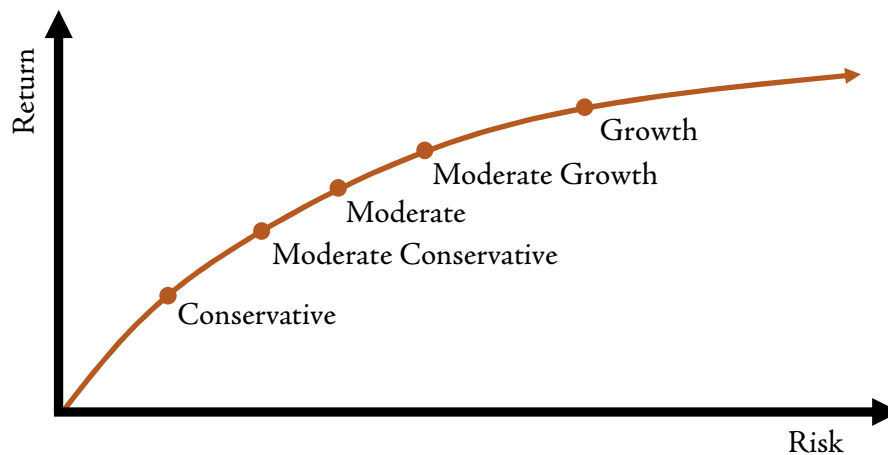


The Gould Asset Management BenchmarkPlus strategy seeks to provide clients with a balanced and diversified portfolio, implemented in a disciplined manner with rigorous attention to risk management.

## Meeting a Range of Return and Risk Objectives

BenchmarkPlus offers a range of portfolio choices, and Gould investment professionals work closely with clients and their advisors to select one that closely reflects both their return goals and their tolerance for risk. In addition, clients have the flexibility to decide whether or not to emphasize global diversification in their choice of portfolio. The BenchmarkPlus portfolios are listed below.

### BENCHMARKPLUS PORTFOLIOS



## Portfolio Implementation

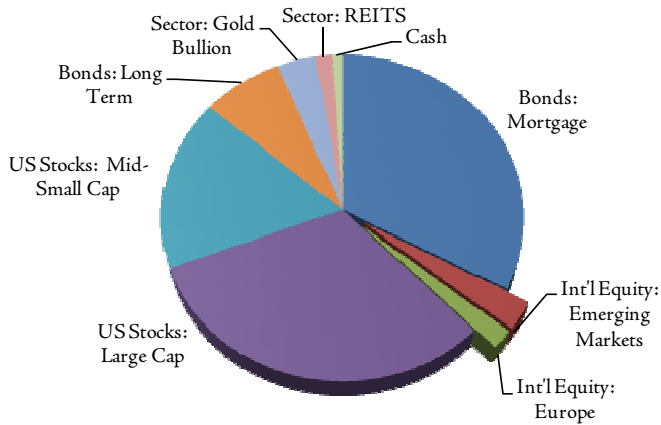
BenchmarkPlus portfolios are constructed from a broad universe of 12-15 distinct asset classes, including US and foreign stocks and bonds, precious metals, commodities, real estate and specific industrial sectors. Each asset class is implemented using low-cost, tax-efficient index or index-like mutual funds, including exchange-traded funds (ETFs). This approach affords maximum flexibility for adjusting the portfolio's asset allocation through time.

On a quarterly basis, we employ a series of quantitative tools in seeking to construct portfolios having attractive risk-return characteristics relative to their corresponding benchmark. Our quarterly rebalancing discipline provides us with an opportunity to capture changing market dynamics in the expected return and risk of each asset class, as well as changes in the interrelationships between asset classes. In a world of volatile securities markets, rebalancing is also an important element in keeping portfolios in line with the client's desired return and risk objectives. Quarterly portfolio adjustments tend to be incremental in nature.

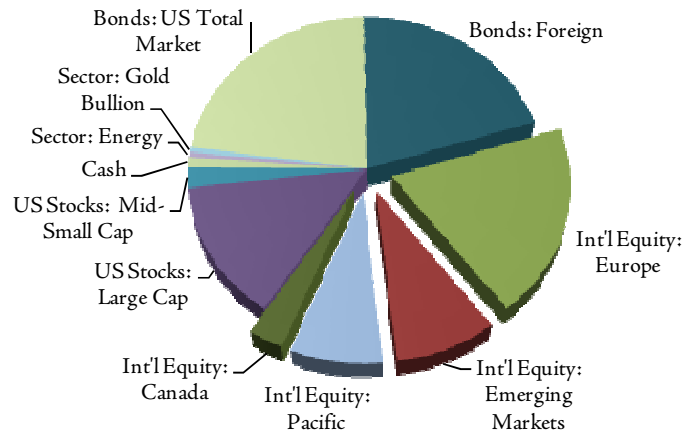
The chart on the following page shows sample allocations for BenchmarkPlus – Moderate and BenchmarkPlus Global – Moderate portfolios. Note that the sample BenchmarkPlus – Moderate

portfolio contains some international exposure, but the sample BenchmarkPlus Global – Moderate portfolio naturally has much greater exposure to international assets.

### BENCHMARKPLUS – MODERATE



### BENCHMARKPLUS GLOBAL – MODERATE



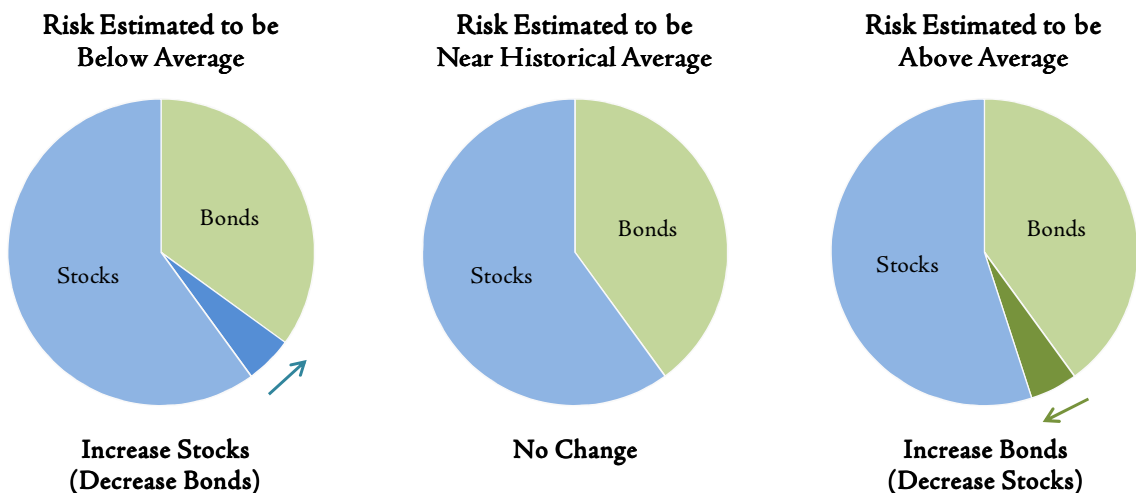
## Risk Management

We employ two important levels of risk management in constructing BenchmarkPlus portfolios, as follows.

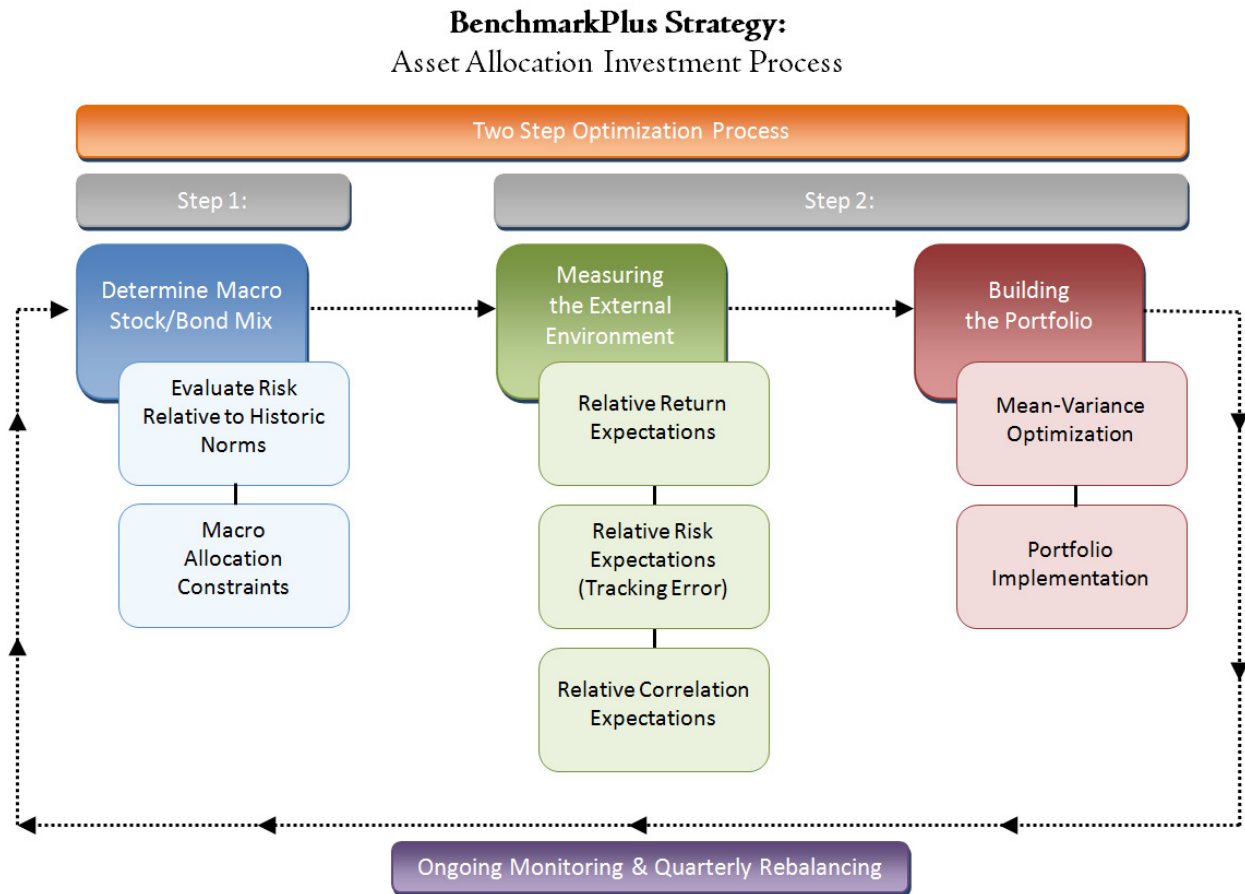
1. Benchmark Flexibility – Overall market risk levels vary considerably over time. Fixed stock-bond allocations can therefore result in undesirable swings in portfolio risk. We allow the benchmark for each portfolio to vary within a defined range in response to changing market risk levels. In general, when we judge market risk levels to be substantially above historical norms, we will tend to lower the equity component of the portfolio’s benchmark for some period. The converse is also true. In effect, we seek to “lean into the wind,” with the goal being to add some stability to portfolio risk levels over time.

The chart below illustrates a simplified example of the general relationship between estimated market risk and the stock/bond benchmark in a BenchmarkPlus portfolio. Note how the proportion of the benchmark allocated to stocks tends to move inversely to our estimate of market risk.

### Benchmark Adjustments: BenchmarkPlus – Moderate Growth



2. **Portfolio Optimization** – Each quarter, we perform a portfolio optimization in determining the new target asset allocation for client portfolios. The optimization process seeks to identify “efficient” portfolio combinations; that is, asset allocations that represent the minimum amount of risk for a given level of expected return. Optimization also enables us to make informed decisions about the tradeoff between return and risk at various points in time.



### Controlling Costs and Taxes

Gould’s investment techniques seek to control the impact of costs and taxes, with the goal of delivering higher net returns to clients. We do this in a number of ways, including:

- **Asset Location** – for clients having both taxable and tax-deferred (e.g., IRA) accounts, we seek to allocate portfolio assets across these accounts in a manner that will improve the client’s long-term after-tax return.
- **Low-Cost Index Funds** – low fund expense ratios and low fund turnover translate into higher returns, both before and after taxes.
- **Transaction Cost Monitoring** – we negotiate low transaction costs on behalf of our clients; in addition, specialized software enables us to implement transactions in a way that is most cost-efficient for a given client, based on a number of factors.
- **Tax Lot Monitoring** – when selling securities, proprietary software enables us to identify tax lots that may minimize client tax liability, taking into account cost basis, marginal tax rates, and position holding period.


- Portfolio Turnover Monitoring – lower portfolio turnover may result in less realized capital gains.

### **An All-Portfolio Solution**

BenchmarkPlus portfolios often form the core of a client's investment plan. In a single portfolio, BenchmarkPlus provides the following potential benefits:

- Participation in stock and bond market returns, calibrated to the client's personal return objectives and risk tolerance.
- Sophisticated asset allocation.
- Rigorous risk management.
- Growth from equity capital appreciation.
- Inflation protection through stock market exposure.
- Current income from portfolio dividends and interest.
- Flexibility to choose between US and global benchmarks.
- Cost-effective and tax-efficient portfolio management.
- Maximum liquidity – portfolios generally can be converted to cash within three business days.

We encourage you to learn more about Gould's BenchmarkPlus strategy. Please contact your financial advisor or Gould investment professional for additional information.

**GOULD**   
ASSET MANAGEMENT. 341 West First Street, Suite 200  
Claremont, California 91711  
Tel: 909-445-1291 Fax: 909-445-1299

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### **Disclosures**

There can be no assurance that any of the investment objectives described above, including those related to return, risk, costs and/or taxes, will be achieved. The sample portfolios provided above are for illustrative purposes. Actual portfolios will differ and will vary over time. All portfolios, including BenchmarkPlus – US portfolios, may include international investments. Such investments are subject to special risks, including, but not limited to, currency and political risks.