GIA PARTNERS

4th Quarter 2008

Highlights

- **Lehman's bankruptcy disrupted markets and the global economy. Policy makers were forced to take unprecedented actions to stabilize markets;**
- **After a brutal year for credit, the elements are in place for a recovery;**
- **The economy had a dreadful Q4. Most economists expect further contraction in Q1 09 with containment beginning in Q2 09. The stimulus package will be critical.**

Markets

	Average Quality	Returns (%)	
GIA		Q4-08	12 Months
Global High Yield Composite	**(BB+)**	**-23.65**	**-37.64**
Global Inv Grade Composite	**(A)**	**-2.55**	**-7.67**
***Core Bond Rep Account**	**(AA-)**	**0.24**	**-3.20**
***Core Plus Rep Account**	**(A)**	**-3.47**	**-8.14**
Returns are net of fees.			
Benchmark Bonds			
Lehman Aggregate Index	(AA+)	4.58	5.24
Government	(AAA)	8.05	12.39
Credit	(A+)	4.03	-3.08
Mortgage	(AAA)	4.45	8.52
Merrill U.S. Corporates	(A)	1.85	-5.06
Merrill High Yield	(B+)	-17.47	-26.21
Emerging Markets Debt	(BB+)	-4.78	-9.70
Non-U.S. Governments	(AAA)	8.80	10.11
Benchmark Equities			
S&P 500	NA	-22.56	-38.49
Nasdaq Composite	NA	-24.61	-40.54
Russell 2000	NA	-26.51	-34.80
MSCI EAFE	NA	-20.33	-45.09
Europe	NA	-23.22	-48.20
Japan	NA	-9.09	-30.52
Emerging Markets Equity	NA	-27.94	-54.48

Markets

With the benefit of hindsight, the bankruptcy of Lehman Bothers on September 15, 2008 will prove to have been the watershed event that unleashed a vicious downward spiral in the economy, financial markets, and general sentiment. While September was a difficult month, October and November were worse. In the face of pending calamity, the Treasury used half the TARP money to capitalize the banks and the FDIC took the unusual step of guaranteeing all U.S. bank debt issuance for up to three years. In November the Fed confirmed its aggressive program of quantitative easing, which propelled treasury rates lower. In December the Fed lowered the Fed Funds rate to "near zero" and confirmed its intent to expand its balance sheet further. By year-end the Fed's assets stood at over $2.2 trillion compared to $915 billion at the end of 2007.

The desperate actions by the Fed and Treasury helped credit and equity markets improve in December, but tremendous damage was done during the quarter and all of 2008. The S&P 500 declined 38.5% in 2008, with 25% of the decline occurring in the last four months of the year. Credit markets experienced record spreads with the high yield market posting its worst ever annual return and investment grade credit recording its worst ever performance relative to U.S. Treasuries. Government bonds turned in the best performance for the year with nearly 14% return. As an indicator of the suddenness of the economic collapse, 10% of the 14% return came in the last two months of the year.

A key feature of markets during Q4 was dysfunction due to poor liquidity. Financial intermediaries faced serious capital constraints and a sharp increase in their cost of borrowing, which reduced their appetite for proprietary trading. Higher capital costs and declining asset values forced hedge funds, structured investment vehicles, and mutual funds to pay down their leverage. This combination of forced selling with no liquidity engendered extremely unusual price behavior and a spike in volatility. Many reliable relationships between securities and financial instruments broke down making it difficult to take reasonable exposures or to hedge risky instruments. Credit markets were particularly vulnerable. Forced selling of bank loans, for example, led to sharp mark-downs in the prices of high yield bonds because of the relative seniority between them. In emerging markets, corporate bonds, normally hedged with sovereign bonds, were left in a vacuum because this relationship broke down.

The fury of the correction left most investors scared and scrambling for liquidity. As an indicator of the fear that permeated markets at year-end, 3-month Treasury Bills yielded 0.01%. Perhaps as a fitting conclusion to a devastating year, a famed, long-time hedge fund manager – known for the steadiness of his returns – stands accused of running a Ponzi scheme. Even a cheat could not escape the wrath of the markets this year.

Portfolios

Our *Global High Yield Composite* underperformed the Merrill High Yield Index by 618 basis points in the quarter, and was below the index by 1,143 basis points over the last 12 months. These results cap our worst year ever on an absolute and relative basis. During the quarter we continued to favor higher rated investments, especially among investment grade rated corporate bonds. While the average rating of the portfolio improved, the average rating of our high yield securities was below the index, leading to 637 basis points of underperformance in the quarter and 910 basis points for the year. In addition, our exposure to emerging market corporate debt averaged 30% and mark-downs in excess of 40% in that market, caused about 400 basis points in negative relative returns in the quarter. Early in 2008 we began to increase our exposure to investment grade credit

in the high yield portfolios, with a sizeable allocation to financial institutions. We invested in preferred shares of various firms, including Fannie Mae and Freddie Mac. The government's actions in September eliminated the value in Fannie and Freddie preferreds and weakened prices in all financial institution obligations causing our high yield portfolios to underperform.

Our *Global Investment Grade Composite* consists exclusively of investment grade rated corporate or credit related securities. Our GIG Composite underperformed the Merrill Lynch U.S. Corporates and all Yankees Index (CY00) by 440 basis points in the quarter and by 261 basis points in 2008. As with our high yield composite, we include investment grade rated securities of emerging markets in our portfolios. During the quarter, our exposures in Russia suffered as that market experienced capital flight. In addition, our exposure to BBB rated securities suffered during the quarter, as the economic decline became more pronounced. Finally, we had limited exposure to financial institutions, which recovered in December on the heels of FDIC guarantees. Prior to the fourth quarter the portfolio was outperforming by benefiting from limited exposure to financial institutions and outperformance of our emerging markets holdings.

Our *Core Bond Representative Account,* an investment grade only portfolio, underperformed the Lehman Government/Credit Index by 618 basis points in the fourth quarter and by 890 basis points in 2008. In this account we had to raise liquidity from our Treasury exposure to fund redemptions, which led to a sizeable overweight in corporate credit at a time of poor liquidity and widening spreads. In Q4 and for all of 2008 credit underperformed Treasuries, causing the portfolio to underperform the benchmark.

Our *Core Plus Representative Account* can hold up to 30% in securities rated below investment grade. This representative account underperformed the Lehman Aggregate Index by 805 basis points in the quarter, and by 1,338 basis points in 2008. During the quarter the portfolio retained exposure of 20% to high yield and emerging market corporate bonds. That exposure along with an underweight in treasuries hurt relative performance. In addition, this portfolio is generally underweight mortgages in favor of credit. With the Fed's various moves in November and December, treasuries and mortgages performed better than credit. As discussed further below, credit markets had a very poor 2008. Over the past 12 months our credit positions went in the opposite direction of treasuries and mortgages, causing the dismal results.

Commentary: The Way Back

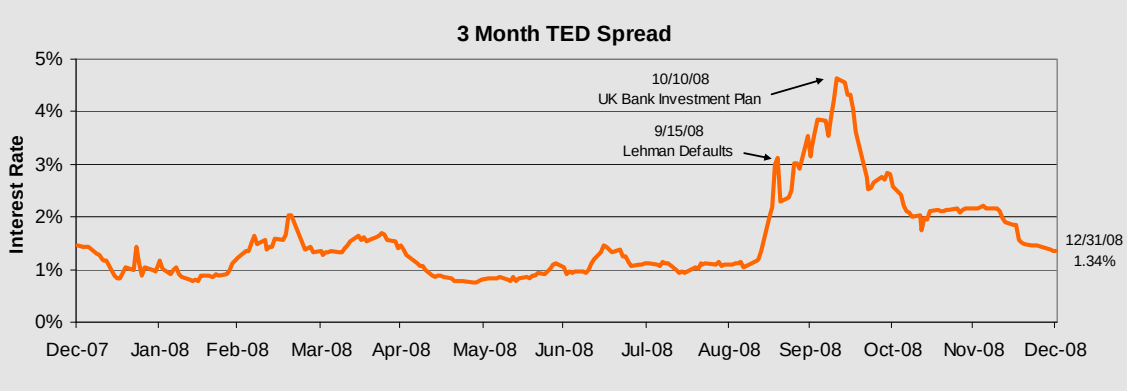
It took us years to build and only months to destroy. The "credit crunch" of 2008 toppled many financial institutions and brought into question the viability of entire businesses. Securitization, for example, a compelling way to package small mortgages, loans, and other financial obligations to sell them in public markets, came to rely extensively on leverage. Mortgage and asset-backed securities were vital to making abundant credit available at attractive rates to consumers and businesses. Over time the complexity of instruments built through securitization and the excessive use of leverage to support them led to the crises we face today. In prior letters we discussed the process whereby the markets crumbled, here we focus on the way back.

RETURNS 2008

Sector	***Percent***
U.S. Treasury	13.74
Investment Grade Corporate	-5.06
Bank Loans	-28.75
High Yield	-26.21
Emerging Market Corporate	-16.24
EM B Rated Corporate	-44.00
CMBS	-20.52
Credit Card ABS	-9.33
Auto ABS	-5.58
Home Equity ABS	-36.00

The table above shows the 2008 performance results of various asset categories within fixed income. Almost every credit related market struggled. In a somewhat counterintuitive way, the instruments perceived to be safest, suffered most, because they had the most leverage associated with their investors. Bank loans, for example, were always considered to be the safest segment of leveraged finance. Loans have relatively short maturities, floating rates, and enjoy the benefit of collateral. However, non-bank investors in loans were all leveraged. Major participants in those markets were Collateralized Loan Obligations (CLOs), hedge funds, and mutual funds, who used their borrowing capacity to boost returns. Before 2008 the worst return year for the loan market was 2002 at +1.12%. Investment grade corporate debt returned -5.06%, but that was nearly 19% worse than U.S. Treasuries. The worst previous underperformance was -4.97% in 2000. Even reliable assets like asset-backed credit card debt turned in a negative year.

A key feature of bonds is that they trade in “over-the-counter” markets. To restore the proper functioning of markets dealers must regain the ability to position trades profitably. Essential ingredients for this include an ability to fund positions at a positive spread. For this to occur the money markets must function smoothly and willingly accept bank and broker dealer risk directly and through the Repurchase Agreement (Repo) market., Secondly, broker/dealers must be able to reliably hedge exposures. During the fourth quarter and throughout the crisis it became difficult to properly price many cash instruments, so positions taken as hedges, that were priced, may not have performed their expected function. Finally, longer-term lending to financial institutions and other market participants has to become available to support investment. With compelling credit spreads, the incentives are in place to encourage capital flows in conjunction with improving trading markets.



Source: Bloomberg. Data from December 31, 2007 to December 31, 2008.

As the graph above demonstrates, money markets have stabilized and the relationship between treasury and non-treasury risk (Treasury – Euro dollar) has returned to more normal levels after the massive disruption from Lehman's bankruptcy. The Fed, Treasury and FDIC actions to help fund and capitalize banks restored confidence and, as of the end of the year, money began to flow more freely in the money market. With FDIC guarantees for short-term funding and a "near zero" Federal Funds rate, the average cost of capital for banks has declined considerably. Prior to these actions, bank and broker/dealer credit spreads were so high that many credit exposures would imply negative carry, thereby ensuring these critical intermediaries would avoid them.

Hedging is essential for a dealer who, to facilitate trading, might take a position for a few minutes or a few days. During the crisis credit derivatives were quoted and traded actively. However, in many instances the relationship of these derivatives to their underlying cash bonds became unstable. Some of this was exacerbated by the problems of highly rated counterparties like AIG and MBIA. Over time, arbitrage opportunities will ensure that these relationships come back into line, but if the restoration takes long, market fluidity will be delayed.

While markets remain fragile, the improvement in the money market has helped provide some liquidity to longer-term credit markets. Dealers appear more willing to facilitate trading, an indication the risk to position taking is subsiding. The next step is for the credit risk premium for higher rated companies to decline. In the first week of 2009 investment grade rated companies issued $18.9 billion of debt and the index that tracks the credit spread for a large list of investment grade companies declined by 68 basis points in the last two weeks of 2008. Demand for higher quality corporate names has increased and new issues in the first week of 2009 narrowed significantly with strong participation from a broad cross-segment of investors.

The last step will be to see a reliable improvement in credit spreads for higher risk bonds. While high yield bonds and bank loans saw meaningful improvement in December, it is too early to say that path is in place. Early in 2009, a few companies declared bankruptcy, and the market still expects a large increase in insolvencies among more levered companies.

Economy

It is now evident that the global economy seized up after the September 15, 2008 collapse of Lehman Brothers. The shock of that bankruptcy, compounded by fears of a global systemic financial crisis froze economic activity worldwide. The U.S. GDP report for the fourth quarter will undoubtedly be abysmal and fiscal and monetary authorities are working to stem further economic chaos. The key questions are how will the economy respond to the stimulus and how soon? Additional questions for markets and the economy over the longer term relate to the corollary effects of the aggressive stimulus effort.

Economists polled by the Wall Street Journal in December, expected, on average, a decline of 4.3% for Q4 2008 and a further 2.5% for Q1 2009. Participants in the poll are uniform in anticipating a poor first quarter of 2009. About a third of the economists believe the second quarter will not be negative, and most expect the later half of 2009 to return to growth. In recently released minutes of their December meeting, the Federal Reserve put forward a dour outlook, that led them to their "zero rate policy" and confirmation of aggressive quantitative easing.

With this background, we failed to reach a consensus on a 'base case' for the economy. The damage to consumer confidence from the combination of deteriorating asset values (housing and investments), a lack of credit, and increasing joblessness may make it very hard to resurrect consumption. In addition, businesses have been forced to retrench, curtailing investments and new business initiatives. This negative sentiment is mitigated by the Fed's massive liquidity injection and the incoming administration's spending plans. While the U.S. economy was reported to be in recession from the end of 2007, most people did not experience the downturn until the fourth quarter because through September the only severely declining asset market was housing. With this in mind, it is not inconceivable that the government's efforts can arrest further erosion in confidence. Initial positive signs include a sharp improvement in the mortgage refinancing index, lower energy prices in time for winter heating bills, better housing affordability, and signs of life in credit markets.

While none of these indicators are enough to repair the economy, they help improve consumers' cash flow. Optimism over the incoming administration and the likely enactment of a stimulus package may suffice to put the U.S. back on a positive growth path. By the time we write our commentary in April, we may be discussing the cost of the restoration. For now, we put forward three scenarios, with limited conviction:

Scenarios

We propose 3 scenarios for economic activity over the next 6 months:

1. Our most likely case has the economy contracting 2 to 3% in Q1 2009, which combined with at least -4% in Q4, will imply a three quarter decline of 7 to 8%. By the end of Q1, the fiscal stimulus package should begin to restore positive growth. The sudden Q4 economic shock may have reduced some requisite consumption that becomes pent up demand as confidence improves. The Fed's stimulus efforts will make credit more available especially for housing, which should stabilize home prices by the end of March. While growth will not be brisk, we expect a flat result of -1% to +1% in Q2. PROBABILITY 50%

2. The upside scenario has consumers rebounding more aggressively than expected because of the cash flow boost from lower mortgage rates, lower energy prices, improved credit availability, and fiscal stimulus. In this scenario, the downward spiral in asset prices (housing and equity) and sentiment is arrested by the end of Q1. While Q1 may still be negative, we enter Q2 with enough momentum to generate growth of 2% or more in Q2. For this scenario to occur, the unemployment rate must stabilize and credit availability has to support demand for consumer durable goods. PROBABILITY 20%

3. The downside scenario occurs because consumer confidence has been damaged severely and efforts to restore consumption are not successful. In this scenario the only source of growth comes from fiscal stimulus, but the negative trajectory in the rest of the economy carries into the third quarter. With negative performance in the first and second quarters, depression becomes a serious risk and the unemployment rate will rise over 10% making the restoration of growth even more challenging. PROBABILITY 30%

Investment Implications

Uncertainty related to the outlook for the U.S. economy combined with dysfunctional capital markets, complicate investment decisions. Risk aversion, poor liquidity, and actions by the Fed have moved treasury yields to historic lows. Spreads in credit markets, at historic levels, are very compelling. Relatively, investment grade credit spreads offer the most compelling opportunity because of the ability of these companies to withstand a poor economy. As the outlook improves toward the end of the second quarter, the high yield and leveraged loan markets should begin to outperform.

Jan. 15, 2009

GIPS requires GIPS Disclosure Statement (please see attached disclosure)
GIPS requires GIA fee schedule disclosure "GIA's fees are (i) .35% annually for standard USA fixed income, (ii) .50% annually for enhanced fixed income and (iii) .75% annually for specialized products"

Important Information

GIA Partners, LLC ("GIA") is an SEC registered investment adviser.

This material is for information purposes only. It does not constitute an offer to or a recommendation to purchase or sell any shares in any security. Investors should consider the investment objectives, risks and expenses of any strategy or product carefully before investing.

Past Performance: The performance data quoted represents past performance. Past performance is not an indication of future performance, provides no guarantee for the future and is not constant over time. The value of an investment may fluctuate and may be worth more or less than its original cost when redeemed. Current performance may be lower or higher than the performance data quoted.

Forecasts and Market Outlook: The forecasts and market outlook presented in this material reflect subjective judgments and assumptions of the investment manager and unexpected events may occur. There can be no assurance that developments will transpire as forecasted in this material.

"Management Fees, as well as account minimums and other important information are described in GIA's Form ADV - Part II. Since management fees are deducted quarterly, the compounding effect will be to increase the impact of such fees by an amount directly related to the account's performance. For example, an account with a 10% gross annual return and a 1% annualized management fee that is deducted quarterly will have a net annual return of about 8.9%.

* Important GIPS disclosures pertaining to composite performance may be found at the back of this letter.

Supplemental Information to the Composite:

The performance information provided is for the Core Bond Representative Account and is supplemental to the Global Investment Grade Composite ("GIG"). GIG contains securities held in the Core Bond Representative Account.

Index Definitions

Barclays US Aggregate Index

The Barclays U.S. Aggregate Index represents securities that are SEC-registered, taxable and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

Barclays US Government Index

This index is the U.S. Government component of the U.S. Government/Credit index.
Securities issued by the U.S. Government (i.e., securities in the Treasury and Agency Indices).

Barclays US Credit Index

This index is the U.S. Credit component of the U.S. Government/Credit index.
Publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-registered.

Barclays US Mortgage Backed Securities Index

This index is the U.S. MBS component of the U.S. Aggregate index.
The MBS Index covers the mortgage-backed pass-through securities of Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

Bank of America Merrill Lynch US Corporate & Yankees Index

The Bank of America Merrill Lynch US Corporate & Yankees Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market by US and non-US corporations and non-US quasi-governments.

Bank of America Merrill Lynch US High Yield Master Cash Pay Only Index

The US High Yield Master Cash Pay Only Index tracks the performance of below investment grade US dollar-denominated corporate bonds publicly issued in the US domestic market.

JP Morgan Corporate Emerging Markets Bond Index (CEMBI)

The CEMBI tracks total returns of US dollar-denominated debt instruments issued by corporate entities in Emerging Markets countries. Two variations are available: CEMBI Broad and CEMBI. The CEMBI Broad is the most comprehensive corporate benchmark followed by the CEMBI, which consists of an investable universe of corporate bonds. Both indices are also available in Diversified versions.

JP Morgan EMBI+ Index

The EMBI+ tracks total returns for U.S-dollar-denominated debt instruments of the emerging markets: Brady bonds, loans, Eurobonds. The EMBI+ currently covers 104 instruments across 15 countries.

JP Morgan EMBI Global

The EMBI Global tracks total returns for US dollar-denominated debt securities issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds.

Citigroup Non-US World Government Bond Index

The Index is comprised of foreign government bonds with maturities over one year.

S&P 500 Index

An index of 500 stocks chosen for market size, liquidity and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe.

Nasdaq Composite Index

An index that tracks the change in the total market value of all companies listed on the Nasdaq Stock Market.

Russell 2000 Index

An index measuring the performance of the 2,000 smallest companies in the Russell 3000 Index, which is made up of 3,000 of the biggest U.S. stocks. The Russell 2000 serves as a benchmark for small cap stocks in the United States.

MSCI EAFE Index

The index is a capitalization weighted index that monitors the performance of stocks from Europe, Australasia and the Far East.

MSCI EAFE- Europe Index

The index is a capitalization weighted index that monitors the performance of stocks from Europe.

MSCI EAFE- Japan Index

The index is a capitalization weighted index that monitors the performance of stocks from Japan.

MSCI Emerging Markets Equity

The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

Global Investment Grade GIPS Disclosure

GIA Partners, LLC ("GIA"), a Delaware limited liability company, is wholly owned by the principals of the firm. GIA is an investment advisor registered with the U.S. Securities and Exchange Commission (CRD No. 151207) and is licensed to provide investment management services in the United States. The firm conducts its investment management services in and from New York, New York.

GLOBAL INVESTMENT GRADE

The "Global Investment Grade Composite", consists of only actual, fee-paying, fully discretionary accounts, managed by GIA Partners, LLC. Since inception the composite has been comprised of 100% carve outs. The composite includes investment grade securities that act and behave like securities in the core bond market using credit rating, spread, volatility, correlation, and/or analyst assessment of the likely future behavior of the security, that were carved out from separate accounts that invest in dollar & non-dollar denominated fixed income securities. The composite was created in November 2005.

New accounts are added to this composite in the first complete month after being under management for an entire investment period (three months). Terminated accounts are included in composites through the last full month they were under management and remain in the composite history. A complete list and description of firm composites, as well as additional information regarding policies for calculating and reporting returns, are available upon request. This presentation is preceded or accompanied by a current fee schedule. The "Market Weighted Net" line item in the chart below reflects the deduction from gross performance of an investment management fee of 0.35%, trading fees, and excludes performance fees. While there is no minimum asset level for inclusion in the composite, portfolios that cannot fully invest in the strategy are not included in the composite.

Cash is allocated from each account included in the composite strategy based on the ratio of composite to non-composite securities. The dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns represented within the composite for the full year. Valuations are computed and performance is reported in U.S. dollars.

The BofA Merrill Lynch US Corporates & All Yankees Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market by US and non-US corporations and non-US quasi-governments. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P and Fitch foreign currency long term sovereign debt ratings).

GIA Partners, LLC has prepared and presented this report in compliance with Global Investment Performance Standards ("GIPS").

Period ending December 31, 2008 (%) **GIA Global Investment Grade Composite**	**1 Year**	**3 Years**	**5 Years**	**Since Inception 1/1/2003**
Market Weighted– Gross	(7.67)	1.20	3.06	4.84
Market Weighted– Net (0.35 fee)	(7.94)	0.87	2.72	4.49
Bank of America Merrill Lynch Corporate and Yankees Index	(5.06)	1.36	2.32	3.21

Year ending December 31st (%) **Global Investment Grade- Historical Returns and Statistics**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**
Market Weighted– Gross	(7.61)	6.76	5.15	3.99	7.89	14.20
Market Weighted– Net (0.30 fee)	(7.94)	6.39	4.79	3.62	7.51	13.80
Benchmark Returns Barclays Capital US Aggregate Index	(5.06)	5.13	4.34	2.33	5.24	7.79
Period-End Assets ($ millions)	288.6	437.3	316.7	241.9	169.7	216.2
Number of Portfolios	8	9	9	8	7	7
Percent of Firm Assets	14.22	13.61	10.20	6.51	3.73	5.90
Dispersion: Standard Deviation of Member Portfolios	0.4	0.4	0.5	0.4	0.6	0.8
Members included for entire period	9	9	8	7	6	6

Periods in excess of one year are annualized. Past Performance is no indication of future returns. Returns are preliminary.

Core GIPS Disclosure

GIA Partners, LLC ("GIA"), a Delaware limited liability company, is wholly owned by the principals of the firm. GIA is an investment advisor registered with the U.S. Securities and Exchange Commission (CRD No. 151207) and is licensed to provide investment management services in the United States. The firm conducts its investment management services in and from New York, New York.

CORE
The "Core Composite", consists of only actual, fee-paying, fully discretionary accounts, managed by GIA Partners, llc. Since inception the composite has been comprised of separately managed accounts. The composite includes treasury, mortgage, investment grade, and investment grade emerging market securities that act and behave like securities in the core bond market and bond market using credit rating, spread, volatility, correlation, and/or analyst assessment of the likely future behavior of the security, that invest in dollar & non-dollar denominated fixed income securities. The composite was created on July 2000.

New accounts are added to this composite in the first complete month after being under management for an entire investment period (three months). Terminated accounts are included in composites through the last full month they were under management and remain in the composite history. A complete list and description of firm composites, as well as additional information regarding policies for calculating and reporting returns, are available upon request. This presentation is preceded or accompanied by a current fee schedule. The "Market Weighted Net" line item in the chart below reflects the deduction from gross performance of an investment management fee of 0.30%, trading fees, and excludes performance fees. While there is no minimum asset level for inclusion in the composite, portfolios that cannot fully invest in the strategy are not included in the composite.

Cash from each account is included in the composite strategy. The dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns represented within the composite for the full year. Valuations are computed and performance is reported in U.S. dollars.

The Barclays Capital US Aggregate Index tracks securities that are SEC-registered, taxable, and US dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The security must have: 1) at least one year to final maturity regardless of call features, 2) be rated investment-grade (Baa3/BBB- or higher) by at least two of the following ratings agencies: Moody's, S&P, Fitch, 3) be fixed rate, dollar-denominated and non-convertible.

GIA Partners, llc has prepared and presented this report in compliance with Global Investment Performance Standards ("GIPS").

Period ending December 31, 2008 (%) GIA Core Composite	1 Year	3 Years	5 Years	7 Years	Since Inception 7/1/2000
Market Weighted– Gross	(3.16)	3.25	3.37	4.81	5.84
Market Weighted– Net (0.30 fee)	(3.45)	2.94	3.06	4.50	5.53
Benchmark Returns Barclays Capital US Aggregate Index	5.24	5.51	4.65	5.36	6.27

Year ending December 31st (%) Core Plus Composite - Historical Returns and Statistics	2008	2007	2006	2005	2004	2003	2002	2001	July to December 2000
Market Weighted– Gross	-3.16	8.31	4.96	2.81	4.28	9.20	7.80	10.54	5.51
Market Weighted– Net (0.30 fee)	-3.45	7.98	4.64	2.50	3.96	8.88	7.48	10.21	5.35
Benchmark Returns Barclays Capital US Aggregate Index	5.24	6.97	4.33	2.43	4.34	4.10	10.26	8.44	7.35
Period-End Assets ($ millions)	112.2	178.4	96.5	92.2	90.0	86.6	93.8	87.2	79.2
Number of Portfolios	1	1	1	1	1	1	1	1	1
Percent of Firm Assets	5.5	5.5	3.1	2.5	2.0	2.4	3.3	3.3	4.4
Dispersion: Standard Deviation of Member Portfolios	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Members included for entire period	1	1	1	1	1	1	1	1	1

Periods in excess of one year are annualized. Past Performance is no indication of future returns. Returns are preliminary.

Core Plus GIPS Disclosure

GIA Partners, LLC ("GIA"), a Delaware limited liability company, is wholly owned by the principals of the firm. GIA is an investment advisor registered with the U.S. Securities and Exchange Commission (CRD No. 151207) and is licensed to provide investment management services in the United States. The firm conducts its investment management services in and from New York, New York.

CORE PLUS
The "Core Plus Composite", consists of only actual, fee-paying, fully discretionary accounts, managed by GIA Partners, llc. Since inception the composite has been comprised of separately managed accounts. The composite includes treasury, mortgage, investment grade, high yield and emerging market securities that act and behave like securities in the core bond market and high yield bond market using credit rating, spread, volatility, correlation, and/or analyst assessment of the likely future behavior of the security, that invest in dollar & non-dollar denominated fixed income securities. The composite was created in October 1999.

New accounts are added to this composite in the first complete month after being under management for an entire investment period (three months). Terminated accounts are included in composites through the last full month they were under management and remain in the composite history. A complete list and description of firm composites, as well as additional information regarding policies for calculating and reporting returns, are available upon request. This presentation is preceded or accompanied by a current fee schedule. The "Market Weighted Net" line item in the chart below reflects the deduction from gross performance of an investment management fee of 0.35%, trading fees, and excludes performance fees. While there is no minimum asset level for inclusion in the composite, portfolios that cannot fully invest in the strategy are not included in the composite.

Cash from each account is included in the composite strategy. The dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns represented within the composite for the full year. Valuations are computed and performance is reported in U.S. dollars.

The Barclays Capital US Aggregate Index tracks securities that are SEC-registered, taxable, and US dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. The security must have: 1) at least one year to final maturity regardless of call features, 2) be rated investment-grade (Baa3/BBB- or higher) by at least two of the following ratings agencies: Moody's, S&P, Fitch, 3) be fixed rate, dollar-denominated and non-convertible.

GIA Partners, llc has prepared and presented this report in compliance with Global Investment Performance Standards ("GIPS").

Period ending December 31, 2008 (%) GIA Core Plus Composite	1 Year	3 Years	5 Years	7 Years	Since Inception 10/1/1999
Market Weighted– Gross	(11.15)	0.08	2.08	4.70	5.42
Market Weighted– Net (0.35 fee)	(11.46)	(0.27)	1.72	4.34	5.05
Benchmark Returns Barclays Capital US Aggregate Index	5.24	5.51	4.65	5.36	6.18

Year ending December 31st (%) Core Plus Composite - Historical Returns and Statistics	2008	2007	2006	2005	2004	2003	2002	2001	2000
Market Weighted– Gross	(11.15)	5.57	6.86	3.49	6.84	20.60	3.20	8.99	4.85
Market Weighted– Net (0.35 fee)	(11.46)	5.20	6.49	3.13	6.46	20.18	2.84	8.61	4.49
Benchmark Returns Barclays Capital US Aggregate Index	5.24	6.97	4.33	2.43	4.34	4.10	10.26	8.44	11.63
Period-End Assets ($ millions)	369.4	464.8	448.3	446.4	390.8	396.0	345.8	151.4	143.3
Number of Portfolios	3	3	3	3	3	3	2	2	2
Percent of Firm Assets	18.2	14.3	14.4	12.0	8.6	10.8	12.0	5.8	8.0
Dispersion: Standard Deviation of Member Portfolios	1.2	0.3	1.0	0.1	0.6	1.8	0.1	0.7	N/A
Members included for entire period	2	3	3	3	3	2	2	2	1

Periods in excess of one year are annualized. Past Performance is no indication of future returns. Returns are preliminary.

Global High Yield GIPS Disclosure

GIA Partners, LLC ("GIA"), a Delaware limited liability company, is wholly owned by the principals of the firm. GIA is an investment advisor registered with the U.S. Securities and Exchange Commission (CRD No. 151207) and is licensed to provide investment management services in the United States. The firm conducts its investment management services in and from New York, New York.

GLOBAL HIGH YIELD
The "Global High Yield Composite", consists of only actual, fee-paying, fully discretionary accounts, managed by GIA Partners, llc. As of May 2000, the composite had been comprised of 100% carve outs. The composite includes global high yield securities that act and behave like securities in the high yield market using credit rating, spread, volatility, correlation, and/or analyst assessment of the likely future behavior of the security, that were carved out from separate accounts that invest in dollar & non-dollar denominated fixed income securities. The composite was created in May 2003. As of January 1, 2010, the Global High Yield Composite is wholly comprised of 100% of separately managed accounts in accordance with the revised GIPS Standards.

New accounts are added to this composite in the first complete month after being under management for an entire investment period (three months). Terminated accounts are included in composites through the last full month they were under management and remain in the composite history. A complete list and description of firm composites, as well as additional information regarding policies for calculating and reporting returns, are available upon request. This presentation is preceded or accompanied by a current fee schedule. The "Market Weighted Net" line item in the chart below reflects the deduction from gross performance of an investment management fee of 0.50%, trading fees, and excludes performance fees. While there is no minimum asset level for inclusion in the composite, portfolios that cannot fully invest in the strategy are not included in the composite.

The dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns represented within the composite for the full year. Valuations are computed and performance is reported in U.S. dollars.

The BofA Merrill Lynch US High Yield, Cash Pay Index tracks the performance of US dollar denominated below investment grade corporate debt, currently in a coupon paying period that is publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P and Fitch foreign currency long term sovereign debt ratings).

GIA Partners, llc has prepared and presented this report in compliance with Global Investment Performance Standards ("GIPS").

Period ending December 31, 2008(%) GIA Global High Yield Composite	**1 Year**	**3 Years**	**5 Years**	**7 Years**	**Since Inception 10/1/1999**
Market Weighted– Gross	(37.65)	(10.36)	(3.19)	1.55	2.64
Market Weighted– Net (0.50 fee)	(37.96)	(10.80)	(3.67)	1.04	2.13
Bank of America Merrill Lynch High Yield, Cash Pay Index (J0A0)	(26.21)	(5.59)	(0.84)	2.71	2.40

Year ending December 31st (%) Global High Yield Composite - Historical Returns and Statistics	2008	2007	2006	2005	2004	2003	2002	2001	2000
Market Weighted– Gross	(37.65)	1.83	13.46	4.65	12.84	31.38	(0.33)	8.20	1.06
Market Weighted– Net (0.50 fee)	(37.96)	1.32	12.90	4.12	12.27	30.72	(0.83)	7.66	0.56
Benchmark Returns BofA Merrill Lynch High Yiel, Cash Pay Index (J0A0)	(26.21)	2.17	11.64	2.83	10.76	27.23	(1.14)	6.21	(3.79)
Period-End Assets ($ millions)	230.6	340.4	410.1	340.6	322.0	418.1	428.5	157.5	96.1
Number of Portfolios	7	8	8	7	6	6	5	3	2
Percent of Firm Assets	11.36	10.50	13.21	9.16	7.08	11.41	14.88	6.01	5.37
Dispersion: Standard Deviation of Member Portfolios	2.0	0.6	0.2	0.9	0.7	2.3	0.5	1.1	N/A
Members included for entire period	6	8	7	6	5	5	3	2	1

Periods in excess of one year are annualized. Past Performance is no indication of future returns. Returns are preliminary.