

Capital Markets Summary

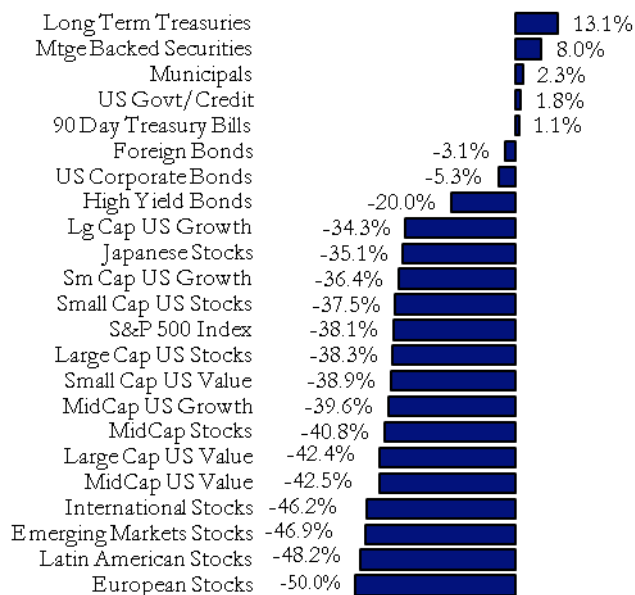
The markets continued a pattern of daily reaction to corporate and economic news during the first quarter of 2009 with all of the major equity indices finishing lower.

While the “credit crisis” grabbed public headlines, institutional investors focused on activity the new administration is promoting to bring stability back to the markets and when that is likely to occur. The Fed no longer has the ability to cut interest rates, and Congress is set to infuse more than one trillion dollars into the economy through various stimulus packages. The challenge for this administration and the Treasury is to successfully balance the need to relieve credit restraints and then control inflation.

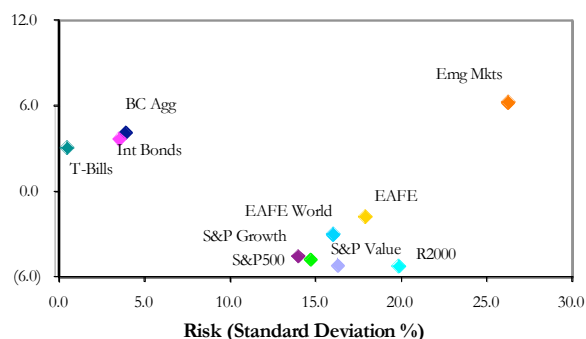
Access to credit remained tight, although action taken by the Fed late last quarter seems to be easing some of the restrictive pressure as banks have become more concerned about the government’s willingness to deepen its involvement in the management of the banking system. Home sales remain sluggish despite recent data that suggests sales have increased. The recent increase has been attributed to foreclosure, bank, and distressed property sales. With one monthly exception, the sale of new or existing homes on the market greater than 120 days is stagnant. The poor real estate market continues to heavily influence consumer sentiment.

Consumer confidence numbers remained low as rising unemployment and declining real estate values offset lower energy costs and higher tax refunds. Poorer than expected retail sales in December reinforced the opinion of many investors that the first quarter would hold little hope for the beginning of a recovery in US markets. Holiday sales data was disappointing and slow sales of new merchandise lead to increased inventories, decreases in factory utilization, and the expectation of lower earnings.

One Year Performance of Asset Classes as of March 31, 2009



Risk/Return Comparison of Asset Classes Five Years ended March 31, 2009



Data Sources: Zephyr StyleAdvisor & Lehman

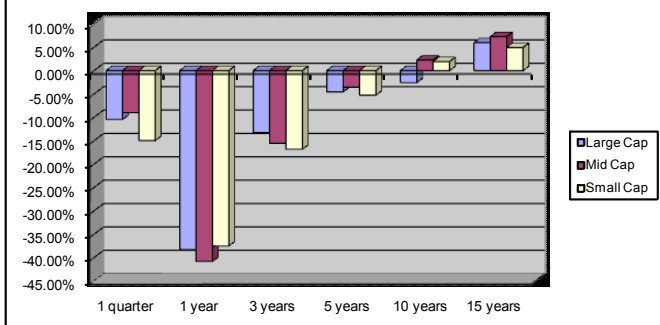
Data provided by sources believed to be reliable but no guarantee is made as to its accuracy. Past performance is no guarantee of future performance.

The quarter, and year, did not get off to a good start as the S&P 500 recorded its worst index decline (-8.6%) for the month of January since 1970 (-7.6%). The downward trend was reversed in March with the S&P 500 turning in one of its best quarters and negating January’s loss. Financial stocks, battered during January and February, lead the S&P as policy makers discussed proposed amendments to the mark-to-market accounting rule that would change how asset values are recorded on bank books. The NASDAQ, lead by technology stocks IBM and Apple, gained 10.9% during the month of March.

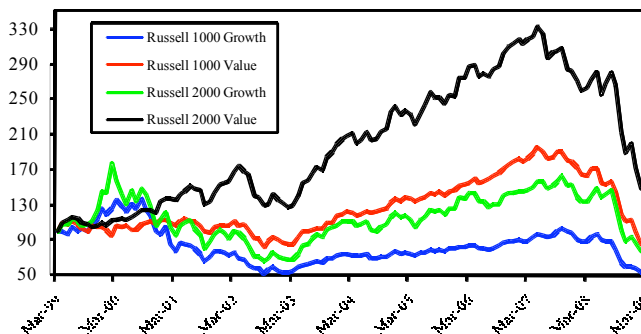
On the domestic front, earnings season held few surprises. Eighty percent of the S&P 500 companies reported earnings by mid-February. The average earnings decline was 33% and was the sixth straight quarter of decreasing profits. The Purchasing Managers Index (PMI) for February continued to decline and signaled more tough times ahead for U.S corporations. General Motors and Chrysler announced last fall that they may not survive financially, and may be forced into bankruptcy by the lack of stimulus support.

Internationally, foreign markets confirm the current banking and economic problems are a global issue. Collectively, Europe is struggling to gain unity on how to fight this “crisis”. Some countries prefer a bailout strategy, others prefer the stimulus route, and some prefer a combination of the two. Globally, Great Britain, France, China and Japan favor government sponsored stimulus programs. Germany and Russia do not. Germany cites the longer term inflationary concerns associated with the proposed stimulus packages and their reluctance to share in the financial risks of other troubled nations. Further, it is not clear how any collective stimulus programs would be monitored or controlled through the European Union, International Monetary Fund (“I.M.F.”), or the European Central Bank (“E.C.B.”).

Broad Domestic Equity Market Performance Periods Ending March 31, 2009



**Style Performance
Ten Year Growth of \$100**



Data Sources: Zephyr StyleAdvisor & Lehman

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Domestic Equity

In domestic equity, the end-of-year rally off of the November lows screeched to a halt in January. Deterioration in the employment market and dire fourth quarter earnings pushed the major market averages down. This poor financial data coupled with a constant bombardment of “worst since the Great Depression” news dampened both investor sentiment and consumer confidence, and helped lead to new lows for the market on March 9th. But despite coming in like a lamb, the markets exited the quarter like a lion as the major indices rose more than 20% during a ten-day span in March.

Despite the bounce of the first quarter’s last three weeks, the major market indices were down for the sixth straight quarter. After losing 8.43% in January and another 10.65% in February, the S&P 500 [TR] continued to sink during the first part of March. As of the market close on March 9, the S&P 500 (TR) was down 24.64% for the year-to-date.

From there, the S&P rallied more than 21% over the next ten trading days and was able to close out the quarter up 8.76% for the month of March. This recovery pared the overall losses for the quarter as the S&P ended down only 11.01% for the quarter. The DJIA closed down 12.48% for the quarter while the Russell 3000 fell 10.8% as rallies in each of those indices mirrored the late quarter recovery of the S&P 500. The tech-heavy NASDAQ Composite was down only 2.78% in the first quarter as technology outpaced other sectors.

Breaking down the S&P 500 by sector, Information Technology was the only gainer for the quarter with a 3.96% gain. Materials (down 2.82%), Consumer Discretionary (down 8.61%), Health Care (down 8.52%), and Telecommunications Services (down 8.47%) outperformed the broader S&P 500 index. Energy (down 12.08%), Industrials (down 21.77%), Consumer Staples (down 11.31%), Utilities (down 11.86%) and Financials (down 29.49%) all trailed the S&P overall average.

In comparing capitalization, mid-caps outperformed small and large caps as the Russell MidCap fell 8.98% in the first quarter but still outperformed the Russell Top 200, Russell 1000 and Russell 2000 in each month of the quarter. The mega-cap Russell Top 200 fell 10.99%, while the large-cap Russell 1000 fell 10.46%. The small-cap Russell 2000 fell 14.95% in the first quarter as weak returns in January and February dampened the relatively strong returns achieved in small caps in March.

In comparing styles, growth stocks overwhelmingly outperformed value stocks as the Russell 1000 Growth fell only 4.12% in the first quarter versus a 16.77% decline in the Russell 1000 Value. In smaller caps, the Russell 2000 Growth also fell less than its value counterpart as it fell only 9.74% against a 19.64% decline in the Russell 2000 Value. The outperformance of growth over value was heavily concentrated in the returns before the March rally. In January, the growth indices outperformed value by over 6.5% for the month. This gap widened in February as growth outperformed value by over 9% for the month. Nearly all of the style indices had identical March rallies with less than ½ of 1 percent separating each of the indices performance for the month.

Data Sources: Zephyr StyleAdvisor & Lehman

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Domestic Equity (continued)

In individual stocks, IBM was the runaway winner of the DJIA as it posted a 15.1% gain over the quarter. It was joined in positive territory by Intel (INTC) which was up 2.7% and Home Depot (HD) which was up 2.4% as the only three gainers out of the Dow 30. On the other side, Citigroup (C) sank 62.3% followed by Bank of America (BAC) which fell 51.6% and General Motors (GM) which fell 39.4%. Over on the S&P 500, Sprint Nextel (S) was up 95.1% to lead the pack followed closely by Sun Microsystems (JAVA) which rose 91.62%. The biggest loser of the index was Huntington Bancorp (HBAN) which fell 78.33% and Gannett Company (GCI) which fell 72.5%.

1Q09 Subsector Scorecard						
Gainers			Losers			
Internet Retail	40.1%	1	Industrial REITs	-53.2%		
Wireless Telecom Services	32.1%		Broadcasting	-53.1%		
Computer & Electronics Retail	27.2%				Diversified Banks	-48.3%
Investment Banking & Brokerage	23.0%		Commercial Printing	-46.0%		
Automotive Retail	21.1%					

Data Sources: Zephyr StyleAdvisor & Lehman

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International Markets

In the first quarter of 2009 foreign stocks suffered another quarter of double digit losses with the MSCI EAFE posting a 13.85% decline. Much like last quarter, the EAFE achieved positive results in the final month of the quarter, finishing March up 6.39%. The worst performing country in the index for the quarter was Finland (down 21.91% in US Dollar terms), while the MSCI Norway index returned a positive 3.25% to outperform all other countries in the EAFE as the only positive performer over the past three months. Regionally, European shares as measured by the MSCI Europe index dropped 14.45% and the MSCI Pacific index lost 12.72%. The Pacific ex Japan index, however, was only off 2.18% for the quarter as Japanese issues dropped 16.57% in the quarter.

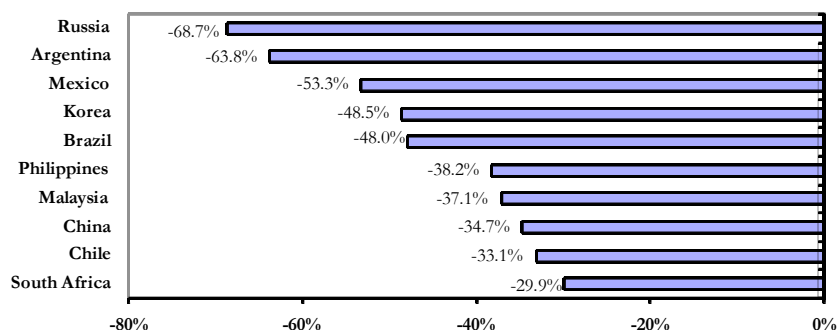
Fears of deflation in Japan worsened in the first quarter as the country's consumer price index remained flat for January and February. With short term benchmark interest rates close to zero at 0.1%, Japan's central bank is now facing a similar predicament to what the Fed has been dealt in the United States with fewer monetary policy tools available to combat possible deflation. As of the end of the quarter, the European Central Bank's benchmark rate stood at 1.5% with a 50 basis point cut expected (on April 2nd, the ECB announced a smaller than expected .25% cut to 1.25%).

Emerging markets stocks rewarded investors with positive results in the quarter as the MSCI Emerging Markets Index finished the first three months of the year up 1.02%. Latin American issues fared particularly well with a 4.94% gain, aided by Brazil (up 12.5% in the quarter) but hindered by Mexico (down 13.95%). Emerging markets in Europe ended the quarter down 6.6% in US Dollars while Asian emerging markets were up 1.66%.

Heading into the G20 Summit, congressional Democrats had drafted a letter urging President Barack Obama to combat what many see as a manipulation of China's currency, the Yuan. An undervalued Yuan makes Chinese exports artificially cheap to consumers in countries such as the United States.

A driving force behind these concerns is the large trade deficit that the United States runs with China which came to nearly \$270 billion in 2008. China, the world's largest owner of US Treasury debt, expressed concerns in the first quarter of the long term viability of the US dollar as its major reserve currency when Zhou Xiaochuan, governor of China's central bank, proposed expanding the IMF's SDR (special drawing rights) to act more like a global currency.

**One Year Emerging Market Country Returns
as of Mar 31, 2009**



Data Sources: Zephyr StyleAdvisor & Lehman

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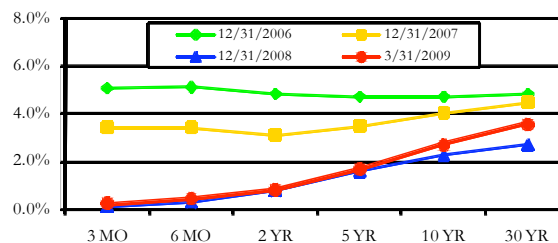
Fixed Income

Compared to the whirlwind 2008, the first quarter of 2009 was relatively calm for fixed income markets. There were no wild swings, no massive movements in fixed income yields, and while treasury returns declined as the flight-to-quality somewhat subsided, the steps taken by the US government weren't nearly as drastic as in previous quarters.

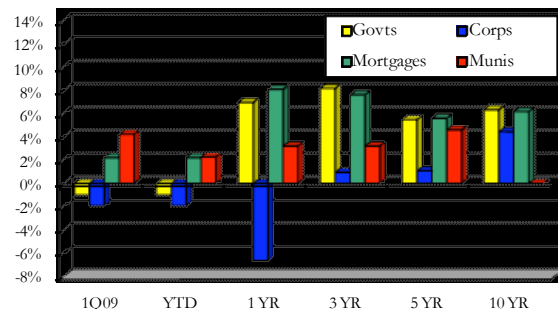
The quarter opened with the Senate authorizing the release of the second half of relief funds to the Troubled Asset Relief Program. The additional \$350 billion was aimed at further instilling confidence in the struggling financial sector, including more than \$100 billion to help secure Bank of America's acquisition of Merrill Lynch. On the heels of the additional payments, Fed Chairman Ben Bernanke stayed the course with interest rates, keeping the fed funds rate close to zero.

The most noteworthy action taken by Treasury was to establish a "bad bank" in which the government would purchase toxic real estate and mortgage backed assets from banks and other investors. The program—titled the Public-Private Investment Program—was financed with the goal of purchasing up to \$500 billion of assets, with the possibility of expanding up to \$1 trillion at Treasury Secretary Timothy Geithner's discretion. The focus of the program, as Secretary Geithner wrote in the Wall Street Journal, was to "share risk with the private sector, efficiently leverage taxpayer dollars, and deploy private-sector competition to determine market prices for currently illiquid assets." The hope is to re-sell the assets at a later date at an appreciated value, bringing gains to US taxpayers.

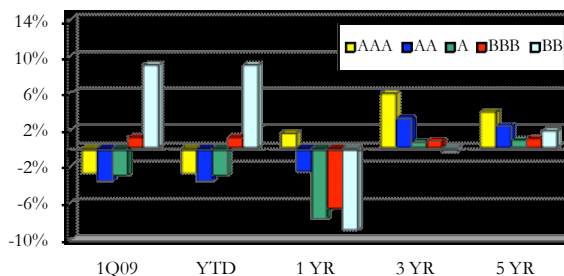
Treasury Yield Curve



Sector Performance



Credit Performance



Data Sources: Zephyr StyleAdvisor, MSCI, S&P/Citigroup

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Fixed Income (continued)

AIG continued to require additional TARP funds during the quarter, as the firm reported a 4th quarter loss of \$61.7 billion, the largest in history. The quarterly loss included more than \$25 billion in losses due to asset holdings and their credit default swaps business. This now marks the fourth time that the government has intervened on AIG's behalf. All told, the government has thus far pumped more than \$180 billion into the insurer and owns 80% of the holding company.

For the quarter, the fixed income indices were largely down in the opening month, but with a strong March. The Barclays Capital U.S. Aggregate finished up 0.12% for the quarter, buoyed by a strong March of 1.39%. The Barclays Capital U.S. Government/Credit index was down -1.28% for the first quarter of the year, reflecting the ease in prices after the massive flight-to-quality during the latter parts of 2008. The Barclays Capital U.S. Treasury was down -1.33%, while the Citigroup 3-Month T-Bill was up only 0.05% due to the historically low short term interest rates. The municipal market enjoyed a strong quarter, however, as the Barclays Capital U.S. Municipal Bond was up 4.22%.

Commodities

Commodity prices were under pressure at the beginning of the quarter, after posting significant losses last year, as fears of a global recession persisted. The stimulus program initiated by China may be having a positive impact on infrastructure spending in that country and helped to firm raw material prices at the end of the quarter.

Copper posted a 30% increase for the quarter. Gold was up slightly for the quarter and continues to trade in volatile range. Crude oil is up 8% for the year and closed the quarter at \$48.20 per barrel. Oil's advance supported a broader rebound in the energy sector, although still one of the worst performing sectors for the quarter. Natural gas prices dropped significantly and posted a 33% decline for the quarter. A warmer than expect winter and moderate stability in Russia were credited with driving this decline.









Currency

The U.S. dollar strengthened against the Euro and Pound, but lost value to the Yen and Yuan during the quarter and reflects the trend of the past year. China and Russia are expected to capitalize on these hard economic times and re-introduce the idea of creating a new "world currency" to replace the U.S. dollar. Although this is not expected to be a major topic at the upcoming G-20 meeting, it will gain some attention from emerging market countries looking for sources of funding and economic stabilization.

CAPITAL MARKETS REVIEW – MARCH 31, 2009

CAPITAL MARKET INDEX RETURNS

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
BEST	LB Agg Bond 8.07%	Russell 200 Value 4.70%	Russell 200 Value 2.13%	MSCI EAFE 3.29%	MSCI EAFE 8.07%	Russell 100 Value 3.33%	DJ Wilshire REIT 37.04%	Russell 100 Value 35.18%	Russell 100 Growth 38.71%	Russell 200 Growth 43.09%	DJ Wilshire REIT 31.04%	Russell 200 Value 13.90%	LB Agg Bond 10.27%	Russell 200 Growth 45.37%	DJ Wilshire REIT 33.14%	DJ Wilshire REIT 14.00%	DJ Wilshire REIT 36.13%	Russell 100 Growth 11.87%	LB Agg Bond 5.24%	LB Agg Bond 0.12%
	Russell 100 Growth 4.27%	Russell 100 Growth 4.16%	DJ Wilshire REIT 15.13%	Russell 200 Value 2.84%	Russell 100 Growth 2.07%	S&P 50 Value 37.53%	Russell 100 Growth 23.12%	S&P 50 Value 33.38%	S&P 50 Value 28.57%	Russell 100 Growth 33.10%	Russell 200 Value 22.83%	DJ Wilshire REIT 12.37%	DJ Wilshire REIT 3.01%	Russell 200 Value 46.02%	Russell 200 Value 22.25%	MSCI EAFE 13.54%	MSCI EAFE 26.34%	MSCI EAFE 11.17%	Russell 200 Value 28.02%	Russell 100 Growth 4.12%
	S&P 50 Value -3.12%	DJ Wilshire REIT 23.84%	Russell 100 Value 13.87%	Russell 100 Value 1.81%	DJ Wilshire REIT 2.07%	Russell 100 Growth 37.19%	S&P 50 Value 22.94%	Russell 200 Value 31.78%	MSCI EAFE 21.33%	MSCI EAFE 27.30%	LB Agg Bond 11.63%	LB Agg Bond 8.44%	Russell 200 Value 31.42%	MSCI EAFE 30.10%	MSCI EAFE 21.25%	Russell 100 Value 7.06%	Russell 200 Value 23.48%	MSCI EAFE 7.06%	Russell 200 Value 36.88%	Russell 200 Growth 9.74%
	Russell 100 Value 8.06%	Russell 200 Growth 21.18%	Russell 200 Growth 7.77%	DJ Wilshire REIT 15.14%	S&P 50 Value 1.37%	Russell 100 Growth 31.04%	Russell 100 Value 21.64%	Russell 100 Growth 31.49%	Russell 100 Value 15.63%	S&P 50 Value 21.04%	Russell 100 Value 7.08%	Russell 100 Value 5.59%	Russell 100 Value -15.52%	DJ Wilshire REIT 30.07%	Russell 100 Value 16.49%	Russell 100 Growth 5.20%	Russell 100 Value 22.25%	LB Agg Bond 6.97%	S&P 50 Value -37.00%	S&P 50 Value -11.07%
	Russell 200 Growth -17.42%	S&P 50 Value 31.48%	S&P 50 Value 7.02%	Russell 200 Growth 13.37%	Russell 200 Value 4.57%	Russell 200 Value 25.73%	DJ Wilshire REIT 19.67%	LB Agg Bond 8.07%	Russell 100 Value 7.58%	S&P 50 Value 9.10%	Russell 200 Growth 9.22%	MSCI EAFE -15.94%	Russell 100 Value 31.03%	Russell 200 Growth 14.33%	S&P 50 Value 4.91%	S&P 50 Value 15.79%	S&P 50 Value 5.49%	S&P 50 Value -38.44%	Russell 100 Growth -13.94%	MSCI EAFE -13.94%
	Russell 200 Value -1.77%	Russell 100 Value 24.67%	LB Agg Bond 7.41%	S&P 50 Value 10.07%	Russell 100 Value 4.97%	LB Agg Bond 38.48%	Russell 200 Growth 11.20%	Russell 200 Growth 12.95%	Russell 200 Growth 1.23%	DJ Wilshire REIT 2.57%	MSCI EAFE -13.00%	S&P 50 Value -11.88%	S&P 50 Value -22.07%	Russell 100 Growth 20.76%	S&P 50 Value 10.87%	Russell 200 Value 4.71%	Russell 200 Growth 13.33%	Russell 100 Value 0.17%	Russell 200 Growth -35.54%	Russell 100 Value -16.77%
	MSCI EAFE 23.19%	LB Agg Bond 16.00%	Russell 100 Growth 5.03%	LB Agg Bond 9.73%	Russell 200 Growth 2.44%	DJ Wilshire REIT 12.24%	MSCI EAFE 6.30%	LB Agg Bond 9.08%	Russell 200 Value 6.47%	LB Agg Bond 0.83%	Russell 100 Growth 22.42%	Russell 100 Growth -21.42%	Russell 100 Growth -27.89%	Russell 100 Growth 28.67%	S&P 50 Value 6.33%	Russell 200 Growth 4.15%	Russell 100 Growth 9.07%	Russell 200 Growth 9.78%	Russell 200 Value -31.21%	DJ Wilshire REIT -16.61%
WORST	DJ Wilshire REIT 23.44%	MSCI EAFE 12.49%	MSCI EAFE -11.83%	Russell 100 Growth 2.91%	LB Agg Bond 2.92%	MSCI EAFE 11.53%	LB Agg Bond 3.60%	MSCI EAFE 2.07%	DJ Wilshire REIT -17.01%	Russell 200 Value -1.41%	Russell 200 Growth -22.43%	MSCI EAFE -22.01%	Russell 200 Growth -31.27%	LB Agg Bond 4.11%	LB Agg Bond 4.34%	LB Agg Bond 2.43%	LB Agg Bond 4.33%	DJ Wilshire REIT -17.56%	MSCI EAFE -45.07%	DJ Wilshire REIT -33.02%

-  **Russell 1000 Value** contains those Russell 1000 (larger capitalization) securities with a less-than-average growth orientation. Securities in this index generally have lower price-to-book and price-to-earnings ratios, higher dividend yields, and lower forecasted growth rates.
-  **Russell 1000 Growth** contains those Russell 1000 (larger capitalization) securities with a greater-than-average growth orientation. Securities in this index generally have higher price-to-book and price-to-earnings ratios, lower dividend yields, and higher forecasted growth rates.
-  **Russell 2000 Value** contains those Russell 2000 (smaller capitalization) securities with a less-than-average growth orientation. Securities in this index generally have lower price-to-book and price-to-earnings ratios than those in the Russell 2000 Growth Index.
-  **Russell 2000 Growth** contains those Russell 2000 (smaller capitalization) securities with a greater-than-average growth orientation. Securities in this index generally have higher price-to-book and price-to-earnings ratios than those in the Russell 2000 Value Index.
-  **MSCI EAFE** is the Morgan Stanley Capital International Europe, Australia, Far East Index designed to measure the performance of developed stock markets in these areas.
-  **LB Agg Bond** is the Lehman Brothers Aggregate Bond Index. This index includes U.S. government, corporate and mortgage-backed securities rated investment grade or higher with maturities up to 30 years.
-  **S&P 500** is a representative sample of 500 leading companies in leading industries of the U.S. economy.
-  **DJ Wilshire REIT** is intended as a broad measure of the performance of publicly traded real estate equity. The index is comprised of companies whose charter is the equity ownership and operation of commercial real estate.

Data Source: Morningstar

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Asset Class Suitability: Stocks of small companies are typically more volatile than stocks of larger companies. They often involve higher risks because they may lack the management expertise, financial resources, product diversification and competitive strengths to endure adverse economic conditions. High-yield, non-investment grade bonds are only suitable for aggressive investors willing to take greater risks, which could result in loss of principal and interest payments. Global/International investing involves risks not typically associated with US investing, including currency fluctuations, political instability, uncertain economic conditions and different accounting standards.

Past Performance: Past performance is not an indication of future results.

Asset Class Performance Representations: Long Term Treasuries = LB Treasury Long; Municipals = LB Municipal; Foreign Bonds = Salomon World BIG – IB; US Govt/Credit = LB Govt/Credit; Mtge Backed Securities = ML Mortgage Master; Corporate Bonds = Salomon Corporate; 90 Day T-Bills = Salomon; Japanese Stocks = Salomon Japan BMI; High Yield Bonds = ML High Yield Master; Small Cap US Value = RU 2000 Value; MidCap US Stocks = RU Midcap; Large Cap US Value = RU 1000 Value; European Stocks = Salomon Europe BMI; Small Cap US Stocks = RU 2000; Lg Cap US Growth = RU 1000 Growth; Latin American Stocks = Salomon Latin America BMI; Sm Cap US Growth = RU 2000 Growth

Broad Equity Market & Sector Performance Representations: Large-Cap = S&P 500; Mid-Cap = RU Midcap; Small-Cap = RU 2000; International = MSCI EAFE

Data Sources: Information found in this document was derived from the following sources: Zephyr Associates StyleAdvisor, Informa M-Watch, and Lehman Brothers.

Dow Jones Industrial Average – This index is comprised of 30 "blue-chip" US stocks selected for their history of successful growth and wide interest among investors. The DJIA represents about 20% of the total market value of all US stocks and about 25% of the NYSE market capitalization. It is a price-weighted arithmetic average, with the divisor adjusted to reflect stock splits and the occasional stock switches in the index.

NASDAQ Composite – A cap-weighted index comprised of all common stocks that are listed on the NASDAQ Stock Market (National Association of Securities Dealers Automated Quotation system).

S&P 500 – A broad-based measurement of changes in stock market conditions based on the average performance of 500 widely held common stocks. This index does not contain the 500 largest companies nor the most expensive stocks traded in the U.S. While many of the stocks are among the largest, this index also includes many relatively small companies. This index consists of approximately 380 industrial, 40 utility, 10 transportation and 70 financial companies listed on U.S. market exchanges. It is a capitalization-weighted index (stock price times number of shares outstanding), calculated on a total return basis with dividends reinvested.

S&P 500/Citigroup Growth – The S&P/Citigroup Growth tracks the performance of those stocks in the S&P 500 with lower book-to-price ratios. A cap-weighted index, it is rebalanced semi-annually, based on its price-to-book ratios and market capitalizations at the close of trading one month prior. The index is adjusted each month to reflect changes in the S&P 500. This index is more heavily weighted in the consumer non-cyclical, health care, and technology sectors than the S&P 500.

S&P 500/Citigroup Value – The S&P Citigroup/Value tracks the performance of those stocks in the S&P 500 with higher book-to-price ratios. A cap-weighted index, it is rebalanced semi-annually on January 1 and July 1, based on its book-to-price ratios and market capitalizations at the close of trading one month prior. The index is adjusted each month to reflect changes in the S&P 500. This index tends to be more heavily concentrated in the energy and financial sectors than the S&P 500.

Russell 1000 – The 1000 largest companies in the Russell 3000 index, based on market capitalization.

Russell 1000 Growth – A segment of the Russell 1000 with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 1000 Value index.

Russell 1000 Value – Represents a segment of the Russell 1000 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 1000 Growth Index.

Russell Mid Cap – The index consisting of the bottom 800 securities in the Russell 1000 as ranked by total market capitalization, and it represents over 35% of the Russell 1000 total market cap.

Russell 2000 – The 2000 smallest companies in the Russell 3000 index.

Russell 2000 Growth – A segment of the Russell 2000 with a greater-than-average growth orientation. Companies in this index have higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Russell 2000 Value index.

Russell 2000 Value – A segment of the Russell 2000 with a less-than-average growth orientation. Companies in this index have low price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Russell 2000 Growth index.

Russell 2500 – The index consisting of the bottom 500 stocks in the Russell 1000(as ranked by market capitalization) and all of the stocks in the Russell 2000. This index is intended to be used as a measure of small to medium/small stock performance, and it represents over 22% of the Russell 3000 total market cap.

MSCI EAFE – A market capitalization-weighted index representing all of the MSCI developed markets outside North America. It comprises 20 of the 22 countries in the MSCI World. These 20 countries include the 14 European countries in the MSCI Europe and the 6 Pacific countries in the MSCI Pacific. This index is created by aggregating the 20 different country indexes, all of which are created separately.

MSCI World – This market capitalization-weighted index represents all 22 of the MSCI developed markets in the world. It is created by aggregating the 22 different country indexes, all of which are created separately.

MSCI Emerging Markets Free (EMF) – A market capitalization-weighted index representing 26 of the emerging markets in the world. Several factors are used to designate whether a country is considered to be emerging vs. developed, the most common of which is Gross Domestic Product Per Capita. The "Free" aspect indicates that this index includes only securities that are allowed to be purchased by global investors. This index is created by aggregating the 26 different country indexes, all of which are created separately.

Lehman Government/Credit - This index includes all bonds that are in the Lehman Brothers Government Bond and the Lehman Brothers Credit Bond indices.

Lehman Government Intermediate – All bonds covered by the Lehman Brothers Government Bond index with maturities of 1 and 10 years.

Lehman Aggregate Bond – This index is made up of the Lehman Brothers Government/Credit, the Mortgage-Backed Securities, and the Asset-Backed Securities indices. All issues in the index are rated investment grade or higher, have at least one year to maturity, and have an outstanding par value of at least \$100 million.

Lehman Government Long Term - All bonds covered by the Lehman Brothers Government Bond index with maturities of 10 years or greater.

Lehman Municipal Bond – This market cap weighted index includes investment grade tax-exempt bonds and is classified into four main sectors: General Obligation, Revenue, Insured, and Prerefunded. To be included in this index, the original transaction size of a bond must have been greater than \$50 million.

Merrill Lynch Convertibles – The convertible securities used in this index span all corporate sectors and must have a par amount outstanding of \$25 million or more. The maturity must be at least one year. The coupon range must be equal to or greater than zero and all quality of bonds are included. Excluded from this index are preferred equity redemption stocks. When the component bonds of this index convert into common stock, the converted securities are dropped from the index.

Merrill Lynch High Yield Master – Market-cap weighted index providing a broad-based measure of bonds in the US domestic bond market rated below investment grade but not in default. Includes only issues with a credit rating of BB1 or below as rated by Moody's and/or S&P, at least \$100 million in face value outstanding and a remaining term to final maturity equal to or greater than one year.

Dow Jones Wilshire REIT Index – A measurement of equity REITs and Real Estate Operating Companies. No special-purpose or health care REITs are included. It is a market capitalization-weighted index for which returns are calculated monthly using buy and hold methodology; it is rebalanced monthly.

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

50/50 Blend (S&P 500/LBIGC) – A blended benchmark consisting of 50% S&P 500 and 50% Lehman Brothers Government/Credit Intermediate indices.