Small Cap Value Equity Manager Search
Semi-Finalist Report

for

Contra Costa County
Employees' Retirement Association

July 6, 2011

Milliman
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Contra Costa County Employees' Retirement Association
Small Cap Value Equity Manager Search

Search Overview

At the February 23, 2011 meeting of the Board, CCCERA made the decision to terminate both Progress Asset Management and Rothschild Asset Management due to poor performance. The assets were temporarily transferred to a small-cap value semi-passive strategy managed by State Street. Milliman was tasked with finding a permanent small-cap value replacement manager for assets formerly in the Progress and Rothschild portfolios.

Manager Search Process

In our memo dated March 29, 2011, we outlined the initial stages of our search process. Our search began by screening the universe of fund in eVestment for the following factors:

- Product classified as small cap value equity;
- Product open to new investors;
- A portfolio management team that had been together for at least three years;
- Asset base of at least $500 million as of December 31, 2010;
- At least $300 million of institutional assets in the product;
- Returns above those of the Russell 2000 Value Index and an Information Ratio over the three year period ending December 31, 2010 that was above median in a small cap value peer group. (The information ratio is a measure of how efficiently a manager takes non-benchmark risks in order to achieve excess returns.)

This gave us a preliminary universe of 29 firms and 31 products.

We then looked at the performance patterns of each product and eliminated the products that had less-than-consistent performance. We specifically looked at the ability of the products to consistently deliver three-year rolling results in excess of the Russell 2000 Value Index. Additionally, we want this manager to reasonably resemble the Russell 2000 Value Index, so we eliminated any products that had a large beta relative the index or that were defined as "deep" value strategies and that as a result would be likely to vary greatly from the index.

Finally, we reviewed the investment process and other portfolio characteristics of each remaining candidate. Three firms and three products were eliminated during this review, leaving us with a universe of 14 candidates.

Parallel to our screening, we were contacted by large number of managers who wished to participate in the search, several of whom were already included in the final group of candidates. We reviewed our rationale for eliminating each manager that had contacted us and was not brought forward. In most cases we confirmed that the manager was eliminated for valid reasons. Milliman allowed Security Global Investors (SGI) to provide a response for the search. SGI has a long, successful track record managing small/mid ("smid") value assets and has launched a small cap value product that will have three years of history as of June 30, 2011.

Questionnaire Recipients

	Firm	Product
1	Brandywine Global	Institutional Small Cap Value Equity
2	Ceredex	Small Cap Value Equity Strategy
3	Chartwell	Small Cap Value
4	Cramer Rosenthal McGlynn	Small Cap Value
5	Federated Investors	Clover Small Cap Value
6	GAMCO	Small Cap Value
7	Goldman Sachs Asset Managemet	Small Cap Value
8	Lee Munder Capital Group	Small Cap Value
9	Opus Capital Management	Small Cap Value
10	Perkins Investment Management	Small Cap Value
11	Robeco Investment Management	Robeco Boston Partners Small Cap Value
12	Security Global Investors	Small Cap Value
13	Sterling Capital Management	Small Cap Value
14	Wellington Management Company	Small Cap Value
15	William Blair and Company	Small Cap Value Team

We distributed questionnaires to the group of 15 candidates on March 25, 2011. Responses were received by April 29, 2011. All but two of the candidates provided responses. Neither Goldman Sachs nor Cramer Rosenthal McGlynn were able to accommodate a new account of $150 million, and did not respond to the RFP.

Milliman reviewed the proposals of the 13 responding firms, and removed the following firms and products from consideration due to lower performance relative to peers in the search, firm/personnel stability, and/or investment process issues:

	Firm	Product
1	Federated Investors	Clover Small Cap Value
2	GAMCO	Small Cap Value
3	Perkins Investment Management	Small Cap Value
4	Security Global Investors	Small Cap Value
5	Sterling Capital Management	Small Cap Value

Additionally, on June 21, 2011, Lee Munder was awarded a mandate that filled their product to capacity. Due to a lack of capacity, Lee Munder was removed from further consideration.

Milliman held conference calls with the remaining seven firms to speak directly with the portfolio management teams on the following small cap value products:

	Firm	Product
1	Brandywine Global	Institutional Small Cap Value Equity
2	Ceredex	Small Cap Value Equity Strategy
3	Chartwell	Small Cap Value
4	Opus Capital Management	Small Cap Value
5	Robeco Investment Management	Robeco Boston Partners Small Cap Value
6	Wellington Management Company	Small Cap Value
7	William Blair and Company	Small Cap Value Team

After the conference calls, one firm, Opus Capital Management, was removed from consideration, as less than compelling.

The remaining six firms are presented as semi-finalists for the small cap value mandate. We will be prepared to discuss the semi-finalist candidates in detail at the July 13, 2011 meeting and to answer any questions at that time.

The following pages outline the pros and cons, product characteristics and the investment process characteristics of each strategy. The remainder of this report displays the cumulative and annual historical performance for each of the semi-finalist managers as of March 31, 2011 compared to the Russell 2000 Value Index. All performance data is stated on a gross of fees basis. We provide risk characteristics for each manager versus the index over the past three and five years and risk-reward analyses over the trailing three, five, seven and ten-year periods. Returns-based style analyses for each of the six managers under consideration are included. Finally, summaries of each firm's questionnaire response are also provided.

Pros and Cons

Firm	Pros	Cons
Brandywine	• Outperforms the Russell 2000 Value Index over all trailing time periods • Good risk-adjusted returns over the trailing 3 and 10 year periods • Stable investment team with good tenure	• Product shows little growth over past several years • Lost $124 million in product assets in Q1 2011 (client moved to passive strategy) • Smallest product assets of proposed firms
Ceredex	• Process is uniquely focused on dividend paying companies • Lowest fee of proposed managers • Excellent risk-adjusted returns over the trailing 3, 5, 7, and 10 year periods	• Complex firm ownership: Ceredex was registered with the SEC in 2008, it's predecessor firm, Trusco, was registered in 1984. Ceredix is one of six boutique investment houses owned by Ridgeworth, which is in turn owned by Sun Trust Bank. • Partners at Ceredex have equity in Ridgeworth, not specifically Ceredex. • Lower information ratio compared to other candidate firms • Bulk of product assets are in a mutual fund ($1.1 billion), with $610 in institutional separate accounts
Chartwell	• Firm is 74% employee owned, founded by former employees of Delaware • Will close product at $800 million in contributed capital • Intend on staying small to avoid style drift and have access to smaller names • Highest information ratio of candidate firms over trailing three years	• Account losses totaled $91 million (33% of product) in 2008, this was the result of a client reallocating all small cap assets to opportunistic credit strategies • Firm insurance coverage is light relative to peers • Single decision maker for product
Robeco Boston Partners	• Uses same value philosophy that has worked well in CCCERA's large cap value allocation • Team has good tenure together • Small cap team can leverage pool of firmwide research analysts	• Lost $87 million in assets in 2009 (10% of product) • Least competitive risk-adjusted returns over trailing periods compared to other candidate firms • Philosophy overlaps with existing large cap value manager
Wellington	• Strong information ratio with a below index beta and standard deviation • Very low turnover in product holdings • Excellent risk-adjusted returns over the trailing 3, 5, 7, and 10 year periods • Highest information ratio of candidate firms over trailing five years	• Smallest team of proposed managers • Product has the largest amount of assets of proposed firms, is almost at their maximum capacity (though rebalancing would be accommodated if hired) • Current lead PM took over product in 2008 (joined firm in 2000)
William Blair	• Excellent risk-adjusted returns over the trailing three and five year periods • Existing CCCERA manager	• Already manages a similar sized mandate for CCCERA, but with little philosophy overlap • Prior to 2010 product had less than $100 million in assets

Product Comparison

Firm	Product Assets 3/31/11 ($MM)	Team Size (PM/ Analysts)	Expected Number of Holdings	Manager Expected Tracking Error	Fee (bp) for $200 MM acct
Brandywine	$479	2/5	60-90	Not Measured	76 SA
Ceredex	$1,744	1/7	80-100	Not Measured	66 SA
Chartwell	$546	2/2	70-90	5%-8%	85 SA
Robeco Boston Partners	$1,095	2/21	68-130	Not Measured	83 SA
Wellington	$2,861	2/1	60-90	4%-8%	74 SA 74 CF
William Blair	$707	3/2	60-100	4%-5%	85 SA

MM Millions
BB Billions
PM Portfolio Managers
bp Basis points – hundredths of 1%
SA Separate account
CF Commingled Fund

Performance of Semi-Finalist Managers
Small Cap Value Equity Search
Performance through March 31, 2011

Firm	Quarter	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Brandywine Global	6.73	22.79	44.30	13.13	3.48	5.18	8.52	13.10
Ceredex	6.50	26.51	41.71	12.32	6.51	7.08	11.84	14.28
Chartwell	5.90	25.81	44.89	11.89	4.81	5.97	8.81	10.07
Robeco Investment Management	8.27	19.51	49.22	12.90	5.23	6.19	8.77	11.55
Wellington Mgmt	5.85	22.22	44.39	12.10	5.34	7.77	10.46	14.54
William Blair	4.65	26.81	44.73	11.66	5.34	6.88	7.64	10.30
Russell 2000 Value	**6.60**	**20.63**	**41.11**	**6.76**	**0.28**	**2.23**	**6.13**	**9.01**

Note: Periods greater than 1 year are annualized

Annual Performance
Year to Date Ending March 31, 2011

Firm	YTD	2010	2009	2008	2007	2006	2005	2004
Brandywine Global	6.73	23.82	41.55	-29.50	-9.65	20.18	5.17	30.04
Ceredex	6.50	30.34	37.38	-31.35	4.04	17.88	14.26	26.49
Chartwell	5.90	29.03	30.32	-25.13	-8.23	20.71	7.83	21.65
Robeco Investment Management	8.27	22.50	44.74	-30.19	-5.17	13.98	11.37	20.83
Wellington Mgmt	5.85	27.50	32.38	-25.88	-2.10	20.96	11.37	21.92
William Blair	4.65	32.64	27.61	-25.51	-4.11	23.36	1.50	13.17
Russell 2000 Value	**6.60**	**24.50**	**20.58**	**-28.92**	**-9.78**	**23.48**	**4.71**	**22.2**

Risk Analysis of Semi-Finalist Managers

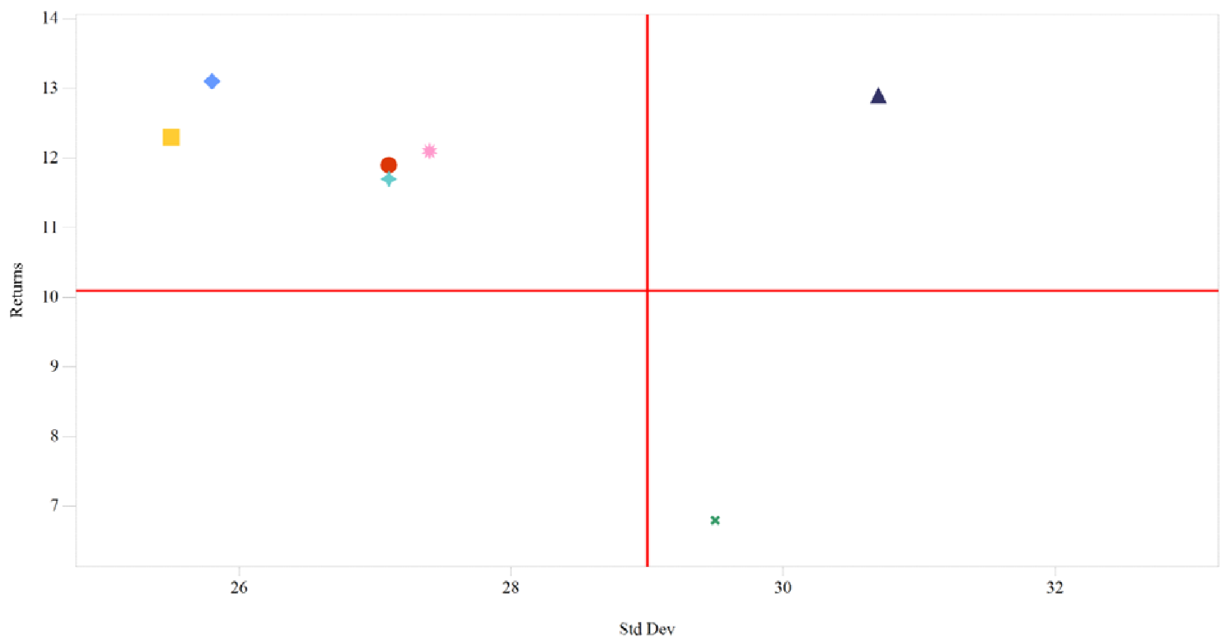
Performance Statistics
Annualized Three Years
Periods Ending March 31, 2011

Firm	Excess	Std Dev	Trk Err	Info	Sharpe	Alpha	Beta	R-Sqr
Brandywine Global	6.37	25.77	7.09	0.90	0.49	6.52	0.85	0.95
Ceredex	5.56	25.55	9.82	0.57	0.46	6.31	0.82	0.90
Chartwell	5.13	27.15	4.09	1.25	0.42	5.17	0.91	0.99
Robeco Investment Management	6.14	30.68	6.90	0.89	0.41	5.86	1.01	0.95
Wellington Mgmt	5.34	27.40	4.63	1.15	0.42	5.35	0.92	0.98
William Blair	4.90	27.08	4.97	0.99	0.41	4.98	0.91	0.98
Russell 2000 Value	**0.00**	**29.51**	**0.00**	**--**	**0.21**	**0.00**	**1.00**	**1.00**

Performance Statistics
Annualized Five Years
Periods Ending March 31, 2011

Firm	Excess	Std Dev	Trk Err	Info	Sharpe	Alpha	Beta	R-Sqr
Brandywine Global	2.96	22.45	6.48	0.46	0.14	2.96	0.91	0.93
Ceredex	4.85	21.13	8.51	0.57	0.24	5.08	0.83	0.87
Chartwell	3.74	22.38	3.94	0.95	0.17	3.70	0.93	0.97
Robeco Investment Management	3.96	25.04	5.82	0.68	0.16	3.96	1.02	0.95
Wellington Mgmt	5.54	22.19	3.81	1.46	0.26	5.45	0.92	0.98
William Blair	4.65	21.91	4.11	1.13	0.22	4.58	0.91	0.97
Russell 2000 Value	**0.00**	**23.79**	**0.00**	**--**	**0.01**	**0.00**	**1.00**	**1.00**

Risk vs Return Analysis
Annualized Periods
3 Years Ending March 31, 2011



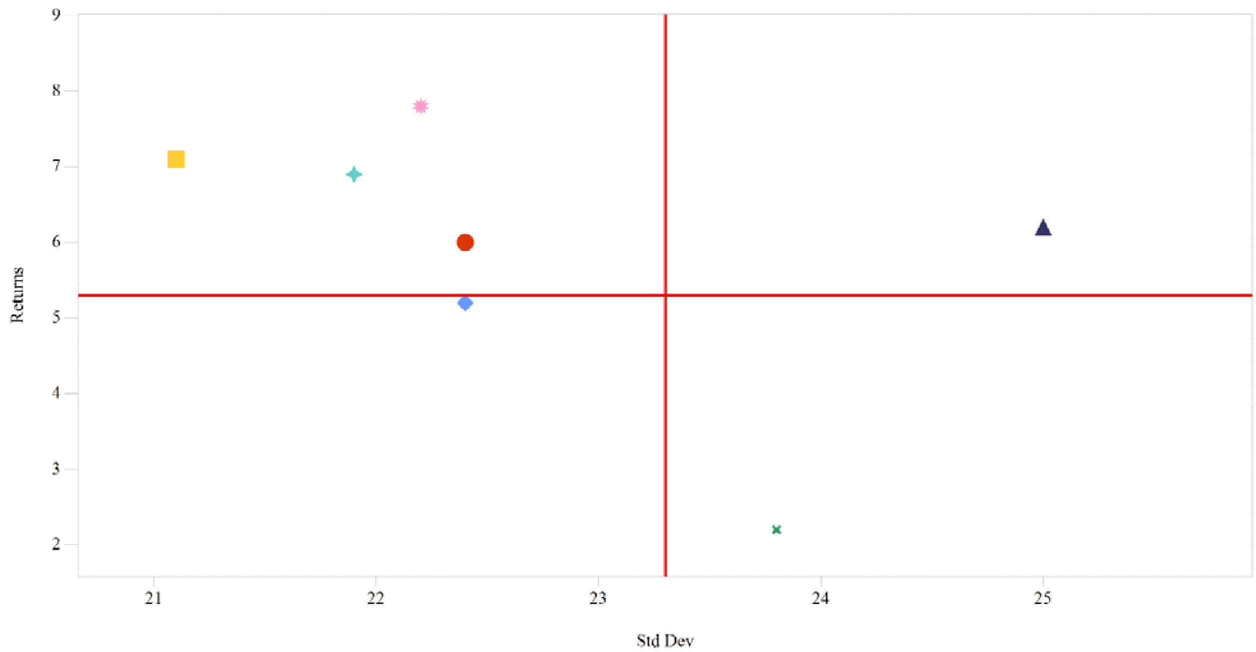
Universe: eA US Small Cap Value Equity

As Of: March 31, 2011

	Returns	Std Dev
Brandywine Global	13.1	25.8
Ceredex	12.3	25.5
Chartwell	11.9	27.1
Robeco Investment Management	12.9	30.7
Wellington Mgmt	12.1	27.4
William Blair	11.7	27.1
Russell Index	6.8	29.5
Universe Median	10.1	29.0

Results displayed in US Dollar (USD)

Risk vs Return Analysis
Annualized Periods
5 Years Ending March 31, 2011



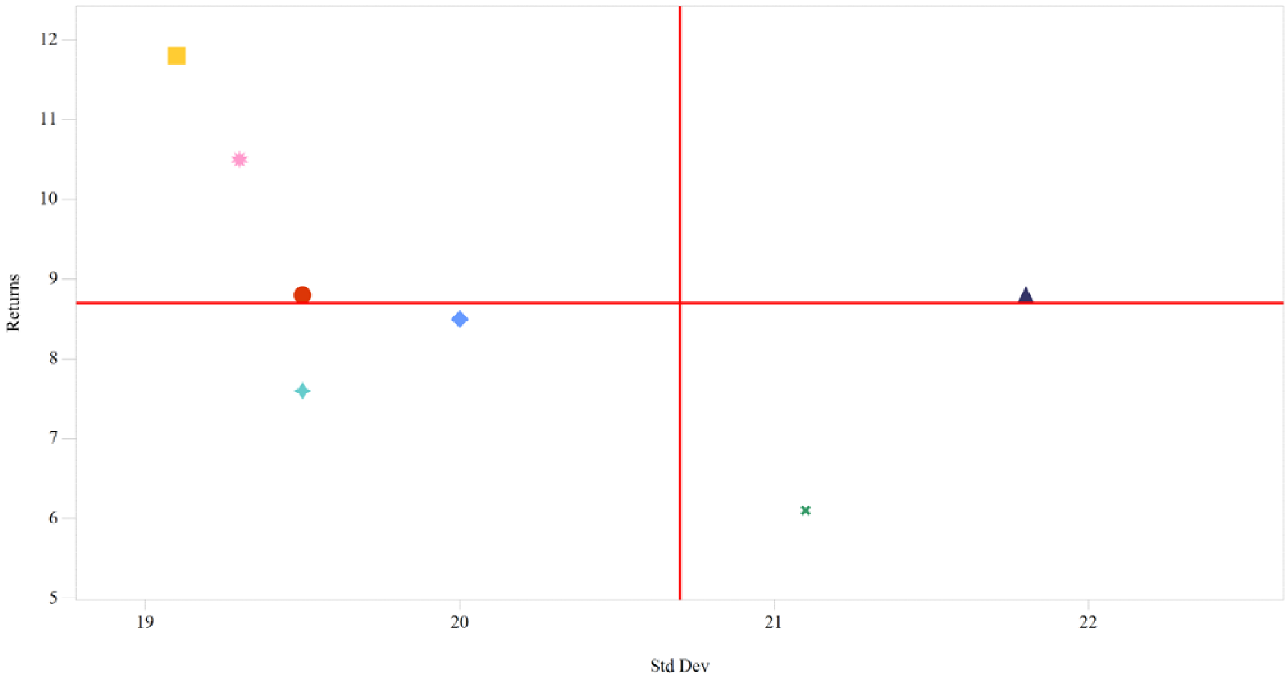
Universe: eA US Small Cap Value Equity

As Of: March 31, 2011

	Returns	Std Dev
Brandywine Global	5.2	22.4
Ceredex	7.1	21.1
Chartwell	6.0	22.4
Robeco Investment Management	6.2	25.0
Wellington Mgmt	7.8	22.2
William Blair	6.9	21.9
Russell Index	2.2	23.8
Universe Median	5.3	23.3

Results displayed in US Dollar (USD)

Risk vs Return Analysis
Annualized Periods
7 Years Ending March 31, 2011



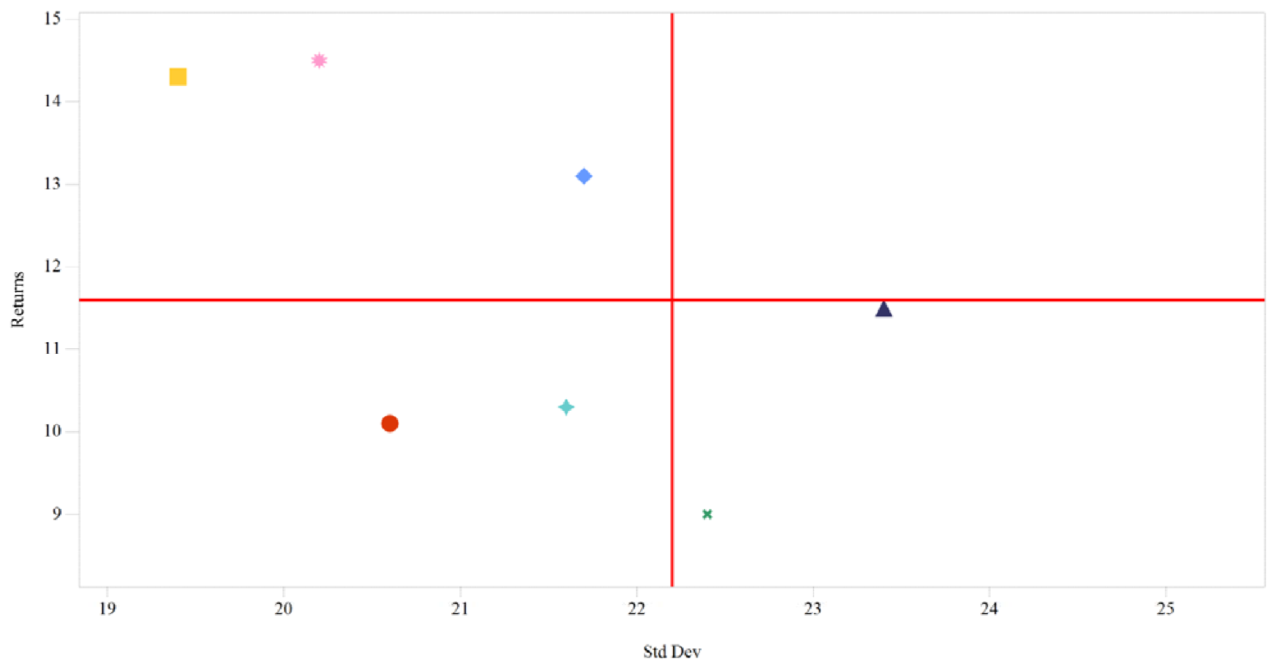
Universe: eA US Small Cap Value Equity

As Of: March 31, 2011

	Returns	Std Dev
Brandywine Global	8.5	20.0
Ceredex	11.8	19.1
Chartwell	8.8	19.5
Robeco Investment Management	8.8	21.8
Wellington Mgmt	10.5	19.3
William Blair	7.6	19.5
Russell Index	6.1	21.1
Universe Median	8.7	20.7

Results displayed in US Dollar (USD)

Risk vs Return Analysis
Annualized Periods
10 Years Ending March 31, 2011



Universe: eA US Small Cap Value Equity

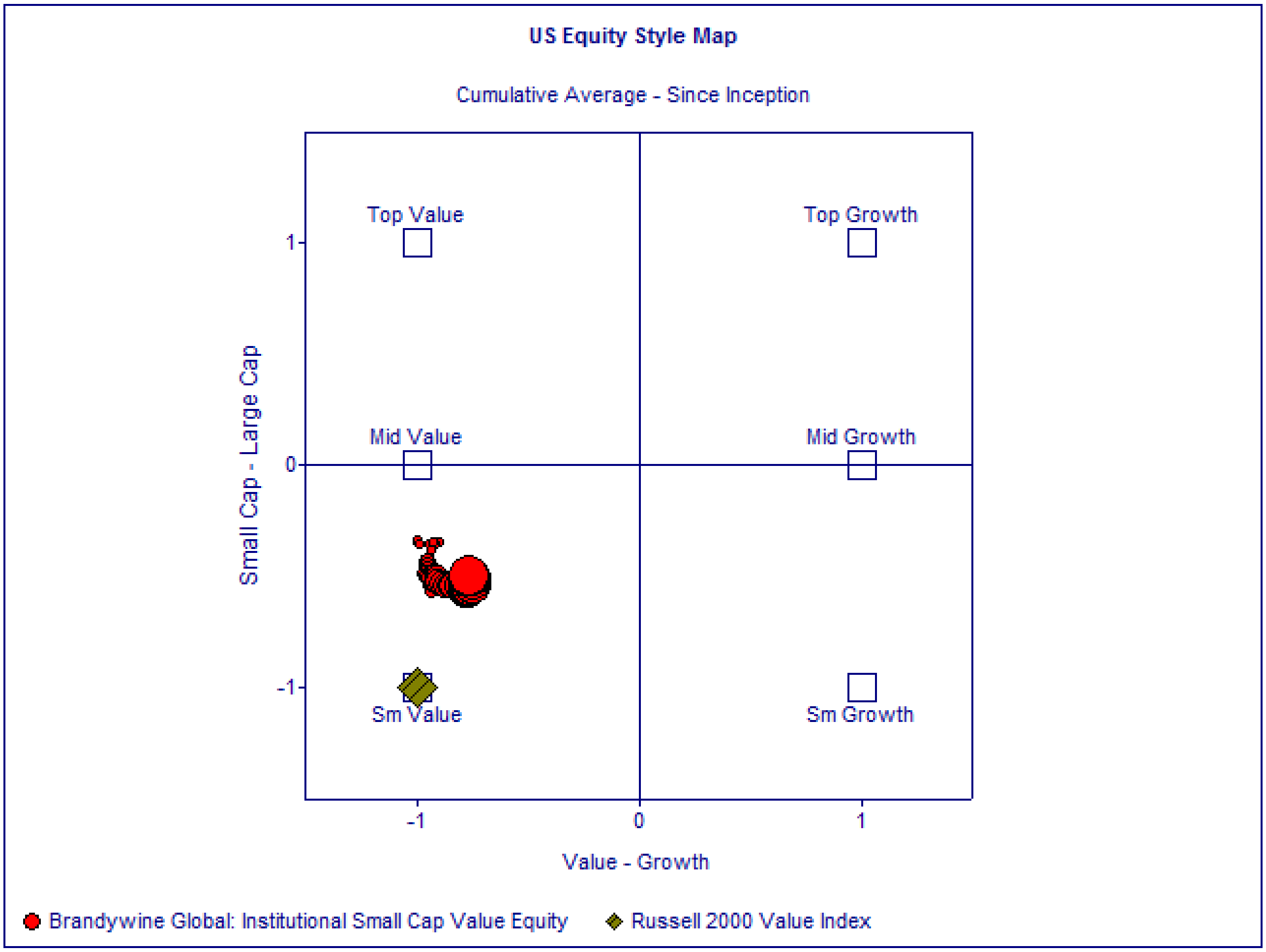
As Of: March 31, 2011

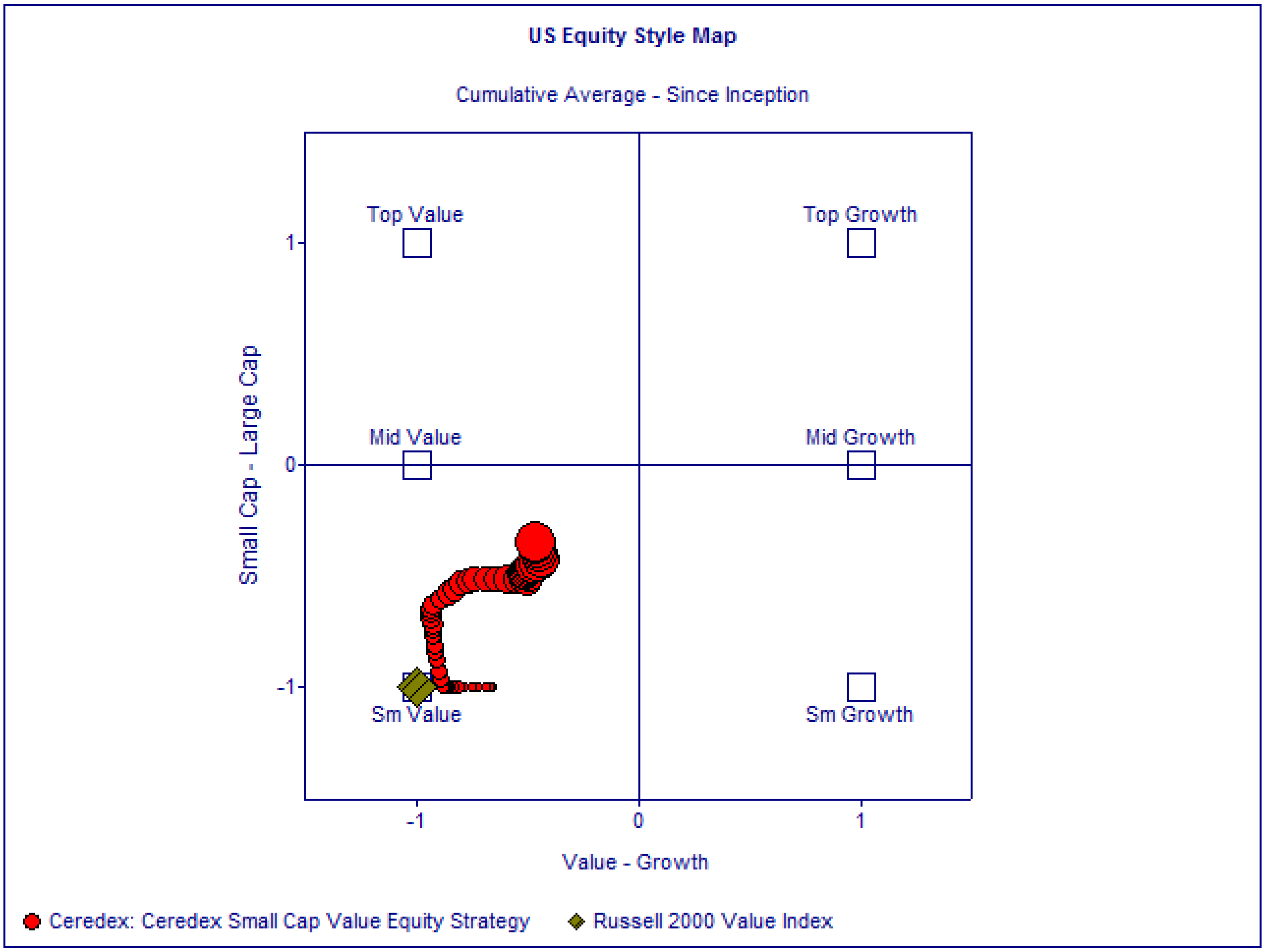
	Returns	Std Dev
Brandywine Global	13.1	21.7
Ceredex	14.3	19.4
Chartwell	10.1	20.6
Robeco Investment Management	11.5	23.4
Wellington Mgmt	14.5	20.2
William Blair	10.3	21.6
Russell Index	9.0	22.4
Universe Median	11.6	22.2

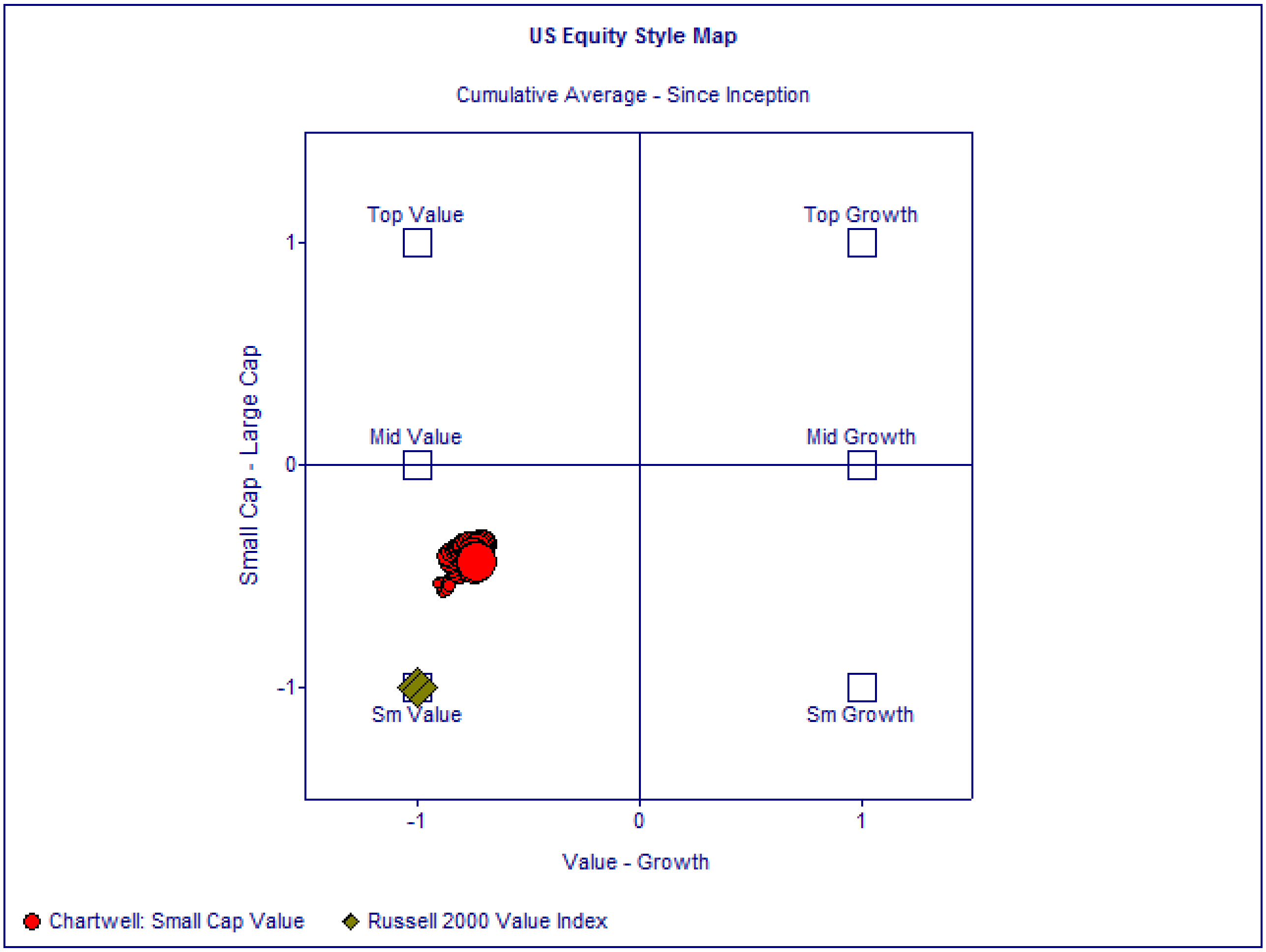
Results displayed in US Dollar (USD)

Return Based Style Analysis as of March 31, 2011

This graph shows the history of each manager's style. The larger the symbol, the more recent the period.




US Equity Style Map
Cumulative Average - Since Inception
Top Value
Top Growth
Mid Value
Mid Growth
Sm Value
Sm Growth
1
0
-1
-1
0
1
Small Cap - Large Cap
Value - Growth
Ceredex: Ceredex Small Cap Value Equity Strategy
Russell 2000 Value Index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Top Value
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Mid Value
Mid Growth
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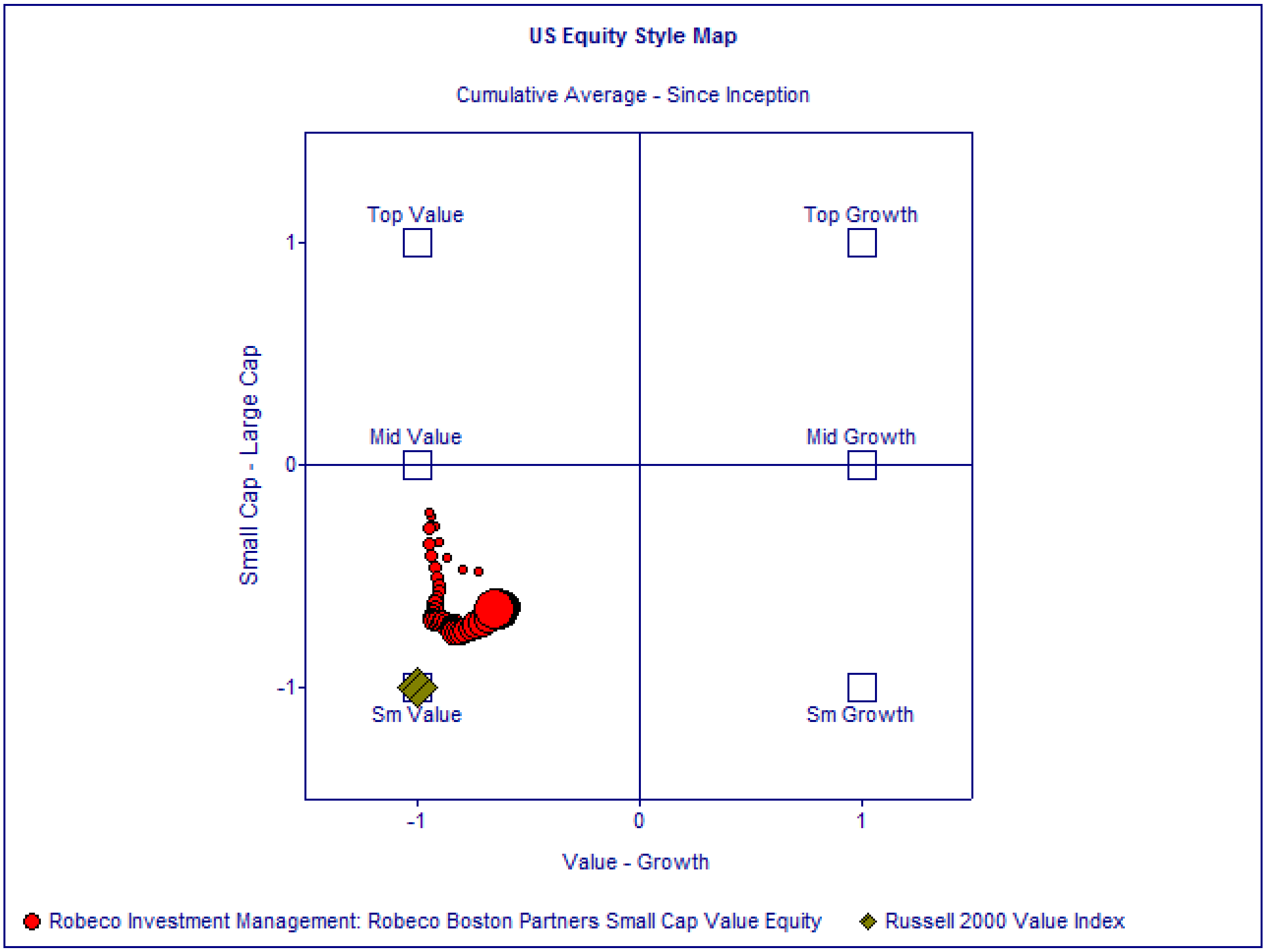
1
0
-1
-1
0
1
Small Cap - Large Cap
Value - Growth
Chartwell: Small Cap Value
Russell 2000 Value Index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Top Growth
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Sm Value
Sm Growth
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0
-1
-1
0
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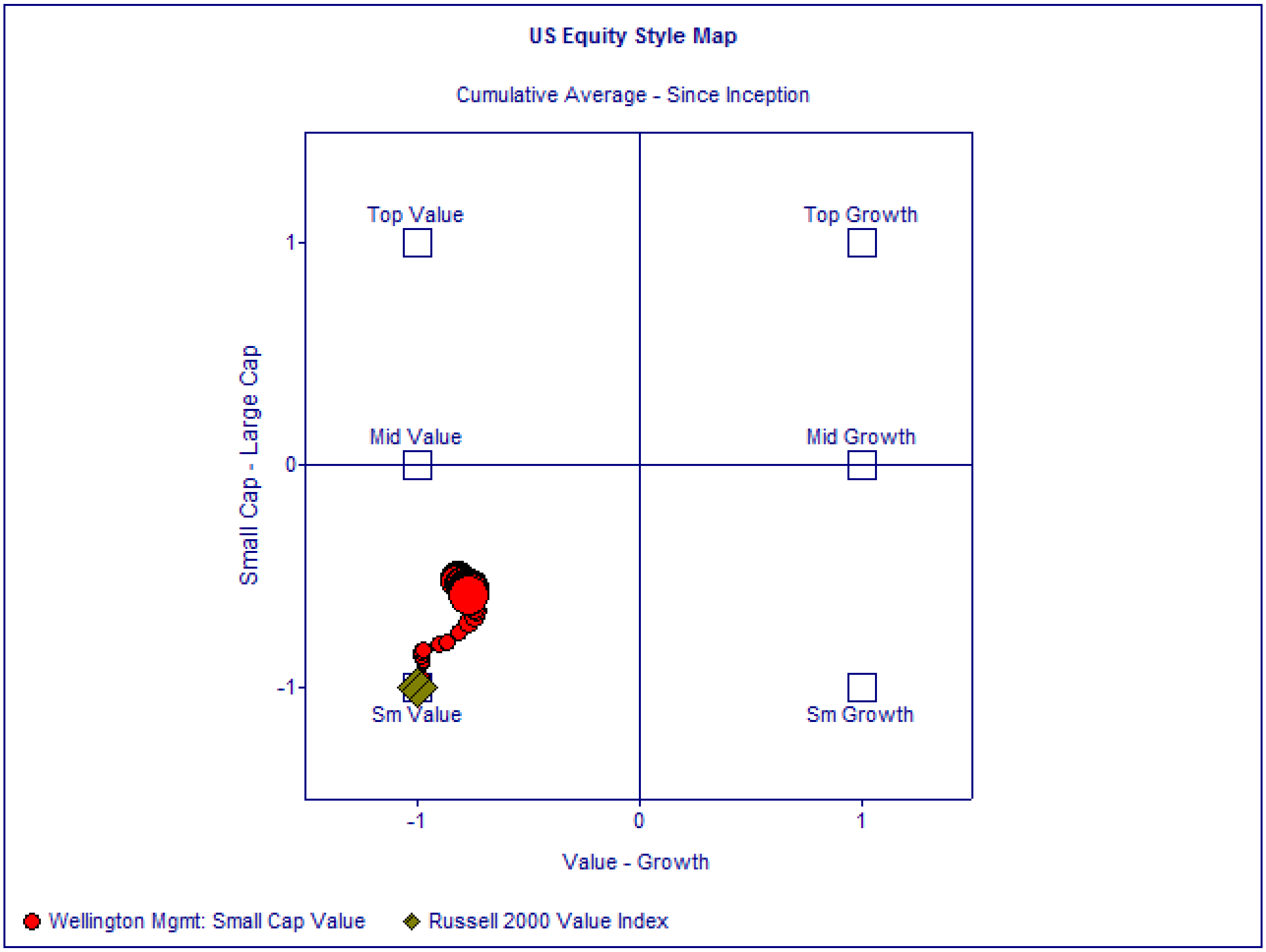
Small Cap - Large Cap
Value - Growth
Robeco Investment Management: Robeco Boston Partners Small Cap Value Equity
Russell 2000 Value Index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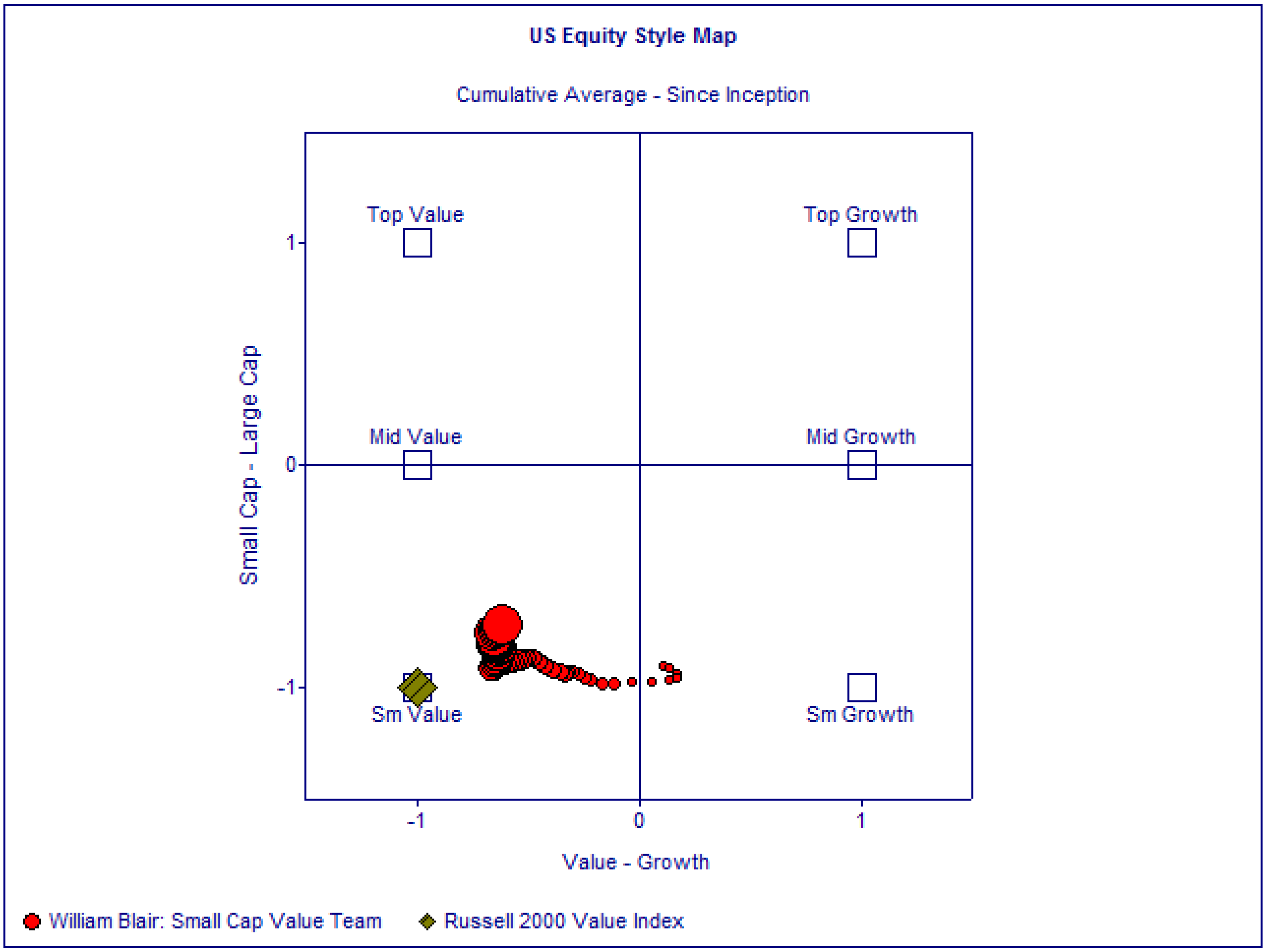
Cumulative Average - Since Inception
Top Value
Top Growth
Mid Value
Mid Growth
Sm Value
Sm Growth
1
0
-1
-1
0
1
Small Cap - Large Cap
Value - Growth
Wellington Mgmt: Small Cap Value
Russell 2000 Value Index


US Equity Style Map
Cumulative Average - Since Inception
Top Value
Top Growth
Mid Value
Mid Growth
Sm Value
Sm Growth
Small Cap - Large Cap
Value - Growth
1
0
-1
-1
0
1
William Blair: Small Cap Value Team
Russell 2000 Value Index

Manager Summaries
Brandywine Global Investment Management
As of March 31, 2011

Organizational Background

1. Firm name, address, and telephone and fax number:
Brandywine Global Investment Management, LLC.
2929 Arch Street, 8th Floor
Cira Centre
Philadelphia, PA 19104
215-609-3500 (t)
215-609-3501 (f)

2.

	New Business Contact	Questionnaire Contact
Name	John T. Ford, CFA	Jennifer Waterston
Title	Director of Marketing	Senior Marketing Associate
Office	San Francisco, CA	Philadelphia, PA
Phone	415-773-0275	215-609-3747
Fax	415-773-02	215-609-3768
Email	John.ford@brandywineglobal.com	Jennifer.waterston@brandywineglobal.com

3. Founded: 1986 Registered with the SEC: 1986

4. Firm's ownership structure and changes over the past five years:
Brandywine Global operates as a wholly owned but independent subsidiary of Legg Mason, Inc. ("Legg Mason"), retaining complete investment autonomy and control over management, investment, and employment decisions. Legg Mason is a New York Stock Exchange listed company (NYSE: LM), which, through its predecessors and subsidiaries, has been providing investment services to institutions and individuals since 1899.

In 2008, Brandywine Global and Legg Mason transitioned Brandywine Global's international and global equity team into a new Legg Mason subsidiary – Global Currents Investment Management, LLC.

As a wholly owned subsidiary of Legg Mason, Brandywine Global Investment Management, LLC, is affiliated through common ownership with all of Legg Mason's other asset management and broker-dealer subsidiaries. Please refer to Exhibit I for a list of subsidiaries.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:
The types of insurance below would be available to respond to claims by clients of Legg Mason, Inc. or its subsidiaries, including Brandywine Global, which allege errors or omissions, or theft of money or securities.

<u>Errors and Omissions: Bankers Professional Liability ("E&O")</u>
Legg Mason, Inc. and subsidiaries, including Brandywine Global, have Bankers Professional Liability insurance ("E&O"). This insurance responds to claims that allege errors or omissions in provision of professional services under a written contract for a fee.
The E&O program has an aggregate limit of $100 million.

These programs expire October 15, 2011. The insurers providing coverage are as follows:
E&O programs:

Insurer	Limit	Layer
Federal Insurance Company	$15,000,000	
National Union Fire Insurance Company	$15,000,000	excess of $15,000,000
US Specialty Insurance Company	$10,000,000	excess of $30,000,000

Twin City Fire Insurance Co.	$10,000,000	excess of $40,000,000
Arch Ins. Co	$10,000,000	excess of $50,000,000
ACE American Ins. Co.	$10,000,000	excess of $60,000,000
Axis Ins. Co.	$10,000,000	excess of $70,000,000
St. Paul Mercury Ins. Co.	$10,000,000	excess of $80,000,000
Scottsdale Indemnity Co.	$10,000,000	excess of $90,000,000
	$100,000,000	

Fidelity Bonding: Financial Institution Bond/Computer Crime
Legg Mason, Inc. and subsidiaries, including Brandywine Global, have Financial Institution Bond/Computer Crime coverage. This insurance responds to claims that allege theft of money or securities. This program expires May 28, 2011.

Single loss limit: $60,000,000
Aggregate limit: $120,000,000

The insurers providing coverage are as follows:

St. Paul Travelers	$20,000,000 part of $60,000,000
Chubb	$20,000,000 part of $60,000,000
National Union (AIG)	$20,000,000 part of $60,000,000
	$60,000,000

Fiduciary Liability: ERISA Bond

Brandywine Global is bonded in accordance with Section 412(a) of the Employee Retirement Income Security Act of 1974 ("ERISA"). In accordance with ERISA, the bond provides for coverage of the lesser of 10% of client assets or $500,000, except for clients which have their own securities in their plans. For those clients, the bond provides for coverage of the lesser of 10% of client assets or $1 million. There is no deductible.

6. Litigation:
None.

7. Judgments:
None.

8.

	Total Firm Assets				
	Market Value (Millions)	**Accounts Gained[1]**	**Assets Gained (Millions)**	**Accounts Lost****	**Assets Lost (Millions) [1]**
Dec 31, 2006	$39,241	61	$4,666	13	$584
Dec 31, 2007	$49,208	51	$6,831	24	$1,218
Dec 31, 2008*	$32,134	36	$3,711	136	$9,964
Dec 31, 2009	$29,199	31	$667	78	$5,725
Dec 31, 2010	$31,996	27	$601	57	$2,154
March 31, 2011	$31,775	9	$299	11	$2,202

**In 2008, Brandywine Global and Legg Mason transitioned Brandywine Global's international and global equity team, with $7.2 billion in assets under management (in 96 portfolios) into a new Legg Mason subsidiary – Global Currents Investment Management, LLC.*

[1]*Brandywine Global manages various commingled vehicles. These vehicles are counted as one portfolio, but contain numerous participants. New participant assets are counted in their assets gained, but new participants are not counted as new clients. Thus, it is possible to have assets gained in a product without subsequent accounts gained. The commingled vehicles are privately offered. Additional investor qualifications are applicable.*

9.

	Specified Small Cap Value Equity Product				
	Market Value (Millions)	Accounts Gained [1]	Assets Gained (Millions)	Accounts Lost	Assets Lost [1] (Millions)
Dec 31, 2006	538.86	2	$99	2	$56
Dec 31, 2007	538.58	3	$154	1	$40
Dec 31, 2008	359.54	0	$0	1	$16
Dec 31, 2009	509.10	2	$16	0	$1
Dec 31, 2010	580.45	0	$0	1	$37
March 31, 2011	479.33	0	$0	1	$124

[1]Brandywine Global manages various commingled vehicles. These vehicles are counted as one portfolio, but contain numerous participants. New participant assets are counted in their assets gained, but new participants are not counted as new clients. Thus, it is possible to have assets gained in a product without subsequent accounts gained. The commingled vehicles are privately offered. Additional investor qualifications are applicable.

Small Cap Value Equity Investment Services

10. Name of the product described in the remainder of response:
Small Cap Value Equity

11. Firm's key members of the small cap value equity portfolio management team:

Name	Title	Yrs. W/ Firm	Yrs. Inv. Exp.
Edward Trumpbour	Managing Director/Portfolio Manager	15	30
Rasto Berlansky, CFA	Managing Director/Portfolio Manager	8	11
Gregory Manley, CFA	Portfolio Manager/Research Analyst	11	15
Michael Shergalis	Portfolio Manager/Research Analyst	6	12
Eric Jacobson	Portfolio Manager/Research Analyst	6	11
John Edelman	Trader	12	15
Bill Roach	Product Specialist	8	28

12. Personnel turnover for investment professionals at both the firm and product levels:

Year	Firm-wide		Product Specific	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2006	5	1	0	0
Dec 31, 2007	1	0	0	0
Dec 31, 2008	6	10*	0	0
Dec 31, 2009	1	0	0	0
Dec 31, 2010	6	2	0	0
March 31, 2011	1	0	0	0

**In 2008, Brandywine Global and Legg Mason transitioned Brandywine Global's international and global equity team, with $7.2 billion in assets under management (in 96 portfolios) into a new Legg Mason subsidiary – Global Currents Investment Management, LLC.*

13. As of March 31, 2011, the number of accounts, assets under management, median account size, and number of portfolio managers and analysts in the small cap value equity product:

Assets Under Mgt	Number of Investors	Median Client Size	Smallest Client Size	Number of Portfolio Mgrs	Number of Inv Analysts
$479.33 MM	17	$15.06 MM	$1.82 MM	2	4

14. Vehicles through which the small cap value product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$470.23	$1MM
Commingled Fund	Y	$9.10	$1MM
Mutual Fund	N	N/A	N/A
Other (specify)	N	N/A	N/A

15. Asset limit:
Current capacity limit for Small and Small/Mid Cap Value strategies combined is $1.6 billion.

Small Cap Value Equity Investment Philosophy

16. Investment philosophy/strategy, style and distinguishing characteristics:
They value businesses and approach the research process as a private buyer would. A key element of their investment process is the determination of a business' intrinsic value, which becomes the basis for buy and sell decisions in their portfolio. Central to this determination is the belief that the worth of a business is based on the cash it returns to the owners. Their decision-making process is based on absolute rather than relative valuations.

17. Style bias:
The Institutional Small Cap Value strategy has a value bias.

18. In what market environment(s) does the firm expect to out-perform the broad and small cap value markets:
Typically, they anticipate that they would be in-favor early in an investment or economic cycle or following a period in which value spreads are wide (the difference between cheap stocks and expensive stocks). They also anticipate that they would do well following a narrow market, one in which only a handful of stocks or industries participate. These environments have been opportunity-rich environments that they have been able to profit from, generally. They expect that they will be out of favor in momentum driven markets or when expensive stocks are out performing. Since they construct their portfolios based on valuation and opportunity but not on benchmark sector or industry weightings, they anticipate that they would under perform for periods in which their holdings are not in favor.

While they anticipate that their returns will compare favorably to their peers over a full cycle, there will be periods in which they lag their value peers. A few years back REITs experienced a prolonged period of very strong performance. They eliminated their holdings in these stocks as they achieved full value. The stocks continued to rally after they sold them. This put them in a disadvantage versus the benchmark and many of their peers for an interim period. Eventually mean reversion took hold and they were rewarded but in the interim they underperformed. The above illustrates scenarios under which they would expect to lag their peers. First, would be periods in which relative valuation out performs (X is cheaper than the market). Another instance would be relative to peers that are conscious of benchmark sector or industry weights and who would be represented in all sectors under most circumstances.

19. Normal, maximum and minimum levels of cash holdings.
5%-10%.

20. Benchmark:
Russell 2000 Value Index.

21. How does the firm assess the liquidity of the small cap value equity market?
Regarding liquidity and trading, when they look to initiate a position their standard is to assume a 1% portfolio position that would constitute a maximum of 30% of the daily volume over 15 or fewer trading days to complete the position. The projection is based historical average daily trading volume. Under certain circumstances, they could take a lesser position in stocks that do not pass this threshold.

22. What securities other than common stock and cash equivalents will be held?
The Institutional Small Cap Value Portfolios invest exclusively in domestic equities and cash is a residual of the investment process.

23. Expected tracking error of this product versus the Russell 2000 Value Index:
They do not manage to a targeted level of tracking error. Historically, their long-term tracking error has been around five percent, although this is a consequence of their investment strategies and not a conscious goal.

Small Cap Value Equity Research Process

24. Process for identifying attractive securities.

Their investment approach is company focused and frequently referred to as 'bottom-up'. The Institutional Small Cap Investment Team screens the basic universe using several quantitative screens primarily targeted to valuation. The team's basic universe is comprised of companies within the capitalization range of the Russell 2000 Index; based on the current criteria that would include companies with market capitalizations between $115 million to $2.5 billion. Based on the screens, the team selects candidate stocks to be subjected to a thorough fundamental review. Candidate ideas are also drawn from company visits (they maintain a proprietary database from their management interviews), media sources, "blow-ups", and the "new low list", among other sources. An attractive valuation is typically a 30-40% discount from the intrinsic value as determined by the team.

There are many elements to the analysis that they bring to bear on each company and they are applied on a case-by-case basis. However, several factors are consistent across all of the fundamental analysis they do. First, they apply considerable detail in understanding each business' ability to generate cash. In this regard, they maintain the mindset of a private owner of the business. Second, they carefully study the management's philosophy regarding the deployment of the cash flows and the investment of shareholders' capital. They look for managements who prudently deploy capital to increase shareholder value, either through allocation to high return-on-capital investments or other shareholder friendly uses. Additionally, they pay a great deal of attention to balance sheets. Their preference is to own businesses with conservative, under-leveraged balance sheets, although they will own companies employing debt if cash flows are stable and if there is sufficient cash flow to comfortably cover interest obligations, even in a downturn.

During their fundamental analysis, the team members will assess a company's business risk (including competitive advantage and trend in margins), financial risk (debt levels), price risk (relative price strength), and management risk (management's track record) to determine the inherent margin of safety built in between the current valuation and the team's assessed intrinsic value.

Management contact is often an element of their fundamental review. However, a security with multiple positive factors may be acquired without direct management contact. The team talks with management prior to purchase about 80% of the time. If a valuation is extremely compelling, if management credibility is suspect, or if management is in a quiet period at the end of a quarter, the team may choose to contact suppliers, competitors, etc. as part of the research process.

The final decision regarding purchase and sale candidates is a product of team consensus. The team does not have formal investment meetings but has constant, regular contact.

At the time of purchase, both upside and downside price targets are established. The upside target is based on the team's estimate of the company's intrinsic value. The downside target is usually outside the typical trading range and indicates that the stock should be reviewed for sale. The team will average down if the price has declined without impairment to fundamentals. Initial position sizes are usually 1-3%, depending on the level of conviction; the maximum initial position size is 5%. The Small Cap Value portfolio typically holds 60-90 stocks.

25. Number of securities regularly followed by security analysts and/or portfolio managers:

All members of the team are responsible for idea generation. Nominally, the portfolio manager is ultimately responsible for monitoring names in the portfolio. Functionally, each analyst is responsible for the names that they have placed into their portfolio. Their culture is built around accountability. They expect analysts to be personally involved the stocks that they follow from inclusion to their portfolios through the sell process. Additionally, they frequently work in tandem on stock research, thus insuring that a candidate stock or holding is reviewed by several team members and is subject to varied points of view and analytical biases.

Small Cap Value Equity Construction and Management

26. Portfolio construction and management process:
Investment decisions are made within the construct of their team-oriented structure. Their culture encourages cooperation among the professionals. Consequently, the team members work together in all phases of the investment process. Communication among team members is largely informal and frequent. Formal meetings are rare. Portfolio managers and analysts circulate their work, discuss and challenge the conclusions as they pertain to investment policy. Based on mutual agreement, stocks are included or excluded from portfolios. Subject to client investment guidelines and restrictions, portfolios are managed in a uniform manner. Buy and sell decisions are the product of multiple inputs and a consensus process. However, the portfolio managers have ultimate responsibility in terms of stocks purchases and sales within the portfolios.

27. Current number, typical number and range of securities held in the product:

As of March 31, 2011	Typical Number	Range
80	80	60-90

28.

Market Capitalization Range	**Allocation as of March 31, 2011**	**Typical Allocation**	**Possible Range of Allocation**
Less than $100 million	0.5	.1	0.0-0.7
Between $100 mil. and $500 mil.	18.4	19.3	13.6-24.8
Between $500 mil. and $1 bil.	21.6	28.2	19.1-36.4
Between $1 bil. and $3 bil.	44.3	42.7	33.5-50.2
Between $3 bil. and $5 bil.	12.7	6.8	0.0-19.9
Between $5 bil. and $10 bil.	2.5	0.8	0.0-4.1
Between $10 and $20 billion	0	2.1	0.5-5.01
Greater than $20 billion	0	0	0
Median Market Capitalization	1,190 MM	--	--
Weighted Average Market Capitalization	1,702 MM	--	--

29. Firm's sell discipline:
They follow a disciplined approach to sell decisions, with securities typically sold for three main reasons: 1) a stock reaches or is near their estimate of intrinsic value, 2) stock-against-stock competition, and 3) fundamental deterioration. First, a stock is typically reviewed for sale as it approaches their estimate of its intrinsic value and no longer offers compelling upside potential. Second, in many instances their position in a stock may be trimmed or liquidated when a more compelling opportunity arises leaving a current holding to be sold as a source of funds. As an example, a stock trading at a 15% discount to its intrinsic value could be sold to purchase another that is trading at a deeper discount – 40%, for instance. Finally, a stock is sold when the underlying fundamental condition of the business has deteriorated to the point that is no longer attractive. This implies a certain level of judgment and the decision rests with the portfolio manager, however not without significant input from the analyst involved.

30. Average small cap value equity turnover:

Year	**Turnover (annual)**
2006	66.9%
2007	47.0%
2008	64.1%
2009	59.2%
2010	66.7%
YTD	11.0%

Investment Management Fees

31. Fee schedules for the small cap value equity product:
The following table illustrates the fee schedule for an Institutional Small Cap Value separate account:

	Market Value	Fee in Percent
First	$20MM	0.90%
Next	$30 MM	0.85%
Next	$50 MM	0.75%
Over	$100 MM	0.70%

Commingled Vehicle: 1% Flat fee on all assets
Minimum account size: $1 MM

Fee schedules are negotiable.

32. Does the firm use any service, information, or merchandise paid for with directed commissions:
Brandywine Global seeks to operate within the safe harbor of Section 28(e) of the Securities Exchange Act of 1934. In accordance with that safe harbor, Brandywine Global may execute client portfolio transactions through broker-dealers who provide research and brokerage services to Brandywine Global if Brandywine Global determines that the commissions paid are reasonable in relation to the research or brokerage services received. Additional information can be found in Part II of the Brandywine Global Form ADV.

33. ADV Review:
The firm's ADV was reviewed, no additional information was found.

Small Cap Value Equity Investment Performance

34. Returns audited?
The performance for the Institutional Small Cap Value composite has been audited by Kreischer Miller since inception (7/1/99) through June 30th, 2009. The composite returns are GIPS compliant. Brandywine has provided returns from Q1 2000 through and including Q1 2011.

Ceredex Value Advisors LLC
As of March 31, 2011

Organizational Background

1. Firm name, address, and telephone and fax number:
   Ceredex Value Advisors LLC
   300 South Orange Avenue, Suite 1600
   Orlando, Florida 32801
   Phone: 407-674-1270
   Fax: 407-674-1271

2.

	New Business Contact	Questionnaire Contact
Name	Paul Slakter	Muriel Holmes
Title	Director	Associate
Office	401 East Jackson Street, 18th Floor Tampa, Florida 33602	3333 Piedmont Avenue, Suite 1500 Atlanta, Georgia 30305
Phone	727-424-5338	404-845-7597
Fax	813-440-5069	404-845-7691
Email	Paul.slakter@ridgeworth.com	Muriel.holmes@ridgeworth.com

3. Founded: 2008 Registered with the SEC: 1984 (predecessor firm)

4. Firm's ownership structure and changes over the past five years:
   Ceredex is a registered investment adviser and an independently-managed subsidiary of RidgeWorth Capital Management ("RidgeWorth"), a firm majority-owned by SunTrust Banks, Inc. ("SunTrust").

   Ceredex's three principals were recently awarded RidgeWorth equity ownership grants. These grants vest in 2013 and 2014. Equity ownership is a new program that RidgeWorth has developed to provide additional financial incentive for their highly-valued portfolio managers.

   Ceredex is affiliated with the following subsidiaries of RidgeWorth:
   StableRiver Capital Management LLC
   IronOak Advisors LLC
   Silvant Capital Management LLC
   Certium Asset Management LLC
   Seix Advisors LLC

   Ceredex is also affiliated with Zevenbergen Capital Investments LLC and Alpha Equity Management LLC – firms in which RidgeWorth holds an ownership interest. Additionally, Ceredex serves as the sub-adviser for three RidgeWorth Funds.

   Since Ceredex's parent company, RidgeWorth, is a majority-owned subsidiary of SunTrust, both firms are affiliated with SunTrust's affiliates and subsidiaries, including two broker/dealers, SunTrust Robinson Humphrey and SunTrust Investment Services.

   Indirectly affiliated broker/dealers do not receive preferential treatment. Neither Ceredex nor RidgeWorth have conducted any trades through SunTrust Robinson Humphrey or SunTrust Investment Services during the past three years, and neither firm anticipates doing so in the foreseeable future.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:
   As a wholly-owned subsidiary of RidgeWorth, Ceredex is covered under the firm's blanket coverage. This coverage is part of a Blended Insurance Program which has $125,000,000 in annual aggregate limits and is

insured XL (Indian Harbor Insurance Co.), Travelers, Chubb and multiple other U.S. & Bermuda insurance carriers.

Errors & Omissions Coverage (or Bankers Professional Liability): Covers RidgeWorth and all subsidiaries including Ceredex for wrongful acts, errors, omissions, neglect misstatements, etc. in rendering professional services.

Fiduciary Liability: Covers RidgeWorth and all subsidiaries including Ceredex for sums it may become legally obligated to pay as a loss because of a breach of fiduciary duty with respect to all employee benefit and welfare plans.

Financial Institution Bond: Covers RidgeWorth and all subsidiaries including Ceredex for losses resulting from employee dishonesty, burglary, robbery, misplacement or mysterious, unexplainable disappearance, damage, or destruction of property, loss of property while in transit, forgery or alteration, counterfeit money, safe deposit box liability, and computer related theft.

6. Litigation:
Ceredex is not aware of any current or pending litigation against the firm.

7. Judgments:
Ceredex has not had any judgments against it by governmental and regulatory agencies over the past 5 years.

8.

	Total Firm Assets				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2006	Not available	*	*	*	*
Dec 31, 2007	$2,646	1	$14	0	$0
Dec 31, 2008	$2,116	1	$16	3	$27
Dec 31, 2009	$3,081	3	$13	3	$11
Dec 31, 2010	$4,691	1	$58	0	$0
March 31, 2011	$5,515	2	$39	0	$0

**In 2007, Ceredex became established as an investment boutique within Trusco Capital Management ("Trusco"), Ceredex's predecessor firm. Therefore, it is accurate to present assets under management for the period ending 2007 even though the boutique did not exist as a distinct legal entity. Although the investment professionals and philosophy governing Ceredex's investment strategies were not changed by the corporate transition, the transition did impact the methodology used to calculate asset levels. Therefore, no firm level assets under management or gains/losses pertaining to any time prior to 2007 are presented.*

9.

	Specified Small Cap Value Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2006	$1,298	0	$0	0	$0
Dec 31, 2007	$1,105	1	$14	0	$0
Dec 31, 2008	$616	0	$0	2	$23
Dec 31, 2009	$949	1	$8	2	$2
Dec 31, 2010	$1,528	0	$0	0	$0
March 31, 2011	$1,744	1	$22	0	$0

Small Cap Value Equity Investment Services

10. Name of the product described in the remainder of response:
Small Cap Value

11. Firm's key members of the small cap value equity portfolio management team:

Name	Title	Yrs. W/ Firm	Yrs. Inv. Exp.
Brett Barner, CFA	Portfolio Manager	21	26
Nicole Blakley, CFA	Research Analyst	3	6
Charlie Carter, CFA	Research Analyst	6	10
Jason Fraser, CFA	Research Analyst	.20	6
Jennifer Graff, CFA	Research Analyst	9	11
Hein Hanekom	Research Analyst	3	5
Melissa Miller, CFA	Research Analyst	1	10
Cody Smith, CFA	Research Analyst	3	7

12. Personnel turnover for investment professionals at both the firm and product levels:

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2006	0	1	0	1
Dec 31, 2007	5	2	5	2
Dec 31, 2008	0	1	0	1
Dec 31, 2009	1	1	1	1
Dec 31, 2010	0	0	0	0
March 31, 2011	1	0	1	0

The professionals gained and lost at the firm level are the same professionals gained and lost at the product level.

13. As of March 31, 2011, the number of accounts, assets under management, median account size, and number of portfolio managers and analysts in the small cap value equity product:

Assets Under Mgt	**Number of Investors**	**Median Client Size**	**Smallest Client Size**	**Number of Portfolio Mgrs**	**Number of Inv Analysts**
$1,744	15	$9	$5	1	7

14. Vehicles through which the small cap value product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$610	$10 million
Commingled Fund	N		
Mutual Fund	Y	$1,134	None – I Shares
Other (specify)			

15. Asset limit:
There is not an established asset limit, at this time. It is important to note that Ceredex continually monitors current asset levels, liquidity conditions, and client service needs in anticipation of establishing an asset limit.

Small Cap Value Equity Investment Philosophy

16. Investment philosophy/strategy, style and distinguishing characteristics:
The Small Cap Value philosophy emphasizes three key characteristics in selecting equities for portfolios: existence of a dividend, low valuation levels, and the presence of a fundamental catalyst that will cause a stock to appreciate upon recognition by the market. Without exception, each holding must meet the firm's standards in these three areas.

The philosophy attaches an income requirement to the stock selection. This provides an important source of total return and risk reduction. In addition, Ceredex seeks companies selling at a discount to their historical valuations, both absolute and relative to their industry peers and to the market. Furthermore, the team conducts fundamental research and analysis on a company-by-company basis to identify catalysts that may provide investment upside. Examples of catalysts include cost-cutting measures, changes in competitive positioning, product line changes, management restructuring, as well as growth and acquisition possibilities. The investment team believes that stocks move from undervalued to overvalued based on above-consensus earnings growth, initiated by the identified catalyst.

Also, when constructing portfolios the investment team builds from the bottom-up, believing individual company characteristics are the dominant factors in the equity selection process.

The Small Cap Value strategy invests only in dividend-paying securities. The payment of dividends reveals tangible evidence of a company's earning potential and helps focus the strategy's attention on under-valued companies, not 'cheap' companies. More importantly, over the long-term dividends constitute a substantial portion of total return from investments in U.S. equities. Thus, the dividend payment-requirement adds value not only by enhancing the strategy's ability to deliver high returns, but also by stabilizing the value of the portfolio and preserving that value during adverse market environments.

Also, while Ceredex uses many of the customary value hallmarks in its valuation work, such as seeking stocks with low Price/Earnings, Price/Sales, Price/Book ratios, it takes its valuation work a step further by focusing more heavily on the particular valuation metrics that are most relevant for the industry and security under consideration. What is most relevant for valuing a financials stock is Price/Book so greater emphasis is given to that metric when analyzing a bank for instance. Whereas, when analyzing a retailer, the team is likely to give greater emphasis to forward P/E ratios. The team believes that this customized valuation work has also contributed to the strategy's long term success and makes the team different than many of their peers that tend to focus solely on static valuation measures.

17. Style bias:
Value.

18. In what market environment(s) does the firm expect to out-perform the broad and small cap value markets:
The Small Cap Value strategy will tend to outperform the benchmark and peer group over the business cycle when rational expectations with regard to earnings and cash flows are present within equity markets. The investment focus of the strategy is to purchase dividend-paying companies. Dividend-paying companies tend to generate more free cash flow and are generally considered higher quality; these companies tend hold up better in volatile markets.

19. Normal, maximum and minimum levels of cash holdings.
Although a small portion of the portfolio is invested in cash to meet liquidity needs (typically no more than 5%), the strategy seeks to be fully invested at all times.

20. Benchmark:
Russell 2000 Value Index

21. How does the firm assess the liquidity of the small cap value equity market?
RidgeWorth's equity trading group performs all of Ceredex's trading functions. Its solid market presence, deep relationships with sell-side traders, and sizeable commissions budget, provides RidgeWorth's two traders with Tier I status with most broker/dealers and enables them to source liquidity well, even during challenging market conditions. RidgeWorth's traders manage and monitor market liquidity on a trade-by-trade basis. They source real-time liquidity information through data information systems as well as through Wall Street contacts.

22. What securities other than common stock and cash equivalents will be held?
In addition to listed common stocks and cash equivalents, the team will invest in other small cap ADRs. The strategy seeks to hold 100% domestic equity securities but the team will purchase ADR's if it meets the team's investment criteria. ADR's do not represent more than 20% of the portfolio.

23. Expected tracking error of this product versus the Russell 2000 Value Index:
The Small Cap Value strategy does not have an expected tracking error. However, as of March 31, 2011, the five year tracking number vs. the Russell 2000 Value Index is 7.29%.

Small Cap Value Equity Research Process

24. Process for identifying attractive securities.
Portfolio manager, Brett Barner, and the seven sector-specific analysts focus entirely on fundamental, bottom-up research to make sector and industry weighting decisions for the Small Cap Value strategy.

Analysts focus their research efforts on the following:
Dividend Component – The universe is screened for dividend-paying companies and specific market capitalization, which typically narrows the universe to approximately five hundred stocks.

Relative Valuation – Those securities that pass the dividend compliance screen are subjected to a quantitative review based on specific metrics, such as price-to-book, price-to-earnings and price-to-cash flow, etc. Only those securities trading in the bottom third relative to both the benchmark index and to their sectors are selected.

Absolute Valuation – Price-to-book, price-to-earnings and price-to-cash flow analysis are also used to identify those securities trading in the bottom third of their historical valuations.

Financial Statement Analysis – Analysts examine the financial statements of companies that pass the quantitative screen to determine the companies' overall financial strength. The statements are also analyzed to determine the quality of earnings as well as the earnings potential.

Catalyst Identification – Analysts identify viable catalysts such as a change in competitive position, growth and acquisition possibilities, product line changes or changes in management.

Industry Analysis – Analysts research the overall economy to identify market catalysts that may cause an upward price revision within a particular industry. Disparities from the benchmark and their weights from specific sectors do arise. Sector weights are a product of individual stock selection decisions, and they never exceed the strict risk controls of the strategy. Top-down analysis does play a role but the majority of the analysis is bottom-up.

Screening Steps
Step 1: Apply Market Cap and Dividend Screens
- Only dividend paying companies
- Trades on the NYSE, AMEX, or NASDAQ
- Market Cap Ranging from $50 million to $3 billion, at time of purchase

Step 2: Examine Absolute and Relative Valuations
- One-third of its historical valuation
- Relative to peers, industry, and markets
- Focus on specific metrics used by investors to value the security

Step 3: Traditional Fundamental Analysis
- Financial statement analysis
- Look for improving fundamentals or catalysts
    - Acquisition or divestiture possibilities
    - Management or product line changes
    - Consistent improvement in sales, cash flows, earnings, or balance sheet

Step 4: Construct Portfolio
- Set price and valuation targets
- Monitor fundamentals and valuations
- Review risk/reward on each holding and liquidity
- Value-added trade execution

The team has frequent discussions about macroeconomic themes and events to make sector and industry weighting decisions, but nearly 100% of research efforts is dedicated to bottom-up analysis. The portfolio is driven by finding undervalued small capitalization securities that exhibit key characteristics, such as an income component and a fundamental catalyst that potentially will provide an upside.

25. Number of securities regularly followed by security analysts and/or portfolio managers:
Each analyst covers approximately 40 to 50 stocks, and, secondarily, about 200 to 300 stocks.

Small Cap Value Equity Construction and Management

26. Portfolio construction and management process:
Brett Barner and the seven sector-specific analysts focus entirely on fundamental, bottom-up research to make sector and industry weighting decisions for the Small Cap Value strategy. Ceredex's research analysts have clearly defined responsibilities that are broken down by sector.

Charlie Carter, CFA — Consumer Discretionary & Consumer Staples
Jennifer Graff, CFA — Industrials
Melissa Miller, CFA — Financials
Cody Smith, CFA — Healthcare & Technology
Nicole Blakley, CFA — Energy & Materials
Jason E. Fraser, CFA – Financials & Telecom
Hein Hanekom — Utilities

The initial universe consists of the stocks of all dividend-paying companies that are traded on the NYSE, AMEX, or NASDAQ with market capitalizations between $50 million and $3 billion are included in the initial universe, which is approximately 1,300 securities.

Although the investment process primarily employs fundamental analysis during the stock selection process, quantitative methods are used to screen the initial universe. The quantitative models screen for stocks that are attractively valued on specific metrics such as price-to-book, price-to-earnings, and price-to-cash flow, etc. Valuation is one of the strategy's major factors listed in the security selection section above and is an integral part of the process, with the analysts examining both relative and absolute valuation. Any security considered for purchase must be relatively attractive from a valuation standpoint versus the market, its industry, and/or its peers. Dividend payment is a required element for addition to the portfolio; there are no exceptions to this policy. Further, the team keys on those stocks that trade in the bottom third of their own historical valuation range using metrics relevant to each stock's industry.

At this point, further in-depth fundamental analysis takes place. The analyst's role is to identify catalysts that will cause price appreciation during the coming 18 to 36 month period as the market recognizes these factors. Some examples of potential catalysts are a change in competitive position, growth and acquisition possibilities, restructuring, product line changes, or positive changes in management. In addition to research generated from the Street, the analysts speak directly with company executives, competitors, suppliers and customers. Both the portfolio manager and the analysts attend annual conferences with numerous small cap companies to better understand the fundamentals behind each business.

Following complete fundamental analysis of the companies, only about 200 stocks generally meet the standards for potential inclusion in the portfolio. The investment team's analysts develop investment theses for each security and the strongest theses result in a "buy" recommendation. After detailed analysis and discussion amongst the analysts and the portfolio manager, approximately 80-100 stocks are selected to construct a diversified equity portfolio. The stocks that are purchased, as well as those that fall within the narrowed universe of approximately 200 securities, are continually evaluated on a risk/reward basis and followed closely for any changes that indicate potential buy/sell opportunities.

Ceredex's analysts develop "buy" and "sell" recommendations based on the initial quantitative screening and in-depth fundamental analysis. Three key factors that the analysts consider when recommending a stock are yield, relative valuation and the presence of a catalyst for that stock.

Dividend payment is a required element for addition to the portfolio and there are no exceptions to this policy. An examination of absolute and relative valuations determines which candidates are in the bottom third of their historical ranges. The analysts, in addition to performing fundamental company and Industry analysis, are tasked with identifying any viable catalysts that may cause appreciation, such as changes in competitive positioning, product lines and management restructuring as well as growth and acquisition potential. None of these key decision criteria is more important than another; they are all required elements in their investment process.

After detailed analysis, the research analysts make a recommendation. This initiates a discussion between the analyst and the portfolio manager. The portfolio manager incorporates the analyst's recommendation and reasoning with his own experience, judgment, and portfolio construction requirements and the outcome is his investment decision.

The Small Cap Value team utilizes the below constraints to manage the portfolio:

- A single security may not represent more than 5% of the portfolio, at cost
- Approximately 80 to 100 securities held in the portfolio
- Market capitalization between $50 million and $3 billion, at purchase
- No formal restrictions for sector weights

27. Current number, typical number and range of securities held in the product:

As of March 31, 2011	Typical Number	Range
98	80-100	80-100

28.

Market Capitalization Range	**Allocation as of March 31, 2011**	**Typical Allocation**	**Possible Range of Allocation**
Less than $100 million			
Between $100 mil. and $500 mil.	5.08		
Between $500 mil. and $1 bil.	12.51		
Between $1 bil. and $3 bil.	58.74		
Between $3 bil. and $5 bil.	23.67		
Between $5 bil. and $10 bil.			
Between $10 and $20 billion			
Greater than $20 billion			
Median Market Capitalization	$1,544	Between $50 million and $3 billion, at purchase	Between $50 million and $3 billion, at purchase
Weighted Average Market Capitalization	$2,072	Between $50 million and $3 billion, at purchase	Between $50 million and $3 billion, at purchase

**Between $50 million and $3 billion, at purchase*

29. Firm's sell discipline:

Ceredex's sell discipline is integrated with its buy discipline. A security under consideration is purchased if it exhibits all three of the following attributes: 1. dividend paying 2. compelling valuation and 3. strong fundamentals. The combination of the three attributes provides the team with conviction that the stock may appreciate over the long-term. The investment team continually monitors holdings' for signs of a dividend being eliminated, weakening relative value, or deteriorating fundamentals. If any of the holdings three required attributes are violated, the stock is sold. Factors surrounding the sell discipline include:

Dividend:

- If the dividend is eliminated, this prompts an automatic sell.
- If the dividend is cut unexpectedly, fundamentals are re-evaluated.
- If the dividend is cut expectedly, the holding is retained.

Relative Value Weakens:

- Once price converges with the established fair value, the current holding will be considered for replacement by a prospect or another portfolio holding with a more attractive risk/reward profile.
- The team is constantly assessing the risk/reward profile for portfolio holdings and prospects.

Deteriorating Fundamentals:

- The team continuously reviews holdings in the portfolio to assess fundamentals. Securities with fundamentals that are deteriorating will be reevaluated in light of the new fundamentals and sold if the new risk/reward is not favorable.

30. Average small cap value equity turnover:

Year	Turnover (annual)
2006	69%
2007	58%
2008	95%
2009	72%
2010	65%
YTD	21%

Investment Management Fees

31. Fee schedules for the small cap value equity product:

	Market Value	Fee in Percent
First	$10 million	1%
Next	$40 million	0.80%
Over	$50 million	0.60%

Ceredex is willing to negotiate the above stated standard fee schedule for a Small Cap Value separate account.

32. Does the firm use any service, information, or merchandise paid for with directed commissions:
No.

33. ADV Review:
The firm's ADV has been reviewed, no additional information was found.

Small Cap Value Equity Investment Performance

34. Returns audited?
Returns from Q1 2000 through and including Q1 2011 were provided. The Ashland Partners have audited returns from March 31, 2008 through June 30, 2009. The composite is GIPS compliant during this period.

Chartwell Investment Partners
AS OF March 31, 2011

Organizational Background

1. Firm name, address, and telephone and fax number:
   Chartwell Investment Partners
   1235 Westlakes Drive
   Suite 400
   Berwyn, PA 19312
   Phone#: 610-296-1400
   Fax#: 610-296-1430

2.

	New Business Contact	Questionnaire Contact
Name	Michael J. McCloskey	Lynette S. Treible
Title	Managing Partner, Director of Client Services & Marketing	Principal, Client Communications
Office	Berwyn, PA	Berwyn, PA
Phone	610-407-4830	610-407-4870
Fax	610-722-5644	610-722-5644
Email	mccloskey@chartwellip.com	treible@charwtellip.com

3. Founded: 1997 Registered with the SEC: 1997

4. Firm's ownership structure and changes over the past five years:
   Ownership Structure: Limited Partnership
   75% 30 Active Chartwell Employees
   25% Passive Investor - Maverick Partners, LP

   Chartwell Investment Partners is an employee-owned investment advisory firm founded on April 1, 1997 by nine investment professionals from Delaware Investment Advisers. The firm is 75% owned by the partners and employees of Chartwell and 25% owned by a limited partnership comprised of three passive investors in the Philadelphia area.

   There have been no changes over the past five years.

   Zeke Capital Advisors, LLC ("ZCA"), an adviser affiliate of Chartwell, is an investment adviser providing continuous discretionary and non-discretionary investment advisory services to a variety of clients, such as individuals, families, corporations, trusts, estates, pension plans, charities and foundations. Generally, ZCA allocates or recommends the allocation of client assets under its continuous discretionary or non-discretionary management to affiliated and unaffiliated investment managers, through separate accounts managed by the manager, wrap fee programs in which the manager participates, and/or investments in mutual funds, exchange-traded funds, hedge funds, private equity funds and/or other pooled investment vehicles the assets of which are managed by such investment managers. Chartwell has 20% ownership in Zeke Capital and also shares some administrative, operational and trading capabilities. Certain principals, officers and employees of ZCA also serve as principals, officers and employees of Chartwell, and certain conflicts of interest and divided responsibilities, duties and loyalties may arise in that regard (see additional disclosure below). ZCA and Chartwell also share office space, and Chartwell has an ownership interest in ZCA, which will increase in value based upon the success of ZCA's business. Further, as mentioned above, ZCA may place client assets with Chartwell and/or invest client assets in pooled investment vehicles which are managed or sponsored by Chartwell or ZCA. Certain principals and officers of ZCA may also serve as directors or officers of these affiliated funds. For example, ZCA's client assets may be invested in interests in Zeke, L.P., a privately-offered hedge fund. The general partner of Zeke, L.P. is Zeke, G.P., which is controlled by Edward N. Antoian, a principal of ZCA and of Chartwell. Mr. Antoian has a personal investment in Zeke, L.P. ZCA and Chartwell are entitled to receive advisory or other fees from their affiliated funds, and these fees will not reduce the compensation paid to ZCA, unless required by applicable law.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:
They maintain the following insurance coverage:

	Coverage	Carrier
Errors & Omissions	$5,000,000	Federal Insurance Co. (Chubb)
ERISA	$500,000 per client	Federal Insurance Co. (Chubb)
Fidelity Bond	$3,000,000	Federal Insurance Co. (Chubb)

They also have an umbrella policy coverage of $5 million with Hartford which serves as a backup to their other policies.

6. Litigation:
None.

7. Judgments:
None.

8.

	Total Firm Assets				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2006	$5,433.0	22	$661.1	25	$560.6
Dec 31, 2007	$6,091.0	7	$459.7	13	$286.2
Dec 31, 2008	$3,738.0	7	$150.2	9	$250.9
Dec 31, 2009	$4,781.0	4	$130.1	9	$178.5
Dec 31, 2010	$5,016.0	4	$52.5	14	$376.1
March 31, 2011	$5,321.0	1	$14.0	3	$21.0

9.

	Specified Small Cap Value Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2006	$527.0	5	$11.6	5	$60.8
Dec 31, 2007	$484.0	0	$0.0	2	$4.5
Dec 31, 2008	$279.0	0	$0.0	3	$91.4
Dec 31, 2009	$369.0	0	$0.0	0	$0.0
Dec 31, 2010	$509.0	1	$36.7	1	$2.7
March 31, 2011	$546.0	1	$14.0	1	$12.4

Small Cap Value Equity Investment Services

10. Name of the product described in the remainder of response:
Small Cap Value

11. Firm's key members of the small cap value equity portfolio management team:

Name	Title	Yrs. W/ Firm	Yrs. Inv. Exp.
David C. Dalrymple	Managing Partner, Senior Portfolio Manager	14	25
T Ryan Harkins	Principal, Senior Analyst/Portfolio Manager	5	13
Mark S. Goodman	Principal, Portfolio Analyst	5	8
Reid T. Halloran	Portfolio Analyst	1	5

12. Personnel turnover for investment professionals at both the firm and product levels:

Year	Firm-wide		Product Specific	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2006	3	6	1	2
Dec 31, 2007	4	5	2	1
Dec 31, 2008	2	4	0	0
Dec 31, 2009	1	1	0	0
Dec 31, 2010	3	4	1	1
March 31, 2011	2	1	0	0

13. As of March 31, 2011, the number of accounts, assets under management, median account size, and number of portfolio managers and analysts in the small cap value equity product:

Assets Under Mgt	Number of Investors	Median Client Size	Smallest Client Size	Number of Portfolio Mgrs	Number of Inv Analysts
$546.0m	23	$23.7	$0.2	2	2

14. Vehicles through which the small cap value product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$546.0m	$5 million
Commingled Fund	N	N/A	N/A
Mutual Fund	N	N/A	N/A
Other (specify)			

15. Asset limit:
$800 million (in contributed capital)

Small Cap Value Equity Investment Philosophy

16. Investment philosophy/strategy, style and distinguishing characteristics:
They believe that small cap value is an attractive asset class because it offers the benefit of small cap returns with a lower risk factor. When compared over a long-term time horizon, small cap value and small cap growth returns are similar, but value provides the added advantage of lower beta and volatility.

Excessive asset size can compromise future performance; therefore, they have chosen to limit their total assets to $800 million in order to preserve their ability to achieve superior returns. There are several notable advantages to limiting their small cap value assets under management:

- Trades are effectively executed in securities with as little as $100 million market cap.
- Universe of stocks is not severely limited.
- Portfolio of 70-90 securities can be maintained; therefore avoiding portfolio drift.
- Market impact is low and investment decisions are implemented quickly.

They feel that this agility will give them a repeatable performance advantage over time.

While a typical manager may concentrate on one valuation tool, they believe that a broader blend of valuation tools (P/E, P/Sales, P/Book, P/Cash Flow) will contribute to more consistent results. Any single discipline may uncover companies concentrated in a limited range of industries or with common characteristics, which can outperform or underperform for extended periods.

A company's valuation relative to its history is a more important indicator of potential than its valuation relative to the market. Company performance and fundamentals tend to vary around a central tendency, which reflects the basic economics of its business and its industry, not that of the market. Reversion to this mean is likely to occur; therefore cycles in this valuation are important indicators of potential upside.

A fundamental understanding of a company's underlying competitive advantage is critical in evaluating the likelihood that it can regain historical valuation levels. Assessing a company's ability to retain or recover to its prior margins or returns on capital is the critical activity in their research process.

The extent to which a company can become a larger enterprise contributes to its valuation upside potential. While they invest to take advantage of valuation disparities, an increasing "terminal value" increases their potential return with little increase in risk.

17. Style bias:
Value

18. In what market environment(s) does the firm expect to out-perform the broad and small cap value markets:
Their portfolio typically performs better in a stable economic environment when stronger companies can grow revenues and profits more quickly and their performance is differentiated in stock prices.

19. Normal, maximum and minimum levels of cash holdings.
Chartwell's long-term goal is to keep cash reserves between 0% and 5% of assets.

20. Benchmark:
Russell 2000 Value Index

21. How does the firm assess the liquidity of the small cap value equity market?
Though liquidity in the small cap value market is distinctly lower than that of the large cap market, they plan on accepting a limited level of assets in their small cap value strategy to retain sufficient trading flexibility.

22. What securities other than common stock and cash equivalents will be held?
They have held at times a modest weight in the portfolio in companies not domiciled in the U.S. These companies' securities trade primarily on U.S. exchanges and conduct business primarily in the U.S. No securities are purchased on foreign exchanges.

23. Expected tracking error of this product versus the Russell 2000 Value Index:
Expected tracking error: 5% to 8%. (vs. the R2000V)

They don't manage tracking error to a target.

Small Cap Value Equity Research Process

24. Process for identifying attractive securities.
In order to establish their opportunity universe they screen for companies between $100 million to $2.5 billion market capitalization. From these 3000-3500 domestic companies they continue to screen for securities that display the following criteria:

- Sufficient liquidity
- Data availability
- Valuation discount to that of the Russell 2000 on any of several measures

They identify statistically inexpensive stocks with the highest potential based on an examination of a range of valuation tools. This working universe approximates 1200-1500 companies.

Their focus list continues to narrow as they identify companies priced at the lower end of their historical valuation ranges. A careful assessment of a company's history uncovers where they are positioned in their current valuation cycle and from this they can determine those stocks that offer attractive risk/reward characteristics. This results in a group of approximately 350-400 securities with the potential for a significant valuation upgrade.

While their process is driven by bottom up stock analysis, macro economic analysis is incorporated into the investment process. It guides decisions regarding sector allocations as well as the character of the companies owned within the sectors. Their primary use is to frame the range of macroeconomic environments within which they evaluate the future earnings power of analyzed companies.

The first stage in their fundamental research process concentrates on developing a composite valuation assessment for these companies, combining multiple valuation measures along with historical return, margin, balance sheet and growth data. Using this broad quantitative snapshot avoids the dependence on a single valuation tool, which may unduly focus the portfolio or miss important elements of company valuation.

Next they uncover the causes of the perceived undervaluation and in doing so they try to answer the question, “Why does the market pay so little for this company?” A sample of the long list used includes management shortcomings, depressed margins, cost pressures, competitive deficiencies, market perception and disappointing growth. Clear understanding of these causes is vital; only then can they assess what needs to be fixed or what changes must occur to realize the company’s fundamental and valuation potential.

The most decisive element of the research process is an evaluation of the company’s business prospects. This step results in an appraisal of the company’s value, separating those with real value from those that are merely inexpensive on a simple valuation measure. Company contacts, street research and experience are combined in an analysis of the economics of the underlying business. Companies that, in their opinion, demonstrate high likelihood of regaining their lost luster are “winners.” The research process provides them with a manageable target list of approximately 150-200 names.

In order to advance to the final portfolio of 70 – 90 securities the candidates must embody one or more catalysts or change elements that will increase the market’s interest in the stock. They look for multiple potential catalysts, including acquisitions, management change, restructuring, margin improvement, a change in competitive environment or industry cycle, takeover potential, growth acceleration or new products. They assess the timing, magnitude and likelihood of these changes occurring and prefer them to be incremental change as opposed to single, major events.

The final portfolio of 70 - 90 securities is constructed primarily as a bottom-up residual of stock selection. All portfolios are invested using the same criteria; therefore, there is no dispersion of results between portfolios.

The Small Cap Value team conducts ongoing fundamental research which is the foundation of the investment process.

Focusing their research on comprehensive business reviews to develop a sound understanding of a company’s strengths, weaknesses, competitive positioning, strategy and operating environment is a key differentiator in their investment process. This emphasis on defining a company’s long-term trend, toward which they expect their holdings to revert, keeps them from over-emphasizing analysis of the current news. In addition, they believe this approach helps define the way they interact with companies and that they appreciate their line of questioning.

They communicate the findings of these business reviews on standard templates encompassing a common set of issues and topics for each company. These reviews remain open-ended and lead to discussion, questioning and further research activity. Their research and understanding of companies is a group process even though the decision making is not.

Team members remain generalists to broaden their understanding of companies and to foster interaction and discussion. Comparisons across industries and sectors are a key element of investment decision making and they want to develop that analytical approach in all team members.

25. Number of securities regularly followed by security analysts and/or portfolio managers:
Approximately 150 to 200 securities.

Small Cap Value Equity Construction and Management

26. Portfolio construction and management process:
As mentioned above as part of their security research and screening steps, their final portfolio of 70 – 90 securities the candidates must embody one or more catalysts or change elements that will increase the market's interest in the stock. They look for multiple potential catalysts, including acquisitions, management change, restructuring, margin improvement, a change in competitive environment or industry cycle, takeover potential, growth acceleration or new products. They assess the timing, magnitude and likelihood of these changes occurring and prefer them to be incremental change as opposed to single, major events.

The final portfolio of 70 - 90 securities is constructed primarily as a bottom-up residual of stock selection. All portfolios are invested using the same criteria; therefore, there is no dispersion of results between portfolios.

Chartwell's Small Cap Value Equity product is managed by a team of four individuals. David Dalrymple, Managing Partner & Senior Portfolio Manager, and Ryan Harkins, Assistant Portfolio Manager & Senior Analyst, are responsible for the daily management of the active portfolios. Mark Goodman and Reid Halloran, Portfolio Analysts, are primarily responsible for researching the companies that fall into their universes. The team meets formally on a weekly basis and informally on a day to day basis to discuss all aspects and opportunities of the buy/sell latitude within all portfolios. All final portfolio management decisions are made by David Dalrymple, who heads the Small Cap Value investment team.

27. Current number, typical number and range of securities held in the product:

As of March 31, 2011	Typical Number	Range
66	70	70 - 90

28.

Market Capitalization Range	**Allocation as of March 31, 2011**	**Typical Allocation**	**Possible Range of Allocation**
Less than $100 million	0	0	0
Between $100 mil. and $500 mil.	3.95	5	0-15
Between $500 mil. and $1 bil.	20.56	25	10-40
Between $1 bil. and $3 bil.	70.02	65	40-75
Between $3 bil. and $5 bil.	5.46	5	1-10
Between $5 bil. and $10 bil.	0	0	0
Between $10 and $20 billion	0	0	0
Greater than $20 billion	0	0	0
Median Market Capitalization	$1,313.2m	0	500m - 1,500m
Weighted Average Market Capitalization	$1,499.4m	0	800m – 1,800m

29. Firm's sell discipline:
In symmetry with their buy process, valuation at the high end of a company's historical range indicates an unfavorable risk/reward profile and therefore a potential sell. Deterioration in fundamentals or dissipation of the change elements, which they looked for upon purchase, prompts them to sell. A stock that underperforms by 30% relative to the benchmark must be reviewed intensely with the predominant action to sell. Capitalization is, by itself, not a sell discipline. However a stock which nears or exceeds their $2.5B upper capitalization has likely increased in valuation and outperformed the market; it may be flagged for sale by other disciplines.

30. Average small cap value equity turnover:

Year	Turnover (annual)
2006	82
2007	49
2008	59
2009	18
2010	23
YTD	36

Investment Management Fees

31. Fee schedules for the small cap value equity product:

	Market Value	Fee in Percent
First	All assets	0.85%

Fees are negotiable on a case-by-case basis.

32. Does the firm use any service, information, or merchandise paid for with directed commissions:

Chartwell does direct brokerage from their client's portfolios to a broker who provides research services described in Section 28 (e) of the Securities Exchange Act of 1934 and are designed to augment their own internal research and investment strategy. Research services obtained through the use of soft dollars have included statistical or quotation services such as Bloomberg and Factset, as well as research reports and expertise for selected sectors & industries provided by third-party research firms.

33. ADV Review:

The firm's ADV was reviewed, no additional information was found.

Small Cap Value Equity Investment Performance

34. Returns audited?

Returns are audited by Ernst & Young. Chartwell has been independently verified for the period July 1, 2009 through June 30, 2010. Returns from Q1 2000 through and including Q1 2011 were provided.

Robeco Investment Management Boston Partners
As of March 31, 2011

Organizational Background

1. Firm name, address, and telephone and fax number:
   Robeco Investment Management
   1 Beacon St
   30th Floor
   Boston, MA 02108
   T: (617) 832-8200
   F: (617) 832-8135

2.

	New Business Contact	Questionnaire Contact
Name	Bill Supple	Tracy DeMartino
Title	Head of Public and Taft Hartley Sales	Manager of Marketing Support
Office	1 Beacon St. 30TH Floor, Boston, MA	1 Beacon St. 30TH Floor, Boston, MA
Phone	(617) 832-8193	(617) 832-8235
Fax	(617) 832-8135	(617) 832-8135
Email	Bill.Supple@Robecoinvest.com	Tracy.Demartino@Robecoinvest.com

3. Founded: 1995 Registered with the SEC: 1995

4. Firm's ownership structure and changes over the past five years:
   RIM is a wholly-owned subsidiary of Robeco Groep, N.V. ("Robeco Group"), a global investment management company headquartered in Rotterdam, the Netherlands. Robeco Group was founded in 1929 and currently manages over $212 billion as of March 31, 2011 for clients worldwide. Robeco Group is wholly-owned by Rabobank Group ("Rabobank"), the Netherlands. Rabobank is a full-range financial service provider and enjoys the highest credit rating (AAA) awarded by the well known international rating agencies, Moody's and Standard & Poor's.

   For the purpose of simplifying RIM's corporate structure, effective January 1, 2007, Robeco's three investment subsidiaries were merged into the parent entity, which simultaneously formally changed its name to Robeco Investment Management, Inc. This change had no effect on any of RIM's existing investment activities or support functions. While the three subsidiaries have ceased to exist, for branding purposes, RIM continues to refer to itself in the marketplace as consisting of the following divisions: Robeco Weiss Peck & Greer, Robeco Boston Partners and Robeco-Sage.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:
   The following table details RIM's insurance coverage.

Policy	Limit and deductible*^	Underwriter
Financial Institution Professional Liability Insurance policy (includes Errors & Omissions)	$334,600,000 $669,200 deductible	Chartis Insurance
Financial Institution / Fidelity Bond	$334,600,000 $669,200 deductible	Chartis Insurance
Fiduciary (ERISA) Bond	In accordance with ERISA regulations	Hanover Insurance Company

** The insurance policy is a combined policy that includes both Error and Omissions and the Fidelity Bond.*
^ Values as of 1/1/2011

6. Litigation:
None.

7. Judgments:
None.

8.

	Total Firm Assets				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2006	$28,423	74	$1,975	134	$2,827
Dec 31, 2007	$26,589	73	$1,645	148	$3,341
Dec 31, 2008	$11,769*	34	$716	621*	$8,121*
Dec 31, 2009	$17,207	50	$837	34	$485
Dec 31, 2010	$23,143	75	$1,945	31	$415
March 31, 2011	$26,354	9	$160	2	$41

**Decrease in accounts and assets under management due to RIM's strategic decision to exit the fixed income business*

9.

	Specified Small Cap Value Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2006	$1,310	1	$75	0	$0
Dec 31, 2007	$1,077	0	$0	0	$0
Dec 31, 2008	$689	2	$2	2	$30
Dec 31, 2009	$858	2	$19	2	$87
Dec 31, 2010	$1,000	2	$46	2	$2
March 31, 2011	$1095	0	$0	0	$0

Small Cap Value Equity Investment Services

10. Name of the product described in the remainder of response:
Robeco Boston Partners Small Cap Value Equity

11. Firm's key members of the small cap value equity portfolio management team:

Name	Title	Yrs. W/ Firm	Yrs. Inv. Exp.
David Dabora, CFA	Portfolio Manager	16	24
George Gumpert, CFA	Portfolio Manager	11	12

12. Personnel turnover for investment professionals at both the firm and product levels:

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2006	4	5	0	0
Dec 31, 2007	0	1	0	0
Dec 31, 2008	0	0	0	0
Dec 31, 2009	1	2	0	0
Dec 31, 2010	4	1	1	0
March 31, 2011	0	0	0	0

13. As of March 31, 2011, the number of accounts, assets under management, median account size, and number of portfolio managers and analysts in the small cap value equity product:

Assets Under Mgt	Number of Investors	Median Client Size	Smallest Client Size	Number of Portfolio Mgrs	Number of Inv Analysts
$1,095	21	$42	$3	2	21

14. Vehicles through which the small cap value product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$1,095	$10 million
Commingled Fund	N	-	-
Mutual Fund	N	-	-
Other (specify)	-	-	-

15. Asset limit:
Given current market conditions, liquidity and the market cap range of the small cap universe, they would estimate that an additional $200 million capacity would be appropriate.

Small Cap Value Equity Investment Philosophy

16. Investment philosophy/strategy, style and distinguishing characteristics:
Their investment philosophy is grounded in certain "fundamental truths" to investing, each proven to have worked over meaningful periods of time and in a variety of market environments:
    1. Low valuation stocks outperform high valuation stocks
    2. Companies with strong fundamentals, e.g. high and sustainable returns on invested capital, outperform companies with weak fundamentals.
    3. Stocks with positive business momentum, e.g. rising earnings estimates, outperform stocks with negative business momentum.

They believe value opportunities are best identified through a combination of fundamental bottom-up research that is aided by quantitative tools. They construct portfolios that consistently possess these three characteristics; they are simple rules that limit downside risk, preserve capital and maximize the power of compounding.

17. Style bias:
Value

18. In what market environment(s) does the firm expect to out-perform the broad and small cap value markets:
Therefore, the portfolio is expected to perform well in most market environments, including those with an upward bias that are broadly based and balanced in terms of style.

Given the portfolio's capitalization parameters, they would expect the performance environment of the small cap market to be a factor. Furthermore, they would expect the portfolio's long-term performance to be patterned after their value-based, risk-averse discipline.

19. Normal, maximum and minimum levels of cash holdings.
Their portfolios are fully invested at all times. Cash residuals typically range between 0% and 5%.

20. Benchmark:
Russell 2000 Value Index®

21. How does the firm assess the liquidity of the small cap value equity market?
First, the position's size in the portfolio is, in part, a function of its liquidity (as well as its upside to target price and their conviction level relative to perceived risk). Liquidity has no impact on the investment merits of a given company but rather has its most notable impact on the assessment of risk of a given

investment idea. As such, an illiquid name requires a higher conviction level than a liquid name for the same position size.

Second, in managing liquidity, they tend to be opportunistic when entering and exiting positions rather than liquidity seeking. They are comfortable buying in or selling out a position over time patiently if a more aggressive strategy would materially impact the price of the stock. Third, on a weekly basis, they assess the number of days trading required to enter or exit a stock's position in the strategy.

22. What securities other than common stock and cash equivalents will be held?
No other securities will be held in the Robeco BP Small Cap Value strategy.

23. Expected tracking error of this product versus the Russell 2000 Value Index:
They do not manage the portfolio to a tracking error target as they believe it curbs the benefits of active management. Since inception through March 31, 2011, ex-post tracking error for the Small Cap Value product has been 6.8%.

Small Cap Value Equity Research Process

24. Process for identifying attractive securities.
Each and every candidate for investment is subjected to three questions:

1. Is it attractively valued in relation to its own history and its growth/earnings power?
2. Is the company engaged in a fundamentally attractive business that generates high and sustainable returns on invested capital?
3. Is the business improving or deteriorating? What operational or event-driven catalysts might drive the stock toward its true intrinsic value?

The following categories of factors embody their stock selection criteria:

1. ***Attractive value*****:** *"How much are they paying for this company?"*
They compare the following value criteria to the stock's own history and its growth and profitability dynamics, seeking companies that are attractively discounted to their intrinsic value. Metrics include:

- Price/Earnings
- Price/Free Cash Flow
- Price/Book
- Breakup Value
- Liquidation Value
- Debt-adjusted Market Cap/Free Cash Flow

2. Sound business fundamentals**:** *"What are they buying, what drives earnings and what are the company's prospects for growth?"*
They conduct a detailed analysis of the company's fundamentals, looking for favorable and sustainable returns on capital, strong competitive dynamics and higher quality growth and profitability characteristics. Metrics include:

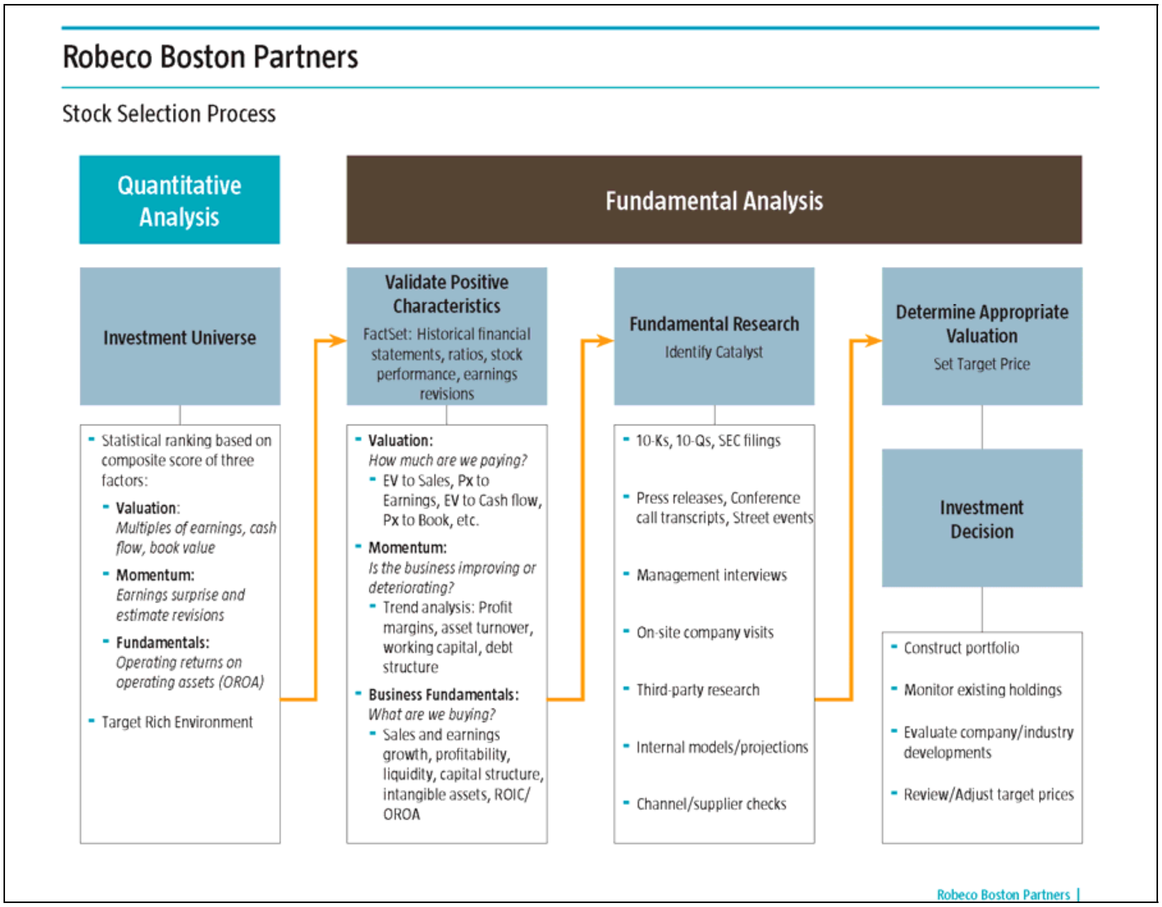
- Operating Return on Operating Assets
- Cash Flow Return on Investment
- Reinvestment Strategy and Returns
- Competitive position
- Management strategies
- All areas of profitability and growth (top line, operating income, book value, earnings per share)
- Capital structure

3. Positive business momentum: *"Is the business improving?"*
They determine if a catalyst for change exists that will unlock value. Catalysts can include:

- Positive earnings surprise and rising consensus estimates

- Corporate actions
- Short term financial performance
- Stock-specific catalysts, such as the introduction of new products

These criteria ground portfolio construction in attractive "characteristics that work" to deliver favorable performance over time. The screening of their universe and more detail on their research process is shown below.



They stay informed of the macro picture but do not make top-down calls or otherwise subordinate their bottom-up discipline to macro positions.

25. Number of securities regularly followed by security analysts and/or portfolio managers:
400 to 500

Small Cap Value Equity Construction and Management

26. Portfolio construction and management process:
Robeco BP portfolios are built from the bottom-up through fundamental research. Their portfolio construction process is aided by quantitative efficiency tools. Efficient and repeatable, the construction is grounded in their Three Circle stock selection framework. The sizing of each holding is determined by the degree of upside potential, their conviction level to the upside and the trading liquidity of the stock. The following chart represents the steps of their investment process.

The Robeco BP Small Cap Value strategy utilizes a team-oriented decision-making process. David Dabora, CFA, the lead Portfolio Manager of the Robeco BP Small Cap Value Team, is ultimately responsible for final investment decisions. David works "hand in glove" with George Gumpert, CFA, Portfolio Manager, on the small cap strategies. Please refer to the chart below for the investment personnel who support the Robeco BP Small Cap Value strategy.

27. Current number, typical number and range of securities held in the product:

As of March 31, 2011	Typical Number	Range
129	100-130	68-130

28.

Market Capitalization Range	Allocation as of March 31, 2011	Typical Allocation	Possible Range of Allocation
Less than $100 million	0.00%	*	0.00% - 0.49%
Between $100 mil. and $500 mil.	4.65%	*	1.90% - 14.74%
Between $500 mil. and $1 bil.	23.63%	*	22.01% - 46.38%
Between $1 bil. and $3 bil.	70.40%	*	40.06% - 72.57%
Between $3 bil. and $5 bil.	1.32%	*	0.00% - 5.74%
Between $5 bil. and $10 bil.	0.00%	*	0.00%
Between $10 and $20 billion	0.00%	*	0.00%
Greater than $20 billion	0.00%	*	0.00%
Median Market Capitalization	$1,215	*	$743 - $1,374
Weighted Average Market Capitalization	$1,432	*	$996 - $1,548

**They do not manage their portfolio to a standard allocation by market cap. For a range of historical allocations please refer to the Possible Range of Allocation column.*

29. Firm's sell discipline:
They sell a stock when it no longer meets one or more of the Three Circles criteria, either through obtaining fair value or due to an adverse change in fundamentals or business momentum. Each holding has a target valuation established at purchase, which they constantly monitor and adjust as appropriate.

30. Average small cap value equity turnover:

Year	Turnover (annual)
2006	28.07%
2007	44.85%
2008	67.50%
2009	59.15%
2010	34.83%
YTD	6.30%

Investment Management Fees

31. Fee schedules for the small cap value equity product:
They are proposing a separate account for this search. RIM will negotiate fee schedules on a case by case basis depending on the size and scope of the mandate. They would be happy to discuss this in more detail at a later stage of the search process.

	Market Value	Fee in Percent
First	$25 million	1.00%
Over	Thereafter	0.80%

32. Does the firm use any service, information, or merchandise paid for with directed commissions:
No.

33. ADV Review:
The firm's ADV was reviewed. Three material issues were found, detailed below:

On May 11, 2006 Robeco Usa, L.L.C. (Which Merged With And Into Robeco Investment Management Effective January 1, 2007) Consented, Without Admitting Or Denying Guilt, To A Penalty Of Censure And A Fine Of $100,000 By The New York Stock Exchange (The "Nyse"), In Connection With A Finding By

The Nyse That It (I) Violated Nyse Rule 401 By Failing To Adhere To The Principles Of Good Business Practice During December 2003 When It Paid Compensation As A Fee For Business Procured By Its Brokerage Division, Creating A Potential Conflict Of Interest Between Its Employee And Its Customers, And Failed To Adhere To The Principles Of Good Business Practice By Failing To Offset Certain Cash Management Fees Of Certain Of Its Erisa And Non-Erisa Fund Customers For Interim Cash Management Services From 1999 - 2004, And (Ii) Violated Nyse Rule 342 In By Failing To Reasonably Supervise And Control The Actions Of Its Employees And To Establish And Maintain Appropriate Procedures For Supervision And Control To Ensure Compliance With Nyse Rules And Federal Securities Laws With Respect To The Foregoing Violations. A Hedge Fund Portfolio Manager For The Firm Also Consented, Without Admitting Or Denying Guilt, To Censure And A Fine Of $50,000, For Conduct Inconsistent With Just And Equitable Principals Of Trade In That He Entered Into An Agreement For And Accepted Compensation In Exchange For Directing Commissions To His Employer Creating A Potential Conflict Of Interest Between Himself And The Customer Accounts He Serviced. Rim Reimbursed The Manager $25,000. Effective January 1, 2008, The Manager Formed His Own Business And Transferred The Funds He Managed While At Robeco To That Business.

During Certain Times In 2002 And 2003, Robeco Usa Llc ("Robeco")1) Failed To Exercise Reasonable Supervision And Control With Respect To Certain Business Activities, Including Its Business Activities On The Trading Floor; 2) Committed Books And Records Violations By Failing To Possess And Maintain Original Floor Order Tickets, 3) Failed To Maintain The Firm'S Reserve Bank Account At The Required Level, 4) Failed To Obtain And Maintain The Physical Possession Or Control Of Fully-Paid And Excess Margin Securities Carried For The Accounts Of Customers, 5) Failed To Report To The Exchange Securities Accounts In Which Its Floor Broker Had An Interest; 6) Failed To Indicate On Trade Confirmations Whether Option Transactions Were Opening Or Closing Transactions; 7) Failed To Submit Accurate Account Type Indicators On System Orders; And 8) Failed To Maintain Written Procedures For Changes Of Customer Address.

Bruce Wimberly, An Employee Of Robeco Investment Management, Inc., Is Currently The Subject Of A Civil Proceeding Because While Employed At His Previous Firm In 2005, The Fund He Managed Invested In Gaming Stocks. As A Result, A Former Shareholder Filed A Complaint On 7/15/10 Against His Former Firm, Mr. Wimberly And Others.

Small Cap Value Equity Investment Performance

34. Returns audited?

Audited, GIPS compliant returns are provided from Q1 2000 through and including Q1 2011. Returns are audited by Ernst & Young.

Wellington Management Company
As of March 31, 2011

Organizational Background

1. Firm name, address, and telephone and fax number:
   Wellington Management Company
   280 Congress Street
   Boston, MA 02210
   T: 617-951-5000
   F: 617-263-4100

2.

	New Business Contact	Questionnaire Contact
Name	Scott C. Geary, CFA	Scott C. Geary, CFA
Title	Vice President, Business Development Manager	Vice President, Business Development Manager
Office	Two Embarcadero Center, Suite 1645 San Francisco, CA 94111 USA	Two Embarcadero Center, Suite 1645 San Francisco, CA 94111 USA
Phone	+1-415-627-1809	+1-415-627-1809
Fax	+1-617-289-5697	+1-617-289-5697
Email	scgeary@wellington.com	scgeary@wellington.com

3. Founded: 1928 Registered with the SEC: 1960

4. Firm's ownership structure and changes over the past five years:
   Wellington Management Company, llp (a limited liability partnership) has been an independent, private partnership since 1979, and no changes to the firm's form of ownership structure are contemplated. The firm is owned by 121 partners, all of whom are fully active in the firm. New partners are elected annually, and current partners retire in either June or December, after pre-notification to the managing partners and development of a succession plan. The managing partners are responsible for the governance of the partnership. Oversight of the business of the company is the responsibility of Perry Traquina, CEO, and the Executive Committee.

   There are no external entities with any ownership interest in the firm. Wellington Management Company, llp (WMC) has the following active operating affiliates:

   Wellington Trust Company, na
   Wellington Trust Company, na (Wellington Trust), a majority-owned subsidiary of WMC founded in 1982, is a limited purpose, nationally chartered trust company. Wellington Trust provides trustee and fiduciary investment management services to qualified institutional and high net worth clients through commingled portfolios and/or separate accounts. The investment functions of WMC and Wellington Trust are fully integrated.

   Wellington Management Advisers, Inc.
   Wellington Management Advisers, Inc. is a broker-dealer affiliate of WMC. This entity does not engage in retail brokerage, lending, securities underwriting, or proprietary trading. Its business is limited to introducing US prospects and clients to the investment management capabilities of the Wellington Management organization, including to prospects who ultimately may purchase interests in Wellington Management private funds.

   Wellington Management International Ltd
   Wellington Management International Ltd (WMIL), a private limited company registered in England and Wales (Reg. No. 4283513), is regulated in the conduct of investment business by the Financial Services Authority (FSA) of the UK. WMIL's predecessor, Wellington Management International, was founded in

1983. WMIL conducts business development, research, and portfolio management activities, and provides multi-functional client support services primarily in the United Kingdom, Europe, Africa, and the Middle East. In addition to its office in London, WMIL has a branch office in Frankfurt, Germany (opened in January 2011).

Wellington International Management Company Pte Ltd
Wellington International Management Company Pte Ltd (WIM), a private limited company organized in Singapore (Reg. No. 199504987R), conducts business development, research, and portfolio management activities, and provides multi-functional client support services primarily in Asia and Australia. In addition to its office in Singapore (opened in October 1996), WIM has offices in Sydney, Australia (opened in January 1997) and Tokyo, Japan (opened in October 1997).

Wellington Global Investment Management Ltd
Wellington Global Investment Management Ltd (WGIM) is a private limited company, incorporated in Hong Kong (Reg. No. 827603), which opened in October 2003. WGIM conducts business development, research, and portfolio management activities, and provides multi-functional client support services in the greater China region. WGIM also has a representative office in Beijing, which opened in September 2007.

Fund Entities
Wellington Management has several affiliated entities that exist solely to facilitate investment in the firm's sponsored hedge fund and offshore mutual fund products.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:
Wellington Management Company, llp (Wellington Management) maintains an extensive professional insurance program covering the firm and its global affiliates and subsidiaries. The program, as summarized below, is designed reasonably to protect the firm against undue financial burdens from insurable events in its business or geographic locations.

Errors & Omissions/Directors & Officers
Wellington Management's combined Errors & Omissions/Directors & Officers Liability (E&O/D&O) policy covers errors in client accounts and management liability in oversight of the firm and its affiliates. The customized policy is placed with St. Paul Travelers (St. Paul Surplus Lines Insurance Company) as lead insurer, in a syndicate with 22 other insurers.

The firm currently maintains a one-year, claims-made policy, with a single- and aggregate-loss limit in excess of $100 million. Wellington Management is responsible for a $10 million self-insured retention.

Fidelity Bond
The firm's Financial Institution Bond (more commonly, "Fidelity Bond") covers Wellington Management against various forms of crime. The bond has a single- and aggregate-loss limit of $25 million, a $100,000 per-event deductible, and a term of one year. Coverage is provided by two insurers, with the Chubb Group (Federal Insurance Company) as the lead.

ERISA Bond
Certain tax-qualified US client accounts of Wellington Management are subject to regulation under ERISA and require special bonding in amounts up to $1,000,000 per plan. In such instances, coverage is provided under a co-surety arrangement of seven carriers, with the Chubb Group (Federal Insurance Company) as the lead. The policy, which is renewable annually, carries no deductible per law.

General/Umbrella Liability
Wellington Management maintains general and excess liability insurance coverage for its worldwide operations. General liability coverage has at a minimum, a $1 million general aggregate limit, with $1 million sub-limits for various categories and a $1 million per-occurrence limit. Excess liability coverage exceeds $25 million per occurrence and in the aggregate. The firm also maintains a $1 million combined-single-limit hired and non-owned automobile liability policy. These coverages are currently insured under a one-year policy term.

Other Insurance
In each jurisdiction where Wellington Management maintains operations, additional insurance coverage is maintained pursuant to local regulation and the internal risk assessment of Wellington Management. Examples include workers compensation and employers liability coverage, and surety bonding.

Insurance levels have not changed materially in the past twelve months.

6. Litigation:
From time to time, Wellington Management is involved in litigation that arises in the ordinary course of its business, none of which is material with respect to the firm's investment management business or its clients.

In the last five years, Wellington Management Company, llp was involved in the following litigation. In 2004, Wellington Management was named as a defendant in a number of class action lawsuits brought by shareholders of certain mutual funds sponsored by the Hartford Financial Services Group for which Wellington Management serves as sub-adviser. In February 2008, the complaint was dismissed.

7. Judgments:
Wellington Management periodically receives requests and subpoenas from the US Securities and Exchange Commission (SEC) or its other regulators or authorities to provide information in regulatory and legal proceedings regarding Wellington Management's trading activities, securities of companies followed by the firm, and, in some cases, clients of the firm. From time to time, Wellington Management also receives requests from the SEC (or other regulators) for information on industry topics and practices. To the best of their knowledge and except as otherwise disclosed, Wellington Management is not the subject of any investigation or legal proceedings by any of its regulators or other authorities. There have been no judgments against the firm by governmental or regulatory agencies over the past five years.

In February 2004, they were informed by the SEC that an investigation had been initiated into some aspects of their trading and investment allocation policies and practices. In June 2007, the SEC notified Wellington Management that they had concluded their investigation. No enforcement action was recommended.

In March 2004, prior to the conclusion of its investigation, the SEC referred a portion of their inquiry to the US Department of Labor (DOL), which oversees certain aspects of Wellington Management's US employee benefit plan clients. The issue referred to the DOL relates to the use of electronic communication networks for trading securities on behalf of certain US employee benefit plan clients. Although the SEC notified Wellington Management in June 2007 that they had concluded their investigation and that no enforcement action was recommended, they have not been informed by the DOL as to the status of their inquiry.

In August 2010, they completed a review of a specific fixed income trade that was executed in a limited number of client portfolios earlier in the year. A London-based portfolio manager placed the trade while in possession of information that may be regarded as material, non-public information. The information related to a potential new fixed income issue and was received from a broker in the ordinary course of business. They have completed their review of this trade, and, as a result, that portfolio manager has left the firm by mutual agreement. None of their clients' portfolios was harmed by the trade and neither Wellington Management nor any of its personnel benefited in any way. They have been in contact with the UK Financial Services Authority, their regulator in London, and have been in discussions with other regulators, as appropriate.

8.

	Total Firm Assets				
	Market Value (Millions)	**Accounts Gained***	**Assets Gained (Millions)***	**Accounts Lost***	**Assets Lost (Millions)***
Dec 31, 2006	575,492	204	11,386	106	12,279
Dec 31, 2007	588,376	231	11,690	183	28,123
Dec 31, 2008	419,627	249	6,894	114	10,978

Dec 31, 2009	537,360	281	25,530	175	11,761
Dec 31, 2010	633,918	306	17,211	105	11,513
March 31, 2011	663,143	72	5,038	25	1,744

**Client-level data provided.*
Gains/losses are reported as client relationships gained and lost to the firm, including clients invested in commingled/pooled accounts. Not included are accounts that transfer across investment approaches, existing/retained clients of the firm that open/close additional accounts, in/outflows to existing client accounts, restructurings, or mergers/acquisitions.

9.

	Specified Small Cap Value Equity Product				
	Market Value (Millions)	**Accounts Gained***	**Assets Gained (Millions)***	**Accounts Lost***	**Assets Lost (Millions)***
Dec 31, 2006	2,095	2	9	0	0
Dec 31, 2007	2,070	1	<1	2	33
Dec 31, 2008	1,457	1	11	0	0
Dec 31, 2009	2,116	6	254	1	27
Dec 31, 2010	2,702	3	51	1	2
March 31, 2011	2,851	1	23	1	2

**Client-level data provided.*
Gains/losses are reported as client relationships gained and lost to the approach, including clients invested in commingled/pooled accounts. Not included are existing/retained clients in the approach that open/close additional accounts, in/outflows to existing client accounts, restructurings or mergers/acquisitions. Prior to first quarter 2008, also excluded were accounts that transferred across investment approaches.

Small Cap Value Equity Investment Services

10. Name of the product described in the remainder of response:
Small Cap Value

11. Firm's key members of the small cap value equity portfolio management team:

Name	Title	Yrs. W/ Firm	Yrs. Inv. Exp.
Timothy J. McCormack, CFA	Sr VP/Equity Portfolio Manager	11	23
Shaun F. Pedersen	Sr VP/Equity Portfolio Manager	7	21
Edmond C. Griffin, CFA	Asst VP/Equity Research Analyst	4	11
Benjamin R. Kennedy, CFA	Asst VP/Equity Product Management	3	8

12. Personnel turnover for investment professionals at both the firm and product levels:

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2006	1,805**	NA	0	0
Dec 31, 2007	1,982**	NA	0	0
Dec 31, 2008	1,842**	NA	1	1
Dec 31, 2009	1,790**	NA	0	0
Dec 31, 2010	1,844**	NA	0	0
March 31, 2011	1,860**	NA	0	0

**Over the past five years as of 12/31/10, investment professional turnover has been 9%.*
***Total number of individuals employed at Wellington Management at each year-end and YTD through 03/31/11.*
Small Cap Value Team Turnover
In August 2008, Equity Research Analyst Edmond Griffin joined the Team, after interning at the firm in 2007. On July 1, 2008, Equity Portfolio Manager Stephen O'Brien retired from Wellington Management after 25 years with the firm. There have been no other changes to the Team over the past five calendar years and year-to-date as of March 31, 2011.

13. As of March 31, 2011, the number of accounts, assets under management, median account size, and number of portfolio managers and analysts in the small cap value equity product:

Assets Under Mgt	Number of Investors*	Median Client Size**	Smallest Client Size**	Number of Portfolio Mgrs	Number of Inv Analysts
$2,851 mil	36/29	$74 mil	$11 mil	2	1

**Number of clients is the first number/number of accounts is the second number. Please note that the number of clients can exceed the number of accounts due to multiple clients invested in pooled accounts.*
***Account-level data.*

14. Vehicles through which the small cap value product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$2,437 mil	$25 mil
Commingled Fund	Y	$414 mil	$5 mil
Mutual Fund	N	NA	NA
Other (specify)	NA	NA	NA

**Wellington Management manages sub-advised mutual funds, which are classified as separate accounts.*

15. Asset limit:
The Small Cap Value approach is opportunistically refilling capacity that has become available and they expect that they are in the late stages of that refill effort. They evaluate capacity on a continual basis and they acknowledge that the approach is capacity-constrained given the securities it holds. They will close the approach to the extent additional assets adversely impact their ability to achieve their client's objectives.

They review each investment approach individually at inception and on an ongoing basis, considering a wide range of factors including product market cap range, current asset base, firmwide ownership in portfolio names, days of volume held in portfolio names, and resources and client load of each investment team. They have demonstrated a willingness to close approaches to new business when they felt that impending liquidity constraints could impair their ability to add value for existing clients. To the extent that assets and accounts grow to push the capacity of their investment, client service, and administration staff, they proactively hire additional professional employees to keep pace with that growth from a servicing perspective.

Small Cap Value Equity Investment Philosophy

16. Investment philosophy/strategy, style and distinguishing characteristics:
They believe that focusing on individual stock selection is the most predictable way to generate strong returns. Backed by Wellington Management's large and experienced research resources, they have a competitive advantage in investing in small cap stocks selling at modest valuation levels. Despite the significant number of stocks within this segment, there is less investment research in this area, thus making it the least efficient segment of the US market. The Portfolio focuses on high-quality companies trading at conservative valuations.

They believe the Small Cap Value style is most appropriately defined as a traditional value approach.

Wellington Management made an early commitment to small capitalization investing, starting with the inception of the Explorer Fund in 1975. This commitment is further evidenced by the experienced professionals who focus on small cap portfolio management and research, and by their extensive information sources and proprietary research.

The Small Cap Value Team benefits from the style-specific investment research provided by Equity Portfolio Manager Timothy McCormack, Equity Portfolio Manager Shaun Pedersen, and Equity Research Analyst Edmond Griffin. Moreover, the Team is supported by the resources of a large investment firm, which includes 49 global industry analysts. The combination of small cap specialists, supported by the broader investment infrastructure, provides an unusual breadth and depth of investment skills.

They consider their ability to make independent evaluations and to establish their own research priorities central to their ability to produce strong returns for their clients. They believe that the Small Cap Value

Portfolio operates in a relatively inefficient area of the market where differentiated research could lead to a performance advantage. They view their strong historical track record as validation for their investment approach.

17. Style bias:
Value

18. In what market environment(s) does the firm expect to out-perform the broad and small cap value markets:
The Portfolio tends to do well in periods when quality companies are rewarded, and has demonstrated strong relative performance in down markets when the Russell 2000 Value Index has corrected significantly. They believe the most difficult environment would be an extended period of speculation that is fairly narrowly-based or a momentum-driven market where fundamentals and valuation are ignored.

19. Normal, maximum and minimum levels of cash holdings.
Cash is typically less than 5%.

20. Benchmark:
Russell 2000 Value Index

21. How does the firm assess the liquidity of the small cap value equity market?
As with all of their approaches, they are continuously monitoring their capacity and liquidity profile. To date, they have not experienced any material liquidity issues in the running of this approach and do not envision any issues.

22. What securities other than common stock and cash equivalents will be held?
The Portfolio invests primarily in common stock and depositary receipts. In addition, the Portfolio may invest in real estate securities (including REITs), convertible bonds, preferred stock, rights, warrants, exchange-traded funds ("ETFs"), and similar liquid equity equivalents, as well as debt securities, cash and cash equivalents, and derivative instruments, all as deemed by the portfolio managers to be consistent with the investment discipline.

Additionally, up to 15% of the Portfolio's assets may be invested in private placements and other restricted securities deemed appropriate by the portfolio managers. Private placements include, but are not limited to, securities issued pursuant to Regulation D under the Securities Act of 1933.

The Portfolio has generally and historically not held securities other than common stock and cash/cash equivalents.

23. Expected tracking error of this product versus the Russell 2000 Value Index:
While the level and components of tracking error are monitored on a regular basis, there are no specific tracking error targets for the approach. Typically, projected tracking risk is expected to be between 400 and 800 basis points versus the Russell 2000 Value Index. They would expect a similar range versus the Russell 2500 Value Index.

Small Cap Value Equity Research Process

24. Process for identifying attractive securities.
The Small Cap Value approach focuses on high-quality companies with a proven record of above-average rates of profitability that sell at a discount relative to the overall small cap market. They believe that a company with a history of above-average profitability is likely to have a strong and sustainable competitive position within a market niche. These companies typically generate strong cash flows that can be used to build the value of the business or in some other way to benefit the shareholders (e.g., share repurchase, dividends, etc.).

The investment universe consists of all stocks within the combined market cap range of the Russell 2000 and S&P 600 indexes, with a focus generally between US$100 million and US$2 billion in market capitalization. These stocks are reviewed for certain financial and valuation criteria that correspond with their investment process and philosophy.

Companies with financial structures that are more conservative than their industry average, have longer histories of operating performance as a public company, and are highly rated by their proprietary research groups are given priority for further research. In their research efforts, they seek to understand the dynamics of the industry in which the company operates. This includes the factors that have enabled the company to earn above-average rates of return, and the sustainability of those factors. The quality of the management, strategic direction, and expectations with regards to the use of current and future cash flows are also integral components of the valuation process.

There are four primary reasons that a stock will be sold. First, stocks will be sold if the price exceeds their analysis of the company's fair value. They will also sell a stock when they believe the company is losing its competitive advantage or when the industry appears to be changing in a negative manner. Finally, stocks will generally be sold within three months if their market cap exceeds US$4 billion. This threshold may vary over time based on market movements.

Portfolio construction is a fallout of bottom-up stock selection. To the extent macroeconomic factors impact individual securities, they are considered part of their company-specific analysis.

The Small Cap Value Portfolio utilizes bottom-up, fundamental analysis. They believe that equity markets can be inefficient in the pricing of individual equity securities. This inefficiency makes it possible for an active investment strategy to outperform a passive or index strategy over time. They are, therefore, active investors in the equity markets. They further believe that their fundamental research as active investors enhances their ability to understand the true underlying value of individual equity securities.

25. Number of securities regularly followed by security analysts and/or portfolio managers:
60 to 90

Small Cap Value Equity Construction and Management

26. Portfolio construction and management process:
The Small Cap Value Team stresses a team-oriented approach to fundamental research and a broad sharing of investment ideas. Equity Portfolio Managers Timothy McCormack and Shaun Pedersen, while also analysts, make key investment decisions, with Tim as the lead equity portfolio manager on the approach. In this role, Tim is a primary point of contact on business and client issues, but both Tim and Shaun function as equity portfolio managers making buy and sell decisions. Edmond Griffin conducts fundamental analysis and makes buy/sell recommendations to the portfolio managers based on his findings and market conditions. Lastly, Benjamin Kennedy serves as the product management representative on the approach and supports the Team with portfolio-level analysis.

27. Current number, typical number and range of securities held in the product:

As of March 31, 2011	Typical Number*	Range
81	78	60 to 90

**Average number of equity names based on month-end data for the past five years as of 03/31/11.*

28.

Market Capitalization Range	Allocation as of March 31, 2011	Typical Allocation*	Possible Range of Allocation**
Less than $100 million	0.0%	0.3%	NA
Between $100 mil. and $500 mil.	5.0	11.4	NA
Between $500 mil. and $1 bil.	26.4	30.1	NA
Between $1 bil. and $3 bil.	58.3	55.6	NA
Between $3 bil. and $5 bil.	10.3	2.7	NA
Between $5 bil. and $10 bil.	0.0	0.0	NA
Between $10 and $20 billion	0.0	0.0	NA
Greater than $20 billion	0.0	0.0	NA
Median Market Capitalization	$1,386 mil	$1,097 mil	NA
Weighted Average Market Capitalization	1,624	1,301	NA

**Averages provided and are based on month-end data for the past five years as of 03/31/11.*
***The Portfolio will typically invest in any company with a market capitalization between US$100 million and the greater of US$2 billion or the top end of the combined market cap range of the Russell 2000 and S&P 600 small cap indexes at the time of initial purchase. Companies whose market capitalizations fall outside the market capitalization range after purchase continue to be eligible holdings for the Portfolio, and the Team may make additional purchases of those companies' securities.*

29. Firm's sell discipline:
As mentioned, there are four primary reasons that a stock will be sold. First, stocks will be sold if the price exceeds their analysis of the company's fair value. They will also sell a stock when they believe the company is losing its competitive advantage or when the industry appears to be changing in a negative manner. Finally, stocks will generally be sold within three months if their market cap exceeds US$4 billion. This threshold may vary over time based on market movements.

30. Average small cap value equity turnover:

Year	Turnover (annual)
2006	35%
2007	29
2008	36
2009	20
2010	18
YTD	16

Investment Management Fees

31. Fee schedules for the small cap value equity product:
Separate Account Fee Schedule

	Market Value	Fee in Percent
First	$25 million	0.90%
Next	$25 million	0.80
Over	$50 million	0.70

**Fee changes are not anticipated at this time, but could occur in the future.*
Separate account fees include investment management services only and do not include accounting, administration, or custody. Custody must be made on a third-party basis.

Commingled Fee Schedule

	Market Value	Fee in Percent
First	$25 million	0.90%
Next	$25 million	0.80
Over	$50 million	0.70

**Fee changes are not anticipated at this time, but could occur in the future.*
Commingled pool account fees consist of two components: 1) an investment management fee and 2) routine operating expenses (e.g., custody, accounting, audit, transfer agency, and other administrative expenses). Operating expenses are capped, separate from, and in addition to the investment management fee detailed in the table above. Currently, the operating expenses are capped at 0.05% per annum of the net assets of the Portfolio. Operating expenses above the capped amount will be borne by the trustee.

32. Does the firm use any service, information, or merchandise paid for with directed commissions:

Wellington Management receives internally generated broker research and third-party research services from brokers with whom they execute trades. Trades are placed with brokers who, in the judgment of Trading, can provide best available price and most favorable execution at a commission rate based on the execution requirements of the trade. The selection responsibility lies with the individual trader and these selections are reviewed regularly by the director of Equity Trading. In selecting a broker or dealer to execute a transaction, Wellington Management may consider the research services provided by a broker or dealer only when they reasonably determine that more than one broker or dealer can offer the brokerage and execution services needed to seek best available price and most favorable execution on that transaction. The research services they obtain through commission arrangements may include written research material and access to industry analysts and other experts in a variety of fields, such as corporate management, government officials, doctors, medical researchers, and scientists. The commission rate paid is based on the execution requirements of the trade without regard to research. Roughly 4% of Wellington Management's firmwide equity commissions are used for the payment of qualified third-party research services.

Wellington Management uses their largest broker counterparties for the bulk of their third-party research services. In addition, Wellington Management receives proprietary broker research as part of an overall bundled relationship with certain brokerage firms.

All services obtained on a commission basis qualify as research or execution under the provisions of applicable regulation including Section 28(e) of the United States Securities Exchange Act of 1934 and the requirements of the FSA Rules and Guidance as set forth in Policy Statement 05/9 on bundled brokerage and soft commission arrangements. All research commission services are reviewed by the firm's Research Services Committee.

Wellington Management does not have any soft commission arrangements for the referral of new business.

They will follow written client direction instructions on separately managed accounts as long as they can be accommodated within their brokerage policy that all executions be based on best available price and most favorable execution. Given their increased use of electronic trading venues and the large number of key brokers who have discontinued executing for commission recapture programs, they generally find that 1 to 10% of commissions can be directed to a preferred broker without diminishing their ability to seek best available price and most favorable execution on each trade. Naturally, this range is dependent on the investment style of the account, the broker to whom they are instructed to direct trades, and the markets in which the account is active.

33. ADV Review:

The firm's ADV was reviewed, no additional information was found.

Small Cap Value Equity Investment Performance

34. Returns audited?

The firm is GIPS compliant and is audited by Deloitte & Touche LLP. The most recent audit was completed December 31, 2002. Returns were provided from Q1 2000 through and including Q1 2011.

William Blair & Company, L.L.C.
As of March 31, 2011

Organizational Background

1. Firm name, address, and telephone and fax number:
   William Blair & Company, L.L.C.
   222 West Adams Street
   Chicago, IL 60606
   Phone: 312.236.1600
   Fax: 312.873.4399

2.

	New Business Contact	Questionnaire Contact
Name	John McLaughlin, CFA	John McLaughlin, CFA
Title	Principal	Principal
Office	Chicago, IL	Chicago, IL
Phone	312.364.8194	312.364.8194
Fax	312.264.0141	312.264.0141
Email	jmclaughlin@williamblair.com	jmclaughlin@williamblair.com

3. Founded: 1935 Registered with the SEC: 1947

4. Firm's ownership structure and changes over the past five years:
   The firm is a limited liability company 100% owned by WBC Holdings, L.P., a limited partnership. As of March 31, 2011, the firm had 171 limited partners of which 56 are within the Investment Management division. All limited partners are active employees of the firm. There have been no material ownership changes in the last five years nor are any contemplated. Within the last five years, 23 new limited partners have been elected from Investment Management. Each year, ownership of WBC Holdings, L.P. is reallocated based on a meritocracy system.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:
   Brokers Fidelity Bond
   All members of the New York Stock Exchange are required to carry brokers fidelity bond protection. In their firm's category, they are required to carry about $2 million in coverage. William Blair & Company carries a $40 million fidelity bond.

   Errors and Omissions
   William Blair & Company has purchased Errors and Omissions insurance in the amount of $25 million.

6. Litigation:
   William Blair & Company's Investment Management division has not been involved in any litigation over the past five years. Litigation involving the affiliates and other divisions of William Blair & Company is not believed to be material to Investment Management or its ability to service its clients.

7. Judgments:
   William Blair & Company's Investment Management division has not been not subject to a SEC or other regulatory body sanction over the past five years.

8.

	Total Firm Assets				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2006	$42,780.5	47	2,102.4	43	693.1
Dec 31, 2007	$48,981.5	30	632.9	41	994.8
Dec 31, 2008	$26,185.5	40	1,627.9	59	1,210.4
Dec 31, 2009	$36,643.8	43	1,540.2	47	605.5
Dec 31, 2010	$44,186.1	53	2,858.9	33	629.7
March 31, 2011	$46,039.2	6	499.9	7	58.5

Data listed by accounts only, not by client relationships.
Prior to 2011, data represents all Investment Management clients, excluding High Net Worth and Wrap accounts. Mutual Funds are listed as one account. Beginning 2011, gained & lost data represents all IM clients managed by institutional teams.

9.

	Specified Small Cap Value Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2006	$155.3	0	$0.0	3	$18.4
Dec 31, 2007	$51.8	0	$0.0	0	$0.0
Dec 31, 2008	$49.7	1	$14.1	0	$0.0
Dec 31, 2009	$78.8	0	$0.0	0	$0.0
Dec 31, 2010	$600.9	2	$405.1	0	$0.0
March 31, 2011	$706.9	0	$0.0	0	$0.0

The Small Cap Value Mutual Fund is considered one account. Over the past few years they have added clients, including a sizable corporate defined contribution client, into the mutual fund. In the 4th quarter of 2010, they had gains of two large separate accounts totaling approximately $400 million in assets – one fortune 100 corporate client and the other a financial institution.

Small Cap Value Equity Investment Services

10. Name of the product described in the remainder of response:
Institutional Small Cap Value

11. Firm's key members of the small cap value equity portfolio management team:

Name	Title	Yrs. W/ Firm	Yrs. Inv. Exp.
David Mitchell, CFA	Principal, Portfolio Manager	14	27
Mark Leslie, CFA	Principal, Portfolio Manager	5	20
Chad Kilmer, CFA	Principal, Portfolio Manager	5	11
Jim Karlis, CFA	Research Analyst	6	10
Steve Livingston, CFA	Research Analyst	4	7

12. Personnel turnover for investment professionals at both the firm and product levels:

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2006	5	0	1	0
Dec 31, 2007	9	1	1	0
Dec 31, 2008	5	5	0	0
Dec 31, 2009	4	0	0	0
Dec 31, 2010	5	0	1	0
March 31, 2011	6	1	0	0

13. As of March 31, 2011, the number of accounts, assets under management, median account size, and number of portfolio managers and analysts in the small cap value equity product:

Assets Under Mgt	Number of Investors	Median Client Size	Smallest Client Size	Number of Portfolio Mgrs	Number of Inv Analysts
$706.9mm	11	$31.5	$3.0	3	2

The largest account in the strategy is a corporate account totaling $170 million in assets at 3/31/2011.

14. Vehicles through which the small cap value product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$518.3	$5 million
Commingled Fund	N	N/A	N/A
Mutual Fund	Y	$188.6	Class I - $500,00 Class N: $5,000
Other (specify)	--	--	--

15. Asset limit:
$2.0 billion in small cap value assets, but they plan to close the Small Cap Value strategy at $1.5 billion in order to leave $500 million for a SMID Cap Value strategy.

Small Cap Value Equity Investment Philosophy

16. Investment philosophy/strategy, style and distinguishing characteristics:
Their philosophy is based on the belief that successful companies possess superior capital stewardship as characterized by strong cash flow generation, improving/sustainable return on invested capital, and shareholder-value focused managements. They believe the key to successful investing is striking a balance between attractive valuations and solid fundamentals. They look for this balance in two separate but somewhat overlapping categories: quality companies at discount prices and corporate transformation opportunities. They also feel it is critical to assess stock-specific downside risk. Their investment success is dependent on the consistent application of this philosophy.

17. Style bias:
Value

18. In what market environment(s) does the firm expect to out-perform the broad and small cap value markets:
Their Small Cap Value strategy seeks to outperform the Russell 2000® Value Index over a full market cycle. In normal appreciating markets they believe their focus on Return on Invested Capital and Cash Flow are strong indicators of subsequent stock price performance. Additionally, they believe their particular emphasis on Free Cash Flow-based valuation metrics tends to provide enhanced downside protection in negative market environments.

Although their stock selection tends to do well over long periods of time, there are certain market environments where their style of investing may encounter headwinds. Their focus on Return on Invested Capital and Cash Flow may disadvantage them during the early stages of an economic recovery when companies with negative earnings and/or highly leverage balance sheets tend to outperform. Their style of investing may also underperform in periods of rapidly declining interest rates when companies with highly leveraged balance sheets shed their bankruptcy threat discount. They consider both of these market environments short in nature and unsustainable. Furthermore, in a market environment where a smaller sector of the benchmark dramatically outperforms, those who do not share their relative sector neutrality approach may benefit from heavily overweighting the outperforming sector. Likewise, in an environment where a large sector of the benchmark dramatically underperforms, their sector neutrality could disadvantage them relative to peers who may benefit from heavily underweighting the large, underperforming sector.

19. Normal, maximum and minimum levels of cash holdings.
Cash is usually held at less than 5% of the portfolio (and preferably will be in the 1-2% range) and will generally not exceed 10% of the portfolio.

20. Benchmark:
Russell 2000® Value Index

21. How does the firm assess the liquidity of the small cap value equity market?
Liquidity is also a stock-specific risk that factors into position size as they attempt to limit volatility and market impact.

22. What securities other than common stock and cash equivalents will be held?
Other permissible investments include:
- Convertible bonds, debentures or preferred shares which are convertible into corporate stock
- Warrants or rights to equity securities

23. Expected tracking error of this product versus the Russell 2000 Value Index:
Over the last five years, their mean forecasted tracking error (Barra risk analytics) has been 4.5% and their realized tracking error has been 4.9%. Tracking error is not a metric that is specifically managed to by the team.

Small Cap Value Equity Research Process

24. Process for identifying attractive securities.
Their investment process is structured to deliver what they believe is the appropriate balance of valuation and fundamentals. They deploy a quantitative screening process on the front end followed by extensive fundamental analysis on an ongoing basis.

Their total small cap universe is approximately 3,300 stocks, primarily comprised of all stocks traded in U.S. Dollars on U.S. exchanges within the range of the Russell 2000® Value Index.

New research candidates are primarily generated via their screening process and secondarily through a variety of sources including management teams, industry consultants, research conferences, suppliers and vendors of existing holdings, and occasionally Wall Street analysts. In most cases their secondary sources are used in conjunction with their screens in idea generation, and more thoroughly in the fundamental analysis that follows.

Their proprietary screening process is unique in that it is driven by both valuation and fundamental metrics that focus on 25 key determinants of investment returns. Roughly 20 customized industry groups are screened based on the six to eight key determinants for that specific industry group. The output of the screen includes both valuation and fundamental scores in addition to a combined score for each company in their investable universe. This output results in an efficient and effective tool for identifying stocks for further fundamental investigation. Furthermore, these screens enhance their sell discipline and aid in "value trap" avoidance.

Fundamental analysis follows a two-stage process: 1) Preliminary Due Diligence and 2) Comprehensive Due Diligence. In the preliminary stage, they assess a variety of factors, seeking parallels to prior successful investments. They focus on companies that exhibit superior capital stewardship as characterized by having strong and/or improving Return on Invested Capital (ROIC), and those that not only generate strong cash flow, but deploy it to the benefit of shareholders. They ask ourselves the following:

- Is this a quality company or just a statistically cheap stock?
- Is this a potential corporate transformation?
- Does this company possess distinctive attributes that set it apart from its peers?

Comprehensive due diligence is then performed on candidates that emerge from the previous stage. This step entails more in-depth detailed financial analysis, competitive analysis, and management vetting.

Their detailed financial analysis includes proprietary financial modeling and valuation work. A multitude of questions are examined:

- Is the company's ROIC sustainable?
- Has strong cash flow resulted from improved working capital management that has reached its realistic limit?
- Is current valuation depressed due to some ephemeral factors or does it reflect permanent industry/company-specific changes?
- Is their financial modeling firmly grounded in history or does it require the company to achieve success not evident in its own or its industry's past?

Competitive analysis is also conducted in the comprehensive due diligence stage. The following questions are examined:

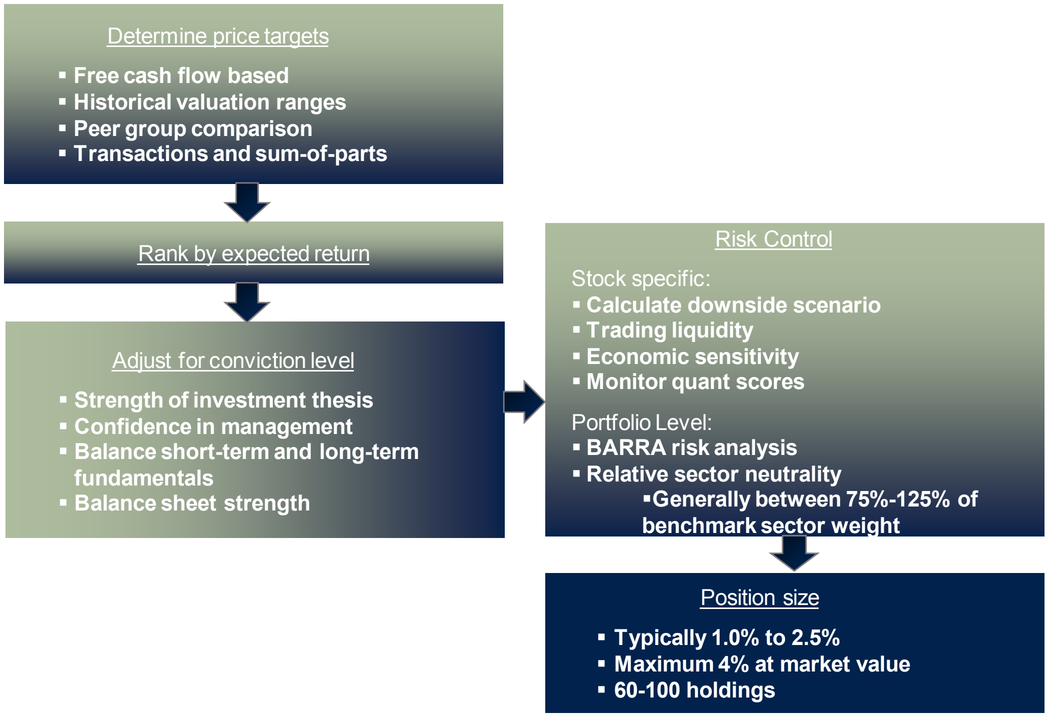
- What capabilities does the company possess that its peers lack?
- Are these sustainable competitive advantages?
- Is industry behavior rational?
- What are overall industry fundamentals?
- Is this a quality company in a fundamentally sound industry or is it simply the best house in a bad neighborhood?

Lastly, they begin the vetting process. Meetings with management are a critical component of their investment process, not only in idea generation, but in ongoing portfolio management. During the meeting they ascertain management's skill sets, their degree of focus on capital stewardship including cash flow generation and ROIC, the company's and industry's strategic direction, the fundamental soundness of that strategy, the realism of projected timelines in strategy execution, management depth, compensation drivers, and overall corporate governance.

25. Number of securities regularly followed by security analysts and/or portfolio managers:
Each analyst and portfolio manager acting as an analyst typically covers 30-50 stocks at any given time. This consists of current holdings and name on the watch list.

Small Cap Value Equity Construction and Management

26. Portfolio construction and management process:
Portfolio construction decisions are made on an ongoing basis by the portfolio management team. Allocations are made following in-depth discussions regarding relative merits of current portfolio holdings versus each other and potential candidates that may be more attractive. This process ensures their best thinking is incorporated in the portfolio. Each member of the portfolio management team also acts as a sector analyst and is responsible for generating ideas in his specific sectors of expertise. All portfolio construction decisions are consensus based and each member is fully accountable for each investment.



The portfolio construction process deployed is both fundamental and bottom-up in nature with a significant number of checks and balances throughout. A price target is determined for each stock in the portfolio as well as those under consideration for investment based on their cash flow forecasts, revenue and earnings forecasts, historical valuations, and industry transactions when available. They deploy the Graham-Dodd margin of safety principle with each stock, buying at a significant discount to their target price while trimming the position as it approaches the target. Targets are dynamic in nature and are adjusted based on new events and information. Based on current market price and target price, factoring in any dividend yield, they determine the expected total return for each position/candidate. They then rank the portfolio and investment candidates by expected total return.

However, they do not simply weight positions by their expected total return. First, they adjust for conviction level based on the strength of their investment thesis as well as any divergences between short-term and long-term fundamentals. Second, they adjust for risk, both stock-specific and at the portfolio level. At the stock level, while they utilize the margin of safety principle in purchases, they also estimate what additional downside risk may exist and weigh this against the upside potential. Liquidity is also a stock-specific risk that factors into position size as they attempt to limit volatility and market impact. With respect to individual holdings, their position size limit is 4% at market value. Typical position sizes are between 0.5% to 2.5%. At the portfolio level, they deploy BARRA analytics in order to better understand what overall risks are present in the portfolio and what can potentially be done to mitigate them without sacrificing expected return. They firmly believe that the majority of value-added is derived from stock selection. Therefore, as an offset to their bottom-up approach, they expect to maintain sector weights within plus or minus 25% of the Russell 2000® Value sector weights in order to minimize sector bets. Typically, the portfolio will hold between 60 – 100 names.

27. Current number, typical number and range of securities held in the product:

As of March 31, 2011	Typical Number	Range
90	83 (5yr ave)	60-100

28.

Market Capitalization Range	Allocation as of March 31, 2011	Typical Allocation	Possible Range of Allocation*
Less than $100 million	0.0%	0.0 – 1.8%	
Between $100 mil. and $500 mil.	18.2%	10.9 – 34.6%	
Between $500 mil. and $1 bil.	19.8%	14.5 - 31.9%	
Between $1 bil. and $3 bil.	57.7%	39.4 - 65.7%	
Between $3 bil. and $5 bil.	4.3%	0.0 – 6.9%	
Between $5 bil. and $10 bil.	0.0%	0.0 – 3.5%	
Between $10 and $20 billion	0.0%	0.0 – 0.0%	
Greater than $20 billion	0.0%	0.0 – 0.0%	
Median Market Capitalization	$1,266 mm	$581 mm - $1,341 mm	
Weighted Average Market Capitalization	$1,450 mm	$992 mm – 1,579 mm	

*Within the range of the Russell 2000 Value Index.

29. Firm's sell discipline:
They employ a three-part sell discipline. First, they ask ourselves if the investment thesis under which the security was purchased is still valid. They then try to determine if there has been a change in competitive dynamics, company strategy, or management that invalidates the thesis. If this is the case, the security becomes an immediate sell candidate. Secondly, they decide if the valuation is still reasonable and the expected total return still attractive. If not, the security also becomes an immediate sell candidate. Unanimous decisions are required in order to sell or trim a position. Finally, while the above criteria are more critical to their success, the portfolio construction parameters below represent the more objective parts of their sell discipline and risk control. First, when companies exceed $4 billion in market cap, they become a source of funds. Second, they limit any single portfolio position to no more than 4% of total portfolio value.

30. Average small cap value equity turnover:

Year	Turnover (annual)
2006	38.4%
2007	52.3%
2008	75.7%
2009	56.4%
2010	71.4%
YTD	68.8%

Investment Management Fees

31. Fee schedules for the small cap value equity product:

	Market Value	Fee in Percent
First	$10,000,000	1.00
Next	$20,000,000	0.95
Next	$20,000,000	0.90
Next	$50,000,000	0.85
Over	$100,000,000	0.80

32. Does the firm use any service, information, or merchandise paid for with directed commissions:
William Blair & Company consistently seeks to obtain best execution for their clients. Their brokerage commission practices are intended to be fully compliant with the requirements of Section 28(e) of the Securities Exchange Act of 1934. In 2010, William Blair & Company's third party soft dollar commissions represented approximately 5% of the total domestic equity commissions.

Third party soft dollar commissions are used to acquire independent research services regarding strategy, economics, markets, or specific securities. These research services augment William Blair's own internal research and investment strategy capabilities thereby providing greater breadth and depth of research to assist William Blair with the management of their clients' accounts. William Blair believes that its use of third party soft dollars is conservative relative to other investment advisors. For instance, William Blair does not pay for any "mixed use" services (i.e. services used for both research and non-research purposes) with client commissions.

Like many other institutional asset managers, William Blair also participates in "commission sharing arrangements" and "client commission arrangements" (collectively, "CSAs") under which William Blair may affect transactions through a broker-dealer or an Electronic Communication Network and request that such firm allocate a portion of the commissions or commission credits to another firm that provides research to William Blair. William Blair believes that participating in CSAs enables the Firm to consolidate payments for research through one or more channels using accumulated client commissions or credits from transactions executed through a particular broker-dealer or ECN to obtain research provided by other firms. CSAs also enable William Blair to strengthen its relationships with its key broker-dealers. Such arrangements also help to provide the continued receipt of research services while facilitating best execution in the trading process. William Blair also believes such research services are useful in its investment decision-making process by, among other things, providing access to a variety of quality research, access to individual analysts, and availability of resources that might not be available to the Firm absent such arrangements.

The Securities and Exchange Commission recently released interpretive guidance regarding client commission practices under Section 28(e) of the Securities Exchange Act of 1934. William Blair's brokerage commissions are used to purchase "brokerage and research services" in a manner that is intended to be fully compliant with the requirements of Section 28(e). In order to avoid the potential conflicts associated with the soft dollars and to ensure that the soft dollars are being utilized in a manner consistent with Section 28(e), William Blair utilizes a Brokerage Research/Commission Committee (the "Committee"). The Committee oversees all aspects of William Blair's research dollar allocations and third party soft dollar arrangements. The Committee serves as the control point for all decisions relating to commission allocations and soft dollars. The Committee in comprised of members from senior management of IM, IM Trading (domestic, international and fixed income) and the Director of IM Research. A member of the IM Legal and Compliance Department and a member of IM Client Service typically participate in the Committee's meetings.

For further information, refer to Attachment A for the firm's Best Execution, Equity Brokerage Research and Commission Policy described within the Form ADV, Part 2a.

33. ADV Review:

The firm's ADV was reviewed, the following information was found:
During The Third Quarter Of 2005 William Blair & Company ("The Firm") Allegedly Violated Sec Rule 11Ac1-4 By Failing To Immediately Display Twenty-Two (22)Customer Limit Orders In Nasdaq Securities, In Its Public Quotation. During The Same Time Period, The Firm Allegedly Violated Nasd Marketplace Rule 6955(A) By Transmitting To Oats, Reports Concerning Seventy (70) Orders That Contained Inaccurate, Incomplete, Or Improperly Formatted Data.

The Firm Was Notified On December 12, 2007 That The Nasd'S Office Of Disciplinary Affairs And The National Adjudicatory Council Had Accepted The Acceptance,Waiver And Consent (Awc) To Settle The Complaint. Without Admitting Or Denying The Allegations Contained In The Complaint, William Blair & Company Agreed To Pay The Fine Of $20,000 To Settle The Matter (Consisting Of $10,000 For The Limit Order Display Violations And $10,000 For The Oats Violations).

During The First And Fourth Quarters Of 2004, William Blair & Company ("The Firm") Allegedly Transmitted To Oats Reports That Contained Inaccurate, Incomplete Or Improperly Formatted Data And Failed To Submit Required Information To Oats Regarding One Order. On 18 Occasions During The Fourth Quarter Of 2004 The Firm Allegedly Failed To Comply With The Limit Order Display Rule.

Further, In The First Quarter Of 2004 The Firm Allegedly Failed To Conduct Independent Reviews Of Limit Orders To Ensure That The Automated Compliance System Was Working As Intended.

The Firm Was Notified On February 15, 2007 That The Nasd'S Office Of Disciplinary Affairs And The National Adjudicatory Council Had Accepted The Acceptance, Waiver And Consent (Awc) To Settle The Complaint. Without Admitting Or Denying The Allegations Contained In The Complaint, William Blair & Company Agreed To Pay The Fine Of $25,000 To Settle The Matter. The Fine Was Paid On March 9, 2007.

Between Approximately July 1999 And September 2000, William Blair & Company,L.L.C. Failed To Establish Written Supervisory Procedures Reasonably Designed To Achieve Compliance With The Nasd'S Free-Riding And Withholding Interpretation In That Its Existing Written Procedures Failed To Require A Periodic Review Of Accounts That Purchased Hot Issues To Confirm That Registered Representatives Had Performed Reasonable Due Diligence To Determine That The Account Was Not Restricted. During The Same Period, Stephen Elkins, A Principal Of William Blair & Company, L.L.C., Sold Hot Issue Securities To An Individual Who Was Registered With Another Member Of The Nasd, In His Personal Account And In An Account In Which The Individual Had A Beneficial Interest.

The Findings Of Three Examinations From 2006 (2006006387), 2007 (20070089900), And 2008 (20080133281) Were Combined And The Allegations Were That The Firm Failed To: Display Immediately 27 Customer Limit Orders In Nasdaq Securities And Transmitted To Oats 60 Reports That Contained Inaccurate, Incomplete, Or Improperly Formatted Data; Submit The Correct Buy, Sell, Sell Short Or Cross Symbol For 56 Transactions; On 69 Occasions Disclose That The Transaction Was Executed At An Average Price; Provide For One Or More Minimum Requirements For Adequate Supervisory Procedures; On Four Occasions Disclose Its Correct Capacity, On Six Occasions Disclose The Correct Compensation Type, And On One Occasion Disclose That The Transaction Was Executed At An Average Price And Data Used For Rule 605 Reporting Included Incorrect Information. The Transactions Involved Represented Less Than .01% Of Transactions Conducted During The Time Periods.

During The Third Quarter Of 2005 William Blair & Company ("The Firm") Allegedly Violated Sec Rule 11Ac1-4 By Failing To Immediately Display Twenty-Two (22)Customer Limit Orders In Nasdaq Securities, In Its Public Quotation. During The Same Time Period, The Firm Allegedly Violated Nasd Marketplace Rule 6955(A) By Transmitting To Oats, Reports Concerning Seventy (70) Orders That Contained Inaccurate, Incomplete, Or Improperly Formatted Data.

The Firm Was Notified On December 12, 2007 That The Nasd'S Office Of Disciplinary Affairs And The National Adjudicatory Council Had Accepted The Acceptance,Waiver And Consent (Awc) To Settle The Complaint. Without Admitting Or Denying The Allegations Contained In The Complaint, William Blair & Company Agreed To Pay The Fine Of $20,000 To Settle The Matter (Consisting Of $10,000 For The Limit Order Display Violations And $10,000 For The Oats Violations).

Small Cap Value Equity Investment Performance

34. Returns audited?
The composite has been calculated within GIPS® guidelines since its inception, and is being examined by Deloitte & Touche on an ongoing basis. The date of the most recent composite examination was 4/5/2010 for the 1/1/1999 - 12/31/2009 period. Deloitte & Touche is currently performing their examination for the 2010 period. Returns are provided from Q1 2000 through and including Q1 2011.

Definitions

Excess Returns - Returns in excess of the risk-free rate, a benchmark or in excess of another manager. A positive excess return indicates that the manager outperformed the benchmark for that period.

Given two return series (typically a manger and a benchmark), $x_1, \ldots, x_n$ and $y_1, \ldots, y_n$, the excess return series is defined as $er_1, \ldots, er_n = x_1 - y_1, \ldots, x_n - y_n$

Annualized Excess Return = Annualized Manager Return - Annualized Index Return

Standard Deviation - A measure of the average deviations of a return series from its mean; often used as a risk measure. A large standard deviation implies that there have been large swings or volatility in the manager's return series.

$$StDev_{(SD)} = \frac{[\,\Sigma\,(x_i - X)^2\,]^{1/2}}{n} \quad \text{or Square Root of the Variance} = \sqrt{(Var)}$$

$$\text{Ann StDev} = SD * \sqrt{(N_y)}$$

x_i = the *ith* observation
X = mean return for series
n = the number of observations
N_y = the number of periods in a year (4 if quarterly data, 12 if monthly data)

Tracking Error - A measure of the amount of active risk that is being taken by a manager. This statistic is computed by subtracting the return of a specified benchmark or index from the manager's return for each period and then calculating the standard deviation of those differences. A higher tracking error indicates a higher level of risk – not necessarily a higher level of return - being taken relative to the specified benchmark. Tracking error only accounts for deviations away from the benchmark, but does not signal in which directions these deviations occur (positive or negative).

TE = Standard Deviation of Excess Return

Information Ratio - This statistic is computed by subtracting the return of the market from the return of the manager to determine the excess return. The excess return is then divided by the standard deviation of the excess returns (or Tracking Error) to produce the information ratio. This ratio is a measure of the value added per unit of active risk by a manager over an index. Managers taking on higher levels of risk are expected to then generate higher levels of return, so a positive IR would indicate "efficient" use of risk by a manager. This is similar to the Sharpe Ratio, except this calculation is based on excess rates of return versus a benchmark instead of a risk-free rate.

$$IR = \frac{\text{Excess Return}}{\text{Tracking Error}}$$

Sharpe Ratio - This statistic is computed by subtracting the return of the risk-free index (typically 91-day T-bill or some other cash benchmark) from the return of the manager to determine the risk-adjusted excess return. This excess return is then divided by the standard deviation of the manager. A manager taking on risk, as opposed to investing in cash, is expected to generate higher returns and Sharpe measures how well the manager generated returns with that risk. In other words, it is a measurement of efficiency utilizing the relationship between annualized risk-free return and standard deviation. The higher the Sharpe Ratio, the greater efficiency produced by this manager. For example, a Sharpe Ratio of 1 is better than a ratio of 0.5.

$$Sharpe = \frac{\text{Ann Rtn}(x) - \text{Ann Rtn}(R_f)}{\text{Standard Deviation of } x}$$

R_f = Risk-free rate

Alpha - The incremental return of a manager when the market is stationary. In other words, it is the extra return due to non-market factors. This risk-adjusted factor takes into account both the performance of the market as a whole and the volatility of the manager. A positive alpha indicates that a manager has produced returns above the expected level at that risk level, and vice versa for a negative alpha. Alpha is the Y intercept of the regression line.

$$\text{Alpha}_{(\alpha)} = X - [\text{Beta} * Y]$$

X = the mean return for the manager
Y = the mean return for the index

Beta - This is a measure of a portfolio's volatility. Statistically, beta is the covariance of the portfolio in relation to the market. A beta of 1.00 implies perfect historical correlation of movement with the market. A higher beta manager will rise and fall more rapidly than the market, whereas a lower beta manager will rise and fall slower. For example, a 1.10 beta portfolio has historically been 10% more volatile than the market.

$$\text{Beta}_{(\beta)} = \frac{[(n)*\Sigma(x_i*y_i)] - (\Sigma\, x_i)(\Sigma\, y_i)}{[(n)*\Sigma(y_i^2)] - (\Sigma\, y_i)^2}$$

n = the number of observations

xi = the return of the first data series (*ith* observation)

yi = the return of the second data series (*ith* observation)

Generally, xi = the manager's return series and yi will be a specified index (benchmark)

R-Squared - Otherwise known as the *Coefficient of Determination*, this statistic, like beta, is a measure of a manager's movement in relation to the market. Generally, the R-Squared of a manager versus a benchmark is a measure of how closely related the variance of the manager returns and the variance of the benchmark returns are. In other words, the R-Squared measures the percent of a manager's return patterns that are "explained" by the market and ranges from 0 to 1. For example, an r-squared of 0.90 means that 90% of a portfolio's return can be explained by movement in the broad market (benchmark).

$$\text{R-Squared} = (r)^2$$

r = correlation coefficient