



Active Hedge Presentation

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What is IA's Active Hedge?

A New Kind of Hedge

- A combination of professionally managed, complimentary ETF positions
- Protects your portfolio in down markets and can enhance returns in up markets
- Can be a long or short based on a series of proprietary signals
- Flexible enough to adjust risk based on client needs

Why Use IA's Active Hedge?

Protection for Your Portfolio

- “Buy and Hold” on its own doesn't work in difficult markets
- Our “Active” Hedge participates in up markets and protects assets in down markets
- Multiple signals from multiple models across different time frames means not reacting to every twist and turn in the market
- Great umbrella for an existing portfolio
- Can be structured to meet Section 817(h) diversification rules

Signals From Multiple Models & Time Periods

Investment Strategy Components

The Active Hedge Overlay strategy uses proprietary indicators/signals that measure the strength of the equity and fixed income markets over different time periods.

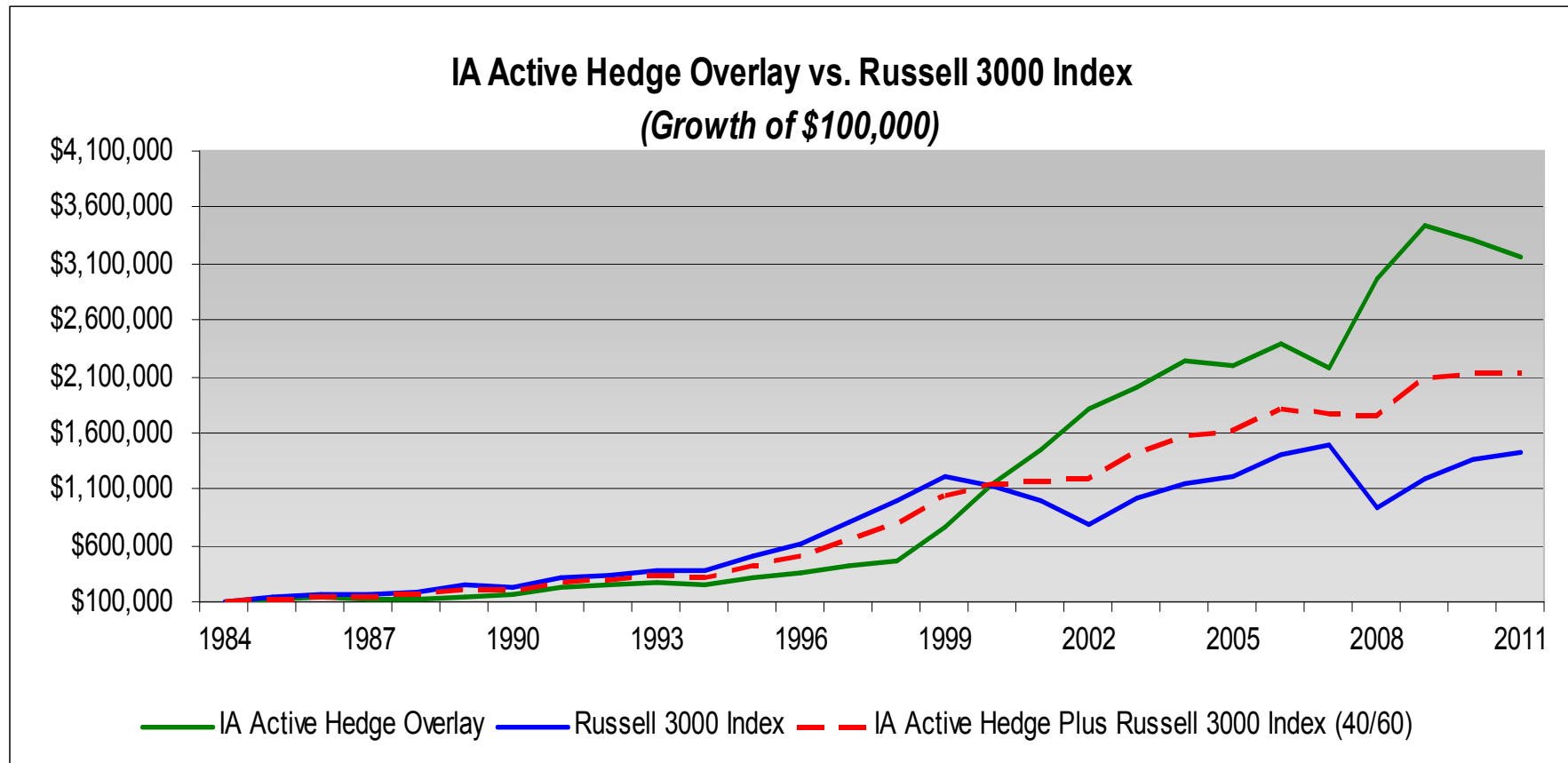
Daily Equity
Signals – One
Month Time Period

Weekly Equity
Signals – Three
Month Time Period

Weekly Fixed
Income Signals –
Three Month Time
Period

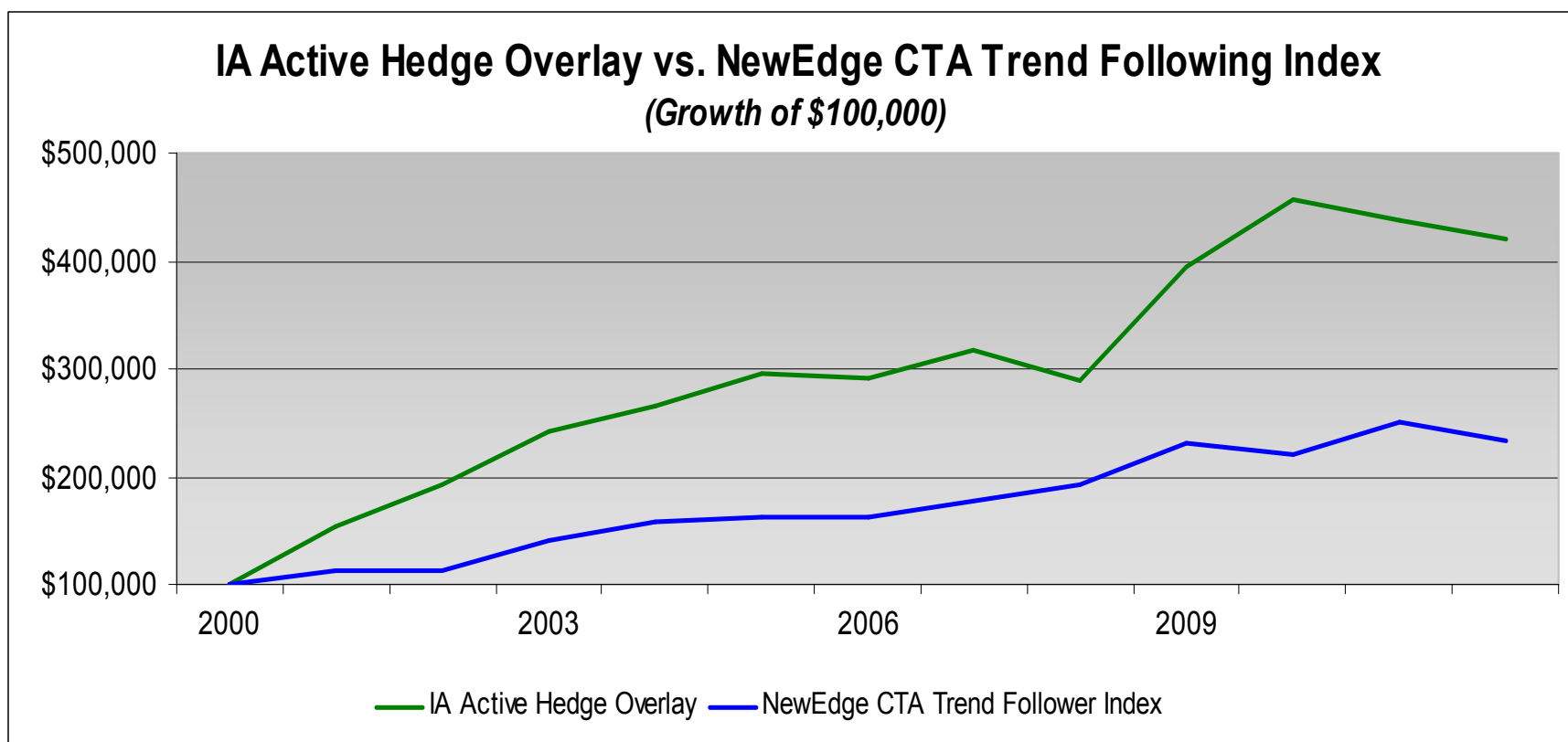
Multiple technical indicators/signals over multiple time periods gives us balance and reduces the effect of false technical signals affecting returns.

Steady Performance



Note: Combined IA Active Hedge Overlay and Russell 3000 Index at a 40%/60% ratio provides a roughly 70% hedge on the underlying index. Performance is proforma prior to August 2009. Past performance is not indicative of future returns and is net of all fees and expenses.

Steady Performance vs. Peers



Note: Performance is proforma prior to August 2009. Past performance is not indicative of future returns and is net of all fees and expenses. The NewEdge CTA Trend Following index is a sub-index of the NewEdge CTA index and may include CTAs who trade outside the equity markets.

Capital Deployment Comparison

Fixed \$ Active Hedge and Effect of Leverage

The table below compares the percent weightings required to implement the Active Hedge Overlay strategy and achieve a 70% hedge with and without leverage on the Russell 3000 benchmarked portfolio.

Description	70% Hedged – No Leverage		70% Hedged – 2X Leveraged	
	Account Value	% Weighting	Account Values	% Weighting
Existing Investment Portfolio	\$1,596,827	61.49%	\$1,596,827	71.07%
Active Hedge Overlay (New Capital Deployed)	\$1,000,000	38.51%	\$650,000	28.93
Total	\$2,596,827	100.00%	\$2,246,827	100.00%

Disclosures:

Existing investment portfolio assumes Russell 3000 investment or a portfolio with similar risk characteristics. Weightings based on Active Hedge beta vs. Russell 3000. Equity index betas do change and are not static.

Solid Returns/Reduced Risk

No Leverage and 2X Leverage

Years 1985 – June 2011

	Russell 3000 Index	60/40 Russell 3000 + Active Hedge	2X Leveraged 60/40 Russell 3000 + Active Hedge
Cumulative Return	1385.45%	2284.40%	26492.63%
Annual Geometric Mean Return	10.51%	12.46%	22.97%
Number of Periods	27	27	27
Positive Periods	22	22	22
Standard Deviation (population)	17.61%	12.34%	23.69%
Beta	0.9920	0.5687	1.0919
Alpha	0.0%	6.2%	12.0%
Correlation	99.5%	81.4%	81.4%
Sharpe Ratio	0.59	1.00	0.96

Disclosures:

Past Performance is not indicate of future returns. Active Hedge performance is proforma prior to August 2009. Returns are net of fees and expenses. Commissions are assumed at \$7.95 per trade and fees & expenses at 1.2%. Sharpe ratio calculation assumes a risk free return of .15%.

Annual and annualized returns are calculated off of daily account values over the entire period and do not include reinvested dividends. They are purely based on price prior to August 2009.

Advantages And Disadvantages

What More Can You Ask For?

Advantages

- Customized solution based on existing portfolio
- Opportunity to work with boutique advisor with limited strategy capacity
- Active Hedge Overlay can generate profits in up and down markets
- Active Hedge Overlay can reduce portfolio risk by as much as 25%¹
- Strategy can reduce “peak to trough” swings and volatility by as much as 70%¹
- Multiple time frames for trading signals help the strategy hold the trend and avoid false signals
- Higher beta and availability of leverage allow for deployment of less capital
- Assets are custody of third party custodians and are not held by the manager. Strategy provides for security level transparency and complete liquidity.

Disadvantages

- Trend following – can lag at market turning points. Typical lag is 2-3 weeks and recovery period is 60-90 days.

¹All figures assume no leverage used and portfolio is 61% hedged.

Who is InTrust Advisors?

A Firm Overview

- Boutique investment advisory firm
- Based in Tampa, managing \$17 million¹
- Focused on trend following solutions
- Registered Investment Advisors; Founded in 1997
- Experienced Management

¹Based on December 31, 2010 form ADV Part I filing

InTrust's Principals

Key Management

Jeffrey J. Diercks, *Founder and Managing Director*

Since 1997, Mr. Diercks has been Founder and Managing Director of InTrust Advisors, Inc., a registered investment advisory firm which provides a range of investment related services to institutional and high net worth clients. From 1995-2002, Mr. Diercks was also the Chief Operating Officer of a family office with over \$150 million in capital, and was responsible for review and monitoring of more than \$50 million of investments in over 15 private investment partnerships. From 1990-1995, Mr. Diercks was a Managing Director of Tunstall Consulting, Inc., where he assisted clients in raising over \$150 million in institutional debt and equity. Prior to joining Tunstall, Mr. Diercks was a Senior Supervisor with KPMG Peat Marwick, where he oversaw audit and tax engagements as well as consulting engagements related to mergers and acquisitions. Mr. Diercks is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants. He received a Bachelor of Sciences degree from Indiana University in 1986.

Wayne A. Corbitt, *Managing Director*

Mr. Corbitt has been a computer programmer for over 25 years and has specialized in the financial services industry for the last eight plus years. He has vast past experience working with both a smaller, emerging hedge fund and several full service financial firms. He was previously an investment strategist at Trademark Capital Management where he co-managed \$60 million in client assets. Prior to joining Trademark Capital, he was the director of research for the I2 hedge fund in Scottsdale, Arizona. While with I2, he developed an investment model for the Real Estate Equity Investment Trust sector (or REITs) that generated signals based on relative strength along and interest rate trend changes. He also developed a number of complimentary trading systems that, when paired with higher level investment models, enhanced returns and reduced overall risk. Prior to work with I2, Mr. Corbitt was a research associate/programmer for Flexible Plan Investments where he developed and automated trading systems that were used by Flexible Plan's money managers. Mr. Corbitt has an Associate Degree from Henry Ford Community College in Dearborn, Michigan. He is a Chartered Market Technician and a member of the Market Technicians Association.

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The Russell 3000 index is a capitalization weighted index of the 3000 leading companies from industries of the U.S. economy. It represents a broad cross-section of the U.S. Equity market, including stocks traded on the NYSE, AMEX, and NASDAQ exchanges.

Proforma performance for the Active Hedge is based on the performance of QQQQ and 2x QQQQ (also inverse QQQQ and 2X QQQQ), combined with the Vanguard Intermediate Term Index Fund, using InTrust's proprietary signals. Results shown are hypothetical and are not based on actual investments.