-5.0	-5.2	0.2
9/10	8.9	9.1	-0.2
12/10	6.1	6.2	-0.1
3/11	4.3	3.8	0.5
6/11	1.7	1.6	0.1
9/11	-9.0	-9.4	0.4
12/11	3.7	5.4	-1.7
3/12	7.3	7.0	0.3

FRANKLIN REGIONAL RETIREMENT SYSTEM
SEIZERT CAPITAL PARTNERS
PERFORMANCE REVIEW
MARCH 2012

INVESTMENT RETURN

On March 31st, 2012, the Franklin Regional Retirement System's Seizert Capital Partners portfolio was valued at \$4,304,613, representing an increase of \$13,847 from the December quarter's ending value of \$4,290,766. Last quarter, the Fund posted withdrawals totaling \$533,000, which offset the portfolio's net investment return of \$546,847. Income receipts totaling \$16,390 plus net realized and unrealized capital gains of \$530,457 combined to produce the portfolio's net investment return.

For the cumulative period since June 2011, the fund has recorded net withdrawals totaling \$533,000, and recorded net investment losses of \$97,454. For the period since June 2011, if the total fund returned a compounded nominal rate of 8.0% it would have been valued at \$4.7 million or \$388,979 more than the actual value as of March 31st, 2012.

RELATIVE PERFORMANCE

In the first quarter, the Seizert Capital Partners portfolio gained 12.8%, which was 0.1% below the Russell Mid Cap's return of 12.9% and ranked in the 71st percentile of the Mid Cap universe.

ASSET ALLOCATION

On March 31st, 2012, domestic equities comprised 95.4% of the total portfolio (\$4.1 million), while cash & equivalents comprised the remaining 4.6% (\$197,507).

ANALYSIS

At the end of the quarter, the Seizert portfolio was invested in ten of the eleven industry sectors in our analysis. Relative to the Russell Mid Cap, the portfolio placed more emphasis into the Transportation, Computer Technology, Energy, Finance, and Service sectors. In contrast, the portfolio's weightings in the Basic, Consumer Service, and Technology sectors were notably light, while the Utilities sector was vacant of holdings.

The Seizert portfolio can attribute their slight underperformance relative to the benchmark to stock selection that offset positive allocation effects. Larger allocations relative to the index in the Transportation, Energy, and Finance sectors proved to be beneficial since all three significantly surpassed their respective index counterparts. Conversely the remaining utilized sectors fell short of the benchmark and placed enough drag on the portfolio to give it a 10 basis point shortfall for the quarter.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	3 Years*	Since 6/2011
Total Portfolio	12.8	12.8	----	----	-2.0
<i>MID CAP RANK</i>	(71)	(71)	----	----	(92)
RUSSELL MID	12.9	12.9	3.3	29.1	2.9
Domestic Equity	13.4	13.4	----	----	-1.9
<i>MID CAP RANK</i>	(61)	(61)	----	----	(92)
RUSSELL MID	12.9	12.9	3.3	29.1	2.9

* Annualized Return

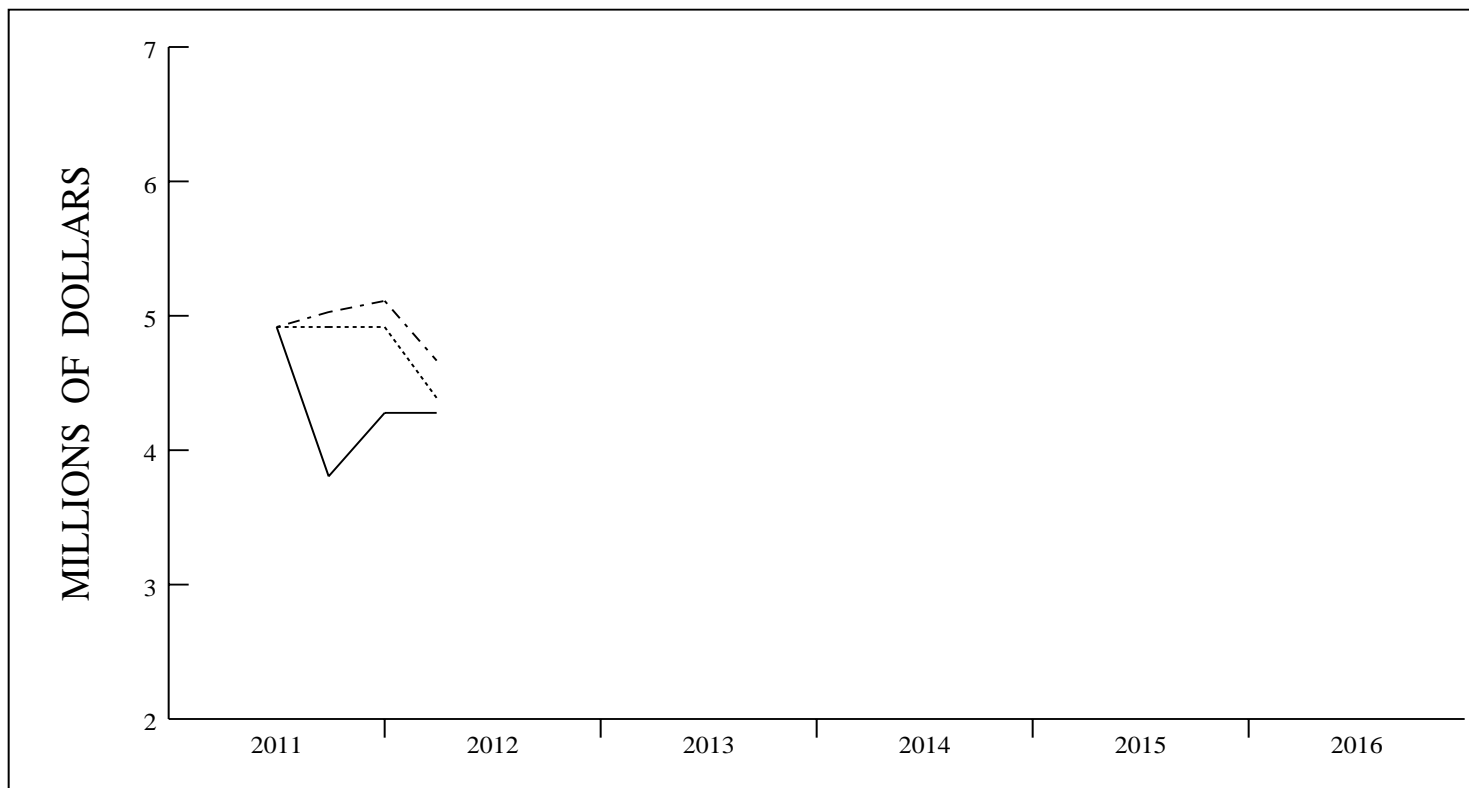
ASSET ALLOCATION

Domestic Equity	95.4%	\$ 4,107,105
Cash	4.6%	197,507
Total Portfolio	100.0%	\$ 4,304,613

INVESTMENT RETURN

Market Value 12/2011	\$ 4,290,766
Contribs / Withdrawals	-533,000
Income	16,390
Capital Gains / Losses	530,457
Market Value 3/2012	\$ 4,304,613

INVESTMENT GROWTH

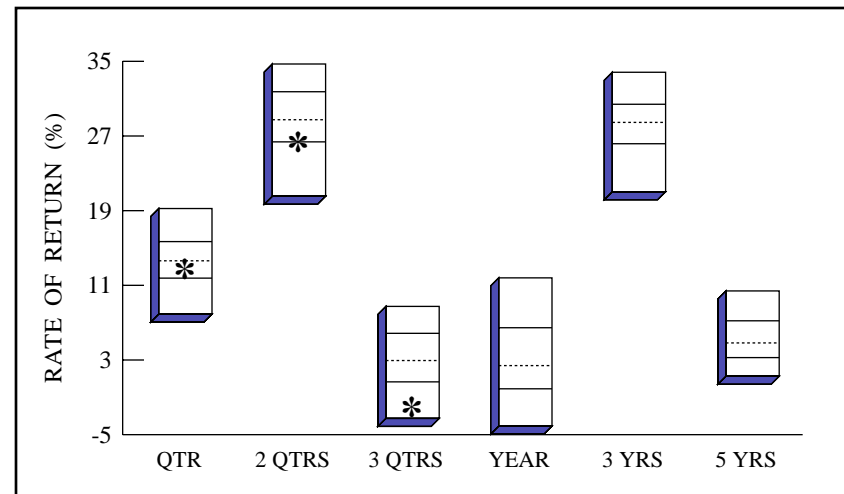
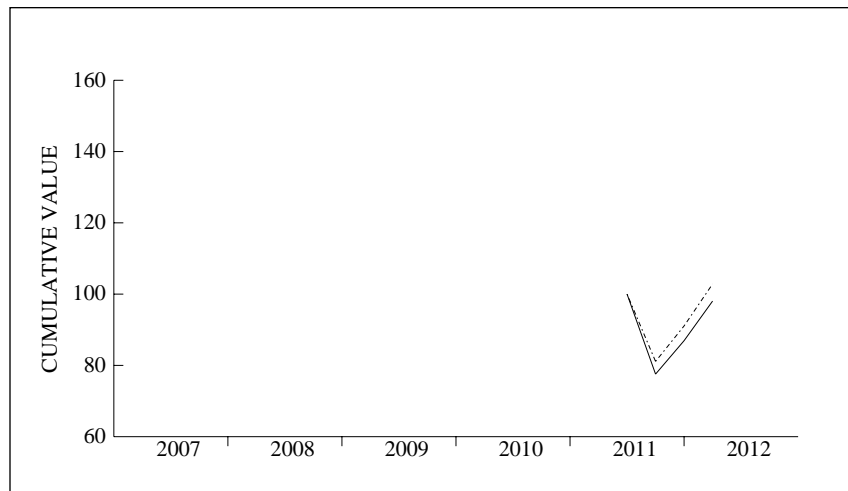


— ACTUAL RETURN
 - - - 8.0%
 . . . 0.0%

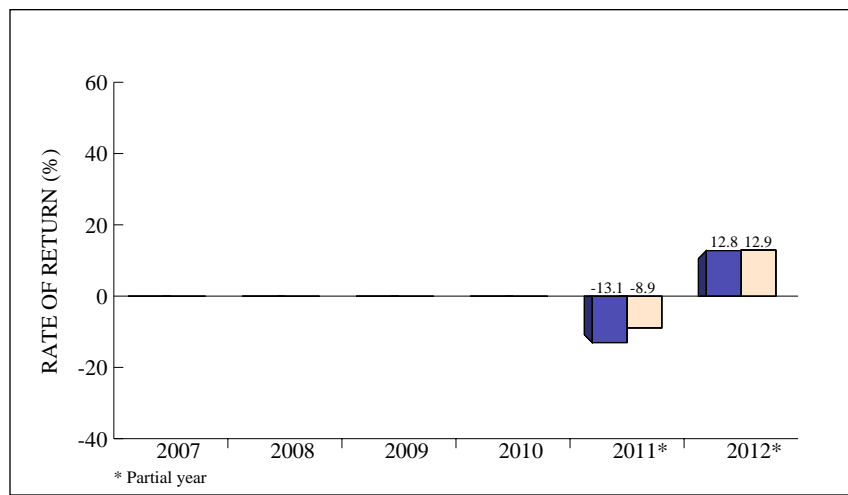
VALUE ASSUMING
 8.0% RETURN
 \$ 4,693,592

	LAST QUARTER	PERIOD 6/11 - 3/12
BEGINNING VALUE	\$ 4,290,766	\$ 4,935,067
NET CONTRIBUTIONS	-533,000	-533,000
<u>INVESTMENT RETURN</u>	<u>546,847</u>	<u>- 97,454</u>
ENDING VALUE	\$ 4,304,613	\$ 4,304,613
INCOME	16,390	52,358
<u>CAPITAL GAINS (LOSSES)</u>	<u>530,457</u>	<u>-149,812</u>
INVESTMENT RETURN	546,847	- 97,454

TOTAL RETURN COMPARISONS



Mid Cap Universe

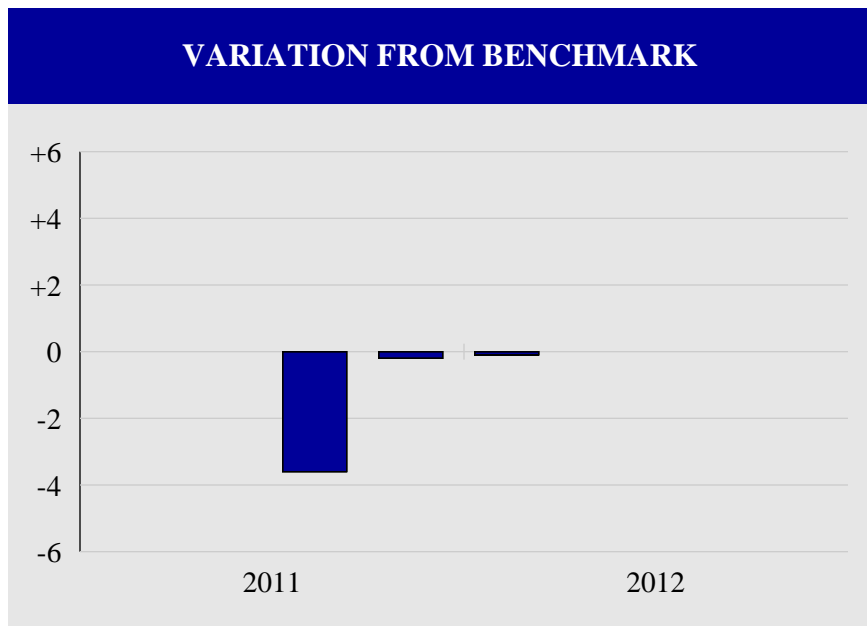


	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	12.8	26.4	-2.0	---	---	---
(RANK)	(71)	(75)	(92)	---	---	---
5TH %ILE	19.2	34.7	8.7	11.8	33.8	10.4
25TH %ILE	15.7	31.8	5.9	6.5	30.4	7.2
MEDIAN	13.6	28.8	2.9	2.4	28.5	4.8
75TH %ILE	11.8	26.4	0.7	-0.1	26.2	3.3
95TH %ILE	7.9	20.6	-3.3	-4.1	21.0	1.3
Russ MC	12.9	26.8	2.9	3.3	29.1	3.0

Mid Cap Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

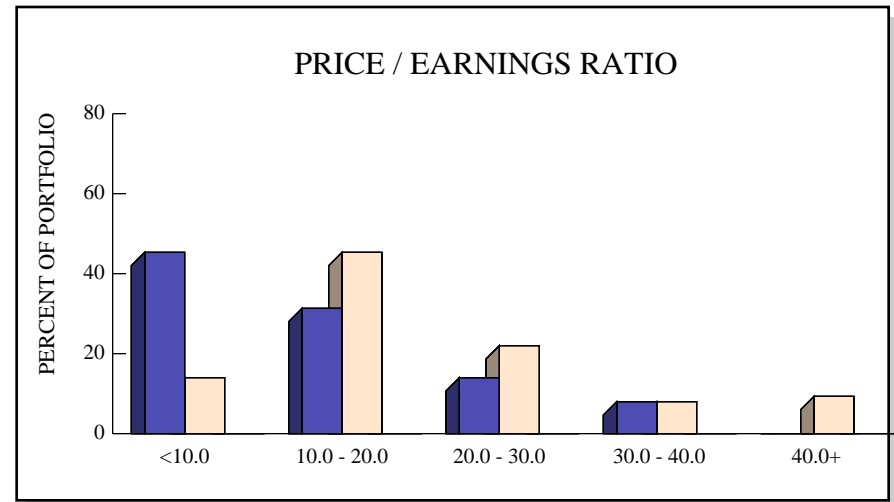
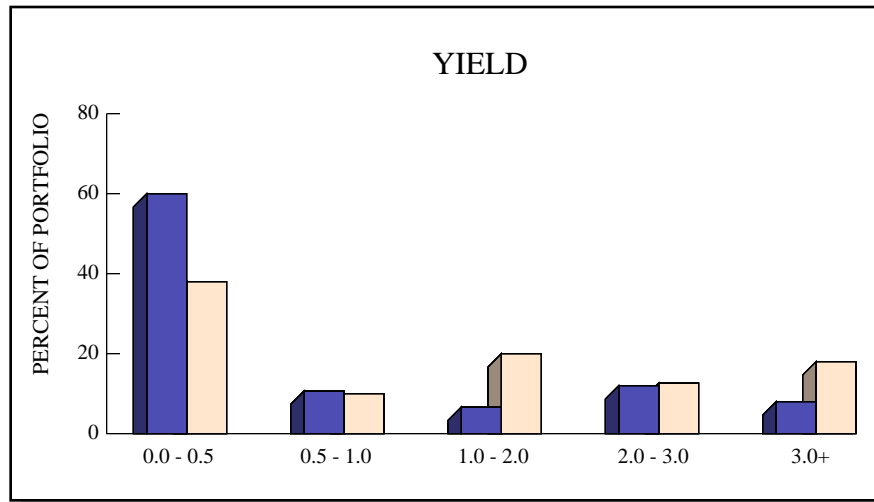
COMPARATIVE BENCHMARK: RUSSELL MID CAP



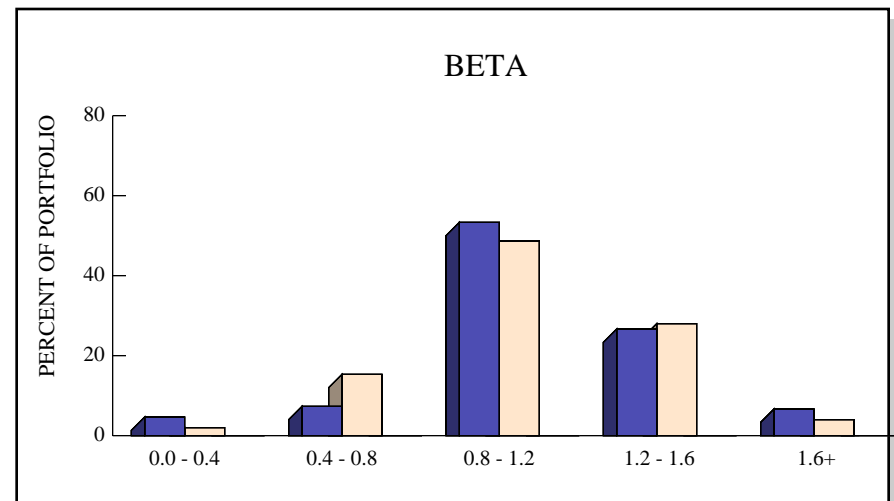
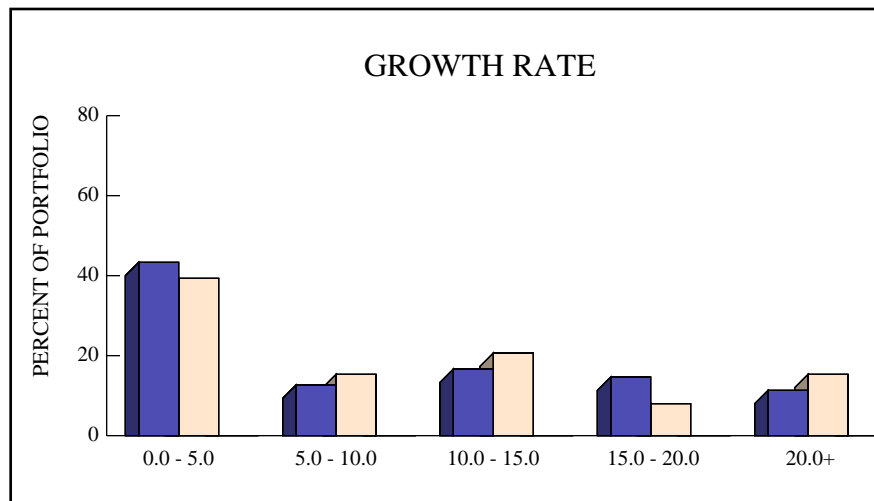
RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
9/11	-22.5	-18.9	-3.6
12/11	12.1	12.3	-0.2
3/12	12.8	12.9	-0.1

Total Quarters Observed	3
Quarters At or Above the Benchmark	0
Quarters Below the Benchmark	3
Batting Average	.000

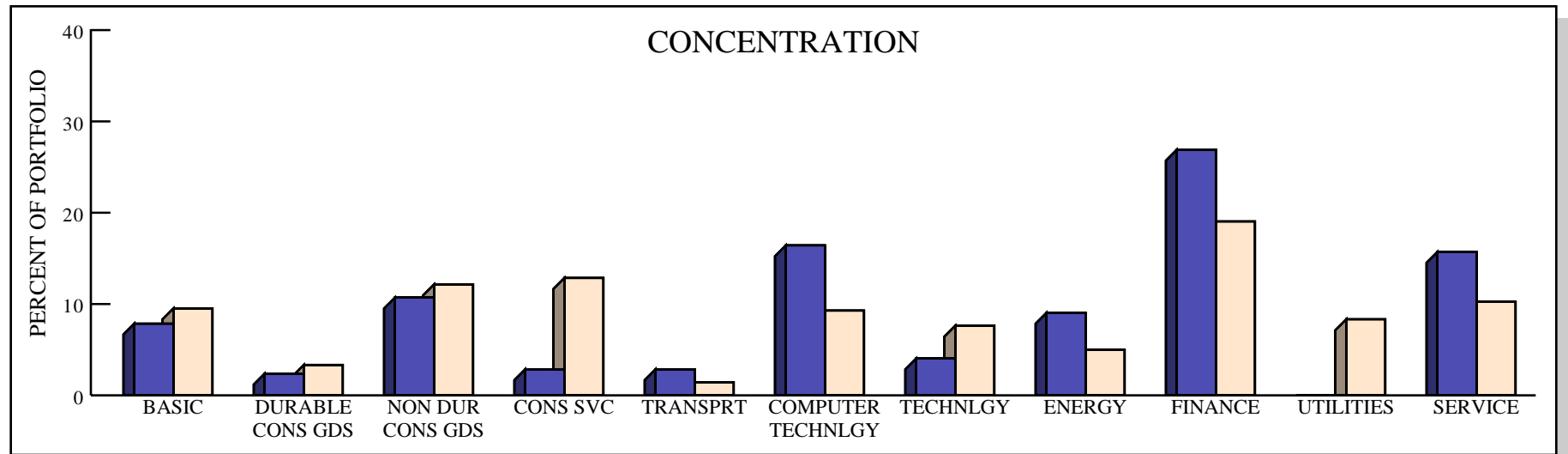
STOCK CHARACTERISTICS



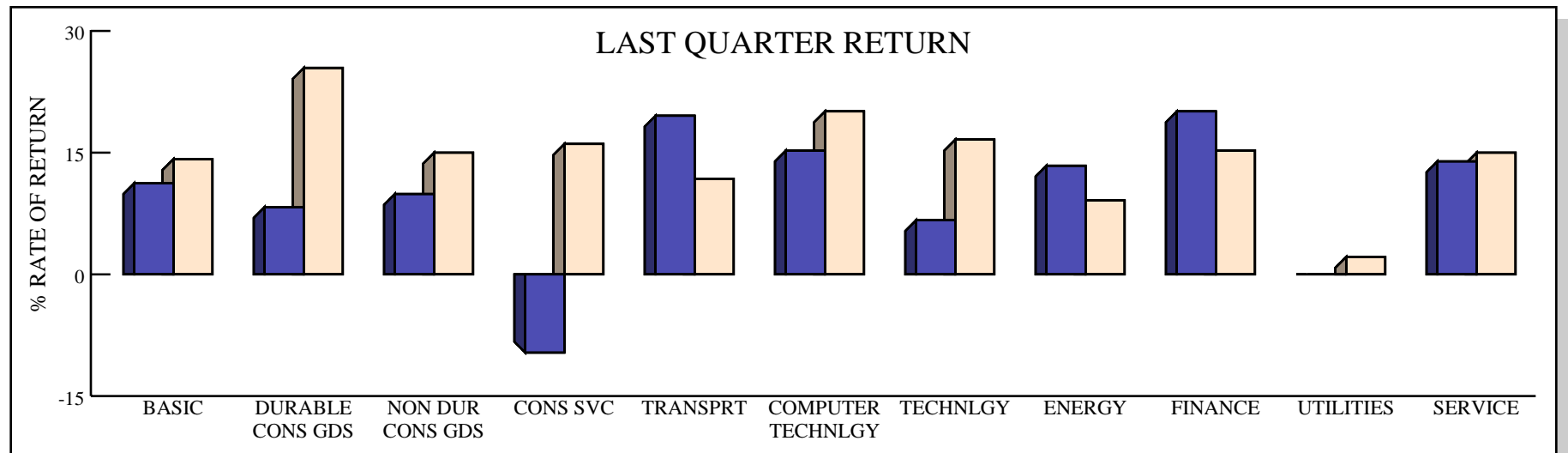
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	1.1%	8.7%	9.9	1.08
RUSSELL MID	1.6%	7.5%	20.4	1.07



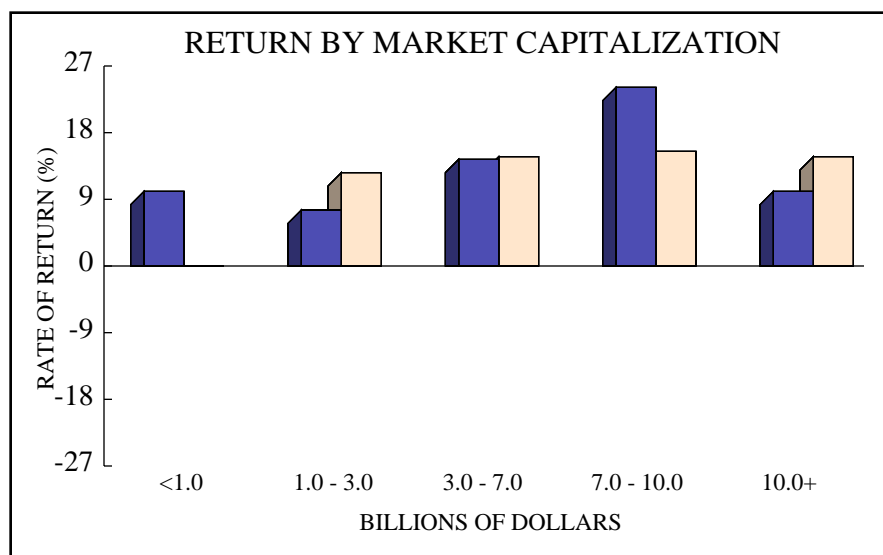
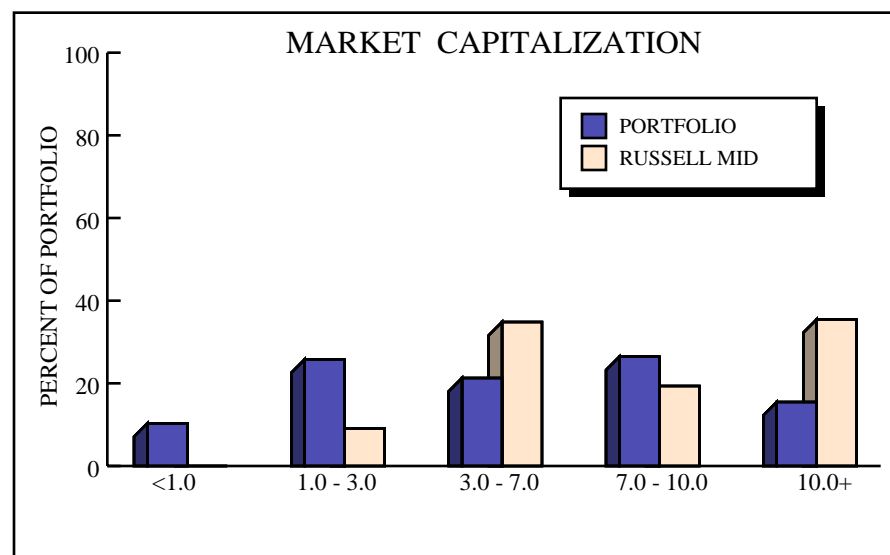
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO ■ RUSSELL MID CAP



TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	LIBERTY MEDIA CORP - LIBER-A	\$ 353,482	8.61%	12.9%	Service	\$ 9.9 B
2	ENDO PHARMACEUT HLDGS INC	210,498	5.13%	12.2%	NonDur Cons Goods	4.5 B
3	VISTEON CORP	205,110	4.99%	6.1%	Basic	2.7 B
4	TESSERA TECHNOLOGIES INC	197,254	4.80%	3.0%	Computer Tech	0.9 B
5	SYMANTEC CORP	185,411	4.51%	19.5%	Computer Tech	13.6 B
6	FOSTER WHEELER AG	181,056	4.41%	18.9%	Service	2.5 B
7	EVEREST RE GROUP LTD	180,877	4.40%	10.5%	Finance	5.0 B
8	LOEWS CORP	179,814	4.38%	6.1%	Finance	15.8 B
9	WESTERN DIGITAL CORP	179,219	4.36%	33.7%	Computer Tech	9.7 B
10	REGIONS FINANCIAL CORP	170,813	4.16%	53.4%	Finance	9.3 B

FRANKLIN REGIONAL RETIREMENT SYSTEM
DARUMA
PERFORMANCE REVIEW
MARCH 2012

INVESTMENT RETURN

On March 31st, 2012, the Franklin Regional Retirement System's Daruma portfolio was valued at \$8,951,231, representing an increase of \$1,014,161 from the December quarter's ending value of \$7,937,070. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$1,014,161 in net investment returns. Income receipts totaling \$8,408 plus net realized and unrealized capital gains of \$1,005,753 combined to produce the portfolio's net investment return figure.

For the cumulative period since December 2006, the account has recorded net withdrawals totaling \$815,000 and net investment gains of \$2.9 million. Since December 2006, if the total account earned a compounded nominal rate of 8.0% it would have been worth \$9.5 million or \$500,412 more than the actual value as of March 31st, 2012.

RELATIVE PERFORMANCE

During the first quarter, the Daruma portfolio gained 12.8%, which was 0.4% above the Russell 2000 Index's return of 12.4% and ranked in the 48th percentile of the Small Cap universe. Over the trailing year, the portfolio returned -10.2%, which was 10.0% below the benchmark's -0.2% performance, ranking in the 99th percentile. Since December 2006, the account returned 6.5% on an annualized basis and ranked in the 23rd percentile. For comparison, the Russell 2000 returned an annualized 2.4% over the same period.

ASSET ALLOCATION

On March 31st, 2012, domestic equities comprised 95.4% of the total portfolio (\$8.5 million), while cash & equivalents totaled 4.6% (\$414,496).

ANALYSIS

At the end of the quarter, the Daruma portfolio was invested in ten of the eleven industry sectors in our analysis. Relative to the Russell 2000, the portfolio placed greater emphasis into the Non Durable Consumer Goods, Consumer Service, Computer Technology, and Service sectors. In contrast, the portfolio's weightings in the Basic, Energy, and Finance sectors were the most notably light, while the Utilities sector was vacant of holdings.

Positive allocation effects were the main cause for the Daruma portfolio's slight lead over the Russell 2000 for the quarter. Significant allocation deviations from the benchmark in the Consumer Service, Technology, and Service sectors amplified the surpluses achieved throughout these sectors. The remaining utilized sectors fell below their respective index counterparts, but were not enough to offset the positive effects from the three sectors mentioned above and allowed the portfolio to beat the index by 40 basis points.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	-----Annualized-----	
				3 Years	Since 12/2006
Total Portfolio	12.8	12.8	-10.2	29.1	6.5
<i>SMALL CAP RANK</i>	(48)	(48)	(99)	(46)	(23)
RUSSELL 2000	12.4	12.4	-0.2	26.9	2.4
Domestic Equity	13.4	13.4	-10.5	30.6	6.5
<i>SMALL CAP RANK</i>	(35)	(35)	(99)	(24)	(23)
RUSSELL 2000	12.4	12.4	-0.2	26.9	2.4
RUSSELL 2000G	13.3	13.3	0.7	28.3	4.4
RUSSELL 2000V	11.6	11.6	-1.1	25.4	0.3

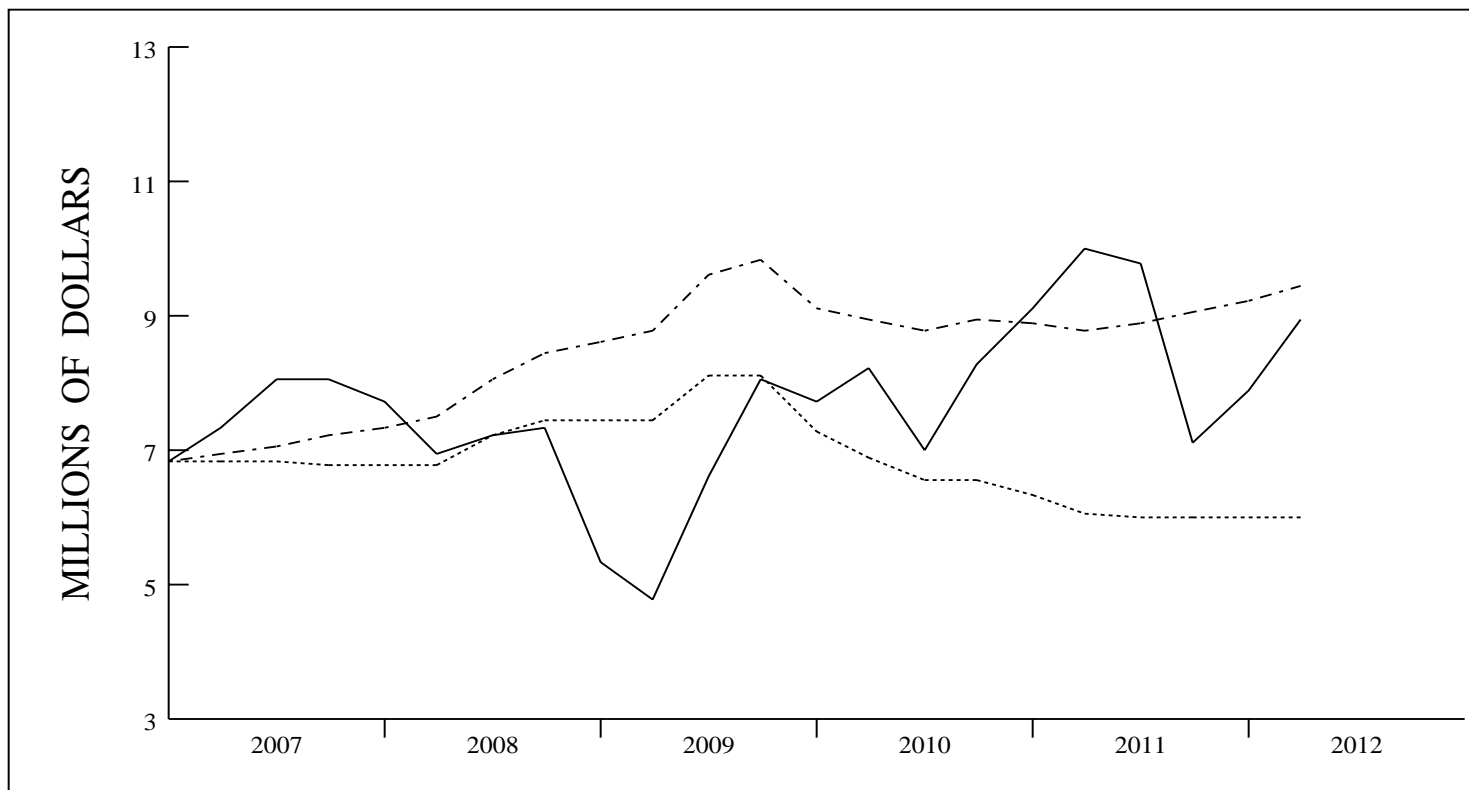
ASSET ALLOCATION

Domestic Equity	95.4%	\$ 8,536,736
Cash	4.6%	414,496
Total Portfolio	100.0%	\$ 8,951,231

INVESTMENT RETURN

Market Value 12/2011	\$ 7,937,070
Contribs / Withdrawals	0
Income	8,408
Capital Gains / Losses	1,005,753
Market Value 3/2012	\$ 8,951,231

INVESTMENT GROWTH

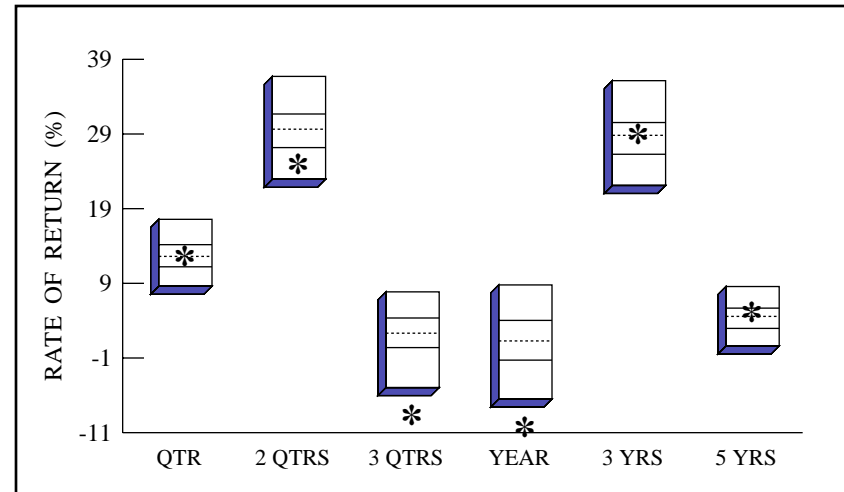
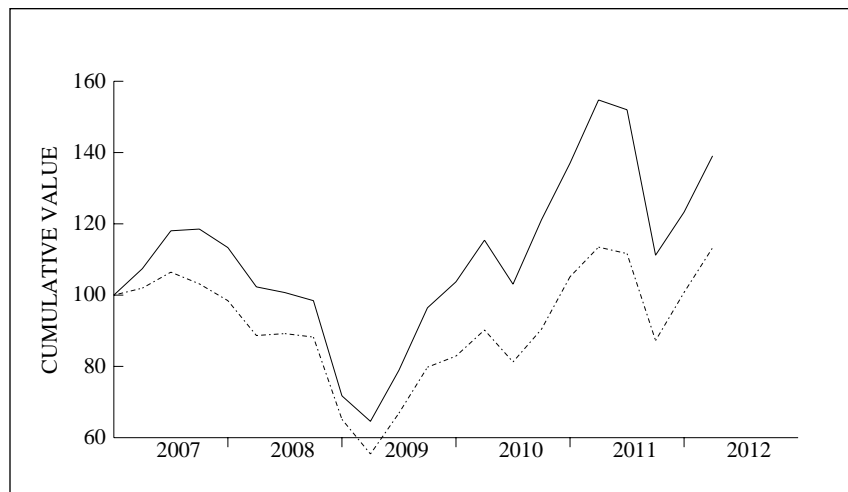


— ACTUAL RETURN
 - - - 8.0%
 . . . 0.0%

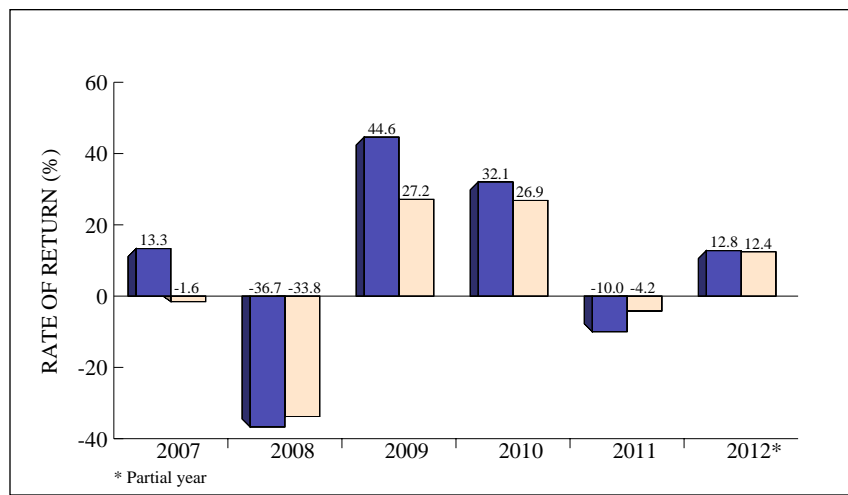
VALUE ASSUMING
 8.0% RETURN
 \$ 9,451,643

	LAST QUARTER	PERIOD 12/06 - 3/12
BEGINNING VALUE	\$ 7,937,070	\$ 6,835,404
NET CONTRIBUTIONS	0	-815,000
INVESTMENT RETURN	1,014,161	2,930,827
ENDING VALUE	\$ 8,951,231	\$ 8,951,231
INCOME	8,408	220,044
CAPITAL GAINS (LOSSES)	1,005,753	2,710,783
INVESTMENT RETURN	1,014,161	2,930,827

TOTAL RETURN COMPARISONS

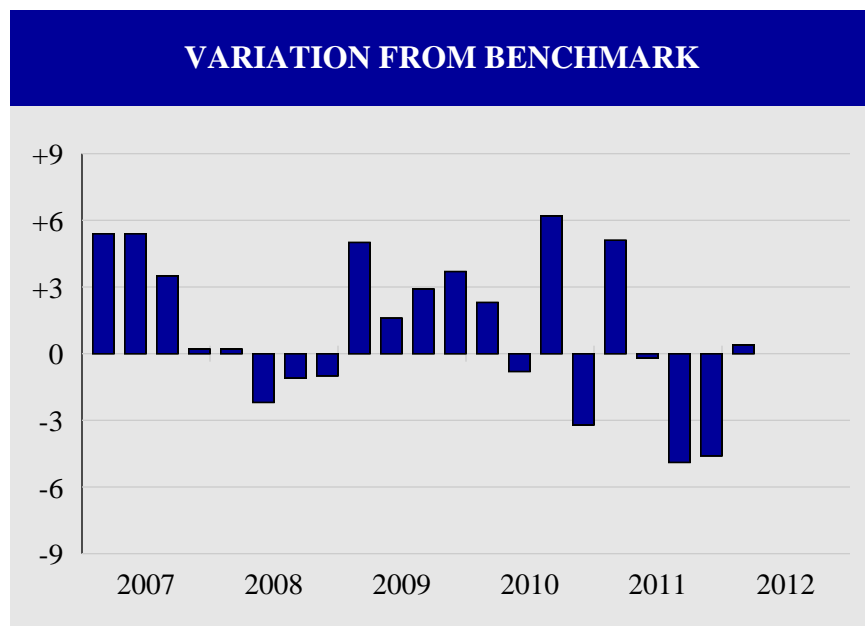


Small Cap Universe



	QTR	2QTRS	3QTRS	YEAR	-----ANNUALIZED-----	
					3 YRS	5 YRS
RETURN	12.8	25.0	-8.5	-10.2	29.1	5.3
(RANK)	(48)	(88)	(99)	(99)	(46)	(35)
5TH %ILE	17.6	36.7	7.9	8.8	36.1	8.6
25TH %ILE	14.2	31.7	4.4	4.0	30.5	5.7
MEDIAN	12.6	29.6	2.3	1.3	28.8	4.6
75TH %ILE	11.2	27.2	0.4	-1.3	26.3	3.0
95TH %ILE	8.6	22.9	-5.0	-6.5	22.1	0.6
Russ 2000	12.4	29.8	1.5	-0.2	26.9	2.1

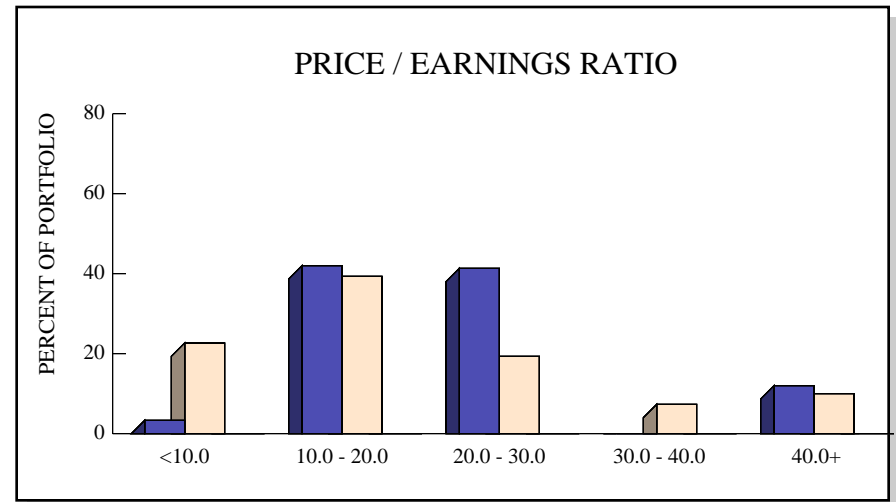
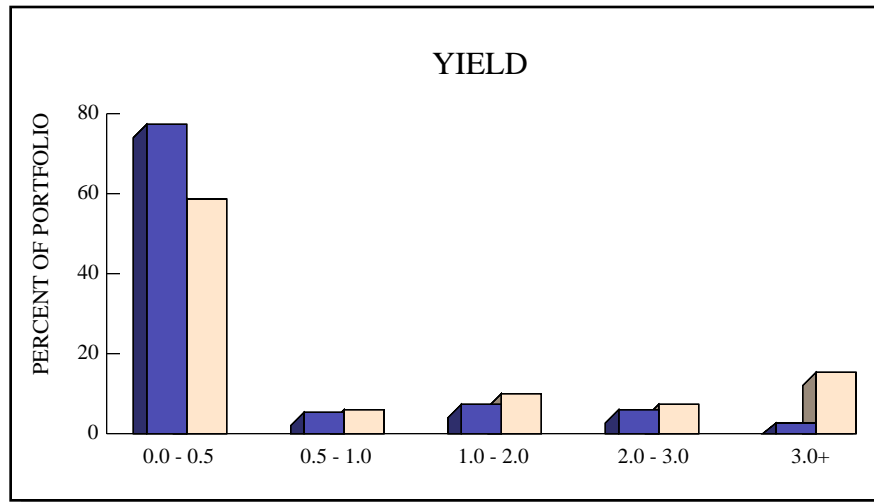
Small Cap Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: RUSSELL 2000**

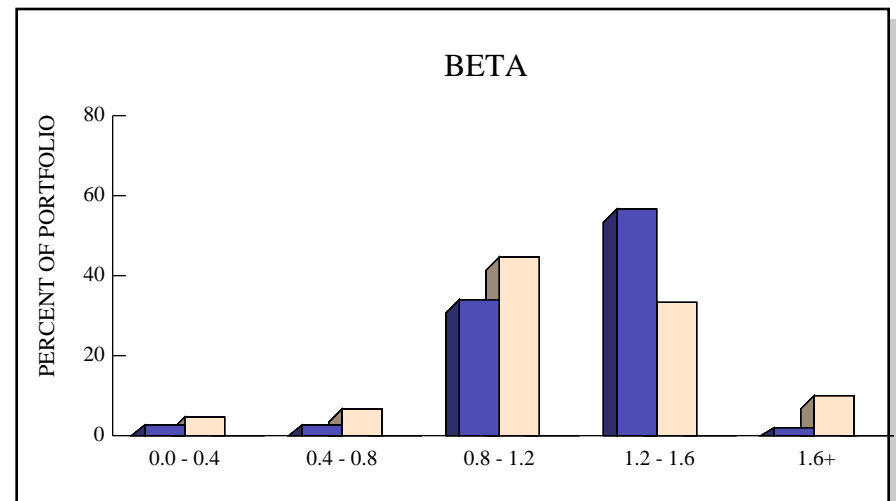
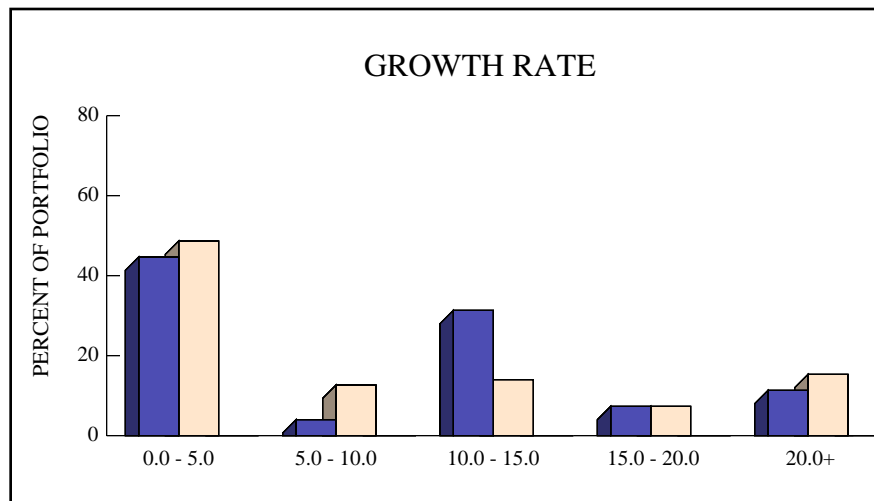
Total Quarters Observed	21
Quarters At or Above the Benchmark	13
Quarters Below the Benchmark	8
Batting Average	.619

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	7.4	2.0	5.4
6/07	9.8	4.4	5.4
9/07	0.4	-3.1	3.5
12/07	-4.4	-4.6	0.2
3/08	-9.7	-9.9	0.2
6/08	-1.6	0.6	-2.2
9/08	-2.2	-1.1	-1.1
12/08	-27.1	-26.1	-1.0
3/09	-10.0	-15.0	5.0
6/09	22.3	20.7	1.6
9/09	22.2	19.3	2.9
12/09	7.6	3.9	3.7
3/10	11.2	8.9	2.3
6/10	-10.7	-9.9	-0.8
9/10	17.5	11.3	6.2
12/10	13.1	16.3	-3.2
3/11	13.0	7.9	5.1
6/11	-1.8	-1.6	-0.2
9/11	-26.8	-21.9	-4.9
12/11	10.9	15.5	-4.6
3/12	12.8	12.4	0.4

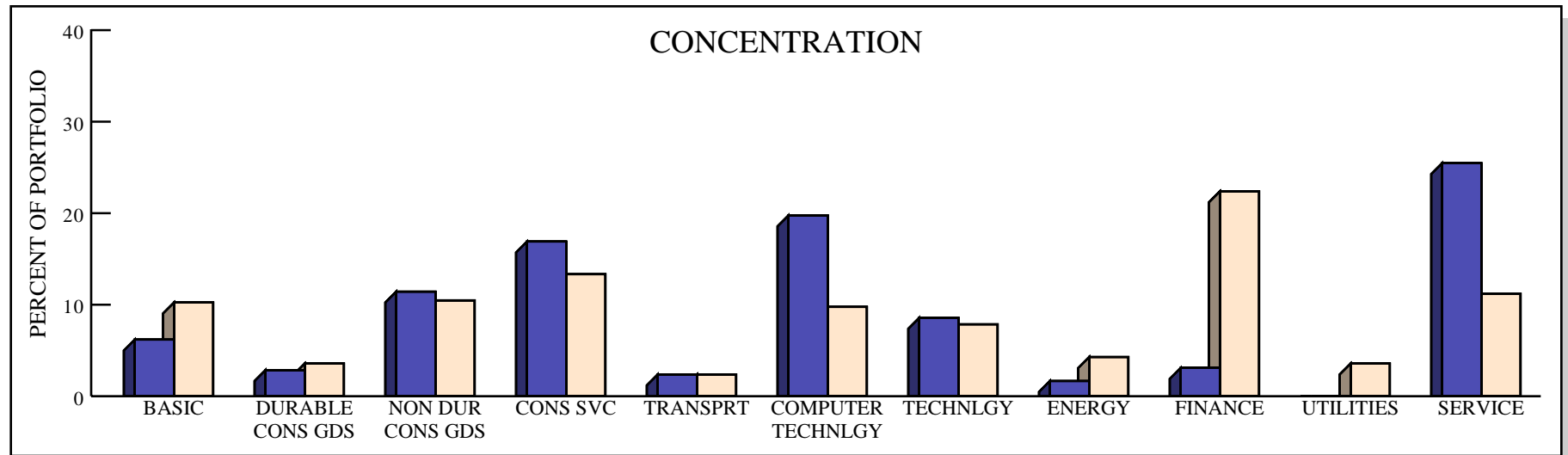
STOCK CHARACTERISTICS



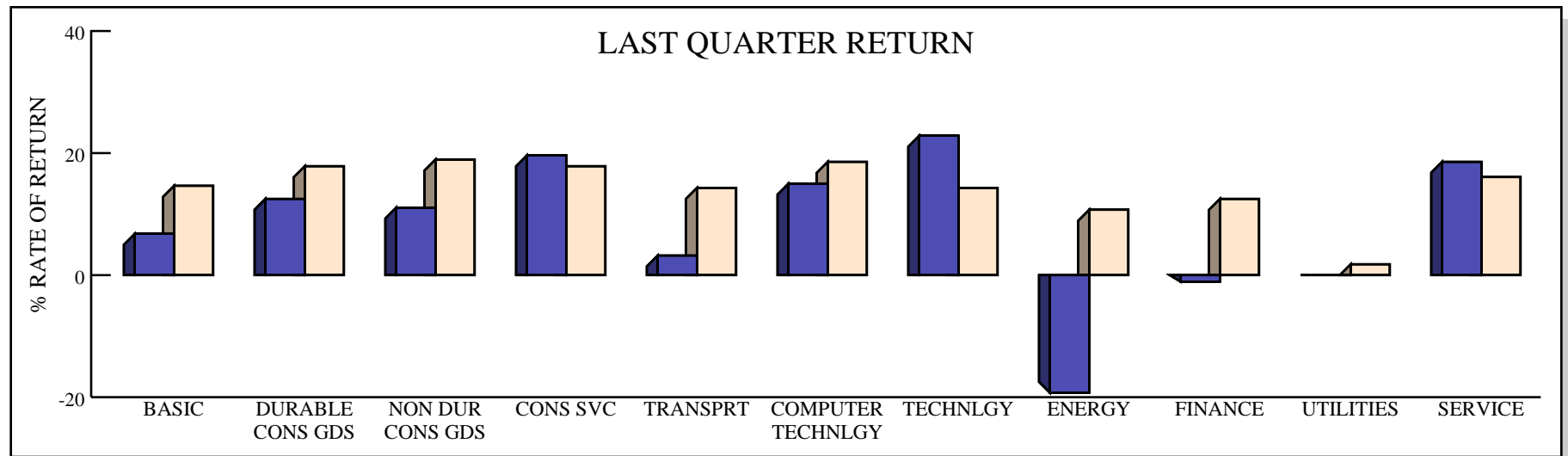
	YIELD	GROWTH	P/E	BETA
PORTFOLIO	0.4%	7.1%	22.7	1.22
RUSSELL 2000	1.3%	6.1%	18.1	1.15



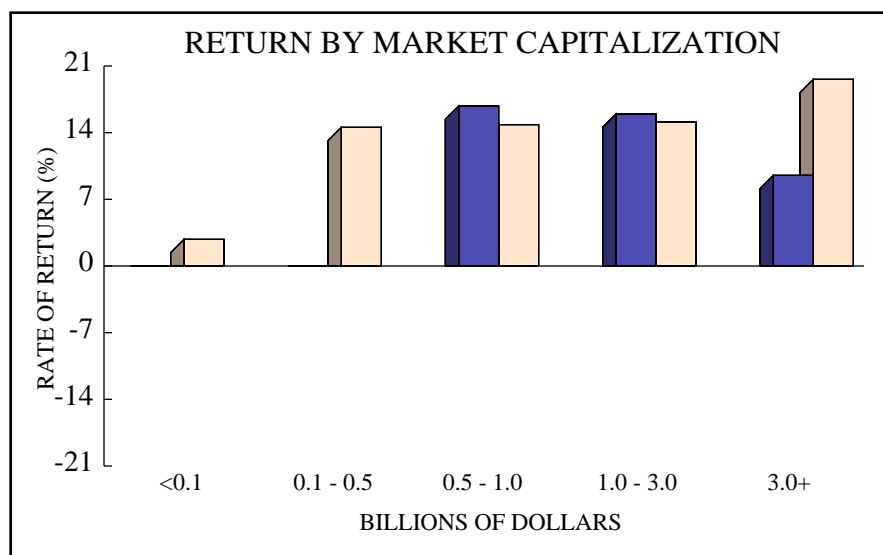
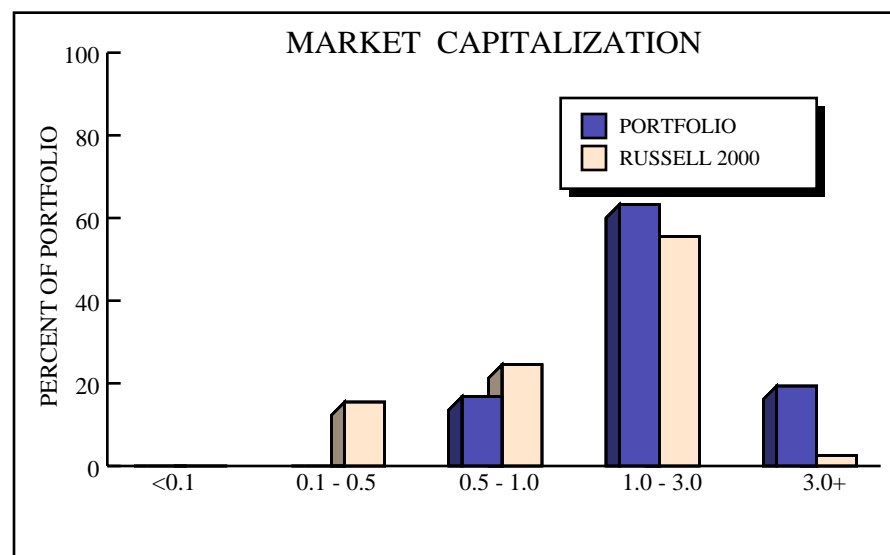
STOCK INDUSTRY ANALYSIS



■ PORTFOLIO ■ RUSSELL 2000



TOP TEN HOLDINGS



TOP TEN EQUITY HOLDINGS

RANK	NAME	VALUE	% EQUITY	RETURN	INDUSTRY SECTOR	MKT CAP
1	WRIGHT EXPRESS CORP	\$ 356,662	4.18%	19.3%	Service	\$ 2.5 B
2	LUMBER LIQUIDATORS HOLDINGS	350,536	4.11%	42.2%	Consumer Service	0.7 B
3	WABTEC CORP	344,441	4.03%	7.8%	Basic	3.6 B
4	BALLY TECHNOLOGIES INC	329,120	3.86%	18.2%	Computer Tech	2.0 B
5	CADENCE DESIGN SYS INC	326,310	3.82%	13.9%	Computer Tech	3.2 B
6	LIFE TIME FITNESS INC	325,671	3.81%	8.2%	Consumer Service	2.1 B
7	SHUTTERFLY INC	322,386	3.78%	37.7%	Service	1.1 B
8	COSTAR GROUP INC	306,582	3.59%	3.5%	Service	1.8 B
9	SEMTECH CORP	293,423	3.44%	14.7%	Computer Tech	1.9 B
10	HEALTHSOUTH CORP	292,004	3.42%	15.9%	Consumer Service	1.9 B

FRANKLIN REGIONAL RETIREMENT SYSTEM
PRIT CORE REAL ESTATE
PERFORMANCE REVIEW
MARCH 2012

INVESTMENT RETURN

On March 31st, 2012, the Franklin Regional Retirement System's PRIT Core Real Estate portfolio was valued at \$4,580,649, representing an increase of \$244,817 from the December quarter's ending value of \$4,335,832. Last quarter, the Fund posted net contributions equaling \$41,744 plus a net investment gain equaling \$203,073. Total net investment return was the result of income receipts, which totaled \$51,914 and net realized and unrealized capital gains of \$151,159.

For the cumulative period since September 2010, the fund has recorded net contributions totaling \$2.8 million, and recorded net investment gains of \$517,970. For the period since September 2010, if the total fund had returned a compounded nominal rate of 8.0% it would have been valued at \$4.3 million or \$234,399 less than the actual value as of March 31st, 2012.

RELATIVE PERFORMANCE

During the first quarter, the PRIT Core Real Estate portfolio returned 4.7%, which was 1.9% above the NCREIF NFI-ODCE Index's return of 2.8%. Over the trailing twelve-month period, the portfolio returned 11.8%, which was 2.9% less than the benchmark's 14.7% return. Since September 2010, the account returned 14.3% annualized, while the NCREIF NFI-ODCE Index returned an annualized 16.2% over the same time frame.

ASSET ALLOCATION

This portfolio was fully invested in the PRIT Core Real Estate Fund at the end of the quarter.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	-----Annualized-----	
				3 Years	Since 9/2010
Total Portfolio	4.7	4.7	11.8	----	14.3
NCREIF ODCE	2.8	2.8	14.7	4.2	16.2
Real Estate	4.7	4.7	11.8	----	14.3
NCREIF ODCE	2.8	2.8	14.7	4.2	16.2

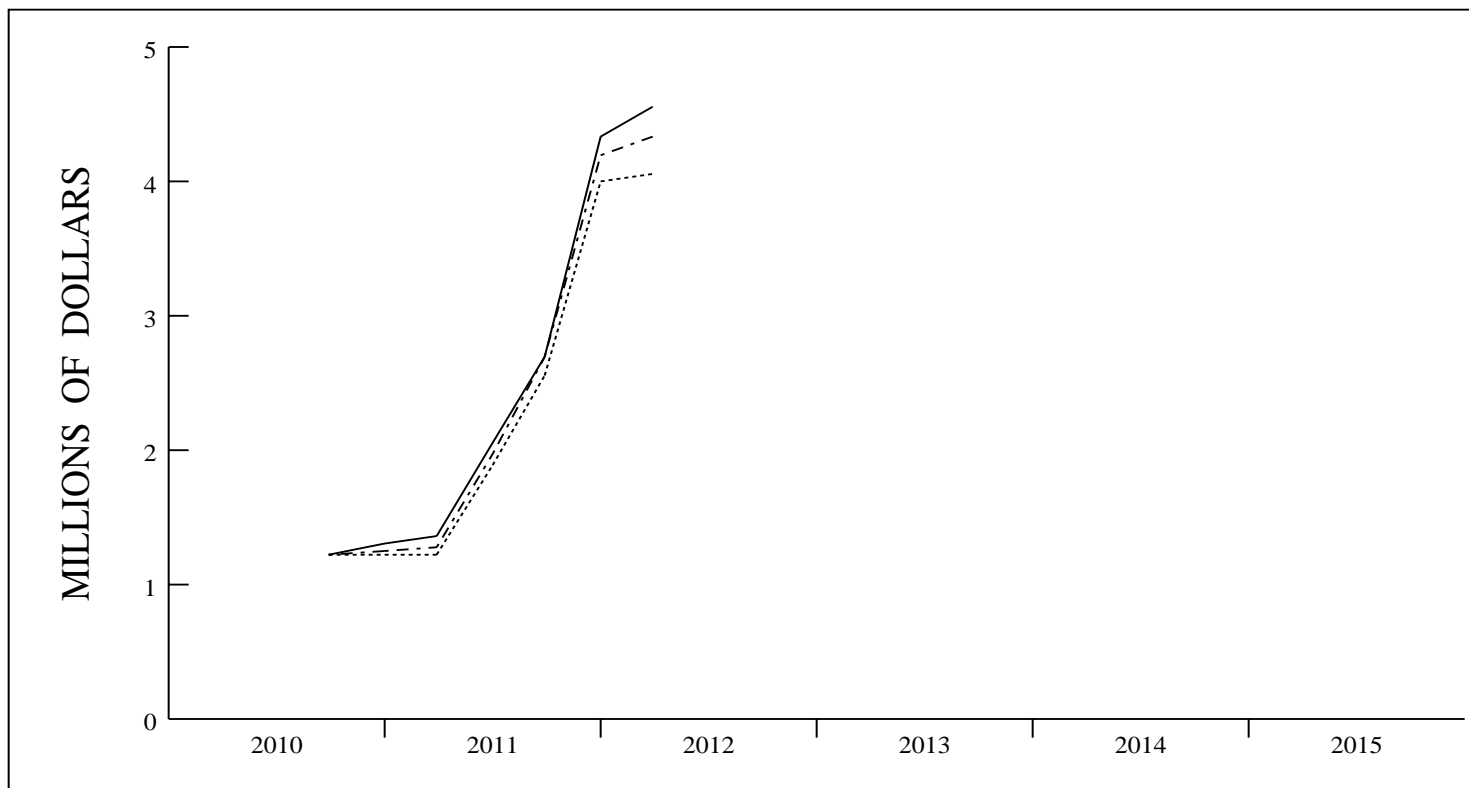
ASSET ALLOCATION

Real Estate	100.0%	\$ 4,580,649
Total Portfolio	100.0%	\$ 4,580,649

INVESTMENT RETURN

Market Value 12/2011	\$ 4,335,832
Contribs / Withdrawals	41,744
Income	51,914
Capital Gains / Losses	151,159
Market Value 3/2012	\$ 4,580,649

INVESTMENT GROWTH



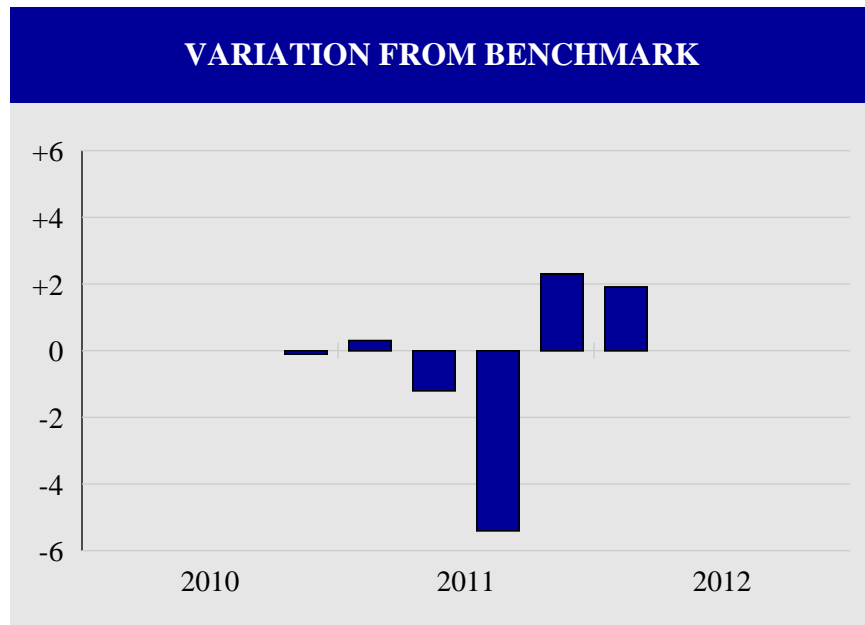
— ACTUAL RETURN
 - - - 8.0%
 . . . 0.0%

VALUE ASSUMING
 8.0% RETURN
 \$ 4,346,250

	LAST QUARTER	PERIOD 9/10 - 3/12
BEGINNING VALUE	\$ 4,335,832	\$ 1,247,572
NET CONTRIBUTIONS	41,744	2,815,107
INVESTMENT RETURN	<u>203,073</u>	<u>517,970</u>
ENDING VALUE	\$ 4,580,649	\$ 4,580,649
INCOME	51,914	198,402
CAPITAL GAINS (LOSSES)	<u>151,159</u>	<u>319,568</u>
INVESTMENT RETURN	203,073	517,970

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY

COMPARATIVE BENCHMARK: NCREIF NFI-ODCE INDEX



RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
12/10	4.9	5.0	-0.1
3/11	4.3	4.0	0.3
6/11	3.4	4.6	-1.2
9/11	-1.9	3.5	-5.4
12/11	5.3	3.0	2.3
3/12	4.7	2.8	1.9

Total Quarters Observed	6
Quarters At or Above the Benchmark	3
Quarters Below the Benchmark	3
Batting Average	.500

FRANKLIN REGIONAL RETIREMENT SYSTEM
INCOME RESEARCH & MANAGEMENT
PERFORMANCE REVIEW
MARCH 2012

INVESTMENT RETURN

On March 31st, 2012, the Franklin Regional Retirement System's Income Research & Management portfolio was valued at \$10,886,453, representing an increase of \$138,426 from the December quarter's ending value of \$10,748,027. Last quarter, the Fund posted no net contributions or withdrawals, while posting \$138,426 in net investment returns. Since there were no income receipts for the first quarter, the portfolio's net investment return was the result of net realized and unrealized capital gains totaling \$138,426.

For the cumulative period since December 2006, the portfolio has posted net withdrawals totaling \$587,000 and recorded net investment gains totaling \$3.1 million. For the period since December 2006, if the fund had returned a compounded nominal rate of 8.0% it would have been valued at \$11.8 million or \$882,398 more than the actual value as of March 31st, 2012.

RELATIVE PERFORMANCE

During the first quarter, the Income Research & Management portfolio gained 1.3%, which was 1.0% greater than the Barclays Aggregate Index's return of 0.3% and ranked in the 39th percentile of the Core Fixed Income universe. Over the trailing twelve-month period, the portfolio returned 7.7%, which was equal to the benchmark's 7.7% performance, and ranked in the 56th percentile. Since December 2006, the portfolio returned 6.7% per annum and ranked in the 57th percentile. For comparison, the Barclays Aggregate Index returned an annualized 6.2% over the same time frame.

ASSET ALLOCATION

The portfolio was fully invested in the IR&M Core Bond Fund at the end of the quarter.

ANALYSIS

At the end of the quarter, USG rated securities comprised approximately 35% of the bond portfolio, while corporate securities, rated AAA through BBB, made up the remainder, giving the bond portfolio an overall average quality rating of AAA-AA. The average maturity of the portfolio was 11.0 years, significantly longer than the Barclays Aggregate Index's 7.1-year maturity. The average coupon was 4.8%.

EXECUTIVE SUMMARY**PERFORMANCE SUMMARY**

	Quarter	YTD	1 Year	-----Annualized-----	
				3 Years	Since 12/2006
Total Portfolio	1.3	1.3	7.7	9.5	6.7
<i>CORE FIXED INCOME RANK</i>	(39)	(39)	(56)	(42)	(57)
BARCLAYS AGG	0.3	0.3	7.7	6.8	6.2
Fixed Income	1.3	1.3	7.7	9.5	6.7
<i>CORE FIXED INCOME RANK</i>	(39)	(39)	(56)	(42)	(51)
BARCLAYS AGG	0.3	0.3	7.7	6.8	6.2
GOV/CREDIT	0.1	0.1	8.5	7.1	6.2

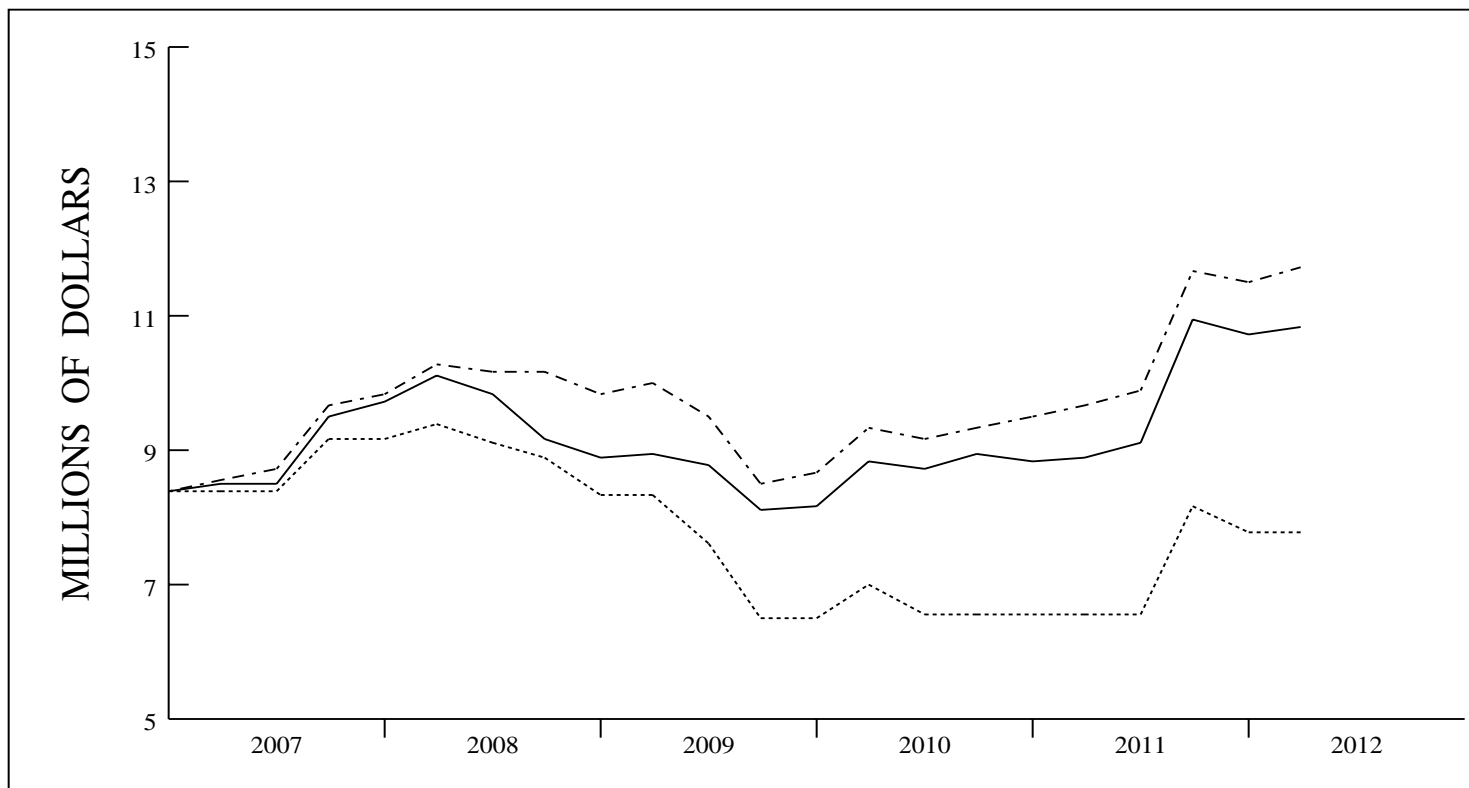
ASSET ALLOCATION

Fixed Income	100.0%	\$ 10,886,453
Total Portfolio	100.0%	\$ 10,886,453

INVESTMENT RETURN

Market Value 12/2011	\$ 10,748,027
Contribs / Withdrawals	0
Income	0
Capital Gains / Losses	138,426
Market Value 3/2012	\$ 10,886,453

INVESTMENT GROWTH

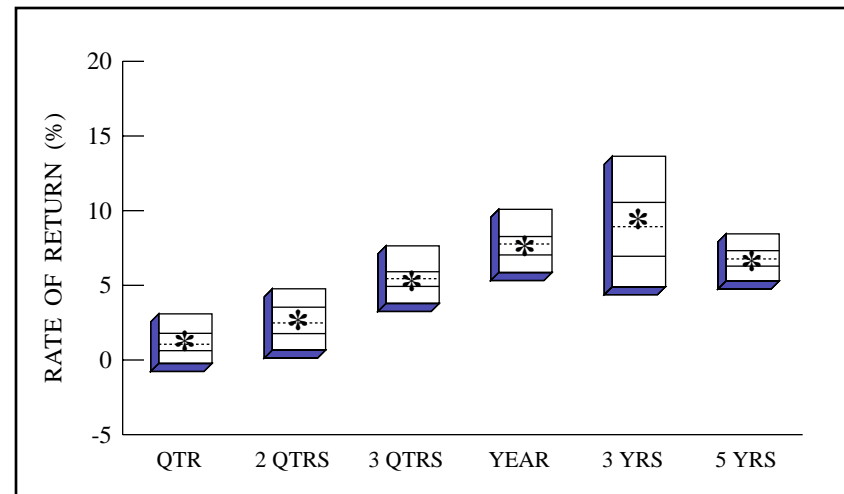
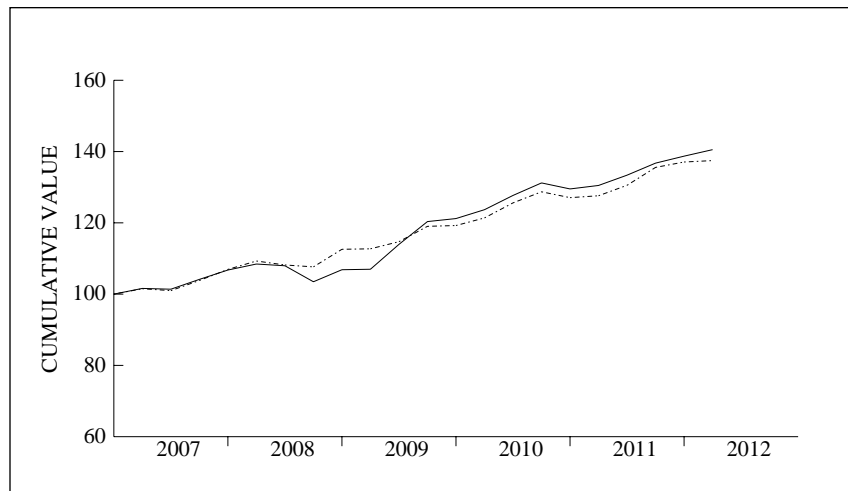


— ACTUAL RETURN
 - - - 8.0%
 . . . 0.0%

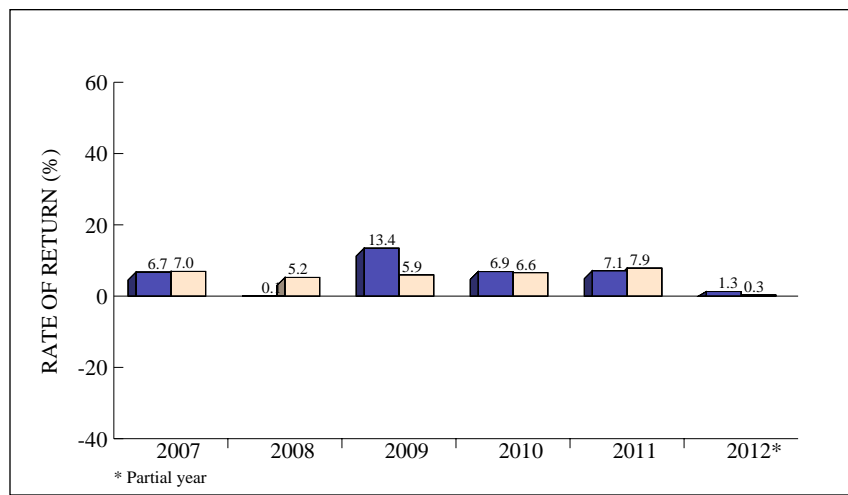
VALUE ASSUMING
 8.0% RETURN
 \$ 11,768,851

	LAST QUARTER	PERIOD 12/06 - 3/12
BEGINNING VALUE	\$ 10,748,027	\$ 8,417,154
NET CONTRIBUTIONS	0	-587,000
<u>INVESTMENT RETURN</u>	<u>138,426</u>	<u>3,056,299</u>
ENDING VALUE	\$ 10,886,453	\$ 10,886,453
INCOME	0	87
<u>CAPITAL GAINS (LOSSES)</u>	<u>138,426</u>	<u>3,056,212</u>
INVESTMENT RETURN	138,426	3,056,299

TOTAL RETURN COMPARISONS



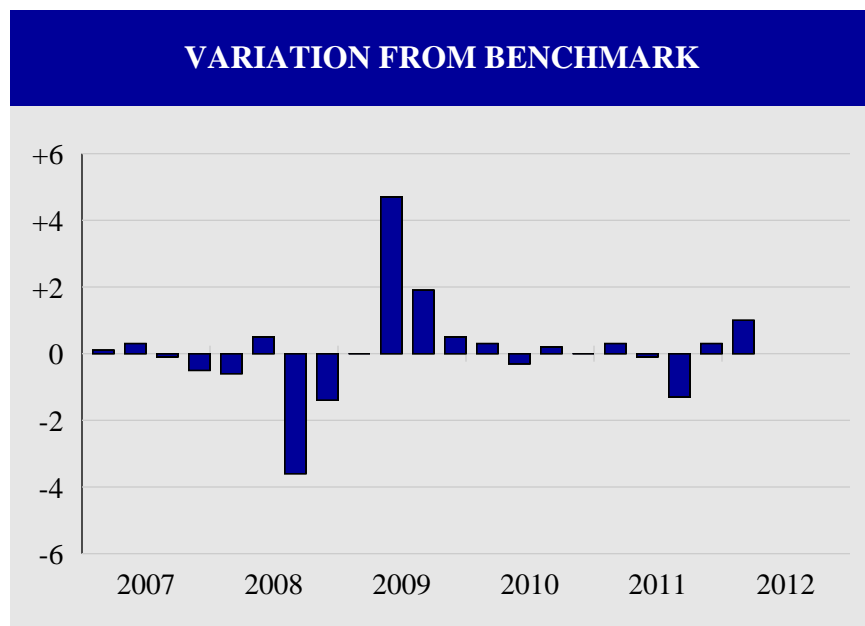
Core Fixed Income Universe



* Partial year

	QTR	2QTRS	3QTRS	YEAR	3 YRS	5 YRS
RETURN	1.3	2.7	5.3	7.7	9.5	6.7
(RANK)	(39)	(40)	(57)	(56)	(42)	(54)
5TH %ILE	3.1	4.8	7.6	10.1	13.7	8.4
25TH %ILE	1.8	3.5	5.9	8.3	10.6	7.3
MEDIAN	1.1	2.5	5.5	7.8	8.9	6.8
75TH %ILE	0.6	1.8	4.9	7.0	6.9	6.3
95TH %ILE	-0.2	0.7	3.8	5.9	4.9	5.3
Agg Index	0.3	1.4	5.3	7.7	6.8	6.3

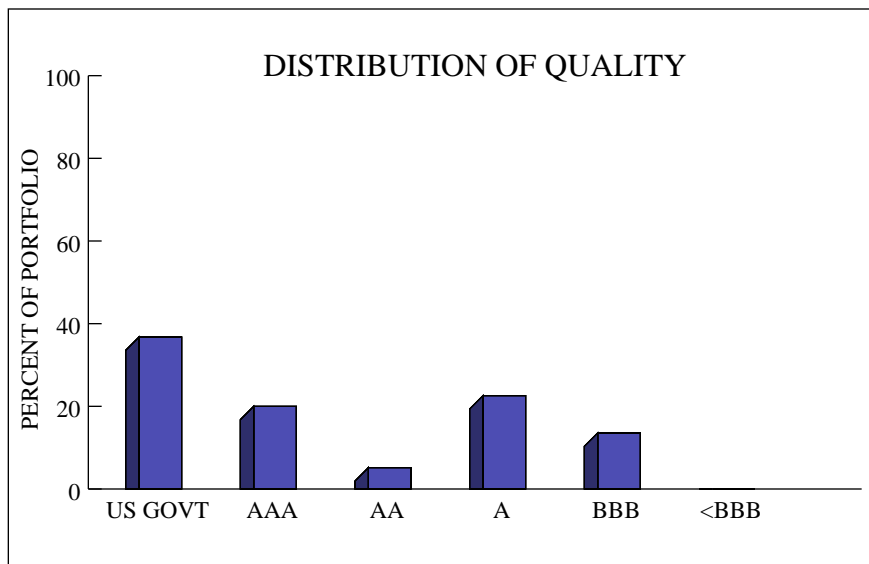
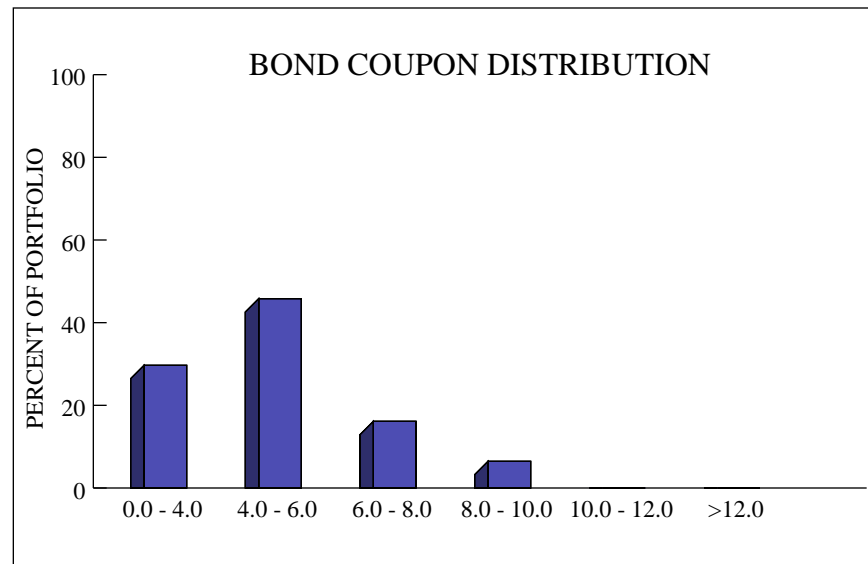
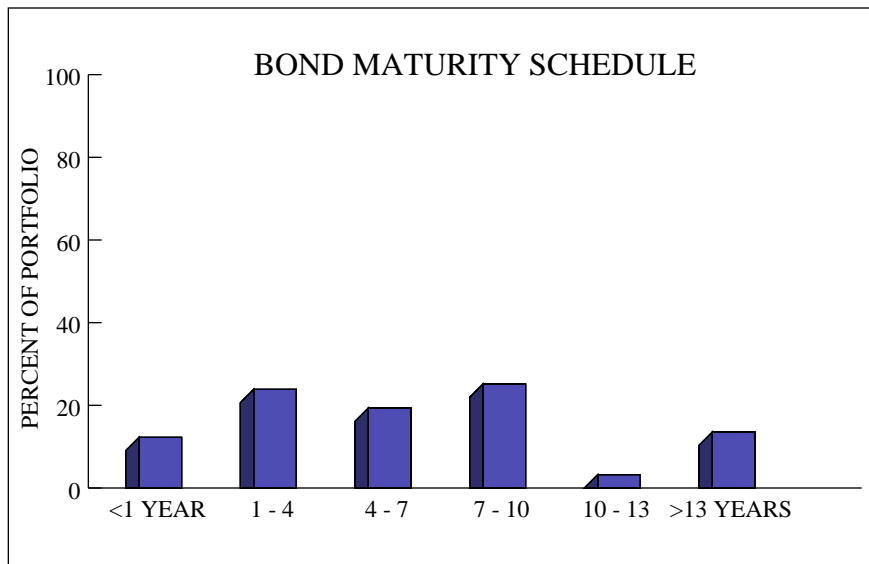
Core Fixed Income Universe

TOTAL PORTFOLIO QUARTERLY PERFORMANCE SUMMARY**COMPARATIVE BENCHMARK: BARCLAYS AGGREGATE INDEX**

Total Quarters Observed	21
Quarters At or Above the Benchmark	13
Quarters Below the Benchmark	8
Batting Average	.619

RATES OF RETURN			
Date	Portfolio	Benchmark	Difference
3/07	1.6	1.5	0.1
6/07	-0.2	-0.5	0.3
9/07	2.7	2.8	-0.1
12/07	2.5	3.0	-0.5
3/08	1.6	2.2	-0.6
6/08	-0.5	-1.0	0.5
9/08	-4.1	-0.5	-3.6
12/08	3.2	4.6	-1.4
3/09	0.1	0.1	0.0
6/09	6.5	1.8	4.7
9/09	5.6	3.7	1.9
12/09	0.7	0.2	0.5
3/10	2.1	1.8	0.3
6/10	3.2	3.5	-0.3
9/10	2.7	2.5	0.2
12/10	-1.3	-1.3	0.0
3/11	0.7	0.4	0.3
6/11	2.2	2.3	-0.1
9/11	2.5	3.8	-1.3
12/11	1.4	1.1	0.3
3/12	1.3	0.3	1.0

BOND CHARACTERISTICS



	PORTFOLIO	BARCLAYS AGG
No. of Securities	147	7,929
Duration	5.39	5.01
YTM	2.78	2.22
Average Coupon	4.75	3.89
Avg Maturity / WAL	10.98	7.10
Average Quality	AAA-AA	USG-AAA