



Earnest Partners

Small-Cap Value Stock

LOCATION	Atlanta, GA
YEAR FOUNDED	1993
ASSETS UNDER MANAGEMENT	\$11.8 billion
CF FUNDS MANAGED	\$3.7 million, 7.0% (as of 12/31/08)
INVESTMENT STYLE	Small-Cap Value Equity

Firm Overview:

EARNEST Partners LLC (EARNEST) is a money management firm located in Atlanta, GA. The professionals of EARNEST have been managing money for institutional investors since 1993. The predecessor firm, Conners & Associates, was founded in 1993 and managed small-cap strategies using the Return Pattern Recognition process developed by Paul Viera. In 1998, Viera bought the majority ownership interest in Conners & Associates and renamed the firm EARNEST. Today, EARNEST provides asset management services for corporations, public funds, jointly-trusted plans, endowments and high net worth individuals.

Investment Process:

At the heart of the EARNEST investment process is the desire to find what the firm believes are well-run companies selling at a discount to its true value. The small-cap value strategy focuses on companies with market capitalizations that range between \$250 million and \$3 billion. The investment process originates with a quantitative screening process called Return Pattern Recognition. With Return Pattern Recognition, EARNEST attempts to identify the combination of performance drivers, which include valuation measures, operating trends, market trends, growth measures, profitability measures, and macroeconomics, that precede outperformance for each stock. Out of those stocks whose current pattern of performance drivers suggests outperformance, the manager selects a trial portfolio that has a high probability of beating the index. Using a method called downside deviation, the manager incorporates risk control into its screening process and essentially "stress tests" the portfolio. That is, before selecting a stock, the manager measures how much each security may potentially negatively impact the portfolio under adverse conditions.

Following the initial screening and risk safeguards, the investment team performs fundamental analysis on the candidates for the model portfolio. Its analysis includes an evaluation of each company's financials, a review of industry reports, and discussions with management. Upon inclusion, stocks may typically have lower relative valuation metrics when compared to its historical or peer averages. However, many of these holdings may display strong long-term growth characteristics as well.

A stock may be sold from the portfolio for any one of several reasons. For instance, a stock may be sold if bad news surfaces, or if a better opportunity is identified. A stock may not always be sold based only on increasing market cap. This is reviewed, however, as market cap increases. If an issue continues to look attractive on a risk/reward basis, the team may continue to hold it.

The EARNEST Small Cap Value team will hold approximately 60 securities in the portfolio. Historically, turnover has averaged 35% annually.

Estabrook Capital Management

Large-Cap Core-Value Stock

LOCATION	New York, NY
YEAR FOUNDED	1928
ASSETS UNDER MANAGEMENT	\$2.0 billion
CF FUNDS MANAGED	\$5.6 million, 10.5% (as of 12/31/08)
INVESTMENT STYLE	Large-Cap Core-Value Equity

Firm Overview:

Estabrook Capital Management's (Estabrook) current management dates from 1970 when Charles Foley, former president of the firm, and Frank Whittelsey, executive vice president, bought Estabrook from Boston-based Estabrook & Co. and restructured it as an independent firm. Since then, the firm has remained exclusively in the business of investment management. In November 1999, Estabrook became a wholly owned subsidiary of The Bank of New York. Estabrook boasts a team of eight investment managers with broad financial market experience, each of whom is a member of the firm's Investment Policy Committee. The firm's senior management has an average of over 15 years at Estabrook and an average of over 25 years of investment management experience. Estabrook is a top-down (macro-economic), theme-oriented investment management firm that employs a fairly conservative philosophy and approach. The firm's objective is to manage its clients' accounts to preserve and enhance the purchasing power of capital over stock market cycles, to preserve capital in negative markets, and to increase capital in real terms in favorable markets.

Investment Process:

The Large Cap Core strategy is derived from analyzing economic, political and social trends to evaluate the general outlook for investments. The cornerstone of this philosophy and approach is Estabrook's Investment Policy Committee (IPC). This committee is comprised of nine members – eight portfolio managers and the director of marketing. The IPC, which meets weekly, begins with a worst-case analysis of the economy and applies this forecast to the investment environment. From there, the IPC develops and implements five to six strategic themes to meet clients' needs and objectives. These themes usually identify favorable industry sectors for product focus. Historically, Estabrook has generated ideas from the following sectors: technology, financial services, health care, capital goods, consumer cyclicals and energy including the oil field servicing sector. All IPC members are responsible for idea generation to be used in portfolio construction. There is no formal process on how investment ideas are divided among the team. The IPC's members are generalists by nature, but do have sector specialties given that many have arrived at Estabrook with an analytical background.

Prior to the IPC endorsing an investment, on-site company visits, and/or management interviews are mandatory. An investment candidate is not only analyzed on fundamentals, but must also be deemed technically sound before it is purchased. Estabrook tends to buy stocks at what it believes to be reasonable valuations with strong fundamentals and little price risk. The latter is defined as shares trading at the low end of its range. In order to determine whether or not a company demonstrates a compelling valuation, Estabrook evaluates a stock's price/earnings (P/E) ratio, debt ratio and history of dividend growth. Estabrook also looks for companies that boast a relatively high return-on-equity, high return-on-assets and improving earnings-per-share and cash flow. Themes and ideas are included on the Large Cap Core "buy" list, or model, only after a consensus among the team members. After the "buy" list, or model, is assembled by the IPC, the responsible portfolio manager makes investment decisions for each account in line with the investment goals and objectives of each client. Estabrook maintains that its sell discipline is critical to effective asset management in order to control risk and minimize losses. Therefore, the firm attempts to act quickly to sell securities that become inappropriate due to altered fundamental factors. The firm employs a 20% decline from cost or appreciation as a warning signal to review a stock for appropriate action. Estabrook also sells securities it believes are fully valued after reaching its target price objective. On the purchase end of the process, Estabrook sets a target price objective for each security. As the security reaches that price, the IPC decides whether to continue holding that security, as the original fundamentals are still applicable, or to sell the security if it has become "yesterday's story." This approach has resulted in annual turnover approximating between 15% and 20%.

Estabrook has a focused portfolio construction approach, developing five to six strategy themes or industry sectors and a 30 to 35-stock portfolio. Portfolios will typically be sector concentrated, and may have up to two to three times the weighting of the S&P 500. A stock's typical entry-level weighting is anywhere between 2% and 4%. As a weighting rises to between 6% and 7%, Estabrook revisits the stock to determine if it has additional upside potential. If it does, Estabrook will typically reduce the holding to an entry level weighting and will continue to own it. Note that as a policy since 1970, Estabrook will not purchase alcohol, tobacco and gambling stocks, or defense-related issues.

Brandes Investment Partners

International Value Stock

LOCATION	San Diego, CA
YEAR FOUNDED	1974
ASSETS UNDER MANAGEMENT	\$52.9 billion
CF FUNDS MANAGED	\$9.1 million, 17.1% (as of 12/31/08)
INVESTMENT STYLE	International Value ADR Equity

Firm Overview:

Brandes Investment Partners, L.P. ("Brandes") is an investment advisory firm that was founded in March 1974. Brandes is a bottom-up (fundamental), Graham & Dodd, value-oriented, equity manager. The firm's philosophy is predicated on an assumption that stock prices are more volatile than the underlying intrinsic value of businesses. Brandes believes that a stock should be viewed as a small piece of a business that is for sale. The key to success, according to Brandes, is to buy stocks of businesses which have determinable value, but that are unpopular or overlooked at the moment -- "undervalued" stocks. Brandes focuses on the fundamental characteristics of a company in order to develop an estimate of its intrinsic value. By choosing stocks that are selling at a discount to Brandes' estimates of their intrinsic business value, the firm believes a margin of safety and an opportunity for positive performance are created.

Investment Process:

Virtually 100% of Brandes' investment process relies primarily on bottom-up (fundamental) security selection. However, top-down (macro-economic) factors, such as trading liquidity, political risk and currency risk, are taken into consideration in the valuation and weightings of individual stocks to control overall portfolio risk.

As global investors, Brandes literally has a world of investment possibilities on its plate. Brandes' first goal is to narrow this field to a manageable number of prospective candidates that deserve thorough, in-depth analysis. The firm starts by using computer databases to screen companies across the globe. The firm attempts to identify the fair value of a company by screening for stocks that have a low price/earnings ratio, a low price/book ratio and good cash flow. This persistent screening yields potentially undervalued companies that deserve a thorough evaluation. The firm, using a team approach, then examines the company's balance sheet, financial history, competitive issues and eventually broader industry and economic issues. Brandes also pays particular attention to the management record of a company, specifically stock holdings, compensation and the dedication of management to the interest of the shareholders. If a stock is perceived to be attractive in terms of its fundamentals and price, it is then presented to the investment committee for review. The International Equity ADR strategy is the responsibility of the Large Cap Investment Committee at Brandes. If approved, a stock is placed on the firm's buy list and price targets are set for both purchase and sale. These targets will be adjusted over time as companies grow and circumstances change. The core goal of the investment process is to build portfolios with high overall average margin of safety ("MOS") which the firm believes offers attractive long-term appreciation potential. Within this process, an equity security is typically sold when another security with a meaningfully higher MOS is identified and available. This generally occurs in three ways:

1. A partial or full sale may occur in order to buy other securities that the firm believes have a higher MOS.
2. A full sale of a position often occurs when a security's price is close to its current intrinsic value estimate.
3. A full or partial sale may occur if the firm's assessment of intrinsic value declines, making the MOS unattractive.

The International Equity ADR strategy invests in between 35 and 85 issues, depending on the availability of stocks meeting Brandes' selection criteria at any given time. The allocation to an individual security typically does not exceed 5% of the value of total portfolio assets at the time of purchase. While Brandes does restrict itself to a set standard on market capitalization for this strategy, the firm typically invests in stocks with market capitalizations of over \$1 billion at the time of purchase. The average is between \$25 and \$50 billion in a portfolio. Historical turnover has typically ranged between 20% and 40% annually.

Industry and country allocations are purely a residual of Brandes' stock selection process, as it is a bottom-up manager. In the interest of risk control and portfolio diversification, Brandes limits the maximum exposure to industries and countries to the higher of 20% of portfolio value or 150% of the index weight at time of purchase. There is no minimum exposure requirement and there are no sector guidelines. As a value investor, Brandes perceives substantial inefficiencies in emerging markets from a valuation standpoint as well as in research coverage. The firm typically invests no more than 20% in emerging markets. Brandes does not participate in hedging activities

Wentworth Hauser

International Growth Stock

LOCATION	San Francisco, CA
YEAR FOUNDED	1937
ASSETS UNDER MANAGEMENT	\$8.3 billion
CF FUNDS MANAGED	\$2.2 million, 4.2% (as of 12/31/08)
INVESTMENT STYLE	International Growth ADR Equity

Firm Overview:

Wentworth, Hauser & Violich (Wentworth) was founded in San Francisco in 1937 under the name Burgess, Wentworth. At the time, its primary business was investment counseling to individuals. Eight years later the firm began managing tax-exempt institutional accounts. On Jan. 8, 1962, it was registered under the Investment Advisors Act of 1940 and later became a member of the Investment Counsel Association of America. In 1966, Kurt Hauser and Paul Violich left Brundage, Story and Rose in New York and joined the San Francisco firm founded by William Wentworth. In 1975, the firm's name was changed to Wentworth, Hauser & Violich. The firm remained a Subchapter S Corporation until May 1994 when it was purchased by the Laird Norton Financial Group. Following the purchase of the firm, it remained a stand-alone entity operating as an autonomous unit with its investment philosophy, strategies, policies and personnel remaining unchanged.

Investment Process:

Wentworth utilizes a top-down (macro-economic) sector allocation strategy to generate security selection. The team believes that the world economy has globalized by economic sectors, while a new investment force has bifurcated stocks into New Economy or Old Economy sectors. According to Wentworth, these two new dynamic global forces have merged, creating a new global investment landscape. Wentworth then utilizes a five-step, top-down sector allocation investment process as follows: First, the relative attractiveness of 10 global economic sectors is analyzed; second, the potential of 50 industry groups is examined; third, the attractiveness of 40 countries is analyzed; fourth, the universe of 700 foreign equity securities is researched; and finally, a portfolio of 30 to 50 stocks is constructed, representing primarily economic sectors that have the potential to deliver superior long-term earnings growth.

The team has created screens that look at the individual securities' propensity for future dynamic earnings growth and for firms that have exhibited superior price momentum. While some attention is paid to the selection of the individual holdings in the portfolio, macro-economic forces drive Wentworth's investment process. Stock selection is largely driven by a combination of macro-economic screens, combined with a selection of the largest names in each of the preferred sectors. Wentworth pays limited attention to the fundamental analysis of the holdings. The firm's sell discipline is an ongoing assessment of the following factors that may trigger the elimination of a stock from the portfolio: fundamentals of the company indicate signs of deterioration; industry outlook weakens; change in management; negative earnings surprise; SEC investigations; questionable accounting changes.

The firm constructs a portfolio of between 30 and 50 names. Wentworth's International Growth ADR strategy may invest up to 40% in any one sector in order to provide some limit on the size of the bet, but there is no country maximum. In addition, individual securities may be purchased up to 5% of the portfolio at cost and may grow to a maximum of 10% of the portfolio before they must be trimmed. The team may hold up to 10% in cash and may maintain emerging markets exposure of up to 10% of the portfolio. Turnover has traditionally hovered around 50%, although it is prone to be much higher when exiting and entering new sectors. The International Growth ADR strategy does not practice currency hedging.

TCW Investment Management Company

Large-Cap Value Stock

LOCATION	Los Angeles, CA
YEAR FOUNDED	1971
ASSETS UNDER MANAGEMENT	\$118 billion
CF FUNDS MANAGED	\$4.7 million, 8.7% (as of 12/31/08)
INVESTMENT STYLE	Large-Cap Value Equity

Firm Overview:

The TCW Group was founded in 1971 and has been providing investment management services since that time. In July 2001, The TCW Group became an indirect subsidiary of Societe Generale, S.A. Societe Generale, S.A. is a publicly held financial firm headquartered in Paris, France. The TCW/Cowen Large Cap Relative Value team is lead by Lead Portfolio Manager Diane E. Jaffee, CFA and is supported by a team of seven Research Analysts and Product Specialists. The investment philosophy underlying the Large Cap Relative Value strategy seeks undervalued, large cap stocks of companies that have a fundamental catalyst or competitive advantage that TCW believes will ultimately be recognized by the marketplace. TCW describes the process as "the search for value poised for growth."

Investment Process:

The TCW Relative Value Large Cap strategy seeks undervalued, large-cap stocks of companies that offer a fundamental catalyst or competitive advantage. The companies fall into two camps: companies with low current valuations but improving fundamentals that will enhance earnings and therefore company value; and fast growing companies with strong fundamentals that are selling at attractive valuations due to temporary factors. TCW describes the process as "the search for value poised for growth". The team adheres to a disciplined, value-oriented investment approach and typically invests in companies with a market capitalization of \$1 billion or greater. The TCW Relative Value Large Cap team seeks to add value through active, bottom-up stock selection. Research is internally generated by the team of seven dedicated analysts. Decisions are made on a fundamental, bottom-up stock selection basis, uncovering ideas company by company. The investment process begins by screening a universe of approximately 4,000 companies based on one or more of five valuation characteristics: price/cash flow, price/sales, price/book, price/earnings and dividend yield. The valuation screening process yields a universe of approximately 300 to 400 companies, which are then subjected to rigorous internal fundamental analysis to identify a company's competitive advantage and price catalyst.

The team constructs a diversified portfolio based on the bottom-up stock selection of the team by buying stock in the companies with the best chance of realizing a competitive advantage. Each position must have at least a 30% upside potential over the next one to two years in order to be included in the portfolio. Individual positions will generally be no more than 5% at the time of investment. New accounts are generally invested over a period of one to five days. Sector weights are the results of the bottom-up process.

Neuberger Berman

All-Cap Core Stock

LOCATION	New York, NY
YEAR FOUNDED	1939
ASSETS UNDER MANAGEMENT	\$105 billion
CF FUNDS MANAGED	\$5.8 million, 10.9% (as of 12/31/08)
INVESTMENT STYLE	All-Cap Core Equity

Firm Overview:

Founded in 1939 by Roy Neuberger, Neuberger Berman operated as a limited liability company until it offered shares to the public for the first time in 1999. The firm's business focused exclusively on discretionary money management for wealthy individuals until 1950 when Mr. Neuberger introduced one of the first value-style, no-load equity mutual funds in the United States. In 1968, Neuberger Berman began managing portfolios for pension funds and other institutional clients.

In 2003, Lehman Brothers purchased Neuberger Berman. Lehman Brothers filed for bankruptcy in September 2008 and as part of the bankruptcy proceedings, it announced that Neuberger Berman's management would acquire Neuberger Investment Management, which includes the fixed income and alternative asset management businesses of Lehman Brothers' Investment Management. Neuberger Berman will be an independent investment management company. Management will acquire a 51% stake, while the remaining 49% will be retained by Lehman Brothers Holdings Inc. The deal should close in the first quarter of 2009.

Neuberger Berman's Kaminsky Group runs the All-Cap Core strategy. The Kaminsky team is set up as an independent money management group within Neuberger Berman. The investment philosophy was developed and honed by Joseph R. Lasser during his 57 years in the investment business. During the 1960s, Lasser ran the research department at Wertheim & Co where he trained and mentored Gerald Kaminsky. Although officially retired, Lasser remains an active contributor to the investment team as a senior consultant to the group. Gerald Kaminsky serves as CEO of the team with over 42 years investment experience. The elder Kaminsky and his two sons, Gary and Michael, comprise the team's core leadership. Michael Kaminsky holds the role of Chief Investment Officer (CIO) and has the final say on any disagreements among the group concerning portfolio decisions. Additionally, the team employs seven other individuals who focus primarily on research functions.

Investment Process:

Through an intensive research process, the Kaminsky team attempts to identify opportunities that it defines as temporary value dislocations in constantly changing financial markets. Emphasis is placed on identifying long-term opportunities with a time horizon of three-to-five years. The team describes the process as "opportunistic". Security selection focuses on identifying companies with sustainable competitive advantage, strong financial metrics, long-term free cash flow generation, shareholder focus and insider ownership.

The team begins with a universe of over 5,000 companies across the market-capitalization spectrum. Following the team's internal macro viewpoint and quantitative analysis, approximately 500 companies are subject to fundamental research. Between 75 and 100 companies will then be subject to qualitative analysis, which involves speaking to industry analysts, performing technical analysis, utilizing a risk-reward model, and considering tax ramifications.

Unique to Neuberger Berman's strategy is the team's belief that risk comes in many forms including market, credit, legal, operational and market liquidity. Neuberger Berman's strategy in managing those risks is to determine which risks are relevant to its All-Cap Core portfolio and then establishing procedures to minimize or eliminate any undue exposure. The team attempts to estimate the potential macro risk, followed by the micro risks. If there is substantial macro risk and the economy is in what Neuberger Berman believes to be a bear market, the team also incorporates an opportunistic income orientation to its investment process. This is accomplished through the use of bond equivalents such as: Master Limited Partnerships (MLPs are available in Taxable accounts only), REITs, convertible securities and special situations. This substitute for a portion of the team's fixed income allocation attempts to provide capital safety, expected growth of income and/or principal.

A stock will be sold or considered to be sold when the team loses confidence in company management, the structure of a company has changed dramatically, or if there is a change in the team's investment thesis pertaining to the economic environment, industry outlook, company fundamentals, management strategy, and from a valuation perspective.

Neuberger Berman's All-Cap Core team constructs a focused portfolio of between 20 and 30 stocks; however, no single position will exceed 7.5% at cost or 15% at market value. There are no capitalization constraints in the All-Cap Core strategy. Historically, portfolio turnover has ranged between 40% and 60%. Investors should note that on average, the portfolio has held 15% cash over the last two years with the highest level at 30%. The team will consider switching into cash (maximum of 30%) depending upon its macroeconomic outlook.

Calamos

All-Cap Growth Stock

LOCATION	Naperville, IL
YEAR FOUNDED	1971
ASSETS UNDER MANAGEMENT	\$24 billion
CF FUNDS MANAGED	\$4.1 million, 7.7% (as of 12/31/08)
INVESTMENT STYLE	All-Cap Growth Equity

Firm Overview:

Calamos Advisors LLC is a wholly owned subsidiary of Calamos Holdings LLC, a Delaware limited liability company. Calamos Advisors LLC (Calamos) and its predecessors have managed money since April 1977. Calamos continues to believe that the drivers of economic growth stem from small- to mid-cap companies. The firm feels that these companies are often more innovative and more creative than the larger companies. However, size alone is not the only criteria. Calamos' long-term view of the economy is constructive in that the firm feels it presents a vibrant and opportunistic and exciting environment for companies to excel. The All Cap Growth strategy seeks to achieve long-term capital appreciation through direct equity participation by investing primarily in the common stocks of rapidly growing small- to mid-sized companies where the earnings growth and value are not yet reflected in their stock prices.

Investment Process:

Calamos' 62-member investment team is led by Co-Chief Investment Officers John P. Calamos, Sr. and Nick P. Calamos, CFA, and certain senior strategy analysts, who share the primary responsibility for managing the portfolios as well as overseeing all buy and sell decisions.

Calamos designed this strategy with the objective to be nimble, moving swiftly in and out of stocks seeking to take advantage of market changes. The firm selects companies—often small- or mid-cap—that it believes have growth potential beyond the projected earnings estimated by analysts, evaluating factors that might create a surprise up or down from analysts' reports. As a company's street price begins to reflect its earnings potential more closely, Calamos can sell and move quickly to another undervalued stock, maintaining the overall growth momentum. The firm also identifies business sectors where sustained growth is most likely and may take a heavier position in market sectors that appear especially attractive. While turnover may be high, Calamos' realized gains have typically been long term, and tax-efficient management is available.

While the firm's confidence in the economy is steadfast, Calamos also believes the key to creating wealth over the long-term is to actively manage the balance between risk and reward on a day-to-day basis, remaining fully invested throughout all market cycles. Calamos designs portfolios to be flexible, striving to provide superior long-term investment performance and help guard against unforeseen events. This fundamental philosophy underlies everything Calamos does. Central to Calamos' investment process is the belief that the financial markets operate in a manner that precludes using a single all-encompassing method of analysis, and that instead, market fluctuations call for a more flexible approach. Calamos' long-term strategy is therefore based on Calamos' proprietary investment process that uses sophisticated quantitative models to go far beyond traditional security analysis. This multi-step process ensures that Calamos approaches the investment challenge from both top-down and bottom-up perspectives, fully addressing both sector allocation and issue-specific decisions. These four steps were originally developed for sophisticated convertible investing. Now, each step makes a unique contribution to the disciplined investment process across all of the firm's various strategies with the steps prioritized according to each asset class' characteristics. Combining proprietary models with the company-specific and industry insights of the investment team allows Calamos to adapt swiftly to changes in market conditions. Calamos may sell a security under the following circumstances: deceleration in relative return on capital, revenue or earnings growth; expectations regarding operating margins, revenue or earnings fall short; stock price well above sustainable growth level; better relative opportunity in sector or industry; balance sheet deterioration or loss of financial flexibility. Other catalysts that might cause Calamos to sell a security include management changes, negative news, or industry or competitor problems.

The entire process comes together in portfolio construction: investment themes, sector allocations, diversification requirements, attribution analysis, and style consistency. Macro "themes" set the tone for the portfolios. The firm's view on the economy, interest rates, political and regulatory issues, and other factors influence industry weightings as well as individual holdings. Calamos positions portfolios for the environment foreseen six to 12 months into the future, with the intent that each stock may return at least 20% over a 12-month period under ordinary market conditions. An initial position constitutes 1% to 2% of the portfolio and is typically trimmed over time to remain less than 5% of the portfolio. A portfolio may hold between 50 and 80 securities to help ensure sufficient diversification, and management aims to stay fully invested with a cash position typically less than 3%. It is anticipated that turnover should average around 80%.

Please note that this generally describes Calamos' investment decision process for growth strategies. Trade allocation procedures vary between separately managed growth accounts within the Masters/DMA wrap programs and Calamos' growth-oriented mutual funds, which may cause differences in performance. Please see Calamos' Form ADV Part II, which further describes the firm's trade allocation procedures.

Systematic Financial Management

Mid-Cap Value Stock

LOCATION	Teaneck, NJ
YEAR FOUNDED	1982
ASSETS UNDER MANAGEMENT	\$6.1 billion
CF FUNDS MANAGED	\$2.2 million, 4.1% (as of 12/31/08)
INVESTMENT STYLE	Mid-Cap Value Equity

Firm Overview:

Systematic Financial Management Inc. was founded in 1982, as a registered investment advisor with the SEC pursuant to the Investment Advisors Act of 1940, specializing in the management of value portfolios. In 1995, a majority stake in the firm was sold to Affiliated Managers Group (AMG), a holding company and publicly traded company that invests in mid-sized asset management firms. The firm was subsequently re-registered with the SEC as Systematic Financial Management, L.P. (Systematic) on April 10, 1995. In 1996, AMG brought in the current senior members of the investment management team lead by Joe Joshi, Kevin McCreesh and Greg Wood. Ronald Mushock, CFA, has been the lead portfolio manager for the Mid Cap Value strategy since its inception on April 1, 2000. Kevin McCreesh, chief investment officer, is also active in the management of this strategy. Systematic focuses on buying low price/earnings (P/E) stocks with a proven earnings catalyst for stock price appreciation in its Mid-Cap Value approach.

Investment Process:

The Mid Cap Value strategy is based on a value discipline with a proven catalyst. Systematic believes that buying stocks based purely on valuation is often a mistake and that buying stocks based upon unproven catalysts has the potential to lead to inconsistency. Systematic takes all publicly traded U.S. companies generally with a market cap of between \$1 billion and \$20 billion, and ranks them from lowest to highest based on two factors: lowest forward P/E and the firm's proprietary earnings catalyst score. Systematic will then take the best 15 names in the S&P 10 economic sectors with the best relative score. These 100 to 150 names make up Systematic's focus list. All new names on this list that have not been rejected due to other fundamental reasons are then subject to Systematic's rigorous fundamental analysis, which is conducted by the firm's investment team. After the investment team completes this study and it believes that the security is a good candidate for the portfolio, the team will then present its case to the portfolio manager. The portfolio manager has the ultimate responsibility with regards to buy and sell decisions.

Systematic's sell discipline is essentially a reverse of its buy discipline. While Systematic buys based on confirmation of good news, the firm sells in anticipation of negative news. Systematic will also sell a stock due to an increase in valuation, deteriorating fundamentals and a significant negative earnings surprise. Finally, stocks will also be sold if a superior investment alternative arises or if a company reaches \$20 billion in market capitalization.

The Mid Cap Value strategy invests in companies with market capitalizations between \$1 billion and \$20 billion. The portfolio generally holds between 60 and 80 securities, with maximum individual holding weights of 5%. The firm follows sector guidelines of typically investing no more than 30% in any one sector and +/- 5% weighting vs. the Russell Midcap Value Index weight. Turnover has averaged approximately 115% annually.

Lazard

Emerging Markets Select ADR

LOCATION	New York, NY
YEAR FOUNDED	1848
ASSETS UNDER MANAGEMENT	\$107 billion
CF FUNDS MANAGED	\$1.6 million, 3.3% (as of 10/1/09)
INVESTMENT STYLE	Emerging Markets Equity

Firm Overview:

Lazard Asset Management (“Lazard”), is a subsidiary of Lazard Frères & Co. LLC (“LF&Co.”), a New York limited liability company that originated as a partnership in 1848 and became one of the first global investment banks. Today, LF&Co. provides financial advisory services to both institutional and private clients regarding asset management, investment banking, corporate finance, alternative investments and real estate finance. LF&Co. established Lazard Asset Management as its investment management division and registered with the Securities and Exchange Commission as an investment advisor on May 1, 1970. Lazard's philosophy is based on value creation through bottom-up stock selection, which is achieved by assessing the trade-off between valuation and financial productivity for an individual security. Lazard's research analysts evaluate companies the same way the company's own management or a potential strategic buyer would; by comparing a company's ability to generate a return on capital with its valuation.

There is no assuring any objective or forward looking statement will be achieved.

Investment Process:

The firm's Emerging Markets Equity Select strategy is managed according to Lazard's relative value investment philosophy and is based on value creation through the process of bottom-up stock selection. This philosophy is implemented by assessing the trade-off between valuation and financial productivity for an individual security. Lazard believes financial productivity determines appropriate valuations; therefore assessing a company's financial productivity is an important part of Lazard's research process. Lazard's analysts, organized into sector teams, seek to provide a global perspective on companies, conforming to Lazard's belief that where and how a company does business is more important than where it is domiciled.

This bottom-up research process is the key driver of value-added and country or regional allocations are an outcome of this stock selection process. Companies are evaluated the same way the company's own management or a potential strategic buyer would – by comparing a company's ability to generate a return on capital with its valuation. Research is conducted to identify the appropriate measures for financial productivity and valuation in each industry, focusing on those measures that have successfully predicted outperformance in the past. Measures of financial productivity that are used include Return on Equity (ROE), Return on Assets (ROA), Cash Return on Equity, and operating margin. Valuation measures include Price/Book, Price/Earnings, Price/Cash Flow, and Price/Sales.

The investment team's extensive research process, which utilizes Lazard's global sector team analysts, enables what it believes to be the most incisive approach to bottom-up stock selection. Additionally, the firm's Emerging Markets Equity Select strategy benefits from the resources of three dedicated Emerging Markets teams; Equity, Emerging Income and Closed-end Funds. These three teams engage in a continual dialogue to maintain an in-depth and up-to-date knowledge of emerging markets. This dialogue helps the teams develop insight into the behaviors of currency, the stability of the equity and debt structures, recent regulatory changes and governmental policy, as well as the corporate governance environment. Manager Strategy maintains that this insight is critical to the risk evaluation process that is integral to the portfolio construction of the Emerging Markets Equity Select portfolio.

INVESCO, Inc.

Real Estate Securities

LOCATION	Houston, TX
YEAR FOUNDED	1971
ASSETS UNDER MANAGEMENT	\$38 billion
CF FUNDS MANAGED	\$1.6 million, 3.3% (as of 10/1/09)
INVESTMENT STYLE	Real Estate Securities

Firm Overview:

INVESCO's roots can be traced back to 1978, when Charles Brady and eight partners purchased the pension management department from their employer, a large Southern bank. Over the coming years, INVESCO purchased a real estate investment group in Dallas and PRIMCO Management in Kentucky. On Feb. 28, 1997, INVESCO and AIM merged to form INVESCO PLC. The U.S. Real Estate Securities Management (REITs) business was started in 1988. Joe Rodriguez is the current head of real estate securities for INVESCO. He joined the firm in 1990. INVESCO's philosophy is based on two fundamental principles: 1) to maximize predictability and consistency of investment returns and 2) to minimize risk by strict attention to portfolio design. This philosophy forms the cornerstone of INVESCO's REITs investment process, which utilizes a systematic approach incorporating fundamental research and quantitative securities analysis. There is no assuring any objective or forward looking statement will be achieved.

Investment Process:

INVESCO believes a real estate security's performance will be determined by property market cycles, quality of real estate assets and expertise of the management team. The firm strives to balance and quantify return potential with the risk profile of the portfolio. The firm compares current equity valuation levels relative to long-term norms, the value of the underlying real estate assets and management's proven ability to produce high returns in the construction of its clients' portfolios.

There are approximately 250 companies in the universe of real estate securities. INVESCO focuses on a universe of approximately 150 equity REITs. In order to arrive at an investable universe of 150 securities, INVESCO weeds out home building companies, real estate finance firms, real estate technology firms and mortgage REITs. This is due to the fact that equity REITs have historically demonstrated superior risk/return characteristics relative to other types of real estate securities, master limited partnerships and real estate operating companies with lower Betas and less correlation to the broader equity markets. In addition, the team screens out firms with market caps of below \$100 million and daily trading volume of less than 100,000 shares. The team then performs fundamental analysis on the remaining securities in order to identify those REITs operating in the best markets with quality properties, strong management teams and sound balance sheets.

INVESCO's sell discipline is driven by its fundamental real estate and securities analyses, and its portfolio construction procedures. In INVESCO's portfolio management process, there are two catalysts that could trigger a sell decision: 1) a security's fundamental rank drops below the firm's minimum acceptable score for the valuation model or 2) INVESCO's securities analysis indicates that the stock no longer continues to offer an attractive relative value (i.e., its expected Alpha drops below its peers). The portfolio management team also sets maximum position guidelines in order to properly diversify by property type, geographical location and by individual security position.

INVESCO statistically combines the high-quality, attractively priced companies identified in its fundamental real estate analysis and security analysis by using optimization techniques that balance risk and return. The portfolio management team also sets maximum position guidelines in order to properly diversify by property type, geographical location and by individual security position. Liquidity is also a consideration for setting maximum position sizes within the portfolio. The most liquid companies have an absolute maximum allowable position of 10%. The maximum position of these companies that are somewhat less liquid is prorated in relation to this 10% maximum. INVESCO does not allow the portfolio to be overly exposed to smaller, less liquid companies. In addition, the firm does not want to own more than 5% of the outstanding shares in any one company. As a result of these procedures, among others, under normal market conditions INVESCO will hold between 30 and 40 stocks in a portfolio. Turnover in the portfolio oscillates between 30% and 60%.

PIMCO

Core Fixed Income

LOCATION	New York, NY
YEAR FOUNDED	1971
ASSETS UNDER MANAGEMENT	\$790 billion
CF FUNDS MANAGED	\$16.0 million, 29.8% (as of 12/31/08)
INVESTMENT STYLE	Total Return (Core Fixed Income)

Firm Overview:

Pacific Investment Management Company (PIMCO) is an institutional money manager specializing in fixed income management, headquartered in Newport Beach, CA. PIMCO was founded in 1971 as a subsidiary of Pacific Mutual (now known as Pacific Life) to expand the services of its parent to include separate account management of employee benefit plans, foundations and endowments.

Allianz Global Investors Managed Accounts, LLC, manages the PIMCO Total Return accounts using a model portfolio developed by PIMCO, an affiliated sub-advisor, as a guide. While Allianz Global Investors Managed Accounts generally intends to follow PIMCO's recommendations, as the account manager it has the discretion to accept or reject any investment recommendation and to deviate from the model portfolio. The remainder of the portfolio is managed by PIMCO in the form of commingled vehicles.

PIMCO employs a top-down approach to fixed income portfolio management. Similar to all of PIMCO's Total Return accounts, the Total Return for Managed Accounts strategy utilizes a generalist and specialist portfolio management framework

Investment Process:

The Total Return for Managed Accounts strategy is designed to offer the strengths of PIMCO's Core Plus Fixed Income investment style within the managed account distribution channel.

A typical portfolio has five to 15 taxable and tax-exempt bonds that represent approximately 60% of the portfolio. The remaining 40% is invested in PIMCO's Fixed Income Shares ("FISH")*, which is comprised of 40-Act registered Mortgage-Backed Securities and investment-grade corporate sector funds. The sector funds are afforded some flexibility are not limited to strictly mortgage-backed securities or investment-grade debt. Thus, this product's design allows clients to participate in all sectors of the bond market, including governments, corporates, mortgages, asset-backed, emerging markets, and high yield. In selecting securities, PIMCO considers the entire fixed income universe worldwide. The Investment Committee receives top-down input from its macro-economic forecasting process in which all PIMCO investment professionals participate. Bottom-up input on various fixed income sectors comes from teams of sector specialists with expertise and long experience in their particular sector. The sector specialists are supported by in-house analysis performed by a team of highly seasoned analysts. PIMCO's Investment Committee operates on a team or consensus basis, so accounts with similar objectives and constraints will be structured similarly.

The Investment Committee develops model portfolios that reflect consensus strategy judgments. Portfolios must remain within limited tolerances. The average portfolio duration of the portfolio normally varies within two years (plus or minus) of the duration of the Lehman Brothers Aggregate Bond Index, but can vary at the manager's discretion depending on the manager's outlook for interest rates, the economy, and other factors. Duration typically falls within +/- 1.5 years of the benchmark.

PIMCO does not have any automated selling procedures. Securities are always sold, however, when their credit analysis indicates that a company or a particular issue will become fundamentally flawed. A current holding is constantly re-evaluated for its relative attractiveness versus investments available in the marketplace. A security is sold when it individually no longer represent good value, when superior risk/return potential exists in substitute positions (factoring in transaction costs), or when it no longer fits with the macroeconomic or structural strategies in the portfolio.

*The FISH Shares are registered under the Investment Company Act of 1940. As such, they are subject to Non-Resident Alien withholdings if purchased by Non-Resident Aliens. Please keep this in mind when offering the PIMCO Total Return strategy for Managed Accounts to overseas clients. FISH shares may not be purchased or held outside of the Masters program. When you terminate your investment in the portfolio, it will result in the automatic redemption of all FISH shares held by you or on your behalf.