



**WBI INVESTMENTS
BALANCED PLUS
GI DD@A9BH5 @B: CFA5HCB'**

Address: 34 Sycamore Avenue, Suite 1-E
Little Silver, NJ, 07739

Firm Type: Independent Reg. Inv. Advisor

Legal Structure: Subchapter S

Year Founded: 1984

Firm GIPS Compliant: Yes

Firm/Product Assets: \$ 1,093.85 Million / \$ 191.23 Million

Firm/Product Accounts: 4863 / 742

Parent Company: Wealth Builders, Inc.

Equity Inv Style: High Income

Fixed Inc Inv Style: Corporates

Market Capitalization: All Capitalization

Maturity: Short (1 to 3 Yrs)

Duration: Short (1 To 3 Years)

Portfolio Manager: Mr. Gary E. Stroik

Manager Tenure: 1/1992

Mgr. Experience: 1990

Product Contact: Mr. Matthew E. Schreiber

Phone: 732-842-4920

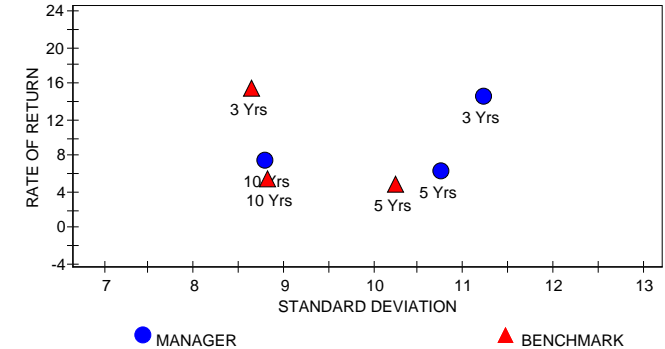
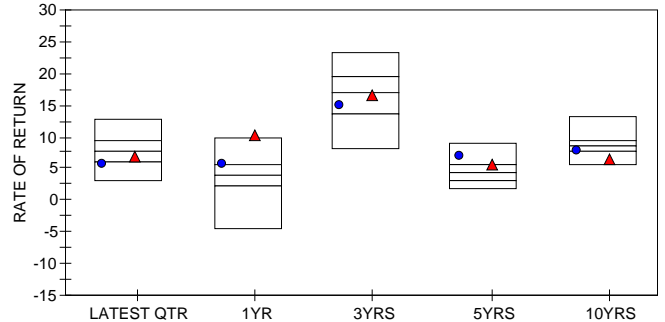
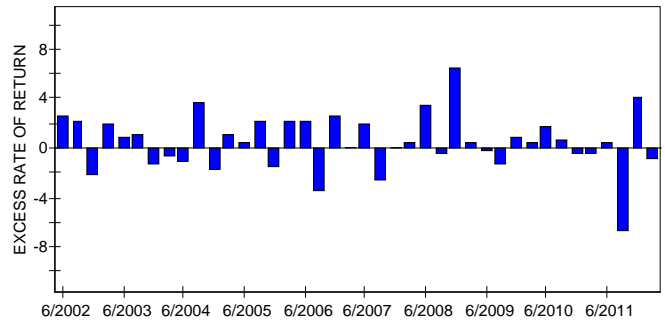
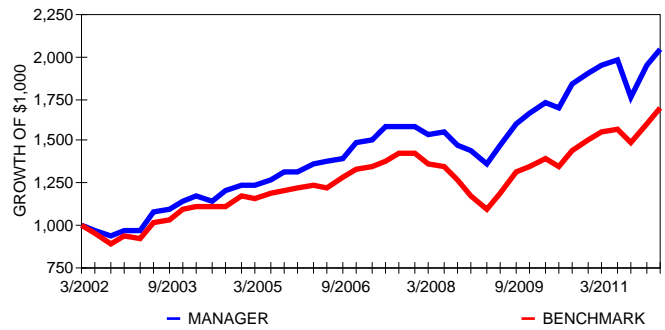
		Account Size	Annual Fees
Performance Incentive Fee:	No	US\$ 1 Mill	--
Individual Min Annual Fee:	--	US\$ 5 Mill	--
Individual Min Account Size:	\$100,000	US\$ 10 Mill	--
Offered As Mutual Funds:	--	US\$ 25 Mill	--
Offered As Commingled Funds:	--	US\$ 50 Mill	--
Commingled Min Annual Fee:	--	US\$ 100 Mill	--
Commingled Min Account Size:	--	US\$ 200 Mill	--

	MRQ	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	Incept
Manager	5.31	2.63	13.82	15.55	-8.85	5.98	13.40	6.15	7.83	19.25	-1.80	7.39
Bnchmrk	6.20	6.29	11.28	15.55	-17.73	6.52	9.67	3.74	7.55	16.33	-6.25	7.62
Excess	-0.89	-3.67	2.53	-0.00	8.88	-0.54	3.73	2.41	0.28	2.92	4.45	-0.24
90 TBill	0.02	0.06	0.14	0.15	1.27	4.42	4.88	3.30	1.44	1.01	1.59	3.13

PERIOD	ROR	STDEV	ALPHA	BETA	RSQR	TRCKERR	SHARPE	INFORATIO
3 Yrs	14.58	11.22	-3.43	1.19	0.84	4.77	1.29	-0.21
4 Yrs	7.56	11.57	2.52	0.92	0.79	5.43	0.63	0.38
5 Yrs	6.30	10.74	1.91	0.93	0.78	5.08	0.50	0.31
6 Yrs	7.01	10.00	1.94	0.91	0.76	5.03	0.54	0.31
7 Yrs	7.50	9.35	2.20	0.91	0.75	4.81	0.60	0.39
8 Yrs	7.27	8.94	2.24	0.90	0.73	4.73	0.60	0.40
9 Yrs	8.59	8.90	2.15	0.90	0.75	4.53	0.76	0.37
10 Yrs	7.45	8.78	2.47	0.87	0.76	4.49	0.65	0.45
Inception	7.39	7.29	1.51	0.61	0.48	6.20	0.58	-0.04

Firm Representative Client List	Allocation Objective	%
Confidential	Domestic Equity	--
--	Domestic Fixed Income	--
--	Domestic Cash	--
--	Intl Equity	--
--	Intl Fixed Income	--
--	Intl Cash	--
--	Global Equity	62.00
--	Global Fixed Income	30.00
--	Global Cash	8.00
--	Other	0.00

Firm Personnel	Total
Portfolio Managers	1
Research Analysts	1
Traders	2
Marketing Specialists	7
Client Service	6



PERIOD	RATE OF RETURN			GROWTH OF \$1,000		
	MANAGER	BENCHMARK	EXCESS	MANAGER	BENCHMARK	PREMIUM
1 Yr	5.16	9.45	-4.29	\$1,052	\$1,095	-\$43
2 Yrs	8.83	10.17	-1.34	\$1,184	\$1,214	-\$29
3 Yrs	14.58	15.59	-1.01	\$1,504	\$1,544	-\$40
4 Yrs	7.56	5.48	2.08	\$1,339	\$1,238	\$101
5 Yrs	6.30	4.70	1.59	\$1,357	\$1,258	\$99
6 Yrs	7.01	5.43	1.58	\$1,501	\$1,373	\$128
7 Yrs	7.50	5.63	1.86	\$1,659	\$1,468	\$191
8 Yrs	7.27	5.38	1.90	\$1,753	\$1,520	\$233
9 Yrs	8.59	6.91	1.68	\$2,100	\$1,824	\$275
10 Yrs	7.45	5.44	2.02	\$2,052	\$1,698	\$354
Inception	7.39	7.62	-0.24	\$3,805	\$3,966	-\$160



WBI INVESTMENTS BALANCED PLUG

GI DD@A9BH5 @-B: CFA5HCB'

BALANCED INVESTMENT PHILOSOPHY - The Balanced Plus portfolio is designed to provide investors who have a moderate risk tolerance with a somewhat elevated stream of current income and the opportunity for growth of income over time to keep pace with inflation, while attempting to manage the risk of capital loss. This portfolio invests primarily in fixed income exchange traded funds (ETFs), and in high-yielding dividend paying stocks. It is designed to hold a blend that approximates 50% dividend paying stocks and 50% fixed income securities, including high yield securities. It may also include an allocation of up to approximately 10% in other types of investments. Its objective is to provide current income and capital appreciation through consistency of performance. Depending on market conditions, it may hold a significant allocation to cash equivalents. WBI Investments will employ (1) proprietary quantitative fundamental screening software intended to identify timely equity opportunities, (2) technical market models designed to limit market risk and capture momentum in both the bond and equity markets, and (3) technical risk management tools designed to help manage the risk of individual security positions. The portfolio has been established to provide investors with an opportunity to recognize capital appreciation while attempting to control the risk to capital invested. The objectives of the Balanced Plus Portfolio are: (1) capital appreciation through consistency of performance; (2) generation of current income from underlying investments; (3) control of volatility and risk to capital through the implementation of proprietary risk management tools and trading strategies; and (4) diversification among investments and across multiple asset classes.

INVESTMENT DECISION-MAKING PROCESS - The portfolio uses WBI's proprietary quantitative fundamental screening software to automatically screen and evaluate approximately 6,600 foreign and domestic securities daily. The screening and evaluation process considers the following for each company: (1) financial statements, (2) basic financial metrics, (3) ratio analysis, and (4) trend analysis. Financial statements are evaluated to assess the financial health of a company. Basic financial metric formulas are used to compare companies within the same industry, within the same sector, and against all other candidates. Ratio analysis is performed to confirm deep-value characteristics, dividend safety/payout trends, short-term debt coverage, growth trends, and liquidity. Trend analysis is used to identify positive fundamental growth trends in sales, earnings, cash flow, and dividends per share. An analysis combining several different moving averages and a MACD oscillator is used to confirm price momentum. A quantitative regression analysis is completed to assess a security's downside risk and expected upside potential. Once purchased, each position is actively monitored by a dynamic risk management system in an effort to protect capital and harvest gains as predefined targets are achieved.

ORGANIZATION AND OWNERSHIP - WBI Investments, Inc. (WBI) was founded in 1984 as Wealth Builders, Inc. Its goal was to

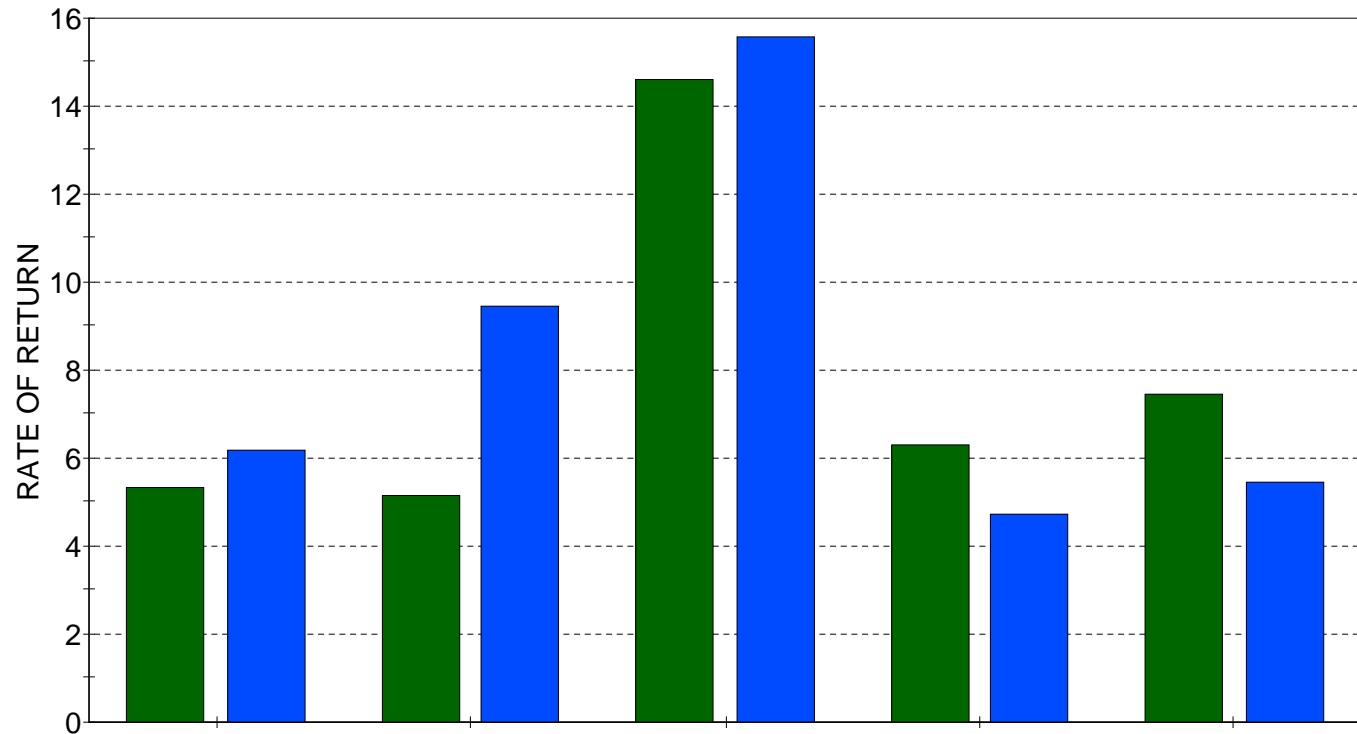
provide clients with the highest level of financial advice and service possible. Years of experience with clients using traditional, "passive" buy and hold strategies led WBI to the conclusion that investors did not generally have the risk tolerance to stay invested through full market cycles. In an effort to change the investment experience in a way that could help keep investors more comfortably invested, WBI established a goal of building a new kind of institutional quality investment management process. In 1992, WBI introduced its initial group of proprietary portfolio strategies designed to pursue consistent, reliable returns with substantially less risk than traditional approaches. In 1997, it began offering investment management to unaffiliated advisors, and initiated its wholesale institutional distribution program. In February 2006 the company began offering the investment management services of its wholesale institutional distribution operations under the "Doing Business As" (DBA) name WBI InvestmentsTM. In June 2009 Wealth Builders, Inc. formally changed its name to WBI Investments, Inc., and in January 2010 WBI Investments spun off its retail financial planning and wealth management services into a separate affiliated entity, with WBI InvestmentsTM continuing its existing discretionary investment management operations. Today WBI continues to operate as an independent, privately owned investment management firm that provides fee-only discretionary investment management to individuals, pension and profit sharing plans, charitable organizations, corporations, mutual funds, and other entities. For more information on the organization and ownership structure, please refer to WBI's ADV Part 2 Disclosure Brochure, which is available on request.

Offered WRAP/TAMP Program:

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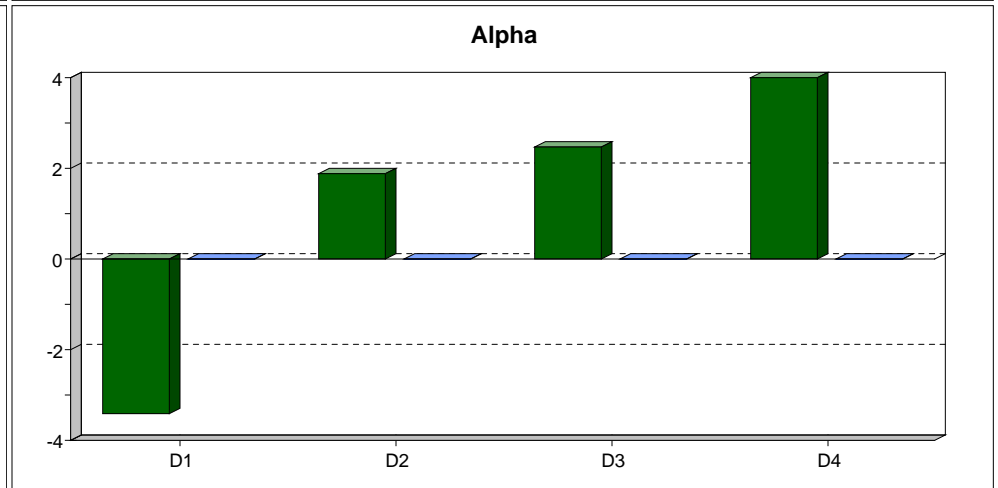
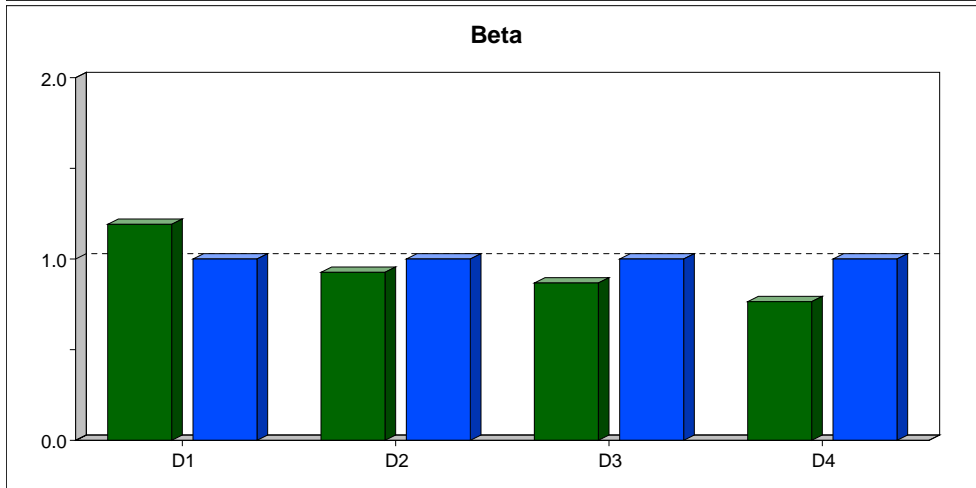
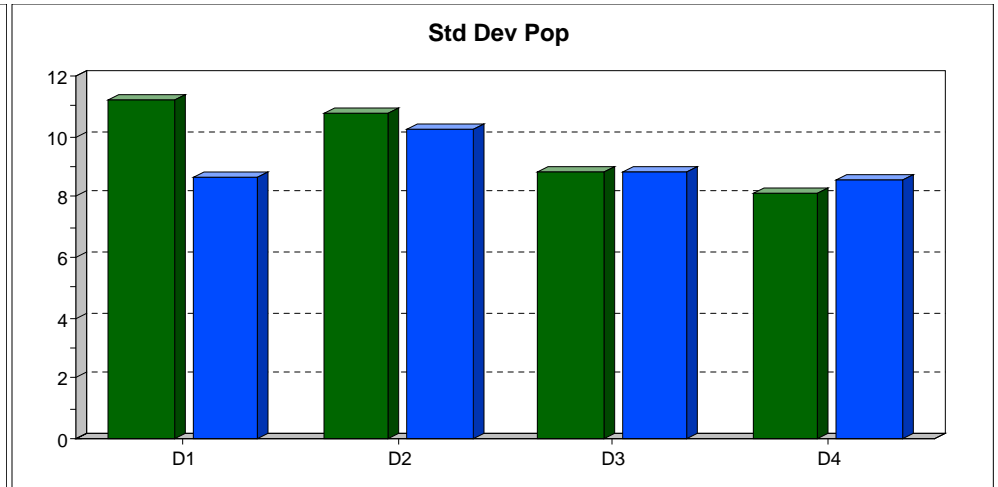
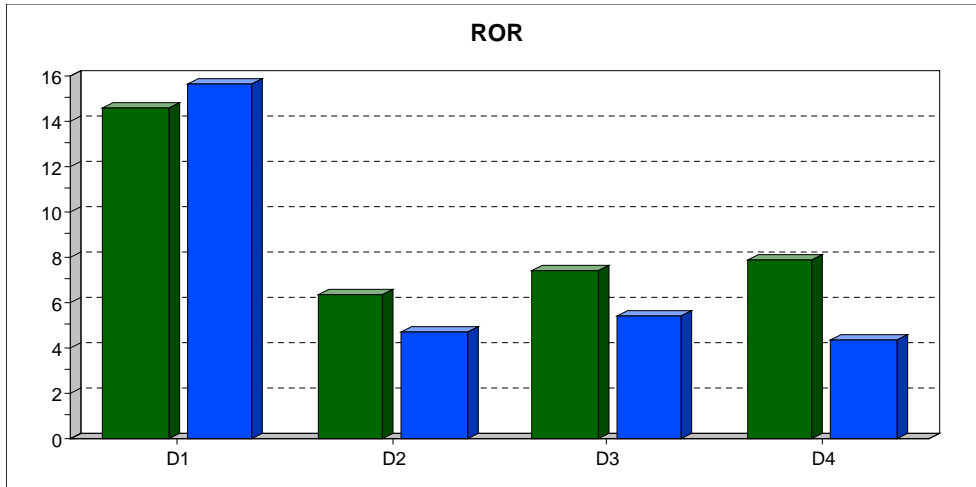
**WBI INVESTMENTS
BALANCED PLUS
PERFORMANCE BAR
MARCH 31, 2002 TO MARCH 31, 2012**



	12/2011-3/2012	3/2011-3/2012	3/2009-3/2012	3/2007-3/2012	3/2002-3/2012
■ WBI Investments Balanced Plus	5.31	5.16	14.58	6.30	7.45
■ 50% S&P500/50% BCGC	6.20	9.45	15.59	4.70	5.44



**WBI INVESTMENTS
BALANCED PLUS
MULTIPLE STATISTIC BAR
DECEMBER 31, 1999 TO MARCH 31, 2012**



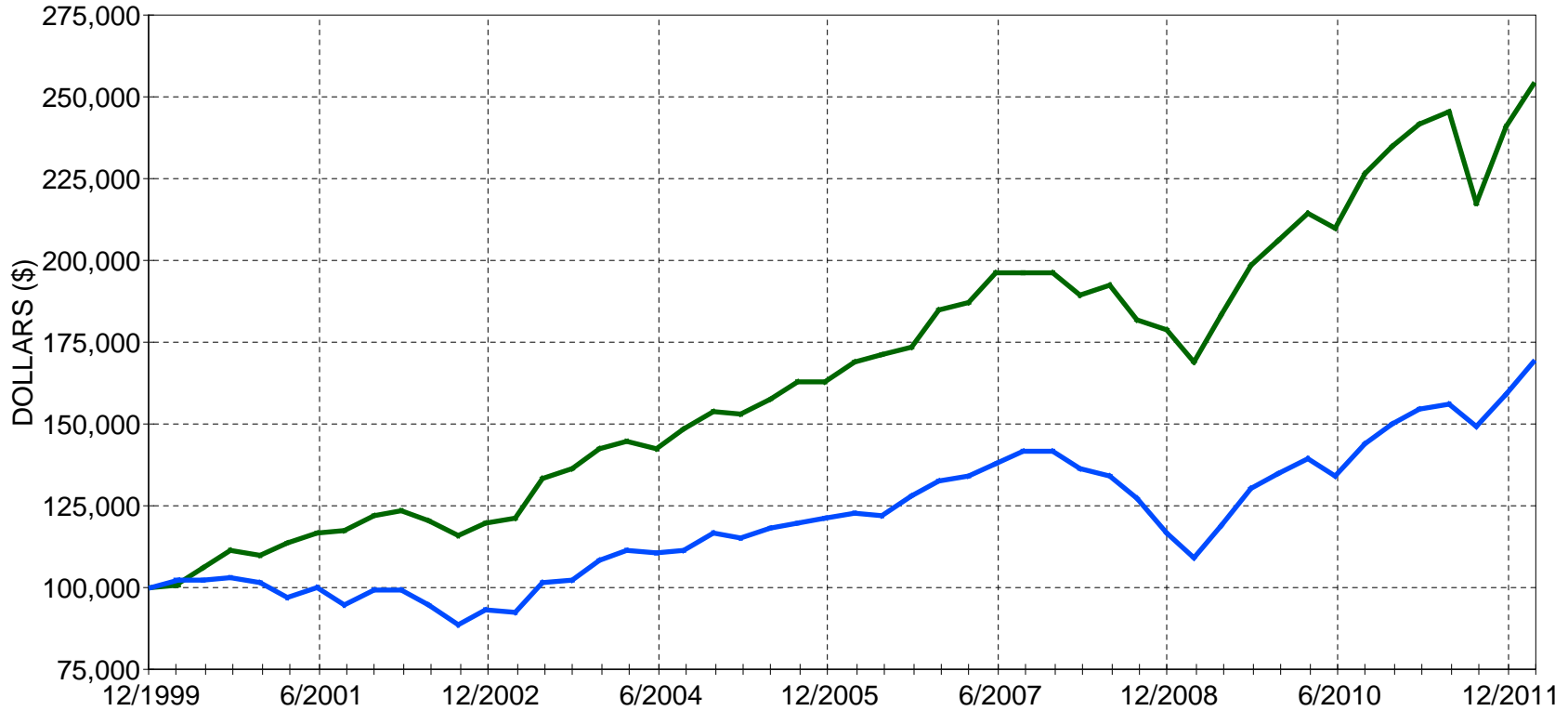
■ WBI Investments Balanced Plus
 ■ 50% S&P500/50% BCGC

	ROR	Std Dev Pop	Beta	Alpha
D1: 3/2009 - 3/2012	14.58	11.22	1.19	-3.43
D2: 3/2007 - 3/2012	6.30	10.74	0.93	1.91
D3: 3/2002 - 3/2012	7.45	8.78	0.87	2.47
D4: 12/1999 - 3/2012	7.90	8.10	0.76	3.98

RISK BENCHMARK USED FOR THIS ANALYSIS: 50% S&P500/50% BCGC
 SUPPLEMENTAL INFORMATION
 FOR BROKER DEALER/INVESTMENT ADVISOR USE ONLY



**WBI INVESTMENTS
BALANCED PLUS
GROWTH OF AN INVESTMENT
DECEMBER 31, 1999 TO MARCH 31, 2012**

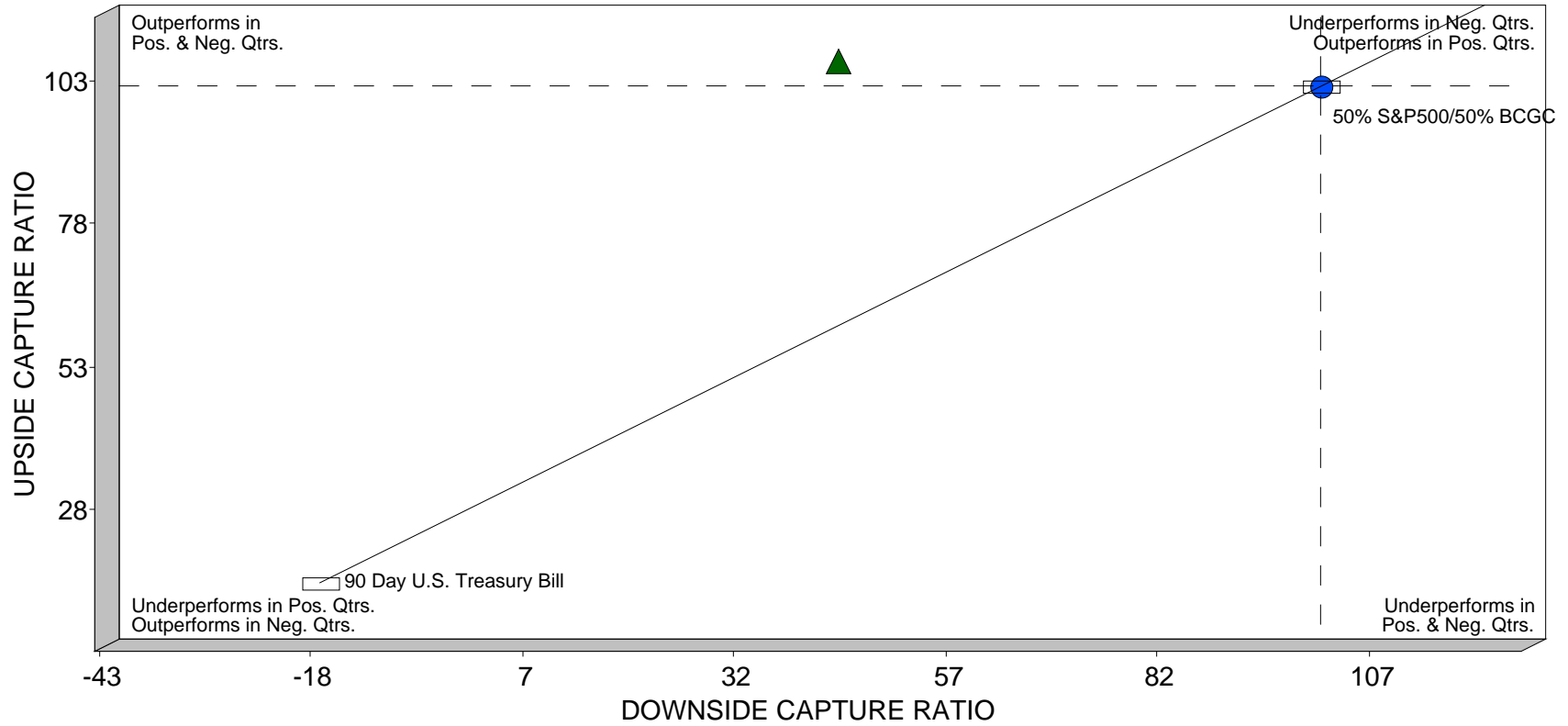


	3/2011-3/2012	3/2009-3/2012	3/2007-3/2012	3/2002-3/2012	12/1999-3/2012
WBI Investments Balanced Plus	105,159	150,431	135,725	205,228	253,858
50% S&P500/50% BCGC	109,452	154,447	125,844	169,814	168,929



**WBI INVESTMENTS
BALANCED PLUS
MARKET CAPTURE**

DECEMBER 31, 1999 TO MARCH 31, 2012



	ROR	Best Qtr	Worst Qtr	Best 4 Qtrs	Worst 4 Qtrs	Upside Cap Ratio	Dnside Cap Ratio	Beta	Alpha
▲ WBI Investments Balanced Plus	7.90	10.72	-11.25	27.00	-11.02	104.04	42.93	0.76	3.98
● 50% S&P500/50% BCGC	4.37	9.80	-8.39	27.24	-19.84	100.00	100.00	1.00	0.00

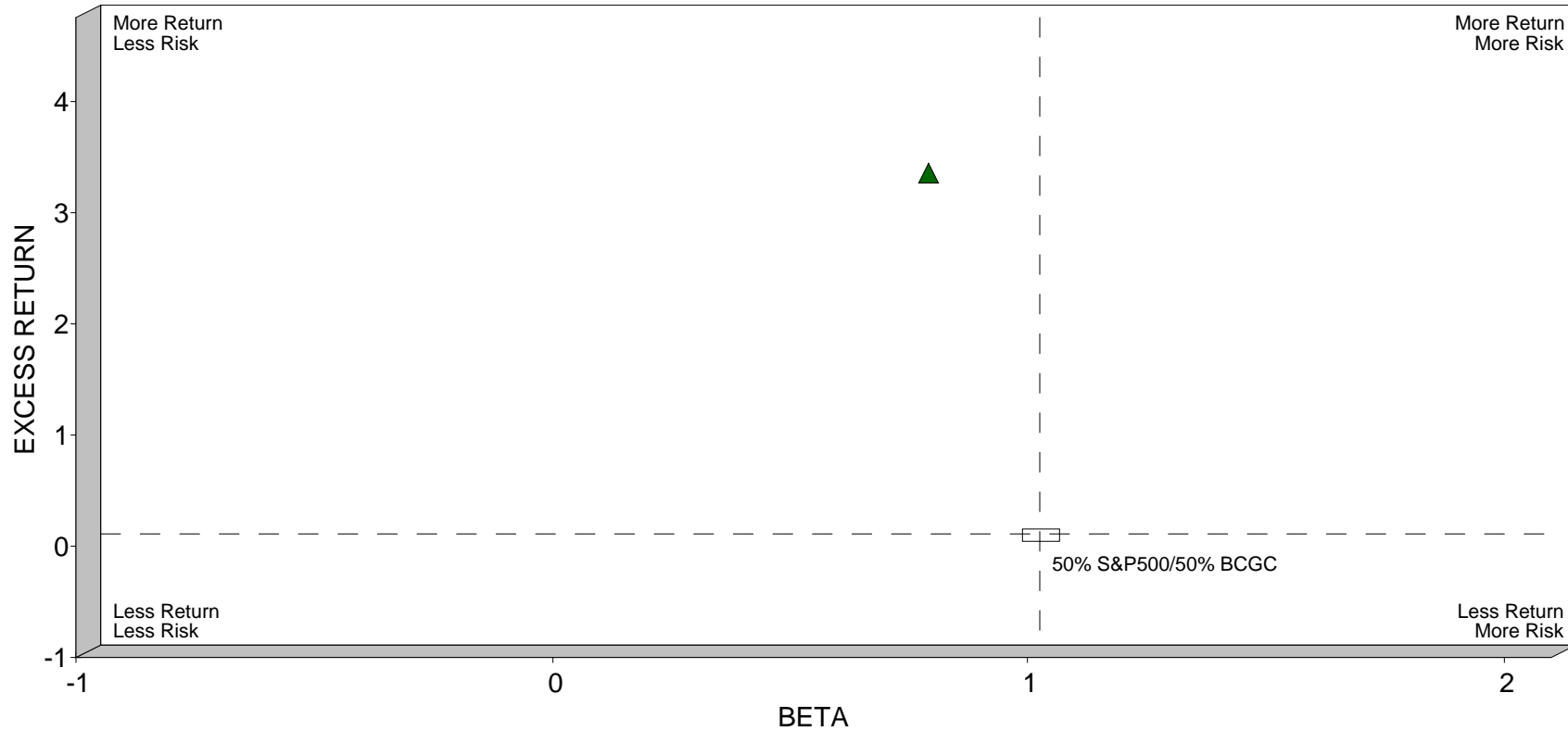
RISK BENCHMARK USED FOR THIS ANALYSIS: 50% S&P500/50% BCGC

SUPPLEMENTAL INFORMATION

FOR BROKER DEALER/INVESTMENT ADVISOR USE ONLY



**WBI INVESTMENTS
BALANCED PLUS
MARKET RISK REWARD
DECEMBER 31, 1999 TO MARCH 31, 2012**



	Excess Return	ROR	Beta	Alpha
▲ WBI Investments Balanced Plus	3.25	7.90	0.76	3.98

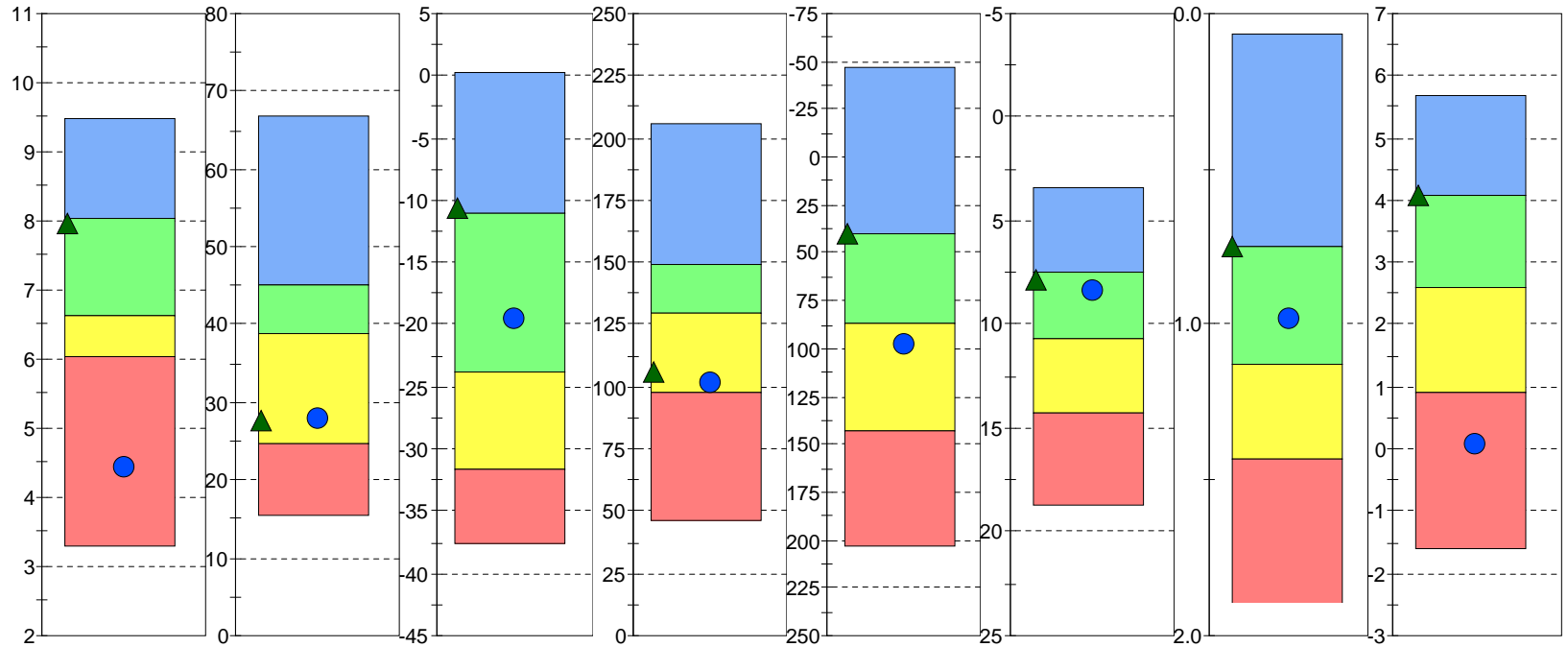
RISK BENCHMARK USED FOR THIS ANALYSIS: 50% S&P500/50% BCGC

SUPPLEMENTAL INFORMATION

FOR BROKER DEALER/INVESTMENT ADVISOR USE ONLY



**WBI INVESTMENTS BALANCED PLUS
MULTI-STATISTIC QUARTILE RANKING BAR
PSN GLOBAL & DOMESTIC BALANCED UNIVERSE
DECEMBER 31, 1999 TO MARCH 31, 2012**



■ HIGH (0.95)
■ 1st QUARTILE
■ MEDIAN
■ 3rd QUARTILE
■ LOW (0.05)
 MEAN
 VALID COUNT

	ROR	Best 4 Qtrs	Worst 4 Qtrs	Upside Cap Ratio	Dnside Cap Ratio	Std Dev Pop	Beta	Alpha
HIGH (0.95)	9.41	66.09	-0.14	203.55	-43.67	3.65	0.08	5.60
1st QUARTILE	7.95	44.55	-11.54	146.73	42.93	7.70	0.76	3.98
MEDIAN	6.57	38.16	-24.13	127.12	89.67	10.92	1.14	2.51
3rd QUARTILE	5.97	24.15	-32.08	95.45	145.14	14.56	1.45	0.82
LOW (0.05)	3.23	14.75	-37.91	43.83	205.88	18.96	2.00	-1.69
MEAN	6.65	35.61	-22.09	121.59	88.54	10.73	1.07	2.39
VALID COUNT	28	28	28	28	28	28	28	28

	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK	VALUE	RANK		
▲ WBI Investments Balanced	7.90	28	27.00	71	-11.02	17	104.04	64	42.93	25	8.10	33	0.76	25	3.98	25
● 50% S&P500/50% BCGC	4.37	89	27.24	67	-19.84	42	100.00	67	100.00	58	8.53	36	1.00	43	0.00	92



HISTORICAL ROR BY PERIOD

WBI Investments Balanced Plus

<u>YEAR</u>	QTR ENDING <u>MAR</u>	QTR ENDING <u>JUN</u>	QTR ENDING <u>SEP</u>	QTR ENDING <u>DEC</u>	<u>YTD</u>
1993			5.46	0.97	
1994	-2.44	0.23	0.54	-4.83	-6.44
1995	5.06	5.03	3.83	2.24	17.14
1996	3.84	1.44	3.63	4.85	14.45
1997	2.28	4.00	4.99	2.73	14.72
1998	1.74	0.59	-0.68	0.77	2.43
1999	-0.89	1.16	-1.78	-3.02	-4.50
2000	1.05	5.07	4.64	-0.85	10.16
2001	3.05	2.79	0.72	3.49	10.41
2002	1.70	-2.42	-3.99	3.06	-1.80
2003	1.23	10.24	2.12	4.64	19.25
2004	1.65	-1.80	4.54	3.34	7.83
2005	-0.35	2.96	3.58	-0.11	6.15
2006	3.71	1.27	1.36	6.53	13.40
2007	1.17	4.79	0.05	-0.08	5.98
2008	-3.21	1.50	-5.35	-1.96	-8.85
2009	-5.52	8.65	8.40	3.84	15.55
2010	3.85	-2.01	7.92	3.64	13.82
2011	2.77	1.62	-11.25	10.72	2.63
2012	5.31				5.31



Composite Performance Information

Balanced Plus

As of: 03/31/2012

Time Weighted Return			
	Composite		Benchmark
	Gross of Fee	Net Of Fee	Blend Index
Mar-12	0.77	0.77	1.22

Time Weighted Return			
	Composite		Benchmark
	Gross of Fee	Net Of Fee	Blend Index
YTD	5.31	4.91	7.53
1 Year	5.16	3.48	10.75
Ann. 3 Year	14.62	12.87	19.02
Ann. 5 Year	6.33	4.80	6.37

Composite vs. Benchmark		
	Alpha	Beta
3 Year	-4.48	0.91
5 Year	-0.37	0.78
10 Year	0.71	0.72

Time Weighted Return			
	Composite		Benchmark
Year	Gross of Fee	Net Of Fee	Blend Index
2011	2.63	0.96	6.26
2010	13.81	12.07	12.53
2009	15.63	14.00	23.30
2008	-8.86	-10.07	-17.85
2007	6.06	4.74	5.80
2006	13.66	12.24	9.78
2005	6.22	4.88	3.27
2004	7.80	6.42	8.75
2003	19.50	18.05	19.47
2002	-1.85	-3.09	-5.93

Standard Deviation	
3 Yr Annualized	
Net Of Fee	Blend Index
10.26	10.64
10.18	13.28
9.56	12.40
8.20	9.58
5.64	4.41
5.63	4.40
6.40	5.75
6.88	8.52
6.48	10.01
6.08	10.18

Number of Accounts & Composite Assets (in Millions)					
Dispersion of Returns	Accounts	Assets \$	% Non-Fee	% of Firm Assets	
0.51	434	123.47	0.00	13.33	
0.51	176	66.25	0.00	11.63	
0.63	99	36.23	0.00	10.18	
0.61	82	28.42	0.00	11.28	
0.68	70	27.28	0.00	10.33	
0.38	59	21.75	0.00	9.59	
0.27	50	17.03	0.00	9.64	
0.35	39	12.33	0.00	8.02	
0.41	24	9.30	0.00	7.89	
0.57	15	5.42	0.00	6.19	

Investment Philosophy

WBI Investments, Inc. (WBI) offers risk-managed investment strategies with the goal of providing consistent, attractive returns and substantially less volatility and risk to capital than traditional approaches. We believe protecting capital is essential to providing long term portfolio growth or a consistent stream of income. Our focus on value, dividends, and risk management has become fundamental to our investment process.

Composite Description

The **Balanced Plus** portfolio is designed to provide an elevated stream of current income with the opportunity for growth of income over time by including high yield investments for a portion of an account's allocation. It will typically be allocated to a blend of stocks and American Depositary Receipts (ADRs) that pay dividends, and Exchange Traded Funds (ETFs) that invest in bonds. It may also use ETFs to gain exposure to other types of investments or asset classes. It is actively managed in an attempt to respond to changing conditions, and depending on market conditions, it may hold a significant allocation to cash equivalents. The inception date of the investment strategy is June 1993, and the composite creation date is May 2009. Prior to November 2010, the Balanced Plus was known as Balanced High Income. Mutual funds contributed to historical performance, but are no longer used. The composite includes all discretionary accounts for which the client has selected the Balanced Plus portfolio model as the objective. A complete list, description, and GIPS compliant presentation is available for all composites on request.

Benchmark

Every model portfolio is actively managed, and uses risk management strategies in an attempt to meet its intended investment outcome. Because the strategies used in the portfolios involve active management of a potentially wide range of assets, *no widely recognized benchmark is likely to be representative of the performance of any managed account*. Therefore, WBI managed accounts may own assets and follow investment strategies which cause them to differ materially from the composition and performance of the benchmarks shown on performance or other reports. A custom benchmark consisting of a 50%/50% allocation to the S&P 500 Total Return Index and Dow Jones Corporate Bond Index, rebalanced daily, is shown as a benchmark because it combines a familiar U.S. equity market index with a U.S. Bond Index, and the Balanced Plus investment strategy generally includes a material exposure to both U.S. equities and fixed income ETF investments. However, the benchmark is not, nor is it likely to become, representative of past or expected managed account holdings or performance. The historical performance results of the benchmark do not include the deduction of transaction and custodial charges, or the deduction of an investment management fee, which would likely alter indicated historical performance results. The S&P 500 Total Return Index includes a representative sample of large-cap U.S. companies in leading industries. The Dow Jones Corporate Bond Index includes 96 bonds issued by leading U.S. companies designed to represent the market performance, on a total-return basis, of investment-grade bonds. Both indices are unmanaged and may not be invested in directly.

Verification

WBI claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. WBI has been independently verified for the periods 12/1999 to 12/2011. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards. The Balanced Plus composite has been examined for the periods 12/2010 through 12/2011. The verification and performance examination reports are available upon request.

Definition of the Firm

WBI is an independent, privately owned investment management firm that is registered as an investment adviser with the U.S. Securities and Exchange Commission (SEC) and provides discretionary investment management to individuals, pension and profit sharing plans, charitable organizations, corporations, and other entities.

Performance Calculations

Portfolio values are net of applicable taxes withheld by an account's custodian, but are otherwise pre-tax, and include realized and unrealized gains and losses plus income and returns from cash and cash equivalents. Performance is calculated in U.S. Dollars. The composite's time-weighted returns are calculated monthly by asset weighting its individual account members, and are adjusted for external cash flows in excess of 10 percent of the value of the composite. Such flows result in the valuation of the composite on the day before the cash flow, and the computation of separate performance for the period up to and subsequent to that flow. The degree to which the annual performance of individual equally weighted composite member accounts vary from the median return of the composite is shown as Dispersion of Account Returns: Standard Deviation. Only accounts in the composite for the full calendar year are included in dispersion calculations. An account will be removed from the composite for any month during which significant cash flows or client directed restrictions exceed limits set by WBI for discretionary account management. For reasons including variances in Portfolio account holdings, variances in the investment management fee incurred, market fluctuation, the date on which a client engaged WBI's investment management services, and account contributions or withdrawals, the performance of a client's account may vary from the indicated WBI composite performance results. Past performance may not be indicative of future results and the performance of an individual client account may vary from the composite performance results. Therefore, no current or prospective client should assume that future performance will be profitable, or equal either the WBI composite performance results reflected above, or the performance results of the benchmark. No taxes are reflected in benchmark performance. The reinvestment of dividends and other earnings may have a material impact on overall returns. Different types of investments and/or investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or investment strategy (including the investments purchased and/or investment strategies devised by WBI) will be either suitable or profitable for a client's or prospective client's portfolio and may result in a loss of principal. Accordingly, no client or prospective client should assume that the above portfolios (or any component thereof) serve as the receipt of, or a substitute for, personalized advice from WBI, or from any other investment professional. Additional information regarding policies for valuing portfolios, calculating performance, and preparing compliant presentations is available on request.

Fees

Gross of Fee Performance excludes the effects of WBI's investment management fee and third-party solicitor/advisor fees, but is net of applicable account transaction and custodial charges, custodian platform charges, and the separate fees assessed directly by each unaffiliated mutual fund holding (including ETF) that was included in each Portfolio. Net of Fee Performance includes the effects of WBI's actual investment management fee and third-party solicitor/advisor fees, as well as all other fees listed above. The annual investment management fee rate charged shall vary (generally between 1.0% and 2.25%) depending upon the market value of assets under management and the specific type of investment management services to be rendered.

Risk Characteristics and Standard Deviation

Three Year Annualized ex-post Standard Deviation (using monthly returns for each annual period for which 36 monthly returns are available) of both the Composite and Benchmark is shown as an external measure of risk. According to this measure, higher numbers denote greater risk during the given time period. *Beta* is a measure of volatility relative to a given index. A beta above 1 is more volatile than the index, while a beta below 1 is less volatile. *Alpha* is a measure of risk-adjusted performance. A positive Alpha indicates performance better than expected given the Beta (volatility) of the investment.

Information pertaining to WBI's advisory operations, services, and fees is set forth in WBI's current disclosure statement, as same is on file with the SEC, a copy of which is available from WBI upon request.

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Alpha - Synonym of 'value added', linearly similar to the way beta is computed, alpha is the incremental return on a manager when the market is stationary. In other words, it is the extra expected return due to non-market factors. This risk-adjusted measurement takes into account both the performance of the market as a whole and the volatility of a manager. A positive alpha indicates that a selected portfolio has produced returns above the expected level at that level of risk, and vice versa for a negative alpha.

Batting Average - is defined as the number of periods that the product outperforms the benchmark divided by the number of total number of periods for the entire evaluation period. It is a percentage indicating the probability of "value-added" performance by the product compared to the benchmark in a given date range.

Best Four Quarters Return - Within a selected date range (For example: 5 years time period), the manager's best rate of return for every consecutive rolling four quarters.

Beta - A measurement indicating the volatility of a manager relative to a chosen market. A beta of 1 means a manager has about the same volatility as the market. A beta higher than 1 means the manager is to that extent more volatile than the market, while a beta lower than 1 means less volatile, i.e., a beta of 1.7 would indicate that, historically speaking, as the market has risen 1%, the manager has risen 1.7%; vice versa.

Downside Market Capture Ratio - A measure of the manager's performance in down markets relative to the market itself. A value of 90 suggests the manager's loss is only nine tenths of the market's loss. During the selected time period (for example: 3 years), the return for the market for each quarter is considered a down market quarter if it is less than zero. The returns for the managers and the market for all down quarters are calculated. The Downside Market Capture Ratio is calculated by dividing the return of the manager during the down quarters by the return of the market during the same quarters.

Downside Capture Return - A measure of the manager's performance in down markets relative to the market itself. This is an annualized semi-variance rate of return that represents a gain or loss generated during the market down periods. The return for the market for each quarter is considered a down market quarter if it is less than zero. Using those down quarters, the returns for the manager for all down quarters are linked and annualized to get this number. Please note that just because the market performance is down does not mean that the performance of the manager is down as well.

Excess Rate of Return – External - It is the annualized rate of return of a portfolio for the period minus the annualized rate of return of a benchmark for the same period.

Information Ratio - The information ratio is an efficiency measure calculated by dividing the Excess Rate of Return by the Standard Deviation of the Excess Rate of Return stream (Tracking Error). Please refer to the definition of Excess Rate of Return or Tracking Error for further details. The information ratio is most useful for measuring the performance of an active manager against an appropriate benchmark and can be used as a guide to choosing active manager within a universe of similar asset/style managers.

R-Squared - It is used to show how much a manager's variability can be accounted for by the market. For example, if a portfolio's R-Squared is 0.79, then 79% of the manager's variability is due to market conditions. As R-Squared approaches 100, the portfolio is more closely correlated with the market.

Rate of Return - It is a tool for indicating and measuring performance, including appreciation (or depreciation), realized capital gains (or losses), and income. Indices are computed and then forward-linked to calculate a rate of return for the period under study, for any type of weighting, i.e. time weighted, dollar weighted, etc. In PSN, returns can be calculated for any time period with a quarterly multiple factor. Most recent quarter represents three fiscal months.

Sharpe Ratio (Population) - A return/risk measure developed by William Sharpe. It is a measurement of efficiency utilizing the relationship between annualized risk-adjusted return and standard deviation. High Sharpe Ratio measures good performance (efficiency). Therefore, a Sharpe Ratio of 1 is better than a ratio of .05. The standard deviation in this Sharpe Ratio formula is divided by N.

Standard Deviation - Population - A measure of dispersion about an average in applied statistics. It is a good measure of the historical variability of the return earned by an investment manager. The assumption is the greater variability in the rate of return connotes greater risk undertaken in achieving the return. For example, one would prefer a portfolio that earns 5% each period to one that alternates between a return of zero in one period and 10% the next. A general rule is that, for any given rate of return, the lower the standard deviation the better; similarly, for any given standard deviation, the manager who provides the highest rate of return is best. The denominator for this calculation is N.

Tracking Error - A measurement that indicates the standard deviation of the difference between a selected market index and a manager's quarterly returns. For example, a manager selects an index as a benchmark for comparison against his/her portfolio. Each quarter generates new returns for both the manager and the selected index. The returns for the manager are then compared to the indexes to determine the amount of excess return, which produces a tracking error. A low tracking error indicates that the manager is tracking the selected index closely or has roughly the same returns as the index. The standard deviation for this calculation uses N.

Upside Market Capture Ratio – A measure of the manager's performance in up markets relative to the market itself. A value of 110 suggests the manager performs ten percent better than the market when the market is up. During the selected time period (for example: 3 years), the return for the market for each quarter is considered an up market quarter if it is greater than zero. The returns for the manager and the market for all up quarters are calculated. The Upside Market Capture Ratio is calculated by dividing the return of the manager during the up market quarters by the return of the market during the same quarters.

Upside Capture Return - A measure of the manager's performance in up markets relative to the market itself. This is an annualized semi-variance rate of return that represents a gain or loss generated during the market up periods. The return for the market for each quarter is considered an up market quarter if it is greater than zero. Using those up quarters, the returns for the manager for all up quarters are linked and annualized to get this number. Please note that just because the market performance is up does not mean that the performance of the manager is up as well.

Worst Four Quarters Return – Within a selected date range (For example: 5 years time period), the manager's worst rate of return for every consecutive rolling four quarters.



IIS Press Release

Informa Investment Solutions Launches Integrated Möbius and PSN Money Manager Database

White Plains (NY) (September 25, 2006) - Informa Investment Solutions, a wholly owned subsidiary of Informa Financial, Inc., today unveiled the new PSN investment manager database. The much enhanced PSN database represents the merger of the legacy Möbius and PSN databases, the two industry leading investment manager databases. The new PSN database is the largest separately managed account database available and contains data over 2,000 investment management firms and over 10,000 investment products. Thousands of investment professionals access the PSN data through Informa's PSN Enterprise technology platform and other third party applications and proprietary systems.

"The release of the new PSN database is certainly an exciting development for the investment management industry," said Margaret Tobiasen, senior vice president and head of the PSN/Research business unit for Informa Investment Solutions. "Not only will we be delivering added value to our clients by providing more data and information on more managers than any other database in the marketplace today, but we are also reducing the workload of the participating managers who will now only provide data to one organization rather than two."

Headquartered in White Plains (NY), Informa Investment Solutions has been providing a broad array of products and services to thousands of investment and wealth management professionals for over 30 years. The company's products include investment manager search and evaluation databases and systems, performance measurement and client reporting applications and services, and enterprise solutions to assist investment professionals in financial planning, managing assets and communicating with clients.

Informa Investment Solutions operates from several offices nationwide, including White Plains, New York and Durham, North Carolina

Thirty years ago, Effron Enterprises was founded to provide performance measurement and reporting services to institutional investors. Today, Informa Investment Solutions, which represents the combination of Effron, PSN, Möbius Group and netDecide, delivers innovative solutions to thousands of investment management and wealth management professionals.

Informa Investment Solutions provides clients a full spectrum of back to front office applications and services. Our unique ability to provide investment professionals with customized systems, data, and services has made us the leading service provider in the marketplace.

For over thirty years, we have serviced both institutional and retail investment professionals by providing them value-added solutions. Our clients include financial institutions, brokerages, investment management companies, investment consultants, and independent advisors.

Our products and services have a direct impact on the manner in which our clients interact with the investing public. We take pride in knowing that, year after year, clients depend on our software and services to fulfill mission critical operations.