



## Gallagher Retirement Services a Division of Gallagher Benefit Services, Inc.

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**Investment Monitoring: For the period ended 12/31/2011**

*Prepared for: Community Medical Center*

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## ***Executive Summary***

### ***Introduction***

Gallagher Retirement Services provides this quarterly review detailing the performance of the investment options in your retirement plan. Our objective with this report is to provide:

- a comprehensive analysis of the investment options in your plan
- notification of any conditions that may need to be assessed
- documentation of possible investment option changes

### ***Philosophy***

At Gallagher Retirement Services, we believe:

- every plan sponsor should be able to offer their employees a diversified menu of investment options encompassing a variety of investment styles;
- in selecting the investment menu without biases by selecting investment options that have demonstrated consistent performance; and
- in following a stringent selection and on-going reporting process

Gallagher Retirement Services has prepared this Investment Report to provide a detailed analysis of each investment option in your menu. It shows these investment options in comparison to the averages of their investment category and indexes. This report features information on the following fundamental components:

- Performance
- Risk Operations and
- Expenses



## MARKET OVERVIEWS – GBS Investment Consulting, LLC

Period Ended 12/31/2011

### Economy

- The Federal Reserve kept short-term rates near zero during the quarter, and the 2-year U.S. Treasury note finished the quarter yielding 0.3%.
- The Conference Board's Consumer Confidence Index increased 42.1% during the quarter to 64.5.
- The Consumer Price Index (CPI) fell 0.6% during the fourth quarter and rose 2.9% over the past year.
- Third quarter 2011 GDP growth increased 1.8% net of inflation. Positive contributions from consumer spending, nonresidential fixed investment and Federal Government spending were the main drivers of growth.
- The unemployment rate fell from 9.0% to 8.5% during the quarter.

### U.S. Equities

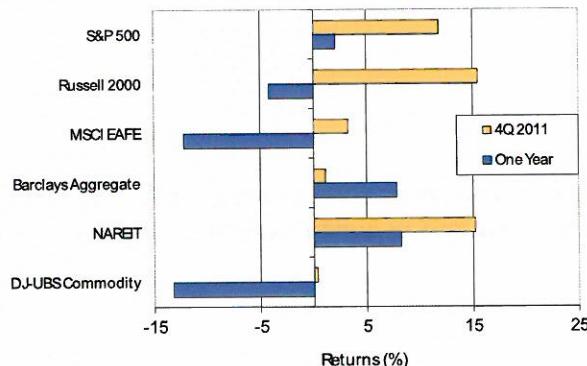
- All domestic equity indices posted solid gains during the quarter, fueled by a combination of improving fundamentals in the U.S. economy and increased optimism of an orderly solution to the Eurozone sovereign debt crisis.

U.S. Equity Returns(%)

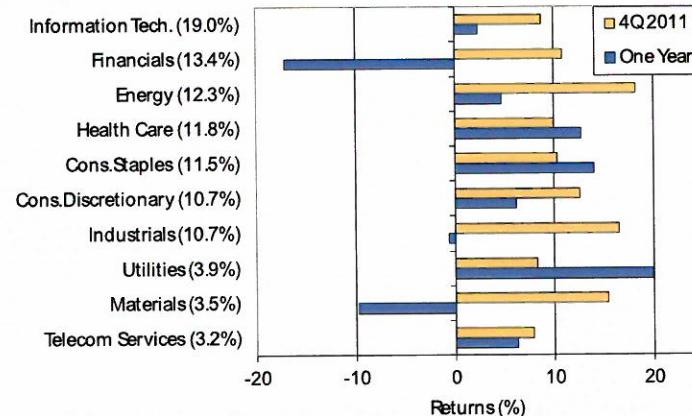
	Value	Core	Growth
Large	13.1 0.4	11.9 1.5	10.6 2.6
Mid	13.4 -1.4	12.3 -1.6	11.2 -1.7
Small	16.0 -5.5	15.5 -4.2	15.0 -2.9

Legend: 4Q 2011      Best total return during the period  
                  1 Year

Index Performance by Asset Class



U.S. Equities: Sector Performance



Index Sources: Standard & Poor's, Russell, MSCI Barra, Barclays Capital, Dow Jones, UBS. An index, such as but not limited to the S&P 500, is a portfolio of specific securities, the performance of which is often used as benchmark in judging the relative performance of certain asset classes. Indexes are unmanaged portfolios and investors cannot invest directly into an index. The index returns are all "Total Return" with dividends reinvested which means the returns include not only the change in price for the securities in the index, but any income generated by those securities. Historical results should not and cannot be viewed as an indicator of future results.



## MARKET OVERVIEWS – GBS Investment Consulting, LLC

Period Ended 12/31/2011

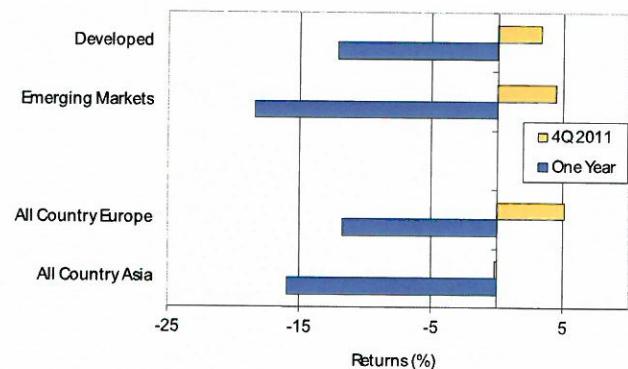
### International Equities

- The U.S. dollar rose 3.5% against the euro and was flat versus the yen during the quarter.
- Among developed nation stock markets, the U.K. gained 9.1% and Japan fell 3.9% during the quarter. Greece was the worst performing developed market for the third consecutive quarter, falling 27.5%. Greece was down 62.8% for the year.
- The Emerging Markets index gained 4.4% during the quarter as inflation cooled, quelling fears of continued interest rate hikes by emerging markets central banks.
- Among Emerging Markets, Peru posted the best quarterly return (12.5%) and Turkey the worst (-15.7%).

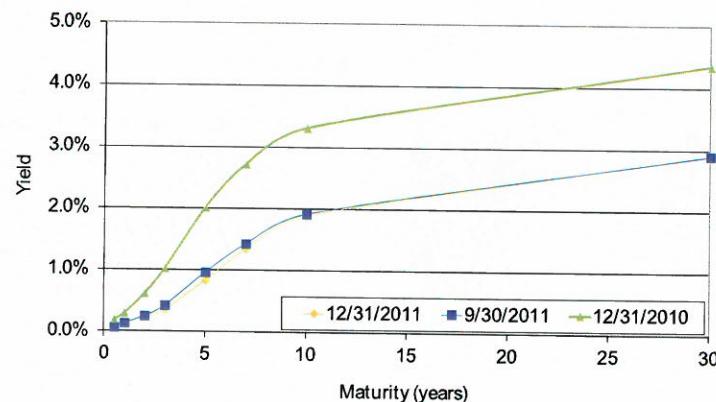
### Fixed Income

- The yield curve ended the quarter relatively unchanged from the previous quarter despite a broad rally in the global equity markets.
- Lower quality outperformed during the fourth quarter, although U.S. Treasuries posted the highest returns over the full year.

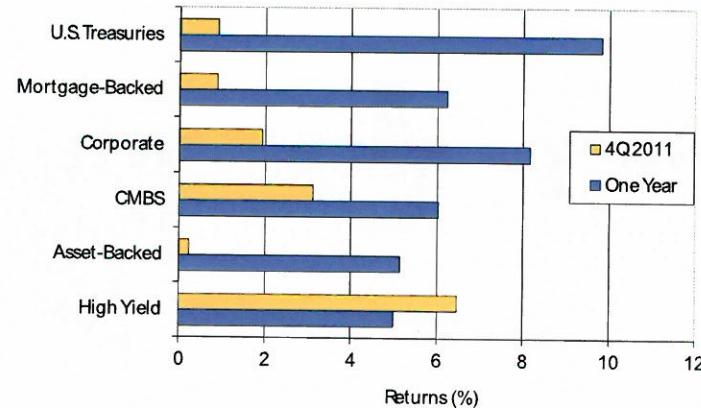
### International Equities: Market Performance



### Treasury Yield Curve: 12/31/11, 9/30/11 and 12/31/10



### Fixed Income: Sector Performance



Index Sources: Standard & Poor's, Russell, MSCI Barra, Barclays Capital, Dow Jones, UBS. An index, such as but not limited to the S&P 500, is a portfolio of specific securities, the performance of which is often used as benchmark in judging the relative performance of certain asset classes. Indexes are unmanaged portfolios and investors cannot invest directly into an index. The index returns are all "Total Return" with dividends reinvested which means the returns include not only the change in price for the securities in the index, but any income generated by those securities. Historical results should not and cannot be viewed as an indicator of future results.

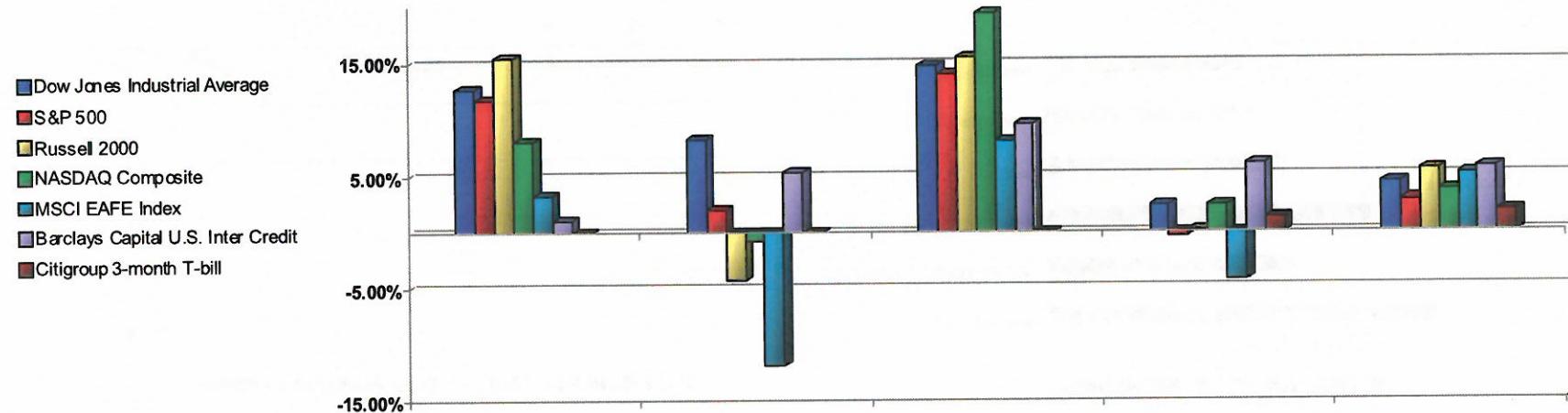


## MARKET OVERVIEWS

Period Ended 12/31/2011

### Broad Markets

2011 was shaping up to be a fairly calm year until the market faced a rapid sell-off in July as a government stalemate over the debt ceiling and weakening economic data panicked investors. Weakening data created fears of a double-dip recession and brought back memories of 2008, causing a sharp double-digit selloff in the market in late summer. By the end of the year, investor sentiment turned back positive. The U.S. Market's sharp rally in the fourth quarter helped partially erase the weak third quarter.



	Current Quarter	One Year	Three Year	Five Year	Ten Year
Dow Jones	12.78%	8.38%	14.89%	2.37%	4.57%
S&P 500	11.82%	2.11%	14.11%	-0.25%	2.92%
Russell 2000	15.47%	-4.18%	15.63%	0.15%	5.62%
NASDAQ Composite	8.21%	-0.76%	19.39%	2.45%	3.74%
MSCI EAFE Index	3.38%	-11.73%	8.16%	-4.26%	5.12%
Barclays Capital U.S. Intermediate Credit	1.13%	5.37%	9.59%	6.21%	5.79%
Citigroup 3-month T-bill	0.01%	0.08%	0.12%	1.36%	1.85%

Source: Morningstar. See disclosures at the end of the report.

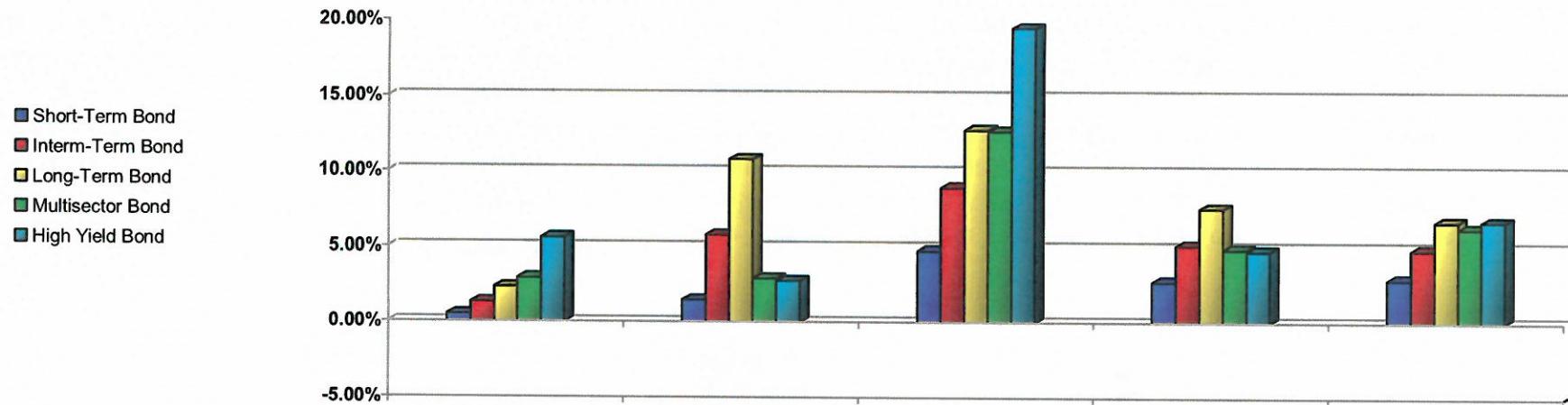


## MARKET OVERVIEWS

### Fixed Income - Active Management Overview

Period Ended 12/31/2011

Over the course of 2011, fixed income markets priced in increasingly higher default risk for both sovereign and corporate bonds. Even though credit spreads widened, fixed income indexes realized gains as investors flocked to the safety of U.S. and German treasuries, driving interest rates lower. We expect continued volatility ahead, providing opportunities to take advantage of sell-offs and recoveries. U.S. corporate bonds appear particularly attractive as default risk has not increased as much as credit spreads have widened.



	Current Quarter	One Year	Three Year	Five Year	Ten Year
Short-Term Bond	0.52%	1.49%	4.77%	2.73%	2.88%
Inter-Term Bond	1.33%	5.78%	8.94%	5.13%	4.84%
Long-Term Bond	2.32%	10.79%	12.77%	7.58%	6.72%
Multisector Bond	2.93%	2.90%	12.68%	4.87%	6.26%
High Yield Bond	5.60%	2.75%	19.54%	4.77%	6.73%

Source: Morningstar. See disclosures at the end of the report.

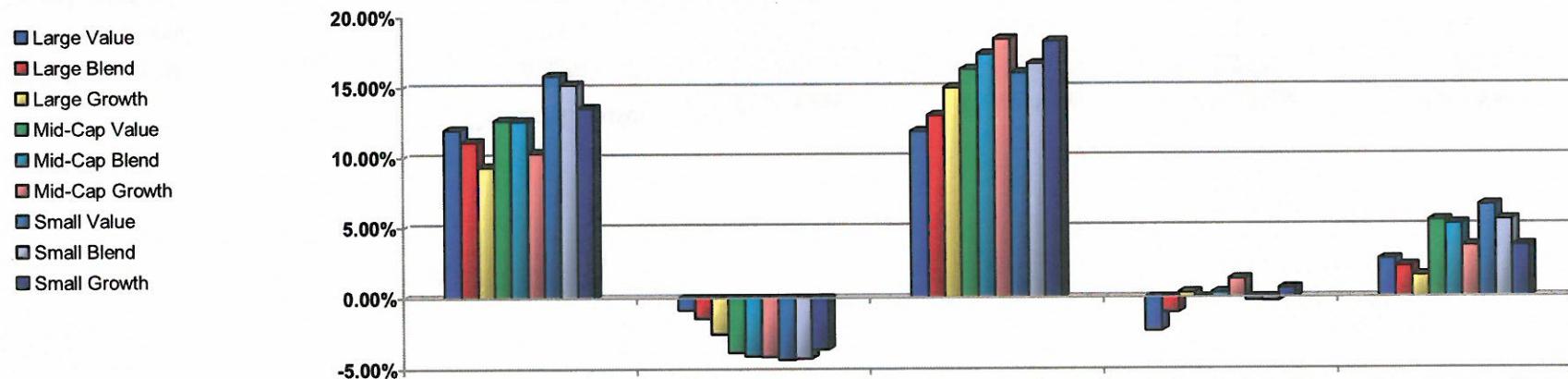


## MARKET OVERVIEWS

### Domestic Equity - Active Management Overview

Period Ended 12/31/2011

Active managers struggled to beat their benchmarks in the fourth quarter. Just two of the nine groups had more than 50% of managers beat their benchmark. Mid Growth managers had the best performance with 74.9% beating the benchmark, however the managers faced a low hurdle with the benchmark having a small return. Small Core managers had the second best performance, beating the benchmark, which was surprising given that it was one of the top performing benchmarks. Mid Core managers had the toughest time this quarter, with less than 20% of managers beating the benchmark.



	Current Quarter	One Year	Three Year	Five Year	Ten Year
Large Value	12.00%	-0.84%	11.88%	-2.34%	2.69%
Large Blend	11.15%	-1.40%	13.00%	-1.02%	2.20%
Large Growth	9.34%	-2.56%	14.99%	0.34%	1.52%
Mid-Cap Value	12.68%	-3.86%	16.27%	-0.01%	5.46%
Mid-Cap Blend	12.63%	-4.11%	17.38%	0.37%	5.18%
Mid-Cap Growth	10.35%	-4.15%	18.43%	1.33%	3.64%
Small Value	15.86%	-4.33%	16.04%	-0.21%	6.54%
Small Blend	15.22%	-4.28%	16.68%	-0.22%	5.47%
Small Growth	13.54%	-3.64%	18.25%	0.65%	3.63%

Source: Morningstar. See disclosures at the end of the report.

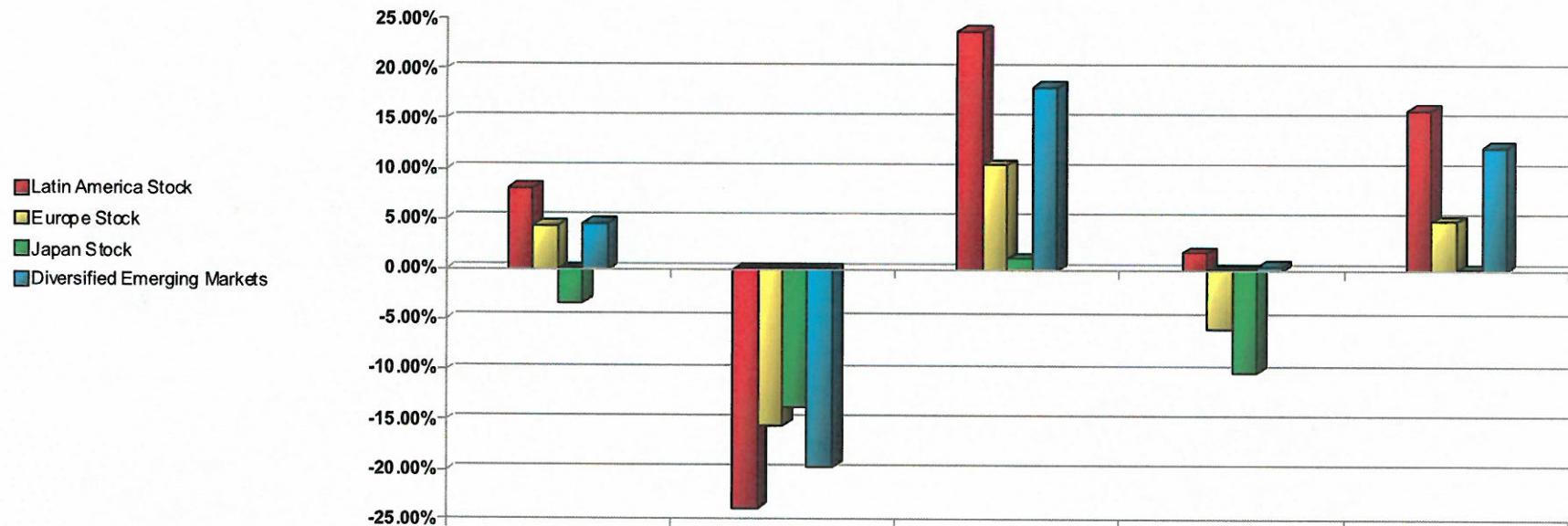


## MARKET OVERVIEWS

### International Equity - Active Management Overview

Period Ended 12/31/2011

Global markets posted disappointing returns in 2011 as investors wrestled with uncertainty stemming from European debt crisis, lackluster economic recovery and monetary tightening in key emerging markets like China. Markets were characterized by sharp volatility and investors gravitated towards safer asset like long term treasury, high quality dividend stocks and gold.



	Current Quarter	One Year	Three Year	Five Year	Ten Year
Latin America Stock	8.11%	-23.73%	23.86%	1.79%	15.93%
Europe Stock	4.44%	-15.47%	10.45%	-5.72%	4.92%
Japan Stock	-3.28%	-13.72%	1.18%	-10.13%	0.14%
Diversified Emerging Markets	4.56%	-19.59%	18.26%	0.44%	12.30%

Source: Morningstar. See disclosures at the end of the report.



# The Periodic Table of Investment Returns – GBS Investment Consulting, LLC

Period Ended 12/31/2011

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
BC Long G/C 14.84%	MSCI Emerging 55.81%	MSCI Emerging 25.55%	MSCI Emerging 33.41%	MSCI Emerging 32.17%	MSCI Emerging 39.38%	BC Long G/C 8.45%	MSCI Emerging 78.51%	Russell 2000 Growth 29.09%	BC Long G/C 22.49%
BC AGG 10.27%	Russell 2000 Growth 48.53%	Russell Mid-Cap Value 23.70%	MSCI EAFE 13.37%	MSCI EAFE 26.35%	Russell 1000 Growth 11.82%	BC AGG 5.24%	Russell Mid-Cap Growth 46.29%	Russell 2000 26.85%	BC AGG 7.84%
T-bills 1.67%	Russell 2000 47.25%	Russell 2000 Value 22.25%	Russell Mid-Cap Value 12.64%	Russell 2000 Value 23.48%	Russell Mid-Cap Growth 11.42%	T-bills 1.36%	S&P Mid-Cap 37.38%	S&P Mid-Cap 26.64%	T-bills 0.01%
MSCI Emerging -6.04%	Russell 2000 Value 46.02%	MSCI EAFE 20.25%	S&P Mid-Cap 12.56%	Russell 1000 Value 22.22%	MSCI EAFE 11.17%	Russell 2000 Value -28.93%	Russell 1000 Growth 37.21%	Russell Mid-Cap Growth 26.38%	Russell 1000 Growth 2.64%
Russell Mid-Cap Value -9.66%	Russell Mid-Cap Growth 42.72%	Russell 2000 18.33%	Russell Mid-Cap Growth 12.10%	Russell Mid-Cap Value 20.21%	S&P Mid-Cap 7.98%	Russell 2000 -33.80%	Russell 2000 Growth 34.47%	Russell Mid-Cap Value 24.75%	S&P 500 2.11%
Russell 2000 Value -11.42%	MSCI EAFE 38.60%	S&P Mid-Cap 16.53%	Russell 1000 Value 7.04%	Russell 2000 18.35%	Russell 2000 Growth 7.04%	S&P Mid-Cap -36.23%	Russell Mid-Cap Value 34.21%	Russell 2000 Value 24.50%	Russell 1000 Value 0.39%
S&P Mid-Cap -14.51%	Russell Mid-Cap Value 38.06%	Russell 1000 Value 16.49%	BC Long G/C 5.34%	S&P 500 15.81%	BC AGG 6.96%	Russell 1000 Value -36.85%	MSCI EAFE 31.78%	MSCI Emerging 18.88%	Russell Mid-Cap Growth -1.65%
Russell 1000 Value -15.53%	S&P Mid-Cap 35.62%	Russell Mid-Cap Growth 15.48%	Russell 1000 Growth 5.27%	Russell 2000 Growth 13.35%	BC Long G/C 6.60%	S&P 500 -36.99%	Russell 2000 27.17%	Russell 1000 Growth 16.71%	Russell Mid-Cap Value -1.38%
MSCI EAFE -15.94%	Russell 1000 Value 30.03%	Russell 2000 Growth 14.31%	S&P 500 4.91%	Russell Mid-Cap Growth 10.64%	S&P 500 5.50%	Russell 1000 Growth -38.43%	S&P 500 26.46%	Russell 1000 Value 15.51%	S&P Mid-Cap -1.73%
Russell 2000 -20.48%	Russell 1000 Growth 29.76%	S&P 500 10.88%	Russell 2000 Value 4.70%	S&P Mid-Cap 10.32%	T-bills 4.35%	Russell Mid-Cap Value -38.44%	Russell 2000 Value 20.58%	S&P 500 15.06%	MSCI EAFE -12.14%
S&P 500 -22.10%	S&P 500 28.72%	BC Long G/C 8.56%	Russell 2000 4.55%	Russell 1000 Growth 9.09%	Russell 1000 Value -0.17%	Russell 2000 Growth -38.53%	Russell 1000 Value 19.69%	BC Long G/C 10.16%	Russell 2000 Growth -2.91%
Russell Mid-Cap Growth -27.41%	BC Long G/C 5.88%	Russell 1000 Growth 6.30%	Russell 2000 Growth 4.14%	T-bills 4.73%	Russell Mid-Cap Value -1.43%	MSCI EAFE -43.39%	BC AGG 5.93%	MSCI EAFE 7.75%	Russell 2000 -4.18%
Russell 1000 Growth -27.89%	BC AGG 4.11%	BC AGG 4.34%	T-bills 3.15%	BC AGG 4.33%	Russell 2000 -1.55%	Russell Mid-Cap Growth -44.32%	BC Long G/C 1.92%	BC AGG 6.54%	Russell 2000 Value -5.50%
Russell 2000 Growth -30.27%	T-bills 1.13%	T-bills 1.37%	BC AGG 2.43%	BC Long G/C 2.73%	Russell 2000 Value -9.77%	MSCI Emerging -53.33%	T-bills 0.16%	T-bills 0.13%	MSCI Emerging -18.42%

Returns for selected asset classes (2002-through December 30, 2011) ranked in order of performance (best to worst). The above chart highlights the random nature of asset class returns. Past performance is not indicative of future results, making it difficult to predict which asset class will perform best in the next year. Long-term investors are best served by relying on a diversified portfolio to meet their goals.



## Description of Indices – GBS Investment Consulting, LLC

Period Ended 12/31/2011

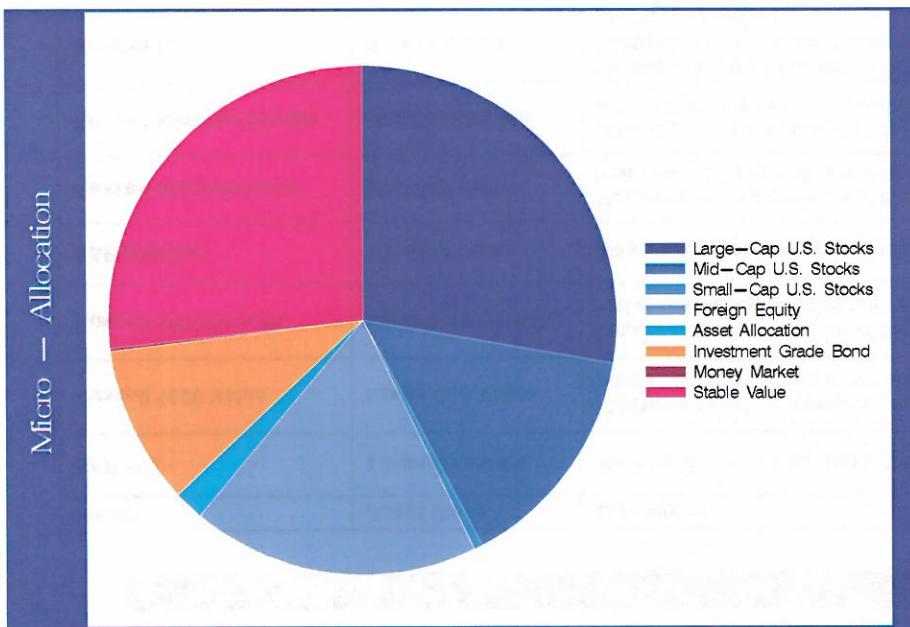
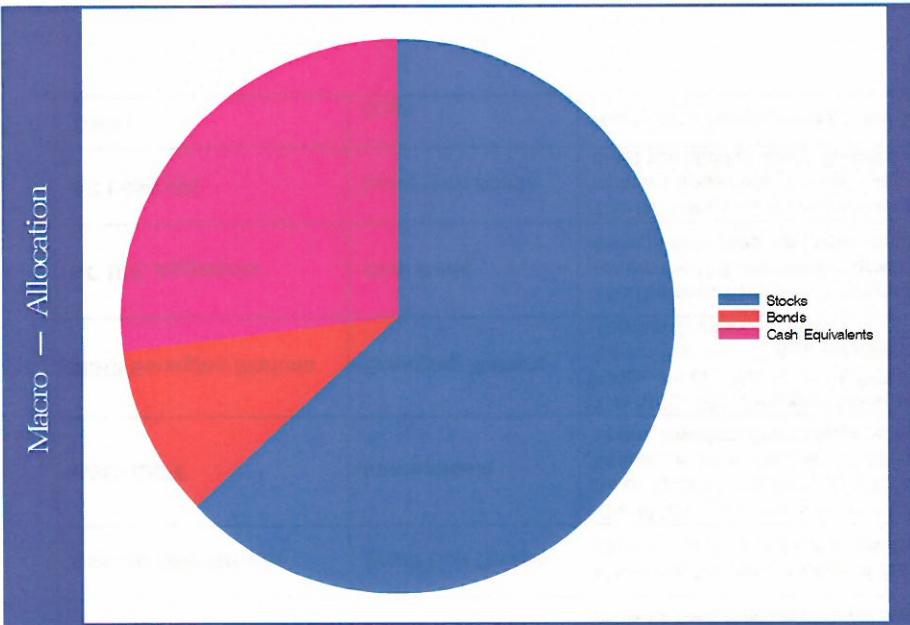
Index*	Asset Class	Description
S&P 500	Large-Cap Core	Represents the 500 leading U.S. companies in leading industries with market capitalizations that exceed \$3.5 billion, as of 11/2010.
Russell 1000 Value	Large-Cap Value	Measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values.
Russell 1000 Growth	Large-Cap Growth	Measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.
S&P Mid-Cap	Mid-Cap Core	Measures the performance of mid-sized companies with market capitalizations ranging from \$850 million to \$3.8 billion, as of 11/2010.
Russell Mid-Cap Value	Mid-Cap Value	Measures the performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values.
Russell Mid-Cap Growth	Mid-Cap Growth	Measures the performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell Midcap Index companies with higher price-to-book ratios and higher forecasted growth values.
Russell 2000	Small-Cap Core	Measures the performance of the small-cap segment of the U.S. equity universe. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership. The typical market capitalization ranges from \$100 million to \$2.3 billion, as of 5/2010.
Russell 2000 Value	Small-Cap Value	Measures the performance of small-cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.
Russell 2000 Growth	Small-Cap Growth	Measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher price-to-value ratios and higher forecasted growth values.
MSCI EAFE	International	The MSCI EAFE Index (Europe, Australasia, Far East) measures the equity market performance of developed markets, ex the US & Canada. As of 12/2010 the MSCI EAFE Index consisted of the following 22 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, The Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.
MSCI Emerging Markets	Emerging Markets	The MSCI EM (Emerging Markets) measures the equity market performance of the emerging market countries of Europe, the Middle East & Africa. As of 12/2010, the MSCI EM Index consisted of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, Turkey.
BC U.S. Aggregate	Core Bond	The Barclays Capital U.S. Aggregate Index represents securities that are SEC-registered, taxable, and U.S. dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.
BC Long G/C	Long-term bonds	The BC Long G/C Index includes long duration bonds from the Government and Credit segments of the bond market. The Government Index includes treasuries and agencies. The Credit Index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.
T-Bills	Cash	Represents the return of 91-day T-bills.



## Asset Allocation

Macro — Allocation

Micro — Allocation



Description	Weight	Current Value
<b>Bonds</b>	<b>10.05%</b>	<b>\$6,594,953.13</b>
PARRX PIMCO Real Return Admin	0.08%	\$53,825.25
OGGAX JPMorgan Government Bond A	9.30%	\$6,100,758.19
PTRAX PIMCO Total Return Admin	0.67%	\$440,369.69
	<b>63.00%</b>	<b>\$41,329,364.28</b>
<b>Stocks</b>	<b>27.75%</b>	<b>\$18,202,206.16</b>
ACSTX Invesco Van Kampen Comstock A	10.16%	\$6,665,291.58
JMUEX JPMorgan US Equity Instl	2.76%	\$1,811,133.93
PSIFX Prudential Stock Index Z	0.84%	\$553,495.87
MIGFX MFS Massachusetts Investors Gr Stk A	0.89%	\$586,128.95
PJFZX Prudential Jennison Growth Z	13.09%	\$8,586,155.83
	<b>14.51%</b>	<b>\$9,521,605.18</b>
<b>Mid-Cap U.S. Sto</b>	<b>0.56%</b>	<b>\$364,724.70</b>
CMUAX Columbia Mid Cap Value A	0.64%	\$420,675.25
VETAX Victory Established Value A	5.27%	\$3,454,846.76
GGOAX Goldman Sachs Growth Opportunities A	2.92%	\$1,918,167.02
PEGZX Prudential Jennison Mid Cap Growth Z	5.68%	\$3,727,916.15
	<b>0.56%</b>	<b>\$364,724.70</b>
<b>Small-Cap U.S. S</b>	<b>1.89%</b>	<b>\$1,236,886.33</b>
PCVAX Allianz NFJ Small Cap Value A	0.56%	\$364,724.70
	<b>18.30%</b>	<b>\$12,003,941.91</b>
<b>Asset Allocation</b>	<b>18.29%</b>	<b>\$12,000,365.30</b>
SVBAX JHancock Balanced A	1.89%	\$1,236,886.33
	<b>0.01%</b>	<b>\$3,576.61</b>
<b>Foreign Equity</b>	<b>26.94%</b>	<b>\$17,674,493.37</b>
AEPGX American Funds EuroPacific Gr A	18.29%	\$12,000,365.30
ODVYX Oppenheimer Developing Markets Y	0.01%	\$3,576.61
	<b>0.15%</b>	<b>\$95,896.72</b>
<b>Cash Equivalents</b>	<b>26.80%</b>	<b>\$17,578,596.65</b>
Money Mart Assets A	0.15%	\$95,896.72
	<b>26.80%</b>	<b>\$17,578,596.65</b>
<b>Stable Value</b>	<b>26.80%</b>	<b>\$17,578,596.65</b>
Prudential Guaranteed Interest Account	26.80%	\$17,578,596.65
	<b>100.00%</b>	<b>\$65,598,810.78</b>

Fourth Quater - 12/31/2011



Gallagher Retirement Services  
a Division of Gallagher Benefit Services, Inc.

Community Medical Center  
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## Asset Class Representation

### Morningstar® Domestic Equity Style Box™

	Value	Blend	Growth	
Large	<ul style="list-style-type: none"> <li>- Invesco Van Kampen Comstock A</li> </ul>	<ul style="list-style-type: none"> <li>- JPMorgan US Equity Instl</li> <li>- Prudential Stock Index Z</li> </ul>	<ul style="list-style-type: none"> <li>- MFS Massachusetts Investors Gr Stk A</li> <li>- Prudential Jennison Growth Z</li> </ul>	27.75%
Medium	<ul style="list-style-type: none"> <li>- Columbia Mid Cap Value A</li> <li>- Victory Established Value A</li> </ul>		<ul style="list-style-type: none"> <li>- Goldman Sachs Growth Opportunities A</li> <li>- Prudential Jennison Mid Cap Growth Z</li> </ul>	14.51%
Small	<ul style="list-style-type: none"> <li>- Allianz NFJ Small Cap Value A</li> </ul>			0.56%
	16.62%	3.60%	22.59%	42.82%

### Morningstar® Domestic Equity Style Box™

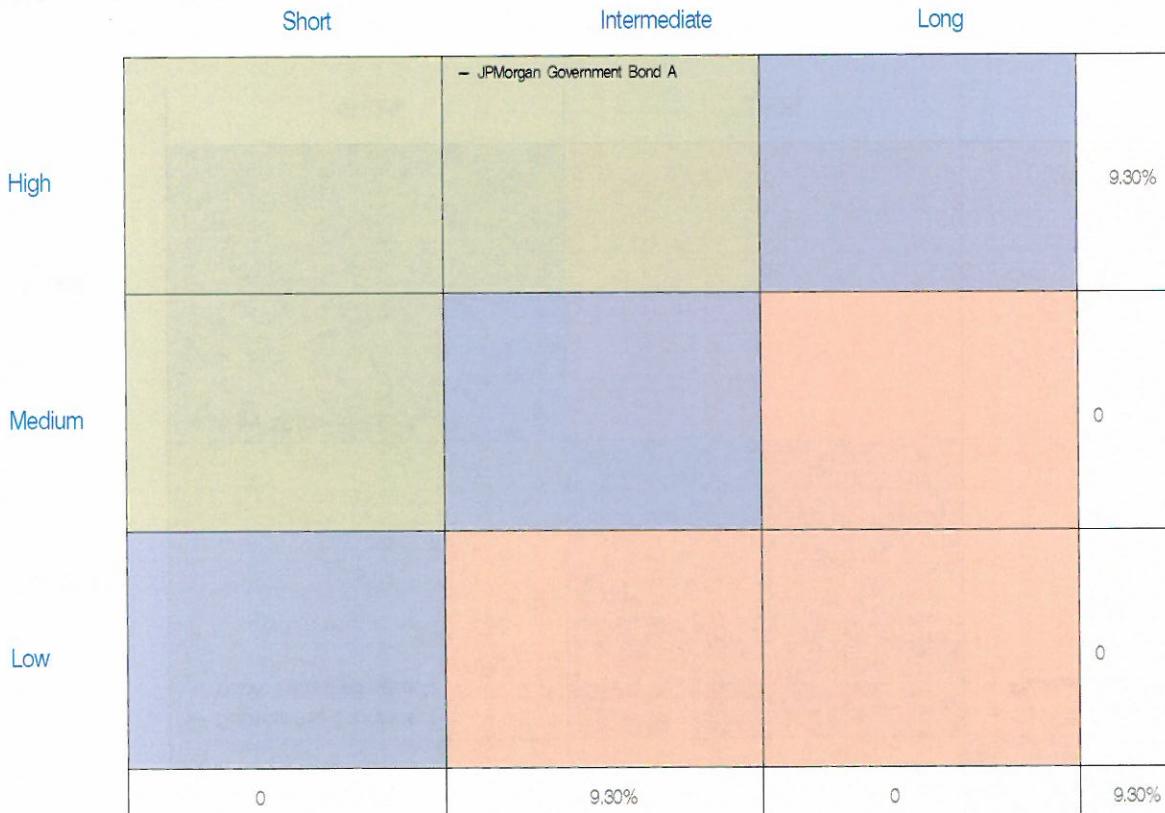
The domestic equity style box is a nine-box matrix that displays both the fund's investment methodology and the size of the companies in which it invests. Combining these two variables offers a broad view of a fund's holdings and risk. The equity style box for domestic-stock funds comprises two components: market capitalization on the vertical axis and valuation on the horizontal axis.



## Asset Class Representation

### Other Asset Classes

#### Morningstar® Fixed Income Style Box™



#### Morningstar® Fixed Income Style Box™

Domestic and international fixed-income funds focus on the two pillars of fixed-income performance: interest-rate sensitivity and credit quality. Morningstar splits fixed-income funds into three groups of interest rate sensitivity (short, intermediate, long) and three credit-quality groups (high, medium, low). These groupings graphically display a portfolio's average effective duration.

#### **Money Market ( 0.15%)**

Money Mart Assets A

#### **Stable Value ( 26.8%)**

Prudential Guaranteed Interest Account

#### **Inflation-Protected Bond ( 0.08%)**

PIMCO Real Return Admin

#### **Intermediate-Term Bond ( 0.67%)**

PIMCO Total Return Admin

#### **Moderate Allocation ( 1.89%)**

JHancock Balanced A

#### **Foreign Large Blend ( 18.3%)**

American Funds EuroPacific Gr A

#### **Diversified Emerging Mkts ( 0.01%)**

Oppenheimer Developing Markets Y



# Monitoring Report: Fourth Quarter 2011

Fund Name	% Rank in Category 1 Year	% Rank in Category 3 Year	% Rank in Category 5 Year	% Rank Weighted Average	M'star Rating (3 yr)	Manager Tenure	Net Assets (\$MM)	Expense Ratio	Alpha	Beta	Sharpe Ratio	Standard Deviation	Notes
Satisfactory IPS Criterion				Above Median	3 or more	3 or more	Above 75	< 75th Percentile	Above Avg.	+/- 40% of Avg.	Above Avg.	+/- 40% of Avg.	
Cat. Summary	# of Funds	# of Funds	# of Funds					75th %-tile	Cat. Avg.	Cat. Avg.	Cat. Avg.	Cat. Avg.	
Oppenheimer Developing Markets Y (Incep: 12/1996)	29	9	2	6	5	4.7	20,269.6	1.00	5.01	0.99	0.92	25.83	Satisfactory
Diversified Emerging Mkts	468	399	299					1.90	0.11	1.01	0.69	26.49	
American Funds EuroPacific Gr A (Incep: 05/1984)	45	26	9	17	3	27.7	94,239.6	0.82	2.23	0.94	0.43	21.80	Satisfactory
Foreign Large Blend	832	800	673					1.78	0.40	1.00	0.33	23.29	
PIMCO Real Return Admin (Incep: 02/1997)	67	6	10	11	5	4.0	21,987.2	0.70	2.27	1.09	2.02	6.07	Satisfactory
Inflation-Protected Bond	195	170	160					1.01	0.16	1.01	1.62	5.73	
JPMorgan Government Bond A (Incep: 03/1993)	2	31	11	18	3	15.0	1,540.6	0.76	-0.96	1.30	1.46	4.24	Watch
Intermediate Government	344	339	338					1.35	0.87	0.87	2.09	2.90	
PIMCO Total Return Admin (Incep: 06/1987)	89	57	5	27	3	24.7	244,055.4	0.71	0.64	0.83	2.30	3.69	Monitor
Intermediate-Term Bond	1221	1124	1061					1.15	1.51	0.80	2.44	3.93	
JPMorgan US Equity Instl (Incep: 10/1993)	58	20	9	15	4	11.0	5,068.1	0.64	0.15	1.02	0.74	19.47	Satisfactory
Prudential Stock Index Z (Incep: 12/1992)	18	31	34	32	4	19.2	876.5	0.25	-0.12	1.00	0.73	18.95	Satisfactory
Large Blend	1821	1718	1613					1.54	-0.90	1.01	0.67	19.62	

Fourth Quater - 12/31/2011



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Up?  
Why?  
now?

## Monitoring Report: Fourth Quarter 2011

Fund Name	% Rank in Category 1 Year	% Rank in Category 3 Year	% Rank in Category 5 Year	% Rank Weighted Average	M'star Rating (3 yr)	Manager Tenure	Net Assets (\$MM)	Expense Ratio	Alpha	Beta	Sharpe Ratio	Standard Deviation	Notes
MFS Massachusetts Investors Gr Stk A (Incep: 02/1935)	19	20	20	20	3	5.1	2,980.7	0.85	-0.17	0.99	0.97	18.07	Satisfactory
Prudential Jennison Growth Z (Incep: 12/1995)	26	24	25	25	4	12.9	1,871.2	0.78	-0.44	0.98	0.94	18.16	Satisfactory
<b>Large Growth</b>	<b>1715</b>	<b>1638</b>	<b>1561</b>					<b>1.57</b>	<b>-2.80</b>	<b>1.04</b>	<b>0.79</b>	<b>19.26</b>	
Invesco Van Kampen Comstock A (Incep: 11/1968)	58	24	42	37	3	16.8	8,302.6	0.84	1.89	1.00	0.63	21.29	Satisfactory
<b>Large Value</b>	<b>1287</b>	<b>1243</b>	<b>1175</b>					<b>1.54</b>	<b>1.04</b>	<b>0.93</b>	<b>0.60</b>	<b>19.88</b>	
Goldman Sachs Growth Opportunities A (Incep: 06/1999)	50	19	16	19	3	12.5	4,028.8	1.35	-0.32	0.99	1.00	21.27	Satisfactory
Prudential Jennison Mid Cap Growth Z (Incep: 01/1997)	12	34	13	20	4	6.3	3,615.3	0.79	1.81	0.82	1.14	17.61	Satisfactory
<b>Mid-Cap Growth</b>	<b>767</b>	<b>735</b>	<b>712</b>					<b>1.67</b>	<b>-2.14</b>	<b>0.97</b>	<b>0.88</b>	<b>21.11</b>	
Columbia Mid Cap Value A (Incep: 12/2001)	52	62	63	62	2	10.1	3,904.7	1.15	-1.65	0.98	0.69	22.88	Watch
Victory Established Value A (Incep: 09/1983)	20	32	4	15	3	13.4	874.3	1.10	1.86	0.85	0.88	20.02	Satisfactory
<b>Mid-Cap Value</b>	<b>433</b>	<b>409</b>	<b>383</b>					<b>1.55</b>	<b>-0.35</b>	<b>0.94</b>	<b>0.75</b>	<b>22.33</b>	
JHancock Balanced A (Incep: 11/1992)	88	78	5	35	1	8.9	931.8	1.21	-0.71	0.97	0.80	12.51	Watch
<b>Moderate Allocation</b>	<b>980</b>	<b>903</b>	<b>846</b>					<b>1.72</b>	<b>0.27</b>	<b>0.99</b>	<b>0.89</b>	<b>12.91</b>	
Allianz NFJ Small Cap Value A (Incep: 11/1991)	5	47	7	21	3	20.3	6,909.7	1.18	6.48	0.72	0.84	19.51	Satisfactory
<b>Small Value</b>	<b>366</b>	<b>351</b>	<b>330</b>					<b>1.78</b>	<b>4.67</b>	<b>0.95</b>	<b>0.66</b>	<b>25.73</b>	



## **CRITERIA SUMMARY**

Must fail at least one of these criteria to be put on the watch list:

**Minimum History:** A fund must have a minimum history of at least one year to be considered as a candidate.

**Relative Performance:** A quantitative metric is calculated based upon the percentile rankings of the firm as calculated by a major mutual fund reporting database provider. If the fund has less than three years of history, the one year ranking must be above median to pass this screen. If the fund has at least three years of history, but less than five years, a weighted average consisting of 20% of the one year percentile ranking and 80% of the three-year ranking must be above median to pass this screen. If a fund has more than 5 years of history, a weighted average consisting of 5% of the one year percentile ranking, 35% of the three-year ranking and 60% of the five-year ranking must be above median to pass this screen.

**Manager Tenure:** Each investment fund is required to have had the same portfolio manager or a member of the same management team in place for at least the previous three years.

**Minimum Assets:** All investment funds are required to have a minimum of \$75 million in assets.

**Morningstar Rating:** The fund must have a Morningstar Rating of 3 or better.

**Expenses:** The expense ratio of the fund must be better than that of the 75th percentile ranked fund within the investment category in which that fund resides.

Must fail at least two of these criteria to be put on the watch list:

**Alpha:** The fund must have an Alpha that is above the average Alpha for the category in which the fund resides.

**Beta:** The Beta of the fund must be between 60% and 140% of the average Beta for the category in which the fund resides.

**Sharpe Ratio:** The Sharpe Ratio must be above the average Sharpe Ratio for the category in which the fund resides.

**Standard Deviation:** The Standard Deviation of the fund must be between 60% and 140% of the average Standard Deviation for the category in which the fund resides.



**Satisfactory:** The fund has passed all of the criteria.

**Monitor:** The fund has failed these criteria two consecutive quarters or less.

**Watch:** The fund has failed these criteria for at least three consecutive quarters or more.



## Fund Performance Report: Fourth Quarter 2011

Fund Name	Ticker	3 Month (%)	6 Month	9 Month	1 Year	Annualized 3 Year	Annualized 5 Year	Annualized 10 Year	Since Inception
<b>Diversified Emerging Mkts</b>									
Oppenheimer Developing Markets Y (Incep: 12/1996)	ODVYX	4.01	-16.79	-17.30	-17.85	23.98	5.95	17.76	14.66
Morningstar Diversified Emerging Mkts		4.56	-19.29	-19.97	-19.59	18.26	0.44	12.30	9.36
Diversified Emerging Mkts		3.80	-18.04	-18.73	-19.89	18.33	0.43	12.71	-1.13
<b>Foreign Large Blend</b>									
American Funds EuroPacific Gr A (Incep: 05/1984)	AEPGX	4.53	-17.30	-16.49	-13.58	9.56	-1.43	6.56	11.15
Morningstar Foreign Large Blend		4.45	-17.40	-16.41	-13.90	7.51	-4.75	3.91	7.38
Foreign Large Blend		4.48	-17.21	-16.30	-13.94	7.82	-4.63	4.16	1.99
<b>Inflation-Protected Bond</b>									
PIMCO Real Return Admin (Incep: 02/1997)	PARRX	2.58	5.88	9.30	11.29	12.41	8.09	7.60	7.33
Morningstar Inflation Protected Bond		2.22	5.26	8.40	10.55	9.12	6.42	6.29	6.28
Inflation-Protected Bond		2.22	5.30	8.38	10.95	9.40	6.68	6.81	5.35
<b>Intermediate Government</b>									
JPMorgan Government Bond A (Incep: 03/1993)	OGGAX	0.60	7.17	10.12	10.33	6.32	7.03	5.89	5.91
Barclays Capital Intermediate U.S. Government/Credit		0.84	3.25	5.45	5.80	5.65	5.88	5.20	7.92
Intermediate Government		0.72	4.08	6.36	6.68	5.76	5.80	4.82	6.19
<b>Intermediate-Term Bond</b>									
PIMCO Total Return Admin (Incep: 06/1987)	PTRAX	2.16	1.01	2.83	3.91	8.60	7.82	6.53	8.03
Barclays Capital U.S. Intermediate Credit		1.13	2.08	4.33	5.37	9.59	6.21	5.79	8.30
Intermediate-Term Bond		1.32	2.91	4.82	5.88	9.21	5.66	5.25	6.09
<b>Large Blend</b>									
JPMorgan US Equity Instl (Incep: 10/1993)	JMUEX	11.05	-5.88	-5.99	-1.53	14.54	1.66	3.53	7.47
Prudential Stock Index Z (Incep: 12/1992)	PSIFX	11.82	-3.77	-3.71	2.07	13.96	-0.36	2.70	7.52

## Fund Performance Report: Fourth Quarter 2011

Fund Name	Ticker	3 Month (%)	6 Month	9 Month	1 Year	Annualized 3 Year	Annualized 5 Year	Annualized 10 Year	Since Inception
<b>S&amp;P 500</b>		11.82	-3.69	-3.59	2.11	14.11	-0.25	2.92	10.73
<b>Large Blend</b>		11.10	-6.26	-6.38	-1.22	13.17	-0.96	2.70	5.27
<i>Large Growth</i>									
MFS Massachusetts Investors Gr Stk A (Incep: 02/1935)	MIGFX	8.28	-4.79	-2.14	1.32	17.58	2.70	2.08	10.15
Prudential Jennison Growth Z (Incep: 12/1995)	PJFZX	7.24	-7.34	-3.88	0.48	17.12	2.25	2.44	5.79
<b>Russell 1000 Growth</b>		10.61	-3.92	-3.20	2.64	18.02	2.50	2.60	10.86
<b>Large Growth</b>		9.25	-7.76	-7.64	-2.48	15.34	0.80	2.39	4.56
<i>Large Value</i>									
Invesco Van Kampen Comstock A (Incep: 11/1968)	ACSTX	11.98	-7.33	-7.64	-1.97	13.63	-1.60	3.29	10.51
<b>Russell 1000 Value</b>		13.11	-5.22	-5.70	0.39	11.55	-2.64	3.89	12.36
<b>Large Value</b>		11.88	-5.99	-6.30	-0.70	11.84	-1.93	3.44	5.52
<i>Mid-Cap Growth</i>									
Goldman Sachs Growth Opportunities A (Incep: 06/1999)	GGOAX	14.43	-7.83	-9.35	-4.06	21.50	5.06	4.72	9.76
Prudential Jennison Mid Cap Growth Z (Incep: 01/1997)	PEGZX	10.73	-6.49	-4.96	2.42	20.23	5.30	6.68	9.38
<b>Russell Midcap Growth</b>		11.24	-10.26	-8.81	-1.65	22.06	2.44	5.29	10.86
<b>Mid-Cap Growth</b>		10.36	-11.19	-10.93	-3.96	18.63	2.12	4.54	7.56
<i>Mid-Cap Value</i>									
Columbia Mid Cap Value A (Incep: 12/2001)	CMUAX	13.32	-10.52	-10.73	-4.28	15.88	-0.55	6.44	6.89
Victory Established Value A (Incep: 09/1983)	VETAX	14.85	-7.00	-8.45	0.10	17.75	4.51	8.55	11.40
<b>Russell Midcap Value</b>		13.37	-7.56	-8.20	-1.38	18.19	0.04	7.67	12.16
<b>Mid-Cap Value</b>		12.67	-9.33	-9.99	-3.92	16.63	-0.08	5.85	6.29
<i>Moderate Allocation</i>									
JHancock Balanced A (Incep: 11/1992)	SVBAX	7.68	-4.82	-6.46	-3.23	10.16	4.24	5.06	6.49



## Fund Performance Report: Fourth Quarter 2011

Fund Name	Ticker	3 Month (%)	6 Month	9 Month	1 Year	Annualized 3 Year	Annualized 5 Year	Annualized 10 Year	Since Inception
<b>Morningstar Moderate Allocation</b>		6.67	-4.44	-4.08	-0.40	11.34	0.98	3.53	7.99
<b>Moderate Allocation</b>		6.69	-4.29	-3.89	-0.10	11.54	1.42	4.04	5.30
<b>Small Value</b>									
Allianz NFJ Small Cap Value A (Incep: 11/1991)	PCVAX	13.00	-4.98	-5.87	2.11	16.49	4.29	10.24	11.68
<b>Russell 2000 Value</b>		15.97	-8.94	-11.35	-5.50	12.36	-1.87	6.40	13.80
<b>Small Value</b>		15.77	-8.31	-10.24	-4.41	16.88	0.36	7.08	6.34



## Risk Disclosures

A risk disclosure is required in all materials that include a general discussion of the features and benefits of variable insurance products or securities. If the material includes a more detailed discussion of investments in specific variable investment options or mutual funds, see Specific Investment Category Risks to determine if a more specific risk disclosure is also required. Choose the risk disclosure below that is applicable to your material:

### **General Investment Products Risk Disclosure:**

Investments are not guaranteed and are subject to investment risk including the possible loss of principal. The investment return and principal value of the security will fluctuate so that when redeemed, may be worth more or less than the original investment.

### **General Variable Insurance Products Risk Disclosure:**

Variable insurance products are subject to investment risk, are not guaranteed and will fluctuate in value. In addition, there is no guarantee that any variable investment option will meet its stated objective.

**Discussion concerning investment objectives for new/newly added fund** - There is no assurance these objectives can be realized

### **Potential Risk/ Return Spectrum**

Chart reflects risk order, but does not depict a comparison of the degree of risk between funds. Refer to the prospectuses for risk characteristics of each fund.

### **Risk/Potential Reward**

Generally, the greater an investment's possible reward over time, the greater its level of price volatility, or risk.



## Specific Investment Category Risks

The following risk disclosures should be included in materials that discuss investing in the specific types of mutual funds or variable investment options referenced.

**Bond Risk Comparison Disclosure:** The value of debt securities may fall when interest rates rise. Debt securities with longer maturities tend to be more sensitive to changes in interest rates, usually making them more volatile than debt securities with shorter maturities. For all bonds there is a risk that the issuer will default. High-yield bonds generally are more susceptible to the risk of default than higher rated bonds.

**Corporate Bonds:** Corporate bond returns are based on the [Index Name]. Principal value of a bond will vary inversely to the rise and decline of interest rates.

**Government Bonds (Generally 10 to 30 years in duration):** Long term Government Bonds are measured using a one-bond portfolio with a maturity near 20 years. They are guaranteed by the U. S. Government and, if held to maturity, offer a fixed rate of return and fixed principal value.

**Generic version:** Government bonds are guaranteed by the U. S. Government and, if held to maturity, offer a fixed rate of return and fixed principal value.

**Government Funds:** While portfolio investments in government securities are guaranteed, the shares of the fund are not guaranteed.

**Growth:** Growth-oriented stocks typically sell at relatively high valuations as compared to other types of stocks. Historically, growth-oriented stocks have been more volatile than value-oriented stocks.

**High Yield:** Investments in high yield bonds are high risk investments. High yielding fixed-income securities generally are subject to greater market fluctuations and risk of loss of income and principal than are investments in lower yielding fixed-income securities.



**International:** International investing involves special risks such as currency fluctuation, lower liquidity, political and economic uncertainties, and differences in accounting standards. [Risks of foreign investing are generally intensified for investments in emerging markets.]

**Internet Stocks:** Internet stocks may offer greater potential for growth, but there are additional market and business risks associated with them, such as a greater degree of change in earnings and greater short-term volatility.

**Mid Sized Company Stocks:** In exchange for higher growth potential, investing in stocks of small- and mid-sized companies may entail greater price volatility and less liquidity than investing in stocks of larger companies.

**Mid-Cap:** Securities of mid-sized companies may be more susceptible to price swings and are less liquid than investments in larger companies.

**Municipal Bonds:** - Use this disclosure if material references the taxation of municipal bonds:

A substantial portion of income will be exempt from federal income tax, but income may be subject to local or state income taxes and the federal alternative minimum tax (AMT). Capital gains, if any, will be taxable.

**General Definition**

Municipal bonds are debt obligations of a state or local government entity. The funds may support general government needs or special projects. Safety is based on the viability of the issuing municipality and the community in general.

**Real Estate:** REITs involve risks such as refinancing, economic impact on the industry, changes in property value, dependency on management skills and risks similar to small company investing.

**Sector Funds:** Sector funds may involve greater than average risk and are often more volatile than funds holding a diversified portfolio of stocks in many industries. [Examples include banking, biotechnology, chemicals, energy, environmental services, natural resources, precious metals, technology, telecommunications, and utilities.] Because the Fund's portfolio is concentrated in [specify industry], it may be subject to greater risks than a portfolio that is not concentrated in one industry

**Small Cap:** Small company stocks offer greater potential for growth, but there are additional market and business risks associated with them, such as low trading volumes, a greater degree of change in earnings and greater short-term volatility.



**Technology Fund:** The principal risks of investing in the Fund are those generally attributed to stock investing. Stocks of smaller companies tend to be less liquid, more volatile and sensitive to expected changes in interest rates. Because the Fund's investments are concentrated in information technology industries, the value of its shares will be especially affected by factors peculiar to those industries and may fluctuate more widely than the value of shares of more diversified portfolios.

**Treasury Bills (Generally 90 days to one year in duration):** U. S. Treasury bill returns are based on an index reflecting the monthly return for a one-bill portfolio having a term of not less than one month to maturity. Principal and interest payments on Treasury bills are backed by the U.S. Government or its agencies.

**U.S. Treasury 10-year Notes:** U.S. Treasury 10-year notes are intermediate securities with a 10-year maturity and are secured by the full faith and credit of the U.S. government.



## Fund Facts & Analytics

Source: Morningstar or Provider. See Disclosures at the end of the report.

Fourth Quater - 12/31/2011



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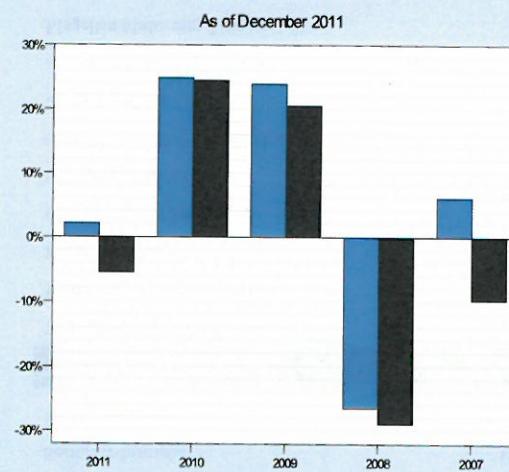
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## PCVAX Allianz NFJ Small Cap Value A

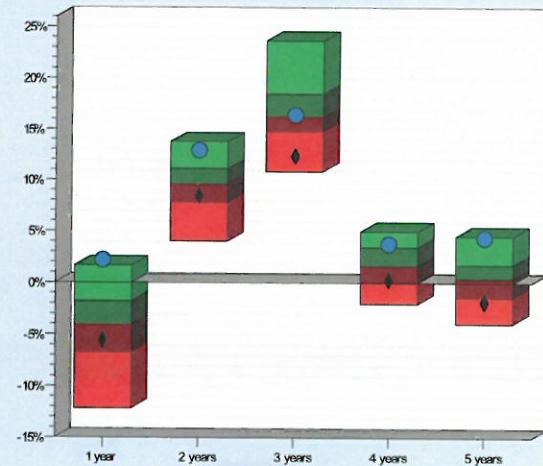
### Manager Performance



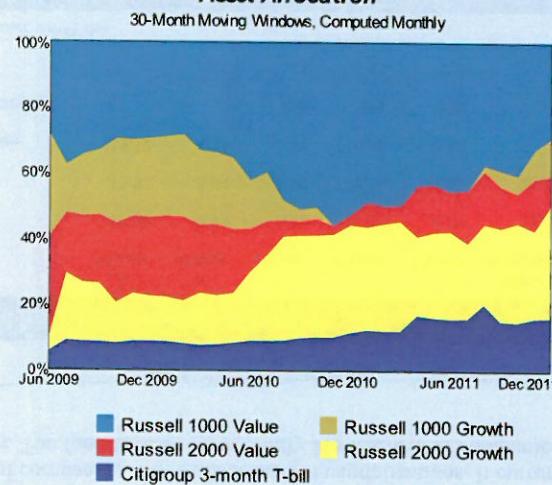
### Calendar Year Return



### Manager vs Universe: Return through December 2011

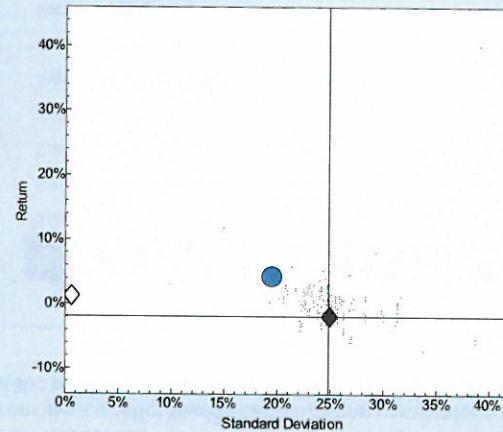


### Asset Allocation



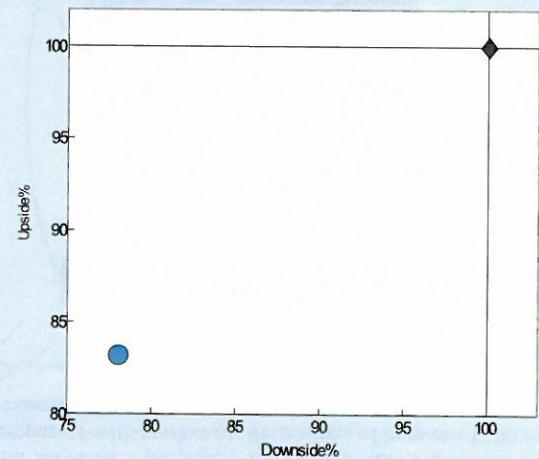
### Manager Risk/Return

Single Computation  
January 2007 - December 2011



### Upside Downside

January 2007 - December 2011



**Fund Objective**

The investment seeks long-term growth of capital and income. The fund invests at least 80% of net assets (plus borrowings made for investment purposes) in common stocks and other equity securities of companies with smaller market capitalizations. It currently considers smaller market capitalization companies to be companies with market capitalizations of between \$100 million and \$3.5 billion. The fund invests significantly in securities of companies that the portfolio managers expect will generate income (for example, by paying dividends).

Return and Rank for Fund and Category						
	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
PCVAX	13.00	-4.98	2.11	16.49	4.29	11.68
Benchmark	15.97	-8.94	-5.50	12.36	-1.87	13.80
Category Average	15.77	-8.31	-4.41	16.88	0.36	
# of Funds in Category		366	351	330		
Category Rank		5	47	7		
Benchmark: Russell 2000 Value						

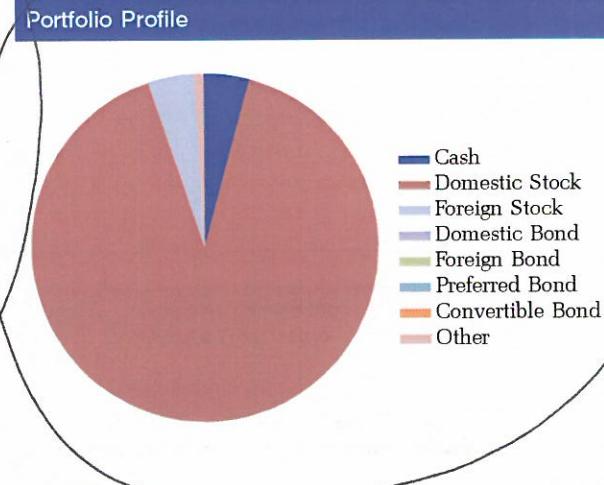
Calendar Year Returns					
	2011	2010	2009	2008	2007
PCVAX	2.11	24.89	23.94	-26.45	6.10
Category Average	-4.41	25.72	33.72	-32.25	-5.11

Portfolio Data	
Manager	Paul Magnuson
Tenure (years)	20
Ticker	PCVAX
Fund Assets (\$MM)	6909.66
Alpha (3 Year)	6.48
Beta (3 Year)	0.72
Standard Deviation (3 Year)	19.51
R-Squared (3 Year)	0.95
Sharpe Ratio (3 Year)	0.84
Morningstar Rating	3
Median Market Cap (\$MM)	2161.25
P/E Ratio	0.07

Sector Weightings (%)	
Sector: Basic Materials	16.37
Sector: Consumer Cyclical	10.54
Sector: Financial Services	9.91
Sector: Real Estate	3.85
Super Sector: Defensive	21.58
Sector: Consumer Defensive	7.26
Sector: Healthcare	6.45
Sector: Utilities	7.87
Super Sector: Sensitive	32.59
Sector: Communication Services	0.29
Sector: Energy	15.09
Sector: Industrials	15.23
Sector: Technology	1.98

Top Ten Holdings (%)	
Triumph Group, Inc.	1.56
World Fuel Services Corporation	1.53
Royal Gold, Inc.	1.51
Casey's General Stores, Inc.	1.38
IAMGold Corporation	1.30
Corn Products International, Inc.	1.28
Berry Petroleum Co	1.22
American Financial Group Inc	1.22
Magellan Midstream Partners, L.P.	1.20
Crane Company	1.16

% of Assets in Top 10      13.36



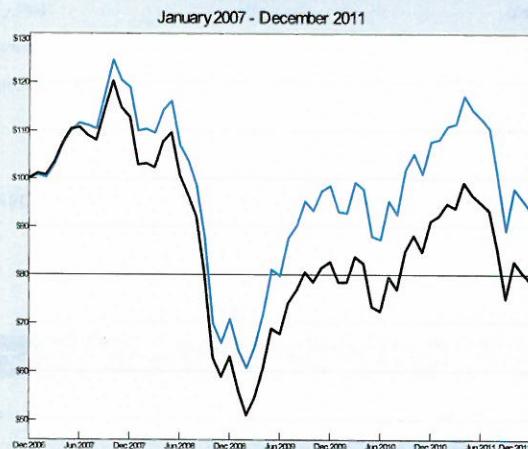
Fees & Expenses	
Expense Ratio	1.18
Gross Expense Ratio	1.18
Prospectus Net Expense Ratio	1.18
Prospectus Gross Expense Ratio	1.21
Actual 12b1	0.25

Source: Morningstar. See Disclosures at the end of the report



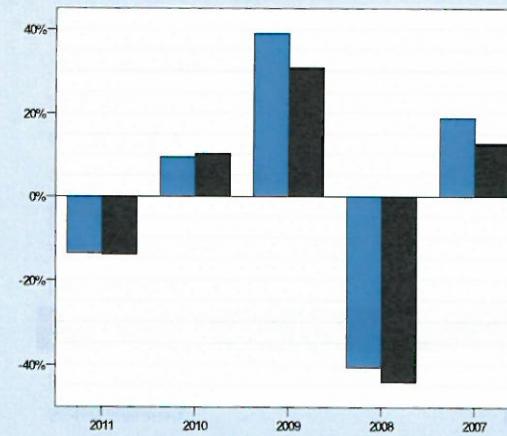
## AE PGX American Funds EuroPacific Gr A

### Manager Performance

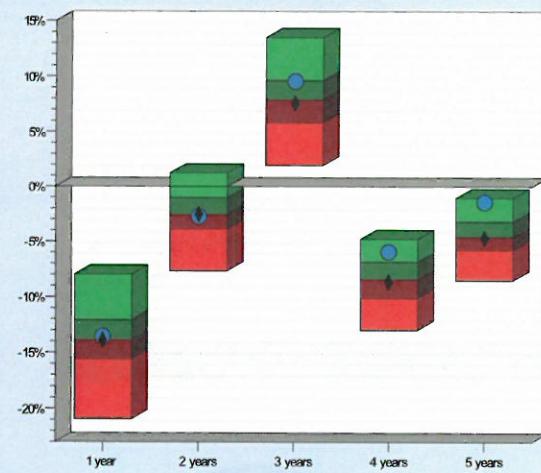


### Calendar Year Return

As of December 2011

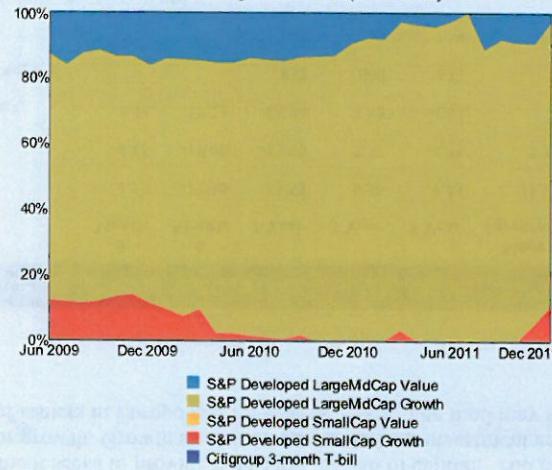


### Manager vs Universe: Return through December 2011



### Asset Allocation

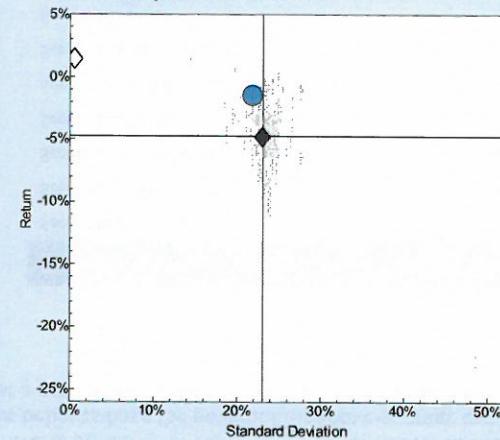
30-Month Moving Windows, Computed Monthly



### Manager Risk/Return

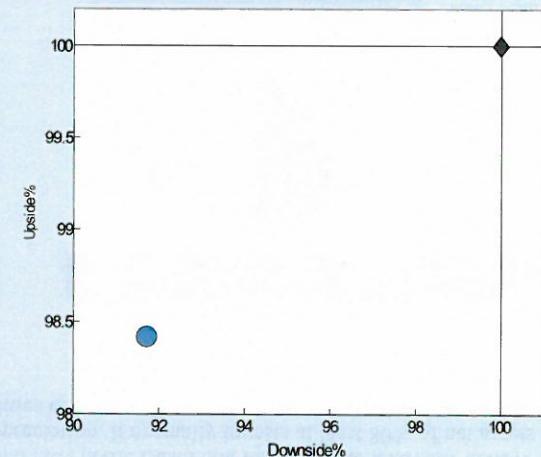
Single Computation

January 2007 - December 2011



### Upside Downside

January 2007 - December 2011



## Fund Objective

The investment seeks to provide long-term growth of capital. The fund invests primarily in common stocks of issuers in Europe and the Pacific Basin that the investment adviser believes have the potential for growth. Growth stocks are stocks that the investment adviser believes have the potential for above-average capital appreciation. It normally invests at least 80% of net assets in securities of issuers in Europe and the Pacific Basin. The fund may invest a portion of its assets in common stocks and other securities of companies in countries with developing economies and/or markets.

### Return and Rank for Fund and Category

	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
AEPGX	4.53	-17.30	-13.58	9.56	-1.43	11.15
Benchmark	4.45	-17.40	-13.90	7.51	-4.75	7.38
Category Average	4.48	-17.21	-13.94	7.82	-4.63	
# of Funds in Category		832	800	673		
Category Rank		45	26	9		
Benchmark: Morningstar Foreign Large Blend						

### Calendar Year Returns

	2011	2010	2009	2008	2007
AEPGX	-13.58	9.40	39.10	-40.53	18.96
Category Average	-13.94	10.27	32.55	-43.83	12.86

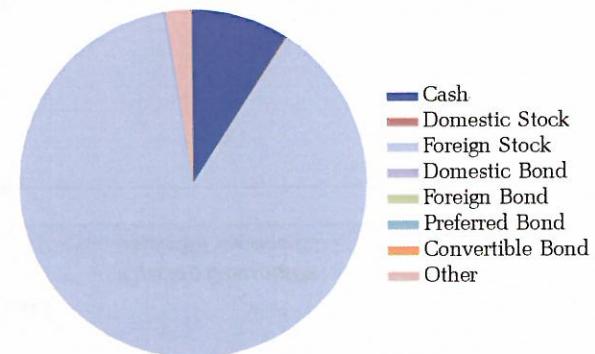
### Portfolio Data

Manager	Stephen Bepler
Tenure (years)	28
Ticker	AEPGX
Fund Assets (\$MM)	94239.59
Alpha (3 Year)	2.23
Beta (3 Year)	0.94
Standard Deviation (3 Year)	21.80
R-Squared (3 Year)	0.99
Sharpe Ratio (3 Year)	0.43
Morningstar Rating	3
Median Market Cap (\$MM)	28840.32
P/E Ratio	0.08

### Sector Weightings (%)

Sector: Basic Materials	5.82
Sector: Consumer Cyclical	10.27
Sector: Financial Services	14.46
Sector: Real Estate	1.11
Super Sector: Defensive	22.00
Sector: Consumer Defensive	10.05
Sector: Healthcare	9.88
Sector: Utilities	2.07
Super Sector: Sensitive	34.31
Sector: Communication Services	8.34
Sector: Energy	5.99
Sector: Industrials	11.14
Sector: Technology	8.84

### Portfolio Profile



### Top Ten Holdings (%)

Novo Nordisk A/S	2.56
America Movil, S.A.B. de C.V. ADR L	2.17
Novartis AG	2.16
Samsung Electronics Co Ltd	1.87
SOFTBANK Corp	1.68
Nestle SA	1.66
Anheuser-Busch InBev SA	1.27
Bayer AG	1.21
British American Tobacco PLC	1.18
Canon, Inc.	1.09

### % of Assets in Top 10

16.85

### Fees & Expenses

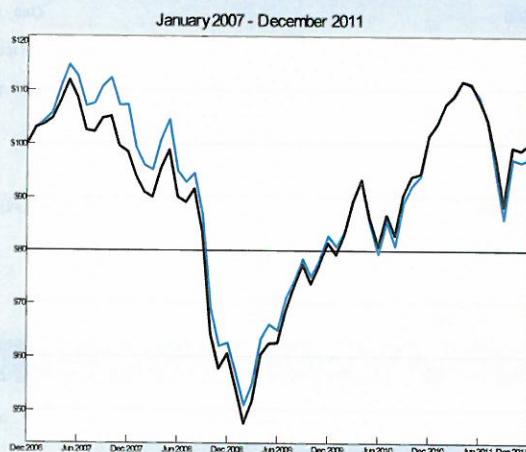
Expense Ratio	0.82
Gross Expense Ratio	0.82
Prospectus Net Expense Ratio	0.82
Prospectus Gross Expense Ratio	0.82
Actual 12b1	0.24

Source: Morningstar. See Disclosures at the end of the report

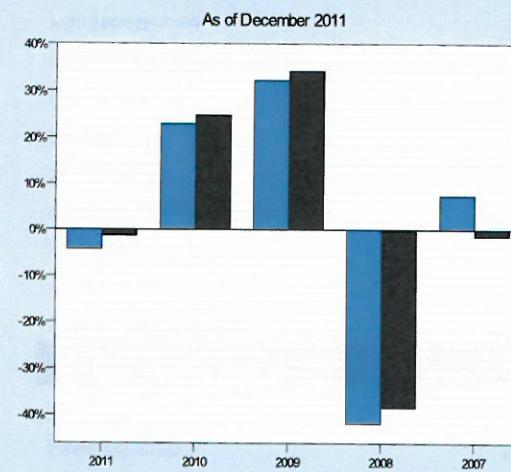


## CMUAX Columbia Mid Cap Value A

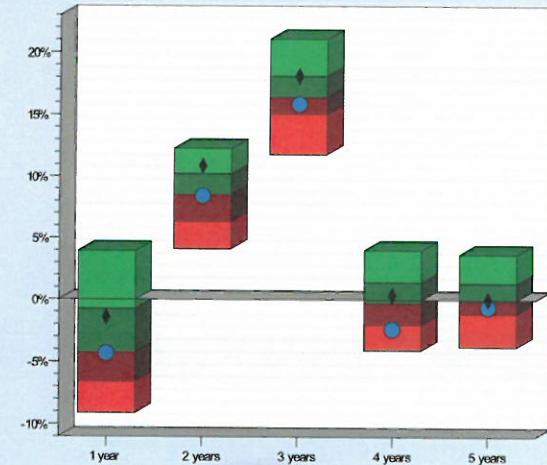
### Manager Performance



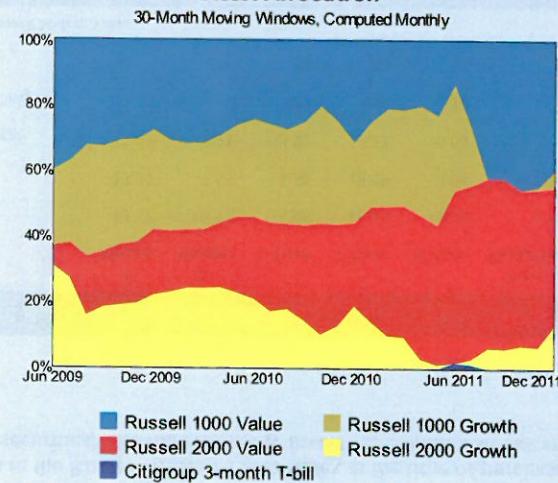
### Calendar Year Return



### Manager vs Universe: Return through December 2011

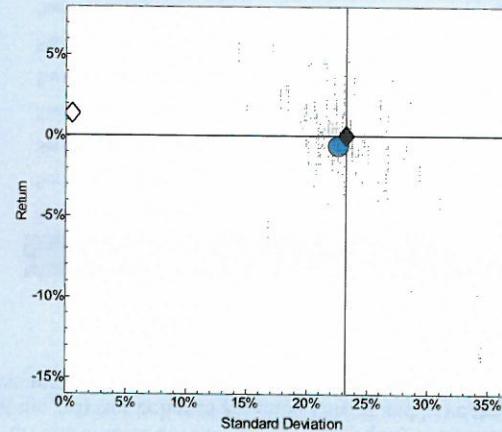


### Asset Allocation



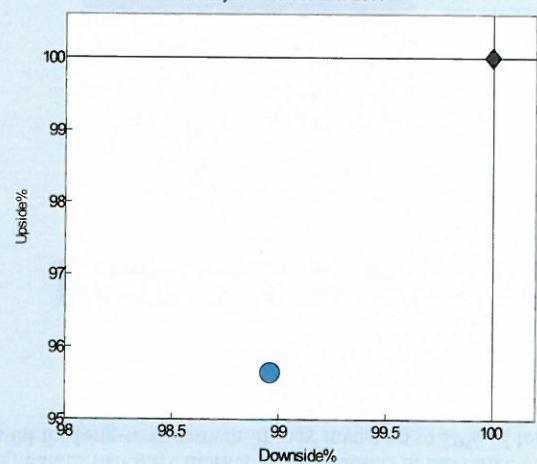
### Manager Risk/Return

Single Computation  
January 2007 - December 2011



### Upside Downside

January 2007 - December 2011



## Fund Objective

The investment seeks long-term capital appreciation. The fund normally invests at least 80% of net assets in equity securities of companies that have market capitalizations in the range of the companies in the Russell Midcap Value Index at the time of purchase that the Advisor believes are undervalued and have the potential for long-term growth. It may invest up to 20% of total assets in foreign securities. The fund normally invests in common stocks and also may invest in real estate investment trusts.

### Return and Rank for Fund and Category

	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
CMUAX	13.32	-10.52	-4.28	15.88	-0.55	6.89
Benchmark	13.37	-7.56	-1.38	18.19	0.04	12.16
Category Average	12.67	-9.33	-3.92	16.63	-0.08	
# of Funds in Category		433	409	383		
Category Rank		52	62	63		
Benchmark: Russell Midcap Value						

### Calendar Year Returns

	2011	2010	2009	2008	2007
CMUAX	-4.28	22.93	32.25	-41.78	7.38
Category Average	-3.92	21.91	36.43	-37.82	1.50

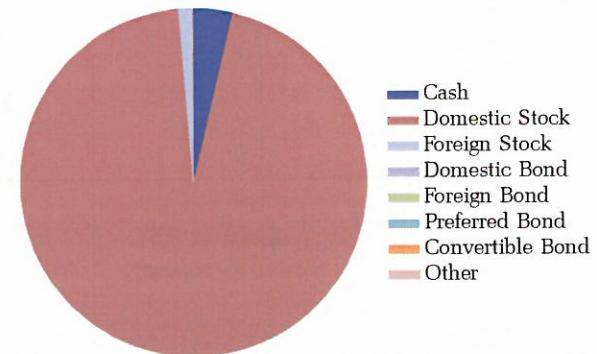
### Portfolio Data

Manager	Lori Ensinger
Tenure (years)	10
Ticker	CMUAX
Fund Assets (\$MM)	3904.67
Alpha (3 Year)	-1.65
Beta (3 Year)	0.98
Standard Deviation (3 Year)	22.88
R-Squared (3 Year)	0.98
Sharpe Ratio (3 Year)	0.69
Morningstar Rating	2
Median Market Cap (\$MM)	6472.65
P/E Ratio	0.07

### Sector Weightings (%)

Sector: Basic Materials	5.68
Sector: Consumer Cyclical	11.45
Sector: Financial Services	17.75
Sector: Real Estate	7.88
Super Sector: Defensive	24.29
Sector: Consumer Defensive	6.61
Sector: Healthcare	5.36
Sector: Utilities	12.32
Super Sector: Sensitive	29.17
Sector: Communication Services	0.94
Sector: Energy	9.10
Sector: Industrials	13.33
Sector: Technology	5.80

### Portfolio Profile



### Top Ten Holdings (%)

Columbia Short-Term Cash	3.78
Sempra Energy	2.07
Spectra Energy Corp	2.02
Wisconsin Energy Corporation	1.89
Xcel Energy Inc	1.77
Macy's Inc	1.68
CMS Energy Corp	1.59
Reinsurance Group of America Inc	1.57
Fifth Third Bancorp	1.53
UDR Inc	1.47

### Fees & Expenses

Expense Ratio	1.13
Gross Expense Ratio	1.13
Prospectus Net Expense Ratio	1.15
Prospectus Gross Expense Ratio	1.15
Actual 12b1	0.25

% of Assets in Top 10      19.37

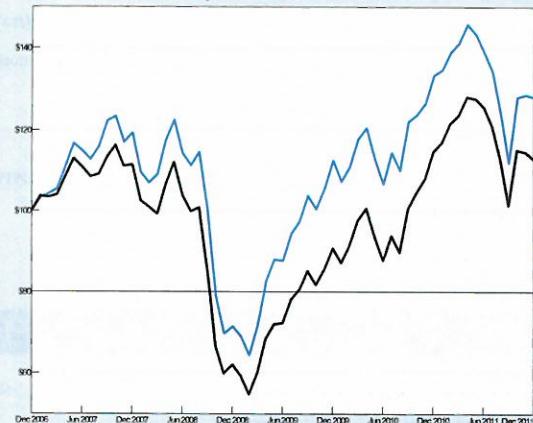
Source: Morningstar. See Disclosures at the end of the report



## GGOAX Goldman Sachs Growth Opportunities A

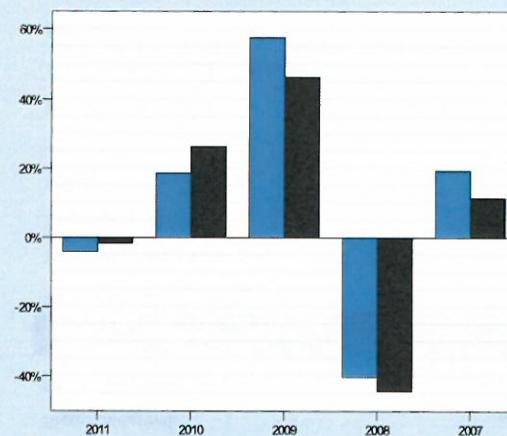
### Manager Performance

January 2007 - December 2011

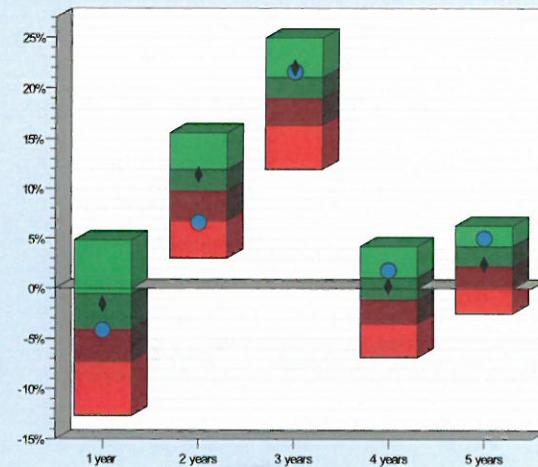


### Calendar Year Return

As of December 2011

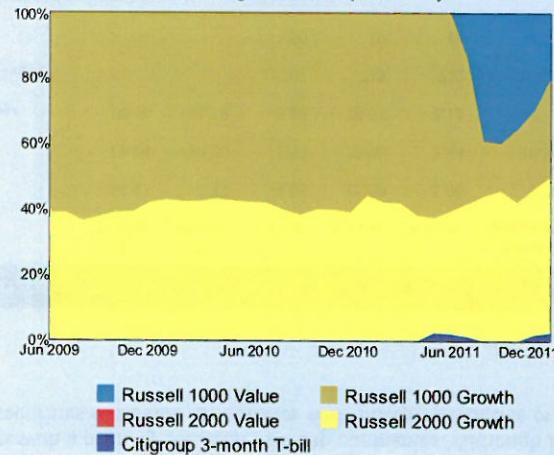


### Manager vs Universe: Return through December 2011



### Asset Allocation

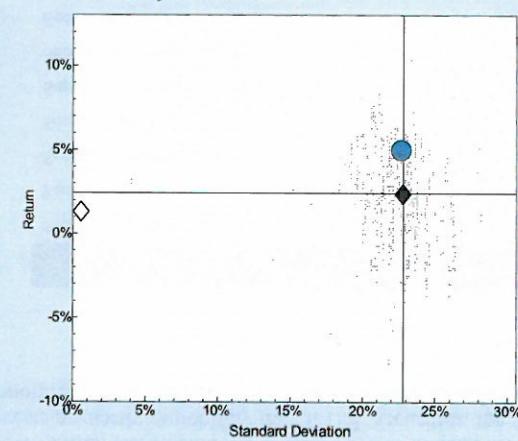
30-Month Moving Windows, Computed Monthly



### Manager Risk/Return

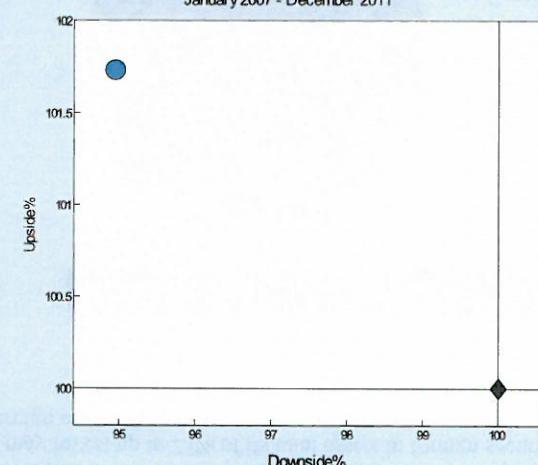
Single Computation

January 2007 - December 2011



### Upside Downside

January 2007 - December 2011



**Fund Objective**

The investment seeks long-term growth of capital. The fund invests, under normal circumstances, at least 90% of its total assets measured at the time of purchase ("total assets") in equity investments with a primary focus on mid-cap companies. Although it invests primarily in publicly traded U.S. securities, the fund may invest up to 25% of its total assets in foreign securities, including securities of issuers in countries with emerging markets or economies ("emerging countries") and securities quoted in foreign currencies.

Return and Rank for Fund and Category						
	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
GGOAX	14.43	-7.83	-4.06	21.50	5.06	9.76
Benchmark	11.24	-10.26	-1.65	22.06	2.44	10.86
Category Average	10.36	-11.19	-3.96	18.63	2.12	
# of Funds in Category		767	735	712		
Category Rank		50	19	16		
Benchmark: Russell Midcap Growth						

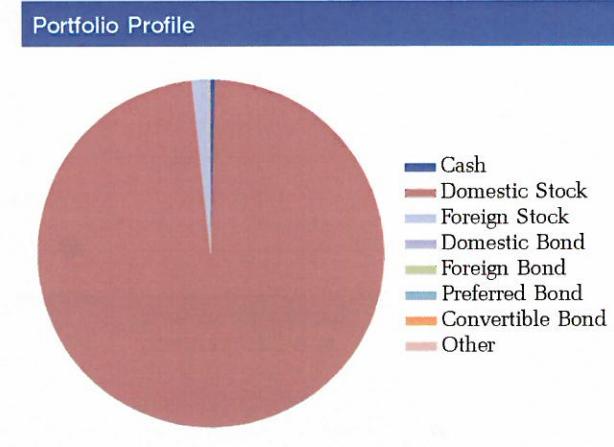
Calendar Year Returns					
	2011	2010	2009	2008	2007
GGOAX	-4.06	18.63	57.58	-40.20	19.33
Category Average	-3.96	25.02	39.62	-42.65	16.90

Portfolio Data	
Manager	Steven Barry
Tenure (years)	13
Ticker	GGOAX
Fund Assets (\$MM)	4028.79
Alpha (3 Year)	-0.32
Beta (3 Year)	0.99
Standard Deviation (3 Year)	21.27
R-Squared (3 Year)	0.97
Sharpe Ratio (3 Year)	1.00
Morningstar Rating	3
Median Market Cap (\$MM)	5218.65
P/E Ratio	0.06

Sector Weightings (%)	
Sector: Basic Materials	1.25
Sector: Consumer Cyclical	18.08
Sector: Financial Services	9.93
Sector: Real Estate	1.72
Super Sector: Defensive	13.37
Sector: Consumer Defensive	3.23
Sector: Healthcare	10.11
Sector: Utilities	0.03
Super Sector: Sensitive	55.22
Sector: Communication Services	7.28
Sector: Energy	9.28
Sector: Industrials	20.05
Sector: Technology	18.61

Top Ten Holdings (%)	
SBA Communications Corp	2.54
IntercontinentalExchange, Inc.	2.54
Kennametal Inc.	2.49
PVH Corp	2.45
Xilinx Inc	2.38
Bed Bath & Beyond, Inc.	2.31
Cameron International Corporation	2.24
PetSmart Inc.	2.14
Amphenol Corp	2.14
St Jude Medical, Inc.	2.10

**% of Assets in Top 10** 23.33



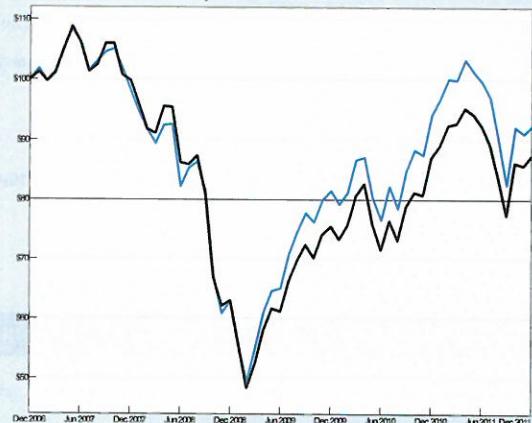
Fees & Expenses	
Expense Ratio	1.36
Gross Expense Ratio	1.41
Prospectus Net Expense Ratio	1.35
Prospectus Gross Expense Ratio	1.41
Actual 12b1	0.25

Source: Morningstar. See Disclosures at the end of the report

## ACSTX Invesco Van Kampen Comstock A

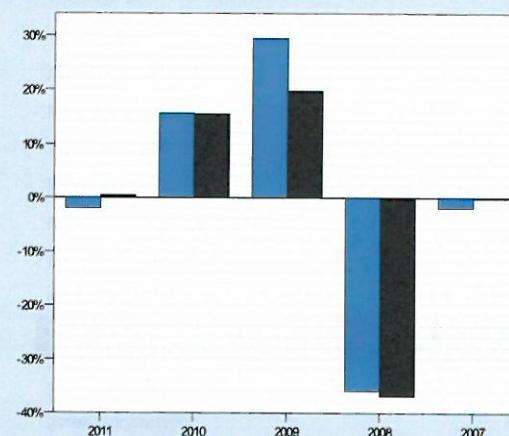
### Manager Performance

January 2007 - December 2011

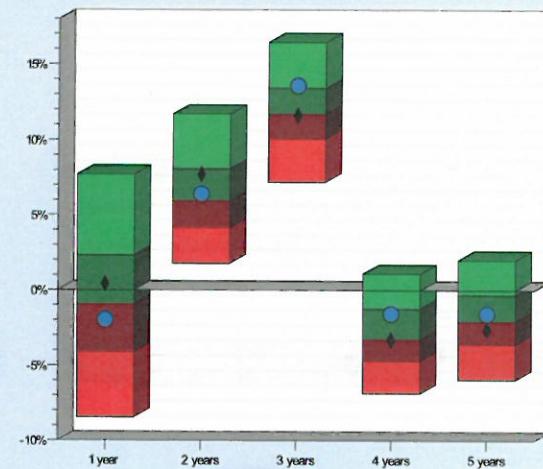


### Calendar Year Return

As of December 2011

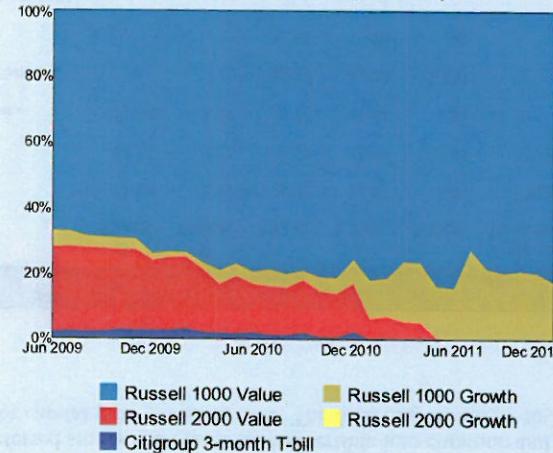


### Manager vs Universe: Return through December 2011



### Asset Allocation

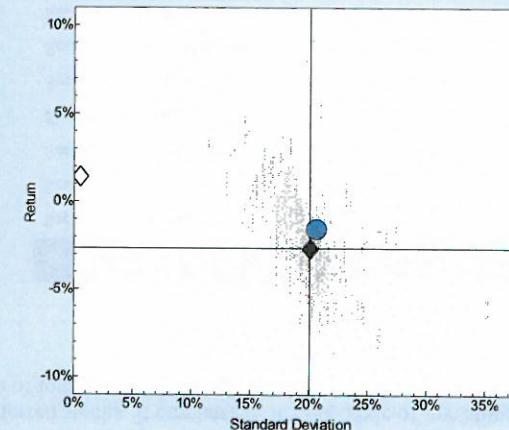
30-Month Moving Windows, Computed Monthly



### Manager Risk/Return

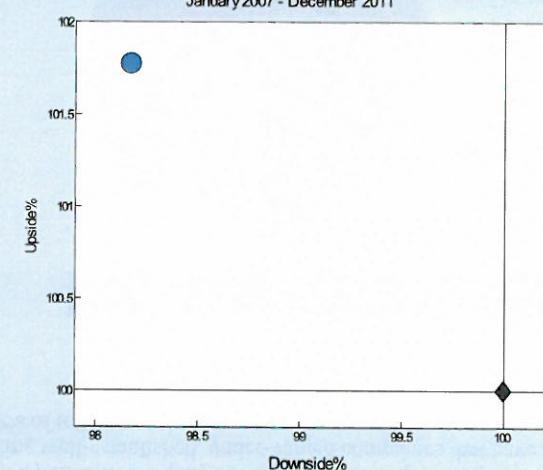
Single Computation

January 2007 - December 2011



### Upside Downside

January 2007 - December 2011



**Fund Objective**

The investment seeks capital growth and income. The fund primarily invests at least 80% of assets in common stocks. It invests in a portfolio of equity securities, consisting principally of common stocks, preferred stocks and securities convertible into common and preferred stocks. It emphasizes a value style of investing seeking well-established, under-valued companies that have the potential for capital growth and income. The fund may invest up to 25% of total assets in foreign securities. It may invest up to 10% of total assets in real estate investment trusts.

**Return and Rank for Fund and Category**

	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
ACSTX	11.98	-7.33	-1.97	13.63	-1.60	10.51
Benchmark	13.11	-5.22	0.39	11.55	-2.64	12.36
Category Average	11.88	-5.99	-0.70	11.84	-1.93	
# of Funds in Category		1,287	1,243	1,175		
Category Rank		58	24	42		
Benchmark: Russell 1000 Value						

**Calendar Year Returns**

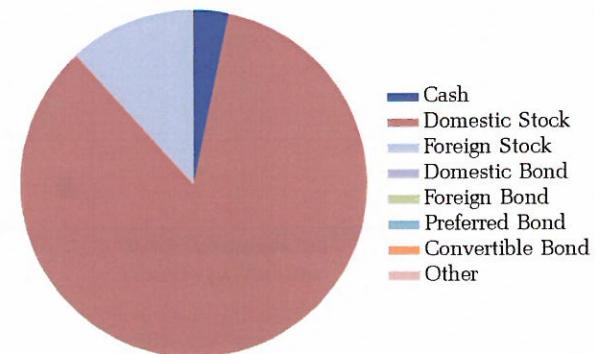
	2011	2010	2009	2008	2007
ACSTX	-1.97	15.60	29.45	-35.89	-1.89
Category Average	-0.70	13.79	24.15	-36.48	2.65

**Portfolio Data**

Manager	Kevin Holt
Tenure (years)	17
Ticker	ACSTX
Fund Assets (\$MM)	8302.64
Alpha (3 Year)	1.89
Beta (3 Year)	1.00
Standard Deviation (3 Year)	21.29
R-Squared (3 Year)	0.98
Sharpe Ratio (3 Year)	0.63
Morningstar Rating	3
Median Market Cap (\$MM)	43085.55
P/E Ratio	0.09

**Sector Weightings (%)**

Sector: Basic Materials	3.78
Sector: Consumer Cyclical	11.05
Sector: Financial Services	19.24
Sector: Real Estate	0.00
Super Sector: Defensive	27.06
Sector: Consumer Defensive	10.34
Sector: Healthcare	13.40
Sector: Utilities	3.32
Super Sector: Sensitive	35.51
Sector: Communication Services	9.76
Sector: Energy	11.03
Sector: Industrials	5.68
Sector: Technology	9.04

**Portfolio Profile****Top Ten Holdings (%)**

Comcast Corp A	3.72
International Paper Co.	2.76
Bristol-Myers Squibb Company	2.56
Pfizer Inc	2.55
JPMorgan Chase & Co	2.46
Kraft Foods Inc	2.45
Microsoft Corporation	2.44
Viacom, Inc. B	2.39
Citigroup Inc	2.12
eBay Inc	2.08

**Fees & Expenses**

Expense Ratio	0.84
Gross Expense Ratio	0.84
Prospectus Net Expense Ratio	0.84
Prospectus Gross Expense Ratio	0.84
Actual 12b1	0.25

Source: Morningstar. See Disclosures at the end of the report

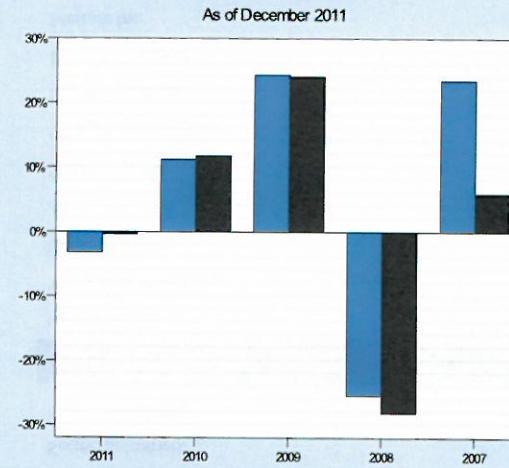


## SVBAX JHancock Balanced A

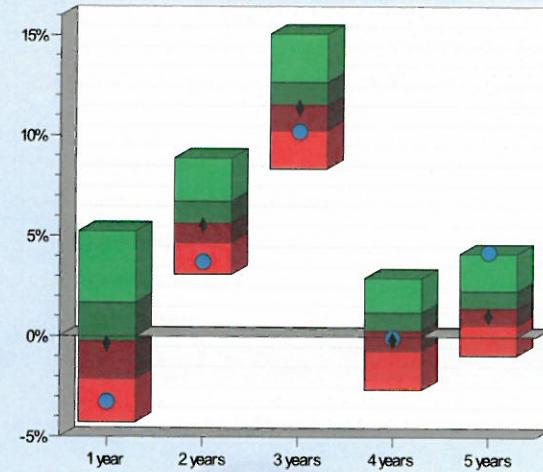
### Manager Performance



### Calendar Year Return



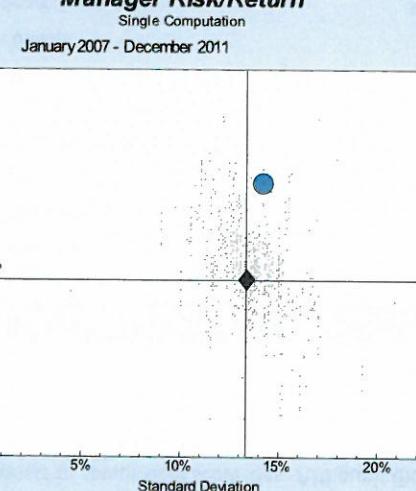
### Manager vs Universe: Return through December 2011



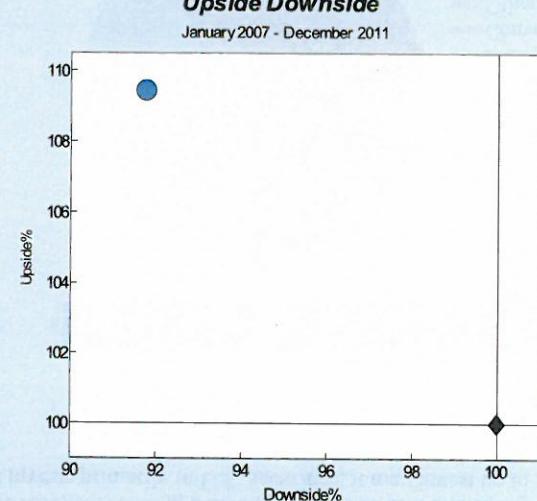
### Asset Allocation



### Manager Risk/Return



### Upside Downside



## Fund Objective

The investment seeks current income, long-term growth of capital and income and preservation of capital. The fund allocates its investments among a diversified mix of debt and equity securities. It normally invests at least 25% of assets in equity securities and at least 25% of assets in senior debt securities. Although the fund invests primarily in U.S. securities, it may invest up to 35% of assets in foreign securities.

### Return and Rank for Fund and Category

	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
SVBAX	7.68	-4.82	-3.23	10.16	4.24	6.49
Benchmark	6.67	-4.44	-0.40	11.34	0.98	7.99
Category Average	6.69	-4.29	-0.10	11.54	1.42	
# of Funds in Category		980	903	846		
Category Rank		88	78	5		
Benchmark: Morningstar Moderate Allocation						

### Calendar Year Returns

	2011	2010	2009	2008	2007
SVBAX	-3.23	11.15	24.29	-25.42	23.45
Category Average	-0.10	12.11	24.11	-27.09	6.47

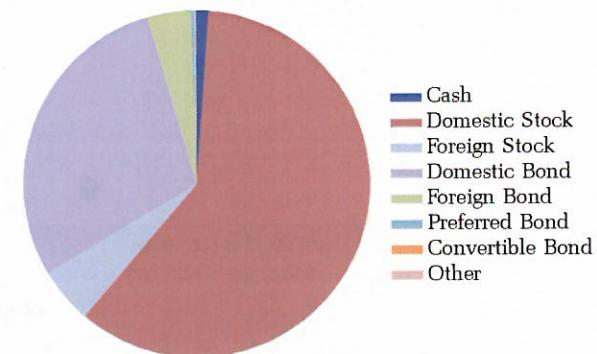
### Portfolio Data

Manager	Roger Hamilton
Tenure (years)	9
Ticker	SVBAX
Fund Assets (\$MM)	931.81
Alpha (3 Year)	-0.71
Beta (3 Year)	0.97
Standard Deviation (3 Year)	12.51
R-Squared (3 Year)	0.96
Sharpe Ratio (3 Year)	0.80
Morningstar Rating	1
Median Market Cap (\$MM)	35886.91
P/E Ratio	0.07

### Sector Weightings (%)

Sector: Basic Materials	4.59
Sector: Consumer Cyclical	5.11
Sector: Financial Services	10.18
Sector: Real Estate	0.00
Super Sector: Defensive	15.16
Sector: Consumer Defensive	5.59
Sector: Healthcare	8.81
Sector: Utilities	0.76
Super Sector: Sensitive	30.25
Sector: Communication Services	0.00
Sector: Energy	8.44
Sector: Industrials	8.16
Sector: Technology	13.65

### Portfolio Profile



### Top Ten Holdings (%)

Google, Inc.	2.76
Microsoft Corporation	2.74
Qualcomm, Inc.	2.58
Apple, Inc.	2.55
Express Scripts	2.51
CVS Caremark Corp	1.91
Suncor Energy Inc	1.87
Danaher Corporation	1.86
MetLife Inc	1.81
Ecolab, Inc.	1.76

### % of Assets in Top 10

22.35

### Fees & Expenses

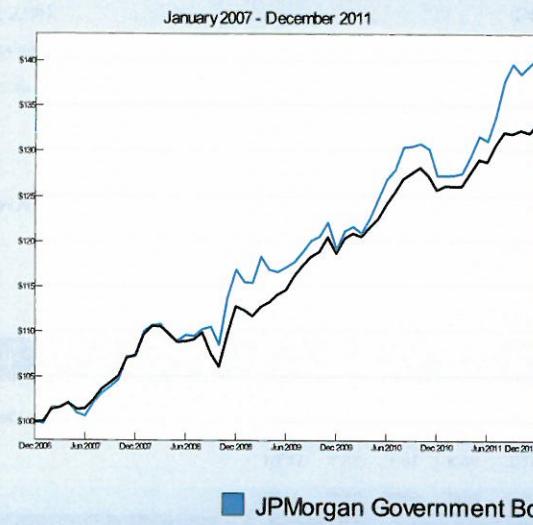
Expense Ratio	1.16
Gross Expense Ratio	1.16
Prospectus Net Expense Ratio	1.21
Prospectus Gross Expense Ratio	1.21
Actual 12b1	0.30

Source: Morningstar. See Disclosures at the end of the report

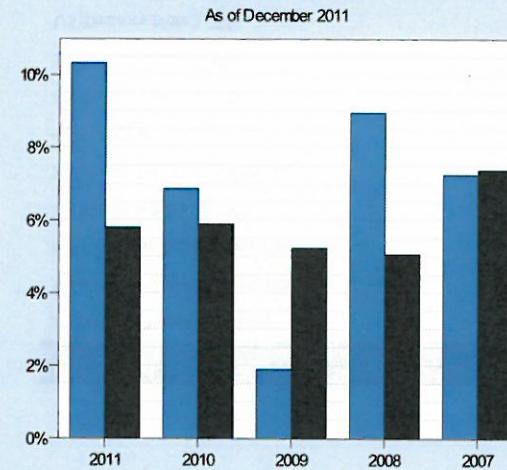


## OGGAX JPMorgan Government Bond A

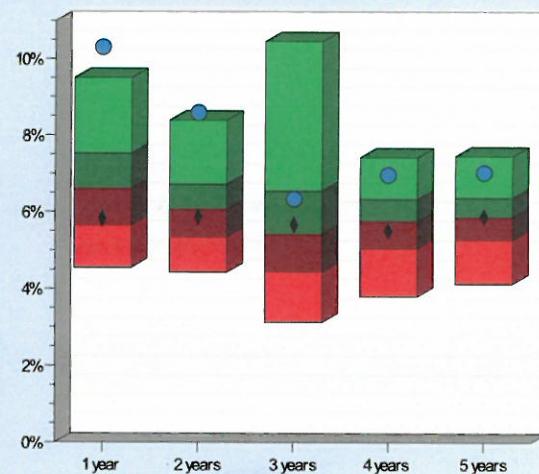
### Manager Performance



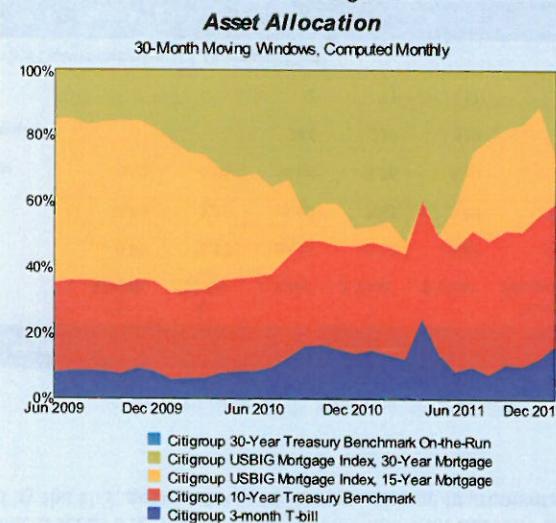
### Calendar Year Return



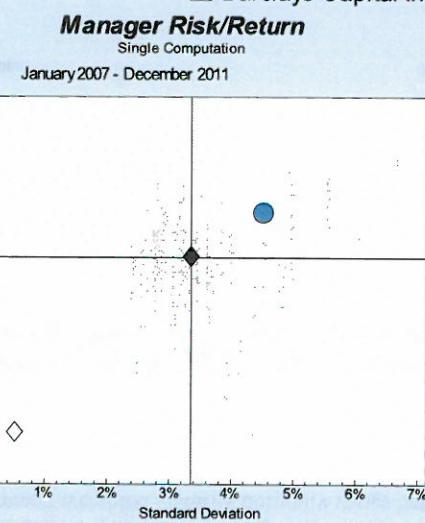
### Manager vs Universe: Return through December 2011



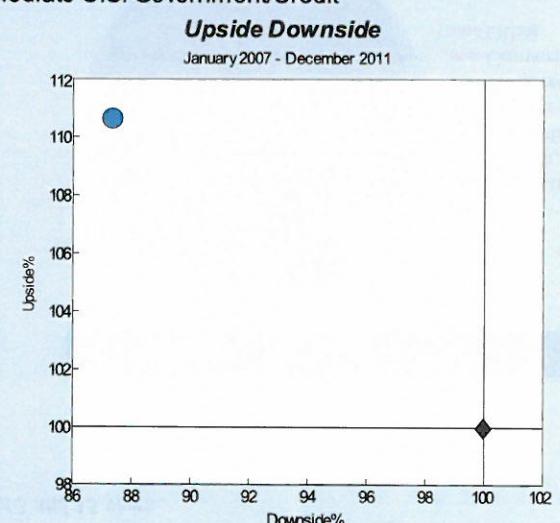
### Asset Allocation



### Manager Risk/Return



### Upside Downside



**Fund Objective**

The investment seeks a high level of current income with liquidity and safety of principal. The fund normally invests at least 80% of assets in government bonds including bonds issued or guaranteed by the U.S. government and its agencies and instrumentalities. The average weighted maturity normally varies between 3 and 15 years.

**Return and Rank for Fund and Category**

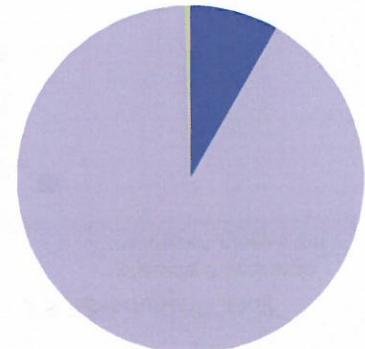
	<b>3 Month</b>	<b>6 Month</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>Since Inception</b>
OGGAX	0.60	7.17	10.33	6.32	7.03	5.91
Benchmark	0.84	3.25	5.80	5.65	5.88	7.92
Category Average	0.72	4.08	6.68	5.76	5.80	
# of Funds in Category		344	339	338		
Category Rank		2	31	11		
Benchmark: Barclays Capital Intermediate U.S. Government/Credit						

**Calendar Year Returns**

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
OGGAX	10.33	6.88	1.91	8.96	7.25
Category Average	6.68	5.67	5.10	5.44	6.41

**Credit Quality Rating (%)**

AAA	98.65
AA	0.00
A	1.35
BBB	0.00
BB	0.00
B	0.00
Below B	0.00
Not Rated	0.00

**Portfolio Profile**

- Cash
- Domestic Stock
- Foreign Stock
- Domestic Bond
- Foreign Bond
- Preferred Bond
- Convertible Bond
- Other

**Portfolio Data**

Manager	Michael Sais
Tenure (years)	15
Ticker	OGGAX
Fund Assets (\$MM)	1540.61
Alpha (3 Year)	-0.96
Beta (3 Year)	1.30
Standard Deviation (3 Year)	4.24
R-Squared (3 Year)	0.63
Sharpe Ratio (3 Year)	1.46
Morningstar Rating	3
Average Maturity	6.66
Average Credit Quality	2.00

**Top Ten Holdings (%)**

JPMorgan US Govt MMkt Inst	8.36
Resolution Fdg Fed Bk Prin Stp	6.93
U S Treas Bd Stripped Prin Pmt	4.11
US Treasury Note 2.625%	3.52
Resolution Fdg Fed Bk Cpn Strp	2.72
GNMA CMO 4.5%	2.14
US Treasury Note 1.375%	1.98
US Treasury Note 4.25%	1.95
US Treasury Note 3.75%	1.91

**Fees & Expenses**

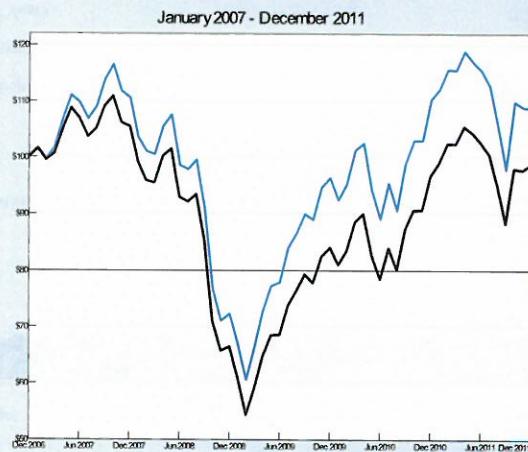
Expense Ratio	0.74
Gross Expense Ratio	0.99
Prospectus Net Expense Ratio	0.76
Prospectus Gross Expense Ratio	1.00
Actual 12b1	0.25

Source: Morningstar. See Disclosures at the end of the report

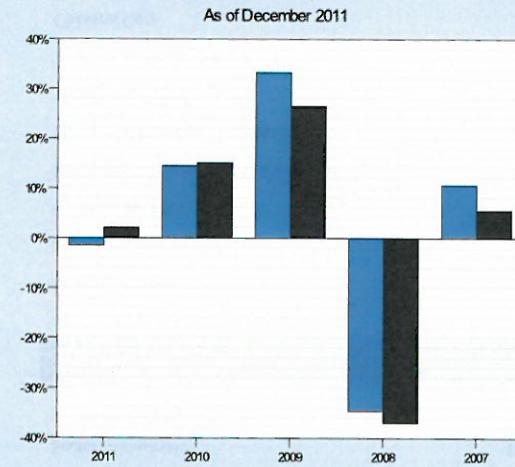


## JMUEX JPMorgan US Equity Instl

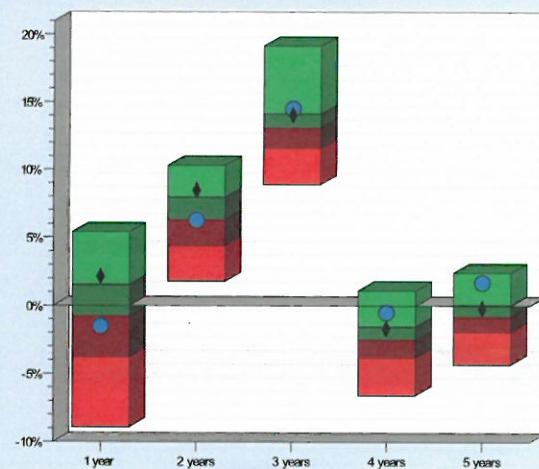
### Manager Performance



### Calendar Year Return

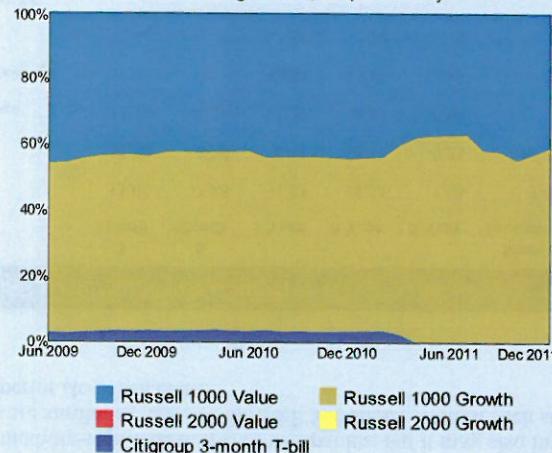


### Manager vs Universe: Return through December 2011



### Asset Allocation

30-Month Moving Windows, Computed Monthly

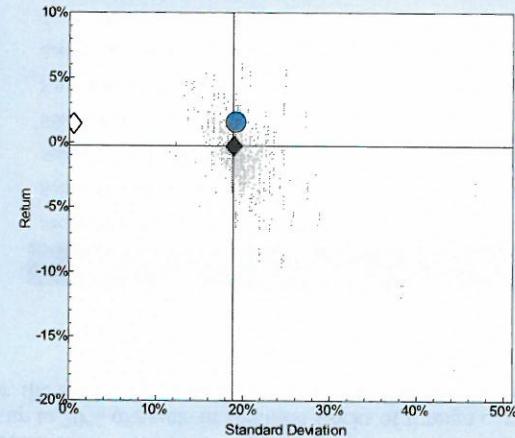


### JPMorgan US Equity Instl ■ S&P 500

### Manager Risk/Return

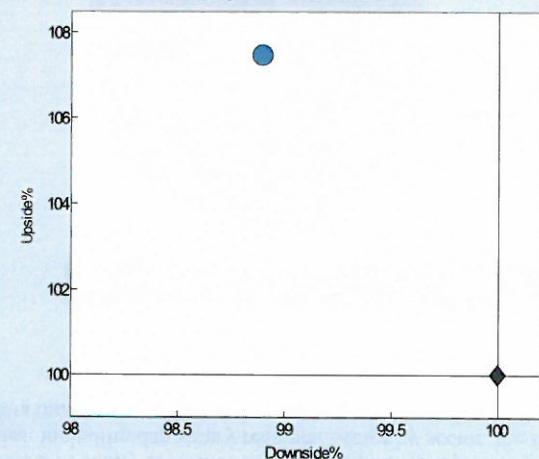
Single Computation

January 2007 - December 2011



### Upside Downside

January 2007 - December 2011



## Fund Objective

The investment seeks to provide high total return from a portfolio of selected equity securities. The fund invests at least 80% of assets in equity securities of U.S. companies. It primarily invests in large- and medium-capitalization U.S. companies, but it may also invest up to 20% of assets in common stocks of foreign companies, including depositary receipts. Sector by sector, the fund's weightings are similar to those of the S&P 500 Index. Within each sector, the fund focuses on those equity securities that it considers most undervalued and seeks to outperform the S&P 500 through superior stock selection.

Return and Rank for Fund and Category						
	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
JMUEX	11.05	-5.88	-1.53	14.54	1.66	7.47
Benchmark	11.82	-3.69	2.11	14.11	-0.25	10.73
Category Average	11.10	-6.26	-1.22	13.17	-0.96	
# of Funds in Category			1,821	1,718	1,613	
Category Rank			58	20	9	
Benchmark: S&P 500						

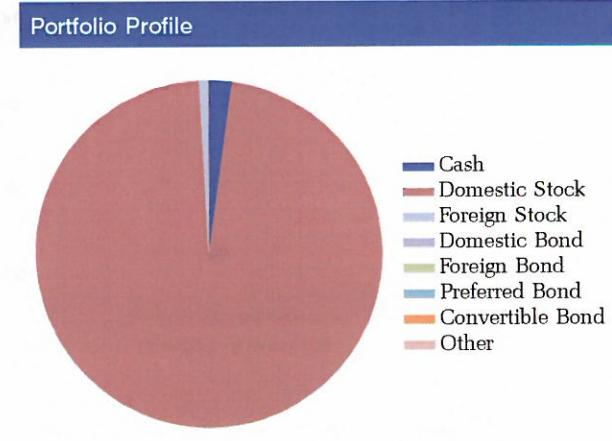
Calendar Year Returns					
	2011	2010	2009	2008	2007
JMUEX	-1.53	14.50	33.27	-34.63	10.54
Category Average	-1.22	14.22	28.85	-37.83	6.28

Portfolio Data	
Manager	Thomas Luddy
Tenure (years)	11
Ticker	JMUEX
Fund Assets (\$MM)	5068.08
Alpha (3 Year)	0.15
Beta (3 Year)	1.02
Standard Deviation (3 Year)	19.47
R-Squared (3 Year)	0.99
Sharpe Ratio (3 Year)	0.74
Morningstar Rating	4
Median Market Cap (\$MM)	47554.53
P/E Ratio	0.07

Sector Weightings (%)	
Sector: Basic Materials	3.21
Sector: Consumer Cyclical	13.00
Sector: Financial Services	12.45
Sector: Real Estate	0.41
Super Sector: Defensive	24.78
Sector: Consumer Defensive	9.23
Sector: Healthcare	12.66
Sector: Utilities	2.89
Super Sector: Sensitive	43.90
Sector: Communication Services	3.72
Sector: Energy	12.41
Sector: Industrials	10.41
Sector: Technology	17.36

Top Ten Holdings (%)	
Apple, Inc.	4.39
Merck & Co Inc	2.74
Microsoft Corporation	2.24
Schlumberger NV	2.18
JPMorgan Prime Money Market Fund	2.17
Occidental Petroleum Corporation	2.11
Wells Fargo & Co	2.07
The Procter & Gamble Co	1.88
Chevron Corp	1.87
The Coca-Cola Co	1.79

% of Assets in Top 10      23.44



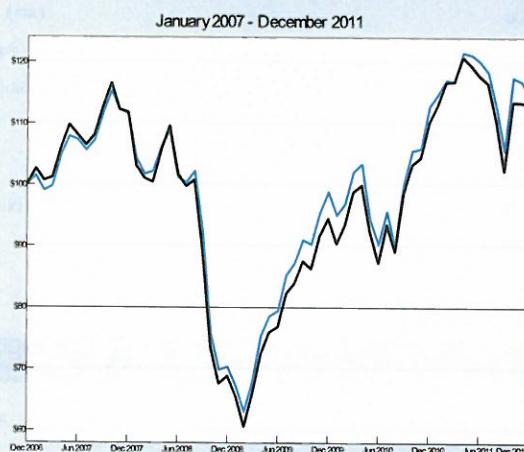
Fees & Expenses	
Expense Ratio	0.64
Gross Expense Ratio	0.66
Prospectus Net Expense Ratio	0.64
Prospectus Gross Expense Ratio	0.66
Actual 12b1	.

Source: Morningstar. See Disclosures at the end of the report

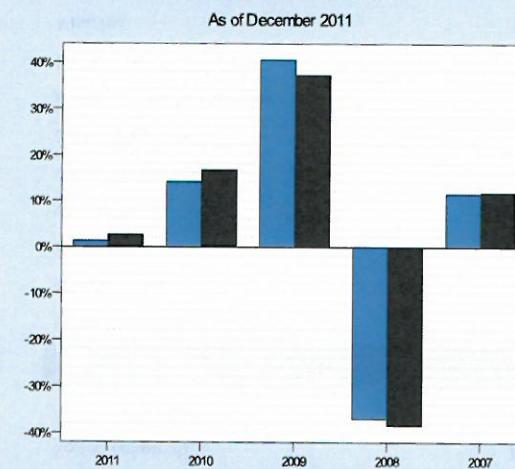


## MIGFX MFS Massachusetts Investors Gr Stk A

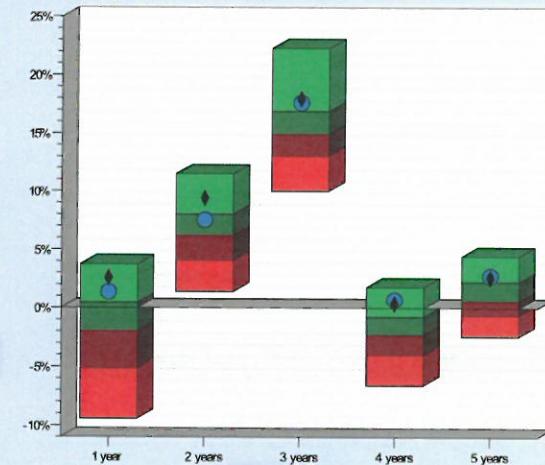
### Manager Performance



### Calendar Year Return

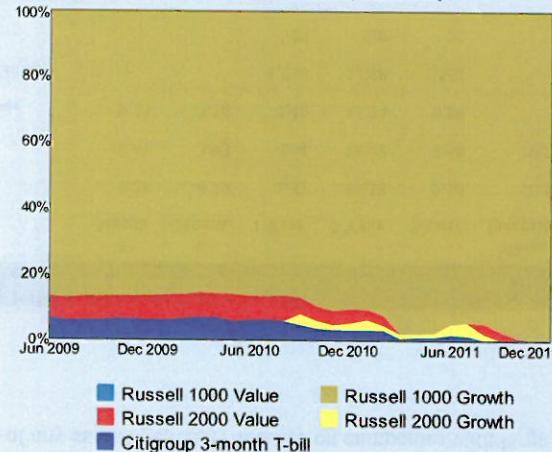


### Manager vs Universe: Return through December 2011



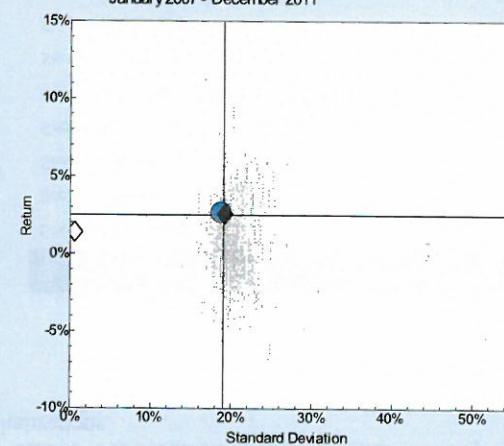
### Asset Allocation

30-Month Moving Windows, Computed Monthly



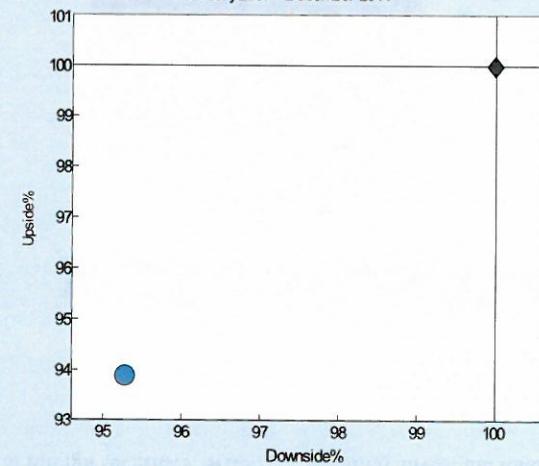
### Manager Risk/Return

Single Computation  
January 2007 - December 2011



### Upside Downside

January 2007 - December 2011



## Fund Objective

The investment seeks capital appreciation. The fund normally invests at least 80% of net assets in equity securities. It may invest in foreign securities. While the fund may invest the fund's assets in companies of any size, it generally focuses on companies with large capitalizations.

### Return and Rank for Fund and Category

	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
MIGFX	8.28	-4.79	1.32	17.58	2.70	10.15
Benchmark	10.61	-3.92	2.64	18.02	2.50	10.86
Category Average	9.25	-7.76	-2.48	15.34	0.80	
# of Funds in Category		1,715	1,638	1,561		
Category Rank		19	20	20		
Benchmark: Russell 1000 Growth						

### Calendar Year Returns

	2011	2010	2009	2008	2007
MIGFX	1.32	14.18	40.49	-36.95	11.50
Category Average	-2.48	15.75	36.33	-40.37	14.73

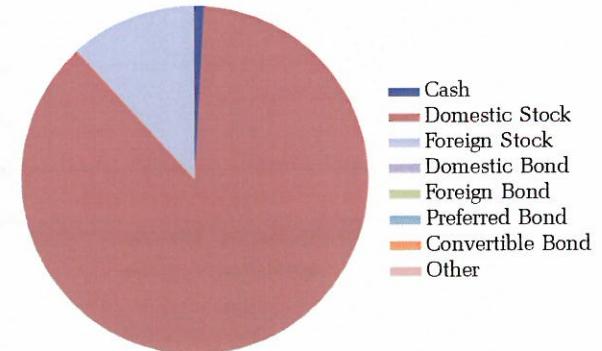
### Portfolio Data

Manager	Jeffrey Constantino
Tenure (years)	5
Ticker	MIGFX
Fund Assets (\$MM)	2980.70
Alpha (3 Year)	-0.17
Beta (3 Year)	0.99
Standard Deviation (3 Year)	18.07
R-Squared (3 Year)	0.97
Sharpe Ratio (3 Year)	0.97
Morningstar Rating	3
Median Market Cap (\$MM)	36985.76
P/E Ratio	0.06

### Sector Weightings (%)

Sector: Basic Materials	1.19
Sector: Consumer Cyclical	8.84
Sector: Financial Services	8.33
Sector: Real Estate	0.00
Super Sector: Defensive	25.08
Sector: Consumer Defensive	13.97
Sector: Healthcare	11.11
Sector: Utilities	0.00
Super Sector: Sensitive	55.56
Sector: Communication Services	1.08
Sector: Energy	7.39
Sector: Industrials	17.14
Sector: Technology	29.95

### Portfolio Profile



### Top Ten Holdings (%)

Oracle Corporation	5.00
Danaher Corporation	4.05
Apple, Inc.	3.53
Google, Inc.	3.49
United Technologies Corp	3.29
Schlumberger NV	3.01
Colgate-Palmolive Company	2.94
PepsiCo Inc	2.91
Visa, Inc.	2.75
Accenture PLC	2.58

### % of Assets in Top 10

33.55

### Fees & Expenses

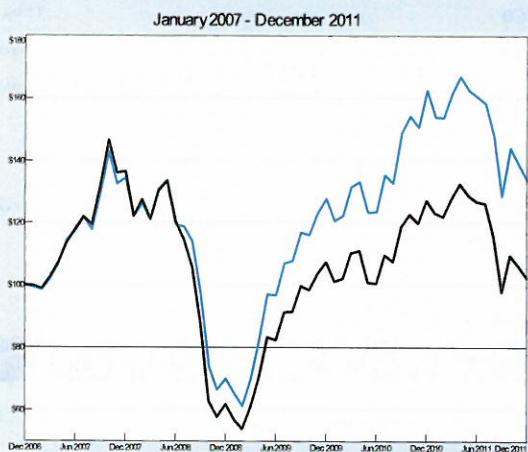
Expense Ratio	0.95
Gross Expense Ratio	0.95
Prospectus Net Expense Ratio	0.85
Prospectus Gross Expense Ratio	0.85
Actual 12b1	0.25

Source: Morningstar. See Disclosures at the end of the report

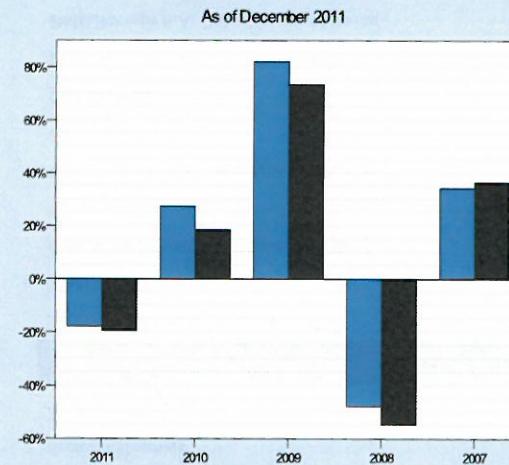


# ODVYX Oppenheimer Developing Markets Y

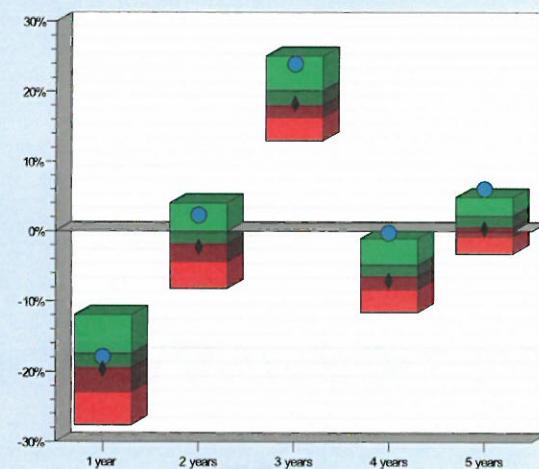
## Manager Performance



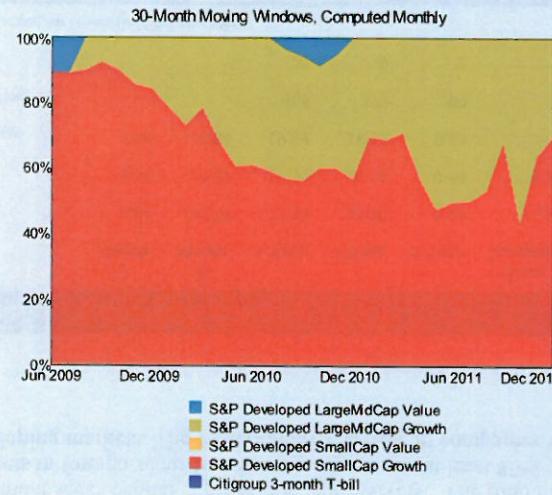
## Calendar Year Return



## Manager vs Universe: Return through December 2011



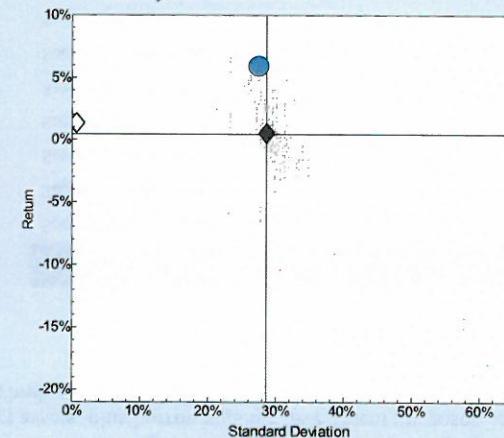
## Asset Allocation



## Manager Risk/Return

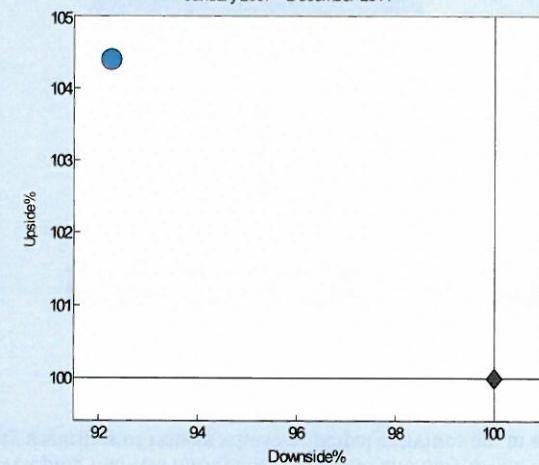
Single Computation

January 2007 - December 2011



## Upside Downside

January 2007 - December 2011



## Fund Objective

The investment seeks capital appreciation aggressively. The fund mainly invests in common stocks of issuers in emerging and developing markets throughout the world and may invest up to 100% of total assets in foreign securities. It normally invests at least 80% of net assets, plus borrowings for investment purposes, in equity securities of issuers whose principal activities are in at least three developing markets. The fund primarily invests in companies with high growth potential.

### Return and Rank for Fund and Category

	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
ODVYX	4.01	-16.79	-17.85	23.98	5.95	14.66
Benchmark	4.56	-19.29	-19.59	18.26	0.44	9.36
Category Average	3.80	-18.04	-19.89	18.33	0.43	
# of Funds in Category		468		399		299
Category Rank		29		9		2
Benchmark: Morningstar Diversified Emerging Mkts						

### Calendar Year Returns

	2011	2010	2009	2008	2007
ODVYX	-17.85	27.39	82.10	-47.84	34.30
Category Average	-19.89	19.48	74.22	-54.25	36.66

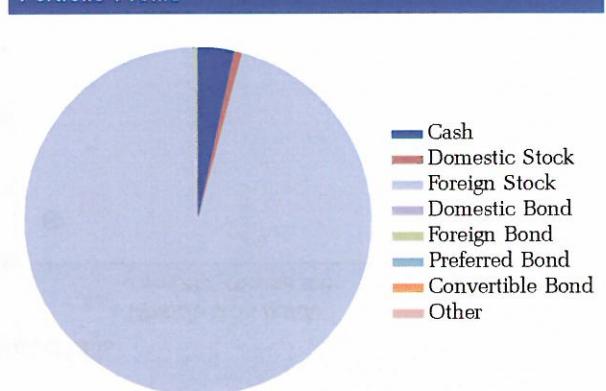
### Portfolio Data

Manager	Justin Leverenz
Tenure (years)	5
Ticker	ODVYX
Fund Assets (\$MM)	20269.55
Alpha (3 Year)	5.01
Beta (3 Year)	0.99
Standard Deviation (3 Year)	25.83
R-Squared (3 Year)	0.98
Sharpe Ratio (3 Year)	0.92
Morningstar Rating	5
Median Market Cap (\$MM)	14285.06
P/E Ratio	0.06

### Sector Weightings (%)

Sector: Basic Materials	8.93
Sector: Consumer Cyclical	11.71
Sector: Financial Services	12.17
Sector: Real Estate	3.91
Super Sector: Defensive	22.14
Sector: Consumer Defensive	20.48
Sector: Healthcare	1.66
Sector: Utilities	0.00
Super Sector: Sensitive	34.74
Sector: Communication Services	6.21
Sector: Energy	9.16
Sector: Industrials	2.86
Sector: Technology	16.51

### Portfolio Profile



### Top Ten Holdings (%)

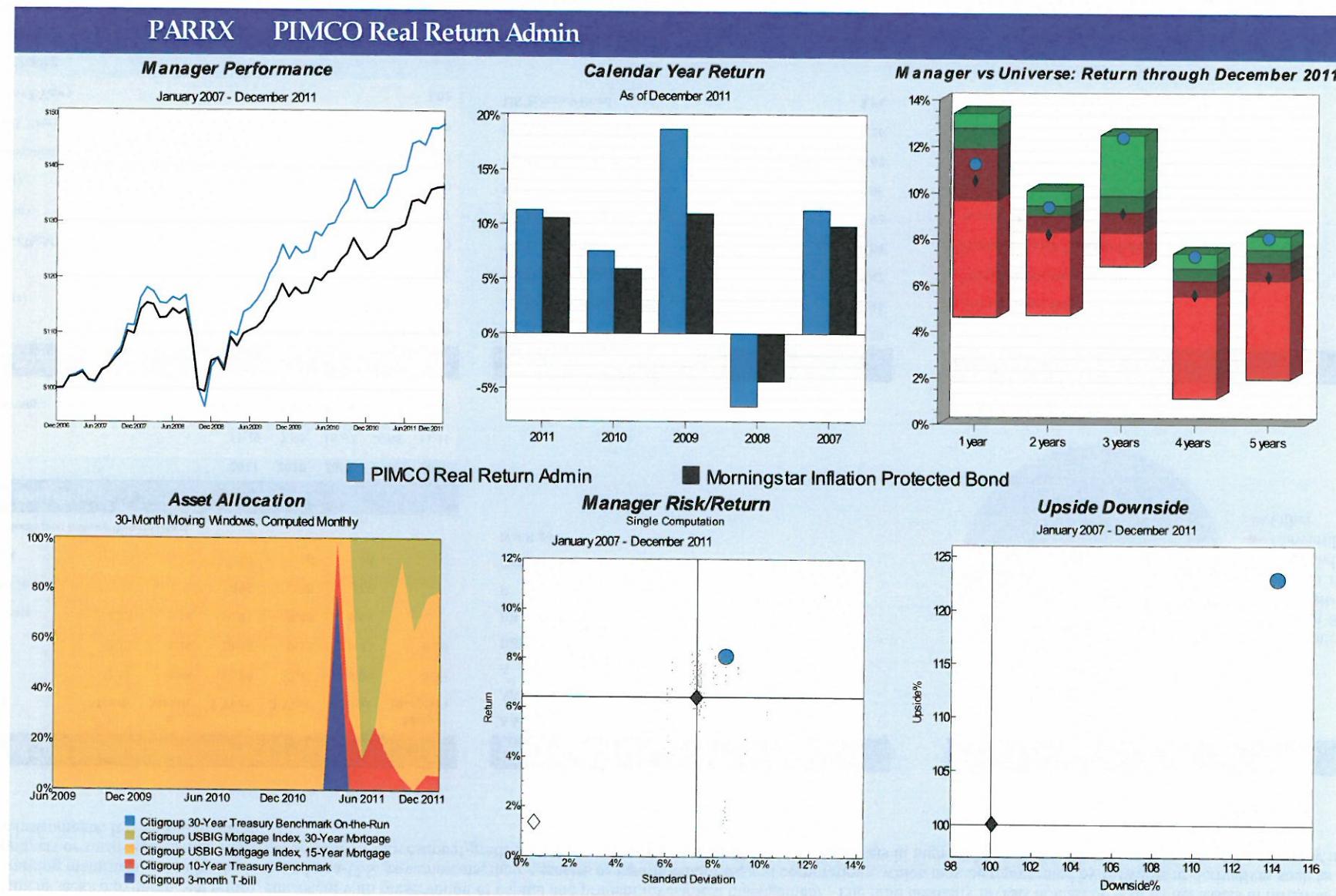
America Movil, S.A.B. de C.V. ADR	4.00
Nhn Corp	3.88
Oppenheimer Institutional Money Market E	3.47
Infosys Ltd	3.37
Mexican Economic Development, Inc. ADR	2.37
Oao Novatek GDR	2.25
Carlsberg AS	2.04
Petroleo Brasileiro SA Petrobras ADR	1.98
BMF Bovespa S.A. Bolsa Valores Merc Fut	1.93
Tullow Oil PLC	1.84

### Fees & Expenses

Expense Ratio	1.00
Gross Expense Ratio	1.00
Prospectus Net Expense Ratio	1.00
Prospectus Gross Expense Ratio	1.00
Actual 12b1	.

Source: Morningstar. See Disclosures at the end of the report

## PARRX PIMCO Real Return Admin



Fourth Quater - 12/31/2011



Gallagher Retirement Services  
a Division of Gallagher Benefit Services, Inc.

Community Medical Center  
47

## Fund Objective

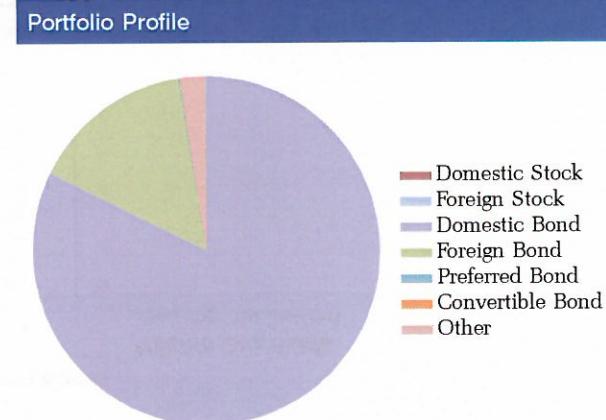
The investment seeks maximum real return, consistent with preservation of capital and prudent investment management. The fund normally invests at least 80% of its net assets in inflation-indexed bonds of varying maturities issued by the U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements. It invests primarily in investment-grade securities, but may invest up to 10% of total assets in high-yield securities ("junk bonds"). The fund also may invest in derivative instruments. It is non-diversified.

Return and Rank for Fund and Category						
	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
PARRX	2.58	5.88	11.29	12.41	8.09	7.33
Benchmark	2.22	5.26	10.55	9.12	6.42	6.28
Category Average	2.22	5.30	10.95	9.40	6.68	
# of Funds in Category		195	170	160		
Category Rank		67	6	10		
Benchmark: Morningstar Inflation Protected Bond						

Calendar Year Returns					
	2011	2010	2009	2008	2007
PARRX	11.29	7.54	18.67	-6.66	11.31
Category Average	10.95	5.93	10.79	-3.97	10.19

Portfolio Data		
Manager	Mihir Worah	
Tenure (years)		4
Ticker	PARRX	
Fund Assets (\$MM)	21987.20	
Alpha (3 Year)	2.27	
Beta (3 Year)	1.09	
Standard Deviation (3 Year)	6.07	
R-Squared (3 Year)	0.95	
Sharpe Ratio (3 Year)	2.02	
Morningstar Rating	5	
Average Maturity	10.80	
Average Credit Quality		

Credit Quality Rating (%)	
AAA	.
AA	.
A	.
BBB	.
BB	.
B	.
Below B	.
Not Rated	.



Top Ten Holdings (%)		
US Treasury Bond	3.875%	8.20
US Treasury Bond	3.625%	7.98
US Treasury Bond	2.375%	7.42
US Treasury Note	2%	10.04
US Treasury Note	1.875%	5.92
US Treasury Note	2.625%	4.96
US Treasury Note	2.5%	4.67
US Treasury Bond	2%	4.26
US Treasury Bond		3.94

**% of Assets in Top 10** **57.39**

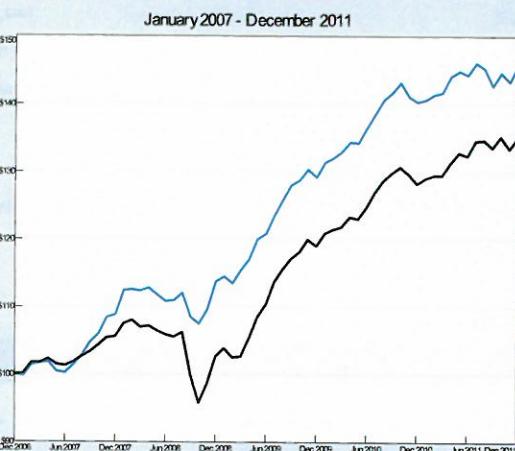
Fees & Expenses	
Expense Ratio	0.70
Gross Expense Ratio	0.71
Prospectus Net Expense Ratio	0.70
Prospectus Gross Expense Ratio	0.71
Actual 12b1	0.25

Source: Morningstar. See Disclosures at the end of the report

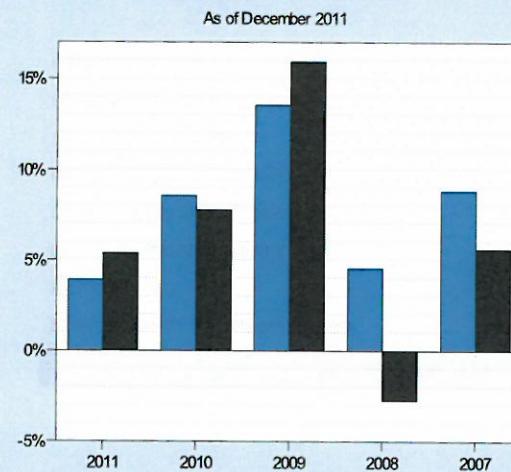


## PTRAX PIMCO Total Return Admin

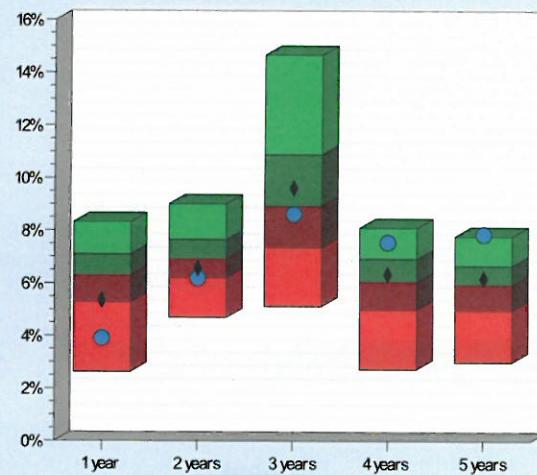
### Manager Performance



### Calendar Year Return

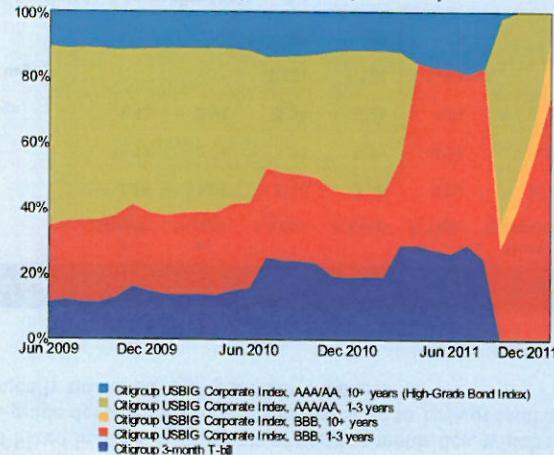


### Manager vs Universe: Return through December 2011



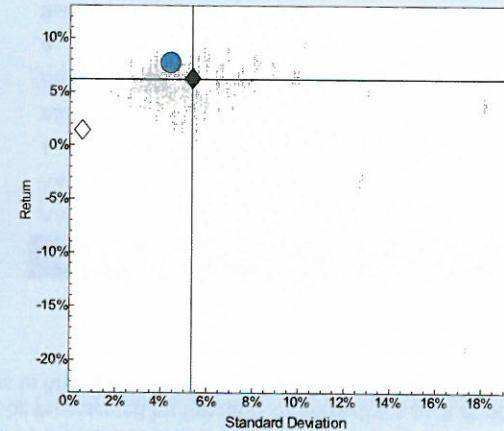
### Asset Allocation

30-Month Moving Windows, Computed Monthly



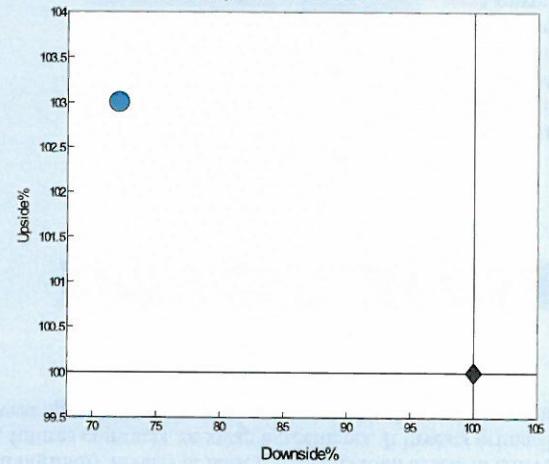
### Manager Risk/Return

Single Computation  
January 2007 - December 2011



### Upside Downside

January 2007 - December 2011



## Fund Objective

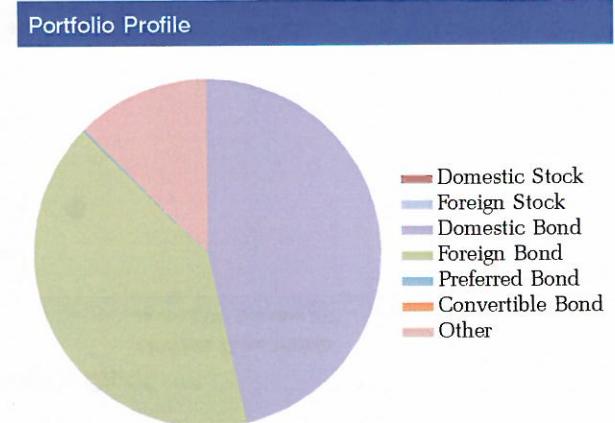
The investment seeks maximum total return, consistent with preservation of capital and prudent investment management. The fund normally invests at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts, or swap agreements. It invests primarily in investment-grade debt securities, but may invest up to 10% of total assets in high-yield securities ("junk bonds"). The fund may invest up to 15% of its total assets in securities and instruments that are economically tied to emerging market countries.

Return and Rank for Fund and Category						
	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
PTRAX	2.16	1.01	3.91	8.60	7.82	8.03
Benchmark	1.13	2.08	5.37	9.59	6.21	8.30
Category Average	1.32	2.91	5.88	9.21	5.66	
# of Funds in Category		1,221	1,124	1,061		
Category Rank		89	57	5		
Benchmark: Barclays Capital U.S. Intermediate Credit						

Calendar Year Returns					
	2011	2010	2009	2008	2007
PTRAX	3.91	8.56	13.55	4.55	8.81
Category Average	5.88	7.79	14.22	-3.66	5.13

Portfolio Data	
Manager	William Gross
Tenure (years)	25
Ticker	PTRAX
Fund Assets (\$MM)	244055.38
Alpha (3 Year)	0.64
Beta (3 Year)	0.83
Standard Deviation (3 Year)	3.69
R-Squared (3 Year)	0.77
Sharpe Ratio (3 Year)	2.30
Morningstar Rating	3
Average Maturity	8.97
Average Credit Quality	.

Credit Quality Rating (%)	
AAA	.
AA	.
A	.
BBB	.
BB	.
B	.
Below B	.
Not Rated	.



Top Ten Holdings (%)	
Pimco Fds Private Account Portfolio Ser	17.63
FNMA	19.58
Ois Usd R Fedl01/0.50 09/19/12 Myc	4.33
Ois Usd R Fedl01/0.50 09/19/12 Fbf	2.90
Ois Usd R Fedl01/1.00 09/19/12 Bps	2.66
US Treasury Note 3.625%	2.32
Irs Usd R 3ml/4.25 06/15/11 Cme	2.16
Cdx Ig16 5y Sp Bps	2.01

**% of Assets in Top 10** **53.59**

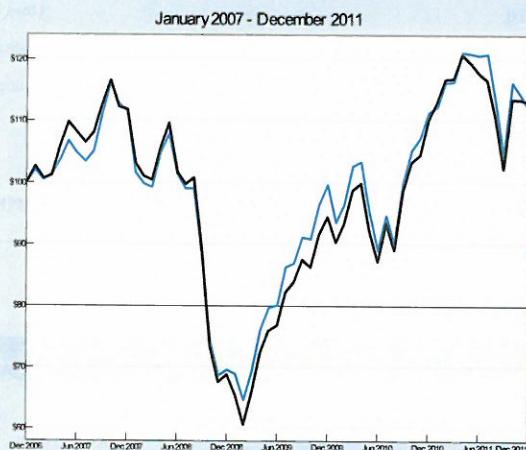
Fees & Expenses	
Expense Ratio	0.71
Gross Expense Ratio	0.71
Prospectus Net Expense Ratio	0.71
Prospectus Gross Expense Ratio	0.71
Actual 12b1	0.25

Source: Morningstar. See Disclosures at the end of the report

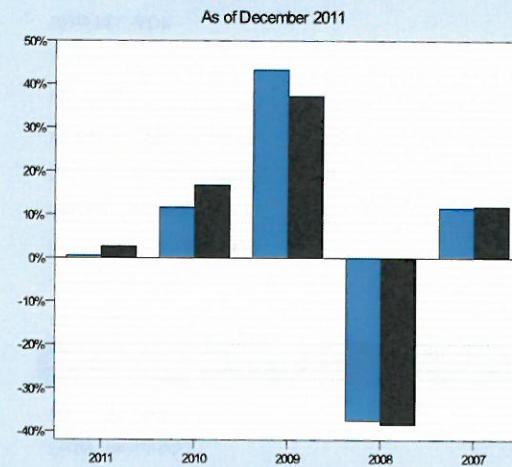


## PJFZX Prudential Jennison Growth Z

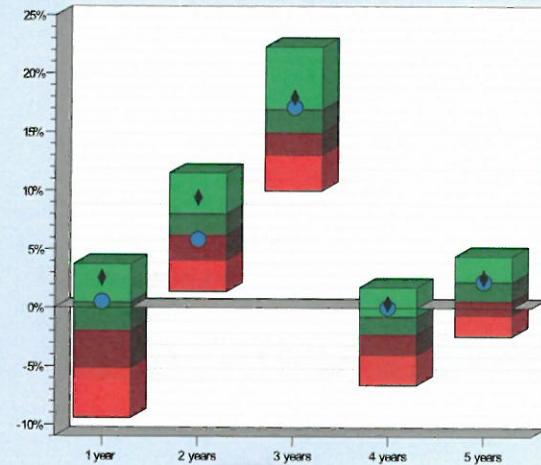
### Manager Performance



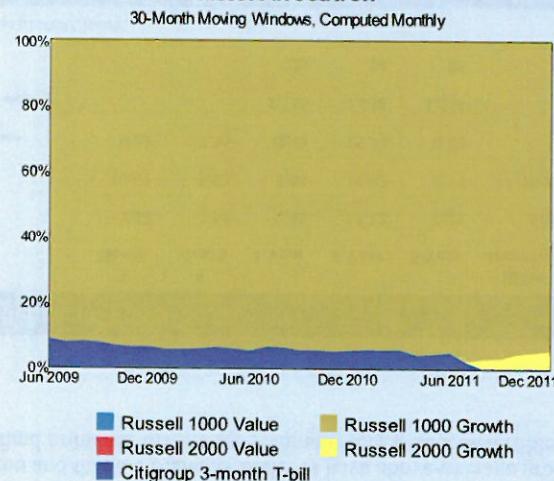
### Calendar Year Return



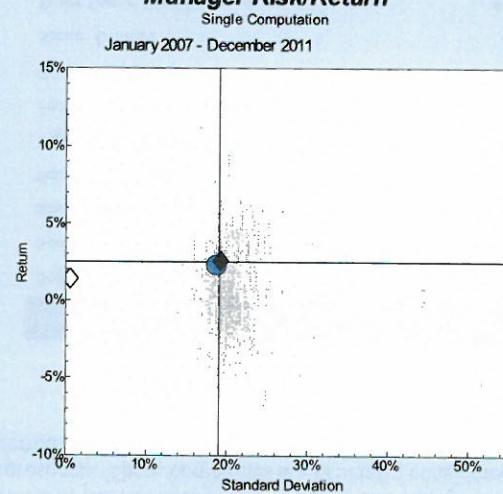
### Manager vs Universe: Return through December 2011



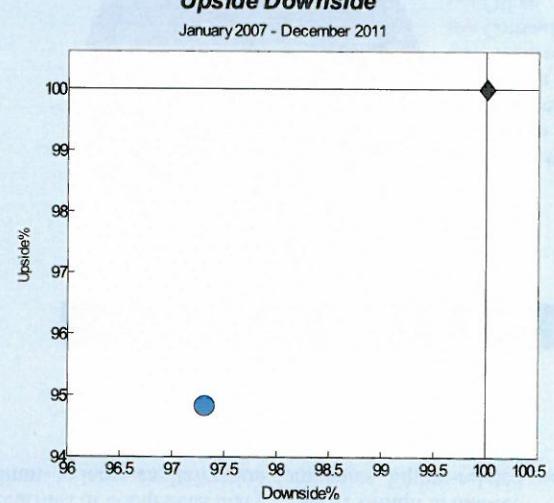
### Asset Allocation



### Manager Risk/Return



### Upside Downside



## Fund Objective

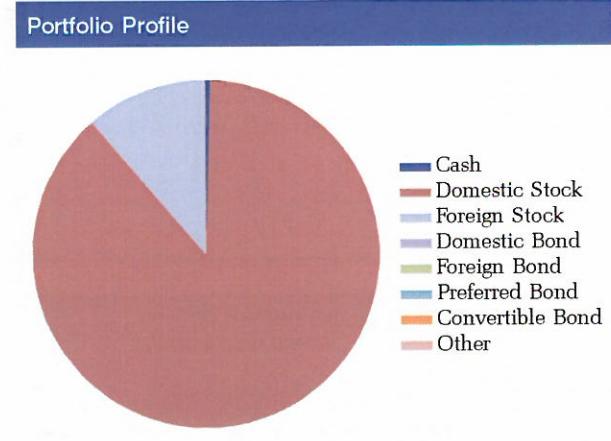
The investment seeks long-term growth of capital. The fund normally invests at least 65% of assets in equity and equity-related securities of companies that exceed \$1 billion in market capitalization and that the Manager believes have above-average growth prospects. These companies are generally considered medium- to large-capitalization companies. Equity-related securities in which the fund primarily invests are common stocks, nonconvertible preferred stocks and convertible securities.

Return and Rank for Fund and Category						
	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
PJFZX	7.24	-7.34	0.48	17.12	2.25	5.79
Benchmark	10.61	-3.92	2.64	18.02	2.50	10.86
Category Average	9.25	-7.76	-2.48	15.34	0.80	
# of Funds in Category		1,715	1,638	1,561		
Category Rank		26	24	25		
Benchmark: Russell 1000 Growth						

Calendar Year Returns					
	2011	2010	2009	2008	2007
PJFZX	0.48	11.62	43.25	-37.61	11.50
Category Average	-2.48	15.75	36.33	-40.37	14.73

Portfolio Data	
Manager	Spiros Segalas
Tenure (years)	13
Ticker	PJFZX
Fund Assets (\$MM)	1871.24
Alpha (3 Year)	-0.44
Beta (3 Year)	0.98
Standard Deviation (3 Year)	18.16
R-Squared (3 Year)	0.95
Sharpe Ratio (3 Year)	0.94
Morningstar Rating	4
Median Market Cap (\$MM)	39218.87
P/E Ratio	0.05

Sector Weightings (%)	
Sector: Basic Materials	3.16
Sector: Consumer Cyclical	24.77
Sector: Financial Services	6.39
Sector: Real Estate	0.00
Super Sector: Defensive	18.87
Sector: Consumer Defensive	6.42
Sector: Healthcare	12.45
Sector: Utilities	0.00
Super Sector: Sensitive	46.31
Sector: Communication Services	1.79
Sector: Energy	7.38
Sector: Industrials	6.48
Sector: Technology	30.66



Top Ten Holdings (%)	
Apple, Inc.	5.31
Amazon.com Inc	3.94
MasterCard Incorporated A	2.91
Oracle Corporation	2.85
International Business Machines Corp	2.60
Precision Castparts Corp.	2.45
Google, Inc.	2.32
Monsanto Company	2.28
Shire PLC ADR	2.27
Starbucks Corporation	2.16

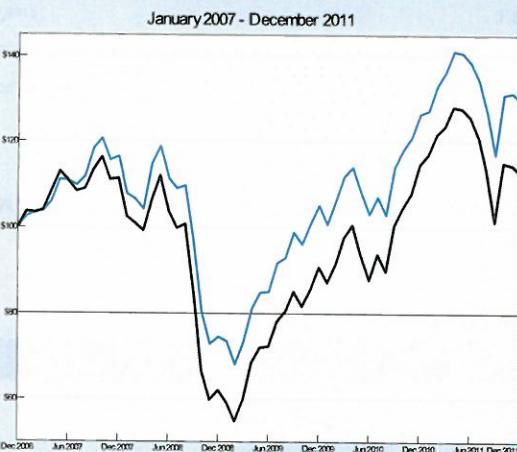
Fees & Expenses	
Expense Ratio	0.78
Gross Expense Ratio	0.78
Prospectus Net Expense Ratio	0.78
Prospectus Gross Expense Ratio	0.78
Actual 12b1	.

Source: Morningstar. See Disclosures at the end of the report

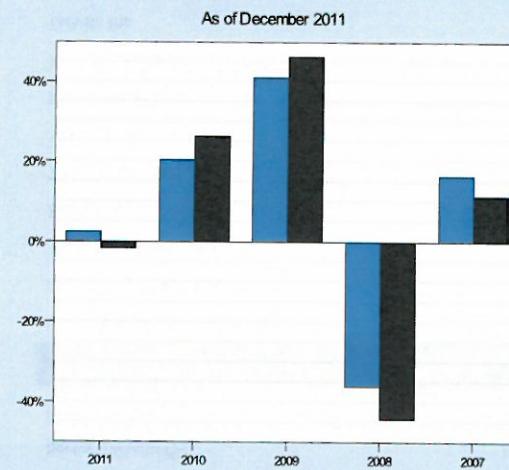


## PE GZX Prudential Jennison Mid Cap Growth Z

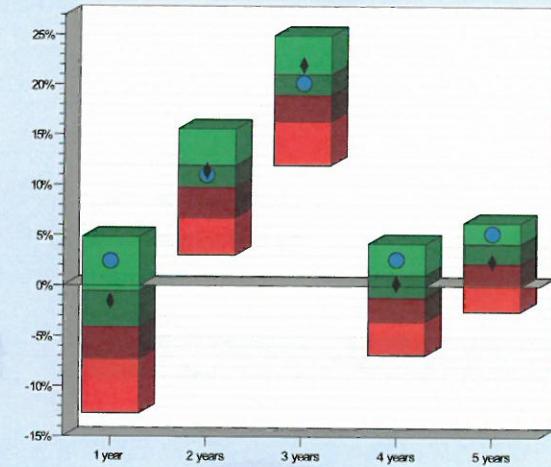
### Manager Performance



### Calendar Year Return



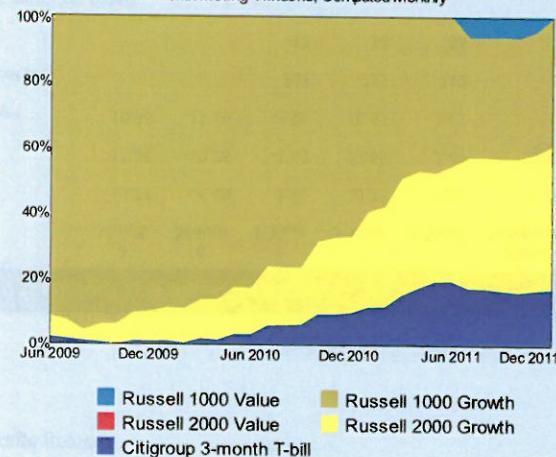
### Manager vs Universe: Return through December 2011



■ Prudential Jennison Mid Cap Growth Z ■ Russell Midcap Growth

### Asset Allocation

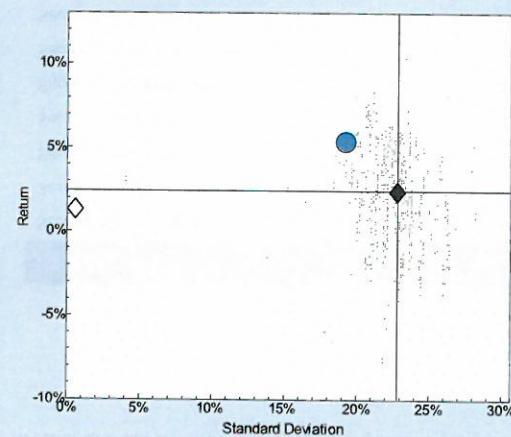
30-Month Moving Windows, Computed Monthly



### Manager Risk/Return

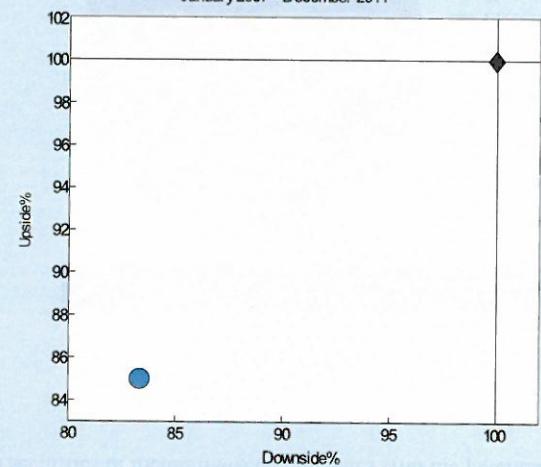
Single Computation

January 2007 - December 2011



### Upside Downside

January 2007 - December 2011



**Fund Objective**

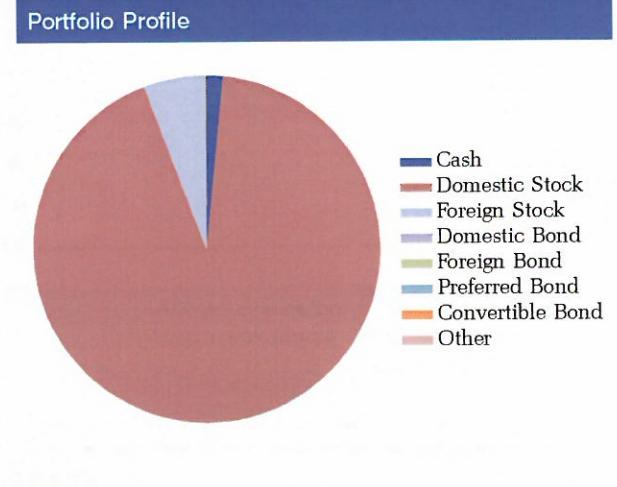
The investment seeks long-term capital appreciation. The fund normally invests at least 80% of assets in equity and equity-related securities of medium-sized companies with the potential for above-average growth.

Return and Rank for Fund and Category						
	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
PEGZX	10.73	-6.49	2.42	20.23	5.30	9.38
Benchmark	11.24	-10.26	-1.65	22.06	2.44	10.86
Category Average	10.36	-11.19	-3.96	18.63	2.12	
# of Funds in Category		767	735	712		
Category Rank		12	34	13		
Benchmark: Russell Midcap Growth						

Calendar Year Returns					
	2011	2010	2009	2008	2007
PEGZX	2.42	20.32	41.04	-36.01	16.42
Category Average	-3.96	25.02	39.62	-42.65	16.90

Portfolio Data		
Manager		John Mullman
Tenure (years)		6
Ticker		PEGZX
Fund Assets (\$MM)		3615.30
Alpha (3 Year)		1.81
Beta (3 Year)		0.82
Standard Deviation (3 Year)		17.61
R-Squared (3 Year)		0.97
Sharpe Ratio (3 Year)		1.14
Morningstar Rating		4
Median Market Cap (\$MM)		7968.88
P/E Ratio		0.05

Sector Weightings (%)	
Sector: Basic Materials	6.29
Sector: Consumer Cyclical	16.08
Sector: Financial Services	2.75
Sector: Real Estate	1.63
Super Sector: Defensive	20.82
Sector: Consumer Defensive	7.94
Sector: Healthcare	12.88
Sector: Utilities	0.00
Super Sector: Sensitive	50.82
Sector: Communication Services	6.04
Sector: Energy	9.78
Sector: Industrials	11.71
Sector: Technology	23.29



Top Ten Holdings (%)		
Crown Castle International Corp	2.19	
Dollar Tree Stores, Inc.	2.18	
American Tower Corp A	2.02	
Ecolab, Inc.	1.97	
Tim Hortons, Inc.	1.93	
VeriSign, Inc.	1.86	
NII Holdings Inc	1.83	
Ross Stores, Inc.	1.75	
DaVita Inc	1.73	
Perrigo Company	1.66	

**% of Assets in Top 10** **19.12**

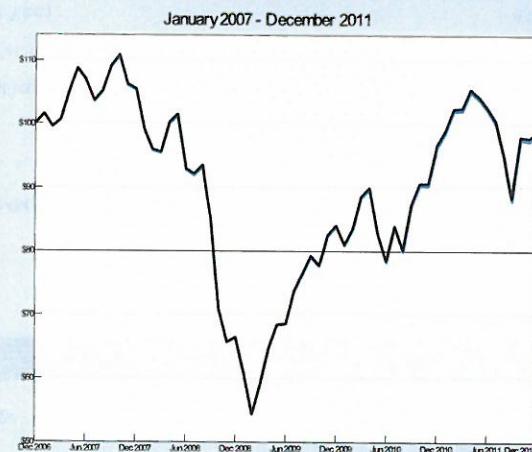
Fees & Expenses	
Expense Ratio	0.79
Gross Expense Ratio	0.79
Prospectus Net Expense Ratio	0.79
Prospectus Gross Expense Ratio	0.79
Actual 12b1	.

Source: Morningstar. See Disclosures at the end of the report

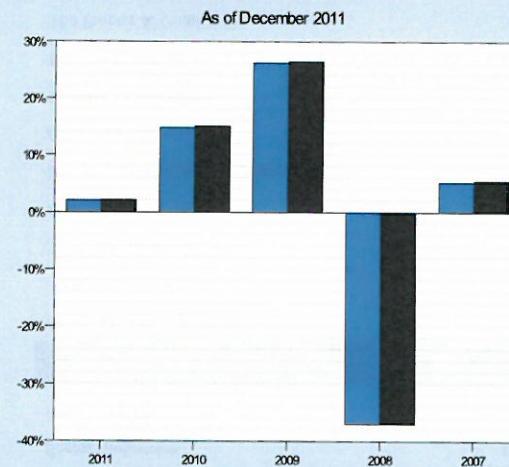


## PSIFX Prudential Stock Index Z

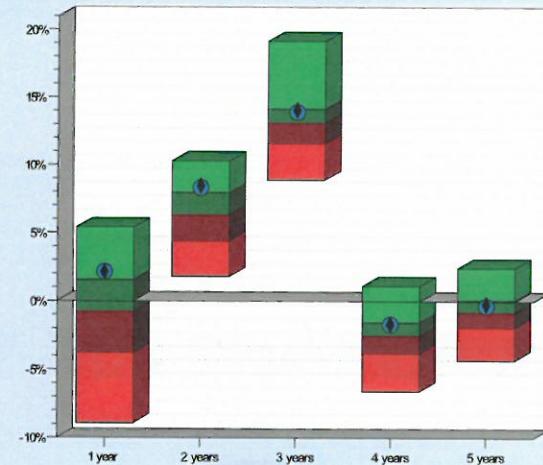
### Manager Performance



### Calendar Year Return

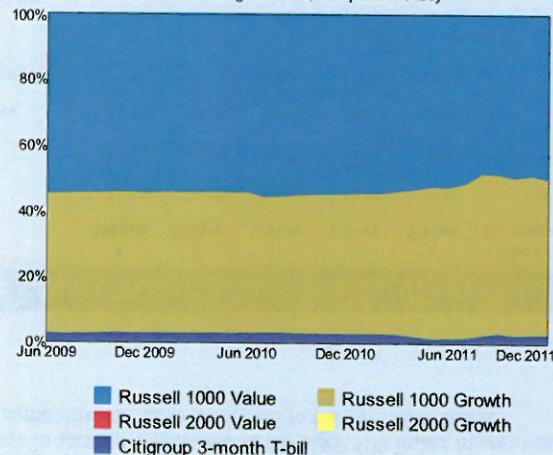


### Manager vs Universe: Return through December 2011



### Asset Allocation

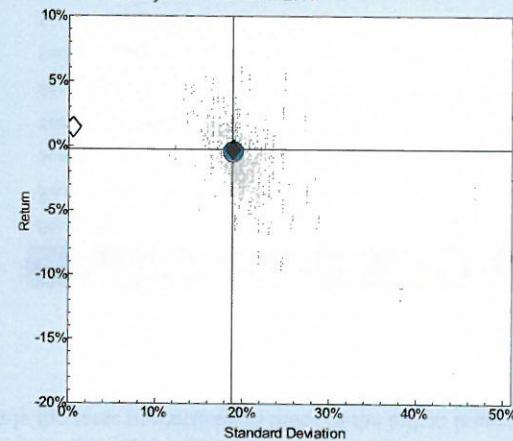
30-Month Moving Windows, Computed Monthly



### Manager Risk/Return

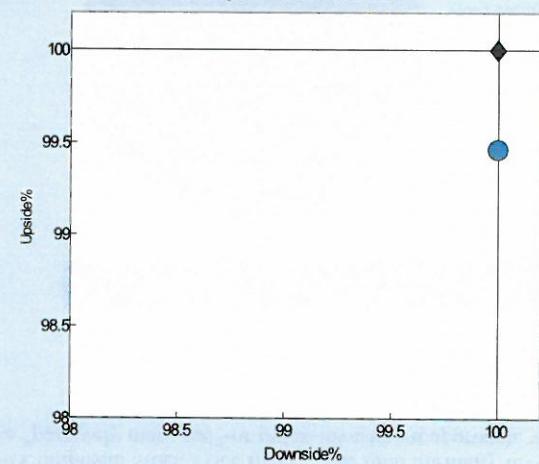
Single Computation

January 2007 - December 2011



### Upside Downside

January 2007 - December 2011



## Fund Objective

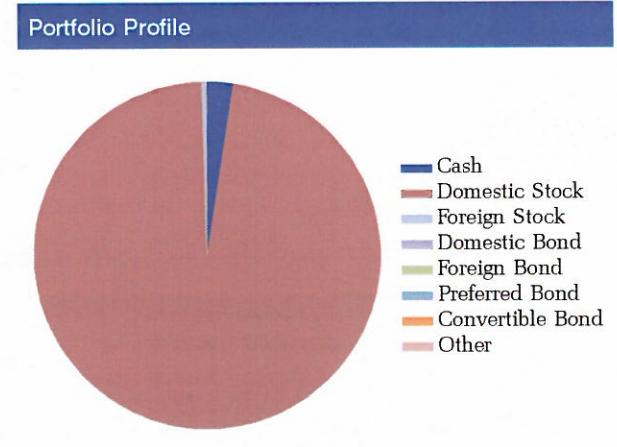
The investment seeks to provide investment results that correspond to the price and yield performance of the Standard & Poor's 500 Composite Stock Price Index. The fund normally invests over 80% of assets in securities included in the S&P 500 Index in approximately the same proportions as those of the index. It employs a "passively managed"-or index-investment approach, which aims to hold the same mix of stocks as is held in the S&P 500 Index.

Return and Rank for Fund and Category						
	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
PSIFX	11.82	-3.77	2.07	13.96	-0.36	7.52
Benchmark	11.82	-3.69	2.11	14.11	-0.25	10.73
Category Average	11.10	-6.26	-1.22	13.17	-0.96	
# of Funds in Category		1,821	1,718	1,613		
Category Rank		18	31	34		
Benchmark: S&P 500						

Calendar Year Returns					
	2011	2010	2009	2008	2007
PSIFX	2.07	14.82	26.27	-36.95	5.25
Category Average	-1.22	14.22	28.85	-37.83	6.28

Portfolio Data	
Manager	John Moschberger
Tenure (years)	19
Ticker	PSIFX
Fund Assets (\$MM)	876.53
Alpha (3 Year)	-0.12
Beta (3 Year)	1.00
Standard Deviation (3 Year)	18.95
R-Squared (3 Year)	1
Sharpe Ratio (3 Year)	0.73
Morningstar Rating	4
Median Market Cap (\$MM)	48259.81
P/E Ratio	0.07

Sector Weightings (%)	
Sector: Basic Materials	3.19
Sector: Consumer Cyclical	9.08
Sector: Financial Services	12.07
Sector: Real Estate	1.70
Super Sector: Defensive	26.32
Sector: Consumer Defensive	11.56
Sector: Healthcare	11.20
Sector: Utilities	3.56
Super Sector: Sensitive	44.85
Sector: Communication Services	4.09
Sector: Energy	12.08
Sector: Industrials	11.34
Sector: Technology	17.34



Top Ten Holdings (%)	
Exxon Mobil Corporation	3.25
Apple, Inc.	2.95
S&P 500 Future Dec11	2.59
Prudential Core Inv	2.31
International Business Machines Corp	1.87
Chevron Corp	1.72
Microsoft Corporation	1.59
Johnson & Johnson	1.48
The Procter & Gamble Co	1.47
AT&T Inc	1.43

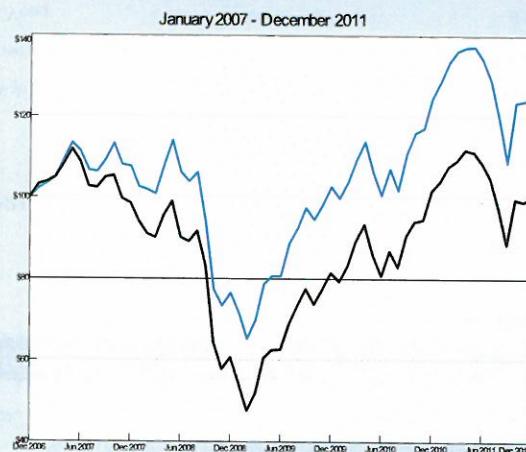
Fees & Expenses	
Expense Ratio	0.25
Gross Expense Ratio	0.47
Prospectus Net Expense Ratio	0.25
Prospectus Gross Expense Ratio	0.47
Actual 12b1	.

Source: Morningstar. See Disclosures at the end of the report

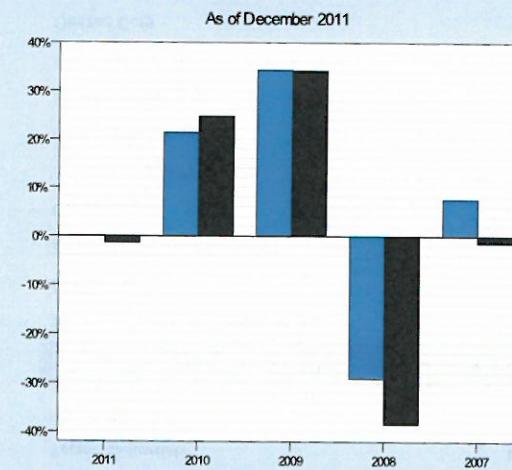


## VETAX Victory Established Value A

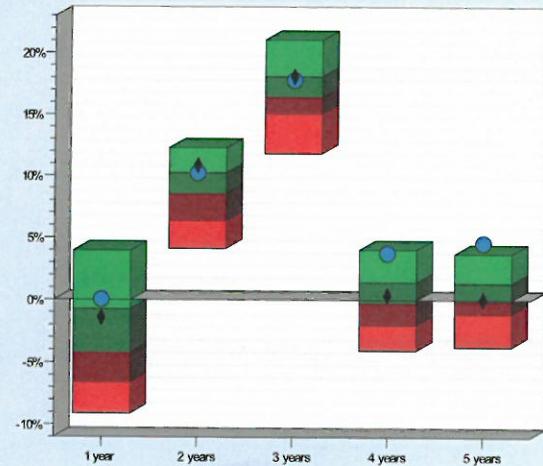
### Manager Performance



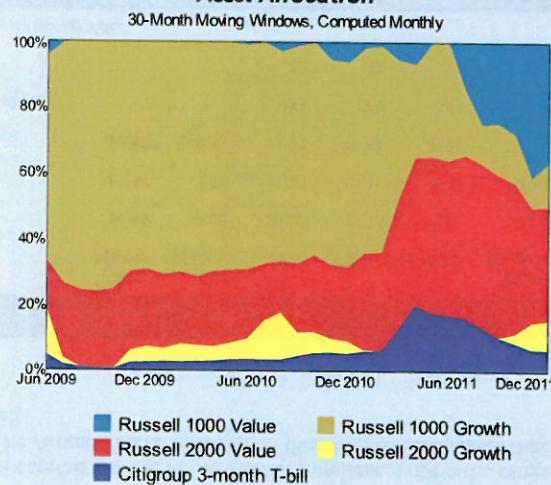
### Calendar Year Return



### Manager vs Universe: Return through December 2011

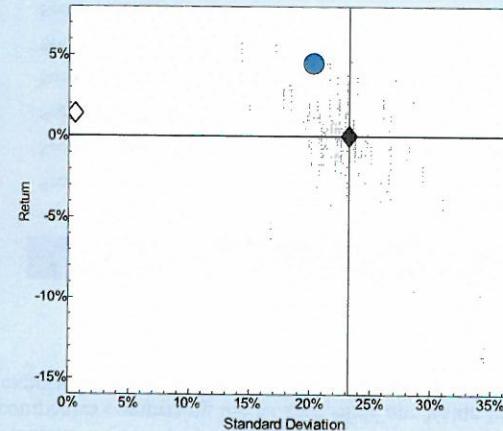


### Asset Allocation



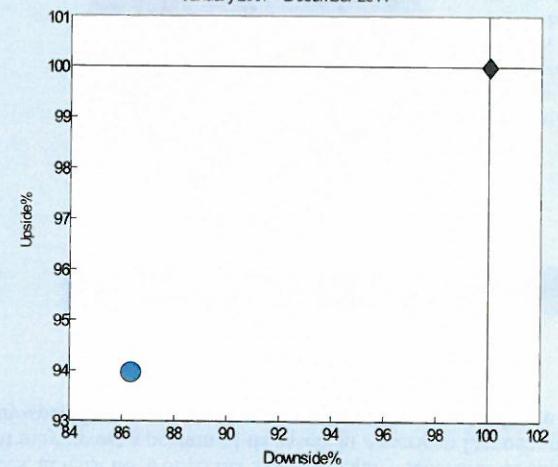
### Manager Risk/Return

Single Computation  
January 2007 - December 2011



### Upside Downside

January 2007 - December 2011



## Fund Objective

The investment seeks long-term capital growth. The fund pursues its investment objective by investing, under normal circumstances, at least 80% of its net assets in equity securities of companies with market capitalizations, at the time of purchase, within the range of companies comprising the Russell MidCapr Value Index. It may invest a portion of its assets in American Depository Receipts. The Adviser seeks to invest in the stock of companies that are expected to benefit from either macroeconomic or company-specific factors, and that are attractively priced relative to their fundamentals.

Return and Rank for Fund and Category						
	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
VETAX	14.85	-7.00	0.10	17.75	4.51	11.40
Benchmark	13.37	-7.56	-1.38	18.19	0.04	12.16
Category Average	12.67	-9.33	-3.92	16.63	-0.08	
# of Funds in Category		433	409	383		
Category Rank		20	32	4		
Benchmark: Russell Midcap Value						

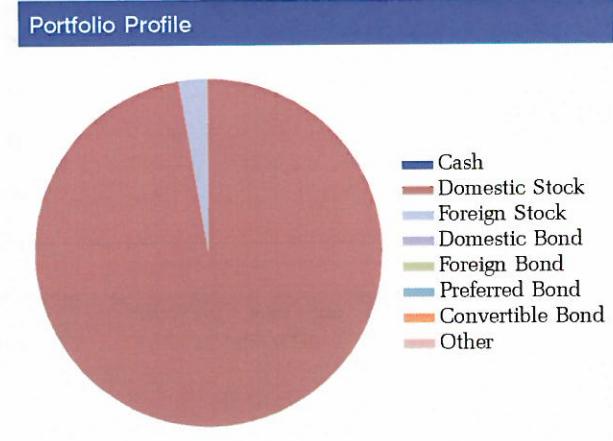
Calendar Year Returns					
	2011	2010	2009	2008	2007
VETAX	0.10	21.41	34.33	-29.02	7.60
Category Average	-3.92	21.91	36.43	-37.82	1.50

Portfolio Data	
Manager	Gary Miller
Tenure (years)	13
Ticker	VETAX
Fund Assets (\$MM)	874.25
Alpha (3 Year)	1.86
Beta (3 Year)	0.85
Standard Deviation (3 Year)	20.02
R-Squared (3 Year)	0.96
Sharpe Ratio (3 Year)	0.88
Morningstar Rating	3
Median Market Cap (\$MM)	5173.27
P/E Ratio	0.08

Sector Weightings (%)	
Sector: Basic Materials	6.59
Sector: Consumer Cyclical	16.06
Sector: Financial Services	18.12
Sector: Real Estate	2.46
Super Sector: Defensive	23.10
Sector: Consumer Defensive	4.27
Sector: Healthcare	10.59
Sector: Utilities	8.24
Super Sector: Sensitive	33.67
Sector: Communication Services	0.02
Sector: Energy	8.80
Sector: Industrials	16.70
Sector: Technology	8.15

Top Ten Holdings (%)	
Marsh & McLennan Companies, Inc.	2.50
Kohl's Corp	2.34
DENTSPLY International, Inc.	2.29
Chubb Corp	2.12
Alliant Energy Corporation	2.06
Arch Capital Group Ltd	2.06
Zimmer Holdings Inc	1.99
WR Berkley Corp	1.99
Questar Corp	1.97
Darden Restaurants Inc	1.91

**% of Assets in Top 10** **21.23**



Fees & Expenses	
Expense Ratio	1.10
Gross Expense Ratio	1.10
Prospectus Net Expense Ratio	1.10
Prospectus Gross Expense Ratio	1.10
Actual 12b1	0.00

Source: Morningstar. See Disclosures at the end of the report



## **DEFINITIONS OF INVESTMENT DATA**

### ***Investment Style***

**Value:** An investment style that invests in the stocks of companies that are considered undervalued relative to a major unmanaged stock index based on statistics such as price-to-current-earnings, book value, asset value or other factors.

**Growth:** An investment style that invests in stocks of companies with long-term earnings expected to grow faster than the earnings of the stocks represented in a major unmanaged index. These funds will normally have an above average price-to-earnings ratio, price-to-book ratio, and three-year earnings growth figure compared to the universe of funds.

**Blend:** An investment style that invests in a combination of Growth and Value oriented stocks.

**Short Term Bond Fund:** A fund that focuses on corporate, U.S. Government and other investment-grade issues with an average duration of more than one year but less than 3.5 years, or an average effective maturity of more than one year but less than four years.

**Intermediate Term Bond Fund:** A fund that focuses on corporate, U.S. government, foreign or other issues with an average duration of greater than or equal to 3.5 years but less than six years, or an average effective maturity of more than four but less than 10 years.

**Long Term Bond Fund:** A fund that focuses on corporate, U.S. Government and other investment-grade issues with an average duration of more than six years, or an average effective maturity of more than 10 years.

**Multisector Bond Fund:** Used for funds that seek income by diversifying their assets among several fixed-income sectors, usually U.S. government obligations, foreign bonds, and high-yield domestic debt securities.

**High Yield Bond Fund:** A fund with at least 65% of assets in bonds rated below BBB. A high-yield bond (non-investment grade bond) is a bond that is rated below investment grade. These bonds have a higher risk of defaulting, but typically pay high yields in order to make them attractive to investors.

## **Capitalization**

**Large Cap:** Companies whose share price multiplied by the number of shares outstanding typically exceeds \$10 billion.

**Mid Cap:** Companies whose share price multiplied by the number of shares outstanding typically falls in the range of \$2 billion to \$10 billion.

**Small Cap:** Companies whose share price multiplied by the number of shares outstanding typically is less than \$2 billion.

## **Risk Factors**

**Beta:** A measure of a fund's sensitivity to market movements. *The beta of the market used for comparison is 1.00 by definition.* Morningstar calculates beta by comparing a fund's excess return over Treasury bills to the market's excess return over Treasury bills, so a beta of 1.10 shows that the fund has performed 10% better than its benchmark index in up markets and 10% worse in down markets, assuming all other factors remain constant. Conversely, a beta of 0.85 indicates that the fund's excess return is expected to perform 15% worse than the market's excess return during up markets and 15% better during down markets.

**Alpha:** A measure of the difference between a fund's actual returns and its expected performance, given its level of risk as measured by beta. A positive alpha figure indicates the fund has performed better than its beta would predict. In contrast, a negative alpha indicates the fund's underperformance, given the expectations established by the fund's beta. All MPT statistics (alpha, beta, and R-squared) are based on a least-squared regression of the fund's return over Treasury bills (called excess return) and the excess returns of the fund's benchmark index.

**Std Deviation:** A statistical measurement of dispersion about an average, which, for a mutual fund, depicts how widely the returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that are most likely for a given fund. When a fund has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

**R-Squared:** This statistic indicates how much of a fund's fluctuations were attributable to movements in the fund's benchmark index. R-Squared ranges between 0 percent and 100 percent. An R-Squared of 100 indicates that all movements of a fund were completely explained by movements in the benchmark index.



**Sharpe Ratio:** This statistic measures the amount of reward gained per unit of risk taken. A high Sharpe Ratio reflects a strong historical risk-adjusted performance.

### **Portfolio Statistics**

**Assets in Top 10 Holdings:** The fund's top 10 portfolio holdings expressed as a percentage of the aggregate assets. This figure is meant to be a measure of portfolio risk. Specifically, the higher the percentage, the more concentrated the fund is in a few companies or issues, and the more the fund is susceptible to the market fluctuations in these few holdings. The figure is calculated from the most recent available fund holdings.

**Average Maturity:** The weighted average of the maturities (in years) of the fixed income securities held in a portfolio.

**Three and Five year rank:** This is fund's total-return percentile rank relative to all funds that have the same Morningstar Category. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. The top-performing fund in a category will always receive a rank of 1.

**Manager Tenure:** The number of years that the current manager has been the portfolio manager for the investment product. For products with more than one manager, the tenure of the manager who has been with the product the longest is shown. If there is only one manager, who has been at the product for less than six months (and for whom we have biographical information available), a dash will appear. If the product designates the manager as a Management Team and does not disclose the names of the portfolio manager or co-portfolio managers to Morningstar, Manager Tenure will appear as a dash for the product.

**Net Assets:** The month-end net assets of the mutual fund, recorded in millions of dollars. Net-asset figures are useful in gauging a fund's size, agility, and popularity. They help determine whether a small company fund, for example, can remain in its investment-objective category if its asset base reaches an ungainly size.

**Expense Ratio:** The percentage of fund assets paid for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio.

**Category Average Expense Ratio:** The average fund expenses for all funds listed in an individual category.

## **CRITERIA SUMMARY**

Must fail at least one of these criteria to be put on the watch list:

**Minimum History:** A fund must have a minimum history of at least one year to be considered as a candidate.

**Relative Performance:** A quantitative metric is calculated based upon the percentile rankings of the firm as calculated by a major mutual fund reporting database provider. If the fund has less than three years of history, the one year ranking must be above median to pass this screen. If the fund has at least three years of history, but less than five years, a weighted average consisting of 20% of the one year percentile ranking and 80% of the three-year ranking must be above median to pass this screen. If a fund has more than 5 years of history, a weighted average consisting of 5% of the one year percentile ranking, 35% of the three-year ranking and 60% of the five-year ranking must be above median to pass this screen.

**Manager Tenure:** Each investment fund is required to have had the same portfolio manager or a member of the same management team in place for at least the previous three years.

**Minimum Assets:** All investment funds are required to have a minimum of \$75 million in assets.

**Morningstar Rating:** The fund must have a Morningstar Rating of 3 or better.

**Expenses:** The expense ratio of the fund must be better than that of the 75th percentile ranked fund within the investment category in which that fund resides.

Must fail at least two of these criteria to be put on the watch list:

**Alpha:** The fund must have an Alpha that is above the average Alpha for the category in which the fund resides.

**Beta:** The Beta of the fund must be between 60% and 140% of the average Beta for the category in which the fund resides.

**Sharpe Ratio:** The Sharpe Ratio must be above the average Sharpe Ratio for the category in which the fund resides.

**Standard Deviation:** The Standard Deviation of the fund must be between 60% and 140% of the average Standard Deviation for the category in which the fund resides.



**Satisfactory:** The fund has passed all of the criteria.

**Monitor:** The fund has failed these criteria two consecutive quarters or less.

**Watch:** The fund has failed these criteria for at least three consecutive quarters or more.

Gallagher Retirement Services holds a CEFEX Certification of Investment Support Services, which is an independent recognition of conformity to a Global Standard for firms which support investment fiduciaries.

This certification from the Centre for Fiduciary Excellence, LLC (CEFEX) gives confidence to our clients that our management system supporting our Knowledge Management Platform and Fiduciary Risk Mitigation processes, conforms generally to the Standard: "Prudent Practices for Investment Support Providers". The Standard is intended for firms which deliver stewardship in retirement plan governance.



## **Definitions of Graphs**

**Manager Performance Graph:** Illustrates the growth of the selected initial wealth (\$100 by default), invested in the manager's portfolio and the benchmarks.

**Calendar Year Return Graph:** Displays the annual returns of the managers and market benchmark in bars that represent the calendar years.

**Manager vs. Universe Graph:** Plots the manager's return rank in a universe of similar style managers for discrete time periods.

**Asset Allocation Graph:** Known as an area graph and allows you to typically detect changes over time. Each shaded region represents the percentage contribution of an index to the Style Benchmark. Large shifts in these shaded areas signal a change in the manager's style. Note that an area graph for a manager with consistent style has shaded area that is uniform in size.

**Manager Risk/Return Graph:** Displays the risk/return characteristics of a manager and compares them to a market benchmark (represented by the black diamond) and the cash equivalent (represented by the white diamond). The graph has crosshairs, centered at the market benchmark, that provide a basis for comparison by dividing the chart into four quadrants. For example, an aggressive fund is likely to fall in the Northeast corner relative to the market benchmark.

**Upside Downside Graph:** Gives you insight into the performance of the manager vs. its benchmark. The capture ratio is the ratio of the return of the manager to the return of the benchmark, or the percentage of the benchmark's return that was "captured" by the manager. The Upside capture ratio is computed for the periods when the selected benchmark has a positive return, and is plotted on the vertical axis. The Downside capture ratio is computed when the selected benchmark has a negative return, and is plotted on the horizontal axis. The chart has crosshairs that provide a basis for comparison by dividing the graph into four quadrants and are centered at 100%, which is where the benchmark always falls.



## DISCLOSURES

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For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downwards variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5 receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics.

Fund rankings are based on total returns for the periods indicated.

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