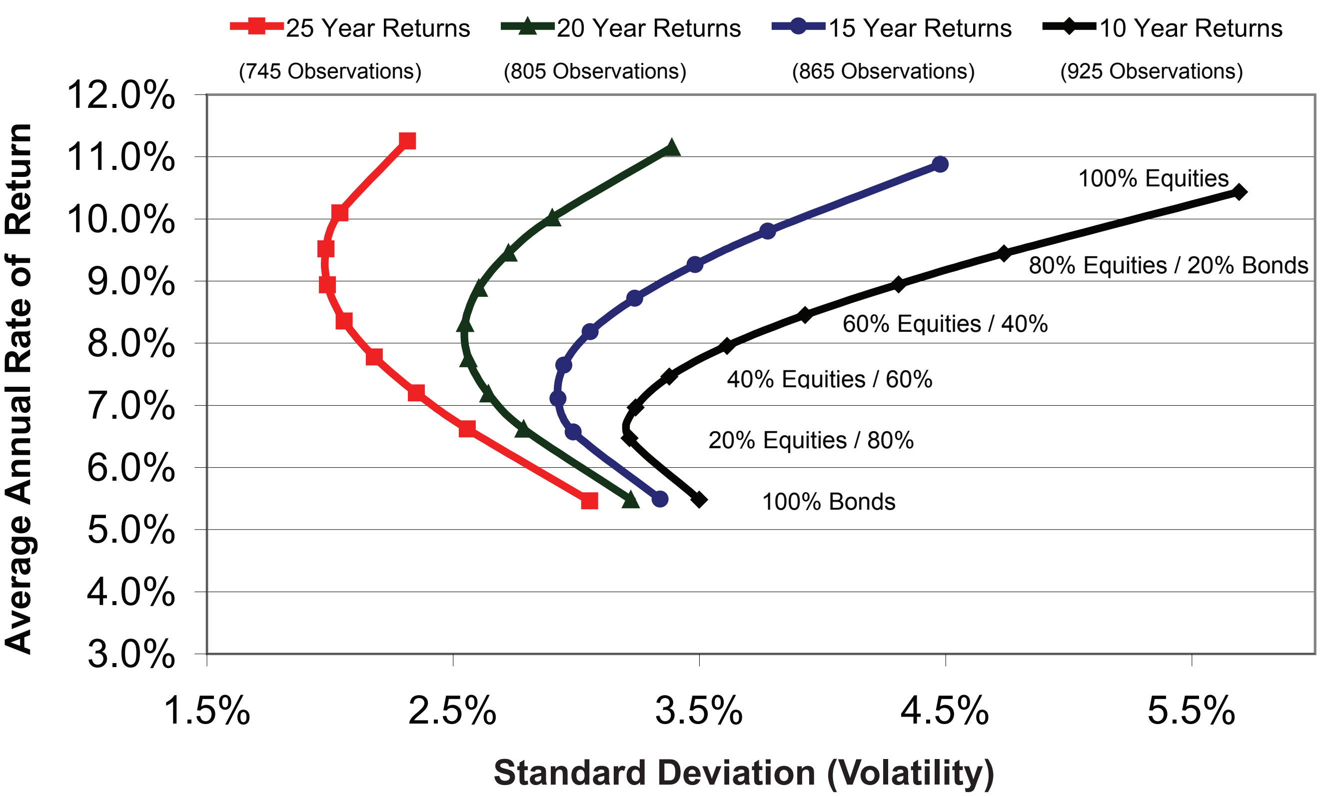
Asset Allocation & Time Horizon

Asset allocation and time horizon are the primary drivers of the volatility and return tradeoff within portfolios, based on our analysis. As noted in the chart below, the volatility associated with equity portfolios lessens over longer periods relative to more fixed income weighted portfolios. However, we believe time horizon alone cannot determine the optimal portfolio for a particular individual. The suitability of specific asset allocations is equally dependent on an individual's investment objectives and financial profile.

The chart below demonstrates the impact of asset allocation and time horizon on portfolio volatility and return. Standard deviation (a measure of volatility) represents the degree of positive and negative fluctuations in the average annual performance return for the 10, 15, 20, and 25 year rolling time periods between January 1926 and December 2011.

Long Term Asset Allocation

S&P 500 Total Return Index* / U.S. 10 Year Government Bond Total Return Index**
*Monthly Observations January 1926 Through December 2011



*Source: Global Financial Data, Inc.; as of 12/31/2011. *Returns prior to 1988 represent Global Financial Data, Inc.'s S&P 500 Total Return Index, which simulates what the returns of the S&P 500 Total Return Index had it been calculated back to 1926. The S&P 500 Composite Index is a capitalization-weighted, unmanaged index that measures 500 widely held US common stocks of leading companies in leading industries, representative of the broad US equity market. The performance of selected stocks is presented inclusive of dividends. **Returns prior to 1941 use the Federal Reserve Board's 10-15 year Treasury Bond Index. Returns from 1941 to present use the 10 year Treasury Bond Index. Performance is presented inclusive of dividends.*