Diversified Risk Parity Portfolio

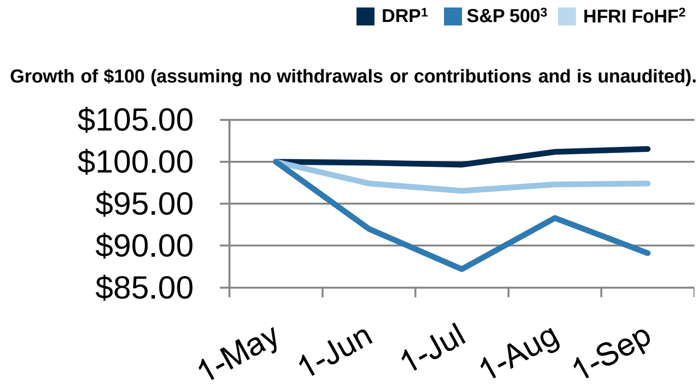
August-31-2010

Multi-strategy, multi-manager, diversified exposure to global financial markets

Investment Highlights

- The DRP[1] strategy offers exposure to the alternative investment space with lower risk and less volatility than most traditional equity investment returns.
- Over time, alternative investments have produced returns that are significantly less correlated to traditional investments. This is particularly beneficial in down markets.
- The goal of the Diversified Risk Parity Portfolio is to seek to compound returns as frequently as possible.

Investment Performance



Statistics (US $)	DRP[1]	S&P 500[3]	HFRI[2]
August 2010†	0.36%	-4.51%	0.13%
Average Monthly Return†	0.34%	-2.68%	-0.65%
Standard Deviation†	3.54	22.97	5.39
Sharpe Ratio†	1.46	NA	NA
Beta†	0.15	1	0.51

†Based on past 4 monthly returns, and is unaudited

General Information

Inception Date: 5/1/2010
Portfolio Size: $10 million
Inv. Manager: Risk Paradigm Group
Subscription: Daily
Redemption: Daily
Min. Investment: $25,000
Addl. Investment : $1,000
Comparative Indices: HFRI Fund of Hedge Fund Index
Standard & Poor's 500 DRI Index
Management Fee: 2.0%
Performance Fee: None
Lock-up Period: None
Eligible Investors: Non-IRA and IRA eligible

Performance

DRP - Monthly Historical Performance (Unaudited)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual (Net)*
2010 (YTD)					-0.21%	-0.32%	1.52%	0.36%					1.34%

S & P 500 - Monthly Historical Performance (Unaudited)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual (Net)*
2010 (YTD)					-7.99%	-5.23%	7.01%	-4.51%					-10.90%

HFRI Fund of Funds Index - Monthly Historical Performance (Unaudited)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual (Net)*
2010 (YTD)					-2.60%	-0.89%	0.77%	0.13%					-2.60%

*YTD performance numbers are not annualized
1. Diversified Risk Parity Portfolio
2. HFRI Fund of Funds Index
3. Standard & Poor's 500 DRI Index

(Past performance is not a guide to future results. Performance is net of fees. Please see Important Information (following page) for more details regarding performance.)

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Manager’s Commentary

Despite a very poor August for global equity markets, DRP was able to resist the drawdown and add 0.44% with the S&P 500 -4.51%, and the HFRI Fund of Funds Index +0.01% in August. As we stated last month it has been a grind and that was no different in August. Volatility is creating opportunities in trading as that was our best performing strategy capitalizing on rising bond and metal prices, and our credit book registered a positive month. Most of our relative value trades registered mild gains from equity and credit to event driven strategies.

While the long/short book posted a reasonable gain, it was in large part thanks to the short book which we run as a hedging strategy. Many hedge fund managers were able to generate positive months having taken the “risk” trade off which is consistent for DRP. Because of lower net exposure in the portfolio we were able to generate positive performance via alpha across a wide range of strategies as markets transitioned from discounting a continued recovery to less optimistic forecasts for growth.

While we should not read too much into August’s performance, it is encouraging that many of our positions were positive during a month when both equity markets fell and credit spreads widened. Looking forward, we continue to expect the market to oscillate between forecasts for a strong recovery and warnings for continued macroeconomic weakness. DRP will continue to maintain a lower risk profile across our portfolio.

As always, please do not hesitate to call with any questions. (512) 327-6000

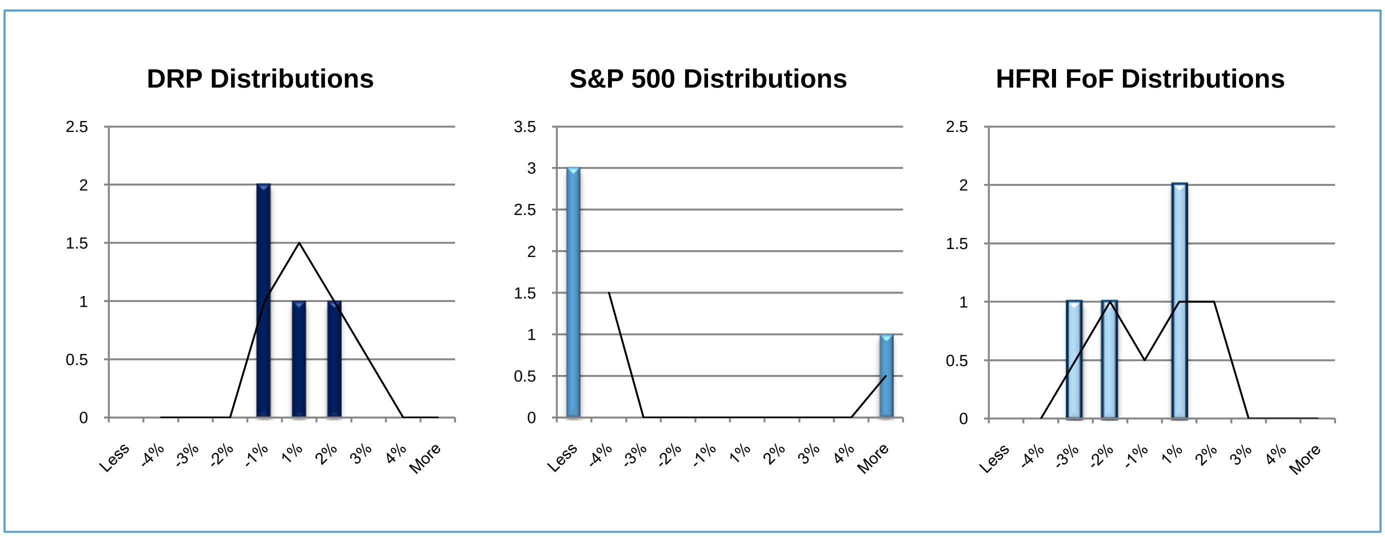
DRP Strategy Development

Diversified Risk Parity Portfolio, (DRP), (“the Fund”) seeks to achieve superior risk adjusted returns by replicating the return streams found within a global hedge fund strategy. Within that framework DRP seeks risk factor neutrality within three major risk factors: Economic Growth, Inflation, and Risk.

In an effort to move the hedge fund allocation toward risk factor balance, we feel it is important to shift the risk exposure of the portfolio from those areas where the general hedge fund allocation creates an outsized exposure to certain economic factors. This risk can then be reallocated into those environments where the portfolio lacks material exposure.

For example, the HFRI Fund of Funds index’s largest sensitivity is to rising growth and risk seeking environments with less protection during the opposite conditions or to rising inflation. In an effort to gain meaningful exposure to these factors, we believe that an investment in the Diversified Risk Parity Portfolio can make a material change in a portfolio’s overall risk profile. In addition to providing a compelling risk reward profile, the Fund maintains a highly liquid portfolio, offering daily liquidity.

Return Distributions



Important Information

Past performance is not a guide to future results. Performance reflects the reinvestment of dividends, is net of portfolio-level fees/expenses but not sales charges which will reduce returns and reflects deduction of performance allocation as if payable monthly not quarterly. Performance may be volatile and the portfolio will fluctuate. Investors may not receive the full amount invested upon redemption. **Indexes** listed do not represent benchmarks for DRP, but allow for comparison of DRP’s performance to an index. An investor cannot invest directly in an index. Index performance does not reflect fees and expenses. Investments are speculative and involve **Risk**. Portfolio risks include: dependence on the performance of underlying managers; DRP’s ability to allocate assets; expenses at DRP and underlying fund; limited transparency with respect to the holdings in portfolio funds; and portfolio funds are generally not subject to any comprehensive regulatory scheme. Risks of underlying funds include, among others, leverage, options, derivatives, distressed securities, futures, and short sales, and investments in small, mid cap, fixed income, illiquid, emerging and developed market securities or specific sectors. Exchange rate fluctuations may affect returns. Allocations and holdings are subject to change. There is no assurance that DRP’s investment objective will be attained. Incentive fees/allocations could encourage parties to make investments that are riskier or more speculative. This material is not an offer or a solicitation to subscribe for any Fund, and is not investment advice. **Sales of shares** are made on the basis of the offering circular only and cannot be offered in any jurisdiction in which such offer is not authorized. There is no secondary market for the investor's interest in DRP, liquidity may be limited and there are restrictions on transferring shares. Investment in DRP may not be suitable for all investors; investors should consider risks and other information in the offering circular and consult their professional advisers regarding suitability, legal, tax and economic consequences of an investment.