

# Ultra-Short Fixed Income

Portfolio Benchmark:  
Barclays Capital Short Treasury Index  
June 30, 2011



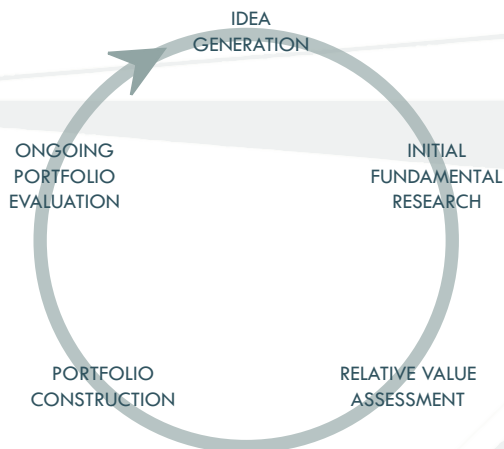
## Philosophy

Winthrop Capital Management (WCM) believes that a disciplined portfolio structuring process combined with strict relative value measurement results in superior performance and a controlled level of risk. Through our research process, we analyze each security and value every part of the organization's capital structure. As a result, we often will uncover investment opportunities overlooked by other investors. We consistently seek to build portfolios which are invested in securities that have been thoroughly researched, and to structure the portfolio in a manner to minimize risk and achieve the desired return objective.

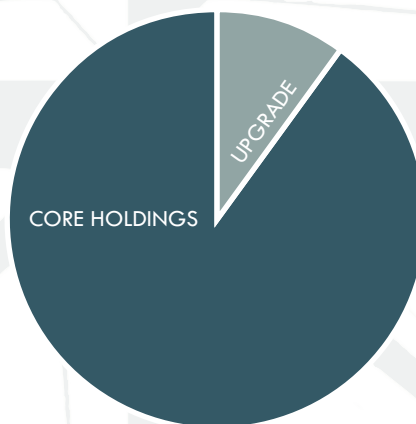
## Strategy

The Ultra-Short Fixed Income strategy offers a higher current yield alternative to short-term investments such as traditional money market funds. The strategy is designed to provide liquidity and principal preservation, but with more of an emphasis on seeking returns that are superior to traditional money market offerings. In pursuing this strategy, WCM invests in investment grade corporate bonds, municipal bonds, asset-backed securities, mortgage-backed securities, and high yield bonds. Individual security selection is based on our proprietary fundamental research.

## Investment Process



## Portfolio Strategy

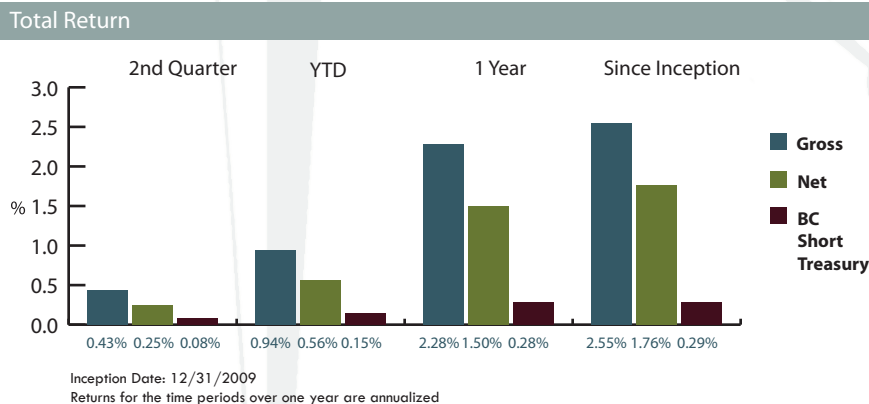


- CORE HOLDINGS (90%)**
  - > Low volatility
  - > Stable credit fundamentals
  - > Moderate current yield
- UPGRADE (10%)**
  - > Improving fundamentals
  - > Identifiable catalysts
  - > Intermediate holding period
- RELATIVE VALUE (0%)**
  - > Undervalued
  - > Favorable industry position
- OPPORTUNISTIC (0%)**
  - > Special situations
  - > Mispriced security
  - > Short term horizon

## Performance Analytics

Ratio	Portfolio	BC ST
Standard Deviation (%)	0.17	0.01
R-Squared	0.02	1.00
Sharpe	0.50	-7.27
Alpha (%)	0.25	---
Tracking Error (%)	0.17	---
Information Ratio	1.10	---
Beta	1.60	1.00
Treynor (%)	0.05	-0.10

## Investment Performance



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## Top Ten Holdings\*

Company	Portfolio
M&I Bank, 6.375% due 9/1/2011	3.77%
Ford Motor Credit, 7.25% due 10/25/2011	3.75%
HCA Inc, 6.95% due 5/01/2012	3.16%
International Lease Finance, 4.10% due 2/15/2013	3.06%
Macy's Department Stores, 8.00% due 7/15/2012	2.68%
Greenwood IN Sewer Works, 4.00% due 4/1/2012	2.51%
American International Group, 5.375% due 10/18/2011	2.50%
Zionsville IN SBC, 3.00% due 1/10/2013	2.23%
Supervalu, 7.50% due 5/15/2012	2.22%
South Montgomery IN Bldg Corp, 0.00% due 1/1/2012	2.12%

## Sector Distribution\*

Security Type	Portfolio	BC Short Treasury
<b>Treasuries</b>	<b>0.00%</b>	<b>100.00%</b>
<b>Government Related</b>	<b>60.14%</b>	<b>0.00%</b>
Agency	0.00%	0.00%
Municipal	60.14%	0.00%
Sovereign	0.00%	0.00%
Supranational	0.00%	0.00%
<b>Corporate</b>	<b>38.09%</b>	<b>0.00%</b>
Industrial	14.80%	0.00%
Utility	3.48%	0.00%
Financials	19.81%	0.00%
<b>Mortgage-Backed</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Cash &amp; Equivalents</b>	<b>1.76%</b>	<b>0.00%</b>
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## Quality Distribution\*

Rating	Portfolio	BC Short Treasury
AAA	1.61%	100.00%
AA	22.16%	0.00%
A	15.47%	0.00%
BBB	19.34%	0.00%
BB	18.17%	0.00%
Cash	1.76%	0.00%
Not Rated	21.49%	0.00%

## Portfolio Characteristics\*

Ratio	Portfolio	BC Short Treasury
Average Coupon (%)	4.49	0.81
Average Current Yield (%)	4.39	0.81
Average Quality	BBB+	AAA
Yield to Worst (%)	2.02	0.09
Modified Duration (Years)	0.77	0.44
Number of Holdings	91	58

\*Top ten holdings are based on market value. Average Quality excludes ETFs and Common stocks. The information shown is not intended nor should it be construed to be a recommendation to buy or sell an individual security. This information is based on a representative account within the Ultra-Short Fixed Income composite. Portfolio averages are calculated based on the actual security weights in the representative account. The representative account has been selected with the following criteria: 1) The account is in the Ultra-Short Fixed Income composite, 2) Winthrop Capital Management represents that the holdings of the account are representative of the Ultra-Short Fixed Income strategy.

## Professional Team

### Gregory J. Hahn, CFA

### President & Chief Investment Officer

Greg is President and Chief Investment Officer for Winthrop Capital Management (WCM). Greg's primary responsibilities include setting capital market and economic strategy, leading the management of the Fixed Income portfolio, and securities research in the financial services and health care sectors. Prior to founding WCM, Greg held senior leadership positions with Oppenheimer Investment Management and Conseco Capital Management. Through his career, Greg has extensive experience in portfolio management, securities research and trading. He earned a B.B.A. from the University of Wisconsin at Madison and an M.B.A. from the Kelly School of Business at Indiana University.

### Elliott M. Holden

### Research Analyst

Elliott's primary responsibilities include securities research and portfolio management for the fixed income portfolios. Elliott received his B.A. in Economics from Wabash College. He is a CFA candidate and will be taking level II in spring 2011.

## Disclosure

Assets Under Management	Annual Performance Results						
	Firm Assets	Strategy Assets	Number				
Year Ending	US Dollars (thousands)	US Dollars (thousands)	of Accounts	Gross	Net	BC Short Treasury	Dispersion
2010	100,277.80	2,526.56	less than 5	2.88%	2.08%	0.29%	0.17%

### Ultra-Short Fixed Income Disclosure

Winthrop Capital Management, LLC (WCM) Ultra-Short Fixed Income Composite consists of fully discretionary fixed income portfolios seeking to achieve liquidity and principal preservation while seeking returns in excess of money markets relative to the Barclays Capital Short Treasury Index. The composite is measured against the Barclays Capital Short Treasury Index (BC Short Treasury). The minimum account size for inclusion in the composite is currently \$250,000. Winthrop Capital Management, LLC is a registered investment advisor. The WCM Ultra-Short Fixed Income Composite was created on December 31, 2009. The firm maintains a complete list and description of composites, which is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results. WCM does not represent this performance as GIPS compliant. NOT FDIC INSURED, NOT BANK INSURED, MAY LOSE VALUE, INCLUDING LOSS OF PRINCIPAL, AND IS NOT INSURED BY ANY STATE OR FEDERAL AGENCY. Returns are presented gross and net of management fees and include the reinvestment of all income. Additional information regarding the policies for calculating and reporting returns and characteristics are available upon request. This performance information gives some indication of the risks of an investment in the WCM Ultra-Short Income Composite. The composite is size weighted and includes terminated accounts. Please refer to the Winthrop Capital Management, LLC Form ADV Part II for a full disclosure of the fee schedule and other detailed information regarding the services offered.

### Index Information

The Barclays Capital Short Treasury Index (BC Short Treasury) returns are provided to represent the investment environment existing during the time periods shown. The BC Short Treasury includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from one up to (but not including) 12 months. It excludes zero coupon strips. For comparison purposes, each index is fully invested, which includes the reinvestment of income. The returns for the index do not include any transaction costs, management fees or other costs. An index should only be compared with a mandate that has a similar investment objective. An index is not available for direct investment.