

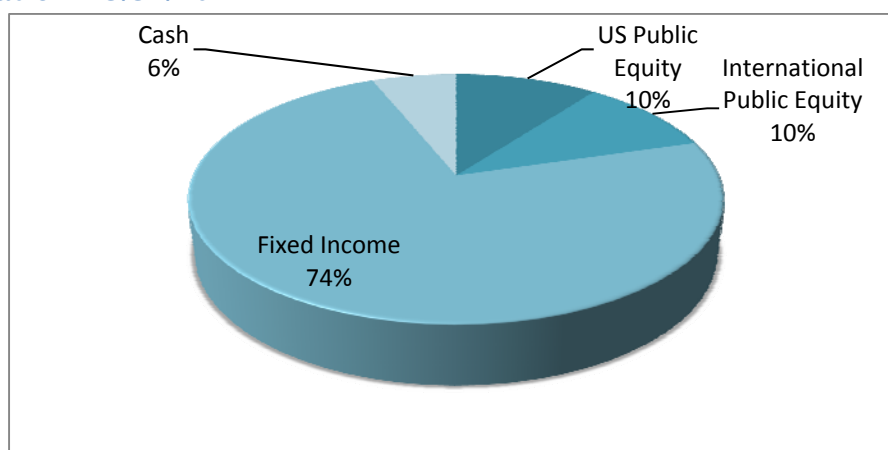
Intermediate Fund

First Quarter, 2012 – Market Update

After a choppy fourth quarter, equity markets around the globe reacted to pent-up liquidity pressure and improving economic fundamentals in the United States with strong returns through February that began to taper off into March. The S&P 500 almost reached its October 2007 peak courtesy of corporate profits and the Fed's easy monetary policy. International equity markets also reacted strongly to a more confident Europe and indications that China was loosening its monetary stance. Bond markets on the other hand reflected the low interest rate environment with the Barclay's Aggregate Bond Index returning a meager 0.3% for the quarter.

The Intermediate Fund participated in the positive gains of the quarter through its equity index exposure. Additionally, the active core fixed income manager (PIMCO) returned to form and exceeded its benchmark by 2.6%. The strategy for the Fund remains in place. The cash position of the portfolio was reduced by allocating to near cash short duration corporate credit.

Asset Allocation – 3/31/2012



Investment Returns

%	1 st Quarter	YTD	1 Yr.	Annualized Since Inception (11/25/2009)
Intermediate Fund	3.8	3.8	5.0	6.0
CPI + 2%	2.15	2.15	4.65	N/A
MSCI ACWI (20%)/Barclays Aggregate(80%)¹	2.65	2.65	6.14	N/A

¹ Effective 1/1/2012 the equity benchmark used by the Fund was switched from the S&P 500 to the MSCI All Cap World Index to reflect the Fund's global equity strategy. That benchmark is used in this naïve benchmark analysis.