

QUARTER 3: 2011



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AIP's Tax Managed Strategies: "Time to make the Donuts"

The market in 2011 has been exhausting for investors, advisors, and investment managers alike. This market has shown several similarities to the 80's. We've seen heightened volatility, historically high stock correlations, and a market correction of more than twenty percent which was then promptly followed up in October by one of the best monthly market gains in almost 10 years. With all the uncertainty, correlation, volatility, and daily headlines reported ad nauseum equity market returns are actually relatively flat year to date.

After leaving the house incredibly early on a recent Monday morning my wife asked "why are you getting to the office so early lately, is it really busy?" I simply replied, "**Time to make the Donuts.**" Many of us will never forget that slogan which was undoubtedly one of the best ad campaigns of the 80's.

The "**Time to make the Donuts**" campaign featured the late Michael Vale as Fred the Baker. Ron Berger wrote the first commercials and the campaign was supposed to convey Fred the baker's plight: "the idea of a worker who gets up at 3 in the morning every day because of his sense of responsibility. 'Time to make the doughnuts,' Berger said, was a symbol of the routine

of having to get up and fulfill a responsibility."ⁱ

For any taxable investor in an equity strategy, part of the responsibility for those assets is to consider the total return after taxes. Research shows that over the decades, the tax impact on taxable investors in actively-managed funds has averaged two percent per annum - or 20% of the stock market's long-term gainsⁱⁱ. According to Lipper, even over the past ten years equity investors have given up an average of one percentage point a year in total returns to taxes.

As stewards for our clients' equity investments, now is the time for all of us to "make the donuts" and focus on the long term well being of our clients. In volatile but up markets such as 2010, we detailed how AIP's **Tax Managed** strategies differ from our non taxable strategies and the benefits that can be derived from tax management. As we come to the end of 2011, we've managed to bank small net realized loss positions in all but our most concentrated portfolios this year. We have one year remaining under the current tax schedules. This gives us another year to prepare for higher tax rates and take advantage of what the market has given us this year (from a

Firm Overview

- A proven leader in the use of disciplined, systematic investment management techniques
- Founded in 1996
- Based in Safety Harbor, FL
- Principals own meaningful equity stake
- Manages the following strategies:
 - MaxCap
 - LargeCap
 - Sustainable Responsible LargeCap
 - AllCap
 - TaxManaged AllCap
 - TaxManaged LargeCap
 - SMidCap
 - Sustainable Responsible SMidCap

tax standpoint at least). As advisors review their clients' tax situation and begin to position the portfolios going forward there are a few notable points to consider. While we are not tax advisors, these simple items if appropriate can enhance a client's total return after taxes.

1) Manage short term gains: If you have a net short term gain position, this is taxed at the client's ordinary income rate. Consider harvesting additional short term losses to offset the tax burden. Net long term realized gains are still taxed at a maximum of 15%.

2) Realize long term gains: Some clients have experienced large net capital losses since 2008. This can be used as an opportunity to reset the cost basis on outsized concentrated single positions, concentrated portfolios, or tactical rebalancing needs. Client's can use these net losses to diversify the portfolio. By resetting the cost basis, clients' could benefit from any upcoming funding needs with less realized net capital gains at higher tax rates in the future.

3) Harvest additional losses: Net capital losses can be carried forward to future years. Harvesting excess losses is a good way to shield clients from future capital gains at potentially higher tax rates. This provides additional investment flexibility in future years.

Why use AIP's Tax Managed strategies?

The goal of our Tax Managed strategies is to outperform the benchmark by maximizing after-tax returns while managing portfolio risks relative to the benchmark. The strategy does not

attempt to completely avoid the payment of all taxes, but instead focuses on minimizing taxes in the pursuit of value-added stock selection. It is important to note every AIP Tax Managed account is managed individually for each client according to their specific holdings and tax rates while still closely following the characteristics of our typical tax exempt strategies.

The message the "Time to make the Donuts" ads conveyed was the fact that in order to provide the variety and freshness that customers desired, Fred the Baker had to have dedication to his craft and was awake and at work before everyone else (even waking up a rooster in one ad). This was to offer customers something they just couldn't get elsewhere: "52 varieties fresh day and night, no supermarket can say that."

AIP's Tax Managed Strategies offer a level of customization that is not available from most separately managed account managers. Our clients receive a true separate account the way it was meant to be. Just as Fred the Baker offered 52 varieties, AIP manages each account individually according to each client's holdings, cost basis, tax bracket, and any other restrictions in the Tax Managed Strategy. This is something the "supermarket" managers just don't do. For advisors, we are your partner to manage the portfolio for tax consequences throughout the year. For taxable clients, we offer this strategy because total return including the impact of taxes paid is how an equity strategy should be measured.

Hopefully the next phase of the market won't remind us of the other well known 80's ad campaign, "Where's the Beef! (Ironically, Wendy's has decided to re-launch the campaign in 2011!)"

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**After-Tax Performance^{4,5}
As of 9/30/2011**

	TaxManaged AllCap	Russell 3000
3Q 2011	-15.0%	-15.3%
YTD	-10.0	-10.1
1 Year	2.0	0.3
3 Years	2.5	1.1
5 Years	0.8	-1.2
Since Inception	3.8	2.0

Inception Date: March 2004
Return for periods of greater than one year are annualized TaxManaged AllCap Pure Gross of fee Composite; Russell 3000 Total Return Index

	TaxManaged LargeCap	S&P 500
3Q 2011	-12.5%	-13.9%
YTD	-8.0	-8.9
1 Year	2.7	0.9
3 Years	4.2	0.9
5 Years	1.2	-1.5
Since Inception	4.1	1.4

Inception Date: May 1, 2005
Return for periods of greater than one year are annualized TaxManaged LargeCap Pure Gross of fee Composite; S&P 500 Total Return Index

Notes

i. <http://edition.cnn.com/2005/SHOWBIZ/TV/12/28/obit.vale/> accessed 10/19/11, By Michael Schulder, CNN Thursday, December 29, 2005 Posted: 1438 GMT (2238 HKT)

ii. Andrew Tanzer, "Pay Less Tax on Your Funds"; Kiplinger's Personal Finance http://www.kiplinger.com/magazine/archives/2008/11/tax_efficient_funds2.html?kipad_id=x

	MaxCap				LargeCap					
Benchmark	S&P 100				S&P 500					
Quarterly Performance Attribution ³	Best Active Performance Policies:		Worst Active Performance Policies:		Best Active Performance Policies:		Worst Active Performance Policies:			
	<ul style="list-style-type: none"> • Style – Stock Selection and beta policy • Sector – Overweight: Consumer Cyclical • Industry – Overweight: Apparel & Textiles • Stocks – Overweight: Apple, Amazon.com, and Costco 		<ul style="list-style-type: none"> • Style – Underweight: Yield • Sector – Overweight: Transportation • Industry – Overweight: Truck/Sea/Air Freight • Stocks – Overweight: Baker Hughes, Avon Products, and JP Morgan Chase 		<ul style="list-style-type: none"> • Style – Underweight: Volatility • Sector – Underweight: Energy; Overweight: Utilities • Industry – Overweight: Electric Utilities; Underweight: Oil Services • Stocks – Overweight: Apple, Amazon.com, Consolidated Edison, and IBM 		<ul style="list-style-type: none"> • Style – Underweight: Size • Sector – Overweight: Financials and Transportation • Industry – Overweight: Truck/Sea/Air Freight, and Medical Services • Stocks – Overweight: Dow Chemical, Netflix, and Express Scripts 			
Portfolio Content	Universe S&P 100 Trailing 12-month Turnover71% Number of Holdings 35 Cash Level 3.1%				Universe S&P 500 + 400 largest in Russell 1000 Trailing 12-month Turnover109% Number of Holdings 72 Cash Level 2.5%					
Top Active Weights ³	Top Five Active Weights		Bottom Five Active Weights		Top Five Active Weights		Bottom Five Active Weights			
	Colgate Palmolive	2.75%	Microsoft	-2.88%	IBM	2.96%	Microsoft	-1.81%		
	UnitedHealth Group	2.61	Johnson & Johnson	-2.60	Northeast Utilities	2.87	Chevron	-1.74		
	Costco Wholesale	2.60	Procter & Gamble	-2.59	Amazon.com	2.72	Johnson & Johnson	-1.63		
	IBM	2.50	AT&T	-2.54	Precision Castparts	2.46	AT&T	-1.60		
	Nike	2.50	Pfizer	-2.10	McKesson	2.42	Pfizer	-1.32		
Portfolio Characteristics ³	Barra Risk Factors				Barra Risk Factors					
		MaxCap	S&P 100	Difference		LargeCap	S&P 500	Difference		
	Currency Sensitivity	0.03	0.04	-0.01	Currency Sensitivity	0.05	0.04	0.01		
	Earnings Variation	-0.22	-0.10	-0.12	Earnings Variation	-0.15	-0.07	-0.08		
	Earnings Yield	0.08	0.17	-0.09	Earnings Yield	-0.12	0.08	-0.20		
	Growth	0.10	-0.01	0.11	Growth	0.10	-0.04	0.14		
	Leverage	-0.30	-0.26	-0.04	Leverage	0.00	-0.12	0.12		
	Momentum	0.20	-0.03	0.23	Momentum	0.22	-0.03	0.25		
	Size	0.85	0.93	-0.08	Size	0.18	0.37	-0.19		
	Trading Activity	-0.13	-0.07	-0.06	Trading Activity	0.14	0.07	0.07		
	Value	-0.22	-0.02	-0.20	Value	-0.18	-0.01	-0.17		
	Volatility	-0.32	-0.25	-0.07	Volatility	-0.23	-0.12	-0.11		
	Yield	0.06	0.15	-0.09	Yield	0.01	0.06	-0.05		
Sector Weights ³	Sector Weights				Sector Weights					
		MaxCap	S&P 100	Difference		LargeCap	S&P 500	Difference		
	Consumer Discretionary	3.9%	4.9%	-1.0%	Consumer Discretionary	3.7%	6.2%	-2.5%		
	Consumer Staples	10.6	12.5	-1.9	Consumer Staples	10.6	10.7	-0.1		
	Energy	11.2	12.3	-1.1	Energy	5.8	10.6	-4.8		
	Financials	10.4	13.5	-3.1	Financials	17.8	14.8	3.0		
	Health Care	7.8	10.6	-2.8	Health Care	6.4	11.5	-5.1		
	Industrials	10.9	7.4	3.5	Industrials	8.3	7.5	0.8		
	Materials	3.0	4.1	-1.1	Materials	3.1	4.8	-1.7		
	Retail	9.9	5.1	4.8	Retail	5.7	5.3	0.4		
	Services	6.2	5.2	1.0	Services	9.3	5.7	3.6		
	Technology	26.1	22.8	3.3	Technology	22.6	18.9	3.7		
	Utilities	0.0	1.6	-1.6	Utilities	6.7	4.0	2.7		
Performance (as of 09/30/2011)	Performance		MaxCap Pure Gross of Fees ²	MaxCap Net of Fees	S&P 100	Performance		LargeCap Pure Gross of Fees ²	LargeCap Net of Fees	S&P 500
	Third Quarter 2011 ¹					Third Quarter 2011 ¹				
Annualized Total Return		For performance data, please contact Laurie Watson at (888) 248-8324			Year-to-Date		For performance data, please contact Laurie Watson at (888) 248-8324			
Inception Date – 07.01.98					Annualized Total Return Since Inception ¹		Inception Date – 05.01.99			

SR LargeCap

AllCap

S&P 500

Russell 3000

Best Active Performance Policies:

- Style – Underweight: Volatility
- Sector – Overweight: Utilities; Underweight: Energy & Consumer Non-Cyclicals
- Industry – Overweight: Electric Utility and Home Products; Underweight: Oil Services
- Stocks – Overweight: Apple, IBM, Colgate Palmolive, Pinnacle West Capital, and Google

Worst Active Performance Policies:

- Style – Underweight: Size
- Sector – Overweight: Basic Materials and Transportation; Underweight: Consumer Cyclical & Financials
- Industry – Overweight: Truck/Sea/Air Freight, and Medical Services
- Stocks – Overweight: Dow Chemical, Netflix, and Johnson Controls

Best Active Performance Policies:

- Style – Overweight: Leverage; Underweight: Volatility
- Sector – Underweight: Energy; Overweight: Utilities
- Industry – Overweight: Electric Utilities; Underweight: Energy Reserves
- Stocks – Overweight: Amazon.com, Apple, Edison International, Procter & Gamble, and IBM

Worst Active Performance Policies:

- Style – Underweight: Size
- Sector – Underweight: Financials; Overweight: Consumer Cyclicals and Health Care
- Industry – Overweight: Medical Services, Truck/Sea/Air Freight, and Construction & Real Property
- Stocks – Overweight: Johnson Controls, Dow Chemical, Netflix, and Express Scripts

Universe S&P 500 + 400 largest in Russell 1000
 Trailing 12-month Turnover 103%
 Number of Holdings 85
 Cash Level 2.3%

Universe Russell 3000
 Trailing 12-month Turnover 107%
 Number of Holdings 74
 Cash Level 0.5%

Top Five Active Weights

IBM	3.14%
Colgate-Palmolive	2.90
Apple	2.56
UPS	2.45
Intel	2.41

Bottom Five Active Weights

Chevron	-1.74%
Pfizer	-1.32
AT&T	-1.25
Berkshire Hathaway	-1.13
JP Morgan Chase	-1.12

Top Five Active Weights

Amazon.com	3.74%
Edison International	3.04
Simon Property Group	2.97
M&T Bank	2.69
Boeing	2.48

Bottom Five Active Weights

Microsoft	-1.46%
Chevron	-1.42
Johnson & Johnson	-1.33
AT&T	-1.30
Pfizer	-1.08

Barra Risk Factors	SR LargeCap	S&P 500	Difference
Currency Sensitivity	0.06	0.04	0.02
Earnings Variation	-0.16	-0.07	-0.09
Earnings Yield	-0.11	0.08	-0.19
Growth	-0.06	-0.04	-0.02
Leverage	-0.01	-0.12	0.11
Momentum	0.14	-0.03	0.17
Size	0.24	0.37	-0.13
Trading Activity	0.10	0.07	0.03
Value	-0.17	-0.01	-0.16
Volatility	-0.22	-0.12	-0.10
Yield	0.05	0.06	-0.01

Barra Risk Factors	AllCap	Russell 3000	Difference
Currency Sensitivity	0.05	0.00	0.05
Earnings Variation	-0.10	0.02	-0.12
Earnings Yield	-0.13	0.00	-0.13
Growth	0.06	-0.01	0.07
Leverage	0.12	0.01	0.11
Momentum	0.22	-0.01	0.23
Size	-0.20	-0.06	-0.14
Trading Activity	0.08	0.04	0.04
Value	-0.17	0.01	-0.18
Volatility	-0.05	0.04	-0.09
Yield	-0.14	-0.02	-0.12

Sector Weights	SR LargeCap	S&P 500	Difference
Consumer Discretionary	3.8%	6.2%	-2.4%
Consumer Staples	9.1	10.7	-1.6
Energy	6.2	10.6	-4.4
Financials	15.1	14.8	0.3
Health Care	8.5	11.5	-3.0
Industrials	6.5	7.5	-1.0
Materials	5.7	4.8	0.9
Retail	4.7	5.3	-0.6
Services	11.2	5.7	5.5
Technology	21.1	18.9	2.2
Utilities	8.1	4.0	4.1

Sector Weights	AllCap	Russell 3000	Difference
Consumer Discretionary	7.8%	7.2%	0.6%
Consumer Staples	7.1	9.2	-2.1
Energy	7.1	9.7	-2.6
Financials	14.6	15.7	-1.1
Health Care	11.3	11.5	-0.2
Industrials	9.4	7.7	1.7
Materials	3.5	5.3	-1.8
Retail	5.5	5.5	0.0
Services	7.4	6.0	1.4
Technology	20.1	18.2	1.9
Utilities	6.2	4.0	2.2

Performance	SR LargeCap Pure Gross of Fees ²	SR LargeCap Net of Fees	S&P 500
Third Quarter 2011 ¹			
Year-to-Date			
Annualized	For performance data, please contact Laurie Watson at (888) 248-8324		
Total	1 year		
Return	3 years		
	5 years		
	Since Inception ¹		
Inception Date – 12.01.04			

Performance	AllCap Pure Gross of Fees ²	AllCap Net of Fees	Russell 3000
Third Quarter 2011 ¹			
Year-to-Date			
Annualized	For performance data, please contact Laurie Watson at (888) 248-8324		
Total	1 year		
Return	3 years		
	5 years		
	Since Inception ¹		
Inception Date – 01.01.97			

SMidCap

Russell 2500

Best Active Performance Policies:

- Style – Underweight: Non-estimated Universe and Volatility
- Sector – Overweight: Basic Materials; Underweight: Consumer Services
- Industry – Underweight: Banks and Mining & Metals
- Stocks – Overweight: Ulta Salon Cosmetics, DFC Global, Genesco, and Pinnacle West Capital

Worst Active Performance Policies:

- Style – Overweight: Currency Sensitivity, Size Non-Linearity
- Sector – Overweight: Health Care and Consumer Cyclical
- Industry – Overweight: Medical Services
- Stocks – Overweight: Patterson UTI Energy, Riverbed Technology, Hertz Global Holdings, and Trimas

Universe Russell 2500
Trailing 12-month Turnover 110%
Number of Holdings 137
Cash Level 2.4%

Top Five Active Weights

SolarWinds 1.87%
B&G Foods 1.78
Ulta Salon 1.70
Landstar System 1.65
HealthSpring 1.61

Bottom Five Active Weights

Herbalife -0.29%
Cabot Oil & Gas -0.28
Hansen Natural -0.27
Church & Dwight -0.27
Northeast Utilities -0.27

Barra Risk Factors

	SMidCap	Russell 2500	Difference
Currency Sensitivity	-0.02	-0.21	0.19
Earnings Variation	0.17	0.33	-0.16
Earnings Yield	-0.18	-0.37	0.19
Growth	-0.07	0.04	-0.11
Leverage	0.53	0.52	0.01
Momentum	0.26	0.02	0.24
Size	-1.95	-2.05	0.10
Trading Activity	-0.03	-0.11	0.08
Value	-0.02	0.18	-0.20
Volatility	0.52	0.71	-0.19
Yield	-0.32	-0.34	0.02

Sector Weights

	SMidCap	Russell 2500	Difference
Consumer Discretionary	11.8%	9.4%	2.4%
Consumer Staples	3.7	3.4	0.3
Energy	5.7	5.8	-0.1
Financials	22.0	20.5	1.5
Health Care	14.8	10.4	4.4
Industrials	7.4	8.8	-1.4
Materials	8.1	7.5	0.6
Retail	5.0	6.1	-1.1
Services	3.2	7.6	-4.4
Technology	14.5	14.7	-0.2
Utilities	3.8	5.8	-2.0

Performance

Third Quarter 2011¹
Year-to-Date

Annualized
Total
Return
Since Inception¹

Inception Date – 11.01.02

SMidCap Pure Gross of Fees² SMidCap Net of Fees Russell 2500

For performance data, please contact Laurie Watson at (888) 248-8324

SR SMidCap

Russell 2500

Best Active Performance Policies:

- Style – Underweight: Non-Estimated Universe and Volatility
- Sector – Overweight: Basic Materials
- Industry – Underweight: Banks
- Stocks – Overweight: Ulta Salon Cosmetics, Genesco, and Pinnacle West Capital

Worst Active Performance Policies:

- Style – Overweight: Size Non-Linearity and Currency Sensitivity
- Sector – Overweight: Health Care and Consumer Cyclical
- Industry – Overweight: Medical Services
- Stocks – Overweight: Riverbed Technology, Patterson UTI Energy, and Hertz Global Holdings

Universe Russell 2500
Trailing 12-month Turnover 109%
Number of Holdings 143
Cash Level 1.8%

Top Five Active Weights

Ulta Salon 1.91%
Pinnacle West Capital 1.77
B&G Foods 1.76
SolarWinds 1.74
Regency Centers 1.73

Bottom Five Active Weights

HerbaLife -0.29%
Cabot Oil & Gas -0.28
Hansen Natural -0.27
Church & Dwight -0.27
Northeast Utilities -0.27

Barra Risk Factors

	SR SMidCap	Russell 2500	Difference
Currency Sensitivity	-0.05	-0.21	0.16
Earnings Variation	0.20	0.33	-0.13
Earnings Yield	-0.17	-0.37	0.20
Growth	-0.14	0.04	-0.18
Leverage	0.55	0.52	0.03
Momentum	0.21	0.02	0.19
Size	-1.95	-2.05	0.10
Trading Activity	-0.02	-0.11	0.09
Value	-0.01	0.18	-0.19
Volatility	0.55	0.71	-0.16
Yield	-0.22	-0.34	0.12

Sector Weights

	SR SMidCap	Russell 2500	Difference
Consumer Discretionary	10.2%	9.4%	0.8%
Consumer Staples	3.1	3.4	-0.3
Energy	6.1	5.8	0.3
Financials	21.0	20.5	0.5
Health Care	15.2	10.4	4.8
Industrials	7.1	8.8	-1.7
Materials	9.1	7.5	1.6
Retail	5.6	6.1	-0.5
Services	4.5	7.6	-3.1
Technology	13.5	14.7	-1.2
Utilities	4.6	5.8	-1.2

Performance

Third Quarter 2011¹
Year-to-Date

Annualized
Total
Return
Since Inception¹

Inception Date – 03.01.10

SR SMidCap Pure Gross of Fees² SR SMidCap Net of Fees Russell 2500

For performance data, please contact Laurie Watson at (888) 248-8324

Notes to Composite Performance Presentations

Advanced Investment Partners is a registered investment advisor specializing in the professional management of investment portfolios utilizing advanced quantitative techniques. The firm claims compliance with the Global Investment Performance Standards (GIPS®).

Beginning January 1, 2000, Advanced Investment Partners has engaged independent accountants to verify the firm's compliance with GIPS and to perform individual performance exams for the firm. To receive a complete list and description of the firm's composites and/or a presentation that adheres to the GIPS Standards, contact Advanced Investment Partners at (727) 799-3671 or write to Advanced Investment Partners, 100 Main Street Suite 301, Safety Harbor, FL 34695.

In each of its investment strategies, the firm seeks to outperform the stated benchmark over time through superior stock selection combined with rigorous, precise portfolio risk management. Accounts under each composite strategy will hold a diversified portfolio of common stocks that in aggregate exhibit investment characteristics and industry representations similar to those of the strategy's benchmark index. Performance results represent a market value-weighted composite of all discretionary accounts under the respective investment strategy, calculated on a time-weighted basis for cash flows on a monthly basis, including the reinvestment of dividends, interest and capital gains. Historical portfolio returns are calculated by linking individual monthly returns. Pure gross of fee returns do not reflect the deduction of investment management fees or bundled fees for certain accounts where transaction costs cannot be separately identified from other service fees charged by the client's broker/dealer or outside custodian. Gross of fee returns deduct transaction fees but do not take into account investment management fees, brokerage fees or bundled fees paid for certain accounts where transaction costs cannot be separately identified from other service fees charged by the client's broker/dealer or custodian. Net of fee returns reflect the deduction of investment management fees, brokerage fees and bundled fees as applicable.

Composite returns, both historic and future, will be impacted by the same material market and economic conditions that influence the benchmark index. All returns have been calculated in US dollars. COMPOSITE RETURNS REPRESENT PAST PERFORMANCE AND ARE NOT PREDICTIVE OF FUTURE RESULTS.

Each strategy's performance composite and related benchmark index are defined as follows:

MaxCap Composite: Includes all discretionary accounts managed under the MaxCap strategy and is benchmarked to the S&P 100 Index. The S&P 100 Index is widely regarded as a standard for measuring the performance of 100 of the very largest capitalization US stocks as chosen by committee at Standard and Poor's Corp. for their size and industry characteristics.

LargeCap Composite includes all discretionary accounts managed under the LargeCap strategy. The LargeCap composite is benchmarked to the S&P 500 Index, a broad based market value weighted index of 500 stocks chosen by committee at Standard and Poor's Corp. for their size and industry characteristics.

AllCap Composite includes all non-wrap discretionary accounts managed under the AllCap strategy and is benchmarked to the Russell 3000 Index. The Russell 3000 Index is an index of US stocks that represents approximately 98% of the US equity market's total capitalization.

SMidCap Composite includes all discretionary accounts managed under the SMidCap strategy. The SMidCap composite is benchmarked to the Russell 2500 Index, which measures the performance of the 2,500 smallest companies in the Russell 3000 Index and represents approximately 17% of the total market capitalization of the Russell 3000 Index.

SR (Sustainable Responsible) SMidCap includes all accounts managed in the SR SMidCap strategy. The SR SMidCap composite is benchmarked to the Russell 2500 index, which measures the performance of the 2500 smallest companies in the Russell 3000 Index and represents approximately 17% of the total market capitalization of the Russell 3000.

Sustainable Responsible LargeCap: Performance results depicted prior to April 1, 2006 represent returns of unrestricted program portfolios on the Fiduciary Services Platform, following AIP's Sustainable Responsible LargeCap (SRL) Strategy. The returns during this period were calculated by Morgan Stanley Smith Barney Consulting Group. The results are then linked by the Manager to calculate the historical performance. Performance results depicted after April 1, 2006 and prior to March 1, 2010 include the actual performance of all unrestricted discretionary wrap-fee accounts that follow AIP's SRL Strategy. The returns were calculated by the Manager. Pure gross of fee returns do not reflect the deduction of investment management fees or bundled fees charged by the wrap-fee sponsor. Net of fee returns do reflect those fee deductions. Results depicted after February 28, 2010 include the actual performance of all unrestricted discretionary non-wrap fee accounts that follow AIP's SRL Strategy.

Notice: Although the information contained in this publication has been prepared by sources deemed to be reliable and is believed to be accurate as of the date referenced, there is no representation nor warranty as to the current accuracy of, nor liability for, decisions based on such information.

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All indices are unmanaged and performance of the indices includes reinvestment of dividends and interest income, unless otherwise noted. The indices are not illustrative of any particular investment and it is not possible to invest directly in an index.

1. These returns are presented as supplemental information to the returns required by the GIPS Advertising Guidelines.
2. Pure Gross of Fee Returns are presented as supplemental information and do not reflect the deduction of investment management fees or bundled fees for certain accounts where transaction costs cannot be separately identified from other service fees charged by the client's broker/dealer or custodian. Information presented on a pure gross of fee basis has not been independently verified. Net of fee performance reflects the deduction of investment management fees and bundled fees as applicable.
3. These characteristics, allocations and holdings are determined from the representative portfolio. Holdings are subject to change over time. Individual client portfolios may vary.
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5. These returns are presented as supplemental information to the returns required by the GIPS Advertising Guidelines.

6. Pure Gross of Fee Returns are presented as supplemental information and do not reflect the deduction of investment management fees or bundled fees for certain accounts where transaction costs cannot be separately identified from other service fees charged by the client's broker/dealer or custodian. Net performance reflects the deduction of investment management fees and bundled fees as applicable.

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