# Agenda

**Employees' Retirement System Board Meeting**

**February 13, 2013 at 12:00 PM**
**Conference Room C**

**Troy City Hall**
**500 West Big Beaver**
**Troy, Michigan 48084**
**(248) 524-3330**

## Roll Call

## Minutes from the January 9, 2013 Meeting

## Retirement Requests

| | | |
|---|---|---|
| **Name** | Raymond M. Piper | Larry K. Schultz |
| **Pension Program** | DB | DB |
| **Retirement Date** | 4/28/13 | 3/1/13 |
| **Department** | Police | Police |
| **Service Time** | 22 yrs, 2 mo | 25 yrs, 1 mo |

## Other Business

Quarterly Report – UBS Presentation
Todd Michael Memo and Verified Complaint
Election of Employees' Retirement System Officers
Status of Evaluations for the Responses to RFI for Investment Consultant
Informational Articles

## Investments

## Public Comment

## Adjourn

A meeting of the Employees' Retirement System Board of Trustees was held on Wednesday January 9, 2013 at Troy City Hall, 500 W. Big Beaver Road, Troy, MI 48084.

The meeting was called to order at 12:03 p.m.

**Trustees Present**: Mark Calice
Thomas J. Gordon, II
Thomas Darling, CPA
Milton Stansbury
William R. Need (Ex-Officio)
Dave Henderson
Brian Kischnick

**Trustees Absent:** Steve Pallotta

**Also Present:** Justin Breyer
Catherine Ferrell – TPOA Attorney
Michael Geise – TPOA Representative

## Request for Closed Session

**Resolution #2013-01-1**
Moved by Gordon
Seconded by Calice

BE IT RESOLVED, That Troy Employees Retirement System Board of Trustees **SHALL MEET** in Closed Session, as permitted by MCL15.268(h) (MCL15.243(g)).

Yeas: All-6
Absent: Pallotta

The Closed Session was called at 12:03 p.m.
The Closed Session ended at 12:46 p.m.

In the presence of Catherine Farrell and Michael Geise, City Attorney Lori Bluhm recommended that the Employees' Retirement System take no action due to a received court order.

## Retirement Request

| | |
|---|---|
| **Name** | Todd Michael |
| **Pension Program** | DC |
| **Retirement Date** | 1/9/13 |
| **Department** | Police |
| **Service Time** | 22 yrs, 11 mo |

The Board took no action on the Retirement Request.

## Minutes

**Resolution # ER – 2013-1-2**
Moved by Gordon
Seconded by Stansbury

RESOLVED, That the Minutes of the December 12, 2012 meeting be approved.

Yeas: All-6
Absent: Pallotta

## Other Business – Status of Evaluations for the Responses to RFI for Investment Consultant

Board members discussed the role of the Investment Manager, risk versus return, and fiduciary responsibility. Pallotta requested hard copy rating sheets.

## INVESTMENTS

Tom Darling reviewed the Portfolio Analysis through November 30, 2012 and discussed the portfolio allocation as compared to investment policy.

**Resolution # ER – 2013-1-3**
Moved by Kischnick
Seconded by Gordon

RESOLVED, That the Employees' Retirement System Board directs the Pension Administrator to withdraw $6 Million from UBS-Grant for the purpose of reimbursing the General Fund.

Yeas: All-6
Absent: Pallotta

## Public Comment

Catherine Farrell commented on the Todd Michael Retirement Request item.

The next meeting is February 13th, 2013 at 12:00 p.m. at Troy City Hall, Conference Room C, 500 W. Big Beaver Road, Troy, MI 48084.

The meeting adjourned at 1:11 p.m.

_____
Mark Calice, Chairman

_____
Tom Darling, Pension Administrator

UBS

## Investment Performance

### Period Ending December 31, 2012

**Prepared for:**
**City of Troy Employees Retirement Systems**
February 5, 2013

**Prepared by:**
John C. Grant and Rebecca S. Sorensen
Birmingham, MI.

# Composite

The information contained in this report has been obtained from sources believed to be reliable, but its accuracy or completeness is not guaranteed. This report is not meant to supersede your custodial statements that should be read regularly. Any opinions expressed herein reflect our judgment at this date and are subject to change. Please report any discrepancies you may find to your UBS Institutional Consultant.

Rule 204-3 under the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send to them, without charge, a written disclosure statement meeting the requirements of such rule. We will be glad to send you a copy of such statement to you upon your written request.

Please contact your UBS Institutional Consultant if you have any questions regarding this report, if your financial situation, individual needs or investment objectives have changed, or if you would like to impose or change any investment restrictions on this account. Please note that you are also required to inform your investment advisor, directly, of any changes in your financial condition, investment objectives or investment restrictions on your account.

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# Performance Report Disclosures

## General Information

This performance report represents information about your accounts in the UBS Institutional Consulting Group at UBS Financial Services.

This report is intended as a general guide to review the performance of your holdings across a variety of accounts including those accounts held at different financial institutions. This report is for your use only. Information contained in the report should not be used for tax reporting or preparation purposes or used as the basis of an investment or liquidation decision.

Please contact your Institutional Consultant if you have any questions regarding this performance report, if your financial situation, needs or investment objectives on any account have changed, or if you would like to impose or change any investment restrictions on any account.

## No Tax or Legal Advice

Neither UBS Financial Services nor any of its employees provide tax or legal advice. You must consult with your legal or tax advisors regarding your personal circumstances.

## Assets Held at Other Qualified Custodians

Depending on the accounts covered by your Institutional Consulting Services Agreement with us, this report may cover a number of your existing accounts, each with a potentially different investment objective and risk parameters. These accounts may be held at a variety of financial institutions and information reflected on this report is based on statements your custodians have provided to UBS Financial Services, at your request. Other than information included for accounts you hold at UBS Financial Services, we are not responsible for the accuracy or completeness of any information included in this report. UBS Financial Services does not provide advice with respect to your assets at other firms. This report includes information only as of the date of the account statements provided, which may differ by account or custodian. Your UBS Financial Services account statements are the only official record of your holdings with us and are not replaced, amended or superceded by any of the information presented in this Report.

This report does not constitute the solicitation to purchase or sell any specific security. This report may include a performance analysis of a variety of accounts, each with different investments, investment objectives and risk parameters. As a result, the overweighting or underweighting of an account in a particular sector or asset class should not be viewed as an isolated factor in making investment/liquidation decisions. Rather, such decisions should be assessed on an account by account basis and after an assessment of the overall impact of such decisions on a portfolio consisting of all your accounts.

# Important Information About This Report

## Market Values

Market values used or presented in this report are obtained from sources believed to be reliable. UBS Financial Services and its representatives make no representation or assurance that the market values presented in the report are true and accurate.

## Estimates

Estimates of annual interest or dividend income should not be relied upon. The estimates are based either on past payout experience or scheduled interest payments. Past payouts are not an indication of future payouts and there can be no assurance that any fixed income security will meet its scheduled interest payments.

## Policy Statements

Neither UBS Financial Services nor your Institutional Consultant is responsible for ensuring that your investment policy statement complies with all legal, actuarial or other requirements that may apply to you. That responsibility rests solely with you and you should consult your legal and tax advisors regarding those matters.

## Performance Results

**Gross performance**

This report may illustrate net or gross of fee performance, but not both. While gross performance is valuable when reviewing a manager's performance relative to a particular index or peer group, note that such information does not reflect management fees, wrap fees, transaction costs or your Institutional consulting fees.

The payment of fees and expenses will reduce the performance of the account and the reduction in performance will have a cumulative effect over time. The net effect of the payment of fees on the annualized performance, and the compounded or cumulative effect over time, is dependent on the amount of the fee and the account's investment performance. For example, an account that experiences an annual gross performance of 10% but incurs a 2.8% annual fee that is deducted quarterly on a prorated basis, will experience net annual performance of 7.1%, a reduction of 2.9% per year.

**Net of fees performance**

If your assets are custodied at UBS Financial Services and you have selected one or more of our advisory programs as an investment option and pay the program fee directly from those accounts, you will receive separate performance reports for those accounts which illustrate the performance of your portfolio on a net of fee basis.

## Index Information

This report presents the current and historical performance of certain market indexes. These indexes may represent a broad range of asset classes, market segments and investment styles. Depending upon the composition of your portfolio and your accounts and depending on your investment objectives, these indexes may not be an appropriate measure or benchmark against which to compare the performance of a particular account or all of your accounts. Consequently, the performance of the indexes is presented for illustration purposes only.

Although the performance of an index is often used as a benchmark against which to compare the performance of an actively managed separate account or actively managed mutual fund, actively managed accounts and mutual funds are not generally restricted to investing only in the securities that are included in the index. As a result, the securities held in your account will differ from the securities included in the index and the performance of the account may likewise differ from the performance of the index. The performance of an index reflects the passive performance of an unmanaged universe of securities. The performance of an index does not reflect advisory or transaction fees, all of which would reduce the overall return. Indexes are not available for direct investment. The past performance of an index is no guarantee of future results.

## Benchmark Rebalancing

Comparative benchmarks comprising more than one index are constructed each month based on the return of the constituent indexes in the comparative benchmark and the respective weights assigned to each constituent index.

## Target Asset Allocation

The target asset allocation is the percentage allocation of your total or composite investment fund among the asset classes in which you have decided to invest as set forth in your Investment Policy Statement.

## Policy Index

For each separate account, the Policy Index is the passive index that you have selected to serve as a benchmark against which to compare the performance of the separate account. If the account is balanced, indexes may be a blend of indexes.

For the total or composite investment fund, the Policy Index is a composite of one or more passive indexes that you have selected and that are weighted according to the percentage weightings set forth in your Investment Policy Statement. The performance of your total or composite investment fund is compared against the performance of the Policy Index that you have selected for the composite.

For the purposes of calculating the performance of the Policy Index for the composite investment fund, the Policy Index is recalculated using the percentage weightings set forth in your Investment Policy Statement on a monthly or quarterly basis depending on the convention that you selected.

The Policy Index that you selected for your total or composite investment fund is shown below:
60% S&P 500 Index, 40% Barclays Gov't/Credit.

## Account Valuation

This report uses a time-weighted rate of return, a method that calculates portfolio value using the beginning and ending portfolio values for the month and weighs each contribution/withdrawal by the amount of time invested.

## Performance Start Date

The inception date shown in the report may or may not be the date that the UBS Institutional Consulting Group began providing services or performance information to you and may not be the date that an account was first invested in securities. Contact your Institutional Consultant for more information regarding the actual inception date.

## Manager Data

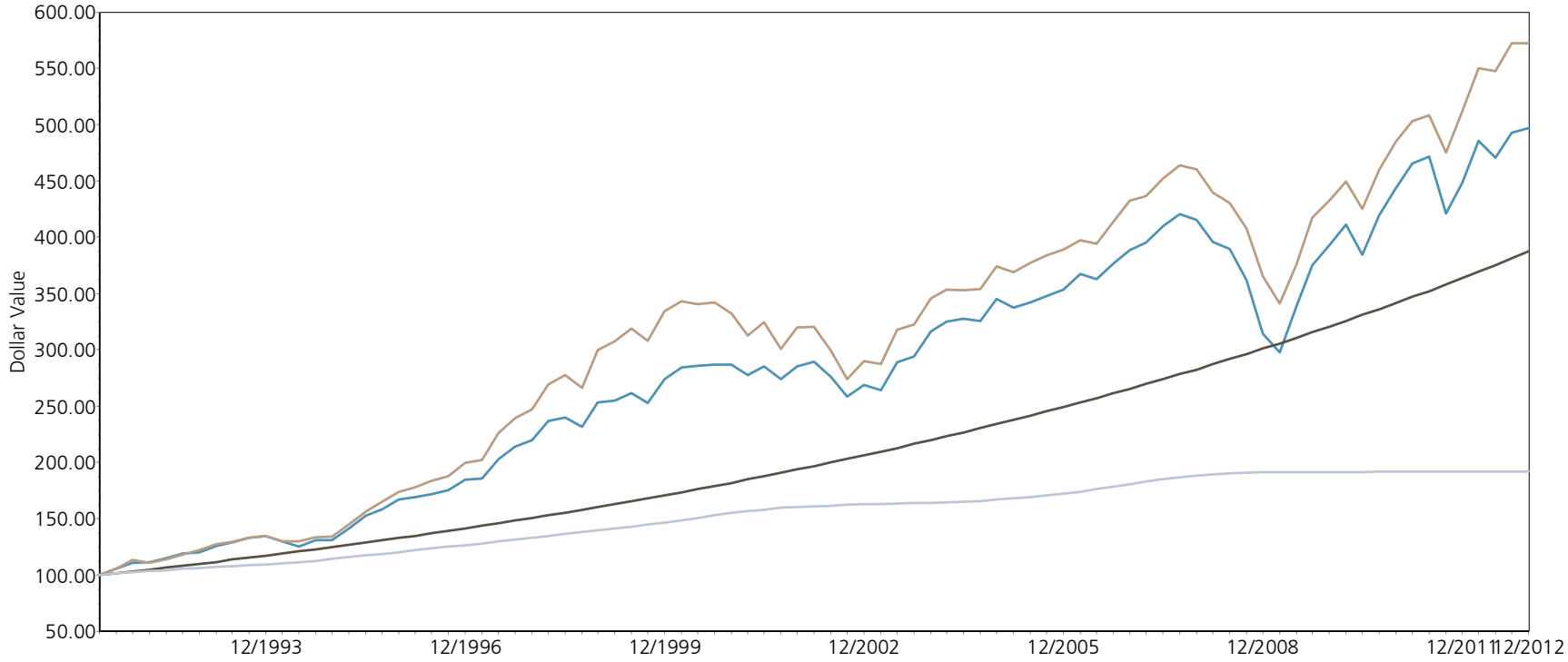
Data concerning various managers' portfolio performance is obtained from sources believed to be reliable. This data is provided for comparative purposes only. UBS Financial Services does not guarantee the accuracy or veracity of this information. Different performance calculation methods may be used to calculate each manager's portfolio performance. Investment objectives of similar style portfolios of other managers may not match exactly your investment objectives.

## Brochure

Rule 204-3 of the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send to them, without charge, a written disclosure statement. We will be glad to provide you with a copy of such statement upon your written request.

# Performance Analysis

**Growth of $100**
**June 30, 1991 Through December 31, 2012**

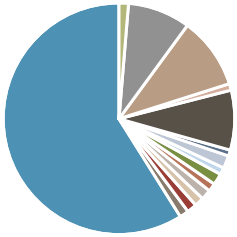



| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Total Portfolio | 0.87 | 10.82 | 8.19 | 3.65 | 7.74 |
| 60%SP500 & 40% BarclaysGC | -0.02 | 11.69 | 9.77 | 4.43 | 8.45 |
| Investment Objective | 1.59 | 6.50 | 6.50 | 6.50 | 6.50 |
| 90 DAY U.S. T-BILL | 0.02 | 0.08 | 0.10 | 0.34 | 3.07 |

The inception date may or may not be coincident with the date that UBS Financial Services commenced providing performance reporting services to you.
Please be sure to read the DISCLOSURE SECTION at the beginning of this report which contains important disclosures and disclaimers on the information provided to you in this report.

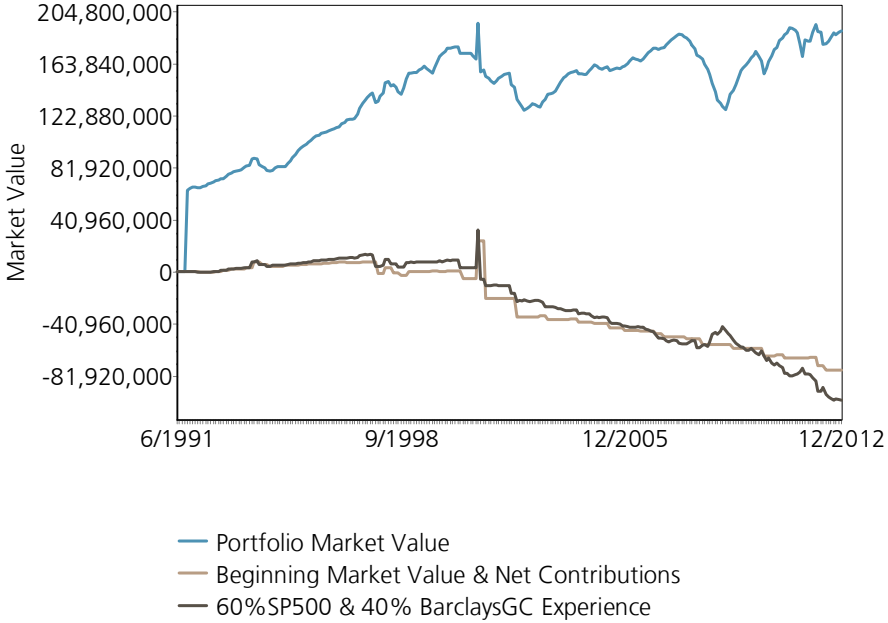
## Asset Allocation and Source of Portfolio Growth

Asset Allocation
as of December 31, 2012



| | Value | Percent |
|---|---|---|
| Equity Segment | 111,696,786 | 58.83 |
| Bond Segment | 19,161,149 | 10.09 |
| Cash Segment | 15,929,473 | 8.39 |
| Lord Abbett Floating Rate | 3,299,051 | 1.74 |
| Europacific Growth | 3,039,294 | 1.60 |
| Premier Managed Income | 2,798,295 | 1.47 |
| Templeton Foreign | 2,753,262 | 1.45 |
| Seligman Comm & Info | 2,488,444 | 1.31 |
| Putnam Int'l Growth | 2,408,021 | 1.27 |
| PIMCO TOTAL RETURN CLASS A | 2,361,412 | 1.24 |
| PIMCO UNCONSTRAINED BOND FUND | 2,167,791 | 1.14 |
| RVS Large Cap Equity | 1,854,656 | 0.98 |
| MFS Diversified Income | 1,678,779 | 0.88 |
| John Hancock | 1,634,377 | 0.86 |
| Other | 16,585,723 | 8.75 |
| Total | 189,856,514 | 100.00 |

Source of Portfolio Growth
June 30, 1991 Through December 31, 2012




| | Dollars | |
|---|---|---|
| | Latest Quarter | Since Inception |
| Beginning Value | 188,147,649 | 320,315 |
| Net Contribution | 83,874 | -77,549,161 |
| Investment Return | 1,624,992 | 267,085,361 |
| Ending Value | 189,856,514 | 189,856,514 |

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## Asset Allocation and Source of Portfolio Growth

| | Allocations in Other | |
|---|---|---|
| | Value | Percent |
| Templeton Global Bond | 1,553,857 | 0.82 |
| BLACKROCK HIGH YIELD BOND A | 1,545,906 | 0.81 |
| Alliance Bernstein Select | 1,542,634 | 0.81 |
| Value Line - Fund 3 | 1,316,542 | 0.69 |
| ING International Value | 1,153,855 | 0.61 |
| Cohen & Steers Realty | 1,134,453 | 0.60 |
| Jennison Natural Resources Fund | 1,127,171 | 0.59 |
| Eaton Vance Floating | 1,076,053 | 0.57 |
| Thornburg Int'l Value | 1,021,831 | 0.54 |
| Putnam Convertible Income Growth | 922,343 | 0.49 |
| INVESCO European Growth | 880,213 | 0.46 |
| American Funds Capital Wld Growth & In. | 751,685 | 0.40 |
| ING Global Opportunities | 571,086 | 0.30 |
| Eaton Vance Floating-Rate Fund | 541,152 | 0.29 |
| Sentinel Funds | 339,854 | 0.18 |
| Guardian - Fund A | 254,540 | 0.13 |
| Fidelity G&I | 253,994 | 0.13 |
| Wells Fargo Classic Value | 248,955 | 0.13 |
| W & R Vanguard A | 234,570 | 0.12 |
| DUKE ENERGY CORP | 72,034 | 0.04 |
| SPECTRA ENERGY CORP | 42,996 | 0.02 |

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**Investment Performance**
**Periods Ending December 31, 2012**

| | Latest Quarter ROR | One Year ROR | Two Years ROR | Three Years ROR | Five Years ROR |
|---|---|---|---|---|---|
| **Total Portfolio** | | | | | |
| UBS Troy | 4.38 | 14.01 | 8.04 | 10.44 | 4.45 |
| Outside Mutual Funds | 3.65 | 14.84 | 2.74 | 5.71 | -1.10 |
| NAIC | 2.42 | 17.05 | 9.11 | 11.26 | 2.79 |
| Birmingham UBS | -0.41 | 9.22 | 5.66 | 8.63 | 6.53 |
| Wells Fargo | -0.84 | 8.62 | 18.86 | 11.19 | 5.41 |
| Old Mission Investments Co | 0.37 | 10.69 | 6.45 | 9.69 | 3.58 |
| Composite | 0.87 | 10.82 | 5.83 | 8.19 | 3.65 |
| 60%SP500 & 40% BarclaysGC | -0.02 | 11.69 | 8.59 | 9.77 | 4.43 |
| **Cash Segment** | | | | | |
| UBS Troy | 0.00 | 0.01 | 0.01 | 0.01 | 0.58 |
| Outside Mutual Funds | 0.00 | N/A | N/A | N/A | N/A |
| NAIC | 0.00 | 0.10 | 0.06 | 0.04 | 0.42 |
| Birmingham UBS | 0.00 | 0.01 | 0.01 | 0.01 | 0.51 |
| Wells Fargo | 0.84 | 1.73 | 1.19 | 0.79 | 1.13 |
| Old Mission Investments Co | 0.00 | 0.01 | 0.01 | 0.03 | 0.67 |
| Composite | 0.02 | 0.06 | 0.06 | 0.06 | 0.58 |
| 3 Mth T-Bill | 0.02 | 0.08 | 0.07 | 0.10 | 0.34 |
| **Thornburg Int'l Value** | | | | | |
| Birmingham UBS | 5.25 | 15.34 | 0.03 | N/A | N/A |
| Composite | 5.25 | 15.34 | 0.03 | N/A | N/A |
| MSCI Gross EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **Bond Segment** | | | | | |
| Birmingham UBS | 2.33 | 11.62 | 3.36 | 2.51 | 5.30 |
| Old Mission Investments Co | 0.39 | 4.35 | -1.69 | 1.31 | 6.25 |
| Composite | 0.88 | 7.78 | 6.08 | 5.30 | 6.70 |
| BARCLAYS GOV'T/CREDIT BOND | 0.37 | 4.82 | 6.76 | 6.70 | 6.06 |
| **Equity Segment** | | | | | |
| UBS Troy | 4.82 | 15.37 | 8.73 | 11.19 | 4.80 |
| NAIC | 2.50 | 17.43 | 9.29 | 11.39 | 2.73 |
| Birmingham UBS | -16.26 | -5.06 | 0.74 | 12.28 | 3.96 |

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**Investment Performance**
**Periods Ending December 31, 2012**

| | Latest Quarter ROR | One Year ROR | Two Years ROR | Three Years ROR | Five Years ROR |
|---|---|---|---|---|---|
| **Equity Segment** | | | | | |
| Wells Fargo | -1.01 | 9.54 | 23.35 | 13.85 | 6.69 |
| Old Mission Investments Co | 0.42 | 13.14 | 8.83 | 12.49 | 2.86 |
| Composite | -3.70 | 8.28 | 5.18 | 10.43 | 2.00 |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Wells Fargo Classic Value** | | | | | |
| Outside Mutual Funds | 0.07 | 16.97 | 6.32 | 8.66 | 1.01 |
| Composite | 0.07 | 16.97 | 6.32 | 8.66 | 1.01 |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Putnam Int'l Growth** | | | | | |
| Outside Mutual Funds | 6.87 | 21.73 | 1.40 | 4.22 | -4.80 |
| Composite | 6.87 | 21.73 | 1.40 | 4.22 | -4.80 |
| MSCI GROSS EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **ING International Value** | | | | | |
| Outside Mutual Funds | 6.41 | 13.31 | -1.26 | -11.58 | -12.91 |
| Composite | 6.41 | 13.31 | -1.26 | 0.70 | -5.85 |
| MSCI GROSS EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **Value Line - Fund 3** | | | | | |
| Outside Mutual Funds | -4.15 | 9.49 | 7.02 | 11.69 | 1.99 |
| Composite | -4.15 | 9.49 | 7.02 | 11.69 | 1.99 |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Sentinel Funds** | | | | | |
| Outside Mutual Funds | 0.77 | 14.52 | 7.78 | 9.99 | 2.05 |
| Composite | 0.77 | 14.52 | 7.78 | 9.99 | 2.05 |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **W & R Vanguard A** | | | | | |
| Outside Mutual Funds | 3.05 | 15.29 | 8.57 | 10.21 | 0.34 |
| Composite | 3.05 | 15.29 | 8.57 | 10.21 | 0.34 |

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**Investment Performance**
**Periods Ending December 31, 2012**

| | Latest Quarter ROR | One Year ROR | Two Years ROR | Three Years ROR | Five Years ROR |
|---|---|---|---|---|---|
| **W & R Vanguard A** | | | | | |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Guardian - Fund A** | | | | | |
| Outside Mutual Funds | 1.79 | 16.26 | 2.91 | 7.29 | 1.75 |
| Composite | 1.79 | 16.26 | 2.91 | 7.29 | 1.75 |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **RVS Large Cap Equity** | | | | | |
| Outside Mutual Funds | -1.67 | 15.50 | 10.57 | 12.07 | 0.05 |
| Composite | -1.67 | 15.50 | 10.60 | 12.09 | 0.06 |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Templeton Foreign** | | | | | |
| Outside Mutual Funds | 8.64 | 18.55 | 1.73 | 3.93 | -1.95 |
| Composite | 8.64 | 18.55 | 1.73 | 3.93 | -1.95 |
| MSCI GROSS EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **Europacific Growth** | | | | | |
| Outside Mutual Funds | 5.58 | 19.28 | 1.53 | 4.09 | -1.38 |
| Composite | 5.58 | 19.28 | 1.53 | 4.09 | -1.38 |
| MSCI GROSS EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **John Hancock** | | | | | |
| Outside Mutual Funds | 6.27 | 13.93 | 0.97 | 3.61 | -4.32 |
| Composite | 6.27 | 13.93 | 0.97 | 3.61 | -4.32 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **PIMCO TOTAL RETURN CLASS A** | | | | | |
| Birmingham UBS | 0.79 | N/A | N/A | N/A | N/A |
| Composite | 0.79 | N/A | N/A | N/A | N/A |

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**Investment Performance**
**Periods Ending December 31, 2012**

| | Latest Quarter ROR | One Year ROR | Two Years ROR | Three Years ROR | Five Years ROR |
|---|---|---|---|---|---|
| **American Funds Capital Wld Growth & In.** | | | | | |
| Birmingham UBS | 4.03 | N/A | N/A | N/A | N/A |
| Composite | 4.03 | N/A | N/A | N/A | N/A |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **ING Global Opportunities** | | | | | |
| Outside Mutual Funds | 3.92 | 17.71 | 0.59 | N/A | N/A |
| Composite | 3.92 | 17.71 | 0.59 | N/A | N/A |
| MSCI Gross EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **Fidelity G&I** | | | | | |
| Outside Mutual Funds | 0.84 | 17.23 | 5.71 | 8.76 | -0.55 |
| Composite | 0.84 | 17.23 | 5.71 | 8.76 | -0.55 |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Cohen & Steers Realty** | | | | | |
| Outside Mutual Funds | 10.68 | 34.50 | 5.62 | 8.18 | 0.23 |
| Composite | 10.68 | 34.50 | 5.62 | 8.18 | 0.23 |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Seligman Comm & Info** | | | | | |
| Birmingham UBS | -4.19 | 5.22 | 0.11 | 4.94 | 3.24 |
| Composite | -4.19 | 5.22 | 0.11 | 4.94 | 3.24 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Putnam Convertible Income Growth** | | | | | |
| Outside Mutual Funds | 2.77 | 15.25 | 3.83 | 8.82 | N/A |
| Composite | 2.77 | 15.25 | 3.83 | 8.82 | N/A |
| MSCI Gross EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **Jennison Natural Resources Fund** | | | | | |
| Outside Mutual Funds | -2.80 | -2.72 | -11.12 | 0.31 | N/A |
| Composite | -2.80 | -2.72 | -11.12 | 0.31 | N/A |
| CTA Managed Futures | -1.40 | 0.26 | -0.50 | 3.19 | 3.15 |

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**Investment Performance**
**Periods Ending December 31, 2012**

| | Latest Quarter ROR | One Year ROR | Two Years ROR | Three Years ROR | Five Years ROR |
|---|---|---|---|---|---|
| **PIMCO UNCONSTRAINED BOND FUND** | | | | | |
| Birmingham UBS | 0.63 | 8.63 | N/A | N/A | N/A |
| Composite | 0.63 | 8.63 | N/A | N/A | N/A |
| Barclays US Univ | 0.58 | 5.54 | 6.47 | 6.70 | 6.19 |
| **Premier Managed Income** | | | | | |
| Outside Mutual Funds | 1.30 | 7.19 | 7.30 | 7.90 | 6.81 |
| Composite | 1.30 | 7.19 | 7.30 | 7.90 | 6.81 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Lord Abbett Floating Rate** | | | | | |
| Birmingham UBS | 1.74 | 10.09 | N/A | N/A | N/A |
| Composite | 1.74 | 10.09 | N/A | N/A | N/A |
| Barclays Capital US | 0.65 | 7.21 | 8.99 | 9.13 | 7.78 |
| **MFS Diversified Income** | | | | | |
| Birmingham UBS | 1.71 | N/A | N/A | N/A | N/A |
| Composite | 1.71 | N/A | N/A | N/A | N/A |
| Barclays US Univ | 0.58 | 5.54 | 6.47 | 6.70 | 6.19 |
| **Eaton Vance Floating** | | | | | |
| Birmingham UBS | 1.53 | 8.12 | N/A | N/A | N/A |
| Composite | 1.53 | 8.12 | N/A | N/A | N/A |
| Barclays Capital US | 0.65 | 7.21 | 8.99 | 9.13 | 7.78 |

The policy index reflects the returns of the manager's asset allocation if invested in the markets represented by the following indexes:

11/30/1972 - Present
60% S&P 500 Index
40% Barclays Gov't/Credit

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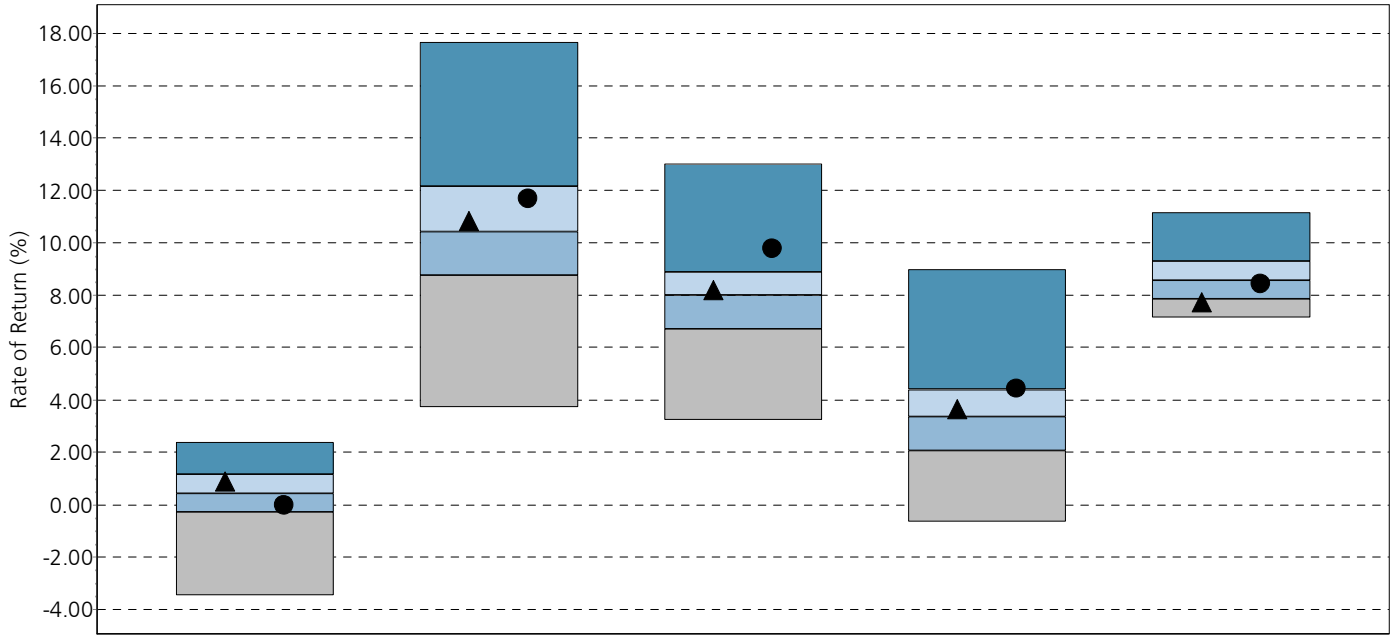
**Total Portfolio versus Balanced Managers**
**June 30, 1991 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 2.39 | 17.66 | 13.03 | 9.00 | 11.16 |
| First Quartile | 1.17 | 12.17 | 8.90 | 4.42 | 9.31 |
| Median Value | 0.44 | 10.43 | 8.03 | 3.36 | 8.58 |
| Third Quartile | -0.27 | 8.77 | 6.73 | 2.07 | 7.88 |
| Lowest Value | -3.43 | 3.74 | 3.26 | -0.64 | 7.16 |
| Mean | 0.37 | 10.55 | 7.89 | 3.39 | 8.67 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite | 0.87 | 34 | 10.82 | 45 | 8.19 | 44 | 3.65 | 44 | 7.74 | 80 |
| ● 60%SP500 & 40% BarclaysGC | -0.02 | 65 | 11.69 | 31 | 9.77 | 15 | 4.43 | 23 | 8.45 | 56 |

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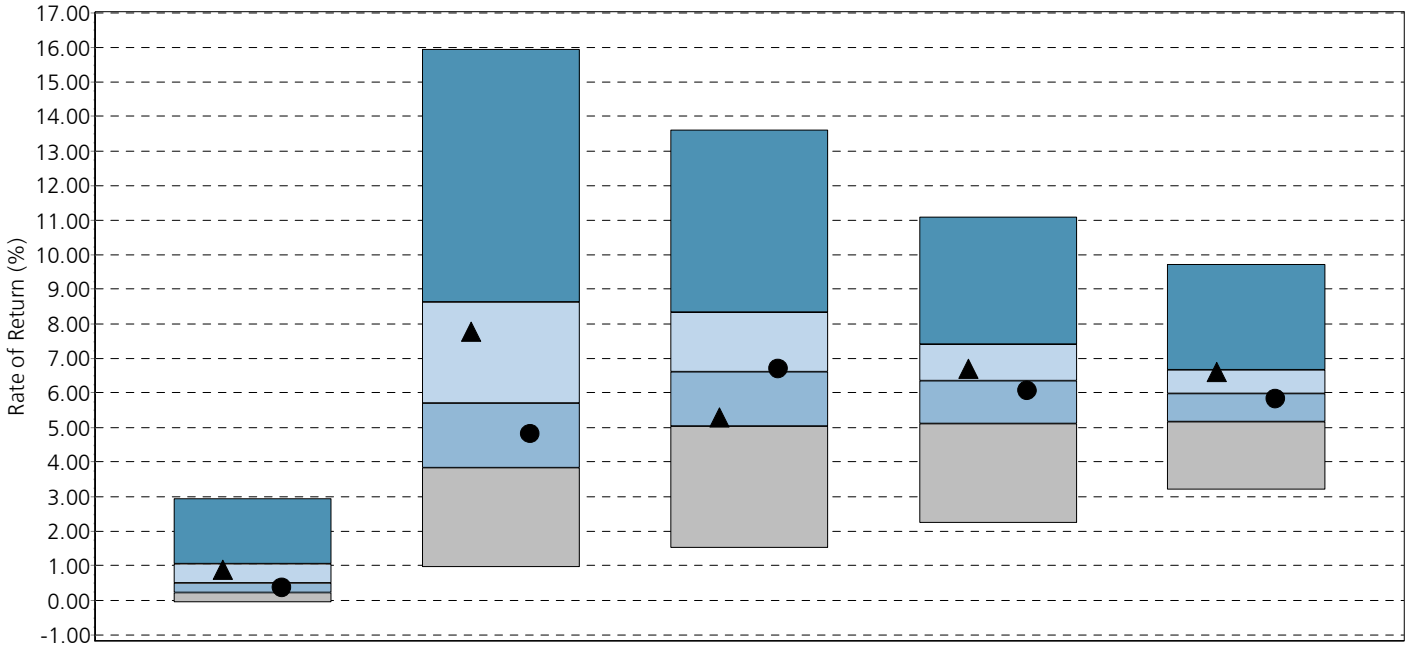
**Bond Segment versus Bond Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 2.96 | 15.95 | 13.64 | 11.12 | 9.73 |
| First Quartile | 1.07 | 8.66 | 8.36 | 7.41 | 6.69 |
| Median Value | 0.50 | 5.71 | 6.61 | 6.36 | 5.98 |
| Third Quartile | 0.23 | 3.84 | 5.06 | 5.12 | 5.17 |
| Lowest Value | -0.04 | 0.96 | 1.52 | 2.25 | 3.22 |
| Mean | 0.74 | 6.55 | 6.80 | 6.34 | 5.98 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite | 0.88 | 30 | 7.78 | 30 | 5.30 | 72 | 6.70 | 40 | 6.60 | 27 |
| ● Barclays Govt/Credit | 0.37 | 60 | 4.82 | 63 | 6.70 | 47 | 6.06 | 57 | 5.83 | 55 |

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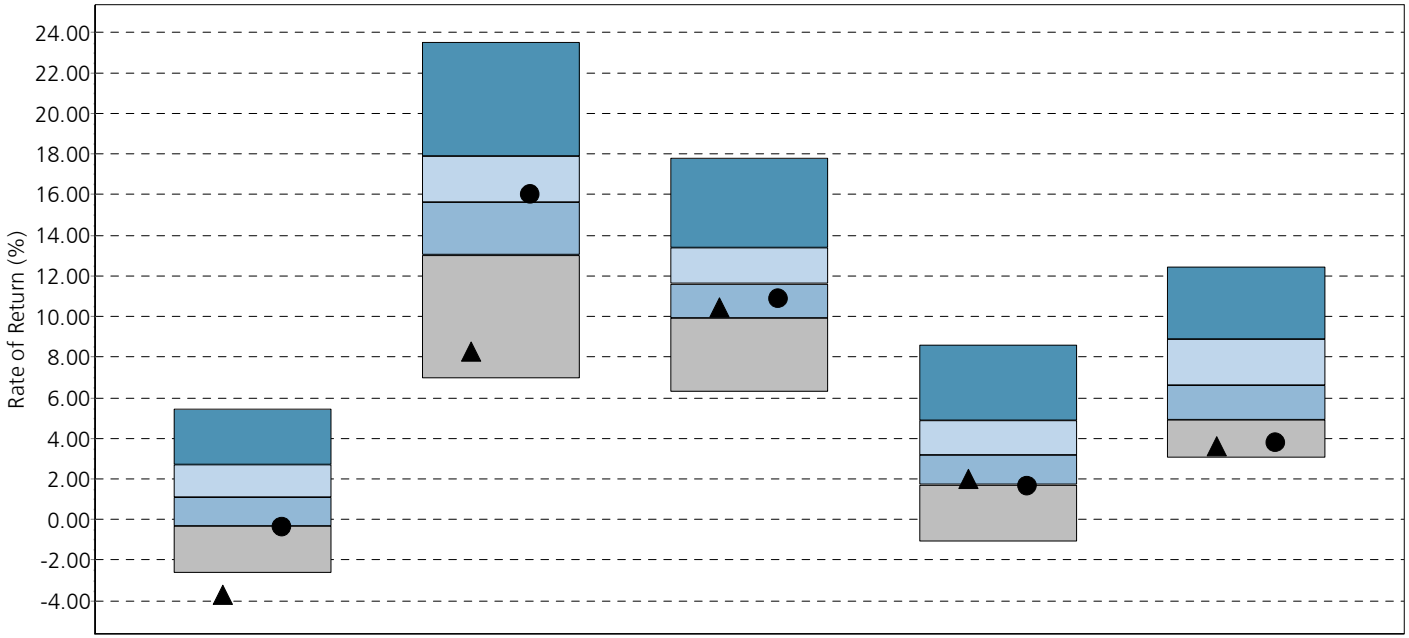
**Equity Segment versus Equity Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 5.48 | 23.50 | 17.82 | 8.61 | 12.48 |
| First Quartile | 2.72 | 17.90 | 13.40 | 4.89 | 8.88 |
| Median Value | 1.14 | 15.66 | 11.62 | 3.19 | 6.63 |
| Third Quartile | -0.31 | 13.06 | 9.93 | 1.72 | 4.93 |
| Lowest Value | -2.60 | 6.95 | 6.33 | -1.08 | 3.06 |
| Mean | 1.22 | 15.55 | 11.69 | 3.39 | 7.00 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite | -3.70 | 99 | 8.28 | 98 | 10.43 | 67 | 2.00 | 70 | 3.62 | 95 |
| ● S&P 500 Index | -0.38 | 76 | 16.00 | 46 | 10.87 | 60 | 1.66 | 75 | 3.78 | 93 |

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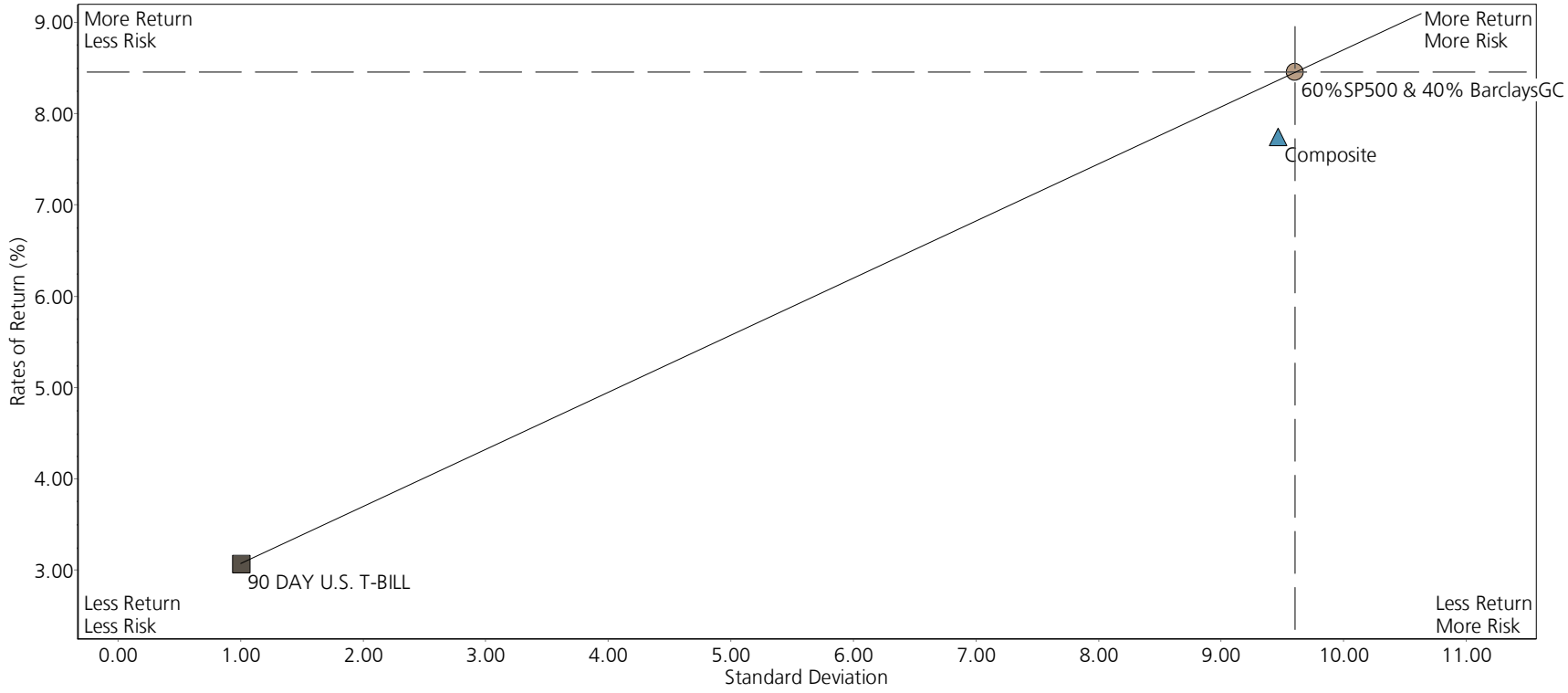
**Risk vs Reward Analysis**
**June 30, 1991 Through December 31, 2012**




| | Return | Std Dev | Alpha | Beta | R-Squared |
|---|---|---|---|---|---|
| ▲ Composite | 7.74 | 9.46 | -0.34 | 0.94 | 90.62 |
| ● 60%SP500 & 40% BarclaysGC | 8.45 | 9.60 | 0.00 | 1.00 | 100.00 |
| ■ 90 DAY U.S. T-BILL | 3.07 | 1.00 | 0.00 | 0.00 | N/A |

The comparative benchmark used in this analysis is the 60%SP500 & 40% BarclaysGC. The peer universe comprises ALL BALANCED MANAGERS managers.
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**Total Portfolio Rate of Return versus Risk**
**June 30, 1991 Through December 31, 2012**

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Total Portfolio:

VALUE ADDED BY MANAGEMENT: -0.34 percent per Year
Since 6/30/1991 , your fund has averaged -0.34 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.94
The volatility coefficient is known as Beta.
Since 6/30/1991 , your fund has been 0.94 times as volatile as the market.
The market proxy used in this comparison is a policy index calculated using the returns of the following:
( S&P 500 Index, Barclays Gov't/Credit )

DIVERSIFICATION: 90.62 percent
Since 6/30/1991 , your fund has been 90.62 percent as diversified as the market index described above.
The diversification statistic is called R-Squared.

The risk benchmark for this analysis is the 60%SP500 & 40% BarclaysGC.
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**Market Timing And Security Selection**
**June 30, 1991 Through December 31, 2012**

**Fund's Average Investment Exposure and Market Index Returns**

| Asset Class | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Cash | 8.57 | 8.88 | 7.61 | 7.02 | 3.04 |
| Fid. Magellan | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| Balanced Balanced | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Thornburg | 0.52 | 0.51 | 0.38 | 0.23 | 0.05 |
| Bond | 10.92 | 13.34 | 18.87 | 24.77 | 15.75 |
| MFS - CORE GROWTH | 0.00 | 0.05 | 0.02 | 0.01 | 0.00 |
| Equity | 59.56 | 58.22 | 54.45 | 50.04 | 28.36 |
| Delaware Balanced | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| Wells Fargo Classic | 0.13 | 0.13 | 0.12 | 0.12 | 0.06 |
| Putnam Int'l Growth | 1.22 | 1.17 | 1.22 | 1.28 | 0.69 |
| ING Int'l Value | 0.58 | 0.57 | 0.73 | 0.87 | 0.44 |
| Value Line - Fund 3 | 0.72 | 0.67 | 0.61 | 0.58 | 0.28 |
| Sentinel Funds | 0.18 | 0.18 | 0.16 | 0.16 | 0.08 |
| W & R Vanguard A | 0.13 | 0.12 | 0.12 | 0.12 | 0.06 |
| Guardian - Fund A | 0.13 | 0.13 | 0.13 | 0.13 | 0.06 |
| RVS Large Cap | 1.00 | 0.96 | 0.87 | 0.86 | 0.50 |
| Putnam Vista Fund | 0.00 | 0.00 | 0.00 | 0.01 | 0.04 |
| Phoenix - Oakhurst | 0.00 | 0.00 | 0.00 | 0.00 | 0.12 |
| Phoenix - Engemann | 0.00 | 0.00 | 0.00 | 0.00 | 0.08 |
| Templeton Foreign | 1.37 | 1.33 | 1.40 | 1.41 | 0.69 |

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**Market Timing And Security Selection**
**June 30, 1991 Through December 31, 2012**

**Fund's Average Investment Exposure and Market Index Returns**

| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Europacific Growth | 1.55 | 1.53 | 1.72 | 1.77 | 0.83 |
| John Hancock | 0.83 | 0.81 | 0.85 | 0.89 | 0.27 |
| Putnam Voyager | 0.00 | 0.00 | 0.00 | 0.01 | 0.05 |
| Putnam Growth | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Evergreen | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| American Funds Capit | 0.39 | 0.34 | 0.25 | 0.15 | 0.04 |
| ING Global Opp | 0.29 | 0.29 | 0.19 | 0.11 | 0.03 |
| Pimco Total Return | 0.41 | 0.10 | 0.89 | 1.19 | 0.47 |
| Fidelity G&I | 0.13 | 0.13 | 0.12 | 0.12 | 0.07 |
| Delaware Trend Inst' | 0.00 | 0.00 | 0.00 | 0.00 | 0.02 |
| Cohen & Steers | 0.56 | 0.52 | 0.53 | 0.71 | 0.37 |
| AIM Global Value | 0.00 | 0.00 | 0.11 | 0.17 | 0.15 |
| Alliance Select | 0.27 | 0.07 | 0.15 | 0.28 | 0.10 |
| BEAR STEARNS | 0.00 | 0.00 | 0.00 | 0.00 | 0.04 |
| Seligman Comm | 1.34 | 1.39 | 1.34 | 1.26 | 0.47 |
| Putnam Convertible | 0.48 | 0.49 | 0.57 | 0.52 | 0.12 |
| Jennison Natural Res | 0.60 | 0.62 | 0.68 | 0.44 | 0.10 |
| Temp Glo Bnd | 0.27 | 0.07 | 0.02 | 0.01 | 0.00 |
| AIM European Growth | 0.00 | 0.03 | 0.17 | 0.27 | 0.09 |
| AIM Global Value | 0.00 | 0.00 | 0.00 | 0.07 | 0.04 |
| Premier | 1.48 | 1.46 | 1.41 | 1.37 | 0.32 |

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## Market Timing And Security Selection
## June 30, 1991 Through December 31, 2012

### Fund's Average Investment Exposure and Market Index Returns

| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Eaton Vance FR | 0.28 | 0.28 | 0.16 | 0.09 | 0.02 |
| Lord Abbett Floating | 1.73 | 1.70 | 1.07 | 0.64 | 0.15 |
| MFS Diversified Inco | 0.88 | 0.62 | 0.39 | 0.24 | 0.05 |
| INVESCO European Gro | 0.45 | 0.43 | 0.26 | 0.16 | 0.04 |
| Eaton Vance Floating | 0.57 | 0.56 | 0.33 | 0.20 | 0.05 |
| **Asset Class Index Performance** | | | | | |
| 3 Mth T-Bill | 0.02 | 0.08 | 0.10 | 0.34 | 3.07 |
| S&P 500 Index | -0.38 | 16.00 | 10.87 | 1.66 | 8.66 |
| MSCI Gross EAFE | 6.60 | 17.90 | 4.04 | -3.21 | 5.89 |
| Barclays Govt/Credit | 0.37 | 4.82 | 6.70 | 6.06 | 6.86 |
| Russell 1000 Growth | -1.32 | 15.26 | 11.35 | 3.12 | 7.79 |
| Barclays Capital US | 0.65 | 7.21 | 9.13 | 7.78 | 7.63 |
| RUSSELL MID GROWTH | 1.69 | 15.81 | 12.91 | 3.23 | 9.28 |
| CTA Managed Futures | -1.40 | 0.26 | 3.19 | 3.15 | 7.32 |
| Barclays US Univ | 0.58 | 5.54 | 6.70 | 6.19 | 6.94 |
| MSCI Europe Growth | 6.24 | 20.30 | 6.52 | -1.63 | 7.77 |
| **Total Portfolio and Benchmark Performance** | | | | | |
| Dynamic Index | N/A | N/A | N/A | N/A | N/A |
| Policy Index | -0.02 | 11.69 | 9.77 | 4.43 | 8.45 |
| Portfolio Return | 0.87 | 10.82 | 8.19 | 3.65 | 7.74 |
| **Value Added By Manager** | | | | | |

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## Market Timing And Security Selection
## June 30, 1991 Through December 31, 2012

**Fund's Average Investment Exposure and Market Index Returns**

| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Market Timing | N/A | N/A | N/A | N/A | N/A |
| Security Selection | N/A | N/A | N/A | N/A | N/A |
| Total Value Added | 0.89 | -0.87 | -1.58 | -0.78 | -0.71 |

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**Total Portfolio Time-Weighted Rates of Return**
**June 30, 1991 Through December 31, 2012**

| | Account | | | | 60%Sp500 & 40% Barclaysgc | | | |
|---|---|---|---|---|---|---|---|---|
| Date | Quarterly | Semi Annually | Annually | Since 06/1991 | Quarterly | Semi Annually | Annually | Since 06/1991 |
| 09/1991 | 5.56 * | | | 5.56 * | 5.54 | | | 5.54 |
| 12/1991 | 5.05 | 10.89 | | 10.89 | 7.26 | 13.20 | | 13.20 |
| 03/1992 | 0.37 * | | | 11.30 * | -2.11 | | | 10.81 |
| 06/1992 | 3.16 * | 3.55 * | | 14.82 * | 2.78 | 0.60 | | 13.89 |
| 09/1992 | 3.59 | | | 14.89 * | 3.86 | | | 14.37 |
| 12/1992 | 0.95 | 4.58 | 8.28 * | 12.97 | 3.04 | 7.02 | 7.66 | 14.10 |
| 03/1993 | 4.98 * | | | 14.15 | 4.49 | | | 14.82 |
| 06/1993 | 2.18 * | 7.27 * | | 13.49 | 1.51 | 6.07 | | 13.70 |
| 09/1993 | 3.13 * | | | 13.45 | 2.88 | | | 13.51 |
| 12/1993 | 1.42 * | 4.60 * | 12.20 * | 12.66 * | 1.27 | 4.19 | 10.51 | 12.65 |
| 03/1994 | -3.67 | | | 9.94 | -3.52 | | | 10.00 |
| 06/1994 | -3.54 | -7.08 | | 7.78 | -0.23 | -3.74 | | 9.04 |
| 09/1994 | 4.34 * | | | 8.56 | 3.12 | | | 9.35 |
| 12/1994 | -0.02 | 4.31 * | -3.07 | 7.92 | 0.17 | 3.29 | -0.57 | 8.70 |
| 03/1995 | 8.17 * | | | 9.65 | 7.82 | | | 10.29 |
| 06/1995 | 7.77 | 16.57 | | 11.08 | 8.33 | 16.81 | | 11.83 |
| 09/1995 | 4.04 | | | 11.43 | 5.50 | | | 12.51 |
| 12/1995 | 5.28 | 9.53 | 27.69 | 12.03 | 5.49 | 11.30 | 30.00 | 13.11 |
| 03/1996 | 1.44 | | | 11.70 | 2.25 | | | 12.91 |
| 06/1996 | 1.69 | 3.16 | | 11.46 | 2.88 | 5.19 | | 12.86 |
| 09/1996 | 1.80 | | | 11.26 | 2.59 | | | 12.76 |
| 12/1996 | 5.20 | 7.09 | 10.47 | 11.75 | 6.22 | 8.97 | 14.63 | 13.39 |
| 03/1997 | 0.63 | | | 11.33 | 1.30 | | | 13.02 |
| 06/1997 | 9.37 | 10.06 | | 12.50 | 11.80 | 13.24 | | 14.56 |
| 09/1997 | 5.45 | | | 12.93 | 5.95 | | | 14.99 |
| 12/1997 | 2.94 | 8.55 | 19.46 | 12.90 | 3.21 | 9.35 | 23.83 | 14.93 |
| 03/1998 | 7.50 | | | 13.61 | 8.87 | | | 15.79 |
| 06/1998 | 1.44 | 9.05 | | 13.32 | 3.09 | 12.23 | | 15.69 |
| 09/1998 | -3.55 * | | | 12.27 | -3.98 | | | 14.46 |
| 12/1998 | 9.40 | 5.52 | 15.07 | 13.19 | 12.53 | 8.04 | 21.26 | 15.76 |

The asterisks indicate those periods during which the Total Portfolio over performed the 60%SP500 & 40% BarclaysGC.
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**Total Portfolio Time-Weighted Rates of Return**
**June 30, 1991 Through December 31, 2012**

| | Account | | | | | | | 60%Sp500 & 40% Barclaysgc | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Date | Quarterly | | Semi Annually | | Annually | | Since 06/1991 | Quarterly | Semi Annually | Annually | Since 06/1991 |
| 03/1999 | 0.50 | | | | | | 12.81 | 2.59 | | | 15.59 |
| 06/1999 | 2.75 | | 3.26 | | | | 12.77 | 3.81 | 6.50 | | 15.61 |
| 09/1999 | -3.35 | * | | | | | 11.89 | -3.52 | | | 14.60 |
| 12/1999 | 8.49 | | 4.85 | * | 8.27 | | 12.60 | 8.59 | 4.77 | 11.58 | 15.26 |
| 03/2000 | 3.56 | * | | | | | 12.67 | 2.64 | | | 15.13 |
| 06/2000 | 0.64 | * | 4.22 | * | | | 12.37 | -0.84 | 1.78 | | 14.58 |
| 09/2000 | 0.44 | | | | | | 12.07 | 0.61 | | | 14.23 |
| 12/2000 | -0.12 | * | 0.32 | * | 4.56 | * | 11.72 | -2.95 | -2.36 | -0.62 | 13.47 |
| 03/2001 | -3.24 | * | | | | | 11.03 | -5.91 | | | 12.40 |
| 06/2001 | 2.82 | | -0.51 | * | | | 11.05 | 3.75 | -2.38 | | 12.49 |
| 09/2001 | -3.83 | * | | | | | 10.34 | -7.23 | | | 11.35 |
| 12/2001 | 4.02 | | 0.04 | * | -0.48 | * | 10.50 | 6.41 | -1.28 | -3.63 | 11.72 |
| 03/2002 | 1.45 | * | | | | | 10.39 | 0.07 | | | 11.44 |
| 06/2002 | -4.65 | * | -3.27 | * | | | 9.67 | -6.76 | -6.69 | | 10.46 |
| 09/2002 | -6.39 | * | | | | | 8.80 | -8.33 | | | 9.37 |
| 12/2002 | 3.98 | | -2.66 | * | -5.84 | * | 8.97 | 6.00 | -2.83 | -9.34 | 9.71 |
| 03/2003 | -1.74 | | | | | | 8.61 | -1.04 | | | 9.40 |
| 06/2003 | 9.54 | | 7.64 | | | | 9.25 | 10.61 | 9.45 | | 10.11 |
| 09/2003 | 1.72 | * | | | | | 9.21 | 1.45 | | | 10.03 |
| 12/2003 | 7.56 | * | 9.41 | * | 17.77 | | 9.65 | 7.19 | 8.74 | 19.02 | 10.43 |
| 03/2004 | 2.71 | * | | | | | 9.68 | 2.30 | | | 10.41 |
| 06/2004 | 0.87 | * | 3.60 | * | | | 9.56 | -0.23 | 2.06 | | 10.18 |
| 09/2004 | -0.75 | | | | | | 9.31 | 0.32 | | | 10.00 |
| 12/2004 | 6.00 | * | 5.20 | | 8.99 | * | 9.60 | 5.82 | 6.16 | 8.35 | 10.27 |
| 03/2005 | -2.18 | | | | | | 9.24 | -1.53 | | | 9.95 |
| 06/2005 | 1.41 | | -0.80 | | | | 9.18 | 2.24 | 0.67 | | 9.94 |
| 09/2005 | 1.66 | | | | | | 9.14 | 1.78 | | | 9.89 |
| 12/2005 | 1.64 | * | 3.33 | * | 2.51 | | 9.10 | 1.52 | 3.33 | 4.02 | 9.83 |
| 03/2006 | 3.94 | * | | | | | 9.22 | 2.12 | | | 9.81 |
| 06/2006 | -1.35 | | 2.54 | * | | | 8.96 | -0.88 | 1.22 | | 9.58 |
| 09/2006 | 3.85 | | | | | | 9.08 | 4.99 | | | 9.76 |

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**Total Portfolio Time-Weighted Rates of Return**
**June 30, 1991 Through December 31, 2012**

| | Account | | | | | | | 60%Sp500 & 40% Barclaysgc | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Date | Quarterly | | Semi Annually | | Annually | | Since 06/1991 | Quarterly | Semi Annually | Annually | Since 06/1991 |
| 12/2006 | 3.25 | | 7.22 | | 9.94 | | 9.15 | 4.42 | 9.62 | 10.96 | 9.90 |
| 03/2007 | 1.77 | * | | | | | 9.12 | 1.02 | | | 9.81 |
| 06/2007 | 3.61 | * | 5.44 | * | | | 9.21 | 3.55 | 4.61 | | 9.89 |
| 09/2007 | 2.66 | * | | | | | 9.24 | 2.57 | | | 9.90 |
| 12/2007 | -1.26 | | 1.37 | | 6.88 | * | 9.01 | -0.65 | 1.90 | 6.61 | 9.70 |
| 03/2008 | -4.75 | | | | | | 8.56 | -4.61 | | | 9.24 |
| 06/2008 | -1.56 | * | -6.23 | * | | | 8.33 | -2.11 | -6.62 | | 8.96 |
| 09/2008 | -7.22 | | | | | | 7.73 | -5.26 | | | 8.49 |
| 12/2008 | -13.10 | | -19.37 | | -24.40 | | 6.76 | -10.35 | -15.07 | -20.70 | 7.68 |
| 03/2009 | -5.15 | * | | | | | 6.34 | -6.71 | | | 7.15 |
| 06/2009 | 13.78 | * | 7.92 | * | | | 7.02 | 10.35 | 2.95 | | 7.64 |
| 09/2009 | 10.74 | | | | | | 7.52 | 11.02 | | | 8.15 |
| 12/2009 | 4.56 | * | 15.80 | * | 24.96 | * | 7.67 | 3.60 | 15.03 | 18.41 | 8.24 |
| 03/2010 | 4.87 | * | | | | | 7.84 | 3.91 | | | 8.35 |
| 06/2010 | -6.65 | | -2.10 | | | | 7.34 | -5.37 | -1.67 | | 7.92 |
| 09/2010 | 9.18 | * | | | | | 7.73 | 8.16 | | | 8.25 |
| 12/2010 | 5.79 | * | 15.50 | * | 13.07 | * | 7.94 | 5.45 | 14.06 | 12.16 | 8.44 |
| 03/2011 | 4.96 | * | | | | | 8.10 | 3.70 | | | 8.52 |
| 06/2011 | 1.28 | * | 6.30 | * | | | 8.06 | 1.05 | 4.79 | | 8.47 |
| 09/2011 | -10.72 | | | | | | 7.36 | -6.46 | | | 8.00 |
| 12/2011 | 6.49 | | -4.93 | | 1.07 | | 7.59 | 7.73 | 0.76 | 5.59 | 8.30 |
| 03/2012 | 8.32 | * | | | | | 7.91 | 7.46 | | | 8.57 |
| 06/2012 | -3.17 | | 4.88 | | | | 7.65 | -0.56 | 6.86 | | 8.43 |
| 09/2012 | 4.76 | * | | | | | 7.79 | 4.54 | | | 8.56 |
| 12/2012 | 0.87 | * | 5.66 | * | 10.82 | | 7.74 | -0.02 | 4.52 | 11.69 | 8.45 |

The asterisks indicate those periods during which the Total Portfolio over performed the 60%SP500 & 40% BarclaysGC.
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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Cash Segment | Percent | Fid. Magellan | Percent | Balanced Balanced | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Cash Segment | Percent | Fid. Magellan | Percent | Balanced Balanced | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 4,735,566 | 2.42 | 239,777 | 0.12 | 0 | 0.00 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 2,590,521 | 1.68 | 256,995 | 0.17 | 0 | 0.00 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 8,027,245 | 5.40 | 217,529 | 0.15 | 0 | 0.00 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 8,740,792 | 5.66 | 241,841 | 0.16 | 0 | 0.00 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 11,136,300 | 7.10 | 237,966 | 0.15 | 0 | 0.00 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 5,581,555 | 4.11 | 205,317 | 0.15 | 0 | 0.00 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 5,981,518 | 4.70 | 171,721 | 0.13 | 0 | 0.00 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 4,310,682 | 3.26 | 184,613 | 0.14 | 0 | 0.00 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 7,475,981 | 5.75 | 179,305 | 0.14 | 0 | 0.00 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 5,798,844 | 4.15 | 204,854 | 0.15 | 0 | 0.00 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 8,236,286 | 5.79 | 207,877 | 0.15 | 0 | 0.00 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 8,475,727 | 5.54 | 230,438 | 0.15 | 0 | 0.00 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 9,711,660 | 6.17 | 233,715 | 0.15 | 0 | 0.00 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 9,173,265 | 5.87 | 235,524 | 0.15 | 0 | 0.00 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 5,233,383 | 3.37 | 228,979 | 0.15 | 0 | 0.00 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 7,513,831 | 4.60 | 247,705 | 0.15 | 0 | 0.00 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 5,762,688 | 3.61 | 241,046 | 0.15 | 0 | 0.00 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 5,300,412 | 3.35 | 244,689 | 0.15 | 0 | 0.00 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 4,983,829 | 3.10 | 253,377 | 0.16 | 0 | 0.00 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Cash Segment | Percent | Fid. Magellan | Percent | Balanced Balanced | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 7,600,269 | 4.69 | 263,607 | 0.16 | 0 | 0.00 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 4,886,320 | 2.90 | 279,358 | 0.17 | 0 | 0.00 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 8,100,501 | 4.88 | 268,209 | 0.16 | 0 | 0.00 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 6,766,425 | 3.92 | 269,035 | 0.16 | 0 | 0.00 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 5,993,159 | 3.40 | 0 | 0.00 | 0 | 0.00 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 6,298,381 | 3.57 | 0 | 0.00 | 0 | 0.00 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 5,650,586 | 3.09 | 0 | 0.00 | 0 | 0.00 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 12,252,144 | 6.53 | 0 | 0.00 | 0 | 0.00 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 7,604,690 | 4.13 | 0 | 0.00 | 0 | 0.00 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 11,852,818 | 6.76 | 0 | 0.00 | 0 | 0.00 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 7,707,928 | 4.59 | 0 | 0.00 | 0 | 0.00 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 6,530,451 | 4.19 | 0 | 0.00 | 0 | 0.00 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 9,844,384 | 7.28 | 0 | 0.00 | 0 | 0.00 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 10,197,011 | 7.95 | 0 | 0.00 | 0 | 0.00 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 9,611,319 | 6.72 | 0 | 0.00 | 0 | 0.00 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 8,674,533 | 5.48 | 0 | 0.00 | 0 | 0.00 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 13,569,874 | 8.20 | 0 | 0.00 | 0 | 0.00 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 13,569,851 | 7.82 | 0 | 0.00 | 0 | 0.00 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 7,981,628 | 5.11 | 0 | 0.00 | 0 | 0.00 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 8,822,007 | 5.17 | 0 | 0.00 | 0 | 0.00 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 13,498,375 | 7.42 | 0 | 0.00 | 0 | 0.00 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 13,063,946 | 6.95 | 0 | 0.00 | 0 | 0.00 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 15,004,100 | 7.89 | 0 | 0.00 | 0 | 0.00 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 14,876,430 | 8.76 | 0 | 0.00 | 0 | 0.00 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 15,715,677 | 8.67 | 0 | 0.00 | 0 | 0.00 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 15,820,582 | 8.35 | 0 | 0.00 | 0 | 0.00 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 15,711,195 | 8.75 | 0 | 0.00 | 0 | 0.00 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 17,216,745 | 9.15 | 0 | 0.00 | 0 | 0.00 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 15,929,473 | 8.39 | 0 | 0.00 | 0 | 0.00 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Mutual Funds | Percent | Thornburg Int'l Value | Percent | Bond Segment | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Mutual Funds | Percent | Thornburg Int'l Value | Percent | Bond Segment | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 10,360,182 | 5.29 | 0 | 0.00 | 67,029,060 | 34.24 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 10,811,051 | 7.00 | 0 | 0.00 | 66,541,912 | 43.09 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 9,617,633 | 6.48 | 0 | 0.00 | 63,143,922 | 42.51 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 10,647,528 | 6.89 | 0 | 0.00 | 63,306,450 | 40.97 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 10,834,045 | 6.91 | 0 | 0.00 | 58,792,269 | 37.51 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 10,110,606 | 7.44 | 0 | 0.00 | 56,849,623 | 41.84 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 8,541,850 | 6.71 | 0 | 0.00 | 57,102,412 | 44.89 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 9,006,735 | 6.81 | 0 | 0.00 | 56,132,701 | 42.43 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 8,523,161 | 6.56 | 0 | 0.00 | 54,212,547 | 41.70 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 9,839,278 | 7.04 | 0 | 0.00 | 51,946,272 | 37.16 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 10,441,719 | 7.34 | 0 | 0.00 | 46,275,998 | 32.55 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 11,671,221 | 7.63 | 0 | 0.00 | 45,462,155 | 29.73 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 12,600,071 | 8.01 | 0 | 0.00 | 43,358,097 | 27.55 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 12,467,119 | 7.98 | 0 | 0.00 | 38,270,599 | 24.49 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 12,390,614 | 7.98 | 0 | 0.00 | 38,697,939 | 24.93 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 13,879,656 | 8.50 | 0 | 0.00 | 36,967,809 | 22.64 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 13,637,783 | 8.54 | 0 | 0.00 | 36,130,524 | 22.62 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 13,805,810 | 8.72 | 0 | 0.00 | 37,642,100 | 23.78 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 14,875,208 | 9.24 | 0 | 0.00 | 37,698,540 | 23.42 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Mutual Funds | Percent | Thornburg Int'l Value | Percent | Bond Segment | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 15,328,787 | 9.45 | 0 | 0.00 | 36,727,738 | 22.65 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 17,533,373 | 10.40 | 0 | 0.00 | 39,511,325 | 23.44 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 17,300,121 | 10.43 | 0 | 0.00 | 43,349,933 | 26.13 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 16,376,944 | 9.49 | 0 | 0.00 | 52,281,937 | 30.30 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 0 | 0.00 | 0 | 0.00 | 51,270,111 | 29.11 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 0 | 0.00 | 0 | 0.00 | 51,815,121 | 29.35 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 0 | 0.00 | 0 | 0.00 | 56,568,522 | 30.93 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 0 | 0.00 | 0 | 0.00 | 54,746,449 | 29.16 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 0 | 0.00 | 0 | 0.00 | 58,093,226 | 31.53 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 0 | 0.00 | 0 | 0.00 | 55,083,855 | 31.39 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 0 | 0.00 | 0 | 0.00 | 53,489,083 | 31.88 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 0 | 0.00 | 0 | 0.00 | 52,087,901 | 33.46 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 0 | 0.00 | 0 | 0.00 | 52,161,083 | 38.55 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 0 | 0.00 | 0 | 0.00 | 49,091,495 | 38.26 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 0 | 0.00 | 0 | 0.00 | 50,352,208 | 35.22 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 50,418,684 | 31.84 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 44,514,976 | 26.89 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 0 | 0.00 | 0 | 0.00 | 42,560,246 | 24.51 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 0 | 0.00 | 0 | 0.00 | 42,637,195 | 27.31 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 0 | 0.00 | 0 | 0.00 | 40,956,473 | 24.02 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 0 | 0.00 | 1,021,204 | 0.56 | 37,490,646 | 20.61 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 0 | 0.00 | 1,065,117 | 0.57 | 35,009,455 | 18.64 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 0 | 0.00 | 1,077,009 | 0.57 | 32,518,438 | 17.09 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 0 | 0.00 | 851,490 | 0.50 | 30,794,591 | 18.13 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 0 | 0.00 | 885,967 | 0.49 | 28,942,112 | 15.96 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 0 | 0.00 | 984,175 | 0.52 | 26,720,559 | 14.10 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 0 | 0.00 | 915,748 | 0.51 | 22,541,350 | 12.55 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 0 | 0.00 | 970,832 | 0.52 | 21,098,292 | 11.21 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 0 | 0.00 | 1,021,831 | 0.54 | 19,161,149 | 10.09 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Mfs - Core Growth | Percent | Equity Segment | Percent | Delaware Balanced Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Mfs - Core Growth | Percent | Equity Segment | Percent | Delaware Balanced Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 0 | 0.00 | 73,736,341 | 37.66 | 143,460 | 0.07 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 0 | 0.00 | 74,483,877 | 48.23 | 155,767 | 0.10 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 0 | 0.00 | 67,739,120 | 45.61 | 130,030 | 0.09 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 0 | 0.00 | 71,811,834 | 46.48 | 149,274 | 0.10 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 0 | 0.00 | 75,988,153 | 48.48 | 148,305 | 0.09 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 0 | 0.00 | 63,346,804 | 46.62 | 136,508 | 0.10 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 0 | 0.00 | 55,590,057 | 43.70 | 120,030 | 0.09 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 0 | 0.00 | 62,842,460 | 47.50 | 125,650 | 0.09 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 0 | 0.00 | 59,790,603 | 45.99 | 124,006 | 0.10 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 0 | 0.00 | 72,191,094 | 51.65 | 136,306 | 0.10 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 0 | 0.00 | 77,234,895 | 54.32 | 138,525 | 0.10 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 0 | 0.00 | 84,255,591 | 55.09 | 148,942 | 0.10 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 0 | 0.00 | 87,482,985 | 55.59 | 151,571 | 0.10 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 0 | 0.00 | 92,142,275 | 58.96 | 149,615 | 0.10 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 0 | 0.00 | 94,876,694 | 61.13 | 148,894 | 0.10 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 0 | 0.00 | 99,497,709 | 60.93 | 157,139 | 0.10 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 0 | 0.00 | 98,943,341 | 61.93 | 157,582 | 0.10 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 0 | 0.00 | 96,138,331 | 60.72 | 159,280 | 0.10 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 0 | 0.00 | 97,781,167 | 60.74 | 162,451 | 0.10 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Mfs - Core Growth | Percent | Equity Segment | Percent | Delaware Balanced Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 0 | 0.00 | 96,736,875 | 59.67 | 163,042 | 0.10 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 0 | 0.00 | 100,508,924 | 59.64 | 169,039 | 0.10 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 0 | 0.00 | 91,312,569 | 55.05 | 169,101 | 0.10 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 0 | 0.00 | 91,623,195 | 53.10 | 0 | 0.00 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 0 | 0.00 | 93,801,573 | 53.26 | 0 | 0.00 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 0 | 0.00 | 91,540,852 | 51.85 | 0 | 0.00 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 0 | 0.00 | 92,393,801 | 50.52 | 0 | 0.00 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 0 | 0.00 | 91,679,560 | 48.83 | 0 | 0.00 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 0 | 0.00 | 88,023,735 | 47.78 | 0 | 0.00 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 0 | 0.00 | 79,913,739 | 45.55 | 0 | 0.00 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 0 | 0.00 | 78,474,494 | 46.77 | 0 | 0.00 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 0 | 0.00 | 72,823,705 | 46.78 | 0 | 0.00 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 0 | 0.00 | 52,258,715 | 38.63 | 0 | 0.00 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 0 | 0.00 | 47,583,700 | 37.08 | 0 | 0.00 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 0 | 0.00 | 57,941,900 | 40.53 | 0 | 0.00 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 0 | 0.00 | 69,751,198 | 44.06 | 0 | 0.00 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 0 | 0.00 | 77,544,349 | 46.84 | 0 | 0.00 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 0 | 0.00 | 86,901,569 | 50.06 | 0 | 0.00 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 0 | 0.00 | 76,441,903 | 48.96 | 0 | 0.00 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 0 | 0.00 | 88,184,428 | 51.73 | 0 | 0.00 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 0 | 0.00 | 96,696,833 | 53.16 | 0 | 0.00 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 0 | 0.00 | 102,987,144 | 54.83 | 0 | 0.00 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 0 | 0.00 | 105,264,229 | 55.33 | 0 | 0.00 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 0 | 0.00 | 91,709,051 | 53.99 | 0 | 0.00 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 0 | 0.00 | 102,650,846 | 56.61 | 0 | 0.00 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 0 | 0.00 | 110,507,021 | 58.31 | 0 | 0.00 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 0 | 0.00 | 106,362,840 | 59.24 | 0 | 0.00 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 0 | 0.00 | 112,437,943 | 59.76 | 0 | 0.00 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 0 | 0.00 | 111,696,786 | 58.83 | 0 | 0.00 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Wells Fargo Classic Value | Percent | Putnam Int'l Growth | Percent | Ing International Value | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Wells Fargo Classic Value | Percent | Putnam Int'l Growth | Percent | Ing International Value | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 153,504 | 0.08 | 1,699,592 | 0.87 | 699,580 | 0.36 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 160,624 | 0.10 | 1,706,021 | 1.10 | 707,393 | 0.46 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 139,435 | 0.09 | 1,469,074 | 0.99 | 604,536 | 0.41 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 151,138 | 0.10 | 1,591,965 | 1.03 | 666,413 | 0.43 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 156,796 | 0.10 | 1,617,667 | 1.03 | 693,877 | 0.44 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 144,574 | 0.11 | 1,540,559 | 1.13 | 650,349 | 0.48 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 123,039 | 0.10 | 1,221,684 | 0.96 | 505,769 | 0.40 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 132,107 | 0.10 | 1,320,890 | 1.00 | 546,491 | 0.41 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 127,614 | 0.10 | 1,204,986 | 0.93 | 487,011 | 0.37 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 147,954 | 0.11 | 1,402,999 | 1.00 | 606,507 | 0.43 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 150,479 | 0.11 | 1,481,884 | 1.04 | 677,143 | 0.48 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 173,252 | 0.11 | 1,692,561 | 1.11 | 807,472 | 0.53 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 176,972 | 0.11 | 1,746,632 | 1.11 | 1,270,256 | 0.81 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 172,396 | 0.11 | 1,708,127 | 1.09 | 1,253,209 | 0.80 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 171,925 | 0.11 | 1,708,946 | 1.10 | 1,247,326 | 0.80 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 190,796 | 0.12 | 1,967,327 | 1.20 | 1,451,823 | 0.89 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 188,429 | 0.12 | 1,953,205 | 1.22 | 1,425,557 | 0.89 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 190,544 | 0.12 | 1,943,234 | 1.23 | 1,397,661 | 0.88 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 195,866 | 0.12 | 2,153,427 | 1.34 | 1,574,427 | 0.98 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Wells Fargo Classic Value | Percent | Putnam Int'l Growth | Percent | Ing International Value | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 197,533 | 0.12 | 2,214,722 | 1.37 | 1,621,122 | 1.00 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 207,137 | 0.12 | 2,436,788 | 1.45 | 1,794,721 | 1.06 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 205,191 | 0.12 | 2,442,721 | 1.47 | 1,792,256 | 1.08 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 216,554 | 0.13 | 2,559,661 | 1.48 | 1,878,553 | 1.09 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 230,412 | 0.13 | 2,840,092 | 1.61 | 2,083,554 | 1.18 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 233,055 | 0.13 | 2,944,340 | 1.67 | 2,177,130 | 1.23 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 246,652 | 0.13 | 3,163,715 | 1.73 | 2,301,790 | 1.26 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 249,949 | 0.13 | 3,223,544 | 1.72 | 2,305,637 | 1.23 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 236,742 | 0.13 | 3,078,788 | 1.67 | 2,303,593 | 1.25 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 210,281 | 0.12 | 2,782,324 | 1.59 | 2,041,900 | 1.16 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 203,545 | 0.12 | 2,761,065 | 1.65 | 2,012,045 | 1.20 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 199,385 | 0.13 | 2,145,755 | 1.38 | 1,692,241 | 1.09 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 153,911 | 0.11 | 1,698,247 | 1.26 | 1,367,743 | 1.01 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 135,991 | 0.11 | 1,429,750 | 1.11 | 1,150,549 | 0.90 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 162,492 | 0.11 | 1,760,897 | 1.23 | 1,424,557 | 1.00 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 185,676 | 0.12 | 2,094,281 | 1.32 | 1,675,047 | 1.06 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 194,063 | 0.12 | 2,127,354 | 1.29 | 1,668,919 | 1.01 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 206,842 | 0.12 | 2,157,123 | 1.24 | 1,678,149 | 0.97 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 177,862 | 0.11 | 1,809,053 | 1.16 | 1,458,994 | 0.93 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 199,251 | 0.12 | 2,154,834 | 1.26 | 1,657,421 | 0.97 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 220,222 | 0.12 | 2,342,061 | 1.29 | 1,747,916 | 0.96 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 234,926 | 0.13 | 2,399,327 | 1.28 | 1,232,358 | 0.66 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 235,501 | 0.12 | 2,447,243 | 1.29 | 1,234,393 | 0.65 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 189,943 | 0.11 | 1,882,764 | 1.11 | 993,213 | 0.58 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 212,843 | 0.12 | 1,978,139 | 1.09 | 1,018,332 | 0.56 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 244,501 | 0.13 | 2,271,885 | 1.20 | 1,115,765 | 0.59 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 231,086 | 0.13 | 2,079,773 | 1.16 | 1,024,618 | 0.57 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 248,793 | 0.13 | 2,253,294 | 1.20 | 1,084,335 | 0.58 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 248,955 | 0.13 | 2,408,021 | 1.27 | 1,153,855 | 0.61 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Value Line - Fund | Percent | Sentinel Funds | Percent | W & R Vanguard | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Value Line - Fund | Percent | Sentinel Funds | Percent | W & R Vanguard | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 564,851 | 0.29 | 198,835 | 0.10 | 150,844 | 0.08 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 631,021 | 0.41 | 201,745 | 0.13 | 156,581 | 0.10 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 522,442 | 0.35 | 180,322 | 0.12 | 129,004 | 0.09 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 583,301 | 0.38 | 191,908 | 0.12 | 145,413 | 0.09 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 590,380 | 0.38 | 197,653 | 0.13 | 150,420 | 0.10 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 560,215 | 0.41 | 176,916 | 0.13 | 131,131 | 0.10 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 496,498 | 0.39 | 176,916 | 0.14 | 112,769 | 0.09 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 494,959 | 0.37 | 159,315 | 0.12 | 115,737 | 0.09 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 489,726 | 0.38 | 147,675 | 0.11 | 116,664 | 0.09 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 545,132 | 0.39 | 174,086 | 0.12 | 130,389 | 0.09 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 579,915 | 0.41 | 180,075 | 0.13 | 134,840 | 0.09 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 641,477 | 0.42 | 206,109 | 0.13 | 115,737 | 0.08 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 683,647 | 0.43 | 206,295 | 0.13 | 150,977 | 0.10 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 693,497 | 0.44 | 212,141 | 0.14 | 152,832 | 0.10 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 680,877 | 0.44 | 210,506 | 0.14 | 144,300 | 0.09 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 759,627 | 0.47 | 225,618 | 0.14 | 159,010 | 0.10 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 747,400 | 0.47 | 225,276 | 0.14 | 154,923 | 0.10 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 776,870 | 0.49 | 225,356 | 0.14 | 164,025 | 0.10 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 827,344 | 0.51 | 234,620 | 0.15 | 171,641 | 0.11 | 160,971,034 | 1.66 | 347.75 |

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**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Value Line - Fund | Percent | Sentinel Funds | Percent | W & R Vanguard | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 846,932 | 0.52 | 241,965 | 0.15 | 183,148 | 0.11 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 928,979 | 0.55 | 253,173 | 0.15 | 188,781 | 0.11 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 901,520 | 0.54 | 250,167 | 0.15 | 185,285 | 0.11 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 885,640 | 0.51 | 263,737 | 0.15 | 179,847 | 0.10 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 937,417 | 0.53 | 280,661 | 0.16 | 183,148 | 0.10 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 981,100 | 0.56 | 282,155 | 0.16 | 191,689 | 0.11 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 1,061,067 | 0.58 | 302,387 | 0.17 | 203,140 | 0.11 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 1,103,341 | 0.59 | 316,509 | 0.17 | 233,038 | 0.12 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 1,108,998 | 0.60 | 307,118 | 0.17 | 240,560 | 0.13 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 998,400 | 0.57 | 283,691 | 0.16 | 213,134 | 0.12 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 1,033,127 | 0.62 | 281,396 | 0.17 | 210,810 | 0.13 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 881,385 | 0.57 | 253,297 | 0.16 | 185,708 | 0.12 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 663,956 | 0.49 | 198,217 | 0.15 | 145,520 | 0.11 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 609,456 | 0.47 | 180,869 | 0.14 | 138,602 | 0.11 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 722,833 | 0.51 | 212,604 | 0.15 | 154,487 | 0.11 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 827,459 | 0.52 | 241,678 | 0.15 | 172,677 | 0.11 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 878,322 | 0.53 | 255,415 | 0.15 | 182,787 | 0.11 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 922,497 | 0.53 | 268,344 | 0.15 | 190,243 | 0.11 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 845,290 | 0.54 | 237,872 | 0.15 | 166,848 | 0.11 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 964,682 | 0.57 | 263,534 | 0.15 | 186,129 | 0.11 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 1,068,549 | 0.59 | 292,549 | 0.16 | 207,571 | 0.11 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 1,161,778 | 0.62 | 310,290 | 0.17 | 217,859 | 0.12 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 1,186,878 | 0.62 | 312,144 | 0.16 | 220,431 | 0.12 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 1,007,990 | 0.59 | 265,521 | 0.16 | 190,595 | 0.11 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 1,117,625 | 0.62 | 296,753 | 0.16 | 212,200 | 0.12 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 1,266,191 | 0.67 | 331,730 | 0.18 | 242,809 | 0.13 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 1,223,563 | 0.68 | 317,235 | 0.18 | 225,833 | 0.13 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 1,276,743 | 0.68 | 337,264 | 0.18 | 237,407 | 0.13 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 1,316,542 | 0.69 | 339,854 | 0.18 | 234,570 | 0.12 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Guardian - Fund A | Percent | Rvs Large Cap Equity | Percent | Putnam Vista Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Guardian - Fund A | Percent | Rvs Large Cap Equity | Percent | Putnam Vista Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 169,740 | 0.09 | 1,485,766 | 0.76 | 211,116 | 0.11 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 182,516 | 0.12 | 1,567,168 | 1.01 | 238,927 | 0.15 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 153,593 | 0.10 | 1,321,831 | 0.89 | 162,111 | 0.11 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 167,063 | 0.11 | 1,488,826 | 0.96 | 203,583 | 0.13 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 168,629 | 0.11 | 1,494,709 | 0.95 | 198,164 | 0.13 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 145,451 | 0.11 | 1,306,748 | 0.96 | 163,997 | 0.12 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 123,565 | 0.10 | 1,113,254 | 0.88 | 133,601 | 0.11 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 131,052 | 0.10 | 1,174,086 | 0.89 | 141,135 | 0.11 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 125,449 | 0.10 | 1,164,565 | 0.90 | 139,256 | 0.11 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 142,070 | 0.10 | 1,310,060 | 0.94 | 162,583 | 0.12 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 143,651 | 0.10 | 1,336,687 | 0.94 | 172,009 | 0.12 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 158,511 | 0.10 | 1,466,153 | 0.96 | 188,266 | 0.12 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 159,512 | 0.10 | 1,468,887 | 0.93 | 197,693 | 0.13 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 159,652 | 0.10 | 1,469,011 | 0.94 | 202,404 | 0.13 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 154,986 | 0.10 | 1,409,878 | 0.91 | 196,750 | 0.13 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 167,445 | 0.10 | 1,508,276 | 0.92 | 223,848 | 0.14 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 162,107 | 0.10 | 1,451,902 | 0.91 | 222,905 | 0.14 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 163,031 | 0.10 | 1,464,746 | 0.93 | 223,611 | 0.14 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 169,125 | 0.11 | 1,528,667 | 0.95 | 242,463 | 0.15 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Guardian - Fund A | Percent | Rvs Large Cap Equity | Percent | Putnam Vista Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 173,978 | 0.11 | 1,537,695 | 0.95 | 251,181 | 0.15 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 180,666 | 0.11 | 1,612,111 | 0.96 | 274,979 | 0.16 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 177,501 | 0.11 | 1,563,532 | 0.94 | 255,658 | 0.15 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 192,642 | 0.11 | 1,653,104 | 0.96 | 250,700 | 0.15 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 203,323 | 0.12 | 1,776,467 | 1.01 | 265,319 | 0.15 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 210,758 | 0.12 | 1,780,502 | 1.01 | 271,209 | 0.15 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 232,190 | 0.13 | 1,887,844 | 1.03 | 283,227 | 0.15 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 232,408 | 0.12 | 1,920,136 | 1.02 | 286,291 | 0.15 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 233,368 | 0.13 | 1,829,977 | 0.99 | 274,979 | 0.15 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 219,243 | 0.12 | 1,635,246 | 0.93 | 237,043 | 0.14 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 222,706 | 0.13 | 1,571,392 | 0.94 | 0 | 0.00 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 199,127 | 0.13 | 1,397,423 | 0.90 | 0 | 0.00 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 164,960 | 0.12 | 1,058,164 | 0.78 | 0 | 0.00 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 151,403 | 0.12 | 917,795 | 0.72 | 0 | 0.00 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 170,183 | 0.12 | 1,064,802 | 0.74 | 0 | 0.00 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 199,908 | 0.13 | 1,239,166 | 0.78 | 0 | 0.00 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 206,096 | 0.12 | 1,311,616 | 0.79 | 0 | 0.00 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 220,173 | 0.13 | 1,385,256 | 0.80 | 0 | 0.00 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 197,026 | 0.13 | 1,231,165 | 0.79 | 0 | 0.00 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 213,107 | 0.13 | 1,377,242 | 0.81 | 0 | 0.00 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 240,365 | 0.13 | 1,516,851 | 0.83 | 0 | 0.00 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 248,903 | 0.13 | 1,618,808 | 0.86 | 0 | 0.00 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 244,663 | 0.13 | 1,637,137 | 0.86 | 0 | 0.00 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 193,887 | 0.11 | 1,428,539 | 0.84 | 0 | 0.00 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 218,933 | 0.12 | 1,605,726 | 0.89 | 0 | 0.00 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 241,350 | 0.13 | 1,835,115 | 0.97 | 0 | 0.00 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 235,149 | 0.13 | 1,767,148 | 0.98 | 0 | 0.00 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 250,055 | 0.13 | 1,886,090 | 1.00 | 0 | 0.00 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 254,540 | 0.13 | 1,854,656 | 0.98 | 0 | 0.00 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Phoenix - Oakhurst | Percent | Phoenix - Engemann | Percent | Templeton Foreign | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Phoenix - Oakhurst | Percent | Phoenix - Engemann | Percent | Templeton Foreign | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 629,835 | 0.32 | 567,649 | 0.29 | 1,384,618 | 0.71 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 674,586 | 0.44 | 615,754 | 0.40 | 1,438,488 | 0.93 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 631,094 | 0.42 | 437,392 | 0.29 | 1,244,845 | 0.84 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 682,437 | 0.44 | 527,796 | 0.34 | 1,386,214 | 0.90 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 680,756 | 0.43 | 508,457 | 0.32 | 1,450,654 | 0.93 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 637,999 | 0.47 | 431,378 | 0.32 | 1,443,161 | 1.06 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 585,155 | 0.46 | 383,141 | 0.30 | 1,206,381 | 0.95 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 620,800 | 0.47 | 409,875 | 0.31 | 1,266,394 | 0.96 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 615,590 | 0.47 | 406,056 | 0.31 | 1,149,050 | 0.88 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 679,977 | 0.49 | 462,483 | 0.33 | 1,353,258 | 0.97 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 700,506 | 0.49 | 488,521 | 0.34 | 1,478,232 | 1.04 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 756,317 | 0.49 | 535,979 | 0.35 | 1,652,825 | 1.08 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 780,905 | 0.50 | 550,105 | 0.35 | 1,719,613 | 1.09 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 780,520 | 0.50 | 557,633 | 0.36 | 1,696,320 | 1.09 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 774,647 | 0.50 | 531,819 | 0.34 | 1,711,854 | 1.10 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 829,486 | 0.51 | 579,612 | 0.35 | 1,952,657 | 1.20 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 818,959 | 0.51 | 554,722 | 0.35 | 1,947,895 | 1.22 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 834,894 | 0.53 | 568,971 | 0.36 | 1,936,782 | 1.22 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 846,433 | 0.53 | 585,190 | 0.36 | 2,119,349 | 1.32 | 160,971,034 | 1.66 | 347.75 |

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| Date | Net Contribution | Phoenix - Oakhurst | Percent | Phoenix - Engemann | Percent | Templeton Foreign | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 860,019 | 0.53 | 618,622 | 0.38 | 2,160,281 | 1.33 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 897,122 | 0.53 | 629,935 | 0.37 | 2,299,984 | 1.36 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 890,303 | 0.54 | 583,575 | 0.35 | 2,293,169 | 1.38 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 0 | 0.00 | 0 | 0.00 | 2,363,018 | 1.37 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 0 | 0.00 | 0 | 0.00 | 2,590,836 | 1.47 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 0 | 0.00 | 0 | 0.00 | 2,644,021 | 1.50 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 0 | 0.00 | 0 | 0.00 | 2,839,663 | 1.55 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 0 | 0.00 | 0 | 0.00 | 2,966,925 | 1.58 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 0 | 0.00 | 0 | 0.00 | 3,037,613 | 1.65 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 0 | 0.00 | 0 | 0.00 | 2,663,978 | 1.52 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 0 | 0.00 | 0 | 0.00 | 2,583,913 | 1.54 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 0 | 0.00 | 0 | 0.00 | 2,161,752 | 1.39 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 0 | 0.00 | 0 | 0.00 | 1,637,612 | 1.21 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 0 | 0.00 | 0 | 0.00 | 1,508,521 | 1.18 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 0 | 0.00 | 0 | 0.00 | 1,936,365 | 1.35 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 2,437,976 | 1.54 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 2,452,027 | 1.48 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 0 | 0.00 | 0 | 0.00 | 2,448,283 | 1.41 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 0 | 0.00 | 0 | 0.00 | 2,133,825 | 1.37 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 0 | 0.00 | 0 | 0.00 | 2,467,001 | 1.45 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 0 | 0.00 | 0 | 0.00 | 2,660,484 | 1.46 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 0 | 0.00 | 0 | 0.00 | 2,835,817 | 1.51 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 0 | 0.00 | 0 | 0.00 | 2,858,687 | 1.50 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 0 | 0.00 | 0 | 0.00 | 2,248,834 | 1.32 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 0 | 0.00 | 0 | 0.00 | 2,322,352 | 1.28 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 0 | 0.00 | 0 | 0.00 | 2,608,723 | 1.38 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 0 | 0.00 | 0 | 0.00 | 2,318,429 | 1.29 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 0 | 0.00 | 0 | 0.00 | 2,534,188 | 1.35 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 0 | 0.00 | 0 | 0.00 | 2,753,262 | 1.45 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Europacific Growth | Percent | John Hancock | Percent | Putnam Voyager | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Europacific Growth | Percent | John Hancock | Percent | Putnam Voyager | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 1,625,207 | 0.83 | 0 | 0.00 | 267,850 | 0.14 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 1,655,208 | 1.07 | 0 | 0.00 | 285,477 | 0.18 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 1,423,195 | 0.96 | 0 | 0.00 | 231,789 | 0.16 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 1,558,054 | 1.01 | 0 | 0.00 | 256,610 | 0.17 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 1,582,407 | 1.01 | 0 | 0.00 | 254,385 | 0.16 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 1,513,985 | 1.11 | 0 | 0.00 | 213,891 | 0.16 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 1,247,834 | 0.98 | 0 | 0.00 | 179,330 | 0.14 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 1,346,019 | 1.02 | 0 | 0.00 | 188,526 | 0.14 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 1,215,940 | 0.94 | 0 | 0.00 | 185,709 | 0.14 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 1,434,516 | 1.03 | 0 | 0.00 | 208,997 | 0.15 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 1,567,537 | 1.10 | 0 | 0.00 | 216,265 | 0.15 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 1,788,989 | 1.17 | 0 | 0.00 | 235,103 | 0.15 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 1,910,387 | 1.21 | 0 | 0.00 | 237,328 | 0.15 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 1,875,449 | 1.20 | 0 | 0.00 | 238,514 | 0.15 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 1,884,331 | 1.21 | 0 | 0.00 | 226,499 | 0.15 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 2,141,209 | 1.31 | 0 | 0.00 | 246,376 | 0.15 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 2,141,209 | 1.34 | 0 | 0.00 | 235,400 | 0.15 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 2,158,037 | 1.36 | 0 | 0.00 | 242,668 | 0.15 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 2,422,458 | 1.50 | 0 | 0.00 | 251,718 | 0.16 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Europacific Growth | Percent | John Hancock | Percent | Putnam Voyager | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 2,593,371 | 1.60 | 0 | 0.00 | 259,921 | 0.16 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 2,788,978 | 1.65 | 0 | 0.00 | 265,597 | 0.16 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 2,770,048 | 1.67 | 0 | 0.00 | 249,762 | 0.15 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 2,908,233 | 1.69 | 194,003 | 0.11 | 254,974 | 0.15 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 3,160,519 | 1.79 | 1,842,859 | 1.05 | 273,515 | 0.16 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 3,252,837 | 1.84 | 1,929,107 | 1.09 | 271,872 | 0.15 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 3,527,074 | 1.93 | 2,066,498 | 1.13 | 284,867 | 0.16 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 3,711,709 | 1.98 | 2,112,439 | 1.13 | 288,751 | 0.15 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 3,759,599 | 2.04 | 2,045,002 | 1.11 | 288,005 | 0.16 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 3,461,019 | 1.97 | 1,856,188 | 1.06 | 251,855 | 0.14 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 3,379,722 | 2.01 | 1,843,792 | 1.10 | 0 | 0.00 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 2,769,998 | 1.78 | 1,490,482 | 0.96 | 0 | 0.00 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 2,235,961 | 1.65 | 1,376,162 | 1.02 | 0 | 0.00 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 2,057,946 | 1.60 | 1,042,839 | 0.81 | 0 | 0.00 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 2,516,953 | 1.76 | 1,258,561 | 0.88 | 0 | 0.00 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 3,007,890 | 1.90 | 1,466,809 | 0.93 | 0 | 0.00 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 3,110,125 | 1.88 | 1,469,262 | 0.89 | 0 | 0.00 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 3,132,839 | 1.80 | 1,491,573 | 0.86 | 0 | 0.00 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 2,755,633 | 1.76 | 1,277,714 | 0.82 | 0 | 0.00 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 3,219,637 | 1.89 | 1,500,824 | 0.88 | 0 | 0.00 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 3,402,619 | 1.87 | 1,603,164 | 0.88 | 0 | 0.00 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 3,521,057 | 1.87 | 1,660,911 | 0.88 | 0 | 0.00 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 3,555,601 | 1.87 | 1,718,108 | 0.90 | 0 | 0.00 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 2,812,897 | 1.66 | 1,380,426 | 0.81 | 0 | 0.00 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 2,940,382 | 1.62 | 1,434,556 | 0.79 | 0 | 0.00 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 2,861,955 | 1.51 | 1,552,427 | 0.82 | 0 | 0.00 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 2,684,306 | 1.50 | 1,451,874 | 0.81 | 0 | 0.00 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 2,878,632 | 1.53 | 1,537,903 | 0.82 | 0 | 0.00 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 3,039,294 | 1.60 | 1,634,377 | 0.86 | 0 | 0.00 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Putnam Growth | Percent | Evergreen | Percent | American Funds Capital Wld | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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| Date | Net Contribution | Putnam Growth | Percent | Evergreen | Percent | American Funds Capital Wld | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Putnam Growth | Percent | Evergreen | Percent | American Funds Capital Wld | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 0 | 0.00 | 0 | 0.00 | 682,423 | 0.38 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 0 | 0.00 | 0 | 0.00 | 707,170 | 0.38 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 0 | 0.00 | 0 | 0.00 | 718,923 | 0.38 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 0 | 0.00 | 0 | 0.00 | 590,523 | 0.35 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 0 | 0.00 | 0 | 0.00 | 631,011 | 0.35 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 0 | 0.00 | 0 | 0.00 | 701,718 | 0.37 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 0 | 0.00 | 0 | 0.00 | 676,273 | 0.38 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 0 | 0.00 | 0 | 0.00 | 722,559 | 0.38 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 0 | 0.00 | 0 | 0.00 | 751,685 | 0.40 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Ing Global Opportunities | Percent | Pimco Total Return Fund | Percent | Fidelity G&I | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Ing Global Opportunities | Percent | Pimco Total Return Fund | Percent | Fidelity G&I | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 0 | 0.00 | 0 | 0.00 | 167,958 | 0.09 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 0 | 0.00 | 0 | 0.00 | 176,780 | 0.11 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 0 | 0.00 | 0 | 0.00 | 155,181 | 0.10 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 0 | 0.00 | 0 | 0.00 | 169,697 | 0.11 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 0 | 0.00 | 0 | 0.00 | 176,025 | 0.11 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 0 | 0.00 | 0 | 0.00 | 158,781 | 0.12 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 0 | 0.00 | 0 | 0.00 | 128,476 | 0.10 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 0 | 0.00 | 0 | 0.00 | 140,577 | 0.11 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 0 | 0.00 | 0 | 0.00 | 131,723 | 0.10 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 0 | 0.00 | 0 | 0.00 | 155,311 | 0.11 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 0 | 0.00 | 0 | 0.00 | 159,730 | 0.11 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 0 | 0.00 | 0 | 0.00 | 182,696 | 0.12 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 0 | 0.00 | 1,010,560 | 0.64 | 185,895 | 0.12 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 0 | 0.00 | 987,437 | 0.63 | 188,917 | 0.12 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 0 | 0.00 | 1,018,392 | 0.66 | 186,225 | 0.12 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 0 | 0.00 | 2,028,145 | 1.24 | 203,317 | 0.12 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 0 | 0.00 | 2,019,190 | 1.26 | 199,539 | 0.12 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 0 | 0.00 | 2,080,008 | 1.31 | 200,599 | 0.13 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 0 | 0.00 | 2,066,725 | 1.28 | 208,640 | 0.13 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Ing Global Opportunities | Percent | Pimco Total Return Fund | Percent | Fidelity G&I | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 0 | 0.00 | 2,073,090 | 1.28 | 214,978 | 0.13 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 0 | 0.00 | 2,059,503 | 1.22 | 226,180 | 0.13 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 0 | 0.00 | 2,051,007 | 1.24 | 225,848 | 0.14 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 0 | 0.00 | 2,128,447 | 1.23 | 239,733 | 0.14 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 0 | 0.00 | 2,145,246 | 1.22 | 257,556 | 0.15 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 0 | 0.00 | 2,179,110 | 1.23 | 260,298 | 0.15 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 0 | 0.00 | 2,147,738 | 1.17 | 279,316 | 0.15 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 0 | 0.00 | 2,244,639 | 1.20 | 278,170 | 0.15 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 0 | 0.00 | 2,329,485 | 1.26 | 261,158 | 0.14 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 0 | 0.00 | 2,404,574 | 1.37 | 235,820 | 0.13 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 0 | 0.00 | 2,369,262 | 1.41 | 223,341 | 0.13 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 0 | 0.00 | 2,318,069 | 1.49 | 198,963 | 0.13 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 0 | 0.00 | 2,428,505 | 1.80 | 152,409 | 0.11 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 0 | 0.00 | 2,460,963 | 1.92 | 132,068 | 0.10 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 0 | 0.00 | 2,575,207 | 1.80 | 159,250 | 0.11 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 0 | 0.00 | 2,728,837 | 1.72 | 190,522 | 0.12 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 0 | 0.00 | 3,749,432 | 2.26 | 197,424 | 0.12 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 0 | 0.00 | 3,858,151 | 2.22 | 209,580 | 0.12 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 0 | 0.00 | 3,959,657 | 2.54 | 183,792 | 0.12 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 0 | 0.00 | 4,106,411 | 2.41 | 203,950 | 0.12 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 0 | 0.00 | 4,061,399 | 2.23 | 227,293 | 0.12 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 584,029 | 0.31 | 0 | 0.00 | 241,929 | 0.13 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 578,927 | 0.30 | 0 | 0.00 | 238,141 | 0.13 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 457,647 | 0.27 | 0 | 0.00 | 192,522 | 0.11 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 485,155 | 0.27 | 0 | 0.00 | 216,656 | 0.12 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 562,482 | 0.30 | 0 | 0.00 | 238,893 | 0.13 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 518,519 | 0.29 | 0 | 0.00 | 234,876 | 0.13 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 549,529 | 0.29 | 2,337,059 | 1.24 | 251,874 | 0.13 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 571,086 | 0.30 | 0 | 0.00 | 253,994 | 0.13 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Delaware Trend Inst'l | Percent | Cohen & Steers Realty | Percent | Aim Global Value Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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| Date | Net Contribution | Delaware Trend Inst'l | Percent | Cohen & Steers Realty | Percent | Aim Global Value Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 0 | 0.00 | 464,230 | 0.31 | 0 | 0.00 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 0 | 0.00 | 485,995 | 0.31 | 0 | 0.00 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 0 | 0.00 | 526,795 | 0.34 | 0 | 0.00 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 0 | 0.00 | 549,646 | 0.40 | 0 | 0.00 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 0 | 0.00 | 512,687 | 0.40 | 0 | 0.00 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 0 | 0.00 | 508,509 | 0.38 | 0 | 0.00 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 0 | 0.00 | 512,836 | 0.39 | 0 | 0.00 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 0 | 0.00 | 581,796 | 0.42 | 0 | 0.00 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 0 | 0.00 | 627,843 | 0.44 | 0 | 0.00 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 182,844 | 0.12 | 690,394 | 0.45 | 1,201,983 | 0.79 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 196,417 | 0.12 | 769,681 | 0.49 | 1,242,007 | 0.79 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 193,314 | 0.12 | 721,358 | 0.46 | 1,269,120 | 0.81 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 183,813 | 0.12 | 771,872 | 0.50 | 1,191,655 | 0.77 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 205,336 | 0.13 | 868,385 | 0.53 | 1,344,001 | 0.82 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 185,461 | 0.12 | 809,727 | 0.51 | 1,305,269 | 0.82 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 195,641 | 0.12 | 910,812 | 0.58 | 1,336,255 | 0.84 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 203,591 | 0.13 | 928,012 | 0.58 | 1,372,405 | 0.85 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Delaware Trend Inst'l | Percent | Cohen & Steers Realty | Percent | Aim Global Value Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 215,806 | 0.13 | 926,670 | 0.57 | 1,418,883 | 0.88 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 240,722 | 0.14 | 2,099,845 | 1.25 | 1,549,689 | 0.92 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 217,454 | 0.13 | 2,076,275 | 1.25 | 1,452,871 | 0.88 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 0 | 0.00 | 2,261,513 | 1.31 | 1,477,666 | 0.86 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 0 | 0.00 | 2,523,372 | 1.43 | 0 | 0.00 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 0 | 0.00 | 2,614,057 | 1.48 | 0 | 0.00 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 0 | 0.00 | 2,461,079 | 1.35 | 0 | 0.00 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 0 | 0.00 | 2,474,527 | 1.32 | 0 | 0.00 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 0 | 0.00 | 2,132,869 | 1.16 | 0 | 0.00 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 0 | 0.00 | 2,148,574 | 1.22 | 0 | 0.00 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 0 | 0.00 | 1,961,673 | 1.17 | 0 | 0.00 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 0 | 0.00 | 1,846,032 | 1.19 | 609,033 | 0.39 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 0 | 0.00 | 1,282,371 | 0.95 | 493,085 | 0.36 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 0 | 0.00 | 960,010 | 0.75 | 434,286 | 0.34 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 0 | 0.00 | 1,289,856 | 0.90 | 529,190 | 0.37 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 0 | 0.00 | 887,083 | 0.56 | 613,262 | 0.39 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 0 | 0.00 | 896,179 | 0.54 | 641,402 | 0.39 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 0 | 0.00 | 898,744 | 0.52 | 658,008 | 0.38 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 0 | 0.00 | 781,591 | 0.50 | 560,448 | 0.36 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 0 | 0.00 | 972,733 | 0.57 | 640,364 | 0.38 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 0 | 0.00 | 1,016,992 | 0.56 | 0 | 0.00 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 0 | 0.00 | 1,015,156 | 0.54 | 0 | 0.00 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 0 | 0.00 | 1,022,499 | 0.54 | 0 | 0.00 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 0 | 0.00 | 816,723 | 0.48 | 0 | 0.00 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 0 | 0.00 | 843,448 | 0.47 | 0 | 0.00 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 0 | 0.00 | 938,313 | 0.50 | 0 | 0.00 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 0 | 0.00 | 930,799 | 0.52 | 0 | 0.00 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 0 | 0.00 | 1,024,946 | 0.54 | 0 | 0.00 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 0 | 0.00 | 1,134,453 | 0.60 | 0 | 0.00 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Alliance Bernstein Select | Percent | Bear Stearns S&P Starts | Percent | Seligman Comm & Info | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Alliance Bernstein Select | Percent | Bear Stearns S&P Starts | Percent | Seligman Comm & Info | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 164,538 | 0.11 | 399,811 | 0.26 | 1,117,710 | 0.73 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 166,012 | 0.11 | 417,101 | 0.27 | 1,184,800 | 0.75 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 171,906 | 0.11 | 421,200 | 0.27 | 1,185,774 | 0.76 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 153,733 | 0.10 | 411,931 | 0.27 | 1,048,187 | 0.68 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 177,308 | 0.11 | 460,237 | 0.28 | 1,235,849 | 0.76 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 0 | 0.00 | 455,780 | 0.29 | 1,322,225 | 0.83 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 0 | 0.00 | 468,971 | 0.30 | 1,357,210 | 0.86 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 0 | 0.00 | 494,639 | 0.31 | 1,494,930 | 0.93 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Alliance Bernstein Select | Percent | Bear Stearns S&P Starts | Percent | Seligman Comm & Info | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 0 | 0.00 | 507,116 | 0.31 | 1,515,477 | 0.93 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 0 | 0.00 | 546,509 | 0.32 | 1,703,176 | 1.01 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 0 | 0.00 | 508,720 | 0.31 | 1,585,448 | 0.96 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 0 | 0.00 | 0 | 0.00 | 1,707,064 | 0.99 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 0 | 0.00 | 0 | 0.00 | 1,845,894 | 1.05 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 1,112,906 | 0.63 | 0 | 0.00 | 1,875,882 | 1.06 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 1,209,362 | 0.66 | 0 | 0.00 | 2,033,039 | 1.11 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 1,222,091 | 0.65 | 0 | 0.00 | 2,154,654 | 1.15 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 1,154,438 | 0.63 | 0 | 0.00 | 2,121,335 | 1.15 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 1,046,649 | 0.60 | 0 | 0.00 | 1,830,901 | 1.04 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 994,056 | 0.59 | 0 | 0.00 | 1,956,404 | 1.17 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 750,879 | 0.48 | 0 | 0.00 | 1,715,393 | 1.10 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 536,342 | 0.40 | 0 | 0.00 | 1,346,659 | 1.00 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 453,548 | 0.35 | 0 | 0.00 | 1,484,934 | 1.16 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 574,876 | 0.40 | 0 | 0.00 | 1,714,283 | 1.20 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 708,701 | 0.45 | 0 | 0.00 | 1,979,172 | 1.25 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 719,901 | 0.43 | 0 | 0.00 | 2,153,543 | 1.30 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 728,339 | 0.42 | 0 | 0.00 | 2,207,965 | 1.27 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 589,633 | 0.38 | 0 | 0.00 | 1,959,736 | 1.26 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 698,277 | 0.41 | 0 | 0.00 | 2,233,510 | 1.31 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 0 | 0.00 | 0 | 0.00 | 2,482,850 | 1.37 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 0 | 0.00 | 0 | 0.00 | 2,588,917 | 1.38 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 0 | 0.00 | 0 | 0.00 | 2,530,053 | 1.33 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 0 | 0.00 | 0 | 0.00 | 2,245,727 | 1.32 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 0 | 0.00 | 0 | 0.00 | 2,365,037 | 1.30 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 0 | 0.00 | 0 | 0.00 | 2,891,887 | 1.53 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 0 | 0.00 | 0 | 0.00 | 2,450,143 | 1.36 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 0 | 0.00 | 0 | 0.00 | 2,597,198 | 1.38 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 1,542,634 | 0.81 | 0 | 0.00 | 2,488,444 | 1.31 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Putnam Convertible Income Growth | Percent | Jennison Natural Resources Fund | Percent | Templeton Global Bond | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Putnam Convertible Income Growth | Percent | Jennison Natural Resources Fund | Percent | Templeton Global Bond | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Putnam Convertible Income Growth | Percent | Jennison Natural Resources Fund | Percent | Templeton Global Bond | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 477,185 | 0.27 | 0 | 0.00 | 0 | 0.00 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 993,327 | 0.59 | 0 | 0.00 | 0 | 0.00 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 839,823 | 0.54 | 0 | 0.00 | 0 | 0.00 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 626,158 | 0.46 | 0 | 0.00 | 0 | 0.00 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 659,160 | 0.51 | 0 | 0.00 | 0 | 0.00 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 784,761 | 0.55 | 0 | 0.00 | 0 | 0.00 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 910,511 | 0.58 | 1,020,909 | 0.64 | 0 | 0.00 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 962,693 | 0.58 | 1,116,602 | 0.67 | 0 | 0.00 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 1,019,779 | 0.59 | 1,128,721 | 0.65 | 0 | 0.00 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 964,011 | 0.62 | 1,005,560 | 0.64 | 0 | 0.00 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 1,064,682 | 0.62 | 1,190,548 | 0.70 | 0 | 0.00 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 1,150,866 | 0.63 | 1,426,900 | 0.78 | 0 | 0.00 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 1,208,040 | 0.64 | 1,527,393 | 0.81 | 0 | 0.00 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 1,205,376 | 0.63 | 1,409,902 | 0.74 | 0 | 0.00 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 1,034,906 | 0.61 | 1,023,929 | 0.60 | 0 | 0.00 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 1,076,422 | 0.59 | 1,158,669 | 0.64 | 0 | 0.00 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 881,894 | 0.47 | 1,220,665 | 0.64 | 0 | 0.00 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 848,626 | 0.47 | 1,036,428 | 0.58 | 0 | 0.00 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 897,515 | 0.48 | 1,159,669 | 0.62 | 0 | 0.00 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 922,343 | 0.49 | 1,127,171 | 0.59 | 1,553,857 | 0.82 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Aim European Growth Fund | Percent | Aim Global Value Fund | Percent | Premier Managed Income | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 160,971,034 | 1.66 | 347.75 |

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|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 816,803 | 0.46 | 790,518 | 0.45 | 0 | 0.00 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 866,978 | 0.49 | 803,742 | 0.46 | 0 | 0.00 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 920,153 | 0.50 | 831,660 | 0.45 | 0 | 0.00 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 939,943 | 0.50 | 814,518 | 0.43 | 0 | 0.00 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 932,732 | 0.51 | 808,792 | 0.44 | 2,012,413 | 1.09 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 852,215 | 0.49 | 706,602 | 0.40 | 2,048,907 | 1.17 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 804,298 | 0.48 | 702,494 | 0.42 | 2,023,366 | 1.21 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 641,732 | 0.41 | 678,358 | 0.44 | 1,949,682 | 1.25 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 496,750 | 0.37 | 0 | 0.00 | 1,901,608 | 1.41 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 444,499 | 0.35 | 0 | 0.00 | 1,891,065 | 1.47 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 546,328 | 0.38 | 0 | 0.00 | 2,021,099 | 1.41 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 649,858 | 0.41 | 0 | 0.00 | 2,181,590 | 1.38 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 681,267 | 0.41 | 0 | 0.00 | 2,227,733 | 1.35 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 688,163 | 0.40 | 0 | 0.00 | 2,298,094 | 1.32 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 613,042 | 0.39 | 0 | 0.00 | 2,370,923 | 1.52 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 720,675 | 0.42 | 0 | 0.00 | 2,452,079 | 1.44 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 765,789 | 0.42 | 0 | 0.00 | 2,430,693 | 1.34 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 0 | 0.00 | 0 | 0.00 | 2,468,070 | 1.31 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 0 | 0.00 | 0 | 0.00 | 2,512,160 | 1.32 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 0 | 0.00 | 0 | 0.00 | 2,592,071 | 1.53 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 0 | 0.00 | 0 | 0.00 | 2,610,573 | 1.44 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 0 | 0.00 | 0 | 0.00 | 2,644,173 | 1.40 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 0 | 0.00 | 0 | 0.00 | 2,693,008 | 1.50 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 0 | 0.00 | 0 | 0.00 | 2,762,255 | 1.47 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 0 | 0.00 | 0 | 0.00 | 2,798,295 | 1.47 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Eaton Vance Floating-Rate Fund | Percent | Lord Abbett Floating Rate | Percent | Mfs Diversified Income | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Eaton Vance Floating-Rate Fund | Percent | Lord Abbett Floating Rate | Percent | Mfs Diversified Income | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 160,971,034 | 1.66 | 347.75 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Eaton Vance Floating-Rate Fund | Percent | Lord Abbett Floating Rate | Percent | Mfs Diversified Income | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 0 | 0.00 | 3,011,392 | 1.60 | 1,027,362 | 0.55 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 498,284 | 0.26 | 3,019,835 | 1.59 | 1,045,363 | 0.55 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 480,278 | 0.28 | 2,900,000 | 1.71 | 965,117 | 0.57 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 495,471 | 0.27 | 2,996,558 | 1.65 | 1,038,517 | 0.57 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 513,813 | 0.27 | 3,117,325 | 1.64 | 1,106,734 | 0.58 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 517,604 | 0.29 | 3,136,365 | 1.75 | 1,112,037 | 0.62 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 532,079 | 0.28 | 3,242,759 | 1.72 | 1,650,631 | 0.88 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 541,152 | 0.29 | 3,299,051 | 1.74 | 1,678,779 | 0.88 | 189,856,514 | 0.87 | 496.96 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Invesco European Growth | Percent | Eaton Vance Floating | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 320,315 | N/A | N/A |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 326,772 | 5.56 | 105.56 |
| 12/1991 | 19,086 | 0 | 0.00 | 0 | 0.00 | 67,034,473 | 5.05 | 110.89 |
| 3/1992 | -683,255 | 0 | 0.00 | 0 | 0.00 | 66,598,250 | 0.37 | 111.30 |
| 6/1992 | 394,242 | 0 | 0.00 | 0 | 0.00 | 69,106,899 | 3.16 | 114.82 |
| 9/1992 | 291,131 | 0 | 0.00 | 0 | 0.00 | 71,885,663 | 3.59 | 118.94 |
| 12/1992 | 1,174,634 | 0 | 0.00 | 0 | 0.00 | 73,761,295 | 0.95 | 120.07 |
| 3/1993 | 665,874 | 0 | 0.00 | 0 | 0.00 | 78,117,660 | 4.98 | 126.05 |
| 6/1993 | 233,818 | 0 | 0.00 | 0 | 0.00 | 80,056,410 | 2.18 | 128.80 |
| 9/1993 | 924,184 | 0 | 0.00 | 0 | 0.00 | 83,490,754 | 3.13 | 132.83 |
| 12/1993 | 4,636,111 | 0 | 0.00 | 0 | 0.00 | 89,349,982 | 1.42 | 134.73 |
| 3/1994 | -2,432,078 | 0 | 0.00 | 0 | 0.00 | 83,006,819 | -3.67 | 129.78 |
| 6/1994 | -962,805 | 0 | 0.00 | 0 | 0.00 | 79,138,604 | -3.54 | 125.19 |
| 9/1994 | 168,963 | 0 | 0.00 | 0 | 0.00 | 82,742,153 | 4.34 | 130.61 |
| 12/1994 | 257,359 | 0 | 0.00 | 0 | 0.00 | 82,981,836 | -0.02 | 130.59 |
| 3/1995 | 415,689 | 0 | 0.00 | 0 | 0.00 | 90,204,277 | 8.17 | 141.25 |
| 6/1995 | 466,597 | 0 | 0.00 | 0 | 0.00 | 97,687,379 | 7.77 | 152.23 |
| 9/1995 | 396,757 | 0 | 0.00 | 0 | 0.00 | 102,031,670 | 4.04 | 158.38 |
| 12/1995 | 136,095 | 0 | 0.00 | 0 | 0.00 | 107,558,476 | 5.28 | 166.74 |
| 3/1996 | 684,258 | 0 | 0.00 | 0 | 0.00 | 109,792,914 | 1.44 | 169.14 |
| 6/1996 | 411,808 | 0 | 0.00 | 0 | 0.00 | 112,068,611 | 1.69 | 172.00 |
| 9/1996 | 486,069 | 0 | 0.00 | 0 | 0.00 | 114,587,806 | 1.80 | 175.10 |
| 12/1996 | -490,831 | 0 | 0.00 | 0 | 0.00 | 120,056,648 | 5.20 | 184.21 |
| 3/1997 | 5,823 | 0 | 0.00 | 0 | 0.00 | 120,815,244 | 0.63 | 185.36 |
| 6/1997 | 608,069 | 0 | 0.00 | 0 | 0.00 | 132,789,324 | 9.37 | 202.73 |
| 9/1997 | -243,358 | 0 | 0.00 | 0 | 0.00 | 139,774,029 | 5.45 | 213.77 |
| 12/1997 | -9,294,171 | 0 | 0.00 | 0 | 0.00 | 134,503,537 | 2.94 | 220.06 |
| 3/1998 | 4,708,764 | 0 | 0.00 | 0 | 0.00 | 149,055,899 | 7.50 | 236.56 |
| 6/1998 | -3,779,095 | 0 | 0.00 | 0 | 0.00 | 147,399,634 | 1.44 | 239.98 |

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| Date | Net Contribution | Invesco European Growth | Percent | Eaton Vance Floating | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|
| 9/1998 | -2,018,801 | 0 | 0.00 | 0 | 0.00 | 140,216,745 | -3.55 | 231.46 |
| 12/1998 | 3,225,959 | 0 | 0.00 | 0 | 0.00 | 156,620,391 | 9.40 | 253.22 |
| 3/1999 | -25,163 | 0 | 0.00 | 0 | 0.00 | 157,374,269 | 0.50 | 254.47 |
| 6/1999 | 31,452 | 0 | 0.00 | 0 | 0.00 | 161,731,727 | 2.75 | 261.47 |
| 9/1999 | 33,634 | 0 | 0.00 | 0 | 0.00 | 156,344,637 | -3.35 | 252.71 |
| 12/1999 | -61,926 | 0 | 0.00 | 0 | 0.00 | 169,566,279 | 8.49 | 274.16 |
| 3/2000 | 279,668 | 0 | 0.00 | 0 | 0.00 | 175,890,560 | 3.56 | 283.93 |
| 6/2000 | 177,055 | 0 | 0.00 | 0 | 0.00 | 177,205,519 | 0.64 | 285.74 |
| 9/2000 | -5,941,438 | 0 | 0.00 | 0 | 0.00 | 172,079,853 | 0.44 | 287.00 |
| 12/2000 | 25,629 | 0 | 0.00 | 0 | 0.00 | 171,898,432 | -0.12 | 286.66 |
| 3/2001 | 29,565,876 | 0 | 0.00 | 0 | 0.00 | 195,782,844 | -3.24 | 277.37 |
| 6/2001 | -45,677,624 | 0 | 0.00 | 0 | 0.00 | 154,427,361 | 2.82 | 285.18 |
| 9/2001 | 10,660 | 0 | 0.00 | 0 | 0.00 | 148,527,920 | -3.83 | 274.26 |
| 12/2001 | 7,500 | 0 | 0.00 | 0 | 0.00 | 154,506,604 | 4.02 | 285.29 |
| 3/2002 | 10,000 | 0 | 0.00 | 0 | 0.00 | 156,750,767 | 1.45 | 289.42 |
| 6/2002 | -14,064,000 | 0 | 0.00 | 0 | 0.00 | 135,888,588 | -4.65 | 275.97 |
| 9/2002 | 10,500 | 0 | 0.00 | 0 | 0.00 | 127,215,837 | -6.39 | 258.33 |
| 12/2002 | 9,000 | 0 | 0.00 | 0 | 0.00 | 132,292,578 | 3.98 | 268.62 |
| 3/2003 | 9,000 | 0 | 0.00 | 0 | 0.00 | 130,002,292 | -1.74 | 263.95 |
| 6/2003 | -2,591,000 | 0 | 0.00 | 0 | 0.00 | 139,775,488 | 9.54 | 289.14 |
| 9/2003 | 10,500 | 0 | 0.00 | 0 | 0.00 | 142,188,898 | 1.72 | 294.12 |
| 12/2003 | -9,209 | 0 | 0.00 | 0 | 0.00 | 152,931,581 | 7.56 | 316.36 |
| 3/2004 | 295,463 | 0 | 0.00 | 0 | 0.00 | 157,369,710 | 2.71 | 324.92 |
| 6/2004 | -2,453,564 | 0 | 0.00 | 0 | 0.00 | 156,282,009 | 0.87 | 327.75 |
| 9/2004 | 98,599 | 0 | 0.00 | 0 | 0.00 | 155,206,341 | -0.75 | 325.29 |
| 12/2004 | -1,161,811 | 0 | 0.00 | 0 | 0.00 | 163,309,881 | 6.00 | 344.81 |
| 3/2005 | 10,500 | 0 | 0.00 | 0 | 0.00 | 159,762,261 | -2.18 | 337.29 |
| 6/2005 | -3,695,387 | 0 | 0.00 | 0 | 0.00 | 158,324,738 | 1.41 | 342.06 |
| 9/2005 | 13,500 | 0 | 0.00 | 0 | 0.00 | 160,971,034 | 1.66 | 347.75 |

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| Date | Net Contribution | Invesco European Growth | Percent | Eaton Vance Floating | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|
| 12/2005 | -1,477,606 | 0 | 0.00 | 0 | 0.00 | 162,124,041 | 1.64 | 353.47 |
| 3/2006 | 11,000 | 0 | 0.00 | 0 | 0.00 | 168,539,541 | 3.94 | 367.39 |
| 6/2006 | -391,491 | 0 | 0.00 | 0 | 0.00 | 165,878,624 | -1.35 | 362.44 |
| 9/2006 | 282 | 0 | 0.00 | 0 | 0.00 | 172,555,681 | 3.85 | 376.39 |
| 12/2006 | -2,032,467 | 0 | 0.00 | 0 | 0.00 | 176,112,354 | 3.25 | 388.61 |
| 3/2007 | -2,662,335 | 0 | 0.00 | 0 | 0.00 | 176,537,102 | 1.77 | 395.47 |
| 6/2007 | 0 | 0 | 0.00 | 0 | 0.00 | 182,895,370 | 3.61 | 409.73 |
| 9/2007 | 2,000 | 0 | 0.00 | 0 | 0.00 | 187,757,372 | 2.66 | 420.63 |
| 12/2007 | -1,195,469 | 0 | 0.00 | 0 | 0.00 | 184,219,215 | -1.26 | 415.35 |
| 3/2008 | 575 | 0 | 0.00 | 0 | 0.00 | 175,456,141 | -4.75 | 395.64 |
| 6/2008 | -4,998,500 | 0 | 0.00 | 0 | 0.00 | 167,803,239 | -1.56 | 389.47 |
| 9/2008 | 1,500 | 0 | 0.00 | 0 | 0.00 | 155,688,216 | -7.22 | 361.37 |
| 12/2008 | 5,215 | 0 | 0.00 | 0 | 0.00 | 135,290,196 | -13.10 | 314.02 |
| 3/2009 | 426 | 0 | 0.00 | 0 | 0.00 | 128,316,679 | -5.15 | 297.85 |
| 6/2009 | -3,000,090 | 0 | 0.00 | 0 | 0.00 | 142,970,729 | 13.78 | 338.88 |
| 9/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 158,326,341 | 10.74 | 375.28 |
| 12/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 165,546,132 | 4.56 | 392.41 |
| 3/2010 | 1,500 | 0 | 0.00 | 0 | 0.00 | 173,611,337 | 4.87 | 411.54 |
| 6/2010 | -5,998,525 | 0 | 0.00 | 0 | 0.00 | 156,145,145 | -6.65 | 384.16 |
| 9/2010 | 1,525 | 0 | 0.00 | 0 | 0.00 | 170,479,766 | 9.18 | 419.44 |
| 12/2010 | 1,501,700 | 0 | 0.00 | 0 | 0.00 | 181,890,816 | 5.79 | 443.71 |
| 3/2011 | -2,994,925 | 800,688 | 0.43 | 997,872 | 0.53 | 187,845,541 | 4.96 | 465.74 |
| 6/2011 | 25,113 | 833,344 | 0.44 | 1,000,228 | 0.53 | 190,261,004 | 1.28 | 471.68 |
| 9/2011 | 100 | 687,266 | 0.40 | 968,955 | 0.57 | 169,868,350 | -10.72 | 421.12 |
| 12/2011 | 447,252 | 726,973 | 0.40 | 995,263 | 0.55 | 181,334,469 | 6.49 | 448.44 |
| 3/2012 | -6,859,888 | 818,940 | 0.43 | 1,028,666 | 0.54 | 189,503,299 | 8.32 | 485.74 |
| 6/2012 | -3,413,824 | 777,465 | 0.43 | 1,035,129 | 0.58 | 179,543,239 | -3.17 | 470.32 |
| 9/2012 | 62,423 | 840,064 | 0.45 | 1,059,864 | 0.56 | 188,147,649 | 4.76 | 492.69 |
| 12/2012 | 83,874 | 880,213 | 0.46 | 1,076,053 | 0.57 | 189,856,514 | 0.87 | 496.96 |

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**Cash Segment Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 4,735,566 | 0 | 0 | 4,370,211 | 0 | 140,975 | | 100.00 |
| 6/2001 | 2,590,521 | 2,062,703 | 2,901,307 | -7,183,857 | 72,898 | -674,939 | 1.84 | 101.84 |
| 9/2001 | 8,027,245 | 1,409,797 | 1,366,157 | 2,628,175 | 31,659 | 2,676,386 | 0.62 | 102.47 |
| 12/2001 | 8,740,792 | 1,028,967 | -267,892 | -101,739 | 54,202 | 922,832 | 0.61 | 103.09 |
| 3/2002 | 11,136,300 | -1,053,475 | -211,213 | 3,625,197 | 35,014 | -351,734 | 0.42 | 103.52 |
| 6/2002 | 5,581,555 | -4,341,771 | 2,200,300 | -3,452,843 | 39,573 | -1,675,119 | 0.42 | 103.96 |
| 9/2002 | 5,981,518 | 522,551 | 1,274,286 | -1,420,589 | 23,729 | 947,190 | 0.36 | 104.33 |
| 12/2002 | 4,310,682 | -459,027 | -395,301 | -832,501 | 16,190 | -1,032,882 | 0.32 | 104.67 |
| 3/2003 | 7,475,981 | 808,063 | -496,804 | 2,843,146 | 9,047 | 563,398 | 0.22 | 104.90 |
| 6/2003 | 5,798,844 | 255,395 | -2,401,671 | 455,737 | 13,410 | -1,087,624 | 0.21 | 105.12 |
| 9/2003 | 8,236,286 | -1,001,282 | 794,673 | 2,637,143 | 6,944 | 14,975 | 0.12 | 105.25 |
| 12/2003 | 8,475,727 | 689,089 | -1,649,334 | 1,196,622 | 3,070 | -440,579 | 0.04 | 105.29 |
| 3/2004 | 9,711,660 | 1,006,265 | -1,023,024 | 1,237,866 | 14,789 | 813,558 | 0.16 | 105.46 |
| 6/2004 | 9,173,265 | 1,560,835 | -882,386 | -1,235,777 | 18,948 | 1,935,676 | 0.17 | 105.64 |
| 9/2004 | 5,233,383 | -776,606 | -4,231,801 | 1,051,655 | 16,956 | -2,030,799 | 0.27 | 105.92 |
| 12/2004 | 7,513,831 | 967,457 | 1,927,303 | -639,038 | 24,753 | 1,496,969 | 0.35 | 106.29 |
| 3/2005 | 5,762,688 | -990,778 | -868,046 | 75,482 | 29,099 | -879,471 | 0.51 | 106.83 |
| 6/2005 | 5,300,412 | 817,692 | 203,736 | -1,525,433 | 41,729 | 1,101,466 | 0.61 | 107.48 |
| 9/2005 | 4,983,829 | -1,488,314 | -360,611 | 1,500,993 | 31,330 | -262,346 | 0.77 | 108.30 |
| 12/2005 | 7,600,269 | 1,423,192 | -223,499 | 1,364,129 | 52,641 | 1,326,171 | 0.83 | 109.21 |
| 3/2006 | 4,886,320 | 1,292,404 | -1,012,447 | -3,070,965 | 77,059 | 703,913 | 0.92 | 110.22 |
| 6/2006 | 8,100,501 | -1,078,494 | 2,011,527 | 2,221,153 | 59,995 | 720,907 | 1.07 | 111.39 |
| 9/2006 | 6,766,425 | 605,997 | -2,784,556 | 771,299 | 73,684 | 128,818 | 0.89 | 112.39 |
| 12/2006 | 5,993,159 | -742,903 | -164,764 | 80,077 | 54,308 | -664,125 | 0.88 | 113.38 |
| 3/2007 | 6,298,381 | 40,037 | -700,356 | 908,762 | 56,796 | 187,988 | 0.97 | 114.47 |
| 6/2007 | 5,650,586 | -99,370 | 1,127,426 | -1,750,410 | 74,559 | 452,405 | 1.11 | 115.74 |
| 9/2007 | 12,252,144 | 1,322,151 | 3,620,404 | 1,554,565 | 104,438 | 3,301,580 | 1.20 | 117.13 |
| 12/2007 | 7,604,690 | -940,677 | -1,830,442 | -1,991,797 | 115,462 | -3,314,954 | 1.20 | 118.53 |
| 3/2008 | 11,852,818 | 1,644,047 | 1,184,867 | 1,339,726 | 79,488 | 2,069,344 | 0.79 | 119.46 |
| 6/2008 | 7,707,928 | -1,598,239 | -1,913,399 | -691,087 | 57,835 | -1,855,200 | 0.58 | 120.16 |
| 9/2008 | 6,530,451 | -594,066 | -1,307,904 | 686,029 | 38,453 | -597,604 | 0.57 | 120.84 |

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**Cash Segment Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 9,844,384 | 2,068,034 | 1,650,414 | -446,522 | 42,020 | 1,305,556 | 0.49 | 121.43 |
| 3/2009 | 10,197,011 | -871,901 | -1,209,328 | 2,414,385 | 19,471 | 458,863 | 0.20 | 121.68 |
| 6/2009 | 9,611,319 | 994,305 | -215,852 | -1,372,064 | 7,919 | 234,558 | 0.07 | 121.76 |
| 9/2009 | 8,674,533 | 121,936 | 361,003 | -1,422,140 | 2,415 | -678,360 | 0.03 | 121.79 |
| 12/2009 | 13,569,874 | 940,068 | 2,031,915 | 1,921,497 | 1,861 | 2,133,994 | 0.02 | 121.81 |
| 3/2010 | 13,569,851 | -2,108,980 | 191,321 | 1,916,984 | 638 | 207,030 | 0.01 | 121.82 |
| 6/2010 | 7,981,628 | -2,663,807 | 650,022 | -3,575,146 | 706 | -2,221,337 | 0.01 | 121.83 |
| 9/2010 | 8,822,007 | 852,993 | 414,618 | -430,615 | 3,383 | 187,927 | 0.04 | 121.88 |
| 12/2010 | 13,498,375 | 1,205,574 | 1,243,498 | 2,226,314 | 983 | 1,474,594 | 0.01 | 121.89 |
| 3/2011 | 13,063,946 | 1,429,342 | -2,452,868 | 588,340 | 756 | -1,330,236 | 0.01 | 121.90 |
| 6/2011 | 15,004,100 | -227,170 | 928,636 | 1,237,077 | 1,611 | 1,802,083 | 0.01 | 121.92 |
| 9/2011 | 14,876,430 | 343,089 | 436,595 | -911,493 | 4,140 | -251,965 | 0.03 | 121.95 |
| 12/2011 | 15,715,677 | -2,477,571 | 1,002,170 | 2,313,347 | 1,301 | 275,048 | 0.01 | 121.96 |
| 3/2012 | 15,820,582 | 1,039,367 | 4,474,827 | -5,411,012 | 1,723 | -2,092,522 | 0.01 | 121.97 |
| 6/2012 | 15,711,195 | 619,517 | 75,322 | -768,705 | 3,355 | -616,451 | 0.02 | 122.00 |
| 9/2012 | 17,216,745 | 1,157,518 | -572,397 | 919,928 | 461 | 619,468 | 0.00 | 122.00 |
| 12/2012 | 15,929,473 | 469,153 | -3,646,562 | 1,886,664 | 313 | -619,698 | 0.02 | 122.03 |

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**Fid. Magellan Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 239,777 | 0 | 0 | 239,777 | 0 | 2,664 | | 100.00 |
| 6/2001 | 256,995 | 0 | 0 | 0 | 2,157 | 0 | 7.18 | 107.18 |
| 9/2001 | 217,529 | 0 | 0 | 0 | 0 | 0 | -15.36 | 90.72 |
| 12/2001 | 241,841 | 0 | 0 | 0 | 740 | 0 | 11.18 | 100.86 |
| 3/2002 | 237,966 | 0 | 0 | 0 | 0 | 0 | -1.60 | 99.24 |
| 6/2002 | 205,317 | 0 | 0 | 0 | 278 | 0 | -13.72 | 85.63 |
| 9/2002 | 171,721 | 0 | 0 | 0 | 0 | 0 | -16.36 | 71.62 |
| 12/2002 | 184,613 | 0 | 0 | 0 | 0 | 0 | 7.51 | 76.99 |
| 3/2003 | 179,305 | 0 | 0 | 0 | 0 | 0 | -2.88 | 74.78 |
| 6/2003 | 204,854 | 0 | 0 | 0 | 421 | 0 | 14.25 | 85.44 |
| 9/2003 | 207,877 | 0 | 0 | 0 | 0 | 0 | 1.48 | 86.70 |
| 12/2003 | 230,438 | 0 | 0 | -2,718 | 2,718 | -798 | 12.21 | 97.28 |
| 3/2004 | 233,715 | 0 | 0 | 0 | 0 | 0 | 1.42 | 98.66 |
| 6/2004 | 235,524 | 0 | 0 | 0 | 495 | 0 | 0.77 | 99.43 |
| 9/2004 | 228,979 | 0 | 0 | 0 | 0 | 0 | -2.78 | 96.66 |
| 12/2004 | 247,705 | 0 | 0 | 0 | 2,434 | 0 | 8.18 | 104.57 |
| 3/2005 | 241,046 | 0 | 0 | 0 | 0 | 0 | -2.69 | 101.76 |
| 6/2005 | 244,689 | 0 | 0 | 0 | 668 | 0 | 1.51 | 103.30 |
| 9/2005 | 253,377 | 0 | 0 | 0 | 0 | 0 | 3.55 | 106.96 |
| 12/2005 | 263,607 | 0 | 0 | 0 | 8,855 | 0 | 4.04 | 111.28 |
| 3/2006 | 279,358 | 0 | 0 | 0 | 0 | 0 | 5.98 | 117.93 |
| 6/2006 | 268,209 | 0 | 0 | 0 | 619 | 6,017 | -3.91 | 113.32 |
| 9/2006 | 269,035 | 0 | 0 | 0 | 955 | 0 | 0.31 | 113.67 |
| 12/2006 | 0 | 0 | 0 | -285,977 | 8,572 | -3,108 | 6.30 | 120.83 |

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**Mutual Funds Historical Data and Rates of Return**
**June 30, 1991 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 10,360,182 | 0 | 0 | 10,360,182 | 0 | 115,113 | | 100.00 |
| 6/2001 | 10,811,051 | -175 | 3,500 | 4,175 | 10,581 | 2,578 | 4.26 | 104.26 |
| 9/2001 | 9,617,633 | 3,500 | 503,501 | 3,500 | 14,921 | 261,430 | -14.99 | 88.63 |
| 12/2001 | 10,647,528 | 3,500 | 3,500 | 500 | 89,580 | 5,332 | 10.61 | 98.03 |
| 3/2002 | 10,834,045 | 3,500 | 3,000 | 3,500 | 13,282 | 5,822 | 1.66 | 99.66 |
| 6/2002 | 10,110,606 | 4,000 | 3,500 | 3,500 | 14,878 | 6,604 | -6.77 | 92.91 |
| 9/2002 | 8,541,850 | 3,500 | 3,500 | 3,500 | -12,712 | 6,092 | -15.61 | 78.40 |
| 12/2002 | 9,006,735 | 3,003 | 6,000 | 5 | -494 | 5,290 | 5.33 | 82.58 |
| 3/2003 | 8,523,161 | 3,000 | 3,000 | 2,999 | 407 | 5,400 | -5.47 | 78.07 |
| 6/2003 | 9,839,278 | 3,000 | 3,000 | 3,000 | 2,201 | 4,929 | 15.33 | 90.04 |
| 9/2003 | 10,441,719 | 3,500 | 3,500 | 3,500 | 14,061 | 5,568 | 6.01 | 95.45 |
| 12/2003 | 11,671,221 | 3,500 | 3,001 | -15,736 | 122,305 | 2,994 | 11.86 | 106.77 |
| 3/2004 | 12,600,071 | 3,000 | 404,000 | 3,320 | 16,575 | 194,980 | 4.37 | 111.44 |
| 6/2004 | 12,467,119 | 3,500 | 3,500 | 3,500 | 18,176 | 6,060 | -1.14 | 110.17 |
| 9/2004 | 12,390,614 | 3,500 | 3,500 | 3,500 | 14,706 | 5,558 | -0.70 | 109.40 |
| 12/2004 | 13,879,656 | 3,500 | 3,500 | 3,500 | 260,775 | 6,022 | 11.93 | 122.45 |
| 3/2005 | 13,637,783 | 3,500 | 3,500 | 3,500 | 17,703 | 5,700 | -1.82 | 120.22 |
| 6/2005 | 13,805,810 | 3,000 | 3,000 | 3,000 | 18,031 | 5,833 | 1.17 | 121.62 |
| 9/2005 | 14,875,208 | 3,500 | 3,500 | 3,500 | 15,684 | 7,967 | 7.67 | 130.95 |
| 12/2005 | 15,328,787 | 3,500 | 3,500 | 3,500 | 669,808 | 5,962 | 2.98 | 134.85 |
| 3/2006 | 17,533,373 | 1,006,503 | 3,500 | 1,000 | 93,824 | 874,786 | 7.37 | 144.78 |
| 6/2006 | 17,300,121 | 3,000 | 3,000 | 3,000 | 28,060 | 11,480 | -1.38 | 142.78 |
| 9/2006 | 16,376,944 | 4,000 | 3,000 | -1,718,815 | 14,838 | -424,622 | 4.67 | 149.45 |

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**Thornburg Int'l Value Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2010 | 1,021,204 | 0 | 1,000,005 | 0 | 75 | 433,336 | | 106.42 |
| 3/2011 | 1,065,117 | 0 | 0 | 0 | 911 | 0 | 4.30 | 111.00 |
| 6/2011 | 1,077,009 | 0 | 0 | 0 | 5,834 | 0 | 1.12 | 112.24 |
| 9/2011 | 851,490 | 0 | 0 | 0 | 2,934 | 0 | -20.94 | 88.74 |
| 12/2011 | 885,967 | 0 | 0 | 0 | 622 | 0 | 4.05 | 92.33 |
| 3/2012 | 984,175 | 0 | 0 | 0 | 1,749 | 0 | 11.08 | 102.56 |
| 6/2012 | 915,748 | 0 | 0 | 0 | 5,533 | 0 | -6.95 | 95.43 |
| 9/2012 | 970,832 | 0 | 0 | 0 | 0 | 0 | 6.02 | 101.17 |
| 12/2012 | 1,021,831 | 0 | 0 | 0 | 0 | 0 | 5.25 | 106.49 |

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**Total Portfolio Historical Data and Rates of Return**
**November 30, 2010 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | Fees | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0 | 320,315 | 0 | 3,520 | 0 | | 100.00 |
| 9/1991 | 326,772 | 0 | 0 | 4,163 | 0 | 45 | 0 | 5.56 | 105.56 |
| 12/1991 | 67,034,473 | 0 | 0 | 19,086 | 0 | 207 | 0 | 5.05 | 110.89 |
| 3/1992 | 66,598,250 | 0 | -683,255 | 0 | 0 | -345,382 | 0 | 0.37 | 111.30 |
| 6/1992 | 69,106,899 | 0 | 244,242 | 150,000 | 0 | 203,619 | 0 | 3.16 | 114.82 |
| 9/1992 | 71,885,663 | 0 | 291,131 | 0 | 0 | 148,730 | 0 | 3.59 | 118.94 |
| 12/1992 | 73,761,295 | 0 | 1,174,634 | 0 | 0 | 600,085 | 0 | 0.95 | 120.07 |
| 3/1993 | 78,117,660 | 0 | 665,874 | 0 | 0 | 332,937 | 0 | 4.98 | 126.05 |
| 6/1993 | 80,056,410 | 0 | 233,818 | 0 | 0 | 120,763 | 0 | 2.18 | 128.80 |
| 9/1993 | 83,490,754 | 0 | 924,184 | 0 | 0 | 472,137 | 0 | 3.13 | 132.83 |
| 12/1993 | 89,349,982 | 0 | 4,636,111 | 0 | 0 | 2,368,448 | 0 | 1.42 | 134.73 |
| 3/1994 | 83,006,819 | 0 | -2,432,078 | 0 | 0 | -1,216,039 | 0 | -3.67 | 129.78 |
| 6/1994 | 79,138,604 | 0 | -962,805 | 0 | 0 | -497,273 | 0 | -3.54 | 125.19 |
| 9/1994 | 82,742,153 | 0 | 168,963 | 0 | 0 | 86,318 | 0 | 4.34 | 130.61 |
| 12/1994 | 82,981,836 | 0 | 257,359 | 0 | 0 | 131,477 | 0 | -0.02 | 130.59 |
| 3/1995 | 90,204,277 | 0 | 415,689 | 0 | 0 | 207,845 | 0 | 8.17 | 141.25 |
| 6/1995 | 97,687,379 | 0 | 466,597 | 0 | 0 | 240,990 | 0 | 7.77 | 152.23 |
| 9/1995 | 102,031,670 | 0 | 396,757 | 0 | 0 | 202,691 | 0 | 4.04 | 158.38 |
| 12/1995 | 107,558,476 | 0 | 136,095 | 0 | 0 | 69,527 | 0 | 5.28 | 166.74 |
| 3/1996 | 109,792,914 | 0 | 684,258 | 0 | 0 | 345,889 | 0 | 1.44 | 169.14 |
| 6/1996 | 112,068,611 | 0 | 411,808 | 0 | 0 | 212,692 | 0 | 1.69 | 172.00 |
| 9/1996 | 114,587,806 | 0 | 486,069 | 0 | 0 | 248,318 | 0 | 1.80 | 175.10 |
| 12/1996 | 120,056,648 | 0 | -490,831 | 0 | 0 | -250,751 | 0 | 5.20 | 184.21 |
| 3/1997 | 120,815,244 | 0 | 5,823 | 0 | 0 | 2,912 | 0 | 0.63 | 185.36 |
| 6/1997 | 132,789,324 | 0 | 608,069 | 0 | 0 | 314,058 | 0 | 9.37 | 202.73 |
| 9/1997 | 139,774,029 | 0 | -243,358 | 0 | 0 | -124,324 | 0 | 5.45 | 213.77 |
| 12/1997 | 134,503,537 | 0 | -9,294,171 | 0 | 0 | -4,748,109 | 0 | 2.94 | 220.06 |
| 3/1998 | 149,055,899 | 0 | 0 | 4,708,764 | 0 | -579,156 | 0 | 7.50 | 236.56 |
| 6/1998 | 147,399,634 | 0 | -3,779,095 | 0 | 0 | -1,951,840 | 0 | 1.44 | 239.98 |
| 9/1998 | 140,216,745 | 0 | -2,018,801 | 0 | 0 | -1,031,344 | 0 | -3.55 | 231.46 |
| 12/1998 | 156,620,391 | 0 | 3,225,959 | 0 | 0 | 1,648,044 | 0 | 9.40 | 253.22 |

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**Total Portfolio Historical Data and Rates of Return**
**November 30, 2010 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | Fees | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|---|
| 3/1999 | 157,374,269 | 0 | -25,163 | 0 | 0 | -12,582 | 0 | 0.50 | 254.47 |
| 6/1999 | 161,731,727 | 0 | 31,452 | 0 | 0 | 16,244 | 0 | 2.75 | 261.47 |
| 9/1999 | 156,344,637 | 0 | 33,634 | 0 | 0 | 17,183 | 0 | -3.35 | 252.71 |
| 12/1999 | 169,566,279 | 0 | -61,926 | 0 | 0 | -31,636 | 0 | 8.49 | 274.16 |
| 3/2000 | 175,890,560 | 0 | 279,668 | 0 | 0 | 141,371 | 0 | 3.56 | 283.93 |
| 6/2000 | 177,205,519 | 0 | 177,055 | 0 | 0 | 91,446 | 0 | 0.64 | 285.74 |
| 9/2000 | 172,079,853 | 0 | -5,941,438 | 0 | 0 | -3,035,300 | 0 | 0.44 | 287.00 |
| 12/2000 | 171,898,432 | 0 | 25,629 | 0 | 0 | 13,093 | 0 | -0.12 | 286.66 |
| 3/2001 | 195,782,844 | 0 | 15,000 | 29,550,876 | 0 | 3,317,045 | 0 | -3.24 | 277.37 |
| 6/2001 | 154,427,361 | -39,784,624 | 3,500 | -5,896,500 | 1,342,282 | -42,346,397 | 105 | 2.82 | 285.18 |
| 9/2001 | 148,527,920 | 3,600 | 3,560 | 3,500 | 1,361,999 | -43,002 | 460 | -3.83 | 274.26 |
| 12/2001 | 154,506,604 | 3,500 | 3,500 | 500 | 1,321,700 | 4,353 | 0 | 4.02 | 285.29 |
| 3/2002 | 156,750,767 | 3,500 | 3,000 | 3,500 | 1,214,810 | 3,889 | 6 | 1.45 | 289.42 |
| 6/2002 | 135,888,588 | -6,571,000 | 3,500 | -7,496,500 | 1,279,637 | -10,473,139 | 431 | -4.65 | 275.97 |
| 9/2002 | 127,215,837 | 3,500 | 3,500 | 3,500 | 1,081,153 | 4,937 | 300 | -6.39 | 258.33 |
| 12/2002 | 132,292,578 | 3,000 | 3,000 | 3,000 | 1,091,601 | 4,113 | 170 | 3.98 | 268.62 |
| 3/2003 | 130,002,292 | 3,000 | 3,000 | 3,000 | 1,203,431 | 3,634 | 0 | -1.74 | 263.95 |
| 6/2003 | 139,775,488 | 0 | -2,594,000 | 3,000 | 1,100,754 | -442,843 | 480 | 9.54 | 289.14 |
| 9/2003 | 142,188,898 | 3,500 | 3,500 | 3,500 | 1,026,376 | -163,271 | 300 | 1.72 | 294.12 |
| 12/2003 | 152,931,581 | 3,000 | -15,236 | 3,027 | 1,128,420 | -5,697 | 0 | 7.56 | 316.36 |
| 3/2004 | 157,369,710 | 3,000 | 274,125 | 18,338 | 1,024,016 | 136,543 | 0 | 2.71 | 324.92 |
| 6/2004 | 156,282,009 | 3,500 | 39,436 | -2,496,500 | 1,022,049 | -140,724 | 425 | 0.87 | 327.75 |
| 9/2004 | 155,206,341 | 91,500 | 3,500 | 3,599 | 986,010 | 316,942 | 450 | -0.75 | 325.29 |
| 12/2004 | 163,309,881 | 3,500 | -1,168,811 | 3,500 | 1,273,760 | -601,394 | 0 | 6.00 | 344.81 |
| 3/2005 | 159,762,261 | 3,500 | 3,500 | 3,500 | 1,044,298 | 4,233 | 0 | -2.18 | 337.29 |
| 6/2005 | 158,324,738 | 1,613 | 3,000 | -3,700,000 | 898,290 | -29,994 | 505 | 1.41 | 342.06 |
| 9/2005 | 160,971,034 | 6,500 | 3,500 | 3,500 | 1,030,302 | 7,359 | 300 | 1.66 | 347.75 |
| 12/2005 | 162,124,041 | -1,487,606 | 500 | 9,500 | 1,588,147 | -977,483 | 0 | 1.64 | 353.47 |
| 3/2006 | 168,539,541 | 3,500 | 500 | 7,000 | 1,198,928 | 478,253 | 0 | 3.94 | 367.39 |
| 6/2006 | 165,878,624 | 3,000 | 2,794 | -397,285 | 1,023,679 | 12,012 | 194 | -1.35 | 362.44 |
| 9/2006 | 172,555,681 | -4,201 | 3,500 | 983 | 1,125,399 | 7,809,213 | 5,720 | 3.85 | 376.39 |

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**Total Portfolio Historical Data and Rates of Return**
**November 30, 2010 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | Fees | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|---|
| 12/2006 | 176,112,354 | 152,855 | 24,015 | -2,209,337 | 1,550,588 | -1,018,247 | 6,000 | 3.25 | 388.61 |
| 3/2007 | 176,537,102 | -2,251,814 | 0 | -410,521 | 1,315,188 | -1,019,047 | 6,030 | 1.77 | 395.47 |
| 6/2007 | 182,895,370 | 0 | 0 | 0 | 1,106,348 | 0 | 6,000 | 3.61 | 409.73 |
| 9/2007 | 187,757,372 | 1,000 | 0 | 1,000 | 1,286,701 | 1,022 | 6,600 | 2.66 | 420.63 |
| 12/2007 | 184,219,215 | 0 | -1,196,969 | 1,500 | 4,022,930 | -1,403,879 | 6,090 | -1.26 | 415.35 |
| 3/2008 | 175,456,141 | 0 | 75 | 500 | 1,535,477 | -17,572 | 6,000 | -4.75 | 395.64 |
| 6/2008 | 167,803,239 | -3,999,500 | 0 | -999,000 | 1,294,401 | -3,133,937 | 6,100 | -1.56 | 389.47 |
| 9/2008 | 155,688,216 | 500 | 500 | 500 | 1,243,368 | 587 | 6,700 | -7.22 | 361.37 |
| 12/2008 | 135,290,196 | 500 | 3,979 | 736 | 2,603,650 | 3,349 | 6,275 | -13.10 | 314.02 |
| 3/2009 | 128,316,679 | 0 | 426 | 0 | 1,177,437 | 185 | 6,000 | -5.15 | 297.85 |
| 6/2009 | 142,970,729 | 0 | 0 | -3,000,090 | 1,084,464 | -1,016,783 | 6,000 | 13.78 | 338.88 |
| 9/2009 | 158,326,341 | 500 | 500 | 500 | 1,023,215 | -118,947 | 6,000 | 10.74 | 375.28 |
| 12/2009 | 165,546,132 | 500 | 500 | 500 | 1,382,488 | 609 | 6,300 | 4.56 | 392.41 |
| 3/2010 | 173,611,337 | 500 | 500 | 500 | 908,570 | 633 | 6,000 | 4.87 | 411.54 |
| 6/2010 | 156,145,145 | 500 | 500 | -5,999,525 | 990,965 | -2,666,076 | 6,025 | -6.65 | 384.16 |
| 9/2010 | 170,479,766 | 525 | 500 | 500 | 1,112,027 | 672 | 6,000 | 9.18 | 419.44 |
| 12/2010 | 181,890,816 | 500 | 1,500,500 | 700 | 2,430,158 | 450,587 | 1,040 | 5.79 | 443.71 |
| 3/2011 | 187,845,541 | 268 | -2,997,993 | 2,800 | 1,003,621 | -1,928,004 | 5,847 | 4.96 | 465.74 |
| 6/2011 | 190,261,004 | 2,487 | 20,051 | 2,575 | 967,185 | 18,922 | 6,000 | 1.28 | 471.68 |
| 9/2011 | 169,868,350 | 2,100 | 0 | -2,000 | 934,576 | 0 | 0 | -10.72 | 421.12 |
| 12/2011 | 181,334,469 | 2,100 | 123 | 445,029 | 1,137,696 | 4 | 900 | 6.49 | 448.44 |
| 3/2012 | 189,503,299 | 51,612 | 0 | -6,911,500 | 908,386 | -4,287,037 | 6,140 | 8.32 | 485.74 |
| 6/2012 | 179,543,239 | 14,100 | 31,172 | -3,459,095 | 914,738 | -576,855 | 6,025 | -3.17 | 470.32 |
| 9/2012 | 188,147,649 | 79,082 | 0 | -16,660 | 905,682 | 0 | 0 | 4.76 | 492.69 |
| 12/2012 | 189,856,514 | 0 | 0 | 83,874 | 1,560,253 | 9,093 | 6,800 | 0.87 | 496.96 |

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**Bond Segment Historical Data and Rates of Return**
**June 30, 1991 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 67,029,060 | 0 | 0 | 67,029,060 | 0 | 2,162,228 | | 100.00 |
| 6/2001 | 66,541,912 | -1,143,547 | -1,726,528 | 895,823 | 988,321 | -964,049 | 2.25 | 102.25 |
| 9/2001 | 63,143,922 | -1,384,696 | -2,138,108 | -2,517,502 | 1,061,290 | -2,520,997 | 4.13 | 106.47 |
| 12/2001 | 63,306,450 | -984,022 | 249,014 | 347,784 | 899,336 | -1,535,066 | 0.89 | 107.42 |
| 3/2002 | 58,792,269 | -398,646 | -1,259,261 | -3,235,766 | 912,954 | 3,567,295 | 0.57 | 108.03 |
| 6/2002 | 56,849,623 | -1,934,095 | -1,022,658 | -920,753 | 807,340 | -1,689,896 | 3.39 | 111.69 |
| 9/2002 | 57,102,412 | -404,730 | -1,530,354 | 461,280 | 808,672 | -1,233,722 | 3.10 | 115.16 |
| 12/2002 | 56,132,701 | -455,967 | -1,721,847 | 146,153 | 813,392 | -6,198,804 | 2.09 | 117.56 |
| 3/2003 | 54,212,547 | -710,030 | 524,302 | -2,779,625 | 875,702 | -796,704 | 1.89 | 119.78 |
| 6/2003 | 51,946,272 | -950,702 | -1,107,828 | -1,422,846 | 752,101 | -613,545 | 2.27 | 122.50 |
| 9/2003 | 46,275,998 | -418,810 | -1,952,645 | -3,623,682 | 678,181 | -6,653,272 | 0.72 | 123.38 |
| 12/2003 | 45,462,155 | -634,507 | 455,226 | -599,680 | 620,328 | -649,076 | -0.08 | 123.28 |
| 3/2004 | 43,358,097 | -1,244,034 | -776,714 | -1,073,718 | 583,504 | -1,386,255 | 2.25 | 126.05 |
| 6/2004 | 38,270,599 | -2,553,897 | -946,696 | -1,221,159 | 586,108 | -3,438,249 | -0.87 | 124.96 |
| 9/2004 | 38,697,939 | -315,863 | 762,286 | -958,075 | 560,034 | -1,032,712 | 2.46 | 128.03 |
| 12/2004 | 36,967,809 | -1,105,407 | -1,104,177 | 205,949 | 448,591 | -1,344,447 | 0.73 | 128.96 |
| 3/2005 | 36,130,524 | -657,083 | 361,653 | -250,757 | 558,652 | -254,110 | -0.79 | 127.94 |
| 6/2005 | 37,642,100 | -158,757 | -26,304 | 1,162,620 | 432,300 | -306,028 | 1.49 | 129.85 |
| 9/2005 | 37,698,540 | 1,162,696 | -187,915 | -1,214,509 | 569,476 | -645,006 | 0.76 | 130.84 |
| 12/2005 | 36,727,738 | -1,405,239 | 298,350 | 189,052 | 461,433 | -2,499,155 | -0.15 | 130.64 |
| 3/2006 | 39,511,325 | -1,272,493 | 909,326 | 2,668,263 | 546,551 | 107,624 | 1.30 | 132.34 |
| 6/2006 | 43,349,933 | 1,494,757 | -58,360 | 1,910,151 | 510,142 | 1,098,363 | 1.21 | 133.95 |
| 9/2006 | 52,281,937 | 710,727 | 3,057,629 | 1,678,587 | 580,484 | 1,378,923 | 7.79 | 144.38 |
| 12/2006 | 51,270,111 | -1,150,144 | -322,096 | -215,328 | 662,211 | -738,663 | 1.31 | 146.28 |
| 3/2007 | 51,815,121 | -227,108 | 179,862 | -320,724 | 769,113 | -526,222 | 1.79 | 148.89 |
| 6/2007 | 56,568,522 | 2,465,320 | -452,401 | 2,630,638 | 589,061 | 1,226,667 | 0.22 | 149.22 |
| 9/2007 | 54,746,449 | -529,825 | -2,134,873 | -238,193 | 769,995 | -1,997,903 | 2.03 | 152.25 |
| 12/2007 | 58,093,226 | 1,876,743 | 1,407,773 | -289,215 | 660,521 | 1,284,267 | 0.64 | 153.23 |
| 3/2008 | 55,083,855 | -1,033,021 | -1,444,371 | -1,117,384 | 791,576 | -995,737 | 0.90 | 154.61 |
| 6/2008 | 53,489,083 | -2,755,876 | 603,753 | 448,008 | 808,576 | -992,629 | 0.20 | 154.92 |
| 9/2008 | 52,087,901 | 967,620 | 1,029,874 | -364,363 | 791,024 | 517,486 | -5.51 | 146.38 |

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**Bond Segment Historical Data and Rates of Return**
**June 30, 1991 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 52,161,083 | -1,041,424 | -87,270 | 340,805 | 830,181 | -709,927 | 1.93 | 149.21 |
| 3/2009 | 49,091,495 | -415,622 | -75,832 | -2,973,762 | 730,759 | -1,694,786 | 0.68 | 150.23 |
| 6/2009 | 50,352,208 | -1,860,357 | -430,463 | -2,094,607 | 653,560 | -2,310,539 | 11.94 | 168.17 |
| 9/2009 | 50,418,684 | -147,377 | -1,491,551 | -603,420 | 544,508 | -950,924 | 4.67 | 176.02 |
| 12/2009 | 44,514,976 | -1,342,842 | -2,508,036 | -3,569,469 | 610,318 | -3,397,765 | 3.11 | 181.49 |
| 3/2010 | 42,560,246 | -614,606 | -564,740 | -1,992,689 | 462,466 | -1,743,697 | 2.77 | 186.52 |
| 6/2010 | 42,637,195 | 799,978 | -449,419 | -702,172 | 508,971 | -373,805 | 1.03 | 188.44 |
| 9/2010 | 40,956,473 | -771,494 | -1,105,346 | -1,264,862 | 608,632 | -1,501,459 | 3.51 | 195.05 |
| 12/2010 | 37,490,646 | -528,862 | -287,065 | -1,250,940 | 1,346,988 | -742,190 | -3.47 | 188.28 |
| 3/2011 | 35,009,455 | -620,663 | -1,227,864 | -2,850,354 | 457,180 | -426,914 | 6.11 | 199.78 |
| 6/2011 | 32,518,438 | -744,062 | -720,592 | -1,246,843 | 407,190 | -1,037,716 | 0.63 | 201.05 |
| 9/2011 | 30,794,591 | -218,068 | -215,884 | -619,307 | 353,719 | -329,883 | -2.09 | 196.83 |
| 12/2011 | 28,942,112 | -7,567 | -531,470 | -1,268,011 | 345,914 | -510,024 | -0.13 | 196.58 |
| 3/2012 | 26,720,559 | -1,173,967 | -971,401 | -239,144 | 314,294 | -1,274,596 | 0.49 | 197.55 |
| 6/2012 | 22,541,350 | -1,019,602 | 11,191,655 | -1,866,195 | 268,975 | 9,458,971 | 4.12 | 205.69 |
| 9/2012 | 21,098,292 | -508,703 | -456,191 | -939,516 | 261,390 | -911,674 | 2.11 | 210.03 |
| 12/2012 | 19,161,149 | -369,162 | -388,781 | -1,361,721 | 198,155 | -927,640 | 0.88 | 211.88 |

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**MFS - CORE GROWTH Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 6/2012 | | 3,063 | 0 | 0 | 3,063 | 0 | | 100.00 |

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**Equity Segment Historical Data and Rates of Return**
**April 2, 2012 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 73,736,341 | 0 | 0 | 69,576,217 | 0 | 2,244,394 | | 100.00 |
| 6/2001 | 74,483,877 | -919,156 | -1,177,779 | 390,929 | 270,482 | -1,148,411 | 3.38 | 103.38 |
| 9/2001 | 67,739,120 | -25,313 | 272,012 | -110,823 | 254,129 | 58,433 | -9.23 | 93.84 |
| 12/2001 | 71,811,834 | -44,945 | 18,878 | -246,045 | 278,582 | -64,320 | 6.42 | 99.86 |
| 3/2002 | 75,988,153 | 1,452,121 | 1,470,474 | -389,437 | 253,560 | 2,478,298 | 2.21 | 102.07 |
| 6/2002 | 63,346,804 | -299,140 | -1,177,642 | -3,126,829 | 417,846 | -1,741,785 | -10.83 | 91.02 |
| 9/2002 | 55,590,057 | -117,971 | 256,068 | 959,159 | 261,464 | 369,068 | -13.90 | 78.37 |
| 12/2002 | 62,842,460 | 914,991 | 2,114,148 | 689,173 | 262,513 | 12,067 | 6.36 | 83.35 |
| 3/2003 | 59,790,603 | -98,033 | -27,498 | -63,520 | 318,275 | 13,992 | -4.55 | 79.56 |
| 6/2003 | 72,191,094 | 692,307 | 912,444 | 966,684 | 333,042 | 827,901 | 16.21 | 92.46 |
| 9/2003 | 77,234,895 | 1,419,942 | 1,157,972 | 986,389 | 327,190 | 6,209,833 | 1.89 | 94.20 |
| 12/2003 | 84,255,591 | -3,010,895 | 1,194,108 | -596,915 | 382,717 | -1,255,527 | 12.42 | 105.90 |
| 3/2004 | 87,482,985 | 237,769 | 670,858 | -150,130 | 408,747 | 116,091 | 2.93 | 109.00 |
| 6/2004 | 92,142,275 | 985,144 | 1,872,937 | -43,490 | 394,187 | 1,067,182 | 2.03 | 111.22 |
| 9/2004 | 94,876,694 | 1,180,319 | 3,469,365 | -93,631 | 389,413 | 1,963,040 | -2.03 | 108.96 |
| 12/2004 | 99,497,709 | 128,975 | -1,986,462 | -566,916 | 474,579 | -1,271,096 | 7.55 | 117.19 |
| 3/2005 | 98,943,341 | 1,647,861 | 506,417 | 175,275 | 428,707 | 1,123,603 | -2.86 | 113.83 |
| 6/2005 | 96,138,331 | -660,322 | -177,432 | -3,340,692 | 391,418 | -2,630,661 | 1.43 | 115.46 |
| 9/2005 | 97,781,167 | 328,468 | 548,526 | -286,634 | 396,118 | 54,140 | 1.10 | 116.73 |
| 12/2005 | 96,736,875 | -1,506,063 | -74,858 | -1,553,170 | 391,823 | -1,562,809 | 2.17 | 119.26 |
| 3/2006 | 100,508,924 | 33,090 | 48,852 | -596,033 | 461,212 | 1,309,981 | 4.37 | 124.48 |
| 6/2006 | 91,312,569 | -416,263 | -1,953,472 | -4,531,684 | 403,847 | -4,747,712 | -2.40 | 121.49 |
| 9/2006 | 91,623,195 | -1,317,426 | -258,423 | 5,129 | 389,762 | 2,298,483 | 2.01 | 123.93 |
| 12/2006 | 93,801,573 | 886,897 | -237,989 | -2,528,051 | 417,074 | -915,487 | 4.42 | 129.41 |
| 3/2007 | 91,540,852 | -2,002,456 | 520,494 | -1,067,876 | 461,242 | -668,040 | 0.28 | 129.77 |
| 6/2007 | 92,393,801 | -2,012,513 | -934,690 | -980,000 | 404,363 | -1,453,704 | 5.26 | 136.61 |
| 9/2007 | 91,679,560 | -1,404,626 | -574,085 | -1,622,118 | 362,872 | -1,777,192 | 3.27 | 141.07 |
| 12/2007 | 88,023,735 | -246,828 | -1,767,412 | 578,800 | 375,192 | -421,098 | -2.47 | 137.59 |
| 3/2008 | 79,913,739 | -617,026 | -240,436 | -222,342 | 390,392 | -573,126 | -8.00 | 126.58 |
| 6/2008 | 78,474,494 | 348,115 | 1,309,630 | -754,380 | 366,732 | 1,326,957 | -2.76 | 123.09 |
| 9/2008 | 72,823,705 | -379,704 | 278,030 | -322,216 | 334,545 | -328,028 | -6.69 | 114.85 |

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**Equity Segment Historical Data and Rates of Return**
**April 2, 2012 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 52,258,715 | -1,032,695 | -1,560,165 | -1,032,483 | 407,573 | -1,518,747 | -23.48 | 87.89 |
| 3/2009 | 47,583,700 | 419,810 | 285,581 | 559,377 | 366,433 | 668,732 | -11.36 | 77.91 |
| 6/2009 | 57,941,900 | 860,052 | 646,315 | 466,582 | 295,617 | 606,917 | 17.39 | 91.45 |
| 9/2009 | 69,751,198 | 19,441 | 1,131,797 | 1,754,198 | 306,196 | 1,602,699 | 15.14 | 105.29 |
| 12/2009 | 77,544,349 | 396,469 | 1,646,770 | 647,667 | 347,108 | 1,027,152 | 7.15 | 112.82 |
| 3/2010 | 86,901,569 | 2,717,586 | 373,419 | 75,705 | 351,264 | 1,379,025 | 7.56 | 121.35 |
| 6/2010 | 76,441,903 | 797,655 | -37,515 | -1,825,650 | 378,625 | -451,362 | -10.75 | 108.31 |
| 9/2010 | 88,184,428 | -140,280 | 820,117 | 1,618,892 | 375,857 | 1,520,826 | 12.22 | 121.54 |
| 12/2010 | 96,696,833 | -676,713 | -1,127,418 | -976,212 | 492,394 | -1,206,396 | 13.00 | 137.34 |
| 3/2011 | 102,987,144 | -182,751 | 682,674 | 264,803 | 445,382 | 806,498 | 5.69 | 145.16 |
| 6/2011 | 105,264,229 | 467,218 | -188,992 | 12,340 | 434,565 | 220,143 | 1.92 | 147.95 |
| 9/2011 | 91,709,051 | -122,922 | -220,711 | 1,530,801 | 445,268 | 783,536 | -13.98 | 127.27 |
| 12/2011 | 102,650,846 | 2,487,238 | -470,677 | -601,100 | 221,792 | 1,413,885 | 10.25 | 140.31 |
| 3/2012 | 110,507,021 | 180,212 | -2,768,507 | -1,261,485 | 478,577 | -1,146,723 | 11.48 | 156.42 |
| 6/2012 | 106,362,840 | 408,185 | -11,235,805 | -945,204 | 506,570 | -7,424,404 | -4.61 | 149.20 |
| 9/2012 | 112,437,943 | -569,732 | 1,028,588 | -497,077 | 516,377 | 155,356 | 5.74 | 157.77 |
| 12/2012 | 111,696,786 | -105,991 | 4,035,242 | -505,681 | 732,428 | 758,618 | -3.70 | 151.93 |

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**Delaware Balanced Fund Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 143,460 | 0 | 0 | 143,460 | 0 | 1,594 | | 100.00 |
| 6/2001 | 155,767 | 0 | 0 | 0 | 408 | 0 | 8.14 | 108.14 |
| 9/2001 | 130,030 | 0 | 0 | 0 | 409 | 0 | 16.69 | 126.19 |
| 12/2001 | 149,274 | 0 | 0 | 0 | 0 | 0 | 14.70 | 144.74 |
| 3/2002 | 148,305 | 0 | 0 | 0 | 415 | 0 | -0.65 | 143.80 |
| 6/2002 | 136,508 | 0 | 0 | 0 | 416 | 0 | -7.95 | 132.36 |
| 9/2002 | 120,030 | 0 | 0 | 0 | -418 | 0 | -12.07 | 116.38 |
| 12/2002 | 125,650 | 0 | 0 | 0 | 0 | 38 | 4.68 | 121.83 |
| 3/2003 | 124,006 | 0 | 0 | -1 | 1 | 0 | -1.31 | 120.24 |
| 6/2003 | 136,306 | 0 | 0 | 0 | 0 | 0 | 9.92 | 132.16 |
| 9/2003 | 138,525 | 0 | 0 | 0 | 426 | -14 | 1.63 | 134.32 |
| 12/2003 | 148,942 | 0 | 0 | 0 | 731 | -167 | 7.53 | 144.43 |
| 3/2004 | 151,571 | 0 | 0 | 0 | 429 | -5 | 1.77 | 146.98 |
| 6/2004 | 149,615 | 0 | 0 | 0 | 0 | 0 | -1.29 | 145.08 |
| 9/2004 | 148,894 | 0 | 0 | 0 | 432 | 0 | -0.48 | 144.38 |
| 12/2004 | 157,139 | 0 | 0 | 0 | 1,125 | 0 | 5.54 | 152.38 |
| 3/2005 | 157,582 | 0 | 0 | 0 | 436 | 0 | 0.28 | 152.81 |
| 6/2005 | 159,280 | 0 | 0 | 0 | 437 | 0 | 1.08 | 154.45 |
| 9/2005 | 162,451 | 0 | 0 | 0 | 536 | 99 | 1.99 | 157.53 |
| 12/2005 | 163,042 | 0 | 0 | 0 | 2,365 | 0 | 0.36 | 158.10 |
| 3/2006 | 169,039 | 0 | 0 | 0 | 545 | 0 | 3.68 | 163.91 |
| 6/2006 | 169,101 | 0 | 0 | 0 | 846 | 0 | 0.04 | 163.97 |
| 9/2006 | | 0 | 0 | -177,401 | 0 | -44,350 | | 100.00 |

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**Wells Fargo Classic Value Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 153,504 | 0 | 0 | 153,504 | 0 | 1,706 | | 100.00 |
| 6/2001 | 160,624 | 0 | 0 | 0 | 1,336 | 0 | 4.64 | 104.64 |
| 9/2001 | 139,435 | 0 | 0 | 0 | 1,358 | 0 | -13.19 | 90.83 |
| 12/2001 | 151,138 | 0 | 0 | 0 | 434 | 0 | 8.39 | 98.46 |
| 3/2002 | 156,796 | 0 | 0 | 0 | 8,582 | 0 | 3.74 | 102.14 |
| 6/2002 | 144,574 | 0 | 0 | 0 | 690 | 0 | -7.79 | 94.18 |
| 9/2002 | 123,039 | 0 | 0 | 0 | -819 | 0 | -14.90 | 80.15 |
| 12/2002 | 132,107 | 0 | 0 | 0 | 0 | -59 | 7.37 | 86.06 |
| 3/2003 | 127,614 | 0 | 0 | 0 | 0 | 0 | -3.40 | 83.14 |
| 6/2003 | 147,954 | 0 | 0 | 0 | 0 | 0 | 15.94 | 96.39 |
| 9/2003 | 150,479 | 0 | 0 | 0 | 874 | 0 | 1.71 | 98.03 |
| 12/2003 | 173,252 | 0 | 0 | 0 | 786 | -34 | 15.14 | 112.87 |
| 3/2004 | 176,972 | 0 | 0 | -1 | 620 | 0 | 2.15 | 115.30 |
| 6/2004 | 172,396 | 0 | 0 | 3,000 | 14,071 | 890 | -4.26 | 110.39 |
| 9/2004 | 171,925 | 0 | 0 | 0 | 546 | 0 | -0.27 | 110.08 |
| 12/2004 | 190,796 | 0 | 0 | 0 | 6,805 | 0 | 10.98 | 122.17 |
| 3/2005 | 188,429 | 0 | 0 | 0 | 650 | 0 | -1.24 | 120.65 |
| 6/2005 | 190,544 | 0 | 0 | 0 | 653 | 0 | 1.12 | 122.01 |
| 9/2005 | 195,866 | 0 | 0 | 0 | 573 | 81 | 2.79 | 125.41 |
| 12/2005 | 197,533 | 0 | 0 | 0 | 9,307 | 0 | 0.85 | 126.48 |
| 3/2006 | 207,137 | 0 | 0 | 0 | 474 | 0 | 4.86 | 132.63 |
| 6/2006 | 205,191 | 0 | 0 | 0 | 972 | -43 | -0.94 | 131.38 |
| 9/2006 | 216,554 | 0 | 0 | 0 | 1,302 | 0 | 5.54 | 138.66 |
| 12/2006 | 230,412 | 0 | 24,015 | 0 | 1,669 | 12,008 | -4.44 | 132.50 |
| 3/2007 | 233,055 | 0 | 0 | 0 | 0 | 0 | 1.15 | 134.02 |
| 6/2007 | 246,652 | 0 | 0 | 0 | 1,057 | 0 | 5.83 | 141.83 |
| 9/2007 | 249,949 | 0 | 0 | 0 | 697 | 0 | 1.34 | 143.73 |
| 12/2007 | 236,742 | 0 | 0 | 0 | 19,059 | 0 | -5.28 | 136.14 |
| 3/2008 | 210,281 | 0 | 0 | 0 | 920 | 0 | -11.18 | 120.92 |
| 6/2008 | 203,545 | 0 | 0 | 0 | 681 | 0 | -3.20 | 117.05 |
| 9/2008 | 199,385 | 0 | 0 | 0 | 439 | 0 | -2.04 | 114.65 |

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**Wells Fargo Classic Value Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 153,911 | 0 | 0 | 8 | 4,244 | 2 | -22.81 | 88.50 |
| 3/2009 | 135,991 | 0 | 0 | 0 | 937 | 0 | -11.64 | 78.20 |
| 6/2009 | 162,492 | 0 | 0 | 0 | 189 | 0 | 19.49 | 93.43 |
| 9/2009 | 185,676 | 0 | 0 | -1 | 359 | -51 | 14.27 | 106.77 |
| 12/2009 | 194,063 | 0 | 0 | 0 | 193 | 0 | 4.52 | 111.59 |
| 3/2010 | 206,842 | 0 | 0 | 0 | 688 | 0 | 6.58 | 118.94 |
| 6/2010 | 177,862 | 0 | 0 | 0 | 171 | 0 | -14.01 | 102.28 |
| 9/2010 | 199,251 | 0 | 0 | 0 | 0 | 0 | 12.03 | 114.58 |
| 12/2010 | 220,222 | 0 | 0 | 0 | 942 | 0 | 10.52 | 126.64 |
| 3/2011 | 234,926 | 0 | 0 | 0 | 0 | 0 | 6.68 | 135.09 |
| 6/2011 | 235,501 | 0 | 0 | 0 | 0 | 0 | 0.24 | 135.42 |
| 9/2011 | 189,943 | 0 | 0 | 0 | 1,108 | 0 | -19.34 | 109.22 |
| 12/2011 | 212,843 | 0 | 0 | 0 | 958 | 0 | 12.06 | 122.39 |
| 3/2012 | 244,501 | 0 | 0 | 0 | 0 | 0 | 14.87 | 140.60 |
| 6/2012 | 231,086 | 0 | 0 | 0 | 0 | 0 | -5.49 | 132.88 |
| 9/2012 | 248,793 | 0 | 0 | 0 | 0 | 0 | 7.66 | 143.07 |
| 12/2012 | 248,955 | 0 | 0 | 0 | 9,164 | 0 | 0.07 | 143.16 |

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**Putnam Int'l Growth Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 1,699,592 | 0 | 0 | 1,699,592 | 0 | 18,884 | | 100.00 |
| 6/2001 | 1,706,021 | 0 | 0 | 0 | 0 | 0 | 0.38 | 100.38 |
| 9/2001 | 1,469,074 | 0 | 0 | 0 | 0 | 0 | -13.89 | 86.44 |
| 12/2001 | 1,591,965 | 0 | 0 | 0 | 0 | 0 | 8.37 | 93.67 |
| 3/2002 | 1,617,667 | 0 | 0 | 0 | 0 | 0 | 1.61 | 95.18 |
| 6/2002 | 1,540,559 | 0 | 0 | 0 | 0 | 0 | -4.77 | 90.64 |
| 9/2002 | 1,221,684 | 0 | 0 | 0 | 0 | 0 | -20.70 | 71.88 |
| 12/2002 | 1,320,890 | 0 | 0 | 0 | 0 | 214 | 8.12 | 77.72 |
| 3/2003 | 1,204,986 | 0 | 0 | 0 | 0 | 0 | -8.77 | 70.90 |
| 6/2003 | 1,402,999 | 0 | 0 | 0 | 0 | 0 | 16.43 | 82.55 |
| 9/2003 | 1,481,884 | 0 | 0 | 0 | 0 | 0 | 5.62 | 87.19 |
| 12/2003 | 1,692,561 | 0 | 0 | 0 | 28,495 | 1,858 | 14.20 | 99.57 |
| 3/2004 | 1,746,632 | 0 | 0 | 0 | 0 | 0 | 3.19 | 102.75 |
| 6/2004 | 1,708,127 | 0 | 0 | 0 | 0 | 0 | -2.20 | 100.49 |
| 9/2004 | 1,708,946 | 0 | 0 | 0 | 0 | 0 | 0.05 | 100.53 |
| 12/2004 | 1,967,327 | 0 | 0 | 0 | 26,626 | 0 | 15.12 | 115.73 |
| 3/2005 | 1,953,205 | 0 | 0 | 0 | 0 | 0 | -0.72 | 114.90 |
| 6/2005 | 1,943,234 | 0 | 0 | 0 | 0 | 0 | -0.51 | 114.32 |
| 9/2005 | 2,153,427 | 0 | 0 | 0 | 0 | 0 | 10.82 | 126.68 |
| 12/2005 | 2,214,722 | 0 | 0 | 0 | 43,866 | 0 | 2.85 | 130.29 |
| 3/2006 | 2,436,788 | 0 | 0 | 0 | 0 | 0 | 10.03 | 143.35 |
| 6/2006 | 2,442,721 | 0 | 0 | 0 | 0 | 0 | 0.24 | 143.70 |
| 9/2006 | 2,559,661 | 0 | 0 | 0 | 0 | 0 | 4.79 | 150.58 |
| 12/2006 | 2,840,092 | 0 | 0 | 124,001 | 59,331 | 1,348 | 6.11 | 159.78 |
| 3/2007 | 2,944,340 | 0 | 0 | 0 | 0 | 0 | 3.67 | 165.64 |
| 6/2007 | 3,163,715 | 0 | 0 | 0 | 0 | 0 | 7.45 | 177.98 |
| 9/2007 | 3,223,544 | 0 | 0 | 0 | 0 | 0 | 1.89 | 181.35 |
| 12/2007 | 3,078,788 | 0 | 0 | 0 | 570,918 | 0 | -4.49 | 173.21 |
| 3/2008 | 2,782,324 | 0 | 0 | 0 | 0 | 0 | -9.63 | 156.53 |
| 6/2008 | 2,761,065 | 0 | 0 | 0 | 0 | 0 | -0.76 | 155.33 |
| 9/2008 | 2,145,755 | 0 | 0 | 0 | 0 | 0 | -22.29 | 120.71 |

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**Putnam Int'l Growth Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 1,698,247 | 0 | 0 | -9 | 0 | -1 | -20.86 | 95.54 |
| 3/2009 | 1,429,750 | 0 | 0 | 0 | 0 | 0 | -15.81 | 80.43 |
| 6/2009 | 1,760,897 | 0 | 0 | 0 | 0 | 0 | 23.16 | 99.06 |
| 9/2009 | 2,094,281 | 0 | 0 | 0 | 0 | 0 | 18.93 | 117.82 |
| 12/2009 | 2,127,354 | 0 | 0 | 0 | 48,106 | -1,046 | 1.58 | 119.68 |
| 3/2010 | 2,157,123 | 0 | 0 | 0 | 0 | 0 | 1.40 | 121.36 |
| 6/2010 | 1,809,053 | 0 | 0 | 0 | 0 | 0 | -16.14 | 101.77 |
| 9/2010 | 2,154,834 | 0 | 0 | 0 | 0 | 0 | 19.11 | 121.23 |
| 12/2010 | 2,342,061 | 0 | 0 | 0 | 46,829 | 0 | 8.69 | 131.76 |
| 3/2011 | 2,399,327 | 0 | 0 | 0 | 0 | 0 | 2.45 | 134.98 |
| 6/2011 | 2,447,243 | 0 | 0 | 0 | 0 | 0 | 2.00 | 137.68 |
| 9/2011 | 1,882,764 | 0 | 0 | 0 | 0 | 0 | -23.07 | 105.92 |
| 12/2011 | 1,978,139 | 0 | 0 | 0 | 111,844 | 0 | 5.07 | 111.29 |
| 3/2012 | 2,271,885 | 0 | 0 | 0 | 0 | 0 | 14.85 | 127.81 |
| 6/2012 | 2,079,773 | 0 | 0 | 0 | 0 | 0 | -8.46 | 117.00 |
| 9/2012 | 2,253,294 | 0 | 0 | 0 | 0 | 0 | 8.34 | 126.77 |
| 12/2012 | 2,408,021 | 0 | 0 | 0 | 0 | 0 | 6.87 | 135.47 |

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**ING International Value Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 699,580 | 0 | 0 | 699,580 | 0 | 7,773 | | 100.00 |
| 6/2001 | 707,393 | 0 | 0 | 0 | 0 | 0 | 1.12 | 101.12 |
| 9/2001 | 604,536 | 0 | 0 | 0 | 0 | 0 | -14.54 | 86.41 |
| 12/2001 | 666,413 | 0 | 0 | 0 | 17,576 | 0 | 10.24 | 95.26 |
| 3/2002 | 693,877 | 0 | 0 | 0 | 0 | 0 | 4.12 | 99.18 |
| 6/2002 | 650,349 | 0 | 0 | 0 | 0 | 0 | -6.27 | 92.96 |
| 9/2002 | 505,769 | 0 | 0 | 0 | 0 | 0 | -22.23 | 72.30 |
| 12/2002 | 546,491 | 3 | 3,000 | 5 | 0 | 102 | 7.46 | 77.69 |
| 3/2003 | 487,011 | 0 | 0 | 0 | 0 | 0 | -10.88 | 69.23 |
| 6/2003 | 606,507 | 0 | 0 | 0 | 0 | 0 | 24.54 | 86.22 |
| 9/2003 | 677,143 | 0 | 0 | 0 | 0 | 0 | 11.65 | 96.26 |
| 12/2003 | 807,472 | 0 | 1 | 0 | 4,536 | 99 | 19.24 | 114.78 |
| 3/2004 | 1,270,256 | 0 | 400,000 | 0 | 0 | 189,011 | 6.30 | 122.01 |
| 6/2004 | 1,253,209 | 0 | 0 | 0 | 0 | 0 | -1.34 | 120.38 |
| 9/2004 | 1,247,326 | 0 | 0 | 0 | 0 | 0 | -0.47 | 119.81 |
| 12/2004 | 1,451,823 | 0 | 0 | 0 | 54,888 | 0 | 16.39 | 139.46 |
| 3/2005 | 1,425,557 | 0 | 0 | 0 | 0 | 0 | -1.81 | 136.93 |
| 6/2005 | 1,397,661 | 0 | 0 | 0 | 0 | 0 | -1.96 | 134.25 |
| 9/2005 | 1,574,427 | 0 | 0 | 0 | 0 | 0 | 12.65 | 151.23 |
| 12/2005 | 1,621,122 | 0 | 0 | 0 | 100,681 | 0 | 2.97 | 155.72 |
| 3/2006 | 1,794,721 | 0 | 0 | 0 | 0 | 0 | 10.71 | 172.39 |
| 6/2006 | 1,792,256 | 0 | 0 | 0 | 0 | 0 | -0.14 | 172.16 |
| 9/2006 | 1,878,553 | 0 | 0 | 0 | 0 | 0 | 4.81 | 180.44 |
| 12/2006 | 2,083,554 | 0 | 0 | 154,461 | 12,315 | 1,679 | 2.69 | 185.29 |
| 3/2007 | 2,177,130 | 0 | 0 | 0 | 0 | 0 | 4.49 | 193.62 |
| 6/2007 | 2,301,790 | 0 | 0 | 0 | 0 | 0 | 5.73 | 204.70 |
| 9/2007 | 2,305,637 | 0 | 0 | 0 | 0 | 0 | 0.17 | 205.05 |
| 12/2007 | 2,303,593 | 0 | 0 | 0 | 293,814 | 0 | -0.09 | 204.86 |
| 3/2008 | 2,041,900 | 0 | 0 | 0 | 0 | 0 | -11.36 | 181.59 |
| 6/2008 | 2,012,045 | 0 | 0 | 0 | 0 | 0 | -1.46 | 178.94 |
| 9/2008 | 1,692,241 | 0 | 0 | 0 | 0 | 0 | -15.89 | 150.49 |

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**ING International Value Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 1,367,743 | 0 | 0 | -15 | 170,154 | -1 | -19.17 | 121.64 |
| 3/2009 | 1,150,549 | 0 | 0 | 0 | 0 | 0 | -15.88 | 102.32 |
| 6/2009 | 1,424,557 | 0 | 0 | 0 | 0 | 0 | 23.82 | 126.69 |
| 9/2009 | 1,675,047 | 0 | 0 | 0 | 1,244 | 0 | 17.58 | 148.97 |
| 12/2009 | 1,668,919 | 0 | 0 | 0 | 16,851 | 0 | -0.37 | 148.42 |
| 3/2010 | 1,678,149 | 0 | 0 | 0 | 170 | 0 | 0.55 | 149.24 |
| 6/2010 | 1,458,994 | 0 | 0 | 0 | 0 | 0 | -13.06 | 129.75 |
| 9/2010 | 1,657,421 | 0 | 0 | 0 | 0 | 0 | 13.60 | 147.40 |
| 12/2010 | 1,747,916 | 0 | 0 | 0 | 35,008 | 0 | 5.46 | 155.45 |
| 3/2011 | 1,232,358 | 0 | 0 | 0 | 0 | 0 | 4.13 | 161.86 |
| 6/2011 | 1,234,393 | 0 | 0 | 0 | 0 | 0 | 0.17 | 162.13 |
| 9/2011 | 993,213 | 0 | 0 | 0 | 0 | 0 | -19.54 | 130.45 |
| 12/2011 | 1,018,332 | 0 | 0 | 0 | 61 | 0 | 2.53 | 133.75 |
| 3/2012 | 1,115,765 | 0 | 0 | 0 | 0 | 0 | 9.57 | 146.55 |
| 6/2012 | 1,024,618 | 0 | 0 | 0 | 0 | 0 | -8.17 | 134.58 |
| 9/2012 | 1,084,335 | 0 | 0 | 0 | 0 | 0 | 5.83 | 142.42 |
| 12/2012 | 1,153,855 | 0 | 0 | 0 | 28,235 | 0 | 6.41 | 151.55 |

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**Value Line - Fund 3 Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 564,851 | 0 | 0 | 564,851 | 0 | 6,276 | | 100.00 |
| 6/2001 | 631,021 | 0 | 0 | 0 | 0 | 0 | 11.71 | 111.71 |
| 9/2001 | 522,442 | 0 | 0 | 0 | 0 | 0 | -17.21 | 92.49 |
| 12/2001 | 583,301 | 0 | 0 | 0 | 13,189 | 0 | 11.65 | 103.27 |
| 3/2002 | 590,380 | 0 | 0 | 0 | 0 | 0 | 1.21 | 104.52 |
| 6/2002 | 560,215 | 0 | 0 | 0 | 0 | 0 | -5.11 | 99.18 |
| 9/2002 | 496,498 | 0 | 0 | 0 | 0 | 0 | -11.37 | 87.90 |
| 12/2002 | 494,959 | 0 | 0 | 0 | 0 | 0 | -0.31 | 87.63 |
| 3/2003 | 489,726 | 0 | 0 | 0 | 0 | 0 | -1.06 | 86.70 |
| 6/2003 | 545,132 | 0 | 0 | 0 | 0 | 0 | 11.31 | 96.51 |
| 9/2003 | 579,915 | 0 | 0 | 0 | 0 | 0 | 6.38 | 102.67 |
| 12/2003 | 641,477 | 0 | 0 | 0 | 0 | 0 | 10.62 | 113.57 |
| 3/2004 | 683,647 | 0 | 0 | 0 | 0 | 0 | 6.57 | 121.03 |
| 6/2004 | 693,497 | 0 | 0 | 0 | 0 | 0 | 1.44 | 122.78 |
| 9/2004 | 680,877 | 0 | 0 | 0 | 0 | 0 | -1.82 | 120.54 |
| 12/2004 | 759,627 | 0 | 0 | 0 | 13,534 | 0 | 11.57 | 134.48 |
| 3/2005 | 747,400 | 0 | 0 | 0 | 0 | 0 | -1.61 | 132.32 |
| 6/2005 | 776,870 | 0 | 0 | 0 | 0 | 0 | 3.94 | 137.54 |
| 9/2005 | 827,344 | 0 | 0 | 0 | 0 | 0 | 6.50 | 146.47 |
| 12/2005 | 846,932 | 0 | 0 | 0 | 44,407 | 0 | 2.37 | 149.94 |
| 3/2006 | 928,979 | 0 | 0 | 0 | 0 | 0 | 9.69 | 164.46 |
| 6/2006 | 901,520 | 0 | 0 | 0 | 0 | 0 | -2.96 | 159.60 |
| 9/2006 | 885,640 | 0 | 0 | 0 | 0 | 0 | -1.76 | 156.79 |
| 12/2006 | 937,417 | 0 | 0 | 0 | 57,264 | 0 | 5.85 | 165.96 |
| 3/2007 | 981,100 | 0 | 0 | 0 | 0 | 0 | 4.66 | 173.69 |
| 6/2007 | 1,061,067 | 0 | 0 | 0 | 0 | 0 | 8.15 | 187.85 |
| 9/2007 | 1,103,341 | 0 | 0 | 0 | 0 | 0 | 3.98 | 195.33 |
| 12/2007 | 1,108,998 | 0 | 0 | 0 | 72,362 | 0 | 0.51 | 196.33 |
| 3/2008 | 998,400 | 0 | 0 | 0 | 0 | 0 | -9.97 | 176.75 |
| 6/2008 | 1,033,127 | 0 | 0 | 0 | 0 | 0 | 3.48 | 182.90 |
| 9/2008 | 881,385 | 0 | 0 | 0 | 0 | 0 | -14.69 | 156.04 |

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**Value Line - Fund 3 Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 663,956 | 0 | 0 | 0 | 32,133 | 0 | -24.67 | 117.55 |
| 3/2009 | 609,456 | 0 | 0 | 0 | 0 | 0 | -8.21 | 107.90 |
| 6/2009 | 722,833 | 0 | 0 | 0 | 0 | 0 | 18.60 | 127.97 |
| 9/2009 | 827,459 | 0 | 0 | 0 | 0 | 0 | 14.47 | 146.49 |
| 12/2009 | 878,322 | 0 | 0 | 0 | 339 | 0 | 6.15 | 155.50 |
| 3/2010 | 922,497 | 0 | 0 | 0 | 0 | 0 | 5.03 | 163.32 |
| 6/2010 | 845,290 | 0 | 0 | 0 | 0 | 0 | -8.37 | 149.65 |
| 9/2010 | 964,682 | 0 | 0 | 0 | 0 | 0 | 14.12 | 170.79 |
| 12/2010 | 1,068,549 | 0 | 0 | 0 | 1,194 | 0 | 10.77 | 189.17 |
| 3/2011 | 1,161,778 | 0 | 0 | 0 | 0 | 0 | 8.72 | 205.68 |
| 6/2011 | 1,186,878 | 0 | 0 | 0 | 0 | 0 | 2.16 | 210.12 |
| 9/2011 | 1,007,990 | 0 | 0 | 0 | 0 | 0 | -15.07 | 178.45 |
| 12/2011 | 1,117,625 | 0 | 0 | 0 | 0 | 0 | 10.88 | 197.86 |
| 3/2012 | 1,266,191 | 0 | 0 | 0 | 0 | 0 | 13.29 | 224.16 |
| 6/2012 | 1,223,563 | 0 | 0 | 0 | 0 | 0 | -3.37 | 216.62 |
| 9/2012 | 1,276,743 | 0 | 0 | 0 | 0 | 0 | 4.35 | 226.03 |
| 12/2012 | 1,316,542 | 0 | 0 | 93,959 | 3,905 | 9,093 | -4.15 | 216.65 |

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**Sentinel Funds Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 198,835 | 0 | 0 | 198,835 | 0 | 2,209 | | 100.00 |
| 6/2001 | 201,745 | 0 | 0 | 0 | 306 | 0 | 1.46 | 101.46 |
| 9/2001 | 180,322 | 0 | 0 | 0 | 403 | 0 | -10.62 | 90.69 |
| 12/2001 | 191,908 | 0 | 0 | 0 | 21,033 | 0 | 6.43 | 96.52 |
| 3/2002 | 197,653 | 0 | 0 | 0 | 249 | 0 | 2.99 | 99.41 |
| 6/2002 | 176,916 | 0 | 0 | 0 | 256 | 0 | -10.49 | 88.98 |
| 9/2002 | 176,916 | 0 | 0 | 0 | 346 | 0 | 0.00 | 88.98 |
| 12/2002 | 159,315 | 0 | 0 | 0 | 1,571 | 0 | -9.95 | 80.12 |
| 3/2003 | 147,675 | 0 | 0 | 0 | 406 | 0 | -7.31 | 74.27 |
| 6/2003 | 174,086 | 0 | 0 | 0 | 207 | 0 | 17.88 | 87.55 |
| 9/2003 | 180,075 | 0 | 0 | 0 | 246 | 0 | 3.44 | 90.57 |
| 12/2003 | 206,109 | 0 | 0 | -14,090 | 14,090 | -1,532 | 22.47 | 110.92 |
| 3/2004 | 206,295 | 0 | 0 | -180 | 180 | -16 | 0.18 | 111.11 |
| 6/2004 | 212,141 | 0 | 0 | 0 | 209 | 0 | 2.83 | 114.26 |
| 9/2004 | 210,506 | 0 | 0 | 0 | 314 | 0 | -0.77 | 113.38 |
| 12/2004 | 225,618 | 0 | 0 | 0 | 20,365 | 0 | 7.18 | 121.52 |
| 3/2005 | 225,276 | 0 | 0 | 0 | 422 | 0 | -0.15 | 121.34 |
| 6/2005 | 225,356 | 0 | 0 | 0 | 546 | 0 | 0.04 | 121.38 |
| 9/2005 | 234,620 | 0 | 0 | 0 | 316 | 0 | 4.11 | 126.37 |
| 12/2005 | 241,965 | 0 | 0 | 0 | 11,373 | 0 | 3.13 | 130.33 |
| 3/2006 | 253,173 | 0 | 0 | 0 | 518 | 0 | 4.63 | 136.36 |
| 6/2006 | 250,167 | 0 | 0 | 0 | 552 | 0 | -1.19 | 134.75 |
| 9/2006 | 263,737 | 0 | 0 | 0 | 789 | 0 | 5.42 | 142.05 |
| 12/2006 | 280,661 | 0 | 0 | 0 | 12,102 | 0 | 6.42 | 151.17 |
| 3/2007 | 282,155 | 0 | 0 | 0 | 563 | 0 | 0.53 | 151.97 |
| 6/2007 | 302,387 | 0 | 0 | 0 | 0 | 0 | 7.17 | 162.87 |
| 9/2007 | 316,509 | 0 | 0 | 0 | 599 | 0 | 4.67 | 170.48 |
| 12/2007 | 307,118 | 0 | 0 | 0 | 16,519 | 0 | -2.97 | 165.42 |
| 3/2008 | 283,691 | 0 | 0 | 0 | 608 | 0 | -7.63 | 152.80 |
| 6/2008 | 281,396 | 0 | 0 | 0 | 627 | 0 | -0.81 | 151.57 |
| 9/2008 | 253,297 | 0 | 0 | 0 | 692 | 0 | -9.99 | 136.43 |

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**Sentinel Funds Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 198,217 | 0 | 0 | 0 | 685 | 0 | -21.75 | 106.76 |
| 3/2009 | 180,869 | 0 | 0 | 0 | 0 | 0 | -8.75 | 97.42 |
| 6/2009 | 212,604 | 0 | 0 | 0 | 0 | 0 | 17.55 | 114.51 |
| 9/2009 | 241,678 | 0 | 0 | 0 | 415 | 0 | 13.68 | 130.17 |
| 12/2009 | 255,415 | 0 | 0 | 0 | 443 | 0 | 5.68 | 137.57 |
| 3/2010 | 268,344 | 0 | 0 | 0 | 351 | 0 | 5.06 | 144.54 |
| 6/2010 | 237,872 | 0 | 0 | 0 | 676 | 0 | -11.36 | 128.12 |
| 9/2010 | 263,534 | 0 | 0 | 0 | 585 | 0 | 10.79 | 141.94 |
| 12/2010 | 292,549 | 0 | 0 | 0 | 540 | 0 | 11.01 | 157.57 |
| 3/2011 | 310,290 | 0 | 0 | 0 | 671 | 0 | 6.06 | 167.13 |
| 6/2011 | 312,144 | 0 | 0 | 0 | 710 | 0 | 0.60 | 168.13 |
| 9/2011 | 265,521 | 0 | 0 | 0 | 759 | 0 | -14.94 | 143.01 |
| 12/2011 | 296,753 | 0 | 0 | 0 | 4,734 | 0 | 11.76 | 159.84 |
| 3/2012 | 331,730 | 0 | 0 | 0 | 1,079 | 0 | 11.79 | 178.68 |
| 6/2012 | 317,235 | 0 | 0 | 0 | 1,883 | 0 | -4.37 | 170.87 |
| 9/2012 | 337,264 | 0 | 0 | 0 | 931 | 0 | 6.31 | 181.66 |
| 12/2012 | 339,854 | 0 | 0 | 0 | 0 | 0 | 0.77 | 183.05 |

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**W & R Vanguard A Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 150,844 | 0 | 0 | 150,844 | 0 | 1,676 | | 100.00 |
| 6/2001 | 156,581 | 0 | 0 | 0 | 0 | 0 | 3.80 | 103.80 |
| 9/2001 | 129,004 | 0 | 0 | 0 | 0 | 0 | -17.61 | 85.52 |
| 12/2001 | 145,413 | 0 | 0 | 0 | 302 | 0 | 12.72 | 96.40 |
| 3/2002 | 150,420 | 0 | 0 | 0 | 0 | 0 | 3.44 | 99.72 |
| 6/2002 | 131,131 | 0 | 0 | 0 | 0 | 0 | -12.82 | 86.93 |
| 9/2002 | 112,769 | 0 | 0 | 0 | 0 | 0 | -14.00 | 74.76 |
| 12/2002 | 115,737 | 0 | 0 | 0 | 0 | 0 | 2.63 | 76.73 |
| 3/2003 | 116,664 | 0 | 0 | 0 | 0 | 0 | 0.80 | 77.34 |
| 6/2003 | 130,389 | 0 | 0 | 0 | 0 | 0 | 11.76 | 86.44 |
| 9/2003 | 134,840 | 0 | 0 | 0 | 0 | 0 | 3.41 | 89.39 |
| 12/2003 | 115,737 | 0 | 0 | 0 | 0 | 0 | -14.17 | 76.73 |
| 3/2004 | 150,977 | 0 | 0 | 0 | 0 | 0 | 30.45 | 100.09 |
| 6/2004 | 152,832 | 0 | 0 | 0 | 0 | 0 | 1.23 | 101.32 |
| 9/2004 | 144,300 | 0 | 0 | 0 | 0 | 0 | -5.58 | 95.66 |
| 12/2004 | 159,010 | 0 | 0 | 0 | 241 | 0 | 10.19 | 105.41 |
| 3/2005 | 154,923 | 0 | 0 | 0 | 0 | 0 | -2.57 | 102.70 |
| 6/2005 | 164,025 | 0 | 0 | 0 | 0 | 0 | 5.88 | 108.74 |
| 9/2005 | 171,641 | 0 | 0 | 0 | 0 | 0 | 4.64 | 113.79 |
| 12/2005 | 183,148 | 0 | 0 | 0 | 8,121 | 0 | 6.70 | 121.42 |
| 3/2006 | 188,781 | 0 | 0 | 0 | 0 | 0 | 3.08 | 125.15 |
| 6/2006 | 185,285 | 0 | 0 | 0 | 0 | 0 | -1.85 | 122.83 |
| 9/2006 | 179,847 | 0 | 0 | 0 | 0 | 0 | -2.93 | 119.23 |
| 12/2006 | 183,148 | 0 | 0 | 0 | 16,062 | 0 | 1.84 | 121.42 |
| 3/2007 | 191,689 | 0 | 0 | 0 | 0 | 0 | 4.66 | 127.08 |
| 6/2007 | 203,140 | 0 | 0 | 0 | 0 | 0 | 5.97 | 134.67 |
| 9/2007 | 233,038 | 0 | 0 | 0 | 0 | 0 | 14.72 | 154.49 |
| 12/2007 | 240,560 | 0 | 0 | 0 | 21,277 | 0 | 3.23 | 159.48 |
| 3/2008 | 213,134 | 0 | 0 | 0 | 0 | 0 | -11.40 | 141.29 |
| 6/2008 | 210,810 | 0 | 0 | 0 | 0 | 0 | -1.09 | 139.75 |
| 9/2008 | 185,708 | 0 | 0 | 0 | 0 | 0 | -11.91 | 123.11 |

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**W & R Vanguard A Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 145,520 | 0 | 0 | 0 | 12,860 | 0 | -21.64 | 96.47 |
| 3/2009 | 138,602 | 0 | 0 | 0 | 0 | 0 | -4.75 | 91.88 |
| 6/2009 | 154,487 | 0 | 0 | 0 | 0 | 0 | 11.46 | 102.42 |
| 9/2009 | 172,677 | 0 | 0 | 0 | 0 | 0 | 11.77 | 114.47 |
| 12/2009 | 182,787 | 0 | 0 | 0 | 0 | 0 | 5.85 | 121.18 |
| 3/2010 | 190,243 | 0 | 0 | 0 | 0 | 0 | 4.08 | 126.12 |
| 6/2010 | 166,848 | 0 | 0 | 0 | 0 | 0 | -12.30 | 110.61 |
| 9/2010 | 186,129 | 0 | 0 | 0 | 0 | 0 | 11.56 | 123.39 |
| 12/2010 | 207,571 | 0 | 0 | 0 | 103 | 0 | 11.52 | 137.61 |
| 3/2011 | 217,859 | 0 | 0 | 0 | 0 | 0 | 4.96 | 144.43 |
| 6/2011 | 220,431 | 0 | 0 | 0 | 0 | 0 | 1.18 | 146.13 |
| 9/2011 | 190,595 | 0 | 0 | 0 | 0 | 0 | -13.54 | 126.35 |
| 12/2011 | 212,200 | 0 | 0 | 0 | 0 | 0 | 11.34 | 140.68 |
| 3/2012 | 242,809 | 0 | 0 | 0 | 0 | 0 | 14.42 | 160.97 |
| 6/2012 | 225,833 | 0 | 0 | 0 | 0 | 0 | -6.99 | 149.71 |
| 9/2012 | 237,407 | 0 | 0 | 0 | 0 | 0 | 5.13 | 157.39 |
| 12/2012 | 234,570 | 0 | 0 | -10,085 | 368 | 0 | 3.05 | 162.19 |

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**Guardian - Fund A Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 169,740 | 0 | 0 | 169,740 | 0 | 1,886 | | 100.00 |
| 6/2001 | 182,516 | 0 | 0 | 0 | 1,255 | 0 | 7.53 | 107.53 |
| 9/2001 | 153,593 | 0 | 0 | 0 | 0 | 0 | -15.85 | 90.49 |
| 12/2001 | 167,063 | 0 | 0 | 0 | 0 | 0 | 8.77 | 98.42 |
| 3/2002 | 168,629 | 0 | 0 | 0 | 0 | 0 | 0.94 | 99.35 |
| 6/2002 | 145,451 | 0 | 0 | 0 | 439 | 0 | -13.74 | 85.69 |
| 9/2002 | 123,565 | 0 | 0 | 0 | 0 | 0 | -15.05 | 72.80 |
| 12/2002 | 131,052 | 0 | 0 | 0 | 0 | 0 | 6.06 | 77.21 |
| 3/2003 | 125,449 | 0 | 0 | 0 | 0 | 0 | -4.28 | 73.91 |
| 6/2003 | 142,070 | 0 | 0 | 0 | 932 | 0 | 13.25 | 83.70 |
| 9/2003 | 143,651 | 0 | 0 | 0 | 0 | 0 | 1.11 | 84.63 |
| 12/2003 | 158,511 | 0 | 0 | 0 | 0 | 0 | 10.34 | 93.38 |
| 3/2004 | 159,512 | 0 | 0 | 0 | 0 | 0 | 0.63 | 93.97 |
| 6/2004 | 159,652 | 0 | 0 | 0 | 975 | 0 | 0.09 | 94.06 |
| 9/2004 | 154,986 | 0 | 0 | 0 | 0 | 0 | -2.92 | 91.31 |
| 12/2004 | 167,445 | 0 | 0 | 0 | 1,114 | 0 | 8.04 | 98.65 |
| 3/2005 | 162,107 | 0 | 0 | 0 | 0 | 0 | -3.19 | 95.50 |
| 6/2005 | 163,031 | 0 | 0 | 0 | 1,688 | 0 | 0.57 | 96.05 |
| 9/2005 | 169,125 | 0 | 0 | 0 | 0 | 0 | 3.74 | 99.64 |
| 12/2005 | 173,978 | 0 | 0 | 0 | 0 | 0 | 2.87 | 102.50 |
| 3/2006 | 180,666 | 0 | 0 | 0 | 0 | 0 | 3.84 | 106.44 |
| 6/2006 | 177,501 | 0 | 0 | 0 | 1,671 | 0 | -1.75 | 104.57 |
| 9/2006 | 192,642 | 0 | 0 | 0 | 0 | 0 | 8.53 | 113.49 |
| 12/2006 | 203,323 | 0 | 0 | 0 | 775 | 0 | 5.54 | 119.78 |
| 3/2007 | 210,758 | 0 | 0 | 0 | 0 | 0 | 3.66 | 124.17 |
| 6/2007 | 232,190 | 0 | 0 | 0 | 0 | 0 | 10.17 | 136.79 |
| 9/2007 | 232,408 | 0 | 0 | 0 | 0 | 0 | 0.09 | 136.92 |
| 12/2007 | 233,368 | 0 | 0 | 0 | 1,224 | 0 | 0.41 | 137.49 |
| 3/2008 | 219,243 | 0 | 0 | 0 | 0 | 0 | -6.05 | 129.16 |
| 6/2008 | 222,706 | 0 | 0 | 0 | 0 | 0 | 1.58 | 131.20 |
| 9/2008 | 199,127 | 0 | 0 | 0 | 0 | 0 | -10.59 | 117.31 |

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**Guardian - Fund A Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 164,960 | 0 | 0 | 0 | 1,751 | 0 | -17.16 | 97.18 |
| 3/2009 | 151,403 | 0 | 0 | 0 | 0 | 0 | -8.22 | 89.20 |
| 6/2009 | 170,183 | 0 | 0 | 0 | 0 | 0 | 12.40 | 100.26 |
| 9/2009 | 199,908 | 0 | 0 | 0 | 0 | 0 | 17.47 | 117.77 |
| 12/2009 | 206,096 | 0 | 0 | 0 | 291 | 0 | 3.10 | 121.42 |
| 3/2010 | 220,173 | 0 | 0 | 0 | 0 | 0 | 6.83 | 129.71 |
| 6/2010 | 197,026 | 0 | 0 | 0 | 0 | 0 | -10.51 | 116.08 |
| 9/2010 | 213,107 | 0 | 0 | 0 | 0 | 0 | 8.16 | 125.55 |
| 12/2010 | 240,365 | 0 | 0 | 0 | 3,776 | 0 | 12.79 | 141.61 |
| 3/2011 | 248,903 | 0 | 0 | 0 | 0 | 0 | 3.55 | 146.64 |
| 6/2011 | 244,663 | 0 | 0 | 0 | 0 | 0 | -1.70 | 144.14 |
| 9/2011 | 193,887 | 0 | 0 | 0 | 0 | 0 | -20.75 | 114.23 |
| 12/2011 | 218,933 | 0 | 0 | 0 | 1,315 | 0 | 12.92 | 128.98 |
| 3/2012 | 241,350 | 0 | 0 | 0 | 0 | 0 | 10.24 | 142.19 |
| 6/2012 | 235,149 | 0 | 0 | 0 | 0 | 0 | -2.57 | 138.53 |
| 9/2012 | 250,055 | 0 | 0 | 0 | 0 | 0 | 6.34 | 147.32 |
| 12/2012 | 254,540 | 0 | 0 | 0 | 0 | 0 | 1.79 | 149.96 |

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**RVS Large Cap Equity Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 1,485,766 | 0 | 0 | 1,485,766 | 0 | 16,509 | | 100.00 |
| 6/2001 | 1,567,168 | 500 | 500 | 500 | 0 | 577 | 5.38 | 105.38 |
| 9/2001 | 1,321,831 | 500 | 500 | 500 | 0 | 647 | -15.74 | 88.79 |
| 12/2001 | 1,488,826 | 500 | 500 | 500 | 995 | 668 | 12.51 | 99.90 |
| 3/2002 | 1,494,709 | 500 | 0 | 500 | 0 | 522 | 0.33 | 100.22 |
| 6/2002 | 1,306,748 | 1,000 | 500 | 500 | 0 | 1,132 | -12.70 | 87.50 |
| 9/2002 | 1,113,254 | 500 | 500 | 500 | 0 | 647 | -14.91 | 74.45 |
| 12/2002 | 1,174,086 | 0 | 0 | 0 | -2,065 | 0 | 5.46 | 78.51 |
| 3/2003 | 1,164,565 | 0 | 0 | 0 | 0 | 0 | -0.81 | 77.88 |
| 6/2003 | 1,310,060 | 0 | 0 | 0 | 0 | 0 | 12.49 | 87.61 |
| 9/2003 | 1,336,687 | 500 | 500 | 500 | 0 | 620 | 1.92 | 89.29 |
| 12/2003 | 1,466,153 | 500 | 0 | 6,038 | 0 | 1,261 | 9.19 | 97.49 |
| 3/2004 | 1,468,887 | 0 | 1,000 | 500 | 0 | 451 | 0.08 | 97.57 |
| 6/2004 | 1,469,011 | 500 | 500 | 500 | 1,681 | 555 | -0.09 | 97.48 |
| 9/2004 | 1,409,878 | 500 | 500 | 500 | 0 | 576 | -4.13 | 93.46 |
| 12/2004 | 1,508,276 | 500 | 500 | 500 | 0 | 576 | 6.87 | 99.88 |
| 3/2005 | 1,451,902 | 500 | 500 | 500 | 0 | 567 | -3.84 | 96.05 |
| 6/2005 | 1,464,746 | 0 | 0 | 0 | 0 | 0 | 0.88 | 96.90 |
| 9/2005 | 1,528,667 | 500 | 500 | 500 | 0 | 609 | 4.26 | 101.03 |
| 12/2005 | 1,537,695 | 500 | 500 | 500 | 0 | 647 | 0.49 | 101.52 |
| 3/2006 | 1,612,111 | 500 | 500 | 1,000 | 69,249 | 850 | 4.71 | 106.30 |
| 6/2006 | 1,563,532 | 0 | 0 | 0 | 0 | 0 | -3.01 | 103.10 |
| 9/2006 | 1,653,104 | 1,000 | 0 | 1,000 | 0 | 832 | 5.60 | 108.87 |
| 12/2006 | 1,776,467 | 500 | 0 | -500 | 57,609 | 337 | 7.46 | 116.99 |
| 3/2007 | 1,780,502 | 500 | 0 | 500 | 0 | 494 | 0.17 | 117.19 |
| 6/2007 | 1,887,844 | 0 | 0 | 0 | 0 | 0 | 6.03 | 124.26 |
| 9/2007 | 1,920,136 | 1,000 | 0 | 1,000 | 0 | 1,022 | 1.60 | 126.25 |
| 12/2007 | 1,829,977 | 500 | 0 | 1,500 | 213,778 | 342 | -4.80 | 120.19 |
| 3/2008 | 1,635,246 | 0 | 0 | 500 | 0 | 38 | -10.67 | 107.37 |
| 6/2008 | 1,571,392 | 500 | 0 | 1,000 | 0 | 516 | -4.00 | 103.08 |
| 9/2008 | 1,397,423 | 500 | 500 | 500 | 0 | 587 | -11.16 | 91.57 |

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**RVS Large Cap Equity Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 1,058,164 | 500 | 1,000 | 500 | 0 | 734 | -24.41 | 69.22 |
| 3/2009 | 917,795 | 0 | 0 | 0 | 0 | 0 | -13.27 | 60.04 |
| 6/2009 | 1,064,802 | 0 | 0 | 0 | 0 | 0 | 16.02 | 69.66 |
| 9/2009 | 1,239,166 | 500 | 500 | 500 | 29,797 | 690 | 16.22 | 80.96 |
| 12/2009 | 1,311,616 | 500 | 500 | 500 | 0 | 609 | 5.72 | 85.59 |
| 3/2010 | 1,385,256 | 500 | 500 | 500 | 0 | 633 | 5.50 | 90.30 |
| 6/2010 | 1,231,165 | 500 | 500 | 500 | 0 | 604 | -11.23 | 80.16 |
| 9/2010 | 1,377,242 | 500 | 500 | 500 | 0 | 652 | 11.74 | 89.57 |
| 12/2010 | 1,516,851 | 500 | 500 | 500 | 9,979 | 587 | 10.02 | 98.54 |
| 3/2011 | 1,618,808 | 0 | 0 | 0 | 0 | 0 | 6.72 | 105.17 |
| 6/2011 | 1,637,137 | 500 | 1,000 | 0 | 0 | 1,193 | 1.04 | 106.26 |
| 9/2011 | 1,428,539 | 0 | 0 | -2,000 | 2,000 | 0 | -12.62 | 92.85 |
| 12/2011 | 1,605,726 | 0 | 0 | 0 | 11,083 | 0 | 12.40 | 104.37 |
| 3/2012 | 1,835,115 | 0 | 0 | 0 | 0 | 0 | 14.29 | 119.28 |
| 6/2012 | 1,767,148 | 0 | 0 | 0 | 0 | 0 | -3.70 | 114.86 |
| 9/2012 | 1,886,090 | 0 | 0 | 0 | 0 | 0 | 6.73 | 122.59 |
| 12/2012 | 1,854,656 | 0 | 0 | 0 | 0 | 0 | -1.67 | 120.55 |

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**Putnam Vista Fund Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 211,116 | 0 | 0 | 211,116 | 0 | 2,346 | | 100.00 |
| 6/2001 | 238,927 | 0 | 0 | 0 | 0 | 0 | 13.17 | 113.17 |
| 9/2001 | 162,111 | 0 | 0 | 0 | 0 | 0 | -32.15 | 76.79 |
| 12/2001 | 203,583 | 0 | 0 | 0 | 0 | 0 | 25.58 | 96.43 |
| 3/2002 | 198,164 | 0 | 0 | 0 | 0 | 0 | -2.66 | 93.86 |
| 6/2002 | 163,997 | 0 | 0 | 0 | 0 | 0 | -17.24 | 77.68 |
| 9/2002 | 133,601 | 0 | 0 | 0 | 0 | 0 | -18.53 | 63.28 |
| 12/2002 | 141,135 | 0 | 0 | 0 | 0 | 0 | 5.64 | 66.85 |
| 3/2003 | 139,256 | 0 | 0 | 0 | 0 | 0 | -1.33 | 65.96 |
| 6/2003 | 162,583 | 0 | 0 | 0 | 0 | 0 | 16.75 | 77.01 |
| 9/2003 | 172,009 | 0 | 0 | 0 | 0 | 0 | 5.80 | 81.48 |
| 12/2003 | 188,266 | 0 | 0 | 0 | 0 | 0 | 9.45 | 89.18 |
| 3/2004 | 197,693 | 0 | 0 | 0 | 0 | 0 | 5.01 | 93.64 |
| 6/2004 | 202,404 | 0 | 0 | 0 | 0 | 0 | 2.38 | 95.87 |
| 9/2004 | 196,750 | 0 | 0 | 0 | 0 | 0 | -2.79 | 93.20 |
| 12/2004 | 223,848 | 0 | 0 | 0 | 0 | 0 | 13.77 | 106.03 |
| 3/2005 | 222,905 | 0 | 0 | 0 | 0 | 0 | -0.42 | 105.58 |
| 6/2005 | 223,611 | 0 | 0 | 0 | 0 | 0 | 0.32 | 105.92 |
| 9/2005 | 242,463 | 0 | 0 | 0 | 0 | 0 | 8.43 | 114.85 |
| 12/2005 | 251,181 | 0 | 0 | 0 | 0 | 0 | 3.60 | 118.98 |
| 3/2006 | 274,979 | 0 | 0 | 0 | 0 | 0 | 9.47 | 130.25 |
| 6/2006 | 255,658 | 0 | 0 | 0 | 0 | 0 | -7.03 | 121.10 |
| 9/2006 | 250,700 | 0 | 0 | 0 | 0 | 0 | -1.94 | 118.75 |
| 12/2006 | 265,319 | 0 | 0 | 0 | 0 | 0 | 5.83 | 125.67 |
| 3/2007 | 271,209 | 0 | 0 | 0 | 0 | 0 | 2.22 | 128.46 |
| 6/2007 | 283,227 | 0 | 0 | 0 | 0 | 0 | 4.43 | 134.16 |
| 9/2007 | 286,291 | 0 | 0 | 0 | 0 | 0 | 1.08 | 135.61 |
| 12/2007 | 274,979 | 0 | 0 | 0 | 0 | 0 | -3.95 | 130.25 |
| 3/2008 | 237,043 | 0 | 0 | 0 | 0 | 0 | -13.80 | 112.28 |
| 6/2008 | 0 | 0 | 0 | -262,015 | 0 | -40,310 | | 100.00 |

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**Phoenix - Oakhurst Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 629,835 | 0 | 0 | 629,835 | 0 | 6,998 | | 100.00 |
| 6/2001 | 674,586 | 0 | 1,500 | 1,500 | 4,444 | 1,253 | 6.62 | 106.62 |
| 9/2001 | 631,094 | 1,500 | 1,500 | 1,500 | 4,504 | 2,674 | -7.09 | 99.06 |
| 12/2001 | 682,437 | 1,500 | 1,500 | 0 | 0 | 2,332 | 7.63 | 106.62 |
| 3/2002 | 680,756 | 1,500 | 1,500 | 1,500 | 3,935 | 2,650 | -0.90 | 105.66 |
| 6/2002 | 637,999 | 1,500 | 1,500 | 1,500 | 4,219 | 2,736 | -6.91 | 98.35 |
| 9/2002 | 585,155 | 1,500 | 1,500 | 1,500 | -4,278 | 2,723 | -8.95 | 89.55 |
| 12/2002 | 620,800 | 1,500 | 1,500 | 0 | 0 | 2,376 | 5.56 | 94.53 |
| 3/2003 | 615,590 | 1,500 | 1,500 | 1,500 | 0 | 2,700 | -1.56 | 93.05 |
| 6/2003 | 679,977 | 1,500 | 1,500 | 1,500 | 0 | 2,670 | 9.69 | 102.07 |
| 9/2003 | 700,506 | 1,500 | 1,500 | 3,000 | 3,104 | 2,997 | 2.13 | 104.24 |
| 12/2003 | 756,317 | 1,500 | 1,500 | 1,500 | 4,352 | 2,739 | 7.30 | 111.85 |
| 3/2004 | 780,905 | 1,500 | 1,500 | 1,500 | 3,737 | 2,769 | 2.65 | 114.81 |
| 6/2004 | 780,520 | 1,500 | 1,500 | 0 | 0 | 2,308 | -0.43 | 114.31 |
| 9/2004 | 774,647 | 1,500 | 1,500 | 1,500 | 4,184 | 2,641 | -1.32 | 112.80 |
| 12/2004 | 829,486 | 1,500 | 1,500 | 1,500 | 37,683 | 2,723 | 6.48 | 120.10 |
| 3/2005 | 818,959 | 1,500 | 1,500 | 1,500 | 4,457 | 2,567 | -1.81 | 117.93 |
| 6/2005 | 834,894 | 1,500 | 1,500 | 1,500 | 3,605 | 2,703 | 1.39 | 119.57 |
| 9/2005 | 846,433 | 1,500 | 1,500 | 1,500 | 3,639 | 3,020 | 0.84 | 120.58 |
| 12/2005 | 860,019 | 1,500 | 1,500 | 1,500 | 24,690 | 2,658 | 1.07 | 121.87 |
| 3/2006 | 897,122 | 4,500 | 1,500 | 0 | 0 | 5,000 | 3.60 | 126.25 |
| 6/2006 | 890,303 | 1,500 | 1,500 | 1,500 | 4,802 | 2,753 | -1.26 | 124.66 |
| 9/2006 | | 0 | 0 | 3,000 | 0 | 2,250 | | 100.00 |

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**Phoenix - Engemann Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 567,649 | 0 | 0 | 567,649 | 0 | 6,307 | | 100.00 |
| 6/2001 | 615,754 | 0 | 1,500 | 1,500 | 0 | 1,253 | 7.68 | 107.68 |
| 9/2001 | 437,392 | 1,500 | 1,500 | 1,500 | 0 | 2,674 | -29.57 | 75.84 |
| 12/2001 | 527,796 | 1,500 | 1,500 | 0 | 0 | 2,332 | 19.55 | 90.67 |
| 3/2002 | 508,457 | 1,500 | 1,500 | 1,500 | 0 | 2,650 | -4.49 | 86.59 |
| 6/2002 | 431,378 | 1,500 | 1,500 | 1,500 | 0 | 2,736 | -15.96 | 72.77 |
| 9/2002 | 383,141 | 1,500 | 1,500 | 1,500 | 0 | 2,723 | -12.15 | 63.93 |
| 12/2002 | 409,875 | 1,500 | 1,500 | 0 | 0 | 2,250 | 6.16 | 67.87 |
| 3/2003 | 406,056 | 1,500 | 1,500 | 1,500 | 0 | 2,700 | -2.02 | 66.50 |
| 6/2003 | 462,483 | 1,500 | 1,500 | 1,500 | 0 | 2,258 | 12.72 | 74.96 |
| 9/2003 | 488,521 | 1,500 | 1,500 | 0 | 0 | 2,250 | 4.96 | 78.67 |
| 12/2003 | 535,979 | 1,500 | 1,500 | 1,500 | 0 | 2,380 | 8.75 | 85.56 |
| 3/2004 | 550,105 | 1,500 | 1,500 | 1,500 | 0 | 2,769 | 1.79 | 87.09 |
| 6/2004 | 557,633 | 1,500 | 1,500 | 0 | 0 | 2,308 | 0.82 | 87.80 |
| 9/2004 | 531,819 | 1,500 | 1,500 | 1,500 | 0 | 2,641 | -5.41 | 83.05 |
| 12/2004 | 579,612 | 1,500 | 1,500 | 1,500 | 0 | 2,723 | 8.10 | 89.78 |
| 3/2005 | 554,722 | 1,500 | 1,500 | 1,500 | 0 | 2,567 | -5.05 | 85.25 |
| 6/2005 | 568,971 | 1,500 | 1,500 | 1,500 | 0 | 2,703 | 1.75 | 86.74 |
| 9/2005 | 585,190 | 1,500 | 1,500 | 1,500 | 0 | 2,348 | 2.05 | 88.52 |
| 12/2005 | 618,622 | 1,500 | 1,500 | 1,500 | 3,293 | 2,658 | 4.92 | 92.87 |
| 3/2006 | 629,935 | 1,500 | 1,500 | 0 | 4,753 | 2,267 | 1.34 | 94.12 |
| 6/2006 | 583,575 | 1,500 | 1,500 | 1,500 | 0 | 2,753 | -8.04 | 86.55 |
| 9/2006 | | 0 | 0 | -1,539,414 | 0 | -383,354 | | 100.00 |

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**Templeton Foreign Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 1,384,618 | 0 | 0 | 1,384,618 | 0 | 15,385 | | 100.00 |
| 6/2001 | 1,438,488 | 0 | 0 | 0 | 0 | 0 | 3.89 | 103.89 |
| 9/2001 | 1,244,845 | 0 | 0 | 0 | 0 | 0 | -13.46 | 89.91 |
| 12/2001 | 1,386,214 | 0 | 0 | 0 | 31,638 | 0 | 11.36 | 100.12 |
| 3/2002 | 1,450,654 | 0 | 0 | 0 | 0 | 0 | 4.65 | 104.77 |
| 6/2002 | 1,443,161 | 0 | 0 | 0 | 0 | 0 | -0.52 | 104.23 |
| 9/2002 | 1,206,381 | 0 | 0 | 0 | 0 | 0 | -16.41 | 87.13 |
| 12/2002 | 1,266,394 | 0 | 0 | 0 | 0 | 0 | 4.97 | 91.46 |
| 3/2003 | 1,149,050 | 0 | 0 | 0 | 0 | 0 | -9.27 | 82.99 |
| 6/2003 | 1,353,258 | 0 | 0 | 0 | 0 | 0 | 17.77 | 97.74 |
| 9/2003 | 1,478,232 | 0 | 0 | 0 | 0 | 0 | 9.24 | 106.76 |
| 12/2003 | 1,652,825 | 0 | 0 | 0 | 29,278 | -292 | 11.81 | 119.37 |
| 3/2004 | 1,719,613 | 0 | 0 | 0 | 0 | 0 | 4.04 | 124.20 |
| 6/2004 | 1,696,320 | 0 | 0 | 0 | 0 | 0 | -1.35 | 122.51 |
| 9/2004 | 1,711,854 | 0 | 0 | 0 | 0 | 0 | 0.92 | 123.64 |
| 12/2004 | 1,952,657 | 0 | 0 | 0 | 38,334 | 0 | 14.07 | 141.03 |
| 3/2005 | 1,947,895 | 0 | 0 | 0 | 0 | 0 | -0.24 | 140.68 |
| 6/2005 | 1,936,782 | 0 | 0 | 0 | 0 | 0 | -0.57 | 139.88 |
| 9/2005 | 2,119,349 | 0 | 0 | 0 | 0 | 0 | 9.43 | 153.07 |
| 12/2005 | 2,160,281 | 0 | 0 | 0 | 141,765 | 0 | 1.93 | 156.02 |
| 3/2006 | 2,299,984 | 0 | 0 | 0 | 0 | 0 | 6.47 | 166.11 |
| 6/2006 | 2,293,169 | 0 | 0 | 0 | 0 | 0 | -0.30 | 165.62 |
| 9/2006 | 2,363,018 | 0 | 0 | 0 | 0 | 0 | 3.05 | 170.67 |
| 12/2006 | 2,590,836 | 152,855 | 0 | 52,628 | 52,342 | 113,552 | 0.90 | 172.20 |
| 3/2007 | 2,644,021 | 0 | 0 | 0 | 0 | 0 | 2.05 | 175.74 |
| 6/2007 | 2,839,663 | 0 | 0 | 0 | 0 | 0 | 7.40 | 188.74 |
| 9/2007 | 2,966,925 | 0 | 0 | 0 | 0 | 0 | 4.48 | 197.20 |
| 12/2007 | 3,037,613 | 0 | 0 | -3 | 677,729 | 0 | 2.38 | 201.90 |
| 3/2008 | 2,663,978 | 0 | 0 | 0 | 0 | 0 | -12.30 | 177.07 |
| 6/2008 | 2,583,913 | 0 | 0 | 0 | 0 | 0 | -3.01 | 171.74 |
| 9/2008 | 2,161,752 | 0 | 0 | 0 | 0 | 0 | -16.34 | 143.69 |

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**Templeton Foreign Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 1,637,612 | 0 | 0 | -6 | 561,641 | -1 | -24.25 | 108.85 |
| 3/2009 | 1,508,521 | 0 | 0 | 0 | 0 | 0 | -7.88 | 100.27 |
| 6/2009 | 1,936,365 | 0 | 0 | 0 | 0 | 0 | 28.36 | 128.70 |
| 9/2009 | 2,437,976 | 0 | 0 | 0 | 0 | 0 | 25.90 | 162.05 |
| 12/2009 | 2,452,027 | 0 | 0 | 0 | 35,187 | 0 | 0.58 | 162.98 |
| 3/2010 | 2,448,283 | 0 | 0 | 0 | 0 | 0 | -0.15 | 162.73 |
| 6/2010 | 2,133,825 | 0 | 0 | 0 | 0 | 0 | -12.84 | 141.83 |
| 9/2010 | 2,467,001 | 0 | 0 | 0 | 0 | 0 | 15.61 | 163.97 |
| 12/2010 | 2,660,484 | 0 | 0 | 0 | 46,532 | 21,015 | 7.82 | 176.80 |
| 3/2011 | 2,835,817 | 0 | 0 | 0 | 0 | 0 | 6.59 | 188.45 |
| 6/2011 | 2,858,687 | 0 | 0 | 0 | 0 | 0 | 0.81 | 189.97 |
| 9/2011 | 2,248,834 | 0 | 0 | 0 | 0 | 0 | -21.33 | 149.44 |
| 12/2011 | 2,322,352 | 0 | 0 | 0 | 64,225 | 0 | 3.27 | 154.33 |
| 3/2012 | 2,608,723 | 0 | 0 | 0 | 0 | 0 | 12.33 | 173.36 |
| 6/2012 | 2,318,429 | 0 | 0 | 0 | 0 | 0 | -11.13 | 154.07 |
| 9/2012 | 2,534,188 | 0 | 0 | 0 | 0 | 0 | 9.31 | 168.41 |
| 12/2012 | 2,753,262 | 0 | 0 | 0 | 58,490 | 0 | 8.64 | 182.96 |

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**Europacific Growth Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 1,625,207 | 0 | 0 | 1,625,207 | 0 | 18,058 | | 100.00 |
| 6/2001 | 1,655,208 | 0 | 0 | 0 | 0 | 0 | 1.85 | 101.85 |
| 9/2001 | 1,423,195 | 0 | 0 | 0 | 0 | 0 | -14.02 | 87.57 |
| 12/2001 | 1,558,054 | 0 | 0 | 0 | 0 | 0 | 9.48 | 95.87 |
| 3/2002 | 1,582,407 | 0 | 0 | 0 | 0 | 0 | 1.56 | 97.37 |
| 6/2002 | 1,513,985 | 0 | 0 | 0 | 0 | 0 | -4.32 | 93.16 |
| 9/2002 | 1,247,834 | 0 | 0 | 0 | 0 | 0 | -17.58 | 76.78 |
| 12/2002 | 1,346,019 | 0 | 0 | 0 | 0 | 0 | 7.87 | 82.82 |
| 3/2003 | 1,215,940 | 0 | 0 | 0 | 0 | 0 | -9.66 | 74.82 |
| 6/2003 | 1,434,516 | 0 | 0 | 0 | 0 | 0 | 17.98 | 88.27 |
| 9/2003 | 1,567,537 | 0 | 0 | 0 | 0 | 0 | 9.27 | 96.45 |
| 12/2003 | 1,788,989 | 0 | 0 | 0 | 18,166 | -790 | 14.13 | 110.08 |
| 3/2004 | 1,910,387 | 0 | 0 | 0 | 0 | 0 | 6.79 | 117.55 |
| 6/2004 | 1,875,449 | 0 | 0 | 0 | 0 | 0 | -1.83 | 115.40 |
| 9/2004 | 1,884,331 | 0 | 0 | 0 | 0 | 0 | 0.47 | 115.95 |
| 12/2004 | 2,141,209 | 0 | 0 | 0 | 30,142 | 0 | 13.63 | 131.76 |
| 3/2005 | 2,141,209 | 0 | 0 | 0 | 0 | 0 | 0.00 | 131.76 |
| 6/2005 | 2,158,037 | 0 | 0 | 0 | 0 | 0 | 0.79 | 132.79 |
| 9/2005 | 2,422,458 | 0 | 0 | 0 | 0 | 0 | 12.25 | 149.06 |
| 12/2005 | 2,593,371 | 0 | 0 | 0 | 122,776 | 0 | 7.06 | 159.58 |
| 3/2006 | 2,788,978 | 0 | 0 | 0 | 0 | 0 | 7.54 | 171.62 |
| 6/2006 | 2,770,048 | 0 | 0 | 0 | 0 | 0 | -0.68 | 170.45 |
| 9/2006 | 2,908,233 | 0 | 0 | 0 | 0 | 0 | 4.99 | 178.96 |
| 12/2006 | 3,160,519 | 0 | 0 | 171,061 | 48,649 | 1,859 | 2.79 | 183.95 |
| 3/2007 | 3,252,837 | 0 | 0 | 0 | 0 | 0 | 2.92 | 189.32 |
| 6/2007 | 3,527,074 | 0 | 0 | 0 | 0 | 0 | 8.43 | 205.29 |
| 9/2007 | 3,711,709 | 0 | 0 | 0 | 0 | 0 | 5.23 | 216.03 |
| 12/2007 | 3,759,599 | 0 | 0 | 0 | 314,830 | 0 | 1.29 | 218.82 |
| 3/2008 | 3,461,019 | 0 | 0 | 0 | 0 | 0 | -7.94 | 201.44 |
| 6/2008 | 3,379,722 | 0 | 0 | 0 | 0 | 0 | -2.35 | 196.71 |
| 9/2008 | 2,769,998 | 0 | 0 | 0 | 0 | 0 | -18.04 | 161.22 |

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**Europacific Growth Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 2,235,961 | 0 | 0 | -1 | 159,933 | 0 | -19.28 | 130.14 |
| 3/2009 | 2,057,946 | 0 | 0 | 0 | 0 | 0 | -7.96 | 119.78 |
| 6/2009 | 2,516,953 | 0 | 0 | 0 | 0 | 0 | 22.30 | 146.49 |
| 9/2009 | 3,007,890 | 0 | 0 | 0 | 0 | 0 | 19.51 | 175.07 |
| 12/2009 | 3,110,125 | 0 | 0 | 0 | 49,653 | 0 | 3.40 | 181.02 |
| 3/2010 | 3,132,839 | 0 | 0 | 0 | 0 | 0 | 0.73 | 182.34 |
| 6/2010 | 2,755,633 | 0 | 0 | 0 | 0 | 0 | -12.04 | 160.39 |
| 9/2010 | 3,219,637 | 0 | 0 | 0 | 0 | 0 | 16.84 | 187.39 |
| 12/2010 | 3,402,619 | 0 | 0 | 0 | 46,238 | 0 | 5.68 | 198.04 |
| 3/2011 | 3,521,057 | 0 | 0 | 0 | 0 | 0 | 3.48 | 204.94 |
| 6/2011 | 3,555,601 | 0 | 0 | 0 | 0 | 0 | 0.98 | 206.95 |
| 9/2011 | 2,812,897 | 0 | 0 | 0 | 0 | 0 | -20.89 | 163.72 |
| 12/2011 | 2,940,382 | 0 | 0 | 0 | 48,527 | 0 | 4.53 | 171.14 |
| 3/2012 | 2,861,955 | 0 | -435,454 | 0 | 0 | -90,094 | 12.32 | 192.22 |
| 6/2012 | 2,684,306 | 0 | 0 | 0 | 0 | 0 | -6.21 | 180.29 |
| 9/2012 | 2,878,632 | 0 | 0 | 0 | 0 | 0 | 7.24 | 193.34 |
| 12/2012 | 3,039,294 | 0 | 0 | 0 | 50,104 | 0 | 5.58 | 204.13 |

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**John Hancock Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 9/2006 | 194,003 | 0 | 0 | 0 | 1,671 | 0 | | 100.00 |
| 12/2006 | 1,842,859 | 1,000,000 | 725,000 | 16,300 | 0 | 1,370,558 | -5.91 | 94.09 |
| 3/2007 | 1,929,107 | 0 | 0 | 0 | 0 | 0 | 4.68 | 98.49 |
| 6/2007 | 2,066,498 | 0 | 0 | 0 | 0 | 0 | 7.12 | 105.51 |
| 9/2007 | 2,112,439 | 0 | 0 | 0 | 0 | 0 | 2.22 | 107.86 |
| 12/2007 | 2,045,002 | -500 | 0 | 0 | 184,438 | -342 | -3.17 | 104.44 |
| 3/2008 | 1,856,188 | 0 | 0 | 0 | 0 | 0 | -9.23 | 94.79 |
| 6/2008 | 1,843,792 | 0 | 0 | 0 | 0 | 0 | -0.67 | 94.16 |
| 9/2008 | 1,490,482 | 0 | 0 | 0 | 0 | 0 | -19.16 | 76.12 |
| 12/2008 | 1,376,162 | 0 | 0 | 130,452 | 130,456 | 11,344 | -16.30 | 63.71 |
| 3/2009 | 1,042,839 | -130,456 | 0 | 0 | 0 | -118,860 | -16.14 | 53.43 |
| 6/2009 | 1,258,561 | 0 | 0 | 0 | 0 | 0 | 20.69 | 64.49 |
| 9/2009 | 1,466,809 | 0 | 0 | 0 | 0 | 0 | 16.55 | 75.16 |
| 12/2009 | 1,469,262 | 0 | 0 | 0 | 27,601 | -1,200 | 0.17 | 75.28 |
| 3/2010 | 1,491,573 | 0 | 0 | 0 | 0 | 0 | 1.52 | 76.42 |
| 6/2010 | 1,277,714 | 0 | 0 | 0 | 0 | 0 | -14.34 | 65.47 |
| 9/2010 | 1,500,824 | 0 | 0 | 0 | 0 | 0 | 17.46 | 76.90 |
| 12/2010 | 1,603,164 | 0 | 0 | 0 | 16,645 | 0 | 6.82 | 82.14 |
| 3/2011 | 1,660,911 | 0 | 0 | 0 | 0 | 0 | 3.60 | 85.10 |
| 6/2011 | 1,718,108 | 0 | 0 | 0 | 0 | 0 | 3.44 | 88.03 |
| 9/2011 | 1,380,426 | 0 | 0 | 0 | 0 | 0 | -19.65 | 70.73 |
| 12/2011 | 1,434,556 | 0 | 0 | 0 | 21,617 | 0 | 3.92 | 73.50 |
| 3/2012 | 1,552,427 | 0 | 0 | 0 | 0 | 0 | 8.22 | 79.54 |
| 6/2012 | 1,451,874 | 0 | 0 | 0 | 0 | 0 | -6.48 | 74.39 |
| 9/2012 | 1,537,903 | 0 | 0 | 0 | 0 | 0 | 5.93 | 78.80 |
| 12/2012 | 1,634,377 | 0 | 0 | 0 | 52,098 | 0 | 6.27 | 83.74 |

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**Putnam Voyager Historical Data and Rates of Return**
**July 31, 2006 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 267,850 | 0 | 0 | 267,850 | 0 | 2,976 | | 100.00 |
| 6/2001 | 285,477 | 0 | 0 | 0 | 0 | 0 | 6.58 | 106.58 |
| 9/2001 | 231,789 | 0 | 0 | 0 | 0 | 0 | -18.81 | 86.54 |
| 12/2001 | 256,610 | 0 | 0 | 0 | 0 | 0 | 10.71 | 95.80 |
| 3/2002 | 254,385 | 0 | 0 | 0 | 0 | 0 | -0.87 | 94.97 |
| 6/2002 | 213,891 | 0 | 0 | 0 | 0 | 0 | -15.92 | 79.85 |
| 9/2002 | 179,330 | 0 | 0 | 0 | 0 | 0 | -16.16 | 66.95 |
| 12/2002 | 188,526 | 0 | 0 | 0 | 0 | 0 | 5.13 | 70.38 |
| 3/2003 | 185,709 | 0 | 0 | 0 | 0 | 0 | -1.49 | 69.33 |
| 6/2003 | 208,997 | 0 | 0 | 0 | 0 | 0 | 12.54 | 78.03 |
| 9/2003 | 216,265 | 0 | 0 | 0 | 0 | 0 | 3.48 | 80.74 |
| 12/2003 | 235,103 | 0 | 0 | 0 | 0 | 0 | 8.71 | 87.77 |
| 3/2004 | 237,328 | 0 | 0 | 0 | 0 | 0 | 0.95 | 88.60 |
| 6/2004 | 238,514 | 0 | 0 | 0 | 0 | 0 | 0.50 | 89.05 |
| 9/2004 | 226,499 | 0 | 0 | 0 | 0 | 0 | -5.04 | 84.56 |
| 12/2004 | 246,376 | 0 | 0 | 0 | 0 | 0 | 8.78 | 91.98 |
| 3/2005 | 235,400 | 0 | 0 | 0 | 0 | 0 | -4.45 | 87.89 |
| 6/2005 | 242,668 | 0 | 0 | 0 | 0 | 0 | 3.09 | 90.60 |
| 9/2005 | 251,718 | 0 | 0 | 0 | 0 | 0 | 3.73 | 93.98 |
| 12/2005 | 259,921 | 0 | 0 | 0 | 1,854 | 0 | 3.26 | 97.04 |
| 3/2006 | 265,597 | 0 | 0 | 0 | 0 | 0 | 2.18 | 99.16 |
| 6/2006 | 249,762 | 0 | 0 | 0 | 0 | 0 | -5.96 | 93.25 |
| 9/2006 | 254,974 | 0 | 0 | 0 | 0 | 0 | 2.09 | 95.19 |
| 12/2006 | 273,515 | 0 | 0 | 0 | 0 | 0 | 7.27 | 102.11 |
| 3/2007 | 271,872 | 0 | 0 | 0 | 0 | 0 | -0.60 | 101.50 |
| 6/2007 | 284,867 | 0 | 0 | 0 | 0 | 0 | 4.78 | 106.35 |
| 9/2007 | 288,751 | 0 | 0 | 0 | 0 | 0 | 1.36 | 107.80 |
| 12/2007 | 288,005 | 0 | 0 | 0 | 0 | 0 | -0.26 | 107.52 |
| 3/2008 | 251,855 | 0 | 0 | 0 | 0 | 0 | -12.55 | 94.03 |
| 6/2008 | 0 | 0 | 0 | -265,891 | 0 | -40,906 | | 100.00 |

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**American Funds Capital Wld Growth & In. Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2010 | 682,423 | 0 | 670,980 | 0 | 0 | 290,758 | | 106.44 |
| 3/2011 | 707,170 | 0 | 0 | 0 | 0 | 0 | 3.63 | 110.30 |
| 6/2011 | 718,923 | 0 | 0 | 0 | 7,674 | 0 | 1.66 | 112.13 |
| 9/2011 | 590,523 | 0 | 0 | 0 | 2,910 | 0 | -17.86 | 92.10 |
| 12/2011 | 631,011 | 0 | 0 | 0 | 0 | 0 | 6.86 | 98.42 |
| 3/2012 | 701,718 | 0 | 0 | 0 | 2,947 | 0 | 11.21 | 109.45 |
| 6/2012 | 676,273 | 0 | 0 | 0 | 8,088 | 0 | | 105.35 |
| 9/2012 | 722,559 | 0 | 0 | 0 | 3,196 | 0 | 6.84 | 112.56 |
| 12/2012 | 751,685 | 0 | 0 | 0 | 0 | 0 | 4.03 | 117.10 |

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**ING Global Opportunities Historical Data and Rates of Return**
**June 30, 1991 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2011 | 584,029 | 0 | 0 | 0 | 0 | 0 | 3.48 | 103.48 |
| 6/2011 | 578,927 | 0 | 0 | 0 | 0 | 0 | -0.87 | 102.57 |
| 9/2011 | 457,647 | 0 | 0 | 0 | 0 | 0 | -20.95 | 81.08 |
| 12/2011 | 485,155 | 0 | 0 | 0 | 28,388 | 0 | 6.01 | 85.96 |
| 3/2012 | 562,482 | 0 | 0 | 0 | 0 | 0 | 15.94 | 99.66 |
| 6/2012 | 518,519 | 0 | 0 | 0 | 0 | 0 | -7.82 | 91.87 |
| 9/2012 | 549,529 | 0 | 0 | 0 | 0 | 0 | 5.98 | 97.36 |
| 12/2012 | 571,086 | 0 | 0 | 0 | 2,296 | 0 | 3.92 | 101.18 |

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**Pimco Total Return Fund Historical Data and Rates of Return**
**June 30, 1991 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2004 | 1,010,560 | 0 | 0 | 1,000,005 | 401 | 494,508 | | 100.00 |
| 6/2004 | 987,437 | 0 | 0 | 0 | 4,630 | 0 | -2.29 | 97.71 |
| 9/2004 | 1,018,392 | 0 | 0 | 0 | 4,901 | 0 | 3.13 | 100.78 |
| 12/2004 | 2,028,145 | 0 | 0 | 1,000,005 | 65,062 | 580,648 | 0.81 | 101.59 |
| 3/2005 | 2,019,190 | 0 | 0 | 0 | 10,137 | 0 | -0.44 | 101.14 |
| 6/2005 | 2,080,008 | 0 | 0 | 0 | 14,812 | 0 | 3.01 | 104.19 |
| 9/2005 | 2,066,725 | 0 | 0 | 0 | 17,694 | 0 | -0.64 | 103.53 |
| 12/2005 | 2,073,090 | 0 | 0 | 0 | 12,442 | 0 | 0.31 | 103.84 |
| 3/2006 | 2,059,503 | 0 | 0 | 0 | 20,282 | 0 | -0.66 | 103.16 |
| 6/2006 | 2,051,007 | 0 | 0 | 0 | 21,635 | -5,592 | -0.41 | 102.74 |
| 9/2006 | 2,128,447 | -12,500 | -14,150 | 0 | 42,274 | -20,065 | 5.13 | 108.00 |
| 12/2006 | 2,145,246 | 0 | 0 | 7,763 | 23,601 | 4,494 | 0.43 | 108.46 |
| 3/2007 | 2,179,110 | 0 | 0 | 0 | 23,427 | 0 | 1.58 | 110.18 |
| 6/2007 | 2,147,738 | 0 | 0 | 0 | 25,506 | 0 | -1.44 | 108.59 |
| 9/2007 | 2,244,639 | 0 | 0 | 0 | 26,513 | 0 | 4.51 | 113.49 |
| 12/2007 | 2,329,485 | 0 | 0 | 0 | 41,752 | 0 | 3.78 | 117.78 |
| 3/2008 | 2,404,574 | 0 | 0 | 0 | 27,095 | 0 | 3.22 | 121.58 |
| 6/2008 | 2,369,262 | 0 | 0 | 0 | 26,973 | 0 | -1.47 | 119.79 |
| 9/2008 | 2,318,069 | 0 | 0 | 0 | 27,730 | 0 | -2.16 | 117.20 |
| 12/2008 | 2,428,505 | 0 | 0 | 0 | 139,533 | 0 | 4.76 | 122.79 |
| 3/2009 | 2,460,963 | 0 | 0 | 0 | 34,739 | 0 | 1.34 | 124.43 |
| 6/2009 | 2,575,207 | 0 | 0 | 0 | 35,832 | 0 | 4.64 | 130.20 |
| 9/2009 | 2,728,837 | 0 | 0 | 0 | 36,770 | 0 | 5.97 | 137.97 |
| 12/2009 | 3,749,432 | 0 | 0 | 1,000,005 | 58,612 | 516,132 | 0.94 | 139.26 |
| 3/2010 | 3,858,151 | 0 | 0 | 0 | 25,096 | 0 | 2.90 | 143.30 |
| 6/2010 | 3,959,657 | 0 | -1 | 0 | 24,251 | -1 | 2.63 | 147.07 |
| 9/2010 | 4,106,411 | 0 | 0 | 0 | 26,719 | 0 | 3.71 | 152.52 |
| 12/2010 | 4,061,399 | 0 | 0 | 0 | 221,467 | 0 | -1.10 | 150.85 |
| 3/2011 | | -2,000,000 | 0 | 0 | 17,867 | -1,225,806 | | 100.00 |
| 6/2011 | | 0 | 0 | 0 | 5,232 | 0 | | 100.00 |
| 12/2011 | 0 | 0 | 0 | 0 | 18,396 | 0 | | 100.00 |

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**Pimco Total Return Fund Historical Data and Rates of Return**
**June 30, 1991 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2012 | | 0 | 0 | 0 | 5,507 | 0 | | 100.00 |
| 6/2012 | | 6,125 | 0 | 0 | 6,125 | 0 | | 100.00 |
| 9/2012 | 2,337,059 | 5,600 | 4,425 | 0 | 10,025 | 4,283 | | 100.00 |
| 12/2012 | 0 | 0 | 0 | 0 | 88,175 | 0 | | 100.00 |

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**Fidelity G&I Historical Data and Rates of Return**
**November 30, 2010 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 167,958 | 0 | 0 | 167,958 | 0 | 1,866 | | 100.00 |
| 6/2001 | 176,780 | -675 | 0 | 675 | 675 | -504 | 5.27 | 105.27 |
| 9/2001 | 155,181 | 0 | 0 | 0 | 610 | 0 | -12.22 | 92.41 |
| 12/2001 | 169,697 | 0 | 0 | 0 | 3,673 | 0 | 9.35 | 101.05 |
| 3/2002 | 176,025 | 0 | 0 | 0 | 101 | 0 | 3.73 | 104.82 |
| 6/2002 | 158,781 | 0 | 0 | 0 | 560 | 0 | -9.80 | 94.55 |
| 9/2002 | 128,476 | 0 | 0 | 0 | 597 | 0 | -19.09 | 76.50 |
| 12/2002 | 140,577 | 0 | 0 | 0 | 0 | 0 | 9.42 | 83.71 |
| 3/2003 | 131,723 | 0 | 0 | 0 | 0 | 0 | -6.30 | 78.44 |
| 6/2003 | 155,311 | 0 | 0 | 0 | 641 | 0 | 17.91 | 92.48 |
| 9/2003 | 159,730 | 0 | 0 | 0 | 679 | 0 | 2.85 | 95.12 |
| 12/2003 | 182,696 | 0 | 0 | -7,966 | 7,966 | -1,732 | 19.58 | 113.74 |
| 3/2004 | 185,895 | 0 | 0 | 1 | 2,606 | 0 | 1.75 | 115.73 |
| 6/2004 | 188,917 | 0 | 0 | 0 | 745 | 0 | 1.63 | 117.61 |
| 9/2004 | 186,225 | 0 | 0 | 0 | 0 | 0 | -1.42 | 115.93 |
| 12/2004 | 203,317 | 0 | 0 | 0 | 5,852 | 0 | 9.18 | 126.57 |
| 3/2005 | 199,539 | 0 | 0 | 0 | 2,157 | 0 | -1.86 | 124.22 |
| 6/2005 | 200,599 | 0 | 0 | 0 | 740 | 0 | 0.53 | 124.88 |
| 9/2005 | 208,640 | 0 | 0 | 0 | 821 | 0 | 4.01 | 129.89 |
| 12/2005 | 214,978 | 0 | 0 | 0 | 14,969 | 0 | 3.04 | 133.83 |
| 3/2006 | 226,180 | 0 | 0 | 0 | 6,762 | 0 | 5.21 | 140.81 |
| 6/2006 | 225,848 | 0 | 0 | 0 | 868 | 0 | -0.15 | 140.60 |
| 9/2006 | 239,733 | 0 | 0 | 0 | 0 | 0 | 6.15 | 149.24 |
| 12/2006 | 257,556 | 0 | 0 | 0 | 13,269 | 0 | 7.43 | 160.34 |
| 3/2007 | 260,298 | 0 | 0 | 0 | 4,047 | 0 | 1.06 | 162.05 |
| 6/2007 | 279,316 | 0 | 0 | 0 | 1,073 | 0 | 7.31 | 173.89 |
| 9/2007 | 278,170 | 0 | 0 | 0 | 1,122 | 0 | -0.41 | 173.17 |
| 12/2007 | 261,158 | 0 | 0 | 0 | 11,538 | 0 | -6.12 | 162.58 |
| 3/2008 | 235,820 | 0 | 0 | 0 | 4,024 | 0 | -9.70 | 146.81 |
| 6/2008 | 223,341 | 0 | 0 | 0 | 0 | 0 | -5.29 | 139.04 |
| 9/2008 | 198,963 | 0 | 0 | 0 | 0 | 0 | -10.92 | 123.86 |

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**Fidelity G&I Historical Data and Rates of Return**
**November 30, 2010 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 152,409 | 0 | 0 | 0 | 2,301 | 0 | -23.40 | 94.88 |
| 3/2009 | 132,068 | 0 | 0 | 0 | 0 | 0 | -13.35 | 82.22 |
| 6/2009 | 159,250 | 0 | 0 | 0 | 0 | 0 | 20.58 | 99.14 |
| 9/2009 | 190,522 | 0 | 0 | 0 | 822 | 0 | 19.64 | 118.61 |
| 12/2009 | 197,424 | 0 | 0 | 0 | 1,345 | 0 | 3.62 | 122.90 |
| 3/2010 | 209,580 | 0 | 0 | 0 | 0 | 0 | 6.16 | 130.47 |
| 6/2010 | 183,792 | 0 | 0 | 0 | 757 | 0 | -12.30 | 114.42 |
| 9/2010 | 203,950 | 0 | 0 | 0 | 921 | 0 | 10.97 | 126.97 |
| 12/2010 | 227,293 | 0 | 0 | 0 | 2,075 | 0 | 11.45 | 141.50 |
| 3/2011 | 241,929 | 0 | 0 | 0 | 0 | 0 | 6.44 | 150.61 |
| 6/2011 | 238,141 | 0 | 0 | 0 | 647 | 0 | -1.57 | 148.25 |
| 9/2011 | 192,522 | 0 | 0 | 0 | 1,287 | 0 | -19.16 | 119.85 |
| 12/2011 | 216,656 | 0 | 0 | 0 | 2,665 | 0 | 12.54 | 134.88 |
| 3/2012 | 238,893 | 0 | 0 | 0 | 0 | 0 | 10.26 | 148.72 |
| 6/2012 | 234,876 | 0 | 0 | 0 | 0 | 0 | -1.68 | 146.22 |
| 9/2012 | 251,874 | 0 | 0 | 0 | 1,872 | 0 | 7.24 | 156.80 |
| 12/2012 | 253,994 | 0 | 0 | 0 | 0 | 0 | 0.84 | 158.12 |

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**Delaware Trend Inst'l Historical Data and Rates of Return**
**December 31, 2010 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2003 | 182,844 | 0 | 0 | 175,961 | 0 | 122,408 | | 100.00 |
| 3/2004 | 196,417 | 0 | 0 | 0 | 0 | 0 | 7.42 | 107.42 |
| 6/2004 | 193,314 | 0 | 0 | 0 | 0 | 0 | -1.58 | 105.73 |
| 9/2004 | 183,813 | 0 | 0 | 0 | 0 | 0 | -4.91 | 100.53 |
| 12/2004 | 205,336 | 0 | 0 | 0 | 0 | 0 | 11.71 | 112.30 |
| 3/2005 | 185,461 | 0 | 0 | 0 | 0 | 0 | -9.68 | 101.43 |
| 6/2005 | 195,641 | 0 | 0 | 0 | 0 | 0 | 5.49 | 107.00 |
| 9/2005 | 203,591 | 0 | 0 | 0 | 0 | 0 | 4.06 | 111.35 |
| 12/2005 | 215,806 | 0 | 0 | 0 | 0 | 0 | 6.00 | 118.03 |
| 3/2006 | 240,722 | 0 | 0 | 0 | 0 | 0 | 11.55 | 131.65 |
| 6/2006 | 217,454 | 0 | 0 | 0 | 0 | 0 | -9.67 | 118.93 |
| 9/2006 | | 0 | 0 | -213,140 | 22,686 | -32,434 | | 100.00 |

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**Cohen & Steers Realty Historical Data and Rates of Return**
**March 31, 2004 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 9/2001 | 464,230 | 0 | 0 | 500,001 | 7,637 | 255,435 | | 100.00 |
| 12/2001 | 485,995 | 0 | 0 | 0 | 0 | 0 | 4.69 | 104.69 |
| 3/2002 | 526,795 | 0 | 0 | 0 | 0 | 0 | 8.40 | 113.48 |
| 6/2002 | 549,646 | 0 | 0 | 0 | 8,020 | 0 | 4.34 | 118.40 |
| 9/2002 | 512,687 | 0 | 0 | 0 | -8,140 | 0 | -6.72 | 110.44 |
| 12/2002 | 508,509 | 0 | 0 | 0 | 0 | 369 | -0.81 | 109.54 |
| 3/2003 | 512,836 | 0 | 0 | 0 | 0 | 0 | 0.85 | 110.47 |
| 6/2003 | 581,796 | 0 | 0 | 0 | 0 | 0 | 13.45 | 125.33 |
| 9/2003 | 627,843 | 0 | 0 | 0 | 8,732 | -285 | 7.92 | 135.25 |
| 12/2003 | 690,394 | 0 | 0 | 0 | 11,187 | 0 | 9.96 | 148.72 |
| 3/2004 | 769,681 | 0 | 0 | 0 | 9,003 | 0 | 11.48 | 165.80 |
| 6/2004 | 721,358 | 0 | 0 | 0 | 0 | 0 | -6.28 | 155.39 |
| 9/2004 | 771,872 | 0 | 0 | 0 | 9,230 | -301 | 7.01 | 166.28 |
| 12/2004 | 868,385 | 0 | 0 | 0 | 21,632 | 0 | 12.50 | 187.07 |
| 3/2005 | 809,727 | 0 | 0 | 0 | 9,581 | 0 | -6.75 | 174.44 |
| 6/2005 | 910,812 | 0 | 0 | 0 | 9,694 | 426 | 12.48 | 196.20 |
| 9/2005 | 928,012 | 0 | 0 | 0 | 9,799 | 1,811 | 1.88 | 199.90 |
| 12/2005 | 926,670 | 0 | 0 | 0 | 131,486 | 0 | -0.14 | 199.61 |
| 3/2006 | 2,099,845 | 1,000,003 | 0 | 0 | 11,523 | 866,669 | 9.66 | 218.88 |
| 6/2006 | 2,076,275 | 0 | 0 | 0 | 17,730 | 0 | -1.12 | 216.43 |
| 9/2006 | 2,261,513 | 0 | 0 | 0 | 11,792 | 0 | 8.92 | 235.74 |
| 12/2006 | 2,523,372 | 0 | 0 | 140,129 | 39,866 | 1,523 | 5.38 | 248.42 |
| 3/2007 | 2,614,057 | 0 | 0 | 0 | 0 | 0 | 3.59 | 257.34 |
| 6/2007 | 2,461,079 | 0 | 0 | 0 | 10,729 | 0 | -5.85 | 242.28 |
| 9/2007 | 2,474,527 | 0 | 0 | 0 | 20,465 | 0 | 0.55 | 243.61 |
| 12/2007 | 2,132,869 | 0 | 0 | 0 | 244,371 | 0 | -13.81 | 209.97 |
| 3/2008 | 2,148,574 | 0 | 0 | 0 | 223,547 | 0 | 0.74 | 211.52 |
| 6/2008 | 1,961,673 | 0 | 0 | 0 | 7,889 | 0 | -8.70 | 193.12 |
| 9/2008 | 1,846,032 | 0 | 0 | 0 | 19,937 | 0 | -5.90 | 181.74 |
| 12/2008 | 1,282,371 | 0 | 0 | 7,832 | 16,301 | 681 | -30.95 | 125.49 |

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**Cohen & Steers Realty Historical Data and Rates of Return**
**March 31, 2004 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2009 | 960,010 | -7,836 | 0 | 0 | 0 | -7,139 | -24.66 | 94.54 |
| 6/2009 | 1,289,856 | 0 | 0 | 0 | 7,048 | 0 | 34.36 | 127.03 |
| 9/2009 | 887,083 | 0 | 0 | -728,643 | 12,777 | -229,681 | 30.74 | 166.07 |
| 12/2009 | 896,179 | 0 | 0 | 0 | 61,762 | -2,014 | 1.03 | 167.78 |
| 3/2010 | 898,744 | 0 | 0 | 0 | 0 | 0 | 0.29 | 168.26 |
| 6/2010 | 781,591 | 0 | 0 | 0 | 0 | 0 | -13.04 | 146.32 |
| 9/2010 | 972,733 | 0 | 0 | 0 | 12,228 | 0 | 24.46 | 182.11 |
| 12/2010 | 1,016,992 | 0 | 0 | 0 | 52,806 | 0 | 4.55 | 190.39 |
| 3/2011 | 1,015,156 | 0 | 0 | 0 | 0 | 0 | -0.18 | 190.05 |
| 6/2011 | 1,022,499 | 0 | 0 | 0 | 0 | 0 | 0.72 | 191.43 |
| 9/2011 | 816,723 | 0 | 0 | 0 | 12,575 | 0 | -20.12 | 152.90 |
| 12/2011 | 843,448 | 0 | 0 | 0 | 8,920 | 0 | 3.27 | 157.90 |
| 3/2012 | 938,313 | 0 | 0 | 0 | 0 | 0 | 11.25 | 175.66 |
| 6/2012 | 930,799 | 0 | 0 | 0 | 0 | 0 | -0.80 | 174.26 |
| 9/2012 | 1,024,946 | 0 | 0 | 0 | 12,304 | 0 | 10.11 | 191.88 |
| 12/2012 | 1,134,453 | 0 | 0 | 0 | 57,290 | 0 | 10.68 | 212.38 |

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**AIM Global Value Fund Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2003 | 1,201,983 | 0 | 0 | 1,160,670 | 0 | 807,423 | | 100.00 |
| 3/2004 | 1,242,007 | 0 | 0 | 0 | 0 | 0 | 3.33 | 103.33 |
| 6/2004 | 1,269,120 | 0 | 0 | 0 | 0 | 0 | 2.18 | 105.59 |
| 9/2004 | 1,191,655 | 0 | 0 | 0 | 0 | 0 | -6.10 | 99.14 |
| 12/2004 | 1,344,001 | 0 | 0 | 0 | 0 | 0 | 12.78 | 111.82 |
| 3/2005 | 1,305,269 | 0 | 0 | 0 | 0 | 0 | -2.88 | 108.59 |
| 6/2005 | 1,336,255 | 0 | 0 | 0 | 0 | 0 | 2.37 | 111.17 |
| 9/2005 | 1,372,405 | 0 | 0 | 0 | 0 | 0 | 2.71 | 114.18 |
| 12/2005 | 1,418,883 | 0 | 0 | 0 | 0 | 0 | 3.39 | 118.05 |
| 3/2006 | 1,549,689 | 0 | 0 | 0 | 0 | 0 | 9.22 | 128.93 |
| 6/2006 | 1,452,871 | 0 | 0 | 0 | 0 | 0 | -6.25 | 120.87 |
| 9/2006 | 1,477,666 | 0 | 0 | 0 | 0 | 0 | 1.71 | 122.94 |
| 12/2006 | 0 | 0 | 0 | -1,522,532 | 0 | -862,768 | | 100.00 |
| 9/2008 | 609,033 | 0 | 0 | 0 | 0 | 0 | | 93.82 |
| 12/2008 | 493,085 | 0 | 0 | 0 | 2,079 | 0 | -19.04 | 75.96 |
| 3/2009 | 434,286 | 0 | 0 | 0 | 0 | 0 | -11.92 | 66.90 |
| 6/2009 | 529,190 | 0 | 0 | 0 | 0 | 0 | 21.85 | 81.52 |
| 9/2009 | 613,262 | 0 | 0 | 0 | 0 | 0 | 15.89 | 94.48 |
| 12/2009 | 641,402 | 0 | 0 | 0 | 3,874 | 0 | 4.59 | 98.81 |
| 3/2010 | 658,008 | 0 | 0 | 0 | 0 | 0 | 2.59 | 101.37 |
| 6/2010 | 560,448 | 0 | 0 | 0 | 0 | 0 | -14.83 | 86.34 |
| 9/2010 | 640,364 | 0 | 0 | 0 | 0 | 0 | 14.26 | 98.65 |
| 12/2010 | | 0 | 0 | 0 | 0 | 0 | | 100.00 |

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**Alliance Bernstein Select Historical Data and Rates of Return**
**December 31, 2003 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2003 | 164,538 | 0 | 0 | 161,100 | 0 | 112,070 | | 100.00 |
| 3/2004 | 166,012 | 0 | 0 | 0 | 0 | 0 | 0.90 | 100.90 |
| 6/2004 | 171,906 | 0 | 0 | 0 | 0 | 0 | 3.55 | 104.48 |
| 9/2004 | 153,733 | 0 | 0 | 0 | 0 | 0 | -10.57 | 93.43 |
| 12/2004 | 177,308 | 0 | 0 | 0 | 0 | 0 | 15.34 | 107.76 |
| 3/2005 | 0 | 0 | 0 | -165,024 | 0 | -76,618 | | 100.00 |
| 3/2007 | 1,112,906 | 0 | 0 | 0 | 0 | 0 | | 101.07 |
| 6/2007 | 1,209,362 | 0 | 0 | 0 | 0 | 0 | 8.67 | 109.83 |
| 9/2007 | 1,222,091 | 0 | 0 | 0 | 0 | 0 | 1.05 | 110.99 |
| 12/2007 | 1,154,438 | 0 | 0 | 0 | 68,205 | 0 | -5.54 | 104.84 |
| 3/2008 | 1,046,649 | 0 | 0 | 0 | 0 | 0 | -9.34 | 95.05 |
| 6/2008 | 994,056 | 0 | 0 | 0 | 0 | 0 | -5.02 | 90.28 |
| 9/2008 | 750,879 | 0 | 0 | 0 | 0 | 0 | -24.46 | 68.19 |
| 12/2008 | 536,342 | 0 | 0 | 0 | 0 | 0 | -28.57 | 48.71 |
| 3/2009 | 453,548 | 0 | 0 | 0 | 0 | 0 | -15.44 | 41.19 |
| 6/2009 | 574,876 | 0 | 0 | 0 | 0 | 0 | 26.75 | 52.21 |
| 9/2009 | 708,701 | 0 | 0 | 0 | 0 | 0 | 23.28 | 64.36 |
| 12/2009 | 719,901 | 0 | 0 | 0 | 8,956 | 0 | 1.58 | 65.38 |
| 3/2010 | 728,339 | 0 | 0 | 0 | 0 | 0 | 1.17 | 66.15 |
| 6/2010 | 589,633 | 0 | 0 | 0 | 0 | 0 | -19.04 | 53.55 |
| 9/2010 | 698,277 | 0 | 0 | 0 | 0 | 0 | 18.43 | 63.41 |
| 12/2010 | | 0 | 0 | 0 | 0 | 0 | | 100.00 |
| 12/2012 | 1,542,634 | 0 | 0 | 5,311 | 8,339 | 3,255 | | 101.29 |

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**Bear Stearns S&P Starts Historical Data and Rates of Return**
**September 30, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2003 | 399,811 | 0 | 0 | 380,738 | 0 | 264,861 | | 100.00 |
| 3/2004 | 417,101 | 0 | 0 | 0 | 0 | 0 | 4.32 | 104.32 |
| 6/2004 | 421,200 | 0 | 0 | 0 | 0 | 0 | 0.98 | 105.35 |
| 9/2004 | 411,931 | 0 | 0 | 0 | 0 | 0 | -2.20 | 103.03 |
| 12/2004 | 460,237 | 0 | 0 | 0 | 0 | 0 | 11.73 | 115.11 |
| 3/2005 | 455,780 | 0 | 0 | 0 | 0 | 0 | -0.97 | 114.00 |
| 6/2005 | 468,971 | 0 | 0 | 0 | 0 | 0 | 2.89 | 117.30 |
| 9/2005 | 494,639 | 0 | 0 | 0 | 0 | 0 | 5.47 | 123.72 |
| 12/2005 | 507,116 | 0 | 0 | 0 | 0 | 0 | 2.52 | 126.84 |
| 3/2006 | 546,509 | 0 | 0 | 0 | 0 | 0 | 7.77 | 136.69 |
| 6/2006 | 508,720 | 0 | 0 | 0 | 0 | 0 | -6.91 | 127.24 |
| 9/2006 | | 0 | 0 | -522,796 | 0 | -79,556 | | 100.00 |

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**Seligman Comm & Info Historical Data and Rates of Return**
**December 31, 2003 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2003 | 1,117,710 | 0 | 0 | 1,077,843 | 0 | 749,804 | | 100.00 |
| 3/2004 | 1,184,800 | 0 | 0 | 0 | 0 | 0 | 6.00 | 106.00 |
| 6/2004 | 1,185,774 | 0 | 0 | 0 | 0 | 0 | 0.08 | 106.09 |
| 9/2004 | 1,048,187 | 0 | 0 | 0 | 0 | 0 | -11.60 | 93.78 |
| 12/2004 | 1,235,849 | 0 | 0 | 0 | 0 | 0 | 17.90 | 110.57 |
| 3/2005 | 1,322,225 | 0 | 165,000 | 0 | 0 | 76,607 | -6.16 | 103.76 |
| 6/2005 | 1,357,210 | 0 | 0 | 0 | 0 | 0 | 2.65 | 106.51 |
| 9/2005 | 1,494,930 | 0 | 0 | 0 | 0 | 0 | 10.15 | 117.32 |
| 12/2005 | 1,515,477 | 0 | 0 | 0 | 0 | 0 | 1.37 | 118.93 |
| 3/2006 | 1,703,176 | 0 | 0 | 0 | 0 | 0 | 12.39 | 133.66 |
| 6/2006 | 1,585,448 | 0 | 0 | 0 | 0 | 0 | -6.91 | 124.42 |
| 9/2006 | 1,707,064 | 0 | 0 | 0 | 0 | 0 | 7.67 | 133.96 |
| 12/2006 | 1,845,894 | 0 | 0 | 0 | 0 | 0 | 8.13 | 144.86 |
| 3/2007 | 1,875,882 | 0 | 0 | 0 | 0 | 0 | 1.62 | 147.21 |
| 6/2007 | 2,033,039 | 0 | 0 | 0 | 0 | 0 | 8.38 | 159.54 |
| 9/2007 | 2,154,654 | 0 | 0 | 0 | 0 | 0 | 5.98 | 169.09 |
| 12/2007 | 2,121,335 | 0 | 0 | 0 | 0 | 0 | -1.55 | 166.47 |
| 3/2008 | 1,830,901 | 0 | 0 | 0 | 0 | 0 | -13.69 | 143.68 |
| 6/2008 | 1,956,404 | 0 | 0 | 0 | 0 | 0 | 6.85 | 153.53 |
| 9/2008 | 1,715,393 | 0 | 0 | 0 | 0 | 0 | -12.32 | 134.62 |
| 12/2008 | 1,346,659 | 0 | 0 | 0 | 0 | 0 | -21.50 | 105.68 |
| 3/2009 | 1,484,934 | 0 | 0 | 0 | 0 | 0 | 10.27 | 116.53 |
| 6/2009 | 1,714,283 | 0 | 0 | 0 | 0 | 0 | 15.45 | 134.53 |
| 9/2009 | 1,979,172 | 0 | 0 | 0 | 0 | 0 | 15.45 | 155.32 |
| 12/2009 | 2,153,543 | 0 | 0 | 0 | 0 | 0 | 8.81 | 169.00 |
| 3/2010 | 2,207,965 | 0 | 0 | 0 | 0 | 0 | 2.53 | 173.27 |
| 6/2010 | 1,959,736 | 0 | 0 | 0 | 0 | 0 | -11.24 | 153.79 |
| 9/2010 | 2,233,510 | 0 | 0 | 0 | 0 | 0 | 13.97 | 175.28 |
| 12/2010 | 2,482,850 | 0 | 0 | 0 | 0 | 0 | 11.16 | 194.84 |
| 3/2011 | 2,588,917 | 0 | 0 | 0 | 0 | 0 | 4.27 | 203.17 |
| 6/2011 | 2,530,053 | 0 | 0 | 0 | 0 | 0 | -2.27 | 198.55 |

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**Seligman Comm & Info Historical Data and Rates of Return**
**December 31, 2003 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 9/2011 | 2,245,727 | 0 | 0 | 0 | 0 | 0 | -11.24 | 176.23 |
| 12/2011 | 2,365,037 | 0 | 0 | 0 | 97,085 | 0 | 5.31 | 185.60 |
| 3/2012 | 2,891,887 | 0 | 0 | 0 | 0 | 0 | 22.28 | 226.94 |
| 6/2012 | 2,450,143 | 0 | 0 | 0 | 0 | 0 | -15.28 | 192.28 |
| 9/2012 | 2,597,198 | 0 | 0 | 0 | 0 | 0 | 6.00 | 203.82 |
| 12/2012 | 2,488,444 | 0 | 0 | 0 | 0 | 0 | -4.19 | 195.28 |

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**Putnam Convertible Income Growth Historical Data and Rates of Return**
**December 31, 2003 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2008 | 477,185 | 0 | 0 | 500,015 | 3,318 | 225,281 | | 100.00 |
| 6/2008 | 993,327 | 0 | 0 | 525,017 | 0 | 75,002 | -1.61 | 98.39 |
| 9/2008 | 839,823 | 0 | 0 | 0 | 6,847 | 0 | -15.45 | 83.19 |
| 12/2008 | 626,158 | 0 | 0 | -10 | 13,843 | -1 | -25.44 | 62.02 |
| 3/2009 | 659,160 | 0 | 0 | 0 | 7,561 | 0 | 5.27 | 65.29 |
| 6/2009 | 784,761 | 0 | 0 | 0 | 7,647 | 0 | 19.05 | 77.73 |
| 9/2009 | 910,511 | 0 | 0 | 0 | 7,723 | -504 | 16.03 | 90.20 |
| 12/2009 | 962,693 | 0 | 0 | 0 | 7,789 | 0 | 5.73 | 95.37 |
| 3/2010 | 1,019,779 | 0 | 0 | 0 | 7,852 | 0 | 5.93 | 101.02 |
| 6/2010 | 964,011 | 0 | 0 | 0 | 7,913 | 0 | -5.47 | 95.50 |
| 9/2010 | 1,064,682 | 0 | 0 | 0 | 7,977 | 0 | 10.44 | 105.47 |
| 12/2010 | 1,150,866 | 0 | 0 | 0 | 8,037 | 0 | 8.09 | 114.01 |
| 3/2011 | 1,208,040 | 0 | 0 | 0 | 8,094 | 0 | 4.97 | 119.67 |
| 6/2011 | 1,205,376 | 0 | 0 | 0 | 8,149 | 0 | -0.22 | 119.41 |
| 9/2011 | 1,034,906 | 0 | 0 | 0 | 8,205 | 0 | -14.14 | 102.52 |
| 12/2011 | 1,076,422 | 0 | 0 | 0 | 8,270 | 0 | 4.01 | 106.63 |
| 3/2012 | 881,894 | 0 | -299,465 | 0 | 6,205 | -61,958 | 10.20 | 117.51 |
| 6/2012 | 848,626 | 0 | 0 | 0 | 6,249 | 0 | -3.77 | 113.08 |
| 9/2012 | 897,515 | 0 | 0 | 0 | 6,296 | 0 | 5.76 | 119.59 |
| 12/2012 | 922,343 | 0 | 0 | 0 | 30,992 | 0 | 2.77 | 122.90 |

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**Jennison Natural Resources Fund Historical Data and Rates of Return**
**December 31, 2003 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 9/2009 | 1,020,909 | 0 | 0 | 1,000,005 | 0 | 163,044 | | 100.00 |
| 12/2009 | 1,116,602 | 0 | 0 | 0 | 18,391 | 0 | 9.37 | 109.37 |
| 3/2010 | 1,128,721 | 0 | 0 | 0 | 0 | 0 | 1.09 | 110.56 |
| 6/2010 | 1,005,560 | 0 | 0 | 0 | 0 | 0 | -10.91 | 98.50 |
| 9/2010 | 1,190,548 | 0 | 0 | 0 | 0 | 0 | 18.40 | 116.62 |
| 12/2010 | 1,426,900 | 0 | 0 | 0 | 14,020 | 0 | 19.85 | 139.77 |
| 3/2011 | 1,527,393 | 0 | 0 | 0 | 0 | 0 | 7.04 | 149.61 |
| 6/2011 | 1,409,902 | 0 | 0 | 0 | 0 | 0 | -7.69 | 138.10 |
| 9/2011 | 1,023,929 | 0 | 0 | 0 | 0 | 0 | -27.38 | 100.30 |
| 12/2011 | 1,158,669 | 0 | 0 | 0 | 0 | 0 | 13.16 | 113.49 |
| 3/2012 | 1,220,665 | 0 | 0 | 0 | 0 | 0 | 5.35 | 119.57 |
| 6/2012 | 1,036,428 | 0 | 0 | 0 | 0 | 0 | -15.09 | 101.52 |
| 9/2012 | 1,159,669 | 0 | 0 | 0 | 0 | 0 | 11.89 | 113.59 |
| 12/2012 | 1,127,171 | 0 | 0 | 0 | 0 | 0 | -2.80 | 110.41 |

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**Templeton Global Bond Historical Data and Rates of Return**
**December 31, 2003 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2012 | 1,553,857 | 0 | 0 | 0 | 40,499 | 0 | | 101.86 |

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**AIM European Growth Fund Historical Data and Rates of Return**
**March 31, 2008 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2006 | 816,803 | 0 | 761,276 | 44,661 | 5,681 | 581,320 | | 99.04 |
| 3/2007 | 866,978 | 0 | 0 | 0 | 0 | 0 | 6.14 | 105.12 |
| 6/2007 | 920,153 | 0 | 0 | 0 | 0 | 0 | 6.13 | 111.57 |
| 9/2007 | 939,943 | 0 | 0 | 0 | 0 | 0 | 2.15 | 113.97 |
| 12/2007 | 932,732 | 0 | 0 | 0 | 79,299 | 0 | -0.77 | 113.09 |
| 3/2008 | 852,215 | 0 | 0 | 0 | 0 | 0 | -8.63 | 103.33 |
| 6/2008 | 804,298 | 0 | 0 | 0 | 0 | 0 | -5.62 | 97.52 |
| 9/2008 | 641,732 | 0 | 0 | 0 | 0 | 0 | -20.21 | 77.81 |
| 12/2008 | 496,750 | 0 | 0 | 0 | 47,348 | 0 | -22.59 | 60.23 |
| 3/2009 | 444,499 | 0 | 0 | 0 | 0 | 0 | -10.52 | 53.90 |
| 6/2009 | 546,328 | 0 | 0 | 0 | 0 | 0 | 22.91 | 66.24 |
| 9/2009 | 649,858 | 0 | 0 | 0 | 0 | 0 | 18.95 | 78.80 |
| 12/2009 | 681,267 | 0 | 0 | 0 | 8,936 | 0 | 4.83 | 82.60 |
| 3/2010 | 688,163 | 0 | 0 | 0 | 0 | 0 | 1.01 | 83.44 |
| 6/2010 | 613,042 | 0 | 0 | 0 | 0 | 0 | -10.92 | 74.33 |
| 9/2010 | 720,675 | 0 | 0 | 0 | 0 | 0 | 17.56 | 87.38 |
| 12/2010 | 765,789 | 0 | 0 | 0 | 9,002 | 0 | 6.26 | 92.85 |
| 3/2011 | | 0 | 0 | 0 | 0 | 0 | | 100.00 |
| 12/2011 | 0 | 0 | 0 | 0 | 4,872 | 0 | | 100.00 |
| 6/2012 | | 0 | 0 | 0 | 0 | 0 | | 100.00 |

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**AIM Global Value Fund Historical Data and Rates of Return**
**September 30, 2009 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2006 | 790,518 | 0 | 761,256 | 28,937 | 7,888 | 573,190 | | 99.08 |
| 3/2007 | 803,742 | 0 | 0 | 0 | 0 | 0 | 1.67 | 100.73 |
| 6/2007 | 831,660 | 0 | 0 | 0 | 0 | 0 | 3.47 | 104.23 |
| 9/2007 | 814,518 | 0 | 0 | 0 | 0 | 0 | -2.06 | 102.08 |
| 12/2007 | 808,792 | 0 | 0 | 0 | 37,375 | 0 | -0.70 | 101.37 |
| 3/2008 | 706,602 | 0 | 0 | 0 | 0 | 0 | -12.63 | 88.56 |
| 6/2008 | 702,494 | 0 | 0 | 0 | 0 | 0 | -0.58 | 88.04 |
| 9/2008 | 678,358 | 0 | 0 | 0 | 0 | 0 | -3.44 | 85.02 |

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**Premier Managed Income Historical Data and Rates of Return**
**October 31, 2012 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2007 | 2,012,413 | 0 | 0 | 1,999,999 | 3,267 | 282,609 | | 100.00 |
| 3/2008 | 2,048,907 | 0 | 0 | 0 | 14,509 | 0 | 1.81 | 101.81 |
| 6/2008 | 2,023,366 | 0 | -250 | 514 | 25,088 | -112 | -1.26 | 100.53 |
| 9/2008 | 1,949,682 | 0 | 0 | 0 | 23,701 | 0 | -3.64 | 96.87 |
| 12/2008 | 1,901,608 | 0 | 0 | -10 | 28,614 | -1 | -2.47 | 94.48 |
| 3/2009 | 1,891,065 | 0 | 0 | 0 | 17,537 | 0 | -0.55 | 93.96 |
| 6/2009 | 2,021,099 | 0 | 0 | 0 | 24,055 | 2,698 | 6.87 | 100.41 |
| 9/2009 | 2,181,590 | 0 | 0 | 0 | 26,818 | 0 | 7.94 | 108.38 |
| 12/2009 | 2,227,733 | 0 | 0 | 0 | 24,884 | 0 | 2.12 | 110.68 |
| 3/2010 | 2,298,094 | 0 | 0 | 0 | 23,645 | 2,532 | 3.15 | 114.17 |
| 6/2010 | 2,370,923 | 0 | 0 | 0 | 23,707 | 0 | 3.17 | 117.79 |
| 9/2010 | 2,452,079 | 0 | 0 | 0 | 22,443 | 0 | 3.42 | 121.82 |
| 12/2010 | 2,430,693 | 0 | 0 | 0 | 21,324 | 6,525 | -0.87 | 120.76 |
| 3/2011 | 2,468,070 | 0 | 0 | 0 | 22,454 | 0 | 1.54 | 122.61 |
| 6/2011 | 2,512,160 | 0 | 0 | 0 | 21,601 | 0 | 1.79 | 124.80 |
| 9/2011 | 2,592,071 | 0 | 0 | 0 | 17,241 | 0 | 3.18 | 128.77 |
| 12/2011 | 2,610,573 | 0 | 0 | 0 | 14,612 | 0 | 0.71 | 129.69 |
| 3/2012 | 2,644,173 | 0 | 0 | 0 | 16,394 | 0 | 1.29 | 131.36 |
| 6/2012 | 2,693,008 | 0 | 0 | 0 | 15,997 | 0 | 1.85 | 133.79 |
| 9/2012 | 2,762,255 | 0 | 0 | 0 | 14,807 | 0 | 2.57 | 137.23 |
| 12/2012 | 2,798,295 | 0 | 0 | 0 | 41,947 | 0 | 1.30 | 139.02 |

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**Eaton Vance Floating-Rate Fund Historical Data and Rates of Return**
**October 31, 2006 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 6/2011 | 498,284 | 500,000 | 0 | 0 | 2,525 | 200,000 | | 99.55 |
| 9/2011 | 480,278 | 0 | 0 | 0 | 5,496 | 0 | -3.61 | 95.95 |
| 12/2011 | 495,471 | 0 | 0 | 0 | 5,512 | 0 | 3.16 | 98.99 |
| 3/2012 | 513,813 | 0 | 0 | 0 | 5,804 | 0 | 3.70 | 102.65 |
| 6/2012 | 517,604 | 0 | 0 | 0 | 6,001 | 0 | 0.74 | 103.41 |
| 9/2012 | 532,079 | 0 | 0 | 0 | 6,089 | 0 | 2.80 | 106.30 |
| 12/2012 | 541,152 | 0 | 0 | 0 | 6,240 | 0 | 1.71 | 108.12 |

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**Lord Abbett Floating Rate Historical Data and Rates of Return**
**October 31, 2006 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2011 | 3,011,392 | 2,000,005 | 0 | 1,000,005 | 11,426 | 2,483,879 | | 100.04 |
| 6/2011 | 3,019,835 | 0 | 0 | 0 | 34,387 | 0 | 0.28 | 100.32 |
| 9/2011 | 2,900,000 | 0 | 0 | 0 | 37,113 | 0 | -3.97 | 96.34 |
| 12/2011 | 2,996,558 | 0 | 0 | 0 | 37,263 | 0 | 3.33 | 99.55 |
| 3/2012 | 3,117,325 | 0 | 0 | 0 | 40,460 | 0 | 4.03 | 103.56 |
| 6/2012 | 3,136,365 | 0 | 0 | 0 | 42,859 | 0 | 0.61 | 104.19 |
| 9/2012 | 3,242,759 | 0 | 0 | 0 | 40,879 | 0 | 3.39 | 107.73 |
| 12/2012 | 3,299,051 | 0 | 0 | 0 | 42,284 | 0 | 1.74 | 109.60 |

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**MFS Diversified Income Historical Data and Rates of Return**
**December 31, 2007 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2011 | 1,027,362 | 1,000,005 | 0 | 0 | 4,554 | 967,747 | | 102.06 |
| 6/2011 | 1,045,363 | 0 | 0 | 0 | 9,473 | 0 | 1.75 | 103.85 |
| 9/2011 | 965,117 | 0 | 0 | 0 | 8,978 | 0 | -7.68 | 95.87 |
| 12/2011 | 1,038,517 | 0 | 0 | 0 | 9,057 | 0 | 7.61 | 103.17 |
| 3/2012 | 1,106,734 | 0 | 0 | 0 | 9,138 | 0 | 6.57 | 109.94 |
| 6/2012 | 1,112,037 | 0 | 3,072 | 0 | 6,152 | 0 | | 36,202.20 |
| 9/2012 | 1,650,631 | 0 | 0 | 500,005 | 9,293 | 100,001 | 3.42 | 37,441.70 |
| 12/2012 | 1,678,779 | 0 | 0 | 0 | 13,670 | 0 | 1.71 | 38,080.19 |

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**INVESCO European Growth Historical Data and Rates of Return**
**April 30, 2011 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2011 | 800,688 | 0 | 0 | 0 | 0 | 0 | | 100.91 |
| 6/2011 | 833,344 | 0 | 0 | 0 | 0 | 0 | 4.08 | 105.03 |
| 9/2011 | 687,266 | 0 | 0 | 0 | 0 | 0 | -17.53 | 86.62 |
| 12/2011 | 726,973 | 0 | 0 | 0 | 23,654 | 0 | 5.78 | 91.62 |
| 3/2012 | 818,940 | 0 | 0 | 0 | 0 | 0 | 12.65 | 103.21 |
| 6/2012 | 777,465 | 0 | 0 | 0 | 0 | 0 | -5.06 | 97.98 |
| 9/2012 | 840,064 | 0 | 0 | 0 | 0 | 0 | 8.05 | 105.87 |
| 12/2012 | 880,213 | 0 | 0 | -31,063 | 31,063 | -21,042 | 8.64 | 115.02 |

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**Eaton Vance Floating Historical Data and Rates of Return**
**January 31, 2011 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2011 | 997,872 | 0 | 0 | 1,000,005 | 0 | 548,390 | | 100.00 |
| 6/2011 | 1,000,228 | 0 | 0 | 0 | 7,725 | 0 | 0.24 | 100.24 |
| 9/2011 | 968,955 | 0 | 0 | 0 | 9,713 | 0 | -3.13 | 97.10 |
| 12/2011 | 995,263 | 0 | 0 | 0 | 10,030 | 0 | 2.72 | 99.74 |
| 3/2012 | 1,028,666 | 0 | 0 | 0 | 10,319 | 0 | 3.36 | 103.09 |
| 6/2012 | 1,035,129 | 0 | 0 | 0 | 10,917 | 0 | 0.63 | 103.73 |
| 9/2012 | 1,059,864 | 0 | 0 | 0 | 11,240 | 0 | 2.39 | 106.21 |
| 12/2012 | 1,076,053 | 0 | 0 | 0 | 11,640 | 0 | 1.53 | 107.83 |

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## Benchmark Comparisons Used In This Report

The primary index comparison for your portfolio and each of its asset classes is listed below.

**TOTAL PORTFOLIO BENCHMARK**

11/30/1972 - Present

60% S&P 500 Index
40% Barclays Gov't/Credit

**AIM GLOBAL VALUE FUND BENCHMARK**

12/31/2003 - Present

100% Russell 1000 Growth

10/31/2006 - Present

100% MSCI Gross EAFE

**AIM EUROPEAN GROWTH FUND BENCHMARK**

10/31/2006 - Present

100% MSCI Gross EAFE

**AMERICAN FUNDS CAPITAL WLD GROWTH & IN. BENCHMARK**

11/30/2010 - Present

100% S&P 500 Index

**ALLIANCE BERNSTEIN SELECT BENCHMARK**

12/31/2003 - Present

100% S&P 500 Index

**RVS LARGE CAP EQUITY BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

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## Benchmark Comparisons Used In This Report

**BALANCED BALANCED BENCHMARK**

6/30/1991 - Present

100% S&P 500 Index

**BEAR STEARNS S&P STARTS BENCHMARK**

12/31/2003 - Present

100% S&P 500 Index

**BOND SEGMENT BENCHMARK**

3/31/2001 - Present

100% Barclays Gov't/Credit

**COHEN & STEERS REALTY BENCHMARK**

9/30/2001 - Present

100% S&P 500 Index

**DELAWARE BALANCED FUND BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**EQUITY SEGMENT BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**EUROPACIFIC GROWTH BENCHMARK**

3/31/2001 - Present

100% MSCI Gross EAFE

## Benchmark Comparisons Used In This Report

**EVERGREEN BENCHMARK**

6/30/1991 - Present

100% S&P 500 Index

**FID. MAGELLAN BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**FIDELITY G&I BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**GUARDIAN - FUND A BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**ING INTERNATIONAL VALUE BENCHMARK**

3/31/2001 - Present

100% MSCI Gross EAFE

**JENNISON NATURAL RESOURCES FUND BENCHMARK**

9/30/2009 - Present

100% CTA Managed Futures

**MUTUAL FUNDS BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

## Benchmark Comparisons Used In This Report

**PHOENIX - ENGEMANN BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**PHOENIX - OAKHURST BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**PIMCO TOTAL RETURN FUND BENCHMARK**

3/31/2004 - Present

100% Barclays Capital US Gov't Credit 5-10 Yrs

**PUTNAM GROWTH BENCHMARK**

6/30/1991 - Present

100% S&P 500 Index

**PUTNAM INT'L GROWTH BENCHMARK**

3/31/2001 - Present

100% MSCI Gross EAFE

**PUTNAM VOYAGER BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**PUTNAM VISTA FUND BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

## Benchmark Comparisons Used In This Report

**SELIGMAN COMM & INFO BENCHMARK**
12/31/2003 - Present
100% S&P 500 Index

**SENTINEL FUNDS BENCHMARK**
3/31/2001 - Present
100% S&P 500 Index

**TEMPLETON FOREIGN BENCHMARK**
3/31/2001 - Present
100% MSCI Gross EAFE

**W & R VANGUARD A BENCHMARK**
3/31/2001 - Present
100% S&P 500 Index

**WELLS FARGO CLASSIC VALUE BENCHMARK**
3/31/2001 - Present
100% S&P 500 Index

**VALUE LINE - FUND 3 BENCHMARK**
3/31/2001 - Present
100% S&P 500 Index

**JOHN HANCOCK BENCHMARK**
7/31/2006 - Present
100% S&P 500 Index

## Benchmark Comparisons Used In This Report

**PUTNAM CONVERTIBLE INCOME GROWTH BENCHMARK**

3/31/2008 - Present

100% MSCI Gross EAFE

**EATON VANCE MUNI BENCHMARK**

12/31/2008 - Present

100% Barclays Intermediate Gov't/Credit

**PREMIER MANAGED INCOME BENCHMARK**

12/31/2007 - Present

100% S&P 500 Index

**DELAWARE TREND INST'L BENCHMARK**

12/31/2003 - Present

100% Russell Midcap Growth

**THORNBURG INT'L VALUE BENCHMARK**

11/30/2010 - Present

100% MSCI Gross EAFE

**PIMCO UNCONSTRAINED BOND FUND BENCHMARK**

1/31/2011 - Present

100% Barclays U.S. Universal

**LORD ABBETT SHORT DURATION BENCHMARK**

6/30/1991 - Present

100% Barclays Aggregate

## Benchmark Comparisons Used In This Report

**PIMCO TOTAL RETURN CLASS A BENCHMARK**

2/28/2011 - Present

100% Barclays 5-10 Yr US Govt/Credit Index

**MFS DIVERSIFIED INCOME BENCHMARK**

1/31/2011 - Present

100% Barclays U.S. Universal

**EATON VANCE FLOATING BENCHMARK**

3/31/2011 - Present

100% Barclays Capital US Gov't Credit 5-10 Yrs

**LORD ABBETT FLOATING RATE BENCHMARK**

1/31/2011 - Present

100% Barclays Capital US Gov't Credit 5-10 Yrs

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UBS

**Investment Performance**

**Period Ending December 31, 2012**

**Prepared for:**
**City of Troy Employees Retirement Systems**
February 5, 2013

**Prepared by:**
John C. Grant and Rebecca S. Sorensen
Birmingham, MI.

# Outside Mutual Funds

The information contained in this report has been obtained from sources believed to be reliable, but its accuracy or completeness is not guaranteed. This report is not meant to supersede your custodial statements that should be read regularly. Any opinions expressed herein reflect our judgment at this date and are subject to change. Please report any discrepancies you may find to your UBS Institutional Consultant.

Rule 204-3 under the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send to them, without charge, a written disclosure statement meeting the requirements of such rule. We will be glad to send you a copy of such statement to you upon your written request.

Please contact your UBS Institutional Consultant if you have any questions regarding this report, if your financial situation, individual needs or investment objectives have changed, or if you would like to impose or change any investment restrictions on this account. Please note that you are also required to inform your investment advisor, directly, of any changes in your financial condition, investment objectives or investment restrictions on your account.

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# Performance Report Disclosures

## General Information

This performance report represents information about your accounts in the UBS Institutional Consulting Group at UBS Financial Services.

This report is intended as a general guide to review the performance of your holdings across a variety of accounts including those accounts held at different financial institutions. This report is for your use only. Information contained in the report should not be used for tax reporting or preparation purposes or used as the basis of an investment or liquidation decision.

Please contact your Institutional Consultant if you have any questions regarding this performance report, if your financial situation, needs or investment objectives on any account have changed, or if you would like to impose or change any investment restrictions on any account.

## No Tax or Legal Advice

Neither UBS Financial Services nor any of its employees provide tax or legal advice. You must consult with your legal or tax advisors regarding your personal circumstances.

## Assets Held at Other Qualified Custodians

Depending on the accounts covered by your Institutional Consulting Services Agreement with us, this report may cover a number of your existing accounts, each with a potentially different investment objective and risk parameters. These accounts may be held at a variety of financial institutions and information reflected on this report is based on statements your custodians have provided to UBS Financial Services, at your request. Other than information included for accounts you hold at UBS Financial Services, we are not responsible for the accuracy or completeness of any information included in this report. UBS Financial Services does not provide advice with respect to your assets at other firms. This report includes information only as of the date of the account statements provided, which may differ by account or custodian. Your UBS Financial Services account statements are the only official record of your holdings with us and are not replaced, amended or superceded by any of the information presented in this Report.

This report does not constitute the solicitation to purchase or sell any specific security. This report may include a performance analysis of a variety of accounts, each with different investments, investment objectives and risk parameters. As a result, the overweighting or underweighting of an account in a particular sector or asset class should not be viewed as an isolated factor in making investment/liquidation decisions. Rather, such decisions should be assessed on an account by account basis and after an assessment of the overall impact of such decisions on a portfolio consisting of all your accounts.

# Important Information About This Report

## Market Values

Market values used or presented in this report are obtained from sources believed to be reliable. UBS Financial Services and its representatives make no representation or assurance that the market values presented in the report are true and accurate.

## Estimates

Estimates of annual interest or dividend income should not be relied upon. The estimates are based either on past payout experience or scheduled interest payments. Past payouts are not an indication of future payouts and there can be no assurance that any fixed income security will meet its scheduled interest payments.

## Policy Statements

Neither UBS Financial Services nor your Institutional Consultant is responsible for ensuring that your investment policy statement complies with all legal, actuarial or other requirements that may apply to you. That responsibility rests solely with you and you should consult your legal and tax advisors regarding those matters.

## Performance Results

**Gross performance**

This report may illustrate net or gross of fee performance, but not both. While gross performance is valuable when reviewing a manager's performance relative to a particular index or peer group, note that such information does not reflect management fees, wrap fees, transaction costs or your Institutional consulting fees.

The payment of fees and expenses will reduce the performance of the account and the reduction in performance will have a cumulative effect over time. The net effect of the payment of fees on the annualized performance, and the compounded or cumulative effect over time, is dependent on the amount of the fee and the account's investment performance. For example, an account that experiences an annual gross performance of 10% but incurs a 2.8% annual fee that is deducted quarterly on a prorated basis, will experience net annual performance of 7.1%, a reduction of 2.9% per year.

**Net of fees performance**

If your assets are custodied at UBS Financial Services and you have selected one or more of our advisory programs as an investment option and pay the program fee directly from those accounts, you will receive separate performance reports for those accounts which illustrate the performance of your portfolio on a net of fee basis.

## Index Information

This report presents the current and historical performance of certain market indexes. These indexes may represent a broad range of asset classes, market segments and investment styles. Depending upon the composition of your portfolio and your accounts and depending on your investment objectives, these indexes may not be an appropriate measure or benchmark against which to compare the performance of a particular account or all of your accounts. Consequently, the performance of the indexes is presented for illustration purposes only.

Although the performance of an index is often used as a benchmark against which to compare the performance of an actively managed separate account or actively managed mutual fund, actively managed accounts and mutual funds are not generally restricted to investing only in the securities that are included in the index. As a result, the securities held in your account will differ from the securities included in the index and the performance of the account may likewise differ from the performance of the index. The performance of an index reflects the passive performance of an unmanaged universe of securities. The performance of an index does not reflect advisory or transaction fees, all of which would reduce the overall return. Indexes are not available for direct investment. The past performance of an index is no guarantee of future results.

## Benchmark Rebalancing

Comparative benchmarks comprising more than one index are constructed each month based on the return of the constituent indexes in the comparative benchmark and the respective weights assigned to each constituent index.

## Target Asset Allocation

The target asset allocation is the percentage allocation of your total or composite investment fund among the asset classes in which you have decided to invest as set forth in your Investment Policy Statement.

## Policy Index

For each separate account, the Policy Index is the passive index that you have selected to serve as a benchmark against which to compare the performance of the separate account. If the account is balanced, indexes may be a blend of indexes.

For the total or composite investment fund, the Policy Index is a composite of one or more passive indexes that you have selected and that are weighted according to the percentage weightings set forth in your Investment Policy Statement. The performance of your total or composite investment fund is compared against the performance of the Policy Index that you have selected for the composite.

For the purposes of calculating the performance of the Policy Index for the composite investment fund, the Policy Index is recalculated using the percentage weightings set forth in your Investment Policy Statement on a monthly or quarterly basis depending on the convention that you selected.

The Policy Index that you selected for your total or composite investment fund is shown below:
100% S&P 500 Index.

## Account Valuation

This report uses a time-weighted rate of return, a method that calculates portfolio value using the beginning and ending portfolio values for the month and weighs each contribution/withdrawal by the amount of time invested.

## Performance Start Date

The inception date shown in the report may or may not be the date that the UBS Institutional Consulting Group began providing services or performance information to you and may not be the date that an account was first invested in securities. Contact your Institutional Consultant for more information regarding the actual inception date.

## Manager Data

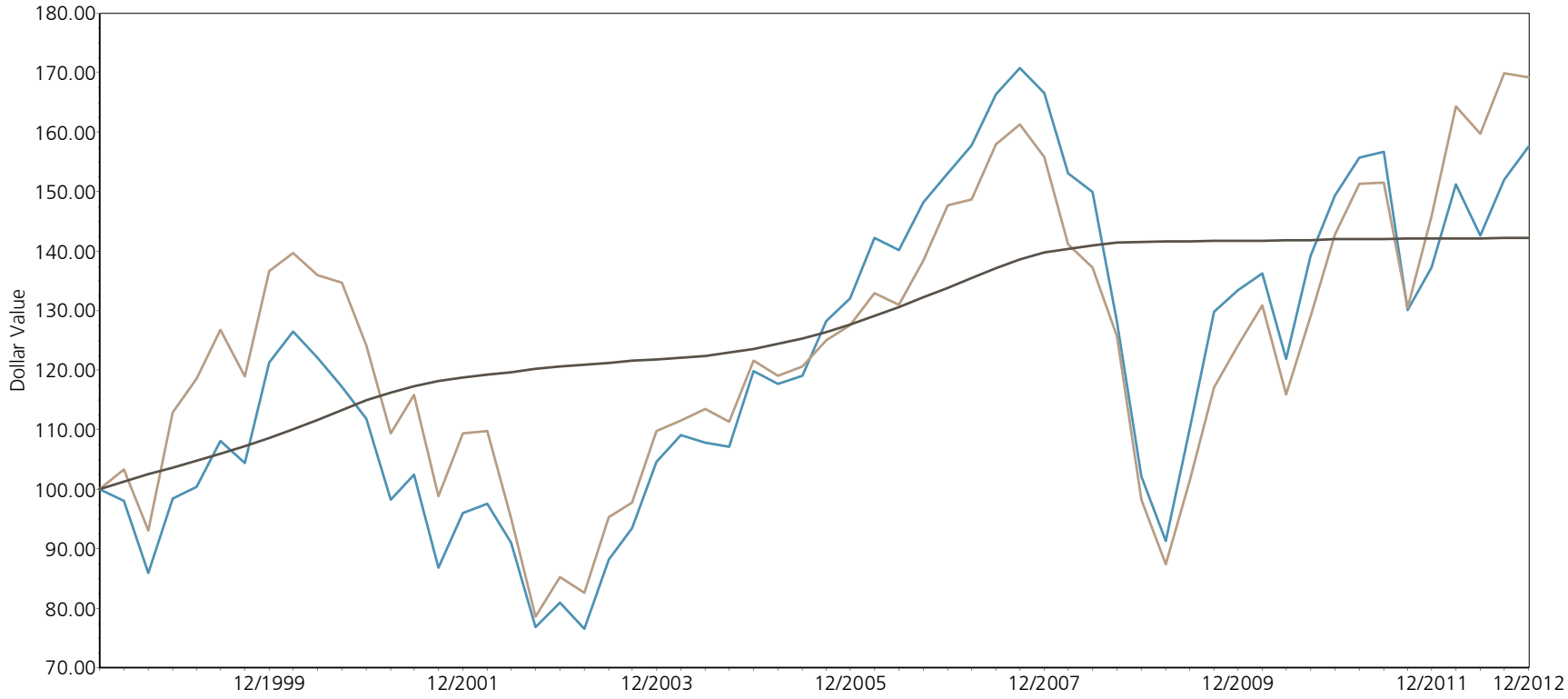
Data concerning various managers' portfolio performance is obtained from sources believed to be reliable. This data is provided for comparative purposes only. UBS Financial Services does not guarantee the accuracy or veracity of this information. Different performance calculation methods may be used to calculate each manager's portfolio performance. Investment objectives of similar style portfolios of other managers may not match exactly your investment objectives.

## Brochure

Rule 204-3 of the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send to them, without charge, a written disclosure statement. We will be glad to provide you with a copy of such statement upon your written request.

# Performance Analysis

**Growth of $100**
**March 31, 1998 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Total Portfolio | 3.65 | 14.84 | 5.71 | -1.10 | 3.13 |
| S&P 500 | -0.38 | 16.00 | 10.87 | 1.66 | 3.63 |
| 90 DAY U.S. T-BILL | 0.02 | 0.08 | 0.10 | 0.34 | 2.41 |

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## Asset Allocation

Total Market Value
as of September 30, 2012

| | Value | Percent |
|---|---|---|
| Lord Abbett Floating Rate | 3,242,759 | 8.82 |
| Europacific Growth | 2,878,632 | 7.83 |
| Premier Managed Income | 2,762,255 | 7.52 |
| Seligman Comm & Info | 2,597,198 | 7.07 |
| Templeton Foreign | 2,534,188 | 6.90 |
| Pimco Total Return Fund | 2,337,059 | 6.36 |
| Putnam Int'l Growth | 2,253,294 | 6.13 |
| PIMCO UNCONSTRAINED BOND FUND | 2,154,196 | 5.86 |
| RVS Large Cap Equity | 1,886,090 | 5.13 |
| MFS Diversified Income | 1,650,631 | 4.49 |
| John Hancock | 1,537,903 | 4.19 |
| Value Line - Fund 3 | 1,276,743 | 3.47 |
| Jennison Natural Resources Fund | 1,159,669 | 3.16 |
| ING International Value | 1,084,335 | 2.95 |
| Eaton Vance Floating | 1,059,864 | 2.88 |
| Cohen & Steers Realty | 1,024,946 | 2.79 |
| Thornburg Int'l Value | 970,832 | 2.64 |
| Putnam Convertible Income Growth | 897,515 | 2.44 |
| INVESCO European Growth | 840,064 | 2.29 |
| American Funds Capital Wld Growth & In. | 722,559 | 1.97 |
| ING Global Opportunities | 549,529 | 1.50 |
| Sentinel Funds | 337,264 | 0.92 |
| Fidelity G&I | 251,874 | 0.69 |
| Other | 736,256 | 2.00 |

Total Market Value
as of December 31, 2012

| | Value | Percent |
|---|---|---|
| Lord Abbett Floating Rate | 3,299,051 | 8.39 |
| Europacific Growth | 3,039,294 | 7.73 |
| Premier Managed Income | 2,798,295 | 7.12 |
| Templeton Foreign | 2,753,262 | 7.00 |
| Seligman Comm & Info | 2,488,444 | 6.33 |
| Putnam Int'l Growth | 2,408,021 | 6.13 |
| PIMCO TOTAL RETURN CLASS A | 2,361,412 | 6.01 |
| PIMCO UNCONSTRAINED BOND FUND | 2,167,791 | 5.51 |
| RVS Large Cap Equity | 1,854,656 | 4.72 |
| MFS Diversified Income | 1,678,779 | 4.27 |
| John Hancock | 1,634,377 | 4.16 |
| Alliance Bernstein Select | 1,542,634 | 3.92 |
| Value Line - Fund 3 | 1,316,542 | 3.35 |
| ING International Value | 1,153,855 | 2.94 |
| Cohen & Steers Realty | 1,134,453 | 2.89 |
| Jennison Natural Resources Fund | 1,127,171 | 2.87 |
| Eaton Vance Floating | 1,076,053 | 2.74 |
| Thornburg Int'l Value | 1,021,831 | 2.60 |
| Putnam Convertible Income Growth | 922,343 | 2.35 |
| INVESCO European Growth | 880,213 | 2.24 |
| American Funds Capital Wld Growth & In. | 751,685 | 1.91 |
| ING Global Opportunities | 571,086 | 1.45 |
| Sentinel Funds | 339,854 | 0.86 |
| Other | 992,059 | 2.51 |

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## Asset Allocation

| | Allocations In Other | |
|---|---|---|
| | Value | Percent |
| Guardian - Fund A | 250,055 | 0.68 |
| Wells Fargo Classic Value | 248,793 | 0.68 |
| W & R Vanguard A | 237,407 | 0.65 |

| | Allocations In Other | |
|---|---|---|
| | Value | Percent |
| Guardian - Fund A | 254,540 | 0.65 |
| Fidelity G&I | 253,994 | 0.65 |
| Wells Fargo Classic Value | 248,955 | 0.63 |
| W & R Vanguard A | 234,570 | 0.60 |

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**Investment Performance**
**Periods Ending December 31, 2012**

| | Latest Quarter ROR | One Year ROR | Two Years ROR | Three Years ROR | Five Years ROR |
|---|---|---|---|---|---|
| **Total Portfolio** | | | | | |
| Outside Mutual Funds | 3.65 | 14.84 | 2.74 | 5.71 | -1.10 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Wells Fargo Classic Value** | | | | | |
| Outside Mutual Funds | 0.07 | 16.97 | 6.32 | 8.66 | 1.01 |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Putnam International Growth** | | | | | |
| Outside Mutual Funds | 6.87 | 21.73 | 1.40 | 4.22 | -4.80 |
| MSCI GROSS EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **ING International Value** | | | | | |
| Outside Mutual Funds | 6.41 | 13.31 | -1.26 | -11.58 | -12.91 |
| MSCI GROSS EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **Value Line - Fund 3** | | | | | |
| Outside Mutual Funds | -4.15 | 9.49 | 7.02 | 11.69 | 1.99 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Sentinel Funds** | | | | | |
| Outside Mutual Funds | 0.77 | 14.52 | 7.78 | 9.99 | 2.05 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Waddell & Reed Vanguard** | | | | | |
| Outside Mutual Funds | 3.05 | 15.29 | 8.57 | 10.21 | 0.34 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Guardian Park Avenue** | | | | | |
| Outside Mutual Funds | 1.79 | 16.26 | 2.91 | 7.29 | 1.75 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |

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**Investment Performance**
**Periods Ending December 31, 2012**

| | Latest Quarter ROR | One Year ROR | Two Years ROR | Three Years ROR | Five Years ROR |
|---|---|---|---|---|---|
| **RVS Large Cap Equity** | | | | | |
| Outside Mutual Funds | -1.67 | 15.50 | 10.57 | 12.07 | 0.05 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Templeton INC Foreign** | | | | | |
| Outside Mutual Funds | 8.64 | 18.55 | 1.73 | 3.93 | -1.95 |
| MSCI GROSS EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **American Europacific Growth** | | | | | |
| Outside Mutual Funds | 5.58 | 19.28 | 1.53 | 4.09 | -1.38 |
| MSCI GROSS EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **John Hancock** | | | | | |
| Outside Mutual Funds | 6.27 | 13.93 | 0.97 | 3.61 | -4.32 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **ING Global Opportunities** | | | | | |
| Outside Mutual Funds | 3.92 | 17.71 | 0.59 | N/A | N/A |
| MSCI Gross EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |
| **Fidelity Equity - Income** | | | | | |
| Outside Mutual Funds | 0.84 | 17.23 | 5.71 | 8.76 | -0.55 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Cohen & Steers Realty** | | | | | |
| Outside Mutual Funds | 10.68 | 34.50 | 5.62 | 8.18 | 0.23 |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Putnam Convertible Income Growth** | | | | | |
| Outside Mutual Funds | 2.77 | 15.25 | 3.83 | 8.82 | N/A |
| MSCI Gross EAFE | 6.60 | 17.90 | 2.01 | 4.04 | -3.21 |

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**Investment Performance**
**Periods Ending December 31, 2012**

| | Latest Quarter ROR | One Year ROR | Two Years ROR | Three Years ROR | Five Years ROR |
|---|---|---|---|---|---|
| **Jennison Natural Resources Fund** | | | | | |
| Outside Mutual Funds | -2.80 | -2.72 | -11.12 | 0.31 | N/A |
| CTA Managed Futures | -1.40 | 0.26 | -0.50 | 3.19 | 3.15 |
| **Premier Managed Income** | | | | | |
| Outside Mutual Funds | 1.30 | 7.19 | 7.30 | 7.90 | 6.81 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |

The policy index reflects the returns of the manager's asset allocation if invested in the markets represented by the following indexes:

3/31/1998 - Present
100% S&P 500 Index

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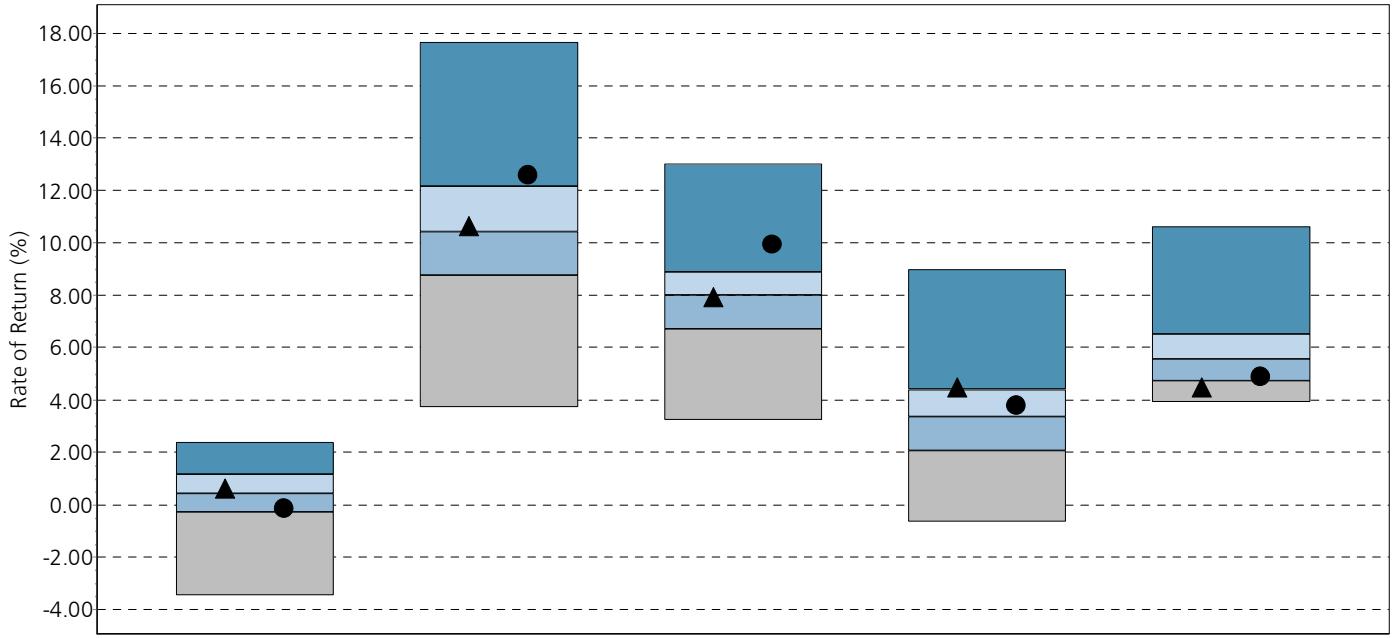
**Total Portfolio versus Balanced Managers**
**March 31, 1998 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 2.39 | 17.66 | 13.03 | 9.00 | 10.66 |
| First Quartile | 1.17 | 12.17 | 8.90 | 4.42 | 6.54 |
| Median Value | 0.44 | 10.43 | 8.03 | 3.36 | 5.57 |
| Third Quartile | -0.27 | 8.77 | 6.73 | 2.07 | 4.76 |
| Lowest Value | -3.43 | 3.74 | 3.26 | -0.64 | 3.93 |
| Mean | 0.37 | 10.55 | 7.89 | 3.39 | 5.87 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 0.63 | 41 | 10.66 | 48 | 7.92 | 52 | 4.48 | 23 | 4.48 | 89 |
| ● 70%SP500 & 30% BarclaysGC | -0.15 | 69 | 12.57 | 21 | 9.93 | 14 | 3.78 | 39 | 4.88 | 72 |

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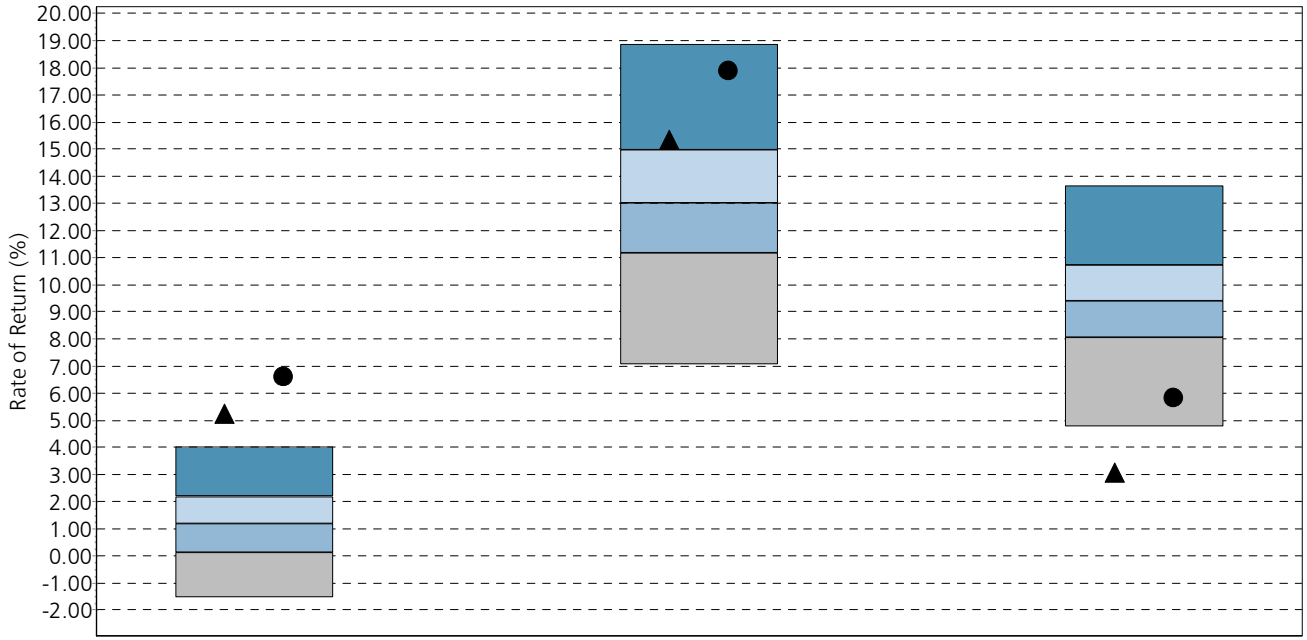
**Thornburg Int'l Value versus 70% Equity/ 30% Fixed Managers**
**November 30, 2010 Through December 31, 2012**




| | Latest Quarter | One Year | Since Inception |
|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 13.65 |
| First Quartile | 2.21 | 14.97 | 10.73 |
| Median Value | 1.21 | 13.02 | 9.42 |
| Third Quartile | 0.13 | 11.18 | 8.07 |
| Lowest Value | -1.50 | 7.08 | 4.79 |
| Mean | 1.19 | 13.09 | 9.41 |

| | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 5.25 | 1 | 15.34 | 20 | 3.06 | 99 |
| ● MSCI Gross EAFE | 6.60 | 1 | 17.90 | 3 | 5.82 | 97 |

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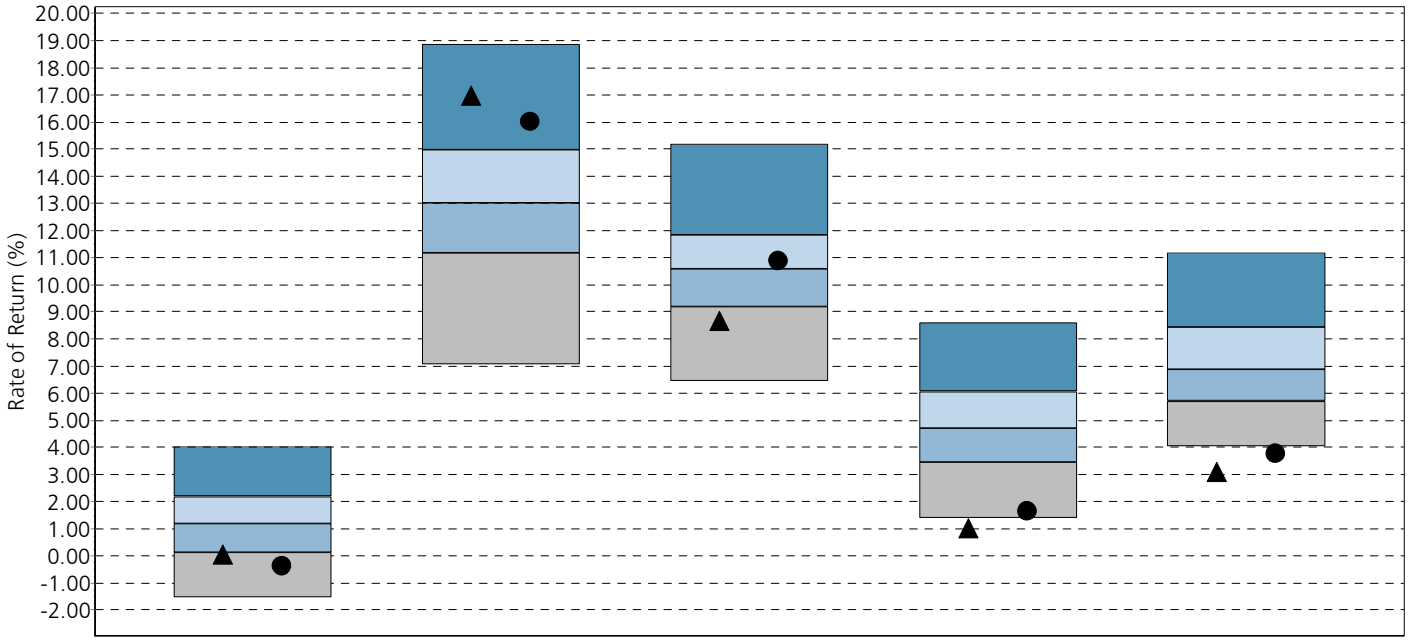
**Wells Fargo Classic Value versus 70% Equity/ 30% Fixed Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.18 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.46 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 6.89 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 5.72 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.06 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.14 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 0.07 | 76 | 16.97 | 8 | 8.66 | 82 | 1.01 | 99 | 3.10 | 99 |
| ● S&P 500 Index | -0.38 | 85 | 16.00 | 14 | 10.87 | 43 | 1.66 | 98 | 3.78 | 99 |

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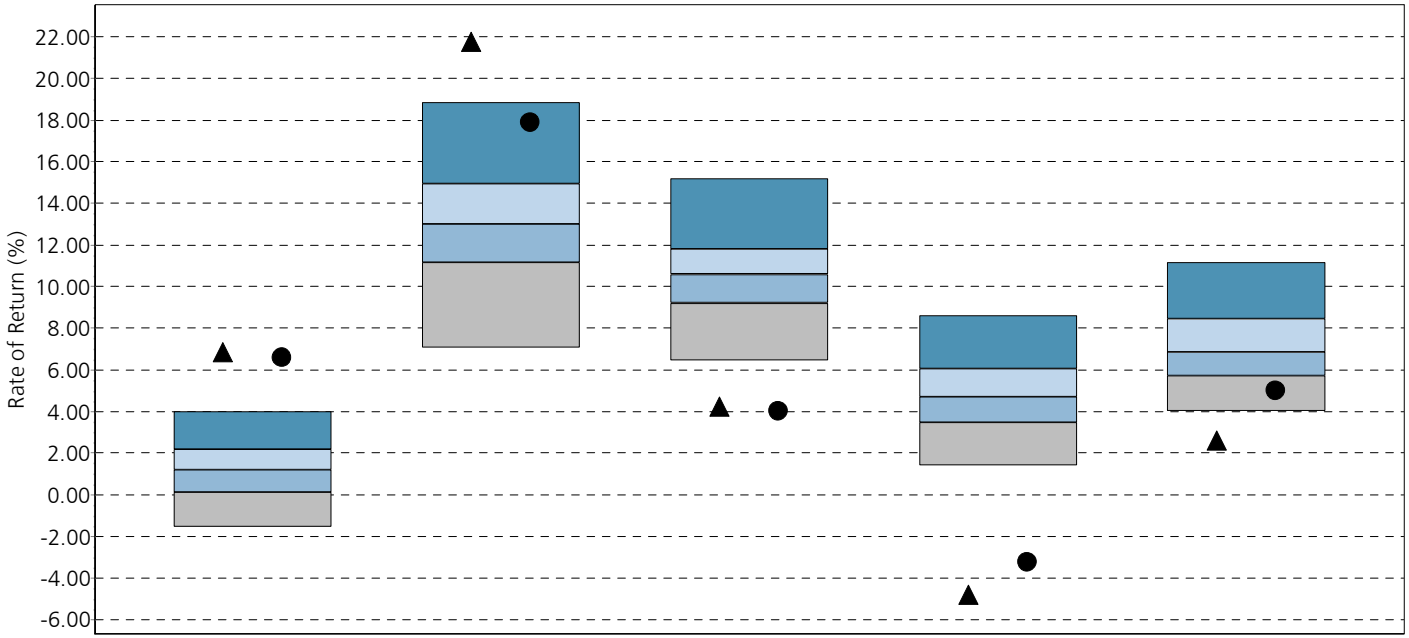
**Putnam Int'l Growth versus 70% Equity/ 30% Fixed Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.18 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.46 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 6.89 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 5.72 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.06 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.14 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 6.87 | 1 | 21.73 | 1 | 4.22 | 99 | -4.80 | 99 | 2.62 | 99 |
| ● MSCI Gross EAFE | 6.60 | 1 | 17.90 | 3 | 4.04 | 99 | -3.21 | 99 | 4.99 | 87 |

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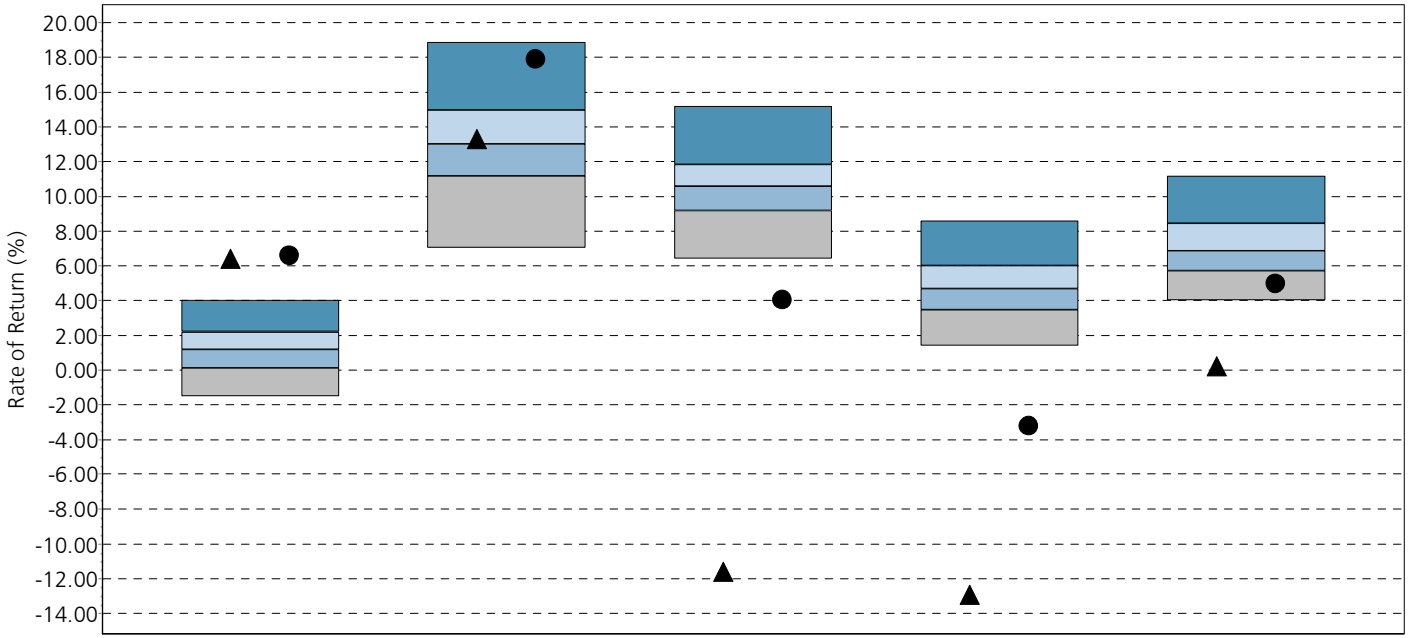
**ING International Value versus 70% Equity/ 30% Fixed Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.18 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.46 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 6.89 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 5.72 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.06 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.14 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 6.41 | 1 | 13.31 | 45 | -11.58 | 99 | -12.91 | 99 | 0.22 | 99 |
| ● MSCI Gross EAFE | 6.60 | 1 | 17.90 | 3 | 4.04 | 99 | -3.21 | 99 | 4.99 | 87 |

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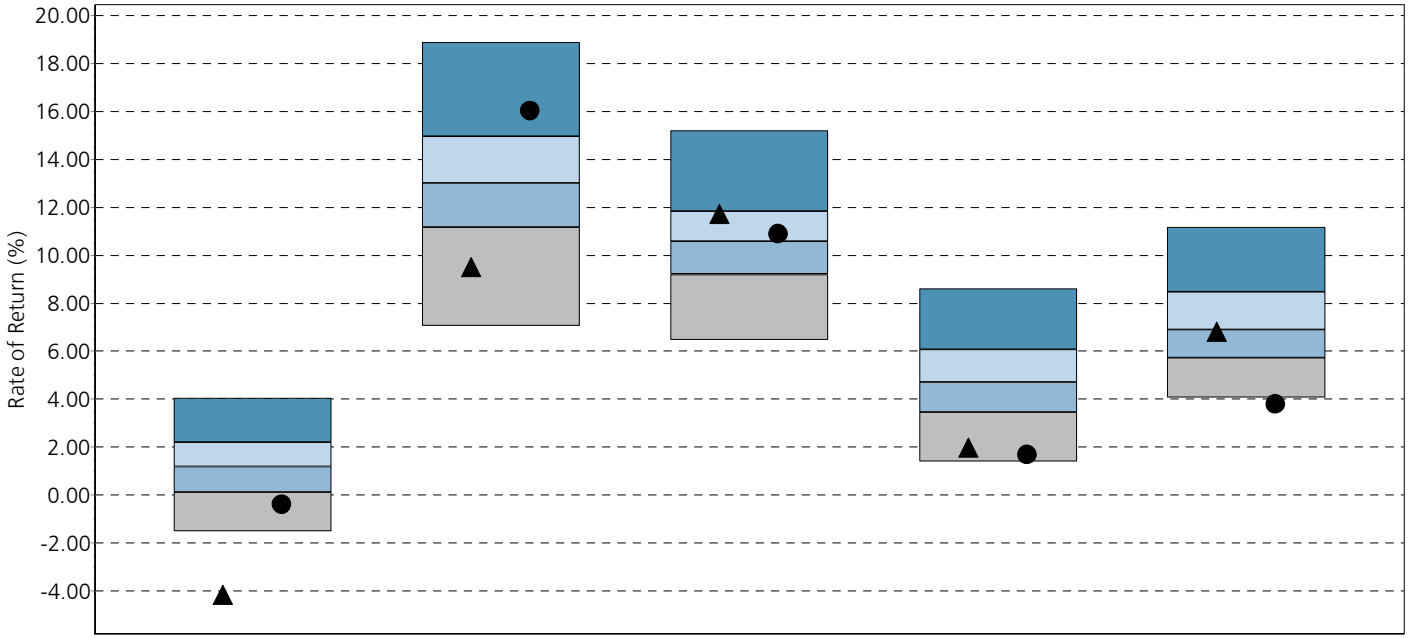
**VALUE LINE - FUND 3 versus 70% Equity/ 30% Fixed Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.18 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.46 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 6.89 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 5.72 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.06 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.14 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | -4.15 | 99 | 9.49 | 91 | 11.69 | 27 | 1.99 | 96 | 6.80 | 53 |
| ● S&P 500 Index | -0.38 | 85 | 16.00 | 14 | 10.87 | 43 | 1.66 | 98 | 3.78 | 99 |

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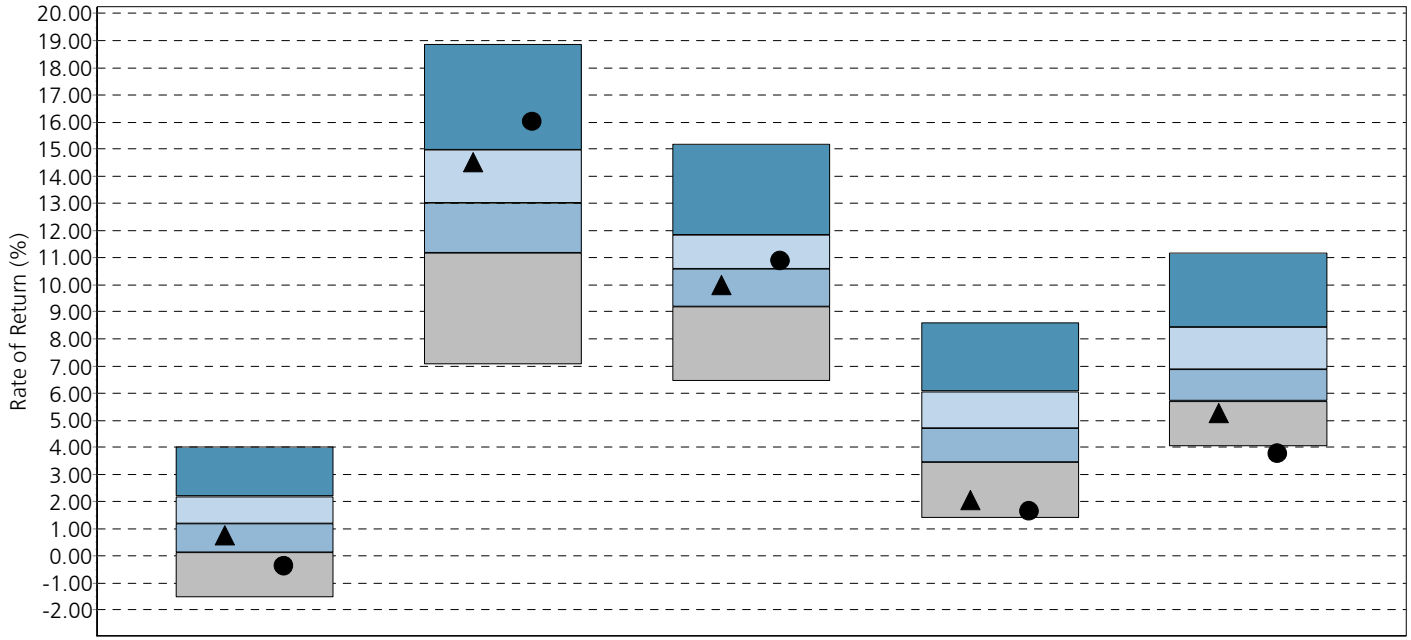
**SENTINEL FUNDS versus 70% Equity/ 30% Fixed Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.18 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.46 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 6.89 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 5.72 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.06 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.14 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 0.77 | 59 | 14.52 | 30 | 9.99 | 62 | 2.05 | 96 | 5.28 | 83 |
| ● S&P 500 Index | -0.38 | 85 | 16.00 | 14 | 10.87 | 43 | 1.66 | 98 | 3.78 | 99 |

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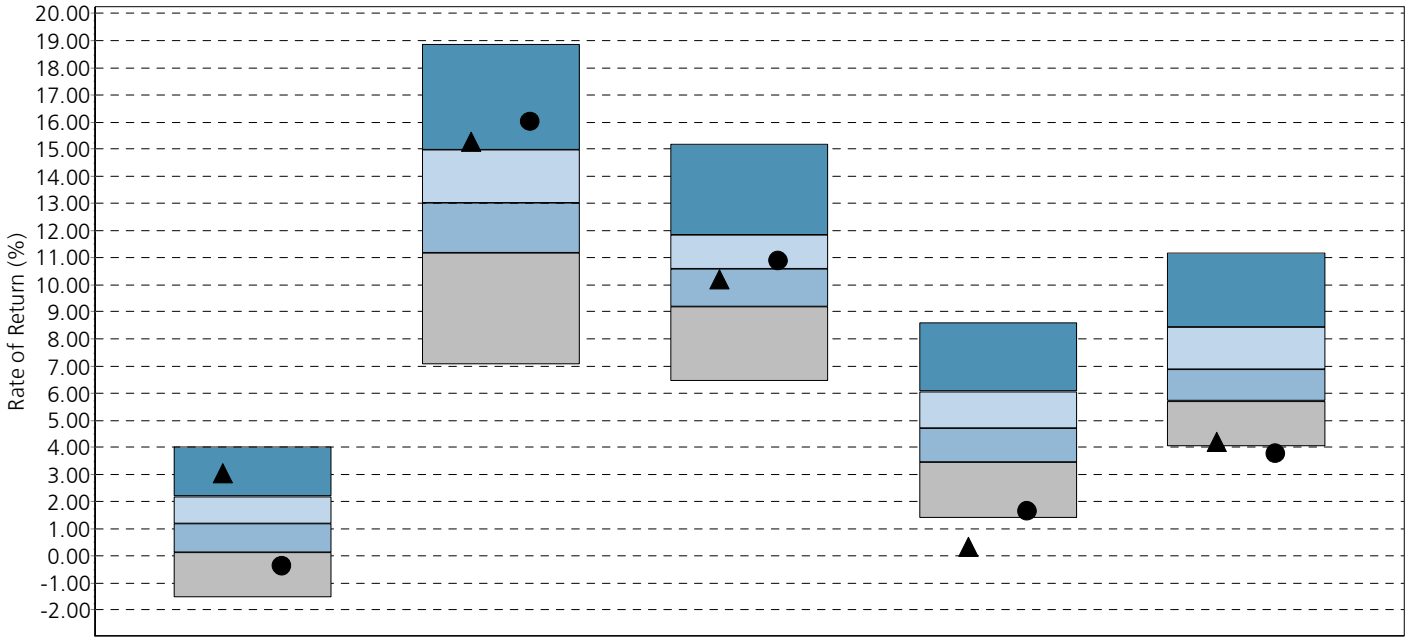
**W & R Vanguard A versus 70% Equity/ 30% Fixed Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.18 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.46 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 6.89 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 5.72 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.06 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.14 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 3.05 | 10 | 15.29 | 20 | 10.21 | 58 | 0.34 | 99 | 4.20 | 98 |
| ● S&P 500 Index | -0.38 | 85 | 16.00 | 14 | 10.87 | 43 | 1.66 | 98 | 3.78 | 99 |

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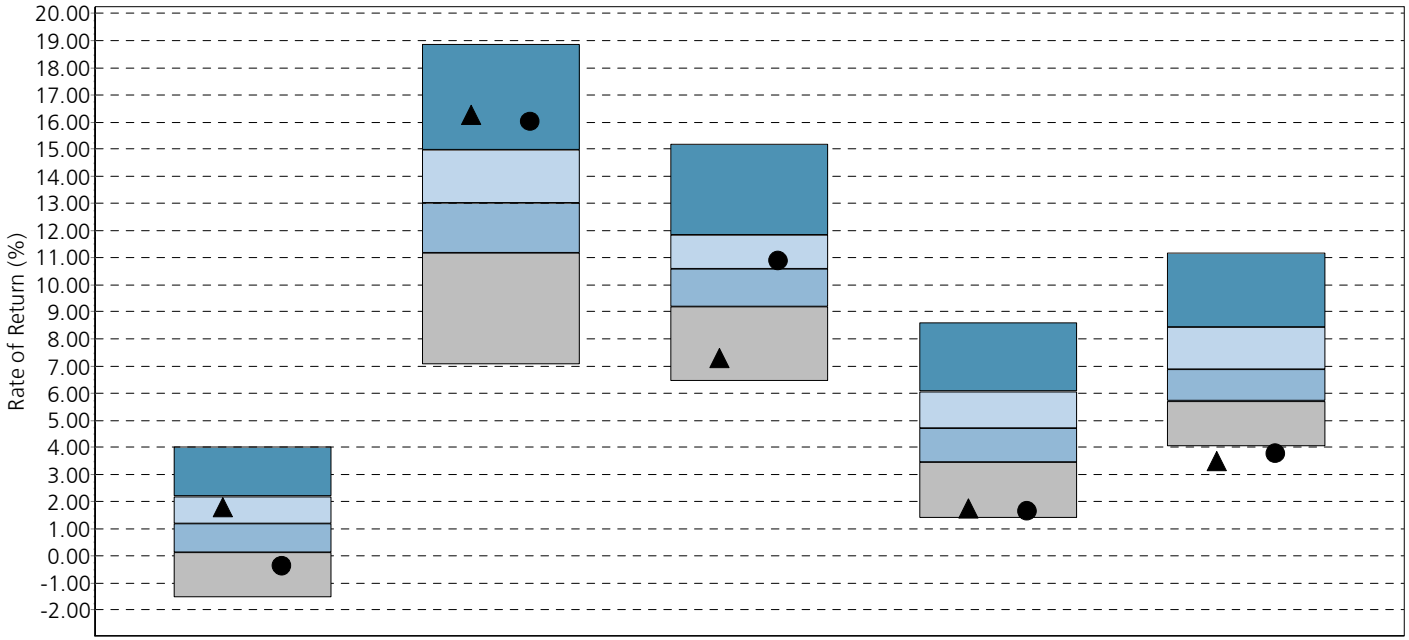
**Guardian - Fund A versus 70% Equity/ 30% Fixed Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.18 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.46 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 6.89 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 5.72 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.06 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.14 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 1.79 | 34 | 16.26 | 12 | 7.29 | 95 | 1.75 | 97 | 3.51 | 99 |
| ● S&P 500 Index | -0.38 | 85 | 16.00 | 14 | 10.87 | 43 | 1.66 | 98 | 3.78 | 99 |

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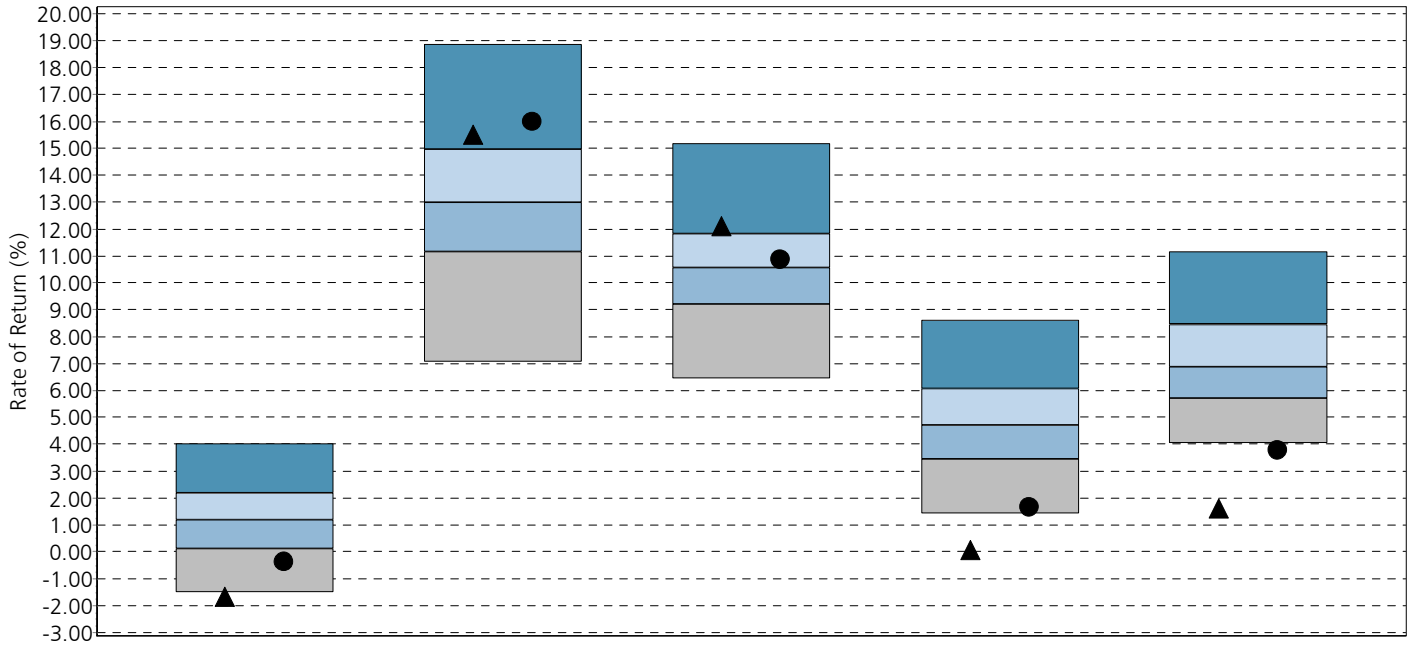
**RVS Large Cap Equity versus 70% Equity/ 30% Fixed Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.18 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.46 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 6.89 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 5.72 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.06 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.14 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | -1.67 | 99 | 15.50 | 19 | 12.09 | 21 | 0.06 | 99 | 1.60 | 99 |
| ● S&P 500 Index | -0.38 | 85 | 16.00 | 14 | 10.87 | 43 | 1.66 | 98 | 3.78 | 99 |

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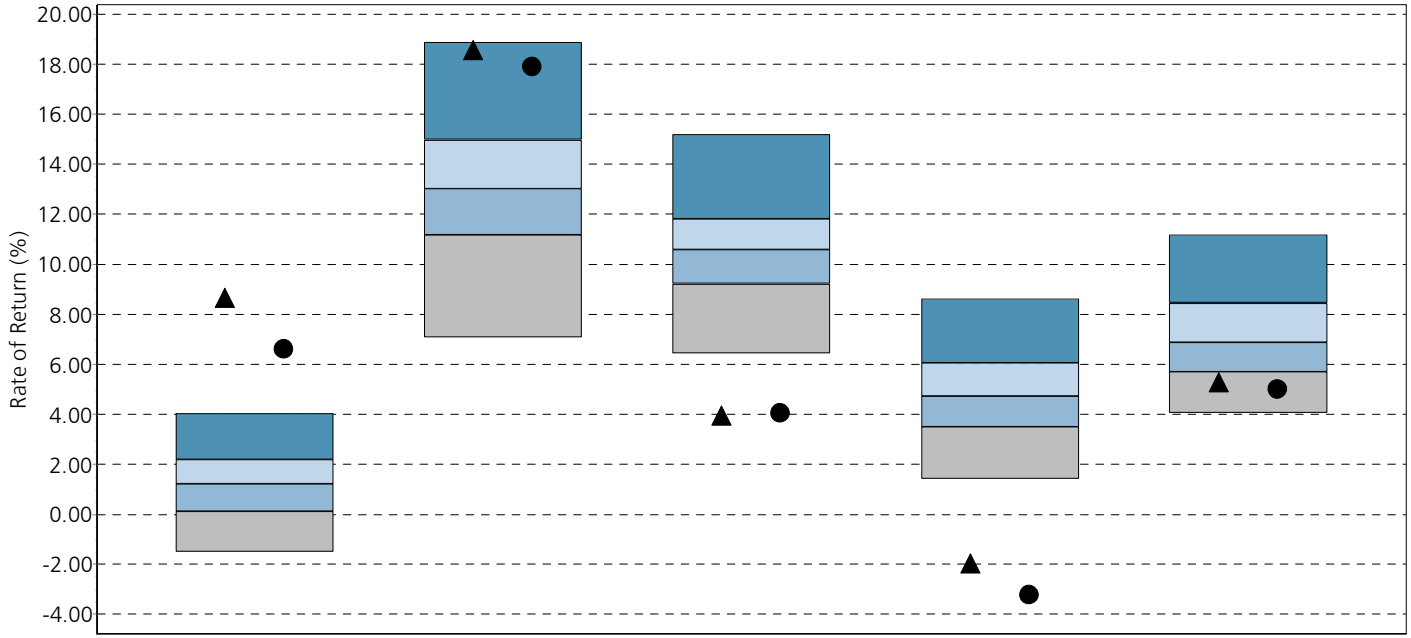
**Templeton Foreign versus 70% Equity/ 30% Fixed Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.18 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.46 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 6.89 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 5.72 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.06 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.14 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 8.64 | 1 | 18.55 | 1 | 3.93 | 99 | -1.95 | 99 | 5.28 | 83 |
| ● MSCI Gross EAFE | 6.60 | 1 | 17.90 | 3 | 4.04 | 99 | -3.21 | 99 | 4.99 | 87 |

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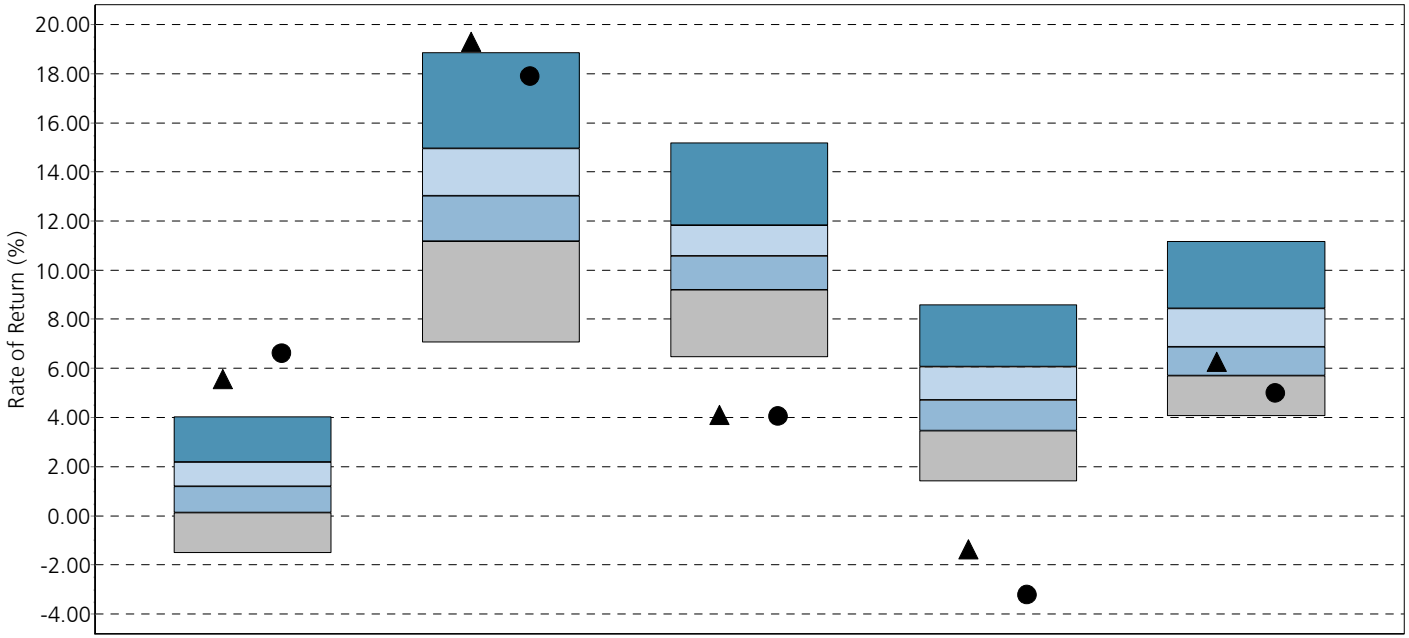
**Europacific Growth versus 70% Equity/ 30% Fixed Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.18 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.46 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 6.89 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 5.72 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.06 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.14 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 5.58 | 1 | 19.28 | 1 | 4.09 | 99 | -1.38 | 99 | 6.26 | 64 |
| ● MSCI Gross EAFE | 6.60 | 1 | 17.90 | 3 | 4.04 | 99 | -3.21 | 99 | 4.99 | 87 |

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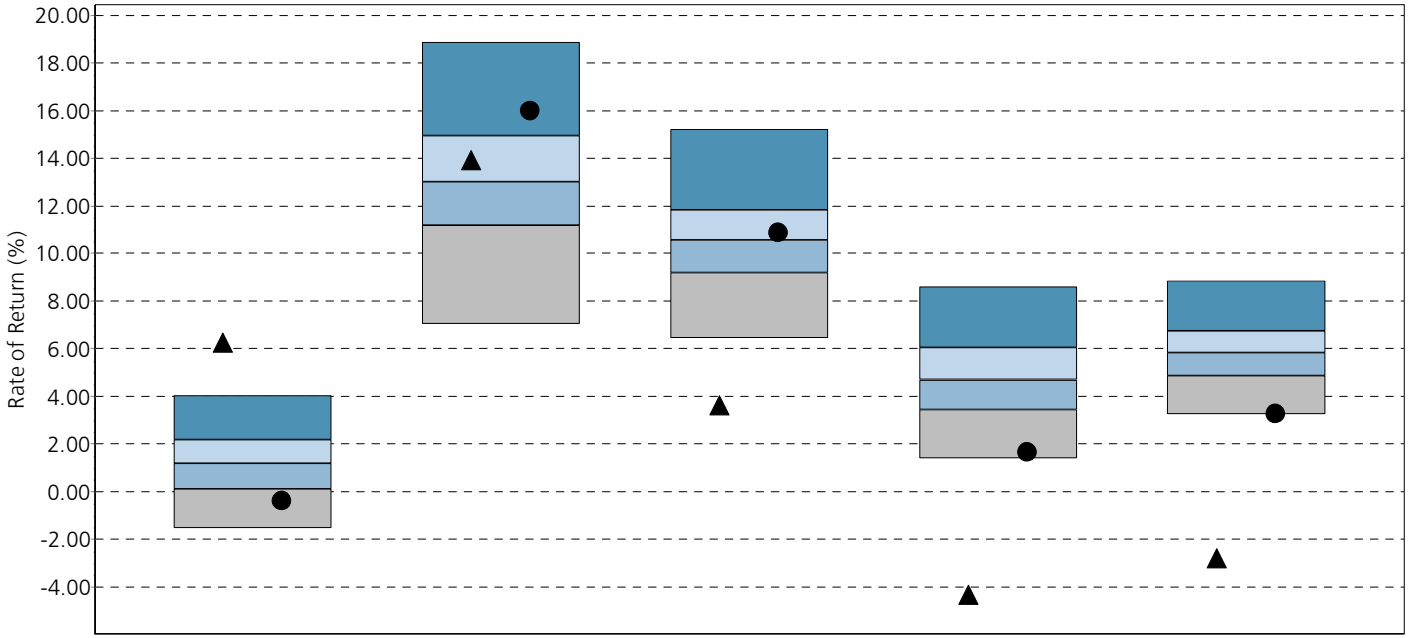
**John Hancock versus 70% Equity/ 30% Fixed Managers**
**September 30, 2006 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 8.87 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 6.77 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 5.85 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 4.89 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 3.26 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 5.85 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 6.27 | 1 | 13.93 | 36 | 3.61 | 99 | -4.32 | 99 | -2.80 | 99 |
| ● S&P 500 Index | -0.38 | 85 | 16.00 | 14 | 10.87 | 43 | 1.66 | 98 | 3.26 | 99 |

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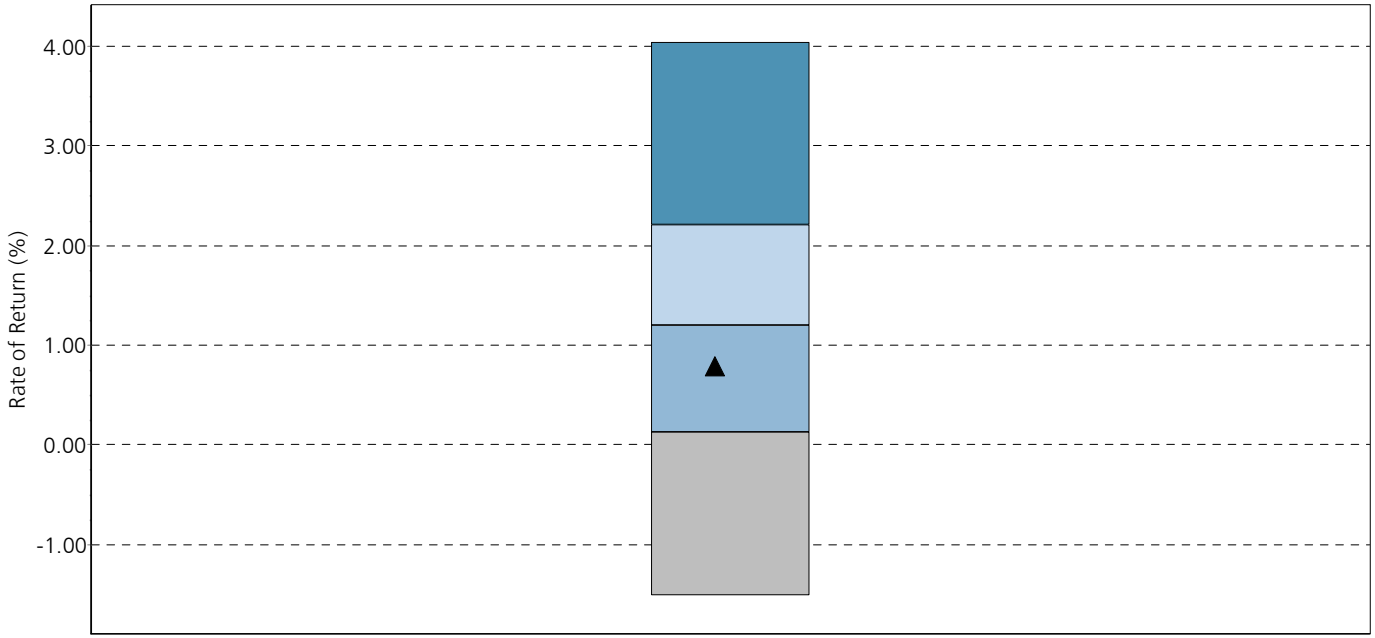
**PIMCO TOTAL RETURN CLASS A versus 70% Equity/ 30% Fixed Managers**
**February 28, 2011 Through December 31, 2012**




| | Latest Quarter |
|---|---|
| Highest Value | 4.04 |
| First Quartile | 2.21 |
| Median Value | 1.21 |
| Third Quartile | 0.13 |
| Lowest Value | -1.50 |
| Mean | 1.19 |

| | Return | Rank |
|---|---|---|
| ▲ Composite Mutual Funds | 0.79 | 59 |
| ● Barclays 5-10 Yr GC | N/A | N/A |

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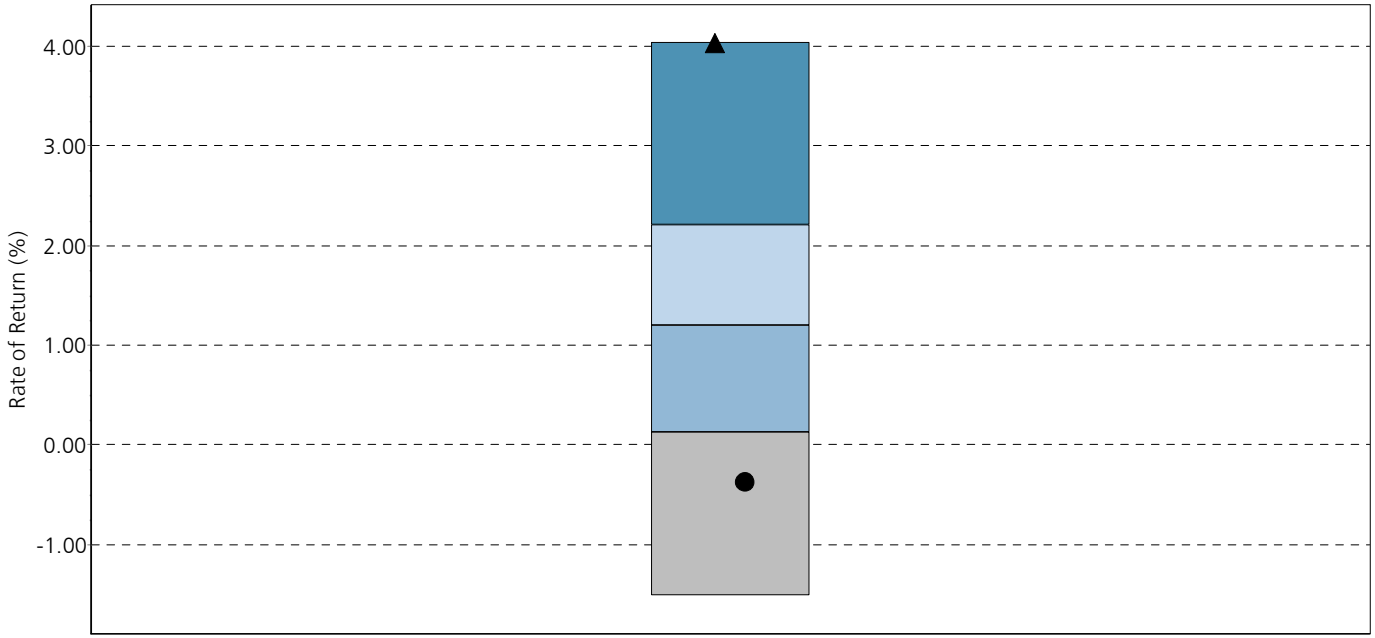
**American Funds Capital Wld Growth & In. versus 70% Equity/ 30% Fixed Managers**
**November 30, 2010 Through December 31, 2012**




| | Latest Quarter |
|---|---|
| Highest Value | 4.04 |
| First Quartile | 2.21 |
| Median Value | 1.21 |
| Third Quartile | 0.13 |
| Lowest Value | -1.50 |
| Mean | 1.19 |

| | Return | Rank |
|---|---|---|
| ▲ Composite Mutual Funds | 4.03 | 1 |
| ● S&P 500 Index | -0.38 | 85 |

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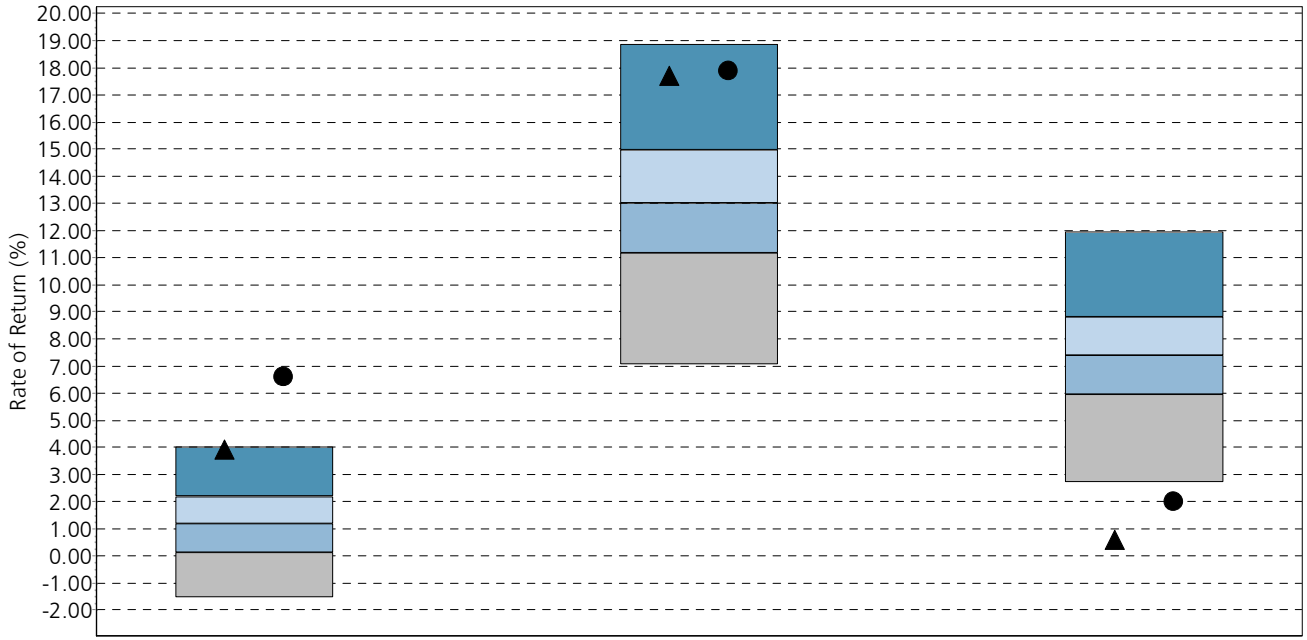
**ING Global Opportunities versus 70% Equity/ 30% Fixed Managers**
**December 31, 2010 Through December 31, 2012**




| | Latest Quarter | One Year | Since Inception |
|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 11.98 |
| First Quartile | 2.21 | 14.97 | 8.85 |
| Median Value | 1.21 | 13.02 | 7.41 |
| Third Quartile | 0.13 | 11.18 | 5.97 |
| Lowest Value | -1.50 | 7.08 | 2.75 |
| Mean | 1.19 | 13.09 | 7.42 |

| | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 3.92 | 1 | 17.71 | 4 | 0.59 | 99 |
| ● MSCI Gross EAFE | 6.60 | 1 | 17.90 | 3 | 2.01 | 99 |

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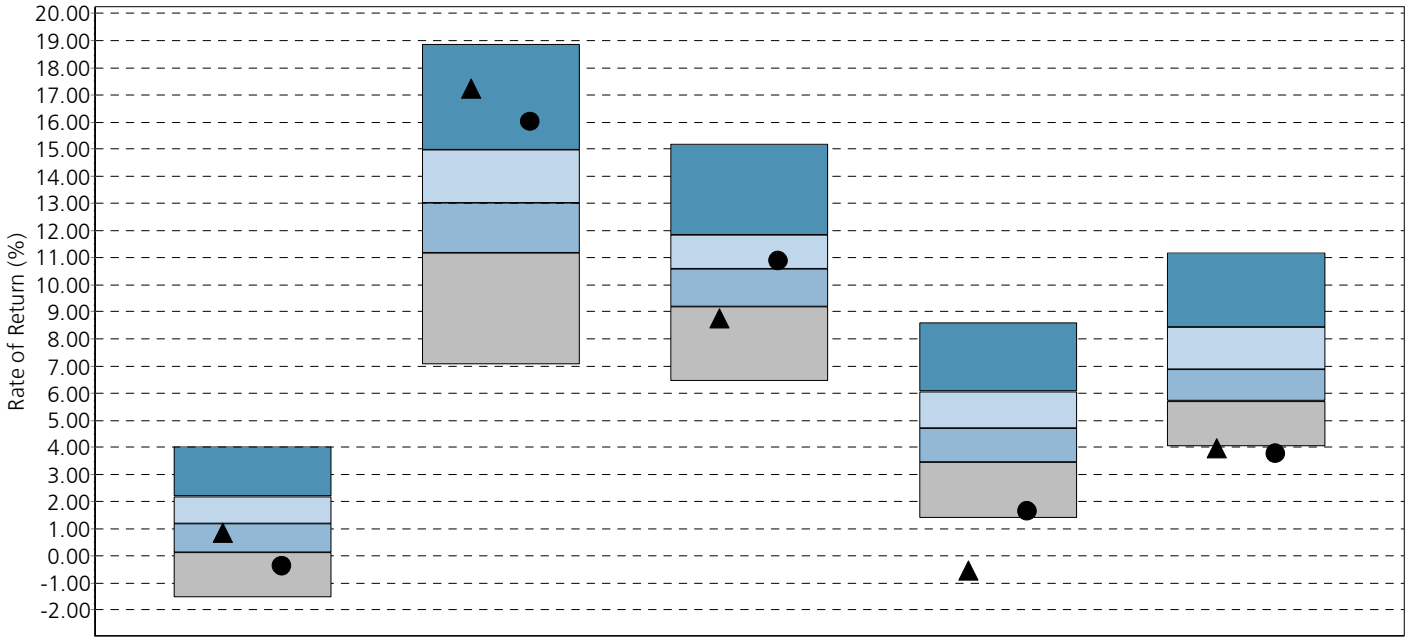
**Fidelity G&I versus 70% Equity/ 30% Fixed Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.18 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.46 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 6.89 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 5.72 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.06 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.14 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 0.84 | 57 | 17.23 | 6 | 8.76 | 81 | -0.55 | 99 | 3.98 | 99 |
| ● S&P 500 Index | -0.38 | 85 | 16.00 | 14 | 10.87 | 43 | 1.66 | 98 | 3.78 | 99 |

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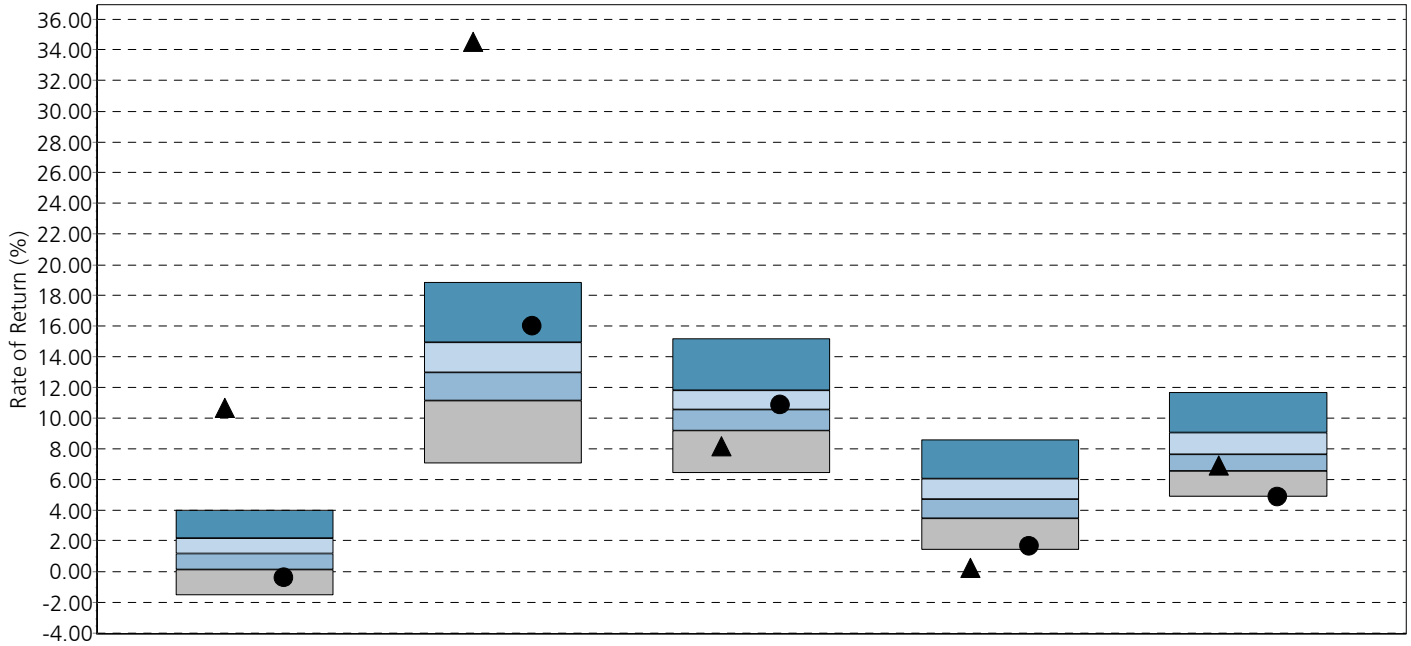
**Cohen & Steers Realty versus 70% Equity/ 30% Fixed Managers**
**September 30, 2001 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 11.73 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 9.09 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 7.65 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 6.56 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.90 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.81 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 10.68 | 1 | 34.50 | 1 | 8.18 | 86 | 0.23 | 99 | 6.92 | 64 |
| ● S&P 500 Index | -0.38 | 85 | 16.00 | 14 | 10.87 | 43 | 1.66 | 98 | 4.90 | 99 |

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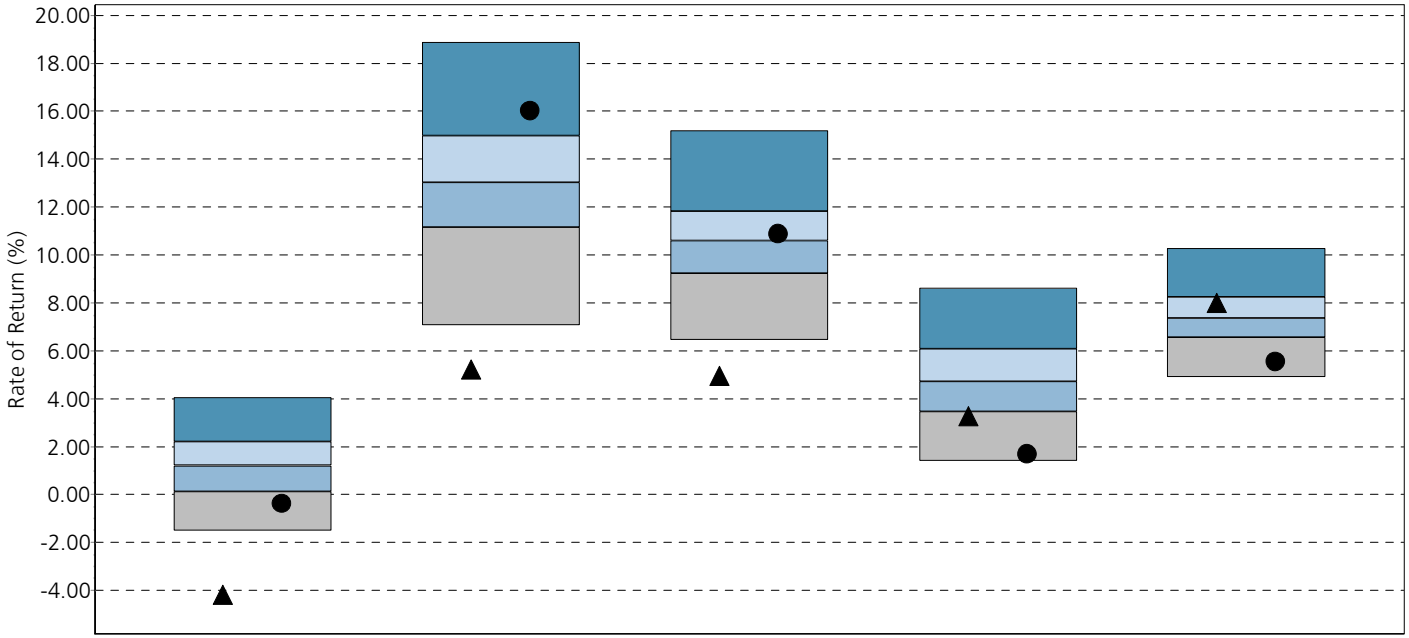
**SELIGMAN COMM & INFO versus 70% Equity/ 30% Fixed Managers**
**October 31, 2003 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 | 10.28 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 | 8.25 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 | 7.36 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 | 6.57 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 | 4.91 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 | 7.40 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | -4.19 | 99 | 5.22 | 99 | 4.94 | 99 | 3.24 | 80 | 8.00 | 33 |
| ● S&P 500 Index | -0.38 | 85 | 16.00 | 14 | 10.87 | 43 | 1.66 | 98 | 5.53 | 92 |

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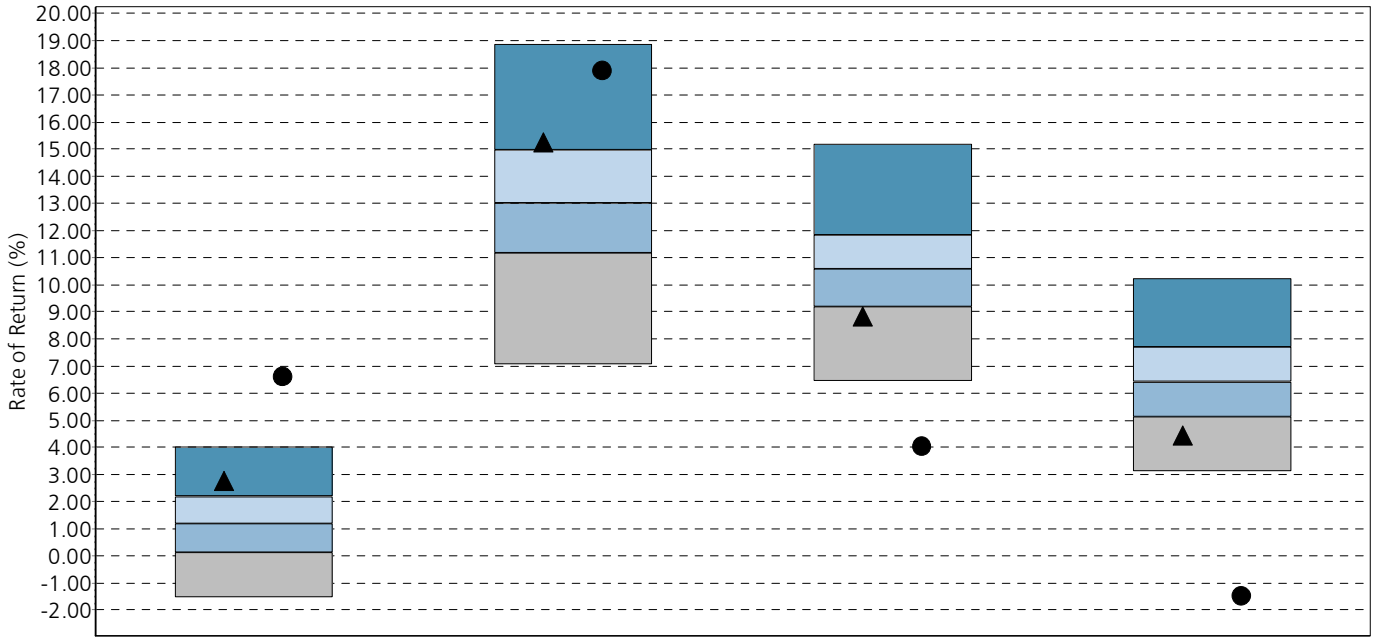
**Putnam Convertible Income Growth versus 70% Equity/ 30% Fixed Managers**
**March 31, 2008 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Since Inception |
|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 10.26 |
| First Quartile | 2.21 | 14.97 | 11.84 | 7.73 |
| Median Value | 1.21 | 13.02 | 10.60 | 6.44 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 5.14 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 3.13 |
| Mean | 1.19 | 13.09 | 10.57 | 6.46 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 2.77 | 15 | 15.25 | 21 | 8.82 | 80 | 4.44 | 86 |
| ● MSCI Gross EAFE | 6.60 | 1 | 17.90 | 3 | 4.04 | 99 | -1.48 | 99 |

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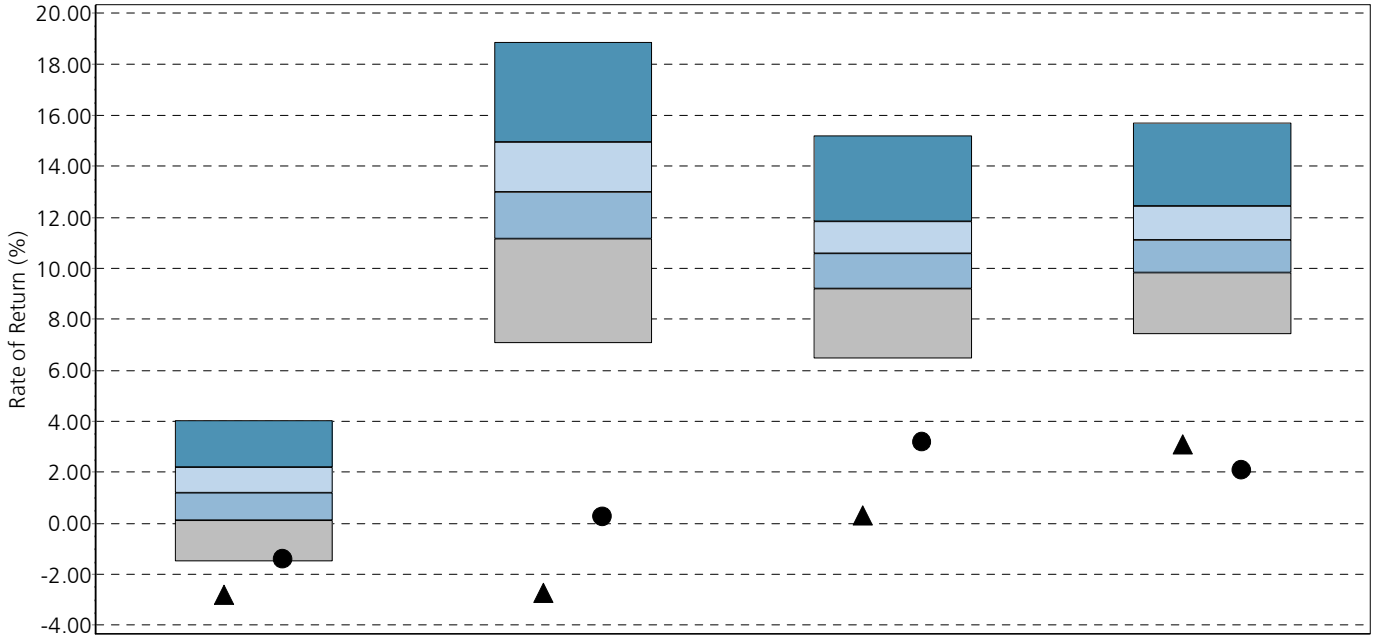
**Jennison Natural Resources Fund versus 70% Equity/ 30% Fixed Managers**
**September 30, 2009 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Since Inception |
|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 15.73 |
| First Quartile | 2.21 | 14.97 | 11.84 | 12.44 |
| Median Value | 1.21 | 13.02 | 10.60 | 11.14 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 9.85 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 7.44 |
| Mean | 1.19 | 13.09 | 10.57 | 11.19 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | -2.80 | 99 | -2.72 | 99 | 0.31 | 99 | 3.09 | 99 |
| ● CTA Managed Futures | -1.40 | 98 | 0.26 | 99 | 3.19 | 99 | 2.08 | 99 |

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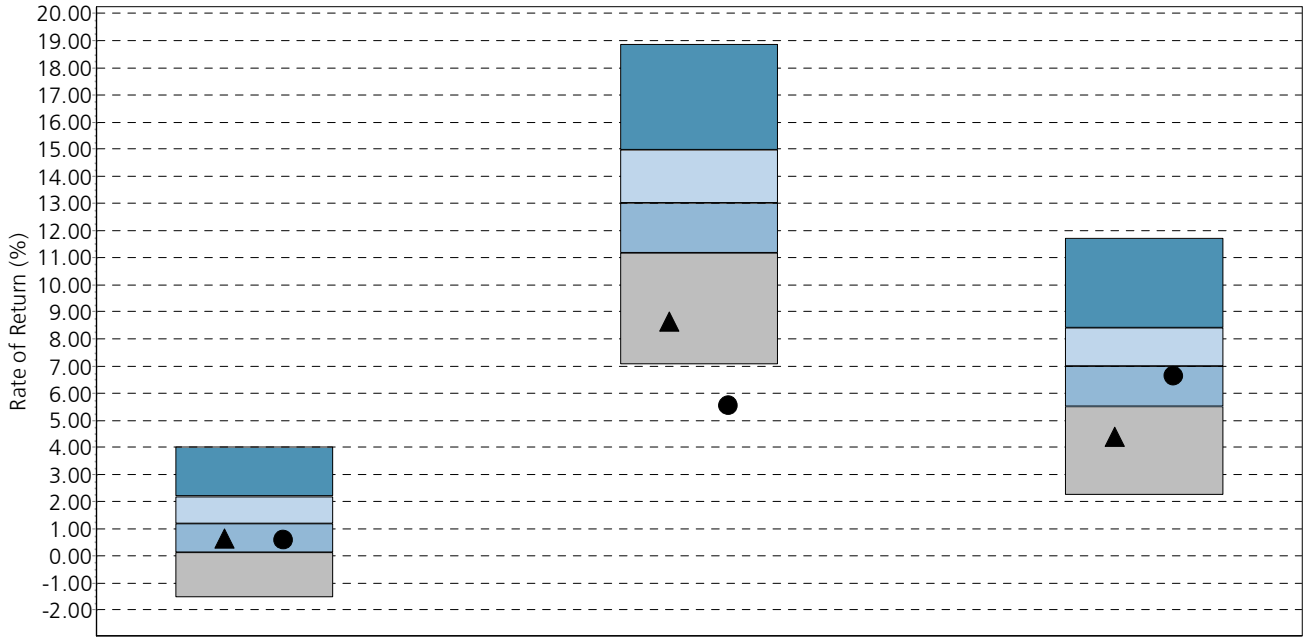
**PIMCO UNCONSTRAINED BOND FUND versus 70% Equity/ 30% Fixed Managers**
**January 31, 2011 Through December 31, 2012**




| | Latest Quarter | One Year | Since Inception |
|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 11.74 |
| First Quartile | 2.21 | 14.97 | 8.42 |
| Median Value | 1.21 | 13.02 | 7.01 |
| Third Quartile | 0.13 | 11.18 | 5.53 |
| Lowest Value | -1.50 | 7.08 | 2.26 |
| Mean | 1.19 | 13.09 | 7.01 |

| | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 0.63 | 62 | 8.63 | 95 | 4.39 | 89 |
| ● Barclays US Univ | 0.58 | 63 | 5.54 | 99 | 6.63 | 57 |

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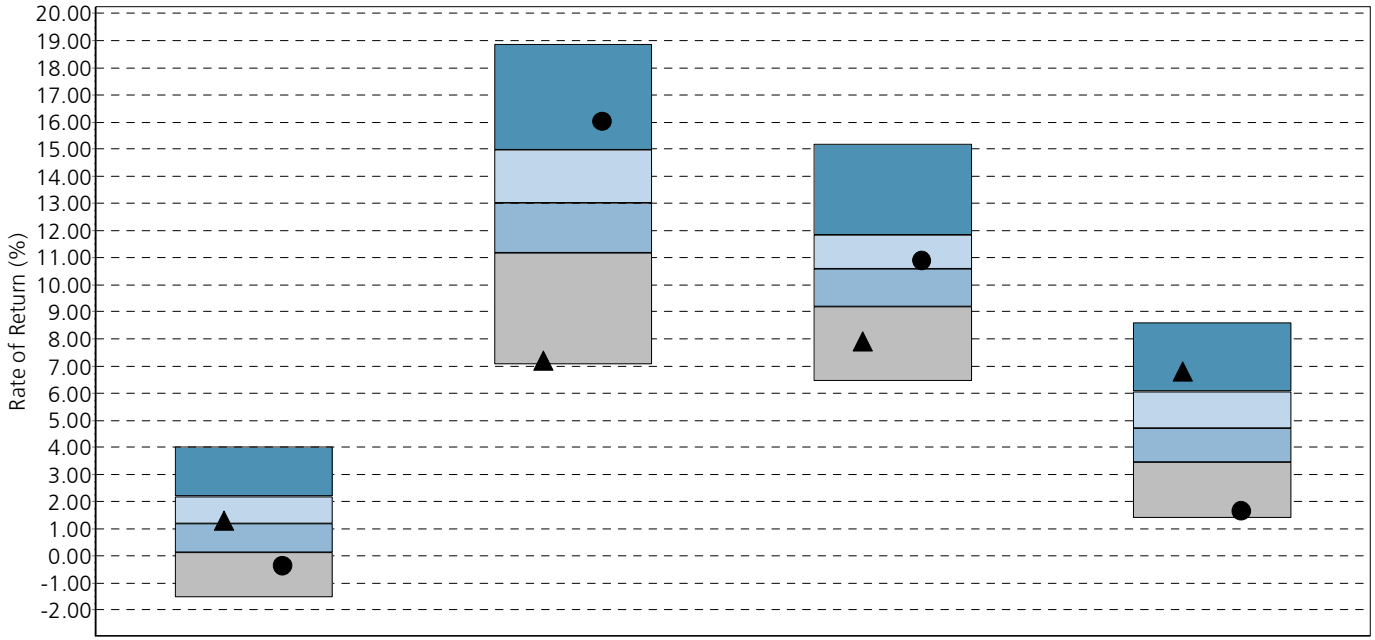
**Premier Managed Income versus 70% Equity/ 30% Fixed Managers**
**December 31, 2007 Through December 31, 2012**




| | Latest Quarter | One Year | Three Years | Since Inception |
|---|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 15.21 | 8.62 |
| First Quartile | 2.21 | 14.97 | 11.84 | 6.07 |
| Median Value | 1.21 | 13.02 | 10.60 | 4.72 |
| Third Quartile | 0.13 | 11.18 | 9.21 | 3.48 |
| Lowest Value | -1.50 | 7.08 | 6.46 | 1.43 |
| Mean | 1.19 | 13.09 | 10.57 | 4.82 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 1.30 | 47 | 7.19 | 99 | 7.90 | 89 | 6.81 | 15 |
| ● S&P 500 Index | -0.38 | 85 | 16.00 | 14 | 10.87 | 43 | 1.66 | 98 |

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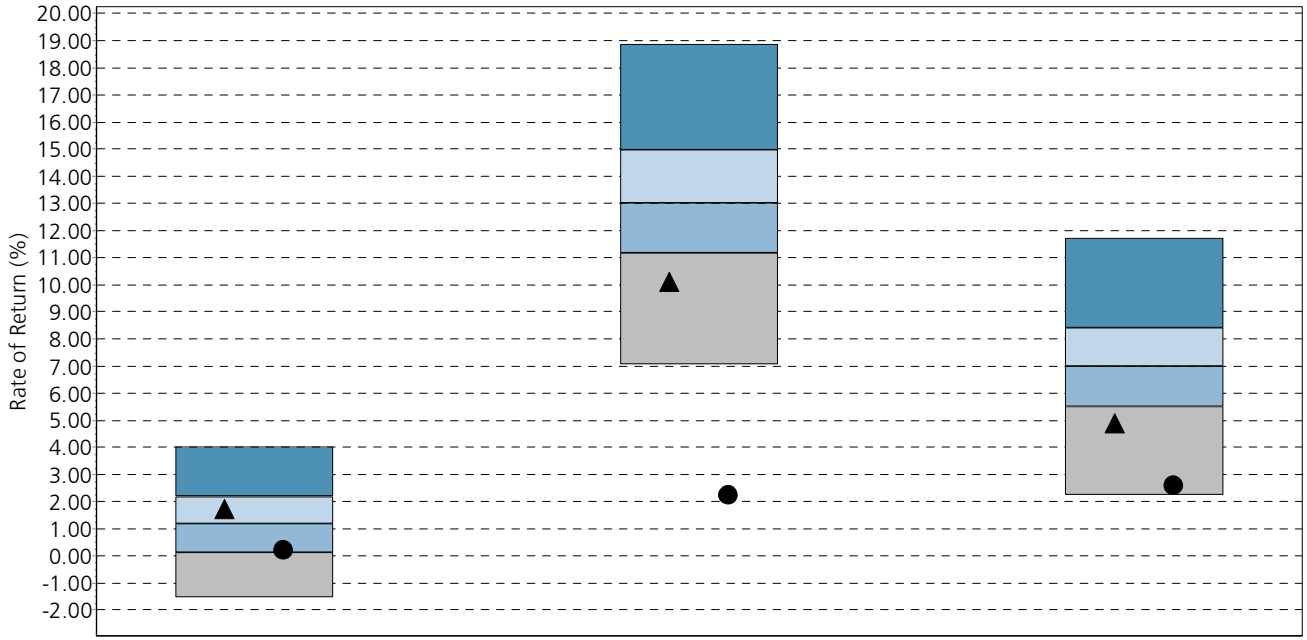
**Lord Abbett Floating Rate versus 70% Equity/ 30% Fixed Managers**
**January 31, 2011 Through December 31, 2012**




| | Latest Quarter | One Year | Since Inception |
|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 11.74 |
| First Quartile | 2.21 | 14.97 | 8.42 |
| Median Value | 1.21 | 13.02 | 7.01 |
| Third Quartile | 0.13 | 11.18 | 5.53 |
| Lowest Value | -1.50 | 7.08 | 2.26 |
| Mean | 1.19 | 13.09 | 7.01 |

| | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 1.74 | 37 | 10.09 | 87 | 4.90 | 84 |
| ● Barclays 1-5 Govt/Cr | 0.20 | 72 | 2.24 | 99 | 2.60 | 98 |

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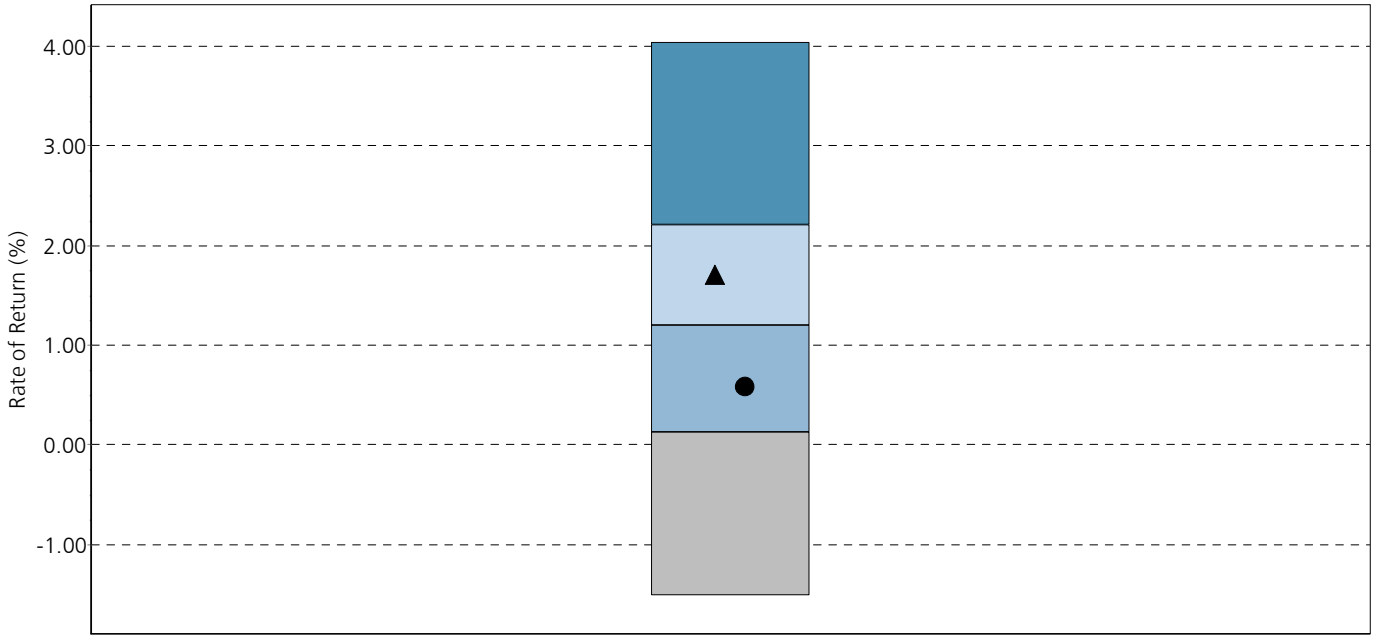
**MFS Diversified Income versus 70% Equity/ 30% Fixed Managers**
**January 31, 2011 Through December 31, 2012**




| | Latest Quarter |
|---|---|
| Highest Value | 4.04 |
| First Quartile | 2.21 |
| Median Value | 1.21 |
| Third Quartile | 0.13 |
| Lowest Value | -1.50 |
| Mean | 1.19 |

| | Return | Rank |
|---|---|---|
| ▲ Composite Mutual Funds | 1.71 | 37 |
| ● Barclays US Univ | 0.58 | 63 |

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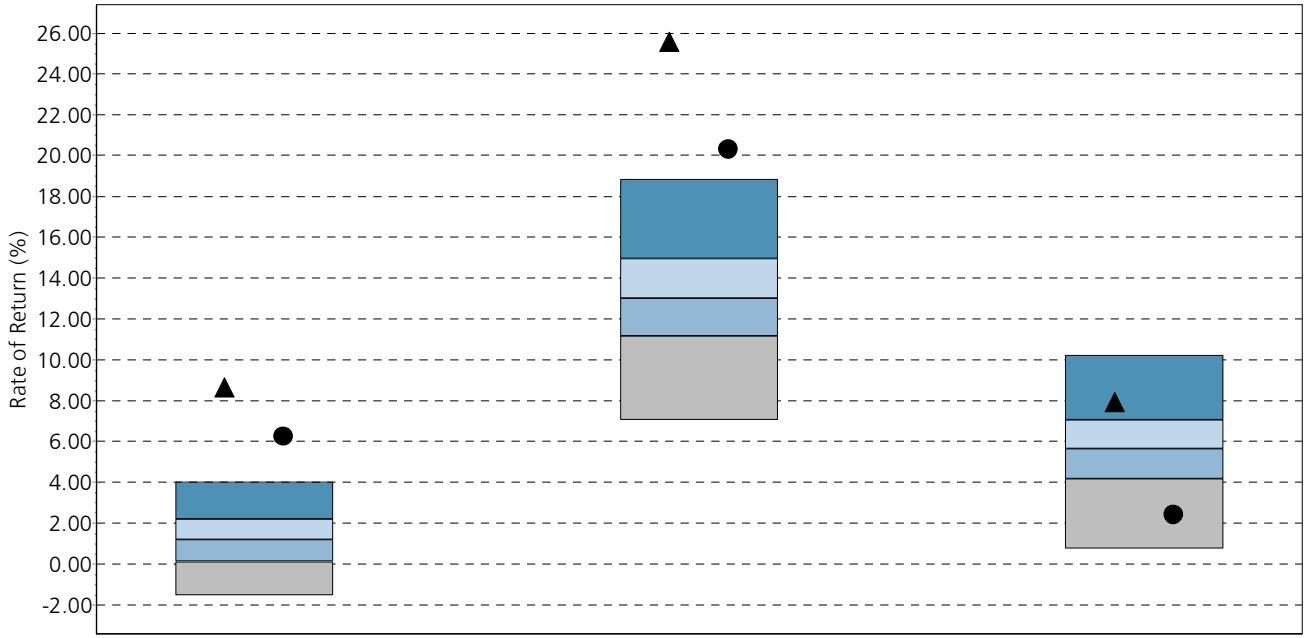
**INVESCO European Growth versus 70% Equity/ 30% Fixed Managers**
**February 28, 2011 Through December 31, 2012**




| | Latest Quarter | One Year | Since Inception |
|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 10.25 |
| First Quartile | 2.21 | 14.97 | 7.08 |
| Median Value | 1.21 | 13.02 | 5.69 |
| Third Quartile | 0.13 | 11.18 | 4.19 |
| Lowest Value | -1.50 | 7.08 | 0.78 |
| Mean | 1.19 | 13.09 | 5.65 |

| | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 8.64 | 1 | 25.54 | 1 | 7.93 | 14 |
| ● MSCI Europe Growth | 6.24 | 1 | 20.30 | 1 | 2.41 | 93 |

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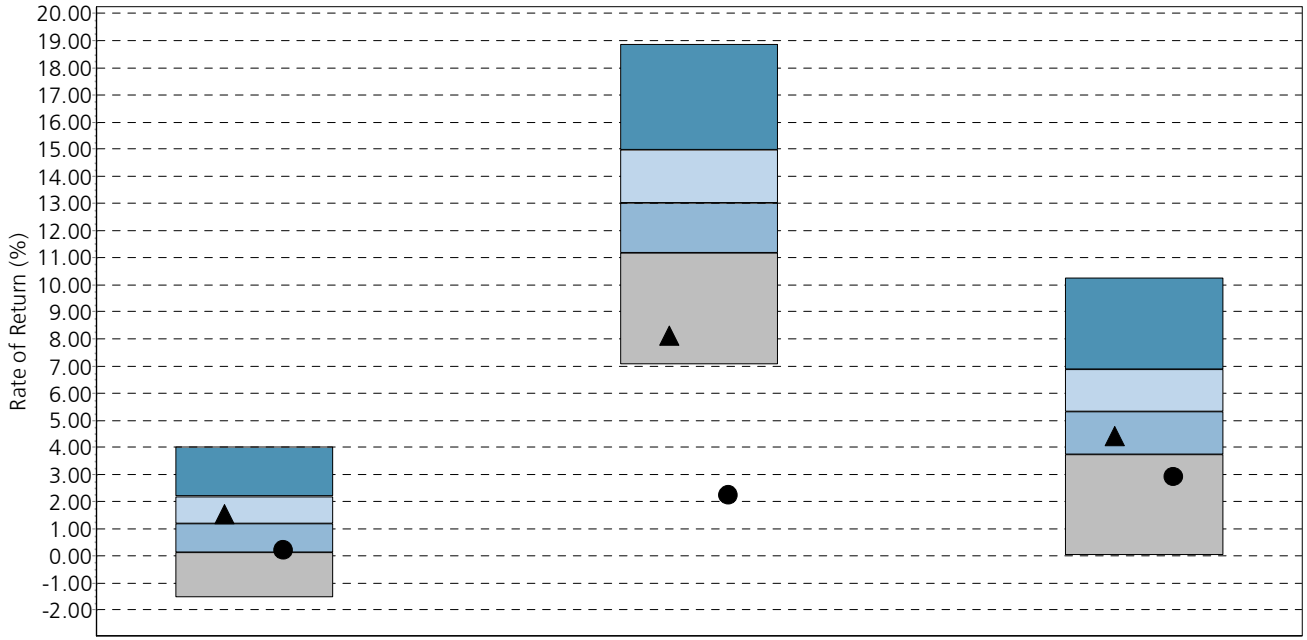
**Eaton Vance Floating versus 70% Equity/ 30% Fixed Managers**
**March 31, 2011 Through December 31, 2012**




| | Latest Quarter | One Year | Since Inception |
|---|---|---|---|
| Highest Value | 4.04 | 18.87 | 10.28 |
| First Quartile | 2.21 | 14.97 | 6.89 |
| Median Value | 1.21 | 13.02 | 5.34 |
| Third Quartile | 0.13 | 11.18 | 3.74 |
| Lowest Value | -1.50 | 7.08 | 0.06 |
| Mean | 1.19 | 13.09 | 5.31 |

| | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|
| ▲ Composite Mutual Funds | 1.53 | 41 | 8.12 | 97 | 4.40 | 65 |
| ● Barclays 1-5 Govt/Cr | 0.20 | 72 | 2.24 | 99 | 2.92 | 85 |

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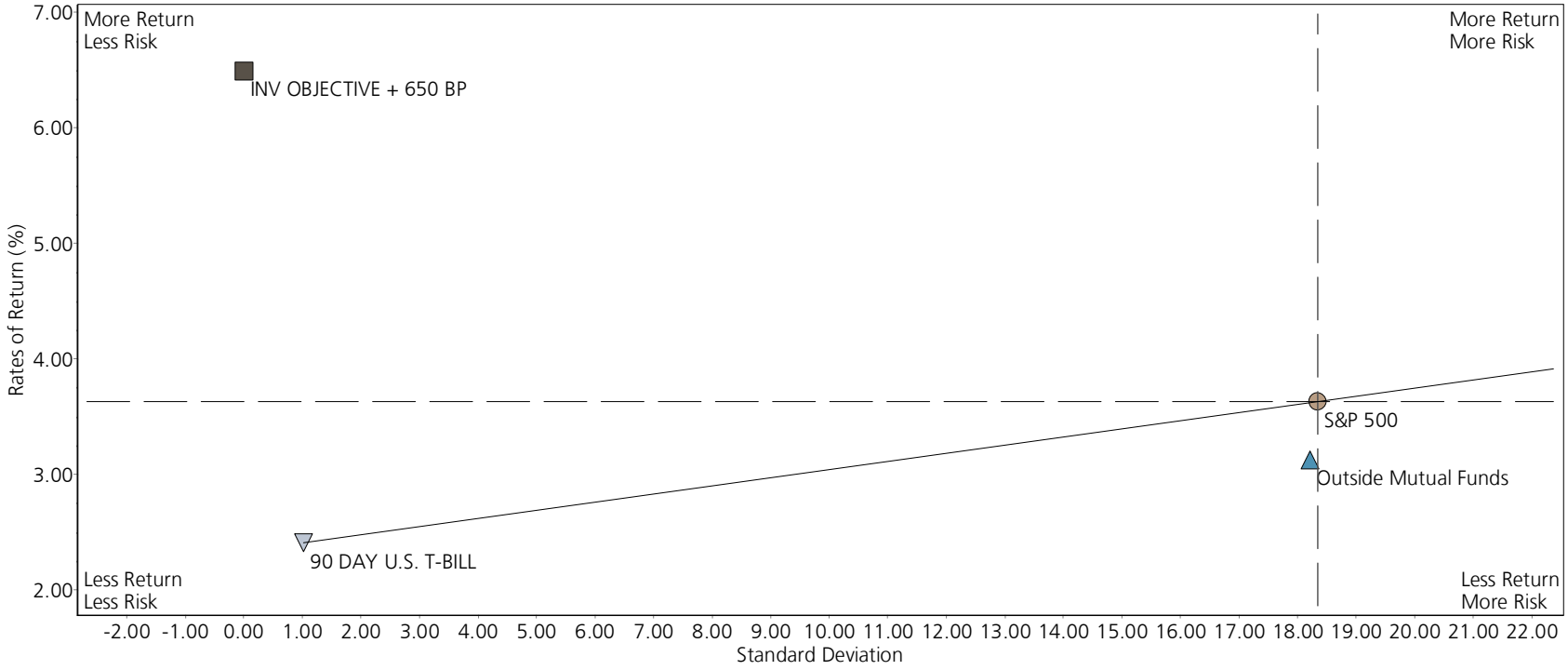
**Risk vs Reward Analysis**
**March 31, 1998 Through December 31, 2012**




| | Return | Std Dev | Alpha | Beta | R-Squared |
|---|---|---|---|---|---|
| ▲ Outside Mutual Funds | 3.13 | 18.21 | -0.36 | 0.95 | 90.61 |
| ● S&P 500 | 3.63 | 18.34 | 0.00 | 1.00 | 100.00 |
| ■ INV OBJECTIVE + 650 BP | 6.50 | 0.00 | -2.41 | 0.01 | 0.83 |
| ▽ 90 DAY U.S. T-BILL | 2.41 | 1.02 | 0.00 | 0.00 | N/A |

The comparative benchmark used in this analysis is the S&P 500 Index. The peer universe comprises managers.
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**Total Portfolio Rate of Return versus Risk**
**March 31, 1998 Through December 31, 2012**

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Total Portfolio:

VALUE ADDED BY MANAGEMENT: -0.36 percent per Year
Since 3/31/1998 , your fund has averaged -0.36 percent lower than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.95
The volatility coefficient is known as Beta.
Since 3/31/1998 , your fund has been 0.95 times as volatile as the market.
The market proxy used in this comparison is a policy index calculated using the returns of the following:
( S&P 500 )

DIVERSIFICATION: 90.61 percent
Since 3/31/1998 , your fund has been 90.61 percent as diversified as the market index described above.
The diversification statistic is called R-Squared.

The risk benchmark for this analysis is the S&P 500 Index.
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**Market Timing And Security Selection**
**March 31, 1998 Through December 31, 2012**

**Fund's Average Investment Exposure and Market Index Returns**

| Asset Class | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Cash | 0.13 | 0.14 | 0.06 | 0.08 | 0.14 |
| Fid. Magellan | 0.00 | 0.00 | 0.00 | 0.00 | 0.75 |
| Delaware Balanced | 0.00 | 0.00 | 0.00 | 0.00 | 0.46 |
| Wells Fargo Classic | 1.12 | 1.11 | 1.05 | 1.04 | 0.97 |
| Putnam Int'l Growth | 10.37 | 10.24 | 10.48 | 11.04 | 10.37 |
| ING Int'l Value | 4.96 | 5.01 | 6.24 | 7.44 | 6.48 |
| Value Line - Fund 3 | 6.13 | 5.90 | 5.28 | 5.03 | 4.18 |
| Sentinel Funds | 1.55 | 1.53 | 1.42 | 1.39 | 1.23 |
| W & R Vanguard A | 1.09 | 1.09 | 1.00 | 1.00 | 0.88 |
| Guardian - Fund A | 1.15 | 1.13 | 1.10 | 1.09 | 0.96 |
| RVS Large Cap | 8.53 | 8.44 | 7.53 | 7.41 | 7.76 |
| Putnam Vista Fund | 0.00 | 0.00 | 0.00 | 0.07 | 0.76 |
| Phoenix - Oakhurst | 0.00 | 0.00 | 0.00 | 0.00 | 2.26 |
| Phoenix - Engemann | 0.00 | 0.00 | 0.00 | 0.00 | 1.57 |
| Templeton Foreign | 11.63 | 11.60 | 12.07 | 12.11 | 10.35 |
| Europacific Growth | 13.17 | 13.37 | 14.84 | 15.23 | 12.24 |
| John Hanock | 7.04 | 7.05 | 7.28 | 7.69 | 3.40 |
| Putnam Voyager | 0.00 | 0.00 | 0.00 | 0.07 | 0.88 |
| ING Global Opp | 2.49 | 2.51 | 1.68 | 1.01 | 0.34 |
| Fidelity | 1.15 | 1.12 | 1.07 | 1.06 | 1.03 |

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## Market Timing And Security Selection
## March 31, 1998 Through December 31, 2012

### Fund's Average Investment Exposure and Market Index Returns

| | Latest Quarter | One Year | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|
| Cohen & Steers | 4.77 | 4.53 | 4.54 | 6.02 | 5.35 |
| Putnam Convertible | 4.08 | 4.29 | 4.94 | 4.53 | 1.54 |
| Jennison Natural Res | 5.11 | 5.41 | 5.83 | 3.83 | 1.30 |
| Premier | 12.59 | 12.76 | 12.15 | 11.86 | 4.04 |
| Eaton Vance FR | 2.42 | 2.45 | 1.34 | 0.81 | 0.27 |
| **Asset Class Index Performance** | | | | | |
| 3 Mth T-Bill | 0.02 | 0.08 | 0.10 | 0.34 | 2.41 |
| S&P 500 | -0.38 | 16.00 | 10.87 | 1.66 | 3.63 |
| MSCI Gross EAFE | 6.60 | 17.90 | 4.04 | -3.21 | 3.90 |
| CTA Managed Futures | -1.40 | 0.26 | 3.19 | 3.15 | 6.44 |
| **Total Portfolio and Benchmark Performance** | | | | | |
| Dynamic Index | N/A | N/A | N/A | N/A | N/A |
| Policy Index | -0.38 | 16.00 | 10.87 | 1.66 | 3.63 |
| Portfolio Return | 3.65 | 14.84 | 5.71 | -1.10 | 3.13 |
| **Value Added By Manager** | | | | | |
| Market Timing | N/A | N/A | N/A | N/A | N/A |
| Security Selection | N/A | N/A | N/A | N/A | N/A |
| Total Value Added | 4.03 | -1.16 | -5.17 | -2.76 | -0.50 |

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**Total Portfolio Time-Weighted Rates of Return**
**March 31, 1998 Through December 31, 2012**

| | Account | | | | | | | | S&P 500 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Date | Quarterly | | Semi Annually | | Annually | | Since 03/1998 | | Quarterly | Semi Annually | Annually | Since 03/1998 |
| 06/1998 | -2.07 | | | | | | -2.07 | | 3.30 | | | 3.30 |
| 09/1998 | -12.23 | | | | | | -14.05 | | -9.95 | | | -6.97 |
| 12/1998 | 14.49 | | 0.49 | | | | -1.59 | | 21.30 | 9.23 | | 12.84 |
| 03/1999 | 2.04 | | | | | | 0.41 | | 4.98 | | | 18.46 |
| 06/1999 | 7.66 | * | 9.85 | | | | 6.43 | | 7.05 | 12.38 | | 20.93 |
| 09/1999 | -3.43 | * | | | | | 2.91 | | -6.24 | | | 12.23 |
| 12/1999 | 16.27 | * | 12.28 | * | 23.35 | * | 11.71 | | 14.88 | 7.71 | 21.04 | 19.50 |
| 03/2000 | 4.16 | * | | | | | 12.44 | | 2.29 | | | 18.20 |
| 06/2000 | -3.48 | | 0.54 | * | | | 9.26 | | -2.66 | -0.42 | | 14.64 |
| 09/2000 | -3.97 | | | | | | 6.55 | | -0.97 | | | 12.65 |
| 12/2000 | -4.60 | * | -8.39 | * | -7.89 | * | 4.14 | | -7.82 | -8.72 | -9.10 | 8.18 |
| 03/2001 | -12.15 | | | | | | -0.60 | | -11.86 | | | 3.05 |
| 06/2001 | 4.23 | | -8.44 | | | | 0.72 | | 5.85 | -6.70 | | 4.63 |
| 09/2001 | -15.24 | | | | | | -3.97 | | -14.68 | | | -0.34 |
| 12/2001 | 10.62 | | -6.24 | | -14.15 | | -1.09 | | 10.69 | -5.56 | -11.89 | 2.42 |
| 03/2002 | 1.66 | * | | | | | -0.61 | | 0.27 | | | 2.34 |
| 06/2002 | -6.77 | * | -5.23 | * | | | -2.20 | | -13.40 | -13.16 | | -1.20 |
| 09/2002 | -15.61 | * | | | | | -5.71 | | -17.28 | | | -5.21 |
| 12/2002 | 5.33 | | -11.11 | | -15.75 | * | -4.37 | | 8.44 | -10.30 | -22.10 | -3.31 |
| 03/2003 | -5.46 | | | | | | -5.23 | | -3.15 | | | -3.77 |
| 06/2003 | 15.32 | | 9.02 | | | | -2.37 | | 15.39 | 11.76 | | -0.93 |
| 09/2003 | 6.01 | * | | | | | -1.22 | | 2.65 | | | -0.41 |
| 12/2003 | 11.87 | | 18.59 | * | 29.29 | * | 0.78 | | 12.18 | 15.14 | 28.68 | 1.62 |
| 03/2004 | 4.36 | * | | | | | 1.46 | | 1.69 | | | 1.83 |
| 06/2004 | -1.14 | | 3.17 | | | | 1.22 | | 1.72 | 3.44 | | 2.04 |
| 09/2004 | -0.70 | * | | | | | 1.06 | | -1.87 | | | 1.66 |
| 12/2004 | 11.93 | * | 11.15 | * | 14.67 | * | 2.72 | | 9.23 | 7.19 | 10.88 | 2.94 |
| 03/2005 | -1.82 | * | | | | | 2.36 | | -2.15 | | | 2.51 |
| 06/2005 | 1.17 | | -0.67 | * | | | 2.44 | | 1.37 | -0.81 | | 2.62 |
| 09/2005 | 7.67 | * | | | | | 3.37 | * | 3.60 | | | 3.02 |
| 12/2005 | 2.98 | * | 10.87 | * | 10.13 | * | 3.65 | * | 2.09 | 5.77 | 4.91 | 3.19 |

The asterisks indicate those periods during which the Total Portfolio over performed the S&P 500 Index.
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**Total Portfolio Time-Weighted Rates of Return**
**March 31, 1998 Through December 31, 2012**

| | Account | | | | S&P 500 | | |
|---|---|---|---|---|---|---|---|
| Date | Quarterly | Semi Annually | Annually | Since 03/1998 | Quarterly | Semi Annually | Annually | Since 03/1998 |
| 03/2006 | 7.69 * | | | 4.50 * | 4.21 | | | 3.62 |
| 06/2006 | -1.38 * | 6.20 * | | 4.18 * | -1.44 | 2.71 | | 3.33 |
| 09/2006 | 5.69 * | | | 4.74 * | 5.67 | | | 3.90 |
| 12/2006 | 3.31 | 9.19 | 15.96 * | 4.99 * | 6.70 | 12.74 | 15.79 | 4.56 |
| 03/2007 | 3.05 * | | | 5.20 * | 0.64 | | | 4.50 |
| 06/2007 | 5.47 | 8.69 * | | 5.66 * | 6.28 | 6.96 | | 5.07 |
| 09/2007 | 2.65 * | | | 5.80 * | 2.03 | | | 5.15 |
| 12/2007 | -2.50 * | 0.08 * | 8.78 * | 5.37 * | -3.33 | -1.37 | 5.49 | 4.65 |
| 03/2008 | -8.05 * | | | 4.35 * | -9.44 | | | 3.50 |
| 06/2008 | -2.11 * | -9.99 * | | 4.03 * | -2.73 | -11.91 | | 3.14 |
| 09/2008 | -14.52 | | | 2.39 * | -8.37 | | | 2.21 |
| 12/2008 | -20.24 * | -31.82 | -38.63 | 0.20 * | -21.94 | -28.48 | -37.00 | -0.17 |
| 03/2009 | -10.72 * | | | -0.83 * | -11.01 | | | -1.22 |
| 06/2009 | 20.60 * | 7.67 * | | 0.85 * | 15.93 | 3.16 | | 0.11 |
| 09/2009 | 18.00 * | | | 2.30 * | 15.61 | | | 1.38 |
| 12/2009 | 2.75 | 21.25 | 30.55 * | 2.48 * | 6.04 | 22.59 | 26.46 | 1.86 |
| 03/2010 | 2.07 | | | 2.61 * | 5.39 | | | 2.27 |
| 06/2010 | -10.48 * | -8.63 | | 1.63 * | -11.43 | -6.65 | | 1.21 |
| 09/2010 | 14.14 * | | | 2.68 * | 11.29 | | | 2.06 |
| 12/2010 | 7.30 | 22.48 | 11.90 | 3.19 * | 10.76 | 23.27 | 15.06 | 2.84 |
| 03/2011 | 4.32 | | | 3.47 * | 5.92 | | | 3.24 |
| 06/2011 | 0.59 * | 4.94 | | 3.45 * | 0.10 | 6.02 | | 3.18 |
| 09/2011 | -16.96 | | | 1.97 | -13.87 | | | 1.99 |
| 12/2011 | 5.48 | -12.41 | -8.09 | 2.33 | 11.82 | -3.69 | 2.11 | 2.78 |
| 03/2012 | 10.20 | | | 3.00 | 12.59 | | | 3.61 |
| 06/2012 | -5.71 | 3.90 | | 2.52 | -2.75 | 9.49 | | 3.34 |
| 09/2012 | 6.64 * | | | 2.93 | 6.35 | | | 3.72 |
| 12/2012 | 3.65 * | 10.53 * | 14.84 | 3.13 | -0.38 | 5.95 | 16.00 | 3.63 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Cash Segment | Percent | Fid. Magellan | Percent | Mutual Funds | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 3/1998 | 8,260,813 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,260,813 | N/A | N/A |
| 6/1998 | 23,930 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,113,099 | -2.07 | 97.93 |
| 9/1998 | 33,060 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 7,152,952 | -12.23 | 85.95 |
| 12/1998 | 5,595 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,195,314 | 14.49 | 98.41 |
| 3/1999 | 30,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,393,509 | 2.04 | 100.41 |
| 6/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 9,059,555 | 7.66 | 108.10 |
| 9/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,771,016 | -3.43 | 104.40 |
| 12/1999 | 16,125 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,216,122 | 16.27 | 121.38 |
| 3/2000 | 19,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,661,404 | 4.16 | 126.43 |
| 6/2000 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,299,561 | -3.48 | 122.04 |
| 9/2000 | -912,010 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,997,281 | -3.97 | 117.19 |
| 12/2000 | 3,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,585,847 | -4.60 | 111.80 |
| 3/2001 | 2,992,771 | 170,158 | 1.62 | 239,777 | 2.28 | 0 | 0.00 | 10,530,340 | -12.15 | 98.22 |
| 6/2001 | 7,500 | 172,077 | 1.57 | 256,995 | 2.34 | 0 | 0.00 | 10,983,128 | 4.23 | 102.37 |
| 9/2001 | 341,500 | 3,875 | 0.04 | 217,529 | 2.26 | 0 | 0.00 | 9,621,508 | -15.24 | 86.77 |
| 12/2001 | 7,500 | 3,887 | 0.04 | 241,841 | 2.27 | 0 | 0.00 | 10,651,415 | 10.62 | 95.99 |
| 3/2002 | 10,000 | 3,896 | 0.04 | 237,966 | 2.20 | 0 | 0.00 | 10,837,941 | 1.66 | 97.58 |
| 6/2002 | 11,000 | 3,903 | 0.04 | 205,317 | 2.03 | 0 | 0.00 | 10,114,509 | -6.77 | 90.97 |
| 9/2002 | 10,500 | 3,760 | 0.04 | 171,721 | 2.01 | 0 | 0.00 | 8,545,610 | -15.61 | 76.77 |
| 12/2002 | 9,000 | 3,756 | 0.04 | 184,613 | 2.05 | 0 | 0.00 | 9,010,491 | 5.33 | 80.86 |
| 3/2003 | 9,000 | 3,772 | 0.04 | 179,305 | 2.10 | 0 | 0.00 | 8,526,933 | -5.46 | 76.44 |
| 6/2003 | 9,000 | 3,751 | 0.04 | 204,854 | 2.08 | 0 | 0.00 | 9,843,029 | 15.32 | 88.16 |
| 9/2003 | 10,500 | 3,591 | 0.03 | 207,877 | 1.99 | 0 | 0.00 | 10,445,310 | 6.01 | 93.46 |
| 12/2003 | -9,236 | 3,594 | 0.03 | 230,438 | 1.97 | 0 | 0.00 | 11,674,815 | 11.87 | 104.55 |
| 3/2004 | 410,319 | 3,626 | 0.03 | 233,715 | 1.85 | 0 | 0.00 | 12,603,697 | 4.36 | 109.11 |
| 6/2004 | 10,500 | 3,628 | 0.03 | 235,524 | 1.89 | 0 | 0.00 | 12,470,747 | -1.14 | 107.87 |
| 9/2004 | 10,500 | 3,483 | 0.03 | 228,979 | 1.85 | 0 | 0.00 | 12,394,097 | -0.70 | 107.11 |
| 12/2004 | 10,500 | 3,487 | 0.03 | 247,705 | 1.78 | 0 | 0.00 | 13,883,143 | 11.93 | 119.89 |
| 3/2005 | 10,500 | 3,496 | 0.03 | 241,046 | 1.77 | 0 | 0.00 | 13,641,279 | -1.82 | 117.71 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Cash Segment | Percent | Fid. Magellan | Percent | Mutual Funds | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/2005 | 6,000 | 505 | 0.00 | 244,689 | 1.77 | 0 | 0.00 | 13,806,315 | 1.17 | 119.08 |
| 9/2005 | 13,500 | 3,365 | 0.02 | 253,377 | 1.70 | 0 | 0.00 | 14,878,573 | 7.67 | 128.21 |
| 12/2005 | 10,500 | 3,382 | 0.02 | 263,607 | 1.72 | 0 | 0.00 | 15,332,169 | 2.98 | 132.03 |
| 3/2006 | 1,011,000 | 3,711 | 0.02 | 279,358 | 1.59 | 0 | 0.00 | 17,537,084 | 7.69 | 142.18 |
| 6/2006 | 9,000 | 3,727 | 0.02 | 268,209 | 1.55 | 0 | 0.00 | 17,303,848 | -1.38 | 140.22 |
| 9/2006 | 8,000 | 1,725,179 | 9.43 | 269,035 | 1.47 | 0 | 0.00 | 18,296,126 | 5.69 | 148.19 |
| 12/2006 | 549,473 | 6,847 | 0.04 | 0 | 0.00 | 0 | 0.00 | 19,455,897 | 3.31 | 153.10 |
| 3/2007 | 1,000 | 6,928 | 0.03 | 0 | 0.00 | 0 | 0.00 | 20,051,058 | 3.05 | 157.77 |
| 6/2007 | 0 | 7,011 | 0.03 | 0 | 0.00 | 0 | 0.00 | 21,147,520 | 5.47 | 166.40 |
| 9/2007 | 2,000 | 6,946 | 0.03 | 0 | 0.00 | 0 | 0.00 | 21,710,320 | 2.65 | 170.81 |
| 12/2007 | 2,001,500 | 8,050 | 0.03 | 0 | 0.00 | 0 | 0.00 | 23,158,832 | -2.50 | 166.54 |
| 3/2008 | 500,500 | 8,361 | 0.04 | 0 | 0.00 | 0 | 0.00 | 21,773,149 | -8.05 | 153.13 |
| 6/2008 | 1,500 | 11,037 | 0.05 | 0 | 0.00 | 0 | 0.00 | 21,316,257 | -2.11 | 149.90 |
| 9/2008 | 1,500 | 10,953 | 0.06 | 0 | 0.00 | 0 | 0.00 | 18,222,006 | -14.52 | 128.13 |
| 12/2008 | 2,115 | -127,208 | -0.88 | 0 | 0.00 | 0 | 0.00 | 14,535,791 | -20.24 | 102.20 |
| 3/2009 | 426 | 11,541 | 0.09 | 0 | 0.00 | 0 | 0.00 | 12,977,565 | -10.72 | 91.24 |
| 6/2009 | 0 | 11,543 | 0.07 | 0 | 0.00 | 0 | 0.00 | 15,651,243 | 20.60 | 110.04 |
| 9/2009 | 261,500 | 182 | 0.00 | 0 | 0.00 | 0 | 0.00 | 18,739,364 | 18.00 | 129.84 |
| 12/2009 | 1,500 | 132 | 0.00 | 0 | 0.00 | 0 | 0.00 | 19,256,749 | 2.75 | 133.42 |
| 3/2010 | 1,500 | 132 | 0.00 | 0 | 0.00 | 0 | 0.00 | 19,656,372 | 2.07 | 136.18 |
| 6/2010 | 1,500 | 132 | 0.00 | 0 | 0.00 | 0 | 0.00 | 17,597,291 | -10.48 | 121.90 |
| 9/2010 | 1,500 | 132 | 0.00 | 0 | 0.00 | 0 | 0.00 | 20,087,786 | 14.14 | 139.14 |
| 12/2010 | 1,700 | -68 | 0.00 | 0 | 0.00 | 0 | 0.00 | 21,555,027 | 7.30 | 149.30 |
| 3/2011 | 1,268 | 132 | 0.00 | 0 | 0.00 | 0 | 0.00 | 22,486,785 | 4.32 | 155.74 |
| 6/2011 | 501,495 | 128 | 0.00 | 0 | 0.00 | 0 | 0.00 | 23,116,201 | 0.59 | 156.67 |
| 9/2011 | -2,000 | 128 | 0.00 | 0 | 0.00 | 0 | 0.00 | 19,192,812 | -16.96 | 130.09 |
| 12/2011 | 72 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 20,244,235 | 5.48 | 137.22 |
| 3/2012 | -709,241 | 25,654 | 0.12 | 0 | 0.00 | 0 | 0.00 | 21,598,336 | 10.20 | 151.21 |
| 6/2012 | 120,983 | 25,655 | 0.13 | 0 | 0.00 | 0 | 0.00 | 20,485,511 | -5.71 | 142.57 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Cash Segment | Percent | Fid. Magellan | Percent | Mutual Funds | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/2012 | 0 | 25,656 | 0.12 | 0 | 0.00 | 0 | 0.00 | 21,845,161 | 6.64 | 152.04 |
| 12/2012 | 83,874 | 25,556 | 0.11 | 0 | 0.00 | 0 | 0.00 | 22,727,005 | 3.65 | 157.59 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Delaware Balanced Fund | Percent | Wells Fargo Classic Value | Percent | Putnam International Growth | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 3/1998 | 8,260,813 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,260,813 | N/A | N/A |
| 6/1998 | 23,930 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,113,099 | -2.07 | 97.93 |
| 9/1998 | 33,060 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 7,152,952 | -12.23 | 85.95 |
| 12/1998 | 5,595 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,195,314 | 14.49 | 98.41 |
| 3/1999 | 30,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,393,509 | 2.04 | 100.41 |
| 6/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 9,059,555 | 7.66 | 108.10 |
| 9/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,771,016 | -3.43 | 104.40 |
| 12/1999 | 16,125 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,216,122 | 16.27 | 121.38 |
| 3/2000 | 19,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,661,404 | 4.16 | 126.43 |
| 6/2000 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,299,561 | -3.48 | 122.04 |
| 9/2000 | -912,010 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,997,281 | -3.97 | 117.19 |
| 12/2000 | 3,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,585,847 | -4.60 | 111.80 |
| 3/2001 | 2,992,771 | 143,460 | 1.36 | 153,504 | 1.46 | 1,699,592 | 16.14 | 10,530,340 | -12.15 | 98.22 |
| 6/2001 | 7,500 | 155,767 | 1.42 | 160,624 | 1.46 | 1,706,021 | 15.53 | 10,983,128 | 4.23 | 102.37 |
| 9/2001 | 341,500 | 130,030 | 1.35 | 139,435 | 1.45 | 1,469,074 | 15.27 | 9,621,508 | -15.24 | 86.77 |
| 12/2001 | 7,500 | 149,274 | 1.40 | 151,138 | 1.42 | 1,591,965 | 14.95 | 10,651,415 | 10.62 | 95.99 |
| 3/2002 | 10,000 | 148,305 | 1.37 | 156,796 | 1.45 | 1,617,667 | 14.93 | 10,837,941 | 1.66 | 97.58 |
| 6/2002 | 11,000 | 136,508 | 1.35 | 144,574 | 1.43 | 1,540,559 | 15.23 | 10,114,509 | -6.77 | 90.97 |
| 9/2002 | 10,500 | 120,030 | 1.40 | 123,039 | 1.44 | 1,221,684 | 14.30 | 8,545,610 | -15.61 | 76.77 |
| 12/2002 | 9,000 | 125,650 | 1.39 | 132,107 | 1.47 | 1,320,890 | 14.66 | 9,010,491 | 5.33 | 80.86 |
| 3/2003 | 9,000 | 124,006 | 1.45 | 127,614 | 1.50 | 1,204,986 | 14.13 | 8,526,933 | -5.46 | 76.44 |
| 6/2003 | 9,000 | 136,306 | 1.38 | 147,954 | 1.50 | 1,402,999 | 14.25 | 9,843,029 | 15.32 | 88.16 |
| 9/2003 | 10,500 | 138,525 | 1.33 | 150,479 | 1.44 | 1,481,884 | 14.19 | 10,445,310 | 6.01 | 93.46 |
| 12/2003 | -9,236 | 148,942 | 1.28 | 173,252 | 1.48 | 1,692,561 | 14.50 | 11,674,815 | 11.87 | 104.55 |
| 3/2004 | 410,319 | 151,571 | 1.20 | 176,972 | 1.40 | 1,746,632 | 13.86 | 12,603,697 | 4.36 | 109.11 |
| 6/2004 | 10,500 | 149,615 | 1.20 | 172,396 | 1.38 | 1,708,127 | 13.70 | 12,470,747 | -1.14 | 107.87 |
| 9/2004 | 10,500 | 148,894 | 1.20 | 171,925 | 1.39 | 1,708,946 | 13.79 | 12,394,097 | -0.70 | 107.11 |
| 12/2004 | 10,500 | 157,139 | 1.13 | 190,796 | 1.37 | 1,967,327 | 14.17 | 13,883,143 | 11.93 | 119.89 |
| 3/2005 | 10,500 | 157,582 | 1.16 | 188,429 | 1.38 | 1,953,205 | 14.32 | 13,641,279 | -1.82 | 117.71 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Delaware Balanced Fund | Percent | Wells Fargo Classic Value | Percent | Putnam International Growth | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/2005 | 6,000 | 159,280 | 1.15 | 190,544 | 1.38 | 1,943,234 | 14.07 | 13,806,315 | 1.17 | 119.08 |
| 9/2005 | 13,500 | 162,451 | 1.09 | 195,866 | 1.32 | 2,153,427 | 14.47 | 14,878,573 | 7.67 | 128.21 |
| 12/2005 | 10,500 | 163,042 | 1.06 | 197,533 | 1.29 | 2,214,722 | 14.44 | 15,332,169 | 2.98 | 132.03 |
| 3/2006 | 1,011,000 | 169,039 | 0.96 | 207,137 | 1.18 | 2,436,788 | 13.90 | 17,537,084 | 7.69 | 142.18 |
| 6/2006 | 9,000 | 169,101 | 0.98 | 205,191 | 1.19 | 2,442,721 | 14.12 | 17,303,848 | -1.38 | 140.22 |
| 9/2006 | 8,000 | 0 | 0.00 | 216,554 | 1.18 | 2,559,661 | 13.99 | 18,296,126 | 5.69 | 148.19 |
| 12/2006 | 549,473 | 0 | 0.00 | 230,412 | 1.18 | 2,840,092 | 14.60 | 19,455,897 | 3.31 | 153.10 |
| 3/2007 | 1,000 | 0 | 0.00 | 233,055 | 1.16 | 2,944,340 | 14.68 | 20,051,058 | 3.05 | 157.77 |
| 6/2007 | 0 | 0 | 0.00 | 246,652 | 1.17 | 3,163,715 | 14.96 | 21,147,520 | 5.47 | 166.40 |
| 9/2007 | 2,000 | 0 | 0.00 | 249,949 | 1.15 | 3,223,544 | 14.85 | 21,710,320 | 2.65 | 170.81 |
| 12/2007 | 2,001,500 | 0 | 0.00 | 236,742 | 1.02 | 3,078,788 | 13.29 | 23,158,832 | -2.50 | 166.54 |
| 3/2008 | 500,500 | 0 | 0.00 | 210,281 | 0.97 | 2,782,324 | 12.78 | 21,773,149 | -8.05 | 153.13 |
| 6/2008 | 1,500 | 0 | 0.00 | 203,545 | 0.95 | 2,761,065 | 12.95 | 21,316,257 | -2.11 | 149.90 |
| 9/2008 | 1,500 | 0 | 0.00 | 199,385 | 1.09 | 2,145,755 | 11.78 | 18,222,006 | -14.52 | 128.13 |
| 12/2008 | 2,115 | 0 | 0.00 | 153,911 | 1.06 | 1,698,247 | 11.68 | 14,535,791 | -20.24 | 102.20 |
| 3/2009 | 426 | 0 | 0.00 | 135,991 | 1.05 | 1,429,750 | 11.02 | 12,977,565 | -10.72 | 91.24 |
| 6/2009 | 0 | 0 | 0.00 | 162,492 | 1.04 | 1,760,897 | 11.25 | 15,651,243 | 20.60 | 110.04 |
| 9/2009 | 261,500 | 0 | 0.00 | 185,676 | 0.99 | 2,094,281 | 11.18 | 18,739,364 | 18.00 | 129.84 |
| 12/2009 | 1,500 | 0 | 0.00 | 194,063 | 1.01 | 2,127,354 | 11.05 | 19,256,749 | 2.75 | 133.42 |
| 3/2010 | 1,500 | 0 | 0.00 | 206,842 | 1.05 | 2,157,123 | 10.97 | 19,656,372 | 2.07 | 136.18 |
| 6/2010 | 1,500 | 0 | 0.00 | 177,862 | 1.01 | 1,809,053 | 10.28 | 17,597,291 | -10.48 | 121.90 |
| 9/2010 | 1,500 | 0 | 0.00 | 199,251 | 0.99 | 2,154,834 | 10.73 | 20,087,786 | 14.14 | 139.14 |
| 12/2010 | 1,700 | 0 | 0.00 | 220,222 | 1.02 | 2,342,061 | 10.87 | 21,555,027 | 7.30 | 149.30 |
| 3/2011 | 1,268 | 0 | 0.00 | 234,926 | 1.04 | 2,399,327 | 10.67 | 22,486,785 | 4.32 | 155.74 |
| 6/2011 | 501,495 | 0 | 0.00 | 235,501 | 1.02 | 2,447,243 | 10.59 | 23,116,201 | 0.59 | 156.67 |
| 9/2011 | -2,000 | 0 | 0.00 | 189,943 | 0.99 | 1,882,764 | 9.81 | 19,192,812 | -16.96 | 130.09 |
| 12/2011 | 72 | 0 | 0.00 | 212,843 | 1.05 | 1,978,139 | 9.77 | 20,244,235 | 5.48 | 137.22 |
| 3/2012 | -709,241 | 0 | 0.00 | 244,501 | 1.13 | 2,271,885 | 10.52 | 21,598,336 | 10.20 | 151.21 |
| 6/2012 | 120,983 | 0 | 0.00 | 231,086 | 1.13 | 2,079,773 | 10.15 | 20,485,511 | -5.71 | 142.57 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Delaware Balanced Fund | Percent | Wells Fargo Classic Value | Percent | Putnam International Growth | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/2012 | 0 | 0 | 0.00 | 248,793 | 1.14 | 2,253,294 | 10.31 | 21,845,161 | 6.64 | 152.04 |
| 12/2012 | 83,874 | 0 | 0.00 | 248,955 | 1.10 | 2,408,021 | 10.60 | 22,727,005 | 3.65 | 157.59 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Ing International Value | Percent | Value Line - Fund | Percent | Sentinel Funds | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 3/1998 | 8,260,813 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,260,813 | N/A | N/A |
| 6/1998 | 23,930 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,113,099 | -2.07 | 97.93 |
| 9/1998 | 33,060 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 7,152,952 | -12.23 | 85.95 |
| 12/1998 | 5,595 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,195,314 | 14.49 | 98.41 |
| 3/1999 | 30,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,393,509 | 2.04 | 100.41 |
| 6/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 9,059,555 | 7.66 | 108.10 |
| 9/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,771,016 | -3.43 | 104.40 |
| 12/1999 | 16,125 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,216,122 | 16.27 | 121.38 |
| 3/2000 | 19,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,661,404 | 4.16 | 126.43 |
| 6/2000 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,299,561 | -3.48 | 122.04 |
| 9/2000 | -912,010 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,997,281 | -3.97 | 117.19 |
| 12/2000 | 3,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,585,847 | -4.60 | 111.80 |
| 3/2001 | 2,992,771 | 699,580 | 6.64 | 564,851 | 5.36 | 198,835 | 1.89 | 10,530,340 | -12.15 | 98.22 |
| 6/2001 | 7,500 | 707,393 | 6.44 | 631,021 | 5.75 | 201,745 | 1.84 | 10,983,128 | 4.23 | 102.37 |
| 9/2001 | 341,500 | 604,536 | 6.28 | 522,442 | 5.43 | 180,322 | 1.87 | 9,621,508 | -15.24 | 86.77 |
| 12/2001 | 7,500 | 666,413 | 6.26 | 583,301 | 5.48 | 191,908 | 1.80 | 10,651,415 | 10.62 | 95.99 |
| 3/2002 | 10,000 | 693,877 | 6.40 | 590,380 | 5.45 | 197,653 | 1.82 | 10,837,941 | 1.66 | 97.58 |
| 6/2002 | 11,000 | 650,349 | 6.43 | 560,215 | 5.54 | 176,916 | 1.75 | 10,114,509 | -6.77 | 90.97 |
| 9/2002 | 10,500 | 505,769 | 5.92 | 496,498 | 5.81 | 176,916 | 2.07 | 8,545,610 | -15.61 | 76.77 |
| 12/2002 | 9,000 | 546,491 | 6.07 | 494,959 | 5.49 | 159,315 | 1.77 | 9,010,491 | 5.33 | 80.86 |
| 3/2003 | 9,000 | 487,011 | 5.71 | 489,726 | 5.74 | 147,675 | 1.73 | 8,526,933 | -5.46 | 76.44 |
| 6/2003 | 9,000 | 606,507 | 6.16 | 545,132 | 5.54 | 174,086 | 1.77 | 9,843,029 | 15.32 | 88.16 |
| 9/2003 | 10,500 | 677,143 | 6.48 | 579,915 | 5.55 | 180,075 | 1.72 | 10,445,310 | 6.01 | 93.46 |
| 12/2003 | -9,236 | 807,472 | 6.92 | 641,477 | 5.49 | 206,109 | 1.77 | 11,674,815 | 11.87 | 104.55 |
| 3/2004 | 410,319 | 1,270,256 | 10.08 | 683,647 | 5.42 | 206,295 | 1.64 | 12,603,697 | 4.36 | 109.11 |
| 6/2004 | 10,500 | 1,253,209 | 10.05 | 693,497 | 5.56 | 212,141 | 1.70 | 12,470,747 | -1.14 | 107.87 |
| 9/2004 | 10,500 | 1,247,326 | 10.06 | 680,877 | 5.49 | 210,506 | 1.70 | 12,394,097 | -0.70 | 107.11 |
| 12/2004 | 10,500 | 1,451,823 | 10.46 | 759,627 | 5.47 | 225,618 | 1.63 | 13,883,143 | 11.93 | 119.89 |
| 3/2005 | 10,500 | 1,425,557 | 10.45 | 747,400 | 5.48 | 225,276 | 1.65 | 13,641,279 | -1.82 | 117.71 |

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**March 31, 1998 Through December 31, 2012**

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|---|---|---|---|---|---|---|---|---|---|---|
| 6/2005 | 6,000 | 1,397,661 | 10.12 | 776,870 | 5.63 | 225,356 | 1.63 | 13,806,315 | 1.17 | 119.08 |
| 9/2005 | 13,500 | 1,574,427 | 10.58 | 827,344 | 5.56 | 234,620 | 1.58 | 14,878,573 | 7.67 | 128.21 |
| 12/2005 | 10,500 | 1,621,122 | 10.57 | 846,932 | 5.52 | 241,965 | 1.58 | 15,332,169 | 2.98 | 132.03 |
| 3/2006 | 1,011,000 | 1,794,721 | 10.23 | 928,979 | 5.30 | 253,173 | 1.44 | 17,537,084 | 7.69 | 142.18 |
| 6/2006 | 9,000 | 1,792,256 | 10.36 | 901,520 | 5.21 | 250,167 | 1.45 | 17,303,848 | -1.38 | 140.22 |
| 9/2006 | 8,000 | 1,878,553 | 10.27 | 885,640 | 4.84 | 263,737 | 1.44 | 18,296,126 | 5.69 | 148.19 |
| 12/2006 | 549,473 | 2,083,554 | 10.71 | 937,417 | 4.82 | 280,661 | 1.44 | 19,455,897 | 3.31 | 153.10 |
| 3/2007 | 1,000 | 2,177,130 | 10.86 | 981,100 | 4.89 | 282,155 | 1.41 | 20,051,058 | 3.05 | 157.77 |
| 6/2007 | 0 | 2,301,790 | 10.88 | 1,061,067 | 5.02 | 302,387 | 1.43 | 21,147,520 | 5.47 | 166.40 |
| 9/2007 | 2,000 | 2,305,637 | 10.62 | 1,103,341 | 5.08 | 316,509 | 1.46 | 21,710,320 | 2.65 | 170.81 |
| 12/2007 | 2,001,500 | 2,303,593 | 9.95 | 1,108,998 | 4.79 | 307,118 | 1.33 | 23,158,832 | -2.50 | 166.54 |
| 3/2008 | 500,500 | 2,041,900 | 9.38 | 998,400 | 4.59 | 283,691 | 1.30 | 21,773,149 | -8.05 | 153.13 |
| 6/2008 | 1,500 | 2,012,045 | 9.44 | 1,033,127 | 4.85 | 281,396 | 1.32 | 21,316,257 | -2.11 | 149.90 |
| 9/2008 | 1,500 | 1,692,241 | 9.29 | 881,385 | 4.84 | 253,297 | 1.39 | 18,222,006 | -14.52 | 128.13 |
| 12/2008 | 2,115 | 1,367,743 | 9.41 | 663,956 | 4.57 | 198,217 | 1.36 | 14,535,791 | -20.24 | 102.20 |
| 3/2009 | 426 | 1,150,549 | 8.87 | 609,456 | 4.70 | 180,869 | 1.39 | 12,977,565 | -10.72 | 91.24 |
| 6/2009 | 0 | 1,424,557 | 9.10 | 722,833 | 4.62 | 212,604 | 1.36 | 15,651,243 | 20.60 | 110.04 |
| 9/2009 | 261,500 | 1,675,047 | 8.94 | 827,459 | 4.42 | 241,678 | 1.29 | 18,739,364 | 18.00 | 129.84 |
| 12/2009 | 1,500 | 1,668,919 | 8.67 | 878,322 | 4.56 | 255,415 | 1.33 | 19,256,749 | 2.75 | 133.42 |
| 3/2010 | 1,500 | 1,678,149 | 8.54 | 922,497 | 4.69 | 268,344 | 1.37 | 19,656,372 | 2.07 | 136.18 |
| 6/2010 | 1,500 | 1,458,994 | 8.29 | 845,290 | 4.80 | 237,872 | 1.35 | 17,597,291 | -10.48 | 121.90 |
| 9/2010 | 1,500 | 1,657,421 | 8.25 | 964,682 | 4.80 | 263,534 | 1.31 | 20,087,786 | 14.14 | 139.14 |
| 12/2010 | 1,700 | 1,183,511 | 5.49 | 1,068,549 | 4.96 | 292,549 | 1.36 | 21,555,027 | 7.30 | 149.30 |
| 3/2011 | 1,268 | 1,232,358 | 5.48 | 1,161,778 | 5.17 | 310,290 | 1.38 | 22,486,785 | 4.32 | 155.74 |
| 6/2011 | 501,495 | 1,234,393 | 5.34 | 1,186,878 | 5.13 | 312,144 | 1.35 | 23,116,201 | 0.59 | 156.67 |
| 9/2011 | -2,000 | 993,213 | 5.17 | 1,007,990 | 5.25 | 265,521 | 1.38 | 19,192,812 | -16.96 | 130.09 |
| 12/2011 | 72 | 1,018,332 | 5.03 | 1,117,625 | 5.52 | 296,753 | 1.47 | 20,244,235 | 5.48 | 137.22 |
| 3/2012 | -709,241 | 1,115,765 | 5.17 | 1,266,191 | 5.86 | 331,730 | 1.54 | 21,598,336 | 10.20 | 151.21 |
| 6/2012 | 120,983 | 1,024,618 | 5.00 | 1,223,563 | 5.97 | 317,235 | 1.55 | 20,485,511 | -5.71 | 142.57 |

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|---|---|---|---|---|---|---|---|---|---|---|
| 9/2012 | 0 | 1,084,335 | 4.96 | 1,276,743 | 5.84 | 337,264 | 1.54 | 21,845,161 | 6.64 | 152.04 |
| 12/2012 | 83,874 | 1,153,855 | 5.08 | 1,316,542 | 5.79 | 339,854 | 1.50 | 22,727,005 | 3.65 | 157.59 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Waddell & Reed Vanguard | Percent | Guardian Park Avenue | Percent | Rvs Large Cap Equity | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 3/1998 | 8,260,813 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,260,813 | N/A | N/A |
| 6/1998 | 23,930 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,113,099 | -2.07 | 97.93 |
| 9/1998 | 33,060 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 7,152,952 | -12.23 | 85.95 |
| 12/1998 | 5,595 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,195,314 | 14.49 | 98.41 |
| 3/1999 | 30,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,393,509 | 2.04 | 100.41 |
| 6/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 9,059,555 | 7.66 | 108.10 |
| 9/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,771,016 | -3.43 | 104.40 |
| 12/1999 | 16,125 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,216,122 | 16.27 | 121.38 |
| 3/2000 | 19,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,661,404 | 4.16 | 126.43 |
| 6/2000 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,299,561 | -3.48 | 122.04 |
| 9/2000 | -912,010 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,997,281 | -3.97 | 117.19 |
| 12/2000 | 3,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,585,847 | -4.60 | 111.80 |
| 3/2001 | 2,992,771 | 150,844 | 1.43 | 169,740 | 1.61 | 1,485,766 | 14.11 | 10,530,340 | -12.15 | 98.22 |
| 6/2001 | 7,500 | 156,581 | 1.43 | 182,516 | 1.66 | 1,567,168 | 14.27 | 10,983,128 | 4.23 | 102.37 |
| 9/2001 | 341,500 | 129,004 | 1.34 | 153,593 | 1.60 | 1,321,831 | 13.74 | 9,621,508 | -15.24 | 86.77 |
| 12/2001 | 7,500 | 145,413 | 1.37 | 167,063 | 1.57 | 1,488,826 | 13.98 | 10,651,415 | 10.62 | 95.99 |
| 3/2002 | 10,000 | 150,420 | 1.39 | 168,629 | 1.56 | 1,494,709 | 13.79 | 10,837,941 | 1.66 | 97.58 |
| 6/2002 | 11,000 | 131,131 | 1.30 | 145,451 | 1.44 | 1,306,748 | 12.92 | 10,114,509 | -6.77 | 90.97 |
| 9/2002 | 10,500 | 112,769 | 1.32 | 123,565 | 1.45 | 1,113,254 | 13.03 | 8,545,610 | -15.61 | 76.77 |
| 12/2002 | 9,000 | 115,737 | 1.28 | 131,052 | 1.45 | 1,174,086 | 13.03 | 9,010,491 | 5.33 | 80.86 |
| 3/2003 | 9,000 | 116,664 | 1.37 | 125,449 | 1.47 | 1,164,565 | 13.66 | 8,526,933 | -5.46 | 76.44 |
| 6/2003 | 9,000 | 130,389 | 1.32 | 142,070 | 1.44 | 1,310,060 | 13.31 | 9,843,029 | 15.32 | 88.16 |
| 9/2003 | 10,500 | 134,840 | 1.29 | 143,651 | 1.38 | 1,336,687 | 12.80 | 10,445,310 | 6.01 | 93.46 |
| 12/2003 | -9,236 | 115,737 | 0.99 | 158,511 | 1.36 | 1,466,153 | 12.56 | 11,674,815 | 11.87 | 104.55 |
| 3/2004 | 410,319 | 150,977 | 1.20 | 159,512 | 1.27 | 1,468,887 | 11.65 | 12,603,697 | 4.36 | 109.11 |
| 6/2004 | 10,500 | 152,832 | 1.23 | 159,652 | 1.28 | 1,469,011 | 11.78 | 12,470,747 | -1.14 | 107.87 |
| 9/2004 | 10,500 | 144,300 | 1.16 | 154,986 | 1.25 | 1,409,878 | 11.38 | 12,394,097 | -0.70 | 107.11 |
| 12/2004 | 10,500 | 159,010 | 1.15 | 167,445 | 1.21 | 1,508,276 | 10.86 | 13,883,143 | 11.93 | 119.89 |
| 3/2005 | 10,500 | 154,923 | 1.14 | 162,107 | 1.19 | 1,451,902 | 10.64 | 13,641,279 | -1.82 | 117.71 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Waddell & Reed Vanguard | Percent | Guardian Park Avenue | Percent | Rvs Large Cap Equity | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/2005 | 6,000 | 164,025 | 1.19 | 163,031 | 1.18 | 1,464,746 | 10.61 | 13,806,315 | 1.17 | 119.08 |
| 9/2005 | 13,500 | 171,641 | 1.15 | 169,125 | 1.14 | 1,528,667 | 10.27 | 14,878,573 | 7.67 | 128.21 |
| 12/2005 | 10,500 | 183,148 | 1.19 | 173,978 | 1.13 | 1,537,695 | 10.03 | 15,332,169 | 2.98 | 132.03 |
| 3/2006 | 1,011,000 | 188,781 | 1.08 | 180,666 | 1.03 | 1,612,111 | 9.19 | 17,537,084 | 7.69 | 142.18 |
| 6/2006 | 9,000 | 185,285 | 1.07 | 177,501 | 1.03 | 1,563,532 | 9.04 | 17,303,848 | -1.38 | 140.22 |
| 9/2006 | 8,000 | 179,847 | 0.98 | 192,642 | 1.05 | 1,653,104 | 9.04 | 18,296,126 | 5.69 | 148.19 |
| 12/2006 | 549,473 | 183,148 | 0.94 | 203,323 | 1.05 | 1,776,467 | 9.13 | 19,455,897 | 3.31 | 153.10 |
| 3/2007 | 1,000 | 191,689 | 0.96 | 210,758 | 1.05 | 1,780,502 | 8.88 | 20,051,058 | 3.05 | 157.77 |
| 6/2007 | 0 | 203,140 | 0.96 | 232,190 | 1.10 | 1,887,844 | 8.93 | 21,147,520 | 5.47 | 166.40 |
| 9/2007 | 2,000 | 233,038 | 1.07 | 232,408 | 1.07 | 1,920,136 | 8.84 | 21,710,320 | 2.65 | 170.81 |
| 12/2007 | 2,001,500 | 240,560 | 1.04 | 233,368 | 1.01 | 1,829,977 | 7.90 | 23,158,832 | -2.50 | 166.54 |
| 3/2008 | 500,500 | 213,134 | 0.98 | 219,243 | 1.01 | 1,635,246 | 7.51 | 21,773,149 | -8.05 | 153.13 |
| 6/2008 | 1,500 | 210,810 | 0.99 | 222,706 | 1.04 | 1,571,392 | 7.37 | 21,316,257 | -2.11 | 149.90 |
| 9/2008 | 1,500 | 185,708 | 1.02 | 199,127 | 1.09 | 1,397,423 | 7.67 | 18,222,006 | -14.52 | 128.13 |
| 12/2008 | 2,115 | 145,520 | 1.00 | 164,960 | 1.13 | 1,058,164 | 7.28 | 14,535,791 | -20.24 | 102.20 |
| 3/2009 | 426 | 138,602 | 1.07 | 151,403 | 1.17 | 917,795 | 7.07 | 12,977,565 | -10.72 | 91.24 |
| 6/2009 | 0 | 154,487 | 0.99 | 170,183 | 1.09 | 1,064,802 | 6.80 | 15,651,243 | 20.60 | 110.04 |
| 9/2009 | 261,500 | 172,677 | 0.92 | 199,908 | 1.07 | 1,239,166 | 6.61 | 18,739,364 | 18.00 | 129.84 |
| 12/2009 | 1,500 | 182,787 | 0.95 | 206,096 | 1.07 | 1,311,616 | 6.81 | 19,256,749 | 2.75 | 133.42 |
| 3/2010 | 1,500 | 190,243 | 0.97 | 220,173 | 1.12 | 1,385,256 | 7.05 | 19,656,372 | 2.07 | 136.18 |
| 6/2010 | 1,500 | 166,848 | 0.95 | 197,026 | 1.12 | 1,231,165 | 7.00 | 17,597,291 | -10.48 | 121.90 |
| 9/2010 | 1,500 | 186,129 | 0.93 | 213,107 | 1.06 | 1,377,242 | 6.86 | 20,087,786 | 14.14 | 139.14 |
| 12/2010 | 1,700 | 207,571 | 0.96 | 240,365 | 1.12 | 1,516,851 | 7.04 | 21,555,027 | 7.30 | 149.30 |
| 3/2011 | 1,268 | 217,859 | 0.97 | 248,903 | 1.11 | 1,618,808 | 7.20 | 22,486,785 | 4.32 | 155.74 |
| 6/2011 | 501,495 | 220,431 | 0.95 | 244,663 | 1.06 | 1,637,137 | 7.08 | 23,116,201 | 0.59 | 156.67 |
| 9/2011 | -2,000 | 190,595 | 0.99 | 193,887 | 1.01 | 1,428,539 | 7.44 | 19,192,812 | -16.96 | 130.09 |
| 12/2011 | 72 | 212,200 | 1.05 | 218,933 | 1.08 | 1,605,726 | 7.93 | 20,244,235 | 5.48 | 137.22 |
| 3/2012 | -709,241 | 242,809 | 1.12 | 241,350 | 1.12 | 1,835,115 | 8.50 | 21,598,336 | 10.20 | 151.21 |
| 6/2012 | 120,983 | 225,833 | 1.10 | 235,149 | 1.15 | 1,767,148 | 8.63 | 20,485,511 | -5.71 | 142.57 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Waddell & Reed Vanguard | Percent | Guardian Park Avenue | Percent | Rvs Large Cap Equity | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/2012 | 0 | 237,407 | 1.09 | 250,055 | 1.14 | 1,886,090 | 8.63 | 21,845,161 | 6.64 | 152.04 |
| 12/2012 | 83,874 | 234,570 | 1.03 | 254,540 | 1.12 | 1,854,656 | 8.16 | 22,727,005 | 3.65 | 157.59 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Putnam Vista Fund | Percent | Phoenix - Oakhurst Balanced | Percent | Phoenix - Engemann Cap | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 3/1998 | 8,260,813 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,260,813 | N/A | N/A |
| 6/1998 | 23,930 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,113,099 | -2.07 | 97.93 |
| 9/1998 | 33,060 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 7,152,952 | -12.23 | 85.95 |
| 12/1998 | 5,595 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,195,314 | 14.49 | 98.41 |
| 3/1999 | 30,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,393,509 | 2.04 | 100.41 |
| 6/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 9,059,555 | 7.66 | 108.10 |
| 9/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,771,016 | -3.43 | 104.40 |
| 12/1999 | 16,125 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,216,122 | 16.27 | 121.38 |
| 3/2000 | 19,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,661,404 | 4.16 | 126.43 |
| 6/2000 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,299,561 | -3.48 | 122.04 |
| 9/2000 | -912,010 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,997,281 | -3.97 | 117.19 |
| 12/2000 | 3,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,585,847 | -4.60 | 111.80 |
| 3/2001 | 2,992,771 | 211,116 | 2.00 | 629,835 | 5.98 | 567,649 | 5.39 | 10,530,340 | -12.15 | 98.22 |
| 6/2001 | 7,500 | 238,927 | 2.18 | 674,586 | 6.14 | 615,754 | 5.61 | 10,983,128 | 4.23 | 102.37 |
| 9/2001 | 341,500 | 162,111 | 1.68 | 631,094 | 6.56 | 437,392 | 4.55 | 9,621,508 | -15.24 | 86.77 |
| 12/2001 | 7,500 | 203,583 | 1.91 | 682,437 | 6.41 | 527,796 | 4.96 | 10,651,415 | 10.62 | 95.99 |
| 3/2002 | 10,000 | 198,164 | 1.83 | 680,756 | 6.28 | 508,457 | 4.69 | 10,837,941 | 1.66 | 97.58 |
| 6/2002 | 11,000 | 163,997 | 1.62 | 637,999 | 6.31 | 431,378 | 4.26 | 10,114,509 | -6.77 | 90.97 |
| 9/2002 | 10,500 | 133,601 | 1.56 | 585,155 | 6.85 | 383,141 | 4.48 | 8,545,610 | -15.61 | 76.77 |
| 12/2002 | 9,000 | 141,135 | 1.57 | 620,800 | 6.89 | 409,875 | 4.55 | 9,010,491 | 5.33 | 80.86 |
| 3/2003 | 9,000 | 139,256 | 1.63 | 615,590 | 7.22 | 406,056 | 4.76 | 8,526,933 | -5.46 | 76.44 |
| 6/2003 | 9,000 | 162,583 | 1.65 | 679,977 | 6.91 | 462,483 | 4.70 | 9,843,029 | 15.32 | 88.16 |
| 9/2003 | 10,500 | 172,009 | 1.65 | 700,506 | 6.71 | 488,521 | 4.68 | 10,445,310 | 6.01 | 93.46 |
| 12/2003 | -9,236 | 188,266 | 1.61 | 756,317 | 6.48 | 535,979 | 4.59 | 11,674,815 | 11.87 | 104.55 |
| 3/2004 | 410,319 | 197,693 | 1.57 | 780,905 | 6.20 | 550,105 | 4.36 | 12,603,697 | 4.36 | 109.11 |
| 6/2004 | 10,500 | 202,404 | 1.62 | 780,520 | 6.26 | 557,633 | 4.47 | 12,470,747 | -1.14 | 107.87 |
| 9/2004 | 10,500 | 196,750 | 1.59 | 774,647 | 6.25 | 531,819 | 4.29 | 12,394,097 | -0.70 | 107.11 |
| 12/2004 | 10,500 | 223,848 | 1.61 | 829,486 | 5.97 | 579,612 | 4.17 | 13,883,143 | 11.93 | 119.89 |
| 3/2005 | 10,500 | 222,905 | 1.63 | 818,959 | 6.00 | 554,722 | 4.07 | 13,641,279 | -1.82 | 117.71 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Putnam Vista Fund | Percent | Phoenix - Oakhurst Balanced | Percent | Phoenix - Engemann Cap | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/2005 | 6,000 | 223,611 | 1.62 | 834,894 | 6.05 | 568,971 | 4.12 | 13,806,315 | 1.17 | 119.08 |
| 9/2005 | 13,500 | 242,463 | 1.63 | 846,433 | 5.69 | 585,190 | 3.93 | 14,878,573 | 7.67 | 128.21 |
| 12/2005 | 10,500 | 251,181 | 1.64 | 860,019 | 5.61 | 618,622 | 4.03 | 15,332,169 | 2.98 | 132.03 |
| 3/2006 | 1,011,000 | 274,979 | 1.57 | 897,122 | 5.12 | 629,935 | 3.59 | 17,537,084 | 7.69 | 142.18 |
| 6/2006 | 9,000 | 255,658 | 1.48 | 890,303 | 5.15 | 583,575 | 3.37 | 17,303,848 | -1.38 | 140.22 |
| 9/2006 | 8,000 | 250,700 | 1.37 | 0 | 0.00 | 0 | 0.00 | 18,296,126 | 5.69 | 148.19 |
| 12/2006 | 549,473 | 265,319 | 1.36 | 0 | 0.00 | 0 | 0.00 | 19,455,897 | 3.31 | 153.10 |
| 3/2007 | 1,000 | 271,209 | 1.35 | 0 | 0.00 | 0 | 0.00 | 20,051,058 | 3.05 | 157.77 |
| 6/2007 | 0 | 283,227 | 1.34 | 0 | 0.00 | 0 | 0.00 | 21,147,520 | 5.47 | 166.40 |
| 9/2007 | 2,000 | 286,291 | 1.32 | 0 | 0.00 | 0 | 0.00 | 21,710,320 | 2.65 | 170.81 |
| 12/2007 | 2,001,500 | 274,979 | 1.19 | 0 | 0.00 | 0 | 0.00 | 23,158,832 | -2.50 | 166.54 |
| 3/2008 | 500,500 | 237,043 | 1.09 | 0 | 0.00 | 0 | 0.00 | 21,773,149 | -8.05 | 153.13 |
| 6/2008 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 21,316,257 | -2.11 | 149.90 |
| 9/2008 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 18,222,006 | -14.52 | 128.13 |
| 12/2008 | 2,115 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 14,535,791 | -20.24 | 102.20 |
| 3/2009 | 426 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 12,977,565 | -10.72 | 91.24 |
| 6/2009 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 15,651,243 | 20.60 | 110.04 |
| 9/2009 | 261,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 18,739,364 | 18.00 | 129.84 |
| 12/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 19,256,749 | 2.75 | 133.42 |
| 3/2010 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 19,656,372 | 2.07 | 136.18 |
| 6/2010 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 17,597,291 | -10.48 | 121.90 |
| 9/2010 | 1,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 20,087,786 | 14.14 | 139.14 |
| 12/2010 | 1,700 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 21,555,027 | 7.30 | 149.30 |
| 3/2011 | 1,268 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 22,486,785 | 4.32 | 155.74 |
| 6/2011 | 501,495 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 23,116,201 | 0.59 | 156.67 |
| 9/2011 | -2,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 19,192,812 | -16.96 | 130.09 |
| 12/2011 | 72 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 20,244,235 | 5.48 | 137.22 |
| 3/2012 | -709,241 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 21,598,336 | 10.20 | 151.21 |
| 6/2012 | 120,983 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 20,485,511 | -5.71 | 142.57 |

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**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Putnam Vista Fund | Percent | Phoenix - Oakhurst Balanced | Percent | Phoenix - Engemann Cap | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/2012 | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 21,845,161 | 6.64 | 152.04 |
| 12/2012 | 83,874 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 22,727,005 | 3.65 | 157.59 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Templeton Inc Foreign | Percent | American Europacific Growth | Percent | John Hancock | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 3/1998 | 8,260,813 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,260,813 | N/A | N/A |
| 6/1998 | 23,930 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,113,099 | -2.07 | 97.93 |
| 9/1998 | 33,060 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 7,152,952 | -12.23 | 85.95 |
| 12/1998 | 5,595 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,195,314 | 14.49 | 98.41 |
| 3/1999 | 30,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,393,509 | 2.04 | 100.41 |
| 6/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 9,059,555 | 7.66 | 108.10 |
| 9/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,771,016 | -3.43 | 104.40 |
| 12/1999 | 16,125 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,216,122 | 16.27 | 121.38 |
| 3/2000 | 19,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,661,404 | 4.16 | 126.43 |
| 6/2000 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,299,561 | -3.48 | 122.04 |
| 9/2000 | -912,010 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,997,281 | -3.97 | 117.19 |
| 12/2000 | 3,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,585,847 | -4.60 | 111.80 |
| 3/2001 | 2,992,771 | 1,384,618 | 13.15 | 1,625,207 | 15.43 | 0 | 0.00 | 10,530,340 | -12.15 | 98.22 |
| 6/2001 | 7,500 | 1,438,488 | 13.10 | 1,655,208 | 15.07 | 0 | 0.00 | 10,983,128 | 4.23 | 102.37 |
| 9/2001 | 341,500 | 1,244,845 | 12.94 | 1,423,195 | 14.79 | 0 | 0.00 | 9,621,508 | -15.24 | 86.77 |
| 12/2001 | 7,500 | 1,386,214 | 13.01 | 1,558,054 | 14.63 | 0 | 0.00 | 10,651,415 | 10.62 | 95.99 |
| 3/2002 | 10,000 | 1,450,654 | 13.38 | 1,582,407 | 14.60 | 0 | 0.00 | 10,837,941 | 1.66 | 97.58 |
| 6/2002 | 11,000 | 1,443,161 | 14.27 | 1,513,985 | 14.97 | 0 | 0.00 | 10,114,509 | -6.77 | 90.97 |
| 9/2002 | 10,500 | 1,206,381 | 14.12 | 1,247,834 | 14.60 | 0 | 0.00 | 8,545,610 | -15.61 | 76.77 |
| 12/2002 | 9,000 | 1,266,394 | 14.05 | 1,346,019 | 14.94 | 0 | 0.00 | 9,010,491 | 5.33 | 80.86 |
| 3/2003 | 9,000 | 1,149,050 | 13.48 | 1,215,940 | 14.26 | 0 | 0.00 | 8,526,933 | -5.46 | 76.44 |
| 6/2003 | 9,000 | 1,353,258 | 13.75 | 1,434,516 | 14.57 | 0 | 0.00 | 9,843,029 | 15.32 | 88.16 |
| 9/2003 | 10,500 | 1,478,232 | 14.15 | 1,567,537 | 15.01 | 0 | 0.00 | 10,445,310 | 6.01 | 93.46 |
| 12/2003 | -9,236 | 1,652,825 | 14.16 | 1,788,989 | 15.32 | 0 | 0.00 | 11,674,815 | 11.87 | 104.55 |
| 3/2004 | 410,319 | 1,719,613 | 13.64 | 1,910,387 | 15.16 | 0 | 0.00 | 12,603,697 | 4.36 | 109.11 |
| 6/2004 | 10,500 | 1,696,320 | 13.60 | 1,875,449 | 15.04 | 0 | 0.00 | 12,470,747 | -1.14 | 107.87 |
| 9/2004 | 10,500 | 1,711,854 | 13.81 | 1,884,331 | 15.20 | 0 | 0.00 | 12,394,097 | -0.70 | 107.11 |
| 12/2004 | 10,500 | 1,952,657 | 14.06 | 2,141,209 | 15.42 | 0 | 0.00 | 13,883,143 | 11.93 | 119.89 |
| 3/2005 | 10,500 | 1,947,895 | 14.28 | 2,141,209 | 15.70 | 0 | 0.00 | 13,641,279 | -1.82 | 117.71 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Templeton Inc Foreign | Percent | American Europacific Growth | Percent | John Hancock | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/2005 | 6,000 | 1,936,782 | 14.03 | 2,158,037 | 15.63 | 0 | 0.00 | 13,806,315 | 1.17 | 119.08 |
| 9/2005 | 13,500 | 2,119,349 | 14.24 | 2,422,458 | 16.28 | 0 | 0.00 | 14,878,573 | 7.67 | 128.21 |
| 12/2005 | 10,500 | 2,160,281 | 14.09 | 2,593,371 | 16.91 | 0 | 0.00 | 15,332,169 | 2.98 | 132.03 |
| 3/2006 | 1,011,000 | 2,299,984 | 13.11 | 2,788,978 | 15.90 | 0 | 0.00 | 17,537,084 | 7.69 | 142.18 |
| 6/2006 | 9,000 | 2,293,169 | 13.25 | 2,770,048 | 16.01 | 0 | 0.00 | 17,303,848 | -1.38 | 140.22 |
| 9/2006 | 8,000 | 2,363,018 | 12.92 | 2,908,233 | 15.90 | 194,003 | 1.06 | 18,296,126 | 5.69 | 148.19 |
| 12/2006 | 549,473 | 2,590,836 | 13.32 | 3,160,519 | 16.24 | 1,842,859 | 9.47 | 19,455,897 | 3.31 | 153.10 |
| 3/2007 | 1,000 | 2,644,021 | 13.19 | 3,252,837 | 16.22 | 1,929,107 | 9.62 | 20,051,058 | 3.05 | 157.77 |
| 6/2007 | 0 | 2,839,663 | 13.43 | 3,527,074 | 16.68 | 2,066,498 | 9.77 | 21,147,520 | 5.47 | 166.40 |
| 9/2007 | 2,000 | 2,966,925 | 13.67 | 3,711,709 | 17.10 | 2,112,439 | 9.73 | 21,710,320 | 2.65 | 170.81 |
| 12/2007 | 2,001,500 | 3,037,613 | 13.12 | 3,759,599 | 16.23 | 2,045,002 | 8.83 | 23,158,832 | -2.50 | 166.54 |
| 3/2008 | 500,500 | 2,663,978 | 12.24 | 3,461,019 | 15.90 | 1,856,188 | 8.53 | 21,773,149 | -8.05 | 153.13 |
| 6/2008 | 1,500 | 2,583,913 | 12.12 | 3,379,722 | 15.86 | 1,843,792 | 8.65 | 21,316,257 | -2.11 | 149.90 |
| 9/2008 | 1,500 | 2,161,752 | 11.86 | 2,769,998 | 15.20 | 1,490,482 | 8.18 | 18,222,006 | -14.52 | 128.13 |
| 12/2008 | 2,115 | 1,637,612 | 11.27 | 2,235,961 | 15.38 | 1,376,162 | 9.47 | 14,535,791 | -20.24 | 102.20 |
| 3/2009 | 426 | 1,508,521 | 11.62 | 2,057,946 | 15.86 | 1,042,839 | 8.04 | 12,977,565 | -10.72 | 91.24 |
| 6/2009 | 0 | 1,936,365 | 12.37 | 2,516,953 | 16.08 | 1,258,561 | 8.04 | 15,651,243 | 20.60 | 110.04 |
| 9/2009 | 261,500 | 2,437,976 | 13.01 | 3,007,890 | 16.05 | 1,466,809 | 7.83 | 18,739,364 | 18.00 | 129.84 |
| 12/2009 | 1,500 | 2,452,027 | 12.73 | 3,110,125 | 16.15 | 1,469,262 | 7.63 | 19,256,749 | 2.75 | 133.42 |
| 3/2010 | 1,500 | 2,448,283 | 12.46 | 3,132,839 | 15.94 | 1,491,573 | 7.59 | 19,656,372 | 2.07 | 136.18 |
| 6/2010 | 1,500 | 2,133,825 | 12.13 | 2,755,633 | 15.66 | 1,277,714 | 7.26 | 17,597,291 | -10.48 | 121.90 |
| 9/2010 | 1,500 | 2,467,001 | 12.28 | 3,219,637 | 16.03 | 1,500,824 | 7.47 | 20,087,786 | 14.14 | 139.14 |
| 12/2010 | 1,700 | 2,660,484 | 12.34 | 3,402,619 | 15.79 | 1,603,164 | 7.44 | 21,555,027 | 7.30 | 149.30 |
| 3/2011 | 1,268 | 2,835,817 | 12.61 | 3,521,057 | 15.66 | 1,660,911 | 7.39 | 22,486,785 | 4.32 | 155.74 |
| 6/2011 | 501,495 | 2,858,687 | 12.37 | 3,555,601 | 15.38 | 1,718,108 | 7.43 | 23,116,201 | 0.59 | 156.67 |
| 9/2011 | -2,000 | 2,248,834 | 11.72 | 2,812,897 | 14.66 | 1,380,426 | 7.19 | 19,192,812 | -16.96 | 130.09 |
| 12/2011 | 72 | 2,322,352 | 11.47 | 2,940,382 | 14.52 | 1,434,556 | 7.09 | 20,244,235 | 5.48 | 137.22 |
| 3/2012 | -709,241 | 2,608,723 | 12.08 | 2,861,955 | 13.25 | 1,552,427 | 7.19 | 21,598,336 | 10.20 | 151.21 |
| 6/2012 | 120,983 | 2,318,429 | 11.32 | 2,684,306 | 13.10 | 1,451,874 | 7.09 | 20,485,511 | -5.71 | 142.57 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Templeton Inc Foreign | Percent | American Europacific Growth | Percent | John Hancock | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/2012 | 0 | 2,534,188 | 11.60 | 2,878,632 | 13.18 | 1,537,903 | 7.04 | 21,845,161 | 6.64 | 152.04 |
| 12/2012 | 83,874 | 2,753,262 | 12.11 | 3,039,294 | 13.37 | 1,634,377 | 7.19 | 22,727,005 | 3.65 | 157.59 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Putnam Voyager Fund | Percent | Ing Global Opportunities | Percent | Fidelity Equity - Income | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 3/1998 | 8,260,813 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,260,813 | N/A | N/A |
| 6/1998 | 23,930 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,113,099 | -2.07 | 97.93 |
| 9/1998 | 33,060 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 7,152,952 | -12.23 | 85.95 |
| 12/1998 | 5,595 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,195,314 | 14.49 | 98.41 |
| 3/1999 | 30,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,393,509 | 2.04 | 100.41 |
| 6/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 9,059,555 | 7.66 | 108.10 |
| 9/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,771,016 | -3.43 | 104.40 |
| 12/1999 | 16,125 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,216,122 | 16.27 | 121.38 |
| 3/2000 | 19,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,661,404 | 4.16 | 126.43 |
| 6/2000 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,299,561 | -3.48 | 122.04 |
| 9/2000 | -912,010 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,997,281 | -3.97 | 117.19 |
| 12/2000 | 3,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,585,847 | -4.60 | 111.80 |
| 3/2001 | 2,992,771 | 267,850 | 2.54 | 0 | 0.00 | 167,958 | 1.59 | 10,530,340 | -12.15 | 98.22 |
| 6/2001 | 7,500 | 285,477 | 2.60 | 0 | 0.00 | 176,780 | 1.61 | 10,983,128 | 4.23 | 102.37 |
| 9/2001 | 341,500 | 231,789 | 2.41 | 0 | 0.00 | 155,181 | 1.61 | 9,621,508 | -15.24 | 86.77 |
| 12/2001 | 7,500 | 256,610 | 2.41 | 0 | 0.00 | 169,697 | 1.59 | 10,651,415 | 10.62 | 95.99 |
| 3/2002 | 10,000 | 254,385 | 2.35 | 0 | 0.00 | 176,025 | 1.62 | 10,837,941 | 1.66 | 97.58 |
| 6/2002 | 11,000 | 213,891 | 2.11 | 0 | 0.00 | 158,781 | 1.57 | 10,114,509 | -6.77 | 90.97 |
| 9/2002 | 10,500 | 179,330 | 2.10 | 0 | 0.00 | 128,476 | 1.50 | 8,545,610 | -15.61 | 76.77 |
| 12/2002 | 9,000 | 188,526 | 2.09 | 0 | 0.00 | 140,577 | 1.56 | 9,010,491 | 5.33 | 80.86 |
| 3/2003 | 9,000 | 185,709 | 2.18 | 0 | 0.00 | 131,723 | 1.54 | 8,526,933 | -5.46 | 76.44 |
| 6/2003 | 9,000 | 208,997 | 2.12 | 0 | 0.00 | 155,311 | 1.58 | 9,843,029 | 15.32 | 88.16 |
| 9/2003 | 10,500 | 216,265 | 2.07 | 0 | 0.00 | 159,730 | 1.53 | 10,445,310 | 6.01 | 93.46 |
| 12/2003 | -9,236 | 235,103 | 2.01 | 0 | 0.00 | 182,696 | 1.56 | 11,674,815 | 11.87 | 104.55 |
| 3/2004 | 410,319 | 237,328 | 1.88 | 0 | 0.00 | 185,895 | 1.47 | 12,603,697 | 4.36 | 109.11 |
| 6/2004 | 10,500 | 238,514 | 1.91 | 0 | 0.00 | 188,917 | 1.51 | 12,470,747 | -1.14 | 107.87 |
| 9/2004 | 10,500 | 226,499 | 1.83 | 0 | 0.00 | 186,225 | 1.50 | 12,394,097 | -0.70 | 107.11 |
| 12/2004 | 10,500 | 246,376 | 1.77 | 0 | 0.00 | 203,317 | 1.46 | 13,883,143 | 11.93 | 119.89 |
| 3/2005 | 10,500 | 235,400 | 1.73 | 0 | 0.00 | 199,539 | 1.46 | 13,641,279 | -1.82 | 117.71 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Putnam Voyager Fund | Percent | Ing Global Opportunities | Percent | Fidelity Equity - Income | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/2005 | 6,000 | 242,668 | 1.76 | 0 | 0.00 | 200,599 | 1.45 | 13,806,315 | 1.17 | 119.08 |
| 9/2005 | 13,500 | 251,718 | 1.69 | 0 | 0.00 | 208,640 | 1.40 | 14,878,573 | 7.67 | 128.21 |
| 12/2005 | 10,500 | 259,921 | 1.70 | 0 | 0.00 | 214,978 | 1.40 | 15,332,169 | 2.98 | 132.03 |
| 3/2006 | 1,011,000 | 265,597 | 1.51 | 0 | 0.00 | 226,180 | 1.29 | 17,537,084 | 7.69 | 142.18 |
| 6/2006 | 9,000 | 249,762 | 1.44 | 0 | 0.00 | 225,848 | 1.31 | 17,303,848 | -1.38 | 140.22 |
| 9/2006 | 8,000 | 254,974 | 1.39 | 0 | 0.00 | 239,733 | 1.31 | 18,296,126 | 5.69 | 148.19 |
| 12/2006 | 549,473 | 273,515 | 1.41 | 0 | 0.00 | 257,556 | 1.32 | 19,455,897 | 3.31 | 153.10 |
| 3/2007 | 1,000 | 271,872 | 1.36 | 0 | 0.00 | 260,298 | 1.30 | 20,051,058 | 3.05 | 157.77 |
| 6/2007 | 0 | 284,867 | 1.35 | 0 | 0.00 | 279,316 | 1.32 | 21,147,520 | 5.47 | 166.40 |
| 9/2007 | 2,000 | 288,751 | 1.33 | 0 | 0.00 | 278,170 | 1.28 | 21,710,320 | 2.65 | 170.81 |
| 12/2007 | 2,001,500 | 288,005 | 1.24 | 0 | 0.00 | 261,158 | 1.13 | 23,158,832 | -2.50 | 166.54 |
| 3/2008 | 500,500 | 251,855 | 1.16 | 0 | 0.00 | 235,820 | 1.08 | 21,773,149 | -8.05 | 153.13 |
| 6/2008 | 1,500 | 0 | 0.00 | 0 | 0.00 | 223,341 | 1.05 | 21,316,257 | -2.11 | 149.90 |
| 9/2008 | 1,500 | 0 | 0.00 | 0 | 0.00 | 198,963 | 1.09 | 18,222,006 | -14.52 | 128.13 |
| 12/2008 | 2,115 | 0 | 0.00 | 0 | 0.00 | 152,409 | 1.05 | 14,535,791 | -20.24 | 102.20 |
| 3/2009 | 426 | 0 | 0.00 | 0 | 0.00 | 132,068 | 1.02 | 12,977,565 | -10.72 | 91.24 |
| 6/2009 | 0 | 0 | 0.00 | 0 | 0.00 | 159,250 | 1.02 | 15,651,243 | 20.60 | 110.04 |
| 9/2009 | 261,500 | 0 | 0.00 | 0 | 0.00 | 190,522 | 1.02 | 18,739,364 | 18.00 | 129.84 |
| 12/2009 | 1,500 | 0 | 0.00 | 0 | 0.00 | 197,424 | 1.03 | 19,256,749 | 2.75 | 133.42 |
| 3/2010 | 1,500 | 0 | 0.00 | 0 | 0.00 | 209,580 | 1.07 | 19,656,372 | 2.07 | 136.18 |
| 6/2010 | 1,500 | 0 | 0.00 | 0 | 0.00 | 183,792 | 1.04 | 17,597,291 | -10.48 | 121.90 |
| 9/2010 | 1,500 | 0 | 0.00 | 0 | 0.00 | 203,950 | 1.02 | 20,087,786 | 14.14 | 139.14 |
| 12/2010 | 1,700 | 0 | 0.00 | 564,405 | 2.62 | 227,293 | 1.05 | 21,555,027 | 7.30 | 149.30 |
| 3/2011 | 1,268 | 0 | 0.00 | 584,029 | 2.60 | 241,929 | 1.08 | 22,486,785 | 4.32 | 155.74 |
| 6/2011 | 501,495 | 0 | 0.00 | 578,927 | 2.50 | 238,141 | 1.03 | 23,116,201 | 0.59 | 156.67 |
| 9/2011 | -2,000 | 0 | 0.00 | 457,647 | 2.38 | 192,522 | 1.00 | 19,192,812 | -16.96 | 130.09 |
| 12/2011 | 72 | 0 | 0.00 | 485,155 | 2.40 | 216,656 | 1.07 | 20,244,235 | 5.48 | 137.22 |
| 3/2012 | -709,241 | 0 | 0.00 | 562,482 | 2.60 | 238,893 | 1.11 | 21,598,336 | 10.20 | 151.21 |
| 6/2012 | 120,983 | 0 | 0.00 | 518,519 | 2.53 | 234,876 | 1.15 | 20,485,511 | -5.71 | 142.57 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Putnam Voyager Fund | Percent | Ing Global Opportunities | Percent | Fidelity Equity - Income | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/2012 | 0 | 0 | 0.00 | 549,529 | 2.52 | 251,874 | 1.15 | 21,845,161 | 6.64 | 152.04 |
| 12/2012 | 83,874 | 0 | 0.00 | 571,086 | 2.51 | 253,994 | 1.12 | 22,727,005 | 3.65 | 157.59 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Cohen & Steers Realty | Percent | Putnam Convertible Income Growth | Percent | Jennison Natural Resources Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 3/1998 | 8,260,813 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,260,813 | N/A | N/A |
| 6/1998 | 23,930 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,113,099 | -2.07 | 97.93 |
| 9/1998 | 33,060 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 7,152,952 | -12.23 | 85.95 |
| 12/1998 | 5,595 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,195,314 | 14.49 | 98.41 |
| 3/1999 | 30,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,393,509 | 2.04 | 100.41 |
| 6/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 9,059,555 | 7.66 | 108.10 |
| 9/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,771,016 | -3.43 | 104.40 |
| 12/1999 | 16,125 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,216,122 | 16.27 | 121.38 |
| 3/2000 | 19,597 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,661,404 | 4.16 | 126.43 |
| 6/2000 | 9,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,299,561 | -3.48 | 122.04 |
| 9/2000 | -912,010 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,997,281 | -3.97 | 117.19 |
| 12/2000 | 3,000 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 8,585,847 | -4.60 | 111.80 |
| 3/2001 | 2,992,771 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,530,340 | -12.15 | 98.22 |
| 6/2001 | 7,500 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 10,983,128 | 4.23 | 102.37 |
| 9/2001 | 341,500 | 464,230 | 4.82 | 0 | 0.00 | 0 | 0.00 | 9,621,508 | -15.24 | 86.77 |
| 12/2001 | 7,500 | 485,995 | 4.56 | 0 | 0.00 | 0 | 0.00 | 10,651,415 | 10.62 | 95.99 |
| 3/2002 | 10,000 | 526,795 | 4.86 | 0 | 0.00 | 0 | 0.00 | 10,837,941 | 1.66 | 97.58 |
| 6/2002 | 11,000 | 549,646 | 5.43 | 0 | 0.00 | 0 | 0.00 | 10,114,509 | -6.77 | 90.97 |
| 9/2002 | 10,500 | 512,687 | 6.00 | 0 | 0.00 | 0 | 0.00 | 8,545,610 | -15.61 | 76.77 |
| 12/2002 | 9,000 | 508,509 | 5.64 | 0 | 0.00 | 0 | 0.00 | 9,010,491 | 5.33 | 80.86 |
| 3/2003 | 9,000 | 512,836 | 6.01 | 0 | 0.00 | 0 | 0.00 | 8,526,933 | -5.46 | 76.44 |
| 6/2003 | 9,000 | 581,796 | 5.91 | 0 | 0.00 | 0 | 0.00 | 9,843,029 | 15.32 | 88.16 |
| 9/2003 | 10,500 | 627,843 | 6.01 | 0 | 0.00 | 0 | 0.00 | 10,445,310 | 6.01 | 93.46 |
| 12/2003 | -9,236 | 690,394 | 5.91 | 0 | 0.00 | 0 | 0.00 | 11,674,815 | 11.87 | 104.55 |
| 3/2004 | 410,319 | 769,681 | 6.11 | 0 | 0.00 | 0 | 0.00 | 12,603,697 | 4.36 | 109.11 |
| 6/2004 | 10,500 | 721,358 | 5.78 | 0 | 0.00 | 0 | 0.00 | 12,470,747 | -1.14 | 107.87 |
| 9/2004 | 10,500 | 771,872 | 6.23 | 0 | 0.00 | 0 | 0.00 | 12,394,097 | -0.70 | 107.11 |
| 12/2004 | 10,500 | 868,385 | 6.25 | 0 | 0.00 | 0 | 0.00 | 13,883,143 | 11.93 | 119.89 |
| 3/2005 | 10,500 | 809,727 | 5.94 | 0 | 0.00 | 0 | 0.00 | 13,641,279 | -1.82 | 117.71 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Cohen & Steers Realty | Percent | Putnam Convertible Income Growth | Percent | Jennison Natural Resources Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 6/2005 | 6,000 | 910,812 | 6.60 | 0 | 0.00 | 0 | 0.00 | 13,806,315 | 1.17 | 119.08 |
| 9/2005 | 13,500 | 928,012 | 6.24 | 0 | 0.00 | 0 | 0.00 | 14,878,573 | 7.67 | 128.21 |
| 12/2005 | 10,500 | 926,670 | 6.04 | 0 | 0.00 | 0 | 0.00 | 15,332,169 | 2.98 | 132.03 |
| 3/2006 | 1,011,000 | 2,099,845 | 11.97 | 0 | 0.00 | 0 | 0.00 | 17,537,084 | 7.69 | 142.18 |
| 6/2006 | 9,000 | 2,076,275 | 12.00 | 0 | 0.00 | 0 | 0.00 | 17,303,848 | -1.38 | 140.22 |
| 9/2006 | 8,000 | 2,261,513 | 12.36 | 0 | 0.00 | 0 | 0.00 | 18,296,126 | 5.69 | 148.19 |
| 12/2006 | 549,473 | 2,523,372 | 12.97 | 0 | 0.00 | 0 | 0.00 | 19,455,897 | 3.31 | 153.10 |
| 3/2007 | 1,000 | 2,614,057 | 13.04 | 0 | 0.00 | 0 | 0.00 | 20,051,058 | 3.05 | 157.77 |
| 6/2007 | 0 | 2,461,079 | 11.64 | 0 | 0.00 | 0 | 0.00 | 21,147,520 | 5.47 | 166.40 |
| 9/2007 | 2,000 | 2,474,527 | 11.40 | 0 | 0.00 | 0 | 0.00 | 21,710,320 | 2.65 | 170.81 |
| 12/2007 | 2,001,500 | 2,132,869 | 9.21 | 0 | 0.00 | 0 | 0.00 | 23,158,832 | -2.50 | 166.54 |
| 3/2008 | 500,500 | 2,148,574 | 9.87 | 477,185 | 2.19 | 0 | 0.00 | 21,773,149 | -8.05 | 153.13 |
| 6/2008 | 1,500 | 1,961,673 | 9.20 | 993,327 | 4.66 | 0 | 0.00 | 21,316,257 | -2.11 | 149.90 |
| 9/2008 | 1,500 | 1,846,032 | 10.13 | 839,823 | 4.61 | 0 | 0.00 | 18,222,006 | -14.52 | 128.13 |
| 12/2008 | 2,115 | 1,282,371 | 8.82 | 626,158 | 4.31 | 0 | 0.00 | 14,535,791 | -20.24 | 102.20 |
| 3/2009 | 426 | 960,010 | 7.40 | 659,160 | 5.08 | 0 | 0.00 | 12,977,565 | -10.72 | 91.24 |
| 6/2009 | 0 | 1,289,856 | 8.24 | 784,761 | 5.01 | 0 | 0.00 | 15,651,243 | 20.60 | 110.04 |
| 9/2009 | 261,500 | 887,083 | 4.73 | 910,511 | 4.86 | 1,020,909 | 5.45 | 18,739,364 | 18.00 | 129.84 |
| 12/2009 | 1,500 | 896,179 | 4.65 | 962,693 | 5.00 | 1,116,602 | 5.80 | 19,256,749 | 2.75 | 133.42 |
| 3/2010 | 1,500 | 898,744 | 4.57 | 1,019,779 | 5.19 | 1,128,721 | 5.74 | 19,656,372 | 2.07 | 136.18 |
| 6/2010 | 1,500 | 781,591 | 4.44 | 964,011 | 5.48 | 1,005,560 | 5.71 | 17,597,291 | -10.48 | 121.90 |
| 9/2010 | 1,500 | 972,733 | 4.84 | 1,064,682 | 5.30 | 1,190,548 | 5.93 | 20,087,786 | 14.14 | 139.14 |
| 12/2010 | 1,700 | 1,016,992 | 4.72 | 1,150,866 | 5.34 | 1,426,900 | 6.62 | 21,555,027 | 7.30 | 149.30 |
| 3/2011 | 1,268 | 1,015,156 | 4.51 | 1,208,040 | 5.37 | 1,527,393 | 6.79 | 22,486,785 | 4.32 | 155.74 |
| 6/2011 | 501,495 | 1,022,499 | 4.42 | 1,205,376 | 5.21 | 1,409,902 | 6.10 | 23,116,201 | 0.59 | 156.67 |
| 9/2011 | -2,000 | 816,723 | 4.26 | 1,034,906 | 5.39 | 1,023,929 | 5.33 | 19,192,812 | -16.96 | 130.09 |
| 12/2011 | 72 | 843,448 | 4.17 | 1,076,422 | 5.32 | 1,158,669 | 5.72 | 20,244,235 | 5.48 | 137.22 |
| 3/2012 | -709,241 | 938,313 | 4.34 | 881,894 | 4.08 | 1,220,665 | 5.65 | 21,598,336 | 10.20 | 151.21 |
| 6/2012 | 120,983 | 930,799 | 4.54 | 848,626 | 4.14 | 1,036,428 | 5.06 | 20,485,511 | -5.71 | 142.57 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Cohen & Steers Realty | Percent | Putnam Convertible Income Growth | Percent | Jennison Natural Resources Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|---|---|
| 9/2012 | 0 | 1,024,946 | 4.69 | 897,515 | 4.11 | 1,159,669 | 5.31 | 21,845,161 | 6.64 | 152.04 |
| 12/2012 | 83,874 | 1,134,453 | 4.99 | 922,343 | 4.06 | 1,127,171 | 4.96 | 22,727,005 | 3.65 | 157.59 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Premier Managed Income | Percent | Eaton Vance Floating-Rate Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|
| 3/1998 | 8,260,813 | 0 | 0.00 | 0 | 0.00 | 8,260,813 | N/A | N/A |
| 6/1998 | 23,930 | 0 | 0.00 | 0 | 0.00 | 8,113,099 | -2.07 | 97.93 |
| 9/1998 | 33,060 | 0 | 0.00 | 0 | 0.00 | 7,152,952 | -12.23 | 85.95 |
| 12/1998 | 5,595 | 0 | 0.00 | 0 | 0.00 | 8,195,314 | 14.49 | 98.41 |
| 3/1999 | 30,000 | 0 | 0.00 | 0 | 0.00 | 8,393,509 | 2.04 | 100.41 |
| 6/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 9,059,555 | 7.66 | 108.10 |
| 9/1999 | 22,500 | 0 | 0.00 | 0 | 0.00 | 8,771,016 | -3.43 | 104.40 |
| 12/1999 | 16,125 | 0 | 0.00 | 0 | 0.00 | 10,216,122 | 16.27 | 121.38 |
| 3/2000 | 19,597 | 0 | 0.00 | 0 | 0.00 | 10,661,404 | 4.16 | 126.43 |
| 6/2000 | 9,000 | 0 | 0.00 | 0 | 0.00 | 10,299,561 | -3.48 | 122.04 |
| 9/2000 | -912,010 | 0 | 0.00 | 0 | 0.00 | 8,997,281 | -3.97 | 117.19 |
| 12/2000 | 3,000 | 0 | 0.00 | 0 | 0.00 | 8,585,847 | -4.60 | 111.80 |
| 3/2001 | 2,992,771 | 0 | 0.00 | 0 | 0.00 | 10,530,340 | -12.15 | 98.22 |
| 6/2001 | 7,500 | 0 | 0.00 | 0 | 0.00 | 10,983,128 | 4.23 | 102.37 |
| 9/2001 | 341,500 | 0 | 0.00 | 0 | 0.00 | 9,621,508 | -15.24 | 86.77 |
| 12/2001 | 7,500 | 0 | 0.00 | 0 | 0.00 | 10,651,415 | 10.62 | 95.99 |
| 3/2002 | 10,000 | 0 | 0.00 | 0 | 0.00 | 10,837,941 | 1.66 | 97.58 |
| 6/2002 | 11,000 | 0 | 0.00 | 0 | 0.00 | 10,114,509 | -6.77 | 90.97 |
| 9/2002 | 10,500 | 0 | 0.00 | 0 | 0.00 | 8,545,610 | -15.61 | 76.77 |
| 12/2002 | 9,000 | 0 | 0.00 | 0 | 0.00 | 9,010,491 | 5.33 | 80.86 |
| 3/2003 | 9,000 | 0 | 0.00 | 0 | 0.00 | 8,526,933 | -5.46 | 76.44 |
| 6/2003 | 9,000 | 0 | 0.00 | 0 | 0.00 | 9,843,029 | 15.32 | 88.16 |
| 9/2003 | 10,500 | 0 | 0.00 | 0 | 0.00 | 10,445,310 | 6.01 | 93.46 |
| 12/2003 | -9,236 | 0 | 0.00 | 0 | 0.00 | 11,674,815 | 11.87 | 104.55 |
| 3/2004 | 410,319 | 0 | 0.00 | 0 | 0.00 | 12,603,697 | 4.36 | 109.11 |
| 6/2004 | 10,500 | 0 | 0.00 | 0 | 0.00 | 12,470,747 | -1.14 | 107.87 |
| 9/2004 | 10,500 | 0 | 0.00 | 0 | 0.00 | 12,394,097 | -0.70 | 107.11 |
| 12/2004 | 10,500 | 0 | 0.00 | 0 | 0.00 | 13,883,143 | 11.93 | 119.89 |
| 3/2005 | 10,500 | 0 | 0.00 | 0 | 0.00 | 13,641,279 | -1.82 | 117.71 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Premier Managed Income | Percent | Eaton Vance Floating-Rate Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|
| 6/2005 | 6,000 | 0 | 0.00 | 0 | 0.00 | 13,806,315 | 1.17 | 119.08 |
| 9/2005 | 13,500 | 0 | 0.00 | 0 | 0.00 | 14,878,573 | 7.67 | 128.21 |
| 12/2005 | 10,500 | 0 | 0.00 | 0 | 0.00 | 15,332,169 | 2.98 | 132.03 |
| 3/2006 | 1,011,000 | 0 | 0.00 | 0 | 0.00 | 17,537,084 | 7.69 | 142.18 |
| 6/2006 | 9,000 | 0 | 0.00 | 0 | 0.00 | 17,303,848 | -1.38 | 140.22 |
| 9/2006 | 8,000 | 0 | 0.00 | 0 | 0.00 | 18,296,126 | 5.69 | 148.19 |
| 12/2006 | 549,473 | 0 | 0.00 | 0 | 0.00 | 19,455,897 | 3.31 | 153.10 |
| 3/2007 | 1,000 | 0 | 0.00 | 0 | 0.00 | 20,051,058 | 3.05 | 157.77 |
| 6/2007 | 0 | 0 | 0.00 | 0 | 0.00 | 21,147,520 | 5.47 | 166.40 |
| 9/2007 | 2,000 | 0 | 0.00 | 0 | 0.00 | 21,710,320 | 2.65 | 170.81 |
| 12/2007 | 2,001,500 | 2,012,413 | 8.69 | 0 | 0.00 | 23,158,832 | -2.50 | 166.54 |
| 3/2008 | 500,500 | 2,048,907 | 9.41 | 0 | 0.00 | 21,773,149 | -8.05 | 153.13 |
| 6/2008 | 1,500 | 2,023,366 | 9.49 | 0 | 0.00 | 21,316,257 | -2.11 | 149.90 |
| 9/2008 | 1,500 | 1,949,682 | 10.70 | 0 | 0.00 | 18,222,006 | -14.52 | 128.13 |
| 12/2008 | 2,115 | 1,901,608 | 13.08 | 0 | 0.00 | 14,535,791 | -20.24 | 102.20 |
| 3/2009 | 426 | 1,891,065 | 14.57 | 0 | 0.00 | 12,977,565 | -10.72 | 91.24 |
| 6/2009 | 0 | 2,021,099 | 12.91 | 0 | 0.00 | 15,651,243 | 20.60 | 110.04 |
| 9/2009 | 261,500 | 2,181,590 | 11.64 | 0 | 0.00 | 18,739,364 | 18.00 | 129.84 |
| 12/2009 | 1,500 | 2,227,733 | 11.57 | 0 | 0.00 | 19,256,749 | 2.75 | 133.42 |
| 3/2010 | 1,500 | 2,298,094 | 11.69 | 0 | 0.00 | 19,656,372 | 2.07 | 136.18 |
| 6/2010 | 1,500 | 2,370,923 | 13.47 | 0 | 0.00 | 17,597,291 | -10.48 | 121.90 |
| 9/2010 | 1,500 | 2,452,079 | 12.21 | 0 | 0.00 | 20,087,786 | 14.14 | 139.14 |
| 12/2010 | 1,700 | 2,430,693 | 11.28 | 0 | 0.00 | 21,555,027 | 7.30 | 149.30 |
| 3/2011 | 1,268 | 2,468,070 | 10.98 | 0 | 0.00 | 22,486,785 | 4.32 | 155.74 |
| 6/2011 | 501,495 | 2,512,160 | 10.87 | 498,284 | 2.16 | 23,116,201 | 0.59 | 156.67 |
| 9/2011 | -2,000 | 2,592,071 | 13.51 | 480,278 | 2.50 | 19,192,812 | -16.96 | 130.09 |
| 12/2011 | 72 | 2,610,573 | 12.90 | 495,471 | 2.45 | 20,244,235 | 5.48 | 137.22 |
| 3/2012 | -709,241 | 2,644,173 | 12.24 | 513,813 | 2.38 | 21,598,336 | 10.20 | 151.21 |
| 6/2012 | 120,983 | 2,693,008 | 13.15 | 517,604 | 2.53 | 20,485,511 | -5.71 | 142.57 |

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**Distribution of Assets**
**March 31, 1998 Through December 31, 2012**

| Date | Net Contribution | Premier Managed Income | Percent | Eaton Vance Floating-Rate Fund | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|
| 9/2012 | 0 | 2,762,255 | 12.64 | 532,079 | 2.44 | 21,845,161 | 6.64 | 152.04 |
| 12/2012 | 83,874 | 2,798,295 | 12.31 | 541,152 | 2.38 | 22,727,005 | 3.65 | 157.59 |

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**Total Portfolio Historical Data and Rates of Return**
**March 31, 1998 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | Fees | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|---|
| 3/1998 | 8,260,813 | 0 | 0 | 8,260,813 | 0 | 0 | 0 | | 100.00 |
| 6/1998 | 8,113,099 | 0 | 23,930 | 0 | 0 | 12,351 | 0 | -2.07 | 97.93 |
| 9/1998 | 7,152,952 | 0 | 33,060 | 0 | 0 | 17,063 | 0 | -12.23 | 85.95 |
| 12/1998 | 8,195,314 | 0 | 5,595 | 0 | 0 | 2,798 | 0 | 14.49 | 98.41 |
| 3/1999 | 8,393,509 | 0 | 30,000 | 0 | 0 | 13,929 | 0 | 2.04 | 100.41 |
| 6/1999 | 9,059,555 | 0 | 22,500 | 0 | 0 | 11,613 | 0 | 7.66 | 108.10 |
| 9/1999 | 8,771,016 | 0 | 22,500 | 0 | 0 | 11,613 | 0 | -3.43 | 104.40 |
| 12/1999 | 10,216,122 | 0 | 16,125 | 0 | 0 | 8,063 | 0 | 16.27 | 121.38 |
| 3/2000 | 10,661,404 | 0 | 19,597 | 0 | 0 | 9,461 | 0 | 4.16 | 126.43 |
| 6/2000 | 10,299,561 | 0 | 9,000 | 0 | 0 | 4,645 | 0 | -3.48 | 122.04 |
| 9/2000 | 8,997,281 | 0 | -912,010 | 0 | 0 | -470,715 | 0 | -3.97 | 117.19 |
| 12/2000 | 8,585,847 | 0 | 3,000 | 0 | 0 | 1,500 | 0 | -4.60 | 111.80 |
| 3/2001 | 10,530,340 | 0 | 15,000 | 2,977,771 | 0 | 6,964 | 0 | -12.15 | 98.22 |
| 6/2001 | 10,983,128 | 500 | 3,500 | 3,500 | 10,583 | 1,446 | 0 | 4.23 | 102.37 |
| 9/2001 | 9,621,508 | 3,500 | 334,500 | 3,500 | 14,923 | 227,576 | 150 | -15.24 | 86.77 |
| 12/2001 | 10,651,415 | 3,500 | 3,500 | 500 | 89,582 | 2,332 | 0 | 10.62 | 95.99 |
| 3/2002 | 10,837,941 | 3,500 | 3,000 | 3,500 | 13,288 | 1,306 | 0 | 1.66 | 97.58 |
| 6/2002 | 10,114,509 | 4,000 | 3,500 | 3,500 | 14,884 | 3,192 | 0 | -6.77 | 90.97 |
| 9/2002 | 8,545,610 | 3,500 | 3,500 | 3,500 | -12,704 | 4,490 | 150 | -15.61 | 76.77 |
| 12/2002 | 9,010,491 | 3,000 | 3,000 | 3,000 | -490 | 2,881 | 0 | 5.33 | 80.86 |
| 3/2003 | 8,526,933 | 3,000 | 3,000 | 3,000 | 411 | 1,569 | 0 | -5.46 | 76.44 |
| 6/2003 | 9,843,029 | 0 | 6,000 | 3,000 | 2,204 | 2,323 | 25 | 15.32 | 88.16 |
| 9/2003 | 10,445,310 | 3,500 | 3,500 | 3,500 | 14,065 | 2,965 | 150 | 6.01 | 93.46 |
| 12/2003 | 11,674,815 | 3,000 | -15,236 | 3,000 | 122,308 | -7,557 | 0 | 11.87 | 104.55 |
| 3/2004 | 12,603,697 | 3,000 | 403,000 | 4,319 | 16,608 | 236,462 | 0 | 4.36 | 109.11 |
| 6/2004 | 12,470,747 | 3,500 | 3,500 | 3,500 | 18,179 | 895 | 0 | -1.14 | 107.87 |
| 9/2004 | 12,394,097 | 3,500 | 3,500 | 3,500 | 14,710 | 1,287 | 150 | -0.70 | 107.11 |
| 12/2004 | 13,883,143 | 3,500 | 3,500 | 3,500 | 260,779 | 860 | 0 | 11.93 | 119.89 |
| 3/2005 | 13,641,279 | 3,500 | 3,500 | 3,500 | 17,709 | 2,202 | 0 | -1.82 | 117.71 |
| 6/2005 | 13,806,315 | 3,000 | 3,000 | 0 | 18,040 | 1,074 | 0 | 1.17 | 119.08 |
| 9/2005 | 14,878,573 | 6,500 | 3,500 | 3,500 | 15,696 | 5,252 | 150 | 7.67 | 128.21 |

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**Total Portfolio Historical Data and Rates of Return**
**March 31, 1998 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | Fees | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|---|
| 12/2005 | 15,332,169 | 3,500 | 3,500 | 3,500 | 669,823 | 2,259 | 0 | 2.98 | 132.03 |
| 3/2006 | 17,537,084 | 3,500 | 500 | 1,007,000 | 94,156 | 520,955 | 0 | 7.69 | 142.18 |
| 6/2006 | 17,303,848 | 3,000 | 3,000 | 3,000 | 28,076 | 4,697 | 0 | -1.38 | 140.22 |
| 9/2006 | 18,296,126 | 4,000 | 3,000 | 1,000 | 18,296 | 4,498 | 150 | 5.69 | 148.19 |
| 12/2006 | 19,455,897 | 152,855 | 24,015 | 372,603 | 386,494 | 40,792 | 0 | 3.31 | 153.10 |
| 3/2007 | 20,051,058 | 500 | 0 | 500 | 4,691 | 452 | 0 | 3.05 | 157.77 |
| 6/2007 | 21,147,520 | 0 | 0 | 0 | 12,942 | 0 | 0 | 5.47 | 166.40 |
| 9/2007 | 21,710,320 | 1,000 | 0 | 1,000 | 22,968 | 1,017 | 150 | 2.65 | 170.81 |
| 12/2007 | 23,158,832 | 0 | 0 | 2,001,500 | 2,646,224 | 1,161,290 | 0 | -2.50 | 166.54 |
| 3/2008 | 21,773,149 | 0 | 500,000 | 500 | 247,252 | 275,975 | 0 | -8.05 | 153.13 |
| 6/2008 | 21,316,257 | 500 | 0 | 1,000 | 34,336 | 550 | 0 | -2.11 | 149.90 |
| 9/2008 | 18,222,006 | 500 | 500 | 500 | 51,682 | 278 | 150 | -14.52 | 128.13 |
| 12/2008 | 14,535,791 | 500 | 979 | 636 | 1,134,978 | 217 | 95 | -20.24 | 102.20 |
| 3/2009 | 12,977,565 | 0 | 426 | 0 | 26,066 | 122 | 0 | -10.72 | 91.24 |
| 6/2009 | 15,651,243 | 0 | 0 | 0 | 38,941 | 0 | 0 | 20.60 | 110.04 |
| 9/2009 | 18,739,364 | 500 | 500 | 260,500 | 79,955 | 165,254 | 0 | 18.00 | 129.84 |
| 12/2009 | 19,256,749 | 500 | 500 | 500 | 292,835 | 326 | 50 | 2.75 | 133.42 |
| 3/2010 | 19,656,372 | 500 | 500 | 500 | 32,706 | 397 | 0 | 2.07 | 136.18 |
| 6/2010 | 17,597,291 | 500 | 500 | 500 | 33,224 | 313 | 0 | -10.48 | 121.90 |
| 9/2010 | 20,087,786 | 500 | 500 | 500 | 44,154 | 475 | 0 | 14.14 | 139.14 |
| 12/2010 | 21,555,027 | 500 | 500 | 700 | 306,049 | 587 | 400 | 7.30 | 149.30 |
| 3/2011 | 22,486,785 | 768 | 500 | 0 | 31,220 | 521 | 68 | 4.32 | 155.74 |
| 6/2011 | 23,116,201 | 500,495 | 1,000 | 0 | 33,634 | 284,526 | 0 | 0.59 | 156.67 |
| 9/2011 | 19,192,812 | 0 | 0 | -2,000 | 48,672 | 0 | 0 | -16.96 | 130.09 |
| 12/2011 | 20,244,235 | 0 | 0 | 72 | 332,730 | 0 | 200 | 5.48 | 137.22 |
| 3/2012 | 21,598,336 | 0 | 0 | -709,241 | 29,483 | -686,369 | 25 | 10.20 | 151.21 |
| 6/2012 | 20,485,511 | 0 | 0 | 120,983 | 30,131 | 0 | 0 | -5.71 | 142.57 |
| 9/2012 | 21,845,161 | 0 | 0 | 0 | 42,732 | 0 | 0 | 6.64 | 152.04 |
| 12/2012 | 22,727,005 | 0 | 0 | 83,874 | 342,457 | 9,093 | 100 | 3.65 | 157.59 |

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**Fid. Magellan Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 239,777 | 0 | 0 | 239,777 | 0 | 0 | | 100.00 |
| 6/2001 | 256,995 | 0 | 0 | 0 | 2,157 | 0 | 7.18 | 107.18 |
| 9/2001 | 217,529 | 0 | 0 | 0 | 0 | 0 | -15.36 | 90.72 |
| 12/2001 | 241,841 | 0 | 0 | 0 | 740 | 0 | 11.18 | 100.86 |
| 3/2002 | 237,966 | 0 | 0 | 0 | 0 | 0 | -1.60 | 99.24 |
| 6/2002 | 205,317 | 0 | 0 | 0 | 278 | 0 | -13.72 | 85.63 |
| 9/2002 | 171,721 | 0 | 0 | 0 | 0 | 0 | -16.36 | 71.62 |
| 12/2002 | 184,613 | 0 | 0 | 0 | 0 | 0 | 7.51 | 76.99 |
| 3/2003 | 179,305 | 0 | 0 | 0 | 0 | 0 | -2.88 | 74.78 |
| 6/2003 | 204,854 | 0 | 0 | 0 | 421 | 0 | 14.25 | 85.44 |
| 9/2003 | 207,877 | 0 | 0 | 0 | 0 | 0 | 1.48 | 86.70 |
| 12/2003 | 230,438 | 0 | 0 | -2,718 | 2,718 | -2,280 | 12.21 | 97.28 |
| 3/2004 | 233,715 | 0 | 0 | 0 | 0 | 0 | 1.42 | 98.66 |
| 6/2004 | 235,524 | 0 | 0 | 0 | 495 | 0 | 0.77 | 99.43 |
| 9/2004 | 228,979 | 0 | 0 | 0 | 0 | 0 | -2.78 | 96.66 |
| 12/2004 | 247,705 | 0 | 0 | 0 | 2,434 | 0 | 8.18 | 104.57 |
| 3/2005 | 241,046 | 0 | 0 | 0 | 0 | 0 | -2.69 | 101.76 |
| 6/2005 | 244,689 | 0 | 0 | 0 | 668 | 0 | 1.51 | 103.30 |
| 9/2005 | 253,377 | 0 | 0 | 0 | 0 | 0 | 3.55 | 106.96 |
| 12/2005 | 263,607 | 0 | 0 | 0 | 8,855 | 0 | 4.04 | 111.28 |
| 3/2006 | 279,358 | 0 | 0 | 0 | 0 | 0 | 5.98 | 117.93 |
| 6/2006 | 268,209 | 0 | 0 | 0 | 619 | 17,664 | -3.91 | 113.32 |
| 9/2006 | 269,035 | 0 | 0 | 0 | 955 | 0 | 0.31 | 113.67 |
| 12/2006 | 0 | 0 | 0 | -285,977 | 8,572 | 0 | 6.30 | 120.83 |

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**Delaware Balanced Fund Historical Data and Rates of Return**
**March 31, 1998 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 143,460 | 0 | 0 | 143,460 | 0 | 0 | | 100.00 |
| 6/2001 | 155,767 | 0 | 0 | 0 | 408 | 0 | 8.14 | 108.14 |
| 9/2001 | 130,030 | 0 | 0 | 0 | 409 | 0 | 16.69 | 126.19 |
| 12/2001 | 149,274 | 0 | 0 | 0 | 0 | 0 | 14.70 | 144.74 |
| 3/2002 | 148,305 | 0 | 0 | 0 | 415 | 0 | -0.65 | 143.80 |
| 6/2002 | 136,508 | 0 | 0 | 0 | 416 | 0 | -7.95 | 132.36 |
| 9/2002 | 120,030 | 0 | 0 | 0 | -418 | 0 | -12.07 | 116.38 |
| 12/2002 | 125,650 | 0 | 0 | 0 | 0 | 114 | 4.68 | 121.83 |
| 3/2003 | 124,006 | 0 | 0 | -1 | 1 | 0 | -1.31 | 120.24 |
| 6/2003 | 136,306 | 0 | 0 | 0 | 0 | 0 | 9.92 | 132.16 |
| 9/2003 | 138,525 | 0 | 0 | 0 | 426 | -43 | 1.63 | 134.32 |
| 12/2003 | 148,942 | 0 | 0 | 0 | 731 | -495 | 7.53 | 144.43 |
| 3/2004 | 151,571 | 0 | 0 | 0 | 429 | -14 | 1.77 | 146.98 |
| 6/2004 | 149,615 | 0 | 0 | 0 | 0 | 0 | -1.29 | 145.08 |
| 9/2004 | 148,894 | 0 | 0 | 0 | 432 | 0 | -0.48 | 144.38 |
| 12/2004 | 157,139 | 0 | 0 | 0 | 1,125 | 0 | 5.54 | 152.38 |
| 3/2005 | 157,582 | 0 | 0 | 0 | 436 | 0 | 0.28 | 152.81 |
| 6/2005 | 159,280 | 0 | 0 | 0 | 437 | 0 | 1.08 | 154.45 |
| 9/2005 | 162,451 | 0 | 0 | 0 | 536 | 304 | 1.99 | 157.53 |
| 12/2005 | 163,042 | 0 | 0 | 0 | 2,365 | 0 | 0.36 | 158.10 |
| 3/2006 | 169,039 | 0 | 0 | 0 | 545 | 0 | 3.68 | 163.91 |
| 6/2006 | 169,101 | 0 | 0 | 0 | 846 | 0 | 0.04 | 163.97 |
| 9/2006 | | 0 | 0 | -177,401 | 0 | -130,094 | | 100.00 |

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**Wells Fargo Classic Value Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 153,504 | 0 | 0 | 153,504 | 0 | 0 | | 100.00 |
| 6/2001 | 160,624 | 0 | 0 | 0 | 1,336 | 0 | 4.64 | 104.64 |
| 9/2001 | 139,435 | 0 | 0 | 0 | 1,358 | 0 | -13.19 | 90.83 |
| 12/2001 | 151,138 | 0 | 0 | 0 | 434 | 0 | 8.39 | 98.46 |
| 3/2002 | 156,796 | 0 | 0 | 0 | 8,582 | 0 | 3.74 | 102.14 |
| 6/2002 | 144,574 | 0 | 0 | 0 | 690 | 0 | -7.79 | 94.18 |
| 9/2002 | 123,039 | 0 | 0 | 0 | -819 | 0 | -14.90 | 80.15 |
| 12/2002 | 132,107 | 0 | 0 | 0 | 0 | -174 | 7.37 | 86.06 |
| 3/2003 | 127,614 | 0 | 0 | 0 | 0 | 0 | -3.40 | 83.14 |
| 6/2003 | 147,954 | 0 | 0 | 0 | 0 | 0 | 15.94 | 96.39 |
| 9/2003 | 150,479 | 0 | 0 | 0 | 874 | 0 | 1.71 | 98.03 |
| 12/2003 | 173,252 | 0 | 0 | 0 | 786 | -101 | 15.14 | 112.87 |
| 3/2004 | 176,972 | 0 | 0 | -1 | 620 | 0 | 2.15 | 115.30 |
| 6/2004 | 172,396 | 0 | 0 | 3,000 | 14,071 | 2,600 | -4.26 | 110.39 |
| 9/2004 | 171,925 | 0 | 0 | 0 | 546 | 0 | -0.27 | 110.08 |
| 12/2004 | 190,796 | 0 | 0 | 0 | 6,805 | 0 | 10.98 | 122.17 |
| 3/2005 | 188,429 | 0 | 0 | 0 | 650 | 0 | -1.24 | 120.65 |
| 6/2005 | 190,544 | 0 | 0 | 0 | 653 | 0 | 1.12 | 122.01 |
| 9/2005 | 195,866 | 0 | 0 | 0 | 573 | 248 | 2.79 | 125.41 |
| 12/2005 | 197,533 | 0 | 0 | 0 | 9,307 | 0 | 0.85 | 126.48 |
| 3/2006 | 207,137 | 0 | 0 | 0 | 474 | 0 | 4.86 | 132.63 |
| 6/2006 | 205,191 | 0 | 0 | 0 | 972 | -130 | -0.94 | 131.38 |
| 9/2006 | 216,554 | 0 | 0 | 0 | 1,302 | 0 | 5.54 | 138.66 |
| 12/2006 | 230,412 | 0 | 24,015 | 0 | 1,669 | 11,207 | -4.44 | 132.50 |
| 3/2007 | 233,055 | 0 | 0 | 0 | 0 | 0 | 1.15 | 134.02 |
| 6/2007 | 246,652 | 0 | 0 | 0 | 1,057 | 0 | 5.83 | 141.83 |
| 9/2007 | 249,949 | 0 | 0 | 0 | 697 | 0 | 1.34 | 143.73 |
| 12/2007 | 236,742 | 0 | 0 | 0 | 19,059 | 0 | -5.28 | 136.14 |
| 3/2008 | 210,281 | 0 | 0 | 0 | 920 | 0 | -11.18 | 120.92 |
| 6/2008 | 203,545 | 0 | 0 | 0 | 681 | 0 | -3.20 | 117.05 |
| 9/2008 | 199,385 | 0 | 0 | 0 | 439 | 0 | -2.04 | 114.65 |

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**Wells Fargo Classic Value Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 153,911 | 0 | 0 | 8 | 4,244 | 5 | -22.81 | 88.50 |
| 3/2009 | 135,991 | 0 | 0 | 0 | 937 | 0 | -11.64 | 78.20 |
| 6/2009 | 162,492 | 0 | 0 | 0 | 189 | 0 | 19.49 | 93.43 |
| 9/2009 | 185,676 | 0 | 0 | -1 | 359 | -156 | 14.27 | 106.77 |
| 12/2009 | 194,063 | 0 | 0 | 0 | 193 | 0 | 4.52 | 111.59 |
| 3/2010 | 206,842 | 0 | 0 | 0 | 688 | 0 | 6.58 | 118.94 |
| 6/2010 | 177,862 | 0 | 0 | 0 | 171 | 0 | -14.01 | 102.28 |
| 9/2010 | 199,251 | 0 | 0 | 0 | 0 | 0 | 12.03 | 114.58 |
| 12/2010 | 220,222 | 0 | 0 | 0 | 942 | 0 | 10.52 | 126.64 |
| 3/2011 | 234,926 | 0 | 0 | 0 | 0 | 0 | 6.68 | 135.09 |
| 6/2011 | 235,501 | 0 | 0 | 0 | 0 | 0 | 0.24 | 135.42 |
| 9/2011 | 189,943 | 0 | 0 | 0 | 1,108 | 0 | -19.34 | 109.22 |
| 12/2011 | 212,843 | 0 | 0 | 0 | 958 | 0 | 12.06 | 122.39 |
| 3/2012 | 244,501 | 0 | 0 | 0 | 0 | 0 | 14.87 | 140.60 |
| 6/2012 | 231,086 | 0 | 0 | 0 | 0 | 0 | -5.49 | 132.88 |
| 9/2012 | 248,793 | 0 | 0 | 0 | 0 | 0 | 7.66 | 143.07 |
| 12/2012 | 248,955 | 0 | 0 | 0 | 9,164 | 0 | 0.07 | 143.16 |

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**Putnam International Growth Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 1,699,592 | 0 | 0 | 1,699,592 | 0 | 0 | | 100.00 |
| 6/2001 | 1,706,021 | 0 | 0 | 0 | 0 | 0 | 0.38 | 100.38 |
| 9/2001 | 1,469,074 | 0 | 0 | 0 | 0 | 0 | -13.89 | 86.44 |
| 12/2001 | 1,591,965 | 0 | 0 | 0 | 0 | 0 | 8.37 | 93.67 |
| 3/2002 | 1,617,667 | 0 | 0 | 0 | 0 | 0 | 1.61 | 95.18 |
| 6/2002 | 1,540,559 | 0 | 0 | 0 | 0 | 0 | -4.77 | 90.64 |
| 9/2002 | 1,221,684 | 0 | 0 | 0 | 0 | 0 | -20.70 | 71.88 |
| 12/2002 | 1,320,890 | 0 | 0 | 0 | 0 | 635 | 8.12 | 77.72 |
| 3/2003 | 1,204,986 | 0 | 0 | 0 | 0 | 0 | -8.77 | 70.90 |
| 6/2003 | 1,402,999 | 0 | 0 | 0 | 0 | 0 | 16.43 | 82.55 |
| 9/2003 | 1,481,884 | 0 | 0 | 0 | 0 | 0 | 5.62 | 87.19 |
| 12/2003 | 1,692,561 | 0 | 0 | 0 | 28,495 | 5,515 | 14.20 | 99.57 |
| 3/2004 | 1,746,632 | 0 | 0 | 0 | 0 | 0 | 3.19 | 102.75 |
| 6/2004 | 1,708,127 | 0 | 0 | 0 | 0 | 0 | -2.20 | 100.49 |
| 9/2004 | 1,708,946 | 0 | 0 | 0 | 0 | 0 | 0.05 | 100.53 |
| 12/2004 | 1,967,327 | 0 | 0 | 0 | 26,626 | 0 | 15.12 | 115.73 |
| 3/2005 | 1,953,205 | 0 | 0 | 0 | 0 | 0 | -0.72 | 114.90 |
| 6/2005 | 1,943,234 | 0 | 0 | 0 | 0 | 0 | -0.51 | 114.32 |
| 9/2005 | 2,153,427 | 0 | 0 | 0 | 0 | 0 | 10.82 | 126.68 |
| 12/2005 | 2,214,722 | 0 | 0 | 0 | 43,866 | 0 | 2.85 | 130.29 |
| 3/2006 | 2,436,788 | 0 | 0 | 0 | 0 | 0 | 10.03 | 143.35 |
| 6/2006 | 2,442,721 | 0 | 0 | 0 | 0 | 0 | 0.24 | 143.70 |
| 9/2006 | 2,559,661 | 0 | 0 | 0 | 0 | 0 | 4.79 | 150.58 |
| 12/2006 | 2,840,092 | 0 | 0 | 124,001 | 59,331 | 0 | 6.11 | 159.78 |
| 3/2007 | 2,944,340 | 0 | 0 | 0 | 0 | 0 | 3.67 | 165.64 |
| 6/2007 | 3,163,715 | 0 | 0 | 0 | 0 | 0 | 7.45 | 177.98 |
| 9/2007 | 3,223,544 | 0 | 0 | 0 | 0 | 0 | 1.89 | 181.35 |
| 12/2007 | 3,078,788 | 0 | 0 | 0 | 570,918 | 0 | -4.49 | 173.21 |
| 3/2008 | 2,782,324 | 0 | 0 | 0 | 0 | 0 | -9.63 | 156.53 |
| 6/2008 | 2,761,065 | 0 | 0 | 0 | 0 | 0 | -0.76 | 155.33 |
| 9/2008 | 2,145,755 | 0 | 0 | 0 | 0 | 0 | -22.29 | 120.71 |

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**Putnam International Growth Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 1,698,247 | 0 | 0 | -9 | 0 | -3 | -20.86 | 95.54 |
| 3/2009 | 1,429,750 | 0 | 0 | 0 | 0 | 0 | -15.81 | 80.43 |
| 6/2009 | 1,760,897 | 0 | 0 | 0 | 0 | 0 | 23.16 | 99.06 |
| 9/2009 | 2,094,281 | 0 | 0 | 0 | 0 | 0 | 18.93 | 117.82 |
| 12/2009 | 2,127,354 | 0 | 0 | 0 | 48,106 | -3,104 | 1.58 | 119.68 |
| 3/2010 | 2,157,123 | 0 | 0 | 0 | 0 | 0 | 1.40 | 121.36 |
| 6/2010 | 1,809,053 | 0 | 0 | 0 | 0 | 0 | -16.14 | 101.77 |
| 9/2010 | 2,154,834 | 0 | 0 | 0 | 0 | 0 | 19.11 | 121.23 |
| 12/2010 | 2,342,061 | 0 | 0 | 0 | 46,829 | 0 | 8.69 | 131.76 |
| 3/2011 | 2,399,327 | 0 | 0 | 0 | 0 | 0 | 2.45 | 134.98 |
| 6/2011 | 2,447,243 | 0 | 0 | 0 | 0 | 0 | 2.00 | 137.68 |
| 9/2011 | 1,882,764 | 0 | 0 | 0 | 0 | 0 | -23.07 | 105.92 |
| 12/2011 | 1,978,139 | 0 | 0 | 0 | 111,844 | 0 | 5.07 | 111.29 |
| 3/2012 | 2,271,885 | 0 | 0 | 0 | 0 | 0 | 14.85 | 127.81 |
| 6/2012 | 2,079,773 | 0 | 0 | 0 | 0 | 0 | -8.46 | 117.00 |
| 9/2012 | 2,253,294 | 0 | 0 | 0 | 0 | 0 | 8.34 | 126.77 |
| 12/2012 | 2,408,021 | 0 | 0 | 0 | 0 | 0 | 6.87 | 135.47 |

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**ING International Value Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 699,580 | 0 | 0 | 699,580 | 0 | 0 | | 100.00 |
| 6/2001 | 707,393 | 0 | 0 | 0 | 0 | 0 | 1.12 | 101.12 |
| 9/2001 | 604,536 | 0 | 0 | 0 | 0 | 0 | -14.54 | 86.41 |
| 12/2001 | 666,413 | 0 | 0 | 0 | 17,576 | 0 | 10.24 | 95.26 |
| 3/2002 | 693,877 | 0 | 0 | 0 | 0 | 0 | 4.12 | 99.18 |
| 6/2002 | 650,349 | 0 | 0 | 0 | 0 | 0 | -6.27 | 92.96 |
| 9/2002 | 505,769 | 0 | 0 | 0 | 0 | 0 | -22.23 | 72.30 |
| 12/2002 | 546,491 | 3 | 3,000 | 5 | 0 | -2,894 | 7.46 | 77.69 |
| 3/2003 | 487,011 | 0 | 0 | 0 | 0 | 0 | -10.88 | 69.23 |
| 6/2003 | 606,507 | 0 | 0 | 0 | 0 | 0 | 24.54 | 86.22 |
| 9/2003 | 677,143 | 0 | 0 | 0 | 0 | 0 | 11.65 | 96.26 |
| 12/2003 | 807,472 | 0 | 1 | 0 | 4,536 | 303 | 19.24 | 114.78 |
| 3/2004 | 1,270,256 | 0 | 400,000 | 0 | 0 | 151,724 | 6.30 | 122.01 |
| 6/2004 | 1,253,209 | 0 | 0 | 0 | 0 | 0 | -1.34 | 120.38 |
| 9/2004 | 1,247,326 | 0 | 0 | 0 | 0 | 0 | -0.47 | 119.81 |
| 12/2004 | 1,451,823 | 0 | 0 | 0 | 54,888 | 0 | 16.39 | 139.46 |
| 3/2005 | 1,425,557 | 0 | 0 | 0 | 0 | 0 | -1.81 | 136.93 |
| 6/2005 | 1,397,661 | 0 | 0 | 0 | 0 | 0 | -1.96 | 134.25 |
| 9/2005 | 1,574,427 | 0 | 0 | 0 | 0 | 0 | 12.65 | 151.23 |
| 12/2005 | 1,621,122 | 0 | 0 | 0 | 100,681 | 0 | 2.97 | 155.72 |
| 3/2006 | 1,794,721 | 0 | 0 | 0 | 0 | 0 | 10.71 | 172.39 |
| 6/2006 | 1,792,256 | 0 | 0 | 0 | 0 | 0 | -0.14 | 172.16 |
| 9/2006 | 1,878,553 | 0 | 0 | 0 | 0 | 0 | 4.81 | 180.44 |
| 12/2006 | 2,083,554 | 0 | 0 | 154,461 | 12,315 | 0 | 2.69 | 185.29 |
| 3/2007 | 2,177,130 | 0 | 0 | 0 | 0 | 0 | 4.49 | 193.62 |
| 6/2007 | 2,301,790 | 0 | 0 | 0 | 0 | 0 | 5.73 | 204.70 |
| 9/2007 | 2,305,637 | 0 | 0 | 0 | 0 | 0 | 0.17 | 205.05 |
| 12/2007 | 2,303,593 | 0 | 0 | 0 | 293,814 | 0 | -0.09 | 204.86 |
| 3/2008 | 2,041,900 | 0 | 0 | 0 | 0 | 0 | -11.36 | 181.59 |
| 6/2008 | 2,012,045 | 0 | 0 | 0 | 0 | 0 | -1.46 | 178.94 |
| 9/2008 | 1,692,241 | 0 | 0 | 0 | 0 | 0 | -15.89 | 150.49 |

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**ING International Value Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 1,367,743 | 0 | 0 | -15 | 170,154 | -3 | -19.17 | 121.64 |
| 3/2009 | 1,150,549 | 0 | 0 | 0 | 0 | 0 | -15.88 | 102.32 |
| 6/2009 | 1,424,557 | 0 | 0 | 0 | 0 | 0 | 23.82 | 126.69 |
| 9/2009 | 1,675,047 | 0 | 0 | 0 | 1,244 | 0 | 17.58 | 148.97 |
| 12/2009 | 1,668,919 | 0 | 0 | 0 | 16,851 | 0 | -0.37 | 148.42 |
| 3/2010 | 1,678,149 | 0 | 0 | 0 | 170 | 0 | 0.55 | 149.24 |
| 6/2010 | 1,458,994 | 0 | 0 | 0 | 0 | 0 | -13.06 | 129.75 |
| 9/2010 | 1,657,421 | 0 | 0 | 0 | 0 | 0 | 13.60 | 147.40 |
| 12/2010 | 1,183,511 | 0 | 0 | 0 | 35,008 | 0 | -28.59 | 105.25 |
| 3/2011 | 1,232,358 | 0 | 0 | 0 | 0 | 0 | 4.13 | 109.60 |
| 6/2011 | 1,234,393 | 0 | 0 | 0 | 0 | 0 | 0.17 | 109.78 |
| 9/2011 | 993,213 | 0 | 0 | 0 | 0 | 0 | -19.54 | 88.33 |
| 12/2011 | 1,018,332 | 0 | 0 | 0 | 61 | 0 | 2.53 | 90.56 |
| 3/2012 | 1,115,765 | 0 | 0 | 0 | 0 | 0 | 9.57 | 99.23 |
| 6/2012 | 1,024,618 | 0 | 0 | 0 | 0 | 0 | -8.17 | 91.12 |
| 9/2012 | 1,084,335 | 0 | 0 | 0 | 0 | 0 | 5.83 | 96.43 |
| 12/2012 | 1,153,855 | 0 | 0 | 0 | 28,235 | 0 | 6.41 | 102.62 |

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**Value Line - Fund 3 Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 564,851 | 0 | 0 | 564,851 | 0 | 0 | | 100.00 |
| 6/2001 | 631,021 | 0 | 0 | 0 | 0 | 0 | 11.71 | 111.71 |
| 9/2001 | 522,442 | 0 | 0 | 0 | 0 | 0 | -17.21 | 92.49 |
| 12/2001 | 583,301 | 0 | 0 | 0 | 13,189 | 0 | 11.65 | 103.27 |
| 3/2002 | 590,380 | 0 | 0 | 0 | 0 | 0 | 1.21 | 104.52 |
| 6/2002 | 560,215 | 0 | 0 | 0 | 0 | 0 | -5.11 | 99.18 |
| 9/2002 | 496,498 | 0 | 0 | 0 | 0 | 0 | -11.37 | 87.90 |
| 12/2002 | 494,959 | 0 | 0 | 0 | 0 | 0 | -0.31 | 87.63 |
| 3/2003 | 489,726 | 0 | 0 | 0 | 0 | 0 | -1.06 | 86.70 |
| 6/2003 | 545,132 | 0 | 0 | 0 | 0 | 0 | 11.31 | 96.51 |
| 9/2003 | 579,915 | 0 | 0 | 0 | 0 | 0 | 6.38 | 102.67 |
| 12/2003 | 641,477 | 0 | 0 | 0 | 0 | 0 | 10.62 | 113.57 |
| 3/2004 | 683,647 | 0 | 0 | 0 | 0 | 0 | 6.57 | 121.03 |
| 6/2004 | 693,497 | 0 | 0 | 0 | 0 | 0 | 1.44 | 122.78 |
| 9/2004 | 680,877 | 0 | 0 | 0 | 0 | 0 | -1.82 | 120.54 |
| 12/2004 | 759,627 | 0 | 0 | 0 | 13,534 | 0 | 11.57 | 134.48 |
| 3/2005 | 747,400 | 0 | 0 | 0 | 0 | 0 | -1.61 | 132.32 |
| 6/2005 | 776,870 | 0 | 0 | 0 | 0 | 0 | 3.94 | 137.54 |
| 9/2005 | 827,344 | 0 | 0 | 0 | 0 | 0 | 6.50 | 146.47 |
| 12/2005 | 846,932 | 0 | 0 | 0 | 44,407 | 0 | 2.37 | 149.94 |
| 3/2006 | 928,979 | 0 | 0 | 0 | 0 | 0 | 9.69 | 164.46 |
| 6/2006 | 901,520 | 0 | 0 | 0 | 0 | 0 | -2.96 | 159.60 |
| 9/2006 | 885,640 | 0 | 0 | 0 | 0 | 0 | -1.76 | 156.79 |
| 12/2006 | 937,417 | 0 | 0 | 0 | 57,264 | 0 | 5.85 | 165.96 |
| 3/2007 | 981,100 | 0 | 0 | 0 | 0 | 0 | 4.66 | 173.69 |
| 6/2007 | 1,061,067 | 0 | 0 | 0 | 0 | 0 | 8.15 | 187.85 |
| 9/2007 | 1,103,341 | 0 | 0 | 0 | 0 | 0 | 3.98 | 195.33 |
| 12/2007 | 1,108,998 | 0 | 0 | 0 | 72,362 | 0 | 0.51 | 196.33 |
| 3/2008 | 998,400 | 0 | 0 | 0 | 0 | 0 | -9.97 | 176.75 |
| 6/2008 | 1,033,127 | 0 | 0 | 0 | 0 | 0 | 3.48 | 182.90 |
| 9/2008 | 881,385 | 0 | 0 | 0 | 0 | 0 | -14.69 | 156.04 |

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**Value Line - Fund 3 Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 663,956 | 0 | 0 | 0 | 32,133 | 0 | -24.67 | 117.55 |
| 3/2009 | 609,456 | 0 | 0 | 0 | 0 | 0 | -8.21 | 107.90 |
| 6/2009 | 722,833 | 0 | 0 | 0 | 0 | 0 | 18.60 | 127.97 |
| 9/2009 | 827,459 | 0 | 0 | 0 | 0 | 0 | 14.47 | 146.49 |
| 12/2009 | 878,322 | 0 | 0 | 0 | 339 | 0 | 6.15 | 155.50 |
| 3/2010 | 922,497 | 0 | 0 | 0 | 0 | 0 | 5.03 | 163.32 |
| 6/2010 | 845,290 | 0 | 0 | 0 | 0 | 0 | -8.37 | 149.65 |
| 9/2010 | 964,682 | 0 | 0 | 0 | 0 | 0 | 14.12 | 170.79 |
| 12/2010 | 1,068,549 | 0 | 0 | 0 | 1,194 | 0 | 10.77 | 189.17 |
| 3/2011 | 1,161,778 | 0 | 0 | 0 | 0 | 0 | 8.72 | 205.68 |
| 6/2011 | 1,186,878 | 0 | 0 | 0 | 0 | 0 | 2.16 | 210.12 |
| 9/2011 | 1,007,990 | 0 | 0 | 0 | 0 | 0 | -15.07 | 178.45 |
| 12/2011 | 1,117,625 | 0 | 0 | 0 | 0 | 0 | 10.88 | 197.86 |
| 3/2012 | 1,266,191 | 0 | 0 | 0 | 0 | 0 | 13.29 | 224.16 |
| 6/2012 | 1,223,563 | 0 | 0 | 0 | 0 | 0 | -3.37 | 216.62 |
| 9/2012 | 1,276,743 | 0 | 0 | 0 | 0 | 0 | 4.35 | 226.03 |
| 12/2012 | 1,316,542 | 0 | 0 | 93,959 | 3,905 | 9,093 | -4.15 | 216.65 |

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**Sentinel Funds Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 198,835 | 0 | 0 | 198,835 | 0 | 0 | | 100.00 |
| 6/2001 | 201,745 | 0 | 0 | 0 | 306 | 0 | 1.46 | 101.46 |
| 9/2001 | 180,322 | 0 | 0 | 0 | 403 | 0 | -10.62 | 90.69 |
| 12/2001 | 191,908 | 0 | 0 | 0 | 21,033 | 0 | 6.43 | 96.52 |
| 3/2002 | 197,653 | 0 | 0 | 0 | 249 | 0 | 2.99 | 99.41 |
| 6/2002 | 176,916 | 0 | 0 | 0 | 256 | 0 | -10.49 | 88.98 |
| 9/2002 | 176,916 | 0 | 0 | 0 | 346 | 0 | 0.00 | 88.98 |
| 12/2002 | 159,315 | 0 | 0 | 0 | 1,571 | 0 | -9.95 | 80.12 |
| 3/2003 | 147,675 | 0 | 0 | 0 | 406 | 0 | -7.31 | 74.27 |
| 6/2003 | 174,086 | 0 | 0 | 0 | 207 | 0 | 17.88 | 87.55 |
| 9/2003 | 180,075 | 0 | 0 | 0 | 246 | 0 | 3.44 | 90.57 |
| 12/2003 | 206,109 | 0 | 0 | -14,090 | 14,090 | -4,091 | 22.47 | 110.92 |
| 3/2004 | 206,295 | 0 | 0 | -180 | 180 | -41 | 0.18 | 111.11 |
| 6/2004 | 212,141 | 0 | 0 | 0 | 209 | 0 | 2.83 | 114.26 |
| 9/2004 | 210,506 | 0 | 0 | 0 | 314 | 0 | -0.77 | 113.38 |
| 12/2004 | 225,618 | 0 | 0 | 0 | 20,365 | 0 | 7.18 | 121.52 |
| 3/2005 | 225,276 | 0 | 0 | 0 | 422 | 0 | -0.15 | 121.34 |
| 6/2005 | 225,356 | 0 | 0 | 0 | 546 | 0 | 0.04 | 121.38 |
| 9/2005 | 234,620 | 0 | 0 | 0 | 316 | 0 | 4.11 | 126.37 |
| 12/2005 | 241,965 | 0 | 0 | 0 | 11,373 | 0 | 3.13 | 130.33 |
| 3/2006 | 253,173 | 0 | 0 | 0 | 518 | 0 | 4.63 | 136.36 |
| 6/2006 | 250,167 | 0 | 0 | 0 | 552 | 0 | -1.19 | 134.75 |
| 9/2006 | 263,737 | 0 | 0 | 0 | 789 | 0 | 5.42 | 142.05 |
| 12/2006 | 280,661 | 0 | 0 | 0 | 12,102 | 0 | 6.42 | 151.17 |
| 3/2007 | 282,155 | 0 | 0 | 0 | 563 | 0 | 0.53 | 151.97 |
| 6/2007 | 302,387 | 0 | 0 | 0 | 0 | 0 | 7.17 | 162.87 |
| 9/2007 | 316,509 | 0 | 0 | 0 | 599 | 0 | 4.67 | 170.48 |
| 12/2007 | 307,118 | 0 | 0 | 0 | 16,519 | 0 | -2.97 | 165.42 |
| 3/2008 | 283,691 | 0 | 0 | 0 | 608 | 0 | -7.63 | 152.80 |
| 6/2008 | 281,396 | 0 | 0 | 0 | 627 | 0 | -0.81 | 151.57 |
| 9/2008 | 253,297 | 0 | 0 | 0 | 692 | 0 | -9.99 | 136.43 |

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**Sentinel Funds Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 198,217 | 0 | 0 | 0 | 685 | 0 | -21.75 | 106.76 |
| 3/2009 | 180,869 | 0 | 0 | 0 | 0 | 0 | -8.75 | 97.42 |
| 6/2009 | 212,604 | 0 | 0 | 0 | 0 | 0 | 17.55 | 114.51 |
| 9/2009 | 241,678 | 0 | 0 | 0 | 415 | 0 | 13.68 | 130.17 |
| 12/2009 | 255,415 | 0 | 0 | 0 | 443 | 0 | 5.68 | 137.57 |
| 3/2010 | 268,344 | 0 | 0 | 0 | 351 | 0 | 5.06 | 144.54 |
| 6/2010 | 237,872 | 0 | 0 | 0 | 676 | 0 | -11.36 | 128.12 |
| 9/2010 | 263,534 | 0 | 0 | 0 | 585 | 0 | 10.79 | 141.94 |
| 12/2010 | 292,549 | 0 | 0 | 0 | 540 | 0 | 11.01 | 157.57 |
| 3/2011 | 310,290 | 0 | 0 | 0 | 671 | 0 | 6.06 | 167.13 |
| 6/2011 | 312,144 | 0 | 0 | 0 | 710 | 0 | 0.60 | 168.13 |
| 9/2011 | 265,521 | 0 | 0 | 0 | 759 | 0 | -14.94 | 143.01 |
| 12/2011 | 296,753 | 0 | 0 | 0 | 4,734 | 0 | 11.76 | 159.84 |
| 3/2012 | 331,730 | 0 | 0 | 0 | 1,079 | 0 | 11.79 | 178.68 |
| 6/2012 | 317,235 | 0 | 0 | 0 | 1,883 | 0 | -4.37 | 170.87 |
| 9/2012 | 337,264 | 0 | 0 | 0 | 931 | 0 | 6.31 | 181.66 |
| 12/2012 | 339,854 | 0 | 0 | 0 | 0 | 0 | 0.77 | 183.05 |

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**Waddell & Reed Vanguard Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 150,844 | 0 | 0 | 150,844 | 0 | 0 | | 100.00 |
| 6/2001 | 156,581 | 0 | 0 | 0 | 0 | 0 | 3.80 | 103.80 |
| 9/2001 | 129,004 | 0 | 0 | 0 | 0 | 0 | -17.61 | 85.52 |
| 12/2001 | 145,413 | 0 | 0 | 0 | 302 | 0 | 12.72 | 96.40 |
| 3/2002 | 150,420 | 0 | 0 | 0 | 0 | 0 | 3.44 | 99.72 |
| 6/2002 | 131,131 | 0 | 0 | 0 | 0 | 0 | -12.82 | 86.93 |
| 9/2002 | 112,769 | 0 | 0 | 0 | 0 | 0 | -14.00 | 74.76 |
| 12/2002 | 115,737 | 0 | 0 | 0 | 0 | 0 | 2.63 | 76.73 |
| 3/2003 | 116,664 | 0 | 0 | 0 | 0 | 0 | 0.80 | 77.34 |
| 6/2003 | 130,389 | 0 | 0 | 0 | 0 | 0 | 11.76 | 86.44 |
| 9/2003 | 134,840 | 0 | 0 | 0 | 0 | 0 | 3.41 | 89.39 |
| 12/2003 | 115,737 | 0 | 0 | 0 | 0 | 0 | -14.17 | 76.73 |
| 3/2004 | 150,977 | 0 | 0 | 0 | 0 | 0 | 30.45 | 100.09 |
| 6/2004 | 152,832 | 0 | 0 | 0 | 0 | 0 | 1.23 | 101.32 |
| 9/2004 | 144,300 | 0 | 0 | 0 | 0 | 0 | -5.58 | 95.66 |
| 12/2004 | 159,010 | 0 | 0 | 0 | 241 | 0 | 10.19 | 105.41 |
| 3/2005 | 154,923 | 0 | 0 | 0 | 0 | 0 | -2.57 | 102.70 |
| 6/2005 | 164,025 | 0 | 0 | 0 | 0 | 0 | 5.88 | 108.74 |
| 9/2005 | 171,641 | 0 | 0 | 0 | 0 | 0 | 4.64 | 113.79 |
| 12/2005 | 183,148 | 0 | 0 | 0 | 8,121 | 0 | 6.70 | 121.42 |
| 3/2006 | 188,781 | 0 | 0 | 0 | 0 | 0 | 3.08 | 125.15 |
| 6/2006 | 185,285 | 0 | 0 | 0 | 0 | 0 | -1.85 | 122.83 |
| 9/2006 | 179,847 | 0 | 0 | 0 | 0 | 0 | -2.93 | 119.23 |
| 12/2006 | 183,148 | 0 | 0 | 0 | 16,062 | 0 | 1.84 | 121.42 |
| 3/2007 | 191,689 | 0 | 0 | 0 | 0 | 0 | 4.66 | 127.08 |
| 6/2007 | 203,140 | 0 | 0 | 0 | 0 | 0 | 5.97 | 134.67 |
| 9/2007 | 233,038 | 0 | 0 | 0 | 0 | 0 | 14.72 | 154.49 |
| 12/2007 | 240,560 | 0 | 0 | 0 | 21,277 | 0 | 3.23 | 159.48 |
| 3/2008 | 213,134 | 0 | 0 | 0 | 0 | 0 | -11.40 | 141.29 |
| 6/2008 | 210,810 | 0 | 0 | 0 | 0 | 0 | -1.09 | 139.75 |
| 9/2008 | 185,708 | 0 | 0 | 0 | 0 | 0 | -11.91 | 123.11 |

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**Waddell & Reed Vanguard Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 145,520 | 0 | 0 | 0 | 12,860 | 0 | -21.64 | 96.47 |
| 3/2009 | 138,602 | 0 | 0 | 0 | 0 | 0 | -4.75 | 91.88 |
| 6/2009 | 154,487 | 0 | 0 | 0 | 0 | 0 | 11.46 | 102.42 |
| 9/2009 | 172,677 | 0 | 0 | 0 | 0 | 0 | 11.77 | 114.47 |
| 12/2009 | 182,787 | 0 | 0 | 0 | 0 | 0 | 5.85 | 121.18 |
| 3/2010 | 190,243 | 0 | 0 | 0 | 0 | 0 | 4.08 | 126.12 |
| 6/2010 | 166,848 | 0 | 0 | 0 | 0 | 0 | -12.30 | 110.61 |
| 9/2010 | 186,129 | 0 | 0 | 0 | 0 | 0 | 11.56 | 123.39 |
| 12/2010 | 207,571 | 0 | 0 | 0 | 103 | 0 | 11.52 | 137.61 |
| 3/2011 | 217,859 | 0 | 0 | 0 | 0 | 0 | 4.96 | 144.43 |
| 6/2011 | 220,431 | 0 | 0 | 0 | 0 | 0 | 1.18 | 146.13 |
| 9/2011 | 190,595 | 0 | 0 | 0 | 0 | 0 | -13.54 | 126.35 |
| 12/2011 | 212,200 | 0 | 0 | 0 | 0 | 0 | 11.34 | 140.68 |
| 3/2012 | 242,809 | 0 | 0 | 0 | 0 | 0 | 14.42 | 160.97 |
| 6/2012 | 225,833 | 0 | 0 | 0 | 0 | 0 | -6.99 | 149.71 |
| 9/2012 | 237,407 | 0 | 0 | 0 | 0 | 0 | 5.13 | 157.39 |
| 12/2012 | 234,570 | 0 | 0 | -10,085 | 368 | 0 | 3.05 | 162.19 |

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**Guardian Park Avenue Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 169,740 | 0 | 0 | 169,740 | 0 | 0 | | 100.00 |
| 6/2001 | 182,516 | 0 | 0 | 0 | 1,255 | 0 | 7.53 | 107.53 |
| 9/2001 | 153,593 | 0 | 0 | 0 | 0 | 0 | -15.85 | 90.49 |
| 12/2001 | 167,063 | 0 | 0 | 0 | 0 | 0 | 8.77 | 98.42 |
| 3/2002 | 168,629 | 0 | 0 | 0 | 0 | 0 | 0.94 | 99.35 |
| 6/2002 | 145,451 | 0 | 0 | 0 | 439 | 0 | -13.74 | 85.69 |
| 9/2002 | 123,565 | 0 | 0 | 0 | 0 | 0 | -15.05 | 72.80 |
| 12/2002 | 131,052 | 0 | 0 | 0 | 0 | 0 | 6.06 | 77.21 |
| 3/2003 | 125,449 | 0 | 0 | 0 | 0 | 0 | -4.28 | 73.91 |
| 6/2003 | 142,070 | 0 | 0 | 0 | 932 | 0 | 13.25 | 83.70 |
| 9/2003 | 143,651 | 0 | 0 | 0 | 0 | 0 | 1.11 | 84.63 |
| 12/2003 | 158,511 | 0 | 0 | 0 | 0 | 0 | 10.34 | 93.38 |
| 3/2004 | 159,512 | 0 | 0 | 0 | 0 | 0 | 0.63 | 93.97 |
| 6/2004 | 159,652 | 0 | 0 | 0 | 975 | 0 | 0.09 | 94.06 |
| 9/2004 | 154,986 | 0 | 0 | 0 | 0 | 0 | -2.92 | 91.31 |
| 12/2004 | 167,445 | 0 | 0 | 0 | 1,114 | 0 | 8.04 | 98.65 |
| 3/2005 | 162,107 | 0 | 0 | 0 | 0 | 0 | -3.19 | 95.50 |
| 6/2005 | 163,031 | 0 | 0 | 0 | 1,688 | 0 | 0.57 | 96.05 |
| 9/2005 | 169,125 | 0 | 0 | 0 | 0 | 0 | 3.74 | 99.64 |
| 12/2005 | 173,978 | 0 | 0 | 0 | 0 | 0 | 2.87 | 102.50 |
| 3/2006 | 180,666 | 0 | 0 | 0 | 0 | 0 | 3.84 | 106.44 |
| 6/2006 | 177,501 | 0 | 0 | 0 | 1,671 | 0 | -1.75 | 104.57 |
| 9/2006 | 192,642 | 0 | 0 | 0 | 0 | 0 | 8.53 | 113.49 |
| 12/2006 | 203,323 | 0 | 0 | 0 | 775 | 0 | 5.54 | 119.78 |
| 3/2007 | 210,758 | 0 | 0 | 0 | 0 | 0 | 3.66 | 124.17 |
| 6/2007 | 232,190 | 0 | 0 | 0 | 0 | 0 | 10.17 | 136.79 |
| 9/2007 | 232,408 | 0 | 0 | 0 | 0 | 0 | 0.09 | 136.92 |
| 12/2007 | 233,368 | 0 | 0 | 0 | 1,224 | 0 | 0.41 | 137.49 |
| 3/2008 | 219,243 | 0 | 0 | 0 | 0 | 0 | -6.05 | 129.16 |
| 6/2008 | 222,706 | 0 | 0 | 0 | 0 | 0 | 1.58 | 131.20 |
| 9/2008 | 199,127 | 0 | 0 | 0 | 0 | 0 | -10.59 | 117.31 |

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**Guardian Park Avenue Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 164,960 | 0 | 0 | 0 | 1,751 | 0 | -17.16 | 97.18 |
| 3/2009 | 151,403 | 0 | 0 | 0 | 0 | 0 | -8.22 | 89.20 |
| 6/2009 | 170,183 | 0 | 0 | 0 | 0 | 0 | 12.40 | 100.26 |
| 9/2009 | 199,908 | 0 | 0 | 0 | 0 | 0 | 17.47 | 117.77 |
| 12/2009 | 206,096 | 0 | 0 | 0 | 291 | 0 | 3.10 | 121.42 |
| 3/2010 | 220,173 | 0 | 0 | 0 | 0 | 0 | 6.83 | 129.71 |
| 6/2010 | 197,026 | 0 | 0 | 0 | 0 | 0 | -10.51 | 116.08 |
| 9/2010 | 213,107 | 0 | 0 | 0 | 0 | 0 | 8.16 | 125.55 |
| 12/2010 | 240,365 | 0 | 0 | 0 | 3,776 | 0 | 12.79 | 141.61 |
| 3/2011 | 248,903 | 0 | 0 | 0 | 0 | 0 | 3.55 | 146.64 |
| 6/2011 | 244,663 | 0 | 0 | 0 | 0 | 0 | -1.70 | 144.14 |
| 9/2011 | 193,887 | 0 | 0 | 0 | 0 | 0 | -20.75 | 114.23 |
| 12/2011 | 218,933 | 0 | 0 | 0 | 1,315 | 0 | 12.92 | 128.98 |
| 3/2012 | 241,350 | 0 | 0 | 0 | 0 | 0 | 10.24 | 142.19 |
| 6/2012 | 235,149 | 0 | 0 | 0 | 0 | 0 | -2.57 | 138.53 |
| 9/2012 | 250,055 | 0 | 0 | 0 | 0 | 0 | 6.34 | 147.32 |
| 12/2012 | 254,540 | 0 | 0 | 0 | 0 | 0 | 1.79 | 149.96 |

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**RVS Large Cap Equity Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 1,485,766 | 0 | 0 | 1,485,766 | 0 | 0 | | 100.00 |
| 6/2001 | 1,567,168 | 500 | 500 | 500 | 0 | 178 | 5.38 | 105.38 |
| 9/2001 | 1,321,831 | 500 | 500 | 500 | 0 | 409 | -15.74 | 88.79 |
| 12/2001 | 1,488,826 | 500 | 500 | 500 | 995 | 458 | 12.51 | 99.90 |
| 3/2002 | 1,494,709 | 500 | 0 | 500 | 0 | 532 | 0.33 | 100.22 |
| 6/2002 | 1,306,748 | 1,000 | 500 | 500 | 0 | 827 | -12.70 | 87.50 |
| 9/2002 | 1,113,254 | 500 | 500 | 500 | 0 | 406 | -14.91 | 74.45 |
| 12/2002 | 1,174,086 | 0 | 0 | 0 | -2,065 | 0 | 5.46 | 78.51 |
| 3/2003 | 1,164,565 | 0 | 0 | 0 | 0 | 0 | -0.81 | 77.88 |
| 6/2003 | 1,310,060 | 0 | 0 | 0 | 0 | 0 | 12.49 | 87.61 |
| 9/2003 | 1,336,687 | 500 | 500 | 500 | 0 | 326 | 1.92 | 89.29 |
| 12/2003 | 1,466,153 | 500 | 0 | 6,038 | 0 | 2,548 | 9.19 | 97.49 |
| 3/2004 | 1,468,887 | 0 | 1,000 | 500 | 0 | 288 | 0.08 | 97.57 |
| 6/2004 | 1,469,011 | 500 | 500 | 500 | 1,681 | 114 | -0.09 | 97.48 |
| 9/2004 | 1,409,878 | 500 | 500 | 500 | 0 | 197 | -4.13 | 93.46 |
| 12/2004 | 1,508,276 | 500 | 500 | 500 | 0 | 180 | 6.87 | 99.88 |
| 3/2005 | 1,451,902 | 500 | 500 | 500 | 0 | 204 | -3.84 | 96.05 |
| 6/2005 | 1,464,746 | 0 | 0 | 0 | 0 | 0 | 0.88 | 96.90 |
| 9/2005 | 1,528,667 | 500 | 500 | 500 | 0 | 294 | 4.26 | 101.03 |
| 12/2005 | 1,537,695 | 500 | 500 | 500 | 0 | 391 | 0.49 | 101.52 |
| 3/2006 | 1,612,111 | 500 | 500 | 1,000 | 69,249 | 955 | 4.71 | 106.30 |
| 6/2006 | 1,563,532 | 0 | 0 | 0 | 0 | 0 | -3.01 | 103.10 |
| 9/2006 | 1,653,104 | 1,000 | 0 | 1,000 | 0 | 437 | 5.60 | 108.87 |
| 12/2006 | 1,776,467 | 500 | 0 | -500 | 57,609 | 16 | 7.46 | 116.99 |
| 3/2007 | 1,780,502 | 500 | 0 | 500 | 0 | 452 | 0.17 | 117.19 |
| 6/2007 | 1,887,844 | 0 | 0 | 0 | 0 | 0 | 6.03 | 124.26 |
| 9/2007 | 1,920,136 | 1,000 | 0 | 1,000 | 0 | 1,017 | 1.60 | 126.25 |
| 12/2007 | 1,829,977 | 500 | 0 | 1,500 | 213,778 | 32 | -4.80 | 120.19 |
| 3/2008 | 1,635,246 | 0 | 0 | 500 | 0 | 113 | -10.67 | 107.37 |
| 6/2008 | 1,571,392 | 500 | 0 | 1,000 | 0 | 550 | -4.00 | 103.08 |
| 9/2008 | 1,397,423 | 500 | 500 | 500 | 0 | 278 | -11.16 | 91.57 |

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**RVS Large Cap Equity Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 1,058,164 | 500 | 1,000 | 500 | 0 | 199 | -24.41 | 69.22 |
| 3/2009 | 917,795 | 0 | 0 | 0 | 0 | 0 | -13.27 | 60.04 |
| 6/2009 | 1,064,802 | 0 | 0 | 0 | 0 | 0 | 16.02 | 69.66 |
| 9/2009 | 1,239,166 | 500 | 500 | 500 | 29,797 | 587 | 16.22 | 80.96 |
| 12/2009 | 1,311,616 | 500 | 500 | 500 | 0 | 326 | 5.72 | 85.59 |
| 3/2010 | 1,385,256 | 500 | 500 | 500 | 0 | 397 | 5.50 | 90.30 |
| 6/2010 | 1,231,165 | 500 | 500 | 500 | 0 | 313 | -11.23 | 80.16 |
| 9/2010 | 1,377,242 | 500 | 500 | 500 | 0 | 475 | 11.74 | 89.57 |
| 12/2010 | 1,516,851 | 500 | 500 | 500 | 9,979 | 587 | 10.02 | 98.54 |
| 3/2011 | 1,618,808 | 500 | 500 | 0 | 0 | 340 | 6.65 | 105.10 |
| 6/2011 | 1,637,137 | 500 | 1,000 | 0 | 0 | 1,193 | 1.04 | 106.19 |
| 9/2011 | 1,428,539 | 0 | 0 | -2,000 | 2,000 | 0 | -12.62 | 92.79 |
| 12/2011 | 1,605,726 | 0 | 0 | 0 | 11,083 | 0 | 12.40 | 104.30 |
| 3/2012 | 1,835,115 | 0 | 0 | 0 | 0 | 0 | 14.29 | 119.20 |
| 6/2012 | 1,767,148 | 0 | 0 | 0 | 0 | 0 | -3.70 | 114.79 |
| 9/2012 | 1,886,090 | 0 | 0 | 0 | 0 | 0 | 6.73 | 122.51 |
| 12/2012 | 1,854,656 | 0 | 0 | 0 | 0 | 0 | -1.67 | 120.47 |

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**Putnam Vista Fund Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 211,116 | 0 | 0 | 211,116 | 0 | 0 | | 100.00 |
| 6/2001 | 238,927 | 0 | 0 | 0 | 0 | 0 | 13.17 | 113.17 |
| 9/2001 | 162,111 | 0 | 0 | 0 | 0 | 0 | -32.15 | 76.79 |
| 12/2001 | 203,583 | 0 | 0 | 0 | 0 | 0 | 25.58 | 96.43 |
| 3/2002 | 198,164 | 0 | 0 | 0 | 0 | 0 | -2.66 | 93.86 |
| 6/2002 | 163,997 | 0 | 0 | 0 | 0 | 0 | -17.24 | 77.68 |
| 9/2002 | 133,601 | 0 | 0 | 0 | 0 | 0 | -18.53 | 63.28 |
| 12/2002 | 141,135 | 0 | 0 | 0 | 0 | 0 | 5.64 | 66.85 |
| 3/2003 | 139,256 | 0 | 0 | 0 | 0 | 0 | -1.33 | 65.96 |
| 6/2003 | 162,583 | 0 | 0 | 0 | 0 | 0 | 16.75 | 77.01 |
| 9/2003 | 172,009 | 0 | 0 | 0 | 0 | 0 | 5.80 | 81.48 |
| 12/2003 | 188,266 | 0 | 0 | 0 | 0 | 0 | 9.45 | 89.18 |
| 3/2004 | 197,693 | 0 | 0 | 0 | 0 | 0 | 5.01 | 93.64 |
| 6/2004 | 202,404 | 0 | 0 | 0 | 0 | 0 | 2.38 | 95.87 |
| 9/2004 | 196,750 | 0 | 0 | 0 | 0 | 0 | -2.79 | 93.20 |
| 12/2004 | 223,848 | 0 | 0 | 0 | 0 | 0 | 13.77 | 106.03 |
| 3/2005 | 222,905 | 0 | 0 | 0 | 0 | 0 | -0.42 | 105.58 |
| 6/2005 | 223,611 | 0 | 0 | 0 | 0 | 0 | 0.32 | 105.92 |
| 9/2005 | 242,463 | 0 | 0 | 0 | 0 | 0 | 8.43 | 114.85 |
| 12/2005 | 251,181 | 0 | 0 | 0 | 0 | 0 | 3.60 | 118.98 |
| 3/2006 | 274,979 | 0 | 0 | 0 | 0 | 0 | 9.47 | 130.25 |
| 6/2006 | 255,658 | 0 | 0 | 0 | 0 | 0 | -7.03 | 121.10 |
| 9/2006 | 250,700 | 0 | 0 | 0 | 0 | 0 | -1.94 | 118.75 |
| 12/2006 | 265,319 | 0 | 0 | 0 | 0 | 0 | 5.83 | 125.67 |
| 3/2007 | 271,209 | 0 | 0 | 0 | 0 | 0 | 2.22 | 128.46 |
| 6/2007 | 283,227 | 0 | 0 | 0 | 0 | 0 | 4.43 | 134.16 |
| 9/2007 | 286,291 | 0 | 0 | 0 | 0 | 0 | 1.08 | 135.61 |
| 12/2007 | 274,979 | 0 | 0 | 0 | 0 | 0 | -3.95 | 130.25 |
| 3/2008 | 237,043 | 0 | 0 | 0 | 0 | 0 | -13.80 | 112.28 |
| 6/2008 | | 0 | 0 | -262,015 | 0 | -122,274 | | 100.00 |

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**Phoenix - Oakhurst Balanced Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 629,835 | 0 | 0 | 629,835 | 0 | 0 | | 100.00 |
| 6/2001 | 674,586 | 0 | 1,500 | 1,500 | 4,444 | 2,166 | 6.62 | 106.62 |
| 9/2001 | 631,094 | 1,500 | 1,500 | 1,500 | 4,504 | 3,424 | -7.09 | 99.06 |
| 12/2001 | 682,437 | 1,500 | 1,500 | 0 | 0 | 2,406 | 7.63 | 106.62 |
| 3/2002 | 680,756 | 1,500 | 1,500 | 1,500 | 3,935 | 3,302 | -0.90 | 105.66 |
| 6/2002 | 637,999 | 1,500 | 1,500 | 1,500 | 4,219 | 3,565 | -6.91 | 98.35 |
| 9/2002 | 585,155 | 1,500 | 1,500 | 1,500 | -4,278 | 3,571 | -8.95 | 89.55 |
| 12/2002 | 620,800 | 1,500 | 1,500 | 0 | 0 | 2,540 | 5.56 | 94.53 |
| 3/2003 | 615,590 | 1,500 | 1,500 | 1,500 | 0 | 3,453 | -1.56 | 93.05 |
| 6/2003 | 679,977 | 1,500 | 1,500 | 1,500 | 0 | 3,363 | 9.69 | 102.07 |
| 9/2003 | 700,506 | 1,500 | 1,500 | 3,000 | 3,104 | 4,367 | 2.13 | 104.24 |
| 12/2003 | 756,317 | 1,500 | 1,500 | 1,500 | 4,352 | 3,571 | 7.30 | 111.85 |
| 3/2004 | 780,905 | 1,500 | 1,500 | 1,500 | 3,737 | 3,661 | 2.65 | 114.81 |
| 6/2004 | 780,520 | 1,500 | 1,500 | 0 | 0 | 2,310 | -0.43 | 114.31 |
| 9/2004 | 774,647 | 1,500 | 1,500 | 1,500 | 4,184 | 3,323 | -1.32 | 112.80 |
| 12/2004 | 829,486 | 1,500 | 1,500 | 1,500 | 37,683 | 3,526 | 6.48 | 120.10 |
| 3/2005 | 818,959 | 1,500 | 1,500 | 1,500 | 4,457 | 3,190 | -1.81 | 117.93 |
| 6/2005 | 834,894 | 1,500 | 1,500 | 1,500 | 3,605 | 3,458 | 1.39 | 119.57 |
| 9/2005 | 846,433 | 1,500 | 1,500 | 1,500 | 3,639 | 4,481 | 0.84 | 120.58 |
| 12/2005 | 860,019 | 1,500 | 1,500 | 1,500 | 24,690 | 3,323 | 1.07 | 121.87 |
| 3/2006 | 897,122 | 4,500 | 1,500 | 0 | 0 | 4,357 | 3.60 | 126.25 |
| 6/2006 | 890,303 | 1,500 | 1,500 | 1,500 | 4,802 | 3,606 | -1.26 | 124.66 |
| 9/2006 | | 1,500 | 1,500 | 0 | 0 | 2,177 | | 100.00 |

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**Phoenix - Engemann Cap Growth Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 567,649 | 0 | 0 | 567,649 | 0 | 0 | | 100.00 |
| 6/2001 | 615,754 | 0 | 1,500 | 1,500 | 0 | 2,166 | 7.68 | 107.68 |
| 9/2001 | 437,392 | 1,500 | 1,500 | 1,500 | 0 | 3,424 | -29.57 | 75.84 |
| 12/2001 | 527,796 | 1,500 | 1,500 | 0 | 0 | 2,406 | 19.55 | 90.67 |
| 3/2002 | 508,457 | 1,500 | 1,500 | 1,500 | 0 | 3,302 | -4.49 | 86.59 |
| 6/2002 | 431,378 | 1,500 | 1,500 | 1,500 | 0 | 3,565 | -15.96 | 72.77 |
| 9/2002 | 383,141 | 1,500 | 1,500 | 1,500 | 0 | 3,571 | -12.15 | 63.93 |
| 12/2002 | 409,875 | 1,500 | 1,500 | 0 | 0 | 2,166 | 6.16 | 67.87 |
| 3/2003 | 406,056 | 1,500 | 1,500 | 1,500 | 0 | 3,453 | -2.02 | 66.50 |
| 6/2003 | 462,483 | 1,500 | 1,500 | 1,500 | 0 | 2,113 | 12.72 | 74.96 |
| 9/2003 | 488,521 | 1,500 | 1,500 | 0 | 0 | 2,177 | 4.96 | 78.67 |
| 12/2003 | 535,979 | 1,500 | 1,500 | 1,500 | 0 | 2,506 | 8.75 | 85.56 |
| 3/2004 | 550,105 | 1,500 | 1,500 | 1,500 | 0 | 3,661 | 1.79 | 87.09 |
| 6/2004 | 557,633 | 1,500 | 1,500 | 0 | 0 | 2,310 | 0.82 | 87.80 |
| 9/2004 | 531,819 | 1,500 | 1,500 | 1,500 | 0 | 3,323 | -5.41 | 83.05 |
| 12/2004 | 579,612 | 1,500 | 1,500 | 1,500 | 0 | 3,526 | 8.10 | 89.78 |
| 3/2005 | 554,722 | 1,500 | 1,500 | 1,500 | 0 | 3,190 | -5.05 | 85.25 |
| 6/2005 | 568,971 | 1,500 | 1,500 | 1,500 | 0 | 3,458 | 1.75 | 86.74 |
| 9/2005 | 585,190 | 1,500 | 1,500 | 1,500 | 0 | 2,419 | 2.05 | 88.52 |
| 12/2005 | 618,622 | 1,500 | 1,500 | 1,500 | 3,293 | 3,323 | 4.92 | 92.87 |
| 3/2006 | 629,935 | 1,500 | 1,500 | 0 | 4,753 | 2,228 | 1.34 | 94.12 |
| 6/2006 | 583,575 | 1,500 | 1,500 | 1,500 | 0 | 3,606 | -8.04 | 86.55 |
| 9/2006 | | 1,500 | 1,500 | -1,542,414 | 0 | -1,128,926 | | 100.00 |

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**Templeton INC Foreign Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 1,384,618 | 0 | 0 | 1,384,618 | 0 | 0 | | 100.00 |
| 6/2001 | 1,438,488 | 0 | 0 | 0 | 0 | 0 | 3.89 | 103.89 |
| 9/2001 | 1,244,845 | 0 | 0 | 0 | 0 | 0 | -13.46 | 89.91 |
| 12/2001 | 1,386,214 | 0 | 0 | 0 | 31,638 | 0 | 11.36 | 100.12 |
| 3/2002 | 1,450,654 | 0 | 0 | 0 | 0 | 0 | 4.65 | 104.77 |
| 6/2002 | 1,443,161 | 0 | 0 | 0 | 0 | 0 | -0.52 | 104.23 |
| 9/2002 | 1,206,381 | 0 | 0 | 0 | 0 | 0 | -16.41 | 87.13 |
| 12/2002 | 1,266,394 | 0 | 0 | 0 | 0 | 0 | 4.97 | 91.46 |
| 3/2003 | 1,149,050 | 0 | 0 | 0 | 0 | 0 | -9.27 | 82.99 |
| 6/2003 | 1,353,258 | 0 | 0 | 0 | 0 | 0 | 17.77 | 97.74 |
| 9/2003 | 1,478,232 | 0 | 0 | 0 | 0 | 0 | 9.24 | 106.76 |
| 12/2003 | 1,652,825 | 0 | 0 | 0 | 29,278 | -868 | 11.81 | 119.37 |
| 3/2004 | 1,719,613 | 0 | 0 | 0 | 0 | 0 | 4.04 | 124.20 |
| 6/2004 | 1,696,320 | 0 | 0 | 0 | 0 | 0 | -1.35 | 122.51 |
| 9/2004 | 1,711,854 | 0 | 0 | 0 | 0 | 0 | 0.92 | 123.64 |
| 12/2004 | 1,952,657 | 0 | 0 | 0 | 38,334 | 0 | 14.07 | 141.03 |
| 3/2005 | 1,947,895 | 0 | 0 | 0 | 0 | 0 | -0.24 | 140.68 |
| 6/2005 | 1,936,782 | 0 | 0 | 0 | 0 | 0 | -0.57 | 139.88 |
| 9/2005 | 2,119,349 | 0 | 0 | 0 | 0 | 0 | 9.43 | 153.07 |
| 12/2005 | 2,160,281 | 0 | 0 | 0 | 141,765 | 0 | 1.93 | 156.02 |
| 3/2006 | 2,299,984 | 0 | 0 | 0 | 0 | 0 | 6.47 | 166.11 |
| 6/2006 | 2,293,169 | 0 | 0 | 0 | 0 | 0 | -0.30 | 165.62 |
| 9/2006 | 2,363,018 | 0 | 0 | 0 | 0 | 0 | 3.05 | 170.67 |
| 12/2006 | 2,590,836 | 152,855 | 0 | 52,628 | 52,342 | 29,585 | 0.90 | 172.20 |
| 3/2007 | 2,644,021 | 0 | 0 | 0 | 0 | 0 | 2.05 | 175.74 |
| 6/2007 | 2,839,663 | 0 | 0 | 0 | 0 | 0 | 7.40 | 188.74 |
| 9/2007 | 2,966,925 | 0 | 0 | 0 | 0 | 0 | 4.48 | 197.20 |
| 12/2007 | 3,037,613 | 0 | 0 | -3 | 677,729 | 0 | 2.38 | 201.90 |
| 3/2008 | 2,663,978 | 0 | 0 | 0 | 0 | 0 | -12.30 | 177.07 |
| 6/2008 | 2,583,913 | 0 | 0 | 0 | 0 | 0 | -3.01 | 171.74 |
| 9/2008 | 2,161,752 | 0 | 0 | 0 | 0 | 0 | -16.34 | 143.69 |

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**Templeton INC Foreign Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 1,637,612 | 0 | 0 | -6 | 561,641 | -2 | -24.25 | 108.85 |
| 3/2009 | 1,508,521 | 0 | 0 | 0 | 0 | 0 | -7.88 | 100.27 |
| 6/2009 | 1,936,365 | 0 | 0 | 0 | 0 | 0 | 28.36 | 128.70 |
| 9/2009 | 2,437,976 | 0 | 0 | 0 | 0 | 0 | 25.90 | 162.05 |
| 12/2009 | 2,452,027 | 0 | 0 | 0 | 35,187 | 0 | 0.58 | 162.98 |
| 3/2010 | 2,448,283 | 0 | 0 | 0 | 0 | 0 | -0.15 | 162.73 |
| 6/2010 | 2,133,825 | 0 | 0 | 0 | 0 | 0 | -12.84 | 141.83 |
| 9/2010 | 2,467,001 | 0 | 0 | 0 | 0 | 0 | 15.61 | 163.97 |
| 12/2010 | 2,660,484 | 0 | 0 | 0 | 46,532 | 21,015 | 7.82 | 176.80 |
| 3/2011 | 2,835,817 | 0 | 0 | 0 | 0 | 0 | 6.59 | 188.45 |
| 6/2011 | 2,858,687 | 0 | 0 | 0 | 0 | 0 | 0.81 | 189.97 |
| 9/2011 | 2,248,834 | 0 | 0 | 0 | 0 | 0 | -21.33 | 149.44 |
| 12/2011 | 2,322,352 | 0 | 0 | 0 | 64,225 | 0 | 3.27 | 154.33 |
| 3/2012 | 2,608,723 | 0 | 0 | 0 | 0 | 0 | 12.33 | 173.36 |
| 6/2012 | 2,318,429 | 0 | 0 | 0 | 0 | 0 | -11.13 | 154.07 |
| 9/2012 | 2,534,188 | 0 | 0 | 0 | 0 | 0 | 9.31 | 168.41 |
| 12/2012 | 2,753,262 | 0 | 0 | 0 | 58,490 | 0 | 8.64 | 182.96 |

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**American Europacific Growth Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 1,625,207 | 0 | 0 | 1,625,207 | 0 | 0 | | 100.00 |
| 6/2001 | 1,655,208 | 0 | 0 | 0 | 0 | 0 | 1.85 | 101.85 |
| 9/2001 | 1,423,195 | 0 | 0 | 0 | 0 | 0 | -14.02 | 87.57 |
| 12/2001 | 1,558,054 | 0 | 0 | 0 | 0 | 0 | 9.48 | 95.87 |
| 3/2002 | 1,582,407 | 0 | 0 | 0 | 0 | 0 | 1.56 | 97.37 |
| 6/2002 | 1,513,985 | 0 | 0 | 0 | 0 | 0 | -4.32 | 93.16 |
| 9/2002 | 1,247,834 | 0 | 0 | 0 | 0 | 0 | -17.58 | 76.78 |
| 12/2002 | 1,346,019 | 0 | 0 | 0 | 0 | 0 | 7.87 | 82.82 |
| 3/2003 | 1,215,940 | 0 | 0 | 0 | 0 | 0 | -9.66 | 74.82 |
| 6/2003 | 1,434,516 | 0 | 0 | 0 | 0 | 0 | 17.98 | 88.27 |
| 9/2003 | 1,567,537 | 0 | 0 | 0 | 0 | 0 | 9.27 | 96.45 |
| 12/2003 | 1,788,989 | 0 | 0 | 0 | 18,166 | -2,344 | 14.13 | 110.08 |
| 3/2004 | 1,910,387 | 0 | 0 | 0 | 0 | 0 | 6.79 | 117.55 |
| 6/2004 | 1,875,449 | 0 | 0 | 0 | 0 | 0 | -1.83 | 115.40 |
| 9/2004 | 1,884,331 | 0 | 0 | 0 | 0 | 0 | 0.47 | 115.95 |
| 12/2004 | 2,141,209 | 0 | 0 | 0 | 30,142 | 0 | 13.63 | 131.76 |
| 3/2005 | 2,141,209 | 0 | 0 | 0 | 0 | 0 | 0.00 | 131.76 |
| 6/2005 | 2,158,037 | 0 | 0 | 0 | 0 | 0 | 0.79 | 132.79 |
| 9/2005 | 2,422,458 | 0 | 0 | 0 | 0 | 0 | 12.25 | 149.06 |
| 12/2005 | 2,593,371 | 0 | 0 | 0 | 122,776 | 0 | 7.06 | 159.58 |
| 3/2006 | 2,788,978 | 0 | 0 | 0 | 0 | 0 | 7.54 | 171.62 |
| 6/2006 | 2,770,048 | 0 | 0 | 0 | 0 | 0 | -0.68 | 170.45 |
| 9/2006 | 2,908,233 | 0 | 0 | 0 | 0 | 0 | 4.99 | 178.96 |
| 12/2006 | 3,160,519 | 0 | 0 | 171,061 | 48,649 | 0 | 2.79 | 183.95 |
| 3/2007 | 3,252,837 | 0 | 0 | 0 | 0 | 0 | 2.92 | 189.32 |
| 6/2007 | 3,527,074 | 0 | 0 | 0 | 0 | 0 | 8.43 | 205.29 |
| 9/2007 | 3,711,709 | 0 | 0 | 0 | 0 | 0 | 5.23 | 216.03 |
| 12/2007 | 3,759,599 | 0 | 0 | 0 | 314,830 | 0 | 1.29 | 218.82 |
| 3/2008 | 3,461,019 | 0 | 0 | 0 | 0 | 0 | -7.94 | 201.44 |
| 6/2008 | 3,379,722 | 0 | 0 | 0 | 0 | 0 | -2.35 | 196.71 |
| 9/2008 | 2,769,998 | 0 | 0 | 0 | 0 | 0 | -18.04 | 161.22 |

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**American Europacific Growth Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 2,235,961 | 0 | 0 | -1 | 159,933 | 0 | -19.28 | 130.14 |
| 3/2009 | 2,057,946 | 0 | 0 | 0 | 0 | 0 | -7.96 | 119.78 |
| 6/2009 | 2,516,953 | 0 | 0 | 0 | 0 | 0 | 22.30 | 146.49 |
| 9/2009 | 3,007,890 | 0 | 0 | 0 | 0 | 0 | 19.51 | 175.07 |
| 12/2009 | 3,110,125 | 0 | 0 | 0 | 49,653 | 0 | 3.40 | 181.02 |
| 3/2010 | 3,132,839 | 0 | 0 | 0 | 0 | 0 | 0.73 | 182.34 |
| 6/2010 | 2,755,633 | 0 | 0 | 0 | 0 | 0 | -12.04 | 160.39 |
| 9/2010 | 3,219,637 | 0 | 0 | 0 | 0 | 0 | 16.84 | 187.39 |
| 12/2010 | 3,402,619 | 0 | 0 | 0 | 46,238 | 0 | 5.68 | 198.04 |
| 3/2011 | 3,521,057 | 0 | 0 | 0 | 0 | 0 | 3.48 | 204.94 |
| 6/2011 | 3,555,601 | 0 | 0 | 0 | 0 | 0 | 0.98 | 206.95 |
| 9/2011 | 2,812,897 | 0 | 0 | 0 | 0 | 0 | -20.89 | 163.72 |
| 12/2011 | 2,940,382 | 0 | 0 | 0 | 48,527 | 0 | 4.53 | 171.14 |
| 3/2012 | 2,861,955 | 0 | -435,454 | 0 | 0 | -90,094 | 12.32 | 192.22 |
| 6/2012 | 2,684,306 | 0 | 0 | 0 | 0 | 0 | -6.21 | 180.29 |
| 9/2012 | 2,878,632 | 0 | 0 | 0 | 0 | 0 | 7.24 | 193.34 |
| 12/2012 | 3,039,294 | 0 | 0 | 0 | 50,104 | 0 | 5.58 | 204.13 |

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**John Hancock Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 9/2006 | 194,003 | 0 | 0 | 0 | 1,671 | 0 | | 100.00 |
| 12/2006 | 1,842,859 | 1,000,000 | 725,000 | 16,300 | 0 | 1,330,242 | -5.91 | 94.09 |
| 3/2007 | 1,929,107 | 0 | 0 | 0 | 0 | 0 | 4.68 | 98.49 |
| 6/2007 | 2,066,498 | 0 | 0 | 0 | 0 | 0 | 7.12 | 105.51 |
| 9/2007 | 2,112,439 | 0 | 0 | 0 | 0 | 0 | 2.22 | 107.86 |
| 12/2007 | 2,045,002 | -500 | 0 | 0 | 184,438 | -32 | -3.17 | 104.44 |
| 3/2008 | 1,856,188 | 0 | 0 | 0 | 0 | 0 | -9.23 | 94.79 |
| 6/2008 | 1,843,792 | 0 | 0 | 0 | 0 | 0 | -0.67 | 94.16 |
| 9/2008 | 1,490,482 | 0 | 0 | 0 | 0 | 0 | -19.16 | 76.12 |
| 12/2008 | 1,376,162 | 0 | 0 | 130,452 | 130,456 | 33,665 | -16.30 | 63.71 |
| 3/2009 | 1,042,839 | -130,456 | 0 | 0 | 0 | -96,790 | -16.14 | 53.43 |
| 6/2009 | 1,258,561 | 0 | 0 | 0 | 0 | 0 | 20.69 | 64.49 |
| 9/2009 | 1,466,809 | 0 | 0 | 0 | 0 | 0 | 16.55 | 75.16 |
| 12/2009 | 1,469,262 | 0 | 0 | 0 | 27,601 | -3,561 | 0.17 | 75.28 |
| 3/2010 | 1,491,573 | 0 | 0 | 0 | 0 | 0 | 1.52 | 76.42 |
| 6/2010 | 1,277,714 | 0 | 0 | 0 | 0 | 0 | -14.34 | 65.47 |
| 9/2010 | 1,500,824 | 0 | 0 | 0 | 0 | 0 | 17.46 | 76.90 |
| 12/2010 | 1,603,164 | 0 | 0 | 0 | 16,645 | 0 | 6.82 | 82.14 |
| 3/2011 | 1,660,911 | 0 | 0 | 0 | 0 | 0 | 3.60 | 85.10 |
| 6/2011 | 1,718,108 | 0 | 0 | 0 | 0 | 0 | 3.44 | 88.03 |
| 9/2011 | 1,380,426 | 0 | 0 | 0 | 0 | 0 | -19.65 | 70.73 |
| 12/2011 | 1,434,556 | 0 | 0 | 0 | 21,617 | 0 | 3.92 | 73.50 |
| 3/2012 | 1,552,427 | 0 | 0 | 0 | 0 | 0 | 8.22 | 79.54 |
| 6/2012 | 1,451,874 | 0 | 0 | 0 | 0 | 0 | -6.48 | 74.39 |
| 9/2012 | 1,537,903 | 0 | 0 | 0 | 0 | 0 | 5.93 | 78.80 |
| 12/2012 | 1,634,377 | 0 | 0 | 0 | 52,098 | 0 | 6.27 | 83.74 |

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**Putnam Voyager Fund Historical Data and Rates of Return**
**September 30, 2006 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 267,850 | 0 | 0 | 267,850 | 0 | 0 | | 100.00 |
| 6/2001 | 285,477 | 0 | 0 | 0 | 0 | 0 | 6.58 | 106.58 |
| 9/2001 | 231,789 | 0 | 0 | 0 | 0 | 0 | -18.81 | 86.54 |
| 12/2001 | 256,610 | 0 | 0 | 0 | 0 | 0 | 10.71 | 95.80 |
| 3/2002 | 254,385 | 0 | 0 | 0 | 0 | 0 | -0.87 | 94.97 |
| 6/2002 | 213,891 | 0 | 0 | 0 | 0 | 0 | -15.92 | 79.85 |
| 9/2002 | 179,330 | 0 | 0 | 0 | 0 | 0 | -16.16 | 66.95 |
| 12/2002 | 188,526 | 0 | 0 | 0 | 0 | 0 | 5.13 | 70.38 |
| 3/2003 | 185,709 | 0 | 0 | 0 | 0 | 0 | -1.49 | 69.33 |
| 6/2003 | 208,997 | 0 | 0 | 0 | 0 | 0 | 12.54 | 78.03 |
| 9/2003 | 216,265 | 0 | 0 | 0 | 0 | 0 | 3.48 | 80.74 |
| 12/2003 | 235,103 | 0 | 0 | 0 | 0 | 0 | 8.71 | 87.77 |
| 3/2004 | 237,328 | 0 | 0 | 0 | 0 | 0 | 0.95 | 88.60 |
| 6/2004 | 238,514 | 0 | 0 | 0 | 0 | 0 | 0.50 | 89.05 |
| 9/2004 | 226,499 | 0 | 0 | 0 | 0 | 0 | -5.04 | 84.56 |
| 12/2004 | 246,376 | 0 | 0 | 0 | 0 | 0 | 8.78 | 91.98 |
| 3/2005 | 235,400 | 0 | 0 | 0 | 0 | 0 | -4.45 | 87.89 |
| 6/2005 | 242,668 | 0 | 0 | 0 | 0 | 0 | 3.09 | 90.60 |
| 9/2005 | 251,718 | 0 | 0 | 0 | 0 | 0 | 3.73 | 93.98 |
| 12/2005 | 259,921 | 0 | 0 | 0 | 1,854 | 0 | 3.26 | 97.04 |
| 3/2006 | 265,597 | 0 | 0 | 0 | 0 | 0 | 2.18 | 99.16 |
| 6/2006 | 249,762 | 0 | 0 | 0 | 0 | 0 | -5.96 | 93.25 |
| 9/2006 | 254,974 | 0 | 0 | 0 | 0 | 0 | 2.09 | 95.19 |
| 12/2006 | 273,515 | 0 | 0 | 0 | 0 | 0 | 7.27 | 102.11 |
| 3/2007 | 271,872 | 0 | 0 | 0 | 0 | 0 | -0.60 | 101.50 |
| 6/2007 | 284,867 | 0 | 0 | 0 | 0 | 0 | 4.78 | 106.35 |
| 9/2007 | 288,751 | 0 | 0 | 0 | 0 | 0 | 1.36 | 107.80 |
| 12/2007 | 288,005 | 0 | 0 | 0 | 0 | 0 | -0.26 | 107.52 |
| 3/2008 | 251,855 | 0 | 0 | 0 | 0 | 0 | -12.55 | 94.03 |
| 6/2008 | | 0 | 0 | -265,891 | 0 | -124,082 | | 100.00 |

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**ING Global Opportunities Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2010 | 564,405 | 0 | 0 | 0 | 0 | 0 | | 100.00 |
| 3/2011 | 584,029 | 0 | 0 | 0 | 0 | 0 | 3.48 | 103.48 |
| 6/2011 | 578,927 | 0 | 0 | 0 | 0 | 0 | -0.87 | 102.57 |
| 9/2011 | 457,647 | 0 | 0 | 0 | 0 | 0 | -20.95 | 81.08 |
| 12/2011 | 485,155 | 0 | 0 | 0 | 28,388 | 0 | 6.01 | 85.96 |
| 3/2012 | 562,482 | 0 | 0 | 0 | 0 | 0 | 15.94 | 99.66 |
| 6/2012 | 518,519 | 0 | 0 | 0 | 0 | 0 | -7.82 | 91.87 |
| 9/2012 | 549,529 | 0 | 0 | 0 | 0 | 0 | 5.98 | 97.36 |
| 12/2012 | 571,086 | 0 | 0 | 0 | 2,296 | 0 | 3.92 | 101.18 |

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**Fidelity Equity - Income Historical Data and Rates of Return**
**December 31, 2010 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 167,958 | 0 | 0 | 167,958 | 0 | 0 | | 100.00 |
| 6/2001 | 176,780 | -675 | 0 | 675 | 675 | -158 | 5.27 | 105.27 |
| 9/2001 | 155,181 | 0 | 0 | 0 | 610 | 0 | -12.22 | 92.41 |
| 12/2001 | 169,697 | 0 | 0 | 0 | 3,673 | 0 | 9.35 | 101.05 |
| 3/2002 | 176,025 | 0 | 0 | 0 | 101 | 0 | 3.73 | 104.82 |
| 6/2002 | 158,781 | 0 | 0 | 0 | 560 | 0 | -9.80 | 94.55 |
| 9/2002 | 128,476 | 0 | 0 | 0 | 597 | 0 | -19.09 | 76.50 |
| 12/2002 | 140,577 | 0 | 0 | 0 | 0 | 0 | 9.42 | 83.71 |
| 3/2003 | 131,723 | 0 | 0 | 0 | 0 | 0 | -6.30 | 78.44 |
| 6/2003 | 155,311 | 0 | 0 | 0 | 641 | 0 | 17.91 | 92.48 |
| 9/2003 | 159,730 | 0 | 0 | 0 | 679 | 0 | 2.85 | 95.12 |
| 12/2003 | 182,696 | 0 | 0 | -7,966 | 7,966 | -4,882 | 19.58 | 113.74 |
| 3/2004 | 185,895 | 0 | 0 | 1 | 2,606 | 1 | 1.75 | 115.73 |
| 6/2004 | 188,917 | 0 | 0 | 0 | 745 | 0 | 1.63 | 117.61 |
| 9/2004 | 186,225 | 0 | 0 | 0 | 0 | 0 | -1.42 | 115.93 |
| 12/2004 | 203,317 | 0 | 0 | 0 | 5,852 | 0 | 9.18 | 126.57 |
| 3/2005 | 199,539 | 0 | 0 | 0 | 2,157 | 0 | -1.86 | 124.22 |
| 6/2005 | 200,599 | 0 | 0 | 0 | 740 | 0 | 0.53 | 124.88 |
| 9/2005 | 208,640 | 0 | 0 | 0 | 821 | 0 | 4.01 | 129.89 |
| 12/2005 | 214,978 | 0 | 0 | 0 | 14,969 | 0 | 3.04 | 133.83 |
| 3/2006 | 226,180 | 0 | 0 | 0 | 6,762 | 0 | 5.21 | 140.81 |
| 6/2006 | 225,848 | 0 | 0 | 0 | 868 | 0 | -0.15 | 140.60 |
| 9/2006 | 239,733 | 0 | 0 | 0 | 0 | 0 | 6.15 | 149.24 |
| 12/2006 | 257,556 | 0 | 0 | 0 | 13,269 | 0 | 7.43 | 160.34 |
| 3/2007 | 260,298 | 0 | 0 | 0 | 4,047 | 0 | 1.06 | 162.05 |
| 6/2007 | 279,316 | 0 | 0 | 0 | 1,073 | 0 | 7.31 | 173.89 |
| 9/2007 | 278,170 | 0 | 0 | 0 | 1,122 | 0 | -0.41 | 173.17 |
| 12/2007 | 261,158 | 0 | 0 | 0 | 11,538 | 0 | -6.12 | 162.58 |
| 3/2008 | 235,820 | 0 | 0 | 0 | 4,024 | 0 | -9.70 | 146.81 |
| 6/2008 | 223,341 | 0 | 0 | 0 | 0 | 0 | -5.29 | 139.04 |
| 9/2008 | 198,963 | 0 | 0 | 0 | 0 | 0 | -10.92 | 123.86 |

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**Fidelity Equity - Income Historical Data and Rates of Return**
**December 31, 2010 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 152,409 | 0 | 0 | 0 | 2,301 | 0 | -23.40 | 94.88 |
| 3/2009 | 132,068 | 0 | 0 | 0 | 0 | 0 | -13.35 | 82.22 |
| 6/2009 | 159,250 | 0 | 0 | 0 | 0 | 0 | 20.58 | 99.14 |
| 9/2009 | 190,522 | 0 | 0 | 0 | 822 | 0 | 19.64 | 118.61 |
| 12/2009 | 197,424 | 0 | 0 | 0 | 1,345 | 0 | 3.62 | 122.90 |
| 3/2010 | 209,580 | 0 | 0 | 0 | 0 | 0 | 6.16 | 130.47 |
| 6/2010 | 183,792 | 0 | 0 | 0 | 757 | 0 | -12.30 | 114.42 |
| 9/2010 | 203,950 | 0 | 0 | 0 | 921 | 0 | 10.97 | 126.97 |
| 12/2010 | 227,293 | 0 | 0 | 0 | 2,075 | 0 | 11.45 | 141.50 |
| 3/2011 | 241,929 | 0 | 0 | 0 | 0 | 0 | 6.44 | 150.61 |
| 6/2011 | 238,141 | 0 | 0 | 0 | 647 | 0 | -1.57 | 148.25 |
| 9/2011 | 192,522 | 0 | 0 | 0 | 1,287 | 0 | -19.16 | 119.85 |
| 12/2011 | 216,656 | 0 | 0 | 0 | 2,665 | 0 | 12.54 | 134.88 |
| 3/2012 | 238,893 | 0 | 0 | 0 | 0 | 0 | 10.26 | 148.72 |
| 6/2012 | 234,876 | 0 | 0 | 0 | 0 | 0 | -1.68 | 146.22 |
| 9/2012 | 251,874 | 0 | 0 | 0 | 1,872 | 0 | 7.24 | 156.80 |
| 12/2012 | 253,994 | 0 | 0 | 0 | 0 | 0 | 0.84 | 158.12 |

The inception date may or may not be coincident with the date that the UBS Institutional Consulting Group commenced providing performance reporting services to you.
Please be sure to read the DISCLOSURE SECTION at the beginning of this report which contains important disclosures and disclaimers on the information provided to you in this report.

**Cohen & Steers Realty Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 9/2001 | 464,230 | 0 | 500,001 | 0 | 7,637 | 258,065 | | 100.00 |
| 12/2001 | 485,995 | 0 | 0 | 0 | 0 | 0 | 4.69 | 104.69 |
| 3/2002 | 526,795 | 0 | 0 | 0 | 0 | 0 | 8.40 | 113.48 |
| 6/2002 | 549,646 | 0 | 0 | 0 | 8,020 | 0 | 4.34 | 118.40 |
| 9/2002 | 512,687 | 0 | 0 | 0 | -8,140 | 0 | -6.72 | 110.44 |
| 12/2002 | 508,509 | 0 | 0 | 0 | 0 | 1,095 | -0.81 | 109.54 |
| 3/2003 | 512,836 | 0 | 0 | 0 | 0 | 0 | 0.85 | 110.47 |
| 6/2003 | 581,796 | 0 | 0 | 0 | 0 | 0 | 13.45 | 125.33 |
| 9/2003 | 627,843 | 0 | 0 | 0 | 8,732 | -873 | 7.92 | 135.25 |
| 12/2003 | 690,394 | 0 | 0 | 0 | 11,187 | 0 | 9.96 | 148.72 |
| 3/2004 | 769,681 | 0 | 0 | 0 | 9,003 | 0 | 11.48 | 165.80 |
| 6/2004 | 721,358 | 0 | 0 | 0 | 0 | 0 | -6.28 | 155.39 |
| 9/2004 | 771,872 | 0 | 0 | 0 | 9,230 | -923 | 7.01 | 166.28 |
| 12/2004 | 868,385 | 0 | 0 | 0 | 21,632 | 0 | 12.50 | 187.07 |
| 3/2005 | 809,727 | 0 | 0 | 0 | 9,581 | 0 | -6.75 | 174.44 |
| 6/2005 | 910,812 | 0 | 0 | 0 | 9,694 | 1,293 | 12.48 | 196.20 |
| 9/2005 | 928,012 | 0 | 0 | 0 | 9,799 | 5,553 | 1.88 | 199.90 |
| 12/2005 | 926,670 | 0 | 0 | 0 | 131,486 | 0 | -0.14 | 199.61 |
| 3/2006 | 2,099,845 | 1,000,003 | 0 | 0 | 11,523 | 580,647 | 9.66 | 218.88 |
| 6/2006 | 2,076,275 | 0 | 0 | 0 | 17,730 | 0 | -1.12 | 216.43 |
| 9/2006 | 2,261,513 | 0 | 0 | 0 | 11,792 | 0 | 8.92 | 235.74 |
| 12/2006 | 2,523,372 | 0 | 0 | 140,129 | 39,866 | 0 | 5.38 | 248.42 |
| 3/2007 | 2,614,057 | 0 | 0 | 0 | 0 | 0 | 3.59 | 257.34 |
| 6/2007 | 2,461,079 | 0 | 0 | 0 | 10,729 | 0 | -5.85 | 242.28 |
| 9/2007 | 2,474,527 | 0 | 0 | 0 | 20,465 | 0 | 0.55 | 243.61 |
| 12/2007 | 2,132,869 | 0 | 0 | 0 | 244,371 | 0 | -13.81 | 209.97 |
| 3/2008 | 2,148,574 | 0 | 0 | 0 | 223,547 | 0 | 0.74 | 211.52 |
| 6/2008 | 1,961,673 | 0 | 0 | 0 | 7,889 | 0 | -8.70 | 193.12 |
| 9/2008 | 1,846,032 | 0 | 0 | 0 | 19,937 | 0 | -5.90 | 181.74 |
| 12/2008 | 1,282,371 | 0 | 0 | 7,832 | 16,301 | 2,021 | -30.95 | 125.49 |

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**Cohen & Steers Realty Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2009 | 960,010 | -7,836 | 0 | 0 | 0 | -5,814 | -24.66 | 94.54 |
| 6/2009 | 1,289,856 | 0 | 0 | 0 | 7,048 | 0 | 34.36 | 127.03 |
| 9/2009 | 887,083 | 0 | 0 | -728,643 | 12,777 | -704,355 | 30.74 | 166.07 |
| 12/2009 | 896,179 | 0 | 0 | 0 | 61,762 | -5,977 | 1.03 | 167.78 |
| 3/2010 | 898,744 | 0 | 0 | 0 | 0 | 0 | 0.29 | 168.26 |
| 6/2010 | 781,591 | 0 | 0 | 0 | 0 | 0 | -13.04 | 146.32 |
| 9/2010 | 972,733 | 0 | 0 | 0 | 12,228 | 0 | 24.46 | 182.11 |
| 12/2010 | 1,016,992 | 0 | 0 | 0 | 52,806 | 0 | 4.55 | 190.39 |
| 3/2011 | 1,015,156 | 0 | 0 | 0 | 0 | 0 | -0.18 | 190.05 |
| 6/2011 | 1,022,499 | 0 | 0 | 0 | 0 | 0 | 0.72 | 191.43 |
| 9/2011 | 816,723 | 0 | 0 | 0 | 12,575 | 0 | -20.12 | 152.90 |
| 12/2011 | 843,448 | 0 | 0 | 0 | 8,920 | 0 | 3.27 | 157.90 |
| 3/2012 | 938,313 | 0 | 0 | 0 | 0 | 0 | 11.25 | 175.66 |
| 6/2012 | 930,799 | 0 | 0 | 0 | 0 | 0 | -0.80 | 174.26 |
| 9/2012 | 1,024,946 | 0 | 0 | 0 | 12,304 | 0 | 10.11 | 191.88 |
| 12/2012 | 1,134,453 | 0 | 0 | 0 | 57,290 | 0 | 10.68 | 212.38 |

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**Putnam Convertible Income Growth Historical Data and Rates of Return**
**September 30, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2008 | 477,185 | 0 | 500,015 | 0 | 3,318 | 172,419 | | 100.00 |
| 6/2008 | 993,327 | 0 | 0 | 525,017 | 0 | 227,507 | -1.61 | 98.39 |
| 9/2008 | 839,823 | 0 | 0 | 0 | 6,847 | 0 | -15.45 | 83.19 |
| 12/2008 | 626,158 | 0 | 0 | -10 | 13,843 | -3 | -25.44 | 62.02 |
| 3/2009 | 659,160 | 0 | 0 | 0 | 7,561 | 0 | 5.27 | 65.29 |
| 6/2009 | 784,761 | 0 | 0 | 0 | 7,647 | 0 | 19.05 | 77.73 |
| 9/2009 | 910,511 | 0 | 0 | 0 | 7,723 | -1,545 | 16.03 | 90.20 |
| 12/2009 | 962,693 | 0 | 0 | 0 | 7,789 | 0 | 5.73 | 95.37 |
| 3/2010 | 1,019,779 | 0 | 0 | 0 | 7,852 | 0 | 5.93 | 101.02 |
| 6/2010 | 964,011 | 0 | 0 | 0 | 7,913 | 0 | -5.47 | 95.50 |
| 9/2010 | 1,064,682 | 0 | 0 | 0 | 7,977 | 0 | 10.44 | 105.47 |
| 12/2010 | 1,150,866 | 0 | 0 | 0 | 8,037 | 0 | 8.09 | 114.01 |
| 3/2011 | 1,208,040 | 0 | 0 | 0 | 8,094 | 0 | 4.97 | 119.67 |
| 6/2011 | 1,205,376 | 0 | 0 | 0 | 8,149 | 0 | -0.22 | 119.41 |
| 9/2011 | 1,034,906 | 0 | 0 | 0 | 8,205 | 0 | -14.14 | 102.52 |
| 12/2011 | 1,076,422 | 0 | 0 | 0 | 8,270 | 0 | 4.01 | 106.63 |
| 3/2012 | 881,894 | 0 | -299,465 | 0 | 6,205 | -61,958 | 10.20 | 117.51 |
| 6/2012 | 848,626 | 0 | 0 | 0 | 6,249 | 0 | -3.77 | 113.08 |
| 9/2012 | 897,515 | 0 | 0 | 0 | 6,296 | 0 | 5.76 | 119.59 |
| 12/2012 | 922,343 | 0 | 0 | 0 | 30,992 | 0 | 2.77 | 122.90 |

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**Jennison Natural Resources Fund Historical Data and Rates of Return**
**March 31, 2008 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 9/2009 | 1,020,909 | 0 | 0 | 1,000,005 | 0 | 500,003 | | 100.00 |
| 12/2009 | 1,116,602 | 0 | 0 | 0 | 18,391 | 0 | 9.37 | 109.37 |
| 3/2010 | 1,128,721 | 0 | 0 | 0 | 0 | 0 | 1.09 | 110.56 |
| 6/2010 | 1,005,560 | 0 | 0 | 0 | 0 | 0 | -10.91 | 98.50 |
| 9/2010 | 1,190,548 | 0 | 0 | 0 | 0 | 0 | 18.40 | 116.62 |
| 12/2010 | 1,426,900 | 0 | 0 | 0 | 14,020 | 0 | 19.85 | 139.77 |
| 3/2011 | 1,527,393 | 0 | 0 | 0 | 0 | 0 | 7.04 | 149.61 |
| 6/2011 | 1,409,902 | 0 | 0 | 0 | 0 | 0 | -7.69 | 138.10 |
| 9/2011 | 1,023,929 | 0 | 0 | 0 | 0 | 0 | -27.38 | 100.30 |
| 12/2011 | 1,158,669 | 0 | 0 | 0 | 0 | 0 | 13.16 | 113.49 |
| 3/2012 | 1,220,665 | 0 | 0 | 0 | 0 | 0 | 5.35 | 119.57 |
| 6/2012 | 1,036,428 | 0 | 0 | 0 | 0 | 0 | -15.09 | 101.52 |
| 9/2012 | 1,159,669 | 0 | 0 | 0 | 0 | 0 | 11.89 | 113.59 |
| 12/2012 | 1,127,171 | 0 | 0 | 0 | 0 | 0 | -2.80 | 110.41 |

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**Premier Managed Income Historical Data and Rates of Return**
**September 30, 2009 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2007 | 2,012,413 | 0 | 0 | 1,999,999 | 3,267 | 838,709 | | 100.00 |
| 3/2008 | 2,048,907 | 0 | 0 | 0 | 14,509 | 0 | 1.81 | 101.81 |
| 6/2008 | 2,023,366 | 0 | -250 | 514 | 25,088 | -87 | -1.26 | 100.53 |
| 9/2008 | 1,949,682 | 0 | 0 | 0 | 23,701 | 0 | -3.64 | 96.87 |
| 12/2008 | 1,901,608 | 0 | 0 | -10 | 28,614 | -3 | -2.47 | 94.48 |
| 3/2009 | 1,891,065 | 0 | 0 | 0 | 17,537 | 0 | -0.55 | 93.96 |
| 6/2009 | 2,021,099 | 0 | 0 | 0 | 24,055 | 8,185 | 6.87 | 100.41 |
| 9/2009 | 2,181,590 | 0 | 0 | 0 | 26,818 | 0 | 7.94 | 108.38 |
| 12/2009 | 2,227,733 | 0 | 0 | 0 | 24,884 | 0 | 2.12 | 110.68 |
| 3/2010 | 2,298,094 | 0 | 0 | 0 | 23,645 | 7,352 | 3.15 | 114.17 |
| 6/2010 | 2,370,923 | 0 | 0 | 0 | 23,707 | 0 | 3.17 | 117.79 |
| 9/2010 | 2,452,079 | 0 | 0 | 0 | 22,443 | 0 | 3.42 | 121.82 |
| 12/2010 | 2,430,693 | 0 | 0 | 0 | 21,324 | 6,525 | -0.87 | 120.76 |
| 3/2011 | 2,468,070 | 0 | 0 | 0 | 22,454 | 0 | 1.54 | 122.61 |
| 6/2011 | 2,512,160 | 0 | 0 | 0 | 21,601 | 0 | 1.79 | 124.80 |
| 9/2011 | 2,592,071 | 0 | 0 | 0 | 17,241 | 0 | 3.18 | 128.77 |
| 12/2011 | 2,610,573 | 0 | 0 | 0 | 14,612 | 0 | 0.71 | 129.69 |
| 3/2012 | 2,644,173 | 0 | 0 | 0 | 16,394 | 0 | 1.29 | 131.36 |
| 6/2012 | 2,693,008 | 0 | 0 | 0 | 15,997 | 0 | 1.85 | 133.79 |
| 9/2012 | 2,762,255 | 0 | 0 | 0 | 14,807 | 0 | 2.57 | 137.23 |
| 12/2012 | 2,798,295 | 0 | 0 | 0 | 41,947 | 0 | 1.30 | 139.02 |

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## Benchmark Comparisons Used In This Report

The primary index comparison for your portfolio and each of its asset classes is listed below.

**TOTAL PORTFOLIO BENCHMARK**
3/31/1998 - Present
100% S&P 500 Index

**RVS LARGE CAP EQUITY BENCHMARK**
3/31/2001 - Present
100% S&P 500 Index

**FID. MAGELLAN BENCHMARK**
3/31/2001 - Present
100% S&P 500 Index

**FIDELITY EQUITY - INCOME BENCHMARK**
3/31/2001 - Present
100% S&P 500 Index

**GUARDIAN PARK AVENUE BENCHMARK**
3/31/2001 - Present
100% S&P 500 Index

**SENTINEL FUNDS BENCHMARK**
3/31/2001 - Present
100% S&P 500 Index

**WADDELL & REED VANGUARD BENCHMARK**
3/31/2001 - Present
100% S&P 500 Index

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## Benchmark Comparisons Used In This Report

**VALUE LINE - FUND 3 BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**AMERICAN EUROPACIFIC GROWTH BENCHMARK**

3/31/2001 - Present

100% MSCI Gross EAFE

**COHEN & STEERS REALTY BENCHMARK**

9/30/2001 - Present

100% S&P 500 Index

**TEMPLETON INC FOREIGN BENCHMARK**

3/31/2001 - Present

100% MSCI Gross EAFE

**PUTNAM VISTA FUND BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**PUTNAM VOYAGER FUND BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**PUTNAM INTERNATIONAL GROWTH BENCHMARK**

3/31/2001 - Present

100% MSCI Gross EAFE

## Benchmark Comparisons Used In This Report

**PHOENIX - OAKHURST BALANCED BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**PHOENIX - ENGEMANN CAP GROWTH BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**MUTUAL FUNDS BENCHMARK**

3/31/1998 - Present

100% S&P 500 Index

**ING INTERNATIONAL VALUE BENCHMARK**

3/31/2001 - Present

100% MSCI Gross EAFE

**WELLS FARGO CLASSIC VALUE BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**DELAWARE BALANCED FUND BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

**CASH SEGMENT BENCHMARK**

3/31/2001 - Present

100% 3 Month Treasury Bill

## Benchmark Comparisons Used In This Report

**JENNISON NATURAL RESOURCES FUND BENCHMARK**

9/30/2009 - Present

100% CTA Managed Futures

**JOHN HANCOCK BENCHMARK**

9/30/2006 - Present

100% S&P 500 Index

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## Investment Performance

## Period Ending December 31, 2012

**Prepared for:**
**City of Troy Employees Retirement Systems**
February 5, 2013

**Prepared by:**
John C. Grant and Rebecca S. Sorensen
Birmingham, MI.

NAIC

The information contained in this report has been obtained from sources believed to be reliable, but its accuracy or completeness is not guaranteed. This report is not meant to supersede your custodial statements that should be read regularly. Any opinions expressed herein reflect our judgment at this date and are subject to change. Please report any discrepancies you may find to your UBS Institutional Consultant.

Rule 204-3 under the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send to them, without charge, a written disclosure statement meeting the requirements of such rule. We will be glad to send you a copy of such statement to you upon your written request.

Please contact your UBS Institutional Consultant if you have any questions regarding this report, if your financial situation, individual needs or investment objectives have changed, or if you would like to impose or change any investment restrictions on this account. Please note that you are also required to inform your investment advisor, directly, of any changes in your financial condition, investment objectives or investment restrictions on your account.

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# Performance Report Disclosures

## General Information

This performance report represents information about your accounts in the UBS Institutional Consulting Group at UBS Financial Services.

This report is intended as a general guide to review the performance of your holdings across a variety of accounts including those accounts held at different financial institutions. This report is for your use only. Information contained in the report should not be used for tax reporting or preparation purposes or used as the basis of an investment or liquidation decision.

Please contact your Institutional Consultant if you have any questions regarding this performance report, if your financial situation, needs or investment objectives on any account have changed, or if you would like to impose or change any investment restrictions on any account.

## No Tax or Legal Advice

Neither UBS Financial Services nor any of its employees provide tax or legal advice. You must consult with your legal or tax advisors regarding your personal circumstances.

## Assets Held at Other Qualified Custodians

Depending on the accounts covered by your Institutional Consulting Services Agreement with us, this report may cover a number of your existing accounts, each with a potentially different investment objective and risk parameters. These accounts may be held at a variety of financial institutions and information reflected on this report is based on statements your custodians have provided to UBS Financial Services, at your request. Other than information included for accounts you hold at UBS Financial Services, we are not responsible for the accuracy or completeness of any information included in this report. UBS Financial Services does not provide advice with respect to your assets at other firms. This report includes information only as of the date of the account statements provided, which may differ by account or custodian. Your UBS Financial Services account statements are the only official record of your holdings with us and are not replaced, amended or superceded by any of the information presented in this Report.

This report does not constitute the solicitation to purchase or sell any specific security. This report may include a performance analysis of a variety of accounts, each with different investments, investment objectives and risk parameters. As a result, the overweighting or underweighting of an account in a particular sector or asset class should not be viewed as an isolated factor in making investment/liquidation decisions. Rather, such decisions should be assessed on an account by account basis and after an assessment of the overall impact of such decisions on a portfolio consisting of all your accounts.

# Important Information About This Report

## Market Values

Market values used or presented in this report are obtained from sources believed to be reliable. UBS Financial Services and its representatives make no representation or assurance that the market values presented in the report are true and accurate.

## Estimates

Estimates of annual interest or dividend income should not be relied upon. The estimates are based either on past payout experience or scheduled interest payments. Past payouts are not an indication of future payouts and there can be no assurance that any fixed income security will meet its scheduled interest payments.

## Policy Statements

Neither UBS Financial Services nor your Institutional Consultant is responsible for ensuring that your investment policy statement complies with all legal, actuarial or other requirements that may apply to you. That responsibility rests solely with you and you should consult your legal and tax advisors regarding those matters.

## Performance Results

**Gross performance**

This report may illustrate net or gross of fee performance, but not both. While gross performance is valuable when reviewing a manager's performance relative to a particular index or peer group, note that such information does not reflect management fees, wrap fees, transaction costs or your Institutional consulting fees.

The payment of fees and expenses will reduce the performance of the account and the reduction in performance will have a cumulative effect over time. The net effect of the payment of fees on the annualized performance, and the compounded or cumulative effect over time, is dependent on the amount of the fee and the account's investment performance. For example, an account that experiences an annual gross performance of 10% but incurs a 2.8% annual fee that is deducted quarterly on a prorated basis, will experience net annual performance of 7.1%, a reduction of 2.9% per year.

**Net of fees performance**

If your assets are custodied at UBS Financial Services and you have selected one or more of our advisory programs as an investment option and pay the program fee directly from those accounts, you will receive separate performance reports for those accounts which illustrate the performance of your portfolio on a net of fee basis.

## Index Information

This report presents the current and historical performance of certain market indexes. These indexes may represent a broad range of asset classes, market segments and investment styles. Depending upon the composition of your portfolio and your accounts and depending on your investment objectives, these indexes may not be an appropriate measure or benchmark against which to compare the performance of a particular account or all of your accounts. Consequently, the performance of the indexes is presented for illustration purposes only.

Although the performance of an index is often used as a benchmark against which to compare the performance of an actively managed separate account or actively managed mutual fund, actively managed accounts and mutual funds are not generally restricted to investing only in the securities that are included in the index. As a result, the securities held in your account will differ from the securities included in the index and the performance of the account may likewise differ from the performance of the index. The performance of an index reflects the passive performance of an unmanaged universe of securities. The performance of an index does not reflect advisory or transaction fees, all of which would reduce the overall return. Indexes are not available for direct investment. The past performance of an index is no guarantee of future results.

## Benchmark Rebalancing

Comparative benchmarks comprising more than one index are constructed each month based on the return of the constituent indexes in the comparative benchmark and the respective weights assigned to each constituent index.

## Target Asset Allocation

The target asset allocation is the percentage allocation of your total or composite investment fund among the asset classes in which you have decided to invest as set forth in your Investment Policy Statement.

## Policy Index

For each separate account, the Policy Index is the passive index that you have selected to serve as a benchmark against which to compare the performance of the separate account. If the account is balanced, indexes may be a blend of indexes.

For the total or composite investment fund, the Policy Index is a composite of one or more passive indexes that you have selected and that are weighted according to the percentage weightings set forth in your Investment Policy Statement. The performance of your total or composite investment fund is compared against the performance of the Policy Index that you have selected for the composite.

For the purposes of calculating the performance of the Policy Index for the composite investment fund, the Policy Index is recalculated using the percentage weightings set forth in your Investment Policy Statement on a monthly or quarterly basis depending on the convention that you selected.

The Policy Index that you selected for your total or composite investment fund is shown below:
100% S&P 500 Index.

## Account Valuation

This report uses a time-weighted rate of return, a method that calculates portfolio value using the beginning and ending portfolio values for the month and weighs each contribution/withdrawal by the amount of time invested.

## Performance Start Date

The inception date shown in the report may or may not be the date that the UBS Institutional Consulting Group began providing services or performance information to you and may not be the date that an account was first invested in securities. Contact your Institutional Consultant for more information regarding the actual inception date.

## Manager Data

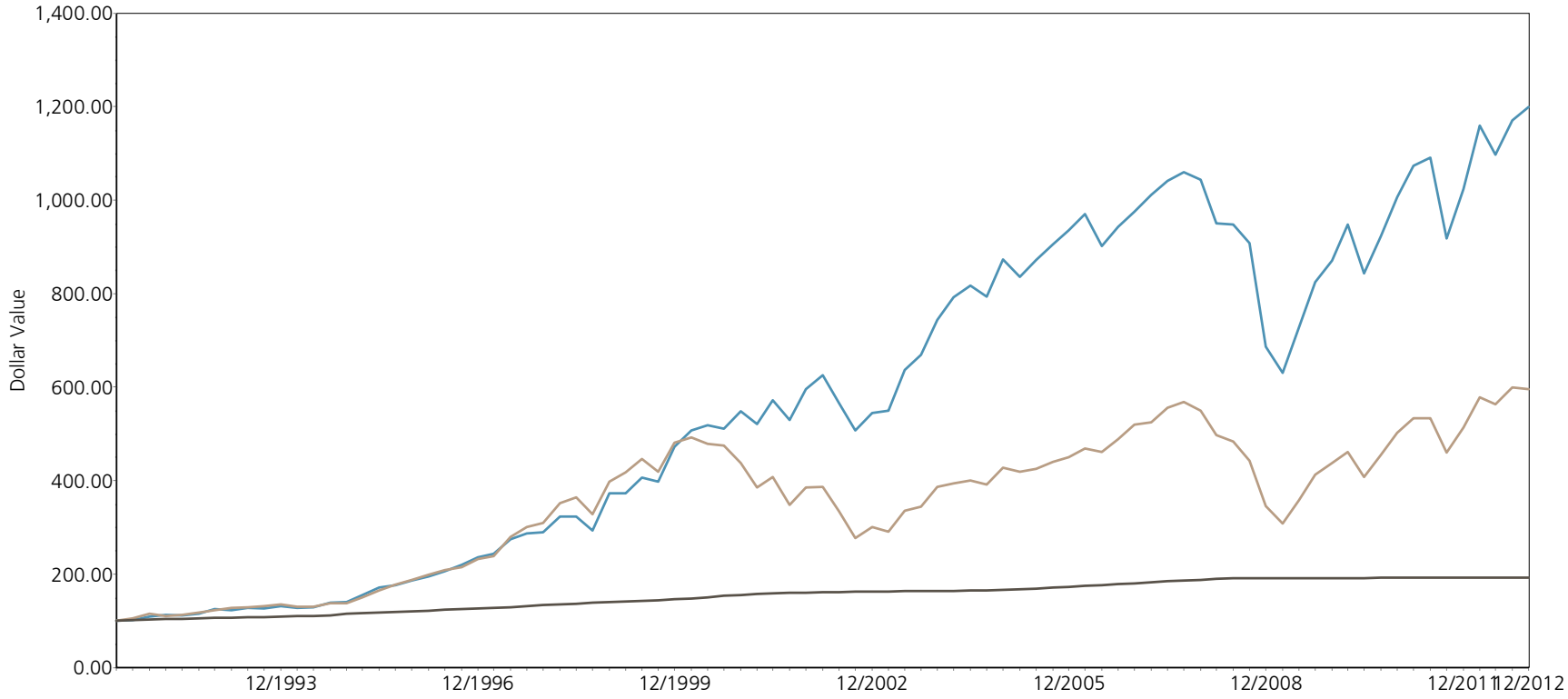
Data concerning various managers' portfolio performance is obtained from sources believed to be reliable. This data is provided for comparative purposes only. UBS Financial Services does not guarantee the accuracy or veracity of this information. Different performance calculation methods may be used to calculate each manager's portfolio performance. Investment objectives of similar style portfolios of other managers may not match exactly your investment objectives.

## Brochure

Rule 204-3 of the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send to them, without charge, a written disclosure statement. We will be glad to provide you with a copy of such statement upon your written request.

# Performance Analysis

**Growth of $100**
**June 30, 1991 Through December 31, 2012**




| | Latest Quarter | One Year | Two Years | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|---|
| NAIC | 2.42 | 17.05 | 9.11 | 11.26 | 2.79 | 12.25 |
| S&P 500 | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 | 8.66 |
| 90 DAY U.S. T-BILL | 0.02 | 0.08 | 0.07 | 0.10 | 0.34 | 3.07 |

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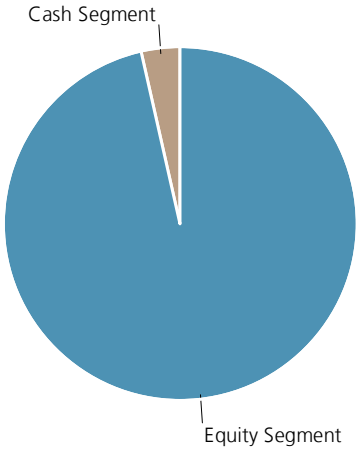
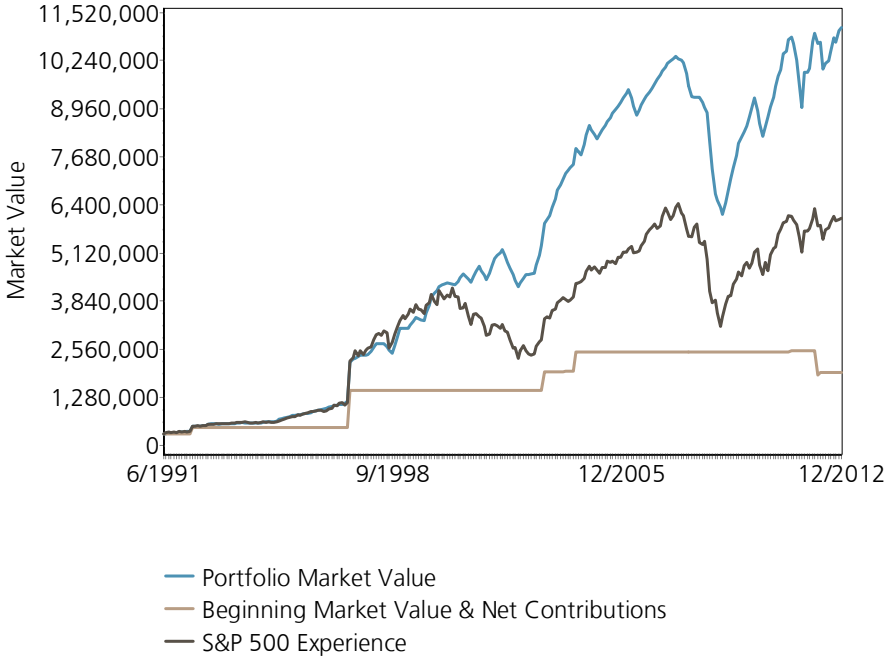
## Asset Allocation and Source of Portfolio Growth

Asset Allocation
as of December 31, 2012




Source of Portfolio Growth
June 30, 1991 Through December 31, 2012




| | Value | Percent |
|---|---|---|
| Equity Segment | 10,712,165 | 96.40 |
| Cash Segment | 399,540 | 3.60 |
| Total | 11,111,705 | 100.00 |

| | Latest Quarter | Since Inception |
|---|---|---|
| Beginning Value | 10,849,863 | 320,315 |
| Net Contribution | 0 | 1,610,325 |
| Investment Return | 261,842 | 9,181,064 |
| Ending Value | 11,111,705 | 11,111,705 |

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**Investment Performance**
**Periods Ending December 31, 2012**

| | Latest Quarter ROR | One Year ROR | Three Years ROR | Five Years ROR | Since Inception ROR |
|---|---|---|---|---|---|
| **Cash Segment** | | | | | |
| NAIC | 0.00 | 0.10 | 0.04 | 0.42 | N/A |
| 3 Mth T-Bill | 0.02 | 0.08 | 0.10 | 0.34 | 3.07 |
| **Total Portfolio** | | | | | |
| NAIC | 2.42 | 17.05 | 11.26 | 2.79 | 12.25 |
| S&P 500 | -0.38 | 16.00 | 10.87 | 1.66 | 8.66 |
| **Equity Segment** | | | | | |
| NAIC | 2.50 | 17.43 | 11.39 | 2.73 | N/A |
| S&P 500 | -0.38 | 16.00 | 10.87 | 1.66 | 8.66 |

The policy index reflects the returns of the manager's asset allocation if invested in the markets represented by the following indexes:

6/30/1991 - Present
100% S&P 500 Index

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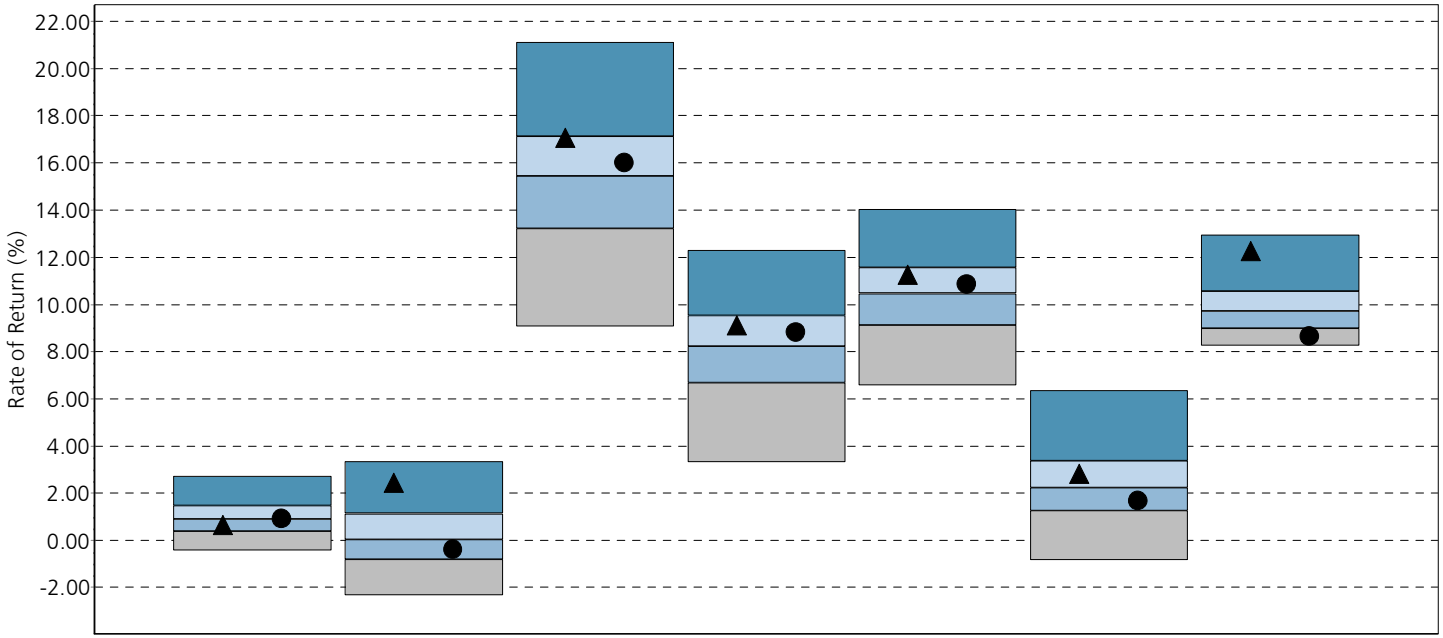
**Total Portfolio versus Large Cap Managers**
**June 30, 1991 Through December 31, 2012**




| | Latest Month | Latest Quarter | One Year | Two Years | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|---|---|
| Highest Value | 2.74 | 3.35 | 21.12 | 12.31 | 14.05 | 6.37 | 12.95 |
| First Quartile | 1.51 | 1.16 | 17.14 | 9.54 | 11.60 | 3.38 | 10.57 |
| Median Value | 0.91 | 0.05 | 15.44 | 8.26 | 10.48 | 2.25 | 9.73 |
| Third Quartile | 0.39 | -0.80 | 13.23 | 6.70 | 9.16 | 1.28 | 9.01 |
| Lowest Value | -0.43 | -2.30 | 9.10 | 3.34 | 6.58 | -0.83 | 8.27 |
| Mean | 0.99 | 0.19 | 15.24 | 8.10 | 10.40 | 2.37 | 9.88 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ▲ NAIC | 0.67 | 63 | 2.42 | 6 | 17.05 | 26 | 9.11 | 32 | 11.26 | 31 | 2.79 | 36 | 12.25 | 1 |
| ● S&P 500 | 0.91 | 49 | -0.38 | 62 | 16.00 | 41 | 8.84 | 37 | 10.87 | 40 | 1.66 | 64 | 8.66 | 92 |

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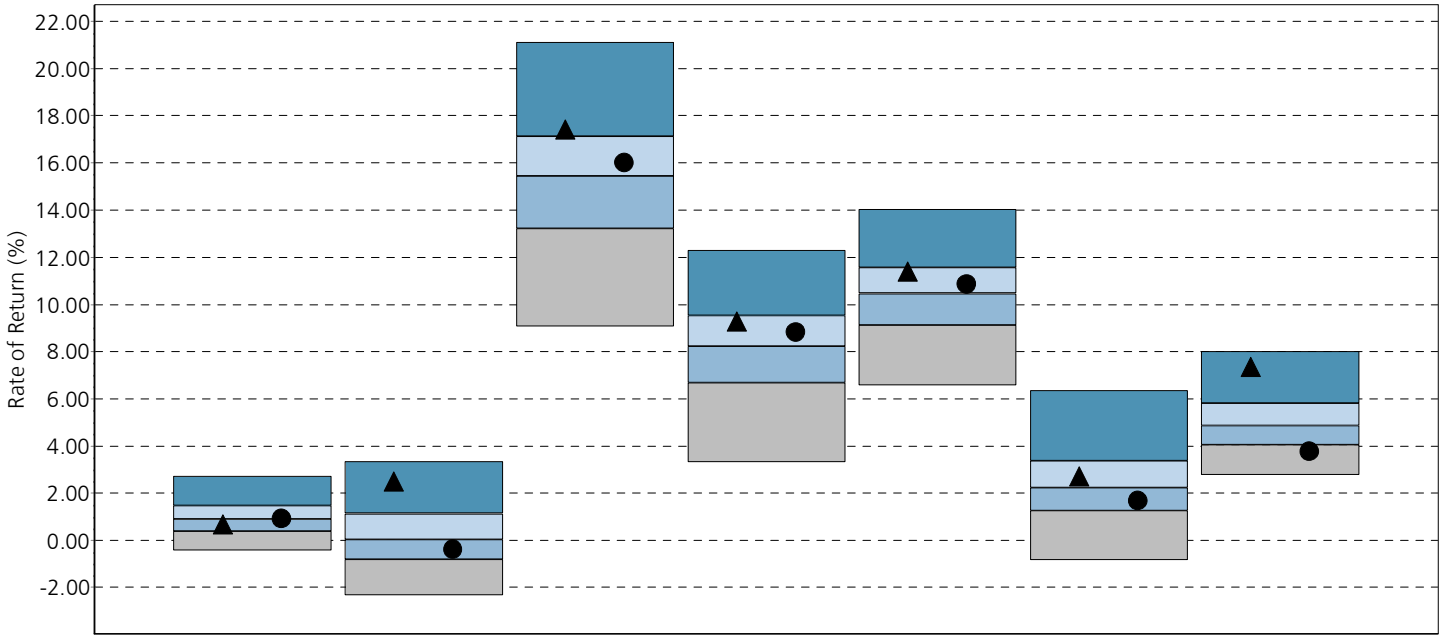
**Equity Segment versus Large Cap Managers**
**March 31, 2001 Through December 31, 2012**




| | Latest Month | Latest Quarter | One Year | Two Years | Three Years | Five Years | Since Inception |
|---|---|---|---|---|---|---|---|
| Highest Value | 2.74 | 3.35 | 21.12 | 12.31 | 14.05 | 6.37 | 8.04 |
| First Quartile | 1.51 | 1.16 | 17.14 | 9.54 | 11.60 | 3.38 | 5.82 |
| Median Value | 0.91 | 0.05 | 15.44 | 8.26 | 10.48 | 2.25 | 4.87 |
| Third Quartile | 0.39 | -0.80 | 13.23 | 6.70 | 9.16 | 1.28 | 4.07 |
| Lowest Value | -0.43 | -2.30 | 9.10 | 3.34 | 6.58 | -0.83 | 2.79 |
| Mean | 0.99 | 0.19 | 15.24 | 8.10 | 10.40 | 2.37 | 5.02 |

| | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank | Return | Rank |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ▲ NAIC | 0.69 | 62 | 2.50 | 5 | 17.43 | 21 | 9.29 | 30 | 11.39 | 28 | 2.73 | 38 | 7.35 | 5 |
| ● S&P 500 Index | 0.91 | 49 | -0.38 | 62 | 16.00 | 41 | 8.84 | 37 | 10.87 | 40 | 1.66 | 64 | 3.78 | 82 |

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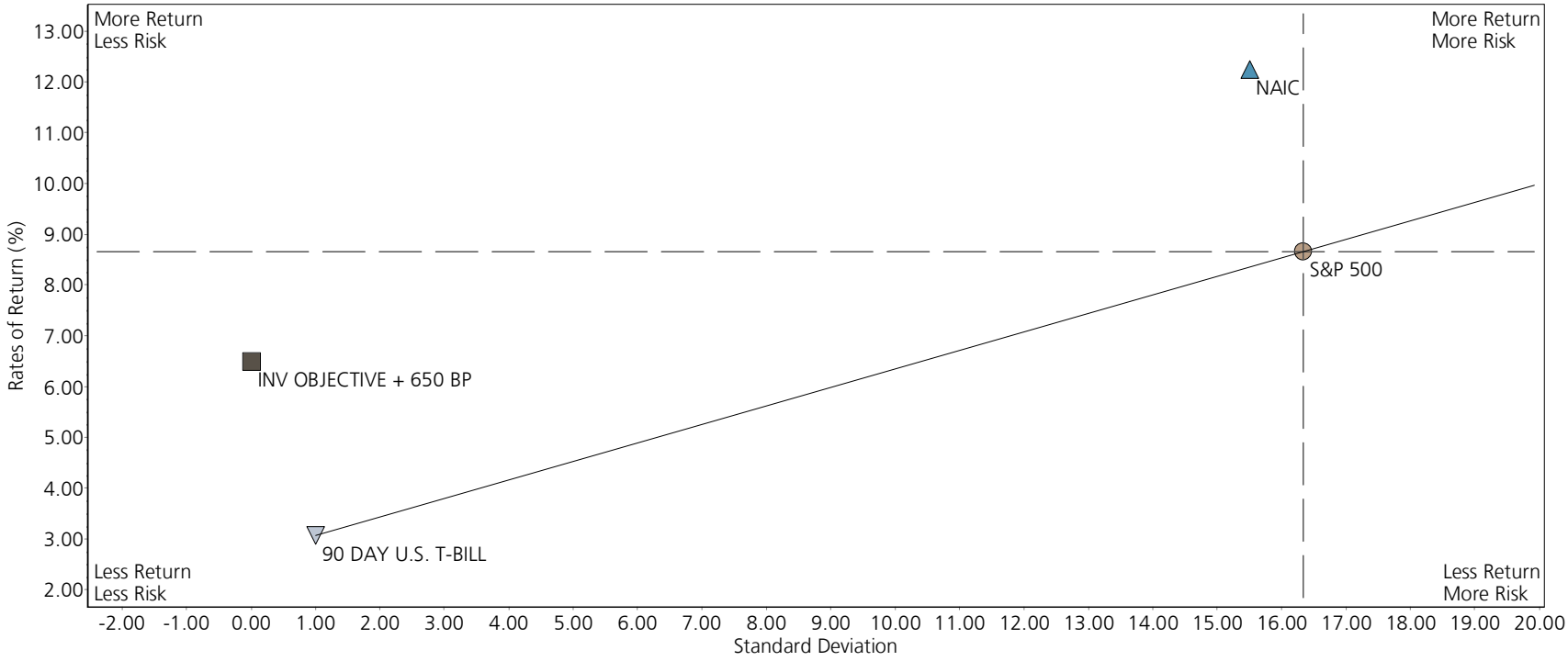
**Risk vs Reward Analysis**
**June 30, 1991 Through December 31, 2012**




| | Return | Std Dev | Alpha | Beta | R-Squared |
|---|---|---|---|---|---|
| ▲ NAIC | 12.25 | 15.51 | 4.12 | 0.86 | 82.20 |
| ● S&P 500 | 8.66 | 16.33 | 0.00 | 1.00 | 100.00 |
| ■ INV OBJECTIVE + 650 BP | 6.50 | 0.00 | -3.02 | 0.00 | 0.26 |
| ▽ 90 DAY U.S. T-BILL | 3.07 | 1.00 | 0.00 | 0.00 | N/A |

The comparative benchmark used in this analysis is the S&P 500 Index. The peer universe comprises Large Cap managers.
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## Total Portfolio Rate of Return versus Risk
## June 30, 1991 Through December 31, 2012

Total Portfolio:

VALUE ADDED BY MANAGEMENT: 4.12 percent per Year
Since 6/30/1991 , your fund has averaged 4.12 percent higher than expected, taking into account both the performance of the market as a whole and the volatility of your portfolio.

PORTFOLIO VOLATILITY: 0.86
The volatility coefficient is known as Beta.
Since 6/30/1991 , your fund has been 0.86 times as volatile as the market.
The market proxy used in this comparison is a policy index calculated using the returns of the following:
( S&P 500 )

DIVERSIFICATION: 82.20 percent
Since 6/30/1991 , your fund has been 82.20 percent as diversified as the market index described above.
The diversification statistic is called R-Squared.

The risk benchmark for this analysis is the S&P 500 Index.
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## Market Timing And Security Selection
## December 31, 2007 Through December 31, 2012

### Fund's Average Investment Exposure and Market Index Returns

| | Latest Quarter | One Year | Two Years | Three Years | Five Years |
|---|---|---|---|---|---|
| **Asset Class** | | | | | |
| Cash | 3.33 | 2.64 | 1.62 | 1.40 | 1.39 |
| Equity | 96.67 | 97.36 | 98.38 | 98.62 | 98.62 |
| **Asset Class Index Performance** | | | | | |
| 3 Mth T-Bill | 0.02 | 0.08 | 0.07 | 0.10 | 0.34 |
| S&P 500 Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| **Total Portfolio and Benchmark Performance** | | | | | |
| Dynamic Index | -0.37 | 15.63 | 8.66 | 10.70 | 1.61 |
| Policy Index | -0.38 | 16.00 | 8.84 | 10.87 | 1.66 |
| Portfolio Return | 2.42 | 17.05 | 9.11 | 11.26 | 2.79 |
| **Value Added By Manager** | | | | | |
| Market Timing | 0.01 | -0.37 | -0.17 | -0.17 | -0.06 |
| Security Selection | 2.78 | 1.41 | 0.45 | 0.56 | 1.19 |
| Total Value Added | 2.79 | 1.04 | 0.27 | 0.39 | 1.13 |

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**Total Portfolio Time-Weighted Rates of Return**
**June 30, 1991 Through December 31, 2012**

| | Account | | | | | | | | S&P 500 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Date | Quarterly | | Semi Annually | | Annually | | Since 06/1991 | | Quarterly | Semi Annually | Annually | Since 06/1991 |
| 09/1991 | 0.71 | | | | | | 0.71 | | 5.35 | | | 5.35 |
| 12/1991 | 8.41 | * | 9.18 | | | | 9.18 | | 8.38 | 14.18 | | 14.18 |
| 03/1992 | 4.36 | * | | | | | 13.95 | * | -2.53 | | | 11.30 |
| 06/1992 | -1.46 | | 2.84 | * | | | 12.29 | | 1.90 | -0.67 | | 13.41 |
| 09/1992 | 2.67 | | | | | | 12.05 | | 3.15 | | | 13.37 |
| 12/1992 | 9.04 | * | 11.95 | * | 15.13 | * | 16.48 | * | 5.04 | 8.35 | 7.62 | 14.72 |
| 03/1993 | -1.97 | | | | | | 12.68 | | 4.37 | | | 15.28 |
| 06/1993 | 3.47 | * | 1.43 | | | | 12.92 | | 0.49 | 4.87 | | 13.52 |
| 09/1993 | -1.10 | | | | | | 10.86 | | 2.58 | | | 13.21 |
| 12/1993 | 5.10 | * | 3.94 | | 5.42 | | 11.92 | | 2.32 | 4.96 | 10.08 | 12.84 |
| 03/1994 | -3.24 | * | | | | | 9.46 | | -3.79 | | | 10.05 |
| 06/1994 | 0.88 | * | -2.40 | * | | | 8.96 | | 0.42 | -3.39 | | 9.33 |
| 09/1994 | 7.20 | * | | | | | 10.58 | * | 4.89 | | | 10.19 |
| 12/1994 | 1.03 | * | 8.30 | * | 5.71 | * | 10.11 | * | -0.02 | 4.87 | 1.32 | 9.42 |
| 03/1995 | 10.75 | * | | | | | 12.42 | * | 9.74 | | | 11.50 |
| 06/1995 | 9.66 | * | 21.45 | * | | | 14.21 | * | 9.55 | 20.21 | | 13.29 |
| 09/1995 | 3.61 | | | | | | 14.27 | | 7.95 | | | 14.51 |
| 12/1995 | 5.72 | | 9.54 | | 33.04 | | 14.84 | | 6.02 | 14.45 | 37.58 | 15.13 |
| 03/1996 | 4.54 | | | | | | 15.08 | | 5.37 | | | 15.55 |
| 06/1996 | 6.40 | * | 11.23 | * | | | 15.70 | | 4.49 | 10.10 | | 15.73 |
| 09/1996 | 6.39 | * | | | | | 16.26 | * | 3.09 | | | 15.59 |
| 12/1996 | 7.01 | | 13.85 | * | 26.64 | * | 16.90 | * | 8.34 | 11.68 | 22.96 | 16.52 |
| 03/1997 | 3.47 | * | | | | | 16.80 | * | 2.68 | | | 16.28 |
| 06/1997 | 12.42 | | 16.32 | | | | 18.33 | | 17.46 | 20.61 | | 18.69 |
| 09/1997 | 4.47 | | | | | | 18.36 | | 7.49 | | | 19.25 |
| 12/1997 | 0.88 | | 5.39 | | 22.59 | | 17.76 | | 2.87 | 10.58 | 33.36 | 18.97 |
| 03/1998 | 11.66 | | | | | | 18.97 | | 13.95 | | | 20.51 |
| 06/1998 | -0.09 | | 11.56 | | | | 18.22 | | 3.30 | 17.71 | | 20.27 |
| 09/1998 | -8.94 | * | | | | | 16.03 | | -9.95 | | | 17.79 |
| 12/1998 | 27.13 | * | 15.77 | * | 29.15 | * | 19.22 | | 21.30 | 9.23 | 28.58 | 20.20 |

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**Total Portfolio Time-Weighted Rates of Return**
**June 30, 1991 Through December 31, 2012**

| | Account | | | | | | | | S&P 500 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Date | Quarterly | | Semi Annually | | Annually | | Since 06/1991 | | Quarterly | Semi Annually | Annually | Since 06/1991 |
| 03/1999 | -0.01 | | | | | | 18.54 | | 4.98 | | | 20.24 |
| 06/1999 | 8.95 | * | 8.94 | | | | 19.18 | | 7.05 | 12.38 | | 20.58 |
| 09/1999 | -2.36 | * | | | | | 18.21 | | -6.24 | | | 18.96 |
| 12/1999 | 18.83 | * | 16.03 | * | 26.40 | * | 20.04 | | 14.88 | 7.71 | 21.04 | 20.30 |
| 03/2000 | 7.29 | * | | | | | 20.38 | * | 2.29 | | | 19.98 |
| 06/2000 | 2.24 | * | 9.70 | * | | | 20.06 | * | -2.66 | -0.42 | | 19.02 |
| 09/2000 | -1.56 | | | | | | 19.26 | * | -0.97 | | | 18.33 |
| 12/2000 | 7.33 | * | 5.65 | * | 15.89 | * | 19.60 | * | -7.82 | -8.72 | -9.10 | 16.80 |
| 03/2001 | -4.69 | * | | | | | 18.46 | * | -11.86 | | | 14.84 |
| 06/2001 | 9.54 | * | 4.40 | * | | | 19.04 | * | 5.85 | -6.70 | | 15.10 |
| 09/2001 | -7.43 | * | | | | | 17.65 | * | -14.68 | | | 12.94 |
| 12/2001 | 12.76 | * | 4.38 | * | 8.97 | * | 18.54 | * | 10.69 | -5.56 | -11.89 | 13.71 |
| 03/2002 | 4.73 | * | | | | | 18.58 | * | 0.27 | | | 13.40 |
| 06/2002 | -9.54 | * | -5.26 | * | | | 17.05 | * | -13.40 | -13.16 | | 11.61 |
| 09/2002 | -10.28 | * | | | | | 15.52 | * | -17.28 | | | 9.47 |
| 12/2002 | 7.41 | | -3.63 | * | -8.71 | * | 15.88 | * | 8.44 | -10.30 | -22.10 | 10.03 |
| 03/2003 | 0.84 | * | | | | | 15.60 | * | -3.15 | | | 9.51 |
| 06/2003 | 15.81 | * | 16.78 | * | | | 16.67 | * | 15.39 | 11.76 | | 10.61 |
| 09/2003 | 5.20 | * | | | | | 16.78 | * | 2.65 | | | 10.62 |
| 12/2003 | 11.20 | | 16.98 | * | 36.62 | * | 17.41 | * | 12.18 | 15.14 | 28.68 | 11.42 |
| 03/2004 | 6.39 | * | | | | | 17.62 | * | 1.69 | | | 11.33 |
| 06/2004 | 3.33 | * | 9.93 | * | | | 17.54 | * | 1.72 | 3.44 | | 11.25 |
| 09/2004 | -2.93 | | | | | | 16.92 | * | -1.87 | | | 10.86 |
| 12/2004 | 9.98 | * | 6.76 | | 17.37 | * | 17.41 | * | 9.23 | 7.19 | 10.88 | 11.38 |
| 03/2005 | -4.26 | | | | | | 16.70 | * | -2.15 | | | 10.99 |
| 06/2005 | 4.31 | * | -0.13 | * | | | 16.73 | * | 1.37 | -0.81 | | 10.89 |
| 09/2005 | 3.85 | * | | | | | 16.72 | * | 3.60 | | | 10.96 |
| 12/2005 | 3.25 | * | 7.23 | * | 7.09 | * | 16.67 | * | 2.09 | 5.77 | 4.91 | 10.92 |
| 03/2006 | 3.80 | | | | | | 16.66 | * | 4.21 | | | 11.04 |
| 06/2006 | -7.20 | | -3.67 | | | | 15.78 | * | -1.44 | 2.71 | | 10.73 |
| 09/2006 | 4.72 | | | | | | 15.85 | * | 5.67 | | | 10.95 |

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**Total Portfolio Time-Weighted Rates of Return**
**June 30, 1991 Through December 31, 2012**

| | Account | | | | | | | | S&P 500 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Date | Quarterly | | Semi Annually | | Annually | | Since 06/1991 | | Quarterly | Semi Annually | Annually | Since 06/1991 |
| 12/2006 | 3.27 | | 8.14 | | 4.17 | | 15.82 | * | 6.70 | 12.74 | 15.79 | 11.23 |
| 03/2007 | 3.73 | * | | | | | 15.82 | * | 0.64 | | | 11.09 |
| 06/2007 | 3.03 | | 6.87 | | | | 15.77 | * | 6.28 | 6.96 | | 11.33 |
| 09/2007 | 1.82 | | | | | | 15.64 | * | 2.03 | | | 11.28 |
| 12/2007 | -1.44 | * | 0.36 | * | 7.25 | * | 15.28 | * | -3.33 | -1.37 | 5.49 | 10.87 |
| 03/2008 | -9.00 | * | | | | | 14.39 | * | -9.44 | | | 10.05 |
| 06/2008 | -0.20 | * | -9.19 | * | | | 14.15 | * | -2.73 | -11.91 | | 9.71 |
| 09/2008 | -4.29 | * | | | | | 13.64 | * | -8.37 | | | 9.01 |
| 12/2008 | -24.33 | | -27.58 | * | -34.23 | * | 11.64 | * | -21.94 | -28.48 | -37.00 | 7.35 |
| 03/2009 | -8.13 | * | | | | | 10.94 | * | -11.01 | | | 6.54 |
| 06/2009 | 15.35 | | 5.97 | * | | | 11.66 | * | 15.93 | 3.16 | | 7.32 |
| 09/2009 | 13.19 | | | | | | 12.25 | * | 15.61 | | | 8.07 |
| 12/2009 | 5.64 | | 19.57 | | 26.71 | * | 12.41 | * | 6.04 | 22.59 | 26.46 | 8.30 |
| 03/2010 | 8.86 | * | | | | | 12.74 | * | 5.39 | | | 8.49 |
| 06/2010 | -11.03 | * | -3.15 | * | | | 11.87 | * | -11.43 | -6.65 | | 7.69 |
| 09/2010 | 9.42 | | | | | | 12.23 | * | 11.29 | | | 8.18 |
| 12/2010 | 9.18 | | 19.46 | | 15.71 | * | 12.57 | * | 10.76 | 23.27 | 15.06 | 8.64 |
| 03/2011 | 6.61 | * | | | | | 12.77 | * | 5.92 | | | 8.84 |
| 06/2011 | 1.63 | * | 8.35 | * | | | 12.69 | * | 0.10 | 6.02 | | 8.73 |
| 09/2011 | -15.94 | | | | | | 11.57 | * | -13.87 | | | 7.82 |
| 12/2011 | 11.67 | | -6.13 | | 1.71 | | 12.02 | * | 11.82 | -3.69 | 2.11 | 8.31 |
| 03/2012 | 13.15 | * | | | | | 12.53 | * | 12.59 | | | 8.83 |
| 06/2012 | -5.28 | | 7.17 | | | | 12.09 | * | -2.75 | 9.49 | | 8.57 |
| 09/2012 | 6.64 | * | | | | | 12.27 | * | 6.35 | | | 8.78 |
| 12/2012 | 2.42 | * | 9.22 | * | 17.05 | * | 12.25 | * | -0.38 | 5.95 | 16.00 | 8.66 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Cash Segment | Percent | Equity Segment | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0.00 | 0 | 0.00 | 320,315 | 0.00 | 100.00 |
| 9/1991 | 4,163 | 0 | 0.00 | 0 | 0.00 | 326,772 | 0.71 | 100.71 |
| 12/1991 | 0 | 0 | 0.00 | 0 | 0.00 | 354,261 | 8.41 | 109.18 |
| 3/1992 | 0 | 0 | 0.00 | 0 | 0.00 | 369,723 | 4.36 | 113.95 |
| 6/1992 | 150,000 | 0 | 0.00 | 0 | 0.00 | 514,317 | -1.46 | 112.29 |
| 9/1992 | 5 | 0 | 0.00 | 0 | 0.00 | 528,045 | 2.67 | 115.28 |
| 12/1992 | 0 | 0 | 0.00 | 0 | 0.00 | 575,799 | 9.04 | 125.71 |
| 3/1993 | 0 | 0 | 0.00 | 0 | 0.00 | 564,447 | -1.97 | 123.23 |
| 6/1993 | 0 | 0 | 0.00 | 0 | 0.00 | 584,023 | 3.47 | 127.50 |
| 9/1993 | 0 | 0 | 0.00 | 0 | 0.00 | 577,589 | -1.10 | 126.10 |
| 12/1993 | 0 | 0 | 0.00 | 0 | 0.00 | 607,028 | 5.10 | 132.52 |
| 3/1994 | 0 | 0 | 0.00 | 0 | 0.00 | 587,337 | -3.24 | 128.23 |
| 6/1994 | 0 | 0 | 0.00 | 0 | 0.00 | 592,488 | 0.88 | 129.35 |
| 9/1994 | 0 | 0 | 0.00 | 0 | 0.00 | 635,179 | 7.20 | 138.66 |
| 12/1994 | 0 | 0 | 0.00 | 0 | 0.00 | 641,701 | 1.03 | 140.09 |
| 3/1995 | 0 | 0 | 0.00 | 0 | 0.00 | 710,669 | 10.75 | 155.14 |
| 6/1995 | 0 | 0 | 0.00 | 0 | 0.00 | 779,345 | 9.66 | 170.14 |
| 9/1995 | 0 | 0 | 0.00 | 0 | 0.00 | 807,514 | 3.61 | 176.29 |
| 12/1995 | 0 | 0 | 0.00 | 0 | 0.00 | 853,718 | 5.72 | 186.37 |
| 3/1996 | 0 | 0 | 0.00 | 0 | 0.00 | 892,489 | 4.54 | 194.84 |
| 6/1996 | 0 | 0 | 0.00 | 0 | 0.00 | 949,604 | 6.40 | 207.30 |
| 9/1996 | 0 | 0 | 0.00 | 0 | 0.00 | 1,010,302 | 6.39 | 220.56 |
| 12/1996 | 0 | 0 | 0.00 | 0 | 0.00 | 1,081,117 | 7.01 | 236.01 |
| 3/1997 | 0 | 0 | 0.00 | 0 | 0.00 | 1,118,605 | 3.47 | 244.20 |
| 6/1997 | 991,438 | 0 | 0.00 | 0 | 0.00 | 2,294,268 | 12.42 | 274.53 |
| 9/1997 | 0 | 0 | 0.00 | 0 | 0.00 | 2,396,783 | 4.47 | 286.79 |
| 12/1997 | 0 | 0 | 0.00 | 0 | 0.00 | 2,417,949 | 0.88 | 289.33 |
| 3/1998 | 0 | 0 | 0.00 | 0 | 0.00 | 2,699,822 | 11.66 | 323.06 |
| 6/1998 | 0 | 0 | 0.00 | 0 | 0.00 | 2,697,496 | -0.09 | 322.78 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Cash Segment | Percent | Equity Segment | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|
| 9/1998 | 0 | 0 | 0.00 | 0 | 0.00 | 2,456,429 | -8.94 | 293.93 |
| 12/1998 | 0 | 0 | 0.00 | 0 | 0.00 | 3,122,805 | 27.13 | 373.67 |
| 3/1999 | 0 | 0 | 0.00 | 0 | 0.00 | 3,122,607 | -0.01 | 373.65 |
| 6/1999 | 0 | 0 | 0.00 | 0 | 0.00 | 3,402,019 | 8.95 | 407.08 |
| 9/1999 | 0 | 0 | 0.00 | 0 | 0.00 | 3,321,784 | -2.36 | 397.48 |
| 12/1999 | 0 | 0 | 0.00 | 0 | 0.00 | 3,947,244 | 18.83 | 472.32 |
| 3/2000 | 0 | 0 | 0.00 | 0 | 0.00 | 4,234,916 | 7.29 | 506.74 |
| 6/2000 | 0 | 0 | 0.00 | 0 | 0.00 | 4,329,932 | 2.24 | 518.11 |
| 9/2000 | 0 | 0 | 0.00 | 0 | 0.00 | 4,262,207 | -1.56 | 510.01 |
| 12/2000 | 0 | 0 | 0.00 | 0 | 0.00 | 4,574,477 | 7.33 | 547.37 |
| 3/2001 | 0 | 195,196 | 4.48 | 4,160,124 | 95.52 | 4,355,321 | -4.69 | 521.70 |
| 6/2001 | 0 | 294,575 | 6.17 | 4,476,059 | 93.83 | 4,770,634 | 9.54 | 571.45 |
| 9/2001 | 80 | 112,272 | 2.54 | 4,303,726 | 97.46 | 4,415,998 | -7.43 | 528.97 |
| 12/2001 | 0 | 170,798 | 3.43 | 4,808,667 | 96.57 | 4,979,465 | 12.76 | 596.46 |
| 3/2002 | 0 | 25,976 | 0.50 | 5,189,143 | 99.50 | 5,215,119 | 4.73 | 624.69 |
| 6/2002 | 0 | 244,997 | 5.19 | 4,472,208 | 94.81 | 4,717,205 | -9.54 | 565.07 |
| 9/2002 | 0 | 59,248 | 1.40 | 4,172,839 | 98.60 | 4,232,087 | -10.28 | 506.96 |
| 12/2002 | 0 | 25,637 | 0.56 | 4,520,114 | 99.44 | 4,545,751 | 7.41 | 544.53 |
| 3/2003 | 0 | 16,223 | 0.35 | 4,567,905 | 99.65 | 4,584,128 | 0.84 | 549.13 |
| 6/2003 | 0 | 76,259 | 1.44 | 5,232,337 | 98.56 | 5,308,596 | 15.81 | 635.93 |
| 9/2003 | 500,000 | 21,999 | 0.36 | 6,086,126 | 99.64 | 6,108,125 | 5.20 | 669.00 |
| 12/2003 | 0 | 82,561 | 1.22 | 6,709,683 | 98.78 | 6,792,244 | 11.20 | 743.93 |
| 3/2004 | 14,019 | 30,317 | 0.42 | 7,209,984 | 99.58 | 7,240,301 | 6.39 | 791.46 |
| 6/2004 | 0 | 18,796 | 0.25 | 7,462,446 | 99.75 | 7,481,242 | 3.33 | 817.81 |
| 9/2004 | 500,000 | 27,620 | 0.36 | 7,721,208 | 99.64 | 7,748,828 | -2.93 | 793.87 |
| 12/2004 | 0 | 419,081 | 4.92 | 8,103,436 | 95.08 | 8,522,517 | 9.98 | 873.13 |
| 3/2005 | 0 | 24,051 | 0.29 | 8,135,637 | 99.71 | 8,159,688 | -4.26 | 835.96 |
| 6/2005 | 0 | 120,793 | 1.42 | 8,390,808 | 98.58 | 8,511,601 | 4.31 | 872.03 |
| 9/2005 | 0 | 10,944 | 0.12 | 8,828,664 | 99.88 | 8,839,608 | 3.85 | 905.63 |

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**Distribution of Assets**
**June 30, 1991 Through December 31, 2012**

| Date | Net Contribution | Cash Segment | Percent | Equity Segment | Percent | Total Market Value | ROI | Index Value |
|---|---|---|---|---|---|---|---|---|
| 12/2005 | 0 | 18,550 | 0.20 | 9,108,029 | 99.80 | 9,126,579 | 3.25 | 935.04 |
| 3/2006 | 0 | 19,434 | 0.21 | 9,453,668 | 99.79 | 9,473,102 | 3.80 | 970.54 |
| 6/2006 | 0 | 657,620 | 7.48 | 8,133,780 | 92.52 | 8,791,400 | -7.20 | 900.70 |
| 9/2006 | -98 | 25,166 | 0.27 | 9,180,969 | 99.73 | 9,206,135 | 4.72 | 943.24 |
| 12/2006 | -100 | 95,862 | 1.01 | 9,410,852 | 98.99 | 9,506,714 | 3.27 | 974.05 |
| 3/2007 | 0 | 512,926 | 5.20 | 9,348,010 | 94.80 | 9,860,936 | 3.73 | 1,010.34 |
| 6/2007 | 0 | 253,008 | 2.49 | 9,906,402 | 97.51 | 10,159,410 | 3.03 | 1,040.92 |
| 9/2007 | 0 | 406,839 | 3.93 | 9,937,801 | 96.07 | 10,344,640 | 1.82 | 1,059.91 |
| 12/2007 | 0 | 26,726 | 0.26 | 10,168,744 | 99.74 | 10,195,470 | -1.44 | 1,044.63 |
| 3/2008 | 0 | 294,057 | 3.17 | 8,983,342 | 96.83 | 9,277,399 | -9.00 | 950.56 |
| 6/2008 | 0 | 270,701 | 2.92 | 8,988,009 | 97.08 | 9,258,710 | -0.20 | 948.65 |
| 9/2008 | 0 | 38,303 | 0.43 | 8,822,858 | 99.57 | 8,861,161 | -4.29 | 907.94 |
| 12/2008 | 0 | 24,071 | 0.36 | 6,680,858 | 99.64 | 6,704,929 | -24.33 | 687.00 |
| 3/2009 | 0 | 50,929 | 0.83 | 6,108,589 | 99.17 | 6,159,518 | -8.13 | 631.12 |
| 6/2009 | 600 | 146,837 | 2.07 | 6,958,699 | 97.93 | 7,105,536 | 15.35 | 727.98 |
| 9/2009 | 0 | 114,228 | 1.42 | 7,928,806 | 98.58 | 8,043,034 | 13.19 | 824.03 |
| 12/2009 | 0 | 28,193 | 0.33 | 8,467,938 | 99.67 | 8,496,131 | 5.64 | 870.48 |
| 3/2010 | 0 | 113,308 | 1.23 | 9,135,276 | 98.77 | 9,248,584 | 8.86 | 947.57 |
| 6/2010 | 0 | 49,659 | 0.60 | 8,179,157 | 99.40 | 8,228,816 | -11.03 | 843.09 |
| 9/2010 | 0 | 80,600 | 0.90 | 8,922,963 | 99.10 | 9,003,563 | 9.42 | 922.47 |
| 12/2010 | 0 | 92,873 | 0.94 | 9,737,180 | 99.06 | 9,830,053 | 9.18 | 1,007.19 |
| 3/2011 | 960 | 43,421 | 0.41 | 10,437,291 | 99.59 | 10,480,712 | 6.61 | 1,073.75 |
| 6/2011 | 37,891 | 43,938 | 0.41 | 10,645,323 | 99.59 | 10,689,261 | 1.63 | 1,091.29 |
| 9/2011 | 0 | 70,068 | 0.78 | 8,914,800 | 99.22 | 8,984,868 | -15.94 | 917.29 |
| 12/2011 | 0 | 101,344 | 1.01 | 9,932,258 | 98.99 | 10,033,602 | 11.67 | 1,024.37 |
| 3/2012 | -646,232 | 132,624 | 1.24 | 10,551,425 | 98.76 | 10,684,049 | 13.15 | 1,159.04 |
| 6/2012 | 57,600 | 317,126 | 3.12 | 9,856,974 | 96.88 | 10,174,099 | -5.28 | 1,097.80 |
| 9/2012 | 0 | 346,546 | 3.19 | 10,503,317 | 96.81 | 10,849,863 | 6.64 | 1,170.72 |
| 12/2012 | 0 | 399,540 | 3.60 | 10,712,165 | 96.40 | 11,111,705 | 2.42 | 1,198.99 |

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## Cash Segment Historical Data and Rates of Return
## March 31, 2001 Through December 31, 2012

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 195,196 | 0 | 0 | 0 | 0 | 0 | | 100.00 |
| 6/2001 | 294,575 | 91,091 | 1,096 | 4,513 | 2,678 | 60,862 | 0.96 | 100.96 |
| 9/2001 | 112,272 | 8,525 | -196,436 | 4,403 | 1,204 | -124,432 | 0.63 | 101.60 |
| 12/2001 | 170,798 | -50,874 | 1,567 | 107,315 | 519 | 50,259 | 0.54 | 102.14 |
| 3/2002 | 25,976 | 11,767 | 1,232 | -158,461 | 641 | -124,990 | 0.48 | 102.63 |
| 6/2002 | 244,997 | 11,693 | 42,936 | 164,111 | 279 | 111,612 | 0.32 | 102.96 |
| 9/2002 | 59,248 | 76,350 | -231,163 | -31,583 | 646 | -175,952 | 0.41 | 103.38 |
| 12/2002 | 25,637 | 9,552 | -48,817 | 5,537 | 114 | -40,732 | 0.33 | 103.72 |
| 3/2003 | 16,223 | 52,813 | 3,007 | -65,348 | 114 | -16,376 | 0.21 | 103.93 |
| 6/2003 | 76,259 | 10,225 | 2,867 | 46,891 | 53 | 31,741 | 0.15 | 104.09 |
| 9/2003 | 21,999 | -19,862 | 2,963 | -37,448 | 94 | 21,339 | 0.12 | 104.21 |
| 12/2003 | 82,561 | 51,436 | 2,508 | 6,545 | 73 | 17,229 | 0.12 | 104.33 |
| 3/2004 | 30,317 | -63,304 | 3,093 | 7,944 | 26 | -29,850 | 0.07 | 104.41 |
| 6/2004 | 18,796 | 9,288 | 3,513 | -24,372 | 51 | 6,526 | 0.13 | 104.54 |
| 9/2004 | 27,620 | 507,630 | -504,460 | 5,405 | 249 | -176,314 | 0.19 | 104.74 |
| 12/2004 | 419,081 | -7,935 | 159,138 | 239,789 | 470 | 192,502 | 0.33 | 105.08 |
| 3/2005 | 24,051 | -402,448 | 155,961 | -148,952 | 412 | -212,799 | 0.31 | 105.40 |
| 6/2005 | 120,793 | 7,921 | -7,079 | 95,686 | 214 | -1,157 | 0.77 | 106.22 |
| 9/2005 | 10,944 | -112,576 | 3,849 | -1,398 | 276 | -56,724 | 1.02 | 107.30 |
| 12/2005 | 18,550 | 217,680 | 5,716 | -217,071 | 1,281 | -10,606 | 0.83 | 108.20 |
| 3/2006 | 19,434 | 54,209 | -111 | -53,713 | 499 | 56,743 | 0.68 | 108.93 |
| 6/2006 | 657,620 | 52,831 | 106,732 | 477,078 | 1,545 | 218,978 | 0.91 | 109.92 |
| 9/2006 | 25,166 | -327,758 | 59,278 | -367,632 | 3,658 | -204,813 | 0.95 | 110.97 |
| 12/2006 | 95,862 | 4,447 | 144,111 | -78,797 | 935 | 66,702 | 0.95 | 112.02 |
| 3/2007 | 512,926 | -252 | 3,293 | 413,713 | 310 | 1,387 | 0.30 | 112.36 |
| 6/2007 | 253,008 | -961 | -259,918 | -654 | 1,615 | -134,632 | 0.43 | 112.84 |
| 9/2007 | 406,839 | 0 | 149,829 | -468 | 4,470 | 77,331 | 1.36 | 114.37 |
| 12/2007 | 26,726 | 304,340 | -686,176 | -393 | 2,116 | -629,653 | 1.25 | 115.80 |
| 3/2008 | 294,057 | 361,730 | -372 | -95,395 | 1,368 | 213,099 | 0.41 | 116.27 |
| 6/2008 | 270,701 | -268,765 | 2,350 | 242,463 | 596 | -11,761 | 0.54 | 116.90 |
| 9/2008 | 38,303 | -247,311 | 3,121 | 11,450 | 342 | -122,829 | 0.52 | 117.50 |

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## Cash Segment Historical Data and Rates of Return
## March 31, 2001 Through December 31, 2012

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 24,071 | 6,064 | 315,558 | -336,428 | 574 | 6,362 | 0.38 | 117.95 |
| 3/2009 | 50,929 | 13,200 | 2,688 | 10,926 | 44 | 9,093 | 0.12 | 118.09 |
| 6/2009 | 146,837 | 6,243 | -54,889 | 144,541 | 13 | 73,565 | 0.02 | 118.12 |
| 9/2009 | 114,228 | 5,648 | -136,498 | 98,239 | 2 | -15,330 | 0.00 | 118.12 |
| 12/2009 | 28,193 | -104,103 | 136,980 | -118,915 | 3 | -36,094 | 0.00 | 118.13 |
| 3/2010 | 113,308 | 8,163 | 65,700 | 11,251 | 1 | 39,470 | 0.00 | 118.13 |
| 6/2010 | 49,659 | -1 | -4 | -63,649 | 3 | -31,825 | 0.00 | 118.13 |
| 9/2010 | 80,600 | 30,941 | -1 | 0 | 1 | 15,969 | 0.00 | 118.13 |
| 12/2010 | 92,873 | 9,267 | -83,018 | 86,023 | 1 | 10,121 | 0.00 | 118.14 |
| 3/2011 | 43,421 | -67,305 | 3,320 | 14,532 | 1 | -38,041 | 0.00 | 118.14 |
| 6/2011 | 43,938 | -30,503 | 140,579 | -109,560 | 1 | -41,921 | 0.00 | 118.14 |
| 9/2011 | 70,068 | 11,543 | 5,836 | 8,750 | 2 | 9,842 | 0.00 | 118.15 |
| 12/2011 | 101,344 | 11,751 | 3,560 | 15,963 | 2 | 11,453 | 0.00 | 118.15 |
| 3/2012 | 132,624 | 11,868 | 652,930 | -633,518 | 0 | -481,312 | 0.00 | 118.15 |
| 6/2012 | 317,126 | 123,888 | 4,440 | 55,971 | 202 | 98,029 | 0.10 | 118.27 |
| 9/2012 | 346,546 | 11,083 | 4,600 | 13,729 | 8 | 12,871 | 0.00 | 118.27 |
| 12/2012 | 399,540 | 11,266 | 4,760 | 36,962 | 7 | 16,110 | 0.00 | 118.27 |

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**Total Portfolio Historical Data and Rates of Return**
**June 30, 1991 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | Fees | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|---|
| 6/1991 | 320,315 | 0 | 0 | 320,315 | 0 | 0 | 0 | | 100.00 |
| 9/1991 | 326,772 | 0 | 4,163 | 0 | 0 | 2,149 | 0 | 0.71 | 100.71 |
| 12/1991 | 354,261 | 0 | 0 | 0 | 0 | 0 | 0 | 8.41 | 109.18 |
| 3/1992 | 369,723 | 0 | 0 | 0 | 0 | 0 | 0 | 4.36 | 113.95 |
| 6/1992 | 514,317 | 0 | 150,000 | 0 | 0 | 77,419 | 0 | -1.46 | 112.29 |
| 9/1992 | 528,045 | 0 | 5 | 0 | 0 | 3 | 0 | 2.67 | 115.28 |
| 12/1992 | 575,799 | 0 | 0 | 0 | 0 | 0 | 0 | 9.04 | 125.71 |
| 3/1993 | 564,447 | 0 | 0 | 0 | 0 | 0 | 0 | -1.97 | 123.23 |
| 6/1993 | 584,023 | 0 | 0 | 0 | 0 | 0 | 0 | 3.47 | 127.50 |
| 9/1993 | 577,589 | 0 | 0 | 0 | 0 | 0 | 0 | -1.10 | 126.10 |
| 12/1993 | 607,028 | 0 | 0 | 0 | 0 | 0 | 0 | 5.10 | 132.52 |
| 3/1994 | 587,337 | 0 | 0 | 0 | 0 | 0 | 0 | -3.24 | 128.23 |
| 6/1994 | 592,488 | 0 | 0 | 0 | 0 | 0 | 0 | 0.88 | 129.35 |
| 9/1994 | 635,179 | 0 | 0 | 0 | 0 | 0 | 0 | 7.20 | 138.66 |
| 12/1994 | 641,701 | 0 | 0 | 0 | 0 | 0 | 0 | 1.03 | 140.09 |
| 3/1995 | 710,669 | 0 | 0 | 0 | 0 | 0 | 0 | 10.75 | 155.14 |
| 6/1995 | 779,345 | 0 | 0 | 0 | 0 | 0 | 0 | 9.66 | 170.14 |
| 9/1995 | 807,514 | 0 | 0 | 0 | 0 | 0 | 0 | 3.61 | 176.29 |
| 12/1995 | 853,718 | 0 | 0 | 0 | 0 | 0 | 0 | 5.72 | 186.37 |
| 3/1996 | 892,489 | 0 | 0 | 0 | 0 | 0 | 0 | 4.54 | 194.84 |
| 6/1996 | 949,604 | 0 | 0 | 0 | 0 | 0 | 0 | 6.40 | 207.30 |
| 9/1996 | 1,010,302 | 0 | 0 | 0 | 0 | 0 | 0 | 6.39 | 220.56 |
| 12/1996 | 1,081,117 | 0 | 0 | 0 | 0 | 0 | 0 | 7.01 | 236.01 |
| 3/1997 | 1,118,605 | 0 | 0 | 0 | 0 | 0 | 0 | 3.47 | 244.20 |
| 6/1997 | 2,294,268 | 0 | 991,438 | 0 | 0 | 511,710 | 0 | 12.42 | 274.53 |
| 9/1997 | 2,396,783 | 0 | 0 | 0 | 0 | 0 | 0 | 4.47 | 286.79 |
| 12/1997 | 2,417,949 | 0 | 0 | 0 | 0 | 0 | 0 | 0.88 | 289.33 |
| 3/1998 | 2,699,822 | 0 | 0 | 0 | 0 | 0 | 0 | 11.66 | 323.06 |
| 6/1998 | 2,697,496 | 0 | 0 | 0 | 0 | 0 | 0 | -0.09 | 322.78 |
| 9/1998 | 2,456,429 | 0 | 0 | 0 | 0 | 0 | 0 | -8.94 | 293.93 |
| 12/1998 | 3,122,805 | 0 | 0 | 0 | 0 | 0 | 0 | 27.13 | 373.67 |

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**Total Portfolio Historical Data and Rates of Return**
**June 30, 1991 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | Fees | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|---|
| 3/1999 | 3,122,607 | 0 | 0 | 0 | 0 | 0 | 0 | -0.01 | 373.65 |
| 6/1999 | 3,402,019 | 0 | 0 | 0 | 0 | 0 | 0 | 8.95 | 407.08 |
| 9/1999 | 3,321,784 | 0 | 0 | 0 | 0 | 0 | 0 | -2.36 | 397.48 |
| 12/1999 | 3,947,244 | 0 | 0 | 0 | 0 | 0 | 0 | 18.83 | 472.32 |
| 3/2000 | 4,234,916 | 0 | 0 | 0 | 0 | 0 | 0 | 7.29 | 506.74 |
| 6/2000 | 4,329,932 | 0 | 0 | 0 | 0 | 0 | 0 | 2.24 | 518.11 |
| 9/2000 | 4,262,207 | 0 | 0 | 0 | 0 | 0 | 0 | -1.56 | 510.01 |
| 12/2000 | 4,574,477 | 0 | 0 | 0 | 0 | 0 | 0 | 7.33 | 547.37 |
| 3/2001 | 4,355,321 | 0 | 0 | 0 | 0 | 0 | 0 | -4.69 | 521.70 |
| 6/2001 | 4,770,634 | 0 | 0 | 0 | 16,795 | 0 | 0 | 9.54 | 571.45 |
| 9/2001 | 4,415,998 | 50 | 30 | 0 | 15,808 | 58 | 80 | -7.43 | 528.97 |
| 12/2001 | 4,979,465 | 0 | 0 | 0 | 15,345 | 0 | 0 | 12.76 | 596.46 |
| 3/2002 | 5,215,119 | 0 | 0 | 0 | 17,349 | 0 | 0 | 4.73 | 624.69 |
| 6/2002 | 4,717,205 | 0 | 0 | 0 | 127,609 | 0 | 150 | -9.54 | 565.07 |
| 9/2002 | 4,232,087 | 0 | 0 | 0 | 12,928 | 0 | 0 | -10.28 | 506.96 |
| 12/2002 | 4,545,751 | 0 | 0 | 0 | 17,774 | 0 | 0 | 7.41 | 544.53 |
| 3/2003 | 4,584,128 | 0 | 0 | 0 | 16,154 | 0 | 0 | 0.84 | 549.13 |
| 6/2003 | 5,308,596 | 0 | 0 | 0 | 17,327 | 0 | 150 | 15.81 | 635.93 |
| 9/2003 | 6,108,125 | 500,000 | 0 | 0 | 15,705 | 338,710 | 0 | 5.20 | 669.00 |
| 12/2003 | 6,792,244 | 0 | 0 | 0 | 19,166 | 0 | 0 | 11.20 | 743.93 |
| 3/2004 | 7,240,301 | 0 | 0 | 14,019 | 17,235 | 2,713 | 0 | 6.39 | 791.46 |
| 6/2004 | 7,481,242 | 0 | 0 | 0 | 17,682 | 0 | 150 | 3.33 | 817.81 |
| 9/2004 | 7,748,828 | 500,000 | 0 | 0 | 16,956 | 354,839 | 0 | -2.93 | 793.87 |
| 12/2004 | 8,522,517 | 0 | 0 | 0 | 19,582 | 0 | 0 | 9.98 | 873.13 |
| 3/2005 | 8,159,688 | 0 | 0 | 0 | 20,010 | 0 | 0 | -4.26 | 835.96 |
| 6/2005 | 8,511,601 | 0 | 0 | 0 | 17,241 | 0 | 150 | 4.31 | 872.03 |
| 9/2005 | 8,839,608 | 0 | 0 | 0 | 17,990 | 0 | 0 | 3.85 | 905.63 |
| 12/2005 | 9,126,579 | 0 | 0 | 0 | 22,984 | 0 | 0 | 3.25 | 935.04 |
| 3/2006 | 9,473,102 | 0 | 0 | 0 | 22,418 | 0 | 0 | 3.80 | 970.54 |
| 6/2006 | 8,791,400 | 0 | 0 | 0 | 15,114 | 0 | 0 | -7.20 | 900.70 |
| 9/2006 | 9,206,135 | 0 | 0 | -98 | 19,170 | -82 | 420 | 4.72 | 943.24 |

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**Total Portfolio Historical Data and Rates of Return**
**June 30, 1991 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | Fees | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|---|
| 12/2006 | 9,506,714 | 0 | 0 | -100 | 15,678 | -87 | 0 | 3.27 | 974.05 |
| 3/2007 | 9,860,936 | 0 | 0 | 0 | 20,471 | 0 | 0 | 3.73 | 1,010.34 |
| 6/2007 | 10,159,410 | 0 | 0 | 0 | 19,283 | 0 | 0 | 3.03 | 1,040.92 |
| 9/2007 | 10,344,640 | 0 | 0 | 0 | 21,229 | 0 | 150 | 1.82 | 1,059.91 |
| 12/2007 | 10,195,470 | 0 | 0 | 0 | 23,215 | 0 | 0 | -1.44 | 1,044.63 |
| 3/2008 | 9,277,399 | 0 | 0 | 0 | 31,621 | 0 | 0 | -9.00 | 950.56 |
| 6/2008 | 9,258,710 | 0 | 0 | 0 | 20,722 | 0 | 0 | -0.20 | 948.65 |
| 9/2008 | 8,861,161 | 0 | 0 | 0 | 19,778 | 0 | 200 | -4.29 | 907.94 |
| 12/2008 | 6,704,929 | 0 | 0 | 0 | 21,836 | 0 | 0 | -24.33 | 687.00 |
| 3/2009 | 6,159,518 | 0 | 0 | 0 | 26,858 | 0 | 0 | -8.13 | 631.12 |
| 6/2009 | 7,105,536 | 0 | 600 | 0 | 19,822 | 445 | 0 | 15.35 | 727.98 |
| 9/2009 | 8,043,034 | 0 | 0 | 0 | 19,812 | 0 | 0 | 13.19 | 824.03 |
| 12/2009 | 8,496,131 | 0 | 0 | 0 | 27,953 | 0 | 200 | 5.64 | 870.48 |
| 3/2010 | 9,248,584 | 0 | 0 | 0 | 22,915 | 0 | 0 | 8.86 | 947.57 |
| 6/2010 | 8,228,816 | 0 | 0 | 0 | 27,561 | 0 | 0 | -11.03 | 843.09 |
| 9/2010 | 9,003,563 | 0 | 0 | 0 | 24,842 | 0 | 0 | 9.42 | 922.47 |
| 12/2010 | 9,830,053 | 0 | 0 | 0 | 25,367 | 0 | 200 | 9.18 | 1,007.19 |
| 3/2011 | 10,480,712 | 0 | 0 | 960 | 26,940 | 387 | 0 | 6.61 | 1,073.75 |
| 6/2011 | 10,689,261 | 0 | 37,891 | 0 | 25,468 | 31,779 | 0 | 1.63 | 1,091.29 |
| 9/2011 | 8,984,868 | 0 | 0 | 0 | 26,130 | 0 | 0 | -15.94 | 917.29 |
| 12/2011 | 10,033,602 | 0 | 0 | 0 | 31,476 | 0 | 200 | 11.67 | 1,024.37 |
| 3/2012 | 10,684,049 | 0 | 0 | -646,232 | 27,928 | -625,386 | 25 | 13.15 | 1,159.04 |
| 6/2012 | 10,174,099 | 57,600 | 0 | 0 | 29,216 | 51,840 | 0 | -5.28 | 1,097.80 |
| 9/2012 | 10,849,863 | 0 | 0 | 0 | 29,420 | 0 | 0 | 6.64 | 1,170.72 |
| 12/2012 | 11,111,705 | 0 | 0 | 0 | 53,194 | 0 | 200 | 2.42 | 1,198.99 |

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## Equity Segment Historical Data and Rates of Return
## March 31, 2001 Through December 31, 2012

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 3/2001 | 4,160,124 | 0 | 0 | 0 | 0 | 0 | | 100.00 |
| 6/2001 | 4,476,059 | -91,091 | -1,096 | -4,513 | 14,117 | -58,987 | 10.12 | 110.12 |
| 9/2001 | 4,303,726 | -8,557 | 196,468 | -4,403 | 14,604 | 174,744 | -7.74 | 101.59 |
| 12/2001 | 4,808,667 | 50,874 | -1,567 | -107,315 | 14,826 | -54,418 | 13.04 | 114.84 |
| 3/2002 | 5,189,143 | -11,767 | -1,232 | 158,461 | 16,708 | 122,664 | 4.85 | 120.41 |
| 6/2002 | 4,472,208 | -11,693 | -42,936 | -164,261 | 127,330 | -119,896 | -9.72 | 108.71 |
| 9/2002 | 4,172,839 | -76,350 | 231,163 | 31,583 | 12,282 | 158,484 | -10.67 | 97.11 |
| 12/2002 | 4,520,114 | -9,552 | 48,817 | -5,537 | 17,660 | 41,909 | 7.47 | 104.36 |
| 3/2003 | 4,567,905 | -52,813 | -3,007 | 65,348 | 16,040 | 12,084 | 0.85 | 105.25 |
| 6/2003 | 5,232,337 | -10,225 | -2,867 | -47,041 | 17,274 | -34,155 | 15.93 | 122.02 |
| 9/2003 | 6,086,126 | 519,862 | -2,963 | 37,448 | 15,611 | 300,575 | 5.27 | 128.45 |
| 12/2003 | 6,709,683 | -51,436 | -2,508 | -6,545 | 19,093 | -17,977 | 11.32 | 142.98 |
| 3/2004 | 7,209,984 | 63,304 | -3,093 | 6,075 | 17,209 | 34,405 | 6.42 | 152.16 |
| 6/2004 | 7,462,446 | -9,288 | -3,512 | 24,221 | 17,631 | -7,531 | 3.35 | 157.25 |
| 9/2004 | 7,721,208 | -7,630 | 504,460 | -5,405 | 16,707 | 441,685 | -2.99 | 152.55 |
| 12/2004 | 8,103,436 | 7,935 | -159,138 | -239,789 | 19,112 | -193,119 | 10.17 | 168.06 |
| 3/2005 | 8,135,637 | 402,448 | -155,961 | 148,952 | 19,598 | 201,416 | -4.33 | 160.78 |
| 6/2005 | 8,390,808 | -7,921 | 7,079 | -95,836 | 17,027 | -48,120 | 4.34 | 167.75 |
| 9/2005 | 8,828,664 | 112,576 | -3,849 | 1,398 | 17,714 | 41,097 | 3.87 | 174.23 |
| 12/2005 | 9,108,029 | -217,680 | -5,716 | 217,071 | 21,703 | 15,911 | 3.29 | 179.96 |
| 3/2006 | 9,453,668 | -4,527 | -54,158 | 58,300 | 21,919 | 73,466 | 3.80 | 186.80 |
| 6/2006 | 8,133,780 | -52,831 | -106,732 | -477,078 | 13,569 | -241,099 | -7.35 | 173.07 |
| 9/2006 | 9,180,969 | 327,757 | -59,278 | 367,115 | 15,512 | 501,696 | 4.84 | 181.44 |
| 12/2006 | 9,410,852 | -4,597 | -143,960 | 78,696 | 14,743 | -13,730 | 3.28 | 187.40 |
| 3/2007 | 9,348,010 | 69,039 | -3,293 | -482,500 | 20,161 | -196,916 | 3.77 | 194.47 |
| 6/2007 | 9,906,402 | 360,398 | 253 | -99,118 | 17,668 | 176,027 | 3.08 | 200.45 |
| 9/2007 | 9,937,801 | -606,150 | 761,617 | -304,978 | 16,759 | 123,807 | 1.85 | 204.16 |
| 12/2007 | 10,168,744 | 389,825 | -306,819 | 299,223 | 21,099 | -95,932 | -1.50 | 201.09 |
| 3/2008 | 8,983,342 | -361,730 | 372 | 95,395 | 30,253 | -131,472 | -9.30 | 182.39 |
| 6/2008 | 8,988,009 | 268,765 | -2,350 | -242,463 | 20,126 | 72,653 | -0.21 | 182.00 |
| 9/2008 | 8,822,858 | 247,311 | -3,121 | -11,650 | 19,436 | 121,553 | -4.33 | 174.13 |

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**Equity Segment Historical Data and Rates of Return**
**March 31, 2001 Through December 31, 2012**

| Date | Market Value | Flow1 | Flow2 | Flow3 | Income | Weighted Flow | ROR | Unit Value |
|---|---|---|---|---|---|---|---|---|
| 12/2008 | 6,680,858 | -6,064 | -315,558 | 336,428 | 21,262 | -34,140 | -24.78 | 130.97 |
| 3/2009 | 6,108,589 | -13,200 | -2,688 | -10,926 | 26,814 | -10,678 | -8.18 | 120.26 |
| 6/2009 | 6,958,699 | -6,243 | 55,489 | -144,541 | 19,809 | -87,583 | 15.51 | 138.91 |
| 9/2009 | 7,928,806 | -5,648 | 136,498 | -98,239 | 19,810 | 11,763 | 13.39 | 157.51 |
| 12/2009 | 8,467,938 | 103,798 | -136,675 | 118,715 | 27,950 | 11,036 | 5.70 | 166.48 |
| 3/2010 | 9,135,276 | -8,163 | -65,700 | -11,251 | 22,914 | -53,291 | 8.93 | 181.36 |
| 6/2010 | 8,179,157 | -60,168 | 163,091 | -39,269 | 27,558 | -71,353 | -11.18 | 161.09 |
| 9/2010 | 8,922,963 | -83,746 | 129,391 | -76,585 | 24,841 | 17,740 | 9.48 | 176.36 |
| 12/2010 | 9,737,180 | -9,268 | 83,018 | -86,223 | 25,366 | -16,133 | 9.25 | 192.67 |
| 3/2011 | 10,437,291 | 67,305 | -3,320 | -13,572 | 26,939 | 36,899 | 6.63 | 205.44 |
| 6/2011 | 10,645,323 | 30,503 | -102,688 | 109,560 | 25,467 | 37,465 | 1.63 | 208.80 |
| 9/2011 | 8,914,800 | -11,543 | -5,836 | -8,750 | 26,128 | -10,919 | -16.03 | 175.32 |
| 12/2011 | 9,932,258 | -11,751 | -3,560 | -16,163 | 31,474 | -13,384 | 11.77 | 195.97 |
| 3/2012 | 10,551,425 | -11,868 | -652,930 | -12,739 | 27,928 | -147,122 | 13.33 | 222.10 |
| 6/2012 | 9,856,974 | -66,288 | -4,440 | -55,971 | 29,014 | -53,269 | -5.41 | 210.08 |
| 9/2012 | 10,503,317 | -11,083 | -4,600 | -13,729 | 29,412 | -13,658 | 6.87 | 224.51 |
| 12/2012 | 10,712,165 | -11,266 | -4,760 | -37,162 | 53,188 | -19,564 | 2.50 | 230.13 |

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## Benchmark Comparisons Used In This Report

The primary index comparison for your portfolio and each of its asset classes is listed below.

**TOTAL PORTFOLIO BENCHMARK**

6/30/1991 - Present

100% S&P 500 Index

**EQUITY SEGMENT BENCHMARK**

3/31/2001 - Present

100% S&P 500 Index

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UBS Financial Services Inc.
www.ubs.com/financialservicesinc
050707-1138

UBS Financial Services Inc. is a subsidiary of UBS AG.

**TO:** Members of Troy Employee Retirement System Board of Trustees
**FROM:** Lori Grigg Bluhm, City Attorney
**DATE:** February 6, 2013
**SUBJECT:** Troy Police Officers Association v. City of Troy and Troy Employees Retirement System Board of Trustees

---

Enclosed please find a copy of the lawsuit that was filed on January 9, 2013 by the Troy Police Officers Association (TPOA) against the City of Troy and the Troy Employees Retirement System Board of Trustees. This is a lawsuit seeking injunctive relief, and not necessarily damages. Specifically, TPOA is seeking an order that would prevent the Troy Employees Retirement System Board of Trustees from considering the disability retirement request filed by the Police Chief on behalf of former Troy police officer Todd Michael, who has been on leave without pay status since January 2010. The initial hearing in this case was scheduled for January 16, 2013, so our office has already responded to the lawsuit on behalf of both the Retirement System Board of Trustees and also the City.

Prior to the hearing date, the attorneys explored the possibility of a global facilitation that could potentially resolve all cases involving Todd Michael. Based on that possibility, the Court entered an order essentially staying the proceedings for 90 days or until further order of the Court.

The parties have all agreed to facilitation, which is scheduled to occur on February 19 and February 20, 2013.

Please let me know if you have any questions concerning this matter.

**STATE OF MICHIGAN**

**IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND**

TROY POLICE OFFICERS
ASSOCIATION (TPOA),

PLAINTIFF,

Case No 2013- 131524 CL

v.

Hon:

CITY OF TROY and the
CITY OF TROY RETIREMENT BOARD,

DEFENDANTS.

_____/

M. Catherine Farrell (P35248)
Attorney for Plaintiffs
Pierce, Farrell, Tafelski & Wells, PLC
2525 S. Telegraph Ste 100
Bloomfield Hills, Mi 48302
248 852 1365
Catherine@farrellesq.com

_____/

**NOTICE OF HEARING TO SHOW CAUSE**

Now comes the Plaintiff, the Troy Police Officers Association (TPOA) by and through its counsel, Pierce, Farrell, Tafelski & Wells, PLC and gives Notice of a **Hearing** to show cause why a preliminary injunction should not be issued as requested by the Plaintiff, scheduled for January 16, 2013 at 8:30 am before the Honorable _____ at the Oakland County
MARTHA D. ANDERSON

Circuit Court located at 1200 North Telegraph Road, Pontiac, MI 48341- 0404.

Pierce, Farrell, Tafelski & Wells PLC

Dated: January 8, 2012

By: /s/ M. Catherine Farrell

M. Catherine Farrell (P35248)
Attorneys for the Plaintiff Troy
Police Officers Association
2525 S. Telegraph Rd Ste 100
Bloomfield Hills, MI 48302
248 852-1365
Catherine@farrellesq.com

# JUDGE MARTHA D. ANDERSON
# OAKLAND COUNTY 6TH CIRCUIT COURT

## FACSIMILE TRANSMITTAL SHEET

| | |
|---|---|
| TO: Catherine Farrell | FROM: SHERYL – JUDICIAL CLERK |
| COMPANY: | DATE: 1/9/2013 |
| FAX NUMBER: 248 852 5161 | TOTAL NO. OF PAGES INCLUDING COVER: 5 |
| PHONE NUMBER: | SENDER'S TELEPHONE NUMBER: 248 858 7954 |
| RE: 2013-131524-CL Troy Police Officers Assoc v. City of Troy | SENDER'S FAX NUMBER: 248 858 7992 |

URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

PLEASE FIND ATTACHED A TRUE COPY OF THE TRO AND THE NOTICE OF HEARING BOTH FILED BY THE COURT. PLEASE NOTE THE DATE AND TIME ON THE NOTICE OF HEARING AS JANUARY 16, 2013 @ 8:30AM. PLEASE FILE A PRAECIPE FOR THAT DATE AND TIME.

THANK YOU.

1200 N. TELEGRAPH RD. PONTIAC, MI 48341
248-858 7954

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

TROY POLICE OFFICERS
ASSOCIATION (TPOA),

PLAINTIFF,

Case No 2013- CL

v.

Hon:

CITY OF TROY and the
CITY OF TROY RETIREMENT BOARD,

DEFENDANTS.
_____/

M. Catherine Farrell (P35248)
Attorney for Plaintiffs
Pierce, Farrell, Tafelski & Wells P.L.C.
2525 S. Telegraph Ste 100
Bloomfield Hills, Mi 48302
248 852 1365
Catherine@farrellesq.com
_____/

**VERIFIED COMPLAINT**

Now comes the Plaintiff, the Troy Police Officers Association, TPOA, by and through its counsel, Pierce, Farrell, Tafelski & Wells, PLC and for its **Verified Complaint** state as follows:

**PARTIES**

1. The Plaintiff is the exclusive collective bargaining agent for all uniform police office below the rank of sergeant employed by the Defendant City of Troy.

2. The City of Troy is a public employer and is a party to a collective bargaining agreement with the Plaintiff, the Troy Police Officers Association.

3. The City of Troy Employee Retirement Board is an authorized board of the City of Troy and is the independent Board which hears and processes retirement requests from employees employed by the City of Troy.

## JURISDICTION

4. Chapter 10 of the City Code sets forth in detail the rights duties and obligations of the Retirement Board and the employees employed by the City of Troy. A copy of Chapter 10 of the Troy City Code is attached thereto as Exhibit 1.

5. The City of Troy and the City of Troy Retirement Board are located in Oakland County.

6. Michigan Court Rules 3.310(B) provides jurisdiction to this court to issue a temporary restraining order "if immediate and irreparable injury, loss or damage will result to the applicant from the delay required to effect notice…"

## FACTS

7. On March 30, 2012, Plaintiff filed a lawsuit seeking among other things an Order of Mandamus directing/ordering the City of Troy and the City of Troy Pubic Act 78 Civil Service Commission to hear the case of police officer Todd Michael, a member of the TPOA.

8. The right to an Act 78 Commission is a step in the TPOA grievance procedure which is embodied in the collective bargaining agreement.

9. Based upon a communication from the Defendant City of Troy HR Director the Act 78 Commission refused to hear the case of Officer Todd Michael.

10. Upon invitation of the Act 78 Commission, on or about January 19, 2012, that it would hear the case if ordered to do so by a court of competent jurisdiction, the Plaintiff filed a lawsuit seeking an order from a court of competent jurisdiction to order the Act 78 Commission to hear the case.

11. On or about December 5, 2012, the Honorable Martha D. Anderson heard the case and issued a bench decision ordering the Act 78 Commission to hear the case of Officer Todd Michael.

12. On or about December 27, 2012, the City of Troy appealed the decision of the court which ordered the Act 78 Commission to hear the case regarding Officer Todd Michael. The appeal number in the Court of Appeals is 314013.

13. By a memorandum dated January 2, 2013, the Chief of Police, Gary Mayer unilaterally made a request of the City of Troy Retirement Board to hear his request for the forced retirement of Officer Todd Michael. Attached hereto as Exhibit 2 is a copy of the January 2, 2013 Memorandum, and partially completed retirement request.

14. Chief of Police Gary Mayer is a named Defendant in the Federal litigation involving Officer Todd Michael.

15. The forced retirement is an attempt to avoid and subvert the order of this court for the Act 78 Commission to hear the matter involving Officer Todd Michael. The TPOA and Officer Todd Michael, as an employee and as a member of the TPOA bargaining unit,

will be irreparably damaged by the unilateral effort to force Officer Todd Michael into a forced retirement.

16. Once officer Michael is forced into retirement he will no longer be a member of the TPOA; he will not be entitled to be represented by the TPOA in matters pertaining to his employment; he will no longer be subject to the terms and conditions of the existing collective bargaining agreement, and he will no longer be entitled to a hearing as a retired officer before the Act 78 Civil Service Commission.

**WHEREFORE** the Plaintiff, as the exclusive collective bargaining agent for uniform police officers below the rank of sergeant, respectively requests the court issue a ex parte temporary restraining order, restraining the Defendant City of Troy and the City of Troy Retirement Board from processing any request by chief of police Gary Mayer to effectuate the involuntary retirement of Officer Todd Michael until there is a full and complete hearing on the merits of the Act 78 Commission case and an order to show cause why a preliminary injunction should not issue.

I affirm that the facts as set forth above are true to the best of my knowledge, information and belief.

Michael Geise, President of the TPOA

Respectfully submitted,

Pierce, Farrell, Tafelski & Wells, PLC

Dated: January 8, 2012

By: /s/ M. Catherine Farrell

M. Catherine Farrell (P35248)
Attorneys for the Plaintiff Troy
Police Officers Association
2525 S. Telegraph Rd Ste 100
Bloomfield Hills, MI 48302
248 852-1365
Catherine@farrellesq.com

# EXHIBIT 1

1. Definitions. The following words, terms and phrases, when used in this chapter, shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning:

A) Accumulated contributions means the sum of all amounts deducted from the compensation of a member and credited to his individual account in the member's deposit fund, together with regular interest thereon.

B) Beneficiary means any person, except a retirant, who is in receipt of, or who has entitlement to, a pension or other benefit, payable from the funds of the retirement system.

C) Board of trustees or board means the board of trustees provided for in this chapter.

D) Compensation means the salary or wages paid an employee for personal services rendered by him to the city. The term shall not include allowances for clothing, equipment, travel and similar items, nor shall it include the payment of sick or vacation leave that is made because of termination or retirement.

E) Council means the legislative body of the City of Troy.

F) Credited service means the total of a member's service, to the extent such service is credited to him by the board of trustees.

(Rev. 07-26-1993)

G) Employee means any person in the employ of the city.

H) Final average compensation means the average of the annual compensation paid a member during the three (3) highest calendar years of his service contained within the last ten (10) calendar years, immediately preceding termination of his last employment with the City.

(Rev. 11-06-2000)

I) Member means any employee who is included in the membership of the retirement system.

J) Pension means an annual amount payable by the retirement system throughout the future life of a person or for a temporary period as provided in this chapter. All pensions shall be paid in equal monthly installments.

K) Pension reserve means the present value of all payments to be made on account of any pension, computed on the basis of such mortality and other

tables of experience, and regular interest, as the board of trustees shall from time to time adopt.

L) Regular interest means such rate of interest per annum, compounded annually, as the board of trustees shall from time to time adopt.

M) Retirant means any member who retires with a pension payable from funds of the retirement system.

N) Retirement means a member's withdrawal from the employ of the city with a pension payable from the funds of the retirement system.

O) Retirement system or system means the city employees retirement system created and established by this chapter.

P) Service means personal service rendered to the city by an employee of the city.

(Rev. 02-11-1991)

2. Board of Trustees. The Board of Trustees is vested with the power and authority to administer, manage and operate the retirement system, and to construe and make effective the provisions of this Chapter. The Board shall consist of eight trustees as follows:

(Rev. 03-01-2004)

A) The City Manager, by virtue of his position.

B) The Assistant City Manager/Finance & Administration, by virtue of his position.

(Rev. 11-06-2000)

C) A member of Council selected by the Council.

(Rev. 02-28-1994)

D) A citizen, who is an elector of the City, and who is not a member, retirant or beneficiary of the retirement system, and who is not a member of the Council, to be appointed by the Council.

(Rev. 09-11-1978)

E) Three members of the retirement system to be elected by the members of the system in accordance with such rules and regulations as the Board shall

from time to time adopt to govern such elections.

F) A retiree member in the Defined Benefit plan, who shall be appointed by the City Council, and shall serve as a non-voting member.

G) Of the five employee members, two must be in the Defined Benefit plan. A minimum of two of the five member trustees, as set forth in paragraphs A, B or E, must be a member of the Defined Benefit plan.

(Rev. 03-01-2004)

3. Terms of Office. The regular term of office for the appointed citizen, the 3 member trustees, and the Council trustee, shall be 3 years.

(Rev. 02-28-1994)

Vacancy of Board.

3.4 If a member trustee leaves the employ of the City he shall be considered to have resigned from the Board and the vacancy shall be filled for the unexpired portion of the term.

(Rev. 02-11-1991)

Board Quorum, Vote, Meetings, Proceedings.

3.5 Four trustees shall constitute a quorum at any meeting of the Board of Trustees. Each trustee shall be entitled to one vote on each question before the Board and at least four concurring votes shall be required for a decision by the Board. The Board shall hold meetings regularly, at least one in each quarter year, and shall designate the time and place thereof. The Board shall adopt its own rules of procedure.

(Rev. 02-11-1991)

Board Chairman, Retirement System Officers, Employees.

3.6 The Board of Trustees is vested with the power and authority to administer, manage and operate the retirement system, and to construe and make effective the provisions of this Chapter. The Board shall consist of eight trustees as follows:

A) The Board of Trustees shall designate from its own number a Chairman and a Vice-Chairman.

B) The City Treasurer shall be the Treasurer of the Retirement System.

C) The City Manager or his/her designee shall be the Administrative Officer and serve as secretary of the Retirement System and he/she shall be the custodian of its money and investments.

(Rev. 07-25-2011)

D) The City Attorney shall be the Legal Advisor to the Board of Trustees.

E) The Board of Trustees shall designate an actuary who shall be the Technical Advisor to the Board and who shall perform such other duties as are required of him under this Chapter.

F) The Board of Trustees may employ such other services as are approved by the City Manager and authorized by the Council.
(Rev. 06-07-1999)

Records, Annual Reports.

3.7 The Administrative Officer shall keep, or cause to be kept, such data as shall be necessary for an actuarial valuation of the Retirement System.

(Rev. 09-23-1974)

Experience Tables, Regular Interest, Adoption Of.

3.8 The Board of Trustees shall from time to time adopt such mortality and other Tables of Experience, and a rate of regular interest, as are required in the proper operation of the Retirement System; provided that no such rate of regular interest shall exceed seven percent per annum, compounded annually.

(Rev. 02-04-1980)

4. Membership. The membership of the Retirement System shall include only those persons who are classified as full time on the records of the Human Resources Department of the City, and shall specifically exclude but not be limited to the following: (1) any employee who is employed by the City in a position normally requiring less than 1,000 hours of work per annum, (2) any person whose services are compensated on a contractual or fee basis, (3) volunteer firefighters as such, (4) elected officials of the City, and (5) employees classified as part time, seasonal or temporary, on the records of the Human Resources Department of the City regardless of the number of hours actually worked by the employee in any calendar year.

In any case of doubt as to the membership status of any employee, the Board shall decide the question.

(Rev. 01-22-2001)

Termination of Membership.

4.2 Should any member cease to be employed in a position covered by the Retirement System he shall thereupon cease to be a member and his credited service at that time shall be forfeited, unless otherwise provided in this Chapter. If he is re-employed by the City in a position covered by the system he shall again become a member. Should his re-employment occur within a period of 5 years from the date he last ceased to be a member, his credited service last forfeited by him shall be restored to his credit, provided he immediately returns to the Members Deposit Fund the amount, if any, he withdrew therefrom, together with regular interest thereon from the date of withdrawal to the date of repayment. Upon a member's retirement, he shall cease to be a member of the system.

(Rev. 02-11-1991)

Service Credit.

4.3 The Board shall fix and determine by appropriate rules and regulations the amount of service to be credited any member; provided, that in no case shall less than 10 days of service rendered by him in any calendar month be credited as a month of service, nor shall less than 10 months of service rendered by him in any calendar year be credited as a year of service, nor shall more than 1 year of service be credited any member for all service rendered by him in any calendar year.

(Rev. 08-07-1967)

4.4 Military Service Credit. If an employee of the City, who while employed by the City, enters the Armed Forces of the United States during any period of compulsory military service, such armed service shall be credited him as City service; provided, that (1) he re-enters the employ of the City, in a position covered by this retirement system, within 6 months from and after termination of such armed service actually required of him, and (2) he pays into the Members Deposit Fund the amount, if any, he may have withdrawn therefrom, together with regular interest from the date of withdrawal to the date of repayment, and (3) in no case shall any member be credited with more than 5 years of service for all such armed service rendered by him. In any case of doubt as to the period to be so credited any member, the Board of Trustees shall have final power to determine such period.

(Rev. 02-11-1991)

4.5 Additional Service Credits. Any person (having been first employed by the City prior to January 22, 2001) who is in the active employ of the City as of the date of enactment of this provision, and who currently is or has previously been excluded from membership in the Retirement System pursuant to the provisions

of Section 4(1) (solely due to being employed by the City in a "part time" position normally requiring less than 1,000 hours of work per annum), shall be subject to the following additional provisions:

A) Any such employee who as of the date of enactment of this provision has completed five (5) or more consecutive years of service in such part time position, shall immediately be eligible to become a member of the Retirement System and receive credit for such service; provided that during each such year he or she performed services in at least 10 months and completed at least 1,000 hours of work, and that such consecutive period of service is continuing as of the date of enactment of this provision.

B) Any such employee who after the date of enactment of this provision (and prior to January 21, 2006), completes a minimum of five (5) consecutive years of service in such part time position, shall be eligible to become a member of the Retirement System and receive credit for such service, effective as of their completion of such period of service; provided that during each such year he or she performed services in at least 10 months and completed at least 1,000 hours of work.

C) Any such employee who currently is or otherwise becomes a member of the Retirement System pursuant to Section 4 (due to a change in job classification), and who previously was excluded from membership as a part time employee, shall be eligible to receive credit for years of service completed in such part time position, effective as of the later of the enactment of this provision or their otherwise becoming a member; provided that only the consecutive period of service (during each year of which he or she performed services in at least 10 months and completed at least 1,000 hours of work) that commenced prior to January 22, 2001, and that was continuing at the date they became a member shall be so credited.

D) An employee referred to in (A) or (B) above, shall continue to be a member and receive credit for service only for such period as he or she continues to perform services in at least 10 months complete at least 1,000 hours of work in any year. An employee referred to in (C) above, shall continue to be a member and receive credit for service only for such period that he or she continues to be employed in a position that otherwise qualifies them for membership pursuant to the provisions of Section 4. All such employees shall be subject to the break-in-service provisions of Section 4.2, and the vesting requirements of Sections 6 and 57. In no event shall any year of service be counted more than once pursuant to these provisions.

E) If the first period for which an employee receives service credit hereunder

occurs prior to January 1, 1998, such credited service shall be applied towards determining the amount of pension under Section 6.1 to which the employee may become entitled upon retirement; provided that the value of such pension may be transferred to the Defined Contribution Plan in accordance with such procedures as the Board may determine. If the first period for which an employee receives service credit hereunder occurs on or after such date, the Board shall determine (and the City shall contribute) those amounts that would otherwise have been required to be contributed on such employee's behalf under Section 55 with respect to such years.

F) Notwithstanding any provision in this Chapter to the contrary, for purposes of calculating the amount of benefit (under Section 6.1) or contribution (under Section 55) to which a member is entitled with respect to each year of credited service referred to in (A), (B), (C) and (D) above, the benefit or contribution otherwise due pursuant to this Chapter shall be prorated for each such year based on the actual number of hours worked during such year, as determined from the following schedule:

| Hours Worked | Years of Service Credit |
|---|---|
| 1,000 to 1,499 | 50% |
| 1,500 to 1,999 | 75% |
| 2,000 and over | 100% |

G) In order to become a member and/or receive service credits in accordance with this provision, an eligible employee must elect (within six (6) months of the date of enactment of this provision) to purchase such service credits, by agreeing in writing to contribute to the Retirement System those amounts that would otherwise have been required to be contributed by the employee under Section 9.1 or Section 55 with respect to such years, along with such interest as the actuary and/or Board shall determine is appropriate. Such amounts shall be deducted from payroll in accordance with such procedures as the Board may determine, provided that all amounts due shall be contributed into the Retirement System no later than the time the employee terminates his employment with the City. Failure to contribute such amounts in a timely manner will result in forfeiture of such service credits.

(Rev. 01-14-2002)

4.6 Prior Governmental Retirement Service. A member of the Employees Retirement System may be eligible for prior governmental retirement service credit if all of the following requirements are satisfied:

A) The member must be still actively employed by the City of Troy.

B) The member must have a minimum of 60 months of credited service acquired as a member of the Troy Employees Retirement System.

C) The member must have attained the age requirements for the Troy Employees Retirement System.

D) The member must have previously acquired credited service as a member of another official governmental retirement system. If all of the above requirements are satisfied, then a member who has not yet met the service requirements for the Troy Employees Retirement System shall be entitled to use his or her credited service from another official governmental retirement system for eligibility purposes only.

(Rev. 10-07-2002)

5. Voluntary Retirement. Any member, who has attained age 55 years and has 10 or more years of credited service in force, may retire upon his written application filed with the Board of Trustees setting forth at what time, not less than 30 days nor more than 90 days subsequent to the execution and filing thereof, he desires to be retired.

5.1 Normal Retirement. Normal Retirement age is 65 years. If a member who is separated from City employment on or after his attainment of age 65 years has 10 or more years of credited service in force, he shall be retired.

(Rev. 11-07-1988)

6. Deferred Retirement. In the event a member who has 10 or more years of credited service leaves the employ of the City before he is eligible to retire, he shall be entitled to a pension computed according to the provisions of this chapter in force at the time of said member's separation from City employment; provided, that he does not withdraw his accumulated contributions from the Members Deposit Fund. His said pension shall begin the first day of the calendar month next following the month in which he files his application for same with the Board of trustees on or after his attainment of age 60 years.

(Rev. 04-20-1992)

6.1(A) Straight Life Pension. Upon a member's retirement, as provided in this Chapter, if he has less than 27 years service, he shall receive a straight life pension equal to a percent of an amount computed by multiplying the number of years, and fraction of a year, of his credited service by 2.25 percent of his final average compensation listed below. Such percent shall be equal to 70 percent increased by 1/2 of 1 percent for each full month by which the member's age at the time of retirement exceeds 55 years. Provided, in no event shall such percent exceed 100 percent,

and, provided that in case of disability retirement or death pension the percent shall be 100 percent. For Troy Command Officers Association (TCOA) and Troy Police Officers Association (TPOA) members, the percent of Final Average Compensation (FAC) will be 2.8% for the first 25 years and 1% per year thereafter, with a cap of 75% of final average compensation.

(Rev. 08-20-2007)

6.1(B) Age and Service Retirement. Upon a member's retirement, as provided in this Chapter, he shall receive a straight life pension equal to an amount computed by multiplying the number of years, and fraction of a year, of his credited service by 2.25%. For TCOA and TPOA members, the percent of Final Average Compensation (FAC) will be 2.8% for the first 25 years and 1% per year thereafter with a cap of 75% of final average compensation.

(Rev. 08-20-2007)

6.1(C) A member who has 27 or more years service may retire on or after his attainment of age 50. TPOA and TCOA, and Troy Fire Staff Officers Association (TFSOA) members retiring after July 1, 1998 may retire as an age and service retirement after the attainment of 25 years of service. Classified and Exempt and Michigan Association of Police (MAP) members may retire as an age and service retirement after the attainment of age 55 and 25 years of service.

(Rev 08-20-2007)

6.1(D) Supplemental Retirement. All members excluding TPOA and TCOA shall receive an additional pension from age 50 to age 62 to equal the amount it would have been if the percentages in the formulas in subsections A or B above were .25% greater.

(Rev. 03-01-2004)

6.2 Terminal Payments. If a retirant dies before he has received in straight life pension payments an aggregate amount equal to his accumulated contributions standing to his credit in the members deposit fund at the time of his retirement, the difference between his accumulated contributions and the aggregate amount of straight life pension payments received by him shall be paid to such person as he shall have nominated by written designation duly executed and filed with the board. If there be no such designated person surviving the retirant, the difference, if any, shall be paid to his estate.

(Rev. 02-11-1991)

Pension Options.

6.3 Prior to the receipt of his first retirement payment, but not thereafter, a member may elect to receive his pension as a straight life pension payable throughout his life; or, he may elect to receive the actuarial equivalent, at that time, of his straight life pension in a reduced pension payable throughout his life, and nominate a beneficiary, in accordance with the provisions of Option A thru D as set forth below:

Option A. Joint and Survivor Pension: Upon the death of a retirant who elected Option A, his reduced pension shall be continued throughout the life and paid to such person, having an insurable interest in his life, as he shall have nominated by written designation duly executed and filed with the Board of Trustees.

Option B. Modified Joint and Survivor Pension: Upon the death of a retirant, who elected Option B, one-half of his reduced pension shall be continued throughout the life of and paid to such person, having an insurable interest in his life, as he shall have nominated by written designation duly executed and filed with the Board of Trustees.

Option C. Joint and Survivor Pension (pop-up A): Upon the death of a retirant who elected Option C, his reduced pension shall be continued throughout the life and paid to such person, having an insurable interest in his life, as he shall have nominated by written designation duly executed and filed with the Board of Trustees. If the selected beneficiary predeceases the retirant, the pension shall revert to a straight-life pension payable throughout the remainder of his life.

Option D. Modified Joint and Survivor Pension (pop-up B): Upon the death of a retirant who elected Option D, one-half of his reduced pension shall be continued throughout the life of and paid to such person, having an insurable interest in his life, as he shall have nominated by written designation duly executed and filed with the Board of Trustees. If the selected beneficiary predeceases the retirant, the pension shall revert to a straight-life pension payable throughout the remainder of his life.

(Rev. 11-02-1987)

7.1A Upon the application of an Exempt, Classified, or Michigan Association of Police (MAP) member, or his department head, who is below age 60 or who does not otherwise qualify for retirement, who (1) is in the employ of the City, (2) has 10 or more years of credited service [for American Federation of State, County, and Municipal Employees (AFSCME) employees hired after 2/12/96, or Michigan Association of Police (MAP) members who have 5 or more years of credited services as of 8/7/1995)], (3) becomes totally and permanently incapacitated for full time work, by reason of a personal injury or disease, and is in receipt of disability benefits from Social Security, or has received a favorable determination letter with a current effective date for the commencement of disability benefits under Social Security, may be retired by the Board of Trustees; provided, that after a medical examination of the member made by or under the direction of a Medical

Committee consisting of 2 physicians, 1 of whom shall be named by the Board, and 1 by the member, the said Medical Committee reports to the Board, in writing,(1) that the member is mentally or physically totally incapacitated for full time work, (2) that his incapacity will probably be permanent, and (3) that the member should be retired. In the event that the 2 physicians constituting the Medical Committee do not agree in their findings, then the Board may, in its discretion, appoint a third physician to examine the member and based upon the report, in writing, of the third physician, the Board may retire the member.

The 10 years credited service requirement contained in this section shall be waived in the case of a member whom the Board finds (1) to be totally and permanently incapacitated for full time work as a natural and proximate result of a personal injury or disease arising out of and in the course of his actual performance of duty in the employ of the City and (2) to be in receipt of workmen's compensation on account of his disability arising out of and in the course of his City employment.

(Rev. 03-01-2004)

7.1B Upon the application of an American Federation of State, County, and Municipal Employees (AFSCME), Troy Police Officers Association (TPOA), or Troy Command Officers Association (TCOA) member, or his department head, who is below age 60 or who does not otherwise qualify for retirement, who (1) is in the employ of the City, (2) has 5 or more years of credited service, and (3) becomes totally and permanently incapacitated for duty in the employ of the City, by reason of a personal injury or disease, may be retired by the Board of Trustees; provided, that after a medical examination of the member made by or under the direction of a Medical Committee consisting of 2 physicians, 1 of whom shall be named by the Board, and 1 by the member, the said Medical Committee reports to the Board, in writing, (1) that the member is mentally or physically totally incapacitated for duty in the employ of the City, (2) that his incapacity will probably be permanent, and (3) that the member should be retired. In the event that the 2 physicians constituting the Medical Committee do not agrees in their findings, then the Board may, in its discretion, appoint a third physician to examine the member and based upon the report, in writing, of the third physician, the Board may retire the member. The 5 years credited service requirement contained in this section shall be waived in the case of a member whom the Board finds (1) to be totally and permanently incapacitated for duty in the employ of the City as a natural and proximate result of a personal injury or disease arising out of and in the course of his actual performance of duty in the employ of the City and (2) to be in receipt of workmen's compensation on account of his disability arising out of and in the course of his City employment.

(Rev. 03-01-2004)

7.2 <u>Disability Pension</u>

A) Upon retirement of a member on account of disability, as provided in this Chapter, he shall receive a pension computed in accordance with the provisions of this Chapter; provided, that his straight life disability pension shall not be less than the amount it would be if he had 10 years of credited service.

B) Troy Police Officers Association (TPOA) Duty Disability. Upon the retirement of a member of the Troy Police Officers Association (TPOA) on account of disability, as provided in this Chapter, he shall receive a pension of not less than two-thirds of his final average compensation during the period he is in receipt of workmen's compensation on account of his disability arising out of and in the course of his City employment.

(Rev. 03-01-2004)

Re-examination of Disability Retirant

7.4 At least once each year during the first 5 years following a member's retirement on account of disability, and at least once in every 3 year period thereafter, the Board of Trustees may, and upon the retirant's application shall, require any disability retirant who has not attained age 55 years undergo a medical examination to be made by or under the direction of a physician designated by the Board. If the said retirant refuses to submit to such medical examination in any such period, his disability pension may be suspended by the Board until his withdrawal of such refusal. Should such refusal continue for 1 year all his rights in and to a disability pension may be revoked by the Board. If upon such medical examination of said retirant, the said physician reports to the Board that the said retirant is physically able and capable of resuming employment with the City he shall be returned to City employment and his disability pension shall terminate; provided, that the report of the said physician is concurred in by the Board. In returning the said retirant to City employment reasonable latitude shall be allowed the City in placing him in a position commensurate with his type of work and compensation at the time of his retirement.

(Rev. 05-10-1965)

7.5 A disability retirant who is returned to City employment shall again become a member of the retirement system. His credited service at the time of his retirement shall be restored to full force and effect. He shall be given service credit for the period he was in receipt of workmen's compensation on account of his disability arising out of and in the course of his City employment; otherwise he shall not be given service credit for such period.

(Rev. 08-07-1967)

7.6 If a disability retirant, who has not attained age 55 years become engaged in gainful occupation, business, or employment paying him more than the difference

between his annual rate of compensation at the time of his retirement and his disability pension, his pension shall be reduced to an amount which together with the amount so earned by him shall equal but not exceed his annual rate of compensation. Should the retirant's earnings change, the reduction of his pension shall be adjusted accordingly.

(Rev. 02-11-1991)

8. Duty Death Pension. If a member dies as the result of personal injury or disease arising solely and exclusively out of and in the course of his employment with the City, and such death, or injury or disease resulting in such death, be found by the Board of Trustees to have been the result of his actual performance of duty in the employ of the City, the benefits provided in this section shall be paid, subject to the condition that workmen's compensation becomes payable on account of the death of the member.

A) His widow shall receive a pension computed as if the member had (1) retired the day preceding the date of his death, notwithstanding that he might not have been otherwise eligible to retire, (2) elected Option A and (3) nominated his widow as beneficiary; provided, that the pension shall not be less than 25 percent of the member's final average compensation. For Troy Command Officers Association (TCOA) and Troy Police Officers Association (TPOA), and Troy Command Officers Association (TCOA), and Troy Fire Staff Officers Association (TFSOA) members retiring after July 1, 1998, the percent will be 50 instead of 25.

(Rev. 03-01-2004)

B) If there be no widow, or if the widow's pension shall cease, for any reason, the member's dependent children shall share equally in a pension equal to 25 percent of the member's final average compensation. Each child's pension shall terminate when the child has died, married, or attained age 18 years.

C) As used in this section, the term "Widow" means any person to whom the member was married at the time his employment with the City is terminated.

8.1 Non-Duty Death Pension. If any member who has 10 or more years of credited service and dies while in the employ of the City, his or her spouse shall receive a pension computed in the same manner in all respects as if the member had (1) retired the day preceding the date of death, notwithstanding that the member might not have been otherwise eligible to retire, (2) elected Option A, and (3) nominated the member's spouse as beneficiary.

(Rev. 01-23-1995)

9. Members Deposit Fund. The Members Deposit Fund shall be the fund in which shall be accumulated, at regular interest, the contributions of members, and from which shall be made refunds and transfers of accumulated contributions, as provided in this Chapter.

(Rev. 08-07-1967)

9.1 Members Contributions. A members contribution to the retirement system shall be based on the following percent of compensation: MAP 1.50; TPOA; 4.00, TCOA 4.00; Classified and Exempt 1.50; American Federation of State, County, and Municipal Employees (AFSCME) 1.50; and TFSOA 3.00.

(Rev. 08-20-2007)

9.2 Payroll deductions. The contributions provided for in this Chapter shall be deducted from the compensations of each member on each and every payroll, for each and every payroll period, from the date of his entrance in the retirement system to the date his City employment terminates. Each member shall be deemed to consent and agree to the deductions made and provided for herein. Payment of his compensation less said deduction shall be a full and complete discharge and acquittance of all claims and demands whatsoever for the service rendered by him during the period covered by such payment, except as to benefits provided by this Chapter. When deducted, each of said contributions shall be credited to the member's individual account in the Members Deposit Fund.

(Rev. 04-20-1992)

9.5 Contributions Transferred. Upon a member's retirement, his accumulated contributions standing to his credit in the Members Deposit Fund shall be transferred to the Retirement Reserve Fund. Except as otherwise provided in this Chapter, at the expiration of a period of years from and after the date a member ceases to be an employee of the City, any balance standing to his credit in the Members Deposit Fund, unclaimed by the member or his legal representative, shall be transferred to the Income Fund.

(Rev. 02-11-1991)

Refund of Member's Contributions.

9.6 Should any member cease to be employed by the City and not be entitled to a pension payable from funds of the Retirement System, he shall be paid the balance standing to his credit in the Members Deposit Fund, provided he files his written request for same.

(Rev. 04-20-1992)

9.7 Upon the death of a member, if no pension becomes payable on account of his City employment, the balance standing to his credit in the Members Deposit Fund at the time of his death shall be paid to such person or persons as he shall have nominated by written designation duly executed and filed with the Board of Trustees. If no designated person or persons survives the member, his accumulated contributions shall be paid to his estate.

(Rev. 02-11-1991)

Pension Reserve Fund

10.1 The Pension Reserve Fund is hereby created. It shall be the fund in which shall be accumulated the contributions made by the City to the retirement system and from which shall be made transfers of pensions reserves, as provided in this section. (Rev. 11-23-1964)

10.2 Upon the basis of such mortality and other tables of experience, and regular interest, as the Board of Trustees shall from time to time adopt, the actuary shall annually compute the pension reserves or service rendered and to be rendered by members, and the pension reserves for pensions being paid retirants and beneficiaries. The pension reserve liabilities so determined shall be financed by annual City contributions to be appropriated by the Council; said contributions:

A) for member's current service shall be a percent of their annual compensations which will produce an amount which if paid annually by the City during their future service will be sufficient, at the time of their retirement, to provide the pension reserves, not financed by members' future contributions, for the portions of the pensions to be paid them based upon their future service; and

B) for members' accrued service shall be a percent of their annual compensations which will produce an amount which if paid annually by the City over a period of years, to be determined by the Council, will amortize, at regular interest, the unfunded pension reserves for the accrued service portions of the pensions to which they may be entitled upon retirement; and

C) for pensions being paid retirants and beneficiaries shall be a percent of the annual compensations of members which will produce an amount which if paid annually by the City over a period of years, to be determined by the Council, will amortize, at regular interest, the unfunded pension reserves for pensions being paid retirants and beneficiaries.

(Rev. 11-2-1987)

10.3 In the event the amount appropriated in the budget in any fiscal year is insufficient to pay in full the amounts due in said year to all retirants and beneficiaries of the

retirement system, the amount of such insufficiency shall thereupon be provided by the City.

(Rev. 11-23-1964)

10.4 Upon the retirement of a member the difference between the pension reserve for the pension payable on his account and his accumulated contributions shall be transferred from the Pension Reserve Fund to the Retirement Reserve Fund.

10.5 Retirement Reserve Fund. The Retirement Reserve Fund shall be the fund from which shall be paid all pensions as provided in this Chapter. In the event a disability retirant returns to City employment, his pension reserve at that time shall be transferred from the Retirement Reserve Fund to the Members Deposit Fund and the Pension Reserve Fund in the same proportion as the pension reserve was originally transferred.

(Rev. 08-07-1967)

10.6 Income Fund. The Income Fund shall be the fund to which shall be credited all interest, dividends, and other income from investments of the retirement system; all transfers from the Members Deposit Fund by reason of lack of claimant; and all other moneys received by the retirement system, the disposition of which is not specifically otherwise provided for in this Chapter. The Board of Trustees may accept gifts and bequests. There shall be transferred from the Income Fund all amounts required to credit regular interest to the Members Deposit Fund, Retirement Reserve Fund, and Pension Reserve Fund. Whenever the Board determines that the balance in the Income Fund is more than sufficient to cover the current charges to the Fund, the Board may, by resolution provide for contingency reserves.

(Rev. 11-02-1987)

11. Investment. The Board of Trustees shall be the trustees of the funds of the retirement system and shall have full power to invest and reinvest such funds as permitted by State Law.

Restricted Use of Funds.

11.3 All moneys and investments of the Retirement System shall be held for the exclusive purpose of meeting the disbursements for pensions and other payments authorized by this Chapter and shall be used for no other purpose whatsoever.

(Rev. 11-06-2000)

Assets Not Segregated.

11.4 The Members Deposit Fund, Pension Reserve Fund, Retirement Reserve Fund, Income Fund, and any other Funds created by the Board of Trustees shall be interpreted to refer to the accounting records of the Retirement System and not to the actual segregation of the assets of the System in the said Funds.

(Rev. 11-23-1964)

Allowance of Regular Interest.

11.5 The Board of Trustees shall, at the end of each fiscal year, allow and credit regular interest to the members' individual accounts in the Members Deposit Fund computed upon their individual balances at the beginning of such fiscal year; and to the mean balances for the year in the Pension Reserve Fund and the Retirement Reserve Fund. The amounts of interest so credited shall be charged to the Income Fund. In the event the balance in the Income Fund is not sufficient to cover the amounts of interest charged to it, the amount of such insufficiency shall be transferred from the Pension Reserve Fund to the Income Fund.

No Trustee Shall Gain From Investments.

11.6 Except as otherwise provided in this Chapter, no trustee and no employee of the City shall have any interest direct or indirect in the gains or profit arising from any investments made by the Board of Trustees. No person directly or indirectly , for himself or as an agent or partner of others, shall borrow any moneys or investments of the Retirement System, or in any manner use the same except to make current and necessary payments as are authorized by the Board. No such person shall become an endorser or surety or become in any manner an obligor for moneys loaned by or borrowed from the Board. Nothing contained herein shall be construed to impair the rights of any member, retirant, or beneficiary of the Retirement System to benefits provided by the system.

(Rev. 08-07-1967)

Method of Making Payments.

11.7 All payments from moneys of the Retirement System shall be made by the City Treasurer; all payments shall have been previously authorized by a specific or continuing resolution adopted by the Board.

(Rev. 09-23-1974)

Correction of Errors.

12.1 Should any change or error in the records of the City or the Retirement System result in any person receiving from the System more or less than he would have been entitled to receive had the records been correct, the Board of Trustees shall

correct such error as far as is practicable shall adjust the payment of the benefit in such manner that the actuarial equivalent of the benefit to which such person was correctly entitled shall be paid.

(Rev. 11-23-1964)

Subrogation.

12.2 In the event a person becomes entitled to a pension or other benefit payable by the Retirement System as the result of an accident or injury caused by the act of a third party, the City shall be subrogated to the rights of the said person against such third party to the extent of the benefits to which the City pays or becomes liable to pay.

Assignments Prohibited.

12.3 The right of a person to a pension, to the return of accumulated contributions, the pension itself, any pension option, and any other right accrued or accruing to any member, retirant or beneficiary, under the provisions of this Chapter, and all moneys belonging to the Retirement System, shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency law, or any other process of law whatsoever and shall be unassignable, except as is specifically provided in this Chapter; provided, that if a member is covered by a group insurance or repayment plan participated in by the City, and should be permitted to, and elect to, continue such coverage as a retirant, he may authorize the Board of Trustees to have deducted from his pension the payments required of him to continue coverage under such group insurance or prepayment plan and he may authorize the withholding of State and Federal taxes as provided by law; provided further, that the City shall have the right of setoff for any claim arising from embezzlement by or fraud of a member, retirant, or beneficiary.

(Rev. 10-01-1979)

Fraud Penalty.

51 Whoever with intent to deceive shall make any statement or report required under this Chapter which is untrue, or shall falsify or permit to be falsified any record or records of the Retirement System shall be subject to punishment as provided in Chapter 1.

(Rev. 02-11-1991)

52. Pension Suspended. Except as otherwise provided in this Chapter, in the event a retirant or beneficiary is employed or re-employed by the City in a position which requires membership, payment of his pension shall be suspended during the period of his employment or re-employment. Upon termination of such

employment or re-employment in a position which requires membership, his pension shall be re-computed, and he shall receive the new re-computed pension or his prior pension shall be resumed, whichever is the greater amount.

(Rev. 01-07-1985)

53. DEFINED CONTRIBUTION PLAN (DCP)

The Employees Retirement System Board of Trustees are vested with the power and authority to administer, manage and operate the Defined Contribution Plan, and to construe and make effective the provisions of this Chapter

(Rev. 11-06-2000)

54. The following groups of Employees are eligible to participate in the Plan:

Classified & Exempt, AFSCME, MAP, TCOA, TFSOA, and TPOA.

(Rev. 08-20-2007)

55. Contribution Provisions. – The City shall contribute as follows:

The City shall contribute on behalf of each Participant (a)% of earnings for the Plan Year. Each Participant is required to contribute (b)% of earnings for the Plan Year as a condition of participation in the Plan. A Participant shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

| | (a) – Employer | (b) – Employee |
|---|---|---|
| **Classified & Exempt:** | | |
| (Hired before 01/01/2004) | 12% | 4% |
| (Hired after 01/01/2004) | 11% | 4% |
| (Hired after 01/01/2005) | 10% | 4% |

(Rev. 08-20-2007)

| | | |
|---|---|---|
| **American Federation of State, County, and Municipal Employees (AFSCME):** | | |
| (Hired prior to 02/16/1998) | 12% | 4% |
| (Hired after 02/16/1998) | 11% | 5% |
| (Hired after 11/17/2003) | 10% | 5% |

(Rev. 02-02-2004)

| | | |
|---|---|---|
| **Michigan Association of Police (MAP):** | | |
| (Hired prior to 12/21/1998) | 12% | 4% |
| (Hired after 12/21/1998) | 11% | 5% |
| (Hired after 02/07/2005) | 10% | 5% |

(Rev. 08-20-2007)

| | | |
|---|---|---|
| **Troy Fire Staff Officers Association (TFSOA):** | | |
| (Hired prior to 07/01/1997) | 13% | 3% |
| (Hired after 07/01/1997) | 11% | 5% |
| (Hired after 07/01/2006) | 10% | 5% |
| (Rev. 08-20-2007) | | |
| **Troy Police Officers Association (TPOA):** | | |
| (Hired after0 2/15/2000) | 11% | 5% |
| (Hired after 10/17/2005) | 10% | 6% |
| (Rev. 08-20-2007) | | |
| **Troy Command Officers Association (TCOA):** | | |
| (Hired after 10/17/2005) | 12% | 4% |
| (Rev. 03-01-2004) | | |

56. Voluntary Contributions.

Each Participant may make voluntary (unmatched), after-tax contributions, subject to the limitations of Section 4.05 and Articles V and VI of the Plan.

(06-07-1999)

57. Vesting Provisions.

The City hereby specifies the following vesting schedule:

Each Participant who transfers from the Defined Benefit Plan shall be 100% percent vested.

For all other Participants the following vesting schedule will apply:

| Years of Completed Service | Percent Vested |
|---|---|
| Three | 50% |
| Four | 75% |
| Five | 100% |

(06-07-1999)

58. Loan Provisions.

Loans are not permitted under the Plan.

(06-07-1999)

59. Disability Pension.

Participants in the DCP shall also participate in a disability plan equivalent to the defined benefit disability plan as set forth in the retirement ordinance. The City's liability for the disability benefit shall be offset by (1) an amount which may be payable pursuant to the workers' compensation act, if applicable, and (2) by the lifetime annuity value of the employee's 401 (a) defined contribution retirement account, determined as of the effective date of the employee's disability-related separation from service.

Defined contributions shall include all contributions and income accumulated in the plan account whether derived by the contributions made by the employee or employer, including any amounts transferred into the plan. While the employee is receiving disability benefits or is receiving workers' compensation the City shall contribute the employer rate as contained in the ordinance of the disabled employee's taxable wage for deposit in the DCP for the employee's benefit.

(06-07-1999)

60. Non-Duty Death Provision.

Participants in the DCP shall also be covered in the event of death including non-duty death with a benefit equivalent to the defined benefit plan as set forth in the retirement ordinance. The City's liability for a death benefit shall be off-set by (1) an amount which may be payable pursuant to the workers' compensation act, if applicable, and (2) by the lifetime annuity value of the employee's 401 (a) defined contribution retirement account, determined as of the effective date of the employee's death.

(06-07-1999)

61. Voluntary Separation Incentive Program for Retirement.

In order to address significant budget short falls for the 2009 fiscal year, on November 10, 2008, the Troy City Council approved a limited Voluntary Separation Incentive Program for those employees eligible to retire as of December 31, 2008 and who retire between January 1, 2009 and February 28, 2009. For those employees who satisfactorily complete all requirements for the Voluntary Separation Incentive Program (City Council Resolution 2008-11-331), the definition of credited service, as found in Section 1 (F) is modified to allow for one week of additional credited service for each full year of the employee's service as of December 31, 2008, as well as a one time lump sum payment in the amount of one week of 2008 base salary for each full year of the employee's service as of December 31, 2008. This lump sum payment is not included in the employee's Final Average Compensation, as defined in Section 1 (H).

(01-26-2009)

# EXHIBIT 2

Copy - File
Capt Rasmous
TPOA Geise
Lori Blum - City Atty
P. Sears - HR

INTEGRITY * RESPECT * LAWS AND THE CONSTITUTION * ACCOUNTABILITY * PROBLEM SOLVING * PROFESSIONALISM

# MEMORANDUM

DATE: January 2, 2013

TO: City of Troy Retirement Board

FROM: Gary G. Mayer, Chief of Police

RE: Retirement Request for Todd Michael

Todd Michael was hired as a Police Office on February 23, 1987. On March 17, 2009 he was relieved of duty pending the outcome of an internal investigation. Mr. Michael received treatment for medical conditions in 2000, 2001, and also in 2009. Due to the serious and cerebral nature of this medical treatment, the City of Troy sent Mr. Michael for a neuropsychological examination to ensure fitness for duty before allowing him to serve as a police officer. This was done in accordance with the Troy Police Officers Association's Collective Bargaining Agreement. On December 7, 2009 Todd Michael was evaluated and the neuropsychologist determined that he was NOT medically fit for duty as a Police Officer. Following the CBA, Mr. Michael was sent for a second opinion. In an opinion issued on August 12, 2010 the second professional concurred with the opinion that Todd Michael was NOT psychologically fit for duty as a Police Officer.

Under Chapter 10, Section 7.1B, a department head is authorized to file an application on behalf of a TPOA member for a disability retirement, as long as the TPOA member is in the employ of the City; has at least 5 years of credited service, and is totally and permanently incapacitated for employment in the City of Troy because of disease/personal injury.

Todd Michael is in the Defined Contribution Plan.

I am respectfully requesting that the Retirement Board approve a "Disability Retirement" for Todd Michael.

City of Troy

# Retirement Request

Employee Number 02254

Name Todd Edward Michael

Birthdate 09-20-63 Sex (M) F

Social Security Number 370-86-7882

Address 108 Manchester ct Apt-2112

City Waterford

State/Province MI

Postal Code 48327-

Spouse Name

Spouse Birthdate - - Sex M F

Spouse Social Security Number - -

I hereby request retirement. My last day of work is planned for: - -

Signature

Date 1-2-2013

Approved

# Pensions Seek Flexibility in De-Risking Triggers

Article published on February 7, 2013
By Matt Gunn

Liability-driven investing (LDI) strategies have been a pervasive focus of discussion in the corporate defined benefit pension industry for a few years. Now, new survey data point to it becoming a focus of action.

More than two-thirds of corporate plan sponsors have implemented a de-risking glide path as part of a LDI strategy, according to a recent survey from Cutwater Asset Management. It's a sign that the rubber is hitting the road, as plan sponsors gradually work to immunize assets from risk as funded status improves. A January report from Deloitte corroborates that trend, indicating that as many as 95% of corporate chief financial officers have taken some steps to reduce retirement plan risk, with some form of an LDI approach – such as lowering equity exposure or reducing interest rate risk – being the most popular.

But de-risking isn't as simple as a CFO or corporate treasurer saying they plan to do it. It requires a disciplined approach and the willingness to commit to a time when those first steps toward de-risking take place, as well as a plan that allows for some flexibility as market conditions and funding status change.

"The challenge is making it robustly implementable," says **Andy Hunt**, managing director for LDI in the U.S. at BlackRock.

For many plan sponsors, LDI means the implementation of a "glide path," industry nomenclature adapted from the defined contribution side that usually means adopting a more conservative asset mix as the end goal nears. Typically a certain funding status threshold triggers the shift from traditional asset allocation to a de-risking glide path; plans have to be within striking distance of full funding to embark on LDI. "Not many people are doing much in their glide paths when their funded ratio is below 85%," Hunt says.

Funded status is the biggest key to glide path investing. It has also been a barrier to adoption of LDI because underfunded plans tend to rely on the market, as well as contributions, to narrow funding deficits before getting to the point where a glide path makes sense.

"This glide path strategy is related to the funded status because once the pension has enough money to pay out the benefits, there isn't much point to seek higher returns anymore," says **Evan Inglis**, a principal and chief actuary at Vanguard.

The ultimate goal for most pensions is to reach a funded status of 100% or above. A plan sponsor who plans on keeping its DB plan open might want to be in a range close to fully funded with an asset mix that allows for some risk. A frozen or closed pension aims to reach a little higher – around 105% if the plan sponsor intends to continue paying out benefits over time, or somewhere north of 110% if the idea is to purchase an annuity or offer a lump-sum payout. A glide path helps naturally ease risk exposure over time as the pension gradually shifts equity exposure to long-duration bonds.

“By the time you get to be well funded, you want to have a very low risk strategy exclusively on matching the liability,” Inglis says. “We always say a de-risking strategy should start with an end point. Getting wherever you are today to that closely matched portfolio of between 105% and 110% funded is some art and some science.”

In Cutwater’s survey of more than 100 pensions, about 52% have a glide path formally written into their investment policy statement. Further, about 21% of plan sponsors indicated they’ve adopted a glide path but don’t have it written into policy, while 16% of those who have not yet adopted a glide path strategy intend to do so in the future.

“We found that there was a strong correlation between planned terminations [through LDI] and plans that were closed or frozen,” says **Dave Wilson**, managing director for liability-driven investing at Cutwater. “These respondents were very serious about de-risking, very focused on end game and taking action toward those goals.”

That “action” is a somewhat relative term in such a gradual process as LDI. For those who have adopted glide paths it typically represents the trigger points at which a pension either begins implementation, or later down the road at which the plan sponsor shifts more assets to long duration bonds to better align with liabilities. The trigger points differ by plan. For example, with each X% rise in funded status, a plan might shift Y% from equities into bonds.

Once LDI has been implemented, plan sponsors prefer some flexibility within the glide path itself, according to Cutwater’s survey. Rather than have automatic trigger points that call for further rebalancing based strictly on a specific funded status, about 69% of plan sponsors prefer to have some flexibility in choosing when and how to adjust allocations. That means more customization in solutions. For example, rather than automatically increasing bond allocations with every 2% increase in funded status, investors prefer a range under which allocation shifts can be made.

The call for flexibility and customization also stands as a reminder that the move toward de-risking changes the playing field, as clients may come to rely more heavily on consultants and asset managers as they journey down the LDI glide path. Like the proverbial snowflake, no two pensions are alike.

“You used to be able to say there is a typical pension plan out there. There was perhaps a typical risk tolerance,” Hunt says. “Now it’s hard to say that, because pension plans are all over the map. Some of them have done very little to change – they are exactly where they were – and others have come a long way. In between, everybody is all at different points.”

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CIO WMR

# *Year Ahead*

**From the integrated UBS Chief Investment Office and Wealth Management Research organization**

December 2012

*2013: The search for yield continues*

*The weight of asset allocation*

*Risks and scenarios*

UBS

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**Please see the important disclaimer at the end of the document. Past performance is not an indication of future returns. The market prices provided are closing prices on the respective principal stock exchange.**

# Letter to readers

Dear Readers,

The world did not end in 2012, contrary to doomsday economists and the ancient Mayan calendar, and we even appear to have survived the year more or less intact. Equities rose, bond yields tumbled close to the lowest levels in centuries in some developed nations and credit markets rallied for the fourth straight year.

During 2012, the world's major central banks once again took center stage, expanding their monetary policy toolkit aggressively in order to support growth and reduce systemic risks. As a result, yields on assets that have traditionally been perceived as safe fell even further. US 10-year Treasuries reached their lowest yields on record, real yields in many countries are now negative, and some core eurozone short-term bond yields have even fallen below zero. As we start 2013, continued central bank intervention suggests that the "search for yield" is likely to continue.

In this *CIO WMR year ahead* publication, we outline our key views for 2013, as well as a number of important risk scenarios – both on the upside and the downside. You may notice some unfamiliar names and faces in the pages within, including perhaps my own. The reason is that this report is one of the first to reflect the recent integration of the US research teams, under Mike Ryan, into the global structure. Mike will serve as Chief Investment Strategist for Wealth Management Americas as well as Regional CIO for Wealth Management US, working closely with me in my role as WM's Global Chief Investment Officer. Through this new and growing collaboration, we are creating a truly global investment process that leverages the expertise of more than 900 investment specialists across UBS.

Under the new CIO WMR organization, we bring together all the investment and research competencies of our business into a globally coordinated and centralized engine, complemented by our Investment Bank and the insights and consultation of thought leaders across the UBS partner network. Together we aim to produce strong investment insights for our wealth management clients – across all regions and asset classes. We hope you enjoy the first fruits of these efforts in the pages that follow.

No doubt 2013 will be another eventful year. While our outlook for the global economy is positive, with more deleveraging and austerity ahead, we are likely to see continuing periodic crises and bouts of volatility in financial markets. Against this backdrop, investing needs to be approached with great humility – and broad diversification across regions, currencies and asset classes.

All the best for 2013.

**Alexander S. Friedman**
Global Chief Investment Officer
Wealth Management

# Summary & highlights

**Outlook**

- Political uncertainty and the need to rebuild public sector balance sheets will continue to play an important role in the year ahead—but central bankers can buy policymakers time with an accommodative policy stance.
- While tangible and credible solutions to longer-term imbalances can help unleash the "animal spirits" that drive expansions, the failure to address these challenges in a timely manner could place the recovery in jeopardy.
- The world economy will continue to gradually improve, with global growth around 3.0% in 2013. Now that US elections and a leadership transition in China are out of the way, this will likely be a more stable year in politics.
- The US economic outlook remains constructive amid a housing recovery, expanding energy production, easing of credit standards, improved labor markets and supportive monetary policy. Despite risks of fiscal restraint, we look for moderate growth of slightly above 2% for 2013.
- In the eurozone, uncertainty surrounding the debt crisis, fiscal austerity and deleveraging will keep growth barely positive in 2013. While Germany will remain the strongest large economy in the region, markets may well force Spain to request support from the ESM, while Greece will likely face yet another moment of truth as a member of the eurozone.
- Within the emerging markets, 2013 is likely to prove to be a year of stronger growth. China should grow at around 8.0%, Brazilian growth is expected to more than double, India is projected to grow 6.5% and Russia should maintain its current growth of around 3.5%.

**Investment strategy**

- We expect another positive year for equities, with returns in the high single-digit to low teens range. While accommodative central bank policies and elevated equity risk premiums are supportive, much will depend on global policymakers setting the stage for improving economic momentum, stable corporate earnings and rising investor sentiment.
- In fixed income, investors should continue to seek higher-yielding alternatives to government bonds, including investment-grade corporate debt, US high yield, and emerging market corporate debt. While yields on many bonds have tumbled to record lows, credit risk premiums remain above historical averages and fundamentals are still remarkably solid.

**Risks and scenarios**

- Positive US growth surprises could come from a solution to the US debt problems, more expansionary monetary policies and a stronger US housing sector. However, the complete failure to reach agreement on the fiscal cliff would likely trigger a recession, while a breakdown in longer-term budget reform efforts would almost certainly prompt a downgrade in the US sovereign debt ratings.
- In coming years, China will attempt to rebalance its economy, gradually shifting toward consumption as the main growth driver, which could lead to faster and more balanced GDP growth in 2013. Potential downside risks for China in 2013 include political and social unrest, a lack of corporate investment and external military confrontations.
- Three factors could propel Europe from its current approach of muddling through toward a path of sustainable crisis resolution: an improvement in the competitiveness of peripheral economies; better global growth; and breakthroughs toward real fiscal integration. However, a Greek exit from the eurozone in 2013 remains a risk that would entail severe contagion for the rest of the region.
- US tax reform is a moving target. We anticipate greater volatility in the price of tax-exempt securities as Congress considers further restrictions on the ability of taxpayers to shelter income.
- While events in the Middle East and North Africa could continue to temporarily disrupt financial markets and push oil prices higher in 2013, we believe the risk of a broader conflict during 2013 remains low.
- Should global economic conditions gradually improve in 2013 – and downside "tail risks" subside – a significant pickup in M&A activity may ensue.

# 2013

# The search for yield continues

**Alexander S. Friedman,** Global Chief Investment Officer, Wealth Management
**Michael Ryan, CFA,** Chief Investment Strategist, Wealth Management Americas

It was just about the same time last year that we set out to identify the catalysts that would likely have the biggest impact on the real economy and financial markets during 2012. While there was no shortage of potential drivers, we argued that the extraordinary scope of political leadership changes, the steady pace of balance sheet deleveraging and the scope of central bank intervention would most likely shape growth and return prospects for the coming year. And as it turned out, these factors came to define the year, with each emerging at different times to play a central role in determining the outcome for investors.

So what's in store for 2013? Political uncertainty and the need to rebuild balance sheets will continue to play an important role in the year ahead. However, with fewer wholesale leadership changes in sight, political flashpoints will likely center more on festering domestic policy disputes and selective geopolitical hotspots rather than democratic electoral shifts and despotic power transitions. Issues ranging from the need for credible fiscal reform in the US to the prospects for conflict in the Middle East will therefore dominate this year's political discussion. Likewise, the impact from the deleveraging process will be increasingly less uniform, with consumers and financial institutions in the US having already made substantial progress toward reducing leverage (see Fig. 1). This suggests that the burdens from balance sheet adjustments will now shift from the private sector (households) to the public sector (the federal government).

### Wisdom and will

It is against this still unsettled backdrop that the wisdom of policy choices and the will of political leaders will once again prove crucial in shaping the fortunes of the real economy and financial markets. Tangible and credible solutions to long-term fiscal, competitive and financial imbalances can go a long way toward unleashing the "animal spirits" that typically drive robust private sector expansions. Keep in mind that corporations currently sit on more than $1.5 trillion in idle cash balances (see Fig. 2) while investors remain largely on the sidelines. The ability to overcome political dysfunction in the US, strengthen the crisis management approach in Europe and successfully navigate the economic transition in China could prompt a fresh wave of business investment spending and a broader level of consumer reengagement. This in turn would help to shrink bloated risk premiums and rekindle interest in risk assets – a "virtuous cycle" that would likely extend across global financial markets.

Note however that the failure to address most of these issues in a timely and credible manner could place the current fragile recovery in jeopardy. While the global economy is on somewhat firmer footing than it was last year at this time, there is still precious little margin for error. Elected

To watch Chief Investment Strategist Mike Ryan give a summary of this report, please click the play button.

officials must therefore take great care to avoid the same sort of policy mistakes that have littered the political landscape in recent years. Central bankers can – and will – help to ease the fiscal adjustments process and buy policymakers some time with an aggressively accommodative monetary policy mix. But they can only offer a respite – not a resolution. For the economy to break free of the current malaise, it will require some clarity on reform efforts from elected officials. So while the economy appears clear for takeoff, policy missteps could yet grind things to a halt.

**The great reflation sweepstakes**

In 2012, central bankers were once again the star actors on the global stage, digging deep into their tool kits to produce a series of unorthodox measures to defuse financial crises and support growth. The European Central Bank (ECB) first prevented a bank funding crisis, before announcing a broad framework for buying the bonds of troubled peripheral nations. The Federal Reserve embarked on a third round of quantitative easing, and the Bank of Japan expanded its asset purchase program. Our current assessment is that all three central banks are likely to further expand their balance sheets as part of the great reflation sweepstakes.

While the longer-term implications of these central bank actions are uncertain, the short-term consequence is clear. The yields of the "safest" assets contracted sharply, reaching record lows. In fact, in 2012, we saw 10-year US Treasury yields drop to the lowest level since such records began in 1790. Strikingly, yields on 2-year bonds even fell into negative territory in core eurozone countries for a period over the summer. As we head into 2013, with yields even more depressed than a year ago, we expect the "search for yield" to prove tougher than ever and to remain a dominant financial market driver. As discussed below, this should underpin the ongoing attractiveness of credit-sensitive segments of the bond market.

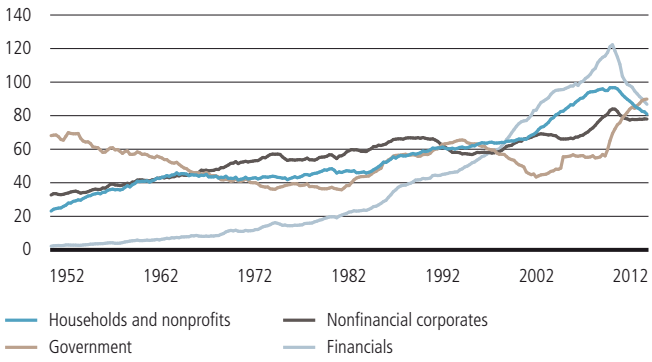
*"As we head into 2013, with yields even more depressed than a year ago, we expect the 'search for yield' to prove tougher than ever and to remain a dominant financial market driver."*

**How will the global economy fare in 2013?**

Forecasting economic and financial market trends is a humbling endeavor. As the Nobel Prize-winning physicist Niels Bohr once said, "Prediction is very difficult, especially about the future." This is why it is critical for investors to have a sound financial plan that includes well-diversified strategic allocations to a range of asset classes. It is also why

**Fig. 1: Leverage trends less uniform across sectors**

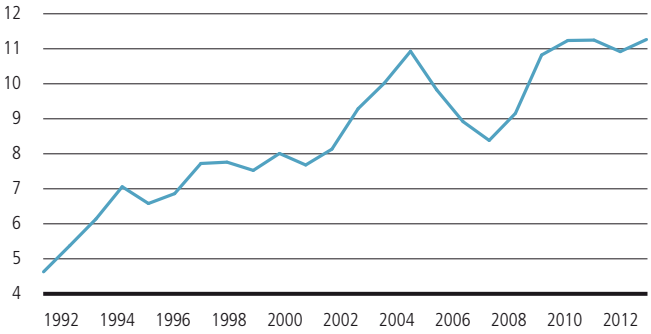
US liabilities by subsector as a share of GDP, in %




Note: Liabilities are represented by total credit market debt. Figures are annual and seasonally adjusted. Government is the total of federal, state, and local.
Source: Federal Reserve Board, Flow of Funds, as of 30 June 2012

**Fig. 2: Corporations are sitting on large amounts of cash**

Cash as a share of S&P 500 assets, in %




Source: FactSet, UBS WMR, as of 30 September 2012

we subject our "Investment House View" that guides our tactical asset allocation recommendations to rigorous debate every month and always evaluate alternate scenarios to our base case view.

With this in mind, it is our view that the world economy will continue to slowly improve, albeit at a sub-trend pace, with global growth around 3.0% in 2013, up from a 2012 pace of around 2.5%. With US presidential elections and a leadership transition in China out of the way, our expectation is that 2013 will be a more stable year in politics, and politicians will manage to avoid major policy blunders.

**The US – walking a fiscal tightrope**

In the US, we view the underlying growth dynamics as fairly constructive. The housing market has started recovering (see Fig. 3), energy production is expanding, credit standards have been easing and even the labor market has improved. The consumer, accounting for two thirds of the economy, has remained remarkably resilient despite policy uncertainty. Adding to this the Federal Reserve's highly supportive monetary policy, our baseline expectation is for ongoing moderate economic growth of slightly above 2% for 2013, despite the risks of some fiscal restraint.

A key question for 2013 is whether politicians will use the breathing space that the Fed has given them to push ahead with difficult reforms. At the time of this writing, negotiations are underway on a solution to the US fiscal cliff. The mere uncertainty has already led to a substantial decline in business investment. Clear leadership on this issue will be critical in order to repair the transmission mechanism between the actions of the Fed and their effect on the real economy.

*"In emerging markets more broadly, 2013 is likely to prove to be a year of stronger growth."*

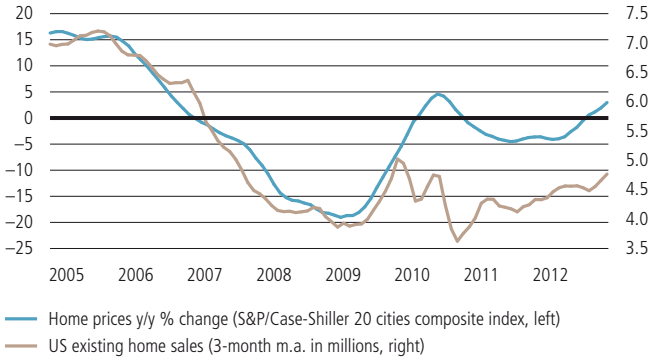
**The eurozone – from recession to stagnation**

In the eurozone, we expect uncertainty surrounding the debt crisis, fiscal austerity and widespread deleveraging to keep growth only barely positive in 2013, but still escaping recession. Germany will remain the strongest large economy in the region, but growth will likely remain below 1% as a result of the weak external environment. The bulk of the improvement in the overall eurozone picture is likely to be driven by Italy – one of 2012's weakest economies – as it passes the peak of its austerity measures.

Unfortunately, the picture for Spain is worse, and the country continues to tread a difficult path. Spain requires further fiscal contraction of 4% of GDP in order to set its finances on a more sustainable path, and a loan-to-deposit ratio of approximately 180% leaves its banking sector vulnerable to funding crises. We expect rising bond yields to force Spain to request support from the European Stability Mechanism

**Fig. 3: US housing market in the midst of a steady recovery**

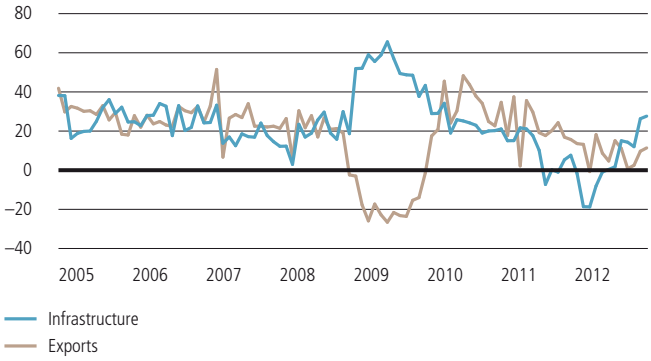
Home prices (year-over-year change, in %) and existing home sales (millions)




Source: Bloomberg, UBS WMR, as of 31 October 2012

**Fig. 4: Chinese economic indicators have begun to rebound**

China exports and infrastructure spending monthly (year-over-year), in %




Note: Infrastructure, as defined above, includes transport, water conservancy, environmental management, and utility management
Source: Bloomberg, CEIC, UBS WMR, as of 31 October 2012

(ESM) early in the new year. Subsequent ECB support would lower Spain's borrowing costs, but this would only buy it time to push ahead with the difficult reforms needed to restore competitiveness and debt sustainability.

We expect no significant new measures to fundamentally address the eurozone debt crisis ahead of German elections in September of 2013. In other words, we see politicians "kicking the can down the road" for a little longer. The same applies to Greece, which should stay part of the eurozone in 2013. However, support from the Troika likely remains too small to put the country on a sustainable fiscal path, and over a three-year horizon, we see about a 50% chance of a Greek exit.

*"While the global economy is on somewhat firmer footing than it was last year at this time, there is still precious little margin for error."*

**Emerging markets – poised to reaccelerate**

The Chinese economy should grow at around 8.0% in 2013. Investment is picking up through increased infrastructure spending, and the export sector is showing signs of stabilization (see Fig. 4). However, a key focus for investors will be monitoring how much resolve the new leadership shows in rebalancing the economy away from fixed asset investment and toward consumption. For now, there are few signs of this rebalancing taking place, and sudden policy shifts in 2013 are unlikely, as continuity and stability are important goals of the new government.

In emerging markets more broadly, 2013 is likely to prove to be a year of stronger growth. Brazilian growth is expected to more than double to around 3-4%, while India is expected to grow 6.5% next year from 5.5% in 2012. Russia should maintain its current growth of around 3.5% into next year. Furthermore, inflation should remain tame, as we expect energy and food prices to exert less pressure on consumer price indexes. These benign macro drivers, coupled with attractive valuations, provide support for emerging market equities into 2013. Beyond equities, we continue to see improving credit fundamentals for most emerging markets and this should be reflected in the solid performance of fixed income assets. In this area, we favor corporate over sovereign debt, where we see more compelling valuations.

**Investment positioning into 2013**

In fixed income, investors should continue to seek higher-yielding alternatives to government bonds, including investment-grade corporate debt, US high-yield, and emerging market corporate debt. While yields on many bonds in these asset classes have tumbled to record lows, the yield advantage that they offer over government bonds remains above historical averages and fundamentals are still remarkably solid. For example, US high-yield corporates offer an additional 5% yield over government bonds, despite default rates that are likely to remain below their historical average for the foreseeable future.

For global equities, we expect 2013 to be another positive year, with returns in the high single-digit to low-teens range. Accommodative central banks provide a supportive backdrop, and on longer-term valuation measures, equities are more attractive than bonds – with the equity risk premium unusually elevated (see pg. 17). But valuation is rarely enough to drive performance in the near term; this will depend on global policymakers setting the stage for improving economic momentum, corporate earnings and investor sentiment. Alternative investment areas, such as hedge funds, focused on relative-value and event-driven strategies, can provide valuable diversification to portfolios due to their low correlation to risky assets.

Overall, the world economy remains in the midst of its long deleveraging cycle. Excess private sector debt built up over the past decade has been transferred to the public sector, and the task of reducing this debt to sustainable levels is a long and painful process. The result is likely to be continued sluggish growth, particularly in the developed world. With deleveraging and austerity ahead, we are likely to see continuing periodic crises and bouts of volatility in financial markets. Against this backdrop, investing needs to be approached with great humility and broad diversification across regions, currencies and asset classes.

# *Long-term outlook*

*While most articles in this report take a "one year ahead" view of the world, we find it useful to start with longer-term predictions. These are critical as they help define the multi-year regime we believe we are in and thereby provide us with a compass to better understand and interpret the shorter-term, often quite noisy news flow during the year ahead. Note that these long-term expectations will be incorporated into the firm's capital market assumptions and strategic asset allocations during the first quarter of 2013.*

# Beyond the inflation/ deflation knife's edge

**Andreas Hoefert, PhD,** Chief Economist; and **Stephen Freedman, PhD, CFA,** Strategist

Central banks are now massively expanding their balance sheets, and hence implicitly also their monetary base. While common economic wisdom suggests this should increase inflation pressures, so far this has not happened. An important question in the aftermath of the financial crisis remains therefore: Will the endgame be uncontrolled inflation or deflation? We believe the answer is neither.

Inflation and deflation are commonly defined as two opposing states of the economy. Conventional wisdom views deflation as bad, since it is often associated with financial deleveraging and economic depression. Inflation is considered a lesser evil, if it is moderate, since this reflects a fast-growing or even overheating economy.

> *"Will the endgame be uncontrolled inflation or deflation? We believe the answer is neither."*

Conventional wisdom also suggests that a central banker can always lower inflation by tightening policy and cooling down the business cycle. Consensus among modern central bankers is the practice of inflation targeting or nominal growth targeting, while deflation is to be avoided by any means necessary.

We find such a view too reductionist; it focuses on only two possible states of the economy, while ignoring two other relevant outcomes. First, deflation also comes in a "good" variety, when prices are falling due to technological progress or globalization-induced efficiency gains, something witnessed in the 1990s. Second, we can also have "bad" inflation, or stagflation, which developed economies experienced in the 1970s, when people lost confidence in money as a store of value.

**The endgame: moderate inflation pickup**

So far, inflation has not surged despite an extremely expansive monetary policy. The reason is that households and firms continue to delever their balance sheets and remain cautious about spending in an uncertain environment. They therefore hoard cash instead of using it for private consumption or corporate investments, thereby limiting demand growth. This suggests we are still mired in an environment with "bad" deflationary forces.

Central banks appear determined to bring an end to this state of affairs. However, this remains a very difficult and dangerous tightrope walk as it could have a dark side. If deflation ends not because of renewed confidence in economic prospects but instead due to a loss of trust in the value of money, we could return to a 1970s-style scenario of low growth, high unemployment and, nonetheless, mounting price pressures.

For the time being, we remain of the view that the Fed will succeed in exiting its extraordinary monetary policy stance without letting inflation run away as was the case in the 1970s. However, we do believe that inflation will exceed the Fed's inflation target for several years over the next decade. Importantly, while the exact timing of a pickup in inflation is difficult to determine, we expect higher inflation to be back-end loaded over our strategic horizon (of approximately seven years), with inflation quite likely exceeding 3% in some years.

**Bonds dominated by equities**

Against this backdrop, we believe the 30-year decline in Treasury yields has run its course. With generationally low yields now in place, bonds have been transformed into a

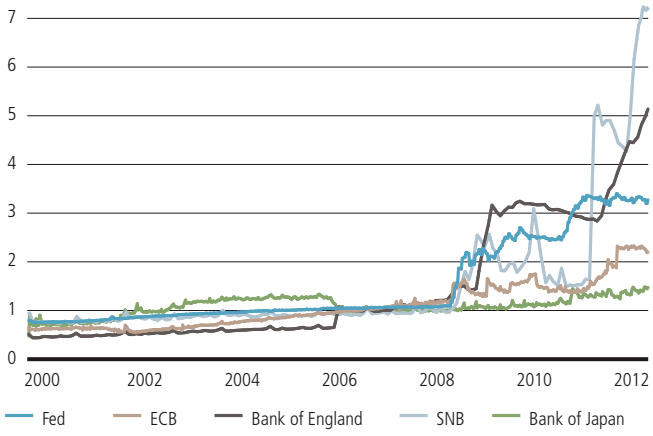
less attractive and in many ways riskier asset class. Although a sustained period of higher bond yields is unlikely in 2013 and 2014, a number of structural factors point to higher Treasury yields in the years ahead. The first is the shift that must eventually occur toward monetary policy normalization, which is likely to be preceded by an adjustment in bond yield levels. The second is the challenging fiscal situation in the US, which policymakers are still struggling to tackle in earnest.

As a result, we believe that US government bond yields are likely to start embedding both a credit risk premium and an expectation for higher money market rates over the coming years and to gradually rise. This means that bond prices will decline and investors are likely to periodically experience years of negative total returns. During this time, we struggle to see realistic scenarios that would permit positive average real annual returns on US government bonds.

Also, in such an environment, after a lost decade for equity investors, we expect stock markets to offer more "normal" returns in the coming years. This is primarily due to equity valuations that, unlike in the early 2000s, are no longer excessive. In fact, on various metrics they are cheap relative to history. We have found that for time horizons stretching beyond five years, equity valuations are significant predictors of future equity returns, even though they are often a poor predictor of near-term performance. Over our strategic horizon, we expect equities to outperform cash on average by mid-single-digit returns annually. This largely reflects contributions from moderate earnings growth, dividend and buyback yields, and limited multiple expansion. Note that while equities may be temporarily adversely affected by a spike in inflation, over a multi-year horizon they are usually a fairly good inflation hedge.

In sum, we expect returns on equity investments that will be relatively moderate in absolute terms but attractive when compared to cash and bonds.

**Expansion of the monetary base since 2007**
Index, January 2007 = 1




Source: IMF, Thomson Reuters, UBS

# Emerging market convergence to continue

**Andreas Hoefert, PhD,** Chief Economist; and **Stephen Freedman, PhD, CFA,** Strategist

For all the bad news we had to digest over the last five years, there is one constructive phenomenon that has been neither stopped nor slowed: the steadily increasing importance of the so-called "emerging markets" and their convergence to developed country standards of living and governance.

**A long overdue catch-up**

For the roughly 4,000 years of its recorded history, human economic development has been characterized by very low growth, with massive setbacks due to epidemics and wars amounting in fact to a stagnation of wealth. Then almost as an "accident," something happens on an island in Western Europe that dramatically changes not only the well-being of Europeans compared to their ancestors but also compared to people living in other parts of the world: the Industrial Revolution.

> *"Demographics alone can already explain quite a large part of developing economies' gain in importance compared to developed ones."*

By 1950, Europe (including Russia) and the offspring nations of the US, Canada and Australia account for significantly more than half of the world economy, while their populations represent only a fifth of the global total. By then only Japan can be seen as a non-European developed economy. This situation doesn't change much until the mid-1970s, but then a re-equilibration of world GDP starts to occur and now even seems to accelerate. Even under very conservative assumptions regarding growth rates in the developing economies, by 2050 the accident that was the Industrial Revolution will not be noticeable anymore, as Europe and its descendant countries contribute less than 25% of world GDP.

It doesn't mean that people in the developed economies will become poorer in absolute terms. Actually they still represent an eighth of the world population, which produces a quarter of world production. Hence in GDP per capita they will still be twice as rich as the "rest." But people in developing economies will become richer both in absolute terms and relative to the people in the developed economies. The two forces at work here to validate those bold projections are rather well understood: demographics and convergence.

**It's demography, stupid!**

According to United Nations projections, the world population presently stands at seven billion people and will add another two to three billion people over the next three decades before stabilizing at around ten billion. The bulk of this population growth will occur in emerging markets (EM) and especially in the Middle East and Africa, which continue to have substantially higher birth rates.

Many developed economies will see their populations grow solely as a result of migration. The aging of these populations will become more and more challenging, and is likely to represent a drag on growth. This will also be true for some EM countries, notably China, where the one-child policy will accelerate aging dramatically over the next decade. Demographics alone can already explain quite a large part of developing economies' gain in importance compared to developed ones.

**Convergence to drive financial market prospects**

A second influential phenomenon affecting EM is what we refer to as "convergence." In the 1980s, South Korea and other Asian Tiger economies went through a convergence phase, catching up with the Western economies. It seems now that many former EM have either begun this process or already made great strides.

The difference between today and the previous convergence phase is that the developing economies now going through it are quite large. China with its 1.3 billion people is 10 times larger than Japan.

Those developments, if confirmed, will have tremendous implications over the next two decades. As EM grow and their financial sectors deepen, they will quite naturally take on a greater share of global equity market capitalization. Many investors have not significantly adjusted their strategic benchmark allocations to EM, leaving their allotted exposures still well short of EM's actual share of global equity market capitalization. So as this market capitalization trend continues in the coming years, we believe there will be a continued asset shift toward EM, as investors rebalance portfolios to a new baseline.

We believe this allocation shift toward EM stocks should lead to a significant amount of valuation rerating. EM stocks are among the cheapest across all major regional blocs, while their growth prospects remain superior to their developed market counterparts. Therefore, we see EM equities outperforming US and other developed market stocks.

Beyond equities, the process of convergence creates an attractive proposition for EM fixed income investments. Over the last two decades, we have witnessed a remarkable improvement in credit quality for EM sovereigns as well as EM corporate issuers. This has been based on the overall improvement in EM macroeconomic stability and more prudent fiscal policies. Today, many EM countries have much lower debt (and a tendency toward lower deficit ratios) than developed world peers. Higher and relatively stable growth in many EM countries should further support the longer-term debt sustainability of a number of issuers. Finally, many EM sovereigns have amassed international currency reserves over recent years, providing a safety net and means to support the economy during downturns.

## LOWER GROWTH FOR LONGER IN THE DEVELOPED WORLD

We base our long-term forecasts for real economic growth on our expectations related to the future growth of labor, capital and the technology that allows labor and capital to work together. The demographic change that is now at our doorstep – as developed countries' populations age like never before – will translate into fewer workers and more retirees. Governments throughout the developed world will face tough challenges to rein in skyrocketing outlays for entitlement spending related to public pensions and healthcare. An older population will also likely affect the overall savings rate, which could impact capital accumulation. In addition, the need to consolidate public finance will constrain growth over the next few years. Thus, we expect growth to remain below historical trends, e.g. in the US we predict a real growth trend of about 2.5% for the next couple of years, while in the Eurozone we estimate the trend to be between 1.0% and 1.5%. Emerging markets have the potential to continue growing along a significantly steeper curve, but will also continue to experience a structural decline in trend growth going forward.

We also see solid prospects for EM currencies, which should be supportive for investors considering the local currency debt of EM issuers. Compared to their developed counterparts, many EM countries have solid balance sheets, more leeway in monetary policy matters, better growth fundamentals and higher interest rates. These are all features that should be rewarded on currency markets.

# *Investment strategy*

*Against the backdrop of our long-term outlook and our economic expectations for 2013, the following pages highlight our recommended investment strategy. We start at the overall portfolio level before digging deeper into the individual asset classes.*

INVESTMENT PROCESS

# The weight of asset allocation

**Mark Haefele, PhD,** Head of Investment; **Stephen Freedman, PhD, CFA,** Strategist; **Michael Crook, CAIA,** Strategist

**The importance of asset allocation**
Over the past five years we have experienced the biggest financial crisis since the Great Depression, an existential threat to the eurozone, and a series of devastating natural disasters around the world. After more than two decades of relative stability in economies and financial markets, the "Great Moderation" – has been challenged.

In unpredictable times, it is more important than ever for investors to have a sound, disciplined investment process to help them meet their financial goals. We believe in a core asset allocation approach that includes a longer-term strategic setting, overlayed with the flexibility to navigate market opportunities and risk with a tactical six-month investment horizon through tactical asset allocation.

**Getting personal**
For some investors the primary goal is wealth preservation, while for others it is capital growth in order to fund future liabilities, such as retirement spending. Determining an investor's objectives and risk tolerance is a key element of the investment process. It is a prerequisite for determining portfolio characteristics that will suit an individual's needs.

**Strategic asset allocation – setting the direction**
Regardless of the objective, another critical stage of the process is deciding on the appropriate mix of assets in the portfolio in a way that balances the future expected return with the risk tolerance of the investor. This is achieved through the choice of a strategic asset allocation (SAA) that is aligned with investment objectives and risk tolerance. By sticking to the chosen well-diversified strategy and periodically rebalancing when the proportions of assets in their portfolio have deviated from their target weights, investors can participate in the longer-term upward trend of most risk assets, while benefiting from diversification.

**Tactical asset allocation – navigating choppy waters**
We believe that financial assets have a fair value and that across a typical five- to seven-year business cycle, asset prices tend to revert toward this fundamental value. However, in the shorter term, prices are much harder to predict, and can deviate significantly from fundamentals. Market prices can swing rapidly due to changing investor sentiment and economic expectations as well as policy shifts. This provides an opportunity for the informed investor to complement the SAA with tactical asset allocation (TAA). Through TAA, investors can tilt the composition of their portfolio by temporarily overweighting markets that offer better near-term return prospects, while underweighting those that appear overvalued or are vulnerable to near-term risks. However, investors should not make tactical investments so large that they potentially compromise their longer-term financial objectives.

**Implementation – the "House View"**
Our TAA is informed by a systematic and integrated process. At UBS, we leverage the expertise of more than 900 investment experts from around the globe, covering all the key markets and asset classes. Our investment process consists of four key steps. The first is research, which enables us to identify the key drivers and trends impacting global markets and economies. Second, we develop best case, baseline and worst case scenarios for these key drivers. Third, our investment strategists leverage these research insights to define a range of appropriate investment strategies. And the final step is review; we challenge our strategies and views, and assess alternative scenarios, through rigorous debate with both internal and external investment experts. The result of this process is a coherent "House View," which ultimately determines our recommended TAA and is available throughout the year in our client-facing publications.

*Michael Crook is an employee of the Portfolio Advisory Group within UBS Wealth Management Solutions. Early 2013 he will be joining CIO Wealth Management Research Americas as a publishing analyst.*

# *Structuring your own investment portfolio*

## The asset classes we recommend

### PORTFOLIO CONFIGURATOR

**Currencies** Foreign currencies can be highly volatile and only a few exhibit a long-term return potential. Therefore, when possible, hedging a portion of the currency exposure of foreign asset classes is worth considering, except for some equity markets, where we find that hedging the currency risk does not minimize volatility.

**Highly rated bonds and cash** These assets provide the safe part of the portfolio. Their yields, especially in developed countries, are currently near historical lows and therefore they are not expected to contribute much to overall portfolio returns. However, the benefit of these "safe" assets is that they generally increase in value during market crises. This dampens the volatility of the overall portfolio, helping it to grow more steadily over time.

**Equities** provide the highest growth potential for the portfolio as their returns are directly linked to economic growth and they compensate investors for their high volatility. We recommend diversifying across individual names and countries to reduce risk. A large allocation to local markets is best supplemented with significant allocations to other equity markets, both developed and emerging. This ensures exposure to companies globally and to markets with different growth patterns and industries.

# Credit

**Credit** This includes corporate, high-yield and emerging market bonds, which provide growth potential through relatively high recurring income. To mitigate the possible negative impact of future interest rate increases, we recommend avoiding long-duration investment-grade bonds. We advise most investors to supplement their investment-grade corporate bond allocations with high yield and emerging market bonds, which offer higher yields, as well as diversification benefits. These higher yields compensate investors for the relatively higher risk of default. To mitigate default risk we also recommend investing in a highly diversified manner in these markets.

# Alternatives

**Alternatives** or alternative investments include hedge funds, real estate, private equity and sometimes commodities, and play an important part in diversifying portfolio returns. We highlight below hedge funds' and listed real estate's portfolio value.

Hedge funds: This asset class generally derives its performance primarily from the investment skills of each asset manager, and less from exposure to the markets in which they invest. Therefore, hedge funds often have a low correlation to other markets; this offers diversification benefits to the portfolio. We also expect the hedge fund allocation to provide some of the growth of the portfolio.

Real estate: We recommend a globally diversified real estate portfolio. Real estate provides a good inflation hedge and potential increases in real estate prices are generally supported across markets by the current low interest rate environment leading to historically low financing costs. Within listed real estate, global REITs offer the potential for an attractive combination of high dividend yield while benefiting from real asset appreciation in a growth environment. Lastly they possess the features of being tax efficient and liquid.

PORTFOLIO POSITIONING

# Not a time for complacency

**Michael Crook, CAIA,** Strategist; and **Brian Nick, CAIA,** Strategist

Despite nearly constant headline risk, 2012 was a good year for investors. Virtually every asset class in our model portfolios delivered positive returns, and the dispersion of performance among these asset classes was the lowest of any year for which data are available (see Fig. 1).

The unusually narrow range of asset class returns limited the potential gains from tactical asset allocation. We strongly caution, however, against assuming this type of environment will carry forward. Returns are likely to be both more dispersed and lower overall in 2013. For example, equity-like returns on fixed income assets become unsustainable as yields fall and spreads compress.

## Opportunities in risk assets

For 2013, we continue to see opportunities in corporate bonds, in particular high-yield bonds as well as emerging market corporates. Three factors should continue to support higher-yielding corporate bonds: low levels of corporate financial leverage, credit spreads that overcompensate for default risk, and very loose central bank policies that encourage investors to continue moving into higher yield securities. However, given the lower overall level of bond yields relative to a year ago, it has become less clear that corporate credit will provide better risk-adjusted returns than equities. In fact, provided that fiscal policy uncertainty is resolved by early in the year, equity investments should prove attractive given undemanding valuations, an improving global picture and an expected pickup in shareholder-friendly corporate finance activity. In particular, we believe this search should include emerging markets (EM). EM equities give investors exposure to faster-growing economies, higher long-term corporate earnings growth and attractive currencies.

We also continue to see many portfolios with too few alternative assets. In addition to providing a much-needed source of return, these strategies are important for overall portfolio efficiency. Furthermore, we began to see signs in 2012 that many alternative strategies have started to recapture the return patterns that made them indispensible to portfolios before the financial crisis.

## Thoughtful reengagement

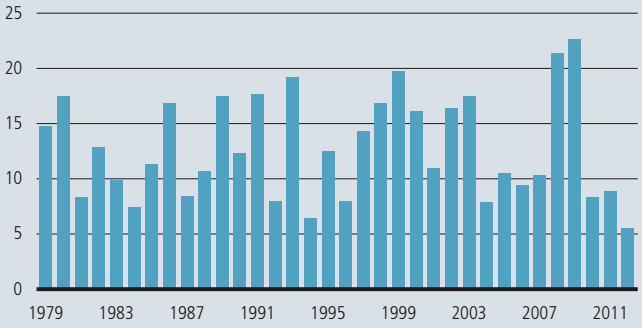
Lastly, disengagement was one of the only ways to have had a disappointing investing year in 2012. Investors who continue to hold large allocations to cash run a serious risk of falling short of their long-term financial goals. Given our expectations for low but positive inflation going forward, cash-heavy portfolios will likely fail to even preserve their real value.

The next year promises to present its own share of challenges, but we believe a combination of thoughtful long-term asset allocation (including alternatives), medium-term tactical asset allocation and shorter-term opportunistic investing provides the best chance to meet portfolio goals.

*Michael Crook and Brian Nick are employees of the Portfolio Advisory Group within UBS Wealth Management Solutions. Early 2013 they will be joining CIO Wealth Management Research Americas as publishing analysts.*

**Fig. 1: Range of asset class returns historically narrow in 2012**

Dispersion of WMA Asset Class Returns, 2012




Source: Barclays, Bloomberg, UBS, as of 30 November 2012

EQUITIES

# More to come

**Walter Edelmann, PhD,** Strategist; **Jeremy Zirin, CFA,** Strategist

Despite a strong rebound in global equity markets from the depths of 2009, many investors remain fearful of the asset class, with some even claiming that the case of "equities for the long term" has failed. We disagree. In fact, we think that cautious sentiment toward equities today actually creates longer-term opportunities. Generous risk premiums mean that investors who are willing to hold equities over a multi-year period should be rewarded. While a cyclical growth advantage favoring the US is likely to persist in 2013, the best longer-term opportunities can be found in the more inexpensive European and emerging market equities.

Since the lows of March 2009, broad global equities indexes are up more than 70%. US markets have shown some of the strongest gains, with prices rising more than 100% over the period, or a total return of around 120% with dividends reinvested. The eurozone has lagged – weighed down by the sovereign debt crisis – but still achieved a total return of about 70%. In any historical context, these are impressive numbers, but obviously they only tell one side of the story. As of the date of this publication, broad equity market indexes were still trading below levels reached at the end of 2007, shortly before the US subprime crisis caused the deep slump in markets and at a still healthy discount to their average historical price-to-earnings (P/E) multiples.

Despite the strong returns since 2009, investors have shown a reluctance to move into equities, with many still scarred by memories of the market plunge after the Lehman Brothers collapse of 2008. As a consequence, at the start of 2013, equities still offer fairly high earnings yields – the mirror image of these low P/E ratios. Cautious investor behavior is also testament to new challenges, such as the European debt crisis, concerns related to the ability of the Chinese authorities to engineer a soft landing, and more recently, worries over US public finances and the fiscal cliff. This has

**Fig. 1: Earnings yield and implied risk premium**

| | Earnings yield [1] | | | Yield gap [5] | |
|---|---|---|---|---|---|
| | on analyst consensus earnings [2] | on cyclically adjusted earnings [3] | Real bond yield [4] | on analyst consensus earnings | on adjusted earnings |
| USA | 7.8% | 6.0% | –0.4% | 8.2% | 6.4% |
| EMU | 8.5% | 7.2% | –0.7% | 9.2% | 7.9% |
| Japan | 6.4% | 5.0% | 0.7% | 5.7% | 4.3% |
| UK | 9.5% | 7.4% | –0.3% | 9.8% | 7.6% |
| Switzerland | 7.0% | 6.0% | 0.4% | 6.6% | 5.6% |
| Canada | 7.0% | 5.4% | –0.8% | 7.8% | 6.2% |
| Australia | 7.5% | 6.1% | 0.6% | 6.9% | 5.5% |
| Emerging markets | 8.8% | 7.3% | –0.3% | 9.1% | 7.6% |

Sources: Thomson Reuters, Bloomberg, UBS

Note: 1) The earnings yield expresses earnings in % of share prices (inverse of PE-ratio). As earnings are net of depreciation and taxes, the yield is a measure of companies' ability to generate returns to investors, either by paying it out via dividends, buying back shares or investing for future growth. Cyclically adjusted earnings are used to estimate the longer-term sustainable real return potential. 2) Analyst expectations are bottom-up earnings forecasts for next 12m. 3) Adjusted earnings are thought to take out cyclical deviations from trend. 4) Nominal bond yields (10y) minus (core) inflation. 5) Earnings yield minus real bond yield; provides an estimate for the excess return of equities over bonds.

led to a search for investments that promise investors a stable income stream, including more defensive and higher dividend-paying equities.

**Attractive earnings yields**

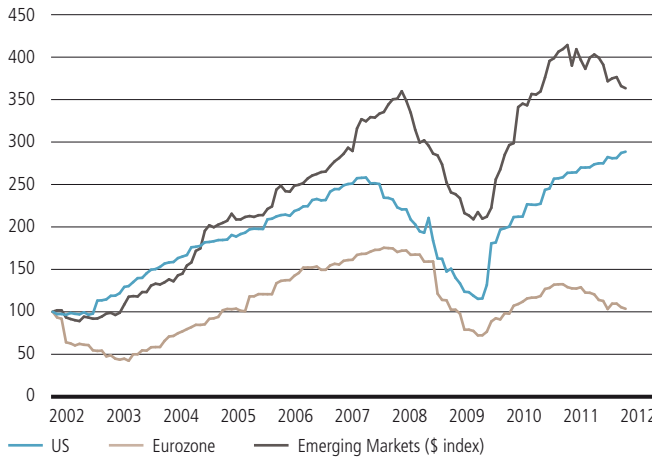
Although many investors might see weak market sentiment as a reason to shun equities, fear in and of itself often creates longer-term return opportunities. In 2008 and early 2009, when depression worries ran highest, the expected excess return for equities (i.e., risk premium) was pushed up by the reluctance of investors to hold on to their investments. But even now, our estimates for the equity risk premium in major markets suggest that investors who are willing to hold on to equities can expect attractive returns over a multi-year period (see Fig. 1).

Some equity bears argue that earnings yields and risk premiums today are inflated by excessively optimistic consensus earnings estimates, particularly with US corporate profit margins near record highs, and artificially low bond yields. However, we find that even after adjusting 2013 earnings estimates for what we project are longer-term sustainable trend levels, equities still offer attractive return potential. For example, our conservative method estimates an adjusted US earnings yield of 6% for 2013, compared with a 7.8% yield if the calculation was simply based on bottom-up consensus earnings expectations.

This adjusted US earnings yield of 6% compares favorably to a real bond yield of close to zero. The difference (i.e., yield gap) of 6.4% is an estimate of the longer-term excess return, or risk premium, that investors can expect by preferring equities over "risk-free" bonds. Even if investors were to maintain their current level of caution, it suggests that the expected annual real return over the coming 5-10 years should be in the mid-single digits. This is significantly below returns since early 2009. However, it is also above what one can expect in fixed income investments and is enough to make equities attractive, especially relative to low-yielding bonds and cash. As Fig. 1 indicates, on the earnings yield measure, the eurozone, UK and emerging markets show the greatest longer-term performance potential.

**Fig. 2: Earnings have retreated in Europe and EMs**

Trailing earnings indexes; rescaled in January 2002 = 100




Source: Thomson Reuters, UBS

**Unlocking value as the risk of policy failure fades**

From a shorter-term tactical perspective, equity performance in 2013 will again heavily depend on policy decisions. In the US, we expect policymakers to ultimately avoid a fiscal cliff-driven recession, although at the start of the year uncertainty might still rise. In Europe, investors will want to see whether the decisions made in 2012 – the ECB bond buying program (OMT) and introduction of the European Stability Mechanism (ESM) – will help the economy find a bottom, as we expect. For China, uncertainty still prevails regarding the resolve of its new leadership to face structural challenges.

Our base case view is that major policy failure will be avoided, enabling continued global economic growth. In such an environment, global equities should be able to deliver high single-digit to low double-digit nominal returns. We think that the US offers a particularly attractive risk/return trade-off. Fiscal cliff worries should subside over the first half of 2013, allowing earnings stability (see Fig. 2) and sound corporate balance sheets to become dominant drivers. Also, a highly accommodative Federal Reserve provides a favorable liquidity backdrop for equities. We expect emerging market equities to gain support from further evidence of a bottoming out in global economic growth, and in key emerging market economies, especially China. In contrast, in the eurozone, the ongoing need for fiscal tightening implies a continued drag on growth, creating a headwind for equities. However, as the year matures, we also expect economic conditions to stabilize in Europe. Together with a bottoming out in earnings, this could become a driving force for superior equity returns.

**Positioning within US equities**

Focusing on the domestic US equity markets, our baseline scenario assumes that Democrats and Republicans will reach a necessary compromise to avoid a sharp and sudden fiscal contraction in early 2013. Furthermore, while the process

> *"Although many investors might see weak market sentiment as a reason to shun equities, fear in and of itself often creates longer-term return opportunities."*

may be combative, volatile and, at times, intense, we ultimately expect to see a deficit reduction package of up to $4 trillion (over 10 years) agreed to during 2013, thereby reducing the heightened level of policy uncertainty for businesses, consumers and investors. With this setting as a backdrop, our economics team forecasts US GDP growth to steadily accelerate throughout 2013, and we look for US equities to deliver high single-digit to low double-digit returns based on mid-to-high single-digit earnings per share growth and a moderate improvement in market valuations. Our rolling twelve-month target for the S&P 500 is 1540. Within this context, we recommend the following strategies for the US equity markets as we enter the new year:

- **Cyclicals over defensive sectors:**
  Our research shows that cyclicals, or economically sensitive sectors of the US equity markets, are trading near two-decade valuation lows relative to defensive sectors on a price-to-earnings basis. In our view, this reflects both an overly pessimistic earnings outlook for sectors most tied to the business cycle as well as an excessively high valuation premium for safe-haven areas within the equity markets. Our preferred cyclical sectors heading into 2013 are Technology and Industrials, which should benefit from a bottoming in capital spending as business confidence improves. We see unattractive return prospects for the richly valued Telecommunication Services sector.

- **Mid- and small-cap stocks over large-caps:**
  Improving US cyclical dynamics should disproportionately benefit smaller US companies. Small- and mid-cap stock indexes have greater exposure to economically sensitive sectors than large-caps and generate a higher portion of earnings from domestic sources. Fundamentally, we see greater scope for faster earnings growth for small- and mid-cap stocks since, unlike large-caps, profit margins are well below prior peak levels for smaller companies, providing greater potential for profit margin expansion.

- **Dividend growth over dividend yield:**
  Dividend-paying stocks have become more popular among investors as an alternative to government bonds considering the yield on the benchmark US 10-year Treasury bond has declined from 4.0% in March 2010 to well under 2.0% today. We favor companies that consistently increase their dividend payments over time compared to those companies that simply offer a high current dividend yield. First, high dividend-yielding stocks are trading near all-time high valuations relative to earnings. Should the economic and policy backdrop begin to normalize, these high valuations are vulnerable. Valuations for dividend growth stocks are far more reasonable. And second, dividend growth stocks offer investors a better hedge against potentially higher future inflation – the risk of which may be greater than many investors currently perceive (see pg. 8).

GOVERNMENT BONDS

# Reduce exposure

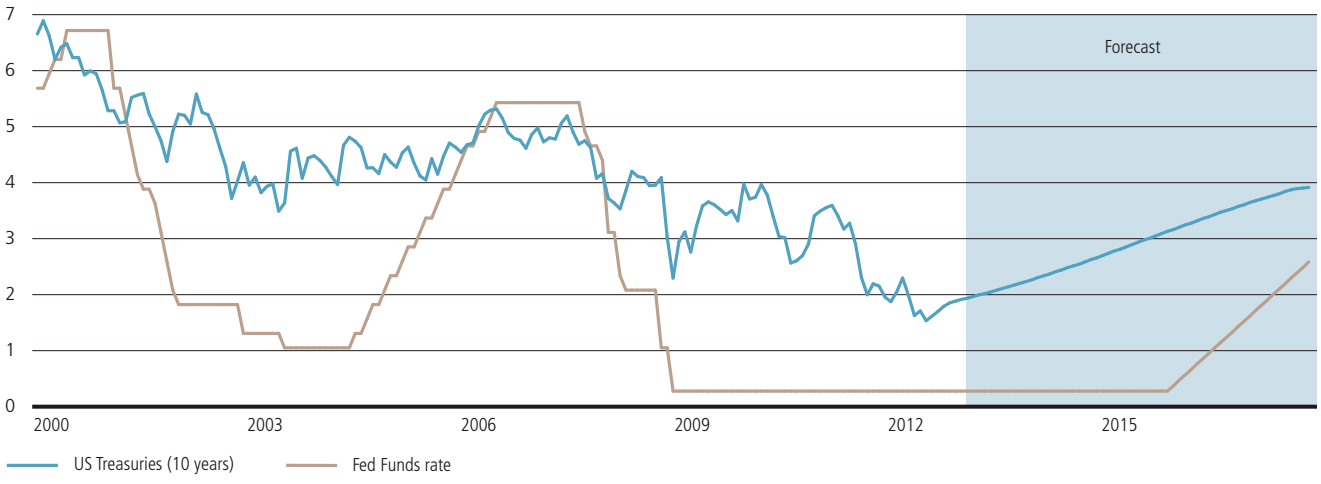
**Barry McAlinden, CFA,** Strategist; and **Achim Peijan, PhD, CEFA,** Strategist

As central banks commit to keeping short-term interest rates lower for longer, government bond yields for many developed countries have reached historical lows, and are likely to move higher only very gradually in coming years. Still, returns will be meager and will not sufficiently compensate for inflation. In the US, we project that US Treasury bonds will produce negative returns in the year ahead as we expect rates to rise modestly. We therefore recommend reducing allocations to government bonds and gravitating toward credit-sensitive segments of the bond market where we expect returns to be positive.

Given a prolonged phase of easy central bank policy, we look for short-term rates to remain largely anchored and only increase toward 2015. Thereafter, we expect central bank rates to increase gradually and to provide a small positive real return (i.e., a return that exceeds the inflation rate) only in about five years. Over time, the real short-term rate may increase somewhat further, but it is unlikely to reach the average of roughly 1.5% that has prevailed over the last 50 years. To achieve a positive real return, investors will have to consider alternative strategies, such as moving out of cash into intermediate maturity bonds or by taking increased credit risk.

We forecast intermediate and longer maturity yields to return to slightly higher ranges in 2013 but aggressive monetary policy, slow growth and a benign inflation outlook should limit the extent to which interest rates rise. While the low point in the 30-year bull market in Treasuries may very well have been reached in July 2012, this does not mean that a multi-year bear market is imminent. The Fed stands to be the largest buyer of Treasury supply next year with outright bond purchases likely to take place alongside its

**Interest rates unlikely to reach pre-crisis levels for several years**
Central bank and 10-year interest rates (%)




Source: Bloomberg, UBS

program to buy mortgage-backed securities. To the extent rates begin to rise coincident with economic expansion, we expect the back-up in yields to be modest and gradual.

**Central banks support deleveraging**
Other major central banks outside the US, including the Bank of England and the European Central Bank, have also pursued a very liberal monetary policy for several years and have bought substantial amounts of governments bonds. Overall, this has helped to stabilize inflation expectations and to meet increased demand for liquidity in the private sector. The monetary accommodation is unlikely to end anytime soon given the deleveraging process under way in the household, banking and corporate sectors. Historical examples indicate that this is typically a multi-year process. While in the past countries could often profit from exchange rate depreciation, this is hardly possible now as rebalancing needs are geographically widespread.

Recent experience in the eurozone and in the UK also shows that fiscal consolidation has had a pronounced negative impact on real growth rates. At present, the US has not decided on a policy to reduce the fiscal deficit, which is among the highest in the world and stands at roughly 8.6% of GDP in 2012, according to the IMF. With President Obama's reelection to a second term, financial markets may now expect more decisive steps to bring the US budget back to a sustainable path in the medium term and to alleviate the chance of another US sovereign debt downgrade. Much is at stake. The manner in which this is ultimately accomplished will impact not only growth rates but also the long-term fiscal stability of the US.

**Search for safety as the eurozone muddles through**
The crisis in the eurozone has also increased the demand for safe-haven government bonds. The high degree of uncertainty regarding the ability of the peripheral countries to finance their budgets in the financial markets, as well as doubts regarding the ability of the eurozone's governments to deal with the crisis, has increased volatility in Europe and contributed to the decline in government bond yields. Austerity efforts will continue for several more years, putting downside pressure on real rates, and thereby limiting the European Central Bank's ability to normalize rates in the foreseeable future.

**Deflation unlikely…**
With benchmark government bond yields at low levels, markets have become concerned over the apparent parallels between the lost decades in Japan and the current economic environment in the US and the eurozone.

However, in contrast to Japan's experience, monetary policy has been much more accommodative to ensure that inflation expectations in the private sector remain well anchored in positive territory. Stabilizing inflation expectations should also help to keep realized inflation in check. However, with inflation around 2% and money market rates close to zero, investors continue to lose purchasing power when invested in money markets or government bonds.

**…but inflation risks need to be monitored**
A risk for long-term bonds could yet emerge from inflation and inflation expectations. So far, inflation has been well anchored and investors have therefore focused mainly on the uncertainty linked to real growth. Inflation expectations in the US are currently suggesting average inflation of around 2% over the next five to ten years, in line with the Fed's target. However, with the central bank likely to tolerate higher inflation in order to reduce unemployment, we believe breakeven inflation rates will be biased slightly higher in 2013. Inflation will be a risk that we'll continue to monitor carefully, as it's a factor that could move yields substantially higher.

**Reduce allocations to government bonds**
We expect long-term government bond yields to increase moderately in 2013, with expected returns for US Treasuries to be negative for intermediate and longer maturities. To enhance returns, we recommend reducing government bond holdings and seeking credit exposure, rather than lengthening government bond maturities in order to increase portfolio yields. Choosing somewhat lower-rated bonds should lead to more favorable results given that, on average, credit spreads still have some room to improve.

CORPORATE BONDS

# Still attractive

**Barry McAlinden, CFA,** Strategist; and **Philipp Schoettler,** Strategist

The extent to which credit has outperformed government bonds exceeded our expectations in 2012, with all credit sectors on pace to deliver double-digit returns. Investors might reasonably ask themselves whether corporate bonds can continue to perform so well. This past year marks the fifth consecutive year in which the lower-rated high-yield segment of the corporate bond market has outperformed equities, and with less associated volatility (see Fig. 1).

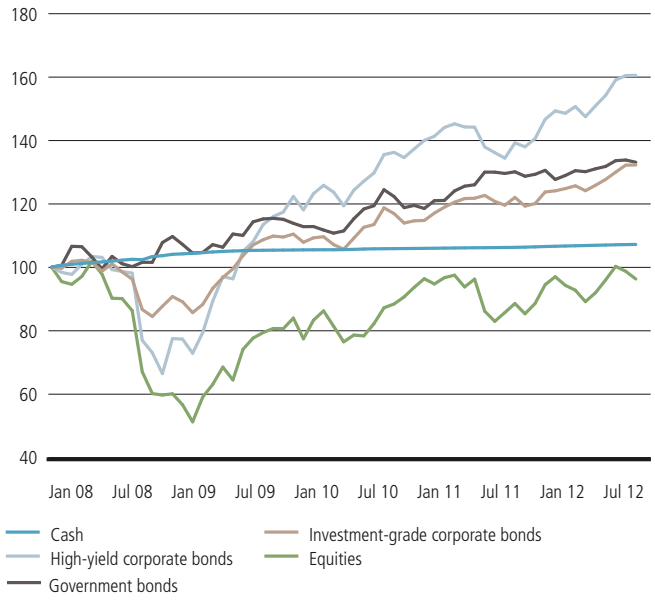
While our analysis suggests that attractive risk-adjusted performance is likely to continue in 2013, the trend of "equity-like" returns in credit is not likely to be repeated. Although we expect returns to be more modest as the window for outperformance narrows, we retain our preference for credit over government sectors, as we believe there is still room for credit spreads to narrow.

## The search for yield continues

The financial crisis has seen the world's major central banks react with historically low interest rates, fundamentally changing the fixed income landscape. Investors who merely want to be compensated for inflation could traditionally rely on government bonds to do the job. In fact, the yield on the 10-year US Treasury was constantly above the US inflation rate between 1981 and late 2007, except for a single month in 2005. This is no longer the case. To achieve a positive real return, investors have to look for alternate investments in the fixed income arena. We think this search for yield will

**Fig. 1: Corporate and high-yield bonds delivered strong returns**

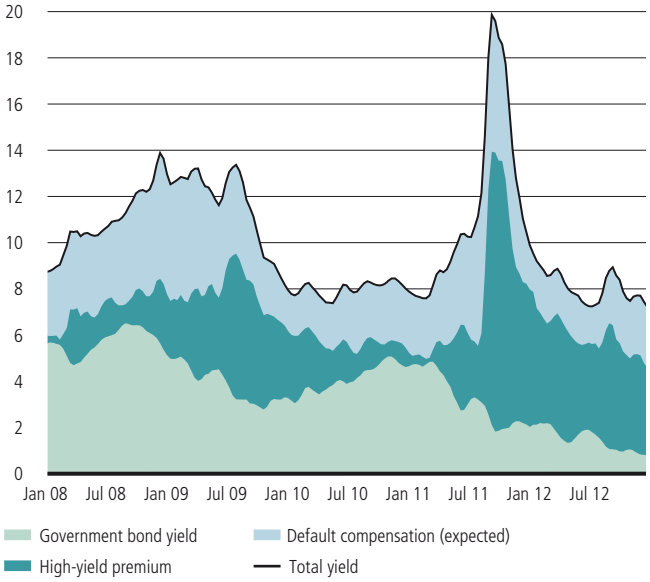
Total returns of global asset classes over the last five years (1.1.2008 = 100)




Source: Bloomberg, Bank of America Merrill Lynch, UBS

**Fig. 2: The premium on high-yield bonds is worth picking up**

Composition of the current total yield on US high-yield bonds in %; default compensation is based on our forecasted default path




Source: Bank of America Merrill Lynch, Moody's, UBS

continue in 2013 and provide some technical support for the corporate bond market.

When thinking about investing in corporate bonds, one must distinguish between the investment-grade (IG) segment (which includes bonds rated BBB or higher) and lower-rated high-yield (HY) bonds. Both asset classes have distinct features and usually serve different purposes within a portfolio. IG corporate bonds only offer a relatively modest premium over government bonds, which compensates mainly for lower liquidity and the risk of ratings downgrades. They provide considerably lower total returns on average than HY bonds, but are also less volatile. With more limited room for credit spreads to compress, the sensitivity that IG exhibits to movements in government bond yields will likely rise over the course of the year. Total returns on IG bonds will likely be muted around 2%, but outperformance over government bonds remains a major value proposition of the asset class.

In contrast to the IG market, HY bond performance is more cyclical. Issuer defaults are far more likely to occur in the HY market, liquidity is lower and the average risk premium is higher. Thus, investors in HY bonds can benefit from an attractive yield as long as defaults remain low and markets remain accessible for issuers. Not surprisingly, higher average returns in the sector also come at a higher risk.

**The extra yield of HY bonds is still attractive**

Fig. 2 helps to illustrate the current attractiveness of US HY bonds. The graph deconstructs the total yield into its main components: the underlying government bond yield, the compensation for expected defaults and the additional risk premium. The upper band shows the default compensation, which we forecast to remain below its historical average in the year ahead. Subtracting this from the total yield produces an estimate of the yield income from an investment in a portfolio of HY bonds. While at first sight it might look low compared to the past, it has mainly been pushed down by the decline in the underlying government bond yield.

In contrast, the additional yield (i.e., the HY premium) that the investor earns on top of the government yield is high, both compared to its own past and to other fixed income segments. It is this relatively high premium that makes HY corporate bonds so attractive in the current low interest rate environment.

**Low defaults for longer**

The good news for investors is that the US corporate sector is more robust today than almost ever before. Companies have repaired their balance sheets through deleveraging and cautious business activity, and are still keeping high cash balances on their books. Thus, we are confident that the credit risk associated with corporate bonds remains manageable.

The default rate of HY companies in the US has been exceptionally low since 2010. At 1.5%, it is currently far away from its 4% long-term average. More important, our proprietary model calls for a continuation of the low default rate environment during 2013.

**Precaution rather than releveraging**

One factor keeping a lid on defaults in the foreseeable future is the low refinancing need of HY companies. Many companies took advantage of the attractive bond market conditions in 2012 to issue bonds and pre-finance existing debt. Consequently, near-term maturities have dropped considerably, along with the interest burden. Companies are better positioned now to withstand an unexpected deterioration in lending conditions.

The fact that the primary HY market set a new annual record in terms of issuance does not worry us. The accessibility of the primary market, in combination with companies using the proceeds of new issuance cautiously and mainly for refinancing rather than for acquisitions, capital expenditure or releveraging, provides a healthy market environment.

**Lower spreads are in the cards for high yield**

Against this backdrop of a solid corporate sector, the current spread over government yields still looks elevated. HY corporate bonds, in particular, still offer some potential for tighter spreads in the months ahead. This is especially important because we expect government bond yields to gradually rise in 2013. For the coming year, we foresee a total return of 7.5% on US HY bonds.

EMERGING MARKET BONDS

# Sound fundamentals

**Donald McLauchlan,** Strategist; and **Michael Bolliger,** Analyst

Emerging markets underwent major structural changes over the last two decades; higher credit ratings reflect improved risk profiles. We foresee further spread tightening vis-à-vis US government debt amid still strong fundamentals, ongoing demand for income and a growing acceptance for non-dollar denominated debt within investment portfolios. We therefore continue to prefer emerging market bonds.

## Stronger fundamentals

Over the last couple of decades, the average rating for USD-denominated emerging markets (EM) debt has improved four notches, from B+ to BBB-. This remarkable transition from speculative to investment grade rewards the successful implementation of major structural reforms since the early '90s. The structural reform process has resulted in stronger fundamentals at both sovereign and corporate levels. Prudent fiscal and monetary policy mixes have translated into unprecedented macroeconomic stability.

Nowadays, many EM countries exhibit stronger debt and fiscal deficit ratios relative to their developed world (DW) peers. EM corporates also now have a proven track record, as several of them successfully dealt with periods of domestic stress, such as the Tequila (Mexico) and Vodka (Russia) crises of the mid- and late-1990s, respectively.

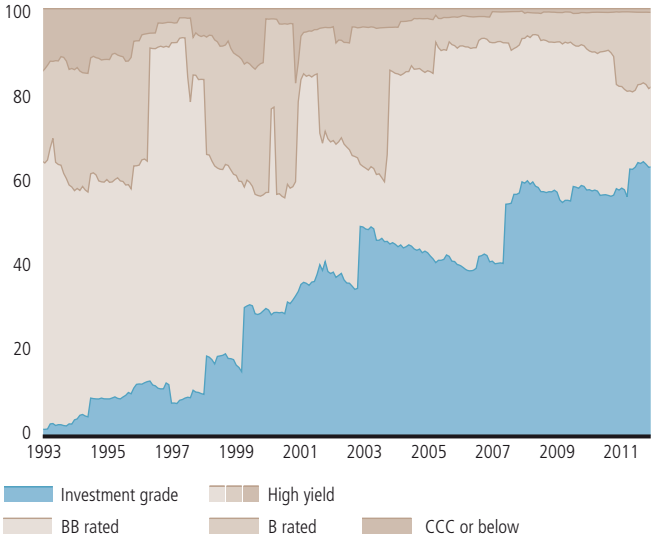
Although EM are not immune to adverse global events, we still expect the asset class to outperform the DW. Higher and relatively stable growth should provide support to EM long-term debt sustainability. Furthermore, as countries' growth gradually shifts from investment-led to consumption-led, we believe it is reasonable to expect improvements in their respective fiscal accounts, which should make it easier to service debt and increase social spending.

Most EM countries have amassed important amounts of international reserves in recent years, providing them with a safety net and a greater ability to cope with economic downturns. Under our base case scenario, we expect stable-to-lower risk premiums for EM sovereign and corporate debt in 2013.

## Stable-to-lower risk premiums: attractive returns

On average, USD-denominated EM sovereign and corporate debt provided between 3 and 3.5% of incremental yield over US government bonds in 2012. We expect stable-to-lower risk premiums in 2013, enough to compensate investors during a challenging global environment. Longer term, we anticipate a drop in the risk premium over US government bonds for USD-denominated EM sovereign and corporate debt toward the 1.5% level.

**Emerging market sovereigns trend toward better ratings**
Rating decomposition of EM sovereign issuers of USD-denominated debt, in % of total




Source: JP Morgan, UBS, as of November 2012

MUNICIPALS

# Awaiting policy decisions

**Tom McLoughlin,** Strategist

The search for yield remains the dominant theme in today's municipal fixed income market. Credit spreads compressed markedly in the fourth quarter of 2012 as investors accepted greater credit risk in return for current income. Longer maturities also outperformed the shorter end of the curve as buyers willingly accepted the higher volatility in return for increased yield. The municipal market's strong performance was sustained by an expansionary monetary policy and a surge in demand from mutual funds experiencing a net inflow of new cash.

The market's technical strength in 2012 allowed investors to shrug off credit events that otherwise might have triggered a reversal in performance. The cities of Stockton and San Bernardino in California sought bankruptcy protection, while unfunded public pension liabilities and anemic tax base growth constrained public finances throughout the US. Investors thus were confronted with conflicting signals – favorable technical factors overshadowing weak credit fundamentals in many parts of the country. While we expect fixed income yields to remain generally range-bound in 2013, investors should expect greater price volatility within the municipal bond asset class.

**Tax reform on the horizon**

Legislative initiatives to curtail or eliminate municipal bond tax exemption resurface in Congress on a regular basis. Most of these proposals initially receive significant media attention but subsequently die a quiet death in committee. Although the muni market thus far has shrugged off the policy risks associated with tax reform, both political parties have expressed an interest in reducing the value of tax preferences and deductions. In that environment, tax exemption is unlikely to escape scrutiny.

We expect a more robust debate regarding municipal tax exemption in 2013 within the broader context of tax reform. The deliberations in Washington will create headwinds for the municipal bond market as investors attempt to discern whether the partisan negotiations will result in a material change regarding the tax treatment of munis. While the prospects for comprehensive tax reform are lower with a divided Congress, the need to reduce the federal deficit will ultimately compel both parties to reach a compromise. Bond prices will react in proportion to the degree to which new legislation affects tax exemption on outstanding and newly issued bonds.

**Renewed focus on credit quality**

In 2013, we expect investors will focus their attention on the public policy decisions made by elected officials in three distinct jurisdictions. The state of Illinois has yet to fully address a persistent structural deficit and its financial position is hamstrung by higher Medicaid and pension-funding costs. The citizens of Puerto Rico have elected a new governor whose commitment to conservative financial management will be tested almost immediately after his inauguration. The island's low pension-funding ratio poses the biggest challenge. Detroit is a politically dysfunctional city whose population has declined dramatically in the past decade. Bankruptcy looms despite efforts by the state of Michigan to forestall such an outcome.

While public policy decisions at the national and state level often affect the credit quality of individual securities, we expect practical politics will have a disproportionate amount of influence on the performance of municipal bonds in the year ahead. It may well be a bumpy road. We expect episodic rather than systemic credit failures and continued demand for income. While investors may seek refuge in the municipal market amid a likely increase in marginal rates (that "grandfathers" existing securities), we do not discount the possibility that tax exemption may be constrained.

PREFERRED SECURITIES

# Diminished expectations

**Henry Wong,** Strategist

Preferreds are on track to deliver double-digit total returns for the third time in four years, driven by credit spread compression and a supportive interest rate backdrop. In the year ahead, we foresee two major risks.

First, although systemic concerns in the banking sector have dissipated, the eurozone is not out of the woods. The concentration of bank issuers in the preferred securities space makes this sector particularly important. While stronger European banks have been relatively successful at raising bank capital, the environment is hardly ideal for weaker banks to raise Basel III-compliant Tier 1 capital, enhance liquidity profile and improve on asset quality.

Although the European Central Bank (ECB) is acting as a lender of last resort, the liquidity and funding backstop inevitably triggered more "asset encumbrance." To access ECB's loan facility, the borrowing banks have to post a larger share of their assets as collateral, thereby reducing the expected recovery value of unsecured debt securities in case of liquidation. Eurozone banks with a high percentage of encumbered assets may subsequently face credit ratings pressure and spread widening, particularly as banking regulations that continue to be formulated put greater emphasis on the loss absorption of junior security holders. In addition, the stellar performance of non-US preferreds in 2012 belies the economic obstacles still posed by tough austerity measures, high unemployment and recession.

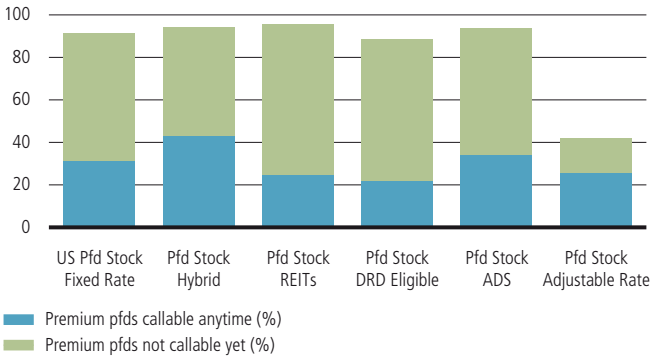
Second, although preferreds have been exhibiting greater sensitivity to credit events in the wake of the Great Recession, preferreds also are highly rate-sensitive. While government bond yields are expected to remain low in the near term, higher yields over the longer term would adversely affect prices. With preferreds currently only yielding about 0.5% above historical lows, we recommend that investors consider strategies to reduce duration exposure. A rising rate environment in the future may also increase call extension risk, saddling holders with low-yielding preferreds longer past the call date. To mitigate these risks, investors should consider floating-rate and fixed-to-float structures that exhibit a superior return profile relative to fixed-for-life preferreds, in our view.

The preferred securities market will continue to face regulatory redemptions next year. The phase-out of noncompliant capital under Basel III and the Dodd-Frank Act is expected to begin in 2013. Redemptions of US banks trust preferred securities (TruPS) are likely to continue. The annual Comprehensive Capital Analysis and Review (CCAR) stress test results are expected in March and this will add further impetus to redemptions. In their place, we expect banks to issue more perpetual noncumulative preferreds with low fixed-for-life coupons. Holders should weigh carefully the decision to keep any high coupon TruPS that is priced significantly above par.

On balance, we look for the combination of low rates, a shrinking supply and improvement in banks' credit quality to keep preferreds well bid in the year. However, investors should expect limited price upside and periodic bouts of volatility. They should also consider reducing exposure to preferreds with relatively higher duration and call extension risk.

**The hunt for yield resulting in rich levels**

Proportions of Preferreds (pfds) indices trading at a premium, in %




Source: BofAML, WMR, as of 4 December 2012

CURRENCIES

# A delicate balance

**Katie Klingensmith,** Analyst; and **Thomas Flury,** Analyst

Managing exposure to foreign currencies is a delicate balance between keeping a large commitment to US dollars while also seeking some diversification toward stronger, smaller currencies. For the years ahead, we see the major developed economies, including the US, continuing their fight for a weaker currency, leaving us with a preference for growth and commodity-linked alternatives.

**Major currencies in a balance of weakness**

Growth in developed market economies is set to remain sluggish as austerity continues, leaving central banks to stay on a path of easy monetary conditions for the coming years. In particular, the policy options for the Federal Reserve, the European Central Bank (ECB) and the Bank of Japan are limited by fiscal austerity, as their respective governments struggle with debt problems, leaving the three major currencies without the substance needed for a sustainable rally. Over the last year, the US dollar, euro and yen established a balance of weakness against each other, while they depreciated persistently versus select smaller currencies. Still, tactical opportunities will arise for the active investor, as the political and economic landscape develops.

**Growth and commodity currencies preferred**

We continue to prefer growth and commodity-linked currencies, and recommend exposure to the Australian and Canadian dollars and Norwegian and Swedish crowns, as well as the British pound. This comes on top of our recommendation for an increased exposure to emerging market currencies. All these currencies continue to be well supported in an environment of slow but steady global growth. The Australian and Canadian dollars are both supported by commodity exports, with Australia exporting primarily to East Asia and Canada primarily to the US. The Australian and Canadian dollars are therefore sensitive to commodity prices as well as to demand swings from these regions.

**A moderate euro appreciation ahead**

We expect EURUSD to remain within the broad band of 1.20 to 1.35 seen over the past year – but likely ends the year toward the higher end of that range. Certain triggers could push the currency pair to one extreme or the other. We think that the chances of a crisis in Europe have been greatly diminished by aggressive ECB actions and policymakers' assistance to beleaguered nations, however escalating concerns about the integrity of the euro, as well as any inclination the Fed would tighten sooner than 2014, would push EURUSD down. Conversely, EURUSD may drift to the upper end of the range given the Fed's likely additional quantitative easing to offset any fiscal tightening. While unlikely, the euro may surprise with an appreciation beyond current ranges on the back of a rebound in growth, which would improve the outlook for fiscal consolidation in Europe.

*"Still, tactical opportunities will arise for the active investor, as the political and economic landscape develops."*

**A weaker yen**

The Japanese economy remains on a slowing growth trajectory, and the trade balance is turning negative. Politicians blame the high value of the yen for economic weakness, which is likely to lead to new and more aggressive fiscal and monetary policies. We think these measures are likely to be successful, and will eventually lead to a weaker yen during 2013.

COMMODITIES

# Trimmed return expectations

**Dominic Schnider, CFA, CAIA,** Analyst

The annual return for broad commodities will likely be in the mid-single digits for the years ahead. At the same time, there's no reason to expect volatility to decline meaningfully from current high levels. We thus see commodities playing a more opportunistic role in a portfolio.

**Less robust demand...**
While there are several reasons to expect lower total returns compared to the pre-2008 environment, China's transition from an investment-led economy to a consumption-oriented growth model is probably the most significant. As a consequence, fixed asset investment growth will likely decelerate from levels around 20% toward 12%, and industries such as steel should expand only moderately. As China is by far the world's largest consumer of commodities, this transition will have a significant impact on demand and should keep a lid on prices.

At the same time, demand from other regions is unlikely to help, as a result of fiscal austerity in developed economies, bank balance sheet deleveraging in Europe and generally lower trend growth. On top of that, the performance contribution from the cash collateral associated with commodity futures investments is likely to be minimal. With interest rates in the US close to zero, the cash collateral is unlikely to yield more than 0.5% per annum.

**...but continued high volatility**
Commodity price volatility has continuously trended higher since the early 1990s, reaching a peak in the financial crisis, which adds to our cautious stance on the asset class as a strategic portfolio component. But even today, going into the sixth year after the financial meltdown, volatility is as high as on equities. We thus see more attractive combinations of risk and return in other asset classes. This is not to dismiss commodities as an asset class altogether. Tactical investment opportunities in single commodities or sectors will present themselves, and investors should exploit them.

> *"Tactical investment opportunities in single commodities or sectors will present themselves, and investors should exploit them."*

On a sector level, we have the best outlook for Energy, where we expect high single-digit returns over the next year. Cheap natural gas prices in the US are not sustainable, while higher income in China and other emerging countries will increase the desire for mobility and thus the demand for crude oil. Precious metal performance depends heavily on monetary policy and hence is difficult to judge over a five-year horizon. But as a hedge against extreme outcomes, such as an inflation surge, precious metals – and gold in particular – are valuable assets in a more conservative portfolio.

NONTRADITIONAL ASSET CLASSES

# Diversify

## Promising outlook for listed real estate

**Karsten Bagger,** Strategist; and **Jonathan Woloshin, CFA,** Analyst

Listed real estate makes an attractive portfolio allocation for the years ahead given its dividend advantage over many other asset classes and the availability of attractive financing.

Global REITs have performed well in recent years, but still remain fairly valued with an attractive dividend yield above 4% supported by all-time low payout ratios. They perform well even during subpar economic growth. With the Fed promising low interest rates over the next few years, global REITs should continue to be able to refinance their debt at all-time low levels and extend debt durations. Globally, there has been a limited build-up of new rental properties in recent years across a majority of property types. We believe this relatively tight global supply is supportive of both higher rental rates and real estate values. Our analysis suggests that global REITs have an advantage over non-REIT equities in this environment.

In the US, our preference lies with property real estate investment trusts (pREITs), which are generally conservatively managed, have a relatively transparent company structure and pay out a minimum of 90% of taxable income in shareholder distributions. Due to their attractive dividend yields and potential for capital appreciation, pREITs potentially offer a good alternative to corporate bonds in this yield-challenged environment.

Investors considering investing in the US REIT market should be cognizant of several *potential* tax law changes that *could* impact REIT shares:

- On 22 February 2012 the Obama administration (the Administration), in conjunction with the Treasury Department released a preliminary proposal regarding reformation of the US corporate tax code entitled *The President's Framework For Business Tax Reform* (the Proposal). One of the issues highlighted in the Proposal are the distortive economic effects, as it pertains to the effective marginal tax rates, of certain corporate structures (known as pass-through entities) vs. traditional corporate structures. We recognize the language contained in the Proposal specifically mentions pass-through entities – which REITs are not from a corporate structure perspective. That said, REITs typically distribute a substantial portion of their income in the form of dividends and, assuming they meet certain income distribution thresholds, are generally exempt from federal income tax. Given the country's large and growing budget deficit we believe many potential revenue-generating avenues will be examined by the Administration. It would not be out of the realm of possibility for the Administration to look to certain corporate entities that currently pay little or no federal income tax (including REITs).

- Unless amended, the tax rate on dividends in the US is due to revert to ordinary income tax rates from the current 15% level on 1 January 2013. Should tax rates on qualified dividends increase (or possibly return to ordinary income tax rates) pREITs could potentially benefit from renewed interest from investors who previously avoided pREITs due to the fact that pREIT dividends have historically been taxed at ordinary income rates. The year 2012 saw a number of REITs raise their dividend payouts including multiple intra-year raises in some cases. We believe pREIT management teams understand the importance of current income to investors and will keep returning capital to shareholders high among their uses of capital.

## Private equity opportunities

**Stefan Braegger,** Analyst

An economic environment that includes global deleveraging, banking disintermediation in Europe and emerging markets growth offers opportunities for private equity (PE) investors. PE investments come with lower liquidity, but also offer various strategies to generate improved and sometimes different risk/return profiles compared to more traditional investments. An illiquidity premium and higher returns should compensate investors committing to an illiquid, multi-year strategy in their strategic asset allocation.

In 2013, we prefer the following PE strategies:

- Global PE secondaries to capitalize on regulatory-driven sales by financial firms at attractive discounts of 15–20% to net asset value.
- Direct lending to companies in Europe where debt markets are less liquid than in the US and still dominated by banks, which are reducing lending.
- Growth and buyout capital in emerging markets, to access superior growth and attractive consumer dynamics. Within real assets, we like opportunistic strategies in US real estate and lending strategies within European commercial real estate, which are attractive as banks shrink loan portfolios.

## Hedge funds

**Cesare Valeggia, CAIA,** Analyst

Central banks continue to show determination to provide significant amounts of liquidity to capital markets, which should maintain moderately low volatility and correlation levels in the near to medium term. These dynamics should continue to provide tailwinds for a number of hedge fund strategies and create attractive opportunities that many managers may be well positioned to capitalize on.

In fixed income markets, capital management concerns among market makers are reducing market liquidity. As the traditional market makers (i.e., banks) are retrenching from proprietary trading desks, hedge fund strategies that can be expected to benefit from this trend by reaping liquidity premiums include fixed income relative value, distressed and mortgage (non-agency mortgage-backed securities) strategies. Long/short credit managers should see attractive trading opportunities around new issuance as governments address significant upcoming sovereign debt maturities and investor appetite for such paper remains tepid. The ongoing macroeconomic and political issues in Europe will continue to create bankruptcy-, restructuring- and reorganization-related opportunities that distressed and event-driven managers can capitalize on. Some private equity structures may benefit from this environment as well.

The negative performance of most emerging markets (e.g. China) in 2012 has been detrimental for most global macro managers. However, this is set to reverse in 2013, against the backdrop of reaccelerating emerging economies and global central bank reflation, thereby offering a meaningful upside potential for macro managers.

Finally, falling intra-stock correlations and increasing dispersion of stock returns should be positive for fundamental equity long/short strategies, though it is prudent to remain highly particular about manager selection in this area as stock-picking ability drives performance.

# *Investment themes*

*Investors need not feel adrift during this period of heightened policy uncertainty. Our investment themes provide orientation by highlighting some of the most important trends that we believe will not only transform industries and broad sectors of the economy, but will also present compelling investment opportunities. In this section, we look beyond the year ahead and present the themes we believe in most for the medium to long term.*

# North American energy independence: reenergized

**Kurt Reiman,** Strategist; **Nicole Decker,** Analyst

North America is currently on track to achieve energy independence by the end of the decade. Whereas oil and gas production once lay at the fringe of the energy discussion, it now takes its place right at the center. For the first time in several decades, US energy production is rising, thanks to the formerly untapped potential of shale oil and gas reserves. On the demand side, moderation of US energy demand growth makes North American energy independence all the more possible, while strong emerging market demand makes it all the more necessary. As these trends continue, we expect:

- America's newfound energy resources to provide a boost to US economic activity while the country contends with widespread debt deleveraging. Furthermore, we expect a lower structural trade deficit due to a moderation in oil imports and acceleration in natural gas exports.

- Relatively inexpensive natural gas to create a competitive advantage for the US. Natural gas will replace coal as the primary fuel used in power generation, and may grow in prevalence as a transportation fuel. Natural gas abundance could also herald a manufacturing renaissance through the repatriation, relocation and expansion of energy-intensive industrial operations.

- US oil consumption to decline, as the comparatively high price of oil encourages conservation, and new policy standards will usher in more fuel-efficient vehicles.

- US to wean itself off OPEC imports through the combination of lower oil demand, greater domestic production and additional Canadian imports (see Fig. 1). Reduced dependency on unreliable supplies, particularly in the Middle East, would likely soften the economic impact of supply shocks if crisis erupts.

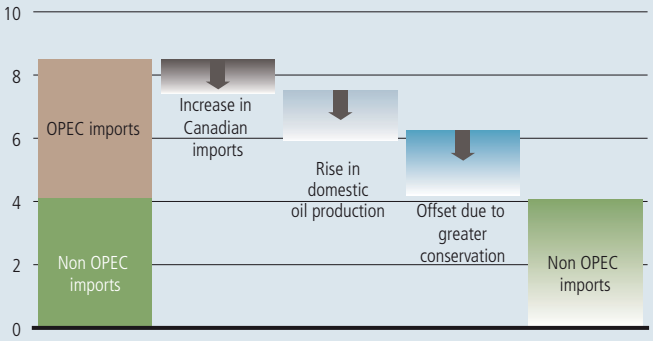
- Demand for renewables to hinge on government subsidies, which may come under pressure in an age of heightened austerity.

- The march toward North American energy independence will be a focal point for energy investors in 2013 in our view. We also believe that stabilization in the world economy could arrest or even reverse the recent underperformance of the energy equities. Our 2013 oil and natural gas price projections suggest little change from current levels. Therefore, we look for companies with US onshore exposure who are best positioned to grow earnings from sources other than commodity prices.

- Companies that are operationally positioned to capture this growth will be the primary beneficiaries. This would include selected North America-focused producers with high exposure to emerging oil and liquids-rich plays, pipeline operators, and oilfield services providers.

**Fig. 1: Independence from OPEC oil**

Factors influencing future US crude oil supply, in million barrels per day




Source: Energy Information Administration, UBS

# Housing: the long grind higher

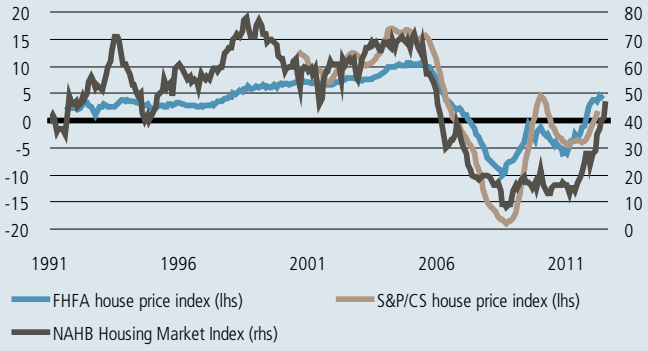
**Thomas Berner,** Economist; **David Lefkowitz,** Strategist; **Jonathan Woloshin, CFA,** Analyst

The US housing market is officially on the mend, with house prices and building activity on an uptrend since late last summer and early this year, respectively (see Fig. 2). At this stage, we believe the recovery is sustainable and, furthermore, housing could be a supportive factor for the US economy, partly offsetting the negative forces that could arise from fiscal austerity. We expect:

- Single-family and multi-family housing to annually increase about 12% and 18%, respectively, over the next 3-4 years.
- Annual home prices to appreciate 4%-5% over the same period, with prices currently undervalued 14% in inflation-adjusted terms. Even without a substantial recovery in mortgage lending or any of the other drivers of housing activity and prices, which include labor market conditions, taxation and demographic trends, the US national house price average will most likely trend higher toward its equilibrium.
- Our preferred way of investing in the housing recovery is via the following sectors: Home Improvement Retail, Banks, Furnishings, Durable Household Products and Autos. In contrast, homebuilders are not as attractive, in our view, as we believe these stocks are discounting very aggressive multi-year increases in unit sales, community growth and margins.
- Nonagency mortgage-backed securities to benefit from a housing recovery.

**Fig. 2: US housing in recovery mode**

US house price and housing market indices, year-over-year, in %




Note: FHFA = Federal Housing Finance Agency; S&P/CS = Standard & Poors/Case-Shiller; NAHB = National Association of Home Builders
Source: Bloomberg, UBS WMR, as of 10 December 2012

# Healthcare: change comes from within

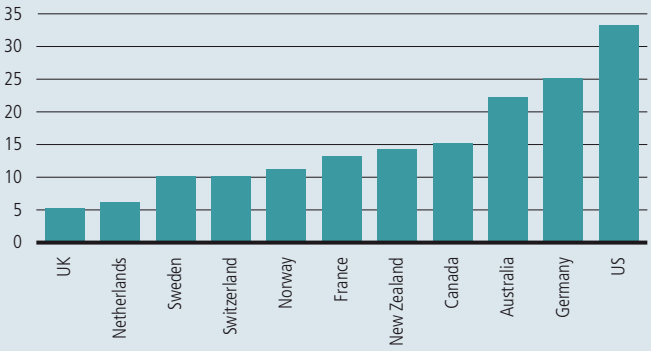
**Kurt Reiman,** Strategist; **Jerry Brimeyer,** Analyst; **Kristin Stephens,** Analyst

America's best physicians and medical centers are renowned for treating acute illnesses with some of the most sophisticated – albeit costly – regimens anywhere in the world. Unfortunately, by many other measures of success, the US system lags in comparison to much of the developed world, failing in varying degrees in overall accessibility, affordability, and even important, quality measures (see Fig. 3). While policy will be critical in shaping US healthcare outcomes, insurers, hospitals and healthcare products and services will continue to evolve in ways that lower the cost curve, improve quality and reduce barriers to care. The net effect of this will be a sweeping transformation of the healthcare delivery system over the next decade. We expect:

- The healthcare system to integrate further as providers form large, efficient health networks to lower costs and create system efficiencies.
- Widespread sector consolidation to continue in all areas of healthcare, including mergers between nonprofit hospitals and for-profit providers.
- Integrated healthcare providers to overhaul operating models through capital spending that favors investments in outpatient care and information technology (IT), e.g., electronic health records (EHRs).
- EHRs and enterprise IT systems to become pervasive as the reengineering of healthcare delivery de-emphasizes physical structures where care is administered and shifts the focus to virtual networks.
- Meaningful healthcare innovation to become a critical part of survival for healthcare products and services companies. Healthcare product companies, to remain competitive, must acquire or develop meaningful innovation.
- Bundled or "fee-for-value" reimbursements to replace costly fee-for-service payments, as governments and insurers incentivize providers to transition to a reimbursement model that rewards coordination, superior outcomes and cost minimization.
- Employer-sponsored insurance to diminish over time as we transition to a system where alternate health insurance plans are more broadly available through new state insurance exchanges.
- For investors, we continue to recommend the healthcare cost savers, efficienators, and innovators. Cost savers are those that can profit from reducing the cost of care. Efficienators are those that help create market efficiencies. And innovators are those that can improve healthcare outcomes through innovative products or services.

**Fig. 3: Americans most likely to face financial barriers to care**

Share of population facing financial barriers to healthcare in selected countries, in %




Note: Access problems include: did not get medical care because of cost of doctor's visit; skipped medical test, treatment or follow-up because of cost; or did not fill prescription or skipped doses because of cost.
Source: Commonwealth Fund, UBS WMR, as of 2 October 2012

# Technology: smart mobility drives secular growth

**Sundeep Gantori,** Analyst; **Robert Faulkner,** Analyst; **George Lambertson,** Analyst

By combining mobility with powerful computing and faster network speeds, smart mobility has created a paradigm shift in the global Information Technology (IT) sector. In our view, smart mobility is a structural driver that should help support robust IT sector earnings growth over the next several years.

- The key growth drivers of this smart mobility trend are resilient consumer IT demand, including rising consumption in emerging markets, innovation driving replacement demand from traditional devices like PCs, growing enterprise support, mobile apps taking center stage in the smart revolution, and faster wireless networks. Despite its strong recent growth, we believe the smart mobility cycle still has steam left. We expect a five-year unit annual growth of nearly 30% for both smartphones and tablets and expect the strong momentum to continue in 2013.

- In 2013, we see rising penetration in emerging markets from a very low base as a key growth driver. With improved wireless coverage, thanks to increased availability of 3G services and rising purchasing power, we expect solid growth opportunities in emerging markets as smart devices narrow the digital divide at very affordable prices compared to PCs, which still cost above USD 500. A case in point is the emergence of low-cost smartphones in China, attractively priced at some USD 150; this should accelerate spending on smart devices.

- Our growth estimates may prove conservative if demand from emerging markets continues to surprise, as we see significant scope for increased penetration. Also, the wave of new product cycles expected in early 2013 should stimulate strong near-term purchases and accelerate replacement demand from other devices like PCs and cameras. Longer-term, we see further growth opportunities for our smart mobility theme as the addressable market expands with increased adoption of e-commerce, mobile payments and other apps on smart devices.

> *"...smart mobility is a structural driver that should help support robust IT sector earnings growth over the next several years."*

- We continue to prefer industry leaders. We expect them to gain market share at the expense of ailing competitors, who may eventually be forced out of the market. With three times the earnings growth rate potential as the global average, the industry leaders are also attractively valued, and further supported by solid cash positions.

# Risks and scenarios

*Taking upside and downside risks into account places any investment decision on stronger footing. If you want to get from point A to point B in stormy weather, it is vital to familiarize yourself with possible detours in case you find an obstacle blocking the road.*

*Cultivating an awareness of downside risks and their financial market implications is particularly important. Investors can thus preserve capital in periods of market stress by responding to new developments in a timely manner or hedging their portfolios against particular risks.*

*Tax reform: broadening the base*

*US Upside / Downside*

*Mergers & acquisitions: a coiled spring?*

*Europe Upside / Downside*

*In the following section we look at the risks that could drive financial markets in 2013, presenting our scenarios and impact assessments. While we think that the risk of a Chinese hard landing in 2013 is overstated, the eurozone crisis will likely stay an important market topic. The same goes for US fiscal challenges and geopolitical hotspots that should be on investors' radar screens.*

*During the year we will continuously monitor the upside and downside risks and their associated scenarios for the three big market drivers – the US, the eurozone and China – but we also keep an eye on more regional and lower-probability issues and their potential impact on asset classes.*

*Global weather disruptions*

*China Upside / Downside*

*Middle East escalation*

# United States

ON THE UPSIDE

## *The housing market recovers strongly*

**Mark Haefele, PhD,** Head of Investment

PROBABILITY*: 20%
MARKET IMPACT*†:
- Global equities: 20%
- US Treasuries: –5%
- EURUSD: 5%

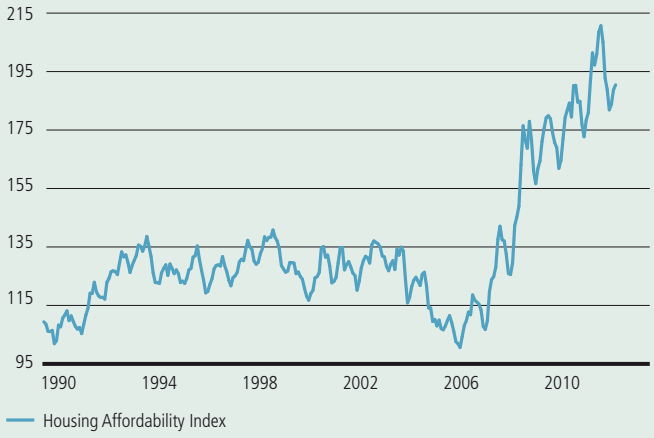
* Based on CIO WMR assessment
† Estimated return deviation from baseline

**Positive growth surprises could come from a few avenues in the US next year: a solution to the US debt problems, larger impact of expansionary monetary policies, and upside surprises to the US housing sector.**

The US housing sector is slowly recovering after its biggest crash since the Great Depression. We expect this moderate recovery to continue, pushing prices around 2% higher annually in inflation-adjusted terms over the coming few years. But what if US home prices rebound even faster than we expect in 2013?

A number of signs point to further upside in home prices:

**Affordability at multi-decade highs**
NAR Housing Affordability Index




Sources: National Association of Realtors, as of 30 September 2012, UBS

housing construction appears to have bottomed, the inventory of homes for sale continues to shrink, and thanks to lower home prices and record-low mortgage rates, affordability is near record highs (see figure). In fact, since January, US nationwide housing prices are almost 5% higher.

The biggest drag on the current housing recovery is sluggish mortgage lending. Currently, tight underwriting standards are limiting mortgage issuance to only the most qualified borrowers. But other factors point to the possibility of a more rapid housing recovery. Homebuilder equities seem to be pricing in such a scenario, having surged by more than 70% this year to date on average. And the Federal Reserve is directly targeting the housing sector, purchasing $40 billion a month in mortgage-backed securities to keep mortgage rates exceptionally low.

A stronger-than-expected housing recovery would impact the entire US economy, since rising house prices have historically boosted consumption. More than 22% of US homeowners are currently suffering from negative equity, owing more on their mortgages than their homes are worth. But as home prices rise, a growing number of homeowners will transition out of negative equity, becoming eligible to refinance their mortgages at historically low rates. The result could be a "virtuous circle" of rising house prices begetting greater consumer confidence and spending, stronger economic growth, and in turn, further boosting residential housing investment and prices.

Given that consumer spending makes up around 70% of the US economy, a faster-than-expected rise in house prices would be broadly positive for equities. In particular, it would benefit housing-sensitive sectors, such as home goods retailers, homebuilders, real estate investment trusts (REITs) and financials. Homebuilders, for example, have historically risen by an average of around 450% over the typical 3-5 year upcycle in residential construction. Many of these sectors would benefit even under our base case of a moderate housing recovery. But a more rapid housing recovery would likely be a genuine game changer for housing-related stocks.

## The base case:

- Moderate fiscal tightening pushes 2013 growth ahead of 2012, at around 2–2.5%
- Unemployment falls slowly, allowing the Fed to continue its support
- Low interest rates and quantitative easing support growth, but without boosting it much

ON THE DOWNSIDE

# US fiscal challenges turn sour

**Mike Ryan, CFA**, Chief Investment Strategist, Wealth Management Americas

PROBABILITY*: 20%
MARKET IMPACT*†:
- Global equities: –20%
- US Treasuries: 5%
- EURUSD: –10%

* Based on CIO WMR assessment
† Estimated return deviation from baseline

**It remains our view that elected officials in the US will eventually reach an agreement to avert the economic shocks associated with the fiscal cliff. Likewise, we also look for a comprehensive longer-term reform package to reduce the deficit. However, given the current dysfunctional political dynamics in Washington, neither outcome is assured.**

We find no shortage of catalysts that could trigger a negative shock to both the US economy and financial markets in the aftermath of the global credit crisis. Candidates include a surge in energy prices, a high-profile terror attack and a renewed banking crisis. Nevertheless, the biggest threats emanate primarily from the domestic policy front. Given the still fragile state of the recovery, policymakers must take care to ensure that the economy does not suffer an economic shock from a reckless and indiscriminate near-term tightening of fiscal policy. Our economics team estimates that expiring tax cuts, reductions in spending levels and mandated budget cuts associated with the fiscal cliff total about $540 billion – or about 3.5% of GDP. Were all of these simply to lapse, the Congressional Budget Office projects that the economy would contract by 0.5% in 2013 rather than expand by about 2%, which is the current consensus forecast.

On the other hand, the failure to address the current unsustainable fiscal position in a credible and prudent manner not only threatens the long-term prosperity of the US, but it also poses a near-term risk to the sovereign credit rating and the stability of the dollar. After repeatedly kicking the can down the road for the past several years by refusing to address ever-widening budget deficits, elected officials have left themselves with virtually no margin for error as they seek to navigate between a short-term fiscal cliff and a longer-term sovereign debt crisis. The rating agencies have already put US leaders on notice that they will downgrade the country's sovereign credit rating unless elected officials come up with a credible fiscal reform plan in 2013 that puts the US on the path toward a more sustainable budget position. We estimate that the rating agencies would need to see $2-$3 trillion in verifiable and credible deficit reduction measures over a 10-year period (on top of the budget cuts envisioned in the 2011 Budget Control Act) to avoid a series of downgrades. Simply put, the can has gotten bigger and we are running out of road.

If US leaders fail in their efforts to avert a fiscal cliff, it will almost assuredly cause a recession. This, in turn, would negatively impact corporate earnings, lead risk premiums to widen and perhaps even trigger a fresh wave of banking woes. A downgrade in the sovereign debt rating and the associated loss of confidence in US leadership, on the other hand, could well prompt a sharp decline in the dollar and an increase in longer-term borrowing costs. Given the role the US plays in the world economy and the global financial markets, the combined failure to address the fiscal cliff and budget reforms could well trigger another global recession – and even serve as the catalyst for another financial crisis. The "winners" would be limited to a select group of safe-haven assets that might – ironically – include US Treasury securities, as well as short positions in assorted risk assets. But precious metals could also benefit, amid the need for an even more open-ended policy response by the Fed and concerns over the global status of the dollar.

# China

ON THE UPSIDE

## *The Chinese consumer awakens*

**Stephen Freedman, PhD, CFA,** Strategist; and **Patrick Ho,** Analyst

PROBABILITY*: 20%
MARKET IMPACT*†:
- Global equities: 15%
- US Treasuries: –2%
- EURUSD: 5%

* Based on CIO WMR assessment
† Estimated return deviation from baseline

**In coming years, China will attempt to rebalance its economy, gradually shifting toward consumption as the main growth driver. A greater emphasis on consumption growth and the productivity of investment could lead to an upside surprise with faster and more balanced GDP growth in 2013, and benefit regionally exposed equities.**

The upside scenario would involve the new Chinese leadership acting more decisively than expected to rebalance consumption and investment. This would likely require enhancing the public social safety net, in particular the pension and healthcare insurance system, which would reduce the propensity of Chinese households to save for precautionary reasons. Steps to facilitate further urbanization including more flexibility of the household registration system that practically limits migration within China would also boost aggregate consumption, since the propensity to consume tends to be higher in the cities than in the rural areas. Another way to stimulate consumption is to sustain higher income growth. Various reforms (interest rate deregulation, development of debt capital markets, deregulating the state-dominated sectors, internationalization of the renminbi and more effective protection of intellectual property rights) if implemented more rapidly could promote more efficient resource allocation and productivity growth. This would lead to higher profit margins and labor income, which would eventually both support consumption growth.

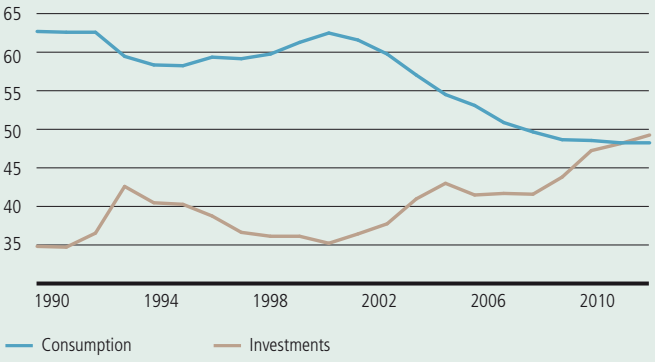
The main benefits of a medium-term shift in the composition of growth toward domestic consumption would include a declining current account surplus, and ultimately a more sustainable expansion path for China. We view this as the true bullish China scenario rather than one in which authorities stimulate the economy with state-led, credit-financed investments at the cost of exacerbating imbalances.

The global ramifications of such a rebalancing process could be significant. Given China's preponderance in the region, the shift could herald a new era of increased consumption growth in the Asia-Pacific region, of greater reliance on intra-regional trade, and reduced dependency on exports.

How can investors benefit under such a scenario? While somewhat faster Chinese growth may benefit some of the China resource and industrialization plays (commodities, materials and industrials stocks, Australian dollar), the main beneficiaries would likely be investments geared toward Chinese consumption. And while the rebalancing process may take years, signs that Chinese authorities are serious about implementing the needed reforms early on could be sufficient to cause a rerating of affected equity investments in the near and medium term. Within Asian equities, exporters of consumer electronics (such as smart phones) in countries such as Taiwan and Korea would tend to benefit. Among developed market equities, investments best positioned to benefit from such a scenario include multinational companies with strong consumer brands and franchises.

**China attempts to rebalance the economy**

China's consumption and investment as % of GDP




Source: CEIC, CIRA, UBS

## The base case:

- Economy avoids hard landing, and growth settles at around 7.5–8% for 2013
- New leadership reduces political uncertainty through policy continuity
- Strong bank loan and non-bank financing support growth

ON THE DOWNSIDE

# What could go wrong?

**Yonghao Pu**, Regional CIO Asia-Pacific

PROBABILITY*: 10%
MARKET IMPACT*†:
- Global equities: –15%
- US Treasuries: 5%
- EURUSD: –10%

* Based on CIO WMR assessment
† Estimated return deviation from baseline

**The following three potential downside risks for China in 2013 cannot be ignored: political and social unrest; a lack of corporate investment related to overcapacity; and external military confrontations with neighboring countries.**

China has just completed a leadership transition, and an urgent task on the new leader's agenda is to curb corruption and initiate and execute a gradual political reform program. The remarkable economic achievement of the past decade unfortunately went in tandem with rising corruption and abuse of power, so little progress has been made on political reform. In response to these conditions, there has been an increase in social unrest – both in scale and the number of instances – along with public resentment. Social media such as microblogging website Weibo have been rapidly adopted to expose cases of abuse, helping to curb malpractice, but also fueling wider resentment and stronger demand for reform (including anti-corruption measures). The new leaders must therefore act concretely to embark on reform or social stability will be at risk.

The sustainability of the current economic recovery is related to the first concern. Two years of adjustment and austerity have brought stability and the beginnings of an economic recovery, largely driven by inventory restocking and infrastructure investment. Whether the recovery is sustainable or not depends largely on consumption growth and related corporate investment. Can these take over as growth drivers? So far consumption has been quite resilient, due to a stable labor market. However, the big concern is overcapacity in many areas of manufacturing, such as textiles, solar power, shipbuilding, steel, etc. Competition has thus intensified and squeezed profit margins, causing earnings to shrink. If the government is unwilling to accept short-term pain by offering state enterprises subsidies to bail out excess capacity, then overcapacity will linger, posing a risk to the recovery in corporate investment, which in turn could cause the current recovery to run out of steam.

Another risk relates to territorial disputes, of which China has faced a number in recent years, with countries such as Japan, Vietnam and the Philippines. Beijing does not seek war with its neighbors so we do not expect these disputes to escalate to military conflicts. However, with more active participation of US military forces in the region on the external front and rising nationalism internally, China is facing potential military confrontation risk. In particular, the new leadership seems to take a more hawkish line toward external disputes, in order to win public support. As a consequence, we cannot ignore the geopolitical risk, despite the low probabilities of an outright armed conflict. In sum, while these risks do not constitute our base cases, they must be closely monitored.

Our China downside risk cases would trigger a risk-off mode on financial markets, in particular impacting Chinese equities, but also share prices of other emerging markets. The effect on other regions and asset classes would depend on the broader economic impact. Weakness in corporate investment would probably have the strongest effect on the domestic economy and financial markets, inducing a decline in global equity and commodity prices.

# Europe

ON THE UPSIDE

## *Euro crisis resolution*

**Andreas Hoefert, PhD,** Chief economist; and **Thomas Wacker, CFA,** Analyst

PROBABILITY*: 10%
MARKET IMPACT*†:
- Global equities: 25%
- US Treasuries: –7%
- EURUSD: 10%

* Based on CIO WMR assessment
† Estimated return deviation from baseline

**Three major factors could propel Europe from its current approach of muddling through toward a path of sustainable crisis resolution: 1) the development of peripheral and critical economies in the eurozone, along the Irish experience; 2) better global growth that also allows the eurozone to grow at a faster-than-expected pace, and most important; 3) breakthroughs toward real integration, including a system of fiscal transfers, at the next European summits in 2013.**

In the positive scenario, both Italy and Spain, by implementing labor market reforms, manage to narrow their competitiveness gap with Germany. France also narrows its gap. The austerity measures start to pay off and the current account balances of those countries turn positive (Spain's was positive in August 2012 for the first time since 1998). A better global growth outlook allows those countries to grow faster than expected or escape recession.

This in turn increases government receipts and the chances of primary surpluses. Both the improvement of current account balances and government budgets would signal to investors that the worst is over, encouraging them to buy European peripheral bonds, thereby lowering the interest rates in those countries and boosting the chances of budget surpluses.

Parallel to the positive macrodynamics, the European summits achieve major breakthroughs on the basis for creating a banking union, including a jointly financed deposit insurance system, and on some kind of fiscal federalism (introduction of a European Treasury, along with central budgetary control of Europe and systematic tax revenue redistribution from stronger to weaker regions). By year-end 2013, a comprehensive agenda is in place and only needs national ratification to form the United States of Europe (USE) by January 1, 2018, the 60th anniversary of the Treaty of Rome. We call this the Vilnius Treaty, agreed to under the Lithuanian presidency of the EU in the second half of 2013. As usual, the UK opposes it.

Such developments would be positive for both weaker European countries and financial markets, and would dispel uncertainty. We would expect equity markets to be supported and European equities to close their undervaluation gap with US equities. Such a scenario would also buoy European peripheral bonds and euro-denominated assets in general. The euro should then rally against the other major currencies. Upon reaching 1.30 against the Swiss franc, the Swiss National Bank lifts the 1.20 floor and Switzerland reaps over 50 billion Swiss francs in profits on the reserves.

In this very unlikely scenario, we would recommend a strong "risk-on" portfolio orientation, favoring European equity over US. We would also selectively recommend some European periphery bonds over European core bonds, as the interest rate spread would narrow. The euro would clearly be our most favored currency.

## The base case:

- Eurozone economic growth turns from negative in 2012 to slightly positive in 2013
- European Central Bank's strong commitment to preserving the eurozone and supporting growth stays in place for 2013
- Greece stays in the euro in 2013, but exit risk remains a concern

ON THE DOWNSIDE

# An uncontrolled euro exit

**Andreas Hoefert, PhD,** Chief economist; and **Thomas Wacker, CFA,** Analyst

PROBABILITY*: 5%
MARKET IMPACT*†:
- Global equities: –30%
- US Treasuries: 10%
- EURUSD: –20%

* Based on CIO WMR assessment
† Estimated return deviation from baseline

**There is a risk that Greece would exit the eurozone in 2013. Still, we assign only a very low probability to an uncontrolled exit scenario: This would entail severe contagion effects for the rest of the eurozone, as there would be no coordinated efforts to avoid undue collateral damage.**

In the run-up to this scenario, the Greek government might get ousted, leading to a series of elections without the possibility of forming a government or agreeing on austerity plans. If Germany refuses to back down from its austerity demands, this would leave Greece without external financing for its government outlays – hence it would face the prospect of a disorderly euro exit. Greece's departure from the eurozone would create a precedent. Bank runs and panics in other peripheral countries would be likely, and very difficult to control – which could ultimately create a domino effect, forcing other countries to leave the eurozone.

This tail-risk scenario would have an extremely negative impact on markets. In addition to pushing most of Europe into deep recession again, it would also dramatically increase uncertainty about the medium-term future. All stock markets would probably correct heavily. The conversion risk premium on European peripheral bonds would surge, as investors demand compensation for the danger that a country may leave the eurozone and denominate its bonds in the new and devalued national currency. This would trigger a self-fulfilling prophecy: The conversion risk premium itself would make interest rates in those countries unbearable, thus forcing some of those countries out of the euro unless the ECB immediately decides to buy unlimited amounts of their debt.

The euro would take a serious beating, while supposedly safe assets like gold and US Treasuries would rally. Other European currencies would also benefit, most noticeably the British pound, the Scandinavian currencies and some harder currencies from Eastern Europe (e.g., the PLN and the CZK). The Swiss National Bank would have to intervene massively to stave off attacks on the 1.20 parity. The longer-run outcome would depend on the credibility of the remaining eurozone. The case that a residual euro with only "strong" Northern European countries (especially Germany) could strengthen, is mitigated by the fact that Northern Europe would likely go through a deep recession and severe balance sheet problems among its financial intermediaries.

Such a scenario would imply a risk-off stance on the portfolios, initially avoiding everything related to or denominated in the euro and focusing on dollar-denominated assets and euro alternatives to preserve wealth. Only at a later stage, once the fate of the "leftover euro" becomes clearer, could a gradual buildup of European assets again become attractive.

# Tax reform: broadening the base

**Thomas McLoughlin,** Strategist; and **Jonathan Woloshin, CFA,** Analyst

PROBABILITY*: 35%

- Remark: Impact of tax reform on existing muni bond investors will depend upon whether Congress elects to grandfather outstanding bonds. Restrictions on mortgage interest deduction could negatively impact home values in the Northeast and West Coast, potentially imposing a drag on economic growth in these regions.

* Based on CIO WMR assessment

**Tax reform is a moving target and even congressional leaders do not yet have a sense as to how this will play out in the year ahead. Resolution of negotiations over the fiscal cliff will take priority but the atmosphere is more conducive today for a thorough reexamination of the tax code than it has been in years. We anticipate greater volatility in the price of equities and tax-exempt securities as the relevant committees in Congress consider further restrictions on the ability of taxpayers to shelter income, all in the name of "broadening the base."**

When it convenes in January, we expect the 113th Congress to make another run at comprehensive tax reform. Both parties appear willing to seek some sort of a political compromise to reduce the federal deficit. Democrats would prefer to increase the highest marginal tax rate for wealthier Americans. Republicans would prefer to restrain the growth of entitlement spending. Meanwhile, both parties have begun to scrutinize tax shelters, or "tax expenditures," in an effort to limit the concessions they will otherwise have to make.

Tax expenditures refer to special exclusions, deductions and preferential tax rates permitted by the IRS that reduce revenue to the federal government. The term "tax expenditure" is not particularly intuitive, but it helps if you think about these items as substitutes for direct spending by the federal government. To illustrate the point, a recent Congressional Research Service (CRS) report described the treatment of tax-exempt interest as a "subsidy to state and local government." In the context of tax reform, any subsidy is likely to be scrutinized closely. There are over 200 separate tax expenditures, which together reduce annual federal tax revenue by more than $1.1 trillion. Two in particular stand out for client consideration: the mortgage interest deduction and municipal bond tax exemption. For investors in residential real estate and tax-exempt securities, the ascendancy of political risk in 2013 constitutes an important consideration.

Potential changes to the mortgage interest deduction loom on the horizon. Currently, homeowners are permitted to deduct interest on up to $1 million of primary mortgage and interest on up to $100,000 in home equity debt. Although nothing concrete has yet been proposed, potential changes include: a reduction of the maximum amount of interest eligible for deduction; an exclusion on the mortgage interest deduction for second homes; and a limit on the amount of mortgage interest deductions that may be taken for higher-income taxpayers (in addition to the current phase-out schedule for high-income taxpayers that itemize). Given that the median existing and new home prices across the US are approximately $188,000 and $235,000, respectively, we believe a substantial reduction in the maximum allowable mortgage interest deduction would be politically expedient as it would not affect a majority of home buyers. For taxpayers in regions with higher-priced homes, of course, any such limitation on their ability to deduct mortgage interest constitutes a financial challenge. Equally important, the unintended consequence of such a change on the East and West Coasts may well be slower growth in new household formation and weaker new home sales, at least initially.

Municipal bond exemption is also subject to closer scrutiny, and three alternatives are among those now under discussion. The first calls for eliminating tax exemption completely on a prospective basis; this would be a big win for existing bondholders based on scarcity value alone, with longer-dated bonds a bigger winner. A second option would limit the tax benefit to individuals up to the 28% tax bracket but would not protect outstanding bonds. Municipals would take a hit but the severity of the market value decline would depend on what other tax shelters were modified. A third alternative would be to eliminate the tax exemption for certain types of private activity bonds (e.g., airports, hospitals, private higher education and stadiums). The result in this case would be less tax-exempt bond issuance – lending technical support to the market.

# Global weather disruptions

**Simon Smiles, PhD,** Head of Investment Strategy UHNW

PROBABILITY*: highly unpredictable
MARKET IMPACT*†:
- Global equities: –5%
- US Treasuries: 2%
- EURUSD: –5%
- Agricultural commodities: 30%
- Remark: temporary only

* Based on CIO WMR assessment
† Estimated return deviation from baseline

**We expect agricultural prices to rise only marginally in 2013, as a return to more "normal" weather conditions allows depleted stocks to be rebuilt. But weather is highly unpredictable – what if the prices of wheat, corn, soybeans, rice and other food staples actually rise sharply instead?**

Food comprises relatively little of the average developed market's inflation measures or its consumers' purchases. For example, Americans spent less than 8% of their consumption on food and beverages in 2011, while increases in food prices constitute less than 8% of US consumer price index (CPI) inflation. And even these modest numbers overstate the true impact of agricultural prices, as the vast majority of Western food prices actually relate to processing, packaging and, particularly, transporting food rather than the cost of the raw agricultural inputs. However, this is certainly not the case in most emerging markets (EM). Food comprises around 33% and 26% of China's and India's respective inflation measures, and around 30% of the average Chinese and Indian's consumption expenditure. As a result, sharp rises in agricultural prices can exert a material influence on EM inflation and consumption growth, both of which can significantly impact financial markets.

In 2012, we saw a number of extreme weather events, including the worst US drought in 56 years. This has left supplies of corn and soybeans depleted and particularly vulnerable to further supply shocks. If we have further detrimental weather conditions, such as another drought in the US – which represents around 29%, 36% and 10% of global soybean, corn and wheat production, respectively – prices could move even more than in 2010/11, when the CMCI Excess Return Agricultural Index rose over 80% in under eight months, leading to inflation spiking sharply across many EM. These governments would likely react to higher inflation as they have in the past: by implementing trade restrictions, which actually amplifies price increases, and/or interest rate hikes.

In an environment of sustained inflation and monetary tightening, EM equities would likely underperform global equities and EM sovereign debt denominated in US dollars would fall. Inflation-linked bonds from EM countries with large food CPI components like Turkey would likely benefit. Fertilizer companies should benefit, too – Yara's share price rose 74%, and Potash Corp's 116%, during the 2010/11 spike – while food companies without pricing power would likely suffer. Forward contracts for soybeans, corn and wheat should appreciate markedly as weather conditions deteriorate. Significantly higher soybean and corn prices would also increase pig feedstock costs, potentially leading to a repeat of 2012's large-scale slaughter, pushing short-dated live hog futures lower while increasing longer-dated live hog futures. And temperature and rainfall-related weather derivatives could also be significantly impacted.

Extreme weather could have a significant short-term impact on a variety of financial assets. Nevertheless, it is worth keeping in mind that over time, agricultural prices do tend to return to their averages given the rapid production reaction. As a result, these ideas may represent lucrative trades if the weather actually impacts agricultural production – but investors should not base long-term decisions solely on the prospect of bad weather in 2013.

# Middle East escalation

**Kelvin Tay,** Regional CIO South Asia-Pacific; and **Juerg de Spindler, PhD,** Political Analyst

PROBABILITY*: 15%
MARKET IMPACT*†:
- Global equities: –10%
- US Treasuries: 5%
- EURUSD: –10%
- Brent crude oil: 50%
- Remark: temporary impact only

* Based on CIO WMR assessment
† Estimated return deviation from baseline

**While events in the Middle East and North Africa (MENA) could continue to temporarily disrupt financial markets and push oil prices higher in 2013, we do not believe the threat is sufficient to undermine the economic recovery.**

The worst-case scenario – an all-out war involving Israel, Iran and the US – could be immensely detrimental to these countries' economic and political interests and is therefore unlikely. While verbal hostilities and diplomatic sparring are apt to intensify, the risk of a broader conflict during 2013 remains low, in our view.

What would be the consequences of escalating hostilities between Israel and Iran? What if the Syrian conflict entails a full involvement of other countries in the region, such as Turkey, Iran, Lebanon or some of the Gulf States? Could domestic clashes among the three major Iraqi communities destabilize the country? All such scenarios would likely cause terrible humanitarian hardship in the region. Effects on global financial markets would primarily come from disruptions in oil supply due to disrupted pipelines, a possible blockade of the Strait of Hormuz or even destroyed drilling capacity.

An Israeli strike on Iranian nuclear facilities would likely have the most pronounced impact as it has the potential to destabilize the entire region. The ensuing sharp rise in oil prices would have adverse effects on financial markets as it would call into question the still fragile economic recovery. Even so, the direct impact of a drop in Iranian oil exports is not the major factor. Iranian oil exports have already been halved by the global sanctions to 1.3 million barrels per day (as of October 2012) and the bulk of Iranian oil today is exported to China and India. It is the threat of a blockade of the vital Strait of Hormuz – which channels 17 million barrels each day, or close to 20% of global oil supply – that would cause a sharp spike in the oil price toward $185 per barrel (Brent) in a worst-case scenario.

However, as history shows, oil supply disruptions tend to have a temporary – though significant – impact on global financial markets. Temporarily, equities would suffer, and in particular those of oil-importing regions such as Europe and Asia. On the other hand, gold and the US dollar would be prime beneficiaries due to investment flows into safe havens. But those moves would quickly reverse were the situation in the Middle East to ease again.

A spike in the oil price that reverses quickly can have a temporary adverse effect on sentiment but does not usually have a significant effect on global growth. The most vulnerable region in this respect is arguably Asia, where oil demand is almost uniquely met by shipping through the Strait of Hormuz. The continent accounts for as much as 30% of the total world consumption. We foresee that a sustained $10 per barrel increase in the oil price would push Asia's oil spending by about 0.5% of GDP, hence raising related costs and crowding out spending on other goods and services. Thus, an escalation of conflict in the Middle East would understandably discomfort Asian markets.

| Event | Date | Supply disruption (mb/d) | % drop in global supply |
|---|---|---|---|
| Nationalization of Suez Canal | November 1956 | 2.0 | 10.0 |
| OPEC Embargo | November 1973 | 4.3 | 7.5 |
| Iranian revolution | November 1978 | 5.6 | 7.0 |
| Iran/Iraq War | October 1980 | 4.1 | 6.0 |
| 1st Gulf War | August 1990 | 4.3 | 9.0 |
| Venezuelan and 2nd Gulf War | December 2002 | 4.9 | 4.0 |

Source: IIEA, UBS

# Mergers & acquisitions: a coiled spring?

**Jeremy Zirin, CFA,** Strategist

PROBABILITY*: 20%
MARKET IMPACT*†:
- Global equities: 5%
- Small- and mid-caps: 10%
- Remark: selective impact

* Based on CIO WMR assessment
† Estimated return deviation from baseline

**Many of the traditional drivers of merger and acquisition (M&A) cycles appear to be in place, with the key notable omission of the requisite business confidence. Should global economic conditions gradually improve in 2013 – and downside "tail risks" subside – there is a strong case to be made for a significant pickup in M&A activity.**

Global equity markets rebounded in 2012, but global merger and acquisition (M&A) activity remained weak through the first 10 months of the year, with deal volume falling 7% compared to year-ago levels. Historically, individual M&A cycles do in fact have some unique characteristics, but general prerequisites tend to include healthy and improving economic growth prospects as well as stable financial markets.

From that perspective, it should not be overly surprising that companies have remained cautious regarding spending plans on M&A (and capital expenditures, for that matter). Despite solid equity market gains during the year, the global economy remains weak – we had another summer of global growth scares and financial markets are still showing elevated volatility. As we look to 2013, our baseline view is that M&A activity will likely remain soft, and although it should increase from its current low rate, we expect this increase to be modest, as global growth should only very gradually accelerate and policy risks are apt to remain high.

Nevertheless, several factors suggest to us that the risk to M&A activity levels is to the upside. First, global companies are flush with cash and generally have very strong balance sheets. Second, low interest rates and declining credit spreads reduce the cost of financing deals. Combining these factors, we find that there is clearly ample "dry powder" to increase corporate spending on deals. Additionally, companies may opt to purchase growth rather than engage in riskier capacity expansion, recognizing that economic growth will likely remain constrained by deleveraging, demographics and policy rigidity. Third, equity valuations are low relative to history, translating into attractive takeout prices for target companies. Finally, keep in mind that M&A activity often begets more M&A activity – in something akin to "herd mentality" – as changing competitive industry dynamics and copycat deals usher new buyers to the fore. Improvements in the macro backdrop, e.g., stronger-than-expected growth and reduced tail risks, have the potential to unleash a new wave of global M&A.

For investors, a resurgence of M&A activity should support small- and mid-cap stocks, which are generally the targets in corporate transactions. According to Dealogic, despite lower deal volumes in 2012, deal premiums – the difference between the offering price and the closing price of the target company on the day before a deal is announced – are at their highest level since 2001. From a sector perspective, Technology appears ripe for further consolidation as mature large-cap companies with significant stockpiles of low-yielding cash attempt to buy rather than build new growth avenues.

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**CIO WMR Year Ahead 2013**
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# Portfolio

Value



| Name | Ticker Symbol | Shares | Cost Basis | Quote/Price | Market Value | Gain/Loss | Gain/Los... | 52-Week Ra... | P/E ratio |
|---|---|---|---|---|---|---|---|---|---|
| **Large Cap Stocks** | | | * | | **77,798,526.28** | * | * | | |
| 3M COMPANY X | MMM | 5,000 | * | 101.62 | 508,100.00 | * | * | 81.98-102.99 | 16.26 |
| ABBOTT LABORATORIES X | ABT | 23,000 | * | 34.12 | 784,760.00 | * | * | 31.64-72.47 | 8.32 |
| ADT CORP COM | ADT | 625 | 0.00 | 48.19 | 30,118.75 | 30,118.75 | 0.00 | 34.68-49.10 | 28.86 |
| AFLAC INCORPORATED X | AFL | 25,000 | * | 50.26 | 1,256,500.00 | * | * | 38.13-54.93 | 8.33 |
| ALCOA INC X | AA | 10,000 | 78,154.53* | 8.92 | 89,200.00 | * | * | 7.97-10.92 | 49.56 |
| AMERICAN TOWER CORP REIT | AMT | 5,000 | 318,090.87 | 75.87 | 379,350.00 | 61,259.13 | 19.26 | 61.27-79.98 | 42.86 |
| AMGEN INC X | AMGN | 3,100 | * | 85.52 | 265,112.00 | * | * | 65.37-90.81 | 15.33 |
| APPLE INC X | AAPL | 6,750 | 1,939,414.26 | 459.13 | 3,099,127.50 | 1,159,713.24 | 59.80 | 435.00-705.07 | 10.40 |
| AT&T INC X | T | 20,000 | * | 35.225 | 704,500.00 | * | * | 29.70-38.58 | 46.35 |
| AUTOMATIC DATA PROCESSING I... | ADP | 3,000 | * | 60.105 | 180,315.00 | * | * | 50.89-61.25 | 21.24 |
| BANK OF AMER CORP X | BAC | 10,000 | 168,536.26 | 11.8099 | 118,099.00 | -50,437.26 | -29.93 | 6.72-12.20 | 31.08 |
| BARD C R INC | BCR | 5,000 | * | 101.18 | 505,900.00 | * | * | 91.41-108.31 | 17.06 |
| BED BATH & BEYOND INC X | BBBY | 2,500 | 134,595.33 | 58.81 | 147,025.00 | 12,429.67 | 9.23 | 54.33-75.84 | 13.49 |
| BOEING CO X | BA | 5,000 | * | 76.504 | 382,520.00 | * | * | 66.82-78.02 | 13.47 |
| C S X CORP X | CSX | 26,000 | * | 21.5354 | 559,920.40 | * | * | 18.88-23.49 | 12.03 |
| CATAMARAN CORP COM X | CTRX | 6,606 | * | 53 | 350,118.00 | * | * | 29.86-53.95 | |
| CATERPILLAR INC | CAT | 5,000 | 359,277.67 | 95.49 | 477,450.00 | 118,172.33 | 32.89 | 78.25-116.95 | 9.77 |
| CELGENE CORP X | CELG | 3,000 | 169,309.82 | 97.26 | 291,780.00 | 122,470.18 | 72.33 | 58.53-102.29 | 27.02 |
| CHESAPEAKE ENERGY CORP ... | CHK | 12,000 | 64,336.59* | 20.41 | 244,920.00 | * | * | 13.32-26.09 | N/E |
| CHEVRON CORP X | CVX | 16,900 | 932,470.68 | 114.48 | 1,934,712.00 | 1,002,241.32 | 107.48 | 95.73-118.53 | 9.38 |
| CHEVRON CORP NEW X | CVX | 8,000 | * | 114.48 | 915,840.00 | * | * | 95.73-118.53 | 9.38 |
| CISCO SYS INC X | CSCO | 20,000 | * | 21.09 | 421,800.00 | * | * | 14.96-21.30 | 13.61 |
| CIT GROUP INC X | CIT | 9,162 | 435,487.64 | 41.96 | 384,437.52 | -51,050.12 | -11.72 | 32.29-43.90 | N/E |
| CIT GROUP INC NEW COM NEW ... | CIT | 3,047 | * | 41.96 | 127,852.12 | * | * | 32.29-43.90 | N/E |
| CLIFFS NAT RESOURCES INC ... | CLF | 12,000 | 406,067.53 | 36.19 | 434,280.00 | 28,212.47 | 6.95 | 28.05-77.67 | 5.65 |
| COCA COLA CO X | KO | 24,000 | * | 38.765 | 930,360.00 | * | * | 33.71-40.66 | 20.30 |
| COLGATE-PALMOLIVE CO X | CL | 10,000 | * | 109.90 | 1,099,000.00 | * | * | 90.91-111.37 | 21.55 |
| CORNING INC X | GLW | 10,000 | 87,127.85* | 12.185 | 121,850.00 | * | * | 10.62-14.58 | 9.67 |
| COSTCO WHOLESALE CORP ... | COST | 5,000 | 422,060.72 | 101.37 | 506,850.00 | 84,789.28 | 20.09 | 81.98-105.97 | 24.60 |
| CUMMINS INC X | CMI | 2,000 | 194,811.59 | 118.303 | 236,606.00 | 41,794.41 | 21.45 | 82.20-129.51 | 12.36 |
| DANAHER CORP | DHR | 12,000 | 101,654.36* | 59.96 | 719,520.00 | * | * | 49.18-61.49 | 19.28 |
| DIRECTV X | DTV | 4,920 | 0.00 | 51.87 | 255,200.40 | 255,200.40 | 0.00 | 42.87-55.17 | 12.78 |
| DIRECTV COM USD0.01 X | DTV | 10,080 | 0.00 | 51.87 | 522,849.60 | 522,849.60 | 0.00 | 42.87-55.17 | 12.78 |
| DISCOVERY COMMUNICATIONS ... | DISCK | 520 | * | 63.34 | 32,936.80 | * | * | 39.48-64.43 | |
| DISCOVERY COMMUNICATIONS 2... | DISCA | 520 | * | 69.55 | 36,166.00 | * | * | 42.79-70.37 | 25.29 |
| DOMINION RES SR-A 8375 *64JN15 | DRU | 10,000 | * | 27.374 | 273,740.00 | * | * | 26.57-29.74 | |
| DOVER CORP | DOV | 9,000 | * | 71.07 | 639,630.00 | * | * | 50.27-71.77 | 15.55 |

# Portfolio



| Name | Ticker Symbol | Shares | Cost Basis | Quote/Price | Market Value | Gain/Loss | Gain/Los... | 52-Week Ra... | P/E ratio |
|---|---|---|---|---|---|---|---|---|---|
| DOW CHEMICAL CO X | DOW | 15,000 | * | 31.9295 | 478,942.50 | * | * | 27.45-36.08 | 24.56 |
| DUKE ENERGY CORP NEW X | DUK | 19,007 | 834,989.36* | 68.75 | 1,306,731.25 | * | * | 59.63-71.13 | 21.83 |
| E M C CORP MASS X | EMC | 2,000 | * | 24.63 | 49,260.00 | * | * | 22.77-30.00 | 20.19 |
| EBAY INC | EBAY | 5,000 | * | 55.69 | 278,450.00 | * | * | 32.42-57.27 | 27.98 |
| EMC CORP MASS X | EMC | 17,000 | 209,532.02 | 24.63 | 418,710.00 | 209,177.98 | 99.83 | 22.77-30.00 | 20.19 |
| EMERSON ELECTRIC CO X | EMR | 4,000 | * | 57.011 | 228,044.00 | * | * | 43.59-58.30 | 21.35 |
| EXPRESS SCRIPTS HLDG CO COM | ESRX | 4,050 | * | 54.79 | 221,899.50 | * | * | 49.40-66.06 | 29.94 |
| EXXON MOBIL CORP X | XOM | 4,000 | * | 87.65 | 350,600.00 | * | * | 77.13-93.67 | 9.26 |
| FACEBOOK INC CL-A X | FB | 150 | 5,700.00 | 28.5899 | 4,288.49 | -1,411.51 | -24.76 | 17.55-45.00 | 66.49 |
| FASTENAL CO | FAST | 8,000 | * | 49.75 | 398,000.00 | * | * | 37.61-55.05 | 35.79 |
| FIDELITY NATIONAL INFORMATIO... | FIS | 1,000 | * | 37.17 | 37,170.00 | * | * | 28.52-37.93 | 21.24 |
| FISERV INC X | FISV | 8,000 | 193,816.02* | 79.86 | 638,880.00 | * | * | 63.71-83.43 | 18.88 |
| FLUOR CORP NEW X | FLR | 5,000 | * | 64.47 | 322,350.00 | * | * | 44.99-66.67 | 17.86 |
| FORD MTR CO DEL COM X | F | 10,000 | * | 13.025 | 130,250.00 | * | * | 8.82-14.30 | 3.00 |
| FRANKLIN RES INC | BEN | 3,000 | * | 139.58 | 418,740.00 | * | * | 100.91-140.81 | 15.60 |
| FREEPORT-MCMORAN COPPER ... | FCX | 20,000 | 344,809.31 | 35.635 | 712,700.00 | 367,890.69 | 106.69 | 30.54-47.28 | 11.57 |
| GENERAL DYNAMICS CRP X | GD | 4,000 | * | 66.40 | 265,600.00 | * | * | 61.09-74.54 | 9.88 |
| GENERAL ELECTRIC CO X | GE | 16,000 | * | 22.31 | 356,960.00 | * | * | 18.02-23.18 | 17.16 |
| GENERAL MOTORS CO X | GM | 2,037 | 228,544.97 | 28.36 | 57,769.32 | -170,775.65 | -74.72 | 18.72-30.68 | 10.62 |
| GENERAL MTRS CO X | GM | 6,997 | * | 28.36 | 198,434.92 | * | * | 18.72-30.68 | 10.62 |
| GENL ELECTRIC CO X | GE | 10,000 | 357,402.80 | 22.31 | 223,100.00 | -134,302.80 | -37.58 | 18.02-23.18 | 17.16 |
| GENL MILLS INC | GIS | 5,000 | 190,632.65 | 42.35 | 211,750.00 | 21,117.35 | 11.08 | 36.75-42.61 | 15.63 |
| GENUINE PARTS CO | GPC | 5,000 | 316,434.00 | 69.235 | 346,175.00 | 29,741.00 | 9.40 | 55.58-70.07 | 17.40 |
| GILEAD SCIENCE X | GILD | 10,000 | * | 39.60 | 396,000.00 | * | * | 21.91-41.34 | 12.30 |
| GOLDMAN SACHS 6125 *60NV01 | GSF | 10,000 | * | 26.33 | 263,300.00 | * | * | 24.60-27.02 | |
| GOOGLE INC CL A X | GOOG | 3,000 | 479,740.99* | 768.105 | 2,304,315.00 | * | * | 556.52-778.81 | 24.06 |
| GREEN MTN COFFEE ROA... | GMCR | 13,000 | 262,632.08 | 46.02 | 598,260.00 | 335,627.92 | 127.79 | 17.11-71.15 | 20.18 |
| HALLIBURTON CO HOLDING CO F... | HAL | 10,000 | * | 40.36 | 403,600.00 | * | * | 26.28-41.25 | 12.94 |
| HARTFORD FIN SERS GRP INC ... | HIG | 5,000 | * | 24.11 | 120,550.00 | * | * | 15.65-25.37 | 20.09 |
| HARTFORD FINCL SERVICES ... | HIG | 5,000 | 337,662.20 | 24.11 | 120,550.00 | -217,112.20 | -64.30 | 15.65-25.37 | 20.09 |
| HARTFORD FINL SVC 7875 *42AP15 | HGH | 5,000 | 125,000.00 | 29.007 | 145,035.00 | 20,035.00 | 16.03 | 25.67-29.27 | |
| HEALTH CARE REIT INC X | HCN | 7,000 | * | 61.85 | 432,950.00 | * | * | 52.40-63.42 | 114.54 |
| HESS CORP X | HES | 2,000 | 112,204.73 | 66 | 132,000.00 | 19,795.27 | 17.64 | 39.67-70.77 | 14.80 |
| HONEYWELL INTL INC X | HON | 14,172 | 54,956.25* | 69.72 | 988,071.84 | * | * | 52.21-70.44 | 23.24 |
| INTEL CORP X | INTC | 8,000 | * | 20.75 | 166,000.00 | * | * | 19.23-29.27 | 9.06 |
| INTUITIVE SURGICAL INC | ISRG | 5,000 | * | 565.63 | 2,828,150.00 | * | * | 467.26-594.89 | 36.54 |
| JOHNSON CTLS INC | JCI | 6,000 | * | 30.80 | 184,800.00 | * | * | 23.37-35.50 | 17.30 |
| JPMORGAN CHASE & CO X | JPM | 5,000 | * | 48.07 | 240,350.00 | * | * | 30.83-48.83 | 9.95 |

# Portfolio

Value



| Name | Ticker Symbol | Shares | Cost Basis | Quote/Price | Market Value | Gain/Loss | Gain/Los... | 52-Week Ra... | P/E ratio |
|---|---|---|---|---|---|---|---|---|---|
| KRAFT FOODS GROUP INC COM ... | KRFT | 1,666 | * | 46.4573 | 77,397.86 | * | * | 42.00-48.00 | N/E |
| LKQ CORP | LKQ | 6,000 | * | 23.0399 | 138,239.40 | * | * | 14.63-23.51 | 26.79 |
| MC DONALDS CORP | MCD | 13,000 | * | 94.42 | 1,227,460.00 | * | * | 83.31-101.29 | 17.78 |
| MCDONALDS CORP | MCD | 8,100 | 387,373.85 | 94.42 | 764,802.00 | 377,428.15 | 97.43 | 83.31-101.29 | 17.78 |
| MCKESSON CORP | MCK | 5,000 | 393,168.79 | 103 | 515,000.00 | 121,831.21 | 30.99 | 80.61-106.90 | 15.77 |
| MEDNAX INC | MD | 5,000 | 361,070.85 | 85.20 | 426,000.00 | 64,929.15 | 17.98 | 59.24-88.22 | 18.09 |
| MERCK & CO INC NEW COM ... | MRK | 16,147 | * | 40.96 | 661,381.12 | * | * | 36.91-48.00 | 18.70 |
| METTLER-TOLEDO INTL X | MTD | 5,000 | * | 218.37 | 1,091,850.00 | * | * | 143.60-219.06 | 25.01 |
| MICROSOFT CORP X | MSFT | 22,546 | * | 27.19 | 613,025.74 | * | * | 26.26-32.95 | 14.62 |
| MONDELEZ INTL INC COM X | MDLZ | 5,000 | * | 27.771 | 138,855.00 | * | * | 24.04-28.48 | 14.85 |
| MORGAN STANLEY X | MS | 8,340 | * | 22.845 | 190,527.30 | * | * | 12.26-23.74 | N/E |
| NORFOLK SOUTHERN CORP ... | NSC | 8,000 | 203,511.40* | 68.35 | 546,800.00 | * | * | 56.05-75.56 | 12.45 |
| O REILLY AUTOMOTIVE INC NEW ... | ORLY | 4,000 | * | 101.42 | 405,680.00 | * | * | 75.61-107.13 | 22.24 |
| OMNICOM GROUP X | OMC | 2,000 | * | 54 | 108,000.00 | * | * | 45.11-54.91 | 15.70 |
| OMNICOM GROUP INC X | OMC | 8,000 | 274,205.25 | 54 | 432,000.00 | 157,794.75 | 57.55 | 45.11-54.91 | 15.70 |
| ONEOK INC NEW | OKE | 28,000 | 228,448.05 | 47.61 | 1,333,080.00 | 1,104,631.95 | 483.54 | 39.32-49.79 | 28.85 |
| ORACLE CORP X | ORCL | 10,000 | 131,772.17 | 34.825 | 348,250.00 | 216,477.83 | 164.28 | 25.32-36.31 | 16.50 |
| ORACLE CORPORATION X | ORCL | 15,000 | * | 34.825 | 522,375.00 | * | * | 25.32-36.31 | 16.50 |
| PANERA BREAD COMPANY CL A | PNRA | 10,000 | 371,426.14* | 162.61 | 1,626,100.00 | * | * | 135.40-175.26 | 29.84 |
| PEABODY ENERGY CORP X | BTU | 5,000 | * | 23.74 | 118,700.00 | * | * | 18.78-38.65 | 8.13 |
| PENTAIR LTD COM USD0.16 3/4 | PNR | 299 | 0.00 | 50.35 | 15,054.65 | 15,054.65 | 0.00 | 36.31-53.36 | 104.90 |
| PEPSICO INC X | PEP | 30,000 | 776,106.79* | 72.49 | 2,174,700.00 | * | * | 62.15-73.66 | 19.33 |
| PEPSICO INCORPORATED X | PEP | 5,000 | * | 72.49 | 362,450.00 | * | * | 62.15-73.66 | 19.33 |
| PERRIGO CO X | PRGO | 8,000 | * | 106.77 | 854,160.00 | * | * | 90.18-120.78 | 23.47 |
| PERRIGO COMPANY X | PRGO | 5,000 | 497,217.21 | 106.77 | 533,850.00 | 36,632.79 | 7.37 | 90.18-120.78 | 23.47 |
| PFIZER INC X | PFE | 7,000 | 63,480.04 | 27.07 | 189,490.00 | 126,009.96 | 198.50 | 20.75-27.84 | 21.31 |
| PRAXAIR INC X | PX | 6,000 | 249,987.48 | 110.04 | 660,240.00 | 410,252.52 | 164.11 | 100.00-116.93 | 19.61 |
| PROCTER & GAMBLE CO X | PG | 22,625 | 224,489.81* | 75.92 | 1,717,690.00 | * | * | 59.07-76.69 | 24.57 |
| PVH CORPORATION COM USD1.00 | PVH | 5,000 | * | 120.01 | 600,050.00 | * | * | 72.47-122.68 | 20.66 |
| RAYMOND JAMES FIN 6900 *42MH... | RJD | 1,200 | 30,000.00 | 27.0585 | 32,470.20 | 2,470.20 | 8.23 | 25.20-28.28 | |
| REINSURANCE GROUP OF AMERI... | RGA | 5,000 | * | 57.77 | 288,850.00 | * | * | 48.36-61.86 | 7.52 |
| REPUBLIC SERVICES INC CL A ... | RSG | 5,000 | * | 31.65 | 158,250.00 | * | * | 25.15-32.40 | 18.51 |
| RESMED INC | RMD | 5,000 | * | 44.10 | 220,500.00 | * | * | 28.73-48.47 | 23.46 |
| ROPER IND INC | ROP | 14,000 | * | 118.27 | 1,655,780.00 | * | * | 91.31-120.67 | 25.49 |
| SCANA CORP NEW | SCG | 5,000 | 174,228.40 | 46.99 | 234,950.00 | 60,721.60 | 34.85 | 43.32-50.34 | 15.16 |
| SCHLUMBERGER LTD | SLB | 24,000 | * | 77.93 | 1,870,320.00 | * | * | 59.12-80.78 | |
| SIGMA ALDRICH CORP X | SIAL | 8,000 | 93,909.76 | 76.39 | 611,120.00 | 517,210.24 | 550.75 | 66.52-78.25 | 20.65 |
| SMUCKER J M CO NEW X | SJM | 4,000 | 241,085.93 | 88.51 | 354,040.00 | 112,954.07 | 46.85 | 70.50-90.40 | 20.44 |

# Portfolio



| Value<br>Name | Ticker Symbol | Shares | Cost Basis | Quote/Price | Market Value | Gain/Loss | Gain/Los... | 52-Week Ra... | P/E ratio |
|---|---|---|---|---|---|---|---|---|---|
| SPECTRA ENERGY CORP X | SE | 5,200 | 104,737.84 | 29.31 | 152,412.00 | 47,674.16 | 45.52 | 26.55-32.27 | 19.03 |
| SPECTRA ENERGY CORP COM ... | SE | 13,800 | * | 29.31 | 404,478.00 | * | * | 26.55-32.27 | 19.03 |
| ST JUDE MEDICAL INC X | STJ | 5,000 | * | 41.81 | 209,050.00 | * | * | 30.25-44.80 | 17.42 |
| STAPLES INC X | SPLS | 5,000 | * | 13.12 | 65,600.00 | * | * | 10.57-16.93 | 1,312.00 |
| STARBUCKS CORP X | SBUX | 5,000 | 278,067.04 | 55.52 | 277,600.00 | -467.04 | -0.17 | 43.04-62.00 | 31.02 |
| STRYKER CORP | SYK | 17,000 | * | 62.65 | 1,065,050.00 | * | * | 49.43-63.99 | 16.84 |
| SYSCO CORP | SYY | 20,000 | * | 31.45 | 629,000.00 | * | * | 27.05-32.40 | 16.73 |
| T ROWE PRICE GROUP INC | TROW | 5,000 | * | 72.70 | 363,500.00 | * | * | 54.47-73.38 | 22.72 |
| TAIWAN SEMICONDUCTOR MANU... | TSM | 5,000 | * | 18.125 | 90,625.00 | * | * | 12.14-18.35 | |
| TARGET CORP X | TGT | 5,000 | * | 62.13 | 310,650.00 | * | * | 51.51-65.80 | 13.81 |
| TEVA PHARMACEUTICALS ADR ... | TEVA | 2,000 | * | 37.9601 | 75,920.20 | * | * | 36.63-46.38 | 13.65 |
| TEVA PHARMACEUTICALS IND ... | TEVA | 9,000 | 275,754.65 | 37.9601 | 341,640.90 | 65,886.25 | 23.89 | 36.63-46.38 | 13.65 |
| TEXTRON INC | TXT | 8,000 | * | 28.59 | 228,720.00 | * | * | 21.97-29.39 | 19.99 |
| TOTAL S A SPON ADR | TOT | 5,000 | * | 51.7216 | 258,608.00 | * | * | 41.75-57.06 | |
| TRACTOR SUPPLY COMPANY ... | TSCO | 4,000 | 81,375.30 | 102.98 | 411,920.00 | 330,544.70 | 406.20 | 75.46-104.83 | 28.21 |
| TRANSOCEAN LTD | RIG | 20,050 | * | 56.20 | 1,126,810.00 | * | * | 39.32-59.03 | |
| UNION PACIFIC CORP X | UNP | 5,000 | * | 131.68 | 658,400.00 | * | * | 104.08-136.19 | 16.34 |
| UNITED PARCEL SERVICE INC CL-... | UPS | 10,000 | 345,017.28* | 80.95 | 809,500.00 | * | * | 69.56-82.76 | 23.33 |
| UNITED TECHNOLOGIES CORP ... | UTX | 17,000 | * | 88.992 | 1,512,864.00 | * | * | 70.71-90.75 | 15.83 |
| URBAN OUTFITTERS INC | URBN | 5,000 | * | 43.01 | 215,050.00 | * | * | 25.43-44.15 | 32.34 |
| VARIAN MEDICAL SYS INC | VAR | 5,000 | * | 71.26 | 356,300.00 | * | * | 52.90-75.78 | 18.95 |
| VERIZON COMMUNICATIONS ... | VZ | 15,420 | * | 44.40 | 684,648.00 | * | * | 36.80-48.77 | 41.11 |
| VISA INC CL A X | V | 8,000 | 282,770.29* | 157.60 | 1,260,800.00 | * | * | 106.06-162.77 | 70.99 |
| WALGREEN CO X | WAG | 15,000 | 196,513.07* | 41.21 | 618,150.00 | * | * | 28.53-41.60 | 18.56 |
| WALMART STORES INC X | WMT | 10,000 | * | 70.957 | 709,570.00 | * | * | 57.18-77.60 | 14.60 |
| WALT DISNEY CO HLDG CO ... | DIS | 10,000 | * | 53.77 | 537,700.00 | * | * | 40.20-55.50 | 17.18 |
| WASTE MANAGEMENT INC | WM | 10,000 | * | 36.25 | 362,500.00 | * | * | 30.82-37.98 | 19.49 |
| WATERS CORP X | WAT | 10,000 | 383,988.78* | 91.47 | 914,700.00 | * | * | 74.12-94.47 | 19.46 |
| WATSCO INC | WSO | 5,000 | 306,014.09 | 73.90 | 369,500.00 | 63,485.91 | 20.75 | 64.13-80.34 | 24.88 |
| WEATHERFORD INTERNATIONAL ... | WFT | 5,000 | * | 12.99 | 64,950.00 | * | * | 8.84-18.33 | |
| WELLS FARGO & CO NEW X | WFC | 5,000 | 54,576.32 | 34.65 | 173,250.00 | 118,673.68 | 217.45 | 29.80-36.60 | 10.31 |
| YUM! BRANDS INC X | YUM | 27,800 | 555,471.42 | 63.755 | 1,772,389.00 | 1,216,917.58 | 219.08 | 59.68-74.75 | 18.75 |
| | | | | | | | | | |
| **Small Cap Stocks** | | | * | | **7,646,144.50** | * | * | | |
| ALMOST FAMILY INC | AFAM | 5,000 | * | 19.69 | 98,450.00 | * | * | 17.87-26.87 | 9.75 |
| AMERICAN SCIENCE & ENG... | ASEI | 3,000 | 259,595.93 | 65.62 | 196,860.00 | -62,735.93 | -24.17 | 46.30-78.99 | 29.43 |
| ARES CAPITAL CORP COM STK U... | ARCC | 5,000 | * | 17.835 | 89,175.00 | * | * | 14.60-18.06 | 8.62 |
| BIO-REFERENCE LABS INC NEW | BRLI | 5,000 | * | 26.48 | 132,400.00 | * | * | 18.29-32.86 | 17.54 |

# Portfolio



| Name | Ticker Symbol | Shares | Cost Basis | Quote/Price | Market Value | Gain/Loss | Gain/Los... | 52-Week Ra... | P/E ratio |
|---|---|---|---|---|---|---|---|---|---|
| BRADY CL A | BRC | 4,000 | * | 34.91 | 139,640.00 | * | * | 24.72-35.53 | N/E |
| BRUKER CORP X | BRKR | 5,000 | 78,022.84 | 16.49 | 82,450.00 | 4,427.16 | 5.67 | 9.91-17.35 | 26.60 |
| CLEAN ENERGY FUELS CORP | CLNE | 5,000 | 101,643.37 | 12.62 | 63,100.00 | -38,543.37 | -37.92 | 10.90-24.75 | N/E |
| COGNEX CORP | CGNX | 5,000 | 169,104.43 | 42.21 | 211,050.00 | 41,945.57 | 24.80 | 29.24-44.80 | 25.90 |
| COPANO ENERGY LLC COM ... | CPNO | 10,000 | 298,179.02 | 38.446 | 384,460.00 | 86,280.98 | 28.94 | 24.24-39.37 | N/E |
| DARLING INTL INC | DAR | 10,000 | 66,595.12 | 16.67 | 166,700.00 | 100,104.88 | 150.32 | 13.71-18.82 | 15.02 |
| DECKERS OUTDOOR CORP | DECK | 12,000 | 206,692.10 | 41.73 | 500,760.00 | 294,067.90 | 142.27 | 28.53-92.27 | 10.35 |
| DIAMOND FOODS INC | DMND | 5,000 | 391,490.70 | 14.12 | 70,600.00 | -320,890.70 | -81.97 | 12.85-37.79 | N/E |
| DIEBOLD INC | DBD | 5,000 | * | 29.7425 | 148,712.50 | * | * | 27.66-42.93 | 11.31 |
| FACTSET RESEARCH SYSTEMS INC | FDS | 1,500 | * | 92.67 | 139,005.00 | * | * | 85.38-109.20 | 21.80 |
| FACTSET RESH SYSTEMS INC | FDS | 2,000 | 62,713.03 | 92.67 | 185,340.00 | 122,626.97 | 195.54 | 85.38-109.20 | 21.80 |
| FLOWERS FOODS INC X | FLO | 7,500 | 85,243.66 | 28.26 | 211,950.00 | 126,706.34 | 148.64 | 18.46-29.04 | 32.11 |
| GAMESTOP CORP CL A NEW ... | GME | 5,000 | * | 25.04 | 125,200.00 | * | * | 15.32-28.35 | N/E |
| GAMESTOP CORP NEW (H... | GME | 1,000 | 24,452.66 | 25.04 | 25,040.00 | 587.34 | 2.40 | 15.32-28.35 | N/E |
| GFI GROUP INC X | GFIG | 5,000 | * | 3.29 | 16,450.00 | * | * | 2.20-4.93 | N/E |
| GLOBAL PAYMENTS INC | GPN | 8,000 | 154,667.78* | 49.24 | 393,920.00 | * | * | 39.37-53.93 | 21.60 |
| HILLENBRAND INC X | HI | 5,000 | 97,745.28 | 24.79 | 123,950.00 | 26,204.72 | 26.81 | 16.75-24.98 | 14.76 |
| IDEX CORP X | IEX | 10,500 | 215,255.25 | 48.75 | 511,875.00 | 296,619.75 | 137.80 | 34.06-50.69 | 19.98 |
| IDEX CORPORATION DELAWARE ... | IEX | 2,250 | * | 48.75 | 109,687.50 | * | * | 34.06-50.69 | 19.98 |
| INTERNATIONAL GAME TECH ... | IGT | 20,000 | * | 16.10 | 322,000.00 | * | * | 10.92-17.37 | 18.72 |
| JOS A BANK CLOTHIERS INC | JOSB | 10,000 | 107,474.47* | 40.90 | 409,000.00 | * | * | 37.31-54.99 | 11.75 |
| LENDER PROCESSING SVCS INC ... | LPS | 500 | * | 24.50 | 12,250.00 | * | * | 18.34-30.88 | 26.06 |
| LENNOX INTL INC X | LII | 5,000 | 210,437.94 | 58.02 | 290,100.00 | 79,662.06 | 37.86 | 36.77-59.29 | 26.25 |
| MANITOWOC INC | MTW | 10,000 | * | 18.37 | 183,700.00 | * | * | 9.60-19.36 | 29.63 |
| NEUSTAR INC CL A X | NSR | 5,000 | * | 46.31 | 231,550.00 | * | * | 30.08-47.24 | 23.04 |
| PENGROWTH ENERGY CORP COM | PGH | 10,000 | * | 4.638 | 46,380.00 | * | * | 4.36-10.30 | |
| PERKINELMER INC | PKI | 5,000 | * | 34.36 | 171,800.00 | * | * | 23.73-35.84 | 1,145.33 |
| PORTFOLIO RECOVERY ASSOC ... | PRAA | 4,000 | 192,314.39 | 109.99 | 439,960.00 | 247,645.61 | 128.77 | 64.90-111.60 | 16.08 |
| QUALITY SYST X | QSII | 5,000 | * | 18.8399 | 94,199.50 | * | * | 15.04-45.00 | 16.67 |
| SODASTREAM INTERNATIONAL L... | SODA | 5,000 | 359,589.59 | 50.25 | 251,250.00 | -108,339.59 | -30.13 | 28.28-53.99 | |
| SOUTH JERSEY IND INC | SJI | 5,000 | 187,934.87 | 53.94 | 269,700.00 | 81,765.13 | 43.51 | 45.81-55.74 | 15.68 |
| SYNNEX CORP X | SNX | 5,000 | * | 36.47 | 182,350.00 | * | * | 30.70-44.25 | 9.14 |
| SYNTEL INC | SYNT | 5,000 | * | 57.10 | 285,500.00 | * | * | 44.61-65.19 | 13.28 |
| TESORO LOGISTICS LP | TLLP | 100 | 2,100.00 | 45.30 | 4,530.00 | 2,430.00 | 115.71 | 29.25-47.24 | 26.80 |
| THORATEC CORP NEW X | THOR | 5,000 | 148,140.05 | 36.49 | 182,450.00 | 34,309.95 | 23.16 | 29.39-39.86 | 25.34 |
| TRUE RELIGION APPAREL INC ... | TRLG | 5,000 | * | 28.53 | 142,650.00 | * | * | 20.22-37.82 | 15.26 |
| **International Stocks** | | | ***** | | **2,425,777.63** | ***** | ***** | | |

# Portfolio



| Value<br>Name | Ticker Symbol | Shares | Cost Basis | Quote/Price | Market Value | Gain/Loss | Gain/Los... | 52-Week Ra... | P/E ratio |
|---|---|---|---|---|---|---|---|---|---|
| BAIDU INC SPONS ADS REPR 0.10... | BIDU | 5,000 | * | 98.16 | 490,800.00 | * | * | 85.96-154.15 | 99.15 |
| BANK OF NOVA SCOTIA CA... | BNS | 5,000 | 267,163.70 | 58.72 | 293,600.00 | 26,436.30 | 9.90 | 48.45-59.37 | 16.78 |
| BP PLC ADS X | BP | 5,000 | * | 43.1999 | 215,999.50 | * | * | 36.25-48.34 | 6.44 |
| DIAGEO PLC NEW GB SPON A... | DEO | 2,000 | 128,034.73 | 117.62 | 235,240.00 | 107,205.27 | 83.73 | 92.18-121.55 | |
| GENPACT LTD X | G | 5,000 | * | 16.68 | 83,400.00 | * | * | 14.85-19.52 | |
| RIO TINTO PLC SPON ADR | RIO | 10,000 | 107,399.60 | 57.12 | 571,200.00 | 463,800.40 | 431.85 | 41.59-62.43 | |
| SHIRE PLC ADR X | SHPG | 5,000 | * | 99.522 | 497,610.00 | * | * | 80.09-108.79 | N/E |
| TYCO INTERNATIONAL LTD(SWIT... | TYC | 1,250 | * | 30.3425 | 37,928.13 | * | * | 26.17-58.12 | 13.43 |
| **Cash** | | | **-1,766,008.39** | | **-1,766,008.39** | **0.00** | **0.0** | | |
| **Other** | | | ***** | | **805,434.97** | ***** | ***** | | |
| **Unclassified** | | | ***** | | **22,661,754.24** | ***** | ***** | | |
| **Asset Mixture** | | | ***** | | **23,681,436.90** | ***** | ***** | | |
| AMER FUNDS CAPITAL WO... | CWGIX | 20,206.595 | 712,748.60 | 38.66 | 781,186.96 | 68,438.36 | 9.60 | 31.88-39.04 | |
| BLACKROCK ALL CP ENERGY RE... | BACAX | 47,921.441 | * | 13.79 e | 660,836.67 | * | * | 10.92-15.32 | |
| CLEARBRIDGE ENERGY MLP OPP... | EMO | 10,721.266 | 213,603.04* | 23.2345 | 249,103.25 | * | * | 17.93-23.93 | |
| COLUMBIA SELIGMAN CO... | SLMCX | 61,686.772 | 1,882,693.49 | 43.88 | 2,706,815.56 | 824,122.07 | 43.77 | 40.34-50.45 | |
| EATON VANCE FLOATING R... | EVBLX | 114,892.828 | 1,078,973.01 | 9.47 | 1,088,035.08 | 9,062.07 | 0.84 | 9.21-9.49 | |
| INVESCO EUROPEAN GRO... | AEDAX | 26,721.72 | 1,010,920.29 | 34.47 | 921,097.69 | -89,822.60 | -8.89 | 27.93-34.76 | |
| LEGG MASON WA INST CSH INST O | CARXX | 5,321,631.94 | 2,924,797.71* | 1 e | 5,321,631.94 | * | * | 1.00-1.00 | |
| LORD ABBETT FLOATING RA... | LFRAX | 353,722.795 | 3,316,142.59 | 9.48 | 3,353,292.10 | 37,149.51 | 1.12 | 9.11-9.50 | |
| MAINSTAY CONVERTIBLE CLASS A | MCOAX | 84,024.507 | 66,781.18* | 15.19 | 1,276,332.26 | * | * | 14.02-15.51 | |
| MFS DIVERSIFIED INCOME FU... | DIFAX | 145,465.985 | 1,582,323.36 | 11.81 | 1,717,953.28 | 135,629.92 | 8.57 | 10.75-11.86 | |
| PIMCO TOTAL RETURN FUND ... | PTTAX | 210,776.041 | 2,270,137.33 | 11.20 | 2,360,691.66 | 90,554.33 | 3.99 | 11.00-11.65 | |
| PIMCO UNCONSTRAINED BOND ... | PUBAX | 188,957.119 | 2,106,061.90 | 11.54 | 2,180,565.15 | 74,503.25 | 3.54 | 10.96-11.73 | |
| THORNBURG INTERNATIONAL ... | TGVAX | 37,225.168 | 1,020,446.78 | 28.58 | 1,063,895.30 | 43,448.52 | 4.26 | 23.24-28.95 | |
| Totals: | | A=avg cost | 47,820,629.... | | 133,253,066.13 | 85,432,436.... | 178.65* | | |

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Fax: 248-433-8575
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Member FINRA/SIPC

# CITY OF TROY
# MEMBERS OF THE BOARD

## FEBRUARY 2013

We recommend ***adding*** the following position to our equity portfolio:

**Philip Morris International Inc** **(PM...$88.13)***

| | |
|---|---|
| **Industry:** | ***Tobacco*** |
| **Economic Sector:** | ***Consumer Staples*** |
| **Exchange:** | ***NYSE*** |
| **P/E = 17.48*** | **Yield = 3.8%*** |
| **Ratings:** | |
| **WF Securities** | **Outperform** |
| **S&P** | **Strong Buy** |

We appreciate your continued support and consideration.

Sincerely,

Doug Wegner
Financial Consultant

Enclosures

* as of January 31, 2013

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February 5, 2013

Dear City of Troy - Members of the Board:

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http://www.wellsfargoadvisors.com/researchdisclosures

Sincerely,

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# Philip Morris International Inc

STANDARD &POOR'S

**S&P Recommendation** STRONG BUY ★★★★★

**Price** $88.13 (as of Feb 1, 2013)

**12-Mo. Target Price** $101.00

**Investment Style** Large-Cap Blend

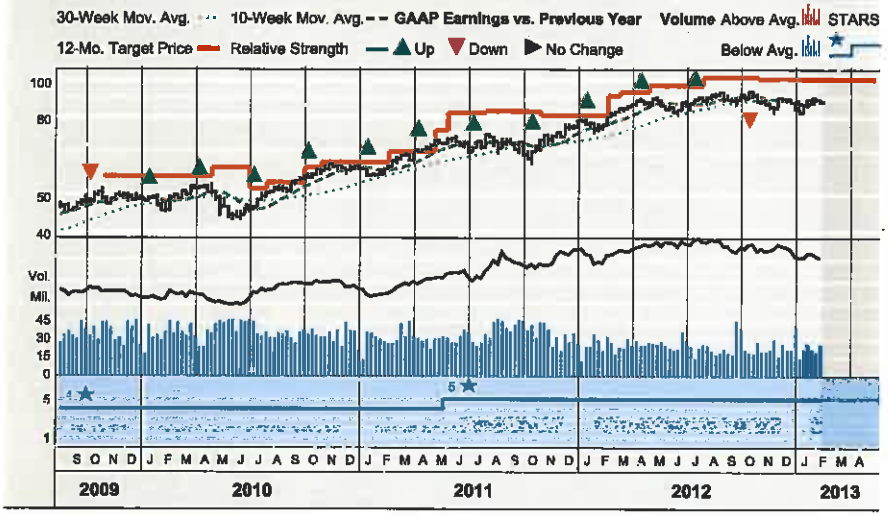
**GICS Sector** Consumer Staples
**Sub-Industry** Tobacco

**Summary** This company, comprising the international operations spun off by Altria in early 2008, is the largest publicly traded manufacturer and marketer of tobacco products.

## Key Stock Statistics (Source: S&P, Vickers, company reports)

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 52-Wk Range | $94.13– 76.26 | S&P Oper. EPS 2012E | 5.21 | Market Capitalization(B) | NA | Beta | 0.85 |
| Trailing 12-Month EPS | $5.00 | S&P Oper. EPS 2013E | 5.82 | Yield (%) | Nil | S&P 3-Yr. Proj. EPS CAGR(%) | 12 |
| Trailing 12-Month P/E | NM | P/E on S&P Oper. EPS 2012E | 16.9 | Dividend Rate/Share | $3.40 | S&P Credit Rating | A |
| $10K Invested 5 Yrs Ago | NA | Common Shares Outstg. (M) | 1,705.6 | Institutional Ownership (%) | 68 | | |

## Price Performance




Options: ASE, CBOE, Ph

Analysis prepared by Equity Analyst **Esther Kwon, CFA** on Jan 23, 2013, when the stock traded at **$90.03.**

## Highlights

- For 2012, we estimate revenues rose 1% on higher pricing, after a gain of over 14% in 2011, which was boosted by foreign exchange and competitor difficulties in Japan stemming from the March earthquake. In 2013, we look for revenue growth of about 6%. With growing health concerns, smoking bans and higher taxes, we look for a mid-single digit percentage decline in consumption in Western Europe, partially offset by low single digit or faster growth in emerging markets. While we still see downtrading persisting in certain European countries, we think these negative trends will moderate and be offset by growth in other countries, such as Indonesia and Korea.
- After embarking on an extensive three-year cost reduction program that we calculate will widen operating margins on net savings of about $1 billion, PM should see further savings on continued rationalization of less dynamic brands, offset by investments in new and existing markets. We see synergies from PM's venture in the Philippines with Fortune Tobacco.
- On about 4% fewer shares outstanding, we see 2012 EPS of $5.21, a 7% rise from 2011 operating EPS of $4.88. For 2013, we expect EPS of $5.82.

## Investment Rationale/Risk

- Despite declining cigarette consumption in developed markets, we look for pricing gains and growth in emerging and developing markets to drive revenue increases over the next few years. We think PM's low penetration of markets with potentially high cigarette consumption, such as China, India and Vietnam, also provides attractive opportunities over the longer term. We believe its high cash flow generation is supportive of regular stock repurchases and its dividend, which recently yielded 3.8%.
- Risks to our recommendation and target price include execution risk, higher-than-expected excise taxes or regulatory constraints, greater-than-expected price competition, and commodity cost inflation.
- Our 12-month target price of $101 is based on a blend of comparative and historical forward P/E multiples. Considering PM's scale, growth prospects and brand equity, we believe a premium to its domestic tobacco comparables is appropriate. We assign a multiple of 17.4X to our 2013 EPS estimate of $5.82, which is above the historical average.

## Qualitative Risk Assessment

LOW | MEDIUM | HIGH

Our risk assessment reflects the geographic diversity of the company's operations and end-markets and its participation in a generally stable industry, producing ample free cash flow. Health concerns, excise tax increases, extensive regulation and, to some extent, litigation have limited the growth prospects for the industry, but have also kept barriers to entry high.

## Quantitative Evaluations

**S&P Quality Ranking** NR

D | C | B- | B | B+ | A- | A | A+

**Relative Strength Rank** MODERATE

31

LOWEST = 1 HIGHEST = 99

## Revenue/Earnings Data

**Revenue (Million U.S. $)**

| | 1Q | 2Q | 3Q | 4Q | Year |
|---|---|---|---|---|---|
| 2012 | 18,022 | 8,120 | 19,592 | -- | -- |
| 2011 | 16,530 | 20,234 | 20,706 | 18,876 | 31,097 |
| 2010 | 6,496 | 7,061 | 6,614 | 7,037 | 27,208 |
| 2009 | 5,597 | 6,134 | 6,587 | 6,717 | 25,035 |
| 2008 | 6,330 | 6,709 | 6,953 | 6,122 | 25,705 |
| 2007 | 5,549 | 5,835 | 5,916 | 5,498 | 55,096 |

**Earnings Per Share (U.S. $)**

| | | | | | |
|---|---|---|---|---|---|
| 2012 | 1.25 | 1.36 | 1.32 | E1.21 | E5.21 |
| 2011 | 1.06 | 1.35 | 1.35 | 1.08 | 4.85 |
| 2010 | 0.90 | 1.07 | 0.99 | 0.96 | 3.92 |
| 2009 | 0.74 | 0.79 | 0.93 | 0.80 | 3.24 |
| 2008 | 0.89 | 0.80 | 1.01 | 0.71 | 3.32 |
| 2007 | 0.69 | -- | -- | -- | 2.75 |

Fiscal year ended Dec. 31. Next earnings report expected: NA. EPS Estimates based on S&P Operating Earnings; historical GAAP earnings are as reported.

## Dividend Data (Dates: mm/dd Payment Date: mm/dd/yy)

| Amount ($) | Date Decl. | Ex-Div. Date | Stk. of Record | Payment Date |
|---|---|---|---|---|
| 0.770 | 03/14 | 03/27 | 03/29 | 04/12/12 |
| 0.770 | 06/13 | 06/25 | 06/27 | 07/12/12 |
| 0.850 | 09/12 | 09/25 | 09/27 | 10/11/12 |
| 0.850 | 12/12 | 12/24 | 12/27 | 01/11/13 |

Dividends have been paid since 2008. Source: Company reports.

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# Philip Morris International Inc

STANDARD &POOR'S

## Business Summary January 23, 2013

CORPORATE OVERVIEW. Philip Morris International is the world's largest publicly traded manufacturer and marketer of tobacco products, with a 16% share of 2011 and 2010 international market volumes, up from 15.4% in 2009, according to Philip Morris estimates. Excluding China, PM's estimated market share was 27.8%, 27.7%, and 27.7% in 2011, 2010, 2009, respectively. PM sold 915.3 billion cigarettes in 2011, with the Marlboro brand contributing about 33% of total PM volume. Other brands include Merit, Parliament and Virginia Slims in the premium category; L&M and Chesterfield in the mid-price category; Bond Street, Lark, Muratti, Next, Philip Morris, and Red & White in the value category; and local brands such as A Mild, Diana, Optima, f6, Assos and Delicados.

The geographic breakdown of 2011 revenue was as follows: European Union 39%; Eastern Europe, Middle East & Africa 23%; Asia 26%; and Latin America and Canada 12%. Adjusted operating income (on revenues minus excise taxes) from Asia was 36% of the company total, followed by the European Union (34%), Eastern Europe, Middle East & Africa (24%), and Latin America and Canada (7%).

CORPORATE STRATEGY. Philip Morris International seeks to grow organically as well as through acquisitions. Using its existing brands, PM plans to introduce new packaging, new blends and other line extensions across its portfolio and in existing and new markets. It sees four major markets -- China, India, Bangladesh and Vietnam -- where it has little or no presence and which account for approximately 40% of total international cigarette consumption as opportunities. We estimate China alone accounts for about one-third of the total market. In addition, PM plans to spend about half of its R&D budget to develop next-generation products that meet consumer preferences and that could cause less harm than traditional tobacco products.

PM also plans to evaluate potential acquisitions and other business development opportunities. In February 2010, a PM affiliate and Fortune Tobacco Corporation combined their businesses in the Philippines to form a new company called PMFTC Inc. While both entities hold an equal economic interest in the company, PM manages the daily operations and has a majority of its board of directors.

In September 2009, PM acquired Swedish Match South Africa for approximately $256 million. In February 2009, it acquired Petteroes, which sells fine cut tobacco products in Norway and Sweden. Also in February 2009, PM entered into a joint venture with Swedish Match AB to develop the market for Swedish style snus and other smokeless tobacco products, outside of Sweden and the U.S.

In September 2008, PM acquired Rothmans Inc., Canada's second largest tobacco company, for C$2.0 billion.

MARKET PROFILE. Over the next few years, S&P Capital IQ estimates that worldwide cigarette consumption will be flat to up 1% on a base of approximately 5.7 trillion units. We expect consumption in developed countries to decline at a low to mid-single digit rate, while emerging markets could grow at a single digit rate or better. Although the worldwide growth outlook is lackluster compared to some other consumer-related sectors, we think heavy regulation, taxation and litigation risk represent high barriers to entry and provide an attractive opportunity for large established companies with global operations.

Increases in excise taxes in many developed countries have led to consumption declines or trading down to cheaper brands. However, consumers in emerging markets are increasingly trading up as their disposable income rises. High excise tax disparities have created a boom in illicit trade, which has become one of the industry's biggest challenges, driven by smuggling, illegal cross-border trading and counterfeiting. S&P Capital IQ expects levels of excise taxes to continue to increase, particularly in the European Union. As countries join the European Union, we look for excise duties to increase to minimum EU levels.

COMPETITIVE LANDSCAPE. The market is extremely competitive but characterized by high brand recognition and loyalty, with product quality, packaging, price and marketing being important factors of differentiation. Primary competitors include three large international tobacco companies, several regional and local companies and in some cases government-owned tobacco monopolies, principally in China, Egypt, Thailand, Taiwan and Algeria.

FINANCIAL TRENDS. From 2007 to 2011, net revenues advanced at a compound annual growth rate (CAGR) of 8.4%, while adjusted operating margins expanded to 44.1% from 41.7%.

## Corporate Information

**Office**
120 Park Avenue, New York, NY 10017.

**Telephone**
917-663-2000.

**Website**
http://www.pmi.com

**Officers**

**Chrmn & CEO**
L.C. Camilleri

**Vice Chrmn**
M. Cabiallavetta

**COO**
A. Calantzopoulos

**SVP & General Counsel**
M.S. Firestone

**SVP & CIO**
P. Brunel

**Board Members**

H. Brown
L. C. Camilleri
J. Li
S. Marchionne
L. A. Noto
C. Slim Helu
M. Cabiallavetta
J. D. Fishburn
E. A. Mackay
K. Morparia
R. B. Polet
S. M. Wolf

**Domicile**
Virginia

**Founded**
1987

**Employees**
78,100

**Stockholders**
83,200

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# Philip Morris International Inc

STANDARD &POOR'S

## Quantitative Evaluations

**S&P Fair Value Rank** 1+

| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
| LOWEST | | | | HIGHEST |

Based on S&P's proprietary quantitative model, stocks are ranked from most overvalued (1) to most undervalued (5).

**Fair Value Calculation** $68.70

Analysis of the stock's current worth, based on S&P's proprietary quantitative model suggests that PM is overvalued by $19.43 or 22.0%.

**Investability Quotient Percentile**

94

LOWEST = 1 HIGHEST = 100

PM scored higher than 94% of all companies for which an S&P Report is available.

**Volatility**

| LOW | AVERAGE | HIGH |
|---|---|---|

**Technical Evaluation** NEUTRAL

Since January, 2013, the technical indicators for PM have been NEUTRAL.

**Insider Activity**

| UNFAVORABLE | NEUTRAL | FAVORABLE |
|---|---|---|

## Expanded Ratio Analysis

| | 2011 | 2010 | 2009 | 2008 |
|---|---|---|---|---|
| Price/Sales | 4.45 | 3.96 | 3.75 | 3.52 |
| Price/EBITDA | 9.58 | 8.85 | 8.60 | 8.09 |
| Price/Pretax Income | 11.03 | 10.44 | 10.17 | 9.10 |
| P/E Ratio | 16.10 | 14.85 | 14.82 | 13.12 |
| Avg. Diluted Shares Outstg (M) | 1,762.0 | 1,842.0 | 1,950.0 | 2,078.0 |

Figures based on calendar year-end price

## Key Growth Rates and Averages

| Past Growth Rate (%) | 1 Year | 3 Years | 5 Years | 9 Years |
|---|---|---|---|---|
| Sales | 14.29 | 6.76 | -0.37 | NA |
| Net Income | 18.35 | 8.30 | 6.65 | NA |
| **Ratio Analysis** (Annual Avg.) | | | | |
| Net Margin (%) | 27.63 | 26.55 | 23.40 | 25.08 |
| % LT Debt to Capitalization | 72.93 | 67.95 | 57.89 | NA |
| Return on Equity (%) | 460.03 | 237.81 | 193.40 | NA |

## Company Financials Fiscal Year Ended Dec. 31

| Per Share Data (U.S. $) | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|---|---|---|---|---|---|---|---|---|---|---|
| Tangible Book Value | NM | NM | NM | NM | 2.31 | NA | NA | NA | NA | NA |
| Cash Flow | 5.44 | 4.45 | 3.69 | 3.72 | 3.10 | NA | NA | NA | NA | NA |
| Earnings | 4.85 | 3.92 | 3.24 | 3.32 | 2.75 | NA | NA | NA | NA | NA |
| S&P Core Earnings | 4.80 | 3.88 | 3.27 | 3.30 | 2.91 | 2.81 | NA | NA | NA | NA |
| Dividends | 2.82 | 2.44 | 2.24 | 1.54 | Nil | NA | NA | NA | NA | NA |
| Payout Ratio | 58% | 62% | 69% | 46% | Nil | NA | NA | NA | NA | NA |
| Prices:High | 79.42 | 60.87 | 52.35 | 56.26 | NA | NA | NA | NA | NA | NA |
| Prices:Low | 55.85 | 42.94 | 32.04 | 33.30 | NA | NA | NA | NA | NA | NA |
| P/E Ratio:High | 16 | 16 | 16 | 17 | NA | NA | NA | NA | NA | NA |
| P/E Ratio:Low | 12 | 11 | 10 | 10 | NA | NA | NA | NA | NA | NA |
| **Income Statement Analysis** (Million U.S. $) | | | | | | | | | | |
| Revenue | 31,097 | 27,208 | 25,035 | 25,705 | 55,096 | 20,794 | 20,013 | 17,583 | NA | NA |
| Operating Income | 14,434 | 12,179 | 10,922 | 11,174 | 9,685 | 8,664 | 8,352 | 7,235 | NA | NA |
| Depreciation | 993 | 932 | 853 | 842 | 748 | 658 | 527 | 459 | NA | NA |
| Interest Expense | 934 | 974 | 905 | 528 | 209 | 371 | 325 | 191 | NA | NA |
| Pretax Income | 12,532 | 10,324 | 9,243 | 9,937 | 8,572 | 8,226 | 7,641 | 6,478 | NA | NA |
| Effective Tax Rate | 29.2% | 27.4% | 29.1% | 28.1% | 28.9% | 22.2% | 24.0% | 27.2% | NA | NA |
| Net Income | 8,591 | 7,259 | 6,342 | 6,890 | 5,821 | 6,146 | 5,620 | 4,570 | NA | NA |
| S&P Core Earnings | 8,467 | 7,158 | 6,368 | 6,852 | 6,153 | 5,904 | NA | NA | NA | NA |
| **Balance Sheet & Other Financial Data** (Million U.S. $) | | | | | | | | | | |
| Cash | 2,550 | 1,703 | 1,540 | 1,531 | 1,284 | 1,676 | 1,209 | NA | NA | NA |
| Current Assets | 14,859 | 13,756 | 14,682 | 14,939 | 14,423 | 11,925 | 10,025 | NA | NA | NA |
| Total Assets | 35,488 | 35,050 | 34,552 | 32,972 | 31,414 | 26,120 | 23,135 | NA | NA | NA |
| Current Liabilities | 14,794 | 12,804 | 11,178 | 10,144 | 8,465 | 6,989 | 6,334 | NA | NA | NA |
| Long Term Debt | 14,828 | 13,370 | 13,672 | 11,377 | 5,578 | 2,222 | 4,141 | NA | NA | NA |
| Common Equity | 229 | 3,506 | 5,716 | 7,500 | 14,700 | 14,267 | 10,307 | NA | NA | NA |
| Total Capital | 20,331 | 21,491 | 19,899 | 19,086 | 21,481 | 16,634 | 14,593 | NA | NA | NA |
| Capital Expenditures | 897 | 713 | 715 | 1,099 | 1,072 | 886 | 736 | 711 | NA | NA |
| Cash Flow | 9,584 | 8,191 | 7,195 | 7,732 | 6,569 | 6,804 | 6,147 | 5,029 | NA | NA |
| Current Ratio | 1.0 | 1.1 | 1.3 | 1.5 | 1.7 | 1.7 | 1.6 | NA | NA | NA |
| % Long Term Debt of Capitalization | 72.9 | 62.2 | 68.7 | 59.6 | 26.0 | 13.4 | 28.4 | Nil | NA | NA |
| % Net Income of Revenue | 27.6 | 26.7 | 25.3 | 26.8 | 10.6 | 29.6 | 28.1 | 26.0 | NA | NA |
| % Return on Assets | 24.4 | 20.9 | 18.8 | 21.2 | NA | 25.0 | NA | NA | NA | NA |
| % Return on Equity | NM | NM | 96.0 | 60.2 | NA | 50.0 | NA | NA | NA | NA |

Data as orig reptd.; bef. results of disc opers/spec. items. Per share data adj. for stk. divs.; EPS diluted. Data prior to 2008 are pro forma. E-Estimated. NA-Not Available. NM-Not Meaningful. NR-Not Ranked. UR-Under Review.

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# Philip Morris International Inc

STANDARD &POOR'S

## Sub-Industry Outlook

Our fundamental outlook for the tobacco sub-industry for the next 12 months is positive, reflecting what we see as favorable pricing trends, healthy free cash flow growth and a relatively benign litigation environment.

As had been widely expected, in April 2009, the federal excise tax on cigarettes jumped to $1.01 per pack from $0.39. We believe tobacco is likely to be a continued target for additional state excise taxes, and we see attempts to raise rates as likely in the future. However, against a relatively benign litigation backdrop, major tobacco companies have begun to shift focus to battling excise tax hikes and other anti-smoking ballot initiatives.

In June 2009, President Obama signed the Family Smoking Prevention and Tobacco Control Act into law. The bill gives the Food and Drug Administration the power to regulate both the manufacture and marketing of tobacco products. We viewed the enactment as a slight overall negative for the industry, but note that tobacco companies were well aware of lawmakers' desire to enact this regulation and had ample time to prepare for compliance. With likely restrictions on advertising, marketing and packaging, we think the law serves to further solidify current market shares.

In the past two years, several events have been favorable for the industry. In March 2011, the Tobacco Products Scientific Advisory Committee (TPSAC) did not call for an outright ban on menthol cigarettes. In November 2011, a federal judge blocked the government from requiring tobacco companies to display graphic warnings until the courts can review the constitutionality of the requirement under the provisions of the Family Smoking Prevention and Tobacco Control Act. And in August 2012, the U.S. Federal Circuit of Appeals affirmed the lower court's ruling saying the government failed to provide evidence that the labels would bring down smoking rates.

Despite our expectation for a low to mid-single digit percentage decline in domestic consumption, we believe industry operating profits will rise modestly, as cost-saving efforts and merger synergies should offset greater investment in focus brands. In 2009, we estimate that volumes declined at a high single digit rate as the federal excise tax increase was absorbed and trade inventories were adjusted, while in 2010 and 2011, we believe volumes dropped at a more moderate low to mid-single digit rate.

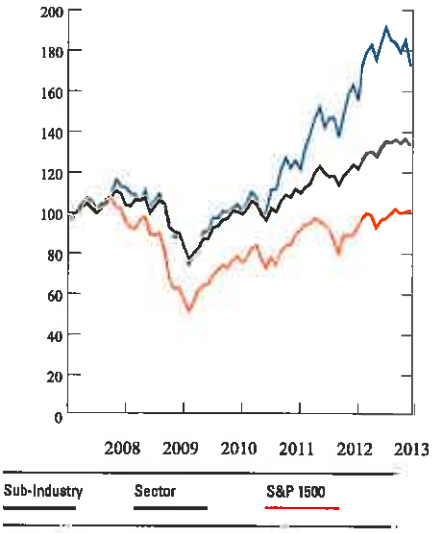
Year to date through January 25, the S&P Tobacco Index rose 6.4%, versus a 5.6% gain for the S&P 1500 Index. In 2012, the Tobacco Index rose 5.8%, compared to the S&P 1500's 13.7% gain.

--Esther Y. Kwon, CFA

## Stock Performance

**GICS Sector: Consumer Staples**
**Sub-Industry: Tobacco**

Based on S&P 1500 Indexes
Month-end Price Performance as of 12/31/12




**NOTE:** All Sector & Sub-Industry information is based on the Global Industry Classification Standard (GICS)

## Sub-Industry : Tobacco Peer Group*: Tobacco/Cigarettes

| Peer Group | Stock Symbol | Stk.Mkt. Cap. (Mil. $) | Recent Stock Price($) | 52 Week High/Low($) | Beta | Yield (%) | P/E Ratio | Fair Value Calc.($) | Quality Ranking | S&P IQ %ile | Return on Revenue (%) | LTD to Cap (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Philip Morris Intl** | **PM** | **NA** | **88.13** | **94.13/76.26** | **0.85** | **Nil** | **18** | **68.70** | **NR** | **94** | **28.6** | **72.9** |
| Altria Group | MO | NA | 34.20 | 36.29/28.52 | 0.44 | Nil | 18 | 34.00 | A- | 98 | 20.4 | 75.1 |
| British Amer Tobacco ADR | BTI | NA | 104.61 | 109.73/92.88 | 0.61 | Nil | 21 | 87.80 | NR | 88 | 21.9 | 45.5 |
| Imperial Tobacco Grp ADR | ITYBY | NA | 74.42 | 84.01/71.25 | 0.71 | Nil | 35 | NA | NR | 19 | 2.5 | 53.1 |
| Lorillard Inc | LO | NA | 39.52 | 47.02/36.70 | 0.43 | Nil | 14 | 38.00 | A+ | 99 | 25.1 | 239.8 |
| Reynolds American | RAI | NA | 44.47 | 46.93/39.18 | 0.57 | Nil | 18 | 43.10 | B+ | 55 | 31.7 | 33.9 |
| Vector Group Ltd | VGR | NA | 15.37 | 17.70/14.25 | 0.42 | Nil | 96 | NA | B | 27 | 12.9 | 108.4 |

NA-Not Available NM-Not Meaningful NR-Not Rated. *For Peer Groups with more than 15 companies or stocks, selection of issues is based on market capitalization.

Source: S&P.

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## S&P Analyst Research Notes and other Company News

**January 18, 2013**
03:25 pm ET ... S&P MAINTAINS STRONG BUY RECOMMENDATION ON SHARES OF PHILIP MORRIS INTERNATIONAL (PM 89.71*****): Ahead of results expected on February 7, we forecast 2012 EPS of $5.21 and keep our $101 target price, based on forward multiple analysis. After cycling difficult comparisons, particularly from gains in Japan as competitors had supply difficulties as well as from robust gains in Korea and Indonesia, we project a return to double digit EPS growth in Q4 and forecast Q4 EPS of $1.21, vs. $1.10. While Europe is likely to remain challenging, we look for healthy growth from emerging markets. We find the shares compelling, given free significant cash flow generation. /E. Kwon, CFA

**October 18, 2012**
11:22 am ET ... S&P MAINTAINS STRONG BUY RECOMMENDATION ON SHARES OF PHILIP MORRIS INTERNATIONAL (PM 89.00*****): On revised forward multiple analysis, we trim our target price by $1 to $101 and our 2012 EPS estimate $0.02 to $5.21. Adjusted Q3 EPS of $1.38, vs. $1.37, misses our estimate by $0.03 and consensus from Capital IQ by $0.01. Shipment volume dropped 1.3%, weighed by Europe which fell 8.1% but Asia volume rose 0.6% even with very tough comparison in Japan. Operating profit in Europe and Asia were below our view but margin improvement was better on strong ability to raise prices. We continue to favor shares on emerging market exposure and strong cash flow generation. /E. Kwon, CFA

**October 18, 2012**
11:22 am ET ... S&P MAINTAINS STRONG BUY RECOMMENDATION ON SHARES OF PHILIP MORRIS INTERNATIONAL (PM 89.00*****): On revised forward multiple analysis, we trim our target price by $1 to $101 and our 2012 EPS estimate $0.02 to $5.21. Adjusted Q3 EPS of $1.38, vs. $1.37, misses our estimate by $0.03 and consensus from Capital IQ by $0.01. Shipment volume dropped 1.3%, weighed by Europe which fell 8.1% but Asia volume rose 0.6% even with very tough comparison in Japan. Operating profit in Europe and Asia were below our view but margin improvement was better on strong ability to raise prices. We continue to favor shares on emerging market exposure and strong cash flow generation. /E. Kwon, CFA

**July 19, 2012**
PM posts $1.36 vs. $1.35 Q2 EPS as fewer shares outstanding in Q2 '12 offset 1.8% drop in net revenues, excl. excise taxes. Capital IQ consensus forecast was $1.34 EPS. For 2012, PM reaffirms, at prevailing exchange rates, itsfull-year EPS guidance of $5.10-$5.20.

**July 19, 2012**
11:39 am ET ... S&P REITERATES STRONG BUY OPINION ON SHARES OF PHILIP MORRIS INTERNATIONAL (PM 90.30*****): We up our target price $5 to $102 on revised multiple analysis, and raise our '12 EPS estimate $0.03 to $5.23 on lower shares. Adjusted Q2 EPS of $1.36 vs. $1.34 matches our estimate but tops Capital IQ consensus by $0.01. Operating profit fell short of our forecast in Europe, where volumes slid 8.5%; however, Eastern Europe, Middle East & Africa was stronger. Cigarette volume slipped 1.2% but rose 1.4% excluding last year's boost from Japan. We continue to expect Europe to remain weak but see strength in other regions as an offset. The shares have an indicated yield of over 3%. /E. Kwon, CFA

**June 21, 2012**
10:15 am ET ... S&P MAINTAINS STRONG BUY RECOMMENDATION ON SHARES OF PHILIP MORRIS INTERNATIONAL (PM 87.43*****): We cut our 2012 EPS estimate by $0.10 to $5.20 on greater forecast negative impact from forex, but keep our target price at $97 on forward multiple analysis. Ahead of 2-day investor day beginning in Lausanne, Switzerland today, PM lowers reported EPS guidance to $5.10 - $5.20, from $5.25 - $5.35. PM now expects a negative $0.25 hit to EPS, larger than the $0.15 anticipated previously. Excluding forex impact, PM expects 10% - 12% EPS growth. We believe trends in Europe will be challenging, but see strength in Asia and other emerging markets. Shares have indicated yield of 3.5%. /E. Kwon, CFA

**June 20, 2012**
Philip Morris International, Inc. announced that it has appointed Jacek Olczak CFO. He replaces Hermann Waldemer, who will retire in July. Olczak most recently was president of the company's European Union unit.

**June 13, 2012**
PM announced a new three-year share repurchase program of $18B. Anticipats that the new program will be initiated August 1, 2012, following completion of the existing three-year program of $12B which began in May 2010 and which will conclude ahead of schedule. As previously announced, PM has a share repurchase target for 2012 of $6B.

**May 7, 2012**
Philip Morris International, Inc. announced that Hermann Waldemer, Chief Financial Officer, has elected to take early retirement effective July 31, 2012. He will be succeeded by Jacek Olczak, currently President, European Union Region, effective August 1, 2012. Drago Azinovic, currently President, Philip Morris Japan, will succeed Mr. Olczak.

**April 19, 2012**
PM posts $1.25 vs. $1.06 Q1 EPS on 9.7% higher reported net revenues (excl. excise taxes), 11% higher revenues (excl. currency and acquisitions). Capital IQ consensus forecast was $1.20. PM notes Q1 cigarette shipment volume grew 5.4%, or 5.3% excl. acquisitions. Excl. a forecasted total unfavorable currency impact of about $0.15 for full-year 2012, sees 2012 reported EPS rising by about 10%-12% vs. $4.88 '11 adj. EPS.

**April 19, 2012**
12:40 pm ET ... S&P REITERATES STRONG BUY OPINION ON SHARES OF PHILIP MORRIS INTERNATIONAL (PM 86.55*****): Adjusted Q1 EPS of $1.25, vs. $1.06, exceeds our $1.22 estimate and consensus from Capital IQ of $1.20. While revenue and operating income were ahead of our forecast for Asia and Eastern Europe, Middle East and Africa, European segment results also beat. Though performance was boosted by an extra day and easy comparisons in some regions, we see continued growth driven by emerging markets, particularly Asia, and more benign excise tax environment. On forex, we trim our '12 EPS estimate $0.03 to $5.30, but up our target price by $4 to $97 as we roll forward to our '13 estimate. /E. Kwon, CFA

**February 28, 2012**
06:00 am ET ... S&P REITERATES STRONG BUY OPINION ON SHARES OF PHILIP MORRIS INTERNATIONAL (PM 83.1*****): Following PM's CAGNY presentation last week, we remain positive on the shares based on its broad geographic footprint, particularly its exposure to faster growth Asian markets, strong free cash flow generation, which we see being returned to shareholders via dividends and for share repurchases, and declining exposure to the European Union. In 2013, we project the European Union to represent 31% of total operating profit, down from 47% in 2007 while we see Asia rising to 37% from 20% in 2007. On revised forward multiple analysis, we lift our target price by $2 to $93. /E. Kwon, CFA

**February 23, 2012**
Philip Morris International, Inc. has appointed Kraft Foods general counsel Marc Firestone to head its legal department as current general counsel David Bernick resigns. Firestone has been the executive vice president, corporate and legal affairs and general counsel of Kraft Foods since 2006. He joined the tobacco giant in 1988 and assumed various senior roles, including senior vice president and general counsel, prior to joining Kraft Foods in 2003.


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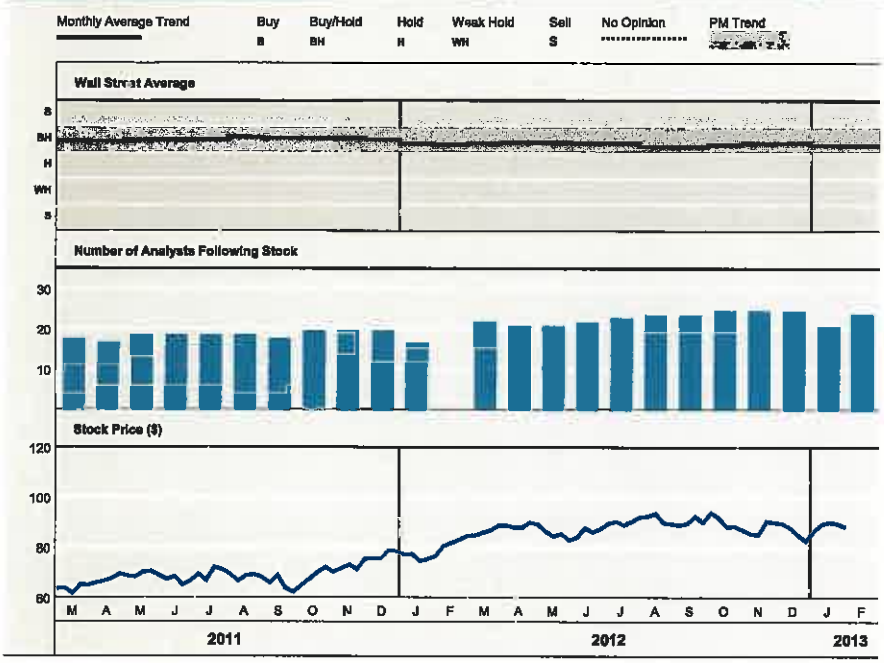
# Philip Morris International Inc

STANDARD &POOR'S

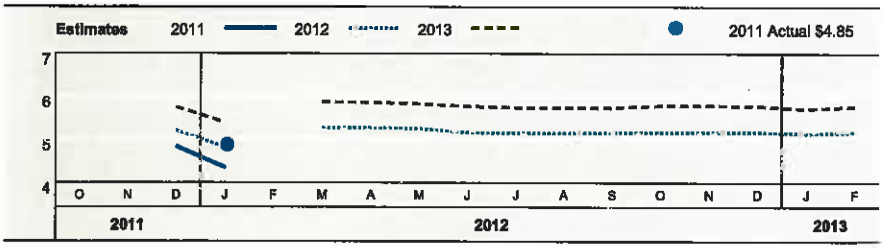
## Analysts' Recommendations




Of the total 24 companies following PM, 23 analysts currently publish recommendations.

| | No. of Ratings | % of Total | 1 Mo. Prior | 3 Mos. Prior |
|---|---|---|---|---|
| Buy | 7 | 30 | 7 | 9 |
| Buy/Hold | 5 | 22 | 4 | 4 |
| Hold | 10 | 43 | 8 | 10 |
| Weak Hold | 1 | 4 | 1 | 1 |
| Sell | 0 | 0 | 0 | 0 |
| No Opinion | 0 | 0 | 1 | 0 |
| **Total** | **23** | **100** | **21** | **24** |

## Wall Street Consensus Estimates




| Fiscal Years | Avg Est. | High Est. | Low Est. | # of Est. | Est. P/E |
|---|---|---|---|---|---|
| 2013 | 5.79 | 5.95 | 5.61 | 22 | 15.2 |
| 2012 | 5.20 | 5.24 | 5.15 | 23 | 16.9 |
| **2013 vs. 2012** | ▲ 11% | ▲ 14% | ▲ 9% | ▼ -4% | ▼ -10% |
| | | | | | |
| Q4'13 | 1.36 | 1.42 | 1.33 | 6 | 64.8 |
| Q4'12 | 1.22 | 1.27 | 1.20 | 16 | 72.2 |
| **Q4'13 vs. Q4'12** | ▲ 11% | ▲ 12% | ▲ 11% | ▼ -62% | ▼ -10% |

A company's earnings outlook plays a major part in any investment decision. Standard & Poor's organizes the earnings estimates of over 2,300 Wall Street analysts, and provides their consensus of earnings over the next two years. This graph shows the trend in analyst estimates over the past 15 months.

## Wall Street Consensus Opinion

**BUY/HOLD**

## Companies Offering Coverage

Argus Research Company
Barclays
Berenberg Bank
BofA Merrill Lynch
Citigroup Inc
Credit Agricole Securities (USA) Inc.
Credit Suisse
Daiwa Securities Capital Markets Co. Ltd.
Davenport & Company
Deutsche Bank
Erste Group Bank AG
Fitch Ratings Ltd.
Goldman Sachs
JP Morgan
Jefferies & Company, Inc.
Mizuho Securities Co., Ltd.
Moody's
Morgan Stanley
Morningstar Inc.
Nomura Securities Co. Ltd.
Rencap Securities (Pty) Limited
S&P Equity Research
Stifel, Nicolaus & Co., Inc.
UBS Investment Bank

## Wall Street Consensus vs. Performance

For fiscal year 2012, analysts estimate that PM will earn $5.20. For the 3rd quarter of fiscal year 2012, PM announced earnings per share of $1.32, representing 25% of the total annual estimate. For fiscal year 2013, analysts estimate that PM's earnings per share will grow by 11% to $5.79.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# Philip Morris International Inc

STANDARD &POOR'S

## Glossary

**S&P STARS**
Since January 1, 1987, Standard and Poor's Equity Research Services has ranked a universe of common stocks based on a given stock's potential for future performance. Under proprietary STARS (STock Appreciation Ranking System), S&P equity analysts rank stocks according to their individual forecast of a stock's future total return potential versus the expected total return of a relevant benchmark (e.g., a regional index (S&P Asia 50 Index, S&P Europe 350 Index or S&P 500 Index)), based on a 12-month time horizon. STARS was designed to meet the needs of investors looking to put their investment decisions in perspective. Data used to assist in determining the STARS ranking may be the result of the analyst's own models as well as internal proprietary models resulting from dynamic data inputs.

**S&P 12-Month Target Price**
The S&P equity analyst's projection of the market price a given security will command 12 months hence, based on a combination of intrinsic, relative, and private market valuation metrics, including S&P Fair Value.

**Investment Style Classification**
Characterizes the stock as Growth or Value, and indicates its capitalization level. Growth is evaluated along three dimensions (earnings, sales and internal growth), while Value is evaluated along four dimensions (book-to-price, cash flow-to-price, dividend yield and sale-to-price). Growth stocks score higher than the market average on growth dimensions and lower on value dimensions. The reverse is true for Value stocks. Certain stocks are classified as Blend, indicating a mixture of growth and value characteristics and cannot be classified as purely growth or value.

**S&P EPS Estimates**
Standard & Poor's earnings per share (EPS) estimates reflect analyst projections of future EPS from continuing operations, and generally exclude various items that are viewed as special, non-recurring, or extraordinary. Also, S&P EPS estimates reflect either forecasts of S&P equity analysts; or, the consensus (average) EPS estimate, which are independently compiled by Capital IQ, a data provider to Standard & Poor's Equity Research. Among the items typically excluded from EPS estimates are asset sale gains; impairment, restructuring or merger-related charges; legal and insurance settlements; in process research and development expenses; gains or losses on the extinguishment of debt; the cumulative effect of accounting changes; and earnings related to operations that have been classified by the company as discontinued. The inclusion of some items, such as stock option expense and recurring types of other charges, may vary, and depend on such factors as industry practice, analyst judgment, and the extent to which some types of data is disclosed by companies.

**S&P Core Earnings**
Standard & Poor's Core Earnings is a uniform methodology for adjusting operating earnings by focusing on a company's after-tax earnings generated from its principal businesses. Included in the Standard & Poor's definition are employee stock option grant expenses, pension costs, restructuring charges from ongoing operations, write-downs of depreciable or amortizable operating assets, purchased research and development, M&A related expenses and unrealized gains/losses from hedging activities. Excluded from the definition are pension gains, impairment of goodwill charges, gains or losses from asset sales, reversal of prior-year charges and provision from litigation or insurance settlements.

**Qualitative Risk Assessment**
The S&P equity analyst's view of a given company's operational risk, or the risk of a firm's ability to continue as an ongoing concern. The Qualitative Risk Assessment is a relative ranking to the S&P U.S. STARS universe, and should be reflective of risk factors related to a company's operations, as opposed to risk and volatility measures associated with share prices.

**Quantitative Evaluations**
In contrast to our qualitative STARS recommendations, which are assigned by S&P analysts, the quantitative evaluations described below are derived from proprietary arithmetic models. These computer-driven evaluations may at times contradict an analyst's qualitative assessment of a stock. One primary reason for this is that different measures are used to determine each. For instance, when designating STARS, S&P analysts assess many factors that cannot be reflected in a model, such as risks and opportunities, management changes, recent competitive shifts, patent expiration, litigation risk, etc.

**S&P Quality Ranking**
Growth and stability of earnings and dividends are deemed key elements in establishing S&P's Quality Rankings for common stocks, which are designed to capsulize the nature of this record in a single symbol. It should be noted, however, that the process also takes into consideration certain adjustments and modifications deemed desirable in establishing such rankings. The final score for each stock is measured against a scoring matrix determined by analysis of the scores of a large and representative sample of stocks. The range of scores in the array of this sample has been aligned with the following ladder of rankings:

| | | | |
|---|---|---|---|
| A+ | Highest | B | Below Average |
| A | High | B- | Lower |
| A- | Above Average | C | Lowest |
| B+ | Average | D | In Reorganization |
| NR | Not Ranked | | |

**S&P Fair Value Rank**
Using S&P's exclusive proprietary quantitative model, stocks are ranked in one of five groups, ranging from Group 5, listing the most undervalued stocks, to Group 1, the most overvalued issues. Group 5 stocks are expected to generally outperform all others. A positive (+) or negative (-) Timing Index is placed next to the Fair Value ranking to further aid the selection process. A stock with a (+) added to the Fair Value Rank simply means that this stock has a somewhat better chance to outperform other stocks with the same Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; 4-Stock is moderately undervalued; 3-Stock is fairly valued; 2-Stock is modestly overvalued; 1-Stock is significantly overvalued.

**S&P Fair Value Calculation**
The price at which a stock should trade at, according to S&P's proprietary quantitative model that incorporates both actual and estimated variables (as opposed to only actual variables in the case of S&P Quality Ranking). Relying heavily on a company's actual return on equity, the S&P Fair Value model places a value on a security based on placing a formula-derived price-to-book multiple on a company's consensus earnings per share estimate.

**Insider Activity**
Gives an insight as to insider sentiment by showing whether directors, officers and key employees who have proprietary information not available to the general public, are buying or selling the company's stock during the most recent six months.

**Funds From Operations FFO**
FFO is Funds from Operations and equal to a REIT's net income, excluding gains or losses from sales of property, plus real estate depreciation.

**Investability Quotient (IQ)**
The IQ is a measure of investment desirability. It serves as an indicator of potential medium-to-long term return and as a caution against downside risk. The measure takes into account variables such as technical indicators, earnings estimates, liquidity, financial ratios and selected S&P proprietary measures.

**S&P's IQ Rationale:**
**Philip Morris Intl**

| | Raw Score | Max Value |
|---|---|---|
| Proprietary S&P Measures | 22 | 115 |
| Technical Indicators | 28 | 40 |
| Liquidity/Volatility Measures | 16 | 20 |
| Quantitative Measures | 58 | 75 |
| **IQ Total** | **124** | **250** |

**Volatility**
Rates the volatility of the stock's price over the past year.

**Technical Evaluation**
In researching the past market history of prices and trading volume for each company, S&P's computer models apply special technical methods and formulas to identify and project price trends for the stock.

**Relative Strength Rank**
Shows, on a scale of 1 to 99, how the stock has performed versus all other companies in S&P's universe on a rolling 13-week basis.

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**Dividends on American Depository Receipts (ADRs) and American Depository Shares (ADSs) are net of taxes (paid in the country of origin).**

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**In Asia:** As of December 31, 2012, research analysts at Standard & Poor's Equity Research Services Asia recommended 34.7% of issuers with buy recommendations, 51.6% with hold recommendations and 13.7% with sell recommendations.

**Globally:** As of December 31, 2012, research analysts at Standard & Poor's Equity Research Services globally recommended 34.0% of issuers with buy recommendations, 56.8% with hold recommendations and 9.2% with sell recommendations.

★★★★★ **5-STARS (Strong Buy):** Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis.

★★★★ **4-STARS (Buy):** Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis.

★★★ **3-STARS (Hold):** Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis.

★★ **2-STARS (Sell):** Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price not anticipated to show a gain.

★ **1-STARS (Strong Sell):** Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis.

**Relevant benchmarks:** In North America the relevant benchmark is the S&P 500 Index, in Europe and in Asia, the relevant benchmarks are generally the S&P Europe 350 Index and the S&P Asia 50 Index.

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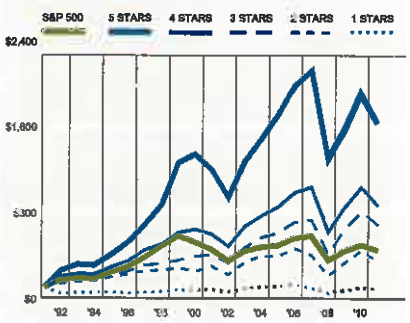
**U.S. STARS Cumulative Model Performance**
Hypothetical Growth Due to Price Appreciation of $100
For the Period 12/31/1986 through 01/31/2013




The performance above represents only the results of Standard & Poor's model portfolios. Model performance has inherent limitations. Standard & Poor's maintains the models and calculates the model performance shown, but does not manage actual assets. The U.S. STARS model performance chart is only an illustration of Standard & Poor's (S&P) research; it shows how U.S. common stocks, ADRs (American Depositary Receipts) and ADSs (American Depositary Shares), collectively "equities", that received particular STARS rankings performed. STARS categories are models only; they are not collective investment funds. The STARS performance does not show how any actual portfolio has performed. STARS model performance does not represent the results of actual trading of investor assets. Thus, the model performance shown does not reflect the impact that material economic and market factors might have had on decision-making if actual investor money had been managed. Performance is calculated using a time-weighted rate of return. While model performance for some or all STARS categories performed better than the S&P 500 for the period shown, the performance during any shorter period may not have, and there is no assurance that they will perform better than the S&P 500 in the future. STARS does not take into account any particular investment objective, financial situation or need and is not intended as an investment recommendation or strategy. Investments based on the STARS methodology may lose money. High returns are not necessarily the norm and there is no assurance that they can be sustained. Past model performance of STARS is no guarantee of future performance.

For model performance calculation purposes, the equities within each STARS category at December 31, 1986 were equally weighted. Thereafter, additions to the composition of the equities in each STARS category are made at the average value of the STARS category at the preceding month end with no rebalancing. Deletions are made at the closing price of the day that the deletion is made. Performance was calculated from inception through March 31, 2003 on a monthly basis. Thereafter, performence is calculated daily. Equities in each STARS category will change over time, and some or all of the equities that received STARS rankings during the time period shown may not have maintained their STARS ranking during the entire period.

The model performance does not consider taxes and brokerage commissions, nor does it reflect the deduction of any advisory or other fees charged by advisors or other parties that investors will incur when their accounts are managed in accordance with the models. The imposition of these fees and charges would cause actual performance to be lower than the performance shown. For example, if a model returned 10 percent on a $100,000 investment for a 12-month period (or $10,000) and an annual asset-based fee of 1.5 percent were imposed at the end of the period (or $1,650), the net return would be 8.35 percent (or $8,350) for the year. Over 3 years, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.1%, a total fee of $5,375 and a cumulative net return of 27.2% (or $27,200). Fees deducted on a frequency other than annual would result in a different cumulative net return in the preceding example.

The Standard & Poor's 500 index is the benchmark for U.S. STARS. The S&P 500 index is calculated in U.S. dollars and does not take into account the reinvestment of dividends. Indexes are unmanaged, statistical composites and their returns do not include payment of any sales charges or fees an investor would pay to purchase the securities they represent. Such costs would lower performance. It is not possible to invest directly in an index. The S&P 500 index includes a different number of constituents and has different risk characteristics than the STARS equities. Some of the STARS equities may have been included in the S&P 500 index for some (but not necessarily all) of the period covered in the chart, and some such equities may not have been included at all. The S&P 500 excludes ADRs and ADSs. The methodology for calculating the return of the S&P 500 index differs from the methodology of calculating the return for STARS. Past performance of the S&P 500 index is no guarantee of future performance.

An investment based upon the models should only be made after consulting with a financial advisor and with an understanding of the risks associated with any investment in securities, including, but not limited to, market risk, currency risk, political and credit risks, the risk of economic recession and the risk that issuers of securities or general stock market conditions may worsen, over time. Foreign investing involves certain risks, including currency fluctuations and controls, restrictions on foreign investments, less governmental supervision and regulation, less liquidity and the potential for market volatility and political instability. As with any investment, investment returns and principal value will fluctuate, so that when redeemed, an investor's shares may be worth more or less than their original cost.

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January 2013

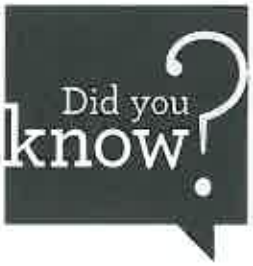
WELLS FARGO ADVISORS

# Ten things investors should know today

1. The stock market is up over 100% since the recession ended in 2009.
2. Fixed income carries higher risk than usual.
3. The U.S. economy continues to grow.
4. Municipal bankruptcies are not widespread.
5. Successful market timing is seldom a viable strategy.
6. International markets are improving.
7. It's never too late to start saving for retirement.
8. Cash is expensive.
9. Asset allocation is critical.
10. Diversification is key.

It's true for all of us: Our perception influences our decisions. However, what we perceive isn't always what's really going on. Today many investors seem to be acting based on their perceptions of what's happening in the economy and the markets, but those notions don't necessarily match up with what our top strategists are observing in the markets and economy. On the following pages, our goal is to set the record straight on 10 issues that we believe are critical for investors to understand. Intelligent planning and investing are essential for investors to realize their financial goals.

Together we'll go far



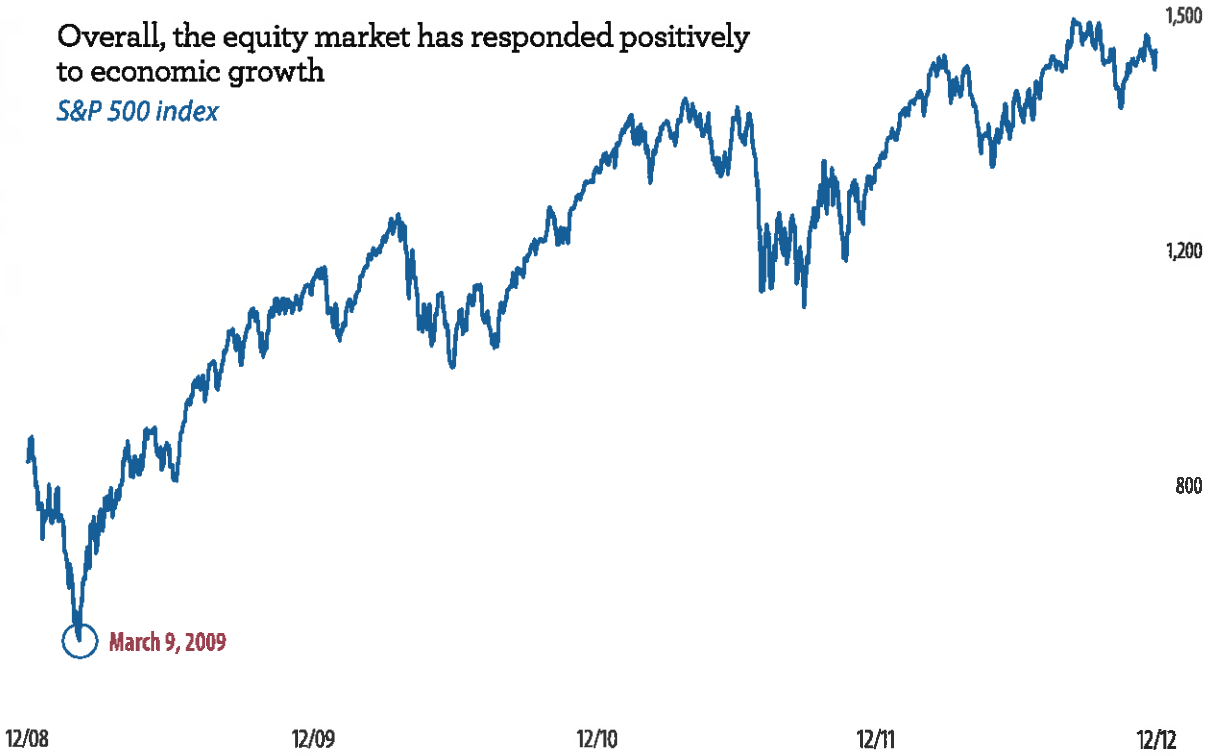

# The stock market is up since the recession ended in 2009

## *However, fearful investors have flocked from equities*

Investors have remained fairly cautious, particularly in light of uncertainties related to the Fiscal Cliff. However, the stock market has been responding favorably to modestly positive domestic economic growth and Federal Reserve liquidity efforts. The S&P 500 index, on a total-return basis,* was up 16.0% in 2012 and nearly 129% since the March 9, 2009, low (as of December 31, 2012). For months now, we have seen better market breadth as well as a lean toward more cyclical (or economically sensitive) stocks (relative to defensive stocks), which is typically an indication that investors are anticipating better economic growth.

Markets are not a one way street. Many investors seem to be acting as though the stock market has been stumbling, but that simply isn't the case. We continue to believe that one of the best ways for many individuals to accumulate wealth over time is through having an appropriate asset allocation (investment mix) that includes allocations to stocks.

History tends to show that the most attractive periods for investors to acquire stocks often occur during periods of fear and uncertainty and when stock valuations appear attractive. Looking ahead, we continue to see opportunity for the stock market to move higher and forecast a year-end 2013 target range for the S&P 500 of 1,525 – 1,575. We believe investors should continue to accumulate stocks and use market pullbacks as buying opportunities.




*Total return takes into consideration capital gains or losses as well as dividend or interest income.

**Source:** Bloomberg and Wells Fargo Advisors

Did you know?

# Fixed income carries higher risk than in the past

## *But investors still gravitate toward fixed income as a potential safe haven*

Fixed-income investments have performed well both recently and over the longer-term. Strong positive returns have been fueled by lower rates, which are near historically low levels. After 30 years in which interest rate trends provided fixed-income investors with a strong tailwind, rates do not have much further to fall. Unfortunately, we continue to see many investors chasing past performance, continuing to purchase longer-term fixed-income positions and locking in historically low income streams for significant time periods.

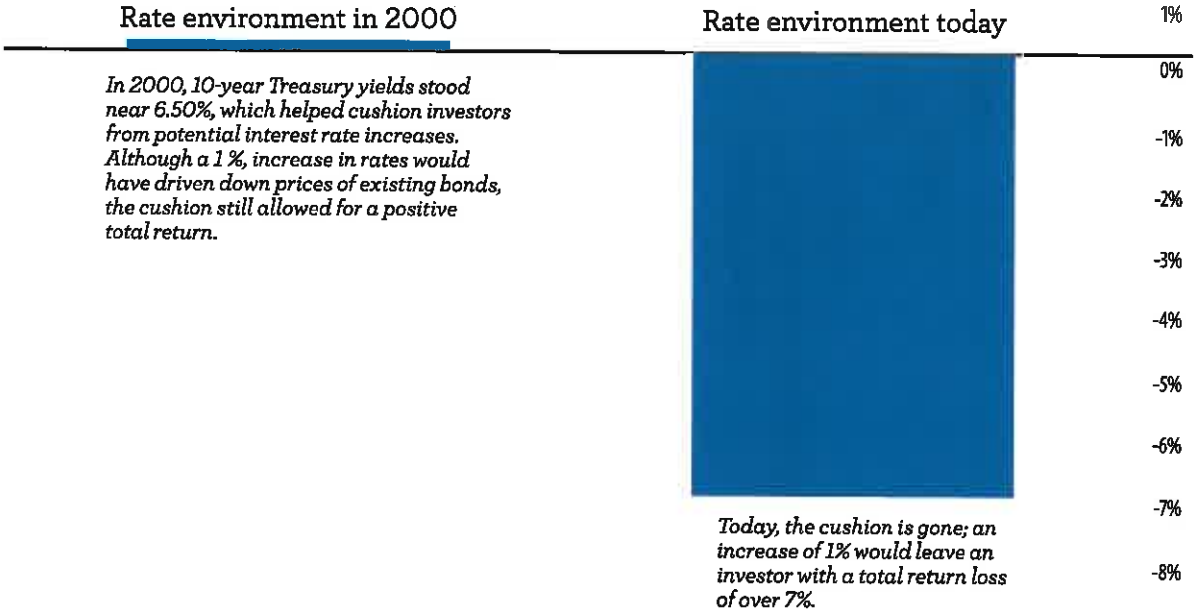
The Fed recently announced it will purchase additional long-term Treasury securities at a pace of $45 billion per month. This is in addition to the ongoing monthly purchases of mortgage-backed securities (MBS) at a pace of $40 billion per month.

The Fed continues to dominate the fixed-income landscape, and should continue to do so through most of 2013. We would be very cautious about locking in a long-term fixed-income stream for a significant time period while the Fed is undertaking policy actions that could be inflationary over the long term. Should the Fed fail to effectively control future inflation, investors will see a significant decline in the purchasing power of a fixed-income stream.

We anticipate that interest rates will remain at low levels in the near term; investors purchasing longer-dated bonds will face an investment horizon that may include significantly higher yields, which would negatively impact existing bond prices. It is important that investors not become complacent as the timing of significant rate moves often takes the market by surprise.

### Fixed-income securities have lost their cushion against rising interest rates

*Hypothetical one-year total return of 10-year Treasuries if interest rates increase by 1%*




**Source:** Wells Fargo Advisors

Did you know?

# The U.S. economy continues to grow

## *Although investors remain pessimistic*

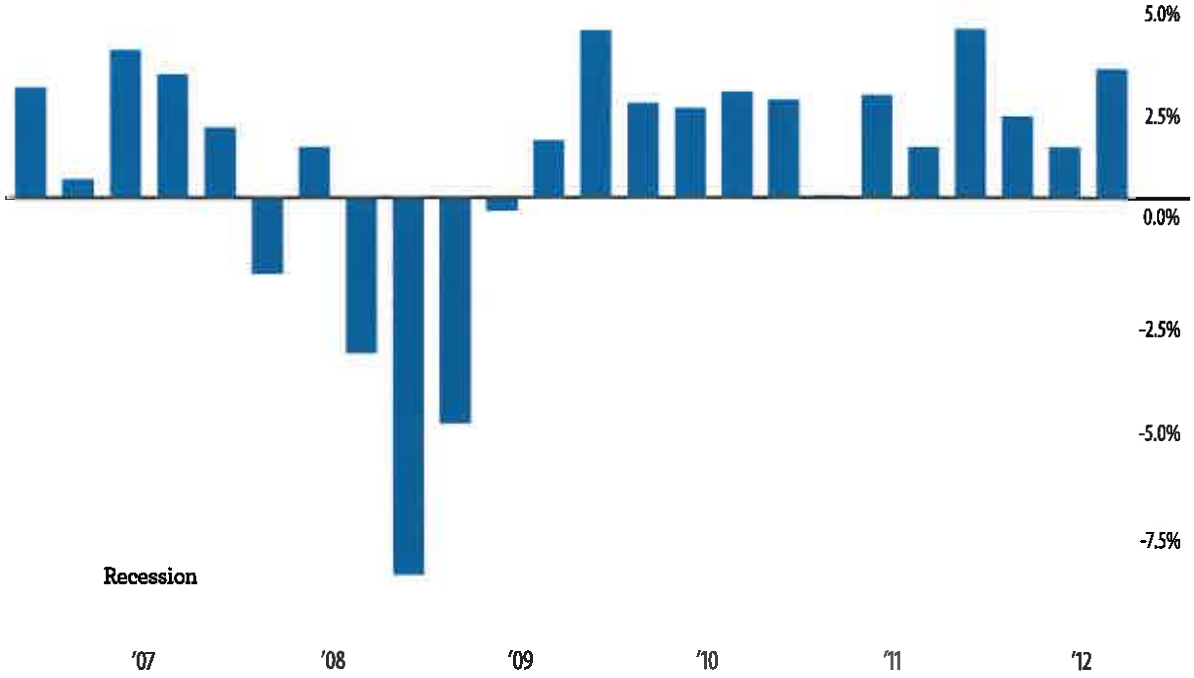
For most of 2012, investor sentiment was poor. Investors turned defensive as they dealt with uncertainties, such as the elections and the Fiscal Cliff. We believe it is good that investors are somewhat worried about potential market volatility ahead of uncertainty because that means they are generally discounting what could go wrong and are less likely to be surprised if events do not go smoothly.

What many people fail to realize is that, although it has been at a slow pace, the U.S. economy has been in recovery mode for over three years and is actually doing modestly better. While gross domestic product (GDP) — the value of all the products and services the economy produces — has grown at roughly half of the average pace of the last 10 recoveries, the economy continues on an upward path.

We have already started to see some rebound in the housing and auto markets, and there continues to be room for more expansion if job growth continues through 2013. In addition, consumer confidence has made meaningful progress over the course of the last few years. Looking ahead, we believe the underlying fundamentals for the economy remain positive.

**The economy has grown — albeit slowly — since the fourth quarter of 2009**

*Gross domestic product growth, annualized, 2006 – 2012*




**Source:** Bureau of Economic Analysis/Haver Analytics, Wells Fargo Advisors

# Municipal bankruptcies have been few

## *They are not widespread as some investors may believe*

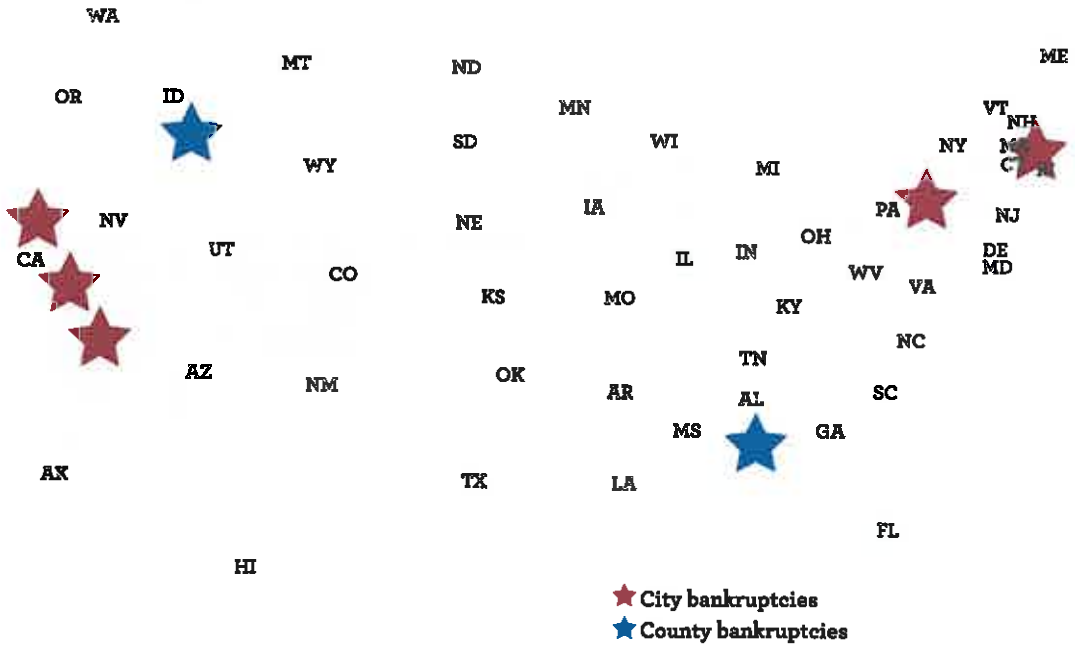
Municipal bankruptcy filings in 2012 have raised some concern among investors. Although this might appear to be a trend, we believe that municipal bankruptcies will continue to be a rare event. Since 1937 (through December 2012) there have been 640 municipal bankruptcies, or 8.5 per year on average. Of those, many were utility districts. More recently, there were three bankruptcy filings by cities or counties in 2011 and four in 2012.

There has been a concern in light of the recent handful of California municipality filings that bankruptcy might turn out to be a common tool to allow issuers to break contracts and default on debt. However, we note that a Chapter 9 bankruptcy filing requires an issuer be insolvent and a significant level of bondholder acceptance for court approval of any plan the issuer presents. In other words, declaring bankruptcy is not as easy as simply filing paperwork and walking away from debt and other obligations.

Bottom line, municipal bankruptcy is a time-consuming, expensive process that does not necessarily yield the results a municipality might hope for or expect. We do not believe that recent municipal bankruptcy filings in states such as California point to a developing trend of mass municipal bankruptcies.

U.S. municipal bankruptcies continue to be rare and have been concentrated in a few areas

*January 2011 – December 2012*




**Source:** Wells Fargo Advisors

Did you know?

# Successfully timing the market is difficult

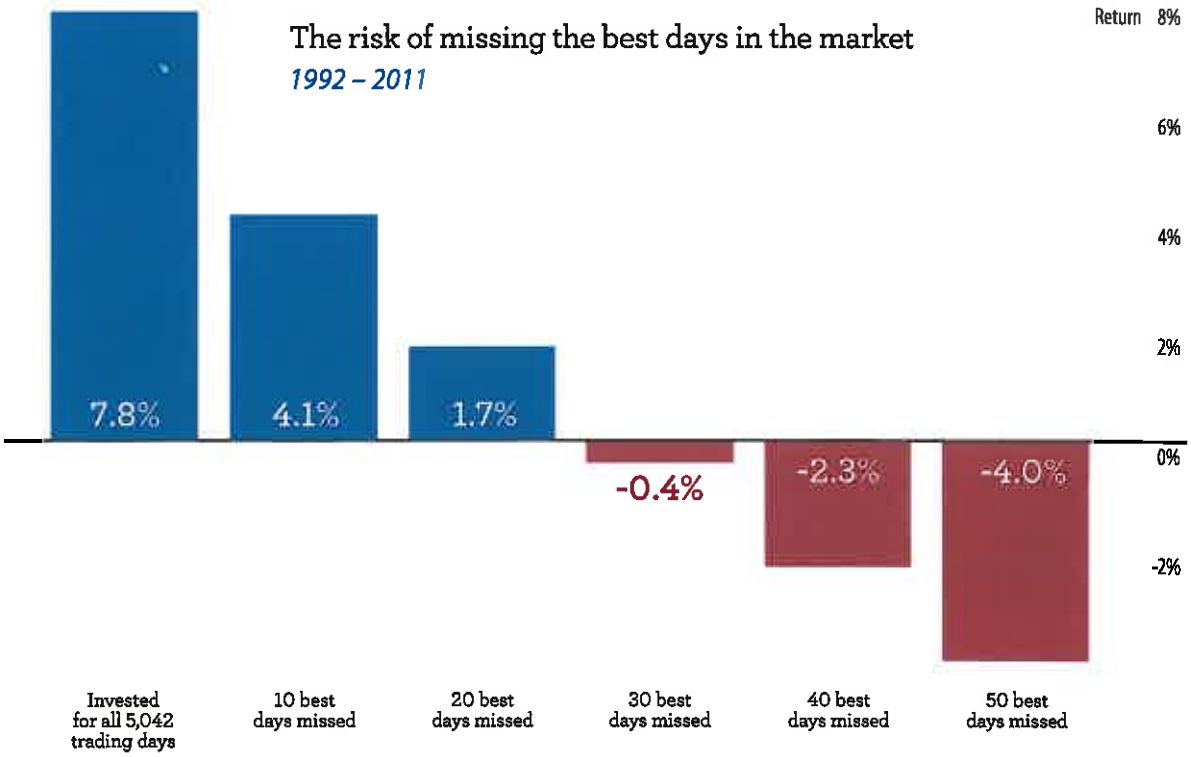
## *Although investors find it tempting*

Poor-performing and/or volatile markets often tempt investors to just pull out of stocks completely. But then what? When do you invest again? Other investors with cash may sit on the sidelines waiting for the market to go down before investing at all. But how low does the market have to go before you finally jump in? What if the market continues to climb?

We all know market action is difficult to predict and the unexpected can happen at any time, moving the market significantly in either direction. In our opinion, an investor should not spend his or her time trying to predict short-term market swings. Market timing involves two independent decisions: when to get out of the market and when to get back in.

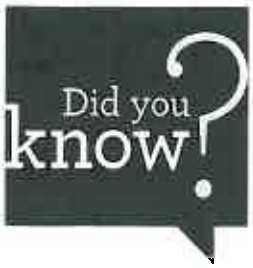
The odds of even the most seasoned investor accurately predicting when to do both with any reasonable regularity is very small, in our opinion. Therefore, we believe the risks associated with trying to time short-term market moves far outweigh any potential benefits. In fact, as the chart below illustrates, the portfolio impact of being out of the market (not invested) for just a few of the market's best days can be significant.

Investors should look past short-term market swings, focus on the longer-term picture and maintain a well-diversifed portfolio.




**Source:** ©2012 Morningstar,® Inc. All rights reserved. This hypothetical illustration is based on the Standard & Poor's 500 index with dividends reinvested over the 20-year period between 1992–2011. This example does not include fees or commissions. Past performance is no guarantee of future results. This chart is for illustrative purposes only and is not indicative of the performance of any specific investment. An investor cannot invest directly in an index.

Returns and principal invested in stocks are not guaranteed. Holding a portfolio of securities for long-term does not ensure a profitable outcome, and investing in securities involves risk of loss.

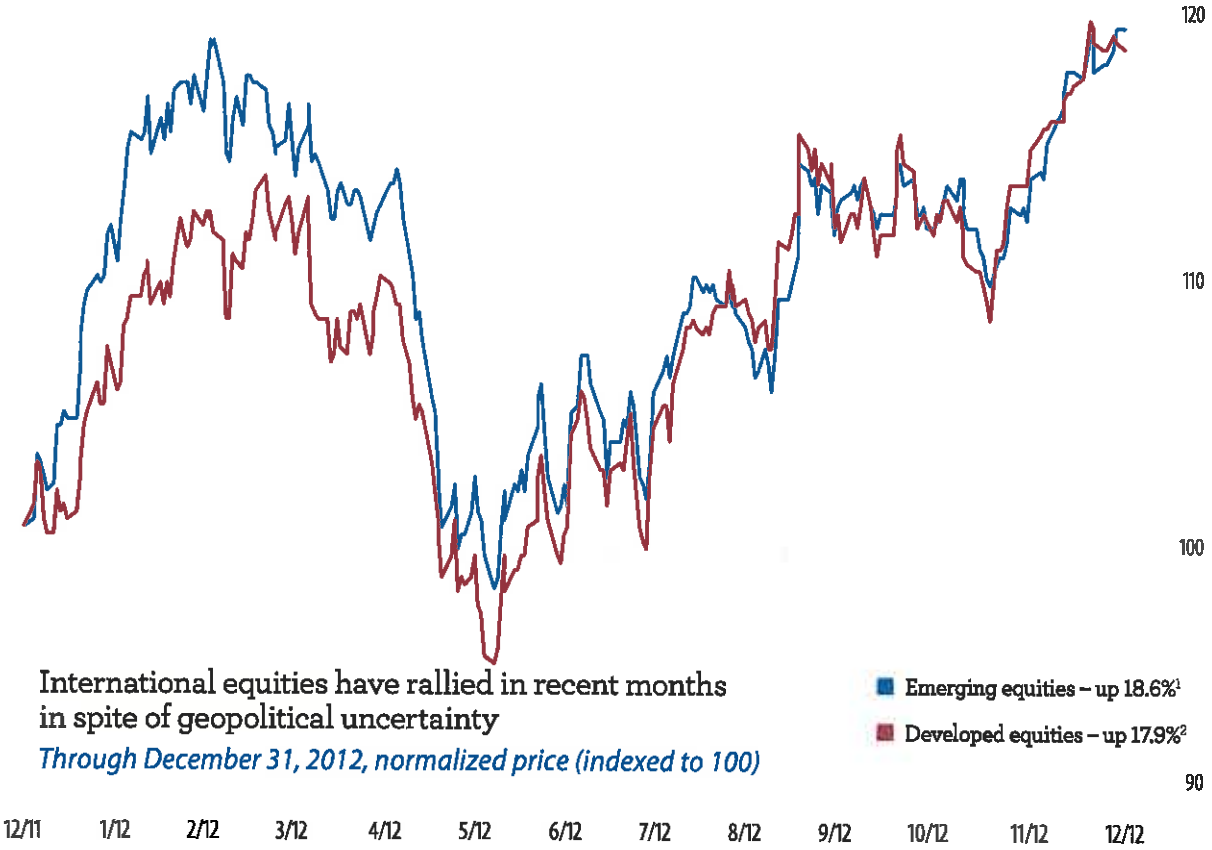



# International markets continue to slowly improve

## *Despite all of the turmoil overseas*

There have been plenty of international issues to worry about over the last three years, given the European debt crisis, unrest in the Middle East and problems in China to name just a few. However, international markets generally improved in the second half of 2012 and were up double-digits for the year. Positive catalysts, including further stimulus by U.S., European and Japanese central banks, are largely responsible for these moves.

In the near-term, we maintain our cautious international approach as markets have rallied and investors have grown complacent. This leaves markets and investors vulnerable to disappointment as uncertainty will be heightened in the near term around issues such as U.S. debt, ongoing fiscal discussions in Europe and the Chinese leadership transition. However, we see international markets continuing to trend higher longer-term as economic growth in the developed markets stabilizes and economic growth in emerging markets accelerates.




International equities have rallied in recent months in spite of geopolitical uncertainty

*Through December 31, 2012, normalized price (indexed to 100)*

**Source:** Bloomberg and Wells Fargo Advisors

**Data sample:** Daily, from December 31, 2011, through December 31, 2012. Indexed to 100 on December 31, 2011.

[1]Morgan Stanley Capital International (MSCI) Emerging Markets Index

[2]Morgan Stanley Capital International (MSCI) Europe, Australasia, and Far East Index

Did you know?

# It's never too late to start saving for retirement

## *Even starting at age 50, you can accumulate a significant amount*

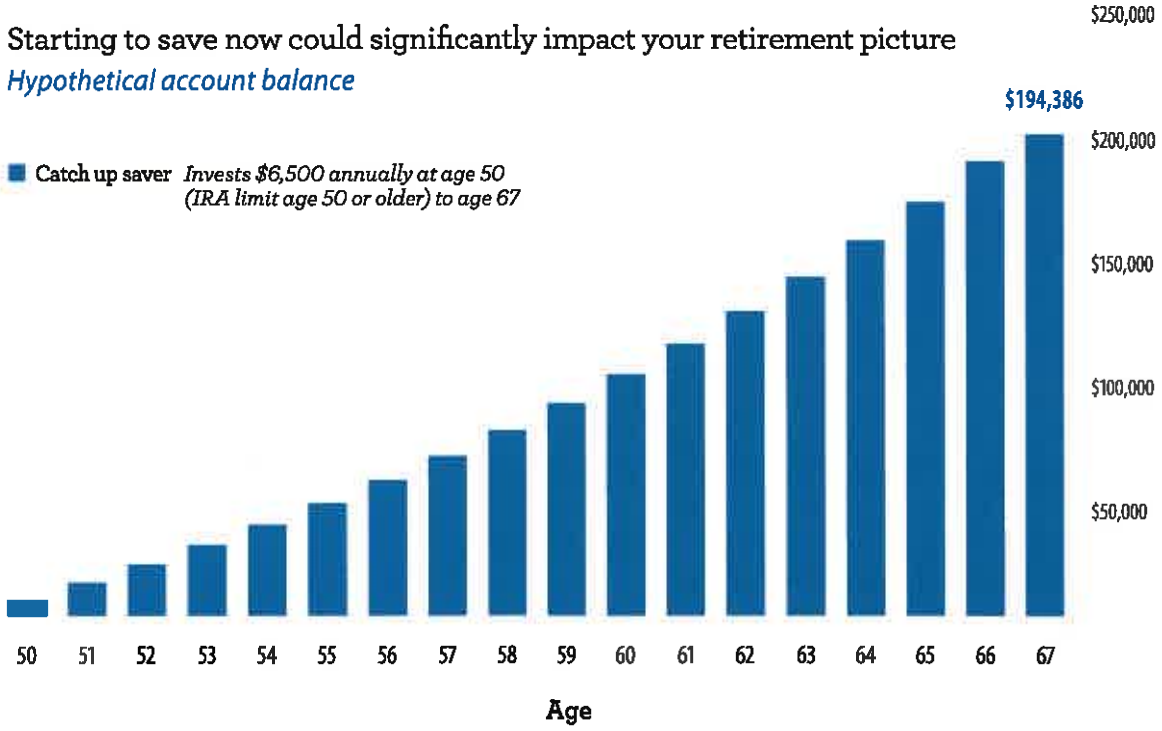
In the 2012 Wells Fargo Retirement Study, Americans ages 25 to 75 with 2011 household investable assets of $100,000 to $250,000 had a median $150,000 saved for retirement. This figure is 30% of the $500,000 respondents estimated they would need in retirement. Without other sources of retirement income, and with the rising cost of out-of-pocket health care expenses in retirement, the actual amount needed to fund retirement could be more.

The key to getting more from your money is to start saving reasonable amounts as soon as possible to take advantage of the value of time and the potential power of compounded returns. You've put the kids through college, and the nest is empty (at least for now). It's time to catch up on your retirement savings.

The "catch up" saver in the graph below invests his or her annual IRA contribution amount plus the catch-up amount (currently $1,000 for those age 50 and older) beginning at age 50 up to age 67. The catch-up saver in this example adds $194,386 to his or her retirement balance just in the final working years leading up to retirement. If you can also contribute to an employer-sponsored plan [such as a 401(k)], you may be able to significantly boost the amount you accumulate for retirement.

Starting to save now could significantly impact your retirement picture

*Hypothetical account balance*




**Source:** Wells Fargo Advisors

*Assumes a 6% compounded growth rate. For illustrative purposes only, chart is not reflective of the performance of any particular investment and does not take the effects of taxes into consideration, nor is it indicative of future results.

Did you know?

# Holding cash can be costly

## *But few investors consider impact of low returns and inflation*

Until late 2008, investors historically enjoyed a reasonable return on cash balances. However, this value proposition has changed. Investors, fearful that we are destined to repeat 2008, continue to build cash alternative balances. This strategy is potentially more costly than you might think.

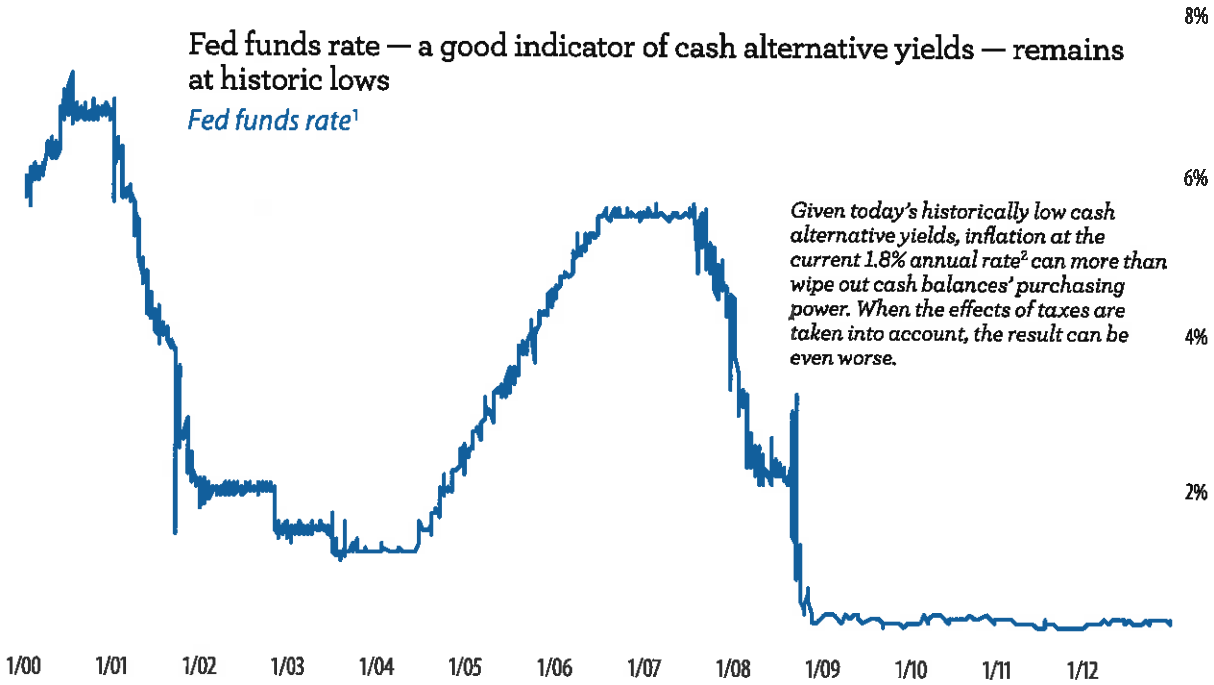
If you look at almost any other investment sector over the last three years, you will find that performance has been strong with positive returns across the board. By holding cash, not only are investors potentially missing out on strong investment returns (opportunity cost), but cash alternatives have turned out to be one of the more expensive assets.

Most cash and cash alternative investments provide little if any return in the current environment. Furthermore, there is the potential erosion of purchasing power due to the impact of inflation. And this potential cost (erosion of purchasing power) is anticipated to increase in the future as the Fed attempts to support the economic recovery, which may fuel inflation.

Finally, given that the return on most cash alternatives is in some way tied to Fed policy and the Fed has indicated it plans to keep rates exceptionally low **at least** as long as unemployment remains above 6.5%, and inflation one to two years ahead is projected to be no more than 2.50%. We are unlikely to see such an environment before mid-2015. As a result, investors should not expect cash alternative yields to improve in the foreseeable future. So unless cash is necessary to meet near-term liquidity needs, we would not overweight this asset class in today's environment.

Fed funds rate — a good indicator of cash alternative yields — remains at historic lows

*Fed funds rate*[1]




*Given today's historically low cash alternative yields, inflation at the current 1.8% annual rate[2] can more than wipe out cash balances' purchasing power. When the effects of taxes are taken into account, the result can be even worse.*

**Source:** Bloomberg and Wells Fargo Advisors

[1]Rate banks charge each other for short-term loans.

[2]Year-over-year change in the consumer price index (CPI) as of November 2012.

Did you know?

# Asset allocation is critical

## *A majority of investment returns often comes from asset allocation alone*

A 1986[1] study set out to determine which investment decisions (investment policy, timing, security selection, etc.) had the greatest impact on total return and variability of returns for 91 large pension funds from 1974 to 1983. The study found that strategic asset allocation determined 93.6% of the variability of returns. A follow-up study in 1991[2] produced similar results (91.5%), indicating the importance of setting a strategic asset allocation investment policy and sticking to it.

Wells Fargo Wealth Management conducted a similar study[3] and also found that asset allocation tends to explain the majority of the variation of returns. Its findings indicated asset allocation accounted for an average of 78.7% of the variation of returns over a 38-year period from 1970-2008 with other factors, such as timing and security selection, accounting for the remainder.

Asset allocation can be an effective way for investors to balance a portfolio among various types of investments. The key is to determine the right mix of investments based on an investor's risk tolerance and investment objectives. Wells Fargo Advisors offers nine asset allocation models that range from conservative income to long-term growth for our Financial Advisors to use with investors as a starting point for creating an asset allocation strategy.

[1] *Brinson, Gary P.L.; Hood, Randolph; and Beebower, Gilbert L., "Determinants of Portfolio Performance,"* Financial Analysts Journal, *Vol. 42, No. 4 (July/August, 1986), pp. 39-48*

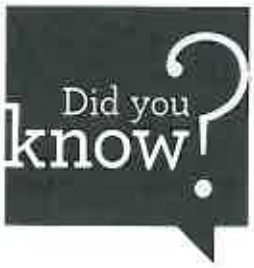
[2] *Brinson, Singer and Beebower,* Financial Analysts Journal, *May/June 1991*

[3] *Wells Fargo;* The Journal of Wealth Management, *Vol. 8, No. 3, "Strategic Asset Allocation and Other Determinants of Portfolio Returns," August 2005, data updated February 2010*

### Key drivers of investment return variability

**Source:** Wells Fargo; *The Journal of Wealth Management*, Vol. 8, No. 3, "Strategic Asset Allocation and Other Determinants of Portfolio Returns," August 2005, data updated February 2010

*Includes factors such as timing, security selection, etc.




# Diversification is key

## *Managing risk and return requires planning*

A significant part of developing an asset allocation strategy is having a diversification plan. Diversification does not prevent losses but spreads out investment capital to help reduce the effect of a loss in a single market. Let's look at an example for the 2008–2009 time period using a sample diversified portfolio invested in 40% U.S. stocks[1], 45% domestic fixed income[2] and 15% international equities/debt[3]. The S&P 500 was down 37% in 2008, then rebounded and was up 26% in 2009. For this same time period, this diversified sample portfolio would have been down 21.50% in 2008 and up 19.56% in 2009. So while a diversified portfolio may not give you the highest absolute return in a given year, it most likely won't give you the biggest loss either. Diversification is a strategy designed to work over time to reduce the tendency of a portfolio to make extreme moves, whether down or up, so that investors can focus on making progress toward their long-term goals.

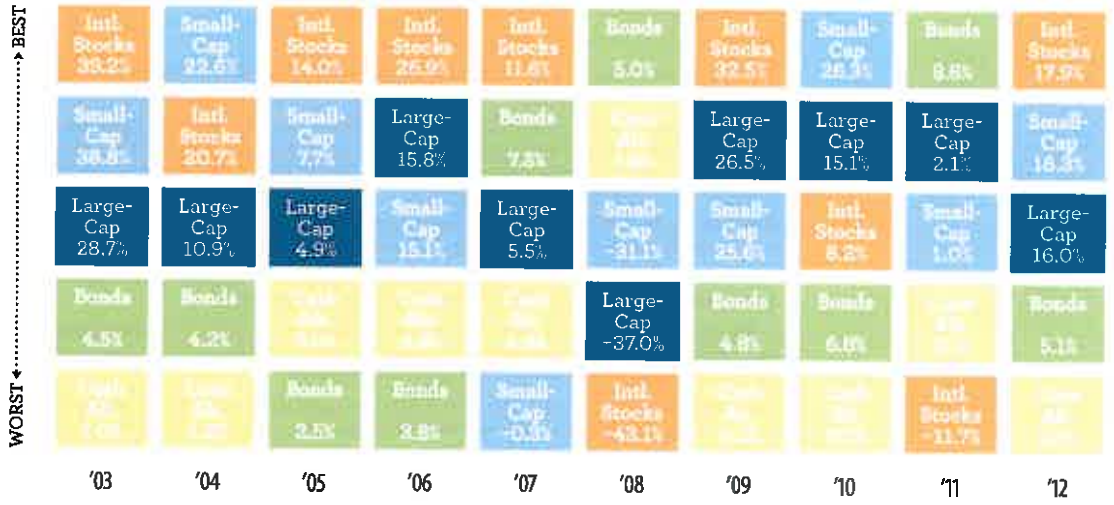
*[1]Represented by the S&P 500 index, which consists of 500 industrial, financial, utility and transportation companies with market capitalizations of $4 billion or more.*

*[2]Represented by the Barclay's U.S. Aggregate index, which is an unmanaged index composed of securities from the Barclays Capital Government/Corporate Bond Index, Mortgage-Backed Securities Index and the Asset-Backed Securities Index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. Indices are rebalanced monthly by market capitalization.*

*[3]Represented by the MSCI All Country World Index ex-USA Index (gross return), which is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets, excluding the United States. The index consists of 45 country indices comprising 22 developed and 23 emerging-market country indices.*

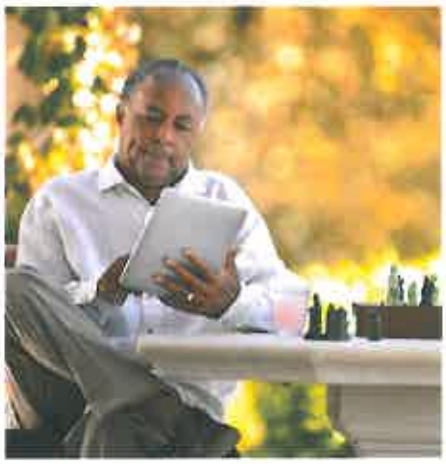
### The value of diversification

*2003 – 2012*




- **Barclays Capital U.S. Treasury Bills (1-3M)** – An Index that is representative of money markets.
- **Merrill Lynch U.S. Government/Corporate Master Index** – A statistical composite tracking the performance of the entire U.S. corporate bond market over time.
- **S&P SmallCap 600 Index** – The 600 smallest U.S. companies on the S&P Composite 1500 index as measured by market capitalization.
- **MSCI EAFE** – Represents all of the Morgan Stanley Capital International (MSCI) developed markets outside of North America.
- **S&P 500** – Covers 500 industrial, utility, transportation and financial companies in the U.S. markets.

As of Dec. 31, 2012. Past performance is no guarantee of future results. You cannot invest directly in an index.



# Planning is at the heart of it all

When developing an investment plan, you must consider your goals, concerns, risk tolerance and financial circumstances. Having this investment plan helps you to feel confident in your future, effectively monitor where you stand in relation to your goals and track your progress toward them. Life can be full of surprises, so your goals may change over time or markets may throw your investment plan off track.

With the constant barrage of information available in today's 24/7 world, the key is to not get caught up in the day-to-day market volatility and news headlines. During times of volatility, it is often easy to make investment decisions based on emotions. However, making investment decisions based on short-term market activity can make it more difficult for you to work toward your long-term goals. Having an investment plan allows you to focus on the long-term while still giving you the flexibility to make changes when necessary.

***To help with investment planning, Wells Fargo Advisors offers the* Envison® *process. For more information, please contact your Financial Advisor.***

An index is not managed and is unavailable for direct investment.

Diversification does not guarantee a profit or protect against loss.

The prices of small and mid-cap company stocks are generally more volatile than large company stocks. They often involve higher risks because smaller companies may lack the management expertise, financial resources, product diversification and competitive strengths to endure adverse economic conditions.

While stocks generally have a greater potential return than government bonds and treasury bills, they involve a higher degree of risk. Government bonds and treasury bills, unlike stocks, are guaranteed as to payment of principal and interest by the U.S. Government if held to maturity. Although treasuries are considered free from credit risk they are subject to other types of risks. These risks include interest rate risk, which may cause the underlying value of the bond to fluctuate inversely to a change in interest rates.

Income from municipal securities is generally free from federal taxes and state taxes for residents of the issuing state. While the interest income is tax-free, capital gains, if any, will be subject to taxes. Income for some investors may be subject to the federal Alternative Minimum Tax (AMT).

*Investing in foreign securities presents certain unique risks not associated with domestic investments, such as currency fluctuation and political and economic changes. This may result in greater share price volatility. These risks are heightened in emerging markets.*

*Investing in fixed income securities involves certain risks such as market risk if sold prior to maturity and credit risk especially if investing in high yield bonds, which have lower ratings and are subject to greater volatility. All fixed income investments may be worth less than original cost upon redemption or maturity. In general, when interest rates rise, bond values fall and investors may lose principal value.*

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