

CONSERVATIVE PORTFOLIO



Investment Strategy

The investment philosophy of ABARIS Conservative portfolio seeks to preserve and grow capital by producing absolute returns with reduced portfolio volatility and manageable risk and drawdown. ABARIS will invest in underlying Exchange Traded Funds (ETFs) spanning all the major world asset classes including equities, bonds, real estate, commodities, emerging markets and alternatives. 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.

ABARIS provides "private label" portfolio management for select independent RIA's, Broker/Dealers and the clients of their Registered Representatives. ABARIS takes a top-down macro view with global orientation in constructing its portfolios. Our Global Allocation management style enables clients to obtain all three major asset classes—global equities, fixed income and alternatives—in one separately managed brokerage account

Performance

Time Period: 1/1/2008 to 7/31/2011

	Fund	Benchmark	Bmk2	Cat Avg
Return	11.96	-1.36	2.52	6.05
Std Dev	16.66	20.47	26.00	5.26
Excess Return	13.32	0.00	3.88	7.41
Information Ratio (arith)	0.44		0.41	0.44
R2	9.27	100.00	89.48	60.35
Tracking Error	30.11	0.00	9.39	16.73

Market Performance

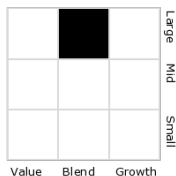
Time Period: 1/1/2008 to 7/31/2011

	Fund	Benchmark	Bmk2	Cat Avg
Up Period Percent	48.84	58.14	60.47	67.44
Down Period Percent	51.16	41.86	39.53	32.56
Best Month	27.00	9.57	15.46	3.67
Worst Month	-3.80	-16.79	-20.80	-4.54
Best Quarter	26.04	15.93	20.69	6.15
Worst Quarter	-5.27	-21.94	-26.12	-2.05
Up Capture Ratio	17.04	100.00	137.90	30.45
Down Capture Ratio	-23.41	100.00	121.04	9.32
R2	9.27	100.00	89.48	60.35

Investment Style Box

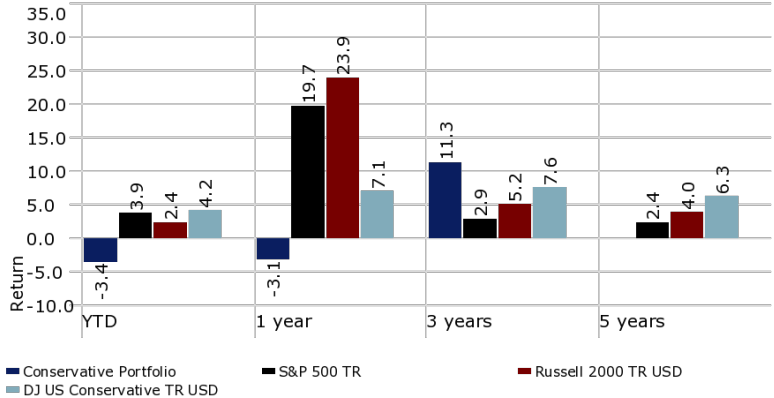
Portfolio Date: 7/31/2011

Morningstar Equity Style Box™



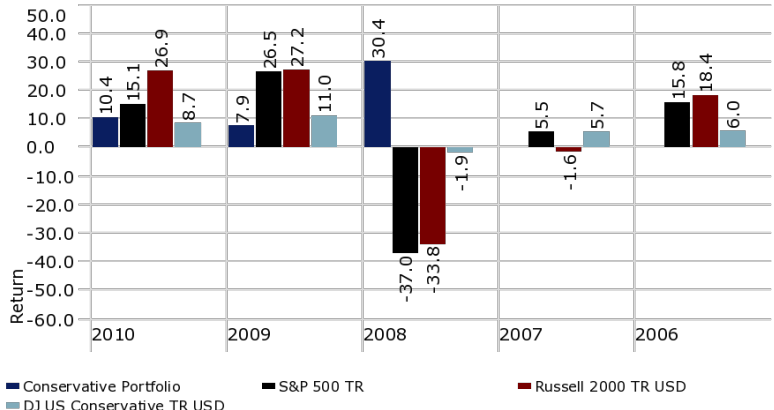
Market Cap	%
Market Cap Giant	43.8
Market Cap Large	28.1
Market Cap Mid	23.7
Market Cap Small	4.3
Market Cap Micro	0.1

Trailing Returns



	YTD	1 year	3 years	5 years
Conservative Portfolio	-3.42	-3.05	11.26	
S&P 500 TR	3.87	19.65	2.92	2.39
Russell 2000 TR USD	2.37	23.92	5.18	4.00
DJ US Conservative TR USD	4.23	7.14	7.59	6.29

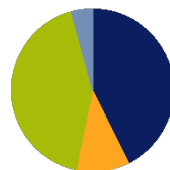
Calendar Year Returns



	2010	2009	2008	2007	2006
Conservative Portfolio	10.39	7.88	30.35		
S&P 500 TR	15.06	26.46	-37.00	5.49	15.79
Russell 2000 TR USD	26.85	27.17	-33.79	-1.57	18.37
DJ US Conservative TR USD	8.72	11.04	-1.91	5.69	6.04

Asset Allocation

Portfolio Date: 7/31/2011



	%
• Stock	42.7
• Bond	10.5
• Cash	42.6
• Other	4.2
Total	100.0

Portfolio selection based on proprietary algorithm that takes into consideration several factors incl. capital, performance, volume, volatility, liquidity.

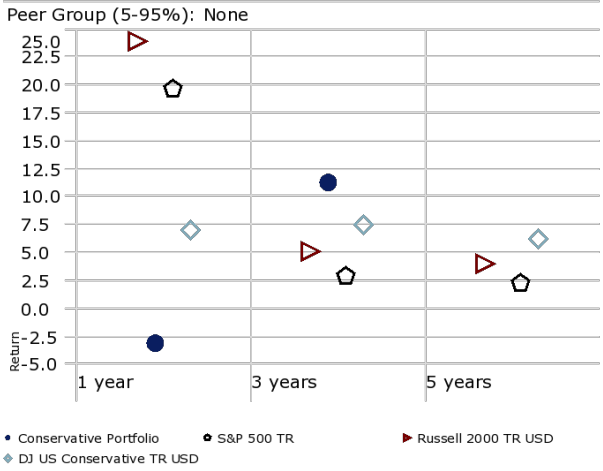
Top 10 Holdings

	Portfolio Weighting %
JPMorgan Prime Money Market Inst	48.95
iShares MSCI EAFE Index	11.42
iShares Dow Jones US Basic Materials	8.48
iShares Barclays TIPS Bond	8.15
iShares S&P MidCap 400 Index	6.08
iShares MSCI Emerging Markets Index	6.05
iShares S&P 500 Index	5.48
SPDR Dow Jones Industrial Average	5.41

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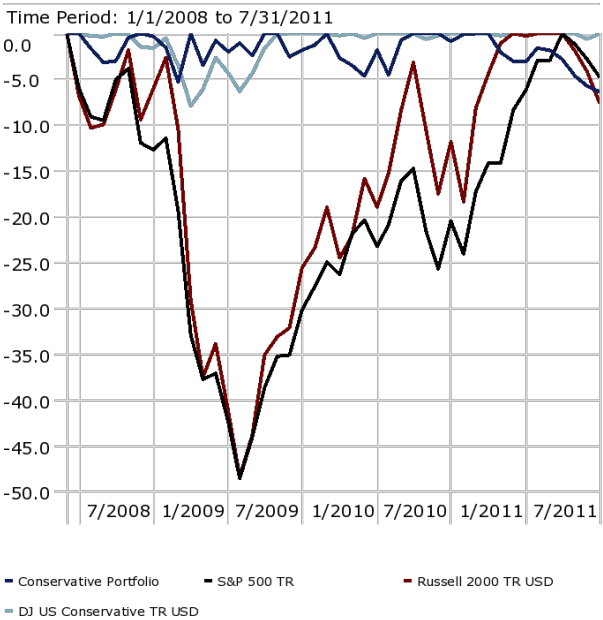
Performance Relative to Peer Group



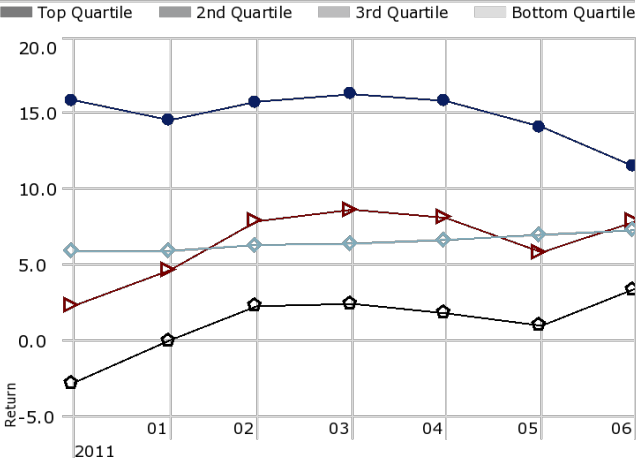
	1 year	% rank	3 years	% rank	5 years	% rank
Conservative Portfolio	-3.05		11.26			
S&P 500 TR	19.65		2.92		2.39	
Russell 2000 TR USD	23.92		5.18		4.00	
DJ US Conservative TR USD	7.14		7.59		6.29	

- Count
- 5th Percentile
- 25th Percentile
- 50th Percentile
- 75th Percentile
- 95th Percentile

Drawdown

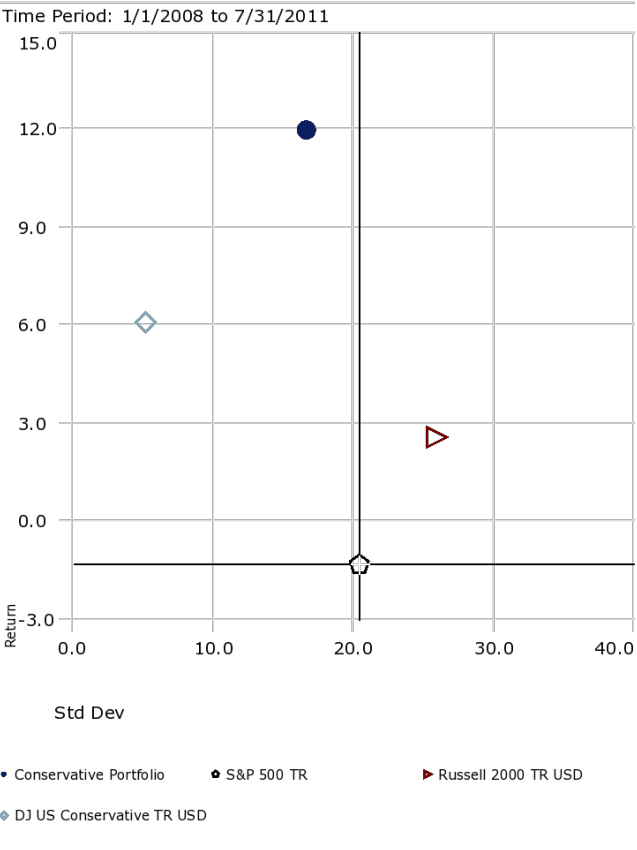


3 Year Rolling Returns



- Conservative Portfolio
- S&P 500 TR
- Russell 2000 TR USD
- DJ US Conservative TR USD

Risk-Reward



- Conservative Portfolio
- S&P 500 TR
- Russell 2000 TR USD
- DJ US Conservative TR USD

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