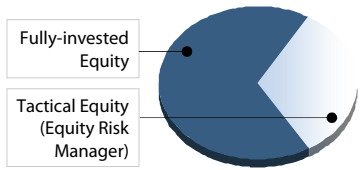


Tactical allocation strategy that seeks to adjust a portfolio's equity exposure to potentially provide downside protection and volatility control without curtailing the upside



- Incorporating the Risk Manager involves carving out a portion of an equity portfolio for tactical allocation (could range from one-third to a maximum of 50% of the portfolio)
- The tactically allocated portion helps manage the portfolio's exposure to equity markets
 - Tactical allocation would be fully invested in equities when market conditions are favorable
 - When conditions are deemed unfavorable, tactical allocation is shifted to cash or inverse (short)

Key Benefits

Downside Protection Without Curtailing the Upside

Risk Manager is not a permanent hedge. It seeks to reduce equity exposure only during periods of unfavorable market conditions. When conditions return to being favorable, the strategy reverts to being fully invested in equities

Enables investors to stay invested during periods of market turbulence

- Investors' emotional response to market volatility can lead to ill-timed investment decisions
- Risk Manager seeks to reduce portfolio volatility and provide protection from extended market declines, helping investors to stay invested during periods of market turbulence

Addresses the shortfalls of traditional risk management techniques

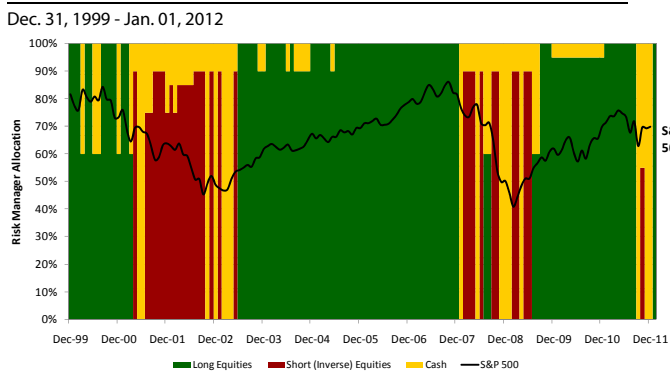
Risk Manager provides risk control during periods of enormous market stress when the performance of various asset classes becomes highly synchronized and the traditional risk management approach of asset class diversification alone is not sufficient

How it Works

Equity Risk Management Strategy analyzes technical and fundamental indicators to determine the current market condition and recommends the appropriate tactical allocation

Status of Technical and Fundamental Indicators	Market Condition	Risk Manager Action	Portfolio Allocation
<ul style="list-style-type: none"> ▪ Earnings expectations (fundamentals) rising ▪ Technical conditions positive 	Favorable	Fully Invested	 Tactical Allocation: Invested in equities
Either fundamental <u>OR</u> technical conditions are negative	Caution	Reduce Equity Exposure	 Tactical Allocation: Cash
Both fundamental <u>AND</u> technical conditions are negative	Unfavorable	Hedge Equity Exposure	 Tactical Allocation: Short (Inverse) Equities

Risk Manager Tactical Allocation History



Current Allocation

100% Long S&P 500

Research Based

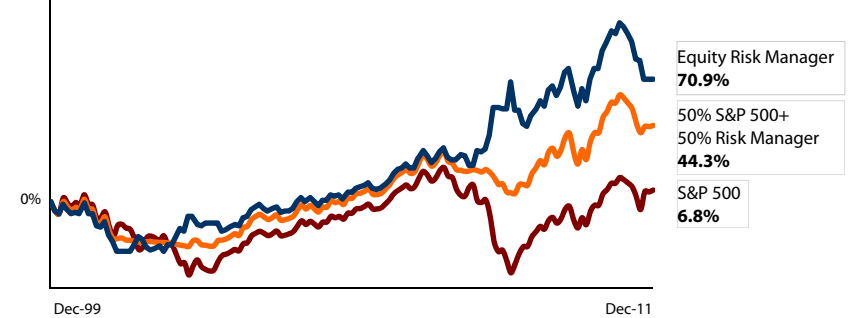
Strategy incorporates the insights developed by analyzing 10 years of fundamental data as well as technical data dating back to 1916 and covering all bear markets since The Great Depression

Rules-driven decision making

Risk Manager tactical allocation decisions are based on a predetermined rule-set. This approach helps minimize the subjective biases and imposes discipline and consistency to investment decisions

Historical Risk-Return Simulation*

Dec. 31, 1999 - Dec. 31, 2011 | Simulated results net of annual fees of 1.9% | Monthly data | Includes Dividends



	S&P 500	Risk Manager	50% Risk Manager + 50% S&P 500
2000	-9.1	-14.5	-11.8
2001	-11.9	-15.3	-12.7
2002	-22.1	18.8	-2.3
2003	28.7	10.5	19.5
2004	10.9	7.8	9.4
2005	4.9	2.6	3.8
2006	15.8	13.6	14.7
2007	5.5	3.5	4.5
2008	-37.0	24.3	-9.7
2009	26.5	8.4	18.6
2010	15.1	12.2	13.6
2011	2.1	-8.7	-3.1

(1) 50% S&P 500 + 50% Risk Manager

	S&P 500	Equity Risk Manager	50/50 Portfolio ⁽¹⁾
Cumulative Return	6.8%	70.9%	44.3%
Annualized Return	0.5%	4.5%	3.1%
Std. Deviation	16.3%	13.0%	10.5%
Sharpe Ratio	-0.02	0.28	0.21

For illustrative purposes only. Past performance should not and cannot be viewed as an indicator of future performance. Please see important disclosures regarding performance on next page.

About EquityCompass

EquityCompass Strategies is a research and investment advisory unit of Choice Financial Partners Inc., an affiliated SEC registered investment adviser offering a comprehensive range of investment portfolios and products to institutional and individual investors exclusively through Stifel Nicolaus financial advisors.

Subsidiary of Stifel Financial

We are a wholly owned subsidiary and affiliated SEC registered investment adviser of Stifel Financial Corp. (NYSE: SF)

- As a Stifel Financial company, we are able to leverage the resources and global infrastructure of our parent for risk management oversight, trading, record keeping, reporting, and risk control, while still maintaining the autonomy and service of a pure investment firm.

A Rules-Based Approach to Investment Management

We employ a structured and fully-transparent investment process that combines traditional fundamental analysis with sophisticated quantitative modeling.

Extensive Experience

- The team has been providing quantitative based equity portfolio strategies since January 2006
- We have been publishing investment research, analysis, and advice for more than 10 years — previously on behalf of Legg Mason and currently on behalf of Stifel Nicolaus
- The investment team is led by Richard Cripps, CIO
 - Former Managing Director of Portfolio Strategy at Stifel Nicolaus and former Chief Market Strategist and Co-Chairman of the investment committee at Legg Mason Wood Walker, Inc.

About Stifel Financial

Founded in 1890, Stifel Financial is one of the leading financial services firms in the U.S. providing full-service brokerage and investment banking services. Stifel Financial is a leading underwriter and advisor for companies and a top provider of trade execution and securities distribution with award-winning research and a suite of asset management strategies.

Stifel was ranked #5 in the Financial Services Industry and #65 overall on Fortune Magazine's *Fastest Growing Companies* list for 2010.

Firm Facts	as of Dec 31, 2010
NYSE Ticker:	SF
Public Company Since:	1983
Equity Market-Cap.:	\$1.8 billion ¹
Net Revenue:	\$1.4 billion
Total Assets:	\$4.2 billion
Worldwide Offices:	312
Number of Employees:	4906

(1) As of Jan 18, 2012

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*EquityCompass Risk Manager has been available as a Strategy since May 2009 (the "Inception Date"). The performance relating to periods prior to the Inception Dates is presented on a simulated basis using the buy/sell signals generated by applying the Strategy to historical data for the such prior periods. Furthermore, performance returns for periods after the Inception Date do not reflect the results of actual trading using client assets because EquityCompass does not actively manage client accounts. In determining the back-tested results included in these materials, EquityCompass personnel used simulated analysis and hypothetical circumstances to estimate how the strategy would have performed. The results obtained from such simulations should not be considered indicative of actual results that would have been obtained by actively managed accounts using this strategy. The returns presented herein have not been verified by an independent third party and, as such, have inherent limitations. As hypothetical performance, the returns were developed with the benefit of hindsight and, therefore, may not reflect the impact that any material market or economic factors may have had on EquityCompass management of the strategy. Alternative simulations, techniques, modeling or assumptions might produce significantly different results and prove to be more appropriate. Actual results of any product managed using this strategy will vary, perhaps materially, from simulated returns presented herein. The results presented assume the reinvestment of dividends and interest, and are presented net of the highest possible fee in the applicable program in which such strategy may be used. The results do not reflect the effect of certain other transactional costs outside of the wrap sponsor's control which may materially affect actual results. Refer to Stifel, Nicolaus & Company, Incorporated's Disclosure Brochure for a detailed discussion of program requirements, including applicable fee schedules.

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