

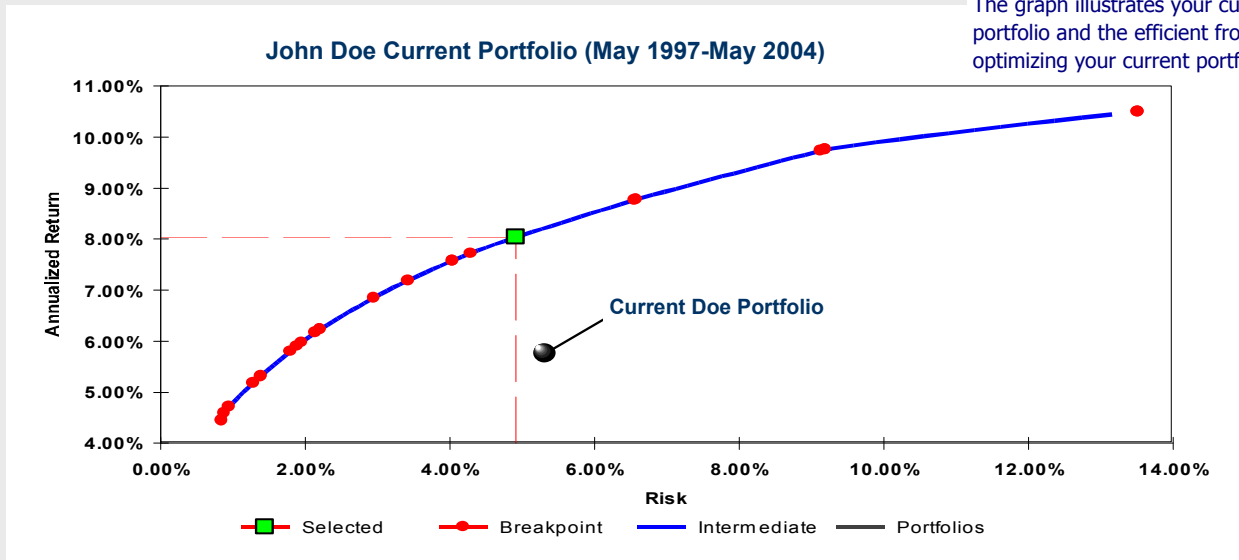
# JOHN DOE PORTFOLIO ANALYSIS

**Client Name:** Mr. John Doe  
**Financial Advisor:**  
**Company Name:** Partnervest Advisory Services LLC  
**Analysis Period:** **Start:** May-97 **End:** May-04



Partnervest Advisory Services LLC  
 2020 Alameda Padre Serra, Ste. #135  
 Santa Barbara, CA 93103  
 (805) 966-1266

## Efficient Frontier

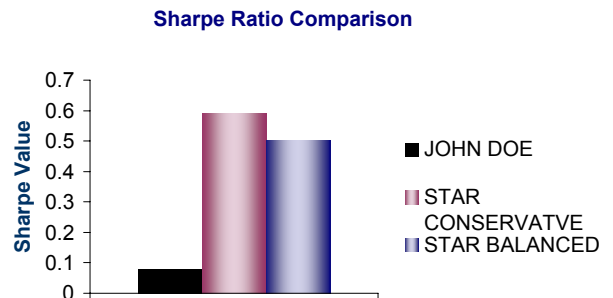


### Mr. John Doe Current Portfolio

Current Asset Allocation	Equity	40%
	Fixed Income	55%
	Cash	5%
		100%

The Sharpe Ratio, in the graph, illustrates the risk adjusted return i.e. the risk/return trade-off for your portfolio. It is compared to an appropriate STAR model based on your current asset allocation and the result of your Risk Tolerance Questionnaire.

### Recommended STAR Portfolios for Mr. John Doe



## STAR ASSET MANAGEMENT PROGRAM

An efficient portfolio provides the highest expected return for a defined risk level, or equivalently, the lowest risk level for an expected rate of return. Historically, most investment management programs focus on the historic returns of an asset and totally ignore the risks associated with it. However, in order to properly evaluate the performance of an investment, one must understand and quantify the risk taken to achieve a particular return. The STAR Asset Management Program focuses on both sides of the equation, namely "risk" and "return".

The primary philosophy of the STAR Asset Management Program is to:

- 1) Understand the client's investment objectives and horizon, and identify/quantify risk in the client's portfolio.
- 2) Determine the optimal mix of asset classes and investment styles, to achieve the client's objectives within his/her risk parameters.
- 3) Monitor and re-balance the client's portfolio as the investment environment or the client's objectives change.

**JOHN DOE PORTFOLIO ANALYSIS**

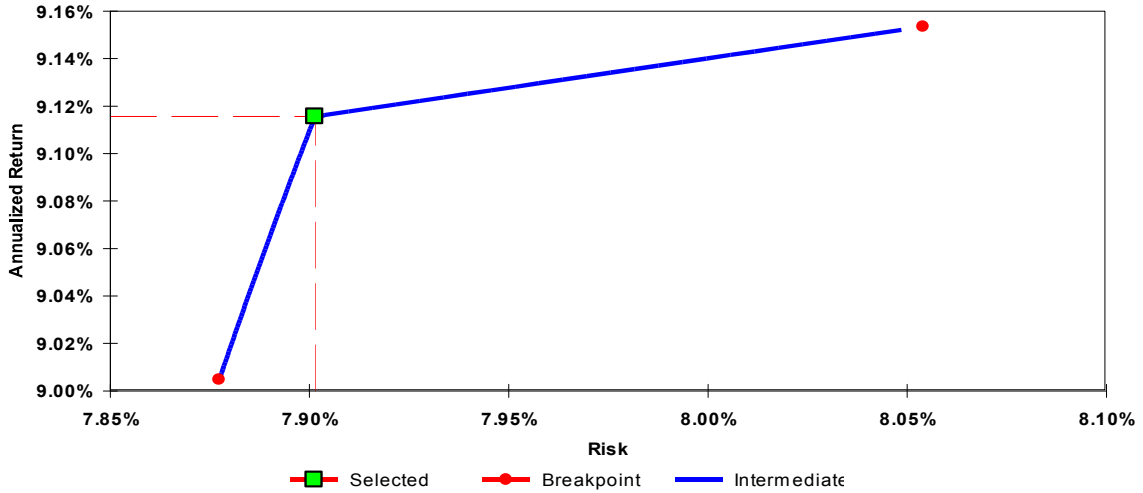
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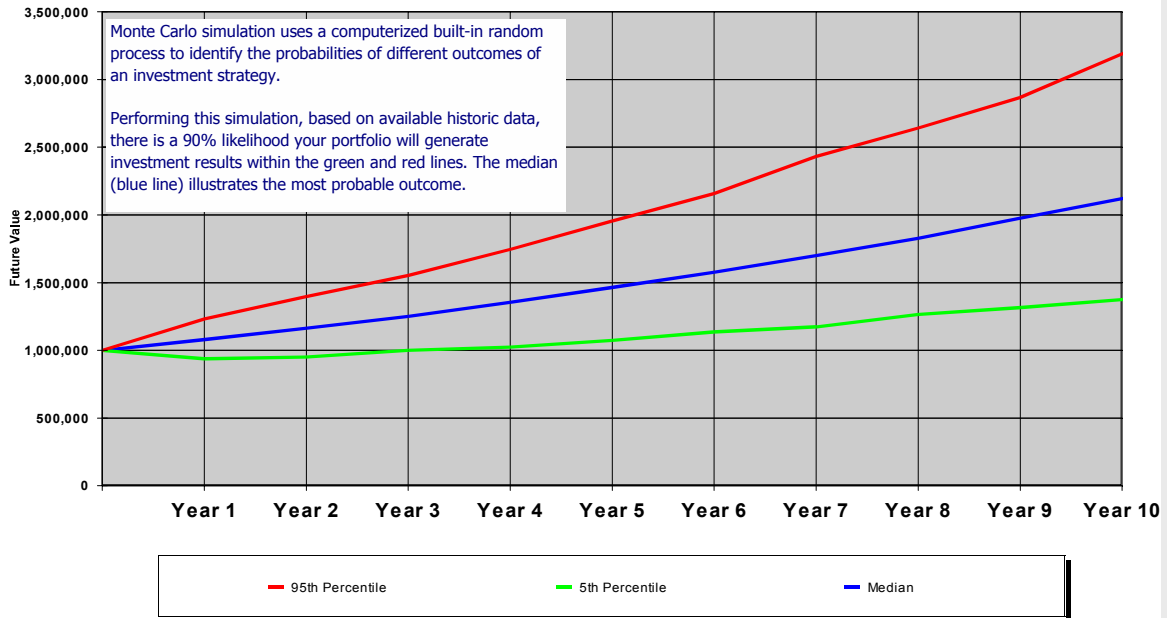
**Efficient Frontier**

**STAR Balanced Efficient Frontier (May 1997 - May 2004)**



**Monte Carlo Simulation**

**STAR Balanced Monte Carlo Simulation**



**Disclaimer/Notes**

The above portfolio analysis is illustrative of how the quantitative model is currently applied. It is not a description of actual historical performance, and specific recommendations may vary among clients based upon different material market conditions and client circumstances. Model presentations are inherently limited in their applicability to indicate future performance and may benefit from hindsight. In addition, stated returns do not involve investment management fees, transaction fees, dividends and other earnings and their timing, which may impact the investment decision. Thus, this is not necessarily indicative of the allocation or returns that an actual managed account in the future will achieve. Benchmark indices (except for S&P500) chosen by PVAS are believed to most closely correlate to the actual portfolios. PVAS does not predict or guarantee that an investor will achieve any expected return using the STAR program.