



SMALL CAP GROWTH EQUITIES

Palisade's growth team, responsible for the Firm's small, mid and mid cap growth strategies, was acquired from AG Asset Management on January 31, 2009. The team, led by Senior Portfolio Managers Sammy Oh and Will Potter, averages 15 years of experience. The origins of the growth strategies date back to the 1980s at Warburg Pincus and ForstmannLeff. The growth team seeks small to mid-sized companies that have the potential to grow into larger companies while not trading at valuations which reflect their full potential. The team attempts to gain an informational advantage in the less efficient small to mid cap equity markets by conducting intensive bottom-up, fundamental research with an emphasis on site visits, direct contact with portfolio companies as well as their customers, suppliers and competitors, and interaction with contacts in the venture capital community. We firmly believe that in the current environment of diminished sell-side research, the Firm's unwavering commitment to field work and channel checks can prove advantageous. The growth team employs a collaborative approach in which each of the team members has primary sector/industry responsibility. The growth team also benefits from cross-pollination of ideas and perspectives (including key insights across asset classes) with the Firm's other investment teams. The Senior Portfolio Managers have ultimate authority and responsibility for portfolio decisions. We construct diversified portfolios across sectors and industries. While our distinctive strength is in fundamental stock selection, we utilize quantitative tools to measure and control portfolio risk. In doing so, we minimize unintended exposures and maximize the emphasis on stock selection.