



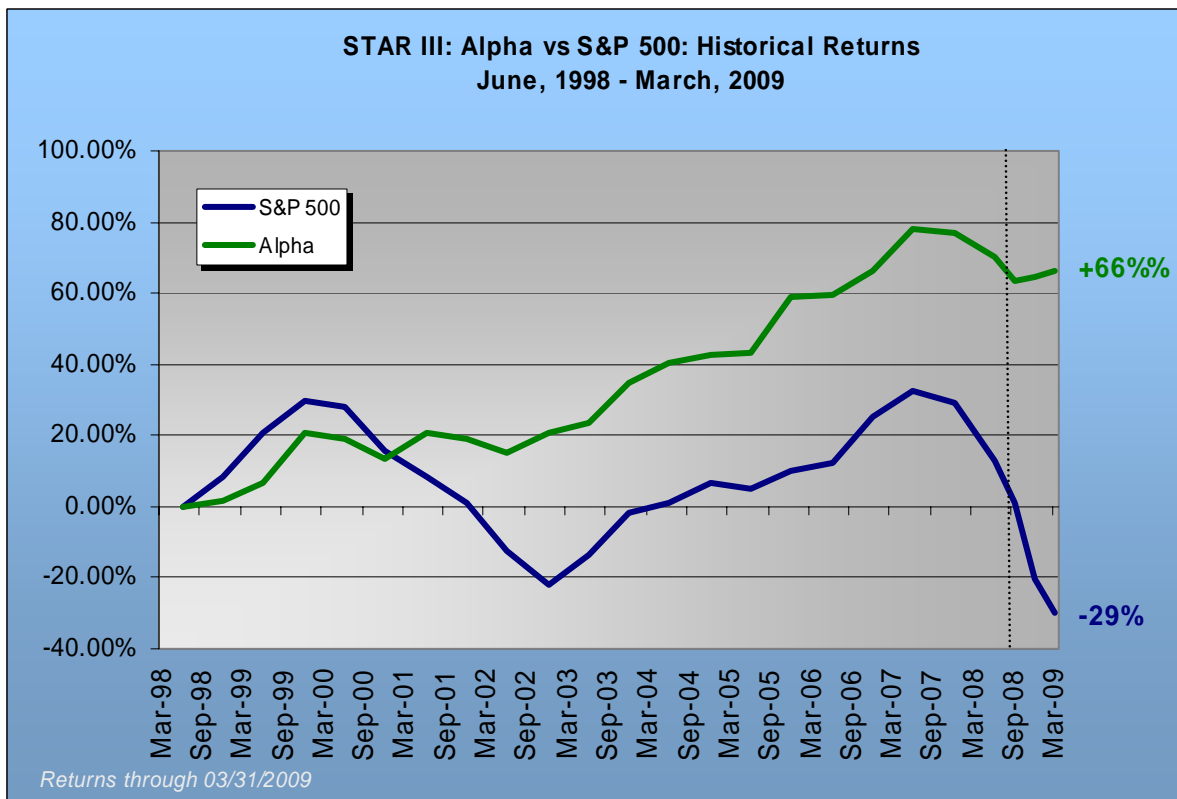
## Partnervest Financial Group LLC

### STAR™ III: Alpha Structured Target Returns: Appreciation

Alpha is a “Step, Protect and Reset” strategy designed to participate in a rising market and limit risk during a decline.

Alpha targets a quarterly return on the S&P 500 using the historical average high/ low of the index. On average, the S&P 500 has traded within a 20 -25% annual range. In using this figure to target returns, Alpha offers the potential for positive returns while reducing downside risk via fixed-income and option premium returns.

The structure of the Alpha strategy creates the potential to benefit in both rising and falling markets. During market advances, Alpha “steps up” in regular increments and resets at the higher level. In a falling market, Alpha is able to “step down” and reset at a lower level, thus enabling an investor to benefit from a subsequent advance, rather than waiting for the market to recover to their starting point.

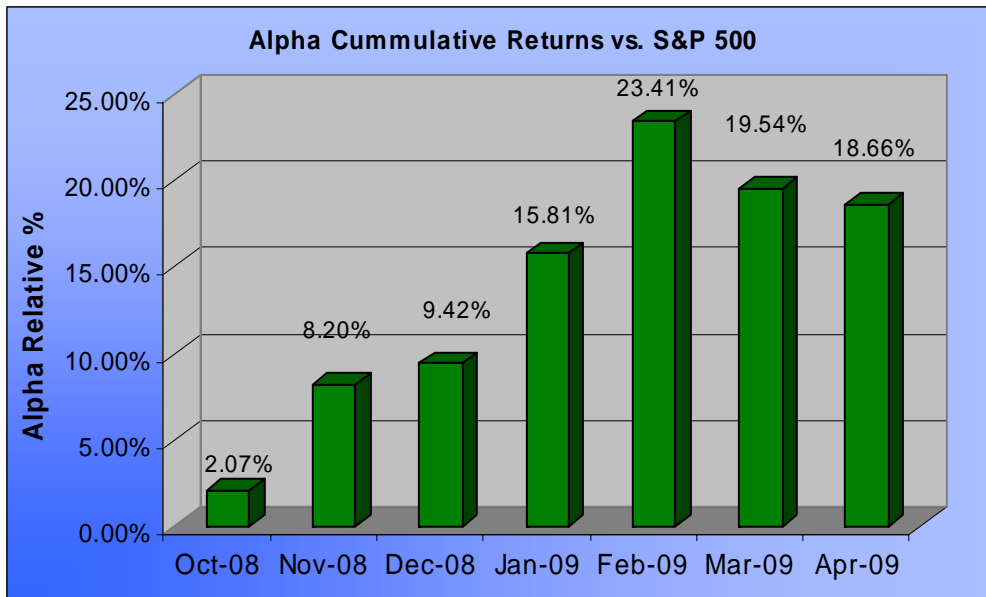
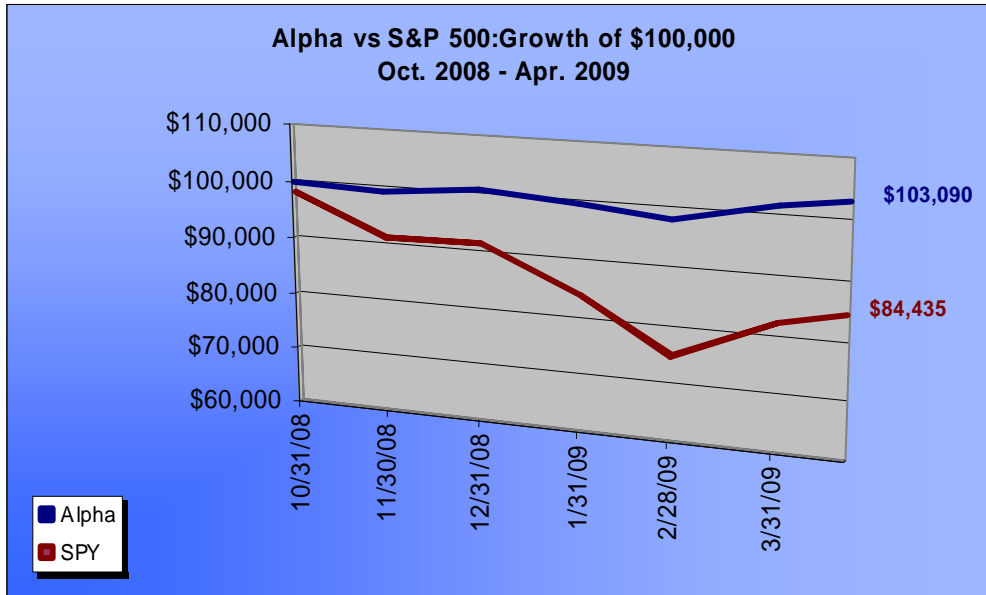


The above example depicts hypothetical performance over 3 month intervals using historical price and return data. The S&P 500 is represented by the SPDRs Exchange-Traded Fund (symbol: SPY). Please see attached performance disclaimer for additional information.



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### Alpha Composite Account Returns



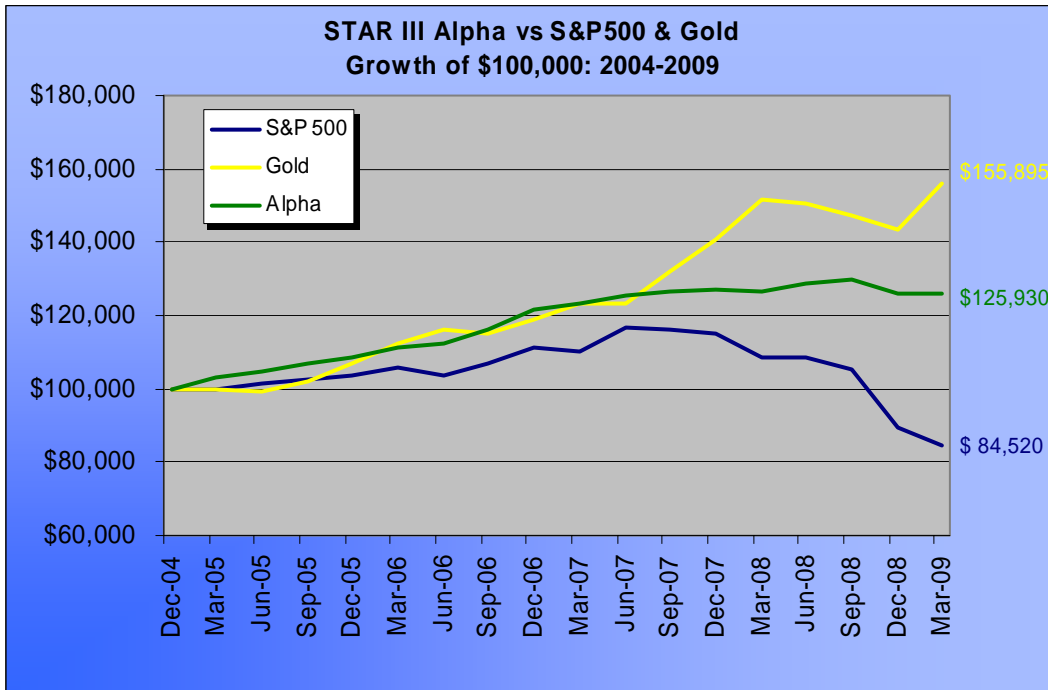
Performance depicted is derived from client accounts from the time each account was invested in the Alpha strategy from October 20, 2008 through April 20, 2009. While the composite example is intended to include every account in Alpha, no guarantee can be made that the composite reflects the strategy's actual performance over time. It should therefore be considered a representative illustration of the strategy metrics.



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### Alpha: Gold and S&P 500

By combining two negatively correlated assets, Gold and the S&P 500, Alpha targets the same absolute return as it does from the S&P 500 alone, but with 2/3 the volatility. The net result is a smoother equity curve and the potential to deliver positive returns even during market declines.





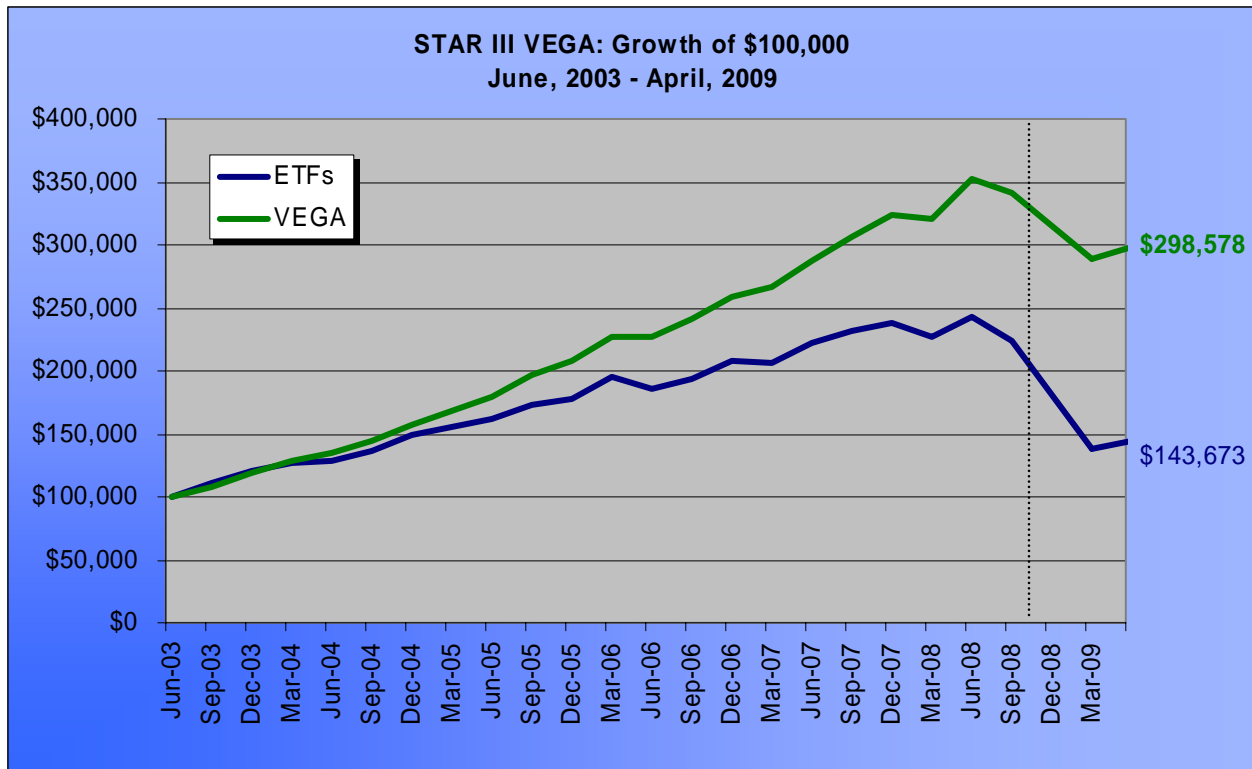
## Partnervest Financial Group LLC

### STAR™ III: VEGA

#### Structured Target Returns: *Volatility Enhanced Global Appreciation*

VEGA acts as a portfolio repair strategy after a market decline and enhances returns as markets recover. The strategy invests in a globally diversified index portfolio and harnesses volatility to generate a steady, uncorrelated return stream. VEGA has the ability to benefit from non-directional price swings as well as cumulative price appreciation.

- Consistent, repeatable returns in the form of quarterly option premium.
- Systematic rebalancing of portfolio increases the potential for higher returns.
- Premiums accrue independently of the underlying investments and are not subject to equity risk.
- VEGA can help repair a portfolio by generating an additional source of income independent of market direction.

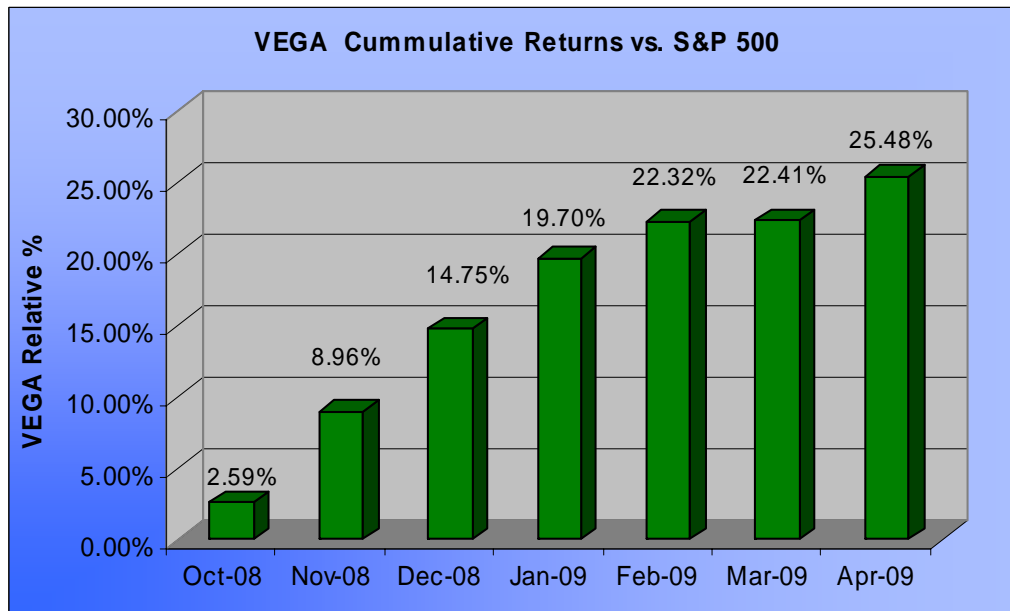
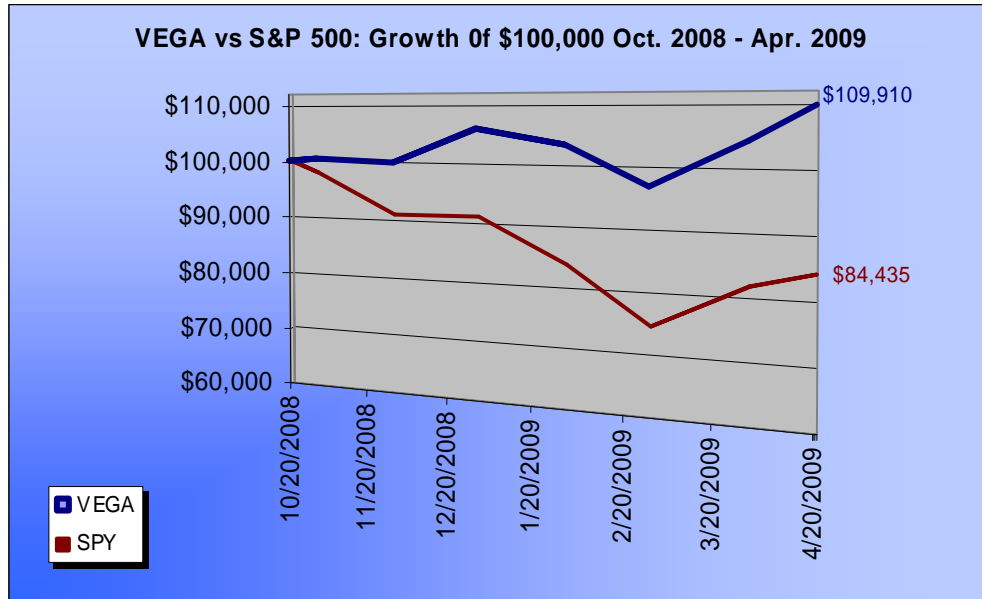


The Global Diversified Portfolio as depicted consists of Exchange-Traded Funds on the following indices: the S&P 500, Russell 2000, MSCI EAFE, MSCI Emerging Markets, Dow Jones Wilshire domestic REIT index, US Oil and Gold. Additional indices and their corresponding ETFs may be considered for actual client accounts. VEGA may be used in appropriate retirement and tax-advantaged accounts.



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### VEGA Composite Account Performance



Performance depicted is derived from client accounts from the time each account was invested in the VEGA strategy from October 20, 2008 through April 20, 2009. The composite example does not include every account in VEGA, but is intended to be a representative illustration of the strategy metrics.

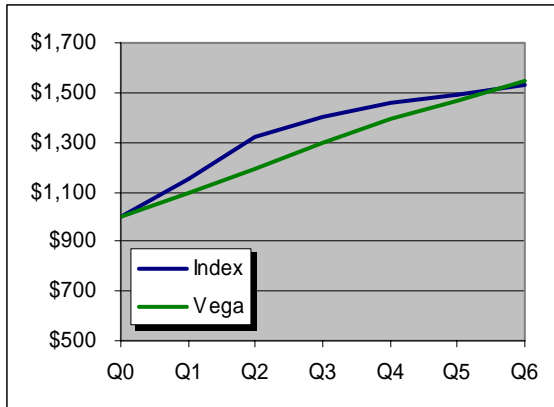


## Partnervest Financial Group LLC

### VEGA Scenario Analysis

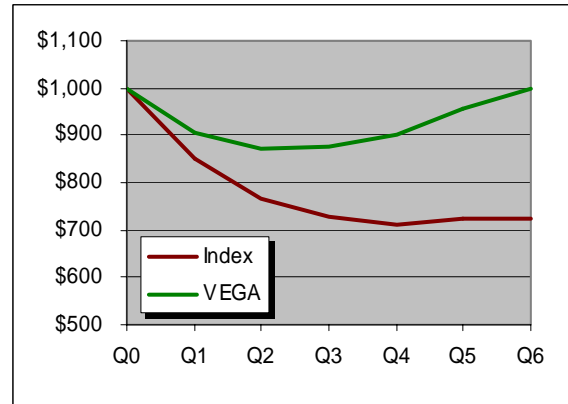
One of the advantages of a structured portfolio is that, without knowing or predicting whether the equity markets will go up, down, or remain the same in the future, we can show the likely return of the strategy in each instance. Consider the following three scenarios in the case of VEGA:

#### A rising market that gains 45% in a year and a half



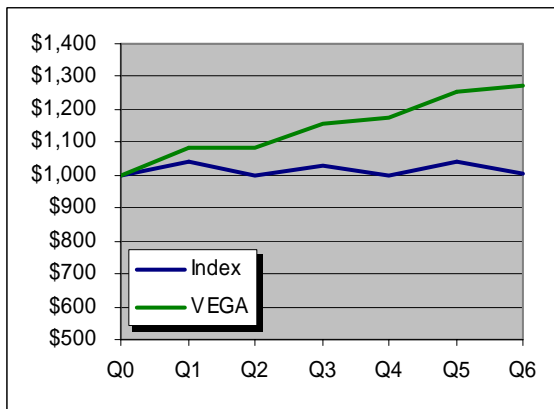
In the event of a strong market rally, volatility typically diminishes, but the strategy makes the maximum expected return on a given quarter, while the excess return threshold rises along with the index.

#### A declining market that drops 32%



The average decline for all bear markets over the last century has been 32%. In this case, VEGA initially declines with the index, but benefits from higher volatility in the form of higher premium and can serve as a portfolio repair strategy.

#### A sideways market that trades in a range, but ultimately goes nowhere



In this case, the quarterly premium received for potential excess returns accrues, while the index return remains flat.



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### Compliance Disclaimer

*Past performance is not indicative of future returns and when investing there is always a risk of loss of principal as well as gain. PVAS does not predict or guarantee that an investor will achieve any expected return. Investors cannot invest directly in an index and fees for investing in unmanaged index funds may be significantly less than those fees paid for a managed account, thus index returns are not a direct comparison of returns in the Partnervest portfolios. Graphs and charts should not be the sole basis of any investment decision.*

*Investment advisory services are provided through Partnervest Advisory Services, LLC. Contact your Partnervest representative for advice concerning your specific circumstances. Performance presented is not actual performance; rather it is back-tested model performance. As back-tested performance depiction does not reflect management or other fees since the strategy was not in existence at the time, this does not necessarily reflect how the strategy would have actually performed during such period.*