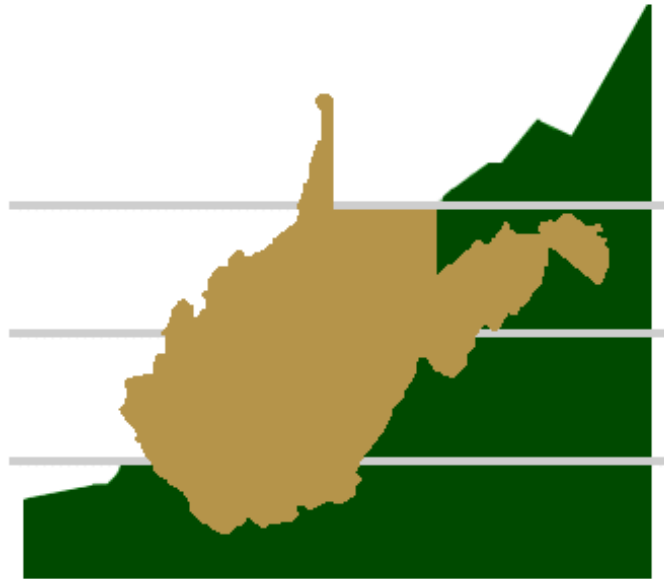


# **West Virginia Investment Management Board**

---



Financial Statements

February 28, 2010



# West Virginia Investment Management Board

---

## **Financial Statements—Unaudited**

February 28, 2010

### **ORDER OF PRESENTATION**

Large Cap Domestic Equity

Non-Large Cap Domestic Equity

International Qualified

International Nonqualified

International Equity

Short-Term Fixed Income

Total Return Fixed Income

Core Fixed Income

TRS Annuity

Private Equity

Private Real Estate

Hedge Fund



**Financial Statements - Unaudited**

**February 28, 2010**



# Large Cap Domestic Equity Pool

---

## Financial Statements - Unaudited February 28, 2010

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	11
Statement of Changes in Net Assets	12
Notes to Financial Statements	13

# Large Cap Domestic Equity Pool

---

## Statement of Assets and Liabilities - Unaudited February 28, 2010

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,912,977
Cash		814
Collateral for securities loaned at fair value (Note 4)		75,430
Receivables:		
Investments sold		19,549
Dividends		4,194
Securities lending income		17
		<u>17</u>
<b>Total assets</b>		<b>2,012,981</b>

### Liabilities

Accrued expenses		316
Payable for investments purchased		21,434
Payable upon return of securities loaned (Note 4)		78,806
		<u>78,806</u>
<b>Total liabilities</b>		<b>100,556</b>

**Net assets** \$ 1,912,425

### Analysis of net assets

Paid-in capital	\$	1,661,099
Accumulated undistributed net investment income		251,469
Accumulated undistributed net realized loss from investments		(84,936)
Unrealized net appreciation of investments		84,793
		<u>84,793</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,912,425</u></u></b>

### Unit data

Units outstanding		181,019,795
Net asset value, unit price	\$	<u><u>10.56</u></u>

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Basic Materials</i>			
Air Products and Chemicals Inc	77,500	\$ 6,007	\$ 5,315
Airgas Inc	7,400	356	475
Alcoa Inc	109,700	1,452	1,459
Allegheny Technologies Inc	11,900	331	520
Ball Corporation	69,700	3,218	3,767
Bemis Company Inc	11,400	266	334
CF Industries Holdings Inc	13,700	1,262	1,455
Cliffs Natural Resources Inc	15,100	668	852
CONSOL Energy Inc	17,200	777	866
Dow Chemical Company	140,900	3,716	3,989
DuPont El de Nemours Co	190,800	5,334	6,434
Eastman Chemical Company	35,800	1,901	2,132
Ecolab Inc	23,700	1,092	999
FMC Corporation	6,500	357	372
Freeport-McMoRan Copper & Gold	61,649	4,168	4,634
International Paper Company	81,400	1,757	1,886
Intl Flavors & Fragrances Inc	11,900	417	501
Massey Energy Company	13,300	379	573
MeadWestvaco Corp	105,100	2,558	2,411
Monsanto Company	79,290	6,448	5,602
Newmont Mining Corp	65,900	2,887	3,248
Nucor Corporation	67,200	3,015	2,782
Owens-Illinois Inc	74,500	2,308	2,208
Pactiv Corporation	14,000	204	347
Peabody Energy Corp	39,300	1,390	1,807
PPG Industries Inc	50,300	2,813	3,095
Praxair Inc	55,900	4,555	4,200
Sealed Air Corporation	138,400	2,807	2,828
Sigma-Aldrich Corporation	17,500	926	835
Titanium Metals Corp	9,000	86	106
United States Steel Corp	13,800	623	731
Vulcan Materials	12,000	645	521
Weyerhaeuser Company	20,100	735	812
<i>Total Basic Materials - 3.6%</i>		65,458	68,096
<i>Capital Goods</i>			
3M Co	102,600	7,208	8,223
AK Steel Holding Corporation	11,600	233	250
Apollo Group	12,200	870	731
Avery Dennison Corp	31,800	966	1,005
Block H&R Inc	31,600	592	546
Boeing Company	106,700	6,175	6,739
C H Robinson Worldwide Inc	35,500	1,941	1,893
Caterpillar Inc	104,500	5,648	5,962
Cintas Corp	21,100	593	523
CSX Corp	76,800	3,203	3,645
Cummins Engine Company Inc	21,300	737	1,209
Danaher Corp	24,300	1,642	1,797
Deere & Company	67,600	2,929	3,873
Donnelley & Sons	103,200	2,148	2,053
Dover Corp	48,800	1,575	2,209
Dun & Bradstreet Corp	4,700	352	330
Eaton Corporation	34,500	2,047	2,350
Emerson Electric Co	72,700	2,915	3,442
Equifax Inc	14,100	392	455
Expeditors Intl of Washington	20,100	696	733
Fastenal Company	12,600	489	559
FedEx Corp	34,400	2,516	2,916
Flowsolve Corp	14,900	1,322	1,491
Fluor Corporation	46,900	2,574	2,007
General Dynamics Corp	46,500	2,743	3,374

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
General Electric Company	2,103,675	48,403	33,785
Goodrich BF Company	94,000	5,099	6,169
Grainger WW Inc	28,000	2,190	2,846
Honeywell International Inc	163,400	6,377	6,562
Illinois Tool Works Inc	50,000	2,022	2,276
Iron Mountain Inc	51,800	1,382	1,341
ITT Industries Inc	17,400	888	891
Jacobs Engineering Group Inc	11,300	519	438
L-3 Communications Hldgs Inc	11,100	885	1,015
Lockheed Martin Corp	49,000	3,730	3,810
Masco Corporation	43,200	525	578
Monster Worldwide Inc	89,600	1,401	1,250
Norfolk Southern Corp	38,500	1,646	1,980
Northrop Grumman Corp	34,200	1,773	2,095
PACCAR Inc	40,400	1,506	1,428
Pall Corporation	10,500	322	414
Parker-Hannifin Corporation	29,000	1,531	1,749
Pitney Bowes Inc	18,700	413	428
Precision Castparts Corp	37,600	3,910	4,239
Priceline.com Inc	16,810	3,329	3,811
Raytheon Company	35,900	1,611	2,019
Republic Services Inc	30,700	812	864
Robert Half International Inc	13,600	340	379
Rockwell Automation Inc	70,700	2,824	3,824
Rockwell Collins	57,600	2,713	3,242
Roper Industries Inc	13,100	699	726
Ryder System Inc	5,900	201	208
Southwest Airlines Co	110,100	1,146	1,385
Textron Inc	55,300	914	1,102
Union Pacific Corp	83,800	4,779	5,646
United Parcel Service Inc	101,300	5,634	5,950
United Technologies Corp	135,200	8,379	9,281
Waste Management Inc	55,800	1,682	1,843
<i>Total Capital Goods - 9.0%</i>		172,091	171,889
<i>Communication Services</i>			
American Tower Corporation	38,800	1,419	1,655
AT&T Inc	1,496,529	44,631	37,129
CenturyTel Inc	117,405	3,526	4,023
Frontier Communications Corp	33,100	249	258
Metropcs Communications Inc	27,600	267	170
Qwest Communications Intl Inc	239,900	974	1,094
Sprint Nextel Corporation	465,000	2,173	1,548
Verizon Communications	567,449	19,376	16,416
Windstream Corp	39,500	342	400
<i>Total Communication Services - 3.3%</i>		72,957	62,693
<i>Consumer Discretionary</i>			
Abercrombie & Fitch Co	34,100	1,095	1,242
Amazon.com Inc	63,400	5,663	7,507
AutoNation Inc	38,600	701	685
AutoZone Inc	11,800	1,632	1,958
Bed Bath & Beyond Inc	67,200	2,379	2,796
Best Buy Co Inc	92,700	3,582	3,384
Big Lots Inc	23,200	652	777
Black & Decker Corporation	12,700	760	920
Carnival Corp	71,400	2,182	2,568
CBS Corp	90,100	1,050	1,170
Coach Inc	116,100	3,687	4,231
Comcast Corp	552,850	9,442	9,089
CVS Caremark Corp	249,276	7,713	8,413
Darden Restaurants Inc	73,300	2,093	2,972
DeVry Inc	9,700	565	613

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

*(Amounts in thousands, except share data)*

Security Name	Shares	Cost	Fair Value
DIRECTV Group Inc	169,100	4,516	5,724
Discovery Communications Inc	26,700	831	832
Disney Walt Company	297,500	7,724	9,294
DR Horton Inc	40,900	455	506
Eastman Kodak Co	28,400	142	169
Expedia Inc	124,300	2,621	2,764
Family Dollar Stores	26,600	695	878
Ford Motor Company	517,000	3,590	6,070
Fortune Brands Inc	14,200	610	622
GameStop Corp	17,400	464	299
Gannett Co Inc	56,000	728	848
Gap Inc	120,800	2,238	2,597
Genuine Parts Company	15,300	570	618
Goodyear Tire & Rubber Co	58,300	900	757
Harley-Davidson Inc	36,000	825	886
Harman Intl Industries Inc	22,000	616	949
Hasbro Inc	11,200	349	401
Home Depot Inc	311,200	7,963	9,709
International Game Technology	127,600	2,447	2,239
Interpublic Group of Co Inc	111,800	791	839
Johnson Controls Inc	147,400	3,830	4,584
Kohl's Corporation	89,800	4,491	4,833
Leggett & Platt Inc	13,500	186	256
Lennar Corporation	46,500	541	763
Limited Inc	128,000	2,186	2,830
Lowe's Corp Inc	166,400	3,488	3,945
Macy's Inc	68,200	945	1,306
Marriott International Inc	112,766	2,783	3,057
Mattel Inc	44,900	828	987
McDonald's Corporation	176,900	9,963	11,295
McGraw-Hill Companies Inc	131,200	3,490	4,487
Meredith Corp	21,300	559	654
New York Times Company	28,500	297	312
Newell Rubbermaid Inc	95,900	1,279	1,319
News Corp	479,900	5,644	6,416
Nike Inc	80,300	4,800	5,428
Office Depot Inc	117,300	551	847
Omnicom Group Inc	108,000	4,007	3,955
O'Reilly Automotive Inc	79,300	2,975	3,116
Penney JC & Company	75,000	2,083	2,069
Polo Ralph Lauren Corporation	28,800	2,205	2,302
Pulte Corporation	28,100	309	304
RadioShack Corp	33,600	490	657
Ross Stores Inc	41,100	1,803	2,010
Sears Holding Corp	9,700	657	928
Sherwin-Williams Co	9,100	538	577
Snap-On Inc	6,100	212	258
Stanley Works	11,700	458	670
Staples Inc	151,600	3,329	3,905
Starbucks Corp	281,200	5,190	6,442
Starwood Hotels & Resorts Inc	26,500	845	1,026
Target Corp	109,900	5,245	5,662
Tiffany & Co	36,700	1,542	1,629
Time Warner Cable Inc	114,912	4,838	5,365
Time Warner Inc	250,566	6,662	7,276
TJX Companies Inc	161,600	5,416	6,727
Urban Outfitters Inc	27,800	861	895
VF Corp	16,700	1,216	1,292
Viacom Inc	246,500	6,820	7,309
Washington Post Company	500	232	210
Whirlpool Corporation	13,800	969	1,161
Wyndham Worldwide Corporation	48,400	602	1,113
Wynn Resorts Limited	9,900	591	629

*See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Yum Brands Inc	70,600	2,347	2,381
<i>Total Consumer Discretionary - 11.4%</i>		190,574	218,513
<i>Consumer Staples</i>			
Altria Group Inc	301,820	5,729	6,073
Archer-Daniels-Midland Co	93,500	2,544	2,745
Avon Products Inc	114,500	3,692	3,485
Brown Forman Corp	10,500	521	550
Campbell Soup Co	24,500	804	817
Clorox Company	13,200	771	809
Coca-Cola Company	432,400	22,691	22,796
Coca-Cola Enterprises	285,600	5,667	7,297
Colgate-Palmolive Co	87,800	6,428	7,282
ConAgra Foods Inc	70,700	1,545	1,729
Constellation Brands Inc	36,700	552	552
Costco Wholesale Corp	44,700	2,550	2,725
Dean Foods Company	19,100	367	279
Dr Pepper Snapple Group	107,900	2,638	3,426
Estee Lauder Companies Inc	27,100	1,263	1,630
General Mills Inc	39,200	2,421	2,823
Heinz HJ Company	39,100	1,550	1,795
Hershey Foods Corp	68,500	2,534	2,724
Hormel Foods Corp	40,100	1,477	1,649
Kellogg Company	50,900	2,401	2,654
Kimberly Clark Corporation	44,600	2,425	2,709
Kraft Foods Inc	189,000	5,052	5,373
Kroger Co	83,100	2,119	1,837
Lorillard, Inc	33,300	2,379	2,432
McCormick & Company Inc	11,900	403	442
Mead Johnson Nutrition Co-A	54,809	1,795	2,592
Molson Coors Brewing Co	27,600	1,247	1,114
Pepsi Bottling Group Inc	114,300	4,010	4,370
Pepsico Inc	273,200	15,974	17,067
Philip Morris International	344,820	15,856	16,889
Proctor & Gamble Company	486,932	28,546	30,813
Reynolds American Inc	21,000	893	1,109
Safeway Inc	39,700	781	989
Sara Lee Corp	107,800	1,165	1,462
Smucker JM Company	42,000	2,144	2,507
Supervalu Inc	22,400	334	342
Sysco Corp	57,200	1,282	1,653
Tyson Foods, Inc	151,300	1,812	2,578
Walgreen Co	189,000	6,848	6,660
Wal-Mart Stores	405,700	21,318	21,936
Whole Foods Market Inc	78,300	2,102	2,779
<i>Total Consumer Staples - 10.5%</i>		186,630	201,493
<i>Energy</i>			
Anadarko Petroleum Corp	97,800	5,132	6,859
Apache Corporation	44,600	4,366	4,622
Baker Hughes Inc	41,400	1,745	1,984
BJ Services Company	116,200	2,219	2,539
Cabot Oil & Gas Corporation	39,200	1,381	1,573
Cameron International Corp	58,300	1,923	2,398
Chesapeake Energy Corp	89,200	2,478	2,370
ChevronTexaco Corp	406,555	30,931	29,394
ConocoPhillips	241,080	13,853	11,572
Denbury Resources Inc	22,300	336	314
Devon Energy Corporation	52,900	3,635	3,643
Diamond Offshore Drilling Inc	22,200	2,035	1,939
El Paso Corporation	115,800	974	1,212
EOG Resources Inc	40,400	3,336	3,800
Exxon Mobil Corporation	1,046,140	74,591	67,999

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
First Solar Inc	4,600	702	486
FMC Technologies Inc	38,800	2,034	2,179
Halliburton Company	150,700	3,785	4,544
Helmerich & Payne Inc	9,900	401	401
Hess Corp	34,200	1,888	2,011
Marathon Oil Corp	149,242	4,994	4,321
Murphy Oil Corporation	50,200	2,985	2,605
Nabors Industries Ltd	30,800	635	679
National-Oilwell Varco Inc	75,000	3,365	3,260
Noble Energy Inc	37,600	2,430	2,731
Occidental Petroleum Corp	140,500	10,176	11,219
Pioneer Natural Resources Co	23,800	749	1,110
Range Resources Corporation	33,200	1,624	1,680
Rowan Companies Inc	16,100	373	419
Schlumberger Ltd	221,900	14,041	13,558
Smith International Inc	22,800	650	935
Spectra Energy Corp	92,500	1,597	2,017
Sunoco Inc	12,400	352	327
Tesoro Petroleum Corporation	14,800	212	176
Valero Energy Corporation	53,800	1,038	943
Williams Companies Inc	91,700	1,597	1,975
XTO Energy Inc	97,575	4,005	4,459
<i>Total Energy - 10.7%</i>		208,568	204,253
<i>Financial Services</i>			
AFLAC Inc	78,400	3,430	3,877
Allstate Corp	67,700	2,088	2,116
American Express	224,800	6,986	8,585
American International Group	76,600	2,503	1,897
Ameriprise Financial Inc	76,400	2,037	3,058
Aon Corporation	26,300	1,072	1,077
Apartment Investment & Mgmt Co	12,400	124	207
Assurant Inc	30,800	1,009	940
Avalonbay Communities Inc	10,300	757	839
Bank of America Corporation	1,309,677	27,737	21,819
Bank of New York Mellon Corp	243,800	8,176	6,953
BB&T Corporation	116,400	3,037	3,321
Berkshire Hathaway Inc, Class A	17	1,663	2,037
Berkshire Hathaway Inc, Class B	157,096	11,689	12,588
Boston Properties Inc	18,900	1,252	1,284
Capital One Financial Corp	112,000	3,457	4,228
CB Richard Ellis Grp Inc	132,200	1,242	1,745
Chubb Corp	31,900	1,615	1,610
Cincinnati Financial Corp	14,700	385	395
Citigroup Inc	2,460,807	16,367	8,367
CME Group Inc	16,900	4,982	5,099
Comerica Inc	59,900	1,599	2,161
Discover Financial Services	207,100	2,594	2,827
E*Trade Group Inc	168,200	291	271
Equity Residential Prop Trust	27,800	850	1,003
Federated Investors Inc	61,500	1,572	1,538
Fifth Third Bancorp	311,100	2,815	3,799
First Horizon National Corp	33,740	375	432
Franklin Resources Inc	41,700	3,641	4,242
Genworth Financial Inc	180,400	1,824	2,876
Goldman Sachs Group Inc	99,400	14,288	15,541
Hartford Financial Services Gp	66,000	1,478	1,608
HCP Inc	61,600	1,814	1,773
Health Care Inc	11,200	471	474
Host Hotels & Resorts Inc	115,989	1,153	1,358
Hudson City Bancorp Inc	44,500	743	602
Huntington Bancshares Inc	504,600	2,091	2,427
Intercontinental Exchange Inc	16,500	1,557	1,770

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Invesco Limited	121,200	2,243	2,376
Janus Capital Group Inc	19,300	270	241
JPMorgan Chase & Co	622,353	23,328	26,120
KeyCorp	121,900	803	872
Kimco Realty Corporation	39,800	440	553
Legg Mason Inc	26,300	709	680
Leucadia National Corporation	17,100	424	406
Lincoln National Corp	67,200	1,258	1,692
Loews Corp	131,400	4,505	4,791
M & T Bank Corporation	19,800	1,270	1,533
Marsh & McLennan Co Inc	61,000	1,482	1,416
Marshall & Ilsley Corporation	197,300	1,174	1,397
MasterCard Inc	23,700	5,137	5,318
MetLife Inc	127,700	4,443	4,647
Moody's Corp	68,400	1,622	1,821
Morgan Stanley Dean Witter Co	203,600	6,198	5,737
Nasdaq Stock Market Inc	15,000	323	279
Nordstrom Inc	39,600	1,148	1,463
Northern Trust Corp	40,800	2,440	2,174
NYSE Euronext	101,800	2,716	2,685
People's United Financial Inc	33,300	519	524
Plum Creek Timber Co Inc	15,600	477	557
PNC Financial Services Group	103,800	5,058	5,580
Principal Financial Group Inc	92,900	2,163	2,156
Progressive Corp	185,300	2,873	3,178
ProLogis Trust	46,900	559	605
Prudential Financial Inc	79,900	3,358	4,188
Public Storage Inc	30,300	2,337	2,490
Regions Financial Corp	244,300	1,274	1,649
Schwab Charles Corp	123,700	2,238	2,265
Simon Property Group	41,602	2,825	3,257
SLM Corp	189,900	1,689	2,123
State Street Corp	108,000	5,343	4,850
SunTrust Banks Inc	92,100	2,175	2,193
T Rowe Price Associates Inc	53,300	2,583	2,702
Torchmark Corporation	12,600	532	586
Travelers Cos Inc	109,000	4,832	5,732
UnumProvident Corp	76,800	1,466	1,598
US Bancorp	277,700	6,367	6,834
Ventas Inc	34,200	1,273	1,511
Visa Inc-Class A Shares	87,900	7,737	7,496
Vornado Realty Trust	15,040	955	988
Wells Fargo & Company	714,800	18,644	19,543
XL Capital Ltd	178,100	2,500	3,254
Zions Bancorporation	82,500	1,304	1,530
<i>Total Financial Services - 15.2%</i>		283,778	290,334
<i>Health Care</i>			
Abbott Laboratories	208,500	10,680	11,317
Aetna Inc	67,000	1,935	2,009
Allergan Inc	66,700	3,655	3,897
AmerisourceBergen Corp	66,200	1,373	1,856
Amgen Inc	111,100	5,933	6,289
Bard CR Inc	9,300	728	779
Baxter International Inc	99,300	5,543	5,653
Becton Dickinson & Company	22,900	1,602	1,783
Biogen Idec Inc	29,900	1,498	1,645
Boston Scientific Corp	442,000	3,937	3,421
Bristol-Myers Squibb Company	278,842	5,742	6,834
Cardinal Health Inc	34,400	921	1,169
CareFusion Corporation	16,800	364	424
Celgene Corporation	63,900	3,497	3,803
Cephalon Inc	6,800	392	467

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
CIGNA Corporation	130,700	3,867	4,478
Coventry Health Care Inc	124,800	2,721	2,893
DaVita Inc	9,800	553	604
DENTSPLY International Inc	20,700	690	685
Express Scripts Inc	50,900	3,847	4,887
Forest Laboratories Inc	85,600	2,492	2,558
Genzyme Corporation	24,700	1,381	1,413
Gilead Sciences Inc	109,000	5,014	5,189
Hospira Inc	71,100	3,195	3,721
Humana Inc	21,500	752	1,018
Intuitive Surgical Inc	10,200	2,923	3,541
Johnson & Johnson	535,500	32,558	33,737
King Pharmaceuticals Inc	91,000	832	1,024
Laboratory Corp of Amer Hldgs	10,300	675	755
Life Technologies Corp	86,800	4,285	4,406
Lilly Eli and Company	95,000	3,509	3,262
McKesson HBOC Inc	70,900	4,275	4,194
Medco Health Solutions Inc	106,000	4,791	6,703
Medtronic Inc	149,100	5,947	6,471
Merck & Co Inc	540,080	17,923	19,918
Millipore Corp	16,900	1,167	1,596
Mylan Laboratories Inc	197,600	2,872	4,217
Patterson Companies Inc	61,400	1,734	1,822
PerkinElmer Inc	68,100	1,387	1,513
Pfizer Inc	1,427,983	32,184	25,061
Quest Diagnostics Inc	33,400	1,674	1,895
St Jude Medical Inc	64,200	2,436	2,454
Stericycle Inc	7,600	368	419
Stryker Corporation	39,800	1,913	2,113
Tenet Healthcare Corporation	358,500	1,942	1,889
Thermo Electron Corporation	67,400	3,023	3,287
UnitedHealth Group Inc	180,200	5,065	6,102
Varian Medical Systems Inc	11,900	499	583
Waters Corporation	28,400	1,664	1,694
Watson Pharmaceuticals Inc	57,800	2,041	2,300
WellPoint Inc	101,600	4,954	6,286
Zimmer Holdings Inc	56,500	3,208	3,239
<i>Total Health Care - 12.0%</i>		218,161	229,273
<i>Technology</i>			
Adobe Systems Inc	108,200	3,654	3,749
Advanced Micro Devices Inc	138,700	631	1,097
Agilent Technologies Inc	100,600	2,953	3,165
Akamai Technologies Inc	16,200	320	426
Altera Corporation	59,700	1,082	1,458
Amphenol Corp	41,700	1,693	1,737
Analog Devices Inc	143,800	3,934	4,205
Apple Computer Inc	164,900	24,861	33,742
Applied Materials Inc	219,300	2,892	2,684
Autodesk Inc	29,800	743	831
Automatic Data Processing Inc	48,900	1,928	2,035
BMC Software Inc	121,800	4,345	4,487
Broadcom Corp	123,600	2,931	3,871
CA Inc	53,600	1,003	1,206
Cisco Systems Inc	1,109,790	23,330	27,001
Citrix Systems Inc	49,600	1,839	2,133
Cognizant Tech Solutions Corp	128,500	4,679	6,185
Computer Sciences Corp	57,100	2,617	2,957
Compuware Corporation	25,100	184	188
Corning Inc	264,200	4,423	4,658
Dell Inc	375,200	5,369	4,968
eBay Inc	327,900	7,597	7,548
Electronic Arts Inc	43,700	807	725

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
EMC Corporation	373,700	5,183	6,536
Fidelity Ntl Information Svcs	153,600	3,614	3,462
Fiserv Inc	77,900	3,701	3,756
FLIR Systems Inc	13,700	383	367
Google Inc	44,800	21,502	23,601
Harris Corporation	12,600	395	570
Hewlett-Packard Company	456,700	18,898	23,196
Intel Corporation	909,600	18,350	18,674
International Business Machs	293,200	30,400	37,283
Intuit Inc	43,800	1,197	1,417
Jabil Circuit Inc	32,600	326	495
JDS Uniphase Corporation	27,300	138	293
Juniper Networks Inc	106,700	2,677	2,985
KLA-Tencor Corporation	138,500	4,574	4,035
Lexmark International Inc	16,000	436	539
Linear Technology Corp	57,800	1,403	1,570
LSI Logic Corporation	135,700	725	731
McAfee, Inc	38,100	1,509	1,512
MEMC Electronic Materials Inc	23,700	391	287
Microchip Technology Inc	138,100	3,677	3,737
Micron Technology Inc	123,000	798	1,114
Microsoft Corporation	1,407,502	36,009	40,353
Molex Inc	59,600	938	1,219
Motorola Inc	770,700	5,781	5,210
National Semiconductor Corp	103,400	1,529	1,497
NetApp Inc.	165,100	4,322	4,955
Novell Inc	79,600	345	374
Novellus Systems Inc	83,700	1,612	1,851
NVIDIA Corporation	88,400	887	1,432
Oracle Corporation	766,844	15,100	18,903
Paychex Inc	34,700	994	1,039
QLogic Corporation	37,700	684	686
Qualcomm Inc	346,000	14,627	12,692
Red Hat Inc	84,400	2,286	2,367
SAIC INC	48,600	923	957
Salesforce.com Inc	39,100	2,345	2,657
SanDisk Corporation	23,400	483	682
Scripps Networks Interactive	70,100	2,792	2,775
Symantec Corporation	118,500	1,813	1,961
Tellabs Inc	275,100	1,519	1,901
Teradata Corporation	145,400	4,289	4,433
Teradyne Inc	39,200	352	392
Texas Instruments Inc	307,500	7,656	7,497
Total System Services Inc	188,500	2,953	2,684
VeriSign Inc	22,800	469	568
Western Digital Corp	82,900	2,704	3,202
Western Union Company	166,200	2,812	2,623
Xerox Corporation	233,704	2,039	2,190
Xilinx Inc	95,300	1,990	2,462
Yahoo! Inc	262,300	4,539	4,016
<i>Total Technology - 20.4%</i>		348,884	390,794
<i>Utilities</i>			
AES Corporation	355,800	4,702	4,159
Allegheny Energy Inc	15,200	397	344
Ameren Corporation	21,700	550	536
American Electric Power Co Inc	44,600	1,163	1,499
CenterPoint Energy Inc	35,600	417	476
CMS Energy Corporation	75,600	970	1,154
Consolidated Edison Inc	26,300	1,081	1,124
Constellation Energy Group	85,200	2,806	2,988
Dominion Resources Inc	56,000	1,937	2,127
DTE Energy Company	18,900	642	821

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Duke Energy Corp	122,200	2,156	1,998
Edison International	31,100	1,040	1,015
Energy Corporation	27,400	2,353	2,082
EQT Corp	92,800	3,843	4,061
Exelon Corp	61,900	3,096	2,680
FirstEnergy Corp	29,400	1,333	1,136
FPL Group Inc	166,600	9,047	7,725
Integrus Energy Group Inc	8,100	291	357
NICOR Inc	4,800	176	200
NiSource Inc	70,100	1,021	1,053
Northeast Utilities	15,900	380	407
NRG Energy Inc	55,300	1,272	1,208
PEPCO Holdings	19,800	288	333
PG&E Corp	43,400	1,758	1,819
Pinnacle West Capital Corp	9,100	281	331
PPL Corporation	76,600	2,658	2,182
Progress Energy Inc	26,700	1,052	1,022
Public Service Enterprise Grp	102,500	3,566	3,046
Quanta Services Inc	21,000	462	399
Questar Corporation	33,400	1,244	1,402
SCANA Corporation	10,000	349	361
Sempra Energy	72,500	3,706	3,565
Southern Company	75,100	2,386	2,386
Southwestern Energy Company	62,800	2,564	2,672
TECO Energy Inc	30,900	425	474
Wisconsin Energy Corporation	11,200	450	542
Xcel Energy Inc	52,400	1,031	1,097
<i>Total Utilities - 3.2%</i>		<u>62,893</u>	<u>60,781</u>
Total Equity Securities - 99.3%		1,809,994	1,898,119
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management	14,814,652	14,814	14,814
Total Short-term Issues - 0.8%		<u>14,814</u>	<u>14,814</u>
<b><u>Futures Contracts</u></b>			
S & P 500 EMINI Futures, expiring Mar 2010	167		44
Total Futures Contracts - 0.0%			<u>44</u>
Total Investment Securities - 100.1%		<u>\$ 1,824,808</u>	<u>\$ 1,912,977</u>

See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividend	\$ 4,434	\$ 26,995
Securities lending	16	199
Shareholder litigation proceeds	-	543
Commission recapture	-	113
	<b>4,450</b>	<b>27,850</b>
<b>Expenses</b>		
Investment advisor fees	(88)	(805)
Trustee fees	(1)	(9)
Custodian bank fees	(4)	(68)
Management fees	(46)	(494)
Fiduciary bond fees	(1)	(7)
Professional service fees	(12)	(104)
Securities lending agent fees	(5)	(77)
Securities lending borrower rebates	6	185
	<b>(151)</b>	<b>(1,379)</b>
	<b>4,299</b>	<b>26,471</b>
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	3,861	90,044
Net increase in the fair value of investments	51,788	249,692
	<b>55,649</b>	<b>339,736</b>
	<b>\$ 59,948</b>	<b>\$ 366,207</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Large Cap Domestic Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 4,299	\$ 26,471
Net realized gain from investments	3,861	90,044
Net increase in the fair value of investments	51,788	249,692
<b>Net increase in net assets from operations</b>	59,948	366,207
<b>Unit transactions</b>		
Proceeds from sale of units	369	142,496
Amount paid for repurchase of units	(26,972)	(370,997)
<b>Net decrease in net assets from unit transactions</b>	(26,603)	(228,501)
<b>Increase in net assets</b>	33,345	137,706
Net assets, beginning of period	1,879,080	1,774,719
<b>Net assets, end of period</b>	\$ 1,912,425	\$ 1,912,425
<b>Unit data</b>		
Units sold	36,018	14,354,534
Units repurchased	(2,635,634)	(37,572,539)
<b>Net decrease in units</b>	(2,599,616)	(23,218,005)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool's objective is to exceed, net of external investment management fees, the S&P 500 Stock Index over three- to five-year periods. Assets are managed by Intech Investment Management, LLC, and State Street Global Advisors.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Futures contracts are valued at the last settlement price established each day by the exchange on which they are traded. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to

# Large Cap Domestic Equity Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Futures Contracts** - A futures contract is an agreement between a buyer or a seller and the clearinghouse of a futures exchange in which the parties agree to buy or sell a commodity, financial instrument or index at a specified future date and price. Upon entering into a financial futures contract, the IMB is required to pledge to the broker an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Cash (variation margin) is received from or paid to the broker for the fluctuations of the underlying securities or index. The IMB records futures at fair market value. Gains or losses on open futures positions are unrealized. These gains or losses become realized when the position is closed.

Interest rate futures may be used to enhance portfolio yields, to hedge an existing position, or as an alternative investment of cash. Stock index futures may be used to provide immediate exposure to fluctuations in the market values of the stocks in the underlying index and to provide liquidity for cash flows.

The market risk associated with holding interest rate and stock index futures results from changes in the market value of the contractual positions due to changes in the value of the underlying instruments or indices. Hedging risk associated with these futures contracts arises because the value of the futures contracts may not correlate perfectly with changes in the values of the underlying instruments or indices due to market distortions.

Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading in a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contracts. The IMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

# Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	Level I	Level II	Level III	Total
Equity Securities	\$1,898,118,402	\$ -	\$ -	\$1,898,118,402
Regulated Investment Companies	-	14,814,652	-	14,814,652
Securities Lending Collateral Funds	-	75,430,394	-	75,430,394
Futures	43,572	-	-	43,572
Total	<u>\$1,898,161,974</u>	<u>\$ 90,245,046</u>	<u>\$ -</u>	<u>\$1,988,407,020</u>

### NOTE 4. SECURITIES LENDING

At February 28, 2010, the fair value of securities on loan was \$76,933,272, the initial collateral received was \$78,916,278, and the fair value of reinvested collateral held was \$75,780,612. Of the collateral held, \$78,806,481 was received as cash and invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on

# Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

### NOTE 4. SECURITIES LENDING (Continued)

September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool was \$3,247,638.

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The combined value of the holdings in the Collateral Fund and the Liquidating Fund is used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. At February 28, 2010 the accumulated undistributed securities lending income was \$1,704,524.

### NOTE 5. FUTURES CONTRACTS

At February 28, 2010, open positions in futures contracts were as follows:

<u>Expiration</u>	<u>Open Contracts</u>	<u>Position</u>	<u>Value at February 28, 2010</u>	<u>Value Upon Entering Contract</u>	<u>Cumulative Net Gain (Loss) Since Inception</u>
Mar 2010	167 S&P 500	Long	<u>\$ 9,213,390</u>	<u>\$ 9,170,193</u>	<u>\$ 43,197</u>

At February 28, 2010, the Pool had pledged cash of \$717,113 to cover margin requirements on open futures contracts.

### NOTE 6. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 8.69
Income from investment operations:	
Net investment income	0.14
Net realized and unrealized gain on investment transactions	<u>1.73</u>
Total from investment operations	<u>1.87</u>
Net asset value at February 28, 2010	<u>\$ 10.56</u>

**Time-weighted Total Return \*** 21.6%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 1,912,425
Ratio to average net assets:	
Expenses **	0.12%
Net investment income **	2.10%
Portfolio turnover rate	71.56%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

# Large Cap Domestic Equity Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2010.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 850,799,079
Public Employees' Retirement System	781,408,209
State Police Death, Disability and Retirement Fund	85,487,345
Revenue Shortfall Reserve Fund B	34,537,402
Workers' Compensation Old Fund	33,951,159
Judges' Retirement System	21,439,689
Coal Workers' Pneumoconiosis Fund	20,606,918
Prepaid Tuition Trust Fund	19,486,416
Deputy Sheriff's Retirement System	19,073,296
State Police Retirement System	10,539,545
Board of Risk and Insurance Management	9,948,012
Public Employees' Insurance Agency	8,099,492
Wildlife Endowment Fund	7,645,721
Emergency Medical Services Retirement System	4,735,274
Retiree Health Benefit Trust	4,667,701
Total	<u>\$ 1,912,425,258</u>



**Financial Statements - Unaudited**

**February 28, 2010**



# Non-Large Cap Domestic Equity Pool

---

## Financial Statements - Unaudited February 28, 2010

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	6
Statement of Changes in Net Assets	7
Notes to Financial Statements	8

# Non-Large Cap Domestic Equity Pool

---

## Statement of Assets and Liabilities - Unaudited

February 28, 2010

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	371,660
Cash		1
Collateral for securities loaned at fair value (Note 4)		68,205
Receivables:		
Investments sold		3,446
Dividends		228
Securities lending income		10
		<u>10</u>
<b>Total assets</b>		<b>443,550</b>

### Liabilities

Accrued expenses		139
Payable for investments purchased		2,769
Payable upon return of securities loaned (Note 4)		70,568
		<u>70,568</u>
<b>Total liabilities</b>		<b>73,476</b>

**Net assets** \$ 370,074

### Analysis of net assets

Paid-in capital	\$	346,562
Accumulated undistributed net investment income		19,143
Accumulated undistributed net realized loss from investments		(38,185)
Accumulated undistributed net realized loss from foreign currency transactions		(506)
Unrealized net appreciation of investments		43,060
		<u>43,060</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>370,074</u></u></b>

### Unit data

Units outstanding		28,642,107
Net asset value, unit price	\$	<u><u>12.92</u></u>

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Basic Materials</i>			
Bemis Company Inc	68,200	\$ 1,672	\$ 1,996
Cabot Corporation	55,400	1,156	1,610
Celanese Corp	102,200	2,324	3,188
CONSOL Energy Inc	84,900	2,397	4,276
Crown Holdings Inc	122,700	2,792	3,352
Fuller HB Company	77,500	1,646	1,627
Innophos Holdings Inc	31,900	773	741
Lubrizol Corporation	18,800	956	1,485
Massey Energy Company	188,600	4,302	8,123
Minerals Technology Inc	30,600	1,562	1,494
NewMarket Corporation	13,400	880	1,193
OM Group Inc	30,200	553	1,039
Schulman A Inc	64,100	1,383	1,510
Thompson Creek Metals Company	142,000	1,922	1,953
<i>Total Basic Materials - 9.1%</i>		24,318	33,587
<i>Capital Goods</i>			
AK Steel Holding Corporation	33,000	717	710
Alaska Air Group Inc	37,300	1,086	1,306
Alliant Techsystems Inc	8,900	707	707
Ametek Inc	82,200	2,383	3,209
Apogee Enterprises Inc	73,200	845	1,046
BE Aerospace Inc	212,275	3,953	5,498
Crane Company	64,300	1,739	2,036
Drew Industries	62,700	1,308	1,453
Dycom Industries Inc	112,200	789	1,013
Enpro Industries, Inc.	35,300	764	977
Gardner Denver Inc	44,400	972	1,936
Genco Shipping & Trading Ltd	50,700	1,062	1,065
Graco Inc	27,900	752	765
IDEX Corporation	110,650	2,874	3,430
ITT Educational Services Inc	13,300	1,349	1,450
Joy Global Inc	40,550	980	2,060
Kaiser Aluminum Corp	24,000	840	801
KBR Inc	93,900	1,903	1,945
L B Foster Company	20,400	619	620
Landstar System Inc	69,550	2,625	2,774
Lennox International Inc	22,800	832	962
Oshkosh Truck Corporation	53,600	1,935	2,043
Owens Corning Inc	10,800	177	254
Republic Airways Holdings Inc	110,500	2,393	673
SkyWest Inc	54,500	1,372	804
SPX Corporation	19,200	867	1,142
Teletch Holdings Inc	56,100	944	981
Toro Company	25,000	703	1,101
Tutor Perini Corporation	36,500	694	722
Walter Industries Inc	11,300	671	888
Waste Connections Inc	85,200	2,677	2,864
WESCO International Inc	152,000	4,975	4,391
<i>Total Capital Goods - 14.0%</i>		46,507	51,626
<i>Communication Services</i>			
NII Holdings Inc	100,100	1,981	3,746
Telephone & Data Systems	60,700	1,648	1,894
<i>Total Communication Services - 1.5%</i>		3,629	5,640
<i>Consumer Discretionary</i>			
American Eagle Outfitters Inc	199,633	2,145	3,368
American Greetings Corp	69,100	1,621	1,318
ATC Technology Corporation	52,900	830	1,185
Cash America International Inc	41,400	1,399	1,587
Citrip.com International Ltd	113,800	2,995	4,351

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Darling International Inc	125,500	1,839	1,012
Deckers Outdoor Corporation	11,400	676	1,370
DeVry Inc	46,400	2,429	2,930
Dillard's Inc	67,900	634	1,145
Discovery Communications Inc	107,400	2,354	3,346
Finish Line Inc	106,700	1,270	1,290
Gannett Co Inc	68,500	1,022	1,038
Gentex Corporation	99,000	1,796	1,922
Helen of Troy Ltd	60,700	1,252	1,467
Hibbett Sports Inc	120,600	2,241	2,774
Jones Apparel Group Inc	87,900	1,492	1,482
Meredith Corp	43,600	1,484	1,339
Navigant Consulting Inc	185,400	3,001	2,156
NetFlix.com Inc	18,000	481	1,189
O'Reilly Automotive Inc	65,300	1,911	2,566
Rent-A-Center Inc	54,500	983	1,212
Scholastic Corporation	47,200	1,092	1,388
Scientific Games Corporation	141,200	2,239	2,385
Stage Stores Inc	57,100	697	759
Steven Madden Ltd	20,000	515	840
WABCO Holdings Inc	28,600	753	765
<i>Total Consumer Discretionary - 12.5%</i>		39,151	46,184
<i>Consumer Staples</i>			
BJ's Wholesale Club Inc	21,400	607	774
Church & Dwight Company Inc	49,550	2,526	3,329
Fresh Del Monte Produce Inc	33,200	720	644
Lancaster Colony Corp	24,300	950	1,398
Ralcorp Holdings Inc	52,650	3,252	3,518
<i>Total Consumer Staples - 2.6%</i>		8,055	9,663
<i>Energy</i>			
Contango Oil & Gas	27,800	1,262	1,433
CVR Energy Inc	115,900	1,386	953
Denbury Resources Inc	214,900	2,311	3,026
Enso International PLC	85,350	3,098	3,770
Exterran Holdings Inc	211,400	6,715	4,809
Getty Realty Corporation	40,600	1,034	897
Gulf Island Fabrication Inc	40,900	716	816
Hercules Offshore Inc	256,000	874	937
Holly Corporation	46,800	1,041	1,202
Oil States International Inc	34,800	836	1,497
Overseas Shipholding Group Inc	15,100	764	672
Patterson-UTI Energy Inc	83,300	1,686	1,286
Southern Union Company	33,100	760	792
Sunoco Inc	33,500	976	883
W&T Offshore Inc	80,800	702	712
<i>Total Energy - 6.4%</i>		24,161	23,685
<i>Financial Services</i>			
American Financial Group	70,000	1,741	1,811
American Physicians Capital	26,533	752	754
Apartment Investment & Mgmt Co	50,500	847	843
Assurant Inc	47,100	1,200	1,437
Axis Capital Hldgs Ltd	59,900	2,121	1,884
Banco Latinoamericano Export	102,700	1,936	1,451
Bank of the Ozarks Inc	49,100	1,186	1,508
BOK Financial Corporation	15,600	640	717
City Holding Company	33,800	1,274	1,085
DuPont Fabros Technology Inc	48,500	511	951
Endurance Specialty Hldg Ltd	45,300	1,676	1,742
EZCORP Inc	73,400	1,322	1,448
Federated Investors Inc	54,600	1,055	1,366

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
First Cash Financial Services	49,700	774	1,055
First Horizon National Corp	3,285	39	42
FPIC Insurance Group Inc	25,000	908	922
GFI Group Inc	107,700	770	593
HCC Insurance Holdings Inc	25,300	641	706
HRPT Properties Trust	216,300	1,275	1,518
Infinity Property & Casualty	36,300	1,471	1,479
International Bancshares Corp	79,900	1,207	1,694
Jones Lang LaSalle Inc	31,000	1,735	1,974
LTC Properties Inc.	51,200	1,114	1,335
Max Re Capital Ltd	52,500	1,165	1,267
Mercury General Corp	39,100	1,501	1,605
Montpelier Re Hldgs Ltd	105,600	1,651	1,873
National Financial Partners	144,500	1,244	1,660
National Health Investors Inc	45,900	1,445	1,598
Net 1 UEPS Technologies Inc	62,200	1,182	1,098
NewAlliance Bancshares Inc	113,000	1,678	1,354
Ocwen Financial Corporation	104,300	1,026	1,127
optionsXpress Holdings Inc	68,200	1,830	1,078
Oriental Financial Group Inc	113,800	2,042	1,256
Platinum Underwriters Hldg Ltd	42,000	1,367	1,570
ProAssurance Corporation	18,300	970	976
PS Business Parks Inc	14,500	674	711
Republic Bancorp Inc	38,600	712	651
Safety Insurance Group Inc	38,500	1,551	1,430
SEI Investments Company	39,300	768	692
Selective Insurance Group Inc	43,000	675	697
Signature Bank	20,600	706	767
StanCorp Financial Group Inc	18,200	945	782
Taubman Centers Inc	55,400	1,472	2,146
Unitrin Inc	72,100	1,203	1,742
Universal American Finl Corp	96,300	1,376	1,388
Waddell & Reed Financial Inc	100,600	2,177	3,308
World Acceptance Corporation	37,100	1,090	1,550
<i>Total Financial Services - 16.4%</i>		56,645	60,641
<i>Health Care</i>			
Alexion Pharmaceuticals Inc	136,288	3,653	6,749
Amerigroup Corporation	38,800	1,066	1,020
Charles River Laboratories	69,000	2,670	2,616
DaVita Inc	72,200	3,336	4,448
Elan Corporation PLC	402,500	3,338	2,761
Health Net Inc	84,200	1,284	1,944
Healthspring Inc	83,500	1,124	1,537
Herbalife Ltd	35,300	1,401	1,414
Hill-Rom Holdings Inc	60,200	1,381	1,580
IDEXX Laboratories Inc	77,400	2,590	4,087
Illumina Inc	48,950	1,710	1,778
Invacare Corp	49,900	766	1,361
Life Technologies Corp	69,500	2,002	3,528
Magellan Health Services Inc	35,600	1,174	1,492
Mednax Inc	35,800	1,483	1,915
OSI Pharmaceuticals Inc	110,650	3,549	4,096
Prestige Brands Holdings Inc	58,100	426	467
Santarus Inc	275,000	1,851	1,158
Shire PLC	73,555	3,689	4,746
Skilled Healthcare Group Inc	152,800	1,272	989
<i>Total Health Care - 13.4%</i>		39,765	49,686
<i>Technology</i>			
Alliance Data Systems Corp	67,000	4,208	3,714
Altera Corporation	108,200	2,393	2,643
Amkor Technology Inc	156,800	635	944
Arrow Electronics Inc	26,500	765	748

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

**February 28, 2010**

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Avnet Inc	39,200	793	1,082
BMC Software Inc	98,100	3,398	3,614
Brocade Communications Systems	251,800	1,876	1,465
Celestica Inc	110,800	666	1,135
Check Point Software	127,900	2,990	4,170
Citrix Systems Inc	65,550	2,221	2,819
Converse Technology Inc	299,700	3,662	2,574
DynCorp International Inc	84,800	1,099	950
EarthLink Inc	169,400	1,396	1,413
Ingram Micro Inc	105,600	1,628	1,869
Insight Enterprises Inc	40,800	659	522
Integrated Device Technology	226,500	1,492	1,239
Intersil Corporation	53,000	787	787
Jabil Circuit Inc	107,200	1,344	1,626
John Bean Technologies Corp	39,100	725	639
Lexmark International Inc	26,400	465	890
LSI Logic Corporation	641,500	3,557	3,458
Maxim Integrated Products Inc	92,150	1,354	1,707
Mettler-Toledo International	38,450	3,404	3,822
MicroStrategy Incorporated	8,000	710	709
MSCI Inc	53,750	978	1,611
Netgear Inc	36,800	675	933
Novellus Systems Inc	83,650	1,635	1,850
Nuance Communications Inc	296,100	4,450	4,261
Plantronics Inc	31,800	749	904
Polycom Inc	117,450	2,111	3,067
Salesforce.com Inc	47,050	1,905	3,197
Sierra Wireless Inc	55,700	629	460
Tech Data Corporation	25,400	821	1,088
USA Mobility Inc	81,000	1,970	912
ValueClick, Inc	134,000	1,136	1,272
VeriFone Holdings Inc	157,500	1,490	3,040
VeriSign Inc	82,500	2,126	2,056
Zebra Technologies Corp	32,400	560	926
<i>Total Technology - 18.9%</i>		63,462	70,116
<i>Utilities</i>			
AGL Resources Inc	22,200	757	807
Alliant Energy Corp	66,200	1,915	2,094
El Paso Electric Company	59,300	1,172	1,193
Energen Corporation	46,500	1,338	2,114
MDU Resources Group Inc	38,000	807	777
Mirant Corporation	123,100	2,177	1,549
National Fuel Gas Company	21,400	611	1,064
NeuStar Inc	31,300	602	726
NorthWestern Corporation	45,000	1,188	1,127
NV Energy Inc	125,500	1,931	1,397
OGE Energy Corp	46,400	1,537	1,696
ONEOK Inc	27,300	1,373	1,210
PNM Resources	80,300	1,039	981
<i>Total Utilities - 4.5%</i>		16,447	16,735
Total Equity Securities - 99.3%		322,140	367,563
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 1.1%	4,097,483	4,097	4,097
Total Investment Securities - 100.4%		\$ 326,237	\$ 371,660

See accompanying notes to financial statements.



## Non-Large Cap Domestic Equity Pool

### Statement of Operations - Unaudited

**Period Ended February 28, 2010\***

*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividends, net of foreign withholding taxes	\$ 345	\$ 2,323
Securities lending	15	175
Shareholder litigation proceeds	1	98
Commission recapture	13	110
<b>Total investment income</b>	374	2,706
<b>Expenses</b>		
Investment advisor fees	(178)	(82)
Trustee fees	(1)	(2)
Custodian bank fees	(3)	(16)
Management fees	(9)	(94)
Fiduciary bond fees	-	(1)
Professional service fees	(3)	(20)
Securities lending agent fees	(2)	(40)
Securities lending borrower rebates	(3)	26
<b>Total expenses</b>	(199)	(229)
<b>Investment income, net</b>	175	2,477
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	50	10,929
Net increase in the fair value of investments	17,966	68,956
<b>Net gain from investments</b>	18,016	79,885
<b>Net increase in net assets from operations</b>	\$ 18,191	\$ 82,362

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Non-Large Cap Domestic Equity Pool

---

### Statement of Changes in Net Assets - Unaudited

**Period Ended February 28, 2010\***

*(Amounts in thousands, except unit data)*

	Month	Year To Date
<b>Operations</b>		
Investment income, net	\$ 175	\$ 2,477
Net realized gain from investments	50	10,929
Net increase in the fair value of investments	17,966	68,956
<b>Net increase in net assets from operations</b>	18,191	82,362
<b>Unit transactions</b>		
Proceeds from sale of units	846	23,031
Amount paid for repurchase of units	(3,585)	(47,783)
<b>Net decrease in net assets from unit transactions</b>	(2,739)	(24,752)
<b>Increase in net assets</b>	15,452	57,610
Net assets, beginning of period	354,622	312,464
<b>Net assets, end of period</b>	\$ 370,074	\$ 370,074
<b>Unit data</b>		
Units sold	68,872	2,072,467
Units repurchased	(291,813)	(4,115,846)
<b>Net decrease in units</b>	(222,941)	(2,043,379)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Non-Large Cap Domestic Equity Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment-related operations of the IMB's Non-Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool invests in the equities of small- to mid-sized companies and its objective is to exceed, net of external investment management fees, the Russell 2500 Index over three- to five-year periods. Assets are managed by Aronson + Johnson + Ortiz, LP and Westfield Capital Management.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives

# Non-Large Cap Domestic Equity Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

# Non-Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	Level I	Level II	Level III	Total
Equity Securities	\$ 367,562,966	\$ -	\$ -	\$ 367,562,966
Regulated Investment Companies	-	4,097,483	-	4,097,483
Securities Lending Collateral Funds	-	68,204,933	-	68,204,933
Total	<u>\$ 367,562,966</u>	<u>\$ 72,302,416</u>	<u>\$ -</u>	<u>\$ 439,865,382</u>

### NOTE 4. SECURITIES LENDING

At February 28, 2010, the fair value of securities on loan is \$68,722,216, initial collateral received is \$70,568,470, and the fair value of reinvested collateral held is \$68,204,933. All of the collateral was received as cash and is invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool is \$2,247,392.

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The combined value of the holdings in the Collateral Fund and the Liquidating Fund is used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. At February 28, 2010, the accumulated undistributed securities lending income is \$824,160.

# Non-Large Cap Domestic Equity Pool

## Notes to Financial Statements - Unaudited

### NOTE 5. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2009	\$	10.18
Income from investment operations:		
Net investment income		0.08
Net realized and unrealized gain on investment transactions		2.66
Total from investment operations		2.74
Net asset value at February 28, 2010	\$	12.92

**Time-weighted Total Return \*** 26.7%

**Supplemental Data:**

Net assets, end of period (\$000's)	\$	370,074
Ratio to average net assets:		
Expenses **		0.09%
Net investment income **		1.04%
Portfolio turnover rate		50.56%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2010.

Participant	Account Value
Teachers' Retirement System	\$ 163,852,262
Public Employees' Retirement System	152,080,071
State Police Death, Disability and Retirement Fund	16,526,823
Revenue Shortfall Reserve Fund B	6,645,716
Workers' Compensation Old Fund	6,575,407
Judges' Retirement System	4,143,600
Coal Workers' Pneumoconiosis Fund	3,980,272
Prepaid Tuition Trust Fund	3,796,506
Deputy Sheriff's Retirement System	3,680,320
State Police Retirement System	2,021,499
Board of Risk and Insurance Management	1,919,610
Public Employees' Insurance Agency	1,562,817
Wildlife Endowment Fund	1,475,554
Emergency Medical Services Retirement System	913,641
Retiree Health Benefit Trust	900,340
Total	\$ 370,074,438

**Financial Statements - Unaudited**

**February 28, 2010**





# International Qualified Pool

---

## **Financial Statements - Unaudited February 28, 2010**

### **Table of Contents**

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6

# International Qualified Pool

---

## Statement of Assets and Liabilities - Unaudited

February 28, 2010

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	712,040
-------------------------------------	----	---------

### Liabilities

Accrued expenses		<u>357</u>
------------------	--	------------

<b>Net assets</b>	<b>\$</b>	<b><u><u>711,683</u></u></b>
-------------------	-----------	------------------------------

### Analysis of net assets

Paid-in capital	\$	379,071
Accumulated undistributed net investment loss		(21,283)
Accumulated undistributed net realized gain from investments		20,851
Unrealized net appreciation of investments		<u>333,044</u>

<b>Net assets</b>	<b>\$</b>	<b><u><u>711,683</u></u></b>
-------------------	-----------	------------------------------

### Unit data

Units outstanding		20,607,528
Net asset value, unit price	\$	<u><u>34.54</u></u>

See accompanying notes to financial statements.

# International Qualified Pool

---

## Schedule of Investments in Securities - Unaudited

February 28, 2010

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Investments in Other Funds</u></b>			
Silchester International Value Equity Group Trust	1,230,555,069	\$ 378,996	\$ 712,040
Investment Objective - To achieve desired exposure to equity securities of companies ordinarily incorporated in countries other than the United States.			
Redemption Provisions - Monthly on the first business day			
Total Investments in Other Funds - 100.1%		<u>\$ 378,996</u>	<u>\$ 712,040</u>

See accompanying notes to financial statements.

## International Qualified Pool

---

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(310)	(2,441)
Trustee fee	-	(3)
Management fees	(18)	(183)
Fiduciary bond fees	-	(2)
Professional service fees	(5)	(39)
	<u>(333)</u>	<u>(2,668)</u>
<b>Total expenses</b>	<u>(333)</u>	<u>(2,668)</u>
<b>Investment loss, net</b>	(333)	(2,668)
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	145	1,075
Net increase in the fair value of investments	280	100,691
	<u>425</u>	<u>101,766</u>
<b>Net gain from investments</b>	<u>425</u>	<u>101,766</u>
<b>Net increase in net assets from operations</b>	<u>\$ 92</u>	<u>\$ 99,098</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Qualified Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (333)	\$ (2,668)
Net realized gain from investments	145	1,075
Net increase in the fair value of investments	280	100,691
<b>Net increase in net assets from operations</b>	92	99,098
<b>Unit transactions</b>		
Proceeds from sale of units	29	6,140
Amount paid for repurchase of units	-	(5,937)
<b>Net increase in net assets from unit transactions</b>	29	203
<b>Increase in net assets</b>	121	99,301
Net assets, beginning of period	711,562	612,382
<b>Net assets, end of period</b>	\$ 711,683	\$ 711,683
<b>Unit data</b>		
Units sold	858	183,193
Units repurchased	-	(177,162)
<b>Net increase in units</b>	858	6,031

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Qualified Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 92	\$ 99,098
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Proceeds from disposition of investment securities	310	2,400
Net realized gain from investments	(145)	(1,075)
Increase (decrease) in accrued expenses	(6)	65
Net increase in the fair value of investments	(280)	(100,691)
<b>Net cash used in operating activities</b>	<b>(29)</b>	<b>(203)</b>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	29	6,140
Paid for repurchase of units	-	(5,937)
<b>Net cash provided by financing activities</b>	<b>29</b>	<b>203</b>
<b>Net change in cash</b>	<b>-</b>	<b>-</b>
<b>Cash</b>		
Beginning balance	-	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.*

# International Qualified Pool

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Qualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

Funds are invested in Silchester International Investors' Value Equity Group Trust. The Pool is expected to produce investment returns that exceed the Morgan Stanley Capital International's Europe Australasia Far East (EAFE) index by 200 basis points on an annualized basis over three to five-year periods, net of external investment management fees. Only "qualified participants" (as defined by the *Internal Revenue Code*) may invest in the Pool.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in other funds are valued at the reported unit values of the individual funds as provided by fund's management.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

# International Qualified Pool

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	Level I	Level II	Level III	Total
Investments in Other Funds	\$ -	\$ 712,040,278	\$ -	\$ 712,040,278



# International Qualified Pool

## Notes to Financial Statements - Unaudited

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$	29.73
Income from investment operations:		
Net investment loss		(0.13)
Net realized and unrealized loss on investment transactions		4.94
Total from investment operations		4.81
Net asset value at February 28, 2010	\$	34.54

**Time-weighted Total Return \*** 16.2%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$	711,683
Ratio to average net assets:		
Expenses **		0.58%
Net investment income **		-0.58%
Portfolio turnover rate		0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2010.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 339,069,679
Public Employees' Retirement System	315,435,106
State Police Death, Disability and Retirement Fund	34,867,137
Judges' Retirement System	8,702,408
Deputy Sheriff's Retirement System	7,641,013
State Police Retirement System	4,120,266
Emergency Medical Services Retirement System	1,847,512
Total	\$ 711,683,121



**Financial Statements - Unaudited**

**February 28, 2010**



# International Nonqualified Pool

---

## Financial Statements - Unaudited February 28, 2010

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6

# International Nonqualified Pool

---

## Statement of Assets and Liabilities - Unaudited

February 28, 2010

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	55,161
-------------------------------------	----	--------

### Liabilities

Accrued expenses		<u>3</u>
------------------	--	----------

<b>Net assets</b>	<b>\$</b>	<b><u>55,158</u></b>
-------------------	-----------	----------------------

### Net assets

Paid-in capital	\$	13,624
Accumulated undistributed net investment loss		(2,848)
Accumulated undistributed net realized gain from investments		27,591
Unrealized net appreciation of investments		<u>16,791</u>

<b>Net assets</b>	<b>\$</b>	<b><u>55,158</u></b>
-------------------	-----------	----------------------

### Unit data

Units outstanding		1,707,735
Net asset value, unit price	\$	<u>32.30</u>

See accompanying notes to financial statements.

# International Nonqualified Pool

---

## Schedule of Investments in Securities - Unaudited

February 28, 2010

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Investments in Other Funds</u></b>			
Silchester International Value Equity Trust	90,397,026	\$ 38,370	\$ 55,161
Investment Objective - To achieve desired exposure to equity securities of companies ordinarily incorporated in countries other than the United States.			
Redemption Provisions - Monthly on the first business day			
Total Investments in Other Funds - 100.0%		<u>\$ 38,370</u>	<u>\$ 55,161</u>

See accompanying notes to financial statements.

# International Nonqualified Pool

---

## Statement of Operations - Unaudited

Period Ended February 28, 2010\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(34)	(385)
Management fees	(2)	(23)
Professional service fees	(1)	(5)
	<u>(37)</u>	<u>(413)</u>
<b>Total expenses</b>	(37)	(413)
<b>Investment loss, net</b>	(37)	(413)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	11	17,998
Net increase (decrease) in the fair value of investments	24	(2,324)
	<u>35</u>	<u>15,674</u>
<b>Net gain from investments</b>	35	15,674
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ (2)</u>	<u>\$ 15,261</u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.



## International Nonqualified Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (37)	\$ (413)
Net realized gain from investments	11	17,998
Net increase (decrease) in the fair value of investments	24	(2,324)
<b>Net increase (decrease) in net assets from operations</b>	(2)	15,261
<b>Unit transactions</b>		
Proceeds from sale of units	7	609
Amount paid for repurchase of units	(5)	(61,954)
<b>Net increase (decrease) in net assets from unit transactions</b>	2	(61,345)
<b>Decrease in net assets</b>	-	(46,084)
Net assets, beginning of period	55,158	101,242
<b>Net assets, end of period</b>	\$ 55,158	\$ 55,158
<b>Unit data</b>		
Units sold	209	18,846
Units repurchased	(138)	(1,948,232)
<b>Net increase (decrease) in units</b>	71	(1,929,386)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Nonqualified Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	Month	Year To Date
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets from operations	\$ (2)	\$ 15,261
Adjustments to reconcile net increase (decrease) in net assets from operations to net cash provided by (used in) operating activities:		
Proceeds from disposition of investment securities	36	61,759
Net realized gain from investments	(11)	(17,998)
Decrease in accrued expenses	(1)	(1)
Net decrease (increase) in the fair value of investments	(24)	2,324
	(2)	61,345
<b>Cash flows from financing activities</b>		
Proceeds from units sold	7	609
Amount paid for repurchase of units	(5)	(61,954)
	2	(61,345)
<b>Cash provided by (used in) financing activities</b>		
	2	(61,345)
<b>Net change in cash</b>	-	-
<b>Cash</b>		
Beginning balance	-	-
Ending balance	\$ -	\$ -

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Nonqualified Pool

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Nonqualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

Funds are invested in Silchester International Investors' Value Equity Trust. The Pool is expected to produce investment returns that exceed the Morgan Stanley Capital International's EAFE index by 200 basis points on an annualized basis over three- to five-year periods, net of external investment management fees. The Pool exists for participants who are not "qualified" (as defined by the *Internal Revenue Code*).

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in other funds are valued at the reported unit values of the individual funds as provided by fund's management.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

# International Nonqualified Pool

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	Level I	Level II	Level III	Total
Investments in Other Funds	\$ -	\$ 55,161,477	\$ -	\$ 55,161,477

# International Nonqualified Pool

## Notes to Financial Statements - Unaudited

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$	27.84
Income from investment operations:		
Net investment loss		(0.15)
Net realized and unrealized loss on investment transactions		6.73
Total from investment operations		4.46
Net asset value at February 28, 2010	\$	32.30

**Time-weighted Total Return \*** 15.9%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$	55,158
Ratio to average net assets:		
Expenses **		0.72%
Net investment income **		-0.72%
Portfolio turnover rate		0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2010.

<u>Participant</u>	<u>Account Value</u>
Revenue Shortfall Reserve Fund B	\$ 13,604,266
Workers' Compensation Old Fund	12,858,775
Coal Workers' Pneumoconiosis Fund	8,447,014
Prepaid Tuition Trust Fund	7,993,824
Board of Risk and Insurance Management	4,021,691
Public Employees' Insurance Agency	3,277,894
Wildlife Endowment Fund	3,059,908
Retiree Health Benefit Trust	1,894,451
Total	\$ 55,157,823



**Financial Statements - Unaudited**

**February 28, 2010**





# International Equity Pool

---

## **Financial Statements - Unaudited February 28, 2010**

### **Table of Contents**

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	19
Statement of Changes in Net Assets	20
Notes to Financial Statements	21

# International Equity Pool

---

## Statement of Assets and Liabilities - Unaudited

February 28, 2010

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,489,049
Cash		(12)
Cash denominated in foreign currencies (cost \$5,907)		5,873
Collateral for securities loaned at fair value (Note 4)		111,994
Receivables:		
Investments sold		3,965
Dividends		4,441
Securities lending income		26
Foreign tax withholding		638
		<hr/>
<b>Total assets</b>		1,615,974

### Liabilities

Accrued expenses		1,648
Payable for investments purchased		1,076
Payable upon return of securities loaned (Note 4)		115,671
Unrealized loss on foreign currency exchange contracts (Note 5)		18
		<hr/>
<b>Total liabilities</b>		118,413
		<hr/>
<b>Net assets</b>	\$	1,497,561

### Analysis of net assets

Paid-in capital	\$	996,127
Accumulated undistributed net investment income		195,394
Accumulated undistributed net realized gain from investments		171,455
Accumulated undistributed net realized gain from foreign currency transactions		57,505
Unrealized net appreciation of investments		80,257
Unrealized net depreciation on translation of assets and liabilities in foreign currencies		(3,177)
		<hr/>
<b>Net assets</b>	\$	1,497,561

### Unit data

Units outstanding		80,714,640
Net asset value, unit price	\$	18.55

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Argentina</i>			
Grupo Clarin-GDR CL B Reg S	28,950	\$ 121	\$ 152
Telecom Argentina SA	144,998	2,066	2,333
<i>Total Argentina - 0.2%</i>		2,187	2,485
<i>Australia</i>			
Amcor Ltd	629,826	2,950	3,345
Australian Worldwide Explora	553,310	820	1,249
BlueScope Steel Ltd	1,000,400	3,920	2,168
Centennial Coal Company Ltd	489,766	540	1,601
Downer EDI Ltd	733,200	2,478	5,187
DUET Group	721,947	927	1,170
Goodman Fielder Ltd	2,216,200	3,417	2,987
John Fairfax Holdings Ltd	1,119,139	1,818	1,654
Macquarie Group Ltd	89,100	1,759	3,611
Metcash Ltd	510,100	1,900	1,882
OZ Minerals	1,828,288	1,884	1,703
Premier Investment Ltd	126,500	737	922
Qantas Airways Ltd	344,531	1,095	815
Sigma Pharmaceuticals Ltd	3,474,289	3,460	2,800
Southern Cross Media Group	944,500	3,110	1,658
Telstra Corporation Ltd	1,229,600	3,655	3,270
<i>Total Australia - 2.4%</i>		34,470	36,022
<i>Austria</i>			
Voestalpine AG - 0.2%	71,200	3,175	2,516
<i>Belgium</i>			
Agfa Gevaert NV	200,658	1,035	1,772
Barco NV	22,300	1,603	887
Bekaert NV	9,262	1,379	1,502
Delhaize Le Lion SA	49,000	3,343	3,803
D'leteren SA NV	2,810	1,288	1,226
KBC Groep NV	97,022	4,194	4,397
Solvay SA	39,400	3,990	3,776
Telenet Group Holding NV	47,084	808	1,404
Tessenderlo Chemie NV	65,300	2,990	1,946
<i>Total Belgium - 1.4%</i>		20,630	20,713
<i>Bermuda</i>			
China Green Holdings Ltd	989,086	885	1,139
China Yurun Food Group Ltd	47,000	103	140
Cosco Pacific Ltd	46,000	66	72
Credicorp Ltd	2,865	216	224
GOME Electrical Appliances	318,000	89	100
Hiscox Ltd	526,100	2,407	2,848
Huabao International Holdings	1,330,000	1,155	1,345
Nine Dragons Paper Holdings	67,000	122	98
Orient Overseas Int'l Ltd	135,600	440	991
Pacific Basin Shipping Ltd	1,498,831	1,261	1,195
Sinofert Holdings Ltd	86,000	40	48
Yue Yuen Industrial Holdings	2,356,000	4,748	7,025
<i>Total Bermuda - 1.0%</i>		11,532	15,225
<i>Brazil</i>			
AES Tiete SA	4,100	47	43
All America Latina Logistica	16,900	127	151
B2W Companhia Global do Varejo	2,260	63	47
Banco Bradesco SA	70,772	1,296	1,220
Banco do Brasil SA	21,300	370	351
Banco do Estado do Rio Grande	712,472	5,097	5,707
Banco Santander Brasil SA	23,365	303	277
BM&F Bovespa SA	51,907	365	340
BR Malls Participacoes	5,492	76	71

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Bradespar SA	9,600	178	209
Brasil Telecom SA	414,673	10,572	6,910
Braskem SA Pref A	1,751,431	11,053	12,373
BRF-Brasil Foods SA	11,784	358	342
Centrais Eletricas Brasileiras	797,790	8,001	11,837
CESP-Companhia Energetica	7,831	94	101
Cetrais Elect de Santa Catarin	155,600	4,108	3,101
CIA Brasileira de Meios de Pag	25,381	242	199
CIA Paranaense De Energia	419,890	5,292	8,470
Compahnia de Transmissaon	1,400	39	37
Companhia Brasileira de Distri	3,100	89	105
Companhia de Bebidas das Amer	6,295	537	607
Companhia de Concessoes Rodov	8,400	160	177
Companhia de Saneamento	861,213	10,505	14,449
Companhia Energetica de Minas	14,525	223	239
Companhia Siderurgica Nacional	16,875	524	551
Cosan SA Industrial e Comercio	5,264	57	68
CPFL Energia SA	3,700	66	76
Cyrela Brazil Realty SA	9,200	165	162
Duratex SA	9,100	66	87
EDP-Energias do Brasil SA	2,700	44	53
Eletropaulo Metropolitana SA	242,936	4,434	5,039
Empresa Brasileira	487,570	8,100	10,707
Fertilizantes Fosfatados SA	4,500	45	45
Fibria Celulose SA	6,947	109	127
Gafisa SA	42,088	514	532
GVT Holdings SA	3,931	98	122
Hypermarcas SA	5,592	60	67
Itau Unibanco Holding SA	85,822	1,731	1,726
Itausa - Investimentos Itau SA	87,200	516	557
JBS SA	16,126	84	81
Klabin SA	16,900	40	44
Localiza Rent A Car	5,057	57	55
Lojas Americanas SA	13,100	87	94
Lojas Renner SA	5,100	112	110
Marfrig Frigorificos e Comerci	6,222	64	72
Metalurgica Gerdau SA	12,300	208	223
MRV Engenharia e Participacoes	10,623	67	77
Natura Cosméticos SA	7,800	140	144
Net Servicos de Comunicacao SA	7,352	87	90
OGX Petroleo e Gas Particiipac	54,000	448	471
PDG Realty SA	11,459	118	102
Petroleo Brasileiro SA	192,769	4,756	4,554
Porto Seguro SA	3,786	39	38
Redecard SA	400,428	4,439	5,822
Rossi Residencial SA	6,971	59	54
Souza Cruz SA	3,400	119	116
Suzano Papel e Celulose SA	5,600	55	58
Tam SA	3,100	74	57
Tele Norte Leste Participacoes	445,840	7,056	9,205
Telemar Norte Leste SA	1,200	38	34
TIM Participacoes SA	399,080	7,667	11,330
Tractebel Energia SA	5,800	70	66
Ultrapar Participacoes SA	3,100	127	138
Usinas Siderurgicas de Minas	16,000	408	453
Vale SA	148,289	3,331	3,846
Vivo Participacoes SA	287,343	4,173	7,776
Total Brazil - 8.8%		109,647	132,392
<i>Canada</i>			
Alimentation Couche-Tard Inc	352,300	4,992	6,553
ATCO Ltd	21,800	651	992
BCE Inc	40,443	894	1,117
Biovail Corporation	257,200	3,293	3,789
Bombardier	1,078,600	3,495	5,807

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Canadian Imperial Bank	79,900	4,731	5,292
Celestica Inc	597,200	3,867	6,063
China Railway Group Ltd	159,000	132	119
Fairfax Financial Holdings Inc	15,500	3,578	5,296
Laurentian Bank of Canada	83,174	2,496	3,144
Manitoba Telecom Services	120,600	4,695	3,633
National Bank of Canada	153,700	6,813	8,761
Transcontinental Inc	239,200	3,637	2,768
<i>Total Canada - 3.6%</i>		43,274	53,334
<i>Cayman Islands</i>			
Agile Property Holdings Ltd	70,000	87	89
Ajisen China Holdings Ltd	1,098,445	716	1,009
Alibaba.com Ltd	54,000	127	118
Belle International Holdings	163,000	166	182
Bosideng International Holdings	21,424,000	1,959	4,553
China Dongxiang Group	95,000	63	64
China High Speed Transmission	36,000	74	69
China Mengniu Dairy Co	48,000	129	143
China Resources Land Ltd	86,000	199	179
China Zhongwang Holdings	68,000	67	59
Country Garden Holdings Co	172,000	65	60
Daphne International Holdings	1,466,000	1,140	1,127
Geely Automobile Holdings Ltd	150,000	44	75
Hengan International Group	28,000	173	192
Hidili Industry International	43,000	42	46
Kingboard Chemical Holdings	283,500	1,135	1,271
Renhe Commercial Holdings	324,000	64	74
Shimae Property Holdings	67,500	120	113
Shui On Land Ltd	116,500	69	57
Soho China Ltd	87,500	48	43
Want Want China Holdings Ltd	111,000	65	73
Xinao Gas Holdings Ltd	30,000	83	72
<i>Total Cayman Islands - 0.6%</i>		6,635	9,668
<i>Chile</i>			
Banco Santander Chile	3,397	187	218
Cencosud SA	4,367	184	252
Compania Cervecerias Unidas SA	1,908	66	74
Empresa Nacional de Electricidad	8,191	377	408
Enerjis SA	19,564	352	423
Lan Airlines SA	10,165	134	181
Sociedad Quimica Minera Chile	6,761	253	247
Vina Concha Y Toro	1,819	77	85
<i>Total Chile - 0.1%</i>		1,630	1,888
<i>China</i>			
Anhui Conch Cement Co Ltd	18,000	121	107
Bank of China Ltd	23,005,000	8,045	11,172
Bank of Communications	248,000	298	273
Beijing Capital Intl Airport	78,000	50	43
China Bluechemical Ltd	68,000	37	44
China CITIC Bank	213,000	146	142
China Coal Energy Co	150,000	204	239
China Communication Services	74,000	40	38
China Communications Construction	181,000	198	169
China Construction Bank Corp	1,924,000	1,572	1,455
China Cosco Holdings Company	105,500	130	131
China Life Insurance Co	319,000	1,417	1,416
China Longyuan Power Group	62,000	88	76
China National Bldg Material	50,000	113	86
China Pacific Insurance Group	31,000	131	127
China Railway Construction Ltd	78,000	104	103
China Shipping Container Lines	142,000	52	57
China Shipping Development Co	56,000	75	95

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
China South Locomotive	81,000	47	57
China Telecom Corp Ltd	596,000	275	262
Dongfang Electric Corp Ltd	8,000	41	40
Dongfeng Motor Group Company	116,000	129	168
First Tractor Company Ltd	1,972,000	679	1,522
Guangzhou R&F Properties Corp	40,400	74	60
Huaneng Power International	130,000	85	78
Industrial & Comm Bnk of China	1,956,000	1,496	1,383
Jiangsu Expressway Co Ltd	50,000	42	46
Metallurgical Corp of China	106,000	72	61
PetroChina Co Ltd	904,000	1,047	1,010
PICC Property & Casualty Co	102,000	72	92
Ping An Insurance Co	54,500	449	416
Shandong Weigao Gp Med Polymer	12,000	42	46
Shanghai Electric Group Co	118,000	56	53
Sichuan Xinhua Winshare	6,391,000	1,553	2,700
Sinopec Shanghai Petrochemical	98,000	40	35
Sinotrans Ltd	30,340,000	5,194	8,207
Tsingtao Brewery Company Ltd	14,000	54	67
Weichai Power Co Ltd	9,000	51	68
Yanzhou Coal Mining Company	1,480,000	2,380	3,130
Zijin Mining Group	172,000	172	147
ZTE Corporation	11,600	63	72
<i>Total China - 2.4%</i>		26,934	35,493
<i>Colombia</i>			
Bancolombia SA	6,779	283	314
Ecopetrol SA	19,729	545	531
<i>Total Colombia - 0.1%</i>		828	845
<i>Czech Republic</i>			
CEZ	6,818	357	312
Komerční Banka AS	642	129	127
Telefonica O2 Czech Republic	426,542	10,005	10,075
Unipetrol	140,000	2,184	998
<i>Total Czech Republic - 0.8%</i>		12,675	11,512
<i>Denmark</i>			
D/S Norden A/S	31,760	1,333	1,338
Danske Bank A/S	93,400	1,994	2,132
SimCorp A/S	10,449	1,151	1,847
<i>Total Denmark - 0.4%</i>		4,478	5,317
<i>Egypt</i>			
Commercial International Bank	12,451	131	143
Egyptian Company for Mobile Sv	1,502	60	59
Egyptian Financial Group-Herme	11,650	66	62
Egyptian Kuwaiti Holding Co	30,568	73	68
Orascom Construction Industries	4,302	192	190
Orascom Telecom Holdings	132,862	167	150
Telecom Egypt	17,097	56	61
<i>Total Egypt - 0.0%</i>		745	733
<i>Finland</i>			
Huhtamaki	224,400	2,469	2,450
TietoEnator Oyj	171,000	4,238	3,848
<i>Total Finland - 0.4%</i>		6,707	6,298
<i>France</i>			
April Group	56,896	1,942	1,801
Arkema	35,849	1,443	1,215
Axa	259,700	7,310	5,240
BioMerieux	8,083	703	886
BNP Paribas	58,900	4,720	4,271
Bull SA	370,615	891	1,704

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Casino Guichard Perrachon SA	52,000	3,859	4,195
Compagnie Generale de Geophy	51,156	1,308	1,231
Credit Agricole SA	47,800	1,693	712
European Aeronautic Defence	439,300	6,178	9,086
France Telecom SA	210,000	6,791	4,936
Ispen SA	29,056	1,653	1,479
Medica	54,401	1,010	1,084
Metropole Television	45,520	1,083	1,129
Rallye SA	35,300	2,308	1,142
Rhodia SA	69,711	1,252	1,329
SA des Ciments Vicat	20,684	1,485	1,570
Sanofi-Synthelabo SA	175,200	11,939	12,844
SCOR SE	152,600	3,648	3,737
Total SA	143,200	10,475	8,009
Virbac SA	15,430	1,094	1,546
Vivendi Universal	284,900	9,739	7,193
<i>Total France - 5.1%</i>		82,524	76,339
<i>Germany</i>			
Allianz AG	67,400	9,038	7,768
BASF AG	118,600	5,065	6,658
Bijou Brigitte Accessoires AG	9,089	931	1,707
Deutsche Bank AG	44,900	4,484	2,855
Deutsche Lufthansa AG	172,200	4,568	2,576
E.On AG	267,200	8,100	9,528
Fuchs Petrolub AG	18,861	1,128	1,663
GEA Group AG	91,900	1,992	1,723
Hannover Rueckversicherung AG	29,552	1,079	1,331
Hochtief AG	14,616	927	1,030
Kontron AG	128,270	1,155	1,335
Krones AG	22,784	1,086	1,201
Muenchener Rueckversicherungs	38,700	6,977	5,984
MUT Aero Engines Holding AG	94,800	3,636	4,773
Pfeiffer Vacuum Technology AG	20,598	1,089	1,614
Rhoen-Klinikum AG	57,628	1,097	1,424
RWE AG	43,700	3,725	3,715
Software AG	17,139	1,256	1,991
Suedzucker AG	124,631	1,882	2,908
ThyssenKrupp AG	146,200	3,770	4,635
TUI AG	143,819	1,286	1,413
<i>Total Germany - 4.5%</i>		64,271	67,832
<i>Greece</i>			
Alapis Holding Ind & Commer	1,859,100	1,132	1,116
Alpha Bank AE	91,300	2,833	863
Hellenic Petroleum SA	67,538	941	759
<i>Total Greece - 0.2%</i>		4,906	2,738
<i>Hong Kong</i>			
Air China Ltd	92,000	52	80
Aluminum Corp of China	170,000	185	164
Angang New Steel Company	46,000	86	85
Beijing Enterprises Holdings	22,000	123	138
BYD Company Ltd	22,000	188	170
Chaoda Modern Agricultures Ltd	16,700,000	9,674	18,070
China Agri-Industries Holdings	65,000	60	93
China Everbright Ltd	32,000	75	78
China Merchants Bank	148,500	350	366
China Merchants Holdings Intl	46,000	151	166
China Mobile (Hong Kong) Ltd	257,500	2,473	2,541
China Oilfield Services Ltd	64,000	63	88
China Overseas Land & Investment	176,000	386	357
China Pet & Chem Cor (Sinopec)	4,228,000	3,786	3,317
China Resources Enterprise Ltd	52,000	160	184
China Resources Power	70,000	155	139

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
China Shenhua Energy Company	138,500	611	596
China Taiping Insurance	34,000	107	106
China Travel International	220,000	47	58
China Unicom (Hong Kong) Ltd	252,000	346	302
Citic Pacific Ltd	46,000	120	103
CNOOC Ltd	765,000	1,074	1,206
CNPC Hong Kong Ltd	90,000	80	113
Dah Sing Financial Group	190,800	998	968
Datang Intl Power Generation	134,000	67	61
Denway Motors Ltd	206,000	95	115
Dickson Concepts Ltd	1,628,500	1,191	868
Erste Group Bank AG	311,440	12,964	11,760
First Pacific Company Ltd	26,565,732	10,805	14,269
Fosun International	67,000	46	50
Fountain Set (Holdings) Ltd	8,574,000	2,096	1,436
Franshion Properties China Ltd	132,000	38	43
Fushan Intl Energy Group Ltd	116,000	82	103
Guangdong Investment Ltd	104,000	53	53
Harbin Power Equipment Company	72,000	71	58
Hopson Development Holdings	32,000	50	45
Inspur International Ltd	8,276,940	1,402	1,151
Jiangxi Copper Company Ltd	60,000	136	122
Lenovo Grp Ltd	194,000	95	126
Li Ning Company	31,500	93	98
Maanshan Iron & Steel Company	72,000	43	43
Parkson Retail Group Ltd	53,000	81	88
Poly (Hong Kong) Investments	61,000	80	73
Shanghai Industrial Holdings	23,000	109	99
Sino-Ocean Holdings Ltd	128,000	120	113
Sinotruk Hong Kong Ltd	31,500	37	33
SmarTone Telecommunications	6,401,500	6,377	5,483
Tencent Holdings Ltd	39,000	655	765
Tingyi Holding Corporation	72,000	155	167
TPV Technology Ltd	5,427,400	3,199	3,635
Varitronix International Ltd	783,000	784	240
Weiqiao Textile Company Ltd	13,096,000	16,742	9,092
Zhejiang Expressway Company	3,364,000	2,524	3,042
<i>Total Hong Kong - 5.5%</i>		81,540	82,719
<i>Hungary</i>			
Magyar Telekom	3,555,446	16,532	12,890
MOL Hungarian Oil & Gas Nyrt	2,207	185	199
OTP Bank Nyrt	11,825	334	326
Richter Gedeon Nyrt	591	122	123
<i>Total Hungary - 0.9%</i>		17,173	13,538
<i>India</i>			
Axix Bank Ltd	16,500	336	409
Dr. Reddy's Laboratories	11,522	229	284
Gail India Ltd	6,670	307	340
Grasim Industries Ltd	2,948	150	172
HDFC Bank Ltd	6,373	728	776
ICICI Bank Ltd	30,272	1,105	1,158
Infosys Technologies	35,777	1,709	2,036
Larsen & Toubro Ltd	15,643	539	535
Mahindra & Mahindra Ltd	10,863	205	241
Patni Computer Systems Ltd	84,863	1,673	1,763
Ranbaxy Laborato-SP	17,000	143	174
Reliance Industries Ltd	42,948	1,906	1,821
Satyam Computer Services Ltd	31,623	191	168
State Bank of India	3,702	347	317
Sterlite Industries (India)	29,838	478	504
Tata Motors Ltd	20,150	244	326
Tata Steel Ltd	20,695	227	248

See accompanying notes to financial statements.



# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Wipro Ltd	19,978	362	432
<i>Total India - 0.8%</i>		10,879	11,704
<i>Indonesia</i>			
Aneka Tambang TBK	141,000	35	31
Astra Agro Lestari TBK	16,500	36	43
Astra International TBK	85,500	292	332
Bank Central Asia TBK	520,500	253	272
Bank Danamon Indonesia TBK	122,500	62	65
Bank Mandiri	305,500	149	146
Bank Rakyat Indonesia	232,000	182	178
Bumi Resources TBK	737,500	225	178
Indocement Tunggul Prakarsa	62,500	71	92
Indofood Sukses Mak TBK	185,500	59	76
Indosat TBK	57,000	32	31
Intl Nickel Indonesia TBK	84,000	36	34
Lippo Karawaci TBK	423,000	29	23
Perusahaan Gas Negara	505,500	193	196
Semen Gresik (Persero) TBK	62,500	43	51
Tambang Bukit Asam TBK	34,000	51	57
Telekomunikasi Indones TBK	426,000	380	379
Unilever Indonesia TBK	64,500	71	79
United Tractors TBK	63,000	101	116
<i>Total Indonesia - 0.2%</i>		2,300	2,379
<i>Ireland</i>			
C&C Group PLC	384,121	1,488	1,421
Irish Life & Permanent Group	398,100	6,377	1,494
Total Produce PLC	82,700	92	43
<i>Total Ireland - 0.2%</i>		7,957	2,958
<i>Israel</i>			
Bank Hapoalim BM	41,748	152	173
Bank Leumi Le-Israel	1,026,581	3,438	4,342
Bezeq Israeli Telecommunication	1,071,522	1,599	2,782
Cellcom Israel Ltd	2,077	63	71
Check Point Software Tech	7,096	208	231
Elbit Systems Ltd	889	59	55
Israel Chemicals Ltd	21,367	251	260
Israel Corporation Ltd	81	52	61
Israel Discount Bank	1,052,005	2,367	2,297
Makhteshim-Agan Industries Ltd	3,234,967	13,982	16,489
Mizrahi Tefahot Bank Ltd	5,178	43	45
Nice Systems Ltd	2,571	78	79
Ormat Industries Ltd	5,000	45	41
Partner Communications Company	3,243	61	75
Syneron Medical Ltd	330,882	3,454	3,160
Teva Pharmaceutical Ltd	37,622	1,911	2,247
<i>Total Israel - 2.2%</i>		27,763	32,408
<i>Italy</i>			
Amplifon SpA	268,152	1,220	1,343
Banca Popolare di Milano Scarl	205,703	1,518	1,214
Danieli SpA	86,161	549	1,059
Davide Campari - Milano SpA	165,214	845	1,703
Enel SpA	1,044,300	5,684	5,676
ENI SpA	271,500	8,677	6,139
Enia SpA	71,100	488	522
Finmeccanica SpA	94,600	2,201	1,226
Indesit Company SpA	114,836	1,370	1,354
Iride SpA	529,800	1,005	937
Parmalat SpA	593,600	1,594	1,501
Pirelli & Company SpA	3,597,228	1,789	1,804
<i>Total Italy - 1.6%</i>		26,940	24,478

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Japan</i>			
Acom Co Ltd	64,870	1,216	933
Aeon Delight Company Ltd	102,347	1,741	1,400
Astellas Pharma Inc	206,700	7,370	7,780
Canon Marketing Japan Inc	86,100	1,464	1,142
Circle K Sunkus Company Ltd	153,800	2,188	1,930
Cosmo Oil Company	782,000	2,769	1,857
DDI Corporation	900	4,328	4,801
Don Quijote Co Ltd	67,150	1,004	1,700
Eizo Nannao Corporation	51,700	1,645	1,262
Enix Corporation	55,900	1,454	1,123
Fields Corporation	413	565	518
Furukawa Electric Co Ltd	383,000	1,854	1,853
GEO Corporation	723	750	761
Hanwa Company Ltd	600,000	3,094	2,383
Hitachi Cable Ltd	887,000	3,002	2,276
Hitachi Capital Corporation	67,400	608	928
Hitachi High-Technologies Corp	75,200	1,255	1,539
Hitachi Kiki Company Ltd	26,700	318	279
Hogy Medical Company Ltd	27,086	1,455	1,381
Hokuto Corporation	53,502	1,055	1,129
Hoshizaki Electric Company Ltd	86,196	1,160	1,183
Idemitsu Kosan Company Ltd	15,786	1,221	1,158
Ines Corp	95,400	711	672
Itochu Corp	499,000	3,527	4,021
Itochu Techno-Science Corp	136,500	4,254	4,347
Izumi Company Ltd	103,100	1,126	1,289
JSR Corporation	123,500	1,827	2,418
JTEKT Corporation	131,311	1,193	1,380
Kanto Auto Works Ltd	119,600	1,670	867
Keihin Corporation	160,500	1,387	2,805
Keiyo Bank Ltd	280,000	1,346	1,330
Kobayashi Pharmaceutical Co	37,159	1,411	1,516
Konica Corporation	438,000	3,109	4,530
Kyoei Steel Ltd	91,400	1,535	1,682
Kyowa Exeo Corporation	176,000	1,633	1,493
Marubeni Corporation	654,800	2,948	3,913
McDonald's Holding Company	71,339	1,358	1,447
Megmilk Snow Brand Co Ltd	76,864	1,441	1,207
Miraca Holdings Inc	160,100	3,438	4,846
Mitsui & Company Ltd	230,000	4,638	3,569
Mizuho Financial Grp Inc	3,827,600	8,472	7,408
Mochida Pharmaceutical Company	66,435	689	649
NEC Corporation	879,000	2,526	2,443
Nippon Electric Glass Co Ltd	103,000	933	1,338
Nippon Mining Holdings Inc	686,000	4,110	3,420
Nippon Oil Corporation	254,600	2,036	1,364
Nippon Telegraph & Telephone	188,900	8,428	8,226
NOK Corporation	154,093	1,688	2,148
NTT DoCoMo	5,500	8,422	8,504
Numura Real Estate Office Fund	250	1,339	1,466
Onward Kashiyama Company	226,000	2,209	1,539
Sankyo Company Ltd	48,400	2,199	2,337
Seiko Epson Corporation	138,000	2,066	2,336
Seino Holdings Corporation Ltd	330,000	1,730	2,328
Sumitomo Corporation	363,800	5,694	3,963
Sumitomo Heavy Industries	421,000	1,936	2,179
Sumitomo Mitsui Financial Grp	59,000	2,183	1,896
Sundrug Co Ltd	74,400	1,440	1,803
Takeda Pharmaceutical Co Ltd	219,900	9,889	9,960
THK Co Ltd	80,076	1,558	1,551
Tocalo Co Ltd	65,200	1,164	1,269
Tokai Tokyo Securities Co Ltd	163,000	617	627
Tokyo Ohka Kogyo Company Ltd	98,700	1,888	1,758
Toshiba Plant Sys & Ser Corp	128,000	1,596	1,512

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Toyo Tanso Company Ltd	24,290	1,293	1,259
Tsumura & Company	31,900	917	980
UNY Company Ltd	69,100	633	542
Yamaguchi Financial Group	125,099	1,238	1,370
Yodogawa Steel Works Ltd	512,000	2,194	2,114
Yokohama Rubber Company Ltd	398,951	1,700	1,715
<i>Total Japan - 10.9%</i>		162,855	162,652
<i>Korea</i>			
Amorepacific Corporation	136	97	92
Celltrion Inc	2,270	28	35
Cheil Industris Inc	2,002	81	102
CJ CheilJedang Corp	330	57	60
Daegu Bank	5,030	70	64
Daelim Industrial Co Ltd	1,170	73	72
Daewoo International Corp	2,132	59	67
Daewoo Securities Co Ltd	5,230	90	87
Daewoo Shipbuilding & Marine	4,040	57	70
Dongbu Insurance Company Ltd	1,650	50	45
Dongkuk Steel Mill Co Ltd	71,610	1,429	1,408
Doosan Corporation	420	31	39
Doosan Heavy Industries	1,330	75	100
Doosan Infracore Co, Ltd	3,200	47	51
Glovis Company Ltd	470	44	40
GS Engineering & Construction	1,510	124	114
GS Holdings Corp	2,160	58	71
Halla Climate Control Corp	364,500	3,474	4,085
Hana Financial Group	8,050	262	232
Hanjin Heavy Indus & Const	1,320	28	25
Hanjin Shipping Co	2,037	35	48
Hanjin Shipping Holdings Co	392	5	5
Hankook Tire Company Ltd	3,220	63	64
Hanwha Chemical Corporation	270,560	2,979	3,557
Hanwha Corporation	2,060	72	76
Hite Brewery Co Ltd	220	30	27
Honam Petrochemical Corp	610	44	63
Hynix Semiconductor Inc	19,930	324	361
Hyosung Corporation	970	57	73
Hyundai Dept Store Co	620	57	53
Hyundai Development Company	2,390	83	69
Hyundai Engineering & Construction	2,110	115	109
Hyundai Heavy Industries Co	1,610	239	287
Hyundai Mipo Dockyard Company	27,660	2,500	3,100
Hyundai Mobis	2,680	363	343
Hyundai Motor Co Ltd	8,110	637	703
Hyundai Motor Company	250,190	7,940	8,552
Hyundai Securities Co Ltd	5,030	66	57
Hyundai Steel Co	2,330	151	178
Industrial Bank of Korea	311,890	5,136	3,549
Kaewoo Engineering & Construction	4,820	56	47
Kangwon Land Inc	4,070	59	58
KB Financial Group Inc	231,124	10,173	9,714
KCC Corp	200	59	61
Kia Motors Corporation	8,530	130	160
Korea Electric Power Corp	136,890	4,413	4,378
Korea Exchange Bank	20,570	255	226
Korea Gas Corporation	980	44	43
Korea Investment Holdings Co	1,560	45	41
Korea Zinc Company	25,060	2,785	3,954
Korean Air Lines Co	1,520	60	76
KT Corporation	92,800	4,193	3,568
KT&G Corporation	4,690	283	260
LG Chemical Ltd	5,970	597	574
LG Display Co Ltd	9,830	267	293
LG Electronics Inc	4,690	425	392

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
LG Household & Health Care Ltd	360	78	86
LG Telecom Ltd	9,426	66	63
Lotte Chilsung Beverage Co	16,020	14,154	11,201
Lotte Confectionery Co Ltd	1,447	1,552	1,527
Lotte Shopping Company Ltd	21,230	2,278	5,839
LS Cable Ltd	750	63	61
LS Industrial Systems Co	700	54	49
Mirae Asset Securities Co	970	56	49
NCsoft Corporation	580	76	67
NHN Corporation	1,729	257	270
OCI Company Ltd	540	111	82
Pohang Iron & Steel Co Ltd	2,764	1,158	1,263
Pusan Bank	294,310	3,629	2,956
S1 Corporation	720	30	28
Samsung C&T Corporation	5,290	235	270
Samsung Card Co	1,560	68	68
Samsung Electro Mechanics Co	2,520	209	217
Samsung Electronics Co Ltd	8,628	4,576	5,342
Samsung Engineering Co	1,270	112	134
Samsung Fire & Marine Ins Co	1,610	318	256
Samsung Heavy Industries	6,840	142	145
Samsung SDI Co Ltd	1,450	175	161
Samsung Securities Co Ltd	2,110	117	113
Samsung Techwin Company Ltd	1,580	124	102
Shinhan Financial Group	17,030	670	609
Shinsegae Co Ltd	598	289	273
SK Energy Co Ltd	2,530	256	233
SK Holdings Co Ltd	32,100	2,801	2,391
SK Networks Co Ltd	3,090	32	28
SK Telecom Company Ltd	16,870	3,104	2,509
S-Oil Corporation	1,900	99	89
STX Offshore & Shipbuilding	1,770	21	18
STX Pan Ocean Co Ltd	4,350	40	44
Tong Yang Securities Inc	2,970	35	27
Woongjin Coway Co Ltd	2,040	68	61
Woori Finance Holdings Co	10,230	139	115
Worri Investment & Securities	3,640	50	47
Yuhan Corporation	378	59	53
<i>Total Korea - 5.9%</i>		88,275	88,824
<i>Malaysia</i>			
AMMB Holdings Berhad	81,000	104	117
Axiata Group Berhad	116,000	104	127
Berjaya Sports Toto Berhad	34,000	43	43
British American Tobacco Malay	6,700	87	83
Bursa Malaysia Berhad	15,600	37	33
Commerce Asset Hldg Berhad	90,100	304	344
Digi.com Berhad	16,100	101	106
Gamuda Berhad	73,400	67	60
Genting Berhad	101,700	207	188
Genting Malaysia Berhad	147,900	118	118
Hong Leong Bank Berhad	21,700	43	54
IGB Corporation Berhad	70,000	45	36
IJM Corporation Berhad	36,800	49	48
IOI Corporation Berhad	167,786	248	265
Kuala Lumpur Kepong Berhad	22,000	90	108
Malayan Banking Berhad	162,100	312	332
MISC Berhad	61,320	152	140
Nordstrom Inc	59,000	44	42
Parkson Holdings Berhad	24,038	35	39
Petronas Gas Berhad	22,600	64	64
Plus Expressways Berhad	68,800	66	70
PPB Group Berhad	24,500	110	117
Proton Holdings Berhad	1,654,500	2,423	1,968
Public Bank Berhad	49,720	147	162

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

**February 28, 2010**

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Sime Darby Berhad	137,500	344	341
SP Setia Berhad	37,200	43	46
Tanjong Public Ltd Company	683,900	3,063	3,538
Telekom Malaysia Berhad	47,200	42	45
Tenage Nasional Berhad	89,400	214	209
UMW Holdings Berhad	25,100	46	46
YTL Corporation Berhad	34,200	73	73
YTL Power International Berhad	94,100	59	60
<i>Total Malaysia - 0.6%</i>		8,884	9,022
<i>Mexico</i>			
Alfa SA A Shares	746,400	4,419	5,039
America Movil SAB de CV	786,100	1,693	1,753
Carso Global Telecom SAB de CV	29,400	117	132
Cemex SAB de CV	1,819,916	12,168	14,095
Coca-Cola Femsa SAB de CV	11,400	56	74
Desarrolladora Homex SA	9,300	55	42
Fomento Economico Mexicano SA	91,300	402	392
Grupo Aeroportuario del Pacifi	20,100	53	69
Grupo Bimbo SAB de CV	14,900	81	109
Grupo Carso SAB de CV	24,568	73	87
Grupo Elektra SA de CV	3,000	113	157
Grupo Financiero Banorte	59,682	197	223
Grupo Financiero Inbursa SAB	28,100	77	97
Grupo Mexico SAB de CV	161,207	292	385
Grupo Modelo SA de CV	21,400	94	119
Grupo Televisa MM	2,665,560	10,068	9,868
Industrias Penoles SA de CV	4,200	70	84
Kimberly-Clark de Mexico SAB	22,700	92	120
Mexichem SAB de CV	37,900	57	88
Telefonos de Mexico SA	3,721,110	8,006	7,265
Telmex International SAB	224,700	152	205
Urbi Desarrollos Urbanos SA	20,600	40	46
Wal-Mart de Mexico SAB	124,600	427	621
<i>Total Mexico - 2.7%</i>		38,802	41,070
<i>Netherlands</i>			
Aegon NV	274,100	3,714	1,732
ASM International NV	42,822	581	1,008
CSM NV	170,211	2,079	4,531
Fugro NV	18,508	716	1,078
Gemalto NV	31,170	1,127	1,281
Koninklijke DSM NV	139,700	5,192	5,846
Nutreco Holding NV	20,681	760	1,228
<i>Total Netherlands - 1.1%</i>		14,169	16,704
<i>New Zealand</i>			
Fletcher Building Ltd - 0.1%	189,796	720	1,051
<i>Norway</i>			
DnB Holding ASA	230,200	3,057	2,500
StatoilHydro ASA	125,700	4,074	2,818
Stolt-Nielsen SA	96,500	2,011	1,571
TGS Nopec Geophysical Company	86,373	691	1,653
Veidekke ASA	306,000	2,774	2,428
<i>Total Norway - 0.7%</i>		12,607	10,970
<i>Pakistan</i>			
Nishat Mills Ltd - 0.1%	1,263,200	1,844	818
<i>Panama</i>			
Banco Latinoamericano de Exp - 0.6%	604,261	9,560	8,538
<i>Peru</i>			
Compania de Minas Buenaventura - 0.0%	8,043	277	270

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Philippines</i>			
Ayala Corporation	9,270	59	59
Ayala Land Inc	277,000	68	68
Bank of Philippine Islands	69,200	67	71
First Philippine Holdings Corp	4,618,700	2,919	4,957
Manila Electric Company	23,790	94	93
Philippine Long Distance Tel	2,490	132	140
SM Investments Corporation	9,770	66	77
SM Prime Holdings Inc	213,000	45	44
Universal Robina Corporation	5,985,800	1,453	2,823
<i>Total Philippines - 0.6%</i>		4,903	8,332
<i>Poland</i>			
Asseco Poland SA	2,574	53	49
Asseco Poland SA Rights	2,574	-	-
Bank Handlowy w Warszawie	1,446	32	37
Bank Pekao SA	5,220	283	285
Bank Zachodni WBK SA	969	51	59
BRE Bank SA	461	41	37
Getin Holding SA	14,154	43	44
Globe Trade Centre SA	5,339	45	38
Ing Bank Slaski SA	145	32	33
KGHM Polska Miedz	113,810	3,990	3,800
Polski Koncern Naftowy Orlen	14,192	148	161
Polskie Gornictwo Naftowe Gaz	52,205	65	64
Powszechna Kasa Oszczednosci	22,121	263	282
Telekomunikacja Polska SA	432,445	3,179	2,318
TVN SA	6,196	30	33
<i>Total Poland - 0.5%</i>		8,255	7,240
<i>Portugal</i>			
Altri SGPS SA	238,700	1,442	1,358
Banco Espirito Santo	349,800	2,449	1,747
<i>Total Portugal 0.2%</i>		3,891	3,105
<i>Russia</i>			
Cherepovets MK Severstal	8,417	68	102
Comstar United Telesystems	6,519	34	38
Federal Grid Co Unified Energy	11,244,436	129	113
Gazprom	354,444	7,200	7,889
Gazprom Neft	2,870	70	65
Lukoil	88,640	6,867	4,715
Magnitogorsk Iron & Steel Work	700,800	6,294	9,244
Mechel	7,781	143	179
Mining & Metallurgical Co	37,945	492	563
MMC Norilsk Nickel	296,596	4,759	4,476
Mobile TeleSystems	78,872	2,656	4,129
NovaTek OAO	3,552	178	227
Novolipetsk Steel (NLMK)	3,037	78	94
OAO TMK	2,128	36	38
Pharmstandard	3,257	56	67
Polymetal	4,900	46	47
Polyus Gold	5,946	146	134
Rosneft Oil	54,090	416	418
RusHydro	3,977,396	139	171
Sberbank	369,686	772	926
Sistema JSFC	6,063	102	155
Surgutneftegaz	58,189	384	379
Tatneft	9,203	239	280
Territorial Generation Co-1	2,929,352,260	1,641	1,787
Uralkali	5,798	116	121
Vimpel-Communications	13,997	262	260
VTB Bank OJSC	30,587	118	147
Wimm-Bill-Dnn Foods	2,748	49	56
<i>Total Russia - 2.5%</i>		33,490	36,820

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Singapore</i>			
Changjiang Fertilizer Holdings	53	1	-
ComfortDelGro Corporation	1,483,000	1,365	1,635
Flextronics International Ltd	1,121,980	3,206	7,809
Golden Agri-Resources Ltd	3,687,779	865	1,390
Haw Par Corporation Ltd	271,000	1,076	1,143
Hong Leong Asia Ltd	1,164,000	2,220	3,047
MobileOne Ltd	9,344,300	10,437	13,694
Noble Group Ltd	2,794,000	2,343	6,301
Peoples Food Holdings Ltd	12,701,000	9,798	6,144
Venture Corp Ltd	236,200	1,266	1,418
<i>Total Singapore - 2.8%</i>		32,577	42,581
<i>South Africa</i>			
ABSA Group Ltd	13,620	214	236
African Bank Investments Ltd	32,251	126	130
African Rainbow Minerals	4,473	88	107
Anglo Platinum Ltd	2,513	220	234
Anglogold Ashanti Ltd	12,710	499	459
ArcelorMittal South Africa Ltd	7,528	114	115
Aspen Pharmacare Holdings	9,150	75	85
Astral Foods Ltd	161,900	2,256	2,271
Aveng Ltd	16,689	94	81
Bidvest Group Ltd	12,055	184	208
Discovery Holdings Ltd	11,246	44	49
Exxaro Resources Ltd	5,253	61	79
FirstRand Ltd	119,005	261	282
Foschini Ltd	8,630	70	68
Gold Fields Ltd	28,243	379	327
Growthpoint Properties Ltd	59,483	105	113
Harmony Gold Mining Co Ltd	15,284	162	138
Impala Platinum Holdings Ltd	22,664	515	555
Imperial Holdings Ltd	476,221	2,300	5,825
Investec Ltd	9,064	68	64
JD Group Ltd	297,371	1,805	1,661
Kumba Iron Ore Ltd	3,372	108	161
Liberty Holdings Ltd	4,831	42	44
Massmart Holdings Ltd	8,498	98	102
Metropolitan Holdings Ltd	1,946,300	3,206	3,553
MTN Group Ltd	62,138	992	907
Murray & Roberts Holdings	13,311	102	67
Nampak Ltd	1,627,100	3,444	3,482
Naspers Ltd	16,215	561	609
Nedbank Group Ltd	8,103	126	127
Netcare Ltd	39,041	53	65
Northam Platinum Ltd	6,078	27	35
Pick n Pay Stores Ltd	9,615	50	51
Pretoria Portland Cement Co	21,034	92	89
Redefine Income Fund Ltd	100,635	95	100
Remgro Ltd	18,553	217	218
Reunert Ltd	7,486	55	54
RMB Holdings Ltd	30,626	111	117
Sanlam Ltd	86,627	233	276
Sappi Ltd	21,541	80	83
Sasol	24,212	908	891
Shoprite Holdings Ltd	17,207	140	168
Standard Bank Group Ltd	49,222	622	690
Steinhoff International Holdings	51,105	110	127
Telkom South Africa Ltd	10,992	62	48
Tiger Brands Ltd	6,947	138	160
Truworths International Ltd	18,226	103	118
Vodacom Group (Pty) Ltd	15,704	113	110
Woolworths Holdings Ltd	28,683	62	77
<i>Total South Africa - 1.7%</i>		21,590	25,616

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Spain</i>			
Banco Santander Ctrl Hisp SA	763,400	8,451	9,948
Ebro Puleva SA	50,388	972	995
Grifols SA	133,753	2,066	2,026
Grupo Catalana Occidente SA	68,051	1,633	1,396
Repsol SA	323,400	9,400	7,342
Tecnicas Reunidas SA	24,748	1,374	1,395
Telefonica SA	332,800	7,121	7,832
<i>Total Spain - 2.1%</i>		31,017	30,934
<i>Sweden</i>			
Intrum Justitia AB	120,305	722	1,556
KappAhl Holding AB	207,287	682	1,945
NCC AB	212,300	3,788	3,455
Svenska Handelsbanken AB	159,300	2,449	4,356
Telefonaktiebolaget LM	424,600	3,220	4,257
<i>Total Sweden - 1.0%</i>		10,861	15,569
<i>Switzerland</i>			
Baloise Holding Ltd	73,300	4,946	6,313
Clariant AG	226,448	1,340	2,457
Credit Suisse Group	59,600	2,793	2,650
EFG International AG	149,444	2,068	2,055
Helvetia Patria Holding	6,293	872	2,000
Novartis AG	265,800	9,791	14,804
Partners Group Holding AG	14,373	1,325	1,819
Sika AG	815	680	1,143
Swiss Life Holding	15,585	1,866	1,967
Swiss Re	78,300	4,167	3,524
Swisscom AG	8,300	2,855	2,856
Temenos Group AG	56,442	525	1,421
Zurich Financial Services AG	23,400	5,452	5,649
<i>Total Switzerland - 3.2%</i>		38,680	48,658
<i>Taiwan</i>			
Acer Inc	113,000	277	317
Advanced Semiconductor Engr	435,649	289	346
Asia Cement Corporation	72,000	80	66
Asustek Computer Inc	171,000	300	302
Au Optronics Corp	2,416,102	3,406	2,486
Benq Corporation	68,000	40	33
Catcher Technology Co Ltd	23,000	59	47
Cathay Financial Hldg Co Ltd	261,000	459	421
Chang Hwa Commercial Bank	220,000	100	97
Cheng Shin Rubber Industry Co	36,000	77	70
Cheng Uei Precision Industry	16,000	32	29
Chi Mei Optoelectronics Corp	211,000	110	145
Chicony Electronics Co Ltd	17,000	39	41
China Development Financial	424,000	113	115
China Steel Corporation	437,000	402	439
Chinatrust Financial Holding	377,000	246	205
Chunghwa Picture Tubes	426,000	46	41
Chunghwa Telecom Co Ltd	211,818	406	395
Compal Electronics Inc	3,837,461	3,714	5,504
Coretronic Corporation	30,000	37	41
Delta Electronics Inc	74,000	209	216
E Sun Financial Holding Co	139,000	58	52
Epistar Corporation	22,000	76	59
Everlight Electronics Co Ltd	13,885	42	40
Far Eastern Department Stores	38,000	40	27
Far Eastern Textile Ltd	125,000	149	135
Far EasTone Telecommunications	10,029,931	12,314	11,946
Feng Hsin Iron & Steel Co	20,000	31	33
First Financial Hldg Co Ltd	211,000	131	113
Formosa Chemicals & Fibre Corp	126,000	241	285

See accompanying notes to financial statements.



## International Equity Pool

### Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Formosa Petrochemical Corp	55,000	139	139
Formosa Plastics Corporation	177,000	357	382
Foxconn Technology Co Ltd	26,000	78	92
Fubon Financial Holding	200,000	234	221
Giant Manufacturing Co Ltd	12,000	32	33
Gigabyte Technology Company	2,968,000	2,206	2,707
HannStar Display Corporation	9,494,111	3,765	1,897
Hon Hai Precision Industry Co	340,000	1,351	1,346
HTC Corporation	29,000	312	293
Hua Nan Financial Holdings	154,000	95	96
Innolux Display Corporation	93,000	123	132
Inotera Memories Inc	80,139	52	55
Inventec Co Ltd	83,000	47	45
KGI Securities Company Ltd	127,000	66	55
Largan Precision Co Ltd	4,000	50	52
Lite-On Technology Corp	90,000	118	116
Macronix International Co	145,000	78	78
MediaTek Inc	41,000	653	646
Mega Financial Holding Co	343,000	210	190
Nan Ya Plastics Corp	227,000	369	449
Nan Ya Printed Circuit Bd Corp	9,000	30	35
Novatek Microelectronics Corp	22,000	52	62
Phison Electronics Corp	4,000	32	26
PixArt Imaging Inc	4,000	33	22
Polaris Securities Co Ltd	90,000	51	44
Pou Chen Corporation	101,000	68	74
Powerchip Semiconductor Corp	330,000	33	38
Powertech Technology Inc	25,000	72	85
President Chain Store Corp	23,000	54	54
Quanta Computer Inc	3,509,456	5,000	7,167
Realtek Semiconductor Corp	19,000	43	50
RichTek Technology Corp	6,000	50	56
Shin Kong Financial Holdings	235,025	98	84
Siliconware Precision Inds	126,000	173	146
Simplio Technology Co Ltd	9,000	49	47
SinoPac Financial Holdings	248,000	100	80
Synnex Technology Intl Corp	48,000	100	101
Taishin Financial Holdings Co	165,952	75	56
Taiwan Cement Corporation	132,000	148	122
Taiwan Cooperative Bank	158,000	98	90
Taiwan Fertilizer Co Ltd	32,000	111	97
Taiwan Glass Industrial Corp	39,000	31	35
Taiwan Mobile Co Ltd	83,000	151	156
Taiwan Semiconductor Manf Co	1,088,000	2,079	1,995
Tatung Company Ltd	161,000	37	34
Teco Electric & Machinery Co	78,000	33	31
Transcend Information Inc	13,000	45	44
Tripod Technology Corp	17,000	45	57
Tung Ho Steel Enterprise Corp	32,000	33	36
U-Ming Marine Transport Corp	20,000	36	38
Unimicron Technology Corp	39,000	46	44
Uni-President Enterprises Corp	148,000	171	164
United Microelectronics Corp	549,000	270	264
Walsin Lihwa Corporation	29,499,000	9,312	9,657
Winbond Electronics Corp	34,590,000	8,350	7,808
Wintek Corp	42,000	30	30
Wistron Corporation	78,000	143	134
WPG Holdings Co Ltd	28,000	40	45
Yageo Corporation	15,272,000	4,982	5,238
Young Fast Optoelectronics	3,000	39	27
Yuanta Financial Holding Co	324,000	237	184
Yulon Motor Co Ltd	38,000	44	36
<i>Total Taiwan - 4.5%</i>		66,482	67,663

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Thailand</i>			
Advanced Info Service Public	41,100	113	109
Bangkok Bank Public Company	62,600	222	221
Bank of Ayudhya Public Co	84,300	47	52
Banpu Public Company Ltd	6,500	84	108
CP ALL PLC	101,700	60	73
IRPC PCL	446,100	56	59
Kasikombank Public Co Ltd	54,300	131	142
Krung Thai Bank Public Co Ltd	16,140,100	4,712	4,881
Land & Houses Public Company	230,200	42	41
PTT Aromatics & Refining PLC	50,600	35	41
PTT Chemical PCL	16,700	35	40
PTT Exploration & Production	53,400	229	217
PTT PLC	39,300	297	263
Siam Cement Public Co Ltd	13,800	89	93
Siam Commercial Bank Public Co	55,200	137	140
Thai Oil Public Co Ltd	37,800	50	49
<i>Total Thailand - 0.4%</i>		6,339	6,529
<i>Turkey</i>			
AkBank TAS	33,828	192	171
Anadolu Efes Biracilik Ve Malt	9,134	101	92
Arcelik AS	1,871,852	4,746	6,315
Asya Katilim Bankasi AS	20,297	42	48
BIM Birlesik Magazalar AS	1,712	68	76
Enka Insaat ve Sanayi AS	10,555	44	41
Eregli Demir Ve Celik Fabrik	16,465	49	45
Ford Otomotiv Sanayi AS	1,161,699	6,697	6,972
Haci Omer Sabanci Holding	21,424	81	81
Koc Holding AS	21,787	57	65
Selcuk Exza Deposu Ticaret AS	2,829,673	4,376	4,957
Trakya Cam Sanayii AS	5,112,644	4,483	6,269
Tupras-Turkiye Petrol Rafinery	5,647	95	103
Turk Telekomunikasyon AS	23,681	71	74
Turkcell Iletisim Hizmet AS	813,231	5,350	4,775
Turkity Is Bankasi (Isbank)	48,617	129	135
Turkiye Garanti Bankasi AS	94,719	357	350
Turkiye Halk Bankasi	14,095	84	89
Turkiye Is Bankasi (Isbank)	22,421	58	59
Turkiye Vakiflar Bankasi T-D	5,064,328	5,394	11,565
Yapi ve Kredi Bankasi AS	39,214	84	84
<i>Total Turkey - 2.8%</i>		32,558	42,366
<i>United Kingdom</i>			
Aberdeen Asset Management PLC	578,009	1,153	1,010
Aggreko PLC	135,096	701	2,005
AstraZeneca Group PLC	201,300	8,100	8,837
Aviva PLC	347,700	4,071	2,066
Barclays PLC	1,178,654	9,498	5,607
BP Amoco PLC	1,892,800	17,716	16,676
Bradford & Bingley PLC	202,000	1,045	-
British Aerospace PLC	879,500	4,446	5,012
Britvic PLC	739,600	2,325	4,798
BT Group PLC	1,427,300	5,116	2,497
Carillion PLC	404,545	1,411	1,745
Centrica PLC	673,200	2,097	2,867
Charter International PLC	163,100	960	1,652
Computacenter PLC	900,800	3,344	3,945
Daily Mail & General Trust PLC	244,431	1,234	1,654
Dana Petroleum PLC	62,291	1,495	1,039
Drax Group PLC	336,200	4,504	2,047
Dunelm Group PLC	260,106	1,292	1,523
GlaxoSmithKline PLC	396,005	8,599	7,319
Greene King PLC	270,197	1,699	1,775
Halfords Group PLC	211,712	965	1,464

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Hothschild Mining plc	308,598	1,551	1,222
Hunting PLC	116,781	983	1,045
IG Group Holdings PLC	283,893	1,057	1,671
IMI PLC	525,900	3,980	4,524
Informa PLC	362,489	1,172	1,851
Legal & General Group PLC	1,431,600	3,410	1,681
Logica PLC	2,046,300	2,035	3,720
London Stock Exchange Group	125,840	1,613	1,274
Marston's PLC	893,188	2,333	1,229
Meggitt PLC	482,110	857	2,036
Micro focus International PLC	267,746	1,074	1,924
N Brown Group PLC	372,318	1,416	1,222
Northern Foods PLC	290,100	781	254
Old Mutual PLC	2,141,000	4,842	3,696
Pace Micro Technology PLC	395,739	901	1,054
Premier Farnell PLC	447,991	1,270	1,250
Premier Oil PLC	112,813	1,651	1,886
Royal & Sun Alliance Insurance	1,063,100	1,800	2,098
Royal Dutch Shell B Shares	664,600	18,801	17,371
RPS Group PLC	459,073	958	1,258
Spectris PLC	464,319	5,116	5,570
St. James Place PLC	277,582	706	1,081
Tate & Lyle PLC	402,600	3,556	2,581
Thomas Cook Group	959,500	3,433	3,444
Tomkins PLC	772,628	1,238	2,265
Vodafone Group PLC	2,467,200	4,995	5,313
William Hill PLC	509,148	1,488	1,511
Woolworths Group PLC	1,940,874	442	-
<i>Total United Kingdom - 10.0%</i>		155,230	149,569
<i>United States</i>			
Southern Copper Corporation - 0.0%	9,000	276	264
Total Equities - 98.6%		1,395,942	1,476,699
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 0.8%	12,349,849	12,350	12,350
Total Investment Securities - 99.4%		\$ 1,408,292	\$ 1,489,049
<b>Foreign Currency Forward Contracts</b>			
Long Positions			
Euro Currency, expiring 03/01/2010 - 03/03/2010		\$	2
Israeli Shekel, expiring 03/01/2010			(2)
Swiss Franc, expiring 03/01/2010 - 03/03/2010			1
Total Long Positions			1
Short Positions			
Brazil Real, expiring 03/01/2010			(11)
Euro Currency, expiring 03/01/2010			(2)
Philippines Peso, expiring 03/01/2010 - 03/03/2010			(6)
Total Short Positions			(19)
Total Foreign Currency Forward Contracts		\$	(18)

See accompanying notes to financial statements.

# International Equity Pool

**Statement of Operations - Unaudited**  
**Period February 28, 2010\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 1	\$ (2)
Dividends, net of foreign withholding taxes	2,693	22,364
Securities lending income	22	343
Shareholder litigation proceeds	-	104
Commission recapture	-	2
	<b>2,716</b>	<b>22,811</b>
<b>Expenses</b>		
Investment advisor fees	(694)	(6,000)
Trustee fees	-	(7)
Custodian bank fees	(57)	(647)
Management fees	(38)	(421)
Fiduciary bond fees	(1)	(6)
Professional service fees	(10)	(88)
Securities lending agent fees	(6)	(133)
Securities lending borrower rebates	10	365
	<b>(796)</b>	<b>(6,937)</b>
	<b>1,920</b>	<b>15,874</b>
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain from:		
Investments	5,208	112,583
Foreign currency transactions	505	19,171
Net increase (decrease) in the fair value of:		
Investments	(10,505)	203,738
Translation of assets and liabilities in foreign currencies	(8,057)	15,361
	<b>(12,849)</b>	<b>350,853</b>
	<b>(10,929)</b>	<b>366,727</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period February 28, 2010\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 1,920	\$ 15,874
Net realized gain from investments	5,208	112,583
Net realized gain from foreign currency transactions	505	19,171
Net increase (decrease) in the fair value of investments	(10,505)	203,738
Net increase (decrease) in the translation of assets and liabilities in foreign currencies	(8,057)	15,361
	<b>(10,929)</b>	<b>366,727</b>
<b>Unit transactions</b>		
Proceeds from sale of units	760	30,327
Amount paid for repurchase of units	(35,689)	(443,876)
	<b>(34,929)</b>	<b>(413,549)</b>
	<b>(45,858)</b>	<b>(46,822)</b>
Net assets, beginning of period	1,543,419	1,544,383
	<b>\$ 1,497,561</b>	<b>\$ 1,497,561</b>
<b>Unit data</b>		
Units sold	40,662	1,639,980
Units repurchased	(1,909,586)	(24,942,935)
	<b>(1,868,924)</b>	<b>(23,302,955)</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Equity Pool

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

This Pool invests in the equities of international companies. Assets are managed by Brandes Investment Partners, LLC, LSV Asset Management, Pictet Asset Management Limited, and State Street Global Advisors. The objective of the Pool is to exceed, net of external investment management fees, Morgan Stanley Capital International's All Country World Free Ex US index over three- to five-year periods.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Foreign currency forward contracts are valued at either spot or forward month-end exchange rates. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

# International Equity Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Foreign Currency** – Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Bank of New York Mellon on the following basis:

- a. Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- b. Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

The IMB isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from market prices of securities held.

Reported net realized foreign exchange gains and losses arise from sales of portfolio securities, sales and maturities of short-term securities, sales of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities including investments in securities at month end, resulting from changes in the exchange rate.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for international securities is secured by initial collateral of at least 105 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Foreign Exchange Forward Contracts** - A foreign exchange forward contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. The managers enter into such contracts to hedge the assets and liabilities related to securities denominated in a foreign currency. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. These contracts have relatively short durations and are valued at the prevailing market exchange rates at month end. An unrealized gain or loss is recorded as the difference between the amount valued at month end and the amount to be received or paid at the expiration date. The unrealized gain or loss is reclassified to realized gain or loss when the contract expires.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

# International Equity Pool

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	Level I	Level II	Level III	Total
Equity Securities	\$1,476,698,734	\$ -	\$ -	\$1,476,698,734
Regulated Investment Companies	-	12,349,849	-	12,349,849
Foreign Exchange Forward Contracts	-	(18,020)	-	(18,020)
Securities Lending Collateral Funds	-	111,994,242	-	111,994,242
Total	<u>\$1,476,698,734</u>	<u>\$ 124,326,071</u>	<u>\$ -</u>	<u>\$1,601,024,805</u>



# International Equity Pool

## Notes to Financial Statements - Unaudited

### NOTE 4. SECURITIES LENDING

At February 28, 2010, the fair value of securities on loan is \$104,824,927, initial collateral received is \$115,671,189, and the fair value of reinvested collateral held is \$111,994,242. All of the collateral was received as cash and is invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool is \$3,486,232.

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The combined value of the holdings in the Collateral Fund and the Liquidating Fund is used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. At February 28, 2010 the accumulated undistributed securities lending income is \$2,411,801.

### NOTE 5. FOREIGN CURRENCY FORWARD CONTRACTS

At February 28, 2010, open foreign currency forward contracts are as follows:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized appreciation (depreciation)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long/Cover	Euro Currency	2/24/2010	3/1/2010	109,510	\$ 149,448		\$ 148,867	\$ 581
Long/Cover	Euro Currency	2/25/2010	3/1/2010	40,681	55,518		55,266	252
Long/Cover	Euro Currency	2/25/2010	3/2/2010	45,042	61,468		60,885	583
Long/Cover	Euro Currency	2/25/2010	3/3/2010	29,304	39,991		39,897	94
Long/Cover	Israeli Shekel	2/25/2010	3/1/2010	1,019,319	269,768		272,234	(2,466)
Long/Cover	Japanese Yen	2/25/2010	3/1/2010	5,023,504	56,530		56,495	35
Long/Cover	Swiss Franc	2/24/2010	3/1/2010	60,845	56,717		55,590	1,127
Long/Cover	Swiss Franc	2/26/2010	3/3/2010	54,412	50,719		50,640	79
Short/Cover	Brazil Real	2/25/2010	3/1/2010		797,556	1,461,999	808,181	(10,625)
Short/Cover	British Pound	2/25/2010	3/1/2010		27,402	17,947	27,323	79
Short/Cover	Euro Currency	2/25/2010	3/1/2010		171,742	127,310	173,740	(1,998)
Short/Cover	Japanese Yen	2/25/2010	3/1/2010		37,503	3,340,772	37,594	(91)
Short/Cover	Philippines Peso	2/24/2010	3/1/2010		230,610	10,633,411	230,535	75
Short/Cover	Philippines Peso	2/25/2010	3/2/2010		469,698	21,808,085	472,804	(3,106)
Short/Cover	Philippines Peso	2/26/2010	3/3/2010		695,464	32,199,979	698,103	(2,639)
					<u>\$ 3,170,134</u>		<u>\$ 3,188,154</u>	<u>\$ (18,020)</u>

# International Equity Pool

## Notes to Financial Statements - Unaudited

### NOTE 6. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2009	\$	14.85
Income from investment operations:		
Net investment income		0.18
Net realized and unrealized gain on investment transactions		3.13
Net realized gain from foreign currency transactions		0.22
Net increase in the translation of assets and liabilities in foreign currencies		0.17
Total from investment operations		3.70
Net asset value at February 28, 2010	\$	18.55

**Time-weighted Total Return \*** 25.0%

**Supplemental Data:**

Net assets, end of period (\$000's)	\$	1,497,561
Ratio to average net assets:		
Expenses **		0.67%
Net investment income **		1.48%
Portfolio turnover rate		41.28%

\* Return data are net of fees for the fiscal year-to-date and are not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2010.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 662,229,447
Public Employees' Retirement System	614,800,555
State Police Death, Disability and Retirement Fund	67,122,147
Revenue Shortfall Reserve Fund B	27,190,931
Workers' Compensation Old Fund	26,922,311
Judges' Retirement System	16,845,763
Coal Workers' Pneumoconiosis Fund	16,159,821
Prepaid Tuition Trust Fund	15,399,757
Deputy Sheriff's Retirement System	15,010,591
State Police Retirement System	8,284,548
Board of Risk and Insurance Management	7,811,405
Public Employees' Insurance Agency	6,357,874
Wildlife Endowment Fund	6,028,772
Emergency Medical Services Retirement System	3,736,802
Retiree Health Benefit Trust	3,660,149
Total	\$ 1,497,560,873

**Financial Statements - Unaudited**

**February 28, 2010**



# Short-Term Fixed Income Pool

---

## Financial Statements - Unaudited February 28, 2010

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Notes to Financial Statements	5

## Short-Term Fixed Income Pool

---

### Statement of Assets and Liabilities - Unaudited

February 28, 2010

(Amounts in thousands, except unit data)

#### Assets

Investment securities at amortized cost	\$	187,587
Accrued interest		<u>9</u>

**Total assets** 187,596

#### Liabilities

Accrued expenses		<u>29</u>
------------------	--	-----------

**Net assets** \$ 187,567

#### Analysis of net assets

Paid-in capital	\$	187,554
Accumulated undistributed net realized gain from investments		<u>13</u>

**Net assets** \$ 187,567

#### Unit data

Units outstanding		187,554,246
Net asset value, unit price	\$	<u>1.00</u>

See accompanying notes to financial statements.

# Short-Term Fixed Income Pool

## Schedule of Investments in Securities - Unaudited February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>U. S. Government Agency Issues</u></b>						
Federal Farm Credit Bank	0.150 %	0.130 %	08/26/2011	1,000	\$ 1,000	\$ 999
Federal Home Loan Bank	0.180	0.231	05/04/2010	2,000	2,000	2,000
Federal Home Loan Bank	0.500	0.520	10/18/2010	2,000	2,000	2,003
Federal Home Loan Bank	0.140	0.162	11/17/2010	3,000	3,000	2,999
Federal Home Loan Bank	0.160	0.159	12/01/2010	2,000	2,000	2,000
Federal Home Loan Bank	0.280	0.285	12/06/2010	3,000	3,000	3,003
Federal Home Loan Mort Corp	0.150	0.151	07/12/2010	4,000	3,999	4,000
Federal National Mortgage	0.200	0.235	08/05/2010	3,000	3,000	3,002
Total U. S. Government Agency Issues - 10.7%					19,999	20,006
<b><u>Short-term Issues</u></b>						
Amsterdam Funding Corp	0.000	0.223	03/16/2010	2,000	\$ 2,000	\$ 2,000
Atlantic Asset Securitization	0.000	0.172	03/02/2010	7,000	7,000	7,000
Atlantis One Funding	0.000	0.172	03/08/2010	5,000	5,000	5,000
Deutsche Bank Finl LLC	0.000	0.294	04/08/2010	6,000	5,998	5,998
Federal Home Loan Bank	0.000	0.081	03/05/2010	3,000	3,000	3,000
Federal Home Loan Bank	0.000	0.117	03/24/2010	5,000	5,000	5,000
Federal Home Loan Bank	0.000	0.152	05/12/2010	3,000	2,999	2,999
Federal Home Loan Bank	0.000	0.203	07/07/2010	1,000	999	999
Federal Home Loan Mort Corp	0.000	0.132	03/01/2010	3,000	3,000	3,000
Federal Home Loan Mort Corp	0.000	0.255	03/22/2010	2,500	2,500	2,500
Federal Home Loan Mort Corp	0.000	0.152	03/23/2010	3,000	3,000	3,000
Federal Home Loan Mort Corp	0.000	0.203	03/29/2010	2,000	2,000	2,000
Federal Home Loan Mort Corp	0.000	0.213	07/06/2010	1,000	999	999
Federal Home Loan Mort Corp	5.000	0.203	08/03/2010	1,000	998	999
Federal National Mortgage Assn	0.000	0.152	06/03/2010	2,000	1,999	1,999
Federal National Mortgage Assn	0.000	0.172	07/12/2010	3,000	2,998	2,998
Federal National Mortgage Assn	0.000	0.218	08/18/2010	3,000	2,997	2,997
Gemini Securitization Corp	0.000	0.183	04/07/2010	4,000	3,999	3,999
General Electric Co	0.000	0.132	03/22/2010	7,000	6,999	6,999
ING Funding LLC	0.000	0.172	03/22/2010	5,000	5,000	5,000
Intessa Funding LLC	0.000	0.188	04/12/2010	7,000	6,998	6,998
Natexis Banques US Finance Co	0.000	0.203	03/08/2010	4,000	4,000	4,000
National Australia Funding Inc	0.000	0.178	05/17/2010	3,000	2,999	2,999
Nordea NA Inc	0.000	0.152	03/29/2010	6,000	5,999	5,999
Rabobank USA Financial Group	0.000	0.101	03/02/2010	5,000	5,000	5,000
RBS Holdings USA Inc	0.000	0.233	04/26/2010	1,000	1,000	1,000
Repurchase Agreement	0.100	0.100	03/01/2010	30,115	30,115	30,115
Sheffield Receivables Corp	0.000	0.162	03/16/2010	4,000	4,000	4,000
United States Treasury	0.000	0.041	04/01/2010	14,000	14,000	14,000
United States Treasury	0.000	0.123	04/15/2010	12,000	11,998	11,998
United States Treasury	0.000	0.176	08/12/2010	8,000	7,994	7,994
Windmill Funding Corp	0.000	0.183	03/10/2010	5,000	5,000	5,000
Total Short-Term Issues - 89.3%					167,588	167,589
Total Investment Securities - 100.0%					\$ 187,587	\$ 187,595

See accompanying notes to financial statements.

## Short-Term Fixed Income Pool

---

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 7	\$ 100
Net accretion	<u>18</u>	<u>230</u>
<b>Total investment income</b>	25	330
<b>Expenses</b>		
Investment advisor fees	(8)	(81)
Trustee fee	(1)	(1)
Custodian bank fees	-	(8)
Management fees	(3)	(40)
Fiduciary bond fees	(1)	(1)
Professional service fees	<u>(1)</u>	<u>(8)</u>
<b>Total expenses</b>	<u>(14)</u>	<u>(139)</u>
<b>Investment income, net</b>	11	191
<b>Net realized gain from investments</b>	<u>7</u>	<u>22</u>
<b>Net increase in net assets from operations</b>	<u>\$ 18</u>	<u>\$ 213</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



## Short-Term Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 11	\$ 191
Net realized gain from investments	7	22
	<b>18</b>	<b>213</b>
<b>Distributions to unitholders</b>		
Investment income, net	(11)	(191)
<b>Unit transactions</b>		
Proceeds from sale of units	104,041	1,011,106
Reinvestment of distributions	11	191
	104,052	1,011,297
Amount paid for repurchase of units	(114,070)	(1,088,306)
	<b>(10,018)</b>	<b>(77,009)</b>
	<b>(10,011)</b>	<b>(76,987)</b>
Net assets, beginning of period	197,578	264,554
	<b>\$ 187,567</b>	<b>\$ 187,567</b>
<b>Unit data</b>		
Units sold	104,041,300	1,011,106,243
Units issued from reinvestment of distributions	11,309	191,111
	104,052,609	1,011,297,354
Units repurchased	(114,070,225)	(1,088,306,133)
	<b>(10,017,616)</b>	<b>(77,008,779)</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Short-Term Fixed Income Pool

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Short-Term Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of the Pool is to maintain sufficient liquidity to fund withdrawals by the participant plans and to invest cash contributions until such time as the money can be transferred to other asset classes without sustaining capital losses. JP Morgan Investment Advisors, Inc. manages the Pool. The Pool's investment performance, net of external investment management fees, is expected to meet or exceed the Salomon ninety-day T-bill index plus fifteen basis points.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at amortized cost. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Repurchase Agreements** - In connection with transactions in repurchase agreements, it is the IMB's policy that its designated custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the IMB may be delayed or limited.

# Short-Term Fixed Income Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Asset-Backed Securities** – The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value. The Pool invests in these securities to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of asset-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

**Distributions to Participants** - The net investment income of the Pool is declared as a dividend and distributed daily to the participants based upon their pro rata participation in the Pool. The distributions of net investment income are credited to the participants' accounts in the form of dividend reinvestments in the Pool and are presented first as distributions to participants, and then as reinvestment of distributions on the Statement of Changes in Net Assets.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

# Short-Term Fixed Income Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Total</u>
Short-term Issues	\$ -	\$ 167,588,108	\$ -	\$ 167,588,108
U.S. Government Agency Issues	-	19,998,665	-	19,998,665
Total	<u>\$ -</u>	<u>\$ 187,586,773</u>	<u>\$ -</u>	<u>\$ 187,586,773</u>

# Short-Term Fixed Income Pool

## Notes to Financial Statements - Unaudited

### NOTE 4. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2009	\$ 1.00
Net asset value at February 28, 2010	\$ 1.00

**Time-weighted Total Return \*** 0.1%

**Supplemental Data:**

Net assets, end of period (\$000's)	\$ 187,567
Ratio to average net assets:	
Expenses **	0.09%
Net investment income **	0.12%
Weighted average days to maturity	38
Maximum weighted average investment maturity per Board guidelines	60 days
Money market yield ***	0.07%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

\*\*\* The money market yield represents the rate of income, net of expenses, earned over the past month and is not intended to indicate future performance. The return is annualized over a 365-day year, assuming no reinvestment of earnings.

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2010.

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 89,452,741
Teachers' Employers Contribution Collection Account	27,544,965
Teachers' Retirement System	25,266,892
Public Employees' Retirement System	13,161,779
Coal Workers' Pneumoconiosis Fund	11,262,820
Workers' Compensation Uninsured Employers Fund	8,753,498
Workers' Compensation Self-insured Employers Fund	7,780,319
Prepaid Tuition Trust Fund	1,004,180
Judges' Retirement System	959,437
State Police Retirement System	578,857
Emergency Medical Services Retirement System	540,379
Deputy Sheriff's Retirement System	532,830
State Police Death, Disability and Retirement Fund	531,848
Wildlife Endowment Fund	87,970
Revenue Shortfall Reserve Fund B	46,166
Revenue Shortfall Reserve Fund	42,932
Public Employees' Insurance Agency	2,468
Board of Risk and Insurance Management	2,411
Retiree Health Benefit Trust	1,753
Total	\$ 187,554,246



**Financial Statements - Unaudited**

**February 28, 2010**





# Total Return Fixed Income Pool

---

## Financial Statements - Unaudited February 28, 2010

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Option Contracts Written	8
Statement of Operations	9
Statement of Changes in Net Assets	10
Notes to Financial Statements	11

# Total Return Fixed Income Pool

---

## Statement of Assets and Liabilities - Unaudited

February 28, 2010

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,736,208
Cash		17,019
Cash denominated in foreign currencies (cost \$1,953)		1,889
Collateral for securities loaned at fair value (Note 4)		85,049
Unrealized gain on foreign currency exchange contracts (Note 8)		195
Receivables:		
Accrued interest		13,667
Investments sold		1,585
Dividends		10
Securities lending income		5
		<hr/>
<b>Total assets</b>		<b>1,855,627</b>

### Liabilities

Accrued expenses		754
Dividends payable		5,535
Payable for investments purchased		27,752
Payable upon return of securities loaned (Note 4)		86,897
Option contracts written		7,244
		<hr/>
<b>Total liabilities</b>		<b>128,182</b>
		<hr/>
<b>Net assets</b>	\$	<b>1,727,445</b>

### Analysis of net assets

Paid-in capital	\$	1,365,792
Accumulated undistributed net investment income		494
Accumulated undistributed net realized gain from investments		369,627
Accumulated undistributed net realized gain from foreign currency transactions		16,696
Unrealized net depreciation of investments		(25,550)
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		386
		<hr/>
<b>Net assets</b>	\$	<b>1,727,445</b>

### Unit data

Units outstanding		130,073,771
Net asset value, unit price	\$	<u>13.28</u>

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>Municipal Bonds</u></b>						
California	6.200	6.260	10/01/2019	2,250	\$ 2,240	\$ 2,277
California	7.500	7.624	04/01/2034	11,400	11,244	11,152
California	7.300	7.653	10/01/2039	1,300	1,246	1,234
Los Angeles Calif Uni Sch Dist	6.760	6.758	07/01/2034	2,500	2,500	2,606
Total Municipal Bonds - 0.7%					17,230	17,269
<b><u>U. S. Treasury Issues</u></b>						
United States Treasury	2.380	0.188	08/31/2010	50,000	50,546	50,539
United States Treasury	0.720	0.241	01/31/2011	39,500	39,675	39,701
United States Treasury	3.130	3.141	10/31/2016	5,130	5,125	5,186
United States Treasury	2.750	2.849	11/30/2016	90	89	89
United States Treasury	4.000	3.465	08/15/2018	13,000	13,506	13,589
United States Treasury	3.630	3.443	08/15/2019	1,880	1,907	1,889
United States Treasury	3.380	3.515	11/15/2019	24,700	24,417	24,270
United States Treasury	2.000	1.808	01/15/2026	26,670	29,784	28,945
United States Treasury	4.380	4.551	11/15/2039	26,210	25,463	25,547
Total U. S. Treasury Issues - 17.5%					190,512	189,755
<b><u>U. S. Government Agency Issues</u></b>						
<i>U. S. Government Agency Bonds</i>						
Federal National Mortgage Assn	5.250	7.425	08/01/2012	3,710	3,534	4,033
<i>U. S. Government Agency MBS (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Mortgage Pools	6.214	5.520	09/01/2037	50,981	54,503	54,608
FNMA Mortgage Pools	5.850	5.245	02/15/2038	137,584	147,917	146,549
Total U. S. Government Agency MBS					202,420	201,157
<i>U. S. Government Agency CMO</i>						
Federal Home Loan Mortgage	1.030	0.000	03/15/2034	421	-	418
Total U.S. Government Agency Issues - 6.2%					205,954	205,608
<b><u>Corporate Issues</u></b>						
<i>Corporate Bonds</i>						
AES Corporation	8.000	8.000	06/01/2020	6,400	6,400	6,280
Aiful Corporation	5.000	5.167	08/10/2010	1,330	1,329	1,259
Allstate Life Global Fn Trust	5.380	5.398	04/30/2013	1,700	1,699	1,853
American Express	6.150	6.072	08/28/2017	3,370	3,284	3,597
American Express	6.800	6.550	09/01/2066	1,660	1,722	1,560
American General Finance Corp	6.900	7.000	12/15/2017	1,580	1,571	1,133
American Intl Group	5.850	5.922	01/16/2018	910	906	735
Anadarko Finance Co	6.750	5.385	05/01/2011	100	102	106
Anadarko Finance Co	7.500	6.498	05/01/2031	1,280	1,426	1,442
Anadarko Petroleum Corp	6.450	6.433	09/15/2036	4,350	4,360	4,561
AOL Time Warner Inc	7.630	6.150	04/15/2031	7,000	8,211	8,156
AOL Time Warner Inc	7.700	6.150	05/01/2032	3,000	3,558	3,534
ASIF Global Financing	4.900	4.777	01/17/2013	510	512	500
AT&T Corp	8.000	6.053	11/15/2031	2,750	3,392	3,362
AT&T Corp Wireless Services	8.130	5.709	05/01/2012	480	503	543
AT&T Inc	5.100	5.291	09/15/2014	1,220	1,211	1,328
AT&T Inc	5.500	5.575	02/01/2018	5,076	5,052	5,389
AT&T Inc	6.550	6.152	02/15/2039	2,975	3,134	3,143
BAC Capital Trust XIV	5.630	6.231	12/31/2049	570	520	399
Bank of America Corp	5.380	5.591	08/15/2011	270	269	285
Bank of America Corp	5.420	3.544	03/15/2017	600	670	587
Bank of America Corp	7.630	5.345	06/01/2019	10,750	12,520	12,157
Bank One Corporation	5.900	6.087	11/15/2011	2,415	2,408	2,586
Barclays Bank PLC	5.130	5.209	01/08/2020	15,630	15,530	15,347
Bear Stearns Companies Inc	7.250	7.289	02/01/2018	4,250	4,240	4,930
Boston Properties LP	5.880	5.323	10/15/2019	4,950	5,153	5,137
Boston Scientific Corp	6.400	4.862	06/15/2016	5,000	5,412	5,324

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity  
See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Burlington NO SF 00-1 TR	8.250	0.068	01/15/2021	371	452	452
Burlington Northern Santa Fe	4.700	4.757	10/01/2019	850	846	852
Capital One Financial Corp	6.750	5.178	09/15/2017	6,175	6,775	6,778
Caterpillar Financial Services	5.450	5.235	04/15/2018	2,010	2,038	2,143
CIGNA Corporation	7.650	6.919	03/01/2023	1,825	1,938	2,090
CIGNA Corporation	7.880	6.874	05/15/2027	1,525	1,677	1,738
CIGNA Corporation	6.150	6.261	11/15/2036	1,575	1,552	1,553
Citigroup Inc	5.000	4.901	09/15/2014	6,750	6,777	6,713
Citigroup Inc	6.130	5.719	11/21/2017	7,795	7,990	7,885
Citigroup Inc	6.880	6.929	03/05/2038	5,140	5,106	5,074
Comcast Corp	6.500	5.705	01/15/2015	3,605	3,724	4,091
Comcast Corp	6.500	5.598	01/15/2017	11,415	11,985	12,755
Commonwealth Edison	6.150	4.735	03/15/2012	1,500	1,541	1,631
Continental Airlines Inc	9.250	9.250	05/10/2017	1,370	1,370	1,394
Continental Airlines Inc	7.250	7.250	11/10/2019	5,830	5,830	6,063
Corp Bond Backed CTF-CCE	0.000	7.000	05/15/2098	5,000	2,843	3,052
Countrywide Financial Corp	5.800	7.825	06/07/2012	40	38	43
Countrywide Financial Corp	6.250	7.950	05/15/2016	2,550	2,341	2,603
Cox Communications Inc	9.380	5.260	01/15/2019	6,445	8,307	8,241
Cox Communications Inc	8.380	6.396	03/01/2039	1,500	1,889	1,888
Credit Agricole SA	8.130	8.125	12/13/2049	4,130	4,130	4,342
CVS Caremark Corp	6.940	7.044	01/10/2030	5,455	5,455	5,748
Delta Air Lines	6.820	6.823	08/10/2022	2,360	2,360	2,265
Deutsche Telekom Int Fin	5.750	5.903	03/23/2016	1,635	1,622	1,765
Dominion Resources Inc	4.750	4.773	12/15/2010	280	280	288
Dow Chemical Company	8.550	5.662	05/15/2019	4,800	5,784	5,803
Dow Chemical Company	9.400	6.699	05/15/2039	1,500	2,016	1,989
Dr Pepper Snapple Group	6.820	6.822	05/01/2018	1,830	1,830	2,085
El Paso Corporation	7.800	11.227	08/01/2031	469	336	456
El Paso Corporation	7.750	7.814	01/15/2032	222	221	215
Exelon Corp	4.750	4.637	10/01/2012	890	892	957
FirstEnergy Corp	6.450	6.603	11/15/2011	11	11	12
FirstEnergy Corp	7.380	6.853	11/15/2031	5,560	5,883	6,012
Ford Motor Credit Company	7.250	6.377	10/25/2011	15,500	15,708	15,713
Ford Motor Credit Company	12.000	12.250	05/15/2015	8,360	8,281	9,550
Freeport-McMoRan Copper & Gold	8.380	6.848	04/01/2017	7,680	8,330	8,333
General Electric Capital Corp	5.450	5.188	01/15/2013	570	574	613
General Electric Capital Corp	5.900	3.549	05/13/2014	2,000	2,182	2,195
General Electric Capital Corp	6.380	3.890	11/15/2067	9,160	9,115	8,152
General Electric Company	5.000	4.833	02/01/2013	3,590	3,606	3,853
General Motors Corp	0.000	1.904	07/15/2033	3,900	3,401	1,180
Glitnir BankI HF	0.000 N	-	07/28/2011	2,530	2,530	658
Glitnir BankI HF	0.000 N	0.045	09/25/2012	3,390	3,386	881
Glitnir BankI HF	0.000 N	0.006	06/15/2016	5,000	4,998	1
Glitnir BankI HF	0.000 N	0.024	09/14/2049	600	594	-
GMAC LLC	6.880	6.469	09/15/2011	11,975	12,045	11,975
Goldman Sachs Capital II	5.790	2.450	12/29/2049	3,960	3,254	3,158
Goldman Sachs Group Inc	6.600	6.556	01/15/2012	2,030	2,032	2,203
Goldman Sachs Group Inc	6.150	6.141	04/01/2018	3,680	3,682	3,887
Groupe BPCE	12.500	9.578	P	5,317	6,939	6,271
HCA Inc	6.300	5.990	10/01/2012	4,500	4,533	4,455
HCA Inc	6.250	6.429	02/15/2013	7,000	6,967	6,860
Household Finance Corporation	6.380	5.707	10/15/2011	120	121	128
Household Finance Corporation	7.000	5.660	05/15/2012	20	21	22
Household Finance Corporation	6.380	6.462	11/27/2012	440	439	485
HSBC Holdings PLC	6.500	6.058	05/02/2036	3,500	3,701	3,606
Humana Inc	7.200	6.671	06/15/2018	2,030	2,097	2,209
Humana Inc	8.150	8.095	06/15/2038	730	734	765
Hypothekebank In Essen	5.000	5.023	01/20/2012	2,060	2,059	2,189
ICICI Bank Limited	6.380	6.574	04/30/2022	2,238	2,003	2,072
ILFC E-Capital Trust II	6.250	3.245	12/21/2065	4,520	4,243	2,373
John Deere Capital Corp	5.350	5.235	04/03/2018	3,050	3,073	3,276
JP Morgan Chase CAP XV	5.880	6.581	03/15/2035	1,850	1,691	1,660
JPM Chase Capital XXV	6.800	6.684	10/01/2037	1,000	1,014	978

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity  
See accompanying notes to financial statements.

## Total Return Fixed Income Pool

### Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
JPMorgan Chase & Co	5.750	5.268	01/02/2013	1,590	1,610	1,729
JPMorgan Chase & Co	5.130	5.030	09/15/2014	560	562	592
JPMorgan Chase & Co	5.150	5.330	10/01/2015	790	783	836
Kaupthing Bank HF	0.000 <i>N</i>	2.606	02/28/2015	7,930	6,967	1,983
Kerr-McGee Corporation	6.950	6.236	07/01/2024	330	352	374
Kerr-McGee Corporation	7.880	6.583	09/15/2031	3,605	4,137	4,222
Kinder Morgan Energy Partners	6.750	6.157	03/15/2011	560	563	591
Kinder Morgan Energy Partners	7.130	5.551	03/15/2012	910	937	1,004
Kinder Morgan Energy Partners	5.850	7.004	09/15/2012	150	146	162
Kinder Morgan Energy Partners	5.000	6.163	12/15/2013	940	904	1,014
Kinder Morgan Energy Partners	6.000	6.219	02/01/2017	1,610	1,590	1,740
Kinder Morgan Energy Partners	5.950	6.030	02/15/2018	2,800	2,786	3,019
Koninklijke KPN NV	8.000	5.703	10/01/2010	2,500	2,533	2,601
Koninklijke KPN NV	8.380	6.760	10/01/2030	2,105	2,480	2,624
Kraft Foods Inc	5.380	5.483	02/10/2020	1,800	1,785	1,862
Kroger Co	6.400	5.641	08/15/2017	220	230	246
Kroger Co	6.150	5.941	01/15/2020	240	244	261
L-3 Communications Corp	5.200	5.246	10/15/2019	6,370	6,348	6,469
Lafarge SA	6.500	5.027	07/15/2016	2,500	2,699	2,695
Lehman Brothers Holdings	0.000 <i>N</i>	(0.053)	01/24/2013	3,040	3,045	695
Lehman Brothers Holdings	0.000 <i>N</i>	0.012	09/26/2014	1,690	1,689	380
Lehman Brothers Holdings Inc	0.000 <i>N</i>	0.017	07/19/2017	110	110	-
Lehman Brothers Holdings Inc	0.000 <i>N</i>	0.007	12/28/2017	8,860	8,855	22
Lehman Brothers Holdings Inc	0.000 <i>N</i>	0.114	11/29/2049	4,430	4,233	11
Lloyds TSB Bank PLC	4.380	4.376	01/12/2015	4,115	4,115	4,046
Lloyds TSB Bank PLC	5.800	5.831	01/13/2020	4,135	4,125	4,001
Lorillard Tobacco Company	8.130	6.688	06/23/2019	5,060	5,558	5,645
Macys Retail Holding Inc	6.380	7.106	03/15/2037	5,000	4,564	4,400
Macys Retail Holdings Inc	6.650	7.463	07/15/2024	4,815	4,473	4,454
McDonalds Corp	5.350	5.225	03/01/2018	5,120	5,161	5,556
Merrill Lynch & Company Inc	6.880	6.887	04/25/2018	10,890	10,882	11,474
MetLife Inc	6.400	7.003	12/15/2066	4,870	4,459	4,188
Morgan Stanley Dean Witter Co	5.630	5.806	01/09/2012	2,450	2,442	2,607
Morgan Stanley Dean Witter Co	6.600	5.476	04/01/2012	3,615	3,694	3,932
Morgan Stanley Dean Witter Co	6.630	6.224	04/01/2018	360	369	383
MUFG Capital Fin 1 LTD	6.350	4.065	07/29/2049	2,090	2,090	2,042
National Semiconductor Corp	6.600	5.898	06/15/2017	2,580	2,686	2,687
Nelnet Student Loan Trust	1.730	1.729	04/25/2024	4,480	4,480	4,711
News America Inc	6.650	6.763	11/15/2037	270	266	286
Nordstrom Inc	6.250	4.763	01/15/2018	1,500	1,645	1,655
Pacific Gas & Electric Corp	6.050	5.913	03/01/2034	2,120	2,157	2,208
Pacific Gas & Electric Corp	5.800	6.056	03/01/2037	1,050	1,014	1,064
Pacific Life Global Funding	5.150	5.161	04/15/2013	450	450	477
Pfizer Inc	6.200	4.552	03/15/2019	7,250	8,127	8,179
Rabobank Nederland	11.000	10.092	<i>P</i>	544	593	689
Reed Elsevier Capital	7.750	3.463	01/15/2014	2,300	2,655	2,679
Reed Elsevier Capital	8.630	5.108	01/15/2019	1,075	1,342	1,345
Resona PFD Global Securities	7.190	2.061	12/29/2049	750	605	680
Reynolds American Inc	6.750	6.619	06/15/2017	4,740	4,775	5,115
Roche Holdings Inc	6.000	4.489	03/01/2019	7,250	8,054	8,019
Royal Bank of Scotland Grp PLC	6.380	6.375	02/01/2011	1,270	1,270	1,278
Royal Bank of Scotland Grp PLC	5.000	7.737	10/01/2014	7,310	6,550	6,707
Royal Bank of Scotland Grp PLC	7.640	7.640	<i>P</i>	1,400	1,400	861
Santander US Debt SA UNI	0.300	0.327	07/23/2010	10,000	9,999	10,005
Seariver Maritime Inc	0.000	3.908	09/01/2012	3,180	2,887	2,990
Shinsei Fin Cayman Ltd	6.420	2.169	01/29/2049	5,560	4,552	3,030
Southern Natural Gas Co	5.900	5.897	04/01/2017	570	570	602
Southern Natural Gas Co	8.000	9.187	03/01/2032	1,090	967	1,248
Sprint Capital Corp	8.380	6.005	03/15/2012	3,690	3,855	3,768
Sprint Capital Corp	6.900	6.750	05/01/2019	120	121	105
Sprint Capital Corp	8.750	7.014	03/15/2032	680	811	600
Sprint Nextel Corporation	6.000	7.410	12/01/2016	4,300	3,982	3,720
Student Loan Marketing Assn	8.450	8.218	06/15/2018	4,000	4,055	3,913
Systems 2001 Asset Trust	6.660	5.343	09/15/2013	5,438	5,476	5,776

*A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity. See accompanying notes to financial statements.*

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Teachers Insurance & Annuity	6.850	6.860	12/16/2039	1,230	1,228	1,326
Telecom Italia Capital	5.250	5.287	11/15/2013	435	434	462
Telecom Italia Capital	4.950	4.995	09/30/2014	810	809	846
Telecom Italia Capital	5.250	5.332	10/01/2015	820	817	861
Tenet Healthcare Corporation	8.880	9.625	07/01/2019	250	239	264
Time Warner Cable Inc	8.750	5.331	02/14/2019	5,300	6,577	6,596
Time Warner Entertainment Co	8.380	8.068	07/15/2033	3,050	3,148	3,719
TNK-BP Finance SA	7.880	8.692	03/13/2018	2,820	2,689	2,954
Travelers Cos Inc	6.250	4.048	06/20/2016	1,150	1,290	1,287
Travelers Cos Inc	5.750	4.273	12/15/2017	1,623	1,780	1,774
Travelers Cos Inc	6.250	4.584	03/15/2037	570	538	543
TXU Corp	5.550	7.064	11/15/2014	430	404	314
TXU Corp	6.500	8.559	11/15/2024	2,230	1,850	1,119
TXU Corp	6.550	8.064	11/15/2034	2,805	2,352	1,409
Tyco International Group SA	6.750	4.956	02/15/2011	1,090	1,108	1,147
Tyco/Tyco International Fin SA	6.880	5.819	01/15/2021	970	1,050	1,122
Union Pacific RR Co 07-3	6.180	2.504	01/02/2031	851	933	955
UnitedHealth Group Inc	5.250	4.986	03/15/2011	40	40	42
UNP RR Co 1999 Pass Trust	7.600	(0.709)	01/02/2020	688	817	829
UNP RR Co 2005 Pass Trst	5.080	4.134	01/02/2029	600	614	627
Vale Overseas Ltd	6.880	6.982	11/21/2036	2,812	2,775	2,855
Vedanta Resources PLC	8.750	8.751	01/15/2014	1,430	1,430	1,509
Verizon Communications	6.100	5.595	04/15/2018	1,710	1,766	1,873
Verizon Global Funding Corp	6.880	4.979	06/15/2012	90	94	100
Verizon Global Funding Corp	7.380	5.220	09/01/2012	1,180	1,239	1,342
Wachovia Capital Trust	5.800	1.941	12/29/2049	2,540	2,379	2,045
Wachovia Corp	5.500	5.552	05/01/2013	9,840	9,825	10,629
Wachovia Corp	5.630	6.046	10/15/2016	4,150	4,056	4,296
Wachovia Corp	5.750	4.885	02/01/2018	4,000	4,225	4,221
Wal-Mart Stores	5.800	5.143	02/15/2018	610	636	684
WellPoint Inc	5.880	4.694	06/15/2017	5,096	5,463	5,540
WellPoint Inc	7.000	4.945	02/15/2019	1,175	1,348	1,356
Wells Fargo & Company	5.250	3.972	10/23/2012	140	144	151
Wells Fargo Capital X	5.950	6.337	12/15/2036	3,280	3,116	2,964
Wisconsin Electric Power	5.700	5.705	12/01/2036	5,000	4,997	5,048
Wyeth	5.950	5.999	04/01/2037	2,570	2,553	2,713
Xerox Corporation	6.400	4.485	03/15/2016	11,000	12,104	12,159
XTO Energy Inc	7.500	4.797	04/15/2012	625	659	701
XTO Energy Inc	5.650	5.683	04/01/2016	770	769	863
XTO Energy Inc	5.500	5.687	06/15/2018	3,030	2,993	3,299
<i>Total Corporate Bonds</i>					608,438	578,711
<i>Corporate Asset Backed Issues</i>						
Hertz Vehicle Financing LLC	5.290	5.350	03/25/2015	2,800	2,800	2,902
Pegasus Aviation Lease Sec	8.370	17.655	07/25/2017	500	374	180
Public Service New Hampshire	6.480	5.468	05/01/2015	405	415	442
<i>Total Corporate Asset Backed Issues</i>					3,589	3,524
<i>Corporate CMO</i>						
Banc of America Mortgage Sec	5.200 A	6.172	12/01/2034	6,380	6,108	6,190
Banc of America Mortgage Sec	4.600 A	5.111	04/25/2035	999	976	893
Bear Stearns Adj Rate Mortgage	5.000	2.334	12/25/2046	1,912	1,694	1,342
Countrywide Alternative Loan T	0.560	14.183	11/20/2035	2,872	1,648	1,506
Countrywide Alternative Loan T	5.400 A	5.512	12/25/2035	2,309	2,294	1,543
Countrywide Asset-Backed Cert	1.230	14.033	08/25/2047	2,558	1,909	1,422
Countrywide Home Loans	5.640 A	5.656	06/20/2036	1,326	1,325	914
GMAC Mortgage Corp Loan Trust	5.000 A	5.327	09/19/2035	1,005	990	853
Greenpoint Mtge Funding Trust	0.440	30.546	04/25/2036	2,192	1,177	1,148
Indymac Inda Mtg Loan Trust	6.150 A	6.092	09/25/2037	2,269	2,268	1,670
Indymac Indx Mortgage Ln Trust	0.440	25.491	04/25/2046	2,365	1,293	1,209
IndyMac Residential Asset Sec	4.750	4.509	02/25/2019	5,169	5,196	5,035
JPMorgan Mortgage Trust	4.960 A	5.290	08/25/2035	2,031	1,997	1,716
Lehman XZ Trust	0.450	30.403	04/25/2046	5,380	2,901	2,423
Luminent Mortgage Trust	0.430	15.897	02/25/2046	4,838	2,686	2,508

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity  
See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
MASTR ARM Trust	4.840 A	5.305	01/25/2036	1,421	1,394	1,204
MASTR Performing Loan Trust	7.000	6.265	08/25/2034	92	93	84
Merrill Lynch Mortgage Invest	3.110 A	3.595	12/25/2034	45	45	41
Morgan Stanley Mortgage Loan	2.940 A	3.018	10/25/2034	1,480	1,473	1,195
Morgan Stanley Mortgage Loan	6.000 A	5.876	06/25/2037	4,791	4,802	2,587
Residential Accredit Loans Inc	5.800 A	5.937	12/01/2035	12,052	11,980	5,849
Structured Asset Mortgage Inv	0.440	10.392	08/25/2036	8,447	4,692	4,641
Thornburg Mtg Securities Trust	6.200 A	6.278	09/25/2037	7,012	6,984	6,286
Thornburg Mtg Securities Trust	6.190 A	6.559	09/25/2037	7,172	7,072	6,180
Washington Mutual Mortgage	4.890 A	5.218	08/25/2035	1,921	1,889	1,628
Washington Mutual Mortgage	4.820 A	5.225	10/25/2035	1,248	1,236	1,150
Washington Mutual Mortgage	5.050 A	5.340	12/25/2035	2,289	2,255	1,872
Washington Mutual Mortgage	5.600 A	5.680	11/25/2036	234	233	179
Washington Mutual Mortgage	5.560 A	5.574	12/25/2036	900	898	655
Washington Mutual Mortgage	5.560 A	17.687	12/25/2036	733	408	518
Washington Mutual Mortgage	5.390 A	19.651	02/25/2037	734	408	523
Washington Mutual Mortgage	5.570 A	5.783	03/01/2037	266	264	189
Wells Fargo Mortgage Backed	2.970 A	10.059	12/25/2034	3,488	2,835	3,275
Wells Fargo Mortgage Backed	5.220 A	5.633	04/25/2036	651	646	585
<i>Total Corporate CMO</i>					84,069	69,013
<i>Corporate Preferred Securities</i>						
General Motors Corp				132	2,403	883
GMAC INC				1	431	1,018
<i>Total Corporate Preferred Securities</i>					2,834	1,901
Total Corporate Issues - 39.3%					698,930	653,149
<b>Investments in Other Funds</b>						
Western Asset High Yield Portfolio				14,346	138,518	118,064
Investment Objective - To maximize total return by investing in fixed income securities that are rated below investment grade at time of purchase.						
Redemption Provisions - Daily						
Western Asset International Investment Grade Securities Portfolio				970	18,033	24,289
Investment Objective - To maximize total return by investing in fixed income securities that are rated investment grade at time of purchase.						
Redemption Provisions - Daily						
Western Asset Floating Rate High Income Fund, LLC				8,455	100,990	117,163
Investment Objective - To maximize total return by investing in U.S. dollar-denominated loans, loan participations and below investment grade fixed income securities.						
Redemption Provisions - Daily						
Western Asset US Enhanced Cash, LLC				5,078	48,816	49,177
Investment Objective - To maximize total return by investing in investment grade fixed income securities.						
Redemption Provisions - Daily						
Western Asset Opportunistic Asian Securities Portfolio, LLC				5,017	52,279	57,377
Investment Objective - To maximize total return by investing in debt and fixed income securities of Asian issuers.						
Redemption Provisions - Daily						
Western Asset Non-U.S. Inflation Linked Securities Portfolio, LLC				615	9,706	8,845
Investment Objective - To maximize total return by investing in inflation linked securities of non-U.S. issuers (70%) and U.S. issuers (30%).						
Redemption Provisions - Daily						
Western Asset Opportunistic Local Market Debt Securities Portfolio, LLC				2,312	28,875	35,478
Investment Objective - To maximize total return by investing in lower rated debt and other fixed income securities of non-U.S. issuers.						
Redemption Provisions - Daily						
Western Asset Opportunistic Structured Securities Portfolio, LLC				9,012	80,373	92,036
Investment Objective - To maximize total return by investing in primarily investment grade asset backed fixed income securities.						
Redemption Provisions - Daily						

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity  
See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

**February 28, 2010**

*(Amounts in thousands, except share data)*

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Western Asset Opportunistic Developing Markets Corporate Credit Securities Portfolio, LLC				2,384	22,282	28,430
Investment Objective - To maximize total return by investing in U.S. dollar-denominated fixed income securities of non-U.S. issuers in developing markets.						
Redemption Provisions - Daily						
Total Investments in Other Funds - 34.8%					499,872	530,859
<b>Short-term Issues</b>						
Dreyfus Cash Management				146,335	146,335	146,335
Total Short-term Issues - 4.4%					146,335	146,335
<b>Option Contracts Purchased</b>						
US Treasury 10Yr Note Option, expiring April 2010			4/23/2010	393	149	239
Euro 90 Day Future Option, expiring September 2010			9/13/2010	213	70	29
Total Option Contracts Purchased - 0.0%					219	268
<b>Interest Rate Swaps</b>						
Greenwich Capital Holdings, expiring 2018 - 2039, notional value of \$63,360,000						(1,719)
Credit Suisse First Boston, expiring 2010 - 2039, notional value of \$159,740,000						(3,141)
CS First Boston Mtg Secs, expiring 2014, notional value of \$134,770,000						802
Total Interest Rate Swaps - (0.2%)						(4,058)
<b>Futures Contracts</b>						
<i>Long Positions</i>						
<i>U.S. Dollar</i>						
Euro 90 Day Future, expiring March 2010				215		195
Euro 90 Day Future, expiring June 2010				54		116
US Treasury 5Yr Note Future, expiring June 2010				319		268
US Ultra Bond, expiring June 2010				99		361
Euro 90 Day Future, expiring September 2010				346		468
Euro 90 Day Future, expiring December 2011				1,300		2,189
<i>Total Long Positions</i>						3,597
<i>Short Positions</i>						
<i>U.S. Dollar</i>						
US Treasury 10Yr Note Future, expiring March 2010				(73)		(74)
US Treasury 10Yr Note Future, expiring June 2010				(638)		(278)
US Treasury Bond Future, expiring June 2010				(1,415)		(3,737)
Euro 90 Day Future, expiring December 2010				(1,300)		(2,485)
<i>Total Short Positions</i>						(6,574)
Total Futures Contracts - 0.1%						(2,977)
Total Investment Securities - 102.8%					\$ 1,759,052	\$ 1,736,208
<b>Foreign Currency Forward Contracts</b>						
<i>Long Position</i>						
Euro Currency, expiring 05/18/2010						195
Total Foreign Currency Forward Contracts - 0.0%						\$ 195

*A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity  
See accompanying notes to financial statements.*



## Total Return Fixed Income Pool

---

### Option Contracts Written - Unaudited

February 28, 2010

(Amounts in thousands)

<u>Security Name</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Option Contracts Written</u></b>		
Euro 90 Day Future Option	\$ (333)	\$ (948)
Euro 90 Day Future Option	(119)	(351)
Euro 90 Day Future Option	(464)	(4)
Euro 90 Day Future Option	(42)	(1)
Euro 90 Day Future Option	(75)	(108)
Euro 90 Day Future Option	(37)	(9)
Euro 90 Day Future Option	(37)	(13)
US Treasury 10 Yr Note	(65)	(77)
US Treasury 10 Yr Note	(97)	(37)
Swaption	(1,329)	(1,475)
Swaption	(1,356)	(1,561)
Swaption	(1,329)	(1,374)
Swaption	(1,356)	(1,286)
Total Option Contracts Written - (0.4%)	<u>\$ (6,639)</u>	<u>\$ (7,244)</u>

See accompanying notes to financial statements.

## Total Return Fixed Income Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 4,074	\$ 27,179
Dividend	2,132	15,244
Securities lending	5	103
Shareholder litigation proceeds	-	118
Net accretion (amortization)	(274)	1,801
<b>Total investment income</b>	5,937	44,445
<b>Expenses</b>		
Investment advisor fees	(335)	(2,598)
Trustee fees	(1)	(9)
Custodian bank fees	(6)	(47)
Management fees	(44)	(519)
Fiduciary bond fees	(1)	(7)
Professional service fees	(12)	(108)
Securities lending agent fees	-	(21)
Securities lending borrower rebates	(4)	3
<b>Total expenses</b>	(403)	(3,306)
<b>Investment income, net</b>	5,534	41,139
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain from:		
Investments	3,356	30,518
Foreign currency transactions	403	1,044
Net increase (decrease) in the fair value of:		
Investments	(6,556)	190,630
Translation of assets and liabilities in foreign currencies	(325)	369
<b>Net gain (loss) from investments and foreign currency</b>	(3,122)	222,561
<b>Net increase in net assets from operations</b>	\$ 2,412	\$ 263,700

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Total Return Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 5,534	\$ 41,139
Net realized gain from investments	3,356	30,518
Net realized gain from foreign currency transactions	403	1,044
Net increase (decrease) in the fair value of investments	(6,556)	190,630
Net increase (decrease) in the translation of assets and liabilities in foreign currencies	(325)	369
	<b>2,412</b>	<b>263,700</b>
<b>Distributions to unitholders</b>		
Investment income, net	(5,534)	(41,055)
<b>Unit transactions</b>		
Proceeds from sale of units	105,878	496,013
Reinvestment of distributions	2,298	46,228
	108,176	542,241
Amount paid for repurchase of units	(6,739)	(1,267,050)
	<b>101,437</b>	<b>(724,809)</b>
	<b>98,315</b>	<b>(502,164)</b>
Net assets, beginning of period	1,629,130	2,229,609
	<b>\$ 1,727,445</b>	<b>\$ 1,727,445</b>
<b>Unit data</b>		
Units sold	7,958,044	38,300,300
Units issued from reinvestment of distributions	172,748	3,663,840
	8,130,792	41,964,140
Units repurchased	(506,533)	(99,228,117)
	<b>7,624,259</b>	<b>(57,263,977)</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Total Return Fixed Income Pool

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Total Return Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of this bond pool is to earn superior returns with low volatility by actively investing in the extended fixed income markets. Western Asset Management Company (Western) manages the Pool. The Pool's investment performance, net of external investment management fees, is expected to meet or exceed the Barclays Capital US Universal index.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Futures and option contracts are valued at the last settlement price established each day by the exchange on which they are traded. Interest rate and credit default swap values are based on market values received from third parties or are determined by valuation models. Foreign currency forward contracts are valued at either spot or forward month-end exchange rates. Investments in other funds are valued at the reported unit values of the individual funds as provided by fund's management. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

# Total Return Fixed Income Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Foreign Currency** – Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Bank of New York Mellon on the following basis:

- a. Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- b. Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

The IMB isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from market prices of securities held.

Reported net realized foreign exchange gains and losses arise from sales of portfolio securities, sales and maturities of short-term securities, sales of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities including investments in securities at month end, resulting from changes in the exchange rate.

**Option Contracts** - The IMB may purchase or write equity, bond, currency, or index option contracts that have recognized liquidity and are actively traded on major exchanges or are executed with major dealers. These option contracts give the purchaser of the contract the right to buy (call) or sell (put) the security, or settle cash for an index option, underlying the contract at an agreed upon price (strike price) during or at the conclusion of a specified period of time.

Premiums paid upon the purchase of an option contract are recorded as an asset and subsequently adjusted to market value. Upon exercising a purchased option, a gain is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, minus premiums paid. If the option expires unexercised, a loss is recognized in the amount of the premiums paid for the option.

Premiums received when option contracts are written are recorded as a liability and subsequently adjusted to market value. If a written option contract expires unexercised, a gain is recorded equal to the amount of the premiums received. The difference between the premiums received and the amount paid to effect a closing transaction is also recorded as a gain or loss. When a written option is exercised, a loss is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, minus premiums received.

Written option contracts are used to enhance investment returns and reduce portfolio convexity when implied volatility is high. Purchased option contracts are used to increase portfolio convexity when implied volatility is low, to implement certain yield curve strategies, or to hedge sector exposure.

When writing put options, there is risk that a loss may be incurred if the market price of the underlying instrument decreases and the option is exercised. This loss is determined by market conditions and cannot be specifically limited. The risk associated with writing call options is the loss of potential profit if the market price of the security increases and the option is exercised. Purchased put or call options bear the risk of loss of the premium paid if market conditions are not favorable to exercise the option. There may also be risk that the value of the option contract does not correlate perfectly with movements of the underlying instrument due to certain market distortions.

The IMB limits its exposure to credit risk by only buying or selling options traded on major exchanges, or executed with major dealers. There is a risk of the inability to enter into a closing transaction if a liquid secondary market does not exist. The IMB maintains sufficient levels of cash or cash equivalents to meet cash flow obligations.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value

# Total Return Fixed Income Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

of the securities loaned. For international securities, the collateral is at least 105 percent of the market value of the securities on loan. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Futures Contracts** - A futures contract is an agreement between a buyer or a seller and the clearinghouse of a futures exchange in which the parties agree to buy or sell a commodity, financial instrument or index at a specified future date and price. Upon entering into a financial futures contract, the IMB is required to pledge to the broker an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Cash (variation margin) is received from or paid to the broker for the fluctuations of the underlying securities or index. The IMB records futures at fair market value. Gains or losses on open futures positions are unrealized. These gains or losses become realized when the position is closed.

Interest rate futures may be used to enhance portfolio yields, to hedge an existing position, or as an alternative investment of cash. Stock index futures may be used to provide immediate exposure to fluctuations in the market values of the stocks in the underlying index and to provide liquidity for cash flows.

The market risk associated with holding interest rate and stock index futures results from changes in the market value of the contractual positions due to changes in the value of the underlying instruments or indices. Hedging risk associated with these futures contracts arises because the value of the futures contracts may not correlate perfectly with changes in the values of the underlying instruments or indices due to market distortions.

Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading in a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contracts. The IMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.

**Foreign Exchange Forward Contracts** - A foreign exchange forward contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. Western enters into such contracts to hedge the assets and liabilities related to securities denominated in a foreign currency. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. These contracts have relatively short durations and are valued at the prevailing market exchange rates at month end. An unrealized gain or loss is recorded as the difference between the amount valued at month end and the amount to be received or paid at the expiration date. The unrealized gain or loss is reclassified to realized gain or loss when the contract expires.

**Interest Rate Swaps** - Interest rate swaps represent agreements between counterparties to exchange cash flows based on the difference between two interest rates, applied to a notional principal amount for a specified period. Interest rate swaps do not involve the exchange of principal between the parties. Interest is paid or received periodically.

**Credit Default Swaps** - Credit default swaps are agreements between counterparties to transfer the credit risk of referenced debt securities. The buyer of the credit default swap gains protection against a negative credit event such as a default or credit rating downgrade and the seller assumes the credit risk and is obligated to pay upon the occurrence of such an event.

**Asset-Backed Securities** - The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value. The Pool invests in these securities to enhance yields on investments.

# Total Return Fixed Income Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of asset-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

**Distributions to Participants** - The monthly net investment income of the Pool is declared as a dividend on the last day of the month and distributed to the participants of the Pool on the first day of the following month. Distributions are paid in the form of reinvestments in the Pool and have been included in distributions to participants and reinvestment of distributions as presented on the Statement of Changes in Net Assets.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

#### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	Level I	Level II	Level III	Total
Commingled Funds	\$ -	\$ 530,858,109	\$ -	\$ 530,858,109
Corporate Issues	-	651,248,299	-	651,248,299
Regulated Investment Companies	-	146,335,342	-	146,335,342
U.S. Government Agency Issues	-	205,608,367	-	205,608,367
U.S. Treasury Issues	-	189,754,138	-	189,754,138
Securities Lending Collateral Funds	-	85,049,165	-	85,049,165
Futures	(2,977,154)	-	-	(2,977,154)
Preferred Securities	1,017,789	-	-	1,017,789
Convertible Securities	-	883,096	-	883,096
Foreign Exchange Forward Contracts	-	195,267	-	195,267
Interest Rate Swaps	-	(4,057,899)	-	(4,057,899)
Municipal Bonds	-	17,268,816	-	17,268,816
Options	(6,975,241)	-	-	(6,975,241)
Total	<u>\$ (8,934,606)</u>	<u>\$ 1,823,142,700</u>	<u>\$ -</u>	<u>\$ 1,814,208,094</u>

#### NOTE 4. SECURITIES LENDING

At February 28, 2010, the fair value of securities on loan was \$85,118,565, initial collateral received was \$86,897,204, and the fair value of reinvested collateral held was \$85,049,165. All of the collateral was received as cash and was invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool was \$1,703,359.



## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

#### NOTE 4. SECURITIES LENDING (Continued)

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The combined value of the holdings in the Collateral Fund and the Liquidating Fund was used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. The accumulated undistributed securities lending income at February 28, 2010 was \$494,188.

#### NOTE 5. FUTURES CONTRACTS

At February 28, 2010, open positions in futures contracts denominated in U.S. dollars were as follows:

Expiration	Open Contracts	Position	Value at February 28, 2010	Value Upon Entering Contract	Cumulative Net Gain (Loss) Since Inception
Mar 2010	215 Euro 90 Day	Long	\$ 53,594,125	\$ 53,399,824	\$ 194,301
Jun 2010	319 US Treasury 5Yr Note	Long	74,302,118	74,035,178	266,940
Jun 2010	99 US Ultra Bond	Long	12,313,125	11,952,556	360,569
Jun 2010	54 Euro 90 Day	Long	13,445,325	13,329,468	115,857
Sep 2010	346 Euro 90 Day	Long	85,942,075	85,474,712	467,363
Dec 2011	1,300 Euro 90 Day	Long	317,070,000	314,885,475	2,184,525
Mar 2010	(73) US Treasury 10Yr Note	Short	(8,625,388)	(8,551,010)	(74,378)
Jun 2010	(638) US Treasury 10Yr Note	Short	(75,383,528)	(75,103,165)	(280,363)
Jun 2010	(1,415) US Treasury Bond	Short	(168,120,395)	(164,378,867)	(3,741,528)
Dec 2010	(1,300) Euro 90 Day	Short	(321,782,500)	(319,293,275)	(2,489,225)
			<u>\$ (17,245,043)</u>	<u>\$ (14,249,104)</u>	<u>\$ (2,995,939)</u>

At February 28, 2010, the Pool had pledged cash of \$6,463,719 and securities of \$12,967,500 to cover margin requirements on open futures contracts.

#### NOTE 6. SWAPS

At February 28, 2010, open positions in interest rate swaps are as follows:

Counterparty	Notional Value	Maturity Date	Receiving			Paying			Fair Value
			Rate	Type	Base	Rate	Type	Base	
Greenwich Cap.	\$ 10,560,000	12/18/2018	1.0%	Floating	3 mo. Libor	4.3%	Fixed	N/A	\$ (694,229)
Greenwich Cap.	35,200,000	7/16/2019	1.0%	Floating	3 mo. Libor	3.6%	Fixed	N/A	(173,585)
Greenwich Cap.	17,600,000	7/16/2039	4.1%	Fixed	N/A	1.0%	Floating	3 mo. Libor	(851,328)
CS First Boston	134,770,000	2/28/2014	1.0%	Floating	3 mo. Libor	2.8%	Fixed	N/A	(3,140,586)
Credit Suisse	78,080,000	12/10/2039	1.0%	Floating	3 mo. Libor	4.2%	Fixed	N/A	2,250,820
Credit Suisse	81,660,000	3/10/2010	4.4%	Fixed	N/A	1.0%	Floating	3 mo. Libor	(1,448,991)
	<u>\$357,870,000</u>								<u>\$ (4,057,899)</u>

At February 28, 2010, the Pool had pledged cash of \$10,610,000 as collateral on open swap contracts.

## Total Return Fixed Income Pool

### Notes to Financial Statements - Unaudited

#### NOTE 7. OPTION CONTRACTS

At February 28, 2010, open option contracts were as follows:

Type	Description	Maturity	Strike Price	Face	Premiums (Received)/Paid	Value at February 28, 2010
<i>Long Positions</i>						
Call	US Treasury 10Yr Note Option	4/23/2010	118.500	393	148,652	239,484
Put	Euro 90 Day Future Option	9/13/2010	99.000	213	69,917	29,288
Total Long Positions					218,569	268,772
<i>Short Positions</i>						
Call	Euro 90 Day Future Option	3/15/2010	99.000	(516)	(333,078)	(948,150)
Call	Euro 90 Day Future Option	3/15/2010	99.000	(191)	(118,516)	(350,963)
Call	US Treasury 10 Yr Note	5/21/2010	120.000	(183)	(65,171)	(77,203)
Call	Euro 90 Day Future Option	9/13/2010	99.125	(100)	(74,675)	(107,500)
Call	Swaption	10/2/2013	4.965	(224)	(1,328,977)	(1,374,048)
Call	Swaption	10/3/2013	4.860	(224)	(1,356,410)	(1,286,193)
Put	Euro 90 Day Future Option	3/15/2010	98.875	(707)	(463,531)	(4,419)
Put	Euro 90 Day Future Option	3/15/2010	99.375	(104)	(42,187)	(650)
Put	US Treasury 10Yr Note	5/21/2010	113.000	(183)	(96,624)	(37,172)
Put	Euro 90 Day Future Option	9/11/2010	98.625	(213)	(36,583)	(13,313)
Put	Euro 90 Day Future Option	9/13/2010	99.125	(50)	(37,338)	(8,750)
Put	Swaption	10/2/2013	4.965	(224)	(1,328,977)	(1,474,299)
Put	Swaption	10/3/2013	4.860	(224)	(1,356,410)	(1,561,353)
Total Short Positions					(6,638,477)	(7,244,013)
Total Option Contracts					\$ (6,419,908)	\$ (6,975,241)

A summary of the activity in short (written) option positions for the period ended February 28, 2010 is as follows:

	Puts		Calls	
	Number of Contracts	Premiums (Received)/Paid	Number of Contracts	Premiums (Received)/Paid
Options outstanding at June 30, 2009	(4,774)	\$ (4,118,650)	(3,127)	\$ (4,427,334)
Options written	(5,732)	(2,344,569)	(2,957)	(2,287,259)
Options closed	3,345	1,473,723	704	556,692
Options expired	5,456	1,627,846	3,942	2,881,074
Options outstanding at February 28, 2010	(1,705)	\$ (3,361,650)	(1,438)	\$ (3,276,827)

#### NOTE 8. FOREIGN CURRENCY FORWARD CONTRACTS

At February 28, 2010, open foreign currency forward contracts were as follows:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized appreciation (depreciation)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Short/Hedge	Euro	2/3/2010	5/18/2010		7,546,459	5,386,673	7,351,193	195,267
					<u>\$ 7,546,459</u>		<u>\$ 7,351,192</u>	<u>\$ 195,267</u>

## Total Return Fixed Income Pool

---

### Notes to Financial Statements - Unaudited

#### NOTE 9. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2009	\$ 11.90
Income from investment operations:	
Net investment income	0.28
Net realized and unrealized gain on investment transactions	1.38
Total from investment operations	1.66
Less distributions from net investment income	(0.28)
Net asset value at February 28, 2010	\$ 13.28
<b>Time-weighted Total Return *</b>	14.0%
<b>Supplemental Data:</b>	
Net assets, end of period (\$000's)	\$ 1,727,445
Ratio to average net assets:	
Expenses **	0.26%
Net investment income **	3.20%
Portfolio turnover rate	105.03%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

#### NOTE 10. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2010. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Public Employees' Retirement System	\$ 521,303,172
Teachers' Retirement System	450,271,910
Workers' Compensation Old Fund	251,420,603
Retiree Health Benefit Trust	105,708,833
Revenue Shortfall Reserve Fund	71,257,365
Revenue Shortfall Reserve Fund B	69,354,086
Coal Workers' Pneumoconiosis Fund	67,187,535
State Police Death, Disability and Retirement Fund	55,820,832
Public Employees' Insurance Agency	41,819,693
Board of Risk and Insurance Management	35,547,839
Prepaid Tuition Trust Fund	15,000,258
Judges' Retirement System	14,192,025
Deputy Sheriff's Retirement System	12,946,267
State Police Retirement System	7,291,670
Wildlife Endowment Fund	5,133,395
Emergency Medical Services Retirement System	3,189,360
Total	\$ 1,727,444,843



**Financial Statements - Unaudited**

**February 28, 2010**



# Core Fixed Income Pool

---

## Financial Statements - Unaudited February 28, 2010

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	12
Statement of Changes in Net Assets	13
Notes to Financial Statements	14

# Core Fixed Income Pool

---

## Statement of Assets and Liabilities - Unaudited

February 28, 2010

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,407,898
Receivables:		
Accrued interest		5,269
Investments sold		2,286
Dividends		<u>2</u>
<b>Total assets</b>		<b>1,415,455</b>

### Liabilities

Accrued expenses		838
Dividends payable		3,428
Payable for investments purchased		<u>1,855</u>
<b>Total liabilities</b>		<b><u>6,121</u></b>

**Net assets** \$ 1,409,334

### Analysis of net assets

Paid-in capital	\$	1,370,457
Accumulated undistributed net realized gain from investments		8,936
Unrealized net appreciation of investments		<u>29,941</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,409,334</u></u></b>

### Unit data

Units outstanding		134,578,977
Net asset value, unit price	\$	<u><u>10.47</u></u>

See accompanying notes to financial statements.



# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>U. S. Treasury Issues</u></b>						
United States Treasury	1.750 %	1.335 %	08/15/2012	2,700	\$ 2,727	\$ 2,746
United States Treasury	0.000	1.623	08/15/2012	4,000	3,844	3,897
United States Treasury	1.380	1.423	02/15/2013	320	320	320
United States Treasury	0.000	2.177	02/15/2013	200	188	192
United States Treasury	0.000	2.796	02/15/2014	4,100	3,673	3,803
United States Treasury	1.880	2.255	02/28/2014	1,000	986	1,002
United States Treasury	1.750	2.213	03/31/2014	500	491	498
United States Treasury	0.000	2.283	05/15/2014	7,100	6,453	6,523
United States Treasury	2.630	2.231	06/30/2014	2,000	2,032	2,053
United States Treasury	0.000	2.343	08/15/2014	3,000	2,704	2,730
United States Treasury	0.000	2.361	11/15/2014	750	672	675
United States Treasury	2.630	2.589	12/31/2014	24,800	24,840	25,279
United States Treasury	0.000	2.704	02/15/2015	150	131	134
United States Treasury	9.880	2.377	11/15/2015	3,100	4,334	4,314
United States Treasury	9.250	2.704	02/15/2016	500	679	683
United States Treasury	2.630	2.861	02/29/2016	200	197	199
United States Treasury	2.630	2.947	04/30/2016	1,000	982	992
United States Treasury	7.250	2.641	05/15/2016	500	631	628
United States Treasury	0.000	3.331	08/15/2016	4,800	3,878	3,944
United States Treasury	3.130	3.278	10/31/2016	3,000	2,973	3,033
United States Treasury	0.000	3.233	11/15/2016	1,000	807	811
United States Treasury	7.500	3.028	11/15/2016	14,900	18,916	19,052
United States Treasury	0.000	3.302	11/15/2016	250	201	203
United States Treasury	3.250	3.313	12/31/2016	23,950	23,858	24,321
United States Treasury	4.630	3.056	02/15/2017	6,500	7,135	7,180
United States Treasury	0.000	3.562	02/15/2017	5,150	4,028	4,118
United States Treasury	8.750	3.078	05/15/2017	14,000	19,097	19,170
United States Treasury	4.500	3.079	05/15/2017	9,300	10,148	10,181
United States Treasury	8.880	3.196	08/15/2017	19,350	26,593	26,741
United States Treasury	4.750	3.018	08/15/2017	15,000	16,724	16,647
United States Treasury	0.000	3.491	11/15/2017	7,050	5,399	5,403
United States Treasury	0.000	3.536	02/15/2018	3,950	2,988	2,988
United States Treasury	0.000	3.751	08/15/2018	200	146	147
United States Treasury	8.880	3.554	02/15/2019	1,500	2,108	2,128
United States Treasury	0.000	3.964	05/15/2019	2,050	1,428	1,441
United States Treasury	8.500	3.484	02/15/2020	750	1,064	1,057
United States Treasury	0.000	4.006	05/15/2020	4,500	3,002	3,004
United States Treasury	8.750	3.409	05/15/2020	1,400	2,040	2,009
United States Treasury	0.000	4.018	05/15/2020	2,450	1,632	1,628
United States Treasury	8.750	3.729	08/15/2020	3,550	5,082	5,108
United States Treasury	0.000	3.855	08/15/2020	4,500	3,018	2,948
United States Treasury	0.000	4.258	11/15/2020	400	255	258
United States Treasury	0.000	4.230	02/15/2021	200	126	128
United States Treasury	8.130	3.524	05/15/2021	1,000	1,423	1,394
United States Treasury	0.000	4.091	02/15/2022	450	277	269
United States Treasury	0.000	4.526	05/15/2024	1,100	582	575
United States Treasury	0.000	4.459	08/15/2024	700	370	361
United States Treasury	0.000	6.392	11/15/2024	250	127	127
United States Treasury	0.000	6.934	02/15/2025	700	338	351
United States Treasury	6.000	4.435	02/15/2026	400	471	480
United States Treasury	0.000	4.825	05/15/2026	500	231	234
United States Treasury	6.750	4.072	08/15/2026	625	824	808
United States Treasury	6.500	4.024	11/15/2026	550	714	695
United States Treasury	6.630	3.883	02/15/2027	800	1,071	1,024
United States Treasury	6.380	4.079	08/15/2027	400	514	501
United States Treasury	6.130	4.210	11/15/2027	50	62	61
United States Treasury	5.500	4.534	08/15/2028	1,050	1,176	1,200
United States Treasury	0.000	4.554	05/15/2029	150	63	60
United States Treasury	5.380	4.324	02/15/2031	1,100	1,258	1,244
United States Treasury	0.000	4.591	05/15/2036	200	63	57
Total U. S. Treasury Issues - 16.3%					228,094	229,757

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b>U. S. Government Agency Issues</b>						
<i>U. S. Government Agency MBS (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Issues	6.288	5.634	05/06/2034	75,526	79,791	79,989
FNMA Issues	6.134	5.404	05/23/2032	71,542	75,704	76,342
GNMA Issues	6.922	6.180	05/13/2036	2,124	2,292	2,300
<i>Total U. S. Government Agency MBS</i>					157,787	158,631
<i>U. S. Government Agency CMO (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Issues	6.860	6.051	05/07/2033	78,196	54,357	56,702
FNMA Issues	8.804	5.218	08/03/2033	151,979	109,791	113,039
GNMA Issues	6.134	7.693	05/06/2014	92,082	26,346	28,342
<i>Total U. S. Government Agency CMO</i>					190,494	198,083
<i>U. S. Government Agency Bond</i>						
FICO	0.000	5.655	09/26/2019	700	454	454
<b>Total U. S. Government Agency Issues - 25.3%</b>					348,735	357,168
<b>Municipal Bonds</b>						
Illinois	5.100	5.763	06/01/2033	350	320	291
<b>Total Municipal Bonds - 0.0%</b>					320	291
<b>Corporate Issues</b>						
<i>Corporate Bonds</i>						
Ace Ina Hldg Inc	5.880	3.570	06/15/2014	240	262	267
AGL Capital Corporation	4.450	2.753	04/15/2013	260	273	274
AGL Capital Corporation	5.250	5.094	08/15/2019	250	253	257
Allied Waste North America	6.880	6.978	06/17/2015	250	249	270
Allstate Corp	5.000	3.585	08/15/2014	470	497	506
American Express	7.000	5.284	03/19/2018	320	356	359
American Express Credit Co	7.300	4.692	08/20/2013	600	650	677
American Express Credit Co	5.130	4.116	08/25/2014	625	651	666
American Honda Finance	7.630	5.027	10/01/2018	300	354	354
Ameritech Capital Funding	6.450	5.178	01/15/2018	70	76	76
Amgen Inc	5.700	5.035	02/01/2019	210	220	228
Anadarko Petroleum Corp	7.630	3.498	03/15/2014	130	150	151
Anadarko Petroleum Corp	8.700	8.252	03/15/2019	300	308	377
Anadarko Petroleum Corp	6.950	5.869	06/15/2019	285	307	328
Anheuser- Busch	7.200	4.539	01/15/2014	300	328	344
Anheuser- Busch	7.750	5.916	01/15/2019	310	349	373
ANR Pipeline	9.630	5.447	11/01/2021	240	326	325
ANZ National (Intl) LTD	2.380	2.418	12/21/2012	175	175	176
Appalachian Power Company	5.950	6.624	05/15/2033	250	230	251
Arrow Electronics Inc	6.880	6.098	07/01/2013	215	220	238
Arrow Electronics Inc	6.880	5.965	06/01/2018	235	249	255
Associates Corp NA	6.950	9.359	11/01/2018	350	300	367
AT&T Corp	8.000	6.174	11/15/2031	1,000	1,217	1,223
AT&T Corp Wireless Services	7.880	2.894	03/01/2011	500	524	535
AT&T Inc	4.950	3.716	01/15/2013	175	181	189
AT&T Inc	5.500	4.564	02/01/2018	370	393	393
AT&T Inc	5.600	5.809	05/15/2018	365	360	389
AT&T Inc	6.300	7.669	01/15/2038	300	253	306
Atmos Energy Corp	8.500	8.529	03/15/2019	150	150	186
Bank of America Corp	5.500	5.648	06/14/2012	2,000	1,994	2,136
Bank of America Corp	7.380	7.510	05/15/2014	600	597	675
Bank of America Corp	5.130	8.762	11/15/2014	300	259	312
Bank of America Corp	6.500	6.545	08/01/2016	500	499	537
Bank of America Corp	5.650	5.589	05/01/2018	1,000	1,004	997
Bank of America Corp	7.630	7.735	06/01/2019	210	208	237
Bank of New York Co Inc	4.500	2.783	04/01/2013	305	320	327
Bank of New York Co Inc	5.130	3.868	08/27/2013	350	364	384
Bank of New York Co Inc	4.600	4.625	01/15/2020	115	115	116
Bank of Nova Scotia	3.400	3.428	01/22/2015	127	127	130
Bank Tokyo - Mitsubishi UFJ	3.850	3.859	01/22/2015	356	356	365

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Barclays Bank PLC	5.200	5.227	07/10/2014	400	400	428
Barclays Bank PLC	6.750	4.973	05/22/2019	500	565	552
Barclays Bank PLC	5.130	5.231	01/08/2020	500	496	491
BB&T Corporation	3.850	3.864	07/27/2012	175	175	183
BB&T Corporation	3.380	3.399	09/25/2013	340	340	349
BB&T Corporation	4.900	5.999	06/30/2017	800	748	800
BB&T Corporation	6.850	7.048	04/30/2019	225	222	256
BellSouth Corporation	5.200	4.342	09/15/2014	300	310	328
Berkshire Hathaway Fin	4.000	4.082	04/15/2012	600	599	632
Berkshire Hathaway Fin	4.600	4.335	05/15/2013	100	101	107
BHP Billiton Financial USA	5.500	5.577	04/01/2014	200	199	221
BHP Billiton Financial USA	6.500	4.588	04/01/2019	360	411	414
BlackRock Inc	6.250	4.677	09/15/2017	500	549	554
Boeing Company	9.750	2.232	04/01/2012	260	300	303
Boeing Company	5.130	4.019	02/15/2013	100	103	109
Boeing Company	4.880	4.664	02/15/2020	230	234	236
BP Capital Markets PLC	3.130	3.127	03/10/2012	250	250	260
BP Capital Markets PLC	3.630	3.625	05/08/2014	100	100	104
British Telecom PLC	9.130	6.000	12/15/2010	260	266	276
British Telecom PLC	5.950	5.942	01/15/2018	275	275	285
Bunge Limited Finance Co	5.880	6.484	05/15/2013	50	49	53
Bunge Limited Finance Co	8.500	7.208	06/15/2019	373	405	435
Bunge NA Finance LP	5.900	7.617	04/01/2017	54	49	56
Burlington Northern Santa Fe	5.900	4.746	07/01/2012	150	154	163
Burlington Northern Santa Fe	5.650	4.368	05/01/2017	225	243	244
Burlington Northern Santa Fe	4.700	4.722	10/01/2019	350	349	351
Burlington Northern Santa Fe	7.290	6.510	06/01/2036	80	88	94
C & P Telephone	7.150	7.864	05/01/2023	400	377	424
Canadian Natural Resources Ltd	5.900	4.608	02/01/2018	615	667	665
Capital One Bank USA NA	6.500	10.704	06/13/2013	100	89	109
Capital One Financial Corp	7.380	5.321	05/23/2014	295	318	338
Capital One Financial Corp	5.500	10.399	06/01/2015	200	161	212
Capital One Financial Corp	6.750	5.613	09/15/2017	625	668	686
Cargill Inc	6.380	3.633	06/01/2012	100	106	109
Cargill Inc	7.350	5.427	03/06/2019	250	284	292
Carolina Power & Light	5.300	4.589	01/15/2019	200	210	212
Caterpillar Financial Services	5.850	4.754	09/01/2017	820	876	895
Caterpillar Financial Services	7.150	6.134	02/15/2019	395	421	467
Cenovus Energy Inc	5.700	5.708	10/15/2019	165	165	174
Centerpoint Ener Houston	5.750	5.100	01/15/2014	185	189	204
Centerpoint Ener Houston	7.000	5.151	03/01/2014	185	197	212
Centerpoint Energy Resources	5.950	3.744	01/15/2014	165	178	180
Cisco Systems Inc	5.500	4.491	02/22/2016	210	221	237
Cisco Systems Inc	4.450	4.555	01/15/2020	250	248	250
Cisco Systems Inc	5.900	6.273	02/15/2039	210	200	215
Cisco Systems Inc	5.500	5.644	01/15/2040	300	294	291
Citigroup Inc	5.250	7.887	02/27/2012	200	190	210
Citigroup Inc	5.500	7.166	04/11/2013	600	573	628
Citigroup Inc	6.380	6.536	08/12/2014	295	293	313
Citigroup Inc	5.500	5.615	10/15/2014	300	299	309
Citigroup Inc	6.000	6.079	08/15/2017	1,290	1,282	1,299
Citigroup Inc	6.130	8.449	11/21/2017	300	261	303
Citigroup Inc	8.500	8.765	05/22/2019	265	261	306
Citigroup Inc	8.130	8.310	07/15/2039	350	343	396
Cleveland Electric Illum	7.880	5.053	11/01/2017	300	353	359
Cleveland Electric Illum	8.880	7.005	11/15/2018	225	252	285
Coca-Cola Company	3.630	3.725	03/15/2014	100	100	105
Coca-Cola Company	4.880	4.993	03/15/2019	100	99	105
Columbus Southern Power	6.050	6.649	05/01/2018	205	197	224
Comcast Cable Comm Holdings	9.460	8.128	11/15/2022	500	552	669
Comcast Corp	5.850	3.751	11/15/2015	350	387	390
Comcast Corp	5.900	5.728	03/15/2016	350	353	382
Comcast Corp	6.500	5.409	01/15/2017	200	212	223
ConocoPhillips	5.750	5.911	02/01/2019	100	99	110
ConocoPhillips	6.000	4.630	01/15/2020	875	969	978

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Cons Edison Co of NY	6.300	5.749	08/15/2037	150	161	162
Consumers Energy Company	6.700	5.661	09/15/2049	394	458	449
Countrywide Financial Corp	6.250	5.584	05/15/2016	400	414	408
Cox Communications Inc	5.450	3.845	12/15/2014	225	241	247
Credit Suisse FB USA Inc	5.130	5.058	01/15/2014	155	155	167
Credit Suisse FB USA Inc	4.880	6.376	01/15/2015	250	234	267
Credit Suisse FB USA Inc	5.130	4.005	08/15/2015	525	554	564
Credit Suisse FB USA Inc	7.130	5.535	07/15/2032	275	331	320
Credit Suisse New York	3.450	3.496	07/02/2012	200	200	207
Credit Suisse New York	5.500	5.524	05/01/2014	170	170	186
Credit Suisse New York	6.000	5.043	02/15/2018	215	228	226
Credit Suisse USA Inc	5.850	6.720	08/16/2016	200	191	217
CSX Corp	6.300	4.952	03/15/2012	100	103	108
CSX Corp	6.250	5.299	03/15/2018	200	212	217
CSX Corp	7.380	6.722	02/01/2019	200	209	234
Daimler Finance NA Holdings	6.500	7.740	11/15/2013	275	264	307
Dell Inc	5.650	4.846	04/15/2018	317	334	338
Deutsche Bank AG London	2.380	2.409	01/11/2013	435	435	436
Deutsche Bank AG London	3.880	3.962	08/18/2014	305	304	314
Deutsche Telekom Int Fin	6.000	5.648	07/08/2019	635	651	680
Diageo Capital PLC	7.380	3.318	01/15/2014	402	461	473
Diageo Finance BV	5.500	2.551	04/01/2013	265	288	291
Dominion Resources Inc	6.400	4.717	06/15/2018	465	518	518
Dow Chemical Company	4.850	4.855	08/15/2012	235	235	250
Dow Chemical Company	8.550	5.984	05/15/2019	290	342	351
Duke Energy Ohio Inc	5.450	5.008	04/01/2019	395	408	423
Encana Corp	6.500	5.141	05/15/2019	500	549	565
Enel Finance Intl SA	5.130	5.144	10/07/2019	700	699	702
EOG Resources Inc	5.630	5.356	06/01/2019	200	204	218
Florida Power & Light	5.960	5.307	04/01/2039	335	367	351
Florida Power Corp	6.400	5.331	06/15/2038	280	323	308
FMR LLC	6.450	6.504	11/15/2039	250	248	241
FPL Group Capital Inc	6.000	6.006	03/01/2019	125	125	135
France Telecom	4.380	3.419	07/08/2014	400	415	425
General Electric Capital Corp	5.880	2.016	02/15/2012	162	174	174
General Electric Capital Corp	0.370	3.174	04/10/2012	500	471	494
General Electric Capital Corp	5.250	4.913	10/19/2012	800	807	855
General Electric Capital Corp	5.900	5.926	05/13/2014	1,500	1,499	1,646
General Electric Capital Corp	5.500	3.739	06/04/2014	675	721	721
General Electric Capital Corp	4.380	4.193	09/21/2015	645	651	662
General Electric Capital Corp	5.630	7.254	09/15/2017	200	181	209
General Electric Capital Corp	5.630	8.002	05/01/2018	250	215	257
General Electric Capital Corp	6.000	6.015	08/07/2019	105	105	110
General Electric Capital Corp	5.500	5.614	01/08/2020	1,320	1,309	1,327
General Electric Capital Corp	5.880	8.520	01/14/2038	200	144	186
General Electric Company	5.250	5.983	12/06/2017	305	291	320
General Mills Inc	5.200	4.836	03/17/2015	100	102	109
Georgia Power Company	5.250	5.030	12/15/2015	200	202	221
Glaxosmithkline Cap Inc	4.380	3.625	04/15/2014	215	221	229
Goldman Sachs	3.630	3.652	08/01/2012	300	300	311
Goldman Sachs	7.500	5.796	02/15/2019	1,775	1,982	2,031
Goldman Sachs Group Inc	4.750	7.235	07/15/2013	200	185	211
Goldman Sachs Group Inc	5.150	5.113	01/15/2014	415	416	443
Goldman Sachs Group Inc	5.750	5.226	10/01/2016	50	51	53
Goldman Sachs Group Inc	6.250	7.134	09/01/2017	290	275	312
Goldman Sachs Group Inc	5.950	5.036	01/18/2018	200	212	210
Goldman Sachs Group Inc	6.150	5.840	04/01/2018	535	544	565
Goldman Sachs Group Inc	6.750	6.519	10/01/2037	140	144	136
Goldman Sachs Group LP	8.000	3.407	03/01/2013	210	237	235
GTE Corporation	8.750	5.975	11/01/2021	250	308	313
Halliburton Company	6.150	4.627	09/15/2019	360	402	405
Halliburton Company	7.450	7.646	09/15/2039	100	98	125
Hewlett-Packard Company	2.950	2.956	08/15/2012	225	225	234
Hewlett-Packard Company	5.400	4.620	03/01/2017	280	293	307
Historic Time Warner Inc	9.150	6.368	02/01/2023	945	1,174	1,162

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Home Depot Inc	5.400	5.913	03/01/2016	500	487	536
Household Finance Corporation	4.750	7.304	07/15/2013	17	16	18
HRPT Properties Trust	6.650	10.261	01/15/2018	375	303	370
HSBC Finance Corp	0.500	7.168	01/15/2014	500	387	480
HSBC Finance Corp	5.000	9.339	06/30/2015	300	246	315
International Business Machs	7.630	5.057	10/15/2018	330	389	409
Intuit Inc	5.750	4.907	03/15/2017	233	245	248
Jefferies Group Inc	7.750	25.463	03/15/2012	340	249	368
Jefferies Group Inc	8.500	7.633	07/15/2019	290	307	323
Jefferies Group Inc	6.450	8.192	06/08/2027	330	277	292
John Deere Capital Corp	5.250	5.329	10/01/2012	225	225	245
John Deere Capital Corp	5.750	4.607	09/10/2018	233	252	257
Kellogg Company	4.250	3.896	03/06/2013	100	101	106
Key Bank NA	5.800	5.972	07/01/2014	350	348	358
Kimberly Clark Corporation	7.500	4.845	11/01/2018	250	297	309
Kohl's Corporation	6.250	5.839	12/15/2017	90	92	101
Kraft Foods Inc	6.750	4.586	02/19/2014	250	269	284
Kraft Foods Inc	6.130	5.169	08/23/2018	435	463	480
Kraft Foods Inc	5.380	5.483	02/10/2020	87	86	90
Kroger Co	7.500	3.796	01/15/2014	278	315	324
Kroger Co	6.400	6.119	08/15/2017	100	102	112
Kroger Co	6.150	5.095	01/15/2020	475	514	517
Lilly Eli and Company	3.550	3.578	03/06/2013	100	100	105
Lockheed Martin Corp	7.750	6.031	05/01/2026	95	112	117
Lockheed Martin Corp	8.500	5.565	12/01/2029	225	304	298
Lowe's Companies Inc	7.110	5.609	05/15/2037	195	236	235
M & T Bank Corporation	5.380	3.575	05/24/2012	190	197	201
Manitoba Providence CDA	2.130	2.165	04/22/2013	43	43	43
Manuf & Traders Trust Co	6.630	7.668	12/04/2017	465	437	494
Marathon Oil Corp	7.500	5.388	02/15/2019	350	402	408
Marshall & Ilsley Corp	5.350	9.819	04/01/2011	215	205	215
Mass Mutual Global Funding	3.630	3.652	07/16/2012	150	150	156
Massachusetts Electric	5.900	5.924	11/15/2039	182	181	185
Merrill Lynch & Company Inc	6.150	8.809	04/25/2013	341	317	369
Merrill Lynch & Company Inc	6.880	6.034	04/25/2018	650	685	685
Met Life Global Funding I	2.880	2.975	09/17/2012	500	499	509
Met Life Global Funding I	2.500	2.587	01/11/2013	415	414	418
Met Life Global Funding I	5.130	5.006	04/10/2013	300	301	324
Miller Brewing Company	5.500	3.464	08/15/2013	300	320	324
Monsanto Company	5.130	5.008	04/15/2018	160	161	170
Monumental Global Funding	5.500	4.142	04/22/2013	100	104	107
Morgan Stanley	6.000	4.800	05/13/2014	825	862	892
Morgan Stanley	4.200	4.209	11/20/2014	331	331	332
Morgan Stanley	5.630	5.680	09/23/2019	510	508	506
Morgan Stanley	5.500	5.660	01/26/2020	780	771	764
Morgan Stanley Dean Witter Co	6.250	7.609	08/28/2017	430	395	454
Morgan Stanley Dean Witter Co	6.630	6.270	04/01/2018	400	409	426
Morgan Stanley Mortgage Loan	4.750	8.248	04/01/2014	250	220	254
National Australia Bank	2.500	2.500	01/08/2013	500	500	502
National City Bank	5.800	5.680	06/07/2017	850	856	893
National Rural Utilities	2.630	2.671	09/16/2012	60	60	61
National Rural Utilities	10.380	8.107	11/01/2018	100	114	135
Nevada Power Company	7.130	5.401	03/15/2019	300	337	341
New York Global Life Fdg	4.650	3.682	05/09/2013	285	293	305
News America Holdings Inc	8.880	7.585	04/26/2023	450	495	579
News America Inc	7.250	5.514	05/18/2018	64	71	74
News America Inc	7.300	7.225	04/30/2028	250	252	277
Niagara Mohawk Power	4.880	4.881	08/15/2019	100	100	101
NiSource Finance Corp	10.750	7.509	03/15/2016	460	531	590
Nomura Holdings Inc	6.700	6.403	03/04/2020	445	455	454
Norfolk Southern Corp	7.250	5.725	02/15/2031	250	296	295
Northern States Power- Minn	6.250	5.620	06/01/2036	360	391	393
Northern States Power- Minn	5.350	5.363	11/01/2039	64	64	62
Northern Trust Corp	5.500	4.130	08/15/2013	102	106	112
Northrop Grumman Corp	7.750	5.091	03/01/2016	195	222	235

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Nucor Corporation	5.750	4.303	12/01/2017	242	265	265
Oncor Electric Delivery	6.800	4.952	09/01/2018	315	355	354
Ontario Providence Canada	2.950	2.975	02/05/2015	1,000	999	1,007
Oracle Corporation	5.750	5.177	04/15/2018	250	259	275
Oracle Corporation	5.000	4.688	07/08/2019	400	409	419
Oracle Corporation	6.500	5.765	04/15/2038	405	446	450
Pacific Gas & Electric Corp	8.250	4.653	10/15/2018	345	432	426
Pacific Life Global Funding	5.150	4.521	04/15/2013	170	173	180
PACIFICORP	5.500	4.874	01/15/2019	350	366	376
PEPCO Holdings	7.900	5.749	12/15/2038	335	436	431
Pepsico Inc	7.900	4.537	11/01/2018	515	638	644
Petro-Canada	6.050	5.704	05/15/2018	245	250	265
Petro-Canada	6.800	6.466	05/15/2038	225	235	247
PG&E Corp	5.750	5.875	04/01/2014	150	149	165
Pharmacia Corporation	6.500	4.660	12/01/2018	700	792	799
PNC Funding Corp	5.250	5.068	11/15/2015	600	604	632
PNC Funding Corp	5.130	5.150	02/08/2020	160	160	162
PPG Industries Inc	9.000	6.096	05/01/2021	625	770	772
Praxair Inc	3.950	3.652	06/01/2013	130	131	137
Praxair Inc	4.380	4.446	03/31/2014	200	199	213
Pricoa Global Funding	5.450	5.499	06/11/2014	350	349	381
Principal Life Global	6.250	7.272	02/15/2012	600	589	632
Principal Life Global	5.050	8.354	03/15/2015	500	433	492
Principal Life Inc FDG	5.100	3.519	04/15/2014	400	424	424
Progress Energy Inc	6.050	6.115	03/15/2014	150	150	166
PSEG Power LLC	7.750	2.572	04/15/2011	396	419	423
Public Service Electric & Gas	5.380	5.397	11/01/2039	69	69	66
Public Service Oklahoma	5.150	5.186	12/01/2019	118	118	120
Sempra Energy	8.900	6.589	11/15/2013	200	215	240
Sempra Energy	6.500	6.539	06/01/2016	100	100	112
Sempra Energy	9.800	7.451	02/15/2019	150	173	193
Shell International Fin	4.000	4.006	03/21/2014	500	500	529
Shell International Fin	4.300	4.343	09/22/2019	285	284	283
Shell International Fin	6.380	6.026	12/15/2038	140	147	156
Simon Property Group Inc	6.750	6.404	05/15/2014	140	142	155
Simon Property Group Inc	5.630	4.874	08/15/2014	50	51	54
Simon Property Group Inc	6.100	9.051	05/01/2016	325	280	348
Simon Property Group Inc	6.130	5.748	05/30/2018	140	143	147
Simon Property Group Inc	5.650	5.700	02/01/2020	55	55	55
Simon Property Group LP	7.380	6.200	06/15/2018	166	178	188
Southern Cal Edison	4.150	4.153	09/15/2014	100	100	107
Southern Cal Edison	6.050	6.110	03/15/2039	250	248	269
Southern Company	4.150	4.173	05/15/2014	100	100	106
Southwestern Electric Power	6.450	5.261	01/15/2019	115	125	125
Southwestern Public Service	8.750	5.352	12/01/2018	288	356	359
Spectra Energy	6.200	6.993	04/15/2018	245	233	267
Spectra Energy Capital	6.750	8.473	07/15/2018	160	144	175
Spectra Energy Capital	8.000	5.666	10/01/2019	450	527	536
Staples Inc	9.750	6.037	01/15/2014	325	366	397
State Street Corp	4.300	4.321	05/30/2014	300	300	316
Talisman Energy Inc	7.750	7.809	06/01/2019	30	30	36
TCI Communications Inc	7.880	7.698	02/15/2026	100	102	115
Telecom Italia Capital	4.950	4.108	09/30/2014	625	647	652
Telecom Italia Capital	7.000	8.462	06/04/2018	100	91	110
Telefonica Eisiones SAU	5.860	3.741	02/04/2013	200	212	219
Telefonica Eisiones SAU	6.220	5.862	07/03/2017	150	153	166
Telefonica Eisiones SAU	5.880	5.877	07/15/2019	50	50	53
Tennessee Valley Authority	5.250	5.275	09/15/2039	98	98	99
Thomson Corporation	4.700	4.744	10/15/2019	150	149	152
Time Warner Cable Inc	8.250	5.583	02/14/2014	380	416	451
Time Warner Cable Inc	7.300	6.397	07/01/2038	300	335	340
TransCanada Pipe	7.630	7.632	01/15/2039	50	50	62
Trans-Canada Pipelines	6.500	6.574	08/15/2018	250	249	286
Travelers PPTY Casualty	7.750	5.838	04/15/2026	310	371	354
Tyco International Group SA	8.500	4.956	01/15/2019	325	407	407

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
UBS AG Stamford CT	3.880	3.970	01/15/2015	500	498	500
UBS AG Stamford CT	5.880	5.576	12/20/2017	300	306	313
Union Pacific Corp	6.500	2.457	04/15/2012	300	325	328
Union Pacific Corp	5.700	4.718	08/15/2018	260	278	277
Union Pacific Corp	7.880	6.065	01/15/2019	160	180	194
United Mexican States	6.380	3.627	01/16/2013	630	677	702
United Technologies Corp	6.130	4.488	02/01/2019	285	319	322
United Technologies Corp	5.400	5.468	05/01/2035	170	168	167
UNP RR CO 2003 PASS TRUST	4.700	7.947	01/02/2024	88	85	93
UPS of America Inc	8.380	4.731	04/01/2020	125	161	165
US Bancorp	2.880	2.977	11/20/2014	450	448	450
Verizon Communications	5.500	4.894	02/15/2018	720	748	762
Verizon Communications	7.350	7.564	04/01/2039	400	390	468
Verizon Florida LLC	6.130	5.835	01/15/2013	275	277	299
Verizon Virginia Inc	4.630	4.968	03/15/2013	375	371	396
Viacom Inc	6.250	7.799	04/30/2016	145	134	162
Virginia Electric & Power Co	5.400	4.990	04/30/2018	490	503	520
Vodafone Group	5.750	6.019	03/15/2016	200	197	220
Vodafone Group	5.450	4.869	06/10/2019	369	385	385
Wachovia Bank NA	0.580	2.799	03/15/2016	850	744	790
Wachovia Corp	5.300	3.203	10/15/2011	345	356	366
Wachovia Corp	5.500	5.860	05/01/2013	950	940	1,026
Wachovia Corp	5.750	5.125	06/15/2017	775	804	818
Wachovia Corp	5.750	6.830	02/01/2018	400	374	422
Wal-Mart Stores	5.250	5.736	09/01/2035	425	398	415
Waste Management Inc	7.380	7.011	03/11/2019	60	61	70
WEA Finance/WT Fin Aust	6.750	5.957	09/02/2019	438	463	470
WellPoint Inc	5.880	6.710	06/15/2017	200	190	217
Wells Fargo & Company	3.750	3.786	10/01/2014	390	389	395
Wells Fargo & Company	5.000	7.000	11/15/2014	100	92	105
Wells Fargo & Company	5.630	5.416	12/11/2017	865	875	911
Westpac Banking	4.880	4.884	11/19/2019	406	406	401
Xerox Corporation	5.630	5.438	12/15/2019	350	355	362
XTO Energy Inc	4.630	3.416	06/15/2013	100	104	108
XTO Energy Inc	6.250	4.955	08/01/2017	326	344	366
<i>Total Corporate Bonds</i>					113,466	118,933
<i>Corporate Asset Backed Issues</i>						
Ally Auto Receivables Trust	2.330	2.347	09/15/2012	500	500	510
Americredit Automobile Rec	0.970	0.972	01/15/2013	130	130	130
Americredit Automobile Rec	1.660	1.669	03/17/2014	95	95	95
Bank of America Auto Trust	2.670	2.691	07/15/2013	600	600	614
Bank of America Auto Trust	2.130	2.140	09/16/2013	650	650	661
Bank of America Auto Trust	1.390	1.396	03/15/2014	430	430	431
Bank of America Auto Trust	3.520	3.555	06/15/2016	200	200	209
Bank of America Auto Trust	2.180	2.198	02/15/2017	310	310	311
Carmax Auto Owner Trust	1.560	1.572	07/15/2014	280	280	268
Chrysler Financial Auto Sec	2.820	2.842	01/15/2016	250	250	257
Citifinancial Auto Issuance	2.590	2.604	10/15/2013	930	930	943
CNH Equipment Trust	5.280	5.342	11/15/2012	250	250	261
CNH Equipment Trust	2.970	2.996	03/15/2013	162	162	164
CNH Equipment Trust	1.850	1.858	12/16/2013	105	105	106
Ford Credit Auto Owner Trust	2.790	2.810	08/15/2013	400	400	410
Ford Credit Auto Owner Trust	4.500	4.547	07/15/2014	300	300	321
Honda Auto Receivables Trust	2.310	2.329	05/15/2013	200	200	204
Honda Auto Receivables Trust	3.300	3.329	09/15/2015	250	250	259
John Deere Owner Trust	2.590	2.612	10/15/2013	300	300	305
John Deere Owner Trust	1.570	1.577	10/15/2013	715	715	720
USAA Auto Owner Trust	1.540	1.546	02/18/2014	470	470	474
USAA Auto Owner Trust	2.530	2.544	07/15/2015	295	295	300
World Omni Auto Receivable	3.330	3.363	05/15/2013	365	364	377
<i>Total Corporate Asset Backed Issues</i>					8,186	8,330

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<i>Corporate CMO</i>						
ASG Resecuritization Trust	5.800 A	9.223	05/24/2036	1,611	1,500	1,615
ASG Resecuritization Trust	5.570 A	9.684	03/26/2037	2,166	2,003	2,132
ASG Resecuritization Trust	5.610 A	17.736	06/26/2037	1,481	1,193	1,481
ASG Resecuritization Trust	6.000	9.545	06/28/2037	1,740	1,665	1,713
Banc of Amer Altern Loan Trust	5.000	5.027	09/25/2018	503	501	505
Banc of Amer Altern Loan Trust	5.500	6.977	02/25/2019	702	666	677
Banc of Amer Altern Loan Trust	5.500	5.567	09/25/2019	442	440	440
Banc of Amer Altern Loan Trust	5.500	7.265	09/25/2033	414	368	415
Banc of Amer Altern Loan Trust	5.500	5.686	11/25/2033	618	613	620
Banc of Amer Altern Loan Trust	6.000	6.371	01/25/2034	419	406	402
Banc of Amer Altern Loan Trust	6.000	6.673	01/25/2034	698	673	670
Banc of America Comm Mortgage	5.630	6.516	07/10/2046	700	672	702
Banc of America Commercial Mtg	4.670	5.024	07/10/2043	400	394	396
Banc of America Commercial Mtg	5.370	10.516	09/10/2045	660	522	671
Banc of America Commercial Mtg	5.120	5.057	10/10/2045	230	231	236
Banc of America Funding Corp	5.500	4.534	10/25/2034	737	739	734
Banc of America Mortgage Sec	5.000	4.022	04/25/2019	359	367	360
Banc of America Mortgage Sec	6.500	6.737	09/25/2032	426	422	422
Banc of America Mortgage Sec	4.140 A	4.122	06/25/2033	463	463	420
Banc of America Mortgage Sec	4.500	4.373	04/25/2034	988	992	991
Bank of America Auto Trust	1.670	1.679	12/15/2013	280	280	283
Bank of America Corp	5.750	7.180	09/20/2034	700	618	637
BCAP LLC Trust	5.500	7.118	11/26/2034	1,443	1,341	1,400
BCAP LLC Trust	5.250	4.431	05/26/2037	661	661	661
BCAP LLC Trust	5.750	6.038	06/26/2037	1,798	1,776	1,776
Bear Stearns Adj Rate Mortgage	5.160 A	4.911	05/25/2034	576	581	582
Bear Stearns Adj Rate Mortgage	2.530 A	3.462	08/25/2035	668	646	645
Bear Stearns Commercial Mtg	5.460 A	4.953	03/11/2039	235	241	244
Bear Stearns Commercial Mtg	5.540	9.695	10/12/2041	300	243	310
Chase Funding Mortgage Loan	4.280	6.656	11/25/2034	957	837	864
Chase Mortgage Finance Corp	3.970 A	5.650	07/25/2037	777	719	729
Chase Mortgage Finance Corp.	4.120 A	6.681	02/25/2037	297	279	284
Citicorp Mortgage Securities	4.500	3.622	05/25/2033	275	277	277
Citicorp Mortgage Securities	5.250 A	5.196	05/25/2034	338	337	338
Citigroup Mortgage Loan Trust	5.250	7.433	10/25/2033	1,065	879	1,068
Citigroup Mortgage Loan Trust	5.070 A	4.976	08/25/2034	655	656	669
Citigroup Mortgage Loan Trust	6.000	8.652	06/25/2036	992	905	901
Commercial Mortgage Pass-Thru	4.980	9.224	05/10/2043	1,000	847	1,023
Countrywide Home Loans	4.500	5.301	06/25/2019	996	967	987
Countrywide Home Loans	5.250	5.253	09/25/2033	1,000	997	1,015
Credit Suisse Mortgage Capital	5.500	5.501	10/27/2035	869	866	867
CS First Boston Mortgage	18.210	19.406	06/25/2035	362	353	340
Deutsche ALT- A Sec Mortgage	5.630 A	5.879	02/25/2020	433	429	431
First Horizon Mortgage Ps Thru	4.500	4.461	09/25/2018	1,272	1,271	1,273
GMAC Commercial Mortgage Sec.	5.240	0.000	11/10/2045	1,810	1,810	1,836
GMAC Mortgage Corp Loan Trust	5.000	4.404	01/25/2020	726	737	729
GMAC Mortgage Corp Loan Trust	4.100 A	6.399	10/19/2033	1,229	1,177	1,161
GMAC Mortgage Corp Loan Trust	5.000	6.157	10/25/2033	647	621	618
GMAC Mortgage Corp Loan Trust	5.000	8.257	11/25/2033	1,029	900	908
GS Mortgage Securities Corp	5.550	9.279	04/10/2038	1,000	841	983
GSR Mortgage Loan Trust	6.000	8.737	09/25/2034	344	318	319
GSR Mortgage Loan Trust	0.580	7.747	03/25/2035	701	439	566
GSR Mortgage Loan Trust	0.730	4.745	06/25/2035	926	834	833
GSR Mortgage Loan Trust	5.500	10.283	01/25/2037	100	78	79
Household Home Equity Loan Tst	0.500	4.852	01/20/2035	279	239	261
Household Home Equity Loan Tst	0.720	5.472	01/20/2035	558	466	487
Household Home Equity Loan Tst	0.390	4.414	01/20/2036	598	506	521
Household Home Equity Loan Tst	0.380	3.269	03/20/2036	525	463	486
Household Home Equity Loan Tst	0.430	1.767	03/20/2036	343	308	301
Household Home Equity Loan Tst	5.600	5.191	03/20/2036	750	756	769
Household Home Equity Loan Tst	1.430	3.939	11/20/2036	800	683	726
IMPAC Secured Assets Corp	5.500	6.642	08/25/2033	971	911	974
IMPAC Secured Assets Corp	0.580	2.304	08/25/2036	824	685	654
JP Morgan Chase Commercial Mtg	5.400	9.292	05/15/2045	950	783	944

A - Adjustable rate security.

See accompanying notes to financial statements.



# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
JPMorgan Mortgage Trust	4.050 A	5.022	08/25/2034	2,489	2,372	2,378
LB-UBS Commercial Mortgage Tst	5.160	7.515	01/15/2016	300	270	307
Master Adjustable Rate Mtgage	3.100 A	5.698	11/21/2034	1,000	960	992
Master Reperforming Loan Trust	0.580	6.901	05/25/2035	952	630	774
Master Resecuritization Trust	13.630	12.975	05/28/2035	1,069	592	625
MASTR Asset Securitization	5.500	7.874	09/25/2033	319	281	323
Merrill Lynch Mort Investors	3.430 A	4.329	07/25/2033	262	255	256
Merrill Lynch Mortgage Invest	0.890	4.967	04/25/2029	471	385	384
Merrill Lynch Mortgage Invest	0.750	2.361	08/25/2029	527	487	499
Merrill Lynch Mortgage Invest	3.120 A	3.603	08/25/2034	412	404	410
Merrill Lynch Mortgage Trust	5.660 A	5.338	05/12/2039	260	264	267
Morgan Stanley Capital I	5.650 A	5.619	06/11/2042	250	251	254
Morgan Stanley Capital Inc	0.980 A	4.794	01/25/2035	313	264	307
Morgan Stanley Mortgage Loan	5.500	5.737	08/25/2034	6,483	785	970
Residential Accredit Loans	16.140	16.636	10/25/2017	359	360	366
Residential Accredit Loans	5.750	6.508	10/25/2033	730	684	693
Residential Accredit Loans	5.500	14.346	05/25/2034	1,371	954	993
Salomon Brothers Mortgage Sec	3.450	10.991	04/25/2032	385	321	320
Station Place Securitization	1.730	1.862	12/29/2010	1,000	999	999
Structured Asset Mortgage Inv	0.000	5.974	07/25/2032	280	186	212
Structured Asset Securities	0.730	6.490	06/25/2033	1,380	1,233	1,256
Structured Asset Securities	5.500	6.047	10/25/2033	1,062	1,038	1,034
Structured Asset Securities	5.150 A	5.435	11/25/2033	337	332	338
Structured Asset Securities	4.990 A	5.092	12/25/2033	473	470	471
Structured Asset Securities	5.540	6.539	12/25/2033	1,400	1,339	1,368
Structured Asset Securities	5.000	11.022	05/25/2035	374	286	361
Structured Asset Securities	13.440	15.904	05/25/2035	207	200	201
Thornburg Mtg Securities Trust	0.550	0.000	09/25/2043	244	244	213
TIAA Seasoned Commercial Mtg	6.070 A	5.534	08/15/2039	2,500	2,535	2,703
Vendee Mortgage Trust	6.750	5.507	06/15/2026	891	941	953
Wachovia Bank Comm Mtg Trust	5.740 A	8.074	05/15/2043	1,440	1,290	1,499
Washington Mutual Mortgage	2.850 A	3.478	08/25/2033	345	335	327
Washington Mutual Mortgage	5.500	5.567	08/25/2019	829	826	826
Washington Mutual Mortgage	0.000	14.088	07/25/2033	348	237	216
Washington Mutual Mortgage	2.850 A	3.118	08/25/2033	369	365	367
Washington Mutual Mortgage	2.830 A	3.123	09/25/2033	1,312	1,296	1,293
Washington Mutual Mortgage	2.880 A	3.408	09/25/2033	446	435	442
Washington Mutual Mortgage	5.250	7.672	10/25/2033	2,099	1,864	1,909
Washington Mutual Mortgage	16.420	16.087	11/25/2033	1,016	1,032	986
Washington Mutual Mortgage	3.130 A	5.464	06/25/2034	361	335	338
Washington Mutual Mortgage	2.750 A	4.865	01/25/2035	2,045	1,891	1,955
Washington Mutual Mortgage	5.500	5.430	05/25/2035	863	86	127
Wells Fargo Mortgage Backed	4.750	4.649	12/25/2018	2,281	2,284	2,313
Wells Fargo Mortgage Backed	5.000	4.290	11/25/2020	724	736	738
Wells Fargo Mortgage Backed	4.470 A	4.588	11/25/2033	2,044	2,033	2,038
Wells Fargo Mortgage Backed	4.890 A	4.737	02/25/2034	1,169	1,173	1,154
Wells Fargo Mortgage Backed	3.060 A	5.221	09/25/2034	708	665	668
Wells Fargo Mortgage Backed	3.170 A	3.995	10/25/2034	753	731	741
Wells Fargo Mortgage Backed	3.170 A	6.024	10/25/2034	518	474	498
Wells Fargo Mortgage Backed	3.090 A	5.356	12/25/2034	1,123	1,055	1,099
Wells Fargo Mortgage Backed	3.900 A	12.397	12/25/2034	552	486	553
Wells Fargo Mortgage Backed	3.090 A	5.073	12/25/2034	749	708	719
Wells Fargo Mortgage Backed	3.900 A	5.781	12/25/2034	552	537	553
<i>Total Corporate CMO</i>					86,587	89,946
Total Corporate Issues - 15.4%					208,239	217,210
<b>Short-term Issues</b>						
Dreyfus Cash Management				27,052,537	27,053	27,053
Total Short-term Issues - 1.9%					27,053	27,053

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

**February 28, 2010**

*(Amounts in thousands, except share data)*

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>Investments in Other Funds</u></b>						
SSgA - Passive Bond Market Index Non-Lending Fund						
Investment Objective - To match the return of the Lehman Brothers Aggregate Bond Index				24,985,672	565,516	576,419
Redemption Provisions - Daily					<u>565,516</u>	<u>576,419</u>
Total Investment in Other Funds - 40.9%					<u>565,516</u>	<u>576,419</u>
Total Investment Securities - 99.8%					<u>\$ 1,377,957</u>	<u>\$ 1,407,898</u>

*A - Adjustable rate security.*

*See accompanying notes to financial statements.*

## Core Fixed Income Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 4,041	\$ 27,734
Dividend	3	64
Net amortization	(589)	(5,348)
	<hr/>	<hr/>
<b>Total investment income</b>	3,455	22,450
<b>Expenses</b>		
Investment advisor fees	23	(987)
Trustee fees	(1)	(5)
Custodian bank fees	(3)	(34)
Management fees	(36)	(265)
Fiduciary bond fees	(1)	(4)
Professional service fees	(9)	(57)
	<hr/>	<hr/>
<b>Total expenses</b>	(27)	(1,352)
<b>Investment income, net</b>	3,428	21,098
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	1,191	8,912
Net increase (decrease) in the fair value of investments	(311)	28,354
	<hr/>	<hr/>
<b>Net gain from investments</b>	880	37,266
<b>Net increase in net assets from operations</b>	<u>\$ 4,308</u>	<u>\$ 58,364</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Core Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 3,428	\$ 21,098
Net realized gain from investments	1,191	8,912
Net increase (decrease) in the fair value of investments	(311)	28,354
<b>Net increase in net assets from operations</b>	4,308	58,364
<b>Distributions to unitholders</b>		
Investment income, net	(3,428)	(21,098)
<b>Unit transactions</b>		
Proceeds from sale of units	17,743	1,549,437
Reinvestment of distributions	2,416	19,697
	20,159	1,569,134
Amount paid for repurchase of units	(71,071)	(591,949)
<b>Net increase (decrease) in net assets from unit transactions</b>	(50,912)	977,185
<b>Increase (decrease) in net assets</b>	(50,032)	1,014,451
Net assets, beginning of period	1,459,366	394,883
<b>Net assets, end of period</b>	\$ 1,409,334	\$ 1,409,334
<b>Unit data</b>		
Units sold	1,695,438	150,276,014
Units issued from reinvestment of distributions	230,821	1,910,846
	1,926,259	152,186,860
Units repurchased	(6,790,883)	(56,918,264)
<b>Net increase (decrease) in units</b>	(4,864,624)	95,268,596

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Core Fixed Income Pool

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The Core Fixed Income pool (Pool) began operations on March 2, 2009.

The accompanying financial statements reflect only the investments and investment related operations of the Pool. They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of this core bond pool is to generate investment income, provide stability and diversification, but not at the expense of total return. JP Morgan Investment Advisors, Inc. and State Street Global Advisors manage this pool. This pool's investment performance, net of external investment management fees, is expected to meet or exceed the Barclays Capital US Aggregate index.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

# Core Fixed Income Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Asset-Backed Securities** – The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value. The Pool invests in these securities to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of asset-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

**Distributions to Participants** - The monthly net investment income is declared as a dividend on the last day of the month and distributed to the participants of the Pool on the first day of the following month. Distributions are paid in the form of reinvestments in the Pool and have been included in distributions to participants and reinvestment of distributions as presented on the Statement of Changes in Net Assets.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

# Core Fixed Income Pool

## Notes to Financial Statements - Unaudited

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	Level I	Level II	Level III	Total
Regulated Investment Companies	\$ -	\$ 27,052,537	\$ -	\$ 27,052,537
U.S. Government Agency Issues	-	357,168,468	-	357,168,468
U.S. Treasury Issues	-	229,756,719	-	229,756,719
Corporate Issues	-	217,209,128	-	217,209,128
Commingled Funds	-	576,419,452	-	576,419,452
Municipal Bonds	-	291,435	-	291,435
Total	\$ -	\$ 1,407,897,738	\$ -	\$ 1,407,897,738

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 10.05
Income from investment operations:	
Net investment income	0.27
Net realized and unrealized gain on investment transactions	0.35
Total from investment operations	0.62
Less distributions from net investment income	(0.20)
Net asset value at February 28, 2010	\$ 10.47

**Time-weighted Total Return \*** 6.9%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 1,409,334
Ratio to average net assets:	
Expenses **	0.20%
Net investment income **	3.10%
Portfolio turnover rate	100.36%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

## Core Fixed Income Pool

---

### Notes to Financial Statements - Unaudited

#### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2010. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Public Employees' Retirement System	\$ 365,995,075
Teachers' Retirement System	289,233,444
Workers' Compensation Old Fund	269,060,036
Retiree Health Benefit Trust	106,190,328
Revenue Shortfall Reserve Fund B	75,995,064
Revenue Shortfall Reserve Fund	72,847,928
Coal Workers' Pneumoconiosis Fund	67,851,947
Public Employees' Insurance Agency	42,072,545
State Police Death, Disability and Retirement Fund	39,726,459
Board of Risk and Insurance Management	35,785,797
Prepaid Tuition Trust Fund	15,110,645
Judges' Retirement System	10,036,628
Deputy Sheriff's Retirement System	9,044,330
State Police Retirement System	5,038,282
Wildlife Endowment Fund	3,778,762
Emergency Medical Services Retirement System	1,566,927
Total	<u>\$ 1,409,334,197</u>



**Financial Statements - Unaudited**

**February 28, 2010**



# TRS Annuity Pool

---

## Financial Statements - Unaudited February 28, 2010

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6

# TRS Annuity Pool

---

## Statement of Assets and Liabilities - Unaudited

February 28, 2010

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	204,831
-------------------------------------	----	---------

### Liabilities

Accrued expenses		<u>31</u>
------------------	--	-----------

<b>Net assets</b>	<b>\$</b>	<b><u>204,800</u></b>
-------------------	-----------	-----------------------

### Analysis of net assets

Paid-in capital	\$	193,388
-----------------	----	---------

Accumulated undistributed net investment income		<u>11,412</u>
---	--	---------------

<b>Net assets</b>	<b>\$</b>	<b><u>204,800</u></b>
-------------------	-----------	-----------------------

### Unit data

Units outstanding		19,428,552
-------------------	--	------------

Net asset value, unit price	\$	<u>10.54</u>
-----------------------------	----	--------------

See accompanying notes to financial statements.

# TRS Annuity Pool

---

**Schedule of Investments in Securities - Unaudited**  
**February 28, 2010**  
*(Amounts in thousands, except share data)*

<u>Security Name</u>	<u>Shares</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
<u>Annuity Contract</u>			
Variable Annuity Life Insurance Company	204,830,824	\$ 204,831	\$ 204,831
Total Annuity Contract - 100.0%		204,831	204,831
Total Investment Securities - 100.0%		<u>\$ 204,831</u>	<u>\$ 204,831</u>

*See accompanying notes to financial statements.*

## TRS Annuity Pool

---

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 689	\$ 5,914
<b>Expenses</b>		
Management fees	(5)	(54)
Professional service fees	<u>(10)</u>	<u>(53)</u>
<b>Total expenses</b>	<u>(15)</u>	<u>(107)</u>
<b>Investment income, net</b>	<u>674</u>	<u>5,807</u>
<b>Net increase in net assets from operations</b>	<u>\$ 674</u>	<u>\$ 5,807</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.*

## TRS Annuity Pool

---

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 674	\$ 5,807
<b>Unit transactions</b>		
Proceeds from sale of units	29	89
<b>Increase in net assets from unit transactions</b>	29	89
<b>Increase in net assets</b>	703	5,896
Net assets, beginning of period	204,097	198,904
<b>Net assets, end of period</b>	\$ 204,800	\$ 204,800
<b>Unit data</b>		
Units sold	2,758	8,556
<b>Increase in units</b>	2,758	8,556

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## TRS Annuity Pool

---

**Statement of Cash Flows - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Investment income, net	\$ 674	\$ 5,807
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investment securities	(691)	(5,916)
Increase in accrued expenses	(12)	20
	<u>(29)</u>	<u>(89)</u>
<b>Net cash used in operating activities</b>	<b>(29)</b>	<b>(89)</b>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	<u>29</u>	<u>89</u>
<b>Cash provided by financing activities</b>	<u>29</u>	<u>89</u>
<b>Net change in cash</b>	<b>-</b>	<b>-</b>
<b>Cash</b>		
Beginning balance	-	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.*



# TRS Annuity Pool

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The TRS Annuity pool (Pool) began operations on December 10, 2008.

The accompanying financial statements reflect only the investments and investment related operations of the Pool. They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool holds an investment contract strictly for the benefit of the Teachers Retirement System (TRS). The IMB assumed responsibility for this investment as part of the restructuring of the Teachers Defined Contribution (TDC) plan, a separate retirement plan outside of the IMB, whereby certain TDC participants elected to transfer the ownership of their individual TDC retirement accounts to the TRS in exchange for current participation in the TRS defined benefit plan. The contract, issued by the Variable Annuity Life Insurance Company (VALIC), could not be liquidated as part of the restructuring, and was transferred in kind to the IMB on December 10, 2008. The final amount transferred on the contract was \$248,292,529. Effective April 23, 2009, the IMB elected to liquidate this contract and will receive five equal annual payments of \$55,058,102. The first payment was received on May 4, 2009 and subsequent payments will be received on May 4, 2010, 2011, 2012, and 2013. The contract and the payments include a guaranteed annual interest yield of 4.5%. VALIC is a wholly-owned subsidiary of American International Group, Inc. (AIG), but is not in bankruptcy.

# TRS Annuity Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. The VALIC contract is a private contract between the issuer and the IMB and is not a marketable security. It is carried at fair value using a discounted cash flow model based on the underlying cash flows of the contract, implicit rate of return, and estimated credit risk premiums using observable market data.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

# TRS Annuity Pool

## Notes to Financial Statements - Unaudited

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	Level I	Level II	Level III	Total
Annuity Contract	\$ -	\$ -	\$ 204,830,824	\$ 204,830,824

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended February 28, 2010 was as follows:

	Annuity Contract
Balance at June 30, 2009	\$ 198,915,431
Net realized gain/(loss)	-
Net change in unrealized appreciation/(depreciation)	-
Purchases	5,915,393
Sales	-
Net transfers in/(out) of Level 3	-
Balance at February 28, 2010	\$ 204,830,824

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 10.24
Net investment income from investment operations	0.30
Net asset value at February 28, 2010	\$ 10.54

**Time-weighted Total Return \*** 2.9%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 204,800
Ratio to average net assets:	
Expenses **	0.08%
Net investment income **	4.31%
Portfolio turnover rate	0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date and are annualized



**Financial Statements - Unaudited**

**February 28, 2010**



# Private Equity Pool

---

## Financial Statements - Unaudited February 28, 2010

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7

# Private Equity Pool

---

## Statement of Assets and Liabilities - Unaudited

February 28, 2010

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	826,591
Dividends receivable		<u>2</u>
<b>Total assets</b>		826,593

### Liabilities

Accrued expenses		<u>169</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>826,424</u></u></b>

### Analysis of net assets

Paid-in capital	\$	958,708
Accumulated undistributed net investment loss		(2,354)
Accumulated undistributed net realized loss from investments		(148,865)
Unrealized net appreciation of investments		<u>18,935</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>826,424</u></u></b>

### Unit data

Units outstanding		101,095,426
Net asset value, unit price	\$	<u><u>8.17</u></u>

See accompanying notes to financial statements.



# Private Equity Pool

## Schedule of Investments in Securities - Unaudited February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<b>Partnerships</b>			
Advent GPE VI		\$ 9,800	\$ 10,097
Investment Objective - To provide risk capital for, and make investments in the securities of, privately held and publicly listed companies primarily in Europe and North America.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Carlyle Partners V		15,988	12,837
Investment Objective - To generate superior, long-term capital appreciation through privately negotiated equity and equity related investments.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
FP Venture 2008		4,118	3,701
Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
FP Venture 2009		2,109	1,972
Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
H.I.G. Bayside II		14,712	15,880
Investment Objective - To invest in distressed debt obligations and other securities of distressed lower middle market companies.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Insight Equity II LP		1,150	474
Investment Objective - To acquire underperforming, operationally challenged, or financially distressed small and middle market businesses and to seek to reorganize operations and strategy to restore profitability and growth.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Insight Equity Mezzanine LLP		1,401	1,266
Investment Objective - To invest in mezzanine securities issued by companies in which Insight is also an equity sponsor.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
KPS Special Situations Fund III		3,032	2,823
Investment Objective - Seek to invest alongside KPS Special Situations Fund III, L.P. and KPS Special Situations Fund III (A), L.P., to make controlling equity and equity-related investments in underperforming or distressed companies engaged in manufacturing, transportation, and service industries challenged by the need to effect immediate and significant change - Special Situations			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
LLR Partners III		7,997	5,973
Investment Objective - To provide investors with substantial long-term capital gains by investing in a diversified portfolio of equity securities.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Natural Gas Partners IX		15,273	11,966
Investment Objective - To generate long-term capital gains through equity investments in companies engaged in the energy and resource related industries, with an emphasis on privately negotiated equity investments in North America oil and gas companies.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Odyssey Investment		12,074	11,108
Investment Objective - To seek long-term capital appreciation by principally pursuing control oriented equity and equity related investments in middle market companies located primarily in the United States.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			

See accompanying notes to financial statements.

# Private Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

**February 28, 2010**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Platinum Equity Capital Partners II Investment Objective - To make private investments in equity, equity oriented or debt securities that offer equity-like returns, of underperforming companies to generate capital appreciation. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		19,408	16,135
Riverside Fund IV, L.P. Investment Objective - To pursue and add value to control investments in small, profitable healthcare and technology companies primarily in the United States through financial and operational improvements and to grow the companies both organically and through add-on acquisitions. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		3,337	3,337
Welsh, Carson, Anderson & Stover Investment Objective - To provide capital to domestic or foreign corporations, partnerships and joint ventures and to assist in developing the business of those enterprises. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		3,047	1,787
Total Partnerships - 12.0%		113,446	99,356
<b><u>Investments in Other Funds</u></b>			
Bridgewater Associates All Weather Portfolio II Investment Objective - To maintain market exposure for funds awaiting investment in private equity limited partnerships.  Redemption Provisions - Monthly on the first business day A detail of the underlying investments is not available.	669,395	669,395	702,420
Total Investments in Other Funds - 85.0%		669,395	702,420
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 3.0%	23,550,563	24,815	24,815
Total Investment Securities - 100.0%		\$ 807,656	\$ 826,591

See accompanying notes to financial statements.

# Private Equity Pool

---

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Dividend	\$ 1	\$ 29
<b>Expenses</b>		
Trustee fees	-	(3)
Custodian bank fees	-	(2)
Management fees	(20)	(196)
Fiduciary bond fees	(1)	(3)
Professional service fees	(64)	(493)
Fund closing costs	18	(133)
	<u>(67)</u>	<u>(830)</u>
<b>Total expenses</b>		
	(67)	(830)
<b>Investment loss, net</b>	(66)	(801)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain (loss) from investments	561	(78,265)
Net increase in the fair value of investments	9,482	152,326
	<u>10,043</u>	<u>74,061</u>
<b>Net gain from investments</b>		
	10,043	74,061
<b>Net increase in net assets from operations</b>	<u>\$ 9,977</u>	<u>\$ 73,260</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Private Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (66)	\$ (801)
Net realized gain (loss) from investments	561	(78,265)
Net increase in the fair value of investments	9,482	152,326
<b>Net increase in net assets from operations</b>	9,977	73,260
<b>Unit transactions</b>		
Proceeds from sale of units	91	191,844
Amount paid for repurchase of units	-	(21,570)
<b>Net increase in net assets from unit transactions</b>	91	170,274
<b>Increase in net assets</b>	10,068	243,534
Net assets, beginning of period	816,356	582,890
<b>Net assets, end of period</b>	\$ 826,424	\$ 826,424
<b>Unit data</b>		
Units sold	11,193	24,953,173
Units repurchased	-	(2,759,409)
<b>Net increase in units</b>	11,193	22,193,764

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Equity Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 9,977	\$ 73,260
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investment securities	(1,510)	(859,100)
Proceeds from disposition of investment securities	2,754	698,511
Net realized loss (gain) from investments	(561)	78,265
Purchases and sales of short-term investment securities, net	(1,264)	(8,975)
Decrease in receivable for investments sold	-	34
Decrease in dividends receivable	-	7
Increase (decrease) in accrued expenses	(5)	50
Net increase in the fair value of investments	(9,482)	(152,326)
<b>Net cash used in operating activities</b>	(91)	(170,274)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	91	191,844
Paid for repurchase of units	-	(21,570)
<b>Net cash provided by financing activities</b>	91	170,274
<b>Net change in cash</b>	-	-
<b>Cash</b>		
Beginning balance	-	-
Ending balance	\$ -	\$ -

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Equity Pool

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Private Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in various types of private equity funds. Franklin Park Associates, LLC has been retained by the IMB to provide consulting services for this asset class.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$801,776,169 of investments in private partnerships and other investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the

# Private Equity Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

reported net asset value. It is therefore reasonably possible that if the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of February 28, 2010.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investments in other funds are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

# Private Equity Pool

## Notes to Financial Statements - Unaudited

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	Level I	Level II	Level III	Total
Regulated Investment Companies	\$ -	\$ 24,814,844	\$ -	\$ 24,814,844
Investments in Other Funds	-	-	702,419,544	702,419,544
Partnerships	-	-	99,356,625	99,356,625
Total	<u>\$ -</u>	<u>\$ 24,814,844</u>	<u>\$ 801,776,169</u>	<u>\$ 826,591,013</u>

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended February 28, 2010 was as follows:

	Investments in Other Funds	Partnerships
Balance at June 30, 2009	\$ 504,142,661	\$ 62,982,211
Net realized gain/(loss)	(80,005,280)	1,740,077
Net change in unrealized appreciation/(depreciation)	148,282,163	3,926,978
Purchases	819,394,630	39,705,579
Sales	(689,394,630)	(8,998,220)
Net transfers in/(out) of Level 3	-	-
Balance at February 28, 2010	<u>\$ 702,419,544</u>	<u>\$ 99,356,625</u>

### NOTE 4. COMMITMENTS

The IMB, with the assistance of its consultant, began implementing its plan to invest in private equity partnerships in February 2008. As of February 28, 2010 the IMB had made commitments to sixteen private equity general partnerships totaling \$643,000,000. The IMB had funded \$115,183,103 of these commitments at February 28, 2010, leaving unfunded commitments of \$527,816,897.



# Private Equity Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 5. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$	7.39
Net realized and unrealized gain on investment transactions		0.78
Net asset value at February 28, 2010	\$	8.17

**Time-weighted Total Return \*** 10.7%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$	826,424
Ratio to average net assets:		
Expenses **		0.17%
Net investment income **		-0.16%
Portfolio turnover rate		98.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date and are annualized

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2010.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 392,485,667
Public Employees' Retirement System	364,549,432
State Police Death, Disability and Retirement Fund	39,904,520
Judges' Retirement System	9,993,728
Deputy Sheriff's Retirement System	8,879,852
State Police Retirement System	4,864,114
Wildlife Endowment Fund	3,548,693
Emergency Medical Services Retirement System	2,198,164
Total	\$ <u>826,424,170</u>



**Financial Statements - Unaudited**

**February 28, 2010**



# Private Real Estate Pool

---

## Financial Statements - Unaudited February 28, 2010

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6

# Private Real Estate Pool

---

## Statement of Assets and Liabilities - Unaudited

February 28, 2010

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	496,917
Receivables:		
Accrued interest		1,784
Investments sold		7,177
Dividends		<u>1</u>
<b>Total assets</b>		<b>505,879</b>

### Liabilities

Payable for investments purchased		7,162
Accrued expenses		<u>114</u>
<b>Net assets</b>	<b>\$</b>	<b><u>498,603</u></b>

### Analysis of net assets

Paid-in capital	\$	506,765
Accumulated undistributed net investment income		1,068
Accumulated undistributed net realized gain from investments		75
Unrealized net depreciation of investments		<u>(9,305)</u>
<b>Net assets</b>	<b>\$</b>	<b><u>498,603</u></b>

### Unit data

Units outstanding		65,477,472
Net asset value, unit price	\$	<u>7.61</u>

See accompanying notes to financial statements.

# Private Real Estate Pool

## Schedule of Investments in Securities - Unaudited February 28, 2010

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Shares	Amortized Cost	Fair Value
<b><u>U.S. Treasury Issues</u></b>						
United States Treasury	2.380 %	(0.111) %	04/15/2011	15,410,000	\$ 17,234	\$ 17,362
United States Treasury	3.380	0.025	01/15/2012	5,360,000	6,928	7,011
United States Treasury	2.000	0.057	04/15/2012	12,480,000	13,829	13,962
United States Treasury	3.000	0.119	07/15/2012	18,410,000	23,622	23,928
United States Treasury	0.630	0.239	04/15/2013	12,490,000	12,914	13,084
United States Treasury	1.880	0.462	07/15/2013	17,580,000	21,647	21,986
United States Treasury	2.000	0.653	01/15/2014	18,080,000	22,217	22,552
United States Treasury	1.250	0.528	04/15/2014	13,290,000	13,959	14,125
United States Treasury	2.000	0.700	07/15/2014	16,920,000	20,468	20,741
United States Treasury	1.630	0.844	01/15/2015	16,840,000	19,754	19,999
United States Treasury	1.880	0.903	07/15/2015	14,990,000	17,488	17,714
United States Treasury	2.000	1.033	01/15/2016	14,880,000	17,080	17,280
United States Treasury	2.500	1.070	07/15/2016	15,120,000	17,589	17,771
United States Treasury	2.380	1.154	01/15/2017	13,370,000	15,468	15,561
United States Treasury	2.630	1.189	07/15/2017	12,270,000	14,077	14,158
United States Treasury	1.630	1.241	01/15/2018	12,500,000	13,255	13,288
United States Treasury	1.380	1.257	07/15/2018	12,500,000	12,634	12,622
United States Treasury	2.130	1.322	01/15/2019	12,480,000	13,394	13,354
United States Treasury	1.880	1.335	07/15/2019	13,380,000	14,174	14,096
United States Treasury	1.380	1.275	01/15/2020	8,930,000	9,000	8,849
United States Treasury	2.380	1.843	01/15/2025	21,640,000	26,500	26,027
United States Treasury	2.000	1.886	01/15/2026	15,160,000	16,751	16,453
United States Treasury	2.380	1.925	01/15/2027	12,490,000	14,237	13,972
United States Treasury	1.750	1.942	01/15/2028	12,490,000	12,501	12,233
United States Treasury	3.630	2.004	04/15/2028	12,450,000	20,700	20,350
United States Treasury	2.500	1.973	01/15/2029	12,490,000	13,601	13,323
United States Treasury	3.880	2.013	04/15/2029	14,680,000	24,956	24,545
United States Treasury	3.380	1.995	04/15/2032	4,300,000	6,517	6,382
United States Treasury	2.130	2.115	02/15/2040	7,140,000	7,156	7,121
Total U.S. Treasury Issues - 92.2%					459,650	459,849
<b><u>Investments in Other Funds</u></b>						
Blackstone PE Partners Europe III					584	584
Investment Objective - Seek out European real estate and real-estate related investments that offer the possibility of achieving investment returns above those traditionally available from such investments.						
Redemption Provisions - upon termination of partnership.						
Mesa West Real Estate Income Fund					1,525	1,525
Investment Objective - To seek to achieve, over the term of the Fund, compounded annual returns of approximately 12-14% (net of all fees and expenses).						
Redemption Provisions - upon termination of partnership.						
Quadrant Fund I, LLC					15,000	9,437
Investment Objective - To provide an attractive total return by investing in a diversified portfolio of real estate assets.						
Redemption Provisions - Quarterly on the last business day						
A detail of the underlying investments is not available.						
RCG Longview Debt Fund IV, L. P.					9,801	5,860
Investment Objective - To provide above market, risk adjusted returns by investing in a variety of debt and debt-like instruments.						
Redemption Provisions - upon termination of partnership.						
Total Investments in Other Funds - 3.5%					26,910	17,406
<b><u>Short-term Issues</u></b>						
Dreyfus Cash Management Institutional Fund - 3.9%				19,662,337	19,662	19,662
Total Investment Securities - 99.6%					\$ 506,222	\$ 496,917

See accompanying notes to financial statements.

## Private Real Estate Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 730	\$ 2,870
Operating	-	369
Dividend	1	25
Net amortization	(1,150)	(1,236)
	<u>(419)</u>	<u>2,028</u>
<b>Total investment income</b>		
	(419)	2,028
<b>Expenses</b>		
Investment advisor fees	(7)	(28)
Trustee fees	-	(1)
Custodian bank fees	(2)	(7)
Management fees	(13)	(61)
Professional service fees	(36)	(278)
Management fees - external	-	(225)
	<u>(58)</u>	<u>(600)</u>
<b>Total expenses</b>		
	(58)	(600)
<b>Investment income (loss), net</b>	(477)	1,428
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	9	75
Net decrease in the fair value of investments	(6,159)	(549)
	<u>(6,150)</u>	<u>(474)</u>
<b>Net loss from investments</b>		
	(6,150)	(474)
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ (6,627)</u>	<u>\$ 954</u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.



## Private Real Estate Pool

---

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended February 28, 2010\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income (loss), net	\$ (477)	\$ 1,428
Net realized gain from investments	9	75
Net decrease in the fair value of investments	(6,159)	(549)
<b>Net increase (decrease) in net assets from operations</b>	(6,627)	954
<b>Unit transactions</b>		
Proceeds from sale of units	25,805	460,257
<b>Increase in net assets from unit transactions</b>	25,805	460,257
<b>Increase in net assets</b>	19,178	461,211
Net assets, beginning of period	479,425	37,392
<b>Net assets, end of period</b>	\$ 498,603	\$ 498,603
<b>Unit data</b>		
Units sold	3,344,270	60,492,096
<b>Increase in units</b>	3,344,270	60,492,096

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Private Real Estate Pool

### Statement of Cash Flows - Unaudited Period Ended February 28, 2010\* *(Amounts in thousands)*

	Month	Year To Date
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets from operations	\$ (6,627)	\$ 954
Adjustments to reconcile net increase (decrease) in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investment securities	(32,894)	(480,759)
Proceeds from disposition of investment securities	7,149	18,096
Purchases and sales of short-term investment securities, net	3,600	1,483
Increase in accrued interest receivable	(768)	(1,784)
Decrease (increase) in receivable for investments sold	3,671	(7,177)
Decrease in dividends receivable	1	8
Increase (decrease) in accrued expenses	(4)	50
Increase (decrease) in payable for investments sold	(7,233)	7,162
Net amortization	1,150	1,236
Net realized gain from investments	(9)	(75)
Net decrease in the fair value of investments	6,159	549
<b>Net cash used in operating activities</b>	(25,805)	(460,257)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	25,805	460,257
<b>Cash provided by financing activities</b>	25,805	460,257
<b>Net change in cash</b>	-	-
<b>Cash</b>		
Beginning balance	-	-
Ending balance	\$ -	\$ -

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Real Estate Pool

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Private Real Estate Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in private real estate funds. Courtland Partners, Ltd. has been retained by the IMB to provide consulting services for this asset class. United States Treasury Inflation-Protected Securities were added to the Pool in November 2009, and are managed by State Street Global Advisors.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$17,406,739 of investments in private partnerships and other investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the IMB were to sell these investments in the secondary

# Private Real Estate Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of February 28, 2010.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** – Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

# Private Real Estate Pool

## Notes to Financial Statements - Unaudited

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Total</u>
Regulated Investment Companies	\$ -	\$ 19,662,337	\$ -	\$ 19,662,337
U.S. Treasury Issues	-	459,848,850	-	459,848,850
Investments in Other Funds	-	-	17,406,739	17,406,739
Total	<u>\$ -</u>	<u>\$ 479,511,187</u>	<u>\$ 17,406,739</u>	<u>\$ 496,917,926</u>

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended February 28, 2010 was as follows:

	<u>Investments in Other Funds</u>
Balance at June 30, 2009	\$ 16,301,689
Net realized gain/(loss)	-
Net change in unrealized appreciation/(depreciation)	(747,734)
Purchases	1,852,784
Sales	-
Net transfers in/(out) of Level 3	-
Balance at February 28, 2010	<u>\$ 17,406,739</u>

### NOTE 4. COMMITMENTS

The IMB, with the assistance of its consultant, began implementing its plan to invest in private real estate in February 2008. The IMB committed \$130,000,000 to four real estate investment funds/partnerships. The IMB had funded \$26,909,957 of these commitments at February 28, 2010, leaving unfunded commitments of \$103,090,043.

# Private Real Estate Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 5. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$	7.50
Income from investment operations:		
Net investment income		0.03
Net realized and unrealized gain on investment transactions		0.08
Total from investment operations		0.11
Net asset value at February 28, 2010	\$	7.61

**Time-weighted Total Return \*** 1.6%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$	498,603
Ratio to average net assets:		
Expenses **		0.39%
Net investment income **		0.94%
Portfolio turnover rate		8.76%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2010.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 236,903,610
Public Employees' Retirement System	219,860,601
State Police Death, Disability and Retirement Fund	24,022,581
Judges' Retirement System	6,025,502
Deputy Sheriff's Retirement System	5,361,196
State Police Retirement System	2,951,909
Wildlife Endowment Fund	2,149,558
Emergency Medical Services Retirement System	1,327,744
Total	\$ <u>498,602,701</u>

**Financial Statements - Unaudited**

**February 28, 2010**





# Hedge Fund Pool

---

## Financial Statements - Unaudited February 28, 2010

### Table of Contents

Statement of Assets and Liabilities	1
Schedule of Investments in Securities	2
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7

# Hedge Fund Pool

---

**Statement of Assets and Liabilities - Unaudited**  
**February 28, 2010**  
*(Amounts in thousands, except unit data)*

**Assets**

Investment securities at fair value	\$ 1,144,594
Receivable for investments sold	<u>12,775</u>
<b>Total assets</b>	1,157,369

**Liabilities**

Accrued expenses	<u>143</u>
<b>Net assets</b>	<u><u>\$ 1,157,226</u></u>

**Analysis of net assets**

Paid-in capital	\$ 1,145,372
Accumulated undistributed net investment loss	(1,463)
Accumulated undistributed net realized gain from investments	1,742
Unrealized net appreciation of investments	<u>11,575</u>
<b>Net assets</b>	<u><u>\$ 1,157,226</u></u>

**Unit data**

Units outstanding	114,640,610
Net asset value, unit price	<u><u>\$ 10.09</u></u>

*See accompanying notes to financial statements.*

# Hedge Fund Pool

## Schedule of Investments in Securities - Unaudited February 28, 2010

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<b><u>Investments in Other Funds</u></b>			
AllBlue Limited		\$ 65,520	\$ 84,136
Investment Objective - To provide consistent long-term appreciation of assets through active investment in a diversified portfolio.			
Redemption Provisions - Monthly on the first business day with 33 days' prior written notice.			
A detail of the underlying investments is not available.			
Anchorage Crossover Credit		48,000	45,575
Investment Objective - To earn superior risk-adjusted returns while emphasizing preservation of capital.			
Redemption Provisions - Bi-annually with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
Bennelong Asia Pacific		36,000	24,236
Investment Objective - To achieve long- and short-term capital appreciation primarily through equity investments in companies organized or operating in the Asia Pacific region.			
Redemption Provisions - Monthly with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
Brevan Howard Fund		39,386	47,271
Investment Objective - To generate consistent long-term appreciation through active leveraged trading and investment on a global basis.			
Redemption Provisions - Monthly with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
BW Pure Alpha		49,243	50,544
Investment Objective - To achieve substantial capital appreciation in a wide range of asset classes.			
Redemption Provisions - Monthly on the first business day with 5 days' prior written notice.			
A detail of the underlying investments is not available.			
CQS Convertible Strategies		60,000	54,469
Investment Objective - To achieve attractive risk-adjusted returns over the medium to long term.			
Redemption Provisions - Annually with 365 days' prior notice.			
A detail of the underlying investments is not available.			
Davidson Kempner		74,646	84,109
Investment Objective - To achieve capital appreciation.			
Redemption Provisions - Quarterly with 65 days' prior notice.			
A detail of the underlying investments is not available.			
Golden Tree Offshore		60,000	67,995
Investment Objective - To achieve superior risk-adjusted total returns through investments in public and private non-investment grade and nonrated debt securities.			
Redemption Provisions - Quarterly with 90 days' prior notice.			
A detail of the underlying investments is not available.			
Highbridge Capital		90,000	88,882
Investment Objective - To attain consistent capital appreciation with low volatility through arbitrage and absolute return investment strategies in the global equity and corporate debt securities markets.			
Redemption Provisions - Quarterly with 45 days' prior notice.			
A detail of the underlying investments is not available.			
Ionic Capital		40,000	36,551
Investment Objective: To generate superior risk-adjusted returns in both rising and falling markets.			
Redemption Provisions: Quarterly with 60 days' prior notice.			
Ivory Offshore		48,000	50,905
Investment Objective - To take long and short positions primarily in equity securities of publicly traded companies.			
Redemption Provisions - Quarterly with 45 days' prior written notice.			
A detail of the underlying investments is not available.			

See accompanying notes to financial statements.

# Hedge Fund Pool

## Schedule of Investments in Securities - Unaudited (Continued)

**February 28, 2010**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Level Global		50,217	50,114
Investment Objective - To achieve above average capital appreciation primarily through investments in equity securities and other equity-related instruments.			
Redemption Provisions - Quarterly with 60 days' prior written notice.			
A detail of the underlying investments is not available.			
Magnetar Capital Fund		85,334	73,263
Investment Objective - To achieve superior risk-adjusted returns.			
Redemption Provisions - Quarterly with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
M&G Episode		42,814	41,240
Investment Objective - To deliver attractive returns with appropriate volatility by seeking to exploit the mis-pricing of asset class and intra-asset class risk.			
Redemption Provisions - Quarterly with 30 days' prior written notice.			
A detail of the underlying investments is not available.			
O'Connor Global		72,281	84,632
Investment Objective - To realize consistently high risk-adjusted appreciation in the value of its assets.			
Redemption Provisions - Quarterly with 60 days' prior written notice.			
A detail of the underlying investments is not available.			
Perry Partners		60,000	61,577
Investment Objective - To achieve positive annual returns accompanied by a low level of beta and volatility in correlation relative to equity markets.			
Redemption Provisions - Annually with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
PMA Asian Opportunities		36,000	34,657
Investment Objective - To achieve an absolute target return with strict adherence to stop-loss limits on the portfolio.			
Redemption Provisions - Quarterly with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
Shepherd Investments		90,000	81,237
Investment Objective - To achieve an attractive rate of return, relative to the level of risk assumed.			
Redemption Provisions - Quarterly with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
Taconic Opportunity		60,000	62,524
Investment Objective - To provide solid risk-adjusted, absolute returns by focusing on bottom-up, research-driven, probabilistic investing.			
Redemption Provisions - Quarterly with 60 days' prior written notice.			
A detail of the underlying investments is not available.			
VICIS Capital		21,915	17,014
Investment Objective - To achieve attractive risk-adjusted returns through investment in a diversified portfolio of assets.			
Redemption Provisions - Quarterly with 30 days' prior notice.			
A detail of the underlying investments is not available.			
Total Investment in Other Funds - 98.6%		1,129,356	1,140,931
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 0.3%	3,663,471	3,663	3,663
Total Investment Securities 98.9%		\$ 1,133,019	\$ 1,144,594

See accompanying notes to financial statements.

# Hedge Fund Pool

**Statement of Operations - Unaudited**  
**Period Ended February 28, 2010**  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Dividend	\$ -	\$ 20
<b>Expenses</b>		
Trustee fees	-	(5)
Custodian fees	-	(1)
Management fees	(29)	(310)
Fiduciary bond fees	-	(4)
Professional service fees	(41)	(333)
<b>Total expenses</b>	<u>(70)</u>	<u>(653)</u>
<b>Investment loss, net</b>	(70)	(633)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain (loss) from investments	(3,095)	1,742
Net increase in the fair value of investments	5,269	98,999
<b>Net gain from investments</b>	<u>2,174</u>	<u>100,741</u>
<b>Net increase in net assets from operations</b>	<u>\$ 2,104</u>	<u>\$ 100,108</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Hedge Fund Pool

### Statement of Changes in Net Assets - Unaudited

**Period Ended February 28, 2010**

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (70)	\$ (633)
Net realized gain (loss) from investments	(3,095)	1,742
Net increase in the fair value of investments	5,269	98,999
<b>Net increase in net assets from operations</b>	2,104	100,108
<b>Unit transactions</b>		
Proceeds from sale of units	3,348	59,153
Amount paid for repurchase of units	(3,266)	(114,479)
<b>Net increase (decrease) in net assets from unit transactions</b>	82	(55,326)
<b>Increase in net assets</b>	2,186	44,782
Net assets, beginning of period	1,155,040	1,112,444
<b>Net assets, end of period</b>	\$ 1,157,226	\$ 1,157,226
<b>Unit data</b>		
Units sold	332,286	6,294,638
Units repurchased	(324,086)	(11,732,127)
<b>Net increase (decrease) in units</b>	8,200	(5,437,489)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Hedge Fund Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended February 28, 2010**  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 2,104	\$ 100,108
Adjustments to reconcile net increase in net assets from operations net cash provided by (used in) operating activities:		
Purchase of investment securities	-	(40,000)
Proceeds from disposition of investment securities	12,774	112,386
Purchases and sales of short-term investment securities, net	(3,657)	(3,663)
Increase in receivable for investments sold	(9,118)	(12,775)
Increase (decrease) in accrued expenses	(11)	11
Net realized loss (gain) from investments	3,095	(1,742)
Net increase in the fair value of investments	(5,269)	(98,999)
<b>Net cash provided by (used in) operating activities</b>	<b>(82)</b>	<b>55,326</b>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	3,348	59,153
Amount paid for repurchase of units	(3,266)	(114,479)
<b>Net cash provided by (used in) financing activities</b>	<b>82</b>	<b>(55,326)</b>
<b>Net change in cash</b>	<b>-</b>	<b>-</b>
<b>Cash</b>		
Beginning balance	-	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.*

# Hedge Fund Pool

## Notes to Financial Statements - Unaudited

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Hedge Fund Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in hedge funds. Albourne America, LLC has been retained by the IMB to provide consulting services for this asset class.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$1,140,930,131 of investments in alternative investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. These investments are redeemable with the fund at net asset value under the original terms of the agreements and operations of the underlying fund. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these investments, it is



# Hedge Fund Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the redemption rights in the funds were restricted or eliminated and the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of February 28, 2010.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

# Hedge Fund Pool

## Notes to Financial Statements - Unaudited

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of February 28, 2010:

	Level I	Level II	Level III	Total
Regulated Investment Companies	\$ -	\$ 3,663,471	\$ -	\$ 3,663,471
Investments in Other Funds	-	-	1,140,930,131	1,140,930,131
Total	<u>\$ -</u>	<u>\$ 3,663,471</u>	<u>\$1,140,930,131</u>	<u>\$1,144,593,602</u>

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended February 28, 2010 was as follows:

	Investments in Other Funds
Balance at June 30, 2009	\$ 1,112,575,678
Net realized gain/(loss)	1,741,943
Net change in unrealized appreciation/(depreciation)	98,999,260
Purchase	40,000,000
Sales	(112,386,750)
Net transfers in/(out) of Level 3	-
Balance at February 28, 2010	<u>\$ 1,140,930,131</u>

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 9.26
Net realized and unrealized loss on investment transactions	0.83
Net asset value at February 28, 2010	<u>\$ 10.09</u>

**Time-weighted Total Return \*** 9.0%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 1,157,226
Ratio to average net assets:	
Expenses **	0.08%
Net investment income **	-0.08%
Portfolio turnover rate	3.50%

\* - Return data is net of fees and is for the fiscal year-to-date and is not annualized

\*\* - All ratios are for the fiscal year-to-date annualized

# Hedge Fund Pool

---

## Notes to Financial Statements - Unaudited

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at February 28, 2010.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 402,546,927
Public Employees' Retirement System	373,417,415
Workers' Compensation Old Fund	134,642,069
Coal Workers' Pneumoconiosis Fund	49,052,144
Revenue Shortfall Reserve Fund B	47,707,957
State Police Death, Disability and Retirement Fund	40,753,249
Revenue Shortfall Reserve Fund	29,345,431
Public Employees' Insurance Agency	25,736,525
Board of Risk and Insurance Management	23,715,283
Judges' Retirement System	10,229,476
Deputy Sheriff's Retirement System	9,117,146
State Police Retirement System	5,034,078
Wildlife Endowment Fund	3,657,096
Emergency Medical Services Retirement System	2,270,739
Total	<u>\$ 1,157,225,535</u>

