QUARTERLY CONSIDERATIONS

General

- ***"The key to making money in stocks is not to get scared out of them."*** – Peter Lynch. Markets recovered from the '87 crash, the tech bubble, and the events of 9/11. No one can tell you when, but solutions have followed every crisis.

- ***A Stressful Situation*** – Frozen credit markets and financial institution failures wreaked havoc on equity markets during the third quarter. Volatility returned to the equity markets in September as news of distress among many financial institutions sent the S&P 500 down 9%, its worst monthly performance since September 2002. For the quarter, the S&P 500 declined 8%, while the Russell 2000 Index dropped 1% and the MSCI EAFE, which was hurt by a stronger dollar, fell 21%.

- ***So What's Positive?*** – Historically low interest rates, falling commodity prices, continued strong productivity, greater regulatory oversight and an approved rescue plan may provide the groundwork for an economic recovery.

- ***Early Recovery*** – Market performance generally improves before economic conditions. Even during the Great Depression, the Dow enjoyed two of the best years ever (1933 +67% and 1935 +39%). And during the '30s, the jobless rate hit 25% and mortgage delinquency was 40%, much worse than our current levels.

- ***Treasure Chest*** – Treasuries gained over 2% during the quarter as investors sought the relative security of government bonds. Corporate bonds fell sharply, down 6% and TIPs posted their worst quarterly result since their inception in 1997.

Plan Sponsors

- ***Full Disclosure*** – Under the DOL's proposed regulations, a plan fiduciary has to disclose general plan information; both plan level and participant administrative expense information; and investment-related information. Finalized regulations may be effective for the 2009 plan year.

- ***Participant Concerns*** – Participants are worried about the safety of their assets, even assets in money markets and stable value funds. We can assist in addressing participant concerns.

- ***Cash Balance Confidence*** – Five appeals courts have now rejected the argument that cash balance plans violate age discrimination laws. The latest ruling in the Hurlic vs. Southern California Gas case should further reduce plan sponsor uncertainty in adopting cash balance plans.

Non-Profit Organizations

- ***Too Many Players*** – In a recent PSCA survey of 403(b) plan sponsors, 76% of respondents stated that one vendor is ideal and 21% are considering reducing the number of vendor options in their plans. Ask us about evaluating your plan and vendors.

- ***On The Rise*** – College costs increased at a rate of 4.6% in fiscal year 2008, a significant jump from the 3.4% in 2007, according to the Commonfund Institute's Higher Education Price Index. The increase was almost fully attributable to a sharp rise in costs for supplies and utilities.

- ***The Good and Bad*** – Giving has historically increased in current dollars during recessions. However, when adjusted for inflation, total giving fell in three of four years that included at least eight months of recession, for an average drop of 2.7 percent, according to the Center on Philanthropy.

The Wealth Office™

- ***FDIC Changes*** – Recent legislation temporarily raises the limit on federal deposit insurance coverage from $100,000 to $250,000 per depositor until December 31, 2009. Insurance coverage for retirement accounts remains the same at $250,000 per depositor.

- ***Bad Timing*** – Historical data shows attempting to 'time-the-market' leads to lower overall returns. According to research firm DALBAR, during the 20-year period from 1986 – 2006, the average market timer's annualized return was -2% compared to the S&P 500 Index's annualized return of 12%.

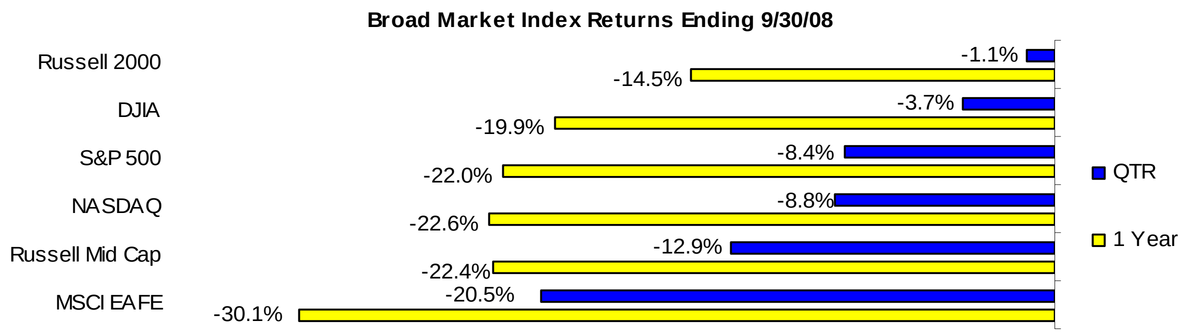
- ***Tax-Loss Harvesting*** – A silver lining to depressed portfolio values – securities carried at a loss can be sold to offset realized capital gains thereby lowering personal tax liability. Be sure to consult a tax professional to avoid IRS 'wash-sale' rules.

QUARTERLY CONSIDERATIONS

DIMEO SCHNEIDER & ASSOCIATES, L.L.C.

Economy

- The Federal Reserve left rates unchanged at 2% during the quarter, projecting an appearance of calm and stability amid turmoil in the markets. However, on October 8th central banks around the world made a concentrated effort to help stem a worsening financial crisis. For the first time in history, the Federal Reserve, European Central Bank, Bank of England, Bank of Canada, Swiss National Bank and Sveriges Riksbank (Sweden) cut interest rates by 50 basis points. The next Fed policy meeting is scheduled for October 28th-29th, 2008.
- U.S. GDP rose 2.8% in the second quarter, following the first quarter's sluggish gain of 0.9%. Exports continued to bolster economic growth but were partly offset by negative contributions from residential fixed investment. Most economists expect the U.S. economy to contract during the next few quarters. The third quarter GDP advance estimate is due out on October 30th, 2008.
- In the housing market, home prices continued to decline and excess inventories of homes for sale remained twice their historical average. Housing starts fell to the lowest level since 1991, and building permits were also down significantly. Markets in the most overbuilt areas such as Phoenix, Las Vegas and the coastal cities of California, remain very weak.
- After soaring as high as $147/barrel, oil finished the quarter at $100/barrel on concerns that a global economic slowdown would curb demand. Rising inventories sent the price of natural gas down 44%. Although energy prices have fallen sharply, the Energy Department predicts the cost of heating your home this winter will be more expensive whether one uses heating oil, natural gas, propane or electricity.



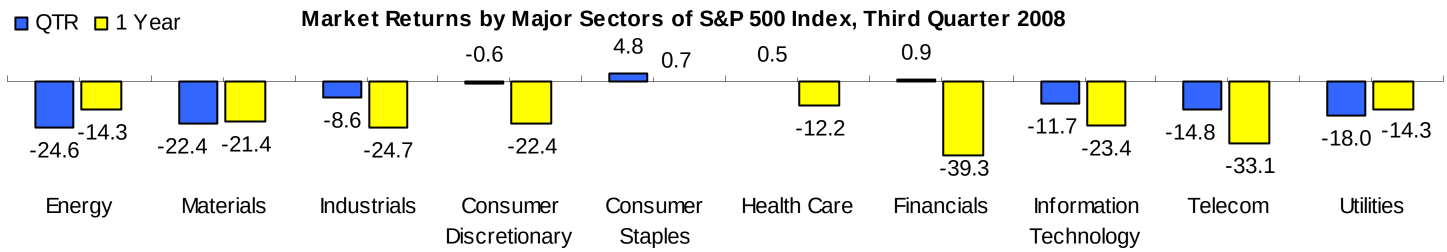
U.S. Equity Markets

- A crisis of confidence engulfed the capital markets in the third quarter amid doubts about the solvency of financial institutions. While massive government intervention helped avert a systemic meltdown, uncertainties about the ultimate impact of the crisis on the global economy and corporate profits continue to overhang the market.
- After the House initially rejected the government's $700 billion rescue plan on September 29th, the **DJIA** had its worst daily point drop ever (778 points) and its worst single-day percentage drop since September 17, 2001 – the first trading day after the September 11th attacks. The **S&P 500** and **NASDAQ** both ended the day down nearly 9%, their biggest single-day percentage drop since the October 1987 crash. That day's loss knocked out roughly $1.2 trillion in market value. Though these indices rebounded sharply the last trading day of the quarter, the gains were not enough to offset earlier losses, resulting in the **DJIA** losing 4%, **S&P 500** declining 8% and the **NASDAQ** falling 9% for the quarter.
- Across all market capitalizations, growth did worse than value, as stocks with defensive financial characteristics performed relatively better. These traits included low earnings growth, low beta, high dividend yield and high quality, which are not characteristics typically associated with growth stocks. Surprisingly, growth indices' lower weighting in the diversified financial services industry and commercial banks detracted from their relative performance as these stocks were buoyed by government actions to support the financial system and by short covering resulting from the temporary short-selling ban.
- Volatility levels increased sharply. Toward the end of the third quarter, the VIX Index (a measure of stock market volatility based on the trading of S&P 500 futures on the CBOE) rose to 50, an exceptionally high level by historic standards. This level had previously been reached only in similar environments of extreme risk aversion, such as the 1998 Russian currency crisis and in the aftermath of the September 11 attacks. Subsequently, as the sell-off intensified in early October, the VIX rose even higher, breaking all previous records as it spiked above 80.
- For the second consecutive quarter, large cap stocks underperformed small cap stocks. With slowing economic growth overseas and a strengthening dollar, stocks with low foreign sales (typically smaller companies) outperformed. Small value showed exceptional strength gaining 5% for the quarter, led primarily by financials (+18%). Despite the worst credit crisis since the Great Depression, small cap value bank stocks gained 37% for the quarter triggered by the short sale ban on financial stocks initiated in July and reinstated (and expanded) in late September, as many hedge funds that were short these stocks were forced to cover them en masse.
- Though generally faring better than stocks, hedge funds posted their worst September in over a decade, as the ban on short selling created a massive short squeeze, while long positions were pushed lower by deleveraging and liquidity concerns. Fixed income strategies were hit particularly hard by the massive mark to market losses. Counterparty risk and prime brokerage relationships came under scrutiny, incited by the Lehman Brothers bankruptcy.
- Concerns about MLPs' ability to access capital overshadowed their stable fundamentals and continued distribution growth. MLP closed-end mutual funds struggled due to the dislocation in short-term debt markets, increased borrowing costs associated with their leverage usage and a drop in underlying asset values. Forced selling due to deleveraging, increased margin requirements and redemptions added further pressure.

QUARTERLY CONSIDERATIONS

U.S. Equity Sectors

- Surprisingly, financials finished mostly unchanged amid forced consolidation within the sector. Insurer AIG was the biggest drag on the S&P 500 index while Bank of America, Wells Fargo and JPMorgan Chase, perceived beneficiaries of the turmoil, were the biggest contributors.
- Healthcare's defensive nature softened investor's concerns about election-year reforms and shrinking drug product pipelines.
- Energy, materials and natural resources underwent a correction in the quarter amid ongoing concerns over economic growth and declining commodity prices. Metals such as copper, steel and aluminum sold off sharply amid expectations of weaker demand.
- Industrials sold off sharply as investors feared evaporating business backlogs. A dramatic slowdown in economic activity globally called into question the health of agricultural-related stocks; hedge fund liquidations of commodity trades may have exacerbated this trend.
- The defensive consumer area held up relatively well aided by the decline in energy costs that could boost consumer spending on nonessentials.

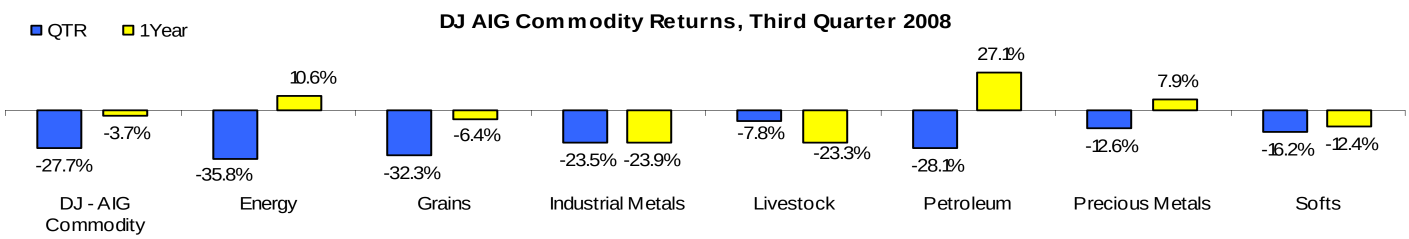


Real Estate

- U.S. REITs rose nearly 6% during the quarter driven primarily by sentiment as investors placed a premium on their transparent and predictable cash flows. Grocery-anchored shopping centers showed strength due to their consumer staple focus, while apartments and self storage benefited as people moved to rental units from larger homes and needed to store their excess belongings. Hotels sold off amid concerns the economic contraction will lead to decreased travel and higher room vacancies. Regional malls declined on concerns surrounding General Growth Properties' insufficient lending sources to meet their near-term refinancing needs. At quarter-end, the dividend yield on REITs was 5.1%.
- International REITs sold off sharply when sentiment turned extremely negative as investors considered the impact the deterioration of global financial markets would have on balance sheets, especially for those companies with high leverage or unfunded development commitments. In this environment, investors craved certainty and favored those areas offering recurring sources of income such as long-term leases. This bode poorly for Asian companies as many have 50% or more of their income generated from sources other than rental income, such as development profits, which is unlikely to grow in these difficult times. Headline risk increased amid news of Germany's Hypo Real Estate's bailout.

Commodities

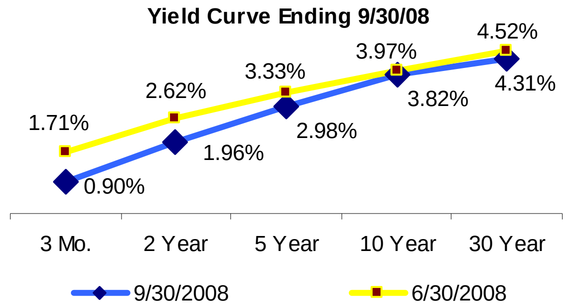
- The global financial crisis provided most of the direction for developments in commodity markets for the quarter, hamstringing investor sentiment and causing large declines throughout the asset class. Gold was down nearly 20% at one point on the strengthening dollar before recouping most of the losses in the last few days of the quarter as investors sought safer investments. Crude oil prices were extremely volatile due to the uncertainties on Capitol Hill. Prices oscillated between a record high of $147 a barrel and $91, only to finish the quarter at $100 amid concerns over deteriorating demand as well as a rush for investors to unwind commodity trades they made with suddenly shaky financial institutions. Refining and offshore production was badly hampered by recent tropical storm activity. U.S. gasoline supplies were at their lowest point in the past 41 years, resulting in widespread gas shortages, particularly in the southern U.S. during the quarter. Natural gas prices fell 44%, pressured by elevated inventories amid a cooler than expected summer. Agriculture fell on a strengthening U.S. dollar as well as reports suggesting unexpectedly higher crop yields.

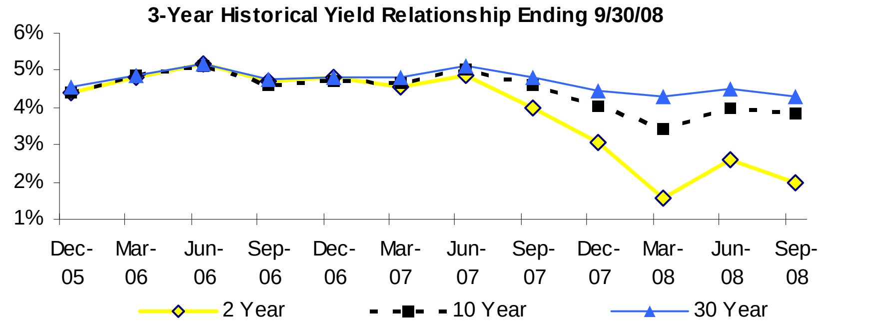


Fixed Income Markets

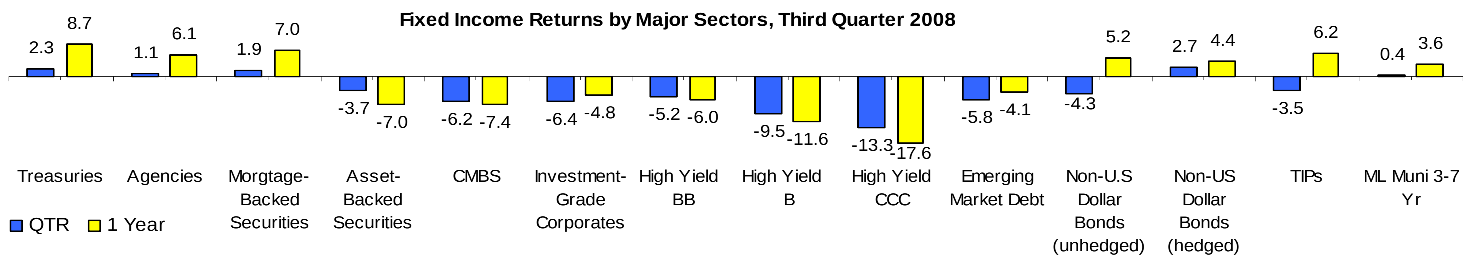
- Treasuries continued their bull-run ending the quarter over 2% higher as troubles in money market funds, bank failures, distress in the interbank lending market, and a weakening economy led investors to seek the relative safety of U.S. government securities. Yields on the treasury bills approached 0% before closing at 0.90% as risk avoidance became the sole priority. The 30-year yield dipped under 4% for the first time ever during the quarter before closing at 4.31%. TIPS posted their worst quarterly results since the market's inception in 1997 as breakeven inflation collapsed across the yield curve amid a sharp correction of commodity prices, a strong U.S. dollar and unfavorable seasonable factors.
- Turbulence in the financial sector pushed money market funds to center stage in September. The failure of the Reserve Primary Fund to maintain a constant $1 net asset value due to exposure to bankrupt financials resulted in a widespread liquidation of nearly $400 billion collectively across prime money market funds as investors sought a higher degree of safety in treasury funds. This dislocation in short-term debt markets increased borrowing costs and the demand for commercial paper virtually disappeared.

Fixed Income Markets (continued)



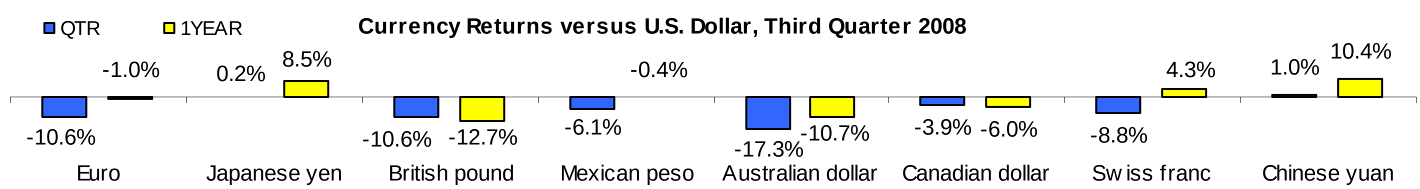


- Credit markets posted their worst quarterly performance since 1980 after the bankruptcy of Lehman Brothers in September incited a persistent systemic downward repricing of risk amid a massive flight-to-quality. Capital markets came to a grinding halt and liquidity evaporated. By quarter-end, the investment grade credit market was trading at historically wide spreads reflecting fears of rising losses in the financial sector's balance sheets and rising default rates of corporate bonds.
- The high yield market also fell victim to risk reduction during the quarter amid fears that corporate earnings remain under pressure as access to credit has evaporated and global economic growth has slowed. The sector further succumbed to global deleveraging, resulting in credit spreads widening to nearly 1,000 basis points, levels not seen since the credit bond collapse of 2002. The hardest hit industries were financials, gaming and autos, while the strongest performers (least negative) were insurance and airlines. Lower quality earned lower returns.
- Mortgages had a difficult first half of the quarter amid doubts concerning the viability of the government sponsored entities issuing the mortgages. The area rebounded strongly once those entities were placed under government conservatorship, finishing the quarter up nearly 2%. Non-agency MBS continued to experience declining pre-payment speeds, deteriorating collateral performance and falling prices. However, the market showed signs of stabilizing in mid-September as the first details of the TARP emerged. The ABS sector suffered as worsening trends in consumer credit caused delinquency and default rates within home equity and credit card securities to increase.
- Forced sellers from money market funds and leveraged investors pushed municipal bond valuations lower. The credit crunch added another layer of stress as the banking industry was no longer able to provide low cost liquidity facilities to "convert' long-term funding requirements into short-term, liquid money market instruments, significantly restricting municipalities and large states' ability to finance their ordinary operations. Fundamental trends weakened amid declining tax receipts in the form of personal and corporate income, property, sales and capital gains resulting in municipal bond yields exceeding 105% of treasuries across the yield curve on AAA- rated bonds by quarter-end.
- International government bonds all declined as the U.S. dollar staged an impressive comeback during the quarter. Europe was hit particularly hard as markets swung abruptly from focusing on upside inflation risks to downside growth risks. Emerging market bonds declined 5% as the challenging global backdrop exposed weakness of policy making in several countries. This was particularly evident in Latin America, which was the worst performing region primarily due to Argentine bonds falling over 24%. The country's debt was downgraded on political uncertainty coupled with inflationary concerns.



International Developed Markets

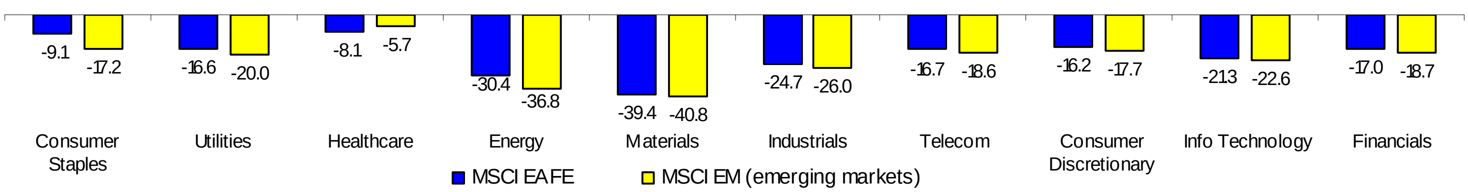
- International developed markets declined in the third quarter, with the **MSCI EAFE Index** losing 21%. Sectors such as healthcare, consumer staples and consumer discretionary were among the top performers, while materials, energy and industrials underperformed.
- International value stocks outperformed international growth stocks with the **MSCI EAFE Value Index** ending down 19% and the **MSCI EAFE Growth Index** falling 22%. Across market capitalizations, international large caps outperformed international small caps.
- During the quarter, the U.S. dollar held relatively steady against the Japanese yen, while appreciating against the Euro, British pound, Mexican peso, Australian dollar, Canadian dollar and Swiss franc. Meanwhile, the U.S. dollar declined against the Chinese yuan.



International Developed Markets (continued)

- The **MSCI Canada Index** ended down 22%, its worst quarterly return in a decade as weakness in energy and materials stocks weighed on results. Second quarter GDP rose by 0.3% as increased domestic demand for cars, homes and other goods & services offset declining exports. Growth fell short of analyst expectations of 0.6%, but well above the 0.8% decline experienced during the first quarter. The Bank of Canada left rates unchanged at 3%, but warned the economy remains vulnerable to U.S. weakness and tight credit conditions, which could further drag down demand for Canadian exports.
- The **MSCI Europe Index** ended down 21%. Recent data showed the large European economies of Germany, France and Italy contracted in the second quarter. Germany's stock market fell nearly 21% as the slowing global economy curbed demand for exports. Italy declined 22%, triggered by tighter credit conditions and slowing global demand. France ended down 19% as consumer confidence plunged to a record low. The European Central Bank raised rates for the first time in over a year by 25 basis points to 4.25% in an effort to dampen rising inflation.
- For the quarter, the **MSCI United Kingdom Index** declined 21% as deterioration in the housing market persisted. Home prices continued to fall, and lenders applied tighter credit standards for both consumer and commercial borrowers. The year-on-year rate of home price decline through September was 13%, the biggest drop ever recorded. The Bank of England left interest rates unchanged at 5% as it sought to balance its twin goals of keeping inflation under control while bolstering an economy that may be nearing its first recession in decades.
- The **MSCI Japan Index** lost 18% on weak economic data. GDP growth contracted by 0.6% in the second quarter as export demand fell in tandem with the declining global economy. On the political front, Taro Aso was sworn in as Japan's third prime minister in two years following the abrupt resignation of Yasuo Fukuda. Prime Minister Aso announced his administration will do more to revive the country's faltering economy and hinted that he might extend the deadline for eliminating the budget deficit.
- The **MSCI Pacific ex-Japan Index** declined 25%. Australia's market plunged 26% on weakness in metals & mining stocks. The Reserve Bank of Australia cut interest rates for the first time in seven years by 25 basis points to 7%, citing slowing growth. Singapore declined 22% as recent data showed the city-state's economy contracted during the second quarter. New Zealand fell 17% as the central bank cut interest rates two times by 75 basis points to 7.5% on recession fears and concerns about a widening current account deficit.

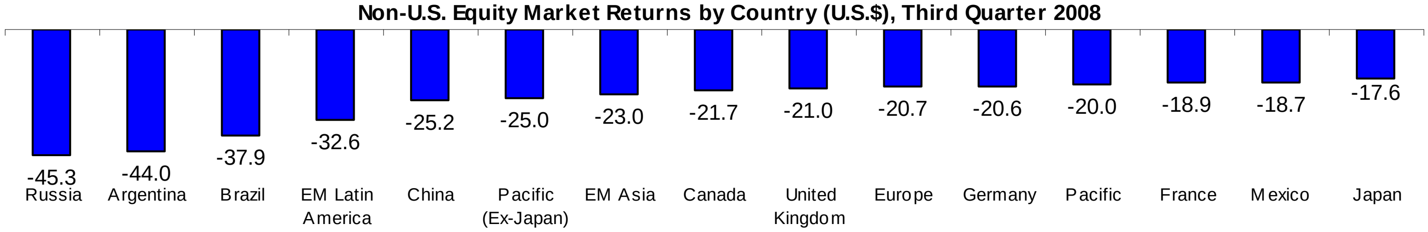
International Equity Market Returns by Major Sectors, Third Quarter 2008



International Emerging Markets

- The **MSCI EM Index** declined 27%. Healthcare, consumer staples and consumer discretionary were among the top performing sectors, while materials, energy and industrials underperformed. Central banks raised interest rates in India, Russia, South Africa, Mexico and Brazil on inflationary concerns.
- The **MSCI EM Latin America Index** fell 33%. Brazil plunged 38% as falling energy prices weighed heavily on natural resource stocks, which make up roughly half of the Index. The commodity-heavy market of Argentina plummeted nearly 44%. Political uncertainty surrounding the current administration, coupled with doubts the Argentine government will be able to repay its debt, spooked investors even more. Mexico declined 19% as GDP growth came in below expectations suggesting the economy is starting to feel the effects of the slowdown in the U.S., its biggest export market. The U.S. buys approximately 80% of Mexican exports.
- The **MSCI EM Asia Index** ended down 23%. China fell 25% as export growth slowed. The Chinese stock market also struggled with news of tainted milk powder in products ranging from infant formula to chocolates. South Korea fell 24% on weakness in shipping companies, while weak performances from financials sent Taiwan down 25%. The small market of Pakistan plunged 36% as President Pervez Musharraf resigned. Musharraf had been a keen ally of the West in the fight on terror. India fared better than its Asian counterparts, declining 14% on strength in consumer and financial-related holdings.
- The **EMEA (Eastern Europe, Middle East and Africa) Index** declined 29%. Russia plunged 45% on concerns surrounding the conflict with Georgia and rising state interference in the economy. Russian regulators briefly shut down the country's main stock exchanges for several days to prevent panic selling and responded with large liquidity injections to help ease tight credit conditions. In the Middle East, losses in Turkey were limited to 1% on strength in financials and telecom stocks. South Africa fell 17% as a power struggle within the ruling African National Congress resulted in the resignation of President Thabo Mbeki.

Non-U.S. Equity Market Returns by Country (U.S.$), Third Quarter 2008



QUARTERLY CONSIDERATIONS

Financial Markets Performance Ending September 30, 2008

Returns for Periods Exceeding One-Year are Annualized.

	QTR	YTD	1YR	2YR	3YR	4YR	5YR	10YR
U.S. Equity								
S&P 500 Composite Index	-8.4	-19.3	-22.0	-4.7	0.2	3.1	5.2	3.1
Dow Jones Industrial Average	-3.7	-16.6	-19.9	-1.3	3.3	4.3	5.6	5.4
Russell 1000 Growth	-12.3	-20.3	-20.9	-2.8	0.0	2.8	3.7	0.6
Russell 1000 Value	-6.1	-18.9	-23.6	-6.5	0.1	4.0	7.1	5.6
Russell Mid Cap	-12.9	-19.5	-22.4	-4.3	0.1	5.8	8.6	8.3
Russell 2000	-1.1	-10.4	-14.5	-2.0	1.8	5.6	8.2	7.8
Russell 2000 Growth	-7.0	-15.3	-17.1	-0.7	1.5	5.4	6.6	4.7
Russell 2000 Value	5.0	-5.4	-12.3	-3.5	2.0	5.7	9.5	10.1
NASDAQ	-8.8	-21.1	-22.6	-3.8	-0.9	2.5	3.2	2.1
Dow Jones Wilshire 5000	-8.7	-18.6	-21.3	-4.0	0.6	3.9	6.0	4.0
NAREIT Equity REIT	5.6	1.8	-11.1	-3.1	5.6	10.6	13.5	12.5
Fixed Income & Cash Equivalents								
Lehman Aggregate	-0.5	0.6	3.7	4.4	4.2	3.8	3.8	5.2
Citigroup High Yield Market	-9.2	-10.5	-11.7	-2.5	0.8	2.2	4.2	4.5
Citigroup Inflation-Linked Securities	-3.5	1.2	6.2	5.6	4.3	4.6	5.1	7.1
Merrill Lynch Muni 3-7 Years	0.4	1.6	3.6	3.8	3.6	3.1	2.9	4.4
Citigroup Hedged Non-U.S. Dollar Bond	2.7	2.4	4.4	4.0	3.7	4.6	4.2	4.9
Citigroup Unhedged Non-U.S. Dollar Bond	-4.3	1.2	5.2	7.3	5.5	4.9	5.6	5.2
Citigroup Treasury Bill-3 Month	0.4	1.5	2.6	3.8	4.0	3.6	3.1	3.4
Ryan Labs 3 Yr GIC	1.2	3.6	4.8	4.6	4.2	4.0	3.9	5.0
International Equity								
MSCI EAFE	-20.5	-28.9	-30.1	-6.4	1.6	7.3	10.2	5.4
S&P/Citigroup PMI Value World x U.S.	-18.2	-28.1	-29.5	-5.3	2.8	8.9	11.9	7.6
S&P/Citigroup PMI Growth World x U.S.	-22.5	-28.5	-28.9	-5.4	1.4	7.4	9.7	4.6
S&P/Citigroup EMI World x U.S. (small cap)	-23.7	-31.3	-34.5	-8.9	0.6	8.0	11.6	8.5
MSCI Emerging Markets	-26.9	-35.4	-33.0	3.1	8.7	17.3	19.1	14.8
S&P/Citigroup BMI World Property x U.S.	-20.3	-35.5	-41.0	-13.7	-0.9	6.3	11.5	10.9
Miscellaneous								
Consumer Price Index	0.0	4.2	4.9	3.9	3.3	3.7	3.4	3.0
DJ AIG Commodity Index	-27.7	-8.0	-3.7	6.2	1.9	6.1	10.2	10.0
HFN Fund of Funds- Multi Strategy Avg	-9.7	-11.4	-9.5	1.2	2.9	4.6	4.9	8.1
Alerian MLP	-16.5	-20.2	-17.6	0.1	1.7	6.8	9.5	13.8

QUARTERLY CONSIDERATIONS

All indices are unmanaged. Investors can't actually invest directly into an index. Past performance is not indicative of future results.

The S&P 500 is based on the average performance of the 500 industrial stocks monitored by Standard & Poor's.

The Dow Jones Industrial Index is based on the average performance of the 30 blue-chip stocks monitored.

Russell 1000 Growth measures the performance of the Russell 1000 companies with higher P/B ratios and higher forecasted growth values.

Russell 1000 Value measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.

Russell Mid Cap measures the performance of the 800 smallest companies in the Russell 1000 Index, which represents approximately 25% of the total market cap of the Russell 1000 Index.

Russell 2000 measures the performance of the small-cap stocks.

Russell 2000 Growth measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.

Russell 2000 Value measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.

The NASDAQ measures all domestic and non-U.S. based common stocks listed on The NASDAQ Stock Market.

Dow Jones Wilshire 5000 is a capitalization weighted index from the dollar value of 5.000 highly diversified, commonly traded stocks for which daily pricing is available. It includes all stocks traded on the NYSE and AMEX and the most active OTC issues.

NAREIT Equity REITs measures equity REITs. The index contains health care REITs, but no mortgage and hybrid REITs.

The Lehman Brothers Aggregate Index is an unmanaged market value-weighted performance benchmark for investment-grade fixed-rate debt issues, including government, corporate, asset-backed and mortgage-backed securities, with maturities of at least one year.

Citigroup High Yield Market is a market-cap weighted index, which measures the performance of below investment grade, Cash-Pay, Zero-to-Full, Pay-in-Kind, step-coupon bonds, and Rule 144A bonds issued by corporations domiciled in the United States or Canada, with remaining maturities of at least one year. All bonds must have a maximum quality rating of BB+/Ba1 by either S&P or Moody's and the minimum amount outstanding at entry/exit must be $100 million.

Citigroup Inflation-Linked Securities measures bonds with fixed rate coupon payments that adjust for inflation as measured by Consumer Price Index. All bonds must have a minimum maturity of one year and a minimum amount outstanding of $1 billion for both entry and exit. It currently comprises only Treasury securities.

Merrill Lynch Muni 3-7 Years measures municipal bonds with maturities between 3 and 6.99 year.

Citigroup Non-$US Government Bond is a market-cap weighted index, that measures the performance in U.S. dollar terms of major non-U.S. bond markets. The index includes all investment grade fixed-rate bonds with a remaining maturity of one-year or longer.

Citigroup Treasury Bill-3 Month represents the monthly return equivalents of yield averages which are not marked to market, this index is an average of the last three three-month Treasury bill issues.

Ryan Labs 3 Yr GIC is an arithmetic mean of the market rates of 3 year GIC contracts. All rates are held for the full term of the contract.

MSCI EAFE is a market-cap weighted index representing 21 of the developed markets outside North America. These 20 countries include 14 European countries and 6 Pacific countries.

S&P/Citigroup PMI Value World x U.S. and S&P/Citigroup PMI Growth World x US Indices measure the performance of the largest 80% of developed county's available market capitalization, adjusted for float. Three growth and four value variables are used to assign stocks to a specific style index. These include, 5-year historical EPS growth rate, 5-year historical sales per growth rate, 5-year average annual internal growth rate, book to value per share, sales per share price, cash flow per share price and dividend yield. Each style index constitutes 50% of the total float of the S&P/Citigroup PMI World x U.S. Index.

S&P/Citigroup EMI World x U.S. represents small cap companies across developed markets. Eligible companies' full market capitalization range from USD 200 ~1,500 million and free float adjusted the market capitalization of the index constituents.

MSCI Emerging Markets is a market-cap weighted index representing the major emerging countries in the world.

Consumer Price Index is the United States Consumer Price Index.

Dow Jones AIG Commodity Index is composed of futures contracts on 19 physical commodities. No related group of commodities (e.g., energy, precious metals, livestock, grains, etc.) may constitute more than 33% of the index. **Livestock** = live cattle and lean hogs. **Softs** = sugar, cotton and coffee. **Industrial Metals** = aluminum, copper, zinc and nickel. **Precious Metals** = gold and silver. **Grains** = wheat, corn, soybeans. **Energy** = natural gas, crude oil, unleaded gas and heating oil.

HFN Fund of Funds – Multi Strategy Average is the equal-weighted average performance of thousands of hedge fund of funds that are classified as multi-strategy, as reported by the managers to the HFN database.

The Alerian MLP Index is a composite of the 50 most prominent energy master limited partnerships and will be calculated by Standard & Poor's using a float-adjusted, market capitalization-weighted methodology.