

Naples Asset Management Company®, LLC

Core Investment Strategy

Total Rates of Return for Traditional Investment Objectives Investment Vehicle Usage Identified for Performance and Product Merits

Investment Profile	Description	Equities / Fixed / Principal Safety	Total return positive hurdle	Total return drawdown threshold	Annual Total Rates of Return										Compound Return	Simple Interest Return	\$1,000,000 Grows To...
					2002	2003	2004	2005	2006	2007	2008	2009	2010	Sept 2011			
Aggressive Income	Generate high current income returns, with the recognition of the existence of potential price volatility. Most investments should retain reasonable liquidity.	0/90/10	7.0%	-3.0%	12.6%	17.0%	8.1%	4.6%	8.9%	7.7%	-9.9%	28.9%	13.3%	-0.3%	8.9%	13.2%	\$ 2,291,202
Current Income	There is a sensitivity to maintaining purchasing power while generating high current income, with the opportunity for liquidity and the preservation of capital.	10/70/20	5.0%	0.0%	5.7%	13.6%	8.0%	5.2%	8.8%	9.0%	-8.8%	25.2%	12.3%	-3.0%	7.7%	11.0%	\$ 2,069,188
Capital Preservation	There is an emphasis on capital preservation and liquidity with moderate current income and limited capital appreciation.	25/60/15	7.0%	-3.0%	8.0%	16.3%	9.7%	6.6%	11.2%	11.1%	-8.5%	27.8%	14.8%	-1.1%	9.4%	14.5%	\$ 2,409,967
Conservative Growth & Income	Focus is on conservative growth and inflation protection with current/future income and liquidity. A measure of net asset volatility exists, providing the potential for loss.	40/50/10	9.0%	-5.0%	8.4%	20.6%	11.5%	8.6%	13.1%	13.5%	-10.6%	31.4%	17.1%	-2.1%	10.9%	17.8%	\$ 2,737,002
Balanced	The structure emphasizes inflation protection through intermediate term asset growth, with assets being weighted modestly towards stocks. The collection of higher current/future income is secondary.	55/40/5	11.0%	-7.0%	6.8%	22.6%	13.1%	9.9%	14.9%	14.7%	-12.0%	34.1%	18.1%	-2.6%	11.6%	19.7%	\$ 2,918,664
Capital Growth	The focus is on capital growth and inflation protection, recognizing that portfolio values will fluctuate over time. There is potential for capital loss and current income is secondary in importance.	70/30/0	13.0%	-9.0%	6.1%	25.5%	14.4%	11.2%	17.2%	14.9%	-12.9%	36.1%	19.8%	-2.9%	12.5%	22.0%	\$ 3,145,726
Aggressive Growth	Aggressive capital appreciation is emphasized, with there being the likelihood of higher price fluctuation in asset values over time. A measure of inflation protection and current/future income growth is also sought.	85/15/0	15.0%	-11.0%	6.2%	26.4%	15.0%	11.7%	18.7%	14.9%	-12.6%	36.8%	20.3%	-2.8%	13.0%	23.5%	\$ 3,287,821

Please note that the total returns highlighted above are being used for illustrative purposes only. These rates of return are representative of model portfolios, not portfolios that are real and have actually traded. For individuals viewing this page, the intent of this table is to provide a measure of portfolio volatility in up and down markets. Ex post, each model was constructed by using the asset allocation for each investment objective, breaking down the exposure across stocks, bonds, commodities, real estate and cash equivalents. Open end mutual funds, separately managed accounts and exchange traded funds were identified for their investment performance and merits and inserted into the model with their weightings being a function of the asset allocation weighting and the number of investment vehicles used in each asset allocation segment. Annual total rates of return were used, beginning in January 2002 with returns being subsequently annually compounded from that point forward. Rates of return and the hypothetical growth of \$1,000,000 take into account the expenses by asset manager but do not factor in registered investment advisor fees. Historical total rates of return were collected from the Morningstar database.