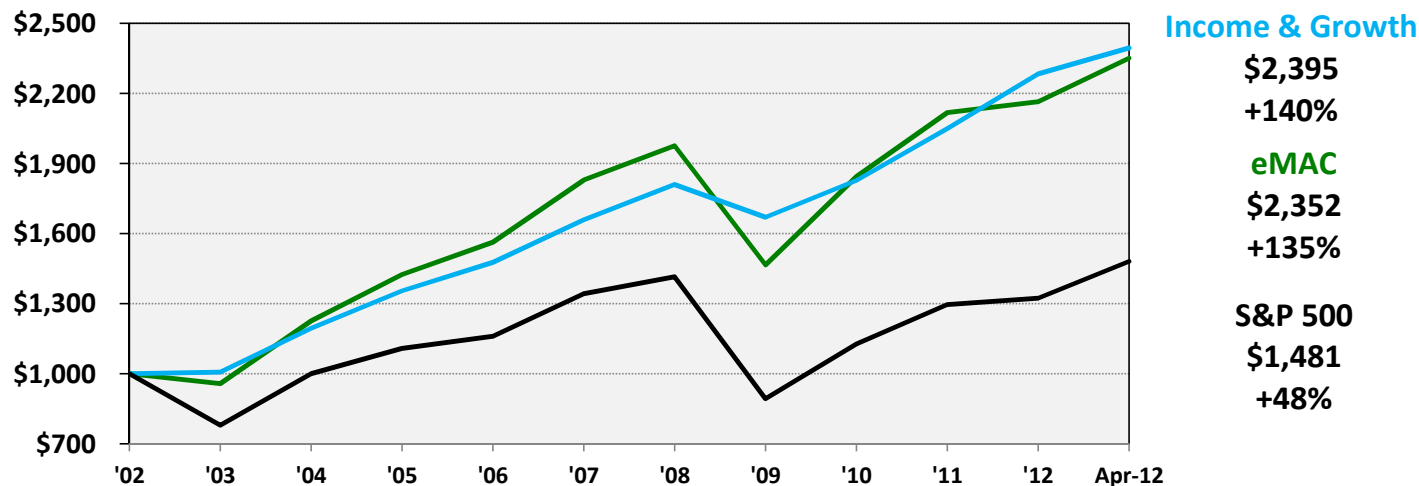


Performance Summary

The eMAC Portfolio is based on the efficient multi-asset class (eMAC) portfolio of ETFs recommended by David Swensen in "Unconventional Success" and his revisions. The objective is to provide strategic core diversification through a passive growth portfolio rebalanced annually as follows: US 30% (VTI), Foreign 15% (VEA), Emerging Markets 10% (VWO), Real Estate 15% (VNQ), Treasuries 15% (IEF), and Treasury Inflation Protected Securities 15% (TIP).

Growth of Initial \$1,000



Additional Information

Note: Performance data over 10.3 years since 2002. Worst Year figures are based on calendar year data since 2000. YTD year-to-date. Index performance was used when fund performance was unavailable. Hypothetical historical performance reflects annual rebalancing and excludes transaction costs. Past performance does not guarantee future results.

ETF Portfolio Management (ETF PM) is a financial advisory firm that specializes in strategic diversification through rules-based investing. We customize active and passive investment portfolios for each client account. Client accounts may be held at Schwab or Goldman Sachs.

Performance	Income & Growth	eMAC	S&P 500
Total Return	139.5%	135.2%	48.1%
Annualized Return	8.8%	8.6%	3.9%
Worst Year	-7.7%	-25.8%	-36.9%
Annual Returns	I&G	eMAC	SPY
2012 YTD	4.9%	8.6%	11.9%
2011	11.4%	2.2%	2.1%
2010	12.1%	14.9%	14.9%
2009	9.4%	25.7%	26.3%
2008	-7.7%	-25.8%	-36.9%
2007	9.1%	8.0%	5.4%
2006	12.3%	17.0%	15.7%
2005	9.0%	9.7%	4.8%
2004	13.4%	16.2%	10.8%
2003	18.7%	28.0%	28.4%
2002	0.6%	-4.2%	-22.1%

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

General Information: All of the performance estimates (the “Performance Estimates”) for our Passive Cores relate to a range of hypothetical core models (the “Passive Core Portfolios”), strategies that David Kreinices first backtested in 2008. These portfolios do not take into account an individual’s investment objectives and financial circumstances. Consult your investment adviser before investing.

Mr. Kreinices tailored the eMAC Portfolio (eMAC) to the efficient multi-asset class portfolio in David Swensen's “*Unconventional Success*” and his revisions. Swensen is the chief investment officer of Yale University, and, in our opinion, he is leading our industry in modern portfolio diversification. David Swensen is not affiliated with ETF PM and has not endorsed ETF PM.

Mr. Kreinices was solely responsible for the development of the income portfolios and he had full discretionary authority over the selection of investments. Mr. Kreinices left Merrill Lynch on November 27, 2007 and started ETF Portfolio Management, LLC (“ETF PM”) on December 1, 2007. It is expected that high net worth individuals and institutional clients will allocate to the Passive Core Portfolios at ETF PM.

Performance Estimates at ETF PM: The Performance Estimates at ETF PM reflect an estimate of the performance that would have been achieved by a hypothetical Passive Core account with annual rebalancing. The Performance Estimates at ETF PM are backtested and have not been audited. The Performance Estimates do not reflect trading fees associated with the annual rebalancing and assume reinvestment of dividends.

The Performance Estimates for the Passive Cores do not reflect an advisory fee and ETF PM does *not* charge an advisory fee for these account structures. Each ETF PM advisory account is solely responsible for all commissions and other transaction charges, as well as any charge relating to the custody of securities in such account.

Backtesting involves simulation of a quantitative investment model by applying all rules, thresholds and strategies to a hypothetical portfolio during a specific market period. The Passive Core performance estimates do not reflect the returns of actual client accounts invested in the strategies presented. Backtested performance does not represent actual trading in an account and does not reflect the impact that material economic and market factors might have had on ETF PM’s decision-making process if ETF PM were actually managing the assets.

Historical performance estimates are not indicative of future performance. 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. The 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 Passive Cores were implemented, and will continue to be implemented, with a view towards low-cost diversification across multiple asset classes. The Performance Estimates presented are for comparison purposes only. All the information in this report was taken from sources we believe to be reliable, but we cannot guarantee perfect accuracy.

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. **SPY** is an ETF for the S&P 500. The **Income Portfolio (30/70i)** is 30% Vanguard Total World Stock (VT) and 70% iShares 20+ Year Treasury Bond (TLT). The **Income & Growth Portfolio (I&G)** is 42% Vanguard Total World Stock (VT), 8% REITs (VNQ), 35% Long-Term Treasuries (TLT), 7% Medium-Term Treasuries (IEF), and 8% Treasury Inflation Protected Securities (TIP).