



iSectors® Endowment 40-60 Allocation

iSectors® Endowment Allocations are comprehensive strategic models enhanced by diversification into alternative asset classes. Endowment models are intended to be utilized as long-term core holdings.

Portfolio Composition ²	
Security	Asset Class
EQUITY (20.7%)	
Large Cap Growth	Domestic
Large Cap Dividend	Domestic
Small Cap Dividend	Domestic
Mid Cap Dividend	Domestic
Small Cap Growth	Domestic
Small Cap Value	Domestic
Mid Cap Value	Domestic
Mid Cap Growth	Domestic
Emerging Markets Small Cap	Em. Markets
Emerging Markets High Yield	Em. Markets
Emerging Markets Diversified	Em. Markets
BRIC Diversified	Em. Markets
International Dividend Fund	International
International Small Cap	International
International Large Cap Value	International
International Growth	International
FIXED INCOME (37.8%)	
Domestic Aggreg Bond Fund	Domestic
Investment Grade Corporate Bond Fd	Domestic
Municipal Bond Fund	Domestic
High Yield Bond Fund	Domestic
Inv. Grade Fixed Rate Mortgage Bd Fd	Domestic
Domestic Inflation Protection Bd Fd	Domestic
Emerging Markets Bond Fund	Em. Markets
International Fixed Income Bond Fd	International
International Inflation Protect Bond Fd	International
ALTERNATIVE INVESTMENTS (39.5%)	
Long-Short Equity	Hedge Strategy
Strategic Total Return	Hedge Strategy
Market Neutral &/or Risk Arb Strategy	Hedge Strategy
Bear Fund	Hedge Strategy
Bear Fund	Hedge Strategy
Commodities Futures Strategy	Hedge Strategy
Carry Trade	Hedge Strategy
Flexible Income - Momentum	Hedge Strategy
Statistical Arbitrage	Hedge Strategy
Covered Call Strategy	Hedge Strategy
U.S. Preferred Stock	Private Equity
Listed Private Equity	Private Equity
MicroCap Index	Private Equity
Small Cap Growth	Private Equity
Global Spin-off & IPO Index	Private Equity
MLP Development Fund	Real Asset
MLP Investment Fund	Real Asset
Total Return Commodity Index	Real Asset
International Commodities	Real Asset
Agricultural Commodities	Real Asset
Global Timber	Real Asset
Gold Bullion	Real Asset
Silver Bullion	Real Asset
Rare Earth/Strategic Mineral Fund	Real Asset
US REITs	Real Asset
International REITs	Real Asset
International REITs	Real Asset
CASH (2%)	
Money Market Fund	Cash

Endowment 40-60 Allocation	
Quick Facts	
as of 12/31/2011	
Portfolio Type	Strategic
Risk Rating ¹	Moderate
Risk Score	57 (out of 100)
Portfolio Inception	2009
Account Minimum	\$100,000
Portfolio Holdings ²	52
Portfolio Yield ³	3.13%

Portfolio Description

The iSectors® Endowment 40-60 Allocation model is designed with the objective of achieving returns in excess of a simple 40-60 Equity/Fixed Income portfolio (as measured by a composite portfolio of 40% S&P 500 Index and 60% Barclays Aggregate Bond Index) over a complete market cycle, while maintaining a similar or better risk profile. This portfolio embraces the philosophy pursued by the managers of endowment portfolios at institutions like Yale and Harvard, which have been aggressively allocating to alternative investments such as hedge funds, private equity, and real assets for decades. Not only has this enabled their longer-term performance to be superior to their peer group, but they have done so at a reduced risk level. While this model is not designed to mirror those asset allocations to the fullest extent, the iSectors Endowment 40-60 allocates a significant percentage of the model to alternative investments.

While iSectors Endowment Allocation models do invest in alternative investments, they do not invest in private partnerships, which are illiquid and only available to accredited investors (investors with a net worth exceeding one million dollars). All iSectors models remain liquid and available to any institutional or individual investor that finds the allocations suitable to their requirements. These unique advantages are achieved by using alternative investments that are available either through an Exchange-Traded Fund (ETF), Exchange-Traded Note (ETN), mutual fund, closed-end fund, or an SEC registered private fund.

¹Risk ratings and risk points are determined based upon overall asset allocation and are ranked based upon a 100 point scale which is divided into 7 risk point sections: Capital Preservation (1-14), Conservative (15-29), Cons. Growth (30-43), Moderate (44-57), Mod. Growth (58-71), Growth (72-86), and Aggressive (87-100). ²The sample target allocation/holdings information is as of 12/31/2011 and should not be considered a recommendation to buy or sell a particular security. There is no assurance that any specific securities listed will remain a part of the model. ³An indication of the expected dividends and interest based on the holdings and market value of the portfolio as of 12/31/2011. An investment in any iSectors® allocation model is not guaranteed and, at any given time, may be worth more or less than the amount invested.

iSectors® Endowment 40-60 Allocation



Asset Class Target Allocation (%)		
Equity	20	<i>Note: Percentages shown are approximate target allocations under normal market conditions. Actual allocations may vary. Two percent of each portfolio will be held in cash for liquidity and to facilitate transactions.</i>
Fixed Income	40	
Alternatives	40	

About The Manager:

iSectors® has developed and provides a comprehensive suite of 21 proprietary Exchange-Traded Fund (ETF)–based asset allocation models and services. Collectively, the iSectors web-based platform and series of asset allocation models offer advisors and their clients a broad selection of strategies, services and support to assist them in building and managing an appropriate investment solution designed to achieve a client’s financial objectives.

Allocation models are categorized by risk and return characteristics and organized into five unique series of asset allocation approaches: Domestic, Institutional, Endowment, Post-MPT and Tactical Series. Also offered are Capital Preservation, Inflation Protection, Liquid Alternatives, and Precious Metals allocation models.

iSectors® ETF-based portfolios are low-cost (when compared to most actively-managed mutual funds), offer intraday liquidity, and provide transparency with respect to model holdings. All assets are held in separately or unified managed accounts titled in the client's name. Investors are fully supported by their independent registered investment advisor (RIA) and a team of back-office service professionals.

iSectors, LLC is an affiliate of Sumnicht & Associates, LLC (Sumnicht) and, as such, iSectors and Sumnicht share certain employees' services. Sumnicht & Associates was founded in 1988. iSectors became a separate Registered Investment Advisor in August, 2008.

Index Definitions

Barclays Capital Aggregate Bond Index is an unmanaged market value-weighted index representing securities that are SEC-registered, taxable, and dollar denominated. This index covers the U.S. investment grade fixed rate bond market, with index components for a combination of the Barclays Capital government and corporate securities, mortgage-backed pass-through securities, and asset-backed securities.

S&P 500 Index Total Return Index is an unmanaged, capitalization-weighted index of 500 large-capitalization common stocks actively traded in the United States. The total return index measures both price and dividend performance of the underlying equities in the index.

The contents of this presentation are intended for informational purposes only. This is neither an offer nor a solicitation to buy and/or sell securities. Information pertaining to iSectors advisory operations, services and fees is set forth in its current disclosure statements (Form ADV, Part 2 Brochure), a copy of which is available upon request.

iSectors' Allocation models are not guaranteed and involve risk of loss. At any given point in time, the value of an iSectors® asset allocation model may be worth more or less than the amount invested. Different types of investments and/or investment strategies involve varying levels of risk, and there can be no assurance that any specific investment or investment strategy (including the investments and/or investment strategies devised or undertaken by iSectors) will be either suitable or profitable for a client's or prospective client's portfolio. Asset allocation and diversification concepts do not ensure a profit nor protect against loss in a declining market.

You should not assume that any discussion or information contained in this presentation serves as the receipt of, or as a substitute for, personalized investment advice from an investment professional.

This presentation has not been reviewed, submitted for review before, or otherwise approved by FINRA, the SEC or any state or provincial securities administrator.

iSectors® is a registered trademark of Sumnicht Holdings, LLC.