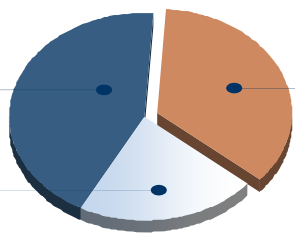


Asset allocation strategy that seeks to effectively capture market returns while minimizing volatility

Fully Invested <b>Equity</b>	<b>43%</b>
U.S. Equity	35%
Int'l Equity - Developed	4%
Int'l Equity - Emerging	4%



<b>Fixed Income</b>	<b>35%</b>
U.S. Corp. - Invest. Grade	12.3%
U.S. Tsys. - Long Term	5.3%
U.S. Tsys. - Short Term	8.8%
U.S. Tsys. - Inflation Protected	5.3%
Cash	3.5%

<b>Tactical Equity</b>	<b>22%</b>
(Equity Risk Management Strategy)	
<i>Current Allocation :</i>	
<b>100% Long S&amp;P 500</b>	

**Highlights**

- Stock and bond portfolio designed to be the foundation of an investor's overall portfolio to achieve long-term financial objectives
- Strategic stock/bond allocation is reviewed annually, and adjusted if necessary, to better respond to changing market conditions
- Tactically allocated equity (using Equity Risk Management Strategy) seeks to provide downside protection and volatility control without curtailing upside potential
- Portfolio is diversified across asset classes, active and passive investment approaches, domestic and international stocks, investment styles and market-capitalizations
- The actively managed U.S. equity component seeks to outperform by opportunistic stock selection and portfolio tactics
- Adheres to a research-based, rules-driven investment process implemented using quantitative models to impose discipline and consistency to investment decisions

**Equity Allocation 65%**





- Emphasizes diversification, volatility control, and excess return potential
- 20% of the fully invested equity is allocated to international stocks (equally between developed and emerging markets)
- The actively managed All-Cap Blend Portfolio represents the U.S. equity portion
  - Equal-weight positions in 50 stocks across 10 sectors
  - Uses EquityCompass' quantitative models to identify stocks with favorable relative value, price momentum, quality, and mispriced as a result of investor over-/underreaction
  - Rebalanced monthly to optimize exposure to drivers of excess returns
- Allocations to U.S. and international equities are reviewed annually and adjusted if necessary

**Fixed Income Allocation 35%**

- Emphasizes credit quality and capital stability while employing tactics to manage interest rate and inflation risk
- All investment grade or better credit quality; no high yield or foreign bonds
- Average duration of 5.7 years and a weighted average maturity of 10 years
- 53% of the portfolio has maturities of five years or less

**Tactical Equity : Equity Risk Management Strategy**

The Equity Risk Management Strategy (Risk Manager) is a rules-based tactical allocation strategy designed to reduce TTCP's equity exposure when near-term market conditions are deemed unfavorable and to restore exposure when factors become favorable. The Risk Manager analyzes fundamental and technical indicators to determine the market condition. Under favorable conditions, the Strategy will be fully invested in the S&P 500. When conditions are deemed unfavorable, the Risk Manager reduces equity exposure by shifting an amount to cash or inverse (short) the S&P 500.

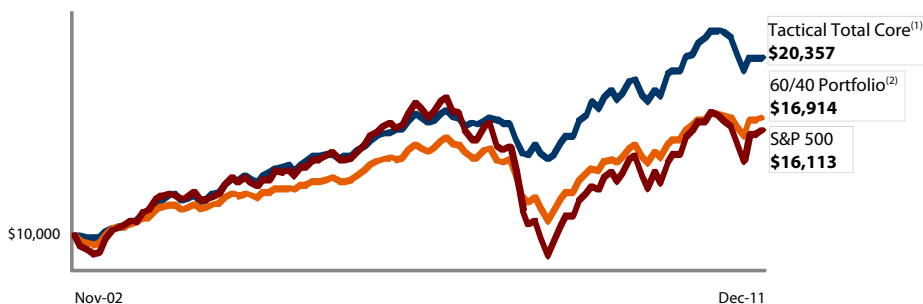
Market Indicators	Market Condition	Risk Manager Action	TTC Equity Exposure	TTC Allocation
<ul style="list-style-type: none"> <li>▪ Earnings expectations (fundamentals) rising</li> <li>▪ Technical conditions positive</li> </ul>	Favorable	Fully Invested	65%	Fully Invested Equity : 43% Fixed Income : 35%  Tactical Equity 22% (Equity Risk Manager)
Either fundamental <u>OR</u> technical conditions are negative	Caution	Reduce Equity Exposure	Max : 62% Min : 44%	 Tactical Equity: Long S&P 500
Both fundamental <u>AND</u> technical conditions are negative	Unfavorable	Hedge Equity Exposure	Max : 44% Min : 24%	 Tactical Equity: Cash
				 Tactical Equity: Short S&P 500

# EquityCompass Tactical Total Core Strategy

January 2012

Growth of \$10,000\*

Nov. 29, 2002 - Dec. 31, 2011 | Simulated results net of annual fees of 1.8% | Monthly data | Includes Dividends



## Performance Summary\*

Nov. 29, 2002 - Dec. 31, 2011 | Simulated results net of annual fees of 1.8% | Monthly data | Includes Dividends

### Total Returns

	1-Month	3-Month	6-Month	YTD 2011	Inception
Tactical Total Core <sup>(1)</sup>	0.0%	3.9%	-6.7%	-0.6%	103.6%
60/40 Portfolio <sup>(2)</sup>	1.1%	7.1%	-0.3%	4.4%	69.1%
S&P 500 Total Return	1.0%	11.8%	-3.7%	2.1%	61.1%

### Average Annual Total Returns

	1-Year	2-Year	3-Year	5-Year	Inception
Tactical Total Core <sup>(1)</sup>	-0.6%	5.0%	9.9%	5.0%	8.1%
60/40 Portfolio <sup>(2)</sup>	4.4%	8.0%	11.3%	3.2%	6.0%
S&P 500 Total Return	2.1%	8.4%	14.1%	-0.2%	5.4%

(1) The U.S. Equity, International Equity-Developed Mkts., International Equity-Emerging Mkts., U.S. Corporate, U.S. Tsys.-Long-Term, U.S. Tsys.-Short-Term, U.S. Tsys.-Inflation Protected are represented by the EC All-Cap Blend Portfolio and the Equity Risk Manager, MSCI EAFE Index, MSCI Emerging Markets Index, iBoxx \$ Liquid Investment Grade Index, Barclays Capital U.S. 20+ Year Treasury Bond Index, Barclays Capital U.S. 1-3 Year Treasury Bond Index, Barclays Capital U.S. Treasury Inflation Protected Securities (TIPS) Index (Series-L), respectively.

(2) 60% S&P 500 Total Return Index and 40% Barclays Capital U.S. Aggregate Bond Index

(3) Using S&P 500 Total Return Index as the benchmark

## Tactical Core Portfolio Family

### Global Stock/Bond

- Tactical Total Core (TTCP)
- Tactical Total Core—Municipal (MTTCP)

### Global Equity

- Tactical Core Equity (TCE)

The information contained herein has been prepared from sources believed to be reliable but is not guaranteed and is not a complete summary or statement of all available data nor is it considered an offer to buy or sell any securities referred to herein. Data represented in this report have been provided by EquityCompass Strategies and Bloomberg. EquityCompass Strategies is a research and investment advisory unit of Choice Financial Partners, Inc., a wholly owned subsidiary and affiliated SEC registered investment adviser of Stifel Financial Corp. Choice Financial Partners does not manage actual client portfolios; rather, portfolios based on EquityCompass Strategies are available exclusively through Stifel, Nicolaus & Company, Incorporated. For more information about Stifel Nicolaus' investment advisory programs, including applicable fee schedules, please contact your Financial Advisor to request a copy of the Stifel Nicolaus ADV Part II or equivalent disclosure brochure. Affiliates of EquityCompass Strategies may, at times, release written or oral commentary, technical analysis, or trading strategies that differ from the opinions expressed within. Opinions expressed are subject to change without notice and do not take into account the particular investment objectives, financial situation, or needs of individual investors. All investments involve risks, including the risk of a possible loss of principal. Foreign investments are subject to risks not ordinarily associated with domestic investments, such as currency, economic and political risks, and different accounting standards. There are special considerations associated with international investing, including the risk of currency fluctuations and political and economic events. Investing in emerging markets may involve greater risk and volatility than investing in more developed countries. Small company stocks are typically more volatile and carry additional risks, since smaller companies generally are not as well established as larger companies. The market risk associated with small-cap and mid-cap stocks is generally greater than that associated with large-cap stocks because small-cap and mid-cap stocks tend to experience sharper price fluctuations than large-cap stocks, particularly during bear markets. Due to their narrow focus, sector-based investments typically exhibit greater volatility and are generally associated with a high degree of risk. When investing in bonds, it is important to note that as interest rates rise, bond prices will fall. Exchange Traded Funds (ETFs) represent a share of all stocks in a respective index. ETFs trade like stocks and are subject to market risk, including the potential for loss of principal. The value of ETFs will fluctuate with the value of the underlying securities. Inverse ETFs are constructed by using various derivatives for the purpose of profiting from a decline in the value of an underlying benchmark. Investing in inverse ETFs is similar to holding various short positions, or using a combination of advanced investment strategies to profit from falling prices. Investors should review the prospectus and consider the ETF's investment objectives, risks, charges, and expenses carefully before investing. The S&P 500 Index is a broad market index that tracks the performance of 500 stocks from major industries of the U.S. economy. This index is generally considered representative of the U.S. large capitalization market. Barclays Capital U.S. Aggregate Bond Index covers the USD-denominated, investment grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBIS sectors. The volatility of the indices identified in this report may be materially different from the volatility of the model portfolios presented by EquityCompass Strategies. Indices are unmanaged, and it is not possible to invest directly in an index.

\*EquityCompass began publishing the components of the Tactical Total Core Strategy (the "Strategy") as of May 26, 2009 (the "Inception Date"). Performance information relating to periods prior to the Inception Date is presented on a simulated basis using the buy/sell signals generated by applying the Strategy to historical data for the period prior to such Inception Date. Furthermore, performance returns for periods after the Inception Date do not reflect the results of actual trading using client assets because EquityCompass Strategies 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 such 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 EquityCompass Strategies 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 charged by the wrap sponsor in the applicable program in which the Strategy is used. The results do not reflect the effect of certain transactional cost outside of the wrap sponsor's control, which costs may materially affect actual results. Please refer to the Stifel, Nicolaus & Company's Wrap Program Disclosure Brochure for a more detailed discussion of the program requirement, including the fee schedules applicable to accounts managed using this Strategy.

PAST PERFORMANCE CANNOT AND SHOULD NOT BE VIEWED AS AN INDICATOR OF FUTURE PERFORMANCE

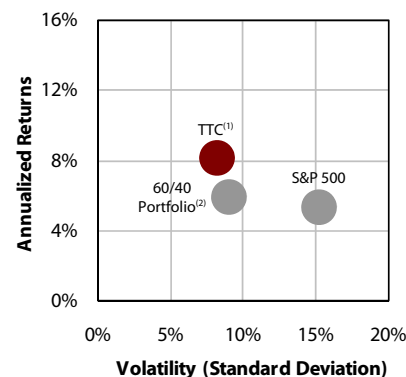
© 2012 EquityCompass Strategies, 501 North Broadway, St. Louis, MO 63102. All rights reserved.



## Key Strategy Metrics

	TTC <sup>(1)</sup>	60/40 Portfolio <sup>(2)</sup>
# of Holdings	56	-
Std Deviation	8.2%	9.1%
Sharpe Ratio	0.9	0.5
Beta	0.5	0.6
Alpha	3.4%	-
Tracking Error	4.4%	-
Information Ratio	0.5	-
Up-Market Capture <sup>(3)</sup>	63.7%	61.5%
Down-Market Capture <sup>(3)</sup>	49.0%	58.0%

## Historical Risk-Return Simulation



## About EquityCompass

EquityCompass Strategies is the research and investment advisory unit of Choice Financial Partners, a wholly owned subsidiary and affiliated SEC registered investment adviser of Stifel Financial Corp. (NYSE: SF). The firm offers a comprehensive range of investment portfolios and products to institutional and individual investors exclusively through Stifel Nicolaus Financial Advisors

### A Rules-Based Approach

EquityCompass employs a structured and fully-transparent investment process that combines traditional fundamental analysis with sophisticated quantitative modeling

### Extensive Experience

EquityCompass professionals have been providing quantitative based equity portfolio strategies since January 2006 and publishing investment research, analysis, and advice for more than 10 years



**Richard E. Cripps,**  
Chief Investment Officer

Former Managing Director of Portfolio Strategy and Chief Market Strategist—Stifel Nicolaus  
Former Co-Chairman of the investment committee at Legg Mason Wood Walker, Inc.

Hotline: 443.224.1231 | e-mail: equitycompass@stifel.com

## About Stifel Financial

Founded in 1890, Stifel Financial is one of the leading financial services firms in the U.S. Stifel 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 ranked #5 in the Financial Services Industry and #65 overall on Fortune magazine's *Fastest Growing Companies* list for 2010.

To learn more about the Tactical Total Core Strategy, please contact your Stifel Nicolaus Financial Advisor.