

ABARIS+Advantage ETF

The investment philosophy of ABARIS+Advantage seeks to preserve and grow capital by producing absolute returns with reduced portfolio volatility and manageable risk and drawdowns. ABARIS will invest in underlying Exchange Traded Funds (ETFs) spanning all the major world asset classes including equities, bonds, real estate, commodities, and currencies. The strategy utilizes a quantitative approach with strict risk management controls to actively manage the portfolio in an attempt to control downside losses and protect capital. The wide diversification coupled with prudent portfolio management may allow for ABARIS to perform in any economic environment. ABARIS seeks to offer investors the potential advantage of achieving equity-like returns with reduced risk and volatility.

A Quantitative approach to Tactical Asset Allocation ABARIS bases its investment strategy on a quantitative model for managing risk. A Simple moving average (SMA) timing model was tested on the United States equity market since 1900, and the timing approach proved to be less volatile than the buy and hold during this period of time as indicated in the 2 tables shown below.

Buy & Hold vs. Trend Following Table 1 illustrates the S&P500 Index returns, each ten years since the 1930s, if an investor followed a buy and hold strategy vs. an investor who followed the Trend Following Model. Notice that an investor who followed the Trend Following model would not have had a decade of negative returns in the last 80 years, therefore mitigating risk. To see the effects of the trend following model in a more recent time period, the data in Table 2 illustrates the performance of an equity portfolio created by a Financial Advisor and executed using **ABARIS+Advantage**. The model allocated a starting capital of 100,000.00 on 01/01/2010 and applied equally to 10 Equities. Results are as shown below. Table 2.

S & P 500			Utilizing a Trend Following Model						
	Trend Following	Buy & Hold	ABARIS PORTFOLIO PERFORMANCE						
1930s	3.40%	-5.29%							01/2010
1940s	3.63%	3.03%							To
1950s	13.32%	13.56%							03/2011
1960s	2.35%	4.39%	ABARIS	9%	18%	75%	87%	95%	
1970s	2.82%	1.60%							
1980s	11.53%	12.59%	BUY&HOLD	-9%	6%	22%	38%	35%	
1990s	8.97%	15.31%							
2000s	5.77%	-2.72%	SPY	-1%	7%	15%	11%	17%	

Key Attributes

Global Diversification 1. – ABARIS will invest in ETFs representing all of the global asset classes including U.S. equities, foreign equities, U.S. bonds, foreign bonds, U.S real estate, foreign real estate, currencies, and commodities.

Trend Following 2. – The ABARIS investment strategy utilizes a proprietary quantitative approach to actively manage a diversified portfolio. ABARIS is a long term trend following strategy with strict risk control methods.

Highly Systematic 3. – No effort is made to forecast future market trends or direction, rather, the strategy seeks to capture profits in these trends when and where they develop.

Risk Management 4. – The Strategy will use quantitative algorithms in an effort to minimize risk and maximize capital preservation. The strategy is diversified across markets, timeframes, indicators, and logic with a goal to produce absolute returns with reduced volatility. In addition, multiple entries and exits will have the effect of legging into and out of positions. The Strategy will also attempt to hedge against extreme market outcomes.

Why Invest in ABARIS ?

Systematic Risk Management Control ABARIS is a long term trend following strategy with strict risk control methods that are completely rules-based and systematic. These processes can remove the behavioral biases from investment decision making.

Diversified Portfolio Construction ABARIS's investing process emphasizes a diversified portfolio of approximately 50-100 ETFs which span all the major world asset classes including equities, bonds, real estate, commodities, and currencies. Advantages of using ETFs may include low cost, liquidity, and transparency of holdings and pricing.

Quantitative Approach to Tactical Asset Allocation ABARIS applies a proprietary quantitative trend following approach to tactical asset allocation which may aid the Portfolio Managers in minimizing risk and maximizing capital preservation. Strategy Models are available as needed varying from highly conservative to aggressive or can be customized for a specific investment approach.

Trend Following System during the period Jan. 2010 to current date

To see the effects of the trend following model in a more recent time period, the following data illustrates the performance of an equity portfolio model created and executed using **ABARIS+Advantage**. The model allocates a starting capital of 100,000.00 on 01/01/2010 and applied equally to 10 Equities.

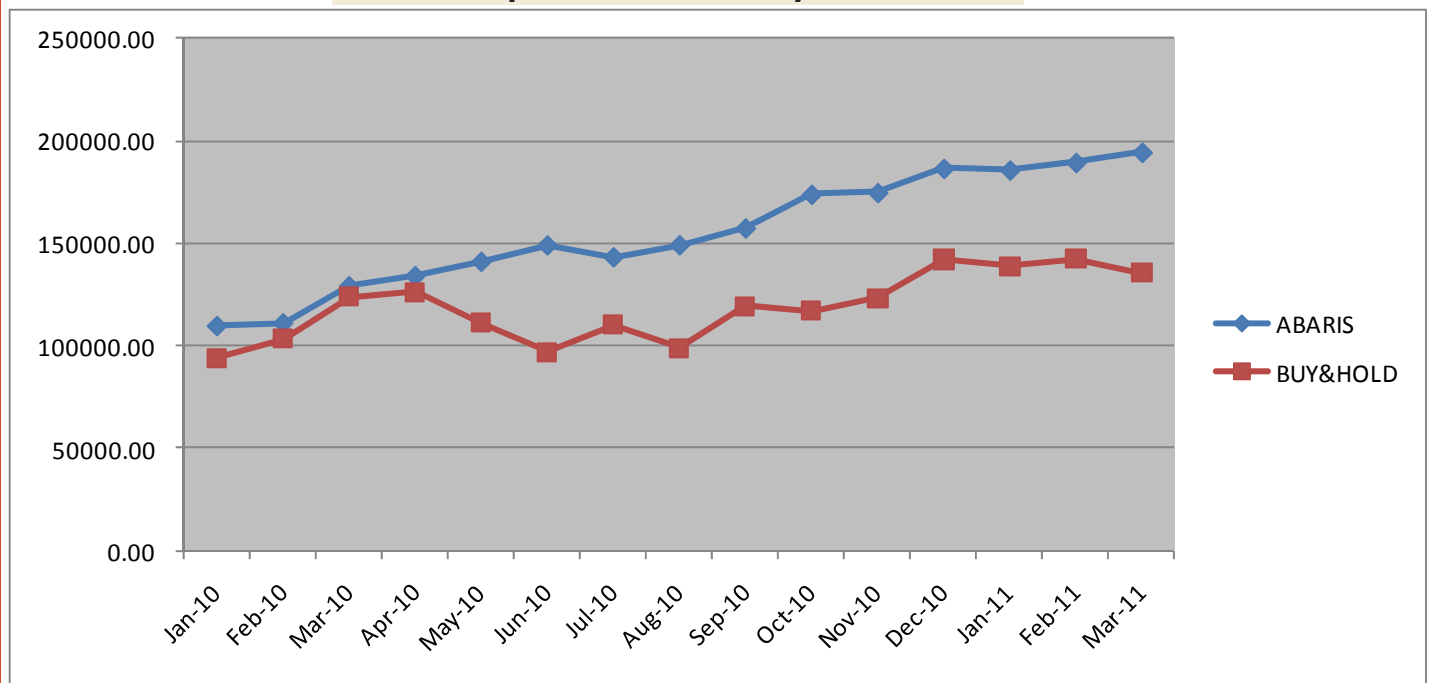
This trend-following model that ABARIS utilized is based on **a active long short approach**. Multiple Models are available as needed such as Long Only or Short Only or varying from highly conservative to aggressive or customized for a specific investment approach. It seeks to identify when an investor should be long or short on an higher volatility asset class such as Equities or ETFs with potential upside, and when to be out and sitting in cash. It is this move to a lower volatility asset class (Treasury bills) that minimizes the overall risk and drawdown' of the portfolio.

PORTFOLIO REPORT FOR THE PERIOD JANUARY 01, 2010 TO MARCH 07, 2011

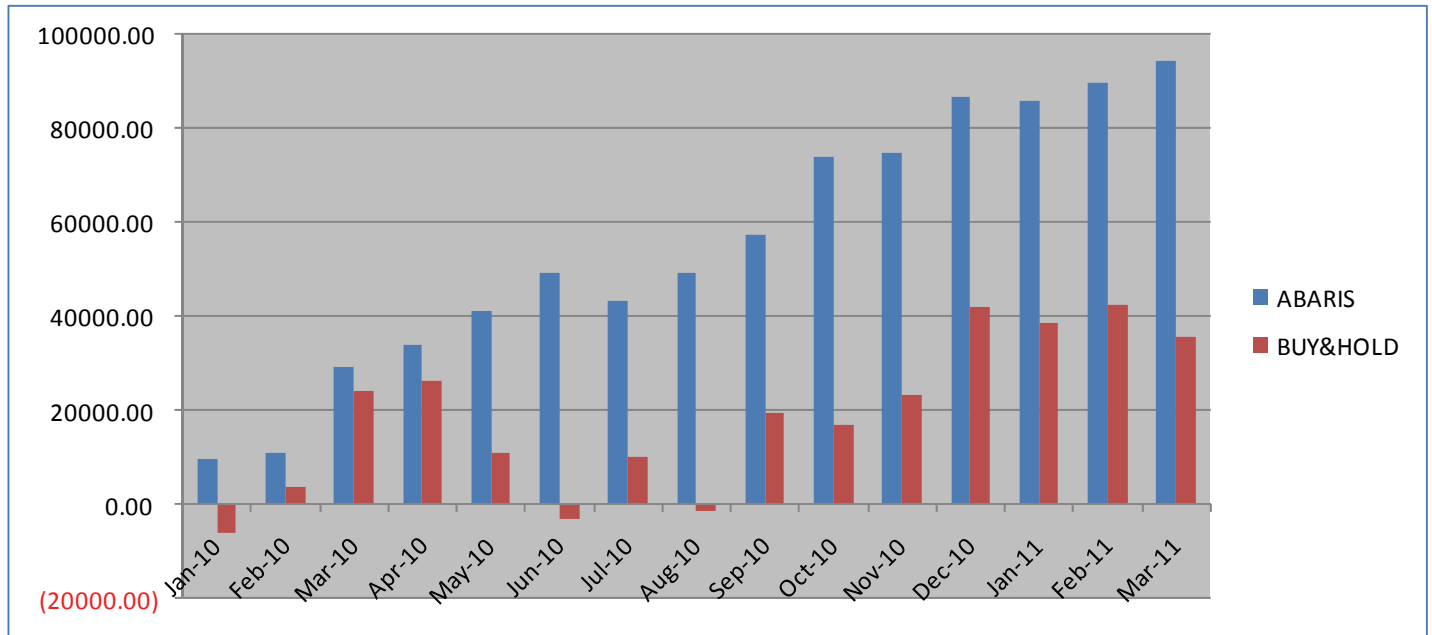
Symbol	Quantity	Initial Portfolio Value on 01/01/2010	BUY&HOLD Portfolio Value on 03/07/2011	BUY&HOLD Portfolio Percent Return	ABARIS Portfolio Value on 03/07/2011	ABARIS Percent Return 03/07/2011	Reinvested Portfolio Value	Reinvest Percent Return
AIG	447	10000	16583.70	65.84	26208.22	162.08	29549.49	195.49
AKS	454	10000	6828.16	(31.72)	14376.56	43.77	14148.07	41.48
BAC	663	10000	9301.89	(6.98)	15410.08	54.10	16255.79	62.56
C	3003	10000	13573.56	35.74	13183.18	31.83	12484.61	24.85
F	996	10000	13953.96	39.54	20458	104.58	20813.85	108.14
LVS	663	10000	27971.97	179.72	25249	152.49	23645.35	136.45
OCLR	1418	10000	24006.74	140.07	27994.42	179.94	22494.90	124.95
ODP	1524	10000	7940.04	(20.60)	17330.44	73.30	19165.26	91.65
STP	609	10000	5572.35	(44.28)	15487.09	54.87	21205.49	112.05
X	179	10000	9734.02	(2.66)	18806.8	88.07	22168.30	121.68
Total		100000	135466	35%	194504	95%	201931	102%

SPY	89	10000	11697.27	17%	12564.98	26%	12597.39	26%
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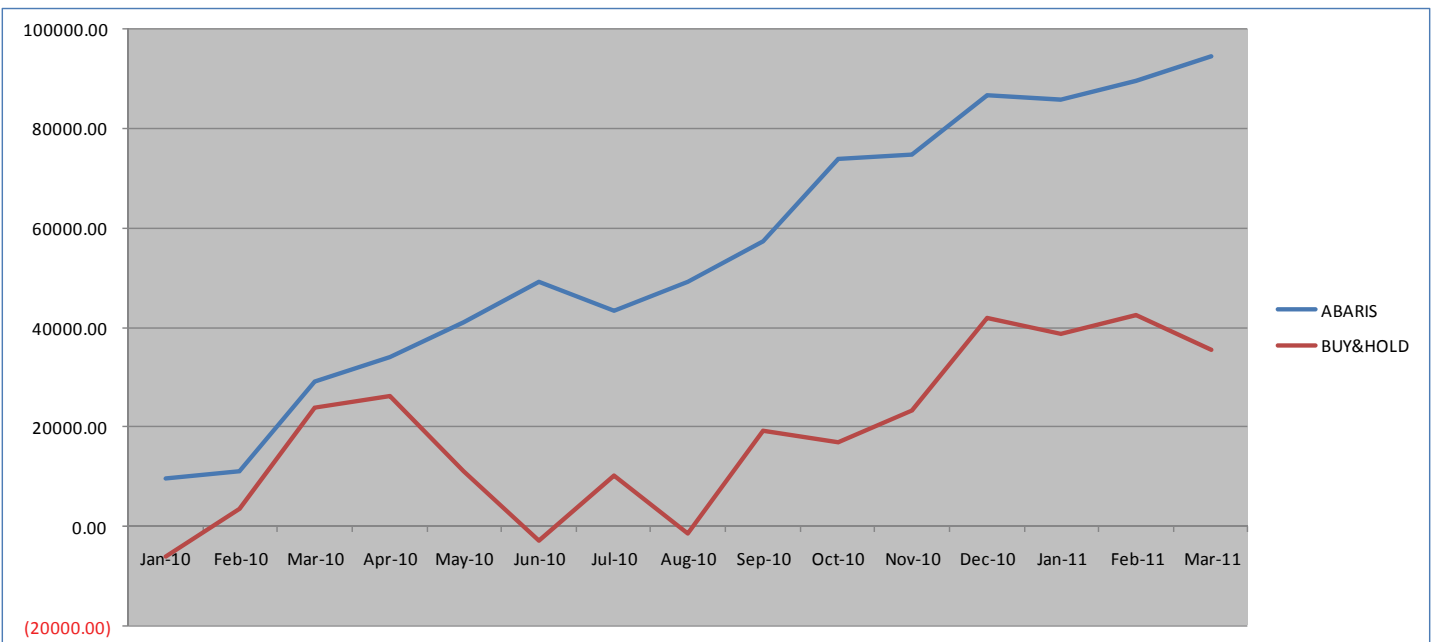
Comparative Monthly Return



Cumulative Monthly Return



Cumulative Return Curve Line



ABARIS applied to a portfolio over 3 year period Jan. 2008 - March 2011

To see the effects of the trend following model over the last 3 years from January 2008 to March 2011, the following data illustrates the performance of an equity portfolio model created and executed using **ABARIS+Advantage**. The model allocates a starting capital of 100,000.00 on January 1, 2008 and applied equally to 10 Equities. Based on Initial Investment of \$100,000 this model re-invests Profits or Losses at the end of each Trade.

This trend-following model that ABARIS utilized is based on a active long short approach. Multiple Models are available as needed such as Long Only or Short Only or varying from highly conservative to aggressive or customized for a specific investment approach. BUY & HOLD model applies profits and losses at end of each trade and adjusts the number of share traded based on the portfolio value and executes only long positions.

PORTFOLIO PERFORMANCE REPORT JANUARY 2008 - MARCH 2011

	2008	2009	2010	3 Months	1 Month	2008 - TODATE
ABARIS	95%	842%	1214%	57%	93%	2279%
BUY & HOLD	-92%	0%	8%	-2%	-3%	-87%

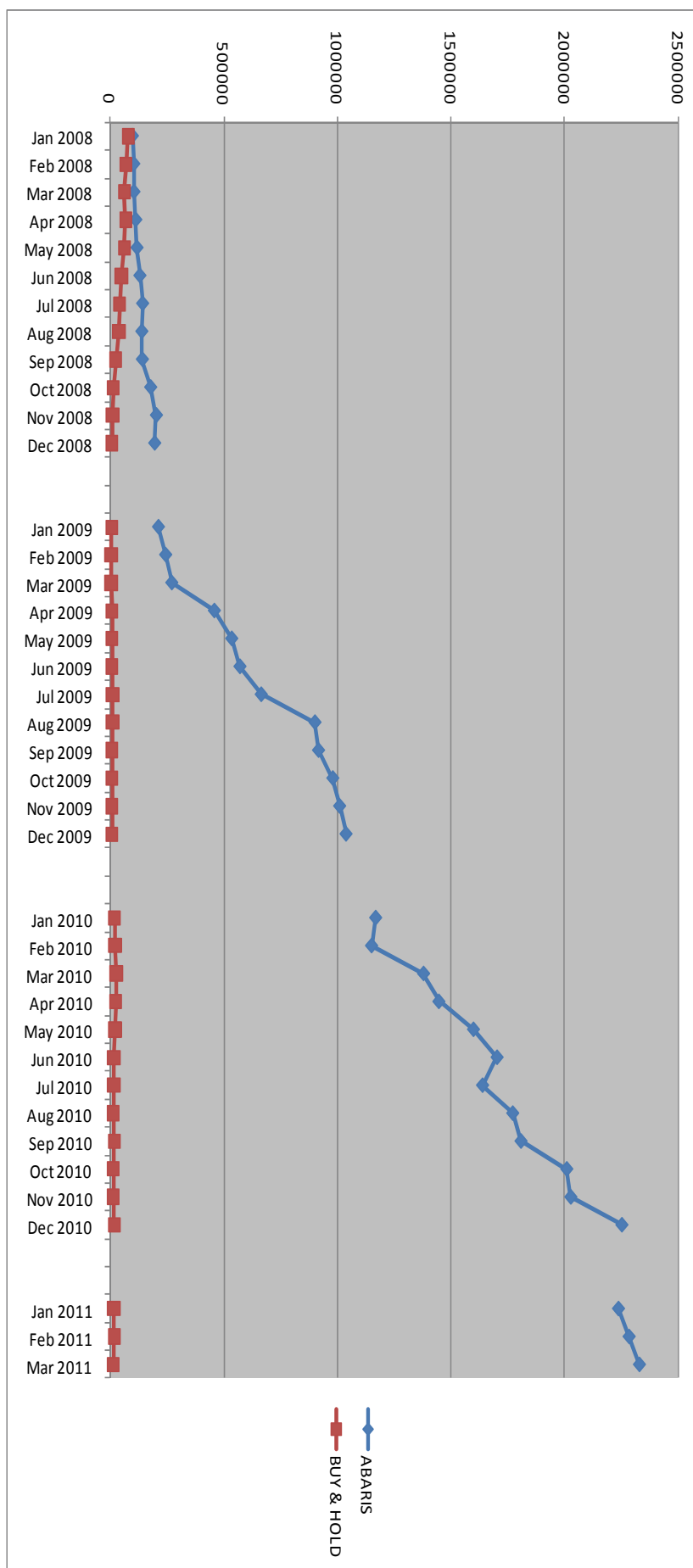
(Based on Initial Investment of \$100,000 and Re-Investing Profits or Losses at the end of each Trade)

ABARIS+Advantage

PORTFOLIO REPORT FOR THE PERIOD JANUARY 01, 2008 TO MARCH 15,

Symbol	Start Portfolio Value	Current BUY&HOLD Quantity	BUY&HOLD Portfolio Value	BUY&HOLD % Return	Current ABARIS Quantity	ABARIS Portfolio Value	ABARIS % Return
AIG	10000	0	142.77	-101.43	14657.00	800848.88	7908
AKS	10000	26	398.47	-96.02	4485.00	70054.57	601
BAC	10000	22	309.04	-96.91	4877.00	70719.15	607
C	10000	27	121.28	-98.79	10214.00	50456.58	405
F	10000	279	4094.88	-59.05	27562.00	492538.37	4825
LVS	10000	7	262.38	-97.38	7710.00	413720.92	4037
OCLR	10000	604	7359.87	-26.4	1560.00	23196.9	132
ODP	10000	87	453.42	-95.47	38449.00	231845.93	2218
STP	10000	9	77.98	-99.22	9827.00	95907.81	859
X	10000	12	649.22	-93.51	2122.00	129726.78	1197
Total	100000		13584	-87%		2379016	2279%
SPY	10000	30	3821.00	-61.79	140.00	18381.8	84

Monthly Portfolio Value		
Month	B&H Portfolio Value	ABA Portfolio Value
Jan 2008	78101.73	96300.52
Feb 2008	68600.69	102704.12
Mar 2008	61760.83	103189.76
Apr 2008	66087.12	111231.04
May 2008	61126.88	116859.05
Jun 2008	48947.99	129391.95
Jul 2008	41252.58	141287.49
Aug 2008	36224.62	138093.18
Sep 2008	23916.43	140398.64
Oct 2008	12523.51	176897.1
Nov 2008	8421.24	202125.84
Dec 2008	7536.00	194806.14
Jan 2009	5256.61	211350.45
Feb 2009	3401.07	242955.03
Mar 2009	3937.82	269742.74
Apr 2009	6592.89	457178.74
May 2009	7336.04	533687.11
Jun 2009	7434.80	569795.59
Jul 2009	8073.90	663799.69
Aug 2009	8336.09	900377.72
Sep 2009	7891.66	915874.59
Oct 2009	6789.42	978770.05
Nov 2009	7355.51	1008914.5
Dec 2009	7845.28	1037107.83
Jan 2010	18598.71	1167270.05
Feb 2010	19566.25	1149275.39
Mar 2010	25106.91	1378297.92
Apr 2010	24043.82	1445833.06
May 2010	19313.57	1597938.09
Jun 2010	14520.83	1702192.94
Jul 2010	15423.13	1638061.92
Aug 2010	12796.18	1770828.71
Sep 2010	16851.48	1807321.11
Oct 2010	12064.20	2009053.92
Nov 2010	13428.46	2026638.18
Dec 2010	15594.99	2251599.69
Jan 2011	15192.30	2236644.94
Feb 2011	17148.02	2283330.62
Mar 2011	13462.49	2328559.31



Comparative Monthly Return
For the Period January 2008 to March 2011

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Diversified Portfolio Construction

ABARIS's investing process emphasizes a diversified portfolio of approximately 50-100 ETFs which span all the major world asset classes including equities, bonds, real estate, commodities, and currencies. Advantages of using ETFs may include low cost, liquidity, and transparency of holdings and pricing.

Quantitative Approach to Tactical Asset Allocation

ABARIS applies a proprietary quantitative trend following approach to tactical asset allocation which may aid the Portfolio Managers in minimizing risk and maximizing capital preservation.

Asset Allocation

ABARIS's asset allocation is determined by 'using a combination of rigid selection criteria, based on fundamental and technical criteria including fundamental soundness of the asset, relative strength (momentum), volume, volatility, trend direction and common sense. However, the target allocation will have all the major world asset classes represented, including equities, bonds, real estate, commodities, and currencies, ABARIS then targets approximately 50-100 Individual ETFs to represent each asset class,

Utilizing a Trend Following Model

The trend-following model that ABARIS utilizes seeks to identify when an investor should be long on a riskier asset class with potential upside, and when to be out and sitting in cash, It is this move to a lower volatility asset class (Treasury bills) that minimizes the overall risk and drawdown' of the portfolio, ABARIS ETF looks at multiple algorithms across various time frames and is rebalanced to target allocations at least monthly and as often as weekly,

Strict Risk Management

ABARIS utilizes a quantitative approach with strict risk management controls to actively manage portfolios in an attempt to mitigate downside losses and protect capital. The wide asset class diversification of ABARIS coupled with prudent portfolio management should allow for the Strategies to perform in any economic environment and may offer the investor the potential of achieving equity-like returns with reduced risk and volatility. ABARIS makes no effort to forecast future market trends or direction. Rather, it intends to capture profits in these trends when and where they develop.

ABARIS+Advantage Conclusions

An investor might be able to sidestep many of the protracted bear markets in various asset classes. Avoiding these massive losses may result in equity-like returns with bond-like volatility and drawdown.

The trend following model may underperform buy and hold during a roaring bull market. On the flip side, the trend following model may avoid lengthy and protracted bear markets where the value added by timing is evident over the course of an entire business cycle.

Diversification matters. While the portfolios tested here have been created with only the S&P 500 and select equities, ABARIS targets all major world asset classes that diversifies across a range of instruments. This diversified approach provides a risk and return profile similar to many pension and endowment plans.