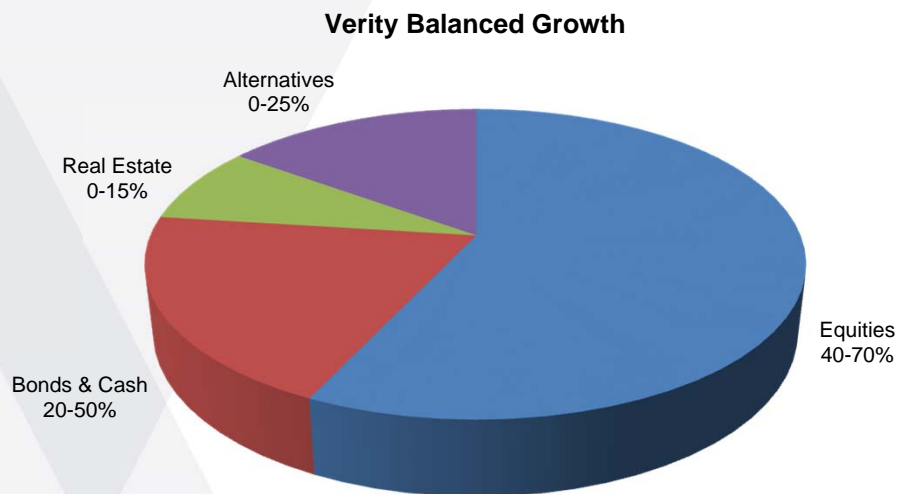


Verity Balanced Growth Strategy

Portfolio Description

The objective of the Verity Balanced Growth strategy is growth over time in coordination with careful management of downside risk. Risk is managed using diversification, tactical adjustments to selected asset classes, and adjustments to the percentage allocation to money market or fixed interest options.



Portfolio Characteristics

- The strategy is designed to remain well diversified among available asset classes. The percentage allocation to equities will vary according to the perceived level of market risk.
- During periods when our risk/reward assessment for bond funds is unfavorable, larger allocations to money market or fixed interest options may be used in place of bond funds to protect portfolio value.
- Some plans may not offer funds in the Real Estate or Alternative categories. For those plans, portfolio construction will focus on favorable weighting among U.S. and foreign equity, bonds, and fixed interest options.
- The percentage allocations illustrated are expected ranges. We seek to identify asset classes and sectors which currently provide favorable risk/reward profiles. We then build portfolios using those asset classes, seeking to optimize return with a material reduction in risk compared to the broad equity markets. There are no specific constraints on target allocations.

Independent Thinking. Meaningful Results.