

# Government/Credit Fixed Income Composite

All information is as of 9/30/2008

## KEY ADVANTAGES

- **Proven, experienced leadership** through many market cycles
- **Time-tested investment process** that focuses on the most consistent sources of excess return
- **Size** that allows us to efficiently exploit relative value opportunities, apply a unique client service model and create customized investment strategies for our clients.

## ABOUT MESIROW

### FINANCIAL

Mesirow Financial, founded in 1937, is a diversified financial services firm serving the needs of both individuals and institutions. Mesirow Financial's investment advisory affiliates manage nearly \$30 billion in assets for corporations, public and private pension plans, charitable organizations and individuals.

## INVESTMENT STRATEGY

Mesirow Financial's Government/Credit Fixed Income investment process emphasizes duration neutrality, sector rotation, yield curve management and individual security selection. This approach is designed to capture the bulk of the excess returns available in the investment-grade market while minimizing the variability of those returns. Key to the process is the responsiveness, focus, and unbiased analysis provided by our dedicated in-house sector specialists, credit analysts and trading professionals.

## PERFORMANCE<sup>1</sup>

FIXED INCOME + CASH	GOV'T/CREDIT (NET)%	GOV'T/CREDIT (GROSS)%	LEHMAN GOV'T/CREDIT INDEX %
3rd Quarter 2008	-2.17	-2.14	-1.64
YTD 2008	-0.77	-0.67	-0.68
1 Year	1.97	2.11	2.39
3 Year	3.42	3.57	3.60
5 Year	3.42	3.56	3.34
Since Inception [Inception: 9/30/00]	5.76	5.90	5.64
5 Year Standard Deviation	—	3.67	3.67

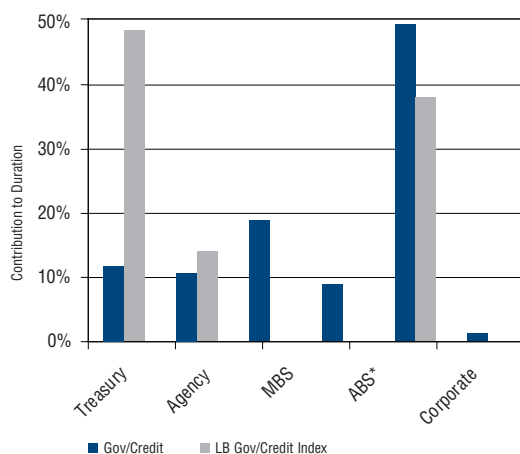
Performance is as of 9/30/08. 1-, 3-, 5-year and since inception periods are annualized.

## CHARACTERISTICS

	GOV'T/CREDIT COMPOSITE	LEHMAN GOV'T/CREDIT
Duration (%)	5.06	5.19
Yield to Maturity (%)	6.12	4.77
Average Maturity (years)	7.42	7.75
Quality	AA	AA+

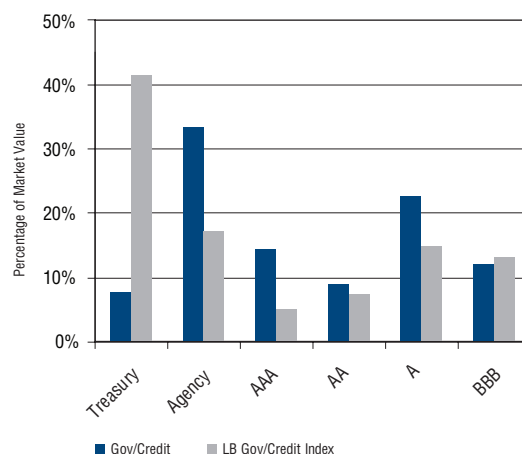
Please see the reverse side for additional disclosures regarding the deduction of advisory fees.

## SECTOR DISTRIBUTION



\*ABS includes CMBS

## QUALITY DISTRIBUTION



<sup>1</sup>The composite numbers listed are linked with performance numbers generated by Mesirow Financial Investment Management's Fixed Income team while they were employed at a prior firm. The investment team joined Mesirow Financial on March 15, 2005 and is employing the same strategy used at their prior firm. This composite is supplementary and constructed pursuant to the Performance Presentation Standards of the CFA Institute, the U.S. and Canadian version of the Global Investment Performance Standards (GIPS). The CFA Institute has not been involved with the preparation or review of this report. Past performance is not necessarily indicative of future results. Please see the reverse side for additional disclosures.

**PERFORMANCE SCHEDULE**

YEAR	NET OF FEE PERFORMANCE QUARTERLY RETURNS (%)					GROSS OF FEE PERFORMANCE QUARTERLY RETURNS (%)					LEHMAN GOV'T/CREDIT INDEX <sup>1</sup> (YTD %)	# OF PORTFOLIOS	YEAR END ASSETS (\$MM)
	1st QTR	2nd QTR	3rd QTR	4th QTR	ANNUAL	1st QTR	2nd QTR	3rd QTR	4th QTR	ANNUAL			
2000	—	—	—	3.96	3.96	—	—	—	3.99	3.99	4.37 <sup>2</sup>	3	236.2
2001	3.71	0.54	5.16	0.38	10.06	3.74	0.58	5.19	0.41	10.21	8.50	3	189.6
2002	-0.53	3.33	6.10	1.69	10.89	-0.49	3.37	6.13	1.72	11.03	11.04	3	203.5
2003	1.57	3.18	-0.56	0.11	4.32	1.60	3.23	-0.53	0.15	4.48	4.67	3	157.3
2004	3.08	-3.09	3.73	1.16	4.83	3.12	-3.05	3.76	1.19	4.97	4.19	3	181.1
2005	-0.64	3.53	-0.92	0.46	2.38	-0.61	3.56	-0.92	0.54	2.53	2.37	3	204.1
2006	-0.92	-0.15	3.97	1.05	3.95	-0.84	-0.10	4.01	1.09	4.15	3.78	4	513.8
2007	1.69	-0.63	2.70	2.76	6.65	1.73	-0.59	2.74	2.80	6.81	7.24	4	563.4
2008	2.40	-0.95	-2.17		-0.77	2.44	-0.91	-2.14		-0.67	-0.68	4	521.0

Mesirow Financial Investment Management, Inc. (MFIM) has prepared and presented this report in compliance with the Performance Presentation Standards of the CFA Institute, the U.S. and Canadian version of the Global Investment Performance Standards (GIPS). The CFA Institute has not been involved with the preparation or review of this report.

The Government/Credit Fixed Income composite was created on October 1, 2000.

In March of 2005, the fixed income portfolio management team of an independent investment advisor joined the MFIM Fixed Income portfolio management team. The performance results shown prior to March 15, 2005 reflect the team's performance prior to joining MFIM. Such returns have been incorporated into the MFIM Government/Credit fixed income composite. Upon receipt of client consent, MFIM obtained the required custody and holdings information from the independent custody firms, or other similar sources, for all clients that have been managed on a continuous basis and that information has been incorporated into the MFIM Government/Credit composite. A complete list of composites is available upon request. Information is based on U.S. dollar denominations.

For the period, portfolios below \$7,500,000 are considered nondiscretionary, as MFIM may be unable to fully and efficiently implement the intended investment strategy of the composite.

Performance data is based on preliminary numbers that are not verified. Past performance is not necessarily indicative of future results. Mesirow Financial Investment Management, Inc. and its affiliated companies and/or individuals may, from time to time, own, have long or short positions in, or options on, or act as a market maker in, any securities discussed herein and may also perform financial advisory or investment banking services for those companies.

Performance information that is provided gross of fees does not reflect the deduction of advisory fees. Client returns will be reduced by such fees and other expenses that may be incurred in the management of the account. Advisory fees are described in Part II of Form ADV of Mesirow Financial Investment Management, Inc. Net of fee performance is presented utilizing actual client net of fee performance for all accounts included in the composite. Performance results include the reinvestment of dividends and earnings in the composite. Additional information regarding policies and procedures for calculating and reporting returns is available upon request.

**FEE SCHEDULE**

Fees vary based on account size, with breakpoint deductions for larger accounts. MFIM reserves the right to negotiate fees.

ACCOUNT TIER	FEE
First \$10 million*	0.350%
Next \$15 million	0.250%
Next \$25 million	0.200%
Next \$100 million	0.150%
Next \$350 million	0.125%
Over \$500 million	0.100%

\*Minimum annual fee is \$20,000.

The Mesirow Financial name and logo are registered service marks of Mesirow Financial Holdings, Inc. Mesirow Financial refers to Mesirow Financial Holdings, Inc. and its divisions, subsidiaries and affiliates. © 2008, Mesirow Financial Holdings, Inc. All rights reserved. Securities offered through Mesirow Financial, Inc., member NYSE/SIPC. **If you have questions or would like to receive additional materials, please contact Chris Schilling at 312.595.6948.**

<sup>1</sup> The Lehman Government/Credit Index includes securities in the Government and Credit Indexes. The Government Index includes treasuries (i.e., public obligations of the U.S. Treasury that have remaining maturities of more than one year) and agencies (i.e., publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government). The Credit Index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.

<sup>2</sup> Represents the Lehman Government/Credit Index return from 9/30/00 to 12/31/00.