# South Dakota Retirement System

Supplemental Retirement Plan Analysis

Prepared by the South Dakota Investment Council Staff

August 31, 2023

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# Executive Summary

The South Dakota Supplemental Retirement Plan (SRP) offers members of the South Dakota Retirement System the opportunity to save additional dollars for retirement on either a pre-tax or after-tax (Roth) basis.

The goal is to offer an array of diversified investment options to allow participants to increase the value of their investment assets in a manner consistent with varying levels of risk/reward tolerances and investment decision-making skills. The Plan offers a guaranteed interest account, a series of target date retirement funds and a core group of index funds. Also included are actively managed mutual funds selected from a group of respected and successful managers that the Investment Council Staff regularly monitors. See the next page for a listing of investment options grouped by type.

The included quarterly report prepared by Nationwide Retirement Solutions as of June 30, 2023, provides information on the number of participants and amount of plan assets in the SRP. Two additional pages show plan participation statistics, new enrollments and final withdrawals for the year. Additionally, the separate Investment Review provides information on each of the investment options offered by the plan, including investment strategy, performance and fund composition.

Plan investment options and potential alternatives are evaluated on at least an annual basis. The evaluation includes performance, fit with the overall fund choices, adherence to their stated investment style, manager stability and other criteria. In fiscal year 2023, most available investment options performed in-line with expectations given market conditions. The funds with greater Information Technology and US exposures outperformed their benchmarks considerably, while those with heavier value and international tilts gave up some of the outperformance earned in fiscal year 2022.

The Growth Fund of America's recent performance has lagged materially versus its growth peer group. This underperformance can be explained by a few stock selection missteps and its international overweight and tech underweight. The fund still maintains a material outperformance relative to the S&P 500 since its inception and the fund managers maintain conviction in the strategy. Therefore, the fund will continue to be monitored more closely while allowing time for their strategy to return to favor.

The acquisition of Prudential's full-service retirement business by Empower Retirement, a subsidiary of Great-West Lifeco, closed on April 1, 2022. The migration the South Dakota Deferred Comp Plan is slotted to occur in October 2023. There are no anticipated changes to the guaranteed interest account at this time. We remain in contact with our client service representative in case any new information becomes available.

The State Investment Officer is recommending no changes to the investment options of the Plan at this time.

The South Dakota Supplemental Retirement Plan (SRP) is covered under section 457 of the Internal Revenue Code – Deferred compensation plans of state and local governments and tax-exempt organizations. SDCL 3-13-49 through 3-13-55.1 states "…The state investment officer shall be held to the standard of conduct of a fiduciary and shall carry out all functions solely in the interests of the participants and benefit recipients and for the exclusive purpose of providing benefits…"

# SDRS Supplemental Retirement Plan
## Investment Options as of June 30, 2023

### Guaranteed Interest Account

**Prudential Guaranteed Interest Account** – this Guaranteed Interest Account is a stable value insurance product designed to provide safety of principal, liquidity, and a stable rate of return.

### Vanguard Target Retirement Funds

| Fund Option | Yrs. to Retirement | Stocks % | Bonds % |
|---|---|---|---|
| Target Retirement Income Fund | 0 | 30 | 70 |
| Target Retirement Fund 2020 | 0 | 40 | 60 |
| Target Retirement Fund 2025 | 0-5 | 55 | 45 |
| Target Retirement Fund 2030 | About 10 | 65 | 35 |
| Target Retirement Fund 2035 | About 15 | 70 | 30 |
| Target Retirement Fund 2040 | About 20 | 80 | 20 |
| Target Retirement Fund 2045 | About 25 | 85 | 15 |
| Target Retirement Fund 2050 | About 30 | 90 | 10 |
| Target Retirement Fund 2055 | About 35 | 90 | 10 |
| Target Retirement Fund 2060 | About 40 | 90 | 10 |
| Target Retirement Fund 2065 | About 45 | 90 | 10 |

### Index Funds

**Vanguard Extended Market Index Fund** – tracks the return of the S&P Completion Index that measures the return of small- and mid-capitalization US stocks.
**Vanguard Federal Money Market Fund** – seeks to provide current income while maintaining liquidity by investing primarily in short-term securities issued by the U.S. Treasury and agencies of the U.S. government, and repurchase agreements collateralized by such securities.
**Vanguard Institutional Index Fund** – seeks to track the performance of the S&P 500 Index which measures the return of large-capitalization stocks.
**Vanguard Small Cap Index Fund** – seeks to replicate the CRSP U.S. Small Cap Index by holding all the stocks in the same capitalization weight as the index.
**Vanguard Total Bond Market Index Fund** – tracks the Barclay's Capital U.S. Aggregate Bond Index and seeks to provide current income by investing in a mix of bonds – corporate, government, and mortgage-backed – that represent the total universe of public investment-grade bonds in the U.S. with maturities over one year.
**Vanguard Total International Stock Index Fund** –tracks the returns of the FTSE Global All Cap ex U.S. Index. The fund holds a sampling of stocks that matches certain characteristics of its target index such as country weightings, market capitalization, and industry sector diversification.
**Vanguard Growth Index Fund** – tracks the performance of the CRSP US Large Cap Growth Index, an index primarily made up of growth stocks of large U.S. companies.
**Vanguard Value Index Fund** – tracks the performance of the CRSP US Large Cap Value Index, an index primarily made up of value stocks of large U.S. companies.
**Vanguard Real Estate Index Fund** – tracks the performance of MSCI US Investable Market Real Estate 25/50 Index, an index primarily made up of large, mid-size, and small US companies within the real estate sector.

### Specialty Investment Options

**Balanced Income Fund –** Wellesley Income Fund
**International/Global Equity Funds –** American Funds Capital World Growth & Income Fund, Dodge & Cox International Stock Fund, Dodge & Cox Global Stock Fund, T. Rowe Price Real Assets Fund
**Large Cap Equity Funds –** American Funds Growth Fund of America, Vanguard Windsor II Fund
**Mid/Small Cap Equity Fund –** Vanguard Strategic Equity Fund

# Quarterly Report
# Prepared for the SDRS
# Supplemental Retirement Plan

## 2nd Quarter 2023

Administered for the SDRS by:
**Nationwide Retirement Solutions**

## SDRS Supplemental Retirement Plan(Qtrly)
### Plan Status Report - June 2023
### Part I: Statistics By Investment Option as of June 30, 2023
### Total Program

**Report Date: Jul 01, 2023**

| Fund | | Participants | | Plan Assets | | |
|---|---|---|---|---|---|---|
| Total Program | Date Added to Plan | Active* | Total** | Contributions Current Month | Investment Performance | Balance as of 06/30/2023 |
| Capital World Growth and Income Fund(SM) - Class R5 | Aug, 2007 | 361 | 788 | $304,878 | $476,684 | $8,643,526 |
| Dodge & Cox Global Stock Fund - Class I | Dec, 2012 | 159 | 328 | $114,371 | $153,120 | $2,931,683 |
| Dodge & Cox International Stock Fund - Class I | Aug, 2007 | 354 | 710 | $185,223 | $156,419 | $3,878,228 |
| Prudential Guaranteed Investment Contract | Feb, 2008 | 773 | 6,230 | $4,997,576 | $1,101,016 | $149,878,693 |
| T. Rowe Price Real Assets Fund | Mar, 2022 | 16 | 27 | $2,800 | -$627 | $52,175 |
| The Growth Fund of America(R) - Class R5 | Aug, 2007 | 772 | 1,496 | $336,391 | $2,294,342 | $23,759,851 |
| Vanguard Federal Money Market Fund - Investor Class | Dec, 2015 | 2,130 | 3,603 | $751,257 | $196,622 | $16,940,701 |
| Vanguard Real Estate Index Fund - Admiral Shares | Mar, 2022 | 215 | 329 | $57,039 | $11,933 | $653,534 |
| Vanguard Target Retirement 2020 Fund - Investor Shares | Aug, 2007 | 618 | 1,659 | $419,096 | $713,965 | $33,803,270 |
| Vanguard Target Retirement 2025 Fund - Investor Shares | Aug, 2007 | 1,419 | 2,578 | $987,367 | $1,360,078 | $46,398,525 |
| Vanguard Target Retirement 2030 Fund - Investor Shares | Aug, 2007 | 1,645 | 2,855 | $1,037,085 | $1,500,116 | $43,572,259 |
| Vanguard Target Retirement 2035 Fund - Investor Shares | Aug, 2007 | 1,704 | 2,971 | $926,188 | $1,113,658 | $28,477,372 |
| Vanguard Target Retirement 2040 Fund - Investor Shares | Aug, 2007 | 1,825 | 3,396 | $835,206 | $1,017,383 | $23,379,304 |
| Vanguard Target Retirement 2045 Fund - Investor Shares | Aug, 2007 | 2,032 | 3,969 | $897,659 | $1,188,491 | $24,791,731 |
| Vanguard Target Retirement 2050 Fund - Investor Shares | Aug, 2007 | 2,254 | 5,040 | $766,732 | $1,196,135 | $23,576,887 |
| Vanguard Target Retirement 2055 Fund - Investor Shares | Feb, 2012 | 2,185 | 4,856 | $502,075 | $708,343 | $13,940,182 |
| Vanguard Target Retirement 2060 Fund - Investor Shares | Dec, 2012 | 1,434 | 3,016 | $272,778 | $255,749 | $5,077,998 |
| Vanguard Target Retirement 2065 Fund - Investor Shares | Feb, 2022 | 128 | 177 | $57,927 | $31,603 | $606,412 |
| Vanguard Total International Stock Index Fund - Institutional Shares | Apr, 2011 | 530 | 1,219 | $428,045 | $300,349 | $12,067,440 |
| Vanguard Value Index Fund -Admiral Shares | Dec, 2018 | 347 | 618 | $125,111 | $130,723 | $3,779,986 |
| Vanguard(R) Extended Market Index Fund - Institutional Shares | Nov, 2007 | 717 | 1,519 | $342,083 | $1,195,216 | $19,732,727 |
| Vanguard(R) Growth Index Fund - Institutional Shares | Oct, 2021 | 484 | 883 | $349,409 | $1,589,309 | $13,496,472 |
| Vanguard(R) Institutional Index Fund - Institutional Shares | Apr, 2000 | 935 | 2,374 | $812,050 | $6,675,460 | $83,246,112 |
| Vanguard(R) Small-Cap Index Fund - Institutional Shares | Oct, 2021 | 676 | 1,191 | $354,703 | $439,592 | $8,667,195 |
| Vanguard(R) Strategic Equity Fund - Investor Shares | Aug, 2007 | 561 | 1,104 | $262,286 | $536,963 | $9,371,555 |
| Vanguard(R) Target Retirement Income Fund | Aug, 2007 | 191 | 1,029 | $214,507 | $343,627 | $25,473,883 |
| Vanguard(R) Total Bond Market Index Fund - Institutional Shares | Dec, 2005 | 543 | 1,325 | $379,027 | -$138,451 | $15,490,258 |
| Vanguard(R) Wellesley(R) Income Fund - Admiral(TM) Shares | Dec, 2012 | 195 | 526 | $89,850 | $111,315 | $14,165,021 |
| Vanguard(R) Windsor(TM) II Fund - Admiral(TM) Shares | Oct, 2001 | 551 | 1,407 | $529,202 | $2,299,904 | $40,854,048 |
| **Total** | | **18,354** | **39,294** | **$17,337,920** | **$26,959,036** | **$696,707,028** |

** This column represents the number of participants who have deferred to this option during the period*

*** This column represents the number of participants who have balance at the end of the period*

*Neither column will add to the totals at the bottom because participants could have multiple investment options*

SDRS Supplemental Retirement Plan(Qtrly)
Plan Status Report - June 2023
**Part I: Statistics By Investment Option as of June 30, 2023**
**Plan 457**

**Report Date: Jul 01, 2023**

| Fund | | Participants | | Plan Assets | | |
|---|---|---|---|---|---|---|
| 457 | Date Added to Plan | Active* | Total** | Contributions Current Month | Investment Performance | Balance as of 06/30/2023 |
| Capital World Growth and Income Fund(SM) - Class R5 | Aug, 2007 | 361 | 779 | $287,538 | $469,124 | $8,511,296 |
| Dodge & Cox Global Stock Fund - Class I | Dec, 2012 | 159 | 323 | $114,371 | $144,944 | $2,777,153 |
| Dodge & Cox International Stock Fund - Class I | Aug, 2007 | 354 | 698 | $185,223 | $149,916 | $3,720,974 |
| Prudential Guaranteed Investment Contract | Feb, 2008 | 572 | 2,234 | $1,536,301 | $607,756 | $81,356,463 |
| T. Rowe Price Real Assets Fund | Mar, 2022 | 16 | 27 | $2,800 | -$627 | $52,175 |
| The Growth Fund of America(R) - Class R5 | Aug, 2007 | 772 | 1,465 | $336,391 | $2,217,509 | $22,971,530 |
| Vanguard Federal Money Market Fund - Investor Class | Dec, 2015 | 2,130 | 3,586 | $751,257 | $191,751 | $16,452,852 |
| Vanguard Real Estate Index Fund - Admiral Shares | Mar, 2022 | 215 | 323 | $57,039 | $11,741 | $643,464 |
| Vanguard Target Retirement 2020 Fund - Investor Shares | Aug, 2007 | 617 | 1,650 | $418,524 | $704,099 | $33,342,294 |
| Vanguard Target Retirement 2025 Fund - Investor Shares | Aug, 2007 | 1,419 | 2,566 | $987,367 | $1,335,720 | $45,567,828 |
| Vanguard Target Retirement 2030 Fund - Investor Shares | Aug, 2007 | 1,645 | 2,845 | $1,037,085 | $1,486,785 | $43,177,566 |
| Vanguard Target Retirement 2035 Fund - Investor Shares | Aug, 2007 | 1,704 | 2,965 | $926,188 | $1,108,297 | $28,341,203 |
| Vanguard Target Retirement 2040 Fund - Investor Shares | Aug, 2007 | 1,825 | 3,391 | $835,206 | $1,013,791 | $23,297,116 |
| Vanguard Target Retirement 2045 Fund - Investor Shares | Aug, 2007 | 2,032 | 3,964 | $897,659 | $1,185,421 | $24,722,870 |
| Vanguard Target Retirement 2050 Fund - Investor Shares | Aug, 2007 | 2,254 | 5,038 | $766,732 | $1,193,769 | $23,530,357 |
| Vanguard Target Retirement 2055 Fund - Investor Shares | Feb, 2012 | 2,185 | 4,855 | $502,075 | $706,108 | $13,896,251 |
| Vanguard Target Retirement 2060 Fund - Investor Shares | Dec, 2012 | 1,434 | 3,014 | $272,778 | $255,064 | $5,064,598 |
| Vanguard Target Retirement 2065 Fund - Investor Shares | Feb, 2022 | 128 | 176 | $57,927 | $30,960 | $593,735 |
| Vanguard Total International Stock Index Fund - Institutional Shares | Apr, 2011 | 530 | 1,201 | $428,045 | $295,266 | $11,869,230 |
| Vanguard Value Index Fund -Admiral Shares | Dec, 2018 | 347 | 600 | $125,111 | $123,659 | $3,617,476 |
| Vanguard(R) Extended Market Index Fund - Institutional Shares | Nov, 2007 | 717 | 1,488 | $342,083 | $1,147,097 | $18,937,262 |
| Vanguard(R) Growth Index Fund - Institutional Shares | Oct, 2021 | 484 | 856 | $349,409 | $1,501,089 | $12,749,731 |
| Vanguard(R) Institutional Index Fund - Institutional Shares | Apr, 2000 | 935 | 2,323 | $812,050 | $6,533,358 | $81,465,568 |
| Vanguard(R) Small-Cap Index Fund - Institutional Shares | Oct, 2021 | 676 | 1,166 | $354,703 | $424,655 | $8,371,701 |
| Vanguard(R) Strategic Equity Fund - Investor Shares | Aug, 2007 | 561 | 1,075 | $262,286 | $513,854 | $8,970,974 |
| Vanguard(R) Target Retirement Income Fund | Aug, 2007 | 191 | 1,010 | $214,507 | $333,810 | $24,747,834 |
| Vanguard(R) Total Bond Market Index Fund - Institutional Shares | Dec, 2005 | 543 | 1,304 | $379,027 | -$133,984 | $14,987,099 |
| Vanguard(R) Wellesley(R) Income Fund - Admiral(TM) Shares | Dec, 2012 | 195 | 495 | $89,850 | $106,809 | $13,590,022 |
| Vanguard(R) Windsor(TM) II Fund - Admiral(TM) Shares | Oct, 2001 | 551 | 1,384 | $511,862 | $2,267,147 | $40,264,990 |
| **Total** | | **18,232** | **36,344** | **$13,841,391** | **$25,924,888** | **$617,591,615** |

** This column represents the number of participants who have deferred to this option during the period*
*** This column represents the number of participants who have balance at the end of the period*
*Neither column will add to the totals at the bottom because participants could have multiple investment options*

## SDRS Supplemental Retirement Plan(Qtrly)
### Plan Status Report - June 2023
### Part I: Statistics By Investment Option as of June 30, 2023
### Plan 401A

**Report Date: Jul 01, 2023**

| Fund | | Participants | | | Plan Assets | |
|---|---|---|---|---|---|---|
| 401(a) | Date Added to Plan | Active* | Total** | Contributions Current Month | Investment Performance | Balance as of 06/30/2023 |
| Capital World Growth and Income Fund(SM) - Class R5 | Aug, 2007 | 1 | 12 | $17,340 | $7,561 | $132,230 |
| Dodge & Cox Global Stock Fund - Class I | Dec, 2012 | 0 | 6 | $0 | $8,175 | $154,530 |
| Dodge & Cox International Stock Fund - Class I | Aug, 2007 | 0 | 20 | $0 | $6,503 | $157,253 |
| Prudential Guaranteed Investment Contract | Feb, 2008 | 217 | 4,466 | $3,461,275 | $493,259 | $68,522,230 |
| The Growth Fund of America(R) - Class R5 | Aug, 2007 | 0 | 48 | $0 | $76,833 | $788,321 |
| Vanguard Federal Money Market Fund - Investor Class | Dec, 2015 | 0 | 22 | $0 | $4,871 | $487,848 |
| Vanguard Real Estate Index Fund - Admiral Shares | Mar, 2022 | 0 | 12 | $0 | $192 | $10,071 |
| Vanguard Target Retirement 2020 Fund - Investor Shares | Aug, 2007 | 1 | 18 | $573 | $9,866 | $460,976 |
| Vanguard Target Retirement 2025 Fund - Investor Shares | Aug, 2007 | 0 | 18 | $0 | $24,358 | $830,697 |
| Vanguard Target Retirement 2030 Fund - Investor Shares | Aug, 2007 | 0 | 18 | $0 | $13,331 | $394,693 |
| Vanguard Target Retirement 2035 Fund - Investor Shares | Aug, 2007 | 0 | 8 | $0 | $5,361 | $136,169 |
| Vanguard Target Retirement 2040 Fund - Investor Shares | Aug, 2007 | 0 | 5 | $0 | $3,592 | $82,188 |
| Vanguard Target Retirement 2045 Fund - Investor Shares | Aug, 2007 | 0 | 6 | $0 | $3,070 | $68,861 |
| Vanguard Target Retirement 2050 Fund - Investor Shares | Aug, 2007 | 0 | 4 | $0 | $2,367 | $46,530 |
| Vanguard Target Retirement 2055 Fund - Investor Shares | Feb, 2012 | 0 | 2 | $0 | $2,235 | $43,932 |
| Vanguard Target Retirement 2060 Fund - Investor Shares | Dec, 2012 | 0 | 2 | $0 | $685 | $13,399 |
| Vanguard Target Retirement 2065 Fund - Investor Shares | Feb, 2022 | 0 | 1 | $0 | $643 | $12,676 |
| Vanguard Total International Stock Index Fund - Institutional Shares | Apr, 2011 | 0 | 28 | $0 | $5,083 | $198,210 |
| Vanguard Value Index Fund -Admiral Shares | Dec, 2018 | 0 | 29 | $0 | $7,065 | $162,510 |
| Vanguard(R) Extended Market Index Fund - Institutional Shares | Nov, 2007 | 0 | 42 | $0 | $48,118 | $795,464 |
| Vanguard(R) Growth Index Fund - Institutional Shares | Oct, 2021 | 0 | 44 | $0 | $88,220 | $746,741 |
| Vanguard(R) Institutional Index Fund - Institutional Shares | Jul, 2004 | 0 | 78 | $0 | $142,101 | $1,780,543 |
| Vanguard(R) Small-Cap Index Fund - Institutional Shares | Oct, 2021 | 0 | 37 | $0 | $14,937 | $295,494 |
| Vanguard(R) Strategic Equity Fund - Investor Shares | Aug, 2007 | 0 | 38 | $0 | $23,110 | $400,581 |
| Vanguard(R) Target Retirement Income Fund | Aug, 2007 | 0 | 35 | $0 | $9,817 | $726,049 |
| Vanguard(R) Total Bond Market Index Fund - Institutional Shares | Dec, 2005 | 0 | 39 | $0 | -$4,468 | $503,160 |
| Vanguard(R) Wellesley(R) Income Fund - Admiral(TM) Shares | Dec, 2012 | 0 | 39 | $0 | $4,506 | $574,998 |
| Vanguard(R) Windsor(TM) II Fund - Admiral(TM) Shares | Jul, 2004 | 1 | 36 | $17,340 | $32,757 | $589,058 |
| **Total** | | **219** | **4,674** | **$3,496,529** | **$1,034,147** | **$79,115,413** |

** This column represents the number of participants who have deferred to this option during the period*

*** This column represents the number of participants who have balance at the end of the period*

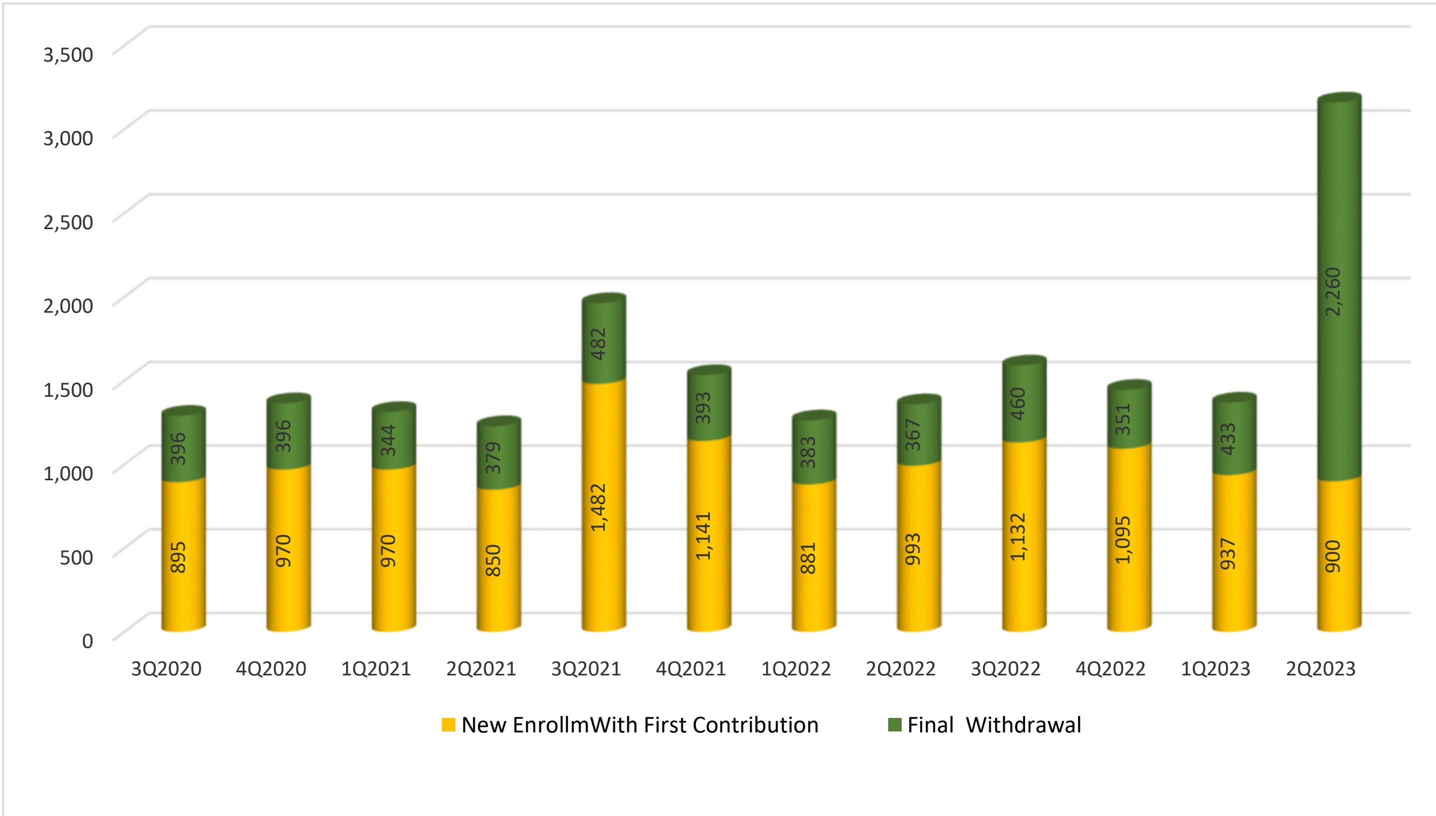
*Neither column will add to the totals at the bottom because participants could have multiple investment options*

## SDRS Supplemental Retirement Plan(Qtrly)
## Plan Status Report - June 2023
### SDRS-Plan Participation Statistics

**Report Date: Jul 01, 2023**

| | State Employees | Regent Employees | Local Employees | Total Program |
|---|---|---|---|---|
| Total Participants Prior Quarter | 15793 | 7751 | 14780 | 38324 |
| Plus New Enrollees/Contributions Received This Quarter | 362 | 109 | 429 | 900 |
| Lump Sum (Full) | 295 | 943 | 842 | 2080 |
| Lump Sum (Partial) | 32 | 6 | 45 | 83 |
| Annuity | 188 | 60 | 233 | 481 |
| Hardship | 4 | 0 | 4 | 8 |
| Transfers Out | 28 | 27 | 44 | 99 |
| De Minimis | 1 | 0 | 0 | 1 |
| Less Final Withdrawals | 361 | 983 | 916 | 2260 |
| Total Participant this Quarter | 15749 | 6882 | 14290 | 36921 |
| **Transactions Processed This Quarter** | | | | |
| Active Participant During this Qtr | | | | 18041 |
| Average Monthly Contribution | | | | 147 |
| Number of Increases/Decreases to Contribution Amounts | | | | 1411 |
| Number of Exchanges | | | | 965 |
| Number of Investment Option Election Changes | | | | 1778 |
| **Employer Activity** | | | | |
| Number of New Employers Added during Qtr | | | | 3 |
| Total Employers | | | | 377 |

Supplemental Retirement Plan
New Enrollments/ Final Withdrawals
2nd Quarter 2023



## Prudential Guaranteed Interest Account

The Prudential Guaranteed Interest Account (GIA) is a stable value insurance product designed to provide safety of principal, liquidity and a stable rate of return. The current interest-crediting rate is 3% which is also the minimum rate. The safety of principal contributed, and accumulated interest is backed by the Empower Annuity Insurance Company of America (EAICA)*. The interest rate is guaranteed for at least one quarter and can never be less than the minimum rate.

Contributions are deposited in the EAICA general account. Payment obligations and the fulfillment of any guarantees in the group annuity contract are supported by the full faith and credit of EAICA. Part of the assets within EAICA are managed to support both its guarantees and its liabilities. The bulk of the EAICA general account is invested in short- to intermediate-term fixed income securities with investments in private placement bonds, mortgage loans, public corporate bonds, and asset-backed securities.

The acquisition of Prudential's full-service retirement business by Empower Retirement (a subsidiary of Great-West Lifeco) closed on April 1, 2022. The migration of the heritage Prudential business to the Empower platform is expected to take place in October 2023. We have been informed that there are still no anticipated changes to the guaranteed interest account, though we will continue to stay in touch with our client service contact for any new information that may become available.

| **Portfolio Data** | **06/30/2023** |
|---|---|
| Net Book Value of Assets | $50.1B |
| Book Value of Liabilities | $45.9B |
| Financial Strength (AM Best/S&P/Moody's/Fitch) | A+/AA/Aa3/AA |
| **Portfolio Asset Allocation** | |
| Public Corporate Bonds | 29% |
| Private Securities | 21% |
| Mortgage Loans | 14% |
| Policy Loans | 9% |
| ABS | 9% |
| MBS | 4% |
| Cash and Short-Term | 3% |
| Other | 11% |

| **Credit Quality of Admitted Cash and Invested Assets** | |
|---|---|
| AAA | 8% |
| AA | 6% |
| A | 23% |
| BBB | 27% |
| Below Investment Grade | 1% |
| Not Rated* | 34% |

*Includes other invested assets, common stock and mortgage loans