

OVERVIEW

The Smart Portfolios™ ETF Moderate Allocation Strategy is a risk-managed portfolio focused on delivering investors steady long-term appreciation. The objective of this strategy is to outperform an index comprised of: 35% Russell 3000, 35% MSCI (ex US) and 30% Barclays Capital US Aggregate Bond Index. This portfolio utilizes global Exchange-Traded Funds to capitalize on specific market sectors while reducing some of the fees and taxes associated with mutual funds. Current asset classes in the fund universe include: domestic and foreign fixed income, real-estate, commodities, domestic and foreign equity securities. The investment strategy uses Smart Portfolios Dynamic Portfolio Optimization™ process to select the optimal combination of securities to maximize risk-adjusted returns.

PERFORMANCE¹

Portfolio (Inception Date)	1 Mo	3 Mo	6 Mo	12 Mo	4Q 2009	3Q 2009	2Q 2009	1Q 2009	CAL 2009
Smart Mod ETF (03/01/06)	-2.98%	0.85%	2.76%	10.36%	2.24%	5.15%	3.12%	0.99%	11.95%
Composite Index*	-2.51%	2.07%	7.63%	25.04%	3.68%	13.54%	11.10%	-8.27%	19.97%
S&P 500 Index	-3.60%	4.15%	9.86%	33.12%	6.04%	15.61%	15.93%	-11.01%	26.46%
NASDAQ	-5.34%	1.14%	4.78%	41.06%	3.01%	15.92%	20.23%	-2.80%	39.55%

¹Performance shown represents past performance and does not guarantee future results. The investment return and principal value of an investment in the Portfolio may fluctuate so that investors' managed portfolios may increase or decrease in value over time. Current performance may be lower or higher than quoted.

*The Composite Index is made up of three unmanaged benchmarks, weighted 35% Russell 3000 Index, 35% MSCI Index ex U.S. and 30% Barclays Aggregate Bond Index.

OBJECTIVE

The Smart Portfolios™ ETF Moderate Allocation Strategy is structured as a Fund of Funds to capitalize on benefits of diversification. The managers invest principally in Exchange-Traded Funds (ETFs). An ETF acts like a mutual fund but trades like a stock and typically tracks an underlying index, that the ETF is designed to replicate.

Smart Portfolios core objective is to manage risk. Risk is managed using advanced statistical methods that better understand the probability of losing market value. These advanced methods are integrated into the firm's state-of-the-art asset allocation model, called Dynamic Portfolio Optimization™, based upon Extreme Value Theory. The strategy includes constraints on the maximum exposure to any one ETF or asset class with the exception of cash, money market instruments and short-term Treasury funds.

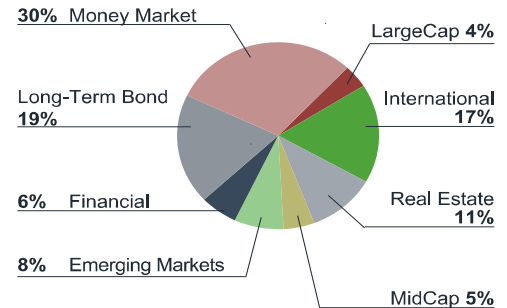
Smart Portfolios advanced analytics dynamically adjust risk to meet current market conditions unlike lifestyle and target date funds. This strategy is designed for investors seeking to outperform the major market indices and traditional asset allocation models on a risk-adjusted basis in all economic environments.

Sample HOLDINGS²

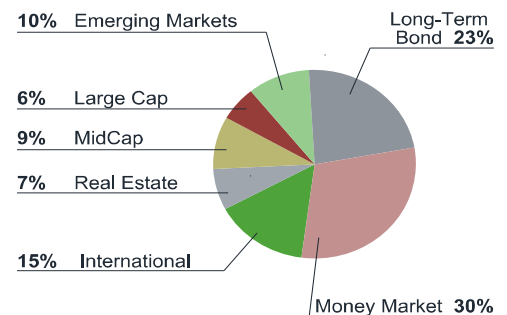
ETF Name	Symbol	# of Secs	ETF Name	Symbol	# of Secs
streetTRACKS DJ US Large Cap Value	ELV	443	iShares Russell 2000 Value Index	IWN	1325
iShares MSCI South Korea Index	EWY	95	iShares Dow Jones US Real Estate	IYR	78
iShares MSCI Brazil (Free) Index	EWZ	70	iShares Morningstar Mid Growth Index	JKH	202
iShares Cohen & Steers Realty Majors	ICF	29	Vanguard REIT Index VIPERS	VNQ	480
iShares S&P MidCap 400 Value Index Fund	IJJ	291	Industrial Select Sector SPDR	XLI	81
iShares S&P Latin America 40 Index	ILF	36	Vanguard Emerging Markets Stock VIPERS	VWO	480

²Holdings do not necessarily represent current positions. ETFs are chosen as representatives of specific asset classes and for their suitability in the Portfolio. Smart Portfolios is not affiliated with any of the companies that issued the ETFs in this Portfolio.

ASSET ALLOCATIONS³ January 2010

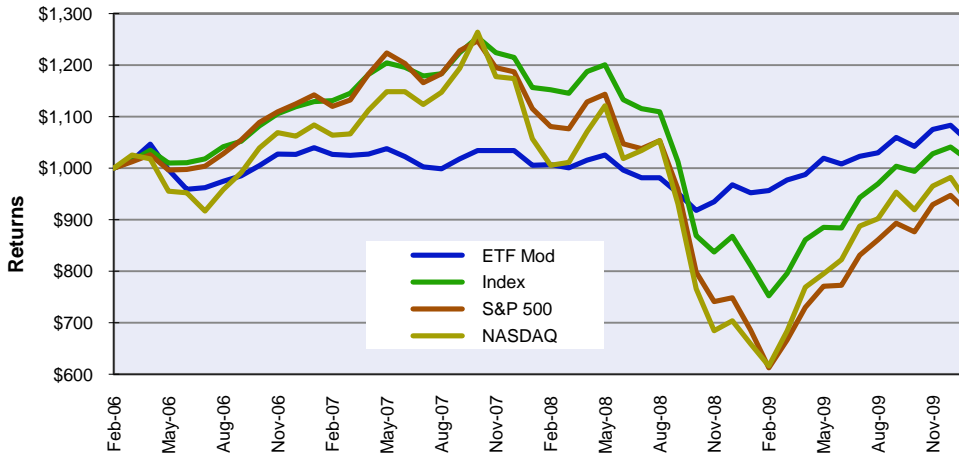


ASSET ALLOCATIONS³ December 2009



Allocations are based on the asset class of securities and are subject to change. Allocations might not add up to 100% due to rounding.

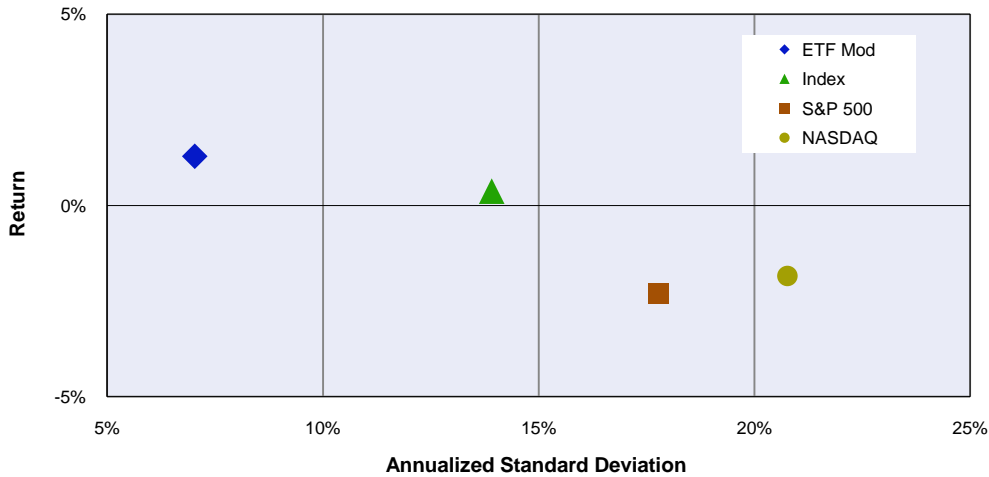
HYPOTHETICAL PERFORMANCE EXAMPLE: Growth of \$1,000



YTD RETURNS

Year	ETF Mod	Comp Index	S&P 500	NASDAQ
2010	-2.98%	-2.51%	-3.60%	-5.34%
2009	11.95%	19.97%	26.46%	39.55%
2008	-6.41%	-28.58%	-36.91%	-40.06%
2007	0.68%	8.52%	5.50%	10.54%
2006	2.69%	11.93%	12.50%	6.21%

RISK VS RETURN



RISK

	ETF Mod	Comp Index	S&P 500	NASDAQ
Standard Deviation	7.03%	13.91%	17.78%	20.77%
Sharpe Ratio	-0.26	-0.15	-0.23	-0.15
UP Ratio	79%	93.10%	100%	86%
Down Ratio	77.78%	94%	100%	88.89%
Profit to Loss Ratio	1.17	1.08	0.97	1.01

DISCLOSURES

These actual results were generated by the implementation of Smart Portfolios Dynamic Portfolio Optimization ("DPO") technology. The DPO technology was applied to a pre-selected universe of exchange-traded funds, invested with Smart Portfolios first ETF portfolio client. The results portrayed include the entire period of Smart Portfolios engagement. The performance and statistical data set forth in this summary are believed to be reliable, but have not been audited. Past performance is no guarantee of future results, and there can be no assurance that the investments signaled by Smart Portfolios technology, or selected by the underlying fund managers, will result in comparable returns. These results include trading costs and commissions charged to the account and include management fees. The results include the reinvestment of all dividends and/or interest paid to the accounts, and would necessarily be lower without such reinvestment. Two common market indices are included for performance comparison: S&P 500 and NASDAQ, as well as a custom Composite Benchmark Index that we feel may be more comparable to the fund's typical investment mix.

*The Composite Index is made up of three unmanaged benchmarks, weighted: 35% Russell 3000 Index, 35% MSCI World Index ex US and 30% Barclays Capital US Aggregate Bond Index.

Description of Indices:

The Russell 3000 Index measures the performance of the largest 3000 US companies representing approximately 98% of the investable US equity market.

The MSCI World ex US is a stock market index that includes a collection of stocks of all the developed markets in the world, excluding the US, as defined by MSCI. This index includes securities from 22 countries, and has been calculated since 1969. The version of this index used is calculated with gross dividends reinvested in US dollars.

The Barclays Capital US Aggregate Bond Index is an unmanaged index comprised of US investment grade, fixed rate bond market securities, including government, government agency, corporate and mortgage backed securities between one and ten years. Indices are unmanaged and one cannot invest directly in an index.

Important Risk Information

An investment in the Portfolio involves risks, including the possible loss of principal. The rate of return will vary and the principal value of an investment will fluctuate.

The Portfolio will allocate investments among multiple ETF asset classes including: US equities, fixed income, real estate and international equities. Asset allocation does not assure a profit or protect against down markets. The stocks of smaller companies may be subject to above-average market-price fluctuations. There are specific risks associated with international investing, such as currency fluctuations, foreign taxation, differences in financial reporting practices, and rapid changes in political and economic conditions. Real estate investments may be subject to specific risks, such as risks related to general and local economic conditions and risks related to individual properties. Fixed income securities are subject to interest rate risk, prepayment risk and market risk.

An investment in the Portfolio involves risks, including the possible loss of principal. Hypothetical performance does not guarantee future results. The value of your investment may fluctuate. Current performance may be higher or lower than performance quoted.