## Long Term Investments

### Summary Performance Comparison

**As of September 30, 2010**

<table>
<thead>
<tr>
<th>Long Term Investments</th>
<th>Quarter</th>
<th>1 Year</th>
<th>3 Years</th>
<th>5 Years</th>
<th>10 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6.1</td>
<td>11.6</td>
<td>(4.0)</td>
<td>4.5</td>
<td>4.2</td>
</tr>
<tr>
<td><strong>Strategic Investment Policy</strong></td>
<td>6.2</td>
<td>8.5</td>
<td>(1.9)</td>
<td>5.0</td>
<td></td>
</tr>
<tr>
<td><strong>Passive Benchmark</strong></td>
<td>9.2</td>
<td>10.0</td>
<td>(3.3)</td>
<td>2.3</td>
<td>1.8</td>
</tr>
<tr>
<td><strong>BNY Mellon - Foundations &amp; Endowments</strong></td>
<td>7.7</td>
<td>9.9</td>
<td>(2.1)</td>
<td>3.7</td>
<td>4.1</td>
</tr>
<tr>
<td><strong>BNY Mellon - $1 Billion + Master Trust</strong></td>
<td>8.4</td>
<td>10.9</td>
<td>(1.7)</td>
<td>4.1</td>
<td>4.5</td>
</tr>
</tbody>
</table>

### Short Term Performance

- Cornell
- SIP
- Passive Benchmark

### Long Term Performance

- Cornell
- CPI + 5.5%
- BNY Mellon E&F

### LTI Weightings

- Equity
- Defensive
- Real Assets

### Component LTI Investors ($MM)

- LTIP
- PBIF
- Other Participants

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1) 70% S&P 500 + 30% BC Agg through 9/30/03; 75% S&P 500 + 25% BC Agg thereafter.
<table>
<thead>
<tr>
<th>Date</th>
<th>Unit Value</th>
<th>Dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/30/99</td>
<td>51.16</td>
<td>1.85</td>
</tr>
<tr>
<td>6/30/00</td>
<td>58.16</td>
<td>1.94</td>
</tr>
<tr>
<td>6/30/01</td>
<td>51.85</td>
<td>2.30</td>
</tr>
<tr>
<td>6/30/02</td>
<td>44.95</td>
<td>2.70</td>
</tr>
<tr>
<td>6/30/03</td>
<td>42.65</td>
<td>2.70</td>
</tr>
<tr>
<td>6/30/04</td>
<td>46.51</td>
<td>2.43</td>
</tr>
<tr>
<td>6/30/05</td>
<td>50.11</td>
<td>2.25</td>
</tr>
<tr>
<td>6/30/06</td>
<td>55.42</td>
<td>2.30</td>
</tr>
<tr>
<td>6/30/07</td>
<td>66.62</td>
<td>2.42</td>
</tr>
<tr>
<td>6/30/08</td>
<td>65.37</td>
<td>2.66</td>
</tr>
<tr>
<td>6/30/09</td>
<td>45.12</td>
<td>3.00</td>
</tr>
<tr>
<td>9/30/09</td>
<td>46.65</td>
<td>2.55</td>
</tr>
<tr>
<td>12/31/09</td>
<td>47.92</td>
<td>2.55</td>
</tr>
<tr>
<td>3/31/10</td>
<td>48.44</td>
<td>2.55</td>
</tr>
<tr>
<td>6/30/10</td>
<td>47.38</td>
<td>2.55</td>
</tr>
<tr>
<td>9/30/10</td>
<td>48.62</td>
<td>2.20</td>
</tr>
</tbody>
</table>

**LTIP Unit Value History**

**LTIP - Unit Value & Dividend**

**Fiscal Years Ended June 30**
### LTI Total Return - Prior Periods

#### Fiscal Year Ending June 30

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Long Term Investment (Net)</td>
<td>12.6</td>
<td>(26.0)</td>
<td>2.7</td>
<td>25.9</td>
<td>16.1</td>
<td>13.6</td>
</tr>
<tr>
<td>BNY Mellon Endowment &amp; Foundations Median(^{(1)})</td>
<td>12.7</td>
<td>(19.3)</td>
<td>(3.0)</td>
<td>18.3</td>
<td>11.4</td>
<td>9.6</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>14.4</td>
<td>(26.2)</td>
<td>(13.1)</td>
<td>20.6</td>
<td>8.6</td>
<td>6.3</td>
</tr>
<tr>
<td>Barclays Agg Bond Index</td>
<td>9.5</td>
<td>6.0</td>
<td>7.1</td>
<td>6.1</td>
<td>(0.8)</td>
<td>6.8</td>
</tr>
</tbody>
</table>

\(^{(1)}\)Database of over 100 Foundations and Endowments maintained by BNY Mellon.

#### Calendar Year Ending December 31

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Long Term Investment (Net)</td>
<td>14.0</td>
<td>(29.1)</td>
<td>19.9</td>
<td>16.2</td>
<td>13.7</td>
<td>13.4</td>
</tr>
<tr>
<td>BNY Mellon Endowment &amp; Foundations Median(^{(1)})</td>
<td>18.6</td>
<td>(25.9)</td>
<td>10.3</td>
<td>14.4</td>
<td>8.4</td>
<td>12.3</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>26.5</td>
<td>(37.0)</td>
<td>5.5</td>
<td>15.8</td>
<td>4.9</td>
<td>10.9</td>
</tr>
<tr>
<td>Barclays Agg Bond Index</td>
<td>5.9</td>
<td>5.2</td>
<td>7.0</td>
<td>4.3</td>
<td>2.4</td>
<td>4.3</td>
</tr>
</tbody>
</table>

\(^{(1)}\)Database of over 100 Foundations and Endowments maintained by BNY Mellon.
Major Separately Invested Accounts
Total Rates of Return
As of September 30, 2010

<table>
<thead>
<tr>
<th>Fund Objective</th>
<th>Net Total Returns, Annualized (%)</th>
<th>Quarter</th>
<th>1 Year</th>
<th>3 Years</th>
<th>5 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charitable Trust/Income</td>
<td>3.4</td>
<td>9.7</td>
<td>8.9</td>
<td>7.0</td>
<td></td>
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<tr>
<td>Combined Endowment Fixed</td>
<td>3.4</td>
<td>9.7</td>
<td>8.9</td>
<td>7.0</td>
<td></td>
</tr>
<tr>
<td>Barclays US Aggregate</td>
<td>2.5</td>
<td>8.2</td>
<td>7.4</td>
<td>6.2</td>
<td></td>
</tr>
<tr>
<td>Charitable Trust/Growth</td>
<td>11.8</td>
<td>8.2</td>
<td>(7.3)</td>
<td>0.4</td>
<td></td>
</tr>
<tr>
<td>Combined Endowment Equity</td>
<td>12.3</td>
<td>9.1</td>
<td>(7.5)</td>
<td>0.3</td>
<td></td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>11.3</td>
<td>10.2</td>
<td>(7.2)</td>
<td>0.6</td>
<td></td>
</tr>
<tr>
<td>Russell 3000</td>
<td>11.5</td>
<td>11.0</td>
<td>(6.6)</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>MSCI EAFE</td>
<td>16.5</td>
<td>3.3</td>
<td>(9.5)</td>
<td>2.0</td>
<td></td>
</tr>
<tr>
<td>Gift Annuity</td>
<td>6.1</td>
<td>11.6</td>
<td>(4.0)</td>
<td>4.5</td>
<td></td>
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<tr>
<td>PLIF High Yield</td>
<td>5.6</td>
<td>12.3</td>
<td>4.5</td>
<td>5.3</td>
<td></td>
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<tr>
<td>PLIF Balanced</td>
<td>6.5</td>
<td>11.1</td>
<td>2.7</td>
<td>4.7</td>
<td></td>
</tr>
<tr>
<td>Premier Income</td>
<td>4.3</td>
<td>12.2</td>
<td>6.9</td>
<td>6.3</td>
<td></td>
</tr>
</tbody>
</table>

**Fund Objectives**

**Charitable Trust Investment Fund (Income) and Combined Endowment (Fixed Income)**
Seek maximum current income and price appreciation consistent with the preservation of capital.

**Charitable Trust Investment Fund (Equity) and Combined Endowment (Equity)**
Seek long term appreciation.

**Pooled Life Income Funds (PLIF)**
The investment objective of the High Yield Pooled Life Income Fund is to secure a liberal rate of income (approx. 4.9%) consistent with the preservation of principal. Fund investments are diversified and may include equities as well as debt securities in the proportions that seem advisable in light of current market and economic conditions.

The investment objective of Balanced Pooled Life Income Fund is to achieve a reasonable rate of current income (approx. 4.3%) combined with longer term growth in both income and principal through the utilization of common stocks, securities convertible into common stocks, and fixed income securities.

**Premier Income**
Seek high level of income (approx. 5.2%) consistent with specific credit quality guidelines. Fund investments include debt securities and preferred stocks.
Market Review

Economic Review
The pace of US GDP growth continued to slow in the second quarter, as the US economy grew at an annualized rate of just 1.7%, according to the most recent revision. Unemployment held steady at 9.5% during the quarter. The US dollar weakened sharply during the quarter, losing ground against all major currencies. The US trade deficit continued its upward climb to $46.3 billion in the month of August. The slowdown in growth prompted the Federal Reserve to announce a second round of quantitative easing. According to the National Bureau of Economic Research, the US economic recession, which began at the beginning of 2008, officially ended as of June 30, 2009. At 18 months, it was the longest recession on record since the end of World War II.

Financial Markets Review
For the eighth consecutive quarter, the Federal Reserve left the Fed Funds rate at the target of 0-0.25%. The treasury yield curve continued to flatten as it had in the second quarter. Treasuries at all maturities experienced decreasing yields although the drop was more pronounced at mid-to long maturities. The declining dollar led to strong positive returns for commodities. For the quarter, the S&P Goldman Sachs Commodity Index returned 8.3%. Real Estate, after another strong quarter, lead all major asset classes in the year-to-date and 1-year time periods, with returns of 19.1% and 30.3%, respectively. As the quarter drew to a close, investors in international equities had to contend with rising pressure on US lawmakers to encourage China to re-value its currency.

As of September 30, 2010, all major asset classes had positive returns for the quarter, year-to-date and 1-year time periods. Aided by the falling dollar, investors in international equities achieved the greatest quarterly returns. Equity investors in all regions experienced strong, positive third quarter returns.

Domestic Equity Review
Off-setting the losses across all styles in the prior quarter, the third quarter provided gains for US equity investors in growth, value, large and small strategies. Additionally, positive returns were achieved by investors in all US equity sectors. Volatility, as defined by the standard deviation of the Russell 3000 Index returns, increased slightly to 18.9% for the year ended September 2009. Confronted by the possibility of continued quantitative easing by the Federal Reserve, the equity markets rallied into the quarter’s end.

The Russell 1000 and Russell 2000 Indexes both managed to reverse course from the previous quarter’s losses, posting third quarter returns of 11.6% and 11.3%, respectively. Growth and Value also showed strongly positive quarterly returns, with 10.1% and 13.0% returns for the Russell 3000 Value and Russell 3000 Growth Indexes, respectively. The unanimously positive third quarter returns for all Russell Global Sectors
International Markets Review

International equity continued to show significant correlation with the US equity market, posting widespread positive returns for the quarter. The MSCI Pacific X Japan Index led the way with a 22.2% quarterly return, followed closely by the MSCI United Kingdom Index, which returned 19.8%. The MSCI EAFE Index achieved a 16.5% return for the quarter. Emerging markets regained their out-performance of developed markets as the MSCI Emerging Markets Index returned 18.2% for the quarter. The quarter was relatively quiet for the beleaguered European nations which had been making headlines in prior quarters, although their swap spreads remained at elevated levels.

International equity market indices representing all major regions posted positive returns in the quarter. The story was much the same in the emerging markets, as all major regions achieved gains. The MSCI EAFE Growth Index’s 16.6% quarterly return narrowly outperformed the MSCI EAFE Value Index’s 16.4% return for the quarter.

Fixed Income Review

Major fixed income sectors maintained the gains of the previous two quarters, all achieving positive results. US Treasuries of all maturities achieved gains this quarter as yields fell. Although other asset classes appeared to reflect heightened inflationary fears, the continued strong performance of Treasuries indicates strong demand still exists for a risk-free asset. The yield on the 10-year treasury declined from 2.97% to 2.53% over the quarter. The fixed income market as a whole seemed to indicate a higher risk tolerance than in previous quarters. The best performing sector was high yield, as the Barclays Capital Corporate High Yield BB (Ba) Index returned 7.3% for the quarter. International fixed income also rewarded investors with positive returns for the quarter. The Citigroup World Government Bond Index returned 8.2%during the third quarter.

US government bonds continued to provide positive returns. The Barclays Capital Government Bond Index returned 2.5% in the third quarter. High quality corporate bonds were in high demand as the Barclays Capital US Credit Index returned 4.6% to investors. The broad Barclays Capital Aggregate Bond Index reflected the uniformly positive returns by achieving a 2.5% quarterly return.

Commentary provided by Mellon Institutional Funds, BNY Mellon Asset Management.