Investment Section

for Fiscal Year ending June 30, 2011

REPORT ON INVESTMENT ACTIVITY

This report is prepared by the Investment staff of the Kentucky Teachers' Retirement System.

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December 1, 2011

To the members of the Board of Trustees and participants of the Teachers' Retirement System of Kentucky:

The retirement system's investment program had a successful year in an environment where financial markets and economies throughout the developed world continued to grapple with the aftermath of the Great Recession and structural economic imbalances. From late summer 2010 until early 2011, markets steadily rallied until Middle East unrest and rising oil prices reintroduced substantial volatility. It was clear by late spring 2011 that the Eurozone debt crisis was deepening and that economic growth was slowing sharply in the U.S. and Europe. As of June 30, 2011, the inflation-adjusted gross domestic product in the U.S. had grown a disappointing 1.6% over the previous year and the unemployment rate stood at 9.2%.

Despite the unsettled environment, the retirement annuity trust fund portfolio returned 21.6% in the fiscal year, beating the benchmark Policy Index return of 20.9%. Equities, which represented 63.5% of assets as of June 30, 2011, were the strongest contributor to those results. Domestic equities returned 32.5% versus 31.7% for the S&P 1500 Index. International equities returned 31.4% versus 30.3% for the MSCI All Country World (ex-U.S.) Index. Fixed income returned 4.8% versus 3.7% for the Barclays Government/Credit Index.

Less traditional asset classes, such as real estate, private equity, and other categories approved by the Board of Trustees represented 8.5% of assets by fiscal year-end and contributed to investment returns despite their still-modest relative balances. Investments in the U.S. Treasury's Public-Private Investment Program returned 27.8% for the fiscal year. Investments in private equity returned 24.1%.

The retirement system's investment program remains alert to a complex and evolving global economic and financial environment and its inherent opportunities and risks. Over the fiscal year, the retirement system committed $100 million to a distressed debt fund, $100 million to a multi-sector opportunistic credit mandate, and $50 million to an opportunistic real estate fund. The retirement system continues to evaluate its asset allocation in order to prudently fund its commitments in a changing investment landscape.

Following critical legislation passed in the previous fiscal year, funding began on a new health insurance trust fund. By June 30, 2011, that Fund had $379 million in assets and is expected to grow rapidly in the years to come. The pre-funding of retiree medical benefits represents an important step for the retirement system's members. The funding mechanism established by law and investment earnings on those assets will better protect those benefits and provide them at a lower cost to the Commonwealth.

The retirement system has a long and consistent record of strong investment performance. These results have been the product of a sound fundamental investment philosophy and a high degree of professionalism. Continued commitment to those values and to the retirement system's long-term focus on funding its obligations to its members should ensure continued success.

We would like to thank the Board of Trustees, Investment Committee, and investment staff for their confidence. We appreciate the opportunity to assist the retirement system in meeting its investment goals.

Respectfully,

Patrick J. Kelly, CFA
Principal

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INVESTMENT POLICY SUMMARY

The KTRS Board of Trustees has a statutory obligation to invest the members' assets in a manner consistent with the fiduciary standards set forth in the "prudent person rule." Consistent with these fiduciary standards, the board has recognized certain principles that guide investment–related decisions. First, the board will preserve the long-term corpus of the fund. Second, the board will seek to maximize total investment return within prudent risk parameters. Third, the board will act in the exclusive interest of the members and beneficiaries of the retirement system. This broad summary is a reference point for management of the retirement system's assets and outlines the investment philosophy and practice of KTRS.

INVESTMENT OBJECTIVES

KTRS invests the members' funds in several diverse classes of assets, including equities, bonds and real estate. This diversification helps us earn the highest possible long-term rate of return within appropriate risk levels. In turn, this enables us to pay guaranteed benefits to members and their beneficiaries at the lowest possible cost to participating employers and the taxpayers that fund them. Generally, the retirement system's liabilities will not be paid for as many as 30-40 years. Therefore, as a long-term investor, KTRS holdings can withstand some short-term volatility. The retirement annuity trust fund's long-term investment objective is to achieve an annualized rate of return of 7.5%; while the health insurance trust fund's long term investment objective is 8.0%.

RISK CONTROLS

The KTRS investment program faces various risks; however, the primary risk to KTRS is that the assets will not support liabilities over long periods of time. In order to control this risk and any other risks, the board has taken the following steps on an ongoing basis:

- Actuarial valuations are performed each year to evaluate the funding objectives of the retirement system. In addition, every ten years an external audit of the actuary is conducted to ensure that the assumptions made and calculation methods used are resulting in properly computed liabilities of the retirement system.
- Asset/liability studies are conducted approximately every five years. These studies ensure that the portfolio design is structured to meet the liabilities of the retirement system.
- The KTRS Investment Committee adopts, and regularly reviews, detailed investment strategies for implementation of the investment policy.

ASSET ALLOCATION

Operating within relevant regulatory limitations, the retirement system's investment consultant, on an annual basis, presents to the Investment Committee for approval target percentages and ranges for the retirement system's various asset classes. Annually approved asset allocation parameters serve to balance the retirement system's liquidity requirements, volatility tolerance, and return requirements to meet both short-term and long-term obligations. The retirement system's assets are diversified across a variety of asset classes, investment management styles, and individual securities in order to reduce volatility and enhance the potential of the investment portfolio to achieve the retirement system's long-term goals.

Asset allocation decisions for pension plans are highly dependent on the unique characteristics of a particular plan. Factors such as liability requirements, the level of funding, and statutory investment restrictions are important considerations within the context of the asset allocation decision making process. Consequently, asset allocations may differ markedly between various pension plans due to their unique circumstances.

The information below shows the retirement system's asset allocations by market value as of June 30, 2011, and June 30, 2010, as well as the target and strategic range for each asset class for fiscal year 2011.

Retirement Annuity Trust*

	June 30, 2011	%	June 30, 2010	%
Cash Equivalents**	$ 352,707,345	2.4	$ 218,429,317	1.7
Fixed Income ***	3,856,183,434	25.6	3,933,016,478	31.1
Domestic Equities	7,356,796,262	48.4	5,872,001,227	46.3
International Equities	2,294,036,935	15.1	1,703,159,180	13.4
Real Estate	480,447,237	3.1	419,613,671	3.3
Private Equity	189,131,441	1.2	110,757,811	0.9
Timberland	180,318,434	1.2	108,582,209	0.8
Additional Categories	457,628,442	3.0	312,947,084	2.5
Totals	$ 15,167,249,530	100.0	$ 12,678,506,977	100.0

* Includes Life Insurance Trust values.

** Reflects only cash balances not allocated to other asset classes. Uninvested cash balances allocated to various asset classes are represented in the respective asset classes.

*** Excludes purchased interest of $779,260 as of June 30, 2011. Also, excludes purchased interest of $1,450,327 as of June 30, 2010.

Health Insurance Trust

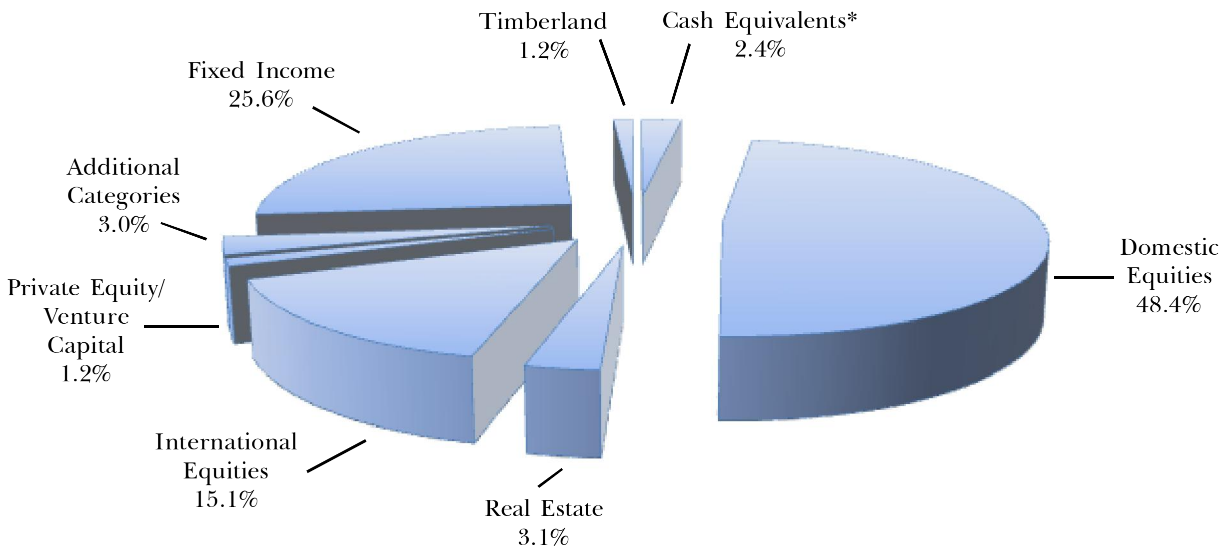
	June 30, 2011	%	June 30, 2010	%
Cash Equivalents *	$ 63,546,353	16.8	$ -0-	0.0
Fixed Income **	164,924,873	43.5	-0-	0.0
Global Equities	150,698,032	39.7	-0-	0.0
Totals	$ 379,169,258	100.0	$ -0-	0.0

* Reflects only cash balances not allocated to other asset classes. Uninvested cash balances allocated to various asset classes are represented in the respective asset classes.

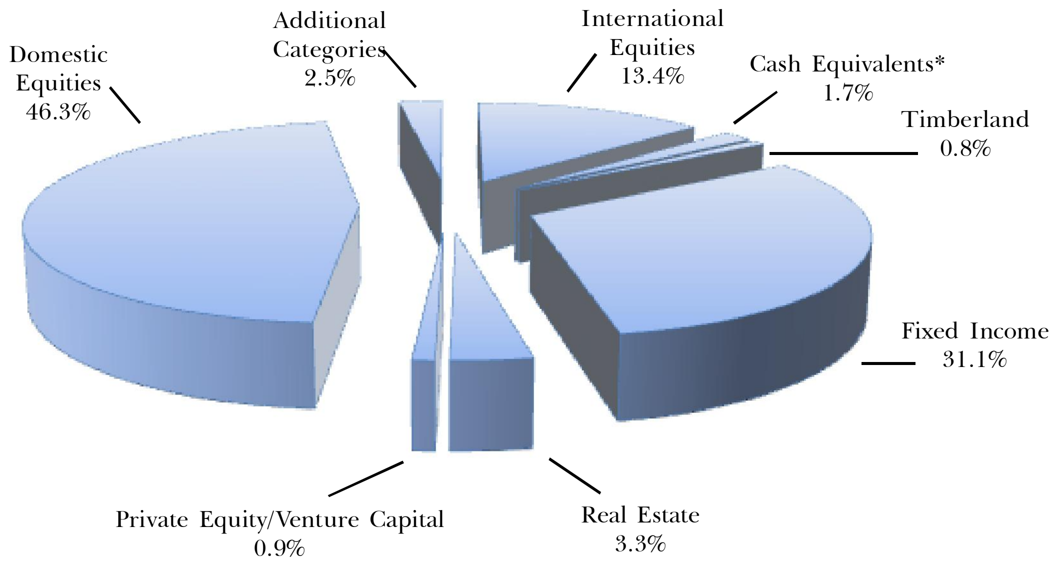
** Excludes purchased interest of $221,418 as of June 30, 2011.

Distribution of Investments
Retirement Annuity Trust**
Market Values

June 30, 2011



June 30, 2010



* Reflects only cash balances not allocated to other asset classes. Uninvested cash balances allocated to various asset classes are represented in the respective asset classes.

** Includes Life Insurance Trust values.

Strategic Weightings by Asset Class

Asset Class	Regulatory Limits (Mkt Value)	Strategic Range (Mkt)	Target (Mkt)	6/30/2011 (Mkt)
Cash		1 - 3%	2.0%	2.4%
Fixed Income		24 - 30	27.0	25.6
Government/Agency/Other	Unlimited			13.3
Corporate	35%			12.3
Equity	65%	57 - 65	61.0	63.5
Domestic Large Cap		37 - 45	41.0	41.0
Domestic Mid Cap		3 - 5	4.0	4.5
Domestic Small Cap		1 - 3	2.0	2.9
International	30%	11 - 15	14.0	15.1
Real Estate	10%	2 - 6	4.0	3.1
Alternative Investments*	10%	1 - 5	3.0	2.4
Additional Categories	15%	1 - 5	3.0	3.0
TOTAL			**100.0%**	**100.0%**

This weighting reflects cash with manager in the manager's asset class.

* Alternative Investments includes Private Equity, Timberland, Venture Capital and Infrastructure investments.

PORTFOLIO RETURNS

For the fiscal year, the retirement annuity trust fund's portfolio generated a total return of 21.6%, versus a 20.9% return for the benchmark Policy Index. Domestic equities returned 32.5% versus 31.7% for the Standard & Poor's 1500 Index, while international equities returned 31.4% versus 30.3% for the MSCI All Country World (Ex-US) Index. Fixed income investments outperformed, returning 4.8% versus 3.7% for the Barclays Government/Credit Index.

The table below details historical performance for the retirement annuity trust fund and its component asset classes for the period ended June 30, 2011. The retirement annuity trust fund's domestic equity and fixed income components have regularly exceeded the returns of their benchmarks over long periods of time. International equities, with a shorter history in the retirement annuity trust fund, have outperformed their benchmark. Other asset classes, though modest in relative size, also contributed. Investments in the U.S. Treasury's Public-Private Investment Program returned 27.8%. Investments in private equity returned 24.1%. The retirement annuity trust fund's returns were generated by the Rogers Casey performance reporting system using a time-weighted rate of return calculation based upon the modified Dietz methodology.

	1 Yr. (2)	3 Yr. (2)	5 Yr. (2)	10 Yr. (2)	20 Yr. (2)
Total Fund					
KTRS	21.6	5.6	5.1	4.8	7.7
Policy Index (1)	20.9	-	-	-	-
Equities					
Domestic Equities	32.5	4.3	3.6	3.5	9.2
S & P Blended Index (3)	31.7	3.9	3.3	2.9	8.8
International Equities	31.4	2.3	4.1	-	-
MSCI AC World (Ex US)	30.3	0.1	4.1	-	-
Total Equities	32.2	4.1	3.6	3.5	9.2
Fixed Income					
Total Fixed Income	4.8	7.9	7.4	6.4	7.2
Barclays Govt/Credit Index	3.7	6.2	6.4	5.7	6.9
Real Estate					
Real Estate Equity	20.5	-11.3	-	-	-
NCREIF ODCE	20.6	-7.6	-	-	-
Triple Net Lease Real Estate	7.2	8.6	8.3	8.7	9.0
CPI plus 2%	5.5	3.1	4.2	4.4	4.6
Alternative Investments					
Private Equity (4)	24.1	11.2	-	-	-
Timberland	6.7	2.8	-	-	-
NCREIF Timberland Index	0.5	0.0	-	-	-
Cash					
Cash (Unallocated)	0.1	0.5	2.5	2.5	3.8
Additional Categories					
High Yield Bond Fund	15.6	-	-	-	-
Public-Private Investments	27.8	-	-	-	-
Merrill Lynch High Yield Master II	15.4	-	-	-	-

(1) Prior to July 1, 2008, KTRS did not benchmark overall fund performance. Effective July 1, 2008, the Board of Trustees approved a Policy Index which represents the returns of appropriate benchmarks for the various asset classes weighted by the mid-point of the strategic range for the current fiscal year.

(2) Annualized

(3) Total Domestic Equity is benchmarked to a S & P Blended Index. Total domestic equity was benchmarked to the S & P 500 through the fiscal year ending 6/30/2007. As of 7/1/2007, domestic equity is benchmarked to the S & P 1500 Index since the retirement annuity trust fund's domestic stock mix is most comparable to this index.

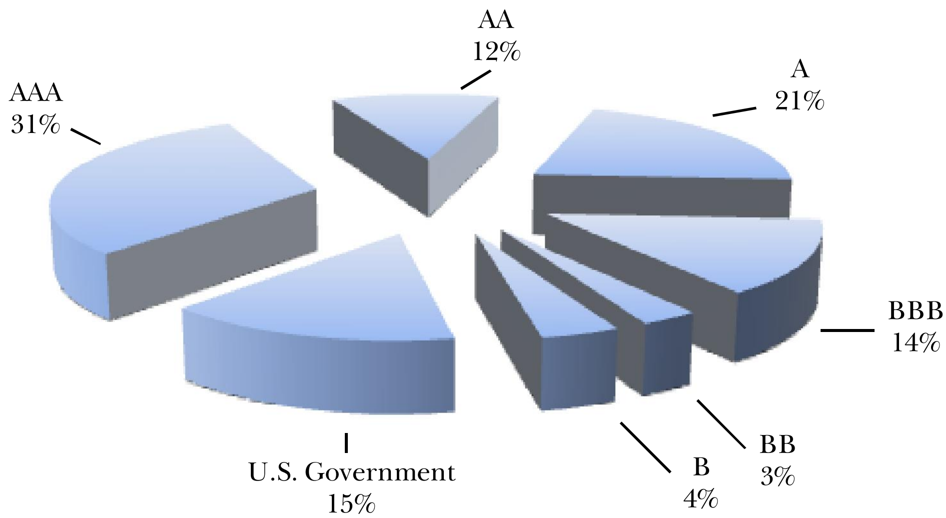
(4) For a period of five years private equity will be benchmarked against their own returns. The primary reason for this is that these investments have a minimum investment horizon of ten years and there is no market benchmark that would be expected to track these types of assets in their early years. Beginning five years after the commitment date, investments in this class shall be benchmarked versus the S & P 500 plus 3%, which is the retirement annuity trust fund's long-term expected return for this asset class.

FIXED INCOME INVESTMENTS

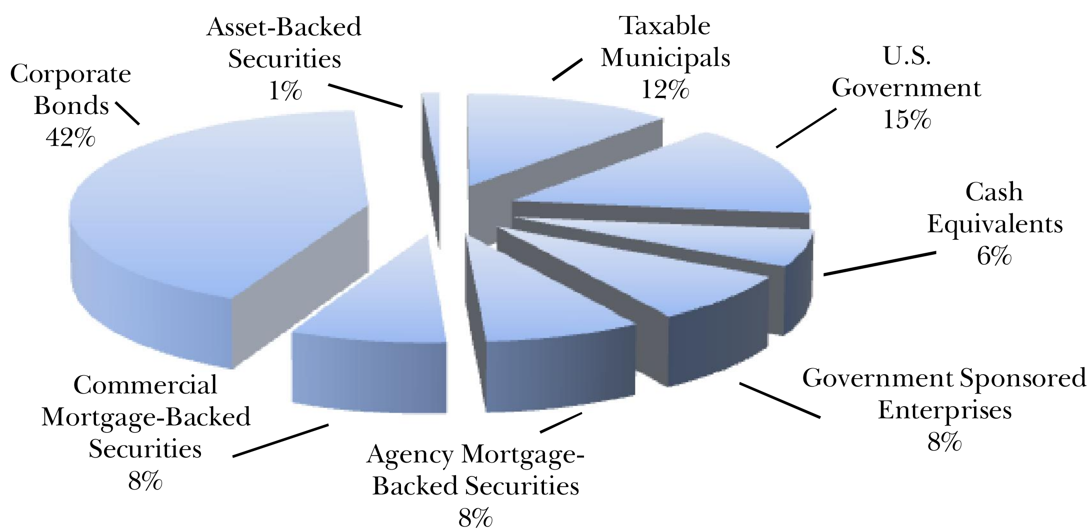
As of June 30, 2011, the retirement annuity trust fund had approximately $3.86 billion (25.6% of assets) in investment grade fixed income assets. In addition, the retirement annuity trust fund had $457.6 million (3.0% of assets) in other debt-related investments approved under a regulatory provision which allows for up to 15% of assets in additional "categories of investments" approved by the Board of Trustees. Investments under this authorization included a high yield bond portfolio, investments with two managers participating in the U.S. Treasury's Public-Private Investment Program (PPIP), and an investment in a distressed debt fund. The health insurance trust fund had $115.1 million in short-term high quality bonds for liquidity purposes and $49.8 million in a high yield bond portfolio.

Excluding the other debt-related investments discussed above, the retirement annuity trust fund's fixed income investments maintained the average investment grade rating required by administrative regulation as of June 30, 2011. The credit quality distribution, including the high yield portfolio, is illustrated below. Also illustrated below is the distribution of fixed income assets by sector, again including the high-yield portfolio.

FIXED INCOME QUALITY DISTRIBUTION



FIXED INCOME SECTOR DISTRIBUTION



FIXED INCOME MARKET OVERVIEW

Over the fiscal year, the U.S. credit markets were a reflection of a financial system and economy that were still recovering from the 2008 crisis and struggling with a weak and uncertain recovery. The Federal Reserve kept short-term rates near zero throughout the fiscal year and continued to employ unconventional monetary measures to support the economy. A $600 billion program of bond purchases by the Federal Reserve concluded in June, 2011. Despite the monetary activism, economic growth weakened in the spring and summer of 2011. Inflation-adjusted GDP grew only 1.6% over the fiscal year. The unemployment rate remained stubbornly high at 9.2%, down from 9.5% a year earlier.

A period of decent, if restrained, economic recovery from late 2009 through calendar 2010 was followed by renewed weakness in 2011. Inflation-adjusted GDP grew at a 0.4% annual rate in the quarter ended March 31 and a 1.3% annual rate in the quarter ended June 30. Market volatility surged in mid-2011 and consumer confidence collapsed. The housing downturn dragged on, with the Case-Shiller Index of home prices declining 4.5% over the fiscal year; the Index was down 31.6% from its peak in July, 2006. With U.S. fiscal challenges in the headlines, the Eurozone debt crisis was clearly deepening. By the end of the fiscal year, fears were mounting of a full-blown crisis in Europe and renewed recession in the U.S.

Fixed income sectors that were the most battered during the 2008 crisis continued to outperform. The Barclays High Yield Index returned 15.63% for the fiscal year, while investment grade commercial mortgage-backed securities returned 12.22%. Investment grade corporate bonds returned 6.29% while agency mortgage-backed securities returned 3.77% and U.S. Treasury securities returned 2.24%. The Barclays Government/Credit Index, which is heavily weighted in government bonds, returned 3.68%.

The retirement annuity trust fund's investments in fiscal year 2010 into high yield bonds and the U.S. Treasury's Public-Private Investment Program (PPIP) funds proved to be timely. The high yield bond portfolio returned 15.6% for the fiscal year while the PPIP investments returned 27.8%. In a continuing effort to find attractive alternatives to traditional fixed income, a $100 million commitment was made in fiscal year 2011 to a distressed debt fund and $100 million was committed to a multi-sector opportunistic credit mandate. The retirement system continues to evaluate alternative debt-related investment options in an effort to improve the risk/reward tradeoff within the asset class while maintaining the diversification and liquidity that the retirement system's portfolios require.

Despite near-term downside risks to the economy, the long-term risk/reward potential for high quality U.S. fixed income was clearly unattractive at fiscal year-end. On June 30, the yield on the 10-year U.S. Treasury bond was 3.16%, while the consumer price index had risen 3.6% over the previous twelve months, representing a potentially negative inflation-adjusted return. Strategic investments in sectors which represented better relative value continued to make sense. Going forward, the focus remained on structuring the asset class exposure to improve return potential and control risk.

EQUITY INVESTMENTS

As of June 30, 2011 the retirement annuity trust fund's public equity investments had a market value of $9.65 billion, representing 63.5% of total assets. Strong equity returns over the first nine months of the year prompted several rebalancing sales to reduce equity exposure back to target levels. The retirement annuity trust fund divides its public equity investments into two broad categories: domestic and international.

The domestic portfolio had a market value of $7.4 billion as of June 30, representing 48.4% of total assets. The benchmark for the domestic portfolio is the S&P 1500. The S&P 1500 is made up of 3 well known component indices based upon capitalization: the S&P 500 large cap, S&P 400 mid cap, and the small cap S&P 600. The retirement annuity trust fund's domestic equity holdings are comprised of eleven portfolios. Three of the portfolios are internal passively managed portfolios benchmarked to the S&P 500, S&P 400, and S&P 600. The other eight portfolios are managed externally with each representing a specific strategy and measured against an appropriate benchmark. The collective array of portfolios provides diversification by capitalization, manager, style, and strategy.

The market value of international equity holdings as of June 30, 2011 was $2.29 billion representing 15.1% of total assets. The benchmark for international equities is the Morgan Stanley Capital International All Country World Index ex US (MSCI ACWI-exUS), which represents the markets of 24 developed countries and 21 emerging markets countries. Four external managers manage the retirement annuity trust fund's international equities. During the fiscal year international equities increased as a percent of total assets. The retirement annuity trust fund plans to continue increasing the international equity exposure during the coming fiscal year.

The health insurance trust fund had $150.7 million invested in a global stock index fund.

EQUITY MARKET OVERVIEW

For the fiscal year 2011, stocks continued their strong rebound from their financial crisis/recession induced lows of 2009. Returns of domestic stocks as measured by the S&P 1500 were 31.7% for the year after a 15.6% gain in fiscal 2010. The Morgan Stanley Capital International (MSCI) World Index advanced 31.2%, while the MSCI EAFE which measures foreign developed markets returned 30.9%. The MSCI Emerging Markets Index was up 28.2% despite lagging performance in China and India.

Domestic stocks turned in a strong performance for fiscal year 2011 as the S&P 1500 gained 31.7%. Most all the gains came in the first three quarters, as the last quarter returns were flat. The first two quarters produced a 23.9% return as stocks rebounded from the June 2010 quarter sell-off. During the first quarter of the year the market rose on expectations of an economic rebound and strong corporate profit growth. Toward the end of the quarter there were rumors that the Federal Reserve may engage in a Quantitative Easing (QE) whereby the Fed injects more money into the economy by buying financial assets from banks and other private sector businesses. In November Federal Reserve chairman Ben Bernanke announced a $600 billion QE program, dubbed "QE 2". The QE announcement buoyed expectations that the economy would likely recover and that the Fed stood ready to provide liquidity.

During the second half of fiscal year 2011, the market wrestled with several crosscurrents of economic and political events. The market delivered strong returns during January and February as it digested the strong corporate earnings reports for the December quarter and the continued "QE 2" inspired optimism. The market appeared to disregard disappointing housing statistics, stubbornly high unemployment, rising oil prices, and rumblings of sovereign debt troubles in Europe. The S&P/Case-Shiller Home Price Index showed a 3.6% quarter-over-quarter price decline for the December quarter, which was released in February. Although the national unemployment rate dropped to 8.8% by the end of March from the 9.4% at the end of December, job growth continued to disappoint forecasts. Oil prices continued to rise as the price per barrel of crude rose from $91 at the end of December to almost $100 by the end of February.

On March 11 a major earthquake struck off the coast of Japan. The quake along with the resulting tsunami resulted in a catastrophic human toll with more than 16,000 fatalities. The quake and tsunami also crippled several nuclear reactors. The magnitude of the damage and speculation regarding a possible melt-down of some reactors resulted in a sharp decline in the market. Although the market rebounded in late March to finish the month flat, the earthquake and market volatility resulted in a drop in the Conference Board's Consumer Confidence Index (CCI) from a 12 month high of 72 in February to 63.8 by the end of March.

Returns for the domestic equity market were flat for the fourth quarter. Many market analysts expounded that the market looked "cheap" based upon corporate earnings. At the beginning of calendar year 2011, consensus expectations for corporate profits as measured by the S&P 500 were for earnings of $101.5 per share. With the S&P trading at around 1,326 at the end of March this meant the market was trading at a price/earnings ratio of 13, inexpensive by historical standards. The expectations for stronger corporate profits were set against a backdrop of deteriorating economic statistics, sovereign debt fears, and political policy uncertainty. Over the final quarter of the fiscal year the unemployment rate climbed to 9.2% from 8.8% at the end of March. Housing statistics continued to remain dismal as the quarter-over-quarter home price index fell 4.2% for the March quarter and the supply of existing single family homes rose to 9.4 months. European sovereign debt issues once again came into the headlines as bearish investors warned that high debt levels in countries such as Portugal, Ireland, Italy, and Spain could lead to needed bailouts or defaults. Leading European countries such as Germany and France which were called upon to help bail Greece out of its debt crisis were sounding a bit more circumspect with regard to continued bailouts as it was becoming politically unpopular in their home countries. Italy represents a particular concern as its GDP represents approximately 12% of the European Union. There were even rumors that the ratings agencies were taking a look at the US as the deficit continues to rise in the face of flagging economic growth and political wrangling. The price of gold continued to rise to over $1,500 per ounce during the final quarter as investors sought hard asset protection.

The continued weakness in housing and employment had some analysts calling for a QE 3 once QE 2 was to come to an end at the end of June. Many economists however began to question how effective QE 2 actually was. Some argued that it merely inflated asset prices such as stocks and some commodities. There is growing concern that the Fed may not be able to do anything else to boost the economy and that fiscal stimulus may be needed. However, the fiscal situation limits this option.

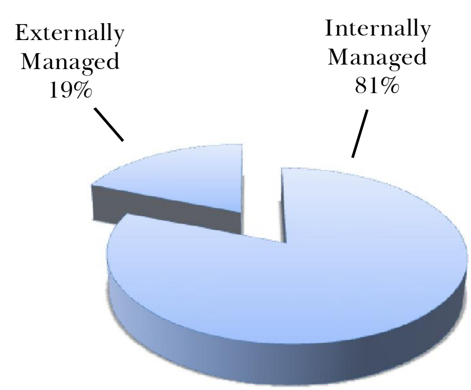
Within the domestic market the energy sector delivered the best returns for the fiscal year while financials were the weakest performer. Energy stocks rebounded from being the worst performing sector over the prior two years as the price of crude oil averaged almost $90 per barrel over the past year. For the first half of the year energy and material stocks were the top performing sectors while more defensive sectors such as utility and healthcare were the weakest. This reflected investors' belief that an economic recovery and a rise in interest rates were likely. For the second half of the year the health care and utility sectors were among the best performing as it became clear that economic growth would be much lower than expected and interest rates fell instead of rising.

REAL ESTATE

The retirement annuity trust fund's real estate investments had a market value of $480.4 million as of June 30, 2011, representing 3.1% of total assets. The retirement annuity trust fund's investments in real estate are intended to provide attractive long-term returns, generate reliable cash flow, and provide diversification, thereby reducing the volatility of the overall investment portfolio.

The retirement annuity trust fund's real estate exposure is currently provided through three portfolios. The retirement annuity trust fund maintains an internally managed portfolio of directly owned properties under long-term lease agreements with high credit quality tenants. The retirement annuity trust fund is also invested in a commingled real estate fund (PRISA Fund), which is managed by Prudential Real Estate Investors. This fund is a core real estate equity fund which invests primarily in existing income-producing properties with strong cash flows and the potential for capital appreciation. The fund is diversified across several property types including office, retail, industrial, apartment, self-storage and hotel. Additionally, the retirement annuity trust fund is invested in a real estate limited partnership (Carlyle Realty Partners VI, L.P.), which is managed by the Carlyle Group. This fund is an opportunistic real estate fund

Real Estate Investments
$480.4 Million Market Value
As of June 30, 2011



targeting distressed properties where fundamentals such as supply, demand and location indicate that the property can be successfully turned around. This fund will focus on the major markets on the East and West Coasts and across all property types.

REAL ESTATE OVERVIEW

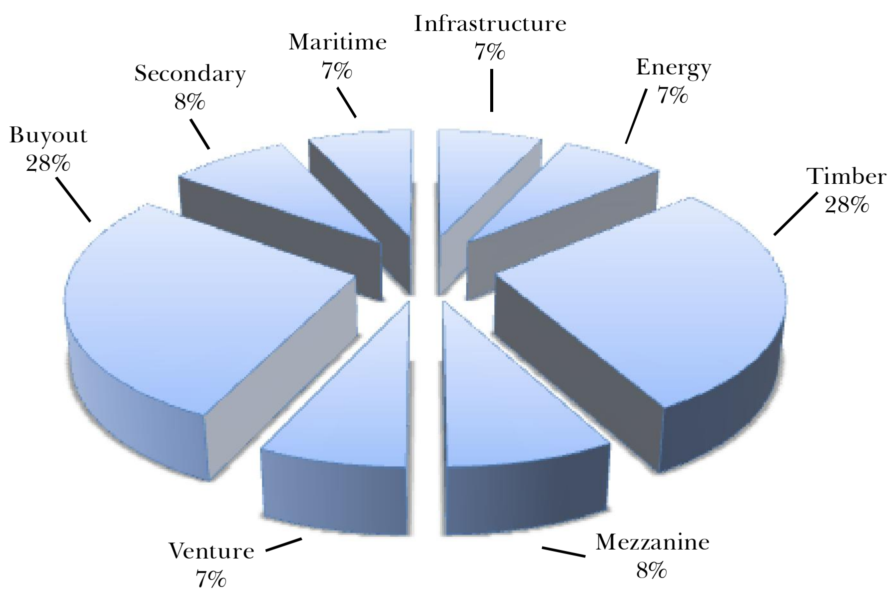
Interest in commercial real estate was quite strong during the fiscal year as investors sought investments offering stable, secure cash flows at attractive yield levels. Property values of core assets located in prime markets saw a meaningful rebound, while the recovery in the broader market was somewhat weaker due to limited transaction activity and distressed sales. Demand was strongest in the apartment and hotel sectors, while industrial and office space saw less investor interest.

With the exception of multifamily housing, new construction activity is expected to be quite limited over the upcoming year. The lack of new supply and an expected moderate increase in tenant demand should lead to higher occupancy rates and an increase in rents in the strongest segments of the market. Opportunistic investments will continue to be available for investors who have ready cash to provide financing at attractive terms, and for those who are in a position to purchase property from owners who are unable to pay or refinance maturing debt.

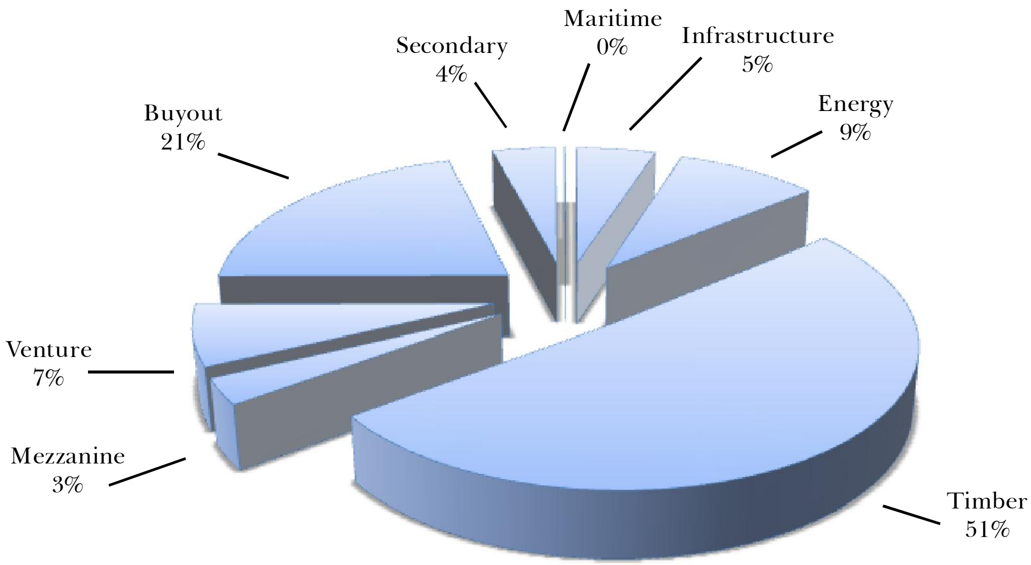
ALTERNATIVE ASSETS

As of June 30, 2011, the retirement annuity trust fund had committed $715 million to alternative investments and had funded $332 million of those commitments. There were no commitments to the health insurance trust fund. The percentage of the retirement annuity trust fund's portfolio in alternative assets was 2.4%. The retirement annuity trust fund's current alternative asset portfolio consists of private equity investments and timberland.

Alternative Assets Committed as of June 30, 2011 $715 Million



Alternative Assets Funded
as of June 30, 2011
$332 Million



PRIVATE EQUITY

The retirement annuity trust fund has exposure to venture, buyout, infrastructure, energy, mezzanine and several other private equity sectors via participation in limited partnerships as well as investments in funds of funds. The retirement annuity trust fund is in the early stages of its private equity investment program, which it intends to grow with a disciplined plan of commitments over the next several years. The retirement annuity trust fund looks to diversify its private equity portfolio by firm, country, strategy, and vintage year, and will achieve vintage year diversification by building out the portfolio with disciplined levels of commitments over time. The retirement annuity trust fund's commitment to any given partnership shall not exceed 20% of the partnership's total commitments.

The Board and staff understand that private equity (along with many other forms of alternative assets) are illiquid and have a long-term holding period. When added to a portfolio with other publicly traded assets, this asset class can help to diversify and reduce risk for the retirement annuity trust fund's overall portfolio while enhancing returns. Private equity returns for the first several years of a partnership's life are routinely negative due to the J-curve effect. Positive returns are typically realized only several years into a partnership's existence.

PRIVATE EQUITY MARKET OVERVIEW

The private equity market continues to heal from the devastating effects of the financial crisis. Fund raising has picked up as many investors have increased their allocation to private equity over the past fiscal year. The reopening of the IPO market has been a key driver in the ability of fund managers to begin to exit their underlying portfolio companies and return funds to the limited partners. With the rebound in the private equity markets we have seen an increase in capital calls and expect this to continue in the foreseeable future.

Limited partners are becoming more selective in their allocation to private equity with a strong bias toward the top tier firms. This should, over the long term, provide a shakeup in this space as the weaker firms are forced to exit. As large buyout funds continue to be out of favor, we are seeing more opportunity in the middle market space and in other more niche areas such as energy, infrastructure and distressed credit. Additionally, the stress in the European markets should continue to present investment opportunities in the private equity space over the next fiscal year.

TIMBERLAND

In addition to private equity, the retirement annuity trust fund has invested in timberland in the alternative asset class. As of June 30, 2011 the retirement annuity trust fund owns approximately 73,000 acres of timberland outright and has a 7.15% interest in a commingled fund that holds approximately 98,000 acres of timberland. Additionally, during the past fiscal year the retirement annuity trust fund purchased an interest in approximately 124,000 acres of timberland located across seven southern states. Timberland is, by nature, a long term investment as our anticipated time horizon in this asset category is generally a minimum of ten to fifteen years. Timberland provides valuable diversification, current income, and a hedge against inflation. Due to the low correlation of returns with other asset classes, timberland investments should lower the overall volatility of the retirement annuity trust fund's portfolio. Timberland should earn real returns comparable to traditional equity investments with volatility between equities and fixed income over the long-term.

The retirement annuity trust fund diversifies its timberland investments by geography, species of trees, and maturity of timber stands. Investment returns from timberland are primarily driven from net cash flow generated from the sale of trees (referred to as stumpage sales) and capital appreciation from the biological growth of the trees. Both of these return factors depend to some degree upon the direction of the forest commodity prices (paper goods and lumber products). There can also be gains from the timely sale of timberland from the conversion of timberland into higher and better uses, such as vacation property sales.

TIMBERLAND MARKET OVERVIEW

Over the past fiscal year the timber markets, particularly in the Southern U.S., have generally been flat. The soft economy, persistently high unemployment and the ailing housing market have left mills with an oversupply of inventory and limited pricing power for timberland owners. A rebound in the economy and with that a recovery in the construction market should help to alleviate this oversupply and allow for some upward pricing power over the long term. One bright spot in this rather lackluster timber market has been the Pacific Northwest, which has seen demand and prices rebound from their post financial crisis lows. This rebound can be attributed to the demand for timber from the Far East, particularly China and Japan. Demand is stemming from China's growth and Japan's reconstruction, following the earthquake and tsunami that occurred in March 2011.

RETIREMENT ANNUITY TRUST
PORTFOLIOS
MARKET VALUES **
June 30, 2011

Internally Managed	
Cash Equivalents	
Cash Collections Fund (Unallocated)	352,707,345
Fixed Income*	
Broad Market Bond Fund	965,175,899
Long Term Bond Fund	548,731,286
Intermediate Bond Fund	442,760,524
Internal Bond Fund	374,955,512
Life Insurance Trust	87,011,298
Tax Shelter Fund	423,376
Equity	
S & P 500 Stock Index Fund (Large Cap)	2,588,717,651
S & P 400 Stock Index Fund (Mid Cap)	399,534,211
S & P 600 Stock Index Fund (Small Cap)	270,345,296
Real Estate	
Internally Managed Fund	387,947,157
Subtotal	6,418,309,555
Externally Managed	
Fixed Income	
Galliard Capital Management	737,526,988
Ft. Washington Broad Market	699,598,551
Domestic Equity	
Todd - Veredus (Large Cap Core)	1,255,896,326
UBS (Large Cap Value)	962,991,298
GE Asset Management (Large Cap Growth)	655,251,249
Wellington (Large Cap Core)	526,994,388
Wellington (Mid Cap Core)	293,082,593
Wellington (Small Cap Core)	165,530,699
Todd - Veredus Opportunity Fund	127,546,997
UBS (130/30)	110,905,553
International Equity	
Todd - Veredus International	720,580,331
UBS International	667,852,908
Baillie Gifford EAFE Alpha	504,036,473
Baring Focused International Equity	401,567,223
Real Estate	
Prudential PRISA Fund	88,087,181
Carlyle Realty Partners VI	4,412,899
Alternative Investments	
Molpus Woodlands Group Lake Superior Timberlands LLC	88,927,058

continued ...

RETIREMENT ANNUITY TRUST PORTFOLIOS continued ...
JUNE 30, 2011

Molpus Seven States LLC	71,318,161
Riverstone/Carlyle E & P Fund IV	41,757,750
KKR & Co European Fund III	30,832,809
KKR & Co Fund 2006	20,249,639
Hancock Bluegrass LLC - Oregon	20,073,215
Alinda Infrastructure Fund II	19,440,393
Ft. Washington Fund VI	17,978,217
Chrysalis Venture Fund III	14,825,854
Lexington Capital Partners Fund VII	12,717,189
Ft. Washington Fund V	11,615,950
Landmark Equity Partners Fund XIV	6,214,837
Oaktree Mezzanine Fund III	5,164,810
Parish Capital Fund III	5,127,211
CapitalSouth Partners Fund III	1,796,973
Audax Mezzanine Fund III	1,322,241
J. P. Morgan Maritime Fund	87,569
Additional Categories	
Fort Washington High Yield Bond Fund	250,550,515
Marathon Legacy Securities PPIP	72,126,160
AG GECC PPIF, LP	69,150,793
Avenue Special Situations Fund VI	65,800,974
Subtotal	8,748,939,975
Total Assets	15,167,249,530

* *Excludes purchased interest of $779,260 as of June 30, 2011*

** *Detailed information concerning these market values of all KTRS investments is available upon request.*

HEALTH INSURANCE TRUST PORTFOLIOS
MARKET VALUES **
June 30, 2011

Cash Equivalents	
Cash Collections Fund	63,546,353
Fixed Income*	
Internal Bond Fund	115,102,621
Subtotal	**178,648,974**
Fixed Income*	
Ft. Washington High Yield Bond Fund	49,822,252
Global Equities	
BlackRock Fund B	150,698,033
Subtotal	**200,520,285**
Total Assets	**379,169,259**

* *Excludes purchased interest of $221,418 as of June 30, 2011.*

** *Detailed information concerning these market values of all KTRS investments is available upon request.*

Investment Summary
Fair Market Value – Total Funds
June 30, 2011

Type of Investment	Fair Value 07/01/10	Acquisitions	Appreciation (Depreciation)	Sales Redemptions, Maturities & Paydowns	Fair Value 06/30/11
Cash Equivalents	$ 307,378,300	$ 5,265,658,700	$ -	$ 4,840,633,600	$ 732,403,400
Fixed Income	4,126,873,400	3,562,511,300	12,070,600	3,682,180,700	4,019,274,600
Equities	7,526,938,500	2,352,793,400	2,317,955,700	2,458,440,100	9,739,247,400
Real Estate	419,613,700	57,632,800	3,452,800	252,000	480,447,200
Alternative	299,635,600	254,439,000	62,802,600	40,349,500	576,527,800
TOTAL	$12,680,439,500	$ 11,493,035,200	$ 2,396,281,700	$ 11,021,855,900	$ 15,547,900,400

Contracted Investment Management Expenses
Fiscal Year 2010-11
(in thousands of dollars)

Investment Counselor Fees	Assets Under Management	Expense	Basis Points [1]
Equity Manager(s)	$ 6,392,236	$ 11,313	
Fixed Income Manager	1,687,676	1,033	
Real Estate	92,500	899	
Alternative Investments [2]	576,528	7,455	
Total	$ 8,748,940	$ 20,700	23.7
Other Investment Services			
Custodian Fees	$ 15,167,731	$ 331	0.2
Consultant Fees		359	
Legal & Research		155	
Subscriptions/Services		615	
Total		$ 1,460	
Grand Total		$ 22,160	**14.6**

(1) – One basis point is one hundredth of one percent or the equivalent of .0001.
(2) – Private equity fees are either withheld from the Fund operations or paid by direct disbursement, depending on contract terms.

Health Insurance Trust Fund
Contracted Investment
Management Expenses
Fiscal Year 2010-11
(in thousands of dollars)

Investment Counselor Fees	Assets Under Management	Expense	Basis Points [1]
Equity Manager(s)	$ 150,698	$ 29	
Fixed Income Manager	49,822	25	
Real Estate	-	-	
Alternative Investments [2]	-	-	
Total	$ 200,520	$ 54	2.7
Other Investment Services			
Custodian Fees	$ 379,169	$ -	0.0
Consultant Fees		-	
Legal & Research		7	
Subscriptions/Services		-	
Total		$ 7	
Grand Total		$ 61	**1.6**

(1) – One basis point is one hundredth of one percent or the equivalent of .0001.
(2) – Private equity fees are either withheld from the Fund operations or paid by direct" disbursement, depending on contract terms."

Transaction Commissions
Fiscal Year 2010-11

COMPANIES	SHARES TRADED	COMMISSIONS	COMMISSION PER SHARE	% OF TOTAL
Barclays Total	1,999,359	66,096	$0.0331	2.16 %
BB & T Capital Markets Total	5,900	236	0.0400	0.01
Blair, William & Co Total	87,200	3,488	0.0400	0.11
BMO Capital Markets Total	30,075	1,203	0.0400	0.04
BNP Paribas Securities Bond Total	122,375	3,491	0.0285	0.11
BNY ConvergEX Group Total	3,784,214	69,429	0.0183	2.27
Brean Murray, Carret & Co., LLC Total	3,300	132	0.0400	0.00
BTIG Total	176,845	6,444	0.0364	0.21
Canacord Adams Total	18,100	724	0.0400	0.02
Cantor Fitzgerald & Co Total	105,450	4,170	0.0395	0.14
CIBC Oppenheimer Worldmarket Total	96,885	32,893	0.3395	1.08
Citigroup Global Total	277,480	10,005	0.0361	0.33
Collins Stewart LLC Total	52,950	2,118	0.0400	0.07
Cowen & Co Total	472,600	13,105	0.0277	0.43
Credit Research & Trading LLC Total	33,800	1,234	0.0365	0.04
Credit Suisse Sec. LLC Total	3,762,535	111,433	0.0296	3.64
Crowell Weedon & Co Total	9,200	368	0.0400	0.01
CSI US Institutional (Calyon) Total	291,215	10,003	0.0343	0.33
Cuttone & Co Inc Total	49,700	1,118	0.0225	0.04
D A Davidson & Co Total	14,300	572	0.0400	0.02
Dahlman Rose & Co LLC Total	65,520	2,621	0.0400	0.09
Deutsche Bank Total	744,404	22,985	0.0309	0.75
Dowling & Partners Total	11,500	460	0.0400	0.02
Fidelity Capital Markets Total	29,575	810	0.0274	0.03
First Kentucky Securities Corp Total	2,164,600	64,938	0.0300	2.12
Freidman Billings Total	131,508	5,048	0.0384	0.17
Gleacher & Company Securities Total	35,000	1,400	0.0400	0.05
Goldman Sachs Total	4,062,031	125,229	0.0308	4.09
Heflin & Co Total	54,200	2,168	0.0400	0.07
Hudson Securities Total	9,600	384	0.0400	0.01
Investment Tech Grp Transition Total	11,455,230	114,552	0.0100	3.74
Investment Technology Grp Total	37,198,993	513,320	0.0138	16.78
ISI Group Total	3,278,981	94,514	0.0288	3.09
J.J.B. Hilliard, W.L. Lyons Total	3,513,100	105,393	0.0300	3.45
Janney Montgomery Scott Inc Total	145,200	5,808	0.0400	0.19
Jefferies & Co. Total	416,325	14,625	0.0351	0.48
JMP Securities Total	94,225	3,769	0.0400	0.12
Jones & Associates Total	45,600	1,824	0.0400	0.06
JP Morgan & Chase Total	690,605	20,654	0.0299	0.68
Keefe Bruyette & Woods Total	58,575	2,343	0.0400	0.08
Keybanc Capital Total	29,690	1,188	0.0400	0.04
Knight Equity Markets Total	56,630	2,082	0.0368	0.07
Lazard Freres & Co. Total	3,735,410	109,157	0.0292	3.57
Leerink Swann & Co. Total	104,050	2,623	0.0252	0.09
Lexington Investment Co. Total	1,465,890	43,977	0.0300	1.44
Liquidnet Inc Total	11,462,710	120,250	0.0105	3.93
Longbow Securities LLC Total	8,857	354	0.0400	0.01
MacQuarie Securities Inc Total	56,175	2,247	0.0400	0.07
Melvin Securities Inc Total	9,100	91	0.0100	0.00
Merrill Lynch Total	8,570,585	149,920	0.0175	4.90
Merrill Lynch, Pierce, Fenner & Total	15,950	638	0.0400	0.02
Miller Tabak & Co. LLC Total	32,200	1,288	0.0400	0.04
Mizuho Securities, USA Total	1,400	56	0.0400	0.00
MKM Partners Total	43,565	1,187	0.0272	0.04
Morgan Keegan Total	3,038,154	89,966	0.0296	2.94
Morgan Stanley Smith Barney-Hunt Total	3,598,560	107,957	0.0300	3.53

Transaction Commissions continued . . .

COMPANIES

	SHARES TRADED	COMMISSIONS	COMMISSION PER SHARE	% OF TOTAL
Morgan Stanley Smith Barney-Louv Total	2,872,860	86,186	0.0300	2.82
Morgan Stanley Smith Barney-NKY Total	3,679,820	110,395	0.0300	3.61
Morgan Stanley Total	2,303,118	59,171	0.0257	1.93
Needham Total	20,320	813	0.0400	0.03
Nomura Securities Intrntl Inc Total	94,970	3,114	0.0328	0.10
Oppenheimer & Co, Inc Total	4,700	188	0.0400	0.01
Pacific Crest Securities Total	5,600	224	0.0400	0.01
Pershing LLC Total	69,800	1,699	0.0243	0.06
Pipeline Trading Total	7,400	74	0.0100	0.00
Piper Jaffray Total	79,090	4,027	0.0509	0.13
Pulse Trading Total	263,820	5,688	0.0216	0.19
R W Baird Total	344,864	9,696	0.0281	0.32
Raymond James & Assoc Total	5,924,948	179,175	0.0302	5.86
RBC Capital Markets Total	261,510	9,621	0.0368	0.31
Rosenblatt Securities LLC Total	8,000	320	0.0400	0.01
Ross Sinclaire & Assoc Total	1,418,450	42,554	0.0300	1.39
Sanford C Bernstein Total	854,578	15,394	0.0180	0.50
SG AMERICAS SECURITIES Total	4,025	161	0.0400	0.01
Simmons & Co Total	8,600	344	0.0400	0.01
SJ Levinson & Sons LLC Total	3,500	140	0.0400	0.00
Soleil Securities Co Total	11,400	456	0.0400	0.01
State Street Global Total	90,550	2,717	0.0300	0.09
Stephens Inc. Total	25,550	1,022	0.0400	0.03
Sterne, Agee & Leach Total	166,195	6,648	0.0400	0.22
Stifel, Nicolaus & Co Total	2,533,489	87,360	0.0345	2.86
Stifel, Nicolaus & Co-Louisville Total	1,409,770	42,293	0.0300	1.38
Suntrust Robinson Total	46,150	1,846	0.0400	0.06
Susquehanna Brokerage Total	219,664	7,443	0.0339	0.24
Think Equity Partners Total	1,700	68	0.0400	0.00
UBS/Paine Webber Securities Total	1,210,582	24,105	0.0199	0.79
UBS/Paine Webber-Louisville Total	4,350,950	130,529	0.0300	4.27
Wedbush Morgan Securities Total	20,100	804	0.0400	0.03
Weeden & Co Total	4,506,244	135,748	0.0301	4.44
Wells Fargo Securities, LLC Total	338,895	13,304	0.0393	0.43
WJB Capital Group Inc	44,250	1,770	0.0400	0.06
TOTAL	**141,032,643**	**3,059,182**	**0.0217**	**100%**

The acquisition of initial public offerings (IPOs) represented a portion of small capitalization stock purchases. IPOs usually have a high commission rate; however, the security issuers and not the investors pay the commissions. In 2010-11, the retirement annuity trust fund bought small capitalization IPOs that generated $122,318 in commissions. Although these commissions were not paid by the retirement system, they resulted from the retirement annuity trust fund's investment activities and are included in the total commissions of $3,059,182. Typical stock transactions occur at lower commission rates than IPO transactions, frequently $.03 per share or less. Investment companies usually provide investment research for brokerage clients. On occasion, investment companies direct third party research to active clients. The retirement system received third party research credit through BNY ConvergEx during this fiscal year. Trading commissions of $6,640.43 were associated with third party research obligations. The primary research providers were: Bloomberg, Interactive Data, Rogers Casey, RiskMetrics Group, QED Financial Systems, and Thomson Financial; however, KTRS began the process of paying for research directly to vendors instead of through third party research agreements.

Ten Largest Stock Holdings Ranked (1) (2)
by Market Value
June 30, 2011

Rank	Name	Market Value	Percentage of Equities
1	Exxon Mobil Corp	163,055,165	2.063
2	Apple Inc	137,503,859	1.739
3	Pepsico Inc	109,219,956	1.381
4	Qualcomm Inc	108,290,352	1.370
5	Chevron Corp	86,019,181	1.088
6	Philip Morris Inc	82,951,042	1.049
7	International Business Machines	79,540,873	1.006
8	Microsoft Corp	78,388,986	0.991
9	Oracle Corp	73,974,835	0.935
10	United Health Group	67,611,786	0.855

Top Ten Fixed Income Holdings (2)
by Market Value
June 30, 2011

Rank	Description	Maturity	Coupon	Par Value	Market Value	Percent of Fixed Income
1	U S Treasury Bonds	8/15/2023	6.250	46,000,000	58,355,140	1.503
2	U S Treasury	5/15/2041	4.380	54,820,000	54,734,481	1.410
3	U S Treasury TIPS	4/15/2013	0.630	49,540,000	54,254,212	1.397
4	U S Treasury	5/15/2021	3.130	47,930,000	47,795,317	1.231
5	U S Treasury	4/30/2013	0.630	44,375,000	44,534,306	1.147
6	U S Treasury	5/31/2013	0.500	42,575,000	42,619,704	1.098
7	FNMA Notes	1/15/2030	7.130	25,000,000	33,264,000	0.857
8	U S Treasury Bonds	8/15/2029	6.130	22,000,000	27,953,860	0.720
9	U S Treasury TIPS	1/15/2029	2.500	22,000,000	26,759,839	0.689
10	CMO FHR 3095 JE	7/15/2031	5.500	23,604,000	24,441,010	0.629

(1) Includes only actively managed separate accounts.
(2) Detailed information concerning these values along with book values and cost values of all KTRS investments is available upon request.

PROXY VOTING AND CORPORATE BEHAVIOR

The retirement system regularly votes proxy statements associated with its equity ownership. The positions assumed by the retirement system are intended to represent the financial interests of the membership. The Board of Trustees has adopted a policy that directs the staff not to subjugate the financial concerns of the retirement system to social or political protests. At the same time, the retirement system expects the companies in which it acquires stock to be solid corporate citizens that abide by federal, state, and local laws. The Board has adopted the following position on corporate behavior:

The Board's stated fiduciary duty is to obtain the highest return for the retirement system commensurate with acceptable levels of risk. This implies that non-financial considerations cannot take precedence to pure risk/return considerations in the evaluation of investment decisions. However, action taken by the retirement system as a shareowner can be instrumental in encouraging action as a responsible corporate citizen by the companies in which the retirement system has invested.

The Board expects the managements of the companies whose equity securities are held in the retirement system's portfolio to conduct themselves with propriety and with a view toward social considerations. A level of performance above minimum adherence to the law is generally expected. If any improper practices come into being, the Board expects corporate management to move decisively to eliminate them and effect adequate controls to prevent recurrence.

On the other hand, the Board does not intend to supplant the duties which are the responsibility of federal or state regulatory agencies, such as the Equal Employment Opportunity Commission, the Environmental Protection Agency, the Occupational Safety and Health Agency, the Nuclear Regulatory Commission, the Securities and Exchange Commission, and others which are covered by the laws of the United States Government or the State of Kentucky.

Should satisfaction of the Board's criteria by any company not be adequate, the Board will consider what action to take, which may include, but not be limited to, correspondence with the company, meetings with company officials, sponsoring of shareholder resolutions or, as a last resort, liquidation of the retirement system's holdings in the company, if the sale is consistent with sound investment policy.

SECURITY LENDING

The retirement system operates a security lending program in which it temporarily lends securities to qualified agents in exchange for a net fee and high quality collateral. U.S. Government and agency securities and select stocks and bonds are the types of securities loaned. The retirement system's custodian, The Bank of New York Mellon, acts as lending agent in exchanging securities for collateral. The collateral, at the time of the loan, has a value of not less than 102% of the market value of the lent securities plus any accrued, unpaid distributions. The collateral consists of cash, marketable U.S. Government securities, and selected marketable U.S. Government agency securities approved by the retirement system.

Cash collateral is invested in short term obligations fully guaranteed by the United States Government or select Government agencies and Government Repurchase Agreements with qualified agents. The retirement system cannot pledge or sell collateral securities unless the borrower defaults. The lending agent also indemnifies the retirement system from any financial loss associated with a borrower's default and collateral inadequacy. The weighted average maturity of cash collateral investments is typically two days. The retirement system has no credit risk exposure to borrowers, since the amounts the retirement system owes borrowers exceeds the amounts the borrowers owe the retirement system.

Security lending programs can entail considerable interest rate risk and credit risk. The retirement system has structured its program to minimize these two main categories of risk. The interest rate risk is managed, as mentioned above, by limiting the term of cash collateral investments to several days. The credit risk is controlled by investing cash collateral in securities with qualities similar to the creditworthiness of lent securities.

KENTUCKY INVESTMENTS

The retirement system is keenly aware of the scale and importance of its role in the Commonwealth's economy. For the fiscal year ended June 30, 2011, approximately $1.7 billion in benefit payments (retirement, health, ...etc.) were distributed to annuitants living in Kentucky. Approximately $330 million of the retirement annuity trust fund's investments directly impact the Commonwealth. These investments include: commercial real estate; bonds issued by public agencies of the Commonwealth and those of local municipalities; pools of single-family mortgages in Kentucky; financing for multi-family housing, and; investments in the bonds of Kentucky-based corporations. This excludes hundreds of millions in equity investments in companies which have an impact on the Commonwealth's economy but receive earnings from world-wide operations. Fiduciary duty requires that investments be made solely for the benefit of the retirement system's members and annuitants. Investments which benefit the Commonwealth's economy are made only when fully consistent with this fiduciary duty.

PROFESSIONAL SERVICE PROVIDERS

Investment Consultant
Hewitt EnnisKnupp, Inc.

Investment Custodian
The Bank of New York Mellon

Fixed Income Managers
Galliard Capital Management
Ft. Washington Investment Advisors

Domestic Equity Managers
Todd-Veredus Asset Management LLC
UBS Global Asset Management
Wellington Management Company
GE Asset Management

International Equity Managers
Todd-Veredus Asset Management LLC
UBS Global Asset Management
Baring Asset Management, Inc.
Baillie Gifford

Real Estate Managers
Prudential Real Estate Investors
Carlyle Realty Partners

Alternative Investment Managers
Molpus Woodlands Group
Hancock Natural Resources Group
Kohlberg Kravis Roberts & Co.
Chrysalis Ventures
Ft. Washington Private Equity Investors
Alinda Capital Partners, LLC
Riverstone Holdings, LLC
CapitalSouth Partners
Landmark Partners
Lexington Partners
Oaktree Capital Management
Parish Capital Advisors, LLP
Audax Group
J.P. Morgan Asset Management
Marathon Legacy Securities GP, LLC
AG GECC PPIF GP, LLC
Avenue Capital Group

Attorney
Schottenstein, Zox & Dunn, Co.

HEALTH INSURANCE TRUST PROFESSIONAL SERVICE PROVIDERS

Investment Consultants
Hewitt EnnisKnupp, Inc.

Investment Custodian
The Bank of New York Mellon

Fixed Income Manager
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Global Equity Manager
BlackRock Institutional Trust Company

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