

“Strategists’ Views are Still Supportive of Converts Going Forward.”

- Bank of America Merrill Lynch (September 1, 2009)

Highlights of Convertibles in 2009

Attractive Yields: Convertibles continue to offer attractive yields; Current weighted Yield-to-Best is 7.12% as of August 31, 2009

Tightening Credit Spreads: Corporate credit spreads can continue to contract for some time; Current levels are still wide at 334 bps over treasuries for BBB, 654 bps for BB, 834 bps for B and 1,444 bps for CCC

Heightened Market Volatility: Convertible valuations are still at meaningful discounts to theoretical values due to increased market volatility; Currently mid-cap issuers are discounted 5-8%

Accelerating New Issuance: Companies are taking advantage of the recent strength in the stock market; Current and historic new issuance significantly adds to returns

About SSI

SSI Investment Management is a Registered Investment Advisor specializing in the creation of alpha-generating investment solutions for clients. Founded in 1973, SSI is recognized as an innovator in systematic investment strategies and the integration of a disciplined quantitative process with fundamental analysis. SSI’s expertise in Market-Neutral strategies and short selling has been honed by the Firm’s 36 years of experience. SSI’s Senior Investment Team has worked together for more than 15 years with no turnover. Based in Los Angeles, California, SSI is 100% employee-owned. Recognizing ongoing client demand for alpha-generating investment products, SSI, in early 2009, acquired the prestigious Frolely Revy Investment Group. Frolely Revy was founded in 1975 and has built one of the most successful records in the management of both investment grade and non-investment grade convertibles. SSI’s investment team will benefit from the combined credit and equity research capabilities.

* See net performance numbers on page 4.

SSI HC Income Composite inception date: 01/01/1995

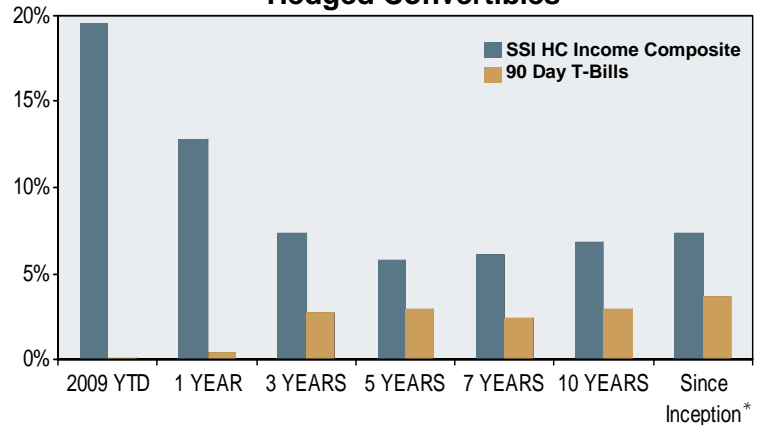
SSI Discretionary Composite inception date: 01/01/1983

SSI Investment Grade Composite inception date: 01/01/1999

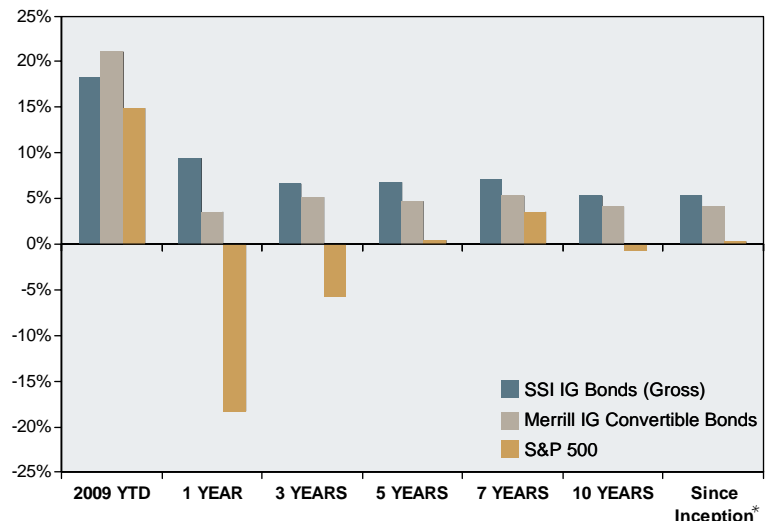
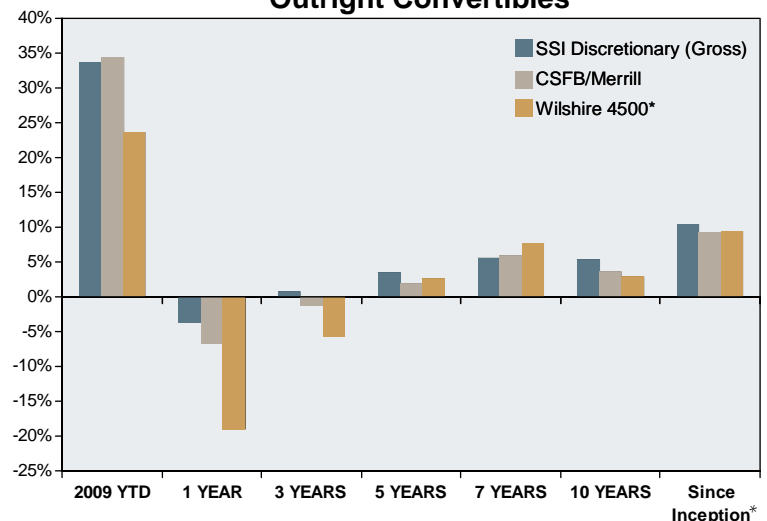
Performance Leader

Annualized Performance as of August 31, 2009

Hedged Convertibles



Outright Convertibles



The Convertible Investment Opportunity

Convertibles Have Beaten Most Equities Over Market Cycles (as of August 31, 2009)

Convertibles have outperformed most equities over a market cycle with less risk.

	One Year	Three Years	Five Years	Ten Years
All US Convertibles (VXA0)	-6.62%	-4.08%	11.60%	41.65%
VXA0 Underlying Equities	-18.12%	-23.94%	-2.70%	-14.88%
S&P 500	-18.25%	-16.36%	2.49%	-7.67%
NASDAQ Composite	-14.23%	-5.54%	13.90%	-22.15%

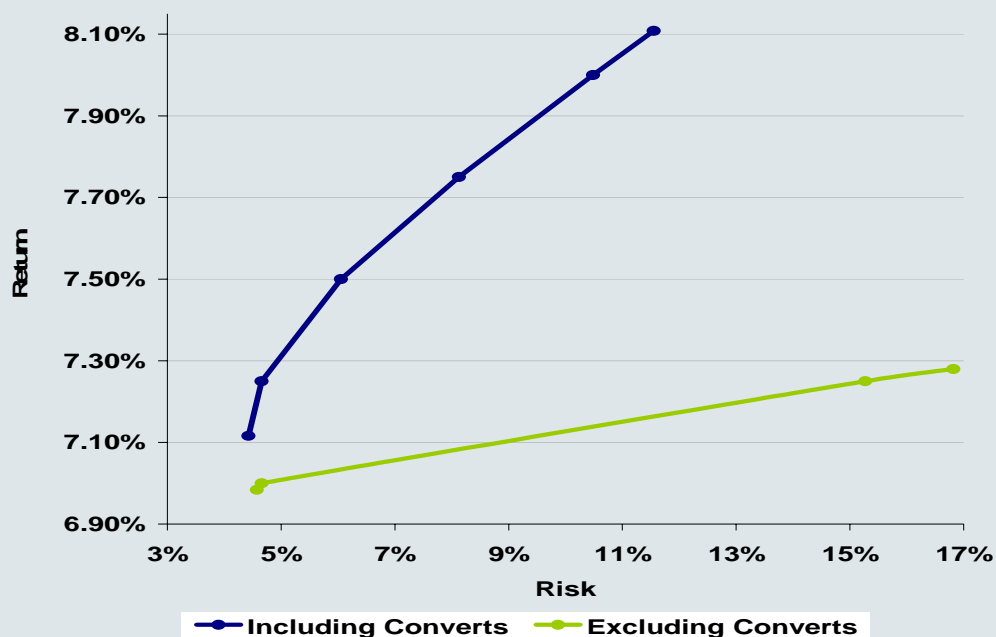
Source: Banc of America Securities-Merrill Lynch Convertible Research 8/31/09

	Annualized Return	Standard Deviation	Sharpe Ratio
All Traditional Convertibles (VOA0)	8.11%	11.55%	0.34
S&P 500	7.28%	16.82%	0.18
NASDAQ Composite	8.31%	23.89%	0.17

Source: Banc of America Securities-Merrill Lynch Convertible Research 6/30/09

Convertibles Enhance a Typical Stock & Bond Portfolio (as of June 30, 2009)

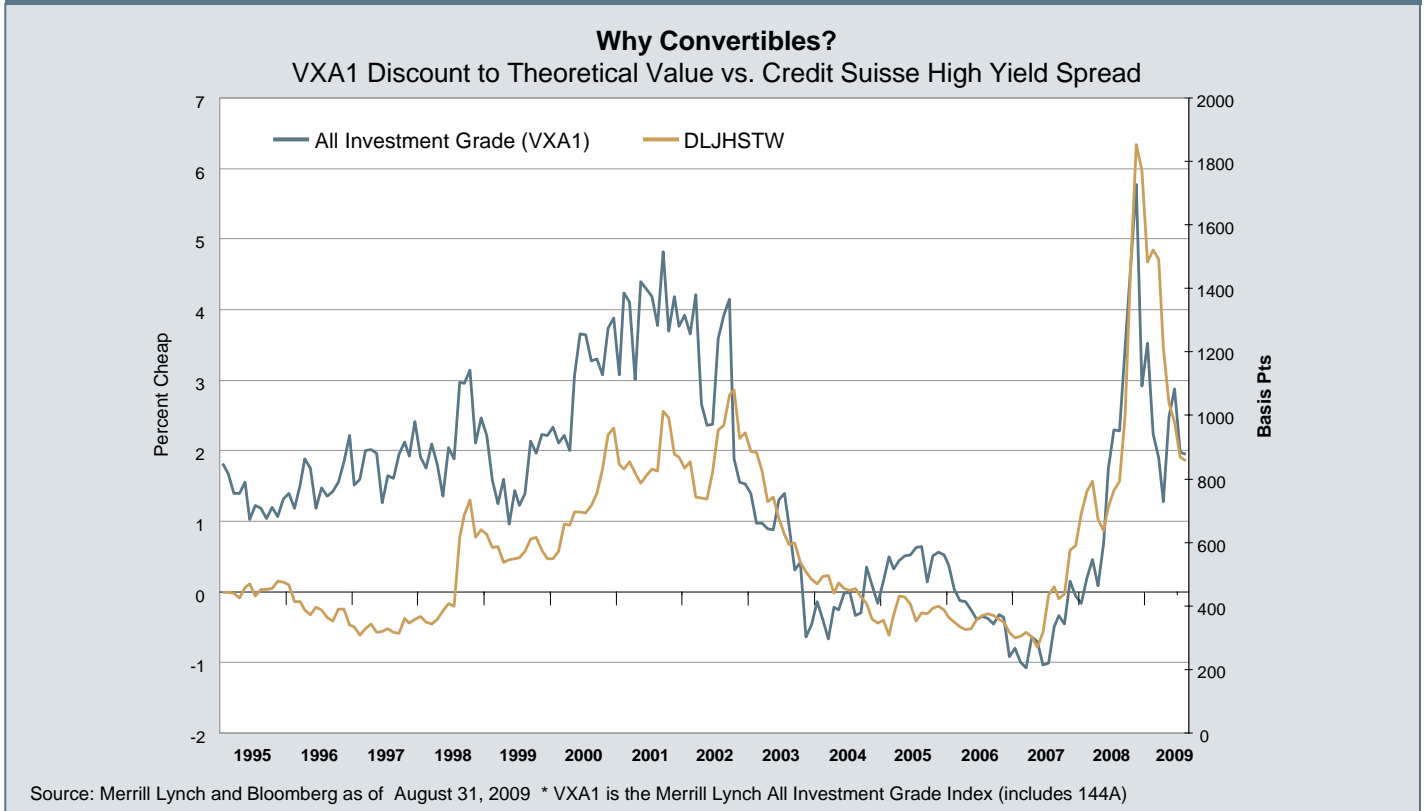
Convertibles expand the efficient frontier; adding return with lower risk.



Source: Banc of America Securities-Merrill Lynch Convertible Research 6/30/09

The Convertible Investment Opportunity

Credit Spreads and Stock-Specific Volatility are Still Above Prior Cycles' High



There is a Longer-term Opportunity in the Convertible Market

Convertibles are poised to outperform in 2010

- Convertibles continue to offer attractive yields (weighted Yield-to-Best of 7.12%), and meaningful discounts to theoretical value of 5-8% for convertibles of mid-cap issuers.
- The Convertible Market is benefiting from evidence that the recession is nearing an end, which in turn, is a major driver of corporate credit spread contraction.
- In spite of credit spread narrowing this year, credit spreads remain at wide levels (334 bps over treasuries for BBB, 654 bps over treasuries for BB, 834 bps over treasuries for B, and 1,442 for CCC). Credit spread contraction can continue for some time.
- Opportunities in sub-investment grade convertibles of mid-cap issuers will persist longer than in investment grade.
- The ownership profile of Convertibles has changed dramatically from dominance by hedge funds to dominance by institutional outright investors (confirmed by 13F filings). Structural risk characteristics of the Convertible Market have changed accordingly, as outright investors use no leverage and tend to stay fully invested.
- Convertible new issuance will accelerate in the Fall as companies take advantage of the recent strength in the stock market and contraction of credit spreads.

SSI Convertible Strategies – Performance Results

(as of August 31, 2009; net of fee)



SSI Hedged Convertible Income Composite

	SSI HC Income Composite Return	90 Day T-Bill Return	SSI Value Added
YTD 2009	18.71%	0.12%	18.59%
August 2009	1.59%	0.01%	1.58%
1 YEAR	11.70%	0.51%	11.19%
3 YEARS	6.35%	2.77%	3.58%
5 YEARS	4.93%	2.98%	1.95%
7 YEARS	5.33%	2.45%	2.88%
10 YEARS	6.04%	3.00%	3.04%
Since Inception January 1, 1995	6.43%	3.70%	2.73%

SSI Outright Discretionary Composite

	SSI Discretionary	CSFB/ Merrill	Wilshire 4500*
2009 YTD	33.16%	34.35%	23.65%
August 2009	4.66%	7.17%	3.67%
1 YEAR	-3.59%	-6.63%	-18.98%
3 YEARS	0.38%	-1.38%	-5.65%
5 YEARS	3.17%	2.01%	2.69%
7 YEARS	5.18%	6.01%	7.70%
10 YEARS	5.03%	3.71%	2.90%
Since Inception January 1, 1983	10.03%	9.21%	9.40%

SSI Outright Investment Grade Composite

	SSI IG Bonds Only	Merrill IG Convertible Bonds	S&P 500
2009 YTD	18.29%	21.04%	14.96%
August 2009	2.23%	1.88%	3.61%
1 YEAR	9.49%	3.54%	-18.26%
3 YEARS	6.61%	5.09%	-5.79%
5 YEARS	6.78%	4.65%	0.49%
7 YEARS	7.02%	5.36%	3.59%
10 YEARS	5.32%	4.14%	-0.79%
Since Inception January 1, 1999	5.24%	4.17%	0.28%

Past performance is not necessarily indicative of future results. Performance results are net of fee. SSI performance results for HC Income Strategy include an estimate for August 2009. Please see the performance disclosure on backside.

The Convertible Investment Opportunity

SSI's Hedged Convertible Investment Strategy

SSI's Hedged Convertible Market-Neutral strategy seeks absolute returns significantly greater than prevailing short-term interest rates, with moderate volatility and minimal correlation to major capital markets. Utilizing both quantitative and fundamental analysis to determine the best portfolio candidates, SSI's portfolio team constructs a diversified portfolio of convertible bonds and preferred stocks that have been evaluated on relative valuation and risk attributes. The portfolio is hedged at the position level through the short-sale of the underlying common stock. Treasury bond futures and credit default swaps may be utilized on a tactical basis for risk management. The Firm's proprietary models offer proven, systematic and low volatility portfolios for its institutional clients.

SSI's Outright Convertible Investment Strategy

SSI's Outright Convertible products seek to add value by producing equity-like returns with bond-like risk. Utilizing both quantitative and fundamental analysis to determine the best portfolio candidates, SSI's portfolio team constructs a diversified portfolio of convertible bonds and convertible preferred stocks that have been evaluated on relative valuation and risk attributes.

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Convertible Performance Disclosure

The **SSI Hedged Convertible Market-Neutral Unlevered and Levered Composite** strategy invests long in a diversified portfolio of convertible bonds/preferreds and short in a diversified portfolio of common stocks to attempt to achieve an absolute return. We expect to use leverage all or most of the time within the levered strategy. The composites contain fully discretionary accounts including those no longer with the firm. With interest rebates on short sales and coupon interest on convertible bonds/preferreds comprising a consistent and important component of the return of both composites, SSI believes a performance comparison versus 90-Day Treasury Bills is appropriate. However, the volatility of this strategy is expected to be greater than the volatility of the 90-Day Treasury Bill due to the inclusion of convertible and equity positions, and leverage in the levered strategy. The return, if any, above 90-Day Treasury Bill is dependent upon higher interest income available in the convertible market and SSI's discretionary management. The other indices shown, if any, are not necessarily comparable to SSI's strategy. These are widely recognized market indices that are shown for informational purposes only. All returns are based in U.S. dollars and reflect, on a percentage basis for each of the periods indicated: (a) the net increase (decrease) of all Unlevered and Levered Hedged Convertible Market-Neutral portfolios during the period, dollar-weighted, including adjustments for unrealized gains and losses, the reinvestment of dividends and other earnings, the deduction of costs, time-weighted to adjust for additions and withdrawals, and reduced by the management fees (which may include performance fees) paid by such accounts, and (b) the net increase (decrease) of the 90-Day Treasury Bill. The SSI Hedged Convertible Opportunity Fund, which was added to the Levered Composite in May, 2008, is expected to incur administrative costs that are approximately two basis points higher per month than the costs of other accounts included in the composite.

THIS MATERIAL IS INTENDED ONLY FOR QUALIFIED INVESTORS. IT DOES NOT CONSTITUTE AN OFFER TO PURCHASE AN INTEREST IN ANY PRIVATELY OFFERED FUND MANAGED BY SSI. SSI INVESTMENT MANAGEMENT INC. BELIEVES THAT RESULTS WERE GENERATED WITH AN INVESTMENT PHILOSOPHY AND METHODOLOGY SIMILAR TO THAT DESCRIBED HEREIN. FUTURE INVESTMENTS, HOWEVER, WILL BE MADE UNDER DIFFERENT ECONOMIC CONDITIONS, IN DIFFERENT SECURITIES AND USING DIFFERENT INVESTMENT STRATEGIES. IT SHOULD NOT BE ASSUMED THAT FUTURE INVESTORS WILL EXPERIENCE RETURNS, IF ANY, COMPARABLE TO THOSE DISCLOSED HEREIN. THE INFORMATION GIVEN IS HISTORIC AND SHOULD NOT BE TAKEN AS ANY INDICATION OF FUTURE PERFORMANCE. THE PERFORMANCE DATA WAS PREPARED BY SSI INVESTMENT MANAGEMENT INC. AND WAS NOT COMPILED, REVIEWED OR AUDITED BY AN INDEPENDENT ACCOUNTANT. ANY INVESTMENT IS SUBJECT TO RISK OF LOSS. THE USE OF LEVERAGE INCREASES THE INVESTMENT GAIN OR LOSS IN DIRECT PROPORTION TO THE DEGREE OF LEVERAGE USED.

SSI Investment Management, Inc. acquired the assets of Frolely Revy Investment Co., Inc and its composites as of March 1st, 2009. SSI is not and does not claim to be GIPS compliant. However, from January 1, 1983 through December 31, 2008, Frolely, Revy claimed GIPS compliance and was verified by Ashland Partners & Company, LLP.

The **Outright Discretionary Convertible** strategy is invested in convertible bonds and convertible preferred stocks, and do not have credit quality restrictions. This composite was created in January 1983. The composite contains fully discretionary accounts including those no longer with the firm. SSI believes a performance comparison versus the Merrill Lynch All Convertibles (VXA0) index is appropriate. However, the volatility of this strategy is expected to be greater than the volatility of the Merrill Lynch All Convertibles index as the strategy holds a smaller number of positions as the index and may hold 144A securities. The return, if any, above the Merrill Lynch All Convertibles index is dependent upon higher interest income available in the convertible market and SSI's discretionary management. The other indices shown, if any, are not necessarily comparable to SSI's strategy. These are widely recognized market indices that are shown for informational purposes only.

The **Outright Investment Grade Bonds Only** strategy is invested in convertible bonds. This composite was created in January 1999. The composite contains fully discretionary accounts including those no longer with the firm. SSI believes a performance comparison versus the Merrill Lynch Investment Grade Convertible Bonds (VOS1) index is appropriate. However, the volatility of this strategy is expected to be greater than the volatility of the Merrill Lynch Investment Grade Convertible Bonds index as the strategy holds a smaller number of positions as the index and may hold 144A securities. The return, if any, above the Merrill Lynch Investment Grade Convertible Bonds index is dependent upon higher interest income available in the convertible market and SSI's discretionary management. The other indices shown, if any, are not necessarily comparable to SSI's strategy. These are widely recognized market indices that are shown for informational purposes only.

Actual results of an individual account may be materially different from the performance shown herein because of differences in inception date, transaction and related costs, restrictions, fees and other factors. The annual composite dispersion presented is an asset-weighted standard deviation calculated for accounts in the composite the entire year.

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