

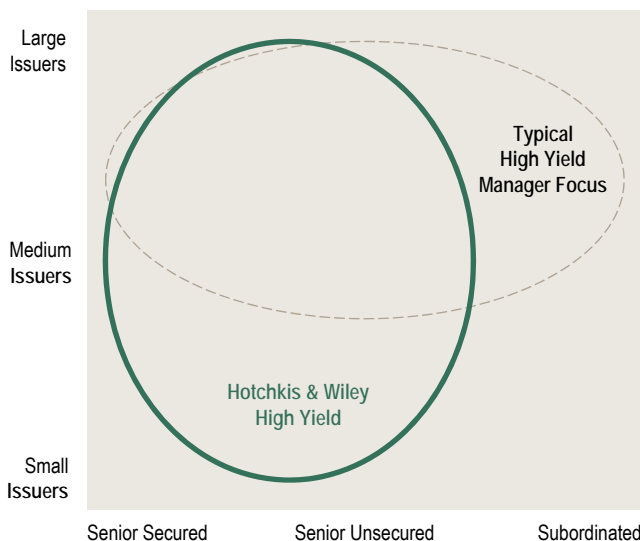
A Total Return Strategy Focused on Credit Quality and Investment Opportunity

Quality

- ▶ Stronger overall quality: emphasize risk-adjusted returns rather than yield
- ▶ Minimize default exposure: focus on senior portion of the capital structure emphasizing strong asset coverage
- ▶ Diligent research: examine each idea from multiple perspectives with a large, seasoned investment team

Investment Philosophy

Emphasis on senior portion of the capital structure across all issuer sizes

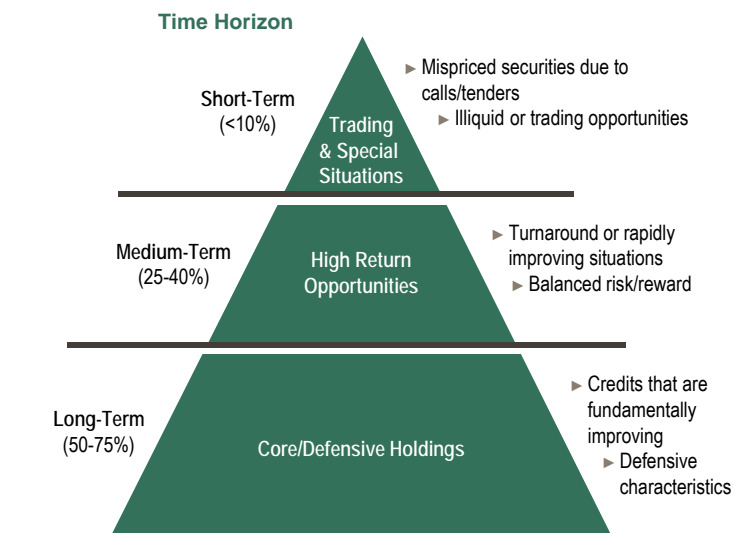


Opportunity

- ▶ Nimble: due to small asset base, strategy can act on market opportunities quickly
- ▶ Significant research depth: leverages strong synergies between high yield credit and equity research at H&W
- ▶ Exposure to small cap issuers: typically not found in larger portfolios and a strength of our research team

Portfolio Construction

Investments driven by fundamental bottom-up research



Experienced Portfolio Management

Raymond G. Kennedy, CFA

- ▶ Joined H&W in 2008
- ▶ 26 years of industry experience
- ▶ Previously, Managing Director, high yield portfolio manager, Head of Global High Yield (2002–2007) and senior member of Investment Committee at PIMCO

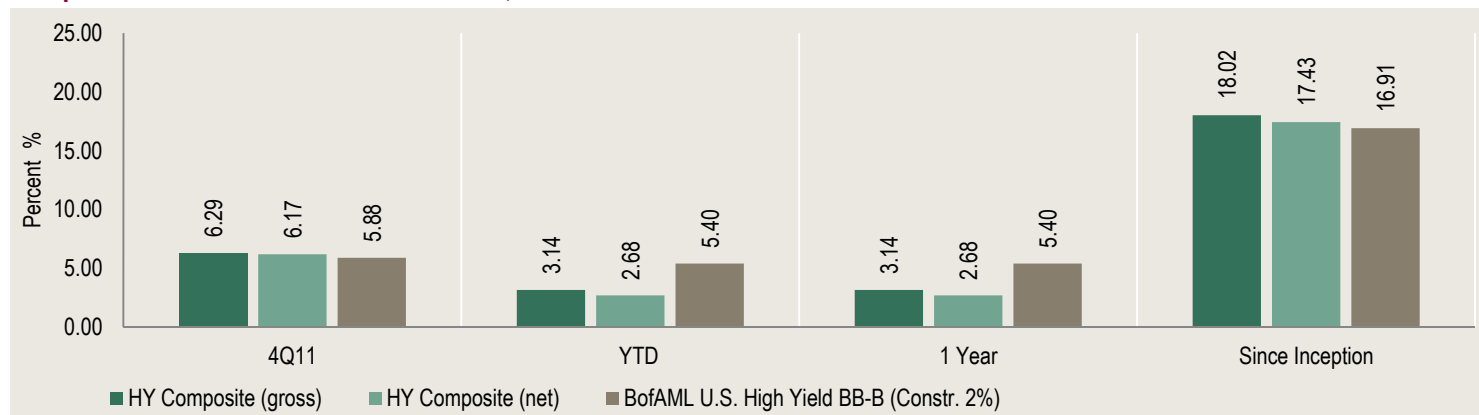
Mark T. Hudoff

- ▶ Joined H&W in 2009
- ▶ 25 years of industry experience
- ▶ Previously, Executive Vice President, global high yield portfolio manager, Head of Global High Yield (2007–2009) at PIMCO

Benefit From

- ▶ Two portfolio managers each with 20+ years of experience
- ▶ Well-established team of 26 research professionals
- ▶ 18 industry analysts with 16+ years of average experience and 10 years of average tenure with Hotchkis & Wiley
- ▶ Supported by 6 research associates

Composite Performance as of December 31, 2011



Commencement of High Yield (HY) Composite: 5/1/09. Periods over one year are average annualized total return.

Portfolio Characteristics

	Portfolio	BofAML U.S. HY BB-B (Constr. 2%)
Yield-to-Worst	8.7%	7.2%
Modified Duration	4.3 years	4.1 years
Spread over Treasuries	765 bps	614 bps
Average Coupon Rate	8.5%	8.0%
Number of Issuers	116	785

Credit Quality¹

	Portfolio	BofAML U.S. HY BB-B (Constr. 2%)
Investment Grade	7.2%	9.3%
BB	33.1	51.8
B	51.7	38.9
CCC+ or lower	7.6	0.0
Nonrated	0.5	0.0

BofAML U.S. HY BB-B (Constr. 2%) = BofA Merrill Lynch U.S. High Yield BB-B (Constrained 2%) Index

¹ Credit Quality weights by rating were derived from the highest bond rating as determined by S&P, Moody's or Fitch. In limited situations when none of the three rating agencies have issued a formal rating, the Advisor will determine an internal rating.

Hotchkis and Wiley Capital Management, LLC (the "Firm" or "H&W") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. H&W has been independently verified for the periods October 9, 2001 through December 31, 2010. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The High Yield Composite has been examined for the periods May 1, 2009 through December 31, 2010. The verification and performance examination reports are available upon request.

H&W is an independent investment management firm registered with the U.S. Securities and Exchange Commission and manages U.S. value equity and high yield assets for institutional and mutual fund investors. Its predecessor firm was established in 1980. The U.S. equity team of the predecessor firm established H&W in October 2001.

Valuations and returns are stated in U.S. dollars. Investment returns include reinvestment of dividends, interest, and capital gains. Gross performance results are presented before management and custodial fees but after all trading expenses. Net performance results are presented after actual management fees and all trading expenses but before custodial fees. H&W's management fees are described in Part II of its Form ADV. The standard High Yield Bond management fee schedule is 55 basis points on the first \$25 million, 45 basis points on the next \$25 million and 35 basis points thereafter. Internal dispersion is calculated using the equal-weighted standard deviation of all portfolios that were included in the Composite for the entire year. Additional information regarding policies for valuing portfolios, calculating performance, preparing compliant presentations, and a complete list and description of all Firm composites are available upon request. Past performance is no guarantee of future performance.

	% Total Return Gross of Fees	% Total Return Net of Fees	% Total Return BofAMLBB-B	# of Accts	Internal Dispersion (%)	Comp. Assets (\$mm)	Total Firm Assets (\$mm)
2011	3.1	2.7	5.4	<6	n/m	671	16,171
2010	20.0	19.4	14.3	<6	n/m	467	18,148
2009 ⁽¹⁾	25.7	25.3	26.0	<6	n/a	65	14,494

⁽¹⁾ Period from May 1, 2009 (composite inception) through December 31, 2009.

n/a – not applicable for periods less than one year.

n/m – not considered meaningful for composites with five accounts or less for the full year.

Composite: The Composite includes all High Yield discretionary accounts. The High Yield strategy seeks high current income combined with the opportunity for capital appreciation to maximize total return primarily through investments in high yield securities and investment grade fixed income instruments. The number of bonds in the portfolio generally ranges from 80 – 100 issuers. (Composite creation: 2009)

Index: The BofA Merrill Lynch U.S. High Yield BB-B (Constrained 2%) Index ("BofAMLBB-B") contains all securities in the BofA Merrill Lynch U.S. High Yield Index rated BB+ through B- by S&P (or equivalent as rated by Moody's or Fitch), but caps issuer exposure at 2%. Index constituents are capitalization-weighted, based on their current amount outstanding, provided the total allocation to an individual issuer does not exceed 2%. The index assumes reinvestment of dividends and capital gains, and assumes no management, custody, transaction or other expenses. The strategy used in managing the accounts in the Composite may prevent or limit investment in major bonds in the BofAMLBB-B and returns may not be correlated to the index. It is not possible to invest directly in the index. Benchmark returns are not covered by the report of independent verifiers.

The 3-year annualized standard deviation measures the variability of the composite (using gross returns) and the benchmark(s) returns over the preceding 36-month period. As of December 31, 2011 the Composite did not have 3-year track record.

