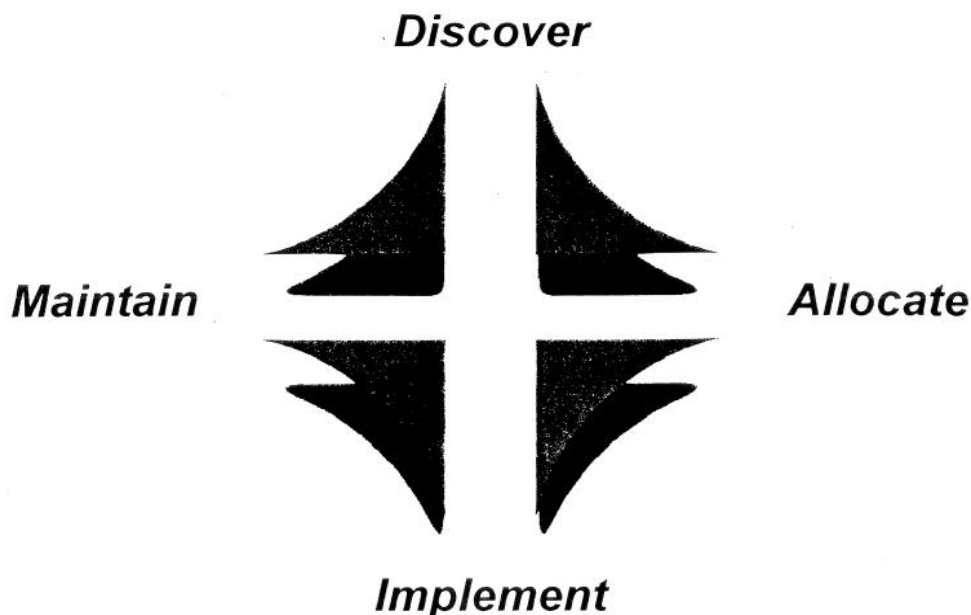


## Wealth Management Services Overview

Morgan Keegan's Wealth Management Services (WMS) department is responsible for assisting clients with investment planning, asset allocation, and traditional and alternative investment recommendations, as well as ongoing performance monitoring.

WMS follows a proven discipline towards successful asset management. The WMS process is not "product" focused in terms of selling any particular security or package of securities. Rather, the WMS process is focused on identifying and implementing the most appropriate financial planning and investment solutions for each investor. WMS is proud to offer resources that are second to none supporting each and every area of the planning and investment process. Your Financial Advisor can further expand on the resources that WMS brings to bear. Rest assured that accredited, seasoned investment professionals are available to support you in every step of this process. The process that WMS follows contains four basic, yet continuous steps:



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## The Wealth Management Services Investment Management Process

### Step 1: Discover

- Planning and Executive Services will work directly with you and your Morgan Keegan Financial Advisor to determine and achieve your financial goals based on:
  - Risk tolerance,
  - Time horizon, and
  - Taxation Issues.
- Your individual financial goals and objectives are then documented in your profile and/or Investment Policy Statement (IPS), which will be used as a basis for:
  - Determining an appropriate, investor-specific asset allocation,
  - Selecting investments to include within your portfolio, and
  - Monitoring the performance of your portfolio on an ongoing basis.

### Step 2: Allocate

- Assets are allocated among equity, fixed income, cash, and alternative investments based on your goals and objectives that have been documented in your profile and/or IPS.
- Risk tolerance, desired rate of return, liquidity needs, biases, time horizon, and taxation issues are unique to each investor; once your specific needs have been determined, an appropriate portfolio can be constructed to help you achieve your financial goals.

### Step 3: Implement

- Your Financial Advisor and members of Wealth Management Services will work together to select specific equity, fixed income, and alternative funds and managers to include within your portfolio.
- Their goal is to select assets that complement each other while fitting in with your individual needs and the analyst's market expectations.

### Step 4: Maintain

- Each investment strategy's performance is monitored not only relative to the appropriate indices, but more importantly, to each investor's specific goals and objectives.
- The WMS Reporting & Operations team tracks performance and sends out regular statements to each investor.
- Your Financial Advisor, Planning and Executive Services, and the Investments Department will work together with you on an ongoing basis to reevaluate your portfolio as:
  - Your financial situation and needs change,
  - New investment opportunities become available, and
  - The market outlook changes.

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Morgan Keegan's Planning and Executive Services Department offers sophisticated planning services to their high-net-worth clients. Whether you are a senior executive with a publicly traded company, a closely held business owner, a real estate developer, or an investor with a significant net worth, they are able to work with you and your family to properly address your specific goals, objectives and concerns.

In addition to working with you on the personal side to implement your financial plan, they will work with your publicly traded company or privately held business to address your business goals and objectives. This may include a review of your executive benefit plans, developing an exit strategy from your closely held business, or designing benefit plans to retain key executives. Listed below is a summary of the services that are available.

<b>Planning and Executive Services</b>	
<b>Offerings</b>	<b>Support</b>
<ul style="list-style-type: none"> <li>✓ Retirement Analysis</li> <li>✓ Estate and Charitable Planning</li> <li>✓ IRA Planning</li> <li>✓ Retirement Plans</li> <li>✓ Education Funding</li> <li>✓ Asset Allocation</li> <li>✓ Executive Benefits</li> <li>✓ Capital Needs Analysis</li> <li>✓ Risk Analysis</li> <li>✓ Business Continuation</li> </ul>	<ul style="list-style-type: none"> <li>✓ Attorney/CPA/Coordination</li> <li>✓ Individual Securities (Stocks/Bonds)</li> <li>✓ Regions Morgan Keegan Trust Company</li> <li>✓ WMS Investments Department</li> <li>✓ Mutual Funds</li> <li>✓ Insurance/Annuities</li> <li>✓ Managed Futures</li> <li>✓ Alternative Investments</li> <li>✓ Business Valuation Referrals</li> </ul>

Planning Services uses a team approach to help achieve your financial goals. To begin this process, they work directly with you and your Financial Advisor, finding out your basic background information and goals in order to determine:

- Risk tolerance – the amount of financial risk you can afford,
- Time horizon – your time parameters to achieving specific goals, and
- Taxation issues – the effect of taxes on your investments.

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## **CORPORATE AND BUSINESS SERVICES**

- Business Succession Planning
- General Business Financial Planning
- Qualified Retirement Plan Design, Implementation, and Administration
- Non-Qualified Plan Design, Implementation and Administration
- Stock Plan Design and Implementation
- Investment Banking Services
- Employee Benefits Review

## **PERSONAL CLIENT SERVICES**

- Estate Planning and Trust Services
- Family Wealth Counseling
- Family Office Consulting
- Charitable Planning
- Stock Diversification Planning
- Retirement Planning
- Investment Management Consulting
- Life Insurance Portfolio Consulting
- Stock Option Plan Exercise Strategies
- Restricted Securities Advisory Services
- Education Expense Planning

## **PLANNING PROCESS**

- Introduction
- Data Gathering
- Preparation and Presentation of Written Plan
- Implementation
- Review and Monitoring

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## **CORPORATE AND BUSINESS SERVICES**

### **BUSINESS SUCCESSION PLANNING**

- ❖ Owner Exit Strategies
- ❖ Buy-Out Arrangements at Death
  - ❖ Cross Purchase Agreement
  - ❖ Stock Redemption Agreement
  - ❖ Wait-and-See Agreement
- ❖ Life and Disability Insurance Funding Alternatives

### **GENERAL BUSINESS FINANCIAL PLANNING**

- ❖ Entity Structure
  - ❖ Corporation
  - ❖ Limited Liability Company
  - ❖ Partnership
- ❖ Review of all Business Agreements
- ❖ Tax Issues
- ❖ Entity Reorganization

### **QUALIFIED RETIREMENT PLANS**

- ❖ Plan Design
  - ❖ 401(k) Plan
  - ❖ New Comparability Plan
  - ❖ Age Based Profit Sharing Plan
  - ❖ Money Purchase Plan
  - ❖ Defined Benefit Plan
  - ❖ Employee Stock Ownership Plan
- ❖ Plan Implementation
- ❖ Employee Education and Enrollment
- ❖ Participant Distribution Planning
- ❖ Investment Policy Statement

### **NON-QUALIFIED PLANS**

- ❖ Plan Design
  - ❖ Salary Continuation Plan
  - ❖ Benefit Restoration Plan
  - ❖ Deferral Plan and 401(k) Excess Plan
  - ❖ Directors Deferral Plan
  - ❖ Split Dollar Life Insurance Plan
- ❖ Accounting Impact
- ❖ Plan Implementation
- ❖ Plan Administration
- ❖ Benefit Swaps

### **STOCK PLAN DESIGN AND IMPLEMENTATION**

- ❖ Incentive Stock Options
- ❖ Non-Qualified Stock Options
- ❖ Restricted Stock
- ❖ Phantom Stock Plan
- ❖ Employee Stock Purchase Plan

### **INVESTMENT BANKING SERVICES**

- ❖ Initial Public Offering
- ❖ Secondary Offering
- ❖ Private Placement
- ❖ Venture Capital
- ❖ Mezzanine Financing
- ❖ Mergers and Acquisitions
- ❖ Business Valuation

### **EMPLOYEE BENEFITS REVIEW**

- ❖ Group Health, Life, and Disability
- ❖ Dental Plan
- ❖ Vision Plan
- ❖ Cafeteria Plans

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**PERSONAL CLIENT SERVICES**

**ESTATE PLANNING AND TRUST SERVICES**

- ❖ Estate Distribution and Management
  - ❖ Wills and Trusts
  - ❖ Powers of Attorney
  - ❖ Living Wills
- ❖ Estate and Gift Tax Minimization Strategies
  - ❖ Irrevocable Trusts
  - ❖ Asset Protection Trusts
  - ❖ Qualified Personal Residence Trusts
  - ❖ Grantor Retained Annuity Trusts
  - ❖ Family Limited Partnerships
  - ❖ Limited Liability Companies
  - ❖ Private Annuities
  - ❖ Defective Grantor Trusts
  - ❖ Benefit Swaps
  - ❖ Charitable Planning
- ❖ Corporate Trust Services
  - ❖ Trust Administration
  - ❖ Custodian Services
  - ❖ Trustee Services

**FAMILY WEALTH COUNSELING**

- ❖ Short Term and Long Term Wealth Distribution Strategies
- ❖ Wealth Management Education to Family Members
- ❖ Financial Planning for the Younger Generations

**FAMILY OFFICE CONSULTING**

- ❖ Review of the operation of the Family Office
  - ❖ Internal Controls
  - ❖ Accounting
  - ❖ Tax Compliance
  - ❖ Human Resources
  - ❖ Reporting to the Family
- ❖ Review of the Family Office Financial Plan
  - ❖ Investment Management
  - ❖ Risk Management
  - ❖ Estate Planning
  - ❖ Philanthropic Management
  - ❖ Income Tax Planning
  - ❖ Business Planning

**CHARITABLE PLANNING**

- ❖ Charitable Trusts
  - ❖ Analysis of trust alternatives
    - ❖ Remainder Trusts
    - ❖ Lead Trusts
- ❖ Private Foundation
- ❖ Supporting Organization
- ❖ Outright Gifts
- ❖ Coordination of implementation with Attorney, Accountant, and Trustees

**STOCK DIVERSIFICATION PLANNING**

- ❖ Exchange Funds
- ❖ Hedging Transactions
- ❖ Charitable Trusts

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### PERSONAL CLIENT SERVICES

#### RETIREMENT PLANNING

- ❖ Distribution strategies from Individual Retirement Accounts and Employer Retirement Plans
- ❖ Executive Benefit Plan swaps in coordination with Estate Planning
- ❖ Beneficiary designation considerations in coordination with distribution strategies and Estate Planning

#### INVESTMENT MANAGEMENT CONSULTING

- ❖ Review/Establish Investment Objectives and Policy Statement
- ❖ Search/Select Appropriate Investment Counsel
- ❖ Comparative Performance Analysis
  - ❖ Historical Review
  - ❖ Ongoing Performance Reviews

#### LIFE INSURANCE PORTFOLIO CONSULTING

- ❖ Type of Coverage
- ❖ Level of Coverage
- ❖ Ownership and Beneficiary Designations
- ❖ Split Dollar Plan Alternatives
- ❖ Policy Performance Review and Monitoring
- ❖ Coordination with Estate Planning

#### STOCK OPTION PLAN EXERCISE STRATEGIES

- ❖ Alternative Minimum Tax Impact (ISO's)
- ❖ Cashless Exercise Strategies
- ❖ Cost of money considerations
- ❖ Stock Option Financing

#### RESTRICTED SECURITIES ADVISORY SERVICES

- ❖ Experience with and knowledge of rules and regulations that apply to the purchase and sale of restricted securities
- ❖ Types of Transactions
  - ❖ Rule 144
  - ❖ Rule 144(k)
  - ❖ Rule 145
  - ❖ S-1, S-3, or S-16 Registered Securities
  - ❖ Rule 10B(18) Corporate Repurchase
- ❖ Procedures
  - ❖ Identify proper manner of sale
  - ❖ Expedite the proper signing and delivery of necessary paperwork
  - ❖ Efficient, discreet, and cost effective execution of orders
- ❖ Support Services
  - ❖ Efficient compliance and stock transfer group
  - ❖ Block trading and OTC desk
  - ❖ Tailored Services

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When working with clients, the Planning Group follows a five-step process:

## 1. Introduction



- Review of Morgan Keegan Planning capabilities
  - Professional Staff
  - Process
- Discuss client's concerns and develop preliminary information

## 2. Data Gathering



- Collection and Review of all pertinent documents
- Hard Data (Facts and Figures)
- Soft Data (Goals and Objectives)
  - Family
  - Business
  - Charitable

## 3. Preparation and Presentation of Written Plan



- Executive Summary Format
- Numerical analysis which simplifies complex planning techniques

## 4. Implementation



- Determine the Action Plan
- Coordinate with client's other Advisors to implement components of the Plan (Attorney, CPA, etc.)
- Work with Morgan Keegan's other areas to implement services and product solutions

## 5. Review and Monitoring

- Annual review of Goals and Objectives
- Review of Investment Performance
- Impact of Tax Law changes on the Plan
- Consideration of new planning strategies

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Planning is an ongoing process. Your Morgan Keegan Financial Advisor working together with the Planning and Executive Services Department, have the experience to "quarterback" this process for you, your family, and your company or business.



**William J. Scofield, JD**  
**Director, The Planning Group**  
**Senior Vice President**

Mr. Scofield attended Duke University and received his B.S. degree in Business Administration, Master of Accountancy with a concentration in Tax, and his Doctor of Jurisprudence all from the University of Tennessee in Knoxville. He was licensed to practice law in Tennessee in 1991.

Prior to joining Morgan Keegan in October 2001, Mr. Scofield was a Tax Manager in the Private Client Services practice of Arthur Andersen, LLP, in Memphis. He worked with individuals and families in the fields of wealth succession planning and sophisticated income tax planning. Mr. Scofield also practiced law in Middle Tennessee and Memphis, where his practice was concentrated in the areas of wills, trusts and estates.

Mr. Scofield is a Registered Representative with the National Association of Securities Dealers (NASD), a licensed Life and Health Insurance Agent, and a Registered Investment Advisor Representative with the Securities and Exchange Commission. Mr. Scofield is a member of the Memphis and Tennessee Bar Associations, as well as the Estate Planning Council of Memphis. He is a former Board Member and Treasurer of the Children's Museum of Memphis.

**J. Christopher Raulston, JD, CPA**  
**Wealth Management Specialist**  
**Senior Vice President**

Mr. Raulston is a Wealth Management Specialist and a Senior Vice President in the Planning and Executive Services Department. He has provided income, estate and gift tax compliance and consulting services to high net worth clients and their families. He has also assisted executives of public companies with stock option planning, counseled clients on Section 529 plans and resulting income, gift and estate tax consequences. Mr. Raulston worked with Arthur Andersen LLP for 12 years and a Memphis CPA firm for 1 year prior to joining Morgan Keegan.

Mr. Raulston is originally from Knoxville, Tennessee and received his Bachelor of Accounting, Master of Accounting with a concentration in Tax, and his Doctor of Jurisprudence from the University of Mississippi. He is a CPA in Tennessee and was licensed to practice law in both Tennessee and Mississippi in 1990. Mr. Raulston is a Registered Representative with the National Association of Securities Dealers (NASD), the American Institute of Certified Public Accountants (AICPA), Tennessee Society of Certified Public Accountants, and the American, Memphis, Tennessee and Mississippi Bar Associations. He is a board member and the treasurer of the Mid-South chapter of the American Red Cross.

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**Stephen F. Peluso, Esq., LL.M., CFP**  
**Wealth Management Specialist**  
**Senior Vice President**

Mr. Peluso recently joined Morgan Keegan as part of the merger between Regions Bank and AmSouth Bank. Prior to the merger, he worked as a Senior Wealth Advisor in the AmSouth Financial Planning department for 4 years. Prior to joining AmSouth, Mr. Peluso worked as a tax attorney in a private practice of law for twelve years. Most recently he was named the Partner-in-Charge of all estate planning and administration matters at the law firm of King & Ballow in Nashville, Tennessee. As part of his law practice, he regularly advised clients on estate planning and business succession matters.

Mr. Peluso received his B.A. degree in Sociology from Keene State College, his J.D. *cum laude* from the University of Bridgeport School of Law, and LL.M. with a concentration in Taxation from New York University School of Law. Mr. Peluso holds the CERTIFIED FINANCIAL PLANNER TM (CFP) designation.

Mr. Peluso is a member of the Tax Sections of the Nashville, Tennessee and American Bar Associations. He is a former Chairman of the Estate Planning Committee of the Nashville Bar Association and he has been a member of the Nashville Estate Planning Counsel for the past 15 years. Mr. Peluso is a member of the Financial Planning Association, and he frequently speaks on estate, business and asset protection planning matters.

**David Stella, CFP**  
**Wealth Management Specialist**  
**Senior Vice President**

Mr. Stella is Senior Vice President and Wealth Management Specialist for the Florida market. He joined Morgan Keegan through the merger with AmSouth Bank where he served in a similar capacity since 2002. Prior to joining the financial planning & wealth management division at AmSouth he spent four years with the private client services group at SunTrust Securities. He began his wealth management career at the investment banking and brokerage firm, Smith Barney, a division of CitiGroup.

Mr. Stella is a thirteen-year veteran in the financial advisory industry. He specializes in working with financially successful families to develop custom comprehensive financial strategies. He has advised high-net worth clients in many areas, including estate planning, business succession, retirement and cash flow planning, investment strategy and asset allocation, charitable planning, executive stock options and restricted stock transactions. He has advised professionals, entrepreneurs, executives of public and privately held corporations and those in the sports and entertainment industry. In addition to his client work, David has served in various leadership roles over the past four years within the practice group.

**Gary J. Kashdan, CPA, CFP**  
**Wealth Management Specialist**  
**First Vice President**

Prior to joining Morgan Keegan, Mr. Kashdan was a Senior Financial Planner for Synovus Corporation for over four years. Prior to Synovus, he was a financial planner for Robinson Humphrey Co./Smith Barney in Atlanta, Georgia for seven years. Mr. Kashdan's experience in financial planning runs the gamut from basic retirement and education funding projections to estate planning, charitable giving strategies and business succession planning.

Mr. Kashdan received a Bachelor of Science degree in Accounting from the University of Tennessee and a Masters in Taxation from Georgia State University. He is a Certified Public Accountant (CPA) in Tennessee and has been a Certified Financial Planner (CFP) since 1986. Mr. Kashdan is a Registered Representative with the National Association of Securities Dealers (NASD), a Registered Investment Advisor and a licensed Life, Health and Variable Annuity Insurance Agent in the state of Georgia. He is a member of the Atlanta chapter of the Financial Planning Association.

The WMS Investments Department is primarily responsible for developing asset allocation strategies, providing research and performing due diligence on traditional and alternative funds and managers, and maintaining a list of select mutual funds, separately managed accounts, and alternative investment products. Within the Investments Department are five groups: the Product & Platform Support Group, the High Net Worth Group, the Due Diligence Group, the Alternative Investments Group, and the Market Intelligence Group. Below is a summary of each team's primary responsibilities.

Market Intelligence	Due Diligence Group	Alternative Investments
<ul style="list-style-type: none"> <li>✓ Timely Market Commentary</li> <li>✓ Tactical Allocation Model</li> <li>✓ Market Trends &amp; Investable Ideas</li> </ul>	<ul style="list-style-type: none"> <li>✓ Fund/Manager Searches</li> <li>✓ Ongoing Due Diligence</li> <li>✓ Attribution Analysis</li> <li>✓ Market Research/Papers</li> </ul>	<ul style="list-style-type: none"> <li>✓ Fund/Manager Searches</li> <li>✓ Ongoing Due Diligence</li> <li>✓ Marketing</li> <li>✓ Operations/Administration</li> </ul>
Manager: Mike Skordeles Analyst: Tom Christopher	Manager: Chet Pinckernell Analysts: James Challen Kim Escue Spencer Hope Patrick Rassi Jeff Gardner David Scully	Manager: Tom McQuiston Analysts: David Hurt Greer Sutherland  Ops/Admin: Maria Barlow Beth Sacharin Reid Shuping Stephanie Sawyer Brenda Williams

Product & Platform Support Group	Sales & Consulting
<ul style="list-style-type: none"> <li>✓ Portfolio Analysis</li> <li>✓ Asset Allocation Proposals</li> <li>✓ Style, Peer Group Analysis</li> <li>✓ Special Projects</li> </ul>	<ul style="list-style-type: none"> <li>➤ Special Situations</li> <li>➤ Institutional Support</li> <li>➤ Consulting Support</li> </ul>
Manager: Anne Platt Analysts: Chad Keller Martin Goodlett Christie Autry David Hager Armour Barnes Nick Landers Aloma Shears	Manager: Bob Burns Analysts: Scott Poore           Jonathan Bernstein My Edmonds       Brooks Monypeny Mary Ann Goltl     Bob Rimer Taylor Hammons   Chris Wilson Lon Davis  Support: Kendel Loveless

### Market Intelligence Group

- Provides timely market data and commentary via the PCG Weekly Market Commentary
- Manages the Tactical Model available through the Preferred Funds Discretionary Program
- Communicates market trends and timely investment ideas
- Covers stocks widely used in the Morgan Keegan system that are not covered by MK Equity Research

### Due Diligence Group

- Fund/manager searches and selections for the team's Select List
- Ongoing due diligence
  - Conference calls (quarterly and as needed)
  - Onsite visits (annually and for special situations)
  - Minimum of nine contacts per year
- Provides your Financial Advisor with due diligence alerts to ensure that he or she is providing you with the most up to date, sound investment advice

### Alternative Investments Group

- Researches and selects alternative investment products (funds of hedge funds, managed futures, non-listed REITs, equity exchange funds, and non-traditional mutual funds)
- Performs ongoing due diligence through conference calls and onsite visits
- Provides a list of recommended investments for investors who wish to add less traditional asset classes to their investment portfolios

### Product & Platform Support Group

- Prepares consolidated asset reviews for prospective investors with multiple accounts at multiple firms
- Generates proposed asset allocations with recommended funds and/or separately managed accounts
- Performs satellite searches for investors who request specific types of investments (e.g., emerging markets or precious metals funds)

### Sales & Consulting

- Deals with high net worth individuals who need customized portfolio recommendations (i.e., income-oriented portfolios)
- Answers RFPs for Foundations, Endowments, Retirement Plans, etc.
- Creates Efficient Frontier analysis or assisting with Investment Policy Statements.

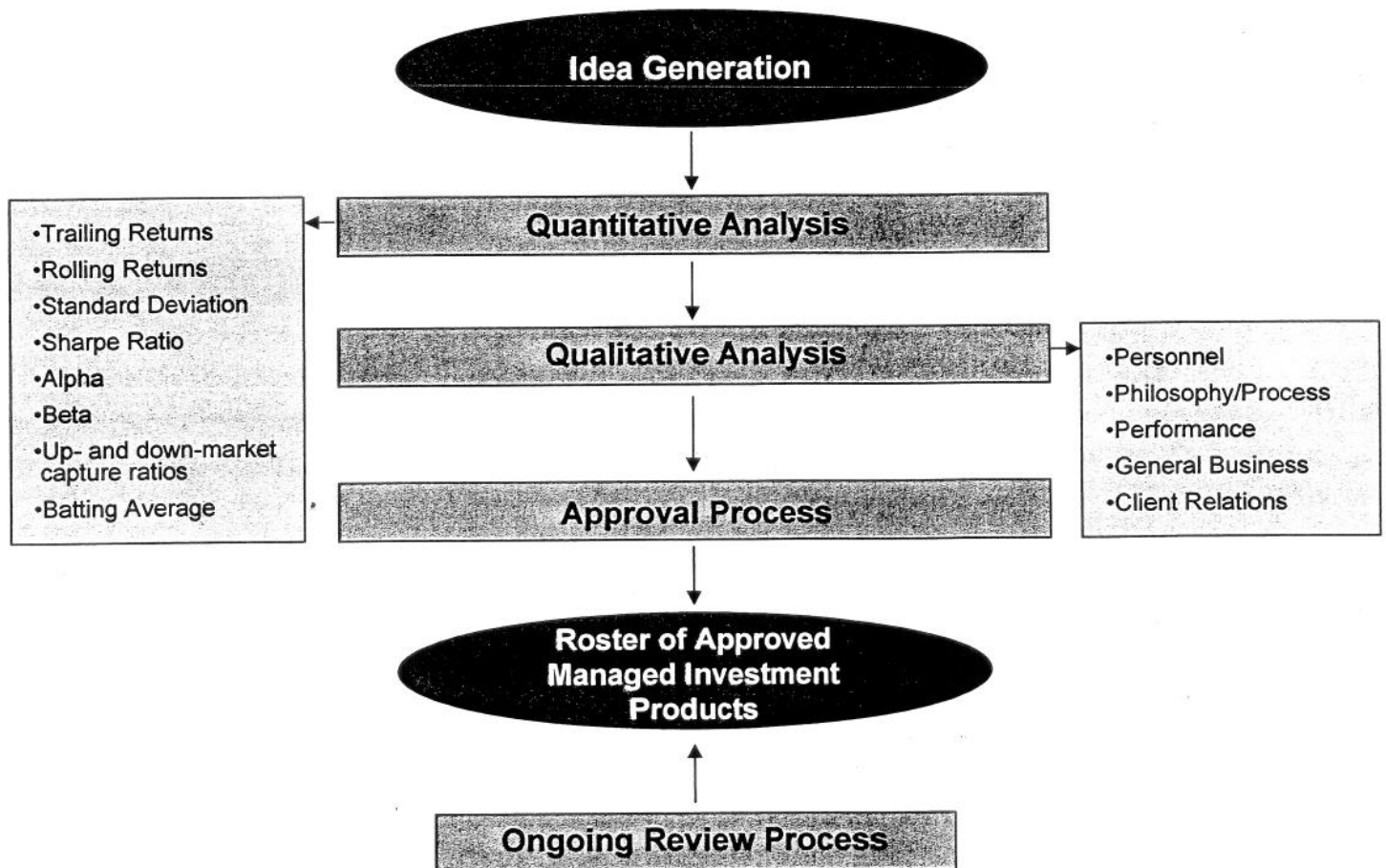
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**Due Diligence Process**

When choosing funds, separately managed accounts, and alternative investments for the WMS Combined Select List, the Due Diligence Group (DDG) and the Alternative Investments Group (AIG) follow a multi-step process in an attempt to ensure that you, the investor, are benefiting from our department's very best ideas. Funds, separate accounts, and alternative investments are selected based on the following steps and criteria:



Because due diligence is a continuous process, the DDG and AIG are constantly looking to our competition, Financial Advisor and client suggestions, industry contacts, and databases for new ideas. The goal of the due diligence specialists is to provide you with their best investment manager suggestions at any point in time. After rigorous quantitative and qualitative analyses, if a consensus is developed, it is then submitted to the proper committee for final approval.

In addition, each product on the combined Select List is reviewed on an ongoing basis. The Select List is unbiased, and any portfolio may be removed at any time for not meeting the specialists' expectations.


## 9 Due Diligence Touches

The Due Diligence Group's ongoing due diligence process is centered on "nine touches" throughout the year. These touches may include emails, conference calls, meetings in Memphis, and one onsite visit annually. By monitoring these investments on an ongoing basis, the DDG is able to pick up on factors that may inhibit the fund or manager's ability to perform in line with expectations.

<b>DDG Due Diligence Touches (September 2007 through September 2008)</b>	
<b>Onsite Visits</b>	<b>131</b>
<b>Meetings in Memphis</b>	<b>110</b>
<b>Conference Calls</b>	<b>485</b>
<b>Traveled Days</b>	<b>145</b>
<b>Traveled Miles</b>	<b>107,750</b>
<b>Total Touches</b>	<b>1,146</b>

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The Investment Strategy Committee (ISC) is the group of professionals within the Wealth Management Services Investments Department responsible for setting asset allocation guidelines and selecting mutual funds for the Preferred Funds Discretionary Program. The ISC has constructed 15 recommended portfolios for high-net-worth investors who range from conservative to aggressive with respect to risk tolerance. These portfolios are available to you at the \$500k, \$1m, and \$5m levels and include the committee's best thinking given the combination of an investor's down-side risk tolerance and amount he or she has available to invest.

Portfolios										
		Expected Worst (4 Qtr) Downside Rtn	Expected (annualized) 10-year Rtn	Goal Track		PF Disc Models (\$50K min)	WMS General Models (Non-Discretionary)			
				< \$25,000	\$25,000					
Aggressive  Conservative	<b>Tactical</b>					ETFs: \$50,000 and up				
	<b>Alternative &amp; Specialty Strategies</b>					\$25,000	Funds: \$50,000 and up			
	<b>Full Growth</b>	-15.0%	10.5%	< \$25,000	\$25,000	Funds: \$50,000	\$500,000	\$1,000,000	\$5,000,000	ETFs: \$50,000 and up
	<b>Growth</b>	-12.5%	10.0%	< \$25,000	\$25,000	Funds: \$50,000	\$500,000	\$1,000,000	\$5,000,000	ETFs: \$50,000 and up
	<b>Moderate Growth</b>	-10.0%	9.5%	< \$25,000	\$25,000	Funds: \$50,000	\$500,000	\$1,000,000	\$5,000,000	ETFs: \$50,000 and up
	<b>Conservative Growth</b>	-7.5%	9.0%	< \$25,000	\$25,000	Funds: \$50,000	\$500,000	\$1,000,000	\$5,000,000	ETFs: \$50,000 and up
	<b>Conservative</b>	-5.0%	8.0%	< \$25,000	\$25,000	Funds: \$50,000	\$500,000	\$1,000,000	\$5,000,000	ETFs: \$50,000 and up

These portfolios are strategic in nature (do not include tactical allocations) and include recommendations down to the fund/manager level. Generally, a 10-year time horizon was considered when constructing the model portfolios, but more aggressive investors should have relatively longer time horizons in order to allow for the increased portfolio volatility to work itself out through both down markets and up markets.

Rather than relying solely on Modern Portfolio Theory – a theory that assumes that there is one optimal portfolio for any level of risk – to construct these portfolios, the ISC has adopted a more client-specific approach that focuses on downside protection. For example, the most conservative set of recommended portfolios has an expected worst-case return of -5.0% over a 10-year time horizon. MPT can get an investor close to a suitable portfolio, but the ISC uses a series of qualitative judgments to close the gap. Once a client determines how much he or she can tolerate losing over a given time period, and other factors such as liquidity needs, biases, and tax issues are taken into consideration, an appropriate (not optimal) asset allocation and portfolio can be constructed.

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### **Gary S. Stringer, CFA**

Mr. Stringer is a Managing Director and serves as Director of Investments in Morgan Keegan's Wealth Management Services (WMS) division. In this position he oversees all strategic initiatives related to the firm's investment consulting and fee-based platforms. He also oversees the PPSG and the research efforts for all mutual funds, separately managed accounts, and alternative investments.

Prior to joining Morgan Keegan in August, 2005, Mr. Stringer spent nearly seven years at Legg Mason in Baltimore, Maryland, where he last served as Research Director. He was responsible for managing a team of analysts providing research on mutual funds and separate account money managers that supported commission and fee-based businesses. Previous to Legg Mason, he served in Franklin-Templeton's Broker/Dealer Services area in St. Petersburg, Florida.

Mr. Stringer holds a BS in Marketing from the University of Maryland as well as the Chartered Financial Analyst (CFA) designation. In addition, he is a Certified Investment Management Analyst (CIMA). He is a member of the CFA Institute, the Baltimore Security Analyst Society and the Investment Management Consultants Association. Mr. Stringer holds the NASD Series 3, 6, 7, 24, 63, and 66 licenses.

### **Thomas J. McQuiston, J.D.**

Mr. McQuiston is Managing Director of the Alternative Investments Group at Morgan Keegan & Company, Inc., and the President of Morgan Keegan Fund Management, Inc., a general partner for private investment funds.

Mr. McQuiston received a Bachelor of Arts degree from Vanderbilt University in 1976 and Master of Business Administration and Juris Doctor degrees from the University of Memphis in 1982. Since joining Morgan Keegan & Company, Inc. in 1984, Mr. McQuiston has worked in various areas of the Wealth Management Services group.

### **Kim Escue, CFA**

Mrs. Escue serves as a due diligence specialist in Morgan Keegan's Wealth Management Services (WMS) Due Diligence Group. She has been in WMS since 2002 specializing in Fixed Income manager research. Prior to this, she worked in the firm's Fixed Income Capital Markets group as a taxable trader for seven years. Mrs. Escue also spent two years in institutional fixed income sales focusing on whole loan trading.

Mrs. Escue holds a BBA in Finance and an MBA in Finance from the University of Memphis. She is a member of the Memphis Society of Financial Analysts and has earned the right to use the Chartered Financial Analyst (CFA) designation. Mrs. Escue holds NASD Series 7 and 63 licenses.

### **Mike Skordeles**

Mr. Skordeles heads the Market Intelligence Group in Morgan Keegan's Wealth Management Services (WMS) division. The Market Intelligence Group specializes in helping investors better manage their portfolios by providing timely commentary on the economy, financial markets and industry trends. His other responsibilities include providing portfolio recommendations for the firm's various managed accounts programs, as well as both Strategic and Tactical guidance to Morgan Keegan's Financial Advisors.

Mr. Skordeles is a 13-year veteran in the industry as both an advisor and analyst. Prior to joining Morgan Keegan, he was a senior investment analyst with McDonald Investments, where he was responsible for analyzing investment portfolios, presenting market outlooks, and generating stock recommendations. He also sat on the firm's Investment Management Advisory Committee. Prior to that, Mr. Skordeles was a financial analyst within KeyCorp and worked as a financial consultant with The Prudential.

Mr. Skordeles holds a B.A. degree in Finance with a minor in Speech Communications from Baldwin-Wallace College. He is currently pursuing his MBA from the University of Memphis. Mr. Skordeles holds the NASD Series 7, 66, and 87 licenses.



**Chet Pinckernell, CIMA**

Mr. Pinckernell is a Senior Vice President and serves as Manager of The Due Diligence Group in Morgan Keegan's Wealth Management Services (WMS) division. He oversees the due diligence specialists who maintain the firm's mutual fund and separate account money manager select lists. This department performs ongoing due diligence on all Select List investments and searches for additions to the Select List. He has also served as a senior analyst for the firm's Alternative Investments department and manager of the WMS Product & Platform Support Group.

Prior to joining Morgan Keegan, Mr. Pinckernell was an investment officer for Vining-Sparks IBG in fixed income institutional sales where he managed and traded accounts for financial institutions and money managers.

Mr. Pinckernell holds a B.E. in Civil and Environmental Engineering from Vanderbilt University and received an M.B.A. in Finance from Emory University. He is a member of the Investment Management Consultant's Association (IMCA) and holds the CIMA (Certified Investment Management Consultant) designation from The Wharton School of Business. Mr. Pinckernell holds the NASD Series 7 and 63 licenses.

**Robert Burns, CFA**

Robert Burns serves as the Sales and Consulting Manager for Wealth Management Services (WMS) division of Morgan Keegan & Co., Inc. Prior to joining Morgan Keegan in 2006, Mr. Burns spent ten years at McDonald Investments, Inc. in Cleveland, Ohio, where he last served as Director of the Managed Assets Group. Previous to McDonald, Mr. Burns served as a Commissioned Examiner for the Federal Reserve Bank of Cleveland.

During his military service, Mr. Burns served as a Captain in the United States Marine Corps. Mr. Burns, who holds the Chartered Financial Analyst (CFA) designation, is a member of the Investment Management Consultants Association, the Cleveland Society of Security Analysts, and the CFA Institute. Mr. Burns earned a Bachelor of Science degree in Finance from Bowling Green State University.

**James Challen**

Mr. Challen, Vice President, is a Due Diligence Specialist in Morgan Keegan's Wealth Management Services (WMS) division. Mr. Challen joined Morgan Keegan in 2004, and has served as a member of the Due Diligence Group since 2005, where he is responsible for firm coverage in the Western half of the United States. Prior to joining Morgan Keegan, Mr. Challen worked for Remtech/ATA Services in Denver, Colorado.

Mr. Challen holds a BS from the University of Colorado at Boulder, and recently passed Level III of the Chartered Financial Analyst program. In addition, Mr. Challen holds the NASD Series 7 license.

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