

# Mid Cap Growth Equity Composite

As of September 30, 2013



Baird Investment Management

## Performance Information (as of 09/30/2013)

|                                    | Annualized Returns (%) |        |         |         |         |          |          |                 |
|------------------------------------|------------------------|--------|---------|---------|---------|----------|----------|-----------------|
|                                    | 3 Months               | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 15 Years | S.I. (06/30/93) |
| BIM Mid Cap Growth Equity (gross*) | 11.4%                  | 24.6%  | 20.3%   | 16.3%   | 11.5%   | 11.0%    | 11.2%    | 12.5%           |
| BIM Mid Cap Growth Equity (net)    | 11.2%                  | 23.6%  | 19.6%   | 15.7%   | 10.9%   | 10.4%    | 10.7%    | 11.9%           |
| Russell Midcap® Growth Index       | 9.3%                   | 27.5%  | 17.7%   | 13.9%   | 8.3%    | 10.2%    | 8.2%     | 9.6%            |

|                                    | Annual Total Returns (%) |       |       |       |        |       |
|------------------------------------|--------------------------|-------|-------|-------|--------|-------|
|                                    | 2012                     | 2011  | 2010  | 2009  | 2008   | 2007  |
| BIM Mid Cap Growth Equity (gross*) | 17.6%                    | 5.6%  | 28.2% | 41.8% | -40.3% | 21.2% |
| Russell Midcap® Growth Index       | 15.8%                    | -1.7% | 26.4% | 46.3% | -44.3% | 11.4% |

\*Gross of fee returns are supplemental to net of fee returns. The Russell Midcap® Growth Index measures the performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell Midcap® Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell Indices are a trademark of the Frank Russell Company. Indices are unmanaged, and are not available for direct investment.

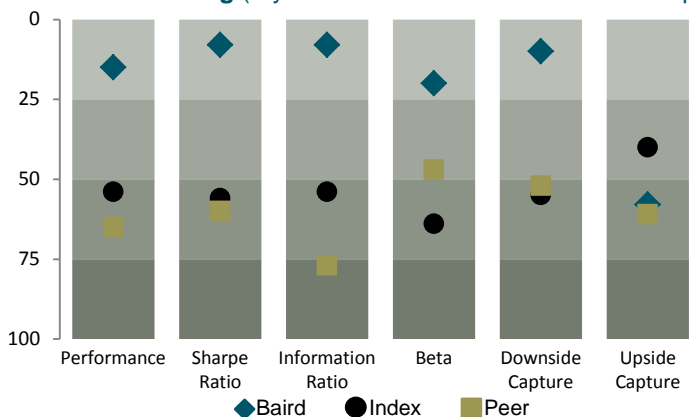
### Investment Strategy

- Emphasis on high quality growth stocks
- Risk-controlled approach
- True Mid Cap – Focus on \$2 - \$12 billion market cap
- High conviction portfolio - 50-60 stocks
- Experienced Team – Over 100 years combined experience

### Investment Team

| Investment Team          | Investment Team Since | Years of Experience |
|--------------------------|-----------------------|---------------------|
| Chuck Severson, CFA / PM | 1993                  | 27                  |
| Ken Hemauer, CFA / PM    | 2001                  | 20                  |
| Douglas Guffy / Analyst  | 2004                  | 30                  |
| Reik Read / Analyst      | 2010                  | 16                  |
| Jonathan Good / Analyst  | 2006                  | 13                  |

### Percentile Ranking (5-years vs. Benchmark and Peer Group)

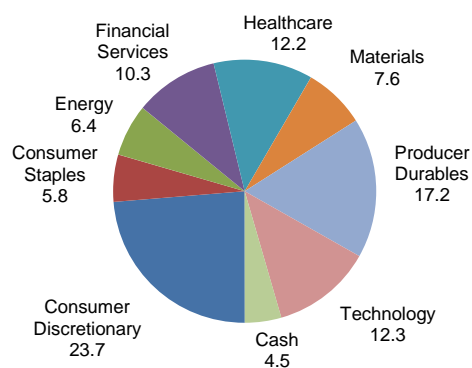


|                        | Baird | Index | Peer Group |
|------------------------|-------|-------|------------|
| Performance            | 16.3  | 13.9  | 13.3       |
| Sharpe Ratio           | 0.75  | 0.58  | 0.57       |
| Information Ratio      | 0.6   | 0.0   | -0.3       |
| Beta                   | 0.90  | 1.00  | 0.97       |
| Downside Capture Ratio | 85.3  | 100.0 | 98.4       |
| Upside Capture Ratio   | 97.1  | 100.0 | 96.2       |

Index is the Russell Mid Cap Growth Index. Peer Group is the PSN Mid Cap Growth Universe. Source: PSN Enterprise.

### Characteristics & Sector Weights

|                                  | BIM Mid Cap Growth | Russell Midcap Growth |
|----------------------------------|--------------------|-----------------------|
| Avg. Weighted Market Cap (\$Bil) | 8.4                | 11.4                  |
| Profit Margin                    | 7.4%               | 5.9%                  |
| Revenue Growth (5 year)          | 14.8%              | 15.6%                 |
| LT Debt as % of Capital          | 22.4%              | 39.6%                 |
| P/E Ratio (Trailing 4 Qtrs)      | 26.5x              | 24.7x                 |
| Turnover (Trailing 12 months)    | 33.3%              | n/a                   |



Characteristics and sector weights are supplemental information.

PSN is an investment manager database and is a division of Informa Investment Solutions, Inc (IIS). The PSN US Mid Cap Growth Universe includes US equity products that select Mid Cap (\$2-7 billion) as their primary market capitalization range and growth is chosen as the primary style. REIT and convertible products are excluded. Performance figures are provided from the investment management firm and are reported for informational purposes only. IIS does not guarantee the accuracy, adequacy, completeness or availability of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Beta is a measurement indicating the volatility of a manager relative to a chosen market or benchmark. A beta of 1 means a manager has about the same volatility as the market. Higher betas are associated with higher risk levels, while lower betas are associated with lower risk levels. Information Ratio is a measure of portfolio management's performance against risk and return relative to a benchmark or alternative measure. Sharpe Ratio is a measure of risk-adjusted return. It divides excess return by risk. Excess return is defined as the annualized return of the manager minus the annualized return of the risk free rate. Risk is defined by standard deviation. A high value for the Sharpe Ratio is generally considered to be positive. The upside capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen. The downside capture ratio is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. Profit margin is a ratio of profitability calculated as net income divided by revenues, or net profits divided by sales. The characteristics and statistical measures used in this fact sheet are not a forecast of the BIM Mid Cap Growth Equity Composite's future performance.

## BIM Mid Cap Growth Equity Composite - Full Disclosure Presentation as of 09/30/2013

| Period Ended | Total Firm Assets |                | Composite Assets |                  |                      | Annual Composite Performance Results |         |                        |                      | Standard Deviation (3-yr) |                        |
|--------------|-------------------|----------------|------------------|------------------|----------------------|--------------------------------------|---------|------------------------|----------------------|---------------------------|------------------------|
|              | Baird (millions)  | BIM (millions) | USD (millions)   | % of Bundled Fee | Number of Portfolios | BIM Gross                            | BIM Net | Russell Midcap® Growth | Composite Dispersion | BIM                       | Russell Midcap® Growth |
| 09/30/13     | --                | \$1,270        | \$589            | 2%               | 29                   | 24.5%                                | 23.8%   | 25.4%                  | 0.2%                 | N.A.                      | N.A.                   |
| 12/31/12     | --                | \$920          | \$327            | 2%               | 22                   | 17.6%                                | 16.8%   | 15.8%                  | 0.3%                 | 17.5%                     | 17.9%                  |
| 12/31/11     | --                | \$505          | \$119            | 6%               | 18                   | 5.6%                                 | 5.1%    | -1.7%                  | 0.3%                 | 20.2%                     | 20.8%                  |
| 12/31/10     | --                | \$552          | \$123            | 6%               | 20                   | 28.2%                                | 27.7%   | 26.4%                  | 0.2%                 | 24.6%                     | 26.4%                  |
| 12/31/09     | --                | \$539          | \$81             | 8%               | 12                   | 41.8%                                | 41.1%   | 46.3%                  | 0.5%                 | 22.1%                     | 24.0%                  |
| 12/31/08     | --                | \$462          | \$61             | 3%               | 8                    | -40.3%                               | -40.5%  | -44.3%                 | 0.9%                 | 19.0%                     | 20.4%                  |
| 12/31/07     | --                | \$833          | \$114            | 6%               | 14                   | 21.2%                                | 20.6%   | 11.4%                  | 0.3%                 | 11.1%                     | 10.5%                  |
| 12/31/06     | \$19,884          | \$1,203        | \$122            | 2%               | 16                   | 5.0%                                 | 4.4%    | 10.7%                  | 0.3%                 | 10.8%                     | 11.2%                  |
| 12/31/05     | \$17,248          | \$5,321        | \$287            | 4%               | 39                   | 6.5%                                 | 5.9%    | 12.1%                  | 0.1%                 | 10.8%                     | 12.2%                  |
| 12/31/04     | \$13,853          | \$5,190        | \$261            | 9%               | 42                   | 13.5%                                | 12.9%   | 15.5%                  | 0.4%                 | 13.0%                     | 18.1%                  |
| 12/31/03     | \$11,499          | \$4,410        | \$126            | 12%              | 33                   | 28.2%                                | 27.4%   | 42.7%                  | 0.6%                 | 17.8%                     | 27.5%                  |
| 12/31/02     | \$9,624           | \$3,167        | \$55             | 3%               | 15                   | -14.0%                               | -14.3%  | -27.4%                 | 0.8%                 | 20.3%                     | 34.0%                  |
| 12/31/01     | \$10,539          | \$3,434        | \$40             | 2%               | 11                   | -5.2%                                | -5.4%   | -20.2%                 | 1.1%                 | 20.4%                     | 34.5%                  |
| 12/31/00     | \$8,731           | \$3,331        | \$27             | 0%               | 10                   | 20.9%                                | 20.4%   | -11.8%                 | N.A.                 | 22.0%                     | 30.8%                  |
| 12/31/99     | \$4,456           | \$3,434        | \$13             | 0%               | Five or Less         | 16.0%                                | 15.5%   | 51.3%                  | N.A.                 | 20.5%                     | 22.3%                  |
| 12/31/98     | \$3,671           | \$2,812        | \$4              | 0%               | Five or Less         | 34.5%                                | 33.7%   | 17.9%                  | N.A.                 | 19.8%                     | 20.0%                  |
| 12/31/97     | \$2,794           | \$2,116        | \$3              | 0%               | Five or Less         | 26.8%                                | 26.0%   | 22.5%                  | N.A.                 | 13.4%                     | 13.3%                  |
| 12/31/96     | \$1,841           | \$1,513        | \$3              | 0%               | Five or Less         | 22.4%                                | 21.7%   | 17.5%                  | N.A.                 | 11.6%                     | 12.0%                  |
| 12/31/95     | \$1,535           | \$1,262        | \$2              | 0%               | Five or Less         | 26.2%                                | 25.4%   | 34.0%                  | N.A.                 |                           |                        |
| 12/31/94     | \$1,352           | \$1,117        | \$2              | 0%               | Five or Less         | 0.3%                                 | -0.4%   | -2.2%                  | N.A.                 |                           |                        |
| 12/31/93*    | \$1,596           | \$1,301        | \$2              | 0%               | Five or Less         | 8.7%                                 | 8.5%    | 10.2%                  | N.A.                 |                           |                        |

N.A. – Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire period. The 3-year annualized ex-post standard deviation is only calculated at year end.

\*Results shown for the year 1993 represent partial period performance from June 30, 1993 through December 31, 1993.

**BIM Mid Cap Growth Equity Composite** consists of all fully discretionary mid cap growth equity accounts. The Mid Cap Growth Portfolios invest in medium sized, high-quality growth companies holding leadership positions within their industries that BIM's portfolio managers believe are capable of producing above average growth in a variety of market environments. The Portfolios will emphasize companies with a market capitalization between \$2 billion and \$12 billion. To help control risk, the Portfolios are generally diversified among companies in a broad range of industries and economic sectors, with sector limits for any one sector at the greater of 30% of the Portfolio or double the weighting of the applicable sector in the Russell Midcap® Growth Index. For comparison purposes the composite is measured against the Russell Midcap® Growth Index. Prior to December 31, 2005, BIM also presented the S&P 400® Index with its returns. Prior to January 1, 2004, the composite was named the BIM Taxable and Tax-Exempt Equity Mid Cap Composite. The minimum account size for this composite is \$550,000.

Baird Investment Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Baird Investment Management has been independently verified for the periods January 1, 2006 through June 30, 2013 by Ashland Partners & Company LLP and for the period January 1, 1993 through December 31, 2005 by a previous verifier.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The BIM Mid Cap Growth Equity Composite has been examined for the periods January 1, 2006 through June 30, 2013 by Ashland Partners & Company LLP and for the period July 1, 1993 through December 31, 2005 by a previous verifier. The verification and performance examination reports are available upon request.

As of January 1, 2007, the firm is defined as Baird Investment Management ("BIM"), a department of Robert W. Baird & Co., Incorporated that manages equity and balanced portfolios. Prior to January 1, 2007, the firm was defined as Robert W. Baird & Co., Incorporated. Robert W. Baird & Co., Incorporated is registered as an Investment Advisor. The firm maintains a complete list and descriptions of composites, which is available upon request.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Gross of fee returns are supplemental to net of fee returns. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual fees. Gross returns have not been reduced by advisory fees but have been reduced by transaction costs. Bundled fees include all charges for transaction costs, portfolio management, custody and other administrative fees. All bundled fees, except those for portfolio management, are included in the gross returns. The percentage of bundled fee assets was overstated in previous presentations and has since been corrected. The composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite for the entire period noted. Standard deviation is presented as a 3 year annualized standard deviation measure of risk using monthly returns as of each annual period end. The U.S. Dollar is the currency used to express performance. The performance results were calculated without consideration of the effects of any income taxes thereon, including withholding tax on foreign dividends. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. The management fee schedule is as follows: 0.85% on the first \$10,000,000, 0.70% on the next \$40,000,000 and 0.60% on the balance. All accounts existing prior to March 31, 2013 were grandfathered at their previous fee schedule. Actual investment advisory fees incurred by clients may vary. The BIM Mid Cap Growth Equity Composite was created June 30, 1993.

Mid-cap companies may be hindered as a result of limited resources or less diverse products or services and have therefore historically been more volatile than the stocks of larger, more established companies. **Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value of an investment in the strategy will fluctuate so that an investor's shares when redeemed may be worth more or less than their original cost. The strategy's current performance may be lower or higher than the performance data quoted. For performance current to the most recent month-end, please call 800-792-4011.**