

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.

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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.

What Is a Futures Contract?

Any overview of managed futures must begin with a description of futures contracts. A futures contract is a legally binding agreement designed to allow buyers and sellers to lock in a price on a specified good (e.g., physical commodity, fixed-income security, equity index, or currency) on a specific settlement date. They are standardized according to quality, quantity, delivery time and location for each contract. The only variable is price.

How Did Futures Trading Begin?

Today's futures markets, and the principles that underlie futures trading, evolved from practices that are centuries old, dating back to the ancient Greek and Roman markets. Futures markets in the United States existed as early as 1752.

The history of modern futures trading began in the Midwest in the early 1800s. It was tied closely to the development of commerce in Chicago and the grain trade in the Midwest. As grain trade expanded, a centralized marketplace, the Chicago Board of Trade (CBOT) was formed in 1848 by 82 merchants. Soon after that, trading began in grains, cattle, eggs and other commodities.

When Did Trading In Financial Futures Start?

Beginning In the 1970s, the first financial futures contracts were launched with Government National Mortgage Association (GNMA) mortgage-backed certificates and foreign currency futures. Others quickly followed. As a result, annual futures trading volume on U.S. exchanges grew by more than 10,500 percent between 1968 and 1998.

Today, everything from the S&P 500 Stock Index to crude oil to pork bellies are traded on federally regulated futures exchanges like the CBOT and the New York Mercantile Exchange (NYMEX).

Why Should I Invest In Managed Futures?

Because a well diversified portfolio which includes managed futures has demonstrated the potential to yield better risk adjusted returns over the long run.