

core fixed income

Cutwater Asset Management is a client-focused and solutions-based investment advisor focused exclusively on fixed income investments. With \$38 billion in assets under management, Cutwater Asset Management is one of the largest institutional fixed-income investment managers in the world. Cutwater's model combines world-class investment expertise and risk management capabilities with exceptional client service, in-depth consultation, and extensive interaction between clients and the investment team. Our investment philosophy is focused on delivering consistent and superior risk adjusted returns by taking a long-term view of the market and applying a counter cyclical and forward looking approach to capital allocation.

basic information

COMPOSITE DESCRIPTION

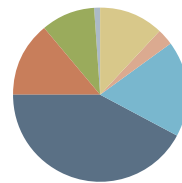
The investment objective of our Core Fixed Income Composite is to maximize risk-adjusted total return with a combination of income and capital appreciation. The Composite seeks to achieve its objective by investing in a diversified portfolio of investment-grade fixed income securities. The manager seeks to consistently outperform the benchmark, the Barclays Capital U.S. Aggregate Index, through the active management of interest rate positioning, sector allocation and security selection. "Core" exposures for this Composite will consist of allocations to the U.S. investment grade bond market. Interest rate exposure is generally managed within a +/- 20% range of benchmark duration. Composite guidelines for some constituents may allow for allocations to out of benchmark sectors. These allocations are generally limited to 10% or less of Composite assets. Sectors can include, but may not be limited to, high yield, emerging markets, non-dollar and U.S. TIPS. The portfolio information shown above is that of a representative portfolio.

SECTOR ALLOCATION*

COMPOSITE	BENCHMARK
Treasuries 12%	Treasuries 34%
Agencies 3%	Agencies 6%
Corporates 18%	Corporates 17%
MBS/CMBS 42%	MBS/CMBS 34%
ABS/CMO 7%	Municipals 1%
Municipals 7%	EMD 2%
EMD 1%	Non US Corps 3%
Non US Corps 4%	Non US Govt's 3%
Non US Govt's 2%	
Cash & Equiv. 4%	

QUALITY*

*As of 9/30/11



GOVERNMENTS

TSY	12%
AGY	3%

OTHER SECURITIES

AAA	18%
AA	42%
A	14%
BBB	10%
BB	1%
Other	0%

RISK/RETURN STATISTICS*

	COMPOSITE
Annualized Alpha	1.35
Jensen Alpha	1.25
Standard Deviation	3.60
Sharpe Ratio	1.64
Tracking Error	1.57
Up-Market Capture	111.81
Down-Market Capture	79.69

COMPOSITE CHARACTERISTICS*

	COMPOSITE	BENCHMARK
Duration/Years	4.65	4.89
Avg. Maturity	8.24	7.01
Avg. Credit Quality	AA	AA
Coupon Rate	4.29	4.23
Yield	2.84	2.34

managers

Clifford D. Corso
CEO, CIO, Cutwater Asset Management
 Columbia University, M.B.A.
 Yale University, B.A.
 Mr. Corso has been with Cutwater since 1994.

E. Gerard Berrigan
Managing Director & Portfolio Manager,
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 Columbia University, M.B.A.
 Bucknell University, B.S.
 Mr. Berrigan has been with Cutwater since 1994.

Jeffrey MacDonald, CFA
Director, Total Return Portfolio Management
Cutwater Asset Management
 Boston University, M.B.A.
 Trinity College, B.A.
 Mr. MacDonald has been with Cutwater since 2007.

trailing period performance (As of 9/30/11)

¹Annualized

	3rd Qtr 2011	YTD	1 Year	3 Year ¹	5 Year ¹
Core Fixed Income Composite (Gross of Advisory Fees)	3.06%	6.43%	5.88%	9.52%	7.52%
Core Fixed Income Composite (Net of Advisory Fees)	2.98%	6.20%	5.57%	9.20%	7.19%
Barclays Capital U.S. Aggregate Index	3.82%	6.66%	5.27%	7.97%	6.53%

calendar-year performance

benchmark

	2010	2009	2008	2007	2006	2005	Barclays Capital U.S. Aggregate Index
Core Fixed Income Composite (Gross of Advisory Fees)	7.50%	10.39%	4.44%	7.52%	4.60%	2.54%	
Core Fixed Income Composite (Net of Advisory Fees)	7.17%	10.08%	4.11%	7.19%	4.36%	2.30%	
Barclays Capital U.S. Aggregate Index	6.54%	5.93%	5.24%	6.97%	4.33%	2.43%	

Please review carefully the following information regarding the above performance. Cutwater Asset Management provides investment management and advisory services primarily to institutional investors. Cutwater Asset Management claims compliance with the Global Investment Performance Standards (GIPS®). To receive a list of composite descriptions of Cutwater Asset Management and/or a presentation that complies with the GIPS® standards, call (866) 766-3030, or write to Cutwater Asset Management, 113 King Street, Armonk, NY 10504 or email info@cutwater.com. Returns are calculated in U.S. dollars. Effective 1/1/2011, composite net of fee returns are calculated by deducting the highest flat rate from the standard fee schedule from the monthly gross returns. Client returns will be reduced by investment management fees. The performance reflects the reinvestment of all dividends and income. Actual fees for new accounts are dependent upon size and any fee or fee schedule applied to existing or prospective clients is subject to negotiation. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objective of this strategy will be achieved. Past performance is not a guarantee of future results. The benchmark, the Barclays Capital U.S. Aggregate Index, is an unmanaged market index. The volatility of the benchmark may be materially different from that of the Composite. Credit ratings referenced above are obtained from Nationally Recognized Statistical Rating Organization firms.