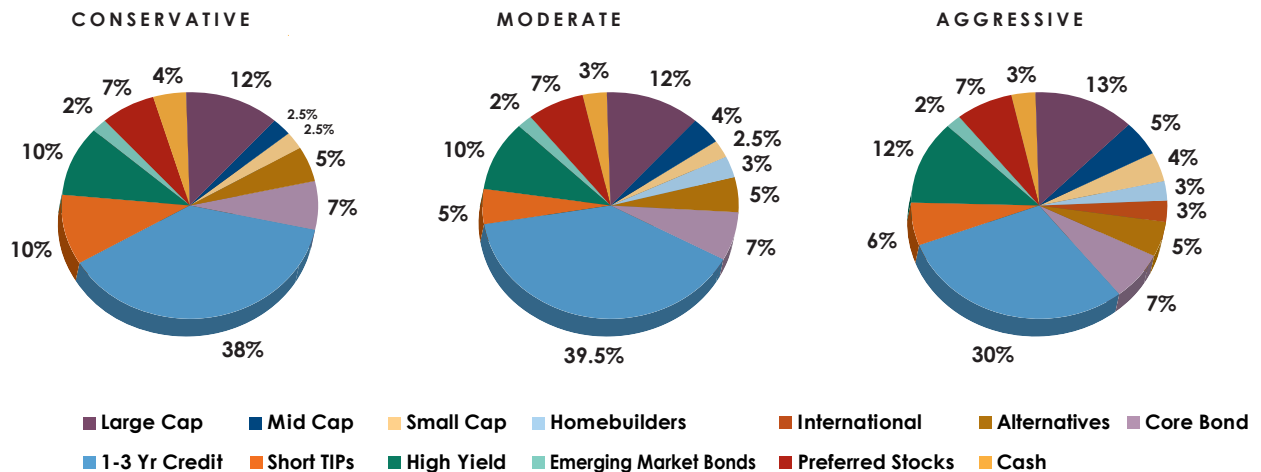




The Efficient Market Portfolios - Taking Income Portfolio seeks to provide a solution for investors who are in retirement or are living off of their investments. The portfolio has as its main objective, the generation of current income. The portfolio consists of multiple Exchange Traded Funds (ETF's) and a cash position. The income is derived primarily from investments in Fixed Income ETF's and Real Estate Investment Trust ETF's. The Taking Income Portfolio comes in three different variations or tilts. The aggressive tilt is designed for investors who are willing to sacrifice some current income in an effort to grow their portfolio value over time. The moderate tilt portfolio is designed for investors willing to accept a moderate level of equity exposure. The conservative tilt portfolio has the smallest exposure to stocks.

Current Asset Allocation

(As of month ending December 2011)



Historical Performance

(As of month ending December 2011)

	3 Months	1Yr	3Yr	5Yr	Inception	Beta	Std Dev	Max Drawdown	Months to Recover
CONSERVATIVE Since 3/06	3.2%	2.6%	23.1%	23.1%	26.2%	0.31	6.2%	-15.7%	7
MODERATE Since 4/05	4.3%	2.1%	27.1%	20.4%	37.7%	0.38	6.9%	-17.1%	7
AGGRESSIVE Since 5/06	5.0%	1.7%	31.0%	17.7%	23.8%	0.47	9.0%	-22.5%	10

Past performance is not indicative of future results, all returns are net of reinvestment of dividends and interest. Beta is a quantitative measure of the volatility of a given stock, mutual fund or portfolio relative to the overall market or appropriate benchmark. A beta above 1 is more volatile than the overall market, while a beta below 1 is less volatile. Standard Deviation refers to the variability of returns. The lower the standard deviation, the more stable the returns. Max Drawdown is the decline from either the initial investment or the highest appreciated value to the lowest investment value. For example if you had a portfolio with a 100,000 dollars in assets that declined in value to 75,000 dollars that would be a 25% drawdown. Months to Recover is the number of months that it has taken an investment to return from it's lowest amount to the highest appreciated value of the invested assets.



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The returns shown on this document represent composite results after all fees and expenses. Past performance is not indicative of future results, this document is not projecting performance and all returns shown are net of reinvestment of dividends and interest. The returns shown on this document represent composite returns of managed portfolios of Exchange Traded Index Funds. (ETFs) Investors actual results may have varied. Investing in common equity ETFs poses risk to investor capital as they are subject to systematic risk of a declining economy, any industry specific risk, and have a low priority in terms of recovery of assets in the event of a companies liquidation.

- Smaller cap stocks entail additional risks because they may be more volatile than stocks of larger, more established companies.
- Treasury investments are marketable fixed-interest government security debt and are backed by the full faith and credit of the US government. Treasury investments are subject to inflation and purchasing power risk as the stated rate of return may not keep up with inflation.
- High Yield bonds have a lower credit rating than investment grade bonds and should be subject to greater likelihood of default.
- Real Estate Investment Trusts (REITs) are comprised primarily of packaged and securitized real estate investments, they are subject to risk of changes in the price of real estate and default risk on the underlying mortgage assets.
- Homebuilders are stocks that are comprised of any stocks in the home building and related industry sectors whose core business focuses on residential real estate construction. Homebuilders are subject to greater risk as they are cyclical in nature and are susceptible to changes in the real estate markets.
- Preferred stocks are non-voting ownership in a corporation that have a higher claim to assets than common stock, and typically pay dividends.
- International stocks entail additional risks including currency exchange fluctuation, government regulations, and the potential for political and economic instability.
- Exchange Traded Funds carry a certain level of risk for investors including: market risk, supply and demand, tracking error and excessive trading. Since share price is determined by market supply and demand forces, investors may purchase shares at a premium or discount to their net asset value.

Due to investment timing, allocation and holding periods for cash and other fund assets; performance may not completely replicate the performance of the funds stated benchmark. Asset allocation and diversification do not guarantee a profit or prevent a loss in a systematically declining market. Investments in model strategies have additional management fees and expose the investor to the risks inherent within the model and the specific risks of the underlying funds directly proportionate to their fund allocation. Investing may involve risk including loss of principal. Investment returns, particularly over shorter time periods are highly dependent on trends in the various investment markets. Investment management services are generally suitable for long-term investment objectives or strategies, rather than for short-term trading purposes. Investors should consider the investment objectives, risks, charges and expenses of the underlying funds that make up the model portfolios carefully before investing. **Prospectuses or offering documents contain this and other important information about the fund. Please call your financial advisor to obtain the prospectuses of the current underlying funds. Prospectuses should be read carefully before investing.** Investments in ETFs are not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. **Although money market funds seek to preserve their value at \$1.00 per share, it is possible to lose money by investing in the money market funds. For current month-end performance figures please contact your advisor or Efficient Markets Advisors, LLC at 888-327-4600.**