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Our 2015 asset allocation strategy must walk a tightrope between mitigating the increased downside risks in US equity markets and minimizing the drag on returns associated with investment grade bonds.

We lowered risk by reducing exposure to the US asset classes with the highest potential downside in a market decline, and by increasing our weighting in international equities (hedged and unhedged), MLPs and dividend-weighted large cap stocks.

2015 ASSET ALLOCATION STRATEGY: MAINTAIN EQUITY WEIGHTS AS HIGH AS INVESTOR TIME FRAMES WILL ALLOW

Most US equity and fixed income asset classes posted strong performance in 2014, reducing expected returns and increasing potential downside risks, in our view. Thus, the 2015 asset allocation strategy underlying our portfolios must walk a tightrope between mitigating the increased downside risks in US equity markets and minimizing the drag on returns associated with investment grade bonds. The major themes that emerge from this strategic balancing act are:

- Reduce weightings in the US asset classes that we believe have the most downside risk in a market decline: REITS (Real Estate Investment Trusts), Micro Caps, and High Beta equities. In our longer term strategies, move some of this money into lower risk dividend-weighted Large Cap stocks.
- For most strategies, increase our already high weightings in developed international equities that we believe are attractively priced.
- In our more conservative, shorter time frame strategies (Conservative Income Builder and Moderate Growth & Income), switch to a currency-hedged developed international strategic target that tends to offer less shorter term downside risks than unhedged alternatives.
- Reduce equity weightings by three percentage points in Conservative Income Builder (CIB) and Moderate Growth & Income (MGI), redeploying these assets in short-maturity investment grade bonds for CIB and short-maturity high yield for MGI.

RiverFront's Dynamic Strategic Allocation

RiverFront's dynamic strategic allocation process is the key driver of our long-term portfolio strategy. This process begins with an update of our Price Matters[®] estimates of expected return and downside risk for a wide array of global asset classes. We incorporate these capital market assumptions into our patent-pending Mean Reversion Optimization (MRO) process and update our strategic asset allocations at least once a year (as shown in the table below). These allocations are then adjusted throughout the year using our momentum-based discipline; therefore, the actual asset allocation within client portfolios will differ from the strategic allocations at any given point in time.

Our MRO process defines risk as the probability of losing money and minimizes the probability of loss at defined time horizons. MRO calculates asset allocation strategies for five investment time horizons ranging from 3 years to more than 10 years. Each allocation strategy is stress tested to minimize losses under severe historical economic and market scenarios (e.g., the Great Depression, 1970s oil shocks, 2008 financial crises) and then optimized to deliver maximum upside returns during more typical positive market scenarios. *Although RiverFront's process relies on historical data, past behavior does not guarantee future results, nor does it guarantee how the markets or specific securities will perform.*

Price Matters[®] is the heart of RiverFront's MRO process. Price Matters[®] is a disciplined, quantitative system that bases potential return and downside risk for an asset class upon current valuation. Price Matters[®] return estimates fall as prices rise and increase as prices fall, consistent with historical market behavior. Downside risks are also a function of valuation,

since overvalued asset classes have historically had the most downside risk during market declines. Thus, RiverFront's MRO imposes a "buy low/sell high" discipline: when prices are low, a higher proportion of risky assets are allowed into the portfolio. As prices rise, their weighting is reduced.

Difference Between 2015 and 2014 Strategic Asset Allocations

| | Investment Time Horizon Equities/Fixed Income (%) | CIB 3 Years 30/70 | MGI 5 Years 50/50 | DEI 7 Years 70/30 | GA 7 Years 80/20 | GG 10 Years 100/0 |
|---------------|--|-------------------------|-------------------------|-------------------------|------------------------|-------------------------|
| Asset Classes | Micro Cap | | | -4% | -6% | -7% |
| | US High Beta ¹ | | | | | -3% |
| | REITs ² | -4% | -8% | -7% | -5% | -6% |
| | Dividend Weighted | -3% | | 3% | 4% | 5% |
| | Developed International | -12% | -20% | 3% | 2% | 6% |
| | Hedged Developed International | 13% | 20% | | | |
| | MLPs ³ | 3% | 5% | 5% | 5% | 5% |
| | Short Corporates | 3% | | | | |
| | Short High Yield | | 3% | | | |

Strategic asset allocations do not represent actual current portfolio weightings; they are a strategic tool used by RiverFront.

CIB – Conservative Income Builder

MGI – Moderate Growth & Income

DEI – Dynamic Equity Income

GA – Global Allocation

GG – Global Growth

1. Beta measures volatility relative to a benchmark. A result greater than 1.0 implies that a security is more volatile than the benchmark; a result less than 1.0 suggests that the security is less volatile than the benchmark. Betas may change over time.

2. There are special risks associated with an investment in real estate, including credit risk, interest rate fluctuations and the impact of varied economic conditions.

3. Master Limited Partnerships (MLP) investing includes risks such as equity- and commodity-like volatility. Also, distribution payouts sometimes include the return of principal and, in these instances, references to these payouts as "dividends" or "yields" may be inaccurate and may overstate the profitability/success of the MLP. Additionally, there are potentially complex and adverse tax consequences associated with investing in MLPs. This is largely dependent on how the MLPs are structured and the vehicle used to invest in the MLPs. It is strongly recommended that an investor consider and understand these characteristics of MLPs and consult with a financial and tax professional prior to investment.

2015 Asset Allocation Strategy: Maintain Equity Weights As High As Risk Tolerance Allows

Most US equity asset classes had another year of above-average price appreciation in 2014; decreasing expected long-term returns and increasing potential downside risks, in our view. Investment grade bond prices also rose last year, and yields fell. We believe that investment grade fixed income assets are priced to provide extremely low 1.0–1.5% nominal returns over the next 3 to 5 years.

The combination of expensive US equity and fixed income asset classes highlights the challenge for our 2015 asset allocation strategy: mitigating the increased downside risks in US equity markets while minimizing the drag on returns associated with investment grade bonds.

For most of our strategies, our solution to this challenge is to increase the already high weighting in developed international markets. The price declines endured by these markets last year have left them nearly 30% below their long-term trends, which we believe substantially boosts long-term return potential while reducing downside risks. Historically, undervalued asset classes have tended to fall less during market declines than more fully valued alternatives. Our portfolios also took advantage of dislocations in energy markets with exposure of between 3–5% to master limited partnerships (MLPs). MLPs currently offer yields of more than 5%, and the earnings from their energy pipelines and storage facilities should be less vulnerable to swings in oil prices than more traditional energy companies, in our view. Our longer term, growth-oriented portfolios also increased their weighting in large cap stocks with rapidly growing dividends, one of the few US equity asset classes that remains at a near-trend valuation.

These increased equity allocations were funded by reducing weightings in US equity asset classes that, in our view, have the highest downside risk potential: US Micro Cap stocks, REITs, and High Beta large cap stocks. The shorter investment horizon of our more conservative strategies (CIB and MGI) necessitated additional risk reduction, which was partially

accomplished by a currency hedging strategy for their international investments. Price Matters[®] indicates that hedged international equities are not as cheap as unhedged alternatives (and thus have less long-term return potential) but compensate by offering appreciably less shorter term downside risk.

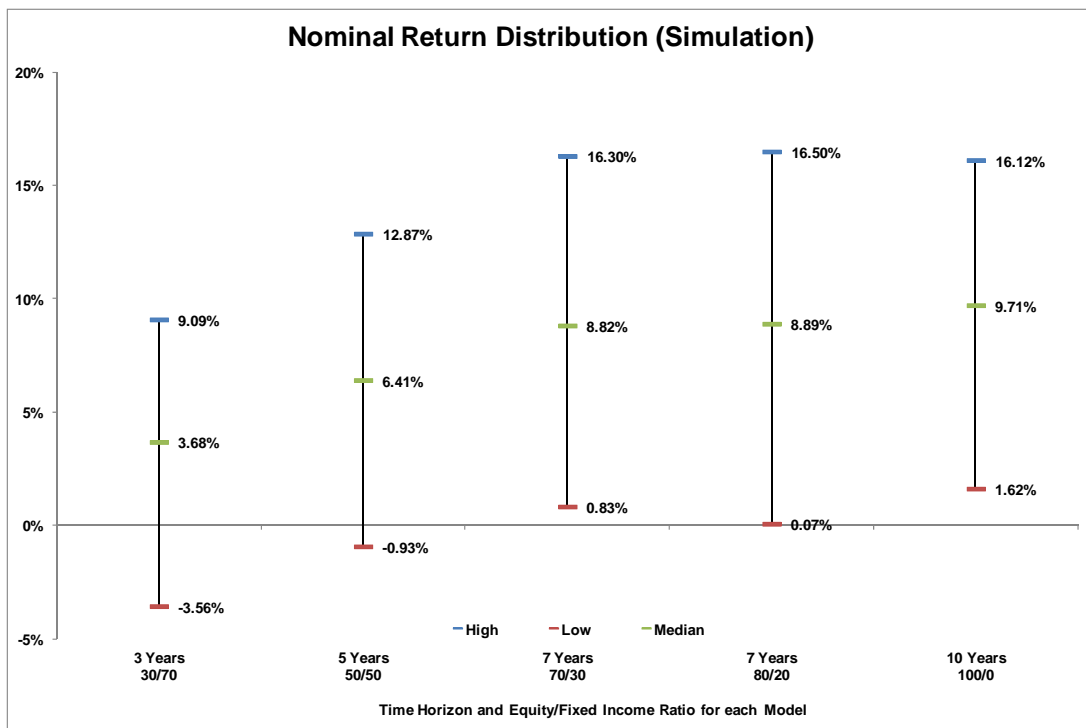
With the goal of reducing risk in our more conservative, shorter time frame strategies, we increased fixed income allocations by three percentage points. The 5-year time horizon of MGI allowed us to allocate the additional fixed income assets to short maturity high yield. With yields of 6.5–7.0%, this asset class has the potential to reduce longer term downside risk without significantly reducing return. *High-yield securities are subject to greater risk of loss of principal and interest, including default risk, than higher-rated securities.*

By contrast, the lower risk 3-year time horizon of CIB required a higher weighting in short maturity investment grade bonds. This asset class offers 1% nominal returns, imposing a significant drag on potential return in exchange for risk reduction. With above-average equity weightings and no allocation to long maturity investment grade bonds, both of our more conservative, shorter time horizon strategies are accepting greater short-term volatility in exchange for lower longer-term risk of loss in a rising interest rate environment.

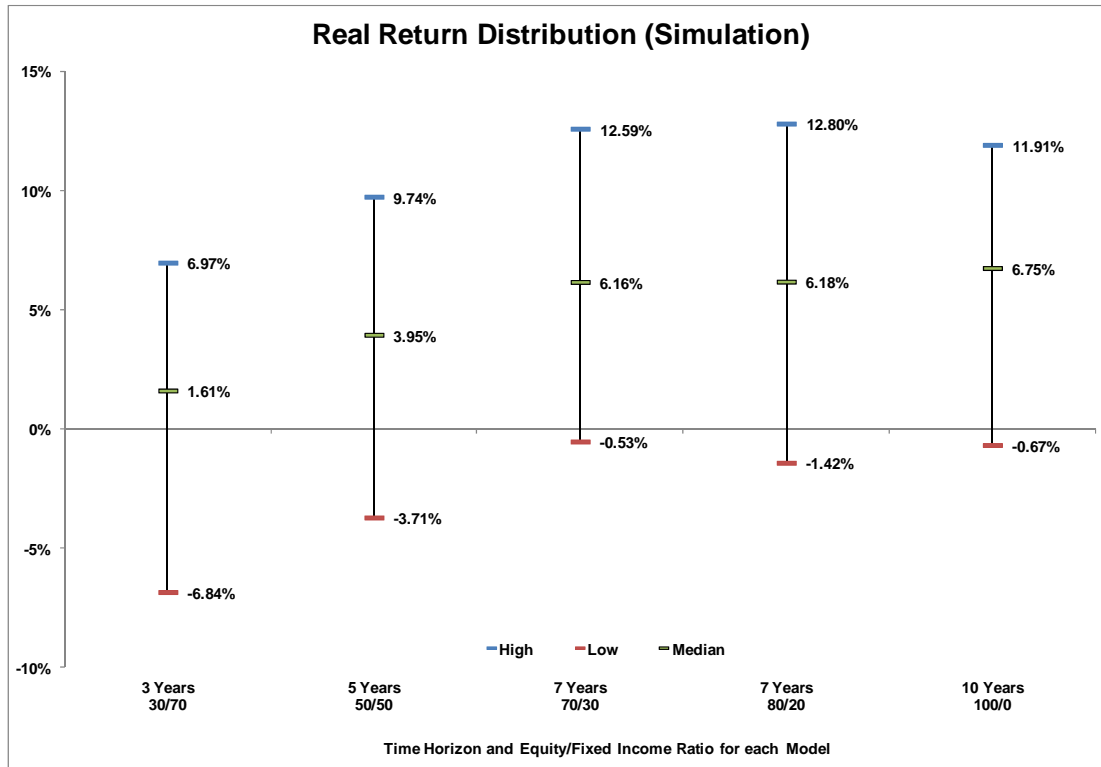
The Cost Of “Safety”: Conservative Investors Face Unavoidable Risks

Since the 2008 financial crises, investment grade bonds have been expensive by historical standards. At current valuations, most interest rate scenarios generated by our MRO process result in longer maturity bonds losing money. Under a few extreme scenarios, the downside risks for bonds are high. Even our short-maturity fixed income strategy cannot protect investors from the risk of loss in extreme inflation and interest rate scenarios. Our fixed income portfolios must rely on tactical strategies to help insulate investors if such unlikely scenarios unfold.

US equity prices are no longer low enough for stocks to offset the downside risk of bonds across shorter investment horizons, in our view. In rapidly rising interest rate scenarios, our shortest time frame strategy (CIB) could suffer appreciable losses over a 3-year horizon. Additionally, our 5-year horizon strategy (MGI) faces risk of modest losses in a small number of potential outcomes in our Price Matters[®] scenarios. Although we would use tactical strategies to mitigate these risks, we believe that investors who require protection from interest rate risks must adopt a longer investment horizon (at least 5 years) and accept more short-term volatility.



In addition to seeking positive nominal returns, RiverFront’s Price Matters® and Mean Reversion Optimization processes look to generate positive, inflation-adjusted returns over an investor’s chosen time frame. However, the valuation challenges outlined above prevent our strategies from offsetting the impact of significantly higher inflation over 3- or 5-year investment horizons. Investors requiring protection for their portfolios’ purchasing power in the event of unexpectedly high inflation must adopt at least a 7-year investment horizon and accept a relatively high degree of short-term portfolio volatility, in our view.



The charts above represent the return distribution results for the 1,000 scenarios at the end of the specified time period based on the mix of asset classes that are in each model. The high in the charts is the 99th Percentile; the low is the 1st Percentile of the simulation results at the time horizons listed above.

The analysis illustrated above models asset classes, not investment products. As a result, the actual experience of an investor in a given investment product (e.g., separately managed accounts, mutual funds, unified managed accounts) may differ from the range generated by the simulation, even if the broad asset allocation of the investment product is similar to the one being modeled. Possible reasons for divergence include, but are not limited to, active management by the manager of the investment product or the costs, fees, and other expenses associated with the investment product. Active management for any particular investment product — the selection of a portfolio of individual securities that differs from the broad asset classes modeled in the analysis — can lead to the investment product having higher or lower returns than the range used in this analysis.

The analysis relies on certain assumptions, combined with a return model that generates a wide range of possible return scenarios for these assumptions. Despite our best efforts, there is no certainty that the assumptions for the model will accurately estimate asset class return rates going forward. As a consequence, the results of the analysis should be viewed as approximations, and users should allow a margin of error and not place too much reliance on the apparent precision of the results.

Nominal Rate of Return is the amount of money generated by an investment before factoring in expenses such as taxes, investment fees, and inflation. **Real Return** is the annual percentage return realized on an investment adjusted for changes in prices due to inflation, but does not factor in expenses such as taxes or investment fees.

Please see the end of this report for important information regarding this simulation data.

Calculating Expected Returns & Downside Risk

The RiverFront MRO process uses Monte Carlo simulations to produce potential outcomes based on probability and historical experience. For equity asset classes, long-term expected real returns are modeled as a function of distance from trend, potential inflation environments and, for certain asset classes, fixed income returns. Long-term expected returns for fixed income asset classes are based on the simulated inflation environment and the historical relationship between inflation and the level of interest rates. In the Real Return Distribution Simulation shown above, the expected returns incorporate these scenarios. These return expectations are used by RiverFront to assist in portfolio allocation and security selection. *RiverFront relies on historical data to create these simulations; however, there is no guarantee that these outcomes will occur.*

The above assumptions about long-term returns are combined with the shorter term volatility characteristics of the asset class to generate monthly returns for each asset class over a 10-year horizon. The cumulative returns for every asset class at various time horizons (1 year, 3 year, etc.) are restricted to ensure asset class returns conform to historical norms given the initial valuation level (e.g., below-trend valuation generates higher maximum and minimum returns than the same asset class starting at an over-trend valuation).

This process is repeated for 1000 potential outcomes. The asset allocation strategies are optimized to provide maximum upside potential across the 1000 simulations, subject to a maximum loss restriction in the worst-case simulated scenarios. This loss restriction is applied at the investment horizon in simulated outcomes that resemble the worst-case outcomes of history (e.g., Great Depression, 1970s oil shocks, financial crises of 2008, etc.).

RiverFront's MRO begins by simulating potential inflation environments. This simulation closely resembles US historical inflation with two exceptions. First, our simulation's average inflation rate is lower than the 3.4%, 100-year average. This lower assumption reflects the Federal Reserve's explicit inflation target of 2.0–2.5%, and our belief that the internet and globalization have increased price competition and reduced inflation pressures. Based on its response to the 2008 financial crises, we also assume that the Fed will not allow extended deflation and would counter any deflationary pressures within 2 to 3 years.

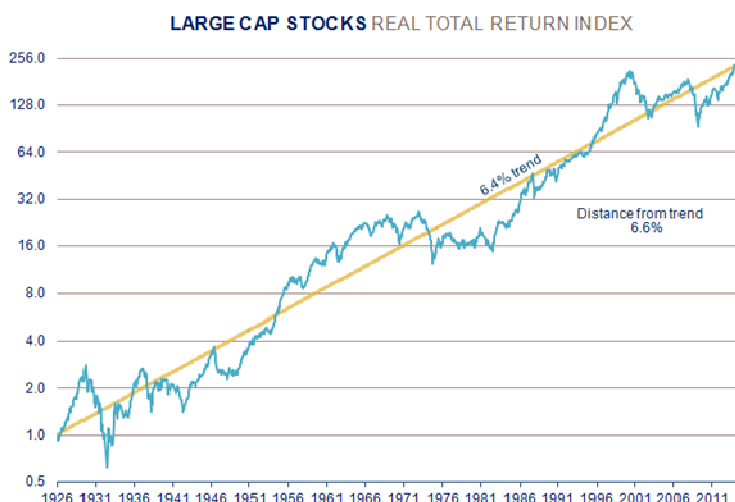
These inflation assumptions do not have an impact on our equity downside risk estimates – equities are assumed to experience crashes comparable to those of the Great Depression and the 1970's period of high inflation. However, lowering the average inflation rate in the simulation increases the average returns calculated by our MRO. Real returns for equities from a given starting valuation have historically been above average in a 2.0–2.5% inflation environment. In addition, the lower inflation assumptions boost the real return of bonds, because a lower average inflation rate is subtracted from nominal returns. **Thus, average real returns for both bonds and equities in the simulation are slightly higher than the average returns in comparable valuation periods from history.**

Potential worst case losses for all asset classes are assumed to be fairly close to their worst historical returns. Maximum potential equity returns are reduced by our assumption that an equity bubble (like those in 1929, 1970, and 1999) is extremely unlikely, and maximum bond returns are reduced by our assumption that an extended period of deflation will not occur.

Price Matters® Asset Class Evaluation

Large Cap Stocks

The S&P 500's recent record highs and 165%-plus rise from its March 2009 lows have sparked fears of an equity bubble similar to the late 1990s. We disagree. Large cap stocks were more than 100% overvalued in 2000 and about 25% above trend before the crash of 2008. Gains since 2009 have reversed the 2008 market collapse and large cap stocks are about 5–10% above their long-term trend. The primary implication of large cap stocks returning to trend is lower return expectations and slightly elevated downside risks, in our view.



Source: RiverFront Investment Group, CRSP*. Data from Jan 1926 through Dec 2014. Past performance is no guarantee of future results. It is not possible to invest directly in an index.

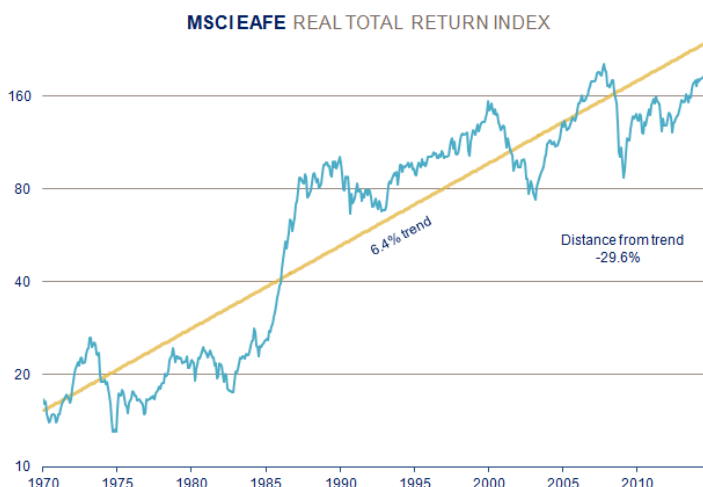
* Calculated based on data from CRSP 1925 US Indices Database ©2014 Center for Research in Security Prices (CRSP®), Booth School of Business, The University of Chicago.

Used as a source for cap-based portfolio research appearing in publications, and by practitioners for benchmarking, the CRSP Cap-Based Portfolio Indices Product data tracks micro, small, mid- and large-cap stocks on monthly and quarterly frequencies. This product is used to track and analyze performance differentials between size-relative portfolios.

CRSP ranks all NYSE companies by market capitalization and divides them into ten equally populated portfolios. Alternext and NASDAQ stocks are then placed into the deciles determined by the NYSE breakpoints, based on market capitalization. The series of 10 indices are identified as CRSP 1 through CRSP 10, where CRSP 10 has the largest population and smallest market-capitalization. CRSP portfolios 1-2 represent large cap stocks, portfolios 3-5 represent mid-caps and portfolios 6-10 represent small caps.

Developed International Stocks

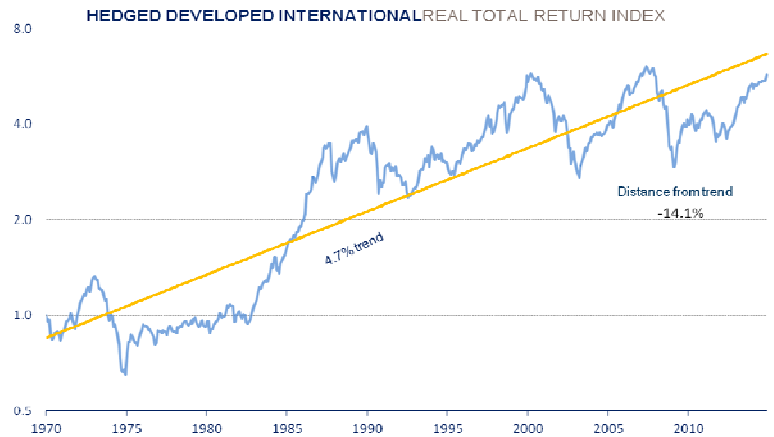
Developed international stocks, currently about 29% below trend, are one of the most attractive equity asset classes, in our view. Historically, this level of undervaluation is roughly consistent with economies suffering recession and offers significant upside should these economies accelerate even modestly. Furthermore, this level of undervaluation tends to mitigate downside risks, since large cap equities have historically had a maximum downside of about 50–55% below trend absent a war or hyper-inflation. Thus, developed international equities offer an appealing combination of upside potential and downside protection. *Investments in international and emerging markets securities include exposure to risks such as currency fluctuations, foreign taxes and regulations, and the potential for illiquid markets and political instability.*



Source: RiverFront Investment Group, MSCI. Past performance is no guarantee of future results. Data from Jan 1970 through Dec 2014. Past performance is no guarantee of future results. MSCI EAFE Index measures the equity market performance of developed markets, excluding the US & Canada. It is not possible to invest directly in an index.

Currency Hedged International Equities

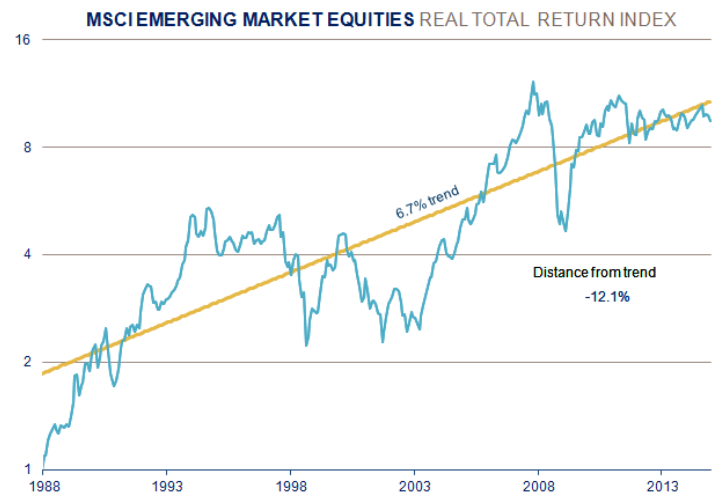
Since the breakdown of the Bretton Woods fixed currency exchange system in 1971, currency fluctuations have provided a substantial amount of the return and incremental risk from international equity investments. A long-term declining trend in the value of the dollar has boosted returns for US investors. Hedging out these currency gains reduces the trend rate of return for hedged international equities to about 4.7% and shrinks its distance from trend to about -14.1%. However, hedged international remains much cheaper than US alternatives and compensates for lower potential return than unhedged alternatives through its lower short-term risks. Reducing risk through a currency hedging strategy allowed our more conservative, shorter time frame portfolios to maintain a higher equity weighting than a more volatile unhedged strategy would have allowed.



Source: RiverFront Investment Group, MSCI, FactSet Research Systems. Past performance is no guarantee of future results. Data from Jan 1970 through Dec 2014. Past performance is no guarantee of future results. This chart illustrates the MSCI EAFE index denominated in local currency. It is not possible to invest directly in an index.

Emerging Markets

Emerging markets are difficult to evaluate with our Price Matters® tools. There are only about 26 years of emerging market data, and this comparatively short time is characterized by repeated bubbles and busts. This combination makes it difficult to calculate the average trend return and valuation relative to trend. Thus, we place an uncertainty penalty on emerging market downside risk assumptions. Based on these conservative risk assumptions, we see value only for longer term investment horizons.

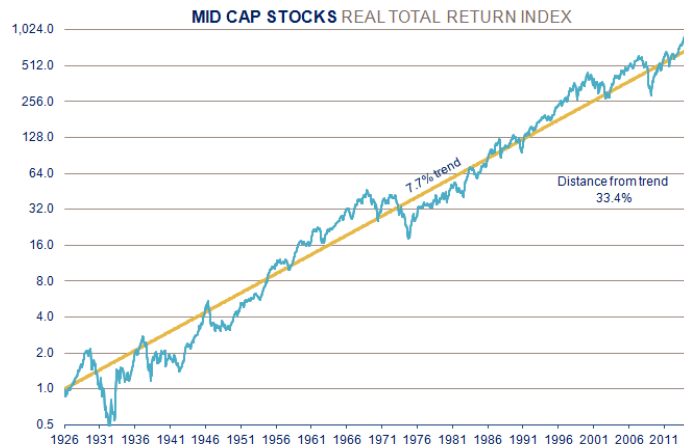
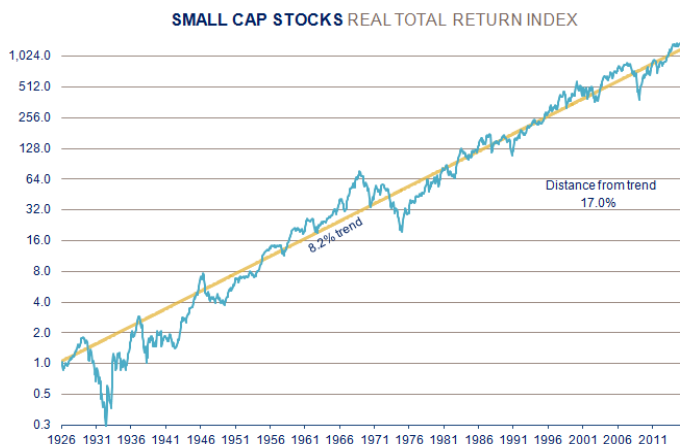


Source: RiverFront Investment Group, MSCI. Past performance is no guarantee of future results. Data from Jan 1988 through Dec 2014. Past performance is no guarantee of future results. MSCI Emerging Markets Index measures equity market performance of emerging markets. It is not possible to invest directly in an index.

Small and Mid Cap

Mid Cap stocks are about 30% overvalued, about as overvalued as they have ever been, except for the bubbles of 1929, the late 1960s, and the late 1990s. Consequently, expected real returns for Mid Caps have dropped to about 5%, and they continue to be excluded from our asset allocation strategies. Despite poor returns in 2014, Small Caps remain about 17% overvalued and appear poised for continued below-trend returns.

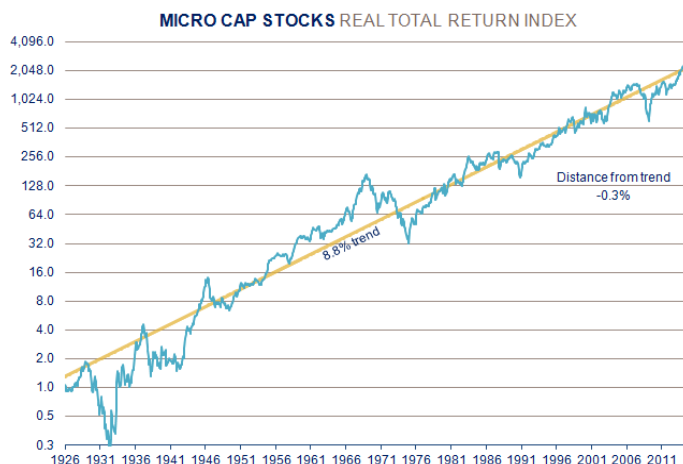
We think the anemic economic recovery plays a role in Small and Mid Cap stocks' inflated values. Uncertain economic growth typically incentivizes larger companies to buy smaller competitors rather than investing in their own operations. If the US economy accelerates as we expect, the demand for Small and Mid Cap companies may weaken as larger companies find more profitable places to invest. *Small- and Mid-cap companies may be hindered as a result of limited resources or less diverse products or services and have therefore historically been more volatile than the stocks of larger, more established companies.*



Source: RiverFront Investment Group, CRSP*. Past performance is no guarantee of future results. Data from Jan 1988 through Dec 2014. Past performance is no guarantee of future results. It is not possible to invest directly in an index. Please see pages 5-6 for important index definitions

Micro Cap

Micro Cap stocks began 2014 at fair value but mimicked overvalued Small Cap stocks' relatively poor performance. Micro Caps remain attractively priced relative to other US equity classes, but their significant loss potential during bear markets and high correlation to Small Caps necessitated their removal from our 2015 asset allocation strategies. *Micro Cap companies may be hindered as a result of limited resources or less diverse products or services and have therefore historically been more volatile than the stocks of larger, more established companies.*

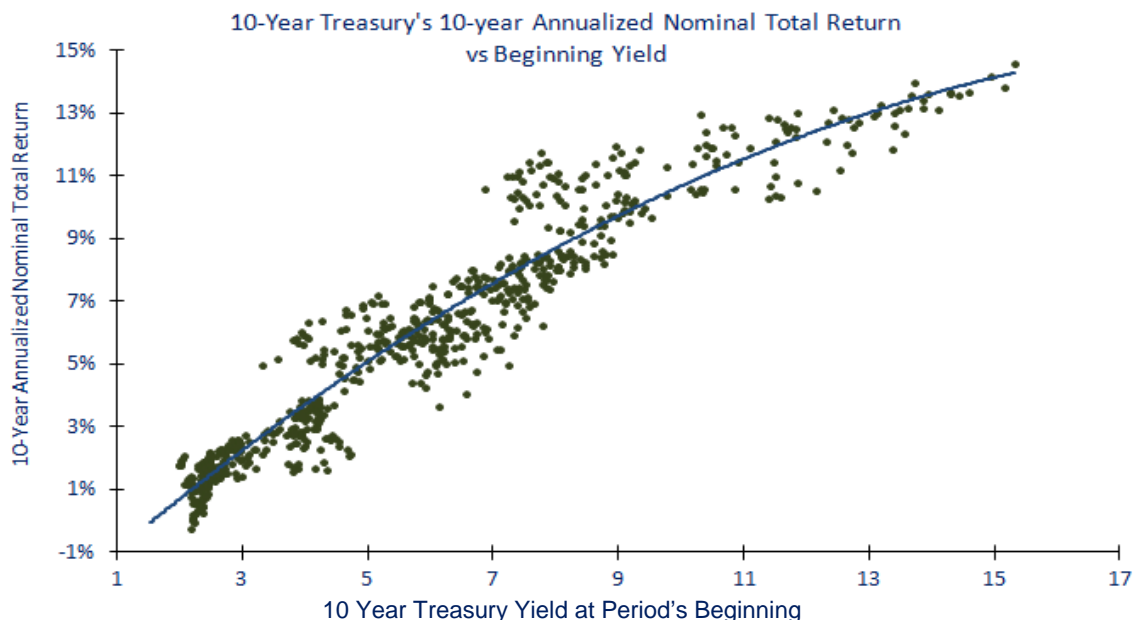


Source: RiverFront Investment Group, CRSP*. Data from Jan 1988 through Dec 2014. Past performance is no guarantee of future results. Please see pages 5-6 for important index definitions.

Fixed Income

Long-term fixed income returns are primarily determined by their starting yield. For example, historical periods that began with 9% yields produced average nominal returns of 9% over the next ten years and periods that began with 5% yield produced 5% returns, as shown in the chart below. Over long periods, bonds mature at face value and any capital gains or losses disappear, leaving interest income as the primary source of return. With current investment grade bonds offering average yields of less than 2%, history suggests that bond market returns will be low over the coming years.

The Swiss National Bank (SNB) recently set its overnight policy rate at -0.75%, defying conventional wisdom that 0.0% represents the practical 'lower bound' for interest rates. Denmark and Sweden's central banks have since followed the SNB into negative territory. If negative rates become widely accepted, then US bond yields could remain lower than expected. If so, we believe it represents only a tactical opportunity for bonds. Over the long run, low rates lead to low nominal returns and the potential for negative rates only make that situation worse. In addition, negative rates could become a powerful new tool to help central banks fight deflation, making low nominal returns even more unappealing. (See the 1/20/2015 Strategic View – *The Swiss Tsunami* — for more details.)

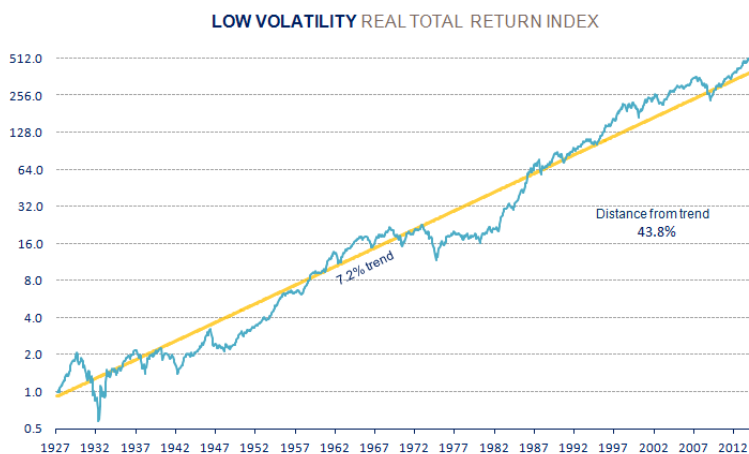


Source: RiverFront Investment Group, Center for Research in Security Prices (CRSP®), Booth School of Business, The University of Chicago.

We believe that short-maturity high yield bonds, with yields approaching 7%, are currently the most attractive fixed income asset class. In addition to providing some protection from rising rates, short-maturity high yield bonds provide better credit visibility than longer maturity alternatives, in our view. Thus we believe we can increase exposure to this asset class without significantly increasing portfolio risk. *In a rising interest rate environment, the value of fixed-income securities generally declines. High-yield securities are subject to greater risk of loss of principal and interest, including default risk, than higher-rated securities.*

Low Volatility

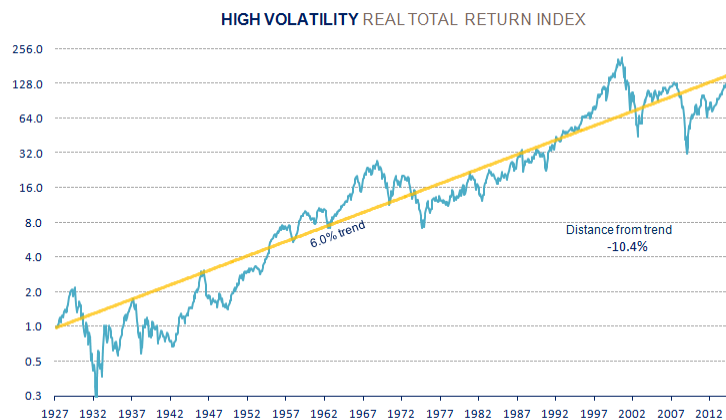
The Low Volatility Index is comprised of the 100 least volatile stocks in the S&P 500 and tends to be dominated by high-dividend utility, pharmaceutical, telecommunications, and consumer staples stocks. In normal market conditions, this is one of the most attractive equity asset classes, offering above-average returns and lower-than-average volatility. Low Volatility's long-term returns tend to be highly correlated with interest rates, benefitting from falling rates and suffering as rates rise. Interest rates' big drop in 2014 pushed this asset class to about 40% above trend, a near-record level of overvaluation that history suggests will result in greatly reduced long-term returns and elevated downsides risks if rates rise.



Source: RiverFront Investment Group, CRSP*. Past performance is no guarantee of future results. Data from Feb 1927 through Dec 2014. Past performance is no guarantee of future results.

High Volatility

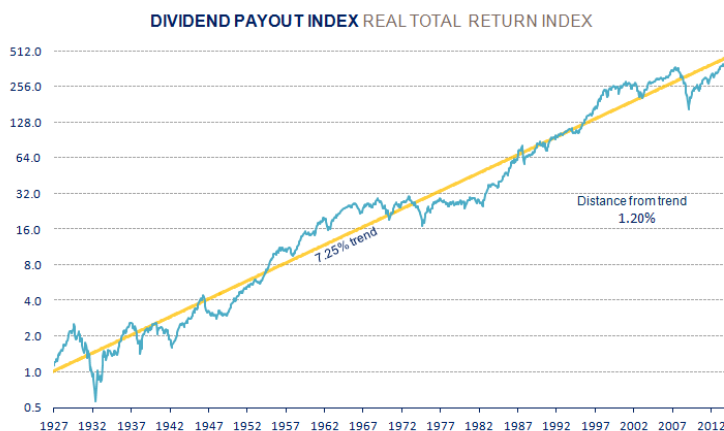
The High Volatility Index is constructed with the most volatile (highest beta) stocks in the S&P 500. This asset class is typically attractive only when extremely undervalued, since it offers above-average risks and below-average long-term trend returns. High Volatility played a major role in our 2013 strategies and a reduced role in our longest time horizon strategy in 2014. Downside risks for this volatile asset class have increased sharply following above-trend returns in 2014, in our view, and it has been removed from all strategies.



Source: RiverFront Investment Group, CRSP*. Past performance is no guarantee of future results. Data from Feb 1927 through Dec 2014. Past performance is no guarantee of future results.

Dividend Payout

The Dividend Payout index is comprised of the 300 largest dividend payers in the US market; i.e., the dollar amount of each company's dividend determines its weight in the index. Companies such as Exxon, Apple, and Microsoft dominate the index because their total dividend payments are very high, even though their dividend yields are low. Thus, the Dividend Payout index has faster trend growth and less volatility than the broader large cap stock universe. Although this asset class had strong returns in 2014, it remains only slightly above trend and represents the most attractive combination of upside potential and downside risk in the US equities markets, in our view. Thus, we now include this asset class in our longer time horizon strategies, and they remain a core component of our shorter time horizon strategies.



Source: RiverFront Investment Group, CRSP*. Past performance is no guarantee of future results. Data from Feb 1926 through Dec 2014. Past performance is no guarantee of future results.

To see the 2015 Strategic Allocation weightings for the RiverFront strategies, please contact your Financial Advisor. Financial Professionals can visit the Advisor Website at www.riverfrontig.com. Financial Professionals who have not registered for the RiverFront Advisor Website, can do so on the public website, or by contacting 804-549-4800.

Important Disclosures

Past performance is no guarantee of future results.

RiverFront's Price Matters® discipline compares inflation-adjusted current prices relative to their long-term trend to help identify extremes in valuation.

* Calculated based on data from CRSP 1925 US Indices Database ©2014 Center for Research in Security Prices (CRSP®), Booth School of Business, The University of Chicago.

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CRSP ranks all NYSE companies by market capitalization and divides them into ten equally populated portfolios. Alternext and NASDAQ stocks are then placed into the deciles determined by the NYSE breakpoints, based on market capitalization. The series of

10 indices are identified as CRSP 1 through CRSP 10, where CRSP 10 has the largest population and smallest market-capitalization. CRSP portfolios 1-2 represent large cap stocks, portfolios 3-5 represent mid-caps and portfolios 6-10 represent small caps.

The Standard & Poor's (S&P) 500 Index measures the performance of 500 large cap stocks, which together represent about 75% of the total US equities market. It is not possible to invest directly in an index.

RiverFront's Low Volatility Index attempts to replicate the S&P 500® Low Volatility Index, using the CRSP Daily Historical Returns Series and Historical S&P Series. It is constructed by inverse volatility weighting the 100 least volatile stocks in the S&P 500 (meaning the least volatile stocks get the highest weights in the index). From 1926-1957, CRSP deciles 1-4 are used for the universe of stocks from which the index is constructed. From 1957 on, the S&P 500's historical holdings are used. It is not possible to invest directly in an index.

RiverFront's High Volatility Index attempts to replicate the S&P 500® High Beta Index, using the CRSP Daily Historical Returns Series and Historical S&P Series. It is constructed by beta weighting the 100 highest beta stocks in the S&P 500 (meaning the highest beta stocks get the highest weights in the index). From 1926-1957, CRSP deciles 1-4 are used for the universe of stocks from which the index is constructed. From 1957 on, the S&P 500's historical holdings are used. Beta measures volatility relative to a benchmark. A result greater than 1.0 implies that a security is more volatile than the benchmark; a result less than 1.0 suggests that the security is less volatile than the benchmark. Betas may change over time. It is not possible to invest directly in an index.

RiverFront Investment Group, LLC, is an investment advisor registered with the Securities Exchange Commission under the Investment Advisors Act of 1940. The company manages a variety of portfolios utilizing stocks, bonds, and exchange-traded funds (ETFs). Any discussion of the individual securities that comprise the portfolios is provided for informational purposes only and should not be deemed as a recommendation to buy or sell any individual security mentioned. Opinions expressed are current as of the date shown and are subject to change. They are not intended as investment recommendations.

Important Simulation Disclosures

- Extreme market movements may occur more often than in the model.
- Some asset classes have relatively short histories. Actual long-term results for each asset class may differ from our assumptions, with those for classes with limited histories potentially diverging more.
- Market crises can cause asset classes to perform similarly, lowering the accuracy of our return assumptions and diminishing the benefits of diversification (that is, using many different asset classes) in ways not captured by the analysis. As a result, returns actually experienced by the investor may be more volatile than those used in our analysis.
- The model does not take into consideration short-term correlations among asset class returns (correlation is a measure of the degree in which returns are related or dependent upon each other). It does not reflect the average periods of bull and bear markets, which can be longer than those modeled.
- The analysis does not use all asset classes. Other asset classes may provide different returns or outcomes than those used.
- Taxes and investment fees are not taken into account.
- The analysis illustrated above models asset classes, not investment products. As a result, the actual experience of an investor in a given investment product (e.g., separately managed accounts, mutual funds, unified managed accounts) may differ from the range generated by the simulation, even if the broad asset allocation of the investment product is similar to the one being modeled. Possible reasons for divergence include, but are not limited to, active management by the manager of the investment product or the costs, fees, and other expenses associated with the investment product. Active management for any particular investment product—the selection of a portfolio of individual securities that differs from the broad asset classes modeled in the analysis—can lead to the investment product having higher or lower returns than the range used in this analysis.