



# FRESNEL MODEL

Performance Report for the 3rd Quarter of 2011

Historical Time Weighted Returns <sup>2</sup>	2011 YTD	Annualized <sup>3</sup>			Since Inception	Total Return
		1 Year	3 Year	5 Year		
Fresnel	(9.69%)	(3.71%)	(1.02%)	0.72%	3.63%	22.74%
S&P 500 Index <sup>1</sup> : (SPX)	(10.03%)	(0.86%)	(1.01%)	(3.27%)	(1.70%)	(9.36%)
Lehman Aggregate Bond Index (LEH)	6.65%	5.26%	7.97%	6.53%	6.21%	41.36%

*Model Inception Date is 12/31/05*

*Results are net of fees and expenses*

## ABOUT THE FRESNEL MODEL

### A performance fee-based model portfolio for accounts over \$750,000

Let us describe the Fresnel Model first by telling you what it is not. It is not a balanced portfolio like some other models managed by 5T Wealth Management. Therefore it is not managed as if it is the entire investment portfolio of a prudent investor. It is managed in a very focused or concentrated style and may be comprised of as few as five positions and rarely more than 20 positions. It has the flexibility to hold multiple asset classes, or to be highly concentrated in only one asset class. For example it has been, from time to time, invested entirely in equities. For a short period of time during 2006 it was invested only in gold and cash.

The stated goal of the Fresnel Model is to significantly outperform the S&P 500 in every three year rolling period. We are very aware that few money managers beat the S&P 500 performance year in and year out, but we believe the model should be able to out perform over long periods of time, as measured in three year periods. The secondary goal of the Fresnel Model is absolute or positive return, year in and year out.

There are no restrictions on the asset types that the manager may use to achieve the stated goals of the Fresnel Model. The manager may employ long or short tactics and may, from time to time, employ leverage to enhance returns. Option trading strategies are also used by the manager to potentially enhance returns and to dampen volatility. The manager does employ a strict discipline of stop loss orders to mitigate the potential for losses and to minimize volatility.

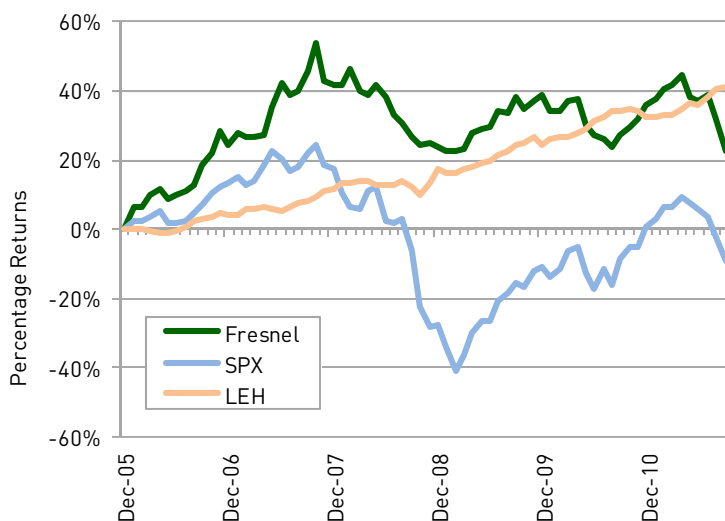
# PERFORMANCE STATISTICS

Through September 30, 2011

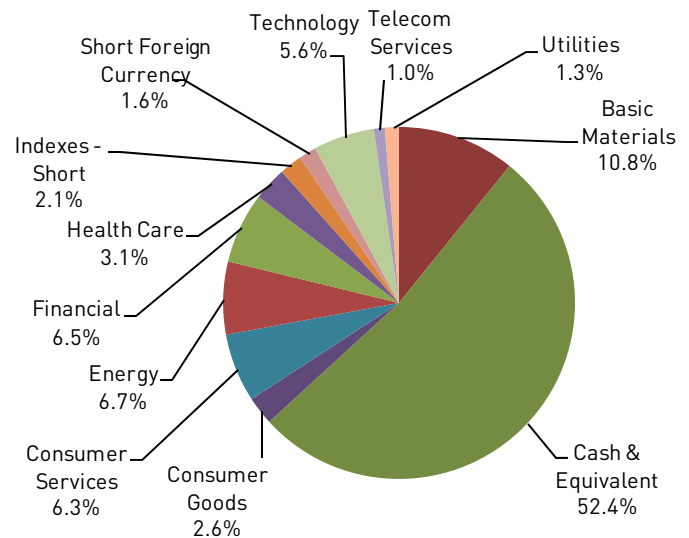
## TOP HOLDINGS

<u>Security</u>	<u>Percent</u>	<u>Security</u>	<u>Percent</u>
Apple, Inc. (AAPL)	5.52	Allergan, Inc. (AGN)	3.14
American Express Corp. (APX)	4.53	Enbridge, Inc. (ENB)	3.06
Deutsche Bank AG (DB)	4.20	Starbucks Corp. (SBUX)	2.76
Linn Energy, LLC (LINE)	4.15	Nike, Inc. (NKE)	2.63
McDonalds Corp. (MCD)	3.57		
Alliance Resource Partners, LP (ARLP)	3.50	Cash & Equivalent	52.37

## HISTORICAL RETURNS From Inception



## HOLDINGS BY SECTOR



1. The S&P 500 returns reflect simple appreciation. The overwhelming majority of our clients take significant distributions from their accounts and therefore we don't consider a dividend reinvested return to be an appropriate benchmark.

2. The performance numbers presented here represent the composite performance of all client accounts managed by 5T Wealth that were included in the model group at the time the composite performance number was achieved. All the individual accounts in the model group are traded together in a "block" in order to maintain as much similarity between the accounts as possible and to keep them all aligned with the proprietary investment model. Model groups may change subsequent to the production of the stated investment returns represented here. For example 5T Wealth make take in a new client whose account gets assigned to the model group. During 2008 an account was removed from the Hatteras model performance statistics after they retained 5T Wealth for Financial Planning and Wealth Management services, thereby changing their fee structure.

Individual account results may vary from the composite performance represented here for a variety of reasons, including the cash flow requirements of individual account holders. Some clients reinvest all interest and dividends. Some clients take cash distributions from their accounts.

All returns are calculated as Time Weighted Rate of Return using Centerpiece software. They are net of actual management fees, custodial fees, all trading costs, all mutual fund expenses such as short term redemption fees or management fees. No adjustment has been made for income tax liability.

Accounts managed according to the models by 5T Wealth do not carry deposit insurance, and do involve risk of loss. The results shown are for specific time periods and may not be representative of the results that would be achieved over different time periods or in different economic and market environments.

The data used to calculate these returns is provided by an independent data provider believed to be reliable. However, 5T Wealth does not guarantee the accuracy of this data. The performance of an index is not an exact representation of any particular investment, and is provided only for comparison purposes.

Securities in these models are frequently traded and rebalanced. Allocations are subject to change without the knowledge of the account holder. **Past performance does not indicate future results.**

3. The 1 year, 3 year and 5 year annualized returns are calculated using a rolling year, i.e. the 3 year return represents the annualized Time Weighted Return over the last 36 months.