

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").

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

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

To access the database:

1. Request an access key at altavra.com.
 - The access key will be automatically generated and sent immediately to your email address.
2. After you receive your access key, you can follow the instructions in the email to access the database.
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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Program Description

Southwest Managed Investments currently offers one trading program: the Global Diversified Program. Additional leverage is garnered by taking exposure to multiple units of the Global Diversified Program versus a single unit of the Global Diversified Program. For example, larger capitalized clients along with institutional investors may elect to invest in five unit increments, whereby the Global Diversified Program's leverage is five (5) times that of a single unit of the Global Diversified Program.

History

In 1999 Vince Batla decided to study different time frames as it related to trend following along with volatility and risk reward studies. Upon completion of the research and development of the initial trading system, trading began in September 1999, with some modifications and optimization taking place during this period. Beginning in January 2002, the optimize version of the initial system continued trading investor funds to present.

In June 2003, minor changes were made to the system to make it less responsive to short term fluctuations. Also, in an attempt to reduce overall drawdown without significantly impacting the system's performance, weekly data began to be utilized rather than the customary daily data utilized by most trend following Commodity Trading Advisors.

Markets Traded		
US Dollar Index	Coffee	Copper
Japanese Yen	Corn	Silver
British Pound	Soybeans	Gold
Swiss Franc	Rough Rice	Eurodollar
Euro FX	Brent Crude	2-Year Treasury Note (US)
Australian Dollar	NY Crude	10-Year Treasury Note (US)
Live Cattle	Natural Gas	30-Year Bond (US)
Milk	Cotton	Australian 3-Year Bond
Sugar	Palladium	Euro Bobl

Program Description: Trading Strategy

The exact nature of Southwest Managed Investment's trading strategy is proprietary and confidential. The following description is of necessity general and is not intended to be all-inclusive. Southwest Managed Investment's strategy is strictly technical in nature. The general trading strategy of the Southwest Managed Investments program is trend following. No fundamental analysis is used. The strategy is not based on analysis of supply and demand factors, general economic factors or world events. The Southwest Managed Investments model generates its own entry and exit signals and trades both sides of the market (long and short). The Southwest Managed Investments model is very long term in time-frame focus. The Southwest Managed Investments model attempts to locate potentially profitable performance

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characteristics across a wide range of markets. Approximately 27 domestic and international commodity interests may be traded. Six of these may either be long or short interest rate contracts reflecting interest rates in Europe, the US and Australia. All markets are traded with equal parameters. Southwest Managed Investments reserves the right to make adjustments in the exact entry or exit price the program uses, or to delay entry or exit on any order, in order to attempt to reduce the impact of slippage. The balance of the commodity interests followed are currencies, grains, metals, softs and energies. The program utilizes one long-term time-frame model. It should be noted that there will be times when there is significant correlation between markets within a market sector or between market sectors, possibly in an adverse direction to positions held in a client's account. Clients of this program should be aware that this factor alone, although there are others, will lead to periods of extreme volatility and possibly very large drawdowns in an account's equity.

Management Information: Jonathan Teer

Jonathan Teer received a Bachelors of Business Administration from The University of Texas at Austin in 1982. Since 1988, Jonathan Teer has been involved in the futures industry and with futures trading on a full time basis. From June, 1988 to February, 1989, Jonathan Teer worked for International Futures Strategists Inc. ("IFS"), a registered Introducing Broker, Commodity Trading Advisor and Commodity Pool Operator. He was registered as an Associated Person of IFS from July, 1988 through February, 1989. He was registered as a Branch Office Manager of IFS from November, 1988 through February, 1989. While with IFS, Jonathan Teer evaluated the performance of various Commodity Trading Advisors, raised and allocated client funds to be managed by a few chosen advisors. International Futures Strategists Inc. is no longer registered with the CFTC.

From February, 1989 through June, 1989, Jonathan Teer was affiliated with Kaiser Financial Group ("Kaiser"), a registered Introducing Broker, in a similar capacity. He was registered as an Associated Person and a Branch Office Manager of Kaiser from April, 1989 through May, 1989. Kaiser Financial Group is no longer registered with the CFTC.

In June, 1989, Jonathan Teer became a guaranteed Introducing Broker for Rosenthal Collins, a registered Futures Commission Merchant. At Rosenthal Collins, Jonathan Teer managed various systematic trend following Commodity Trading Advisors for his clients' accounts. In December 1990, Jonathan Teer terminated his relationship with Rosenthal Collins and withdrew his Introducing Broker registration. In October, 1990, Jonathan Teer began trading his own account along with a small number of various private accounts. Commencing in November 1991 and continuing through December, 1992, Jonathan Teer devoted his time and energies principally to developing, analyzing, testing, and refining trading strategies and methodologies. His research and model development was done with the objective of developing proprietary mechanical systems that utilizes a trend following approach and incorporates strict money management principles. In November, 1992, Jonathan Teer became registered as a Commodity Trading Advisor for the purpose of offering his trading services to the public. Beginning in November, 1992 Jonathan Teer operated as a sole proprietor under the name FF & CG Capital Management, trading his own account and client accounts. In May, 1996, Jonathan Teer also registered FF & CG Capital Management as an Introducing Broker for the purpose of placing client funds with third

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party Commodity Trading Advisor. Since 1997, 99% of the funds introduced by FF & CG Capital Management have been allocated to Clarke Capital Management, a registered Commodity Trading Advisor. Since 1992, Jonathan Teer's primary focus and specific area of expertise has been in model development of trend following systems, along with the execution of the same. Jonathan Teer has researched, studied and invested in numerous other approaches and methodologies, however, to this day, systematic trend following remains the only approach used by Jonathan Teer to trade his own or clients' funds. Jonathan Teer's model development, research, analyzing, and testing are continuous and on-going. Jonathan Teer was registered with the CFTC, as a listed principal of the Advisor, on July 27, 2010. Jonathan Teer was registered with the CFTC as a Commodity Pool Operator (CPO) from May 2001 to June 2012.

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

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