Core Disciplined Alpha

MANAGEMENT TEAM
Lynne Royer
Disciplined Alpha Team

OBJECTIVE
Seeks to outperform the Bloomberg Barclays US Aggregate Index consistently over time with a comparable level of risk

HIGHLIGHTS
• We believe in intense focus on fundamental research-based, relative value investing:
  – Seeks to add value primarily through security selection, aiming to gain an edge through better research and use of market information
  – Seeks to harvest value through continuous rotation to our best opportunities
• Risk management is fundamental to the strategy. We believe:
  – Security selection decisions should be made in a risk-adjusted framework
  – Disciplined duration and curve positioning focuses the investment process
• Sources of excess return are primarily from security selection and sector allocation within benchmark components
• Investment universe consists of agencies, asset-backed securities, commercial mortgage-backed securities, investment grade credit, mortgage-backed securities, US Treasurys as well as other investments up to 5% in aggregate
• Duration is typically managed within a tight range
• Typical portfolio: 150 to 350 issues
• Industry maximum: 25%
• Currency: US dollar only

BENCHMARK
Bloomberg Barclays US Aggregate Index

FACTS
Strategy inception 7/28/10
Composite inception 9/1/10
Strategy assets $8,240.0M
Composite assets $4,173.4M

PORTFOLIO CHARACTERISTICS
Composite Index
Average maturity 7.84 yrs 7.98 yrs
Average duration 5.99 yrs 5.91 yrs
Average yield 1.54% 1.26%
Average credit quality AA3 AA2
Weighted average coupon 2.82% 3.07%
OAS 95 bps 68 bps

COMPOSITE PERFORMANCE (%)

<table>
<thead>
<tr>
<th>CUMULATIVE RETURN</th>
<th>AVERAGE ANNUALIZED RETURN</th>
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<tbody>
<tr>
<td></td>
<td>3 MO</td>
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<tr>
<td>GROSS</td>
<td>4.31</td>
</tr>
<tr>
<td>NET</td>
<td>4.26</td>
</tr>
<tr>
<td>BENCHMARK</td>
<td>2.90</td>
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COMPOSITE PERIOD PERFORMANCE (%)

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</thead>
<tbody>
<tr>
<td>GROSS</td>
<td>9.17</td>
<td>0.18</td>
<td>3.93</td>
<td>3.68</td>
<td>1.12</td>
<td>6.55</td>
<td>-1.31</td>
<td>6.61</td>
<td>8.75</td>
<td>-0.58</td>
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<tr>
<td>NET</td>
<td>8.95</td>
<td>-0.02</td>
<td>3.71</td>
<td>3.46</td>
<td>0.93</td>
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<td>6.47</td>
<td>8.60</td>
<td>-0.68</td>
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<tr>
<td>BENCHMARK</td>
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<td>0.01</td>
<td>3.54</td>
<td>2.65</td>
<td>0.55</td>
<td>5.97</td>
<td>-2.02</td>
<td>4.21</td>
<td>7.84</td>
<td>-1.19</td>
</tr>
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2010: since composite inception 9/1/2010

Performance data shown represents past performance and is no guarantee of future results. Current performance may be lower or higher than quoted. Returns are shown in US dollars and are annualized for one and multi-year periods. Gross returns are net of trading costs. Net returns are gross returns less effective management fees.

There is no guarantee that the investment objective will be realized or that the strategy will generate positive or excess return. Average Yield is Yield to Effective Maturity. Duration and Maturity for equity securities are deemed to be zero.

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KEY RISKS
Credit Risk, Issuer Risk, Interest Rate Risk, Liquidity Risk, Prepayment Risk and Extension Risk. Investing involves risk including possible loss of principal.

Due to rounding, Sector, Currency, Credit Quality and Duration distribution totals may not equal 100%. This portfolio is actively managed and characteristics are subject to change. Credit Quality reflects the highest credit rating assigned to individual holdings of the composite among Moody’s, S&P or Fitch; ratings are subject to change. Cash & Equivalents reflects unsettled trades, fees and derivatives. Negative Cash & Equivalents reflect the market value of future trade commitments for the portfolio. Cash exposure for the Index represents accrued income provided by Bloomberg Barclays. ABS: Asset-Backed Securities. MBS: Mortgage-Backed Securities. CMBS: Commercial Mortgage-Backed Securities.

The Core Disciplined Alpha Composite includes all discretionary accounts with market values greater than $30 million managed by Loomis Sayles that seek to add value for clients primarily through security selection, intending to gain an edge through analysis and market information and minimizing duration, curve, and large sector mismatches with the following additional considerations. The investment universe is primarily investment grade bonds, with a bias for liquidity. Accounts may allow up to 5% in securities below investment grade. Portfolio duration is tightly constrained and normally managed within 10% of the benchmark. The Composite was created in 2010. For additional information on this and other Loomis Sayles strategies, please visit our web site at www.loomissayles.com.