

VALUE AVERAGING LUMP SUM INVESTMENT ANALYSIS - BACKTEST REPORT



Security: **AAPL - Apple**

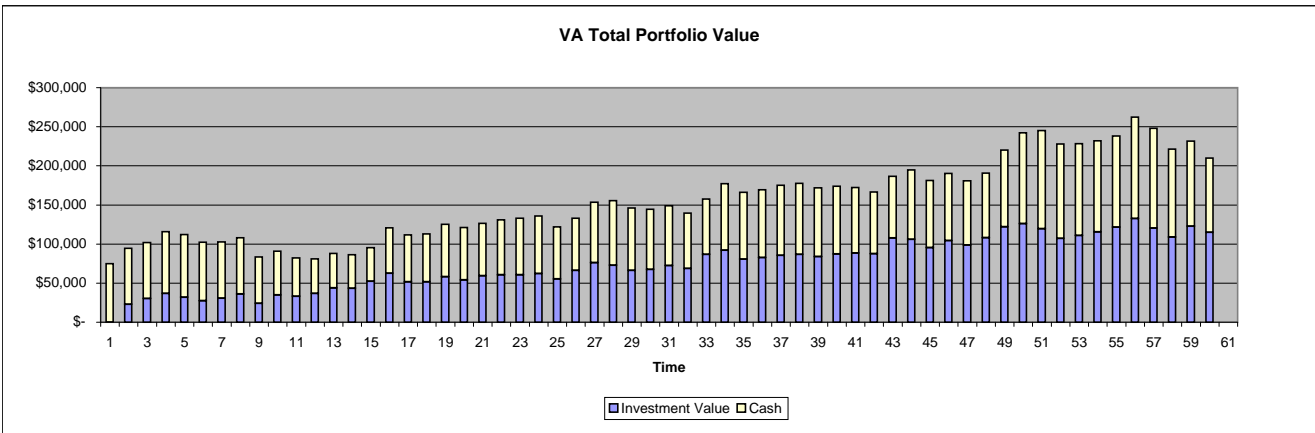
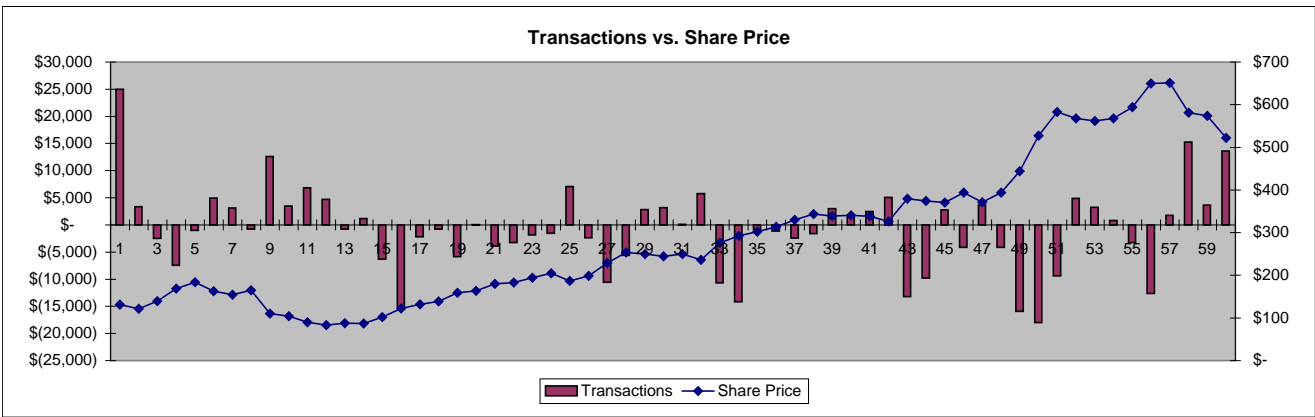
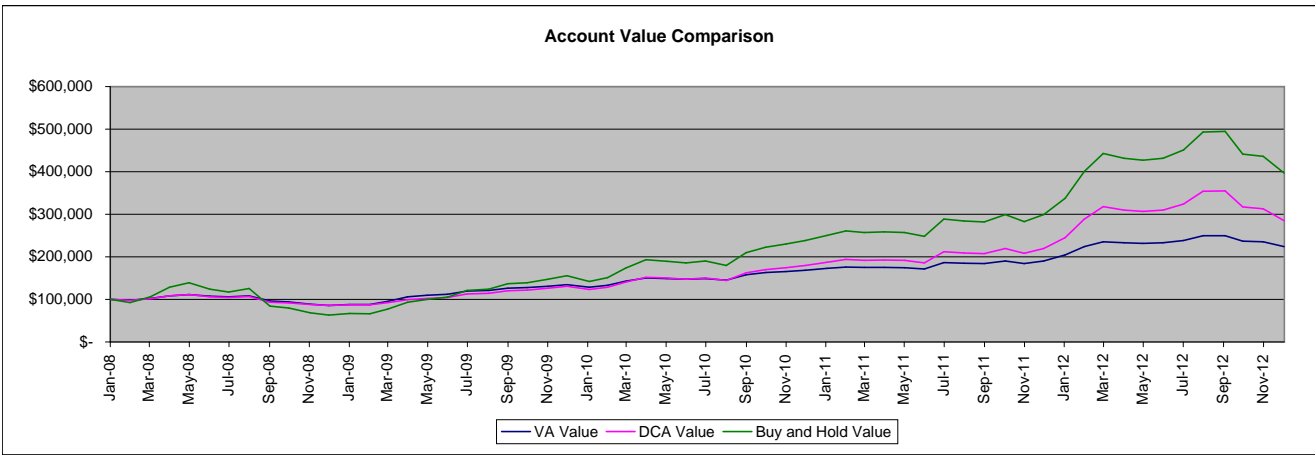
Dollar amount initially allocated to money market fund **\$ 100,000**
 Dollar amount of initial investment **\$ 25,000** 25%
 Desired annual portfolio growth rate **8.00%**
 Sell shares to force the portfolio to maintain the desired level **Yes**
 Double confirm sell transaction **Yes**
 Dollar amount of increase / decrease desired each month **\$ 1,271**

Start Date: January 2, 2008
 End Date: December 3, 2012
 Investment Term 5 years

VALUE AVERAGING	
Total Portfolio	\$ 223,746
Cost Base	\$ 72,732
Gain/Loss	\$ 151,015
Total Return	207.63%
Annual Return	25.20%
Avg cost/share	295.50
VA BEATS DCA BY:	22.80%
LS BEATS VA BY:	89.02%

DOLLAR COST AVERAGING	
Total Portfolio	\$ 284,832
Cost Base	\$ 100,000
Gain/Loss	\$ 184,832
Total Return	184.83%
Annual Return	23.29%
Avg cost/share	183.32

LUMP SUM	
Total Portfolio	\$ 396,658
Cost Base	\$ 100,000
Gain/Loss	\$ 296,658
Total Return	296.66%
Annual Return	31.73%
Avg cost/share	131.64



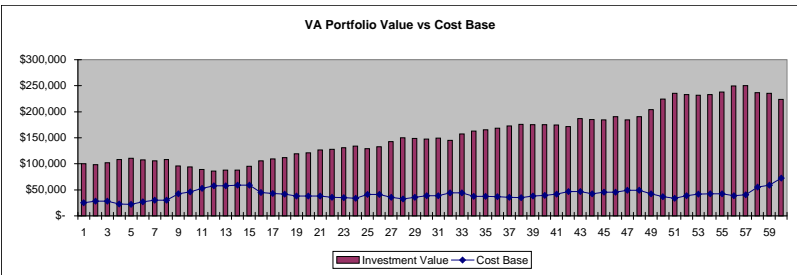
VALUE AVERAGING - LUMP SUM ANALYSIS

1 **Dollar-Cost Averaging Method:** Invest the same amount of money at regular intervals
 2 **Value-Average Method:** Set a target value and invest the necessary amount to maintain the target value at regular intervals

Fund name **AAPL - Apple**

Dollar amount initially allocated to money market fund
 Dollar amount of initial investment
 No. of years to average the capital
 Desired annual portfolio growth rate
 Adjust the interest rate each year by
 Sell shares to force the portfolio to maintain the desired level (1=yes, 0=no)
 Double confirm sell transaction (1=yes, 0=no)
 Maximum amount to invest per trade as a percentage of cash available
 Dollar amount of increase / decrease desired each month

\$	100,000	
\$	25,000	25%
	5	
	8.00%	
	0.00%	
	1	
	1	
	25.0%	
\$	1,271	



VALUE AVERAGING (VA)													DOLLAR COST AVERAGING (DCA)						LUMP SUM (LS) BUY AND HOLD		
DATE	NAV \$	\$ Distributions	Minimum Desired Value \$ (Value Path)	Target ROR	Shares Owned Before Rebalancing	Investment Value Before Rebalancing \$	Amount To Invest (Redeem) \$	Money Mkt Account \$ after Rebalancing	No. of Shares To Buy (Sell)	Shares Owned After Rebalancing	Capital at Risk	Cash	No. of Shares to Purchase	Amount Invested	Value of Money Mkt Account	Total Amount of Shares	Total Value	Buy and Hold	Total Amount of Shares	Total Value	
02-Jan-08	131.64	0.0000	\$ 25,000	8.00%	-	-	\$ 25,000	\$ 75,000	189.912	189.912	25.00%	75.00%	189.912	\$ 25,000	\$ 75,000	189.912	\$ 25,000	\$ 100,000	759.648	\$ 100,000	
03-Dec-12	522.16	0.0000	\$ 128,521	8.00%	220.118	\$ 114,937	\$ 13,584	\$ 95,229	26.015	246.133	57.44%	42.56%	2.434	\$ 100,000	\$ 0	545.488	\$ 284,832	759.648	\$ 396,658		

Total Portfolio	\$	223,746
Cost Base	\$	72,732
Gain/Loss	\$	151,015

Total Return	207.63%
Annual Return	25.20%

Avg cost/share 295.50

VA BEATS DCA BY: 22.80%

LS BEATS VA BY: 89.02%

Total Portfolio	\$	284,832
Cost Base	\$	100,000
Gain/Loss	\$	184,832

Total Return	184.83%
Annual Return	23.29%

Avg cost/share \$ 183.32

Total Portfolio	\$	396,658
Cost Base	\$	100,000
Gain/Loss	\$	296,658

Total Return	296.66%
Annual Return	31.73%

Avg cost/share \$ 131.64

VALUE AVERAGING LUMP SUM - CAPITAL GAINS / LOSS ANALYSIS



Security:

AAPL - Apple

Taxable portion of capital gain
Marginal tax rate

50.00%
46.00%

Cash allocated
Growth rate

\$ 100,000
8.00%

DATE	NAV \$		Shares Bought or Sold	Share Balance	Cost of Shares	Adjusted Cost Base	Proceeds on Sale	Capital Gain or Loss*	Average cost per Share
1	02-Jan-08	\$ 131.64	purchase	189.912	189.9119	\$ 25,000.00	\$ 25,000.00	\$ -	\$ 131.64
2	01-Feb-08	\$ 121.59	purchase	27.523	217.4344	\$ 3,346.47	\$ 28,346.47	\$ -	\$ 130.37
3	03-Mar-08	\$ 139.56	sell	-	217.4344	\$ -	\$ 28,346.47	\$ -	\$ 130.37
4	01-Apr-08	\$ 169.18	sell	(43.996)	173.4388	\$ (5,735.61)	\$ 22,610.85	\$ 7,443.18	\$ 1,707.56
5	01-May-08	\$ 183.57	sell	(5.605)	167.8334	\$ (730.76)	\$ 21,880.09	\$ 1,028.98	\$ 130.37
6	02-Jun-08	\$ 162.84	purchase	30.433	198.2668	\$ 4,955.77	\$ 26,835.86	\$ -	\$ 135.35
7	01-Jul-08	\$ 154.59	purchase	20.196	218.4630	\$ 3,122.13	\$ 29,957.98	\$ -	\$ 137.13
8	01-Aug-08	\$ 164.88	sell	-	218.4630	\$ -	\$ 29,957.98	\$ -	\$ 137.13
9	02-Sep-08	\$ 110.54	purchase	114.221	332.6835	\$ 12,625.94	\$ 42,583.92	\$ -	\$ 128.00
10	01-Oct-08	\$ 104.64	purchase	33.249	365.9326	\$ 3,479.18	\$ 46,063.11	\$ -	\$ 125.88
11	03-Nov-08	\$ 90.13	purchase	75.848	441.7802	\$ 6,836.14	\$ 52,899.25	\$ -	\$ 119.74
12	01-Dec-08	\$ 83.01	purchase	56.404	498.1844	\$ 4,682.11	\$ 57,581.36	\$ -	\$ 115.58
13	02-Jan-09	\$ 87.66	sell	-	498.1844	\$ -	\$ 57,581.36	\$ -	\$ 115.58
14	02-Feb-09	\$ 86.86	purchase	13.655	511.8393	\$ 1,186.07	\$ 58,767.43	\$ -	\$ 114.82
15	02-Mar-09	\$ 102.23	sell	-	511.8393	\$ -	\$ 58,767.43	\$ -	\$ 114.82
16	01-Apr-09	\$ 122.38	sell	(122.854)	388.9848	\$ (14,105.68)	\$ 44,661.75	\$ 15,034.93	\$ 929.25
17	01-May-09	\$ 132.08	sell	(16.540)	372.4448	\$ (1,899.06)	\$ 42,762.68	\$ 2,184.61	\$ 285.54
18	01-Jun-09	\$ 138.52	sell	(5.771)	366.6737	\$ (662.61)	\$ 42,100.07	\$ 799.41	\$ 136.80
19	01-Jul-09	\$ 158.91	sell	(36.918)	329.7555	\$ (4,238.81)	\$ 37,861.26	\$ 5,866.68	\$ 1,627.87
20	03-Aug-09	\$ 163.59	purchase	0.472	330.2278	\$ 77.27	\$ 37,938.53	\$ -	\$ 114.89
21	01-Sep-09	\$ 180.26	sell	-	330.2278	\$ -	\$ 37,938.53	\$ -	\$ 114.89
22	01-Oct-09	\$ 183.33	sell	(17.701)	312.5267	\$ (2,033.62)	\$ 35,904.92	\$ 3,245.16	\$ 1,211.54
23	02-Nov-09	\$ 194.42	sell	(9.324)	303.2027	\$ (1,071.19)	\$ 34,833.73	\$ 1,812.76	\$ 741.57
24	01-Dec-09	\$ 204.95	sell	(7.458)	295.7445	\$ (856.84)	\$ 33,976.89	\$ 1,528.55	\$ 671.71
25	04-Jan-10	\$ 186.79	purchase	37.721	333.4660	\$ 7,045.99	\$ 41,022.88	\$ -	\$ 123.02
26	01-Feb-10	\$ 199.00	sell	-	333.4660	\$ -	\$ 41,022.88	\$ -	\$ 123.02
27	01-Mar-10	\$ 228.55	sell	(46.123)	287.3430	\$ (5,674.04)	\$ 35,348.84	\$ 10,541.42	\$ 4,867.38
28	01-Apr-10	\$ 253.92	sell	(21.979)	265.3641	\$ (2,703.84)	\$ 32,645.00	\$ 5,580.89	\$ 2,877.05
29	03-May-10	\$ 249.83	purchase	11.231	276.5946	\$ 2,805.73	\$ 35,450.74	\$ -	\$ 128.17
30	01-Jun-10	\$ 244.63	purchase	12.959	289.5536	\$ 3,170.16	\$ 38,620.89	\$ -	\$ 133.38
31	01-Jul-10	\$ 250.19	purchase	0.534	290.0872	\$ 133.49	\$ 38,754.38	\$ -	\$ 133.60
32	02-Aug-10	\$ 236.43	purchase	24.306	314.3930	\$ 5,746.63	\$ 44,501.02	\$ -	\$ 141.55
33	01-Sep-10	\$ 275.96	sell	-	314.3930	\$ -	\$ 44,501.02	\$ -	\$ 141.55
34	01-Oct-10	\$ 292.72	sell	(48.346)	266.0467	\$ (6,843.22)	\$ 37,657.79	\$ 14,151.94	\$ 7,308.72
35	01-Nov-10	\$ 302.61	sell	(2.779)	263.2681	\$ (393.30)	\$ 37,264.49	\$ 840.83	\$ 447.53
36	01-Dec-10	\$ 313.71	sell	(3.570)	259.6980	\$ (505.33)	\$ 36,759.16	\$ 1,119.97	\$ 614.64
37	03-Jan-11	\$ 330.01	sell	(7.329)	252.3686	\$ (1,037.44)	\$ 35,721.72	\$ 2,418.76	\$ 1,381.32
38	01-Feb-11	\$ 343.52	sell	(4.608)	247.7602	\$ (652.30)	\$ 35,069.42	\$ 1,583.09	\$ 930.78
39	01-Mar-11	\$ 338.94	purchase	8.772	256.5327	\$ 2,973.33	\$ 38,042.75	\$ -	\$ 148.30
40	01-Apr-11	\$ 340.52	purchase	4.245	260.7777	\$ 1,445.53	\$ 39,488.28	\$ -	\$ 151.43
41	02-May-11	\$ 338.28	purchase	7.235	268.0123	\$ 2,447.33	\$ 41,935.61	\$ -	\$ 156.47
42	01-Jun-11	\$ 326.46	purchase	15.449	283.4614	\$ 5,043.51	\$ 46,979.12	\$ -	\$ 165.73
43	01-Jul-11	\$ 379.76	sell	-	283.4614	\$ -	\$ 46,979.12	\$ -	\$ 165.73
44	01-Aug-11	\$ 374.27	sell	(26.087)	257.3747	\$ (4,323.45)	\$ 42,655.67	\$ 9,763.48	\$ 5,440.03
45	01-Sep-11	\$ 370.85	purchase	7.533	264.9077	\$ 2,793.59	\$ 45,449.26	\$ -	\$ 171.57
46	03-Oct-11	\$ 393.67	sell	-	264.9077	\$ -	\$ 45,449.26	\$ -	\$ 171.57
47	01-Nov-11	\$ 371.71	purchase	9.785	274.6929	\$ 3,637.27	\$ 49,086.54	\$ -	\$ 178.70
48	01-Dec-11	\$ 393.88	sell	-	274.6929	\$ -	\$ 49,086.54	\$ -	\$ 178.70
49	03-Jan-12	\$ 443.95	sell	(35.876)	238.8172	\$ (6,410.85)	\$ 42,675.69	\$ 15,927.02	\$ 9,516.17
50	01-Feb-12	\$ 527.55	sell	(34.096)	204.7216	\$ (6,092.74)	\$ 36,582.95	\$ 17,987.11	\$ 11,894.37
51	01-Mar-12	\$ 583.09	sell	(16.085)	188.6366	\$ (2,874.34)	\$ 33,708.61	\$ 9,379.05	\$ 6,504.71
52	02-Apr-12	\$ 567.95	purchase	8.558	197.1944	\$ 4,860.42	\$ 38,569.03	\$ -	\$ 195.59
53	01-May-12	\$ 561.87	purchase	5.725	202.9195	\$ 3,216.77	\$ 41,785.81	\$ -	\$ 205.92
54	01-Jun-12	\$ 567.97	purchase	1.397	204.3166	\$ 793.47	\$ 42,579.28	\$ -	\$ 208.40
55	02-Jul-12	\$ 594.00	sell	-	204.3166	\$ -	\$ 42,579.28	\$ -	\$ 208.40
56	01-Aug-12	\$ 649.76	sell	(19.404)	184.9128	\$ (4,043.71)	\$ 38,535.57	\$ 12,607.77	\$ 8,564.06
57	04-Sep-12	\$ 651.58	purchase	2.664	187.5766	\$ 1,735.64	\$ 40,271.21	\$ -	\$ 214.69
58	01-Oct-12	\$ 581.47	purchase	26.204	213.7808	\$ 15,236.99	\$ 55,508.19	\$ -	\$ 259.65
59	01-Nov-12	\$ 574.27	purchase	6.337	220.1178	\$ 3,639.12	\$ 59,147.32	\$ -	\$ 268.71
60	03-Dec-12	\$ 522.16	purchase	26.015	246.1332	\$ 13,584.24	\$ 72,731.55	\$ -	\$ 295.50

Total Proceeds **\$ 140,845.58**

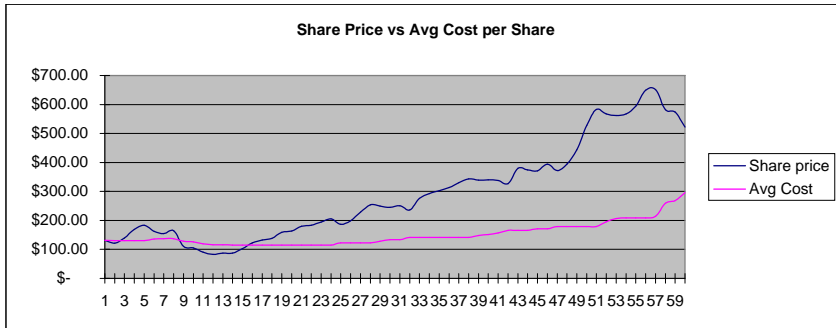
Capital Gain/Loss **\$ 67,956.82**

Taxable gain **\$ 33,978.41**

Tax payable **\$ 15,630.07**

Net Gain \$ 52,326.75

Net Proceeds **\$ 125,215.51**



* Average Cost Method