

# CMC-WealthADV Global Balanced Tax-Exempt Portfolio™

Data through December 31, 2007

## Suitability

The CMC-WealthADV Global Balanced Tax Exempt Portfolio is designed for the tax-sensitive investor seeking a balanced approach to growing their wealth through stocks and bonds. Investors should have a modest tolerance for performance risk, be able to continue this investment strategy even in the unlikely event of portfolio declines and an investment holding period of at least five years.

## Investment Objective

The objective is to achieve growth of capital over a five year or longer investment holding period while incurring modest performance risk. The portfolio should perform in line with or outperform a blended combination of the following performance benchmarks: Russell 1000 (41%), Russell 2000 Growth (4%), MSCI EAFE (15%), and the Lehman Municipal Managed Money (40%).

## Portfolio Investment Guidelines

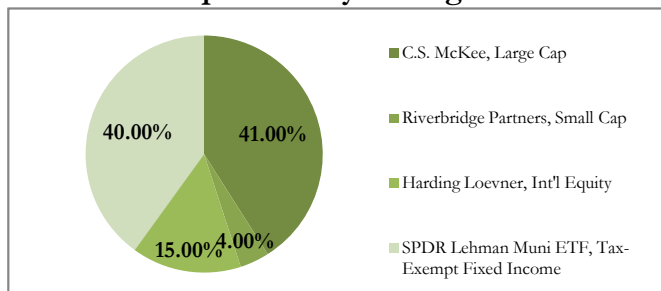
Maximum Individual Security Position Size = 8%  
 Maximum Sector Weight Not Higher Than 1.25X of Index  
 Minimum Sector Weight Not Lower Than 0.75X of Index

Weekly Review of Portfolio Guideline Compliance  
 Quarterly Evaluation of Investment Managers  
 Portfolios Rebalanced Annually

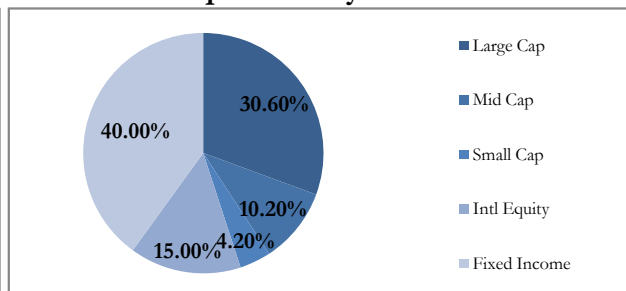
## Manager Selection and Portfolio Construction Process

The CMC Manager Selection and Portfolio Construction Process evaluates both individual manager skill and how well managers compliment each other to best achieve the investment objective. Diversification between managers is of paramount importance. Individual managers are evaluated on a variety of factors, including performance (absolute and risk-adjusted), style drift, stock selection skill and portfolio manager experience and talent. Managers are then paired together to determine how well they compliment each other. Manager combinations are analyzed as a complete portfolio and regularly monitored to ensure that investment guidelines are maintained. CMC believes that this process of individual manager and combined portfolio analysis provides the greatest probability that the portfolio will meet its investment objectives.

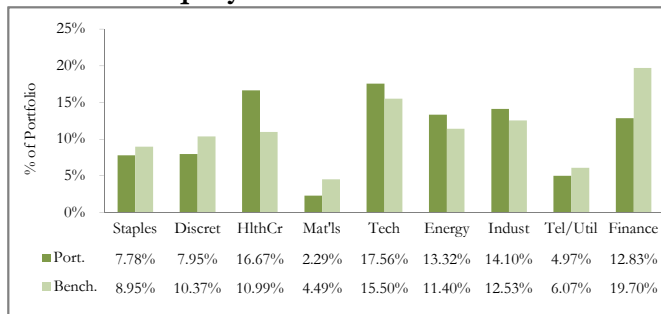
## Portfolio Composition by Manager



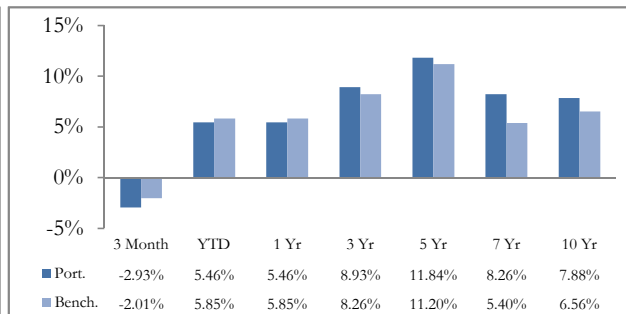
## Portfolio Composition by Asset Class



## Domestic Equity Sector Allocations



## Annualized Returns



## Blended Benchmark Comparison (5 Years)

Excess Annualized Return 0.64%  
 Annualized Alpha 0.64%  
 Beta 0.99  
 R-squared 94.89%

## Portfolio Risk Metrics (5 Years)

Excess Standard Deviation 0.07%  
 Downside Deviation 0.60%  
 Sharpe Ratio 1.19  
 Maximum Drawdown -2.01%

The multi-manager portfolio above reflects the hypothetical, annually rebalanced performance of this combination of investment managers and/or exchange traded funds over various time periods. These figures do not reflect the performance of an actual account or a group of actual accounts. The performance figures are net of investment manager and CMC fees but do not take other advisory fees or expenses into account. Past performance is no guarantee of future results. Clients should consult with their personal financial advisor with respect to the appropriateness of implementing this strategy for their financial circumstances.

## **Manager Descriptions**

### **C.S. McKee, L.P. Domestic Core Equity**

Large Cap Core

One Gateway Center, 8th Floor, Pittsburg, PA 15222

[www.csmkee.com](http://www.csmkee.com)

C.S. McKee, L.P. (CSM) is a privately held, employee owned registered investment advisory firm headquartered in Pittsburgh, Pennsylvania. CSM manages money for institutional and high net worth investors and has approximately \$8 billion dollars under management in a variety of proprietary investment portfolios. CSM aims to provide competitive returns to the S&P 500 Index. The manager believes it can achieve its investment objective by actively managing a broadly diversified portfolio of statistically undervalued stocks with favorable earnings dynamics along with a carefully selected bias towards growth or value style securities. While no overt macroeconomic overlay is used to select securities and build portfolios a knowledge of what economic and sector conditions exist and how they will affect a given stock is part of the portfolio management process. C.S. McKee will own primarily domestic large cap and to a lesser extent mid cap stocks.

### **Riverbridge Partners, LLC**

Small Cap Growth

Midwest Plaza West

801 Nicollet Mall Suite 600

Minneapolis, MN 55402

[www.riverbridge.com](http://www.riverbridge.com)

Riverbridge Partners, LLC (WP) is an employee owned, privately held firm headquartered in Minneapolis, Minnesota. RP has a diverse client base that is both institutional and high net worth in nature. RP's primary business focus is on the management of domestic equities and their investment objective is to outperform the Russell 2000 Growth Index over the long term. RP's investment philosophy is that earnings power determines the value of a business and ultimately the price of its stock. So, RP focuses their research on companies that are building their earnings power and intrinsic value of the company over long periods of time. Riverbridge seeks to identify differentiated, high quality companies that have the ability to internally finance their growth. The portfolio contains stocks selected for high unit growth, margin expansion, and limited debt. Quality of management is also critical. The Riverbridge Partners, LLC Small Cap Portfolio has a 18 year track record. Most importantly, the investment team has been in place for 14 years. RP has \$1.1 billion under management.

### **Harding Loevner Management, L.P. International Equity ADR**

International Equity

50 Division Street, Suite 401, Somerville, NJ 08876

[www.hardingloevner.com](http://www.hardingloevner.com)

Harding and Loevner (HL) is a privately held, employee owned, registered investment advisory firm with about \$6 billion in assets under management. They are headquartered in Somerset, New Jersey and serve the needs of a diverse group of institutional and high net worth investors. HL builds portfolios with international stocks that are under-priced relative to their own estimate of a company's intrinsic value. Their analysts devote considerable time and effort to qualifying, researching, and valuing companies. For inclusion in the portfolio, securities must meet the following criteria: attractive prospective revenue growth, earnings and cash flow growth, a track record of successful management with a clearly articulated business strategy and a suitable regard for shareholders. Financial resources, business-appropriate balance sheet, borrowing capacity as well as free cash flow generation, high and growing margins with sustained by durable competitive advantages are also key considerations. Each stock investment must enhance the portfolio's prospective risk and/or return profile and be attractively priced in comparison to alternative securities. Securities will be predominantly from countries with developed economies.

### **SPDR Lehman Municipal Bond ETF**

Tax-Exempt Fixed Income

One Lincoln Street, Boston, MA 02111

[www.spdretfs.com](http://www.spdretfs.com)

The SPDR Lehman Municipal Bond ETF uses a passive management strategy designed to track the price and yield performance of the Lehman Brothers Municipal Managed Money Index. The Index tracks the US long term tax-exempt bond market and includes general obligation, revenue, pre-refunded and insured issues.