



FAYEZ SAROFIM & CO.

Investment Counsellors

A Consistent Discipline for Fifty Years

**4Q 2009
FUNDFACT SHEET**

Firm History

Fayez Sarofim & Co. was founded in 1958 and is in its 51st year of successful investment management operations, with continuing founder leadership over that period. We are in only one business, having devoted our full energies to pure investment counseling since our founding, and are registered under the Investment Advisers Act of 1940. The firm is located in one office in Houston, Texas. Fayez Sarofim & Co. is a privately held corporation, with no important outside interests. There are 21 active investment principals in the firm, each of whom has an equity interest. The firm has a long-term record of expertise in equity management of employee benefit funds, endowment and foundation funds and taxable individual and corporate accounts and the firm's assets under management are over \$19 billion.

Investment Philosophy

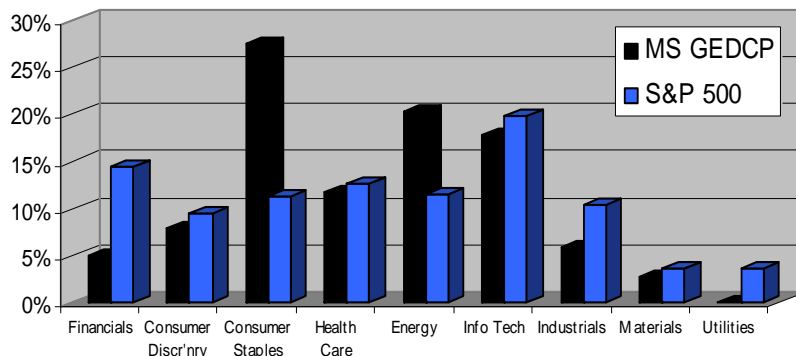
Central to our investment philosophy is the belief that sustainable, predictable earnings growth is the single most important investment parameter. We believe that stock price appreciation is based on a company's earnings growth over the long term and that sustainable earnings growth is predicated on a company's dominance in an attractive industry. Dominant businesses, which usually reside in large companies, can produce superior earnings growth and market leadership longer term. Our investment philosophy constructs a portfolio comprised predominantly of large, U.S.-based multinational companies, which are leaders in structurally attractive industries. These companies benefit from increasing global market share, ongoing product introduction and innovation, and productivity enhancements. Their financial strength allows them to make profitable investments at any point in the economic cycle. We believe these companies are capable of generating superior growth in earnings, dividends and cash flow over time. Investing in high quality companies at reasonable prices produces two additional advantages—low portfolio turnover and a higher likelihood of preservation of capital. We invest with a minimum investment perspective of three to five years. investment tool.

Investment Strategy

Our investment strategy is informed by a three- to five-year economic outlook and rooted in the belief that preservation of capital must be considered along with appreciation for long-term wealth accumulation. We place significant emphasis on stable, predictable earnings growth and sustained dividend increases. We believe the companies best able to generate such growth are high quality, industry-leading multinationals with strong franchises, proprietary technologies and access to markets worldwide. These companies, in our opinion, offer the prospect of above-market returns over the long term, with less-than-market risk. Furthermore, we believe these companies have the operational resources and financial soundness to perform successfully throughout the economic cycle. To shape our portfolios, Fayez Sarofim & Co. utilizes a combination "top-down" and "bottom-up" investment process managed by the Investment Committee. The Committee develops the firm's global economic forecast and market outlook and formulates long-term economic and industry sector scenarios. The most attractive segments are identified along with those areas that should be underweighted or avoided. Given this backdrop, the firm's research analysts assess the prospects of individual companies and present recommendations to the Committee, which makes the final selection.

Portfolio Composition

Sector Weightings



Portfolio Characteristics

Number of Holdings:	48
Avg. Mkt. Cap:	\$126B
Median Mkt. Cap:	\$48 B
5-Yr. EPS Growth:	18.9%
Dividend Yield:	2.5%
P/E (2010E):	13.6x
ROE:	29.3%
Debt to Total Cap:	27.5%

Top Ten Holdings

Security	Weighting
Exxon Mobil Corp.	8.6%
Philip Morris Intl Inc.	5.5%
Coca-Cola	5.3%
Apple Inc.	4.8%
Johnson & Johnson	4.4%
Procter & Gamble	4.4%
Microsoft Corp.	4.1%
Chevron Corp.	4.1%
Intel Corporation	3.4%
ConocoPhillips	3.2%

Performance

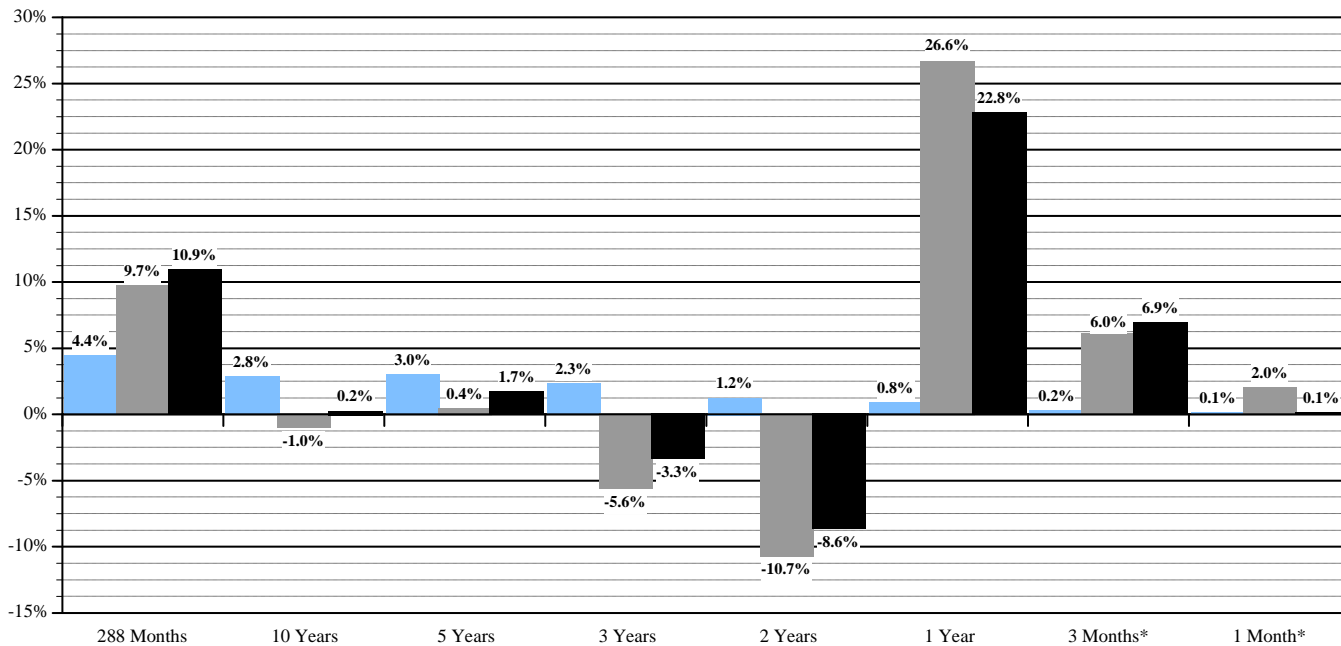
Mississippi GEDCP

Compound Annual Rate of Returns (12/31/85 – 12/31/09)

- Total Portfolio (1)
- S&P 500
- 90-Day Treasury Bill

(1) The Firm calculates performance returns using the methodologies prescribed under the GIPS Standards. The returns presented below are calculated in a manner consistent with these standards. These returns are not presented in accordance with the standards due to the standards exclusion of provisions with regard to single account returns. Additional information regarding these calculations may be obtained from the Firm's GIPS compliant presentations. GIPS has not been involved in the preparation or review of this data.

* Total Return



Past Performance does not guarantee future results. S&P 500 is an unmanaged index, which includes 500 widely traded common stocks and is commonly used to measure US stock market performance.

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