

Index Performance

<i>Periods Ending September 30, 2011</i>	<i>Current Quarter</i>	<i>Year-to-Date</i>
Barclays 10-Year Municipal Bond Index	4.06%	8.81%
Barclays Aggregate Bond Index	3.82%	6.65%
Barclays High Yield Index	-6.06%	-1.39%
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Dow Jones Industrial Average	-11.49%	-3.90%
S&P 500 Index	-13.87%	-8.68%
Russell 2000 Index	-21.87%	-17.02%
NASDAQ Composite	-12.70%	-8.33%

Economic Commentary

By Harold G. Kotler, CFA

A million dollars is not what it used to be. Most of us are sensitive to the eroding purchasing power of the dollar—the cost of dining out, filling the car with gasoline, sending a child to college, paying for medical care. However, I want to bring attention to the other side of the equation, that is, the dollar's potential to generate income. There was a time when a million dollars, invested in bonds or even certificates of deposit (CDs), would earn 7%–10%, generating \$70,000 to \$100,000 per year. Today that same portfolio invested in similar bonds or CDs may generate only between \$10,000 and \$20,000 a year.

Capital is losing value not only due to loss of purchasing power but, more importantly, on what the capital asset can return to the owner by way of income. This problem exists not only for individual investors but also for colleges, hospitals, endowments and other institutions that depend on cash flow from capital to continue an operation or a standard of living. The news is filled with stories on the benefits of low interest rates and, of course, this is true. The opportunity to refinance a home at a lower interest rate allows for more savings or increased disposable income. Lower interest rates for those who have debt is wonderful.

However, for every debt holder there is a creditor, a person or institution that lends the money and expects interest in exchange for the privilege of borrowing the funds. So for all those now benefitting from low interest rates, there is an equal number of people, companies and institutions receiving less money for their capital. And it is these recipients of interest, who make the money available in the first place,

*Continued on inside***Third Quarter 2011 Market Overview****Economy**

- Political gridlock in Washington, a deteriorating situation in Europe and S&P's downgrade of the United States resulted in stalled, although still positive, domestic growth and stubbornly high unemployment during the quarter.
- The unemployment rate remained above 9% and new claims for unemployment insurance remain elevated.
- While housing activity and consumer confidence remain depressed, recent data from the manufacturing sector have come in stronger than expected.
- Though the economy remains vulnerable to market volatility and potential macro shocks, the recent easing of inflationary pressures provides the Fed with room to implement additional monetary stimulus, if warranted.

Fed Action

- The Federal Open Market Committee (FOMC) left the target range for federal funds at 0–0.25% and committed to keeping short-term rates at exceptionally low levels at least through mid-2013.
- In September, the FOMC announced its intention to purchase \$400 billion of long-term Treasury securities and to sell an equal amount of short-term Treasuries. The goal of "Operation Twist" is to put downward pressure on longer-term interest rates and generate a stronger economic recovery.
- The Fed will also begin reinvesting principal payments from its mortgage and agency holdings back into mortgage-backed securities rather than Treasuries. This move should help support conditions in both the mortgage and housing markets.
- The FOMC indicated that inflation has moderated and it anticipates an acceleration in growth over the near term. However, it believes there are downside risks to the economic outlook, including strains in global financial markets.

Bond Markets

- The Treasury market posted strong returns as global growth slowed, the European sovereign debt and banking crises escalated and the Fed committed to extending the duration of its balance sheet holdings.
- Increased risk aversion led to significant high yield and high grade corporate spread widening. The Financial sector, in particular, faced increasing pressure due to concerns about exposure to European banks and sovereign debt.
- For the second quarter in a row, the municipal bond market posted significant gains. Municipals participated in the flight-to-quality trade as yields tracked the path of Treasury rates. Tax-exempt rates ended September higher than their Treasury counterparts across the entire curve, creating attractive relative value heading into year end.

Equity Markets

- Rattled by continued U.S. economic weakness and the European debt crisis, investors retreated from riskier asset classes causing U.S. stocks to suffer significant losses. For the major indexes, this quarter was the weakest since the fourth quarter of 2008, the peak of the financial crisis.
- The equity markets experienced high volatility at a level not seen since March and April 2009.
- The small cap market segment saw steeper declines. This quarter ranks as one of the ten largest relative declines for small cap stocks in the last three decades.
- The more economically sensitive sectors, Industrials, Materials, Energy and Financials, were all down over 20%. The only sector that was positive for the quarter was the most defensive sector—Utilities.

that are in the more precarious position. With the Federal Reserve's policy of making funds available at near zero percent rates and the private sector's reduced need for capital, these historically low rates are squeezing the lenders. A retired person with a nest egg cannot earn the return they had expected. Institutions needing cash flow to survive are unable to generate essential funds. Pension plans cannot achieve the retirement funding their actuarial assumptions require.

The significance of low returns cannot be over-emphasized. The loss of earning power has yet to receive public notoriety, but it may well be the next shoe to drop. It was the fear of low returns a decade ago that prompted the leveraging in all corners of the economy. Creative investors thought they could manufacture rates of return enjoyed in previous decades by borrowing at low rates and hoping the resulting leverage would transform incremental returns into acceptable returns. Once that dream exploded and we entered the phase of asset liquidation in 2008, there was little stomach for leveraging, so investors are left with the raw absolute low returns.

Many do not understand why, in this extremely low interest rate environment, there isn't greater borrowing demand; why, in fact, more homes are now bought with cash despite rock bottom mortgage rates. Often the media and government blame the banks, but that is disingenuous. Banks now demand the borrower be qualified. And isn't that what we want in order to prevent defaults and avoid further write-downs? The curious thing about qualified borrowers is that they don't need money to meet day-to-day expenses. Qualified borrowers would use the money to invest, but investing is impossible if those who control depreciated assets refuse to sell. In earlier meltdowns, banks were pressured to sell underperforming assets. In this economy, they are encouraged to hold assets longer, spreading write-offs over many years in order to project healthy balance sheets to both regulators and the market.

The problem with today's low rates is that qualified borrowers have no use for them and unqualified borrowers have no access to them. Given the lackluster domestic economy and the structural unemployment in the country (which I wrote about last quarter), this dilemma is not going away anytime soon. We're left with an economy awash in money, but with little opportunity. As long as these trends continue—unemployment, political gridlock in Washington, an accommodative Federal Reserve and assets being locked away by unwilling sellers—we will see little change.

In addition, when you add in the dysfunction from other areas of the world, such as Europe's sovereign debt crisis and the Arab Spring, there will be a flight of capital to the U.S., buying our available bills, notes and bonds. The U.S. currency is, and will be for the rest of our lives, the safest currency in the world. For investors, governments and businesses who need liquidity and safety, the U.S. Treasury market is the only game in town. (Anyone who thinks that the downgrade of the U.S. government by Standard & Poor's is relevant forgets how behind the curve the rating agencies were in 2008–2009.)

We have counseled for years, if not decades, to avoid investing in short-term instruments, and that internal rates of return and active management far outperform stagnant assets. While principal is secure in short-term instruments, return is vulnerable and, at this point, is zero. What good is principal without return? Oh yes—you can spend principal but once and only once, while income is the gift that keeps on giving.

At GW&K, one of our primary goals is to generate enough current income to cover our clients' needs through prudent allocation to stocks and bonds. In doing so, we believe our clients are prepared to fight through this current storm and are positioned to take full advantage of the growth that still lies ahead in the U.S. and global economies. The capital markets will offer better returns at some point, but if investors don't have the income required to meet current needs, then relying on short-run asset appreciation as a replacement could force liquidations at inopportune times. As always, diversification is the key to success.

Please think about tomorrow as you worry about today.



Harold G. Kotler, CFA
Chief Executive Officer
Chief Investment Officer

GW&K Update

September 30, 2011

Total Assets Under Management	\$12.0 Billion
Total Employees	91
Total Investment Professionals	30

Tax Exempt Bond Strategies

GW&K Municipal Bond Strategy

Emphasizes bottom-up research with a goal of producing high after-tax returns while preserving and enhancing capital

GW&K Municipal Enhanced Yield Strategy

Long-term municipal bond approach emphasizes intense research with a goal to produce high after-tax income

GW&K Five-Year Municipal Bond Strategy

Seeks to preserve and enhance capital while protecting income stream by capitalizing on opportunities along the yield curve

GW&K Short-Term Municipal Bond Strategy

Through bottom-up research, seeks to earn higher after-tax returns than money market funds while managing risk

The municipal bond market posted significant gains for the second quarter in a row. Once again, the primary driver was a global “flight-to-quality” as investors dealt with an assortment of bad news, from the deteriorating situation in Europe, the S&P’s downgrade of the United States, the stalled domestic growth and stubbornly high unemployment. The Federal Reserve responded by reviving “Operation Twist” which flattened the yield curve and pushed already historically-low rates to rock-bottom levels. In the final week of the quarter, global pessimism eased a bit on vague hopes that European officials would expand efforts to support sovereign bailouts, but the unease that permeated the markets all summer was hardly settled.

Throughout the quarter, municipals participated in the flight-to-quality trade as tax-exempt yields mimicked the path of Treasury rates, in direction, though not in degree. Because Treasury yields plunged so low, tax-exempt rates ended September higher than their taxable counterparts across the entire curve, creating attractive relative value heading into year-end.

We aggressively sold bonds that had the largest recorded price increases. In doing so, we reduced the duration of our Municipal Bond composite by

“Because Treasury yields plunged so low, tax-exempt rates ended September higher than their taxable counterparts across the entire curve, creating attractive relative value heading into year-end.”

0.6 to 6.2 years. That is down 1.5 years from its peak in the middle of 2009. The cash build, which reached 6.5% of the composite, was purely tactical in anticipation of the coming months which historically provide higher volume and better buying opportunities.

We continue to find value in bonds rated single-A and the lower end of AA that are trading at historically wide spreads and have not compressed with the overall level of rates. These consist mainly of high quality state general obligation and essential service revenue names that have proven their resilience throughout the downturn. Typically shunned by crossover buyers, who do not have the credit expertise to properly evaluate them, these lower investment grade names are a likely target for some of our accumulated cash position. We will look to reinvest in cheaper offerings created by the increased supply and if rates back up more than expected, we will move in more aggressively, looking for the best opportunity along the curve.

Investment Management Team

Nancy G. Angell, CFA	Senior Vice President, Co-Director of Fixed Income
John B. Fox, CFA	Senior Vice President, Co-Director of Fixed Income
Martin R. Tourigny, CFA	Senior Vice President
Brian T. Moreland, CFA	Vice President

Total Fixed Income Investment Professionals:	21
Average Years Experience:	17
Average Years with Firm:	11

The **Municipal Bond Strategy** maintained year-to-date outperformance against the Barclays 10-Year Index even though there was a slight relative give-back in the third quarter. Our best performers for the year and quarter were our longer maturities as the yield curve experienced a bull-flattening. Underweighted positions in BBB paper and lower quality sectors such as Tobacco and Prepay Gas (0% GW&K allocation), were positives for performance as credit spreads widened both quarterly and year to date. An underweight to zero coupon bonds that benefited from longer duration, negatively impacted performance, as did our exposure to bonds shorter than the index.

The **Municipal Enhanced Yield Strategy** posted strong absolute returns for the third quarter as yields at the long-end declined by over 75 basis points. Our longer duration helped our relative performance against the Merrill Lynch 15+ Year index, but our overweight to BBB bonds was a negative as spreads widened out long. The two factors offset one another and our overall performance was in line with the index for the quarter. Looking forward, wide credit spreads and a steep yield curve continue to highlight the relative attractiveness of this Strategy, which boasts yields approximately 190 basis points higher than the intermediate space.

The **Five-Year Municipal Bond Strategy** performed well on an absolute and relative basis this quarter. A slightly longer duration, which included an overweight to bonds in the 6–8 year part of the curve, was the key driver of performance as rates declined and the yield curve flattened in the third quarter. We have mostly avoided bonds in the front end of the curve where yields of less than 1% offer little return potential going forward. We also raised some tactical cash similar to the Municipal Strategy to take advantage of potentially large deal flow in the fourth quarter. The Five-Year Strategy continues to be an appropriate investment for those seeking a reasonable return with limited volatility.

The **Short-Term Municipal Bond Strategy** posted solid relative returns in the third quarter, finishing ahead of the Barclays 1-Year Index. A modest overweight to bonds longer than the index drove our out-performance as the front end of the yield curve flattened out over the quarter. Yields on one-year bonds rose 2 basis points, while three-year rates dropped by 18 basis points. Even with that move, however, the front end of the curve garners enough pickup to offer an alternative to near-zero money market rates.

Taxable Bond Strategies

GW&K Total Return Bond Strategy

This multi-sector approach takes advantage of relative valuation among distinct bond sectors and seeks to generate high income and capital gain

GW&K Enhanced Core Bond Strategy

Offers broad market exposure across Treasury, Agency, Mortgage-Backed and Corporate sectors while seeking to provide strong income

GW&K Core Bond Strategy

A core multi-sector bond strategy that offers a more conservative profile by selecting investment grade securities only

GW&K Corporate Bond Opportunities Strategy

Seeks to maximize current income and longer-term capital appreciation by focusing on both high grade and high yield corporate bonds

GW&K Short-Term Taxable Bond Strategy

Through research and diversification, seeks to outperform money market funds while managing portfolio volatility

Investor concern regarding the deteriorating global growth backdrop and potential contagion risks stemming from the European debt crisis, led to a stampede into U.S. Treasuries at the expense of all other risk assets. Government debt markets benefited from aggressive monetary support as the Fed engaged in yet another round of unconventional policies. Starting with a conditional commitment to keep interest rates on hold until mid-2013, the Fed unveiled "Operation Twist," a program designed to extend the maturity of their Treasury portfolio by simultaneously selling short-dated Treasury securities while buying an equal amount of longer-dated securities. The idea was to flatten the yield curve and to put downward pressure on interest rates, which happened immediately. The Federal Open Market Committee (FOMC) also announced a shift in the composition of their portfolio toward agency mortgage-backed securities, a move intended to bring down the level of residential mortgage rates.

As a result, the Treasury market soared 6.48%, posting one of its biggest quarterly gains since the depths of the 2008 financial crisis. The yield on the benchmark 10-year note dropped to its lowest level since the 1940s, before reversing course to close the quarter at

1.92%. The yield curve flattened significantly as the extra yield that investors demand, holding 30-year Treasury bonds instead of 2-year notes, fell from 392 basis points to 267 basis points. As the flight-to-quality trade intensified, corporate spreads moved considerably wider across the quality spectrum, resulting in one of the sharpest selloffs in ten years. High grade corporate bonds (+3.03%) saw spreads widen over Treasuries and high yield bonds (-6.06%) gapped out to levels well above long-term averages, dramatically above those usually seen in low default rate environments. Spreads widened over Treasuries, erasing all of the year-to-date gains for the sector. Higher beta was hit the hardest on a relative return basis as CCC-rated and BB-rated securities returned -11.73% and -3.71%, respectively. Mortgage-backed securities (+2.16%) lagged the rally in interest rates on heightened prepayment fears and rumors that a large government intervention program would facilitate a massive wave of refinancing. Higher coupon mortgages underperformed the sector as investors feared these securities would be more negatively affected in the event of such an initiative.

The **Total Return Bond Strategy** slightly outperformed the Style Index. Positive security selection in our high yield names relative to the index were

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largely offset by our significant underweight to Treasuries. The Total Return Bond Strategy significantly underperformed the Barclays Aggregate Index primarily due to our allocation to high yield securities relative to an index with no high yield exposure.

The **Enhanced Core Bond Strategy**, **Core Bond Strategy** and the **Short-Term Taxable Bond Strategy** each underperformed their respective indices due to our significant underweight to Treasuries in favor of spread product (primarily corporate bonds and mortgage-backed securities) that lagged in the flight to quality rally.

The **Corporate Bond Opportunities Strategy** outperformed the Style Index due to our higher quality focus in the high yield market and better security selection in the sector relative to the index.

Volatility in global risk assets continues to show few signs of abating. Safe-haven support for government bonds is likely to persist until the economic contagion risks stemming from

the European debt crisis dissipate and growth expectations turn more positive. Our view remains constructive over the longer term, as credit fundamentals are stronger now than during other similar downturns. Corporations are enjoying a level of profitability, and default rates are trending well below their long-term average, while growth in liquid assets on corporate balance sheets continues unabated. Current spreads provide a solid buffer against a sizeable jump in the corporate default rate should it occur. If a recession is avoided, corporate debt should handily outperform government bonds and high yield debt should generate solid absolute returns. We remain overweight the corporate bond sector and will continue to opportunistically add new names on any further market weakness.

The Fed's decision to reinvest pay downs of mortgages and agency debt back into mortgage backed securities provides a key technical support to the sector. The combination of a weak housing market, historically low mortgage rates and policy risk from a government standpoint has reignited the ongoing debate on mortgage refinancing. For these reasons, we are modestly underweight the sector.

"The Treasury market soared 6.48%, posting one of its biggest quarterly gains since the depths of the 2008 financial crisis."

Equity Strategies

GW&K Diversified Equity Strategy

Combines growth & value disciplines and diversifies across large, mid, and small capitalization stocks

GW&K Small Cap Equity Strategy

Focuses on small companies with sustainable earnings growth in niche markets with lasting growth potential

GW&K Equity Dividend Plus Strategy

Invests in companies that pay above-average dividends and with the required balance sheet strength needed to sustain dividend payouts

GW&K Small/Mid Cap Equity Strategy

A core strategy that invests in both small and medium sized companies that offer sustainable earnings growth

GW&K Small Cap Growth Strategy

Utilizes fundamental research and quantitative screening to identify small companies with sustainable, above-average earnings growth in niche markets

Stock markets around the globe were down substantially in the third quarter, as a combination of issues including deficits, debt, monetary policy, recession and currencies weighed heavily on equities. After a reasonable start the first week of July, the market began a steady decline that never really let up. By the end of the quarter, stocks of all sizes and styles suffered significant losses. Large cap stocks, as measured by the S&P 500, were down nearly 14% for the quarter, while small cap stocks declined by nearly 22%. This quarter ranks as one of the ten largest relative declines for small cap stocks in the last three decades. On the bright side, following these periods of weak relative small-cap performance, both small and large stocks were up over the subsequent year nine times out of ten, with an average gain of over 22%!

Most of our strategies were protected on the downside by posting losses less than that of their respective benchmarks. As was the case last quarter, our style was well suited for this difficult market, as our focus on quality names was rewarded.

Our **Small Cap Equity Strategy** finished well ahead of the Russell 2000 Index during this trying period. A meaningful portion of our outperformance

accrued through our investment style, which favors higher quality companies and avoids those with excessive risk. While this approach was a headwind in 2009 and 2010, it has recently become an advantage. Positive stock selection accounted for the remaining majority portion of our outperformance. Industrials, Consumer Discretionary and Energy were the standout sectors as most of our holdings did well relative to the index. Only our Healthcare sector had a slightly negative impact, as three holdings had more difficult than expected fundamental announcements.

"As was the case last quarter, our style was well suited for this difficult market, as our focus on quality names was rewarded."

Our **Small/Mid Cap Equity Strategy** performed well relative to the Russell 2500 Index this quarter, benefiting from the high quality and lower volatility of the holdings in the portfolio, as well as from continued solid stock selection. In particular, our holdings in the Industrials, Consumer Discretionary and Energy sectors performed well. This good performance was

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Senior Vice President

Total Equity Investment Professionals:

10

Average Years Experience:

21

Average Years with Firm:

11

only slightly offset by poor performance by several of our Financial holdings, in particular the hard hit banks.

Our **Small Cap Growth Strategy** declined more than our other small cap strategies, but fell less than its Russell 2000 Growth benchmark. Our strong relative performance benefited from the lower volatility of the higher quality holdings of this portfolio, as well as from continued solid stock selection. In particular, our holdings in the Consumer Discretionary, Industrials, Consumer Staples, Energy and Materials sectors performed well. This performance was only slightly offset by poor performance by several of our holdings in the Financials and Information Technology sectors.

Our multi-cap **Diversified Equity Strategy** trailed the S&P 500 Index this quarter primarily due to poor stock selection in the Consumer Discretionary and Information Technology sectors. Also making things more difficult this quarter was this strategy's exposure to small and mid-cap stocks, groups that suffered steeper declines. Tempering the negative performance was a big underweight in the poorly performing Financials sector, including minimal exposure to global financial institutions hurt by sovereign debt fears.

Our **Equity Dividend Plus Strategy** performed very well on a relative basis this quarter, exceeding the return for the S&P 500 Index by a wide margin. Seeking current yield, this lower volatility and income-oriented approach was clearly favored by equity investors. Our largest relative weightings were in those defensive sectors that performed best this quarter such as Utilities and Consumer Staples. Our smallest weights were in the more economically sensitive sectors that performed so poorly such as Energy and Industrials. Our stock selection was solid across the board, especially in the Financials sector where our larger holdings in REITs and our minimal exposure to large banking institutions aided performance.

Our focus, as always, remains oriented to the long-term. We want to own companies that are well managed, have solid financial characteristics, and are well positioned to show consistency of growth over time. These companies tend to do better than their competitors in both good times and bad. We will use this difficult market environment to buy the quality companies we like as they have sold down to more reasonable valuation levels.

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Please refer to the attached GIPS-compliant presentation, which is an integral part of this presentation, for an explanation of our composite criteria and calculations.

*This represents the views and opinions of Gannett Welsh & Kotler and does not constitute investment advice, nor should it be considered predictive of any future market performance. Data is from what we believe to be reliable sources, but it cannot be guaranteed. Opinions expressed are subject to change. **Past performance is not indicative of future results.***

Tax Exempt Bond Strategies

<i>Performance Ending 9/30/11 (%)¹</i>	<i>Quarter</i>	<i>YTD</i>	<i>1 Year</i>	<i>3 Years</i>	<i>5 Years</i>	<i>10 Years</i>	<i>Since Inception</i>	<i>Inception Date</i>
GW&K Municipal Bond	3.72	9.26	4.99	9.15	5.84	5.22	6.03	1/1/93 ²
Barclays 10-Year Muni Bond Index	4.06	8.81	4.83	8.51	5.85	5.44	6.06	
Barclays 5-Year Muni Bond Index	1.97	5.40	3.75	6.75	5.55	4.68	5.17	
GW&K Municipal Enhanced Yield	5.38	11.23	4.16	9.81	4.52		4.88	4/1/06
Merrill 15+ Year Muni Index	5.46	11.59	4.16	9.76	4.58		4.88	
GW&K Five-Year Municipal Bond	2.36	6.43	4.44	7.24	5.53		4.29	6/1/03
Barclays 5-Year Muni Bond Index	1.97	5.40	3.75	6.75	5.55		4.19	
GW&K Short-Term Municipal Bond	0.42	1.65	1.53	3.05	3.38		2.80	1/1/02
Barclays 1-Year Muni Bond Index	0.34	1.36	1.34	2.59	3.13		2.69	
Schwab Money Fund ³	0.00	0.01	0.01	0.31	1.29		1.34	

Taxable Bond Strategies

<i>Performance Ending 9/30/11 (%)¹</i>	<i>Quarter</i>	<i>YTD</i>	<i>1 Year</i>	<i>3 Years</i>	<i>5 Years</i>	<i>10 Years</i>	<i>Since Inception</i>	<i>Inception Date</i>
GW&K Total Return Bond	0.77	4.53	4.50	11.65	8.09	6.84	7.55	1/1/93 ²
Style Index ⁴	0.31	3.87	3.84	10.67	6.83	7.03	7.03	
Barclays Aggregate Bond Index	3.82	6.65	5.26	7.97	6.53	5.66	6.48	
GW&K Enhanced Core Bond	1.93	5.45	5.00	11.38	7.99	6.29	6.84	10/1/99
Barclays Aggregate Bond Index	3.82	6.65	5.26	7.97	6.53	5.66	6.36	
GW&K Core Bond	2.85	6.12	5.16	10.71	7.92	6.22	6.38	2/1/01
Barclays Aggregate Bond Index	3.82	6.65	5.26	7.97	6.53	5.66	5.94	
GW&K Corporate Bond Opportunities	-0.43	3.85	5.01	10.53			6.25	10/1/07
Style Index ⁵	-2.50	1.75	2.94	13.10			7.22	
GW&K Short-Term Taxable	0.53	1.79	2.03	4.89	5.05		4.12	10/1/02
Barclays 1-5 Year US Gov/Credit Index	0.91	2.69	2.08	5.02	4.96		4.00	

Equity Strategies

<i>Performance Ending 9/30/11 (%)¹</i>	<i>Quarter</i>	<i>YTD</i>	<i>1 Year</i>	<i>3 Years</i>	<i>5 Years</i>	<i>10 Years</i>	<i>Since Inception</i>	<i>Inception Date</i>
GW&K Diversified Equity	-14.82	-12.12	-3.55	2.42	-1.05	3.05	8.30	1/1/93 ²
Standard & Poor's 500 Stock Index	-13.87	-8.68	1.14	1.23	-1.18	2.82	7.29	
Russell 2000 Index	-21.87	-17.02	-3.53	-0.37	-1.02	6.12	7.31	
GW&K Small Cap Equity	-17.18	-10.70	4.89	6.04	3.81	10.50	5.94	1/1/00
Russell 2000 Index	-21.87	-17.02	-3.53	-0.37	-1.02	6.12	3.43	
GW&K Equity Dividend Plus	-7.48	0.04	7.69	6.60	1.64		5.91	11/1/03
Standard & Poor's 500 Stock Index	-13.87	-8.68	1.14	1.23	-1.18		2.99	
GW&K Small /Mid Cap Equity	-17.44	-10.95	2.10	7.57	3.01		4.28	1/1/06
Russell 2500 Index	-21.22	-14.87	-2.22	2.25	0.19		1.33	
GW&K Small Cap Growth	-20.00	-11.01	4.73	8.25			7.45	4/1/08
Russell 2000 Growth Index	-22.25	-15.57	-1.12	2.07			0.94	

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¹ Periods greater than one year represent annualized returns. Returns represent composites and are gross of fees. Please refer to the Disclosure, which is an integral part of our presentation, for an explanation of our composite criteria, calculations and net of fee results.

² Represents the effective date of GW&K's compliance with the Global Investment Performance Standards (GIPS), the recognized industry standard for performance reporting. Actual strategy inception dates are GW&K Municipal Bond, 1/1/80; GW&K Total Return Bond, 1/1/88; and GW&K Diversified Equity, 1/1/89.

³ Represents net of fee performance

⁴ 60% Barclays Gov Credit / 40% Barclays High Yield, rebalanced daily

⁵ 60% Barclays High Yield / 40% Barclays Credit, rebalanced daily

Disclosure

The composite performance results displayed herein represent the investment performance record of Gannett Welsh & Kotler, LLC (GW&K). The firm, defined as an SEC-registered investment adviser, was founded in 1974. GW&K is an affiliate of Affiliated Managers Group, Inc. (AMG), a Boston-based asset management holding company. GW&K is an independent operating company under the AMG umbrella of managers. GW&K claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS Standards. GW&K has been independently verified for the periods January 1, 1995 through December 31, 2010. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS Standards on a firm-wide basis, and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS Standards. Verification does not ensure the accuracy of any specific composite presentations. The *Diversified Equity* and *Municipal Bond* composites have been examined for the periods January 1, 1995, through December 31, 2010. The *Small Cap Equity* composite has been examined for the periods January 1, 2000, through December 31, 2010. The verification and performance examination reports are available upon request.

All results reflect the reinvestment of dividends and income. Composite portfolio income may be net or gross of withholding tax depending on the accounting methodology of the respective custodian bank. Performance is expressed in U.S. dollars and is based on calendar month end valuations.

Single asset segments of multi-asset portfolios are included in the composites. Prior to January 1, 2000, cash inflows on multi-asset portfolios may have temporarily resulted in an additional cash position that was not allocated to each portfolio segment during the investment time period. Performance for these segments has been modified to reflect the effect of cash using single asset portfolios as a proxy. Each segment of multi-asset portfolios is managed with its own cash account.

The *Diversified Equity* composite (created on 9/30/00) includes accounts with a minimum value of \$500,000 from inception to 12/31/08, and a minimum value of \$250,000 from 1/1/09 forward. The *Small Cap Equity* composite (created on 9/30/00) includes accounts with a minimum value of \$250,000. The *Equity Dividend Plus* composite (created on 9/30/04) includes accounts with a minimum value of \$250,000. The *Small/Mid Cap Equity* composite (created on 1/1/06) includes accounts with a minimum value of \$250,000. The *Small Cap Growth Equity* composite (created on 4/1/08) includes accounts with

a minimum value of \$250,000. The *Total Return Bond* composite (created on 9/30/00) includes accounts with a minimum portfolio value of \$250,000. The *Enhanced Core Bond* and *Core Bond* composites (created on 6/30/04) include accounts with a minimum portfolio value of \$250,000. The *Corporate Bond Opportunities* composite (created on 10/1/07) includes accounts with a minimum portfolio value of \$250,000. The *Municipal Bond* composite (created on 9/30/00) includes accounts with a minimum portfolio value of \$250,000. The *Municipal Enhanced Yield Bond* composite (created on 4/1/06) includes accounts with a minimum portfolio value of \$250,000. The *Five-Year Municipal Bond* composite (created on 6/1/03) includes accounts with a minimum portfolio value of \$250,000. The *Short-Term Municipal Bond* composite (created on 1/1/02) includes accounts with a minimum portfolio value of \$150,000. The *Short-Term Taxable Bond* composite (created on 10/1/02) includes accounts with a minimum portfolio value of \$250,000.

Performance results factor in commission costs, but not management fees, which, if included, would reduce portfolio total return. To account for advisory fees, net performance reflects the deduction of the maximum fee GW&K would charge for the Strategy. The maximum annual fee is 1% for all strategies except .55% for the Five-Year Municipal Bond Strategy, .30% for the

Short-Term Municipal Bond Strategy, .50% for the Short-Term Taxable Bond Strategy, .75% for the Corporate Bond Opportunities Strategy, and .65% for the Municipal Enhanced Yield Strategy. Client fees may vary.

Effective 5/1/11, the benchmark for the Short-Term Taxable Bond Strategy was changed from the Barclays 1-3 Year Government Bond Index to the Barclays 1-5 Year Government/Credit Index. While our strategy's investment objectives and process remain the same, the new benchmark includes corporate bonds which have always been an integral part of our taxable bond strategy.

The performance results presented may not equate with the rate of return experienced by any particular GW&K portfolio due to differences in brokerage commissions, fees, position size in relation to account size and diversification among securities. Past performance is no guarantee of future results. A complete list and description of the firm's composites as well as policies for valuing portfolios, calculating performance, and preparing compliant presentations is available upon request by contacting GW&K Marketing at 617-236-8900.

GW&K assumes no responsibility for the accuracy of the data provided by outside sources. Sources for indexes and other external data: Bloomberg, Frank Russell Co., Barclays Capital, Mellon, Charles Schwab, Standard & Poor's, and Factset.

Annualized Performance Results Ending 9/30/11 (%)¹

	Quarter		YTD		1 Year		3 Years		5 Years		10 Years		Since Inception		Inception Date
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	
GW&K Municipal Bond	3.72	3.47	9.26	8.46	4.99	3.96	9.15	8.08	5.84	4.80	5.22	4.19	6.03	4.99	1/1/93 ²
Barclays 10-Year Muni Bond Index	4.06		8.81		4.83		8.51		5.85		5.44		6.06		
Barclays 5-Year Muni Bond Index	1.97		5.40		3.75		6.75		5.55		4.68		5.17		
GW&K Municipal Enhanced Yield	5.38	5.22	11.23	10.70	4.16	3.49	9.81	9.12	4.52	3.85			4.88	4.21	4/1/06
Merrill 15+ Year Muni Index	5.46		11.59		4.16		9.76		4.58				4.88		
GW&K Five-Year Municipal Bond	2.36	2.22	6.43	6.00	4.44	3.87	7.24	6.67	5.53	4.96			4.29	3.73	6/1/03
Barclays 5-Year Muni Bond Index	1.97		5.40		3.75		6.75		5.55				4.19		
GW&K Short-Term Municipal Bond	0.42	0.35	1.65	1.42	1.53	1.23	3.05	2.75	3.38	3.07			2.80	2.49	1/1/02
Barclays 1-Year Muni Bond Index	0.34		1.36		1.34		2.59		3.13				2.69		
Schwab Money Fund	0.00		0.01		0.01		0.31		1.29				1.34		
GW&K Total Return Bond	0.77	0.52	4.53	3.76	4.50	3.48	11.65	10.57	8.09	7.04	6.84	5.79	7.55	6.50	1/1/93 ²
Style Index ³	0.31		3.87		3.84		10.67		6.83		7.03		7.03		
Barclays Aggregate Bond Index	3.82		6.65		5.26		7.97		6.53		5.66		6.48		
GW&K Enhanced Core Bond	1.93	1.68	5.45	4.67	5.00	3.96	11.38	10.30	7.99	6.93	6.29	5.25	6.84	5.80	10/1/99
Barclays Aggregate Bond Index	3.82		6.65		5.26		7.97		6.53		5.66		6.36		
GW&K Core Bond	2.85	2.60	6.12	5.34	5.16	4.12	10.71	9.64	7.92	6.87	6.22	5.17	6.38	5.33	2/1/01
Barclays Aggregate Bond Index	3.82		6.65		5.26		7.97		6.53		5.66		5.94		
GW&K Corporate Bond Opportunities	-0.43	-0.62	3.85	3.33	5.01	4.31	10.53	9.82					6.25	5.57	10/1/07
Style Index ⁴	-2.50		1.75		2.94		13.10						7.22		
GW&K Short-Term Taxable	0.53	0.40	1.79	1.42	2.03	1.52	4.89	4.38	5.05	4.60			4.12	3.71	10/1/02
Barclays 1-5 Year US Gov/Credit Index	0.91		2.69		2.08		5.02		4.96				4.00		
GW&K Diversified Equity	-14.82	-15.07	-12.12	-12.80	-3.55	-4.53	2.42	1.40	-1.05	-2.04	3.05	2.03	8.30	7.24	1/1/93 ²
Standard & Poor's 500 Stock Index	-13.87		-8.68		1.14		1.23		-1.18		2.82		7.29		
Russell 2000 Index	-21.87		-17.02		-3.53		-0.37		-1.02		6.12		7.31		
GW&K Small Cap Equity	-17.18	-17.43	-10.70	-11.40	4.89	3.85	6.04	4.99	3.81	2.78	10.50	9.42	5.94	4.89	1/1/00
Russell 2000 Index	-21.87		-17.02		-3.53		-0.37		-1.02		6.12		3.43		
GW&K Equity Dividend Plus	-7.48	-7.73	0.04	-0.71	7.69	6.63	6.60	5.55	1.64	0.63			5.91	4.86	11/1/03
Standard & Poor's 500 Stock Index	-13.87		-8.68		1.14		1.23		-1.18				2.99		
GW&K Small /Mid Cap Equity	-17.44	-17.69	-10.95	-11.65	2.10	1.08	7.57	6.51	3.01	1.98			4.28	3.25	1/1/06
Russell 2500 Index	-21.22		-14.87		-2.22		2.25		0.19				1.33		
GW&K Small Cap Growth	-20.00	-20.25	-11.01	-11.71	4.73	3.69	8.25	7.19					7.45	6.39	4/1/08
Russell 2000 Growth Index	-22.25		-15.57		-1.12		2.07						0.94		

¹ Returns of less than 1 year are not annualized.

² Represents the effective date of GW&K's compliance with the Global Investment Standards (GIPS). Actual strategy inception dates are: Municipal Bond (1/1/80); Total Return Bond (1/1/88); Diversified Equity (1/1/89).

³ 60% Barclays Gov Credit / 40% Barclays High Yield, rebalanced daily

⁴ 60% Barclays High Yield / 40% Barclays Credit, rebalanced daily

Total Annual Returns for GW&K Composites and Their Benchmarks (%)

	2010	2009	2008 ¹	2007 ¹	2006 ¹	2005	2004	2003 ¹	2002 ¹	2001 ¹
GW&K Municipal Bond (Gross)	3.83	11.12	0.55	3.94	4.61	2.33	4.00	4.94	8.64	4.23
GW&K Municipal Bond (Net)	2.81	10.04	-0.45	2.91	3.58	1.32	2.98	3.90	7.58	3.20
Barclays 10-Year Muni Bond Index	4.05	9.85	1.52	4.29	4.71	2.74	4.15	5.70	10.17	4.62
Barclays 5-Year Muni Bond Index	3.40	7.40	5.78	5.15	3.34	0.94	2.72	4.13	9.27	6.21
GW&K Municipal Bond Standard Deviation	7.08	6.61	5.10	2.80	3.59	4.71	5.01	4.60	3.81	3.43
Barclays 10-Year Muni Bond Index Standard Deviation	6.37	5.95	4.67	2.77	3.55	4.94	5.49	5.26	4.34	3.79
Barclays 5-Year Muni Bond Index Standard Deviation	4.36	4.15	3.44	1.74	2.40	3.17	3.91	3.68	3.17	2.45
GW&K Municipal Enhanced Yield (Gross)	2.16	22.60	-11.89	-0.07	5.95					
GW&K Municipal Enhanced Yield (Net)	1.50	21.84	-12.48	-0.72	5.45					
Merrill 15+ Year Muni Index	1.44	21.65	-11.95	1.61	5.46					
GW&K Municipal Enhanced Yield Standard Deviation	10.01	9.65								
Merrill 15+ Year Muni Index Standard Deviation	9.97	9.48								
GW&K Five-Year Municipal Bond (Gross)	4.08	7.32	4.27	4.94	3.50	1.22	2.95	1.18		
GW&K Five-Year Municipal Bond (Net)	3.51	6.74	3.70	4.38	2.94	0.67	2.39	0.86		
Barclays 5-Year Muni Bond Index	3.40	7.40	5.78	5.15	3.34	0.94	2.72	0.88		
GW&K Five-Year Municipal Bond Standard Deviation	4.85	4.56	3.45	1.80	2.44					
Barclays 5-Year Muni Bond Index Standard Deviation	4.36	4.15	3.44	1.74	2.40					
GW&K Short-Term Municipal Bond (Gross)	1.21	4.10	4.61	4.46	3.57	1.90	1.16	1.59	3.10	
GW&K Short-Term Municipal Bond (Net)	0.91	3.79	4.30	4.15	3.26	1.59	0.86	1.28	2.79	
Barclays 1-Year Muni Bond Index	1.17	3.49	4.57	4.37	3.20	1.49	1.06	1.71	3.85	
Schwab Muni Money Fund ²	0.01	0.26	2.00	3.26	3.03	2.00	0.82	0.68	1.12	
GW&K Short-Term Municipal Bond Standard Deviation	1.42	1.31	1.15	0.43	0.42	0.28	0.55			
Barclays 1-Year Muni Bond Index Standard Deviation	1.22	1.16	1.12	0.56	0.62	0.59	1.00			
Schwab Muni Money Fund ² Standard Deviation	0.29	0.39	0.26	0.26	0.32	0.22	0.10			
GW&K Total Return Bond (Gross)	10.04	20.19	-1.33	6.06	4.91	2.87	6.09	8.69	5.51	4.35
GW&K Total Return Bond (Net)	8.97	19.05	-2.32	5.02	3.88	1.85	5.05	7.63	4.47	3.32
Style Index ³	9.98	23.51	-8.24	5.09	6.94	2.53	6.93	14.04	6.04	7.21
Barclays Aggregate Bond Index	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25	8.44
GW&K Total Return Bond Standard Deviation	7.51	7.39	6.68	2.81	3.18	3.93	4.11	4.91	4.55	4.36
Style Index ³ Standard Deviation	8.17	8.09	6.94	2.77	3.18	4.32	4.82	5.44	4.83	4.22
Barclays Aggregate Bond Index Standard Deviation	4.17	4.11	3.97	2.77	3.21	4.07	4.28	4.20	3.35	3.34
GW&K Corporate Bond Opportunities (Gross)	12.16	34.18	-18.42	-0.03						
GW&K Corporate Bond Opportunities (Net)	11.45	33.37	-18.98	-0.19						
Style Index ⁴	12.47	39.90	-17.53	0.10						
GW&K Corporate Bond Opportunities Standard Deviation	12.44									
Style Index ⁴ Standard Deviation	12.56									
GW&K Enhanced Core Bond (Gross)	9.18	16.22	1.63	6.35	4.78	2.62	4.96	4.50	7.16	8.51
GW&K Enhanced Core Bond (Net)	8.12	15.10	0.62	5.31	3.75	1.60	3.93	3.47	6.11	7.45
Barclays Aggregate Bond Index	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25	8.44
GW&K Enhanced Core Bond Standard Deviation	5.65	5.58	5.08	2.56	2.88	3.55	3.75	3.71	3.16	
Barclays Aggregate Bond Index Standard Deviation	4.17	4.11	3.97	2.77	3.21	4.07	4.28	4.20	3.35	
GW&K Core Bond (Gross)	7.58	11.74	5.80	7.17	4.53	2.72	4.68	3.63	8.28	5.99
GW&K Core Bond (Net)	6.52	10.66	4.76	6.12	3.50	1.71	3.65	2.60	7.22	5.04
Barclays Aggregate Bond Index	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25	6.70
GW&K Core Bond Standard Deviation	4.98	5.00	4.83	2.69	2.87	3.55	3.77			
Barclays Aggregate Bond Index Standard Deviation	4.17	4.11	3.97	2.77	3.21	4.07	4.28			
GW&K Short-Term Taxable (Gross)	3.56	6.21	5.84	6.53	4.88	2.10	2.00	2.84	1.39	
GW&K Short-Term Taxable (Net)	3.05	5.69	5.47	6.17	4.52	1.74	1.64	2.48	1.30	
Barclays 1-5 Year US Gov/Credit Index	4.08	4.62	5.12	7.27	4.22	1.44	1.85	3.35	1.43	
GW&K Short-Term Taxable Standard Deviation	1.69	1.65	1.55	0.95	1.10	1.29				
Barclays 1-5 Year US Gov/Credit Index Standard Deviation	2.48	2.50	2.38	1.69	1.88	2.33				
GW&K Diversified Equity (Gross)	13.96	34.90	-35.41	3.59	11.37	8.63	12.72	33.43	-25.08	-19.14
GW&K Diversified Equity (Net)	12.86	33.65	-36.13	2.57	10.29	7.57	11.63	32.19	-25.89	-20.00
Standard & Poor's 500 Stock Index	15.06	26.46	-37.00	5.49	15.79	4.91	10.88	28.68	-22.10	-11.89
Russell 2000 Index	26.85	27.17	-33.79	-1.57	18.37	4.55	18.33	47.25	-20.48	2.49
GW&K Diversified Equity Standard Deviation	21.05	18.86	15.00	7.95	7.37	10.18	15.98	19.33	21.10	19.89
Standard & Poor's 500 Stock Index Standard Deviation	21.85	19.63	15.08	7.68	6.82	9.04	14.86	18.07	18.55	16.71
Russell 2000 Index Standard Deviation	27.69	24.83	19.85	13.16	13.75	15.09	18.96	21.64	24.36	23.14
GW&K Small Cap Equity (Gross)	31.62	31.15	-29.87	5.59	11.05	11.47	23.24	52.64	-11.25	2.37
GW&K Small Cap Equity (Net)	30.39	29.92	-30.64	4.55	9.97	10.39	22.07	51.27	-12.16	1.35
Russell 2000 Index	26.85	27.17	-33.79	-1.57	18.37	4.55	18.33	47.25	-20.48	2.49
GW&K Small Cap Equity Standard Deviation	23.80	20.51	16.13	10.23	11.63	13.85	15.88	18.98	22.06	
Russell 2000 Index Standard Deviation	27.69	24.83	19.85	13.16	13.75	15.09	18.96	21.64	24.36	
GW&K Equity Dividend Plus (Gross)	17.96	23.57	-29.79	-1.36	17.49	8.23	14.21	7.39		
GW&K Equity Dividend Plus (Net)	16.83	22.40	-30.56	-2.35	16.37	7.18	13.10	7.22		
Standard & Poor's 500 Stock Index	15.06	26.46	-37.00	5.49	15.79	4.91	10.88	6.17		
GW&K Equity Dividend Plus Standard Deviation	18.82	17.63	13.16	6.78	4.85					
Standard & Poor's 500 Stock Index Standard Deviation	21.85	19.63	15.08	7.68	6.82					
GW&K Small/Mid Cap Equity (Gross)	34.33	38.31	-35.56	4.54	14.18					
GW&K Small/Mid Cap Equity (Net)	33.08	37.03	-36.28	3.51	13.08					
Russell 2500 Index	26.71	34.39	-36.79	1.38	16.17					
GW&K Small/Mid Cap Equity Standard Deviation	23.00	20.03	16.15							
Russell 2500 Index Standard Deviation	26.80	24.25	19.37							
GW&K Small Cap Growth (Gross)	34.85	36.04	-21.23							
GW&K Small Cap Growth (Net)	33.59	34.78	-21.88							
Russell 2000 Growth Index	29.09	34.47	-29.50							
GW&K Small Cap Growth Standard Deviation										
Russell 2000 Growth Index Standard Deviation										

¹ Annual partial year returns: Core Bond since 2/1/2001; Short-Term Taxable since 10/1/2002; Five-Year Municipal Bond since 6/1/2003; Equity Dividend Plus since 11/1/2003; Corporate Bond Opportunities since 10/1/2007; Municipal Enhanced Yield since 4/1/2006; Small Cap Growth since 4/1/2008

² Represents net of fee performance

³ 60% Barclays Gov Credit / 40% Barclays High Yield, rebalanced daily

⁴ 60% Barclays High Yield / 40% Barclays Credit, rebalanced daily

The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. Gross returns are used for the composite calculation. The standard deviation measure is presented annually, for periods where 36 monthly returns are available.

Tax Exempt Bond Strategies

GW&K Municipal Bond Strategy

Emphasizes bottom-up research with a goal of producing high after-tax returns while preserving and enhancing capital

GW&K Municipal Enhanced Yield Strategy

Long-term municipal bond approach emphasizes intense research with a goal to produce high after-tax income

GW&K Five-Year Municipal Bond Strategy

Seeks to preserve and enhance capital while protecting income stream by capitalizing on opportunities along the yield curve

GW&K Short-Term Municipal Bond Strategy

Through bottom-up research, seeks to earn higher after-tax returns than money market funds while managing risk

Taxable Bond Strategies

GW&K Total Return Bond Strategy

This multi-sector approach takes advantage of relative valuation among distinct bond sectors and seeks to generate high income and capital gain

GW&K Enhanced Core Bond Strategy

Offers broad market exposure across Treasury, Agency, Mortgage-Backed and Corporate sectors while seeking to provide strong income

GW&K Core Bond Strategy

A core multi-sector bond strategy that offers a more conservative profile by selecting investment grade securities only

GW&K Corporate Bond Opportunities Strategy

Seeks to maximize current income and longer term capital appreciation by focusing on both high grade and high yield corporate bonds.

GW&K Short-Term Taxable Bond Strategy

Through research and diversification, seeks to outperform money market funds while managing portfolio volatility

Equity Strategies

GW&K Diversified Equity Strategy

Combines growth & value disciplines and diversifies across large, mid, and small capitalization stocks

GW&K Small Cap Equity Strategy

Focuses on small companies with sustainable earnings growth in niche markets with lasting growth potential

GW&K Equity Dividend Plus Strategy

Invests in companies that pay above-average dividends and with the required balance sheet strength needed to sustain dividend payouts

GW&K Small/Mid Cap Equity Strategy

A core strategy that invests in both small and medium sized companies that offer sustainable earnings growth

GW&K Small Cap Growth Strategy

Utilizes fundamental research and quantitative screening to identify small companies with sustainable, above-average earnings growth in niche markets

Market Index Descriptions

Barclays 10-Year (1-Year, 5-Year) Municipal Bond Index

Unmanaged indexes composed of investment grade municipal bonds with a minimum credit rating of Baa.

Schwab Municipal Money Fund

The Fund invests in municipal money market securities, from state issuers around the country and from municipal agencies, U.S. territories and possessions.

Barclays Aggregate Bond Index

An unmanaged index that covers the U.S. investment grade fixed rate bond market. It is comprised of securities from Barclays Government/Corporate Bond Index, Mortgage-Backed Securities Index and the Asset-Backed Securities Index.

Barclays Government/Credit Index

An unmanaged investment grade index comprised of securities from Barclays Capital Government Index and the Barclays Capital Credit Index.

Barclays 1-5 Year Government/Credit Index

An unmanaged index that includes medium and larger issues of U.S. investment grade corporate bonds and U.S. government bonds with maturities from one to five years.

Barclays Credit Index

Comprised of fixed rate, publicly issued corporate and non-corporate investment grade debt, rated BBB or higher.

Barclays High Yield Index

Comprised of fixed rate, publicly issued, noninvestment grade debt registered with the SEC.

Merrill Lynch 15+ Years Municipal Index

Comprised of investment grade municipal bonds with maturities that are 15 years or greater.

S&P 500 Index

A capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

Russell Indexes

The Russell 2000 Index is a market weighted small capitalization index composed of the smaller 2,000 companies, ranked by market capitalization, of the Russell 3000 Index. The Russell 2000 Growth Index measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 2500

Index consists of the smaller 2,500 companies, as ranked by total market capitalization, in the Russell 3000 Index. The Russell 3000 Index is composed of 3,000 U.S. companies ranked by market capitalization, representing approximately 98% of the U.S. equity market.

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GW&K Composite Information

		2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
GW&K Municipal Bond	Number of Portfolios	6,049	5,067	4,372	4,666	4,542	4,030	3,360	3,062	2,843	2,083
	Composite Assets (\$000s)	\$6,475,367	\$5,907,279	\$4,914,450	\$5,106,328	\$4,901,919	\$4,536,906	\$3,824,607	\$3,679,491	\$3,872,610	\$3,263,339
	Dispersion	0.37	0.88	0.99	0.30	0.18	0.20	0.28	0.32	0.48	0.37
GW&K Municipal Enhanced Yield	Number of Portfolios	52	24	5	9	6					
	Composite Assets (\$000s)	\$30,425	\$16,916	\$5,814	\$17,189	9,875					
	Dispersion	0.52	0.73	0.55	0.19	N/A					
GW&K Five-Year Municipal Bond	Number of Portfolios	10	9	9	24	29	26	16	4		
	Composite Assets (\$000s)	\$7,212	\$5,919	\$8,720	\$27,237	\$46,581	\$30,191	\$22,807	\$4,115		
	Dispersion	0.39	0.50	0.43	0.18	0.28	0.20	0.53	N/A		
GW&K Short-Term Municipal Bond	Number of Portfolios	21	18	15	20	19	38	27	32	10	
	Composite Assets (\$000s)	\$20,076	\$22,655	\$21,626	\$21,255	\$18,382	\$57,692	\$21,159	\$31,303	\$16,448	
	Dispersion	0.14	0.40	0.25	0.11	0.14	0.18	0.18	0.19	N/A	
GW&K Total Return Bond	Number of Portfolios	364	250	232	282	296	314	246	152	159	218
	Composite Assets (\$000s)	\$272,765	\$209,235	\$168,847	\$199,430	\$209,342	\$235,563	\$208,357	\$154,593	\$170,208	\$219,036
	Dispersion	0.20	0.82	0.72	0.19	0.18	0.18	0.95	0.38	0.41	0.67
GW&K Enhanced Core Bond	Number of Portfolios	247	184	166	215	213	194	151	99	81	54
	Composite Assets (\$000s)	\$213,446	\$170,917	\$136,889	\$195,833	\$176,930	\$167,566	\$111,761	\$63,955	\$51,477	\$33,982
	Dispersion	0.21	0.77	0.44	0.16	0.09	0.16	0.21	0.30	0.26	0.23
GW&K Core Bond	Number of Portfolios	221	140	78	80	76	79	49	33	18	9
	Composite Assets (\$000s)	\$201,798	\$134,490	\$96,129	\$89,685	\$73,115	\$83,547	\$56,843	\$38,507	\$24,410	\$8,547
	Dispersion	0.27	0.61	0.33	0.18	0.15	0.13	0.22	0.33	0.26	N/A
GW&K Corporate Bond Opportunities	Number of Portfolios	29	14	1	2						
	Composite Assets (\$000s)	\$17,868	\$8,056	\$299	\$818						
	Dispersion	0.26	N/A	N/A	N/A						
GW&K Short-Term Taxable	Number of Portfolios	63	35	17	21	27	29	25	7	3	
	Composite Assets (\$000s)	\$105,661	\$74,109	\$46,288	\$43,064	\$74,150	\$49,546	\$45,269	\$23,570	\$6,683	
	Dispersion	0.13	0.19	0.21	0.07	0.07	0.10	0.05	0.09	N/A	
GW&K Diversified Equity	Number of Portfolios	198	204	109	198	209	183	172	148	153	207
	Composite Assets (\$000s)	\$228,835	\$204,973	\$159,643	\$319,490	\$356,033	\$298,030	\$285,099	\$228,652	\$211,732	\$336,156
	Dispersion	0.57	1.24	1.07	1.38	0.98	1.01	0.92	1.34	1.39	2.50
GW&K Small Cap Equity	Number of Portfolios	54	39	26	75	87	76	24	12	9	2
	Composite Assets (\$000s)	\$138,572	\$107,667	\$64,791	\$120,355	\$76,826	\$151,227	\$24,795	\$9,964	\$5,699	\$1,032
	Dispersion	0.18	0.66	0.69	0.78	0.76	0.63	0.75	2.44	N/A	N/A
GW&K Equity Dividend Plus	Number of Portfolios	55	24	18	48	34	16	9	3		
	Composite Assets (\$000s)	\$54,917	\$15,133	\$8,293	\$22,826	\$17,371	\$7,254	\$3,905	\$1,220		
	Dispersion	0.74	0.21	0.21	1.14	0.45	0.09	0.57	N/A		
GW&K Small/Mid Cap Equity	Number of Portfolios	26	19	18	35	27					
	Composite Assets (\$000s)	\$21,496	\$11,499	\$8,382	\$22,641	\$17,942					
	Dispersion	0.63	0.49	0.39	0.64	N/A					
GW&K Small Cap Growth	Number of Portfolios	3	1	1							
	Composite Assets (\$000s)	\$1,452	\$360	\$266							
	Dispersion	N/A	N/A	N/A							
Total Firm Assets (\$mm)*		\$10,973	\$9,096	\$7,419	\$8,106	\$7,835	\$7,443	\$6,366	\$5,594	\$5,322	\$4,956

*Represents end of period data

Dispersion: Represents an asset weighted standard deviation. Dispersion calculations require a minimum of five portfolios over the entire annual period. N/A indicates insufficient number of portfolios in the composite for entire period.