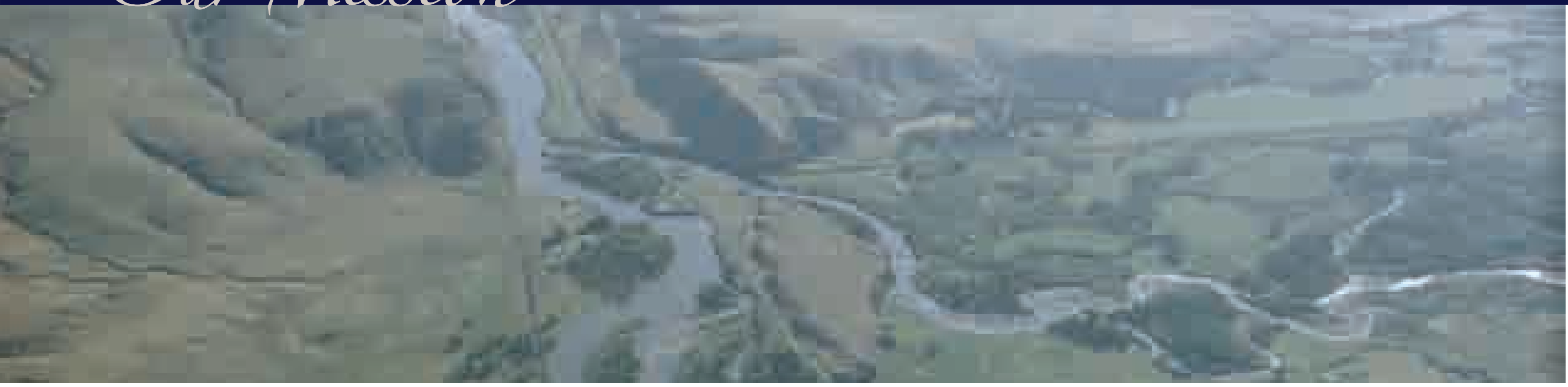
Confluence
INVESTMENT MANAGEMENT

Our Mission



Our mission is to provide our clients with superior investment solutions and exceptional client service with the highest standards of ethics and integrity. Our team of investment professionals is committed to delivering innovative investment products and sound, practical advice to enable our clients to achieve their investment objectives.

Confluence Investment Management LLC is an independent investment advisor registered with the Securities and Exchange Commission. We provide professional portfolio management and advisory services to institutional and individual clients.

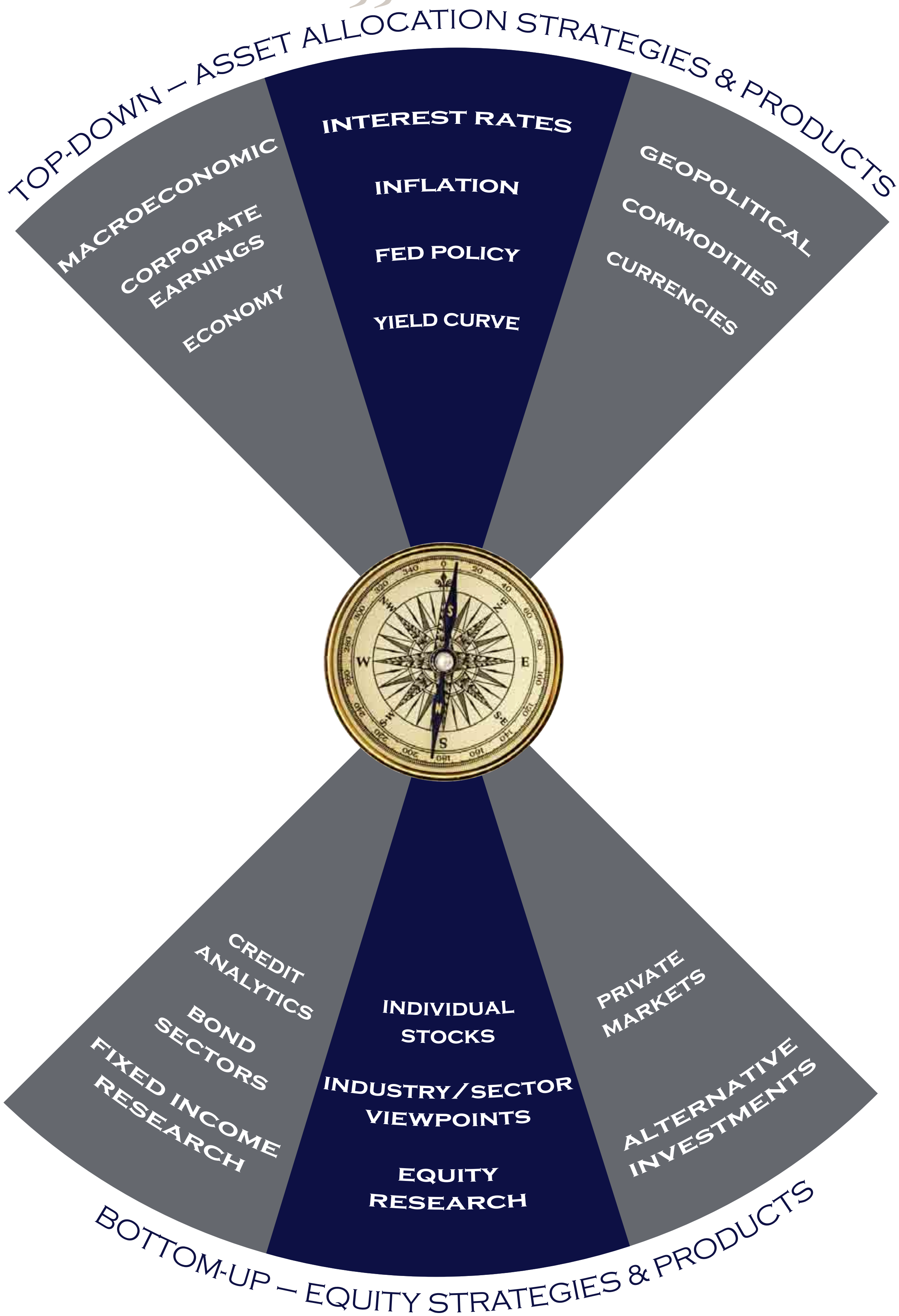
Our investment philosophy is based upon independent, fundamental research that integrates our evaluation of market cycles, macroeconomics and geopolitical analysis with our value-driven, company-specific approach. Our portfolio management philosophy begins by assessing risk and follows through by positioning clients to achieve their income and growth objectives.

The Confluence team is comprised of experienced investment professionals who are dedicated to an exceptional level of client service and communication. We develop innovative investment products for our clients, and our disciplined investment process and performance has stood the test of time across a broad range of economic and market cycles.

con•flu•ence

1. a flowing together of two or more streams.
2. a gathering, joining, or meeting together of two or more things at one juncture or point.

Our Investment Approach



Our Investment Approach

Confluence offers a variety of investment products, including separately managed account portfolios, with a range of investment objectives that allow clients to select a portfolio that best suits their individual investment goals.

We combine top-down and bottom-up analytics in an integrated process that considers both the big picture, as well as the smaller details.

Our discipline enables us to identify broad risks, while taking advantage of specific opportunities.

Core Investment Strategies

EQUITY STRATEGIES

ASSET ALLOCATION PORTFOLIOS

ALTERNATIVE INVESTMENTS

EQUITY STRATEGIES

EQUITY INCOME

LARGE CAP VALUE

SMALL CAP VALUE

ALL CAP VALUE

VALUE OPPORTUNITIES

BALANCED PORTFOLIOS

Our investment philosophy utilizes a bottom-up, fundamental approach that seeks to generate above average risk-adjusted returns over the long-term by identifying businesses that possess substantial competitive advantages which are trading at discounts to intrinsic value. These businesses typically generate predictable free cash flow and are led by management teams that are true stewards for creating shareholder wealth. Additionally, these well-managed companies typically have realized high or improving returns on invested capital. Our strategy is based on the rationale that if a company achieves superior growth in earnings and dividends, its stock price will eventually reflect that superior performance.

The investment process focuses on managing risk, which we define as the probability of a permanent loss of capital, by owning quality businesses at attractive valuations. This approach strives to protect investors on the downside while providing upside potential.

We look for "Great Companies" at bargain prices

- Possess sustainable competitive advantages that allow for pricing flexibility
- Generate more cash than needed to sustain their businesses (free cash flow)
- Passionate management teams, proven capital allocators whose interests are aligned with shareholders
- Invest in businesses at significant discounts to intrinsic value

ASSET ALLOCATION PORTFOLIOS

INCOME WITH GROWTH
GROWTH & INCOME
GROWTH
AGGRESSIVE GROWTH

Asset allocation is a portfolio management strategy that brings together all the assets of an investor, measuring risk and return not at the individual security level, but instead as a complete portfolio. Properly implemented, asset allocation is a time-tested approach that addresses risk through diversification, while positioning portfolios to achieve growth, income and other specific client objectives.

At Confluence, our approach to asset allocation is more dynamic than the traditional strategies of other investment managers. We extend the traditional approach by incorporating forward-looking analytics that address changing opportunities and risks as we move through economic and market cycles. To implement these strategies, we primarily utilize exchange-traded funds (ETFs). Through the use of ETFs, we are also able to manage sector exposure in large cap stocks as well as growth and value weightings.

ASSET CLASSES USED IN ASSET ALLOCATION MODELS

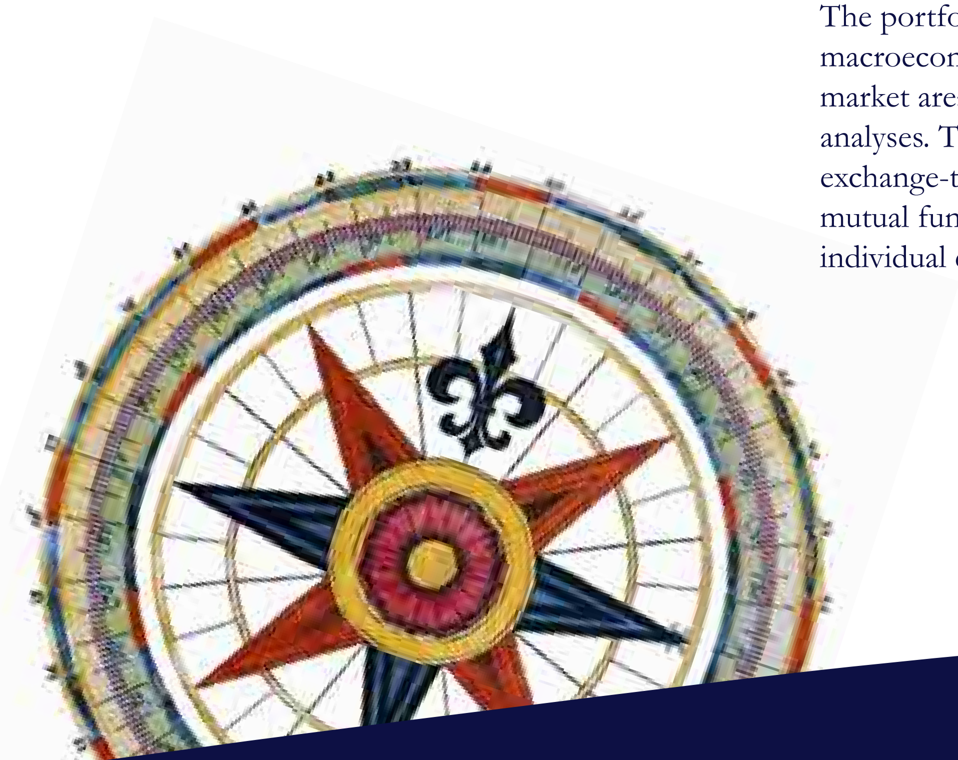
- CASH EQUIVALENTS
- INVESTMENT-GRADE BONDS
- U.S. LARGE CAP STOCKS
- U.S. SMALL CAP STOCKS
- EMERGING MARKET STOCKS
- REAL ESTATE INVESTMENT TRUSTS (REITS)
- SPECULATIVE-GRADE BONDS
- U.S. MID CAP STOCKS
- COMMODITIES
- FOREIGN DEVELOPED COUNTRY STOCKS

ALTERNATIVE INVESTMENTS

GLOBAL MACRO

The Global Macro Portfolio seeks to take advantage of major macroeconomic trends in four primary markets: equities, debt, commodities and currencies. The objective is to maximize total return by aggressively investing in these market categories using Confluence's geopolitical and macroeconomic trend research.

The portfolio is based on a short/intermediate macroeconomic outlook for the four primary market areas based on fundamental and technical analyses. The Global Macro portfolio may invest in exchange-traded funds (ETFs), tradable open-end mutual funds, closed-end funds and in limited cases, individual equity securities.



ALTERNATIVE INVESTMENT EXPERTISE

ABSOLUTE RETURN STRATEGIES
REAL ESTATE
COMMODITIES
PRIVATE EQUITY
LISTED ALTERNATIVES
CURRENCIES

Our Team

Mark Keller, CFA
Chief Executive Officer &
Chief Investment Officer
30 years experience

Brian N. Hansen
President &
Chief Operating Officer
15 years experience

William O'Grady
Executive Vice President &
Chief Market Strategist
23 years experience

Patty Dahl
Senior Vice President &
Portfolio Manager
18 years experience

Joe Hanzlik
Senior Vice President &
Chief Financial Officer
15 years experience

David Miyazaki, CFA
Senior Vice President &
Portfolio Manager
17 years experience

Daniel Winter, CFA
Senior Vice President &
Portfolio Manager
16 years experience

Tom Dugan, CFA
Associate Vice President
& Equity Analyst
5 years experience

Dustin Hausladen
Vice President & Director
of Business Development
4 years experience

Chris Stein
Vice President &
Portfolio Manager
12 years experience

Tore Stole
Vice President &
Director of Research
23 years experience

John Wobbe
Associate Vice President
& Equity Analyst
10 years experience

The Confluence team has nearly 190 years of combined financial experience and 80 years of portfolio management experience. The investment managers within Confluence will leverage their expertise in the disciplines of asset management, public equity, fixed income, private equity, real estate, specialty finance, absolute return strategies and investment banking to develop customized, actively managed investment products that meet our clients' objectives.

349 Marshall Avenue, Suite 302
St. Louis, MO 63119
314-743-5090
www.confluenceinvestment.com