

Maryland Teachers & State Employees Supplemental Retirement Plans



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Investment Performance Report October 1, 2015 to December 31, 2015



MSRP

The results shown represent past performance and do not represent expected future performance or experience. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's units or shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted.

Performance data current to the most recent month-end may be obtained by visiting: MarylandDC.com. Please consider the fund's investment objectives, risks, and charges and expenses carefully before investing. The underlying fund prospectuses contain this and other information about the investment company. Prospectuses are available by calling 1-800-545-4730. Read carefully before investing.

Gross expense ratios represent the fund's total operating expenses expressed as a percentage of the assets held in the fund. For more information about gross expense ratios, read the fund's prospectus. The rates of return do not reflect a maximum deduction of a 0.14% annual plan asset fee, which, if reflected, would reduce the performance shown. No account will be charged more than \$2,000 for the year. The rates for the Investment Contract Pool are after the deduction of any carrier charges. Please see other important disclosures at the end of this report.



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VRU	Fixed Investment Option	Jan '16	Dec '15	Nov '15
283	Investment Contract Pool	1.72%	1.72%	1.70%

VRU	Variable Investment Option	Morningstar Category	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date	Gross Expense Ratio
VRU Short-Term Investments									
725	Vanguard Prime Money Market Fund Inst Current Yield: 0.32%	Money Market	0.11%	0.08%	0.09%	1.45%	3.36%	10/03/89	0.10%
	<i>Citigroup 3-month T-bill</i>		0.03%	0.04%	0.05%	1.17%			
VRU Bonds									
654	PIMCO Total Return Fund Inst ^(a) Intermediate Term Bond Index	Intermediate-Term Bond	0.72%	1.12%	3.52%	5.76%	7.58%	05/11/87	0.46%
	<i>Barclays Capital US Aggregate Bond</i>		0.55%	1.44%	3.25%	4.51%			
786	Vanguard Total Bond Market Index Inst Intermediate Term Bond Index	Intermediate-Term Bond	0.41%	1.34%	3.15%	4.51%	5.42%	09/18/95	0.06%
	<i>Barclays Capital Intermediate Government Bond</i>		1.18%	0.81%	2.02%	3.71%			
VRU Balanced									
724	T. Rowe Price Retirement Balanced Fund ^(b) Combined Index Portfolio Income	Conservative Allocation	-0.75%	4.03%	4.67%	4.86%	6.15%	09/30/02	0.56%
			-0.16%	4.45%	4.77%	4.43%			
199	Fidelity Puritan Fund ^(b) Balanced Index	Moderate Allocation	1.77%	10.69%	9.21%	6.84%	10.96%	04/16/47	0.56%
	<i>60% S&P 500/40% Barclays Capital Aggregate Bond</i>		1.28%	9.62%	8.95%	6.48%			
VRU Large-Cap Stocks									
740	Vanguard Instl Index Fund Plus Large Cap Blend Index	Large Blend	1.39%	15.12%	12.57%	7.34%	6.47%	07/07/97	0.02%
	<i>Standard & Poor's 500 Index</i>		1.38%	15.13%	12.57%	7.31%			
856	Parnassus Core Equity Fund Inst ^(b) Large Cap Blend Index	Large Blend	-0.34%	15.32%	12.89%	10.11%	10.55%	08/31/92	0.67%
	<i>Standard & Poor's 500 Index</i>		1.38%	15.13%	12.57%	7.31%			
959	American Century Equity Growth Inst Large Cap Blend Index	Large Blend	-3.99%	13.25%	12.03%	6.59%	6.05%	01/02/98	0.47%
	<i>Standard & Poor's 500 Index</i>		1.38%	15.13%	12.57%	7.31%			
834	American Funds Growth Fund of America R6 Large Cap Growth Index	Large Growth	5.70%	15.88%	12.44%	7.54%	13.88%	11/30/73	0.33%
	<i>Russell 1000 Growth</i>		5.67%	16.83%	13.53%	8.53%			
776	Goldman Sachs Large Cap Value Inst ^(b) Large Cap Value Index	Large Value	-4.30%	12.85%	9.73%	5.73%	6.04%	12/15/99	0.80%
	<i>Russell 1000 Value</i>		-3.83%	13.08%	11.27%	6.16%			
VRU Mid-Cap Stocks									
899	Vanguard Midcap Index Inst Plus Mid Cap Blend Index	Mid Cap Blend	-1.30%	14.94%	11.56%	N / A	11.93%	12/15/10	0.06%
	<i>S&P 400 Midcap Index</i>		-2.18%	12.76%	10.68%	8.18%			
1291	Janus Enterprise Fund Mid Cap Growth Index	Mid Cap Growth	3.57%	15.01%	12.01%	9.57%	10.56%	09/01/92	0.68%
	<i>Russell Midcap Growth</i>		-0.20%	14.88%	11.54%	8.16%			
802	T. Rowe Price Midcap Value ^(b) Mid Cap Value Index	Mid Cap Value	-3.41%	12.01%	9.86%	8.02%	11.16%	06/28/96	0.80%
	<i>Russell Midcap Value</i>		-4.78%	13.40%	11.25%	7.61%			

^(a) Voluntary fee waiver that can be changed at anytime.

^(b) Part of the MSRP Mutual Fund Savings (reimbursement) Program.

VRU	Variable Investment Option	Morningstar Category	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Inception Date	Gross Expense Ratio
VRU Small-Cap Stocks									
526	T. Rowe Price Small Cap Stock Fund ^(b)	Small Cap Growth	-3.18%	12.52%	10.93%	8.57%	12.91%	06/01/56	0.91%
	Small Cap Growth Index								
	CRSP US Small Cap Growth		-2.60%	11.93%	9.41%	7.99%			
891	Vanguard Small Cap Index Fund Inst	Small Cap Blend	-3.63%	12.61%	10.45%	7.98%	8.33%	07/07/97	0.08%
	Small Cap Blend Index								
	Russell 2000 Blend		-4.41%	11.65%	9.19%	6.80%			
VRU International Stocks									
835	American Funds Euro Pacific Growth R6	Foreign Large Growth	-0.48%	5.45%	3.99%	4.94%	11.12%	04/16/84	0.49%
	Foreign Large Growth								
	FTSE Developed ex North America		-0.45%	4.72%	3.47%	3.36%			
883	Vanguard Total International Stock Index Inst	Foreign Large Blend	-4.24%	1.86%	1.34%	N / A	2.69%	11/29/10	0.12%
	International Index								
	FTSE Global All Cap ex US		-4.03%	2.52%	1.78%	3.90%			
VRU Retirement Funds*									
715	T. Rowe Price Retirement 2005 Fund ^(b)	Target-Date 2000-2010	-0.75%	4.48%	5.20%	5.17%	5.44%	02/27/04	0.58%
	Combined Index Portfolio 2005		-0.09%	5.01%	5.36%	4.86%			
716	T. Rowe Price Retirement 2010 Fund ^(b)	Target-Date 2000-2010	-0.76%	5.26%	5.68%	5.30%	7.47%	09/30/02	0.58%
	Combined Index Portfolio 2010		-0.15%	5.75%	5.90%	5.06%			
717	T. Rowe Price Retirement 2015 Fund ^(b)	Target Date 2011-2015	-0.58%	6.46%	6.48%	5.65%	6.08%	02/27/04	0.62%
	Combined Index Portfolio 2015		-0.29%	6.82%	6.65%	5.37%			
718	T. Rowe Price Retirement 2020 Fund ^(b)	Target Date 2016-2020	-0.31%	7.52%	7.15%	5.88%	8.46%	09/30/02	0.66%
	Combined Index Portfolio 2020		-0.41%	7.70%	7.24%	5.55%			
719	T. Rowe Price Retirement 2025 Fund ^(b)	Target Date 2021-2025	-0.17%	8.47%	7.71%	6.06%	6.60%	02/27/04	0.69%
	Combined Index Portfolio 2025		-0.55%	8.51%	7.77%	5.73%			
720	T. Rowe Price Retirement 2030 Fund ^(b)	Target Date 2026-2030	-0.02%	9.28%	8.21%	6.25%	9.11%	09/30/02	0.72%
	Combined Index Portfolio 2030		-0.72%	9.16%	8.18%	5.87%			
721	T. Rowe Price Retirement 2035 Fund ^(b)	Target Date 2031-2035	0.13%	9.87%	8.53%	6.33%	6.89%	02/27/04	0.74%
	Combined Index Portfolio 2035		-0.86%	9.62%	8.45%	5.94%			
722	T. Rowe Price Retirement 2040 Fund ^(b)	Target Date 2036-2040	0.17%	10.23%	8.73%	6.45%	9.29%	09/30/02	0.75%
	Combined Index Portfolio 2040		-0.99%	9.88%	8.62%	6.03%			
723	T. Rowe Price Retirement 2045 Fund ^(b)	Target Date 2041-2045	0.17%	10.22%	8.74%	6.45%	7.01%	05/31/05	0.75%
	Combined Index Portfolio 2045		-0.96%	9.89%	8.63%	6.04%			
728	T. Rowe Price Retirement 2050 Fund ^(b)	Target Date 2046-2050	0.19%	10.23%	8.76%	N / A	5.42%	12/29/06	0.75%
	Combined Index Portfolio 2050		-0.96%	9.89%	8.63%	N / A			
729	T. Rowe Price Retirement 2055 Fund ^(b)	Target Date 2051+	0.18%	10.21%	8.76%	N / A	5.41%	12/29/06	0.75%
	Combined Index Portfolio 2055		-0.96%	9.89%	8.63%	N / A			
1152	T. Rowe Price Retirement 2060 Fund ^(b)	Target Date 2051+	0.24%	N / A	N / A	N / A	0.35%	06/23/14	0.75%
	Combined Index Portfolio 2060		-0.96%	N / A	N / A	N / A			

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**Nationwide Fixed Annuity [457(b) plan only]
Average Quarterly Annualized Crediting**

This option is closed to deferrals and transfers from other investment options.

1st Qtr 16	4th Qtr 15	3rd Qtr 15	2nd Qtr 15
3.50%	3.50%	3.50%	3.50%

Note: The above yields were supplied by Nationwide Retirement Solutions. They are a weighted average of all money held in this investment option, which consists of seven separate pools. The yields do not reflect the deduction of the annual asset fee. The annual asset fee is 0.14%. No account will be charged more than \$2,000 in 2016. The actual yield credited to your account may be higher or lower than the yield reflected above. The Nationwide Fixed Group Annuity is issued by Nationwide Life Insurance Company, Columbus, OH. Contract #Life 2183. The 2016 minimum guaranteed yield is 3.50%. Guarantees and protections are subject to the claims paying ability of Nationwide Life Insurance Company.

**Great West Certificates [403(b) plan only]
Quarterly Effective Gross Annual Rates**

This option is closed to deferrals and transfers from other investment options.

	1st Qtr 16	4th Qtr 15	3rd Qtr 15
Dig Fund	4.00%	4.00%	4.00%
36-Mo. Certificate	4.00%	4.00%	4.00%
60-Mo. Certificate	4.00%	4.00%	4.00%
84-Mo. Certificate	4.00%	4.00%	4.00%

Note: The rates do not reflect the deduction of the annual asset fee. The annual asset fee is 0.09%. No account will be charged more than \$2,000 for the year.

Contact us

Enrollment and Information Hotline

800-545-4730.

For information about the match, to enroll in the 457(b), 401(k) and 403(b) plans, or to change your contribution amount

Nationwide Web Site

MarylandDC.com

For information about the 457(b), 401(k), 403(b), and 401(a) plans, to enroll, to change your contribution amount, to get 24-hour account information, to make investment option exchanges and allocation changes

Nationwide Hunt Valley Office

(443) 886-9402 or 800-966-6355

To enroll in the 457(b), 401(k) and 403(b) plans, to change your deferral amount, for mutual fund prospectuses or annual reports, for investment option booklets, or to arrange a meeting with a representative

Nationwide Customer Service Center

800-545-4730

For account information, to make investment option exchanges and allocation changes, to change address, name or beneficiary, for payout calculations in the 457(b), 401(k) and 403(b) and 401(a) plans, and for financial hardship inquiries

Maryland Teachers & State Employees Supplemental Retirement Agency Automated Performance Line & "Question/Suggestion Box-By-Phone"

410-767-8740 or 800-543-5605

For information about the Maryland Supplemental Retirement Plans, for investment option booklets, to arrange educational seminars and for other general information

MSRP Web Site

MSRP.maryland.gov

For the latest MSRP news, information available on the Board of Trustees and staff, newsletters, investment options booklets, legislation updates, and more

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RISK DISCLOSURES

Money market funds: Investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other federal government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

The money market current yield is the annualized historical yield for the 7-day period ending on the last day of the calendar quarter. Yield quotation more closely reflects the current earnings of the money market fund than the total return quotation.

T. Rowe Price Retirement Income Funds: Target Maturity Funds are designed to provide diversification and asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Therefore, in addition to the expenses of the Target Maturity Funds, an investor is indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.

Target Maturity Funds are designed for people who plan to withdrawal funds during or near a specific year. These funds use a strategy that reallocates equity exposure to a higher percentage of fixed investments over time. Like other funds, target date funds are subject to market risk and loss. Loss of principal can occur at any time, including before, at or after the target date. There is no guarantee that target date funds will provide enough income for retirement.

International/emerging markets funds: Investing internationally involves risks not associated with investing solely in the U.S., such as currency fluctuation, political risk, differences in accounting and the limited availability of information.

Small company funds: Stocks of small or emerging companies may have less liquidity than those of larger, established companies and may be subject to greater price volatility and risk than the overall stock market.

Bond funds: Bond funds have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the fund.

Some mutual funds may impose a short term trade fee. Please read the underlying prospectuses carefully.

IMPORTANT DISCLOSURES

Investment Contract Pool available for 457(b), 401(k) and 401(a) plans only.

Vanguard Prime Money Market Fund available for 403(b) plan only.

Investing involves market risk, including the possible loss of principal.

Inception Date is the date the underlying fund was established. Some mutual funds may impose a short term trade fee. Some funds may be subject to a trade restriction policy. Please read the underlying prospectus carefully.

Market indices have been provided for comparison purposes only; they are unmanaged and no fees and expenses have been reflected here. Individuals cannot invest directly in an index.

This document was created to help educate participants on the Maryland Supplemental Retirement Plan and is intended only to provide a general summary of the Plan and its features. In the event there are any inconsistencies between this document and the Plan Document, the Plan Document will govern.

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