

CFTC Risk Disclosure Statement

THE RISK OF LOSS IN TRADING COMMODITIES CAN BE SUBSTANTIAL. YOU SHOULD THEREFORE CAREFULLY CONSIDER WHETHER SUCH TRADING IS SUITABLE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. THE HIGH DEGREE OF LEVERAGE THAT IS OFTEN OBTAINABLE IN COMMODITY TRADING CAN WORK AGAINST YOU AS WELL AS FOR YOU. THE USE OF LEVERAGE CAN LEAD TO LARGE LOSSES AS WELL AS GAINS.

IN SOME CASES, MANAGED COMMODITY ACCOUNTS ARE SUBJECT TO SUBSTANTIAL CHARGES FOR MANAGEMENT AND ADVISORY FEES. IT MAY BE NECESSARY FOR THOSE ACCOUNTS THAT ARE SUBJECT TO THESE CHARGES TO MAKE SUBSTANTIAL TRADING PROFITS TO AVOID DEPLETION OR EXHAUSTION OF THEIR ASSETS. THE DISCLOSURE DOCUMENT CONTAINS A COMPLETE DESCRIPTION OF THE PRINCIPAL RISK FACTORS AND EACH FEE TO BE CHARGED TO YOUR ACCOUNT BY THE COMMODITY TRADING ADVISOR ("CTA").

THE REGULATIONS OF THE COMMODITY FUTURES TRADING COMMISSION ("CFTC") REQUIRE THAT PROSPECTIVE CUSTOMERS OF A CTA RECEIVE A DISCLOSURE DOCUMENT WHEN THEY ARE SOLICITED TO ENTER INTO AN AGREEMENT WHEREBY THE CTA WILL DIRECT OR GUIDE THE CLIENT'S COMMODITY INTEREST TRADING AND THAT CERTAIN RISK FACTORS BE HIGHLIGHTED. THIS DOCUMENT IS READILY ACCESSIBLE AT THIS SITE. THIS BRIEF STATEMENT CANNOT DISCLOSE ALL OF THE RISKS AND OTHER SIGNIFICANT ASPECTS OF THE COMMODITY MARKETS. THEREFORE, YOU SHOULD PROCEED DIRECTLY TO THE DISCLOSURE DOCUMENT AND STUDY IT CAREFULLY TO DETERMINE WHETHER SUCH TRADING IS APPROPRIATE FOR YOU IN LIGHT OF YOUR FINANCIAL CONDITION. YOU ARE ENCOURAGED TO ACCESS THE DISCLOSURE DOCUMENT BY CLICKING THE LINKS PROVIDED AT [FORMS.ALTAVRA.COM](https://forms.altavra.com). YOU WILL NOT INCUR ANY ADDITIONAL CHARGES BY ACCESSING THE DISCLOSURE DOCUMENT. YOU MAY ALSO REQUEST DELIVERY OF A HARD COPY OF THE DISCLOSURE DOCUMENT AT [FORMSBYMAIL.ALTAVRA.COM](https://formsbymail.altavra.com), WHICH WILL ALSO BE PROVIDED TO YOU AT NO ADDITIONAL COST. THE CFTC HAS NOT PASSED UPON THE MERITS OF PARTICIPATING IN ANY OF THESE TRADING PROGRAMS NOR ON THE ADEQUACY OR ACCURACY OF ANY OF THESE DISCLOSURE DOCUMENTS.

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

For up-to-date performance information on 90+ managed accounts, please access the alternative investment database*.

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.

THE RISK OF LOSS IN TRADING FUTURES, OPTIONS AND OFF-EXCHANGE FOREX CAN BE SUBSTANTIAL.
PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

NDX Capital Management

Program Descriptions

NDX Capital Management utilizes a combination of technical and fundamental analysis in its trading methodology. The Advisor trades both futures and options on U.S. exchanges, including livestock and grain sectors, e-mini indices, and electronic bond products. However, the Advisor may trade any future contracts that fit its profit objectives and risk parameters.

NDX Capital Management's trading strategies are generally focused on position and spread trading. Entry and exit signals are a product of technical analysis that includes both traditional charting techniques and proprietary computer programs. The robustness of a trade, characterized by confirmation of multiple technical indicators, determines the position size and verifies the entry point. Fundamentals, including seasonal influences, news events, and supply and demand, are variables considered in trade implementation. They also weigh on profit objective and trade duration. Fundamental factors are considered more in some markets than others, given their influence relative to the trade's timeframe parameters.

Abednego and Shadrach Programs

These programs focus trading in the livestock sector, and both typically utilize spreads. The technical parameters of the individual programs are defined somewhat differently, however. A variety of components – such as price, volatility, time, and open interest – are factored in technical analysis. The weightings, or importance, given to the various components affects the overall system, often to a large extent. It is this technical variance that establishes the two separate programs. The Abednego program adheres to strict trade evaluation criteria from a technical aspect. The technical features of the Shadrach program, however, allow elasticity, which ultimately results in a more aggressive trading approach. On occasion, the programs may trigger opposing positions. The programs are traded independently of one another. The minimum investment in the Abednego and Shadrach programs is \$100,000, subject to change in the discretion of the Advisor.

Methuselah Program

The Methuselah program utilizes an automated trading system that is designed to profit from daily volatility in the four main e-mini index products (Nasdaq, S&P, Russell, and Dow) and the electronic U.S. 30 year bond product, with a trading timeframe that is usually longer than one day. A variety of proprietary indicators are utilized for precise entries and exits, with system stops built in. All five products are combined in this program to offer diversification. The minimum investment in the Methuselah Program is \$25,000, subject to change in the discretion of the Advisor.

Commodity traders generally rely on either fundamental or technical analysis, or a combination of both, in making trading decisions. Technical analysis is based upon the theory that a study of the markets themselves will provide a means of anticipating external factors, which affect the supply and demand for a particular commodity to predict future prices. Technical analysis of the markets generally includes a study of, among other things, the actual daily, weekly, and monthly

THE RISK OF LOSS IN TRADING FUTURES, OPTIONS AND OFF-EXCHANGE FOREX CAN BE SUBSTANTIAL.
PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

price fluctuations, volume variations, and changes in the open interest. Fundamental analysis, on the other hand, relies on a study of factors external to the trading markets such as general economic factors, anticipated world events, and supply and demand for a given commodity to predict future prices.

Because the trading methods are confidential, the discussion herein is of a general nature and not intended to be exhaustive. The trading strategies and systems utilized by NDX Capital Management may be revised from time to time as a result of ongoing research and development. The trading strategies and systems used by NDX Capital Management in the future may differ significantly from those presently used.

Management Information

:: Phillip D. Herbert

Phillip Herbert is the Chief Executive Officer of NDX Capital Management. His experience makes him ideally suited to the role he assumes as a principal of the Advisor. He has worked for 12 years as a full-time trader, deriving the majority of his income from his trading activities. His experience includes training and supervising other traders.

He began his career in the financial services industry as a stockbroker with Paine Webber Group Inc., a financial management and stock brokerage firm, where he was the top retail broker for two consecutive years while employed there from August 1987 to February 1991. From February 1991, he was employed as a retail broker for Pru-Bache Securities, a stock brokerage firm. He left Pru-Bache Securities in February 1993 to open the Minneapolis branch of All-Tech Investments, Inc., a stock brokerage firm specializing in day trading using the Small Order Execution System on the NASDAQ exchange. By 1996, the firm provided training, order execution and clearing services for approximately 300 equity traders. In August 1996, he left All-Tech and became a full-time trader at NDX Trading Inc., a broker dealer, where he continues to trade actively. NDX Trading provides services to day traders at its offices and through remote Internet connections. He received his Bachelor of Arts degree from the University of St. Thomas in May 1986. On September 19, 2005 he registered as a Principal of NDX Capital Management (CTA/CPO) and as an Associated Person on September 26, 2005. He registered as Principal of NDX Futures Inc. (an introducing broker), on September 6, 2005 and as an Associated Person on October 14, 2005.

:: Alan J. Zenk

Alan Zenk is the Vice President of Operations of NDX Capital Management. As such, he is responsible for all daily operations. His attention to detail, customer service orientation, constant focus on follow-through, and process development skills are an excellent match for his key areas of responsibility. In addition, his strong technical and analytical skills are helpful in identifying and conducting due diligence on traders and trading methodologies for inclusion in the Advisor's strategies.

His experience in the financial industry includes serving in a similar capacity from April 2003 to December 2004 as Director of Operations for ArrowHead Capital Management, an alternative investment manager specializing in non-

THE RISK OF LOSS IN TRADING FUTURES, OPTIONS AND OFF-EXCHANGE FOREX CAN BE SUBSTANTIAL.
PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

correlated, low volatility investment strategies. From December 2004 to September 2005, he evaluated several business opportunities before deciding to focus on the futures industry. He also has many years of experience in developing businesses and raising capital for their operations. In May 1999, he founded VisualGold.com, Inc., an imaging and security software firm, and served as its Vice President of Business Development until March 2003. From August 1998 to April 1999, he served as Vice President of Internet Product Development for Velocity Express, a delivery solutions firm. From July 1994 to July 1998, he served as Chief Technical Officer for American Plastics Exchange, a fax-based database service for the secondary plastics industry. Earlier in his career, he held various computer systems-related positions within the Klenzade division of Ecolab, Inc. He received his Bachelor of Arts degree from St. John's University in May 1985 and his Master of Business Administration degree from the University of Minnesota in May 1989 with a concentration in management information systems. On September 26, 2005 he became a registered Principal of NDX Capital Management LLC and registered as an Associated Person with NDX Futures Inc on November 23, 2005. On May 19, 2008 Mr. Zenk registered as a principal of Malachi Capital Management, an entity currently pending registration as a Commodity Trading Advisor and Commodity Pool Operator.

There have been no material administrative, civil, or criminal actions, whether pending, on appeal or concluded, against Phillip Herbert or Alan Zenk, within the five years preceding the date of this Disclosure Document or at any other time. The performance record of NDX Capital Management begins on page 13 of this document.

The descriptions above are from the manager's disclosure document.