

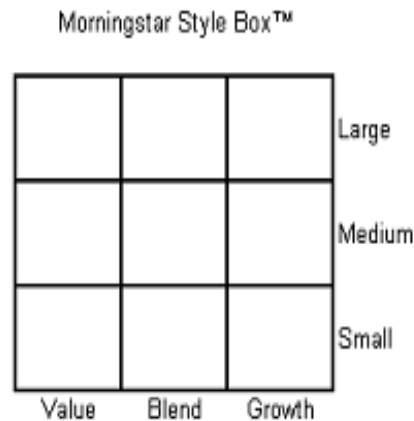
## SectorQuant - Equity

The SectorQuant-Equity strategies (Equity, Balanced & Conservative) seek to produce absolute returns by investing in a large and growing universe of liquid, exchange traded securities (ETFs, mutual funds & stock baskets) that represent asset classes including but not limited to US and international equities, US and international bonds, real estate, commodities and as appropriate intangibles like currencies and interest rates. SectorQuant’s objective is to manage risk without limiting upside potential.

To achieve our objective of managing risk without limiting upside potential and producing absolute returns for our clients SectorQuant applies an approach to portfolio construction that is very different than that espoused by the investment community and the mutual fund industry over the past few decades.

Traditional wisdom on portfolio construction and risk management elevates passive diversification over active risk management techniques. Rather than passively diversifying portfolios over a large population of styles and sectors SectorQuant ranks traditional and non-traditional sectors, styles and asset classes based on relative attractiveness with the objective of underweighting the unattractive groups.

An excellent example of SectorQuant’s differentiated approach to risk management is the investment industries popular application of the equity markets “style boxes” popularized by Morningstar.



For the past 25 years it has been a popular practice to “diversify” equity portfolios by determining fixed allocations to the various sub-groups (characteristic groups) in the equity universe. Traditional thinking would be to overweight conservative, less risk tolerant investors toward the upper left (large companies, value style) quadrants while overweighting more aggressive investors toward the bottom right (small companies, growth style) quadrants.

The SectorQuant application of the style boxes is a complete departure from the traditional fixed allocation approach. Rather than set a fixed allocation for each box SectorQuant prefers to rank the relative attractiveness of the boxes (weekly), ranking them from 1 to 9 and underweighting all the unattractive boxes. SectorQuant does not stop with just “style box’ cross-sectioning of the equity market. Rather, SectorQuant seeks to expand the universe of its cross-section analysis, adjusting to the business cycle and evolving market paradigms (financial/real assets, economic sectors, industries, economic/thematic, cyclical and secular trends). SectorQuant’s departure from the traditional “diversification is risk management” is a function of seeking to manage secular market cycles versus relying on averages of long term market history.

Theory as a function of perspective! We at SectorQuant believe that finance academics performed a disservice by developing investment theories based on 80 year or longer averages of market returns. A more granular analysis of market history reveals 20 to 25 year (generational/secular) alternating cycles between financial assets (stocks & bonds) and real assets (energy, real estate & gold). The American market in the twentieth century experienced three secular bull markets (1905-1929, 1949-1966 and 1983-2000) and two secular bear markets (1929-1953, 1966-1983). During the bear market periods real assets as represented by the Commodities Research Bureau (CRB) index appreciated 450% and 270%. Conversely commodities tended to stay level or decline when financial assets were in favor.

Concerning the market we agree with Mark Twain that history does not repeat, but it does rhyme. SectorQuant is committed to managing risk by ranking the relative attractiveness of an expanding universe of asset classes and sectors with the objective of underweighting the unattractive groups. We believe this approach enhances our ability to capture the markets upside while mitigating the markets downside risk.

History of SectorQuant: SectorQuant Capital Management LLC was founded in 2002 by three investment industry veterans who shared a conviction that ranking the attractiveness of sectors, styles, industries and asset classes with the objective of underweighting the unattractive groups offered an opportunity for superior risk management when compared to the popular stagnant strategic asset allocation approach. SectorQuant's history traces back to August 1999 when Thomas Landau Chief Economist at Blake Street Advisors LLC founded the Blake Street Tactical Asset Allocation Model (TAAM). Mr. Landau left Blake Street Advisors in July of 2002 to join Richard Bornhoft (The Bornhoft Group) and Michael Lawrie (VP Investments, UBS Securities) to found SectorQuant. SectorQuant adopted and continues to refine TAAM as the foundation of our investment process. We launched our SQ-Income strategy in October 2002. In July of 2004 Mr. Landau passed away and Michael Lawrie has subsequently taken over his responsibilities as chairman of the SectorQuant investment committee with Mr. Bornhoft.

Strategies consist of Models: SectorQuant manages "Separately Managed Accounts" (SMAs) for clients seeking growth or income. SectorQuant utilizes the highly automated model driven portfolio management platform from Trust Company of America (TCA) an FDIC bank. Strategies offered by SectorQuant are blends of models. Early in SectorQuant's history we had two models SQ-Equity and SQ-Income which enabled us to offer 4 strategies: Equity, Income, Balanced (60% Equity, 40% Income) and Conservative (40% Equity, 60% Income). Each model is a separate portfolio with a segregated cash balance. This platform allows SectorQuant to experiment with new models (global, sector income...) and to break out these sub-strategies as stand alone or segregated offerings if we elect to in the future.

The Equity Track Record: The SQ-Equity track record is a composite of the returns of all accounts with minimum assets of \$5,000.00 participating in the strategy from August of 1999 through the present. The portfolio was managed by Thomas Landau from August 1999 through July 2004, when Mr. Landau unexpectedly passed away. Michael S. Lawrie took over as chairman of the investment committee on August 1st of 2004. SectorQuant added a "global" component (model 7) to the SQ-Equity strategy in December 2004 which SQ may elect to break out in the future. SectorQuant added a "resource income" component (model 8) to SQ-Equity in March of 2005 which SQ may elect to break out in the future. From inception to the present the population of accounts ranges from \$5,000 to over \$18,500,000 and management and custodial charges range from 2.5% to 0.5%. All performance figures presented here are net of all fees (management, custodial and transaction). The returns represent the re-investment of dividends and capital gains as do the benchmark returns presented. SectorQuant does not vote proxies. Past performance is no guarantee of future returns.

**5 Year Monthly Detail (net of fees)**

	2009	2008	2007	2006	2005
Jan	-0.1%	-4.7%	1.7%	7.6%	-1.7%
Feb	-3.9%	1.4%	-1.0%	-1.4%	4.8%
Mar	-0.2%	-3.8%	2.1%	4.2%	-2.3%
Apr	-0.1%	5.2%	3.6%	2.7%	-3.2%
May	0.0%	4.5%	4.1%	-5.3%	3.3%
Jun	-4.8%	-3.0%	-0.7%	-4.0%	2.3%
Jul	-0.3%	-9.6%	-1.7%	1.7%	5.3%
Aug	0.1%	-5.3%	0.6%	0.7%	0.9%
Sep	3.0%	-6.5%	6.6%	0.6%	2.2%
Oct		-0.5%	4.9%	3.3%	-3.9%
Nov		-2.3%	-5.2%	1.9%	4.4%
Dec		0.0%	1.3%	1.2%	1.2%
YTD	-6.4%	-22.8%	16.8%	13.3%	13.7%

**Risk Statistics From Inception August 1999**

	S&P 500	NASD Comp
Benchmark Analysis		
Alpha	0.5%	0.4%
Annualized Alpha	5.6%	5.3%
Beta	0.6	0.4
Correlation	0.6	0.7
R-squared	0.3	0.5

**Statistical Analysis From Inception August 1999**

Statistical Analysis	SQ-Equity	S&P 500	NASD Comp
Compound ROR	4.7%	-0.4%	-2.1%
Standard Deviation	17.2%	16.1%	27.9%
Cumulative Return	59.3%	-4.37%	-19.6%
Cumulative VAMI	\$1,593	\$956	\$804
Sharpe (0.50%)	0.3	0.0	0.0
Largest Month Gain	21.3%	9.8%	22.0%
Largest Month Loss	-10.1%	-16.8%	-22.9%
% Positive Months	54.1%	58.2%	51.6%
% Negative Months	45.9%	41.8%	48.4%

**\*\*Past performance is not indicative of future results.\*\***

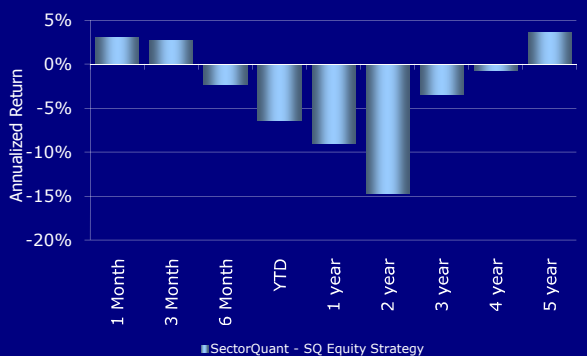
SectorQuant uses a quantitative approach to sector rotation and global tactical asset allocation. The objective of the SQ-Equity Strategy is to outperform major US stock market indices with the further objective of managing risk without limiting up-side potential.

Note: This strategy was formerly called the Aggressive Strategy. Inception was August 1999. The statistical analysis below reflects performance from inception.

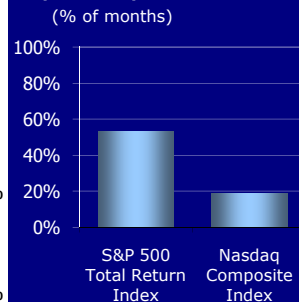
**Cumulative Returns**



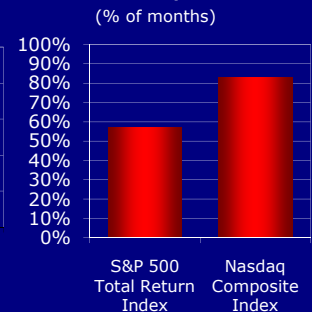
**Performance (in percentage)**



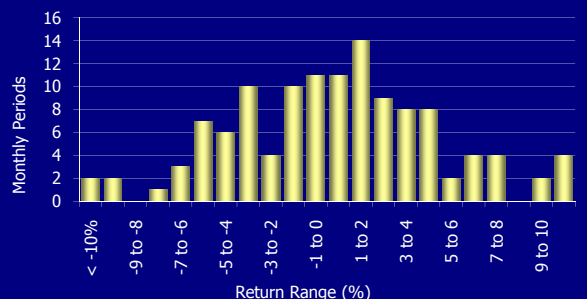
**Up Mkt Outperformance**



**Down Mkt Outperformance**



**Distribution of Returns**



Annualized Statistical Analysis	Standard			Correlation				Tracking	Active	Info.
	ROR	Deviation	Sharpe	Alpha	Beta	R	R2	Error	Premium	Ratio
SQ-Equity	4.69%	17.19%	0.32							
S&P 500	(0.44)%	16.14%	0.02	5.62%	0.61	0.57	0.32	15.58%	5.13%	0.33
NASD	(2.12)%	27.87%	0.05	0.43%	0.45	0.73	0.53	19.41%	6.80%	0.35
	Up Capture	Down Capture	Up Months	Down Months	Proficiency Ratios			Profitable Months	Treynor Ratio	Jensen Alpha
S&P 500	85.79%	88.59%	83.10%	86.27%	53.52%	56.86%	54.92%	92.96%	6.91%	0.44%
NASD	14.50%	76.17%	80.95%	74.58%	19.05%	83.05%	50.00%	104.76%	9.33%	0.41%

(All returns longer than 1 year are annualized)										
Performance Analysis	1 Month	3 month	6 month	YTD	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year
SQ-Equity	3.00%	2.73%	(2.32)%	(6.35)%	(9.02)%	(14.68)%	(3.47)%	3.65%	6.33%	4.55%
S&P 500	4.07%	15.98%	34.46%	19.65%	(6.60)%	(14.64)%	(5.33)%	1.08%	5.91%	(0.12)%
NASD	5.64%	15.66%	38.85%	34.58%	1.46%	(11.36)%	(2.05)%	2.27%	8.85%	(2.54)%
+/- S&P	(1.07)%	(13.25)%	(36.78)%	(26.00)%	(2.41)%	(0.04)%	1.86%	2.57%	0.42%	4.67%
+/- NASD	(2.64)%	(12.93)%	(41.17)%	(40.93)%	(10.48)%	(3.32)%	(1.42)%	1.38%	(2.52)%	7.09%
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
SQ-Equity	(6.35)%	(22.77)%	16.84%	13.25%	13.73%	11.67%	21.08%	(12.92)%	(6.45)%	####
S&P 500	19.65%	(37.00)%	5.49%	15.80%	4.91%	10.88%	28.68%	(22.10)%	(11.88)%	(9.09)%
NASD	34.58%	(40.54)%	9.81%	9.52%	1.37%	8.59%	50.01%	(31.53)%	(21.05)%	####
+/- S&P	(26.00)%	14.22%	11.34%	(2.55)%	8.82%	0.79%	(7.60)%	9.18%	5.43%	(2.40)%
+/- NASD	(40.93)%	17.77%	7.02%	3.73%	12.35%	3.08%	(28.93)%	18.61%	14.60%	27.80%

Notes:

1. SectorQuant Equity Strategy ("SQ Equity").
2. S&P 500 Stock Index (with dividends re-invested).
3. NASDAQ Composite.
4. Up % - The Up Percentage Ratio is a measure of the number of periods that the Investment outperformed the Benchmark when the Benchmark was up, divided by the number of periods that the Benchmark was up.
5. Down % - The Down Percentage Ratio is a measure of the number of periods that the Investment outperformed the Benchmark when the Benchmark was down, divided by the number of periods that the Benchmark was down.

The performance summary set forth above presents on a "composite basis" from August 1999 to present the performance of SectorQuant Capital Management ("SectorQuant") and its principals during the period shown. The size of the accounts included in the composite performance ranged from approximately \$5,000 to \$18,500,000. The composite accounts were charged management/custodial fees varying from approximately 0.50% to 2.5% annually depending on the size of the account. It should be noted that the composite performance does not reflect the actual performance of any one customer account. The individual accounts which comprise the composite figures were likely to have had more or less favorable results than the composite results shown. All accounts included in the composite summary do not have, in all instances, parallel performance due to different times of market entry and varying amounts of capital. The performance of each account included in the composite has varied depending on the size of the investment, the date the account started trading and the length of time the account has been open. These factors and other factors could affect the trading decisions and performance of accounts, as well as variation in fees. The summary has been prepared by SectorQuant based upon various statements supplied by the respective brokers/custodians. The information set forth in the tables is un-audited, but in the opinion of SectorQuant, such information fairly presents the performance experienced by the accounts included in the summary. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.