

FOUNDATIONS & ENDOWMENTS FINISH THIRD QUARTER IN NEGATIVE TERRITORY



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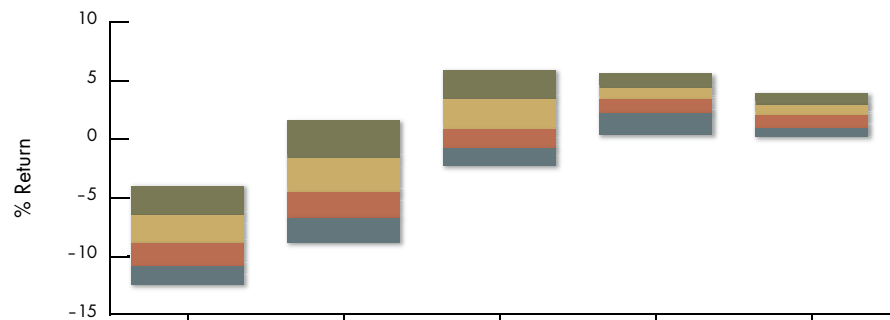
Overall, Foundations and Endowments lost value during the third quarter 2011, as the median fund returned -8.9%. This marked only the second time since first quarter 2009 (second quarter 2010 being the other) that the median return was negative; however, this quarter was the lowest since fourth quarter 2008 (-13.7%). The one-year median return was 0.7% and the three- and five-year median returns in the Foundations and Endowments Universe were 3.3% and 1.9%, respectively.

During the third quarter, nearly all the median programs generated negative returns (only the fixed income and private equity programs had positive returns for

the quarter). The domestic equity (-16.0%) and international equity (-18.6%) programs produced the largest losses during the third quarter, driving down the total equity program return to -16.1%. The Foundations and Endowments Universe's largest composite allocation for the third quarter was private equity (24%), with domestic equity comprising 20%. The domestic equity program returned -0.02% for the one-year period ending September 30; the international equity program returned -8.5% over the same period.

The Foundations and Endowments Universe has experienced significant asset

FOUNDATION AND ENDOWMENT PLANS – TOTAL RETURNS SEPTEMBER 30, 2011



allocation changes over the past several years. While U.S. equity remains one of the largest components at approximately 20%, the Foundations and Endowments Universe has moved a significant portion of assets from domestic equity into hedge funds and private equity. In contrast, 44%

of these funds were invested in domestic equity 10 years ago. International equity continues to make up a significant portion of Foundations and Endowments portfolios at 10%, and private equity has grown to 24% of Foundations and Endowments portfolios as of September 30, 2011.

COMPOSITE ASSET ALLOCATION – FOUNDATIONS AND ENDOWMENTS				
	Current	1 Year Ago	3 Years Ago	5 Years Ago
U.S. Equity	20%	23%	27%	37%
Global/Non-U.S. Equity	10%	12%	14%	16%
U.S. Fixed Income	17%	17%	15%	17%
Global/Non-U.S. Bonds	3%	2%	1%	1%
Private Equity/Hedge Funds	39%	39%	37%	23%
Cash & Other	11%	6%	6%	6%

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If you would like to participate in our universe analysis and receive more in-depth information, please contact your relationship manager.

Returns are shown gross of fees. Index returns assume reinvestment of dividends and earnings and do not reflect the deduction of any trading costs or other expenses. It is not possible to invest directly in an index. Periods greater than one year are annualized. Past performance does not indicate future results.

