

FOUNDATION PORTFOLIOS  
SMALL MID CAP CORE



PORTFOLIO INFORMATION

STRATEGY

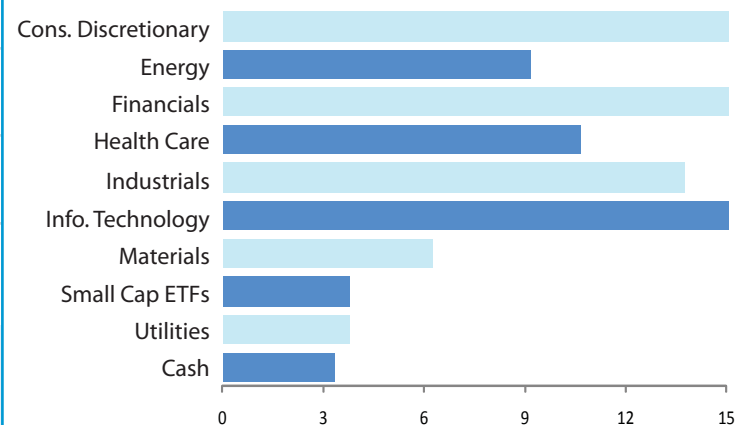
The **Small Mid Cap Core Portfolio** is designed to serve as the small/mid cap equity component within a clients asset allocation mix. The portfolio will typically invest in 35 to 50 stocks broadly diversified in terms of industry concentration with weightings relative to the S&P 1000. Stocks are selected through a fundamental research process that utilizes various national research sources. The portfolio is suitable for investors seeking total return from capital appreciation.

Objective	<b>Small Mid Cap Core</b>
Report Date	<b>as of 12/31/09</b>
Inception date	<b>4/01/01</b>
Baseline Benchmark	<b>S&amp;P 1000</b>

PORTFOLIO MANAGER

**Paul Louie,**  
*Director Small/Mid Cap & Income Portfolio Management*

SECTOR WEIGHTINGS



COMPOSITE PERFORMANCE as of 12/31/09 (Updated Quarterly)

	ONE YEAR	THREE YEAR	FIVE YEAR	SINCE INCEPTION 4/01/01
<b>PURE GROSS OF FEES<sup>2</sup></b>	<b>25.92</b>	<b>-1.68</b>	<b>4.26</b>	<b>9.87</b>
<b>NET OF FEES<sup>3</sup></b>	<b>23.96</b>	<b>-3.18</b>	<b>2.62</b>	<b>8.08</b>
<b>BASELINE BENCHMARK</b>	<b>33.48</b>	<b>-2.84</b>	<b>2.63</b>	<b>6.71</b>

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 4 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 Baseline Benchmark, please see GIPS Presentation on page 4 of this publication.**

TOP FIVE HOLDINGS		PORTFOLIO CHARACTERISTICS		EQUITY STATISTICS	
Ball Corp.	4.03	Number of holdings	38	Median Market Cap (in millions)	\$3,372
ONEOK Inc.	3.76	Annualized Standard Deviation	15.65	Forward P/E	14.33x
Esterline Technologies Corp.	3.56	Beta	0.80	Price to Book	2.20x
Harris Corp.	3.51	Alpha	0.34	3-5 Year Earnings Growth	11.12%
HCC Insurance Holdings Inc.	3.36	Sharpe Ratio	0.48	Average Return on Equity	12.51%

The above information represents the top 5 largest positions in the Foundation Small/Mid Cap Core Portfolio as of 12/31/09 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.

Risk factors are calculated since inception of portfolio.

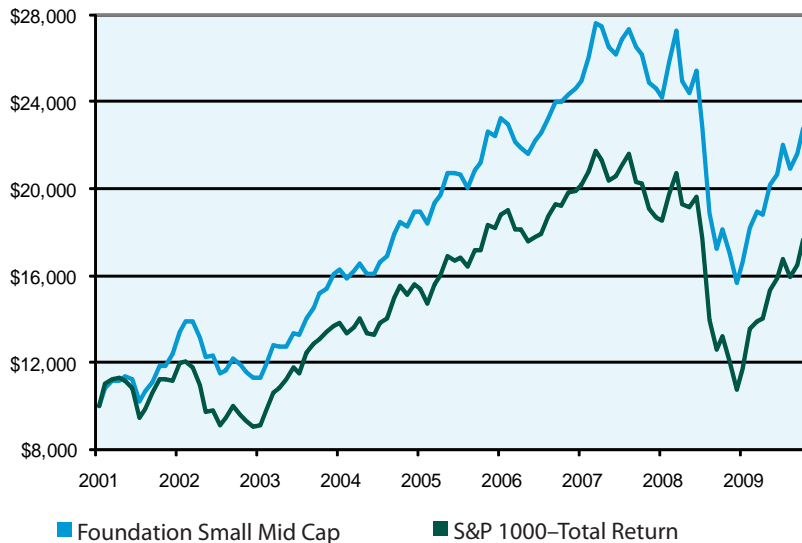
**Standard Deviation** — Measures the dispersion of a set of data from its mean. The more spread apart the data is, the higher the deviation.

**Beta** — Measures a portfolio's volatility relative to a benchmark. 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).

CUMULATIVE RETURNS (GROSS OF FEES)



## 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.

Please visit our website at [www.riverfrontig.com](http://www.riverfrontig.com) or call us at 804-549-4800.

RiverFront has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

**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 April 1, 2001. The composite was renamed 4/1/08 after the management team separated from Wachovia Securities to join RiverFront Investment Group. Prior to 3/31/08, the composite included accounts with investment policy constraints. After 3/31/08, no accounts with constraints are included in the composite. Composites have always included accounts to which clients may make contributions or from which they may take withdrawals. The benchmark for the composite is the S&P 1000 as of December 31, 2004. The S&P 1000 index is a combination of the S&P MidCap 400 (representing approximately 70% of the index) and the S&P 600 indices (representing about 30% of the index). The benchmark was realigned to more accurately reflect the composite's current small and midcap investment style. Previously, the benchmark for the composite was a 50/50 blend of the Russell 2000 Value and the Russell MidCap Value Indices. This combination became the effective comparison for the composite on March 31, 2002, and was changed from the Russell MidCap Value Index to create a more accurate representation of the portfolio's size and style characteristics. The underlying stock selection and portfolio management process remain unchanged. The **S&P 1000 Index** comprises the S&P MidCap 400 Index and the S&P SmallCap 600 Index.

The Composite is designed to serve as the small/midcap equity component within a client's asset allocation mix. The portfolio will typically consist of 35 to 50 stocks that are broadly diversified in terms of industry concentration with weightings measured relative to the benchmark S&P 1000. Portfolio turnover is expected to average between 25% and 50% annually.

**Calculation Methodology:** The Composite includes all fee-paying, full discretionary portfolios managed by the Advisory Services Group of Wachovia Securities, LLC (later 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. Effective 9/30/09, the dispersion numbers shown are being calculated off of the net of fee performance numbers. All the dispersion numbers were changed from gross to net to reflect updated guidance from the CFA Institute.

**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 calculating and reporting returns is 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. Performance history prior to 3/31/08 was achieved at Wachovia Securities and performance beginning 4/1/08 has been achieved at RiverFront Investment group. Significantly all of the management team is employed at RiverFront, there has been no break in performance and RiverFront has met the GIPS® requirements for performance record portability.

Effective 3/31/08 the employees of RiverFront left Wachovia Securities to begin RiverFront Investment Group. Prior to 3/31/08, the AUM and Account total reflect the accounts managed at Wachovia Securities; after 3/31/08, the AUM and Account total reflect the accounts that are managed at RiverFront Investment Group. Seed accounts were opened on 3/31/08 to prevent a break in the group's performance track record and allow for a linking of future performance.

RiverFront Investment Group has been verified for the period April 1, 1998 – December 31, 2009 by Beacon Verification Services. A copy of the verification report is available upon request.

FOUNDATION SMALL MID CAP CORE — 04/01/2001 - 12/31/2009							
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)
4/01 – 12/01	18.44*	16.97	12.19	104	N/A	7.277	119.53
2002	0.61*	-1.20	-14.54	311	.29	26.342	110.79
2003	27.27*	25.14	36.61	495	.56	57.489	325.29
2004	21.93*	19.90	18.39	795	.54	124.183	1157.63
2005	14.46*	12.56	10.93	1908	.35	317.804	3153.15
2006	13.27*	11.43	11.89	1693	.49	263.345	4665.65
2007	9.30*	7.52	5.18	1564	.29	260.062	7442.44
2008	-30.94*	-31.90	-34.67	8	N/A	1.528	376.86
2009	25.92*	23.96	33.48	27	0.91	5.685	1453.91

\*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.