

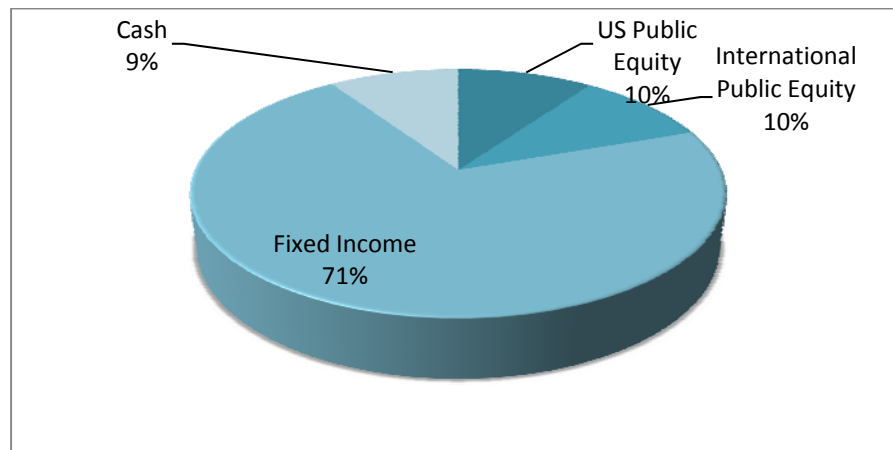
Intermediate Fund

Third Quarter, 2011 – Market Update

The third quarter of 2011 brought back memories of 2008, with the exception that money markets although slightly stressed, did not completely seize up. Congressional discord in the US, that led Standard & Poor's to downgrade US Treasuries for the first time, was matched by similar waffling within the European Union on how to handle the insolvency of one of their members. As in 2008, asset correlations rose significantly with the US Treasury market – ironically – being the safe haven in a world of uncertainty. The consequence of this market action was felt dramatically across our portfolios and even in more conservative value managers, though to a lesser extent.

The turmoil in equity markets significantly impacted the Intermediate Fund. We have responded by rebalancing equities at quarter end to target weightings and retained cash.

Asset Allocation – 9/30/2011



Investment Returns

	3 rd Quarter	YTD	1 Yr.	Since Inception (11/25/2009)
Intermediate Fund	-3.7	-0.4	0.5	3.8
CPI + 2%	1.0	4.4	5.9	N/A
S&P 500 (20%)/Barclays Aggregate(80%)	0.3	3.6	4.5	N/A