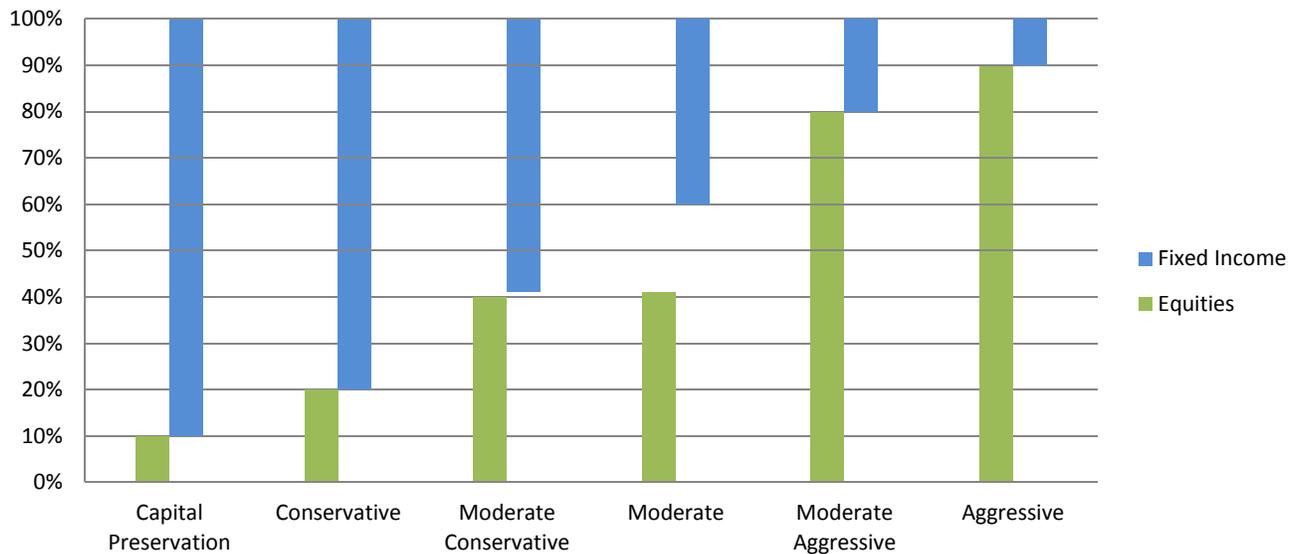


Our Basic Investment Philosophy

Strategic Allocation is the base of our investing philosophy. This involves setting target allocations based upon such factors as risk tolerance, time horizon, and investment objectives.

Investment theory and historical capital market return data suggests that, over long periods of time there is a relationship between the level of risk assumed and the level of return that can be expected in an investment program. In general, higher risk, or volatility of return, is associated with higher return. Alternatively, lower risk and lower volatility is associated with lower return.

Six Strategic Portfolios provide the Wealth Management Group the ability to systematically manage a portfolio within a defined range keeping in mind the relationship between the risk assumed and the expected return.



Capital Preservation: low risk tolerance; short term time horizon; stability of principal; higher return potential than cash or money market securities.

Conservative: lower risk tolerance; short to mid term time horizon; stability of principal; provide income; higher return potential than cash or money market securities.

Moderate Conservative: slightly higher risk tolerance; mid to long term time horizon; modest capital appreciation and income.

Moderate: moderate risk tolerance; mid to long term time horizon; stable growth ; limit fluctuation to less than that of the over all stock market.

Moderate Aggressive: high risk tolerance; long term time horizon; capital appreciation; higher market fluctuations.

Aggressive: highest risk tolerance; term time horizon; growth objective; substantial market fluctuations.

For informational purposes only. Guaranty Bank & Trust, N.A. Wealth Management Group reserves the right to alter the target allocation at any time. The actual allocation of a portfolio will be based upon risk tolerance, size, tax strategy, or other factors specific to the account.