

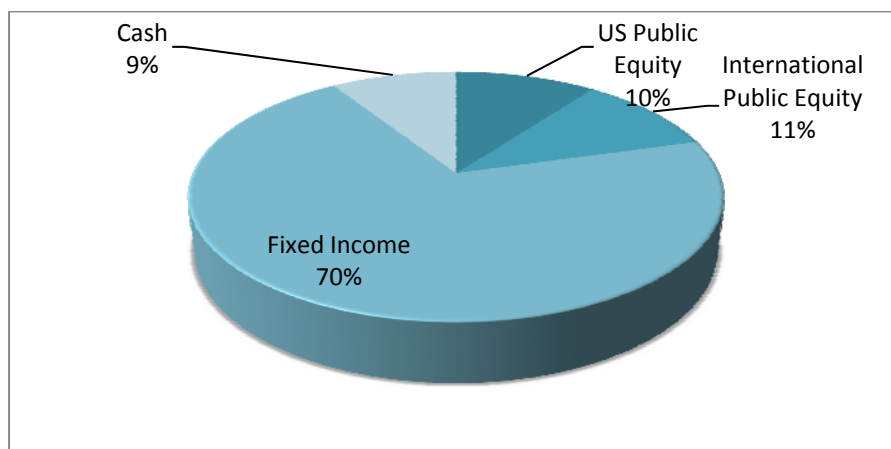
Intermediate Fund

Second Quarter, 2012 – Market Update

In today's investment environment, much has been talked about with regard to the risk-on/risk-off trade. The first two quarters of this year have mirrored this trade almost to the day, with the first quarter of the year being one where markets bid up the prices of risky assets (equities) and then promptly sold them off in the subsequent one. Arguably, the second quarter was really the continuation of the unfolding saga of Europe, where an economy that is closely tied monetarily by the euro, remains fiscally balkanized by independent legislatures and taxing authorities. Here in the US, policy makers demonstrated that even in a unified fiscal environment it can be difficult, if not intractable, to address policy issues. Meanwhile, corporations across the globe have continued to demonstrate strength with their balance sheets if not their earnings, providing hope that if the respective political leaders can reach accord, equities look poised for growth.

The Intermediate Fund's exposure to fixed income allowed it to eke out a positive return for the quarter. Additionally, increasing exposure to cash assets during the quarter helped sustain principal in the fund. The long term strategy of the fund remains unchanged as do the predominant use of passive investments.

Asset Allocation – 6/30/2012



Investment Returns

%	2 nd Quarter	YTD	1 Yr.	Annualized Since Inception (11/25/2009)
Intermediate Fund	0.8	3.8	4.1	5.8
CPI + 2%	0.5	3.4	3.7	N/A
MSCI ACWI (20%)/Barclays Aggregate(80%)¹	0.5	3.0	4.7	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.