

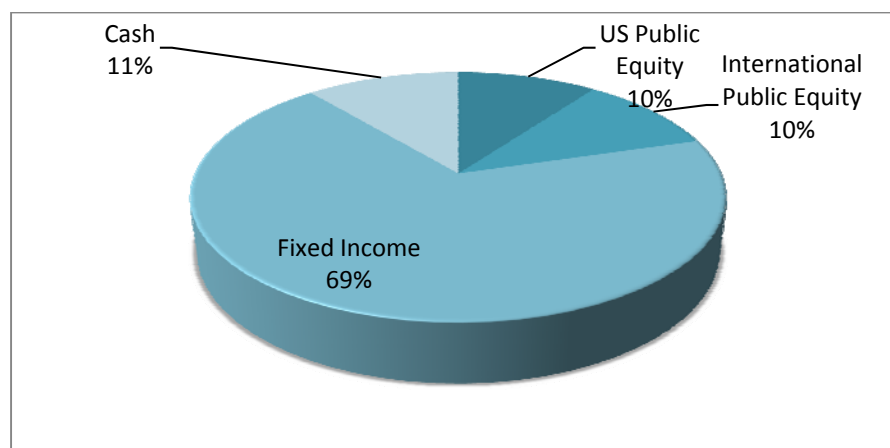
Intermediate Fund

First Quarter, 2013 – Market Update

The first quarter of 2013 seemed a replay of the first quarters of the past few years, with markets running before the wind of global quantitative easing. The notable differences being: the absence of fear (expressing itself in the first negative quarterly return for the Barclay's Aggregate bond index since the 4th quarter of 2010), improving economic fundamentals in the United States and the embrace of quantitative easing in Japan. The exception to the broad equity rally were found with losses in commodities (-4.56%) and emerging markets (-1.6%) driven largely by concerns that excessive lending in China was leading to a hard landing with a new leadership that is comfortable with slower growth.

The Intermediate Fund's albeit small allocation to emerging markets proved to be a drag on performance as the portfolio's fixed income allocation provided less than a 1% return for the quarter. Allocations to equity were left in place at quarter end after cash holdings were reduced. We continue to search for liquid fixed income options that will diversify the holdings of the portfolio and we will remain underweight duration as bonds begin to deliver on the promise of low to negative real returns.

Asset Allocation – 3/31/2013



Investment Returns

%	1 st Quarter	YTD	1 Yr.	3 Yr. (annualized)	Annualized Since Inception (11/25/2009)
Intermediate Fund	1.3	1.3	6.9	6.4	6.3
CPI + 2%	1.9	1.9	3.4	4.3	N/A
MSCI ACWI (20%)/Barclays Aggregate(80%)¹	1.1	1.1	4.6	5.5	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.