Symmetry Portfolios Quarterly Performance

Thankfully, 2008 has come to a close. A year that was difficult from the outset turned truly trying in the final quarter. Of the indices tracked by Symmetry, only the Citigroup USBIG Treasury Index, 1-5 years posted a positive number for the quarter with a return of 4.27%. With monthly returns of -27.35%, -7.52% and 7.83% for October, November and December respectively, the MSCI Emerging Markets Index suffered the steepest loss for the quarter with a return of -27.56%. Following closely behind, the Russell 2000 index of small cap stocks returned a painful -26.12%.

After a disappointing return of -8.37% in the third quarter, the S&P 500, a common measure of domestic market performance, delivered a dreadful -21.94% in the year's final quarter. Developed international markets fared slightly better, albeit still disappointing, with a return of -19.90% for the MSCI EAFE, while the Lipper Balanced Fund Index, an index comprised of mutual funds combining both stocks and bonds, finished the quarter at -14.01%.

A review of the one-year returns for 2008 shows the MSCI Emerging Markets Index once again leading the parade of negative numbers with a return of -53.18%. Providing further evidence that the economic crisis is indeed a global phenomenon, the MSCI EAFE finished the year at -43.06%, while the S&P 500, the Russell 2000, and the Lipper Balanced Fund Index returned -37.00%, -33.79%, and -26.19% respectively. Once again, the only index with a positive number was the Citigroup USBIG Treasury Index, 1-5 years with an annual return of 8.75%.

A quick look at the index data longer term shows the S&P 500 Index with a five-year annualized return of -2.19% and a 10-year annualized return of -1.38%. Small caps evidenced by the Russell 2000 returned -0.93% over the five-year annualized period ending 12/31/08, while posting a ten-year annualized return of 3.02%. The international equity indices both posted positive returns over the five and ten year periods with the MSCI EAFE returning 2.10% and 1.18%, while the MSCI Emerging Markets returned 8.02% and 9.31% over the five and ten year periods respectively.

Just as the indices struggled under the weight of the economy, Symmetry Portfolio faced similar challenges during the quarter. Facing the greatest adversity, the all-equity Structured 100/0 returned -25.62%, followed by the Structured 80/20 with a quarterly return of -19.77%. The Structured 60/40, Symmetry's most popular portfolio with a classic allocation of stocks and bonds, posted a return of -13.67%. Rounding out the quarterly portfolio performance, the Structured 40/60, 20/80, and 0/100 returned -7.92%, -2.50% and 2.62% respectively.

(Continued on page 4)

Quarterly Observations

Regulation, Oversight, Responsibility to the Investor

Over the past year, it seems we had it all; incredible market volatility, a subprime mortgage crisis that fueled a full-blown meltdown in the credit markets, and the crippling or collapse of financial institutions such as Lehman Brothers, Fannie and Freddie, and Merrill Lynch. And don't forget falling real estate values, the auto industry in jeopardy, government bailouts, record-high gas prices, and rising unemployment. It seems as though 2008 offered the economic equivalent of the perfect storm. But why?

At the risk of oversimplifying a complex situation, one can point to the pursuit of short-term profit, or greed, as one main culprit in the economic meltdown. Not the type of greed demonstrated by Bernard Madoff, the famed Wall Street money manager whose investment scheme resulted in multi-billion dollar losses to his faithful clients, but rather the lure of the huge bonuses handed out by Wall Street to those able to keep the short-term profit pipeline full regardless of the long-term consequences, and the potential impact on investors.

Combine greed with inadequate risk management systems and a lack of regulatory oversight, and the recipe for disaster was well on its way. The recent failure of Bear Stearns offers an excellent example of regulatory failure, as does the untold number of U.S. homeowners sitting on subprime mortgages that were tantamount to ticking time bombs. While unknown for certain, it seems reasonable that the calamity brought about by the mortgage crisis could have been foreseen by lenders and regulators if only they had chosen to question the wisdom of such lending practices.

Unfortunately, the market turmoil that coincided with the faltering economy battered the investment community at large, including Symmetry Portfolio. Indeed, the S&P 500, a common and widely recognized index of US. market performance, finished the year a dismal -37.00%, while the Lipper Balanced Fund Index, an index comprised of mutual funds combining both stocks and bonds, returned -26.19%. The Symmetry Structured 100/0 returned -40.30% net of fees, while the Structured 60/40 returned -23.80%.

While no magic formula exists to ensure a similar scenario won't be repeated, increased industry oversight to ensure the preeminence of client interests over those of Wall Street could go a long way toward avoiding such debacles in the future. Wall Street needs to embrace, and live by, the notion that they have a fiduciary responsibility to those they serve.

From the investors' perspective, a prudent investment strategy may be one that focuses on long-term appreciation, asset allocation and broad diversification. These attributes have historically helped to temper risk while aiding in wealth accumulation over time. These same attributes serve as the foundation of Symmetry Portfolio. Based on more than 50 years of academic, as opposed to Wall Street, research, Symmetry's broadly diversified portfolios offer exposure to more than 15 different assets classes, encompassing approximately 12,000 securities from 40 countries around the globe.

While it's nearly impossible to predict performance in the short-term, we feel Symmetry's passively managed, broadly diversified portfolios offer a time-tested strategy for helping clients to realize their long-term investment goals.

Happy New Year!

Pat + Dave

SYMMETRY®

Withdrawing From Your Portfolio During Retirement

The closing of one of the worst years in market history could not have come sooner for almost any equity investor. However, the assumption for investors with long timeframes and a stomach for the risk is that the equity experience in years to come will make up for the horrific performance of 2008, building their portfolios back up over time as the equity risk premium asserts itself.

For those who had the misfortune to retire in 2008, or shortly before, a downturn of this magnitude carries greater problems. Indeed, starting the withdrawal phase of one's investment lifecycle during a downturn is a misfortune that can easily derail an investor's financial goals, as the necessity to sell off equities at low prices cripples the portfolio's ability to bounce back. If a retiring investor was overly exposed to equities and has suffered major losses, there are no easy answers. The client may be best off over the long haul by acknowledging the market calamity and minimizing unnecessary drawdowns on the portfolio, as opposed to moving forward with any preset withdrawal plan.

Of course, the most prudent course for investors is to be slowly moving out of equities as retirement draws near. Anything less than a three-year time horizon is considered short-term, and an investor generally should not have any significant equity exposure for money that will be needed within that timeframe.

The science of preparing for and entering the withdrawal phase of one's investment lifecycle is complicated, and has been made more difficult by increasing longevity rates as well as the demise of defined benefit plans[1] and the consequent rise in defined contribution plans, which increase the risk borne by the investor. Indeed, there are several risks to consider when contemplating retirement planning, including investment risk, sequence of returns risks, inflation risk, and longevity risk.

Investment Risk. How much risk are investors willing to accept in their portfolios? This is the same question that must be addressed during the working years. Managing investment risk has two major aspects. The first is to hold a diversified portfolio; the second is to determine the appropriate mix of risky assets and less-risky assets. Among the former are US equities, international and emerging market equities and REITs. The latter might include fixed income instruments, cash and annuities.

Sequence of Returns Risk. Closely related to investment risk is the risk associated with portfolio returns in the years surrounding the target retirement date. It is during these years that the investor will likely have the greatest number of dollars invested. Therefore, as mentioned, the investor's wealth is especially vulnerable to negative returns during that time. Again, managing sequence of returns risk is accomplished by having a prudent allocation to equities in the years immediately proceeding and those immediately following retirement.

Inflation Risk. Investors in retirement are presumably drawing down on their portfolio assets to finance their consumption. Their consumption includes, but is not necessarily limited to food, housing, transportation, energy, medical, philanthropy, travel, and entertainment. As the prices of the goods and services associated with their desired consumption rise, their portfolio withdrawals must rise in nominal terms. Managing inflation risk requires that the growth in portfolio assets at least keep pace with inflation. While fixed income investments (e.g. T-bills) typically keep pace with inflation, earning a real return (i.e., nominal returns in excess of inflation) over time is best accomplished by having some equity in the portfolio. Social Security is indexed to the Consumer Price Index (CPI-W) which provides investors an income stream that is hedged against inflation. The hedge, however, is not perfect as the inflation that you experience is not necessarily the same as is measured by the CPI-W.[2]

Longevity Risk. Obviously, investors run the risk of outliving their retirement savings. Managing longevity risk suggests an allocation to equity as well as a prudent withdrawal strategy. Existing insurance products, such as lifetime annuities and innovations on the horizon such as longevity insurance, offer ways to manage this risk as well.

How Much Can One Withdraw? Some Ad Hoc Rules

How much then can a retiree safely withdraw from his or her accumulated wealth? This seemingly simple question is actually quite complex. The answer will depend on the investor's accumulated wealth, desired standard of living, the expected mortality of not only the investor, but also that of his or her spouse, as well, any desire for a bequest, and the risk and return characteristics of the retirement (presumably Symmetry) portfolio. The financial planning community has developed many "rules of thumb" for use in the practice of advising clients how to transition to and fund their retirement years. Many are based in the collective wisdom of advisors. For example, Vanguard Investment Counseling and Research states "extensive research and empirical evidence gained through our nearly 90 years of helping millions build financial security in retirement suggest people should aim to replace approximately 80% of their pre-retirement income when they stop working," although, recent estimates in the financial press have ranged as high as 125% of pre-retirement income. It is reasonable to expect that some of that retirement income (at least in the short-term) will come in the

[1] Watson Wyatt Worldwide report (2006) of the Fortune 100 companies, 89 offered DB plans in 1985 while only 39 offered DB plans in 2005.
[2] For example, the US Bureau of Labor Statistics also publishes a price index applicable for those over 62 years of age called CPI-E, which has a higher allocation to medical and housing expenses as compared to the CPI-W. In the period Dec 1997 through Dec 2003, the CPI-W rose 13.7% while the CPI-E rose 15.8%.

form of Social Security or perhaps even a pension; the remainder will likely need to be drawn down from the accumulated assets of the retiree. Another common rule of thumb is to aim to accumulate 25 times your anticipated first year's withdrawal, which implicitly assumes a 4% withdrawal rate in a low-risk portfolio. In fact, the 4%-5% recommended withdrawal rate is ubiquitous and is based on the seminal study on sustainable withdrawal rates known as the "Trinity Study."[3] However, some have advocated more aggressive withdrawal strategies. For example, Jonathon Clements in the *Wall Street Journal* recently suggested that a 6.5% withdrawal rate may be appropriate for a balanced portfolio. It is our contention that these rules of thumb are useful but incomplete.

Sustainable Withdrawals

We used Monte Carlo simulation to look at two very different withdrawal strategies in the context of the Symmetry 40/60 and 100/0 portfolios. To do our analysis, we assume a beginning portfolio value of $1 million, a "logistic"[4] return distribution, an expected annual return of 6.6% and 10.5% and standard deviation of 5% and 13% for the 40/60 and 100/0 models, respectively. We also assume annual inflation of 3% and an investment horizon of 40 years.

Before we discuss our results, we must explain a little about how the analysis works. Monte Carlo simulation is a sophisticated analytical tool that we use to better understand risk. We use the software program @Risk to conduct a Monte Carlo simulation to estimate probabilities of running out of money given a certain withdrawal strategy by trying the strategy over and over for thousands of trials, each time using a different theoretically possible path of portfolio returns. Some of the trials will have above average returns through the course of the theoretical "retirement" period, some will have average and some will have below average. Some of the trials will start out with poor return years but end well, others will do the opposite. The idea is to run enough trials that you capture a good estimate of what may happen to the portfolio over time. Be advised, that the tool is limited. It is only as good as the assumptions you make to set up the trials. Those assumptions are based on past experience, which may or may not hold for the future. Furthermore, the actual retirement experience will take only one path. So even if the probability of a very bad outcome is low, you may have the bad luck of hitting that rotten path. The purpose of the simulation is to give investors some idea of relative likelihoods for different outcomes depending upon the type of withdrawal strategy they choose and the amount of risk they take. No one can say for sure how any strategy will bear out in the long run, making it essential that the plan be dynamic and that the investor work in constant concert with the advisor to make updates as needed based upon what actually does occur. This market period is a prime example. Many investors retiring now had chosen an equity allocation and estimated how much they could take from their savings based on prior averages. Given the outcome in 2008, those plans will likely need to be revised based on what actually occurred.

The first strategy we consider is a constant real dollar withdrawal strategy, that is to say you withdraw a given constant real dollar amount (e.g., $50,000 adjusted for inflation) annually over time. The second is a constant nominal percentage of portfolio withdrawal strategy, for example you withdraw 5% of your portfolio value annually. The constant real withdrawal policy has the advantage of providing the retiree with the dollars to support a constant level of real consumption in retirement but this comes with a non-zero probability of exhausting your wealth. In other words, the retiree withdraws a preset amount of money each year, adjusted for inflation, regardless of fluctuations in the value of the portfolio supporting that withdrawal. The second strategy, a constant nominal strategy, has the advantage of never technically resulting in financial ruin (though portfolio value can go so low as to be unable to support basic needs), but the cost of this security is that it allows the purchasing value of the withdrawals to fluctuate substantially over time with portfolio returns. With this strategy, the client reacts to fluctuations in the portfolio value by altering his or her consumption accordingly. The following summarize our basic findings.

- A fixed real withdrawal strategy, (the first type), unless the portfolio is riskless and the withdrawal rate is at or below the real return on the portfolio, will lead to some possibility of exhausting the portfolio assets. This occurs because of the mismatch between the investor's desire to consume a fixed amount and the fact that the value of the portfolio used to finance the consumption is not fixed.
- A fixed real withdrawal strategy produces minimal and/ or perhaps acceptable probability of exhausting portfolio assets (say <10%) for reasonable investment horizons (say <25 years) and reasonable real withdrawal rates (say 4-5%) for both the 100/0 and 40/60 portfolios. However, when sequence of returns risk is specifically analyzed (i.e., the chance that you will retire at the wrong time), the 100/0 results in unacceptable probabilities of exhausting portfolio assets for investment horizons beyond 15 years and withdrawal rates of 5% or greater.
- Real withdrawal rates in excess of 5% are making unrealistic (optimistic) assumptions about portfolio risk and return and/ or assuming shorter investment horizons.

[3] Cooley, P., Hubbard, C., and D. Walz (1998), "Retirement Savings: Choosing a Withdrawal Rate that is Sustainable," *AAII Journal*, February 1998, p. 16.

[4] The logistic distribution is bell-shaped and symmetric about the mean like the normal distribution; it differs in that it has "fat tails" relative to the normal. Specifically, the kurtosis (a statistical measure of "fat tails") of a normally distributed variable is 3.0, while the kurtosis of the logistic distribution is 4.2.

- Nominal withdrawal strategies, where the investor changes how much he withdraws based on the current value of the portfolio, can virtually eliminate the risk of outliving portfolio assets. The trade-off, however, is the investor must be willing to accept fluctuations in the purchasing power of the withdrawals as a result of fluctuations in the portfolio's value.
- The use of high or even all equity allocations with nominal withdrawal strategies can be considered if the subsistence level of consumption (i.e. food, clothing and shelter) can be satisfied with a high level of probability after considering sequence of returns risk.
- The use of equity conservative allocations is appropriate when the investor has not saved sufficiently to meet retirement needs under reasonable return assumptions. In other words, a more conservative stance is probably best to preserve what assets do exist. One should not "ratchet up the risk" of the portfolio in order to make up for not saving sufficiently because it introduces the possibility of absolute ruin. This, of course, means that the investor may not be able to enjoy the standard of living in retirement that he had hoped.
- For those who find themselves approaching retirement during a bear market, such as the one we are currently experiencing, holding off retirement or drastically reducing consumption may be the best responses in order to avoid the catastrophic drawdown on initial portfolio wealth that can cripple the long-term retirement plan.

Please be advised that the information presented in this section regarding withdrawal strategies is intended to assist you in discussing these matters with your financial advisor or tax consultant. Before proceeding with these strategies, an investor needs to consult with the appropriate qualified advisor to ascertain if these strategies are applicable and appropriate to the individual's unique circumstances.

Fourth Quarter 2008 Review: Symmetry Portfolio and the Markets (Continued from page 1)

Interesting to note is the superior performance of those portfolios more heavily weighted in fixed income; further evidence of the particularly rough road traveled by equities over the quarter.

Returns for Symmetry Portfolio over the one-year period further illustrate the negative impact of the equity markets this year. Punished for its 100% exposure to equities, the Structured 100/0 posted a one-year return of -40.30% compared to an annualized return of -37.00% for the S&P 500. While diversification is typically an investor's ally long-term, during this short period, Symmetry's exposure to emerging markets and international mature markets undoubtedly contributed negatively to the overall performance. Indeed, the MSCI Emerging Markets index posted a one-year return of -53.18%, while the MSCI EAFE posted a one-year return of -43.06%.

With a one-year return of -23.80%, the Structured 60/40, while uninspiring, surpassed the -26.19% return of the Lipper Balanced Fund Index. Similar to the returns of the fourth quarter, higher fixed income allocations tended to buoy the portfolios' performance as evidenced by the returns of -14.90%, -5.81% and 3.44% for the Structured 40/60, 20/80 and 0/100.

Symmetry Portfolio	10- Yr Annualized 01/1/99 - 12/31/08	5- Yr Annualized 01/1/04- 12/31/08	1- Yr Annualized 01/1/08- 12/31/08	Q4 2008
100/0	4.69%	0.20%	-40.30%	-25.62%
80/20	4.87%	1.13%	-32.51%	-19.77%
60/40	4.93%	1.97%	-23.80%	-13.67%
40/60	4.77%	2.52%	-14.90%	-7.92%
20/80	4.40%	2.80%	-5.81%	-2.50%
0/100	3.81%	2.85%	3.44%	2.62%

Major Market Indices	10- Yr Annualized 01/1/99 – 12/31/08	5- Yr Annualized 01/1/04- 12/31/08	1- Yr Annualized 01/1/08- 12/31/08	Q4 2008
S&P 500	-1.38%	-2.19%	-37.00%	-21.94%
Russell 2000	3.02%	-0.93%	-33.79%	-26.12%
MSCI EAFE	1.18%	2.10%	-43.06%	-19.90%
MSCI Em.Mkts	9.31%	8.02%	-53.18%	-27.56%
Citi USBIG Treas. Index 1-5 yrs	5.17%	4.61%	8.75%	4.27%
Lipper Balanced Fund Index	1.45%	-0.04%	-26.19%	-14.01%

Looking longer-term, all Symmetry Portfolios finished in positive territory over the trailing five-year and ten-year periods; timeframes better suited to reviewing the performance of a long-term investment strategy such as Symmetry. Given the recent volatility in the equity markets, the Structured 0/100 fixed income portfolio posted the highest return of all portfolios over the trailing five-year period with a return of 2.85%. The standard deviation, a common measure of volatility or portfolio risk, was a low 1.57%. The Structured 60/40 returned 1.97% with a standard deviation of 9.59%, while the Structured 100/0 was essentially flat, but still positive, with a five-year annualized return of 0.20%.

While disappointing, Symmetry's returns surpassed the -2.19% return of the S&P 500 with its standard deviation of 12.86%, as well as the -0.93% five-year annualized return of the Russell 2000, and the -0.04% return of the Lipper Balanced Fund Index. While posting a lower return than those realized in Symmetry portfolios, the Russell 2000 demonstrated greater risk given its standard deviation of 18.10%. The Lipper Balanced Fund Index with a standard deviation of 9.33% exhibited, as would be expected, similar volatility to that of the Structured 60/40 with its standard deviation of 9.59%.

Past performance does not guarantee future results. The above information is supplemented by the attached disclosure located on pages 6 and 7. The data should be reviewed in conjunction with the disclosure to understand the limitations of the performance information. As with any investment strategy, there is the possibility of profitability as well as loss. Diversification seeks to improve performance by spreading your investment dollars into various asset classes to add balance to your portfolio. Using this methodology, however, does not guarantee a profit or protection from loss in a declining market. Data is from sources believed to be reliable but cannot be guaranteed or warranted.

Exposure to international equities undoubtedly contributed to Symmetry's overall positive performance for the trailing five year period – the MSCI Emerging Markets Index and the MSCI EAFE posted five-year returns of 8.02% and 2.10% respectively. Similarly, exposure to fixed income benefited Symmetry's balanced portfolios as evidenced by the Citigroup USBIG Treasury Index, 1-5 years with its return of 4.61% over the period. Difficult market periods, as we've recently experienced, remind us that a mix of stocks and bonds, coupled with broad diversification, has been beneficial to most investors over the long-term.

Looking at the past ten years, Symmetry's Structured 60/40 posted the highest annualized return of all Symmetry portfolios over the period with a return of 4.93%. Outpacing the -1.38% ten-year return of the S&P 500, the Structured 60/40 displayed a standard deviation of 9.02% vs. the more volatile 15.10% standard deviation of the index. In essence, the Structured 60/40 delivered a greater return over the time period with less risk. Other Symmetry portfolios performed similarly with returns ranging from the previously discussed 4.93% for the Structured 60/40, to 3.81% posted by the Structured 0/100.

Index data over the ten-year period ranged from a high of 9.31% for the MSCI Emerging Markets index, to a return of -1.38% for the S&P 500. Other indices trailing Symmetry over the period included the Russell 2000 at 3.02%, the MSCI EAFE at 1.18%, and the Lipper Balanced Fund Index at 1.45%. The Citigroup Treasury Index, with a return of 5.17%, was able to sneak past the Structured 60/40, reflecting the impact of the past year's volatile equity markets on portfolio performance.

Undoubtedly, 2008 will be remembered well into the future. It would be difficult for one to forget a year marked by such volatility, corporate chaos and demise. A year the government was called on to bail out industries and companies in an effort to restore economic and market order. So, from an investor's perspective, how should one respond to the recent events in the economy and the markets?

For those maintaining a long time horizon, our advice is to stay invested. Those who have been in the markets over the past year have endured the pain, and are well positioned to benefit from the market's next upswing, or the next bull market. Getting out now would simultaneously lock in a loss, while virtually guaranteeing that the next advance in the markets, at least initially, will be missed. Historically, some of the markets' best days have occurred at the start of bull markets. To fully capture the upside that the markets have to offer, one needs to be invested.

For those who have been on the sidelines, this may be a good time to enter the markets. Prices are at comparatively attractive levels, and for the long-term investor, this may be a golden opportunity to position assets for long-term appreciation.

Yet some may wonder if we're out of the woods; if the wild ride we experienced in 2008 has finally come to an end, or at least subsided. While numerous media "experts" may pontificate on the matter, in reality, no one knows. While disconcerting, volatility and bear markets are not new phenomena, but a normal part of the market cycle. For those investing long-term, time is their ally; time to ride out the ups and downs of the markets while also benefitting from the risk mitigating properties of a broadly diversified portfolio.

SYMMETRY®

Dimensional Fund Advisors' Component Funds

	Ticker	Inception Date	Expense Ratio	4th Quarter 2008	1-Year 1/08 - 12/08 Ann Return	5-Year 1/04 - 12/08 Ann Return	10-Year 1/99 - 12/08 Ann Return	Since Inception Ann Return
US Core 2	DFQTX	Oct. 2005	0.26%	-24.17%	-36.86%	N/A	N/A	-8.21%
US Lar Value	DFLVX	Mar. 1993	0.27%	-27.86%	-40.80%	-2.05%	2.15%	7.34%
US Vector	DFVEX	Jan. 2006	0.36%	-26.14%	-37.18%	N/A	N/A	-9.93%
Real Estate	DFREX	Jan. 1993	0.33%	-38.39%	-37.36%	0.59%	7.55%	7.58%
Int Core	DFIEX	Oct. 2005	0.49%	-22.25%	-44.01%	N/A	N/A	-6.20%
Int Small	DFISX	Oct. 1996	0.55%	-21.42%	-43.87%	3.41%	7.03%	3.75%
Int Sm Value	DISVX	Jan. 1995	0.69%	-19.38%	-41.68%	5.07%	9.52%	5.31%
Int Real Estate	DFITX	Apr. 2007	0.65%	-33.03%	-51.92%	N/A	N/A	-39.70%
EM Core	DFCEX	May. 2005	0.85%	-26.51%	-50.66%	N/A	N/A	3.64%
EM Mkts Value	DFEVX	Apr. 1998	0.60%	-28.51%	-53.94%	11.05%	13.39%	11.38%
1-Yr Fixed	DFIHX	Aug. 1983	0.18%	2.46%	4.02%	3.42%	3.96%	6.06%
2-Yr Global	DFGFX	Mar. 1996	0.18%	2.34%	4.08%	3.28%	4.06%	4.62%
5-Yr Global	DFGBX	Dec. 1990	0.28%	3.66%	4.03%	3.54%	4.71%	6.42%

The Symmetry Structured Portfolios currently invest in the fund allocations listed above.

The model performance information for the Symmetry Structured Portfolios reflects various allocation changes made over time. Beginning in 1995, the Portfolio performance reflects the Symmetry Legacy Models, which held the following funds: DFLCX, DFLVX, DFSCX, DFSVX, DFREX, DFIVX, DISVX ,DFEMX, DFIHX, DFFGX, DFGBX as well as four proxy funds: DFJSX, DFUKX, DFCSX, and DFRSX. Beginning Jan. 1 1997, DFGFX and DFISX were added to the Portfolio and the proxies were removed. Beginning Jan. 1, 1999, DEMSX and DFEVX were added. Beginning June 1, 2006, Symmetry moved to its Structured Model allocations, which no longer included the following funds: DFLCX, DFSCX, DFSVX, DFIVX, DFEMX, DEMSX, and DFFGX. These funds were replaced by DFQTX, DFVEX, DFCEX, DFIEX and the asset allocation adjusted per portfolio, according to the necessary relevant factors. As of April 1, 2008, Symmetry added DFITX (International Real Estate Fund) to the Portfolios.

DFA Funds above are no-load institutional fund shares.

The performance information above is past performance. Past performance does not guarantee future results. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted.

Investors should consider the investment objectives, risks, and charges and expenses of the investment company carefully before investing. The prospectus contains this and other information about the investment company. Prospectuses may be obtained from your advisor or from Dimensional Fund Advisors: www.dfaus.com. For the most recent month end performance information, please call Dimensional Fund Advisors at 310-395-8005. Please read the prospectus carefully before investing or sending money. Expense ratios per prospectus dated 03/29/08.

Past performance does not guarantee future results. The above information is supplemented by the attached disclosure located on pages 6 and 7. The data should be reviewed in conjunction with the disclosure to understand the limitations of the performance information. As with any investment strategy, there is the possibility of profitability as well as loss. Diversification seeks to improve performance by spreading your investment dollars into various asset classes to add balance to your portfolio. Using this methodology, however, does not guarantee a profit or protection from loss in a declining market. Data is from sources believed to be reliable but cannot be guaranteed or warranted.

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Portfolio Returns Disclosure

Please note that the performance information presented through the time period May 31, 2006, is the result of the Symmetry Legacy Portfolios. The Legacy Portfolios are comprised of the following Dimensional Fund Advisor funds: DFLCX, DFLVX, DFSCX, DFSVX, DFREX, DFIVX, DFISX, DISVX, DFEMX, DFEVX, DEMSX, DFIHX, DFFGX, DFGFX, DFGBX, and the asset allocation assigned to each fund pursuant to the strategy and structure of the portfolio, (i.e., 100% equity, etc.). As of June 1, 2006, Symmetry made changes to the Portfolios and following funds: DFLCX, DFSCX, DFSVX, DFIVX, DFEMX, DEMSX, and DFFGX were replaced by DFQTX, DFVEX, DFCEX, and DFIEX. As of April 1, 2008, Symmetry has added DFITX (International Real Estate Fund) to the Portfolios.

Please be advised that the information presented does not include Symmetry Partners Non-Qualified (tax-managed) Portfolios, which contain funds that are geared toward achieving tax efficiency.

Past performance is no guarantee of future results. Investment return and principal value of an investment in the fund(s) will fluctuate so that an investor's shares when redeemed may be worth more or less than their original cost. As with any investment strategy, there is a potential for profit as well as the possibility of loss. The Symmetry investment strategy is based on a hybrid of Modern Portfolio Theory and Efficient Market Hypothesis. The strategy employs passive management with emphasis on diversity in order to reduce risk.
The portfolios are designed, based on historical performance data, for funds to be invested and allocated in approximately three to fifteen mutual funds as determined by academic research.

The data shown represents model portfolios constructed by Symmetry Partners utilizing DFA, (Dimensional Fund Advisors), mutual funds. DFA creates mutual funds that attempt to track indexes. These indexes are SBBI indexes, (Stocks, Bonds, Bills and Inflation Yearbook, by Roger G. Ibbotson and Rex Sinquefield, updated annually), created by Fama/French, Keim, and Dimensional Fund Advisors, (DFA), from the database at the Center for Research in Securities Prices, (CRSP), housed at the University of Chicago's Graduate Business School. The performance information presented in this chart from January 1, 1999, to December 31, 2001, represents back tested performance figures based on live mutual fund data. The period of January 1, 2002, to the present represents the time period the portfolios were constructed and are model returns with historical data from live DFA mutual funds. The back tested and model performance figures assume reinvested dividends and capital gains. The performance results include the net effect of .50% investment management and mutual fund expenses. Symmetry's compensation is the investment management fee only and Symmetry is not paid any form of compensation or commission from any mutual fund company or broker-dealer. Back tested and model performances have certain limitations and do not reflect actual client performance. Actual client accounts may vary significantly from the model performances due to factors unique to each client. The performance figures include yearly rebalancing, a 2% cash position, but do not take into consideration tax-management strategies, actual trading, advisor or referral fee, transaction costs such as wire transfer fee, etc., and the custodian fee. All of which, when deducted, would reduce returns. The performance figures also exclude non-discretionary assets, which are not part of Symmetry's model portfolios. The back tested performance results also differ from actual performance because it is achieved through the retroactive application of Symmetry's model portfolios. For all data periods, the Symmetry Portfolio returns data is provided by Dimensional Fund Advisors and is imported in Zephyr StyleADVISOR from the DFA software program. The performance figures and standard deviations are calculated utilizing Zephyr StyleADVISOR and inputting the appropriate time range and corresponding months.

Indexes
Data is courtesy of Dimensional Fund Advisors and Lipper, Inc. All indexes have certain limitations. Investors cannot invest directly in an index. Indexes have no fees. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. Actual performance for client accounts may differ materially from the index portfolios

Symmetry's model portfolios are diversified with approximately twelve distinct asset classes ranging form domestic large cap, small cap, bonds (2 to 5 year maturities, except in the equity portfolio where there are no bonds), real estate, and international value, etc. The comparison to the S & P 500, the MSCI EAFE, (Morgan Stanley Capital International Europe, Australia, Far East Index), MSCI Emerging Markets, Citigroup USBIG Treas. 1-5 year index, Lipper Balanced and Russell 2000, are chosen to demonstrate the performance results against widely recognized indexes. The indexes do not necessarily represent a benchmark for model portfolio comparison as the S&P 500 Index is dominated by large cap stocks, and the MSCI EAFE index is composed of companies representative of the market structure of 20 developed market countries in Europe, Australia and Far East. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging market and consists of 25 emerging market country indexes. The Citigroup USBIG Treasury Index 1-5 Yr measures total returns for the current on-the-run Treasuries that have been in existence for the entire month and is used as a proxy for high quality and short duration bond holdings. The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index. The Russell 3000 index measures the performance of the 3,000 largest U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market. The Lipper Balanced Fund Index measures the average level of performance of funds whose primary objective is to conserve principal by maintaining, at all times, a balanced portfolio of both stocks and bonds. Typically the stock/bond ratio ranges around 60%/40%.
Dow Wilshire REIT is a subset of the DJ Wilshire Real Estate Securities Index that measures publicly traded US Real Estate Investment Trusts.

Past performance does not guarantee future results. The above information is supplemented by the attached disclosure located on pages 6 and 7. The data should be reviewed in conjunction with the disclosure to understand the limitations of the performance information. As with any investment strategy, there is the possibility of profitability as well as loss. Diversification seeks to improve performance by spreading your investment dollars into various asset classes to add balance to your portfolio. Using this methodology, however, does not guarantee a profit or protection from loss in a declining market. Data is from sources believed to be reliable but cannot be guaranteed or warranted.