

# TL Focus Growth Fund Class R3

**Penniall & Associates, Inc.**

3rd Quarter 2010

## Tri-Level (TL) Focus

### Portfolio Level Focus

Three levels of analysis to deliver investment results. TL Focus begins with the economy and markets. Generally, an improving economy provides a positive environment for investing and investors will get paid for taking risk. The opposite would be true when we have a weakening economy. In addition, the portfolio manager will attempt to identify economic “themes” which are trends that are expected to continue and can even be major agents for change. Identifying a theme early can provide the framework for making profitable investment decisions.

### Asset Category Level Focus

The next level of analysis consists of determining asset category allocations and assigning a target level of risk (high, medium or low) for each of the 30 categories tracked. We believe academic literature supports the notion that this level of analysis is the most important determinant of investment performance (Brinson, Hood and Beebower 1986).

### Individual Investment Level Focus

The fund will target one mutual fund per asset category. This fund will be selected to be consistent with the target risk level described above and will have carefully measured return characteristics. One unique aspect of the investment level analysis is the manager uses “relevant” time periods to measure performance as opposed to the more common calendar-based time periods (1 year, 3 year, 5 year, etc.)

### Fund Facts:

CUSIP 410235634

Expense Ratio: 1.92%

Inception Date: 4/1/10

Share Class: R3

Benchmark: Blended

20% Barclays Agg Bd

65% Russell 3000

15% MSCI EAFE

Portfolio Manager:

David Penniall, CFP AIF

1 Yr Ret. (7/1/09 to 6/30/10):

17.14%

Alpha (7/1/09 to 6/30/10):

3.11%

Std. Dev. (7/1/09 to 6/30/10):

6.34%

## Fund Description

The TL Focus Growth fund is a “fund-of-funds” and will typically own 30 institutional class mutual funds. The fund’s objective is to deliver capital appreciation with safety and income being secondary considerations. The fund will benchmark performance versus a blend of indexes which are deemed to be representative of the desired risk and reward characteristics of the fund. The blended benchmark is 20% fixed income and 80% equities. The portfolio manager, Penniall & Associates, has a very experienced team of analysts supporting the investment process which actively seeks to outperform the benchmark using the TL Focus methodology.

*“Risk comes from not knowing what you are doing.”*

*- Warren Buffett*

## Annualized Performance:

TL Focus Growth:

1/1/09 to 6/30/10 +20.86%

Benchmark:

20% Barclays Agg Bd

70% Russell 3000

10% MSCI EAFE

1/1/09 to 6/30/10 +12.99%

## Top Holdings as of 6/30/2010

Blackrock Energy & Res

Calamos Growth

Dodge & Cox Stock

Oppenheimer Gold

Oppenheimer Commodity

All/Bernstein Small Value

Prudential Mid Growth

SSgA Emerging Markets

Invesco Global Real Estate



**Penniall & Associates, Inc.**

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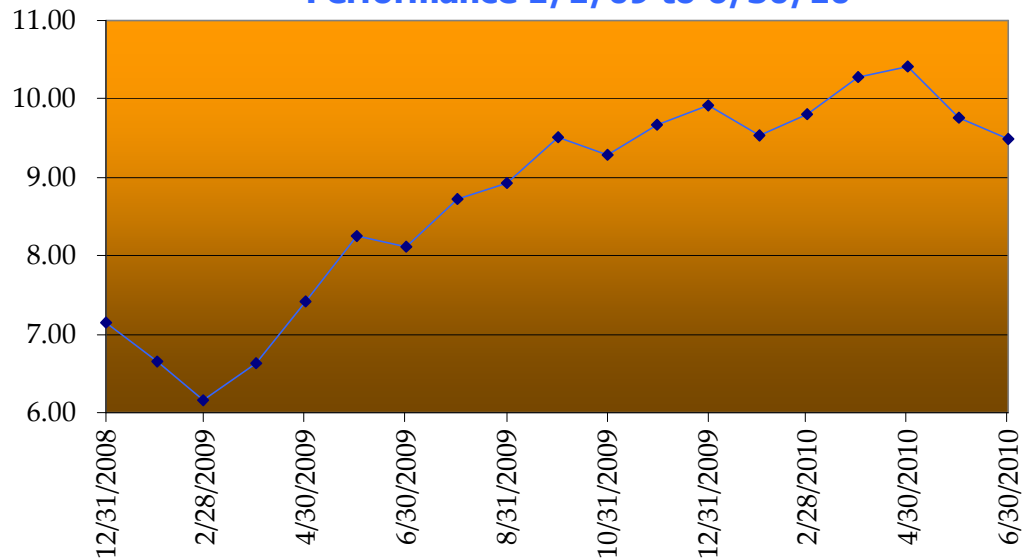
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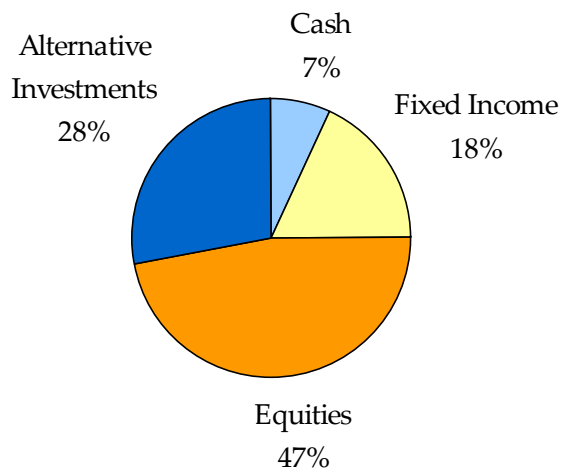
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Securities offered through United Planners Financial Services, Member FINRA, SIPC

## TL Focus Growth Fund Performance 1/1/09 to 6/30/10



## Asset Allocation as of 6/30/2010



## Fund Disclosure

The TL Focus Growth Fund is a Collective Investment Fund (CIF) created by the Hand Composite Employee Benefit Trust, and is administered by Hand Benefits & Trust Company, the trustee. Penniall & Associates, Inc. is the advisor to the fund. The CIF is not a mutual fund. Its shares are not deposits of Hand Benefits & Trust Company or Penniall & Associates, Inc., and are not insured by the Federal Deposit Insurance Corporation or any

other agency. The CIF is a security which has not been registered under the Securities Act of 1933 and is exempt from investment company registration under the Investment Act of 1940.

The TL Focus Growth Fund is new and does not have actual performance data report. Performance data quoted represents hypothetical past performance of the Penniall Model Portfolio. The performance quoted here does not

guarantee future results. As market conditions fluctuate, the investment return and principal value of any investment will change. Diversification may not protect against market risk. There are risks involved with investing, including possible loss of principal. Before investing in any investment portfolio, the client and the financial professional should carefully consider client investment objectives, time horizon, risk tolerance, and fees.