

Core-Plusⁱ #6 . ETFs (Versions I-III)

Long-Term Performance . Summary: 13-Years Annualized December 31, 1998 through December 31, 2011

RETURN (1)						
RISK	CONSERV	GROWTH	AGGRSV	S&P 500	NASDAQ	TRADES
Low	+7.43	+8.37	+8.96	+0.18	+1.34	Avg 4.9
Medium	+8.60	+9.43	+9.49	+0.18	+1.34	Avg 4.9
High	+17.40	+21.79	+25.43	+0.18	+1.34	Avg 4.9

STANDARD DEVIATION (2)						
RISK	CONSERV	GROWTH	AGGRSV	S&P 500	NASDAQ	TRADES
Low	1.59	1.97	2.58	6.27	8.46	Avg 4.9
Medium	2.40	3.37	4.42	6.27	8.46	Avg 4.9
High	5.71	8.30	10.82	6.27	8.46	Avg 4.9

MAXIMUM DRAWDOWN (3)						
RISK	CONSERV	GROWTH	AGGRSV	S&P 500	NASDAQ	TRADES
Low	-15.49	-13.92	-20.52	-56.78	-77.93	Avg 4.9
Medium	-26.79	-38.26	-48.37	-56.78	-77.93	Avg 4.9
High	-46.65	-62.00	-73.55	-56.78	-77.93	Avg 4.9

ULCER INDEX (4)						
RISK	CONSERV	GROWTH	AGGRSV	S&P 500	NASDAQ	TRADES
Low	5.12	5.62	7.38	24.76	54.59	Avg 4.9
Medium	9.57	13.13	16.56	24.76	54.59	Avg 4.9
High	17.00	22.65	27.38	24.76	54.59	Avg 4.9

Core-PlusTM - Versions I – III:

Low Risk: Investment Objective: Moderate Capital Gains with below-market risk and volatility.

Medium Risk: Investment Objective: Maximum Capital Gains, while accepting average market risk and volatility.

High Risk: Investment Objective: Maximum Capital Gains, while accepting greater than market risk and volatility.

CONSERV = Conservative

GROWTH = Growth

AGGRSV = Aggressive

S&P 500 = S&P 500 Index

NASDAQ = NASDAQ Composite Index

TRADES = Average number of times the Active portion of the portfolio changed from Long, Short, or Cash per year.

(1) Annualized Return. Hypothetical Returns prior to 2009, thereafter Live Returns with Version II through March 31, 2011; Version III beginning 4/1/2011. See Service Explanation page under "Backtesting" <http://activeportfoliocoach.com/service.aspx> for explanation and history of Backtesting, Version I, II, and III.

(2) Standard Deviation (SD):

Within Core-Plusⁱ, Standard Deviation is measured monthly.

For example, when you see SD = 4.0%, this means that most of the time (8 out of 12 months) the portfolio has gains or losses of no more than 4.0% in a month. This monthly SD can be converted (approximately) to Morningstar's annual SD by multiplying the SD= value by 3.4 (the square root of 12).

(3) Maximum Drawdown (MD):

The maximum percentage loss from the highest point to the lowest point shows the worst case drawdown during the given period of time.

(4) Ulcer Index (UI):

Ulcer Index measures the ability of a portfolio to regain its value from a previous high. It is calculated as the root-mean-square of the areas between highs and the time it takes for the portfolio to reach those highs again. It provides a measure of the magnitude of all of a portfolio's losses. Ulcer Index shown represents the worst case event for the given period of time.