

Strategy

Objective

The **BetaCore Balanced** strategy seeks to create investment exposure consistent with the long-term risk and return attributes of a balanced equity and fixed income portfolio. The strategy is designed to provide balanced exposure for investors with a moderate risk profile.

Philosophy

Broad diversification, low turnover, and minimum costs all contribute to the long-term benefits of index investing. BetaCore strategies combine the benefits of passive investing with the risk controls of a disciplined rebalance program. In traditional capitalization weighted indexes dominant exposures can develop as a result of relative performance strength in constituent market segments. The BetaCore approach seeks to maintain more balanced exposure, and through systematic rebalancing, strives to mitigate investment concentration risks.

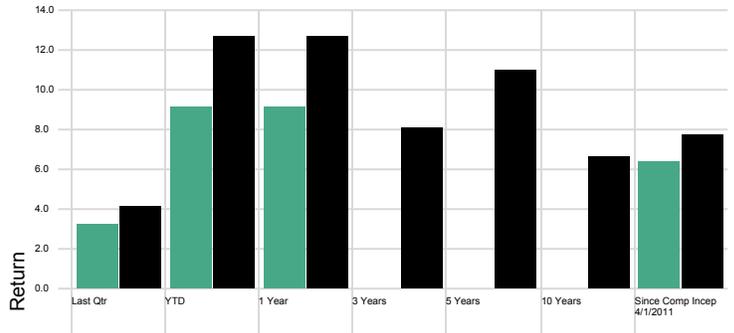
Approach

The strategy seeks to meet its investment objective by investing across a series of index-based strategies that, when brought together, provide risk attributes consistent with the target market segments. The ability to deconstruct the asset class into component segments supports the implementation of a program to maintain balanced exposures across the portfolio.

The strategy seeks to maintain a long-term investment profile consistent with a composite 50% Equity and 50% Fixed Income index*.

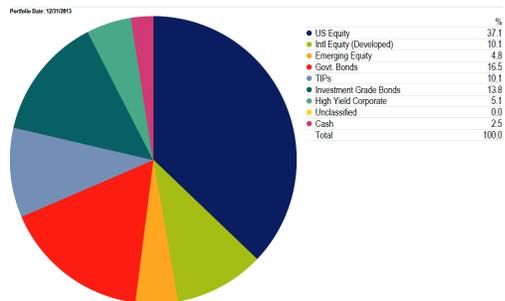
* Review attached BetaCore Investor Notes.

Trailing Returns (Composite Net of Fees)



Legend: BetaCore Balanced Composite (Green), 50-50 Balanced Index (Black)

Asset Allocation



Monthly Returns (Net of Fees)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2013	2.10	0.29	1.46	1.60	-1.20	-2.13	2.70	-2.14	3.08	2.30	0.30	0.60	9.15
2012	3.50	1.74	0.03	0.30	-3.09	2.16	1.10	1.09	1.17	-0.30	0.60	1.20	9.77
2011			2.30	-0.29	-0.88	0.10	-2.60	-4.72	5.60	-0.66	0.48		

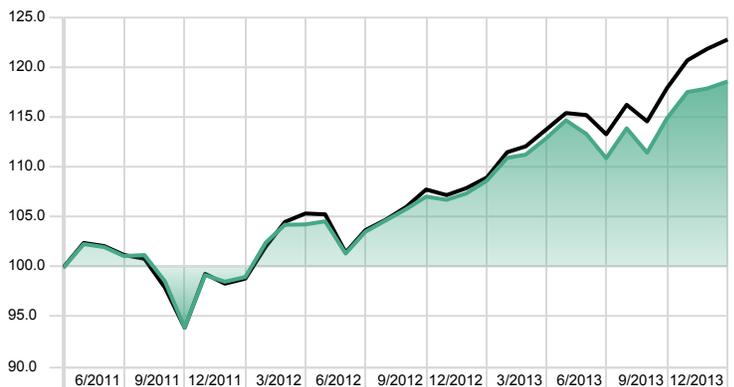
Risk (Composite Net of Fees)

Time Period: 4/1/2011 to 12/31/2013

	Return	Std Dev	Alpha	Beta	R2	Sharpe Ratio (arith)	Tracking Error
BetaCore Balanced Composite	6.40	7.12	-1.22	1.00	96.50	0.89	1.33
50-50 Balanced Index	7.75	7.03	0.00	1.00	100.00	1.09	0.00

Growth of \$100 (Composite Net of Fees)

Time Period: 3/31/2011 to 12/31/2013



Legend: BetaCore Balanced Composite (Green), 50-50 Balanced Index (Black)

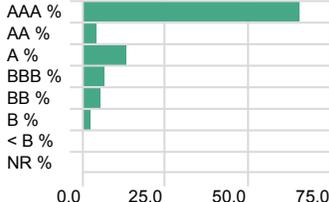
Fundamentals

P/E (Proj)	17.76
P/E (TTM)	17.46
Dividend Yield (est FY)	2.45
Projected LT Earn Growth	9.95
Hist 5 Yr Sales Growth	-1.55

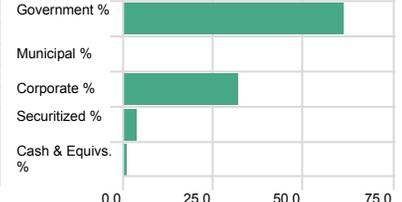
Fundamentals

12 Mo Portfolio Yield	2.17
Average Eff Duration	5.10
Average Eff Maturity	5.74
Average Coupon	2.80

Bond Credit Exposure



Bond Sector Allocation



About Beta Capital Advisors

Strategic asset allocation, the capture of market returns across asset classes, and a disciplined rebalance approach are critical pillars for a successful investment program. Leveraging the advantages of index investing BCA develops investment programs designed to match our clients' assets with projected goals and obligations; we manage diversified, low turnover, and low cost investment exposures to keep assets working for their benefit; and we implement a disciplined rebalance program to maintain targeted risk exposures and protect them from the risks of market timing, emotional reactions to short-term market conditions, and complacency with protracted bull markets and developing asset bubbles. Focus on these three pillars will help keep our clients on the path to meet their long run objectives. For more information about BCA and our unique approach please visit

www.betacapitaladvisors.com

BetaCore Investor Notes

Past performance is not indicative of future results. Investment results will vary from time to time depending upon market conditions and trading expenses; any investment results reported should not be considered representative of what an investment may earn in any future period. Investment results reflect specific investment guidelines, limitations, and costs that may not be reflective of an investors circumstances.

Strategy composite returns are net of all fees and expenses. Performance reflects trade date accounting for all accounts represented across composites and reflects all dividends, interest, realized and unrealized capital gains and losses for all accounts included. Returns are time-weighted. Multi-period returns reflect linked, geometric daily returns over the period. Returns of one year or greater are annualized.

Composite performance reflects all discretionary, fee-paying accounts (present and closed), managed in accordance with the specified BetaCore strategy. Accounts are included in a composite upon the first calendar month, and are removed after the final calendar month, managed in accordance to the specified strategy. Accounts reflecting client objectives, restrictions, and other limitations materially not consistent with BetaCore composite strategies are not included. Composites are created at the end of each calendar month to reflect asset weighted returns, based on previous month-end market values.

Individual account performance may deviate from assigned composite and holdings may not be consistent across all composite accounts as a result of several factors, including but not limited to: account size, timing and magnitude of cash flows, investment restrictions, and client guidelines.

Index returns represent an unmanaged basket of securities and do not reflect the performance of actual accounts. An index is not investable and does not reflect costs associated with portfolio investing, such as trading, management, advisory, and other expenses. Index returns reflect reinvestment of income.

The S&P 500 Index is calculated by Standard & Poors and reflects the performance of a capitalization-weighted portfolio of large US equities. The Russell 3000 Index is calculated by Russell Indexes and reflects the performance of a capitalization-weighted basket of large-, mid-, and small- capitalization US companies. The MSCI EAFE and Emerging Markets indexes are calculated by MSCI and reflect, respectively, the performance of international developed and emerging market equities. The Barclays Capital Aggregate US Intermediate Bond Index is calculated by Barclays Capital; it reflects the performance of investment grade, US dollar denominated, fixed-rate, taxable bonds with maturities between one and ten years. It includes Treasury, government-related and corporate securities, mortgage-backed, asset-backed, and commercial mortgage-backed securities.

Composite benchmarks reflect the weighted performance of the referenced indexes rebalanced at the end of each calendar quarter to the indicated weights. For Balanced Income, Balanced, and Balanced Growth composite benchmarks, the first indicated allocation % is applied to the quarterly return of a composite of 70% Russell 3000, 21% MSCI EAFE, and 9% MSCI Emerging Markets indexes; with the second allocation % applied to the quarterly return of the Barclays Capital US Aggregate Intermediate Bond Index.

The composite ETF indexes are calculated by Beta Capital Advisors (BCA) and reflect the hypothetical, back-tested performance of a basket of ETFs, selected by BCA, with the retroactive application of fixed quarterly weights applied to the performance of the ETFs. As a result, the indexes theoretically may be changed from time to time to obtain more favorable performance results. Where performance precedes the inception of an ETF, it reflects the performance of the underlying ETF benchmark index adjusted for the ETFs expense ratio.

BetaCore Investor Notes (cont)

Composite ETF indexes do not reflect an investment advisors decision process in managing actual accounts, or the impact of market and economic conditions on the management of accounts.

The US Large Cap ETF Index reflects the performance of equally weighted sector ETFs with a 2% allocation to cash. The US Equity ETF Index reflects the performance of equally weighted equity sector ETFs (66%- allocation %); REIT ETF (10%); mid-cap ETF (13%); small-cap ETF (9%); and a 2% allocation to cash. The International Equity ETF Index reflects the performance of equally weighted country index ETFs investing in Asian developed (29%) and European developed equity markets (29%); international REIT ETF (5%); small-cap international ETF (5%); equally weighted regional emerging market equity ETFs (30%); and a 2% allocation to cash. The Global Equity ETF Index reflects the composite performance of the US Equity ETF Index (50%) and the International Equity ETF Index (50%).

Definitions:

Std. Dev.: Standard deviation measures the variability of performance over time; viewed as a measure of risk, higher values reflect the higher degree of variability for an investments periodic returns

Alpha: For a diversified portfolio reflects the performance not explained by market risk (Beta) assumed; also referred to as active return

Beta: Measures the sensitivity of the performance of an investment to movements in market returns (as captured by a benchmark index); also referred to as market risk; values greater than 1 (less than 1) reflect greater (lesser) sensitivity to market return

R2: R(Squared) measures the proportion of an investments return that can be explained by the performance of an assigned benchmark index

Sharpe Ratio: reward to variability ratio; captures excess performance of an investment (investment less risk free return) relative to the volatility of the investment

Tracking Error: Annualized standard deviation of performance differential between an investment and its assigned benchmark

Fund fundamental valuation ratios are computed from most recently reported fund holdings and are quoted on a per share basis; TTM refers to trailing 12 months; Proj Earnings refers to earnings projections for current fiscal year; P=Price for reporting date; E=most recent reported annual earnings; B= most recent reported book value, C=most recent reported cash balance; S=most recent reported annual sales; Net margin measures last 12 months net income as proportion of most recent revenues; Projected LT Earnings Growth reflects analyst growth expectations for next 3-5 years; 12 Month Yield reflects trailing 12 month distributions as percent of reported price; ROA refers to net income as proportion of most recently reported average assets; ROE refers to net income as proportion most recently reported average shareholder equity, equals ROA multiplied by firm financial leverage; Debt-to-Capital measures proportion of debt to total firm capital as reported in most recent financial statements

Morningstar Style Box: Positions a funds aggregate holdings relative to style (value/growth/blend) and size (large-, mid-, small capitalization) risk factors.