

# Conservative Growth & Income



SEPARATE ACCOUNT PORTFOLIO

## PORTFOLIO INFORMATION

### STRATEGY

The **Conservative Growth & Income Portfolio** is designed for investors seeking current income and the potential for that income to grow over time, while managing risk. The portfolio will typically have a substantial allocation to dividend-paying stocks; therefore, investors in this portfolio should be able to assume a certain degree of portfolio volatility. The portfolio is expected to have between 30% and 50% of its assets invested in a diversified basket of dividend paying stocks, with the balance of the portfolio invested in various other income-paying securities. The portfolio management team may depart from the targeted allocation range when they feel that certain sectors of the financial markets are over or under valued.

Objective

**Asset Allocation  
Conservative  
Growth & Income**

Report Date

**as of 9/30/11**

Inception date

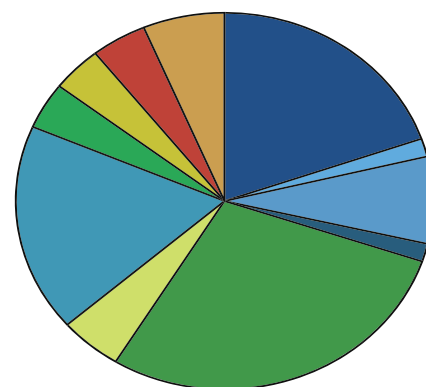
**5/1/09**

Composite  
Benchmark

**40% S&P 500  
60% BC US Treasury**

## ASSET ALLOCATION

- ▶ 19.62% Large Cap Equities
- ▶ 1.56% Mid Cap Equities
- ▶ 7.48% Low Volatility Equities
- ▶ 1.55% Income Oriented Equities
- ▶ 28.51% Short-Term Inv Grade (1-5 yrs)
- ▶ 4.85% Long-Term Inv Grade (10+ yrs)
- ▶ 17.90% High Yield
- ▶ 4.00% Dollar Denom. Emerging Market Debt
- ▶ 3.92% Foreign Bonds
- ▶ 4.30% Alternatives
- ▶ 6.31% Cash



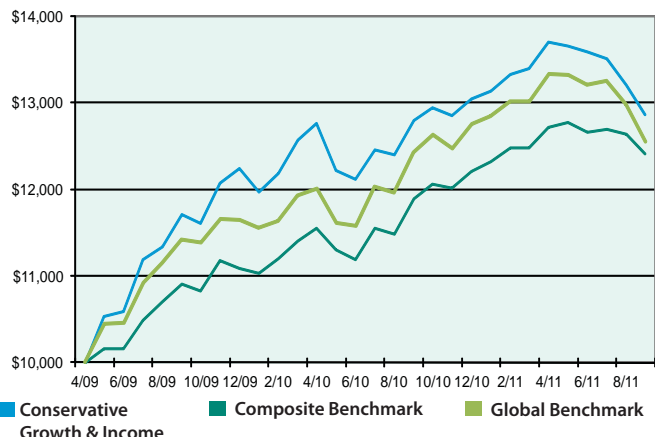
## COMPOSITE PERFORMANCE as of 9/30/11 (Updated Quarterly)

	QTD <sup>1</sup> 2011	YTD <sup>1</sup> 2011	ONE YEAR	TWO YEAR	SINCE INCEPTION 5/1/09
<b>PURE GROSS OF FEES<sup>2</sup></b>	-5.31	-1.42	0.49	4.81	10.98
<b>NET OF FEES<sup>3</sup></b>	-5.67	-2.53	-1.02	3.13	9.42
<b>COMPOSITE BENCHMARK</b>	-1.99	1.70	4.36	6.66	9.35
<b>GLOBAL BENCHMARK</b>	-5.03	-1.67	0.98	4.80	9.84
<b>S&amp;P 500</b>	-13.87	-8.68	1.14	12.04	13.67
<b>MSCI EAFE</b>	-19.01	-14.98	-9.36	1.37	9.44
<b>MSCI EMERGING MARKETS</b>	-22.56	-21.88	-16.15	6.22	15.20
<b>BARCLAYS CAPITAL US AGGREGATE</b>	3.82	6.65	5.26	6.77	7.71

1. Numbers are not annualized. 2. The Gross returns are a pure gross figure and are shown as supplemental information only. Pure gross returns are calculated before the deduction of trading expenses and other fees. 3. Net of fees performance reflects the deduction of the advisory fees charged to the client, trading expenses and other costs associated with investments made by the client. Please refer to "Other Disclosures" on page 3 for further details. Returns are denominated in US Dollars. Performance results prior to April 1, 2008, were achieved by RiverFront's investment professionals while at Wachovia Securities and is based on a Composite of discretionary accounts. There has been no break in performance, and significantly all of the management team is employed at RiverFront. RiverFront Investment Group claims compliance with the Global Investment Performance Standards (GIPS®).

**For detailed information regarding the Composite Benchmark, please see GIPS Presentation on page 3.  
For definitions of the Global Benchmark and the other Indices presented above, please see the end of this publication.**

**CUMULATIVE RETURNS (PURE GROSS OF FEES)**



**TOP FIVE HOLDINGS**

Vanguard Short-Term Corporate Bond ETF	<b>12.31</b>
SPDR Barclays Capital High Yield Bond ETF	<b>9.72</b>
PowerShares S&P 500 Low Volatility Portfolio	<b>7.48</b>
PowerShares Fund. High Yield Corp. Bond Portfolio	<b>7.03</b>
SPDR S&P 500 ETF	<b>5.02</b>

The above information represents the top 5 largest positions in the Asset Allocation Conservative Growth & Income Portfolio as of 9/30/11 based on the aggregate dollar value (US Dollars). The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the portfolio, and the reader should not assume that investments in the securities identified and discussed were or will be profitable. All information is provided for informational purposes only and should not be deemed as a recommendation to buy the securities mentioned. A complete list of past recommendations and a portfolio summary are available upon request.

**PORTFOLIO CHARACTERISTICS**

Number of holdings	<b>42</b>
Annualized Standard Deviation	<b>7.89</b>
Beta	<b>0.46</b>
Alpha	<b>4.39</b>
Sharpe Ratio	<b>1.37</b>

**EQUITY STATISTICS**

Wgt Avg Market Cap (in millions)	<b>\$17,163</b>
Forward P/E	<b>12.27x</b>
Price to Book	<b>3.50x</b>
3-5 Year Earnings Growth	<b>8.94%</b>
Average Return on Equity	<b>21.76%</b>

Risk factors are calculated since inception of portfolio.

**Standard Deviation** — Measures the dispersion of a set of data from its mean. The more spread apart the data is, the higher the deviation.

**Beta** — Measures a portfolio's volatility relative to the S&P 500. A result greater than 1.0 implies that the portfolio is more volatile than the benchmark; a result less than 1.0 suggests that the portfolio is less volatile than the benchmark. Betas may change over time.

**Alpha** — Measures the risk (beta) adjusted rate of return on a portfolio in excess of what would be predicted by an equilibrium model, such as the Capital Asset Pricing Model (CAPM). If two managers had the same return, but one had a lower beta, that manager would have a higher alpha. Alphas may change over time.

**Sharpe Ratio** — Indicates whether the returns of a portfolio are due to sound investment decisions or are a result of excess risk. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been. The numerator of the ratio is the difference between the portfolio's annualized return and the annualized return of comparable risk-free instruments (T-bills). The denominator is the portfolio's annualized standard deviation (volatility).

**IMPORTANT RISK CONSIDERATIONS**

**The portfolio may hold individual exchange-traded funds. As a portfolio manager and a fiduciary for our clients, RiverFront will consider the investment objectives, risks, charges and expenses of a fund carefully before investing our clients' assets. This and other information is found in the prospectus. Investors wishing to review a prospectus may contact their financial advisor. RiverFront will read the prospectus carefully before investing our clients' assets.**

Past performance is no guarantee of future results. Please contact your Financial Advisor if there are any changes in your financial situation or investment objectives, or if you wish to impose, add or modify any reasonable restrictions to the management of your account.

RiverFront is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. RiverFront manages a variety of asset allocation portfolios utilizing stocks, bonds, and ETFs. The company also offers an ETF exclusive product and two institutional equity portfolios.

RiverFront manages several portfolios comprised of various equity and fixed-income securities. Any discussion of the individual securities that comprise the portfolios is provided for informational purposes only and should not be deemed as a recommendation to buy or sell any individual security mentioned.

Clients with an account managed by RiverFront pay RiverFront an asset-based fee, which is negotiable and may vary from client to client.

Investments in international and emerging markets securities include exposure to risks including currency fluctuations, foreign taxes and regulations, and the potential for illiquid markets and political instability. Small- and mid-cap companies may be hindered as a result of limited resources or less diverse products or services and have therefore historically been more volatile than the stocks of larger, more established companies. In a rising interest rate environment, the value of fixed-income securities generally declines.

**ASSET ALLOCATION: CONSERVATIVE GROWTH AND INCOME — 5/1/2009 - 9/30/2011**

Year	Total Return Pure Gross of Fees* %	Total Return Net of Fees %	Baseline Benchmark Return %	Number of Portfolios	Dispersion %	Total Composite Assets End of Period (\$ millions)	Total Firm Assets End of Period (\$ millions)
ITD 12/09	22.42*	21.51	10.85	22	N/A	7.430	1453.91
2010	6.59*	4.95	10.08	126	0.34	50.684	2503.92
YTD 9/11	-1.42*	-2.53	1.70	199	N/A	85.922	2576.70

\* The gross returns are a pure gross figure and shown as supplemental information only. Pure gross returns are calculated before the deduction of trading expenses and all other fees.

**Firm Information:** RiverFront is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. RiverFront manages a variety of asset allocation portfolios utilizing stocks, bonds, and ETFs. The company also offers an ETF exclusive product and two institutional equity portfolios. The maximum wrap fee for this composite is 3.0%. The firm's direct client fee schedule is as follows: 3.0% for first \$200,000, 2.5% for next \$300,000, 2.0% for next \$500,000, 1.6% for next \$1 million, 1.4% for next \$3 million, 1.3% for the \$5 million and negotiable for accounts over \$10 million or where special circumstances warrant. This fee covers trading and administrative fees in addition to the 50 basis points management fee that RiverFront charges. There is a minimum quarterly client fee requirement of \$250. For all periods shown the accounts were comprised 100% of wrap accounts.

**Composite Characteristics:** The composite was created May 1, 2009.

The benchmark is currently a blend consisting of 40% S&P 500 and 60% Barclays Capital US Treasury Bond Index (formerly Lehman US Treasury Index) that is rebalanced monthly. This benchmark has been in effect since the inception of the portfolio on 5/01/2009. The S&P 500 index measures the performance of 500 large cap stocks, which together represent about 75% of the total US equities market. The Barclays Capital US Treasury Bond Index measures the performance of the US Treasury bond market.

The Composite is designed for investors seeking income potential who are able to assume a certain degree of portfolio volatility. Under normal market conditions, the composite is expected to have between 30% and 60% of its assets invested in a diversified basket of dividend-paying common stocks, with the balance of the portfolio invested in various other income-paying securities. The portfolio manager may depart from the targeted allocation range when he or she feels that certain sectors of the financial markets are significantly over or under valued.

**Calculation Methodology:** The Composite includes all fee-paying, full discretionary portfolios managed by RiverFront Investment Group, in this respective style. The performance provided for the Composite is prepared using full accrual, trade-dated accounting conventions. Dividends and interest on fixed income securities are accrued as earned and interest on cash balances is recognized on a cash basis. The performance returns are asset-weighted and calculated using beginning-of-month market values plus time-weighted cash flows. Portfolios are valued monthly and are linked geometrically to produce quarterly and annual returns. Total returns including realized and unrealized gains plus income are used when calculating investment performance. Pure gross performance returns are calculated before the deduction of trading expenses or advisory fees. The fees for the composite are calculated on an account-by-account basis to produce a net-of-fee return for each account which is then weighted with all of the accounts' net returns in the composite to arrive at the net-of-fee return for the composite. The net of fees return is the pure gross return netted down by the actual wrap fee includes custodian fees, trading expenses, management fee, reporting fees, etc. All returns and valuations are in U.S. dollars.

The dispersion measure is the asset-weighted standard deviation of accounts in the composite for the entire year.

**Other Disclosures:** Fees do not cover the fees and expenses of underlying exchange-traded funds, closed-end funds or mutual funds in the portfolio. Any particular client's account performance may differ from the composite results due to, among other things, commissions, timing of order entry, or the manner in which the trades are executed. Additional information regarding policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request. Past performance does not guarantee future results. This performance report should not be construed as a recommendation to purchase or sell any particular securities held in composite accounts. Market conditions can vary widely over time and can result in a loss of portfolio value. A complete list and description of composites managed by RiverFront is available upon request.

RiverFront Investment Group claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. RiverFront Investment Group has been independently verified for the period April 1, 1998 – June 30, 2011 by Beacon Verification Services. The verification report is available upon request.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.



Global Investment Performance Standards

GIPS® is a registered trademark of CFA Institute. CFA Institute has not been involved in the preparation or review of this report/advertisement.

## BENCHMARK DEFINITIONS (FROM PAGE 1)

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**Global Benchmark** Global Benchmark is a blend of the MSCI All Country World Index and the Barclays Capital US Aggregate Index. For further information on these benchmarks, please contact us at [info@riverfrontig.com](mailto:info@riverfrontig.com).

**Standard & Poor's (S&P) 500 Index** measures the performance of 500 large cap stocks, which together represent about 75% of the total US equities market.

**MSCI All Country World Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. It consists of 45 country indices comprising 24 developed and 21 emerging market country indices (as of May 30, 2011).

**MSCI EAFE Index** measures the equity market performance of developed markets, excluding the US & Canada. As of May 2010, the index consisted of indices from 22 developed markets.

**MSCI Emerging Markets Index** measures equity market performance of emerging markets. As of June 2009 the index consisted of 22 emerging market country indices.

**Barclays Capital US Aggregate** an unmanaged index that covers the investment grade fixed rate bond market with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The issues must be rated investment grade, be publicly traded, and meet certain maturity and issue size requirements.