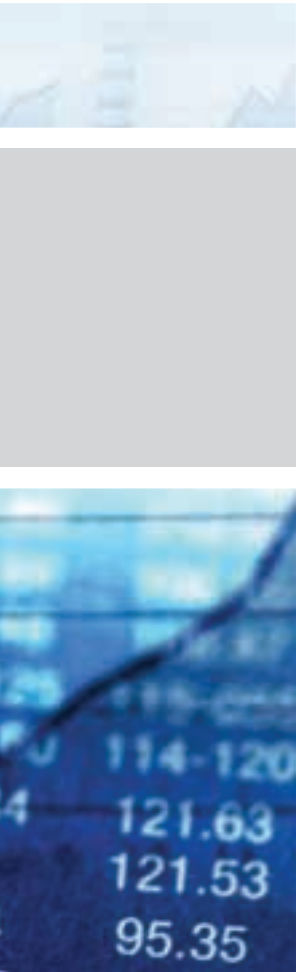


INSTITUTIONAL TRUST & CUSTODY



Asset Management Portfolio Solutions

Disciplined Process. Customized Approach. Risk-Based Strategies.

All of **us** serving you™





As one of the fastest growing investment managers in the nation, U.S. Bank Institutional Trust & Custody is a multi-asset class investment manager offering a broad array of interactive and quantitative investment solutions.

Institutional Trust & Custody's Asset Management Portfolio Solutions provides you with a variety of comprehensive investment solutions based on managing assets to your defined level of risk. Our success derives from our industry-leading technology in the analysis, management and reporting of your portfolio.

Asset Management Portfolio Solutions provide investment services for a diverse array of institutions including corporations,

foundations, endowments, pension plans as well as governmental entities, partnerships and non-profit organizations. Whether the focus is on risk management and due diligence, income and liquidity requirements, growth expectations, time horizon or social and tax considerations, U.S. Bank Institutional Trust & Custody tailors our investment services to match your unique needs.

An Asset Management Approach Focused On You

The U.S. Bank asset management approach features a sophisticated asset allocation methodology across defined capital markets; equities, bonds, real estate, and commodities with alternative assets embedded throughout each asset class when appropriate. This customized and comprehensive approach to asset management is designed with the objective of managing the overall portfolio risk and specific goals of each organization. We focus on risk management by utilizing correlations between asset classes and implementing tactical asset allocation overlay strategies with the goal of reducing risk and enhancing returns.

U.S. Bank Institutional Trust & Custody delivers our clients with an interactive and dependable asset management solution under the guidance of our Chief Investment Officer, along with a team of multi-disciplined subject matter experts – all working

on your behalf. Our mission is to craft unique portfolios in accordance with each organization's risk tolerance and investment policy to promote success through your organization's long-term investments.

Our approach also focuses on your money managers by having teams dedicated to performing due diligence and ensuring that the investment vehicles we utilize are measured by the highest industry standards. Performance and investment composition of each of our investment vehicles is reviewed on a monthly basis in addition to a senior-level quarterly review by our Asset Management Committee. We've partnered with Prima Capital, LLC, an industry-leading third party investment consulting firm, who assists us with the initial and on-going review process of managers participating in our Separately Managed Account platform.

Portfolio Solutions

U.S. Bank portfolio solutions wrap a high-end, risk-adjusted asset management process with a trusted advisor relationship whereby our expert service teams become each client's partner. This partnership allows us to manage assets, with a full understanding of each organization's unique goals and preferences. All aspects of the relationship are customized to fit you, including communication, reporting frequency and format.

Disciplined Process

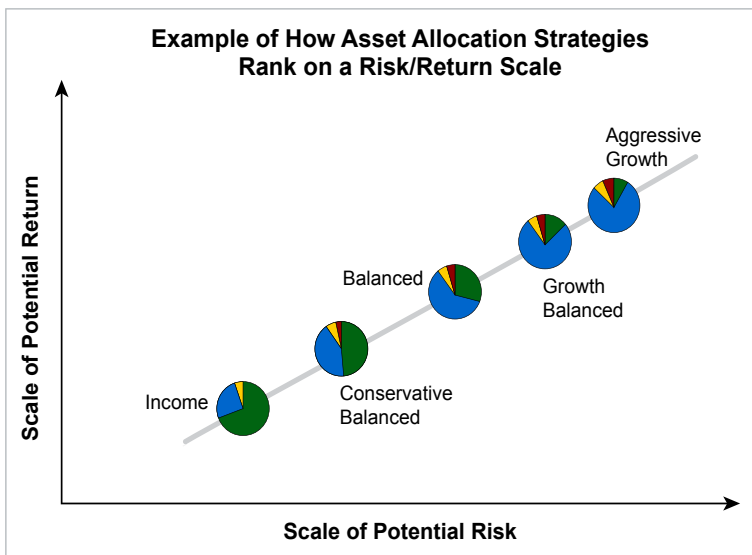
At the foundation of the U.S. Bank investment philosophy is a belief that all portfolio managers should be guided by consistent and disciplined investment methods. The use of a structured investment process may help improve portfolio manager decision-making, enable active risk management, and may help ensure successful outcomes are consistent and repeatable.

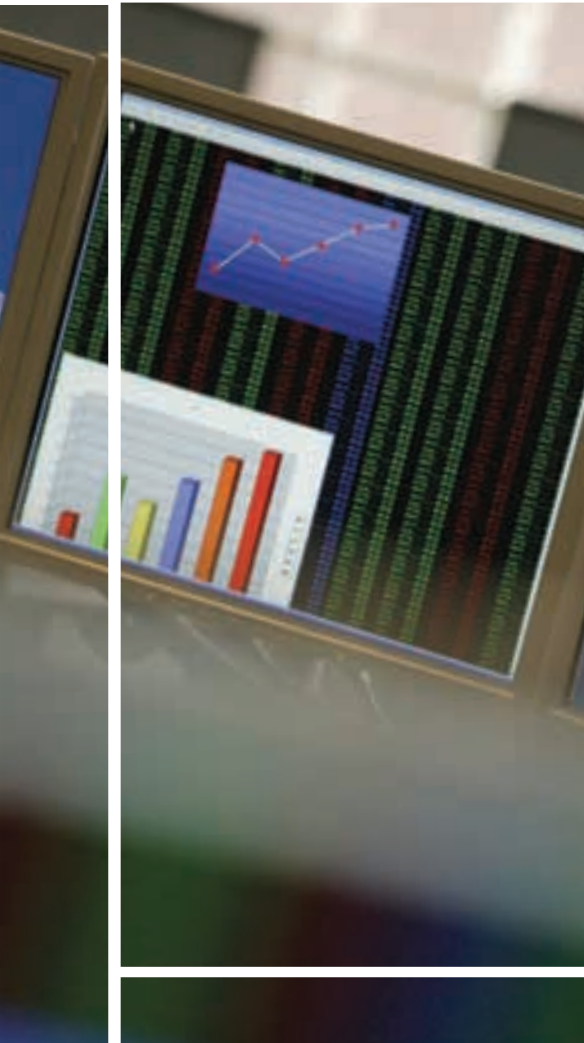
Disciplined, consistent, repeatable... these are words that explain our time-tested asset management process and define the client experience. U.S. Bank portfolio managers are held to a standard of portfolio construction and review requiring established risk profiles based on client specifications that are strictly followed in portfolio design and ongoing management. This is achieved through the following asset allocation strategies:

- **Strategic Asset Allocation** takes a long-term view of the capital markets utilizing Quantitative Optimization, an asset allocation technique using diversification to balance risk and return. This long-term capital market allocation strategy is developed by the Senior Asset Management Leadership Group which provides analysis and recommendations about wealth management strategies in various market cycles, based on our industry expertise.



- **Tactical Asset Allocation** actively adjusts the Strategic (Quantitative) allocation models for changing market and economic conditions to take advantage of potential market movements with the goal of reducing risk and enhancing returns. This critical "value-added" factor is designed to actively limit the prospective risk in the portfolio while attempting to capitalize on the constantly shifting market's full return potential.





Driving Results for You

At U.S. Bank Institutional Trust & Custody, we believe a multi-tiered approach contributes to the appeal and effectiveness of our customized client strategies. Quantitative analysis provides objectivity. The experiential input provides alignment with client needs and expectations, while also contributing seasoned asset management judgment through market cycles to strengthen the potential risk management attributes of our strategy.

Tier 1 Allocations

In determining return and risk expectations, we recognize four broad capital markets. These include equities, debt, real estate, and commodities. Assets invested in these capital markets tend to have unique attributes. It is important to include exposure in each of these capital markets through allocation to various assets with low correlation. Correlation is lowered further by the introduction of alternative investments where appropriate across all four capital markets.

Tier 2 Allocations

Tier 2 weightings within the equity allocation include domestic equity, international developed equity, emerging market equity, hedged equity, and private equity. Tier 2 fixed income includes investment grade bonds (taxable and tax-exempt), high yield bonds, TIPS, foreign sovereign debt, and hedged debt. Tier 2 real estate includes domestic/international REITs and domestic direct real estate.

Tier 3 Allocations

Tier 3 exposure for each asset class includes the individual building blocks used in portfolio design, with each block weighted to achieve strategic or tactical strategies. Tier 3 equity includes large, mid and small cap domestic stocks; growth, value, and core styles; and active versus passive/indexed. Tier 3 Fixed Income includes asset backed, mortgage backed, commercial mortgage backed and emerging market debt. In addition, yield curve and duration positioning are also included within the Tier 3 guidance. Tier 3 guidance for commodities includes energy, metals and agriculture.

A Customized Approach Put to Work for You

Each portfolio we develop and manage is based on discussions with clients and a thorough review of governing account document restrictions and investment policy guidelines. Additionally, we meet regularly with clients to understand their goals, risk tolerances, income, distribution liquidity and growth needs. We stay current on your business and operating cash flows to assess the impact to the portfolio and to ensure necessary changes are made in a proactive, timely fashion. This includes:

- Quantitative data and documentation gathering and review of plan documents, current portfolio account statements, investment policy statements, and tax regulatory reporting documents.
- Qualitative assessment of client objectives, goals, risks parameters, unique circumstances, income and distribution requirements, social and tax considerations and time horizon. These are established initially and then actively reviewed during relationship reviews to ensure the portfolio construction remains consistent with each client’s unique situation.

Taking Inventory

At the beginning of each new relationship, we carefully analyze the needs and objectives of each client. Key objectives reviewed initially and throughout the life of the portfolio include:

- *Income and Distribution Requirements/ Liability-Driven Investing* – the targeted level of income you would like the portfolio to generate to meet your scheduled distribution needs. We feature the ability to match assets to portfolio liabilities. When needed, this liability-driven investment strategy can be employed to help provide confidence to organizations that have specific, scheduled distribution requirements to reduce the uncertainty around having the cash available when it is needed.
- *Risk Tolerance* – how capital market fluctuation impacts the outlook towards assets that are invested.
- *Time Horizon* – key milestones on the horizon affecting how assets are positioned.
- *Social and Tax Considerations* – the opportunity to define specific investment restrictions such as industries, social issues, or specific issues that should be avoided in addition to understanding the portfolio’s tax implications to the client organization.
- *Ongoing Communications* – the type, format and frequency of communication the client desires from U.S. Bank Institutional Trust & Custody as the asset management process unfolds.
- *Customized Objective Analysis* – the establishment of one of five risk profiles to provide governing risk parameters for the development and maintenance of the portfolio.





Risk-Based Strategies

At U.S. Bank Institutional Trust & Custody, we are focused on risk-adjusted performance. Our Asset Management Portfolio Solutions product is based on working toward client specified growth and income goals within client directed risk parameters. We attempt to mitigate portfolio risk through:

- *Discretionary Management* – As a financial services and investment provider that has been doing business for over 150 years, we specialize in providing discretionary investment services.
- *Diversified Long-Term Asset Management* – We understand that asset allocation is a significant factor in investment performance. Investment success comes from an actively-managed process, understanding which sectors need to have weighting of assets in order to work towards your goals within risk profiles. Risk-adjusted performance can be accomplished through the use of a sophisticated asset allocation strategy that utilizes a diverse platform of investment vehicles such as stocks, bonds, commodities, real estate, and where appropriate, alternative investments across market capitalizations and investment styles.
- *Due Diligence* – We feature a consistent and defined approach to your manager search, selection and maintenance that includes both internal and external resources focused on meeting the highest fiduciary requirements.

U.S. Bank Institutional Trust & Custody tailors investment strategies accomplished in an open architecture environment through the utilization of:

- Mutual and Exchange Traded Funds
- Separately Managed Accounts
- Individual Equity and Fixed Income Portfolios
- Alternative Investments, including Hedged, Private Equity and Structured Products, all pulled together in a single account through our Unified Managed Account platform

Online Account Access

U.S. Bank clients, along with their investment managers, consultants and other partners, can utilize Institutional Trust & Custody's TrustNow products. TrustNow provides you with 24/7 online access to relevant, precise and easy-to-read information. Within TrustNow, you can view the following account details:

- Balances
- Holdings
- Transactions
- Gain/Loss details
- Pending trades
- Global reporting

Enhanced reporting options are also available through our Portfolio Analytics product. This state-of-the-art reporting system provides sophisticated investment accounting, compliance, performance and risk reporting for portfolios holding individual securities.

Performance Reporting

For clients looking to analyze their asset returns, U.S. Bank Institutional Trust & Custody offers a sophisticated analytic reporting system, Performance Monitor, along with a dedicated group of professionals trained to review data for accuracy. Detailed, graphically enriched reports include:

- Total fund, composite, manager, asset class, sector and security
- More than 70 sector and 300 index choices
- Performance over multiple periods
- Risk management statistics
- Attribution and benchmarking analysis
- Returns, both gross and net of fees



The Benefits of U.S. Bank

Financial success depends not only on business performance but also on the ability to effectively manage an organization's assets. Ensure that your organization benefits from objective, experienced investment guidance. A partnership with U.S. Bank Institutional Trust & Custody provides the following benefits to you:

- Consultative relationship-driven approach making each portfolio and experience unique based on what is important to each client.
- High-end technology allowing portfolio managers to focus on delivering the best solution suited to each client's specific needs, utilizing a variety of investment vehicles and delivering an integrated portfolio in a single account. This includes:
 - Socially responsible screens and investments across domestic and international equity managers.
 - Sophisticated and efficient portfolio tax management including analysis of gain/loss impact on portfolio and client tax situation.
- Consistent, current and actively managed Strategic and Tactical Asset Allocation process to attempt to manage portfolio risk across four separate and distinct asset classes with alternatives available through each to potentially further reduce portfolio risk.
- Access to sophisticated portfolio analytics software providing custom reporting including accounting, compliance, risk and performance measurement.
- Experience in the role of a fiduciary for discretionary asset management services.
- Sophisticated investment solutions, including:
 - *Unified Managed Accounts* – investment solution combining the holdings of Separately Managed Accounts with mutual funds, exchange-traded funds and bonds in a single, consolidated, customized account.



Big Bank Capabilities, Mid-Market FocusSM

As the nation's fifth-largest financial institution*, with more than 100 years of trust and custody experience, U.S. Bank provides the financial resources and services of a leading national bank – with a difference. We focus on tailoring these capabilities to fit the unique needs of the middle market. Unlike some large custodians, U.S. Bank does not solely target our services toward very large relationships. We have the capabilities, experience and expertise to provide creative and effective solutions specifically designed for mid-market portfolios.

To learn more about how U.S. Bank Asset Management Portfolio Solutions can benefit your organization, please contact your Institutional Trust & Custody Relationship Manager or by email at: itcsalessupport@usbank.com.



itcsalessupport@usbank.com
usbank.com/itc

*U.S. Bancorp 2010 Annual Report

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U.S. Bank is not responsible for and does not guarantee the products, services or performance of its affiliates or third party providers.

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U.S. Bank and its representatives do not provide tax or legal advice. Each individual's tax and financial situation is unique. Individuals should consult their tax and/or legal advisor for advice and information concerning their particular situation.

Mutual fund investing involves risk; principal loss is possible. Investing in certain funds involves special risks, such as those related to investments in small- and mid-capitalization stocks, foreign, debt, and high-yield securities, and funds that focus their investments in a particular industry. Please refer to the fund prospectus for additional details pertaining to these risks.

U.S. Bank may enter into agreements with non-proprietary mutual funds or their service providers whereby U.S. Bank provides shareholder services and/or sub-transfer agency, custodial and other administrative support services and receives compensation for these services. Compensation received by U.S. Bank directly or indirectly from mutual funds does not increase fund fees and expense beyond what is disclosed in the fund prospectuses. For more information, review the fund prospectus.

Equity securities are subject to stock market fluctuations that occur in response to economic and business developments. **Growth stocks** are typically more volatile than value stocks; however, **value stocks** have a lower expected growth rate in earnings and sales. **International investing** involves risks not typically associated with domestic investing, including risks of adverse currency fluctuations, potential political and economic instability, different accounting standards, foreign government regulations, currency exchange rates, limited liquidity, and volatile prices. The risks of international investing are particularly significant in **emerging markets**. Investments in **fixed income (debt securities)** typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. **Alternative investments** very often use speculative investment and trading strategies. There is no guarantee the investment program will be successful. Alternative investments are designed only for sophisticated persons who are able to tolerate the full loss of an investment. These products are not suitable for every investor even if the investor does not meet the financial requirements. It is important to consult with your investment professional to determine how these investments might fit your asset allocation, risk profile, and tax situation. There are special risks associated with an investment in **commodities**, including market price fluctuations, regulatory changes, interest rate changes, credit risk, economic changes, and the impact of adverse political or financial factors. An investment in a **hedge fund** involves a substantially more complicated set of risk factors than traditional investments in stocks and bonds. Hedge funds are speculative and involve a high degree of risk. **Private equity** consists of investors and funds that make investments directly into private companies that result in a delisting of public equity. Potential investors should remember that investments in private equity are illiquid by nature and typically represent a long-term binding commitment. The investments made by private equity funds are not readily marketable and the valuation procedures for those positions are often subjective in nature. **Exchange Traded Funds (ETFs)** are baskets of securities that are traded on an exchange like individual stocks at negotiated prices and are not individually redeemable. Shares of ETFs may trade at a premium or a discount to the net asset value of the underlying securities. **Structured products** are subject to market risk and/or principal loss if sold prior to maturity or if the issuer defaults on the security. Investors should request and review copies of Structured Products Pricing Supplements and Prospectuses prior to approving or directing an investment in these securities.

NOT A DEPOSIT | NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY