POSITIONED FOR TODAY

GIM

GREEN INVESTMENT MANAGEMENT, INC.

ACTIVE-DEFENSIVE INVESTING

PREPARED FOR TOMORROW

The Value of Place

Green Investment Management is located in downtown Fort Worth, Texas, **"Where the West Begins."** Our location is tied up with who we are and what we do. Fort Worth is a blend of cowboy history, cultural sophistication, and a forward-looking, business-friendly attitude. The city began in 1849 as a military fort – a bastion of safety for early settlers to a harsh environment – and blossomed into a key stop along the Chisholm Trail where millions of cattle were driven north to market.

Like the Texas frontier, asset markets serve up their own harsh and volatile cycles. We look after our investors in all climates, working to keep their best interests at the center of all we do. We believe that what investors really need from Wall Street is **"someone they can trust, and someone they can count on."** With a heritage of hard work, honesty, loyalty and discipline, we want our clients to view that level of service as an expectation, rather than an exception.

Our process is transparent. You will always know what is in your portfolio and how we will manage it.

Markets do not come with assurances, but understanding the underlying cycles that drive them is the best path we have found in attempting to minimize down-market losses while profiting on up-market gains. We value the trust our clients place in us and work hard to make it grow along with their assets.

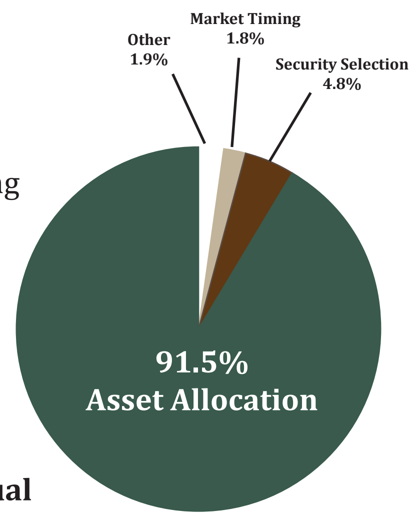
Defining Risk

Think of risk as the probability that your investment will result in a large loss or a proportionally large gain. The more volatile, or "risky" the investment you hold, the higher the likelihood you will suffer a large loss or experience a large gain.

Recent examples of wide-scale market losses include the bursting of the technology bubble in 2000, and the 2008 drop brought on by the Great Recession. In the former, the Nasdaq composite price fell 79% from 2000 to 2002. In the latter, the S&P 500 declined 37% in 2008[1]. Such market events can result in catastrophic losses and lifestyle changes for individual investors, even well diversified ones.

And it is more than a temporary problem. A 50% loss requires a 100% gain simply to get back to even. **This highlights the compelling need for careful risk management – especially for those approaching retirement age.**

How GIM Manages Portfolio Risk



Risk management begins with your financial advisor helping you identify the appropriate level of risk for your portfolio. We provide a range of portfolio options to select from, with differing risk profiles. In these, we manage risk through asset allocation (division of money among different categories of investments) and rebalance as market conditions require.

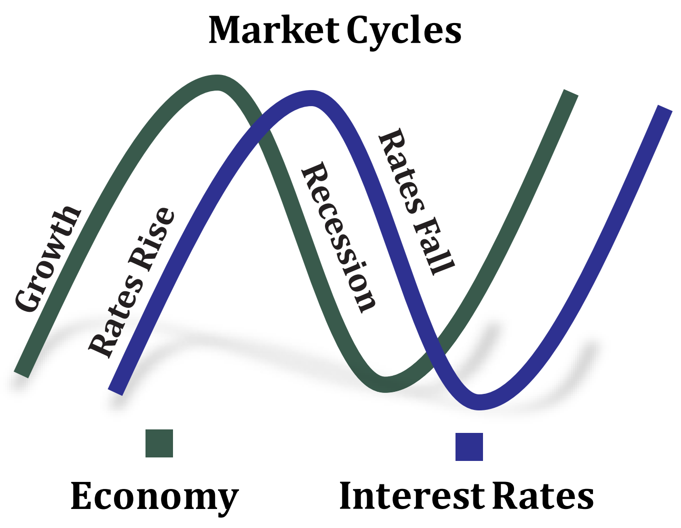
The practice of asset allocation rests on a strong intellectual framework. A classic academic study (1986, 1991) by Brinson, Singer and Beebower analyzed 91 large U.S. pension funds. The study determined that 91.5% of the variation of portfolio performance is attributed to asset allocation. Security selection (i.e. individual stock picking) counted for only 4.6% of the results, and market timing only 1.8%.

Each portfolio managed by GIM has a **"strategic target"** which is the base asset allocation for that portfolio. We adjust this allocation as market conditions change, through the process of active-defensive investing.

1 Source: Morningstar Principia

Active-Defensive Investing - How it Works

We believe that markets rise and fall depending on underlying economic cycles (GDP, interest rates, etc.). Our process seeks to uncover these cycles in an effort to help minimize portfolio loss during difficult or “bear” markets, while providing risk-adjusted returns at or above those of similarly allocated passive managers. **We seek better risk-adjusted returns by actively departing from the normal or “strategic” target mix of each portfolio (i.e., the designated blend of stocks, bonds and/or cash).** These departures from the strategic mix are limited within certain “tactical” ranges – minimum and maximum exposure levels to each asset class.



Markets are driven by overlapping cycles in variables such as GDP and interest rates.

How a portfolio reacts to these cycles has a profound impact on returns. Our investment process is an Active-Defensive system we’ve used for 30 years, one designed to protect principal while providing up-market participation. We monitor the global macro-economic environment daily to determine current market cycles and to manage our clients’ risk exposure accordingly.

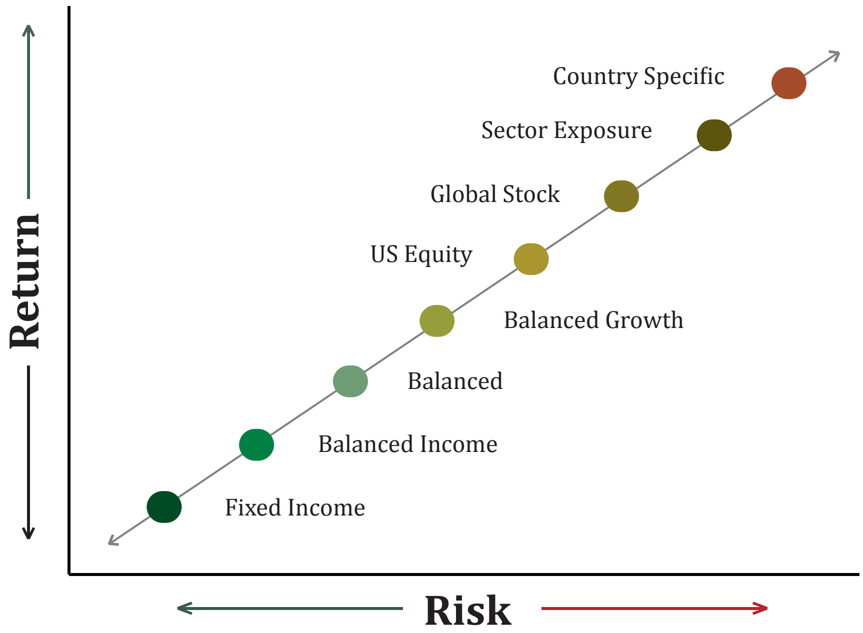
Our strategies seek to tactically adjust the asset allocation mix to improve alpha and to manage risk.

It allows us the flexibility to take advantage of especially attractive opportunities that may only be present in the short-run while reducing exposure to overpriced market segments. This maintains a diversified framework for the portfolio as a whole, and once we believe the opportunity (or risk) to have passed, we return the portfolio to its original strategic asset mix.

Allocation Spectrum - Portfolio Choices

Where do you fit?

Portfolios can range from more conservative fixed income to a blend of bonds and equities in a balanced growth strategy to aggressive equity. The key to portfolio selection is what is the best fit for your personal financial goals. Where you are in life can help determine the amount of portfolio risk that would be appropriate for you. For instance, an individual who is about to retire is more risk sensitive in their planning than a 30 year old who has years ahead of them to save and plan for retirement. Consult your financial advisor to see which GIM portfolios would best fit your financial plan.



How do I get started?

It’s simple. Contact your investment representative to request Form ADV Part 2, discuss our various strategies, and determine which may best address your risk tolerance and investment goals. From there, obtain and complete required forms, including suitability and return them to your representative.

Disclosure: Request Form ADV Part 2 for a complete description of Green Investment Management, Inc.'s management services. Market and economic conditions can change rapidly producing materially different returns (or losses) over different periods. No inference should be drawn that managed accounts will achieve similar performance or will be profitable in the future. Investing involves risk and you may incur a profit or a loss. Past performance is no guarantee of future results.

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