

INVESTMENT MANAGEMENT



ADVISER

Growth
Income
Preserve





SOPHISTICATED . . . YET SIMPLE

THE NEXT STEP FOR YOUR CLIENT'S FUTURE

Work one-on-one with Douglas Bagwell investment managers, who will help you chart the course to your client's comfortable and secure financial future. From asset allocation, to portfolio construction, to portfolio rebalancing and monitoring, we'll carry out all the critical investment tasks necessary to help meet long-term needs and goals.

A TIME-TESTED INVESTMENT APPROACH

Our asset management approach is based on Douglas Bagwell's overall investment philosophy, which encompasses time-tested, prudent principles—concepts such as diversification, discipline, cost efficiency, and tax efficiency—that are critical to successful investing.

EXCEPTIONAL SERVICE AT A REASONABLE COST

As part of our commitment to serving clients' interests, we strive to keep our asset management fees, among the most competitive in the industry.

Our unbiased, investment management services are free from the conflicts of interest that exist when proprietary products are offered, while offering a comprehensive payout.



Fund selection requires specific knowledge of strategy strengths and weaknesses gained through exhaustive investment and operational due diligence. Meaningful quantitative and qualitative comparative analysis requires access to a large network of funds. These are areas where our investment team excels. The four-step process below indicates how the team employs its skills and resources in pursuing the absolute return strategy's goals.

1. SOURCING—ACCESS TO PROVEN MANAGERS

To source fund managers for the Clients portfolio, our staff focuses on what they consider to be the most attractive segments of the fund marketplace and then diversify across a variety of strategies. We favor funds that:

- Have an understandable process
- Provide compelling sources of alpha
- Offer a degree of relative predictability
- Have low exposure to market risk
- Effectively complement other strategies in our portfolio

These are exacting requirements, and it is extremely competitive to gain access to these top-tier funds. But, our experience is a key competitive advantage: We have strong existing relationships with many of the best funds in the field and we continually add new funds to our selective database.

2. SELECTION—THE CORNERSTONE OF OUR INVESTMENT PROCESS

To select funds, we employ a comprehensive due diligence process, performed by our professional team with specific expertise in investments and operations. The quality of the selection decisions reached by the team reflects their significant experience.

Investment due diligence focuses on the fund manager's ability to generate attractive risk-adjusted returns that fit well within the overall portfolio. Factors considered include:

- Investment philosophy
- Investment process
- Risk controls
- Source of alpha

Customized statistical analysis is performed on each underlying fund and specific investment examples are reviewed.



3. PORTFOLIO CONSTRUCTION

Final fund selection requires the consensus of the investment and operational due diligence teams. Further review and approval is then required by the Chief Investment Officer. The goal is to maintain diversification both across various strategies and within individual strategies by investing with multiple managers while providing ample liquidity and capacity. Allocation decisions are determined by factors related to strategy and individual fund manager and portfolio issues.

4. PORTFOLIO MANAGEMENT/ MONITORING

We continually monitor all of the investments held in each portfolio, using the same investment and operational due diligence teams that initially evaluated the fund manager.

Investment monitoring

- Ongoing analysis of performance (including abnormal and relative performance)
- Conference calls with underlying fund managers
- Onsite visits at times
- Multi-factor analysis of market sensitivities

Operational monitoring

- Financial statements
- Changes in people, procedures, policies, controls and service providers
- Onsite visits at times
- Scorecard update



Our asset strategy style portfolios, offer a "fund of funds" structure, utilize disciplined, systematic analysis of fundamentals to diversify assets across a broad spectrum of the world's stock and bond markets.

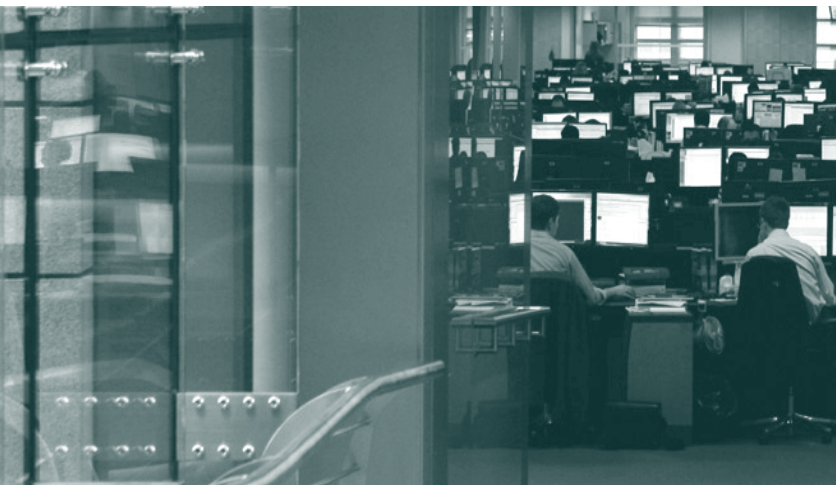


ATTAINING BROAD ASSET CLASS DIVERSIFICATION IN A SINGLE PORTFOLIO

ASSET CLASSES

- Global Markets
- Emerging Markets
- Energy & Natural Resources
- Index Sectors
- Domestic Multi-Class Equity
- Commodities
- Real Estate
- Alternative Leveraged Assets
- High Yield Bonds
- Fixed Income Debt & Equity
- Government Bonds
- Tax Free Bonds

Portfolios may be developed based upon the asset allocation guidelines provided by Douglas Bagwell & Co. and assets are allocated among various Portfolios of Exchange-Traded Funds (ETFs), Exchange-Traded Notes (ETNs), Closed-End Funds, Open-End Mutual Funds and other securities.



Employing a variety of investment approaches, from passive to enhanced to active (fundamental and quantitative), exchange traded funds cover a full range of styles and market capitalizations.


MAXIMIZING TOTAL RETURNS THROUGH SATELLITES

TOTAL RETURN

The Portfolio investment objective is to seek to achieve long term capital appreciation over the course of an economic cycle by investing its assets (including the proceeds from securities sold short) primarily in equity securities whose underlying valuation or business fundamentals indicate prospects for growth, while selling short the equity securities of companies that have deteriorating business fundamentals and/or valuations.

CORE SATELLITE

The Strategy is to provide maximum total return, primarily through capital appreciation, by investing in ETF's in growth sectors in complimenting the Core of the investment portfolio holding.



By investing in our fixed income portfolios, clients seek to benefit from the implementation and trading efficiencies that come with our ability to utilize the fixed income market.

MAXIMIZING CURRENT INCOME WHILE PRESERVING CAPITAL

US TREASURIES & TIPS

The Objective is to maximize current income to the extent consistent with the preservation of capital and liquidity, by investing in obligations that are issued or guaranteed as to principal and interest by the US Government and repurchase agreements backed by such securities, including inflation protection.

CORPORATE BONDS

The Objective is to maximize higher yields than comparable-maturity government bonds or CDs. This high-yield potential is, however, generally accompanied by higher risks. For seeking steady income, while preserving principal.

MUNI-BONDS

The Objective is to maximize total return by investing in fixed income securities, including but not limited to those represented by Tax Free municipal bonds.

PREFERRED SECURITIES

The Objective is to maximize total return by investing in income securities, including but not limited to those represented by utility entities providing high-income interest or dividends of preferred shares.

CERTIFICATE OF DEPOSIT

The Objective is to maximize current income to the extent consistent with the preservation of capital with FDIC insured certificate of deposit.

FIRM OVERVIEW

Douglas Bagwell Corporation is an independent private asset management firm based in Springfield, MO. Douglas Bagwell Corporation is a Registered Investment Advisor with the States of Missouri and Nebraska. We are growth managers who place an emphasis on quality of earnings in our portfolio holdings. We manage portfolios for individuals, financial institutions and professionals, pooled investment funds, business retirement plans and multi-generational family groups and related foundations.

The company was incorporated and registered with the state securities boards in 2005. The firm has dedicated professionals who direct management and the custody of funds on behalf of its clients.

While our core expertise is actively managed growth equities, we work closely with each of our clients to build investment portfolios that best suit individual investment objectives and risk tolerances. For some clients, this may require complementing equity holdings with fixed-income securities. If appropriate, we also make every effort to consult with our clients' tax and legal advisers to minimize the tax implications of our portfolio decisions.

IMPORTANT CONSUMER INFORMATION: The products and services described in this brochure are offered only in the United States and Puerto Rico. Nothing in this disclosure should be considered a solicitation to buy or an offer to sell such products and services in any jurisdiction where the offer or solicitation would be unlawful under the laws of such jurisdiction.

For more complete information about any of the investment services described in this brochure, including charges and expenses, please contact your Douglas Bagwell financial consultant, by calling 1-417-881-0445, or by going online. Please read the advisory brochure and ADV Part II disclosure carefully before investing. Douglas Bagwell Corporation is a registered investment advisor in the states of Missouri and Nebraska, securities held through Scottrade, Inc. brokerage, designated mutual fund company or other disclosed custodian.

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