AllianceBernstein LP

RECOMMENDED

Strategic Research (Large-Cap Core)

Firm Information:

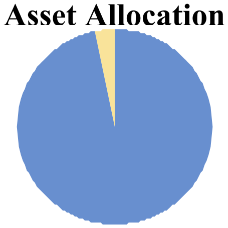
Location:	New York, NY
Year Founded:	1971
Total Employees:	3764

	Firm	Product
Assets ($mil):	405,897	1,759
Accounts:	64,912	3,831

Key Personnel:

Peter Kraus
CEO and Chairman of the Board
Sharon E. Fay
Head of Global Equities
David Steyn
Chief Operating Officer
Mark Manley
General Counsel

Asset Allocation



Domestic Equity	96.79%
Cash Alternatives	3.21%

Overview

AllianceBernstein Capital Management L.P. (AllianceBernstein) is 32% owned by publicly traded AllianceBernstein L.P. (NYSE: AB) and 61% owned by AXA Financial Inc. AXA Financial Inc is a wholly owned subsidiary of AXA, a French based company that through its various affiliates is one of the largest global providers of financial services. The remaining 7% interest is owned by employees of AllianceBernstein.

Alliance Capital Management L.P. was founded and registered with the SEC as an independent investment advisor in January 1971. In October 2002, the firm acquired Sanford C. Bernstein & Co (Sanford Bernstein), a value-oriented investment research and asset management firm that was founded in 1967. The firm is headquartered in New York, NY, and has regional offices staffed with analysts in London, Tokyo, and Sydney.

Process

AllianceBernstein's U.S. Strategic Research philosophy is based on the belief that secular themes can be the most important drivers of market performance. Themes are catalysts for change in the markets because of their extraordinary long-term impact on everyday society, business, and the economy. Themes can include technological, economic, and demographic trends that impact multiple sectors and industries. Using thematic research to understand the drivers and consequences of key themes over time, the investment team seeks to identify companies that can be the beneficiaries of these changes. Fundamental research is considered to be a critical element for the team's success in identifying companies best positioned to benefit from these themes. The result of this philosophy is a reiterative investment process where its top-down thematic outlook is validated by bottom up research.

The initial universe begins with approximately 600 U.S. mid- to large-cap companies with a market capitalization of $4 billion or more. To narrow the universe down to a focused list of potentially attractive investments, AllianceBernstein has a four step process. The team seeks long-term secular themes that can shape the market outlook for industries and result in opportunities for individual companies over the next three to five years. The team also incorporates its short-term cyclical outlook. The investment team evaluates the specifics of the current business cycle and the outlook over the next 6-18 months. Within each sector, the team strives to choose companies whose business outlook is consistent with its expectations for the economy. The team performs valuation and risk analysis through a customized valuation model that assesses the long-term sustainability of a company's earnings growth. Quantitative risk controls are also implemented. Finally, the team will utilize upward and downward earnings revisions as a potential signal of both short-term and long-term opportunities. This allows the team to identify how a company is positioned in the marketplace and in the business cycle.

Summary

This strategy is a solid option for long-term investors with the ability to accept above-market volatility. The long-term track record has been solid overall, but the strategy's higher beta has historically caused it to produce above-market returns in strong markets while underperforming in challenging environments. However, this thematic-oriented strategy is designed for the long-term and seeks to participate from the secular growth opportunities that are created by global developments and trends.

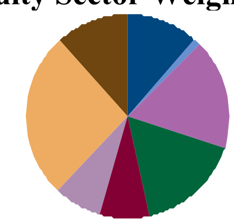
The prices of mid-cap company stocks are generally more volatile than large company stocks.

Top 10 Holdings*

Security Name	Pct of Portfolio
APPLE INC	4.40%
ILLUMINA INC	3.30%
WELLS FARGO COMPANY	3.20%
QUALCOMM INC	3.20%
WEYERHAEUSER CO	3.20%
AMAZON COM INC	3.10%
JUNIPER NETWORK INC	2.90%
GOLDCORP INC	2.90%
KINDER MORGAN INC DEL	2.90%
BARRICK GOLD CORP	2.80%

*The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified were or will be profitable.

Equity Sector Weightings



Consumer Discretionary	11.42%
Consumer Staples	0.96%
Energy	17.69%
Financials	16.32%
Health Care	7.98%
Industrials	7.98%
Information Technology	26.08%
Materials	11.57%

Portfolio Characteristics

P/E Ratio	P/B Ratio	Div Yield	EPS	Avg Mkt Cap	Turnover	# of Securities
10.97	2.05	1.16	20.23	54,047	88.78	51

Index: S&P 500
The S&P 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market-value weighted index (stock price times number of shares outstanding) with each stocks weight in the Index proportionate to its market value. The S&P 500 is one of the most widely-used benchmarks of U.S. equity performance. Performance includes reinvestment of dividends. It is not possible to invest directly in the index.

Trailing Returns

		Quarter	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Manager	Gross	8.10	-14.04	-14.04	15.91	-0.47	3.85
	Net	7.41	-16.50	-16.50	12.84	-3.21	1.03
Index		11.82	2.12	2.12	14.10	-0.25	2.92

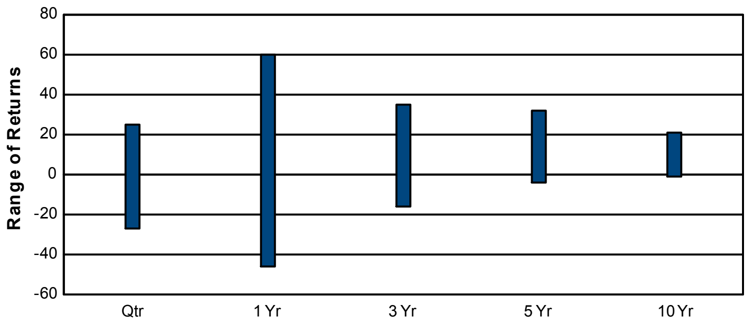
Trailing Returns: Total return for different time frames ending with a common date. Returns for periods longer than one year are annualized.

Calendar Year Returns

		2011	2010	2009	2008	2007
Manager	Gross	-14.04	25.30	44.58	-45.12	14.28
	Net	-16.50	22.05	40.98	-46.86	11.27
Index		2.12	15.05	26.45	-37.01	5.51

Calendar Year Returns: Returns for individual calendar years.

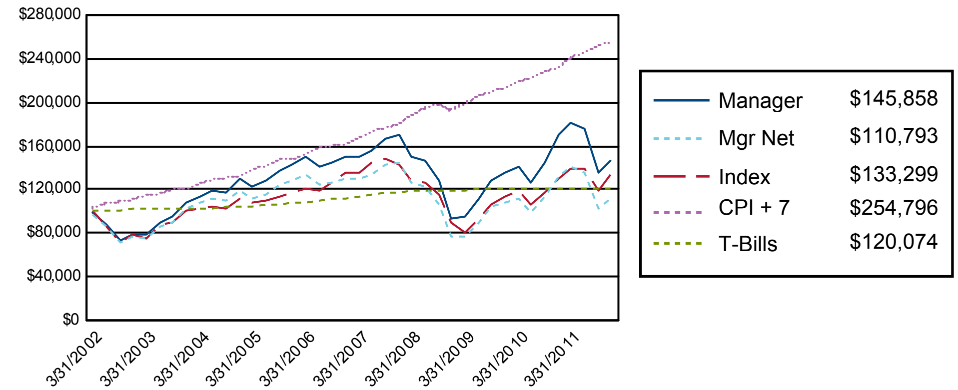
Annualized Rolling Return Analysis



	Qtr	1 Yr	3 Yr	5 Yr	10 Yr
Periods	120	117	109	101	81
High Return	25.59	60.75	35.42	31.98	21.46
Low Return	-26.81	-45.12	-15.77	-3.76	-0.53
Avg Return	3.38	14.92	12.94	12.89	12.89

Annualized Rolling Return Analysis Chart: A graphical representation of the range of a manager's before-fee returns across rolling time periods. This chart analyzes all of the possible holding periods (based on quarterly data) for each time frame and displays the highest, lowest and average returns.

Growth of $100,000



Growth of $100,000 Chart: A graphical representation of the performance of a $100,000 investment in the manager's composite, beginning ten years ago or at the inception of the product.

Standard Deviation

	3 Yr	5 Yr	10 Yr
Manager	24.55	25.09	20.70
Index	21.27	21.14	18.23

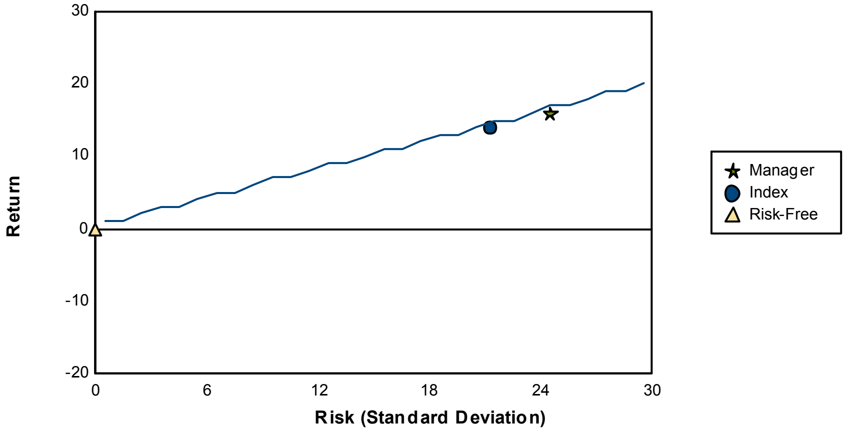
Standard Deviation: A statistical measure of the historical volatility of a portfolio. Managers with higher standard deviations will tend to experience larger swings in portfolio value, both in up and down markets.

Sharpe Ratio

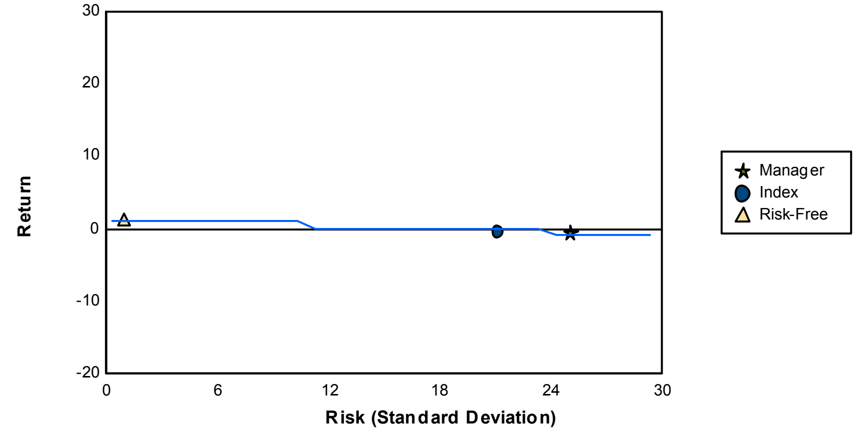
	3 Yr	5 Yr	10 Yr
Manager	0.64	-0.07	0.10
Index	0.66	-0.08	0.06

Sharpe Ratio: A ratio to measure risk-adjusted performance. It is calculated by subtracting the risk-free rate (usually the 91-day US -TBill rate) from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. A higher Sharpe ratio suggests that the manager has achieved a higher return than would have been expected by the amount of risk (as measured by the standard deviation) incurred.

3 Year Trailing Risk/Return



5 Year Trailing Risk/Return



Trailing Risk/Return Charts: A graphical representation of the amount of return the manager and index achieved relative to the amount of risk (standard deviation) they took on. Manager returns are gross of fees.

Success Ratios vs. Index

Individual Quarterly Returns:	60.00%	Three Year Rolling Return/Risk:	62.07%
Three Year Rolling Returns:	79.31%	Five Year Rolling Return/Risk:	85.71%
Five Year Rolling Returns:	85.71%	Number of Quarters Analyzed:	40

Success Ratios vs. Benchmark: In rolling periods analysis (see below), the percentage of time periods when the manager outperformed its benchmark.

Return/Risk Ratio: A measure of risk-adjusted return. This is the return per unit of risk, where risk is represented by the volatility (standard deviation) of quarterly returns. The return/risk ratio is calculated by dividing the before-fee total return over a given time period by the standard deviation over the same time period. A higher return/risk ratio indicates that a manager has achieved more return relative to the amount of risk (volatility) incurred.

Five Year Downside Risk

	# Negative Quarters	Worst Quarter	Worst 4 Quarters
Manager:	7	-26.81	-45.12
Index:	8	-21.96	-38.10

Five Year Downside Risk: Measures of before-fee negative performance over the most recent 5 years.

Negative Quarters: The number of quarters over the past 5 years in which the manager's return was negative.
Worst Quarter: The manager's lowest single quarter return over the past 5 years.
Worst 4 Quarters: The manager's worst 1 year return over the past 5 years (any four consecutive quarters, not necessarily a calendar year).

Up/Down Quarter Comparison

	# Positive Quarters	# Negative Quarters	Avg Qtly Return	Avg Pos Return	Avg Neg Return
Manager:	26	14	1.50	7.46	-9.58
Index:	26	14	1.14	6.42	-8.67

Up/Down Market Capture

	3 Yr	5 Yr
Up Ratio	105.24	109.47
Down Ratio	95.95	104.41

Up/Down Market Capture Ratios: A measure of managers' before-fee performance in up and down markets relative to the market itself. A down market is one in which the index's quarterly return is less than zero. To calculate down-market capture ratio, we link returns for the manager and the market for all down-market quarters over the selected time frame, then divide the manager's return during down-market quarters by the index's return during the same quarters. To calculate up-market capture ratio, this same process is carried out using returns from periods when the index's return was greater than zero. The lower the manager's down-market capture ratio, the better the manager protected capital during a market decline. A value of 90 suggests that a manager's losses were only 90% of the market loss when the market was down. Caution: The up/down capture ratios can be deceiving if the nominal numbers involved are small. For example, if a manager's return during down-market periods was -3%, while the index's return during those same periods was -1%, the manager's down market capture ratio would be 300.

Index Relative Statistics

	3 Yr	5 Yr	10 Yr
Alpha	1.78	0.73	1.28
Beta	1.04	1.10	1.06

	3 Yr	5 Yr	10 Yr
R-Squared	81.55	86.76	87.26
Tracking Error	10.58	9.42	7.50

Alpha - Incremental return generated versus an index after accounting for volatility in the form of beta. A positive alpha suggests risk-adjusted value added by the money manager versus the index. Beta measures the return that is attributable to the market and is a measure of the portfolio's overall volatility.

Beta - Measures the risk level of the manager. Beta measures the systematic risk, or the return that is attributable to market movements. In contrast, alpha measures the nonsystematic return of the portfolio, and standard deviation measures the volatility of a portfolio's returns compared to the average return of the portfolio. A beta equal to one indicates a risk level equivalent to the market. Higher betas are associated with higher risk levels, while lower betas are associated with lower risk levels.

R-Squared- A statistic that measures the reliability of alpha and beta in explaining the return of a manager as a linear function of the market. It is produced by regression analysis. If you are searching for a manager with a particular style, for example a growth manager, you would expect that manager to have an R-Squared that is high relative to a growth index if the manager has a diversified portfolio. If the manager's return is explained perfectly, the R-Squared would equal 100, while an R-Squared of 0 would indicate that no relationship exists between the manager and the linear function. Higher R-Squared values indicate more reliable alpha and beta statistics and are useful in assessing a manager's investment style.

Tracking Error - A measure of how similar the manager's behavior is to the benchmark. A lower tracking error indicates that the manager tracks its benchmark closely. A tracking error of zero would indicate that the manager tracked its benchmark perfectly. This would not necessarily indicate that the manager and index provided the exact same return, just that the direction and magnitude of their returns were perfectly correlated.

Portfolio Characteristics: Characteristics that help identify the types of stocks or bonds a manager buys.

Market Capitalization: The market value of a company's common stock. This is calculated by multiplying the market price of the stock by the total number of shares outstanding. The average and median market capitalization statistics provide an idea of the size of the companies that the manager tends to invest in.
P/E (Price-to-Earnings) Ratio: A measure of stock valuation, calculated by dividing the market price of a stock by its earnings per share. For example, a stock selling for $20 per share that earned $2 per share in the last 12 months has a P/E ratio of 10.
P/B (Price-to-Book) Ratio: A measure of stock valuation, calculated by dividing the market price of a stock by its book value per share. For example, a stock selling for $20 per share whose book value is $5 per share has a P/B ratio of 4.
Dividend Yield: The current dividend per share of a stock divided by its current price per share. For example, a stock with a price of $100 per share paying a dividend of $5 per share would have a dividend yield of 5%.

Portfolio Characteristics: Characteristics that help identify the types of stocks or bonds a manager buys.

Rolling Periods Analysis: A method of analysis where a quarterly return stream is grouped into rolling periods of a given length (three years, for example). Performance and/or risk statistics are calculated for the three-year period ending with a given quarter, then for the three-year period ending with the next quarter, and so on. This type of analysis helps minimize the arbitrary nature of focusing primarily on calendar years or trailing returns.

Performance Disclosure: The performance information shown is based on performance data provided by the manager to Wells Fargo Advisors. The performance data provided by the manager is taken from its composite of similarly managed accounts. Performance figures include the reinvestment of dividends and other earnings. Past performance is not indicative of future performance. There are no guarantees objectives will be met.

The performance numbers in the "Net of Fees" section represent performance returns after the deduction of the maximum proposed management fee of 2.75% for the Equity/Balanced strategies.

Dividends are not guaranteed and are subject to change or elimination.