



New York State Deferred Compensation Plan

A Plan for Your Future

How Did Your Plan Account Funds Perform? Performance as of March 31, 2017

Returns are net of all fees charged by the fund and represent change in net asset value with capital gains and dividends reinvested. The Plan charges an administrative fee in April and October of each Plan year. Plan charges directly reduce your account value.

The appropriate market index for each fund or category of funds is provided for comparison purposes only. They are unmanaged, and no fees or expenses have been reflected. Individuals cannot invest directly in an index.

Performance data represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate and, therefore, you may have a gain or loss when you sell your shares. Current performance may be lower or higher than the data quoted. For performance current to the most recent month-end, visit www.nysdcp.com. Before investing, you should carefully consider the fund's investment objectives, risks, charges, and expenses. This and other information is contained in the fund prospectus, which is available by calling 1-800-422-8463. Read it carefully before you invest.

| Option | Ticker Symbol | NAV | Total Return | | Average Annual Return | | | Since Inception | Inception Date | Gross Expense Ratio | Gross Cost Per \$1000 | Reimbursement ⁶ | Net Cost Per \$1000 |
|---|---------------|----------|--------------|--------|-----------------------|--------|---------|-----------------|----------------|---------------------|-----------------------|----------------------------|---------------------|
| | | | 1st Qtr. | 1 Yr. | 3 Yrs. | 5 Yrs. | 10 Yrs. | | | | | | |
| STABLE INCOME FUND¹ | | | | | | | | | | | | | |
| The Stable Income Fund | | | 0.46% | 1.92% | 1.86% | 1.92% | 2.60% | 4.61% | 12/1/92 | 0.35% | \$3.50 | 0.00% | \$3.50 |
| 5-Year Constant Maturity Treasury Index | | | 0.32% | 1.26% | 1.32% | 1.49% | 2.48% | | | N/A | | | |
| BOND FUNDS² | | | | | | | | | | | | | |
| Federated Total Return Gov't Bond Fund - Instl | FTRGX | \$10.75 | 0.68% | -0.90% | 1.73% | 1.38% | 3.68% | 4.91% | 10/19/95 | 0.49% | \$4.90 | 0.05% | \$4.40 |
| Barclays US Government/Credit Index | | | 0.68% | -1.34% | 2.04% | 1.59% | 3.78% | | | N/A | | | |
| Vngd Total Bond Mkt Index Fund - Inst'l Plus Shares* | VBMPX | \$10.68 | 0.91% | 0.45% | 2.62% | 2.30% | 4.23% | 5.26% | 9/29/95 | 0.04% | \$0.40 | 0.00% | \$0.40 |
| Barclays Capital U.S. Aggregate Bond Index | | | 0.82% | 0.44% | 2.68% | 2.34% | 4.27% | | | N/A | | | |
| BALANCED FUNDS | | | | | | | | | | | | | |
| Pax World Balanced Fund - Institutional | PAXIX | \$23.44 | 3.58% | 8.96% | 5.44% | 7.18% | 4.54% | 8.36% | 8/10/71 | 0.67% | \$6.70 | 0.10% | \$5.70 |
| Vanguard Wellington Fund - Admiral Shares | VWENX | \$69.35 | 3.45% | 12.76% | 7.30% | 9.67% | 7.23% | 7.52% | 5/14/01 | 0.16% | \$1.60 | 0.00% | \$1.60 |
| 60% S&P 500 Index/40% Barclay's Capital U.S. Aggregate Bond Index | | | 3.95% | 10.26% | 7.38% | 8.94% | 6.52% | | | N/A | | | |
| Retirement Date Funds³ | | | | | | | | | | | | | |
| T. Rowe Price Retirement - 2010 | TRRAX | \$18.00 | 3.75% | 8.55% | 4.42% | 6.19% | 4.97% | 7.59% | 9/30/02 | 0.59% | \$5.90 | 0.15% | \$4.40 |
| T. Rowe Price Retirement - 2015 | TRRGX | \$14.78 | 4.23% | 9.68% | 4.87% | 7.05% | 5.31% | 6.39% | 2/27/04 | 0.62% | \$6.20 | 0.15% | \$4.70 |
| T. Rowe Price Retirement - 2020 | TRRBX | \$21.43 | 5.00% | 11.14% | 5.33% | 7.87% | 5.53% | 8.60% | 9/30/02 | 0.66% | \$6.60 | 0.15% | \$5.10 |
| T. Rowe Price Retirement - 2025 | TRRHX | \$16.37 | 5.61% | 12.31% | 5.72% | 8.58% | 5.72% | 6.99% | 2/27/04 | 0.69% | \$6.90 | 0.15% | \$5.40 |
| T. Rowe Price Retirement - 2030 | TRRCX | \$23.90 | 6.08% | 13.35% | 6.07% | 9.18% | 5.90% | 9.29% | 9/30/02 | 0.72% | \$7.20 | 0.15% | \$5.70 |
| T. Rowe Price Retirement - 2035 | TRRJX | \$17.36 | 6.57% | 14.21% | 6.31% | 9.60% | 6.02% | 7.34% | 2/27/04 | 0.74% | \$7.40 | 0.15% | \$5.90 |
| T. Rowe Price Retirement - 2040 | TRRDX | \$24.81 | 6.89% | 14.90% | 6.46% | 9.88% | 6.17% | 9.51% | 9/30/02 | 0.76% | \$7.60 | 0.15% | \$6.10 |
| T. Rowe Price Retirement - 2045 | TRRKX | \$16.72 | 7.04% | 15.12% | 6.54% | 9.92% | 6.20% | 7.53% | 5/31/05 | 0.76% | \$7.60 | 0.15% | \$6.10 |
| T. Rowe Price Retirement - 2050 | TRRMX | \$14.05 | 6.93% | 15.08% | 6.52% | 9.91% | 6.18% | 6.20% | 12/29/06 | 0.76% | \$7.60 | 0.15% | \$6.10 |
| T. Rowe Price Retirement - 2055 | TRRNX | \$14.09 | 6.99% | 15.16% | 6.53% | 9.91% | 6.18% | 6.20% | 12/29/06 | 0.76% | \$7.60 | 0.15% | \$6.10 |
| U.S. Common Stock Funds - Large Cap | | | | | | | | | | | | | |
| Davis New York Venture Fund A | NYVTX | \$31.83 | 4.29% | 23.12% | 7.99% | 11.79% | 5.53% | 11.70% | 2/17/69 | 0.89% | \$8.90 | 0.35% | \$5.40 |
| Hartford Capital Appreciation HLS - IA Class | HIACX | \$45.09 | 7.23% | 16.40% | 6.53% | 11.70% | 6.65% | 12.97% | 4/2/84 | 0.67% | \$6.70 | 0.10% | \$5.70 |
| Vanguard Inst'l Index Fund - Plus Shares | VIIIX | \$215.15 | 6.06% | 17.16% | 10.37% | 13.30% | 7.53% | 6.98% | 7/7/97 | 0.02% | \$0.20 | 0.00% | \$0.20 |
| S&P 500 Index | | | 6.07% | 17.17% | 10.37% | 13.30% | 7.51% | | | N/A | | | |
| Fidelity OTC Portfolio | FOCPX | \$94.16 | 13.01% | 27.65% | 13.45% | 15.94% | 12.32% | 13.42% | 12/31/84 | 0.91% | \$9.10 | 0.25% | \$6.60 |
| Principal Large Cap Growth Fund - Inst'l Shares | PGLIX | \$9.35 | 10.91% | 8.88% | 6.99% | 10.32% | 6.75% | 3.10% | 12/6/00 | 0.64% | \$6.40 | 0.10% | \$5.40 |
| Vanguard PRIMECAP Fund - Admiral Shares | VPMAX | \$117.83 | 8.27% | 22.25% | 11.65% | 16.40% | 10.27% | 9.99% | 11/12/01 | 0.33% | \$3.30 | 0.00% | \$3.30 |
| Russell 1000 Growth Index | | | 8.91% | 15.76% | 11.27% | 13.32% | 9.13% | | | N/A | | | |
| T. Rowe Price Equity Income Fund | PRFDX | \$32.41 | 3.30% | 19.94% | 6.76% | 11.07% | 5.88% | 10.84% | 10/31/85 | 0.66% | \$6.60 | 0.10% | \$5.60 |
| Russell 1000 Value Index | | | 3.27% | 19.22% | 8.67% | 13.13% | 5.93% | | | N/A | | | |

Although gathered from reliable sources, data accuracy and completeness cannot be guaranteed.

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| Option | Ticker Symbol | NAV | Total Return | | Average Annual Return | | | Since Inception | Inception Date | Gross Expense Ratio | Gross Cost Per \$1000 | Reimbursement ⁵ | Net Cost Per \$1000 |
|--|---------------|----------|--------------|--------|-----------------------|--------|---------|-----------------|----------------|---------------------|-----------------------|----------------------------|---------------------|
| | | | 1st Qtr. | 1 Yr. | 3 Yrs. | 5 Yrs. | 10 Yrs. | | | | | | |
| U.S. COMMON STOCK FUNDS - MID-CAP | | | | | | | | | | | | | |
| Vanguard Mid Cap Index Fund - Inst'l Plus Shares* | VMCPX | \$187.87 | 6.19% | 16.76% | 8.70% | 12.91% | N/A | 12.39% | 12/15/10 | 0.05% | \$0.50 | 0.00% | \$0.50 |
| Russell Midcap Index | | | 5.15% | 17.03% | 8.48% | 13.09% | 7.94% | N/A | | | | | |
| Vanguard Capital Opportunity Fund - Admiral Shares | VHCA | \$134.71 | 8.42% | 23.94% | 11.64% | 17.34% | 10.09% | 10.64% | 11/12/01 | 0.38% | \$3.80 | 0.00% | \$3.80 |
| Russell Midcap Growth Index | | | 6.89% | 14.07% | 7.88% | 11.95% | 8.13% | N/A | | | | | |
| U.S. COMMON STOCK FUNDS - SMALL-CAP⁴ | | | | | | | | | | | | | |
| Vanguard Small Cap Index Fund - Inst'l Plus Shares | VSCPX | \$184.35 | 3.74% | 21.53% | 7.44% | 12.93% | N/A | 11.98% | 12/17/10 | 0.05% | \$0.50 | 0.00% | \$0.50 |
| WF Advantage Small Cap Value Fd - Inst'l Class* | WFSVX | \$22.90 | 3.48% | 30.41% | 5.78% | 9.67% | 6.59% | 11.86% | 12/31/97 | 1.03% | \$10.30 | 0.10% | \$9.30 |
| Russell 2000 Index | | | 2.47% | 26.22% | 7.22% | 12.35% | 7.12% | N/A | | | | | |
| Columbia Acorn USA FUND - Class Z | AUSAX | \$18.11 | 5.29% | 26.63% | 6.51% | 10.53% | 6.81% | 10.43% | 9/4/96 | 1.18% | \$11.80 | 0.25% | \$9.30 |
| Russell 2000 Growth Index | | | 5.35% | 23.03% | 6.72% | 12.10% | 8.06% | N/A | | | | | |
| Federated Clover Small Value Fund Inst'l Shares* | VSEFX | \$27.57 | 1.73% | 25.64% | 6.29% | 11.15% | 7.27% | 11.03% | 2/28/96 | 1.14% | \$11.40 | 0.10% | \$10.40 |
| Russell 2000 Value Index | | | -0.13% | 29.37% | 7.62% | 12.54% | 6.09% | N/A | | | | | |
| INTERNATIONAL STOCK FUNDS - ESTABLISHED MARKETS⁵ | | | | | | | | | | | | | |
| International Equity Fund - Active Portfolio | | \$10.05 | 6.46% | 10.18% | 2.61% | 6.75% | N/A | 0.05% | 6/7/07 | 0.60% | \$6.00 | 0.00% | \$6.00 |
| International Equity Fund - Index Portfolio | | \$10.27 | 7.27% | 11.67% | 0.42% | 5.72% | N/A | 0.27% | 6/7/07 | 0.20% | \$2.00 | 0.00% | \$2.00 |
| Morgan Stanley EAFE Index | | | 7.25% | 11.67% | 0.50% | 5.83% | 1.05% | N/A | | | | | |
| INTERNATIONAL STOCK FUNDS - EMERGING MARKETS | | | | | | | | | | | | | |
| MSIF Emerging Markets Portfolio - Inst'l Shares | MMMPX | \$23.19 | 11.33% | 13.64% | 0.83% | N/A | N/A | 1.08% | 9/13/13 | 0.95% | \$9.50 | 0.10% | \$8.50 |
| Morgan Stanley EMF Index | | | 11.45% | 17.22% | 1.18% | 0.81% | 2.72% | N/A | | | | | |

¹ Based on the return of the first day of the quarter, the annualized blended interest rate on the Stable Income Fund is estimated at 1.92%, net of fees, for the period April 1, 2017 through June 30, 2017.

The actual interest rate will vary depending on a number of factors and is not guaranteed. Investments in the Stable Income Fund are not guaranteed by the investment manager, the New York State Deferred Compensation Board, the plan trustee, the plan fiduciaries or the plan recordkeeper, are not insured by the Federal Deposit Insurance Corporation (FDIC) or any other agency of the U.S. government, and are subject to investment risk, including loss of principal.

During the second quarter of 2015, a one-time adjustment to the Stable Income Fund's book value was made to reconcile a variance between the Fund's book value maintained by the Plan's trustee and the total value of participant accounts maintained by the Plan's recordkeeper. The variance was the result of the Plan's recordkeeper under accruing for certain Fund expenses in the value of the Fund used to determine the value of participant accounts over prior periods and was corrected by a transfer of surplus market value from one of the Fund's investment contracts, selected to minimize the future impact of the adjustment to the Fund's crediting rate, to the book value of the Fund. The recordkeeper also made a payment to the Fund to reduce the amount of the market value transfer, which should further lessen the impact of the adjustment. As a result, beginning July 1, 2015, the Fund's annual equivalent interest rate was reduced by approximately 0.02% and is expected to continue at this adjusted rate over the duration of the investment contract from which the market value transfer was made.

² Bond funds have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the fund.

³ Retirement Funds, also known as target date or target maturity funds, are asset allocation funds that are based on a targeted date as to when an investor plans to begin to withdraw money. These funds use a strategy that reallocates equity exposure to a higher percentage of fixed investments over time. As a result, the funds become more conservative over time as you approach retirement. It's important to remember that no strategy can assure a profit or prevent a loss in a declining market. The principal value of the fund(s) is not guaranteed at any time, including at the target date. There is no guarantee that Retirement funds will provide enough income for retirement.

⁴ Small cap stocks have higher risks than stocks of larger, more established companies and have significant short-term price volatility.

⁵ International investing involves additional risks, including: currency fluctuations, political instability and foreign regulations.

⁶ Mutual fund reimbursements are contractual.

* Historical return information can be found on www.nysdcp.com, within the News Archive

Shares of any investment fund available under the Plan are not guaranteed or insured by the federal government, New York State, or any other employer maintaining the Plan. The annual administrative fee is a combination of a \$20 fixed fee and an asset-based fee (currently 4.0 basis points) levied in two installments each April and October. The asset-based fee is not levied on accounts below \$20,000 or on account assets that exceed \$200,000. Also, the timing of your contributions and other transactions under the Plan can result in returns greater than or less than these illustrated returns.

Prospectuses are available at www.nysdcp.com or upon request at 1-800-422-8463. If you decide to direct investment of your contributions to any fund in the future, please read each prospectus carefully for more information, including investment objectives, management fees, and other charges and expenses.

Some mutual funds may impose a short term trade fee. Some funds may be subject to a trade restriction policy. Please read the underlying prospectuses carefully.

This investment performance report gives information which is intended to help participants understand what investment alternatives are available to them under the Plan. If you need tax or legal advice, please ask your certified public accountant or lawyer. While we are pleased to help keep you up-to-date on your retirement account, nothing in this investment performance report can change the terms of the Plan or any investment contract.

Nationwide Investment Services Corporation, Member FINRA.