

**VALUE AVERAGING LUMP SUM INVESTMENT ANALYSIS - BACKTEST REPORT**



Security: **VIG - Vanguard Dividend Appreciation ETF**

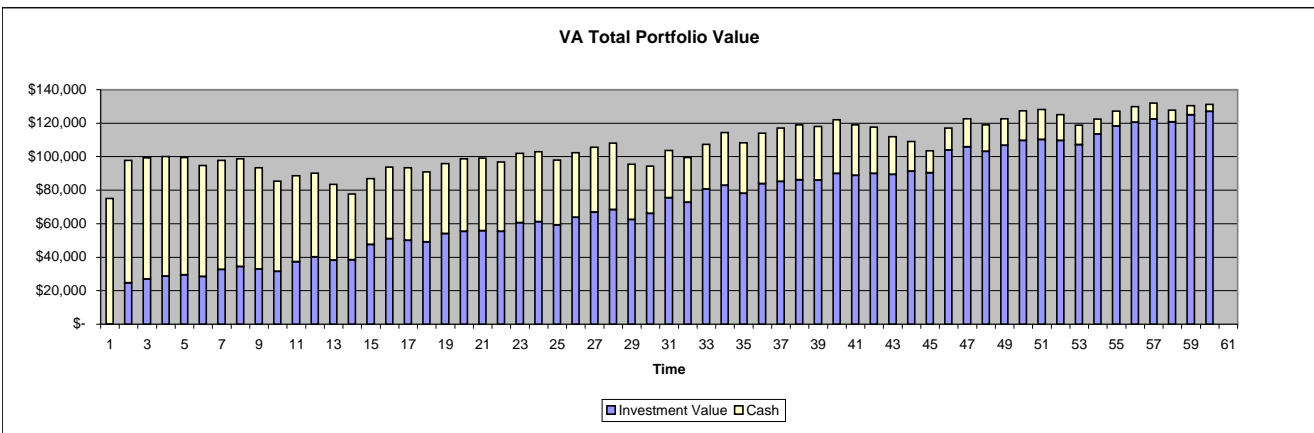
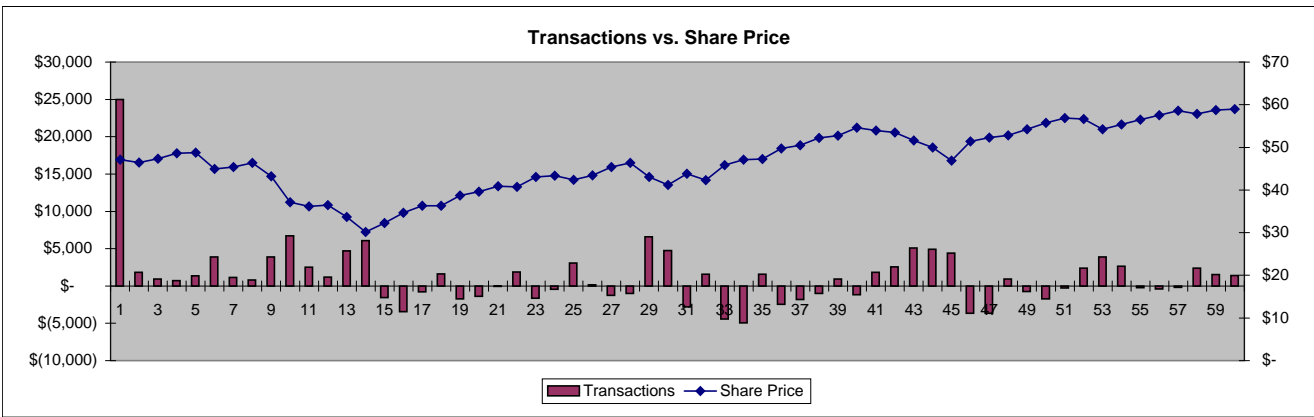
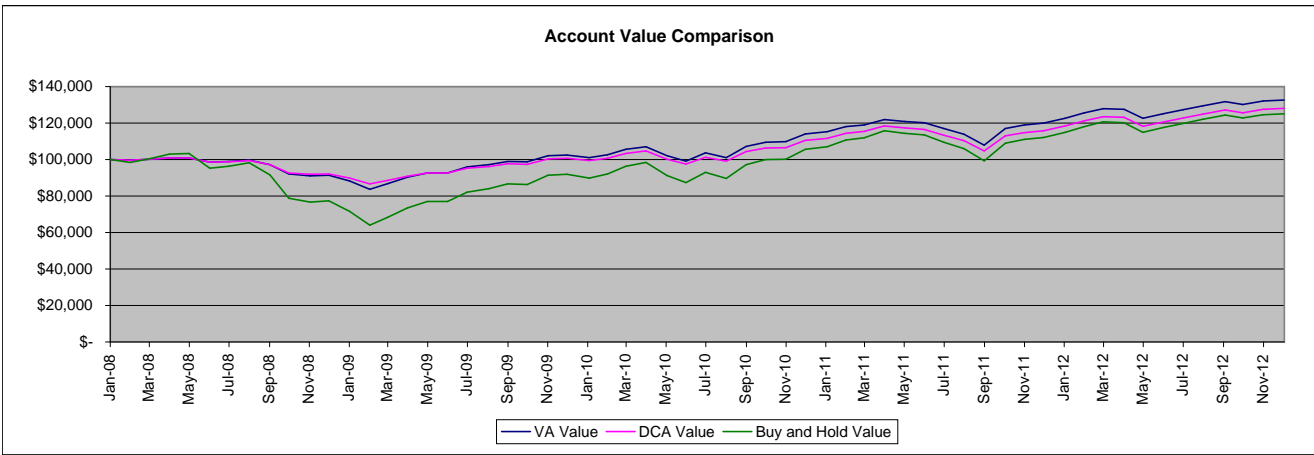
Dollar amount initially allocated to money market fund **\$ 100,000**  
 Dollar amount of initial investment **\$ 25,000** 25%  
 Desired annual portfolio growth rate **8.00%**  
 Sell shares to force the portfolio to maintain the desired level **Yes**  
 Double confirm sell transaction **Yes**  
 Dollar 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	\$ 132,638
Cost Base	\$ 97,478
Gain/Loss	\$ 35,160
Total Return	<b>36.07%</b>
Annual Return	<b>6.35%</b>
Avg cost/share	44.79
<b>VA BEATS DCA BY:</b>	<b>7.99%</b>
<b>VA BEATS LS BY:</b>	<b>10.94%</b>

DOLLAR COST AVERAGING	
Total Portfolio	\$ 128,078
Cost Base	\$ 100,000
Gain/Loss	\$ 28,078
Total Return	<b>28.08%</b>
Annual Return	<b>5.07%</b>
Avg cost/share	46.07

LUMP SUM	
Total Portfolio	\$ 125,133
Cost Base	\$ 100,000
Gain/Loss	\$ 25,133
Total Return	<b>25.13%</b>
Annual Return	<b>4.59%</b>
Avg cost/share	47.15

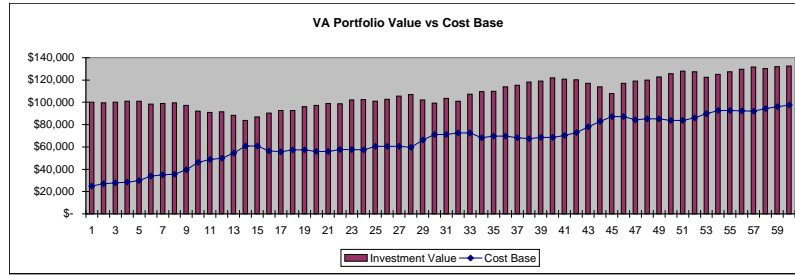


VALUE AVERAGING - LUMP SUM ANALYSIS

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: **VIG - Vanguard Dividend Appreciation ETF**

Dollar amount initially allocated to money market fund: \$ 100,000  
 Dollar amount of initial investment: \$ 25,000 (25%)  
 No of years to average the capital: 5  
 Desired annual portfolio growth rate: 8.00%  
 Adjust the interest rate each year by: 0.00%  
 Sell shares to force the portfolio to maintain the desired level (1=yes, 0=no): 1  
 Double confirm sell transaction (1=yes, 0=no): 1  
 Maximum amount to invest per trade as a percentage of cash available: 25.0%  
 Dollar amount of increase / decrease desired each month: \$ 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	47.15	0.0000	25,000	8.00%	-	-	25,000	75,000	530.223	530.223	25.00%	75.00%	530.223	25,000	75,000	530.223	25,000	\$ 100,000	2,120.891	100,000
01-Feb-08	46.42	0.0000	26,438	8.00%	530.223	24,613	1,825	73,175	39.313	569.536	26.54%	73.46%	27.384	26,271	73,729	557.607	25,884		2,120.891	98,452
03-Mar-08	47.36	0.0000	27,885	8.00%	569.536	26,973	912	72,263	19.258	588.794	27.84%	72.16%	26.841	27,542	72,458	584.448	27,679		2,120.891	100,445
01-Apr-08	48.58	0.0000	29,342	8.00%	608.794	28,604	739	71,524	15.207	604.001	29.09%	70.91%	26.167	28,814	71,186	610.615	29,664		2,120.891	103,033
01-May-08	48.74	0.0000	30,809	8.00%	644.001	30,243	566	70,514	28.112	632.113	30.52%	69.48%	26.081	30,085	69,915	636.696	31,033		2,120.891	105,372
02-Jun-08	44.91	0.0000	32,286	8.00%	632.113	28,388	3,898	66,257	86.786	718.899	32.76%	67.24%	28.305	31,356	68,644	665.001	29,865		2,120.891	95,249
01-Jul-08	45.39	0.0000	33,772	8.00%	718.899	32,631	6,155	65,115	25.145	744.045	34.15%	65.85%	28.006	32,627	67,373	693.007	31,456		2,120.891	96,267
01-Aug-08	46.33	0.0000	35,269	8.00%	744.045	34,472	797	64,318	17.201	761.246	35.41%	64.59%	27.438	33,898	66,102	720.445	33,378		2,120.891	98,261
02-Sep-08	43.22	0.0000	36,775	8.00%	761.246	32,901	3,874	60,444	69.629	850.875	37.03%	62.17%	28.412	35,169	64,831	749.857	32,409		2,120.891	91,665
01-Oct-08	37.12	0.0000	38,291	8.00%	850.875	31,584	6,707	53,738	103.155	1,031.551	41.61%	58.39%	34.245	36,441	63,559	784.102	29,106		2,120.891	78,727
03-Nov-08	36.17	0.0000	39,818	8.00%	1,031.551	37,311	2,506	51,231	69.296	1,100.847	43.73%	56.27%	35.145	37,712	62,288	819.247	29,632		2,120.891	76,713
01-Dec-08	36.49	0.0000	41,354	8.00%	1,100.847	40,170	1,184	50,047	32.457	1,133.305	45.24%	54.76%	34.837	38,983	61,017	854.083	31,165		2,120.891	77,391
02-Jan-09	33.71	0.0000	42,901	8.00%	1,133.305	38,204	4,697	45,349	139.349	1,272.654	48.61%	51.39%	37.709	40,254	59,746	891.793	30,162		2,120.891	71,495
02-Feb-09	30.16	0.0000	44,458	8.00%	1,272.654	38,383	6,075	39,274	201.430	1,474.084	53.10%	46.90%	42.148	41,525	58,475	933.941	28,068		2,120.891	63,966
02-Mar-09	32.29	0.0000	46,026	8.00%	1,474.084	47,598	(1,572)	39,274	-	1,474.084	54.79%	45.21%	39.368	42,797	57,203	973.309	31,428		2,120.891	68,844
01-Apr-09	34.64	0.0000	47,604	8.00%	1,474.084	51,062	(3,458)	42,733	(99.835)	1,374.248	52.70%	47.30%	36.697	44,068	55,932	1,010.006	34,987		2,120.891	73,468
01-May-09	36.35	0.0000	49,193	8.00%	1,374.248	49,994	(761)	43,494	(20.947)	1,353.301	53.07%	46.93%	34.971	45,339	54,661	1,044.976	37,985		2,120.891	77,094
01-Jun-09	36.32	0.0000	50,792	8.00%	1,353.301	49,152	1,640	41,954	45.147	1,398.448	54.82%	45.18%	35.000	46,610	53,390	1,079.976	39,225		2,120.891	77,031
01-Jul-09	38.7	0.0000	52,401	8.00%	1,398.448	54,120	(1,719)	41,854	-	1,398.448	56.39%	43.61%	32.847	47,881	52,119	1,112.823	43,066		2,120.891	82,078
03-Aug-09	39.63	0.0000	54,022	8.00%	1,398.448	55,421	(1,399)	43,253	(35.290)	1,363.158	55.54%	44.46%	32.076	49,153	50,847	1,144.900	45,372		2,120.891	84,051
01-Sep-09	40.88	0.0000	55,653	8.00%	1,363.158	55,726	(1,776)	43,325	-	1,361.382	56.23%	43.77%	31.096	50,424	49,576	1,175.995	48,075		2,120.891	86,702
01-Oct-09	40.71	0.0000	57,296	8.00%	1,361.382	55,422	1,874	41,452	46.024	1,407.406	58.02%	41.98%	31.225	51,695	48,305	1,207.221	49,146		2,120.891	86,341
02-Nov-09	43.06	0.0000	58,949	8.00%	1,407.406	60,603	(1,654)	41,452	-	1,407.406	59.38%	40.62%	29.521	52,966	47,034	1,236.742	51,465		2,120.891	91,326
01-Dec-09	43.38	0.0000	60,613	8.00%	1,407.406	61,053	(440)	41,822	(10.153)	1,397.253	59.13%	40.87%	29.304	54,237	45,763	1,266.045	54,921		2,120.891	92,004
04-Jan-10	42.38	0.0000	62,288	8.00%	1,397.253	59,216	3,073	38,620	72.499	1,469.753	61.81%	38.39%	29.995	55,508	44,492	1,296.040	54,926		2,120.891	89,883
01-Feb-10	43.41	0.0000	63,975	8.00%	1,469.753	63,802	1,73	38,647	3.976	1,473.729	62.34%	37.68%	29.283	56,780	43,220	1,325.324	57,532		2,120.891	92,068
01-Mar-10	45.41	0.0000	65,672	8.00%	1,473.729	66,922	(1,250)	38,647	-	1,473.729	63.39%	36.61%	27.994	58,051	41,949	1,353.317	61,454		2,120.891	96,310
01-Apr-10	46.4	0.0000	67,381	8.00%	1,473.729	68,381	(1,000)	39,647	(21.547)	1,452.182	62.96%	37.04%	27.396	59,322	40,678	1,380.713	62,965		2,120.891	98,409
03-May-10	43.04	0.0000	69,102	8.00%	1,452.182	62,502	6,600	33,047	153.339	1,605.521	67.65%	32.35%	29.535	60,593	39,407	1,410.248	60,697		2,120.891	91,283
01-Jun-10	41.17	0.0000	70,834	8.00%	1,605.521	66,099	4,734	28,313	114.991	1,720.513	71.44%	28.56%	30.877	61,864	38,136	1,441.125	59,331		2,120.891	87,317
01-Jul-10	43.8	0.0000	72,577	8.00%	1,720.513	75,358	(2,782)	28,313	-	1,720.513	72.69%	27.31%	29.023	63,136	36,864	1,470.148	64,392		2,120.891	92,895
02-Aug-10	42.29	0.0000	74,332	8.00%	1,720.513	72,760	1,571	26,742	37.159	1,757.672	73.54%	26.46%	30.059	64,407	35,593	1,500.206	63,444		2,120.891	89,826
01-Sep-10	45.81	0.0000	76,099	8.00%	1,757.672	80,519	(4,420)	26,742	-	1,757.672	75.07%	24.93%	27.749	65,678	34,322	1,527.955	69,996		2,120.891	97,158
01-Oct-10	47.11	0.0000	77,877	8.00%	1,757.672	82,804	(4,927)	31,668	(104.579)	1,653.092	71.09%	28.91%	26.963	66,949	33,051	1,554.839	73,253		2,120.891	99,151
01-Nov-10	47.25	0.0000	79,668	8.00%	1,653.092	78,109	1,559	30,109	32.993	1,686.086	72.57%	27.43%	26.903	68,220	31,780	1,581.842	74,742		2,120.891	100,212
01-Dec-10	49.77	0.0000	81,470	8.00%	1,686.086	83,916	(2,447)	30,109	-	1,686.086	73.59%	26.41%	25.541	69,492	30,508	1,607.383	79,999		2,120.891	105,557
03-Jan-11	50.48	0.0000	83,284	8.00%	1,686.086	85,114	(1,829)	31,939	(36.241)	1,648.845	72.28%	27.72%	25.182	70,763	29,237	1,632.565	82,412		2,120.891	107,063
01-Feb-11	52.2	0.0000	85,111	8.00%	1,649.845	86,122	(1,011)	32,950	(19.374)	1,630.471	72.09%	27.91%	24.352	72,034	27,966	1,656.918	86,691		2,120.891	110,710
01-Mar-11	52.76	0.0000	86,949	8.00%	1,630.471	86,024	926	32,025	17.542	1,648.013	73.08%	26.92%	24.094	73,305	26,895	1,681.011	88,891		2,120.891	111,898
01-Apr-11	54.6	0.0000	88,800	8.00%	1,648.013	89,982	(1,181)	32,025	-	1,648.013	73.75%	26.25%	23.282	74,576	25,424	1,704.293	93,054		2,120.891	115,801
02-May-11	53.91	0.0000	90,663	8.00%	1,648.013	88,844	1,819	30,206	33.738	1,681.751	75.01%	24.99%	23.580	75,847	24,153	1,727.873	93,150		2,120.891	114,337
01-Jun-11	53.49	0.0000	92,539	8.00%	1,681.751	89,957	2,582	27,524	48.270	1,730.021	77.01%	22.99%	23.765	77,119	22,881	1,751.638	93,695		2,120.891	113,446
01-Jul-11	51.64	0.0000	94,427	8.00%	1,730.021	90,338	5,099	22,535	98.541	1,826.562	80.73%	19.27%	24.616	78,390	21,610	1,776.254	91,726		2,120.891	109,523
01-Aug-11	49.98	0.0000	96,328	8.00%	1,826.562	91,392	4,936	17,599	98.762	1,927.324	84.55%	15.45%	25.434	79,661	20,339	1,801.688	90,048		2,120.891	106,002
01-Sep-11	46.86	0.0000	98,241	8.00%	1,927.324	90,314	4,400	13,199	93.892	2,021.215	87.77%	12.23%	27.127	80,932	19,068	1,828.815	85,698		2,120.891	99,385
03-Oct-11	51.36	0.0000	100,167																	

**VALUE AVERAGING LUMP SUM - CAPITAL GAINS / LOSS ANALYSIS**



Security:

**VIG - Vanguard Dividend Appreciation ETF**

Taxable portion of capital gain  
Marginal tax rate

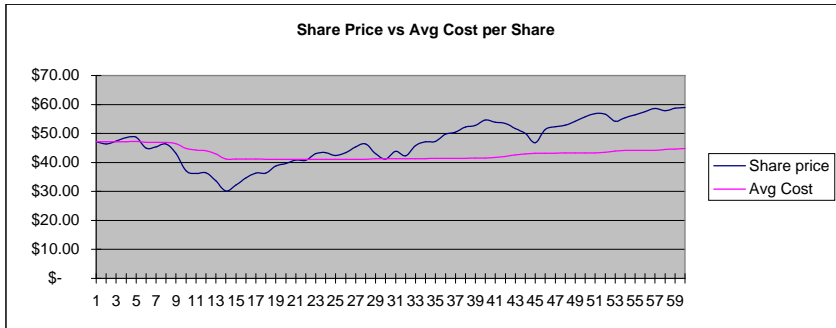
**50.00%**  
**46.00%**

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	\$ 47.15	purchase	530.223	530.2227 \$	25,000.00 \$	25,000.00 \$	-	47.15
2	01-Feb-08	\$ 46.42	purchase	39.313	569.5358 \$	1,824.92 \$	26,824.92 \$	-	47.10
3	03-Mar-08	\$ 47.36	purchase	19.258	588.7942 \$	912.08 \$	27,736.99 \$	-	47.11
4	01-Apr-08	\$ 48.58	purchase	15.207	604.0012 \$	738.76 \$	28,475.75 \$	-	47.15
5	01-May-08	\$ 48.74	purchase	28.112	632.1129 \$	1,370.16 \$	29,845.91 \$	-	47.22
6	02-Jun-08	\$ 44.91	purchase	86.786	718.8992 \$	3,897.57 \$	33,743.49 \$	-	46.94
7	01-Jul-08	\$ 45.39	purchase	25.145	744.0447 \$	1,141.35 \$	34,884.84 \$	-	46.89
8	01-Aug-08	\$ 46.33	purchase	17.201	761.2459 \$	796.93 \$	35,681.77 \$	-	46.87
9	02-Sep-08	\$ 43.22	purchase	89.629	850.8754 \$	3,873.78 \$	39,555.56 \$	-	46.49
10	01-Oct-08	\$ 37.12	purchase	180.676	1031.5513 \$	6,706.69 \$	46,262.25 \$	-	44.85
11	03-Nov-08	\$ 36.17	purchase	69.296	1100.8473 \$	2,506.43 \$	48,768.68 \$	-	44.30
12	01-Dec-08	\$ 36.49	purchase	32.457	1133.3046 \$	1,184.37 \$	49,953.05 \$	-	44.08
13	02-Jan-09	\$ 33.71	purchase	139.349	1272.6540 \$	4,697.47 \$	54,650.52 \$	-	42.94
14	02-Feb-09	\$ 30.16	purchase	201.430	1474.0835 \$	6,075.12 \$	60,725.63 \$	-	41.20
15	02-Mar-09	\$ 32.29	sell	-	1474.0835 \$	-	60,725.63 \$	-	41.20
16	01-Apr-09	\$ 34.64	sell	(99.835)	1374.2483 \$	(4,112.76) \$	56,612.87 \$	3,458.29 \$	(654.47) \$
17	01-May-09	\$ 36.35	sell	(20.947)	1353.3014 \$	(862.92) \$	55,749.95 \$	761.42 \$	(101.50) \$
18	01-Jun-09	\$ 36.32	purchase	45.147	1398.4483 \$	1,639.74 \$	57,389.69 \$	-	41.04
19	01-Jul-09	\$ 38.70	sell	-	1398.4483 \$	-	57,389.69 \$	-	41.04
20	03-Aug-09	\$ 39.63	sell	(35.290)	1363.1585 \$	(1,448.23) \$	55,941.46 \$	1,398.54 \$	(49.69) \$
21	01-Sep-09	\$ 40.88	sell	(1.776)	1361.3822 \$	(72.90) \$	55,868.56 \$	72.62 \$	(0.28) \$
22	01-Oct-09	\$ 40.71	purchase	46.024	1407.4063 \$	1,873.64 \$	57,742.21 \$	-	41.03
23	02-Nov-09	\$ 43.06	sell	-	1407.4063 \$	-	57,742.21 \$	-	41.03
24	01-Dec-09	\$ 43.38	sell	(10.153)	1397.2532 \$	(416.55) \$	57,325.65 \$	440.44 \$	23.89 \$
25	04-Jan-10	\$ 42.38	purchase	72.499	1469.7527 \$	3,072.53 \$	60,398.18 \$	-	41.09
26	01-Feb-10	\$ 43.41	purchase	3.976	1473.7286 \$	172.60 \$	60,570.77 \$	-	41.10
27	01-Mar-10	\$ 45.41	sell	-	1473.7286 \$	-	60,570.77 \$	-	41.10
28	01-Apr-10	\$ 46.40	sell	(21.547)	1452.1820 \$	(885.57) \$	59,685.20 \$	999.76 \$	114.19 \$
29	03-May-10	\$ 43.04	purchase	153.339	1605.5213 \$	6,599.73 \$	66,284.92 \$	-	41.29
30	01-Jun-10	\$ 41.17	purchase	114.991	1720.5125 \$	4,734.19 \$	71,019.11 \$	-	41.28
31	01-Jul-10	\$ 43.80	sell	-	1720.5125 \$	-	71,019.11 \$	-	41.28
32	02-Aug-10	\$ 42.29	purchase	37.159	1757.6719 \$	1,571.47 \$	72,590.58 \$	-	41.30
33	01-Sep-10	\$ 45.81	sell	-	1757.6719 \$	-	72,590.58 \$	-	41.30
34	01-Oct-10	\$ 47.11	sell	(104.579)	1653.0925 \$	(4,319.05) \$	68,271.53 \$	4,926.73 \$	607.68 \$
35	01-Nov-10	\$ 47.25	purchase	32.993	1686.0858 \$	1,558.93 \$	69,830.46 \$	-	41.42
36	01-Dec-10	\$ 49.77	sell	-	1686.0858 \$	-	69,830.46 \$	-	41.42
37	03-Jan-11	\$ 50.48	sell	(36.241)	1649.8450 \$	(1,500.94) \$	68,329.52 \$	1,829.43 \$	328.50 \$
38	01-Feb-11	\$ 52.20	sell	(19.374)	1630.4711 \$	(802.39) \$	67,527.14 \$	1,011.32 \$	208.93 \$
39	01-Mar-11	\$ 52.76	purchase	17.542	1648.0133 \$	925.53 \$	68,452.66 \$	-	41.54
40	01-Apr-11	\$ 54.60	sell	-	1648.0133 \$	-	68,452.66 \$	-	41.54
41	02-May-11	\$ 53.91	purchase	33.738	1681.7514 \$	1,818.82 \$	70,271.48 \$	-	41.78
42	01-Jun-11	\$ 53.49	purchase	48.270	1730.0210 \$	2,581.94 \$	72,853.43 \$	-	42.11
43	01-Jul-11	\$ 51.64	purchase	98.541	1828.5619 \$	5,088.65 \$	77,942.08 \$	-	42.62
44	01-Aug-11	\$ 49.98	purchase	98.762	1927.3236 \$	4,936.11 \$	82,878.19 \$	-	43.00
45	01-Sep-11	\$ 46.86	purchase	93.892	2021.2153 \$	4,399.76 \$	87,277.95 \$	-	43.18
46	03-Oct-11	\$ 51.36	sell	-	2021.2153 \$	-	87,277.95 \$	-	43.18
47	01-Nov-11	\$ 52.32	sell	(69.646)	1951.5692 \$	(3,007.38) \$	84,270.57 \$	3,643.88 \$	636.50 \$
48	01-Dec-11	\$ 52.84	purchase	17.734	1969.3034 \$	937.08 \$	85,207.65 \$	-	43.27
49	03-Jan-12	\$ 54.21	sell	-	1969.3034 \$	-	85,207.65 \$	-	43.27
50	01-Feb-12	\$ 55.71	sell	(30.677)	1938.6269 \$	(1,327.31) \$	83,880.34 \$	1,708.99 \$	381.68 \$
51	01-Mar-12	\$ 56.88	sell	(4.870)	1933.7570 \$	(210.71) \$	83,669.63 \$	277.00 \$	66.29 \$
52	02-Apr-12	\$ 56.68	purchase	42.188	1975.9451 \$	2,391.22 \$	86,060.85 \$	-	43.55
53	01-May-12	\$ 54.21	purchase	71.485	2047.4303 \$	3,875.22 \$	89,936.06 \$	-	43.93
54	01-Jun-12	\$ 55.39	purchase	47.635	2095.0655 \$	2,638.51 \$	92,574.58 \$	-	44.19
55	02-Jul-12	\$ 56.47	sell	-	2095.0655 \$	-	92,574.58 \$	-	44.19
56	01-Aug-12	\$ 57.54	sell	(6.971)	2088.0945 \$	(308.03) \$	92,266.55 \$	401.11 \$	93.08 \$
57	04-Sep-12	\$ 58.62	sell	(3.121)	2084.9734 \$	(137.91) \$	92,128.63 \$	182.96 \$	45.05 \$
58	01-Oct-12	\$ 57.88	purchase	41.341	2126.3141 \$	2,392.80 \$	94,521.44 \$	-	44.45
59	01-Nov-12	\$ 58.72	purchase	26.394	2152.7083 \$	1,549.87 \$	96,071.31 \$	-	44.63
60	03-Dec-12	\$ 59.00	purchase	23.850	2176.5581 \$	1,407.14 \$	97,478.44 \$	-	44.79

Total Proceeds	\$ 21,112.50
Capital Gain/Loss	\$ 1,699.85
Taxable gain	\$ 849.92
Tax payable	\$ 390.96
<b>Net Gain</b>	<b>\$ 1,308.88</b>
Net Proceeds	\$ 20,721.54



\* Average Cost Method