

SHORT-TERM MUNICIPAL BOND

- Style: Short-Term, Investment Grade
- Approach: Active; Top-Down/Bottom-Up
- Benchmark: Bloomberg Barclays 1-Year Municipal Bond Index
- Inception: 1/1/2002
- Strategy Assets: \$28 MM

INVESTMENT PHILOSOPHY

We believe we can capture yield advantages over money market funds, while controlling volatility, by actively managing a diverse portfolio of short-term municipal securities. Our focus on fundamental research helps us to uncover and exploit inefficiencies in the marketplace.

ABOUT OUR FIRM

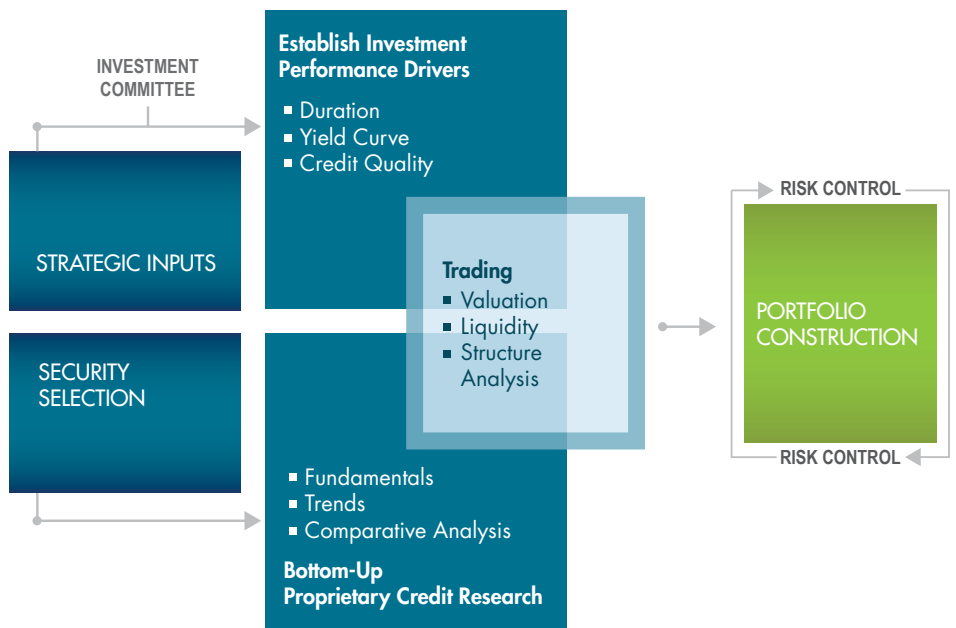
GW&K is a dynamic investment management firm that offers active equity and fixed income investment solutions to meet the needs of a diverse client base. At our core is an entrepreneurial spirit of innovation, a desire to help educate our clients and a level of service that is hard to come by. Our founding principles of applying rigorous fundamental research, focusing on quality and maintaining a long-term view still guide our investment process today.

- Founded in 1974
- \$36 Billion Under Management
- Individually Managed Accounts
- Serving Individuals and Institutions

STRATEGY HIGHLIGHTS

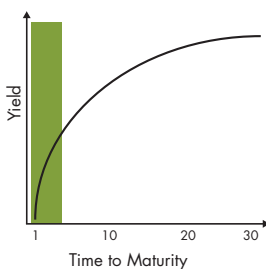


INVESTMENT PROCESS



OUR ACTIVE DYNAMIC APPROACH

Yield Curve Positioning



- Seek to enhance yield through positioning at the front end of the curve

Bottom-up Credit Research

- Our proprietary process focuses on a selective universe of credits to seek best relative value with an eye on risk management.

Value Added Trading

- Our experienced trading desk provides important perspectives on market dynamics for effective bond selection and optimal execution.

INVESTMENT TEAM

NANCY G. ANGELL, CFA

Partner
Co-Director, Fixed Income
Investment Professional Since 1984
Joined GW&K 1984
AB, Duke University
MBA, Boston University

JOHN B. FOX, CFA

Partner
Co-Director, Fixed Income
Investment Professional Since 1990
Joined GW&K 1990
BA, Boston College
MBA, Boston University

BRIAN T. MORELAND, CFA

Partner
Portfolio Manager
Investment Professional Since 1997
Joined GW&K 1998
BS, Boston College

MARTIN R. TOURIGNY, CFA

Partner
Portfolio Manager
Investment Professional Since 1992
Joined GW&K 1994
BA, Boston College
MS, Suffolk University

13 Municipal Bond Investment Professionals Averaging 21 Years Experience

A DISCIPLINED APPROACH TO PORTFOLIO CONSTRUCTION & RISK MANAGEMENT

DIVERSIFICATION

We diversify our portfolios by:

- Issuer
- Sector
- Geography
- Bond characteristics

RISK MANAGEMENT

Credit Risk -	Generally limit position sizes to 10%, limit issuers to 15% of the portfolio
Interest Rate Risk -	Generally limit duration variance to +/- 50% of the benchmark
Reinvestment Risk -	Manage call risk through bond structure analysis

QUALITY

High quality portfolios
Typical average portfolio quality: AA

AVERAGE # OF HOLDINGS

10-20 Holdings

COMPREHENSIVE RESEARCH

Philosophy

Fundamental municipal bond research plays an important role in our investment process, particularly during periods of rapidly changing economic signals. We rely on our own proprietary research, not on rating agencies' conclusions or bond insurance.

Focus

Drawing from extensive industry knowledge, our analysts conduct a rigorous evaluation of existing holdings and potential purchases. We focus our research on the underlying credit, while our Strategy targets large, liquid, investment grade issuers that are active primary market participants.

Opportunity

Our presence in the municipal market provides us access to secondary offerings and new issue opportunities nationwide enabling us to greatly diversify our portfolios and capitalize on market inefficiencies. We subscribe to numerous external research services, which are analyzed in conjunction with the bond indentures and reports provided by the issuers. Over the years, we have developed an extensive database of past and current research that provides us with historical financial analysis.

Risk Control

Our credit analysts rely on multiple defensive measures to protect portfolio principal and to ensure that every buy and sell decision is in the best interest of our clients. We evaluate several factors such as the issuer's liquidity, financial flexibility, and trends at the state and sector levels.