Diversified Risk Parity Portfolio

July-31-2011

Multi-strategy, multi-manager, diversified exposure to global financial markets

Investment Highlights

» The DRP[1] strategy offers exposure to the alternative investment space with lower risk and less volatility than most traditional equity investment returns.

» Over time, alternative investments have produced returns that are significantly less correlated to traditional investments. This is particularly beneficial in down markets.

» The goal of the Diversified Risk Parity Portfolio is to seek to compound returns as frequently as possible.

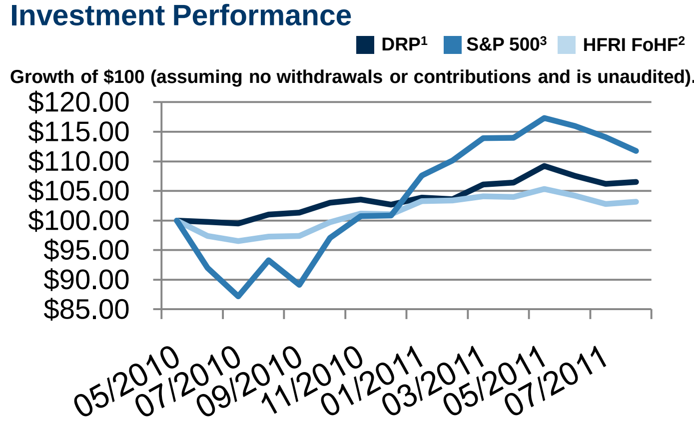
Statistics (US $)	DRP[1]	S&P 500[3]	HFRI[2]
July 2011†	0.31%	-2.03%	0.38%
Average Monthly Return†	0.43%	0.85%	0.23%
Standard Deviation†	4.31%	16.51%	4.64%
Sharpe Ratio†	0.98	0.56	0.37
Beta to S&P 500†	0.16	1.00	0.25

†Based on past 15 monthly returns, and is unaudited

Standard Deviation: A measurement of risk, also known as the historical volatility of an investment. The lower the ratio, the less risk.

Sharpe Ratio: A measure of risk-adjusted returns. The higher the ratio, the better returns per unit of risk.

Investment Performance



General Information

Inception Date: 5/1/2010
Inv. Manager: Risk Paradigm Group
Subscription: Daily
Redemption: Daily
Min. Investment: $25,000
Addl. Investment : $1,000
Comparative Indices: HFRI Fund of Hedge Fund Index
Standard & Poor's 500 DRI Index
Management Fee: 2.0%
Performance Fee: None
Lock-up Period: None
Eligible Investors: Non-IRA and IRA eligible

Performance

DRP - Monthly Historical Performance (Unaudited)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual (Net)
2011(YTD)	-0.24%	2.36%	0.32%	2.64%	-1.53%	-1.25%	0.31%						**2.55%**
2010					-0.21%	-0.32%	1.52%	0.36%	1.66%	0.51%	-0.85%	1.16%	3.86%

HFRI Fund of Funds Index - Monthly Historical Performance (Unaudited)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual (Net)
2011(YTD)	0.13%	0.64%	-0.07%	1.26%	-1.03%	-1.36%	0.38%						**-0.08%**
2010					-2.60%	-0.89%	0.77%	0.13%	2.35%	1.48%	-0.09%	2.17%	3.29%

S & P 500 - Monthly Historical Performance (Unaudited)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual (Net)
2011(YTD)	2.37%	3.43%	0.04%	2.96%	-1.13%	-1.67%	-2.03%						**3.87%**
2010					-7.99%	-5.23%	7.01%	-4.51%	8.92%	3.80%	0.10%	6.68%	7.48%

***YTD performance numbers are not annualized**
1. Diversified Risk Parity Portfolio
2. HFRI Fund of Funds Index
3. Standard & Poor's 500 DRI Index

(Past performance is not a guide to future results. Performance is net of fees. Please see Important Information (following page) for more details regarding performance.)

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Manager's Commentary

Given the political and economic turmoil experienced in July, we believe the Portfolio has performed fairly well on a relative basis. DRP was 0.31% vs 0.38% for the HFRI Fund of Funds Index and -2.03% for the S&P 500. Year to date DRP is 2.55% vs. 0.08% for the HFRI Fund of Funds Index. Given the extraordinary volatility of the last few months, we are proud of the way our risk management infrastructure has held up. As discussed in past commentary, we have been positioned for a risk-off move without being pre-positioned for an outright bear market (this is still not the most probable market outcome). Contributions came from our event driven positions and credit oriented positions as most categories of debt were positive for the month. This was due to a push for quality that occurred as the political process to raise the debt ceiling became increasingly stressful for the markets as the August 2 deadline to avoid default approached.

Our global macro category was also additive to performance in July. We expect to remain patient, and to continue evaluating dislocations going into the fall, which we expect may result in a variety of averaging down moves. Additionally, we may seek to add risk, as risk/reward ratios starts to look more attractive.

When reflecting on the correction of May/June 2010, we were intrigued by the similarities in issues we faced as investors then as we face now. We were concerned about domestic debt and the looming fiscal crisis in Europe. Here we are a year later and much of the cause of volatility relates to the same issues; U.S. debt issues, confusions among leadership and Sovereign debt issues in Europe. We are very comfortable with our positions which employ less directional strategies and will continue to seek opportunities of asymmetry. As always, please do not hesitate to call. (512) 327-6000

DRP Strategy Development

Diversified Risk Parity Portfolio, (DRP), ("the Fund") seeks to achieve superior risk adjusted returns by replicating the return streams found within a global hedge fund strategy. Within that framework DRP seeks risk factor neutrality within three major risk factors: Economic Growth, Inflation, and Risk.

In an effort to move the hedge fund allocation toward risk factor balance, we feel it is important to shift the risk exposure of the portfolio from those areas where the general hedge fund allocation creates an outsized exposure to certain economic factors. This risk can then be reallocated into those environments where the portfolio lacks material exposure.

For example, the HFRI Fund of Funds index's largest sensitivity is to rising growth and risk seeking environments with less protection during the opposite conditions or to rising inflation. In an effort to gain meaningful exposure to these factors, we believe that an investment in the Diversified Risk Parity Portfolio can make a material change in a portfolio's overall risk profile. In addition to providing a compelling risk reward profile, the Fund maintains a highly liquid portfolio, offering daily liquidity.

Return Distributions