

AIS Capital Management, LLC

Since 1992, the AIS group of companies has provided asset management based on the principle that successful investing often requires independent thinking to develop appropriate investment strategies.

We base our decisions on extensive analysis of global economic factors and asset valuations, and draw on decades of investment experience to select the appropriate asset allocation mix.

Our goal is to capture above-average returns and minimize risk. AIS investment strategies have served both individual and institutional investors well for nearly two decades. AIS Capital Management, LLC is an SEC registered investment advisor.

Objective

The primary objective of AIS's Tactical Asset Allocation Portfolio (TAAP) is conservative long-term growth of capital and preservation of purchasing power.

Why AIS Tactical Asset Allocation Portfolio (TAAP)?

TAAP provides a disciplined approach to investing in equities, gold, bonds and cash equivalents. The strategy tactically over-weights those asset sectors AIS perceives as likely to outperform and under-weights those areas perceived to have above average risk. TAAP does not employ any leverage.

- **TAAP goes beyond the traditional mix of stocks, bonds and cash equivalents by including gold as a fourth investment alternative.** Gold has historically been negatively correlated with stocks and bonds. Modern portfolio theory demonstrates that improved risk adjusted returns can be achieved by including more non- or negatively-correlated assets in a portfolio. In addition, AIS believes that increasing levels of sovereign debt, currency volatility and decreasing confidence in governments' fiscal responsibility will increase gold's role as an alternative store of value. Evolving economic conditions provide compelling reasons to have an investment that can substantially allocate to gold.
- **When the portfolio has a stock allocation, TAAP's equity component uses a proprietary stock selection process that combines quantitative as well as economic and fundamental analysis to identify 20-60 companies poised to potentially outperform in the current economic environment.**
- **TAAP is an investment program with the potential to generate profits during times of rising inflation.**
- **TAAP has the potential to optimize its portfolio for capital preservation**, through investment in cash equivalents — **or for capital appreciation**, through investment in gold and/or equities, as well as long-term U.S. government bonds.
- **TAAP has a low correlation with other tactical asset allocation strategies and financial markets.** An allocation to TAAP may lower the volatility of a traditional portfolio.

Individually-managed TAAP accounts offer daily liquidity.

Our Investment Process

Long-term investment success starts with the recognition that asset allocations often need to change significantly over time, as market conditions do.

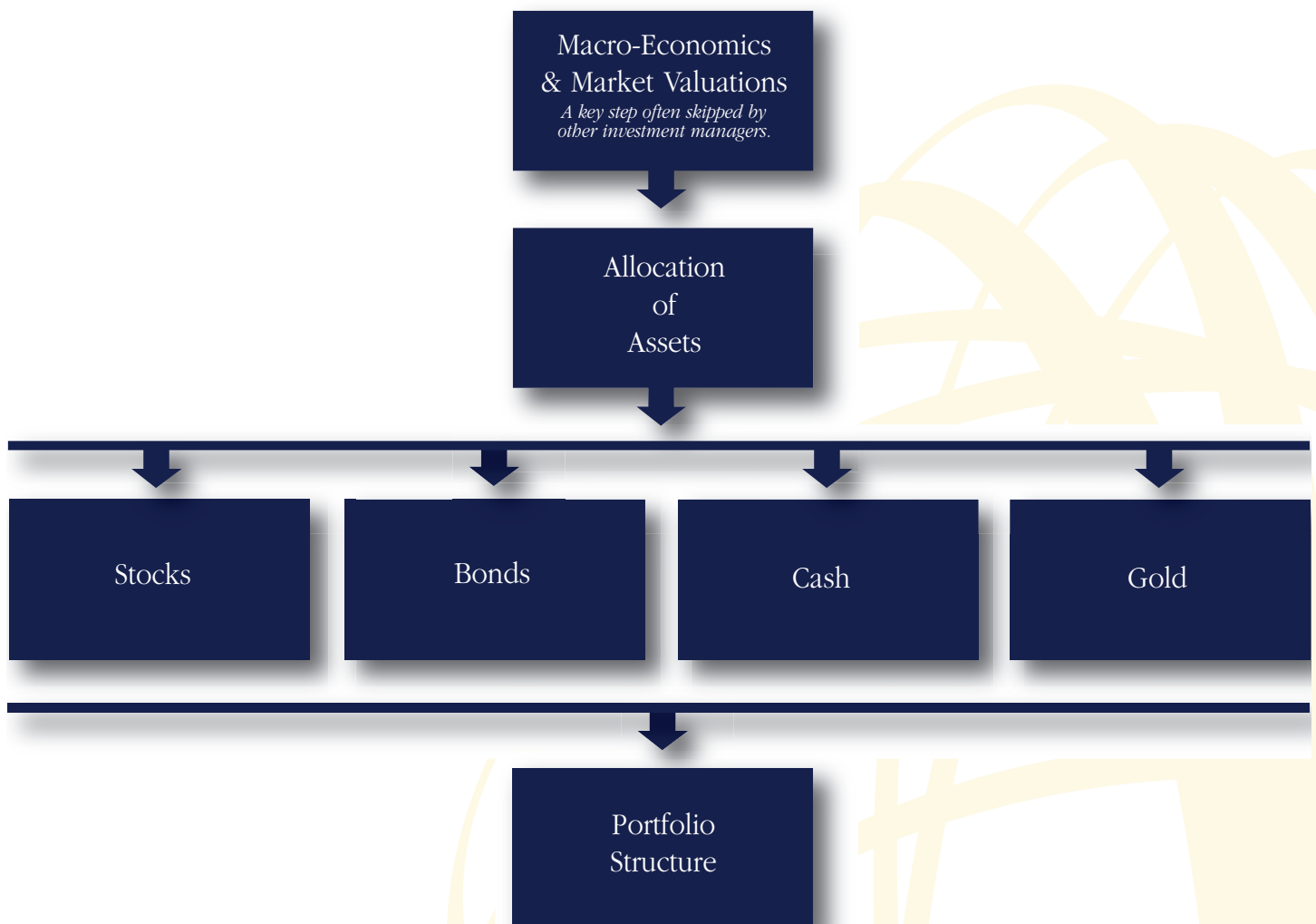
This philosophy has served as the cornerstone of the AIS investment approach since our founding in 1992. This helps us manage the risks of bear markets and inflation as we pursue our paramount goal – to provide total investment management to individuals and institutions with portfolios designed to seek superior performance in all market environments.

All too often, investment managers develop a portfolio by simply basing allocation decisions on client objectives and the previous decade's investment returns.

Such a backward-looking approach can blind a manager and investor to important changes that may be occurring. That is why the AIS investment process includes a critical step – evaluation of current and prospective macro-economic factors and market valuations.

Our recognition of significant economic change and market valuations, coupled with an understanding of client objectives, puts our clients in a better position to potentially avoid investment risks and benefit from current and future opportunities.

We also offer the benefit of investment experience in non-traditional asset classes.



At AIS, we base asset allocation decisions on both rigorous macro global economic analysis and a systematic valuation methodology that seeks to identify asset classes with the greatest return potential.

This hybrid approach provides investors the potential to benefit

from our extensive fundamental investment experience, as well as from our proprietary quantitative systems.

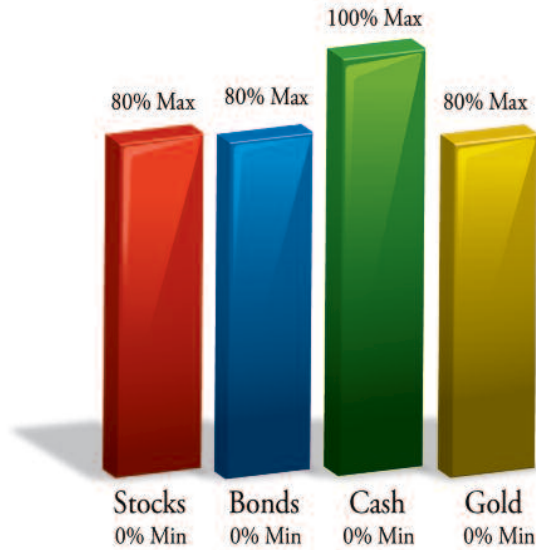
Just as important, the diversity of assets and strategies on which we draw enables us to develop portfolios that can serve a wide range of investor needs.

Portfolio Allocation Method

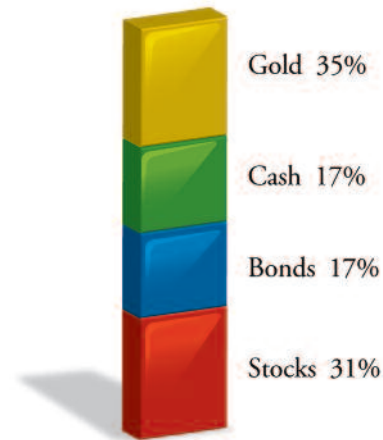
On a time-weighted basis, the TAAP portfolio has a conservative allocation, although TAAP will make very aggressive allocation shifts at various times to either avoid potential risk or to take advantage of perceived capital gain opportunities. AIS believes the ability to make significant allocation shifts is critical to investment success. The ability to reduce exposure to a minimum is critical to mitigating losses in a significant market decline. When market factors turn more positive, the ability to move quickly to a significant investment exposure is a key to achieving capital gains.

TAAP Portfolio Characteristics

Maximum and Minimum potential allocations to each asset class in with TAAP invests

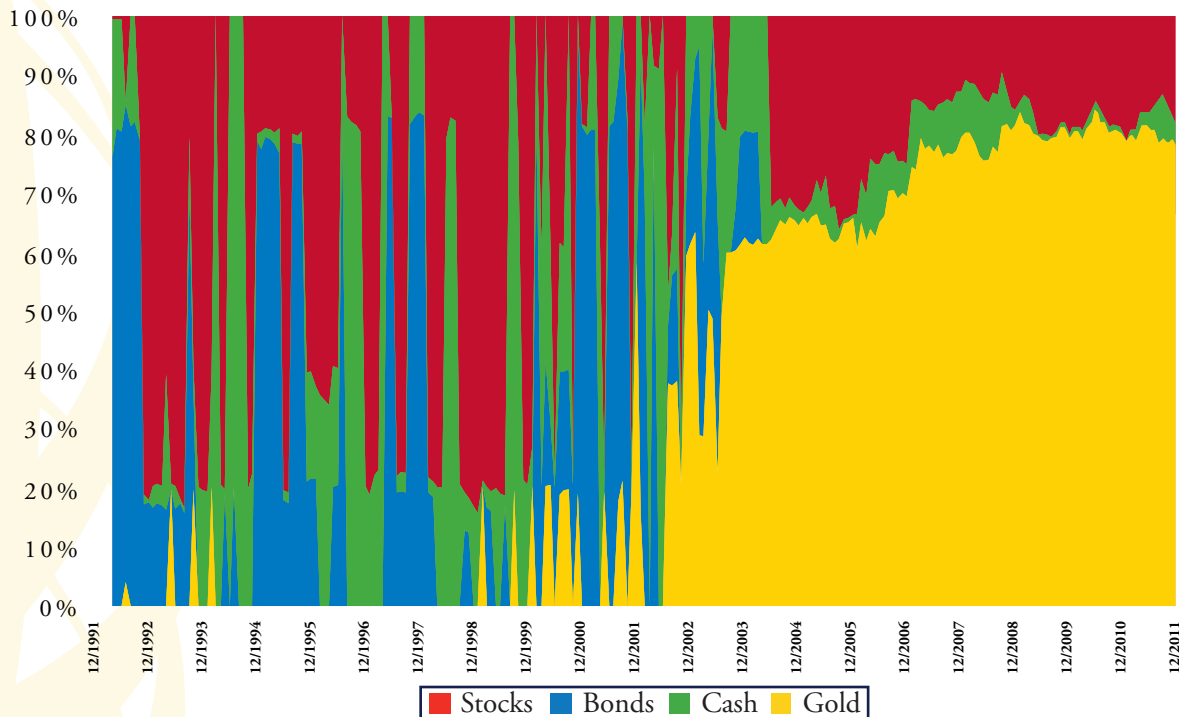


Time-weighted exposure: 3/31/1992-12/31/2011



While this chart displays the actual time-weighted exposure and the maximum allocations currently available, these numbers were different in the past and may change in the future. For example, Gold's maximum allocation began at 20% and gradually moved to 80% over the years. **Past TAAP allocations may be very different than future TAAP allocations even in similar environments.**

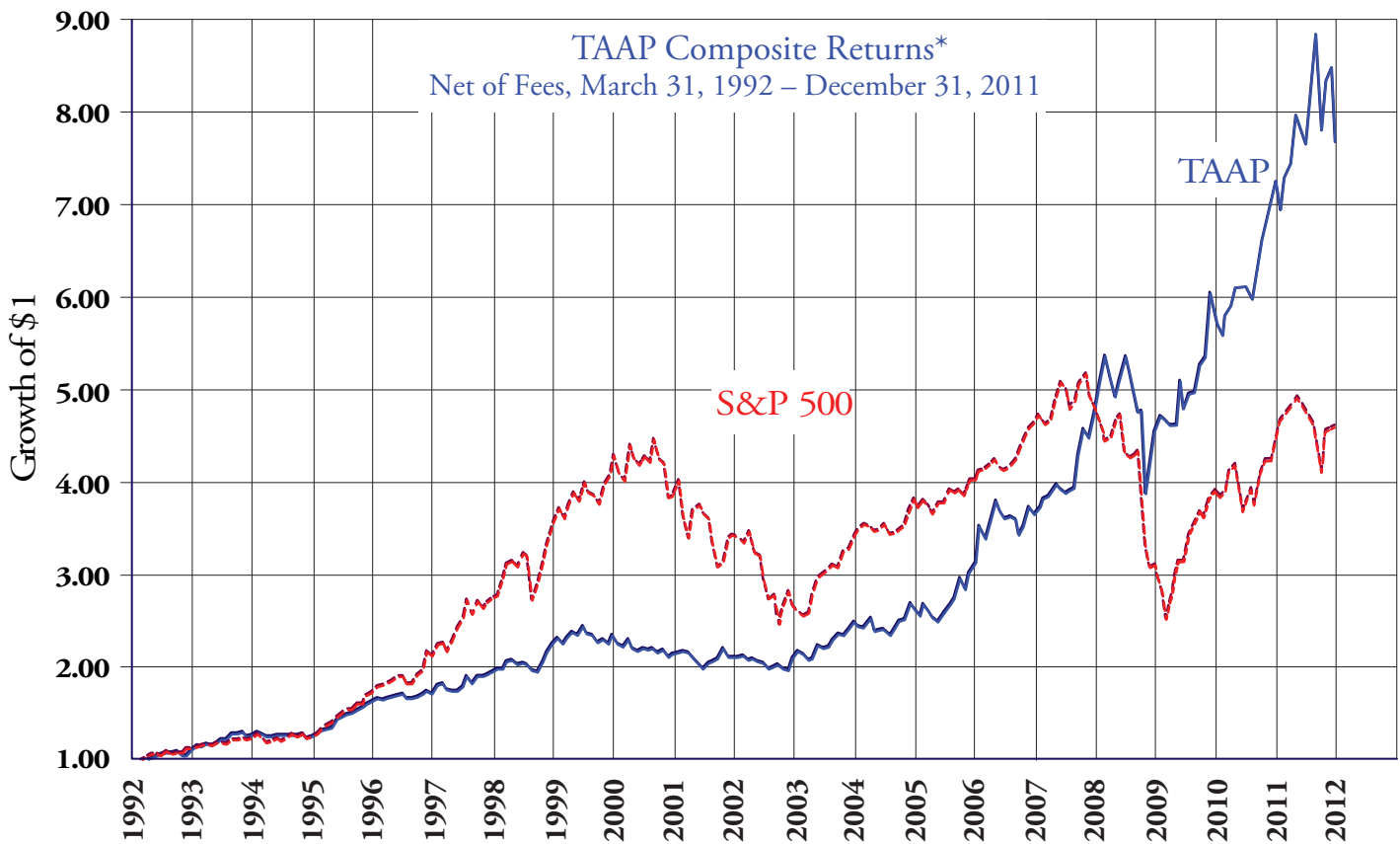
Historical Allocation of TAAP Composite* from inception through 2011 year end



Discretion introduced to the TAAP strategy in 2003. Allocation data shown is for the period June, 1992 through December 31, 2011.

* The TAAP Composite represents the dollar-weighted return for all accounts traded under the TAAP strategy during each reporting period.

TAAP COMPOSITE RETURNS VS. S&P 500 INDEX



* Performance data reflects TAAP Composite. The TAAP Composite represents the dollar-weighted return for all accounts traded under the TAAP strategy during each reporting period. The first TAAP account began trading in March 1992.
Past Performance Does Not Indicate Future Results.

RISKS

Although it is the intention of AIS to reduce risk by avoiding asset classes in decline, there can be no guarantee that substantial losses will not in fact be incurred, and clients may lose all or a substantial portion of their capital allocated to TAAP.

An Allocation to TAAP is speculative, and results can be volatile. Over the past 5 years, the TAAP composite has decreased as much as -18.82% in one month.

Importance of Positive Price Trends to Profitability. AIS seeks to capitalize on long-term price moves. However, AIS's long-term strategies are unlikely to be profitable if there are no long-term trends of the kind they seek to capitalize upon. Without long-term positive price trends in at least some of the markets traded, or if there are significant and unexpected trend-reversals, TAAP is likely to suffer losses.

The Success of TAAP is Dependent on AIS's Ability to identify profitable investment and trading opportunities among the assets included within TAAP and to make appropriate and timely allocations among such assets. There can be no assurance that AIS will be successful doing so.

TAAP Composite Returns are Shown Net of All Fees and Expenses.

Management Fees and Transaction Expenses Need to Be Recovered Before Profits are Earned In An Account.



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