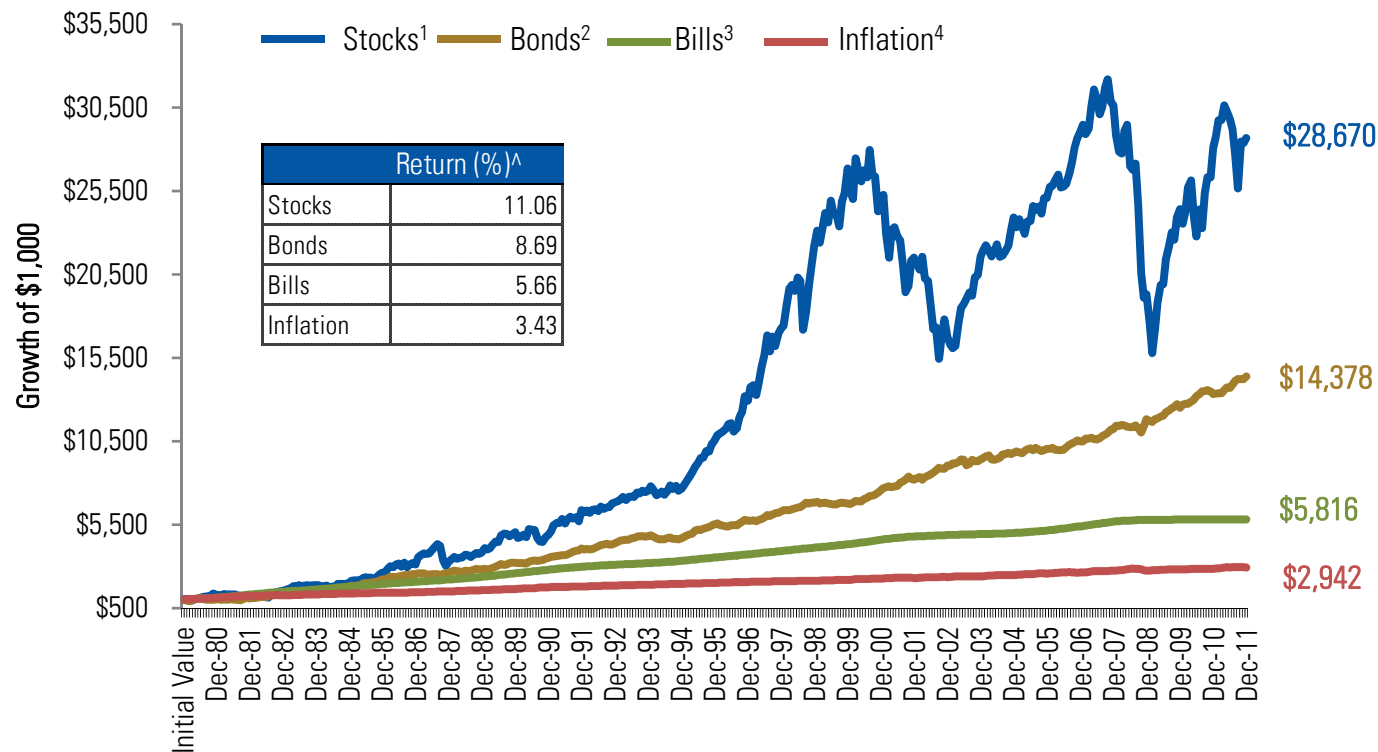


The Importance of Equities

Since 1980, the world has experienced the same problems seen throughout history: wars, economic cycles, natural disasters as well as political turmoil. During this time, the predominant trend for common stocks has been upward. Investors should consider this historical perspective when contemplating asset allocation decisions. The graph below shows performance of major asset classes from January 1, 1980 to December 31, 2011. The following page compares these asset classes by decades.



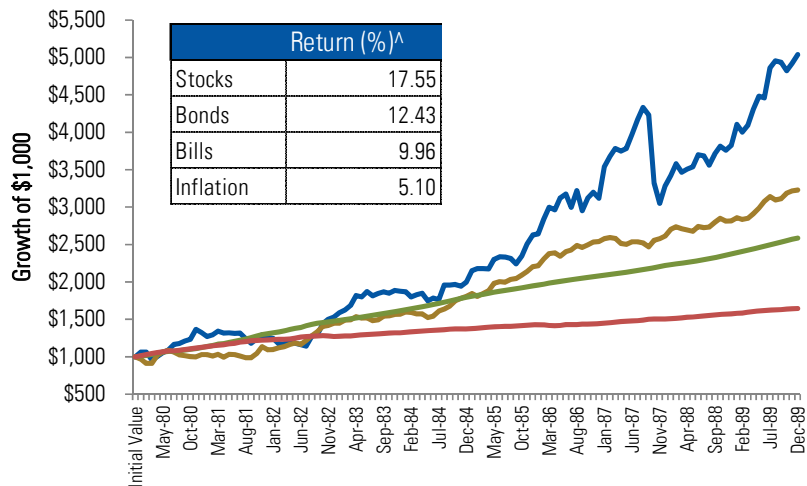
^ Annualized Source: Mellon Analytical Solutions, Inc. January 2012

Past performance does not guarantee future results. Diversification does not prevent loss. You cannot invest directly in an index. ¹ Stocks are represented by the S&P 500[®] Index, a capitalization weighted unmanaged index of 500 widely traded stocks, created by Standard & Poor's. The index is considered to represent the performance of the stock market in general. ² Bonds are represented by the Barclays Capital US Aggregate Bond Index, which measures the performance of the U.S. dollar-denominated, investment-grade, fixed-rate, taxable bond market, which includes Treasuries (i.e. public obligations of the U.S. Treasury), government-related issues (i.e. agency, sovereign, supranational, and local authority debt), corporate debt obligations, mortgage-backed securities (i.e. agency fixed-rate and hybrid adjustable rate mortgage (ARM) pass-through securities), asset-backed securities and commercial mortgage-backed securities. ³ Bills are represented by the BofA Merrill Lynch 3-Month U.S. Treasury Bill Index, an unmanaged index that measures returns of three-month Treasury Bills. ⁴ Inflation is represented by the US Consumer Price Index, a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. The CPI is calculated by taking price changes for each item in the predetermined basket of goods and averaging them; the goods are weighted according to their importance. Changes in CPI are used to assess price changes associated with the cost of living. Indexes do not incur fees and it is not possible to invest directly in an index.

The Importance of Equities

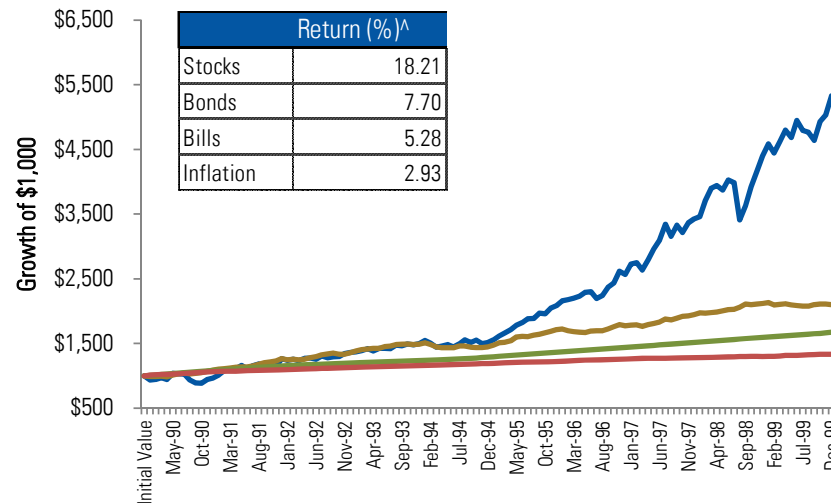
1980s

Despite the stock market crash in 1987, stocks outperformed their counterparts for the decade.



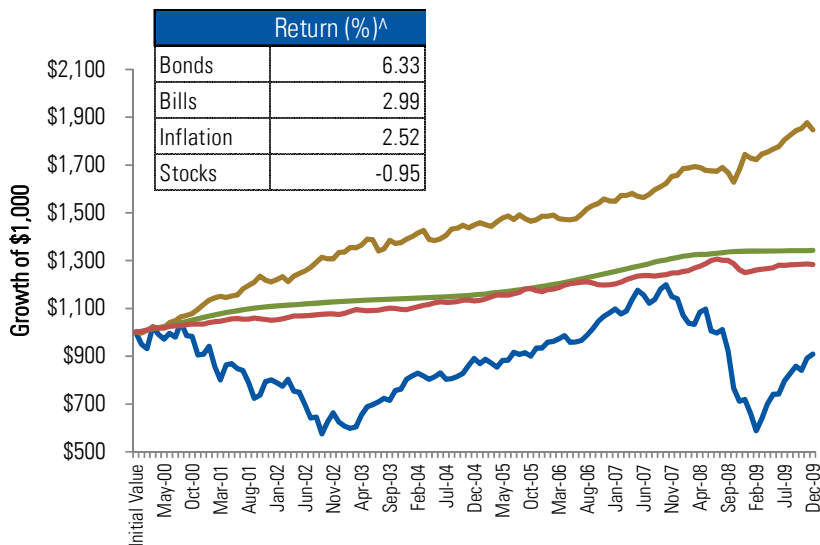
1990s

In the high growth 1990s, stocks were king.



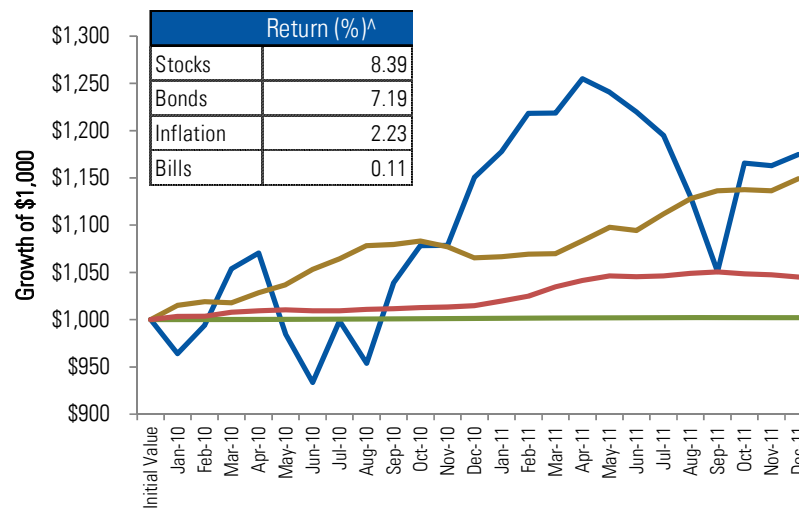
2000s

While the 2000s were the "lost decade" for large-cap stocks, mid- and small-cap stocks had positive returns of 6.36% and 3.51% respectively¹.



2010s

So far this decade (as of December 31, 2011), stocks have outpaced bonds.



[^] Annualized Source: Mellon Analytical Solutions, Inc. January 2012 ¹ Mid-cap stocks are represented by the S&P 400[®] Midcap Index, an unmanaged index created by Standard & Poor's made up of 400 mid-cap companies. The index is the most widely used index for mid-sized companies. Small-caps stocks are represented by the Russell 2000[®] Index, an unmanaged index of the smallest 2,000 stocks in the Russell 3000[®] Index. The index is commonly used to show the performance of small-cap stocks.

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