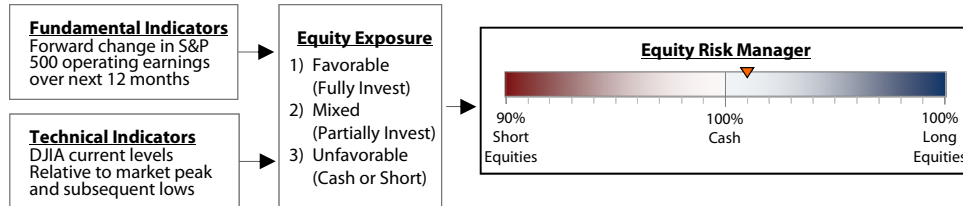




The Equity Risk Manager is a risk management strategy that when incorporated as part of an investment portfolio seeks to provide volatility control and protection from equity market downside risks and the ability to participate in enduring market advances

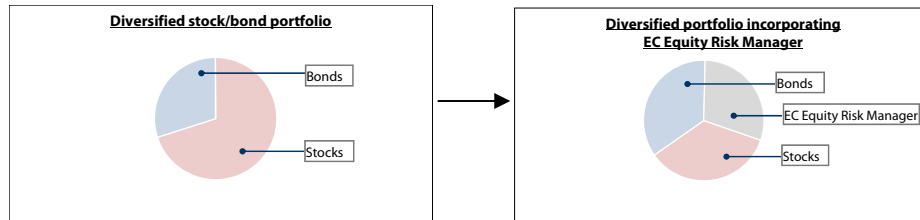
Overview

Equity Risk Manager (ERM) is designed to reduce a portfolio's equity exposure based on near-term factors coinciding with unfavorable equity market performance and restore exposure when factors become favorable. ERM analyzes fundamental and technical indicators to determine whether to be fully invested in the S&P 500 or, when conditions are unfavorable, reduce equity exposure by shifting an amount to cash or inverse (short) the S&P 500.



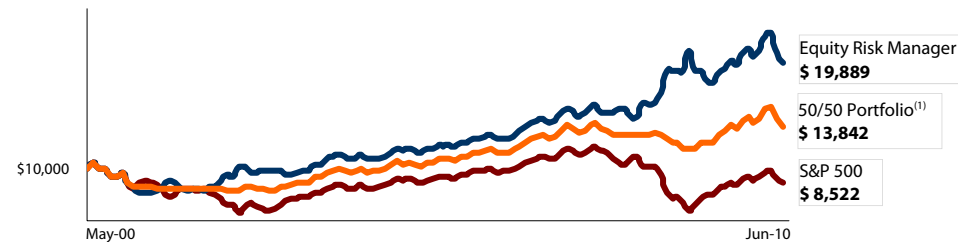
Incorporating the Equity Risk Manager into Existing Portfolios

A portion of the portfolio previously invested in equities transferred into ERM



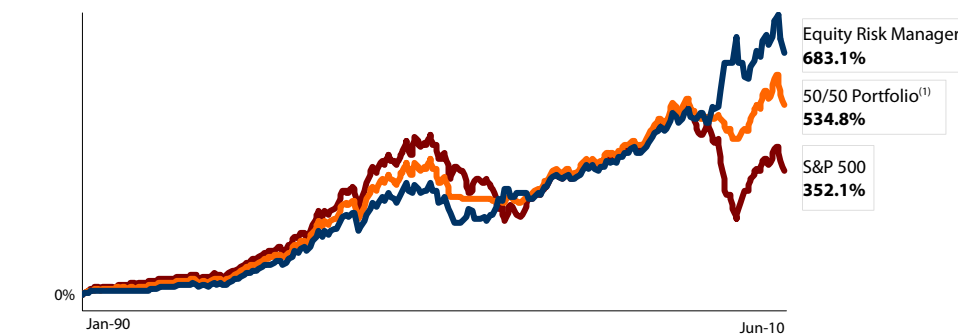
10-Year Growth of \$10,000

May 1, 2000 - Jun 30, 2010



Historical Risk-Return Simulation

Dec 31, 1989 - Jun 30, 2010



	S&P 500	Equity Risk Manager	50/50 Portfolio ⁽¹⁾
Cumulative Return	352.1%	683.1%	534.8%
Annualized Return	7.6%	10.6%	9.4%
Std. Deviation	15.1%	12.4%	11.4%
Sharpe Ratio	0.39	0.71	0.67

Key Benefits

Downside Protection Without Curtailing the Upside

- ERM has the ability to be long the markets during bull runs, and either in cash or short the market in bear markets
- ERM seeks to provide protection from prolonged market declines, enabling investors to stay invested during periods of market turbulence

Innovative Risk Management Coupled with Time Tested Investment Techniques

Addresses the shortfalls of traditional asset class diversification, adjusting equity exposure to mitigate the potentially devastating impact of prolonged bear markets while staying true to the timeless principles of equity investment and a diversified approach to portfolio construction

Adaptable to Changing Market Conditions

Exposure to equity markets is reviewed monthly

Research Driven. Rules-Based.

Decision to be fully invested or to reduce equity exposure is based on the rule-set developed by analyzing data back to 1916 and covering all bear markets since The Great Depression

A Disciplined, Repeatable Investment Process

EquityCompass' rules-based investment process is premised on more than 10 years of research that merges traditional investment theory with quantitative techniques to minimize subjective biases that often characterize traditional managers' investment process

Easy to Implement

Please contact your Stifel Nicolaus Financial Advisor for information on the products and programs that utilize the ERM

	S&P 500	Equity Risk Manager	50/50 Portfolio ⁽¹⁾
1990	-3.1%	-4.4%	-3.8%
1991	30.5	11.4	21.0
1992	7.6	6.7	7.2
1993	10.1	10.1	10.1
1994	1.3	1.3	1.3
1995	37.6	37.6	37.6
1996	23.0	23.0	23.0
1997	33.4	31.0	32.2
1998	28.6	21.7	25.1
1999	21.0	21.0	21.0
2000	-9.1	-12.8	-11.0
2001	-11.9	-13.7	-12.8
2002	-22.1	21.1	-0.5
2003	28.7	12.6	20.7
2004	10.9	9.9	10.4
2005	4.9	4.6	4.8
2006	15.8	15.8	15.8
2007	5.5	5.5	5.5
2008	-37.0	26.7	-5.2
2009	26.5	10.5	19.8
2010 YTD	-6.7	-6.3	-6.5

(1) Portfolio of 50% S&P 500 & 50% Equity Risk Manager

About EquityCompass

EquityCompass Strategies is an SEC registered investment adviser offering a comprehensive range of investment portfolios and products to institutional and individual investors exclusively through Stifel Nicolaus financial advisors.

Subsidiary of Stifel Financial

We are a wholly owned subsidiary and affiliated SEC registered investment adviser of Stifel Financial Corp. (NYSE: SF)

- As a Stifel Financial company, we are able to leverage the resources and global infrastructure of our parent for risk management oversight, trading, record keeping, reporting, and risk control, while still maintaining the autonomy and service of a pure investment firm.

A Rules-Based Approach to Investment Management

We employ a structured and fully-transparent investment process that combines traditional fundamental analysis with sophisticated quantitative modeling.

Extensive Experience

- The EquityCompass portfolio management team has been managing quantitative based equity portfolios for more than 7 years
- We have been publishing investment research, analysis, and advice for more than 10 years — previously on behalf of Legg Mason and currently on behalf of Stifel Nicolaus
- The investment team is led by Richard Cripps, CIO
 - Former Managing Director of Portfolio Strategy at Stifel Nicolaus and former Chief Market Strategist and Co-Chairman of the investment committee at Legg Mason Wood Walker, Inc.

About Stifel Financial

Founded in 1890, Stifel Financial is one of the leading financial services firms in the U.S. providing full-service brokerage and investment banking services. Stifel Financial is a leading underwriter and advisor for companies and a top provider of trade execution and securities distribution with award-winning research and a suite of asset management strategies.

Stifel was ranked 25th (16th among U.S. firms) on Fortune Magazine's *Fastest Growing Companies* list for 2009.

Firm Facts

as of Dec 31, 2009

NYSE Ticker:	SF
Public Company Since:	1983
Equity Market-Cap.:	\$1.4 billion ¹
Net Revenue:	\$1.1 billion
Total Assets:	\$3.2 billion
Worldwide Offices:	310 ¹
Number of Employees:	5000 ¹

(1) As of July 1, 2010

Investment Portfolio and Products

Strategies currently available as separately managed accounts at Stifel Nicolaus

Tactical Total Core Strategy	Asset allocation portfolio that seeks to effectively capture market returns while minimizing volatility and meant to be the solid foundation of an investor's entire investment portfolio.
Research Opportunity Strategy	Equity portfolio that combines Stifel's award-winning fundamental research and EquityCompass'
Select Quality Strategy	Sector-balanced equity portfolio of high-quality stocks trading at attractive prices and exhibiting positive price momentum.
Quality Dividend Strategy	Large-cap value equity portfolio that seeks to provide capital growth and current income.
Socially Responsible Select Quality Strategy	Sector-balanced equity portfolio of high quality, socially responsible stocks created using screening criteria developed by Risk Metrics and EquityCompass' multi-factor stock selection models.

Monthly Research Publication

EquityCompass Update & Review	Monthly publication featuring commentary, stock focus lists and model portfolios. Contact your Stifel Nicolaus Financial Advisor for additional details.
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