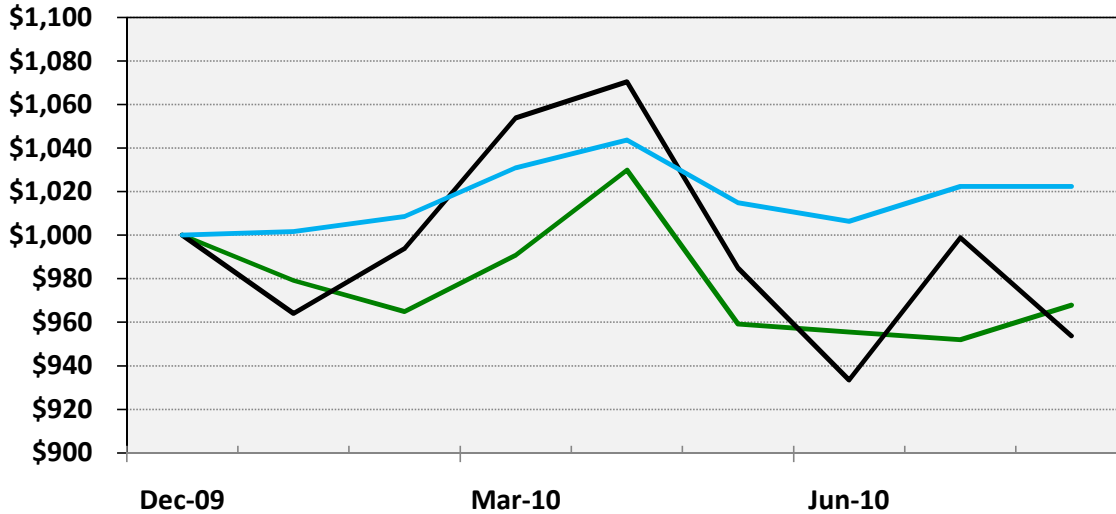


Performance Summary

The objective of our Basic Alpha portfolio is to control risk and enhance performance through strategic rotation of exchange-traded funds (ETFs) that track broadly diversified indices for developed equities, emerging markets, real estate, commodities, and/or treasuries. The portfolio also has the ability to shift into cash as needed, and it does not employ leverage or short market exposure.

Growth of Initial \$1,000 Since Inception



HF Index
\$1,022
2%

Basic Alpha
\$968
-3%

S&P 500
\$954
-5%

Additional Information

Note: As of the creation of this report, the Credit Suisse -Tremont Hedge Fund Index (HF Index) data for August was not available and has been reported here as 0%. Worst Year figures are based on calendar year data since the inception of the Basic Alpha portfolio. YTD year-to-date. Past performance does not guarantee future results.

ETF Portfolio Management (ETF PM) is a financial advisory firm that specializes in rules-based investing. We customize a combination of passive and active investment strategies for each client account in order to provide important diversification with strict risk control. Client accounts may be held at Schwab Institutional or Goldman Sachs.

Performance	Basic Alpha	S&P 500	HF Index
Total Return	-3.2%	-4.6%	2.2%
Annualized Return	na	na	na
Worst Year	na	na	na
Annual Returns	BA	SPX	HFI
2010 YTD	-3.2%	-4.6%	2.2%

Please see full performance disclosures on the following page or visit www.etfpm.com.

General Information

All of our Basic Alpha performance results (the "Performance Results") relate to the Basic Alpha representative account (the "BA Portfolio"), an account that David Kreinces first traded in January 2009. Mr. Kreinces left Merrill Lynch on November 27, 2007 and started ETF Portfolio Management, LLC ("ETF PM") on December 1, 2007.

Performance Achieved at ETF PM

The Performance Results at ETF PM reflect the single account performance achieved by the representative ETF PM Basic Alpha account. Accordingly, the Performance Results are similar to the performance achieved by the composite of ETF PM's Basic Alpha accounts, although the figures are not identical. The Performance Results will be verified by The Spaulding Group at year-end 2010 and will be net of all fees, and will assume reinvestment of dividends. Please see <http://etfpm.com/resources/all-disclosures/performance-verification-reports/> for the latest performance report from The Spaulding Group or request the report at info@etfpm.com.

Each BA advisory account (each, an "ETF PM Account") was charged an annual management fee of 0.4% of assets under management in 2010 and was solely responsible for all commissions and other transaction charges as well as any charge relating to the custody of securities in such account (the "ETF PM Fee Structure"). There will be no performance fee on any of our accounts. Advisory fees are disclosed in each client's investment management agreement with ETF PM.

Historical performance is not indicative of future performance. Additionally, the investment return and principal value of an ETF PM Account will fluctuate and may be worth more or less than the original cost when liquidated. Investment environment and market conditions may be markedly different in the future, and investment returns will fluctuate in value. There can be no assurance that any ETF PM Account will achieve positive returns in future periods.

The BA Portfolio was implemented, and will continue to be implemented, with a view towards long-term capital protection and growth. The indices presented are for comparison purposes only and no index is directly comparable to the investment strategy of any ETF PM Account employing the BA Portfolio.

Benchmarks

The **S&P 500 Index (SPX)** is an unmanaged index of common stocks that represents the U.S. stock market. The index is mainly comprised of large cap companies and reflects roughly two-thirds of the total domestic stock market value.

The **Credit Suisse/Tremont Hedge Fund Index (HF Index)** includes over 900 funds across 10 style-based sectors that reflect the hedge fund industry. The index is asset weighted in order to avoid underweighting top performers and overweighting decliners. Member funds report monthly performance and have annually audited financial statements.