

### Goal

To provide diversification and reduced volatility for investors by having multiple managers with varied investment styles in one account.

### Reasons to Invest

- Employ the expertise of highly respected and innovative money managers
- Manager performance monitored regularly
- Active management in a diversified portfolio

### About PSI

Portfolio Strategies, Inc. (PSI) is an SEC-registered investment advisory firm founded in 1982 and headquartered in Tacoma, Washington. PSI offers a range of investment strategies that can be managed on various platforms including: brokerage, variable annuities, and retirement plans for individuals, corporations, non-profit institutions, and endowments.

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### Investment Strategy

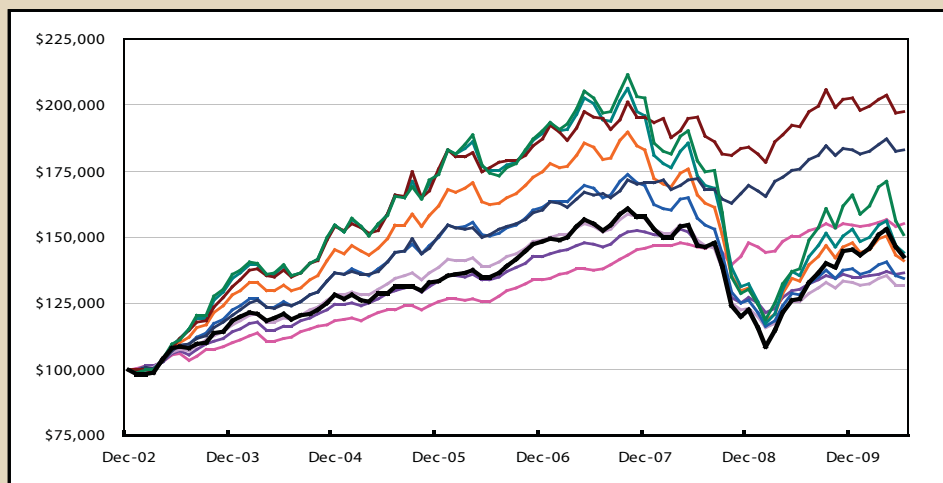
The PSI RETIREMENT PROGRAMS provide investors with a combination of money managers in one account. The goal of the programs is to achieve a blend of managers idealized for a client's risk level.

Portfolio Strategies offers nine programs tailored to a client's comfort with portfolio risk. Manager performance in each risk-adjusted model is monitored regularly. Inclusion in the portfolios is based on a history of adding value to a client's account at the chosen risk level.

By combining multiple managers, the programs attempt to create a portfolio that stabilizes investment returns, achieving long-term results while reducing the likelihood of uncomfortable short-term surprises. The PSI RETIREMENT PROGRAMS use a variety of active management techniques to reallocate assets in response to market change.

### PSI Retirement Programs Returns

Growth of \$100,000 Invested on January 1, 2003



■ Conservative Income ■ Conservative ■ Moderate Conservative ■ Moderate ■ Moderate Growth ■ Growth  
■ Multi-Guard Moderate ■ Multi-Guard Growth ■ Multi-Edge Growth ■ Benchmark<sup>1</sup>

Guardian Portfolios	Quarter	YTD	1-year	3-year	5-year
Conservative Income/2010	-0.33%	0.46%	3.05%	4.11%	4.81%
Conservative/2015	0.33%	1.37%	5.11%	-2.44%	1.24%
Moderate Conservative/2025	-1.70%	-0.81%	5.26%	-5.03%	-0.08%
Moderate/2035	-3.68%	-2.78%	5.00%	-7.24%	-0.93%
Moderate Growth/2045	-5.67%	-4.74%	5.57%	-8.48%	-1.17%
Growth/2055	-6.80%	-5.77%	6.18%	-10.42%	-1.90%

Specialty Portfolios	Quarter	YTD	1-year	3-year	5-year
Multi-Guard Moderate	-0.97%	0.18%	4.27%	3.36%	5.40%
Multi-Guard Growth	-2.21%	-2.36%	2.98%	0.35%	4.48%
Multi-Edge Growth	-10.78%	-8.96%	9.47%	-9.37%	-0.97%

	Quarter	YTD	1-year	3-year	5-year
Benchmark <sup>1</sup>	-5.59%	-1.79%	12.82%	-2.73%	2.04%

<sup>1</sup>Benchmark = 60% S&P 500 Index and 40% Barclays Capital US Aggregate Index.

## Disclosures

The returns from 1Q03 through 2Q07 (1Q03 through 4Q08 for Conservative Income) are the actual returns of representative accounts; the continuously managed accounts are historically representative of the Guardian Portfolios' investment performance and decision-making processes during the corresponding time period. These returns have been adjusted downward to reflect PSI's maximum management fee. The performance results reflect the reinvestment of dividends and other account earnings, and are net of applicable account transaction and custodial charges, an annual investment management fee, and the separate fees assessed directly by each unaffiliated mutual fund holding that comprised the program. Performance results from 3Q07 to present for the Guardian Portfolios (1Q09 for Conservative Income) are the results for a composite of all individual client portfolios managed by PSI according to the respective Guardian strategy, which composite is representative of the performance results achieved by PSI for its participating respective Guardian Portfolios during this time period. The performance results reflect the reinvestment of dividends and other account earnings, and are net of applicable account transaction and custodial charges, an annual investment management fee, and the separate fees assessed directly by each unaffiliated mutual fund holding that comprised the program.

The returns from 1Q03 through 2Q09 are the actual returns of representative accounts; the continuously managed accounts are historically representative of the Multi-Edge/Multi-Guard Programs' investment performance and decision-making processes during the corresponding time period. These returns have been adjusted downward to reflect PSI's maximum management fee. The performance results reflect the reinvestment of dividends and other account earnings, and are net of applicable account transaction and custodial charges, an annual investment management fee, and the separate fees assessed directly by each unaffiliated mutual fund holding that comprised the program. Performance results from 3Q09 to present for Multi-Edge/Multi-Guard are the results for a composite of all individual client portfolios managed by PSI according to the respective Multi-Edge/Multi-Guard strategy, which composite is representative of the performance results achieved by PSI for its participating respective Multi-Edge/Multi-Guard accounts during this time period. The performance results reflect the reinvestment of dividends and other account earnings, and are net of applicable account transaction and custodial charges, an annual investment management fee, and the separate fees assessed directly by each unaffiliated mutual fund holding that comprised the program.

The performance results shown on the previous page represent the performance of model portfolios managed on the Nationwide platform. The returns are calculated taking into account a maximum advisory fee of 1.50% annually and assume reinvestment of interest, dividend, and capital gains distributions. Actual account holdings and performance for individual clients may vary. Investment in mutual funds and variable annuities are not guaranteed and will fluctuate, so that when redeemed, may be worth more or less than their original cost. Past performance is not indicative of future results.

For reasons including variances in program account holdings, transaction and custodial fee variances, market fluctuation, the date on which a client became a participant in the program, and any account contributions or withdrawals, the performance of a specific client's account may vary substantially from the indicated performance results. PSI's Guardian/Multi-Edge/Multi-Guard Portfolios may involve an above-average turnover, which could negatively impact upon the net after-tax gain experienced by an individual client in a taxable account. The PSI performance results do not reflect the impact of taxes.

Past performance may not be indicative of future results and the performance of a specific individual client account may vary substantially from the performance results. Therefore, no current or prospective client should assume that future performance will be profitable, or equal either the performance results reflected, or the performance results for any of the comparative index benchmark(s) provided. The historical performance results of the comparative index benchmark(s) do not reflect the deduction of transaction and custodial charges or the deduction of an investment management fee, the incidence of which would have the effect of decreasing indicated historical performance results. The historical index performance results are provided exclusively for comparison purposes only, so as to provide general comparative information to assist an individual client or prospective client in determining whether the model portfolio meets, or continues to meet, his/her/its investment objective(s). It should not be assumed that PSI's client account holdings will correspond directly to any of the comparative index benchmarks. For reasons including variances in program account holdings, variances in the investment management fee incurred, transaction and custodial fee variances, market fluctuation, the date on which a client engaged PSI's investment management services, and any account contributions or withdrawals, the performance of a specific client's account may have varied substantially from the indicated performance results.

To the extent that there has been a change in a client's investment objectives or financial situation, he/she/it is encouraged to advise PSI immediately. Different types of investments and/or investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or investment strategy (including the investments purchased and/or investment strategies devised by PSI) will be either suitable or profitable for a client's or prospective client's portfolio. All performance results have been compiled solely by PSI, are unaudited, and have not been independently verified. Information pertaining to PSI's advisory operations, services, and fees is set forth in PSI's current disclosure statement, a copy of which is available from PSI upon request. PSI maintains all information supporting the performance results in accordance with regulatory requirements.