

Evelyn F. McKnight Brain Research Foundation

Period Ending June 30, 2013

July 31, 2013

Michael T. Hill
Managing Director
Foundations and Endowments Specialty Practice
615-748-5243
mike.hill@suntrust.com

Melanie Cianciotto
Vice President
Foundations & Endowments Specialty Practice
407-237-4485
Melanie.cianciotto@suntrust.com



Table of Contents

- Executive Summary
- Economic Overview
- Portfolio Review
- Efficient Frontier Analysis
- Appendix

Executive Summary

Market Environment (through June, 2013)

- **Taper talk** and the **return of volatility** captured the headlines during the second quarter. Volatility as measured by the VIX and MOVE indexes spiked following comments from Bernanke regarding the eventual end of quantitative easing.
- The S&P 500 advanced 2.91% in a cyclical led rally. Small Cap stocks and the Value style led domestic market gains during the period. Financial and Consumer Discretionary stocks led the advance while Utilities and Materials generated negative returns.
- International equity markets in both local and USD currency underperformed U.S. equities. The MSCI EAFE Index lost (-0.98%) for the quarter and emerging markets were hit hard, posting a decline in the MSCI EM Index of (-8.08%). Positive returns from Japan, France, Germany and the Netherlands were not strong enough to offset the sell off.
- Fixed income returns as measured by the Barclays Aggregate Index lost (-2.32%). The 2-yr to 10-yr U.S. Treasury yield curve steepened to 213 bps from 161 bps at the end of March. The yield on the 10-yr US Tsy climbed to 2.49%. The majority of curve steepening and spread widening occurred in the 3-7yr part of the curve. Longer duration bonds, global bonds and TIPS performed worst during the quarter. High yield bonds held in reasonably well posting a return of (-1.35%). Bond fund flow was -\$28 BLN in June.
- The domestic economy continues to improve and macroeconomic factors continue to support a favorable bias toward equities as we enter the second half of the year. Inflation remains in check with CPI currently at 1.7%.
- Headwinds include additional steps to curb stimulus, impacts of Sequestration, continued restructuring efforts in the Euro Zone, the search for Fed Chairman Bernanke's replacement.
- Hedge fund returns largely flat for the quarter. Managers performed relatively well with the rise in volatility and sell off in the bond markets. For the quarter and year-to-date the HFRI FOF Index is outpacing fixed income. Returns for the quarter were (-0.03) and year-to-date up 3.28%.

Portfolio Objectives and Policy Asset Allocation

- The target total return objective for the Foundation is 8.2% and takes into account expenses, inflation (as measured by BRDPI), and annual distributions. The 10-year horizon expected return is 7.03% based on SunTrust Capital Market Assumptions and efficient frontier analysis as of August 2012.

Executive Summary *(continued)*

Asset Allocation

- The Foundation has a 67.3% target to public equity, a 2.5% target to private equity, a 12.7% target to fixed income (including cash) and a 17.5% target allocation to alternative assets.
- As of quarter end, the public equity allocation was 67.9%, the private equity allocation was 0.9%, the allocation to fixed income (including cash) was 14.1% and the allocation to alternative investments was 17.1%.

Portfolio Performance

- For the quarter period ending June 30, 2013, the total return for the portfolio was 1.32% versus .65% for the Investment Policy Statement Index.

Economic Overview



Investment Overview

- **Interest rates climbed as markets chafed at the suggestion that the Fed may begin tapering its bond buying program**
 - The benchmark 10-year US Treasury yield briefly surged above 2.60% for the first time since August 2011 before settling at 2.48% by month end, pushing returns for most fixed income sectors further into negative territory for the first half of the year
 - While not growing as fast as potential, the Fed believes that the US economy is on the mend. Accordingly, the extraordinary measures taken to boost growth will not be maintained indefinitely
 - At his second quarter press conference, Chairman Bernanke reiterated that the Fed will moderate bond purchases at some point based on improving economic data, but Fed officials spent rest of the month reassuring markets that policy will remain accommodative for some time even with a tapering of its quantitative easing program
 - Most investors, on the other hand, voted with their feet as bond mutual funds experienced heavy outflows for the month

- **US stocks stumbled in June, snapping a seven month rally, while global stocks continued to see red**
 - Although major US equity indices dipped for the month, most posted solid returns for the second quarter, led by small caps
 - An unusual trio of telecom, utilities and consumer discretionary were the top US sectors for the month; despite a tepid quarter, six of the ten sectors still have double-digit gains on a year-to-date basis
 - Major international equity indices fell for the second straight month, though currency fluctuations were less of a factor; emerging markets were pummeled in June and were the only major global equity market that fell in the first half of 2013
 - Real estate indices declined in sympathy with equities for the month, while precious metals dragged heavily on commodity returns, which were down nearly 10% for the quarter

Performance Summary Through June 2013

Index Performance (%)	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr
MSCI ACWI (net)	(2.92)	(0.42)	6.05	16.57	12.36	2.30
MSCI World (net)	(2.46)	0.65	8.43	18.58	13.72	2.70
MSCI EAFE LCL (net)	(3.65)	1.21	11.01	24.93	8.97	1.16
MSCI EAFE USD (net)	(3.55)	(0.98)	4.10	18.62	10.04	(0.63)
MSCI Emerging Markets LCL (net)	(5.09)	(4.42)	(4.89)	6.09	5.00	2.11
MSCI Emerging Markets USD (net)	(6.37)	(8.08)	(9.57)	2.87	3.38	(0.43)
Dow Jones Industrial Average	(1.25)	2.92	15.20	18.87	18.23	8.64
S&P 500	(1.34)	2.91	13.82	20.60	18.45	7.01
Nasdaq 100	(2.33)	3.61	10.09	12.87	20.03	10.66
Russell 1000	(1.36)	2.65	13.91	21.24	18.63	7.12
Russell 1000 Growth	(1.88)	2.06	11.80	17.07	18.68	7.47
Russell 1000 Value	(0.88)	3.20	15.90	25.32	18.51	6.67
Russell MidCap	(1.21)	2.21	15.45	25.41	19.53	8.28
Russell Mid Cap Growth	(1.22)	2.87	14.70	22.88	19.53	7.61
Russell Mid Cap Value	(1.19)	1.65	16.10	27.65	19.53	8.87
Russell 2000	(0.51)	3.08	15.86	24.21	18.67	8.77
Russell 2000 Growth	(0.62)	3.74	17.44	23.67	19.97	8.89
Russell 2000 Value	(0.41)	2.47	14.39	24.76	17.33	8.59
FTSE NAREIT Equity Index	(2.19)	(2.13)	5.79	10.21	18.46	7.72
DJ-UBS Commodity Index	(4.71)	(9.45)	(10.47)	(8.01)	(0.26)	(11.61)
Barclays Aggregate	(1.55)	(2.32)	(2.44)	(0.69)	3.51	5.19
Barclays Intermediate Govt & Credit	(1.20)	(1.70)	(1.45)	0.28	3.14	4.57
BofAML U.S. Treasury Master	(1.26)	(2.23)	(2.47)	(2.00)	3.04	4.45
BofAML U.S. Treasuries Inflation-Linked	(3.78)	(7.38)	(7.94)	(5.15)	4.69	4.43
Barclays U.S. Treasury Bellwethers (2 Yr)	(0.04)	(0.09)	0.00	0.27	0.77	2.15
Barclays U.S. Treasury Bellwethers (10 Yr)	(2.66)	(4.57)	(4.87)	(4.20)	4.64	5.89
Barclays Municipal Bond	(2.83)	(2.97)	(2.69)	0.24	4.46	5.33
BofAML U.S. Corporate Master	(2.76)	(3.36)	(3.31)	1.75	5.80	7.17
BofAML High Yield Master	(2.64)	(1.35)	1.50	9.57	10.43	10.63
Citigroup WGBI (USD)	(0.58)	(2.97)	(5.66)	(4.50)	2.72	3.04
Citigroup WGBI (USD) Hedged	(1.00)	(1.45)	(0.62)	1.66	3.04	4.51
JP Morgan EMBI Global	(5.03)	(6.06)	(8.22)	1.24	7.85	8.63

Rates (%)	6/28/13	6/28/13	3/28/13	12/31/12	9/28/12	6/29/12
U.S. Fed Funds Rate	0.25	0.25	0.25	0.25	0.25	0.25
European Central Bank Rate	0.50	0.50	0.75	0.75	0.75	1.00
Bank of England Rate	0.50	0.50	0.50	0.50	0.50	0.50
Bank of Japan Rate	0.10	0.10	0.10	0.10	0.10	0.10
USA LIBOR - 3 Month	0.27	0.27	0.28	0.31	0.36	0.46
TED Spread (bps) - 3 Month	0.24	0.24	0.22	0.26	0.26	0.37
2 Yr U.S. Treasury	0.36	0.36	0.24	0.26	0.23	0.31
10 Yr U.S. Treasury	2.49	2.49	1.85	1.76	1.63	1.65
10-2 yr slope	2.13	2.13	1.61	1.51	1.40	1.34
Barclays Municipal Bond	2.91	2.91	2.20	2.17	2.17	2.45
BofAML High Yield Master	6.56	6.56	5.63	6.11	6.52	7.29
BofAML Corporate Master	3.40	3.40	2.78	2.75	2.84	3.35

Currencies	6/28/13	6/28/13	3/28/13	12/31/12	9/28/12	6/29/12
Euro (\$/€)	1.30	1.30	1.28	1.32	1.29	1.27
Yen (¥/\$)	99.34	99.34	94.02	86.47	77.80	79.79
GBP (\$/£)	1.52	1.52	1.52	1.63	1.61	1.57

Commodities	6/28/13	6/28/13	3/28/13	12/31/12	9/28/12	6/29/12
Light Crude Oil (\$/barrel)	96.56	96.56	97.23	91.82	92.19	84.96
Gold (\$/ozt)	1,223.70	1,223.70	1,595.70	1,675.80	1,773.90	1,604.20

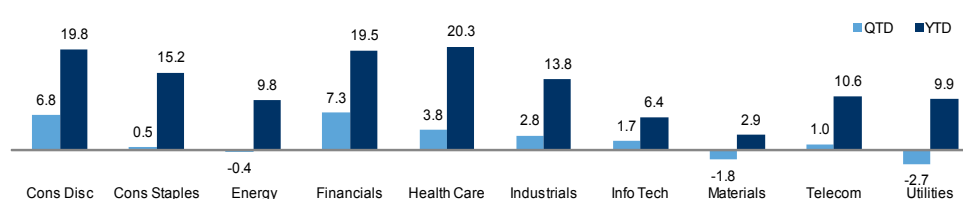
CBOE Volatility Index	6/28/13	6/28/13	3/28/13	12/31/12	9/28/12	6/29/12
CBOE VIX	16.86	16.86	12.70	18.02	15.73	17.08

Hedge Fund Performance (%)	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr
HFRX Global Hedge Fund Index	(1.33)	0.03	3.16	5.50	1.19	(2.08)
HFRX Equity Hedge Index	(1.89)	(0.52)	4.59	8.34	0.02	(3.77)
HFRX Fund of Funds	(1.44)	(0.03)	3.28	7.18	2.97	(0.63)
HFRX Macro	(0.66)	(1.11)	(1.07)	(0.26)	(2.14)	(5.02)
HFRX Distressed Securities Index	(1.30)	1.12	2.53	0.44	0.90	(6.93)
HFRX Absolute Return Index	(0.02)	1.00	1.71	2.48	0.22	(3.50)

U.S. Style % Total Returns (Russell Indexes)

QTD			Large	YTD			
Value	Core	Growth		Value	Core	Growth	
3.20	2.65	2.06	Large	15.90	13.91	11.80	
1.65	2.21	2.87		Mid	16.10	15.45	14.70
2.47	3.08	3.74		Small	14.39	15.86	17.44

S&P 500 Sector % Total Returns



Data Source: FactSet It is not possible to invest directly in an index.

Past performance is not a guarantee of future results. Please see Disclosure slides for important information.



June 2013 Market Returns

Total Return*			
Periods ending June 30, 2013			
	QTD	YTD	12 Months
Global Markets (in US \$)			
MSCI AC World Equity Index (net)	-0.4%	6.1%	16.6%
Citi World BIG USD un-hedged	-2.4%	-4.4%	-1.7%
US Equities			
Large-Cap US Stocks (S&P 500)	2.9%	13.8%	20.6%
Small-Cap US Stocks (Russell 2000)	3.1%	15.9%	24.2%
International Equities			
Developed Countries (MSCI EAFE) (net)	-1.0%	4.1%	18.6%
Emerging Markets (MSCI EM) (net)	-8.1%	-9.6%	2.9%
US Fixed Income			
US Treasury Bonds (Benchmark 10 Yr.)	-4.6%	-4.9%	-4.2%
Barclays Aggregate Bond Index	-2.3%	-2.4%	-0.7%
BofAML High Yield Master	-1.4%	1.5%	9.6%
Barclays Municipal Bond Index	-3.0%	-2.7%	0.2%
International Bonds			
Citi World BIG non-USD un-hedged	-2.5%	-5.9%	-2.5%
JPM Emerging Mkts Bond Index	-6.1%	-8.2%	1.2%
Non-Traditional			
REITs (DJ US Select RESI Index)	-1.3%	5.7%	7.7%
Commodities (Dow Jones UBS)	-9.5%	-10.5%	-8.0%

* All returns in US dollars Data Source: Factset

- US stocks stumbled in June, snapping a seven month rally; however, returns were still solid for the second quarter and are up double-digits this year. Major international markets fell for the second straight month, but developed international stocks remain in positive territory this year. On the other hand, emerging markets were hit hard in June and are the only major equity market down thus far in 2013.
- The benchmark 10-year US Treasury yield briefly surged above 2.60% for the first time since August 2011 before settling at 2.48% by month end. That pushed most fixed income sectors further into negative territory for the first half of the year as bond mutual funds experienced heavy outflows for the month.
- Real estate indices fell in sympathy with equity indices for the month but are up for 2013. Sagging prices for precious metals more than offset flat energy prices, dragging commodity returns lower in June. The DJ-UBS Commodity Index shed nearly 10% for the quarter.

Past performance is not a guarantee of future results. Please see Disclosure slides for important information.

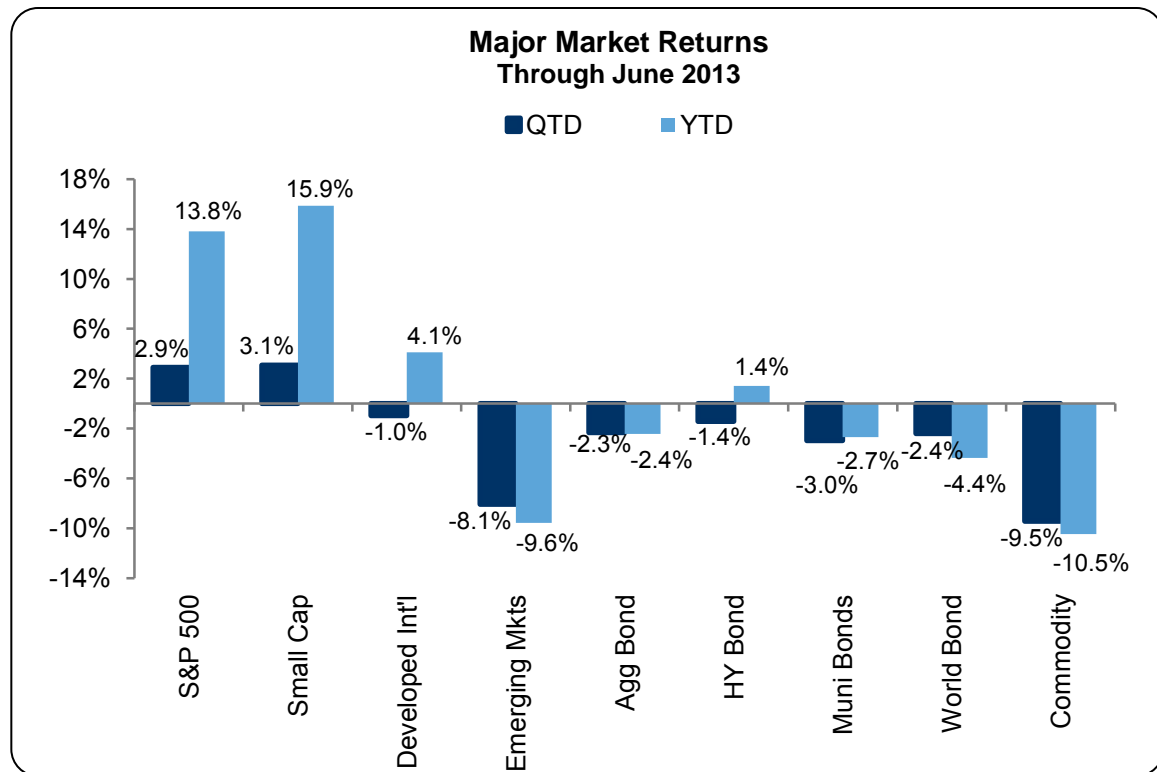
Market Overview

Strong first half for developed global stocks, while emerging market stocks and commodities were clobbered

US stocks stumbled in June, snapping a seven month rally; however, returns were still solid for the second quarter and are up double-digits for the year.

Major international markets fell for the second straight month, but developed international stocks remain in positive territory this year.

On the other hand, emerging markets were hit hard in June and are the only major equity market down thus far in 2013. Commodities, which have struggled all year, were down 10.5% for the first half.



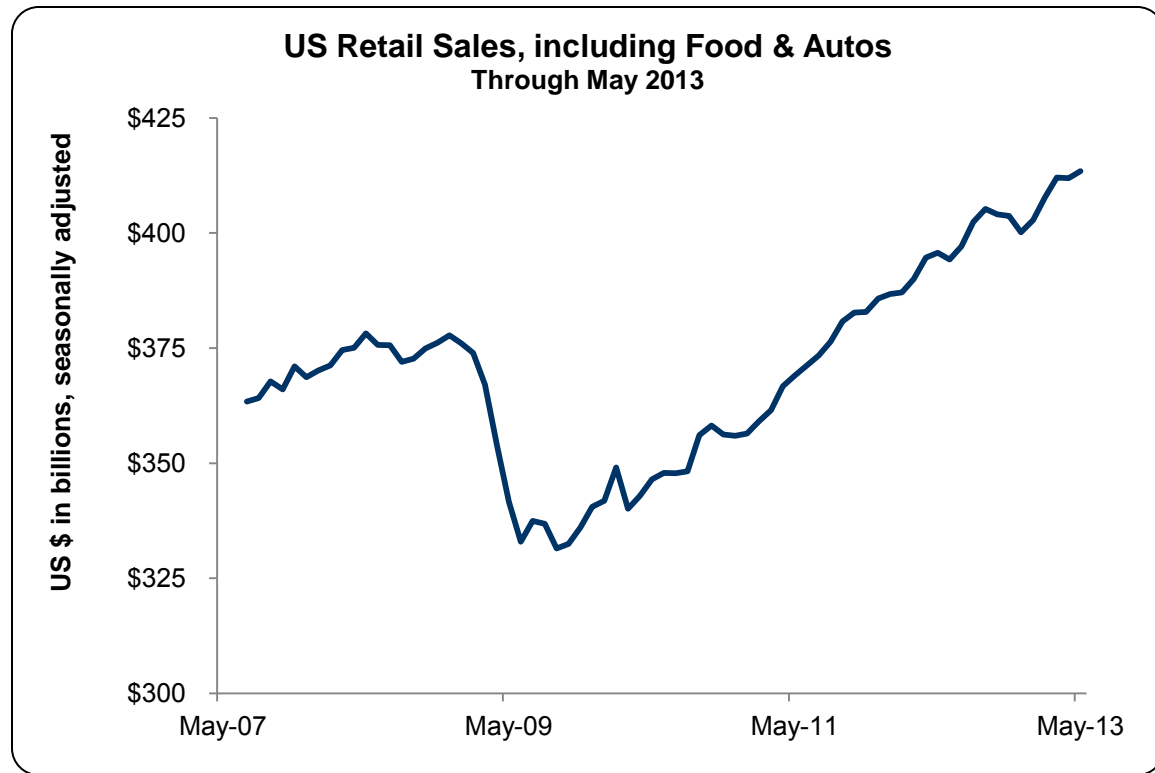
Data source: Morningstar Direct. Returns are represented by the following indices: Barclays Municipal Bond Index, Citi World BIG Index, Barclays Aggregate Bond Index, MSCI EAFE, Barclays US Corporate High Yield Index S&P500 Stock Index, DJ UBS Commodity Total Return Index, MSCI Emerging Markets Index, Russell 2000 Stock Index.

Economic Overview

US economic data has been generally positive

US retail sales, which include food and auto sales, continue to march higher. Total year-to-date sales through May were up 3.7% compared to the same period a year ago, having increased for seven of the past eight months through May, with February as the only downtick.

Nonstore retailers, such as online and mail-order, rose 11.3% year-over-year in May, while building material and garden equipment/supplies sales were up 10.1% from last year. US auto sales in June rose to 15.9 million on a seasonally-adjusted annual rate, the strongest pace since November 2007.



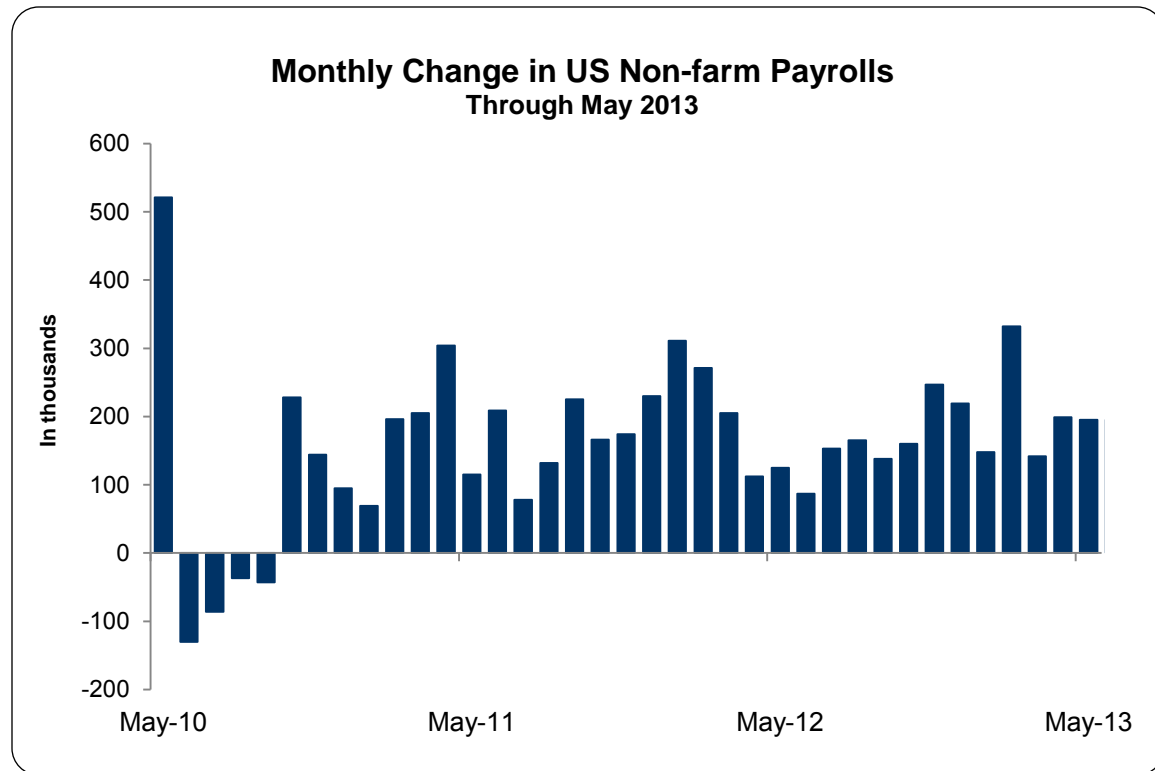
Data source: Bloomberg

Economic Overview

Steady job growth but the unemployment rate basically unchanged

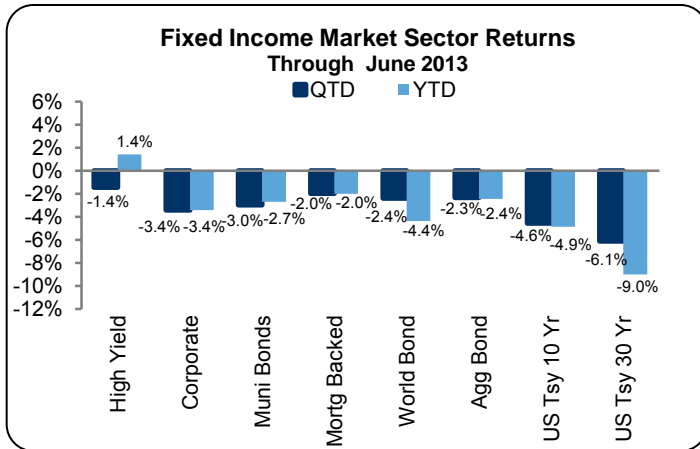
June nonfarm payrolls increased by 195,000 jobs, taking the six-month average to 202,000. Meanwhile, the unemployment rate was essentially unchanged at 7.6% through June.

The job situation presents a challenge for the Federal Reserve: steady enough to merit ratcheting back stimulus, but not strong enough to completely remove it.

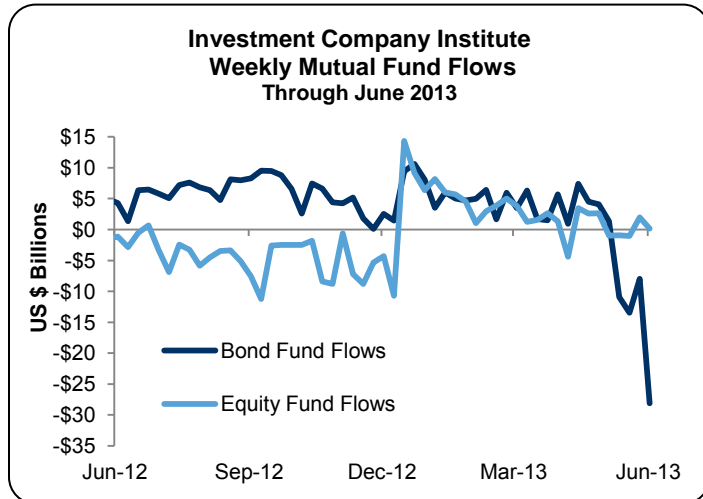


Data source: Bureau of Labor Statistics

Taxable Bond Market Overview



Returns are represented by the following indices: Barclays Municipal Bond Index, Citi World BIG Index, Barclays Aggregate Bond Index, Barclays US Corporate High Yield Index, Barclays Bellwether 10 and 30 year US Treasury Index, Barclays Financial Institutions Bond Index, Barclays MBS Fixed Rate Bond Index and Barclays US Investment Grade Corporate Index.



Data source: FactSet

Past performance is not a guarantee of future results. Please see Disclosure slides for important information.

- The benchmark 10-year US Treasury yield briefly surged above 2.60% for the first time since August 2011 before settling at 2.48% by month end. Higher rates across all markets pushed returns for most fixed income sectors further into negative territory for the first half of the year. US Treasuries were hit the hardest, especially those with longer maturities, such as the 30-year. High yield, which hung onto a slim gain year to date, was the lone exception.
- After several years of strong inflows, bond mutual funds saw a surge of outflows in May and June. These outflows contributed to the sharp price swings, which were compounded by reluctant institutional buyers such as insurance companies and pension funds.
- Entering 2013, we cautioned that investors should lower their bond return expectations. Nothing that has occurred to date has changed that view. While we expect rates to rise further this year, we believe tame inflation and portfolio income requirements will buffer the increase, as the recent rise in bond yields does provide attractive spreads relative to holding cash. We recommend investors focus on shorter-term, less rate-sensitive bonds as well as corporate bonds.

Equity Market Overview

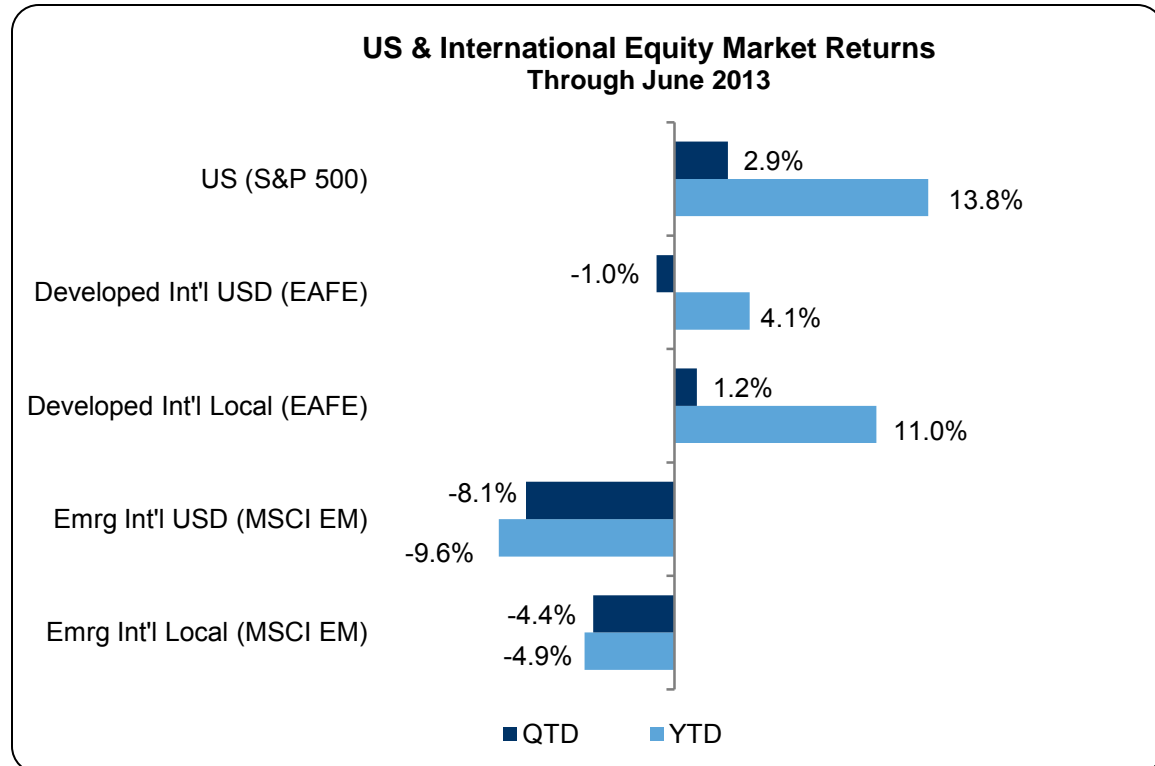
US stocks stumbled in June, snapping a seven month rally, while global stocks continued to see red

Although primary US equity indices dipped for the month of June, they posted solid returns for the second quarter and double-digit gains for the first half.

Major international equity indices fell for the second straight month. Emerging markets were pummeled in June and were the only major global equity sector negative for the year.

An unusual trio of telecom, utilities and consumer discretionary stocks led in June and posted gains.

Despite a tepid quarter, six of the ten sectors still have double-digit gains for 2013.



Returns are represented by the following indices: S&P 500 Stock Index, MSCI Emerging Market Index in US dollars and local currencies, MSCI EAFE developed country index in US dollars and local currencies. Data source: Morningstar

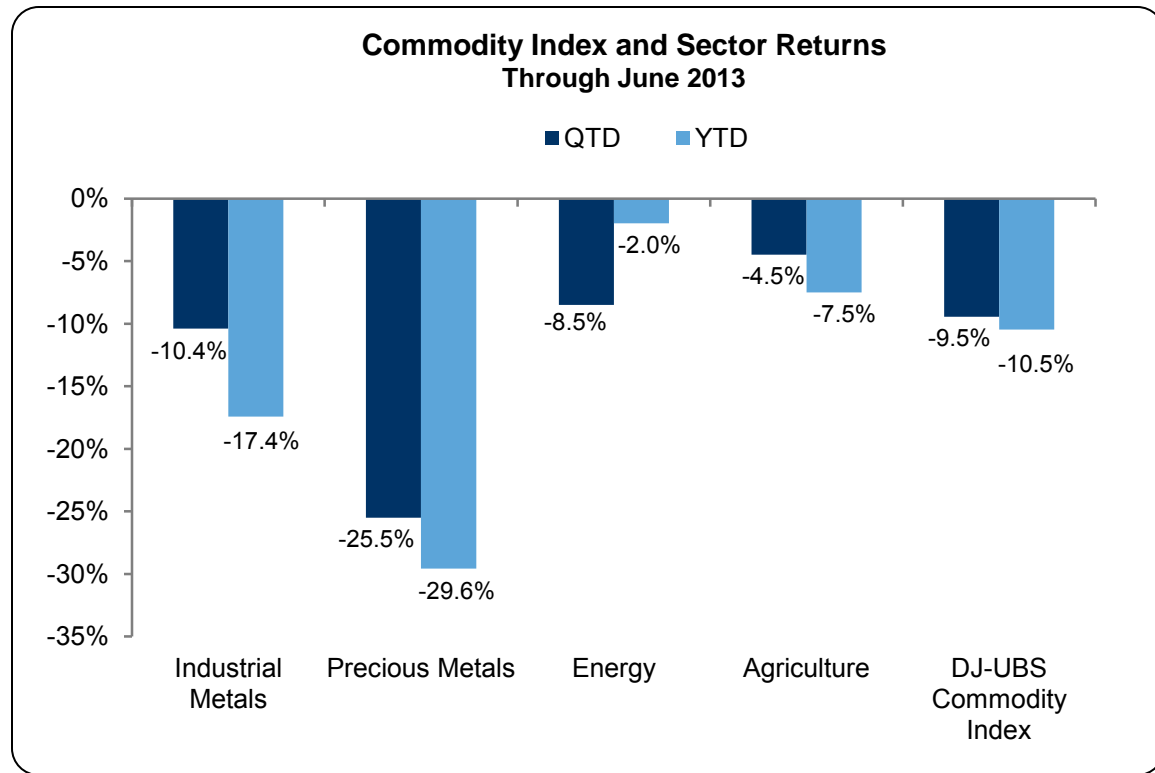
Commodity Market Overview

Precious metals dragged down commodity returns

Weaker than expected Chinese economic trends and a stronger US dollar have weighed on global commodity prices. This was reflected in a sharp decline in June and a negative 10.5% second quarter return for the DJ-UBS Commodity Index.

All four of the major commodity index groups fell in the quarter. Both precious and industrial metals sold off more than 10%.

While most of the spotlight was on the plunge in gold prices, silver fell even further, declining roughly 44% during the past three months.



Returns are represented by the follow indices: DJ-UBS Commodity Index and the following Sector Sub-Indexes of the DJ UBS Commodity Index: Industrial Metals, Precious Metals, Energy and Agriculture. Data source: Morningstar.

Strategy Summary July 2013

Tactical Asset Allocation Positions relative to Our Long-Term Target Portfolios				
Category	Underweight	Neutral	Overweight	
Portfolio Risk (Standard Deviation)		◆		Our risk posture is neutral given sluggish global growth and US monetary policy uncertainty. However, better US relative economic growth, generally accommodative central banks, and attractive equity market valuations vs. bonds are positives.
Government Bonds (Treasury and MBS)	←	◆		Yields remain at low unattractive levels. In the midst of sluggish global growth, the absence of inflation and the possibility of the Federal Reserve tapering asset purchases, we expect interest rates will remain within a range, with an upward bias.
Corporate Bonds (Invest. Grade and HY)		◆	→	Favorable corporate fundamentals and low default rates justify allocations to investment-grade corporates and high yield bonds (including leveraged loans). While future price gains may be limited, spreads remain above their pre-crisis levels.
Foreign Bonds	←	◆		While emerging market bond fundamentals currently remain intact (i.e., sovereign macro/credit conditions and yields at attractive levels), the implications of the end of loose monetary policy by the Fed has created a less hospitable/more volatile environment over the near term, which supports a continued underweight.
Large Cap US Equity		◆	→	Economic growth in the US is expected to exceed most of the developed world. Moreover, US large caps possess positive attributes such as reasonable valuations, strong balance sheets and attractive dividend yields and diverse revenue streams.
Mid and Small Cap US Equity		◆		Given their leverage to the US economy, we maintain a position in smaller cap equities based on earnings growth potential, improved lending conditions and the potential for elevated corporate cash balances to support increased M&A activity.
Developed International Equity		◆		Economic data show a modest improvement although euro zone surveys still indicate contraction. However, continued liquidity from central banks and the easing up on euro zone austerity measures are supportive of stabilizing growth and our neutral stance.
Emerging International Equity		◆		Emerging markets face headwinds such as sluggish global growth, lower commodity prices, and a stronger US dollar. However, relative valuations have improved, and the recent underperformance may be overdone as growth expectations have reset.
Non-Traditional Strategies	←	◆		We continue to believe diversifying strategies, including hedge funds, may help to reduce risks and could expand the opportunity set. However, market dynamics are more challenging for commodities until global growth prospects solidify.

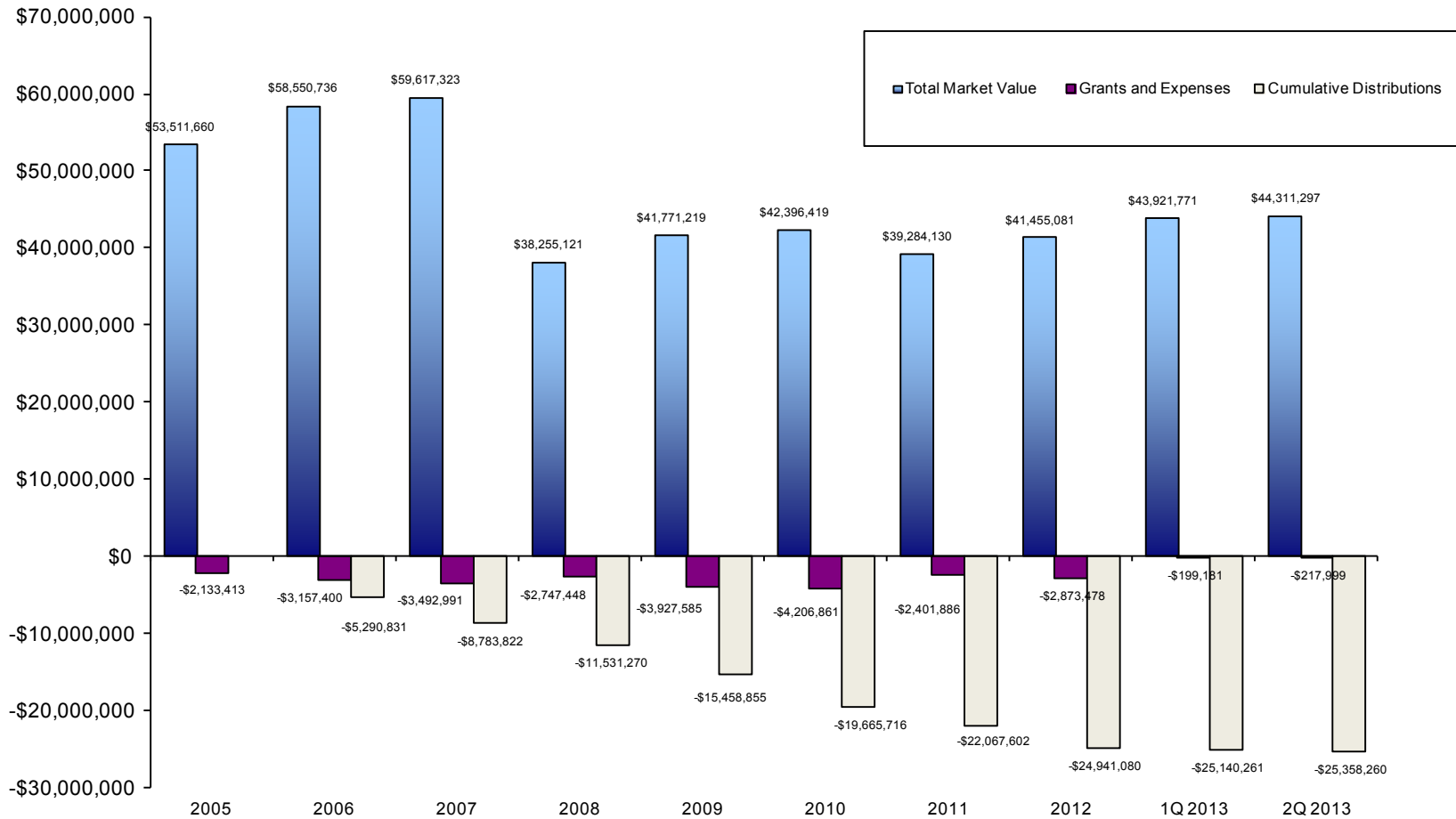
Notes: Neutral = within 10% of Long-Term Target ; Over/Underweight = over 11% deviation from Long-Term Target

Past performance is not a guarantee of future results. **Please see Disclosure slides for important information.**

Portfolio Review



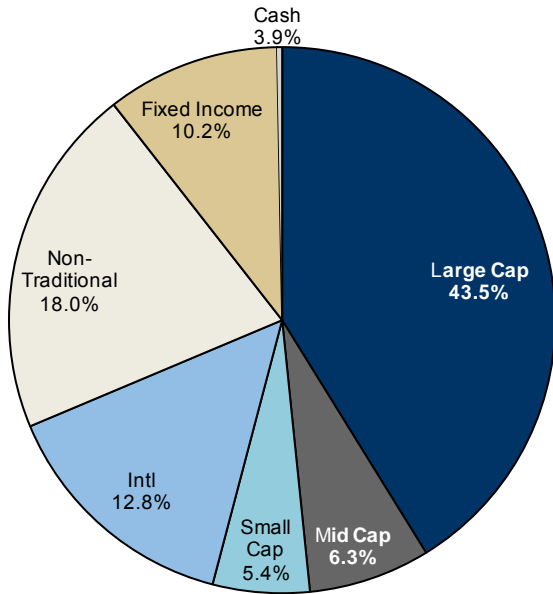
Historical Market Values and Distributions



Portfolio Holdings are subject to change at any time and without notice.
 Please refer to appendix for full disclosure. Source: First Rate Performance System.



Portfolio Composition



As of June 30, 2013							
Assets	Current Market Value	Current Allocation	Prior Qtr Allocation	Δ in Allocation	Target Allocation	Range	Variance from Target
Total Portfolio	\$44,311,297	100.0%	100.0%				
Total Equities	\$30,086,136	67.9%	66.5%	1.4%	67.3%		0.6%
Large Cap Equities	\$19,257,599	43.5%	41.2%	2.3%	43.5%	30-60%	0.0%
Harbor Capital Appreciation	\$0	0.0%	8.0%	(8.0%)			
T Rowe Price LC Growth	\$3,576,957	8.1%	0.0%	8.1%			
iShares Russell 1000 Growth	\$2,194,057	5.0%	4.1%	0.9%			
Vanguard S&P 500 Index	\$7,611,094	17.2%	16.8%	0.4%			
John Hancock Disc Value	\$1,638,015	3.7%	0.0%	3.7%			
Hartford Dividend and Growth	\$1,564,910	3.5%	7.2%	(3.7%)			
iShares Russell 1000 Value	\$2,672,566	6.0%	5.1%	0.9%			
Mid Cap Equities	\$2,772,631	6.3%	6.4%	(0.1%)	6.0%	5-14%	0.3%
iShares Russell Mid Cap Growth	\$1,371,430	3.1%	3.1%	0.1%			
iShares Russell Mid Cap Value	\$1,401,201	3.2%	3.2%	0.0%			
Small Cap Equities	\$2,370,910	5.4%	5.4%	(0.0%)	5.0%	0-15%	0.4%
Invesco Small Cap Growth	\$1,182,546	2.7%	2.7%	0.0%			
Cambiar Small Cap	\$1,188,364	2.7%	2.7%	0.0%			
International Equities	\$5,684,996	12.8%	13.5%	(0.7%)	12.8%		0.0%
MFS Research	\$2,320,805	5.2%	5.5%	(0.3%)	8.1%	5-15%	
Artisan Intl Value	\$1,407,869	3.2%	3.5%	(0.3%)			
Oppenheimer Dev Mkts	\$1,956,322	4.4%	4.8%	(0.4%)	4.7%	3-10%	
Total Fixed Income	\$4,500,940	10.2%	11.0%	(0.8%)	11.7%	0-20%	-1.5%
iShares iBoxx High Yield	\$785,930	1.8%	1.9%	(0.1%)			
PIMCO Inv Grade Bd	\$1,097,145	2.5%	2.7%	(0.2%)			
PIMCO Total Return Bd	\$1,580,005	3.6%	3.8%	(0.2%)			
Templeton Global Bond	\$812,700	1.8%	2.0%	(0.2%)			
PIMCO Emg Local Bond	\$225,160	0.5%	0.6%	(0.1%)			
Total Non-Traditional	\$7,978,356	18.0%	18.7%	0.0%	20.0%	10-30%	-2.0%
Hedge		16.2%	16.7%	(0.5%)	16.1%	10-30%	0.1%
Lighthouse Global Long Short	\$2,580,981	5.8%	5.5%	0.3%			
Lighthouse Diversified	\$2,558,281	5.8%	6.7%	(0.9%)			
Lighthouse Credit Opps	\$2,025,926	4.6%	4.4%	0.2%			
Private Equity		0.9%	0.7%	0.2%	2.5%	0-10%	-1.6%
Hall Capital	\$335,003	0.8%	0.7%	0.1%			
Spring Harbour	\$75,948	0.2%	0.0%	0.2%			
Commodities		0.9%	1.3%	(0.4%)	1.4%	0-5%	-0.5%
PIMCO Commodity Real Return	\$402,217	0.9%	1.3%	(0.4%)			
Total Cash	\$1,745,865	3.9%	3.9%	0.0%	1.0%		2.9%

Investment Performance

As of June 30, 2013

Assets	Quarter	Calendar Year to Date	Fiscal Year to Date 2013 1 Year	3 Years	5 Years
Total Portfolio	1.32%	7.89%	14.60%	11.81%	3.56%
*2013 Efficient Frontier Target	.65%	8.04%	-	-	-
65% Russell 3000 / 35% Barclays Agg	.93%	8.28%	13.71%	13.34%	6.53%
Total Equities	1.90%	10.90%	18.81%	15.27%	4.86%
Domestic Equities	2.72%	13.29%	19.68%	16.93%	6.67%
International - Developed	0.09%	5.39%	19.67%	11.24%	-0.40%
International - Emerging	-3.95%	-3.79%	7.87%	--	--
Total Fixed Income	-3.60%	-2.52%	4.28%	7.77%	6.53%
Total Non-Traditional	2.61%	5.72%	9.36%	6.14%	2.13%

Returns are gross of fees unless otherwise noted. Returns greater than one year are annualized.
Source: First Rate Advisor

*2013 Efficient Frontier Target consists of: 43.5% S&P500, 6% Russell Mid Cap, 5.% Russell 2000, 8.1% MSCI EAFE, 4.7% MSCI Emerging Markets 16.1% HFR Fund of Funds, 13.2% Barclays Aggregate Index , 1.4% DJ UBS Commodity, and 2.0% 91 Day T-Bills. ***The Non-Traditional sector and benchmark are estimates. Fiscal Year 6/30.

Manager Performance

As of June 30, 2013						
Assets	Ticker Symbol	Quarter	YTD	1 Year	3 Years	5 Years
Large Cap Equities						
T Rowe Price LC Growth	TRLGX	4.45%	13.19%	19.36%	18.86%	8.85%
iShares Russell 1000 Growth	IWF	2.02%	11.70%	16.84%	18.44%	7.29%
Russell 1000 Growth Index	r1000g	2.06%	11.80%	17.07%	18.68%	7.47%
Vanguard S&P 500 Index	VINIX	2.91%	13.81%	20.57%	18.43%	7.04%
S&P 500 Index	sp500	2.91%	13.82%	20.60%	18.45%	7.01%
iShares Russell 1000 Value	IWD	3.14%	15.75%	25.02%	18.26%	6.53%
John Hancock Disc Value	JVLIX	5.73%	17.27%	28.10%	19.38%	9.44%
Hartford Dividend & Growth	HDGYX	3.86%	15.01%	21.60%	17.20%	6.84%
Russell 1000 Value Index	r1000v	3.20%	15.90%	25.32%	18.51%	6.67%
Mid Cap Equities						
iShares Russell Mid Cap Growth Index	IWP	2.83%	14.60%	22.70%	19.29%	7.41%
Russell Midcap Growth Index	r.midg	2.87%	14.70%	22.88%	19.53%	7.61%
iShares Russell Mid Cap Value	IWS	1.59%	15.97%	27.36%	19.28%	8.73%
Russell Midcap Value Index	r.midv	1.65%	16.10%	27.65%	19.53%	8.87%
Small Cap Equities						
Invesco Small Cap Growth	GTSVX	1.88%	15.26%	25.36%	20.59%	9.88%
Russell 2000 Growth	r2000g	3.74%	17.44%	23.67%	19.97%	8.89%
Advisor Cambiar Small Cap	CAMZX	2.68%	13.87%	25.85%	19.49%	11.27%
Russell 2000 Value Index	r2000v	2.47%	14.39%	24.76%	17.33%	8.59%
International Equities						
Artisan Intl Values	ARTKX	1.16%	8.79%	26.64%	16.43%	9.00%
MFS Research Intl	MRSIX	-0.55%	3.43%	16.98%	11.19%	0.05%
MSCI EAFE Index (Net)	990300	-0.98%	4.10%	18.62%	10.04%	-0.63%
Oppenheimer Developing Mkts Instl	ODVYX	-3.95%	-3.78%	7.87%	8.13%	5.48%
MSCI EM (Net)	891800	-8.08%	-9.57%	2.87%	3.38%	-0.43%

Source: Morningstar & First Rate Advisor



Manager Performance

As of June 30, 2013

Assets	Ticker Symbol	Quarter	YTD	1 Year	3 Years	5 Years
Fixed Income						
iShares iBoxx High Yield Corp Bd	HYG	-1.87%	0.31%	7.61%	9.79%	8.24%
Barclays High Yield Bond Index	ihmn0012	-1.44%	1.42%	9.49%	10.74%	10.94%
PIMCO Total Return	PTTRX	-3.60%	-3.02%	1.20%	4.67%	7.26%
PIMCO Inv Grade Corp Bd	PIGIX	-4.29%	-3.14%	3.58%	7.90%	9.97%
Barclays Aggregate Bond	ihmn0001	-2.32%	-2.44%	-0.69%	3.51%	5.19%
PIMCO Emg Local Bd	PEL BX	-8.70%	-8.86%	-1.32%	5.16%	6.61%
Templeton Global Bd-Adv	TGBAX	-2.73%	-1.36%	7.95%	6.84%	9.63%
Citi World Government Index	sbw gu	-2.97%	-5.66%	-4.50%	2.72%	3.04%
Non-Traditional						
PIMCO Commodity Realrtn Strategy	PCRIX	-15.25%	-15.74%	-11.00%	2.76%	-9.19%
DJ UBS Commodity Index	26057j10	-9.45%	-10.47%	-8.01%	-0.26%	-11.61%
Lighthouse Global Long/Short		3.59%	10.32%	14.39%	7.19%	3.68%
Lighthouse Diversified		0.88%	3.53%	6.62%	5.17%	1.21%
Lighthouse Credit Opps		2.55%	5.25%	9.52%	9.45%	2.29%
HFRI FoF Composite	HFRFFI	-0.03%	3.28%	7.18%	2.97%	-0.63%

Source: Morningstar & First Rate Advisor



Peer Group Analysis

As of June 30, 2013

				Morningstar Percentile			
				1 Quarter	1 YR	3 YR	5 YR
Ticker	Morningstar Category	Benchmark					
LARGE CAP GROWTH							
T Rowe Price LC Growth	TRLGX	Large-Cap Growth	Russell 1000 Growth - Total Return	5	30	13	10
Russell 1000 Growth - Total Return		Large-Cap Growth		47	49	15	21
LARGE CAP CORE							
Vanguard Institutional Index	VINIX	Large-Cap Core	S&P 500 - Total Return	35	49	18	24
S&P 500 - Total Return		Large-Cap Core		35	49	18	24
LARGE CAP VALUE							
Hartford Dividend & Growth Y	HDGYX	Large-Cap Value	Russell 1000 Value - Total Return	36	64	47	38
John Hancock Disc Value	JVLIX	Large-Cap Value		5	12	9	5
Russell 1000 Value - Total Return		Large-Cap Value		55	29	19	41
SMALL CAP GROWTH							
Invesco Small Cap Growth I	GTSVX	Small-Cap Growth	Russell 2000 Growth - Total Return	79	24	28	32
Russell 2000 Growth - Total Return		Small-Cap Growth		43	38	36	45
SMALL CAP VALUE							
Cambiar Small Cap	CAMZX	Small-Cap Value	Russell 2000 Value - Total Return	54	45	13	18
Russell 2000 Value - Total Return		Small-Cap Value		57	58	49	60
LARGE CAP INTERNATIONAL							
MFS Research International I	MRSIX	International Large-Cap Core	MSCI EAFE - Gross Return	34	43	16	31
Artisan Intl Value	ARTKX	International Large-Cap Core	MSCI EAFE - Gross Return	6	1	1	1
MSCI EAFE - Gross Return		International Large-Cap Core		39	18	31	34
EMERGING MARKETS EQUITY							
Oppenheimer Developing Marketys	ODVYX	Emerging Markets	MSCI EMF (Emerging Markets) - Gross Return	11	23	7	4
MSCI EMF (Emerging Markets) - Gross Return		Emerging Markets		75	78	82	76
CORE PLUS FIXED							
PIMCO Inv Grade Corp Bond	PIGIX	Intermediate Investment Grade	Barclays Capital US Aggregate	99	9	1	1
PIMCO Total Return Instl	PTRRX	Intermediate Investment Grade	Barclays Capital US Aggregate	94	38	35	14
Barclays Capital US Aggregate		Intermediate Investment Grade		25	79	71	65
Global Bond							
Templeton Global Bond	TGBAX	Global Bond	Citi WGBI Non USD	21	2	9	1
PIMCO Emg Local Bond	PELBX	Global Bond	Citi WGBI Non USD	100	57	27	20
Citi WGBI Non USD				47	95	80	85
Commodities							
PIMCO Commodity Real Return Strategy	PCRIX	Commodities	DJ UBS Commodity Index	93	78	24	7
DJ UBS Commodity Index		Commodities		38	51	69	50



Attribution Analysis – Second Calendar Quarter 2013

Performance Attribution Analysis											
2nd Calendar Quarter 2013											
4th Quarter Fiscal Year 2013											
Asset	2013 Efficient Frontier Target Benchmark	Weights (%)		Asset Qtrly Returns (%)			Attribution Effects				
		2013 E.F. Target	Active (1)	Index	Style Index(3)	Portfolio	Weight vs Tgt	Allocation	Style Allocation	Selection	
Large Cap	LC Policy Index(4)	43.5	42.3	2.7	2.7	3.2	(1.24)	-0.03	0.01	0.20	
	Harbor Capital Appreciation		4.0	2.1		2.4			-0.03		
	T Rowe Price LC Growth		4.0	2.1		4.5			-0.03		
	Vanguard Instl Index		17.0	2.9		2.9			0.03		
	Ishare Russell 1000 Growth		4.5	2.1		2.0			-0.03		
	Hartford Dividend & Growth Y		5.4	3.2		3.9			0.03		
	iShare Russell 1000 Value		5.6	3.2		3.1			0.03		
	John Hancock Disc Value		1.9	3.2		5.7			0.01		
Mid Cap	Russell MidCap Index	6.0	6.3	2.2	2.3	2.2	0.28	0.00	0.00	0.00	
	iShare Midcap Value		3.2	1.7		1.6			-0.02		
	iShare Midcap Growth		3.1	2.9		2.8			0.02		
Small Cap	Russell 2000 Index	5.0	5.4	3.1	3.1	2.3	0.37	0.01	0.00	-0.04	
	Invesco SC Growth		2.7	3.7		1.9			0.02		
	Cambiar SC Value		2.7	2.5		2.7			-0.02		
International	MSCI EAFE + EM Index	12.8	13.3	-3.5	-3.4	-1.3	0.51	-0.02	0.00	0.29	
	MFS International		5.4	-1.0		-0.6			0.13		
	Artisan International Value		3.3	-1.0		1.2			0.08		
	Oppenheimer Developing		4.6	-8.1		-4.0			-0.21		
Alternative (includes PE allocation)	HFRI FOF + Commodity Index	20.0	18.3	-1.0	-0.6	1.1	(1.69)	0.03	0.07	0.38	
	Lighthouse Credit Opportunites		4.5	0.0		2.6			0.04		
	Lighthouse Global Long/Short		5.7	0.0		3.6			0.05		
	Lighthouse Diversified		6.2	0.0		0.9			0.06		
	Pimco Commodity Real Return		1.1	-9.5		-15.3			-0.09		
Private Equity	DJ UBS Commodity	2.5	0.7								
	Hall Capital		0.1								
	Spring Harbour		0.1								
Fixed Income (includes cash)	Barcap Aggregate	11.7	14.5	-2.3	-1.7	-2.6	2.81	-0.08	0.09	-0.04	
	Pimco Total Return Bond		3.7	-2.3		-3.6			0.00		
	Pimco Investment Grade		2.6	-2.3		-4.3			0.00		
	iShares High Yield		1.8	-1.4		-1.9			0.02		
	Templeton Global Bond		1.9	-3.0		-2.7			-0.01		
	Pimco Emerging Mkt Local		0.6	-3.0		-8.7			0.00		
Cash Equivalent	Cash Equivalents	1.0	3.9	0.0		0.0	2.92	-0.02	0.09	0.00	
	91 Day T-Bills										
Period End Static Return		100.0	100.0	0.6		1.3 (2)		-0.10	0.27	0.78	
						0.0					
Total - Actual Return (Plugged)				0.7		1.3					

Notes:
 (1) Portfolio active weights are an average of beginning and ending quarter percentages
 (2) Portfolio return is estimated using a weighted average and does not take into account the timing of cash flows; therefore, it may not exactly match the actual return.
 (3) The Style Index is the portfolio's fund weight x benchmark style index within each asset class
 (4) Large Cap Policy Index = 33.3% SP500, 33.3% R1000G, 33.3% R1000V



Efficient Frontier Analysis



Asset Allocation and Statistics 2013

						Portfolio Allocations and Statistics (%)			
		ANNUALIZED HISTORICAL RETURN (%) ³	10-YR FWD EST RETURN (%) ³	10-YR FWD EST STD DEV (%) ³	10-YR FWD EST CORREL TO S&P 500 ³	65/35 Benchmark	McKnight Current Mix	McKnight Recommended Mix	Highest Level of Return on Efficient Frontier
Asset Class: Fixed Income	Fixed Income Benchmark					35.0	10.2	10.2	0.0
Core Fixed	Barclays US Aggregate Bond	7.24	2.00	3.5	-0.21	35.0	3.6	3.6	
Corporates	Barclays US Corporate IG	7.91	2.75	6.4	0.32		2.5		
Leveraged Loans	Credit Suisse Leveraged Loan	5.96	5.00	13.0	0.61			2.5	
High Yield	BofAML Hi-Yld Master	9.07	5.50	16.2	0.63		1.8	1.8	
EM Debt	JPM GBI-EM Global	12.93	6.25	13.7	0.75		2.4	2.4	
Asset Class: Equities	Equity Benchmark					65.0	67.9	70.0	90.0
Large Cap Core	S&P 500	9.71	7.50	18.1	1.00	65.0	17.2	17.2	46.0
Large-Cap Growth	Russell 1000 Growth	9.11	7.50	18.5	0.97		13.0	13.0	
Large-Cap Value	Russell 1000 Value	10.22	7.50	18.5	0.98		13.2	13.2	
Mid-Cap Core	Russell Mid Cap	11.62	8.00	22.2	0.97				14.0
Mid-Cap Growth	Russell Mid Cap Growth	10.27	8.00	22.6	0.95		3.1	3.0	
Mid-Cap Value	Russell Mid Cap Value	11.97	8.00	22.6	0.97		3.2	3.0	
Small-Cap Core	Russell 2000	9.74	8.00	23.8	0.95				15.0
Small-Cap Growth	Russell 2000 Growth	7.72	8.00	24.5	0.94		2.7	3.3	
Small-Cap Value	Russell 2000 Value	11.28	8.00	23.9	0.92		2.7	3.3	
International Developed	MSCI EAFE	5.49	7.25	23.4	0.92		8.4	8.5	5.0
International Emerging	MSCI Emerging Markets	12.73	10.00	30.7	0.84		4.4	5.5	10.0
Asset Class: Alternatives	Alternative Benchmark					0.0	19.0	18.6	10.0
Commodities	DJ-UBS Commodity	4.79	4.00	21.6	0.52		0.9	0.5	
Diversified Hedge	HFRI Fund of Funds Diversified	6.85	5.75	9.0	0.68		6.8	5.2	
Hedged Equity	HFRI Fund of Funds Strategic	9.51	6.75	11.0	0.74		5.8	5.8	
Credit Opportunities	HFRI ED: Distressed/Restructuring Index	11.97	6.25	15.6	0.79		4.6	4.6	
Private Equity	Cambridge Associates US Private Equity	14.31	9.50	18.0	0.76		0.9	2.5	10.0
Asset Class: Cash	Cash Benchmark					0.0	2.9	1.3	0.0
Cash Equivalent	BofAML U.S. 3 mo Tbill	3.94	1.25	0.9	-0.07		2.9	1.3	
TOTALS						100.0	100.0	100.0	100.0
Expected Return (%)³						5.58	6.85	7.11	8.08
Expected Standard Deviation (%)³						11.54	15.80	16.54	20.02
Historical Return (%)³						8.84	9.21	9.42	10.53
Historical Standard Deviation (%)³						11.29	14.16	14.73	17.99
1-Yr Best Case Scenario (%) (Mean+2 Standard Deviations)⁴						28.7	38.5	40.2	48.1
1-Yr Worst Case Scenario (%) (Mean-3 Standard Deviations)⁴						-29.0	-40.6	-42.5	-52.0
Expected Sharpe Ratio (R_F = 1.25%)						0.38	0.35	0.35	0.34
Historical Sharpe Ratio (R_F = 3.94%)						0.43	0.37	0.37	0.37

Asset Allocation Analysis Table Notes

- The Asset Allocation Strategies may change at any time without notice. Statistics are prepared using Morningstar Encore.
- Data sources include: Morningstar Encore, HFRI
- Estimated returns, standard deviations and correlations are forward-looking assumptions over the next 10 years. These assumptions reflect our current expectations for each asset class. They are not guaranteed and are subject to revision without notice. Estimated returns are derived from a combination of mean-reversion analysis using historical returns over the last 25 years (if available), Black-Litterman Model, and fundamental research incorporating business cycle analysis and long-term secular themes. Estimated standard deviations and correlations are derived from 10-year quarterly historical data (ending 12/31/2012) and may be adjusted according to our research and professional judgment. Our process also incorporates adjusted standard deviations and correlations for asset classes and strategies exhibiting a high degree of serial correlation. Historical returns are based on the quarterly dataset of 1/1988-12/2012 (depending on the availability of data) and are calculated using a geometric mean.
- Best and worst case scenarios are calculated from probabilities based on a normal return distribution; however, actual results may be better or worse than shown.
- Mean-Variance Optimization assumes that return distributions are normal; however, hedge funds/private equity funds/real estate funds usually do not have normal distributions. Therefore, negative events may occur more often in actual than what is estimated by the optimizer. There may be risks that are not accounted for in the mean-variance optimization. Investing in hedge funds is intended for experienced and sophisticated investors who meet the accredited/investor-qualified purchaser standards only who are willing to bear the high economic risks of the investment. Investors should carefully review and consider potential risks before investing. Allocations to hedge funds may not be as liquid as long-only investments in traditional stock and bonds and may be subject to lock-ups.
- Tactical Portfolios: Shorter-term opportunities are not embedded in our capital market assumptions and, therefore, comparing their forward estimated returns with those of the strategic portfolios may not be relevant.
- This analysis was performed using representative benchmarks and assumes a static mix over both the historical and the forward time period.
- Recommended portfolios may require changes to the client's Investment Policy Statement.





2013 Capital Market Assumptions

Prepared by:

Jennifer Capouya, CFA, CFP®, CTFA, AIF
Director of Portfolio Strategy
SunTrust Banks, Inc.
jennifer.capouya@suntrust.com

Sabrina Bowens-Richard, CFA, CAIA
Senior Portfolio Strategist
SunTrust Banks, Inc.
sabrina.bowens-richard@suntrust.com

Shelly Simpson, CFA, CAIA
Senior Portfolio Strategist
SunTrust Banks, Inc.
shelly.simpson@suntrust.com

Key Secular Themes: Below-trend growth, lower rates and the search for yield

- **Below-trend global growth**

Many developed markets are facing a period of deleveraging, austerity measures, and constrained economic activity which will negatively impact global economic growth over the longer-term time horizon.

- **Interest rates will be lower for longer**

Sovereign debt loads, austerity measures, constrained economic activity and accommodative monetary policy will likely conspire to keep bond yields at absolute low levels. In addition, a developed world population in search of income may increase the relative demand for bonds, putting further pressure on yields.

- **The search for yield will be a key driver of investor behavior**

A search for income in the context of an aging population and low interest rates boosts the importance of the dividend component of equity returns. Large corporate cash positions also increase the likelihood of higher dividends.

- **Elevated risk asset volatility and correlations**

Market risk (volatility) remains elevated relative to long-term history. In addition, the investment returns of higher-risk assets (e.g., stocks and high yield bonds) have been increasingly more correlated. Conversely, correlations between higher-risk and lower-risk assets (e.g., Treasuries) have been historically low. We expect this condition to endure.

- **Less negative on the US dollar**

Periods of higher market volatility are typically also characterized by a flight to the safe haven of US Treasuries and likewise, the dollar. In addition, more accommodative monetary policy overseas will likely limit foreign currency gains.

What's Different in 2013?

- **US bond returns are lower this year**

Yields continued their downward trajectory in 2012 and credit spreads narrowed. Beginning yield assumptions are therefore lower. Moreover, our assumed path of interest rates more fully incorporates two tightening cycles. As a result, the price component of returns has been negatively impacted, and total return forecasts are lower.

- **Developed international bond returns are lower; the currency return component has been adjusted downward**

Similar to the US, yields fell and spreads narrowed in 2012. Lower beginning yields have negatively impacted forward international developed bond returns. In addition, we have reduced our assumption for the component of total return derived from currency gains as developed countries, especially Japan, appear to be in a competitive devaluation phase.

- **Domestic equity returns are even more attractive relative to bonds**

Our US equity return assumption is unchanged from last year, however, our component assumptions are different. Modest valuation expansion is supported by stocks' increasing relative attractiveness to bonds in a low interest rate environment. Dividend yields should remain near recent averages.

- **Developed international equity returns are higher this year, but remain below domestic equity returns**

The forward return for international developed markets has been raised, incorporating the effects of the European Central Bank's Outright Monetary Transaction policy tool, which could help stimulate economic activity.

- **Risk and correlations have declined**

While elevated relative to longer term historical averages, a slight reduction in risk statistics reflects a sluggish but steady growth environment over our forecast period and abating tail risks in the euro zone. Lower correlations between risky and high quality asset classes reflect our assumption for a rising interest rate environment over the next ten years.

Capital Market Assumptions – 2013

ASSET CLASS	ESTIMATED RETURNS AND STATISTICS			HISTORICAL RETURNS AND STATISTICS ENDING DECEMBER 31, 2012					
	Annualized 10 Year Return	Standard Deviation	Correlation to S&P 500	1 Year Historical	5 Year Historical	10 Year Historical	Long-Term Historical	Long-Term Standard Deviation	Long-Term Correlation to S&P 500
TAXABLE FIXED INCOME									
Cash	1.25	0.94	-0.07	0.11	0.52	1.78	3.94	1.30	0.09
Short Duration Govt/Credit	1.75	2.30	-0.20	2.24	3.83	3.72	6.01	2.94	-0.12
Intermediate Duration Aggregate Bonds	2.00	3.46	-0.21	4.21	5.95	5.18	7.24	4.27	-0.07
Intermediate Duration Treasuries	1.00	6.97	-0.54	3.57	7.19	5.70	7.69	6.81	-0.32
Treasury Inflation-Prot Securities	1.50	6.00	-0.05	7.33	7.21	6.73	7.28	4.83	-0.33
Intermediate Duration Corporates	2.75	6.43	0.32	9.82	7.87	6.33	7.91	5.69	0.21
Leveraged Loans	5.00	13.00	0.61	9.43	4.81	5.53	5.96	8.18	0.55
High Yield Corporate Bonds	5.50	16.20	0.63	15.59	10.01	10.39	9.07	10.52	0.67
International Bonds Unhedged	2.50	9.27	0.14	1.51	5.24	6.38	6.47	10.40	-0.03
Emerging Market Debt	6.25	13.70	0.75	14.98	7.73	11.42	12.93	12.30	0.63
TAX-EXEMPT FIXED INCOME									
Short Duration Municipal Bonds	2.00	1.26	-0.40	1.03	2.80	2.67	4.21	1.57	-0.10
Intermediate Duration Municipal Bonds	2.00	2.74	-0.21	2.96	5.28	4.26	5.73	2.91	-0.14
High Yield Municipal Bonds	5.00	10.84	0.56	18.14	6.15	7.08	6.15	8.49	0.41
DOMESTIC EQUITY									
Large Cap Core	7.50	18.50	1.00	16.42	1.92	7.52	9.89	17.85	1.00
Mid Cap Core	8.00	22.24	0.97	17.28	3.57	10.65	11.62	20.43	0.94
Small Cap Core	8.00	23.77	0.95	16.35	3.56	9.72	9.74	23.00	0.88
US Equity REITs	6.75	24.00	0.80	19.70	5.74	11.78	10.97	21.74	0.60
Natural Resources	8.00	28.19	0.76	2.20	-1.51	12.78	8.92	24.56	0.68
INTERNATIONAL EQUITY									
Developed Markets	7.25	23.41	0.92	17.90	-3.21	8.70	5.49	20.56	0.81
Emerging Markets	10.00	30.72	0.84	18.63	-0.61	16.88	12.73	30.84	0.69
NON-TRADITIONAL/ALTERNATIVE									
Commodities	4.00	21.57	0.52	-1.06	-5.17	4.09	4.79	16.90	0.22
Managed Futures/CTA	6.50	11.33	0.01	-2.93	2.90	4.79	5.51	12.07	-0.28
Low Volatility Hedge Fund of Funds	4.50	8.00	0.67	3.91	-1.54	2.81	6.28	5.64	0.61
Diversified Hedge Fund of Funds	5.75	9.00	0.68	5.38	-1.41	3.75	6.87	7.94	0.56
Hedged Equity Fund of Funds	6.75	11.00	0.74	6.40	-2.33	4.48	9.54	11.44	0.61
Private Equity	9.50	18.20	0.76	14.87	5.85	14.65	13.99	11.18	0.71

Notes:

Estimated returns reflect SunTrust's current average annual return assumptions for each asset class as of January 2013, are not guaranteed and are subject to revision without notice.

Estimated returns are forward-looking assumptions over the next 10 years. These assumptions reflect our capital market expectations for each asset class. Estimated returns are derived from a combination of fundamental research incorporating business cycle analysis and long-term secular themes along with the Black-Litterman model and mean-reversion analysis. Estimated standard deviations and correlations are derived from quarterly/10-year historical data ending 12/31/2012 and may be adjusted according to our research and professional judgment. Our process also incorporates adjusted standard deviations and correlations for asset classes and strategies exhibiting a high degree of serial correlation.

Historical returns (calculated using a geometric mean), standard deviations (annualized) and correlations represent data calculated using quarterly data points through December 31, 2012 (except Private Equity, which is as of September 30, 2012).

Returns, standard deviation and correlations over the long-term period are based on the last 25 years using the dataset of 3/1988 – 12/2012 (depending on the availability of data): BofA-ML US Treas Infl Linked Sec (16 years); Credit Suisse Leveraged Loan (21 years); JPM GBI EM Global (11 years); BofA-ML Municipal 1-3 Yr (24 years); BarCap Municipal Bond-High Yield (17 years); S&P North Amer Natural Resources (16 years); DJ UBS Commodity (22 years); DJ Credit Suisse Managed Futures (19 years); HFRI FoF Conservative (23 years); HFRI FoF Diversified (23 years); and HFRI FoF Strategic (23 years)

Data Source: Morningstar, CSFB/Tremont Hedge Index, Hedge Fund Research, Inc., MSCI, JP Morgan, S&P/Citigroup

Past performance is not indicative of future results.

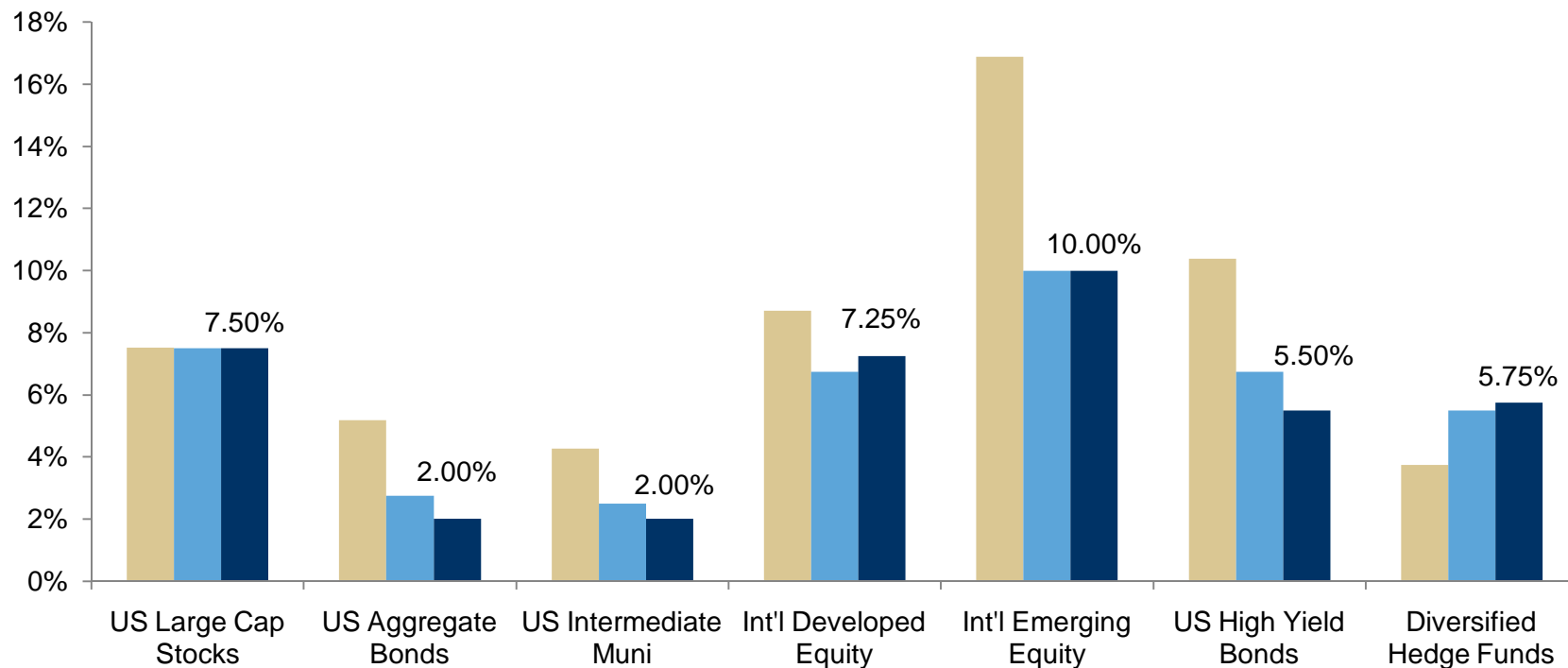
Please see Important Disclosures for additional information.



Estimated Capital Market Returns – In Comparison

Compound Annualized Returns

■ 2002-2012 ■ 10 Yr Est. Return (2012) ■ 10 Yr Est. Return (2013)



Notes:

Estimated returns reflect SunTrust's current average annual return assumptions for each asset class as of January 2013, are not guaranteed and are subject to revision without notice. Estimated returns are forward-looking assumptions over the next 10 years. These assumptions reflect our capital market expectations for each asset class. Estimated returns are derived from a combination of fundamental research incorporating business cycle analysis and long-term secular themes along with the Black-Litterman model and mean-reversion analysis. Historical returns data source: Morningstar, CSFB/Tremont Hedge Index, Hedge Fund Research, Inc., MSCI, JP Morgan, S&P/Citigroup

**Past performance is not indicative of future results.
Please see Important Disclosures for additional information.**



Estimated Correlation Matrix

	ASSET CLASS	REPRESENTATIVE INDEX																				
			Cash	Inter. Aggregate Bond	Inter. Treasuries	Inter. Munis	High Yield Muni	High Yield Corporates	Int'l Unhedged Bond	Emerging Mkt Debt	Large Cap Core	Mid Cap Core	Small Cap Core	US Equity REITs	Int'l Developed	Int'l Emerging	Commodities	Managed Futures/CTA	Low Vol Hedge FoF	Diversified Hedge FoF	Hedged Equity FoF	Private Equity
FIXED INCOME	Cash	BofAML US Treasury Bill 3 Mon	1.00	-0.03	0.06	-0.06	-0.18	-0.19	0.06	0.07	-0.07	-0.11	-0.10	-0.07	0.02	0.08	0.04	0.10	0.02	0.03	0.04	0.07
	Inter. Aggregate Bond	Barclays US Agg Bond	-0.03	1.00	0.85	0.88	0.03	-0.03	0.51	0.04	-0.21	-0.24	-0.26	0.00	-0.15	-0.10	-0.26	0.24	-0.25	-0.20	-0.16	-0.24
	Inter. Treasuries	BofAML US Treasuries 5-10 Yr	0.06	0.85	1.00	0.79	-0.30	-0.45	0.41	-0.29	-0.54	-0.59	-0.55	-0.30	-0.50	-0.47	-0.48	0.26	-0.58	-0.53	-0.50	-0.51
	Inter. Munis	Barclays Municipal 5 Yr 4-6	-0.06	0.88	0.79	1.00	0.04	0.02	0.53	0.04	-0.21	-0.24	-0.25	-0.04	-0.17	-0.08	-0.32	0.17	-0.23	-0.19	-0.16	-0.24
	High Yield Muni	Barclays High Yield Municipals	-0.18	0.03	-0.30	0.04	1.00	0.66	-0.06	0.45	0.56	0.61	0.51	0.59	0.54	0.58	0.33	-0.20	0.60	0.51	0.48	0.55
	High Yield Corporates	BofAML US HY Master II	-0.19	-0.03	-0.45	0.02	0.66	1.00	0.06	0.58	0.63	0.68	0.58	0.50	0.62	0.71	0.47	-0.11	0.76	0.68	0.68	0.63
	Int'l Unhedged Bond	Citi WGBI NonUSD USD	0.06	0.51	0.41	0.53	-0.06	0.06	1.00	0.43	0.14	0.11	0.09	0.20	0.30	0.22	0.12	0.45	-0.03	0.03	0.09	0.04
	Emerging Mkt Debt	JPM GBI EM Global TR USD	0.07	0.04	-0.29	0.04	0.45	0.58	0.43	1.00	0.75	0.77	0.73	0.68	0.81	0.80	0.43	0.25	0.63	0.67	0.72	0.69
EQUITY	Large Cap Core	S&P 500	-0.07	-0.21	-0.54	-0.21	0.56	0.63	0.14	0.75	1.00	0.97	0.95	0.80	0.92	0.84	0.52	0.01	0.67	0.68	0.74	0.76
	Mid Cap Core	Russell Mid Cap	-0.11	-0.24	-0.59	-0.24	0.61	0.68	0.11	0.77	0.97	1.00	0.96	0.80	0.93	0.87	0.58	0.03	0.75	0.76	0.80	0.79
	Small Cap Core	Russell 2000	-0.10	-0.26	-0.55	-0.25	0.51	0.58	0.09	0.73	0.95	0.96	1.00	0.84	0.87	0.79	0.45	0.04	0.61	0.64	0.69	0.74
	US Equity REITs	FTSE NAREIT All Equity REITs	-0.07	0.00	-0.30	-0.04	0.59	0.50	0.20	0.68	0.80	0.80	0.84	1.00	0.72	0.63	0.39	-0.06	0.39	0.38	0.43	0.55
	Int'l Developed	MSCI EAFE GR	0.02	-0.15	-0.50	-0.17	0.54	0.62	0.30	0.81	0.92	0.93	0.87	0.72	1.00	0.93	0.58	0.11	0.72	0.77	0.83	0.75
	Int'l Emerging	MSCI EM GR	0.08	-0.10	-0.47	-0.08	0.58	0.71	0.22	0.80	0.84	0.87	0.79	0.63	0.93	1.00	0.63	0.11	0.81	0.85	0.90	0.75
NON-TRADITIONAL / ALTS	Commodities	DJ UBS Commodity	0.04	-0.26	-0.48	-0.32	0.33	0.47	0.12	0.43	0.52	0.58	0.45	0.39	0.58	0.63	1.00	0.07	0.66	0.62	0.60	0.45
	Managed Futures/CTA	DJ Credit Suisse Mnged Futures	0.10	0.24	0.26	0.17	-0.20	-0.11	0.45	0.25	0.01	0.03	0.04	-0.06	0.11	0.11	0.07	1.00	0.15	0.26	0.25	0.18
	Low Vol Hedge FoF	HFRI FOF: Conservative Index	0.02	-0.25	-0.58	-0.23	0.60	0.76	-0.03	0.63	0.67	0.75	0.61	0.39	0.72	0.81	0.66	0.15	1.00	0.97	0.93	0.79
	Diversified Hedge FoF	HFRI FOF: Diversified Index	0.03	-0.20	-0.53	-0.19	0.51	0.68	0.03	0.67	0.68	0.76	0.64	0.38	0.77	0.85	0.62	0.26	0.97	1.00	0.98	0.78
	Hedged Equity FoF	HFRI FOF: Strategic Index	0.04	-0.16	-0.50	-0.16	0.48	0.68	0.09	0.72	0.74	0.80	0.69	0.43	0.83	0.90	0.60	0.25	0.93	0.98	1.00	0.79
	Private Equity	Cambridge Assoc. US Private Equity	0.07	-0.24	-0.51	-0.24	0.55	0.63	0.04	0.69	0.76	0.79	0.74	0.55	0.75	0.75	0.45	0.18	0.79	0.78	0.79	1.00

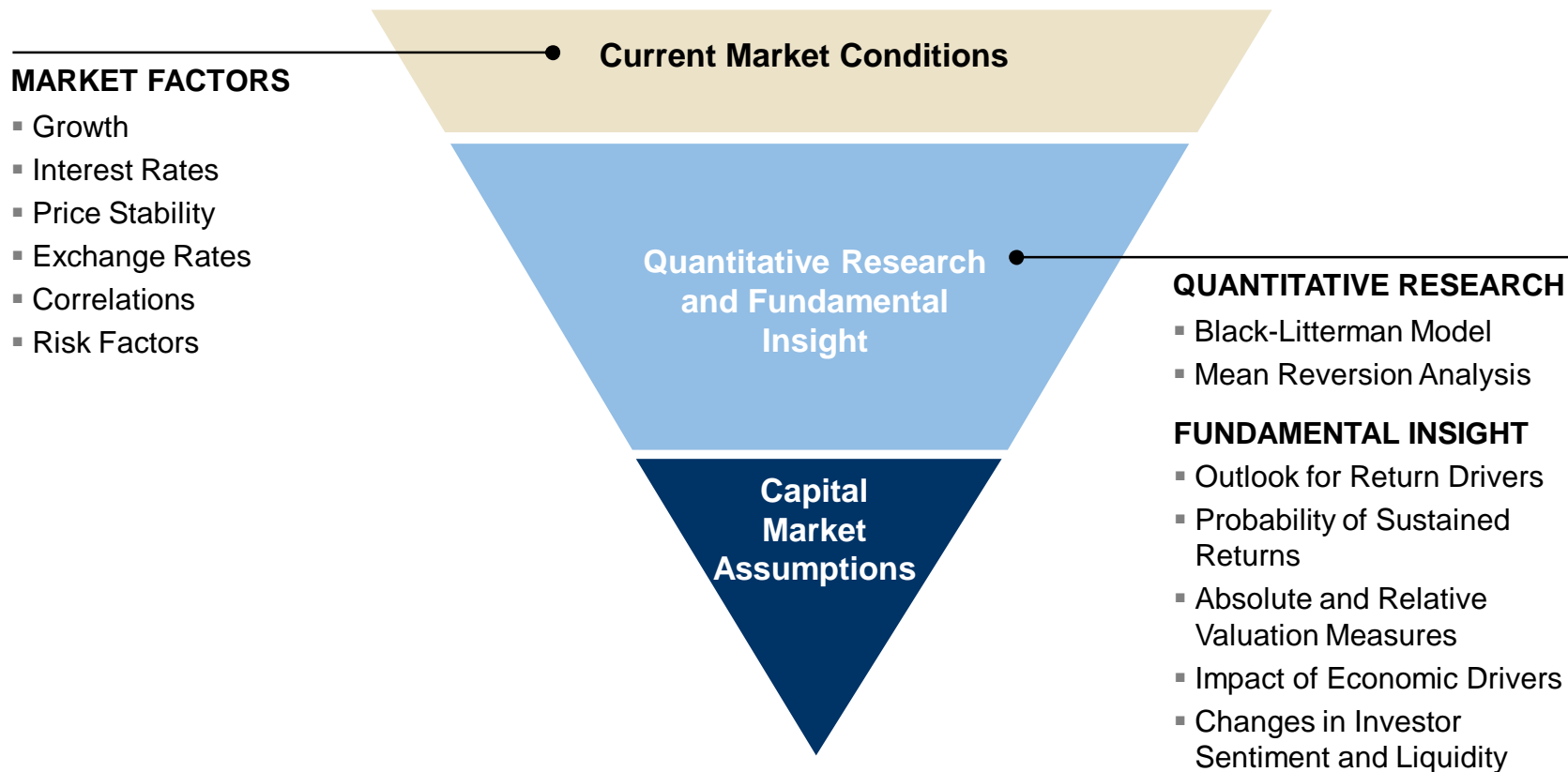
Notes:
 Estimated correlations reflect SunTrust's current assumptions for each asset class as of January 2013, are not guaranteed and are subject to revision without notice.
 Data as of December 31, 2012 with the exception of the Cambridge Associates US Private Equity Index (data as of September 30, 2012)

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Estimated Capital Market Returns Methodology

Objective quantitative research and fundamental insight drive our estimated returns. Estimated returns are typically revised annually and are used in scenario testing and fundamental overlay to construct strategic asset allocation solutions.



Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Estimated Capital Market Returns Methodology, cont.

SunTrust reviews its forward looking capital market assumptions annually or when market conditions warrant a change. We routinely monitor the investment landscape to evaluate the consistency of our assumptions.

Our estimated returns, risk and correlation statistics are designed for the construction of strategic investment portfolios and longer-term financial planning solutions.

- We begin with the assumption that economic cycles range from four to five years in duration. Our assumptions will therefore, generally include two full cycles including slowdowns and expansions.
- We take a building block approach to the construction of traditional asset class returns and also rely on regression analysis to determine the factors that explain the returns for alternative strategies.
- Our outlook is shaped by current rates of global economic growth, interest rates, price stability and risk conditions. We then combine fundamental insight with quantitative research and the analysis of long-term trends to determine our forward looking projections for asset class returns.
- We leverage internal and third-party research resources as appropriate.

Building Block Approach to Forecasting Asset Class Returns

- **Domestic fixed income returns incorporate the following factors:**

- Yield
- Change in spread
- Change in price (duration and convexity)
- Default levels

- **Equity returns incorporate the following factors:**

- Corporate profit growth
- Dividend yield
- Valuation re-pricing
- M&A premium (mid- and small-cap domestic equity)
- US dollar effect (international equity)

- **Commodity returns incorporate the following factors:**

- Spot return
- Roll return
- T-Bill return (collateral)

- **Alternative strategy returns incorporate:**

- Return drivers associated with traditional asset classes adjusted for differences in strategy, liquidity and market accessibility

Constructing Ten-Year Fixed Income Returns

Our process for forecasting fixed income returns begins with the anticipated path of interest rates given the current stage of the business cycle and monetary policy expectations. We then incorporate current yield levels, appropriate spreads and default rates. For international fixed income asset classes, we also consider a currency impact.

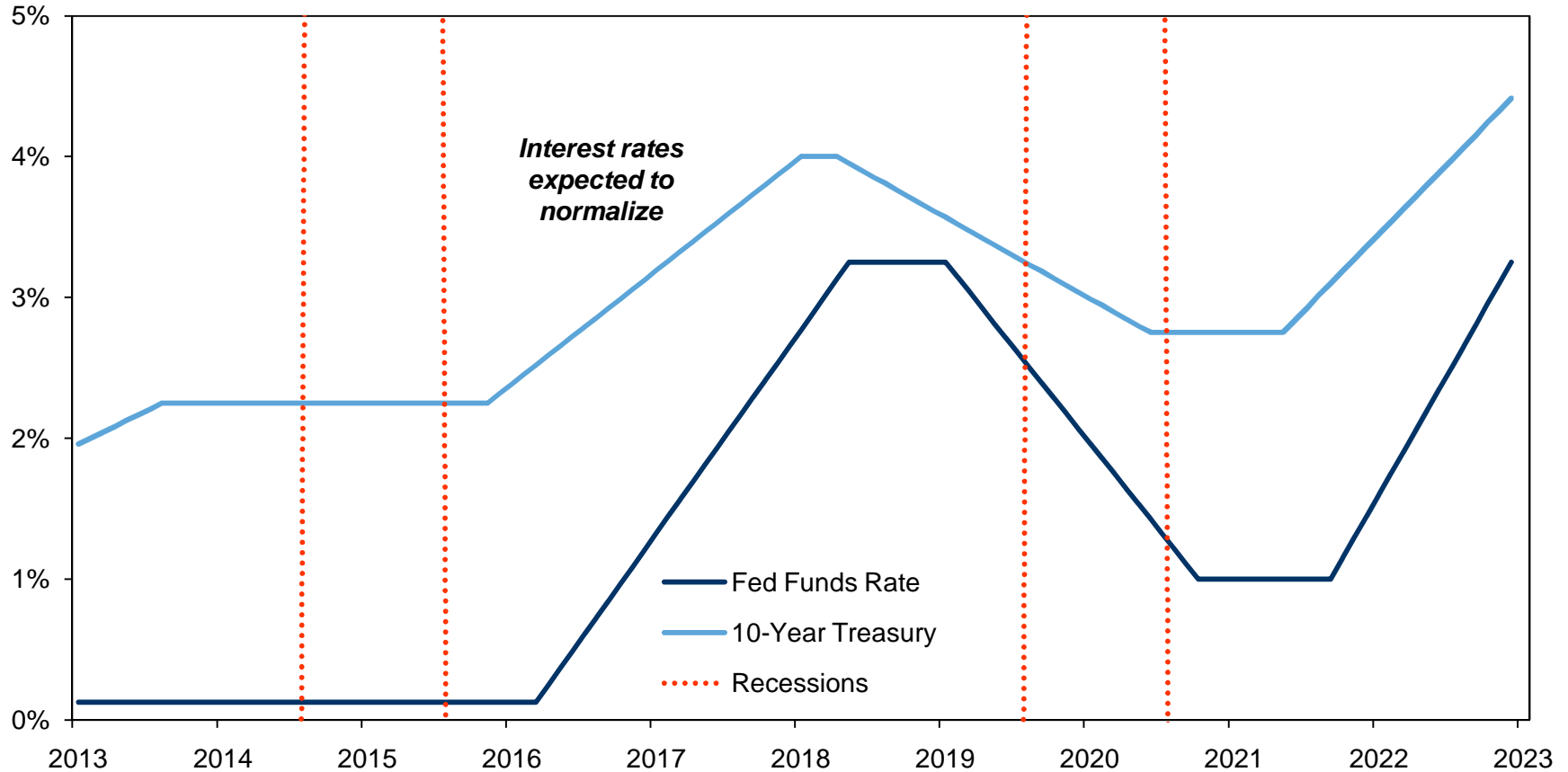
2013 Ten-Year Forward Return Assumptions								
	Cash	Government Sector	Corporate Sector	Mortgage Sector	Aggregate	High Yield Corporate	Unhedged Intl Bonds	EM Debt
Income	1.25%	2.50%	4.50%	3.75%	3.50%	8.00%	2.25%	5.75%
Price	0.00%	-1.50%	-1.75%	-1.25%	-1.50%	-2.50%	-0.75%	
Currency	--	--	--	--	--	--	1.00%	0.50%
Total Return	1.25%	1.00%	2.75%	2.50%	2.00%	5.50%	2.50%	6.25%
Default Rate	--	--	--	--	--	3.50%	--	--
Beginning Yield (12/31/2012)	0.06%	0.86%	2.71%	2.22%	1.74%	6.08%	1.49%	5.74%

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



The Expected Path of Interest Rates

Our expected path of interest rates is tied to historical observations on monetary easing and tightening cycles and the corresponding yield curve. Easing cycles are defined as periods when the Fed Funds rate is declining until it troughs. Conversely, tightening cycles occur when the Fed Funds rate rises until it peaks.



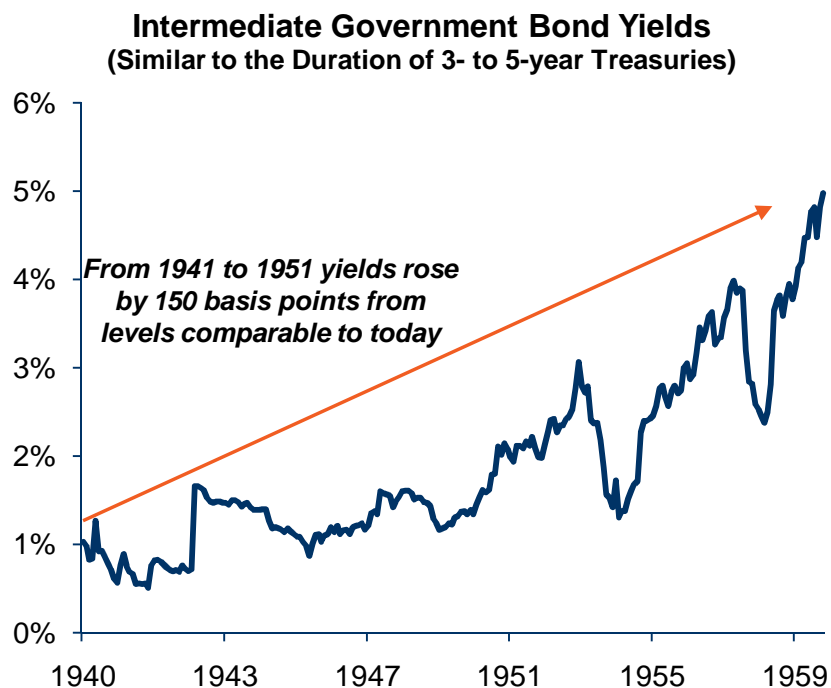
Source: SunTrust Portfolio Strategy Group

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Historical Perspective: During the 1940-50s, Yields Rose from Low Levels

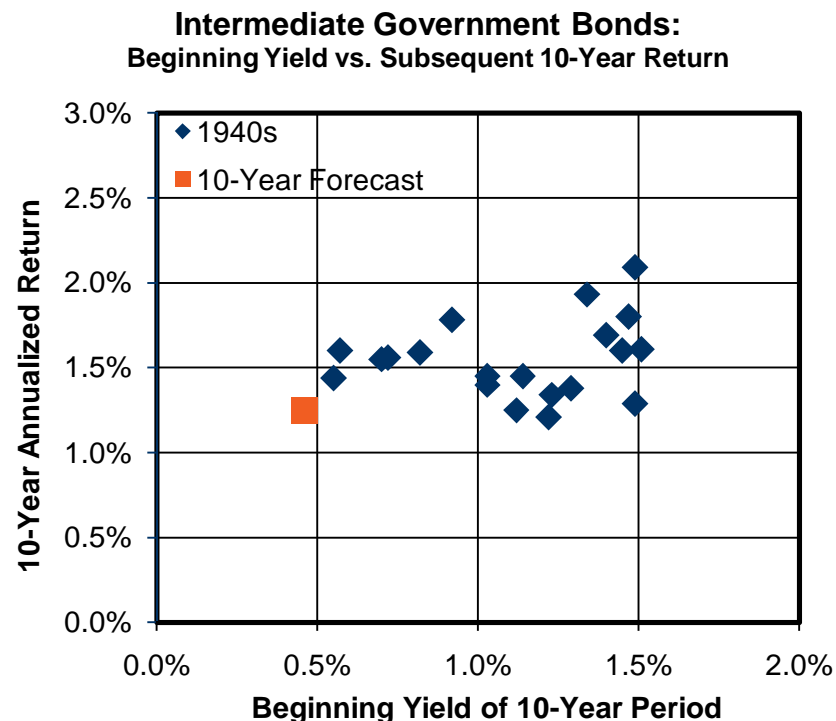
During the 1940-50s, interest rates rose from levels similar to today (lower left chart). To illustrate the impact of rising rates, the lower right chart shows the beginning yield and resulting 10-year annualized return for intermediate-term government bonds (similar in duration to the 3- to 5-year Treasuries) during the 1940s (e.g., from 1941-1951 yields rose from 0.55% to 2.08%; the resulting annualized return was 1.44%). As of December 31, 2012, intermediate-term governments yielded 0.46%.



Graph depicts rising yields in the 1940-50s for intermediate-term government bonds (similar to 3- to 5-year Treasuries).

Source: Morningstar's Stocks, Bonds, Bills and Inflation

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Graph depicts beginning yields from 1940-50 shown on a semi-annual basis and the subsequent 10-year annualized returns.



Constructing Core Taxable Fixed Income Returns

Our estimate for core fixed income returns has been lowered primarily due to lower beginning period yields and our assumption for the path of interest rates which more fully incorporates two tightening cycles.

	Last 25 Years	Last 10 Years	Last 5 Years	Exp. 10-Yr Return (2012)	Exp. 10-Yr Return (2013)	Rationale
Income Return	6.26%	4.48%	3.92%	3.50%	3.50%	<ul style="list-style-type: none"> Our 2013 core taxable bond income return estimate is comparable to last year's assumption. This year's path of interest rates more fully incorporates two tightening cycles; therefore, the ending yield is higher which offsets lower starting yields. We assume that monetary policy will begin normalizing near the end of the first half of our forecast period.
Price Return	0.92%	0.67%	1.95%	-0.75%	-1.50%	<ul style="list-style-type: none"> With the decline in yields over the last year and a higher ending yield in the ten-year period due to the change in the path of interest rates, the price return is more negatively impacted. As interest rates rise, bond prices fall.
Total Return	7.24%	5.18%	5.95%	2.75%	2.00%	
Beginning Yield	9.08%	4.06%	4.90%	2.40% (11/30/2011)	1.74%	<ul style="list-style-type: none"> Yields have trended down since the early 1980s and are likely at long-term secular lows.

Source: FactSet, Morningstar and SunTrust Portfolio Strategy Group
Data as of December 31, 2012 unless otherwise noted; yields are yield to worst.

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing High Yield Taxable Bond Returns

Our estimate for high yield bond returns declined from last year due to lower starting yields and changes in the path of interest rates.

	Last 25 Years	Last 10 Years	Last 5 Years	Exp. 10-Yr Return (2012)	Exp. 10-Yr Return (2013)	Rationale
Income Return	9.58%	8.67%	8.97%	8.00%	8.00%	<ul style="list-style-type: none"> The 2013 income return estimate more fully incorporates two tightening cycles. The ending yield is now higher which offsets lower starting yields. Bond defaults can reduce the income earned by investors. Our income return includes a default rate in line with longer term averages as we reconcile strong current corporate fundamentals with a ten year forecast period.
Price Return	-0.46%	1.59%	0.97%	-1.25%	-2.50%	<ul style="list-style-type: none"> With the recent decline in yields, spreads are below long-term averages, and with a higher ending yield in the ten-year forecast period, the price return is more negatively impacted. Default rates are also at very low levels and are expected to normalize.
Total Return	9.07%	10.39%	10.01%	6.75%	5.50%	
Beginning Yield	13.51%	11.90%	9.62%	8.89% (11/30/2011)	6.08%	<ul style="list-style-type: none"> While spreads have narrowed, they are still above their pre-crisis lows. Yields, however, are at all-time secular lows.
Default Rate (Average)	4.1%	2.7%	3.2%	3.5%	3.5%	<ul style="list-style-type: none"> Default rates are at historical lows. We assume a default rate between the five-year and long-term historical average.

Source: FactSet, Morningstar and SunTrust Portfolio Strategy Group
Data as of December 31, 2012 unless otherwise noted; yields are YTW except for 25-year figure.

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing International Unhedged Taxable Bonds Returns

Our estimated international bond returns have declined this year primarily due to lower starting yields which will have a greater impact on both the income and price return components.

	Last 25 Years	Last 10 Years	Last 5 Years	Exp. 10-Yr Return (2012)	Exp. 10-Yr Return (2013)	Rationale
Income	5.26%	3.23%	2.96%	2.75%	2.25%	<ul style="list-style-type: none"> The international bond market is dominated by the euro zone and Japan. Our income return assumption has declined due to lower starting yields in these markets.
Price	0.71%	0.34%	1.43%	-0.50%	-0.75%	<ul style="list-style-type: none"> The price return is slightly more negative this year due to lower starting yields. Our price assumptions incorporates a delayed tightening cycle relative to the US, reflecting slower growth regions.
Currency Return	0.44%	2.70%	0.77%	1.25%	1.00%	<ul style="list-style-type: none"> We have lowered our expected currency component return as over 80% of the market is exposed to the euro and yen. Japan has announced plans for aggressive monetary policy while gains in the euro are dependent upon relative monetary policies and economic growth.
Total Return	6.47%	6.38%	5.24%	3.50%	2.50%	
Beginning Yield	6.35%	2.48%	3.21%	2.23% (11/30/2011)	1.49%	<ul style="list-style-type: none"> Yields have trended down since the early 1980s and are likely at long-term secular lows.

Source: FactSet, Morningstar and SunTrust Portfolio Strategy Group
Data as of December 31, 2012 unless otherwise noted

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing Emerging Markets Bond Returns

Similar to the US and developed international bond markets, our estimated emerging market bond returns have declined this year due primarily to lower starting yields.

	Last 10 Years	Last 5 Years	Exp. 10-Yr Return (2012)	Exp. 10-Yr Return (2013)	Rationale
Total Return (Local Currency)	9.83%	10.94%	6.50%	5.75%	<ul style="list-style-type: none"> The primary return drivers for emerging market local currency bonds are yield levels, monetary policy and defaults/credit conditions. Our forecast for emerging market bonds in local currency reflects improving credit conditions in these markets, better management of monetary policy and inflation, and yield levels which we expect to attract heightened investor attention.
Currency Return	1.45%	-2.89%	0.00%	0.50%	<ul style="list-style-type: none"> The currency component for emerging market debt is expected to remain volatile; therefore, only a small positive currency gain has been assumed. Relative to the US dollar, emerging market currencies are expected to produce a slight positive return as the US dollar remains in a secular downward trend versus its trading partners.
Total Return	11.42%	7.73%	6.50%	6.25%	
Beginning Yield	6.91%	7.89%	6.99% (11/30/2011)	5.74%	<ul style="list-style-type: none"> Yields have trended down since the heightened volatility of the financial crisis.

Source: FactSet, Morningstar and SunTrust Portfolio Strategy Group
Data as of December 31, 2012 unless otherwise noted

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing Investment Grade Tax-Exempt Bond Returns

Our estimated tax-exempt bond returns are slightly lower than last year's assumptions due primarily to a change in our outlook for spreads to Treasuries as well as lower starting yields.

	Last 25 Years	Last 10 Years	Last 5 Years	Exp. 10-Yr Return (2012)	Exp. 10-Yr Return (2013)	Rationale
Income Return	5.66%	4.78%	4.74%	4.00%	3.75%	<ul style="list-style-type: none"> Our municipal bond income return is slightly lower than last year's assumption due to a decline in yields and a change in our spread assumption. Municipals bonds have typically traded below comparable dated Treasuries; however, with concerns over state finances and tax code changes, spreads have widened. Our income return assumes munis continue to trade above Treasuries, but less so than last year.
Price Return	0.97%	0.31%	1.12%	-0.75%	-1.50%	<ul style="list-style-type: none"> The price return has become more negative due to lower starting yields and a change in the path of interest rates to more fully incorporate two tightening cycles.
Total Return	6.68%	5.10%	5.91%	3.25%	2.25%	
Beginning Yield	7.94%	3.70%	4.00%	3.09% (11/30/2011)	2.17%	<ul style="list-style-type: none"> Yields have trended down since the early 1980s and are likely at long-term secular lows.
Beginning Ratio to 10-Year Treasury	0.90	0.97	0.99	1.49 (11/30/2011)	1.24	<ul style="list-style-type: none"> The ratio of the municipal bond to 10-year Treasury yields remains above historical averages which may reflect continued fears of a change in tax policy.

Source: FactSet, Morningstar and Portfolio Strategy Group. Data as of December 31, 2012 unless otherwise noted; yields are yield to worst. A portion of income may be subject to state taxes and federal alternative minimum tax (AMT) for individuals and corporations. Capital gains earned on tax exempt investments are taxable.

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing Ten-Year Equity Returns

Our process for forecasting equity returns begins with an evaluation of the earnings cycle. We then incorporate profit growth, valuation and dividend assumptions. For international stocks, we also consider a currency impact.

2013 Ten-Year Forward Return Assumptions

	US Large-Cap Equity	US Mid-Cap Equity	US Small-Cap Equity	Developed International Equity	Emerging International Equity
Corporate Earnings Growth	5.00%	5.50%	5.75%	4.00%	8.00%
Valuation Repricing	0.25%	0.10%	0.05%	-0.75%	-1.00%
Dividend Yield	2.25%	1.85%	1.45%	3.00%	2.50%
M&A Premium	--	0.55%	0.75%	--	--
Currency	--	--	--	1.00%	0.50%
Total Return	7.50%	8.00%	8.00%	7.25%	10.00%

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing Equity Returns

Our process for forecasting equity returns begins with an evaluation of the earnings cycle. We then incorporate profit growth, valuation and dividend assumptions. For international stocks, we also consider a currency impact.

- **Earnings growth cycle**

- We evaluate the typical characteristics of the earnings cycle to determine the growth rates used in our analysis.
- We then assess where we are within the earnings growth cycle, the sustainability of the current phase and the implications for future returns.

- **Valuation cycle – including historical and current valuation levels**

- We determine the key drivers of recent valuation changes (e.g., interest rates or investor sentiment).
- We then assess the sustainability of those drivers and the implications for future returns.

- **Dividends, or the income portion, of the total equity return**

- We analyze investor sentiment towards dividends along with corporate operating fundamentals and general economic trends.

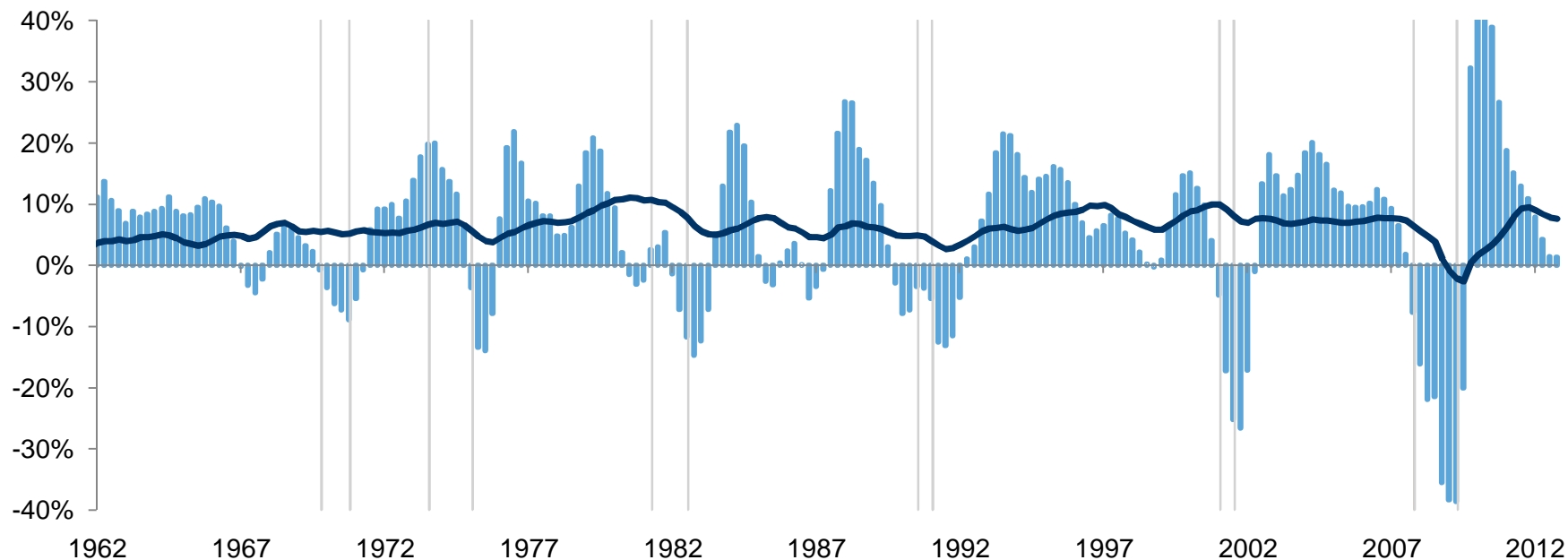
- **Other factors specific to sub-equity asset classes**

- Merger and acquisition premia for small- and mid-cap equities are determined based on current market conditions and longer-term trends.
- The currency component for international equity incorporates our view on the US dollar.

Constructing Domestic Large-Cap Equity Returns – The Earnings Cycle

Our earnings growth assumptions are tied to historical observations on the earnings cycle. Earnings tend to grow over a three to five year cycle before declining over a one to two year cycle. Despite the short-term volatility in earnings, the long-term trend growth of 5 – 7% holds steady over time. We expect growth over the next ten years to be at the lower end of the range given below-trend global economic growth forecasts and elevated margins.

Historical S&P 500 Earnings Growth
Through December 31, 2012; Recessions shaded



For scale, extreme values were removed

■ Y/Y EPS Growth — 10 Yr Annlzd Growth

Source: Standard & Poors, Morningstar, SunTrust Portfolio Strategy Group
Data as of December 31, 2012 unless otherwise noted

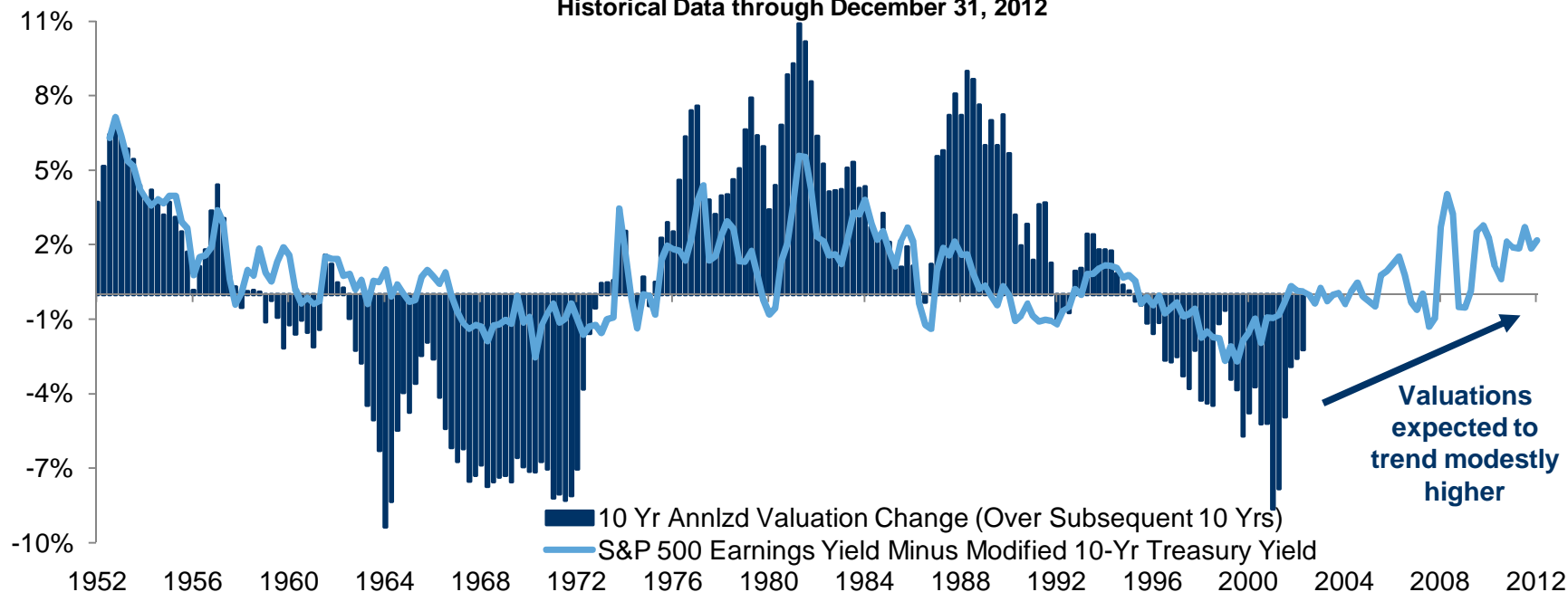
Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing Domestic Large-Cap Equity Returns – Valuation Repricing

Price-to-earnings ratios, which have contracted to levels not seen since the mid-1970s, are expected to rise modestly over the forecast period given stocks' relative attractiveness to bonds. We employ an equity risk premium approach (equity earnings yield vs. 'modified' US 10-year Treasury yield) to explain long-term *expectations* for changes in P/E ratios. We believe an increase in the relative attractiveness of stocks coupled with a rise in historically low interest rates would support modest multiple expansion over the next decade.

S&P 500 Earnings Yield vs. 10-Year Treasury Yield and Expected Valuation Changes
Historical Data through December 31, 2012



*The S&P 500 earnings yield minus the modified 10-year Treasury yield is a measure of the equity risk premium (internally adjusted for the US economic growth and inflation environment). Modifying the 10-year Treasury yield provides a better proxy for dislocated Treasury yields given current economic fundamentals.

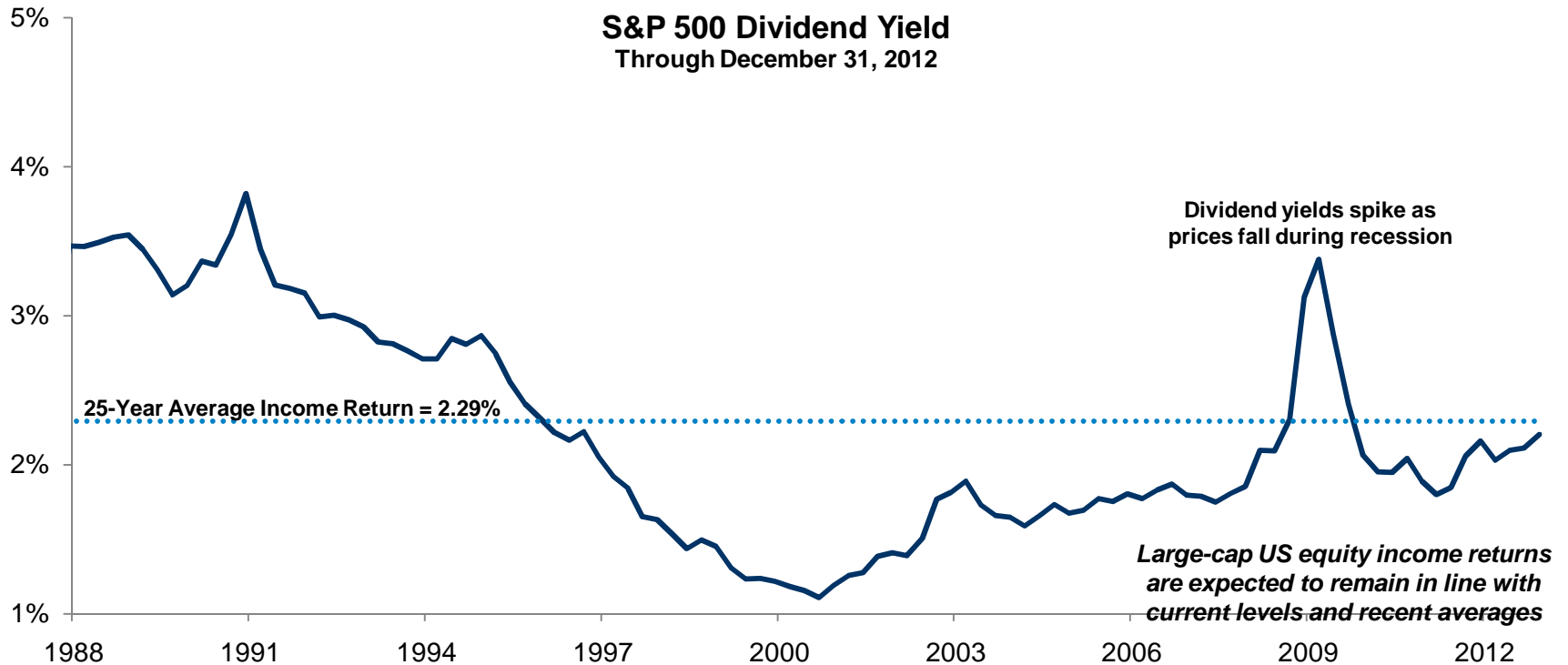
Source: Standard & Poors, Haver, Morningstar, SunTrust Portfolio Strategy Group
Data as of December 31, 2012 unless otherwise noted

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing Domestic Large-Cap Equity Returns – Dividends

Dividends have historically been a fairly steady component of the total return for equities and are expected to remain a major theme given investors' search for income, a below-trend economic growth environment and healthy corporate balance sheets. Large-cap US equity dividend yields have recently risen near historical average levels as companies increased payouts ahead of new tax policies. We expect the income component of return to remain close to the 25-year historical average shown below.



Source: Haver
Data as of December 31, 2012

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing Domestic Large-Cap Equity Returns

Our outlook for domestic large-cap equity returns includes a revision to our valuation repricing and dividend yield component assumptions. Modest valuation expansion and stable dividend yields aid equity returns long term.

	Last 25 Years	Last 10 Years	Last 5 Years	Exp. 10-Yr Return (2012)	Exp. 10-Yr Return (2013)	Rationale
Corporate Earnings Growth	5.95%	7.63%	5.36%	5.00%	5.00%	<ul style="list-style-type: none"> Our corporate earnings growth assumption remains steady at 5%, which is at the lower end of a typical earnings cycle range given below-trend global economic growth forecasts and elevated margins, which we believe have peaked. Additionally, we expect corporate earnings growth to remain in line with nominal GDP growth over the investment horizon.
Valuation Repricing	1.47%	-2.55%	-5.95%	0.00%	0.25%	<ul style="list-style-type: none"> Our model adjusted equity risk premium rose in 2012 suggesting modest P/E expansion long-term. A rise in historically low Treasury yields could also benefit equity valuations.
Dividend Yield	2.29%	2.05%	2.25%	2.50%	2.25%	<ul style="list-style-type: none"> Dividend yields should keep pace with recent historical averages due to investor demand for yield and healthy balance sheet cash positions. Moreover, we expect the growth rate in dividends to revert closer to historical averages and remain in line with earnings growth (~5.0%).
Total Return	9.71%	7.13%	1.66%	7.50%	7.50%	

Source: Standard & Poors, FactSet, Morningstar and SunTrust Portfolio Strategy Group
Data as of December 31, 2012 unless otherwise noted

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing Domestic Small-Cap Equity Returns

Our outlook for domestic small-cap equity returns includes a revision to our valuation repricing and dividend yield component assumptions. Modest valuation expansion and stable dividend yields should aid small-cap returns.

	Last 20 Years	Last 10 Years	Last 5 Years	Exp. 10-Yr Return (2012)	Exp. 10-Yr Return (2013)	Rationale
Corporate Earnings Growth	7.00%	7.52%	3.66%	5.75%	5.75%	<ul style="list-style-type: none"> Similar to our outlook for large-cap equity, our corporate earnings growth rate remains at the lower end of a typical earnings cycle range given below-trend economic growth forecasts. We expect small-cap earnings to enjoy higher growth relative to larger-cap companies due to lower exposure to international markets.
Valuation Repricing	-0.55%	0.47%	-3.00%	0.00%	0.05%	<ul style="list-style-type: none"> A higher model adjusted equity risk premium and a potential rise in historically low interest rates support valuation expansion long term. We expect only a modest expansion in small-cap multiples as they have contracted less than large-caps multiples during the latest cycle.
Dividend Yield	1.47%	1.43%	1.47%	1.50%	1.45%	<ul style="list-style-type: none"> We expect dividend yields to keep pace with recent historical averages due to investor demand for yield and healthy balance sheet cash positions.
M&A Premium*	0.50%	0.30%	1.57%	0.75%	0.75%	<ul style="list-style-type: none"> The recovery in M&A activity from the 2009 trough level could continue due to high cash levels, relatively low levels of debt and attractive borrowing rates.
Total Return	8.42%	9.72%	3.70%	8.00%	8.00%	

*The merger and acquisition premium is not available for the 10- and 20-year periods and is an estimate derived from the other total return components.

Source: FactSet, Morningstar, BofA-Merrill Lynch Securities and SunTrust Portfolio Strategy Group

Data as of December 31, 2012 unless otherwise noted

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing International Equity Returns

We expect developed international equity returns below those of the US as Europe works through its sovereign debt crisis and Japan grapples with high sovereign debt levels and sluggish economic growth.

	Last 25 Years	Last 10 Years	Last 5 Years	Exp. 10-Yr Return (2012)	Exp. 10-Yr Return (2013)	Rationale
Corporate Earnings Growth	4.10%	7.80%	-7.87%	3.50%	4.00%	<ul style="list-style-type: none"> Europe constitutes over 40% of the developed international equity market and, as such, is a large driver of returns. The earnings growth assumption incorporates the expected effects of the European Central Bank's Outright Monetary Transaction policy tool. This program has reduced the uncertainty and tail risks in the region and could stimulate economic activity.
Valuation Repricing	-1.65%	-4.79%	0.81%	-0.75%	-0.75%	<ul style="list-style-type: none"> Price-to-earnings ratios have increased while earnings remain depressed over the last year. Valuations are therefore forecast to be negative and in line with the 10-year average discount to the US markets.
Dividend Yield	2.37%	3.19%	3.60%	3.00%	3.00%	<ul style="list-style-type: none"> We expect dividend yields to normalize as conditions improve over time.
Currency Return	0.65%	2.65%	0.59%	1.00%	1.00%	<ul style="list-style-type: none"> Japan's (20% market weight) policies geared to stimulate growth could cause the yen to depreciate, however, as the world's reserve currency, we continue to expect the US dollar to remain in a secular downward trend versus many of the other currencies in the developed international markets (Australia, Canada, UK).
Total Return	5.49%	8.70%	-3.21%	6.75%	7.25%	

Source: FactSet, Morningstar and SunTrust Portfolio Strategy Group
Data as of December 31, 2012 unless otherwise noted

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing International Equity Returns

We expect emerging market equity returns to remain above those of the developed markets as economic growth remains relatively higher and countries turn toward endogenous economic strategies.

	Last 17¼ Years	Last 10 Years	Last 5 Years	Exp. 10-Yr Return (2012)	Exp. 10-Yr Return (2013)	Rationale
Corporate Earnings Growth	9.01%	13.21%	4.10%	6.50%	8.00%	<ul style="list-style-type: none"> We expect emerging markets corporate earnings growth to remain in line with nominal GDP growth in these markets. In addition, many emerging market countries are focusing on long-term domestic growth strategies which should be favorable to earnings growth as per capita incomes continue to rise. Moreover, we expect developed market economies to become less of a drag on the export industries in the emerging markets as growth normalizes (albeit below trend).
Valuation Repricing	-1.38%	-0.94%	-5.80%	0.50%	-1.00%	<ul style="list-style-type: none"> Price-to-earnings ratios have moved up substantially over the last year while earnings growth was elusive. Valuations are forecast to be at the 10-year average discount to the US markets.
Dividend Yield	2.53%	2.79%	2.74%	2.50%	2.50%	<ul style="list-style-type: none"> The dividend yield remains the same as last year's assumption and is close to the current yield.
Currency Return	-2.48%	1.39%	-1.35%	0.50%	0.50%	<ul style="list-style-type: none"> The currency component for emerging market equities has traditionally been rather volatile, therefore, only a small positive currency gain has been assumed in line with our expectations for ongoing market volatility.
Total Return	7.50%	16.88%	-0.61%	10.00%	10.00%	

Source: FactSet, Morningstar and SunTrust Portfolio Strategy Group
Data as of December 31, 2012 unless otherwise noted

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing Commodity Futures Returns

We expect commodity returns to be lower in the years ahead as contango (a condition where forward prices are above spot prices) will continue to be a difficult hurdle for investors to overcome and T-Bill yields remain low.

	Last 22 Years	Last 10 Years	Last 5 Years	Exp. 10-Yr Return (2012)	Exp. 10-Yr Return (2013)	Rationale
Spot	6.95%	11.72%	3.87%	13.00%	11.00%	<ul style="list-style-type: none"> There are many factors that could cause commodity price increases, such as turmoil in the Middle East, weather, natural disasters, or periods of rapid growth in emerging economies. Overall, however, we believe the trend should be muted given slack available in many economies, a downshift in China's growth and improved long-term supply forecasts for energy and metals.
Roll	-5.44%	-9.37%	-9.40%	-10.00%	-8.25%	<ul style="list-style-type: none"> With evidence that investor demand has declined with high profile institutions reducing their commodity allocation, our roll return assumption is less negative. Furthermore, as more supply comes on board over time, forward curves may be positively affected.
Collateral (T-Bill)	3.28%	1.74%	0.36%	1.00%	1.25%	<ul style="list-style-type: none"> Our T-bill return forecast is slightly higher than last year's assumption as short-term rates are expected to remain low throughout the first part of our forecast period, then normalize towards the latter half.
Total Return	4.79%	4.09%	-5.17%	4.00%	4.00%	

Source: FactSet, Morningstar and SunTrust Portfolio Strategy Group
Data as of December 31, 2012 unless otherwise noted

Past performance is not indicative of future results.
Please see Important Disclosures for additional information.



Constructing Estimated Alternative Strategy Returns

Our process for forecasting alternative strategy returns leverages a regression model which incorporates sensitivities to traditional financial assets and explains almost all of the variability of alternative strategy returns through the cash, global equity and bond markets over time.

	Last 20 Years	Last 10 Years	Last 5 Years	Exp. 10-Yr Return (2012)	Exp. 10-Yr Return (2013)
Diversified Hedge	5.89%	3.75%	-1.41%	5.50%	5.75%
Low Vol Hedge	5.58%	2.81%	-1.54%	5.00%	4.50%
Hedged Equity	7.11%	4.48%	-2.33%	6.75%	6.75%
Credit Strategies	10.57%	8.99%	3.09%	7.00%	6.25%
Managed Futures	5.51% ¹	4.79%	2.90%	6.50%	6.50%
Private Equity ²	12.39%	14.65%	5.85%	9.50%	9.50%

¹Data for the DJ Credit Suisse Managed Futures Index begins January 1994.

²Cambridge Private Equity series data as of September 30, 2012

Source: Morningstar, SunTrust Portfolio Strategy Group

Data as of December 31, 2012 unless otherwise noted

**Past performance is not indicative of future results.
Please see Important Disclosures for additional information.**





Appendix

Strictly Private and Confidential



DATE: January 15, 2013
SUBJECT: Biomedical Research and Development Price Index (BRDPI): Fiscal Year 2012
Update and Projections for FY 2013-FY 2018

Summary

- The estimated growth in the BRDPI for FY 2012 is 1.4 percent.
- The updated estimate for FY 2011 remains at 2.8 percent, the same value as the preliminary estimate posted last year.
- The following pattern of growth in the BRDPI is projected: 2.5 percent for FY 2013; 2.7 percent for FY 2014; 2.9 percent for FY 2015; and 3.0 percent each year from FY 2016 through FY 2018, respectively.
- The modest BRDPI growth rate of 1.4 percent for FY 2012 reflects the effect of the reduction of the NIH extramural investigator salary limitation (“cap”) from \$199,700 to \$179,700 for that year and the continued freeze on salaries of Federal civilian employees. The BRDPI growth rate was also adjusted for the growth of stipends and related expenses on fellowships and training awards. In addition, the FY 2012 BRDPI growth is lower than the growth for FY 2011 because the rate of growth of prices for several input categories slowed down in FY 2012 compared with the growth during FY 2011. For inside NIH activities, the categories with slower growth in prices include travel, transportation, printing and reproduction, ADP and other IT services, instruments and apparatus, laboratory supplies, office supplies, utilities, repairs and alterations of facilities, compensation rates for consultants and support contracts. For extramural activities, fringe benefits, travel, equipment, supplies, patient care alterations and indirect costs each showed slower price growth during FY 2012 compared with FY 2011.
- The projected 2.5 percent growth for FY 2013 assumes the limits on extramural investigator salaries, the growth rate of reimbursement for fellowships and training awards, and the freeze on Federal salaries will remain in place at the FY 2012 levels. Notice that the fixed cap does not have as severe an effect on the growth of investigator salaries as the reduction in the cap for FY 2012. Growth for 14.4 percent of requested salaries is frozen rather than decreased by about 10 percent. The less severe limit leads to a higher projected growth for extramural salaries and for the BRDPI. The projected growth for FY 2013 of 2.5 percent also includes an adjustment for the expected slight increase in the general rate of inflation.
- Primarily because of the freeze on Federal civilian employee salaries and the cap on compensation of extramural investigators, the rate of growth of the BRDPI during the years FY 2011 through FY 2013 has been relatively low compared with its historical relationship with general inflation as represented by the growth of the GDP Price Index. The projections for each of the following five years, FY 2014 through FY 2018, assume the growth of the BRDPI will gradually revert to the historical pattern observed from FY 2003 through FY 2012 of faster growth relative to the growth of the GDP Price Index.

BIOMEDICAL RESEARCH AND DEVELOPMENT PRICE INDEX

Updated 1-10-2013

Reference Year =100

<u>Fiscal Year</u>	<u>Annual Change</u>	<u>1950</u>	<u>1960</u>	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
1950		100.0	76.8	53.6	26.4	14.5	10.2	9.9	9.6	9.3	8.9	8.6	8.2	7.9	7.6	7.3	7.1	6.9	6.8	6.7
1951	6.4%	106.4	81.8	57.1	28.1	15.4	10.9	10.5	10.2	9.9	9.5	9.1	8.7	8.4	8.0	7.8	7.6	7.6	7.3	7.1
1952	3.0%	109.6	84.2	58.8	29.0	15.9	11.2	10.9	10.5	10.1	9.8	9.4	9.0	8.7	8.3	8.0	7.8	7.8	7.5	7.3
1953	1.9%	111.7	85.8	59.9	29.5	16.2	11.4	11.1	10.7	10.3	10.0	9.6	9.2	8.8	8.4	8.2	8.0	8.0	7.6	7.5
1954	1.1%	113.0	86.8	60.6	29.8	16.4	11.6	11.2	10.8	10.5	10.1	9.7	9.3	8.9	8.5	8.3	8.1	8.1	7.7	7.5
1955	1.4%	114.6	88.0	61.5	30.3	16.6	11.7	11.3	11.0	10.6	10.2	9.8	9.4	9.1	8.7	8.4	8.2	8.2	7.8	7.6
1956	2.8%	117.8	90.5	63.2	31.1	17.1	12.0	11.7	11.3	10.9	10.5	10.1	9.7	9.3	8.9	8.6	8.4	8.4	8.1	7.9
1957	3.7%	122.1	93.8	65.5	32.3	17.7	12.5	12.1	11.7	11.3	10.9	10.5	10.0	9.7	9.2	9.0	8.7	8.7	8.3	8.1
1958	2.4%	125.1	96.1	67.1	33.0	18.1	12.8	12.4	12.0	11.6	11.2	10.7	10.3	9.9	9.5	9.2	8.9	8.9	8.6	8.3
1959	2.0%	127.5	98.0	68.4	33.7	18.5	13.0	12.6	12.2	11.8	11.4	11.0	10.5	10.1	9.6	9.4	9.1	9.1	8.7	8.5
1960	2.1%	130.2	100.0	69.8	34.4	18.9	13.3	12.9	12.5	12.0	11.6	11.2	10.7	10.3	9.8	9.6	9.3	9.3	8.9	8.7
1961	2.1%	133.0	102.1	71.3	35.1	19.3	13.6	13.2	12.7	12.3	11.9	11.4	10.9	10.5	10.0	9.8	9.5	9.5	9.1	8.9
1962	2.3%	136.0	104.5	72.9	35.9	19.7	13.9	13.5	13.0	12.6	12.1	11.7	11.2	10.8	10.3	10.0	9.7	9.7	9.3	9.1
1963	2.7%	139.7	107.3	74.9	36.9	20.3	14.3	13.8	13.4	12.9	12.5	12.0	11.5	11.1	10.6	10.3	10.0	10.0	9.6	9.3
1964	2.2%	142.8	109.7	76.6	37.7	20.7	14.6	14.1	13.7	13.2	12.7	12.3	11.7	11.3	10.8	10.5	10.2	10.2	9.8	9.5
1965	3.0%	147.0	112.9	78.8	38.8	21.3	15.0	14.6	14.1	13.6	13.1	12.6	12.1	11.6	11.1	10.8	10.5	10.5	10.1	9.8
1966	3.6%	152.3	117.0	81.7	40.2	22.1	15.6	15.1	14.6	14.1	13.6	13.1	12.5	12.0	11.5	11.2	10.9	10.9	10.4	10.2
1967	4.4%	159.0	122.2	85.3	42.0	23.1	16.3	15.7	15.2	14.7	14.2	13.7	13.1	12.6	12.0	11.7	11.3	11.3	10.9	10.6
1968	4.7%	166.6	128.0	89.3	44.0	24.2	17.0	16.5	16.0	15.4	14.9	14.3	13.7	13.2	12.6	12.2	11.9	11.9	11.4	11.1
1969	5.4%	175.5	134.8	94.1	46.3	25.5	17.9	17.4	16.8	16.2	15.7	15.1	14.4	13.9	13.3	12.9	12.5	12.5	12.0	11.7
1970	6.3%	186.5	143.3	100.0	49.3	27.1	19.1	18.5	17.9	17.3	16.6	16.0	15.3	14.7	14.1	13.7	13.3	13.3	12.8	12.4
1971	5.8%	197.3	151.6	105.8	52.1	28.6	20.2	19.5	18.9	18.3	17.6	16.9	16.2	15.6	14.9	14.5	14.1	14.1	13.5	13.2
1972	5.0%	207.1	159.1	111.1	54.7	30.1	21.2	20.5	19.8	19.2	18.5	17.8	17.0	16.4	15.6	15.2	14.8	14.8	14.2	13.8
1973	4.8%	217.0	166.7	116.4	57.3	31.5	22.2	21.5	20.8	20.1	19.4	18.6	17.8	17.2	16.4	15.9	15.5	15.5	14.8	14.5
1974	6.4%	230.8	177.3	123.8	61.0	33.5	23.6	22.8	22.1	21.4	20.6	19.8	19.0	18.3	17.4	16.9	16.5	16.5	15.8	15.4
1975	10.7%	255.5	196.3	137.0	67.5	37.1	26.1	25.3	24.5	23.7	22.8	21.9	21.0	20.2	19.3	18.8	18.2	18.2	17.5	17.1
1976	7.5%	274.6	210.9	147.2	72.5	39.8	28.1	27.2	26.3	25.4	24.5	23.6	22.5	21.7	20.7	20.2	19.6	19.6	18.8	18.3
1977	8.0%	296.5	227.7	159.0	78.3	43.0	30.3	29.3	28.4	27.4	26.5	25.5	24.3	23.4	22.4	21.8	21.1	21.1	20.3	19.8
1978	7.4%	318.4	244.6	170.7	84.1	46.2	32.6	31.5	30.5	29.5	28.4	27.3	26.1	25.2	24.1	23.4	22.7	22.7	21.8	21.2
1979	8.3%	344.9	264.9	184.9	91.1	50.0	35.3	34.1	33.0	31.9	30.8	29.6	28.3	27.3	26.1	25.3	24.6	24.6	23.6	23.0
1980	9.8%	378.7	290.9	203.0	100.0	54.9	38.7	37.5	36.3	35.0	33.8	32.5	31.1	29.9	28.6	27.8	27.0	27.0	25.9	25.3
1981	10.4%	418.0	321.1	224.2	110.4	60.7	42.8	41.4	40.1	38.7	37.3	35.9	34.3	33.1	31.6	30.7	29.8	29.0	28.6	27.9
1982	8.6%	454.0	348.7	243.4	119.9	65.9	46.4	44.9	43.5	42.0	40.5	39.0	37.3	35.9	34.3	33.3	32.4	31.5	31.0	30.3
1983	6.2%	482.1	370.3	258.5	127.3	70.0	49.3	47.7	46.2	44.6	43.0	41.4	39.6	38.1	36.4	35.4	34.4	33.4	33.0	32.2
1984	5.9%	510.6	392.2	273.8	134.8	74.1	52.2	50.5	48.9	47.3	45.6	43.9	41.9	40.4	38.6	37.5	36.4	35.4	34.9	34.1
1985	5.6%	539.2	414.2	289.1	142.4	78.2	55.1	53.4	51.7	49.9	48.1	46.3	44.3	42.6	40.7	39.6	38.4	37.4	36.9	36.0
1986	4.2%	561.8	431.5	301.2	148.4	81.5	57.5	55.6	53.8	52.0	50.1	48.3	46.1	44.4	42.4	41.2	40.0	39.0	38.4	37.5
1987	5.3%	591.7	454.5	317.3	156.3	85.9	60.5	58.6	56.7	54.8	52.8	50.8	48.6	46.8	44.7	43.4	42.2	41.0	40.5	39.5
1988	5.0%	621.4	477.3	333.2	164.1	90.2	63.6	61.5	59.5	57.5	55.5	53.4	51.0	49.1	47.0	45.6	44.3	43.1	42.5	41.5

BIOMEDICAL RESEARCH AND DEVELOPMENT PRICE INDEX

Updated 1-10-2013

Reference Year =100

<u>Fiscal Year</u>	<u>Annual Change</u>	<u>1950</u>	<u>1960</u>	<u>1970</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
1989	5.2%	653.7	502.1	350.5	172.6	94.9	66.9	64.7	62.6	60.5	58.3	56.1	53.7	51.7	49.4	48.0	46.6	45.3	44.7	43.6
1990	5.4%	689.2	529.4	369.6	182.0	100.0	70.5	68.2	66.0	63.8	61.5	59.2	56.6	54.5	52.1	50.6	49.1	47.8	47.1	46.0
1991	4.8%	722.4	554.9	387.4	190.8	104.8	73.9	71.5	69.2	66.9	64.5	62.1	59.3	57.1	54.6	53.0	51.5	50.1	49.4	48.2
1992	4.4%	754.3	579.4	404.5	199.2	109.4	77.1	74.7	72.3	69.8	67.3	64.8	61.9	59.7	57.0	55.4	53.8	52.3	51.6	50.3
1993	3.4%	780.1	599.2	418.3	206.0	113.2	79.8	77.2	74.7	72.2	69.6	67.0	64.0	61.7	58.9	57.3	55.6	54.1	53.3	52.1
1994	3.9%	810.3	622.4	434.5	214.0	117.6	82.9	80.2	77.6	75.0	72.3	69.6	66.5	64.1	61.2	59.5	57.8	56.2	55.4	54.1
1995	3.5%	838.4	644.0	449.5	221.4	121.6	85.7	83.0	80.3	77.6	74.8	72.0	68.8	66.3	63.3	61.5	59.8	58.1	57.3	55.9
1996	2.6%	859.8	660.4	461.0	227.1	124.8	87.9	85.1	82.4	79.6	76.7	73.9	70.6	68.0	65.0	63.1	61.3	59.6	58.8	57.4
1997	2.8%	883.7	678.8	473.9	233.4	128.2	90.4	87.5	84.7	81.8	78.9	75.9	72.5	69.9	66.8	64.9	63.0	61.3	60.4	59.0
1998	3.4%	913.7	701.8	489.9	241.3	132.6	93.4	90.4	87.5	84.6	81.5	78.5	75.0	72.3	69.0	67.1	65.1	63.4	62.5	61.0
1999	3.2%	942.6	724.0	505.4	248.9	136.8	96.4	93.3	90.3	87.2	84.1	81.0	77.4	74.6	71.2	69.2	67.2	65.4	64.4	62.9
2000	3.7%	977.7	751.0	524.3	258.2	141.9	100.0	96.8	93.7	90.5	87.2	84.0	80.3	77.3	73.9	71.8	69.7	67.8	66.8	65.2
2001	3.3%	1010.2	776.0	541.7	266.8	146.6	103.3	100.0	96.8	93.5	90.1	86.8	82.9	79.9	76.3	74.2	72.0	70.1	69.1	67.4
2002	3.3%	1043.7	801.7	559.7	275.6	151.4	106.7	103.3	100.0	96.6	93.1	89.6	85.7	82.5	78.9	76.6	74.4	72.4	71.4	69.6
2003	3.5%	1080.4	829.9	579.3	285.3	156.8	110.5	106.9	103.5	100.0	96.4	92.8	88.7	85.4	81.6	79.3	77.0	74.9	73.9	72.1
2004	3.7%	1120.6	860.8	600.9	296.0	162.6	114.6	110.9	107.4	103.7	100.0	96.3	92.0	88.6	84.7	82.3	79.9	77.7	76.6	74.8
2005	3.9%	1164.2	894.3	624.3	307.5	168.9	119.1	115.2	111.5	107.8	103.9	100.0	95.6	92.1	88.0	85.5	83.0	80.7	79.6	77.7
2006	4.6%	1218.1	935.7	653.2	321.7	176.8	124.6	120.6	116.7	112.7	108.7	104.6	100.0	96.3	92.0	89.4	86.8	84.5	83.3	81.3
2007	3.8%	1264.4	971.2	678.0	333.9	183.5	129.3	125.2	121.1	117.0	112.8	108.6	103.8	100.0	95.5	92.8	90.1	87.7	86.4	84.4
2008	4.7%	1323.5	1016.7	709.7	349.5	192.0	135.4	131.0	126.8	122.5	118.1	113.7	108.7	104.7	100.0	97.2	94.3	91.8	90.5	88.3
2009	2.9%	1362.3	1046.4	730.5	359.8	197.7	139.3	134.8	130.5	126.1	121.6	117.0	111.8	107.7	102.9	100.0	97.1	94.5	93.1	90.9
2010	3.0%	1402.9	1077.6	752.3	370.5	203.6	143.5	138.9	134.4	129.9	125.2	120.5	115.2	111.0	106.0	103.0	100.0	97.3	95.9	93.6
2011	2.8%	1441.9	1107.6	773.2	380.8	209.2	147.5	142.7	138.2	133.5	128.7	123.9	118.4	114.0	108.9	105.8	102.8	100.0	98.6	96.2
2012pr	1.4%	1462.7	1123.5	784.3	386.3	212.2	149.6	144.8	140.1	135.4	130.5	125.6	120.1	115.7	110.5	107.4	104.3	101.4	100.0	97.6
2013p	2.5%	1498.5	1151.1	803.5	395.8	217.4	153.3	148.3	143.6	138.7	133.7	128.7	123.0	118.5	113.2	110.0	106.8	103.9	102.5	100.0
2014p	2.7%	1538.8	1182.0	825.2	406.4	223.3	157.4	152.3	147.4	142.4	137.3	132.2	126.3	121.7	116.3	113.0	109.7	106.7	105.2	102.7
2015p	2.9%	1583.0	1216.0	848.8	418.1	229.7	161.9	156.7	151.7	146.5	141.3	136.0	130.0	125.2	119.6	116.2	112.8	109.8	108.2	105.6
2016p	3.0%	1629.9	1252.0	874.0	430.5	236.5	166.7	161.3	156.2	150.9	145.4	140.0	133.8	128.9	123.1	119.6	116.2	113.0	111.4	108.8
2017p	3.0%	1678.9	1289.6	900.3	443.4	243.6	171.7	166.2	160.9	155.4	149.8	144.2	137.8	132.8	126.9	123.2	119.7	116.4	114.8	112.0
2018p	3.0%	1729.8	1328.7	927.6	456.8	251.0	176.9	171.2	165.7	160.1	154.4	148.6	142.0	136.8	130.7	127.0	123.3	120.0	118.3	115.4

TABLE NOTES
pr = preliminary
p = projected

NOTE: Projected values of the BRDPI are based on OMB projections of inflation and the historical relationship between the aggregate rate of inflation and changes in the BRDPI.
Next scheduled update: January, 2014

Contact: James Schuttinga, PhD
National Institutes of Health
OD/OSP
Building 1/B3-10/ Room 06A
Bethesda, Maryland 20892
(301) 496-2229
email: schuttij@nih.gov

McKnight Brain Research Foundation
Amended and Restated Investment Policy

The McKnight Brain Research Foundation (the “MBRF”)

The MBRF is a Florida trust that, for federal income tax purposes, is an exempt organization (IRC § 501(c)(3)), and classified as a private foundation (IRC § 509(a)). The only tax paid by the MBRF is the annual IRC § 4940 excise tax of 2% (or 1%) of investment income. All of the MBRF assets were contributed by Mrs. Evelyn F. McKnight and no additional contributions are expected. At the present time, it is anticipated that the MBRF will make grants to carry out its charitable purpose. The specific purpose for which the MBRF was established is “to provide support for medical research of the brain to accomplish alleviation of memory loss of the aging”. The MBRF expects to exist in perpetuity. The only required distribution is the 5% of fair market value IRC § 4942 annual distribution.

Governance

The MBRF is a Florida charitable trust. The MBRF is governed by six Trustees. There are five individual Trustees and one Corporate Trustee.

Introduction

This policy presents the investment process of the MBRF. The Trustees have prepared this policy in consultation with its investment consultants and legal counsel. For purposes of investing assets, the Trustees have looked to the Corporate Trustee as its investment consultant and any references herein to investment counsel are references to the Corporate Trustee.

Prudent Investor Rule

The Trustees have adopted this Investment Policy to evidence compliance with the Florida Prudent Investor rule. §§518.10-14 FLA.STATS. The Investment Policy will be interpreted and implemented consistent with the prudent investor rule. The Trustees have delegated certain investment function to the Corporate Trustee as allowed by and in accordance with the requirements of §518.112 FLA.STATS.

Investment Goals

The investment goal is to provide a long term real total rate of return that will increase the purchasing power of MBRF assets net of expenses and distributions. In order to achieve its investment goal, the MBRF will adopt a strategic asset allocation that will achieve its long term return goal with acceptable volatility.

Long Term Investor

The MBRF will exist in perpetuity. As such, it is a long term investor who seeks a high rate of return consistent with reasonable volatility. The MBRF understands that volatility can be reduced by allocating assets among asset classes, among investment styles and strategies within asset classes. The MBRF will adopt strategic targets for each asset class and will, from time to time, rebalance between asset classes, investment styles and strategies to maintain its strategic targets.

Target Rate of Return

The Trustees will adopt a target rate of return that incorporates the MBRF investment goals and spending policy. It is recognized that the target rate of return, investment goals and volatility are interrelated and must be viewed as such. It is also recognized the investment horizon of the MBRF is long term (perpetuity) and the target rate of return will reflect that long term view. The target rate of return will change from time to time and is set forth on Appendix A.

Spending Policy

The MBRF will adopt a spending policy that balances a realistic achievable rate of return, expenses, and its investment goals. Appendix A is the current spending policy adopted by the MBRF. The spending policy will be reviewed annually at a minimum.

Income, Appreciation and Gains

The Trustees recognize that the MBRF pays only a 2% excise tax on investment income and, therefore, the investments are not tax sensitive. Its distributions are not limited by income and, therefore, the Trustees will ignore income and principal analysis when implementing its investment goals and implementing its spending policy.

Cash Flow

Because it will exist in perpetuity, its only cash flow needs will be to cover expenses (and tax) and the annual IRC § 4942 5% of fair market value distribution. It is recognized that additional spending can be controlled and that the MBRF from time to time may distribute more than the minimum required by tax laws.

Performance/Style Measurement

The Trustees have adopted a market driven benchmark for each asset class and management style. For the portfolio as a whole, the Trustees will adopt a benchmark that consists of a suitable passive index for each asset class weighted in accordance with the strategic asset allocation. The Trustees will also adopt appropriate peer group data to measure the performance of each managed portfolio and passive investment. The Trustees expect performance of each managed portfolio to be in the top one-third of the peer group data base for that particular management style or strategy. The peer group data base is set out in Exhibit B. The Trustees

will evaluate ongoing investment performance over a three to five year period, anticipating it will not make changes on the basis of short term (less than two years) results. However, the Trustees recognize there are factors, including, but not limited to, changes in personnel, that would require immediate attention and action.

Performance should be measured in a manner consistent with the standards of the CFA Society.

The performance measurement will include an analysis of managers adherence to the investment styles set forth in Exhibit B.

The Foundation recognizes enhanced performance results from asset allocation, as well as selection of particular managers and passive investments. Therefore, the Foundation will compare portfolio returns and the benchmark portfolio, as well as compare individual manager returns and the designated index, as shown on Exhibit B.

Investment Preference

The Foundation prefers, but does not require, that managers avoid investment in companies whose primary or significant (greater than 30% of gross revenue) businesses are the growing, cultivation, manufacture, or distribution of tobacco or tobacco products. This shall not apply to investments in indexed or mutual funds.

Security Voting

The Corporate Trustee will vote on securities when a vote is requested. The Trustees will receive an annual report of voting decisions.

Specific Functions of the Board of Trustees

1. Establish investment objectives for the portfolio.
2. Establish and review its spending policy.
3. Set strategic asset allocation for the Trust.
4. Establish and continue to update the investment policy.
5. Establish, monitor and update the investment process.
6. Review investment performance in accordance with its performance measurement policy.
7. Review at least quarterly investment activity to insure compliance with the investment policy and adherence to investment style.

8. Terminate managers and passive investments in accordance with this investment policy.

Specific Functions of the Corporate Trustee

1. The Corporate Trustee shall review regularly all investments of the MBRF.
2. The Corporate Trustee shall recommend to the Board of Trustees such investment and investment related policies, including strategic asset allocations, as it deems appropriate, and as may be requested.
3. The Corporate Trustee shall make periodic investment performance reports (no less than quarterly) to the Board of Trustees.
4. The Corporate Trustee shall implement the investment policy, including selecting and terminating managers and passive investments in accordance with this investment policy.
5. The Corporate Trustee may, in its discretion, "tilt" the strategic asset allocation within the applicable range, as set forth in Exhibit B.

Asset Allocation

1. To achieve its investment objective, the Foundation's assets shall be allocated among various asset classes, including, but not limited to, equity, cash/cash equivalents, fixed income and alternative investments/hedge funds. The current strategic asset allocation adopted by the Board is contained in Appendix B. The strategic asset allocation and asset classes will change periodically based upon monitoring and objective analysis of changes in the economy.
2. The Foundation investments will be allocated among asset classes and diversified within asset classes. Within each asset class, securities, for example, will be allocated further by economic sector, industry, quality and size. The purpose of allocation and diversification is to provide reasonable assurance that no single security or class of securities will have a disproportionate impact on performance of the total fund. As a result, the unsystematic risk (volatility associated with diversification risk) level associated with the portfolio should be significantly reduced.

3. In any asset class, no more than 5% at investment cost or 10% at market may be held in the securities of a single issuer.
4. Allocation by investment style is also an important step in reducing the risk (volatility) of the Foundation's portfolio. Investment styles within equity asset classes are defined in Appendix C.

Custodian

The Corporate Trustee will be the custodian for the MBRF. The Corporate Trustee shall recommend to the Board appropriate policies and procedures for custodianship and access to securities held by the Foundation as it may deem appropriate.

Soft Dollars

The Corporate Trustee will annually review the "soft dollar" policy and activity of each actively managed portfolio and report the findings to the Trustees. Each active manager is expected to enter into equity transactions on a best execution basis. The Trustees may designate certain brokers by which commissions may be recaptured or provide for the payment of services rendered to the MBRF.

Guidelines for Corrective Action

Corrective action will be taken during the review of active management. The following are instances where immediate corrective action, or termination of active management, may be in order:

- Organizational and/or personnel changes in the active manager. Failure to notify the MBRF of such changes is grounds for immediate termination.
- Violation of terms of any investment management agreement between the Trustees and an active manager.
- Change by an active manager in the management style for which the manager was selected. The MBRF, through the Corporate Trustee, will closely track the investments of each active manager to insure adherence to management style for which the active manager was retained.

Corrective action ordinarily will be taken by all of the Trustees. If, in an emergency, it is not feasible to contact one or more of the Individual Trustees, action may be taken by the Corporate Trustee acting alone.

Rebalancing Procedure

Should the range for a particular management style be violated by reason of gains, losses, changes in an active management, or any other reason, the Trustees will meet or conference to decide whether to rebalance the assets to the target class and style allocation policies. In addition, the Trustees shall review the actual allocations at each quarterly meeting in order to insure conformity with the adopted strategic allocation. The assets will not be automatically rebalanced on any set schedule.

APPENDIX A

Spending Policy of McKnight Brain Research Foundation

Expenses as Permitted	1.0%
Allowance For Inflation**	2.2%
Distribution From Foundation	<u>5.0%</u>
Target Total Return	8.2%

** Real inflation is Biomedical Research and Development Price Index ("BRDPI") published by the U.S. Bureau of Economic Analysis for the 12 months ending 09/30/2012.

APPENDIX B

McKnight Brain Research Foundation
Portfolio Guidelines

<u>Asset Class</u>	<u>2012 Efficient Frontier</u>	<u>Range</u>	<u>Benchmark</u>	<u>Peer Group*</u>
Large Cap Equity	43.5%	30% - 60%	S & P 500	Pure Large Cap Core
Mid Cap Equity	6.0%	5% - 14%	Russell Mid Cap	Mid Cap
Small Cap Equity	5%	0% - 15%	Russell 2000	Broad Small Cap
International Developed	8.1%	5%-15%	MSCI - EAFE	Broad Int'l Equity
International Emerging	4.7%	3%-10%	MSCI – Emerging Mkts	
Hedge Funds	16.1%	10% - 30%	HFR Fund of Funds Index	
Commodities	1.4%	0-5 %	Dow Jones UBS Commodity Index	
Real Estate – U.S.	0%	0% - 10%	NAREIT Equity	
Real Estate – Non U.S.	0%	0% - 10%	DJW Global ex-U.S. Real Estate	
Private Equity	2.5%	0% - 10%	Cambridge Associates U.S. Private Equity	
Fixed Income	11.7%	0% - 20%	Barclays Agg Index	
Cash	1.1%			
	100%			

Static Benchmark #1

Russell 3000 Index	65%
Barclays U.S. Aggregate Index	<u>35%</u>
	100%

Spending Policy Benchmark

Distribution	5.0%
Expenses	1.0%
Inflation**	<u>2.2%</u>
	8.2%

* Mobius Group
 M-Search Data Base System – Universes
 Universes for peer group comparison – recommended by SunTrust and adopted by Trustees on 7/12/00. SunTrust advises there are no Alt/Hedge Fund, Real Estate or International Fixed Income Peer Groups.

** Real inflation is Biomedical Research and Development Price Index ("BRDPI") published by the U.S. Bureau of Economic Analysis for the 12 months ending 09/30/2012.

APPENDIX C

Market Capitalization – Market value of a corporation calculated by multiplying the number of shares outstanding by the current market price. The classification* of the capitalization ranges is as follows:

- * Large Capitalization Classification – Market cap of \$10 billion and greater
- * Mid Capitalization Classification – Market cap of \$2 billion to \$10 billion
- * Small Capitalization Classification – Market cap of \$50 million to \$2 billion

International Equity – International equity investments are permitted in listed equity securities traded on developed non U.S. markets. Developed markets are defined as those included in the Morgan Stanley Capital International, Inc. Europe Asia Far East (MSCI EAFE) Index plus Canada. American depository receipts (ADRs) traded on major U.S. markets are considered to be domestic securities.

Growth Equity Style – Investment in companies that are expected to have above average prospects for long term growth and earnings and profitability.

Value Equity Style – Investment in companies believed to be undervalued or possessing lower than average price/earnings ratios, based on their potential for capital appreciation.

Core Equity Style – Investment in companies whose characteristics are similar to that of the broader market as represented by the Standard's & Poor's 500 Index, with the objective of adding value over and above the Index, typically from sector or issue selection. The core portfolio exhibits similar risk characteristics to the broader market as measured by low residual risk with Beta and R-squared values close to 1.00.

Alternative Investments/Hedge Funds – Hedge funds are strategies utilized by professional money managers or group of managers that permit the management of a private, unregistered investment pool of capital and/or securities, and investments in a variety of investment techniques normally prohibited in other types of funds. Hedge funds are typically skill-based investment strategies attempting to provide “absolute” return based on the specialized strategy of the trader or manager and offer diversification and reduce systematic risk due to a low correlation to traditional asset classes. The following are some of the hedge fund strategies utilized by managers:

Direct Hedge - Hedging one asset, such as common stock, with another asset that has similar price movements and trades similarly. Example: using call options to hedge a common stock position.

Cross Hedge - Hedging an investment with an unlike instrument. Example: Buying stocks and hedging the position with Treasury futures.

* From Morningstar Analytical Services, Inc.

Static Hedge - Hedging out every dollar of a portfolio in an effort to eliminate risk.

Dynamic Hedge - Changing the amount of puts in a position over time as the market changes.

Market Neutral - As a long/short strategy, equal amounts of capital are invested long and short in an attempt to neutralize market risk. The goal is to purchase undervalued securities and short overvalued securities.

Market Timing - Anticipates market movements and allocates assets by switching between stocks, bonds and cash as the market and economic outlook change.

Short Selling - Identifying overvalued securities and "shorting" or selling these stocks. This involves borrowing the stocks to sell them, in the hope of buying them back later at a lower price.

Growth Fund - Investing in growth stocks with the basic goal of capital appreciation. This may include hedging by short selling or using options.

Distressed Securities - Investing in securities of a company in bankruptcy or facing it. These securities are purchased inexpensively and with the hope that they will appreciate as the company emerges from bankruptcy.

Sector Funds - Concentrated investments in various sectors. May involve long and short investments and options.

Emerging Markets - Investing in securities of companies in emerging or developing countries. This could involve purchasing government or corporate debt and/or equity.

Global Fund - Investing in shifts in global economies. Derivatives may be used to speculate on interest rate and currency movements. These funds search for and exploit opportunistic investment possibilities wherever they may arise.

Opportunistic - Using a variety of strategies as opportunities arise. Several strategies could be used simultaneously.



Lighthouse Diversified Fund, L.P.

FIRM AUM

\$6.9 billion[†]

STRATEGY

Multi-Strategy

STRATEGY AUM

\$4.3 billion[†]

FUND INCEPTION

August 1996

FUND AUM

\$2.0 billion^{††}

SERIES A

MANAGEMENT FEE

1.5% per annum

PERFORMANCE FEE

None

WITHDRAWAL TERMS

Quarterly redemptions with at least 135 days written notice

DOMICILE

Delaware

AUDITOR

PricewaterhouseCoopers LLP

ADMINISTRATOR

GlobeOp Financial Services²

BLOOMBERG CODE

LHDVQLP US

INVESTMENT ADVISER

Lighthouse Partners
3801 PGA Boulevard
Suite 500
Palm Beach Gardens, FL 33410
T +1 561 741 0820
F +1 561 748 9046

www.lighthousepartners.com

Performance summary¹

	June 2013	Last 12 months	Last 36 months	Inception (Aug 1996 to date)
Lighthouse Diversified Fund, L.P. (Net)	-0.40%*	6.62%	5.17%	7.89%
S&P 500 (w/dividends)	-1.34%	20.60%	18.45%	7.54%
Barclays Gov/Credit	-1.80%	-0.61%	3.88%	6.02%

Net historical performance¹

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	1.32%	0.35%	0.94%	0.51%	0.77%	-0.40%*							3.53%*
2012	1.56%	1.60%	0.84%	0.04%	-0.80%	0.02%	0.69%	0.70%	0.69%	-0.12%	0.39%	0.60%	6.36%
2011	0.92%	1.21%	0.64%	1.32%	-0.28%	-0.86%	0.05%	-2.23%	-1.55%	0.75%	-0.23%	-0.44%	-0.76%
2010	-0.10%	-0.25%	1.28%	0.59%	-1.16%	-0.64%	0.96%	0.53%	1.15%	1.19%	-0.17%	2.64%	6.13%
2009	2.12%	0.47%	-0.32%	1.10%	3.47%	1.43%	2.23%	1.98%	1.97%	0.51%	0.49%	0.88%	17.54%
2008	-1.65%	1.86%	-2.76%	0.69%	1.95%	-0.60%	-2.67%	-1.57%	-6.56%	-6.16%	-3.47%	-3.92%	-22.56%
2007	1.40%	0.92%	1.28%	1.92%	2.11%	1.19%	0.15%	-2.24%	0.80%	2.63%	-0.47%	0.38%	10.45%
2006	2.26%	0.42%	0.96%	1.07%	-0.85%	-0.17%	0.26%	1.03%	1.48%	1.54%	1.80%	2.09%	12.51%
2005	0.47%	0.97%	-0.02%	-0.57%	0.64%	1.13%	1.12%	0.89%	1.26%	-0.31%	1.06%	1.48%	8.40%
2004	1.59%	1.14%	0.44%	-0.48%	-0.46%	0.29%	0.03%	0.14%	0.52%	0.73%	1.95%	0.98%	7.06%
2003	1.13%	0.54%	-0.16%	1.25%	1.30%	0.58%	-0.67%	0.37%	1.44%	0.94%	0.83%	0.24%	8.05%
2002	1.06%	0.34%	1.02%	0.97%	0.61%	0.12%	0.02%	0.59%	0.47%	-0.07%	0.71%	1.45%	7.53%
2001	2.42%	0.42%	0.93%	0.34%	0.20%	0.36%	0.16%	1.00%	-0.62%	0.93%	0.19%	0.85%	7.39%
2000	1.64%	1.31%	1.81%	1.83%	2.66%	0.46%	1.12%	1.18%	-1.13%	1.10%	0.10%	0.57%	13.35%
1999	1.79%	0.21%	2.18%	3.60%	1.09%	3.32%	1.88%	0.92%	0.88%	1.71%	1.36%	3.03%	24.25%
1998	-0.43%	1.90%	2.20%	1.34%	-0.13%	0.50%	0.53%	-4.66%	-1.44%	-1.33%	2.04%	2.11%	2.43%
1997	3.44%	2.57%	-0.59%	0.45%	2.68%	1.71%	3.85%	1.01%	3.30%	0.27%	-0.42%	1.79%	21.86%
1996								2.13%	1.49%	0.89%	2.80%	0.65%	8.20%

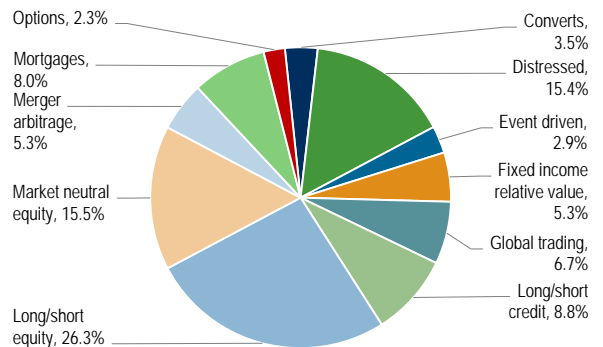
Performance characteristics¹

August 1996 – June 2013

Annualized Compound Return	7.89%
Annualized Standard Deviation	4.98%
Sharpe Ratio (annualized)	0.99
% positive months	78%
Maximum Drawdown	-22.70%
Beta to S&P 500 with dividends	0.16
Beta to Barclays Gov/Credit	-0.01

Portfolio composition

June 2013 Strategy Allocations



*Performance is estimated by Lighthouse Investment Partners, LLC and the underlying managers. 2013 performance is unaudited (and subject to change upon final audit).

[†] Firm AUM is estimated. Strategy AUM is estimated and includes onshore and offshore assets in all Lighthouse multi-strategy funds, including Lighthouse Diversified Fund, Lighthouse V Fund, Lighthouse Multi-Strategy Fund and certain separately managed custom funds. Separately managed custom funds are not open for investment by external investors. The investment approach pursued by other multi-strategy funds, including, without limitation, the composition and size of allocations in underlying managers may vary significantly from the above fund. The figure may also include investments made into the strategy by other Lighthouse managed funds.

^{††} Fund AUM is estimated and includes onshore and offshore assets in the above fund. The figure may also include investments made into the fund by other Lighthouse managed funds.

¹ The performance data contained herein represents the returns to an investor in Lighthouse Diversified Fund (QP) II, L.P. Series A shares ("the Fund"). Performance is net of all fees and expenses applicable to a shareholder in the Fund. Results include reinvestment of all income and capital gains. Performance shown for periods over one year has been annualized.

² Onshore funds are administered by GlobeOp Financial Services LLC.

Past performance is not necessarily indicative of future results. No assurance can be given that the Fund's objectives or targets will be achieved. Investing in the Fund is intended for experienced and sophisticated investors only who are willing to bear the high economic risks of the investment. Investors should carefully review and consider potential risks before investing. This document is for informational use only and is not an offer to sell or a solicitation of an offer to buy interests in the Fund or any Lighthouse managed investment vehicle. Please refer to the Fund's Private Offering Memorandum for details of investment terms and conditions.



Lighthouse Global Long/Short Fund, L.P.

100% managed accounts

FIRM AUM

\$6.9 billion[†]

STRATEGY

Long/Short Equity

FUND INCEPTION

January 2005

FUND AUM

\$1.1 billion[†]

SERIES A

MANAGEMENT FEE

1.5% per annum

PERFORMANCE FEE

None

WITHDRAWAL TERMS

Two options:

(1) Quarterly: 60 days written notice

(2) Monthly: 90 days written notice

DOMICILE

Delaware

AUDITOR

PricewaterhouseCoopers LLP

ADMINISTRATOR

GlobeOp Financial Services²

BLOOMBERG CODE

LHGLGSH US

INVESTMENT ADVISER

Lighthouse Partners
3801 PGA Boulevard
Suite 500
Palm Beach Gardens, FL 33410
T +1 561 741 0820
F +1 561 748 9046

www.lighthousepartners.com

Performance summary¹

	June 2013	Last 12 months	Last 36 months	Inception (Jan 2005 to date)
Lighthouse Global Long/Short Fund L.P. (Net)	1.00%*	14.39%	7.18%	5.92%
MSCI AC World Index	-2.88%	17.21%	12.95%	5.42%
S&P 500 (w/dividends)	-1.34%	20.60%	18.45%	5.56%

Net historical performance¹

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	3.16%	0.54%	2.68%	1.52%	1.03%	1.00%*							10.32%*
2012	1.73%	1.67%	1.58%	1.15%	-3.69%	0.51%	0.11%	1.09%	1.33%	-0.12%	0.80%	0.43%	6.67%
2011	-0.17%	1.15%	0.65%	2.13%	-1.12%	-1.45%	0.56%	-3.07%	-0.62%	1.74%	-0.99%	-0.60%	-1.89%
2010	0.03%	0.25%	1.88%	0.64%	-2.44%	-1.74%	1.70%	-0.63%	1.33%	1.83%	0.15%	2.11%	5.11%
2009	0.30%	-0.54%	1.07%	1.27%	2.30%	0.66%	1.58%	1.36%	1.46%	-0.86%	0.31%	0.86%	10.17%
2008	-3.15%	1.21%	-4.67%	1.46%	2.79%	-0.45%	-1.39%	-0.33%	-6.35%	-2.02%	-0.60%	-0.04%	-13.07%
2007	2.74%	0.37%	1.53%	2.62%	3.16%	1.29%	-0.16%	-2.33%	1.80%	3.34%	-2.42%	0.23%	12.64%
2006	2.11%	-0.01%	0.66%	0.59%	-1.96%	-0.27%	0.10%	1.96%	1.78%	1.79%	2.50%	2.43%	12.21%
2005	0.91%	1.14%	-0.51%	-1.19%	1.93%	1.46%	1.99%	0.71%	1.31%	-1.30%	1.19%	2.92%	10.99%

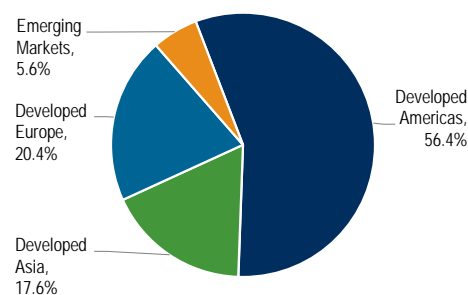
Performance characteristics¹

January 2005 – June 2013

Annualized Compound Return	5.92%
Annualized Standard Deviation	5.91%
Sharpe Ratio (annualized)	0.70
% positive months	69%
Maximum Drawdown	-15.18%
Beta to MSCI AC World Index	0.24
Beta to S&P 500 with dividends	0.25

Portfolio composition

Geography Weightings



Portfolio composition

Sector Weightings

	Gross	Net
Consumer Discretionary	41.1%	9.8%
Consumer Staples	14.6%	3.3%
Energy	20.8%	-0.7%
Financials	49.9%	7.1%
Healthcare	28.4%	9.6%
Industrials	29.0%	1.5%
Technology	23.2%	4.8%
Materials	18.1%	-0.5%
Telecommunications	4.1%	-0.1%
Utilities	4.3%	1.3%
Other	5.5%	0.9%
Total	239.0%	37.0%

*Performance is estimated by Lighthouse Investment Partners, LLC and the underlying managers. 2013 performance is unaudited (and subject to change upon final audit).

[†] Firm AUM is estimated. Fund AUM is estimated and includes onshore and offshore fund assets in the above fund. The figure also may include investments made into the strategy by other Lighthouse managed funds.

¹ The performance data contained herein represents the returns to an investor in Lighthouse Global Long/Short Fund, L.P. Series A shares ("the Fund"). Performance is net of all fees and expenses applicable to a shareholder in above fund. Results include reinvestment of all income and capital gains. Performance shown for periods over one year has been annualized.

² Onshore funds are administered by GlobeOp Financial Services LLC.

³ Allocations are volatility weighted.

⁴ Regional data are calculated based on the issuer's domicile, not by the exchange in which the security is traded. Emerging market countries are based on classifications determined by RiskMetrics, Inc.

Past performance is not necessarily indicative of future results. No assurance can be given that the Fund's objectives or targets will be achieved. Investing in the Fund is intended for experienced and sophisticated investors only who are willing to bear the high economic risks of the investment. Investors should carefully review and consider potential risks before investing. This document is for informational use only and is not an offer to sell or a solicitation of an offer to buy interests in the Fund or any Lighthouse managed investment vehicle. Please refer to the Fund's Private Offering Memorandum for details of investment terms and conditions.



Lighthouse Credit Opportunities Fund, L.P.

FIRM AUM

\$7.0 billion[†]

STRATEGY

Credit

FUND INCEPTION

January 2003

FUND AUM

\$508 million[†]

SERIES B

MANAGEMENT FEE

1% per annum

PERFORMANCE FEE

10% per annum

WITHDRAWAL TERMS

Semiannual redemptions with at least 135 days written notice

DOMICILE

Delaware

AUDITOR

PricewaterhouseCoopers LLP

ADMINISTRATOR

GlobeOp Financial Services²

BLOOMBERG CODE

LHCOPLP US

INVESTMENT MANAGER

Lighthouse Partners
3801 PGA Boulevard
Suite 500
Palm Beach Gardens, FL 33410
T +1 561 741 0820
F +1 561 748 9046

www.lighthousepartners.com

Performance summary¹

	April 2013	Last 12 months	Last 36 months	Inception (Jan 2003 to date)
Lighthouse Credit Opportunities Fund, L.P. (Net)	0.50%*	6.68%	8.22%	6.74%
Barclays Govt/Credit	1.22%	4.43%	6.10%	5.18%
ML High Yield Master II	1.86%	14.05%	10.78%	10.54%

Net historical performance¹

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	1.28%	0.30%	1.04%	0.50%*									3.15%*
2012	2.05%	1.64%	1.12%	0.26%	-1.15%	0.55%	0.35%	0.20%	1.65%	0.32%	0.29%	1.18%	8.75%
2011	1.61%	1.12%	1.72%	1.28%	0.60%	-0.47%	0.04%	-1.94%	-3.06%	2.31%	-0.81%	-0.30%	1.98%
2010	0.34%	-0.72%	2.96%	1.74%	-2.13%	0.77%	1.41%	0.54%	2.64%	1.61%	0.23%	5.40%	15.61%
2009	1.49%	-0.77%	-1.14%	0.53%	2.88%	1.34%	2.26%	2.66%	3.76%	2.12%	-0.27%	2.98%	19.21%
2008	-0.17%	0.54%	-1.17%	0.60%	0.49%	-1.50%	-2.54%	-1.28%	-6.70%	-9.70%	-7.04%	-7.61%	-31.23%
2007	1.50%	0.88%	0.78%	1.13%	0.88%	0.59%	0.36%	-0.30%	0.72%	1.14%	-1.06%	-0.05%	6.74%
2006	1.58%	0.59%	1.02%	1.18%	-0.10%	-0.10%	0.46%	0.98%	0.59%	1.67%	1.75%	1.17%	11.31%
2005	-0.02%	1.61%	0.43%	-0.03%	0.77%	0.93%	1.61%	1.59%	0.89%	-0.44%	0.60%	1.14%	9.43%
2004	2.30%	0.25%	0.60%	0.64%	-0.26%	1.16%	0.40%	0.55%	0.86%	0.94%	2.97%	2.03%	13.12%
2003	2.82%	0.40%	1.43%	3.14%	1.68%	2.44%	0.55%	0.85%	2.36%	2.09%	1.63%	1.54%	23.00%

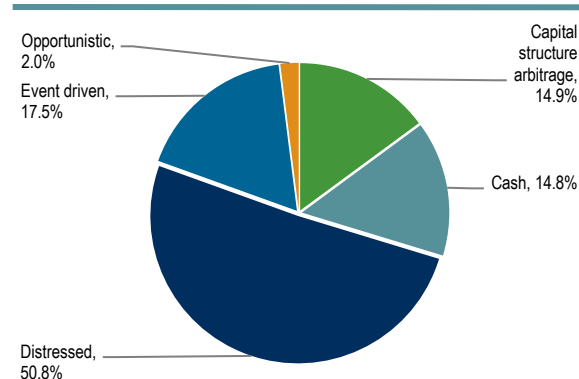
Performance characteristics¹

January 2003 – April 2013

Annualized Compound Return	6.74%
Annualized Standard Deviation	6.85%
Sharpe Ratio (annualized)	0.74
% positive months	77%
Maximum Drawdown	-32.30%
Beta to Barclays Govt/Credit	-0.18
Beta to ML High Yield Master II	0.43

Portfolio composition

April 2013 Strategy Allocations



*Performance is estimated by Lighthouse Investment Partners, LLC and the underlying managers. 2012 and 2013 performance is unaudited (and subject to change upon final audit).

[†] Firm AUM is estimated. Fund AUM is estimated and includes onshore and offshore fund assets in the above fund. The figure also may include investments made into the strategy by other Lighthouse managed funds.

¹ The performance data contained herein represents the returns to an investor in Lighthouse Credit Opportunities Fund, L.P. Series B shares ("the Fund"). Performance is net of all fees and expenses applicable to a shareholder in the Fund. Results include reinvestment of all income and capital gains. Performance shown for periods over one year has been annualized.

² Onshore funds are administered by GlobeOp Financial Services LLC.

Past performance is not necessarily indicative of future results. No assurance can be given that the Fund's objectives or targets will be achieved. Investing in the Fund is intended for experienced and sophisticated investors only who are willing to bear the high economic risks of the investment. Investors should carefully review and consider potential risks before investing. This document is for informational use only and is not an offer to sell or a solicitation of an offer to buy interests in the Fund or any Lighthouse managed investment vehicle. Please refer to the Fund's Private Offering Memorandum for details of investment terms and conditions.

© 2013 Lighthouse Investment Partners, LLC

Artisan International Value Investor

Overall Morningstar Rtg™
★★★★★ (710)
Morningstar Analyst Rtg™
Gold 12-13-2012

Morningstar Cat
Foreign Large Blend (MF)
Total Assets
\$8,750 mil

Standard Index
MSCI Eafe Ndrtr_D
Category Index
MSCI ACWI Ex USA NR USD

Incept
09-23-02
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	2.58	2.55	-17.81	7.40	-7.14
2012	11.28	-5.19	8.50	7.29	22.82
2013	7.54	1.16	—	—	8.79
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	26.64	16.43	9.00	13.07	14.85
Std 06-30-2013	26.64	—	9.00	13.07	14.85
Total Return	26.64	16.43	9.00	13.07	14.85
+/- Std Index	8.02	6.39	9.63	5.40	—
+/- Cat Index	13.01	8.44	9.80	4.45	—
% Rank Cat	2	1	1	1	—
No. in Cat	793	710	622	324	—
7-day Yield	—	—	—	—	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-344-1770 or visit www.artisanfunds.com.

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.94
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	1.22

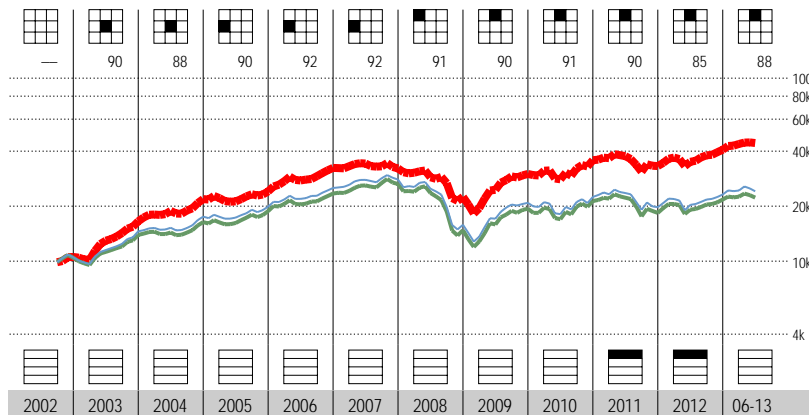
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	710 funds	622 funds	324 funds
MorningstarRating™	5★	5★	5★
Morningstar Risk	Low	Low	Low
Morningstar Return	High	High	High
	3 Yr	5 Yr	10 Yr
Standard Deviation	15.55	19.78	15.98
Mean	16.43	9.00	13.07
Sharpe Ratio	1.06	0.52	0.75
MPT Statistics	Standard Index	Best Fit Index MSCI Wrld Ndrtr_D	
Alpha	7.28	2.57	
Beta	0.82	0.99	
R-Squared	92.75	96.11	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	23.00% Assets

Operations

Family:	Artisan
Manager:	O'Keefe/Samra
Tenure:	8.8 Years



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
NAV	10.60	16.18	21.06	22.06	27.93	25.52	17.63	23.10	27.11	25.09	30.38	33.05	NAV
Total Return %	—	56.59	32.26	10.09	34.46	-0.67	-30.11	33.47	18.90	-7.14	22.82	8.79	Total Return %
+/- Standard Index	—	18.00	12.01	-3.45	8.12	-11.84	13.27	1.69	11.15	5.00	5.50	4.68	+/- Standard Index
+/- Category Index	—	15.76	11.35	-6.53	7.81	-17.32	15.42	-7.98	7.75	6.57	5.99	8.83	+/- Category Index
% Rank Cat	—	—	—	—	—	—	—	—	—	3	7	—	% Rank Cat
No. of Funds in Cat	482	504	551	608	657	743	778	823	829	817	786	837	No. of Funds in Cat

Portfolio Analysis 03-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 12-31-2012	Share Amount	49 Total Stocks	% Net Assets
Cash	10.3	0.0	10.3			0 Total Fixed-Income	
U.S. Stocks	15.2	0.0	15.2			20% Turnover Ratio	
Non-U.S. Stocks	72.6	0.0	72.6	+	39 mil	Compass Group PLC	5.76
Bonds	0.0	0.0	0.0	+	9 mil	TE Connectivity Ltd	4.34
Other	1.9	0.0	1.9	+	7 mil	Arch Capital Group Ltd	4.11
Total	100.0	0.0	100.0	+	5 mil	Aon plc	3.79
				+	27 mil	Reed Elsevier PLC	3.71

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	15.8	1.06	1.10
	P/C Ratio TTM	9.9	1.22	1.15
	P/B Ratio TTM	1.7	1.18	1.01
	Geo Avg Mkt Cap \$mil	15063	0.47	0.57

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	—
				Avg Eff Maturity	—
				Avg Credit Quality	—
				Avg Wtd Coupon	—
				Avg Wtd Price	—

Credit Analysis NA	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel Std Index
Americas	19.6	—
Greater Europe	66.5	1.03
Greater Asia	13.9	0.39

Sector Weightings	Stocks %	Rel Std Index
Cyclical	42.0	0.94
Basic Materials	2.8	0.32
Consumer Cyclical	19.1	1.71
Financial Services	19.1	0.90
Real Estate	1.1	0.31
Sensitive	31.6	1.08
Communication Services	1.8	0.33
Energy	3.4	0.48
Industrials	16.1	1.39
Technology	10.2	2.00
Defensive	26.4	1.02
Consumer Defensive	17.7	1.50
Healthcare	8.8	0.85
Utilities	0.0	0.00

Cambiar Small Cap Instl

Overall Morningstar Rtg™
☆☆☆ (621)
Morningstar Analyst Rtg™
—

Morningstar Cat
Small Blend (MF)
Total Assets
\$1,232 mil

Standard Index
S&P 500
Category Index
Rus 2000

Incept
10-31-08
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	10.27	-2.11	-23.65	19.92	-1.16
2012	14.18	-10.14	5.15	5.11	13.40
2013	10.89	2.68	—	—	13.87
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	25.85	19.49	—	—	20.04
Std 06-30-2013	25.85	—	—	—	20.04
Total Return	25.85	19.49	11.27	—	20.04
+/- Std Index	5.25	1.04	4.26	—	—
+/- Cat Index	1.64	0.82	2.50	—	—
% Rank Cat	32	29	9	—	—
No. in Cat	678	621	548	339	—
7-day Yield	—	—	—	—	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 866-777-8227 or visit www.cambiar.com.

Fees and Expenses

Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	1.05
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	1.19

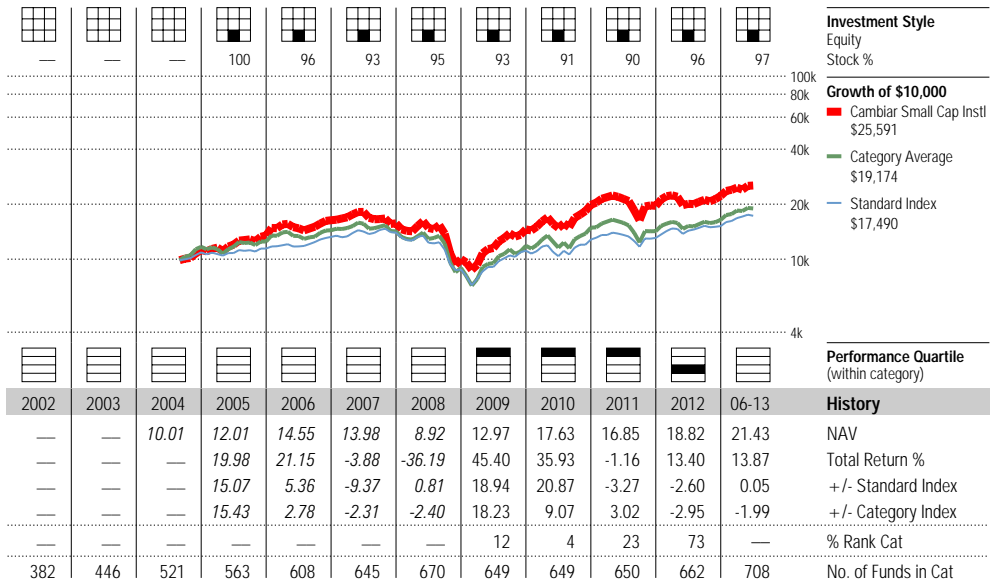
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	3★	4☆	—
Morningstar Risk	+ Avg	+ Avg	—
Morningstar Return	+ Avg	High	—
	621 funds	548 funds	339 funds
MPT Statistics			
	Standard Index	Best Fit Index	Mstar Small Cap TR
Alpha	-5.04	-1.39	—
Beta	1.40	1.10	—
R-Squared	85.15	94.02	—
Standard Deviation	20.51	24.34	—
Mean	19.49	11.27	—
Sharpe Ratio	0.97	0.56	—

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	13.00% Assets

Operations

Family:	Cambiar Funds	Objective:	Growth and Income	Minimum IRA Purchase:	\$0
Manager:	Baumbusch/Aldrich/Susman/Berane/Kibarsch		CAMZX	Min Auto Investment Plan:	\$0
Tenure:	7.5 Years	Minimum Initial Purchase:	\$5,000,000	Purchase Constrains:	T/



Portfolio Analysis 05-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 04-30-2013	Share Amount	53 Total Stocks	0 Total Fixed-Income	71% Turnover Ratio	% Net Assets
Cash	2.9	0.0	2.9	—	—	—	—	—	—
U.S. Stocks	92.9	0.0	92.9	—	512,000	Harman International Industri	—	—	2.16
Non-U.S. Stocks	4.2	0.0	4.2	—	658,000	Cabot Corporation	—	—	2.14
Bonds	0.0	0.0	0.0	—	3 mil	Atmel Corporation	—	—	2.12
Other	0.0	0.0	0.0	—	828,000	Diebold Incorporated	—	—	2.12
Total	100.0	0.0	100.0	—	489,000	Magellan Health Services, Inc	—	—	2.12
Equity Style									
Value Blend Growth	Portfolio Statistics	Port Avg	Rel Index	Rel Cat	—	2 mil	Exelis Inc	—	2.11
Large Mid Small	P/E Ratio TTM	17.5	1.06	1.01	—	2 mil	AerCap Holdings N.V.	—	2.11
	P/C Ratio TTM	9.0	0.91	0.94	—	1 mil	Darling International, Inc.	—	2.10
	P/B Ratio TTM	1.6	0.69	0.85	—	1 mil	Teradyne Inc	—	2.09
	Geo Avg Mkt Cap \$mil	2014	0.03	1.23	—	4 mil	Wendy's Co Class A	—	2.09
Fixed-Income Style									
Ltd Mod Ext	Avg Eff Duration	—	—	—	—	522,000	LifePoint Hospitals, Inc.	—	2.06
High Med Low	Avg Eff Maturity	—	—	—	—	814,000	Health Net Inc	—	2.06
	Avg Credit Quality	—	—	—	—	396,000	Treehouse Foods, Inc.	—	2.06
	Avg Wtd Coupon	—	—	—	—	1 mil	Foster Wheeler AG	—	2.05
	Avg Wtd Price	—	—	—	—	430,000	Crane Company	—	2.04

Sector Weightings

Sector	Stocks %	Rel Std Index
Cyclical	34.5	1.06
Basic Materials	7.7	2.48
Consumer Cyclical	13.0	1.10
Financial Services	13.8	0.88
Real Estate	0.0	0.00
Sensitive	51.7	1.25
Communication Services	0.0	0.00
Energy	11.1	1.06
Industrials	19.5	1.93
Technology	21.2	1.28
Defensive	13.8	0.53
Consumer Defensive	3.7	0.36
Healthcare	10.1	0.80
Utilities	0.0	0.00

Harbor Capital Appreciation Instl

Overall Morningstar Rtg™
★★★★ (1488)
Morningstar Analyst Rtg™
Gold 02-22-2013

Morningstar Cat
Large Growth (MF)
Total Assets
\$18,854 mil

Standard Index
S&P 500
Category Index
Rus 1000Growth

Incept
12-29-87
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	4.63	3.64	-13.39	7.11	0.61
2012	19.08	-6.87	5.62	-1.23	15.69
2013	6.91	2.35	—	—	9.43
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	14.17	16.74	6.85	7.78	10.77
Std 06-30-2013	14.17	—	6.85	7.78	10.77
Total Return	14.17	16.74	6.85	7.78	10.77
+/- Std Index	-6.43	-1.71	-0.16	0.48	—
+/- Cat Index	-2.90	-1.94	-0.62	0.38	—
% Rank Cat	77	46	30	28	—
No. in Cat	1698	1488	1308	863	—
7-day Yield	—	—	—	—	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-422-1050 or visit www.harborfunds.com.

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.60
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.68

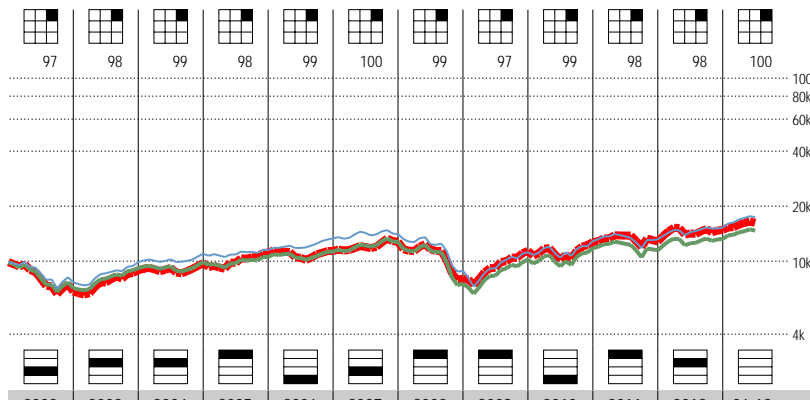
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	1488 funds	1308 funds	863 funds
MorningstarRating™	3★	4★	4★
Morningstar Risk	Avg	-Avg	-Avg
Morningstar Return	Avg	+Avg	+Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	15.23	18.36	15.33
Mean	16.74	6.85	7.78
Sharpe Ratio	1.09	0.44	0.46
MPT Statistics	Standard Index	Best Fit Index	
		MStar US Gr TR	
Alpha	-2.14	-0.72	
Beta	1.05	0.96	
R-Squared	87.48	95.98	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	26.00% Assets

Operations

Family:	Harbor	Objective:	Growth
Manager:	Segalas/McCarragher	Ticker:	HACAX
Tenure:	11.8 Years	Minimum Initial Purchase:	\$50,000



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
NAV	20.21	26.32	28.67	32.66	33.35	37.31	23.30	32.97	36.72	36.90	42.52	46.53	NAV
Total Return %	-30.73	30.47	9.34	14.02	2.33	12.25	-37.13	41.88	11.61	0.61	15.69	9.43	Total Return %
+/- Standard Index	-8.63	1.78	-1.54	9.11	-13.46	6.76	-0.13	15.42	-3.45	-1.50	-0.31	-4.39	+/- Standard Index
+/- Category Index	-2.85	0.72	3.04	8.76	-6.74	0.44	1.31	4.67	-5.10	-2.03	0.43	-2.37	+/- Category Index
% Rank Cat	74	30	34	8	85	54	21	21	82	24	43	—	% Rank Cat
No. of Funds in Cat	1234	1311	1400	1495	1642	1748	1809	1796	1718	1683	1681	1756	No. of Funds in Cat

Portfolio Analysis 03-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 12-31-2012	Share Amount	74 Total Stocks	% Net Assets
Cash	0.4	0.0	0.5			0 Total Fixed-Income	
U.S. Stocks	88.0	0.0	88.0		926,846	41% Turnover Ratio	3.97
Non-U.S. Stocks	11.5	0.0	11.5	+	1 mil	Google, Inc. Class A	3.56
Bonds	0.0	0.0	0.0	-	1 mil	MasterCard Incorporated Class	3.52
Other	0.0	0.0	0.0	-	2 mil	Apple Inc	2.88
Total	100.0	0.0	100.0	+	4 mil	Amazon.com Inc	2.39
				+	2 mil	Monsanto Company	2.21
				-	7 mil	Biogen Idec Inc	2.15
				-	2 mil	Nike, Inc. Class B	2.13
				-	2 mil	LinkedIn Corp	2.11
				-	2 mil	Visa, Inc.	2.05
				+	8 mil	TJX Companies	2.00
				-	3 mil	Costco Wholesale Corporation	2.00
				-	3 mil	Industria De Diseno Textil SA	2.00
				+	3 mil	Allergan, Inc.	1.97
				+	530,133	Priceline.com, Inc.	1.94
				-	2 mil	Precision Castparts Corp.	

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	24.0	1.45	1.20
	P/C Ratio TTM	14.0	1.41	1.09
	P/B Ratio TTM	4.3	1.87	1.28
	Geo Avg Mkt Cap \$mil	43406	0.73	1.11

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	—
				Avg Eff Maturity	—
				Avg Credit Quality	—
				Avg Wtd Coupon	—
				Avg Wtd Price	—

Credit Analysis NA	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel Std Index
Americas	90.1	0.92
Greater Europe	9.1	5.35
Greater Asia	0.8	—

Sector Weightings	Stocks %	Rel Std Index
Cyclical	33.3	1.02
Basic Materials	2.4	0.77
Consumer Cyclical	21.7	1.84
Financial Services	8.4	0.54
Real Estate	0.8	0.36
Sensitive	39.7	0.96
Communication Services	0.6	0.15
Energy	4.2	0.40
Industrials	9.9	0.98
Technology	25.0	1.51
Defensive	27.0	1.03
Consumer Defensive	7.4	0.72
Healthcare	19.5	1.55
Utilities	0.0	0.00

Hartford Dividend & Growth Y

Overall Morningstar Rtg™
★★★★ (1047)
Morningstar Analyst Rtg™
Bronze 05-28-2013

Morningstar Cat
Large Value (MF)
Total Assets
\$7,078 mil

Standard Index
S&P 500
Category Index
Rus 1000Value

Incept
07-22-96
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	6.00	-0.40	-14.45	12.18	1.33
2012	10.17	-2.61	5.30	0.41	13.44
2013	10.73	3.86	—	—	15.01
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	21.60	17.20	6.84	8.59	8.77
Std 06-30-2013	21.60	—	6.84	8.59	8.77
Total Return	21.60	17.20	6.84	8.59	8.77
+/- Std Index	1.00	-1.25	-0.17	1.29	—
+/- Cat Index	-3.72	-1.31	0.17	0.80	—
% Rank Cat	64	45	36	12	—
No. in Cat	1199	1047	935	605	—
7-day Yield	—				

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics. The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-843-7824 or visit www.hartfordfunds.com.

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.61
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.65

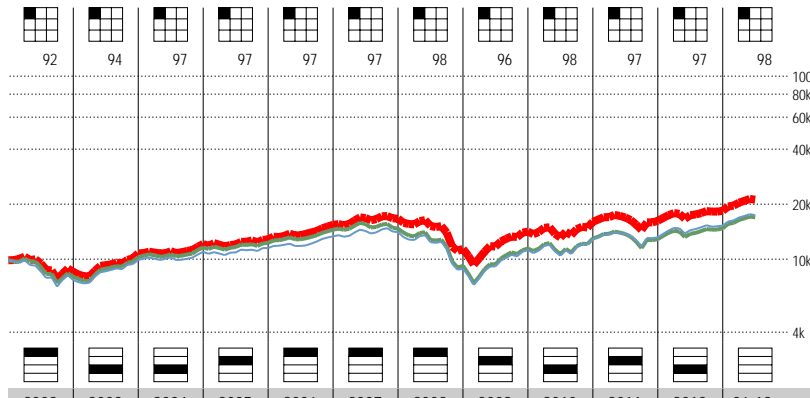
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	1047 funds	935 funds	605 funds
MorningstarRating™	3★	4★	5★
Morningstar Risk	-Avg	-Avg	-Avg
Morningstar Return	Avg	Avg	+Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	13.19	17.64	13.87
Mean	17.20	6.84	8.59
Sharpe Ratio	1.27	0.45	0.54
MPT Statistics	Standard Index	Best Fit Index Russ 1000 Value	
Alpha	-0.43	-0.01	
Beta	0.96	0.93	
R-Squared	97.64	98.68	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	28.00% Assets

Operations

Family:	Hartford Mutual Funds
Manager:	Kilbride/Baker/Bousa
Tenure:	6.2 Years



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
NAV	14.00	17.44	19.11	19.14	21.21	21.31	14.25	17.34	19.26	19.14	20.91	23.84	NAV
Total Return %	-13.70	26.44	12.44	5.87	20.08	8.18	-31.63	24.22	13.08	1.33	13.44	15.01	Total Return %
+/- Standard Index	8.40	-2.25	1.56	0.96	4.29	2.69	5.37	-2.24	-1.98	-0.78	-2.56	1.19	+/- Standard Index
+/- Category Index	1.82	-3.59	-4.05	-1.18	-2.17	8.35	5.22	4.53	-2.43	0.94	-4.07	-0.89	+/- Category Index
% Rank Cat	14	62	56	46	24	9	12	43	54	31	68	—	% Rank Cat
No. of Funds in Cat	961	1050	1220	1296	1371	1432	1433	1272	1240	1258	1208	1254	No. of Funds in Cat

Portfolio Analysis 05-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 04-30-2013	Share Amount	85 Total Stocks	0 Total Fixed-Income	28% Turnover Ratio	% Net Assets
Cash	0.0	0.0	0.0						
U.S. Stocks	88.4	0.0	88.4		7 mil	Wells Fargo & Co			4.19
Non-U.S. Stocks	9.2	0.0	9.2		4 mil	JPMorgan Chase & Co			3.23
Bonds	0.0	0.0	0.0		5 mil	Merck & Co Inc			2.99
Other	2.4	0.0	2.4		2 mil	Exxon Mobil Corporation			2.75
Total	100.0	0.0	100.0		4 mil	Verizon Communications Inc			2.60
Equity Style	Portfolio Value Blend Growth	Port Statistics	Rel Avg	Rel Index	Rel Cat				
		P/E Ratio TTM	16.1	0.97	1.06	5 mil	Microsoft Corporation		2.45
		P/C Ratio TTM	9.0	0.91	1.05	6 mil	Pfizer Inc		2.39
		P/B Ratio TTM	2.0	0.87	1.08	807,720	International Business Machin		2.34
		Geo Avg Mkt Cap \$mil	76707	1.29	1.69	2 mil	Johnson & Johnson		2.23
						1 mil	Chevron Corp		2.14
						2 mil	PNC Financial Services Group		1.86
						1 mil	Anadarko Petroleum Corp		1.78
						3 mil	Comcast Corp Class A		1.78
						2 mil	Medtronic, Inc.		1.73
						1 mil	ACE Ltd		1.69

Fixed-Income Style

Ltd	Mod	Ext	Avg Eff Duration	—
			Avg Eff Maturity	—
			Avg Credit Quality	—
			Avg Wtd Coupon	—
			Avg Wtd Price	—

Credit Analysis NA

AAA	—	Bond %
AA	—	
A	—	
BBB	—	
BB	—	
B	—	
Below B	—	
NR/NA	—	

Regional Exposure

Americas	92.3	0.94
Greater Europe	7.7	4.53
Greater Asia	0.0	—

Sector Weightings

Cyclical	30.2	0.93
Basic Materials	2.4	0.77
Consumer Cyclical	7.1	0.60
Financial Services	20.8	1.33
Real Estate	0.0	0.00
Sensitive	40.7	0.99
Communication Services	5.1	1.24
Energy	10.6	1.01
Industrials	10.7	1.06
Technology	14.4	0.87
Defensive	29.1	1.11
Consumer Defensive	9.1	0.88
Healthcare	16.1	1.28
Utilities	3.8	1.15

Invesco Small Cap Growth R5

Overall Morningstar Rtg™
★★★★ (632)
Morningstar Analyst Rtg™
Silver 11-14-2012

Morningstar Cat
Small Growth (MF)
Total Assets
\$1,971 mil

Standard Index
S&P 500
Category Index
Rus 2000Growth

Incept
03-15-02
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	11.46	0.90	-21.41	12.23	-0.81
2012	15.20	-5.22	5.16	3.43	18.77
2013	13.13	1.88	—	—	15.26
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	25.36	20.59	9.88	9.96	7.50
Std 06-30-2013	25.36	—	9.88	9.96	7.50
Total Return	25.36	20.59	9.88	9.96	7.50
+/- Std Index	4.76	2.14	2.87	2.66	—
+/- Cat Index	1.69	0.62	0.99	0.34	—
% Rank Cat	24	27	31	32	—
No. in Cat	713	632	558	362	—
7-day Yield	—	—	—	—	—

Performance Disclosure
The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.
The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

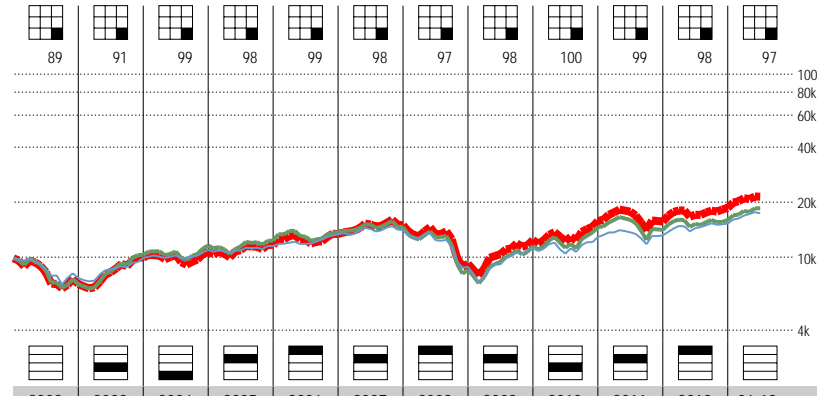
Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-659-1005 or visit www.invesco.com.

Fees and Expenses	
Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.69
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.83

Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	4★	4★
Morningstar Risk	-Avg	-Avg	-Avg
Morningstar Return	+Avg	+Avg	+Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	17.41	21.86	18.50
Mean	20.59	9.88	9.96
Sharpe Ratio	1.16	0.53	0.52
MPT Statistics	Standard Index	Best Fit Index S&P Midcap 400	
Alpha	-1.47	0.45	
Beta	1.22	1.03	
R-Squared	89.86	97.31	

Regional Exposure	
Americas	99.6
Greater Europe	0.4
Greater Asia	0.0

Operations	
Family:	Invesco
Manager:	Manley/Hartsfield/Ellis
Tenure:	7.6 Years
Objective:	Small Company
Ticker:	GTSVX
Minimum Initial Purchase:	Closed
Minimum IRA Purchase:	Closed
Min Auto Investment Plan:	Closed
Purchase Constrains:	T/C/



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
NAV	18.53	25.91	27.83	28.08	30.01	30.01	17.52	23.68	30.03	29.27	31.92	36.79	NAV
Total Return %	-27.81	39.83	7.41	8.93	14.76	11.85	-38.53	35.16	26.82	-0.81	18.77	15.26	Total Return %
+/- Standard Index	-5.71	11.14	-3.47	4.02	-1.03	6.36	-1.53	8.70	11.76	-2.92	2.77	1.44	+/- Standard Index
+/- Category Index	2.45	-8.71	-6.90	4.78	1.41	4.80	0.01	0.69	-2.27	2.10	4.18	-2.18	+/- Category Index
% Rank Cat	—	66	76	26	21	29	24	47	51	27	7	—	% Rank Cat
No. of Funds in Cat	630	696	711	723	763	829	834	778	758	764	743	741	No. of Funds in Cat

Portfolio Analysis 03-31-2013

Composition %	Long %	Short %	Net %	Share Chg since 12-31-2012	Share Amount	124 Total Stocks	% Net Assets
Cash	2.1	0.0	2.1			0 Total Fixed-Income	
U.S. Stocks	96.7	0.0	96.7			24% Turnover Ratio	
Non-U.S. Stocks	0.5	0.0	0.5		269,381	CoStar Group, Inc.	1.51
Bonds	0.0	0.0	0.0		378,829	Manhattan Associates, Inc.	1.44
Other	0.7	0.0	0.7		832,952	Aspen Technology, Inc.	1.37
Total	100.0	0.0	100.0		898,682	ValueClick, Inc.	1.36
					436,605	SolarWinds, Inc.	1.32
Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat			
Value Blend Growth	P/E Ratio TTM	21.4	1.29	0.96	255,334	Cymer, Inc.	1.25
	P/C Ratio TTM	13.6	1.37	1.01	321,216	SBA Communications Corp	1.18
	P/B Ratio TTM	2.9	1.26	0.99	567,026	Parexel International Corpora	1.14
	Geo Avg Mkt Cap \$mil	2758	0.05	1.54	406,207	Penn National Gaming	1.13
					132,625	TransDigm Group Inc	1.04
					862,310	Incyte Corp Ltd	1.03
					514,831	Corrections Corporation of Am	1.03
					129,750	Affiliated Managers Group Inc	1.02
					547,472	Seattle Genetics, Inc.	0.99
					189,149	Westinghouse Air Brake Techno	0.99

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	—
				Avg Eff Maturity	—
				Avg Credit Quality	—
				Avg Wtd Coupon	—
				Avg Wtd Price	—

Credit Analysis NA	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Sector Weightings	Stocks %	Rel Std Index
Cyclical	30.0	0.92
Basic Materials	3.0	0.97
Consumer Cyclical	15.4	1.31
Financial Services	9.2	0.59
Real Estate	2.3	1.05
Sensitive	49.6	1.20
Communication Services	1.2	0.29
Energy	7.0	0.67
Industrials	17.3	1.71
Technology	24.0	1.45
Defensive	20.4	0.78
Consumer Defensive	2.3	0.22
Healthcare	17.3	1.37
Utilities	0.9	0.27

iShares iBoxx \$ High Yield Corporate Bd

Overall Morningstar Rtg™
★★★
525 High Yield Bond (MF)

Standard Index
Barclays Agg
Category Index
ML US High Yield Master

Morningstar Cat
High Yield Bond (MF)

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	3.15	1.16	-7.56	10.69	6.77
2012	2.61	2.44	2.81	3.33	11.66
2013	2.16	-2.20	—	—	-0.08
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Std Mkt 06-30-2013	6.14	—	7.93	—	5.96
Std NAV 06-30-2013	7.61	—	8.24	—	6.28
Mkt Total Ret	6.14	9.93	7.93	—	5.96
NAV Total Ret	7.61	9.79	8.24	—	6.28
+/- Barclays	8.30	6.28	3.05	—	—
+/- ML US Hig	-1.94	-0.63	-2.38	—	—
% Rank Cat					
No. in Cat	624	525	467	326	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when sold, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-474-2737 or visit ca.ishares.com/home.htm.

Fees and Expenses

Fund Expenses	
Management Fees %	0.50
Expense Ratio %	0.50
12b1 Expense %	NA

Risk and Return Profile

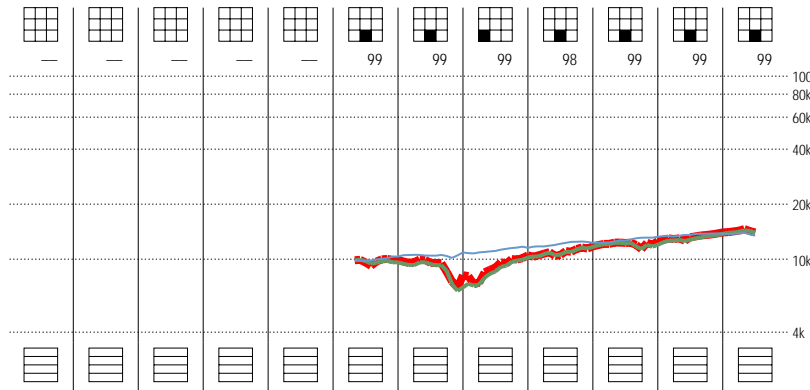
	3 Yr	5 Yr	10 Yr
	525 funds	467 funds	326 funds
Morningstar Rating™	3★	2★	—
Morningstar Risk	+ Avg	+ Avg	—
Morningstar Return	Avg	Avg	—
Standard Deviation NAV	7.80	13.94	—
Standard Deviation MKT	8.97	15.98	—
Mean NAV	9.79	8.24	—
Mean MKT	9.93	7.93	—
Sharpe Ratio	1.09	0.54	—
MPT Statistics			
	Standard Index Barclays Agg	Best Fit Index CSFB High Yield	
Alpha	8.30	-2.72	
Beta	0.38	1.24	
R-Squared	1.91	97.65	

12-Month Yield	6.56%
30-day SEC Yield	5.53
Potential Cap Gains Exp	1.00% Assets

Leveraged	No
Leverage Type	—
Leverage %	100.00
Primary Prospectus Benchmark	NA

Operations

Family:	iShares	Ticker:	HYG
Manager:	Mauro/Radell	Exchange:	ARCA
Tenure:	2.5 Years	Incept:	04-04-07
Total Assets:	\$13,921 mil	NAV:	90.87
Shares Outstanding:	61.80 mil		



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
Mkt Total Ret %	—	—	—	—	—	—	-17.37	28.45	11.89	6.77	11.66	-0.08	Mkt Total Ret %
NAV Total Ret %	—	—	—	—	—	—	-23.88	40.69	12.07	5.89	13.83	0.31	NAV Total Ret %
+/- Standard Index	—	—	—	—	—	—	-29.12	34.76	5.53	-1.95	9.61	2.75	+/- Standard Index
+/- Category Index	—	—	—	—	—	—	2.51	-16.82	-3.12	1.51	-1.76	-1.15	+/- Category Index
% Rank Cat	—	—	—	—	—	—	—	—	—	—	—	—	% Rank Cat
No. of Funds in Cat	425	455	493	518	549	542	559	543	574	573	598	673	No. of Funds in Cat
Avg Prem/Discount %	—	—	—	—	—	1.63	2.41	1.81	0.56	0.91	0.53	0.01	Avg Prem/Discount %

Portfolio Analysis 05-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 05-30-2013	Share Amount	0 Total Stocks	19% Total Fixed-Income	19% Turnover Ratio	% Net Assets
Cash	0.5	0.0	0.5						
U.S. Stocks	0.0	0.0	0.0		63 mil	Sprint Nextel 14.4A	9%		0.51
Non-U.S. Stocks	0.0	0.0	0.0		63 mil	Hca 6.5%			0.47
Bonds	99.3	0.0	99.3		64 mil	First Data 12.625%			0.47
Other	0.2	0.0	0.2		58 mil	Cit Grp 14.4A 5.5%			0.42
Total	100.0	0.0	100.0		59 mil	Springleaf Fin 6.9%			0.41

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	—	—	—
Large Mid Small	P/C Ratio TTM	—	—	—
	P/B Ratio TTM	—	—	—
	Geo Avg Mkt Cap \$mil	—	—	—

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	4.00
				Avg Eff Maturity	—
				Avg Credit Quality	—
				Avg Wtd Coupon	7.43
				Avg Wtd Price	—

Credit Quality Breakdown 06-30-2013	Bond %
AAA	0.61
AA	0.00
A	0.20
BBB	1.15
BB	36.69
B	46.59
Below B	12.04
NR/NA	2.72

Regional Exposure	Stocks %	Rel Barclays
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

Sector Weightings	Stocks %	Rel Barclays
Cyclical	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
Sensitive	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
Defensive	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

iShares Russell 1000 Growth Index

Overall Morningstar Rtg™
★★★★
1488 Large Growth (MF)

Standard Index
S&P 500
Category Index
Rus 1000Growth

Morningstar Cat
Large Growth (MF)

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	5.94	0.68	-13.07	10.37	2.33
2012	14.68	-3.97	5.89	-1.20	15.22
2013	9.33	2.23	—	—	11.77
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Std Mkt 06-30-2013	16.94	—	7.31	7.21	0.43
Std NAV 06-30-2013	17.20	—	7.36	7.24	0.44
Mkt Total Ret	16.94	18.53	7.31	7.21	0.43
NAV Total Ret	17.20	18.56	7.36	7.24	0.44
+/- S&P 500	-3.40	0.11	0.35	-0.06	—
+/- Rus 1000G	0.13	-0.12	-0.11	-0.16	—
% Rank Cat					
No. in Cat	1698	1488	1308	863	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when sold, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-474-2737 or visit ca.ishares.com/home.htm.

Fees and Expenses

Fund Expenses	
Management Fees %	0.20
Expense Ratio %	0.20
12b1 Expense %	NA

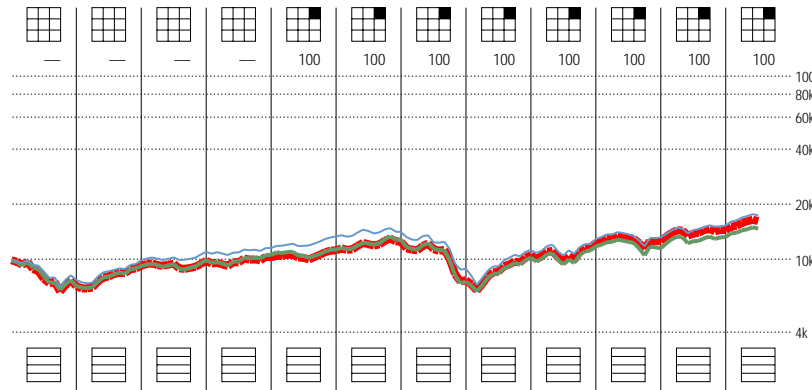
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	1488 funds	1308 funds	863 funds
Morningstar Rating™	4★	4★	4★
Morningstar Risk	-Avg	-Avg	-Avg
Morningstar Return	+ Avg	+ Avg	+ Avg
Standard Deviation NAV	14.05	18.54	14.88
Standard Deviation MKT	14.08	18.59	14.95
Mean NAV	18.56	7.36	7.24
Mean MKT	18.53	7.31	7.21
Sharpe Ratio	1.28	0.46	0.43
MPT Statistics			
	Standard Index S&P 500	Best Fit Index Russ 1000 Growth	
Alpha	-0.17	-0.03	
Beta	1.02	1.00	
R-Squared	96.63	99.98	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	2.00% Assets
Leveraged	No
Leverage Type	—
Leverage %	100.00
Primary Prospectus Benchmark	NA

Operations

Family:	iShares	Ticker:	IWF
Manager:	Hsiung/Savage/Hsui/Casis	Exchange:	ARCA
Tenure:	3.4 Years	Incept:	05-22-00
Total Assets:	\$18,804 mil	NAV:	72.87
Shares Outstanding:	0.50 mil		



2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
-27.94	29.58	6.46	4.57	8.75	11.55	-38.22	36.70	16.52	2.33	15.22	11.77	Mkt Total Ret %
-27.99	29.46	6.10	5.08	8.86	11.63	-38.48	36.94	16.47	2.47	15.03	12.04	NAV Total Ret %
-5.89	0.77	-4.78	0.17	-6.93	6.14	-1.48	10.48	1.41	0.36	-0.97	-1.78	+/- Standard Index
-0.11	-0.29	-0.20	-0.18	-0.21	-0.18	-0.04	-0.27	-0.24	-0.17	-0.23	0.24	+/- Category Index
—	—	—	—	—	—	—	—	—	—	—	—	% Rank Cat
1234	1311	1400	1495	1642	1748	1809	1796	1718	1683	1681	1756	No. of Funds in Cat
0.15	0.10	0.11	0.03	-0.01	-0.02	0.13	-0.12	-0.04	-0.03	0.00	-0.18	Avg Prem/Discount %

Portfolio Analysis 05-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 05-30-2013	Share Amount	576 Total Stocks	0 Total Fixed-Income	17% Turnover Ratio	% Net Assets
Cash	0.0	0.0	0.0						
U.S. Stocks	99.1	0.0	99.1						
Non-U.S. Stocks	0.8	0.0	0.8		2 mil	Apple Inc			5.26
Bonds	0.0	0.0	0.0		18 mil	Microsoft Corporation			3.29
Other	0.1	0.0	0.1		3 mil	International Business Machin			2.84
Total	100.0	0.0	100.0		626,034	Google, Inc. Class A			2.82
					9 mil	Coca-Cola Co			1.94
					4 mil	Philip Morris International,			1.78
					7 mil	Verizon Communications Inc			1.72
					4 mil	PepsiCo Inc			1.58
					9 mil	Oracle Corporation			1.53
					4 mil	Home Depot, Inc.			1.51
					4 mil	Qualcomm, Inc.			1.36
					3 mil	Wal-Mart Stores Inc			1.25
					2 mil	McDonald's Corporation			1.23
					3 mil	Schlumberger NV			1.22
					874,904	Amazon.com Inc			1.22

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	19.3	1.16	0.96
	P/C Ratio TTM	12.4	1.25	0.96
	P/B Ratio TTM	4.3	1.88	1.29
	Geo Avg Mkt Cap \$mil	48586	0.82	1.24

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	Avg Eff Maturity	Avg Credit Quality	Avg Wtd Coupon	Avg Wtd Price
				—	—	—	—	—

Credit Quality Breakdown 06-30-2013	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel S&P 500
Americas	99.3	1.01
Greater Europe	0.5	0.29
Greater Asia	0.1	—

Sector Weightings	Stocks %	Rel S&P 500
Cyclical	27.5	0.84
Basic Materials	3.8	1.23
Consumer Cyclical	16.8	1.42
Financial Services	4.7	0.30
Real Estate	2.2	1.00
Sensitive	47.7	1.15
Communication Services	4.3	1.05
Energy	4.1	0.39
Industrials	13.2	1.31
Technology	26.1	1.57
Defensive	24.8	0.95
Consumer Defensive	11.8	1.15
Healthcare	12.9	1.02
Utilities	0.1	0.03

iShares Russell 1000 Value Index

Overall Morningstar Rtg™
★★★
1047 Large Value (MF)

Standard Index
S&P 500
Category Index
Rus 1000Value

Morningstar Cat
Large Value (MF)

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	6.34	-0.57	-16.18	12.96	0.12
2012	10.96	-2.08	6.41	1.60	17.46
2013	12.00	3.70	—	—	16.14

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Std Mkt 06-30-2013	25.57	—	6.64	7.70	5.42
Std NAV 06-30-2013	25.59	—	6.63	7.68	5.42
Mkt Total Ret	25.57	18.48	6.64	7.70	5.42
NAV Total Ret	25.59	18.44	6.63	7.68	5.42
+/- S&P 500	4.99	-0.01	-0.38	0.38	—
+/- Rus 1000V	0.27	-0.07	-0.04	-0.11	—

% Rank Cat	1199	1047	935	605	—
No. in Cat	1199	1047	935	605	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when sold, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-474-2737 or visit ca.ishares.com/home.htm.

Fees and Expenses

Fund Expenses	
Management Fees %	0.20
Expense Ratio %	0.21
12b1 Expense %	NA

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	1047 funds	935 funds	605 funds
Morningstar Rating™	4★	3★	3★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	+ Avg	Avg	Avg
Standard Deviation NAV	14.01	19.58	15.44
Standard Deviation MKT	14.02	19.55	15.45
Mean NAV	18.44	6.63	7.68
Mean MKT	18.48	6.64	7.70
Sharpe Ratio	1.28	0.42	0.45

MPT Statistics	Standard Index S&P 500	Best Fit Index Russ 1000 Value
Alpha	-0.27	0.01
Beta	1.02	1.00
R-Squared	97.14	99.97

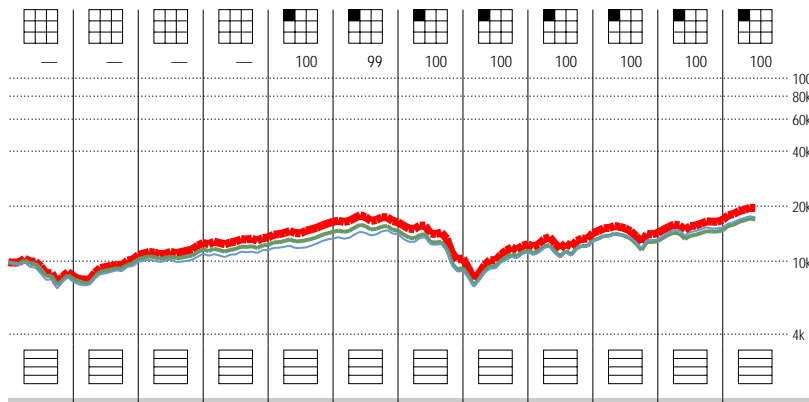
12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	5.00% Assets

Leveraged	No
Leverage Type	—
Leverage %	100.00
Primary Prospectus Benchmark	NA

Operations

Family:	iShares	Ticker:	IWD
Manager:	Hsiung/Savage/Hsui/Casis	Exchange:	ARCA
Tenure:	3.4 Years	Incept:	05-22-00
Total Assets:	\$18,936 mil	NAV:	83.79
Shares Outstanding:	0.45 mil		

Prem/Discount:	0.00
Mkt Price:	83.79



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
Mkt Total Ret %	-15.97	30.56	16.24	6.85	22.12	-0.61	-36.47	19.18	15.49	0.12	17.46	16.14	Mkt Total Ret %
NAV Total Ret %	-15.68	29.70	16.28	6.92	22.00	-0.29	-36.83	19.64	15.30	0.21	17.28	16.27	NAV Total Ret %
+/- Standard Index	6.42	1.01	5.40	2.01	6.21	-5.78	0.17	-6.82	0.24	-1.90	1.28	2.45	+/- Standard Index
+/- Category Index	-0.16	-0.33	-0.21	-0.13	-0.25	-0.12	0.02	-0.05	-0.21	-0.18	-0.23	0.37	+/- Category Index
% Rank Cat	—	—	—	—	—	—	—	—	—	—	—	—	% Rank Cat
No. of Funds in Cat	961	1050	1220	1296	1371	1432	1433	1272	1240	1258	1208	1254	No. of Funds in Cat
Avg Prem/Discount %	-0.14	-0.16	-0.04	-0.03	-0.08	-0.03	-0.01	-0.03	-0.02	-0.02	-0.05	0.00	Avg Prem/Discount %

Portfolio Analysis 05-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 05-30-2013	Share Amount	698 Total Stocks	0 Total Fixed-Income	16% Turnover Ratio	% Net Assets
Cash	0.2	0.0	0.2						
U.S. Stocks	98.4	0.0	98.4	⊕	10 mil	Exxon Mobil Corporation			4.91
Non-U.S. Stocks	1.4	0.0	1.4	⊕	22 mil	General Electric Co			2.87
Bonds	0.0	0.0	0.0	⊕	4 mil	Chevron Corp			2.81
Other	0.0	0.0	0.0	⊕	8 mil	JPMorgan Chase & Co			2.41
Total	100.0	0.0	100.0	⊕	16 mil	Pfizer Inc			2.36
				⊕	4 mil	Berkshire Hathaway Inc Class			2.36
				⊕	10 mil	Wells Fargo & Co			2.30
				⊕	5 mil	Procter & Gamble Co			2.26
				⊕	11 mil	AT&T Inc			2.23
				⊕	4 mil	Johnson & Johnson			2.08
				⊕	6 mil	Citigroup Inc			1.77
				⊕	22 mil	Bank of America Corporation			1.71
				⊕	6 mil	Merck & Co Inc			1.65
				⊕	11 mil	Cisco Systems Inc			1.50
				⊕	3 mil	ConocoPhillips			0.90

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	14.7	0.89	0.97
	P/C Ratio TTM	8.3	0.84	0.97
	P/B Ratio TTM	1.7	0.72	0.89
	Geo Avg Mkt Cap \$mil	43206	0.73	0.95

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	Avg Eff Maturity	Avg Credit Quality	Avg Wtd Coupon	Avg Wtd Price
				—	—	—	—	—
				—	—	—	—	—
				—	—	—	—	—

Credit Quality Breakdown 06-30-2013	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel S&P 500
Americas	98.8	1.01
Greater Europe	1.2	0.71
Greater Asia	0.0	—

Sector Weightings	Stocks %	Rel S&P 500
Cyclical	39.4	1.21
Basic Materials	3.0	0.97
Consumer Cyclical	7.9	0.67
Financial Services	24.4	1.56
Real Estate	4.1	1.86
Sensitive	35.3	0.85
Communication Services	3.6	0.88
Energy	15.4	1.47
Industrials	8.7	0.86
Technology	7.6	0.46
Defensive	25.3	0.97
Consumer Defensive	7.6	0.74
Healthcare	11.6	0.92
Utilities	6.0	1.82

iShares Russell Midcap Growth Index

Overall Morningstar Rtg™
★★★
 637 Mid-Cap Growth (MF)

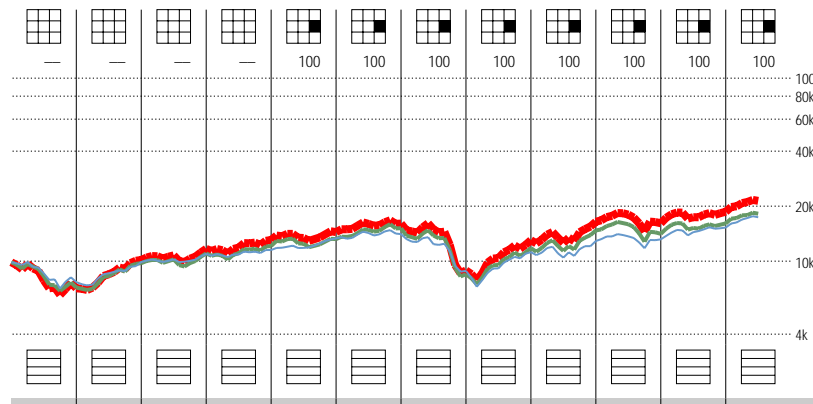
Standard Index
 S&P 500
 Category Index
 Rus MidGrowth

Morningstar Cat
 Mid-Cap Growth (MF)

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	7.78	1.51	-19.38	11.24	-1.88
2012	14.42	-5.64	5.29	1.70	15.61
2013	11.46	2.88	—	—	14.67

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Std Mkt 06-30-2013	22.78	—	7.43	9.67	6.53
Std NAV 06-30-2013	22.93	—	7.45	9.73	6.54
Mkt Total Ret	22.78	19.31	7.43	9.67	6.53
NAV Total Ret	22.93	19.37	7.45	9.73	6.54
+/- S&P 500	2.33	0.92	0.44	2.43	—
+/- Rus MidGr	0.05	-0.16	-0.16	-0.21	—

% Rank Cat					
No. in Cat	704	637	563	417	—



Investment Style
 Equity
 Stock %

Growth of \$10,000
 iShares Russell Mid \$21,639
 Cat Avg: Mid-Cap Gr \$18,410
 Index: S&P 500 \$17,608

Performance Quartile
 (within category)

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
-27.97	42.85	15.00	11.74	10.51	11.26	-44.50	46.26	26.06	-1.88	15.61	14.67	Mkt Total Ret %
-27.55	42.38	15.15	11.82	10.45	11.19	-44.40	45.95	26.10	-1.82	15.62	14.81	NAV Total Ret %
-5.45	13.69	4.27	6.91	-5.34	5.70	-7.40	19.49	11.04	-3.93	-0.38	0.99	+/- Standard Index
-0.14	-0.33	-0.33	-0.28	-0.21	-0.24	-0.07	-0.34	-0.28	-0.17	-0.19	0.11	+/- Category Index
—	—	—	—	—	—	—	—	—	—	—	—	% Rank Cat
786	890	903	936	994	967	934	812	759	751	737	719	No. of Funds in Cat
0.16	0.07	0.09	0.01	-0.01	0.00	-0.07	-0.10	-0.02	-0.02	-0.04	-0.17	Avg Prem/Discount %

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when sold, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-474-2737 or visit ca.ishares.com/home.htm.

Fees and Expenses

Fund Expenses	
Management Fees %	0.25
Expense Ratio %	0.25
12b1 Expense %	NA

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	637 funds	563 funds	417 funds
Morningstar Rating™	4★	3★	3★
Morningstar Risk	Avg	+ Avg	Avg
Morningstar Return	+ Avg	+ Avg	Avg

	3 Yr	5 Yr	10 Yr
Standard Deviation NAV	16.51	22.34	18.04
Standard Deviation MKT	16.52	22.36	18.05
Mean NAV	19.37	7.45	9.73
Mean MKT	19.31	7.43	9.67
Sharpe Ratio	1.15	0.43	0.51

MPT Statistics	Standard Index S&P 500	Best Fit Index Russ Midcap Growth
Alpha	-1.82	-0.10
Beta	1.17	1.00
R-Squared	92.32	100.00

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	0.00% Assets
Leveraged	No
Leverage Type	—
Leverage %	100.00
Primary Prospectus Benchmark	NA

Portfolio Analysis 05-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 05-30-2013	Share Amount	462 Total Stocks	0 Total Fixed-Income	25% Turnover Ratio	% Net Assets
Cash	0.1	0.0	0.1	—	—	—	—	—	—
U.S. Stocks	97.2	0.0	97.2	—	223,511	PPG Industries, Inc.	—	—	0.94
Non-U.S. Stocks	2.7	0.0	2.7	—	462,943	Crown Castle International Co	—	—	0.90
Bonds	0.0	0.0	0.0	—	403,036	T. Rowe Price Group	—	—	0.84
Other	0.0	0.0	0.0	—	414,468	Liberty Global, Inc. Class A	—	—	0.84
Total	100.0	0.0	100.0	—	580,062	Whole Foods Market, Inc.	—	—	0.82

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	20.7	1.25	0.98
	P/C Ratio TTM	13.7	1.39	1.00
	P/B Ratio TTM	4.5	1.94	1.35
	Geo Avg Mkt Cap \$mil	9347	0.16	1.30

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	Avg Eff Maturity	Avg Credit Quality	Avg Wtd Coupon	Avg Wtd Price
				—	—	—	—	—

Credit Quality Breakdown 06-30-2013	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel S&P 500
Americas	97.8	0.99
Greater Europe	1.8	1.06
Greater Asia	0.5	—

Sector Weightings	Stocks %	Rel S&P 500
Cyclical	36.4	1.12
Basic Materials	5.8	1.87
Consumer Cyclical	22.4	1.90
Financial Services	4.9	0.31
Real Estate	3.4	1.55
Sensitive	41.4	1.00
Communication Services	4.0	0.98
Energy	5.8	0.55
Industrials	16.2	1.60
Technology	15.4	0.93
Defensive	22.2	0.85
Consumer Defensive	9.6	0.93
Healthcare	12.3	0.98
Utilities	0.3	0.09

Operations

Family:	iShares	Ticker:	IWP	Prem/Discount:	-0.17
Manager:	Hsiung/Savage/Hsui/Casis	Exchange:	ARCA	Mkt Price:	71.75
Tenure:	3.4 Years	Incept:	07-17-01		
Total Assets:	\$3,618 mil	NAV:	71.87		
Shares Outstanding:	2.40 mil				

iShares Russell Midcap Value Index

Overall Morningstar Rtg™
★★★★
369 Mid-Cap Value (MF)

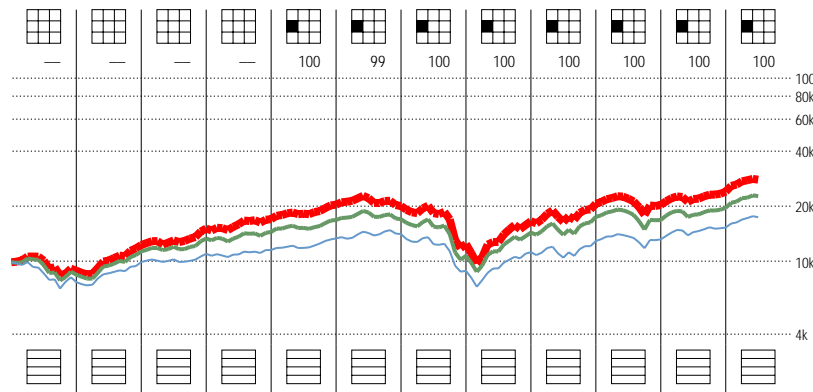
Standard Index
S&P 500
Category Index
RusMidValue

Morningstar Cat
Mid-Cap Value (MF)

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	7.45	-0.85	-18.44	13.30	-1.56
2012	11.38	-3.25	5.65	3.91	18.30
2013	13.87	2.03	—	—	16.19

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Std Mkt 06-30-2013	27.55	—	8.77	10.71	9.05
Std NAV 06-30-2013	27.89	—	8.82	10.79	9.07
Mkt Total Ret	27.55	19.39	8.77	10.71	9.05
NAV Total Ret	27.89	19.44	8.82	10.79	9.07
+/- S&P 500	7.29	0.99	1.81	3.49	—
+/- RusMidVal	0.24	-0.09	-0.05	-0.13	—

% Rank Cat	—	—	—	—	—
No. in Cat	423	369	312	176	—



Investment Style
Equity
Stock %

Growth of \$10,000

- iShares Russell Mid \$28,238
- Cat Avg: Mid-Cap Va \$22,969
- Index: S&P 500 \$17,608

Performance Quartile (within category)

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
-10.00	37.89	23.17	12.40	19.97	-1.58	-37.99	33.25	24.49	-1.56	18.30	16.19	Mkt Total Ret %
-9.69	37.70	23.26	12.68	19.95	-1.58	-38.35	34.01	24.46	-1.55	18.27	16.45	NAV Total Ret %
12.41	9.01	12.38	7.77	4.16	-7.07	-1.35	7.55	9.40	-3.66	2.27	2.63	+/- Standard Index
-0.04	-0.37	-0.45	0.03	-0.27	-0.16	0.10	-0.20	-0.29	-0.17	-0.24	0.35	+/- Category Index
—	—	—	—	—	—	—	—	—	—	—	—	% Rank Cat
311	331	320	310	375	405	442	416	420	422	425	431	No. of Funds in Cat
0.09	0.23	-0.09	0.00	0.01	-0.05	-0.06	-0.08	-0.06	-0.04	-0.03	-0.24	Avg Prem/Discount %

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when sold, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-474-2737 or visit ca.ishares.com/home.htm.

Fees and Expenses

Fund Expenses	
Management Fees %	0.25
Expense Ratio %	0.28
12b1 Expense %	NA

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	369 funds	312 funds	176 funds
Morningstar Rating™	4★	3★	4★
Morningstar Risk	-Avg	+ Avg	+ Avg
Morningstar Return	+ Avg	Avg	+ Avg
Standard Deviation NAV	15.21	22.63	17.74
Standard Deviation MKT	15.25	22.84	17.88
Mean NAV	19.44	8.82	10.79
Mean MKT	19.39	8.77	10.71
Sharpe Ratio	1.24	0.48	0.57

MPT Statistics	Standard Index S&P 500	Best Fit Index Russ Midcap Value
Alpha	-0.67	-0.01
Beta	1.10	1.00
R-Squared	95.82	99.97

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	2.00% Assets

Leveraged	No
Leverage Type	—
Leverage %	100.00
Primary Prospectus Benchmark	NA

Portfolio Analysis 05-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 05-30-2013	Share Amount	564 Total Stocks	0 Total Fixed-Income	23% Turnover Ratio	% Net Assets
Cash	0.2	0.0	0.2						
U.S. Stocks	98.3	0.0	98.3	⊕	628,191	Marathon Petroleum Corp			1.05
Non-U.S. Stocks	1.5	0.0	1.6	⊕	693,466	Eaton Corporation PLC			0.92
Bonds	0.0	0.0	0.0	⊕	1 mil	Valero Energy Corporation			0.84
Other	0.0	0.0	0.0	⊕	6 mil	Sprint Nextel Corp			0.81
Total	100.0	0.0	100.0	⊕	532,874	Ventas Inc			0.77

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	14.4	0.87	0.94
	P/C Ratio TTM	8.4	0.85	0.98
	P/B Ratio TTM	1.7	0.72	0.93
	Geo Avg Mkt Cap \$mil	8102	0.14	1.07

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	Avg Eff Maturity	Avg Credit Quality	Avg Wtd Coupon	Avg Wtd Price
				—	—	—	—	—

Credit Quality Breakdown 06-30-2013	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel S&P 500
Americas	98.6	1.00
Greater Europe	1.4	0.82
Greater Asia	0.0	—

Sector Weightings	Stocks %	Rel S&P 500
Cyclical	44.7	1.37
Basic Materials	4.0	1.29
Consumer Cyclical	10.5	0.89
Financial Services	18.0	1.15
Real Estate	12.2	5.55
Sensitive	33.2	0.80
Communication Services	1.6	0.39
Energy	8.6	0.82
Industrials	10.6	1.05
Technology	12.5	0.75
Defensive	22.1	0.84
Consumer Defensive	5.6	0.54
Healthcare	7.1	0.56
Utilities	9.4	2.85

Operations

Family:	iShares	Ticker:	IWS	Prem/Discount:	-0.24
Manager:	Hsiung/Savage/Hsui/Casis	Exchange:	ARCA	Mkt Price:	57.92
Tenure:	3.4 Years	Incept:	07-17-01		
Total Assets:	\$5,018 mil	NAV:	58.06		
Shares Outstanding:	2.70 mil				

MFS Research International I

Overall Morningstar Rtg™
★★★★ (710)
Morningstar Analyst Rtg™
Silver 03-06-2013

Morningstar Cat
Foreign Large Blend (MF)
Total Assets
\$5,941 mil

Standard Index
MSCI Eafe Ndr_D
Category Index
MSCI ACWI Ex USA NR USD

Incept
01-02-97
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	3.95	2.64	-19.53	4.12	-10.61
2012	11.07	-6.89	6.76	5.94	16.98
2013	4.00	-0.55	—	—	3.43
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	16.98	11.19	0.05	8.68	7.14
Std 06-30-2013	16.98	—	0.05	8.68	7.14
Total Return	16.98	11.19	0.05	8.68	7.14
+/- Std Index	-1.64	1.15	0.68	1.01	—
+/- Cat Index	3.35	3.20	0.85	0.06	—
% Rank Cat	43	16	30	20	—
No. in Cat	793	710	622	324	—
7-day Yield	—				

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-225-2606 or visit <http://www.mfs.com>.

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.77
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.97

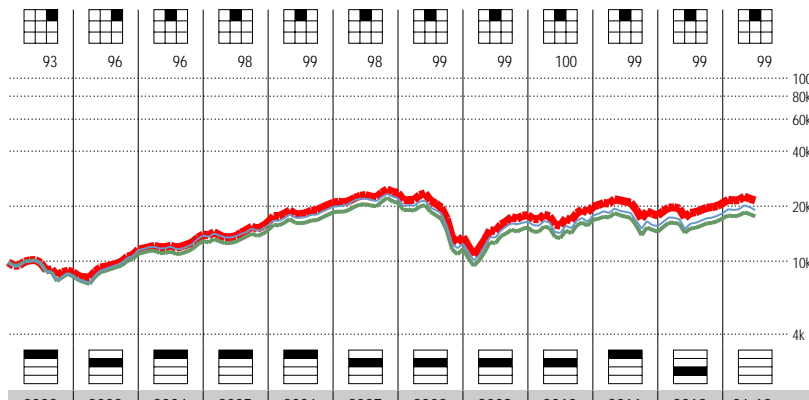
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	710 funds	622 funds	324 funds
MorningstarRating™	4★	4★	4★
Morningstar Risk	-Avg	Avg	Avg
Morningstar Return	+ Avg	+ Avg	+ Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	17.68	23.20	18.42
Mean	11.19	0.05	8.68
Sharpe Ratio	0.68	0.11	0.46
MPT Statistics	Standard Index	Best Fit Index MSCI Wd x USN	
Alpha	1.46	1.84	
Beta	0.95	0.97	
R-Squared	97.59	98.02	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	-4.00% Assets

Operations

Family:	MFS
Manager:	Garcia/Melendez
Tenure:	8.1 Years



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
NAV	10.55	14.00	16.09	17.21	19.72	20.02	11.07	14.32	15.69	13.73	15.75	16.29	NAV
Total Return %	-11.79	33.03	20.85	16.62	27.70	13.24	-42.46	31.43	11.22	-10.61	16.98	3.43	Total Return %
+/- Standard Index	4.15	-5.56	0.60	3.08	1.36	2.07	0.92	-0.35	3.47	1.53	-0.34	-0.68	+/- Standard Index
+/- Category Index	3.16	-7.80	-0.06	0.00	1.05	-3.41	3.07	-10.02	0.07	3.10	0.15	3.47	+/- Category Index
% Rank Cat	11	49	11	22	17	39	33	43	39	13	69	—	% Rank Cat
No. of Funds in Cat	482	504	551	608	657	743	778	823	829	817	786	837	No. of Funds in Cat

Portfolio Analysis 05-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 04-30-2013	Share Amount	112 Total Stocks	% Net Assets
Cash	1.1	0.0	1.1			0 Total Fixed-Income	
U.S. Stocks	1.2	0.0	1.2	⊕	5 mil	37% Turnover Ratio	2.70
Non-U.S. Stocks	97.7	0.0	97.7	⊕	2 mil	Royal Dutch Shell PLC Class A	2.56
Bonds	0.0	0.0	0.0	⊕	2 mil	Nestle SA	2.31
Other	0.0	0.0	0.0	⊕	2 mil	Novartis AG	2.21
Total	100.0	0.0	100.0	⊕	538,185	Roche Holding AG	2.14
				⊕	5 mil	GlaxoSmithKline PLC	1.96
				⊕	3 mil	Rio Tinto PLC	1.91
				⊕	4 mil	Westpac Banking Corp	1.88
				⊕	3 mil	Honda Motor Co Ltd	1.85
				⊖	15 mil	BP PLC	1.83
				⊕	2 mil	Danone	1.77
				⊕	10 mil	HSBC Holdings PLC	1.74
				⊕	3 mil	Japan Tobacco Inc.	1.74
				⊕	545,690	Linde AG	1.71
				⊕	3 mil	Sumitomo Mitsui Financial Gro	1.69
				⊕	23 mil	AIA Group Ltd.	

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	14.9	1.00	1.04
	P/C Ratio TTM	8.8	1.09	1.02
	P/B Ratio TTM	1.5	1.05	0.90
	Geo Avg Mkt Cap \$mil	33133	1.03	1.25

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	Avg Eff Maturity	Avg Credit Quality	Avg Wtd Coupon	Avg Wtd Price
				—	—	—	—	—
				—	—	—	—	—
				—	—	—	—	—

Credit Analysis NA	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel Std Index
Americas	5.1	—
Greater Europe	59.2	0.92
Greater Asia	35.7	1.01

Sector Weightings	Stocks %	Rel Std Index
Cyclical	44.1	0.98
Basic Materials	7.2	0.83
Consumer Cyclical	12.1	1.08
Financial Services	23.3	1.10
Real Estate	1.5	0.42
Sensitive	32.4	1.11
Communication Services	5.3	0.98
Energy	8.2	1.15
Industrials	13.2	1.14
Technology	5.7	1.12
Defensive	23.5	0.90
Consumer Defensive	10.5	0.89
Healthcare	10.3	0.99
Utilities	2.8	0.76

Oppenheimer Developing Markets Y

Overall Morningstar Rtg™
 ☆☆☆☆☆ (366)
Morningstar Analyst Rtg™
 Silver 01-17-2013

Morningstar Cat
 Diversified Emerging Mkts (MF)
Total Assets
 \$33,056 mil

Standard Index
 MSCI Eafe Ndrtr_D
Category Index
 MSCI EM NR USD

Incept
 09-07-05
Type
 MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	-0.67	-0.61	-19.99	4.01	-17.85
2012	14.91	-5.86	7.18	4.61	21.29
2013	0.17	-3.95	—	—	-3.78
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	7.87	8.13	5.48	—	11.35
Std 06-30-2013	7.87	—	5.48	—	11.35
Total Return	7.87	8.13	5.48	18.09	11.35
+/- Std Index	-10.75	-1.91	6.11	10.42	—
+/- Cat Index	5.00	4.75	5.91	4.43	—
% Rank Cat	22	5	2	1	—
No. in Cat	578	366	269	147	—
7-day Yield	—	—	—	—	—

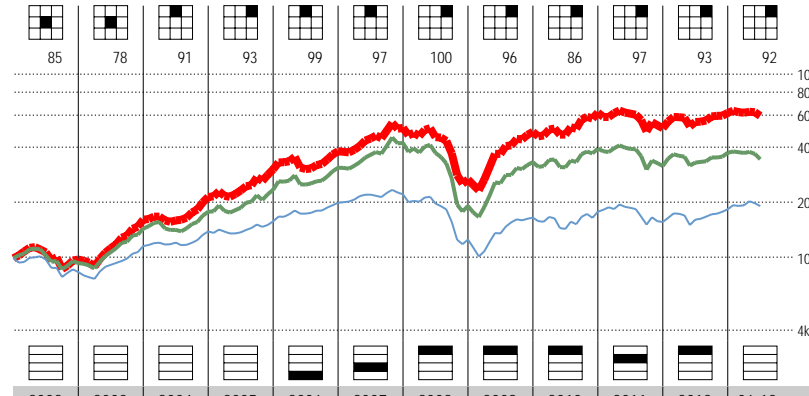
Performance Disclosure
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.
 The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.
 Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-225-5677 or visit www.oppenheimersfunds.com.

Fees and Expenses	
Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.79
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	1.03

Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
	366 funds	269 funds	147 funds
MorningstarRating™	5★	5★	5☆
Morningstar Risk	-Avg	-Avg	-Avg
Morningstar Return	High	High	High
	3 Yr	5 Yr	10 Yr
Standard Deviation	19.48	26.04	22.54
Mean	8.13	5.48	18.09
Sharpe Ratio	0.49	0.33	0.78
MPT Statistics	Standard Index	Best Fit Index MSCI Em ND	
Alpha	-0.91	4.73	
Beta	0.94	0.91	
R-Squared	78.53	94.35	

Regional Exposure	
Americas	20.0
Greater Europe	31.8
Greater Asia	48.1

Operations
 Family: OppenheimerFunds
 Manager: Leverenz, Justin
 Tenure: 6.2 Years



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13
NAV	12.24	20.22	26.90	36.28	41.16	48.60	15.71	28.43	36.07	28.97	34.88	33.56
Total Return %	-1.60	65.24	33.00	41.37	25.70	34.30	-47.84	82.10	27.39	-17.85	21.29	-3.78
+/- Standard Index	14.34	26.65	12.75	27.83	-0.64	23.13	-4.46	50.32	19.64	-5.71	3.97	-7.89
+/- Category Index	4.57	9.42	7.45	7.37	-6.44	-5.12	5.49	3.59	8.51	0.57	3.07	5.79
% Rank Cat	—	—	—	—	94	62	12	22	7	29	20	—
No. of Funds in Cat	184	196	202	212	242	274	312	367	386	458	552	645

Portfolio Analysis 05-31-2013

Composition %	Long %	Short%	Net %
Cash	6.1	0.0	6.1
U.S. Stocks	0.0	0.0	0.0
Non-U.S. Stocks	91.9	0.0	91.9
Bonds	0.0	0.0	0.0
Other	2.0	0.0	2.0
Total	100.0	0.0	100.0

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	18.9	1.26	1.49
	P/C Ratio TTM	12.6	1.56	1.55
	P/B Ratio TTM	2.4	1.67	1.30
	Geo Avg Mkt Cap \$mil	17470	0.54	1.13

Fixed-Income Style	Avg Eff Duration	Avg Eff Maturity	Avg Credit Quality	Avg Wtd Coupon	Avg Wtd Price
Ltd	—	—	—	—	—
Mod	—	—	—	—	—
Ext	—	—	—	—	—

Credit Analysis NA	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Share Chg since 04-30-2013	Share Amount	111 Total Stocks	% Net Assets
—	14 mil	Baidu, Inc. ADR	3.87
+	24 mil	Tencent Holdings Ltd.	2.73
+	43 mil	America Movil, S.A.B. de C.V.	2.44
—	3 mil	OJSC Magnit	2.29
—	3 mil	NHN Corporation	2.21
—	6 mil	OAO Novatek GDR	2.05
—	44 mil	Housing Development Finance C	2.04
—	6 mil	Carlsberg AS	1.77
+	24 mil	Anglo American PLC	1.64
—	12 mil	ICICI Bank Ltd ADR	1.60
+	13 mil	Tenaris SA ADR	1.59
+	28 mil	Petroleo Brasileiro SA Petrob	1.54
+	79 mil	BMF Bovespa SA Bolsa Valores	1.51
+	143 mil	Taiwan Semiconductor Manufact	1.49
—	19 mil	Yandex NV	1.46

Sector Weightings	Stocks %	Rel Std Index
Cyclical	39.0	0.87
Basic Materials	6.9	0.79
Consumer Cyclical	13.6	1.21
Financial Services	14.3	0.67
Real Estate	4.3	1.19
Sensitive	35.0	1.20
Communication Services	3.7	0.69
Energy	9.5	1.34
Industrials	3.3	0.28
Technology	18.5	3.63
Defensive	25.9	1.00
Consumer Defensive	22.6	1.92
Healthcare	3.4	0.33
Utilities	0.0	0.00



PIMCO Commodity Real Ret Strat Instl

Overall Morningstar Rtg™
★★★ (71)
Morningstar Analyst Rtg™
Gold 09-13-2012

Morningstar Cat
Commodities Broad Basket (MF)
Total Assets
\$16,643 mil

Standard Index
Mstar Lng-Only Comdty
Category Index
DJ UBS Commodity TR USD

Incept
06-28-02
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	7.16	-5.00	-11.19	2.24	-7.56
2012	3.19	-3.38	12.10	-5.78	5.31
2013	-0.58	-15.25	—	—	-15.74
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-11.00	2.77	-9.19	4.84	7.39
Std 06-30-2013	-11.00	—	-9.19	4.84	7.39
Total Return	-11.00	2.77	-9.19	4.84	7.39
+/- Std Index	-9.48	-4.03	-1.86	-2.64	—
+/- Cat Index	-2.99	3.03	2.42	2.45	—
% Rank Cat	79	25	3	1	—
No. in Cat	110	71	42	13	—
7-day Yield	—	—	—	—	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics. The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-877-4626 or visit www.pimco.com.

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.74
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.90

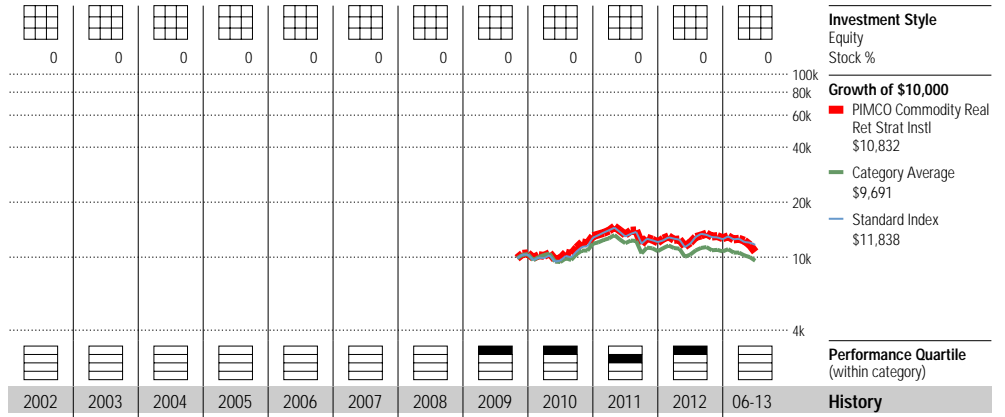
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
MorningstarRating™	4★	3★	—
Morningstar Risk	High	+ Avg	—
Morningstar Return	+ Avg	High	—
	3 Yr	5 Yr	10 Yr
Standard Deviation	19.32	25.20	21.65
Mean	2.77	-9.19	4.84
Sharpe Ratio	0.23	-0.26	0.25
MPT Statistics	Standard Index	Best Fit Index	
		DJ UBS Commodity TR USD	
Alpha	-3.86	3.25	
Beta	1.05	1.09	
R-Squared	88.02	95.74	

	12-Month Yield	30-day SEC Yield	Potential Cap Gains Exp
	—	—	-11.00% Assets

Operations

Family:	PIMCO	Objective:	Specialty--Natural Res	Minimum IRA Purchase:	\$0
Manager:	Worah, Mihir	Ticker:	PCRIX	Min Auto Investment Plan:	\$0
Tenure:	5.5 Years	Minimum Initial Purchase:	\$1,000,000	Purchase Constrains:	T/A



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
NAV	11.56	13.67	14.85	14.86	13.96	16.23	6.39	8.28	9.29	6.54	6.64	5.53	NAV
Total Return %	—	29.82	16.36	20.50	-3.04	23.80	-43.33	39.92	24.13	-7.56	5.31	-15.74	Total Return %
+/- Standard Index	—	5.09	-1.27	-5.04	-2.81	-7.96	-9.56	19.01	0.51	-2.24	1.65	-8.95	+/- Standard Index
+/- Category Index	—	5.89	7.21	-0.86	-5.11	7.57	-7.68	21.01	7.30	5.76	6.37	-5.27	+/- Category Index
% Rank Cat	—	—	—	—	—	—	—	3	4	40	1	—	% Rank Cat
No. of Funds in Cat	—	—	—	—	—	—	—	50	56	103	103	131	No. of Funds in Cat

Portfolio Analysis 03-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 12-31-2012	Share Amount	0 Total Stocks	452 Total Fixed-Income	57% Turnover Ratio	% Net Assets
Cash	13.7	26.6	-12.9						
U.S. Stocks	0.0	0.0	0.0						
Non-U.S. Stocks	0.0	0.0	0.0		2 bil	Pimco Cayman Comdty Fd Ltd Ins			14.48
Bonds	98.3	1.7	96.6		2 bil	US Treasury Note 1.25%			13.88
Other	18.8	2.5	16.3		7 bil	Fin Fut Euro\$ Cme 03/14/16			8.13
Total	130.8	30.8	100.0		1 bil	US Treasury Note			7.47
					1 bil	US Treasury Note			7.45
Equity Style	Portfolio Value Blend Growth	Statistics	Port Avg	Rel Index	Rel Cat				
		P/E Ratio TTM	—	—	—	975 mil	US Treasury Note 2.625%		5.77
		P/C Ratio TTM	—	—	—	831 mil	US Treasury Note 2.5%		4.72
		P/B Ratio TTM	—	—	—	692 mil	US Treasury Note 1.125%		4.01
		Geo Avg Mkt	—	—	—	656 mil	US Treasury Note		3.47
		Cap \$mil	—	—	—	552 mil	US Treasury Note 1.875%		2.98
			—	—	—	534 mil	US Treasury Note 2%		2.92
			—	—	—	498 mil	US Treasury Note 1.375%		2.92
			—	—	—	541 mil	US Treasury Note		2.87
			—	—	—	391 mil	US Treasury Note 1.875%		2.35
			—	—	—	420 mil	US Treasury Note		2.19

Sector Weightings	Stocks %	Rel Std Index
Cyclical	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
Sensitive	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
Defensive	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

PIMCO Emerging Local Bond Instl

Overall Morningstar Rtg™
★★ (120)
Morningstar Analyst Rtg™
Gold 11-15-2012

Morningstar Cat
Emerging Markets Bond (MF)
Total Assets
\$13,538 mil

Standard Index
Barclays Agg
Category Index
JPM EMBI Global TR

Incept
12-29-06
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	1.90	4.17	-8.14	1.74	-0.79
2012	8.12	-1.08	4.41	3.70	15.80
2013	-0.17	-8.70	—	—	-8.86
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-1.32	5.16	6.61	—	7.16
Std 06-30-2013	-1.32	—	6.61	—	7.16
Total Return	-1.32	5.16	6.61	—	7.16
+/- Std Index	-0.63	1.65	1.42	—	—
+/- Cat Index	-2.43	-2.17	-1.77	—	—
% Rank Cat	87	73	67	—	—
No. in Cat	234	120	89	42	—
7-day Yield	—	—	—	—	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-877-4626 or visit www.pimco.com.

Fees and Expenses

Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	0.90
Management Fees %	0.90
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.90

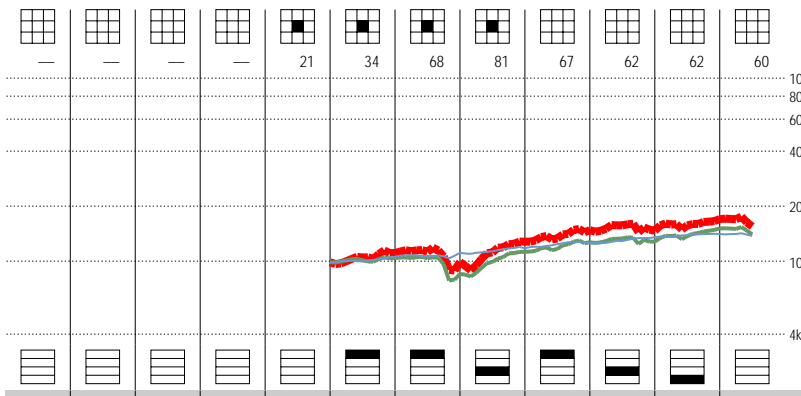
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	120 funds	89 funds	42 funds
MorningstarRating™	2★	2★	—
Morningstar Risk	+ Avg	+ Avg	—
Morningstar Return	-Avg	-Avg	—
Standard Deviation	12.91	16.04	—
Mean	5.16	6.61	—
Sharpe Ratio	0.45	0.47	—
MPT Statistics	Standard Index	Best Fit Index	DJ Moderate TR USD
Alpha	1.50	—	-5.98
Beta	1.26	—	1.15
R-Squared	7.70	—	65.06

	12-Month Yield	30-day SEC Yield	Potential Cap Gains Exp
	—	—	-8.00% Assets

Operations

Family:	PIMCO
Manager:	Gomez, Michael
Tenure:	6.5 Years



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
NAV	—	—	—	—	9.95	9.80	8.22	9.94	10.65	10.05	10.98	9.78	NAV
Total Return %	—	—	—	—	—	12.31	-10.70	29.23	15.53	-0.79	15.80	-8.86	Total Return %
+/- Standard Index	—	—	—	—	—	5.34	-15.94	23.30	8.99	-8.63	11.58	-6.42	+/- Standard Index
+/- Category Index	—	—	—	—	—	6.15	1.33	-0.59	3.29	-8.14	-1.64	-1.09	+/- Category Index
% Rank Cat	—	—	—	—	—	6	6	59	9	62	79	—	% Rank Cat
No. of Funds in Cat	43	52	55	58	63	81	92	112	122	135	210	268	No. of Funds in Cat

Portfolio Analysis 03-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 12-31-2012	Share Amount	0 Total Stocks	% Net Assets	
Cash	64.2	77.5	-13.3			359 Total Fixed-Income		
U.S. Stocks	0.0	0.0	0.0	⊕	87 mil	47% Turnover Ratio	4.98	
Non-U.S. Stocks	0.0	0.0	0.0		1 bil	Mex Bonos Desarr Fix Rt	4.02	
Bonds	106.7	0.6	106.2		1 mil	Irs Brl Zcs R 8.63/Cdi 06/19/	3.66	
Other	7.2	0.1	7.1	⊕	4 bil	Brazil(Fed Rep Of) 10%	3.25	
Total	178.1	78.1	100.0	⊖	4 bil	Sth Africa(Rep Of) 7.25%	3.11	
					1 bil	Standard Bk Of South Africa 8	2.69	
					1 bil	Poland(Rep Of) 5.5%	2.52	
					1 bil	Irs Brl Zcs R 8.32/Cdi 12/05/	2.29	
					⊕	663,220	Nota Do Tesouro Nacional Nt N	2.22
					⊖	3 bil	Sth Africa(Rep Of) 8%	2.12
					⊕	737 mil	Irs Brl Zcs R 7.775/Cdi 11/09	2.02
					⊕	847 mil	Irs Brl Zcs R 8.22/Cdi 12/10/	1.95
					⊕	678 mil	Irs Brl Zcs R 9.93/Cdi 03/30/	1.80
					⊕	625 mil	Irs Brl Zcs R 7.775/Cdi 11/09	1.68
					⊕	189 mil	Fin Fut Us 10yr Cbt 06/19/13	1.65
					⊕	389 mil	Turkey Government Bond	

Equity Style

Value Blend Growth	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Large Mid Small	P/E Ratio TTM	—	—	—
	P/C Ratio TTM	—	—	—
	P/B Ratio TTM	—	—	—
	Geo Avg Mkt	—	—	—
	Cap \$mil	—	—	—

Fixed-Income Style

Ltd	Mod	Ext	Avg Eff Duration	5.10
			Avg Eff Maturity	7.20
			Avg Credit Quality	—
			Avg Wtd Coupon	7.20
			Avg Wtd Price	—

Credit Analysis NA

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure

	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

Sector Weightings

	Stocks %	Rel Std Index
Cyclical	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
Sensitive	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
Defensive	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

PIMCO Investment Grade Corp Bd Instl

Overall Morningstar Rtg™
★★★★★ (1005)
Morningstar Analyst Rtg™
Silver 01-11-2013

Morningstar Cat
Intermediate-Term Bond (MF)
Total Assets
\$9,260 mil

Standard Index
Barclays Agg
Category Index
Barclays 5-10Yr Gvt/Cre

Incept
04-28-00
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	2.17	2.08	-0.31	2.78	6.86
2012	3.54	3.86	4.56	2.28	14.99
2013	1.19	-4.29	—	—	-3.15
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	3.58	7.90	9.97	7.06	8.46
Std 06-30-2013	3.58	—	9.97	7.06	8.46
Total Return	3.58	7.90	9.97	7.06	8.46
+/- Std Index	4.27	4.39	4.78	2.54	—
+/- Cat Index	4.14	2.68	3.15	1.81	—
% Rank Cat	9	1	1	1	—
No. in Cat	1189	1005	873	616	—
7-day Yield	—				

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-877-4626 or visit www.pimco.com.

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.50
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.50

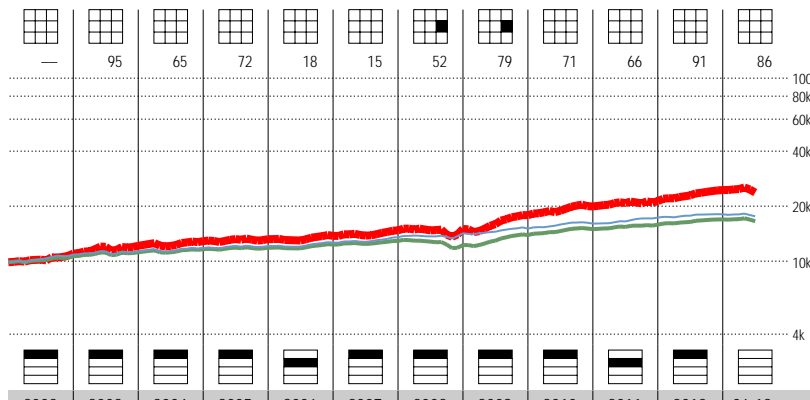
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	1005 funds	873 funds	616 funds
MorningstarRating™	5★	5★	5★
Morningstar Risk	High	High	High
Morningstar Return	High	High	High
Standard Deviation	5.34	7.21	6.19
Mean	7.90	9.97	7.06
Sharpe Ratio	1.44	1.32	0.85
MPT Statistics	Standard Index	Best Fit Index Barclays Credit	
Alpha	3.15	1.90	
Beta	1.33	1.08	
R-Squared	50.58	82.86	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	2.00% Assets

Operations

Family:	PIMCO
Manager:	Kiesel, Mark
Tenure:	10.6 Years



2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
10.34	10.61	10.60	10.40	10.30	10.46	10.08	10.93	10.48	10.35	11.12	10.56	NAV
11.46	10.38	6.02	2.53	4.18	7.15	1.89	18.74	11.72	6.86	14.99	-3.15	Total Return %
1.20	6.28	1.68	0.10	-0.15	0.18	-3.35	12.81	5.18	-0.98	10.77	-0.71	+/- Standard Index
-1.57	4.41	0.72	0.70	0.37	-0.40	-3.17	12.24	2.30	-3.93	7.78	0.42	+/- Category Index
3	7	4	13	39	8	25	21	3	31	2	—	% Rank Cat
784	952	1035	1043	1092	1097	1135	1123	1164	1195	1165	1241	No. of Funds in Cat

Portfolio Analysis 03-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 12-31-2012	Share Amount	0 Total Stocks	% Net Assets
Cash	20.3	97.0	-76.7			1374	
U.S. Stocks	0.0	0.0	0.0	*	2 bil	Cdx Ig19 5y Bp Cme	16.19
Non-U.S. Stocks	0.0	0.0	0.0	+	1 bil	Irs Cad 3mbas/1.60000s 06/16/	13.55
Bonds	177.7	8.7	169.1	*	694 mil	Cdx Ig19 5y Bp Ice	6.42
Other	7.9	0.3	7.6		568 mil	US Treasury Note 2%	5.36
Total	206.0	106.0	100.0		1 bil	Fin Fut Euribor Lif 09/15/14	3.58

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	—	—	—
	P/C Ratio TTM	—	—	—
	P/B Ratio TTM	—	—	—
	Geo Avg Mkt	—	—	—
	Cap \$mil	—	—	—

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	6.70
				Avg Eff Maturity	10.40
				Avg Credit Quality	—
				Avg Wtd Coupon	4.01
				Avg Wtd Price	99.86

Credit Analysis NA	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

Sector Weightings	Stocks %	Rel Std Index
Cyclical	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
Sensitive	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
Defensive	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

PIMCO Total Return Instl

Overall Morningstar Rtg™
★★★★★ (1005)
Morningstar Analyst Rtg™
Gold 09-10-2012

Morningstar Cat
Intermediate-Term Bond (MF)
Total Assets
\$267,996 mil

Standard Index
Barclays Agg
Category Index
Barclays 5-10Yr Gvt/Cre

Incept
05-11-87
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	1.11	1.86	-1.06	2.22	4.16
2012	2.88	2.79	3.15	1.17	10.36
2013	0.60	-3.60	—	—	-3.02
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	1.20	4.67	7.26	5.97	8.06
Std 06-30-2013	1.20	—	7.26	5.97	8.06
Total Return	1.20	4.67	7.26	5.97	8.06
+/- Std Index	1.89	1.16	2.07	1.45	—
+/- Cat Index	1.76	-0.55	0.44	0.72	—
% Rank Cat	37	34	13	6	—
No. in Cat	1189	1005	873	616	—
7-day Yield	—				

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-877-4626 or visit www.pimco.com.

Fees and Expenses

Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.46
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.46

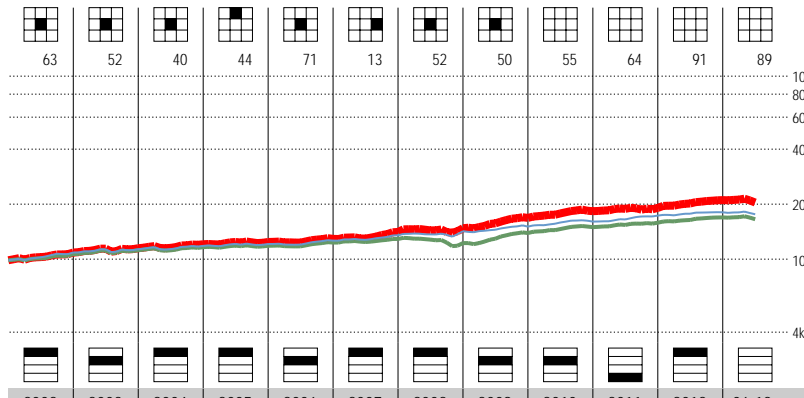
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	1005 funds	873 funds	616 funds
MorningstarRating™	4★	5★	5★
Morningstar Risk	+ Avg	Avg	Avg
Morningstar Return	+ Avg	+ Avg	High
Standard Deviation			
	3 Yr	5 Yr	10 Yr
	3.94	4.41	4.23
Mean			
	4.67	7.26	5.97
Sharpe Ratio			
	1.16	1.56	0.98
MPT Statistics			
	Standard Index	Best Fit Index Barclays Credit	
Alpha	1.21	0.47	
Beta	0.98	0.77	
R-Squared	51.01	76.55	

12-Month Yield	
12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	1.00% Assets

Operations

Family:	PIMCO
Manager:	Gross, William
Tenure:	26.2 Years



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
NAV	10.67	10.71	10.67	10.50	10.38	10.69	10.14	10.80	10.85	10.87	11.24	10.76	NAV
Total Return %	10.20	5.56	5.14	2.89	3.99	9.07	4.82	13.83	8.83	4.16	10.36	-3.02	Total Return %
+/- Standard Index	-0.06	1.46	0.80	0.46	-0.34	2.10	-0.42	7.90	2.29	-3.68	6.14	-0.58	+/- Standard Index
+/- Category Index	-2.83	-0.41	-0.16	1.06	0.18	1.52	-0.24	7.33	-0.59	-6.63	3.15	0.55	+/- Category Index
% Rank Cat	11	29	12	5	47	1	11	46	26	87	12	—	% Rank Cat
No. of Funds in Cat	784	952	1035	1043	1092	1097	1135	1123	1164	1195	1165	1241	No. of Funds in Cat

Portfolio Analysis 03-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 12-31-2012	Share Amount	0 Total Stocks	% Net Assets
Cash	16.1	66.4	-50.3			12217 Total Fixed-Income	
U.S. Stocks	0.0	0.0	0.0			380% Turnover Ratio	
Non-U.S. Stocks	0.0	0.0	0.0	⊖	9 bil	FNMA 4%	3.14
Bonds	154.0	6.3	147.6	⊖	8 bil	FNMA 4%	2.85
Other	2.7	0.0	2.7		29 bil	Fin Fut Euro\$ Cme 03/14/16	2.49
Total	172.8	72.8	100.0	⊖	27 bil	Fin Fut Euro\$ Cme 09/14/15	2.34
					7 bil	US Treasury Note 1.625%	2.28

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	—	—	—
	P/C Ratio TTM	—	—	—
	P/B Ratio TTM	—	—	—
	Geo Avg Mkt	—	—	—
	Cap \$mil	—	—	—

Fixed-Income Style	Avg Eff Duration	Avg Eff Maturity	Avg Credit Quality	Avg Wtd Coupon	Avg Wtd Price
Ltd	4.70	6.70	—	3.40	—
Mod	—	—	—	—	—
Ext	—	—	—	—	—

Credit Analysis NA	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

Sector Weightings	Stocks %	Rel Std Index
Cyclical	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
Sensitive	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
Defensive	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

RidgeWorth Seix High Yield I

Overall Morningstar Rtg™
★★★ (525)
Morningstar Analyst Rtg™
—

Morningstar Cat
High Yield Bond (MF)
Total Assets
\$1,594 mil

Standard Index
Barclays Agg
Category Index
ML US High Yield Master

Incept
12-29-00
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	4.32	0.94	-6.75	4.95	3.05
2012	4.71	1.48	4.32	3.97	15.25
2013	2.49	-1.49	—	—	0.96
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	9.50	9.99	8.52	6.72	7.57
Std 06-30-2013	9.50	—	8.52	6.72	7.57
Total Return	9.50	9.99	8.52	6.72	7.57
+/- Std Index	10.19	6.48	3.33	2.20	—
+/- Cat Index	-0.05	-0.43	-2.10	-2.02	—
% Rank Cat	36	35	57	82	—
No. in Cat	624	525	467	326	—
7-day Yield	—				

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-784-3863 or visit www.ridgeworth.com.

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.42
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.57

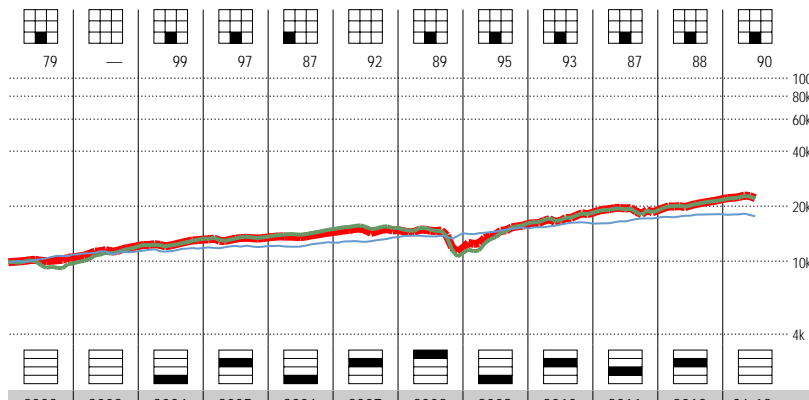
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	3★	3★	2★
Morningstar Risk	Avg	-Avg	-Avg
Morningstar Return	Avg	Avg	-Avg
525 funds 467 funds 326 funds			
	3 Yr	5 Yr	10 Yr
Standard Deviation	7.12	11.17	8.50
Mean	9.99	8.52	6.72
Sharpe Ratio	1.37	0.77	0.61
MPT Statistics			
	Standard Index	Best Fit Index	
		ML US High Yld Master II	
Alpha	8.64	-0.68	
Beta	0.32	1.03	
R-Squared	1.63	98.39	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	6.00% Assets

Operations

Family:	RidgeWorth
Manager:	Fitzpatrick/Kirkpatrick
Tenure:	3.2 Years



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
NAV	10.37	11.24	11.30	10.75	10.76	10.22	7.47	9.28	9.83	9.41	10.16	9.96	NAV
Total Return %	6.36	15.56	8.36	2.62	7.00	2.49	-20.23	35.70	14.93	3.05	15.25	0.96	Total Return %
+/- Standard Index	-3.90	11.46	4.02	0.19	2.67	-4.48	-25.47	29.77	8.39	-4.79	11.03	3.40	+/- Standard Index
+/- Category Index	8.25	-12.59	-2.51	-0.12	-4.72	0.25	6.16	-21.81	-0.26	-1.33	-0.34	-0.50	+/- Category Index
% Rank Cat	—	—	79	48	96	31	15	86	29	57	38	—	% Rank Cat
No. of Funds in Cat	425	455	493	518	549	542	559	543	574	573	598	673	No. of Funds in Cat

Portfolio Analysis 05-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 04-30-2013	Share Amount	0 Total Stocks	% Net Assets
Cash	4.5	0.0	4.5			313	
U.S. Stocks	0.0	0.0	0.0			79%	
Non-U.S. Stocks	0.0	0.0	0.0	⊖	23 mil	Hawk Acquisition Sub 144A	1.24
Bonds	90.1	0.0	90.1		16 mil	Diamond Resorts 12%	1.01
Other	5.4	0.0	5.4		14 mil	Gmac 8%	0.98
Total	100.0	0.0	100.0		17 mil	Sabine Pass Liquefaction 144A	0.97
					14 mil	Ally Finl 7.5%	0.89
				⊕	14 mil	Harland Clarke Hldgs 144A 9.7	0.83
				⊖	14 mil	Fmg Resources August 2006 Pty	0.82
					13 mil	Chc Helicopter 9.25%	0.78
					13 mil	Clear Channel Ww Hldgs 144A 6	0.77
				⊖	13 mil	Inmet Mng 144A 8.75%	0.75
					13 mil	Niska Gas Strge Us Llc/Fin Cp	0.73
					12 mil	U S G 144A 8.375%	0.71
					11 mil	Genon Escrow 9.875%	0.71
					256,940	General Mtrs Cv	0.69
					12 mil	Air Canada 144A 9.25%	0.68

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	—	—	—
	P/C Ratio TTM	—	—	—
	P/B Ratio TTM	—	—	—
	Geo Avg Mkt	—	—	—
	Cap \$mil	—	—	—

Fixed-Income Style	Avg Eff Duration	4.30
	Avg Eff Maturity	7.70
	Avg Credit Quality	—
	Avg Wtd Coupon	7.14
	Avg Wtd Price	106.24

Credit Analysis 03-31-2013	Bond %
AAA	0.00
AA	0.00
A	0.00
BBB	3.01
BB	36.13
B	53.00
Below B	1.49
NR/NA	6.37

Regional Exposure	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

Sector Weightings	Stocks %	Rel Std Index
Cyclical	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
Sensitive	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
Defensive	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

Templeton Global Bond Adv

Overall Morningstar Rtg™
★★★★★ (255)
Morningstar Analyst Rtg™
Gold 02-19-2013

Morningstar Cat
World Bond (MF)
Total Assets
\$72,503 mil

Standard Index
Barclays Agg
Category Index
CitiNon-\$ Wld Gv

Incept
12-31-96
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	2.15	2.48	-7.73	1.23	-2.21
2012	7.20	-0.99	5.40	3.83	16.15
2013	1.41	-2.73	—	—	-1.36
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	7.95	6.84	9.63	9.24	8.25
Std 06-30-2013	7.95	—	9.63	9.24	8.25
Total Return	7.95	6.84	9.63	9.24	8.25
+/- Std Index	8.64	3.33	4.44	4.72	—
+/- Cat Index	13.67	4.27	7.08	4.46	—
% Rank Cat	2	7	1	1	—
No. in Cat	345	255	207	124	—
7-day Yield	—				

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics. The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-632-2301 or visit www.franklintempleton.com.

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.40
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.66

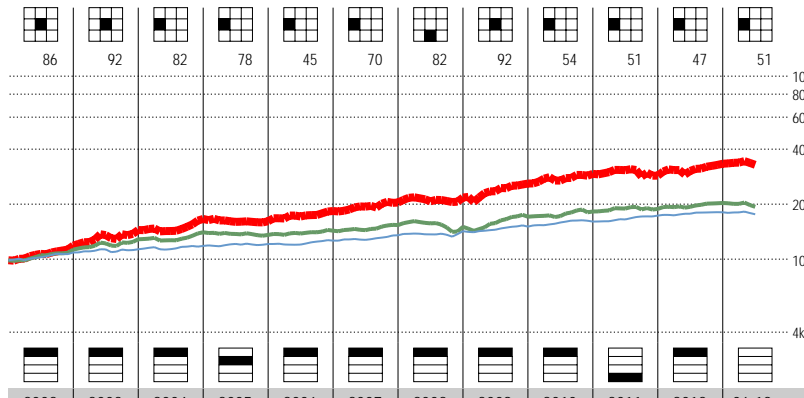
Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	255 funds	207 funds	124 funds
MorningstarRating™	4★	5★	5★
Morningstar Risk	High	+ Avg	+ Avg
Morningstar Return	High	High	High
	3 Yr	5 Yr	10 Yr
Standard Deviation	9.44	9.64	8.47
Mean	6.84	9.63	9.24
Sharpe Ratio	0.74	0.98	0.89
MPT Statistics	Standard Index	Best Fit Index	
		DJ Moderate TR USD	
Alpha	5.60	-2.13	
Beta	0.41	0.89	
R-Squared	1.52	73.24	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	1.00% Assets

Operations

Family:	Franklin Templeton Investment Funds
Manager:	Desai/Hasenstab
Tenure:	7.0 Years



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
NAV	8.95	10.19	11.11	10.29	11.02	11.40	11.17	12.69	13.56	12.37	13.34	12.91	NAV
Total Return %	20.23	21.64	14.93	-2.84	13.72	11.26	6.47	19.21	13.00	-2.21	16.15	-1.36	Total Return %
+/- Standard Index	9.97	17.54	10.59	-5.27	9.39	4.29	1.23	13.28	6.46	-10.05	11.93	1.08	+/- Standard Index
+/- Category Index	-1.76	3.12	2.79	6.36	6.78	-0.19	-3.64	14.82	7.79	-7.38	14.64	5.78	+/- Category Index
% Rank Cat	21	6	2	35	3	5	15	16	5	96	4	—	% Rank Cat
No. of Funds in Cat	144	162	167	170	197	218	234	269	270	297	315	381	No. of Funds in Cat

Portfolio Analysis 03-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 12-31-2012	Share Amount	0 Total Stocks	% Net Assets
Cash	49.3	0.0	49.3		266	Total Fixed-Income	
U.S. Stocks	0.0	0.0	0.0		42%	Turnover Ratio	
Non-U.S. Stocks	0.0	0.0	0.0		1 bil	Ireland(Rep Of) 5%	2.88
Bonds	50.9	0.6	50.2		2 OP	Korea(Republic Of) 3%	2.26
Other	0.5	0.0	0.5		2 OP	Korea(Republic Of) 3.75%	2.00
Total	100.6	0.6	100.0		8 bil	Kommuninvest 1 Sve 2.25%	1.85
					1 bil	New Sth Wales Tsy 5.5%	1.62

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	—	—	—
	P/C Ratio TTM	—	—	—
	P/B Ratio TTM	—	—	—
	Geo Avg Mkt	—	—	—
	Cap \$mil	—	—	—

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	1.60
				Avg Eff Maturity	2.50
				Avg Credit Quality	—
				Avg Wtd Coupon	5.53
				Avg Wtd Price	—

Credit Analysis 03-31-2013	Bond %
AAA	19.13
AA	17.15
A	22.69
BBB	25.90
BB	8.98
B	6.15
Below B	0.00
NR/NA	0.00

Regional Exposure	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

✳	8 bil	Kommuninvest 1 Sve 2.25%	1.85
✳	1 bil	New Sth Wales Tsy 5.5%	1.62
✳	1 bil	Canada Govt	1.54
✳	723 mil	Ireland(Rep Of) 5.4%	1.48
✳	927 mil	Hungary Rep 6.375%	1.41
✳	109 mil	Mexico(Utd Mex St) 8%	1.33
✳	3 bil	Poland Government	1.32
✳	3 bil	Poland Government	1.28
✳	573 mil	Ireland(Rep Of) 5.9%	1.23
✳	582 mil	Ireland Rep Of	1.22
✳	914 bil	Bk Of Korea 2.78%	1.21
✳	2 bil	Malaysia 5.094%	1.13

Sector Weightings	Stocks %	Rel Std Index
🔄 Cyclical	—	—
🏠 Basic Materials	—	—
🛒 Consumer Cyclical	—	—
🏦 Financial Services	—	—
🏡 Real Estate	—	—
📡 Sensitive	—	—
📠 Communication Services	—	—
⚡ Energy	—	—
🏭 Industrials	—	—
💻 Technology	—	—
🛡️ Defensive	—	—
🛒 Consumer Defensive	—	—
🏥 Healthcare	—	—
💡 Utilities	—	—

Vanguard Institutional Index I

Overall Morningstar Rtg™
★★★★ (1381)
Morningstar Analyst Rtg™
Gold 10-29-2012

Morningstar Cat
Large Blend (MF)
Total Assets
\$139,488 mil

Standard Index
S&P 500
Category Index
Rus 1000

Incept
07-31-90
Type
MF

Performance 06-30-2013					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	5.91	0.10	-13.87	11.81	2.09
2012	12.58	-2.75	6.35	-0.39	15.98
2013	10.60	2.91	—	—	13.82
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	20.57	18.43	7.04	7.30	9.09
Std 06-30-2013	20.57	—	7.04	7.30	9.09
Total Return	20.57	18.43	7.04	7.30	9.09
+/- Std Index	-0.03	-0.02	0.03	0.00	—
+/- Cat Index	-0.67	-0.20	-0.08	-0.37	—
% Rank Cat	49	17	23	30	—
No. in Cat	1565	1381	1254	774	—
7-day Yield	—	—	—	—	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-662-7447 or visit www.vanguard.com.

Fees and Expenses

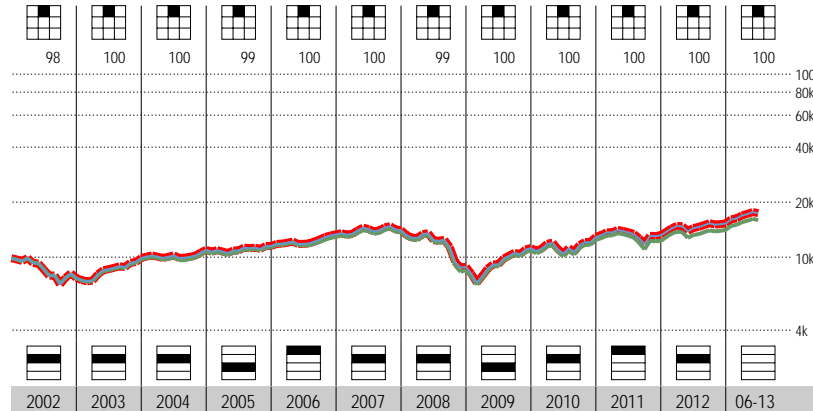
Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.04
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.04

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	1381 funds	1254 funds	774 funds
MorningstarRating™	4★	4★	4★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	+ Avg	+ Avg	+ Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	13.57	18.41	14.58
Mean	18.43	7.04	7.30
Sharpe Ratio	1.32	0.45	0.44
MPT Statistics	Standard Index	Best Fit Index S&P 500	
Alpha	-0.02	-0.02	
Beta	1.00	1.00	
R-Squared	100.00	100.00	
12-Month Yield	2.09%		
30-day SEC Yield	2.11		
Potential Cap Gains Exp	25.00% Assets		

Operations

Family:	Vanguard	Objective:	Growth and Income	Minimum IRA Purchase:	\$0
Manager:	Butler, Donald	Ticker:	VINIX	Min Auto Investment Plan:	\$0
Tenure:	12.5 Years	Minimum Initial Purchase:	\$5,000,000	Purchase Constrains:	T/



Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	06-13	History
NAV	80.45	101.78	110.70	114.01	129.59	134.14	82.54	101.98	115.01	115.04	130.52	147.08	NAV
Total Return %	-22.03	28.66	10.86	4.91	15.78	5.47	-36.95	26.63	15.05	2.09	15.98	13.82	Total Return %
+/- Standard Index	0.07	-0.03	-0.02	0.00	-0.01	-0.02	0.05	0.17	-0.01	-0.02	-0.02	0.00	+/- Standard Index
+/- Category Index	-0.38	-1.23	-0.55	-1.36	0.32	-0.30	0.65	-1.80	-1.05	0.59	-0.44	-0.09	+/- Category Index
% Rank Cat	39	26	34	57	21	49	37	52	29	17	35	—	% Rank Cat
No. of Funds in Cat	1468	1526	1611	1743	1980	2090	2086	2027	2010	1786	1686	1649	No. of Funds in Cat

Portfolio Analysis 03-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 12-31-2012	Share Amount	502 Total Stocks	3 Total Fixed-Income	5% Turnover Ratio	% Net Assets
Cash	0.2	0.0	0.2						
U.S. Stocks	98.6	0.0	98.6	⊕	9 mil	Apple Inc			2.97
Non-U.S. Stocks	1.2	0.0	1.2	⊕	42 mil	Exxon Mobil Corporation			2.88
Bonds	0.0	0.0	0.0	⊕	98 mil	General Electric Co			1.72
Other	0.0	0.0	0.0	⊕	18 mil	Chevron Corp			1.65
Total	100.0	0.0	100.0	⊕	26 mil	Johnson & Johnson			1.63

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	16.6	1.00	1.02
	P/C Ratio TTM	9.7	0.98	1.01
	P/B Ratio TTM	2.3	0.99	1.02
	Geo Avg Mkt	58053	0.98	1.31
	Cap \$mil			

Fixed-Income Style	Ltd	Mod	Ext	Avg Eff Duration	—
				Avg Eff Maturity	—
				Avg Credit Quality	—
				Avg Wtd Coupon	—
				Avg Wtd Price	—

Credit Analysis NA	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel Std Index
Americas	98.8	1.01
Greater Europe	1.2	0.71
Greater Asia	0.0	—

Sector Weightings	Stocks %	Rel Std Index
Cyclical	31.2	0.96
Basic Materials	3.2	1.03
Consumer Cyclical	11.3	0.96
Financial Services	14.8	0.95
Real Estate	2.0	0.91
Sensitive	42.2	1.02
Communication Services	4.2	1.02
Energy	10.9	1.04
Industrials	10.0	0.99
Technology	17.1	1.03
Defensive	26.6	1.02
Consumer Defensive	10.8	1.05
Healthcare	12.4	0.98
Utilities	3.4	1.03

Important Disclosures

SunTrust Foundations and Endowments Specialty Practice

Banking and trust products and services are provided by SunTrust Bank. SunTrust Bank may use or offer the services of affiliate companies as well as third party entities to achieve your banking and investment objectives. Where applicable, any affiliations and all pertinent provider information will be disclosed in accompanying agreements and prospectuses.

SunTrust Bank and its affiliates and the directors, officers, employees and agents of SunTrust Bank and its affiliates (collectively, "SunTrust") are not permitted to give legal or tax advice. Clients of SunTrust should consult with their legal and tax advisors prior to entering into any financial transaction or investment plan.

These materials are educational in nature. The implications and risks of a transaction may be different from client to client based upon each client's unique financial circumstances and risk tolerances.

Securities and Insurance Products and Services:

- Are not FDIC or any other Government Agency Insured
- Are not Bank Guaranteed
- May Lose Value

© 2013 SunTrust Banks, Inc.

Federated Investors, Inc.

SunTrust Banks, Inc. has entered into an agreement with Federated Investors, Inc. relating to Federated's acquisition of the RidgeWorth money market funds. SunTrust Bank may receive compensation in exchange for services ("fees for services") that it provides to various Federated money market mutual funds. These fees for services shall be in addition to, and will not reduce, SunTrust Bank's compensation for serving in a fiduciary capacity. Such fees for services will not be paid by your account, but will be paid to SunTrust Bank by Federated or by the money market mutual fund itself. The compensation rate for such fees for services shall be up to 0.10% annually (10 basis points) of the total amount of the account assets invested in the Federated money market mutual fund.

