



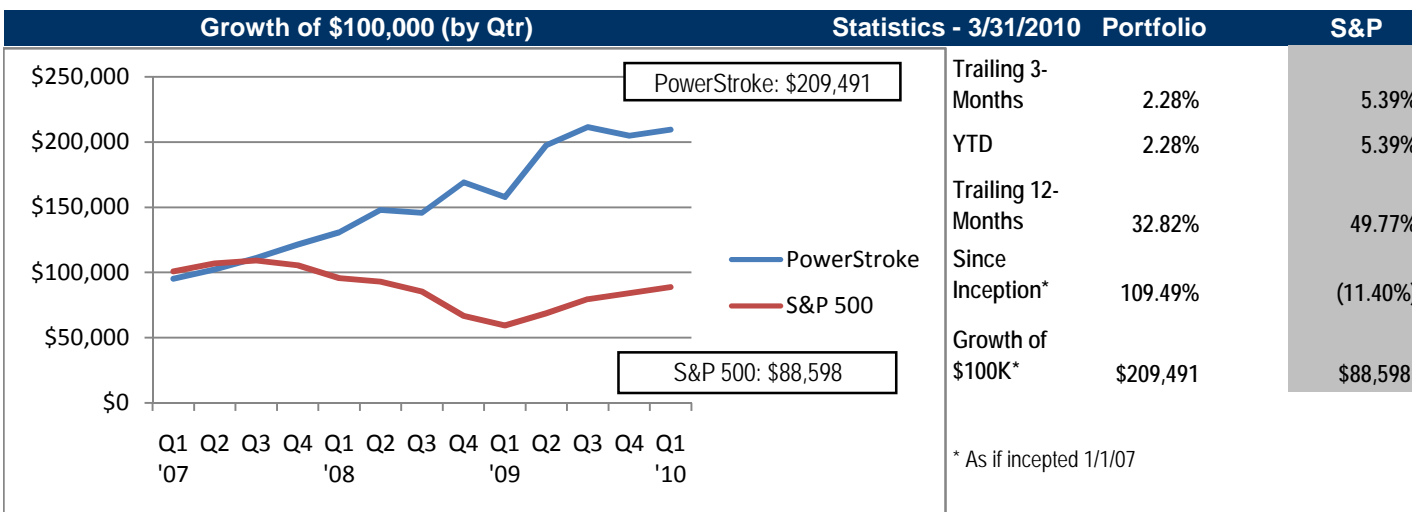
The ETF PowerStroke Investment SystemSM

ETF PowerStroke is a computerized, systematic, rules-based investment approach designed to generate purchase and sell recommendations which are then executed through block trade orders. It incorporates a proprietary, trend-following relative strength methodology built on a series of multiple performance-based technical analysis screens including a test for the overall market trend environment.

This “black box” system employs a buy, hold, sell mechanism investing exclusively from within a defined database of between 50 and 100 publicly traded Exchange Traded Funds (ETFs). The model portfolio typically holds three (3) or fewer ETFs at one time, and the portfolio can vary from being fully invested, to partially invested, to having an all cash/money market position. The system has been extensively back-tested over various historic time periods (constrained by the fact that many ETFs have been in existence a short period of time), market conditions, and database components. Investors should understand and be advised that it departs significantly from traditional buy-and-hold investment advice.

Benchmark (S&P) - S&P 500

Model Portfolio: Back-tested Quarterly Performance										
Year	Q1	S&P	Q2	S&P	Q3	S&P	Q4	S&P	YTD	S&P
2010	2.28%	5.39%							2.28%	5.39%
2009	-6.59%	-11.01%	25.17%	15.93%	7.11%	15.61%	-3.14%	6.04%	21.31%	26.46%
2008	7.67%	-9.45%	13.15%	-2.72%	-1.36%	-8.36%	15.88%	-21.94%	39.27%	-37.00%
2007	-5.00%	0.63%	7.39%	6.28%	8.80%	2.03%	9.23%	-3.33%	21.24%	5.49%



Performance Results Disclosure

The performance results contained in this report have been compiled by Presidential Brokerage, Inc. (“PBI”), to demonstrate the potential investment results of its ETF PowerStroke strategy (“PowerStroke”). The performance shown for the PowerStroke program represents the performance of a model account having an aggressive growth objective back-tested by PBI, but does not represent the performance of an actual PBI client account. Comparisons to the market indices are for illustration purposes. Back-tested results have been compiled by researching the actual historical performance of exchange traded funds (“ETFs”). Results have not been audited or reviewed by any third party.

PBI’s back-tested results do not represent the results of actual trading using client assets but were achieved by means of the retroactive application of a model that was designed with the benefit of hindsight. Thus, the performance results noted herein should not be considered indicative of the skill of PBI and are not representative of the actual performance results that are or could be attained by clients of PBI.

With development of the program beginning in 2006, the strategy has undergone several adjustments including a major modification in December 2008 following, and in reaction to, a severe downturn in the stock market beginning in September, 2008. This most recent “tweak” to the strategy was designed to help minimize the effects of a major market downturn on the value of the model portfolio. The back-tested performance, especially during the period of substantial market decline in 2008, is not intended to represent the ability of PBI, or the PowerStroke program, to avoid losses due to market volatility.

Performance Results Disclosure (con't)

The hypothetical results were calculated using historical transaction prices of the ETFs traded in the model portfolio since January 2007. All calculations were based on information obtained from sources PBI believes to be reliable, but PBI cannot guarantee the accuracy of such information. All back-tested buy and sell transactions prior to 7/17/09 were assumed to have occurred at the opening price of the ETF on the day that it was bought or sold. Back-tested transaction prices may have been higher or lower had PBI been managing actual client assets, and may have resulted in lower returns. The simulated results do not represent the impact that material economic and market factors may have on the strategy's decision-making process had PBI been actually applying the strategy during the back-tested period shown. Model portfolio transactions and pricing subsequent to 7/17/09 reflect actual average prices executed for client accounts.

The performance of the model portfolio was based on an assumed beginning value of \$100,000. The performance data assumes the reinvestment of dividends and reflects the deduction of advisory fees and program administrative costs of 3% per annum, charged quarterly in advance, based on the value of the portfolio at the beginning of each quarter.

Model performance or past actual performance is not indicative of future results or a representation that losses will not occur. The performance of a specific individual client account may vary substantially from the model results shown above for both back-tested and actual portfolio results. Factors such as the size and performance of specific investments in accounts, the length of time certain positions are held, the timing of purchases and sales, client objectives, cyclical securities price trends, and market trends all influence performance results materially. Clients should consult their account statements for information about how their actual performance compares to that of the model portfolio.

The variability of the performance results of the S&P 500, an unmanaged market index, is materially different from the PowerStroke strategy results. Investors cannot invest directly in an index. Diversification does not ensure a profit or protect against a loss in a declining market.

Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment or strategy will be profitable. The PowerStroke program may involve above-average turnover which could negatively impact the net after-tax gain experienced by an individual client. The model portfolio and strategy are not a substitute for personalized investment advice. Investors should consult with an experienced financial advisor before investing.

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