



**OCM Three-Year Investment Results**  
*Positive returns with no crystal ball*

On July 31, 2008, Osbon Capital Management (OCM) completed its first three years of index investment management for clients.

When we created client portfolios three years ago, we didn't know that oil and gold would reach \$147 and \$1000, respectively; that GM would hit a 50-year low; that Bear Stearns would collapse; that banks and others would write off half a trillion dollars in bad credits; or that the China/Shanghai Composite would plunge 52% from its peak.

However, to achieve solid results, OCM did not need to foresee or predict these or any other events that have come to pass since 2005.

What we did know was that owning all markets allows investors to participate in economic opportunity in all geographic and industry sectors and limits exposure to any single problem area. We also knew that zealously controlling client expenses increases client returns and tax efficiency allows clients to keep more of what they make.

That discipline – relying on carefully chosen low cost tax efficient ETF indexes, concentrating on asset allocation, and resisting any temptation to act on intuition or prediction no matter how plausible – has driven OCM's first three years of performance, and will drive future performance as well.

Our results are attached below. Of course, three years is a very short time for a firm that thinks and invests generationally. Nonetheless, the challenge remains to protect and grow capital through all investment environments, and to add value in excess of costs. Here's how we did. [http://www.osboncapital.com/performance\\_results.html](http://www.osboncapital.com/performance_results.html)

To see all of the Osbon Capital Management publications, visit <http://www.osboncapital.com/publications.html>.



The Osbon Capital Management (“OCM”) Graphical Performance History represents the combined performance of all OCM discretionary client accounts in existence from July 31, 2005 to July 31, 2008 (hereinafter referred to as the “OCM Composite”). Client accounts contained in the OCM Composite utilize the various OCM proprietary investment strategies and are invested in a range of investments suited to individual client objectives, risk profiles and time horizons. These investments can include a combination of individual stocks, bonds, options, mutual funds, exchange traded fund and other instruments managed with a view towards income, total return and/or capital appreciation.

The OCM Composite performance results presented herein reflect the deduction of OCM’s highest management fee of 0.80% per annum as disclosed in OCM’s Form ADV Part II. Actual investment management fees vary by individual client account, but generally range between 0.50% and 0.80% of the value of assets under management. OCM Composite performance results presented are net of custodial costs, brokerage commissions and other expenses and reflect the reinvestment of dividends and other earnings. Comparison of the OCM Composite to the benchmark and the indexes contained herein is for illustrative purposes only and the volatility of the benchmark and the indexes may be materially different from the volatility of the OCM Composite due to varying degrees of diversification and/or other factors.

Past performance of the OCM Composite may not be indicative of future results and the performance of a specific individual client account may vary substantially from the composite results in part because client accounts are customized based upon each client’s varying investment goals, time horizons, and risk tolerances. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will be profitable.

The Portfolio Allocation presented herein represents the average allocation of actual OCM accounts in existence as of July 31, 2008. The Portfolio Allocation does not represent the allocation of an individual client’s account and is subject to change without notice. OCM is a registered investment adviser with its principal place of business in the Commonwealth of Massachusetts. OCM and its representatives are in compliance with the current registration requirements imposed upon registered investment advisers by those states in which OCM maintains clients. OCM may only transact business in those states in which it is registered, or qualifies for an exemption or exclusion from registration requirements. Any subsequent, direct communication by OCM with a prospective client shall be conducted by a representative that is either registered or qualifies for an exemption or exclusion from registration in the state where the prospective client resides. For information pertaining to the registration status of OCM, please contact OCM or refer to the Investment Adviser Public Disclosure web site ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)). For additional information regarding OCM, please contact OCM for a copy of OCM’s disclosure statement as set forth on Form ADV using the contact information herein. Please read the disclosure statement carefully before you invest or send money.