



SHERWOOD FOREST

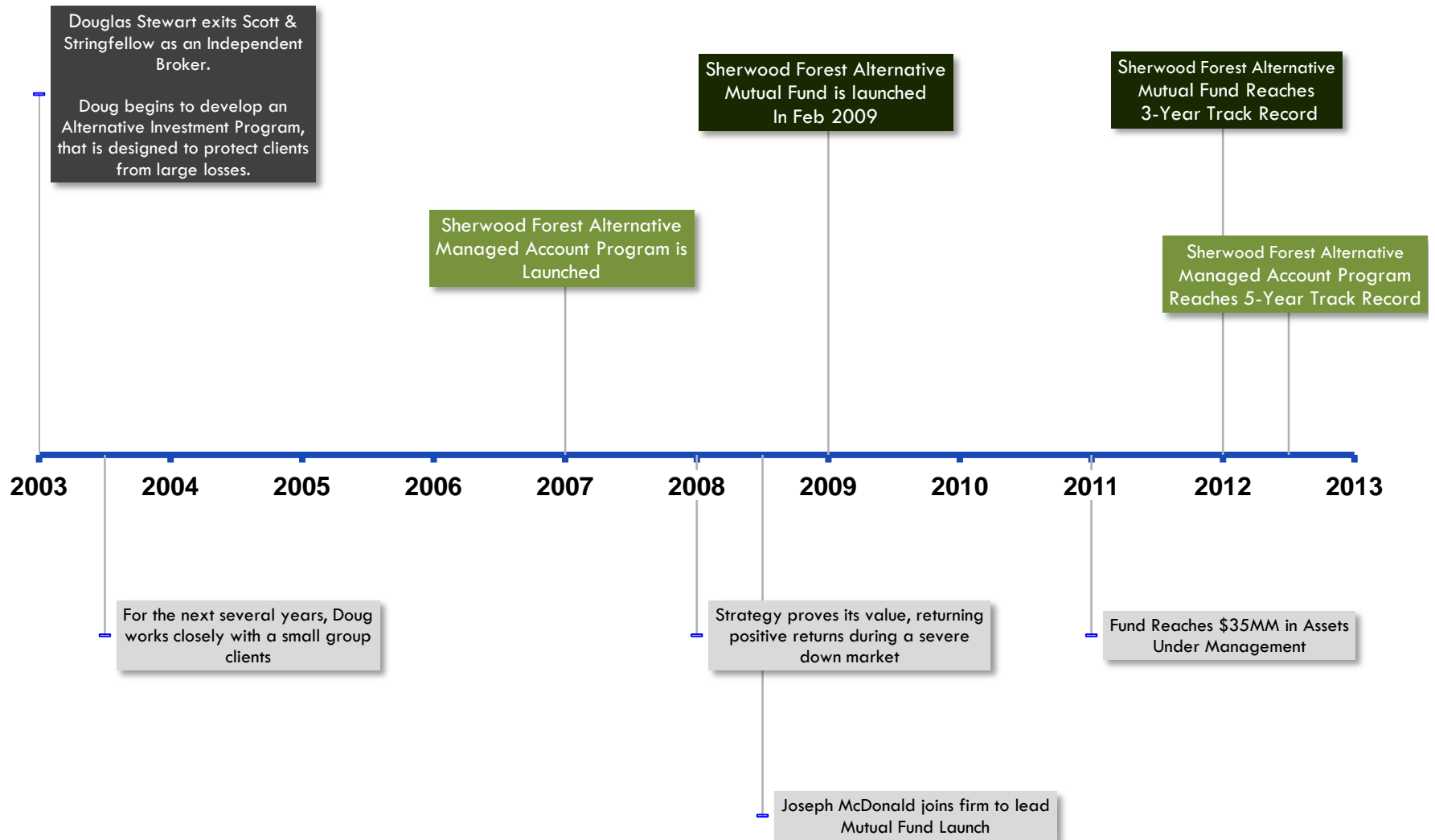
— CAPITAL MANAGEMENT —



- I. Introduction to Sherwood Forest Company
- II. Discussing Alternative Investment Asset Allocation
- III. Strengths and Weaknesses of Trend Following
- IV. Sherwood Forest Alternative Fund
- V. Why Sherwood Forest?
- VI. Managed Account Performance
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Introduction to Sherwood Forest



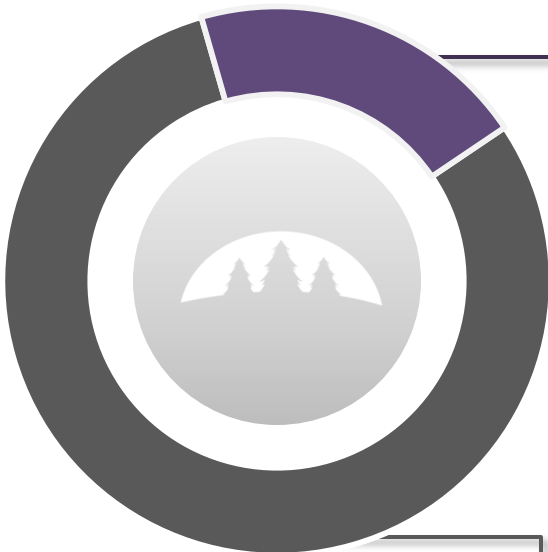


Discussing Alternative Investment Asset Allocation





Example Allocation to an Alternative Investment Strategy



Example Allocation to an Alternative Investment Strategy

20%

Represented in Our Example with the Dow Jones Managed Futures Index

Notable university endowment allocations in marketable alternative investments.

1. Yale, 17%
2. Harvard, 15%
3. MIT, 31%
4. Vanderbilt, 21%
5. U of Michigan, 18%
6. Lafayette, 34%
7. Dartmouth, 16%

Source: 2011 Annual Reports

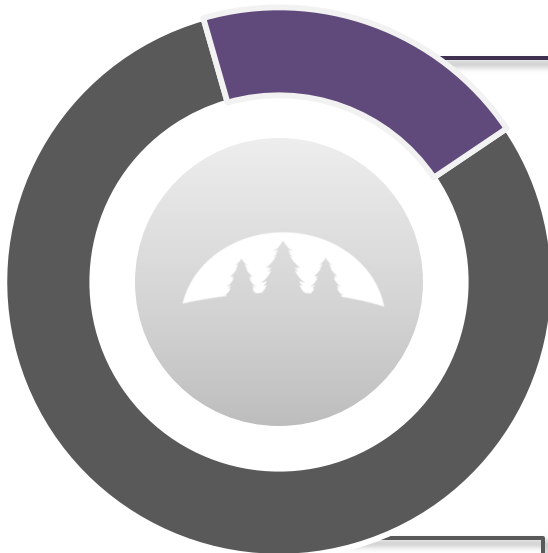
80%

Represented in Our Example with the S&P 500 Index

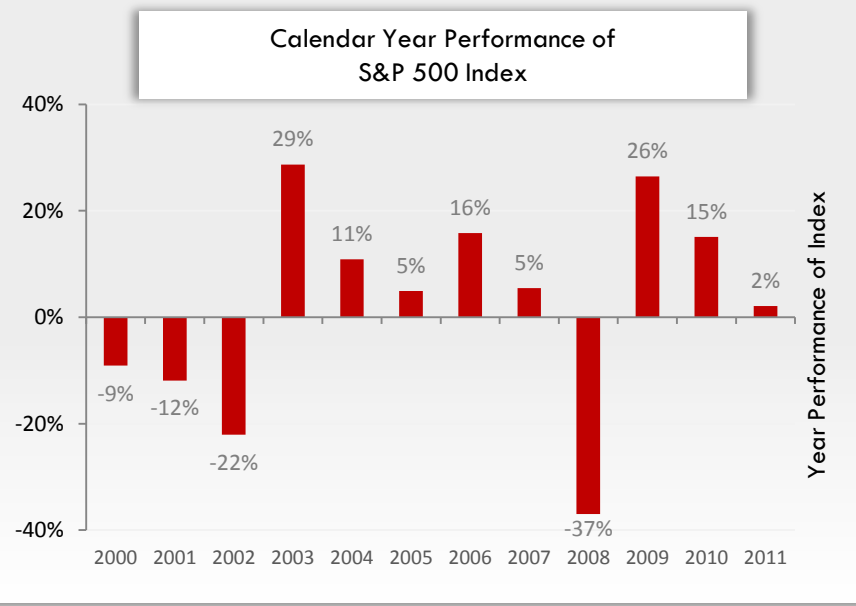
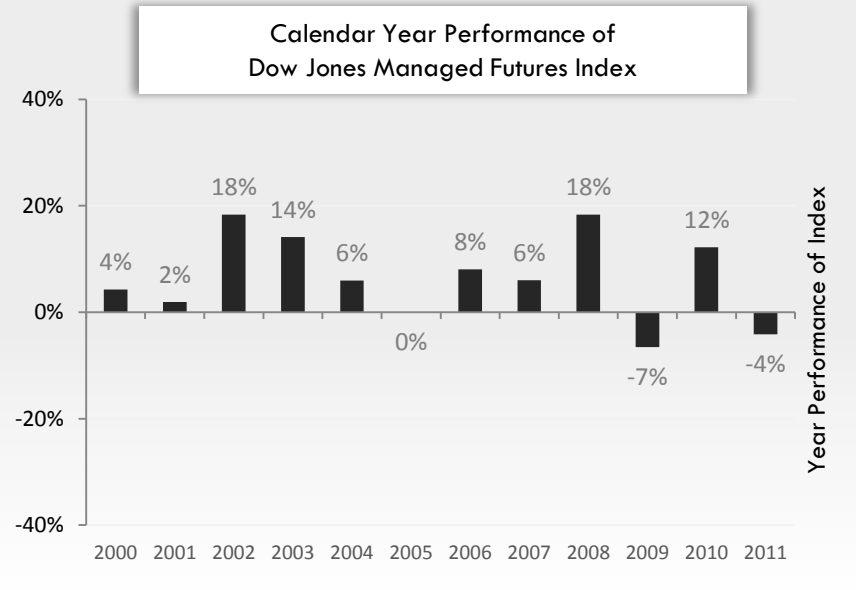
This portion of our example allocation represents the remainder of the portfolio, the non-alternative allocation. For this illustrative example, we use the S&P 500 Index to represent equity exposure.



Calendar Year Performance of Dow Jones Managed Futures

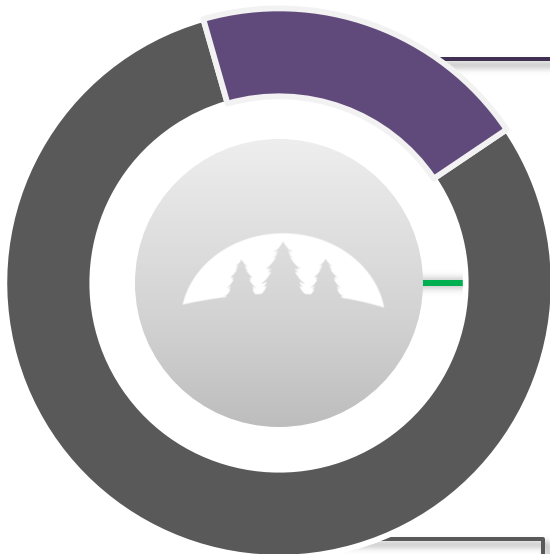


Calendar Year Performance of S&P 500 Index





Example Allocation to an Alternative Investment Strategy



Example Allocation to an Alternative Investment Strategy

Risk Statistics: Based on 2000 to 2011 Monthly Analysis

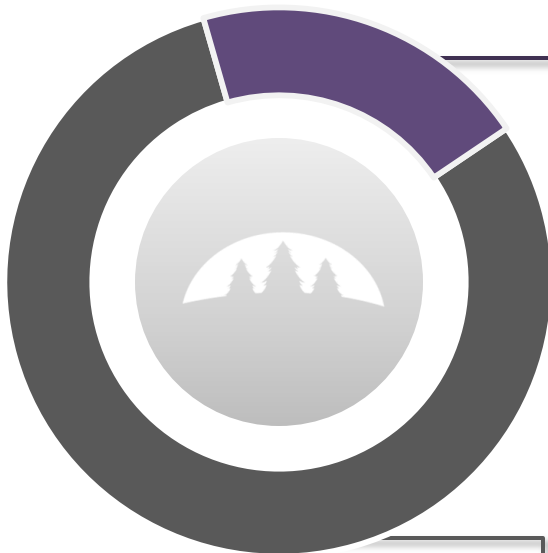
Dow Jones Managed Futures	
Correlation	-0.05
Max Drawdown	-13.92
Std. Deviation	11.85
R-Squared	0.00

20% Managed Futures and 80% in S&P 500 Index	
Correlation	0.98
Max Drawdown	-40.62
Std. Deviation	12.74
R-Squared	0.96

S&P 500 Index	
Correlation	1.00
Max Drawdown	-50.95
Std. Deviation	15.86
R-Squared	1.00



How Institutional Investors Manage Alternative Investment Allocations



How Retail Investors Manage Traditional Investment Allocations

The Yale Endowment has held a fairly consistent allocation to Absolute Return for 10+ Years:

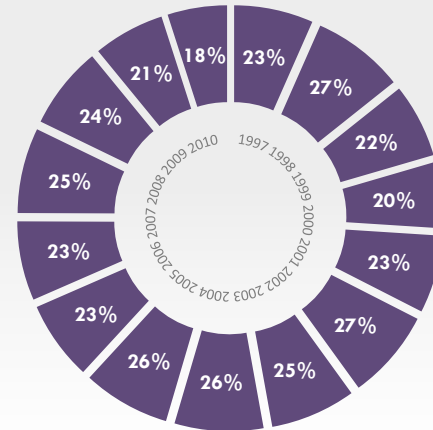
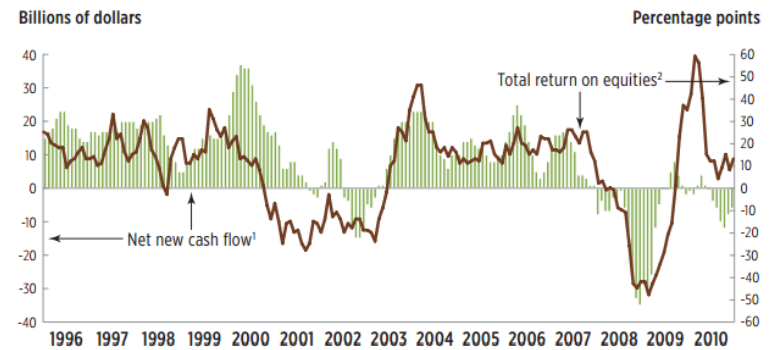


FIGURE 2.4

Net Flows to Equity Funds Related to Global Stock Price Performance 1996-2010



¹ Net new cash flow to equity funds is plotted as a six-month moving average.

² The total return on equities is measured as the year-over-year change in the MSCI All Country World Daily Total Return Index.

Sources: Investment Company Institute and Morgan Stanley Capital International

Strengths and Weaknesses in Trend Following/Managed Futures





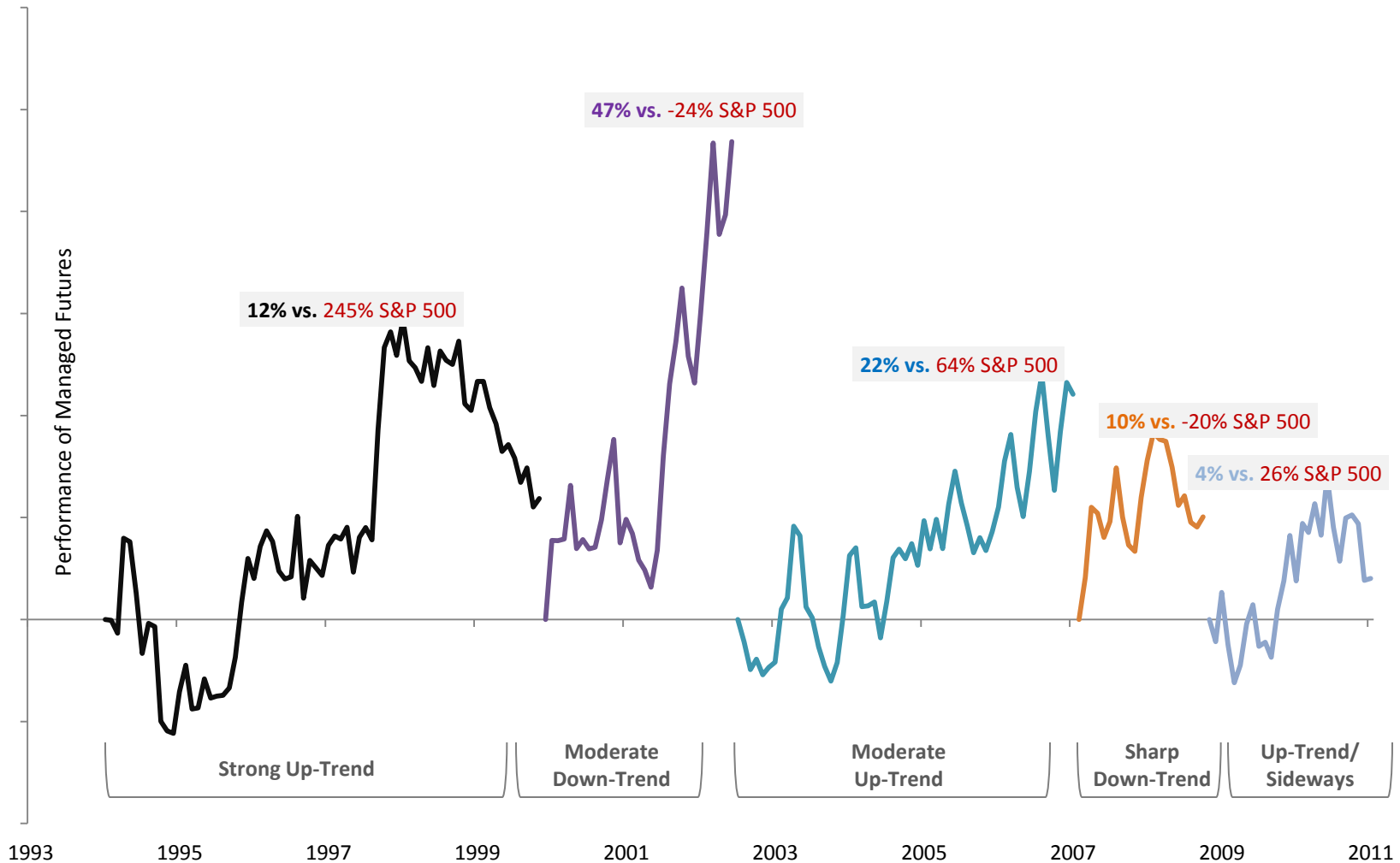
Performance of S&P 500 Index vs. Dow Jones Managed Futures Index (Example Growth of \$10,000)





Managed Futures Under-Performs During Periods of Market Transition, Market Indecision, and Periods of Changing Volatility

Performance of Managed Futures During Periods Managed Futures vs. S&P 500 Index



Sherwood Forest Alternative Program





We Recognize Two Different Types of Market Environments

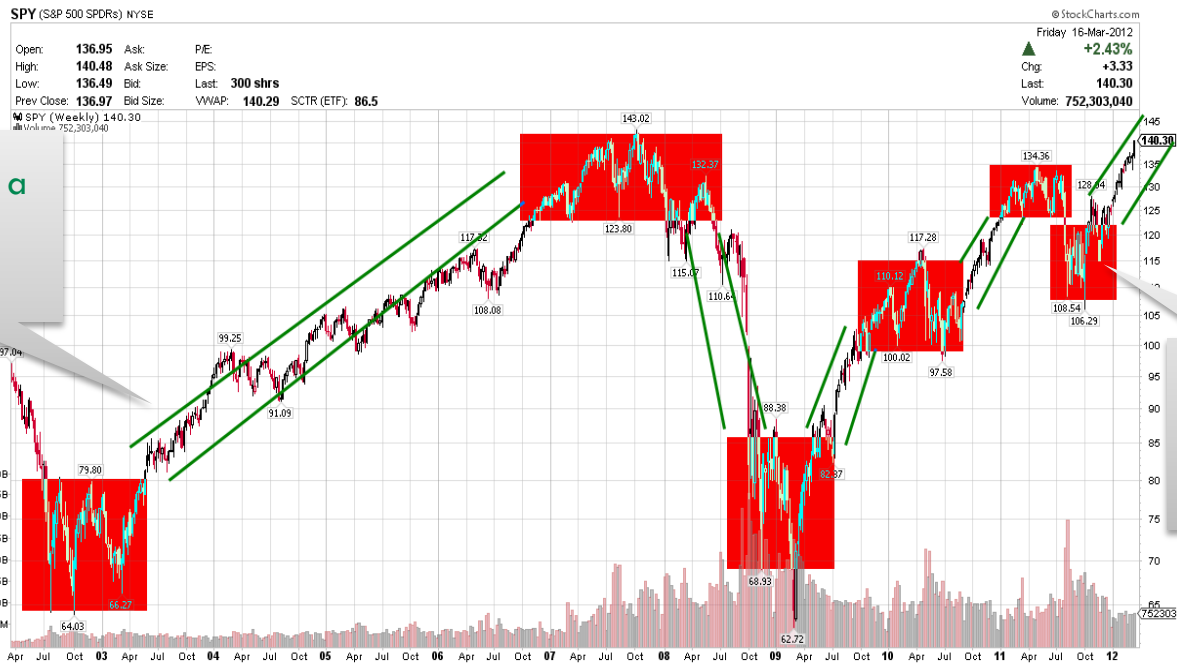
Trending Markets

Sherwood Forest Alternative Program aims to profit, without regard to the direction of the Trend.

Consolidating Markets

Sherwood Forest Alternative Program generally aims to protect capital.

Consolidating periods with high levels of volatility may present opportunities in micro-trends.



Example of a Trending Market

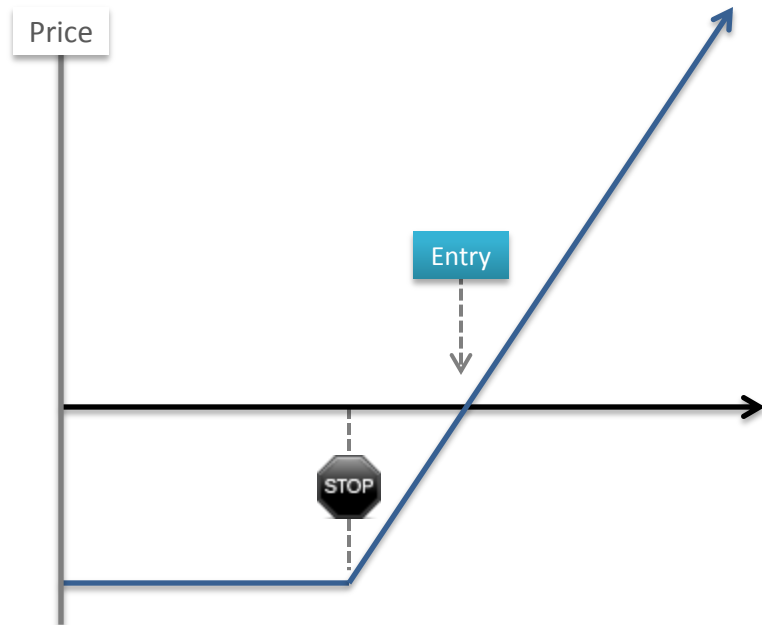
Example of a Consolidating Market



About Our Trend Following Strategy

1. 55 ETFs used primarily covering Domestic and International Equities.
2. Price Analysis/Technical tools such as
 - a) Price Channels
 - b) Moving Averages
 - c) Momentum and Strength
 - d) Overbought/Oversold
3. We allocate the portfolio to the ETFs with the strongest trends.

Example Trend Following Scenario



Cut Losses: We seek to reduce the downside probability by trailing stop-loss orders behind the market. (Discuss ATR)

Run Profits: The Trends we seek to capture are uncertain in time and magnitude. Therefore, we do not exit profitable trades at predetermined, potentially premature levels.



About Our Volatility Strategy/Short-Term Trends

1. In a trend-less high volatility environment, many ETFs develop short-term trend patterns.
2. The volatility focused program seeks to be significantly profitable from short-term trends while CBOE VIX Index is above 20.
3. The volatility focused strategy is based upon an systematic Trend Following system and is not influenced by emotion or forecasting.
4. This volatility component aims to capture a portion of the short-term trends.

Example of a Period of High Volatility



Chart Above: S&P 500 Index and CBOE VIX Index from August 2011 to December 2011



Application Goal: Increased % of Portfolio Allocated to Trend Following Strategy During Trending Periods



Example % Allocation During a Trending Market

Trend Following
(Est. 75-100%)

Volatility Strategy
(Est. 0-25%)

Application Goal: Increased % of Portfolio Allocated to Volatility Strategy/Short-Term Trends



Example % Allocation During a Non-Trending Market

Volatility Strategy
(Est. 0-50%)

Trend Following
(Est. 0-50%)



Sherwood Forest Alternative Program Program Tools

1. 100% ETFs are used, eliminating single stock risk.
2. Only Price analysis is used, no Forecasting is done.
3. Program is primarily Equity focused, both domestic and global.
4. Portfolio can be up-to 100% long and 50% short.
5. Dynamic asset allocation is used, to align portfolio with the market environment.

Potential Comparative Benefits for Sherwood Forest

1. No futures or options are used, eliminating complex problems and high expenses.
2. No forecasting based on a fundamental view.
3. We seek to participate in cyclical equity trends; commonly our client's focus.
4. No performance fees, no Cayman Islands domiciled accounts, no sub-advisors.
5. No leverage or margin is used.

Why Sherwood Forest?





The Sherwood Forest Program has embraced the strengths of Trend Following, while addressing its limitations.

The Program has no directional bias.

Program uses only Exchange Traded Funds (ETFs).

The Program aims to profit primarily from Cyclical trends in Equities in both up and down markets.

The Program aims to be non-correlated over a full market cycle.

Strong portfolio management history from Douglas Stewart
(See “About Advisor” in Prospectus)

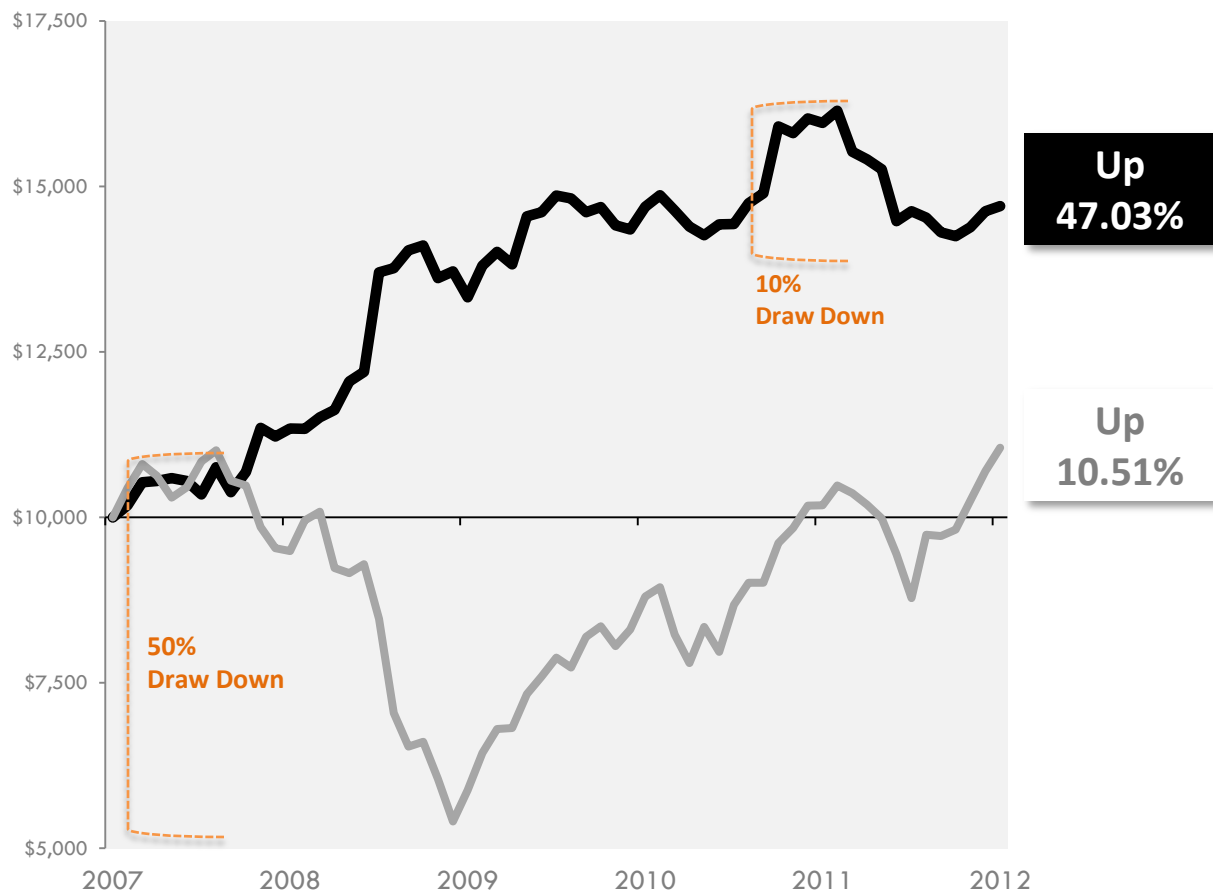
Managed Account Performance





Growth of Investment

Sherwood Forest Performance Since Inception



Monthly Statistics		
	Sherwood	S&P 500 Index
Max DD (%)	-11.74	-50.95
R ²	0.00	1.00
Corr.	0.04	1.00
Beta	0.02	1.00
St. Dev	9.70	19.17

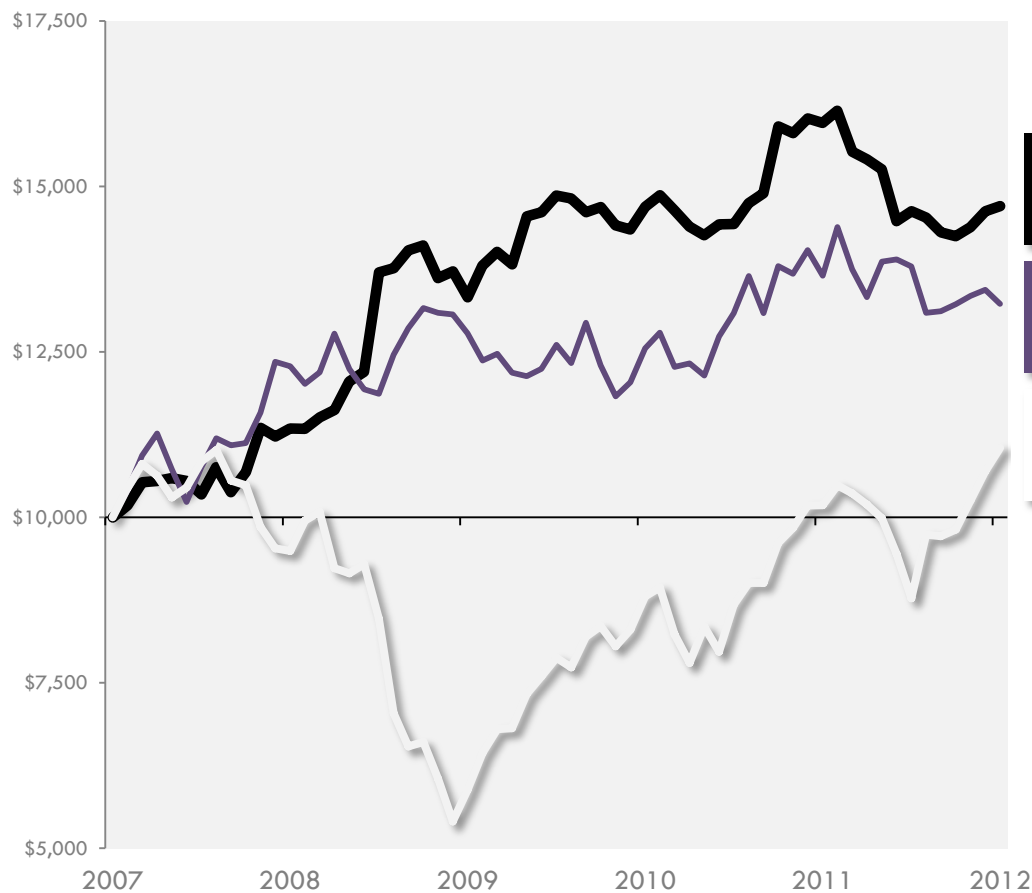
Past performance may not be indicative of future results. Therefore, no current or prospective client should assume that the future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended by the adviser) will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Changes in investment strategies, contributions or withdrawals may materially alter the performance, strategy and results of your portfolio. Performance results reflect the reinvestment of dividends and capital gains.

	2007 (Partial Year)	2008	2009	2010	2011	2012 QTD
Sherwood Forest Alternative	6.86	32.03	4.25	8.32	-10.43	3.18
S&P 500 Index	4.82	-37.00	26.46	15.06	2.11	12.59



Growth of Investment

Sherwood Forest Performance Since Inception



**Up
47.03%**

**Up
32.27%**

**Up
10.51%**

Monthly Statistics		
	Sherwood	Managed Futures
Max DD (%)	-11.74	-10.14
R ²	0.00	0.00
Corr.	0.04	-0.04
Beta	0.02	-0.02
St. Dev	9.70	11.56

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	2007 (Partial Year)	2008	2009	2010	2011	2012 QTD
Sherwood Forest Alternative	6.86	32.03	4.25	8.32	-10.43	3.18
Dow Jones Managed Futures Index	11.24	18.33	-6.58	12.20	-4.17	-0.08

Disclosures

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Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client or prospective client's investment portfolio. An index such as the S&P 500 is a broad measure of the market performance of a specific group of securities in a particular market or sector. You cannot invest directly in an index. An index does not have an adviser, so its performance is not reduced by commissions or expenses.

The SFCM Long/Short Composite performance (from 4/1/07 to 01/31/09) has been examined by Ashland Partners and Co. LLP.