

Teachers' Retirement System of the City of New York



PASSPORT FUNDS
TRS NYC

Fund Profiles

2014

Who is eligible to invest in the Passport Funds?

All TRS members, regardless of tier, may invest their Tax-Deferred Annuity (TDA) Program contributions in the Passport Funds. Tiers I/II members may invest Qualified Pension Plan (QPP) contributions (that is, contributions to the Annuity Savings Fund and Increased-Take-Home Pay accounts) in the Passport Funds.

Investments are not permitted after retirement. However, all members—both in-service and retired—may change their investment allocations within the Passport Funds at any time.

Fixed Return Fund

Inception Date

January 1968

Objective

To provide a fixed rate of return, determined by the New York State Legislature in accordance with applicable laws.

Strategy

Not applicable

Investment Manager

Not applicable

Risk

The crediting rate on the Fixed Return Fund is guaranteed in accordance with applicable laws.

Annual Crediting Rate

- 8.25% for all QPP investments (available to Tiers I/II members only). This crediting rate has been in effect since July 1, 1988.
- 7% for TDA investments by members who are serving in (or resigned/retired from) titles represented by the United Federation of Teachers. The crediting rate of 7% has been in effect since December 11, 2009. The prior crediting rate of 8.25% was in effect from July 1, 1988 through December 10, 2009.
- 8.25% for TDA investments by all other members. This crediting rate has been in effect since July 1, 1988.

Fees and Expenses

See page 13.

Additional Information

More information about the investment of the assets of TRS' Pension Fund (which includes members' investments in the Fixed Return Fund) is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org.

Diversified Equity Fund

Inception Date

January 1968

Objective

To achieve a rate of return comparable to the return of the broad equity market.

Strategy

The Fund invests primarily in the stocks of U.S. companies. In addition, about 15% of the Fund is allocated to “defensive strategies” and 15% is allocated to stocks of non-U.S. companies, in both developed and emerging markets. The Fund uses both passively and actively managed strategies. Controlling risk and cost-effectiveness are important focuses of the investment structure.

Of the total Fund assets, about 70% is invested in strategies focusing almost exclusively on U.S. equities. About 50% is passively managed against the Russell 3000 Index. About 20% is actively managed by different investment managers who employ a range of investment strategies across the market capitalization and investment style spectrum.

Defensive strategies (about 15% of the total Fund) include investments that may exhibit fixed-income characteristics, including convertible bonds. Defensive strategies also include a tactical asset allocation strategy, which shifts allocations to stocks, bonds, and cash (depending upon the managers’ analysis of market conditions), and conservatively oriented equity strategies.

The 15% of the Fund invested in non-U.S. companies is divided about equally between an index strategy and a group of active managers. This sector invests primarily in developed markets, and may have some exposure to emerging markets.

The Fund has two benchmarks, the Russell 3000 Index and a hybrid benchmark that reflects the Fund’s target allocations to non-U.S. equities and defensive strategies. The hybrid benchmark replaced a “Composite Benchmark” in 2008.

Investment Manager

The Fund is invested by multiple investment managers selected by the Teachers’ Retirement Board.

Risk

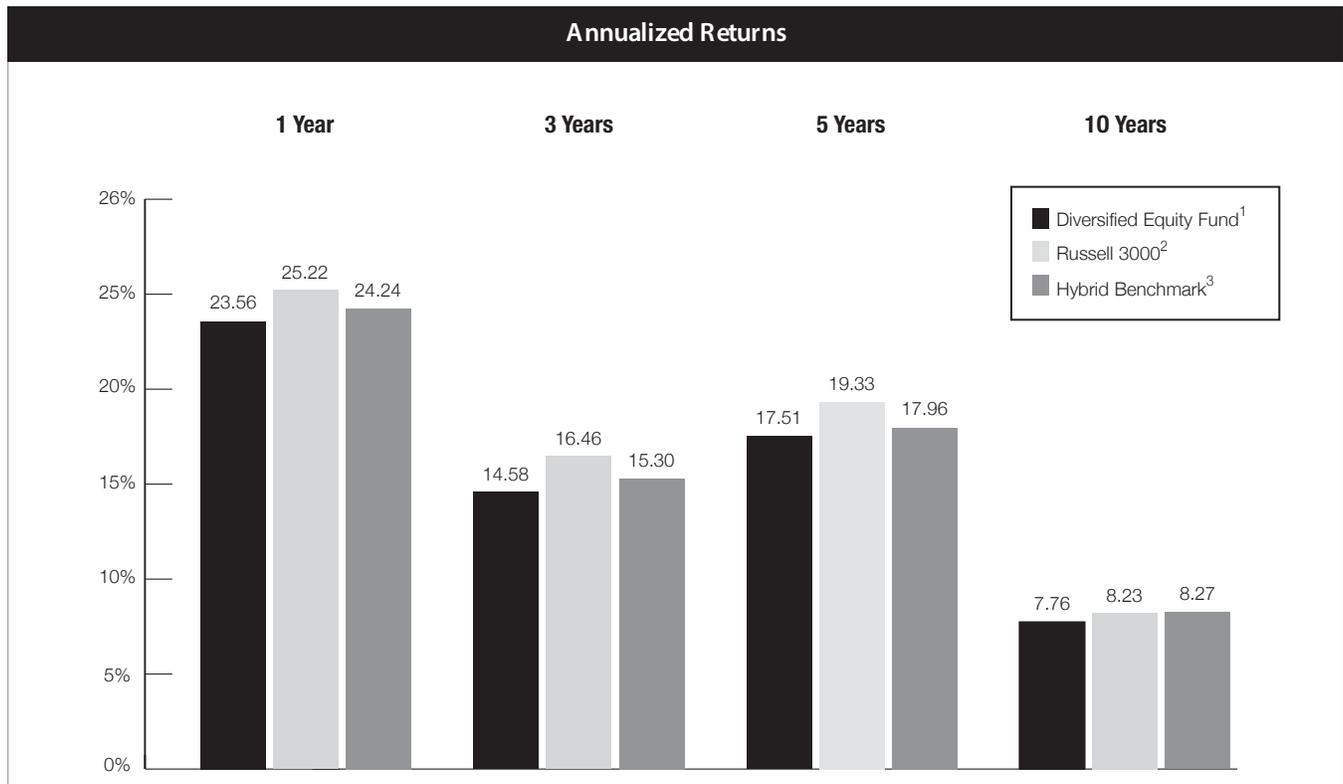
The value of an investment in this Fund will fluctuate in response to stock market movements in the U.S. and in foreign countries.

Fees and Expenses

See page 13.

Performance as of June 30, 2014

Fund Performance by Fiscal Year										
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Diversified Equity Fund ¹	23.56%	20.05%	1.42%	30.51%	14.11%	-27.18%	-11.73%	20.16%	11.75%	9.12%
Russell 3000 ²	25.22%	21.46%	3.84%	32.37%	15.72%	-26.56%	-12.69%	20.07%	9.56%	8.05%
Hybrid Benchmark ³	24.24%	19.87%	2.92%	30.36%	14.29%	-25.46%	-11.01%	20.37%	10.99%	9.37%



¹ Note that investment strategies used within the Diversified Equity Fund have changed and will change over time, and the historical returns of the Diversified Equity Fund reflect the historical investment strategies.

² No fees are reflected.

³ The Hybrid Benchmark is composed of 70% Russell 3000 Index, 15% MSCI EAFE Index, and 15% Defensive Strategies Composite Benchmark. No fees are reflected.

Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so your investment, when redeemed, may be worth more or less than your original contributions. Performance is reported net of all fund fees and expenses.

Additional Information

In some TRS materials, the Diversified Equity Fund may be referred to by its original name, Variable A.

More information about this Fund, including a statement of investments and a listing of investment managers, is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org.

Bond Fund

(Known as the Stable-Value Fund through December 2011)

Inception Date

January 1, 2012

Objective

To seek current income from a diversified portfolio of high-quality bonds.

Strategy

The Bond Fund invests primarily in high-quality bonds that will provide for participant transactions at market value. These bonds may include Treasuries, Agencies, Corporates, Mortgages, and other types of fixed-income instruments. As of June 30, 2014, a minimal amount of the portfolio was in stable-value investments.

As of June 30, 2014, the portfolio had an average credit quality of Aa2. The average yield was 1.03% and the average yield of its benchmark was 0.98%. The sector breakdown was 57% Treasuries, 2% Agencies, 35% Corporates, 1% Utilities, 2% Mortgage-backed securities/Asset-backed securities, and 3% Non-corporate.

Investment Manager

The portfolio is currently managed by NISA Investment Advisors. The Teachers' Retirement Board may change the management of the Fund by selecting additional investment managers, or replacing NISA Investment Advisors, at any time.

Risks

The Fund does not provide any type of guaranteed principal protection or guaranteed return, and it is possible to lose money by investing in the Fund. While some degree of volatility is expected in the market value of the Fund, the Fund is expected to be significantly less volatile than equities over a full market cycle (typically multiple years) and therefore may also have less return potential over longer time periods than equities. The Fund is subject to a variety of risks, including but not limited to credit risk, interest rate risk, inflation risk, active management risk, and insurance company risk.

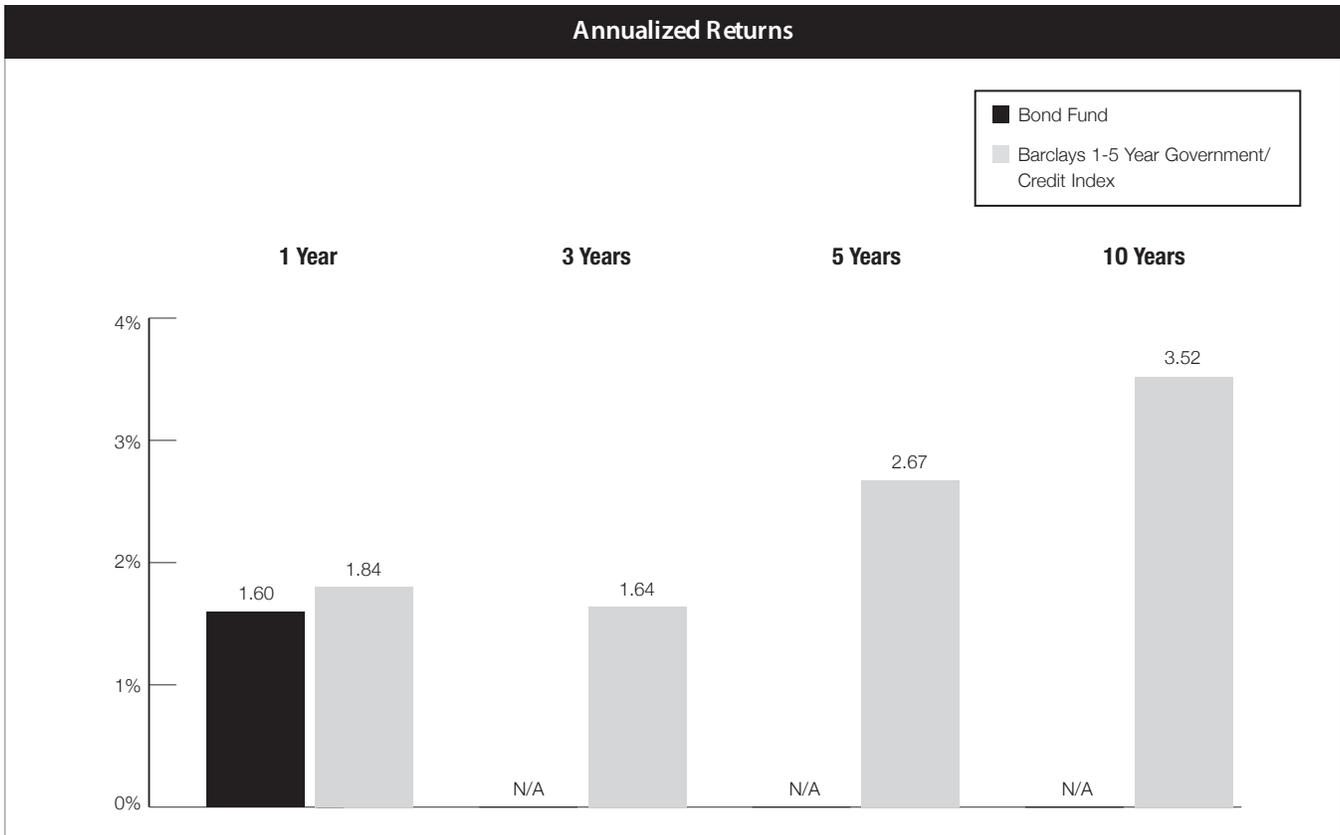
Fees and Expenses

See page 13.

Performance as of June 30, 2014

Fund Performance by Fiscal Year										
	2014	2013	2012 ¹	2011	2010	2009	2008	2007	2006	2005
Bond Fund	1.60%	0.29%	1.23%	N/A						
Barclays 1-5 Year Government/Credit Index	1.84%	0.60%	1.13%	2.84%	5.64%	5.34%	7.12%	5.55%	1.07%	2.92%

¹Reflects performance from January 1, 2012, through June 30, 2014.



Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so your investment, when redeemed, may be worth more or less than your original contributions. Performance is reported net of all fund fees and expenses.

Additional Information

In some TRS materials, the Bond Fund may be referred to by its original name, Variable B.

More information about this Fund, including a statement of investments and a listing of investment managers, is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org.

International Equity Fund

Inception Date

July 2008

Objective

To provide long-term capital growth and to achieve a rate of return comparable to the return of the non-U.S. equity markets over a full market cycle.

Strategy

The Fund invests primarily in the stocks of non-U.S. companies located in developed markets, traded on a variety of stock exchanges and denominated in a variety of currencies around the world. The Fund has some exposure to certain emerging markets.

The Fund uses both an index strategy (approximately 33% of assets), and actively managed strategies using multiple investment managers of different styles and approaches. Controlling risk and cost-effectiveness are important focuses of the investment structure.

The Fund's investment strategy is executed by investing the Fund together with assets allocated to the International Sector of the Diversified Equity Fund.

The Fund's benchmark is the MSCI EAFE Index.

Investment Manager

The Fund is invested by multiple investment managers selected by the Teachers' Retirement Board.

Risk

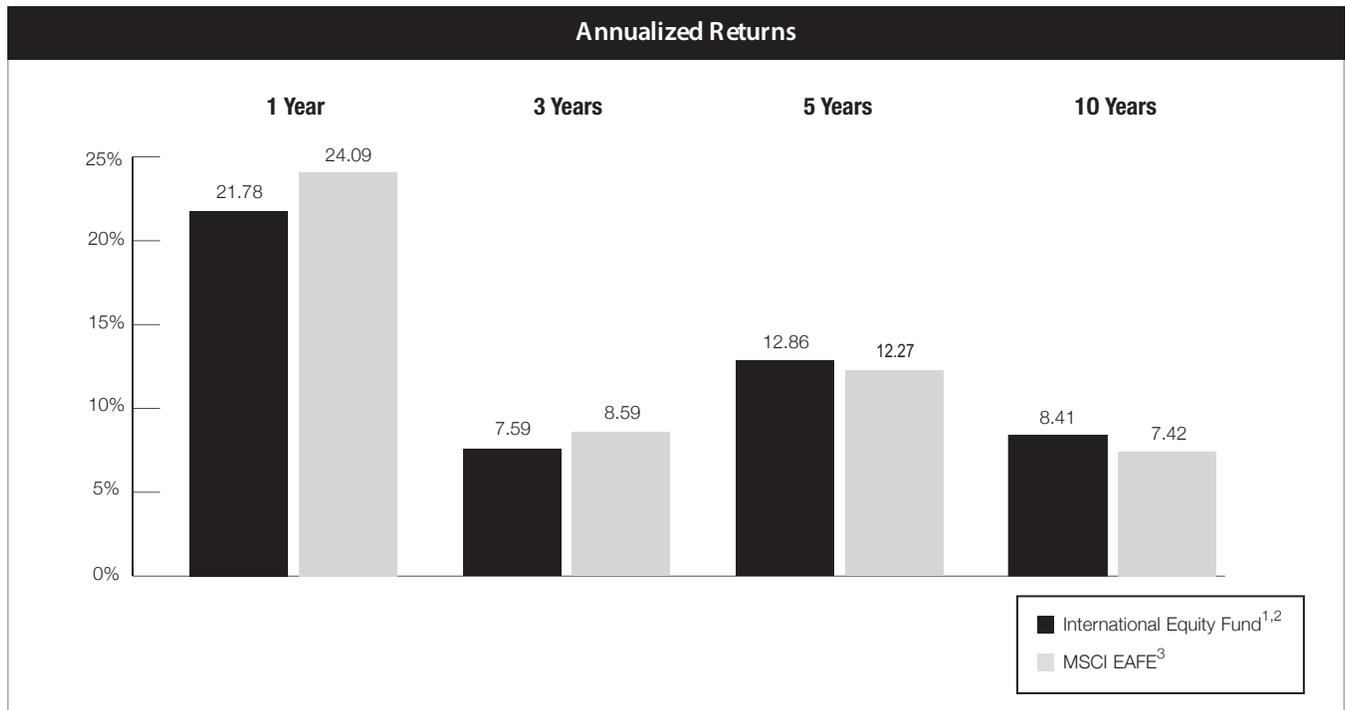
The value of an investment in this Fund may fluctuate over a wide range in response to movements in non-U.S. and U.S. stock exchanges. Investments in non-U.S. companies and in foreign currencies are also subject to interest rate, currency exchange rate, economic, and political risks.

Fees and Expenses

See page 13.

Performance as of June 30, 2014

Fund Performance by Fiscal Year										
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
International Equity Fund ^{1,2}	21.78%	16.85%	-12.48%	30.34%	12.80%	-23.88%	N/A	N/A	N/A	N/A
International Equity Sector of the Diversified Equity Fund	22.21%	16.98%	-13.02%	30.61%	7.15%	-32.77%	-10.45%	25.68%	26.04%	13.42%
MSCI EAFE ³	24.09%	19.14%	-13.38%	30.93%	6.37%	-30.96%	-10.15%	27.54%	27.07%	14.13%



¹ The Fund Performance for Fiscal Years 2009, 2010, 2011, 2012, 2013, and 2014, and the 1-, 3-, and 5-year Annualized Returns above reflect the actual performance of the International Equity Fund. The 10-year Annualized Return is an approximation using 5 years of actual returns for the International Equity Fund and the historical performance of the International Equity Sector of the Diversified Equity Fund for the other years. Note that investment strategies used within the Sector have changed and will change over time, and the historical returns of the Sector reflect the historical investment strategies.

² Returns of the International Equity Fund may differ from the results of the International Equity Sector of the Diversified Equity Fund due to the timing of cash flows, investment earnings on cash balances, and expenses.

³ No fees are reflected.

Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so your investment, when redeemed, may be worth more or less than your original contributions. Performance is reported net of all fund fees and expenses.

Additional Information

In some TRS materials, the International Equity Fund may be referred to as Variable C.

More information about this Fund, including a statement of investments and a listing of investment managers, is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org.

Inflation Protection Fund

Inception Date

July 2008

Objective

To provide, over a full market cycle, a real rate of return that exceeds inflation.

Strategy

The Inflation Protection Fund currently utilizes an actively managed mutual fund that seeks exposure to multiple asset classes and markets, which may include the following: traditional fixed-income investments (including non-U.S. investments); alternative bond strategies (e.g., global, convertible, and high-yield); and real return strategies (e.g., U.S. Treasury Inflation-Protected Securities (TIPS), commodities, and real estate). U.S. and foreign equities, mortgage-related securities, and derivative instruments also are allowed to achieve investment objectives. Allocations among different types of assets will vary materially over time based on a review of economic and securities markets.

The Inflation Protection Fund's investment strategy may be executed by investments in one or more mutual funds or other investment vehicles, as determined by the Teachers' Retirement Board from time to time.

The Inflation Protection Fund's benchmarks are the Barclays Capital U.S. TIPS 1-10 Year Index-L Series and the Consumer Price Index (CPI) plus 5%.

Investment Manager

Through November 30, 2014, this Fund invested in a mutual fund, the PIMCO All Asset Fund—Institutional Share Class, managed by PIMCO and sub-advised by Research Affiliates, LLC. Effective December 1, 2014, the PIMCO All Asset Fund was replaced by the Fidelity Advisor Strategic Real Return Fund—Institutional Class. **Please see the attached "Addendum to July 2014 Fund Profiles—December 2014" for additional information.** The Teachers' Retirement Board may change the management of the Fund by selecting additional mutual funds or other investment managers, or replacing the current mutual fund, at any time.

Risk

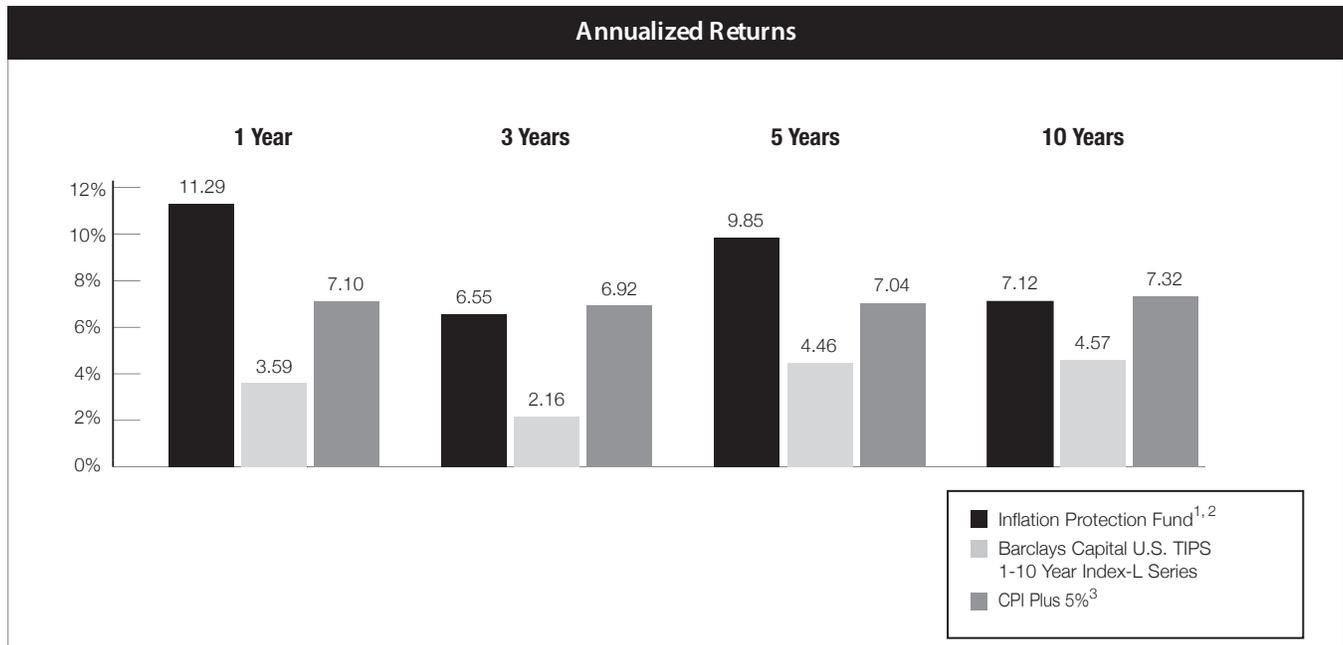
Each asset class used in the Inflation Protection Fund involves risks, and an investment in the Fund will be subject to any or all of the following risks at different times and to different degrees. Investments in fixed income and equity securities, commodities, and real estate will fluctuate in response to market conditions in the U.S. and in foreign countries. Fixed-income investments are sensitive to changes in interest rates. When interest rates rise, the value of fixed-income securities typically declines. Investments in high-yield, lower-rated securities generally involve greater risk to principal than investments in higher-rated bonds. Investments in non-U.S. companies and in foreign currencies are subject to interest rate, currency exchange rate, economic, and political risks. Derivatives and mortgage-related securities may involve costs and risks, such as liquidity risk, interest rate risk, credit risk, and management risk.

Fees and Expenses

See page 13.

Performance as of June 30, 2014

Fund Performance by Fiscal Year										
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Inflation Protection Fund^{1,2}	11.29%	5.54%	2.97%	12.90%	17.13%	-6.62%	N/A	N/A	N/A	N/A
PIMCO All Asset Fund	11.44%	5.77%	3.15%	12.95%	17.76%	-7.04%	5.20%	9.39%	1.91%	13.61%
Barclays Capital U.S. TIPS 1-10 Year Index-L Series	3.59%	-3.14%	6.26%	7.48%	8.51%	-1.95%	15.19%	4.19%	0.24%	6.56%
CPI Plus 5%³	7.10%	6.88%	6.79%	8.36%	6.11%	4.69%	9.84%	7.64%	9.19%	7.49%



¹ The Fund Performance for Fiscal Years 2009, 2010, 2011, 2012, 2013, and 2014, and the 1-, 3-, and 5-year Annualized Returns above reflect the actual performance of the Inflation Protection Fund. The 10-year Annualized Return is an approximation using 5 years of actual returns for the Inflation Protection Fund and the historical performance of the PIMCO All Asset Fund for the other years.

² Returns of the Inflation Protection Fund may differ from the results of the PIMCO All Asset Fund due to the timing of cash flows, investment earnings on cash balances, and expenses.

³ The U.S. CPI shown for the stated period above is provided as of July 15, 2014; CPI calculations are subject to subsequent revisions over time.

Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so your investment, when redeemed, may be worth more or less than your original contributions. Performance is reported net of all fund fees and expenses.

Additional Information

In some TRS materials, the Inflation Protection Fund may be referred to as Variable D.

More information about this Fund, including a statement of investments, is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org. Prospectus information about the Inflation Protection Fund is available upon request from our Member Services Center at 1 (888) 8-NYC-TRS.

Socially Responsive Equity Fund

Inception Date

July 2008

Objective

To achieve, over a full market cycle, positive long-term capital growth and to earn a rate of return comparable to the return of the broader equity market while reflecting social priorities.

Strategy

The Socially Responsive Equity Fund invests in stocks of large and mid-cap U.S. and non-U.S. companies that meet certain financial and social criteria. Financially, this Fund looks for companies with solid balance sheets, strong management teams, good cash flow, the prospect for above-average earnings growth, and other value-related factors.

Among companies that meet its financial criteria, the Fund seeks companies that show leadership in areas such as environmental concerns, diversity in the workforce, progressive employment, and workplace practices. The Fund may also consider a company's record in public health and the nature of its products. The Fund avoids companies that derive substantial revenue from alcohol, tobacco, nuclear power, or weapons. The Fund's normal strategy is to invest at least 80% of total assets in equity securities meeting its social policy.

The Socially Responsive Equity Fund's benchmark is the Standard & Poor's 500 Index.

Investment Manager

This Fund is currently managed by Neuberger Berman, LLC. The Teachers' Retirement Board may change the management of the Fund by selecting additional managers for the Fund, or replacing Neuberger Berman, at any time.

As of 4/1/2014, this Fund was changed into a separate account format.

Risk

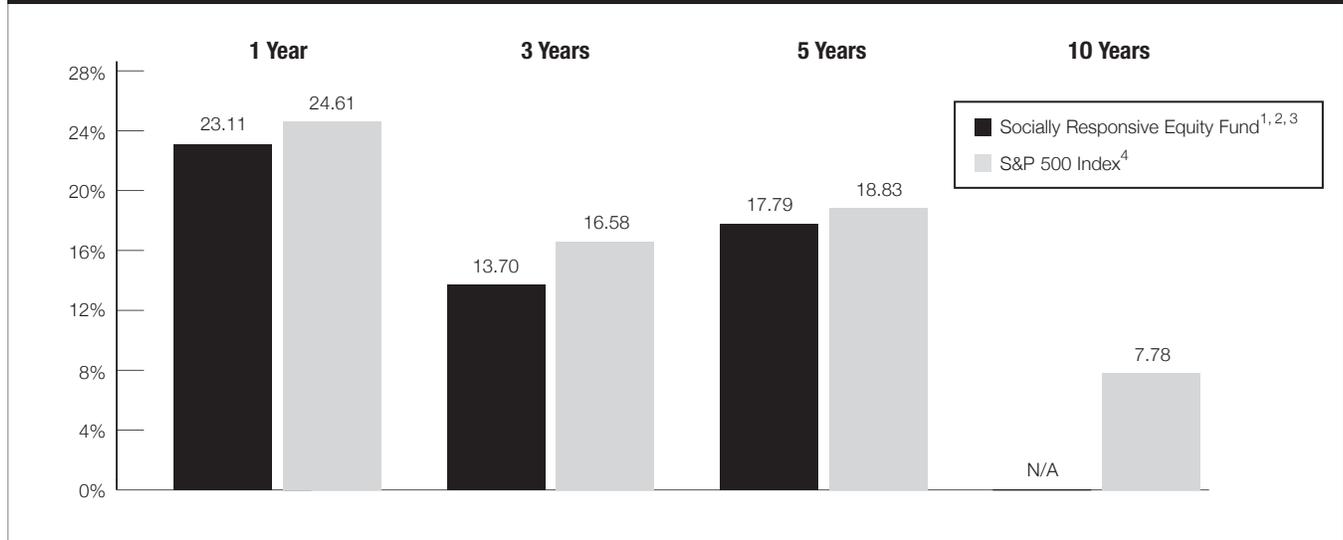
The value of an investment in this Fund will fluctuate in response to U.S. stock market movements. With a value-sensitive approach, there is the risk that stocks may remain undervalued for a given period. Funds that follow social policies may underperform similar funds that do not have such policies for a given period.

Fees and Expenses

See page 13.

Performance as of June 30, 2014

Fund Performance by Fiscal Year										
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Socially Responsive Equity Fund ^{1,2,3}	23.11%	25.63%	-4.96%	30.75%	17.96%	-19.20%	N/A	N/A	N/A	N/A
Neuberger Berman Socially Responsive Fund	23.71%	26.03%	-4.86%	31.97%	19.94%	-26.79%	-11.43%	24.62%	10.93%	9.28%
S&P 500 Index ⁴	24.61%	20.60%	5.45%	30.69%	14.43%	-26.21%	-13.12%	20.59%	8.63%	6.32%



¹ The Fund Performance for Fiscal Years 2009, 2010, 2011, 2012, 2013, and 2014, and the 1-, 3-, and 5-year Annualized Returns above reflect the actual performance of the Socially Responsive Equity Fund. The 10-year Annualized Return is an approximation using 5 years of actual returns for the Socially Responsive Equity Fund and the historical performance of the Neuberger Berman Socially Responsive Fund for the other years.

² Returns of the Socially Responsive Equity Fund may differ from the results of the Neuberger Berman Socially Responsive Fund due to the timing of cash flows, investment earnings on cash balances, and expenses.

³ The share class of the Neuberger Berman Socially Responsive Fund was changed from the Institutional Share Class on February 13, 2009 to Neuberger Berman Socially Responsive Fund-R6 Share Class on May 20, 2013. Prior to February 13, 2009, performance for the Socially Responsive Equity Fund reflects the Investor Share Class.

⁴ No fees are reflected.

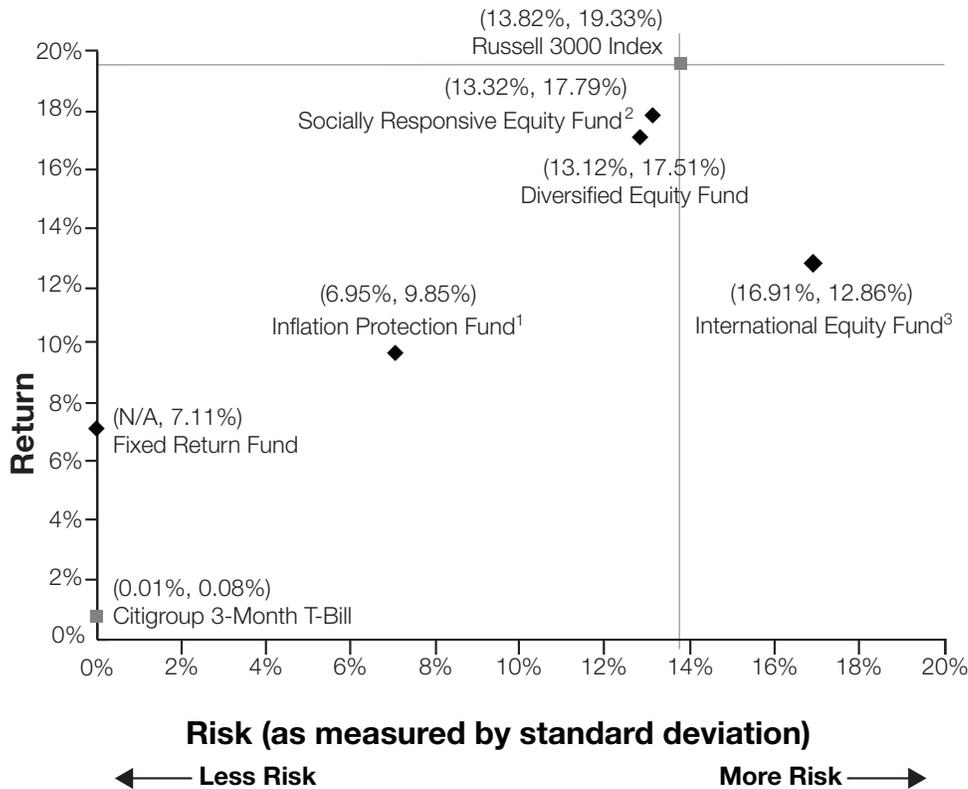
Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so your investment, when redeemed, may be worth more or less than your original contributions. Performance is reported net of all fund fees and expenses.

Additional Information

In some TRS materials, the Socially Responsive Equity Fund may be referred to as Variable E.

More information about this Fund, including a statement of investments, is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org. Prospectus information about the Socially Responsive Equity Fund is available upon request from our Member Services Center at 1 (888) 8-NYC-TRS.

5-Year Risk/Return Comparison of Different Investments (as of June 30, 2014)



This chart presents TRS' investment vehicles and displays their net annualized five-year returns on the vertical axis and their risk on the horizontal axis. Risk, as measured by standard deviation, is a measure of how much an investment vehicle's return will vary over time. Investment vehicles with higher return normally have greater risk (greater variation in their yearly rate of return). The exception to the higher-risk/higher-return normal expectation is the Fixed Return Fund; its return is guaranteed by the New York State Legislature in accordance with applicable laws. The risk/return for the Bond Fund is not shown in the above chart because its inception date was January 1, 2012, and sufficient historical data is not available.

¹ Performance reflects the net of fees performance of the Inflation Protection Fund. Prior to its inception of July 2008, performance is backfilled with track record of the underlying mutual fund strategy, the institutional share class of the PIMCO All Asset Fund.

² Performance reflects the net of fees performance of the Socially Responsive Equity Fund. Prior to its inception of July 2008, performance is backfilled with track record of the underlying mutual fund strategy, the investor share class of the Neuberger Berman Socially Responsive Equity Fund.

³ Performance reflects the net of fees performance of the International Equity Fund. Prior to its inception of July 2008, performance is backfilled with the performance history of the international equity composite of the Diversified Equity Fund. The past record does not reflect the current manager line-up, but rather the historical structure of the composite.

Performance shown is net of fees; calculations are based on monthly returns.

Fees and Expenses

All performance results shown are net of all expenses and fees. No administrative or fund management expenses apply against the Fixed Return Fund.

Administrative expenses for the Passport Funds (except the Fixed Return Fund) are set at 0.18% and are reflected in the unit value of each fund.

In addition, each fund (except the Fixed Return Fund) also bears investment management and custodial fees, which are reflected in the unit value of each fund. The average annual fee for each fund for the fiscal year ending June 30, 2014 is listed below:

Diversified Equity Fund:	0.144%
Bond Fund:	0.138%
International Equity Fund:	0.369%
Inflation Protection Fund:	0.925% <i>(Includes 0.865% in investment management fees charged by the underlying mutual fund.)</i>
Socially Responsive Equity Fund:	0.644% <i>(Includes 0.604% in investment management fees charged by the underlying mutual fund.)</i>

Important Information About Post-Retirement Payments

Fixed Return Fund

This paragraph describes how interest is determined for retired members receiving monthly payments under the QPP or TDA Program that include money from the Fixed Return Fund. The calculation of a QPP retirement allowance or TDA annuity is determined based on the balance of the member's Fixed Return Fund account and his or her life expectancy, as well as an assumed interest rate and other actuarial assumptions. The assumed interest rate is 7% if the annuity was calculated on a unisex mortality table, or 4% if the annuity was calculated based on the applicable male or female mortality table. By law, the mortality table that provides the highest payment to the member must be selected.

For a retired member, the amount paid monthly from the Fixed Return Fund will not normally change, unless the member changes the investment composition of his or her account.

Other Passport Funds

This paragraph describes how monthly post-retirement payments that include money from the Passport Funds (other than the Fixed Return Fund) are determined under the QPP or TDA Program. The calculation of this "variable" portion of a QPP retirement allowance or TDA annuity is determined based on the account balance held in each investment fund (other than the Fixed Return Fund), as well as an actuarial factor based on the member's life expectancy and an assumed 4% annual increase in the number of units. The member actually is credited with a set number of units each month; however, the payment amount may vary based on changes in the unit value of each investment fund.

For a retired member, the number of units paid monthly from these funds will not normally change, unless the member changes the investment composition of his or her account.



Teachers' Retirement System of the City of New York
55 Water Street, New York, NY 10041
www.trsnyc.org • 1 (888) 8-NYC-TRS

November 2014

Fund Profiles is published annually as of July 1 and reports performance information for the Passport Funds on a fiscal-year basis. Editions published prior to July 2009 reported calendar-year performance information.

The Teachers' Retirement Board reserves the right to change or discontinue the investments described herein at any time.

This publication should not be solely relied upon, as it is based on currently available information that is subject to change. TRS suggests that you consult with an attorney and/or a tax advisor if you have any specific legal or tax questions concerning this information. In all cases, the specific provisions of the governing laws, rules, and regulations prevail.

Addendum to 2014 Fund Profiles

December 2014

Inflation Protection Fund

Inception Date

July 2008

Objective

To provide, over a full market cycle, a real rate of return that exceeds inflation.

Strategy

The Inflation Protection Fund currently utilizes an actively managed mutual fund that seeks exposure to multiple asset classes and markets, which may include the following: floating rate debt, commodities, inflation-protected debt (including TIPS) and real estate debt and equity securities. Target allocations among these different asset classes will be set by the underlying manager and may vary modestly over time.

The Inflation Protection Fund's investment strategy may be executed by investments in one or more mutual funds or other investment vehicles, as determined by the Teachers' Retirement Board from time to time.

The Inflation Protection Fund's benchmarks are the Barclays Capital U.S. TIPS 1-10 Year Index-L Series and the Fidelity Strategic Real Return Composite Index.

Investment Manager

As of 12/1/2014, this Fund currently invests in a mutual fund, the Fidelity Advisor Strategic Real Return Fund—Institutional Class, replacing the PIMCO All Asset Fund—Institutional Share Class. The Teachers' Retirement Board may change the management of the Fund by selecting additional mutual funds or other investment managers, or replacing the Fidelity Advisor Strategic Real Return Fund—Institutional Class, at any time.

Risk

Each asset class used in the Fidelity Advisor Strategic Real Return Fund involves risks, and an investment in the Fund will be subject to any or all of the following risks at different times and to different degrees. Investments in fixed income and equity securities, commodities and real estate will fluctuate in response to market conditions in the U.S. and in foreign countries. Fixed-income investments are sensitive to changes in interest rates. When interest rates rise, the value of fixed-income securities typically declines. Investments in high-yield, lower-rated securities generally involve greater risk to principal than investments in higher-rated bonds. Derivatives and mortgage-related securities may involve costs and risks, such as liquidity risk, interest rate risk, credit risk, and management risk.

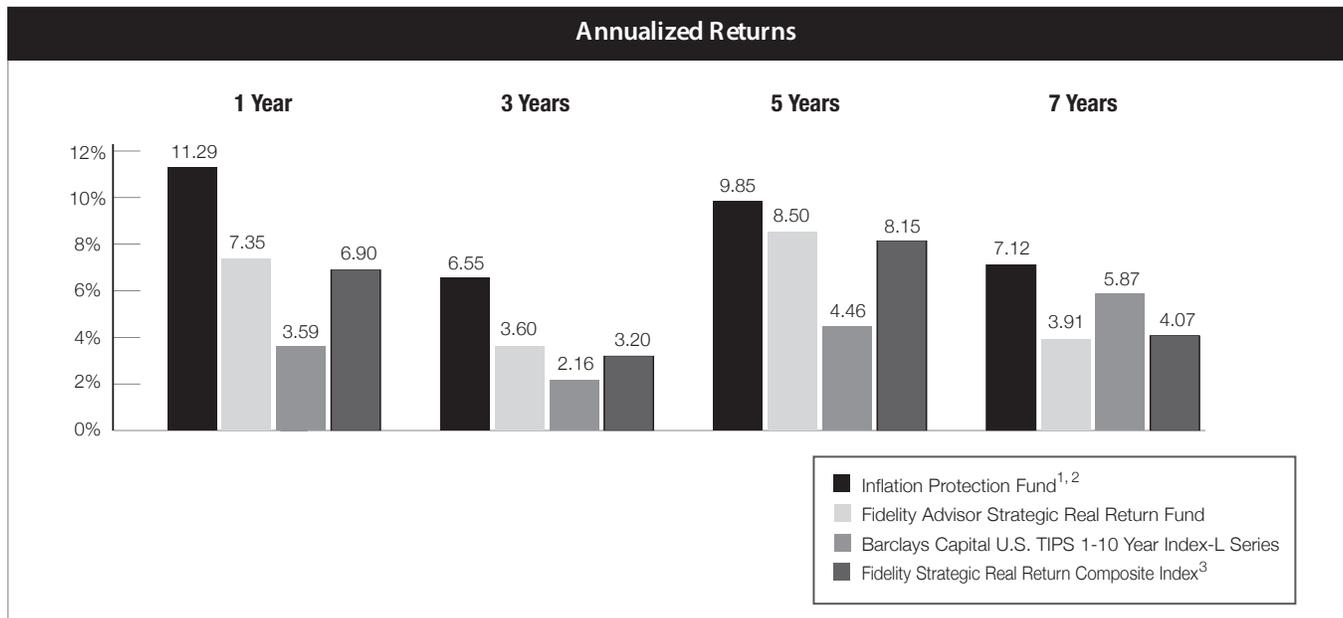
Risk/return values for Fidelity Advisor Strategic Real Return Fund—Institutional Class: 6.62%, 8.50%. (6.62% represents risk, as measured by standard deviation; 8.50% represents net annualized five-year return. See page 12 of this booklet for a 5-Year Risk/Return Comparison chart of different investments.

Fees and Expenses

The investment management and custodial fees for this Fund are expected to be approximately 0.88%, which includes 0.84% in investment management fees charged by the underlying mutual fund.

Performance as of June 30, 2014

Fund Performance by Fiscal Year										
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Inflation Protection Fund ^{1,2}	11.29%	5.54%	2.97%	12.90%	17.13%	-6.62%	N/A	N/A	N/A	N/A
Fidelity Advisor Strategic Real Return Fund	7.35%	-2.12%	8.11%	1.67%	13.95%	28.30%	-23.38%	3.75%	4.90	N/A
Barclays Capital U.S. TIPS 1-10 Year Index-L Series	3.59%	-3.14%	6.26%	7.48%	8.51%	-1.95%	15.19%	4.19%	0.24%	6.56%
Fidelity Strategic Real Return Composite Index ³	6.90%	-0.83%	3.06%	16.60%	15.86%	-20.09%	11.19%	3.26%	1.56%	N/A



¹ The Fund Performance for Fiscal Years 2009, 2010, 2011, 2012, 2013, 2014, and the 1-, 3-, 5-, and 7-year Annualized Returns above reflect the actual performance of the Inflation Protection Fund. The 7-year Annualized Return is an approximation using 5 years of actual returns for the Inflation Protection Fund and the historical performance of the PIMCO All Asset Fund for the other years. 7-year Annualized Returns are used in place of 10-year Annualized Returns because the Fidelity Advisor Strategic Real Return Fund began in 2005.

² Returns of the Inflation Protection Fund differ from the results of the Fidelity Advisor Strategic Real Return Fund due mainly to the change in Investment Managers on 12/1/2014.

³ The Fidelity Strategic Real Return Composite Index is a customized blend of unmanaged indexes, weighted as follows: 25% Dow Jones-UBS Commodity Index Total Return; 25% S&P®/LSTA Leveraged Performing Loan Index; 30% Barclays® U.S. Treasury Inflation-Protected Securities (TIPS) Index (Series-L); 12% Dow Jones U.S. Select Real Estate Securities Index; and 8% The BofA Merrill Lynch US Real Estate Index.

Performance data represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so your investment, when redeemed, may be worth more or less than your original contributions. Performance is reported net of all fund fees and expenses.

Additional Information

In some TRS materials, the Inflation Protection Fund may be referred to as Variable D.

More information about this Fund, including a statement of investments, is available in TRS' *Investment Portfolios* publication. *Investment Portfolios* is published annually as of June 30, the end of TRS' fiscal year, and may be obtained by accessing our website at www.trsnyc.org. Prospectus information for the mutual fund(s) underlying the Inflation Protection Fund is available upon request from our Member Services Center at 1 (888) 8-NYC-TRS.