



Investment Advisors, Inc.

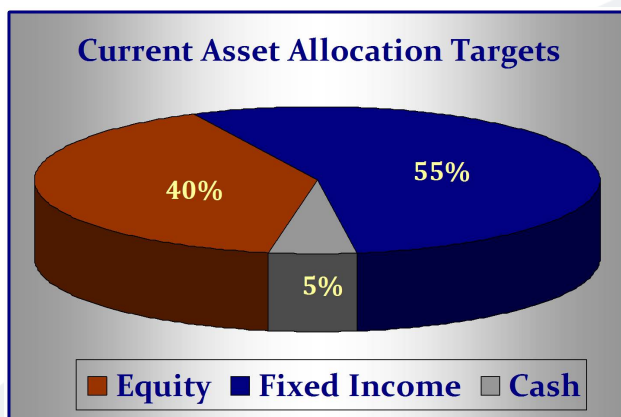
Capital Preservation

portfolio

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TARGETED PERFORMANCE; The Capital Preservation Portfolio targets 50% of the S&P 500's upside potential with 35% of the downside risk over the course of a complete market cycle ¹. The Capital Preservation Portfolio is designed for the risk averse/neutral investor with a limited to mid-term investment horizon.

		Time Frame		
		1-5 Years	5-10 Years	More than 10 years
Tolerance to Risk	Low	Capital Preservation	Capital Preservation	Total Return
	Moderate	Capital Preservation	Total Return	Growth
	High	Total Return	Growth	Growth

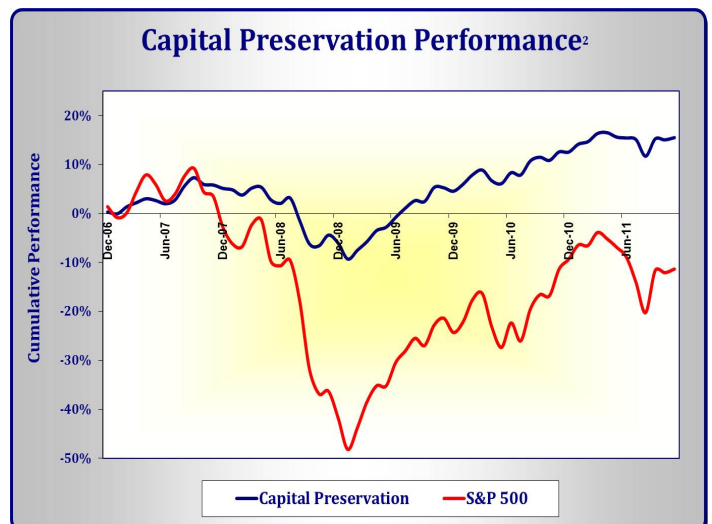


SGL INVESTMENT ADVISORS manages our various portfolio classes based on an asset allocation model. Numerous statistical analyses have indicated that much of a portfolio's volatility over a longer term timeframe can be explained by the simple asset allocation profile of the portfolio. As such, we attempt to minimize portfolio volatility via ongoing monitoring of the asset allocation mix.

Annual Performance for Capital Preservation ²

	CP Portfolios	S&P 500
2007	5.85%	3.59%
2008	-9.67%	-38.49%
2009	10.10%	23.45%
2010	6.98%	12.78%
2011*	2.58%	0.00%
Annual Return ³	2.93%	-2.38%

* 2011 Returns are through Q4 (12/31/10 - 12/31/11)



INVESTING INVOLVES RISK. AN INVESTOR RISKS POTENTIALLY LOSING PART OR ALL OF THEIR INVESTED PRINCIPAL. ALTHOUGH SGL INVESTMENT ADVISORS ATTEMPTS TO MANAGE RISK, THERE IS NO GUARANTEE, IMPLIED OR EXPLICIT, THAT THEY WILL BE ABLE TO DO SO. INVESTMENT ACCOUNTS ARE NOT FDIC INSURED. 1- A market cycle is defined as the period between the two latest highs or lows of the S&P 500. A market cycle is complete when the S&P 500 is 15% below the highest point (confirming a peak) or 15% above the lowest point (confirming a trough). 2- Past performance should not be construed as representative of future performance. All portfolio returns are represented net of all fees and trading costs. Performance is a dollar weighted combination of all portfolios in the portfolio category - individual portfolios can and commonly do deviate from average norms. Performance is calculated using industry standard, widely accepted normal statistical procedures. 3 - Annual return percentages are calculated by annualizing the cumulative return of both the portfolio class and the S&P 500 over the indicated time interval. All portfolio returns are represented net of all fees and trading costs.



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SGL Investment Advisors, Inc. is a privately owned *Registered Investment Advisory* firm headquartered in Missoula, MT. SGL Investment Advisors, Inc.'s professional money managers, backed by 45+ years of collective experience, personally work with clients to individually structure their portfolios to fit within their risk tolerance profiles. Our in-house research focuses on constructing portfolios that limit downside risk while capturing market upside utilizing an asset allocation strategy. Our clients include institutions, trusts, non-profits, endowments, foundations, 401K/profit sharing plans and high net worth individuals.

EXAMPLE EQUITY HOLDINGS

Boeing (BA)

BA is an appx \$55 billion business that supplies the world with both commercial aircraft and aerospace/military products. As the world upgrades its aircraft fleets to more fuel efficient models, BA's new 787 has benefited. 787s are typically built on long-term contracts, providing some long-term visibility.

Caterpillar (CAT)

CAT generates over 2/3 of their sales in overseas markets. Asia, and China in particular, have been a vibrant source of demand for CAT. The company forecasts appx 25% growth in earnings for FY 2012. CAT also generates revenue from replacement parts sales - typically a more stable segment of their revenue mix.

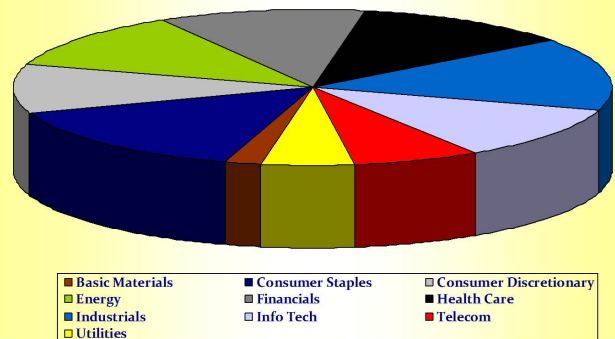
Annaly Capital Mngt. (NLY)

NLY is a mortgage REIT that mostly holds highly rated government backed mortgage and agency securities. NLY managed their business extremely well through the credit crisis (their business model depends on access to debt financing). NLY now yields well over 13%, a compelling number in this yield starved environment.

Merck (MRK)

MRK is a \$115 billion company that delivers health solutions for humans and animals (veterinary products) worldwide. MRK recently increased their dividend by over 10% and now yields over 4.5%. MRK has committed to resinking \$1.5 billion into R&D in China specifically to continue to expand their global footprint.

Equity Sector Allocations



Equity Characteristics

Targeted Beta ¹	< 1.0
Current Dividend Yield ²	3.44%
Current % International Stocks ²	6.1%
Median Market Cap ²	\$23.8 billion
Appx # of stocks per portfolio ³	15-25

Fixed Income Characteristics

Approximate Targeted Average Rating ¹	A+/AA-
Average Yield to Maturity at Cost ²	3.98%
Average Portfolio Duration ²	3.97 Years
Average Portfolio Maturity ²	4.57 Years
Approximate # of Issues per Portfolio ³	15-30 Bonds

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