

CFTC Risk Disclosure Statement

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QUESTIONS OR COMMENTS: PLEASE EMAIL CLIENTSERVICES@ALTAVRA.COM OR CALL 1-800-998-7870.

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To access the database:

1. Request a pin number at altavra.com.
2. After you receive your pin number, you can access the database at portfolio.altavra.com.
3. In the database, click on "List of Programs" at the top of the page to view all of the programs in the database.

*PLEASE NOTE: There is no fee to access the database. This is not a trial access. The pin number does not expire.

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GrowthPoint Investments

Program Description: Iron Condor Program

The Iron Condor program is a premium selling strategy that is currently trading exclusively on the large S&P pit-traded contract. The strategy is to sell premium on the put side only. This credit spread is fully covered and the risks are known in advance. There are no naked short options. The configuration is a three-legged trade which differs from a standard vertical spread in that there is a long put closer to the money than the short puts. This might be called a broken-wing butterfly in a 1/-4/3 configuration. The strike distances between the inside put, short put and protective puts are chosen based on market conditions and historical back-testing.

The spread is designed to collect premium when set and, often times collect additional premium when exited. The behavior at expiration depends on market volatility, price and distance, etc. but protects the spread should the trade come under pressure near expiration.

The strategy performed well in 2008 mainly because the protective inside put allowed an early exit. This minimizes the time expose to the market. Trades are set one to two weeks prior to mid-month expiration, then end of month trades are set. Typical time exposure to market is 8-15 days.

Risk Management

Trades are typically exited when 80% or more of the intended premium has been secured. Defensive strategies include rolling the trade down or down and out to the next expiration. This action is typically taken when the market price comes within 10 points of the short strike intra-day. Short strike distance from market is typically 8-12%. This represents a 5-10% probability of finishing in the money.

Selling (i.e. "writing") naked options contracts involves unlimited risk to the seller. Since GrowthPoint Advisors considers preservation of initial assets paramount to producing trading results, it employs risk management techniques in an effort to reduce risk. No assurance can be given to clients that such money-management techniques will be to their financial benefit, and such techniques may actually result in lost opportunities or substantial losses. Therefore, in an effort to reduce the overall risk of trading these types of positions, GrowthPoint Advisors will typically couple several protective positions involving options on the same index futures contracts initially purchased. These protective positions will be set at varying prices in an effort to reduce the unlimited risk that is inherent in selling naked options contracts. A commonly used term for this type of trade positioning is an "iron condor."

Technical vs. Fundamental Trading

Futures traders typically rely on either "technical" or "fundamental" analysis, or a combination of both, for their trading decisions. Technical analysis is based upon the theory that a study of the markets themselves will provide a means of anticipating future prices. Technical analysis of the markets generally includes a study of, among other things, actual

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daily, weekly and monthly price fluctuations, volume variations and changes in open interest. Technical traders frequently utilize charts and computers for analysis of these items, including a series of mechanical measurements and calculations designed to monitor market activity.

Fundamental analysis, on the other hand, relies on the evaluation of factors external to the market itself in predicting future prices. Such factors might include weather, government policies, domestic and foreign political and economic events and changing trade prospects. Fundamental analysis is premised on the concept that market prices frequently may not reflect the real value of a futures interest contract, although such value will eventually determine price levels. By analyzing underlying economic factors, a fundamental trader hopes to predict future market trends as price levels and actual value move into parity.

Growthpoint Advisor's trading style is completely technical and systematic, however, the Advisor uses its judgment to deploy disciplined and well considered methods for trade entry and trade management shall be employed. Specifically, the Advisor's trading program shall involve selling both call and put options (naked options) at distinctly different price (out of the money) levels from the prevailing market. This strategy is designed to take advantage of options that expire worthless. Trading activity is determined by expected directional changes in the underlying indices.

Management Information

Mr. Gantt holds a Master's degree in Electrical Engineering from Georgia Tech. While obtaining his MSEE, he worked at the Georgia Tech Research Institute. After starting and managing several companies in the technology sector, Mr. Gantt formed Strategic Support Systems (3Si) which provides custom software solutions to various industries. 3Si has been providing specialized software to Fortune 500 companies for over 14 years. He has been trading Options on Futures for over five years. GrowthPoint Investments was formed in 2005 in order to market Mr. Gantt's CTA services. He is registered as an associated person since October 2005 and is listed as a principal of the Advisor since September 2005.

The descriptions above are from the Advisor's disclosure document and other written materials published by the Advisor.