

The good things in life are simple, why should investing be any different?

Invest simply without sacrificing sophistication. Constructing a low cost, tax efficient and risk managed core portfolio has never been easier.

A few simple investment decisions can allow one to reach their financial objectives.

- Prudent Management
- Balance and diversification
- Long-Term perspective

QSI was founded in 2001 to provide broad diversification at a low cost. The advent of ETF's enhances its opportunity and creates a distinct advantage for lowering cost, increasing tax efficiency without sacrificing balance and diversification. When investing in a core portfolio structured for cost and tax efficiencies, the time-tested principles listed above allows clients to control two key components of net return to better meet their financial objectives.

BECAUSE WE ALL KNOW WITH INVESTING, IT IS NOT WHAT YOU MAKE, BUT WHAT YOU KEEP.

Focus on what can be managed.

You can't control market performance, but you *can* control your investment costs and tax liability.

■ INVESTMENT COSTS

The impact of fees and taxes is often overlooked by investors and can play significantly into investors returns.

The inherent structure of ETF's causes them to be more tax efficient than the average mutual fund.

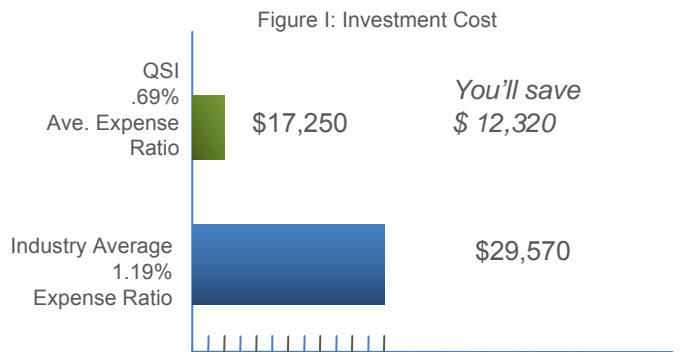


Figure I: This hypothetical illustration assumes investments with account value averaging \$250,000 held for 10 years. It doesn't represent any particular investment. The savings that could be obtained we based on the average QSI account expenses as of 12/31/2008. QSI's expense calculation includes an average investment management fee of .32%, weighted average internal expenses of .27, and estimated trading costs of .1 (based on a \$250,000 account rebalanced three times in a 12 month period). Source QSI, Vanguard. Investments are subject to risks.

■ TAX LIABILITY

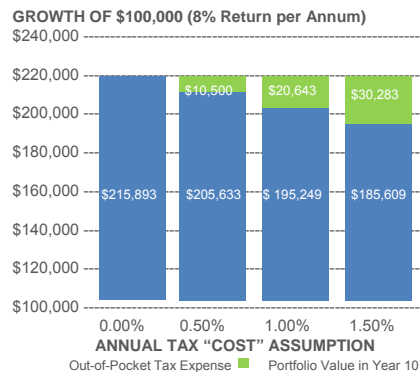
Figure II - illustrates a hypothetical impact of a 1.5% tax cost assumption over a 10-year period on an investor.

A significant impact to returns - *An investor would experience an out-of-pocket expense of more than \$30,000.*

Significant Potential

The impact is easy to ignore in periods of strong, stable markets. However, eliminating unnecessary costs and risks can make a difference in challenging markets.

Figure II: Hypothetical Tax Cost



Source: BCI May 2009. For illustrative purposes only. QSI does not offer tax advice. Investment illustrated above is gross of all fees.

DISCLOSURE. Quantitative Strategies, Inc. does not make any guarantee on returns of the investments. These materials are for preliminary informational purposes only and are not an offer or solicitation to buy or sell any security or to participate in the trading of a strategy. The information herein are believed to be obtained from sources believed to be reliable; however no representations made as to its completeness or accuracy. All forward looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the applicable statements. Any offer or solicitation with respect to any strategies or investments will be made solely by means of obtaining a copy of QSI's ADV II and talking to your financial advisor on the specific risks of the investment and if it appropriately suited for your specific financial circumstances. No investor will rely solely on the information on these materials in making a decision to invest in the strategy or investment.

MAY LOSE VALUE – NOT FDIC INSURED-NOT GUARANTEED