

Riverfront Investment Group Composite List

Riverfront offers a diverse assortment of separately managed account portfolios that allow clients and their financial advisors to choose a portfolio that best suits their investing needs. **There are 11 composites.**

ASSET ALLOCATION STRATEGIES

Riverfront offers four separately managed asset allocation portfolios designed to provide different balances between risk and return. Our investment professionals combine strategic asset allocation with tactical asset allocation so investors can participate in numerous asset classes.

Asset Allocation — Growth Portfolios:

1. **AA: Conservative Growth:** The Composite is designed to meet investor needs for diversified portfolio solutions with defined risk objectives. The Conservative Growth Composite targets an investor that would typically own a portfolio represented by 60% large-cap equities and 40% high-grade bonds.
2. **AA: Moderate Growth:** The Composite is designed to meet investor needs for diversified portfolio solutions with defined risk objectives. The Moderate Growth Composite targets an investor that would typically own a portfolio represented by 80% large-cap equities and 20% high-grade bonds.
3. **AA: Long-Term Growth:** The Composite is designed to meet investor needs for diversified portfolio solutions with defined risk objectives. The Long-Term Growth Composite targets an investor that would typically own a portfolio represented by 100% large-cap equities.

Growth portfolios — provide different levels of exposure to US stocks, international stocks and (at times) fixed-income securities, based on the portfolio team's assessment of the relative value of these various asset classes.

Stocks in the portfolios include a mix of large company stocks, small company stocks, international stocks and even exchange traded funds (ETFs) that focus on specific sectors or types of stocks, both domestic and international.

For fixed-income securities, the portfolio team seeks to add value through numerous techniques such as yield curve positioning, sector rotation and duration adjustments. At times, we may invest in closed-end funds or ETFs in addition to individual bonds.

Track Record Begins: 10/01/2003

Asset Allocation — Growth & Income

4. **AA: Conservative Growth & Income:** 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. *Track Record Begins: 05/01/2009*
5. **AA: Moderate Growth & Income:** 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 50% and 80% 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. *Track Record Begins: 10/01/2003*
6. **AA: Long-term Growth & Income:** 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 60% and 90% 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. *Track Record Begins: 05/01/2009*

Growth and Income Portfolios --Growth and Income Portfolios are designed for investors seeking a higher level of current income than is generally available from growth-oriented equity strategies. Although these investors need current income, they are willing to accept a lower level of current income in exchange for the possibility that their level of income could increase over time. As a result, income and the potential for growth and income are the primary objectives of these portfolios; capital appreciation is the secondary objective. To achieve these objectives, the portfolios may invest in dividend paying stocks, preferred stocks, convertible securities, investment grade and high yield obligations, and other income vehicles. Additionally, the portfolio may purchase ETFs, CEFs, Commodities, and Emerging Market Debt or Equity. Investors in this portfolio are willing to forego the possibility of higher returns for a higher level of income. While much of the return in this portfolio may come from income, its value will fluctuate with the markets depending on the actual investment instruments included in the portfolio.

EXCHANGE TRADED FUND (ETF) STRATEGIES

Asset Allocation -- Growth Portfolios:

7. **ETF: Conservative Growth:** The Composite is designed to meet investor needs for diversified portfolio solutions with defined risk objectives. The Conservative Growth Composite targets an investor that would typically own a portfolio represented by 60% large-cap equities and 40% high-grade bonds.
8. **ETF: Moderate Growth:** The Composite is designed to meet investor needs for diversified portfolio solutions with defined risk objectives. The Moderate Growth Composite targets an investor that would typically own a portfolio represented by 80% large-cap equities and 20% high-grade bonds.
9. **ETF: Long-Term Growth:** The Composite is designed to meet investor needs for diversified portfolio solutions with defined risk objectives. The Long-Term Growth Composite targets an investor that would typically own a portfolio represented by 100% large-cap equities.

ETF Portfolios: Similar to Riverfront's Asset Allocation Portfolios, **ETF portfolios** are based on both Riverfront's strategic and tactical asset allocations. Unlike asset allocation portfolios, however, ETF portfolios invest exclusively in ETFs. Our investment team decides which sectors represent the best value in today's environment and adjust the mix of ETFs to take advantage of these opportunities.

Track Record Begins: 4/01/2006

INSTITUTIONAL INVESTMENT STRATEGIES - EQUITIES

Riverfront also offers clients the ability to select from two institutional strategies that focus exclusively on specific areas of the equity markets.

10. Foundation Large: Large Cap Core Portfolio:

This portfolio invests in a limited number of large capitalization stocks. It is designed for investors seeking long-term growth of their capital through a portfolio of well-known stocks, often called "Blue Chip" stocks.

Our portfolio team uses fundamental "bottoms up" research that targets stocks with a history of earnings growth. Often, these companies pay dividends and have demonstrated the ability to raise their dividends over time. The portfolio will typically own 30 – 50 different stock positions.

Track Record begins 4/01/1998

11. Foundation SMID: Small- to Mid-Cap Core Portfolio:

This portfolio focuses its investments on stocks for small-to-mid-size companies whose value, our management team believes, has not been fully recognized by the broader markets. Strong fundamental research is combined with sector studies to build a portfolio of between 35 - 50 companies.

As with all Riverfront portfolios, the managing team uses a strict risk discipline to sell stocks at certain times as a way to help protect capital.

Track Record begins: 4/01/2001

INSTITUTIONAL INVESTMENT STRATEGY - FIXED

Riverfront also offers clients the ability to select from an institutional strategy that focuses exclusively on specific areas of the fixed income markets.

12. Foundation Fixed: Fixed Income Portfolio:

The primary investment objectives of this portfolio are principal preservation and current income. The portfolio will primarily be invested in corporate bonds, municipal bonds, and cash equivalents with the goal of minimizing risk and maximizing income.

Track Record begins 01/01/2009

MUTUAL FUND

Riverfront also offers clients the ability to select from two share classes, institutional share class and investor share class, of a mutual fund that mimics the Asset Allocation Long term Growth Fund.

13. All Equity Asset Allocation Long-Term Growth Fund:

The Composite is designed to meet investor needs for diversified portfolio solutions with defined risk objectives. The All Equity Asset Allocation Long-Term Growth Composite targets an investor that would typically own a portfolio represented by 100% large-cap equities.

Track Record begins: 01/01/2009