

4Q • 2010

MARKET OVERVIEW

Overall equity markets posted strong gains during the fourth quarter, driving total annual gains north of 10% for the second consecutive year. The S&P 500 rallied 10.8% (total return) during the quarter and 15% for 2010, outpacing the Dow Jones Industrial Average which posted a 8% gain in the fourth quarter and 14% for 2011. The strong equity markets in the fourth quarter were driven in part by the Fed's QE2¹ announcement, which signaled an additional \$600 billion of Fed bond buying, along with continued strong corporate earnings results, and improving macroeconomic conditions. Recently investor risk appetite appears to be improving evidenced by an increasing allocation into equity funds and out of fixed income assets.

Small-Cap equities outperformed Larger-Cap equities, with the Russell 2000 Index gaining 16.3% in the fourth quarter and 26.9% for the full year. Within Small-Caps, the growth index outperformed the value index by 1.75% for the fourth quarter and 4.59% for the full year.

STRATEGY REVIEW

Another quarter of solid market gains provided the backdrop for the MTB Small-Cap Growth Fund's strong performance. The Fund finished up almost 20.0% for the three months ending December 31, 2010 and outperformed the Russell 2000 Growth Index in the quarter by over 280 basis points.² The Materials sector was our biggest contributor to the outperformance for the second quarter in a row. In addition to outstanding stock selection, our decision to overweight the sector relative to the benchmark added to performance. Stock selection in Industrials and an overweight in Energy also generated positive relative returns. Our detractors for the quarter came primarily from stock selection in Information Technology and Health Care.

OUTLOOK

This quarter's Outlook section will focus on our underweight to the Healthcare sector. The United States spends more on Healthcare as a percent of gross domestic product (GDP) than any other industrialized nation. In 2008, total Healthcare spending came to \$2.4 trillion or \$7,800 per person, representing 16.6 percent of GDP. If spending continues to increase at current rates, the U.S. Department of Health and Human Services projects it will reach \$4.4 trillion by 2018, or 20.3 percent of GDP. A report issued by the Council of Economic Advisers titled "The Economic Case for Healthcare Reform" outlines the economic impact of Healthcare reform. The report estimates that slowing the annual growth rate of Healthcare costs by 1.5 percentage points would increase the real GDP, relative to the non-reform baseline, by over 2 percent in 2020 and nearly 8 percent in 2030. While the study finds that reducing the annual growth rate of Healthcare costs will have many positive economic impacts, such as preventing disastrous increases in the Federal budget deficit, lowering the unemployment rate, and increasing labor supply, we believe the Healthcare sector (which makes up almost 19% of the Russell 2000 Growth Index) will experience a multi-year period of re-valuation as costs are squeezed out of the system. For this reason, we have reduced our weighting to the sector and will likely remain underweight until the adjustment period concludes.

JAMES E. THORNE, Ph.D

CIO, Equities and Portfolio Manager



Jim Thorne is the Chief Investment Officer of Equities and Senior Portfolio Manager of the MTB Small-Cap Growth Fund. He has been a Portfolio Manager with MTB Investment Advisors since April 2003, concentrating

on small-cap equity selection as well as economic forecasting. With over 15 years of investment industry experience, Dr. Thorne has also been a Portfolio Manager at Caldwell Securities Investment Management. Prior to that, Dr. Thorne was a professor at the Schulich School of Business and at Bishop's University. He received his Ph.D. in Economics in the fields of Finance and Industrial Organization from York University.

MTBIA Small-Cap Growth Composite Returns (%) for the periods ending 12/31/10

	Composite (Gross of fees)	Composite (Net of fees)	Russell 2000 Growth Index
3 Mo	20.30	20.03	17.11
YTD	27.32	26.17	29.09
1 Yr	27.32	26.17	29.09
3 Yr	-0.88	-1.77	2.19
5 Yr	6.02	5.07	5.30
10 Yr	3.87	2.94	3.78
Inception (1/1/96)	11.12	10.13	--

Supplemental Information - These numbers are preliminary and are subject to change.

The net of fee composite performance is based on the highest applicable quarterly fees, adjusted for changes in the market value. Returns for periods greater than one year are annualized. Returns reflect reinvestment of all dividends and other earnings. Indices are unmanaged and not available for direct investment. Past performance is no guarantee of future results. Please refer to the end of this presentation for our GIPS compliant presentation, which includes performance footnotes, fee schedules, and disclosures.

Opinions and projections contained herein reflect our opinion as of the date of the analysis and are subject to change without notice. Small-cap investing involves special risks. Small-cap stocks are more volatile and drop more in down markets than large-cap stocks.

Year	Composite Return Gross of Fees (%)	Composite Return Net of Fees (%)	Benchmark Return (%)	Total Composite Assets (\$ millions)	Percentage of Carve-out	Total Firm Assets (\$ millions)	Dispersion (%)	Portfolios Year End
1996**	15.92	15.02	11.26	20.03	--	7,004	N/A	≤5
1997	7.35	6.45	12.95	23.29	--	11,341	N/A	≤5
1998	25.26	24.36	1.23	74.88	--	14,873	N/A	≤5
1999	115.84	114.94	43.09	153.31	--	17,272	N/A	≤5
2000	-1.03	-1.93	-22.43	235.65	--	18,543	N/A	≤5
2001	-7.48	-8.38	-9.23	245.52	--	16,299	N/A	≤5
2002	-25.46	-26.36	-30.26	258.80	--	15,046	N/A	≤5
2003	46.09	45.19	48.54	320.93	--	14,358	N/A	≤5
2004	4.39	3.49	14.29	282.97	--	12,861	N/A	≤5
2005	3.75	2.85	4.14	150.67	--	11,859	N/A	≤5
2006	22.27	21.17	13.35	178.58	N/A	12,913	N/A	≤5
2007	12.48	11.48	7.02	217.29	N/A	15,029	N/A	≤5
2008	-44.89	-45.38	-38.53	122.09	N/A	15,380	N/A	≤5
2009	38.79	37.54	34.47	158.89	N/A	13,191	N/A	≤5
2010	27.32	26.17	29.09	188.40	N/A	13,321	N/A	≤5

MTB Investment Advisors has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

Firm: MTB Investment Advisors ("MTBIA"), a wholly owned subsidiary of Manufacturers and Traders Trust Company ("M&T Bank"), is a Registered Investment Advisor managing U.S. equity, fixed income, and balanced assets for institutional investors. MTBIA also manages proprietary funds available for institutional and retail investors.

MTBIA has been verified by an independent auditor for each year during the period from 2001 through 2009. A copy of the Firm verification report is available upon request.

A complete list and description of all composites is available upon request.

Allied Investment Advisors, Inc. was created and registered as an investment advisor in 1995. It was renamed MTB Investment Advisors, Inc. in 2003 following the acquisition of its corporate parent by M&T Bank Corporation. The GIPS portability rules apply with respect to performance for periods prior to the acquisition.

Composite Definition: The MTB Small Cap Growth Composite was created February 17, 2005. This composite has a minimum account market value of \$2,000,000. Prior to the merger of ARK Funds and Vision Group of Funds into the MTB Funds in August 2003, the Composite was named ARK Small Cap Equity. The Composite portfolio consists of all fully discretionary, fee-paying, actively managed accounts that invest at least 80% of their assets in a diversified portfolio of growth-oriented equity securities of small cap companies defined as companies with market capitalizations, at the time of purchase, similar to companies in the Russell 2000 Index. Prior to January 2010, where the firm used the performance of the equity and/or fixed income portion of balanced portfolios in Composite calculations, cash was allocated proportionally based on beginning asset class market values as a percentage of the portfolio. Going forward, cash is managed separately. Past performance is not indicative of future performance, and individual portfolios may experience different performance results.

Calculations: Composite performance is calculated in U.S. dollars and assumes reinvestment of dividends, interest, capital gains, and other earnings. MTBIA maintains additional information regarding policies for calculating and reporting performance returns, which is available upon request.

Benchmark: The benchmark for this composite is: (100%) Russell 2000 Growth Index. The Russell 2000 Growth Index is a non-managed index that is generally considered to approximate movements in the U.S. small-capitalization stock market with stocks that have higher price-to-book ratios and forecasted growth values as defined by Russell.

Dispersion: Asset-weighted standard deviation is used.

Fees: The "Gross" of fees performance figures do not reflect the deduction of investment advisory fees, but do reflect the deduction of any trading commissions. The "Net" of fees performance figures reflect the deduction of any trading commissions and investment advisory fees. Actual fees may vary depending on, among other things, the applicable fee schedule and account size. Complete MTBIA investment advisory fee information is set forth in Form ADV Part II, which is available upon request. The fee schedule for this product is: Small-Cap Equity

Management: 0.90% (90 basis points) on the first \$10,000,000; 0.80% (80 basis points) on the next \$15,000,000; 0.70% (70 basis points) on the next \$25,000,000; 0.65% (65 basis points) on the next \$50,000,000; 0.50% (50 basis points) on the balance over \$100,000,000

* Net returns are calculated based on deducting the highest applicable fee in the Composite from the Composite gross return on an annual basis with no regard to market value change and its effect on fees. Going forward from 2006, the net of fee composite performance is based on the highest applicable quarterly fees, adjusted for changes in the market value.

** The composite has an effective start date of 1/01/1996.

*** In a 2008 reorganization, the positions of Chief Investment Officer of Equities and Chief Equity Strategist were created. The firm maintained a net neutral headcount.

Returns represent past performance, and are not a guarantee of future performance. References to indexes are made for comparison purposes. Indexes are unmanaged and cannot be invested in directly.

The MTB Small-Cap Growth Strategy is long-term capital appreciation.

Comparisons of fund quantitative measures (such as alpha, beta, etc.) with similar measures of the benchmark index are based on fund holdings as of the date shown, and both account holdings and the comparative statistical relationships are subject to change. Similarly, data with regard to sector allocation, quality distribution, and other holdings-based measures are as of the date shown, and may not reflect current holdings. Financial and statistical information provided is obtained or derived from sources deemed reliable, but is not guaranteed as to accuracy or completeness.

Small-Cap investing involves special risks. Small-Cap funds are designed for investors who can accept short-term fluctuations in principal and earnings and can assume the higher risk typically associated with an aggressive growth fund. Small-Cap stocks tend to be more volatile and to drop more in down markets than large cap stocks. Growth stocks can perform differently from the market as a whole and can be more volatile than other types of stock.

The Russell 2000® Growth Index is unmanaged index representing the smallest 2000 stocks with the highest Price-to-Book ratio and future earnings according to the Frank Russell Company. This unmanaged index does not reflect fees and expenses. An investment cannot be made directly into an index. The Russell 2000® Growth Index is a trademark/service mark of the Frank Russell Company. Russell® is a trademark of the Frank Russell Company.

Opinions and projections contained herein reflect our opinion as of the date of the analysis and are subject to change without notice. This report is distributed for information purposes only, and is not intended to be relied upon as a forecast, research or investment advice, and is not a recommendation, offer or solicitation to buy or sell any securities or to adopt any investment strategy.

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