



Start Date: Oct-2007 - End Date: May-2009

Trading Strategy

ST Counter Trend & Momentum

Program Description

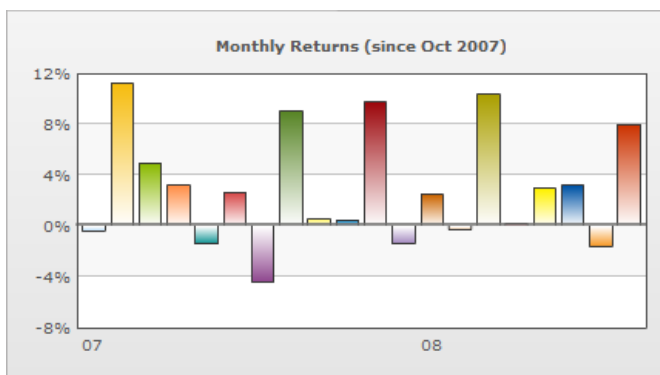
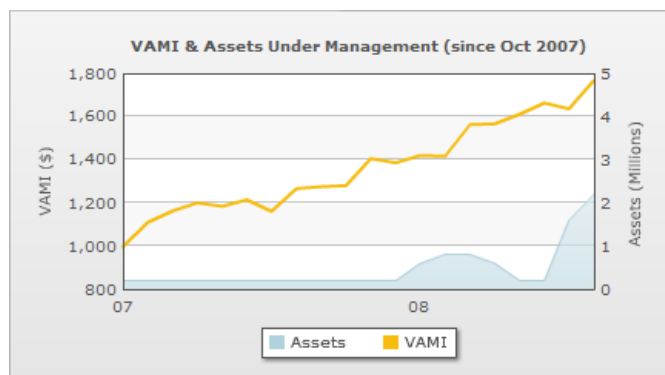
The SAM 101 System is a unique quantitative trading strategy offered by FTC, CTA. The firm specializes in the development of trading strategies designed to capitalize on short term price movements across a diversified portfolio. The strategy was developed through a rigorous quantitative study of a large data base of historical prices and was designed to have a low correlation to trend following strategies. The methodology is extremely short term in nature and utilizes counter trend and momentum analysis. Positions are held for an average of 2 to 5 days.

Investment Information

|                           |            |
|---------------------------|------------|
| Start Date                | 2007-10-01 |
| Percent Discretionary     | 0.00       |
| Percent Systematic        | 100.00     |
| Targeted Return *         | 20%        |
| Worst Expected Drawdown * | 10%        |
| Minimum Investment        | 200,000    |
| Currency                  | US Dollars |
| Fee Structure             |            |
| Management Fee            | 2.00%      |
| Incentive Fee             | 20.00%     |
| Avg Margin Requirement    | 15.00%     |
| Round Turns per million   | 3,500      |

Notes

Accountant Monarch Performance Accounting



Performance since October 2007

| Year | Jan   | Feb    | Mar   | Apr    | May   | Jun   | Jul   | Aug   | Sep    | Oct    | Nov    | Dec    |
|------|-------|--------|-------|--------|-------|-------|-------|-------|--------|--------|--------|--------|
| 2007 |       |        |       |        |       |       |       |       |        | -0.39% | 11.22% | 4.94%  |
| 2008 | 3.21% | -1.43% | 2.68% | -4.39% | 9.06% | 0.59% | 0.48% | 9.74% | -1.37% | 2.49%  | -0.29% | 10.37% |
| 2009 | 0.18% | 2.95%  | 3.17% | -1.61% | 8.00% |       |       |       |        |        |        |        |

|                  | 2007   | 2008   | 2009 YTD |
|------------------|--------|--------|----------|
| Annual Return    | 16.26% | 34.40% | 13.06%   |
| Maximum Drawdown | -0.39% | -4.39% | -1.61%   |

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. PROSPECTIVE CLIENTS SHOULD NOT BASE THEIR DECISION ON INVESTING IN THIS TRADING PROGRAM/FUND SOLELY ON THE PAST PERFORMANCE PRESENTED.



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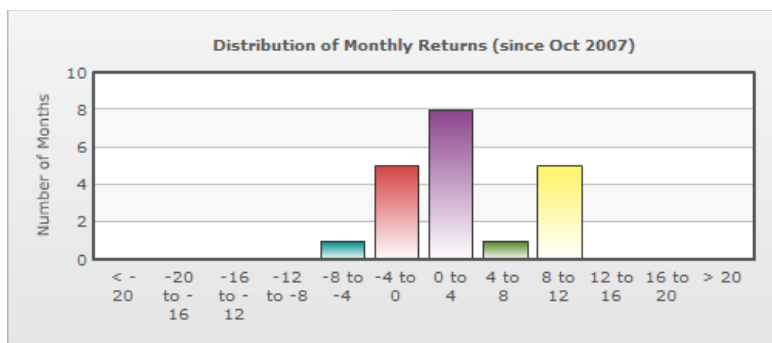
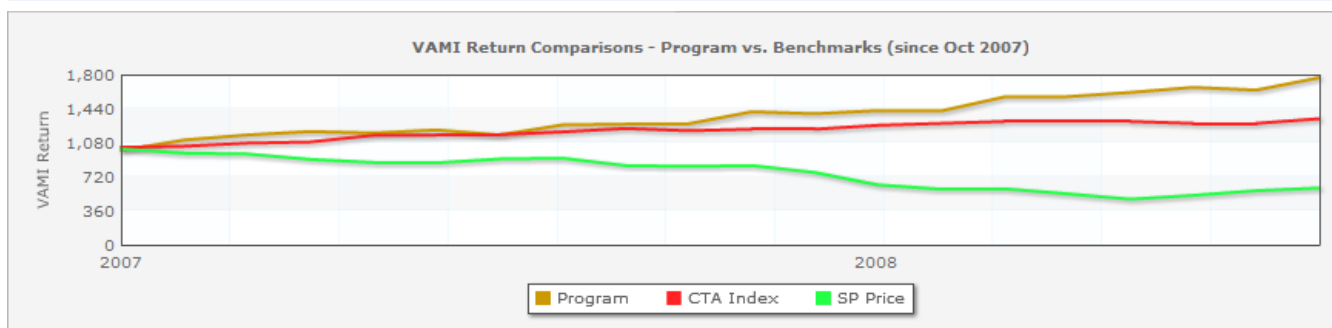
Program Statistics

|                                 |        |
|---------------------------------|--------|
| Maximum Drawdown                | -4.39% |
| Average Monthly Return          | 2.98%  |
| Monthly Std. Deviation          | 4.53%  |
| Calmar Ratio (1)                | N/A    |
| Sterling Ratio (2)              | N/A    |
| Current Losing Streak           | 0.00%  |
| Gain Deviation (14 months gain) | 3.93%  |
| Loss Deviation (6 months loss)  | 1.49%  |

Annualized Statistics

|                        |        |
|------------------------|--------|
| Compound ROR           | 40.70% |
| Standard Deviation     | 15.70% |
| Downside Deviation (4) | 4.89%  |
| Sharpe Ratio (5)       | 1.97   |
| Sortino Ratio (6)      | 5.60   |
| Gain Deviation         | 13.62% |
| Loss Deviation         | 5.15%  |

| Comparisons                    | Program | CTA Index | SP Price |
|--------------------------------|---------|-----------|----------|
| Annualized Compound ROR        | 40.70%  | 18.85%    | -26.25%  |
| Cumulative Return              | 76.66%  | 33.35%    | -39.80%  |
| Cumulative VAMI <sup>(3)</sup> | 1767    | 1333      | 602      |
| Largest Monthly Gain           | 11.22%  | 6.48%     | 9.39%    |
| Largest Monthly Loss           | -4.39%  | -1.79%    | -16.94%  |
| Profit Loss Ratio              | 7.29    | 9.39      | 0.42     |
| Correlation                    | —       | 0.139     | 0.105    |
| Last Month                     | -1.61%  | -0.17%    | 9.39%    |
| Last 12 Months                 | 39.51%  | 11.65%    | -34.37%  |
| Last 36 Months                 | 76.66%  | 43.93%    | -27.63%  |



Statistical Notes

1. Uses last 36 months of Data
2. Uses last 36 months of Data
3. The hypothetical growth of \$1,000
4. Uses a 7.5% Minimum Acceptable ROR
5. Uses a 5.0% Risk Free ROR
6. Uses a 7.5% Minimum Acceptable ROR

\* Targeted Return & Worst Expected Drawdown Estimates have been supplied by the Manager  
\*\* ROR = Rate of Return

For Statistical definitions and formulas see "Building Wealth with Managed Futures" by Kim Avery

THE RISK OF TRADING COMMODITY FUTURES, OPTIONS AND FOREIGN EXCHANGE ("FOREX") IS SUBSTANTIAL. THE HIGH DEGREE OF LEVERAGE ASSOCIATED WITH COMMODITY FUTURES, OPTIONS AND FOREX CAN WORK AGAINST YOU AS WELL AS FOR YOU. THIS HIGH DEGREE OF LEVERAGE CAN RESULT IN SUBSTANTIAL LOSSES, AS WELL AS GAINS. YOU SHOULD CAREFULLY CONSIDER WHETHER COMMODITY FUTURES, OPTIONS AND FOREX IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. IF YOU ARE UNSURE YOU SHOULD SEEK PROFESSIONAL ADVICE. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE SUCCESS.