

ETC

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As with any investment vehicle, past performance cannot assure any level of future results. No representation is made that the offering will or is likely to achieve its investment objective, or that it will or is likely to achieve results comparable to those shown herein, or will make any profit, or will be able to avoid incurring substantial losses. The information herein is summary only and is intended to be reviewed in detail with FTC (trading advisor), which is prepared to discuss the methodology and assumptions employed in the presentation of such data.

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Disclaimer – *continued*

GENERAL INVESTMENT OFFERING RISK DISCLOSURE

The offering is an unregistered private investment that is NOT subject to the same regulatory requirements as mutual fund's, including mutual fund requirements to provide certain periodic and standardized pricing and valuation information to investors. There are substantial risks in investing in the offering. Persons interested in investing in the offering should carefully note the following:

- * Speculative Investment – High Degree Of Risk. The offering represents a speculative investment and involves a high degree of risk. An Investor could lose all or a substantial portion of his/her investment. Investors must have the financial ability, sophistication/experience and willingness to bear the risks of an investment in the offering. An investment in the offering should be discretionary capital set aside strictly for speculative purposes.
- * Only Qualified Persons May Invest In The Offering. An investment in the offering is not suitable or desirable for all Investors. Investors that are U.S. persons must qualify as "qualified investors." Other suitability/eligibility criteria may apply.
- * No Review Or Approval By Regulators. Neither the offering's offering documents, nor the offering of its interests, have been reviewed or approved by U.S. federal or state regulators.
- * Manager May Employ Investment Techniques Which Increase The Offering's Risk Of Loss. The offering Manager may employ leverage and other investment techniques that may increase the volatility of the offering's performance and increase the offering's risk of loss.
- * Operating History. The offering commenced operations in October, 2007.
- * FTC Has Sole Discretion Regarding Allocation Of The Offering's Assets. FTC has sole discretion regarding the allocation of the offering's assets.
- * Possibly Complex Tax Structure. The offering involves a complex tax structure, which should be reviewed carefully.
- * Advisory Fees May Be Substantial. The advisory compensation of FTC, the trading advisor, may, in the aggregate, be substantial regardless of whether the offering has a positive return. The fees will offset the offering's profits.
- * No Requirement To Provide Pricing Or Valuation Information. The offering is not required to provide periodic pricing or valuation information to Investors.
- * The Management Of The Offering Involves A Number Of Potential Conflicts of Interest. There are a number of conflicts of interest or potential conflicts of interest in connection with the management of the offering by FTC.

THIS GENERAL INVESTMENT OFFERING RISK DISCLOSURE IS NOT COMPLETE. THE ABOVE SUMMARY IS NOT A COMPLETE LIST OF THE RISKS AND OTHER IMPORTANT DISCLOSURES INVOLVED IN INVESTING IN THE OFFERING AND IS SUBJECT TO THE MORE COMPLETE DISCLOSURES CONTAINED IN THE OFFERING'S DISCLOSURE DOCUMENT AND TRADING ADVISORY AGREEMENT, WHICH MUST BE REVIEWED CAREFULLY.

Why FTC

- ▶ Performance
 - 15.6% annualized risk adjusted returns*
 - Sharpe Ratio (5%) of 1.18
 - Positive Skewness: 134%
 - Excess kurtosis = 297%
- ▶ Lack of Correlation
 - -32.1% to S&P
 - +14.0% to Barclays CTA Index
- ▶ Diversification
 - Highly diversified portfolio
 - Strategy Diversification
 - Time frame diversification

Note: Past performance is not indicative of future results; there is a risk of loss in participating in the trading program. See “*Important Notes & Certain Risks of Investing In The Offering*” on pages 2 & 3 of this presentation. Pro-forma adjustments made to the historical performance on the above data have been retroactively adjusted to reflect a management fee payable monthly, equal to .166 percent (2 %/year) of the account's month-end net asset value, and an incentive fee payable monthly equal to twenty percent (20%) of the account's new net profits for the month. Please contact the offering directly at (702) 434-4201, for additional details upon the CFTC methodology used in calculating return data, as well as the number of managed client accounts used as a basis for the above.

Why FTC

- ▶ Experience
 - Team has over 25 years of research, development, consulting, and management experience in CTA space
- ▶ Proven team
 - 11 year track record managing significant assets in managed futures, 1991 – 2002. CTA reversal strategy was sold to a larger CTA.

FTC Performance – MS4

MS 4 Monthly Performance (%) \													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2012	-0.28*												-0.28%*
2011	-1.04	-0.94	1.09	0.10	-0.77	3.15	-1.20	0.88	-0.38	-3.34	-1.71	-1.93	-6.09 %*
2010	3.86	-2.52	-4.07	-0.38	8.57	2.70	0.18	3.57	0.75	0.65	1.92	3.45	18.68 %
2009	3.48	-2.41	-0.80	-4.26	10.07	0.77	-3.97	2.83	-4.05	1.30	0.18	-2.22	0.92 %
2008	0.18	-2.56	2.85	-1.17	4.82	-0.13	1.97	8.05	4.07	6.99	2.50	15.60	43.17 %
2007										0.41	5.48	3.55	9.44 %

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Performance Statistics

▶ Compound ROR	15.6%
▶ Standard Deviation	13.2%
▶ Sharpe Ratio	1.18
▶ Maximum Drawdown	-9.0%
▶ Length of Track Record	52 Months
▶ % Positive Months	59.62%
▶ Correlation – Barclays CTA Index	14.0%
▶ Correlation – S&P Index	-32.1%

(Note: The above statistics reflect performance through January 2012)

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Strategy Overview

- ▶ System Allocation and Diversification
 - Program utilizes 4 distinct strategies
 - Risk is equally weighted across models
 - All models employ pattern recognition, counter trend, short term trend following, momentum strategies
- ▶ Trade Duration
 - 50% extreme short term 2 – 5 day holding period
 - 50% short term 5 – 14 day holding period

MS4 – System Components

- ▶ **Sam 101** – very short term swing trader utilizing patterns and market volatility with trade duration lasting 2 – 5 days. Signals generated with daily data inputs.
- ▶ **Sam 007** – short term swing trader using trend direction and trend retracements with trade duration lasting 2 – 7 days. Signals generated with daily data inputs.
- ▶ **Sam 004** – intermediate term trend follower using market momentum as its primary indicator. Pure stop and reverse with trade duration between 7 – 20 days. Signals generated with daily data inputs.
- ▶ **Sam 200** – short to intermediate term trend dependent using market momentum and energy. Trades last between 4 and 8 days. Signals generated with daily and weekly data inputs.

Market Diversification

▶ Market Selection

- Based on liquidity and diversification
- Current portfolio – programs cull from 14 markets

▶ Market Allocation

- Sectors and markets are equally weighted in terms of risk and measured by recent market volatility and price.
- Risk management algorithms govern positions, market and sector exposure

▶ Markets Traded

- US T-Bonds, 10 year notes, Euro Currency, Japanese Yen, Natural Gas, Crude Oil, Heating Oil, Silver, Cotton, Sugar, Soybeans, Corn, Russell 2000, S & P 500

Risk Management

- ▶ Allocate across 7 sectors to limit exposure in any one sector
- ▶ Allocations to specific trades are sized according to recent market volatility and price.
- ▶ Volatility stops are utilized on the day of entry and recalculated on a daily basis
- ▶ Individual projected market risk is limited between 0.3% and 0.6% of capital. Targeted daily risk on overall portfolios 1.5% – 3.0%.

Capital Allocation Model

- ▶ We strive to obtain an efficient portfolio of commodity futures by utilizing market diversification and volatility. Through years of research we concluded a simple yet 100% mechanical allocation model works best.
- ▶ Funds are allocated on a market by market/sector basis using formulae that utilizes current market volatility and pre-determined risk exposure.
- ▶ Portfolio variance is monitored daily and portfolio sizes are adjusted whenever necessary to normalize market/sector risk.

FTC Team

▶ John Hill Sr. – Founder

- Researched thousands of trading systems utilizing a multitude of indicators across varied sectors and asset classes
- Applied engineering and mathematical background to trading technology
- Authored several books on trading techniques including The Ultimate Trading Guide and Building Winning Trading Systems with TradeStation
- Consulted with multiple institutional firms over the last 25 years
- Featured speaker at conferences around the world
- Managed FTC as the research, development, and trading arm for \$200 million CTA from 1991 – 2002

FTC Team

▶ **George Pruitt**

- Director of Research for FTC for 22 years
- B.S, in Computer Science
- Quantitative specialist in the area of technical trading strategies
- Instrumental in the development of the models for Hill Financial Group, a \$200 million CTA program later sold to a large CTA
- Key member of the research and consulting team for the Okina Japanese project
- Instrumental in development of the FTC testing platform Excalibur
- Has written many books and articles about trading systems

▶ **Holliston Hurd**

- Managing Director and Head of Marketing
- Researcher and trader for more than 20 years in futures industry
- Owner of Hill Financial Group managing \$200 million prior to selling strategy to larger CTA

FTC Team

▶ **Joe Bobek**

- Head Trader
- Strategy portfolio maintenance
- Trade over site and confirmation
- Equity analysis and reporting

▶ **Jessica Bonne**

- Administrative Assistant
- In charge of records and books on accounts
- Maintains in house accounting for the firm

History of Firm

▶ 1985 – 1991

- Established in 1985 as a research firm
- Built Excalibur research software to test Hill Sr's pattern based strategies
- Consultant to multi national institutional firms

▶ 1991 – 2002

- Joint venture with Hill Financial Group – CTA, grew to \$200 million

▶ 2002 – 2005

- Research on directional strategies
- Developed series of Samurai strategies
- Consultant to Japanese firms and others
- Beta tested Samurai strategies

▶ 2007

- Opened MS4 to investors

Our Investment Philosophy

- ▶ Research and development cornerstone of the firm
- ▶ Develop diversified technical trading strategies that strive to deliver competitive returns with minimal risks
- ▶ Deliver diversification through differing strategies, portfolios and time frames.
- ▶ Deliver non correlated returns to the S & P index and CTAs indexes
- ▶ Offer robust multiple strategy approach
- ▶ Goal: Deliver attractive returns regardless of the state of world economies

Program Information

- ▶ Round Turns per million 3500
- ▶ Margin to Equity 15 – 25%
- ▶ Funding required 50%
- ▶ Client may choose own FCM
- ▶ Minimum investment level
 - \$500,000

Contact Information

Marketing Contact

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