

Thompson, Siegel & Walmsley LLC

6806 Paragon Place, Suite 300 PO Box 6883
Richmond, Virginia 23230

Style: Small/Mid Cap Value
Sub-Style: Relative Value
Firm Assets Under Management: \$6.4 billion[^]
Firm Strategy Assets Under Management: \$45,660.0 billion[^]
Year Founded: 1969
Professional Staff: 38[^]
Firm Ownership: Old Mutual (US) Holdings Inc.
CG IAR Status: Focus

PRODUCT OVERVIEW

Thompson, Siegel & Walmsley LLC's (TS&W) small/mid cap value investment process uses a combination of quantitative and qualitative methods to build a portfolio of securities that seeks to outperform the Russell 2500 Value Index. A four-factor model is used to narrow the large universe of stocks with market capitalizations within the range of the Russell 2500 Value Index to a group of 400 companies that are most attractive within each of the 12 economic sectors of the the Index. Fundamental analysis is then used to build a portfolio of approximately 85 small and mid capitalization stocks. The process employs a rigorous sell discipline. TS&W's process may, at times, result in portfolios that will be over/underweighted in particular sectors/industries versus the S&P 500 Index.

The portfolio characteristics, portfolio statistics, portfolio weightings, allocation history and top five holdings are based on a representative account managed by the investment manager in the same or a substantially similar investment discipline and/or on information that the manager has provided to Morgan Stanley Smith Barney. The performance data and related analyses are based on the performance of the investment manager's composite described on page 3.

TARGET PORTFOLIO CHARACTERISTICS

Number of stock holdings:	75 to 85
Average dividend yield:	Below the S&P 500 Index
P/E ratio:	Below the S&P 500 Index
Cash level over market cycle:	0 to 10%
Risk (standard deviation):	Similar to the S&P 500 Index
Average turnover rate:	30 to 60%
Use ADRs:	0 to 5%
Capitalization:	Medium, Small and Micro companies

RISK CONSIDERATIONS

Investing in securities entails risks, including: The stocks of small and medium-sized companies are often associated with higher risk than stocks of larger companies, including higher volatility. When investing in value securities, the market may not necessarily have the same value assessment as the manager, and, therefore, the performance of the securities may decline.

MANAGER'S INVESTMENT PROCESS

- Use a four factor model to narrow the SMID cap universe to a group of 400 companies that are most attractive to each of the 12 economic sectors of the Russell 2500 Value Index.
- Fundamental analysis is used to build portfolio of approximately 80 SMID capitalization stocks.
- Portfolio's security positions are typically 1-3% of assets; generally with a maximum of 5%; sector constraint of +/-10% vs. Russell 2500 Value Index is applied across 12 major economic sectors
- A stock may be sold when it reaches its price target, fundamentals have changed, a better opportunity is found or its market capitalization has grown too large

MANAGER'S INVESTMENT STRATEGY

- ☐ Top-down / portfolio structures based on economic trends
- ☒ Bottom-up / portfolio structure based on individual securities

% PROCESS BASED ON

5 Asset allocation - cash vs. stock
35 Industry or sector weighting
60 Stock Selection

PORTFOLIO STATISTICS

	-----12/11-----			06/11
	TS&W	Russell 2500 Val.	S&P 500 Index	TS&W
Number of stock holdings	—	1,693	500	88
Weighted average dividend yield	1.4%	2.2%	2.2%	1.6%
Weighted average P/E ratio ¹	13.80x	13.02x	13.48x	14.60x
Weighted average portfolio beta	—	1.24	0.99	—
Mega capitalization ⁺	0.0%	0.0%	33.4%	0.0%
Large capitalization ⁺	0.0%	0.0%	51.3%	0.0%
Medium capitalization ⁺	0.0%	44.3%	15.1%	0.0%
Small capitalization ⁺	0.0%	45.1%	0.3%	0.0%
Micro capitalization ⁺	0.0%	10.6%	0.0%	0.0%

PORTFOLIO'S EQUITY SECTOR WEIGHTINGS ⁺

	-----12/11-----			06/11
Sector	TS&W	Russell 2500 Val.	S&P 500 Index	TS&W
Energy	4.51	4.91	12.27	6.70
Materials	3.94	5.66	3.50	4.80
Industrials	8.63	14.00	10.69	10.20
Consumer Discretionary	9.47	12.76	10.67	10.60
Consumer Staples	2.37	3.23	11.54	0.00
Health Care	14.62	5.37	11.85	9.40
Financials	21.20	33.10	13.64	20.30
Information Technology	21.07	9.53	19.02	21.60
Telecomm Services	1.51	0.69	2.96	1.00
Utilities	12.68	10.53	3.87	15.40

PORTFOLIO'S ALLOCATION HISTORY (%)⁺

	12/11	09/11	06/11	03/11
U.S. Stocks	96	97	96	96
REITs	0	0	1	0
Cash/Cash Equivalents	4	3	3	4

PORTFOLIO'S TOP FIVE EQUITY HOLDINGS

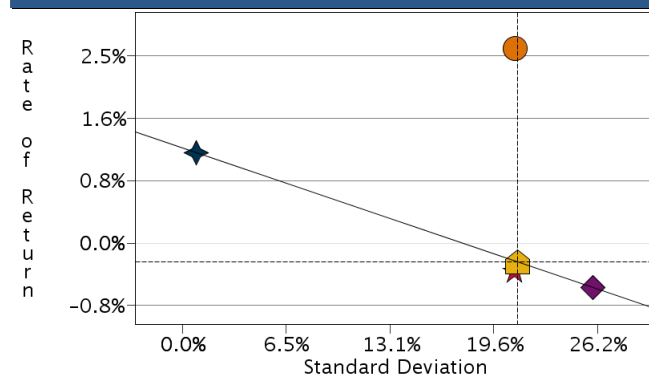
	%
Westar Energy Inc	2.3
CMS Energy Corp	2.2
IMPAX Laboratories Inc	2.0
Pinnacle West Capital Corp	2.0
Idacorp Inc	1.9

[^]As of 09/30/2011. Information as of 12/31/2011 is not yet available.

[†]The P/E used here is calculated by the harmonic mean.

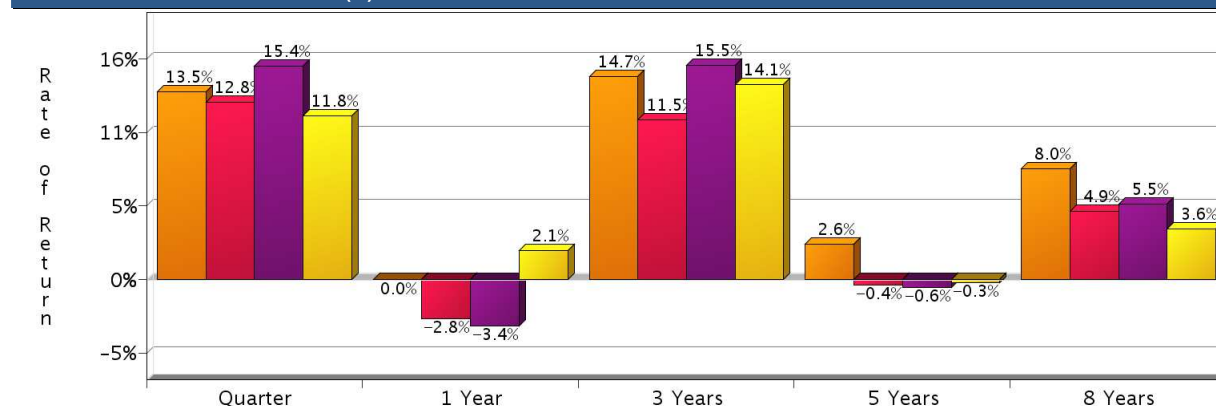
⁺Total may not equal 100% due to rounding.

RISK/RETURN ANALYSIS – 5 YEARS ENDING 12/31/11



	STD	ROR
● TS&W (Gross)	20.97	2.56
★ TS&W (Net)	20.95	-0.38
◆ Russell 2500 Value Index	25.90	-0.58
▲ S&P 500 Index	21.14	-0.25
◆ 90-Day T-Bills	0.87	1.19

AVERAGE ANNUAL TOTAL RETURN (%) – PERIODS ENDING 12/31/11



INVESTMENT RESULTS	Annual Rates of Return (%)					8 Year - Ending 12/31/11		
	2004	2005	2006	2007	2008	2009	2010	2011
TS&W (Gross)	21.83	13.89	17.46	10.21	-31.75	22.58	23.10	-0.03
TS&W (Net)	18.47	10.70	14.19	7.10	-33.93	19.20	19.71	-2.82
Russell 2500 Value Index	21.58	7.74	20.18	-7.27	-31.99	27.68	24.82	-3.36
S&P 500 Index	10.88	4.91	15.80	5.49	-37.00	26.46	15.06	2.11

PORTFOLIO'S QUARTERLY RETURNS (%)

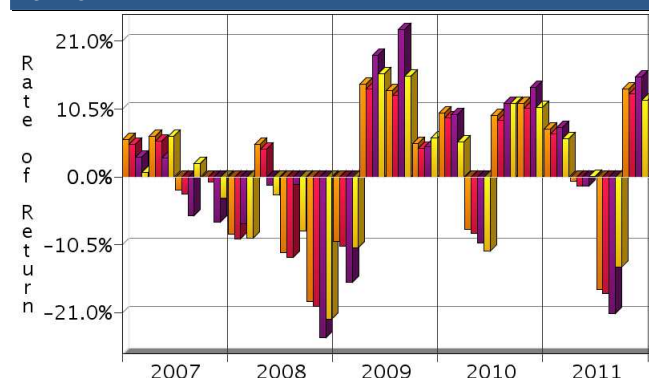
	Quarter 1		Quarter 2		Quarter 3		Quarter 4	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
2004	4.27	3.54	3.36	2.63	0.74	0.01	12.21	11.48
2005	1.09	0.36	3.67	2.94	9.43	8.70	-0.69	-1.42
2006	12.15	11.42	-1.99	-2.72	-1.01	-1.74	7.95	7.22
2007	5.79	5.06	6.29	5.56	-1.98	-2.71	-0.01	-0.74
2008	-8.82	-9.55	4.98	4.25	-11.75	-12.48	-19.21	-19.94
2009	-9.93	-10.66	14.34	13.61	13.27	12.54	5.09	4.36
2010	9.84	9.11	-8.05	-8.78	9.50	8.77	11.32	10.59
2011	7.41	6.68	-0.71	-1.44	-17.44	-18.07	13.55	12.81

Related Select UMA

PORTFOLIO'S RISK STATISTICS – PERIODS ENDING 12/31/11^{1,2}

	3 Year	5 Year
Standard Deviation	21.20%	20.97%
Standard Deviation of Primary Benchmark	28.07%	25.90%
Sharpe Ratio	0.69	0.07
Sharpe Ratio of Primary Benchmark	0.55	-0.07
Alpha	2.40%	2.38%
Beta	0.74	0.76
Downside Risk	6.70%	7.06%
R-Squared	0.97	0.88
Tracking Error	8.07%	9.69%
Information Ratio	-0.10	0.32

RISK VOLATILITY



	Number Of	Up Qtrs.	Down Qtrs.
TS&W (Gross)		11	9
TS&W (Net)		11	9
Russell 2500 Value Index		10	10
S&P 500 Index		12	8

PORTFOLIO DIVERSIFICATION - R² (INCEPTION THROUGH 12/11)*

	R ²
TS&W vs. S&P 500 Index	0.86
TS&W vs. Russell 2500 Value Index	0.86

*Statistics are calculated using gross of fee performance only.

1. Statistics are calculated using gross of fee performance only.
2. Russell 2500 Value Index was used as the primary benchmark and the 90-Day U.S. T-Bill Index as the risk-free benchmark.

See page 3 for a discussion of the sources of the performance data used to calculate the performance results and related analyses on page 2.

Past performance is no guarantee of future results. This profile is not complete without pages 3 and 4, which contain important notes, including disclosures about the composite, index descriptions and a glossary of terms. Information shown is as of December 31, 2011, unless otherwise noted. All data are subject to change.

IMPORTANT NOTES AND DISCLOSURES

COMPOSITE DISCLOSURES

Past performance is no guarantee of future results. Actual individual account results may differ from the performance shown in this profile. There is no guarantee that this investment strategy will work under all market conditions. Do not use this profile as the sole basis for your investment decisions.

Performance results in this profile are calculated assuming reinvestment of dividends and income. Returns for more than one year are annualized and based on quarterly data. Returns for periods of less than a calendar year show the total return for the period and are not annualized.

Sources of Performance Results and Other Data: The performance data and certain other information for this strategy (including the data on page 1 of this profile) reflect the investment manager's results in managing Morgan Stanley Smith Barney Fiduciary Services program accounts in the Morgan Stanley channel or the Smith Barney channel, or the investment manager's results in managing accounts and investment products, in the same or a substantially similar investment discipline. This information for the investment manager is presented solely to provide information about accounts that were managed according to investment objectives and strategies the same or substantially similar to the corresponding investment discipline in the Select UMA program. Although the Fiduciary Services and Select UMA programs are both Morgan Stanley managed account programs, the performance results and other features of similar investment disciplines in the two programs may differ due to investment and operational differences. For example, the individual investment disciplines in the Select UMA accounts may contain fewer securities, which would lead to a more concentrated portfolio. The automatic rebalancing, wash sale loss and tax-harvesting features of the Select UMA program, which are not available in Fiduciary Services, also could cause differences in performance. Accordingly, the performance of the accounts in the Fiduciary Services program is not, and may differ significantly from, the performance of the accounts in the Select UMA program and should not be considered indicative of or a substitute for Select UMA performance. Similarly, performance results of the investment manager's composites may differ from those of Select UMA accounts managed in the same or a substantially similar investment discipline.

Related Performance:

Thompson, Siegel & Walmsley LLC's (TS&W) small mid cap value equity performance prior to 10/1/2005 represents a composite of all fully discretionary, fee-paying, tax-exempt small mid cap value equity accounts. The composite consisted of 13 accounts with a market value of \$284.1 million as of 9/30/2005.

Select UMA Performance:

In this profile, the performance from 10/1/2005 consists of accounts in either the Morgan Stanley or the Smith Barney form of the Fiduciary Services program. Performance composites calculated by Morgan Stanley Smith Barney include all fee-paying portfolios with no investment restrictions. New accounts are included upon the first full quarter of performance. Terminated accounts are removed in the quarter in which they terminate. Performance is calculated on a total return basis and by asset weighting the individual portfolio returns using the beginning of period values.

Gross Performance: TS&W's gross results do not reflect a deduction of any investment advisory fees or program fees, charged by TS&W or Morgan Stanley Smith Barney, but are net of commissions charged on securities transactions.

Net Performance for all Periods: Net performance results reflect a deduction of .73% quarterly. This consists of three components: 0.625% maximum quarterly MSSB Advisory Fee and 0.03% maximum quarterly Program Overlay Fee (which, together cover the services provided by Morgan Stanley Smith Barney), plus .075% quarterly SMA Manager Fees (being the fee currently charged by TS&W to new clients for managing their assets in the Select UMA program). The SMA Manager Fees may differ from manager to manager, and managers may change their fee to new clients from time to time. If you select this manager for your account, check the SMA Manager Fees specified in the written client agreement, in case these have changed since you received this profile.

Morgan Stanley Smith Barney program fees are usually deducted quarterly, and have a compounding effect on performance. The Morgan Stanley Smith Barney program fee, which differs among programs and clients, is described

Style: Small/Mid Cap Value

in the applicable Morgan Stanley Smith Barney ADV brochure, which is available at www.smithbarney.com/ADV or on request from your Financial Advisor or Private Wealth Advisor.

Focus List, Approved List, and Watch Status:

Consulting Group Investment Advisor Research ("CG IAR") uses two methods to evaluate investment products in applicable advisory programs. In general, strategies that have passed a more thorough evaluation may be placed on the "Focus List", while strategies that have passed through a different and less comprehensive evaluation process may be placed on the "Approved List". Sometimes an investment product may be evaluated using the Focus List process but then placed on the Approved List instead of the Focus List.

Investment products may move from the Focus List to the Approved List, or vice versa. CG IAR may also determine that an investment product no longer meets the criteria under either evaluation process and will no longer be recommended in investment advisory programs (in which case the investment product is given a "Not Approved" status).

CG IAR has a "Watch" policy and may describe a Focus List or Approved List investment product as being on "Watch" if CG IAR identifies specific areas that (a) merit further evaluation by CG IAR and (b) may, but are not certain to, result in the investment product becoming "Not Approved". The Watch period depends on the length of time needed for CG IAR to conduct its evaluation and for the investment manager to address any concerns. CG IAR may, but is not obligated to, note the Watch status in this report with a "W" or "Watch" on the cover page.

For more information on the Focus List, Approved List, and Watch processes, please see the applicable Morgan Stanley Smith Barney ADV brochure. Your Financial Advisor or Private Wealth Advisor can provide on request a copy of a paper entitled "Manager Research and Selection: A Disciplined Process".

ADDITIONAL DISCLOSURES

The information about a representative account is for illustrative purposes only. Actual account holdings, performance and other data will vary depending on the size of an account, cash flows within an account, and restrictions on an account. Holdings are subject to change daily. The information in this profile is not a recommendation to buy, hold or sell securities.

Actual portfolio statistics may vary from target portfolio characteristics.

The investment manager may use the same or substantially similar investment strategies, and may hold similar portfolios of investments, in other portfolios or products it manages (including mutual funds). These may be available at Morgan Stanley Smith Barney or elsewhere, and may cost an investor more or less than this strategy in Morgan Stanley Smith Barney's Select UMA program.

The portfolio may, at times, invest in exchange-traded funds (ETFs), which are a form of equity security in seeking to maintain continued full exposure to the broad equity market.

Morgan Stanley Smith Barney investment advisory programs may require a minimum asset level and, depending on your specific investment objectives and financial position, may not be suitable for you. Investment advisory program accounts are opened pursuant to a written client agreement.

The investment manager acts independently of, and is not an affiliate of, Morgan Stanley Smith Barney.

Morgan Stanley Smith Barney LLC Member SIPC.

INDEX DESCRIPTIONS

90-Day T-Bills

The 90-Day Treasury Bill is a short-term obligation issued by the United States government. T-bills are purchased at a discount to the full face value, and the investor receives the full value when they mature. The difference of 'discount' is the interest earned. T-bills are issued in denominations of \$10,000 (auction) and \$1,000 increments thereafter.

Russell 2500 Value Index

The Russell 2500 Value Index is representative of the U.S. market for smaller to medium capitalization stocks containing those companies in the Russell 2500 Index with lower price-to-book ratios and lower forecasted growth.

S&P 500 Index

Widely regarded as the best single gauge of the U.S. equities market, this world-renowned index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. Although the S&P 500 focuses on the large-cap segment of the market, with over 80% coverage of U.S. equities, it is also an ideal proxy for the total market.

Indices are unmanaged and have no expenses. You cannot invest directly in an index.

GLOSSARY OF TERMS

Alpha is a mathematical estimate of risk-adjusted return expected from a portfolio above and beyond the benchmark return at any point in time.

American Depositary Receipts (ADRs) are receipts for shares of a foreign-based corporation held in the vault of a U.S. bank.

Average Portfolio Beta is a measure of the sensitivity of a benchmark or portfolio's rates of return to changes against a market return. The market return is the S&P 500 Index. It is the coefficient measuring a stock or a portfolio's relative volatility.

Capitalization is defined as the following: Mega (\$50.0 billion and Above), Large (\$11.0 - \$50.0 billion), Medium (\$2 - \$11.0 billion), Small (\$500m - \$2 billion) and Micro (below \$500 million).

Downside Risk is a measure of the risk associated with achieving a specific target return. This statistic separates portfolio volatility into downside risk and upside uncertainty. The downside considers all returns below the target return, while the upside considers all returns equal to or above the target return.

Duration is a measure of price sensitivity expressed in years.

Information Ratio is a measure of the investment manager's skill to add active value against a given benchmark relative to how stable that active return has been. Essentially, the information ratio explains how significant a manager's alpha is. Therefore, the higher the information ratio, the more significant the alpha.

Investment Grade Bonds are those rated by Standard & Poor's AAA (highest rated), AA, A or BBB (or equivalent rating by other rating agencies or, in the case of securities not rated, by the investment manager).

Price/Earnings Ratio (P/E Ratio) shows the multiple of earnings at which a stock sells. Determined by dividing current stock price by current earnings per share (adjusted for stock splits). Earnings per share for the P/E ratio are determined by dividing earnings for past 12 months by the number of common shares outstanding. The P/E ratio shown here is calculated by the harmonic mean.

R² (R-Squared)/Portfolio Diversification indicates the proportion of a security's total variance that is benchmark-related or is explained by variations in the benchmark.

Sharpe Ratio measures the efficiency, or excess return per unit of volatility, of a manager's returns. It evaluates managers' performance on a volatility-adjusted basis.

Standard Deviation is a statistical measure of historical variability or spread of returns around a mathematical average return that was produced by the investment manager over a given measurement period. The higher the standard deviation, the greater the variability in the investment manager's returns relative to its average return.

Tracking Error represents the standard deviation of the difference between the performance of the investment strategy and the benchmark. This provides a historical measure of the variability of the investment strategy's returns relative to its benchmark.