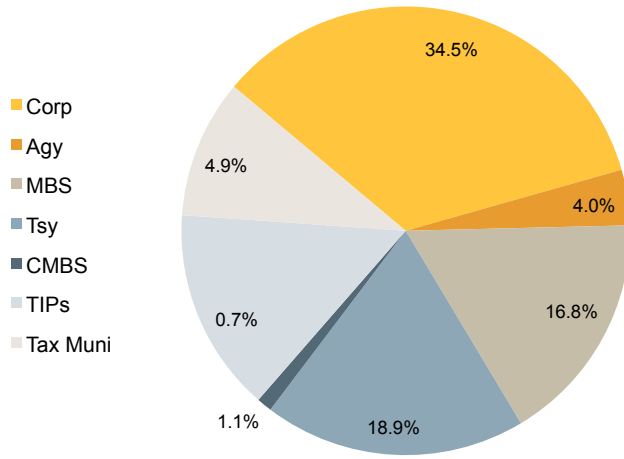


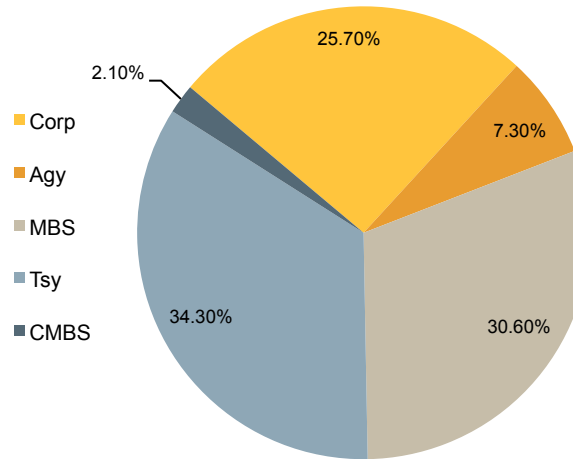
Taxable Bond ETF Strategy



FOURTH QUARTER 2011



CAPRIN TAXABLE BOND ETF STRATEGY*



AGG - ISHARES ETF**

Allocations shown above demonstrate the flexibility our Managed ETF Strategies offer in comparison with benchmark passive strategies.

Caprin's ETF-based strategies offer you a dynamic approach to achieve the desired core fixed income exposure across your entire asset allocation. In contrast with traditional, passive allocations such as bond ladder, individual mutual funds or index funds that have varying levels of liquidity or transparency, Caprin's Managed ETF strategies invest in municipal or taxable bond ETFs – or a blend of both – to more nimbly seek enhanced relative performance. These strategies are designed to fit within any investment approach and may be suitable for investors seeking to mitigate risk, capture opportunities, enhance liquidity and generate income via an active allocation to fixed-income investments. Accounts in this strategy require a minimum investment of \$100,000.

Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product made reference to directly or indirectly in this piece, will be profitable, equal any corresponding indicated historical performance level(s), or be suitable for your portfolio. Due to various factors, including changing market conditions, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion of information contained in this piece serves as the receipt of, or as a substitute for, personalized advice from Caprin Asset Management. To the extent that a reader has any questions regarding the applicability to their situation of any specific issue discussed above, they are encouraged to consult with the professional advisor of their choosing. A copy of our current written disclosure statement discussing our advisory services and fees is available for review upon request.

ETF-BASED INVESTMENT PRODUCTS

- Managed Municipal Bond ETF Strategy
- Managed Taxable Bond ETF Strategy
- Managed Tactical Blend ETF Strategy

INVESTMENT PROCESS FOR ETF-BASED STRATEGIES

- Strategy Foundations: Economic Outlook, Yield Curve Analysis, Credit Outlook
- Relative Value Analysis:
 - Quantitative Modeling – Technical Analysis of Performance Drivers
 - Fundamental Overlay – Market Intelligence Complements Technical Analysis
 - Fund Screening – Fund Longevity, Strategy, Liquidity-Enhancing Size
 - Premium/Discount Evaluation
- Regular Evaluation of Portfolios and Performance

Founded in 1997, Caprin is an asset management firm that applies the substantial experience and expertise of its professionals to the creation and management of investment solutions for those seeking wealth preservation and income generation. We seek opportunities for individuals, family offices, corporations, endowments, foundations and governmental entities across today's wider spectrum of taxable and tax-exempt fixed-income instruments including individual bonds, and bond ETFs. Caprin is an Independent Registered Investment Advisor that partners with strategists and clients to meet their fixed-income goals.

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PERFORMANCE NOTES

*Caprin strategy state and sector breakdowns taken from Caprin internal systems as of December 2011; **ETF state and sector breakdowns provided by iShares and are believed to be reliable but is not guaranteed and may become dated.

Caprin makes no warranties, implied or otherwise, and does not guarantee the liquidity of ETFs recommended for inclusion in the ETF Model Portfolios included herein. Nor does Caprin's inclusion of an ETF in a Model Portfolio express or accept responsibility for decisions made by the Fund Manager/Advisor or the fund distributor. Rather, Caprin is simply, though thoroughly, reviewing each fund to better understand its constituents, risk and performance characteristics to determine its potential effectiveness as a component in a Model Portfolio of ETFs designed to achieve certain performance metrics as compared to an appropriate performance benchmark. Caprin reserves the right to adjust the recommended allocation at any time as well as to completely remove funds from a respective Model Portfolio.

Performance for each of Caprin's Managed ETF strategies begins in September 2010 and is available upon request.

INDEX DEFINITIONS

S&P National AMT-Free Municipal Bond Index:

The S&P AMT Free Municipal Bond Index is a broad, market value-weighted index designed to approximate the performance of the tax-exempt, investment-grade US Municipal Bond Market. This index is unmanaged, not investable, and whose returns do not reflect the deduction of management or other fees that would normally reduce performance of an actual client portfolio.

Barclays US Aggregate Bond Index: The Barclays Capital US Aggregate Index represents securities that are SEC-registered, taxable, and US dollar denominated. The index covers the US investment grade, fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities and asset-backed securities. This index is unmanaged, not investable, and whose returns do not reflect the deduction of management or other fees that would normally reduce performance of an actual client portfolio.

ETF FUND DESCRIPTIONS:

MUB: The iShares S&P National AMT-Free Municipal Bond fund seeks results that correspond generally to the price and yield performance, before fees and expenses, of the municipal bond sector of the US as defined by the S&P National AMT-Free Municipal Bond Index.

AGG: The iShares Barclays Aggregate Bond Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the US investment grade bond market as defined by the Barclays Capital US Aggregate Bond Index.

knowledge

preserves

wealth



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