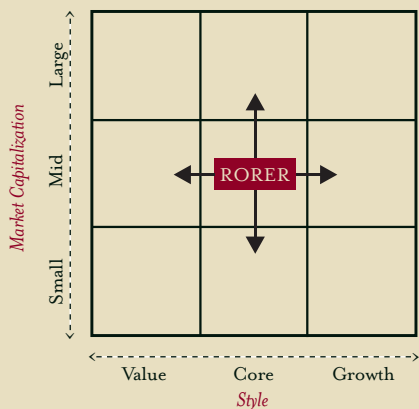


**CONCENTRATED
ALL CAP EQUITY**

PORTFOLIO SUMMARY:



Investment Objective:

The cornerstone of Rorer's investment philosophy is to purchase high quality companies with strong fundamentals that are exhibiting both attractive relative valuation and strong potential for growth. The firm has found that this approach provides competitive risk adjusted returns across investment cycles.

Product Inception:

2006

Benchmark:

Russell 3000®

RORER

ASSET MANAGEMENT, LLC

www.rorerasset.com

**CONCENTRATED ALL CAP EQUITY
SECTOR WEIGHTINGS**

SECTORS	RORER	RUSSELL 3000®
Consumer Discretionary	3.0%	9.0%
Consumer Staples	0.0%	9.3%
Energy	13.4%	15.2%
Financials	10.4%	14.5%
Health Care	21.3%	11.7%
Industrials	22.9%	11.9%
Information Technology	18.7%	16.6%
Materials	0.0%	4.5%
Telecommunication Services	0.0%	3.0%
Utilities	0.0%	4.3%
Cash	10.4%	0.0%
Total	100.0%	100.0%

TOP TEN HOLDINGS:

Apple Computer Inc. (AAPL)	Nabors Industries Ltd. (NBR)
Corning Inc. (GLW)	Parker Hannifin Corp. (PH)
Express Scripts Inc. (ESRX)	Pharmaceutical Product Development Inc. (PPDI)
Halliburton Company (HAL)	The Walt Disney Co. (DIS)
Janus Capital Group Inc. (JNS)	
Kaydon Corp. (KDN)	

**CONCENTRATED ALL CAP EQUITY
PORTFOLIO CHARACTERISTICS**

	RORER	RUSSELL 3000®
Number of Stock Holdings	33	3,000
Average Dividend Yield	0.8%	2.1%
Price to Earnings: Expected	16.4	13.6
Price to Book	3.2	0.2
Debt to Capital	32.2%	31.7%
Projected 1-Year Earnings Growth	17.8%	24.0%
Projected 5-Year Earnings Growth	15.5%	12.4%
Weighted Average Market Cap (\$ billion)	\$29.3	\$72.5

The data represents the aggregate characteristics of all companies held in the Rorer Concentrated All Cap model portfolio and is intended for informational purposes only. The Top Ten Holdings are not investment recommendations and may no longer be held in the account's portfolio.

PORTFOLIO REVIEW

During the second quarter, equity markets fell due to continued concerns about the credit crisis, the U.S. housing market and a potential recession. The broad equity market, as defined by our benchmark, The Russell 3000 Index, was down about 1.7% in the quarter. Housing prices in the U.S., which started to decline last year, continued their decline through the second quarter of this year. Problems in the sub-prime real estate market, which surfaced in the third quarter of last year, have grown at a meaningful rate. Global financial firms have now written off close to \$300 billion due to the housing meltdown and the losses are still growing. The persistent rise in commodity prices, ranging from energy to steel to food crops such as corn, is increasingly defining the economy and equity markets in 2008. A powerful stock market rally from the March lows was reversed as energy prices appear to have crossed a threshold that the consensus believes the global economy cannot handle. Not surprisingly, the best performing sector in the Russell 3000 in the quarter was energy, which was helped by the price of crude oil reaching all-time highs. The worst performing sector was financial services, which was negatively impacted by the housing market and credit problems. Our investment focus has been on businesses that can handle the rise in input costs via their pricing power, and we will carefully maintain exposure to the energy and industrial companies that we believe can directly benefit from the rise in prices.

We feel strongly that the recent market weakness, though disconcerting, presents patient investors with many extraordinary opportunities to own quality stocks at attractive valuation levels that are levered to strong long-term demand trends. While the Fed's actions to lower interest rates and support the mortgage market serve as confirmation that the risk of slowing U.S. growth outweighs the perceived risk of inflation, we believe that these actions also signal a critical commitment to stabilizing the U.S. capital markets. As the impact of these and prior policy actions filter through the system, we think investors will begin to look toward a period of better growth. Meanwhile, unemployment remains modest, wage growth is contained, international corporate and consumer spending trends remain positive and corporate earnings, outside of financial and consumer discretionary companies, are performing well. Taken together, the backdrop of what we believe is a temporary decline in stock prices and a favorable monetary policy is advantageous to the Rorer investment process. We believe our emphasis on high quality companies, trading at low relative valuations, will help us to continue outperforming the market in the years ahead.

MARKET REVIEW

As noted above, the Russell 3000 Index declined about 1.7% during the second quarter, while our All Cap portfolio posted strong appreciation thereby substantially outperforming the Index for the period. This performance was largely due to good stock selection and not from sector bets. Our three best performing stocks were Synaptics, Nabors Industries, and Bucyrus International, coming from the technology, energy, and industrial sectors. Our three worst performers were American International Group, Morgan Stanley, and Hologic, coming from the financial services and health care industries. Our portfolios benefited in the quarter from our accurate economic forecast, which led us to underweight the consumer throughout the period, a condition we expect will persist through the remainder of 2008.

TRADE ACTIVITY

Trading activity was light in the quarter. We initiated a new position in Psychiatric Solutions, a health care provider that dominates its market in inpatient psychiatric services. During the quarter we sold PepsiCo, a fine company that we felt would be hampered by rising packaging and food costs without the ability to pass them along fully to the consumer. In addition, we sold our position in Valero, a refining company we felt would also suffer from diminishing margins. Lastly, we sold Terex, an industrial company we felt would suffer from its large exposure to Europe and its slowing economy.

Purchases

Psychiatric Solutions Inc. (PSYS)

Sales

Bucyrus International Inc. (BUCY)

Emulex Corp. (ELX)

Valero Energy Corp. (VLO)

PepsiCo Inc. (PEP)

Terex Corp. (TEX)

Any sectors, industries, or securities discussed herein should not be perceived as investment recommendations. The views expressed represent the opinions of Rorer Asset Management as of July 1, 2008 and are not intended as a forecast or guarantee of future results. The securities discussed in this commentary may no longer be held in an account's portfolio. It should not be assumed that any of the security transactions listed were or will prove to be profitable, or that the investment recommendations we make in the future will be profitable.

The Russell 3000® Index is a registered trademark of the Frank Russell Company. Russell® is a trademark of the Frank Russell Company. One cannot invest directly in an index.